







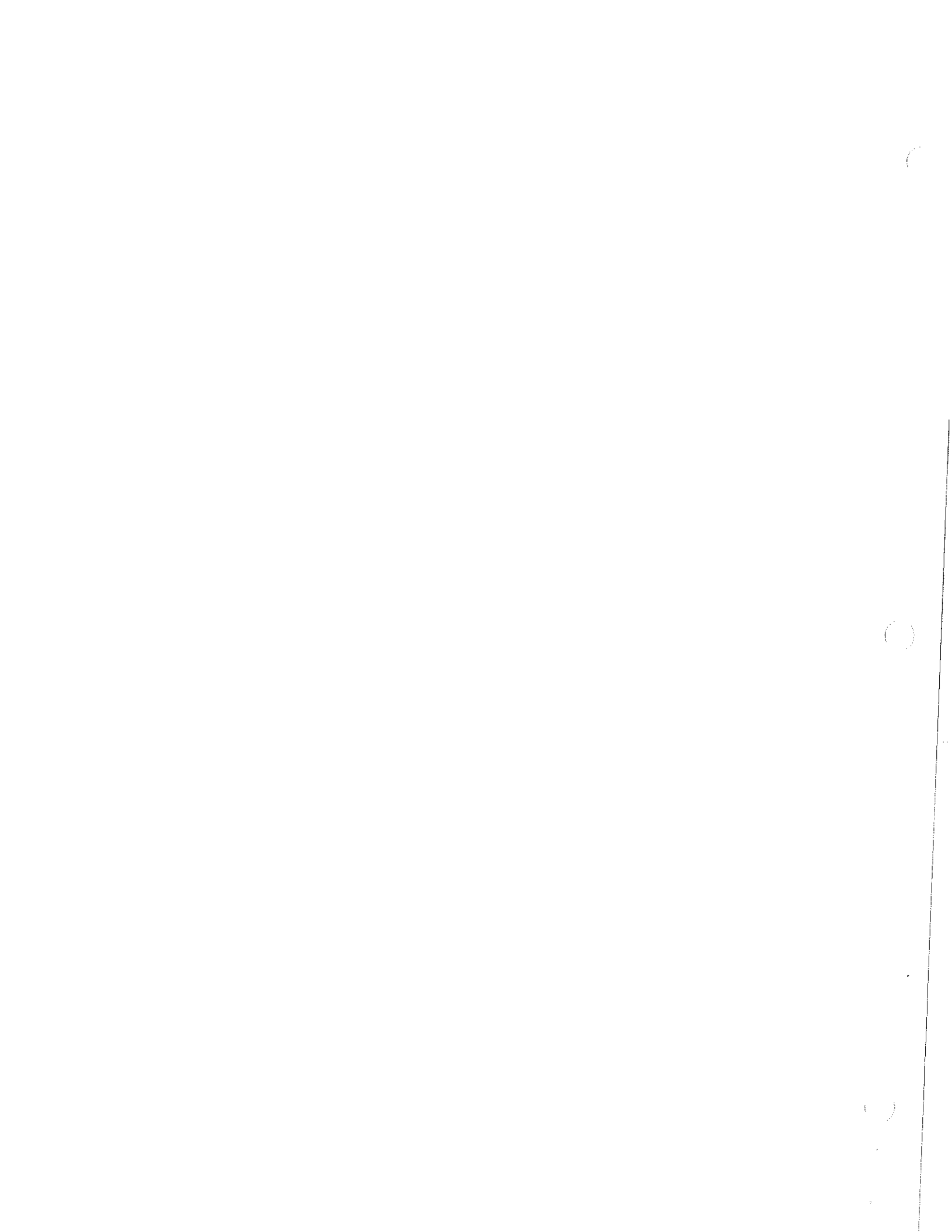
Council Chamber  
Hillsdale City Hall  
97 N. Broad Street  
Hillsdale, MI 49242

**February 18, 2013**  
7:00 p.m.  
(517)437-6441  
[www.cityofhillsdale.org](http://www.cityofhillsdale.org)


## CITY COUNCIL AGENDA


CITY OF HILLSDALE  
REGULAR MEETING


1. **Call to Order and Pledge of Allegiance**
2. **Roll Call**
3. **Approval of Agenda**
4. **Public Comments on Agenda Items**
5. **Consent Agenda**
  - A. Approval of Bills from January 31, 2013: Claims of \$81,258.27 Payroll of \$87,067.21  
Invoice Approval Summary By Vender of 1/31/13   
Invoice Approval Summary by Fund of 1/31/13 
  - B. Committee Reports (Pending Approval):
    1. Finance Minutes of February 4, 2013  
Minutes 2/4/13 
    2. BPU Minutes of February 12, 2013  
Minutes 2/12/13 
    3. TIFA Minutes of January 22, 2013  
Minutes 1/22/13 
    4. EDC Minutes of December 18, 2012  
Minutes 12/18/12 
    5. O&G Minutes of February 4, 2013




C. Resolution Establishing Dates for Board of Review


Establishing Board of Review Dates - City Manager 

Establishing Board of Review Dates Letter - Deb 

Establishing Board of Review Dates Resolution 3127 

**11. Miscellaneous**

Info Only- Charles Sharp Resignation from Boards 

Info Only- Investigation Assistance letter to Public Safety Director 

**12. General Public Comment**

**13. Adjournment**



VENDOR APPROVAL SUMMARY REPORT  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:24pm  
 Page: 1

Hillsdale City Offices

Vendor Name	Vendor Number	Description	Check Amount	Hand Check Amount
AMERICAN COPPER AND BRASS, LLC	2432	LAMP BULBS	91.00	0.00
APOLLO FIRE EQUIPMENT COMPANY	3830	TURNOUT GEAR REPAIR	88.06	0.00
ARBOR DAY FOUNDATION	2470	ANNUAL MEMBERSHIP - STACHOWICZ	15.00	0.00
AT & T MOBILITY	1965	NETWORK ACCESS FEE	138.77	0.00
AT&T	0048	TELEPHONE SERVICE1/2013	633.86	0.00
B. S. & A. SOFTWARE	3076	PERS PROP SUPPORT FOR 2013	760.00	0.00
BAKER & TAYLOR COMPANY	0011	Kids book order - Jan	611.09	0.00
BEAVER RESEARCH COMPANY	2491	DISINFECTANT	469.65	0.00
BECK CHEVROLET	0012	TANK FOR BUS #65	48.90	0.00
BOARD OF PUBLIC UTILITIES	0013	TELEPHONE SERVICES 1/2013	18,559.44	0.00
THE BOOK FARM, INC.	1124	Children's Books	631.67	0.00
CINTAS CORPORATION	0020	RUGS FOR CITY HALL	530.65	0.00
CLARK HILL	2029	LEGAL SERVICES: CADENCE	160.00	0.00
CURRENT OFFICE SOLUTIONS	0035	STORAGE BOXES	185.12	0.00
MAID FOR YOU D.B.A.	2046	Cleaning & Supplies	679.50	0.00
DORNBOS SIGN & SAFETY INC	2170	TAPE FOR BARRICADE/SIGNS	1,166.91	0.00
GALL'S, INC.	2158	BOOTS - FIRE DPT	210.47	0.00
GELZER & SON INC.	0027	KEYS/FITTINGS	215.67	0.00
GODFREY BROTHERS, INC.	2132	HUB, SPROCKET, SHAFT KEY - #54.4	42.64	0.00
HALT FIRE, INC.	1524	FUEL TANK REPAIR - ENG 333	1,511.25	0.00
HEFFERNAN SOFT WATER SERVICE	3248	WATER	55.25	0.00
HILLSDALE DAILY NEWS	0034	PUBLIC NOTICES-PLANNING	297.65	0.00
INDIANA NORTHEASTERN RAILROAD	3813	RR MAINTENANCE FOR 2012	4,590.00	0.00
JACKSON TRUCK SERVICE INC.	0086	FILTER	379.80	0.00
JONESVILLE LUMBER	2326	MATERIALS FOR PICNIC TABLES/	511.77	0.00
LARGE PRINT OVERSTOCKS	2079	BOOKS	110.17	0.00
LEUTHEUSER	0912	SERVICE REPAIRS ON UNIT 2-2	2,062.22	0.00
LIBRARY OF MICHIGAN FOUNDATION	1694	Affiliation Renewal MCFTB	250.00	0.00
LYDEN OIL COMPANY	0440	KENDAL 15W40 OIL, GREASE	1,170.80	0.00
M.S.	2359	CONTRIBUTIONS FOR JAN 2013	0.00	30,133.69
MICHIGAN ASSOC. OF FIRE CHIEF	0245	2013 MAFC MEMBERSHIP RENEWAL	170.00	0.00
MICHIGAN GAS UTILITIES	0081	MICH GAS 1/2013 - DART	5,479.38	0.00
MICHIGAN RESTAURANT ASSOCIATIO	2175	MEMBERSHIP - TIFA	150.00	0.00
MONAGHAN, P.C.	1789	LEGAL SERVICES 12/2012	770.18	0.00
NONIK TECHNOLOGIES, INC.	1392	COMPUTER SUPPORT	1,728.49	0.00
NORM'S TIRE SERVICE	0277	TIRE FOR #34	269.61	0.00
NYE UNIFORM COMPANY	0092	PANTS-PHILLIPS (HAMMOND)	489.90	0.00
OLD DOMINION BRUSH	0110	PUMP	1,881.12	0.00
PARNEY'S CAR CARE	2412	STRUTS 2-2	976.23	0.00
PAYROLL ACCOUNT	0242	PAYROLL 1/31/2013	0.00	87,067.21
PERFORMANCE AUTOMOTIVE	0961	RETURN CORE FOR #65	764.41	0.00
PHILLIPS STEEL CORPORATION	2861	GALV SIGN POST W/HOLES	266.42	0.00
KAREN POWERS	0588	BARRELS FOR PARKS	200.00	0.00
RANDOM HOUSE, INC.	1388	Fall BOT order	71.25	0.00
SPRATT'S	0088	LP GAS	44.00	0.00
SUN LIFE ASSURANCE COMPANY	1239	LIFE & DISABILITY INS 2/2013	1,017.92	0.00
THOMAS HEAVY EQUIPMENT REPAIR	3676	HAUL BUS #67 TRANSMISSION LOCK	150.00	0.00
TRUCK & TRAILER SPECIALTIES	0442	CURB GUARD, WRAP AROUND	110.92	0.00
UPSTART	2761	Summer Reading Supplies	328.79	0.00
WALMART COMMUNITY	3104	SUPPLIES FOR LIBRARY	17.26	0.00
WHITES WELDING SERVICE	2174	TURN DOWN PULLEY HUB FOR #54.4	44.40	0.00
WITMER ASSOCIATES INC.	1372	FREIGHT	16.99	0.00
Grand Total:			51,124.58	117,200.90



INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 1

Hillsdale City Offices

Fund	Department	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: GENERAL FUND							
Dept:							
101-000.000-214.750		DUE TO IMP	PAYROLL ACCOUNT	368		01/31/2013	63,259.82
			PAYROLL 1/31/2013				
101-000.000-228.003		DUE TO MME	M.E.R.S.	369		01/31/2013	8,728.19
			CONTRIBUTIONS FOR JAN 2013		19175-11		
							-----
					Total		71,988.01
Dept: CITY MANAGER							
101-172.000-715.000		HEALTH AND	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	13.60
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
101-172.000-716.000		RETIREMENT	M.E.R.S.	369		01/31/2013	665.76
			CONTRIBUTIONS FOR JAN 2013		19175-11		
101-172.000-721.000		DISABILITY	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	55.00
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
							-----
					Total CITY MANAGER		734.36
Dept: ADMINISTRATIVE SERVICES							
101-175.000-801.000		CONTRACTUA	NONIK TECHNOLOGIES, INC.	70266		01/31/2013	1,540.00
			COMPUTER SUPPORT		5195		
101-175.000-806.000		LEGAL SERV	CLARK HILL	70245		01/31/2013	160.00
			LEGAL SERVICES: CADENCE		476510		
							-----
					Total ADMINISTRATIVE SERVICES		1,700.00
Dept: ASSESSING DEPARTMENT							
101-209.000-716.000		RETIREMENT	M.E.R.S.	369		01/31/2013	527.94
			CONTRIBUTIONS FOR JAN 2013		19175-11		
101-209.000-721.000		DISABILITY	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	-12.89
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
							-----
					Total ASSESSING DEPARTMENT		515.05
Dept: CITY CLERK DEPARTMENT							
101-215.000-715.000		HEALTH AND	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	6.80
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
101-215.000-716.000		RETIREMENT	M.E.R.S.	369		01/31/2013	193.39
			CONTRIBUTIONS FOR JAN 2013		19175-11		
101-215.000-721.000		DISABILITY	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	14.91
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
							-----
					Total CITY CLERK DEPARTMENT		215.10
Dept: FINANCE DEPARTMENT							
101-219.000-715.000		HEALTH AND	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	6.80
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
101-219.000-716.000		RETIREMENT	M.E.R.S.	369		01/31/2013	363.27
			CONTRIBUTIONS FOR JAN 2013		19175-11		
101-219.000-721.000		DISABILITY	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	22.84
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
							-----
					Total FINANCE DEPARTMENT		392.91
Dept: CITY TREASURER							
101-253.000-715.000		HEALTH AND	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	6.80
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
101-253.000-716.000		RETIREMENT	M.E.R.S.	369		01/31/2013	55.05
			CONTRIBUTIONS FOR JAN 2013		19175-11		
101-253.000-721.000		DISABILITY	SUN LIFE ASSURANCE COMPANY	70277		01/31/2013	7.28
			LIFE & DISABILITY INS 2/2013		20894 2/2013		
101-253.000-801.000		CONTRACTUA	B. S. & A. SOFTWARE	70237		01/31/2013	500.00
			SPECIAL ASSMNT SUPPORT 2013		87414		
101-253.000-801.000		CONTRACTUA	B. S. & A. SOFTWARE	70237		01/31/2013	260.00
			PERS PROP SUPPORT FOR 2013		87726		
							-----
					Total CITY TREASURER		829.13
Dept: BUILDING AND GROUNDS							
101-265.000-726.000		SUPPLIES	HEFFERNAN SOFT WATER SERVICE	70253		01/31/2013	24.35
			WATER		50265		
101-265.000-726.000		SUPPLIES	AMERICAN COPPER AND BRASS, LLC	70232		01/31/2013	55.84
			BREAKER KIT/LAMPS		1301459		
101-265.000-726.000		SUPPLIES	AMERICAN COPPER AND BRASS, LLC	70232		01/31/2013	35.16
			LAMP BULBS		1301458		
101-265.000-801.000		CONTRACTUA	CINTAS CORPORATION	70244		01/31/2013	20.00
			RUGS FOR CITY HALL		351627208		
101-265.000-801.000		CONTRACTUA	CINTAS CORPORATION	70244		01/31/2013	20.00
			RUGS FOR CITY HALL		351629082		

INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 2

Hillsdale City Offices

Fund Department Account	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: GENERAL FUND						
Dept: BUILDING AND GROUNDS						
101-265.000-801.000	CONTRACTUA	CINTAS CORPORATION RUGS FOR CITY HALL	70244	351629722	01/31/2013	20.00
101-265.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	1,334.61
101-265.000-920.000	UTILITIES	MICHIGAN GAS UTILITIES MICHIGAN GAS SERVICE-CITY HALL	70263	4609268-0 1/13	01/31/2013	975.31
101-265.000-920.000	UTILITIES	MICHIGAN GAS UTILITIES MICHIGAN GAS SERVICE-MITCHELL	70263	5176359-7 1/2013	01/31/2013	565.34
101-265.000-925.000	TELEPHONE	AT&T TELEPHONE SERVICE 1/2013	70236	517437098301 1/2013	01/31/2013	313.95
101-265.000-925.000	TELEPHONE	BOARD OF PUBLIC UTILITIES TELEPHONE SERVICES 1/2013	70241		01/31/2013	1,358.09
						4,722.65
Total BUILDING AND GROUNDS						
Dept: PARKING LOTS						
101-266.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	270.27
						270.27
Total PARKING LOTS						
Dept: CEMETERIES						
101-276.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	26.28
						26.28
Total CEMETERIES						
Dept: AIRPORT						
101-295.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER SERVICE WATER	70253	50265	01/31/2013	5.35
101-295.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	838.35
101-295.000-925.000	TELEPHONE	AT&T AT&T PHONE SERVICES	70236	517439429101 1/2013	01/31/2013	49.79
101-295.000-925.000	TELEPHONE	AT&T TELEPHONE SERVICE 1/2013	70236	517437098301 1/2013	01/31/2013	190.47
						1,083.96
Total AIRPORT						
Dept: POLICE DEPARTMENT						
101-301.000-715.000	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	108.80
101-301.000-716.000	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	14,239.93
101-301.000-721.000	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	291.56
101-301.000-726.000	SUPPLIES	CURRENT OFFICE SOLUTIONS STORAGE BOXES	70246	178548	01/31/2013	62.79
101-301.000-742.000	CLOTHING /	NYE UNIFORM COMPANY COMBINATION BARS	70268	401185	01/31/2013	106.20
101-301.000-742.000	CLOTHING /	NYE UNIFORM COMPANY COAT/SGT STRIPES - PRATT	70268	405499	01/31/2013	234.57
101-301.000-742.000	CLOTHING /	NYE UNIFORM COMPANY PANTS-PHILLIPS (HAMMOND)	70268	406302	01/31/2013	62.50
101-301.000-801.000	CONTRACTUA	AT & T MOBILITY NETWORK ACCESS FEE	70235	287243202540X01252013	01/31/2013	138.77
						15,245.12
Total POLICE DEPARTMENT						
Dept: FIRE DEPARTMENT						
101-336.000-715.000	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	34.00
101-336.000-716.000	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	3,505.83
101-336.000-721.000	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	62.85
101-336.000-726.000	SUPPLIES	BEAVER RESEARCH COMPANY CLEANING SUPPLIES	70239	189847	01/31/2013	199.65
101-336.000-726.000	SUPPLIES	CURRENT OFFICE SOLUTIONS PENS/POST ITS	70246	61550	01/31/2013	28.98
101-336.000-726.000	SUPPLIES	GELZER & SON INC. BULBS	70250	C36995	01/31/2013	18.98
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIVE PAINT/WIRE FOR #333	70272	1051210	01/31/2013	34.60
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIVE HOSE FOR #333	70272	1051373	01/31/2013	21.79



INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 3

Hillsdale City Offices

Fund Department	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: GENERAL FUND						
Dept: FIRE DEPARTMENT						
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIVE SILICONE/SPLIT LOOM FOR #333	70272	1051491	01/31/2013	10.16
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIVE REPAIR KIT FOR FIRE STATION	70272	1051534	01/31/2013	7.09
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIVE COUPLERS FOR FIRE STATION	70272	1051660	01/31/2013	47.10
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIVE REPAIR KIT FOR FIRE STATION	70272	1051677	01/31/2013	7.09
101-336.000-742.000	CLOTHING /	APOLLO FIRE EQUIPMENT COMPANY TURNOUT GEAR REPAIR	70233	83187	01/31/2013	88.06
101-336.000-742.000	CLOTHING /	GALL'S, INC. PANTS - FIRE DPT	70249	304677	01/31/2013	38.99
101-336.000-742.000	CLOTHING /	GALL'S, INC. BOOTS - FIRE DPT	70249	331202	01/31/2013	171.48
101-336.000-742.000	CLOTHING /	NYE UNIFORM COMPANY SWEATER - HAWKINS	70268	405028	01/31/2013	86.63
101-336.000-742.000	CLOTHING /	WITMER ASSOCIATES INC. FREIGHT	70283	1431827-2	01/31/2013	16.99
101-336.000-801.000	CONTRACTUA	CINTAS CORPORATION CONTRACTUAL LINEN SERVICE	70244	351627207	01/31/2013	5.71
101-336.000-801.000	CONTRACTUA	CINTAS CORPORATION CONTRACTUAL LINEN SERVICE	70244	351627830	01/31/2013	13.40
101-336.000-801.000	CONTRACTUA	CINTAS CORPORATION CONTRACTUAL LINEN SERVICE	70244	351628466	01/31/2013	5.71
101-336.000-801.000	CONTRACTUA	CINTAS CORPORATION CONTRACTUAL LINEN SERVICE	70244	351629081	01/31/2013	13.40
101-336.000-810.000	DUES AND S	MICHIGAN ASSOC. OF FIRE CHIEF 2013 MAFC MEMBERSHIP RENEWAL	70262		01/31/2013	170.00
101-336.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	563.63
101-336.000-920.000	UTILITIES	MICHIGAN GAS UTILITIES GAS UTILITIES-FIRE STATION	70263	4609908-1 1/2013	01/31/2013	567.30
101-336.000-930.000	REPAIRS &	HALT FIRE, INC. FUEL TANK REPAIR - ENG 333	70252	434830	01/31/2013	1,511.25
						-----
					Total FIRE DEPARTMENT	7,230.67
Dept: PLANNING DEPARTMENT						
101-400.000-905.000	PUBLISHING	HILLSDALE DAILY NEWS PUBLIC NOTICES-PLANNING ADMIN	70254	79323	01/31/2013	122.40
101-400.000-905.000	PUBLISHING	HILLSDALE DAILY NEWS PUBLIC NOTICES-PLANNING	70254	79356	01/30/2013	97.00
						-----
					Total PLANNING DEPARTMENT	219.40
Dept: PUBLIC SERVICES DEPARTMENT						
101-441.000-715.000	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	13.60
101-441.000-716.000	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	564.90
101-441.000-721.000	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	38.18
101-441.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER SERVICE WATER	70253	50265	01/31/2013	10.10
101-441.000-726.000	SUPPLIES	CURRENT OFFICE SOLUTIONS COPY PAPER, PST ITS/TAPE/FLDRS	70246	179674	01/31/2013	93.35
101-441.000-726.000	SUPPLIES	GELZER & SON INC. BATTERIES	70250	A22471	01/31/2013	36.84
101-441.000-742.000	CLOTHING /	CINTAS CORPORATION RUGS/UNIFORMS - DPS	70244	3516527214	01/31/2013	49.58
101-441.000-742.000	CLOTHING /	CINTAS CORPORATION RUGS/UNIFORMS - DPS	70244		01/31/2013	49.58
101-441.000-742.000	CLOTHING /	CINTAS CORPORATION RUGS/UNIFORMS - DPS	70244	351629087	01/31/2013	49.58
101-441.000-801.000	CONTRACTUA	CINTAS CORPORATION RUGS/UNIFORMS - DPS	70244	3516527214	01/31/2013	41.37
101-441.000-801.000	CONTRACTUA	CINTAS CORPORATION RUGS/UNIFORMS - DPS	70244		01/31/2013	35.86
101-441.000-801.000	CONTRACTUA	CINTAS CORPORATION RUGS/UNIFORMS - DPS	70244	351629087	01/31/2013	35.86
101-441.000-810.000	DUES AND S	ARBOR DAY FOUNDATION ANNUAL MEMBERSHIP - STACHOWICZ	70234		01/31/2013	15.00

INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 4

Hillsdale City Offices

Fund Department Account	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: GENERAL FUND						
Dept: PUBLIC SERVICES DEPARTMENT						
101-441.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	489.59
101-441.000-920.000	UTILITIES	MICHIGAN GAS UTILITIES GAS UTILITY - DPS	70263	4614348-3 1/2013	01/31/2013	1,245.69
Total PUBLIC SERVICES DEPARTMENT						2,769.08
Dept: STREET LIGHTING						
101-448.000-920.202	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	5,555.78
101-448.000-920.203	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	216.93
Total STREET LIGHTING						5,772.71
Dept: PARKS						
101-756.000-726.000	SUPPLIES	GELZER & SON INC. BOLTS FOR PICNIC TABLES	70250	C36489	01/31/2013	3.94
101-756.000-726.000	SUPPLIES	GELZER & SON INC. PADLOCKS/CHAIN/STIR SITCKS	70250	A21665	01/31/2013	40.67
101-756.000-726.000	SUPPLIES	JONESVILLE LUMBER VALSPAR PAINT FOR TRASH CANS	70257	645101	01/31/2013	107.97
101-756.000-726.000	SUPPLIES	JONESVILLE LUMBER MATERIALS FOR PICNIC TABLES	70257	64515	01/31/2013	256.29
101-756.000-726.000	SUPPLIES	JONESVILLE LUMBER MATERIALS FOR PICNIC TABLES/	70257	645437	01/31/2013	71.98
101-756.000-726.000	SUPPLIES	KAREN POWERS BARRELS FOR PARKS	70274		01/31/2013	200.00
101-756.000-726.000	SUPPLIES	WHITES WELDING SERVICE ANGLE IRON - BARRICADES	70282	79280	01/31/2013	24.40
101-756.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	287.58
Total PARKS						992.83
Fund Total						114,707.53
Fund: MAJOR ST./TRUNKLINE FUND						
Dept:						
202-000.000-214.750	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	4,202.66
202-000.000-214.750	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	2,799.70
Total						7,002.36
Dept: R.O.W. MAINTENANCE						
202-460.000-801.000	CONTRACTUA	BOARD OF PUBLIC UTILITIES STREET LT MAINT/3 RPLMNTS	70241		01/31/2013	2,674.76
Total R.O.W. MAINTENANCE						2,674.76
Dept: TRUNKLINE R.O.W. MAINTENANCE						
202-460.500-801.000	CONTRACTUA	BOARD OF PUBLIC UTILITIES STREET LT MAINT/3 RPLMNTS	70241		01/31/2013	1,193.28
Total TRUNKLINE R.O.W. MAINTENANCE						1,193.28
Dept: TRAFFIC						
202-490.000-726.000	SUPPLIES	DORNBOSS SIGN & SAFETY INC TAPE FOR BARRICADE/SIGNS	70248	10096	01/31/2013	259.54
202-490.000-726.000	SUPPLIES	JONESVILLE LUMBER MATERIALS FOR PICNIC TABLES/	70257	645437	01/31/2013	75.53
202-490.000-726.000	SUPPLIES	PHILLIPS STEEL CORPORATION GALV SIGN POST W/HOLES	70273	210596	01/31/2013	266.42
202-490.000-801.000	CONTRACTUA	INDIANA NORTHEASTERN RAILROAD RR MAINTENANCE FOR 2012	70255		01/31/2013	3,695.00
202-490.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	373.79
Total TRAFFIC						4,670.28
Dept: TRUNKLINE TRAFFIC						
202-490.500-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	380.87
Total TRUNKLINE TRAFFIC						380.87

INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 5

Hillsdale City Offices

Fund Department	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: MAJOR ST./TRUNKLINE FUND						Fund Total 15,921.55
Fund: LOCAL ST. FUND Dept: R.O.W. MAINTENANCE 203-460.000-801.000						
	CONTRACTUA	BOARD OF PUBLIC UTILITIES STREET LT MAINT/3 RPIMNTS	70241	10365	01/31/2013	841.45
						Total R.O.W. MAINTENANCE 841.45
Dept: TRAFFIC 203-490.000-726.000						
	SUPPLIES	DORNBOS SIGN & SAFETY INC TAPE FOR BARRICADE/SIGNS	70248	10096	01/31/2013	259.54
203-490.000-801.000						
	CONTRACTUA	INDIANA NORTHEASTERN RAILROAD RR MAINTENANCE FOR 2012	70255		01/31/2013	895.00
						Total TRAFFIC 1,154.54
						Fund Total 1,995.99
Fund: RECREATION FUND Dept:						
208-000.000-214.750						
	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	2,692.16
						Total 2,692.16
Dept: RECREATION DEPARTMENT 208-751.000-715.000						
	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	6.80
208-751.000-716.000						
	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	266.40
208-751.000-721.000						
	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	9.69
208-751.000-925.000						
	TELEPHONE	BOARD OF PUBLIC UTILITIES TELEPHONE SERVICES 1/2013	70241		01/31/2013	44.40
						Total RECREATION DEPARTMENT 327.29
						Fund Total 3,019.45
Fund: TAX INCREMENT FINANCE ATH. Dept: CAPITAL OUTLAY 247-900.000-801.000						
	CONTRACTUA	MICHIGAN RESTAURANT ASSOCIATIO MEMBERSHIP - TIFA	70264		01/31/2013	150.00
						Total CAPITAL OUTLAY 150.00
						Fund Total 150.00
Fund: LIBRARY FUND Dept:						
271-000.000-214.750						
	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	4,555.99
						Total 4,555.99
Dept: LIBRARY 271-790.000-715.000						
	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	13.60
271-790.000-716.000						
	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	399.63
271-790.000-721.000						
	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	28.18
271-790.000-726.000						
	SUPPLIES	HEFFERMAN SOFT WATER SERVICE WATER	70253	50265	01/31/2013	10.10
271-790.000-726.000						
	SUPPLIES	WALMART COMMUNITY SUPPLIES FOR LIBRARY	70281	3798	01/31/2013	17.26
271-790.000-726.000						
	SUPPLIES	MAID FOR YOU D.B.A. Cleaning & Supplies	70247	715	01/31/2013	159.50
271-790.000-726.000						
	SUPPLIES	NONIK TECHNOLOGIES, INC. Printer Installation Supplies	70266	5183	01/31/2013	88.49
271-790.000-801.000						
	CONTRACTUA	CINTAS CORPORATION Library Floor Mats	70244	351627209	01/31/2013	28.66

INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 6

Hillsdale City Offices

Fund Department Account	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: LIBRARY FUND						
Dept: LIBRARY						
271-790.000-801.000	CONTRACTUA	CINTAS CORPORATION Library Floor Mats	70244	351628468	01/31/2013	28.66
271-790.000-801.000	CONTRACTUA	MAID FOR YOU D.B.A. Cleaning & Supplies	70247	715	01/31/2013	520.00
271-790.000-801.000	CONTRACTUA	NONIK TECHNOLOGIES, INC. Avalon Monitoring	70266	5193	01/31/2013	100.00
271-790.000-810.000	DUES AND S	LIBRARY OF MICHIGAN FOUNDATION Affiliation Renewal MCFTB	70260		01/31/2013	250.00
271-790.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	1,005.23
271-790.000-920.000	UTILITIES	MICHIGAN GAS UTILITIES Library Gas Utilities	70263	4614927-4 1/2013	01/31/2013	760.66
271-790.000-925.000	TELEPHONE	BOARD OF PUBLIC UTILITIES TELEPHONE SERVICES 1/2013	70241		01/31/2013	260.85
271-790.000-982.000	BOOKS	LARGE PRINT OVERSTOCKS BOOKS	70258	1075282	01/31/2013	110.17
271-790.000-982.000	BOOKS	BAKER & TAYLOR COMPANY Adult Book Order - Nov	70238	2027823982	01/31/2013	15.78
271-790.000-982.000	BOOKS	BAKER & TAYLOR COMPANY Adult Book Order - Jan	70238	2027785567	01/31/2013	178.78
271-790.000-982.000	BOOKS	BAKER & TAYLOR COMPANY Adult Book Order - Jan	70238	2027823984	01/31/2013	213.23
271-790.000-982.000	BOOKS	RANDOM HOUSE, INC. Fall BOT order	70275	1086105093	01/31/2013	71.25
Total LIBRARY						4,260.03
Dept: LIBRARY - CHILDREN'S AREA						
271-792.000-726.792	SUPPLIES-S	UPSTART Summer Reading Supplies	70280	4845981	01/31/2013	328.79
271-792.000-982.000	BOOKS	BAKER & TAYLOR COMPANY Children's Book Order - Nov	70238	2027785566	01/31/2013	29.48
271-792.000-982.000	BOOKS	BAKER & TAYLOR COMPANY Children's Book Order December	70238	2027823983	01/31/2013	52.85
271-792.000-982.000	BOOKS	BAKER & TAYLOR COMPANY Kids book order - Jan	70238	202778568	01/31/2013	83.99
271-792.000-982.000	BOOKS	BAKER & TAYLOR COMPANY Kids book order - Jan	70238	2027823985	01/31/2013	36.98
271-792.000-982.000	BOOKS	THE BOOK FARM, INC. Children's Books	70242	29911	01/31/2013	583.78
271-792.000-982.000	BOOKS	THE BOOK FARM, INC. Children's Books	70242	29909	01/31/2013	47.89
Total LIBRARY - CHILDREN'S AREA						1,163.76
Fund Total						9,979.78
Fund: AIRPORT IMPROVEMENT FUND						
Dept: CAPITAL OUTLAY						
481-900.000-975.481	AIRPORT RU	MONAGHAN, P.C. LEGAL SERVICES 12/2012	70265	25325	01/31/2013	770.18
Total CAPITAL OUTLAY						770.18
Fund Total						770.18
Fund: DIAL-A-RIDE FUND						
Dept:						
588-000.000-214.750	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	5,875.85
Total						5,875.85
Dept: DIAL-A-RIDE						
588-588.000-715.000	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	24.82
588-588.000-716.000	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	191.24
588-588.000-721.000	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	49.13
588-588.000-726.000	SUPPLIES	BEAVER RESEARCH COMPANY DISINFECTANT	70239	190060	01/31/2013	135.00

INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 7

Hillsdale City Offices

Fund Department Account	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
<b>Fund: DIAL-A-RIDE FUND</b>						
<b>Dept: DIAL-A-RIDE</b>						
588-588.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER SERVICE WATER	70253	50265	01/31/2013	0.60
588-588.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER SERVICE WATER	70253	50266	01/31/2013	4.75
588-588.000-730.000	VEH./EQUIP	BECK CHEVROLET TANK FOR BUS #65	70240	126960	01/31/2013	48.90
588-588.000-730.000	VEH./EQUIP	PERFORMANCE AUTOMOTIVE BATTERIES FOR #65	70272	1051245	01/31/2013	251.58
588-588.000-730.000	VEH./EQUIP	PERFORMANCE AUTOMOTIVE RETURN CORE FOR #65	70272	1051247	01/31/2013	-28.00
588-588.000-801.000	CONTRACTUA	THOMAS HEAVY EQUIPMENT REPAIR HAUL BUS #67 TRANSMISSION LOCK	70278		01/31/2013	150.00
588-588.000-905.000	PUBLISHING	HILLSDALE DAILY NEWS PUBLIC NOTICES-DART ANUL APP	70254	79355	01/31/2013	78.25
588-588.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES UTILITIES FOR JAN 2013	70241		01/31/2013	380.19
588-588.000-920.000	UTILITIES	MICHIGAN GAS UTILITIES MICH GAS 1/2013 - DART	70263	4611064--9 1/2013	01/31/2013	119.40
588-588.000-925.000	TELEPHONE	AT&T TELEPHONE SERVICE1/2013	70236	517437338501	01/31/2013	79.65
588-588.000-930.000	REPAIRS &	GELZER & SON INC. BULBS	70250	A22091	01/31/2013	35.98
				Total DIAL-A-RIDE		1,521.49
				Fund Total		7,397.34
<b>Fund: PUBLIC SERVICES INV. FUND</b>						
<b>Dept:</b>						
633-233.000-214.750	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	37.88
				Total		37.88
<b>Dept: PUBLIC SERVICES INVENTORY</b>						
633-233.000-726.000	SUPPLIES	DORNBOS SIGN & SAFETY INC TAPE FOR BARRICADE/SIGNS	70248	10096	01/31/2013	647.83
				Total PUBLIC SERVICES INVENTORY		647.83
				Fund Total		685.71
<b>Fund: REVOLVING MOBILE EQUIP. FUND</b>						
<b>Dept:</b>						
640-000.000-214.750	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	2,985.19
				Total		2,985.19
<b>Dept: MOBILE EQUIPMENT MAINTENANCE</b>						
640-444.000-715.000	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	13.60
640-444.000-716.000	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	219.58
640-444.000-721.000	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	30.31
640-444.000-726.000	SUPPLIES	BEAVER RESEARCH COMPANY SLICK TEFLON LUBE	70239	190062	01/31/2013	135.00
640-444.000-726.000	SUPPLIES	GELZER & SON INC. PAINT/CHAIN HOOKS	70250	A22258	01/31/2013	10.58
640-444.000-726.000	SUPPLIES	SPRATT'S LP GAS	70276	149795	01/31/2013	44.00
640-444.000-730.000	VEH./EQUIP	GELZER & SON INC. PAINT/CHAIN HOOKS	70250	A22258	01/31/2013	10.99
640-444.000-730.000	VEH./EQUIP	GELZER & SON INC. PIPE	70250	A22021	01/31/2013	22.05
640-444.000-730.000	VEH./EQUIP	GELZER & SON INC. KEYS/FITTINGS	70250	A21549	01/31/2013	35.64
640-444.000-730.000	VEH./EQUIP	GODFREY BROTHERS, INC. HUB, SPROCKET, SHAFT KEY - #54.4	70251	S58817	01/31/2013	42.64
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC. WIPER BLADES	70256	PC01232688:001	01/31/2013	33.66

INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 8

Hillsdale City Offices

Fund	Department	GL Number	Vendor Name	Check	Invoice	Due	Amount
Account	Account	Abbrev	Invoice Description	Number	Number	Date	
Fund: REVOLVING MOBILE EQUIP. FUND							
Dept: MOBILE EQUIPMENT MAINTENANCE							
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	39.52	
		BELTS		PC01232140:001			
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	46.34	
		WIPER BLADES		PC01232253:001			
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	112.80	
		FILTERS		PC01232291:001			
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	-23.47	
		CREDIT-RETURNED FILTER		PC01232435:001			
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	89.71	
		FILTERS/AIR GOV		PC01232352:001			
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	32.72	
		FILTERS/LIGHT PLUG/LIGHTS		PC01232366:001			
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	19.80	
		WINDSHIELD SOLV		PC01232378:001			
640-444.000-730.000	VEH./EQUIP	JACKSON TRUCK SERVICE INC.	70256		01/31/2013	28.72	
		FILTER		PC01232392:001			
640-444.000-730.000	VEH./EQUIP	LYDEN OIL COMPANY	70261		01/31/2013	271.80	
		KENDAL 15W40 OIL, GREASE		822527			
640-444.000-730.000	VEH./EQUIP	NORM'S TIRE SERVICE	70267		01/31/2013	269.61	
		TIRE FOR #34		56903			
640-444.000-730.000	VEH./EQUIP	OLD DOMINION BRUSH	70269		01/31/2013	871.54	
		PUMP ASSY W/CLUTCH		36693			
640-444.000-730.000	VEH./EQUIP	OLD DOMINION BRUSH	70269		01/31/2013	-871.54	
		RETURN PUMP ASSY W/CLUTCH		37123			
640-444.000-730.000	VEH./EQUIP	OLD DOMINION BRUSH	70269		01/31/2013	1,881.12	
		PUMP		37175			
640-444.000-730.000	VEH./EQUIP	PERFORMANCE AUTOMOTIVE	70272		01/31/2013	5.07	
		DRY GAS		1052081			
640-444.000-730.000	VEH./EQUIP	PERFORMANCE AUTOMOTIVE	70272		01/31/2013	236.17	
		BOLTS, CUTTING EDGES FOR #9		1051907			
640-444.000-730.000	VEH./EQUIP	PERFORMANCE AUTOMOTIVE	70272		01/31/2013	98.35	
		BELT/TENSIONER		1050897			
640-444.000-730.000	VEH./EQUIP	PERFORMANCE AUTOMOTIVE	70272		01/31/2013	44.85	
		RELAYS/FLASHER FOR #9		1051152			
640-444.000-730.000	VEH./EQUIP	PERFORMANCE AUTOMOTIVE	70272		01/31/2013	28.56	
		OIL FOR #6		1051234			
640-444.000-730.000	VEH./EQUIP	TRUCK & TRAILER SPECIALTIES	70279		01/31/2013	110.92	
		CURB GUARD, WRAP AROUND		C35748			
640-444.000-740.000	FUEL AND L	LYDEN OIL COMPANY	70261		01/31/2013	899.00	
		KENDAL 15W40 OIL, GREASE		822527			
640-444.000-742.000	CLOTHING /	CINTAS CORPORATION	70244		01/31/2013	14.89	
		RUGS/UNIFORMS - DPS		3516527214			
640-444.000-742.000	CLOTHING /	CINTAS CORPORATION	70244		01/31/2013	14.89	
		RUGS/UNIFORMS - DPS					
640-444.000-742.000	CLOTHING /	CINTAS CORPORATION	70244		01/31/2013	14.89	
		RUGS/UNIFORMS - DPS		351629087			
640-444.000-801.000	CONTRACTUA	CINTAS CORPORATION	70244		01/31/2013	22.87	
		RUGS/UNIFORMS - DPS		3516527214			
640-444.000-801.000	CONTRACTUA	CINTAS CORPORATION	70244		01/31/2013	22.87	
		RUGS/UNIFORMS - DPS					
640-444.000-801.000	CONTRACTUA	CINTAS CORPORATION	70244		01/31/2013	22.87	
		RUGS/UNIFORMS - DPS		351629087			
640-444.000-801.000	CONTRACTUA	LEUTHEUSER	70259		01/31/2013	594.50	
		RPL CRANK SENSOR #1		71283			
640-444.000-801.000	CONTRACTUA	LEUTHEUSER	70259		01/31/2013	437.97	
		RPL GASKETS ON #1		70989			
640-444.000-801.000	CONTRACTUA	WHITES WELDING SERVICE	70282		01/31/2013	20.00	
		TURN DOWN PULLEY HUB FOR #54.4		79285			
640-444.000-801.301	POLICE VEH	LEUTHEUSER	70259		01/31/2013	1,029.75	
		SERVICE REPAIRS ON UNIT 2-2		71276			
640-444.000-801.301	POLICE VEH	PARNEY'S CAR CARE	70270		01/31/2013	349.12	
		ALTERNATOR RPR UNIT 2-9		53410			
640-444.000-801.301	POLICE VEH	PARNEY'S CAR CARE	70270		01/31/2013	627.11	
		STRUTS 2-2		53411			
640-444.000-920.000	UTILITIES	BOARD OF PUBLIC UTILITIES	70241		01/31/2013	463.51	
		UTILITIES FOR JAN 2013					
640-444.000-920.000	UTILITIES	MICHIGAN GAS UTILITIES	70263		01/31/2013	1,245.68	
		GAS UTILITY - DPS		4614348-3 1/2013			
Total MOBILE EQUIPMENT MAINTENANCE							9,670.56

INVOICE APPROVAL LIST BY FUND  
 JANUARY 31, 2013

Date: 01/31/2013  
 Time: 2:34pm  
 Page: 9

Hillsdale City Offices

Fund Project	GL Number Abbrev	Vendor Name Invoice Description	Check Number	Invoice Number	Due Date	Amount
Fund: REVOLVING MOBILE EQUIP. FUND						
						Fund Total
						12,655.75
Fund: DPS LEAVE AND BENEFITS FUND						
Dept:						
699-000.000-214.750	DUE TO IMP	PAYROLL ACCOUNT PAYROLL 1/31/2013	368		01/31/2013	657.96
						Total
						657.96
Dept: PUBLIC SERVICES DEPARTMENT						
699-441.000-715.000	HEALTH AND	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	54.40
699-441.000-716.000	RETIREMENT	M.E.R.S. CONTRIBUTIONS FOR JAN 2013	369	19175-11	01/31/2013	212.58
699-441.000-721.000	DISABILITY	SUN LIFE ASSURANCE COMPANY LIFE & DISABILITY INS 2/2013	70277	20894 2/2013	01/31/2013	117.26
						Total PUBLIC SERVICES DEPARTMENT
						384.24
						Fund Total
						1,042.20
						Grand Total
						168,325.48





City of Hillsdale  
Finance Committee Meeting Minutes  
Monday, February 04, 2013  
2nd Floor Conference Room  
Hillsdale City Hall  
6:30 PM

Call to Order: 6:36 p.m. by Chairperson Scott Sessions

Present:

Finance Committee Councilpersons: Mary Beth Bail, Sally Kinney, Scott Sessions, and Director Bonnie Tew Finance

Absent: City Manager Linda Brown

Public: Councilperson Ruth Brown

Public discussion: Councilperson Ruth Brown brought up the topic of funding for Sandy Beach to be looked at during the budget process, suggesting to include funding for a life guard, concession stands, and restrooms. Chairperson Sessions referred to a response sent by City Manager Brown that the Council Committee reviewing that portion of the proposed budget would be the Community Development Committee.

Invoices and vendor approval for checks printed on January 31, 2013 were reviewed and discussed by the committee. Explanation provided by Director, Bonnie Tew Finance or:

\$4,590.00 To Indiana Northeastern Railroad (Traffic). These costs were paid to Indiana Northeastern Railroad as an annual fee for maintenance of RR crossings of major and local streets.

\$266.42 To Phillips Steel Corporation (Traffic). These costs were paid to the Phillips Steel Corporation for street sign posts.

\$379.80 To Jackson Truck Service Inc. (Mobile Equipment Maintenance). These costs were paid to Jackson Truck Service Inc. for miscellaneous filters.

\$469.65 To Beaver Research Company (Dial-A-ride, Fire Department, Mobile Equipment Maintenance). These costs were paid to Beaver Research Company for cleaning supplies, Slick Teflon lube and disinfectant.

Motion made by Councilperson Kinney to recommend approval of bills to Council; 2nd by Councilperson Bail. Ayes:3 Nays: 0

Motion by Councilperson Bail to adjourn the meeting, 2nd by Councilperson Kinney.  
Meeting adjourned: 6:47 p.m.

Respectfully submitted by: Chairperson Sessions



February 12, 2013  
45 Monroe Street  
Hillsdale MI 49242

The regular Hillsdale Board of Public Utilities meeting was called to order at 7:00 p.m. by Mr. Jack Bierl, President of the Board.

Board Members Present: Mr. Duke Anderson, Mr. Craig Connor, & Mr. Bierl.

Board Members Absent: Mr. John Waldvogel, Mr. Dan Moore

Others Present Were: Nate Rusk, Water & Wastewater Deputy Director; Kevin Lawrence, Water & Wastewater Superintendent; Linda Brown, City Manager; Eric Macy, Nonik Technologies; Rick Rose, Director; and Annette Kinney, Secretary to the Board.

Moved by Mr. Anderson, seconded by Mr. Connor, approve the minutes of the January 8, 2012 regular meeting and record in the official minute book.

Motion carried by unanimous voice vote.

**Claims Drawn on the Operations & Maintenance Fund:**

A CLEAN START	600.00
AFLAC	1,395.70
AMERICAN 1 CREDIT UNION	562.57
AMERICAN COPPER &	601.14
AMERICAN ELEC POWER	3,708.80
AT&T	3,934.83
BATTERY SOLUTIONS	426.50
BCBS	30,525.82
BLANCHARD JOSHUA D	72.49
CEM	611.90
CHAMBER OF COMMERCE	325.00
CHEMICAL SERVICES, INC	2,779.00
CHESTNEY PUBLISHING	175.00
CINTAS LOCATION	1,375.80
CITY OF HILLSDALE	43,869.40
COMCAST	233.54

COMMUNITY ACTION AGENCY	2,731.01
CURRENT OFFICE	3,033.89
D-P EQUIPMENT COMPANY	119.96
DILLON'S ENVIRONMENT	3,750.00
DISTRICT COURT	706.00
DOMINIQUE NICOLE E	23.00
DOUG'S REPAIR SERVICE, INC	643.26
DUBOIS TRUCKING	4,976.00
EBERHART DIANA M	12.57
ENVIRONMENTAL MGMT	1,991.00
ETNA SUPPLY COMPANY	3,734.93
FLEIS & VANDENBRINK	582.25
FOWLER LARRY L	16.38
GODFREY BROTHERS, INC	149.96
GRIFFITHS	185.00
HARRIS COMPUTER	66,937.41
HD SUPPLY	315.91
HEFFERNAN SOFT WATER	31.55
HILLSDALE DAILY NEWS	514.65
HILLSDALE HARDWARE	819.15
HOLCOMB ELISHA K	53.57
HOWELL'S MECHANICAL SERVICE	200.00
HYDRO DESIGNS	1,333.00
IBEW	1,116.18
ITRON	1,938.00
JACK DOHENY SUPPLIES	2,014.67
JAKE HAMMEL	2,300.07
JONESVILLE LUMBER CO	326.35
KSS ENTERPRISES	199.73
KUBRA	5,187.90
LORIS TECHNOLOGIES, INC	21,143.75
MACDONALD JEANETTE M	64.00
MARKET HOUSE	187.59
MARTINI RACHEL B	83.40
MASTA ALYSSA J	240.00
MB3 CONSULTING, LLC	2,145.00
MICHIGAN GAS	3,152.39
MICHIGAN MUNICIPAL	12.50
MIDWEST MUNICIPAL	1,263.89
MMEA	10,824.00
MRWA	345.00
MSCPA	1,002.54
MUNICIPAL SUPPLY CO	2,311.24

NONIK TECHNOLOGIES	8,509.68
NORRIS, PERNE'	2,223.64
NORTHERN SAFETY	113.51
ONLINE UTILITY EXCHANGE	310.41
PARNEYS CAR CARE INC	37.97
PERFORMANCE AUTO	320.98
PHELPS BRITTANY R	25.00
PITNEY BOWES	223.59
POINT RENTAL & SALES	130.00
POWER LINE SUPPLY	2,306.25
REED CLAUDE	96.20
REPUBLIC WASTE	224.87
RESCO ELECTRIC	2,200.10
RSI	300.00
RUPERT'S CULLIGAN	39.00
SACCOIA BRIANA K	15.58
SAGA INC	363.60
SMOKE LANA M	18.12
SPRATT'S TRADING	27.99
STATE OF MICHIGAN	7,446.10
STOCKHOUSE COMPUTER	381.82
SUN LIFE FINANCIAL	2,090.57
T & R ELECTRIC	5,815.00
TERMINAL SUPPLY CO	95.25
THE WATER STORE	10.00
THOMAS ARTHUR M	268.42
TOUSE JAMES B	44.46
TRIMATRIX LAB	1,006.00
TYCO INTEGRATED	1,125.54
UIS PROGRAMMABLE	1,951.00
USABUEBOOK	2,237.91
UTILITY FINANCIAL	7,538.00
VERMEER	6,750.00
WATKINS OIL COMPANY	2,899.84
WCSR	472.25
WHITE'S WELDING	468.75
WIL-MAC SALES	2,576.00

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**Total**

**300,579.54**

Moved by Mr. Connor, supported by Mr. Anderson, to approve the above bills for January in the amount of \$300,579.54.

Roll Call: Unanimous. Motion Carried.

Moved by: Mr. Connor, supported by Mr Anderson, to approve the MSCPA bill for December usage in the amount of \$772,380.61.

Roll Call: Unanimous. Motion Carried.

**Items:**

**1. Replace Water & Wastewater Service Trucks**

Included in the FYE 6-30-13 budget is the replace the service pick-up trucks for the water and the wastewater departments. A total of \$50,000 has been budgeted.

We received two bids from two local dealers:  
Frank Beck Chevrolet = \$28,413.24 per vehicle  
Ken Stillwell Ford = \$23,761.68 per vehicle

Moved by Mr. Anderson, seconded by Mr. Connor, to approve the purchase of two vehicles to Ken Stillwell Ford, the low bid, at a total cost of \$47,523.36.

Roll Call: Unanimous. Motion Carried.

**2. Board Appointment**

Just a reminder that it is time for the Board to seek a new appointee for the upcoming Board vacancy due to Craig Connor's second term ending. The personnel committee will meet to start the process.

**3. Updated Electric Cost of Service Study, Power Cost Adjustment Schedule and Cash Reserve Policies**

Last November the Electric cost of service study was presented by Utility Financial Solutions, LLC. A cost of service study is an economic review of the adequacy of a utilities current rate structure in meeting its ongoing financial requirements and our last study was conducted and adopted in 2006. A number of financially relevant items have

taken place over the last 6.5 years putting the board in a situation of making some changes to keep with our strategic plan and mission statement.

The first recommendation of the study was to adjust the rates classes to more closely reflect cost of service per class. This change has an overall flat rate change for 2013 and 2014. It is then proposed that a 2% increase occurs in 2015, 2016, and 2017.

The second recommendation of the study is to update the power cost adjustment's power base to reflect the actual base and to change the computation to a six month rolling average. This should flatten out changes of PCA for our customers.

The third item was to create a cash reserve policy for the electric, water and sewer departments. This item is in keeping with the board's financial health and in keeping with the recommendation from our partner, AMP.

Moved by Mr. Connor, seconded by Mr. Anderson, to approve the Cost of Service Study as presented and request that City Council approve the resolution as presented.

Roll Call: Unanimous. Motion Carried

Moved by Mr. Anderson, seconded by Mr. Connor to approve the Power Cost Adjustment changes as presented and request that City Council approve the resolution as presented.

Roll Call: Unanimous. Motion Carried

Moved by Mr. Connor, seconded by Mr. Anderson to approve the cash reserve policies for the electric, water & wastewater departments as presented and request that City Council approve the resolution as presented.

Roll Call: Unanimous. Motion Carried.

#### **4. Preliminary FYE 6-30-14 Budget**

A draft of the FYE 6-30-14 budget was provided to the board for their review.

#### **Information:**

HBPU Quarterly Appraisal & Reports – *Norris, Perne' & French LLP*

**Miscellaneous:**

The Board received various Department reports.

**Board Member Roundtable:**

**Opportunity for General Public to Address the Board:**

There being no further business to come before the Board, President Bierl declared the meeting adjourned at 7:40 p.m.

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Annette Kinney  
Secretary to the Board



TAX INCREMENT FINANCE AUTHORITY



CITY OF HILLSDALE  
MINUTES  
January 22, 2013

Meeting called to order by: Eric Moore 7:09 A.M.

Members Present: Eric Moore, Mike Parney, Chris Wingate, Tim Dixon, Mike Harner, Deb Kamen, John Spiteri, and Saul Giminez. Absent: Chris Sumnar, Kathy Newell.  
Also present: Susan King- Hillsdale College, Mary Wolfram-ED consultant, and Katy Price- City Admin. Assistant.

Consent Agenda: Minutes from Regular Meeting December 13, 2012  
Motion to approve by Parney, seconded by Wingate, All in favor- APPROVED.

Public Comment: NONE

Wolfram would like to add incubator theory under New Business.

New Business:

- A. **Market Study:** Wolfram established that at the last meeting, the board wanted 2 studies, one study to see what the college brings into the City and hopes to get an answer out of that study: Can Hillsdale really support a hotel/restaurant in a downtown setting? and one study to see what makes a destination city and what draws people in.  
Susan King stated her college students can do marketing studies on Downtown Hillsdale. Her class can do a household within a 2 hour radius study for the general population for recreation or shopping, and then also do a study strictly on Hillsdale College with football games/events, parents' weekend for hotels and restaurants. Susan has access to the college marketing lists that other people do not. The board can include whatever it would like in the study, demographics, etc. It will be the students' duties to come up with the marketing questions, then present them to the TIFA board to make corrections if needed and to get approval, before the surveys are mailed out. The mailing would then be around the college's spring break, end of March 2013, so the surveys come back in time for the students to do an analysis on them and have a presentation at the end of the semester. The TIFA board was asked to attend the students' presentation. Susan King's services along with the student services are free; most of the cost to conduct the surveys are hard costs such as postage. Ms. King left contact information with Mary Wolfram.
- B. **2013 Meeting Dates;** 3<sup>rd</sup> Tuesday of every other month, in Council Chambers, 3<sup>rd</sup> floor.

January 22, 2013 – 7:00 A.M.  
March 19, 2013 – 7:30 A.M.  
May 21, 2013 – 7:30 A.M.  
July 21, 2013 – 7:30 A.M.  
September 17, 2013 – 7:30 A.M.  
November 19, 2013 – 7:30 A.M.

- C. Budget : \$40,000 – Façade Grants, \$10,000- Beautification, \$5,000 – Operating Cost, \$45,000- Contractual Services. \$100,000 total for TIFA.

Motion by Mike Harner to approve 2013 baseline Budget to amend when needed as year goes on. Supported by Mike Parney, seconded by Deb Kamen, All in favor- APPROVED.

Committee Reports:

Wingate spoke with the Courthouse Annex about possible upgrades and grants. They didn't seem like they wanted to apply, but will continue to speak with them in future. Parney states that the County Commissioners are the ones to speak with. Wolfram adds: it's definitely something to continue to pursue.

Celebrations Facade Grant: Completed.

Incubation Theory: Wolfram states there is an arts and networking community in Hillsdale. She sees groups usually at Jilly Beans and McDonalds and thinks that having an office space for those who are traveling business people, or those who are starting a small business that don't have office space to work per say, to offer some sort of office space or somewhere to go to meet with clients/ customers or have a place to work. Dixon adds that he believes that the idea might hurt businesses that already serve the customers that use their networking services (Wi-Fi). Harner believes it will not. Dixon states he is not sure of the incubator idea but likes the idea of an organization that helps business start up. Wolfram adds she wonders if it bothers business owners that have people sit at their business all day. Kamen states she doesn't mind it. The customers usually purchase something; Wingate agrees. Kamen also added that if the business was busy and the customer was there all day then maybe it would. Wolfram states the idea is mainly geared towards small business owners not really making a profit yet and to be able to have an office space of their own so to speak, and to offer something like 5 offices in one building with a part time receptionist, as an example. There is usually always a start up problem with a business, and maybe this service will help. TIFA could acquire office space as well as other business owners with offices that they might not be using and rent/offer a space. Wolfram states that she would like to see Hillsdale become more of an innovator, having services that people would use and be the first to offer such things.

Motion to adjourn by Moore, supported by Kamen, Seconded by Spiteri, All in favor  
Meeting adjourned at 8:05 A.M.

Next Meeting – March 19, 2013 @ 7:30 A.M.

*Submitted by: Katy Price*

Meeting Minutes  
Economic Development Corporation  
City of Hillsdale  
December 18, 2012

MEETING CALLED TO ORDER: 7:40 a.m.

Members present: Matt Granata, Gary Wolfram, Ed Sumnar, Anne Fike, Marian Burlingham, David Foulke, David Loader, Dean Affholter

Absent: Barry Hill

Also present: Mary Wolfram, Office of Economic Development

Consent Agenda:

- A. October 18, 2012 minutes approved.
- B. Financials from November 12.

Public Comment on Agenda Items: None

New Business:

- A. Explanation of studies done on the city of Hillsdale. TIFA approved of two more studies from the Hillsdale College marketing classes with Susan King.
- B. Three Meadows Business Attraction Policy
  - a. The Attraction Policy was written by Mary Wolfram, Gary Wolfram, and Anne Fike. Once a business has architectural plans done they can pay \$1 for the lot. Idea brought up to make a certificate for the business option. There have been questions about the lots size and awkwardness. The Attraction Policy allows people to purchase a lot and a half or two lots. Gary Wolfram moves to approve the Attraction Policy. Ed Sumnar seconds. Vote approved unanimously.
- C. Lon King filed the corrected deed three weeks ago. Mary will follow up with Jack Lovinger a corrected description of EDC's half of the lot. The lots have been registered and platted. EDC still needs a legal description of the western half of Lot 14. David Foulke reminds everyone that we don't need the deed registered but we need a legal document.
  - a. David Foulke makes a motion to approve the payment to Jack Lovinger, Dean Affolter seconds. Vote approved unanimously.
- D. 2013 Meeting Schedule- Mary proposes that the schedule for 2013 stay at the third Thursday of every other month. Gary Wolfram moves that we adopt the meeting schedule, Dean Affolter seconds-Vote approved unanimously.
- E. Signs
  - a. Hillsdale College Signs- Mary has asked Rich Pewe for an example of exterior signs for Hillsdale College. The EDC board agrees that simple and classic is best for the signs. Matt Granata uses the example of the signs that Hudson put up and

asks about the agreement with the garden club ladies. David Foulke suggests that the signs go to the edge of the city limits and that they say "It's the People."

- b. Manufacturing and Technology Signs – Issues with getting signs up on M-99. Mary will be working on those issues.

F. Rental Rehab -MSHDA

- a. Mary is working on starting a Rental Rehab program downtown with MSHDA. This has been done before with the apartment above the travel agency.

Old Business

A. Economic Development Update

- a. The contract with Hillsdale Policy Group has been renewed.
- b. The Hillsdale Light Up Parade was very successful. There is a video on YouTube and parts of the video was used for a commercial. Mary will be sending the video to the ECD board.

Other old business

- B. Gateway to College project-EDC was going to take the lead on this to make the corridor between the city and college more attractive and lighted. MSDHA needs to hear that certain buildings and areas (specifically by and across from the old Victorian Rose building) are the gateway to Hillsdale. TIFA ends at Monroe Street so they cannot spend any money past that boundary point.
- C. Hillsdale Downtown Blueprint 2009- Lisa Pung, from MEDC, is helping develop signature buildings. Cobblestone Hotels looked at the Kiefer Hotel. Someone should do an actual feasibility study. Gary Wolfram suggests that the council should help with the Blueprint project.
  - a. Marketing Studies with Susan King: One will survey college attendees, the second will survey average residents.

General Public Comment

- A. Ed Sumnar asks if the freight building could be sold back to the city. There are grants for helping convert old transportation facilities. MEDC could possibly help us with that.
- B. Contaminated Buildings- As a city our best option is to help the potential buyers so we aren't stuck with the buildings

ADJOURNMENT: 8:57 a.m. Gary moves to adjourn- Anne Fike seconds- unanimous decision

**Next Meeting: Thursday, February 21, 2013**

Minutes of Operations and Governance Committee  
February 4, 2013

The O & G (Operations and Governance) Committee met at 6:00pm on Monday, February 4, 2013 in the 2nd Floor Conference Room, City Hall. Present were: Mayor Doug Moon, and Committee Members Ruth Brown and Brian Watkins. Committee Member Mary Wolfram entered the meeting at 6:04pm. Mayor Moon advised that City Manager Linda Brown was ill and would be absent .

Mayor Moon had the following recommendations for appointments:

Election Commission:

All terms ending January 2014

Eldonna Bernath, Vera Ladd, and Ed Swanson

Brownfield Redevelopment:

Matt Granata term ending November 2017

Shade Tree Commission:

Carl "Bud" Heinowski term ending November 2016

Dr. Maria Bidney term ending November 2017

Board of Special Assessors:

Aimee England term ending November 2013

Cemetery Board:

Victoria Ladd term ending May 2017

IPMC (International Property Maintenance Code) Board:

Steve Stoll term ending January 2014

Al Pitts term ending January 2016

Alternates:

Ken Hodge and Dick Emery terms ending January 2015

Board of Review:

Bonnie Kyser-Lavelle and James Hogan terms ending February 2014

Officers Compensation Board:

Ed Sumnar term ending November 2016

Greg Bailey term ending November 2017

Mary asked if the people being recommended had been contacted and asked to serve. Mayor Moon said yes.

Mary asked about Planning Commission. She stated that they could not meet for 2 months in a row because they lacked a quorum due to the absences of Kevin Hicks and

James Pruitt. Mayor Moon stated that he was waiting for a letter of resignation from Kevin Hicks. Mary stated that Kevin had e-mailed a letter of resignation to Deb Sikorski (Assessor) and Dave Williams (Planning Commission Chair). Mary led discussion of a potential Planning Commission candidate. She advised that she had e-mailed Mayor Moon the candidate's name and information plus the fact that she had checked with the person and that he was willing to serve. Mayor Moon stated he did not receive it, Mary said she would re-send. Mary advised the next Planning Commission meeting is February 19 and asked if a seat could be filled before then so that they could meet. Mayor Moon said he would follow-up with Planning Commission Chair Dave Williams regarding vacancies and appointments.

Ruth asked about ZBA (Zoning Board of Appeals). She advised that ZBA has been without enough members to hold a hearing since November 2012. If a request for variance were made, and the ZBA was unable to meet within 30 days, the variance would automatically be approved.

Mary moved acceptance of the Mayor's recommendations as stated above, and send to Council for approval. Brian 2nd. Motion passed. Mayor Moon indicated he would add appointments to tonight's Council agenda under "Miscellaneous."

The next order of business was follow-up to the motion that Mary had made and was passed at a recent Council meeting to send to O & G for discussion the clerk's position being elected or appointed. Mayor Moon stated that he felt the clerk should be appointed. Mary said she agreed, however, she doesn't like the term "appointed." Mary led discussion about making the clerk a staff position, the person would need to be responsible and answerable to the city manager, plus we could add other duties, making it a 1 1/2 time position. Mayor Moon said that if it was a staff position, then they could be held accountable. He agreed with Mary's comments, except not that it should be a 1 1/2 time position. Mayor Moon's opinion was that the clerk should be a full-time staff position, and then have 1 part-time assistant. Discussion ensued. Mary said that if the clerk was a staff position, their role would be defined and it would ensure the city would get someone who is qualified. Mary moved that this topic be added to the Council agenda for tonight's meeting for full Council discussion. Brian 2nd. Mary and Brian voted yes. Ruth voted no. Motion passed. Mayor Moon indicated he would add this topic to tonight's Council agenda under "New Business."

Ruth asked Mayor Moon where we are at in the process for Linda's evaluation (for the year ending June 30, 2012). Mayor Moon stated he had finished compiling them, but didn't bring them tonight since he knew that Linda was going to be absent.

Ruth advised that the other outstanding order of business to come before O & G at this time was to work on the performance evaluation form that we had just used for Linda's performance review. This was a follow-up to Mary's suggestion (12/3/12 O & G meeting) that the specific questions on the form be reviewed and add a comment section or room to write suggestions. Mary asked if we could make the form more specific to the city manager's position. This will be worked on in future O & G meetings before we embark on the next city manager's evaluation (for the year ending June 30, 2013).

The next O & G meeting will be called as needed.

Meeting adjourned at 6:28pm.

Respectfully submitted by Ruth Brown, Chair, O & G





Council Chambers  
Hillsdale City Hall  
97 N. Broad St.  
Hillsdale, MI 49242

February 4, 2013  
7:00 p.m.  
(517)437-6441  
[www.cityofhillsdale.org](http://www.cityofhillsdale.org)

## CITY COUNCIL MINUTES

City of Hillsdale  
Regular Meeting

### Call to Order and Pledge of Allegiance

Mayor Douglas G. Moon opened the meeting with the pledge of allegiance.

Mayor Moon reported he received correspondence from City Manager Linda Brown stating she would not be in attendance.

### Roll Call

Mayor Douglas G. Moon called the meeting to order with the following Council members present: Council members Casey Sullivan and Brian Watkins representing Ward One; Councilmembers Ruth Brown and Sally Kinney representing Ward Two; Council members Scott Sessions and Mary Wolfram representing Ward 3, and Councilmembers Mary Beth Bail and William Arnold representing Ward 4.

Also present were Deputy City Clerk Michelle Loren, City Attorney Lew Loren, Keith Richard, Chris Gutowski, Matt Durr (Hillsdale Daily News), Bonnie Tew, Airnee England, Eldonna Bernath, Tony Ginolfi, Brad Benzing, Jack Butler

### Approval of Agenda

Mayor Moon requested Item C. Council Minutes of January 21, 2013 be placed as Item C. under New Business.

Mayor Moon also requested the addition of Item D. Discussion Regarding Replacement of City Clerk under New Business.

Motion by Councilmember Sessions, support by Councilmember Watkins, to approve the February 4, 2013 Council Agenda as amended.

All ayes.

Motion carried.

### Public Comment

None

### Consent Agenda

The items listed in the Consent Agenda are considered to be routine by the City Council and the City Manager and will be enacted by one motion. There will be no separate discussion of these items unless requested by a Councilmember. In this event, the item will be removed from the Consent Agenda and Council action will be taken separately on said item.

- A. Approval of Bills from January 17, 2013: Claims of \$281,451.82; Payroll of \$135,941.89
- B. Committee Reports (Pending Approval):
  1. BPU Minutes of January 8, 2013
  2. Finance Minutes of December 20, 2012 and January 21, 2013
  3. Local Advisory Committee of January 23, 2013

Motion by Councilperson Sessions, support by Councilmember Watkins, to approve the Consent Agenda. Roll call: Council members Arnold – yes; Bail – yes; Brown – yes; Kinney – yes; Sessions – yes; Sullivan – yes; Watkins – yes; Wolfram – yes; Mayor Moon – yes.

Approved 9-0.

Motion carried.

**Communications**

None

**Introduction and Adoption of Ordinances/Public Hearings**

None

**Unfinished Business**

- A. Local Streets Maintenance. None
- B. Code Enforcement. None

**Old Business**

- A. Confirmation of City Clerk Resignation and Appointment of Deputy Clerk - Mayor Moon informed Council that, prior to her departure, then City Clerk Julie Kast appointed Recreation Director Michelle Loren as Deputy Clerk.

Motion by Councilmember Brown, support by Councilmember Bail, to approve the appointment of Michelle Loren as Deputy City Clerk. Roll call: Council members Bail – yes; Brown – yes; Kinney – yes; Sessions – yes; Sullivan – yes; Watkins – yes; Wolfram – yes; Mayor Moon – yes; Councilmember Arnold – yes.

Approved 9-0.

Motion carried.

Mayor Moon informed Council that former City Clerk Julie Kast had sent notification of her resignation to Council members and City Manager by email. As of this meeting, a signed formal resignation had not yet been received and filed with the Clerk's office as is traditionally done. Mayor Moon asked that Council accept the emailed resignation as the formal resignation of Clerk Kast.

Motion by Councilmember Brown, support by Councilmember Sessions, to accept the emailed resignation sent by former City Clerk Kast as her formal resignation.

All ayes.

Motion carried.

**New Business**

- A. Purchase of Dump Truck - DPS Director Keith Richard presented a history of vehicle turnover within his department, and gave an overview of the specs of the new vehicle and the bid process and options available for the resale of the retired truck.

Motion by Councilperson Watkins, support by Councilperson Brown, to approve the purchase of a new dump truck for the Department of Public Services from Tri-County International Trucks. Roll call: Councilpersons Kinney – yes; Sessions – no; Sullivan – yes; Watkins – yes; Wolfram – yes; Mayor Moon – yes; Councilpersons Arnold – yes; Bail – yes; Brown – yes.

Approved 8-1.

Motion carried.

Motion by Councilperson Watkins, support by Councilperson Brown, to authorize Mayor and Deputy City Clerk signatures on behalf of the City for the purchase of a dump truck from Tri-County International Trucks. Roll Call: Councilpersons Sessions – no; Sullivan – yes; Watkins – yes; Wolfram – yes; Mayor Moon – yes; Councilpersons Arnold – yes; Bail – yes; Brown – yes; Kinney – yes.

Approved 8-1.

Motion carried.

- B. Contaminated Industrial Sites – Mayor Moon read a summary prepared by City Manager Brown explaining that, after the loss of an industrial facility expansion in the City of Hillsdale due to site contamination, a meeting with representatives from the DEQ addressing the problem of privately owned contaminated industrial sites was arranged. City Manager Brown reported that she and Mary Wolfram of Hillsdale Policy Group met with three representatives of the DEQ on Friday, January 25 to address the matter. Various ways of identifying operating facilities and funding options to assist private owners with site cleanup were main topics of discussion. Mary Wolfram gave an overview of the meeting in greater detail.
- C. Council Minutes of January 21, 2013 - Mayor Moon explained that the resolution number for the Council Meeting Schedule had been mistakenly designated Resolution #3119 at the January 21, 2013 meeting. Mayor Moon asked that Resolution #3119 be redesignated as Resolution #3122.

Motion by Councilperson Kinney, support by Councilperson Sessions, to approve the redesignation of Resolution #3119 as Resolution #3122.

All ayes.

Motion carried.

Motion by Councilperson Sessions, support by Councilperson Watkins, to approve the minutes of the January 21, 2013 meeting as amended.

All ayes.

Motion carried.

- D. Discussion Regarding Replacement of City Clerk - Mayor Moon opened the floor for Council discussion regarding the filling of the City Clerk's position. Although this matter had been referred to the Operations and Governance Committee at the previous meeting, Mayor Moon felt it was important to discuss the issue in open meeting once more. The matter at hand is whether the position should become an appointed/hired position or remain an elected position. Mayor Moon explained the advantage of Clerk as an appointed position would be that it would allow for the hiring of an individual who possessed most of the qualifications necessary to perform the duties of clerk, be present on a daily basis, and who would stay on with the City rather than the turnover that elections incur. Mayor Moon clarified that appointment would be a hire through Council, not a selection made by him.

Councilperson Ruth Brown was firm that the matter had been discussed at O&G and sent back to Council and there was no need for further discussion. Because the option of appointment had been on the ballot and voted down by the citizens of the city, Council should not place it back on the ballot so soon.

Motion by Watkins, support by Wolfram, to return the matter back to the O&G for discussion with the City Attorney and City Manager to determine the best option/course of action and make recommendation to Council. Roll call: Councilpersons Sullivan – yes; Watkins – yes; Wolfram – yes; Mayor Moon – yes; Councilpersons – Arnold – no; Bail – yes; Brown – no; Kinney – yes; Sessions – no.

Approved 6-3.

Motion carried.

#### Miscellaneous

- A. Appointments - O&G Chair Ruth Brown reported the following appointments recommended by O&G for Council approval:

Election Commission:

Eldonna Bernath to a 1 year term ending January, 2014  
Vera Ladd to a 1 year term ending January, 2014  
Ed Swanson to a 1 year term ending January, 2014

Brownfield Redevelopment Authority

Matt Granata to a term ending November 2017 to coincide with term on EDC

Shade Tree Commission

Carl "Bud" Heinowski to a term ending November, 2016  
Maria Bidney to a term ending November, 2017

Board of Special Assessors

Aimee England to a 1 year term ending November, 2013

Cemetery Board

Victoria Ladd to fill a vacancy to expire May, 2017

International Property Maintenance Code Board

Steve Stoll to fill a vacancy expiring January, 2014  
Al Pitts to a 3 year term ending January, 2016

Board of Review

Bonnie Kyser-Lavelle to a 1 year term ending February, 2014  
James Hogan to a 1 year term ending February, 2014

Officers Compensation Board

Greg Bailey to a term expiring November, 2017  
Ed Sumnar to a term expiring November, 2016

Motion by Councilperson Sullivan, support by Councilperson Watkins, to approve the recommended O&G appointments as presented.

All ayes.

Motion carried.

**Proclamations**

None

**Department Reports**

None

**Public Comment**

None

**Council Comment**

None

**Adjournment**

Motion by Councilmember Kinney, seconded by Councilmember Sullivan, to adjourn.

Motion carried.

7:55 p.m.

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Douglas G. Moon, Mayor

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Michelle Loren, Deputy Clerk

# JANUARY CODE ENFORCEMENT REPORT

**LEGEND:**

- Purple: Enforcement Action Resolved
- Green: Violation Notice Sent
- Orange: Complaint not found to be valid
- Blue: Citation issued, matter in Attorney's office
- Rose: Work in progress, not completed, no citation issued

Address of Violation	Report Filed	Violation Information	Action Taken/Date	Next Action/Date	Notes
353 N West	6/15/2012	unlicensed boat and trailer, inside furniture outside, trash	Violation Notice/11/01/12	Citation issued	Matter is in court process
12 Waldron	7/30/2009	Structurally damage house	Public Nuisance Posting 6/27/2012	City Attorney Action Necessary/Uncertain	Previous owner deceased, New owner notification in process.
78 N Norwood	6/13/2012	Garage structure deteriorated	Owners notified 12/10/12 by letter	Citation issued	Matter is in court process
141 Griswold	6/27/2012	rubbish accumulation	Citation issued/10/26/12	court date scheduled early Feb. 2013	Matter is in court process
14 Rippon	6/27/2012	peeling paint on trim, and walls	Time Extension/ 8/1/13	Issue Citation if not completed/8/01/13	
80 E South	6/13/2012	porch roof failing, trash	30 Day Time Extension/11/2/12	Citation issued	Citation paid at court with work to be completed by Feb 22, 2013
94 W Bacon	8/23/2012	rubbish accumulation	Most of material removed	Resolved	Resolved. No citation issued
23 College	9/18/2012	Garage siding and roofing deteriorated	Violation notice 9/21/12	Citation issued	Matter is in court process
28 McClellan	10/4/2012	unlicensed boat and trailer, peeling paint	Violation Notice 10/5/12	Issue Citation if not completed by 8/01/13	Boat removed, extension requested 11/1/12
125 N Manning	10/4/2012	Front wall missing siding, porch deck in disrepair	Violation Notice sent 10/5/12	Building permit issued, work is under way	Work in progress under building permit

# JANUARY CODE ENFORCEMENT REPORT

96 W Carleton	10/4/2012	tires at side of structure	Violation notice sent to property owner 11/16/12	Resolved	No citation issued
27 Howder	11/21/2012	trash bag, debris in yard and on porch	Violation Notice sent 11/21/12	Substantial compliance: work to be done by 2/4/2013	
100-104 N Howell	11/1/2012	Construction material/debris in rear property area	Violation notice sent 11/9/12: resent with clarification photos 11/21/12.	Resolved	No citation issued



Photo: 353 N West

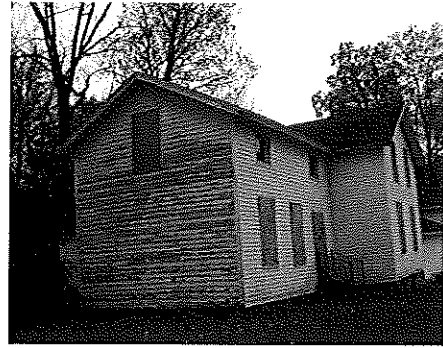


Photo: 12 Waldron

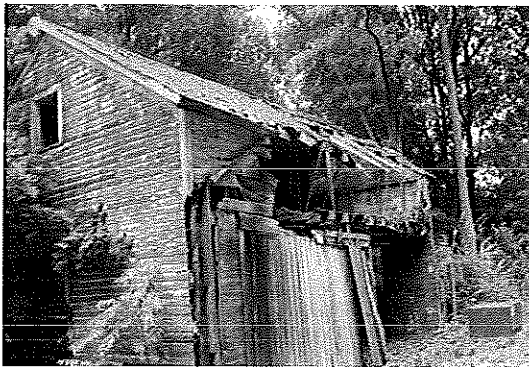


Photo: 78 N Norwood



Photo: 80 E South



Photo: 14 Rippon

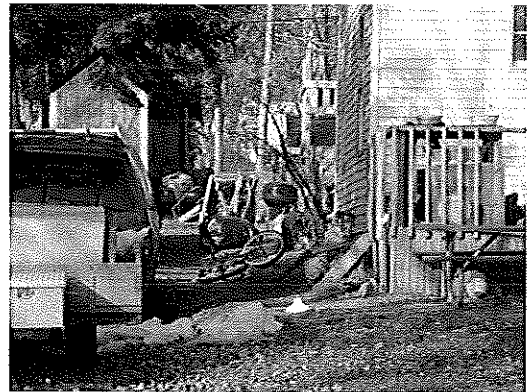


Photo: 27 Howder





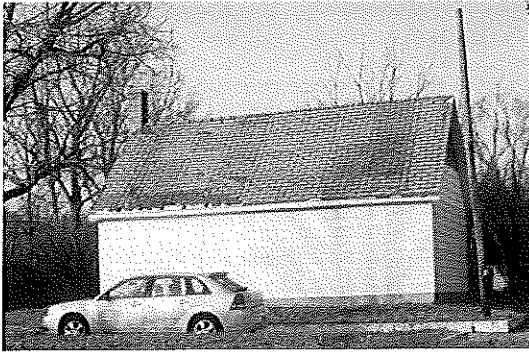


Photo: 23 College

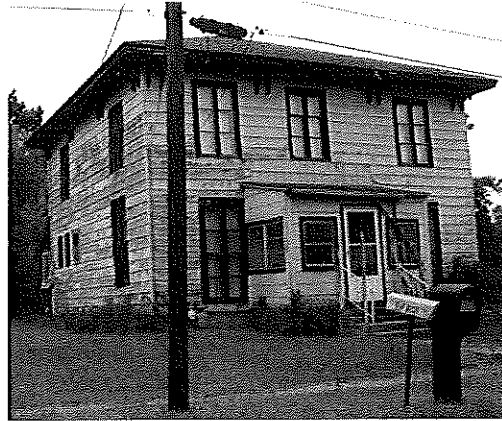


Photo: 28 McClellan



Photo: 125 N Manning



# **City of Hillsdale**

## **Agenda Item Summary**

**Meeting Date:**           **February 18, 2013**

**Agenda Item #10:**   **New Business A – TI Automotive – Application for P. A. 328 Exemption (Resolution)**

**BACKGROUND:**

TI Automotive has submitted an application to the Clerk's office requesting a P. A. 328 Exemption on certain identified personal property to be placed at its 200 Arch Avenue location in the Industrial Park. Notices have been provided to the Assessor and the taxing authorities affording them an opportunity to be heard regarding the granting of the exemption.

I have enclosed a letter from Paula Miller representing TI Automotive which describes the equipment being purchased. She also mentioned that with the increase in productions they will be able to retain their current level of employees and hire one additional Quality Technician this year and, based on projections for increased volumes in 2014, would hire an additional seven (7) employees.

I have attached a Resolution for your use in approving the exemption if that is Council's decision. As you can see, the exemption would begin on February 18, 2013 and end on December 31, 2016.

**RECOMMENDATION:**

Inasmuch as the City is attempting to bring back employment, I believe it is in its best interest to grant the exemption thereby encouraging additional growth of industry and employment of citizens.



## Application for Exemption of New Personal Property

Issued under P.A. 328 of 1998. An exemption will not be effective until approved by the State Tax Commission.

**INSTRUCTIONS:** Read instructions on page 2 of this form before completing this application. File the original and two copies of this form and the required attachments (resolution approving, copy of legal description and a detailed description of the business operations) with the clerk of the local government unit. The State Tax Commission requires two complete sets.

### PART 1: APPLICANT INFORMATION

1a. Applicant/Company Name (Applicant must be an ELIGIBLE BUSINESS) <b>TI Automotive</b>		2. County <b>Hillsdale</b>	
1b. Company Mailing Address (No. and Street, P.O. Box, City, State, ZIP Code) <b>200 Arch St.</b>		3. City/Township/Village (indicate which) <b>City of Hillsdale</b>	
1c. Location of Eligible Business (No. and Street, City, State, ZIP Code) <b>200 Arch St.</b>	4a. Local School District <b>Hillsdale</b>	4b. School Code <b>30020</b>	
5. Check below the type of business in which you are engaged and provide a detailed description of the business operation on a separate sheet			
<input checked="" type="checkbox"/> Manufacturing <input type="checkbox"/> Research & Development <input type="checkbox"/> Office Operations <input type="checkbox"/> Mining <input type="checkbox"/> Wholesale Trade			
6a. Identify type of ELIGIBLE DISTRICT where Eligible Business and New Personal Property will be located <b>Industrial Development District</b>		6b. Governing Unit that Established ELIGIBLE DISTRICT <b>City of Hillsdale</b>	
		6c. Date ELIGIBLE DISTRICT was Established <b>1-13-1975</b>	
7. Name of Person in the Eligible Business to Contact for Further Information <b>PAULA MILLER</b>		8. Telephone Number <b>517-439-3353</b>	
9. Mailing Address <b>200 Arch St</b>			

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which application is being made. The undersigned, authorized officer further certifies that the applicant is an Eligible Business as defined in P.A. 328 of 1998.

11. Name of Company Official <b>Paul Miller</b>		12. Title <b>Plant Manager</b>	
13. Signature (No Authorized Agents) <i>Paula Miller</i>		14. Date <b>2-11-13</b>	
15. Mailing Address (include City, State and ZIP Code) <b>200 Arch St. Hillsdale, MI 49242</b>			
16. Email Address <b>pmiller@us.tiavto.com</b>	17. Telephone Number <b>517-439-3353</b>	18. Fax Number <b>517-439-4141</b>	

### PART 2: LOCAL GOVERNMENT UNIT CLERK VERIFICATION

19. Name of Local Governmental Unit Which Passed Resolution for Exemption of New Personal Property <b>CITY OF HILLSDALE</b>		20. Date of Resolution (Attach Copy)		21. Expiration Date of Exemption	
22. Name of Clerk <b>MICHELLE LOREN</b>		23. Date application was received by Local Unit <b>FEBRUARY 12, 2013</b>			
24. Clerk's Signature <i>Michelle Loren</i>		25. Clerk's Mailing Address <b>97 N. BROAD ST., HILLSDALE, MI</b>			
26. Telephone Number <b>517-439-6441</b>	27. Fax Number <b>517-437-6448</b>	28. Email Address <b>CLERK@CITYOFHILLSDALE.ORG</b>			
29. LUCI Code <b>30201</b>	30. School Code <b>30020</b>	31. Date District was Established <b>1/13/1975</b>			

STATE TAX COMMISSION USE			
Application No.	Date Received	LUCI Code	School Code





**TI Automotive**

**TI Automotive Ltd.**  
1272 Doris Road  
Auburn Hills, MI 48326  
Phone: (248) 494-5100

Paula Miller  
Plant Manager, Hillsdale Plant  
200 Arch St  
Hillsdale, Michigan 49242  
517-439-3353  
pmiller@us.tiauto.com

February 13, 2013

City of Hillsdale,

TI Automotive Hillsdale Plant has secured additional business with Chrysler Corporation for the launch of the KL/UF programs in May, 2013 (KL, Jeep Liberty) and February 2014 (UF Chrysler 200). To support this business we are purchasing the following equipment:

- Maddox Double End Brake Press: Cost is \$550,000. Estimated arrival date is between 2-22 & 3-1-13.
- Tube Bender Controls for part # 04779891AA: Cost is \$28,920
- Tube Bender Controls for part # 04779890AA: Cost is \$22,500
- Tube Bender Controls for part # 04779889AA: Cost is \$22,950
- Tube Bender Controls for part # 04779892AA: Cost is \$22,600
- Total Cost of investment at this time totals: \$646,970

We are asking for a PA 328 Personal Property Tax Abatement based on these purchases for TI Automotive Hillsdale Plant.

This increase in productions means that we will be able to retain our current level of employees of 50 (total) and hire one additional Quality Technician in 2013. Our projection for the increased volumes in 2014 would be to hire an additional 7 employees if our customers maintain their quoted volumes. We start our new production employees at \$10.00 per hour thru Ellwood Staffing services. After 520 hours they are hired in at \$11.27 per hour. The top rate of pay is \$13.04 after they complete 3100 hours as our employee. We require production workers to have a high school diploma (or GED) to be hired. Ellwood also screens the employees to be hired for TI Automotive with standard aptitude tests.

I am not aware of any fees, taxes, special assessments, city water, city sewer bills that are not up to date with the City of Hillsdale.

Michigan Tax Tribunal: We do not have any appeals pending or anticipated on the Hillsdale location at this time. We did have an appeal on the real estate assessments at the Michigan Tax Tribunal for tax years 2010-2012 but that case was concluded in December of 2012 and refunds have been processed. I don't anticipate any further appeal activity in the foreseeable future.

We are willing to enter into a local agreement/contract with the City of Hillsdale for this abatement prior to the resolution being submitted by the city to the State Tax Commission.

Thank you very much for your support as we continue to grow in Hillsdale County. Please do not hesitate to call me directly if you have any questions.

Sincerely,  
Paula Miller  
Plant Manager  
TI Automotive, Hillsdale Plant





**Resolution # 3126**

**Resolution to Approve a New Personal Property  
Tax Exemption Application P.A. 328 of 1998, As Amended**

Minutes of a Special Meeting of the Hillsdale City Council held on  
February 18, 2013 at City Hall, Hillsdale, Michigan at 7:00 pm.

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

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

The following preamble and resolution were offered  
by \_\_\_\_\_  
and supported by \_\_\_\_\_.

**Resolution Approving a New Personal Property Exemption for TI  
Automotive, located at 200 Arch Avenue, Hillsdale, Michigan**

WHEREAS, pursuant to P.A. 328 of 1998, as amended, after a duly  
noticed public hearing held on January 13, 1975, the City Council of the  
City of Hillsdale, an eligible distressed area defined in Section 11 of the  
State Housing Development Authority Act of P.A. 436 of 1966, by  
Resolution, established an Industrial Development District on January 13,  
1975; and

WHEREAS, TI Automotive, LLC, a manufacturing eligible business,  
has filed an application for Exemption of New Personal Property; and

WHEREAS, before acting on said application, the City Council of the  
City of Hillsdale provided written notice to the Applicant, the City Assessor,  
and a representative of the affected taxing units affording them an  
opportunity to be heard on said Application;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the  
City of Hillsdale:

The City Council of the City of Hillsdale finds and determines that the Application submitted by TI Automotive, LLC, is for an Exemption of New Personal Property that will be located in the following described parcel of real estate situated within the City of Hillsdale, in an Industrial Development District, named Hillsdale Industrial Development District, established on January 13, 1975:

Legal Description:

Lots 5, 6 and 7 of Hillsdale Industrial Park, being a subdivision of part of the Northwest quarter, Section 22, Town 6 South, Range 3 West, City of Hillsdale, Hillsdale County, Michigan, according to the plat thereof as recorded in Liber 7, pages 27 and 28 of Plats, office of the Register of Deeds, Hillsdale County, Michigan

The City Council of the City of Hillsdale further finds and determines that granting the currently requested Exemption of New Personal Property under P.A. 328 of 1998, as amended, shall not have the effect of substantially impeding the operation, or impairing the financial soundness of the taxing unit which levies ad valorem property taxes in the City of Hillsdale; and

The New Personal Property Exemption when issued shall be, and remain in force and effective for a period beginning February 18, 2013 and ending December 31, 2016.

AYES: \_\_\_\_\_

NAYES; \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Mayor

I hereby certify that the forgoing constitutes a true and complete copy of a resolution adopted by the City Council of the City of Hillsdale in the County of Hillsdale, Michigan at a regular meeting held on February 18, 2013.

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Michelle Loren, Deputy City Clerk



# **City of Hillsdale Agenda Item Summary**

**Meeting Date:**       **February 18, 2013**

**Agenda Item #10:**   **New Business B – BPU Rate Study (3 Resolutions)**

**BACKGROUND:**

The Board of Public Utilities recently received the results of an electric cost of service study performed by Utility Financial Solutions. The cost provided an economic review of the adequacy of the utility's current rate structure in meeting its ongoing financial requirements. The last study was conducted in 2006 and since then several things have occurred which have impacted electric costs of service. I have enclosed a memo from BPU Director Rick Rose explaining the results of the study. He is present to answer any questions that Council may have regarding the results of the study and the impact of the actions recommended by the Board of Public Utilities.

The Board, at its February 12 meeting, recommended passage of three (3) resolutions:

- 1) Resolution 3123 to amend the schedule of electric rates commencing March 1, 2013 and each January 1 thereafter inclusive of January 1, 2017. For the years 2013 and 2014 no increase would be applicable, however, effective January 1, 2015 through January 1, 2017 a two (2%) per cent increase would apply.
- 2) Resolution 3124 is intended to increase the rolling average for the power cost adjustment from a three month average to a six month average.
- 3) Resolution 3125 allows the utility to establish a cash reserve policy for the electric, water and wastewater departments for use as a tool when attempting to secure better financial ratings when they enter the market for loans.

**RECOMMENDATION:**

I recommend passage of the enclosed Resolutions as requested by the Board of Public Utilities.



# Memo

**To:** Mayor and Council  
**From:** Rick J. Rose  
**CC:** City Manager  
**Date:** 2/13/2013  
**Re:** Resolution Approving Revised Rate Structure

Included in your packet is the electric cost of service study, rate design, and cash reserve policy that was performed by Utility Financial Solutions beginning in May of 2012. A cost of service study is an economic review of the adequacy of a utilities current rate structure in meeting its ongoing financial requirements and our last study was conducted and adopted in 2006. In the 6 ½ years since a number of important things have taken place. First was the termination of a long term power supply contract, which resulted in a significant increase in our base power supply costs through replacement contracts. In 2009 the Board froze its power cost adjustment to shield our customers from the full impact of the power cost increases and through November 2012 these actions have saved BPU customers over \$2.6 million.

Our rate structure comes in two basic pieces; first we have the various rate classifications that define the customer type; residential, business, commercial, industrial. The rate structure consists of a customer charge, energy charge, and demand charge (in the case of larger customers). Each rate class is based upon the costs encountered to serve that particular class when a new rate structure is implemented and is generally good enough to meet short term requirements.

The second important piece of any electric rate structure is the (PCA) or power cost adjustment. This mechanism is used to stabilize revenue in a volatile power market over a period of months and years. As outlined earlier we had frozen our PCA in 2009 and used reserve funds to subsidize our customers' bills until the end of last year. We have currently reached our minimum sustainable level of operating reserves and that is the reason for the request for rate changes. The way that a PCA works is as a safety valve for volatile energy markets, if the cost of natural gas goes up or down quickly the PCA captures the added expense or credits and introduces them to the billing system. This protects the Board from ruinous under collection dramatic over collection. Absent this type of mechanism we would need to be adjusting rate structures every couple of months.

PCA and rate revenue are treated differently in the financial statements and it is important to understand this as well. Our rates come into our financial statements as sales, which can be

anywhere from \$800,000 to a \$1,000,000 plus and this is added to total income. The City receives 3% of the total income line as PILOT. PCA on the other hand, is not treated as revenue, but is reflected as a credit toward the purchased power expense line. This credit is approximately \$120,000 monthly or \$1,600,000 so far this fiscal year. The rate consultant's recommendation is that we simply rework our rates to zero out the PCA and collect the same number of dollars through our different rate classifications. This would result in a \$0 credit under purchased power expense and \$1,600,000 plus or minus under sales revenue increase and further benefit of \$50,000 more for the City in PILOT revenue.

As a preliminary step in introducing the new rate structure developed over the course of this winter, Board and Council unfroze the power cost adjustment (PCA) in December 2012 with the results by the end of February being no overall change in the typical customer's bill. The rate consultant's recommendation advises that we change from a three-month rolling average to a six-month rolling average, which will generally give our customers a credit on their PCA. He also recommends that we adjust our rate class charges upward just enough to balance out to our revenue stream to reflect no overall rate increase for 2013 and 2014. We would then implement a 2% increase in each of 2015, 2016, and 2017. This strategy keeps the City of Hillsdale's electric rates competitive with Consumers Energy and other local municipal utilities in our area,

We are extremely fortunate that our rates can remain at basically the same level for eight years while we have gone through the worst economic contraction in the utilities modern era. The loss of load since 2006 is all industrial and reflects a reduction in sales of between 35% to 40% of our total system load. This 40,000,000 kWhr sales shortfall represents \$500,000 in annual revenue and another price point to work toward for avoiding future rate increases.

The Board approved and requests Council's approval of City of Hillsdale Resolution #3123 to amend the Hillsdale Board of Public Utilities Schedule of Electric Rates, which includes adjustment to the rate schedules, rates will remain basically the same for calendar 2013 and 2014 and rates for calendar 2015, 2016, and 2017 will each include a 2% increase over each previous year.

The Board also approved and requests Council's approval of City Resolution #3124 amending the power cost adjustment (PCA) by adjustment to the power cost base (PCB), and a change to the power cost adjustment (PCA) going from a 3-month rolling average to a 6-month rolling average.

And lastly, The Board also approved and requests Council's approval of City Resolution #3125 setting up a cash reserve policy for the electric, water, and wastewater departments. This is a recommendation from our AMP group that will assist us in attaining better financial ratings when we enter the market for loans.

The Board further requests upon City Council passage they provide for Mayor and Clerk's signatures.



## City of Hillsdale Resolution #3123

### A RESOLUTION TO AMEND THE HILLSDALE BOARD OF PUBLIC UTILITIES SCHEDULE OF ELECTRIC RATES.

WHEREAS, the Hillsdale City Council has, by ordinance, previously established a schedule for utility rates for the Hillsdale Board of Public Utilities, and

WHEREAS, the aforementioned ordinance provides that the schedule of rates shall continue unless amended from time to time by resolution of the Hillsdale City Council upon recommendation by the Hillsdale Board of Public Utilities, and

WHEREAS, the Hillsdale Board of Public Utilities has recently reviewed the rates of the electric department and have determined that said rates are not sufficient to cover operation and maintenance and capital projects in the department, which is not in the best interest of our customers, and

WHEREAS, on the basis of the foregoing information, the Hillsdale Board of Public Utilities has recommended that the Hillsdale City Council amend the electric rate schedules with a rate change with an effective date of March 1, 2013 and subsequent effective dates of January 1, 2014, January 1, 2015, January 1, 2016 and January 1, 2017.

NOW, THEREFORE, BE IT RESOLVED that the Hillsdale Board of Public Utilities electric rate schedules should be and are amended as per the attached schedule.

BE IT FURTHER RESOLVED that except as otherwise amended herein, the schedule of electric rates heretofore adopted shall continue in full force and effect until changed from time to time by resolution of the Hillsdale City Council upon recommendation by the Hillsdale Board of Public Utilities.

The foregoing Resolution was duly adopted this 18<sup>th</sup> day of February, 2013 in a regular meeting of the Hillsdale City Council.

\_\_\_\_\_  
Douglas G Moon, Mayor

\_\_\_\_\_  
Michelle Loren, Acting City Clerk

**Quick Reference for Electric Rates**  
**Effective Calendar Year 2013, 2014, 2015, 2016 2017**

Calendar Year:	2013	2014	2015	2016	2017
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<b>R1</b>					
Customer Charge (per month)	7.50	7.50	8.00	8.16	8.32
Energy (per kwh)	0.11130	0.11130	0.11297	0.11523	0.11753

<b>R2</b>					
Customer Charge (per month)	7.50	7.50	8.00	8.16	8.32
Energy (per kwh)	0.11822	0.11822	0.12031	0.12272	0.12517

<b>B1</b>					
Customer Charge (per month)	11.00	12.25	13.00	13.26	13.53
Energy (per kwh)	0.10750	0.10750	0.11044	0.11265	0.11490

<b>B3</b>					
Customer Charge (per month)	32.56	34.78	36.35	37.08	37.82
Energy (per kwh)	0.10750	0.10750	0.11044	0.11265	0.11490

<b>C1</b>					
Customer Charge (per month)	15.00	15.00	25.00	25.50	26.01
Energy (per kwh)	0.06821	0.06821	0.06887	0.07025	0.07165
Demand (per kw) (5 kw min)	10.50	10.50	10.60	10.81	11.03

<b>C1A</b>					
Customer Charge (per month)	15.00	15.00	25.00	25.50	26.01
Energy (per kwh)	0.14576	0.14309	0.14391	0.14679	0.14972

approved:  
Board of Directors 2-12-13  
City Council 2-18-13

Quick Reference for Electric Rates  
Effective Calendar Year 2013, 2014, 2015, 2016 2017

Calendar Year:	2013	2014	2015	2016	2017
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<b>C3</b>					
Customer Charge (per month)	50.00	50.00	50.00	51.00	52.02
Energy (per kwh)	0.06821	0.06821	0.06887	0.07025	0.07165
Demand (per kw) (5 kw min)	10.23	10.30	10.84	11.06	11.28

<b>C3A</b>					
Customer Charge (per month)	50.00	50.00	50.00	51.00	52.02
Energy (per kwh)	0.14576	0.14309	0.14391	0.14679	0.14972

<b>C2</b>					
Customer Charge (per month)	60.00	60.00	60.00	61.20	62.42
Energy (per kwh)	0.06292	0.06192	0.06289	0.06415	0.06543
Demand (per kw) (100 kw min)	14.00	14.00	14.00	14.28	14.57

<b>C2A</b>					
Customer Charge (per month)	60.00	60.00	60.00	61.20	62.42
Energy (per kwh)	0.14410	0.14260	0.14410	0.14698	0.14992

<b>I</b>					
Customer Charge (per month)	120.00	120.00	120.00	122.40	124.85
Energy (per kwh)	0.06099	0.06117	0.06066	0.06187	0.06311
Demand (per kw) (25 kw min)	12.50	12.50	13.50	13.77	14.05

<b>SL</b>					
Customer Charge (per month)	9.50	9.50	9.50	9.69	9.88
Energy (per kwh)	0.10460	0.10460	0.10677	0.10891	0.11108

approved:  
Board of Directors 2-12-13  
City Council 2-18-13

# HILLSDALE BOARD OF PUBLIC UTILITIES

## REGULAR RESIDENTIAL SERVICE Schedule R1

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to residential customers for all domestic uses.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

### MONTHLY RATE

Customer Charge		\$7.50 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02000 per kWh
Energy Generation & Transmission	@	\$0.07180 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### LATE PAYMENT

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 3-1-13

**HILLSDALE BOARD OF PUBLIC UTILITIES**  
**REGULAR RESIDENTIAL ALL-ELECTRIC SERVICE**  
**Schedule R2**

**AVAILABILITY**

Available in all territory served by the Hillsdale Board of Public Utilities.

**APPLICABILITY**

Applicable to residential customers using electric energy for all uses including water heating, space heating and cooling. Any customer wishing to receive service on this schedule must be registered with the Hillsdale Board of Public Utilities as an all-electric customer.

**TYPE OF SERVICE**

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

**MONTHLY RATE**

Customer Charge		\$7.50 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02000 per kWh
Energy Generation & Transmission	@	\$0.07872 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge.

Effective 3-1-13

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**LATE PAYMENT**

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 3-1-13

# HILLSDALE BOARD OF PUBLIC UTILITIES

## SMALL GENERAL SECONDARY SERVICE

Schedule B1 (Single Phase)

Schedule B3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is less than 25 kW.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts, and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

#### Customer Charge

Single Phase Service (B1)

\$11.00 per month

Three Phase Service (B3)

\$32.56 per month

#### Energy Charges:

Energy Distribution Delivery

@

\$0.02200 per kWh

Energy Generation & Transmission

@

\$0.06600 per kWh

Energy Transition Charges

@

\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

Effective 3-1-13

**LATE PAYMENT**

Two percent (2%) shall be added after the due date.



# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C1 (Single Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C1 demand rate or the alternative C1A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C1)		\$15.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00973 per kWh
Energy Generation & Transmission	@	\$0.03898 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$2.50 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 3-1-13

**ALTERNATIVE MONTHLY RATE (C1A)**

Customer Charge Single Phase Service (C1A)	\$15.00 per month
Energy Charges	\$0.14576 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 3-1-13

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C3 demand rate or the alternative C3A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C3)		\$50.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00973 per kWh
Energy Generation & Transmission	@	\$0.03898 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$2.23 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 3-1-13

**ALTERNATIVE MONTHLY RATE (C3A)**

Customer Charge Single Phase Service (C3A)	\$50.00 per month
Energy Charges	\$0.14576 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 3-1-13

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## LARGE GENERAL SECONDARY SERVICE Schedule C-2

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is greater than 100 kW for five consecutive months in the last 12 months. If demand is greater than 100 kW the customer shall have the opportunity to choose between the C2 demand rate or the alternative C2A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		\$60.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00865 per kWh
Energy Generation & Transmission	@	\$0.03477 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$4.00 per kW
Demand Generation & Transmission	@	\$10.00 per kW

Effective 3-1-13

**ALTERNATIVE MONTHLY RATE (C2A)**

Customer Charge	\$60.00 per month
Energy Charges	\$0.1441 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 100 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**METERING**

The BPU may measure supply on the primary side of transformers, in which case 3% shall be deducted from such demand and energy measurements.

Effective 3-1-13



**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

**TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## GENERAL PRIMARY SERVICE Schedule I

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at primary voltage where the actual demand is 25 kW or greater, and where the customer furnishes and maintains all necessary transforming, controlling, and protective equipment.

### TYPE OF SERVICE

Alternating current, sixty hertz, three phase nominal 2400/4160 volts, 7620/13200 volts, four wire, or 7200/12470 volts, four wire.

### MONTHLY RATE

Customer Charge		\$120.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00552 per kWh
Energy Generation & Transmission	@	\$0.03597 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.00 per kW
Demand Generation & Transmission	@	\$9.50 per kW

### MINIMUM BILL

The minimum bill shall be the customer charge plus the demand charge.

Effective 3-1-13

### **DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 25 kW, whichever is greater.

### **DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

### **METERING**

The BPU may measure supply on the secondary side of transformers, in which case 3% shall be added to such demand and energy measurements.

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## STREET LIGHTING SERVICE Schedule SL

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

The rate is available to any political subdivision agency of the State of Michigan having jurisdiction over public streets or roadways, for secondary voltage, energy only street lighting service where the political subdivision or agency has or makes available distribution lines for supplying energy for such service.

This rate is available for resale purposes. All of the customer's equipment shall be subject to the Hillsdale Board of Public Utilities' approval.

### TYPE OF SERVICE

Secondary Voltage Service: Alternating current, 60 hertz single-phase, 120/240 nominal volt service luminaries located within a clearly defined area. The customer shall furnish, install, own, and maintain the street lighting fixtures. The Hillsdale Board of Public Utilities shall connect the customer's equipment to the BPU's lines and supply the energy for its operation.

### MONTHLY RATE

Customer Charge		\$9.50	per month
Energy Charges	@	\$0.10460	per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### DELAYED PAYMENT

Two percent (2%) shall be added after the due date.

Effective 3-1-13

# HILLSDALE BOARD OF PUBLIC UTILITIES

## POWER COST ADJUSTMENT Schedule PCA

### DEFINITION

The Power Cost Adjustment shall be determined monthly by the total net purchase power cost and production fuel costs divided by the kilowatt hour sales to the ultimate consumers less the power cost base (PCB). (Using a rolling six month average.)

### FORMULA

$$PCA = ((PPC+FC+ARF)/KWh)+RSA-PCB$$

### WHERE:

PCA = Power Cost Adjustment to be applied to the energy usage in the succeeding billing month (\$ per kWh).

PPC = Net purchase power cost of previous month.

FC = Cost of production fuels used in previous month.

ARF = Annual recovery factor to adjust for over or under recovery of power supply costs as approved by the Hillsdale Board of Public Utilities.

KWh = Total energy (KWh) sold in previous month.

RSA = Rate Stabilization Adjustment to be applied in the succeeding billing month as approved by the Hillsdale Board of Public Utilities.

PCB = Power cost base of \$0.08548 per KWh.

Effective 3-1-13

# HILLSDALE BOARD OF PUBLIC UTILITIES

## REGULAR RESIDENTIAL SERVICE Schedule R1

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to residential customers for all domestic uses.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

### MONTHLY RATE

Customer Charge		\$7.50 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02000 per kWh
Energy Generation & Transmission	@	\$0.07180 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### LATE PAYMENT

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 1-1-14

**HILLSDALE BOARD OF PUBLIC UTILITIES**  
**REGULAR RESIDENTIAL ALL-ELECTRIC SERVICE**  
**Schedule R2**

**AVAILABILITY**

Available in all territory served by the Hillsdale Board of Public Utilities.

**APPLICABILITY**

Applicable to residential customers using electric energy for all uses including water heating, space heating and cooling. Any customer wishing to receive service on this schedule must be registered with the Hillsdale Board of Public Utilities as an all-electric customer.

**TYPE OF SERVICE**

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

**MONTHLY RATE**

Customer Charge		\$7.50 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02000 per kWh
Energy Generation & Transmission	@	\$0.07872 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge.

Effective 1-1-14



**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**LATE PAYMENT**

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## SMALL GENERAL SECONDARY SERVICE

Schedule B1 (Single Phase)

Schedule B3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is less than 25 kW.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts, and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (B1)		\$12.25 per month
Three Phase Service (B3)		\$34.78 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02200 per kWh
Energy Generation & Transmission	@	\$0.06600 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

Effective 1-1-14

**LATE PAYMENT**

Two percent (2%) shall be added after the due date.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C1 (Single Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C1 demand rate or the alternative C1A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C1)		\$15.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00973 per kWh
Energy Generation & Transmission	@	\$0.03898 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$2.50 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-14

**ALTERNATIVE MONTHLY RATE (C1A)**

Customer Charge Single Phase Service (C1A)	\$15.00 per month
Energy Charges	\$0.14309 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-14

## **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C3 demand rate or the alternative C3A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C3)		\$50.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00973 per kWh
Energy Generation & Transmission	@	\$0.03898 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$2.30 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-14

**ALTERNATIVE MONTHLY RATE (C3A)**

Customer Charge Single Phase Service (C3A)	\$50.00 per month
Energy Charges	\$0.14309 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-14



### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## LARGE GENERAL SECONDARY SERVICE Schedule C-2

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is greater than 100 kW for five consecutive months in the last 12 months. If demand is greater than 100 kW the customer shall have the opportunity to choose between the C2 demand rate or the alternative C2A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		\$60.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00865 per kWh
Energy Generation & Transmission	@	\$0.03377 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$4.00 per kW
Demand Generation & Transmission	@	\$10.00 per kW

Effective 1-1-14

**ALTERNATIVE MONTHLY RATE (C2A)**

Customer Charge	\$60.00 per month
Energy Charges	\$0.1426 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 100 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**METERING**

The BPU may measure supply on the primary side of transformers, in which case 3% shall be deducted from such demand and energy measurements.

Effective 1-1-14

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## GENERAL PRIMARY SERVICE Schedule I

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at primary voltage where the actual demand is 25 kW or greater, and where the customer furnished and maintains all necessary transforming, controlling, and protective equipment.

### TYPE OF SERVICE

Alternating current, sixty hertz, three phase nominal 2400/4160 volts, 7620/13200 volts, four wire, or 7200/12470 volts, four wire.

### MONTHLY RATE

Customer Charge		\$120.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00552 per kWh
Energy Generation & Transmission	@	\$0.03615 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.00 per kW
Demand Generation & Transmission	@	\$9.50 per kW

### MINIMUM BILL

The minimum bill shall be the customer charge plus the demand charge.

Effective 1-1-14

### **DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 25 kW, whichever is greater.

### **DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

### **METERING**

The BPU may measure supply on the secondary side of transformers, in which case 3% shall be added to such demand and energy measurements.

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## STREET LIGHTING SERVICE Schedule SL

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

The rate is available to any political subdivision agency of the State of Michigan having jurisdiction over public streets or roadways, for secondary voltage, energy only street lighting service where the political subdivision or agency has or makes available distribution lines for supplying energy for such service.

This rate is available for resale purposes. All of the customer's equipment shall be subject to the Hillsdale Board of Public Utilities' approval.

### TYPE OF SERVICE

Secondary Voltage Service: Alternating current, 60 hertz single-phase, 120/240 nominal volt service luminaries located within a clearly defined area. The customer shall furnish, install, own, and maintain the street lighting fixtures. The Hillsdale Board of Public Utilities shall connect the customer's equipment to the BPU's lines and supply the energy for its operation.

### MONTHLY RATE

Customer Charge		\$9.50	per month
Energy Charges	@	\$0.10460	per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### DELAYED PAYMENT

Two percent (2%) shall be added after the due date.

Effective 1-1-14



# HILLSDALE BOARD OF PUBLIC UTILITIES

## POWER COST ADJUSTMENT Schedule PCA

### DEFINITION

The Power Cost Adjustment shall be determined monthly by the total net purchase power cost and production fuel costs divided by the kilowatt hour sales to the ultimate consumers less the power cost base (PCB). (Using a rolling six month average.)

### FORMULA

$$PCA = ((PPC+FC+ARF)/KWh)+RSA-PCB$$

### WHERE:

PCA = Power Cost Adjustment to be applied to the energy usage in the succeeding billing month (\$ per kWh).

PPC = Net purchase power cost of previous month.

FC = Cost of production fuels used in previous month.

ARF = Annual recovery factor to adjust for over or under recovery of power supply costs as approved by the Hillsdale Board of Public Utilities.

KWh = Total energy (KWh) sold in previous month.

RSA = Rate Stabilization Adjustment to be applied in the succeeding billing month as approved by the Hillsdale Board of Public Utilities.

PCB = Power cost base of \$0.08548 per KWh.

Effective 1-1-14

# HILLSDALE BOARD OF PUBLIC UTILITIES

## REGULAR RESIDENTIAL SERVICE Schedule R1

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to residential customers for all domestic uses.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

### MONTHLY RATE

Customer Charge		\$8.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02167 per kWh
Energy Generation & Transmission	@	\$0.07180 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### LATE PAYMENT

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 1-1-15

**HILLSDALE BOARD OF PUBLIC UTILITIES**  
**REGULAR RESIDENTIAL ALL-ELECTRIC SERVICE**  
**Schedule R2**

**AVAILABILITY**

Available in all territory served by the Hillsdale Board of Public Utilities.

**APPLICABILITY**

Applicable to residential customers using electric energy for all uses including water heating, space heating and cooling. Any customer wishing to receive service on this schedule must be registered with the Hillsdale Board of Public Utilities as an all-electric customer.

**TYPE OF SERVICE**

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

**MONTHLY RATE**

Customer Charge		\$8.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02209 per kWh
Energy Generation & Transmission	@	\$0.07872 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge.

Effective 1-1-15

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **LATE PAYMENT**

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 1-1-15

# HILLSDALE BOARD OF PUBLIC UTILITIES

## SMALL GENERAL SECONDARY SERVICE

Schedule B1 (Single Phase)

Schedule B3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is less than 25 kW.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts, and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

#### Customer Charge

Single Phase Service (B1)

\$13.00 per month

Three Phase Service (B3)

\$36.35 per month

#### Energy Charges:

Energy Distribution Delivery

@

\$0.02200 per kWh

Energy Generation & Transmission

@

\$0.06894 per kWh

Energy Transition Charges

@

\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

Effective 1-1-15

**LATE PAYMENT**

Two percent (2%) shall be added after the due date.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C1 (Single Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C1 demand rate or the alternative C1A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C1)		\$25.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00973 per kWh
Energy Generation & Transmission	@	\$0.03964 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$2.60 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-15

**ALTERNATIVE MONTHLY RATE (C1A)**

Customer Charge Single Phase Service (C1A)	\$25.00 per month
Energy Charges	\$0.14391 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-15



### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C3 demand rate or the alternative C3A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C3)		\$50.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00973 per kWh
Energy Generation & Transmission	@	\$0.03964 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$2.84 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-15

**ALTERNATIVE MONTHLY RATE (C3A)**

Customer Charge Single Phase Service (C3A)	\$50.00 per month
Energy Charges	\$0.14391 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-15

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## LARGE GENERAL SECONDARY SERVICE Schedule C-2

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is greater than 100 kW for five consecutive months in the last 12 months. If demand is greater than 100 kW the customer shall have the opportunity to choose between the C2 demand rate or the alternative C2A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		\$60.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00865 per kWh
Energy Generation & Transmission	@	\$0.03474 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$4.00 per kW
Demand Generation & Transmission	@	\$10.00 per kW

Effective 1-1-15

**ALTERNATIVE MONTHLY RATE (C2A)**

Customer Charge	\$60.00 per month
Energy Charges	\$0.1441 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 100 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**METERING**

The BPU may measure supply on the primary side of transformers, in which case 3% shall be deducted from such demand and energy measurements.

Effective 1-1-15

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

**TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## GENERAL PRIMARY SERVICE Schedule I

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at primary voltage where the actual demand is 25 kW or greater, and where the customer furnished and maintains all necessary transforming, controlling, and protective equipment.

### TYPE OF SERVICE

Alternating current, sixty hertz, three phase nominal 2400/4160 volts, 7620/13200 volts, four wire, or 7200/12470 volts, four wire.

### MONTHLY RATE

Customer Charge		\$120.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00552 per kWh
Energy Generation & Transmission	@	\$0.03564 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.00 per kW
Demand Generation & Transmission	@	\$10.50 per kW

### MINIMUM BILL

The minimum bill shall be the customer charge plus the demand charge.

Effective 1-1-15



### **DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 25 kW, whichever is greater.

### **DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

### **METERING**

The BPU may measure supply on the secondary side of transformers, in which case 3% shall be added to such demand and energy measurements.

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## STREET LIGHTING SERVICE Schedule SL

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

The rate is available to any political subdivision agency of the State of Michigan having jurisdiction over public streets or roadways, for secondary voltage, energy only street lighting service where the political subdivision or agency has or makes available distribution lines for supplying energy for such service.

This rate is available for resale purposes. All of the customer's equipment shall be subject to the Hillsdale Board of Public Utilities' approval.

### TYPE OF SERVICE

Secondary Voltage Service: Alternating current, 60 hertz single-phase, 120/240 nominal volt service luminaries located within a clearly defined area. The customer shall furnish, install, own, and maintain the street lighting fixtures. The Hillsdale Board of Public Utilities shall connect the customer's equipment to the BPU's lines and supply the energy for its operation.

### MONTHLY RATE

Customer Charge		\$9.50	per month
Energy Charges	@	\$0.10677	per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### DELAYED PAYMENT

Two percent (2%) shall be added after the due date.

Effective 1-1-15

# HILLSDALE BOARD OF PUBLIC UTILITIES

## POWER COST ADJUSTMENT Schedule PCA

### DEFINITION

The Power Cost Adjustment shall be determined monthly by the total net purchase power cost and production fuel costs divided by the kilowatt hour sales to the ultimate consumers less the power cost base (PCB). (Using a rolling six month average.)

### FORMULA

$$PCA = ((PPC+FC+ARF)/KWh)+RSA-PCB$$

### WHERE:

PCA = Power Cost Adjustment to be applied to the energy usage in the succeeding billing month (\$ per kWh).

PPC = Net purchase power cost of previous month.

FC = Cost of production fuels used in previous month.

ARF = Annual recovery factor to adjust for over or under recovery of power supply costs as approved by the Hillsdale Board of Public Utilities.

KWh = Total energy (KWh) sold in previous month.

RSA = Rate Stabilization Adjustment to be applied in the succeeding billing month as approved by the Hillsdale Board of Public Utilities.

PCB = Power cost base of \$0.08548 per KWh.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## REGULAR RESIDENTIAL SERVICE Schedule R1

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to residential customers for all domestic uses.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

### MONTHLY RATE

Customer Charge		\$8.16 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02280 per kWh
Energy Generation & Transmission	@	\$0.07293 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### LATE PAYMENT

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 1-1-16

**HILLSDALE BOARD OF PUBLIC UTILITIES**  
**REGULAR RESIDENTIAL ALL-ELECTRIC SERVICE**  
**Schedule R2**

**AVAILABILITY**

Available in all territory served by the Hillsdale Board of Public Utilities.

**APPLICABILITY**

Applicable to residential customers using electric energy for all uses including water heating, space heating and cooling. Any customer wishing to receive service on this schedule\*must be registered with the Hillsdale Board of Public Utilities as an all-electric customer.

**TYPE OF SERVICE**

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

**MONTHLY RATE**

Customer Charge		\$8.16 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02329 per kWh
Energy Generation & Transmission	@	\$0.07993 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge.

Effective 1-1-16

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **LATE PAYMENT**

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## SMALL GENERAL SECONDARY SERVICE Schedule B1 (Single Phase) Schedule B3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is less than 25 kW.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts, and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (B1)		\$13.26 per month
Three Phase Service (B3)		\$37.08 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02311 per kWh
Energy Generation & Transmission	@	\$0.07004 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

Effective 1-1-16



**LATE PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-16

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C1 (Single Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C1 demand rate or the alternative C1A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C1)		\$25.50 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.01042 per kWh
Energy Generation & Transmission	@	\$0.04033 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$2.81 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-16

**ALTERNATIVE MONTHLY RATE (C1A)**

Customer Charge Single Phase Service (C1A)	\$25.00 per month
Energy Charges	\$0.14679 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-16

## **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C3 demand rate or the alternative C3A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C3)		\$51.00 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.01042 per kWh
Energy Generation & Transmission	@	\$0.04033 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.06 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-16

**ALTERNATIVE MONTHLY RATE (C3A)**

Customer Charge Single Phase Service (C3A)	\$51.00 per month
Energy Charges	\$0.14679 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-16

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## LARGE GENERAL SECONDARY SERVICE Schedule C-2

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is greater than 100 kW for five consecutive months in the last 12 months. If demand is greater than 100 kW the customer shall have the opportunity to choose between the C2 demand rate or the alternative C2A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		\$61.20 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00928 per kWh
Energy Generation & Transmission	@	\$0.03537 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$4.28 per kW
Demand Generation & Transmission	@	\$10.00 per kW

Effective 1-1-16



**ALTERNATIVE MONTHLY RATE (C2A)**

Customer Charge	\$61.20 per month
Energy Charges	\$0.14698 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 100 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**METERING**

The BPU may measure supply on the primary side of transformers, in which case 3% shall be deducted from such demand and energy measurements.

Effective 1-1-16

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## GENERAL PRIMARY SERVICE Schedule I

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at primary voltage where the actual demand is 25 kW or greater, and where the customer furnished and maintains all necessary transforming, controlling, and protective equipment.

### TYPE OF SERVICE

Alternating current, sixty hertz, three phase nominal 2400/4160 volts, 7620/13200 volts, four wire, or 7200/12470 volts, four wire.

### MONTHLY RATE

Customer Charge		\$122.40 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00613 per kWh
Energy Generation & Transmission	@	\$0.03624 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.27 per kW
Demand Generation & Transmission	@	\$10.50 per kW

### MINIMUM BILL

The minimum bill shall be the customer charge plus the demand charge.

Effective 1-1-16

### **DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 25 kW, whichever is greater.

### **DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

### **METERING**

The BPU may measure supply on the secondary side of transformers, in which case 3% shall be added to such demand and energy measurements.

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## STREET LIGHTING SERVICE Schedule SL

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

The rate is available to any political subdivision agency of the State of Michigan having jurisdiction over public streets or roadways, for secondary voltage, energy only street lighting service where the political subdivision or agency has or makes available distribution lines for supplying energy for such service.

This rate is available for resale purposes. All of the customer's equipment shall be subject to the Hillsdale Board of Public Utilities' approval.

### TYPE OF SERVICE

Secondary Voltage Service: Alternating current, 60 hertz single-phase, 120/240 nominal volt service luminaries located within a clearly defined area. The customer shall furnish, install, own, and maintain the street lighting fixtures. The Hillsdale Board of Public Utilities shall connect the customer's equipment to the BPU's lines and supply the energy for its operation.

### MONTHLY RATE

Customer Charge		\$9.69	per month
Energy Charges	@	\$0.10891	per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### DELAYED PAYMENT

Two percent (2%) shall be added after the due date.

Effective 1-1-16

# HILLSDALE BOARD OF PUBLIC UTILITIES

## POWER COST ADJUSTMENT Schedule PCA

### DEFINITION

The Power Cost Adjustment shall be determined monthly by the total net purchase power cost and production fuel costs divided by the kilowatt hour sales to the ultimate consumers less the power cost base (PCB). (Using a rolling six month average.)

### FORMULA

$$PCA = ((PPC+FC+ARF)/KWh)+RSA-PCB$$

### WHERE:

PCA = Power Cost Adjustment to be applied to the energy usage in the succeeding billing month (\$ per kWh).

PPC = Net purchase power cost of previous month.

FC = Cost of production fuels used in previous month.

ARF = Annual recovery factor to adjust for over or under recovery of power supply costs as approved by the Hillsdale Board of Public Utilities.

KWh = Total energy (KWh) sold in previous month.

RSA = Rate Stabilization Adjustment to be applied in the succeeding billing month as approved by the Hillsdale Board of Public Utilities.

PCB = Power cost base of \$0.08548 per KWh.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## REGULAR RESIDENTIAL SERVICE Schedule R1

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to residential customers for all domestic uses.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

### MONTHLY RATE

Customer Charge \$8.32 per month

#### Energy Charges:

Energy Distribution Delivery	@	\$0.02292 per kWh
Energy Generation & Transmission	@	\$0.07511 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### LATE PAYMENT

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 1-1-17



**HILLSDALE BOARD OF PUBLIC UTILITIES**  
**REGULAR RESIDENTIAL ALL-ELECTRIC SERVICE**  
**Schedule R2**

**AVAILABILITY**

Available in all territory served by the Hillsdale Board of Public Utilities.

**APPLICABILITY**

Applicable to residential customers using electric energy for all uses including water heating, space heating and cooling. Any customer wishing to receive service on this schedule must be registered with the Hillsdale Board of Public Utilities as an all-electric customer.

**TYPE OF SERVICE**

Alternating current, sixty hertz, single phase, nominal 120/240 volts.

**MONTHLY RATE**

Customer Charge		\$8.32 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.02452 per kWh
Energy Generation & Transmission	@	\$0.08115 per kWh
Energy Transition Charges	@	\$0.01950 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge.

Effective 1-1-17

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**LATE PAYMENT**

Two percent (2%) shall be added after the due date provided, however, that this charge shall not be applied against customers who are 65 years of age or older, the head of a household, and properly registered with the Hillsdale Board of Public Utilities.

Effective 1-1-17

# HILLSDALE BOARD OF PUBLIC UTILITIES

## SMALL GENERAL SECONDARY SERVICE

Schedule B1 (Single Phase)

Schedule B3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is less than 25 kW.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts, and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

#### Customer Charge

Single Phase Service (B1)

\$13.53 per month

Three Phase Service (B3)

\$37.82 per month

#### Energy Charges:

Energy Distribution Delivery

@

\$0.02424 per kWh

Energy Generation & Transmission

@

\$0.07116 per kWh

Energy Transition Charges

@

\$0.01950 per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

Effective 1-1-17

**LATE PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-17

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C1 (Single Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C1 demand rate or the alternative C1A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C1)		\$26.01 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.01112 per kWh
Energy Generation & Transmission	@	\$0.04103 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.03 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-17

**ALTERNATIVE MONTHLY RATE (C1A)**

Customer Charge Single Phase Service (C1A)	\$26.01 per month
Energy Charges	\$0.14972 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-17

## **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## MEDIUM GENERAL SECONDARY SERVICE Schedule C3 (Three Phase)

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is 5 kW, but not greater than 100 kW. Where demand is 5 kW but less than 25 kW, the customer shall have the option of being placed on this rate or the Small General Secondary Service Rate. If demand is greater than 25 kW the customer shall have the opportunity to choose between the C3 demand rate or the alternative C3A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		
Single Phase Service (C3)		\$52.02 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.01112 per kWh
Energy Generation & Transmission	@	\$0.04103 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.28 per kW
Demand Generation & Transmission	@	\$8.00 per kW

Effective 1-1-17



**ALTERNATIVE MONTHLY RATE (C3A)**

Customer Charge Single Phase Service (C3A)	\$52.02 per month
Energy Charges	\$0.14972 per kWh

**MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

**DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 5 kW, whichever is greater.

**DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

**REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

**POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

**DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

Effective 1-1-17

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## LARGE GENERAL SECONDARY SERVICE Schedule C-2

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at secondary voltage where the demand is greater than 100 kW for five consecutive months in the last 12 months. If demand is greater than 100 kW the customer shall have the opportunity to choose between the C2 demand rate or the alternative C2A non-demand rate. Once this choice is made, the account shall remain on that rate for no less than 12 months.

### TYPE OF SERVICE

Alternating current, sixty hertz, single phase, nominal 120/240 volts and where available, three phase, nominal 480 volts, 240 volts, or 120/208 volts.

### MONTHLY RATE

Customer Charge		\$62.42 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00992 per kWh
Energy Generation & Transmission	@	\$0.03601 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$4.57 per kW
Demand Generation & Transmission	@	\$10.00 per kW

Effective 1-1-17

### **ALTERNATIVE MONTHLY RATE (C2A)**

Customer Charge	\$62.42 per month
Energy Charges	\$0.14992 per kWh

### **MINIMUM BILL**

The minimum bill shall be the customer charge plus the minimum demand charge.

### **DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 100 kW, whichever is greater.

### **DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicated that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

### **METERING**

The BPU may measure supply on the primary side of transformers, in which case 3% shall be deducted from such demand and energy measurements.

Effective 1-1-17

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.

# HILLSDALE BOARD OF PUBLIC UTILITIES

## GENERAL PRIMARY SERVICE Schedule I

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

Applicable to any customer for general service at primary voltage where the actual demand is 25 kW or greater, and where the customer furnished and maintains all necessary transforming, controlling, and protective equipment.

### TYPE OF SERVICE

Alternating current, sixty hertz, three phase nominal 2400/4160 volts, 7620/13200 volts, four wire, or 7200/12470 volts, four wire.

### MONTHLY RATE

Customer Charge		\$124.85 per month
Energy Charges:		
Energy Distribution Delivery	@	\$0.00675 per kWh
Energy Generation & Transmission	@	\$0.03686 per kWh
Energy Transition Charges	@	\$0.01950 per kWh
Demand Charges:		
Demand Distribution Delivery	@	\$3.55 per kW
Demand Generation & Transmission	@	\$10.50 per kW

### MINIMUM BILL

The minimum bill shall be the customer charge plus the demand charge.

Effective 1-1-17

### **DETERMINATION OF DISTRIBUTION DELIVERY BILLING DEMAND**

The distribution delivery demand shall be the actual demand, sixty percent (60%) of the highest demand during the preceding eleven (11) months, or 25 kW, whichever is greater.

### **DETERMINATION OF BILLING DEMAND SOLD**

The billing demand sold shall be the highest demand recorded during the month.

### **POWER COST ADJUSTMENT**

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### **REACTIVE POWER ADJUSTMENT**

The customer should maintain power factors of 100%. The customer agrees to maintain unity power factor as nearly as practicable. The Hillsdale Board of Public Utilities reserves the right to measure such power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 95%, the demand for billing purposes shall be determined by multiplying the metered maximum demand by 95% and dividing the product thus obtained by the actual power factor.

### **METERING**

The BPU may measure supply on the secondary side of transformers, in which case 3% shall be added to such demand and energy measurements.

### **DELAYED PAYMENT**

Two percent (2%) shall be added after the due date.

### **TERMINATION OF SERVICE**

In recognition of the BPU's continued obligation to serve customer's premises, the demand charge will continue for twelve months after any termination of service with the amount of such charge equal to the average demand charge for the twelve months prior to termination. Termination of service shall include any substantial reduction in customer's requirements for or usage of electricity, excluding bona fide changes in customer's load, energy efficiency or energy conservation measures, or changed operating characteristics of energy consuming equipment on customer's premises. The continuation of the demand charge may be waived or amended in the sole discretion of the BPU based upon such factors as the utility deems proper, including the likely or actual load on customer's premises to be supplied by the BPU currently or in the future.



# HILLSDALE BOARD OF PUBLIC UTILITIES

## STREET LIGHTING SERVICE Schedule SL

### AVAILABILITY

Available in all territory served by the Hillsdale Board of Public Utilities.

### APPLICABILITY

The rate is available to any political subdivision agency of the State of Michigan having jurisdiction over public streets or roadways, for secondary voltage, energy only street lighting service where the political subdivision or agency has or makes available distribution lines for supplying energy for such service.

This rate is available for resale purposes. All of the customer's equipment shall be subject to the Hillsdale Board of Public Utilities' approval.

### TYPE OF SERVICE

Secondary Voltage Service: Alternating current, 60 hertz single-phase, 120/240 nominal volt service luminaries located within a clearly defined area. The customer shall furnish, install, own, and maintain the street lighting fixtures. The Hillsdale Board of Public Utilities shall connect the customer's equipment to the BPU's lines and supply the energy for its operation.

### MONTHLY RATE

Customer Charge		\$9.88	per month
Energy Charges	@	\$0.11108	per kWh

### MINIMUM BILL

The minimum bill shall be the customer charge.

### POWER COST ADJUSTMENT

The amount charged under the above rates shall be adjusted according to the Power Cost Adjustment (PCA).

### DELAYED PAYMENT

Two percent (2%) shall be added after the due date.

Effective 1-1-17

# HILLSDALE BOARD OF PUBLIC UTILITIES

## POWER COST ADJUSTMENT Schedule PCA

### DEFINITION

The Power Cost Adjustment shall be determined monthly by the total net purchase power cost and production fuel costs divided by the kilowatt hour sales to the ultimate consumers less the power cost base (PCB). (Using a rolling six month average.)

### FORMULA

$$PCA = ((PPC+FC+ARF)/KWh)+RSA-PCB$$

### WHERE:

PCA = Power Cost Adjustment to be applied to the energy usage in the succeeding billing month (\$ per kWh).

PPC = Net purchase power cost of previous month.

FC = Cost of production fuels used in previous month.

ARF = Annual recovery factor to adjust for over or under recovery of power supply costs as approved by the Hillsdale Board of Public Utilities.

KWh = Total energy (KWh) sold in previous month.

RSA = Rate Stabilization Adjustment to be applied in the succeeding billing month as approved by the Hillsdale Board of Public Utilities.

PCB = Power cost base of \$0.08548 per KWh.

## City of Hillsdale Resolution #3124

### A RESOLUTION TO AMEND THE HILLSDALE BOARD OF PUBLIC UTILITIES POWER COST ADJUSTMENT UNDER THE SCHEDULE OF ELECTRIC RATES.

WHEREAS, the Hillsdale City Council has, by ordinance, previously established a schedule for electric rates for the Hillsdale Board of Public Utilities, and

WHEREAS, the aforementioned ordinance provides that the schedule of rates shall continue unless amended from time to time by resolution of the Hillsdale City Council upon recommendation by the Hillsdale Board of Public Utilities, and

WHEREAS, the Hillsdale Board of Public Utilities has advised and recommended that the Hillsdale City Council amend the Power Cost Adjustment effective March 1, 2013.

WHEREAS, the Hillsdale Board of Public Utilities has advised that it is in the best interests of the Hillsdale Board of Public Utilities and its customers to establish a power cost adjustment that ensures the recovery of the actual cost of power.

NOW, THEREFORE, BE IT RESOLVED that the Hillsdale Board of Public Utilities Power Cost Adjustment Schedule should be and is amended as per the attached schedule.

BE IT FURTHER RESOLVED that except as otherwise amended herein, the schedule of electric rates heretofore adopted shall continue in full force and effect until changed from time to time by resolution of the Hillsdale City Council upon recommendation by the Hillsdale Board of Public Utilities.

The foregoing Resolution was duly adopted this 18<sup>th</sup> day of February, 2013 in a regular meeting of the Hillsdale City Council.

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Douglas G Moon, Mayor

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Michelle Loren, Acting City Clerk

**POWER COST ADJUSTMENT**  
**Schedule PCA**

**DEFINITION**

The Power Cost Adjustment shall be determined monthly by the total net purchase power cost and production fuel costs divided by the kilowatt hour sales to the ultimate consumers less the power cost base (PCB). (Using a rolling six month average.)

**FORMULA**

$$PCA = ((PPC+FC+ARF)/KWh)+RSA-PCB$$

**WHERE:**

PCA = Power Cost Adjustment to be applied to the energy usage in the succeeding billing month (\$ per kWh).

PPC = Net purchase power cost of previous month.

FC = Cost of production fuels used in previous month.

ARF = Annual recovery factor to adjust for over or under recovery of power supply costs as approved by the Hillsdale Board of Public Utilities.

KWh = Total energy (KWh) sold in previous month.

RSA = Rate Stabilization Adjustment to be applied in the succeeding billing month as approved by the Hillsdale Board of Public Utilities.

PCB = Power cost base of \$0.08548 per KWh.

## City of Hillsdale Resolution #3125

### A RESOLUTION TO APPROVE THE HILLSDALE BOARD OF PUBLIC UTILITIES CASH RESERVE POLICIES FOR THE ELECTRIC, WATER AND WASTEWATER DEPARTMENTS.

WHEREAS, the Hillsdale Board of Public Utilities has advised and recommended that the Hillsdale City Council approve the cash reserve policies for the electric, water, and wastewater departments, and

WHEREAS, the Hillsdale Board of Public Utilities has advised that it is in the best interests of the Hillsdale Board of Public Utilities and its customers to establish cash reserve policies for each department to ensure that each department can function and serve its customers according to the mission statement of the Hillsdale Board of Public Utilities.

NOW, THEREFORE, BE IT RESOLVED that the Hillsdale Board of Public Utilities Cash Reserve Policies and methodology shall be approved and accepted per the attached schedule.



BE IT FURTHER RESOLVED that except as otherwise amended herein, the cash reserve policies heretofore adopted shall continue in full force and effect until changed by resolution of the Hillsdale City Council upon recommendation by the Hillsdale Board of Public Utilities.

The foregoing Resolution was duly adopted this 18<sup>th</sup> day of February, 2013 in a regular meeting of the Hillsdale City Council.

\_\_\_\_\_  
Douglas G Moon, Mayor

\_\_\_\_\_  
Michelle Loren, Acting City Clerk

Executive Report  
**HILLSDALE BOARD OF  
PUBLIC UTILITIES**  
Electric Cash Policy  
September 2012



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Utility Financial Solutions, LLC

**Specializing in Cost of Service,  
Rate Design, and Financial Analysis**

www.utilityfinancialsolutions.com



September 20, 2012

Ms. Annette Kinney  
Chief Financial Manager/Assistant Director  
City of Hillsdale, MI

Dear Ms. Kinney,

We are pleased to present this executive summary report on development of an electric minimum cash reserve policy for Hillsdale Board of Public Utilities.

To help ensure financial stability, timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, the actual cash reserves may vary substantially above the minimum and is dependent several risk factors for the utility.

The specific purposes of this study are:

- 1) Identify the major risk categories for the Electric Utility
- 2) Establish a risk factor for each exposure
- 3) Determine and recommend a minimum recommended cash reserve

This report includes the results and calculations of the analysis and recommended formula for a minimum reserve policy.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Beauchamp", is written over a horizontal line.

Utility Financial Solutions, LLC  
Mark Beauchamp  
CPA, MBA, CMA



	<b>Page</b>
<b>1</b> <b>Introduction.....</b>	<b>1</b>
<b>2</b> <b>Methodology.....</b>	<b>2-5</b>
<b>3</b> <b>Minimum Cash Reserve Calculation.....</b>	<b>3</b>





## **Introduction**

Cash reserve policies and guidelines are often established by utilities to maintain appropriate cash reserves to help ensure:

1. Cash exists for timely payment of bills
2. The short-term and long-term financial health of the Utility
3. Stable rates for customers
4. Cash exists to fund unanticipated cost contingencies
5. The amount and timing of future bond issues are identified
6. A significant factor is being met for bond rating agencies

In recent years the compounded impacts of power supply cost uncertainties, a sluggish economy, volatile energy prices, and rising capital improvement costs have posed challenges to maintaining stable rates and cash reserves. It is important for utilities to maintain the financial flexibility to smooth rate increases and stagger rate adjustments for customers of the utility.

Minimum cash reserve guidelines proposed in this report should be set to allow reserves to fluctuate above the minimum guidelines. The decision to hold more money than the established minimum cash guidelines should be based on the assessments of uncertainties and other financial policies such as:

- The financial risk facing the utilities
- Rate setting policies
- Variability in power costs
- Debt policies
- Future capital improvements needed by utility
- Line Extension policies

The adequacy of the guidelines may be reviewed internally each year, and if appropriate, revised guidelines may be recommended.



## Hillsdale BPU Electric Cash Policy

### Methodology

Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, the actual cash reserves may vary substantially above the minimum and is dependent several risk factors discussed below.

The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, purchase power, historical investment in assets, debt service and the five-year capital plan. The establishment of minimum cash reserves should consider a number factors including:

### Operations and Maintenance Risk

**Working Capital Lag** - Timing differences exist between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps ensure cash exists to pay expenses in a timely manner.

- **The cash reserve policy will include 12.3% of annual operating expenses excluding depreciation expense and power supply expenditures.**
  - 12.3% was derived by assuming a 45 day lag between billing and payment receipt from customers. (45 days/365 days).



## Hillsdale BPU Electric Cash Policy

### Power Supply Risk

**Max Month** – The peak month power supply cost was determined and converted to a 15 day working capital lag. This represents 4.7% of the total yearly power supply.

- The cash reserve policy will include 4.7% of annual power supply.
  - 4.7% was derived by determining the peak month was July at \$1,137,690 and allocated a .47 factor (14 days/30 days=0.47) for a total \$530,922 or 4.7% of the yearly total.

	Allocated 2013 Power Supply Budget
July	\$ 1,137,690
August	1,037,981
September	898,621
October	839,697
November	847,325
December	893,017
January	928,562
February	947,590
March	1,001,565
April	974,272
May	979,211
June	822,950
<b>Total</b>	<b>\$ 11,308,483</b>
Peak Month	\$ 1,137,690
Working Capital Lag	0.47
Power Supply Allocation	\$ 530,922
Percentage of total	4.7%



# Hillsdale BPU Electric Cash Policy

## Historical Investment Risk

**Investment in assets** – Catastrophic events may occur that require substantial investments to replace damaged assets. Some examples of catastrophic events include ice storms, earthquakes, wind storms, floods, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA; however FEMA reimbursements can take between 6 months to 2 years to recover. The utility should ensure adequate cash reserves exist to replace the assets in a timely fashion and to arrange short term financing options. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies. The percent to the minimum cash reserves are dependent on the age of the assets in service and the level of risk of catastrophic type events.

- The cash reserve policy will include 3% of the historical investment in assets as recorded in the financial statements.
  - The typical range for set aside under this category is 1 - 3%. The following table represents determination of the risk factor:

Risk Table		
Depreciation Percent	0 - 49%	1.0%
Depreciation Percent	50 - 55%	2.0%
Depreciation Percent	Over 55%	3.0%

- Hillsdale is depreciated at 62.4% as calculated below:

Historical Investment		\$ 32,153,652
Accum Depreciation		20,071,814
Percent Depreciated		62.4%
Risk Associated with historical Assets		3.0%



## Hillsdale BPU Electric Cash Policy

### Debt Service Risk

**Annual debt service** – Some debt service payments do not occur evenly throughout the year and often occur every six months. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.

- The cash reserve policy will include 0% of the current portion of debt service.
  - Currently, Hillsdale does not have debt. However, should the utility incur debt in the future, Hillsdale should include the debt payment in the cash calculation. Typically bonds are set up on a semi-annual payment schedule. The analysis should include the percentage of the maximum payment of the year. In the example below, this would represent 80.4% of the yearly debt payment. Below is an example only for future reference. This was not used in the current policy for Hillsdale:

Date	Principal	Interest	Total
10/1/2011	\$ -	\$ 123,313	\$ 123,313
4/1/2012	382,566	123,313	505,879
<b>Total</b>	<b>\$ 382,566</b>	<b>\$ 246,626</b>	<b>\$ 629,192</b>
Highest Payment divided by Annual Debt Service			80.4%

### Five-Year Capital Plan Risk

**Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

- The cash reserve policy should include 20% of the total five year capital improvement program less any improvements funded through the issuance of bonds. However, 2013 and 2014 appear to be years that capital spending will be low and not quite maintain Net Book Value. We recommend when the capital expenditures are low, depreciation is used as an estimate.

	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Total
Total Capital Plan	\$ 300,000	\$ 300,000	\$ 800,000	\$ 800,000	\$ 800,000	
Bond Proceeds						
5 year plan less Bond proceeds	\$ 300,000	\$ 300,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 3,000,000



## Hillsdale BPU Electric Cash Policy

### Minimum Cash Reserve Calculation

The minimum cash reserve calculation considers the risk "in total" and not each individual category. For example; catastrophic events can occur and the amount may far exceed the amount set aside under "Historical investment in assets".

If certain events occur that results in cash reserves falling below the minimum cash reserve levels, the Board of Directors should take action to restore cash reserves to the minimum levels over the subsequent three years. These actions may include a number of options:

1. Rate Adjustments
2. Cost reductions
3. Issuance of bonds to fund capital improvement programs
4. Modification of the assumptions used to determine the cash reserve levels

### Minimum Cash Reserve Calculation

Based on 2013 Budget expenditures, the proposed 2013 recommended minimum cash reserve is \$2.65 million as calculated below:

Recommended MINIMUM Reserves	Percent Allocated	Projected 2013
Operation & Maintenance Less Depreciation Expense	12.9%	\$ 281,743
Purchase Power	4.7%	530,922
Historical Rate Base	3.0%	973,610
Current Portion of Debt Service	0.0%	-
Five Year Capital Plan - Net of bond proceeds	Depreciation *	861,822
<b>Recommended MINIMUM Reserves</b>		<b>\$ 2,648,097 **</b>



\*Depreciation was used for the five-year capital program due to low spending in 2013 & 2014. The actual Policy should be written to include 20% of the five-year capital plan less bonds in years when spending exceeds depreciation.

\*\*For simplification, the above calculation can be estimated by taking the total O&M budget and using 67 day working capital.

It is important to emphasize this is a recommended minimum cash reserve. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting polices, and debt policies.

The cash reserve calculation should be updated annually as part of the budget process. The discussion with the Board of Directors should include a visual description of the past trends, current position and future projections.

Executive Report  
**HILLSDALE BOARD OF  
PUBLIC UTILITIES**  
Water Cash Policy  
September 2012



**UFS**  
Utility Financial Solutions, LLC  
Specializing in Cost of Service,  
Rate Design, and Financial Analysis

10000 ... ..



September 20, 2012

Ms. Annette Kinney  
Chief Financial Manager/Assistant Director  
City of Hillsdale, MI

Dear Ms. Kinney,

We are pleased to present this executive summary report on development of a water minimum cash reserve policy for the Hillsdale Board of Public Utilities.

To help ensure financial stability, timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, the actual cash reserves may vary substantially above the minimum and is dependent several risk factors for the utility.

The specific purposes of this study are:

- 1) Identify the major risk categories for the Water Utility
- 2) Establish a risk factor for each exposure
- 3) Determine and recommend a minimum recommended cash reserve

This report includes the results and calculations of the analysis and recommended formula for a minimum reserve policy.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Beauchamp", is written over a horizontal line.

Utility Financial Solutions, LLC  
Mark Beauchamp  
CPA, MBA, CMA





	Page
<b>1</b> Introduction.....	<b>1</b>
<b>2</b> Methodology Allocation.....	<b>2-5</b>
<b>3</b> Minimum Cash Reserve Calculation.....	<b>6</b>



### Introduction

Cash reserve policies and guidelines are often established by utilities to maintain appropriate cash reserves to help ensure:

1. Cash exists for timely payment of bills
2. The short-term and long-term financial health of the Utility
3. Stable rates for customers
4. Cash exists to fund unanticipated cost contingencies
5. The amount and timing of future bond issues are identified
6. A significant factor is being met for bond rating agencies

In recent years the compounded impacts of cost increases, a sluggish economy, and rising capital improvement costs have posed challenges to maintaining stable rates and cash reserves. It is important for utilities to maintain the financial flexibility to smooth rate increases and stagger rate adjustments for customers of the utility.

Minimum cash reserve guidelines proposed in this report should be set to allow reserves to fluctuate above the minimum guidelines. The decision to hold more money than the established minimum cash guidelines should be based on the assessments of uncertainties and other financial policies such as:

- The financial risk facing the utilities
- Rate setting policies
- Variability in production costs
- Debt policies
- Future capital improvements needed by utility
- Connection Fees

The adequacy of the guidelines may be reviewed internally each year, and if appropriate, revised guidelines may be recommended.



## **Methodology**

Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, the actual cash reserves may vary substantially above the minimum and is dependent several risk factors discussed below.

The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, production costs, historical investment in assets, debt service and the five-year capital plan. The establishment of minimum cash reserves should consider a number factors including:

### **Operations and Maintenance Risk**

**Working Capital Lag** - Timing differences exist between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps ensure cash exists to pay expenses in a timely manner.

- **The cash reserve policy will include 12.3% of annual operating expenses excluding depreciation expense.**
  - 12.3% was derived by assuming a 45 day lag between billing and payment receipt from customers. (45 days/365 days).



## Hillsdale BPU Water Cash Policy

### Historical Investment Risk

**Investment in assets** – Catastrophic events may occur that require substantial investments to replace damaged assets. Some examples of catastrophic events include ice storms, earthquakes, wind storms, floods, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA; however FEMA reimbursements can take between 6 months to 2 years to recover. The utility should ensure adequate cash reserves exist to replace the assets in a timely fashion and to arrange short term financing options. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies. The percent to the minimum cash reserves are dependent on the age of the assets in service and the level of risk of catastrophic type events.

- **The cash reserve policy will include 0.5% of the historical investment in assets as recorded in the financial statements.**
  - The typical range for set aside under this category is 0.5 – 1.5%. The following table represents determination of the risk factor:

Risk Table		
Depreciation Percent	0 - 69%	0.5%
Depreciation Percent	70 - 75%	1.0%
Depreciation Percent	Over 75%	1.5%

- Hillsdale is depreciated at 50% as calculated below:

Historical Investment		\$ 10,465,593
Accum Depreciation		5,223,828
Percent Depreciated		50%
Risk Associated with historical Assets		0.5%



## Hillsdale BPU Water Cash Policy

### Debt Service Risk

**Annual debt service** – Some debt service payments do not occur evenly throughout the year and often occur every six months. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.

- The cash reserve policy will include 0% of the current portion of debt service. The Debt is paid off in 2016. Below shows the calculation at 94.6%, but since the debt is paid off in 2016, we have removed it from the calculation.

Payment Date	Principal	Interest	Total
Oct-12	\$ 334,000	\$ 26,428	\$ 360,428
Apr-13	-	20,473	20,473
<b>Total</b>			<b>\$ 380,901</b>
<b>Highest Payment Risk</b>			<b>94.6%*</b>

\*Note that one bond issuance totaling \$197,000 will be paid off in 2014, and the other for the water department \$190,000 will be paid off in 2016

### Five-Year Capital Plan Risk

**Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

- The cash reserve policy will include 20% of the five year capital improvement program less any improvements funded through the issuance of bonds.

	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Total
Total Capital Plan	\$ 245,000	\$ 191,000	\$ 198,000	\$ 300,000	\$ 135,000	
Bond Proceeds						
5 year plan less Bond proceeds	\$ 245,000	\$ 191,000	\$ 198,000	\$ 300,000	\$ 135,000	\$ 1,069,000



# Hillsdale BPU Water Cash Policy

## Minimum Cash Reserve Calculation

The minimum cash reserve calculation considers the risk “in total” and not each individual category. For example; catastrophic events can occur and the amount may far exceed the amount set aside under “Historical investment in assets”.

If certain events occur that results in cash reserves falling below the minimum cash reserve levels, the Board of Directors should take action to restore cash reserves to the minimum levels over the subsequent three years. These actions may include a number of options:

1. Rate Adjustments
2. Cost reductions
3. Issuance of bonds to fund capital improvement programs
4. Modification of the assumptions used to determine the cash reserve levels

## Minimum Cash Reserve Calculation

Based on the 2013 Budget expenditures, the proposed 2013 recommended minimum cash reserve is \$369,073 as calculated below:


Recommended MINIMUM Reserves	Percent Allocated	Projected 2013
Operation & Maintenance Less Depreciation Expense	12.3%	\$ 102,945
Historical Rate Base	0.5%	52,328
Current Portion of Debt Service	0.0%	-
Five Year Capital Plan - Net of bond proceeds	20.0%	213,800
<b>Recommended MINIMUM Reserves</b>		<b>\$ 369,073 *</b>

\*For simplification, the above calculation can be estimated by taking the total O&M budget and using a 127 day working capital.

It is important to emphasize this is a recommended minimum cash reserve. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting polices, and debt policies.

The cash reserve calculation should be updated annually as part of the budget process. The discussion with the Board of Directors should include a visual description of the past trends, current position and future projections.

Executive Report  
**HILLSDALE BOARD OF  
PUBLIC UTILITIES**  
Wastewater Cash Policy  
September 2012



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Utility Financial Solutions, LLC  
Specializing in Cost of Service,  
Rate Design, and Financial Analysis



September 20, 2012

Ms. Annette Kinney  
Chief Financial Manager/Assistant Director  
City of Hillsdale, MI

Dear Ms. Kinney,

We are pleased to present this executive summary report on development of a wastewater minimum cash reserve policy for the Hillsdale Board of Public Utilities.

To help ensure financial stability, timely completion of capital improvements and enable the utility to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, the actual cash reserves may vary substantially above the minimum and is dependent several risk factors for the utility.

The specific purposes of this study are:

- 1) Identify the major risk categories for the Wastewater Utility
- 2) Establish a risk factor for each exposure
- 3) Determine and recommend a minimum recommended cash reserve

This report includes the results and calculations of the analysis and recommended formula for a minimum reserve policy.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Beauchamp", is written over a horizontal line.

Utility Financial Solutions, LLC  
Mark Beauchamp  
CPA, MBA, CMA





Table of Contents

	Page
<b>1 Introduction.....</b>	<b>1</b>
<b>2 Methodology Allocation.....</b>	<b>2-5</b>
<b>3 Minimum Cash Reserve Calculation.....</b>	<b>6</b>



## Hillsdale BPU Wastewater Cash Policy

### Introduction

Cash reserve policies and guidelines are often established by utilities to maintain appropriate cash reserves to help ensure:

1. Cash exists for timely payment of bills
2. The short-term and long-term financial health of the Utility
3. Stable rates for customers
4. Cash exists to fund unanticipated cost contingencies
5. The amount and timing of future bond issues are identified
6. A significant factor is being met for bond rating agencies

In recent years the compounded impacts of cost increases, a sluggish economy, and rising capital improvement costs have posed challenges to maintaining stable rates and cash reserves. It is important for utilities to maintain the financial flexibility to smooth rate increases and stagger rate adjustments for customers of the utility.

Minimum cash reserve guidelines proposed in this report should be set to allow reserves to fluctuate above the minimum guidelines. The decision to hold more money than the established minimum cash guidelines should be based on the assessments of uncertainties and other financial policies such as:

- The financial risk facing the utilities
- Rate setting policies
- Variability in production costs
- Debt policies
- Future capital improvements needed by utility
- Connection Fees

The adequacy of the guidelines may be reviewed internally each year, and if appropriate, revised guidelines may be recommended.



## Hillsdale BPU Wastewater Cash Policy

### Methodology

Minimum cash reserves attempts to quantify the minimum amount of cash the utility should keep in reserve, the actual cash reserves may vary substantially above the minimum and is dependent several risk factors discussed below.

The methodology used in this report is based on certain assumptions related to percent of operation and maintenance, production costs, historical investment in assets, debt service and the five-year capital plan. The establishment of minimum cash reserves should consider a number factors including:

### Operations and Maintenance Risk

**Working Capital Lag** - Timing differences exist between when expenses are incurred and revenues received from customers. Establishing a minimum cash reserve helps ensure cash exists to pay expenses in a timely manner.

- The cash reserve policy will include 12.3% of annual operating expenses excluding depreciation expense.
  - 12.3% was derived by assuming a 45 day lag between billing and payment receipt from customers. (45 days/365 days).



# Hillsdale BPU Wastewater Cash Policy

## Historical Investment Risk

**Investment in assets** – Catastrophic events may occur that require substantial investments to replace damaged assets. Some examples of catastrophic events include ice storms, earthquakes, wind storms, floods, or tornadoes. Many of these catastrophic events may allow the utility to recover the cost of damages from FEMA; however FEMA reimbursements can take between 6 months to 2 years to recover. The utility should ensure adequate cash reserves exist to replace the assets in a timely fashion and to arrange short term financing options. The minimum reserve levels are often combined with emergency funding from banks or bonding agencies. The percent to the minimum cash reserves are dependent on the age of the assets in service and the level of risk of catastrophic type events.

- The cash reserve policy will include 0.5% of the historical investment in assets as recorded in the financial statements.
  - The typical range for set aside under this category is 0.5 – 1.5%. The following table represents determination of the risk factor:

Risk Table		
Depreciation Percent	0 - 69%	0.5%
Depreciation Percent	70 - 75%	1.0%
Depreciation Percent	Over 75%	1.5%

- Hillsdale is depreciated at 67.8% as calculated below:

Historical Investment		\$14,090,030
Accum Depreciation		9,554,325
Percent Depreciated		67.8%
Risk Associated with historical Assets		0.5%



## Hillsdale BPU Wastewater Cash Policy

### Debt Service Risk

**Annual debt service** – Some debt service payments do not occur evenly throughout the year and often occur every six months. The utility has to ensure adequate cash reserves exist to fund the debt service payment when the payment is due.

- The cash reserve policy will include 0% of the current portion of debt service. The Debt is paid off in 2014. Below shows the calculation at 99.0%, but since the debt is paid off after the payment below, we have removed it from the calculation.

Payment Date	Principal	Interest	Total
1-Oct-12	\$ -	\$ 1,650	\$ 1,650
1-Apr-13	165,000	1,650	166,650
<b>Total</b>			<b>\$ 168,300</b>
<b>Highest Payment Risk</b>			<b>99.0%</b>

Note: Debt is paid off in 2014

### Five-Year Capital Plan Risk

**Capital improvement program** – Some capital improvements are funded through bond issuances and some through cash reserves. The establishment of a minimum cash reserve level helps to ensure timely replacement or construction of assets.

- The cash reserve policy will include 20% of the five year capital improvement program less any improvements funded through the issuance of bonds.

	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Total
Total Capital Plan	\$ 106,000	\$ 128,000	\$ 86,000	\$ 96,000	\$ 93,000	
Bond Proceeds						
5 year plan less Bond proceeds	\$ 106,000	\$ 128,000	\$ 86,000	\$ 96,000	\$ 93,000	<b>\$ 509,000</b>



# Hillsdale BPU Wastewater Cash Policy

## Minimum Cash Reserve Calculation

The minimum cash reserve calculation considers the risk “in total” and not each individual category. For example; catastrophic events can occur and the amount may far exceed the amount set aside under “Historical investment in assets”.

If certain events occur that results in cash reserves falling below the minimum cash reserve levels, the Board of Directors should take action to restore cash reserves to the minimum levels over the subsequent three years. These actions may include a number of options:

1. Rate Adjustments
2. Cost reductions
3. Issuance of bonds to fund capital improvement programs
4. Modification of the assumptions used to determine the cash reserve levels

## Minimum Cash Reserve Calculation

Based on the 2013 Budget expenditures, the proposed 2013 recommended minimum cash reserve is \$286,507 as calculated below:

Recommended MINIMUM Reserves	Percent Allocated	Projected 2013
Operation & Maintenance Less Depreciation Expense	12.3%	\$ 114,267
Historical Rate Base	0.5%	70,450
Current Portion of Debt Service	0.0%	-
Five Year Capital Plan - Net of bond proceeds	20.0%	101,800
<b>Recommended MINIMUM Reserves</b>		<b>\$ 286,507 *</b>

\*For simplification, the above calculation can be estimated by taking the total O&M budget and using 113 day working capital.

It is important to emphasize this is a recommended minimum cash reserve. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting polices, and debt policies.

The cash reserve calculation should be updated annually as part of the budget process. The discussion with the Board of Directors should include a visual description of the past trends, current position and future projections.

# **City of Hillsdale Agenda Item Summary**

**Meeting Date:** February 18, 2013

**Agenda Item #10:** New Business C – Resolution Establishing Dates for Board of Review

**BACKGROUND:**

I was recently notified by Assessor Deb Sikorski of the need to change by resolution the dates for the Board of Review as a result of a conflict with her schedule. Accordingly, she has provided a memo and resolution for Council's use in establishing new dates for the Board of Review to meet with citizens wishing to contest their assessed values.

**RECOMMENDATION:**

I recommend passage of the enclosed resolution establishing March 13, 2013 from 9:00 a.m. – noon and 1:00 p.m. – 4:00 p.m. and March 14, 2013 from 2:00 p.m. – 5:00 p.m. and 6:00 p.m. – 9:00 p.m. as the dates and times for the Board of Review.







**TO:** Honorable Mayor & Councilpersons  
**FROM:** Debra Sikorski, City Assessor  
**DATE:** February 18, 2013  
**RE:** March Meeting of the Board of Review for the City of Hillsdale

**Background:** Michigan General Property Tax law requires that the Board of Review for each unit of local government meet at certain dates and times as provided for by MCL 211.30. Since the Assessor is not available for the required dates as provided for within statute, alternate dates and time are allowed to be adopted by resolution.

The dates and times provided for within the attached resolution will comply with the required amount of open appeal session and better afford the taxpayers an opportunity to be heard.

**Recommendation:** After review, I recommend approval of the proposed changing of the dates and times of the meeting of the March Board of Review, as set forth in the attached resolution.

Debra C. Sikorski,  
City Assessor



**City of Hillsdale  
Resolution to Approve  
City of Hillsdale Board of Review  
Meeting Date & Time**

Minutes of a regular meeting of the City Council of the City of Hillsdale, held on February 18, 2013 at 97 N. Broad St., Hillsdale, MI 49242, in City Hall Council Chambers at 7:00 p.m.  
Present:

\_\_\_\_\_

Absent: \_\_\_\_\_

The following preamble and resolution were offered by \_\_\_\_\_  
and supported by \_\_\_\_\_.

**Resolution approving date and time of Board of Review meeting**

WHEREAS, pursuant to Michigan General Property Tax Act, M.C.L. 211.30, Council for the City of Hillsdale may by resolution establish alternate dates and times for the Board of Review to meet; and

WHEREAS, Council for the City of Hillsdale have determined that the most advantageous dates/times for the Board of Review to meet in public session are as follows:

Wednesday, March 13, 2013 from 9 a.m. until noon, and 1 p.m. through 4 p.m.

And,

Thursday, March 14, 2013 from 2 p.m. until 5 p.m. and 6 p.m. though 9 p.m.

SO, THEREFORE, BE IT RESOLVED BY the City Council of the City of Hillsdale finds and determines that the alternate dates and times shall be established for the meeting of the March Board of Review of the City of Hillsdale.

Ayes

Nays

RESOLUTION DECLARED ADOPTED.

Date \_\_\_\_\_

\_\_\_\_\_  
Michelle Loren, Deputy City Clerk

\_\_\_\_\_  
Douglas G. Moon, Mayor



2-11-2013

**Hillsdale City Council  
Hillsdale, Michigan 49242**

**This is a note to advise City Officials that Effectively now I am submitting my resignation from a number of appointments. I will no longer serve as an Election Inspector; A member of the Board of Review as well as the appeal boards I have been appointed to. A combination of health issues and more importantly, an increased loss of hearing have forced me to take these steps. The boards, etc. demand, for the fairness in these hearings that ALL input be heard correctly in order to be able to reach a proper judgement. That has been steadily become an issue for me.**

**I wish to thank the City of Hillsdale for giving me the chance to serve. It would be unfair for me to continue.**

  
**Charles A. Sharp**

**159 E South St.  
Hillsdale, Mi. 49242**





**MIKE DEWINE**

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To: Christopher Gutowski, Director of Public Safety, Hillsdale, MI

From: Special Agent Supervisor Jeffery Cook, BCI Bowling Green, Narcotics Unit

Date: February 1, 2013

RE: Investigation Assistance

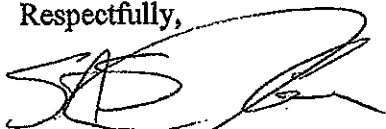
Dear Director Gutowski

On January 30, 2013, I along with S/A Bill Latham had the honor and privilege of working with two outstanding officers from the Hillsdale Police Department, Ptl. Holtz and Detective Brad Martin, on an investigation of possible death threats against two of my narcotics agents. On the 24<sup>th</sup> of January, James Johnson attempted to friend on Facebook, my agent's wife. In conjunction with the threat investigation that is ongoing, a friend attempt from an unknown male who appears to have had gangs ties at one time in his life was very disconcerting for my agent's wife. Agent Latham phone the Hillsdale Police Department because of some background information we obtained on Johnson. Det. Martin was very helpful and advised us that Johnson had been arrested on January 26, 2013 and was currently in custody at Hillsdale County Sheriff's Office Jail. Det. Martin suggested we speak with Ptl. Holtz because of his working knowledge of the drug trade in your area. Your officers were more professional and helpful than we could have ever imagined. Ptl. Holtz was a wealth of information and we discovered that one of my agents actually has a case against a local problem for you guys. Ptl. Holtz took us to the Sheriff's Office and introduced to the folks there who would be helping us. Ptl. Holtz performed the introduction of us to Johnson and was helpful in the interview process and worked with the Sheriff's Office to get us anything we needed. Ptl Holtz facilitated retrieving two phones from the inmate's property in an effort to corroborate what the inmate was telling us. When it was discovered that his phone batteries were dead, Ptl Holtz requested the Sheriff's Office to secure access to a computer for us to have the inmate show us his Facebook page and activity. The result of us having that access was that we were able to corroborate Johnson's story that he was searching for people he went to school with and once he would find someone he would look at their friends to see if he knew any of them. The first person he told us about contacting turned out to the niece of my agent's wife. My agent and his family can rest a little easier knowing that Johnson had no ulterior motive for reaching out to my agent's wife.

Please pass onto Ptl. Holtz and Det. Martin our most sincere gratitude and appreciation for their assistance with this matter. It was a distinct pleasure to work with such a talented and professional group of law enforcement officers and would be excited to work with them again.

If there is anything we can do to assist your agency at any time in the future, please feel free to contact us.

Respectfully,

A handwritten signature in black ink, appearing to read 'J. Cook', written over a horizontal line.

Special Agent Supervisor Jeffery Cook  
Ohio BCI