



Plymouth City Commission

Regular Meeting Agenda

Monday, December 21, 2020 7:00 p.m. ONLINE

City of Plymouth
201 S. Main
Plymouth, Michigan 48170-1637

www.plymouthmi.gov
Phone 734-453-1234
Fax 734-455-1892

Meeting will be held as a Zoom Webinar

Join Zoom Webinar - <https://us02web.zoom.us/j/88329050947> Passcode – 138398

International numbers available: <https://us02web.zoom.us/j/88329050947>

Statement on explanation of the reason why the public body is meeting electronically:

On March 10, 2020, the Governor of the State of Michigan declared a State of Emergency across the State of Michigan. As a part of the response to that emergency certain changes were deemed to be reasonable and necessary to protect the public health, safety, and welfare. Due to the on-going emergency situation the Michigan Department of Public Health and Human Services has recently made certain rules about gathering in groups of people. Further, the Michigan Legislature passed legislation to temporarily suspend certain rules, regulations and procedures related to the physical presence at meetings and hearings of public bodies and other governmental entities in Michigan. These public bodies and entities must continue to conduct public business during this emergency. Recently passed legislation has made it possible for public boards to meet electronically. Due to the Public Health declarations the City of Plymouth will have its Boards and Commissions meet electronically as permitted under the newly enacted law that is known as SB1108.

1. CALL TO ORDER

- a. Pledge of Allegiance
- b. Roll Call

2. CITIZENS COMMENTS

3. APPROVAL OF THE AGENDA

4. ENACTMENT OF THE CONSENT AGENDA

- a. Approval of December 7, 2020 City Commission Regular Meeting Minutes
- b. Approval of October 2020 Bills

5. COMMISSION COMMENTS

6. AUDIT PRESENTATION – PSLZ

7. PUBLIC HEARING

- a. Tree Ordinance and Final Reading

8. OLD BUSINESS

9. NEW BUSINESS

- a. WOW! Uniform Video Service Local Franchise Agreement
- b. Temporary Rule Changes Due to COVID Emergency
- c. Truck Route Ordinance – First Reading

10. REPORTS AND CORRESPONDENCE

- a. P.A. 202 Pension OPEB Reports – NO ACTION
- b. Liaison Reports
- c. Appointments

11. ADJOURNMENT

Citizen Comments - This section of the agenda allows up to 3 minutes to present information or raise issues for items not on the agenda. Upon arising to address the Commission, speakers should first identify themselves by clearly stating their name and address. Comments must be limited to the subject of the item.

Persons with disabilities needing assistance with this should contact the City Clerk's office at 734-453-1234 Monday through Friday from 8:00 a.m.-4:30 p.m., at least 24 hours prior to the meeting. An attempt will be made to make reasonable accommodations.

Consent Agenda- The items on the Consent Agenda will be approved by one motion as Agenda Item #4. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which case that item will then be placed on the regular agenda.

City of Plymouth Strategic Plan 2017-2020

GOAL I - QUALITY OF LIFE

OBJECTIVES

1. Support the neighborhoods with high-quality customer service
2. Engage in collaboration with private entities and surrounding municipalities to implement the [Joint Recreation Master Plan](#)
3. Improve communication with the public across multiple platforms
4. Maintain a high level of cleanliness throughout the City
5. Support and host a diverse variety of events that foster community and placemaking

ONE YEAR TASKS 2020-21

- Liquor/marijuana license review
- Rooftop seating review
- Adopt Downtown Development Authority (DDA) Master Plan and identify funding sources for implementation
- Begin implementation of Kellogg Park Master Plan with fountain replacement
- Establish format & requirements for public parks sponsorship
- Resident education programs on zoning basics, ordinance change and update, services, and recycling
- City webpage - create city-wide F.A.Q. "Index" page and push out link
- Increase social media presence – 1k new followers/subscribers/etc.
- Review and evaluate City truck routes
- Complete update to Special Events Policy

GOAL II - FINANCIAL STABILITY

OBJECTIVES

1. Approve balanced budgets that maintain fiscal responsibility
2. Advocate for increased revenue sharing with the State of Michigan
3. Encourage and engage in partnerships, both public and private, to share costs of services and equipment
4. Address the issue of legacy costs
5. Seek out and implement efficient and effective inter-departmental collaboration
6. Market our successes to attract new economic and investment opportunities

ONE YEAR TASKS 2020-21

- Actively promote and participate in the 2020 census
- Explore internal and external supplemental funding of legacy costs
- Target revenue enhancements for large-scale capital projects, including grants and millage
- Assist the Michigan Municipal League (MML) in facilitating and increasing support for state revenue sharing initiatives
- Redesign Capital Improvement Plan and evaluate future funding process for Equipment Fund
- Create a rate card for payment in lieu of paid parking
- Develop financial plan for public safety model
- Identify cost estimates, timeframe and potential funding sources for central parking deck
- Complete road bond sale – phase one

GOAL III - ECONOMIC VITALITY

OBJECTIVES

1. Continue to support and improve active, vibrant downtown branding
2. Support community and economic development projects and initiatives
3. Support a mix of industrial, commercial and residential development
4. Reference the [Master Plan](#) in economic decision-making

ONE YEAR TASKS 2020-21

- Continued administration of development projects and proposals including Wilcox Mill, Saxton's, Pulte, Starkweather School, Lumber Mart, and various residential builds
- Branding – consistency across all communications (email, letterhead, agenda)
- Provide annual process and risk-management training to all boards and commissions
- Continue implementing Redevelopment Ready Community (RRC) plan to achieve certification
- Develop list of transitional properties and utilize Michigan Economic Development Corporation (MEDC), Wayne County, others to market
- Explore marketing partnerships (schools, Chamber, hotels, available publications etc.)

GOAL IV - SERVICE AND INFRASTRUCTURE

OBJECTIVES

1. Support administration and staff by providing professional development opportunities, supplying resources, and maintaining a commitment to recruitment, retention and succession planning
2. Support and deliver safe and responsive emergency services
3. Maintain a sophisticated and responsive technology to communicate and manage data
4. Continually record, maintain, update, and improve City infrastructure

ONE YEAR TASKS 2020-21

- Administration to make parking recommendation to City Commission by end of first quarter
- Implement updates to parking system according to direction given by City Commission
- Actively engage employees for further career development for succession planning with special focus on the depth of Cultural Center staffing
- Continue Asset Management Plan
- Review Insurance Services Office (ISO) Report and International City/County Management Association (ICMA) Study & begin meeting to discuss viable options for the future delivery of emergency services
- Approve third version of agreement on sanitary sewer with Western Township Utilities Authority (WTUA) based on delay by Wayne County
- Develop multi-modal transportation policy to City Commission
- Implement 2020 street repairs
- Restore Commercial Motor Vehicle (CMV) enforcement
- Continue geographic information system (GIS) mapping of the City
- Define process/educate citizenry/pursue adoption/implement form-based codes



City of Plymouth
City Commission Regular Meeting Minutes
Monday, December 7, 2020 - 7:00 p.m.
Zoom Meeting

City of Plymouth
201 S. Main
Plymouth, Michigan 48170-1637

www.plymouthmi.gov
Phone 734-453-1234
Fax 734-455-1892

1) CALL TO ORDER

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

b. Roll call

Present: Mayor Oliver Wolcott, Mayor Pro Tem Nick Moroz, Commissioners Suzi Deal, Ed Krol, Kelly O'Donnell, Marques Thomey, and Tony Sebastian

Also present: City Manager Paul Sincock, Attorney Robert Marzano, and various members of the City administration

2) CITIZENS COMMENTS

There were no citizen comments.

3) APPROVAL OF THE AGENDA

Krol offered a motion, seconded by Sebastian, to approve the agenda for Monday, December 7, 2020.

There was a roll call vote.

Yes: Deal, Krol, Moroz, O'Donnell, Thomey, Sebastian, Wolcott

MOTION PASSED 7-0

4) ENACTMENT OF THE CONSENT AGENDA

- a. Approval of November 16, 2020 City Commission Regular Meeting Minutes
- b. Approval of November 30, 2020 City Commission Special Meeting Minutes
- c. Approval of November Bills
- d. Special Event – Sun & Snow Ski and Snowboard Swap - 12/10/2020 to 12/14/2020
- e. Special Event – Wreaths Across America Ceremony – 12/19/2020
- f. Special Event – Art In The Park – 7/9/2021 to 7/11/2021
- g. MERS Defined Contribution Clarification

Moroz offered a motion, seconded by Thomey to approve the consent agenda.

There was a roll call vote.

Yes: Deal, Krol, Moroz, O'Donnell, Thomey, Sebastian, Wolcott

MOTION PASSED 7-0

5) COMMISSION COMMENTS

Moroz thanked the staff for operating under challenging times with new state regulations.

Thomey complimented the Department of Municipal Services for the videos they recently posted on social media. Deal echoed the compliment, saying it was especially nice to see crew members in the videos.

6) OLD BUSINESS

There was no old business.

7) NEW BUSINESS

- a. Mobile Field Force Team Memorandum of Understanding

The following resolution was offered by Thomey and supported by Sebastian.

RESOLUTION 2020-93

WHEREAS The City of Plymouth participates with the Western Wayne County Mobile Field Force Team (WWCMFF) in an effort to secure the public health, safety and welfare; and

WHEREAS The WWCMFF has previously operated on what can be best described as a "gentlemen's agreement" between all of the participating agencies in the WWCMFF.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Plymouth does hereby adopt the Addendum to the Memorandum of Understanding between the City of Plymouth and the Western Wayne County Mobile Field Force and the participating municipal police and fire agencies who are a party to this agreement.

BE IT FURTHER RESOLVED THAT the Mayor of the City of Plymouth is hereby authorized to sign the Memorandum of Understanding and the City Clerk is hereby directed to incorporate the entire agreement into the official Meeting Minutes of this meeting.

There was a roll call vote.

Yes: Deal, Krol, Moroz, O'Donnell, Thomey, Sebastian, Wolcott

MOTION PASSED 7-0

**STATE OF MICHIGAN
COUNTY OF WAYNE
WESTERN WAYNE COUNTY MOBILE FIELD FORCE TEAM**

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING (MOU) is hereby entered into by and between the Western Wayne County Mobile Field Force Team (WWCMFF) and the participating municipal police agencies signing below. The purpose of this MOU is to establish formal framework for joint actions involving these agencies as it relates to the participation of police officers on the Western Wayne County Mobile Field Force Team.

SCOPE

The First Amendment right of free speech and lawful assembly is fundamental to our society and necessary for our form of government. However, it is understood that civil unrest may result from a variety of situations, including but not limited to planned and unplanned protests, large or unpopular assemblies and acts of civil disobedience. During times of civil unrest, agencies' resources can be quickly overwhelmed preventing an adequate police response and thereby creating a substantial risk of property damage and injury to officers, participants, and bystanders. In order to address these challenges, the WWCMFF is created to provide resources and planning to events requiring the need for crowd control techniques or the restoration of order where the need is greater than the capabilities offered by a single agency.

AUTHORITY

This MOU is effective as of the date of signature by the chief law enforcement official of each participating agency and the municipality's chief executive officer or their designee. It shall remain in full force and effect until all participating agencies agree to cancel it or a participating agency provides 90 days' written notice to the WWCMFF Board Chair of their intent to withdraw from the team.

BOARD OF DIRECTORS

The WWCMFF Board of Directors shall be comprised of the chief law enforcement official or their designee from each participating agency and shall provide oversight to the WWCMFF. The Board shall meet on a quarterly basis to receive updates from the team Commander and discuss the business of the team. Should an issue arise that needs to be decided by a vote of the board, a majority vote of those in attendance shall rule. The WWCMFF Board Chair position shall rotate among the participating agencies on a two-year rotation.

**STATE OF MICHIGAN
COUNTY OF WAYNE
WESTERN WAYNE COUNTY MOBILE FIELD FORCE TEAM**

MEMORANDUM OF UNDERSTANDING

ELIGIBILITY AND PARTICIPATION

Current members of the WWCMFF are Schoolcraft College, University of Michigan-Dearborn, Wayne County Airport Authority, the Cities of: Dearborn, Dearborn Heights, Garden City, Livonia, Northville, Plymouth, Wayne, Westland, and the Townships of Canton, Huron, Northville, Plymouth, Redford, Sumpter and Van Buren.

Any duly organized police agency having jurisdiction within Western Wayne County may apply for participation to the WWCMFF Board of Directors. Any agency entering into this agreement shall have its chief law enforcement official and the municipality or entity's chief executive officer or their designee execute a copy of this MOU; and shall assign personnel to the unit according to the team's selection process.

PARTICIPATION FEE

Each participating agency shall be responsible for an annual participation fee due by January 31st of each year. If an agency joins in the middle of a fiscal year the participation fee shall be prorated for the remainder of the year. The participation fee will be set by majority vote of the WWCMFF Board of Directors at the last quarterly meeting before the preceding year based on the adopted budget.

BUDGET

The team Commander shall be responsible for preparing an annual budget and presenting it to the WWCMFF Board of Directors prior to December 31st of each year at the last quarterly meeting of the year. The budget will be adopted by majority vote of those in attendance at the Board Meeting.

MOBILE FIELD FORCE TEAM MEMBERSHIP REQUIREMENTS

Each participating agency agrees to appoint members to the WWCMFF based on a pre-determined Personnel Commitment List. Each agency will evaluate and update their personnel commitment every three years based on their enforcement staffing levels. Personnel commitments may not fall below one member. Any agency that fails to meet their commitment for a period of one hundred-eighty (180) consecutive days in any calendar year may be subject to removal from the WWCMFF.

**STATE OF MICHIGAN
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WESTERN WAYNE COUNTY MOBILE FIELD FORCE TEAM**

MEMORANDUM OF UNDERSTANDING

The calendar year shall be from January 1st to December 31st of each year. Prior to any agency being removed from WWCMFF, the Board of Directors will review the circumstances surrounding the deficit of required assigned members ~~will commence~~. The WWCMFF Board may at its discretion choose to take other appropriate action. The assignment and/or removal of members to the WWCMFF must be in written form to the WWCMFF Board Chair and Team Commander prior to the effective day of the action. Participating agencies may elect to assign additional members with approval of the Team Commander.

The minimum training and experience qualifications for appointment to the WWCMFF are: Each member shall be a certified police officer in good standing with their home agency and the State of Michigan and shall have been released from their department's new officer probationary period. Further, Members are expected to serve a minimum three-year commitment and will be required to attend field force operations training approved by the Team Commander within 1 year of appointment. Any exceptions to the minimum training requirements must be approved by the Team Commander.

MOBILE FIELD FORCE MEMBER PARTICIPATION REQUIREMENTS

It is expected that each member attends their quarterly and specialty training sessions and responds to all incidents in which they are requested.

Each team member shall be released from duty or compensated for all required team responses and training. It is expected that team members attend 100% of all training sessions. All absences shall require prior (when possible) written notification to the Team Commander and their agency Chief/Director. Expected extended absences due to injury or other reasons shall be reported to the Team Commander in advance. Member attendance records will be provided to the Board at quarterly meetings.

The status of member agencies whose required members miss two (2) consecutive training sessions within the calendar year will be reviewed by the WWCMFF Board. Upon three (3) consecutive missed training sessions within the calendar year, the WWCMFF Board Chair and Team Commander will consult with the agency Chief/Director and the member's status will become *Inactive*. The calendar year shall be considered January 1st through December 31st of each year. The Team Commander will determine when the *Inactive* member may return to *Active* status. The

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MEMORANDUM OF UNDERSTANDING

WWCMFF Board will review the circumstances pertaining to the absences and may recommend additional appropriate action to be taken.

PROVISIONS FOR ACTIVATION OF THE TEAM

The participating agencies which approve and enter into this MOU may request the Western Wayne County Mobile Field Force Team's assistance for incidents or events occurring within their jurisdiction including but not limited to protests, popular and unpopular assemblies, acts of civil disobedience and other crowd control situations as outlined by WWCMFF policy.

In the event that a participating agency is in need of assistance as set forth above, the agency shall request activation of the team through the Van Buren Township Public Safety Department at (734) 699-8930. The participating agency may seek technical guidance prior to making a request by contacting the team Commander or their designee per the WWCMFF policy.

Agencies requesting activation of the team should include WWCMFF Command personnel in the earliest stages of incident planning. At the time of request, agencies should be prepared to provide:

- Staging area for up to 60 personnel and equipment
- Transportation for up to 60 personnel and equipment from the staging area to the target location (i.e. busses, box truck, etc.)
- Communication information (talkgroup, Special Event Channel)
- Any gathered Intelligence Information
- Officers to support WWCMFF arrest procedures
 - Evidence technicians for photographs linking arrestees to team members
 - Booking personnel & location
- Operations Order, if possible

COMMAND AND SUPERVISORY RESPONSIBILITY

The chief law enforcement official or the highest-ranking law enforcement officer of the

**STATE OF MICHIGAN
COUNTY OF WAYNE
WESTERN WAYNE COUNTY MOBILE FIELD FORCE TEAM**

MEMORANDUM OF UNDERSTANDING

requesting agency shall have overall command of the incident. The WWCMFF Commander or their designee shall have command of the team and tactics deployed during the incident after consultation with the requesting agencies incident commander.

LIABILITY

Each participating agency will each remain responsible for any claims arising out of its performance of this MOU as provided by this MOU or by law. The MOU is not intended nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this MOU. The MOU is not intended to alter or increase any participating agency's liability for tort claims to other third parties nor is it intended to be a third-party beneficiary contract; therefore, it confers no rights or third-party status on anyone other than to the parties to the MOU.

POWERS, PRIVILEGES, IMMUNITIES, AND COSTS

WWCMFF members of each participating agency engaging in assistance outside of their jurisdictional limits, under the terms of this MOU, shall, pursuant to the provisions of the Western Wayne County Police Mutual Aid Agreement, have the same powers, duties, rights, privileges, and immunities as a sworn police officer operating within their jurisdiction.

Each participating agency agrees to furnish assigned members with the required equipment and training as outlined by WWCMFF policy and must bear the cost of maintenance and lost or damaged equipment that occurs during normal use.

Each participating agency shall compensate its WWCMFF members during the time they are rendering assistance during an activation including compensation due to injury or death.

The privileges and immunities from liability, exemption from laws, ordinances and rules, and all pension, insurance, relief, disability, worker's compensation, salary, death and other benefits that apply to the activity of a WWCMFF member of a participating agency when performing the member's duties within the jurisdictional limits of the member's agency apply to the employee to the same degree, manner, and extent while engaged in the performance of the employee's duties outside the jurisdictional limits of the member's agency under the provisions of this MOU.

**STATE OF MICHIGAN
COUNTY OF WAYNE
WESTERN WAYNE COUNTY MOBILE FIELD FORCE TEAM**

MEMORANDUM OF UNDERSTANDING

COMPLAINTS

Whenever there is cause to believe that a complaint has arisen as a result of a WWCMFF response as promulgated by this MOU, the chief law enforcement official or their designee of the requesting agency shall be responsible for the documentation of the complaint to determine the following:

- The identity and contact information of the complainant.
- The specific facts of the complaint.
- The identity (if known) of the member/employee/officer accused in the complaint.

If it is determined that the complaint concerns the actions of the WWCMFF or a team member(s), the above information, with all documentation gathered during the receipt of the complaint, shall be forwarded to the WWCMFF Commander for review and investigation. Violations of a criminal nature shall be investigated in accordance with the requesting agency's internal policy. If the requesting agency does not have an internal policy addressing the investigation of criminal complaints, the complaint shall be investigated by the Michigan State Police.

Any officer involved shooting that occurs during the deployment of the WWCMFF will be investigated in accordance with the requesting agencies internal policy. If the requesting agency does not have an internal policy addressing these types of investigations the incident shall be investigated by the Michigan State Police.

MISCELLANEOUS

No failure by a party to insist upon the strict performance of any term of this MOU or to exercise any term after a breach affects or alters this MOU, but every term of this MOU remains effective with respect to any other then existing or subsequent breach.

If any provision of this MOU or the application to any person or circumstance is, to any extent, judicially determined to be invalid or unenforceable, the remainder of the MOU, or the application of the provision to persons or circumstances other than those as to which it is invalid or unenforceable, is not affected and is enforceable.

**STATE OF MICHIGAN
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WESTERN WAYNE COUNTY MOBILE FIELD FORCE TEAM**

MEMORANDUM OF UNDERSTANDING

This MOU, and all actions arising from it, must be governed by, subject to, and construed according to the laws of the State of Michigan.

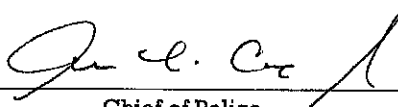
There are no other agreements, written or oral, between these parties arising out of the same subject matter. Any changes or modifications to the Agreement shall be in writing and executed by authorized agents for each party.

CANCELLATION

A participating agency may cancel their participation in this MOU by notifying the WWCMMFF Board Chair with 90 days written notice of their intent to withdraw from the team and this agreement.

**STATE OF MICHIGAN
COUNTY OF WAYNE
WESTERN WAYNE COUNTY MOBILE FIELD FORCE TEAM
MEMORANDUM OF UNDERSTANDING
MEMBER SIGNATURE PAGE**

CITY OF PLYMOUTH



Chief of Police



Mayor

12-11-2020

Date

b. Rate Card – Payment in Lieu of Fees

The following resolution was offered by Krol and supported by Sebastian.

RESOLUTION 2020-94

WHEREAS The City Commission of the City of Plymouth has reviewed the proposed payment in lieu of parking fee to maintain the payment in lieu of parking fee of \$10,000 per space as recommended by City administration; and

WHEREAS The City Commission is authorized by ordinance to determine the fee for payment in lieu of parking; and

WHEREAS Fees are reviewed annually by the City Commission as part of the annual budget process.

NOW THEREFORE BE IT RESOLVED THAT the City Commission does hereby adopt a fee of \$10,000 per space for payment in lieu of parking effective immediately.

During a discussion, it was noted that this option is rarely used by property owners and is generally only an issue when a building site has a change of use.

There was a roll call vote.

Yes: Deal, Krol, Moroz, O'Donnell, Thomey, Sebastian, Wolcott

MOTION PASSED 7-0

c. Poverty Hardship Application/Policy

The following motion was offered by Krol and seconded by Sebastian.

RESOLUTION # 2020-95

WHEREAS The adoption of guidelines for poverty exemptions is required of the City Commission; and

WHEREAS The principal residence of persons, who the assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 3+0 of 1994 (MCL211.7u); and

WHEREAS Pursuant to PA 390 of 1994, the City of Plymouth, Wayne County adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year.

To be eligible under this section, a person shall do all of the following on an annual basis:

- Be an owner of and occupy as a principal residence the property for which and exemption is requested
- PA 390 of 1994 requires that all persons residing in the household must submit copies of the following signed documents:

City of Plymouth Poverty Exemption Application
Federal Income Tax Returns
State Income Tax Returns
Homestead Property Tax Credit Claim Form (MI-1040-CR)

Also include copies of all supporting documentation (i.e., W-2 forms, 1099s, schedules, etc.). The Board of Review shall consider income from all sources and from all occupants of the homestead when determining whether an applicant meets poverty exemption requirements as adopted by the City Commission.

A Poverty Exemption Affidavit (Department of Treasury Form 4988) must be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year.

- The combined assets of all persons residing in the household (minus the value of the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposits, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- Produce a valid driver's license or other form of identification if requested
- Produce, if requested, a deed, land contract, or other evidence of ownership of the property tax for which an exemption is requested.
- Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services.
- The following are the 2021 poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual income includes income for all persons residing in the household. The total household income must be less than or equal to the guidelines below in order to be considered for this type of exemption.

Family of 1	\$12,760
Family of 2	\$17,240
Family of 3	\$21,720
Family of 4	\$26,200
Family of 5	\$30,680
Family of 6	\$35,160
Family of 7	\$39,640
Family of 8	\$44,120
For each add'l person	\$ 4,480

- The applicant(s) may not have ownership interest in any other real estate other than the homestead property
- If home has been purchased within the previous two years, all closing documentation must be included.

The Board of Review may require a home audit and inspection done by the Department of Assessment as part of the application process.

The City of Plymouth allows for partial poverty exemptions to be granted. A partial poverty exemption is an exemption of a percentage of the taxable value of the principal residence rather than the entire taxable value. The formula for calculating partial exemptions is as follows: under no circumstances shall the Board of Review reduce the taxable value lower than that which produces an annual ad valorem tax equal to 3.5% of an applicant's income plus any property tax credit refund payable by the State of Michigan.

It should be recognized that the poverty exemption reduction is a form of temporary assistance for those who are undergoing a difficult financial time. Any relief granted is for the current year only.

The Board of Review may reject any application where the information contained in it appears fraudulent, misleading, inaccurate, or incomplete. Failure to complete all sections of the application and/or failure to submit signed copies of all tax forms or other required documentation will result in the poverty exemption application being denied. The board of review must have complete, accurate data in order to review this appeal.

In certain instances, the Board of Review may consider extenuating circumstances as a basis of a poverty exemption where the total household income exceeds the established income guidelines.

Due Dates: The application for exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review during the year in which the exemption is requested. The filing of this claim constitutes an appearance before the Board of Review for the purposes of preserving the right or appeal to the Michigan Tax Tribunal.

NOW THEREFORE BE IT RESOLVED THAT the Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Board of Review determines that there are substantial and compelling reasons why there should be deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant.

There was a roll call vote.

Yes: Deal, Krol, Moroz, O'Donnell, Thomey, Sebastian, Wolcott

MOTION PASSED 7-0

8) REPORTS AND CORRESPONDENCE

a. Liaison Reports

Thomey reported that the Northville Police and Fire Advisory Board met to begin discussions about the contract, which expires on June 30, 2023. He also said he attended a Pearl Harbor event in Plymouth.

Krol said the Zoning Board of Appeals heard two variance requests. One was partially approved and the other was tabled for more information.

b. Appointments

Thomey offered a motion, seconded by Krol to reappoint the following board and commission members.

Board of Review – Shirley Jallad and John Townsend
Cemetery Board – Arne Guimmo and Don Hess
Historic District Commission – Colleen Polan and John Townsend
Housing Commission – Sharon Pugh
Planning Commission – Tim Joy, Shannon Adams, Jennifer Kehoe

There was a roll call vote

Yes: Deal, Krol, Moroz, O'Donnell, Thomey, Sebastian, Wolcott

MOTION PASSED 7-0

9) ADJOURNMENT

Hearing no further discussion, Wolcott asked for a motion to adjourn at 8:32 p.m. A motion to adjourn was offered by Sebastian and seconded by Krol.

There was a roll call vote.

Yes: Deal, Krol, Moroz, O'Donnell, Thomey, Sebastian, Wolcott

MOTION PASSED 7-0

OLIVER WOLCOTT
MAYOR

MAUREEN A. BRODIE, CMC, MiPMC
CITY CLERK

ADMINISTRATIVE INFORMATION

To: Mayor & City Commission
CC: *S:\Manager\Sincock Files\Memorandum - Audit Presentation 19 - 20 - 12-21-20.doc*
From: Paul J. Sincock -City Manager
Date: 12/16/2020
Re: Audit Presentation

The City's Independent Auditor will make a presentation to the City Commission at the meeting on Monday. **We recommend that the City Commission bring their copies of the Audit with them to the meeting.**

Despite the challenges of working on the audit during the Covid pandemic, the City Staff has worked well with our auditor; Rana Emmons and her team from PSLZ and together we have worked to resolve the questions and issues posed by the Auditing staff. We have also included a copy of the letter from the auditor to the City Commission as a part of your agenda packet, there is also a copy in your audit book.

As you are aware; the Auditor is contracted by the City Commission to review the work of the City Administration and to report back to the Commission. The Auditor is the City Commission's contractor, and her reports are independent of the City Administration. The purpose of the audit is for the auditor to express an opinion about whether the financial statements prepared by management are fairly presented.

Rana Emmons will have a presentation for the City Commission on Monday on Zoom. Members of the Commission are welcome to contact Rana in advance of the meeting if they have any specific questions that they may wish to have answered prior to the public presentation. You may also forward any comments/questions to the City Administration in advance of the meeting and we will forward them onto the Auditor.

No action is required on this matter as this is a report to the City Commission and it is received and filed with various agencies during late December to show the fiscal health of the City. In an effort to save paper and time a complete copy of the Audit will also be posted on the City's Web Site.

CITY OF PLYMOUTH
Wayne County, Michigan

AUDITED FINANCIAL REPORT

For the Fiscal Year Ended
June 30, 2020

CITY OF PLYMOUTH
For the Year Ended June 30, 2020

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INTRODUCTORY SECTION

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FINANCIAL SECTION

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CITY OF PLYMOUTH
For the Year Ended June 30, 2020

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Independent Auditor's Report

December 16, 2020

To the Honorable Mayor and
Members of the City Commission
City of Plymouth, 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 Plymouth, Michigan, as of and for the year ended June 30, 2020, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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.

Honorable Mayor and
Members of the City Commission
City of Plymouth, Michigan

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 Plymouth, Michigan, as of June 30, 2020, 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.

Other Matters

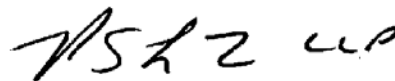
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the defined benefit pension plan trend information, and the budgetary comparison information, as identified in the table of contents, 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 Plymouth, Michigan's basic financial statements as a whole. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling information directly to underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Respectfully,



PSLZ LLP
Certified Public Accountants
Plymouth, Michigan



CITY OF PLYMOUTH

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Management's Discussion and Analysis

As management of the City of Plymouth, we offer readers of the City of Plymouth's financial statements this narrative overview and analysis of the financial activities of the City of Plymouth for the fiscal year ended June 30, 2020.

Financial Highlights

- The assets of the City of Plymouth exceeded its liabilities at the close of the most recent fiscal year by \$16,351,694 (*net position*).
- As of the close of the current fiscal year, the City of Plymouth's governmental funds reported combined ending fund balances of \$12,774,301, an increase of \$7,385,441 in comparison with the prior year. Approximately 21% of this total amount, \$2,722,817 is *available for spending* at the government's discretion (*uncommitted fund balance*).
- At the end of the current fiscal year, combined fund balance for the general fund was \$2,722,817, an increase of \$1,038,347 over the prior year, and approximately 38% of total general fund expenditures.
- The City of Plymouth's total long-term debt increased \$4,262,826 during the fiscal year as the City issued road improvement bonds in the amount of \$6,140,000 during fiscal year 2020 less annual debt service payments. In addition, Net OPEB liabilities increased by \$1,353,667, and Net Pension Liability decreased \$735,034.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as

the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements include not only the City of Plymouth itself (known as the *primary government*), but also a legally separate Downtown Development Authority, and other "non major" component units for which the City of Plymouth is financially accountable. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 12-14 of this report.

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

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

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

The City of Plymouth maintains twenty-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which is the only governmental major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Plymouth adopts an annual appropriated budget for its general fund and special revenue funds. A budgetary comparison statement has been provided for the general fund on page 55 to demonstrate compliance with this budget.

Proprietary funds. The City of Plymouth maintains a single proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Plymouth uses an enterprise fund to account for its water and sewer activity.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Plymouth's various functions. The City of Plymouth uses an internal service fund to account for its fleet of vehicles, and other equipment. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Plymouth's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 20 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-50 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Plymouth's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. This information can be found on pages 51 - 54 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 55-64 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Plymouth, assets exceeded liabilities by \$16,351,694 at the close of the most recent fiscal year.

By far the largest portion of the City of Plymouth's net position (166%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Plymouth used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Plymouth's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Plymouth's Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 15,460,528	\$ 8,214,643	\$ 6,376,358	\$ 6,343,631	\$ 21,836,886	\$ 14,558,274
Capital Assets	22,448,239	22,224,812	11,378,795	11,513,424	33,827,034	33,738,236
Total Assets	<u>37,908,767</u>	<u>30,439,455</u>	<u>17,755,153</u>	<u>17,857,055</u>	<u>55,663,920</u>	<u>48,296,510</u>
Deferred Outflows	2,590,935	1,089,724	26,167	35,527	2,617,102	1,125,251
Long-term liabilities	36,975,144	28,877,906	1,240,000	1,705,000	38,215,144	30,582,906
Other liabilities	1,879,907	2,343,107	841,990	462,332	2,721,897	2,805,439
Total Liabilities	<u>38,855,051</u>	<u>31,221,013</u>	<u>2,081,990</u>	<u>2,167,332</u>	<u>40,937,041</u>	<u>33,388,345</u>
Deferred Inflows	868,112	934,547	124,175	149,010	992,287	1,083,557
Net Position:						
Net Investment						
in capital assets	17,105,392	16,301,171	10,040,787	9,694,941	27,146,179	25,996,112
Restricted	9,576,347	3,264,518	124,417	303,050	9,700,764	3,567,568
Unrestricted (Deficit)	(25,905,200)	(20,192,070)	5,409,951	5,578,249	(20,495,249)	(14,613,821)
Total Net Position	<u>\$ 776,539</u>	<u>\$ (626,381)</u>	<u>\$ 15,575,155</u>	<u>\$ 15,576,240</u>	<u>\$ 16,351,694</u>	<u>\$ 14,949,859</u>

An additional portion of the City of Plymouth's net position \$9,700,764 represents resources that are subject to external restrictions on how they may be used.

The City's net position increased by \$1,401,835 during the current fiscal year as compared to a decrease of \$861,763 in the prior fiscal year caused by fluctuations in the net pension and other post retirement benefit liabilities.

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Program Revenues:						
Charges for Services	\$ 2,800,150	\$ 3,169,904	\$ 4,357,880	\$ 4,574,418	\$ 7,158,030	\$ 7,744,322
Operating Grants & Contrib.	1,699,698	1,900,391	-	-	1,699,698	1,900,391
Capital Grants & Contrib.	15,491	16,774	-	-	15,491	16,774
General Revenues:						
Property Taxes	8,977,583	8,186,807	-	-	8,977,583	8,186,807
State Shared Revenues	940,260	906,017	-	-	940,260	906,017
Franchise Fees	219,427	236,114	-	-	219,427	236,114
Investment Earnings	114,318	116,051	77,627	87,979	191,945	204,030
Total Revenues	<u>14,766,927</u>	<u>14,532,058</u>	<u>4,435,507</u>	<u>4,662,397</u>	<u>19,202,434</u>	<u>19,194,455</u>
Program Expenses:						
General Government	2,144,213	2,222,589	-	-	2,144,213	2,222,589
Public Safety	5,859,887	7,085,316	-	-	5,859,887	7,085,316
Public Works	3,554,619	4,576,620	-	-	3,554,619	4,576,620
Recreation and Cultural	1,306,303	1,365,275	-	-	1,306,303	1,365,275
Other	288,752	249,989	-	-	288,752	249,989
Interest on Long-Term Debt	210,233	224,856	-	-	210,233	224,856
Water and Sewer	-	-	4,436,592	4,331,573	4,436,592	4,331,573
Total Expenses	<u>13,364,007</u>	<u>15,724,645</u>	<u>4,436,592</u>	<u>4,331,573</u>	<u>17,800,599</u>	<u>20,056,218</u>
Change in Net Position	<u>\$ 1,402,920</u>	<u>\$ (1,192,587)</u>	<u>\$ (1,085)</u>	<u>\$ 330,824</u>	<u>\$ 1,401,835</u>	<u>\$ (861,763)</u>

Governmental activities. Governmental activities increased the City of Plymouth's net position by \$1,402,920

Business-type activities. Business-type activities decreased the City of Plymouth's net position by \$1,085. The City's only business-type activity, the water and sewer fund, has demonstrated improvement for the past eight years parallel with the improvements in the governmental activities sector. Much of the accumulation of unrestricted assets are the result of the City Commission's desire to provide more reserves to cover unanticipated system replacements as well as to provide for significant future internal funding of ongoing utility replacements as part of the street construction program.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City of Plymouth's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Plymouth's financing requirements. In particular, *unreserved 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 the end of the current fiscal year, the City of Plymouth's governmental funds reported combined ending fund balances of \$12,774,301, an increase of \$7,385,441 in comparison with the prior year due to the sale of bonds for road improvements. Approximately 21% of this total amount (\$2,722,817) constitutes *unassigned fund balance*, which is available for spending at the

government's discretion. A portion of fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed 1) to pay debt service (\$206,276), 2) to generate income to pay for the perpetual care of the municipal cemetery (\$600,273), 3) for capital projects (\$6,375,822) and 4) to special revenue sources (\$2,393,976). The remaining allocation is "*non-spendable*" (\$292,372) and *committed* (\$182,765) to specific purposes.

The general fund is the chief operating fund of the City of Plymouth. At the end of the current fiscal year, *unassigned* fund balance of the general fund was \$2,722,817 and the total fund balance was \$3,021,548. *Unassigned* fund balance represents 35% of total general fund expenditures. The general fund had an increase in fund balance of \$1,038,347 in the current year.

Proprietary funds. The City of Plymouth's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to \$5,409,951. The decrease in net position was \$1,085 compared to a decrease of \$93,893 in the prior year. Other factors concerning the finances of the fund have already been addressed in the discussion of the City of Plymouth's business-type activities.

General Fund Budgetary Highlights

The budget is a collaborative process between the City administration and City Commission, which begins with the distribution of materials to department heads in January of each year. Department heads submit their funding request in February. Costs are deliberated and funding requests are debated, which ultimately results in a proposed budget delivered to the City Commission per Charter Section 8.2. Through the budget review process, the final draft is created and sent to the City Commission for approval in June of each year. The multi-year budget model, which the City adopted beginning with the 2004-05 budget, has provided the administration with much needed assistance in achieving financial stability and strengthening operational fund balances as reflected in this audit report. The City of Plymouth reviews and approves budget amendments on a quarterly basis during November, February, May and June of each year. It is through this process that the City administration and City Commission are able to adaptively adjust to our ever-changing environment. The culmination of the budget amendments is reflected on page 55, as highlighted below:

- General Fund revenues exceeded the originally budgeted \$8,985,710 by \$507,501 and conversely expenditures came in \$790,846 under the originally budgeted amount
- The original budgeted revenues were increased a total of \$489,038 in the final budget and expenditures were increased a total of \$229,038 in the final budget.

Capital Asset and Debt Administration

Capital assets. The City of Plymouth's investment in capital assets for its governmental and business type activities as of June 30, 2020, amounts to \$33,827,034 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads and highways.

Most of the significant capital asset changes during the current fiscal year occurred as we near the completion of infrastructure improvements as part of the street reconstruction program involving replacement of roads, drainage systems and water and sewer utility mains as well as the acquisition and development of property in the downtown planned as future parking development facilities.

The continuing street reconstruction program for fiscal year 2020-21 will include the following streets:

- Main – Church to Wing
- Junction-Ann to Karmada
- Farmer-Blunk to Railroad Crossing
- Dewey-Ross to Byron
- Evergreen-Farmer to Blanche
- Theodore – Main to Car Wash entrance

This year's capital outlay acquisitions included \$413,252 of vehicle, machinery and equipment purchases, \$1,235,183 of general facility improvements and street infrastructure.

Long-term debt. At the end of the current fiscal year, the City of Plymouth had total bonded and installment debt outstanding of \$12,076,467 in addition to \$995,000 of debt obligations from the DDA, all of which comprises debt backed by the full faith and credit of the government. During fiscal year 2020, the City issued general obligation bonds of \$6,140,000 for street improvements and an installment loan for equipment of \$208,000. The City also made annual debt service payments of \$1,900,174 and \$185,000 of payments by the DDA. Additional information on the City of Plymouth's long-term debt can be found in notes III.D. on page 38-39.

Economic Factors and Next Year's Budgets and Rates

The City of Plymouth is very fortunate to have a strong and growing housing market. Even with a shortage of developable land, taxable values in the City grew at a rate of 5.2% last year. However, due to the interaction between Proposal A of 1994 and the Headlee Amendment of 1978, the maximum inflationary growth in the State of Michigan for municipalities was 1.9% as set forth by the Headlee Formula. The result of the difference between actual growth and the maximum allowable growth is a reduction in the City's operating millage from 10.7291 in 2019 to 10.5788 in 2020. This is a reduction of .1503 mills and an overall decrease of .8046 mills from the maximum rate of 11.3834 mills, which had existed for period of 10 consecutive years ending in 2015. Since 2015, the City has experienced six consecutive years of Headlee Rollbacks.

Though the City's financial health has remained stable, this has come at the expense of the ability to do any large-scale capital projects outside of the voter-approved street program. The delay in capital projects is a result of the need to pay down debt related to the City's now defunct retirement plan, in which costs continue to rise. There is a necessity to develop a long-term strategy that will both address critical capital improvement needs, while still making the necessary payments required by retiree obligations in our current fiscal year.

The waste and recycling operating millage rate held steady at 1.8200 mills and the City's general obligation debt millage rate increased slightly from 2.6795 mills to 3.1100 mills, due to the third passage of the City Street Bond proposal passed in November 2019 at a margin of 59% Yes and 41% No. The GO (General Obligation) debt millage is based on the sale of street bonds in 2012 and 2020.

Staff recommendations for service charges and utility rates beginning July 1, 2020 include freezing in the trash cart service fees at \$10.25 per month, which was implemented on January 1, 2020 after the approval of the City's new waste and recycling contract. Water and sewer usage charges increased from \$5.33 and \$6.90 per thousand gallons to \$5.35 and \$7.37 effective October 1, 2020. The 4% increase per thousand gallons was attributable to an update in the Wayne County Sewage rate structure as they implemented their new capital improvement plan, as well as the need to purchase additional, required compacity from the Western Township Utilities Authority (WTUA).

Requests for Information

This financial report is designed to provide a general overview of the City of Plymouth's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 201 S. Main Street, City of Plymouth, Michigan 48170.

BASIC FINANCIAL STATEMENTS

CITY OF PLYMOUTH
Statement of Net Position
June 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and Cash Equivalents	\$ 14,302,959	\$ 4,925,293	\$ 19,228,252	\$ 1,051,129
Investments	66,597	-	66,597	-
Receivables (net of allowance for uncollectibles)	355,537	1,198,349	1,553,886	588,800
Due from Other Funds	575,000	-	575,000	-
Due from Primary Government	-	-	-	10,824
Due from Other Governmental Units	452,448	-	452,448	-
Inventory	99,227	128,299	227,526	-
Prepaid Expenses	128,436	-	128,436	-
Restricted Assets - Cash and Cash Equivalents	-	124,417	124,417	-
Capital Assets (Net of Accumulated Depreciation)	22,448,239	11,378,795	33,827,034	3,755,807
Total Assets	<u>38,428,443</u>	<u>17,755,153</u>	<u>56,183,596</u>	<u>5,406,560</u>
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized Bond Discount	-	26,167	26,167	-
Deferral related to Pension and OPEB	2,590,935	-	2,590,935	-
	<u>2,590,935</u>	<u>26,167</u>	<u>2,617,102</u>	<u>-</u>
LIABILITIES				
Accounts Payable	807,806	814,085	1,621,891	710,472
Accrued Liabilities	813,135	27,905	841,040	52,138
Due to Other Funds	519,676	-	519,676	-
Due to Component Unit	10,824	-	10,824	-
Due to Other Governmental Units	248,142	-	248,142	-
Noncurrent Liabilities:				
Compensated Absences	378,922	-	378,922	-
Other Post Employment Benefits (OPEB)	18,759,008	-	18,759,008	-
Net Pension Liability	7,000,747	-	7,000,747	-
Due within one year	1,657,423	265,000	1,922,423	190,000
Due in more than one year	9,179,044	975,000	10,154,044	805,000
Total Liabilities	<u>39,374,727</u>	<u>2,081,990</u>	<u>41,456,717</u>	<u>1,757,610</u>
DEFERRED INFLOW OF RESOURCES				
Deferral related to Pension and OPEB	133,078	-	133,078	-
Unamortized Bond Premium	735,034	124,175	859,209	95,870
	<u>868,112</u>	<u>124,175</u>	<u>992,287</u>	<u>95,870</u>
NET POSITION				
Net Investment in Capital Assets	17,105,392	10,040,787	27,146,179	2,760,807
Restricted for:				
Capital Projects	6,375,822	124,417	6,500,239	-
Debt Service	206,276	-	206,276	-
Special Revenue	2,393,976	-	2,393,976	-
Other	600,273	-	600,273	-
Unrestricted (Deficit)	(25,905,200)	5,409,951	(20,495,249)	792,273
Total Net Position	<u>\$ 776,539</u>	<u>\$ 15,575,155</u>	<u>\$ 16,351,694</u>	<u>\$ 3,553,080</u>

CITY OF PLYMOUTH
Statement of Activities
For the Year Ended June 30, 2020

<u>Functions/Programs</u>	Program Revenues			
<u>Primary Government:</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General Government	\$ 2,144,213	\$ 1,030,959	\$ 778,640	\$ -
Public Safety	5,859,887	632,735	58,221	-
Public Works	3,554,619	544,153	862,837	-
Recreation and Cultural	1,306,303	592,303	-	15,491
Other	288,752	-	-	-
Interest on Long-Term Debt	210,233	-	-	-
Total Governmental Activities	13,364,007	2,800,150	1,699,698	15,491
Business-type Activities:				
Water and Sewer	4,436,592	4,357,880	-	-
Total Primary Government	\$ 17,800,599	\$ 7,158,030	\$ 1,699,698	\$ 15,491
Component Units:				
D.D.A./B.R.A./E.D.C.	\$ 1,646,306	\$ 78,275	\$ 604,654	\$ -

General Revenues:
Property Taxes
State Shared Revenues
Franchise Fee
Unrestricted Investment Earnings
Total General Revenues and Transfers

Change in Net Position
Net Position - Beginning

Net Position - Ending

Net (Expense) Revenue and Changes in Net Position

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (334,614)	\$ -	\$ (334,614)	\$ -
(5,168,931)	-	(5,168,931)	-
(2,147,629)	-	(2,147,629)	-
(698,509)	-	(698,509)	-
(288,752)	-	(288,752)	-
(210,233)	-	(210,233)	-
<u>(8,848,668)</u>	<u>-</u>	<u>(8,848,668)</u>	<u>-</u>
<u>-</u>	<u>(78,712)</u>	<u>(78,712)</u>	<u>-</u>
<u>(8,848,668)</u>	<u>(78,712)</u>	<u>(8,927,380)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(963,377)</u>
8,977,583	-	8,977,583	1,041,248
940,260	-	940,260	-
219,427	-	219,427	-
114,318	77,627	191,945	13,115
<u>10,251,588</u>	<u>77,627</u>	<u>10,329,215</u>	<u>1,054,363</u>
1,402,920	(1,085)	1,401,835	90,986
<u>(626,381)</u>	<u>15,576,240</u>	<u>14,949,859</u>	<u>3,462,094</u>
<u>\$ 776,539</u>	<u>\$ 15,575,155</u>	<u>\$ 16,351,694</u>	<u>\$ 3,553,080</u>

CITY OF PLYMOUTH
Balance Sheet
Governmental Funds
June 30, 2020

	<u>General</u>	<u>2020 Road Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 4,051,154	\$ 6,602,794	\$ 2,805,886	\$ 13,459,834
Investments	-	-	66,597	66,597
Receivables (net of allowance for uncollectibles):				
Taxes	26,403	-	-	26,403
Accounts	74,754	-	254,380	329,134
Due from Other Funds	80,000	-	495,000	575,000
Due from Other Governmental Units	322,703	-	129,745	452,448
Inventory	35,295	-	48,651	83,946
Prepaid Expenditures	128,436	-	-	128,436
Total Assets	\$ 4,718,745	\$ 6,602,794	\$ 3,800,259	\$ 15,121,798

LIABILITIES AND FUND BALANCE

Liabilities:				
Accounts Payable	\$ 240,003	\$ 353,534	\$ 175,027	\$ 768,564
Accrued and Other Liabilities	678,552	-	121,739	800,291
Due to Other Governmental Units	248,142	-	-	248,142
Due to Other Funds	519,676	-	-	519,676
Due to Component Unit	10,824	-	-	10,824
Total Liabilities	1,697,197	353,534	296,766	2,347,497
Fund Balances:				
Non Spendable-Inventory and Prepaid Expenditures	163,731	-	48,641	212,372
Non Spendable-Long Term Accounts Receivable	80,000	-	-	80,000
Restricted:				
Capital Projects	-	6,249,260	126,562	6,375,822
Debt Service	-	-	206,276	206,276
Special Revenue	-	-	2,393,976	2,393,976
Other	-	-	600,273	600,273
Committed	55,000	-	127,765	182,765
Uncommitted:				
Unassigned	2,722,817	-	-	2,722,817
Total Fund Balances	3,021,548	6,249,260	3,503,493	12,774,301
Total Liabilities and Fund Balances	\$ 4,718,745	\$ 6,602,794	\$ 3,800,259	

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.	20,811,172
Internal Service Funds are used by management to charge the costs of motor pool to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. These liabilities do not require current resources:	1,771,920
Other Post Employment Benefits Liability	(16,797,661)
Compensated Absences Liability	(378,922)
Net Pension Liability	(6,504,237)
Deferred Charges on Bonds	(735,034)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(10,165,000)
Net Position of Governmental Activities	\$ 776,539

CITY OF PLYMOUTH
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	<u>General</u>	<u>2020 Road Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>				
Property Taxes	\$ 6,532,114	\$ -	\$ 2,445,469	\$ 8,977,583
Licenses and Permits	3,557	-	481,149	484,706
Intergovernmental:				
Federal, State and Local	1,175,943	-	1,186,779	2,362,722
Charges for Services	1,027,024	-	1,095,753	2,122,777
Interest	74,397	1,759	38,162	114,318
Other	680,176	-	24,645	704,821
Total Revenues	<u>9,493,211</u>	<u>1,759</u>	<u>5,271,957</u>	<u>14,766,927</u>
<u>Expenditures</u>				
Current:				
General Government	1,600,879	-	-	1,600,879
Public Safety	4,792,797	-	624,627	5,417,424
Public Works	1,106,320	-	2,495,075	3,601,395
Recreation and Cultural	-	-	1,121,735	1,121,735
Other	288,752	-	-	288,752
Debt Service:				
Principal	-	-	1,330,000	1,330,000
Interest and Other Charges	-	-	175,013	175,013
Capital Outlay	65,181	646,380	28,608	740,169
Total Expenditures	<u>7,853,929</u>	<u>646,380</u>	<u>5,775,058</u>	<u>14,275,367</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,639,282</u>	<u>(644,621)</u>	<u>(503,101)</u>	<u>491,560</u>
<u>Other Financing Sources (Uses)</u>				
Bond Proceeds	-	6,893,881	-	6,893,881
Transfers In	-	-	974,398	974,398
Transfers Out	(600,935)	-	(373,463)	(974,398)
Total Other Financing Sources (Uses)	<u>(600,935)</u>	<u>6,893,881</u>	<u>600,935</u>	<u>6,893,881</u>
Net Change in Fund Balances	1,038,347	6,249,260	97,834	7,385,441
Fund Balances - Beginning	<u>1,983,201</u>	<u>-</u>	<u>3,405,659</u>	<u>5,388,860</u>
Fund Balances - Ending	<u>\$ 3,021,548</u>	<u>\$ 6,249,260</u>	<u>\$ 3,503,493</u>	<u>\$ 12,774,301</u>

CITY OF PLYMOUTH
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement of activities (page 12-13) are different because:

Net change in fund balances - total governmental funds (page 15)	\$ 7,385,441
<p>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. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period.</p>	
Capital Outlay	1,239,187
Depreciation Expense	(1,305,051)
<p>The net increase in other post employment benefit obligations (OPEB) does not require current resources and are not included in governmental funds.</p>	
	(1,353,667)
<p>The net decrease in Net Pension Liability does not require current resources and are not included in governmental funds.</p>	
	545,277
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Bond Issuance	(6,856,187)
Bond Amortization	(18,847)
Principal Repayments	1,330,000
Compensated Absences Increase	(73,342)
<p>Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>	
	<u>510,109</u>
Change in net position in governmental activities (page 13)	\$ <u><u>1,402,920</u></u>

CITY OF PLYMOUTH
Balance Sheet
Proprietary Funds
June 30, 2020

	Business Type Activity Enterprise Fund	Governmental Activities - Internal Service
	Water & Sewer	Equipment Fund
<u>ASSETS AND DEFERRED OUTFLOWS</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 4,925,293	\$ 843,125
Accounts Receivable	1,198,349	-
Inventory	128,299	15,281
Total Current Assets	6,251,941	858,406
Restricted Assets - Cash and Cash Equivalents	124,417	-
Property, Plant and Equipment:		
Water and Sewer Infrastructure	20,220,446	-
Machinery, Equipment and Vehicles	344,084	6,151,763
Accumulated Depreciation	(9,185,735)	(4,514,696)
Net Property, Plant and Equipment	11,378,795	1,637,067
Total Assets	17,755,153	2,495,473
Deferred Outflow - Unamortized Bond Discount	26,167	-
Total Assets and Deferred Outflows	\$ 17,781,320	\$ 2,495,473
<u>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>		
Current Liabilities:		
Accounts Payable	\$ 814,085	\$ 39,242
Accrued Liabilities	27,905	12,844
Current Portion of Long Term Debt Payable	265,000	38,506
Total Current Liabilities	1,106,990	90,592
Long-Term Liabilities:		
Notes Payable	-	632,961
Bonds Payable	975,000	-
Total Long-Term Liabilities	975,000	632,961
Deferred Inflow - Bond Refunding	124,175	-
Net Position:		
Net Investment in Capital Assets	10,040,787	965,600
Restricted for Improvements	124,417	-
Unrestricted	5,409,951	806,320
Total Net Position	15,575,155	1,771,920
Total Liabilities, Deferred Inflows and Net Position	\$ 17,781,320	\$ 2,495,473

CITY OF PLYMOUTH
Statement of Revenues, Expenses and Changes in Fund Equity
Proprietary Funds
For the Year Ended June 30, 2020

	Business Type Activity Enterprise Fund	Governmental Activities - Internal Service
	Water & Sewer	Equipment Fund
<u>Operating Revenues:</u>		
Charges for Services	\$ 4,348,095	\$ -
Rental Income	-	839,430
Miscellaneous	9,785	233,792
Total Operating Revenues	4,357,880	1,073,222
<u>Operating Expenses:</u>		
Personal Services, Other and Administrative	880,192	407,638
Trunk and Lateral	186,065	-
Mains Maintenance	185,595	-
Service Maintenance	25,432	-
Sewage Disposal Charges	1,363,630	-
Purchased Water	1,091,128	-
Meter Maintenance	143,701	-
Hydrant Maintenance	53,643	-
Depreciation and Amortization	471,651	139,102
Total Operating Expenses	4,401,037	546,740
Operating Income (Loss)	(43,157)	526,482
<u>Non-Operating Revenues (Expenses):</u>		
Interest Income	77,627	-
Interest Expense	(35,555)	(16,373)
Total Non-Operating Revenues (Expenses)	42,072	(16,373)
Net Income (Loss)	(1,085)	510,109
Net Position, Beginning	15,576,240	1,261,811
Net Position, Ending	\$ 15,575,155	\$ 1,771,920

CITY OF PLYMOUTH
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

	Business Type Activity Enterprise Fund	Governmental Activities - Internal Service
	Water & Sewer	Equipment Fund
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Receipts from customers and users	\$ 4,349,281	\$ 220,091
Receipts from quasi-external transactions	-	839,430
Payments to suppliers	(2,672,260)	(388,466)
Payments to employees	(877,468)	200
Net Cash Provided by Operating Activities	<u>799,553</u>	<u>671,255</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Purchases of Capital Assets	(284,230)	(428,393)
Installment Loan Proceeds	-	208,000
Principal Paid on Capital Debt	(465,000)	(105,173)
Interest Paid on Capital Debt	(26,195)	(16,373)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(775,425)</u>	<u>(341,939)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest Earned	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	24,128	329,316
Cash and Cash Equivalents, Beginning	<u>5,025,582</u>	<u>513,809</u>
Cash and Cash Equivalents, Ending	<u>\$ 5,049,710</u>	<u>\$ 843,125</u>
<u>Balance Sheet Classifications:</u>		
Cash and Cash Equivalents	\$ 4,925,293	\$ 843,125
Restricted Assets - Cash and Cash Equivalents	124,417	-
Total	<u>\$ 5,049,710</u>	<u>\$ 843,125</u>
<u>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</u>		
Operating Income (Loss)	\$ (43,157)	\$ 526,482
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization Expense	471,651	139,102
(Increase) Decrease in Receivables	(17,697)	-
(Increase) Decrease in Inventory	9,098	(13,701)
Increase (Decrease) in Accounts Payable	376,934	19,172
Increase (Decrease) in Accrued Liabilities	2,724	200
Net Cash Provided by Operating Activities	<u>\$ 799,553</u>	<u>\$ 671,255</u>

CITY OF PLYMOUTH
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Agency Funds
<u>ASSETS</u>	
Cash	\$ 31,454
Due from Other Funds	24,676
Due from Other Governmental Units	<u>31,466</u>
Total Assets	<u>87,596</u>
<u>LIABILITIES</u>	
Due to Other Funds	80,000
Due to Other	<u>7,596</u>
Total Liabilities	<u>87,596</u>
NET POSITION	\$ <u><u>-</u></u>

CITY OF PLYMOUTH
Statement of Net Position - Component Units
June 30, 2020

	<u>Major Funds</u>		<u>Non Major</u>	<u>Total</u>
	<u>Downtown Development Authority</u>	<u>Brownfield Redevelopment Authority</u>	<u>Economic Development Authority</u>	
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 818,972	\$ 232,157	\$ -	\$ 1,051,129
Accounts Receivable	3,847	584,953	-	588,800
Due from Primary Government	-	-	10,824	10,824
Capital Assets (Net of Accumulated Depreciation)	<u>3,755,807</u>	<u>-</u>	<u>-</u>	<u>3,755,807</u>
Total Assets	<u>4,578,626</u>	<u>817,110</u>	<u>10,824</u>	<u>5,406,560</u>
<u>LIABILITIES</u>				
Accounts Payable	33,265	677,207	-	710,472
Accrued Liabilities	52,138	-	-	52,138
Noncurrent Liabilities:				
Due within one year	190,000	-	-	190,000
Due in more than one year	805,000	-	-	805,000
Total Liabilities	<u>1,080,403</u>	<u>677,207</u>	<u>-</u>	<u>1,757,610</u>
<u>DEFERRED INFLOW OF RESOURCES</u>				
Unamortized Bond Premium	<u>95,870</u>	<u>-</u>	<u>-</u>	<u>95,870</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	2,760,807	-	-	2,760,807
Unrestricted	641,546	139,903	10,824	792,273
	<u>\$ 3,402,353</u>	<u>\$ 139,903</u>	<u>\$ 10,824</u>	<u>\$ 3,553,080</u>

CITY OF PLYMOUTH
Statement of Activities - Component Units
For the Year Ended June 30, 2020

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Major Funds		Non Major	
					Downtown Development Authority	Brownfield Redevelopment Authority	Economic Development Authority	
Major Funds:								
Downtown Development Authority	\$ 1,017,024	\$ 78,275	\$ 4,205	\$ -	\$ (934,544)	\$ -	\$ -	\$ (934,544)
Brownfield Redevelopment Authority	629,282	-	600,449	-	-	(28,833)	-	(28,833)
Total	\$ 1,646,306	\$ 78,275	\$ 604,654	\$ -	(934,544)	(28,833)	-	(963,377)
General Revenues:								
Property Taxes					1,013,692	27,556	-	1,041,248
Unrestricted Investment Earnings					12,468	647	-	13,115
Transfer to Primary Government					-	-	-	-
Total General Revenues					1,026,160	28,203	-	1,054,363
Change in Net Position					91,616	(630)	-	90,986
Net Position - Beginning					3,310,737	140,533	10,824	3,462,094
Net Position - Ending					\$ 3,402,353	\$ 139,903	\$ 10,824	\$ 3,553,080

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Plymouth was incorporated March 14, 1932, under the provisions of Act 279, P.A. 1909, as amended (Home Rule City Act). The City operates under a Commission-Manager form of government and provides the following services as authorized by its charter: public safety (police, fire, and inspection), highways and streets, sanitation, community development, culture-recreation, public improvements, planning and zoning, water and sewerage system, and general administrative services. It also operates a municipal cemetery.

As required by generally accepted accounting principles, these financial statements present the City of Plymouth and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations and so data from these units is combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. Each blended and discretely presented component unit has a June 30 fiscal year end.

Blended Component Units

The City of Plymouth Municipal Building Authority is governed by a five (5) member Board appointed by the Mayor with City Commission approval. Although it is legally separate from the City, the Building Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the City's public buildings and parking structures.

Discretely Presented Component Units

The City of Plymouth Downtown Development Authority (DDA) Board is comprised of up to twelve (12) members appointed by the Mayor with City Commission approval. The DDA is responsible for the creation of a development and financing plan for the downtown district or a development area within the district to promote economic growth. The Authority must obtain City Commission approval of all development and financing plans. The annual operating budget and any modifications also require the approval of the Plymouth City Commission.

The City of Plymouth Economic Development Corporation (EDC) is governed by a nine (9) member board appointed by the Mayor with City Commission approval. The EDC was established to promote economic development within the City.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

A. Reporting Entity – Continued

Discretely Presented Component Units – Continued

The City of Plymouth Brownfield Redevelopment Authority (BRA) is comprised of a nine (9) member board appointed by the Mayor with City Commission approval. The BRA was established to promote the revitalization of environmentally distressed areas of the City.

The above component units are discretely presented within the City financial statements because they are legally separate and financially accountable to the City. Financial accountability is demonstrated by the City Commission making the appointments to the respective boards, approving the annual operating budgets and any amendments of each component unit and approving development and financing plans of the EDC and DDA. Separate financial statements for these component units have not been prepared.

Joint Ventures

As of December 31, 2011, the City concluded participation with the Charter Township of Plymouth in a joint venture to operate the Plymouth Community Fire Department (PCFD), which provided fire services for residents and businesses of both the City and Township. As of January 1, 2012, the City became a participant with the City of Northville in a joint venture to receive fire services provided by the Northville City Fire Department (NCFD) to residents and businesses of the City of Plymouth. Both intergovernmental agreements are considered joint ventures because the City has an ongoing financial interest and ongoing financial responsibility related to the former service with the Charter Township of Plymouth and the City of Northville. The City has an obligation to the Township related to cost sharing or retirement pensions and retiree healthcare costs for employees who served under the agreement. Under the agreement with the City of Northville, the City will share staffing expenses of the NCFD based on a percentage related to the number of fire runs in each city compared to the total for both cities. The same percentage also applies to equipment rental charges of the City of Northville's Equipment Fund related to fire equipment of the NCFD.

The City also participates in an intergovernmental service agreement with Plymouth Township for Community services (E911, Police Dispatch). The Township has sole ownership of the assets of the "Plymouth Community Communication Center" established by the agreement.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation
– Continued

the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Governmental Funds

The City reports the following major governmental fund:

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

In addition, the City reports on the following fund types:

The special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or capital projects).

The debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

The capital project funds are used to account for construction projects and their related revenue sources.

Permanent funds are used to report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. This includes the perpetual care fund for the municipal cemetery.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation
– Continued

Proprietary Funds

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds include the following fund types:

Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City Commission has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The City's enterprise fund is the Water and Sewer Fund, which is reported as a major fund.

Internal Service Funds account for operations that provide services to other departments or agencies of the City on a cost reimbursement basis. As these services predominantly benefit governmental rather than business-type functions, they have been included within the *governmental* activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of others. Fiduciary funds include the following fund types:

The Agency Funds are used to account for assets that the government holds for others in an agency capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation
– Continued

Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Assets, Liabilities and Net Position or Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper of certain investment grades, and deposits of Michigan commercial banks.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of allowances (\$28,313) for uncollectible accounts, which are recorded at \$1,553,886 at June 30, 2020.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position or Equity – Continued

3. Inventory

Inventories are valued at cost using the first-in/first out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

4. Restricted Assets

Resources for the debt service and capital project activities within the Water and Sewer Fund (Enterprise Fund) are segregated and classified as "Restricted Assets", and total \$124,417 at June 30, 2020.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of capitalized value of the assets constructed.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	15-30
Equipment	5-20
Infrastructure	15-30

6. Compensated Absences

In accordance with contracts negotiated with the various employee groups of the City, individual employees have vested rights upon termination of employment to receive payment for unused vacation and sick leave under

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position or Equity – Continued

6. Compensated Absences – Continued

formulas and conditions specified in the contracts. All sick and vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured. The long-term portion of compensated absences related to the governmental funds is a liability recorded in the Statement of Net Position.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the Statement of Net Position. Long-term liabilities expected to be financed from proprietary funds are reported as liabilities in those funds.

8. Fund Equity

In the fund financial statements, governmental funds report the following components of fund balance:

Non-spendable – Amounts that are not in 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 City Commission for use for a specific purpose. Commitments are made and can be rescinded only via resolution of the City Commission.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Liabilities and Net Position or Equity – Continued

8. Fund Equity – Continued

Assigned – Intent to spend resources on specific purposes expressed by the City Commission, but are neither restricted nor committed. The City's intent would be to spend committed funds prior to the use of uncommitted/unassigned funds. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Unassigned – This is the residual classification for the general fund. This classification represents fund balance that has not been restricted, committed, or assigned to specific purposes within the general fund.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

1. The City is legally subject to the budgetary control requirements of the State of Michigan P.A. 621 of 1978 (Uniform Budgeting Act). The following is a summary of the requirements of this act:
 - a. Budgets must be adopted for the General and Special Revenue Funds.
 - b. Budgets must be balanced.
 - c. Budgets must be amended as necessary.
 - d. Public hearings must be held prior to adoption.
 - e. Expenditures cannot exceed budget appropriations.
 - f. Expenditures must be authorized by a budget appropriation prior to being incurred.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

A. Budgetary Information – Continued

2. The City follows these procedures in establishing the budgetary data reflected in these financial statements:
 - a. At the first meeting in April, the City Manager submits to the City Commission the proposed operating budgets for the fiscal year commencing the following July 1. The operating budgets include proposed expenditures and the means of financing them, for the General, Special Revenue, Debt Service and Proprietary Fund Types.
 - b. Public hearings are conducted at City Hall to obtain taxpayer comments.
 - c. Prior to June 30, the budgets are legally enacted at the activity level for the General Fund and at the activity level expenditure level for the Special Revenue Funds through passage of a resolution.
 - d. Formal budgetary integration is employed as a management control device during the year for all budgetary funds.
 - e. The City Manager is authorized to transfer amounts not to exceed 10% of the departmental budget between departmental (activity level) appropriation accounts.
 - f. Budget appropriations lapse at year end.
 - g. The City does not employ encumbrance accounting as an extension of formal budgetary integration in the governmental funds.
 - h. Budgeted amounts are reported as originally adopted, or as amended by the City Commission.

B. Compliance with P.A. 621 of 1978

1. Deficit Fund Balance

The City has no funds with deficit balances.

2. Excess of Expenditures Over Appropriations in Budgetary Funds

The budgets for the General and Special Revenue Funds are adopted at the activity level. The City had no expenditures in excess of budget appropriations in the budgetary funds at June 30, 2020.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Under State law, the City is permitted to invest in deposits with Michigan commercial banks, savings and loans and credit unions, obligations of the U.S. Treasury, and corporate bonds and commercial paper with certain investment grades. State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The City's investment policy does not further limit its investment choices.

A reconciliation of cash to the accompanying financial statements follows:

Statement of Net Position:	
Cash and Cash Equivalents	\$ 19,228,252
Restricted Assets-Cash	124,417
Fiduciary Fund:	
Cash	<u>31,454</u>
Total	<u>\$ 19,384,123</u>

Custodial Credit Risk. In the event of a bank failure, the City's deposits may not be recovered. Neither State law nor the City's investment policy requires consideration of custodial credit risk. As of June 30, 2020, the City's book balance of its deposits was \$19,384,123. The bank balance was \$19,389,360, of which \$12,139,291 was uninsured and uncollateralized. The City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

<u>Component Units:</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>FDIC Insured</u>
Downtown Development Authority	\$ 818,972	\$ 818,972	\$ -
Economic Development Corporation	-	-	-
Brownfield Redevelopment Authority	<u>232,157</u>	<u>232,157</u>	<u>-</u>
	<u>\$1,051,129</u>	<u>\$ 1,051,129</u>	<u>\$ -</u>

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

III. DETAILED NOTES ON ALL FUNDS – Continued

A. Deposits and Investments – Continued

Interest Rate Risk. The City’s investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270 day maturity. At year end, the average maturities of deposits are as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Weighted Avg Maturity</u>
Michigan CLASS Investment Pool	\$ 1,900,000	.09
Trust Fund:		
Mutual Fund – Bonds and Cash	1,000	Not Available
Mutual Fund – Equity	<u>65,597</u>	Not Available
	<u>\$ 1,966,597</u>	

Credit Risk. State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The City has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Organization</u>
MI CLASS Investment Pool	\$ 1,900,000	AAAm	S&P
Trust Fund:			
Mutual Fund – Cash	1,000	Not Available	
Mutual Funds – Equity	<u>65,597</u>	Not Available	
	<u>\$ 1,966,597</u>		

Concentration of Credit Risk. The City’s investment policy places no limit on the amount the City may invest in any one issuer. The City does have more than 5% of its total cash and investments in the Michigan CLASS Investment Pool (10%).

Investments in Entities that Calculate Net Asset Value per Share. As of the fiscal year ended June 30, 2020, the City holds shares or interests in investment pools where the fair value of the investments are measured on a recurring basis using net asset value per share of the investment pools.

The Michigan CLASS investment pool (fair value \$1,900,000) has no unfunded commitments, no restrictions on redemption frequency, and has no redemption notice period.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

<u>Governmental Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, not depreciated:				
Land	\$ 1,256,528	\$ -	\$ -	\$ 1,256,528
Capital Assets, being depreciated:				
Buildings and Improvements	7,361,884	-	-	7,361,884
Machinery and Equipment	2,119,485	4,004	-	2,123,489
Infrastructure	28,041,756	1,235,183	-	29,276,939
Internal Service Fund	5,742,515	409,248	-	6,151,763
	<u>43,265,640</u>	<u>1,648,435</u>	<u>-</u>	<u>44,914,075</u>
Less: Accumulated Depreciation:				
Buildings and Improvements	(5,091,166)	(196,546)	-	(5,287,712)
Machinery and Equipment	(2,020,215)	(221,170)	-	(2,241,385)
Infrastructure	(10,791,236)	(887,335)	-	(11,678,571)
Internal Service Fund	(4,394,739)	(119,957)	-	(4,514,696)
	<u>(22,297,356)</u>	<u>(1,425,008)</u>	<u>-</u>	<u>(23,722,364)</u>
Governmental Activities Capital Assets, net	<u>\$ 22,224,812</u>	<u>\$ 223,427</u>	<u>\$ -</u>	<u>\$ 22,448,239</u>

Depreciation expense was charged to functions of the primary government as follows:

General Government	\$ 93,188
Public Safety	129,630
Public Works	966,393
Recreation and Cultural	115,840
Charged though Internal Service Funds	119,957
	<u>\$ 1,425,008</u>

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

III. DETAILED NOTES ON ALL FUNDS – Continued

B. Capital Assets – Continued

<u>Business-type Activities:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, being depreciated:				
Water and Sewer Mains	\$ 19,892,154	\$ 328,292	\$ -	\$ 20,220,446
Equipment	344,084	-	-	344,084
	<u>20,236,238</u>	<u>328,292</u>	<u>-</u>	<u>20,564,530</u>
Less: Accumulated Depreciation:				
Water and Sewer Mains	(8,429,086)	(462,921)	-	(8,892,007)
Equipment	(293,728)	-	-	(293,728)
	<u>(8,722,814)</u>	<u>(462,921)</u>	<u>-</u>	<u>(9,185,735)</u>
Business-type Activities Capital Assets, net	<u>\$ 11,513,424</u>	<u>\$ (134,629)</u>	<u>\$ -</u>	<u>\$ 11,378,795</u>
<u>Component Units:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, not depreciated:				
Land	\$ 597,000	-	-	\$ 597,000
Capital Assets, being depreciated:				
Infrastructure	\$ 6,957,985	-	-	\$ 6,957,985
Buildings	1,926,945	8,800	-	1,935,745
Equipment	212,473	-	-	212,473
	<u>9,097,403</u>	<u>8,800</u>	<u>-</u>	<u>9,106,203</u>
Less: Accumulated Depreciation:				
Infrastructure	(5,230,247)	(198,744)	-	(5,428,991)
Buildings	(351,270)	(58,741)	-	(410,011)
Equipment	(95,839)	(12,555)	-	(108,394)
	<u>(5,677,356)</u>	<u>(270,040)</u>	<u>-</u>	<u>(5,947,396)</u>
Component Units Capital Assets, net	<u>\$ 4,017,047</u>	<u>\$ (261,240)</u>	<u>\$ -</u>	<u>\$ 3,755,807</u>

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

III. DETAILED NOTES ON ALL FUNDS – Continued

C. Interfund Receivables, Payables and Transfers

1. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2020, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Housing Commission Agency	\$ 80,000
Solid Waste Fund	General Fund	495,000
Property Tax Agency Fund	General Fund	24,676
		<u>\$ 599,676</u>

Interfund balances represent uncleared short term advances at year end, arising in the normal course of business.

2. Interfund Transfers

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Recreation	General Fund	\$ 365,000
Solid Waste Fund	General Fund	12,925
Building Fund	General Fund	50,000
Neighborhood Services	General Fund	73,010
Public Improvement Fund	General Fund	100,000
Local Street Fund	Major Street Fund	301,128
2012 Refunding GO Debt	2008 GO Debt Fund	51,611
2012 Refunding GO Debt	2014 Refunding GO Debt	16,724
Recreation CIF	Recreation	4,000
		<u>\$ 974,398</u>

Transfers represent budgeted operating subsidies and funding for debt service, planned transfers between the Street Funds, and assistance with capital projects.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

III. DETAILED NOTES ON ALL FUNDS – Continued

D. Long-Term Debt

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Balance Within 1 Year
Governmental Activities:					
2008 GO Bonds	\$ 1,120,000	\$ -	\$ 1,120,000	\$ -	\$ -
2012 LTGO Bonds	4,235,000	-	210,000	4,025,000	995,000
2020 GO Bonds	-	6,140,000	-	6,140,000	515,000
Total Bonds	5,355,000	6,140,000	1,330,000	10,165,000	1,510,000
Installment Loans	568,641	208,000	105,174	671,467	147,423
	<u>\$ 5,923,641</u>	<u>\$ 6,348,000</u>	<u>\$ 1,435,174</u>	<u>\$ 10,836,467</u>	<u>\$ 1,657,423</u>
Business-type Activities:					
2015 Cap Imp Bonds	\$ 1,235,000	\$ -	\$ 195,000	\$ 1,040,000	\$ 200,000
2012 GO Refunding Bonds	470,000	-	270,000	200,000	65,000
	<u>\$ 1,705,000</u>	<u>\$ -</u>	<u>\$ 465,000</u>	<u>\$ 1,240,000</u>	<u>\$ 265,000</u>
Component Unit-DDA					
2015 Cap Imp Bonds	\$ 1,180,000	\$ -	\$ 185,000	\$ 995,000	\$ 190,000

The following is a summary of general obligation debt outstanding (excluding compensated absences) of the City as of June 30, 2020:

	Number of Issues	Interest Rate (Coupon)	Maturing Through	Principal Outstanding
Governmental Activities:				
Gen Obligation Bonds	2	1.43-4.75%	2030	\$ 10,165,000
Act 99 Installment Loans	4	2.75%	2025	671,467
Total Govt Activities				<u>\$ 10,836,467</u>
Business-type Activities:				
Gen Obligation Bonds	2	2.00-4.00%	2025	<u>\$ 1,240,000</u>
Component Unit-DDA				
Gen Obligation Bonds	1	4.00%	2025	<u>\$ 995,000</u>

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

III. DETAILED NOTES ON ALL FUNDS – Continued

D. Long-Term Debt – Continued

The annual debt service requirements to maturity for debt outstanding as of June 30, 2020 are as follows:

<u>Year Ended</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Component Unit-DDA</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 1,657,423	\$ 358,620	\$ 265,000	\$ 42,198	\$ 190,000	\$ 36,000
2022	1,904,554	304,343	270,000	32,778	195,000	28,300
2023	1,624,287	241,990	275,000	23,050	200,000	20,400
2024	1,651,121	187,656	210,000	13,000	205,000	12,300
2025	649,082	132,265	220,000	4,400	205,000	4,100
2026	625,000	106,750	-	-	-	-
2027	650,000	81,750	-	-	-	-
2028	670,000	62,250	-	-	-	-
2029	690,000	42,150	-	-	-	-
2030	715,000	21,450	-	-	-	-
	<u>\$ 10,836,467</u>	<u>\$ 1,539,224</u>	<u>\$ 1,240,000</u>	<u>\$ 115,426</u>	<u>\$ 995,000</u>	<u>\$ 101,100</u>

E. Property Taxes

Property taxes are assessed as of each December 31. The City tax levy is billed on July 1, and taxes are considered delinquent on March 1, at which time the applicable property is subject to lien and penalty and interest is assessed. The maximum authorized operating levy for the City is 15 mills prior to “rollback” required by State laws, and additional amounts for Solid Waste as provided by State law. The City also levies voter approved amounts for general obligation debt. The City's tax levy for the 2019 tax roll is as follows (tax rate per \$1,000 of assessed valuation):

	<u>Tax Rate</u>
General Operating	10.7291
Refuse	1.8200
General Obligation Debt	<u>2.6795</u>
Total	<u>15.2286</u>

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION

A. Defined Benefit Pension Plan

Plan Description

The City participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees Retirement System of Michigan (MERS) that covers all full-time employees of the City. MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member Retirement Board. MERS issues a publicly available financial report, which includes the financial statements and required supplemental information of this defined benefit plan. This report can be obtained at www.mersofmichigan.com or in writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917.

Benefits Provided

The Plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended established and amends the benefit provisions of the participants in MERS. There are three divisions, all closed to new hires.

Employees Covered by Benefit Terms

At the December 31, 2019 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently Receiving benefits	55
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>0</u>
Total employees covered by MERS	<u>59</u>

Contributions

The State of Michigan Constitution, Article 9, Section 24, requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

A. Defined Benefit Pension Plan – Continued

Since the plan is closed to new members the City is required to make contributions in “flat amounts”. During the year the City made required contributions of \$887,928 and a voluntary contribution of \$200,000.

Net Pension Liability

The net pension liability reported at June 30, 2020 was determined using a measure of the total pension liability and the pension net position as of December 31, 2019. The December 31, 2019 total pension liability was determined by an actuarial valuation performed as of that date.

Changes in the net pension liability during the measurement year were as follows:

<u>Changes in Net Pension Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>
Balance at December 31, 2018	\$ 15,768,787	\$ 8,253,148	\$ 7,515,639
Service Cost	-	-	-
Interest	1,199,462	-	1,199,462
Contributions-Employer	-	1,013,528	(1,013,528)
Contributions-Employee	-	-	-
Net Investment Income	-	1,081,716	(1,081,716)
Differences between expected and actual experience	(109,121)	-	(109,121)
Change in assumptions	471,397	-	471,397
Benefit Payments, including refunds	(1,551,052)	(1,551,052)	-
Administrative Expenses	-	(18,614)	18,614
Net Changes	<u>10,686</u>	<u>525,578</u>	<u>(514,892)</u>
Balance at December 31, 2019	\$ <u>15,779,473</u>	\$ <u>8,778,726</u>	\$ <u>7,000,747</u>

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

A. Defined Benefit Pension Plan – Continued

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Source</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 47,454
Employer contributions to the plan subsequent to the measurement date	<u>543,964</u>	<u>-</u>
Total	<u>\$ 543,964</u>	<u>\$ 47,454</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date (\$543,964), which will impact the net pension liability in fiscal year 2021, rather than pension expense.

<u>Years Ending June 30</u>	<u>Amount</u>
2021	\$ 18,224
2022	(33,415)
2023	(121,005)
2024	88,742

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%	
Salary increases	3.00%	
Investment rate of return	7.75%	Gross of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Tables of a 50 percent male and 50 percent female blend. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

A. Defined Benefit Pension Plan – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Projected Cash Flows

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return as of December 31, 2019, the measurement date, for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	60%	3.15%
Global Fixed Income	20%	0.25%
Private Investments	20%	1.45%

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

A. Defined Benefit Pension Plan – Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 8.00 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60 percent) or one percentage point higher (8.60 percent) than the current rate:

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
	<u> </u>	<u> </u>	<u> </u>
Net Pension Liability of the City	\$ 8,302,743	\$ 7,000,747	\$ 5,868,964
	<u> </u>	<u> </u>	<u> </u>

B. Defined Contribution Plan

Plan Description

The City of Plymouth contributes to the City of Plymouth defined contribution plan, which is a defined contribution money purchase pension plan. The plan is administered by the ICMA Retirement Corporation (ICMA) who sponsors the prototype plan. Amendments are developed by ICMA and submitted to the City Commission for approval.

A defined contribution money purchase pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account. All employees hired on or after March 31, 1999 are eligible to participate in the plan. Contributions made by the City vest after five years; employee contributions vest immediately.

Contributions Required and Contributions Made

The City contributes 15% of gross pay for each eligible employee. During the year, the City's required and actual contributions amounted to \$602,731.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

C. Other Postemployment Benefits

Plan Description

The City provides retiree healthcare benefits to eligible employees upon retirement in accordance with labor contracts.

Benefits Provided

The City provides medical, prescription drug, dental, and vision benefits for retirees and their spouses. Benefits are provided by a third-party insurer.

Employees Covered by Benefit Terms

At the July 1, 2019 valuation date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	59
Inactive plan members entitled to but not yet receiving benefits	0
Active Plan Members	<u>40</u>
Total	<u>99</u>

Contributions

Active service members are not required to make contributions to the plan. The City has no obligation to make contributions in advance but are being financed on a “pay-as-you-go” basis. At the fund level, the expense is recognized by the City as the payments to the employees are made.

Summary of Significant Accounting Policies

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB (if applicable), and OPEB expenses, have been determined on the same basis as they are reported for the City. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

C. Other Postemployment Benefits – Continued

Changes in Net OPEB Liability

The components of the change in the net OPEB liability are summarized as follows:

<u>Changes in Net OPEB Liability</u>	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Net Position</u>	<u>Net OPEB Liability</u>
Balance at July 1, 2019	\$ 15,133,046	\$ -	\$ 15,133,046
Service Cost	190,780	-	190,780
Interest Cost	550,224	-	550,224
Employer Contributions	-	491,214	(491,214)
Benefit Payments	(491,214)	(491,214)	-
Difference between expected and actual experience	333,526	-	333,526
Change in assumptions	<u>3,042,646</u>	<u>-</u>	<u>3,042,646</u>
Net Changes	<u>3,625,962</u>	<u>-</u>	<u>3,625,962</u>
Balance at June 30, 2020	<u>\$ 18,759,008</u>	<u>\$ -</u>	<u>\$ 18,759,008</u>

Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized deferred inflows of resources as follows:

<u>Source</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in Assumptions	\$ 1,844,754	\$ 85,624
Difference between expected and actual experience	<u>202,217</u>	<u>-</u>
	<u>\$ 2,046,971</u>	<u>\$ 85,624</u>

Amounts reported as deferred inflows of resources related to OPEB benefits will be recognized in subsequent years expense as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2021	\$ 1,243,577
2022	717,770

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

C. Other Postemployment Benefits – Continued

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 2.66 percent, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease</u> <u>(1.66%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(2.66%)</u>	<u>1% Increase</u> <u>(3.66%)</u>
Net OPEB Liability	\$ <u>22,277,998</u>	\$ <u>18,759,008</u>	\$ <u>16,033,836</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare trends rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	\$ <u>15,113,077</u>	\$ <u>18,759,008</u>	\$ <u>23,147,125</u>

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

C. Other Postemployment Benefits – Continued

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019. The following actuarial assumptions were applied:

Actuarial Cost Method	Entry-age normal
Discount Rate	2.66%
Salary Increases	3.00% including inflation
Investment Rate of Return	n/a
Retirement Age:	Nonunion: Hired prior to July 1, 1989: Age 60 with 10 years of service, Age 55 with 15 years, or or any age with 25 years of service. Hired on or after July 1, 1989 and before July 1, 2014: Age 55 with 15 years of service or any age with 25 years of service. Police: Hired prior to July 1, 2001: Age 50 with 20 years of service or any age with 25 years of service. Hired on or after July 1, 2001 and before July 1, 2017: Age 52 with 20 years of service or or any age with 25 years of service.
Mortality	Pub-2010 General Retiree Mortality Table
Healthcare Trend Rate	8.25% ore-65, 6.50% post-65; grading to 4.50%

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

D. Risk Management

The City purchases insurance coverage through traditional means. The City's property and liability and workers compensation coverages are on file in the Risk Manager's office.

The City has contracted with Blue Cross and Blue Shield of Michigan to administer a self-funded health insurance program. Under the plan, the City pays a fixed administrative and reinsurance fee, and self-insures claims within plan limits. The plan has a \$60,000 specific stop-loss limit per insured (contract) per plan year (October 1 to September 30).

Claims in excess of the individual stop-loss or aggregate stop-loss limits are covered under the reinsurance coverage. Individual contracts are limited to \$5,000,000 per person per contract (lifetime). Commencing January 1, 2011 all lifetime limitations have been removed.

Changes in the balance of claim liability during the past year are as follows:

Unpaid claims at beginning of year	\$ 614,943
Incurred claims (including IBNRs)	720,790
Claims Paid	<u>(737,748)</u>
Unpaid claims, at end of year	<u>\$ 597,985</u>

E. Subsequent Event

In March 2020, the City temporarily closed its offices in accordance with the Governor's Stay Home, Stay Safe Executive Order as a result of the global coronavirus pandemic. Essential services such as law enforcement and fire protection remain unaffected. The City has decreased both operating revenues and expenditures during this time due to the temporary closure. Currently, it is not possible to determine the negative financial impact, if any, on the City due to the pandemic as the circumstances continue to change. Accordingly, there have been no adjustments to the financial statements as a result of this ongoing event.

CITY OF PLYMOUTH
Notes to Financial Statements
June 30, 2020

IV. OTHER INFORMATION – Continued

F. Upcoming Accounting Pronouncements

Fiduciary Activities

In January 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 84, *Fiduciary Activities*, which establishes specific criteria for identifying activities that should be reported as fiduciary activities. The City is currently evaluating the impact of this standard on its financial statements. The Statement is effective beginning with the City's fiscal year ending June 30, 2020.

Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*, which requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. This Statement is based on the principle that leases are financings of the right to use an underlying asset. The City is currently evaluating the impact of this standard on its financial statements. The Statement is effective beginning with the City's fiscal year ending June 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PLYMOUTH
Required Supplemental Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 68)

	2020	2019	2018	2017	2016	2015
Total Pension Liability:						
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ 6,213	\$ 6,541
Interest	1,199,462	1,216,144	1,232,243	1,241,442	1,237,027	620,584
Change in Assumptions	471,397	-	-	-	793,944	-
Change in Experience	(109,121)	123,281	105,749	159,894	(151,532)	-
Other Changes	-	-	-	-	-	642,952
Benefit payments, including refunds	(1,551,052)	(1,544,857)	(1,533,596)	(1,499,120)	(1,480,828)	(1,459,239)
Net Change in Total Pension Liability	10,686	(205,432)	(195,604)	(97,784)	404,824	(189,162)
Total Pension Liability, Beginning of year	15,768,787	15,974,219	16,169,823	16,267,607	15,862,783	16,051,945
Total Pension Liability, End of year	<u>\$ 15,779,473</u>	<u>\$ 15,768,787</u>	<u>\$ 15,974,219</u>	<u>\$ 16,169,823</u>	<u>\$ 16,267,607</u>	<u>\$ 15,862,783</u>
Plan Fiduciary Net Position:						
Contributions - Employer	\$ 1,013,528	\$ 951,494	\$ 1,164,214	\$ 1,324,818	\$ 1,444,796	\$ 1,423,876
Contributions - Employee	-	-	-	-	-	-
Net Investment Income	1,081,716	(337,090)	1,101,381	874,780	(117,516)	468,230
Administrative Expenses	(18,614)	(17,238)	(17,470)	(17,267)	(17,213)	(17,309)
Benefit payments, including refunds	(1,551,052)	(1,544,857)	(1,533,596)	(1,499,120)	(1,480,828)	(1,459,239)
Net Change in Plan Fiduciary Net Position	525,578	(947,691)	714,529	683,211	(170,761)	415,558
Plan Fiduciary Net Position, Beg. of year	8,253,148	9,200,839	8,486,310	7,803,099	7,973,860	7,558,302
Plan Fiduciary Net Position, End of year	<u>\$ 8,778,726</u>	<u>\$ 8,253,148</u>	<u>\$ 9,200,839</u>	<u>\$ 8,486,310</u>	<u>\$ 7,803,099</u>	<u>\$ 7,973,860</u>
City's Net Pension Liability - Ending	<u>\$ 7,000,747</u>	<u>\$ 7,515,639</u>	<u>\$ 6,773,380</u>	<u>\$ 7,683,513</u>	<u>\$ 8,464,508</u>	<u>\$ 7,888,923</u>
Plan Fiduciary Net Position as a Percent of Total Pension Liability	55.6%	52.3%	57.6%	52.5%	48.0%	50.3%
Covered Employee Payroll	\$ -	\$ -	\$ -	\$ -	\$ 63,988	\$ 67,366
City's Net Pension Liability as a Percent of Covered Employee Payroll	n/a	n/a	n/a	n/a	13228%	11711%

CITY OF PLYMOUTH
Required Supplemental Information
Schedule of City Pension Contributions-MERS
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 887,928	\$ 739,128	\$ 763,860	\$ 1,365,298	\$ 1,377,112	\$ 1,105,528	\$ 943,224	\$ 812,726	\$ 727,189	\$ 664,032
Contributions in relation to the actuarially determined contribution	\$ 1,087,928	\$ 939,128	\$ 963,860	\$ 1,365,298	\$ 1,527,112	\$ 1,105,528	\$ 943,224	\$ 812,726	\$ 727,189	\$ 664,032
Contribution Excess (Deficiency)	\$ 200,000	\$ 200,000	\$ 200,000	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ -	\$ -	\$ -	\$ -	\$ 63,988	\$ 161,704	\$ 156,984	\$ 161,326	\$ 245,093	\$ 241,710
Contributions as a Percentage of Covered Employee Payroll	n/a	n/a	n/a	n/a	2386.6%	683.7%	600.8%	503.8%	296.7%	274.7%

Actuarial valuation information relative to the determination of contributions:
Actuarially determined contribution rates are calculated as of December 31 each year, which is 18 months prior to the beginning of the fiscal year in which the contributions are required.

Methods and assumptions used to determine contribution rates:
Actuarial Cost Method Entry age normal cost

Amortization Method Level percent

Remaining Amortization Period 10 years

Asset Valuation Method 5-year smoothed market

Inflation 2.50%

Projected Salary Increases 3.75% including inflation

Investment Rate of Return 7.75%

Retirement Age Experience based tables of rates that are specific to the type of eligibility condition.

Mortality 50% Male - 50% Female blend of the RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%; RP-2014 Employee Mortality Tables; and RP-2014 Juvenile Mortality Tables

CITY OF PLYMOUTH
Required Supplemental Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Fiscal Years (schedule is built prospectively upon implementation of GASB 75)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:			
Service Cost	\$ 190,780	\$ 284,513	\$ 261,172
Interest	550,224	501,687	473,847
Change in Assumptions	3,042,646	-	(761,596)
Change in Experience	333,526	-	-
Benefit payments, including refunds	<u>(491,214)</u>	<u>(648,287)</u>	<u>(527,324)</u>
Net Change in Total Pension Liability	3,625,962	137,913	(553,901)
Total OPEB Liability, Beginning of year	<u>15,133,046</u>	<u>14,995,133</u>	<u>15,549,034</u>
Total OPEB Liability, End of year	<u>\$ 18,759,008</u>	<u>\$ 15,133,046</u>	<u>\$ 14,995,133</u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 491,214	\$ 648,287	\$ 527,324
Benefit Payments	<u>(491,214)</u>	<u>(648,287)</u>	<u>(527,324)</u>
Net Change in Plan Fiduciary Net Position	-	-	-
Plan Fiduciary Net Position, Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Net OPEB Liability - Ending	<u>\$ 18,759,008</u>	<u>\$ 15,133,046</u>	<u>\$ 14,995,133</u>
Plan Fiduciary Net Position as a Percent of Total OPEB Liability	0.0%	0.0%	0.0%
Covered Employee Payroll	n/a	n/a	n/a
City's Net OPEB Liability as a Percent of Covered Employee Payroll	n/a	n/a	n/a

CITY OF PLYMOUTH
Required Supplemental Information
Schedule of City OPEB Contributions
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 491,214	\$ 590,263	\$ 539,082	\$ 926,180	\$ 926,180	\$ 926,180	\$ 559,045	\$ 563,936	\$ 562,750
Contributions in relation to the actuarially determined contribution	491,214	648,287	527,324	641,891	516,636	603,717	464,812	678,880	610,554
Contribution Deficiency (Excess)	\$ -	\$ (58,024)	\$ 11,758	\$ 284,289	\$ 409,544	\$ 322,463	\$ 94,233	\$ (114,944)	\$ (47,804)
Covered Employee Payroll	\$ 3,294,820	2,967,630	3,226,054	3,206,966	n/a	n/a	n/a	n/a	n/a
Contributions as a Percentage of Covered Employee Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Actuarial valuation information relative to the determination of contributions:
Actuarially determined contribution rates are calculated as of July 1 each year.

Methods and assumptions used to determine contribution rates:
Actuarial Cost Method: Entry-age normal
Amortization Method: Level percentage of payroll
Asset Valuation Method: Market value
Discount Rate: 2.66%
Salary Increases: 3.00% including inflation
Investment Rate of Return: n/a
Retirement Age: Nonunion:

Hired prior to July 1, 1989: Age 60 with 10 years of service; Age 55 with 15 years, or or any age with 25 years of service.
Hired on or after July 1, 1989 and before July 1, 2014: Age 55 with 15 years of service or any age with 25 years of service.
Police:

Hired prior to July 1, 2001: Age 50 with 20 years of service or any age with 25 years of service.
Hired on or after July 1, 2001 and before July 1, 2017: Age 52 with 20 years of service or or any age with 25 years of service.

Mortality: Pub-2010 General Retiree Mortality Table multiplied by 105%. RP-2014 Employee Mortality Tables; and RP-2014 Juvenile Mortality Tables
Healthcare Trend Rate: 8.25% pre-65; 6.50% post-65; grading to 4.50%

CITY OF PLYMOUTH
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 6,148,270	\$ 6,535,280	\$ 6,532,114	\$ (3,166)
Licenses and Permits	5,100	5,100	3,557	(1,543)
Intergovernmental - State	1,103,380	1,110,338	1,175,943	65,605
Intergovernmental - Federal	30,560	1,000	-	(1,000)
Charges for Services	1,028,620	1,028,100	1,027,024	(1,076)
Interest Earnings	50	72,000	74,397	2,397
Other Revenues	669,730	722,930	680,176	(42,754)
Total Revenues	<u>8,985,710</u>	<u>9,474,748</u>	<u>9,493,211</u>	<u>18,463</u>
Expenditures:				
General Government:				
City Commission	109,610	124,110	103,186	20,924
City Manager	315,320	325,480	296,549	28,931
Attorney	120,000	154,800	154,757	43
Finance	682,110	547,205	375,715	171,490
Clerk/Elections	247,750	247,390	210,578	36,812
Assessing	86,780	86,380	66,793	19,587
Management Information Services	269,895	280,695	268,557	12,138
Cemetery	151,660	157,820	124,744	33,076
	<u>1,983,125</u>	<u>1,923,880</u>	<u>1,600,879</u>	<u>323,001</u>
Public Safety:				
Police	3,841,410	3,779,550	3,621,198	158,352
Fire	1,029,150	1,145,130	1,171,599	(26,469)
	<u>4,870,560</u>	<u>4,924,680</u>	<u>4,792,797</u>	<u>131,883</u>
Public Works:				
Municipal Services Administration	232,740	249,105	225,839	23,266
City Hall Maintenance	114,930	126,040	119,794	6,246
Parks and Public Property	176,950	163,680	159,285	4,395
Municipal Services Yard Maintenance	72,880	86,215	73,419	12,796
Street Services	155,000	180,000	183,289	(3,289)
Miscellaneous MSD Services	3,360	3,480	1,731	1,749
Special Events	174,300	144,710	124,882	19,828
Parking	45,630	55,800	45,195	10,605
MSD Services--DDA	146,070	172,670	172,886	(216)
	<u>1,121,860</u>	<u>1,181,700</u>	<u>1,106,320</u>	<u>75,380</u>
Other	528,555	688,378	288,752	399,626
Capital Outlay	140,675	155,175	65,181	89,994
Total Expenditures	<u>8,644,775</u>	<u>8,873,813</u>	<u>7,853,929</u>	<u>1,019,884</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>340,935</u>	<u>600,935</u>	<u>1,639,282</u>	<u>1,038,347</u>
Other Financing Sources (Uses):				
Operating Transfers Out	<u>(340,935)</u>	<u>(600,935)</u>	<u>(600,935)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(340,935)</u>	<u>(600,935)</u>	<u>(600,935)</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,038,347	1,038,347
Fund Balance - Beginning	<u>1,983,201</u>	<u>1,983,201</u>	<u>1,983,201</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 1,983,201</u>	<u>\$ 1,983,201</u>	<u>\$ 3,021,548</u>	<u>\$ 1,038,347</u>

OTHER SUPPLEMENTARY INFORMATION

CITY OF PLYMOUTH
Combining Balance Sheet
Non Major Governmental Funds
June 30, 2020

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent Funds Cemetery Care</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 1,939,692	\$ 206,276	\$ 128,351	\$ 531,567	\$ 2,805,886
Investments	-	-	-	66,597	66,597
Accounts Receivable	252,281	-	-	2,099	254,380
Due from Other Funds	495,000	-	-	-	495,000
Due from Other Governmental Units	129,745	-	-	-	129,745
Inventory	48,651	-	-	-	48,651
Total Assets	<u>\$ 2,865,369</u>	<u>\$ 206,276</u>	<u>\$ 128,351</u>	<u>\$ 600,263</u>	<u>\$ 3,800,259</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ 173,238	\$ -	\$ 1,789	\$ -	\$ 175,027
Accrued and Other Liabilities	121,739	-	-	-	121,739
Total Liabilities	<u>294,977</u>	<u>-</u>	<u>1,789</u>	<u>-</u>	<u>296,766</u>
Fund Balance:					
Non Spendable-Inventory	48,651	-	-	-	48,651
Restricted	2,393,976	206,276	126,562	600,263	3,327,077
Committed	127,765	-	-	-	127,765
Total Fund Balance	<u>2,570,392</u>	<u>206,276</u>	<u>126,562</u>	<u>600,263</u>	<u>3,503,493</u>
Total Liabilities and Fund Balance	<u>\$ 2,865,369</u>	<u>\$ 206,276</u>	<u>\$ 128,351</u>	<u>\$ 600,263</u>	<u>\$ 3,800,259</u>

CITY OF PLYMOUTH
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non Major Governmental Funds
For the Year Ended June 30, 2020

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent Funds Cemetery Care</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:					
Property Taxes	\$ 988,160	\$ 1,457,309	\$ -	\$ -	\$ 2,445,469
Licenses and Permits	481,149	-	-	-	481,149
Intergovernmental	995,386	175,902	15,491	-	1,186,779
Charges for Services	1,081,966	-	-	13,787	1,095,753
Interest	33,399	4,703	60	-	38,162
Other	24,645	-	-	-	24,645
Total Revenues	<u>3,604,705</u>	<u>1,637,914</u>	<u>15,551</u>	<u>13,787</u>	<u>5,271,957</u>
Expenditures:					
Public Safety	624,627	-	-	-	624,627
Public Works	2,495,075	-	-	-	2,495,075
Recreation and Cultural	1,121,735	-	-	-	1,121,735
Debt Service:					
Principal	-	1,330,000	-	-	1,330,000
Interest and Other Charges	-	175,013	-	-	175,013
Capital Outlay	-	-	28,608	-	28,608
Total Expenditures	<u>4,241,437</u>	<u>1,505,013</u>	<u>28,608</u>	<u>-</u>	<u>5,775,058</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(636,732)</u>	<u>132,901</u>	<u>(13,057)</u>	<u>13,787</u>	<u>(503,101)</u>
Other Financing Sources (Uses):					
Operating Transfers In	802,063	68,335	104,000	-	974,398
Operating Transfers Out	<u>(305,128)</u>	<u>(68,335)</u>	<u>-</u>	<u>-</u>	<u>(373,463)</u>
Total Other Financing Sources (Uses)	<u>496,935</u>	<u>-</u>	<u>104,000</u>	<u>-</u>	<u>600,935</u>
Net Change in Fund Balances	(139,797)	132,901	90,943	13,787	97,834
Fund Balance, July 1	<u>2,710,189</u>	<u>73,375</u>	<u>35,619</u>	<u>586,476</u>	<u>3,405,659</u>
Fund Balance, June 30	<u>\$ 2,570,392</u>	<u>\$ 206,276</u>	<u>\$ 126,562</u>	<u>\$ 600,263</u>	<u>\$ 3,503,493</u>

CITY OF PLYMOUTH
Non Major Special Revenue Funds
Combining Balance Sheet
June 30, 2020

	<u>Major Street</u>	<u>Local Street</u>	<u>Recreation</u>	<u>Solid Waste</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 916,940	\$ 116,113	\$ 48,251	\$ 611,705
Accounts Receivable	14	-	191	109,436
Due from Other Funds	-	-	-	495,000
Due From Other Governmental Units	85,911	34,513	-	-
Inventory	<u>33,330</u>	<u>11,110</u>	<u>2,563</u>	<u>1,648</u>
Total Assets	<u>\$ 1,036,195</u>	<u>\$ 161,736</u>	<u>\$ 51,005</u>	<u>\$ 1,217,789</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ 3,371	\$ 11,446	\$ 16,279	\$ 108,858
Accrued and Other Liabilities	<u>1,172</u>	<u>1,801</u>	<u>6,607</u>	<u>5,490</u>
Total Liabilities	<u>4,543</u>	<u>13,247</u>	<u>22,886</u>	<u>114,348</u>
Fund Balance:				
Non Spendable-Inventory	33,330	11,110	2,563	1,648
Restricted	998,322	137,379	25,556	1,101,793
Committed	-	-	-	-
Total Fund Balance	<u>1,031,652</u>	<u>148,489</u>	<u>28,119</u>	<u>1,103,441</u>
Total Liabilities and Fund Balance	<u>\$ 1,036,195</u>	<u>\$ 161,736</u>	<u>\$ 51,005</u>	<u>\$ 1,217,789</u>

<u>Parking</u>	<u>Neighborhood Services</u>	<u>Building</u>	<u>Drug Enforcement</u>	<u>OVI Forfeiture</u>	<u>Omnibus Forfeiture</u>	<u>Total</u>
\$ 127,765	\$ 44,948	\$ 50,949	\$ 2,074	\$ 19,669	\$ 1,278	\$ 1,939,692
-	8,960	133,680	-	-	-	252,281
-	-	-	-	-	-	495,000
-	4,346	4,975	-	-	-	129,745
-	-	-	-	-	-	48,651
<u>\$ 127,765</u>	<u>\$ 58,254</u>	<u>\$ 189,604</u>	<u>\$ 2,074</u>	<u>\$ 19,669</u>	<u>\$ 1,278</u>	<u>\$ 2,865,369</u>
\$ -	\$ 5,828	\$ 27,456	\$ -	\$ -	\$ -	\$ 173,238
-	-	106,669	-	-	-	121,739
-	5,828	134,125	-	-	-	294,977
-	-	-	-	-	-	48,651
-	52,426	55,479	2,074	19,669	1,278	2,393,976
127,765	-	-	-	-	-	127,765
<u>127,765</u>	<u>52,426</u>	<u>55,479</u>	<u>2,074</u>	<u>19,669</u>	<u>1,278</u>	<u>2,570,392</u>
<u>\$ 127,765</u>	<u>\$ 58,254</u>	<u>\$ 189,604</u>	<u>\$ 2,074</u>	<u>\$ 19,669</u>	<u>\$ 1,278</u>	<u>\$ 2,865,369</u>

CITY OF PLYMOUTH
Non Major Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2020

	<u>Major Street</u>	<u>Local Street</u>	<u>Recreation Fund</u>	<u>Solid Waste</u>
Revenues:				
Property Taxes	\$ -	\$ -	\$ -	\$ 988,160
Licenses and Permits	-	-	-	-
Intergovernmental	615,553	247,284	-	122,342
Charges for Services	-	-	592,303	403,985
Interest	14,785	-	2,141	11,397
Other	-	20,111	-	267
Total Revenues	<u>630,338</u>	<u>267,395</u>	<u>594,444</u>	<u>1,526,151</u>
Expenditures:				
Public Safety	-	-	-	-
Public Works	535,449	611,352	-	1,348,274
Recreation and Cultural	-	-	1,050,528	-
Total Expenditures	<u>535,449</u>	<u>611,352</u>	<u>1,050,528</u>	<u>1,348,274</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>94,889</u>	<u>(343,957)</u>	<u>(456,084)</u>	<u>177,877</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	301,128	365,000	12,925
Operating Transfers Out	(301,128)	-	(4,000)	-
Total Other Financing Sources (Uses)	<u>(301,128)</u>	<u>301,128</u>	<u>361,000</u>	<u>12,925</u>
Net Change in Fund Balance	(206,239)	(42,829)	(95,084)	190,802
Fund Balance, July 1	<u>1,237,891</u>	<u>191,318</u>	<u>123,203</u>	<u>912,639</u>
Fund Balance, June 30	<u>\$ 1,031,652</u>	<u>\$ 148,489</u>	<u>\$ 28,119</u>	<u>\$ 1,103,441</u>

<u>Parking</u>	<u>Neighborhood Services</u>	<u>Building</u>	<u>Drug Enforcement</u>	<u>OVI Forfeiture</u>	<u>Omnibus Forfeiture</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 988,160
-	-	481,149	-	-	-	481,149
-	6,177	4,030	-	-	-	995,386
35,000	-	45,753	1,585	3,340	-	1,081,966
597	-	4,478	-	-	1	33,399
-	-	-	750	2,370	1,147	24,645
<u>35,597</u>	<u>6,177</u>	<u>535,410</u>	<u>2,335</u>	<u>5,710</u>	<u>1,148</u>	<u>3,604,705</u>
-	-	608,180	1,390	13,667	1,390	624,627
-	-	-	-	-	-	2,495,075
-	71,207	-	-	-	-	1,121,735
<u>-</u>	<u>71,207</u>	<u>608,180</u>	<u>1,390</u>	<u>13,667</u>	<u>1,390</u>	<u>4,241,437</u>
<u>35,597</u>	<u>(65,030)</u>	<u>(72,770)</u>	<u>945</u>	<u>(7,957)</u>	<u>(242)</u>	<u>(636,732)</u>
-	73,010	50,000	-	-	-	802,063
-	-	-	-	-	-	(305,128)
<u>-</u>	<u>73,010</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>496,935</u>
35,597	7,980	(22,770)	945	(7,957)	(242)	(139,797)
<u>92,168</u>	<u>44,446</u>	<u>78,249</u>	<u>1,129</u>	<u>27,626</u>	<u>1,520</u>	<u>2,710,189</u>
<u>\$ 127,765</u>	<u>\$ 52,426</u>	<u>\$ 55,479</u>	<u>\$ 2,074</u>	<u>\$ 19,669</u>	<u>\$ 1,278</u>	<u>\$ 2,570,392</u>

CITY OF PLYMOUTH
Non Major Debt Service Funds
Combining Balance Sheet
June 30, 2020

	<u>2008</u> <u>General</u> <u>Obligation</u>	<u>2012</u> <u>Refunding</u> <u>GO Debt</u>	<u>2014</u> <u>Refunding</u> <u>GO Debt</u>	<u>Total</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ -	\$ 206,276	\$ -	\$ 206,276
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities	\$ -	\$ -	\$ -	\$ -
Fund Balance:				
Restricted - Debt Service	-	206,276	-	206,276
Total Liabilities and Fund Balance	\$ -	\$ 206,276	\$ -	\$ 206,276

CITY OF PLYMOUTH
Non Major Debt Service Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2020

	2008	2012	2014	
	General	Refunding	Refunding	Total
	Obligation	GO Debt	GO Debt	
<u>Revenues:</u>				
Property Taxes	\$ 1,122,128	\$ 335,181	\$ -	\$ 1,457,309
Intergovernmental	51,415	124,487	-	175,902
Interest Income	3,713	990	-	4,703
Total Revenues	<u>1,177,256</u>	<u>460,658</u>	<u>-</u>	<u>1,637,914</u>
<u>Expenditures:</u>				
Debt Service:				
Principal Retirement	1,120,000	210,000	-	1,330,000
Interest and Fiscal Charges	44,180	130,750	83	175,013
Total Expenses	<u>1,164,180</u>	<u>340,750</u>	<u>83</u>	<u>1,505,013</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>13,076</u>	<u>119,908</u>	<u>(83)</u>	<u>132,901</u>
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	-	68,335	-	68,335
Operating Transfers Out	(51,611)	-	(16,724)	(68,335)
Total Other Financing Sources (Uses)	<u>(51,611)</u>	<u>68,335</u>	<u>(16,724)</u>	<u>-</u>
Net Change in Fund Balance	(38,535)	188,243	(16,807)	132,901
Fund Balance, July 1	<u>38,535</u>	<u>18,033</u>	<u>16,807</u>	<u>73,375</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 206,276</u>	<u>\$ -</u>	<u>\$ 206,276</u>

CITY OF PLYMOUTH
Non Major Capital Project Funds
Combining Balance Sheet
For the Year Ended June 30, 2020

	<u>Recreation Capital Improvement</u>	<u>Public Improvement</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 5,652	\$ 122,699	\$ 128,351
Due from Other Governmental Units	-	-	-
	<u>\$ 5,652</u>	<u>\$ 122,699</u>	<u>\$ 128,351</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts Payable	\$ 1,789	\$ -	\$ 1,789
Fund Balance:			
Restricted - Construction	<u>3,863</u>	<u>122,699</u>	<u>126,562</u>
Total Liabilities and Fund Balance	<u>\$ 5,652</u>	<u>\$ 122,699</u>	<u>\$ 128,351</u>

CITY OF PLYMOUTH
Non Major Capital Project Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2020

	<u>Recreation Capital Improvement</u>	<u>Public Improvement</u>	<u>Total</u>
<u>Revenues:</u>			
Intergovernmental	\$ 15,491	\$ -	\$ 15,491
Interest	-	60	60
Other	-	-	-
Total Revenues	<u>15,491</u>	<u>60</u>	<u>15,551</u>
 <u>Expenditures:</u>			
Capital Outlay	<u>28,608</u>	<u>-</u>	<u>28,608</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(13,117)</u>	<u>60</u>	<u>(13,057)</u>
 <u>Other Financing Sources:</u>			
Operating Transfers In	<u>4,000</u>	<u>100,000</u>	<u>104,000</u>
Total Other Financing Sources	<u>4,000</u>	<u>100,000</u>	<u>104,000</u>
Net Change in Fund Balance	(9,117)	100,060	90,943
Fund Balance - July 1	<u>12,980</u>	<u>22,639</u>	<u>35,619</u>
Fund Balance - June 30	<u>\$ 3,863</u>	<u>\$ 122,699</u>	<u>\$ 126,562</u>



Administrative Recommendation

City of Plymouth
201 S. Main
Plymouth, Michigan 48170-1637

www.plymouthmi.gov
Phone 734-453-1234
Fax 734-455-1892

To: Mayor & City Commission
From: Paul J. Sincock, City Manager
CC: S:\Manager\Sincock Files\Memorandum - Tree Ordinance Public Hearing and Final Reading 12-21-20.docx
Date: December 16, 2020
RE: Tree Ordinance Public Hearing and Final Reading 11-16-2020

Background

The City Commission last updated and adopted the current version of the Tree Ordinance in July of 2019 and has been in effect since September 2019, as well as a rate card which is not part of the Ordinance (which was done to allow for easy updates) and we have included the previously adopted rate card with your packet.

The Ordinance was enacted to provide for the protection, preservation, and reforestation of trees in the city. Since that time, staff has spent a tremendous amount of time educating residents, businesses, builders, developers, and others on the rules, regulations, and process by which to adhere to the new ordinance.

The proposed updates to the Tree Ordinance are administrative in nature with the most significant being placing the responsibility of the Tree Ordinance into a single department: DMS. Previously, Community Development and DMS both had responsibility for different parts of the inspections, enforcement, and education, while Community Development was the sole source for permitting. The revision to the ordinance is aimed at eliminating any confusion on which department to work with on tree related questions and improves the customer service experience by being able to one stop shop for all questions, permits, fees, etc. with one department.

The other changes in the ordinance reflect questions and scenarios that have been brought to our attention over the last year including providing a credit toward replacement requirement for a tree that was transplanted, as well as clarifying the steps necessary to obtain a tree removal permit and submission of the required tree replacement plan.

Recommendation

The City Administration recommends the City Commission pass the Second and Final Reading of the proposed ordinance amendments. As this would be the Final Reading of the proposed Ordinance; we are required to have a Public Hearing and then adoption of the Ordinance.

The proposed Ordinance Amendment would delete the current sections Chapter 34, Sections 34-1 through 34-28 and replace with the proposed version. In addition, the proposed amendment would also remove Chapter 18, Buildings and Building Regulations, Article XIV. -Vegetation, by deleting Division 1 and Division 2. The language in Chapter 18 proposed to be removed so, any and, all language related to trees is in the same Chapter. Should you have any questions in advance of the meeting please feel free to contact either Chris Porman or myself.

ADMINISTRATIVE RECOMMENDATION

To: Paul Sincock
From: Chris Porman, John Buzuvis, Adam Gerlach, and Greta Bolhuis
Date: December 15, 2020
Re: Tree Ordinance Proposed Ordinance Changes

Background

As you are aware, the first reading of this update to the ordinance was approved on November 16, 2020. The next step is to hold the required public hearing and second reading. The attached proposed changes are primarily administrative in nature.

Proposed Changes to the Tree Ordinance

The proposed changes in the ordinance aim to clarify some questions that have been raised over the last year and further clarify departmental responsibilities. Revisions to the ordinance include the credit of any transplanted tree towards replacement requirements. Other changes include the steps for obtaining a tree removal permit and submission of the required replacement plan.

Administration of the ordinance through multiple departments has proved challenging. The proposed revisions assign responsibilities to a single department with the intention of streamlining the administration and improving customer service. Municipal Services is proposed to be responsible for all tree-related activities and payments. This will eliminate confusion residents have been experiencing with the street tree program and the tree ordinance permitting.

The most significant change is likely the change in how fees are assessed. We are suggesting changing from a straight percentage of DBH to a location based, sliding scale of fees. This would give some flexibility to trees located in or near a building/building footprint and give flexibility to trees that are in fair or poor health but are not qualified as dead, diseased, or dying. The sliding scale also considers trees that are in good or excellent condition and are outside the buildable envelope.

The City Attorney has reviewed the proposed changes.

Recommendation

The Administration recommend that the City Commission adopt the proposed changes to the tree ordinance. Additionally, staff recommends the City Commission approves the proposed changes to the rate card.

Should you have any questions, please contact Adam Gerlach or Greta Bolhuis directly.

Chapter 18 -- BUILDINGS AND BUILDING REGULATIONS, Article XIV. - Vegetation, Division 1. -- Generally and 2. - Trees NEEDS TO BE REMOVED

Chapter 34 - ENVIRONMENT

ARTICLE I. - Trees

DIVISION 1. - GENERALLY

Sec. 34-1. - Intent

The purpose of this chapter is to provide for the protection, preservation, and reforestation of the City of Plymouth's tree canopy, trees, and woodlands.

Sec. 34-2. - Definitions.

The following words, terms, and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Dead Tree means any tree that has no visible growth (within the appropriate growing season for all deciduous trees), no visible buds, twigs that do not exhibit flexibility, and twigs that do not appear green at the cambium layer when outer bark has been physically removed.

Diameter Breast Height (DBH) means the diameter, in inches, of a tree measured at four and one-half (4½) feet above the existing grade.

Dripline means the imaginary vertical line, which extends downward from the outermost tips of the tree branches to the ground.

Front Yard Tree means any tree located in the open space extending the full width of the lot, the depth of which is the minimum horizontal distance between the front lot line and the nearest point of the foundation of the main building.

Heritage Tree means any tree that meets the size and species requirements in the table below, or any tree not listed in the table below that is 18 inches DBH or greater.

Common Name	Scientific Name	DBH
Arborvitae	<i>Thuja occidentalis</i>	18"
Ash	<i>Fraxinus species</i>	18"
American Basswood (Linden)	<i>Tilia americana</i>	18"
American Beech	<i>Fagus grandifolia</i>	18"
American Chestnut	<i>Castanea dentata</i>	8"
American Elm	<i>Ulmus americana</i>	18"
Birch	<i>Betula species</i>	18"
Black Alder	<i>Alnus glutinosa</i>	12"
Black Tupelo	<i>Nyssa sylvatica</i>	12"
Black Walnut	<i>Juglans nigra</i>	18"

White Walnut	Juglans cinerea	18"
Buckeye (Horse Chestnut)	Aesculus species	18"
Cedar, Red	Juniperus species	12"
Crabapple (Cultivar)	Malus species	12"
Douglas Fir	Pseudotsuga menziesii	18"
Eastern Hemlock	Tsuga canadensis	12"
Flowering Dogwood	Cornus florida	8"
Ginkgo	Ginkgo biloba	18"
Hickory	Carya, species	18"
Kentucky Coffeetree	Gymnocladus dioica	18"
Larch/Tamarack	Larix laricina (Eastern)	12"
Locust	Gleditsia triacanthos	18"
Sycamore (London plane tree)	Platanus species	18"
Maple	Acer species (except negundo)	18"
Oak	Quercus species	18"
Pine	Pinus species	18"
Sassafras	Sassafras albidum	15"
Spruce	Picea species	18"
Tulip Tree	Liriodendron tulipifera	18"
Wild Cherry	Prunus species	18"

Large tree means any tree larger than 40 feet in height at maturity.

Licensed tree professional means a Nurseryman or an ISA certified arborist.

Medium tree means any tree between 25 feet and 40 feet in height at maturity.

Park tree means any tree located in public parks having individual names, and all publicly owned land, or to which the public has free access as a park.

Private tree means any tree located on land that is owned by an individual or group having a vested or financial interest in the subject property.

Protected Area means the area contained within the dripline of the tree.

Protective Barrier means a physical obstruction that encloses the protected area of a tree and limits vehicular, material, and equipment access.

Small tree means any tree less than 25 feet in height at maturity.

Street tree means any trees planted or located within a public street or road right-of-way.

Topping means the severe cutting back of limbs to stubs larger than three inches in diameter within the tree's crown to such a degree so as to remove the normal canopy and disfigure the trees.

Transplant means the digging up of a tree and the planting of that tree in another place on the same property or off-site property.

Tree means a woody perennial plant, typically having a single stem or trunk which at maturity is 13 feet or more in height and which has a definite crown of foliage.

Tree Fund means the budget account located in the Solid Waste/Recycling fund to be used for activities associated with public tree inventory, protection, maintenance, and planting.

Sec. 34-3. - Prohibited Trees.

The following trees are prohibited to be planted or re-planted:

Common Name	Scientific Name
Ash	Fraxinus species
Autumn and Russian-Olive	Elaeagnus species
Boxelder	Acer negundo
Buckthorn	Rhamnus species
Mulberry	Morus species
Poplar	Populus species
Siberian Elm	Ulmus pumila
Silver Maple	Acer saccharinum
Tree of Heaven	Ailanthus altissima
Willow	Salix species

Sec. 34-4. - Tree Care.

- a. All trees shall be planted, pruned, maintained, and removed, as may be necessary to ensure public safety or to preserve or enhance the symmetry and beauty of such public grounds.
- b. The City reserves the right to remove or cause to be removed, any tree or part thereof which is in an unsafe condition or which by reason of its nature is injurious to sewers, electric power lines, gas lines, water lines, or other public improvements, is blocking street or sidewalk clearance, or is blocking the spread of light or view of traffic control devices.
- c. If any owner, occupant or person having charge of any land within the city shall refuse or neglect to resolve public safety issues caused by private trees as provided in this chapter, then the City Manager or his/her designee shall cause the land to be entered upon by city employees or a city contractor for the purpose of pruning, or removing said trees at the sole cost to the property owner and such entering upon shall not be deemed a trespass.

Sec. 34-5. - Pruning.

Trees shall be pruned so that branches do not obstruct the light from any street light or obstruct the view of any street intersection. A clear space of fifteen feet above the surface of the street and eight feet above the surface of the sidewalk shall be maintained. The City shall have the right to prune or cause to be pruned any tree or shrub on private property when it interferes with the proper spread of light along the street from a street light or interferes with visibility of roadway, sidewalk, traffic control devices, and/or signs.

Sec. 34-6. - Corner Clearance.

Within the required corner clearance area as defined in Section 78-207, all trees and limbs, including dead, diseased or dangerous trees or broken or decayed limbs which constitute a menace to the safety of the public, shall be removed by the property owner upon which the tree is located.

Sec. 34-7. - Tree Topping.

It shall be prohibited for any person to top any tree. Trees severely damaged by storms, an act of God, or other causes out of the City's or property owner's control, may be exempted from this section at the determination of the City Manager or his/her designee. This section does not apply to a utility company who may be required to top a tree for purposes of public safety or valid equipment issues.

Sec. 34-8. - Removal of Stumps.

All stumps of street, park, and front yard trees shall be removed below the surface of the ground so that the top of the stump shall not project above the surface of the ground. The stump excavation site shall be backfilled to match existing grade as defined in Section 78-21.

Sec. 34-9. - Tree Fund.

This section establishes the City's tree fund. The purpose of the tree fund shall be to maintain and reestablish the City's public tree canopy. The City Commission shall review the rate structure annually as part of their budget process.

Sec. 34-10. - Installation and Planting

All trees shall be planted according to ANSI Standards A300.

Sec. 34-11. - Maintenance Provisions.

All trees shall be maintained in a safe, healthy, neat and orderly state free from refuse and debris.

DIVISION 2. - PUBLIC TREES

Sec. 34-12. Permitted Street Trees

The following list constitutes the official street tree species for the city. No species other than those included in this list may be planted unless approved, in writing, by City Manager or his/her designee.

(a) Small trees:

Common Name	Scientific Name
Cherry, Flowering	Prunus species & hybrids
Crabapple, Flowering	Malus species & hybrids
Dogwood	Cornus species & hybrids
Goldenrain Tree	Koelreuteria paniculata
Hawthorn	Crataegus species
Lilac, Japanese Tree	Syringa reticulata
Magnolia	Magnolia hybrids
Magnolia, Star	Magnolia stellata
Maple, Amur	Acer ginnala
Maple, Paperbark	Acer griseum

Maple, Tatarian	<i>Acer tataricum</i>
Maple, Trident	<i>Acer buergeranum</i>
Peach, Flowering	<i>Prunus species & hybrids</i>
Plum, Flowering	<i>Prunus species & hybrids</i>
Redbud, Eastern	<i>Cercis canadensis</i>
Serviceberry	<i>Amelanchier species & hybrids</i>

(b) *Medium trees:*

Common Name	Scientific Name
Amur Maackia	<i>Maackia amurensis</i>
Corktree, Amur, Fruitless Male	<i>Phellodendron amurense</i>
Hophornbeam, American	<i>Ostrya virginiana</i>
Hornbeam, American	<i>Carpinus caroliniana</i>
Hornbeam, European	<i>Carpinus betulus</i>
Horsechestnut, Red	<i>Aesculus x carnea</i>
Maple, Bigtooth	<i>Acer grandidentatum</i>
Maple, Hedge	<i>Acer campestre</i>
Maple, Shantung	<i>Acer truncatum</i>
Mountain Ash	<i>Sorbus species</i>
Mulberry, Red Fruitless Male	<i>Morus rubra</i> , fruitless varieties
Osageorange, Thornless Male	<i>Maclura pomifera</i>
Pagodatree (Scholar tree)	<i>Styphnolobium (Sophora) japonicum</i>
Paw Paw	<i>Asimina triloba</i>
Pear, Flowering	<i>Pyrus species & hybrids</i>
Sassafras	<i>Sassafras albidum</i>
Yellowwood	<i>Cladrastis kentukea</i>

(c) *Large trees:*

Common Name	Scientific Name
Baldcypress	<i>Taxodium distichum</i>
Beech, American	<i>Fagus grandifolia</i>
Beech, European	<i>Fagus sylvatica</i>
Blackgum (Tupelo)	<i>Nyssa sylvatica</i>
Catalpa, Northern	<i>Catalpa speciosa</i>
Chestnut	<i>Castanea hybrids</i>
Coffeetree, Kentucky	<i>Gymnocladus dioica</i>
Elm, American Dutch Elm resistant varieties	<i>Ulmus hybrids</i>

Filbert, Turkish	<i>Corylus colurna</i>
Ginkgo (Maidenhair Tree), Fruitless Male	<i>Ginkgo biloba</i>
Hackberry	<i>Celtis occidentalis</i>
Hardy Rubber Tree	<i>Eucommia ulmoides</i>
Hickory	<i>Carya species</i>
Honeylocust	<i>Gleditsia triacanthos</i>
Horsechestnut	<i>Aesculus species</i>
Katsura Tree	<i>Cercidiphyllum japonicum</i>
Linden, American	<i>Tilia Americana</i>
Linden, Littleleaf	<i>Tilia cordata</i>
Linden, Silver	<i>Tilia tomentosa</i>
Maple, Black	<i>Acer nigrum</i>
Maple, Freeman Hybrid	<i>Acer x freemanii</i>
Maple, Miyabe	<i>Acer miyabei</i>
Maple, Norway	<i>Acer platanoides</i>
Maple, Red	<i>Acer rubrum</i>
Maple, Sugar	<i>Acer saccharum</i>
Maple, Sycamore	<i>Acer pseudoplatanus</i>
Oak, Bur	<i>Quercus macrocarpa</i>
Oak, Chinkapin	<i>Quercus muehlenbergii</i>
Oak, English	<i>Quercus robur</i>
Oak, Northern Red	<i>Quercus rubra</i>
Oak, Pin	<i>Quercus palustris</i>
Oak, Sawtooth	<i>Quercus acutissima</i>
Oak, Scarlett	<i>Quercus coccinea</i>
Oak, Shingle	<i>Quercus imbricaria</i>
Oak, Shumard	<i>Quercus shumardii</i>
Oak, Swamp White	<i>Quercus bicolor</i>
Oak, White	<i>Quercus alba</i>
Planetree, London	<i>Platanus x acerifolia</i>
Redwood, Dawn	<i>Metasequoia glyptostroboides</i>
Sweetgum	<i>Liquidambar styraciflua</i>
Sycamore	<i>Platanus occidentalis</i>
Tuliptree	<i>Liriodendron tulipifera</i>
Walnut, Black	<i>Juglans nigra</i>

Sec. 34-13. - Distance from street corners, driveways, curbs, and sidewalks.

No tree shall be planted closer than 35 feet of any street corner, measured from the point of nearest intersecting curbs or curb lines. No tree shall be planted closer than ten feet from any driveway or approach. Trees planted in the area between the curb or curb lines and sidewalks shall be in accordance with the three species size classes listed in Section 34-12. No trees may be planted within any area between the curb or curb line and sidewalk other than the following: Small trees: two (2) feet; Medium trees: three (3) feet; and Large trees: four (4) feet.

Sec 34-14. - Distance from utilities, signs, and hydrants.

No trees, other than those species listed as small trees in section 34-12(a), may be planted under or within ten lateral feet of any overhead utility wire, or over or within five lateral feet of any underground water line, sewer line, transmission line, or other utility. No trees shall be planted closer than 10 feet from any manhole structure. No tree shall be planted closer than ten feet from any hydrant. No tree shall be planted closer than ten feet from any streetlight pole. No tree shall be planted closer than ten feet from any traffic control device.

Sec. 34-15. - Distance between trees.

Trees shall be planted a sufficient distance away from other trees: The distance between small trees as listed in section 34-12(a) shall be 20 feet. The distance between medium trees as listed in section 34-12(b) shall be 30 feet. The distance between large trees as listed in section 34-12(c) shall be 40 feet.

Sec. 34-16. - Tree Size.

The minimum size for a street tree or park tree shall be one-and-a-half (1.5) inches in caliper DBH. All trees planted must be of the tree form variety, have a single stem with branching limbs, and branches must be at least eight feet off the ground at maturity, as predicated by the size definitions in Section 34-2.

Sec. 34-17. Removal and Replacement of Street Trees.

- a. Should a property owner wish to have the street tree adjacent to his or her property removed, he or she shall submit a request, in writing, to the City Manager or his/her designee. Within 10 business days of the receipt of the request an ISA certified arborist, provided by the City, will perform a condition and risk assessment. The cost for this service shall be borne by the property owner making the request. Following the condition and risk assessment by the ISA certified arborist, if the street tree is found to be dead, diseased, or dying the City shall remove the street tree at the City's cost. Following the condition and risk assessment by the ISA certified arborist, if the street tree is not found to be dead, diseased, or dying, the tree shall remain.
- b. Only in extenuating circumstances, as determined by the City Manager or his/her designee, shall a healthy street tree be removed or caused to be removed. Such extenuating circumstances shall include but are not limited to catastrophic event, repair, replacement, or maintenance of underground utilities, or an act of God.
- c. When a street tree is removed every effort shall be made to be replaced the tree within one year of removal with one (1) replacement tree that meets the requirements in section 34-12 through 34-16, above.

DIVISION 3. - PRIVATE TREES**Sec. 34-18. - Removal and Replacement of Heritage Trees**

This section shall apply to all private heritage trees. Each heritage tree that is removed shall be replaced in a manner consistent with the following subsections.

- a. Heritage trees shall be replaced at a sliding scale rate set by the City Commission annually for each tree removed. Replacement tree(s) shall be located on the parcel(s) where each heritage tree is removed or in the right-of-way adjacent to the affected property. The City Manager or his/her designee may consider alternate locations on a case by case basis. Replacement trees shall be shown on a tree replacement plan.
- b. If trees cannot be reasonably planted on the property, the property owner shall pay into the tree fund at a rate defined by the City Commission and stated on the Rate Card, rounded up to the nearest one (1) inch of DBH required to be replaced by Section 34-18(a).
- c. If the requirements of Section 34-18(a) and (b) cannot be met, a combination of paying into the tree fund and replacement trees shall be used. Replacement trees shall be shown on a tree replacement plan.
- d. When required, a tree replacement plan shall be submitted within 90 days of the removal of heritage tree(s). The City Manager or his/her designee may consider an extension on a case by case basis.
- e. When a tree from the subject property is transplanted and saved from removal, that DBH shall be added as a credit to the property owner's replacement requirements. Trees shall be relocated by a licensed tree professional. The property owner shall ensure the tree's successful establishment in new location.
- f. Trees that are dead, diseased, or dying with no visible growth as determined by an ISA certified arborist are exempt from replacement requirements.
- g. The minimum size for a replacement tree shall be one-and-a-half (1.5) inches in caliper DBH. All trees planted must be of the tree form variety.

Sec. 34-19. - Removal and Replacement of Front Yard Trees.

This section shall apply to any front yard trees with a DBH of six (6) inches or greater but less than the heritage tree standard for that species. Each tree that is removed shall be replaced in a manner consistent with the following subsections.

- a. Front yard trees shall be replaced at a sliding scale rate set by the City Commission annually for each tree removed. Replacement front yard tree(s) shall be located on the front yard of the parcel(s) where each front yard tree is removed or in the right-of-way adjacent to the affected property. The City Manager or his/her designee may consider alternate locations on a case by case basis. Replacement trees shall be shown on a tree replacement plan.
- b. If trees cannot be reasonably planted on the property, the property owner shall pay into the tree fund at a rate defined by the City Commission and stated on the Rate Card, rounded up to the nearest one (1) inch of DBH required to be replaced by Section 34-19(a).
- c. If the requirements of Section 34-19(a) and (b) cannot be met, a combination of paying into the tree fund and replacement trees shall be used. The City Manager or his/her designee may consider alternate locations on a case by case basis. Replacement trees shall be shown on a tree replacement plan.
- d. When required, a tree replacement plan shall be submitted within 90 days of the removal of a front yard tree(s). The City Manager or his/her designee may consider an extension on a case by case basis.
- e. When a tree from the subject property is transplanted and saved from removal, its DBH shall be added as a credit to the property owner's replacement requirements. Trees shall be relocated by a licensed tree professional. The property owner shall ensure the tree's successful establishment in new location.
- f. Front yard trees that are dead, diseased, or dying with no visible growth as determined by an ISA certified arborist are exempt from replacement requirements.
- g. The minimum size for a replacement tree shall be one-and-a-half (1.5) inches in caliper DBH. All trees planted must be of the tree form variety.

Sec. 34-20. - Dead Tree Removal on Private Property.

The City shall have the right to cause the removal of any dead tree on private property within the City when such trees constitute a hazard to life or property. The City will notify, in writing, the owners of such trees. Removal shall be done by such owners at their own expense within 30 days after the date of service of notice. Upon the owner's failure to comply with such provisions, the City shall have the authority to remove such trees

at a rate set by the City Commission. The City Manager or his/her designee shall keep an accurate account of expense incurred for each lot or parcel of land in carrying out the provisions of this section and such expense shall be charged against such lot or parcel and collected by giving notice thereof to the owner of the lot or parcel. If such expense or charge shall not be paid the same shall be assessed against the lot or parcel and collected as provided by Section 12.22 of the City Charter.

Sec. 34-21. - Diseased Trees on Private Property.

The City shall have the right to cause the removal or treatment of any diseased tree on private property within the City when such tree constitutes a hazard to life or property or harbors deadly insects or disease which constitutes a potential threat to other trees within the City. Treatment of a diseased tree shall include chemical treatment to render the disease or affliction non-threatening to any affected tree. The City will notify, in writing, the owners of such trees. Treatment or removal shall be done by such owners at their own expense within 30 days after the date of service of notice. Upon failure of owners to comply with such provisions, the City shall have the authority to treat or remove such trees and charge the cost of treatment or removal at a rate set by the City Commission. The City Manager or his/her designee shall keep an accurate account of expense incurred for each lot or parcel of land in carrying out the provisions of this section and such expense shall be charged against such lot or parcel and collected by giving notice thereof to the owner of the lot or parcel. If such expense or charge shall not be paid the same shall be assessed against the lot or parcel and collected as provided by Section 12.22 of the City Charter.

Sec. 34-22. - Installation of Street Trees for New Residential Construction.

- a. Residential property owners shall install one (1) new street tree at the effected property when a new construction home is built. If the right-of-way adjacent to the residential property is not suitable for the long-term health requirements of a tree based on Sec. 34-13 through Sec. 34-15, the property owner shall pay into the tree fund at a rate set by the City Commission.
- b. Residential property owners must choose one of the following tree replacement processes from the following three options:
 1. Plant a tree before any Certificate of Occupancy is issued.
 2. Pay into the tree fund prior to the issuance of any Certificate of Occupancy at a rate approved by the City Commission.
 3. Property owner plans to plant a tree within one year of Final Certification of Occupancy issuance. Property owner pays a cash bond at a rate approved by the City Commission before any Certificate of Occupancy is issued. The bond will be refunded once the tree is planted and the property owner notifies the City in writing of planting. If the tree is not planted within one year, the bond is forfeited to the Tree Fund.

Sec. 34-23. - Tree Protection Standards during Construction.

- a. A tree protection plan shall be submitted and approved with the new construction building permit.
- b. During construction, a protective barrier shall be placed at the drip line of the street, park, and/or front yard or heritage private tree(s). The ground area within the drip line shall be maintained undisturbed from its pre-construction state.
- c. Vehicles, materials, and equipment are prohibited from being stored in, staged in, or driven through the protected area of the front yard or heritage tree. Practical difficulties shall be dealt with by the Administration on a case by case basis.
- d. If the protected area of the front yard or heritage tree falls within the building envelop, every precaution shall be taken to preserve and protect the affected tree(s).

DIVISION 5. - ADMINISTRATION AND ENFORCEMENT

Sec. 34-24. Permits required

- a. A tree removal permit is required when any tree is planned for removal.

1. Permits shall be obtained from the Department of Municipal Services (DMS) on a form provided.
 2. DMS shall review the application for compliance with this Chapter.
 3. DMS shall perform a site visit to measure and document the affected tree(s).
 4. DMS shall provide a report to the applicant detailing the trees planned for removal and any required replacement.
 5. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
 6. If replacement trees are required see (c).
- b. A tree planting permit is required when trees are transplanted or planted.
1. Permits shall be obtained from the Department of Municipal Services (DMS) on a form provided. The application shall include a scaled site plan or boundary survey or scaled drawing that shows all property lines, pavement, hard surfaces, and the size, species, and location of the proposed tree(s) to be planted.
 2. DMS shall review the application for compliance with this Chapter.
 3. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
- c. A tree replacement plan is required when replacement trees are required to be planted after tree(s) have been removed.
1. Permits shall be obtained from the Department of Municipal Services (DMS) on a form provided. The application shall include a scaled site plan or boundary survey or scaled drawing that shows all property lines, pavement, hard surfaces, and the size, species, and location of the proposed tree(s) to be planted. The application shall include
 2. DMS shall review the application for compliance with this Chapter.
 3. DMS shall provide a report to the applicant detailing how the replacement requirement shall be met.
 4. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
- d. A tree protection plan is required when a qualifying construction project is planned for a property.
1. Permits shall be obtained from the Department of Municipal Services on a form provided.
 2. The tree protection plan shall be submitted at the time that building plans are submitted to the Community Development Department for review. The tree protection plan shall include a topographic boundary survey that shows which tree(s) are being protected during construction and the location and type of protective barrier that will be used to protect the trees throughout construction.
 3. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
 4. No building permit shall be issued until an approved tree protection plan permit has been issued.
- e. No tree shall be removed, replaced, transplanted, or planted unless a tree permit has been first issued for such work.
- f. When a building permit is required for any work that includes changes to lot coverage, floor area ratio, or hardscaping of the property, existing front yard and heritage trees shall be indicated on a boundary survey. The boundary survey shall include property boundaries; topography; the size, location, and species of each tree; existing and proposed structure(s); and building envelop. The survey shall be submitted to the City in a compatible digital format.
- g. The permit fees shall be set and reviewed annually by the City Commission.

Sec. 34-25. Notice.

The City Manager or his/her designee shall notify, by first class mail or by posting notice in a conspicuous location on the property, the owner, agent or occupant of any lands on which a violation of this chapter is found to exist. Such notice shall require that the person having charge of such land to resolve any violations

of this chapter; and shall contain a summary of the provisions of this chapter. Failure of the City Manager or his/her designee to give notice shall not, however, constitute a defense to any action to enforce the payment of any penalty provided for, or debt created under, the provisions of this chapter. If the property is not in compliance with this article at the end of the period specified in the notice of violation, an appearance ticket may be issued.

Sec. 34-26. Penalty and Enforcement.

- a. The City shall have the right to enter property to investigate the removal of front yard or heritage trees on private property. The penalty for removal of front yard or heritage tree(s) without a required permit shall be a civil infraction plus a \$500.00 fine, per tree. In addition to the fine, the offender shall pay fair market replacement per front yard or heritage tree removed based on a minimum size of 18 inch DBH.
- b. A person who violates any provision of this Chapter 34 or the terms or conditions of a permit is responsible for municipal civil infraction; and shall be subject to payment of not less than \$500.00, plus costs and other sanctions, for each infraction.
- c. Discretionally removed trees or trees that are intentionally damaged that are not replaced according to the provisions of this chapter require payment into the tree fund at the rate established by the City Commission.

Sec. 34-27. Appeals

Any appeals to this chapter shall be submitted, in writing, on a form provided by the City Manager or his/her designee within 21 days of the administration's determination. Appeals cannot be made when a determination includes a healthy, safety, welfare concern.

Sec. 34-28. Severability

The various parts, sentences, paragraphs, sections, and clauses of this chapter 34 are hereby declared to be severable. If any part, sentence, paragraph, section, or clause of this chapter 34 is adjudged unconstitutional or invalid by any court or administrative agency of competent jurisdiction, the unconstitutionality or invalidity shall not affect the constitutionality or validity of any remaining provisions of this chapter 34.

City of Plymouth
City Commission Public Hearing Notice
Monday, December 21, 2020 – 7:00 p.m.
Meeting Location: ONLINE ZOOM MEETING
201 S. Main Street Plymouth, Michigan 48170
Website: www.plymouthmi.gov Phone: (734) 453-1234

A regular meeting of the City Commission will be held on Monday, December 21, 2020 at 7:00 P.M. online via Zoom to consider the following:

Review proposed amendments to the ordinance commonly known as the Tree Ordinance
Deletion of Chapter 18, Article XIV, Divisions 1 and 2: Vegetation
Amendment of Chapter 34, Article 1, Division 1 through 4: Trees

All interested persons are invited to attend.

In compliance with the Americans with Disabilities Act, the City of Plymouth will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audiotapes of printed materials being considered at the meeting/hearing, to individuals with disabilities. Requests for auxiliary aids or services may be made by writing or calling the following:

Maureen Brodie, ADA Coordinator
201 S. Main Street
Plymouth, MI 48170, (734) 453-1234, Ext. 234

Publish: Sunday, December 6, 2020



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BE IT MADE KNOWN THAT THE FOLLOWING ADVERTISEMENT APPEARED IN:

Publication: Plymouth Observer
Placed By: City of Plymouth
Subject: Public Hearing December 21, 2020
Date of Publication: December 6, 2020

Susan Totoraitis (Susan Totoraitis), being duly sworn, deposes and says that the advertising illustrated above/attached was published in the Plymouth Observer Newspaper on the following date/s/: December 6, 2020, INVOICE number 357822, and as an authorized employee of the Observer and Eccentric Media, she knows well the facts stated/herein. Cost: \$76.02.

STATE OF MICHIGAN

NOTARIZED BY: Gina Anne Huff

DATED: December 7, 2020

Acting in County of Macomb

GINA ANNE HUFF
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF LIVINGSTON
My Commission Expires March 9, 2023

RATE CARD

This rate card is separate from the ordinance and shall be reviewed by the City Commission annually.

Rate Description	Cost
Heritage tree replacement (Sec. 34-18(a))	\$150.00 per inch required to be replaced
Non-heritage tree replacement (Sec. 34-19(a))	\$100.00 per inch required to be replaced
Dead tree removal on private property, if owner fails to comply with requirements, after proper notification (Sec. 34-20)	Cost of work plus \$500 fine
Diseased tree removal or treatment on private property if owner fails to comply with requirements, after proper notification (Sec. 34-21)	Cost of work plus \$500 fine
Installation of street tree for new construction (Sec. 34-22(a))	\$400.00
Cash bond to ensure street tree planting for new construction (Sec. 34-22(b)(3))	\$400.00
Trees removed without first obtaining a permit (Sec. 34-26)	Depending on the location: Up to 125% of the DBH removed plus \$500 fine
Tree removal permit (Sec. 34-24)	\$25.00
Tree planting permit (Section 34-24)	\$25.00
Tree replacement plan (Section 34-24)	\$25.00
Tree protection plan permit (Section 34-24)	\$25.00
Discretionally removed or damaged trees (Section 34-26)	Depending on the location: Up to 125% of the DBH removed plus \$500 fine

Tree Replacement Sliding Scale

This matrix replacement schedule is based on the results of the ISA Basic Tree Risk Assessment Form and a building envelope and setback analysis.

		Tree Condition			
		Excellent	Very Good	Good	Fair/Poor
Tree Location	Within Building Envelope	50% DBH	50% DBH	25% DBH	25% DBH
	Outside Buildable Envelope	100% DBH	75% DBH	50% DBH	25% DBH
	Outside Required Setbacks	125% DBH	100% DBH	75% DBH	50% DBH

R E S O L U T I O N

The Following Resolution was offered by Comm. _____ and seconded by Comm. _____

WHEREAS The City Commission of the City of Plymouth has responsibility to adopt all City Ordinances and changes to the Plymouth City Code, and

WHEREAS It has been determined that there needs to be an update to the Plymouth City Code related to the Tree Ordinances, and

WHEREAS Trees are a natural resource and the City of Plymouth finds that trees will provide a number of benefits to the community as a whole.

NOW THEREFORE BE IT RESOLVED THAT THE City Commission of the City of Plymouth does hereby adopt the following changes to the Plymouth City Code at its Final Reading:

This is an Ordinance to Amend the Plymouth City Code of Ordinances, Chapter 18, Buildings and Building Regulations, Article XIV. -Vegetation, by deleting Division 1 and Division 2

This is an Ordinance to Amend the Plymouth City Code of Ordinances, Chapter 34, Environment, Article 1, Trees, Division 1, Generally, by deleting Sections 34-1 through 34-28 and inserting the new Sections 34 - 1 through 34-28

Chapter 18 – BUILDINGS AND BUILDING REGULATIONS, Article XIV. - Vegetation, Division 1. – Generally and 2. - Trees NEEDS TO BE DELETED

Chapter 34 - ENVIRONMENT

ARTICLE I. - Trees

DIVISION 1. - GENERALLY

Sec. 34-1. - Intent

The purpose of this chapter is to provide for the protection, preservation, and reforestation of the City of Plymouth's tree canopy, trees, and woodlands.

Sec. 34-2. - Definitions.

The following words, terms, and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Dead Tree means any tree that has no visible growth (within the appropriate growing season for all deciduous trees), no visible buds, twigs that do not exhibit flexibility, and twigs that do not appear green at the cambium layer when outer bark has been physically removed.

Diameter Breast Height (DBH) means the diameter, in inches, of a tree measured at four and one-half (4½) feet above the existing grade.

Dripline means the imaginary vertical line, which extends downward from the outermost tips of the tree branches to the ground.

Front Yard Tree means any tree located in the open space extending the full width of the lot, the depth of which is the minimum horizontal distance between the front lot line and the nearest point of the foundation of the main building.

Heritage Tree means any tree that meets the size and species requirements in the table below, or any tree not listed in the table below that is 18 inches DBH or greater.

Common Name	Scientific Name	DBH
Arborvitae	Thuja occidentalis	18"
Ash	Fraxinus species	18"
American Basswood (Linden)	Tilia americana	18"
American Beech	Fagus grandifolia	18"
American Chestnut	Castanea dentata	8"
American Elm	Ulmus americana	18"
Birch	Betula species	18"
Black Alder	Alnus glutinosa	12"
Black Tupelo	Nyssa sylvatica	12"
Black Walnut	Juglans nigra	18"
White Walnut	Juglans cinerea	18"
Buckeye (Horse Chestnut)	Aesculus species	18"
Cedar, Red	Juniperus species	12"
Crabapple (Cultivar)	Malus species	12"
Douglas Fir	Pseudotsuga menziesii	18"
Eastern Hemlock	Tsuga canadensis	12"

Flowering Dogwood	Cornus florida	8"
Ginkgo	Ginkgo biloba	18"
Hickory	Carya, species	18"
Kentucky Coffeetree	Gymnocladus dioicus	18"
Larch/Tamarack	Larix laricina (Eastern)	12"
Locust	Gleditsia triacanthos	18"
Sycamore (London plane tree)	Platanus species	18"
Maple	Acer species (except negundo)	18"
Oak	Quercus species	18"
Pine	Pinus species	18"
Sassafras	Sassafras albidum	15"
Spruce	Picea species	18"
Tulip Tree	Liriodendron tulipifera	18"
Wild Cherry	Prunus species	18"

Large tree means any tree larger than 40 feet in height at maturity.

Licensed tree professional means a Nurseryman or an ISA certified arborist.

Medium tree means any tree between 25 feet and 40 feet in height at maturity.

Park tree means any tree located in public parks having individual names, and all publicly owned land, or to which the public has free access as a park.

Private tree means any tree located on land that is owned by an individual or group having a vested or financial interest in the subject property.

Protected Area means the area contained within the dripline of the tree.

Protective Barrier means a physical obstruction that encloses the protected area of a tree and limits vehicular, material, and equipment access.

Small tree means any tree less than 25 feet in height at maturity.

Street tree means any trees planted or located within a public street or road right-of-way.

Topping means the severe cutting back of limbs to stubs larger than three inches in diameter within the tree's crown to such a degree so as to remove the normal canopy and disfigure the trees.

Transplant means the digging up of a tree and the planting of that tree in another place on the same property or off-site property.

Tree means a woody perennial plant, typically having a single stem or trunk which at maturity is 13 feet or more in height and which has a definite crown of foliage.

Tree Fund means the budget account located in the Solid Waste/Recycling fund to be used for activities associated with public tree inventory, protection, maintenance, and planting.

Sec. 34-3. – Prohibited Trees.

The following trees are prohibited to be planted or re-planted:

Common Name	Scientific Name
Ash	Fraxinus species
Autumn and Russian-Olive	Elaeagnus species
Boxelder	Acer negundo
Buckthorn	Rhamnus species
Mulberry	Morus species
Poplar	Populus species
Siberian Elm	Ulmus pumila
Silver Maple	Acer saccharinum
Tree of Heaven	Ailanthus altissima
Willow	Salix species

Sec. 34-4. - Tree Care.

- a. All trees shall be planted, pruned, maintained, and removed, as may be necessary to ensure public safety or to preserve or enhance the symmetry and beauty of such public grounds.

- b. The City reserves the right to remove or cause to be removed, any tree or part thereof which is in an unsafe condition or which by reason of its nature is injurious to sewers, electric power lines, gas lines, water lines, or other public improvements, is blocking street or sidewalk clearance, or is blocking the spread of light or view of traffic control devices.
- c. If any owner, occupant or person having charge of any land within the city shall refuse or neglect to resolve public safety issues caused by private trees as provided in this chapter, then the City Manager or his/her designee shall cause the land to be entered upon by city employees or a city contractor for the purpose of pruning, or removing said trees at the sole cost to the property owner and such entering upon shall not be deemed a trespass.

Sec. 34-5. - Pruning.

Trees shall be pruned so that branches do not obstruct the light from any street light or obstruct the view of any street intersection. A clear space of fifteen feet above the surface of the street and eight feet above the surface of the sidewalk shall be maintained. The City shall have the right to prune or cause to be pruned any tree or shrub on private property when it interferes with the proper spread of light along the street from a street light or interferes with visibility of roadway, sidewalk, traffic control devices, and/or signs.

Sec. 34-6. – Corner Clearance.

Within the required corner clearance area as defined in Section 78-207, all trees and limbs, including dead, diseased or dangerous trees or broken or decayed limbs which constitute a menace to the safety of the public, shall be removed by the property owner upon which the tree is located.

Sec. 34-7. - Tree Topping.

It shall be prohibited for any person to top any tree. Trees severely damaged by storms, an act of God, or other causes out of the City's or property owner's control, may be exempted from this section at the determination of the City Manager or his/her designee. This section does not apply to a utility company who may be required to top a tree for purposes of public safety or valid equipment issues.

Sec. 34-8. - Removal of Stumps.

All stumps of street, park, and front yard trees shall be removed below the surface of the ground so that the top of the stump shall not project above the surface of the ground. The stump excavation site shall be backfilled to match existing grade as defined in Section 78-21.

Sec. 34-9. - Tree Fund.

This section establishes the City's tree fund. The purpose of the tree fund shall be to maintain and reestablish the City's public tree canopy. The City Commission shall review the rate structure annually as part of their budget process.

Sec. 34-10. - Installation and Planting

All trees shall be planted according to ANSI Standards A300.

Sec. 34-11. - Maintenance Provisions.

All trees shall be maintained in a safe, healthy, neat and orderly state free from refuse and debris.

DIVISION 2. – PUBLIC TREES

Sec. 34-12. Permitted Street Trees

The following list constitutes the official street tree species for the city. No species other than those included in this list may be planted unless approved, in writing, by City Manager or his/her designee.

(a) *Small trees:*

Common Name	Scientific Name
Cherry, Flowering	Prunus species & hybrids
Crabapple, Flowering	Malus species & hybrids
Dogwood	Cornus species & hybrids
Goldenrain Tree	Koelreuteria paniculata
Hawthorn	Crataegus species
Lilac, Japanese Tree	Syringa reticulata
Magnolia	Magnolia hybrids
Magnolia, Star	Magnolia stellata
Maple, Amur	Acer ginnala
Maple, Paperbark	Acer griseum
Maple, Tatarian	Acer tataricum
Maple, Trident	Acer buergeranum
Peach, Flowering	Prunus species & hybrids

Plum, Flowering	Prunus species & hybrids
Redbud, Eastern	Cercis canadensis
Serviceberry	Amelanchier species & hybrids

(b) *Medium trees:*

Common Name	Scientific Name
Amur Maackia	Maackia amurensis
Corktree, Amur, Fruitless Male	Phellodenron amurense
Hophornbeam, American	Ostrya virginiana
Hornbeam, American	Carpinus caroliniana
Hornbeam, European	Carpinus betulus
Horsechestnut, Red	Aeculus x carnea
Maple, Bigtooth	Acer grandidentatum
Maple, Hedge	Acer campestre
Maple, Shantung	Acer truncatum
Mountain Ash	Sorbus species
Mulberry, Red Fruitless Male	Morus rubra, fruitless varieties
Osageorange, Thornless Male	Maclura pomifera
Pagodatree (Scholartree)	Styphnolobium (Sophora) japonicum
Paw Paw	Asimina triloba
Pear, Flowering	Pyrus species & hybrids
Sassafras	Sassafras albidum
Yellowwood	Cladrastis kentukea

(c) Large trees:

Common Name	Scientific Name
Baldcypress	Taxodium distichum
Beech, American	Fagus grandifolia
Beech, European	Fagus sylvatica
Blackgum (Tupelo)	Nyssa sylvatica
Catalpa, Northern	Catalpa speciosa
Chestnut	Castanea hybrids
Coffeetree, Kentucky	Gymnocladus dioicus
Elm, American Dutch Elm resistant varieties	Ulmus hybrids
Filbert, Turkish	Corylus colurna
Ginkgo (Maidenhair Tree), Fruitless Male	Ginkgo biloba
Hackberry	Celtis occidentalis
Hardy Rubber Tree	Eucommia ulmoides
Hickory	Carya species
Honeylocust	Gleditsia triacanthos
Horsechestnut	Aesculus species
Katsura Tree	Cercidiphyllum japonicum
Linden, American	Tilia Americana
Linden, Littleleaf	Tilia cordata
Linden, Silver	Tilia tomentosa
Maple, Black	Acer nigrum

Maple, Freeman Hybrid	<i>Acer x freemanii</i>
Maple, Miyabe	<i>Acer miyabei</i>
Maple, Norway	<i>Acer platanoides</i>
Maple, Red	<i>Acer rubrum</i>
Maple, Sugar	<i>Acer saccharum</i>
Maple, Sycamore	<i>Acer pseudoplatanus</i>
Oak, Bur	<i>Quercus macrocarpa</i>
Oak, Chinkapin	<i>Quercus muehlenbergii</i>
Oak, English	<i>Quercus robur</i>
Oak, Northern Red	<i>Quercus rubra</i>
Oak, Pin	<i>Quercus palustris</i>
Oak, Sawtooth	<i>Quercus acutissima</i>
Oak, Scarlett	<i>Quercus coccinea</i>
Oak, Shingle	<i>Quercus imbricaria</i>
Oak, Shumard	<i>Quercus shumardii</i>
Oak, Swamp White	<i>Quercus bicolor</i>
Oak, White	<i>Quercus alba</i>
Planetree, London	<i>Platanus x acerifolia</i>
Redwood, Dawn	<i>Metasequoia glyptostroboides</i>
Sweetgum	<i>Liquidambar styraciflua</i>
Sycamore	<i>Platanus occidentalis</i>

Tuliptree	Liriodendron tulipifera
Walnut, Black	Juglans nigra
Zelkova	Zelkova serrata

Sec. 34-13. - Distance from street corners, driveways, curbs, and sidewalks.

No tree shall be planted closer than 35 feet of any street corner, measured from the point of nearest intersecting curbs or curb lines. No tree shall be planted closer than ten feet from any driveway or approach. Trees planted in the area between the curb or curb lines and sidewalks shall be in accordance with the three species size classes listed in Section 34-12. No trees may be planted within any area between the curb or curb line and sidewalk other than the following: Small trees: two (2) feet; Medium trees: three (3) feet; and Large trees: four (4) feet.

Sec 34-14. - Distance from utilities, signs, and hydrants.

No trees, other than those species listed as small trees in section 34-12(a), may be planted under or within ten lateral feet of any overhead utility wire, or over or within five lateral feet of any underground water line, sewer line, transmission line, or other utility. No trees shall be planted closer than 10 feet from any manhole structure. No tree shall be planted closer than ten feet from any hydrant. No tree shall be planted closer than ten feet from any streetlight pole. No tree shall be planted closer than ten feet from any traffic control device.

Sec. 34-15. – Distance between trees.

Trees shall be planted a sufficient distance away from other trees. The distance between small trees as listed in section 34-12(a) shall be 20 feet. The distance between medium trees as listed in section 34-12(b) shall be 30 feet. The distance between large trees as listed in section 34-12(c) shall be 40 feet.

Sec. 34-16. – Tree Size.

The minimum size for a street tree or park tree shall be one-and-a-half (1.5) inches in caliper DBH. All trees planted must be of the tree form variety, have a single stem with branching limbs, and branches must be at least eight feet off the ground at maturity, as predicated by the size definitions in Section 34-2.

Sec. 34-17. Removal and Replacement of Street Trees.

- a. Should a property owner wish to have the street tree adjacent to his or her property removed, he or she shall submit a request, in writing, to the City Manager or his/her designee. Within 10 business days of the receipt of the request an ISA certified arborist, provided by the City, will perform a condition and risk assessment. The cost for this service shall be borne by the property

owner making the request. Following the condition and risk assessment by the ISA certified arborist, if the street tree is found to be dead, diseased, or dying the City shall remove the street tree at the City's cost. Following the condition and risk assessment by the ISA certified arborist, if the street tree is not found to be dead, diseased, or dying, the tree shall remain.

- b. Only in extenuating circumstances, as determined by the City Manager or his/her designee, shall a healthy street tree be removed or caused to be removed. Such extenuating circumstances shall include but are not limited to catastrophic event, repair, replacement, or maintenance of underground utilities, or an act of God.
- c. When a street tree is removed every effort shall be made to be replaced the tree within one year of removal with one (1) replacement tree that meets the requirements in section 34-12 through 34-16, above.

DIVISION 3. - PRIVATE TREES

Sec. 34-18. - Removal and Replacement of Heritage Trees

This section shall apply to all private heritage trees. Each heritage tree that is removed shall be replaced in a manner consistent with the following subsections.

- a. Heritage trees shall be replaced at a sliding scale rate set by the City Commission annually for each tree removed. Replacement tree(s) shall be located on the parcel(s) where each heritage tree is removed or in the right-of-way adjacent to the affected property. The City Manager or his/her designee may consider alternate locations on a case by case basis. Replacement trees shall be shown on a tree replacement plan.
- b. If trees cannot be reasonably planted on the property, the property owner shall pay into the tree fund at a rate defined by the City Commission and stated on the Rate Card, rounded up to the nearest one (1) inch of DBH required to be replaced by Section 34-18(a).
- c. If the requirements of Section 34-18(a) and (b) cannot be met, a combination of paying into the tree fund and replacement trees shall be used. Replacement trees shall be shown on a tree replacement plan.
- d. When required, a tree replacement plan shall be submitted within 90 days of the removal of heritage tree(s). The City Manager or his/her designee may consider an extension on a case by case basis.
- e. When a tree from the subject property is transplanted and saved from removal, that DBH shall be added as a credit to the property owner's replacement requirements. Trees shall be relocated by a licensed tree professional. The property owner shall ensure the tree's successful establishment in new location.
- f. Trees that are dead, diseased, or dying with no visible growth as determined by an ISA certified arborist are exempt from replacement requirements.
- g. The minimum size for a replacement tree shall be one-and-a-half (1.5) inches in caliper DBH. All trees planted must be of the tree form variety.

Sec. 34-19. – Removal and Replacement of Front Yard Trees.

This section shall apply to any front yard trees with a DBH of six (6) inches or greater but less than the heritage tree standard for that species. Each tree that is removed shall be replaced in a manner consistent with the following subsections.

- a. Front yard trees shall be replaced at a sliding scale rate set by the City Commission annually for each tree removed. Replacement front yard tree(s) shall be located on the front yard of the

parcel(s) where each front yard tree is removed or in the right-of-way adjacent to the affected property. The City Manager or his/her designee may consider alternate locations on a case by case basis. Replacement trees shall be shown on a tree replacement plan.

- b. If trees cannot be reasonably planted on the property, the property owner shall pay into the tree fund at a rate defined by the City Commission and stated on the Rate Card, rounded up to the nearest one (1) inch of DBH required to be replaced by Section 34-19(a).
- c. If the requirements of Section 34-19(a) and (b) cannot be met, a combination of paying into the tree fund and replacement trees shall be used. The City Manager or his/her designee may consider alternate locations on a case by case basis. Replacement trees shall be shown on a tree replacement plan.
- d. When required, a tree replacement plan shall be submitted within 90 days of the removal of a front yard tree(s). The City Manager or his/her designee may consider an extension on a case by case basis.
- e. When a tree from the subject property is transplanted and saved from removal, its DBH shall be added as a credit to the property owner's replacement requirements. Trees shall be relocated by a licensed tree professional. The property owner shall ensure the tree's successful establishment in new location.
- f. Front yard trees that are dead, diseased, or dying with no visible growth as determined by an ISA certified arborist are exempt from replacement requirements.
- g. The minimum size for a replacement tree shall be one-and-a-half (1.5) inches in caliper DBH. All trees planted must be of the tree form variety.

Sec. 34-20. - Dead Tree Removal on Private Property.

The City shall have the right to cause the removal of any dead tree on private property within the City when such trees constitute a hazard to life or property. The City will notify, in writing, the owners of such trees. Removal shall be done by such owners at their own expense within 30 days after the date of service of notice. Upon the owner's failure to comply with such provisions, the City shall have the authority to remove such trees at a rate set by the City Commission. The City Manager or his/her designee shall keep an accurate account of expense incurred for each lot or parcel of land in carrying out the provisions of this section and such expense shall be charged against such lot or parcel and collected by giving notice thereof to the owner of the lot or parcel. If such expense or charge shall not be paid the same shall be assessed against the lot or parcel and collected as provided by Section 12.22 of the City Charter.

Sec. 34-21. - Diseased Trees on Private Property.

The City shall have the right to cause the removal or treatment of any diseased tree on private property within the City when such tree constitutes a hazard to life or property or harbors deadly insects or disease which constitutes a potential threat to other trees within the City. Treatment of a diseased tree shall include chemical treatment to render the disease or affliction non-threatening to any affected tree. The City will notify, in writing, the owners of such trees. Treatment or removal shall be done by such owners at their own expense within 30 days after the date of service of notice. Upon failure of owners to comply with such provisions, the City shall have the authority to treat or remove such trees and charge the cost of treatment or removal at a rate set by the City Commission. The City Manager or his/her designee shall keep an accurate account of expense incurred for each lot or parcel of land in carrying out the provisions of this section and such expense shall be charged against such

lot or parcel and collected by giving notice thereof to the owner of the lot or parcel. If such expense or charge shall not be paid the same shall be assessed against the lot or parcel and collected as provided by Section 12.22 of the City Charter.

Sec. 34-22. – Installation of Street Trees for New Residential Construction.

- a. Residential property owners shall install one (1) new street tree at the effected property when a new construction home is built. If the right-of-way adjacent to the residential property is not suitable for the long-term health requirements of a tree based on Sec. 34-13 through Sec. 34-15, the property owner shall pay into the tree fund at a rate set by the City Commission.
- b. Residential property owners must choose one of the following tree replacement processes from the following three options:
 1. Plant a tree before any Certificate of Occupancy is issued.
 2. Pay into the tree fund prior to the issuance of any Certificate of Occupancy at a rate approved by the City Commission.
 3. Property owner plans to plant a tree within one year of Final Certification of Occupancy issuance. Property owner pays a cash bond at a rate approved by the City Commission before any Certificate of Occupancy is issued. The bond will be refunded once the tree is planted and the property owner notifies the City in writing of planting. If the tree is not planted within one year, the bond is forfeited to the Tree Fund.

Sec. 34-23. - Tree Protection Standards during Construction.

- a. A tree protection plan shall be submitted and approved with the new construction building permit.
- b. During construction, a protective barrier shall be placed at the drip line of the street, park, and/or front yard or heritage private tree(s). The ground area within the drip line shall be maintained undisturbed from its pre-construction state.
- c. Vehicles, materials, and equipment are prohibited from being stored in, staged in, or driven through the protected area of the front yard or heritage tree. Practical difficulties shall be dealt with by the Administration on a case by case basis.
- d. If the protected area of the front yard or heritage tree falls within the building envelop, every precaution shall be taken to preserve and protect the affected tree(s).

DIVISION 5. - ADMINISTRATION AND ENFORCEMENT

Sec. 34-24. Permits required

- a. A tree removal permit is required when any tree is planned for removal.
 1. Permits shall be obtained from the Department of Municipal Services (DMS) on a form provided.
 2. DMS shall review the application for compliance with this Chapter.
 3. DMS shall perform a site visit to measure and document the affected tree(s).
 4. DMS shall provide a report to the applicant detailing the trees planned for removal and any required replacement.
 5. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
 6. If replacement trees are required see (c).

- b. A tree planting permit is required when trees are transplanted or planted.
 - 1. Permits shall be obtained from the Department of Municipal Services (DMS) on a form provided. The application shall include a scaled site plan or boundary survey or scaled drawing that shows all property lines, pavement, hard surfaces, and the size, species, and location of the proposed tree(s) to be planted.
 - 2. DMS shall review the application for compliance with this Chapter.
 - 3. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
- c. A tree replacement plan is required when replacement trees are required to be planted after tree(s) have been removed.
 - 1. Permits shall be obtained from the Department of Municipal Services (DMS) on a form provided. The application shall include a scaled site plan or boundary survey or scaled drawing that shows all property lines, pavement, hard surfaces, and the size, species, and location of the proposed tree(s) to be planted. The application shall include
 - 2. DMS shall review the application for compliance with this Chapter.
 - 3. DMS shall provide a report to the applicant detailing how the replacement requirement shall be met.
 - 4. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
- d. A tree protection plan is required when a qualifying construction project is planned for a property.
 - 1. Permits shall be obtained from the Department of Municipal Services on a form provided.
 - 2. The tree protection plan shall be submitted at the time that building plans are submitted to the Community Development Department for review. The tree protection plan shall include a topographic boundary survey that shows which tree(s) are being protected during construction and the location and type of protective barrier that will be used to protect the trees throughout construction.
 - 3. After review, DMS shall issue a permit to applications that meet the requirements of this Chapter.
 - 4. No building permit shall be issued until an approved tree protection plan permit has been issued.
- e. No tree shall be removed, replaced, transplanted, or planted unless a tree permit has been first issued for such work.
- f. When a building permit is required for any work that includes changes to lot coverage, floor area ratio, or hardscaping of the property, existing front yard and heritage trees shall be indicated on a boundary survey. The boundary survey shall include property boundaries; topography; the size, location, and species of each tree; existing and proposed structure(s); and building envelop. The survey shall be submitted to the City in a compatible digital format.
- g. The permit fees shall be set and reviewed annually by the City Commission.

Sec. 34-25. Notice.

The City Manager or his/her designee shall notify, by first class mail or by posting notice in a conspicuous location on the property, the owner, agent or occupant of any lands on which a violation of this chapter is found to exist. Such notice shall require that the person having charge of such land to resolve any violations of this chapter; and shall contain a summary of the provisions of this chapter. Failure of the City Manager or his/her designee to give notice shall not, however, constitute a defense to any action to enforce the payment of any penalty provided for, or debt created under, the provisions of this chapter. If the property is not in

compliance with this article at the end of the period specified in the notice of violation, an appearance ticket may be issued.

Sec. 34-26. Penalty and Enforcement.

- a. The City shall have the right to enter property to investigate the removal of front yard or heritage trees on private property. The penalty for removal of front yard or heritage tree(s) without a required permit shall be a civil infraction plus a \$500.00 fine, per tree. In addition to the fine, the offender shall pay fair market replacement per front yard or heritage tree removed based on a minimum size of 18 inch DBH.
- b. A person who violates any provision of this Chapter 34 or the terms or conditions of a permit is responsible for municipal civil infraction; and shall be subject to payment of not less than \$500.00, plus costs and other sanctions, for each infraction.
- c. Discretionally removed trees or trees that are intentionally damaged that are not replaced according to the provisions of this chapter require payment into the tree fund at the rate established by the City Commission.

Sec. 34-27. Appeals

Any appeals to this chapter shall be submitted, in writing, on a form provided by the City Manager or his/her designee within 21 days of the administration's determination. Appeals cannot be made when a determination includes a healthy, safety, welfare concern.

Sec. 34-28. Severability

The various parts, sentences, paragraphs, sections, and clauses of this chapter 34 are hereby declared to be severable. If any part, sentence, paragraph, section, or clause of this chapter 34 is adjudged unconstitutional or invalid by any court or administrative agency of competent jurisdiction, the unconstitutionality or invalidity shall not affect the constitutionality or validity of any remaining provisions of this chapter 34.



Administrative Recommendation

City of Plymouth
201 S. Main
Plymouth, Michigan 48170-1637

www.plymouthmi.gov
Phone 734-453-1234
Fax 734-455-1892

To: Mayor & City Commission
From: Paul J. Sincock, City Manager
CC: S:\Manager\Sincock Files\Memorandum -WOW Uniform Video Service Local Franchise Agreement - 12-21-2020.doc.docx
Date: December 16, 2020
RE: WOW Uniform Video Service Franchise Agreement

Background

The City Commission may be aware that in 2007 AT&T U-Verse lobbied the State Legislature extremely hard and over the objections of the Michigan Municipal League for the right to eliminate the local cable TV franchise system that was previously in place. We have had a request by WideOpenWest Michigan, LLC (dba WOW! Cable Internet Phone) to renew their contract under the law that was enacted. We previously have approved agreements under this law for AT&T and COMCAST Michigan, and now we are starting the renewal process with WOW! Michigan. Under the law the City Commission must approve the agreement submitted by WOW! Michigan no later than December 23, 2020 or under the state law it will automatically approve the agreement.

The contract has been reviewed by the City Attorney and we have attached his review for your information. Under the terms of this agreement, WOW! Michigan will pay the City a required Franchise Fees in accordance with the law that was established by the State Legislature, which the Legislature reduced from previous fees paid to the City.

RECOMMENDATION:

The State Legislature has provided no real opportunity for the local units of government to have input or negotiate various aspects of this contract. The City Commission must approve the contract or it is automatically approved under the state law.

We have attached a proposed Resolution for the City Commission to consider regarding this matter. Please keep in mind that if the City Commission takes no action or tables this matter, then it will automatically be approved in accordance with the state law.

WOW!

internet + tv + phone

32650 North Avis Dr.
Madison Heights, MI 48071

November 20, 2020

Paul Sincock
Plymouth
201 S. Main
Plymouth, MI 48170

Dear Mr. Sincock,

The Cable Communications System Franchise Agreement between Canton and WideOpenWest Michigan, LLC, dated July 27, 2010 has expired. Please find enclosed two copies of Michigan's *Uniform Video Service Local Franchise Agreement* for the City of Plymouth. Both copies are signed by Terrell Priester, WOW's Senior Director of Operations. The first two pages are the instruction sheets from the Michigan Public Service Commission's website.

I have listed the section of the Agreement that requires the Board's action and affixed a "sign here" tab at each section.


Section VI. Fees, A., ii asks the Township to enter a franchise fee from 0% to 5%. The Cities current franchise fee is 3%. This amount is the percentage of the customer's bill (residing in the Township) that is added to the customer's bill each month in the form of a franchise fee. WOW! collects these fees on behalf of the City and will begin sending these checks to the City quarterly.

Section VIII. PEG Fees (Public, Education & Governmental access fees), 1, 2 and 3, is not applicable. You can either leave them blank or enter zeros (0).

Page 9 of the Agreement and page 2 of Attachment 1 are signature pages. On page 9, *Date submitted* is the date you received the Agreement from WOW! and *Date completed* and *approved* is the date of the Board's action.

Please keep one copy of the Franchise agreements as the Cities original. Then send one of the completed Agreements to my attention in the enclosed envelope as soon as it's complete. Please let me know if I can be of assistance. My direct phone in Madison Heights is 248-677-9080.

Regards,



Terrell Priester
terrell.priester@wowinc.com
Phone (248) 677-9080

INSTRUCTIONS FOR UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT

Pursuant to 2006 Public Act 480, MCL 484.3301 *et seq.*, any Video Service Provider seeking to provide video service in one or more service areas in the state of Michigan after January 30, 2007, shall file an application for a Uniform Video Service Local Franchise Agreement with the Local Unit of Government ("Franchising Entity") that the Provider wishes to service. Pursuant to Section 2(2) of 2006 PA 480, "Except as otherwise provided by this Act, a person shall not provide video services in any local unit of government without first obtaining a uniform video service local franchise as provided under Section 3." Procedures applicable to incumbent video service providers are set forth below.

As of the effective date (January 1, 2007) of the Act, no existing franchise agreement with a Franchising Entity shall be renewed or extended upon the expiration date of the agreement. The incumbent video Provider, at its option, may continue to provide video services to the Franchising Entity by electing to do one of the following:

1. Terminate the existing franchise agreement before the expiration date of the agreement and enter into a new franchise under a uniform video service local franchise agreement.
2. Continue under the existing franchise agreement amended to include only those provisions required under a uniform video service local franchise.
3. Continue to operate under the terms of an expired franchise until a uniform video service local franchise agreement takes effect. An incumbent video Provider with an expired franchise on the effective date has 120 days after the effective date of the Act to file for a uniform video service local franchise agreement.

On the effective date (January 1, 2007) of the Act, any provisions of an existing Franchise that are inconsistent with or in addition to the provisions of a uniform video service local Franchise Agreement are unreasonable and unenforceable by the Franchising Entity.

If, at a subsequent date, the Provider would like to provide video service to an additional Local Unit of Government, the Provider must file an additional application with that Local Unit of Government.

The forms shall meet the following requirements:

- The Provider must complete both the "Uniform Video Service Local Franchise Agreement" and "Attachment 1 - Uniform Video Service Local Franchise Agreement" forms if they are seeking a new/renewed Franchise Agreement, and send the forms by mail (certified, registered, first-class, return receipt requested, or by a nationally recognized overnight delivery service) to the appropriate Franchising Entity. Until otherwise officially notified by the Franchising Entity, the forms shall be sent to the Clerk or any official with the responsibilities or functions of the Clerk in the Franchising Entity. "**Attachment 2 - Uniform Video Service Local Franchise Agreement**" is not required to be filed at this time *unless* it is being used regarding amendments, terminations, or transfers pertaining to an existing Uniform Video Service Local Franchise Agreement. (Refer to Sections X to XII of the Agreement, as well as Section 3(4-6) of the Act.)
- Pursuant to Section 11 of the Act: Except under the terms of a mandatory protective order, trade secrets and commercial or financial information designated as such and submitted under the Act to the Franchising Entity or Commission are exempt from the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246 and **MUST BE KEPT CONFIDENTIAL.**
 1. The Provider may specify which items of information should be deemed "confidential." It is the responsibility of the provider to clearly identify and segregate any confidential information submitted to the franchising entity with the following information:

"[insert PROVIDER'S NAME]
[CONFIDENTIAL INFORMATION]"

2. The Franchising Entity receiving the information so designated as confidential is required (a) to protect such information from public disclosure, (b) exempt such information from any response to a FOIA request, and (c) make the information available only to and for use only by such local officials as are necessary to approve the franchise agreement or perform any other task for which the information is submitted.
 3. Any Franchising Entity which disputes whether certain information submitted to it by a provider is entitled to confidential treatment under the Act may apply to the Commission for resolution of such a dispute. Unless and until the Commission determines that part or all of the information is not entitled to confidential treatment under the Act, the Franchising Entity shall keep the information confidential.
- Responses to all questions must be provided and must be amended appropriately when changes occur.
 - All responses must be printed out, typed, signed/dated (where appropriate), and mailed (certified, registered, first class, return receipt requested, or by a national recognized overnight delivery service) to the appropriate party.
 - The Agreement and Attachments are templates. Tab through the documents and fill in as appropriate, use the appropriate "dropdown box" (City/Village/Township) when indicated.
 - For sections that need explanation, if the Provider runs out of space, the Provider should then submit the application with typed attachments that are clearly identified.
 - The Franchising Entity shall notify the Provider as to whether the submitted Franchise Agreement is complete as required by this Act within 15 business days after the date that the Franchise Agreement is filed. If the Franchise Agreement is not complete, the Franchising Entity shall state in its notice the reasons the franchise agreement is incomplete. The Franchising Entity cannot declare an application to be incomplete because it may dispute whether or not the applicant has properly classified certain material as "confidential."
 - A Franchising Entity shall have 30 days after the submission date of a complete Franchise Agreement to approve the agreement. If the Franchising Entity does not notify the Provider regarding the completeness of the Franchise Agreement or approve the Franchise Agreement within the time periods required under this subsection, the franchise agreement shall be considered complete and the Franchise Agreement approved. The Provider shall notify both the Franchising Entity and the Michigan Public Service Commission of such an approved and completed Agreement by completing **Attachment 3 - Uniform Video Service Local Franchise Agreement**.
 - For changes to an existing Uniform Video Service Local Franchise Agreement (amendments, transfers, or terminations), the Provider must complete the "**Attachment 2 - Uniform Video Service Local Franchising Entity**" form, and send the form to the appropriate Franchising Entity.
 - For information that is to be submitted to the Michigan Public Service Commission, please use the following address:

Michigan Public Service Commission
 Attn: Video Franchising
 6545 Mercantile Way
 P.O. Box 30221
 Lansing, MI 48909

Fax: (517) 241-2400

Questions should be directed to the Service Quality Division, Michigan Public Service Commission at (517) 2416100.

UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT

THIS UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT ("Agreement") is made, pursuant to 2006 PA 480, MCL 484.3301 *et seq.*, (the "Act") by and between the City of Plymouth, a Michigan municipal corporation (the "Franchising Entity"), and WideOpenWest Michigan, LLC, a Delaware corporation doing business as WOW Internet Cable Phone.

I. Definitions

For purposes of this Agreement, the following terms shall have the following meanings as defined in the Act:

- A. "Cable Operator" means that terms as defined in 47 USC 522(5).
- B. "Cable Service" means that terms as defined in 47 USC 522(6).
- C. "Cable System" means that term as defined in 47 USC 522(7).
- D. "Commission" means the Michigan Public Service Commission.
- E. "Franchising Entity" means the local unit of government in which a provider offers video services through a franchise.
- F. "FCC" means the Federal Communications Commission.
- G. "Gross Revenue" means that term as described in Section 6(4) of the Act and in Section VI(D) of the Agreement.
- H. "Household" means a house, an apartment, a mobile home, or any other structure or part of a structure intended for residential occupancy as separate living quarters.
- I. "Incumbent video provider" means a cable operator serving cable subscribers or a telecommunication provider providing video services through the provider's existing telephone exchange boundaries in a particular franchise area within a local unit of government on the effective date of this act.
- J. "IPTV" means internet protocol television.
- K. "Local unit of government" means a city, village, or township.
- L. "Low-income household" means a household with an average annual household income of less than \$35,000.00 as determined by the most recent decennial census.
- M. "METRO Act" means the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, 2002 PA 48, MCL 484.3101 *et seq.*
- N. "Open video system" or "OVS" means that term as defined in 47 USC 573.
- O. "Person" means an individual, corporation, association, partnership, governmental entity, or any other legal entity.
- P. "Public rights-of-way" means the area on, below, or above a public roadway, highway, street, public sidewalk, alley, waterway, or utility easements dedicated for compatible uses.
- Q. "Term" means the period of time provided for in Section V of this Agreement.
- R. "Uniform video service local franchise agreement" or "franchise agreement" means the franchise agreement required under the Act to be the operating agreement between each franchising entity and video provider in this state.
- S. "Video programming" means that term as defined in 47 USC 522(20).
- T. "Video service" means video programming, cable services, IPTV, or OVS provided through facilities located at least in part in the public rights-of-way without regard to delivery technology, including internet protocol technology. This definition does not include any video programming provided by a commercial mobile service provider defined in 47 USC 332(d) or provided solely as part of, and via, a service that enables users to access content, information, electronic mail, or other services offered over the public internet.
- U. "Video service provider" or "Provider" means a person authorized under the Act to provide video service.
- V. "Video service provider fee" means the amount paid by a video service provider or incumbent video provider under Section 6 of the Act and Section VI of this Agreement.

II. Requirements of the Provider

- A. An unfranchised Provider will not provide video services in any local unit of government without first obtaining a uniform video service local franchise agreement as provided under **Section 3 of the Act** (except as otherwise provided by the Act).
- B. The Provider shall file in a timely manner with the Federal Communications Commission all forms required by that agency in advance of offering video service in Michigan.
- C. The Provider agrees to comply with all valid and enforceable federal and state statutes and regulations.
- D. The Provider agrees to comply with all valid and enforceable local regulations regarding the use and occupation of public rights-of-way in the delivery of the video service, including the police powers of the Franchising Entity.
- E. The Provider shall comply with all Federal Communications Commission requirements involving the distribution and notification of federal, state, and local emergency messages over the emergency alert system applicable to cable operators.
- F. The Provider shall comply with the public, education, and government programming requirements of Section 4 of the Act.
- G. The Provider shall comply with all customer service rules of the Federal Communications Commission under 47 CFR 76.309 (c) applicable to cable operators and applicable provisions of the Michigan Consumer Protection Act, 1976 PA 331, MCL 445.901 to 445.922.
 - i. Including but not limited to: MCL 445.902; MCL 445.903 (1)(a) through 445.903(1)(cc); MCL 445.903(1)(ff) through (jj); MCL 445.903(2); MCL 445.905; MCL 445.906; MCL 445.907; MCL 445.908; MCL 445.910; MCL 445.911; MCL 445.914; MCL 445.915; MCL 445.916; MCL 445.918.
- H. The Provider agrees to comply with in-home wiring and consumer premises wiring rules of the Federal Communications Commission applicable to cable operators.
- I. The Provider shall comply with the Consumer Privacy Requirements of 47 USC 551 applicable to cable operators.
- J. If the Provider is an incumbent video provider, it shall comply with the terms which provide insurance for right-of-way related activities that are contained in its last cable franchise or consent agreement from the Franchising Entity entered before the effective date of the Act.
- K. The Provider agrees that before offering video services within the boundaries of a local unit of government, the video Provider shall enter into a Franchise Agreement with the local unit of government as required by the Act.
- L. The Provider understands that as the effective date of the Act, no existing Franchise Agreement with a Franchising Entity shall be renewed or extended upon the expiration date of the Agreement.
- M. The Provider provides an exact description of the video service area footprint to be served, pursuant to **Section 2(3)(e) of the Act**. If the Provider is not an incumbent video Provider, the date on which the Provider expects to provide video services in the area identified under **Section 2(3)(e) of the Act** must be noted. The Provider will provide this information in Attachment 1 - Uniform Video Service Local Franchise Agreement.
- N. The Provider is required to pay the Provider fees pursuant to **Section 6 of the Act**.

III. Provider Providing Access

- A. The Provider shall not deny access to service to any group of potential residential subscribers because of the race or income of the residents in the local area in which the group resides.
- B. It is a defense to an alleged violation of Paragraph A if the Provider has met either of the following conditions:
 - i. Within 3 years of the date it began providing video service under the Act and the Agreement; at least 25% of households with access to the Provider's video service are low-income households.
 - ii. Within 5 years of the date it began providing video service under the Act and Agreement and from that point forward, at least 30% of the households with access to the Provider's video service are low-income households.
- C. [If the Provider is using telecommunication facilities] to provide video services and has more than 1,000,000 telecommunication access lines in Michigan, the Provider shall provide access to its video service to a number of households equal to at least 25% of the households in the provider's telecommunication

service area in Michigan within 3 years of the date it began providing video service under the Act and Agreement and to a number not less than 50% of these households within 6 years. **The video service Provider is not required to meet the 50% requirement in this paragraph until 2 years after at least 30% of the households with access to the Provider's video service subscribe to the service for 6 consecutive months.**

- D. The Provider may apply to the Franchising Entity, and in the case of paragraph C, the Commission, for a waiver of or for an extension of time to meet the requirements of this section if 1 or more of the following apply:
- i. The inability to obtain access to public and private rights-of-way under reasonable terms and conditions.
 - ii. Developments or buildings not being subject to competition because of existing exclusive service arrangements.
 - iii. Developments or buildings being inaccessible using reasonable technical solutions under commercial reasonable terms and conditions.
 - iv. Natural disasters
 - v. Factors beyond the control of the Provider
- E. The Franchising Entity or Commission may grant the waiver or extension only if the Provider has made substantial and continuous effort to meet the requirements of this section. If an extension is granted, the Franchising Entity or Commission shall establish a new compliance deadline. If a waiver is granted, the Franchising Entity or Commission shall specify the requirement or requirements waived.
- F. The Provider shall file an annual report with the Franchising Entity and the Commission regarding the progress that has been made toward compliance with paragraphs B and C.
- G. Except for satellite service, the provider may satisfy the requirements of this paragraph and Section 9 of the Act through the use of alternative technology that offers service, functionality, and content, which is demonstrably similar to that provided through the provider's video service system and may include a technology that does not require the use of any public right-of-way. The technology utilized to comply with the requirements of this section shall include local public, education, and government channels and messages over the emergency alert system as required under Paragraph II(E) of this Agreement.

IV. Responsibility of the Franchising Entity

- A. The Franchising Entity hereby grants authority to the Provider to provide Video Service in the Video Service area footprint, as described in this Agreement and Attachments, as well as the Act.
- B. The Franchising Entity hereby grants authority to the Provider to use and occupy the Public Rights-of-way in the delivery of Video Service, subject to the laws of the state of Michigan and the police powers of the Franchising Entity.
- C. The Franchising Entity shall notify the Provider as to whether the submitted Franchise Agreement is complete as required by the Act within 15 business days after the date that the Franchise Agreement is filed. If the Franchise Agreement is not complete, the Franchising Entity shall state in its notice the reasons the Franchise Agreement is incomplete. The Franchising Entity cannot declare an application to be incomplete because it may dispute whether or not the applicant has properly classified certain material as "confidential."
- D. The Franchising Entity shall have 30 days after the submission date of a complete Franchise Agreement to approve the agreement. If the Franchising Entity does not notify the Provider regarding the completeness of the Franchise Agreement or approve the Franchise Agreement within the time periods required under **Section 3(3) of the Act**, the Franchise Agreement shall be considered complete and the Franchise Agreement approved.
- i. If time has expired for the Franchising Entity to notify the Provider, The Provider shall send (via mail: certified or registered, or by fax) notice to the Franchising Entity and the Commission, using Attachment 3 of this Agreement.
- E. The Franchising Entity shall allow a Provider to install, construct, and maintain a video service or communications network within a public right-of-way and shall provide the provider with open, comparable, nondiscriminatory, and competitively neutral access to the public right-of-way.
- F. The Franchising Entity may not discriminate against a video service provider to provide video service for any of the following:
- i. The authorization or placement of a video service or communications network in public right-of-way.
 - ii. Access to a building owned by a governmental entity.
 - iii. A municipal utility pole attachment.
- G. The Franchising Entity may impose on a Provider a permit fee only to the extent it imposes such a fee on incumbent video providers, and any fee shall not exceed the actual, direct costs incurred by the Franchising

Entity for issuing the relevant permit. A fee under this section shall not be levied if the Provider already has paid a permit fee of any kind in connection with the same activity that would otherwise be covered by the permit fee under this section or is otherwise authorized by law or contract to place the facilities used by the Provider in the public right-of-way or for general revenue purposes.

- H. The Franchising Entity shall not require the provider to obtain any other franchise, assess any other fee or charge, or impose any other franchise requirement than is allowed under the Act and this Agreement. For purposes of this Agreement, a franchise requirement includes but is not limited to, a provision regulating rates charged by video service providers, requiring the video service providers to satisfy any build-out requirements, or a requirement for the deployment of any facilities or equipment.
- I. Notwithstanding any other provision of the Act, the Provider shall not be required to comply with, and the Franchising Entity may not impose or enforce, any mandatory build-out or deployment provisions, schedules, or requirements except as required by **Section 9 of the Act**.
- J. The Franchising Entity is subject to the penalties provided for under Section 14 of the Act.

V. Term

- A. This Franchise Agreement shall be for a period of 10 years from the date it is issued. The date it is issued shall be calculated either by (a) the date the Franchising Entity approved the Agreement, provided it did so within 30 days after the submission of a complete franchise agreement, or (b) the date the Agreement is deemed approved pursuant to **Section 3(3) of the Act**, if the Franchising Entity either fails to notify the Provider regarding the completeness of the Agreement or approve the Agreement within the time periods required under that subsection.
- B. Before the expiration of the initial Franchise Agreement or any subsequent renewals, the Provider may apply for an additional 10-year renewal under **Section 3(7) of the Act**.

VI. Fees

- A. A video service Provider shall calculate and pay an annual video service provider fee to the Franchising Entity. The fee shall be 1 of the following:
 - i. If there is an existing Franchise Agreement, an amount equal to the percentage of gross revenue paid to the Franchising Entity by the incumbent video Provider with the largest number of subscribers in the Franchising Entity.
 - ii. At the expiration of an existing Franchise Agreement or if there is no existing Franchise Agreement, an amount equal to the percentage of gross revenue as established by the Franchising Entity of _____% (percentage amount to be inserted by Franchising Entity which shall not exceed 5%) and shall be applicable to all providers
- B. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- C. The Franchising Entity shall not demand any additional fees or charges from a provider and shall not demand the use of any other calculation method other than allowed under the Act.
- D. For purposes of this Section, "gross revenues" means all consideration of any kind or nature, including, without limitation, cash, credits, property, and in-kind contributions received by the provider from subscribers for the provision of video service by the video service provider within the jurisdiction of the franchising entity.
 - 1. **Gross revenues shall include all of the following:**
 - i. All charges and fees paid by subscribers for the provision of video service, including equipment rental, late fees, insufficient funds fees, fees attributable to video service when sold individually or as part of a package or bundle, or functionally integrated, with services other than video service.
 - ii. Any franchise fee imposed on the Provider that is passed on to subscribers.
 - iii. Compensation received by the Provider for promotion or exhibition of any products or services over the video service.
 - iv. Revenue received by the Provider as compensation for carriage of video programming on that Provider's video service.
 - v. All revenue derived from compensation arrangements for advertising to the local franchise area.
 - vi. Any advertising commissions paid to an affiliated third party for video service advertising.
 - 2. **Gross revenues do not include any of the following:**
 - i. Any revenue not actually received, even if billed, such as bad debt net of any recoveries of bad debt.

- ii. Refunds, rebates, credits, or discounts to subscribers or a municipality to the extent not already offset by subdivision (D)(i) and to the extent the refund, rebate, credit, or discount is attributable to the video service.
 - iii. Any revenues received by the Provider or its affiliates from the provision of services or capabilities other than video service, including telecommunications services, information services, and services, capabilities, and applications that may be sold as part of a package or bundle, or functionality integrated, with video service.
 - iv. Any revenues received by the Provider or its affiliates for the provision of directory or internet advertising, including yellow pages, white pages, banner advertisement, and electronic publishing.
 - v. Any amounts attributable to the provision of video service to customers at no charge, including the provision of such service to public institutions without charge.
 - vi. Any tax, fee, or assessment of general applicability imposed on the customer or the transaction by a federal, state, or local government or any other governmental entity, collected by the Provider, and required to be remitted to the taxing entity, including sales and use taxes.
 - vii. Any forgone revenue from the provision of video service at no charge to any person, except that any forgone revenue exchanged for trades, barter, services, or other items of value shall be included in gross revenue.
 - viii. Sales of capital assets or surplus equipment.
 - ix. Reimbursement by programmers of marketing costs actually incurred by the Provider for the introduction of new programming.
 - x. The sale of video service for resale to the extent the purchaser certifies in writing that it will resell the service and pay a franchise fee with respect to the service.
- E. In the case of a video service that is bundled or integrated functionally with other services, capabilities, or applications, the portion of the video Provider's revenue attributable to the other services, capabilities, or applications shall be included in gross revenue unless the Provider can reasonably identify the division or exclusion of the revenue from its books and records that are kept in the regular course of business.
- F. Revenue of an affiliate shall be included in the calculation of gross revenues to the extent the treatment of the revenue as revenue of the affiliate has the effect of evading the payment of franchise fees which would otherwise be paid for video service.
- G. The Provider is entitled to a credit applied toward the fees due under **Section 6(1) of the Act** for all funds allocated to the Franchising Entity from annual maintenance fees paid by the provider for use of public rights-of-way, minus any property tax credit allowed under **Section 8 of the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act (METRO Act)**, 2002 PA 48, MCL 484.3108. The credits shall be applied on a monthly pro rata basis beginning in the first month of each calendar year in which the Franchising Entity receives its allocation of funds. The credit allowed under this subsection shall be calculated by multiplying the number of linear feet occupied by the Provider in the public rights-of-way of the Franchising Entity by the lesser of 5 cents or the amount assessed under the **METRO Act**. The Provider is not eligible for a credit under this section unless the provider has taken all property tax credits allowed under the **METRO Act**.
- H. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- I. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- J. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(1) of the Act**, applied against the amount of the subscriber's monthly bill.
- K. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

VII. Public, Education, and Government (PEG) Channels

- A. The video service Provider shall designate a sufficient amount of capacity on its network to provide for the same number of public, education, and government access channels that are in actual use on the incumbent video provider system on the **effective date of the Act** or as provided under **Section 4(14) of the Act**.
- B. Any public, education, or government channel provided under this section that is not utilized by the Franchising Entity for at least 8 hours per day for 3 consecutive months may no longer be made available to the Franchising Entity and may be programmed at the Provider's discretion. At such a time as the

Franchising Entity can certify a schedule for at least 8 hours of daily programming for a period of 3 consecutive months, the Provider shall restore the previously reallocated channel.

- C. The Franchising Entity shall ensure that all transmissions, content, or programming to be retransmitted by a video service Provider is provided in a manner or form that is capable of being accepted and retransmitted by a Provider, without requirement for additional alteration or change in the content by the Provider, over the particular network of the Provider, which is compatible with the technology or protocol utilized by the Provider to deliver services.
- D. The person producing the broadcast is solely responsible for all content provided over designated public, education, or government channels. The video service Provider *shall not* exercise any editorial control over any programming on any channel designed for public, education, or government use.
- E. The video service Provider is not subject to any civil or criminal liability for any program carried on any channel designated for public, education, or government use.
- F. If a Franchising Entity seeks to utilize capacity pursuant to **Section 4(1) of the Act** or an agreement under **Section 13 of the Act** to provide access to video programming over one or more PEG channels, the Franchising Entity shall give the Provider a written request specifying the number of channels in actual use on the incumbent video provider's system or specified in the agreement entered into under **Section 13 of the Act**. The video service Provider shall have 90 days to begin providing access as requested by the Franchising Entity. The number and designation of PEG access channels shall be set forth in an addendum to this agreement effective 90 days after the request is submitted by the Franchising Entity.
- G. A PEG channel shall only be used for noncommercial purposes.

VIII. PEG Fees

- A. The video service Provider shall also pay to the Franchising Entity as support for the cost of PEG access facilities and services an annual fee equal to one of the following options:
 - 1. If there is an existing Franchise on the effective date of the Act, the fee (enter the fee amount _____) paid to the Franchising Entity by the incumbent video Provider with the largest number of cable service subscribers in the Franchising Entity as determined by the existing Franchise Agreement;
 - 2. At the expiration of the existing Franchise Agreement, the amount required under (1) above, which is _____% of gross revenues. (The amount under (1) above is not to exceed 2% of gross revenues);
 - 3. If there is no existing Franchise Agreement, a percentage of gross revenues as established by the Franchising Entity and to be determined by a community need assessment, is _____% of gross revenues. (The percentage that is established by the Franchising Entity is not to exceed 2% of gross revenues.); and
 - 4. An amount agreed to by the Franchising Entity and the video service Provider.
- B. The fee required by this section shall be applicable to all providers, pursuant to Section 6(9) of the Act.
- C. The fee shall be due on a quarterly basis and paid within 45 days after the close of the quarter. Each payment shall include a statement explaining the basis for the calculation of the fee.
- D. All determinations and computations made under this section shall be pursuant to generally accepted accounting principles.
- E. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the Provider shall be made within 3 years from the date the compensation is remitted.
- F. The Provider may identify and collect as a separate line item on the regular monthly bill of each subscriber an amount equal to the percentage established under **Section 6(8) of the Act**, applied against the amount of the subscriber's monthly bill.
- G. The Franchising Entity shall not demand any additional fees or charges from a Provider and shall not demand the use of any other calculation method other than allowed under the Act.

IX. Audits

- A. No more than every 24 months, a Franchising Entity may perform reasonable audits of the video service Provider's calculation of the fees paid under **Section 6 of the Act** to the Franchising Entity during the preceding 24-month period only. All records reasonably necessary for the audits shall be made available by the Provider at the location where the records are kept in the ordinary course of business. The Franchising Entity and the video service Provider shall each be responsible for their respective costs of the audit. Any additional amount due verified by the Franchising Entity shall be paid by the Provider within 30 days of the Franchising Entity's submission of invoice for the sum. If the sum exceeds 5% of the total fees which the

audit determines should have been paid for the 24-month period, the Provider shall pay the Franchising Entity's reasonable costs of the audit.

- B. Any claims by a Franchising Entity that fees have not been paid as required under **Section 6 of the Act**, and any claims for refunds or other corrections to the remittance of the provider shall be made within 3 years from the date the compensation is remitted.

X. Termination and Modification

This Franchise Agreement issued by a Franchising Entity may be terminated or the video service area footprint may be modified, except as provided under **Section 9 of the Act**, by the Provider by submitting notice to the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

XI. Transferability

This Franchise Agreement issued by a Franchising Entity or an existing franchise of an incumbent video service Provider is fully transferable to any successor in interest to the Provider to which it is initially granted. A notice of transfer shall be filed with the Franchising Entity within 15 days of the completion of the transfer. The Provider will use Attachment 2, when notifying the Franchising Entity. The successor in interest will assume the rights and responsibilities of the original provider and will also be required to complete their portion of the Transfer Agreement located within Attachment 2.

XII. Change of Information

If any of the information contained in the Franchise Agreement changes, the Provider shall timely notify the Franchising Entity. The Provider will use Attachment 2, when notifying the Franchising Entity.

XIII. Confidentiality

Pursuant to Section 11 of the Act: Except under the terms of a mandatory protective order, trade secrets and commercial or financial information designated as such and submitted under the Act to the Franchising Entity or Commission are exempt from the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246 and **MUST BE KEPT CONFIDENTIAL.**

- A. The Provider may specify which items of information should be deemed "confidential." It is the responsibility of the provider to clearly identify and segregate any confidential information submitted to the franchising entity with the following information:
 "[insert PROVIDER'S NAME]
 [CONFIDENTIAL INFORMATION]"
- B. The Franchising Entity receiving the information so designated as confidential is required (a) to protect such information from public disclosure, (b) exempt such information from any response to a FOIA request, and (c) make the information available only to and for use only by such local officials as are necessary to approve the franchise agreement or perform any other task for which the information is submitted.
- C. Any Franchising Entity which disputes whether certain information submitted to it by a provider is entitled to confidential treatment under the Act may apply to the Commission for resolution of such a dispute. Unless and until the Commission determines that part or all of the information is not entitled to confidential treatment under the Act, the Franchising Entity shall keep the information confidential.

XIV. Complaints/Customer Service

- A. The Provider shall establish a dispute resolution process for its customers. Provider shall maintain a local or toll-free telephone number for customer service contact.
- B. The Provider shall be subjected to the penalties, as described under **Section 14 of the Act**, and the Franchising Entity and Provider may be subjected to the dispute process as described in **Section 10 of the Act**.
- C. Each Provider shall annually notify its customers of the dispute resolution process required under **Section 10 of the Act**. Each Provider shall include the dispute resolution process on its website.
- D. Before a customer may file a complaint with the Commission under **Section 10(5) of the Act**, the customer shall first attempt to resolve the dispute through the dispute resolution process established by the Provider in **Section 10(2) of the Act**.
- E. A complaint between a customer and a Provider shall be handled by the Commission pursuant to the process as described in **Section 10(5) of the Act**.
- F. A complaint between a Provider and a franchising entity or between two or more Providers shall be handled by the Commission pursuant to the process described in **Section 10(6) of the Act**.
- G. In connection with providing video services to the subscribers, a provider shall not do any act prohibited by Section 10(1)(a-f) of the Act. The Commission may enforce compliance to the extent that the activities are not covered by **Section 2(3)(l) in the Act**.

XV. Notices

Any notices to be given under this Franchise Agreement shall be in writing and delivered to a Party personally, by facsimile or by certified, registered, or first-class mail, with postage prepaid and return receipt requested, or by a nationally recognized overnight delivery service, addressed as follows:

If to the Franchising Entity:
(must provide street address)

If to the Provider:
(must provide street address)

City of Plymouth:

City of Plymouth

201 S. Main

Plymouth, MI 48170

Attn: Paul Sincock, Manager

Fax No.: 734-455-1892

WideOpenWest Michigan, LLC

32650 North Avis Dr.

Madison Heights, MI 48071

Attn: Terrell Priester

Fax No.: 248-677-9021

Or such other addresses or facsimile numbers as the Parties may designate by written notice from time to time.

XVI. Miscellaneous

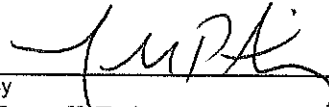
- A. **Governing Law.** This Franchise Agreement shall be governed by, and construed in accordance with, applicable Federal laws and laws of the State of Michigan.
- B. **The parties to this Franchise Agreement are subject to all valid and enforceable provisions of the Act.**
- C. **Counterparts.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute on and the same agreement.
- D. **Power to Enter.** Each Party hereby warrants to the other Party that it has the requisite power and authority to enter into this Franchise Agreement and to perform according to the terms hereof.
- E. **The Provider and Franchising Entity are subject to the provisions of 2006 Public Act 480.**

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Franchise Agreement

City of Plymouth, a Michigan Municipal Corporation

WideOpenWest Michigan, LLC, a Delaware corporation doing business as WOW! Cable Internet Phone

By
Paul Sincock
 Print Name
Manager
 Title
201 S. Main
 Address
Plymouth, MI 48170
 City, State, Zip
734-453-1234 ext. 203
 Phone
 Fax
citymanager@plymouthmi.gov
 Email


 By
Terrell Priester
 Print Name
Senior Director of Operations
 Title
32650 North Avis Dr.
 Address
Madison Heights, MI 48071
 City, State, Zip
248-677-9080
 Phone
248-677-9021
 Fax
terrell.priester@wowinc.com
 Email

FRANCHISE AGREEMENT *(Franchising Entity to Complete)*

Date submitted:	<i>11-23-2020</i>
Date completed and approved:	

ATTACHMENT 1

**UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT
(Pursuant To 2006 Public Act 480)
(Form must be typed)**

Date: December 20, 2020		
Applicant's Name: WideOpenWest Michigan, LLC d/b/a WOW! Internet Cable Phone		
Address 1: 32650 North Avis Dr.		
Address 2:		Phone: 248-677-9080
City: Madison Heights	State: MI	Zip: 48071
Federal I.D. No. (FEIN): 04-3561701		

Company executive officers:

Name(s): Teresa Elder, Henry Hryckiewicz, Shannon Campaign, Don Schena, Bill Case, David Burnick & John Rego
Title(s): CEO, CTO, CCO, CXO, CIO, CHRO & CFO

Person(s) authorized to represent the company before the Franchising Entity and the Commission:

Name: Terrell Priester		
Title: Senior Director of Operations		
Address: 32650 North Avis Dr.; Madison Heights, MI 48071		
Phone: 248-677-9080	Fax: 248-677-9021	Email: terrell.priester@wowinc.com

Describe the video service area footprint as set forth in Section 2(3e) of the Act. (An exact description of the video service area footprint to be served, as identified by a geographic information system digital boundary meeting or exceeding national map accuracy standards.)

Refer to the set of area system prints provided in this package.
--

[Option A: for Providers that Options B and C are not applicable, a description based on a geographic information system digital boundary meeting or exceeding national map accuracy standards]

[Option B: for Providers with 1,000,000 or more access lines in Michigan using telecommunication facilities to provide Video Service, a description based on entire wire centers or exchanges located in the Franchising Entity]

[Option C: for an Incumbent Video Service Provider, it satisfies this requirement by allowing the Franchising Entity to seek right-of-way information comparable to that required by a permit under the METRO Act as set forth in its last cable franchise or consent agreement from the Franchising Entity entered into before the effective date of the Act]

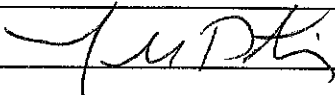
Pursuant to Section 2(3)(d) of the Act, if the Provider is not an incumbent video Provider, provide the date on which the Provider expects to provide video services in the area identified under Section 2(3)(e) (the Video Service Area Footprint).

Date:

For All Applications:

**Verification
(Provider)**

I, Terrell Priester, of lawful age, and being first duly sworn, now states: As an officer of the Provider, I am authorized to do and hereby make the above commitments. I further affirm that all statements made above are true and correct to the best of my knowledge and belief.

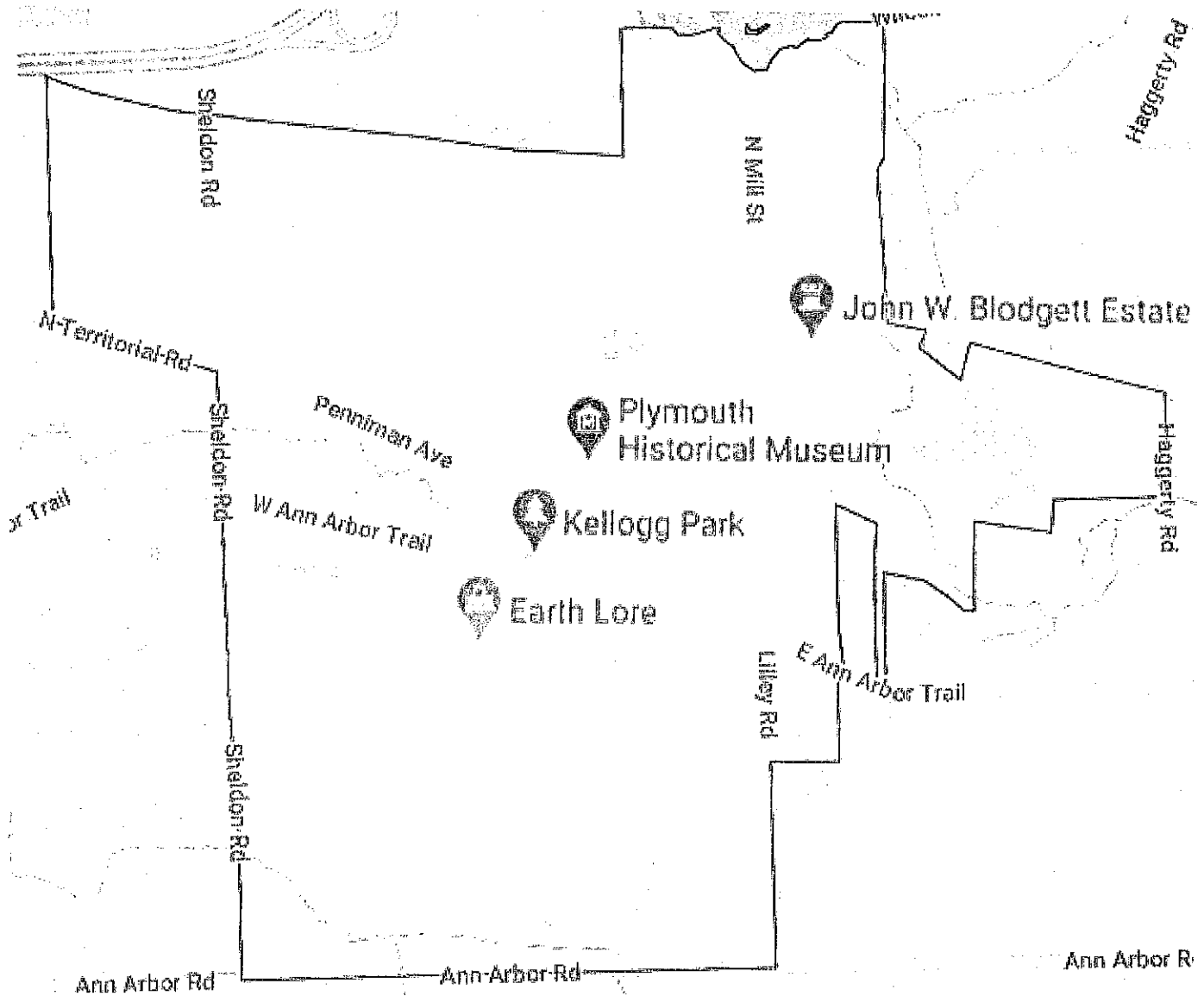
Name and Title (printed): Terrell Priester, Senior Director of Operations	
Signature: 	Date: 11/20/2020

(Franchising Entity)

City of Plymouth, a Michigan municipal corporation



By
Paul Sincock
Print Name
Manager
Title
201 S. Main
Address
Plymouth, MI 48170
City, State, Zip
734-453-1234 ext. 203
Phone
Fax
citymanager@plymouthmi.gov
Email
Date



ATTACHMENT 1

RESOLUTION

The following Resolution was offered by Commissioner _____ and seconded by Commissioner _____.

RESOLUTION APPROVING THE UNIFORM VIDEO SERVICE LOCAL FRANCHISE AGREEMENT BY AND BETWEEN THE CITY OF PLYMOUTH AND WIDEOpenWEST MICHIGAN, LLC (dba WOW! Cable Internet Phone).

WHEREAS the existing Cable Franchise Agreement between WideOpenWest Michigan, LLC (WOW!) and the City of Plymouth expired on August 27, 2020; and

WHEREAS on November 23, 2020, WOW submitted a Uniform Video Service Local Franchise Agreement to the City of Plymouth; and

WHEREAS the application has been reviewed by the City Attorney and the City of Plymouth has determined the Video Service Local Franchise Agreement submission to be complete pursuant to 2006 Public Act 480, MCL 484.3303 and has notified WOW! in writing of such determination; and

WHEREAS The State of Michigan Legislature has previous made changes in the law to limit the ability of local units of government to regulate video franchise agreements.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Plymouth does hereby approve the application for renewal of the Video Service Local Franchise Agreement with WOW! and the City of Plymouth, with an effective date of December 21, 2020.

BE IT FURTHER RESOLVED THAT the Mayor or in his absence the Mayor Pro-Tem is authorized to sign the agreement on behalf of the City of Plymouth.

BE IT STILL FURTHER RESOLVED THAT the City Clerk is hereby directed to include the agreement as a part of Meeting Minutes of this meeting.



Administrative Recommendation

City of Plymouth
 201 S. Main
 Plymouth, Michigan 48170-1637

www.plymouthmi.gov
 Phone 734-453-1234
 Fax 734-455-1892

To: Mayor & City Commission
 From: Paul J. Sincock, City Manager
 CC: S:\Manager\Sincock Files\Memorandum - Authorization for Changes due to Covid-19 Emergency 12-21-20.docx
 Date: December 16, 2020
 RE: Authorization for temporary rule & regulation changes due to Covid-19 Emergency

Background

We anticipate that the Michigan Department of Health and Human Services (MDHHS) or the Michigan Liquor Control Commission (MLCC) will continue to issue orders and/or permits related to restaurants and liquor serving establishments to continue to use outdoor patio seating during the winter months and into next summer. It is the City Administration's understanding that the City Commission would like to continue to allow the use of existing sidewalk patios, on a temporary basis for the remainder of the winter or through March 31, 2021. April 1, 2021 is the start of our "normal" summer patio season.

Private Property: Previously, the City Commission authorized those businesses with patios on private property to allow use of that space on a temporary basis until March 31, 2021. This would include locations who have a MLCC permit for permanent outdoor service space on private property. The City's temporary authorization is only valid until March 31st as a Covid-19 Emergency action. Starting April 1, 2021 those establishments with MLCC permits, who wish to continue outdoor private property service, would have to go through the normal Special Land Use Permit process to comply with the local Ordinance. Compliance with the local Ordinance is required under the MLCC Permit for permanent outdoor service area. We would recommend that those establishments wanting to use this private space starting in April should begin the various applications for approvals as soon as possible.

Public Property: In mid-September of this year, a meeting with restaurant owners was held to discuss options for winter operations. The consensus of the restaurant owners at that time was that, while tents or other structures may be an option, the cost and effort required to heat those structures would outweigh the money generated from the few tables. Owners expressed concern about investment levels, possible platforms, and avoiding water and ice issues. There was interest in keeping the sidewalk cafes and outdoor patios up as long as possible.

Gathering: During the meeting with the owners, the City offered the use of the Gathering Pavilion to the restaurant community, for use as a special event or food court option. Since the meeting with the

bar/restaurant owners, the Gathering has continually been offered; however, there still does not seem to be much interest. We also offered it to the retail community. So far, the only establishment who has expressed an interest and used the facility is Sun and Snow, who used it for their ski and snowboard swap events. The facility remains available for the restaurant community, should they desire to use it for a single event or multiple days.

Patio extension: The City Commission previously granted the administration authorization to create and implement a patio extension program to allow restaurants to extend their patio service areas into the on-street parking locations. The administration was successful in that endeavor and it seemed to receive overwhelming support from the restaurants. This was accomplished even while Main St. was under a repaving project. During the meeting with the restaurant owners, as well as feedback received during the summer and beyond, the owners expressed interest in having extended patios, similar to those permitted this summer for the summer of 2021. The city indicated that there would be additional costs due to additional barricading that would be required and that the parking issues would have to be addressed. It took a substantial amount of work to in setting this up for this year, but we are well positioned to offer this program next year provided some the issues of cost and parking are addressed.

Street Closure(s): We have discussed closing our streets regularly for the season or even every weekend and have determined that this is not a good option for us. Our Downtown has 16 liquor licenses in the DDA area or within our potential Social District. One of those licenses covers three different establishments (Compari's, Fiamma, Sardine Room) and two other licenses cover two establishment (Greek Islands/Ebenezer) and (Arbor Brewing/Bigalora) for a total of 19 establishments. By comparison, Downtown Northville has eight establishments over a two-block area. Our Downtown has three one-way streets, and a wide mix of establishments from restaurants, to retail, to service, to office, to residential. While that mix can usually withstand a few weekends a year of shutdowns, any prolonged extension of that becomes very problematic. For example, if we closed Penniman from Harvey to Main, we would be limiting access not only to all on street parking, but also access to the Penniman Parking Lot. Further, the Post Office lot exits onto Penniman, the Westborn Market Lot is designed to enter off of Penniman, there are also residents on Penniman and several offices. We anticipate similar issues on every street/block. On Forest we have the issue of residents living above some retail/restaurant locations. If we close Ann Arbor Trail at Harvey and at Main, we deny access to residents and businesses with private parking lots. Closing Ann Arbor Trail effectively closes off all of Forest and the carry out business that is generated from that street, with or without the Covid-19 situation.

We also need to be aware that we will be re-routing traffic around the Harvey Street construction in the summer of 2021. We anticipate that the work on Harvey between Penniman and Ann Arbor Trail will take the entire summer as this will include major underground work, much like on Farmer street this past summer.

Carryout parking: Under current (at the time of this writing) MDHHS Orders and City Commission authorization, the City Administration has been working with stakeholders to set up temporary designated carry out/pick up parking options. Those temporary 15-minute spaces have only been in

effect for a short time and there are numerous spaces on most downtown streets. In order to better evaluate the success or challenges of those spaces, we will need to look critically at those spaces at some point in January. We should note that we have received complaints about having too many designated 15-minute spaces in the downtown. Again, those temporary space authorizations are only valid until March 31, 2021. Based on the evaluation, we may want to look at keeping a few spaces into the summer season.

Parking: Anytime you expand seating capacity or business operations you must consider the parking issue. More people at an establishment require more parking. Winter parking is already restricted at times due to the stockpiles of snow from sidewalks and streets that must be hauled out by DMS Crews in the days after the snow event. We have not experienced a significant snow event this winter, so we are not able to review the impact that changes in parking and patio dining have had on winter parking. We have been blessed with an amazing summer, fall, and early winter from a weather and patio use standpoint. Again, a review of parking impacts during winter storm events can be accomplished after we have experienced a few significant snow events.

Future: Based on our understanding that the City Commission would like to continue the patio seating option during the winter, we would suggest that they authorize the City Administration to issue permits to allow sidewalk patios to continue until March 31, 2021. We also understand that the City Commission would like the Administration to continue to research options for coverings, such as retractable awnings that could ultimately be used all year long. There are a number of awning issues that have to be worked through, including the Historic District regulations, specifications related to height, snow loads, rain, appearance when in use and when retracted. As a part of this Resolution, the City Administration would be directed to continue work on the potential retractable awning option, and if viable, develop rules related to the style, types, and use of retractable awnings.

This authorization would allow the liquor serving establishments to continue outdoor seating through March 31, 2021, but those establishments would be responsible for snow and ice control measures, including after hours. This would allow establishments to have approvals for patio seating for a time limited basis and avoid having the expense of going through the Planning Commission as well as potentially the Historic District Commission. Further, we anticipate that there will be additional costs to the DDA as their sidewalk snow contractor will now have to work around several obstacles and this may require additional "hand" work, versus using equipment to clear the sidewalks.

It is also the Administration's understanding that the City Commission would like to allow extended patio seating in the parking areas during the "normal" patio season, starting in April of 2021. This brings up the parking issue. The Commission will recall that they adopted the rooftop seating Ordinance, which requires one-half of the parking for rooftop areas, with the concept that they would generally use this space six months a year. Do we apply the same standard to the extended patio space? That is a policy question for the City Commission to determine as we move forward.

The City Administration is currently working on costs for barricading the extended patio areas. We anticipate that there will be water barricades along the entire length of any street side patio, as well as the internal fence line, like we had last summer. The City Administration is working on a per foot cost of the barricading to be included into the fee structure for street patio use.

Recommendation

The City Administration recommends that the City Commission provide emergency authorization to the City Administration to administratively approve an extension of the sidewalk patio rules and regulations to allow patio seating on the public sidewalks in accordance with local, state and health department rules and regulations through March 31, 2021.

Further, the City Administration recommends that the City Commission authorize the administration to continue to work on rules, regulations, parking, and costs for extended patios in the parking spaces for the summer of 2021.

Still further, the City Administration recommends that the City Commission direct the administration to continue work on specifications and rules for the retractable awning concept.

It should be noted that this authorization will not be a "cure-all" or be able to encompass all restaurants and it will not resolve the many issues facing these establishments because of the Covid-19 Emergency.

RESOLUTION

The following Resolution was offered by Comm. _____ and seconded by Comm. _____.

WHEREAS The entire State of Michigan has been under a State of Emergency For Several months and this Emergency Situation have caused the State to issue several emergency orders, and

WHEREAS The City Commission is desirous to take emergency action to allow Restaurants to use private or public property for the enhancement of their business within the scope of the various emergency rules and orders.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Plymouth does hereby provide an emergency authorization as a result of the Covid-19 State of Emergency and current State Orders to authorize the City Administration to make changes in the city's various rules and regulations for private or public space available for the use by restaurants, within the scope of the rules and regulations of the State of Michigan.

BE IT FURTHER RESOLVED THAT the City Administration is authorized to make rules and regulations related to the use of outdoor patios, with no temporary structures or coverings on public property for restaurants through March 31, 2020.

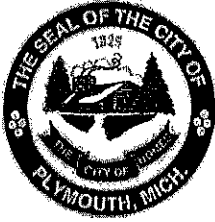
BE IT STILL FURTHER RESOLVED THAT the City Commission authorized temporary emergency approval outdoor patio use for restaurants on private property through March 31, 2021. If there is anticipated continued use of the private property outdoor use past March 31, 2021, the ownership would have to seek Special Land Use Permit in accordance with the city's ordinances for expansion of liquor serving establishments. The City Administration shall notify all temporary permit holders for private property patio use of the requirement for a Special Land Use Permit in order to comply with local Ordinances and continue to use that space past March 31, 2021.

BE IT STILL FURTHER RESOLVED THAT the City Commission again offers the use of the Gathering Pavilion to the restaurant community under the City's special event policy.

BE IT STILL FURTHER RESOLVED THAT the City Commission hereby directs the City Administration to continue to work on rules, regulations, parking and costs for extended patios in public parking spaces for the summer of 2021.

BE IT STILL FURTHER RESOLVED THAT the City Commission directs the administration to continue work on specifications and rules for the retractable awning concept.

BE IT STILL FURTHER RESOLVED THAT these are temporary emergency authorizations, unless revoked in accordance with the rules and regulations established by the City or prohibited by the State of Michigan. Further, the emergency rules and use of the private or public space under the terms of this Resolution shall NOT be renewable unless there is further action by the City Commission.



Administrative Recommendation

City of Plymouth
201 S. Main
Plymouth, Michigan 48170-1637

www.plymouthmi.gov
Phone 734-453-1234
Fax 734-455-1892

To: Mayor & City Commission
From: Paul J. Sincock, City Manager
CC: S:\Manager\Sincock Files\Memorandum - Truck Route First Reading 12-21-20.docx
Date: December 16, 2020
RE: Truck Route Ordinance Update – 1st Reading

Background

The City Commission has listed an update to the City's Truck Ordinance as a part of our one-year tasks. We are bringing forth that update to our City Ordinance regarding truck routes for a First Reading. This update is basically administrative in nature and it updates our Ordinance to match other communities. This update clearly identifies the City's Major Streets.

We have attached a memorandum from Police Chief Al Cox and Municipal Services Director Chris Porman which outlines the Ordinance and the proposed changes to the Ordinance.

Recommendation

The City Administration recommends that the City Commission adopt the changes to the City's Truck Route Ordinance as a First Reading. Most of these changes are a result of being updated as a result of changes in State law over the years and to provide clarity to the Ordinance.

This is a First Reading, and this item will come back before the City Commission in January for a second and final reading. If you have any questions in advance of the meeting please feel free to contact Al, Chris, or myself.

We have attached a proposed Resolution for the City Commission to consider regarding this matter.



Administrative Recommendation

City of Plymouth
201 S. Main
Plymouth, Michigan 48170-1637

www.plymouthmi.gov
Phone 734-453-1234
Fax 734-455-1892

To: Paul J. Sincok, City Manager
From: Chris Porman, Director – Department of Municipal Services
Al Cox, Police Chief
Date: December 15, 2020
RE: Updates to Truck Route Ordinance

Background

The City Commission listed a review and update to the City's truck route(s) as part of the one-year tasks in the latest version of the Strategic Plan. We began with a review of the current ordinance and continued through a review of issues, complaints, and data related to citations, etc. and we did that both empirically and anecdotally. In the review, we did not see much evidence to support changing the current ordinance; however, when we looked at other communities, we saw some opportunities for clarification and improvement. Most, if not, all of the updates are strictly administrative in nature. The biggest change is the addition of information related to not what are the truck route(s), but what are the major streets in the city and how those should be used when not on the truck route. The only other significant change would be related to enforcement and what that looks like from the PD perspective as well as the perspective of the driver(s).

RECOMMENDATION:

We recommend that the City Commission review and approve the changes to the Truck Route Ordinance as presented. While they are administrative in nature, they help to elaborate and clarify the intent of the ordinance, as well as the applicability of which roads should be used in which order (truck routes, major streets, local streets).

Should there be any questions, they can be directed to either Chris Porman or Al Cox.

DIVISION 2. - TRUCK ROUTES

Sec. 70-61. - Intent.

The intent and purpose of this division is to protect the surfacing and pavements of the public streets, highways and alleys in the city and to such end same shall be liberally construed.

The purpose of this Section is to regulate the orderly operation of trucks on the streets of the City. The primary objectives are to facilitate the transfer of goods and services by trucks to businesses and to preserve the quality of life of the neighborhoods. Prime considerations involved with the purpose of this Section are: (1) the safety of our citizens; (2) avoidance of unreasonable or unnecessary disturbance or reduction in property values due to truck noise, vibration, and/or air pollution; (3) protection against the deterioration of those streets not designated for truck traffic, and (4) adequate truck service to businesses and residences in an expeditious manner, having due regard for economical vehicle operation.

Where density of traffic, protection of life and property, construction and condition of the roadway, or any hazardous condition make it advisable, the direction of traffic flow, and routing of buses, trucks and heavy vehicles, may be made by the Proper Authority by duly posted traffic control devices and it shall be unlawful to drive or cause to be driven, any vehicle in violation of such direction and routing.

Sec. 70-62. - Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Commercial vehicle includes all motor vehicles used for the transportation of passengers for hire, or constructed or used for the transportation of goods, wares or merchandise, and/or motor vehicles designed and used for drawing other vehicles and not so constructed as to carry any load thereon either independently or any part of the weight of a vehicle or load so drawn.

Local Streets: All streets not designated herein as Truck Routes or major streets.

Major Streets: Those street segments, other than Truck Routes, contained herein the table below

<u>Major Streets</u>		
<u>Street Name</u>	<u>From</u>	<u>To</u>
<u>Amelia St</u>	<u>N Mill St</u>	<u>W Liberty St</u>
<u>Ann Arbor Trail</u>	<u>S Sheldon Rd</u>	<u>General Dr</u>
<u>Arthur Ave</u>	<u>Junction Ave</u>	<u>End (North of Junction Ave)</u>
<u>Cherry St</u>	<u>W Pearl St</u>	<u>Dunn St</u>
<u>Deer St</u>	<u>Wing St</u>	<u>Ann Arbor Trail</u>
<u>Dunn St</u>	<u>Cherry St</u>	<u>Starkweather Ave</u>
<u>E Liberty St</u>	<u>N Holbrook Ave</u>	<u>York St</u>
<u>E Pearl St</u>	<u>N Mill St</u>	<u>York St</u>
<u>E Spring St</u>	<u>N Mill St</u>	<u>N Holbrook Ave</u>
<u>Farmer St</u>	<u>N Harvey St</u>	<u>N Mill St</u>
<u>Forest Ave</u>	<u>Wing St</u>	<u>Ann Arbor Trail</u>

Goldsmith Ave	N Sheldon Rd	Lena Ave
Hamilton St	Ann Arbor Trail	S Union St
Irvin Ave	Junction Ave	End (North of Junction Ave)
Junction Ave	N Sheldon Rd	Karmada St
Karmada St	Farmer St	Junction Ave
N Harvey St	Church St	Junction Ave
N Holbrook Ave	Wilcox Rd	Plymouth Rd
N Industrial Dr	Plymouth Rd	End (South of Plymouth Rd)
N Main St	Church St	N Mill St
Penniman Ave	S Sheldon Rd	S Union St
S Harvey St	Ann Arbor Rd	Church St
S Main St	Ann Arbor Rd	Church St
S Union St	Ann Arbor Trail	Main St
Starkweather Ave	N Main St	N Mill St
W Church St	N Harvey St	S Union St
W Liberty St	Amelia St	Starkweather Ave
W Pearl St	N Mill St	End (West of Cherry St)
Wing St	S Harvey St	Deer St
York St	E Pearl St	W Liberty St

Through commercial vehicle routes or through truck routes are those which must be used by trucks and commercial vehicles not beginning, terminating or delivering to or from any point within the city.

Truck means every motor vehicle designed, used, or maintained primarily for the transportation of property.

Truck Routes: Those streets specifically designated herein as Truck Routes.

Sec. 70-63. - Enforcement.

The chief of police and other officers of the city shall enforce all weight, size and other vehicle and load limitations imposed by the Motor Vehicle Code, being Act No. 300 of the Public Acts of Michigan of 1949 (MCL 257.1 et seq., MSA 9.1801 et seq.), as amended.

It shall be the duty of any person driving or in charge or control of any buses, trucks or heavy vehicles, other than vehicles carrying or designed to carry passengers upon any roadway not a designated Truck Route upon the request of a police officer to stop and answer any questions regarding the weight of the truck, its destination, and its point of origin; and such person shall also present log book, weight slips, delivery slips and other written evidence of destination or point of origin, for the officer's examination.

Sec. 70-64. - Exception; permit.

The restrictions imposed under this division upon the use of certain public streets, highways and alleys in the city shall not apply to any vehicle the weight of which, loaded or unloaded, is 5,000 pounds or less, and shall not prevent the delivery of any person or property to any place within the city or prevent

a vehicle from receiving any person or property within the city, provided that the chief of police, in his discretion, may issue a permit for the operation of any truck to use any street other than herein provided.

Sec. 70-65. - Truck routes.

No person shall operate, or cause to be operated a commercial vehicle or truck on any of the public streets, highways or alleys in the city, except as herein otherwise provided, except upon the following public streets or highways which are hereby designated as through commercial vehicle routes or through truck routes:

- (1) Ann Arbor Road, from east city limits (Mill Street) to west city limits (Sheldon Road),
- (2) Mill Street, from Northville Road to south city limits (Ann Arbor Road),
- (3) Northville Road, from north city limits to Mill Street,
- (4) Plymouth Road, from east city limits to North Mill Street,
- (5) Sheldon Road, from south city limits (Ann Arbor Road) to CSX-&O Railroad,

The above list of streets is subject to the weight restrictions of the board of county road commissioners.

Motor vehicles of the restricted class as used herein are defined as all motor vehicles having a weight of ten thousand (10,000) pounds or more including the load therein, except vehicles carrying or designated to carry passengers, all governmentally owned or leased vehicles, public utility vehicles, and vehicles used for private refuse handling.

Travel into or out of the City. Motor vehicles of the restricted class, which do not have a pickup, delivery or service within the City, are required to enter and exit the City of Plymouth on Truck Routes only.

Sec. 70-66. - Local deliveries.

~~The operation of commercial vehicles and trucks upon all public streets, highways or alleys, except as herein otherwise provided, in the city, is hereby prohibited; except, however, none of the restrictions herein imposed shall prevent the delivery or pickup of goods or persons any place within the city as provided in section 70-62; nor shall the restrictions herein imposed be construed to prevent any vehicle from going to and returning to the property where it is stored, maintained or serviced.~~

Travel within the City. Motor vehicles of the restricted class, while in the City of Plymouth, are required to travel on Truck Routes only, except as follows:

- (a) The operation of Authorized Emergency Vehicles may occur on any roadway in the City.
- (b) The operation of recreational vehicles as defined by State law, which are of the restricted class may use any roadway in the City.
- (c) The operation of motor vehicles of the restricted class is permitted on any roadway in the City for pickup, delivery or service where the destination is not on a Truck Route, provided that ingress and egress thereto or therefrom is accomplished in the following manner:
 - (1.) Vehicles of the restricted class must utilize designated Truck Routes to the point closest to delivery, pickup, or service.
 - (2.) Upon leaving or returning to the Truck Route, vehicles of the restricted class must utilize the shortest route available via major streets whenever possible and then utilize local streets only when necessary for the completion of the delivery, pickup or service.

(3) If any designated Truck Route or portion thereof shall be under repair or otherwise temporarily out of use, motor vehicles within the restricted class shall use such other temporary Truck Routes as may be designated by the Proper Authority.

(4) In case of emergency, a temporary permit allowing exceptions to this Section may be issued by the City Manager or designee.

Sec. 70-67. - Notice.

Notice of the prohibitions and limitations of this division shall be given by the posting of appropriate and legible signs such as may be seen by an ordinarily observant person upon or at the entrance to such highways or parts thereof affected by the provisions hereof.

Truck route signage. The roadways designated as Truck Routes may be posted with signs at reasonable intervals and at intersections where the truck route turns. Such signs shall consist of the words "Truck Route," below which may be placed an appropriate type arrow indicating the direction of the route.

No Trucks signage. Non-truck Route streets may be posted with signs at reasonable intervals where appropriate. Such signs shall indicate "No Trucks" or "Not a Truck Route."

Secs. 70-68—70-90. - Reserved.

RESOLUTION

The following Resolution was offered by Comm. _____ and seconded by Comm.

_____.

WHEREAS The City of Plymouth has an Ordinance to regulate truck traffic in the City, and

WHEREAS It has been many years since this Ordinance has been updated and the City Commission Made updating this Ordinance as a one-year task on the City's Strategic Plan.

NOW THEREFORE BE RESOLVED THAT the City Commission amends Sections 70-61 through 70 – 67 at a First Reading to update the City's Truck Routes Ordinance.

BE IT FURTHER RESOLVED THAT the City Clerk is directed to make the proposed Ordinance changes as a part of the official meeting minutes of this City Commission meeting.



CITY OF PLYMOUTH

www.plymouthmi.gov

201 S. Main
Plymouth, Michigan 48170-1637

Phone 734-453-1234
Fax 734-455-1892

MEMORANDUM

Date: December 16, 2020
To: Paul Sincock, City Manager
From: John Scanlon, Finance Director
Subject: Pension/OPEB Report

Issue: Pension/OPEB Report

Analysis: As required by Public Act 202 of 2017, the City of Plymouth is required to file a 2020 Pension and OPEB status report (Form 5572) with the Department of Treasury. The attached report outlines the current funding status of these two plans. The data is compiled using the City's most recent actuarial and audit reports. The attached reports do not trigger preliminary underfunded status. The Department of Treasury now has 45 days to confirm the report finding.

Requested Action: Review. No action is required.

Attachment(s): Public Act 202 Pension/OPEB report

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name Enter 5th-Digit Municipal ID 82220	City of Plymouth	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Unit Type Fiscal Year End Month	City June	
Fiscal Year (four-digit year only, e.g. 2019)	2020	
Contact Name (Chief Administrative Officer)	John F. Scanlon	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Title if not CAO	Finance Director	
CAO (or designee) Email Address	jscanlon@plymouth.gov	
Contact Telephone Number	(734)553-1234	
Pension System Name (not division)	1 Plymouth, City of	If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, there would be only one system and should be reported as such on this form.
Pension System Name (not division)	2	
Pension System Name (not division)	3	
Pension System Name (not division)	4	
Pension System Name (not division)	5	

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement pension system	Calculated from above	Plymouth, City of				
3	Financial Information						
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	8,894,420				
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	16,580,472				
6	Funded ratio	Calculated	53.8%				
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	823,976				
8	Governmental Fund Revenues	Most Recent Audit Report	14,766,927				
9	All systems combined ADC/Governmental fund revenues	Calculated	5.6%				
10	Membership						
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report					
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	4				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	55				
14	Investment Performance						
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	14.02%				
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	6.39%				
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.97%				
18	Actuarial Assumptions						
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	7.35%				
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Percent				
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	10				
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes				
23	Uniform Assumptions						
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	\$8,842,907				
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	\$17,011,654				
26	Funded ratio using uniform assumptions	Calculated	52.0%				
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	\$823,976				
28	All systems combined ADC/Governmental fund revenues	Calculated	5.6%				
29	Pension Triggers Summary						
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 60% funded AND greater than 10% ADC/Governmental fund revenues. Non-Primary government triggers: Less than 60% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of PA 202 of 2017)
 Local governments must post the current year report on their website or in a public place.
 The local government must electronically submit the form to its governing body.
 Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
 Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPFB) Report

Enter Local Government Name	City of Plymouth	<p>Instructions: For a list of detailed instructions on how to complete and submit this form, visit www.michigan.gov/act.</p> <p>Questions: For questions, please email act@treasury.state.mi.us. Return this original form to: act@treasury.state.mi.us. Do not submit a scanned image or PDF.</p>
Enter State Dept. Number	692220	
Local Government Website	http://www.cityofplymouthmi.gov	
Fiscal Year (fiscal year ends on 12/31/2020)	2020	
Contact Name (Chief Administrative Officer) John F. Scanlon		
Title if not CAO Finance Director		
CAO (or designee) Email Address	lscanlon@plymouthmi.gov	
Contact Telephone Number	(734)453-1234	
OPFB System Name (not division)	Plymouth, City of	
OPFB System Name (not division)		
OPFB System Name (not division)		
OPFB System Name (not division)		
OPFB System Name (not division)		

Line	Description	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement health care system	Calculated from above					
3	Financial Information						
4	Enter retirement health care system assets (system fiduciary net position ending)	Most Recent Audit Report	50				
5	Funded ratio	Most Recent Audit Report	\$18,759,008				
6	Accumulated deficit	Most Recent Audit Report	\$1,078,830				
7	Accumulated deficit as a percentage of assets	Most Recent Audit Report	YES				
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-37 ?	Most Recent Audit Report	\$14,266,927				
8	Governmental Fund Revenues	Calculated	7.3%				
9	All systems combined ADF/Governmental fund revenues	Calculated					
10	Membership						
11	Indicate number of active members	Actuarial funding Valuation used in Most Recent Audit Report	40				
12	Indicate number of inactive members	Actuarial funding Valuation used in Most Recent Audit Report					
13	Indicate number of retirees and beneficiaries	Actuarial funding Valuation used in Most Recent Audit Report	93				
14	Investment Performance	Most Recent Audit Report or Accounting Records	\$491,214				
15	Provide the amount of premium paid on behalf of the retirees	Report of System Investment Provider	0.00%				
16	Enter actual rate of return - prior 1-year period	Actuarial funding Valuation used in Most Recent Audit Report or System Investment Provider	0.00%				
17	Enter actual rate of return - prior 5-year period	Actuarial funding Valuation used in Most Recent Audit Report or System Investment Provider	0.00%				
18	Enter actual rate of return - prior 10-year period	Actuarial funding Valuation used in Most Recent Audit Report or System Investment Provider	0.00%				
19	Actuarial Assumptions						
20	Assumed Rate of Investment Return	Actuarial funding Valuation used in Most Recent Audit Report	0.00%				
21	Enter discount rate	Actuarial funding Valuation used in Most Recent Audit Report	2.66%				
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial funding Valuation used in Most Recent Audit Report	Level Dollar				
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial funding Valuation used in Most Recent Audit Report	30				
24	Is each division within the system closed to new employees?	Actuarial funding Valuation used in Most Recent Audit Report	Yes				
25	Health care inflation assumption for the next year	Actuarial funding Valuation used in Most Recent Audit Report	6.50%				
26	Health care inflation assumption - Long-Term Trend Rate	Actuarial funding Valuation used in Most Recent Audit Report	4.50%				
27	Uniform Assumptions						
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Actuarial funding Valuation used in Most Recent Audit Report	\$0				
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Actuarial funding Valuation used in Most Recent Audit Report	\$18,381,146				
30	Funded ratio using uniform assumptions	Calculated	0.0%				
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial funding Valuation used in Most Recent Audit Report	\$1,054,122				
32	All systems combined ADF/Governmental fund revenues	Calculated	7.1%				
33	Summary Report	Accounting Records	N/A				
34	Did the local government pay the retiree insurance premiums for the year?	Primary Government Triggers: Less than 40% funded AND greater than 12% ADF/Governmental fund revenues. Non-Primary Government triggers: Less than 40% funded.	NO	NO	NO	NO	NO
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	N/A				
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary Government Triggers: Less than 40% funded AND greater than 12% ADF/Governmental fund revenues. Non-Primary Government triggers: Less than 40% funded.	NO	NO	NO	NO	NO

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