



**CITY OF  
MORENCI, MI**

---

***CAPITAL IMPROVEMENT PLAN***

*Revised by the Morenci City Council on May 20, 2020*

*Sean D. Seger, Mayor  
Jeff Lampson, Mayor Pro-tem  
Dave Lonis, Councilor  
Jerome Bussell, Councilor  
Sandra Emmons, Councilor  
Kandice Jarrell, Councilor  
Diane Moliterno, Councilor*

*Michael S. Sessions, City Superintendent / City Clerk  
Michael Creswell, Police Chief  
Bradley Lonis, Fire Chief  
Chad Corbin, EMS Director*

## **INTRODUCTION**

The purpose of this Capital Improvement Plan (CIP) is to provide for long-term planning as it relates to capital expenditures over the next several fiscal years. As a standard, this CIP provides for capital expenditure planning for the next one (1) year, plus five (5) years, which in turn, provides for six (6) years of long-term planning for the CIP performance sections.

While the performance of the CIP only represents six (6) years, the overall CIP represents \$10,549,114.50 worth of capital expenditures for the next six (6) years. These capital expenditures have been identified through regular rotation of equipment, building age and condition, and strategic planning sessions. These capital expenditures may be moved into the CIP performance at any time based upon the availability of funding or outside resources to allow for such projects to occur. It should be noted that the costs involved in this CIP are estimated costs and the actual dollar amount could be more or less than the estimated cost. Available revenues and funding sources have been factored into each performance, along with the projected available fund balance for several different funds.

## **PLANNING PROCESS**

The City of Morenci did not have anything historic to look back on in establishing this CIP; however, a number of items were used to establish this CIP. They include the Asset Management Plan, input regarding equipment rotation, strategic planning sessions, community input, and other factors. Section 2-129 of the Morenci Code of Ordinances delegates the preparation, approval, and updating of the City's CIP to the City Superintendent / City Clerk with final approval by the Morenci City Council. The CIP is being introduced to the Morenci City Council for final approval on May 20, 2020.

## **PROJECTS IN THE PLAN**

It's been noted on several occasions that revenue in municipal government is at an all-time low. This makes planning for important projects challenging, especially when the desires and expectations of the public are so much more than what you can accomplish. The CIP addresses several of those issues and lays out a plan for the future that deals with aging infrastructure, deteriorating roads, and aging equipment. A lot of thought has been placed into the CIP to address these issues, while striving to keep the municipality in a financially strong position.

There is one (1) attachment in this CIP that explains it in further detail.

Attachment 1 – Capital Improvement Plan (CIP) Performance



Well & High Service Pump Servicing	\$ -	\$ -	\$ -	\$ -20,000.00	\$ -	\$ -	\$ -	\$ -
Lead Line Replacement	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -
Sanitary Line Fixes	\$ -	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -
Lagoon Fencing	\$ -	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -
Lagoon & Lift Station Project	\$ -	\$ -	\$ -	\$ -	\$ -6,000,000.00	\$ -	\$ -	\$ -
Lagoon & Lift Station USDA Loan	\$ -	\$ -	\$ -	\$ -	\$ 6,000,000.00	\$ -	\$ -	\$ -
Street Maintenance	\$ -	\$ -40,000.00	\$ -60,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfers In	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfer Out	\$ -	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -8,849.25	\$ -
<b>Total FY 21-22 Projects</b>	\$ -262,754.00	\$ -120,000.00	\$ -50,000.00	\$ -202,000.00	\$ -200,000.00	\$ -8,000.00	\$ -58,849.25	\$ -13,000.00
End FY 21-22 Excess / Deficit	\$ -112,754.00	\$ 5,000.00	\$ 0.00	\$ -22,000.00	\$ 0.00	\$ 27,197.01	\$ -58,849.25	\$ 3,248.37
End FY 21-22 Fund Balance	\$ 309,125.18	\$ 20,932.71	\$ 39,683.72	\$ 28,873.80	\$ 64,001.98	\$ 48,394.02	\$ 111,092.10	\$ 41,698.59

YEAR 3

	General Fund	Major Street Fund	Local Street Fund	Utility Fund (Enterprise)		Equipment Fund	EMS Fund	
				Water Fund	Sewer Fund		EMS Operating	EMS Ambulance
End FY 21-22 Fund Balance*	\$ 309,125.18	\$ 20,932.71	\$ 39,683.72	\$ 28,873.80	\$ 64,001.98	\$ 48,394.02	\$ 111,092.10	\$ 41,698.59
FY 22-23 Operating / Debt Surplus	\$ 100,000.00	\$ 125,000.00	\$ 50,000.00	\$ 190,000.00	\$ 250,000.00	\$ 35,197.01	\$ 0.00	\$ 16,248.37
Various Park Improvements	\$ -5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hammontree Drive & EMS Bldg Loan Payment	\$ -30,428.00	\$ -	\$ -	\$ -32,000.00	\$ -	\$ -	\$ -10,000.00	\$ -
Chestnut Street (resurface, water, sewer)	\$ -50,000.00	\$ -50,000.00	\$ -	\$ -100,000.00	\$ -50,000.00	\$ -	\$ -	\$ -
Mower	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -8,000.00	\$ -	\$ -
Act 51 Loan for New Street Sweeper	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -15,000.00	\$ -	\$ -
Act 51 Loan for New Sewer Vac Truck	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000.00	\$ -	\$ -
New Sewer Vac Truck	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -75,000.00	\$ -	\$ -
Fire Truck Loan	\$ -52,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Turnout Gear	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulance Replacement (Purchase)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -13,000.00
Lead Line Replacement	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -
Lagoon & Lift Station USDA Loan	\$ -	\$ -	\$ -	\$ -	\$ -230,000.00	\$ -	\$ -	\$ -
Street Maintenance	\$ -	\$ -90,000.00	\$ -60,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfers In	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfer Out	\$ -	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -8,849.25	\$ -
<b>Total FY 22-23 Projects</b>	\$ -147,428.00	\$ -150,000.00	\$ -50,000.00	\$ -182,000.00	\$ -280,000.00	\$ -23,000.00	\$ -18,849.25	\$ -13,000.00
End FY 22-23 Excess / Deficit	\$ -47,428.00	\$ -25,000.00	\$ 0.00	\$ 8,000.00	\$ -30,000.00	\$ 12,197.01	\$ -18,849.25	\$ 3,248.37
End FY 22-23 Fund Balance	\$ 261,697.18	\$ -4,067.29	\$ 39,683.72	\$ 36,873.80	\$ 34,001.98	\$ 60,591.03	\$ 92,242.85	\$ 44,946.96

YEAR 4

	General Fund	Major Street Fund	Local Street Fund	Utility Fund (Enterprise)		Equipment Fund	EMS Fund	
				Water Fund	Sewer Fund		EMS Operating	EMS Ambulance
End FY 22-23 Fund Balance*	\$ 261,697.18	\$ -4,067.29	\$ 39,683.72	\$ 36,873.80	\$ 34,001.98	\$ 60,591.03	\$ 92,242.85	\$ 44,946.96
FY 23-24 Operating / Debt Surplus	\$ 100,000.00	\$ 125,000.00	\$ 50,000.00	\$ 190,000.00	\$ 250,000.00	\$ 35,197.01	\$ 0.00	\$ 16,248.37
Various Park Improvements	\$ -5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MPD Patrol Vehicles (Purchase)	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hammontree Drive & EMS Bldg Loan Payment	\$ -30,428.00	\$ -	\$ -	\$ -32,000.00	\$ -	\$ -	\$ -10,000.00	\$ -
Salisbury Street (surface only)	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Act 51 Loan for New Street Sweeper	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -15,000.00	\$ -	\$ -
Act 51 Loan for New Sewer Vac Truck	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -15,000.00	\$ -	\$ -
Fire Truck Loan	\$ -52,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Turnout Gear	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Well & High Service Pump Servicing	\$ -	\$ -	\$ -	\$ -20,000.00	\$ -	\$ -	\$ -	\$ -
Lead Line Replacement	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -
Clearwell & High Service Pump Improves	\$ -	\$ -	\$ -	\$ -30,000.00	\$ -	\$ -	\$ -	\$ -
Meter Changeout	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -
Lagoon & Lift Station USDA Loan	\$ -	\$ -	\$ -	\$ -	\$ -230,000.00	\$ -	\$ -	\$ -
Street Maintenance	\$ -	\$ -40,000.00	\$ -60,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfers In	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfer Out	\$ -	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Existing Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -8,849.25	\$ -
Total FY 23-24 Projects	\$ -147,428.00	\$ -100,000.00	\$ -50,000.00	\$ -182,000.00	\$ -230,000.00	\$ -30,000.00	\$ -18,849.25	\$ -	\$ 0.00
End FY 23-24 Excess / Deficit	\$ -47,428.00	\$ 25,000.00	\$ 0.00	\$ 8,000.00	\$ 20,000.00	\$ 5,197.01	\$ -18,849.25	\$ -	\$ 16,248.37
End FY 23-24 Fund Balance	\$ 214,269.18	\$ 20,932.71	\$ 39,683.72	\$ 44,873.80	\$ 54,001.98	\$ 65,788.04	\$ 73,393.60	\$ -	\$ 61,195.33

YEAR 5

	General Fund	Major Street Fund	Local Street Fund	Utility Fund (Enterprise)		Equipment Fund	EMS Fund	
				Water Fund	Sewer Fund		EMS Operating	EMS Ambulance
End FY 23-24 Fund Balance*	\$ 214,269.18	\$ 20,932.71	\$ 39,683.72	\$ 44,873.80	\$ 54,001.98	\$ 65,788.04	\$ 73,393.60	\$ 61,195.33
FY 24-25 Operating / Debt Surplus	\$ 100,000.00	\$ 125,000.00	\$ 50,000.00	\$ 190,000.00	\$ 250,000.00	\$ 35,197.01	\$ 0.00	\$ 16,248.37
Various Park Improvements	\$ -5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hammontree Drive & EMS Bldg Loan Payment	\$ -30,428.00	\$ -	\$ -	\$ -32,000.00	\$ -	\$ -	\$ -10,000.00	\$ -
Salisbury Street (surface only)	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Act 51 Loan for New Street Sweeper	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -15,000.00	\$ -	\$ -
Act 51 Loan for New Sewer Vac Truck	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -15,000.00	\$ -	\$ -
Fire Truck Loan	\$ -52,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Turnout Gear	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lead Line Replacement	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -
Meter Changeout	\$ -	\$ -	\$ -	\$ -100,000.00	\$ -	\$ -	\$ -	\$ -
Lagoon & Lift Station USDA Loan	\$ -	\$ -	\$ -	\$ -	\$ -230,000.00	\$ -	\$ -	\$ -
Street Maintenance	\$ -	\$ -40,000.00	\$ -60,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfers In	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfer Out	\$ -	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Fund Balance	\$ -	\$ -	\$ -	\$ 3,073.80	\$ -	\$ -	\$ -8,849.25	\$ -
Total FY 24-25 Projects	\$ -97,428.00	\$ -100,000.00	\$ -50,000.00	\$ -178,926.20	\$ -230,000.00	\$ -30,000.00	\$ -18,849.25	\$ 0.00
End FY 24-25 Excess / Deficit	\$ 2,572.00	\$ 25,000.00	\$ 0.00	\$ 11,073.80	\$ 20,000.00	\$ 5,197.01	\$ -18,849.25	\$ 16,248.37
End FY 24-25 Fund Balance	\$ 216,841.18	\$ 45,932.71	\$ 39,683.72	\$ 55,947.60	\$ 74,001.98	\$ 70,985.05	\$ 54,544.35	\$ 77,443.70

YEAR 6

	General Fund	Major Street Fund	Local Street Fund	Utility Fund (Enterprise)		Equipment Fund	EMS Fund	
				Water Fund	Sewer Fund		EMS Operating	EMS Ambulance
End FY 24-25 Fund Balance*	\$ 216,841.18	\$ 45,932.71	\$ 39,683.72	\$ 55,947.60	\$ 74,001.98	\$ 70,985.05	\$ 54,544.35	\$ 77,443.70
FY 25-26 Operating / Debt Surplus	\$ 100,000.00	\$ 125,000.00	\$ 50,000.00	\$ 190,000.00	\$ 250,000.00	\$ 35,197.01	\$ 0.00	\$ 16,248.37
Various Park Improvements	\$ -5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hammontree Drive & EMS Bldg Loan Payment	\$ -30,428.00	\$ -	\$ -	\$ -32,000.00	\$ -	\$ -	\$ -10,000.00	\$ -
Salisbury Street (surface only)	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Act 51 Loan for New Street Sweeper	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -15,000.00	\$ -	\$ -
Act 51 Loan for New Sewer Vac Truck	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -15,000.00	\$ -	\$ -
Fire Truck Loan	\$ -52,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Turnout Gear	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lead Line Replacement	\$ -	\$ -	\$ -	\$ -50,000.00	\$ -	\$ -	\$ -	\$ -
Meter Changeout	\$ -	\$ -	\$ -	\$ -100,000.00	\$ -	\$ -	\$ -	\$ -
Lagoon & Lift Station USDA Loan	\$ -	\$ -	\$ -	\$ -	\$ -230,000.00	\$ -	\$ -	\$ -
Street Maintenance	\$ -	\$ -40,000.00	\$ -60,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfers In	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfer Out	\$ -	\$ -10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Existing Fund Balance	\$ -	\$ -	\$ -	\$ 3,073.80	\$ -	\$ -	\$ -8,849.25	\$ -
Total FY 25-26 Projects	\$ -97,428.00	\$ -100,000.00	\$ -50,000.00	\$ -178,926.20	\$ -230,000.00	\$ -30,000.00	\$ -18,849.25	\$ 0.00
End FY 25-26 Excess / Deficit	\$ 2,572.00	\$ 25,000.00	\$ 0.00	\$ 11,073.80	\$ 20,000.00	\$ 5,197.01	\$ -18,849.25	\$ 16,248.37
End FY 25-26 Fund Balance	\$ 219,413.18	\$ 70,932.71	\$ 39,683.72	\$ 67,021.40	\$ 94,001.98	\$ 76,182.06	\$ 35,695.10	\$ 93,692.07