



CITY OF ALLEGAN
CITY COUNCIL MEETING
Monday, July 10, 2023 – 7:00PM
City Hall – 231 Trowbridge Street Allegan, MI 49010

7:00 PM Council Meeting (Action to be taken by Council on the following agenda items)

Note: Please be courteous and turn cell phones off during the meeting.

1. CALL TO ORDER

2. ROLL CALL (Excused Absences if Any)

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

4A – Approval of the Regular Council Meeting Agenda for July 10, 2023.

5. APPROVAL OF MINUTES

5A – Approval of the Regular Meeting Minutes from June 26, 2023, Council Meeting.

6. SPECIAL PRESENTATIONS & RECOGNITIONS BY MAYOR OR COUNCIL

7. FIRST READING OF ORDINANCES and SCHEDULING OF PUBLIC HEARINGS

8. PUBLIC HEARINGS AND ADOPTION OF ORDINANCE

9. PUBLIC COMMENT

10. WRITTEN PETITIONS & REPORTS FROM SPECIAL COMMITTEES

11. REPORTS FROM BOARDS, COMMISSIONS & CITY OFFICES

11A. City Boards, Commissions and Area Agencies

11A.1 – Election Commission June 28th Meeting – Michaela Kleehammer

11A.2 – Historic District Commission July Meeting – Mike Zeter

11B. Finance Department

11B.1 – Request to approve Accounts Payable and Payroll.

11B.2 – Request to approve the annual auditing services contract with Siegfried Crandall.

11B.3 – Request to approve the MERS Contribution Addendum and Agreement.

11C. Police Department

11D. Water Utilities

11E. Public Works

11F. City Manager & City Clerk

11F.1 – Request to adopt Resolution 23.24 to Redistrict Election Precincts.

12. BOARD APPOINTMENTS

13. COMMUNICATIONS FROM CITY MANAGER, COUNCIL & MAYOR

14. CLOSED SESSION

15. ADJOURNMENT

PLEASE NOTE

AUDIENCE PARTICIPATION:

In addition to addressing the Council during public hearings and under “Public Comment,” members of the audience may address the Council, on items listed under agenda numbers 11B-11F; please limit your comments to three minutes or less per item. Please step up to the Podium and state your name and address.

The proposed process for items listed under agenda numbers 11B-11F above shall be as follows:

1. Announcement of the agenda item by the Mayor.
 2. Verbal report provided by staff.
 3. Mayor asks councilmembers if they have any questions for staff to clarify the staff report.
 4. Mayor opens/closes the floor to receive public comment (if a public hearing is required or if the mayor determines public comments is warranted).
 5. Motion is made by a council member and seconded by another council member.
 6. Mayor then calls on councilmembers to discuss the motion if councilmembers wish to discuss.
 7. Mayor calls for a vote on the item after discussion has occurred.
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**CITY OF ALLEGAN
CITY COUNCIL REGULAR MEETING MINUTES
Monday June 26, 2023, at 7:00 PM
City Council Chamber – 231 Trowbridge Street
Allegan, Michigan**

1. Call to Order

Mayor Galloway called the meeting to order at 7:00 PM.

2. Roll Call

Present: Andrus, Bird, Galloway, Hanse, Morgan, Redding, Zeter

Absent: None.

Also Present: City Manager Joel Dye, Downtown Manager Parker Johnson, City Clerk Michaela Kleehammer, Drinking Water Plant Manager Zac Kortz, and Finance Director/Treasurer Tracy Stull.

3. Pledge of Allegiance

4. Approval of Agenda

4A – Approval of the Regular Council Meeting Agenda for June 26, 2023.

Motion by Andrus with support from Bird to approve the Regular Council Meeting Agenda for June 26, 2023, as amended. **Motion passed 7-0.**

5. Approval of Minutes

5A – Approval of the Study Session Minutes from June 12, 2023, Council Meeting.

Motion by Zeter with support from Hanse to approve the study session minutes from June 12, 2023. **Motion passed 7-0.**

5B – Approval of the Regular Meeting Minutes from June 12, 2023, Council Meeting.

Motion by Morgan with support from Hanse to approve the regular meeting minutes from June 12, 2023. **Motion passed 7-0.**

6. Special Presentations & Recognition by Mayor or Council

The minutes of this meeting will be available at City Hall, 231 Trowbridge Street Allegan, MI 49010 269.673.5511
The City of Allegan is an equal opportunity provider and employer.

7. First Reading of Ordinances and Scheduling of Public Hearings

8. Public Hearings and Adoption of Ordinance

9. Public Comment (7:02 – 7:06)

- Kim and Zeb Flora (130 & 136 Park Ave)
- Ron Jones (owner of 217 Western)

10. Written Petitions & Reports from Special Committees

10A – Request from Allegan Lions Club.

Motion by Andrus with support from Bird to direct staff to work with the Lions Club to find an alternative payment method. **Motion passed 7-0.**

11. Reports from Boards, Commissions & City Offices

11A. City Boards, Commissions, and Area Agencies

11A.1 – Downtown Development Authority June Meeting – Teresa Galloway

11A.2 – Public Spaces Commission June Meeting – Bill Morgan

11A.3 – Planning Commission June Meeting – Roger Bird

11A.3(a) – Request to approve the proposed 2023 Master Plan.

Motion by Andrus with support from Bird to approve the 2023 Master Plan.
Motion passed 7-0.

11B. Finance Department

11B.1 – Request to approve Accounts Payable and Payroll.

Motion by Bird with support from Morgan to approve accounts payable and payroll.
Motion passed 7-0.

11C. Police Department

11C.1 – Request to approve a purchase order for eight (8) Level II ballistic vests, vest carriers, and subsequent grant application in the amount of \$7,440.00.

Motion by Bird with support from Zeter to approve the purchase order and grant application. **Motion passed 7-0.**

11D. Water Utilities

11D.1 – Request to accept a report regarding the City of Allegan Source Water coloring contest.

Motion by Redding with support from Bird to accept the report. **Motion passed 7-0.**

11D.2 – Request to approve a purchase order for Arnsman Septic Service and Excavating for the construction of an equipment access drive at the water plant in the amount of \$29,000.00.

Motion by Hanse with support from Andrus to approve the purchase order for Arnsman Septic Service and Excavating. **Motion passed 7-0.**

11D.3 – Request to approve a purchase order for Peerless Midwest Inc. for the abandonment of well #4 in the amount of \$7,847.00.

Motion by Morgan with support from Redding to approve the purchase order for Peerless Midwest Inc. **Motion passed 7-0.**

11E. Public Works

11F. City Manager & City Clerk

11F.1 – Request to approve a purchase order for street furniture as part of the Downtown Infrastructure and Streetscape project.

Motion by Hanse with support from Bird to approve the purchase order for street furniture with the condition that any remaining funds remain available to purchase addition street furniture until the end of the Downtown Infrastructure and Streetscape project. **Motion passed 7-0.**

11F.2 – Discussion regarding the basement of City Hall.

11F.3 – Request to approve an Insurance Counseling Service Agreement with Phil Siegler of Bartz Rumery Agency to serve as the City of Allegan Insurance Consultant.

Motion by Zeter with support from Andrus to approve the insurance counseling service agreement. **Motion passed 7-0.**

11F.4 – Request to approve the Renewal of Various Insurance Policies held by the City of Allegan.

Motion by Bird with support from Andrus to approve the renewal of City of Allegan insurance policies. **Motion passed 7-0.**

12. Board Appointments

13. Communications from City Manager, Council & Mayor

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City Clerk Kleehammer provided an update on the redistricting of election precincts and reminded the Council to let her know if they will be participating in the July 3 Jubilee parade.

Downtown Manager Johnson provided details for the upcoming July 3 Jubilee event.

Councilmember Andrus discussed the Fork in the Road food truck rally and signs in the public right-of-way.

Councilmember Zeter also discussed the Fork in the Road food truck rally.

Councilmember Hanse discussed the condition of the boardwalk along Water Street and the landscape in the same area.

Mayor Pro-Tem Bird remarked how impressed he is by the attendance at the city's summer events so far.

Mayor Galloway echoed Mayor Pro-Tem Bird's sentiments and mentioned that people are noticing the improvements that are happening in Allegan.

14. Closed Session

15. Adjournment

Mayor Galloway adjourned the meeting at 8:16 PM.

Respectfully submitted,

Michaela Kleehammer, City Clerk

City of Allegan
Election Commission Meeting Minutes

June 28, 2023, at 11:00AM

231 Trowbridge Street

Allegan, MI 49010

1. Call to Order

Joel Dye called the Election Commission meeting to order at 11:02 AM.

2. Attendance

Present: Joel Dye, Parker Johnson

Absent: Becky Rininger

Also in attendance: Michaela Kleehammer, City Clerk

3. Excuse absence of Becky Rininger

Motion by Johnson with support from Dye to excuse Rininger. Motion passed.

4. Approval of a Resolution to Redistrict the City of Allegan Election Precincts

Motion by Dye with support from Johnson to approve the proposed resolution and proposed precinct map. Motion passed.

5. Adjournment

The meeting was adjourned at 11:04 AM

Respectfully submitted by: Michaela Kleehammer, City Clerk



CITY OF ALLEGAN
MINUTES OF THE HISTORIC DISTRICT COMMISSION
Held at Allegan City Hall
231 Trowbridge Street, Allegan, MI 49010
On Wednesday July 5, 2023, 7:00pm

1. The meeting was Called to Order at 7:00 p.m. by Chairperson Quinones-Walker

2. Attendance

Present: Jason Ramaker, Mike Zeter, Kristen Stein, Rosie Hunter and Eddie Quiñones-Walker
Absent: Stacy Todd and Carolyn Blass
Staff: Joel Dye, City Manager

3. Approval of Previous Meeting Minutes

Motion by Jason Ramaker, supported by Eddie Quinones-Walker to approve the minutes of the June 5, 2023, Historic District Commission. Motion carried 4-0.

4. Public Comment

Dave Redding wanted to clarify that he supported the original recommendation from the Historic District Commission.

Paula Mintek stated wanted to verify that the membership compensation of the Historic District Commission as well inform that Commission that she has been in contact with the State Historic Preservation Office and wanted to distribute to the Commission the information she has received from SHPO.

Kristen Stein joined the meeting at this time.

5. Certificate of Appropriateness Applications

5A. 448 Trowbridge Street – Pergola and Sign

The Commission reviewed an after the fact application from the City of Allegan for the installation of a pergola and sign which was installed at 448 Trowbridge Street.

The commission held a discussion regarding this application and felt the improvements did not take away from the historical character of the property.

Motion by Mike Zeter, supported by Eddie Quinones-Walker, to approve this application based on the Department of Interior Standards 1, 2, 4, and 7. Motion Carried 5-0.

5B. 249 Marshall Street – Vinyl Window Inserts

The Commission reviewed an application to remove wood window sashes and install vinyl inserts in the windows at 249 Marshall Street.

The commission held a discussion regarding this application and felt the improvements did not take away from the historical character of the property.

Motion by Jason Ramaker, supported by Rosie Hunter, to approve this application based on the Department of Interior Standards 1, 2, 4, and 5. Motion Carried 5-0.

5C. 109 Locust Street – Aluminum Clad Windows

The Commission reviewed an application to remove wood windows and install aluminum clad windows at 109 Locust Street.

The commission held a discussion regarding this application and felt the improvements did not take away from the historical character of the property.

Motion by Jason Ramaker, supported by Kristen Stein, to approve this application based on the Department of Interior Standards 1, 2, 4, and 5. Motion Carried 5-0.

5D. 218 Ely Street – New Detached Garage

The Commission reviewed an application to construct a 24 x 40 detached garage with vinyl siding and a metal roof with white corner boards at 218 Ely Street.

The commission held a discussion regarding this application and felt the improvements did not take away from the historical character of the property as long as the applicant installs an 8-inch frost board beneath the roof line.

Motion by Eddie Quinones-Walker, supported by Jason Ramaker, to approve this application based on the Department of Interior Standards 3, 9, and 14. Motion Carried 5-0.

6. Historic District Property Reviews

The Commission began looking at certain properties to see if they should still be designated properties as contributing to the Historic Districts. After looking at a couple properties the Commission felt that if they are going to go through this process that the City Council should appoint a study committee per the regulations of PA169.

Motion by Eddie Quinones-Walker, supported by Jason Ramaker to request that the City Council appoint a study committee to review the status of the Allegan Historic Districts. Motion Carried 5-0.

7. Member and Staff Comments

Jason Ramaker inquired into the letters that were sent out to the properties who have done work to their property but have not applied for a certificate of appropriateness yet. Joel Dye mentioned that he hasn't heard from any of them yet.

Motion by Eddie Quinones-Walker, supported by Jason Ramaker to send a civil infraction ticket

to the owner of 220 Pine Street for installing new windows without a permit. Motion Carried 5-0.

The Commission then held much discussion regarding the operations of the Historic District and what the next steps should be regarding the properties that have work done to them without first receiving approval. The Commission agreed to continue this discussion at their next meeting.

8. Adjournment

Chairman Quinones-Walker adjourned the meeting at 8:37 p.m.

Respectfully submitted by
Joel Dye, City Manager



City of Allegan
Finance Department
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

MEMORANDUM

TO: Allegan City Council
FROM: Carol Canales, Finance Clerk
REVIEWED BY: Joel Dye, City Manager
DATE: July 10th, 2023

SUBJECT: Approval of Accounts Payable and Payroll

Action Requested:

It is requested that City Council approve accounts payable in the amount of \$473,920.85 and payroll in the amount of \$173,070.72 for a total disbursement of \$646,991.57.

Background:

Attached is the Disbursement Report highlighting the accounts payable by fund as well as listing the individual payments to the vendors paid through July 10th, 2023.

Attachment(s):

Disbursement Report

Disbursement Report

July 10, 2023

Accounts Payable by Fund June 27th through July 10th, 2023

General Fund	\$	165,992.16
Major Streets	\$	10,252.91
Local Streets	\$	33,544.94
Grants	\$	17,612.93
DDA	\$	357.00
PA	\$	6,416.68
Sewer	\$	149,187.46
Water	\$	74,406.12
Motor Vehicle Pool	\$	16,150.65
Trust & Agency	\$	-
Total A/P by Fund	\$	473,920.85
Regular Check Run	\$	311,674.23
ACH/EFT/Wires	\$	140,668.63
Off-Cycle Check Runs	\$	21,577.99
Total Checks	\$	473,920.85
Payroll Check Remittances	\$	1,939.89
Payroll EFT Remittances	\$	63,048.51
Total Remittances	\$	64,988.40
Payroll - July 5th (for WE 07/02/2023)	\$	77,026.52
Payroll - Employee Bonuses - July 5th 2023	\$	31,055.80
Total Payroll	\$	173,070.72
Total Disbursements	\$	646,991.57

7/10/2023

Off Cycle Check Runs

Ck#	Vendor	Description	Amount	Date
6136	SES Environmental	Project	\$ 2,825.00	06/23/23
6137	Berends Hendricks Stuit Ins	MCAA Surcharges	\$ 98.00	06/28/23
6138	DEBORAH SAINTZ	Farmers Market Reimbursement	\$ 225.00	06/29/23
6139	GRANDPAS PASTYS	Farmers Market Reimbursement	\$ 31.00	06/29/23
6140	MICHAEL HENDERBERG	Farmers Market Reimbursement	\$ 101.00	06/29/23
6141	UNIVERSAL FILM EXCHANGES L	Film	\$ 550.00	06/29/23
6142	ALLEGAN TRUE VALUE HARDW	May Statement	\$ 2,282.64	06/29/23
6143	ANDY'S ACE HARDWARE	May Statement	\$ 677.42	06/29/23
6220	KUGELARD PROPERTY SERVICES	109 Locust Rehab	\$ 14,787.93	07/06/23
Total Manual Checks			\$ 21,577.99	

Payroll Remittance Checks Report

Ck#	Vendor	Description	Amount	Date
6221	MISDU	Child Support	\$ 860.96	07/06/23
6222	HOLLAND COMMUNITY HOSPIT	Wage Garnishments	\$ 133.31	07/06/23
6223	SEIU LOCAL 517M	Union Dues	\$ 503.50	07/06/23
6224	POAM	Union Dues	\$ 126.32	07/06/23
6225	COAM	Union Dues	\$ 315.80	07/06/23
Total Payroll Checks			**Included in Payroll Total \$ 1,939.89	

EFT Payroll Payment Report

EFT#	Vendor	Description	Amount	Date
EFT 1034	MERS	Retirement - PD	\$ 2,020.47	06/22/23
EFT 1035	FEDERAL TAX DEPOSIT	Federal Taxes	\$ 8,026.03	07/06/23
EFT 1036	MERS DC	Retirement - PD	\$ 100.00	07/06/23
EFT 1037	JOHN HANCOCK	Retirement - MPP	\$ 3,010.00	07/06/23
EFT 1038	JOHN HANCOCK	Retirement - 457/Loan	\$ 3,459.60	07/06/23
EFT 1039	AFLAC	Premiums	\$ 349.04	07/06/23
EFT 1040	FEDERAL TAX DEPOSIT	Federal Taxes	\$ 27,081.23	07/06/23
EFT 1041	MERS	Retirement - PD	\$ 2,066.47	07/06/23
EFT 1042	JOHN HANCOCK	Retirement - MPP	\$ 8,203.87	07/06/23
EFT 1043	MI DEPT OF TREASURY	SITW	\$ 8,421.93	07/06/23
EFT 1044	MERS DC	Retirement - PD	\$ 309.87	07/06/23
Total Payroll EFT Payments			\$ 63,048.51	
Total Manual Checks			\$ 86,566.39	

Check Register - EFT

7/10/2023

Check Date	Ck#	Vendor Name	Description	Total Amount
6/27/2023	3239	CONSUMERS ENERGY	JUNE 2023 - 1078 - 261 HUBBARD ST	\$ 1,053.74
6/27/2023	3240	CONSUMERS ENERGY	JUNE 2023 - 2350 - 231 TROWBRIDGE ST	\$ 1,047.05
6/27/2023	3241	CONSUMERS ENERGY	JUNE 2023 - 5511 - 1451 29TH ST	\$ 368.96
6/27/2023	3242	CONSUMERS ENERGY	JUNE 2023 - 3674 - 1451 29TH ST	\$ 84.66
6/27/2023	3243	CONSUMERS ENERGY	JUNE 2023 - 3314 - 435 N EASTERN AVE	\$ 1,130.55
6/27/2023	3244	CONSUMERS ENERGY	JUNE 2023 - 5442 - 211 TROWBRIDGE ST	\$ 958.12
6/27/2023	3245	CONSUMERS ENERGY	JUNE 2023 - 4734 - 170 MONROE ST	\$ 872.85
6/27/2023	3246	CONSUMERS ENERGY	JUNE 2023 - 0173 - 125 BRADY ST	\$ 484.59
6/27/2023	3247	CONSUMERS ENERGY	JUNE 2023 - 2192 - 691 AIRWAY DR	\$ 340.26
6/27/2023	3248	CONSUMERS ENERGY	JUNE 2023 - 0803 - 634 HOOKER RD	\$ 284.49
6/27/2023	3249	CONSUMERS ENERGY	JUNE 2023 - 9610 - 740 GRAND ST NEW TERM	\$ 214.03
6/27/2023	3250	CONSUMERS ENERGY	JUNE 2023 - 8548 - 621 VERNON ST	\$ 202.93
6/27/2023	3251	CONSUMERS ENERGY	JUNE 2023 - 0527 - 111 2ND ST	\$ 168.67
6/27/2023	3252	CONSUMERS ENERGY	JUNE 2023 - 3769 - 401 HUBBARD ST	\$ 162.74
6/27/2023	3253	CONSUMERS ENERGY	JUNE 2023 - 7046 - 740 GRAND AIRPRT LTS	\$ 152.40
6/27/2023	3254	CONSUMERS ENERGY	JUNE 2023 - 5804 - 130 WATER ST	\$ 138.39
6/27/2023	3255	CONSUMERS ENERGY	JUNE 2023 - 5852 - 740 GRAND ST HSE	\$ 112.98
6/27/2023	3256	CONSUMERS ENERGY	JUNE 2023 - 4627 - 224 MONROE ST	\$ 103.07
6/27/2023	3257	CONSUMERS ENERGY	JUNE 2023 - 3479 - 225 LANE ST	\$ 65.33
6/27/2023	3258	CONSUMERS ENERGY	JUNE 2023 - 3199 - 401 HUBBARD ST	\$ 65.33
6/27/2023	3259	CONSUMERS ENERGY	JUNE 2023 - 6558 - 301 MARSHALL ST	\$ 62.75
6/27/2023	3260	CONSUMERS ENERGY	JUNE 2023 - 8468 - 1000 MARSHALL ST	\$ 57.57
6/27/2023	3261	CONSUMERS ENERGY	JUNE 2023 - 3817 - 810 GRAND ST	\$ 54.23
6/27/2023	3262	CONSUMERS ENERGY	JUNE 2023 - 5795 - 613 1/2 GRAND ST	\$ 53.17
6/27/2023	3263	CONSUMERS ENERGY	JUNE 2023 - 7010 - 605 DELANO ST	\$ 53.17
6/27/2023	3264	CONSUMERS ENERGY	JUNE 2023 - 3799 - 1 RIVERFRONT PLAZA	\$ 50.12
6/27/2023	3265	CONSUMERS ENERGY	JUNE 2023 - 2263 - 111 HUBBARD ST	\$ 44.78
6/27/2023	3266	CONSUMERS ENERGY	JUNE 2023 - 4007 - 335 HUBBARD ST	\$ 44.48
6/27/2023	3267	CONSUMERS ENERGY	JUNE 2023 - 5699 - 211 1/2 TROWBRIDGE ST	\$ 43.73
6/27/2023	3268	CONSUMERS ENERGY	JUNE 2023 - 6392 - 101 MARSHALL ST	\$ 40.99
6/27/2023	3269	CONSUMERS ENERGY	JUNE 2023 - 6575 - 1201 113TH AVE	\$ 40.99
6/27/2023	3270	CONSUMERS ENERGY	JUNE 2023 - 7927 - 150 KENT ST	\$ 40.99
6/27/2023	3271	CONSUMERS ENERGY	JUNE 2023 - 3660 - 355 THOMAS ST	\$ 40.99
6/27/2023	3272	CONSUMERS ENERGY	JUNE 2023 - 3876 - 130 MILL RD	\$ 40.39
6/27/2023	3273	CONSUMERS ENERGY	JUNE 2023 - 3922 - 1050 LINCOLN RD SIGN	\$ 36.26
6/27/2023	3274	CONSUMERS ENERGY	JUNE 2023 - 6768 - 540 CUTLER ST	\$ 34.59
6/27/2023	3275	CONSUMERS ENERGY	JUNE 2023 - 5001 - 700 RIVER ST STE B	\$ 33.54
6/27/2023	3276	CONSUMERS ENERGY	JUNE 2023 - 2022 - 311 WESTERN AVE	\$ 33.23
6/27/2023	3277	CONSUMERS ENERGY	JUNE 2023 - 2790 - 477 WESTERN AVE	\$ 33.06
6/27/2023	3278	CONSUMERS ENERGY	JUNE 2023 - 0928 - 636 HOOKER RD	\$ 30.93
6/27/2023	3279	CONSUMERS ENERGY	JUNE 2023 - 0363 - 115 BRADY ST	\$ 29.11
6/27/2023	3280	CONSUMERS ENERGY	JUNE 2023 - 0009 - 139 1/2 BRADY ST	\$ 28.81
6/27/2023	3281	CONSUMERS ENERGY	JUNE 2023 - 6641 - 1251 29TH ST	\$ 28.81
6/27/2023	3282	CONSUMERS ENERGY	JUNE 2023 - 2579 - 223 HUBBARD ST UNIT 3	\$ 98.88
6/27/2023	3283	MERS OF MICHIGAN	Retirement	\$ 22,627.74
6/27/2023	3284	MICHIGAN GAS UTILITIES	MAY 2023 - 0502783913-00001 - 350 NORTH ST	\$ 242.82
6/27/2023	3285	MICHIGAN GAS UTILITIES	MAY 2023 - 0507845294-00001 - 100 PARK AVE	\$ 212.28
6/27/2023	3286	MICHIGAN GAS UTILITIES	MAY 2023 - 0505770651-00001 - 740 GRAND	\$ 143.55
6/27/2023	3287	MICHIGAN GAS UTILITIES	MAY 2023 - 0504049022-00001 - 211 TROWBRIDGE	\$ 176.01
6/27/2023	3288	MICHIGAN GAS UTILITIES	MAY 2023 - 0502395219-00001 - 691 AIRWAY DR	\$ 103.71

Check Register - EFT

7/10/2023

Check Date	Ck#	Vendor Name	Description	Total Amount
6/27/2023	3289	MICHIGAN GAS UTILITIES	MAY 2023 - 0503949974-00001 - 401 HUBBARD	\$ 55.01
6/27/2023	3290	MICHIGAN GAS UTILITIES	MAY 2023 - 0502395219-00002 - 435 EASTERN	\$ 51.30
6/27/2023	3291	MICHIGAN GAS UTILITIES	MAY 2023 - 0507889939-00001 - 621 VERNON ST	\$ 43.73
6/27/2023	3292	MICHIGAN GAS UTILITIES	MAY 2023 - 0504694273-00001 - 170 MONROE	\$ 78.35
6/27/2023	3293	MICHIGAN GAS UTILITIES	MAY 2023 - 0505770651-00002 - 740 GRAND ST TERMINAL	\$ 55.34
6/27/2023	3294	OPTUM BANK	Employer HSA Contribution - June 2023	\$ 233.33
6/27/2023	3295	OPTUM BANK	Employee HSA Contribution - Missed Payroll	\$ 50.00
6/27/2023	3295	OPTUM BANK	Employee HSA Contribution - Missed Payroll	\$ (50.00)
6/30/2023	3296	CONSUMERS ENERGY	JUNE 2023 - 2691 - 740 GRAND ST STE 22	\$ 200.03
6/28/2023	3297	MICHIGAN GAS UTILITIES	MAY 2023 - 0502395219-00004 - 223 RIVERFRONT PLZ	\$ 235.28
6/28/2023	3298	MICHIGAN GAS UTILITIES	MAY 2023 - 0503420042-00002 - 231 TROWBRIDGE	\$ 100.58
6/28/2023	3299	MICHIGAN GAS UTILITIES	MAY 2023 - 0502395219-00005 - 223 HUBBARD ST LOWER	\$ 37.93
6/29/2023	3300	OPTUM BANK	Employee HSA Contribution - Missed Payroll	\$ 50.00
6/29/2023	3300	OPTUM BANK	Employee HSA Contribution - Missed Payroll	\$ (50.00)
6/30/2023	3301	WEX BANK	May 2023 Statement	\$ 4,993.90
7/3/2023	3302	CONSUMERS ENERGY	JULY 2023 - 5978 - 346 NORTH ST	\$ 21,771.82
7/3/2023	3303	DELTA DENTAL	Premiums	\$ 3,614.44
7/3/2023	3304	HEARTLAND	Credit Card Fees	\$ 674.74
7/3/2023	3305	METLIFE	Premiums	\$ 652.23
7/3/2023	3306	PRIORITY HEALTH	Premiums	\$ 48,255.04
7/3/2023	3307	PURCHASE POWER	Postage	\$ 2,500.00
4/10/2023	3308	STATE OF MICHIGAN	April Sales Tax	\$ 324.75
4/10/2023	3309	AMAZON CAPITAL SERVICES	Feb - April Statement	\$ 6,299.19
7/3/2023	3310	METLIFE	Premiums	\$ 31.42
7/5/2023	3311	CONSUMERS ENERGY	JULY 2023 - 5747 - 100 PARK AVE #C	\$ 17,887.40
Total EFT Payments: 72				\$ 140,668.63

Check Register

7/10/2023

Check Date	Check #	Vendor Name	Description	Total Amount	# Invoices
6/30/2023	6144	ABONMARCHE	Projects	\$ 78,499.25	3
6/30/2023	6145	ACCURATE CLEANING SERVICE, LLC	Cleaning	\$ 1,125.00	1
6/30/2023	6146	ALLEGAN CO SHERIFFS OFFICE	Bridgefest	\$ 368.00	1
6/30/2023	6147	ALLEGAN RENTALS INC	Supplies	\$ 29.99	1
6/30/2023	6148	AMAZON CAPITAL SERVICES	Supplies	\$ 2,502.35	6
6/30/2023	6149	ASSESSING SOLUTIONS INC	Assessing - June 2023	\$ 3,600.00	1
6/30/2023	6150	AUTOZONE	Parts/Supplies	\$ 12.86	1
6/30/2023	6151	BARTZ/RUMERY AGENCY INC	Professional Services	\$ 4,500.00	1
6/30/2023	6152	BIOTECH AGRONOMICS INC	Biosolids	\$ 68,992.90	1
6/30/2023	6153	BLACK GOLD TRANSPORT	Asphalt	\$ 9,880.43	1
6/30/2023	6154	BROKEN ARROW RECYCLING LLC	Dumpster Rental	\$ 1,350.00	1
6/30/2023	6155	C-COMM INC.	Molded Ear Gel	\$ 6.00	1
6/30/2023	6156	CHAD FULTON	Employee Reimbursement - Work Boots	\$ 150.00	1
6/30/2023	6157	CREATIVE LABWORKS, INC.	Ground Water Simulator	\$ 1,891.35	1
6/30/2023	6158	CRONK SERVICES, LLC	Blight	\$ 6,530.00	13
6/30/2023	6159	CRONK SERVICES, LLC	Blight	\$ 60.00	1
6/30/2023	6160	D & S GRAPHICS	Decal	\$ 120.00	1
6/30/2023	6161	DELUXE ECHOSTAR LLC	Film	\$ 120.00	3
6/30/2023	6162	DOUG SWEERIS	Employee Reimbursement - Work Boots	\$ 150.00	1
6/30/2023	6163	EJ USA, INC./EAST JORDAN IRON WORKS	Parts/Supplies	\$ 1,005.04	1
6/30/2023	6164	ETNA SUPPLY COMPANY	Parts/Supplies	\$ 9,666.00	5
6/30/2023	6165	FAMILY FARM AND HOME	Parts/Supplies	\$ 1,164.28	8
6/30/2023	6166	FISH WINDOW CLEANING	Window Cleaning	\$ 225.00	1
6/30/2023	6167	FRONTIER COMMUNICATIONS OF MICHIGAN	Phones	\$ 147.63	2
6/30/2023	6168	GALLAGHER INDUSTRIAL LAUNDRY INC	Uniforms	\$ 1,100.98	4
6/30/2023	6169	GALLS, LLC	Parts/Supplies	\$ 28.37	1
6/30/2023	6170	GVSU - POLICE ACADEMY	C.Kokotan - Tuition	\$ 6,976.00	1
6/30/2023	6171	HYDROCORP	Cross Connection Inspections	\$ 1,812.00	2
6/30/2023	6172	JACK DOHENY SUPPLIES INC	Parts/Supplies	\$ 1,396.80	2
6/30/2023	6173	JAMIE VAN SLYKE	Cleaning	\$ 270.00	1
6/30/2023	6174	JAY GIBSON	Employee Reimbursement - Conference	\$ 222.60	1
6/30/2023	6175	JEFFREY MORRIE	Employee Reimbursement - Work Boots	\$ 150.00	1
6/30/2023	6176	JOEL DYE	Employee Reimbursement - Travel	\$ 80.17	1
6/30/2023	6177	JOHNSTON LEWIS ASSOCIATES, INC	Professional Services	\$ 3,208.03	1
6/30/2023	6178	KAECHELE PUBLICATIONS, INC	Publishing	\$ 320.00	1
6/30/2023	6179	KALAMAZOO RIVER WATERSHED CNCL	Annual Fees	\$ 703.00	1
6/30/2023	6180	KENNEDY INDUSTRIES, INC.	Parts/Supplies	\$ 761.00	1
6/30/2023	6181	LEGG LUMBER - ALLEGAN	Lumber	\$ 67.25	2
6/30/2023	6182	LOCK MASTER SECURITY LLC	Wireless Bridge Installation	\$ 745.00	1
6/30/2023	6183	MANUEL TORRES	Employee Reimbursement - Work Boots	\$ 43.89	1
6/30/2023	6184	MCEWEN LAW OFFICE, P.C.	Professional Services	\$ 2,827.50	1
6/30/2023	6185	MICHIGAN DOWNTOWN ASSOCIATION	Workshop	\$ 175.00	1
6/30/2023	6186	MITCHELL LAWRENCE	Employee Reimbursement - Work Boots	\$ 150.00	1
6/30/2023	6187	MLIVE MEDIA GROUP	Publishing	\$ 305.46	1
6/30/2023	6188	NAPA AUTO PARTS OF ALLEGAN	Parts/Supplies	\$ 99.68	3
6/30/2023	6189	NORTHWEST KENT MECHANICAL CO	Parts/Supplies	\$ 1,610.00	3
6/30/2023	6190	PJ PRINTING LLC	Printing Services	\$ 619.39	8
6/30/2023	6191	PLM LAKE & LAND MANAGEMENT CORP	Weed Treatment	\$ 1,250.00	1
6/30/2023	6192	PLUMBER'S PORTABLE TOILETS	Portable Toilet Rental	\$ 675.00	2
6/30/2023	6193	PROFESSIONAL CODE INSPECTORS OF MICHIGAN	Permits	\$ 14,225.30	2
6/30/2023	6194	RAPA ELECTRIC INC.	Electrical Work	\$ 4,843.15	1

Check Register

7/10/2023

Check Date	Check #	Vendor Name	Description	Total Amount	# Invoices
6/30/2023	6195	RYAN BURZA	Employee Reimbursement	\$ 59.99	1
6/30/2023	6196	SAMUEL CROTEAU	Training/Rollin' on the River	\$ 175.00	1
6/30/2023	6197	SCOTT'S LANDSCAPE MANAGEMENT INC	Topsoil	\$ 1,200.00	1
6/30/2023	6198	SHANNON VANOSS	Employee Reimbursement - Work Boots	\$ 137.80	1
6/30/2023	6199	SHARE CORPORATION	Parts/Supplies	\$ 284.25	1
6/30/2023	6200	SHAWN HAUCK	Employee Reimbursement - Work Boots	\$ 150.00	1
6/30/2023	6201	SIEGFRIED CRANDALL PC	Professional Services	\$ 1,000.00	1
6/30/2023	6202	SILVERSMITH DATA	Annual Fees	\$ 1,750.00	1
6/30/2023	6203	STAPLES CONTRACT & COMMERCIAL LLC	Office Supplies	\$ 103.64	4
6/30/2023	6204	STATE INDUSTRIAL PRODUCTS CORP	Water Treatment Program	\$ 207.83	2
6/30/2023	6205	SUMNER PLUMBING	Plumbing Services	\$ 450.00	1
6/30/2023	6206	SYSCO GRAND RAPIDS	Regent Concessions	\$ 1,501.35	2
6/30/2023	6207	TRACE ANALYTICAL LABORATORIES INC	Lab Supplies	\$ 884.00	3
6/30/2023	6208	TREE TECH	Airport Obstruction Clearing	\$ 27,745.31	2
6/30/2023	6209	USABLUEBOOK	Parts/Supplies	\$ 73.23	1
6/30/2023	6210	VC3 INC	IT Services	\$ 325.26	2
6/30/2023	6211	WAANDERS CONCRETE CO.	Limestone	\$ 232.00	1
6/30/2023	6212	WADE TRIM, INC	Engineering	\$ 17,547.85	6
6/30/2023	6213	WATERSOLVE LLC	Supplies	\$ 1,630.00	1
6/30/2023	6214	WEINGARTZ SUPPLY	Leaf Blower/Mini Tiller/Cultivator/Brush	\$ 7,931.15	3
6/30/2023	6215	WEST MICHIGAN BASEBALL FRANCHISIN	Regent Concessions	\$ 258.24	1
6/30/2023	6216	WESTSIDE SERVICE CENTER - ALLEGAN	Tire Repair	\$ 30.00	1
6/30/2023	6217	WOLVERINE FIREWORK DISPLAY INC	Bridgefest Fireworks	\$ 5,000.00	1
6/30/2023	6218	WYOMING ASPHALT PAVING CO INC	Asphalt	\$ 639.36	2
6/30/2023	6219	ZACHERY DYKEMA	Employee Reimbursement - Work Boots	\$ 212.00	1
7/10/2023	6226	AMAZON CAPITAL SERVICES	Supplies	\$ 169.51	2
7/10/2023	6227	BENARD, ETHAN	UB Refund	\$ 200.58	1
7/10/2023	6228	BOTTOMS JR, HARLEY	Uniforms	\$ 127.69	1
7/10/2023	6229	CRYSTAL FLASH	Fuel	\$ 1,040.44	1
7/10/2023	6230	CURCIO LAW FIRM PLC	Professional Services	\$ 972.00	1
7/10/2023	6231	ELLIOT, JAMIE	UB Refund	\$ 29.49	1
7/10/2023	6232	FINK, MARK	UB Refund	\$ 165.87	1
7/10/2023	6233	JAMIE VAN SLYKE	Cleaning	\$ 330.00	1
7/10/2023	6234	JOHNSON, COREY	UB Refund	\$ 55.21	1
7/10/2023	6235	QUERBACK, GLENN	UB Refund	\$ 6.05	1
7/10/2023	6236	RICOH USA, INC.	Printing Services	\$ 318.32	1
7/10/2023	6237	SEMPERGER, BRENDAN	UB Refund	\$ 109.62	1
7/10/2023	6238	SITEONE LANSCAPING SUPPLY	Parts/Supplies	\$ 1,165.47	1
7/10/2023	6239	SNAP ON TOOLS	Tools	\$ 75.80	1
7/10/2023	6240	THE GOODYEAR TIRE & RUBBER CO.	Tires	\$ 618.27	2
Total Checks: 91				\$ 311,674.23	77



City of Allegan
Finance Department
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

MEMORANDUM

TO: Allegan City Council
FROM: Tracy J. Stull, Finance Director/Treasurer
REVIEWED BY: Joel Dye, City Manager
Michaela Kleehammer, City Clerk
DATE: June 27, 2023

SUBJECT: Approval of Auditing Services for Fiscal Year Ending June 30, 2023

Action Requested:

The audit is a professional service of our fiscal year financial statements, starting July 1, 2022 and ending June 30, 2023.

Background:

The charges for this service agreement will not exceed \$24,000, which includes \$3,000 for the single audit; federal program that is required to be tested in accordance with the Uniform Guidance.

For fiscal year 2024 the approved budget for the audit was set at \$23,500. As a result, this increase may potentially require a partial budget adjustment of \$500.

It is requested that City Council approve the agreement for professional services with Siegfried Crandall PC to conduct our annual audit of City financial statements. It is also requested that the City Manager or City Clerk approve the agreement for the audit service.

Action Recommended:

It is recommended that City Council approve the auditing services for fiscal year ending June 30, 2023 and allow the City Manager or City Clerk to execute the agreement.

Attachment(s):

Siegfried Crandall PC Engagement Letter
Siegfried Crandall PC Service Agreement
Purchase Order for FY2023 Audit

June 20, 2023

Members of the City Council
City of Allegan
231 Trowbridge Street
Allegan, MI 49010-1390

We are engaged to audit the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Allegan for the year ended June 30, 2023. Professional standards require that we provide you with the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated June 20, 2023, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the City of Allegan. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Allegan's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the management's discussion and analysis, budgetary comparison schedules, and pension schedules, which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited, and because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the combining and individual fund financial statements and the schedules of bond retirement and annual interest requirements, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the Securities and Exchange Commission Rule 15c2-12 Continuing Disclosure, which accompanies the financial statements but is not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited, and we will not express an opinion or provide any assurance on it.

Communication

We would also appreciate the opportunity to talk to you or meet with you to discuss this information further because a two-way dialogue can provide valuable information for the audit process.

You may assist us in understanding the City of Allegan and its environment by identifying appropriate sources of audit evidence and providing information about specific transactions or events. We expect that you will communicate with us on any matters you consider relevant to the audit and the City's system of internal control over financial reporting. Other matters that you communicate may significantly affect our audit procedures. You need to communicate to us any suspicion or detection of fraud, or any concerns you may have about the integrity of the City's management.

We will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, disagreements with management, and other serious difficulties encountered in performing the audit. We will also communicate to you and to management any significant deficiencies or material weaknesses in internal control over financial reporting that become known to us during the course of the audit. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and nonattest services that may be thought to bear on independence. In addition, our policies restrict certain nonattest services that may be provided by Siegfried Crandall P.C. and require audit clients to accept certain responsibilities in connection with the provision of the following permitted nonattest services:

- Preparation of depreciation schedules based on useful lives and depreciation methods determined by you
- Preparation of journal entries, other than proposed audit entries, that you will review and approve
- Preparation of the City's financial statements, in conformity with U.S. generally accepted accounting principles, based on trial balances provided by you
- Preparation of Forms F-65, 5047, and 5572 and the Street Financial Report that we will submit to the State after your review

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your City functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your government. The development of a specific audit plan will begin by obtaining an understanding of the City of Allegan's financial reporting objectives, strategies, risks, and performance.

We will obtain an understanding of the City and its environment, including internal control over financial reporting, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. We will also establish an overall materiality limit for audit purposes.

We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error.

We will use this knowledge and understanding, together with other factors, to assess the risk that errors or fraud may cause a material misstatement at the financial statement level. The assessment of the risks of material misstatement at the financial statement level provides us with parameters within which to design the audit procedures for specific account balances and classes of transactions. Our risk assessment process at the account-balance or class-of-transactions level consists of:

- An assessment of inherent risk regarding the likelihood of material misstatement arising from the nature of an account balance or class of transactions; and
- An evaluation of the design effectiveness of internal control over financial reporting and our assessment of control risk

We will then determine the nature, timing, and extent of substantive procedures, and any tests of controls we consider to be necessary given the risks identified and the controls as we understand them.

The Concept of Materiality in Planning and Executing the Audit

In planning the audit, the materiality limit is viewed as the maximum aggregate misstatements, which if detected and not corrected, would cause us to modify our opinion on the financial statements. The materiality limit is an allowance not only for misstatements that will be detected and not corrected but also for misstatements that may not be detected by the audit. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements, as well as financial statements of future periods. At the end of the audit, we will inform you of all individual, unrecorded misstatements aggregated by us in connection with our evaluation of our audit test results.

Our Approach to Internal Control Relevant to the Audit

Our audit of the financial statements will include obtaining an understanding of internal control over financial reporting sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control over financial reporting or to identify all deficiencies in internal control over financial reporting. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Timing of the Audit

As in prior years, we will confirm mutually agreeable dates for the performance of audit fieldwork, to take place after the end of the City's fiscal year. The City's adherence to this schedule and timely preparation of information requested by us is essential to our timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to the City of Allegan.

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

Sincerely,

SIEGFRIED CRANDALL P.C.

A handwritten signature in black ink, appearing to read "Daniel Veldhuizen", with a stylized flourish at the end.

Daniel L. Veldhuizen, Shareholder

June 20, 2023

Members of the City Council
City of Allegan
231 Trowbridge Street
Allegan, MI 49010

We are pleased to confirm our understanding of the services we are to provide for the City of Allegan for the year ended June 30, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements of the City of Allegan as of and for the year ended June 30, 2023. Accounting principles generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Allegan's 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. As part of our engagement, we will apply certain limited procedures to the City of Allegan's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will 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. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison schedules
3. Pension schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Allegan's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements: Schedule of expenditures of federal awards.

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report: Securities and Exchange Commission Rule 15c2-12 Continuing Disclosure.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk exists that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, direct confirmation of certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We have identified the following significant risks of material misstatement as part of our audit planning:

1. Improper revenue recognition due to fraud
2. Management override of controls

Audit Procedures - Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Allegan's compliance with the provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the City of Allegan has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Allegan's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City of Allegan's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also provide the following nonattest services:

- Preparation of depreciation schedules based on useful lives and depreciation methods determined by you
- Preparation of journal entries, other than proposed audit entries, that you will review and approve
- Preparation of the Authority's financial statements, schedule of expenditures of federal awards, and related notes in conformity with U.S. generally accepted accounting principles, based on trial balances provided by you
- Preparation of Forms F-65, 5047, and 5572 and the Street Financial Report that we will submit to the State after your review

These nonattest services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the nonattest services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonattest services we provide. You will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements, the schedule of expenditures of federal awards, and related notes that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonattest services by designating an individual, preferably from senior management, with suitable, skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the City of Allegan; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Siegfried Crandall P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the U.S. Department of Housing and Urban Development or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Siegfried Crandall P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the U.S. Department of Housing and Urban Development. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Daniel L. Veldhuizen is the engagement shareholder and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be based on the actual time spent at our standard hourly rates, which vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Based on our understanding of the City's audit requirements, our fee will not exceed \$24,000, which includes \$3,000 for the federal program that is required to be tested in accordance with the Uniform Guidance. This fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the City Council of the City of Allegan. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Members of the City Council
City of Allegan
Page 8
June 20, 2023

We appreciate the opportunity to be of service to the City of Allegan and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2020 peer review report accompanies this letter.

Sincerely,

SIEGFRIED CRANDALL P.C.

A handwritten signature in black ink, appearing to read "Daniel L. Veldhuizen", written in a cursive style.

Daniel L. Veldhuizen, Shareholder

RESPONSE:

This letter correctly sets forth the understanding of the City of Allegan.

By: _____

Title: _____

Date: _____

06/27/2023



City of Allegan
231 Trowbridge Street
Allegan, MI 49010
(269) 673-5511
(269) 686-5139

Purchase Requisition

Requested Date 07/01/2023

Purchase Requisition No 24-0718

Requested By TJS
Department 223

Preferred Vendor 000154
SIEGFRIED CRANDALL PC
Address 246 E KILGORE ROAD

PORTAGE, MI 49002

Contract/Job #:

Req. Description: FY 2022-23 Audit Services

Qty.	Description	GL Number	Unit Price	Amount
1	Audit	101-223-80700	24,000.00	24,000.00
1	Single Audit	101-223-80700	3,000.00	3,000.00

Partial BA=\$3,500

Total: 27,000.00

Requested By: _____ Date _____

Finance Approval: _____ Date _____

CM/Council Approval: _____ Date _____

Notes:

Summary of All Bids Received

Bidder Name

Bid Amount



City of Allegan
Finance Department
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

MEMORANDUM

TO: Allegan City Council
FROM: Tracy Stull, Finance Director/Treasurer
REVIEWED BY: Joel Dye, City Manager
DATE: July 10, 2023

SUBJECT: Request to approve the MERS Contribution Addendum for MERS Defined Contribution and MERS Defined Contribution Plan Adoption Agreement for Division 0309-20 Police Chief

Action Requested:

It is requested that the City Council approve the Contribution Addendum for MERS Defined Contribution and MERS Defined Contribution Plan Adoption Agreement for the Police Chief division 0309-20 after 07/01/2023.

Background:

The DC Adoption Agreement will close the defined benefit division 20 – Police Chief and will create a new defined contribution division for the future Police Chief. The closing of the defined benefit division – 20 Police Chief was first approved by the City Council in 2019 when current Police Chief Jay Gibson was promoted to chief. The approval was stated in the employment contract between the City of Allegan and Jay Gibson.

The DC Addendum will confirm plan eligibility, service credit qualification, leaves of absence, definition of compensation, and establish the effective date and division where future Police Chiefs would be enrolled.

The defined benefit – 20 Police Chief division is the last open defined benefit program for the City of Allegan and upon its closing any new employee or promoted employee to the position of the Police Chief will be on a defined contribution program like all other department heads.

As a reminder, our Adoption Agreement with MERS is a legally binding document and all provisions within the document must be strictly adhered to.

Attachment(s):

MERS Defined Contribution Plan Adoption Agreement
Contribution Addendum for MERS Defined Contribution

MERS Defined Contribution Plan Adoption Agreement



1134 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711

www.mersofmich.com

The Employer, a participating municipality or court within the state of Michigan that has adopted MERS coverage, hereby establishes the following Defined Contribution Plan provided by MERS of Michigan, as authorized by 1996 PA 220 in accordance with the MERS Plan Document.

I. Employer Name _____ **Municipality #:** _____

Division name _____

Note: This division should reflect how you currently define employees who are eligible to participate, for example, All full-time Employees, New hires after 1/1/2019, etc.

II. Effective Date

Check one:

- A. ☐ If this is the **initial** Adoption Agreement for this group, the effective date shall be the first day of _____, 20____.

☐ This municipality or division is new to MERS, so vesting credit prior to the **initial** MERS effective date by each eligible employee shall be credited as follows (choose one):

☐ Vesting credit from date of hire ☐ No vesting credit

☐ This division is for new hires, rehires, and transfers of current Defined Benefit* division # _____ and/or current Hybrid division # _____

For divisions that are closing or freezing with or without conversion, the Employer must complete the Addendum for Plan Freeze, Closure and Conversions

- B. ☐ If this is an **amendment** of an existing Adoption Agreement (existing division number _____), the effective date shall be the first day of _____, 20____.

Note: You only need to mark **changes** to your plan throughout the remainder of this Agreement.

- C. ☐ If this is to **separate employees from an existing Defined Contribution division** (existing division number(s) _____) into a new division, the effective date shall be the first day of _____, 20____.

- D. ☐ If this is to **merge division(s)** _____ into division(s) _____, the effective date shall be the first of _____, 20____.

- E. ☐ If this is an amendment to close Defined Benefit division(s) # _____ or Hybrid division(s) _____ with new hires, rehires, and transfers going into existing Defined Contribution division # _____, the effective date shall be _____ (month/year).

Note: Closing this Defined Benefit or Hybrid division(s) will change future invoices to a flat dollar amount instead of a percentage of payroll, as provided in your most recent annual actuarial valuation.

(The amount may be adjusted for any benefit modifications that may have taken place since then).

MERS Defined Contribution Plan Adoption Agreement

III. Plan Eligibility

Only those employees eligible for MERS membership may participate in the MERS Defined Contribution Plan. If an employee classification is **included** in the plan, then employees that meet this definition are required to participate in the plan and earn time toward vesting. All eligible employees must be reported to MERS and earn time toward vesting. Some excluded classifications require additional information below. Please describe the specific classifications that are eligible for MERS within this division:

(For example: e.g., Full-time employees, Clerical staff, Union Employees participating in XXXX union)

This Division includes **public safety employees**: ☐ Yes ☐ No

To further define eligibility (select all that apply):

Employee Classification	Included	Excluded	Not Employed
Temporary Employees: Those who will work for the municipality fewer than ____ months in total	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Part-Time Employees: Those who regularly work fewer than ____ per ____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Seasonal Employees: Those who are employed for tasks that occur at specific times of the year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Voter-Elected Officials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appointed Officials: An official appointed to a voter-elected office	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contract Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	
Other 2: _____	<input type="checkbox"/>	<input type="checkbox"/>	

Probationary Periods (select one):

- ☐ Contributions will begin after the probationary period has been satisfied. Probationary periods are allowed in one-month increments, no longer than 12 months. During this probationary period, contributions will not be reported and service toward vesting will begin when probationary period has ended.

The probationary period will be ____ month(s).

Comments:

- ☐ Contributions will begin with the employee's date of hire (no Probationary Period). Effective with the date of hire, wages and any associated contributions must be submitted to MERS.

MERS Defined Contribution Plan Adoption Agreement

IV. Provisions

1. Leaves of Absence

Regardless of whether an employee is earning a wage while on the following types of leave:

- Third-party wages are not used in determining contributions for periods of leave.
- Vesting under elapsed time continues to accrue even if wages are not earned and contributions are zero.

Note: Employers who determine vesting based on an “hours-reported” method, should report actual worked hours for the month where there was a leave.

Types of leave include:

- Short Term and Long Term Disability
- Workers Compensation
- Unpaid Family Medical Leave Act (FMLA)

Leaves of absence due to military service are governed by the federal *Uniformed Services Employment and Reemployment Rights Act* of 1994 (USERRA), IRC 414(u), effective January 1, 2007, IRC 401(a)(37). Military reporting requires historical wage and contribution reporting for Defined Contribution as applicable.

2. Definition of Compensation

The Definition of Compensation selected must be used when determining both employer and employee contributions. Employers may include wage information along with employee and employer contributions when submitting wage/contribution reports to MERS.

Select your Definition of Compensation:

- ☐ Base Wages ☐ Box 1 Wages of W-2 ☐ Gross Wages
☐ Custom Definition

Click here to view details
of Base, Box 1, and
Gross Wages

(To customize your definition, please complete the [Custom Definition of Compensation Addendum](#).)

3. Forfeiture

A forfeiture occurs when a participant separates from employment prior to meeting the associated elapsed time (or hours reported) to receive vesting. The percentage of his/her employer contribution account balance that has not vested as of the date of termination will forfeit after 12 consecutive months following the termination date reported by the employer, or earlier, if the System distributes the participant's vested portion. MERS will utilize any available forfeiture balance as an automatic funding source applied to reported employer contributions at the time of reporting.

4. Vesting

Vesting will be credited using (check one):

- ☐ Elapsed time method – Employees will be credited with one vesting year for each 12 months of continuous employment from the date of hire.
- ☐ Hours reported method – Employees will be credited with one vesting year for each calendar year in which _____ hours are worked

MERS Defined Contribution Plan Adoption Agreement

Vesting schedule will be (check one):

- ☐ Immediate
- ☐ Cliff vesting (fully vested after a specified number of years, not to exceed 15 years) will be ____ years.
- ☐ Graded Vesting (the % of vesting acquired after employment for the designated number of years, not to exceed 10 years; or, where full vesting is attained between 10 and 20 years, graded vesting must commence no later than 3 years of service)

% Vested	Years of Service

In the event of disability or death, an employee's (or his/her beneficiary's) entire employer contribution account shall be 100% vested, to the extent that the balance of such account has not previously been forfeited.

Normal Retirement Age (presumed to be age 60 unless otherwise specified) _____

If an employee is still employed with the municipality at the age specified here, their entire employer contribution balance will become 100% vested regardless of years of service.

5. Contributions

a. **Contributions will be submitted** (check one):

Contributions will be remitted according to Employer's "Payroll Period" which represents the actual period amounts are withheld from participant paychecks, or within the month during which amounts are withheld.

- ☐ Weekly ☐ Semi-Monthly (twice each month)
- ☐ Bi-Weekly (every other week) ☐ Monthly

b. **Employer Contributions**

Required Employee Contributions and Employer Contributions are outlined using associated [Contribution Addendum for MERS Defined Contribution \(MD-073\)](#).

c. Post-tax voluntary employee contributions are allowable into a Defined Contribution account subject to Section 415(c) limitations of the Internal Revenue Code.

6. **Loans:** ☐ shall be permitted ☐ shall not be permitted

If Loans are elected, please refer to the [Defined Contribution & 457 Loan Addendum](#).

7. **Rollovers** from qualified plans are permitted and the plan will account separately for pre-tax and post-tax contributions and earnings thereon.

V. Appointing MERS as the Plan Administrator

The Employer hereby agrees to the provisions of this *MERS Defined Contribution Plan Adoption Agreement* and appoints MERS as the Plan Administrator pursuant to the terms and conditions of the Plan. The Employer also agrees that in the event of any conflict between the MERS Plan Document and the MERS Defined Contribution Plan Adoption Agreement, the provisions of the Plan Document control.

MERS Defined Contribution Plan Adoption Agreement

VI. Modification of the terms of the Adoption Agreement

If the Employer desires to amend any of its elections contained in this Adoption Agreement, including attachments, the Governing Body or Chief Judge, by resolution or official action accepted by MERS, must adopt a new Adoption Agreement. The amendment of this Agreement is not effective until approved by MERS.

VII. Enforcement

1. The Employer acknowledges that the Michigan Constitution of 1963, Article 9, Section 24, provides that accrued financial benefits arising under a public Employer's retirement plan are a contractual obligation of the Employer that may not be diminished or impaired.
2. The Employer agrees that, pursuant to the Michigan Constitution, its obligations to pay required contributions are contractual obligations to its employees and to MERS and may be enforced in a court of competent jurisdiction;
3. The Employer acknowledges that employee contributions (if any) and employer contributions must be submitted in accordance with the *MERS Reporting and Contribution Enforcement Policy*, the terms of which are incorporated herein by reference;
4. The Employer acknowledges that late or missed contributions will be required to be made up, including any applicable gains, pursuant to the Internal Revenue Code;
5. Should the Employer fail to make its required contribution(s) when due, MERS may implement any applicable interest charges and penalties pursuant to the *MERS Reporting and Contribution Enforcement Policy* and Plan Document Section 79, and take any appropriate legal action, including but not limited to filing a lawsuit and reporting the entity to the Treasurer of the State of Michigan in accordance with MCL 141.1544(d), Section 44 of PA 436 of 2012, as may be amended.
6. It is expressly agreed and understood as an integral and non-severable part of this Agreement that Section 43 of the Plan Document shall not apply to this Agreement and its administration or interpretation. In the event any alteration of the terms or conditions of this Agreement is made or occurs, under Section 43 or other plan provision or law, MERS and the Retirement Board, as sole trustee and fiduciary of the MERS plan and its trust reserves, and whose authority is non-delegable, shall have no obligation or duty to administer (or to have administered) the MERS Defined Contribution Plan, to authorize the transfer of any defined benefit assets to the MERS Defined Contribution Plan, or to continue administration by MERS or any third-party administrator of the MERS Defined Contribution Plan.

VIII. Execution

Authorized Designee of Governing Body of Municipality or Chief Judge of Court

The foregoing Adoption Agreement is hereby approved by _____ on
the _____ day of _____, 20____. (Name of Approving Employer)

Authorized signature: _____

Title: _____

Received and Approved by the Municipal Employees' Retirement System of Michigan

Dated: _____, 20____ Signature: _____
(Authorized MERS Signatory)

Contribution Addendum for MERS Defined Contribution (and DC portion of Hybrid)



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

www.mersofmich.com

This is an Addendum to the Adoption Agreement completed by _____
Name of Participating Employer

for the following:

Employee Group Name

Division Code: _____

The Addendum accompanies the MERS 401(a) Defined Contribution (DC) Adoption Agreement. Please complete this addendum for each contribution structure associated with the covered employee group.

Section 1: Matching Contributions

The Participating Employer will make matching contributions into the DC Plan based on

(CHECK ALL THAT APPLY):

- ☐ Employee's MERS 457 program election
- ☐ Employee's non-MERS 457 program election
- ☐ Employee's one-time election of MERS Defined Contribution required employee contributions
- ☐ Other _____

For each payroll period in which Employee contributions described in Section 1 are made, the Participating Employer will contribute _____% of the Employee contribution amount.

For example, if an Employer elects a 50% match, then for every 1% the participant defers to the Program, the Employer will contribute 0.5% to the Program.

Employer Cap: The Employer elects the following matching contribution cap:

- ☐ **Percentage Cap:** In no event will matching contributions made on behalf of a participant exceed _____% of the participant's IRS Section 401(a)(17) includable compensation as defined by the Employers' Adoption Agreement. Match cannot exceed 100% of participant's income.
- ☐ **Flat Dollar Cap:** In no event will matching contributions made on behalf of a participant exceed a flat dollar amount equal to \$_____ per _____.

Contribution Addendum for MERS Defined Contribution (and DC portion of Hybrid)



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

www.mersofmich.com

Section 2: Required DC Contributions

Federal law requires that employees only be offered a choice of contribution rate at the time of first eligibility for an employer plan. Generally, this means that only new hires will be given a choice. All others (transfers, rehires, employees previously covered under a non-MERS or different MERS plan) must contribute at the default rate chosen, if any.

Select one:

☐ Employees are required to contribute per pay period: _____ (specify \$ or %)

☐ Range from _____ to _____ (specify \$ or %) per pay period

☐ Choice of contribution amounts per pay period:

Employee Contribution (\$ or %)	Employer Contribution (\$ or %)

The Employer designates _____ (specify \$ or %) as the default contribution

This default will apply only where the eligible employee fails to make a valid election of a mandatory participant contribution prior to first payroll reporting after the participant has satisfied eligibility.

Direct Required Employee Contributions: ☐ Pre-tax ☐ After-tax

Section 3: Non-Matching Contributions

The Employer hereby elects to make contributions to the participants' accounts without regard to a participant's contribution amount (check all that apply):

☐ **Annual:** A one-time annual contribution of \$ _____ or _____% of compensation per participant.

☐ **Pay Period:** \$ _____ or _____% of compensation per participant for each payroll period.

☐ **One time:** \$ _____.



City of Allegan
City Manager's Office
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

MEMORANDUM

TO: Allegan City Council
FROM: Michaela Kleehammer, City Clerk
REVIEWED BY: Joel Dye, City Manager
DATE: July 10, 2023

SUBJECT: Adoption of Resolution 23.24 to Redistrict Election Precincts

Action Requested:

It is requested that the City Council adopt Resolution 23.24 to redistrict the election precincts within the boundaries of the City of Allegan.

Background:

For many years, the City of Allegan's two election precincts have had an unbalanced population distribution, causing Precinct Two to be much more congested on election days compared to Precinct One. At the beginning of 2023, Precinct One had a population of 1,355 and Precinct 2 had a population of 2,689.

The City of Allegan's charter defines the city's election precinct boundaries, which are currently defined as follows:

Precinct One: Point of Beginning at the westerly point of where Delano Street and the City of Allegan's City Limits intersect and then southeasterly along Delano Street to Pine Street and then southerly down Pine Street to Ely Street and then easterly along Ely Street to Cedar Street and then southerly along Cedar Street until Cedar Street turns into Marshall Street and then southerly along Marshall Street until it crosses the Kalamazoo River and then southerly down the Kalamazoo River to a point where it intersects with the City of Allegan City Limits and then westerly and northerly along the City of Allegan City Limits until it reaches the Point of Beginning.

Precinct Two: Point of Beginning at the westerly point of where Delano Street and the City of Allegan's City Limits intersect and then southeasterly along Delano Street to Pine Street and then southerly down Pine Street to Ely Street and then easterly along Ely Street to Cedar Street and then southerly along Cedar Street until Cedar Street turns into Marshall Street and then southerly along Marshall Street until it crosses the Kalamazoo River and then southerly down the Kalamazoo River to a point where it intersects with the City of Allegan City Limits and then easterly, northerly, westerly, and southerly along the City of Allegan City Limits until it reaches the Point of Beginning.



City of Allegan
City Manager's Office
269.673.5511
231 Trowbridge Street
Allegan, MI 49010

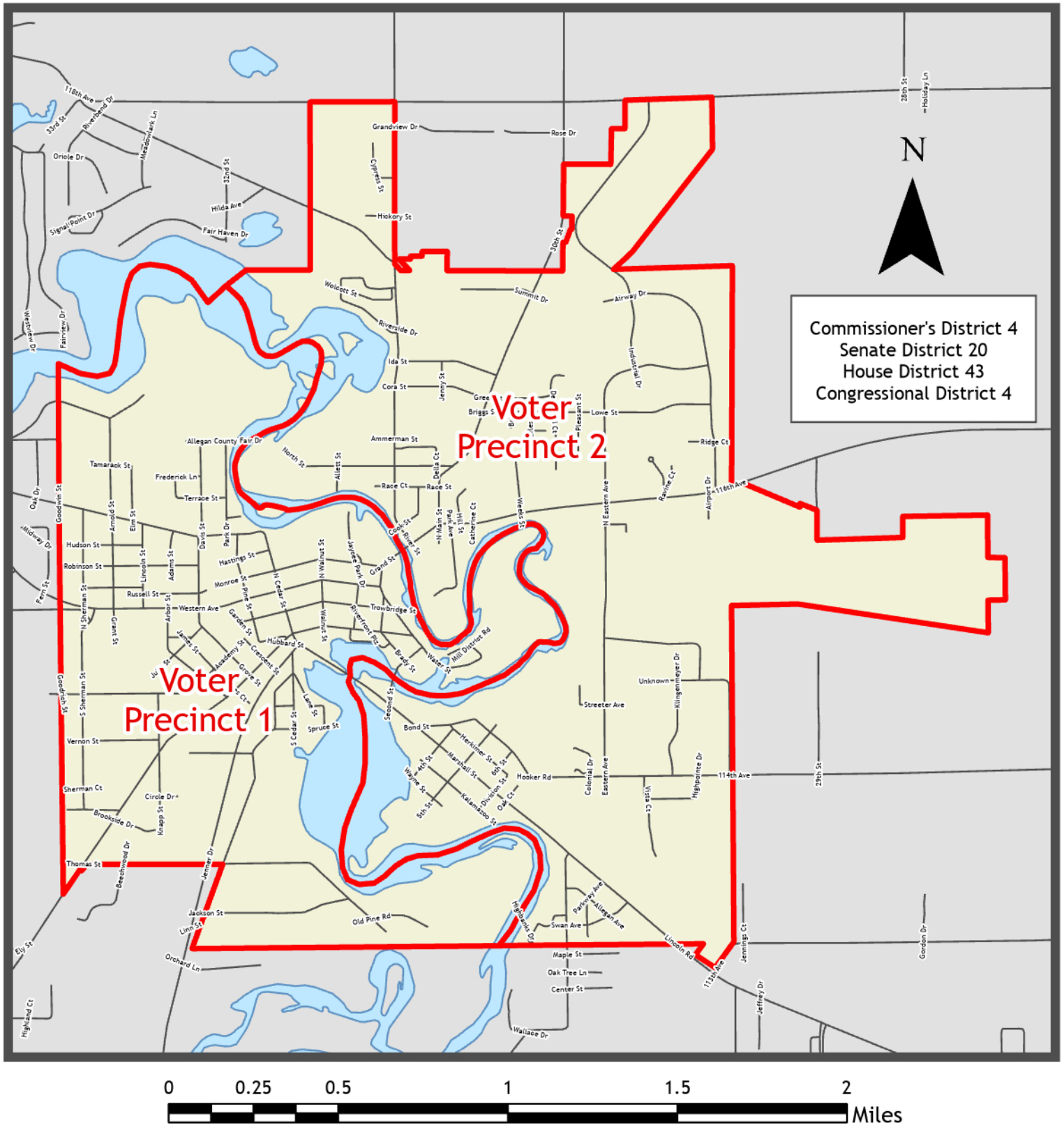
To correct the unbalanced population distribution between election precincts, city staff began communicating with the Allegan County GIS office at the beginning of 2023. As a result, the GIS suggested a boundary that follows the Kalamazoo River, which will bring the population distribution to 48.79% in Precinct One and 51.21% in Precinct 2.

Attachments:

Resolution 23.24

Revised Precinct Map – Allegan City

Allegan City Precinct Map



Legend

- | | | |
|---|--|---|
| Voter Precinct Boundary | House District | Water |
| Commissioner's District | Congressional District | City of Allegan |
| Senate District | Roads | Allegan Township |





**CITY OF ALLEGAN, MICHIGAN
RESOLUTION 23.24**

Resolution to Approve Changes in Boundaries for Voting Precincts

WHEREAS, the City of Allegan has two election precincts, as established in 1948; and

WHEREAS, all proposed precinct boundary changes were approved by the Election Commission and must be approved by the City Council; and

WHEREAS, the rearrangement of precinct boundaries are governed under Michigan Election Law, MCL 168.654-661, and must be submitted to the Michigan Department of State by Tuesday April 9, 2024; and

WHEREAS, the purpose of the proposed precinct boundary changes is to balance the voter and population distribution between election precincts; and

NOW, THEREFORE, BE IT RESOLVED, after review of all precinct boundary changes, the Allegan City Council approves the following election precinct changes:

PRECINCT	BOUNDARY
1	The southwest portion of the City of Allegan lying south and west of a line commencing at the west city limits line, thence south and east along the centerline of the Kalamazoo River to the south city limits line.
2	The northeasterly portion of the City of Allegan lying south and east of a line commencing at the north city limits line, thence south and east along the centerline of the Kalamazoo River to the south city limits line.

The foregoing resolution was offered by Council Member_____and supported by Council Member_____.

DATED: July 10, 2023

YEAS:

NAYS:

ABSENT:

ABSTAIN:

RESOLUTION DECLARED: ADOPTED

Michaela Kleehammer, City Clerk

CERTIFICATION

I, Michaela Kleehammer, duly appointed City Clerk of the City of Allegan, do hereby certify that the above is a true and correct copy of a resolution adopted by the City Council of the City of Allegan, Michigan, on this 10th day of July 2023.

Michaela Kleehammer, City Clerk