

CITY OF ALPENA

STANDARD OPERATING POLICY

SUBJECT: Rules of Usage for McClay Trust Funds                      SOP No.: 40  
Date Issued: 3/17/09  
Effective Date: 3/17/09

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Copies to: City Council, City Manager, City Attorney, Department Heads

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PURPOSE:

The purpose of this policy is to establish guidelines for the use of the McClay Trust funds.

I. STATEMENT OF POLICY:

The McClay family donated funds to the City of Alpena to be utilized in two distinct areas. One fund was for the purchase and expansion of the City’s tree canopy. The second was designated for park improvements or the purchase of trees. A committee, consisting of the Mayor, Assistant City Manager, City Engineer, the Planning and Development Director, and one member each from the City Planning Commission and Recreation Advisory Board, was formed to develop guidelines on how these funds were to be used.

All guidelines and use of the donated funds shall conform to the intent of the McClay family for “the purpose of planting trees” (the Tree Fund) or for “the purpose of planting trees throughout the City or for the purposes of park improvement” (the Park Fund). The committee’s recommendations were adopted by the Alpena Municipal Council in October 2008.

Guidelines for use of the funds shall be as follows:

- **The Park Fund:** For the purchase of property for the future expansion of the City park system, either in a lump sum fashion or as annual payments for debt. Utilization of all or a portion of the funds as a local match for grant projects within the park system. Utilization of the funds for purchase of trees, in accordance with the guidelines established for the Tree Fund.
- **The Tree Fund:** For use on projects that are not considered routine budget items. For example, Arbor Day activities, special tree plantings, the tree reimbursement program, preventative measures against invasive species or diseases, etc.

II. PROCEDURES:

Funding for annual projects shall be limited to the interest generated by each fund. Use of the principal shall be prohibited unless approved by the City Council after a recommendation from the McClay Trust Committee.

Requests to utilize any of the available funds shall be processed in accordance with the City's budgetary policy and CPS -18 (Policy for Purchases and Sales).

The McClay Trust Committee shall meet on an as needed basis and at least one time prior to the City's annual budgetary process.

III. DEVIATIONS FROM POLICY.

Any potential projects that require a deviation from this policy or need to access the principal of either fund, will be forwarded to the McClay Trust Committee for a recommendation to the City Council for final approval. Special projects shall not proceed without the approval of either the McClay Trust Committee or the City Council.

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Thad N. Taylor, City Manager