

**VILLAGE OF SPARTA**  
Kent County, Michigan  
**Village Council Meeting**  
**Monday, March 11, 2024 at 7:00 PM**  
**75 N. Union St. (Sparta Civic Center)**

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Roll Call**

**4. Additions or Corrections to Consent and Business Agenda**

Consent Agenda:

- a. *Approve Regular Village Council Meeting Minutes of February 12, 2024*
- b. *Approve Special Council Meeting Minutes of February 26, 2024*
- c. *Approve Fire Board Minutes of February 22, 2024*

**5. Approval of Consent and Business Agenda**

**6. Public Comment for Agenda Item**

Please Note: This Public Comment portion of the meeting is reserved for comment on agenda items. Personal or abusive attacks on Council members, staff members, or other participants will not be tolerated and may result in the Village President taking action, up to and including, having the speaker removed from the meeting by law enforcement officers.

**7. Public Hearing**

- a. Res. 24-06 A resolution to approve the Baker Investments IFT Application
- b. MNRTF Grant Application
- c. DNR Rec Passport Grant Application

**8. Old Business**

- a. None.

**9. New Business**

- a. Res. 24-06 A resolution to approve the Baker Investments IFT Application
- b. Res. 24-07 A Resolution endorsing the MNRTF Grant Application
- c. Res. 24-08 A Resolution endorsing the DNR Rec Passport Grant Application
- d. Res. 24-09 A resolution requesting that MDOT add the Loomis St. bridge to the local bridge funding program for 2027
- e. Res. 24-10 A resolution to purchase, acquire & construct capital improvement and to publish notice of intent to issue municipal securities
- f. Res. 24-11 A resolution to adopt a fund balance policy for the Village of Sparta
- g. Snow Removal Proposal

**10. Village Manager & Department Reports**

**11. Communications**

- a. Clean-Up Day Volunteer Sign-Up
- b. Habitat for Humanity Lot Purchase

**12. Payment of Bills**

**February Payables**

PAYABLES	
(101) General Fund	\$127,982.45
(202) Major Street Fund	\$18,843.43
(203) Local Street Fund	\$14,860.00
(581) Airport	\$45,325.63
(590) Sewer Department Fund	\$55,414.51
(591) Water Department Fund	\$49,195.11
(661) Equipment Rental Fund	\$3,969.31
<b>Total</b>	<b>\$315,590.44</b>

Informational:

(206) Fire Department	\$8,453.67
(208) SRA Park Fund	\$214.27
(248) Downtown Development Authority	\$4,972.13
<b>Total</b>	<b>\$13,640.07</b>

**13. Public Comment**

**14. Council Member Announcements**

**15. Adjournment**



## **ACTION MEMO**

### **Staff Communication**

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**DATE:** March 11, 2024  
**TO:** Village President Whalen and Members of Council  
**FROM:** James A. Lower, Village Manager  
**RE:** Res. 24-06 IFT Certificate Application

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#### **SUMMARY OF REQUEST:**

Baker Investments LLC is requesting an Industrial Facilities Tax Abatement for the \$2,620,000 new industrial construction they are in the process of completing. The application states that the IFT will help them create local jobs.

The request would abate half of the tax burden on the new addition for a period of 12 years for all local taxing entities. This is a tool commonly used in the State of Michigan as an incentive for industrial development. The village has approved many such requests in the past.

#### **FINANCIAL IMPACT:**

The fiscal impact could be looked at as either positive or negative depending on one's perspective. It is positive from the point of view that the tax revenue from the addition is all new revenue. So, even though the village is abating half of that revenue for the business, it is still getting new revenue. In theory this tool is meant for projects that otherwise would not have happened. However, if the abatement was not actually needed for the project to go forward, then one could argue approving the abatement would cost the village and all taxing authorities all the revenue in question. This is a matter of opinion and policy for the council to decide.

#### **BUDGET ACTION REQUIRED:**

None.

#### **STAFF RECOMMENDATION:**

If the council wishes to move forward after the public hearing and consideration of the request, then I would suggest a motion to adopt Res. 24-06.

**VILLAGE COUNCIL  
VILLAGE OF SPARTA  
Kent County, Michigan**

Councilmember \_\_\_\_\_, supported by Councilmember \_\_\_\_\_, moved the adoption of the following resolution:

**RESOLUTION NO. 24-06  
A RESOLUTION APPROVING THE BAKER INVESTMENT PROPERTIES, LLC.  
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE APPLICATION**

**WHEREAS**, Act 198 of the Public Acts of Michigan of 1974, as amended (“Act 198”), authorizes the Village to approve applications for Industrial Facilities Exemption Certificates; and

**WHEREAS**, pursuant to Act 198 and after a duly noticed public hearing held on February 12, 2024, The Village of Sparta, by its resolution 24-03 adopted February 12, 2024, established an Industrial Development District as legally described in said resolution; and

**WHEREAS**, Baker Investment Properties LLC, has filed an application for an Industrial Facilities Exemption Certificate with respect to new facility investment of \$2,620,000.00 to be installed within the Industrial Development District located at 275 Hickory Street, Sparta MI 49345 established by Resolution; and

**WHEREAS**, before acting on said application, the Village Council held a public hearing on March 11, 2024, at which hearing the applicant, the Assessor, the Public and a representative of the affected taxing units were given notice by certified mail and were afforded an opportunity to be heard on said application and notice of the public hearing was published at least fifteen (15) prior to the hearing; and

**WHEREAS**, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the Village of Sparta; and

**WHEREAS**, the aggregate SEV of real property exempt from ad valorem taxes within the Village of Sparta, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of real property thus exempted; and

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. This Village Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of Village of Sparta, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the Village of Sparta.

2. The application from Baker Investment Properties LLC for an Industrial Facilities Exemption Certificate, with respect to a New Facility on the following described parcels of real property situated within the Industrial Development District established by Resolution, to wit:

PN: 41-05-23-127-013

*Legal Description:* LOTS 5 THRU 14 INCL BLK 9 ALSO E 25 FT OF THAT PART OF VAC PORTION OF E RAILROAD ST ADJ TO SD LOTS ON THE W \* NASH'S FIRST ADD. SPLIT/COMBINED ON 01/11/2024 FROM 41-05-23-127-003, 41-05-23-127-012

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of twelve years after completion of construction.
4. This approval is conditioned upon the Facility operating and remaining upon the Property, unless other arrangements are made in accordance with the industrial facilities exemption agreement.
5. Approval of the application of Baker Investment Properties LLC for an Industrial Facilities Exemption Certificate is conditioned upon the Village and Baker Investment Properties LLC entering into an agreement as required by Section 22 of Act 198.
6. The Village Manager and Clerk are authorized to execute the Industrial Facilities Exemption Agreement, in such form that meets with satisfaction of the Village attorney.
7. All resolutions or parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

**YEAS:**

**NAYS:**

**ABSENT:**

**ABSTAIN:**

**RESOLUTION DECLARED ADOPTED**

**CERTIFICATION**

As its Clerk, I certify that this is a true and complete copy of a resolution adopted by the Village Council of the Village of Sparta, Kent County, Michigan, at a regular meeting held on March 12, 2024

Date: March 12, 2024

Katy Shelton, Village Clerk

\_\_\_\_\_



## **ACTION MEMO**

### **Staff Communication**

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**DATE:** March 11, 2024  
**TO:** Village President Whalen and Members of Council  
**FROM:** James A. Lower, Village Manager  
**RE:** Res. 24-07 MNRTF Grant Application

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#### **SUMMARY OF REQUEST:**

During our CIP budget process, we identified two park projects as priorities for next year. They are both included in the new Parks & Recreation Master Plan as well. The first is adding parking and accessibility to the Rogue River Park. As you can see in the attached conceptual drawing, we are envisioning a parking area with ADA accessible kayak launch just off of 13 Mile.

This project, if approved, will become an icon for the village. The new trailhead will welcome people into town as they enter from the East. It will allow kayakers to access the river and serve as a building block for future expansions of recreation opportunities. We also plan to add basically an identical facility on North Division Ave near Sparta Airport in the future. This location will serve as an exit point for those floating down stream. It could also be an entrance point for boaters going towards the Rockford Dam.

The application is due by April 1, 2024 but this would be a 2025 construction project.

#### **FINANCIAL IMPACT:**

The village will be responsible for a \$100,000 match if approved.

#### **BUDGET ACTION REQUIRED:**

If the grant is approved, we will include the project in the FY2025 budget. It is already in the CIP.

#### **STAFF RECOMMENDATION:**

A motion to approve resolution 24-07.

**VILLAGE COUNCIL  
VILLAGE OF SPARTA  
Kent County, Michigan**

Council member \_\_\_\_\_, supported by Council member \_\_\_\_\_ moved the adoption of the following resolution:

**RESOLUTION NO. 24-07**

**RESOLUTION RECOMMENDING ENDORSEMENT OF AN APPLICATION UNDER THE MICHIGAN NATURAL RESOURCES TRUST FUND PROGRAM FOR THE VILLAGE OF SPARTA TO IMPROVE THE ROUGE RIVER PARK**

**WHEREAS**, the Village of Sparta desires to construct a parking lot, kayak launch, and ADA accessible facility for Rogue River Park; and,

**WHEREAS**, improvements to these improvement to the Rogue River Park are identified in the 2023-2027 Village of Sparta Parks and Recreation Master Plan as a priority; and,

**WHEREAS**, water trails and access points are eligible for funding through the Michigan Department of Natural Resources, Natural Resources Trust Fund Program; and,

**WHEREAS**, the Village of Sparta has prepared a grant request for \$281,450.00 from the MNRTF Program to assist in funding the \$381,450 construction project; and,

**WHEREAS**, public input on the proposed grant was solicited during the meeting of the Village Council on March 11, 2024, as part of the regular meeting of the Village Council; and,

**WHEREAS**, the MNRTF Program Grant Application requires a minimum 25% local match for any grant application; and,

**WHEREAS**, the Village of Sparta has identified \$100,000.00, 26.2% of the project cost to serve as the local match.

**NOW, THEREFORE, BE IT RESOLVED**, that the Sparta Village Council hereby expresses its support for, and authorizes submission of, an application to the MNRTF Program for funds to construct the Rogue River Park Improvements.

**YEAS:** Councilmembers:

**NAYS:** Councilmembers:

**ABSENT:** Councilmembers:

**ABSTAIN:** Councilmembers:

**Resolution declared adopted.**

**CERTIFICATION**

As its Clerk, I certify that this is a true and complete copy of a resolution adopted by the Village Council of the Village of Sparta, Kent County, Michigan, at a regular meeting held on March 11, 2024

Date: March 11, 2024

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Katy Shelton, Village Clerk

## **ACTION MEMO**

### **Staff Communication**

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**DATE:** March 11, 2024  
**TO:** Village President Whalen and Members of Council  
**FROM:** James A. Lower, Village Manager  
**RE:** Res. 24-08 Rec Passport Grant Application

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### **SUMMARY OF REQUEST:**

During our CIP budget process, we identified two park projects as priorities for next year. They are both included in the new Parks & Recreation Master Plan as well. The this is the second project that I alluded to in the last agenda item. This grant would be used to construct parking facilities and an ADA accessible playground just North of the Childcare Center at Nash Park.

The playground will feature equipment tailored to kids of special needs. Specifically, we are applying to add an accessible merry-go-round as well as musical type play equipment. This will be in addition to traditional style playground equipment. The inclusive pieces can be enjoyed by all kids.

I know council was excited about this idea when we last spoke about it. I like all elements of the plan, but I think the inclusive merry-go-round will be a big hit with the Sparta area kids.

The application is due by April 1, 2024 but this would be a 2025 construction project.



Inclusive Whirl from GameTime - Inclusive Merry Go Round for Playgrounds



**FINANCIAL IMPACT:**

The village will be responsible for a \$55,000 match if approved.

**BUDGET ACTION REQUIRED:**

If the grant is approved, we will include the project in the FY2025 budget. It is already in the CIP.

**STAFF RECOMMENDATION:**

A motion to approve resolution 24-08.

**VILLAGE COUNCIL  
VILLAGE OF SPARTA  
Kent County, Michigan**

Council member \_\_\_\_\_, supported by Council member \_\_\_\_\_ moved the adoption of the following resolution:

**RESOLUTION NO. 24-08**

**RESOLUTION RECOMMENDING ENDORSEMENT OF AN APPLICATION UNDER THE MICHIGAN NATURAL RESOURCES RECREATION PASSPORT PROGRAM FOR THE VILLAGE OF SPARTA TO IMPROVE NASH PARK**

**WHEREAS**, the Village of Sparta desires to construct a parking lot and ADA accessible playground facilities for Nash Park; and,

**WHEREAS**, these improvement to Nash Park are identified in the 2023-2027 Village of Sparta Parks and Recreation Master Plan as a priority; and,

**WHEREAS**, parking and accessible playground equipment are eligible for funding through the Michigan Department of Natural Resources, Natural Resources Trust Fund Program; and,

**WHEREAS**, the Village of Sparta has prepared a grant request for \$150,000 from the MNRTF. Program to assist in funding the \$205,000 construction project; and,

**WHEREAS**, public input on the proposed grant was solicited during the meeting of the Village Council on March 11, 2024, as part of the regular meeting of the Village Council; and,

**WHEREAS**, the MDNR Rec Passport Program Grant Application requires a minimum 25% local match for any grant application; and,

**WHEREAS**, the Village of Sparta has identified \$55,000, 26.8% of the project cost to serve as the local match.

**NOW, THEREFORE, BE IT RESOLVED**, that the Sparta Village Council hereby expresses its support for, and authorizes submission of, an application to the MDRN Recreation Passport Program for funds to construct the Nash Park Improvements.

**YEAS:** Councilmembers:

**NAYS:** Councilmembers:

**ABSENT:** Councilmembers:

**ABSTAIN:** Councilmembers:

**Resolution declared adopted.**

**CERTIFICATION**

As its Clerk, I certify that this is a true and complete copy of a resolution adopted by the Village Council of the Village of Sparta, Kent County, Michigan, at a regular meeting held on March 11, 2024

Date: March 11, 2024

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Katy Shelton, Village Clerk



## **ACTION MEMO**

### **Staff Communication**

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**DATE:** February 28, 2024  
**TO:** Village President Whalen and Members of Council  
**FROM:** William Hunter, Director of Public Works  
**RE:** Inspection Report Summary and Recommendations for Loomis Bridge

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#### **INTRODUCTION:**

This report summarizes the findings from the recent inspection of the Loomis Bridge in the Village of Sparta conducted by OHM Engineering on November 10, 2023. The examination has revealed several critical issues concerning the structural integrity and safety of the bridge, necessitating immediate action.

#### **INSPECTION SUMMARY:**

1. Bridge Description: The Loomis Bridge is a precast concrete side-by-side box beam bridge on concrete abutments constructed in 1971. It features post-tensioned tie rods and is built on abutments dating back to 1920.
2. Condition Assessment:
  - a. Tie Rods: The tie rods have rusted and broken, with visible deterioration extending from the beam fascia. This compromises the structural integrity of the beams.
  - b. Beams: There are observable cracks and spalling on the beam bottoms, exposing the prestressing strands and indicating significant deterioration.
  - c. Abutments: The abutments show large cracks and spalling surfaces. The lack of available plans categorizes them as unknown foundations, posing a potential scour risk, albeit mitigated by existing heavy riprap.
3. Railings and Deck: The bridge railings, comprising double guardrail sections on timber posts, show significant wear, with many posts split and compromised. The bridge deck's width is substandard compared to the approach roads, affecting vehicular safety.

#### **RECOMMENDATION:**

Long-Term Solution: Given the bridge's age, condition, and safety hazards identified, we recommend applying for bridge replacement under the MDOT Local Bridge Program. The deadline for the application is in early April.

#### **CONCLUSION:**

The Loomis Bridge's current state necessitates immediate action to ensure public safety and maintain transportation efficiency within the Village of Sparta.

**FINANCIAL IMPACT:**

Bridge Replacement will be \$1,846,000, and Approach Work will be \$ 354,000, with the total project being \$ 2,197,000.00. The local share of the village portion of the construction cost is 5%, which comes to \$109,850.00

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

A motion to adopt Res. 24-09.

**ATTACHMENTS:**

- Inspection Report by OHM Engineering, dated November 10, 2023
- OHM Bridge Inspection
- Resolution

**VILLAGE COUNCIL  
VILLAGE OF SPARTA  
Kent County, Michigan**

Councilmember \_\_\_\_\_, supported by Councilmember \_\_\_\_\_, moved the adoption of the following resolution:

**RESOLUTION NO. 24-09**

**A RESOLUTION OF THE VILLAGE OF SPARTA REQUESTING  
THAT THE MICHIGAN DEPARTMENT OF TRANSPORTATION  
INCLUDE THE STRUCTURE ON LOOMIS STREET  
IN THE LOCAL BRIDGE PROGRAM FOR 2027 FUNDING**

**WHEREAS**, OHM Advisors, Consulting Engineers for the Village of Sparta, has completed inspections of the Village bridges and,

**WHEREAS**, based on the inspections, the consulting engineers prepared bridge inspection reports and made the recommendation that the structure on Loomis Street over Nash Creek is in need of full replacement.

**WHEREAS**, based on the findings and recommendations of the Consulting Engineers, the Director of the Department of Public Works recommends that the Village Council authorize the Village Manager to make an application to the Michigan Department of Transportation to include the structure on Loomis Street on the Local Bridge Program for replacement.

**NOW, THEREFORE, BE IT RESOLVED** that the Village of Sparta is actively seeking financial participation for the bridges and authorizes its Village Manager to make an application to the Michigan Department of Transportation to include the bridges on the State Local Bridge Program list for funding, to make an application for financial assistance from the State of Michigan and Federal government and to do those things reasonably necessary or required in order to accomplish the replacement of this structure.

RECORD OF VOTE:

**YEAS:**

**NAYS:**

**ABSENT:**

**ABSTAIN:**

**RESOLUTION DECLARED ADOPTED**

**CERTIFICATION**

As its Clerk, I certify that this is a true and complete copy of a resolution adopted by the Village Council of the Village of Sparta, Kent County, Michigan, at a regular meeting held on March 12, 2024

Date: March 12, 2024

Katy Shelton, Village Clerk

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## **ACTION MEMO**

### **Staff Communication**

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**DATE:** March 11, 2024  
**TO:** Village President Whalen and Members of Council  
**FROM:** James A. Lower, Village Manager  
**RE:** Res. 24-10 Notice of Intent to Bond

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#### **SUMMARY OF REQUEST:**

The attached resolution will allow the village to issue municipal securities later this year for the new Village Complex project. The notice will give us authority to bond up to \$4,000,000 for the project. However, we are planning on a \$3M project and will be asking the council do use \$1M of fund balance towards the project. Therefore, I only anticipating borrowing \$2M. We can replenish a portion of the \$1M we take out of fund balance when we sell our facility downtown. Or, we could put those proceeds towards the debt. We can make those decisions later. The resolution simply will allow us to provide the public notices of our plans and start the bond process formally. We will vote on the actual bond amounts and details once they are known at a later date.

#### **FINANCIAL IMPACT:**

Issuing the bond and making the payments will not requires us to raise taxes. We are planning for the bond payments in the upcoming budgets. At a \$2M issuance over 20 years at a rate of 3.9% we would have an annual payment of \$144,173.76. The actual numbers may vary. For example, we may want to pursue a 25-year bond or the interest could be slightly higher or lower. Either way, our finance director and I feel very confident about the villages ability to make these payments over the short and long run. We have several sources of new revenue coming online and we have identified and implemented many operational efficiencies and will continue to do so.

#### **BUDGET ACTION REQUIRED:**

This project is included in this year's budget and CIP.

#### **STAFF RECOMMENDATION:**

A motion to approve resolution 24-10.

**VILLAGE OF SPARTA  
(Kent County, Michigan)**

**Resolution 24-10**

**A RESOLUTION TO PURCHASE, ACQUIRE AND CONSTRUCT  
CAPITAL IMPROVEMENTS AND TO PUBLISH  
NOTICE OF INTENT TO ISSUE MUNICIPAL SECURITIES**

Minutes of a regular meeting of the Village Council of the Village of Sparta, Kent County, Michigan, held in the Village Hall on March 11, 2024, at 7:00 p.m. local time.

PRESENT: \_\_\_\_\_  
\_\_\_\_\_

ABSENT: \_\_\_\_\_

The following resolution was offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

WHEREAS, the Village Council deems it to be in the best interest of the Village of Sparta (the “Village”) to design, acquire and construct certain capital improvements, including without limitation, a new Village complex including, without limitation, village hall, council chambers and department of public works facilities and other building improvements, together with all related work, facilities, site work, parking improvements, furnishings, equipment, appurtenances and related facilities necessary or incidental thereto and such other capital improvements the Village shall determine to make and to pay the costs of issuance of municipal securities (the “Improvements”) and to finance the Improvements by the issuance of municipal securities which pledge the Village’s limited tax general obligation pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”); and

WHEREAS, the Village may proceed to acquire the Improvements prior to the issuance of the municipal securities; and

WHEREAS, the Village may incur substantial capital expenditures for the Improvements prior to the issuance of the municipal securities and desires to be reimbursed for such expenditures from the proceeds of the municipal securities; and

WHEREAS, pursuant to Section 517 of Act 34, it is necessary to publish a Notice of Intent to Issue Municipal Securities for the Improvements.

NOW, THEREFORE, BE IT RESOLVED that:

1. The Village Council hereby determines to design, purchase, acquire and construct the Improvements, and to pay for the cost through the issuance of one or more series of municipal securities, which pledge the Village’s limited tax full faith and credit, pursuant to Section 517 of Act 34, in an amount of not to exceed \$4,000,000 (the “Municipal Securities”).

2. A Notice of Intent to Issue Municipal Securities be published in accordance with Section 517 of Act 34, and the Village Manager is authorized and directed to publish the Notice of Intent to Issue Municipal Securities in a newspaper of general circulation in the Village, which Notice shall be substantially in the form as set forth on Exhibit A attached hereto with such changes as are approved by the Village Manager, and shall be at least one-quarter (1/4) page size in the newspaper.

3. The Village may proceed to design, acquire and construct the Improvements using available funds of the Village from the General Fund, a fund for the general operations of the Village and other funds of the Village.

4. At such time as the Village issues the Municipal Securities for the long-term financing of the acquisition of the Improvements, the Village shall be reimbursed for its expenditures for the Improvements out of the proceeds of the Municipal Securities.

5. This resolution and the expression of intent to seek reimbursement from future proceeds of the Municipal Securities is intended to satisfy the requirements of Section 150 of the Internal Revenue Code of 1986, as amended.

6. The firm of Dickinson Wright PLLC is hereby employed as bond counsel to the Village to prepare the documents for the issuance of the Municipal Securities for financing acquisition of the Improvements and the officers of the Village are authorized to enter into an engagement letter with Dickinson Wright PLLC.

7. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

YEAS: \_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Katy Shelton, Clerk



**CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Village Council of the Village of Sparta, Kent County, Michigan, at a meeting held on March 11, 2024, and that the public notice of the meeting was given pursuant to Act 267, Public Acts of Michigan, 1976, as amended.

Dated: March 11, 2024

\_\_\_\_\_  
Katy Shelton, Clerk

## **EXHIBIT A**

**[NOTE TO PUBLISHER - PUBLICATION MUST BE 1/4 PAGE SIZE]**

### **NOTICE OF INTENT TO ISSUE MUNICIPAL SECURITIES TO THE ELECTORS OF THE VILLAGE OF SPARTA**

PLEASE TAKE NOTICE that the Village Council of the Village of Sparta (the "Village") intends to issue municipal securities in one or more series, in an amount of not to exceed \$4,000,000 (the "Municipal Securities").

The Municipal Securities shall be issued for the purpose of defraying the cost to design, acquire and construct certain capital improvements, including without limitation, a new Village complex including, without limitation, village hall, council chambers and department of public works facilities and other building improvements, together with all related work, facilities, site work, parking improvements, furnishings, equipment, appurtenances and related facilities necessary or incidental thereto and such other capital improvements the Village shall determine to make and to pay the costs of issuance of municipal securities and capitalized interest, if any.

The Municipal Securities of this issue shall mature within the maximum terms permitted by law with interest on the unpaid balance at a rate not to exceed the maximum rate permitted by law. The Municipal Securities shall be issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34").

#### **SOURCE OF PAYMENT**

The Village intends to pay the principal of and interest on the Municipal Securities from available funds of the Village. The principal of and interest on the Municipal Securities will be limited tax full faith and credit general obligations of the Village, payable from any available funds of the Village. Pursuant to this pledge of its limited tax full faith and credit, in the event available funds of the Village are not sufficient to pay the principal of and interest on the Municipal Securities, the Village will be obligated to levy such ad valorem taxes upon all taxable property in the Village as shall be necessary to make the payments of principal and interest on the Municipal Securities, which taxes, however, will be limited by applicable constitutional, statutory and charter limitations on the taxing power of the Village.

#### **RIGHT OF REFERENDUM**

This notice is given, by order of the Village Council of the Village, to and for the benefit of the electors of the Village in order to inform them of their right to petition for a referendum upon the question of the issuance of the Municipal Securities. The Municipal Securities will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice a petition requesting a referendum upon such question, signed by not less than 10% or 15,000 of the registered electors residing within the Village, whichever is the lesser, shall have been filed with the undersigned Village Clerk. In the event that such a petition is filed, the Municipal Securities will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the Village qualified to vote and voting thereon at a general or special election.

This Notice is published pursuant to the requirements of Section 517 of Act 34.

Katy Shelton, Clerk  
Village of Sparta



## **ACTION MEMO**

### **Staff Communication**

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**DATE:** March 11, 2024  
**TO:** Village President Whalen and Members of Council  
**FROM:** James A. Lower, Village Manager  
**RE:** Res. 24-11 Fund Balance Policy

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#### **SUMMARY OF REQUEST:**

As part of our preparation for the bonding process our bond council and financial advisor asked us to send over a copy of our fund balance policy. It does not appear that the village currently has a formal written policy. The attached resolution corrects this and puts on paper essentially what our internal policy has been.

The policy says the village will not go below \$1,000,000 in unassigned GF fund balance. This is a huge amount for an organization our size. Our current fund balance for the general fund is \$3.7M. Even with the new building construction and our expected down payment, we do not anticipate getting close to \$1M in the near future. We should be able to keep it closer to \$2.5M or more. However, a policy of a minimum balance of \$1,000,000 will more than meet our needs. This represents roughly a 50% fund balance when you exclude grant revenues/expenditures and other onetime revenue sources.

#### **FINANCIAL IMPACT:**

This has no fiscal impact for today. However, establishing the policy will make our bond more attractive in the market and therefore help us yield a lower interest rate.

#### **BUDGET ACTION REQUIRED:**

None.

#### **STAFF RECOMMENDATION:**

A motion to approve resolution 24-11.

**VILLAGE COUNCIL  
VILLAGE OF SPARTA  
Kent County, Michigan**

Council member \_\_\_\_\_, supported by Council member \_\_\_\_\_ moved the adoption of the following resolution:

**RESOLUTION NO. 24-11**

**A RESOLUTION TO ADOPT A FUND BALANCE POLICY FOR THE VILLAGE OF SPARTA**

**WHEREAS**, the village Council deems it necessary to have an official policy as it relates to the varies fund balances held by the Village of Sparta; and

**WHEREAS**, The Governmental Accounting Standards Board (GASB) has issued Statement No. 54 regarding the classification of fund balance in governmental funds; and

**WHEREAS**, except in cases of emergency or financial distress, the village council would like to maintain a minimum \$1,000,000 in unassigned general fund balance at the conclusion of all future fiscal years.

**NOW THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF SPARTA**, that exhibit A of this resolution is formally adopted as the village of Sparta’s fund balance policy effective January 1, 2024

**YEAS:** Councilmembers:

**NAYS:** Councilmembers:

**ABSENT:** Councilmembers:

**ABSTAIN:** Councilmembers:

**Resolution declared adopted.**

**CERTIFICATION**

As its Clerk, I certify that this is a true and complete copy of a resolution adopted by the Village Council of the Village of Sparta, Kent County, Michigan, at a regular meeting held on March 11, 2024

Date: March 11, 2024

\_\_\_\_\_  
Katy Shelton, Village Clerk

Exhibit A:

**Village of Sparta**

COUNTY OF KENT, STATE OF MICHIGAN

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**FUND BALANCE POLICY (Governmental Funds)**

*Effective January 1, 2024*

**Background:**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54 regarding the classification of fund balance in governmental funds. The Village of Sparta will comply with this Statement effective in the fiscal year beginning January 1, 2024 and ending December 31, 2024. The Village Council established this Policy implementing the Statement.

**Fund Balance Classification:**

Governmental funds in the Village of Sparta accounts and financial statements will include the following classifications of fund balance:

1. Non-spendable fund balance: represents those resources that cannot be used to liquidate current liabilities because the related assets are either not in spendable form (e.g. prepaids, inventory, and long-term receivables) or because the related assets are required to be maintained intact (e.g. the corpus of an endowment).
2. Restricted fund balance: represents amounts that are restricted to use for a specific purpose by externally imposed requirement or enabling legislation.
3. Committed fund balance: represents amounts that are designated to be used for specific purposes as determined by formal action of the Village's highest level of decision-making authority. Such action must occur prior to the end of the fiscal year for which such amounts are being reported.

The Village Council, as the Village's highest level of decision-making authority, is the only entity capable of "committing" fund balance to a specific purpose. Such action shall be performed in a properly called and conducted meeting of the Council and shall require a majority vote of Council members.

4. Assigned fund balance: in the General Fund represents amounts that are intended to be used for specific purposes, but have not been so designated by the governing body.

Designation of amounts on the General Fund financial statements as "assigned fund balance" shall be the prerogative of the Village Treasurer. Such designations shall be reported to the Village Council in the monthly financial statements produced.

In governmental funds other than the General Fund, assigned fund balance includes all residual amounts not restricted or committed because the fund itself is created and maintained to support a specific purpose (e.g. the library).

5. Unassigned fund balance: represents all residual amounts, after the assignment of all of the foregoing categories, in the General Fund.

**Fund Balance "Spending" Prioritization:**

As required by GASB 54, the Village Council hereby establishes that the Village's policy shall be that when multiple classifications are available and appropriate for particular expenditures, fund balance will be "spent" first from the most restrictive category working toward unassigned fund balance. Relative "restrictiveness" of fund balance shall proceed from most to least in order of the five classifications listed in this policy, from one to five above.

**Minimum Fund Balance:**

For the General Fund, the budget shall be prepared and activities managed to result in an ending unassigned fund balance of at least \$1,000,000, except in case of emergency or financial distress. Circumstances of emergency or distress shall be reported to the Village Council at the earliest practical time. Upon such reports, Council may direct that additional action be taken to preserve the minimum fund balance.

**Status of this Policy:**

The terms and conditions of this policy shall supersede and replace other statements by the Village of Sparta on the same subject. This policy shall remain in force and effect until replaced or contradicted by later action of the Sparta Village Council or other competent authority.



# MEMO

**To:** Village Council

Jim Lower, Village Manager

**From:** William Hunter, Director of Public Works

**Date:** February 6, 2024

**RE:** Proposal for Enhanced Snow Removal Operations in the Village

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## GENERAL

The current practice requires all property owners within the Village, whether occupied or vacant, to ensure that sidewalks abutting their parcels are cleared of snow and ice within 24 hours following a snowfall. The Village has approximately 117,887 feet of sidewalks, with the Department of Public Works (DPW) currently responsible for clearing about 36,716 feet after each snow event. This task requires about eight hours of effort from one DPW staff member.

We propose an amendment to this system, advocating for the DPW to expand its snow removal services to encompass all sidewalks within the Village's right of way. This strategic shift aims to significantly enhance safety, ensure compliance with local ordinances, and elevate the overall quality of life and community well-being in the Village. Herein, we detail the extensive benefits of this initiative and introduce a request to procure essential equipment to execute these operations effectively.

## ENHANCED SAFETY, COMPLIANCE AND SERVICE LEVEL

Centralizing snow removal under the DPW's jurisdiction will substantially lower the risk of accidents due to slips and falls, securing pedestrian safety across the Village. This initiative will also facilitate effortless compliance with local snow clearance ordinances for property owners, mitigating legal and financial burdens associated with non-compliance.

Upon completion of sidewalk snow removal, the proposed enhancement includes utilizing the new equipment to clear snow from sidewalk handicap ramps at intersections, significantly improving accessibility throughout the Village. This addition underscores our commitment to inclusivity and ensures that all community members can navigate the Village safely and easily, even in the aftermath of heavy snowfalls.

## ECONOMIC AND COMMUNITY ADVANTAGES

Delegating this responsibility to the DPW offers considerable convenience to property owners and fosters uninterrupted access to commercial establishments, which is crucial for minimizing business disruptions during winter. Preserving clear sidewalks can also contribute to maintaining or enhancing residential property values by ensuring that neighborhoods remain accessible and well-maintained.

## **PROPOSAL FOR EQUIPMENT AND ACQUISITION**

To support this expanded snow removal scope, we propose acquiring a Wacker Neuson WL 28 compact wheel loader. This equipment is ideal for our requirements, offering:

- Compact Design for maneuverability in constrained areas.
- Versatility with attachments for various snow removal tasks, including a regular bucket for clearing snow from sidewalk handicap ramps at intersections, further enhancing our level of service.
- High-Performance Hydraulic System for efficient snow removal.
- Enclosed is the heated Car, ensuring operator comfort and productivity in cold weather.
- Economic Efficiency: The investment in this equipment is justified by the long-term savings in labor costs and the enhanced efficiency of snow removal operations.

This essential machinery costs \$97,705.00, a worthwhile investment for the substantial improvements anticipated in operational efficiency, safety, compliance, and community service levels.

## **OPERATIONAL AND ECONOMIC IMPLICATIONS**

Implementing this proposal would require an estimated 10.24 to 15.37 staff hours per snow event. This expansion of services is expected to be accommodated within our existing operational budget, emphasizing our commitment to optimizing resources while enhancing service delivery. Snow removal will be prioritized as follows: streets, downtown areas, school routes, and other Village sidewalks, with the additional clearing of snow from sidewalk handicap ramps at intersections, ensuring comprehensive community service.

## **CONCLUSION**

Expanding the DPW's snow removal responsibilities to include all Village sidewalks and the subsequent clearing of snow from sidewalk handicap ramps at intersections aligns with the Council's goals of improving service levels, ensuring public safety, and fostering community inclusivity. This initiative promises significant safety and compliance benefits and highlights our dedication to enhancing the Village's overall livability and accessibility.

With the Council's support for this proposal and the approval for the equipment purchase, we are poised to significantly elevate our snow removal operations, thus serving our community more effectively and inclusively.

## **FINANCIAL IMPACT:**

The cost of services is \$ 97,705.00. We have enough funds in the motor pool fund to cover these costs.

## **BUDGET ACTION REQUIRED:**

None.

## **STAFF RECOMMENDATION:**

Staff recommends a motion to direct staff to remove snow from walks in the Village right of way and the purchase of a Wacker Neuson Compact Wheel Loader from Fredrickson Supply for \$97,705.00