



OFFICE OF THE MAYOR

Dear Residents,

October 8, 2015

I trust you are well, enjoying the fall months of Michigan! Fall is not just a time to enjoy football games or the change in colors, but also to have meaningful discussions about government policies and problems we face as a local community and a nation as a whole. I want to encourage participation by our entire citizenry to be informed on Kentwood's city governance. When we get a chance to have coffee, you will hear how proud I am of our City; a City that has been well managed for decades.

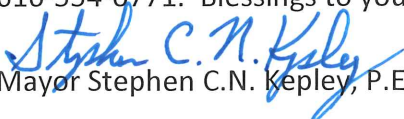
You may have recently received campaign mailings from candidates whose materials hint at a lack of financial oversight and other improprieties by City officials. The mailings contained factual misrepresentations, caused public confusion, and called into question the integrity and character of those entrusted with safeguarding the City's resources. I feel compelled to address these allegations.

As Mayor, I have encouraged all candidates to ask City staff questions if they need information or have concerns about City functions. Similarly, I have directed our staff to spend as much time as needed with the candidates to educate them on matters of City governance. Unfortunately, based on my observation of some recent campaign literature, it appears that some candidates have opted not to educate themselves regarding how the City's finances work.

One of the campaign mailings states *that \$2,000,000 of unspent money was due to excessive over-budgeting and was not used to pay down our almost \$20,000,000 in remaining debt. "Where did it go?"* There is no mystery as to where the City's unexpended funds go. On May 19, 2015, the City Commission adopted Resolution No. 23-15 which specifically provides that any unexpended appropriations may be transferred into the City's Property and Building Fund (a type of City savings fund). ***This past year, 1.2 million dollars was transferred into the fund and, thus, saved. The fund is used to balance future budgets without raising taxes and to pay for capital or maintenance expenses without borrowing money, saving interest costs. The majority of unexpended funds arise due to temporary staff vacancies, increase in Kentwood's economic activity, and Kentwood's corporate culture of good stewardship, not in "excessive over-budgeting."***

Our managers and staff take their duties as stewards of the City's resources seriously. We have acted in a conservative, cost effective manner for decades, on purpose, to avoid incurring debts except where truly unavoidable. The City makes special efforts to pay down debt as quickly and prudently as we can, while still meeting our other obligations. I invite anyone to review the City's records to confirm that this is the case. All of these records are public documents that are available to candidates who truly want to get a complete and fair picture of the City's finances. Unfortunately, some have chosen not to do so and in the process they have distorted information to the voters.

As Mayor, I will rightly support and make clear to those I serve the transparent truth of Kentwood governance. If you would like to meet with me to discuss any City issues, please feel free to call me at 616-554-0771. Blessings to you, your family, and your businesses.


Mayor Stephen C.N. Kepley, P.E.