

CALUMET VILLAGE COUNCIL REGULAR MEETING AGENDA

TUESDAY, JANUARY 28, 2025 @ 6:00PM

CALUMET VILLAGE TOWNHALL, 340 SIXTH STREET

Public viewing available via ZOOM - Meeting ID: 869 9877 4486 Passcode: 699798

<https://us02web.zoom.us/j/86998774486> or via phone: 1-312-626-6799

- I. Call to Order
- II. Petitions from the Public (*members of the public have 5 minutes to speak*)
- III. Approval of Agenda
- IV. Approval of Consent Agenda Items (*items are considered routine by the council and will be enacted by one motion. If discussion of an item is required, it will be removed from the consent agenda and considered separately.*)

Review and approval of Council meeting minutes

Regular Meeting November 19, 2024

Regular Meeting December 10, 2024

Review and approval of bills

Prior paid bills in the amount of \$43,379.95

New bills in the amount of \$13,524.25

Review and acceptance of Reports

Manager Report

- V. Unfinished Business
 - 1. Audit / F-65 Report
 - 2. FY 26 Budget Process & Timeline
- VI. New Business
 - 1. Copper Dog Street Closure: February 28 – March 2
 - 2. DDA Development Agreement – Ruppe Building
- VII. Announcements – Other Council Business
- VIII. Comments from the Public (*members of the public have 5 minutes to speak*)
- IX. Adjourn

**CALUMET VILLAGE COUNCIL REGULAR MEETING MINUTES - DRAFT
TUESDAY, NOVEMBER 19, 2024**

CALUMET VILLAGE TOWNHALL, 340 SIXTH STREET

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Present: President Rob Tarvis; Trustees Virginia Dwyer, Peggy Germain, Pamela Que, Andrew Ranville, Kelly Ryan (via Zoom), Bernice Smith; Clerk Lori Weir

Absent: None

Also Present from the Village: Manager Megan Haselden

Present from the Public: Jeff Ratcliffe, Rebecca Glotfelty

I. Call to Order

Tarvis called the meeting to order at 6:00pm with roll call and led the Pledge of Allegiance

II. Petitions from the Public (*members of the public have 5 minutes to speak*)

Rebecca Glotfelty addressed the council with her concerns about the condition of the Ruppe Building, which is next door to her building (Keweenaw Storytelling Center).

Jeff Ratcliffe updated the council that the Houghton Landbank demolition project will be moving forward and there is one building in the Village of Calumet that is on the list for removal.

Jeff Ratcliffe provided information on the condition of the Ruppe Building and the need for it to be stabilized this winter. The council discussed how to move forward considering it is a privately owned property. This topic will be added to the agenda and discussion will continue outside of the "public comment" period.

III. Approval of Agenda

Que moved, seconded by Ranville to approve the agenda with the addition of Audit Update prior to the Approval of the Consent Agenda.

Motion Carried 6/0

IV. Audit Update

Dwyer shared copies of letters from the Michigan Department of Treasury regarding the Village of Calumet audit report. According to the letters, the state is currently withholding funding due to the Audit Report not being submitted to the state yet.

Haselden shared that the audit has not been completed yet. She spoke with the auditor who promised she would have the report to the Village by the end of November. Discussion regarding next steps.

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Germain moved, seconded by Dwyer to have the Department of Treasury complete the audit as offered in the November 4 letter.

Roll Call Vote:

Yeas: Dwyer, Germain

Nays: Que, Ranville, Smith, Tarvis

Absent: None

Motion Failed 2/4

- V. Approval of Consent Agenda Items (*items are considered routine by the council and will be enacted by one motion. If discussion of an item is required, it will be removed from the consent agenda and considered separately.*)

Review and approval of Council meeting minutes

Regular Meeting

October 15, 2024

Discussion about consistency in regard to recording public comments and use of names.

Review and approval of bills

Prior paid bills in the amount of \$47,233.42

New bills in the amount of \$59,243,07

Que moved, seconded by Smith to approve the consent agenda.

Roll Call Vote:

Yeas: Germain, Que, Ranville, Smith, Tarvis

Nays: Dwyer

Absent: None

Motion Carried 5/1

VI. New Business

1. Ruppe Building Discussion (continued from Petitions from the Public)

Discussion on responsibility of private property owners, village liability, process for moving forward, dangerous building ordinance, blight enforcement work, and role of the building inspector.

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Dwyer moved, seconded by Que to have the Village Manager contact the building owner and request a meeting as well as paperwork (certificate of insurance, structural engineer report).

Motion Carried 6/0

Dwyer moved, seconded by Que to have the Village Manager contact the building inspector to inspect the building.

Discussion.

Roll Call Vote:

Yeas: Dwyer, Germain, Ranville

Nays: Que, Smith, Tarvis

Absent: None

Motion Failed 3/3

VII. Announcements – Other Council Business

VIII. Comments from the Public (*members of the public have 5 minutes to speak*)

IX. Adjourn

Que moved, seconded by Ranville to adjourn the meeting at 7:28pm.

Motion Carried 6/0

Respectfully submitted,

Lori Weir, Clerk

**CALUMET VILLAGE COUNCIL REGULAR MEETING MINUTES - DRAFT
TUESDAY, DECEMBER 10, 2024**

CALUMET VILLAGE TOWNHALL, 340 SIXTH STREET

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Present: President Rob Tarvis; Trustees Matt L'Esperance, Pamela Que, Kelly Ryan, Bernice Smith, James Tercha; Clerk Lori Weir

Absent: Trustees Wyatt Behm

Also Present from the Village: Manager Megan Haselden

Present from the Public: 1 Community Member

I. Call to Order

Tarvis called the meeting to order at 6:00pm with roll call and led the Pledge of Allegiance

II. Petitions from the Public (*members of the public have 5 minutes to speak*)

None

III. Approval of Agenda

Que moved, seconded by L'Esperance to approve the agenda as presented

Motion Carried 6/0

IV. Approval of Consent Agenda Items (*items are considered routine by the council and will be enacted by one motion. If discussion of an item is required, it will be removed from the consent agenda and considered separately.*)

Review and approval of Council meeting minutes

Regular Meeting	November 19, 2024 - Not included in the Board Packet and will be tabled until the January meeting
Special Meeting	November 26, 2024
Statutory Meeting	November 26, 2024

Review and approval of bills

Prior Paid Bills in the amount of \$233,384.96

New Bills in the amount of \$142,992.88 (this includes the \$110.00 membership fee for MI Association of Mayors)

Review and acceptance of Reports

Manager Report – Haselden updated on the following:

- Financial Audit progress
- Continued BS&A transition work
- Reinstatement of last year's financial statement due to the fire site funding
- Grant Reporting
- CEDM Fellow candidate search
- DPW staffing and equipment issues
- Ruppe Building Update – Discussion related to DDA, village liability, and public outreach.

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Que moved, seconded by L'Esperance to approve the consent agenda without the November 19 Meeting Minutes and adding the \$110.00 membership fee for the MI Assn. of Mayors to the new bills.

Roll Call Vote:

Yeas: L'Esperance, Que, Ryan, Smith, Tarvis, Tercha

Nays: None

Absent: Behm

Motion Carried 6/0

V. Documents and Correspondence

1. MDOT Notice of MTF Distribution (see attached)

VI. Unfinished Business

1. Section 19 Award

Ryan moved, seconded by Que to approve the proposal from UPEA at a cost of \$15,000, and to cover that cost from the Municipal Streets Fund.

Roll Call Vote:

Yeas: L'Esperance, Que, Ryan, Smith, Tarvis, Tercha

Nays: None

Absent: Behm

Motion Carried 6/0

2. Audit Update – Provided during the Manager's Report

VII. New Business

1. FY2025 Financial Update and FY2026 Budget

Haselden provided a budget review with the new budget layout and categories for revenue and expenses. Leading up to the Annual Budget Meeting, this will be reviewed in detail at each council meeting.

VIII. Announcements – Other Council Business

1. Dump Truck Repair

L'Esperance moved, seconded by Ryan to approve the expenditure of up to \$5,000 for the repair of the dump truck transmission.

Roll Call Vote:

Yeas: L'Esperance, Que, Ryan, Smith, Tarvis, Tercha

Nays: None

Absent: Behm

Motion Carried 6/0

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2. DPW Hourly Wage Increases

Que moved, seconded by L'Esperance to increase the hourly rate for the 2 seasonal full-time DPW employees (drivers with CDL) to \$19.00 per hour.

Roll Call Vote:

Yeas: L'Esperance, Que, Ryan, Smith, Tarvis, Tercha

Nays: None

Absent: Behm

Motion Carried 6/0

Que moved, seconded by Smith to increase the hourly rate for the seasonal part-time DPW employees (drivers with CDL) to \$18.00 per hour.

Roll Call Vote:

Yeas: L'Esperance, Que, Ryan, Smith, Tarvis, Tercha

Nays: None

Absent: Behm

Motion Carried 6/0

3. Ryan addressed the council regarding the Ruppe Building and requested the Council and DDA have talking points as we should all be on the same page when community members come to any of us with questions. She stated that this can provide more transparency and connectivity of Village Government and its boards.

IX. Comments from the Public – None

X. Adjourn

Que moved, seconded by Smith to adjourn the meeting at 7:20pm.

Motion Carried 6/0

Respectfully submitted,

Lori Weir, Clerk

VILLAGE OF CALUMET JANUARY 2025 PRIOR PAID BILLS

OFFICE

Charter	INTERNET	\$	94.99
Elan Financial Services (VISA)		\$	538.55
MML Unemployment Fund		\$	6.48
US Postmaster - Stamps		\$	219.00
			<hr/>
		\$	859.02

DPW

Charter	INTERNET & PHONE	\$	129.98
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BUILDINGS & GROUNDS

Semco Energy	VILLAGE HALL	\$	413.56
Semco Energy	DPW GARAGE	\$	564.96
UPPCO	DPW GARAGE	\$	197.65
Semco Energy	AGASSIZ PAVILION	\$	18.80
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		\$	1,194.97

WATER FUND

Upper Michigan Water Company - Hydrant Maintenance		\$	1,435.61
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DEBT SERVICE PAYMENT

Grader/Loader Payment		\$	982.47
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PAYROLL

12/17/24	Payroll	\$	13,318.78
	FICA	\$	1,018.92
12/30/24	Payroll	\$	9,275.54
	FICA	\$	709.56
01/14/25	Payroll	\$	13,427.87
	FICA	\$	1,027.23
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		\$	38,777.90

BILLS PAID PRIOR TO JANUARY 2025 COUNCIL MEETING		\$	43,379.95
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VILLAGE OF CALUMET JANUARY 2025 BILLS

OFFICE

Charter	INTERNET	\$	94.99
Copper Island Printing		\$	26.00
Elan Financial Services (VISA)	SUPPLIES	\$	132.32
State of Michigan - MiDeal		\$	180.00
Up & Running		\$	494.00
		\$	<u>927.31</u>

MANAGER

Megan Haselden	CELL PHONE	\$	120.00
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DPW

Airgas USA		\$	192.78
Auto Wares		\$	679.75
Charter	INTERNET/PHONE	\$	129.98
Daily Mining Gazette		\$	190.80
Elan Financial Services (VISA)	DPW JOB POSTING	\$	88.72
Harter Auto Supply		\$	581.71
H & L Mesabi Company		\$	1,048.00
Mine Street Amoco		\$	2,281.73
Red Jacket Petroleum		\$	1,325.06
		\$	<u>6,518.53</u>

BUILDINGS & GROUNDS

NHCWSA	VILLAGE HALL	\$	97.88
NHCWSA	DPW GARAGE	\$	41.78
Upper Michigan Water Company	VILLAGE HALL	\$	173.19
UPPCO	VILLAGE HALL	\$	368.85
Upper Michigan Water Company	DPW GARAGE	\$	49.29
UPPCO	DPW GARAGE	\$	255.05
NHCWSA	AGASSIZ PAVILION	\$	40.13
U.P. Engineers & Architects	GARAGE EGLE ISSUE	\$	355.50
UPPCO	AGASSIZ PAVILION	\$	30.00
UPPCO	FIRE HALL	\$	28.53
		\$	<u>1,440.20</u>

COUNCIL

Copper Island Printing	NEW COUNCIL BOOKS	\$	227.00
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FIRE DEPARTMENT

Pomasl - Fire Hoses		\$	379.29
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THEATRE

Upper Michigan Water Company		\$	49.72
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RECREATION & CULTURE

Calumet Floral	HOLIDAY DECORATIONS	\$	300.00
<u>STREET LIGHTING</u>			
UPPCO		\$	792.70
<u>PLANNING COMMISSION</u>			
Copper Island Printing	NEW PC BOOKS	\$	47.00
<u>ATTORNEY EXPENSES</u>			
Kirkpatrick, Slough, Duitsman-Coy & Mott, PLC	DDA TO REIMBURSE	\$	1,332.00
<u>CAPITAL OUTLAY</u>			
State of Michigan - Boiler Inspection	CLG GRANT	\$	85.00
<u>MAJOR STREET FUND</u>			
U.P. Engineers & Architects	6TH ST GRANT	\$	1,305.50
TOTAL NEW JANUARY 2025 BILLS		\$	13,524.25
TOTAL BILLS PAID PRIOR TO MEETING		\$	43,379.95
TOTAL JANUARY 2025 BILLS		\$	56,904.20

Village of Calumet
340 Sixth Street
Calumet, Michigan 49913

Phone: 906 337-1713

January 15, 2025

Susan D. Sanford, CPA PLLC
3303 Silver Lake Road
Traverse City, Michigan 49624

This representation letter is provided in connection with your audit of the financial statements of Village of Calumet (the "Village") which comprise the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information as of February 29, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm that, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of January 15, 2025:

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 24, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. With respect to any assistance you provided in drafting the financial statements and related notes, we have performed the following:
 - a) Made all management decisions and performed all management functions;
 - b) Assigned a competent individual to oversee the services;
 - c) Evaluated the adequacy of the services performed;
 - d) Evaluated and accepted responsibility for the result of the service performed; and
 - e) Established and maintained internal controls, including ongoing activities.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) There have been no related party relationships and transactions.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the Village's accounts.
- 9) There are no known actual or possible litigation, claims, and assessments.
- 10) Guarantees, whether written or oral, under which the Village is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Village from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Village or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded, except as made known to you, in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Village and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Village's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or Village of Calumet agreements, or abuse, whose effects should be considered when preparing financial statements, except as made known to you.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) There are no Village's related party relationships and transactions of which we are aware.

Government—specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have a process to track the status of audit findings and recommendations.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented, if possible.
- 22) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 23) The Village has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 24) We are responsible for compliance with the laws, regulations, and provisions of contracts and Village of Calumet agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 25) We are unaware of instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 26) We are unaware of instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and Village of Calumet agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 27) We are unaware of instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), except those made known to you. There are no violations or possible violations of provisions of contracts and Village of Calumet agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 29) The Village has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The Village has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements properly classify all funds and activities in accordance with GASBS No. 34 , as amended, and GASBS No. 84 .
- 33) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

- 34) Components of net position (net investment in capital assets; restricted; and unrestricted), and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 35) We believe that the actuarial assumptions and methods used to measure pension benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 36) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 37) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 38) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 39) Deposits and investments are properly classified as to risk and are properly disclosed.
- 40) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 41) Management's estimate of the discount rate used for leases, the lease term and lease payments/receipts is based on the incremental borrowing rate and consideration of the noncancelable period of the lease and reasonably certain lease option.
- 42) We have appropriately disclosed the Village's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 43) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

Required Supplemental Information

- 44) With respect to the required supplemental information (RSI) accompanying the financial statements:
 - a) We acknowledge our responsibility for the required supplementary information (RSI) in accordance with accounting principles generally accepted in the United States of America.
 - b) We believe the RSI, including its form and content, is measured in accordance with accounting principles generally accepted in the United States of America.
 - c) The methods of measurement or presentation have not changed from those used in the prior period.
 - d) We believe the significant assumptions or interpretations underling the measurement or presentation of the RSI, and the basis for our assumptions and interpretations, are reasonable and appropriate and appropriate in the circumstances.

Supplementary Information in Relation to the Financial Statements as a Whole

45) With respect to the supplemental information accompanying the financial statements:

- a) We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.
- b) We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
- c) The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- d) If the general fund individual schedules are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: _____

Title: _____

VILLAGE OF CALUMET, MICHIGAN

Schedule of Findings and Responses

For the year ended February 29, 2024

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

Finding 2024-001 Preparation of Financial Statements in Accordance with GAAP

Finding Type: Significant deficiency in internal control over financial reporting

Criteria: All Michigan governments are required to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is a responsibility of the Village's management. The preparation of financial statements in accordance with GAAP requires internal controls over both (1) recording, processing, and summarizing accounting data (i.e., maintaining internal books and records), and (2) reporting government-wide and fund financial statements including the related footnotes (i.e., external financial reporting).

Condition: The Village has relied on its independent external auditors to assist in preparing the financial statements and footnotes as part of its external financial reporting process. Accordingly, the government's ability to prepare financial statements in accordance with GAAP is based, in part, on its reliance on its external auditors, who cannot by definition be considered a part of the government's internal controls.

Cause: The Village has determined that it is more cost effective to outsource the preparation of its annual financial statements to the auditors than to incur the time and expense of obtaining the necessary training and expertise required for the government to perform this task internally at this time.

Effect: As a result, the Village lacks internal controls over the preparation of its financial statements in accordance with GAAP, and instead relies, in part, on its external auditors for assistance with this task.

Recommendation: The Village's decision to rely, in part, on its auditors, for the preparation of external financial statements is allowable provided the Village accepts responsibility for the financial statements. Therefore, no specific corrective action is required at this time.

Management's Response- Corrective Action Plan: The government has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the Village to outsource this task to its external auditor, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation.

VILLAGE OF CALUMET, MICHIGAN

Schedule of Findings and Responses

For the year ended February 29, 2024

Finding 2024-002 Lack of Appropriate Segregation of Accounting Duties

Finding Type: Significant Deficiency in Internal Control over Financial Reporting

Criteria: Management is responsible for establishing effective internal controls to safeguard the Village's assets, and to prevent or detect misstatements to the financial statements. In establishing appropriate internal controls, careful consideration must be given to the cost of a particular control and the related benefits to be received. Accordingly, management must make the difficult decision of what degree of risk it is willing to accept, given the Village's unique circumstances.

Condition: As is the case with many organizations of similar size, the Village lacks a sufficient number of accounting personnel in order to ensure a complete segregation of duties within its accounting function. Ideally, no single individual should ever be able to authorize a transaction, record the transaction in the accounting records, and maintain custody of the assets resulting from the transaction. Effectively, proper segregation of duties is intended to prevent an individual from committing an act of fraud or abuse and being able to conceal it.

Cause: This condition is a result of the Village's limited resources, and the small size of its accounting staff.

Effect: As a result of this condition, the Village is exposed to an increased risk that misstatements (whether caused by error or fraud) may occur and not be prevented or detected by management in a timely manner.

Recommendation: There are, of course, no easy answers to the challenge of balancing the costs and benefits of internal controls and the segregation of incompatible duties. As noted above, due to the small size of the government and the limited funds of the Village, management is unable to employ the number of accounting personnel to attain an adequate segregation of duties between management functions, account functions and custody of the government's assets. To the extent possible, duties are allocated between accounting personnel to mitigate risk of material misappropriation of assets. In addition, the Village Board assumes a higher level of oversight responsibilities to mitigate risks relate to this lack of segregation of duties.

Management's Response- Corrective Action Plan: We acknowledge the risk associated with internal control issues with the segregation of the duties listed above. We have compensating controls in place where possible and will continue to monitor and mitigate risks periodically. Limited and small staffing in the office is ultimately the largest challenge we face with total and complete segregation of duties but with the new Village manager, and utilization of Council members we will do what we can to separate and create a series of checks and balances in accounting duties where appropriate and needed.

VILLAGE OF CALUMET, MICHIGAN

Schedule of Findings and Responses

For the year ended February 29, 2024

Finding 2024-003 Failure to File F-65 Reports, Act 51 Reports and Annual Audit Reports

Finding Type: **Compliance**

Condition: For fiscal year 2024, the Village failed to file the annual audit reports and Annual Local Unit Fiscal Report (F-65 Report) with the Michigan Department of Treasury. The Village also did not file Act 51 reports with the Michigan Department of Transportation (MDOT) on a timely basis. An extension was requested and granted for the annual audit, F-65 Report and Act 51 Report.

Criteria: MCL 141.427 Every county, city, village, and township must file an Annual Local Unit Fiscal Report (Form F-65) with the State Treasurer in accordance with PA (PA) 71 of 1919, PA 2 of 1968 and PA 275 of 1980. The Form F-65 must be received by the Michigan Department of Treasury within 6 (six) months after the end of the local unit's fiscal year and must be filed annually regardless of the filing requirements for an audit. Failure to timely file Form F-65 may cause the unit's State Revenue Sharing money to be withheld (MCL 141.921).

According to MCL 247.665, the Village shall file with the director of the State Transportation Department, not more than 120 days after the end of its fiscal year, on forms provided by the director, a report showing the disposition of funds appropriated, apportioned, or allocated under this act to the Village (Act 51 Report).

Cause: This condition is a result of the Village conversion of accounting software package in December and a change in auditors. There is also a shortage of auditors in the area, which caused a backlog of issuing audits.

Effect: The effect of this finding is that the Village is out of compliance with Treasury and MDOT requirements and is subject to withholding of State Revenue Sharing money.

Recommendation: I recommend the Village request that the audit be started in June to ensure that the required reports are filed timely.

Management's Response--Corrective Action Plan: The Village plans on implementing all recommendations so that this does not happen again. The Council will receive a copy of the F 65 in their Council Packet at the time of the audit being due. The Village now has a manager who is knowledgeable in accounting which will assist in getting the records in good shape for the audit and compliance with the Department of Treasury and Department of Transportation deadlines.

VILLAGE OF CALUMET
GOVERNMENT-WIDE STATEMENT OF NET POSITION
February 29, 2024

	PRIMARY GOVERNMENT	COMPONENT UNIT	
	Governmental Activities	DDA	
Assets			
Current assets			
Cash and cash equivalents	\$ 556,849	\$ 116,451	\$ 673,300
Receivables, net	156,997	7,008	164,005
Internal Balances	13,768	(13,768)	-
Inventories	18,253	10,002	28,255
Prepaid expenses	1,007	-	1,007
Total current assets	746,874	119,693	866,567
Noncurrent assets			
Capital assets not being depreciated	164,634	-	164,634
Capital assets being depreciated, net	2,514,945	-	2,514,945
Total noncurrent assets	2,679,579	-	2,679,579
Total assets	3,426,453	119,693	3,546,146
Liabilities			
Accounts payable	31,016	736	31,752
Accrued and other liabilities	7,316	-	7,316
Unearned revenue	82,463	10,000	92,463
Noncurrent Liabilities			
Due within one year	11,210	-	11,210
Due in more than one year	19,265	-	19,265
Total liabilities	151,270	10,736	162,006
Net position			
Net investment in capital assets	2,649,104	-	2,649,104
Restricted	398,312	-	398,312
Unrestricted	227,767	108,957	336,724
Total net position	\$ 3,275,183	\$ 108,957	\$ 3,384,140

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF CALUMET
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended February 29, 2024**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Primary Government						
Governmental activities						
General government	\$ 187,433	\$ 2,181	\$ 26,165	\$ 32,611	\$ (126,476)	\$ -
Public safety	80,861	8,200	66,686	-	(5,975)	-
Public works	138,373	60,483	20,368	-	(57,522)	-
Highway and streets	261,437	2,866	188,495	203,418	133,342	-
Community and economic development	37,813	-	37,037	-	(776)	-
Recreation and culture	14,868	40	4,504	-	(10,324)	-
Interest on long-term debt	830	-	-	-	(830)	-
Total Primary Government	721,615	73,770	343,255	236,029	(68,561)	-
Component Unit						
Downtown Development Authority	55,596	320	-	-	-	(55,276)
Total Component Unit	\$ 55,596	\$ 85,386	\$ -	\$ -	\$ (68,561)	\$ (55,276)
General Revenues						
Property taxes					\$ 179,802	\$ 57,833
Grants and contributions not restricted to specific programs					128,775	-
Unrestricted investment earnings					724	-
Total general revenues					309,301	57,833
Change in net position					240,740	2,557
Net position--beginning					3,034,443	106,400
Net position--ending					\$ 3,275,183	\$ 108,957

The Notes to Financial Statements are an integral part of this statement.

VILLAGE OF CALUMET
BALANCE SHEET AND RECONCILIATION OF THE FUND BALANCE OF
GOVERNMENTAL FUNDS TO NET POSITION
GOVERNMENTAL FUNDS
February 29, 2024

	General	MAJOR SPECIAL REVENUE FUNDS			Non-Major Governmental Funds	Total Governmental Funds
		Major Street	Local Street	Municipal Street		
Assets						
Cash	\$ 170,319	\$ 132,436	\$ 41,729	\$ 72,841	\$ 139,524	\$ 556,849
Receivables						
Accounts	24,025	-	-	-	-	24,025
Due from Federal	-	-	-	-	2,000	2,000
Due from State	50,708	69,660	10,604	-	-	130,972
Due from other funds	431	-	-	-	2,750	3,181
Due from component unit	3,000	-	-	-	10,768	13,768
Inventories	-	-	-	18,253	-	18,253
Prepaid expense	1,007	-	-	-	-	1,007
Total Current Assets	\$ 249,490	\$ 202,096	\$ 52,333	\$ 91,094	\$ 155,042	\$ 750,055
Liabilities						
Accounts payable	\$ 30,596	\$ 420	\$ -	\$ -	\$ -	\$ 31,016
Due to other funds	2,750	-	-	-	431	3,181
Accrued liabilities	6,630	551	135	-	-	7,316
Unearned revenue	-	-	-	-	82,463	82,463
Total liabilities	39,976	971	135	-	82,894	123,976
Deferred inflows of resources						
Unavailable revenues-receivables	21,951	-	-	-	-	21,951
Total deferred inflows of resources	21,951	-	-	-	-	21,951
Fund balances						
Nonspendable	1,007	-	-	18,253	-	19,260
Restricted	-	201,125	52,198	72,841	72,148	398,312
Unassigned	186,556	-	-	-	-	186,556
Total fund balances	187,563	201,125	52,198	91,094	72,148	604,128
Total liabilities, deferred inflows of and fund balances	\$ 249,490	\$ 202,096	\$ 52,333	\$ 91,094	\$ 155,042	\$ 750,055

Reconciliation of fund balances on the balance sheet for governmental funds to net position of governmental activities on the statement of net position

Fund balance--total governmental funds	\$ 604,128
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and not included in the funds	2,679,579
Revenues that do not provide current financial resources are not reported as revenue in the funds.	21,951
Certain liabilities, such as compensated absences, deferred outflows related to net pension liability, and net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and loan payable	(30,475)
Total net position	\$ 3,275,183

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF CALUMET
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended February 28, 2024**

	MAJOR SPECIAL REVENUE FUNDS					Total Governmental Funds
	General	Major Street	Local Street	Municipal Street	Non-Major Governmental	
Revenues						
Taxes and penalties	\$ 121,347	\$ -	\$ -	\$ 44,280	\$ 14,175	\$ 179,802
Licenses and permits	8,331	-	-	-	-	8,331
Federal grants	52,500	203,418	-	-	2,000	257,918
State grants	156,371	154,908	32,047	1,540	37,695	382,561
Charges for services	60,483	-	-	2,866	40	63,389
Fines and forfeits	879	-	-	-	-	879
Interest and rentals	724	-	-	-	19,714	20,438
Other revenue	135,728	-	-	-	11,343	147,071
Total Revenues	536,363	358,326	32,047	48,686	84,967	1,060,389
Expenditures						
Current						
General government	186,057	-	-	-	-	186,057
Public safety	79,595	-	-	-	-	79,595
Public works	186,977	-	-	-	28,768	215,745
Highway and streets	-	386,702	19,299	2,866	-	408,867
Community and economic development	776	-	-	-	37,037	37,813
Recreation and culture	6,357	-	-	-	3,095	9,452
Capital outlay	32,611	-	-	-	-	32,611
Debt Service						
Principal	-	-	-	-	10,960	10,960
Interest	-	-	-	-	830	830
Total expenditures	492,373	386,702	19,299	2,866	80,690	981,930
Excess of revenues over (under) expenditures	43,990	(28,376)	12,748	45,820	4,277	78,459
Other financing sources (uses)						
Operating transfer in-Primary	-	60,213	-	-	2,947	63,160
Operating transfer (out)	(2,947)	-	-	(60,213)	-	(63,160)
Total other financing sources (uses)	(2,947)	60,213	-	(60,213)	2,947	-
Fund balances--Beginning	117,267	169,288	39,450	105,487	179,924	611,416
Restatement to fund balance	29,253	-	-	-	(115,000)	(85,747)
Restated fund balance	146,520	169,288	39,450	105,487	64,924	525,669
Net change in fund balance	41,043	31,837	12,748	(14,393)	7,224	78,459
Fund balances--Ending	\$ 187,563	\$ 201,125	\$ 52,198	\$ 91,094	\$ 72,148	\$ 604,128

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF CALUMET
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGE IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended February 28, 2024**

NET CHANGE IN FUND BALANCES--TOTAL GOVERNMENTAL FUNDS \$ 78,459

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and is reported as depreciation expense.

Add--capital outlay	32,611
Add--additional infrastructure	263,752
Deduct--depreciation expense	(166,993)

Revenues earned, but not available for current resources, are not reported in the funds.

Net (decrease) increase in deferred revenue- receivables	21,951
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Add--principal payments on long-term liabilities	<u>10,960</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 240,740</u>
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The Notes to Financial Statements are an integral part of this statement.

VILLAGE OF CALUMET
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Fiscal Year Ended February 29, 2024

	<u>BUDGETED AMOUNTS</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes and penalties	\$ 117,162	\$ 113,000	\$ 121,347	\$ 8,347
Licenses and permits	9,500	9,500	8,331	(1,169)
Federal grants	2,000	54,500	52,500	(2,000)
State grants	118,000	153,000	156,371	3,371
Charges for services	38,000	60,000	60,483	483
Fines and forfeits	30	1,700	879	(821)
Interest and rentals	1	600	724	124
Other revenue	140,100	148,735	135,728	(13,007)
Total revenues	<u>424,793</u>	<u>541,035</u>	<u>536,363</u>	<u>(4,672)</u>
Expenditures				
General government	170,440	202,345	186,057	16,288
Public safety	31,400	81,500	79,595	1,905
Public works	222,500	236,990	186,977	50,013
Community and economic development	6,000	6,000	776	5,224
Recreation and culture	6,750	10,000	6,357	3,643
Total expenditures	<u>442,090</u>	<u>574,835</u>	<u>492,373</u>	<u>82,462</u>
Excess of revenues over (under) expenditures	<u>(17,297)</u>	<u>(33,800)</u>	<u>43,990</u>	<u>77,790</u>
Other financing sources (uses)				
Interfund transfers (out)	<u>(2,947)</u>	<u>(2,947)</u>	<u>(2,947)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,947)</u>	<u>(2,947)</u>	<u>(2,947)</u>	<u>-</u>
Fund balance--beginning	117,267	117,267	117,267	-
Restatement to beginning fund balance	-	29,253	29,253	-
Restated beginning fund balance	-	146,520	146,520	-
Net change in fund balance	<u>(20,244)</u>	<u>(36,747)</u>	<u>41,043</u>	<u>77,790</u>
Fund balance--ending	<u>\$ 117,267</u>	<u>\$ 109,773</u>	<u>\$ 187,563</u>	<u>\$ 77,790</u>

VILLAGE OF CALUMET
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR STREET FUND--MAJOR SPECIAL REVENUE FUND
For the Fiscal Year Ended February 29, 2024

	BUDGETED AMOUNTS			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Federal grants	\$ -	\$ 203,000	\$ 203,418	\$ 418
State grants	153,947	157,547	154,908	(2,639)
Total revenues	153,947	360,547	358,326	(2,221)
Expenditures				
Public works	252,033	430,783	386,702	44,081
Total expenditures	252,033	430,783	386,702	44,081
Excess of revenues over (under) expenditures	(98,086)	(70,236)	(28,376)	41,860
Total other financing sources (uses)				
Operating transfers in	-	60,213	60,213	-
Total other financing sources (uses)	-	60,213	60,213	-
Net change in fund balance	(98,086)	(10,023)	31,837	41,860
Fund balance--beginning	175,130	169,288	169,288	-
Fund balance--ending	\$ 77,044	\$ 159,265	\$ 201,125	\$ 41,860

VILLAGE OF CALUMET
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
LOCAL STREET FUND--MAJOR SPECIAL REVENUE FUND
For the Fiscal Year Ended February 29, 2024

	<u>BUDGETED AMOUNTS</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
State grants	\$ 28,748	\$ 32,000	\$ 32,047	\$ 47
Total revenues	<u>28,748</u>	<u>32,000</u>	<u>32,047</u>	<u>47</u>
Expenditures				
Public Works	<u>34,800</u>	<u>34,000</u>	<u>19,299</u>	<u>14,701</u>
Total expenditures	<u>34,800</u>	<u>34,000</u>	<u>19,299</u>	<u>14,701</u>
Excess of revenues over (under) expenditures	<u>(6,052)</u>	<u>(2,000)</u>	<u>12,748</u>	<u>14,748</u>
Net change in fund balance	(6,052)	(2,000)	12,748	14,748
Fund balance--Beginning	<u>7,757</u>	<u>39,450</u>	<u>39,450</u>	<u>-</u>
Fund balance--Ending	<u>\$ 1,705</u>	<u>\$ 37,450</u>	<u>\$ 52,198</u>	<u>\$ 14,748</u>

VILLAGE OF CALUMET
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MUNICIPAL STREET FUND--MAJOR SPECIAL REVENUE FUND
For the Fiscal Year Ended February 29, 2024

	<u>BUDGETED AMOUNTS</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 39,827	\$ 39,827	\$ 32,912	\$ (6,915)
State	-	-	1,540	1,540
County tax	11,368	11,368	11,368	-
Charges for services	6,800	6,800	2,866	(3,934)
Total revenues	<u>57,995</u>	<u>57,995</u>	<u>48,686</u>	<u>(9,309)</u>
Expenditures				
Public works	5,000	5,000	2,866	2,134
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>2,866</u>	<u>2,134</u>
Excess of revenues over (under) expenditures	<u>52,995</u>	<u>52,995</u>	<u>45,820</u>	<u>(7,175)</u>
Other financing sources (uses)				
Operating transfers (out)	(61,000)	(61,000)	(60,213)	787
Total other financing sources (uses)	<u>(61,000)</u>	<u>(61,000)</u>	<u>(60,213)</u>	<u>787</u>
Net change in fund balance	(8,005)	(8,005)	(14,393)	(6,388)
Fund balance--Beginning	<u>105,487</u>	<u>105,487</u>	<u>105,487</u>	-
Fund balance--Ending	<u>\$ 97,482</u>	<u>\$ 97,482</u>	<u>\$ 91,094</u>	<u>\$ (6,388)</u>

**VILLAGE OF CALUMET
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended February 29, 2024**

	Special Revenue				Revolving Loan	Historical District	Debt Service	Capital Projects		Total Nonmajor Governmental Funds
	Fire Museum	Sanitation	Water	Taxes				Grant Fund	Public Improvement	
Revenues										
Taxes	-	\$ 14,175	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ 14,175
Federal grants	-	-	-	-	-	2,000	-	-	-	2,000
State grants	-	658	-	-	-	-	-	37,037	-	37,695
Charges for services	-	-	-	-	-	40	-	-	-	40
Interest and rents	4	-	19,707	-	3	-	-	-	-	19,714
Other	-	-	-	-	-	2,500	-	-	-	11,343
Total revenues	4	14,833	19,707	-	3	4,540	8,843	37,037	-	84,967
Expenditures										
Public works	-	13,849	14,919	-	-	-	-	-	-	28,768
Community and Economic Development	-	-	-	-	-	-	-	37,037	-	37,037
Recreation and cultural	-	-	-	-	-	3,095	-	-	-	3,095
Debt Service	-	-	-	-	-	-	10,960	-	-	10,960
Principal	-	-	-	-	-	-	830	-	-	830
Interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	-	13,849	14,919	-	-	3,095	11,790	37,037	-	80,690
Excess of revenues over (under) expenditures	4	984	4,788	-	3	1,445	(2,947)	-	-	4,277
Other Financing Sources (Uses)										
Operating transfers in	-	-	-	-	-	-	2,947	-	-	2,947
Total other financing sources (uses)	-	-	-	-	-	-	2,947	-	-	2,947
Excess of revenues and other sources over (under) expenditures and other uses	4	984	4,788	-	3	1,445	-	-	-	7,224
Fund balances--Beginning	676	3,830	43,311	-	6,742	8,027	74	116,360	904	179,924
Restatement to beginning fund balance	-	-	-	-	-	-	-	(115,000)	-	(115,000)
Restated beginning fund balance	676	3,830	43,311	-	6,742	8,027	74	1,360	904	64,924
Fund balances--Ending	680	4,814	48,099	-	6,745	9,472	74	1,360	904	72,148



2025 CopperDog 150 Proposal for Road Closures

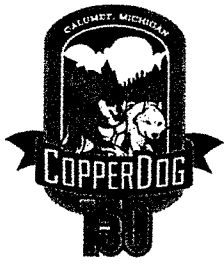
This year CopperDog 150 will be hosting its 15th running of the CopperDog sled dog races from February 28th – March 2nd, 2025. Below is a proposal request for road closures from the Village of Calumet.

Proposed Road Closures (see attached map)

1. 5th Street- **Closed** beginning Friday, February 28th at 3:00 am until Sunday, March 2nd at 10pm from the intersection of Red Jacket Road/Armory Street and 5th Street down to Spruce Street. Section of Armory Street Closed Cross streets also will be affected- Scott, Portland, Oak, and Elm. "Snow Road".
2. 4th Street-4th Street **closed** from Red Jacket /Armory Street intersection to Portland Street from 3:00pm to 10:30pm Friday, February 28th. This includes the Park Avenue Parking lot on 4th Street.
3. Cross street closures-
 - A. Scott Street:
 1. Friday, February 28th between 4th Street and 6th Street 2:00pm-10:30pm.
 2. Sunday March 2nd between 4th and 6th street 8am – 8pm
 - B. Portland Street:
 1. Friday, February 28th, 3am to Sunday March 2nd 8pm
 2. Portland/Oak/Elm closed where they cross 5th street from Friday morning till 8pm Sunday night March 2nd.

Additional requests/information for the Village of Calumet

1. Start Chute Set-up: CopperDog is requesting permission to have the start chute erected the evening of Thursday, February 27th, 2025, beginning at 5:00pm. We will acquire M-DOT signs to place around the chute. Traffic would still utilize the lane next to the start chute until 3:00am on Friday February 28th. Ideally the gate will be removed on Sunday evening when the snow road is cleaned up, however it may have to remain until Monday morning.



2. Snow Road Installation: CopperDog is requesting the Village of Calumet to help install the snow road along 5th street from Scott location of race start chute down to Spruce Street. We request clean snow for this road. CopperDog will only need assistance from the snow go and dump trucks.

3. Snow Road Removal: CopperDog will pay a private contractor to perform the removal of the snow road after the race on Sunday evening by 11pm, or in that timeline.

4. Trash Receptacles: CopperDog requests the utilization of metal trash receptacles, from the Village Public Works Division, to be utilized during race weekend. CopperDog will have 6-8 porta potties lined on side streets between Scott St. and Elm St.

Any questions regarding this request please contact me at 906-281-6751.

Kind Regards,

Kelly Probst

CopperDog Race Director

Village of Calumet Special Event Street Closure

Special Events may be community, non-profit, private, or commercial events including but not limited to street fairs, athletic events, or other events held on a public street.

- Applications must be received no later than **the Wednesday before a regularly scheduled Village Council meeting.**
 - **For example, if the regularly scheduled Village Council meeting is the third Tuesday of the month, the application is due on the second Wednesday of that month.**
- Applications may include multiple blocks and intersections, in residential and non-residential areas.
- Village employee labor and cost recovery, including wages, and equipment cost may apply.
- Applicant may sell goods and services at the event.
- Application fee is due at the time of application. However, if you are denied closure, your fee will be refunded. If you withdraw your closure application 14 days ahead of your scheduled event your fee will be refunded.
- Other Requirements:
 - A written description and comprehensive site plan are required as part of your application.
 - Most events will be required to submit insurance. See our insurance requirements below for more details.
 - Your event may require additional permits or services.

Plan ahead! The earlier you apply, the smaller the application fee. The Village reserves the right to waive fees for non-profit groups, with proof of non-profit status.

There is an application fee for street closure requests. The fee is found in the Calumet Fee Schedule which may be amended from time to time and can be found online at villageofcalumet.com. Payment may be made via check or cash, or on the Village website via credit/debit card.

Applications may be submitted via postmarked mail, email or in person. Applications may be emailed to manager@villageofcalumet.com. A PDF application form is **also available**. Checks should be made payable to Village of Calumet.

DESCRIPTION OF EVENT

- Describe event purpose, activities, and estimated number of attendees. Include a timeline for your set-up, event hours, and break-down plans.

SITE PLAN

- Provide a map showing desired street closures.

- Indicate on the map where barricades will be placed and what type of barricade will be used.
 - Barricades are available from the Village Public Works Department and are typically distributed to street corners close to requested closures a few days prior to the event.
 - The Village of Calumet can supply up to 20 barricades.

NEIGHBORHOOD OUTREACH

- Explain how you will notify neighboring businesses and residents of the planned closure in advance of the event. Please work with neighbors and businesses to address any concerns regarding the impact of street closure.
- A Neighbor Support Form provided by the Village must be completed. It is recommended that the applicant also distribute a flyer that includes:
 - Event information
 - Event producer's contact information
 - Village contact information

WASTE MANAGEMENT

- Explain how you will manage trash, recycling, compost and street clean-up for the event. You may hire the Village Public Works Department to clean the street post-event, or you may clean it with your own event staff or hired contractor.
- The Village of Calumet Public Works Department can handle any volume of trash pickup; however, following the event all trash must be bagged for pickup by the Public Works Department. If trash is not bagged, the Village will charge a fee of \$20 for each bag required by the Village to complete pickup.

SAFETY AND SECURITY

- Describe what your plans are to keep the event safe and secure. State who will be responsible for monitoring barricades. If applicable, list security personnel who will be present, and where they will be located during the event. If necessary, describe how you will manage pedestrian and/or traffic flow.
- If security is needed for the event, we recommend contacting the Houghton County Sheriff Department or the Michigan State Police.
- The Houghton County Sheriff Department may be contacted at 906-482-0055.
- The Michigan State Police may be contacted at 906-337-5145

SET-UP ASSISTANCE

- If you need to enlist the assistance of the Calumet Public Works Department in the set-up for your street closure/event, a fee equal to the hourly costs of street department staff and equipment rental will be charged. Fees for street department employees are \$22.00 per hour for the department superintendent and \$18.00 per hour for other street department personnel. In addition, if Village equipment is required for set-up, rental fees for equipment will apply.

ALCOHOL/LARA

- If alcohol is to be served it is your responsibility to acquire all necessary licenses to be in compliance with the laws, rules and regulations of the State of Michigan and to provide them to the Village Administrator/Manager prior to your event.

INSURANCE REQUIREMENTS

- Please provide the Village Manager with a copy of your proof of liability insurance in the amount of no less than \$100,000; however, this amount may increase following review by our insurer. This proof of insurance should also list the Village of Calumet as an additional insured.

PERMIT REVOCATION

- After you submit your plan and application, if you receive permission to close the street(s), you are required to follow the plan that you submitted. In the event you do not, your permit will be revoked, and the street closure will be cancelled.

APPLICATION AND PLAN REVIEW

- Submitting an application for a street closure does not guarantee approval. Applications are reviewed by the Village of Calumet Council at a regular meeting prior to consideration of other Village business. If the Village Council has any questions or if it requests additional information, the applicant will be required to respond and possibly to revise the applicant's plans for the event.

CONTACT INFORMATION FOR APPLICANT

- Name: Kelly Probst
- Address: 8074 M26 Eagle Harbor MI
- Phone: 906-281-6751
- Email: kellyprobst@copperdog150.com
- Preferred Mode of Contact: email
- Organization or Business Name: CopperDog Inc.

Office Use

Date Received: _____

Received By: _____

Approved _____ Denied _____

KIRKPATRICK, SLOUGH, DUITSMAN-COY & MOTT, PLC
ATTORNEYS

WM PAUL SLOUGH
paul@gaylordlaw.com

145 NORTH OTSEGO AVENUE
GAYLORD, MI 49735

989-732-2912, EXT. 3
989-732-8612, FAX

WM PAUL SLOUGH
JENNIFER DUITSMAN COY
KATHERINE E. MOTT *
**also admitted in Florida*

RETIRED:
RONALD J. KIRKPATRICK
STEVE R. DUBOIS

January 16, 2025

Councilmembers
Village of Calumet
340 Sixth Street
Calumet, MI 49913

Re: DDA Authority for Ruppe Building Agreement

Dear Council:

As you know, the DDA is in discussions to acquire the Ruppe Building. In late December I revised a draft agreement on behalf of the DDA, and that agreement is in the process of being executed.

The agreement does not bind the DDA to acquiring the building. Instead, it gives the DDA an option to take title under the terms set forth in the agreement if and only if the DDA elects to do so after additional due diligence.

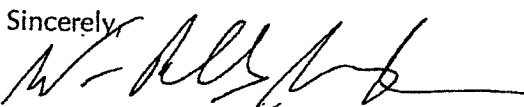
It was brought to my attention this morning by Mrs. Dwyer that the Village has an ordinance, §151.11, that states "the purchase, sale or lease of real property by the [DDA] shall be subject to the approval of the Village Council[.]"

Although the DDA has not committed to taking title at this time, it may decide to do so soon. For that reason, Council should review the proposed agreement at its next opportunity and decide if the DDA should be granted the necessary authority under the above ordinance.

To be clear, Council may grant the authority, deny the authority, or grant the authority subject to the DDA and owner approving changes to their agreement.

Please contact me with any questions.

Sincerely,


Wm Paul Slough

DEVELOPMENT AGREEMENT

This Development Agreement is entered into by the Downtown Development Authority of the Village of Calumet, an Authority under the Recodified Tax Increment Finance Act, being Public Act 57, of 2018, as amended, 340 6th Street, Calumet, Michigan 49913 (Developer) and Vianis Realty, LLC, 206 5th Street, Calumet, MI 49913 (Owner).

RECITALS

This Development Agreement is made under the following circumstances:

- A. Vianis Realty owns a certain parcel of real property at 211 5th Street, Calumet, Michigan, known as the Ruppe Block, that it acquired through a warranty deed with the intent of redeveloping but is no longer able to complete; said property has experienced significant deterioration that interim stabilization by the Owner did not halt and needs to be fully stabilized to preserve its historic integrity and prepare it for redevelopment (Project); and which is listed and legally described as PID#041-101-003-00, Lot 3 Block A, Village of Calumet, Houghton County, Michigan (Property); and
- B. The Owner has determined that the Project will be in the best interest of the building and community in order to preserve a historic and iconic downtown building, foster the development of that property and to promote economic growth by providing for the expansion of desired uses within the Village of Calumet; and
- C. Developer has agreed to immediately undertake an effort to fund and implement a stabilization plan including the raising of funds, purchasing of materials, hiring of contractors, managing volunteers, and arranging other public and private resources for the purpose of stabilizing the structure.
- D. Developer has agreed to work towards developing plans, raising funds, and undertaking work necessary to implement a permanent fix to make the property suitable for redevelopment.

E. Accordingly, the purpose of this Development Agreement is to set out the obligations of the parties to this Agreement for the undertaking the agreed upon activities and to facilitate the Developer's access to state and local assistance.

NOW, THEREFORE, based upon the recitals set forth above and in consideration of the mutual terms and conditions set forth below, the Developer and the Owner, agree as follows:

1. Land Transfer Agreement. In consideration of Developer's efforts to undertake the Project, the Owner hereby conveys to Developer an exclusive, irrevocable option to purchase the Property, together with all easements, rights, and appurtenances. The term of this option is FIVE YEARS from the effective date of this Development Agreement unless terminated earlier in writing by Developer. Developer may exercise this option at any time by giving written notice to Owner at the address stated in Paragraph 10. If exercised, the following obligations shall be performed before or at the closing:

- a. Developer shall prepare the necessary conveyance documents to transfer title to Developer and forward them to Owner for Owner's review at least 10 days before the scheduled date of the closing.
- b. There shall be no monetary consideration for the exchange.
- c. The conveyance shall convey fee title by warranty deed, clear of all liens and encumbrances with only those exceptions as specifically approved by Developer and the title insurer. The conveyance shall include all oil, gas and mineral rights.
- d. The closing shall be held at a local title company designated by Developer unless the parties mutually agree on some other location.
- e. The title policy, as required in Paragraph 3, shall be "marked up" at closing to close the gap on any liens or other encumbrances.
- f. Owner shall pay all real estate taxes owing on the Premises in the calendar year that title is transferred.
- g. Owner shall pay the cost of filing a warranty deed, the title company's fee, and all premiums associated with title insurance.
- h. At closing, the parties shall execute such Affidavits and other documents as may be required by the title company.

2. Land Transfer Termination. Developer shall have a copy of this Agreement recorded with the Houghton County Register of Deeds. The Property shall not be mortgaged, pledged or have any liens or encumbrances placed on it during the term of this Agreement. Developer retains the right, at any time and for any reason in its sole discretion, to terminate this Agreement without further obligation of either party (unless this Agreement expressly states that the obligation survives termination).

3. Owner Obligations. The Owner agrees:

- a. To bring and keep all property taxes and other fees current and maintain property and liability insurance on the structure with proof provided to the Developer annually

upon renewal. The limits shall be in amounts not less than the current limit in place of \$619,800 building coverage, with additional amounts as specified by Developer for increased value to the Property, if any, resulting from market appreciation and Developer's efforts in furtherance of the Project. Developer shall be identified as an additional named insured on the policy or policies of insurance, with a provision requiring not less than thirty (30) days advance written notice to Developer prior to cancellation or termination of any such insurance coverage. In the event of a loss, Owner agrees that Developer shall be paid first from such insurance proceeds up to the costs incurred by Developer in furtherance of this Agreement. Owner hereby assigns to Developer such proceeds and instructs the insurer to issue such proceeds direct to Developer.

b. To provide good and marketable title to the Property, except as otherwise agreed by Developer. Further, at Owner's expense, Owner shall provide Developer with an owner's title insurance commitment, at an amount based on the tax assessed cash value of the Property, at the closing that shows that Owner has good and marketable title to the Property, subject only to easements and restrictions of record. Developer shall have 10 business days to review title and may, in Developer's sole discretion, (i) terminate the Agreement; (ii) provide Owner with an opportunity to cure the title defect; or (iii) waive any defect in title and take title subject to the defect.

c. To pay the cost for a Phase I baseline environmental assessment by an environmental firm, to be selected by mutual agreement between Developer and Owner. Developer may, at its option, obtain a Phase II assessment, with Developer responsible for the additional cost.

4. Developer Access and Authority. Owner hereby grants to Developer a license for unlimited access to all areas of and structures on the Property. Owner hereby authorizes Developer to make all planning, engineering, contracting, mitigation, and other decisions in furtherance of stabilizing the structure and preparing for its redevelopment. This includes the disposal of all personal property, without liability to Developer, any necessary demolition, and any environmental mitigation. Owner further grants to Developer authorization to apply for necessary permits, licenses, and approvals required for planning, engineering, contracting, mitigation, stabilizing, and other redevelopment. Owner shall cooperate with Developer's efforts in furtherance of the Project, including signing any applications or providing approvals as deemed necessary by Developer.

5. Liability. Owner understands that there are inherent risks in attempting to stabilize the building. As partial consideration to induce Developer to enter this Agreement, Owner expressly waives and relinquishes any and all claims, potential liabilities, damages, injuries, costs (including attorney fees and court costs), known or unknown, foreseen or unforeseen, against Developer, its officers, agents and assigns, arising directly or indirectly from Developer's performance under this Development Agreement, including but not limited to Developer's efforts to stabilize the building on the Property and prepare it for redevelopment. Owner

further indemnifies and holds harmless Developer from any and all claims or causes of action arising from or on account of acts or omissions of the Owner, and the negligent acts or omissions of Owner's officers, employees, agents or any persons acting on its behalf or under its control in connection with owning the property and undertaking the Project. This includes the collapse of the property during the Project and prior to transfer.

6. Developer Performance. Developer agrees to begin efforts to plan, secure funds and undertake stabilization immediately with the goal of having the structure stable by the spring of 2025 and plans and funding ready by December 31, 2026, with exercising the option anticipated estimated by December 31, 2027. Any changes to these timelines shall be promptly communicated to the Owner.

7.1 Owner's Representations. Owner represents to Developer that he does not have actual knowledge of the location and extent of adverse environmental conditions on the Property. Owner represents that the undersigned representative has authority to enter into this transaction; that Owner owns the Property in fee simple and has good marketable title to the Property; Owner is unaware of any threatened or pending claim that would affect the Property; Owner has not received any notice that the Property is in violation of Federal, State or local law; Owner is unaware of any unrecorded documents which affect the Property's title; Owner will not encumber the Property during the term of this Agreement; and that Owner will promptly notify Developer if any representation in this Agreement changes during its term. Owner acknowledges that Developer is relying on these representations, and it is agreed that these representations shall survive the termination of this Agreement.

7.2 Real Estate Brokers. Owner and Developer agree that no real estate brokers are involved in this transaction. Each party agrees to indemnify the other against the claims of any brokers or salespeople who allege that they are entitled to compensation because of this transaction.

7.3 "As Is" Sale. Excepting the warranties as to title and the representations in this Agreement, Developer is accepting the Property "as is" from Owner. Developer may, during the term of the option, engage in broad due diligence to determine whether to exercise the option.

8. Compliance with Laws, Rules and Regulations.

8.1. The Developer shall comply fully with all local ordinances, state and federal laws, and all applicable local, state and federal rules and regulations. Nothing in this Agreement shall abrogate the effect of any local ordinance.

8.2. Non-compliance with this Agreement, or discovery of material irregularities at any time are regarded as material breaches of this Agreement. A party shall give written notice to the other party of an alleged material breach of this Agreement. The other party shall have thirty (30) days to correct the alleged breach, or to transmit a written plan to correct the alleged breach, to the satisfaction of the non-breaching party. If after thirty (30) days a satisfactory corrective

plan has not been implemented, either party may terminate this Agreement by sending written notice to the other party, with no further obligation by either party.

9. Termination. This Agreement shall terminate (excepting those terms that survive termination) on the earlier to occur of: (a) the transfer of property and completion of the Project; (b) Developer's written election to terminate this agreement; (c) notification after the opportunity to cure in Paragraph 8.2 or (d) expiration of the option to purchase.

10. Notices. All notices, requests, demands and other communications that are required or permitted to be given under this Agreement will be in writing and will be deemed to have been sufficiently given for all purposes hereunder if (a) delivered personally to the party to whom the same is directed, or (b) sent by certified mail, postage prepaid, return receipt requested, at the addresses identified below; or to such other party at such other address as shall be given in writing in accordance herewith.

8.1. If to the Owner, to: Vianis Realty, LLC, 206 5th Street, Calumet, MI 49913

8.2. If to Developer, to: Calumet DDA, 340 6th Street, Calumet, Michigan 49913

11. Miscellaneous Provisions

11.1. Successors and Assigns; Assignments; No Other Intended Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; however, the Developer shall not assign this Agreement without the prior written consent of the Owner, which will not be unreasonably withheld. No person not a party or successor or assign of a party hereto is intended to be a beneficiary of or to have the right to enforce this Agreement.

11.2. Entire Agreement. This Agreement, including all attachments, represents the entire agreement, as it exists at the time of the signing of this Agreement between the parties. This Agreement may not be amended, altered or modified unless the party against whom enforcement of any waiver, modification or discharge is sought does so in a signed writing.

11.3. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan. The parties acknowledge that the proper venue of any court action is in Houghton County, Michigan.

11.4. Severability. The invalidation of one or more of the terms of this Agreement shall not affect the validity of the remaining terms.

11.5. Survival. Except as otherwise provided in this Agreement, all representations, warranties, covenants and agreements of the parties contained or made pursuant to this Agreement shall survive the execution of this Agreement.

11.6. Effective Date. This Agreement shall become effective when approved and executed by Owner and Developer.

11.7. Representative. The Owner may designate another entity to represent the Owner during the term of this agreement.

11.8 Recitals. The recitals set forth above are incorporated by reference into this Agreement as if fully set forth therein.

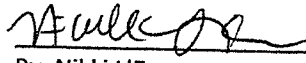
11.9 Attorney fees. If a dispute under this Agreement results in litigation, the prevailing party in the litigation shall be entitled to its actual attorney fees and costs from the non-prevailing party.

11.10 Force Majeure. If either party's performance is delayed as the direct result of a strike, flood, natural disaster and/or acts of god, or other *force majeure*, that delay will not constitute a breach of this Agreement and the time for performance will be extended by the length of the delay.

Developer's Execution of Purchase Agreement:

**Downtown Development Authority
of the Village of Calumet**

Dated: 1/13/2025


By: Nikki L'Esperance
Its: Chairperson

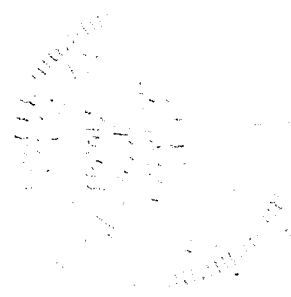
Notary Acknowledgments:

STATE OF MICHIGAN }

COUNTY OF HOUGHTON }

Acknowledged before me on this 13th day of January, 2025, by Nikki L'Esperance, Chairperson of the Downtown Development Authority of the Village of Calumet

Lana R. Hyrkas
 Lana R. Hyrkas Notary Public
 Acting in: Houghton County
 My commission expires: 7-31-2028



STATE OF MICHIGAN }
 }
 COUNTY OF HOUGHTON }

Acknowledged before me on this 13th day of January, 2025, by
Nicole L. Espinosa, Clerk of the Downtown Development Authority of the Village of
 Calumet Chair

Lana R. Hyrkas
 Lana R. Hyrkas Notary Public
 Acting in: Houghton County
 My commission expires: 07-31-2028



Owner's Execution of Purchase Agreement:

Vianis Realty, LLC

Dated: 1/9/25

By: Morten Haugland
Its: Manager/Authorized Member

STATE OF MICHIGAN }

COUNTY OF HOUGHTON }

Acknowledged before me on this 9th day of January, 2025, by Morten Haugland,
manager/authorized member of Vianis Realty, LLC.

Angela A. Cline Notary Public

Acting in: Houghton County

My commission expires: 8/17/2029

Drafted by:

Wm Paul Slough
KIRKPATRICK, SLOUGH
DUITSMAN-COY & MOTT, PLC
Attorneys for Village of Calumet
145 North Otsego Avenue
Gaylord, MI 49735
(989) 732-2912, ext. 3

ANGELA A CLINE
Notary Public - State of Michigan
County of Houghton
My Commission Expires Aug 17, 2029
Acting in the County of Houghton

