



NOTICE OF PONTIAC CITY COUNCIL MEETING
June 18, 2020
at 9:00 a.m.

THE MEETING WILL BE HELD ELECTRONICALLY

The City Council of the City of Pontiac will hold a Special Meeting on the Budget on June 18, 2020 at 9:00 a.m. This meeting will be held electronically pursuant to the Open Meetings Act and Governor Whitmer's Executive Order 2020-75. The agenda of the Special Meeting on the Budget is attached Pursuant to Executive Order 2020-75, the Pontiac City Council gives notice of the following:

1. **Reason for Electronic Meeting.** The Pontiac City Council is meeting electronically because Executive Order 2020-75 requires that City Hall be closed to the public on the date of the meeting. Therefore, the public cannot be physically present and provide comment in City Hall.
2. **Procedures.** The public may view the meeting electronically through the following method.
<http://pontiac.mi.us/council/pontiactv/index.php>
3. **Public Comment.** For individuals who desire to make a public comment, please submit your name and comment in writing to publiccomments@pontiac.mi.us no later than 8:30 a.m. on June 18, 2020. Public comments are limited to three (3) minutes. The City Clerk will read your comments during the public comment section of the meeting.
4. **Persons with Disabilities.** Persons with disabilities may participate in the meeting through the methods set forth in paragraph 2. Individuals with disabilities requiring auxiliary aids or services in order to attend electronically should notify the Interim City Clerk, Garland Doyle at (248) 758-3200 or clerk@pontiac.mi.us at least 24 hours in advance of the meeting.

Dated 6-17-2020, 3:00 p.m.
Garland S. Doyle, Interim City Clerk
City of Pontiac
47450 Woodward Ave. Pontiac, MI 48342 Phone: (248) 758-3200

PONTIAC CITY COUNCIL

Kermit Williams, District 7
President
Randy Carter, District 4
President Pro Tem



Patrice Waterman, District 1
Megan Shramski, District 2
Mary Pietila, District 3
Gloria Miller, District 5
Dr. Doris Taylor Burks, District 6

It is this Council's mission "To serve the citizens of Pontiac by committing to help provide an enhanced quality of life for its residents, fostering the vision of a family-friendly community that is a great place to live, work and play."

Website: http://pontiac.mi.us/council/meeting_agendas_and_minutes/index.php

SPECIAL MEETING on the BUDGET

June 18, 2020

9:00 A.M.

172nd Session of the 10th Council

Call to order

Roll Call

Authorization to Excuse Councilmembers

Amendments to and Approval of the Agenda

Discussions

1. City Council Proposed Changes and Questions on the Mayor's Proposed 2020-2021 Annual Budget (The City Council proposed the following amendments to the proposed budget for 2020-21 at the June 15, 2020 and/or the June 17, 2020 Special Meeting on the Budget.)

General (Fund 101)

City Council (Dept 101)

- a. Restore the Legislative Fiscal Analyst position at a Salary of \$65,000 + benefits
- b. Increase Account 101-101-804.000 to \$100,000
- c. Reduce Account 101-101-804.018 to \$40,000
- d. Increase Account 101-101-808.101 District Projects to \$98,000
- e. Increase Account 101-101-818.000 Other Professional Services to \$120,000
- f. Increase Account 101-101-728.000 Postage to \$8,000
- g. Change Policy Advisor Title to Legislative Counsel in the list of FY 21 Positions (The title change was approved in the FY 20 budget) and restore the 3% wage increase

Elections (Dept 191) (The following items were discussed with the Interim Finance Director at the request of Council President Williams.)

- h. Decrease Account 101-191-702.000 Salaries and Wages to \$65,000
- i. Decrease Account 101-191-702.020 Salaries and Wages (Non FICA) to \$60,000
- j. Increase Account 101-191-705.002 Part-Time Wages by \$7,347 (The increase is due to the need to hire additional staff to help with the increase in volume of absentee voting.)
- k. Increase Account 101-191-729.001 Printed Forms by \$3,000 (The increase is due to absentee voting)

Garland S. Doyle, M.P.A., Interim City Clerk

Office of the City Clerk 47450 Woodward Pontiac, Michigan 48342 Phone (248) 758-3200

Website: <http://pontiaccityclerk.com>

- l. Reduce 101-191-818.000 Other Professional Services to \$5,000 (The decrease is to do to hiring a professional trainer as the Assistant City Clerk/Elections Administrator.)
- m. Increase Account 101-191-902.005 Public Notices by \$2,260 (The increase is due to the number of notices that will need to be published.)
- n. Reduce Account 101-191-957.002 Training Expenses to \$2,500

Income Tax (Dept 202)

- o. Remove Assistant to Income Tax Administrator from the budget

Finance (Dept 206)

- p. Reduce 101-206-702.000 to \$276,991.71 (Finance Director Salary \$50,000, Grant Writer Salary \$30,000)
- q. Increase Other Professional Services to \$140,000 (When a Finance Director is hired this account will be reduced to cover the Finance Director salary.)

Clerk (Dept 215) (The following items were discussed with the Interim Finance Director at the request of Council President Williams.)

- r. Reduce Account 101-215-702.000 Salaries & Wages to \$189,114 (The reason for the decrease is Special Asst salary was .75 FTE in Clerk and .25 FTE in Medical Marihuana. The Special Asst. salary is now 2/3 in Clerk and 1/3 in Medical Marihuana)
- s. Add Account 101-215-705.002 Part-Time Wages \$5,000 and to the list of FY21 positions Customer Service Rep (Part-Time) \$5,000 so there is a position in budget for the part-time wages. (Since the Special Asst. will be allocating more time to Medical Marihuana. There is a need to hire a part-time Customer Service Rep for the Clerk's Office.)
- t. Increase Account 101-215-902.005 by \$3,960 to cover the cost of additional public notices

Medical Marihuana (Dept 255) (The following items were discussed with the Interim Finance Director at the request of Council President Williams.)

- u. Increase Account 101-255-702.000 Salaries and Wages to \$15,000 (The increase is due to the Special Asst. allocating 1/3 of his time to Medical Marihuana and 2/3 to Clerk)
- v. Increase Account 101-255-727.000 Office Supplies to \$718
- w. Increase Account 101-255-731-003 Computer Equipment by \$100
- x. Reduce Account 101-255-804.000 Legal Services-Substitute Counsel to \$6,750
- y. Increase Account 101-255-804.026 Legal Advisor by \$16,000 (No cost were billed during 2019-20.)
- z. Increase Account 101-255-816.007 Financial Advisor by \$14,000 (No cost were billed during 2019-20.)
- aa. Increase Account 101-255-816.008 Hearing Officer by \$1,500
- bb. Increase Account 101-255-816.011 Planning Advisor by \$15,000 (No cost were billed during 2019-20.)

Law (Giarmarco, Mullins and Horton) (Dept 266)

- cc. Reduce Account 101-266-818.000 Other Professional Services to \$5,000
- dd. Remove Account 101-266-809.001 COVID 19 Expenditures \$50,000
- ee. Reduce Account 101-266-804.018 Legal Services to \$50,000
- ff. Reduce Account 101-266-804.021 Legal Services Prosecutions to \$250,000

Public Safety (Oakland County Sheriff) Dept 301)

- gg. What do the overtime expenses consist of? (Council Member Waterman)
- hh. Add \$29,286.40 for Medical Marihuana Application Review

Fire (Dept 336)

- ii. Add \$3840 to Account 101-336-921.000 Utilities
- jj. Add \$7675.56 for Medical Marihuana Application Review

Economic/Community Development (Dept 690)

kk. Eliminate the Deputy Director budget from the budget

ll. Remove the Customer Service Rep position from Community Development and add it to the Planning

mm. Blight Court?

Planning (Dept 721)

nn. Add \$50,500 for Medical Marihuana Application Review

Code Enforcement (Dept 733)

oo. Add \$150,000 to bring Animal Control in-house

pp. Increase Contractual Mowing Services \$40,000

qq. Add \$100,000 to Account 101-733-818.000 Other Professional Services (Blight Removal)

Add Code Enforcement Officer-Business Monitoring position \$72,000 (includes salary and benefits)

Department of Public Works (DPW) (Dept 265)

rr. Account 101-265-818.037 Note: Contractual Janitorial Services (Floor Waxing, Carpet Cleaning)

ss. Add \$22,088.16 for Medical Marihuana Application Review For Engineering

Other DPW Issues

tt. Please provide a list of the right of way areas that MDOT is responsible for maintaining.

uu. Increase Park budget by \$150,000 to cover the cost of park camera, bathroom repairs and part-time park rangers)

vv. Add \$50,000 to Traffic Control for a Light Study

Capital Outlay (Fund 202)

ww. Reduce Account 202-478-779-004 to \$40,000

Capital Outlay (Fund 203)

xx. What roads will be resurfaced with the 2,000,000 allocated to Account 203-463-974.074 Road Construction

Youth Recreation (Fund 208)

yy. What positions are in Account 208-775-705.002 Part-Time Wages?

zz. Council requested a list of the 12 part-time employees and job description.

Cable (Fund 231)

aaa. Remove Intern/Cable position from the budget. Reduce \$16,875 from Account 231-291-702.000

bbb. Council requested that the Studio/Council Chambers Renovations be added to the budget

Building (Wade Trim) Fund 371

ccc. Add \$25,016.64 for Medical Marihuana Application Review

Capital Outlay (Fund 444)

ddd. Remove Account 444-458-977.002 Vehicles \$712,000

Capital Outlay Fund 445

eee. Reduce Account 445-265-976.001 to \$300,000 (Remove \$600,000 for City Window Replacement from budget)

fff. Account 445-458-977.002 Vehicles \$712,000?

Phoenix Center Parking (Fund 585)

ggg. Remove Account 585-564-804.018 Legal Services-Giarmarco Mullins \$50,000

hhh. Reduce Account 585-564-974.035 Phoenix Center Projects to \$7,000,000.00

Other Council Requests

iii. Job Description for Contract Compliance Officer (Council President Williams)

jjj. City Position List with Employees names and salaries (Council President Pro Tem Carter)

2. City Council Proposed Changes to the City of Pontiac 2020-2021 General Appropriations Act Ordinance

Resolution

3. Resolution, to authorize the following FY 2020-2021 Millage rates to be levied and collected on the general property tax of all real and personal property within the City and in accordance with the General Appropriations Act: 11.1699 operating; 1.4862 youth center; 1.3961 capital improvement; 2.7923 sanitation; 0.4954 senior services. The City Treasurer is hereby authorized to impose a one percent (1%) property tax administration fee for all property taxes due, And a late penalty charge when applicable, in conformance with Section 44 of Public Act 206 of 1893. Additionally, the City Council approves the Master Fee Schedule (**The Council is awaiting a copy of schedule.**)

Public Comment

Adjournment

#2

DISCUSSION

Budget Ordinance

Ordinance No. _____

An Emergency Ordinance to appropriate the sums of money necessary to meet the expenditures set forth in the budget recommended for the operation of the City of Pontiac, Michigan; to defray the debts, expenditures, and liabilities of said City for the fiscal year beginning the first day of July, 2020; to adopt the fee schedule for public records and services for the fiscal year 2020/21.

Whereas, the proposed General Appropriations Act is required to be effective July 1, 2020 so the City can legally operate.

The City of Pontiac Ordains:

Section 1. Title.

This ordinance shall be known as the City of Pontiac 2020-2021 General Appropriations Act.

Section 2. Public Hearing on the Budget.

Pursuant to MCLA 141.412 and .413, notice of a public hearing on the proposed budget was published in The Oakland Press, a newspaper of general circulation on May __, 2020 and a public hearing on the proposed budget was held on June 2, 2020.

Section 3. Millage Levy, Administration Fee, and Penalties.

The City Council for the City of Pontiac shall authorize the following millages to be levied and collected on the general property tax of all real and personal property within the City upon the current tax roll an allocated millage of 11.1699 operating; 1.4862 youth center; 1.3961 capital improvement; 2.7923 sanitation; 0.4954 senior services. The City Treasurer is hereby authorized to impose a one percent (1%) property tax administration fee for all property taxes due, And a late penalty charge when applicable, in conformance with Section 44 of Public Act 206 of 1893.

Section 4. Adoption of budget by Line item.

The City Council of the City of Pontiac received a five-year budget for 2020-21, 2021-22, 2022-23, 2023-24, and 2024-25 fiscal years. The City Council of the City of Pontiac adopts the 2020-2021 fiscal year budgets for the various funds by line item. City officials responsible for the expenditures authorized in the budget may expend City funds up to, but not to exceed, the total appropriation authorized for each line item.

Section 5. Payment of Bills.

Pursuant to the Local Financial Stability and Choice Act and the Accounting Procedures Manual for Local Governments in Michigan, all claims (bills) against the City shall be, approved by the Mayor or the Finance Director of the City of Pontiac prior to being paid.

Budget Ordinance (Continued)

Section 6: Budgeted Revenues and Expenditures--Estimated total revenues and expenditures, including transfers in and out and other sources, for the various funds of the City of Pontiac beginning July 1, 2020 are \$86,396,312 in revenues and \$99,637,873 in expenditures, as set forth in the 2020-2021 budget as reflected in the budget report dated 4/30/20.

Section 7. Specific Appropriations.

There are no specific appropriations contained in the budget.

Section 8. Periodic Financial Reports.

The Finance Director shall provide the Mayor and City Council financial reports on a monthly basis.

Section 9. Budget Monitoring and Amending.

Whenever it appears to the Finance Director that the actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such fund were based, and when it appears that expenditures will exceed an appropriation upon which appropriations from such fund were based, the Finance Director shall present to the Mayor recommendations to prevent expenditures from exceeding available revenues or appropriations for the fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues or both. The Finance Director is hereby authorized to amend an appropriation line item within a fund or department that does not exceed ten thousand dollars (\$10,000) within a fiscal year. Any budget amendments to a line item or department that exceeds ten thousand dollars (\$10,000) within a fiscal year must be approved by the City council prior to amendment. For all transfers in and transfer out between appropriation line items or departments exceeding ten thousand dollars (\$10,000) must be approved by City Council prior to such transfer.

The foregoing obligations are not required if there is an unforeseen expense due to bona-fide emergency, which shall be defined as anything imminent impacting the health and safety of the citizens including building fires, but not including capital improvements.

Section 9a. Budget Format

The Budget shall include the following:

- The City organizational chart, which shall be separated by Department, including all positions, titles, and salaries.
- All expenditures in and out of funds, capital outlays, applicable budget amendments, original Department requests, the Mayor's recommended budget, activity through the end of the year, activity to date, prior year budget, and all sources of income for employee salaries.

Section 10. Severability.

If any section, clause, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared to be unconstitutional, void, or illegal shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.

Section 11. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 12. Publication.

The Clerk shall publish this Ordinance in a newspaper of general circulation.

Budget Ordinance (Continued)

Section 13. Emergency Declaration and Effective Date.

This Ordinance is declared an emergency to allow the City to legally spend money after July 1, 2020 and shall be effective immediately upon adoption.

Budget Ordinance (Continued)

With revenue and expenditures categorized by appropriated line item as herein provided:

<u>Fund</u> <u>Number</u>	<u>Appropriation Line Item</u>	<u>Revenues</u>	<u>Expenditures</u>
101	General	\$ 37,173,660	\$ 39,644,992
202	Major Streets	\$ 6,219,080	\$ 6,647,877
203	Local Streets	\$ 1,671,941	\$ 2,832,770
208	Youth Recreation Millage	\$ 1,118,061	\$ 931,276
209	Cemetery Care Fund	\$ 693,053	\$ 693,053
212	Senior Activities Millage	\$ 350,227	\$ 511,176
226	Sanitation Fund	\$ 4,476,187	\$ 4,476,187
231	Cable Fund	\$ 161,000	\$ 233,273
239	TIFA District 1	\$ 378,000	\$ 632,001
240	TIFA District 3	\$ 960,000	\$ 2,450,990
243	Brownfield Redeveloping Area	\$ 40,070	\$ 40,070
249	Building Department	\$ 2,216,800	\$ 2,078,704
252	CDBG FY2012 Fund	\$ -	\$ -
263	Home Buyers Assistance Fund	\$ -	\$ -
265	Drug Enforcement	\$ 42,885	\$ 53,483
276	District Court	\$ 3,815,155	\$ 3,815,155
277	MIDC Fund	\$ 512,703	\$ 909,868
280	Public Act 48	\$ 225,000	\$ 275,000
445	Capital Improvement	\$ 955,354	\$ 1,925,333
585	Parking	\$ 194,919	\$ 1,776,067
659	Insurance	\$ 6,661,422	\$ 11,294,825
677	Self-Insurance Wk Comp	\$ 354,649	\$ 638,252

Budget Ordinance (Continued)

General Fund - 101	
ESTIMATED REVENUES	
Property Taxes	8,470,851
Income Taxes	14,188,360
Licenses and Permits	275,000
Federal Grants	20,000
State Grants	10,479,589
Charges for Services	997,020
Fines and Forfeitures	8,000
Interest and Dividends	416,772
Other Revenues	2,022,068
Transfers In and Other Uses	296,000
TOTAL ESTIMATED REVENUES	37,173,660
APPROPRIATIONS	
General Government	6,223,829
Public Safety	20,753,383
Public Works	2,558,206
Community and Economic Development	2,055,964
Recreation and Culture	3,689,940
Other Functions	1,835,294
Transfers Out and Other Uses	2,528,376
TOTAL APPROPRIATIONS	39,644,992
General Fund	
NET OF REVENUES/APPROPRIATIONS	(2,471,332)
Estimated Beginning Fund Balance	16,831,781
Estimated Ending Fund Balance	14,360,449

Major Street Fund - 202	
ESTIMATED REVENUES	
State Grants	5,592,400
Interest and Rents	26,680
Transfers In and Other Uses	600,000
TOTAL ESTIMATED REVENUES	6,219,080
APPROPRIATIONS	
Public Works	6,647,877
TOTAL APPROPRIATIONS	6,647,877
Major Street Fund	
NET OF REVENUES/APPROPRIATIONS	(428,797)
Estimated Beginning Fund Balance	1,194,588
Estimated Ending Fund Balance	765,791

Budget Ordinance (Continued)

Local Street Fund - 203	
ESTIMATED REVENUES	
State Grants	1,644,000
Interest and Rents	27,941
TOTAL ESTIMATED REVENUES	1,671,941
APPROPRIATIONS	
Public Works	2,232,770
Transfers Out and Other Uses	600,000
TOTAL APPROPRIATIONS	2,832,770
Local Street Fund	
NET OF REVENUES/APPROPRIATIONS	(1,160,829)
Estimated Beginning Fund Balance	4,620,715
Estimated Ending Fund Balance	3,459,886

Youth Recreation Millage Fund - 208	
ESTIMATED REVENUES	
Property Taxes	968,061
Other Revenue	150,000
TOTAL ESTIMATED REVENUES	1,118,061
APPROPRIATIONS	
Recreation and Culture	931,276
TOTAL APPROPRIATIONS	931,276
Recreation Millage Fund	
NET OF REVENUES/APPROPRIATIONS	186,785
Estimated Beginning Fund Balance	186,512
Estimated Ending Fund Balance	373,297

Cemetery Care Fund - 209	
ESTIMATED REVENUES	
Transfers In and Other Uses	693,053
TOTAL ESTIMATED REVENUES	693,053
APPROPRIATIONS	
General Government	693,053
TOTAL APPROPRIATIONS	693,053
Cemetery Care Fund	
NET OF REVENUES/APPROPRIATIONS	-
Estimated Beginning Fund Balance	18,327
Estimated Ending Fund Balance	18,327

Budget Ordinance (Continued)

Building Department Fund - 249	
ESTIMATED REVENUES	
Licenses and Permits	2,137,800
Charges for Services	76,500
Interest and Rents	2,500
TOTAL ESTIMATED REVENUES	2,216,800
APPROPRIATIONS	
Public Safety	2,078,704
TOTAL APPROPRIATIONS	2,078,704
Building Department Fund	
NET OF REVENUES/APPROPRIATIONS	138,096
Estimated Beginning Fund Balance	753,025
Estimated Ending Fund Balance	891,121

CDBG FY2012 Fund - 252	
ESTIMATED REVENUES	
TOTAL ESTIMATED REVENUES	-
APPROPRIATIONS	
Community Development	-
TOTAL APPROPRIATIONS	-
CDBG FY2012 Fund	
NET OF REVENUES/APPROPRIATIONS	-
Estimated Beginning Fund Balance	30,335
Estimated Ending Fund Balance	30,335

Home Buyers Assistance Fund - 263	
ESTIMATED REVENUES	
TOTAL ESTIMATED REVENUES	-
APPROPRIATIONS	
Community Program	-
TOTAL APPROPRIATIONS	-
Home Buyers Assistance Fund	
NET OF REVENUES/APPROPRIATIONS	-
Estimated Beginning Fund Balance	3,638
Estimated Ending Fund Balance	3,638

Budget Ordinance (Continued)

Drug Enforcement Fund - 265		
ESTIMATED REVENUES		
Fines and Forfeits		42,000
Interest and Rents		885
	TOTAL ESTIMATED REVENUES	42,885
APPROPRIATIONS		
Public Safety		53,483
	TOTAL APPROPRIATIONS	53,483
Drug Enforcement Fund		
	NET OF REVENUES/APPROPRIATIONS	(10,598)
	Estimated Beginning Fund Balance	222,717
	Estimated Ending Fund Balance	212,119

District Court - 276		
ESTIMATED REVENUES		
Charges for Services		773,700
State Grants		182,896
Fines and Forfeits		1,022,000
Interest and Forfeits		1,800
Transfers In and Other Revenues		1,834,759
	TOTAL ESTIMATED REVENUES	3,815,155
APPROPRIATIONS		
General Government		3,776,167
Transfers Out and Other Uses		38,988
	TOTAL APPROPRIATIONS	3,815,155
District Court		
	NET OF REVENUES/APPROPRIATIONS	-
	Estimated Beginning Fund Balance	2,093
	Estimated Ending Fund Balance	2,093

Budget Ordinance (Continued)

MIDC Fund - 277	
ESTIMATED REVENUES	
State Grants	494,715
Transfers In and Other Uses	17,988
TOTAL ESTIMATED REVENUES	512,703
APPROPRIATIONS	
General Government	909,868
TOTAL APPROPRIATIONS	909,868
MIDC Fund	
NET OF REVENUES/APPROPRIATIONS	(397,165)
Estimated Beginning Fund Balance	551,693
Estimated Ending Fund Balance	154,528

PA 48 - Telecommunications Fund - 280	
ESTIMATED REVENUES	
State Grants	225,000
TOTAL ESTIMATED REVENUES	225,000
APPROPRIATIONS	
Transfers In and Other Uses	275,000
TOTAL APPROPRIATIONS	275,000
PA 48 - Telecommunications Fund	
NET OF REVENUES/APPROPRIATIONS	(50,000)
Estimated Beginning Fund Balance	58,105
Estimated Ending Fund Balance	8,105

Budget Ordinance (Continued)

Capital Improvement Fund - 445	
ESTIMATED REVENUES	
Property Taxes	928,632
Interest and Rents	26,722
TOTAL ESTIMATED REVENUES	955,354
APPROPRIATIONS	
General Administration	1,610,333
Public Safety	125,000
Public Works	190,000
TOTAL APPROPRIATIONS	1,925,333
Capital Improvement Fund	
NET OF REVENUES/APPROPRIATIONS	(969,979)
Estimated Beginning Fund Balance	2,305,466
Estimated Ending Fund Balance	1,335,487

Parking Fund - 585	
ESTIMATED REVENUES	
Property Taxes	(1,000)
State Grants	163,020
Interest and Rents	32,335
Transfers In and Other Revenues	564
TOTAL ESTIMATED REVENUES	194,919
APPROPRIATIONS	
Public Works	64,760
Recreation and Culture	1,711,307
TOTAL APPROPRIATIONS	1,776,067
Parking Fund	
NET OF REVENUES/APPROPRIATIONS	(1,581,148)
Estimated Beginning Net Position	12,877,720
Estimated Ending Net Position	11,296,572

Budget Ordinance (Continued)

Insurance Fund - 659	
ESTIMATED REVENUES	
Charges for Services	5,964,970
Other Revenue	696,452
TOTAL ESTIMATED REVENUES	6,661,422
APPROPRIATIONS	
Instructional Services	11,294,825
TOTAL APPROPRIATIONS	11,294,825
Insurance Fund	
NET OF REVENUES/APPROPRIATIONS	(4,633,403)
Estimated Beginning Fund Balance	5,579,925
Estimated Ending Fund Balance	946,522

Workers' Compensation Fund - 677	
ESTIMATED REVENUES	
Charges for Services	338,252
Interest and Fines	16,397
TOTAL ESTIMATED REVENUES	354,649
APPROPRIATIONS	
Other Functions	638,252
TOTAL APPROPRIATIONS	638,252
Workers' Compensation Fund	
NET OF REVENUES/APPROPRIATIONS	(283,603)
Estimated Beginning Fund Balance	904,960
Estimated Ending Fund Balance	621,357

#3

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Kermit Williams, and City Council Members

FROM: Irwin Williams, CPA, Acting Finance Director

CC: Honorable Mayor Deirdre Waterman, Jane Bais-DiSessa, Sekar Bawa

DATE: June 4, 2020

RE: **Resolution to Approve Annual FY 2020/2021 Tax Millages for the City of Pontiac and Potential Impact Caused by Delay to Consider.**

In prior Council meetings, both the City Treasurer and I have stressed that in order to ensure that property tax bills are received by July 1, 2020, the City millages would have to be approved by Council no later than June 9, 2020.

The tax-bill bill timeline, from approval of tax millage rates to the final tax bill printing is as follows:

- The Treasurer inputs the tax millage rates in the tax system (1 to 2 days)
- The County Treasurer checks the tax millage rate (3 to 5 days)
- Print the tax bills (5 to 8 days)

Due to the Council's failure to include the approval of the millage rates on the June 9, 2020 agenda, the tax millages will now have to be approved on the June 16, 2020 agenda. **As a result, taxpayers may not receive their tax bill on July 1, 2020.**

Based on the timeline described above, City Treasurer Sekar Bawa, stated that he could not guarantee that the taxpayers would receive their tax bill on July 1st, and that taxpayers may receive their tax bill(s) later than July 4th. Traditionally, former City Councils have addressed this matter on a timely basis.

Many of our taxpayers will be upset due to this delayed matter. For the past few weeks, on a daily basis, the Treasurer's Office has received 5-6 phone inquiries from concerned taxpayers requesting their 2020 summer tax bills.

In accordance with Article VI, 2-535 Budget Adoption of the Municipal Code presented for your consideration is the Mayor's updated millage Rate for the fiscal year 2020-2021. In addition, for your information the following items are attached:

- Section 3 of the Budget Ordinance including updated millage rates for fiscal year 2020-21.

Pending no changes to the proposed millage rates the following resolution is recommended:

Whereas, in accordance with Article V1, Section 2-535 of the City Ordinance entitled Budget Adoption, a public hearing was held on June 9, 2020 regarding the proposed tax rate and

Whereas, the City Council shall not approve proposed tax rate until after the public hearing; and

Whereas, by not less than six days after the notice of public hearing shall adopt an appropriations ordinance, tax rate.

NOW THEREFORE, in accordance with the General Appropriations Act, the City Council of the City of Pontiac authorizes the following FY 2020-2021 Millage Rates to be levied and collected on the general property tax of all real and personal property within the City: 11.1699 operating; 1.4862 youth center; 1.3961 capital improvement; 2.7923 sanitation; 0.4954 senior services. The City Treasurer is hereby authorized to impose a one percent (1%) property tax administration fee for all property taxes due, And a late penalty charge when applicable, in conformance with Section 44 of Public Act 206 of 1893. Additionally, the City Council approves the Master Fee Schedule as attached.

IW:SB

TO: Sekar Bawa, Treasurer, City of Pontiac
 FROM: Shannon Moore, Required Reports, Standards
 DATE: 4/23/2020
 RE: 2020 Tax Rate Request

2020 Headlee Maximum Allowable Millage

Charter	Operating	11.1699
Charter	Cap Imp	1.3961
State Law	Sanitation	2.7923
Voted	Senior Services	0.4954
Voted	Youth Center	1.4862
Voted	Library	0.9908
Total maximum allowable levy		18.3307

Truth in Taxation Formula:

BTRF x 2019 Levy = Maximum levy possible without hearing.

2020 Base Tax Rate Fraction (BTRF) 0.9816

		2019		2020		MAXIMUM LEVY WITHOUT HEARING
		<u>TAX LEVY</u>		<u>BTRF</u>		
Charter	Operating	11.1699	X	0.9816	=	10.9643
Charter	Cap Imp	1.3961	X	0.9816	=	1.3704
State Law	Sanitation	2.7923	X	0.9816	=	2.7409
Voted	Senior Services	0.4954	X	0.9816	=	0.4862
Voted	Youth Center	1.4862	X	0.9816	=	1.4588
Voted	Library	0.9908	X	0.9816	=	0.9725
Total Levy Possible w/out hearing						17.9931

NOTE: YOU WILL NOT HAVE TO HAVE A HEARING IF YOUR BASE TAX RATE IS HIGHER THAN YOUR HEADLEE MAXIMUM BUT YOU CANNOT EXCEED THE HEADLEE MAXIMUM.

2020 Possibilities:

Levy at 2020 recalculated Truth in Taxation Rate 17.9931 no hearing required
 Levy at 2020 maximum allowable 18.3307 hearing required *
 Any levy between these rates would require a hearing.

Also, you will find enclosed, two partially completed copies of the L-4029.

You will need to complete column 10 or 11 with your millage to be levied.

Return the L-4029 before September 30, 2020 or before you levy any taxes. If you are levying any additional specials, please send the appropriate resolutions certifying the levy with the signed L-4029 form.

Hopefully, I have addressed all of your concerns. If I can be of any further assistance, please contact me at (248) 858-0752 or mooresh@oakgov.com.

* Under Section 16 of the Uniform Budgeting & Accounting Act (MCL 141.436), this may be incorporated with the budget hearing.

Section 3. Millage Levy, Administration Fee, and Penalties.

The City Council for the City of Pontiac shall authorize the following millages to be levied and collected on the general property tax of all real and personal property within the City upon the current tax roll an allocated millage of 11.1699 operating; 1.4862 youth center; 1.3961 capital improvement; 2.7923 sanitation; 0.4954 senior services. The City Treasurer is hereby authorized to impose a one percent (1%) property tax administration fee for all property taxes due, And a late penalty charge when applicable, in conformance with Section 44 of Public Act 206 of 1893.