

**Official Proceedings
Pontiac City Council
37th Session of the Eleventh Council**

Call to order

A Special Meeting on the Budget of the City Council of Pontiac, Michigan was called to order at the City Hall Council Chambers, 47450 Woodward Ave Pontiac, MI 48342 on Wednesday, June 22, 2022 at 6:12 p.m. by Council President Mike McGuinness.

Pledge of Allegiance to the Flag of the United States

Roll Call

Members Present – William Carrington, Kathalee James, Mike McGuinness, Brett Nicholson, William Parker and Melanie Rutherford.

Mayor Greimel was absent
Deputy Mayor Stephens was present
A quorum was announced

Excuse Councilmembers

Motion to excuse Councilmember Mikal Goodman for personal reasons. Moved by Councilperson Carrington and second by Councilperson Parker.

Ayes: James, McGuinness, Nicholson, Parker, Rutherford and Carrington
No: None
Motion Carried

Amendments to and Approval of the Agenda

Motion to approve agenda. Moved by Councilperson Nicholson and second by Councilperson Carrington.

Ayes: James, McGuinness, Nicholson, Parker, Rutherford and Carrington
No: None
Motion Carried

Agenda Item

Ordinance

2395

Adoption of an Emergency Ordinance City of Pontiac 2022-2023 General Appropriations Act Ordinance and Fee Schedule. Moved by Councilperson Carrington and second by Councilperson Goodman. **(Move and support is from 6/14/22 meeting)**

Ayes: McGuinness, Nicholson, Parker, Rutherford, Carrington and James
No: None
Ordinance Adopted

Ordinance #2395 after minutes as Exhibit A

Public Comment – None

Adjournment

June 22, 2022 Special Approved Minutes

Motion to adjourn the meeting. Moved by Councilperson Parker and second by Councilperson Carrington.

Ayes: Nicholson, Parker, Rutherford, Carrington, James and McGuinness

No: None

Motion Carried

Council President Mike McGuinness adjourned the meeting at 6:47 p.m.

Garland S. Doyle
City Clerk

Budget Ordinance

Ordinance No. 2395

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, 2022; to adopt the fee schedule for public records and services for the fiscal year 2022-23.

Whereas, the proposed General Appropriations Act is required to be effective July 1, 2022 so the City can legally operate.

The City of Pontiac Ordains:

Section 1. Title.

This ordinance shall be known as the City of Pontiac 2022-2023 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 19, 2022 and a public hearing on the proposed budget was held on May 31, 2022.

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 10.9132 Operating; 1.4519 Youth Center; 1.3639 Capital Improvement; 2.7281 Sanitation; and 0.4839 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 budget for the 2022-23 fiscal year. The City Council of the City of Pontiac adopts the 2022-2023 fiscal year budget 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, 2022 are \$83,880,207 in revenues and \$87,655,433 in expenditures; as set forth in the 2022-2023 Budget as reflected in the budget report dated June 22, 2022.

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
- Organization by Department to include: 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..
- 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

Budget Ordinance (Continued)

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, 2022 and shall be effective immediately upon adoption.

With revenue and expenditures categorized as herein provided:

<u>Fund</u>			<u>Revenues</u>	<u>Expenditures</u>
<u>Number</u>	<u>Appropriation Line Item</u>			
101	General Fund	\$	53,442,946	\$ 47,248,289
202	MAJOR STREETS	\$	6,263,332	\$ 10,752,850
203	Local Streets	\$	2,087,777	\$ 2,539,306
208	YOUTH RECREATION MILLAGE	\$	1,068,800	\$ 746,830
209	Cemetery Fund	\$	616,803	\$ 637,448
212	Senior Activities Millage	\$	467,278	\$ 687,342
226	Sanitation Fund	\$	4,395,809	\$ 4,537,701
231	CABLE FUND	\$	118,000	\$ 375,464
232	VEBA RETIREE HEALTHCARE OPT OUT	\$	-	\$ 500,000
239	TAX INCREMENT FINANCE AUTHORITY #2	\$	334,738	\$ 508,424
240	TAX INCREMENT FINANCE AUTHORITY #3	\$	2,352,908	\$ 2,890,044
243	Brownfield Redeveloping Auth	\$	31,638	\$ 2,469,285
249	BUILDING INSPECTION FUND	\$	2,536,500	\$ 53,090
265	DRUG ENFORCEMENT FUND	\$	30,000	\$ 4,042,079
276	District Court	\$	3,924,672	\$ 612,868
277	MIDC GRANT FUND	\$	614,921	\$ 1,997,000
445	Capital Improvements Fund	\$	1,157,085	\$ 2,022,664
659	Insurance Fund	\$	3,995,000	\$ 4,257,749
677	Self Insurance Workers Compensation	\$	442,000	\$ 777,000

Budget Ordinance (Continued)

<u>Fund 101 - GENERAL FUND</u>	
ESTIMATED REVENUES	
PROPERTY TAXES	9,244,266
INCOME TAXES	17,355,555
LICENSES AND PERMITS	145,900
CHARGES FOR SERVICES	1,272,700
FEDERAL GRANTS	10,000,000
STATE GRANTS	12,058,102
OTHER REVENUE	1,947,710
FINES AND FORFEITS	51,000
INTEREST AND RENTS	386,400
OPERATING TRANSFERS IN	981,313
TOTAL ESTIMATED REVENUES	53,442,946
APPROPRIATIONS	
GENERAL GOVERNMENT	7,209,048
PUBLIC SAFETY	24,796,276
PUBLIC WORKS	3,766,947
COMMUNITY AND ECONOMIC DEVELOPMENT	2,638,710
RECREATION AND CULTURE	1,341,735
OTHER FUNCTIONS	3,869,003
TRANSFERS (OUT) AND OTHER SOURCES	3,626,570
TOTAL APPROPRIATIONS	47,248,289
<u>General Fund - 101</u>	
NET OF REVENUES/APPROPRIATIONS - FUND 101	6,194,657
BEGINNING FUND BALANCE	21,110,321
ENDING FUND BALANCE	27,304,978

Budget Ordinance (Continued)

<u>Fund 202 - MAJOR STREETS</u>		
ESTIMATED REVENUES		
STATE GRANTS		6,263,332
	TOTAL ESTIMATED REVENUES	6,263,332
APPROPRIATIONS		
PUBLIC WORKS		10,752,850
	TOTAL APPROPRIATIONS	10,752,850
NET OF REVENUES/APPROPRIATIONS - FUND 202		(4,489,518)
BEGINNING FUND BALANCE		6,989,288
ENDING FUND BALANCE		2,499,770

<u>Fund 203 - Local Streets</u>		
ESTIMATED REVENUES		
STATE GRANTS		2,087,777
	TOTAL ESTIMATED REVENUES	2,087,777
APPROPRIATIONS		
PUBLIC WORKS		2,539,306
	TOTAL APPROPRIATIONS	2,539,306
NET OF REVENUES/APPROPRIATIONS - FUND 203		(451,529)
BEGINNING FUND BALANCE		2,183,452
ENDING FUND BALANCE		1,731,923

Budget Ordinance (Continued)

<u>Fund 208 - YOUTH RECREATION MILLAGE</u>	
ESTIMATED REVENUES	
PROPERTY TAXES	1,030,500
STATE GRANTS	38,300
TOTAL ESTIMATED REVENUES	1,068,800
APPROPRIATIONS	
RECREATION AND CULTURE	746,830
TOTAL APPROPRIATIONS	746,830
NET OF REVENUES/APPROPRIATIONS - FUND 208	321,970
BEGINNING FUND BALANCE	628,890
ENDING FUND BALANCE	950,860

<u>Fund 209 - Cemetery Fund</u>	
ESTIMATED REVENUES	
OPERATING TRANSFERS IN	616,803
TOTAL ESTIMATED REVENUES	616,803
APPROPRIATIONS	
GENERAL GOVERNMENT	637,448
TOTAL APPROPRIATIONS	637,448
NET OF REVENUES/APPROPRIATIONS - FUND 209	(20,645)
BEGINNING FUND BALANCE	(887,550)
ENDING FUND BALANCE	(908,195)

Budget Ordinance (Continued)

<u>Fund 212 - Senior Activities Millage</u>		
ESTIMATED REVENUES		
PROPERTY TAXES		353,876
FEDERAL GRANTS		90,000
STATE GRANTS		18,402
INTEREST AND RENTS		5,000
	TOTAL ESTIMATED REVENUES	467,278
APPROPRIATIONS		
RECREATION AND CULTURE		687,342
	TOTAL APPROPRIATIONS	687,342
NET OF REVENUES/APPROPRIATIONS - FUND 212		(220,064)
BEGINNING FUND BALANCE		1,003,717
ENDING FUND BALANCE		783,653

<u>Fund 226 - Sanitaton Fund</u>		
ESTIMATED REVENUES		
PROPERTY TAXES		1,995,809
CHARGES FOR SERVICES		2,400,000
	TOTAL ESTIMATED REVENUES	4,395,809
APPROPRIATIONS		
PUBLIC WORKS		4,537,701
	TOTAL APPROPRIATIONS	4,537,701
NET OF REVENUES/APPROPRIATIONS - FUND 226		(141,892)
BEGINNING FUND BALANCE		7,054,346
ENDING FUND BALANCE		6,912,454

Budget Ordinance (Continued)

<u>Fund 231 - CABLE FUND</u>	
ESTIMATED REVENUES	
CHARGES FOR SERVICES	118,000
	118,000
TOTAL ESTIMATED REVENUES	118,000
APPROPRIATIONS	
GENERAL GOVERNMENT	375,464
	375,464
TOTAL APPROPRIATIONS	375,464
NET OF REVENUES/APPROPRIATIONS - FUND 231	(257,464)
BEGINNING FUND BALANCE	889,811
	632,347
ENDING FUND BALANCE	632,347

<u>Fund 232 - VEBA RETIREE HEALTHCARE OPT OUT</u>	
ESTIMATED REVENUES	
OTHER REVENUE	
TOTAL ESTIMATED REVENUES	
APPROPRIATIONS	
GENERAL GOVERNMENT	500,000
	500,000
TOTAL APPROPRIATIONS	500,000
NET OF REVENUES/APPROPRIATIONS - FUND 232	(500,000)
BEGINNING FUND BALANCE	3,760,000
	3,260,000
ENDING FUND BALANCE	3,260,000

Budget Ordinance (Continued)

<u>Fund 239 - TAX INCREMENT FINANCE AUTHORITY #2</u>	
ESTIMATED REVENUES	
PROPERTY TAXES	40
CHARGES FOR SERVICES	50,000
STATE GRANTS	111,012
CONTRIBUTION FROM LOCAL UNITS	173,686
TOTAL ESTIMATED REVENUES	334,738
APPROPRIATIONS	
DEBT SERVICE	508,424
TOTAL APPROPRIATIONS	508,424
NET OF REVENUES/APPROPRIATIONS - FUND 239	(173,686)
BEGINNING FUND BALANCE	(3,479,323)
ENDING FUND BALANCE	(3,653,009)

<u>Fund 240 - TAX INCREMENT FINANCE AUTHORITY #3</u>	
ESTIMATED REVENUES	
PROPERTY TAXES	1,632,083
STATE GRANTS	184,744
CONTRIBUTION FROM LOCAL UNITS	536,081
TOTAL ESTIMATED REVENUES	2,352,908
APPROPRIATIONS	
COMMUNITY AND ECONOMIC DEVELOPMENT	536,081
DEBT SERVICE	2,353,963
TOTAL APPROPRIATIONS	2,890,044
NET OF REVENUES/APPROPRIATIONS - FUND 240	(537,136)
BEGINNING FUND BALANCE	(2,899,843)
ENDING FUND BALANCE	(3,436,979)

Budget Ordinance (Continued)

<u>Fund 243 - Brownfield Redeveloping Auth</u>	
ESTIMATED REVENUES	
PROPERTY TAXES	31,638

TOTAL ESTIMATED REVENUES	31,638
APPROPRIATIONS	
COMMUNITY AND ECONOMIC DEVELOPMENT	-----
TOTAL APPROPRIATIONS	-----
NET OF REVENUES/APPROPRIATIONS - FUND 243	31,638
BEGINNING FUND BALANCE	329,354

ENDING FUND BALANCE	360,992

<u>Fund 249 - BUILDING INSPECTION FUND</u>	
ESTIMATED REVENUES	
LICENSES AND PERMITS	2,434,500
CHARGES FOR SERVICES	101,000
INTEREST AND RENTS	1,000

TOTAL ESTIMATED REVENUES	2,536,500
APPROPRIATIONS	
PUBLIC SAFETY	1,508,972
TRANSFERS (OUT) AND OTHER SOURCES	960,313

TOTAL APPROPRIATIONS	2,469,285
NET OF REVENUES/APPROPRIATIONS - FUND 249	67,215
BEGINNING FUND BALANCE	4,314,066

ENDING FUND BALANCE	4,381,281

Budget Ordinance (Continued)

<u>Fund 265 - DRUG ENFORCEMENT FUND</u>	
ESTIMATED REVENUES	
FINES AND FORFEITS	30,000
INTEREST AND RENTS	
TOTAL ESTIMATED REVENUES	----- 30,000
APPROPRIATIONS	
PUBLIC SAFETY	53,090
TOTAL APPROPRIATIONS	----- 53,090
NET OF REVENUES/APPROPRIATIONS - FUND 265	----- (23,090)
BEGINNING FUND BALANCE	----- 158,695
ENDING FUND BALANCE	----- 135,605

<u>Fund 276 - District Court</u>	
ESTIMATED REVENUES	
CHARGES FOR SERVICES	700,440
STATE GRANTS	162,132
OTHER REVENUE	
FINES AND FORFEITS	761,000
INTEREST AND RENTS	1,100
OPERATING TRANSFERS IN	2,300,000
TOTAL ESTIMATED REVENUES	----- 3,924,672
APPROPRIATIONS	
GENERAL GOVERNMENT	4,042,079
TOTAL APPROPRIATIONS	----- 4,042,079
NET OF REVENUES/APPROPRIATIONS - FUND 276	----- (117,407)
BEGINNING FUND BALANCE	----- 290,394
ENDING FUND BALANCE	----- 172,987

Budget Ordinance (Continued)

<u>Fund 277 - MIDC GRANT FUND</u>	
ESTIMATED REVENUES	
STATE GRANTS	596,756
OPERATING TRANSFERS IN	18,165
TOTAL ESTIMATED REVENUES	614,921
APPROPRIATIONS	
GENERAL GOVERNMENT	612,868
TOTAL APPROPRIATIONS	612,868
NET OF REVENUES/APPROPRIATIONS - FUND 277	2,053
BEGINNING FUND BALANCE	7,608
ENDING FUND BALANCE	9,661

<u>Fund 445 - Capital Improvements Fund</u>	
ESTIMATED REVENUES	
PROPERTY TAXES	997,085
FEDERAL GRANTS	160,000
TOTAL ESTIMATED REVENUES	1,157,085
APPROPRIATIONS	
GENERAL GOVERNMENT	330,000
PUBLIC SAFETY	450,000
PUBLIC WORKS	1,217,000
TOTAL APPROPRIATIONS	1,997,000
NET OF REVENUES/APPROPRIATIONS - FUND 445	(839,915)
BEGINNING FUND BALANCE	3,648,435
ENDING FUND BALANCE	2,808,520

Budget Ordinance (Continued)

<u>Fund 585 - Parking Enterprise Fund</u>		
ESTIMATED REVENUES		
INTEREST AND RENTS		
	TOTAL ESTIMATED REVENUES	-----
APPROPRIATIONS		
PUBLIC WORKS		
RECREATION AND CULTURE		1,044,187
DEBT SERVICE		978,477
	TOTAL APPROPRIATIONS	----- 2,022,664
NET OF REVENUES/APPROPRIATIONS - FUND 585		(2,022,664)
BEGINNING FUND BALANCE		----- 9,640,973
ENDING FUND BALANCE		----- 7,618,309

<u>Fund 659 - Insurance Fund</u>		
ESTIMATED REVENUES		
CHARGES FOR SERVICES		3,255,000
OTHER REVENUE		740,000
	TOTAL ESTIMATED REVENUES	----- 3,995,000
APPROPRIATIONS		
GENERAL GOVERNMENT		8,462
OTHER FUNCTIONS		4,249,287
	TOTAL APPROPRIATIONS	----- 4,257,749
NET OF REVENUES/APPROPRIATIONS - FUND 659		(262,749)
BEGINNING FUND BALANCE		----- 1,019,565
ENDING FUND BALANCE		----- 756,816

Budget Ordinance (Continued)

<u>Fund 677 - Self Insurance Workers Compensation</u>	
ESTIMATED REVENUES	
CHARGES FOR SERVICES	442,000
TOTAL ESTIMATED REVENUES	442,000
APPROPRIATIONS	
OTHER FUNCTIONS	777,000
TOTAL APPROPRIATIONS	777,000
NET OF REVENUES/APPROPRIATIONS - FUND 677	(335,000)
BEGINNING FUND BALANCE	844,219
ENDING FUND BALANCE	509,219