

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."

47450 Woodward Pontiac, MI 48342 Phone: (248) 758-3200

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

STUDY SESSION

269th Session of the 10th Council
December 28, 2021 at 12:00 P.M.

Meeting Location: City Council Chambers 47450 Woodward Pontiac, MI 48342

Call to Order

Roll Call

Authorization to Excuse Councilmembers

Amendments to and Approval of the Agenda

Approval of the Minutes

1. December 21, 2021
2. September 30, 2021 Special Meeting

Public Comment

Special Presentations (Presentations are limited to 10 minutes.)

3. Medical Marihuana Application Review Process Report
Presentation Presenters: Garland Doyle, Interim City Clerk and Jonathan Starks, Regulatory Analyst
4. Mayor's 2021 Year End Report with Status of Departmental Strategic Agendas and Recap of ARP Town Halls
Presentation Presenters: Mayor Waterman and Executive Staff
5. 2022 GFOA Budget Book
Presentation Presenters: Mayor Waterman and Executive Staff

Agenda Items

Ordinance

6. Emergency Ordinance for Extension of Temporary Supplemental Pension payment for General Employees Retirement System (GERS)

Resolutions

Community and Economic Development

7. Resolution to Adopt Policy on Disposition of City Owned Property and Supplemental Policy on Property Acquired by Right of First Refusal

Finance

8. Resolution to Authorize an Actuarial Study for the Permanent Enhanced Benefits for GERS

9. Resolution to Approve the 2022 Federal Poverty Guidelines

Mayor's Office

10. Resolution to Approve the Revise Medical Marihuana Commission Rules

(The Commission approved the revised rules without a quorum of legal members present on November 30, 2021. Section 6.107(c) of the Pontiac City Charter states *No elective officer shall hold any appointive position, which was created or the compensation for which was fixed or increased during his or her incumbency, until one year after such person's leaving office.* Since the Medical Marihuana Commission was established by Ordinance 2357(B) in 2018 while Mayor Waterman was in office, Mayor Waterman is ineligible to currently serve on the Commission.)

Communication from the City Attorney

11. Memorandum to discuss the Waterford Regional Fire Agreement

Communication from the Mayor

12. Mayoral Board and Commission Appointees

(Section 4.109 Boards and Commissions of the City Charter states "Reappointment of a person to the same board or Commission for an additional consecutive term is subject to approval by the Council" Therefore Council would have to approve all the reappointments in order for them to be valid.)

Adjournment

#1

MINUTES

**Official Proceedings
Pontiac City Council
268th Session of the Tenth Council**

Call to order

A Formal Meeting of the City Council of Pontiac, Michigan was called to order at the City Hall Council Chambers, 47450 Woodward Ave Pontiac, MI 48342 on Tuesday, December 21, 2021 at 12:00 p.m. by Council President Kermit Williams.

Invocation – Pastor Kathy

Pledge of Allegiance

Roll Call

Members Present – Pietila, Shramski, Williams and Williams

Mayor Waterman was present.
A quorum was announced.

Excuse Councilmember

21-401 **Motion to excuse Councilperson Gloria Miller, Randy Carter and Doris Taylor-Burks for personal reasons.** Moved by Councilperson Pietila and second by Councilperson Waterman.

Ayes: Pietila, Shramski, Waterman and Williams

No: None

Motion Carried

Councilwoman Miller arrived at 12:13 p.m.

Councilwoman Taylor-Burks arrived at 12:15 p.m.

Amendments to and Approval of the Agenda

21-402 **Motion to remove item #6 (Ordinance to amend the City of Pontiac Reestablished General Employees' Retirement System) from the agenda.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Pietila, Shramski, Taylor-Burks, Waterman, Williams and Carter

No: Pietila and Miller

Motion Carried

21-403 **Motion to remove item #7 (Resolution of no confidence in Mayor Deirdre Waterman) from the agenda.** Moved by Councilperson Pietila and second by Councilperson Shramski.

Ayes: Shramski, Taylor-Burks, Miller and Pietila

No: Waterman and Williams

Motion Carried

21-404 **Motion to move items #11 (Resolution to approve the submission of the Community Block Grant (CDBG) application for program year 2022 allocating \$798,883 for sidewalks) item # 12 (Resolution to reprogram Community Development Block Grant (CDBG) Funds from home**

Senior Housekeeping Services to Senior Services and Youth Services for program year 2019 and 2020) item #15 (Resolution to authorize Mayor to sign the Oakland County Sheriff 2022-2024 Law Enforcement Agreement with the City of Pontiac) and item #14 (Resolution to approve a month-to-month agreement with Wade trim for the City of Pontiac Building Services) after item #3 (public hearing for reprogramming Community Development Block Grant (CDBG) Funds from Home Senior Housekeeping Services to Senior Services and Youth Services for program year 2019 and 2020.) on the agenda. Moved by Councilperson Pietila second by Councilperson Shramski.

Ayes: Taylor-Burks, Waterman, Williams, Miller, Pietila and Shramski

No: None

Motion Carried

21-405 **Motion to approve the agenda as amended.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Ayes: Carter, Miller, Pietila, Shramski, Taylor-Burks and Williams

No: None

Motion Carried

Approval of Minutes

21-406 **Motion to approve meeting minutes for December 14, 2021.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

Ayes: Williams, Miller, Pietila, Shramski, Taylor-Burks and Waterman

No: None

Motion Carried

Subcommittee Report

Received Public Safety, December 2021

Recognition of Elected Officials – None

Agenda Address – None

Public Hearing

Council President Kermit Williams opened up a public hearing at 12:44 p.m. for Reprogram Community Development Block Grant (CDBG) Funds from Home Senior Housekeeping Services to Senior Services and Youth Services for program year 2019 and 2020. One individual addressed the body during public hearing.

1. Billie Swazer 1619 Marshbank Dr. Pontiac, MI. She stated “and I liked to know what the Block Grant Funds from the Senior Housekeeping Services to Senior Services. What does Senior and Youth Services entail and what that means for the citizens of Pontiac? Because otherwise they are already paying for Youth services with our taxes. We need to have this for Senior Services only. Thank you”

Council President Kermit Williams closed public hearing at 12:45 p.m.

Agenda Items

Community and Economic Development

21-407 **Resolution to approve the submission of the Community Development Block Grant application for program year 2022 allocating \$798,883 for sidewalks.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

Whereas, the City of Pontiac is submitting an application for the Community Development Block Grant; and

Whereas, the grant application will be submitted on December 17, 2021 to Oakland County for Program Year 2022 projects; and

Whereas, a Public Hearing is required with a minimum 10 notice, published by December 3, 2021 to the public; and

Whereas, the Public Hearing was held on December 14, 2021 at 6:00 p.m.; and

Whereas, the following project is proposed for consideration:

Sidewalks for \$798,883. Funds to repair sidewalks throughout the City of Pontiac.

Now, Therefore, Be It Resolved, that the Pontiac City Council approve submission of the Community Development Block Grant Application for the Program Year 2022 for proposed projects.

Ayes: Miller, Pietila, Shramski, Taylor-Burks, Waterman and Williams

No: None

Resolution Passed

21-408 **Resolution to Reprogram Community Development Block Grant (CDBG) Funds from Home Senior Housekeeping Services to Senior Services and Youth Services for Program Years 2019 and 2020.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Whereas, the City of Pontiac seeks to reprogram Community Development Block Grant(CDBG) Funds from Senior Housekeeping Services and to Senior Services and Youth Services for Program Years 2019 and 2020; and,

Whereas, the notice for the public hearing was published in the Oakland Press on December 10, 2021; and

Whereas, the Public Hearing for the Reprogramming was held on December 21, 2021; and

Whereas, the following projects are proposed for the reprogramming.

1. Senior Services - \$65,000: meal programs either meals-on-wheels or congregate
2. Youth Services - \$25,00: mentoring support and enrichment programs for COP youth (Kids First Initiative)
3. Youth Services - \$10,000: recreational services for COP youth (Pontiac Panthers)

Now, Therefore, Be It Resolved, that the Pontiac City Council approve the reprogramming of Community Development Block Grant (CDBG) funds from Senior Housekeeping Services to Senior Services and Youth Service for Program Years 2019 and 2020 for the proposed projects.

Ayes: Shramski, Taylor-Burks, Waterman and Williams

No: Miller and Pietila

Resolution Passed

Finance

21-409 **Resolution to authorize Mayor to sign the Oakland County Sheriff 2022-2024 Law Enforcement Agreement with the City of Pontiac.** Moved by Councilperson Pietila and second by Councilperson Waterman.

Whereas, the O.C.S.O has demonstrated its ability to faithfully execute the terms of the Agreement for the last three years; and,

Whereas, the City recognizes the importance of maintaining uninterrupted Law Enforcement Services at the City of Pontiac; and,

Whereas, the City currently does not have its own Police Department; and,

Whereas, it is in the best interest of the City and the O.C.S.O to enter into an agreement for three more years; and,

Now, Therefore, the City and O.C.S.O enter into an agreement, for the law Enforcement Services at the City of Pontiac;

Now, Therefore, Be It Resolved, the City Council for the City of Pontiac approve the attached Law Enforcement Service Agreement with the Oakland County Sheriff's Office for a period of three years from January 1, 2022 to December 31, 2024.

Ayes: Pietila, Shramski, Taylor-Burks, Waterman and Williams

No: Miller

Resolution Passed

21-410 **Resolution to approve a month-to-month agreement with Wade trim for the City of Pontiac Building Services.** Moved by Councilperson Miller and second by Councilperson Pietila.

Whereas, the City and Contractor entered into an Agreement on the 16th day of February, 2011; and,
Whereas, the City and Contractor have amended the Agreement via Amendments A through J, most recently in December 2020; and,

Whereas, the Contractor has demonstrated its ability to faithfully execute the terms of the Agreement; and,

Whereas, the City recognizes the importance of maintaining uninterrupted Building Safety Services for residents and businesses; and,

Whereas, the City currently does not have staff to perform these services without significant interruption and disruption for the citizens of Pontiac; and,

Whereas, it is in the best interest of the City and the Contractor to extend the current agreement to insure uninterrupted services to the Citizens of Pontiac; and,

Now, Therefore, the City and Contractors agree to extend the Agreement, for the following professional services and conditions:

1. Extend the contract on a month-to-month basis until December 32, 2022
2. Amend Section 3.2.1 to read as follows:
3. Compensation. Contractor shall receive from January 1, 2022 through December 31, 2022, a monthly payment from the City in the amount of \$146,670.

Ayes: Shramski, Taylor-Burks, Waterman, Williams, Miller and Pietila

No: None

Resolution Passed

Discussion

Pontiac Youth Recreation and Enrichment Center (PYREC)

Councilwoman Pietila left the meeting

Councilwoman Patrice Waterman left the meeting

Ordinance

2388 **Emergency Ordinance for Extension of Supplemental Pension Payment for Police and Fire Retirees.** Moved by Councilperson Shramski and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Williams, Miller and Shramski
No: None
Ordinance Passed

****Ordinance #2388 attached as Exhibit A****

City Clerk

21-411

Resolution to Set a Special Election for May 3, 2021 to elect Charter

Commissioners. Moved by Councilperson Miller and second by Councilperson Taylor-Burks.

Whereas, Proposal A stated the question "Shall the 1982 Charter for the City of Pontiac be revised by a Charter Commission to be selected by the electorate? and,

Whereas, Pontiac voters approved Proposal A on August 3, 2021; and,

Whereas, Michigan Public Act 279 of 1909 117.18 Incorporation; revision of charter, procedure, commission, advisory vote; incorporation of provision in original charter granted by legislature states "No city officer or employee, whether elected or appointed, shall be eligible to a place on the commission. The names of all candidates so nominated shall be placed upon a separate ballot at the election designated to be held for the election of a charter commission without their party affiliations designated; the 9 candidates having the greatest number of votes shall be declared elected; and,

Whereas, the Pontiac City Council sets a Special Election on May 3, 2022 for the purposes of electing charter commissioners.

Now, Therefore, Be It Resolved, that the Pontiac City Council, schedules a special election for May 3, 2022 for the election of a charter commission.

Ayes: Williams, Miller, Shramski and Taylor-Burks
No: None
Resolution Passed

21-412

Resolution to Authorize the City Clerk to post notice of a proposed budget

amendment for Fiscal year 2021-2022 in the Oakland Press to amend the Elections (191) and Clerk (215) budgets to cover expenses for Special Election and Charter Commission. Moved by Councilperson Miller and second by Councilperson Shramski.

Whereas, the City Clerk is requesting \$31,200 in funds to be transferred from the general fund balance GL Account 101-000-390-000 to the following accounts 101-191-702-004 overtime wages \$1,200; 101-191-740-000 operating supplies \$10,000; 101-191-809-000 services-elections \$10,000; 101-215-809-002 Charter Commission; and

Whereas, these transfers are necessary to pay for the additional cost that will be incurred for the Special Election on May 3, 2022 and to support the Charter Commission; and,

Whereas, section 5.106 of the Charter states "after adoption of the appropriations ordinance, and upon at least one week's notice in a newspaper of general circulation in the City, the Council by a resolution of five members, may amend such ordinance to authorize the transfer of an unused balance appropriated for one purpose to another purpose, or to appropriate available revenues not previously appropriated."; and

Now, Therefore, Be It Resolved, that the City Council authorizes the City Clerk to post the proposed budget amendment in the Oakland Press.

Ayes: Williams, Miller, Shramski and Taylor-Burks
No: None
Resolution Passed

21-413 **Resolution to Change the City Council Meeting on December 30, 2021 at 12:00 p.m. to December 28, 2021 at 12:00 p.m.** Moved by Councilperson Taylor-Burks and second by Councilperson Miller.

Whereas, the Pontiac City Council scheduled a meeting on Thursday, December 30, 2021 at 12:00 p.m. in the City Council Chambers.

Now, Therefore, Be It Resolved, that the Pontiac City Council reschedules its meeting set for December 30, 2021 at 12:00 p.m. to December 28, 2021 at 12:00 p.m. in the Council Chambers.

Ayes: Miller, Shramski, Taylor-Burks and Williams

No: None

Resolution Passed

Department of Public Works (DPW)

21-414 **Resolution to approve the Michigan Department of Transportation (MDOT) Annual Permit Performance Resolution.** Moved by Councilperson Miller and second by Councilperson Shramski.

RESOLVED WHEREAS, the City of Pontiac hereinafter referred to as the "MUNICIPALITY," periodically applies to the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT," for permits, referred to as "PERMIT," to construct, operate, use and/or maintain utilities or other facilities, or to conduct other activities, on, over, and under State Highway Right of Way at various locations within and adjacent to its corporate limits;

NOW THEREFORE, in consideration of the DEPARTMENT granting such PERMIT, the MUNICIPALITY agrees that:

1. Each party to this Resolution shall remain responsible for any claims arising out of their own acts and/or omissions during the performance of this Resolution, as provided by law. This Resolution is not intended to increase either party's liability for, or immunity from, tort claims, nor shall it be interpreted, as giving either party hereto a right of indemnification, either by Agreement or at law, for claims arising out of the performance of this Agreement.

2. If any of the work performed for the MUNICIPALITY is performed by a contractor, the MUNICIPALITY shall require its contractor to hold harmless, indemnify and defend in litigation, the State of Michigan, the DEPARTMENT and their agents and employee's, against any claims for damages to public or private property and for injuries to person arising out of the performance of the work, except for claims that result from the sole negligence or willful acts of the DEPARTMENT, until the contractor achieves final acceptance of the MUNICIPALITY Failure of the MUNICIPALITY to require its contractor to indemnify the DEPARTMENT, as set forth above, shall be considered a breach of its duties to the DEPARTMENT.

3. Any work performed for the MUNICIPALITY by a contractor or subcontractor will be solely as a contractor for the MUNICIPALITY and not as a contractor or agent of the DEPARTMENT. The DEPARTMENT shall not be subject to any obligations or liabilities by vendors and contractors of the MUNICIPALITY, or their subcontractors or any other person not a party to the PERMIT without the DEPARTMENT'S specific prior written consent and notwithstanding the issuance of the PERMIT. Any claims by any contractor or subcontractor will be the sole responsibility of the MUNICIPALITY.

4. The MUNICIPALITY shall take no unlawful action or conduct, which arises either directly or indirectly out of its obligations, responsibilities, and duties under the PERMIT which results in claims being asserted against or judgment being imposed against the State of Michigan, the Michigan Transportation Commission, the DEPARTMENT, and all officers, agents and employees thereof and those contracting governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract. In the event that the same occurs, for the purposes of the PERMIT, it will be considered as a breach of the PERMIT thereby giving the State of Michigan, the DEPARTMENT, and/or the Michigan Transportation Commission a right to

seek and obtain any necessary relief or remedy, including, but not by way of limitation, a judgment for money damages.

5. The MUNICIPALITY will, by its own volition and/or request by the DEPARTMENT, promptly restore and/or correct physical or operating damages to any State Highway Right of Way resulting from the installation construction, operation and/or maintenance of the MUNICIPALITY'S facilities according to a PERMIT issued by the DEPARTMENT.

6. With respect to any activities authorized by a PERMIT, when the MUNICIPALITY requires insurance on its own or its contractor's behalf it shall also require that such policy include as named insured the State of Michigan, the Transportation Commission, the DEPARTMENT, and all officers, agents, and employees thereof and those governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract.

7. The incorporation by the DEPARTMENT of this Resolution as part of a PERMIT does not prevent the DEPARTMENT from requiring additional performance security or insurance before issuance of a PERMIT.

8. This Resolution shall continue in force from this date until cancelled by the MUNICIPALITY or the DEPARTMENT with no less than thirty (30) days prior written notice provided to the other party. It will not be cancelled or otherwise terminated by the MUNICIPALITY with regard to any PERMIT which has already been issued or activity which has already been undertaken.

BE IT FURTHER RESOLVED that the following position(s) are authorized to apply to the DEPARTMENT for the necessary permit to work within State Highway Right of Way on behalf of the MUNICIPALITY.

Ayes: Miller, Shramski, Taylor-Burks and Williams

No: None

Resolution Passed

Planning

21-415

Resolution to Approve Conveyance of Northwest 20 Feet of Lots 8 and 9 Elkins Addition City of Pontiac) Tax Parcel 64-14-31-403-006) Via Quit Claim Deed to Amorphous Solid, LLC (Epiphany Studios). Moved by Councilperson Taylor-Burks and second by Councilperson Shramski.

Whereas, a certain parcel of property, being the northwest 20 feet of Los 8 and 9 in the Elkins Addition Subdivision in the City of Pontiac (Tax Parcel 64-14-31-403-006) was conveyed to the City in 1956 for the construction or creation of an alley to be located off Sylvan Court west of Orchard lake road, however, the alley was not constructed; and

Whereas, despite the above-referenced parcel being owned by the City it has appeared on the City's tax rolls since at least 1999 and current online records identify the current taxpayer of to be Amorphous Solid LLC, a Michigan limited liability company which operates a glass blowing and decorative art business in the immediately adjacent property located at 770 Orchard Lake Road (Tax Parcel 64-14-31-403-007; and Whereas, the Office of the City Attorney reviewed the circumstances surrounding Tax Parcel 64-14-31-403-006, provided Council with a memorandum containing detailed information regarding the property and included copies of a current title insurance commitment and other related documents for Council's review and approval to consider whether Council should approve the City's conveyance of Tax Parcel 64-14-31-403-006 to Amorphous Solid LLC via quit claim deed; and

Whereas, it is for the mutual benefit of the City, Amorphous Solid, LLC and the future owners of 770 Orchard Lake Road to convey Tax Parcel 64-14-31-403-006 to Amorphous Solid LLC via quit claim deed.

Now, Therefore, Be It Resolved as follows:

1. City Council approves the conveyance of Tax Parcel 64-14-31-403-006 to Amorphous Solid LLC via form of quit claim deed attached to this Resolution and directs the Mayor or her designee to execute the quit claim deed on the City's behalf.

Ayes: Shramski, Taylor-Burks, Williams and Miller

No: None

Resolution Passed

Law

Received Legal Update Memorandum

Communications from the City Clerk

Received Medical Marihuana Commission Update

Received Clerk's response to City Attorney Memorandum about Potential Conflicts of Interest in Marihuana Application Review Process

Communication from the Mayor

Received the Mayoral Veto of Resolution 21-387 regarding the State of the City Farewell Address

Public Comment

Three (3) individuals addressed the body during public comment

Mayor, Clerk and Council Closing Comments

Mayor Waterman, Legislative Counsel Sharpe, Councilwoman Taylor-Burks, Councilwoman Miller, Councilwoman Shramski and Council President Kermit Williams made closing comments.

Adjournment

Council President Kermit Williams adjourned the meeting at 1:56 p.m.

Garland Doyle
Interim City Clerk

Ordinance No. 2388

An ordinance to provide for a limited increase in pension payments for certain members of the Police & Fire Retirement System ("PFRS").

Whereas, the temporary increase to certain members of the PFRS is set to expire on December 31, 2021; and,

Whereas, the City Council desires that this temporary increase continues for no longer than June 30, 2022

Whereas, such ordinance if approved will take effect from January 1, 2022 and expire on June 30, 2022, or when the New VEBA begins providing the health care benefits to the eligible retirees, whichever comes first, and,

Whereas, the Pontiac City Council considers this an emergency. The City of Pontiac ordains:

Section 1. Amendments.

The Police & Fire Retirement System ordinance shall be amended to read as follows:

a. Section 92-122.2 shall be amended to add the following language: Temporary Pension Increase:

"All persons who retired before August 22, 1966, and who are receiving retirement benefits as of January 1, 2022 and who enter pay status through June 1, 2022, shall be entitled to receive an increase in their monthly allowance of four hundred dollars (\$400.00) per month beginning January 1, 2022 through June 30, 2022, or when the New VEBA begins providing the health care benefits to the eligible retirees, whichever comes first."

Section 2. Severability.

If any section, 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 the Ordinance shall stand and be in full force and effect.

Section 3. 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 4. Publication.

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

Section 5. Emergency Declaration and Effective Date.

This Ordinance is declared an emergency of health and safety to allow the pension recipients to collect the increase authorized in this Ordinance on the date identified in this Ordinance and shall be effective immediately upon adoption by the City Council.

#2

MINUTES

**Official Proceedings
Pontiac City Council
256th Session of the Tenth Council**

Call to order

A Special Meeting of the City Council of Pontiac, Michigan was called to order at the Bowens Senior Center, 52 Bagley Pontiac, MI 48342 on Thursday, September 30, 2021 at 10:00 a.m. by Council President Kermit Williams.

Roll Call

Members Present – Carter, Pietila, Waterman and Williams

Mayor Waterman was present.
A quorum was announced.

Public Hearing

Council President Kermit Williams opened up public hearing regarding Option to sell 25 S. Sanford Street also known as Perdue School to Community Housing Network at 10:09 a.m. Three (3) individuals addressed the body during the public hearing.

1. Mark Holland – 1580 Pebble Beach Dr. Pontiac, MI. He states “I am here to speak for the public hearing regarding pilots. Uh we’ve heard a lot of negative of pilots and I just want to give some positive on pilots in the city. Uh the pilot program helped renovate Newman Court Apartments. And with the pilot program, Newman Court Apartments did received a total of renovation. Each unit got central air as well and so I ask this honorable body, my former colleagues and the citizens that have been calling me regarding this pilot, uh the Perdue site has been sitting vacant, dormant for years. Uh it used to be an alternative school and now it’s just sitting. We don’t when the former owners, it’s been its third ownership here, first with the schools, then it was Mr. Stevens and now the City has it. We don’t have a lot of people standing in line ready to buy this building but we have a lot of people calling us looking for places to stay and looking for somewhere to reside. So if you looking to add to 76 apartments and doubling that because of the families that’s going to dwell in that apartment. So I do ask that you have some consideration and look at the positive pilots that we have throughout our community. I know its mixed emotions because I not always supportive of pilots but I do know pilots do work here in Pontiac within our community. So I do ask that you guys look at maybe 47 years but the extra 7 years from a 40 situation still won’t make a difference for us. Especially if you got something that wasn’t on a tax base but now would be back on a tax base and that area alone definitely needs it. That renovation and that area alone definitely needs some decent housing. So I do ask that you guys really consider, take all the negatives out and start focusing on the positives that you’re going to provide homes, your going to provide a tax base in that area, and if we don’t take what we get and lastly let me say that I heard someone say sell it for a dollar but that would put us a negative \$599,000 but if we can get the money that we put out for which is the \$600,000, we would break even and would be moving in the positive part when you put families in those homes that definitely needed in that area so I ask that you guys really consider moving this pilot forward because it will help that area. Thank you again. I am a resident here. I pay taxes here for those that want to check. Been here all my life. Have a great one.”
2. Larry Jasper – “Hi. My name is Larry Jasper. I’m from Omega Investments. I understand you are looking to sell for two and I agree that we should sell it for a dollar. Presently, you shouldn’t be selling it because we don’t have the partnership papers or how it’s going to effect the community.

Remember this is all a big deal that went down with the mayor and a few people a while back. And this Perdue school had huge issues with it. We had black mold that been sitting there for 15 years and \$600,000 would not be fair value. No one can explain why that's in there. This public housing is for low income and the deal is really going to hurt Pontiac and I'll tell you why. They're looking at paying a whole lot of money the next few years and how's this affect the bonds or the money that the city's still paying on that partnership deal. We don't know what is going on in there so why mess with the deal? An why is the Ottawa Tower for sell for \$5.9 million on one of them when they've paid \$7.4 million supposedly from the City of Pontiac? None of this makes any reasonable consideration unless you're liquidating. This is not going to help the city. I can guarantee you. But this is why I said in a separate meeting it wasn't put into regular processing and they're just slamming the deal through. They want to put this through. Now, I liked to know where those funds are coming from and whose putting up the money and I would like to see the books. I'd like to see the partnership agreement. All these things have issues. So I'm just going to let you sit with that for a moment but the bottom line is, there is no asset value in that school. It should have never been purchased for \$600,000. The cost to cleanup on that is \$1.5 million. So you have to ask yourself, why was he putting in a deal for \$600,000? What are they doing? Why would they pay that? Why would the city pay \$600,000 for that? You're paying for 7 years, higher interest rate and they're not paying any money. The City of Pontiac is paying money for it. What is the deal? How's it work? How does the city get reimbursed on this and where's the reimbursement coming from? Now all these are going to be coming do. That's right. The point is that if you sell it right now, you don't know what's going on. You don't have a partnership agreement to look at that went into the City of Pontiac. You signed a deal with a resolution that the mayor, new mayor and the council members aren't going to have any say so in it without looking at it. First thing any attorney tells you, never sign a contract unless you've read it beforehand. You haven't read this before. This is being slammed like every other deal that has come in here. And that money is being taken out the city through Brownfield, through tax abatements, through state and federal money that's being put together on that, housing commission. All this is not reviewed by the council so you can't make a decision to sell this if you don't know what is going on. You haven't read your contract. Period. With that being said, the city is paying interest and hasn't paid on the deal that's going on with the Ottawa Towers. How are they being reimbursed for that and why are they paying extra money? And where's that coming with the partnership agreement? Why has this deal supposedly been going on since March of this year and yet nobody knows about it until 2 weeks before it's done?"

3. Brian Killam – “Good evening everyone. Honors to everyone that's here. My name is Brain Killam Bey, son of Evelyn Laduff. I'm here today to speak on behalf of why it seems like Pontiac is always the one when it comes to housing or any type of contracts, we always have to rush into everything. I haven't seen any citizens in that area being able to access any of the development or anything to do with it. So I would just like to ask us, why do we have a lot of outside people coming into Pontiac at the last minute, always dumping a contract or something into our city? Thank you and everybody have a honorable day.”

Council President Kermit Williams closed public hearing at 10:18 a.m.

Adjournment

Council President Kermit Williams adjourned the meeting at 10:19 a.m.

Garland Doyle
Interim City Clerk

#3

**SPECIAL
PRESENTATION**



OFFICE OF THE CITY CLERK MEDICAL MARIHUANA APPLICATION REVIEW PROCESS REPORT

December 28, 2021

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

Jonathan Starks
Regulatory Analyst
Marihuana Regulations Division

Website: <http://pontiaccityclerk.com/medical-marihuana>



Pontiac City Clerk



PontiacClerk



Pontiac City Clerk



Pontiac City Clerk

A Fair and Transparent Process

Application Review Process

Step 1 Applications are submitted to the Office of the City Clerk. There was a one-time 21 Day Application Period for Provisioning Centers Jan 6-27, 2020. Provisioning Center Applications are no longer being accepted. Applications for growers, processors, safety compliance and secure transporters are accepted during normal business hours.

Step 2 Application is reviewed by the Office of the City Clerk. **The Clerk's Office received and evaluated 116 applications.**

Provisioning Centers	103
• Cesar Chavez	17
• Downtown	23
• Non Overlay	48
• Walton Blvd	15
Growers	9
Processors	3
Safety Compliance	0
Secure Transporter	1
Total Number of Applications	<u>116</u>

Step 3 Ordinance 2357(B) approved by Pontiac voters required the Clerk to score and rank provisioning center applications. The Clerk can only license the top 5 ranked applicants from each of the four overlay districts.

• Cesar Chavez District	5
• Downtown District	5
• Non Overlay District	5
• Walton Blvd District	5
• Total Number of Provisioning Centers that are allowed in Pontiac	<u>20.</u>

Step 4 Applications that were not ranked 1-5 are given the opportunity to appeal to the Hearing Officer. The Applicant can further appeal to the Medical Marihuana Commission.

Step 5 After the appeal process is over, the Clerk can issue a conditional approval to the top 5 ranked applicants in each district.
Pre-Permit Process
Applicant must complete all steps in the pre-permit process before the Clerk can issue a permit.

A Fair and Transparent Process

Step 3 – Provisioning Center Rankings

Cesar Chavez Overlay District

Types of Licenses Available in this District

- 1) **Grower**

Grower has received conditional approval.

- PGSH Holdings 1054 Durant

Class C Grower – up to 1500 plants

Clerk has issued conditional approval

- ## 2) Processor

- ### 3) Secure Transporter

- 4) **Safety Compliance**

- 5) **Provisioning Centers (No more than 5 Provisioning**

Centers will be selected in this district)

Top 5 Ranked Proposed Locations

- Rize Cannabis – 772 Cesar E Chavez

- West Fort Holdings LLC – 870 Cesar E Chavez

- Greenhouse Farms Pontiac LLC – 985 Cesar E Chavez

- Yellow Tail Ventures Inc – 1025 Cesar E Chavez

- The Cured Leaf TC Inc – 962 Cesar E Chavez

*Rankings subject to appeal



A Fair and Transparent Process

Downtown Overlay District

Types of Licenses Available in this District

- 1) Secure Transporter
- 2) Safety Compliance
- 3) Provisioning Centers (No more than 5 Provisioning Centers will be selected in this district)

Top 5 Ranked Proposed Locations

- Common Citizen – 17 S Saginaw
- 3 Green LLC – 81 N Saginaw
- Zenith Ventures LLC – 22 N Saginaw
- RTMC Enterprises Inc – 123 N Saginaw
- RTMC Enterprises Inc – 10-12 W Pike

***Rankings subject to appeal**



A Fair and Transparent Process

Walton Blvd Overlay District



Types of Licenses Available in this District

- 1) Grower
- Botanical Greens Inc 1651 E Highwood
Class C Grower up to 1500 plants

Clerk has issued conditional approval.

- 2) Processor
- 3) Secure Transporter
- 4) Safety Compliance
- 5) Provisioning Centers (No more than 5 Provisioning Centers will be selected in this district)

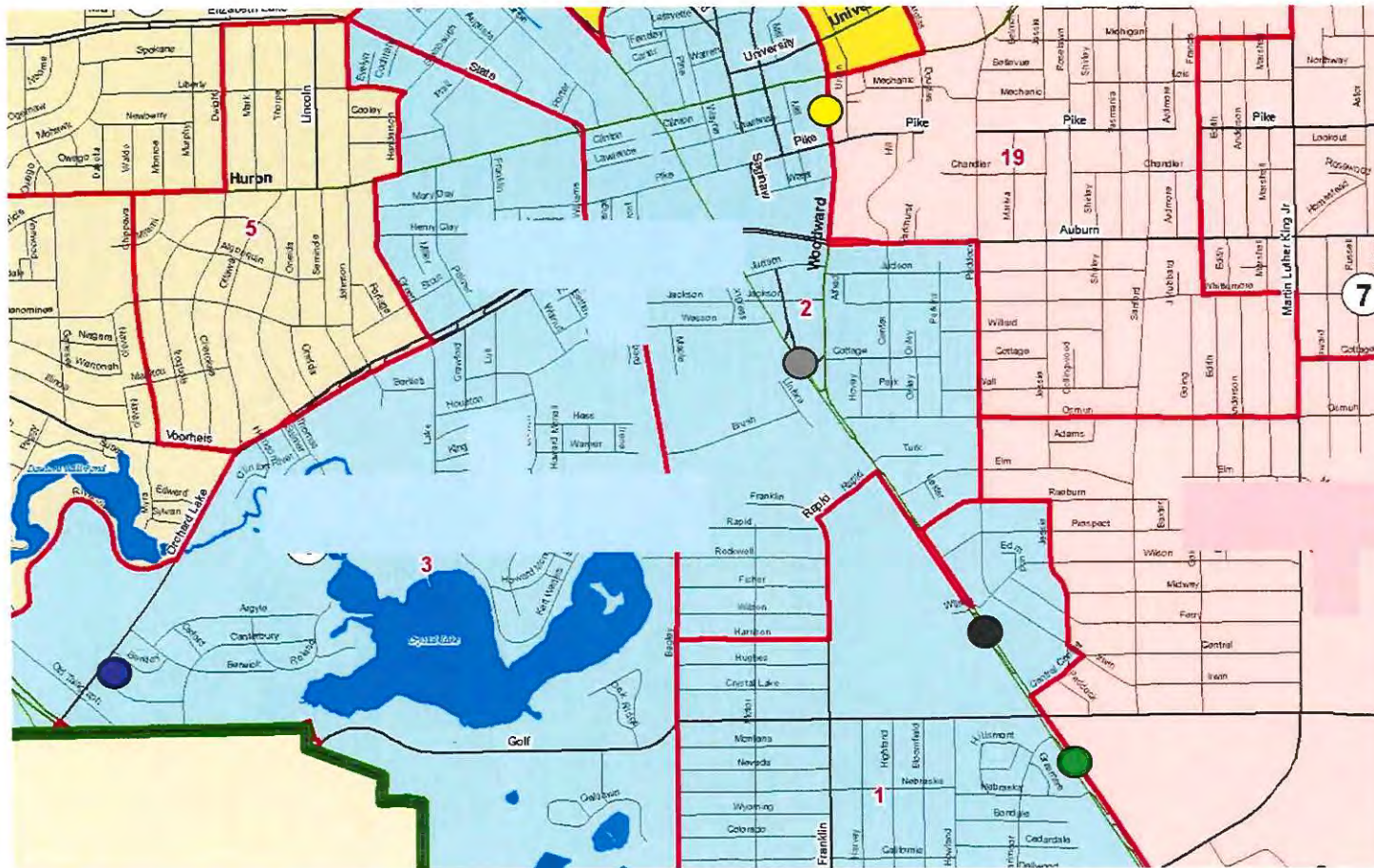
Top 5 Ranked Proposed Locations

- Leafco Ventures – 1461 Baldwin
- 444 Commercial Consulting LLC – 592 E Walton
- 3967 Euclid LLC – 85 E Walton
- Shine Cannabis – 41 E Walton
- Nature's Remedy of Pontiac LLC – 278/290 W Walton

*Rankings are subject to appeal

A Fair and Transparent Process

Non Overlay District



Top 5 Ranked Proposed Locations:

1. ● Pleasantrees – 44821 Woodward
2. ● HKM Group LLC – 50800 Woodward
3. ● Greenhouse Farms Pontiac LLC – 51616 Woodward
4. ● Attitude Wellness LLC – 45258 Woodward
5. ● Nature's Remedy of Pontiac LLC – 939 Orchard Lake

Types of Licenses Available in this District

- 1) Provisioning Centers are permitted in C-1, C-3 and C-4 zones properties located outside of the Cesar Chavez, Downtown and Walton Overlay Districts. (No more than 5 provisioning centers will be selected in the Non-Overlay)

- 2) Safety Compliance

- 3) Secure Transporters

Prior to being issued a permit, the applicant will need to obtain a special exemption permit from the planning commission.

A Fair and Transparent Process

Step 4 - Appeal Process

Now that the clerk has ranked the top 5 provisioning centers for a total of 20 provisioning centers, any applicant not ranked in the top 5 has the right to appeal. The Clerk cannot issue conditional approvals to the top 5 ranked provisioning center applicants from each district until the appeals process has concluded.

Appeal Process

STEP 1: HEARING OFFICER

Applicant submits written appeal to Pontiac City Clerk within 14 days of receiving decision. After the City Clerk receives an appeal, it is referred to the Hearing Officer Grewal Law, PLLC.

The following attorneys from Grewal Law, PLLC are the Appeals Hearing Officers: Cheyenne L. Benyi, Esq., Chelsea Lenard, Esq., Tim Seeger, Esq.

The hearing officer will conduct hearings on appeals and make a recommendation to the Pontiac City Clerk. The Clerk will issue his final decision after reviewing the hearing officer's recommendation.

The Hearing Officer Appeals for Cesar Chavez, Downtown and the Non Overlay have been concluded.

A Fair and Transparent Process

STEP 2: MEDICAL MARIHUANA COMMISSION

Applicants may further submit a written appeal to the medical marihuana commission within 30 days of receiving the Clerk's final decision.

The Medical Marihuana Commission is a four member public body. The members of the commission are residents of the city appointed by the Mayor to serve at the pleasure of the Mayor. The commission shall only overturn a decision or finding of the City Clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial and competent facts.

Cesar Chavez Overlay District Medical Marihuana Commission Appeals

**The following applicants have appealed to the Commission as of August 6, 2021.*

1. Caesars Garden
2. The Dixie Depot
3. Larren Investments LLC
4. PGSH Holdings LLC

Downtown Overlay District Medical Marihuana Commission Appeals

**The following applicants have appealed to the Commission as of September 10, 2021.*

1. Detroit Medical Concepts LLC
2. Green Bronco III LLC
3. Green Buddha
4. Green Buddha II LLC
5. JNN Property LLC
6. Nature's Medicine
7. Nature's Medicine
8. Pontiac Provisioning LLC
9. Pure Roots LLC
10. VB Chesaning

A Fair and Transparent Process

City Council approves conditional rezoning agreements that allow some growers and processors to locate outside of the Cesar Chavez and Walton Blvd Overlay Districts.

Rubicon Capitol Conditional Rezoning

Approved on January 21, 2020

The City entered into an agreement that will allow Rubicon Capitol LLC to build up to One Hundred Thousand square feet (100,000) of space for medical marihuana grow and processing facilities

Grower Tenants Conditional Approved

- Pharmaco Inc – 13 S Glenwood
Class C Grower Up to 1500 plants
- Family Rootz LLC – 1-97 S Glenwood
Class A Grower up to 500 plants
Class C Grower up to 1500 plants

Processor Tenants Conditional Approved

- Pharmaco Inc – 13 S Glenwood
- Family Rootz LLC – 1-97 S Glenwood



A Fair and Transparent Process

City Council approves conditional rezoning agreements that allow some growers and processors to locate outside of the Cesar Chavez and Walton Blvd Overlay Districts.

Ryan Fried Conditional Rezoning

Approved on September 1, 2020

The City entered into an agreement that will allow Ryan Fried to build a medical marihuana grow and processing facility at W. New York and Richard Ave. The proposed development to be known as Flourish Michigan Grow.



A Fair and Transparent Process

City Council approves conditional rezoning agreements that allow some growers and processors to locate outside of the Cesar Chavez and Walton Blvd Overlay Districts.

Sheffield Holdings Conditional Rezoning

Approved on November 23, 2021

The City entered into an agreement that will allow Sheffield Holdings LLC to build up to Ten Thousand square feet (10,000) of space for a medical marihuana grow facility located on west Sheffield, south of Walton and west of Baldwin Ave.



A Fair and Transparent Process

Step 5 - Pre-Permit Process

After an applicant receives a conditional approval from the City Clerk, they must comply with the following before the City Clerk can issue the applicant a permit to operate per Ordinance 2357(B). Four growers and two processors have received their conditional approvals.

- A.) The applicant has obtained their pre-approval from the State of Michigan.
- B.) Applicant receives site plan approval and if necessary a special exemption permit from the Planning Division.
- C.) Building Department inspects the proposed location for compliance for all state and local building, electrical, mechanical and plumbing requirements.
- D.) Applicant receives certificate of occupancy and if necessary a building permit from the Building Department.
- E.) Fire Department inspects the proposed location for compliance with all fire requirements.
- F.) After the applicant satisfies all building, planning and fire requirements then the city clerk has to verify proof of premises liability and causality insurance before issuing a permit.

A Fair and Transparent Process

Conditional Approved Growers in the Pre-Permit Process

Applicant Name	Proposed Location	District	License Class	Conditional Approval Issued	Consent to Release Form Received	Building	Fire (Waterford Regional)	Planning Site Plan/Special Exemption (if necessary)	Liability & Casualty Insurance Verified	State Pre-Approval
Pharmaco Inc	13 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	Class C (up to 1500 plants)	6/3/2021				Yes		Yes
Applicant Name	Proposed Location	District	License Class	Conditional Approval Issued	Consent to Release Form Received	Building	Fire (Waterford Regional)	Planning Site Plan/Special Exemption (if necessary)	Liability & Casualty Insurance Verified	State Pre-Approval
PGSH Holdings LLC	1054 Durant	Cesar Chavez	Class C (up to 1500 plants)	5/21/2021	7/9/2021					
Family Rootz	1-97 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	Class A (up to 500 plants) C (up to 1500 plants)	5/27/2021	6/19/2021			Yes		Yes
Botanical Greens	1651 E Highwood	Walton	Class C (up to 1500 plants)	7/19/2021	6/22/2021					Yes

Conditional Approved Processors in the Pre-Permit Process

Applicant Name	Proposed Location	District	Conditional Approval Issued	Consent to Release Form Received	Building	Fire (Waterford Regional)	Planning Site Plan/Special Exemption (if necessary)	Liability & Casualty Insurance Verified	State Pre-Approval
Pharmaco Inc	13 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	6/3/2021						Yes
Family Rootz	1-97 S Glenwood	Old Glenwood Plaza (Conditional Rezoning)	5/27/2021	6/19/2021					Yes

A Fair and Transparent Process

City Clerk establishes Citizen Monitoring Taskforce to ensure that Medical Marihuana Businesses keep their community benefit commitments to the residents

The City Clerk's Citizen Monitoring Taskforce on Medical Marihuana Implementation is a six (6) member volunteer citizen taskforce will assist the Clerk with monitoring the implementation of medical marihuana in the City of Pontiac. The taskforce has four main objectives. Those objectives are issue policy recommendations, develop a community benefits tracking system, develop complaint process and community outreach efforts. The taskforce will meet several times over the next year. The Clerk and taskforce will work to ensure Medical Marihuana Facilities fulfill the commitments that they made to the City and are good neighbors in our community.

The six (6) member citizen taskforce will consist of one (1) representative from each of the three overlay districts (Cesar Chavez, Downtown and Walton Blvd. The representative must reside in or near the overlay district they are representing) and three (3) citywide representatives (citywide representatives may reside anywhere in the city).

Citizen Monitoring Taskforce Members

1. Kirk Bagg – Citywide Representative
2. Iola Miller – Citywide Representative
3. Sue Sinclair – Citywide Representative
4. Jon Valentine – Cesar Chavez Representative
5. Michael Glass – Downtown Representative
6. Gerald (J.P.) Runions – Walton Blvd Representative

The residents were selected after completing an application process that included an interview.

A Fair and Transparent Process

Clerk announces accelerated review process

Establishes 30-45 day initial review of Medical Marihuana applications

How will reviews be conducted to meet the 30-45 day review goal?

1. The Clerk's Office will manage the entire review process. As oppose to the City's Planning Division reviewing applications, the Clerk will use the Planning Advisor – Giffels Webster for planning section evaluation/scoring reviews. The change was implement for the Walton Blvd Provisioning Center application reviews.
2. The Clerk will be transitioning all other subject matter reviews such as financial and security from external professional experts to the on-staff Regulatory Analyst. We began making this transition with the Walton Blvd Provisioning Center application reviews. The Regulatory Analyst who has a Bachelor of Business Administration in Accounting conducted the Walton Blvd financial reviews.
3. Trained additional Clerk's Office staff in how to conduct reviews.
4. External reviewers with the exception of the Planning Advisor will only be used if the Clerk's Office receives an influx of applications at one time.
5. Default Reviews conducted by City departments will now be a part of the Pre-Permit Process as oppose to being conducted at the start of the review process.

A Fair and Transparent Process

#4

**SPECIAL
PRESENTATION**



Mayor's 2021 Year End Report Status of Departmental Strategic Agendas



American Rescue Plan Act Funding



A TOWN HALL MEETING



PONTIAC IS RECEIVING \$37.7 MILLION FROM THE AMERICAN RESCUE PLAN. LETS TALK ABOUT HOW TO SPEND THIS MONEY TO BENEFIT THE CITY, RESIDENTS AND BUSINESSES.

MAYOR WATERMAN IS HOSTING A TOWN HALL IN YOUR DISTRICT. THE MAYOR WANTS YOUR INPUT AND COLLABORATION

Using the funds to help our citizens with businesses, and to continue Pontiac's progress, Mayor Waterman has made recommendations to the city council for the following uses:

Restore
Champion Woods

Green
Smaller

Infrastructure
Improvements

Public
Safety

Stay tuned for a date and location to your district.

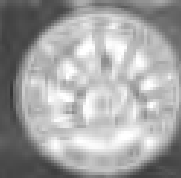


SAVE THE DATE



Share on the City Website: www.pontiacmi.gov
June 25th, 2021 - Florence Center Amphitheater
Free to the Public - Light refreshments provided

THE CITY OF PONTIAC AMERICAN RESCUE PLAN ACT



\$37.7 MILLION AWARDED TO THE CITY OF PONTIAC

OVERVIEW

- Entitlement units received funding directly from Treasury (first 50% of the initial allocations have been provided)
- Second 50% will be received 12 months after the first was approved

RESTRICTIONS ON USES

- Funds cannot be used to directly or indirectly offset tax reductions or delay a tax/tax increase
- Funds cannot be deposited into any pension fund

ELIGIBILITY DATES

- Funds must be "incurred" by December 31, 2024
- They may be committed and then spent up to 2 years later



ELIGIBLE USES

- Public Health and Economic Impacts - to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.
- Premium pay - to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal / local government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.
- Revenue loss - for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal / local government due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency, or
- Infrastructure - to make necessary investments in water mains, sewer drains, or broadband infrastructure.

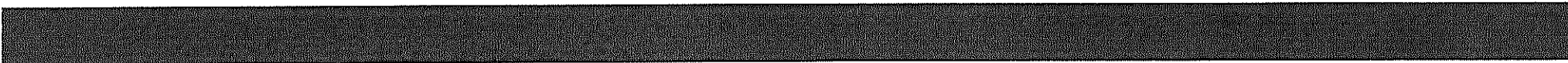
Job Pipeline & Employment Opportunities

 Detroit Free Press

Pontiac-based United Shore to hire 1,500 more despite pandemic, recession

Exterior of United Shore's new headquarters in Pontiac, Mich. A Pontiac-based mortgage firm is preparing to hire 1,500 new employees this ...

May 27, 2020



RESTORING RETIREE HEALTHCARE

PROCESSED DATE OF OCTOBER 1, 2021



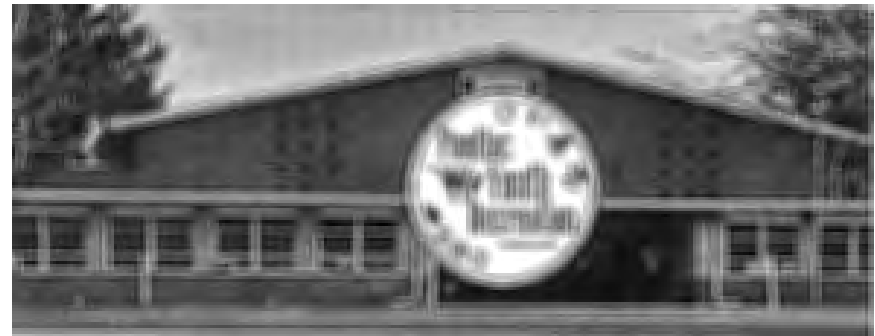
FROM DEFICITS TO SURPLUS WITH THIRD YEAR OF ANNUAL GFOA AWARDS

ACHIEVING FINANCIAL STABILITY

STATE OF THE ART YOUTH CENTER

RESTORING EWALT CENTER FOR YOUTH RECREATION AND ENRICHMENT

Youth Center & Engagement



DAVID M. ERNST
COMMUNITY CENTER





X

IMPLEMENTING MEDICAL MARIHUANA

ECONOMIC DEVELOPMENT AND COMMUNITY BENEFITS




MEDICINAL MARIJUANA

FINALIZING PHOENIX CENTER DEAL

BENEFITS OF THE OPERATING PLAN AND MOU FOR PUBLIC PRIVATE PARTNERSHIP

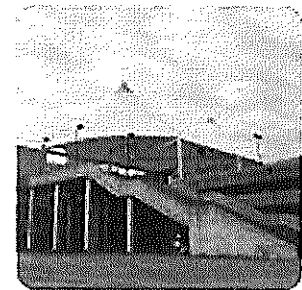
Phoenix Center Deal

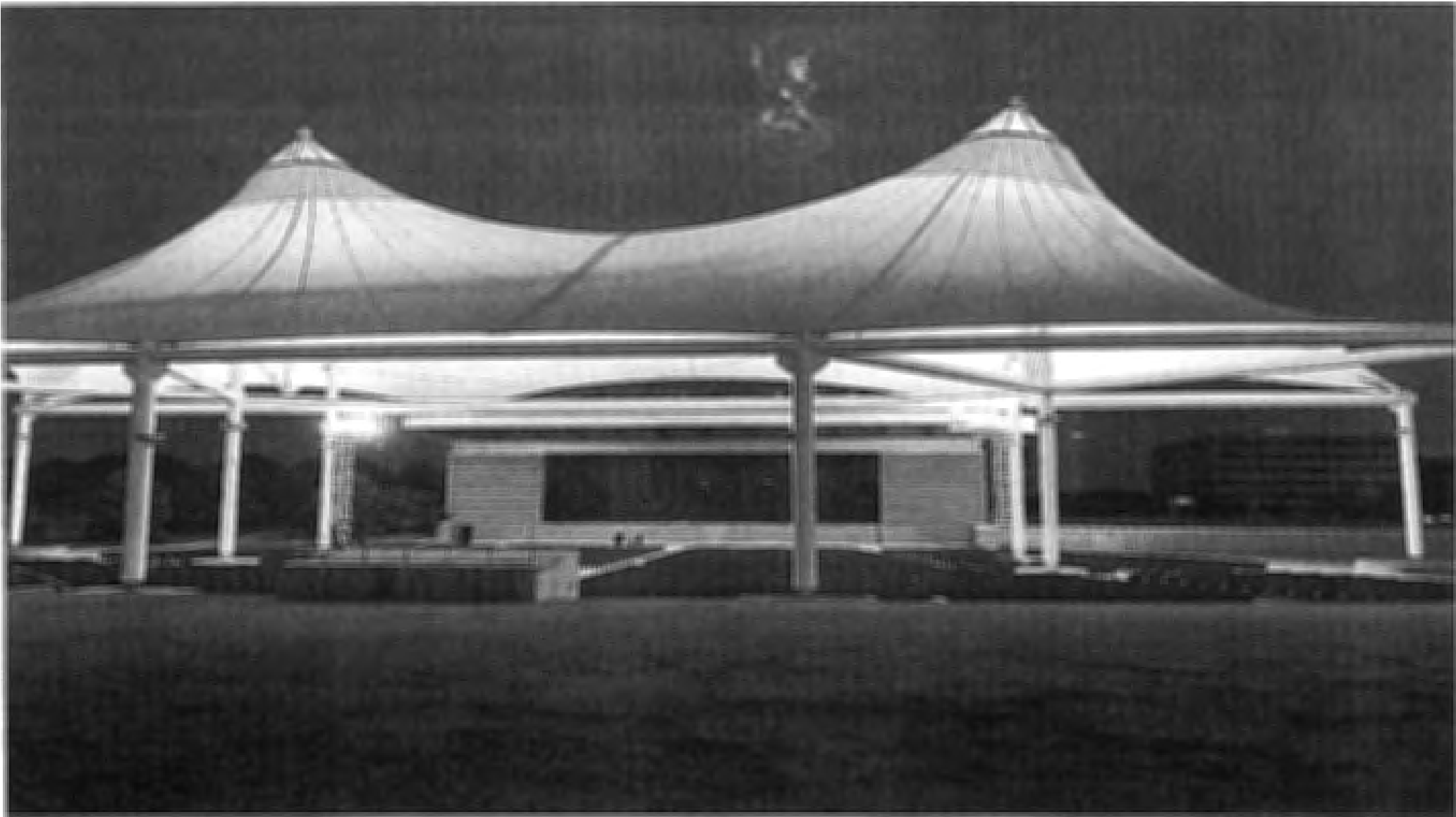
 The Oakland Press

Pontiac might buy Ottawa Towers for \$19.9 million, create new Phoenix Center settlement

It's a \$19.9 million deal that would see the city own the Phoenix Center structure, the towers and the old Purdue Academy at 25 South Sanford St., ...

Oct 26, 2020





IMMEDIATE RENEWAL

118
BUSINESS
DAYS SINCE
CLOSING



MAINTENANCE BEGINS

PERMANENT MOU



WOODWARD LOOP CONVERSION

CONVERTING FROM ONE WAY TO TWO WAY TRAFFIC

WOODWARD LOOP PICTURES



OTHER TOPICS INCLUDE

- Spirit of Pontiac Foundation
- Affordable Housing Plan
- Vision for New Public Library
- Oakland University/Pontiac Partnership
- Collective Impact
- Mayor's Annual Partners In Progress Awards

AFFORDABLE HOUSING INVENTORY

1. Cambridge Manor - 100 W. Madison
2. Franklin Village Senior Apartments - 1000 Culberg Lane
3. Trinity Retreat - 100 Fulton Ave
4. McDonald Senior Apartments - 100 Madison
5. Museum of Science Museum - Museum and Parkway
6. Spring Lake Village - 100 Carnegie Circle
7. Rowman Court Apartments - 100 Rothering
8. Village of Oakland Woods - 100 S. Clarke
9. Francis Travelodge Group - 100 E Pike
10. Phoenix Place - 100 Main Franklin St
11. Cambridge Manor - 100 Fulton Ave
12. Rowman Court Group - 100 Rothering
13. Lancaster Village Group - 100 Fulton
14. Francis Place Apartments - 100 W. Columbia
15. Willow Park North - 100 Lake Ln
16. Woodlake Hills Phase Two - 100 Woodlake Ln
17. Seattle House Apartments - 100 Seattle
18. Seattle House II Apartments - 100 Pine
19. Cultural Meadows - 100 E. Madison
20. Ballwin Hills Apartments - 100 Harvard Dr
21. Crystal Lake Apartments - 100 Golf Dr
22. Carnegie Circle Apartments - 100 Carnegie Circle
23. Lakeside Manor - 100 Madison
24. Woodland Heights Apartments - 100 N. Clark
25. Foxfield Manor - 100 S. Franklin
26. Sanford Arms Apartments - 100 Maple
27. Phoenix Place Apartments - 100 W. Woodward
28. Francis Street Properties - 100 S. Franklin
29. North Hills Farms - 100 Laramie Ln

AFFORDABLE HOUSING

The City of Pontiac has approximately 60,000 residents of which 60% rent housing.

Finding nice, safe and affordable housing is a challenge due to the limited number of properties available.

There are 35 low income, affordable housing apartment communities in Pontiac, offering 3,933 rental units.



AFFORDABLE HOUSING PROJECTS:

- Carriage Circle – 234 newly renovated units, \$37.6M project
- Winston Commons – 54 units available late August or early September, a \$13M project
- Perdue School – from Phoenix Center Deal – 100 units

2019 Report
**UNITING URBAN ACHIEVEMENT
AND ACADEMIC EXCELLENCE**



OU-Pontiac Initiative

A collaboration between Oakland University and the City of Pontiac

OU-PONTIAC INITIATIVE CORE GROUP



2019 PARTNER IN PROGRESS



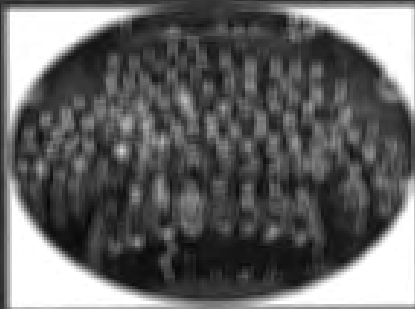
Pastor Douglas Jones
Welcome Baptist Church



Winona Katherine Jones
Friends of the Park



Mr. Bill Fulle
Fulle Homes



Delta Sigma Theta
Porter Chapter



Tracy Randolph
Woods on Wheels



Andy Morrison
Colliard County

2021 PARTNER IN PROGRESS



Sonia Acosta
Centro Multicultural



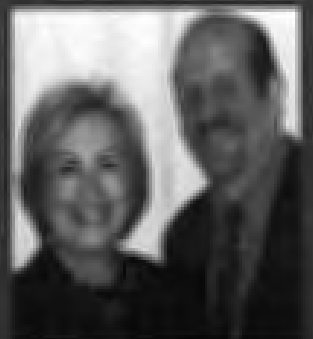
Annie Briggs



Ed Lee
Lee Construction



Matt Ishbia
United Shore



John Orum



Dr. Ora Pescovitz
Oakland University



Pastor Spann

2021 PARTNER IN PROGRESS HUMANITARIAN AWARDS



Community Foundation SE



Lighthouse



Pontiac Community Foundation



Pontiac Senior Centers



Unique Foods

CONTACT INFORMATION

Economic Development Team:

- Linnette Phillips, Director
- Matthew Gibb, Special Council to Economic Development
- Abdul Siddiqui, City Engineer
- Darin Carrington, CFO
- Vern Gustafsson, Planning and Development Manager

COP website: www.pontiac.mi.us - Economic Development page

Email: economicdevelopment@pontiac.mi.us

Hot Line: (248) 758.3300



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Williams and City Council

FROM: Alexandra Borngesser, Grants

THROUGH: Executive Office of Mayor Deirdre Waterman

DATE: December 14th, 2021

RE: **The American Rescue Plan Town Hall Series**

EXECUTIVE SUMMARY

In March, President Biden signed the American Rescue Plan Act into law. This act is meant to provide aid to both state and local governments and to promote local communities' recovery and revitalization following the impacts of COVID-19. The City of Pontiac was allocated \$37.7 million from the American Rescue Plan Act.

In an effort to raise public awareness about the allotment of American Rescue Plan funds awarded to the city and to receive feedback from the public about how best to allocate the funds, Mayor Deirdre Waterman hosted a series of town halls. It was the goal, that through these interactive meetings, we could work towards establishing a shared vision of how best to apply these funds. The content from expert presenters, the dialogue with residents, and interactive breakout activities provided the City with feedback to better build a strategic plan for the investment of these funds. This memorandum is meant to provide a summarized synopsis of the information gathered from the American Rescue Plan Town Halls.

MEETING FORMAT

The meetings were held at various locations throughout the city for each of the seven districts. Each meeting was hosted by Mayor Deirdre Waterman and was moderated in cohort with Alexandra Borngesser. The format of the meeting included presentations from experts, question and answer sessions with residents, a breakout activity for feedback and collaborative ideation, and clear next steps.

For district 1 & district 2, the meeting was held on October 18th at 6:00 PM at the Robert Bowens Senior Center. The meeting had 64 in-person attendees and 78 virtual attendees. The October 18th panelists and their respective presentation topics included: Mayor Deirdre Waterman – Strategic Planning and Leadership, Darin Carrington, Finance Director - ARP Funding Parameters & Permissible Uses, Vern Gustafsson, Planning Director - Proposed ARP Funded City Projects, Matt Gibb, Attorney - ARP Related Business Development, Job Creation, & Leveraging Funds, and Donovan Smith– Previous Projects & Demolition Maps.

The district 3, district 4, and district 6 meeting was held on October 21st at 6:00 PM at the Ruth Peterson Senior Center. The meeting had 36 in-person attendees and 204 virtual attendees. The October 21st panelists and their respective presentation topics included: Mayor Deirdre Waterman – Strategic Planning and Leadership, Darin Carrington, Finance Director - ARP Funding Parameters & Permissible Uses, Donovan Smith - Proposed ARP Funded City Projects & Previous Projects, Matt Gibb, Attorney - ARP Related Business Development, Job Creation, & Leveraging Funds, and Peter Gleek, IT Professional – Smart City & Broadband.

The district 5 & district 7 meeting was held on November 15th at 6:00 PM at the Salvation Army Holland Community Center. The meeting had 13 in-person attendees and 260 virtual attendees. The November 15th panelists and their respective presentation topics included: Vern Gustafsson, Planning - Proposed ARP Funded City Projects, Linnette Phillips, Economic Development – Business Development Funding Opportunities, Matt Gibb, Attorney - Leveraging Funds & Pontiac Smart City, Abdul Siddiqui, Engineer – Storm Sewer Infrastructure, and Darin Carrington, Finance Director– ARP Introduction and Eligibility Requirements.

The meeting for Pontiac non-profits was held on November 6th, 2021 at Oakland University. The Meeting had 19 in-person attendees. The November 6th panelists and their respective presentation topics included: Mayor Deirdre Waterman – Strategic Planning and Leadership, Linnette Phillips, Economic Development – Business Development & Citizen Relief, and Alexandra Borngesser, Grants – Permissible Uses. The attendees also reviewed presentations from Lighthouse, Habitat for Humanity, Oakland-Pontiac Initiative, The Pontiac Skate Park Project, and Centro Multicultural La Familia.

KEY FINDINGS & TAKEAWAYS

From the feedback collected during the breakout sessions at each town hall, the following can be concluded:

Issue Space Occurrence:

- ARTS AND CULTURE: 4
- BUSINESS DEVELOPMENT & JOB CREATION: 18
- INFRASTRUCTURE: 28
- NEIGHBORHOOD REVITALIZATION: 30
- PUBLIC SAFETY: 7
- SMART CITY INITIATIVES: 10
- YOUTH: 6

The following items were recurring themes from each of the town hall discussions and feedback breakout sessions:

- OWNER OCCUPIED HOME IMPROVEMENT AND RENT TO OWN PROGRAMS
- CITY-WIDE BROADBAND INTERNET ACCESS
- POLICE AND FIRE INVESTMENTS
- CLINTON RIVER TRAIL IMPROVEMENTS
- YOUTH RECREATION AND ENRICHMENT PROGRAMS
- SIDEWALK AND ROAD REPAIRS
- SMALL BUSINESS SUPPORT

KEY PROJECTS FOR IMMEDIATE FUNDING

During this process, the Executive Office of Mayor Deirdre Waterman, used public feedback derived from the American Rescue Plan Town Halls to begin the strategic planning for key projects for immediate funding. Those projects include:

Lighthouse – *Emergency Service for Pontiac Residents*

This project would allow for funding for Lighthouse, a Pontiac non-profit, to provide access to food, permanent shelter, eviction prevention and wrap around services such as mental health support, employment coaching, credit repair, etc. The program would also include economic mobility services to all Pontiac residents and would co-locate emergency services and economic services within one location in Pontiac. This is a Person-centered services project that would promote privacy, autonomy, and stability for Pontiac residents.

Habitat for Humanity – *Affordable Housing Gap Fund*

The only solution to the problematic economic barrier to affordable homeownership is to secure grant funding to cover the gaps that are present. Current gaps for single or multi-family homes in Pontiac are approaching \$100,000 per unit (less in other communities). This gap can be partially mitigated through collaborative fundraising and innovative cost saving construction methods, but even the most creative endeavors do not close the gap. Additional gap funding from the American Rescue Plan could help close the affordable housing gap through this strategic plan in partnership with Habitat for Humanity.

Oakland University / Pontiac Initiative – *Non-Profit Incubator*

The OU-Pontiac Initiative wishes to establish a OU-Pontiac Initiative Non-Profits Incubator that extends its expertise, workspace, and hive-mind to Pontiac non-profits. The OU-Pontiac Initiative will work with existing partners to strengthen the existing non-profit community in Pontiac and to ensure that they are sustained into the future. The incubator will fill a much needed gap in mentorship, brick and mortar collaborative workspaces and guidance with standing up the operational infrastructure of a functioning non-profit.

Centro Multicultural La Familia – *Infrastructure and Programming*

Since the inception of the possibility to renovate a school building, the goal of Centro Multicultural La Familia has always been to contribute to the growth of the Pontiac community. It is their hope to build renovate a school building using American Rescue Plan funds to provide the following services on top of their regular services: CommUNITY Library Healing Garden, Support to micro-enterprises (bakery, salon, etc.), Workforce development (teaching sewing, jewelry making, growing herbs/plants, catering, etc.), Co-work or studio space for locals, Capacity-building workshops and skill shares, Communal gathering space indoors & outdoors, Community resource fairs, and Film screenings, poetry & writing workshops, family events.

Small Business Program – *Small Business Development*

This proposal is a small Business Program to provide gap funding for business owners in the form of grants and loans. Currently, we have approximately 1,200 small business owners. Business owners can apply for funding through applications and/or pitch competitions. Through review by the EDC, new or start-ups could receive funding. Funding options include, but are not limited to: Small Business Grants – one time up to \$5,000, Small Business Micro Loans – up to \$15,000 with review and approval by the EDC and Small Business Revolving Loans – up to \$50,000 with review and approval by the EDC.

The program is designed to promote entrepreneurship, small business growth and enhance the COP's economy. We will provide technical support and related resources. Additionally, small business owners applying for funding would participate in a "small business boot camp" comprised of workshops with subject matter experts (SME), workshops providing technical assistance to create documentation, business plans, generating reports with metrics, networking and connecting with providers or required, useful and necessary resources.

City-Wide Broadband Internet – *Pontiac Smart City Initiative*

A proposal to create broad based infrastructure in the COP with cameras to monitor safety and tracking of infrastructure such as pot holes, leaks in water lines, traffic congestion, etc. The COP could reach out to tech and infrastructure partners to collaborate and provide additional resources and funding.

Workers and Families Program – *Citizen Relief & Job Creation*

This program provide assistance to unemployed workers and job training in partnership and cohort with local organizations and businesses.

Investing in Housing and Neighborhoods – *Citizen Relief*

Services to support individuals facing homelessness, affordable housing and housing vouchers, residential counseling and navigation assistance. This is a program to increase home ownership to Pontiac's 61,606 residents where 60% are renters and move frequently. With our reduced unemployment rate and with an employer such as United Wholesale Mortgage (UWM) who employs over 9,000 employees. The COP would work in tandem with them to assist with programs to promote and prepare residents to purchase homes. The COP also will deploy a program to sell properties owned by the COP and also offer first right of refusal for the purchase of properties that are adjacent or congruent to current owner's property. This would also include aid to Pontiac residents for home improvements such as roof repairs, replacement for hot water tanks, windows and exterior work related to leaks, and exposure of elements.

Department of Public Works – Infrastructure Repairs

This funding opportunity would include Storm Drain Maintenance, Giddings Rd Culvert Replacement & Road Reconstruction, and Opdyke Sidewalk & Associated Drainage Updates. Additional enhancements could also include video inspection and cleaning of all storm water structures and sewers in addition to purchasing Street Sweepers for Local Roads, and purchasing Vactor Trucks for Catch Basin Cleaning In-House.



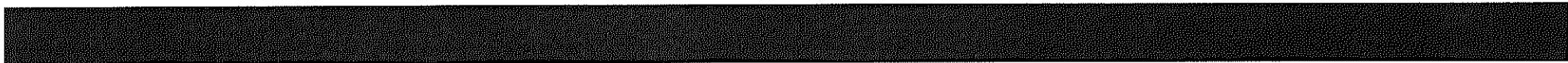
AMERICAN RESCUE PLAN TOWN HALL RECAP



KEY PROJECTS FOR IMMEDIATE FUNDING

The Executive Office of Mayor Deirdre Waterman, used public feedback derived from the American Rescue Plan Town Halls to begin the strategic planning for key projects for immediate funding.

Those projects include the following:



Key Projects

Lighthouse – *Emergency Services for Pontiac Residents*

Habitat for Humanity – *Affordable Housing Gap Fund*

Oakland University / Pontiac Initiative – *Non-Profit Incubator*

Centro Multicultural La Familia – *Infrastructure and Programming*

Small Business Program – *Small Business Development*

City-Wide Broadband Internet – *Pontiac Smart City Initiative*

Workers and Families Program – *Citizen Relief & Job Creation*

Investing in Housing and Neighborhoods – *Citizen Relief*

Department of Public Works – *Infrastructure Repairs*



DISTRICT 1 & DISTRICT 2

AMERICAN RESCUE PLAN TOWN HALL


LOCATION: ROBERT BOWENS SENIOR CENTER

DATE: OCTOBER 18, 2021 AT 6:00 PM

IN-PERSON ATTENDEES: 64

VIRTUAL ATTENDEES: 78

PANELISTS:

- Mayor Deirdre Waterman – Strategic Planning and Leadership
 - Darin Carrington, Finance Director - ARP Funding Parameters & Permissible Uses
 - Vern Gustafsson, Planning Director - Proposed ARP Funded City Projects
 - Matt Gibb, Attorney - ARP Related Business Development, Job Creation, & Leveraging Funds
 - Donovan Smith– Previous Projects & Demolition Maps
- 

DISTRICT 3, DISTRICT 4, & DISTRICT 6 AMERICAN RESCUE PLAN TOWN HALL

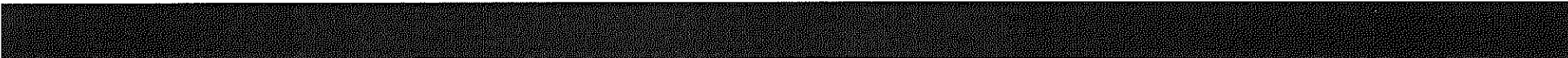
LOCATION: RUTH PETERSON SENIOR CENTER

DATE: OCTOBER 21, 2021 AT 6:00 PM

IN-PERSON ATTENDEES: 36

VIRTUAL ATTENDEES: 204

PANELISTS:

- Mayor Deirdre Waterman – Strategic Planning and Leadership
 - Darin Carrington, Finance Director - ARP Funding Parameters & Permissible Uses
 - Donovan Smith - Proposed ARP Funded City Projects & Previous Projects
 - Matt Gibb, Attorney - ARP Related Business Development, Job Creation, & Leveraging Funds
 - Peter Gleek, IT Professional – Smart City & Broadband
- 

DISTRICT 5 & DISTRICT 7

AMERICAN RESCUE PLAN TOWN HALL


LOCATION: SALVATION ARMY – HOLLAND COMMUNITY CENTER

DATE: NOVEMBER 15, 2021 AT 6:00 PM

IN-PERSON ATTENDEES: 13

VIRTUAL ATTENDEES: 260

PANELISTS:

- Vern Gustafsson, Planning - Proposed ARP Funded City Projects
 - Linnette Phillips, Economic Development – Business Development Funding Opportunities
 - Matt Gibb, Attorney - Leveraging Funds & Pontiac Smart City
 - Abdul Siddiqui, Engineer – Storm Sewer Infrastructure
 - Darin Carrington, Finance Director– ARP Introduction and Eligibility Requirements
- 

PONTIAC NON-PROFITS

AMERICAN RESCUE PLAN TOWN HALL

LOCATION: OAKLAND UNIVERSITY– THE OAKLAND CENTER

DATE: NOVEMBER 6, 2021 AT 10:00 AM

IN-PERSON ATTENDEES: 19

PANELISTS:

- Mayor Deirdre Waterman – Strategic Planning and Leadership
- Linnette Phillips, Economic Development – Business Development & Citizen Relief
- Alexandra Borngesser, Grants – Permissible Uses

SPECIAL PRESENTATIONS FROM

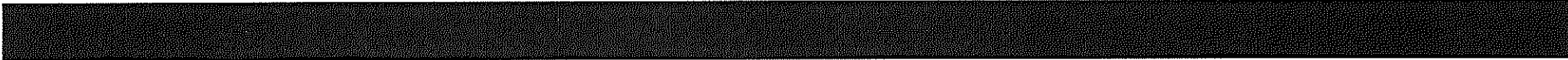
CENTRO MULTICULTURAL
La Familia
Healthy Families. Happy Children.

OU-Pontiac
Initiative

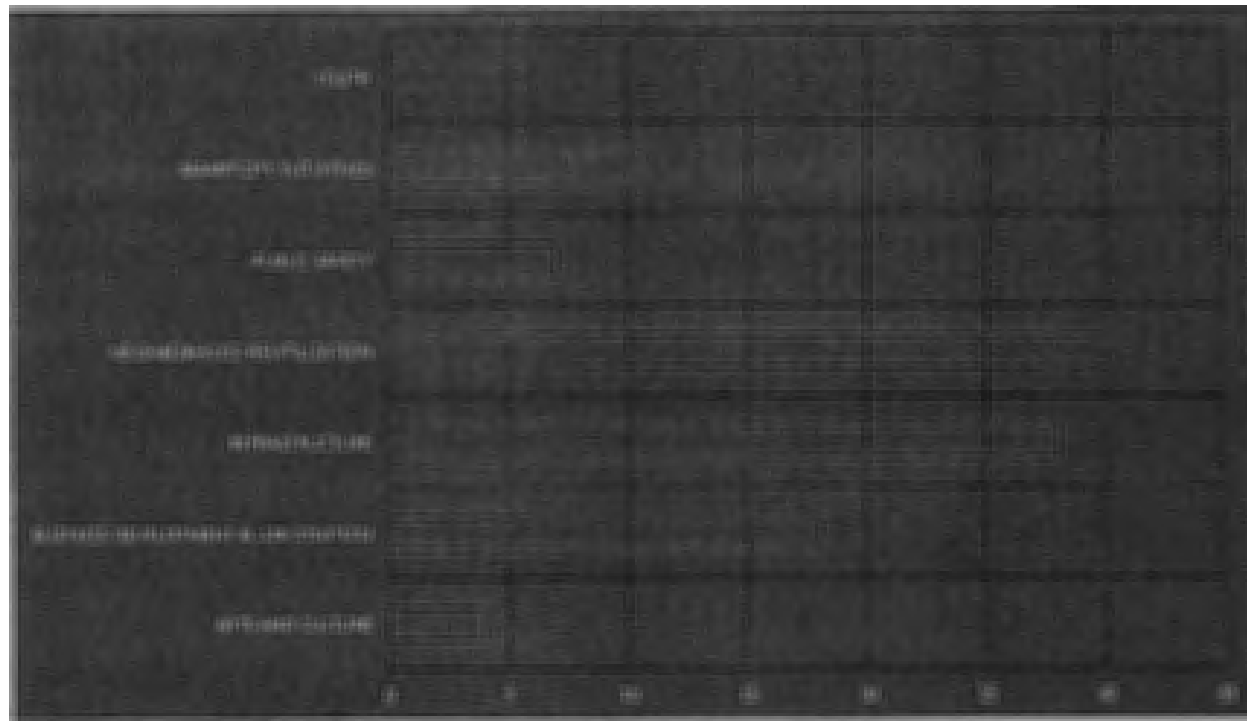
PONTIAC
SKATEPARK
PROJECT

 **Lighthouse**

 **Habitat for Humanity**
of Oakland County



ISSUE SPACE OCCURANCE



ISSUE SPACE OCCURANCE

ARTS AND CULTURE: 4

BUSINESS DEVELOPMENT & JOB CREATION: 18

INFRASTRUCTURE: 28

NEIGHBORHOOD REVITALIZATION: 30

PUBLIC SAFETY: 7

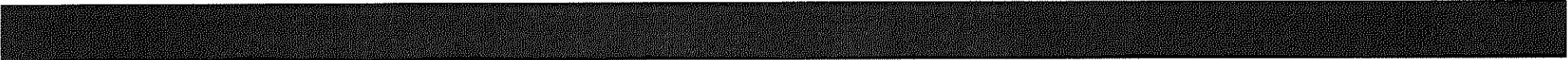
SMART CITY INITIATIVES: 10

YOUTH: 6



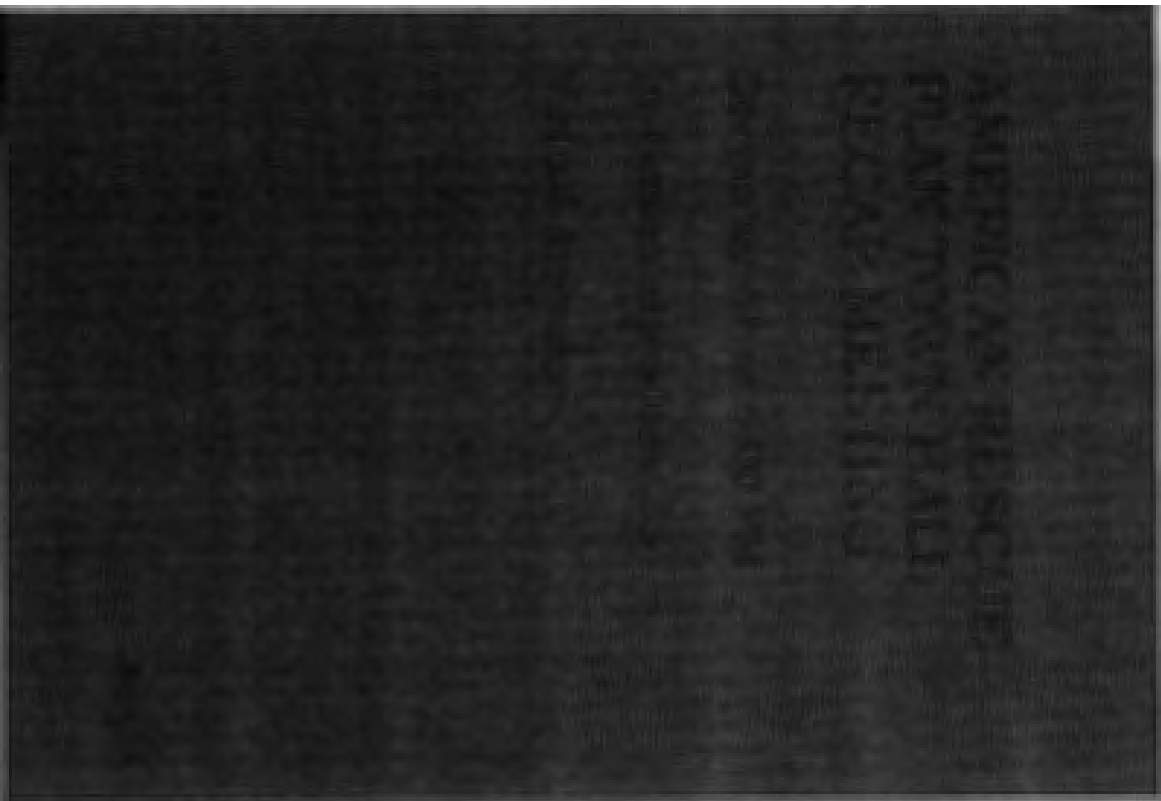
Town Hall Findings and Results

7 Recurring Themes From Resident Feedback:

- Owner Occupied Home Improvement & Rent-to-own Programs
 - City-Wide Broadband Internet
 - Police & Fire Investments
 - Clinton River Trail Improvements
 - Youth Recreation & Enrichment
 - Sidewalks & Road Repair
 - Small Business Support
- 

Leveraging Other ARP Sources

- Oakland County - \$244.2M
 - State of Michigan - \$6.54B
 - Oakland County K-12 Schools - \$257M
 - Oakland University - \$39.4M
 - Oakland County Home Improvement - \$10.4M
- 



TOWN HALL **MEET** MEETING

LET'S TALK ABOUT HOW TO INVEST PONTIAC'S \$37.7 MILLION

As our federal government is working on additional
funding to be used for projects, many projects need
funding. We need to know what you think about
projects, and projects that will help us. We need
your input and support to make our city better.

1. Hear from you
We will hear from you about your ideas and
concerns.

2. Get your input
We will hear from you about your ideas and
concerns.

3. Get your input
We will hear from you about your ideas and
concerns.

Register now for the Town Hall Meeting and get your
input on the city's future. Register now, get your
input on the city's future. Register now, get your
input on the city's future.



- RESTORE NEIGHBORHOODS & CITIZEN RELIEF
- INFRASTRUCTURE IMPROVEMENTS
- PUBLIC SAFETY
- BUSINESS DEVELOPMENT & JOB CREATION
- SMART CITY INITIATIVES

Question & Answer

#5

**SPECIAL
PRESENTATION**



DR. DEIRDRE WATERMAN
MAYOR
CITY OF PONTIAC

December 23, 2021

Rehmann Robson
1500 W. Big Beaver Road
2nd Floor
Troy, Michigan 48084

This representation letter is provided in connection with your audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the *City of Pontiac, Michigan* (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, and the respective budgetary comparison for the general fund and each major special revenue fund of the City in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 23, 2021:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 23, 2021, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP, and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. With respect to any assistance you provided in drafting the financial statements and related notes, we have performed the following:
 - a. Made all management decisions and performed all management functions;
 - b. Assigned a competent individual to oversee the services;

47450 Woodward Avenue • Pontiac, Michigan 48342
Direct: (248) 758-3181 • Appointments: (248) 758-3326 • Fax: (248) 758-3292
E-mail: DWaterman@pontiac.mi.us • www.pontiac.mi.us
<https://www.facebook.com/pontiacmayor/>

- c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
 5. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
 6. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
 7. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. For the purposes of this letter, related parties mean members of the governing body; board members; administrative officials; immediate families of administrative officials, board members, and members of the governing body; and any companies affiliated with or owned by such individuals.
 8. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
 9. The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
 10. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
 11. With regard to items reported at fair value:
 - a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
 12. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
 13. All funds and activities are properly classified.
 14. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
 15. All components of net position and fund balance classifications have been properly reported.
 16. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
 17. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
 18. All interfund and intra-entity transactions and balances have been properly classified and reported.
 19. Special items and extraordinary items have been properly classified and reported.
 20. Deposit and investment risks have been properly and fully disclosed.

21. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
22. All required supplementary information is measured and presented within the prescribed guidelines.
23. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
24. In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. While the pandemic has resulted in an increase in the demands on the City for providing emergency services to its citizens, the Federal Government has also provided significant resources to help mitigate the impacts of COVID-19. The City directly recognized over \$3 million during 2021 from various funding sources to be used to respond to the impacts of the COVID-19 pandemic through the CARES Act and other funding sources. This funding was used to provide relief in multiple areas such as vaccination programs, personal protection equipment (PPE) programs, small business grants, housing assistance and food and transportation assistance among others.

Information Provided

25. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
26. All transactions have been recorded in the accounting records and are reflected in the financial statements.
27. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
28. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
29. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
30. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
31. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
32. We have a process to track the status of audit findings and recommendations.
33. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
34. We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

35. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
36. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
37. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
38. The government has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
39. We have disclosed to you all guarantees, whether written or oral, under which the government is contingently liable.
40. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
41. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB Statement No. 62.
42. The government has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
43. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
44. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

Supplementary Information in Relation to the Financial Statements as a Whole

45. With respect to the supplementary information accompanying the financial statements:
 - a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.
 - b. We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Required Supplementary Information

46. With respect to the required supplementary information accompanying the financial statements:
- a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with accounting principles generally accepted in the United States of America.
 - b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with accounting principles generally accepted in the United States of America.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Uniform Guidance (2 CFR 200)

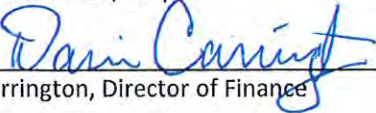
47. With respect to federal awards, we represent the following to you:
- a. We are responsible for understanding and complying with and have complied with the requirements of the Uniform Guidance.
 - b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance.
 - c. We believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance.
 - d. The methods of measurement or presentation have not changed from those used in the prior period.
 - e. We believe the significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.
 - f. We are responsible for including the auditor's report on the schedule of expenditures of federal awards in any document that contains the schedule and that indicates that the auditor has reported on such information.
 - g. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
 - h. When the schedule of expenditures of federal awards is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
 - i. We have, in accordance with the Uniform Guidance, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.
 - j. We are responsible for complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program; and we have complied, in all material respects, with these requirements.
 - k. We have provided to you our interpretations of any compliance requirements that have varying interpretations.
 - l. We are responsible for establishing and maintaining effective internal control over compliance requirements applicable to federal programs that provide reasonable assurance that we are managing our

federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. Also, no changes have been made in the internal control system to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to significant deficiencies, including material weaknesses, reported in the schedule of findings and questioned costs.

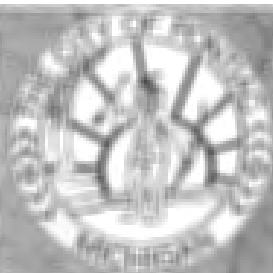
- m. We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relating to federal programs.
- n. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- o. We have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards, including the results of other audits or program reviews. We also know of no instances of noncompliance occurring subsequent to the end of the period audited.
- p. We have charged costs to federal awards in accordance with applicable cost principles, including amounts claimed or used for matching determined in accordance with relevant guidelines in the Uniform Guidance.
- q. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- r. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with the schedule of expenditures of federal awards).
- s. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- u. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- v. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form as required by the Uniform Guidance, and we are responsible for preparing and implementing a correction action plan for each audit finding.
- w. The reporting package does not contain protected personally identifiable information.
- x. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
- y. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- z. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.



Deirdre Waterman, Mayor



Darin Carrington, Director of Finance



City of Pontiac

Adopted Budget Plan Fiscal Years 2022-2026

Funding Strategic Initiatives



8 Years of Financial Progress for Pontiac

City of Pontiac

Adopted Budgets FY2022-2026



Mayor

Deirdre Waterman

City Council



Council President

Kermit Williams
District 7



*Council
President Pro Tem*

Randy Carter
District 4



Councilwoman

Patrice Waterman
District 1



Councilwoman

Megan Shramski
District 2



Councilwoman
Mary E. Pietila
District 3



Councilwoman
Gloria Miller
District 5



Councilwoman
Doris T. Burks
District 6

Department Heads

Phillip Brown	Cable
Garland Doyle	City Clerk
Abdul Siddiqui	City Engineer
Sekar Bawa	City Treasurer
Patrick Brzozoski	Code Enforcement
Lynette Ward	Court Administrator
Linnette Phillips	Economic/Community Development Director
Darin Carrington	Finance Director
Vernon Gustafsson	Planning

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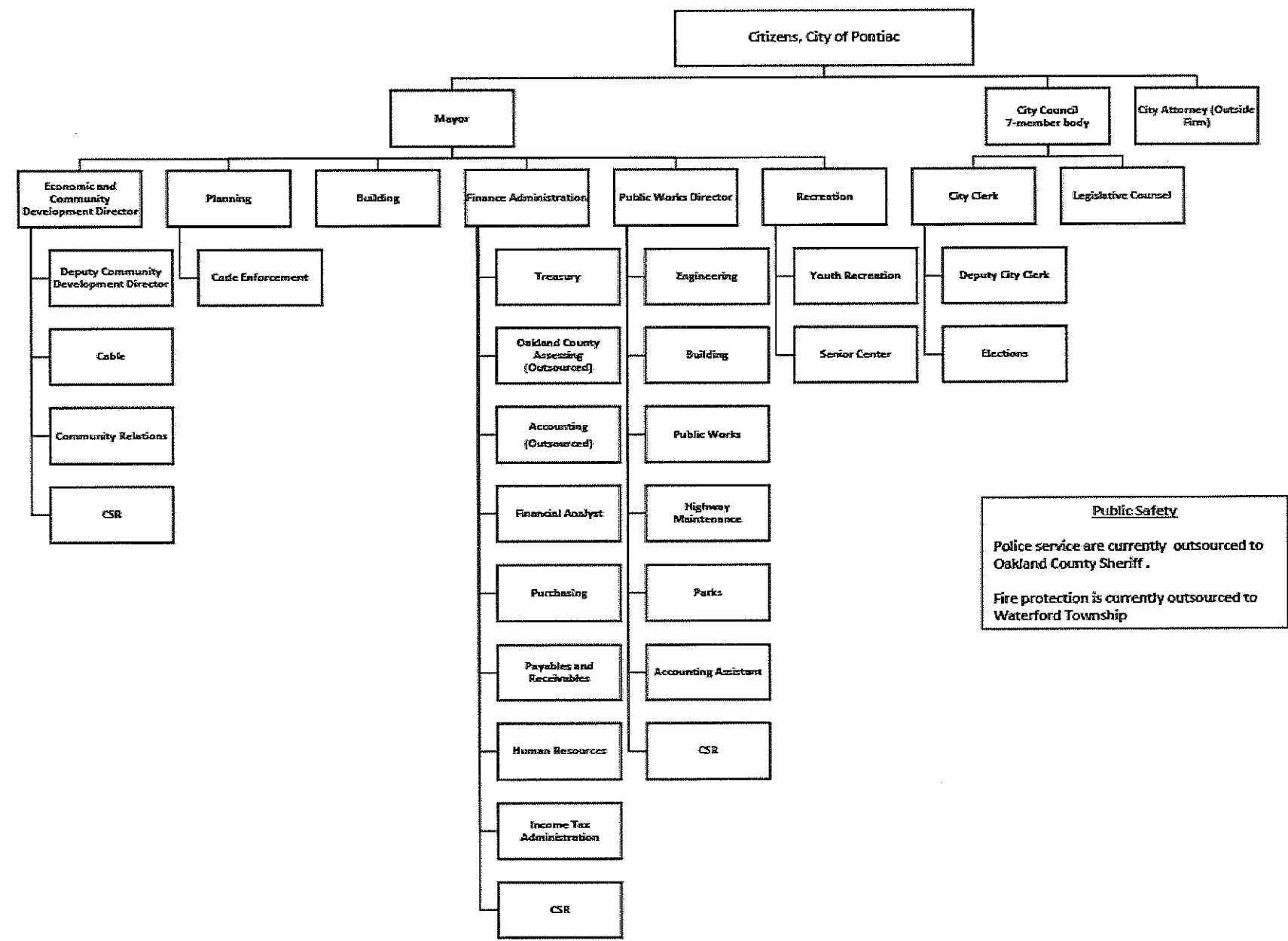
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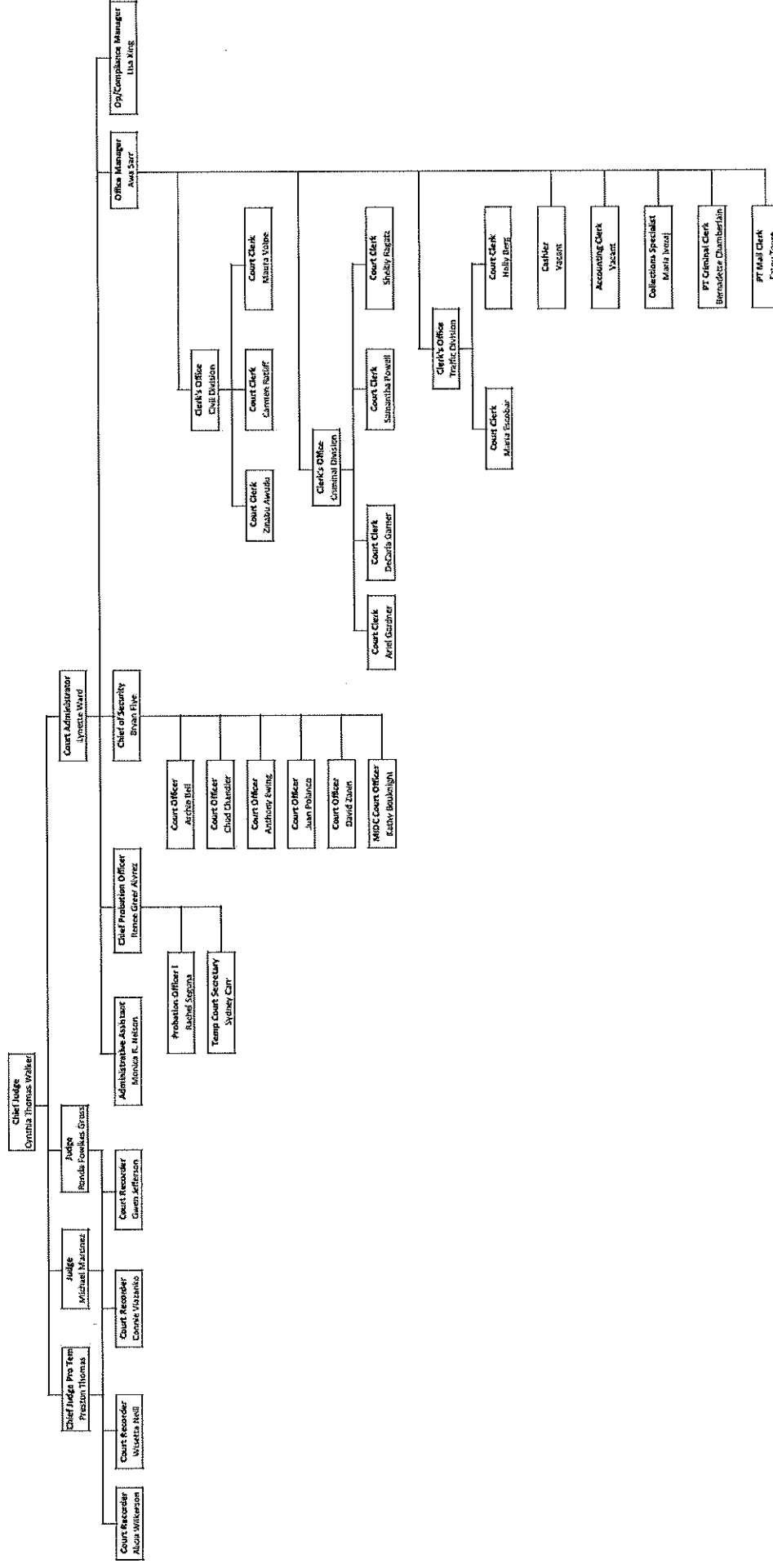
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City Organizational Chart



50th District Court Organizational Chart





CITY OF PONTIAC
EXECUTIVE OFFICE OF THE MAYOR

DR. DEIRDRE WATERMAN
47450 Woodward Avenue
Pontiac, Michigan 48342
Telephone: (248) 758-3133
Fax: (248) 758-3292

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MAYOR'S BUDGET MESSAGE
A City of Transformation and Growth

Honorable City Council and Members of our Community:

I am pleased to present to you the City's 2022-2026 proposed 5-year budget – a financial roadmap and budget plan that continues our progress. The budget is our tool to provide the services and quality of life to every Pontiac resident. It also provides a foundation for implementation of the Master Plan goals to provide a vibrant future for the next generation.

The proposed budget builds on Pontiac's tremendous economic momentum and honors our core values of community empowerment, safety, financial stability and tactical planning. Together, we are creating a community where every citizen has the opportunity to realize their full potential, and that overarching goal guides each of our strategic investments.

Presented is a structurally balanced budget that reflects our commitment to maintain our infrastructure and our intent to provide quality services and amenities to our residents while being conscientious of our financial position and in compliance with the State of Michigan Uniform Budgeting and Accounting Act 2 (PA 621) and Article V, Chapter 1 of the Pontiac City Charter.

The budget is the framework for how we allocate our resources of the City to a variety of programs necessary to move our community toward its achievement of goals within available resources. Once the Mayor's recommendations are adopted by the City Council, the budget establishes the direction for all City government programs and services for the coming years. It is my fiscal responsibility to continuously evaluate City revenue and expenditures with a view of maintaining a strong financial position while providing quality municipal services. In line with the 2014 Master Plan Update, the City seeks to support a dynamic and robust local economy with balanced and sustainable growth that will create jobs and improve the tax basis within the community.

Budget Message – Mayor Waterman (Continued)

The City supports public safety and invests in the tools and resources needed to keep our community safe, and we seek to continuously maintain and improve our public infrastructure, parks and facilities. We are committed to developing and maintaining a professional, highly qualified, highly trained and service-oriented workforce. We employ sound business practices that are efficient, effective, and responsive to the delivery of City services. The proposed budget works to provide our continued investment in much needed infrastructure to allow for growth.

During this current fiscal year we have been able to achieve a number of important fiscal achievements which has helped to lower costs for this proposed budget and for projected budgets going forward. This includes our closing on the purchase of the Phoenix Center that was finalized earlier this year through a public-private partnership. This partnership has allowed us to eliminate certain costs from the City's budget such as those associated with the repair and maintenance of the Phoenix Center garage.

Additionally, during FY 2021 we have seen major steps taken around the issue of retiree health care. In March 2021, the IRS signed off on the settlement between the City and retirees for forming of a new VEBA to provide health care benefits for the City's retirees. The creation and funding of this new VEBA is expected to cover the costs and projected liabilities for retiree health care. Thus, this proposed budget does not call for the City to incur any costs to the new VEBA for retiree health care.

Not reflected in the FY 2021 results, but noteworthy, the City was awarded approximately \$37 Million in American Rescue Plan funding to be spent over the next three fiscal years. This funding is subject to certain grant provisions, and we are working on a plan to utilize the funding to best serve the citizens of Pontiac. The funding and usage will be tracked in a new fund called "Progress for Pontiac".

BUDGETARY HIGHLIGHTS FOR FY 2022 THROUGH 2026

The proposed budgets are significant because they demonstrate financial stability and tactical planning. The financial summaries also demonstrate a healthy fund balance. For a City that was still considered to be in financial distress when I took office in January 2014, this is a major accomplishment. This revitalized economic picture certainly encourages the forecast for our City.

The proposed budgets verify a fiscal policy that supports the priority interest areas with funding support. Without funding support, any proposed plan of community development would otherwise be merely a wish list on paper. The total City budget across all funds for FY 21/22 is approximately \$84.0 million.

For the FY 2022 general fund budget, we have continued to monitor and consider the impact of COVID-19 on both the city's state shared revenue and income tax revenue. For state shared revenue, we have used the State's most recent estimate of state shared revenue for the upcoming fiscal year. For income tax revenue and the impact of COVID-19, we have closely tracked the collection of income tax receipts. Additionally, we have taken steps to factor in the impact on projected income tax refunds tied largely to more employees working from home as a result of the COVID-19 pandemic. Both the projected income tax revenue and the projected tax refunds have taken these factors into account.

Budget Message – Mayor Waterman (Continued)

The proposed expenditures for the General Fund in FY 2022 include a number of key spending priorities that are designed to improve the quality of services that we provide to our residents and businesses. These expenditures are designed to help improve the City's ability to provide and deliver quality service. Key spending priorities include an additional Directed Patrol unit with the Oakland County Sheriff. This is specifically designed to target and address crime around the City and to help assure the City maintains an adequate level of law enforcement staffing. We also are proposing to add a traffic patrol unit with the Oakland County Sheriff to help address road and traffic safety across the City.

This budget also provides funding for projects in our city parks. As we optimistically look forward to the ending of the COVID-19 pandemic, we want to provide increased recreational outlets at our parks for City residents. Likewise, we are providing funding for the acquisition of new vehicles for the Department of Public Works. This funding will significantly improve the department's ability to address the vital public works needs across the City such as grass cutting, snow removal and street repairs.


Even with all that has been accomplished, the City is still faced with challenges and my staff and I are regularly studying and implementing ways to cut costs and increase revenue and efficiencies. The proposed budgets also reflect the monetary support for consensus strategic objectives. These objectives have been formulated through the many meetings with citizens, City Council, civic, and business groups, and in particular, from the crafting of the economic recovery plan for the City. The tactics employed to achieve measured objectives are the structure of a strategic plan that is continuously being evaluated and updated.

In closing, I would like to express my appreciation to the employees of the City of Pontiac who have all continued to greatly contribute to our City during this challenging time with the COVID-19 pandemic. I would also like to commend the Department and Division staff, the Executive staff and Finance department for their contributions in the preparation of this year's annual budget.

To the City Council, I appreciate your cooperative diligence in achieving mutual goals. Collectively, we formulate another balanced budget to be adopted by the Legislative Branch and signed by the Executive in accordance with our city charter and state law. Through a cooperative effort I am confident we can continue to build on the City's continued path toward economic recovery and fiscal stability.

I want to thank the citizens of Pontiac. This budget was crafted to safeguard the hard work and investment that you have made in our community that has helped us make incredible progress the last eight years. It is truly my honor and privilege to serve as your Mayor. I look forward to the work ahead as we continue to move Pontiac forward.

Respectfully submitted,



Dr. Deirdre Waterman
Mayor

Community Profile

The City of Pontiac, Michigan (the "City") incorporated in 1861, is a 20-square mile city, and the county seat of Oakland County, Michigan. The 2020 census reported a population of 61,606. Pontiac is organized as a home rule city under the laws of the State of Michigan and is operating under a city charter amended and effective May 3, 1982. The city charter establishes a strong-Mayor form of government with a part-time seven-member City Council elected in districts. The Mayor appoints all department heads with confirmation by the City Council to be made within 30 days, except the City Clerk whom is appointed by the City Council. The City Council as a body or any Council member is expressly prohibited from providing any order or direction, either publicly or privately, to any employee or appointee of the executive branch. The Mayor must attend all City Council meetings. The Mayor has the authority to veto resolutions or ordinances adopted by the City Council, with limited exceptions.

Since July 1, 2009, the City of Pontiac's finances were under the superintending control of the State of Michigan because of a financial emergency; technically, the City was considered in "receivership" under Public Act 436 of 2012. The State of Michigan appointed three successive emergency financial managers/emergency managers to address the causes of the financial emergency and develop a fiscal and operating plan that aligns the City's expenditures with realistic projected revenues. The City's revenue base decreased nearly fifty percent over a span of six years, making the fiscal problems more challenging to address. Since the appointment of the first emergency financial manager, the City's operating structure has radically changed and has resulted in improved service delivery at a lower cost to the tax payers. The City has gone from a traditional operating model of services provided directly by city employees who receive benefits in addition to salary to an operating model of services provided either by neighboring government agencies or by private contractors that specialize in providing such service at a lower cost. These service providers are monitored by a small group of city employees.

On August 19, 2013, the last emergency manager of the City of Pontiac tendered his resignation to the governor. Before his departure, the emergency manager issued a final order (S-334) which delegated day-to-day administrative responsibilities to a City Administrator who reported directly to the Transition Advisory Board that the governor appointed. On March 31, 2016, the position of City Administrator was eliminated, and the day-to-day administrative responsibilities were returned to the Mayor. A limited number of actions taken by the Mayor and City Council were still subject to review and approval by the City Transition Advisory Board. The final order was last amended March 31, 2016. On July 27, 2017, the City Transition Advisory Board voted unanimously to recommend to the Governor of the State of Michigan that the City's current receivership status be terminated. The City was officially released from receivership on August 1, 2017. Copies of all orders issued by the last emergency manager are available on the City's website.

City of Pontiac Vision Statement

The City of Pontiac is the county seat with a strong economic development focus. It is a destination that promotes diversity, is business friendly, vibrant, and an inviting place to live, work and visit. Pontiac is a community with a small-town feel, retaining its sense of history while adjusting gracefully to changes in the twenty-first century.

Pontiac Moving Forward

Due to the hard work and commitment of a number of dedicated local individuals, the City is well underway to recovering from their previous adversities. Pontiac Moving Forward: An Economic Recovery Strategy will help these efforts by building on the existing assets of the community while identifying the emerging opportunities that can position Pontiac for continued economic growth. This Plan is intended to play a significant role in Pontiac's achievement of long-term economic resiliency by mapping out a set of strategies that bolsters Pontiac's strengths, capitalizes on local innovation, and follows best practices. With this in mind, the Plan proposes a framework of six plan pillars, a direction on what and where to grow, and a set of achievable strategies that are to serve as fire-starters that both spark and fuel the flames of economic transformation.

The six plan pillars are derived from the market analysis (factual basis) and community feedback (first-hand knowledge and intuitive basis) and serve as the foundation of the Plan. The plan pillars express what is valued and needed most by the community. In essence, they represent the community's resolve to move Pontiac forward. The following presents each pillar. The key findings that developed each pillar were collected through the conditions analysis. The entire document can be found at:

www.pontiac.mi.us/departments/community_development/docs/Pontiac_Moving_Forward_Plan_Final.pdf.

- ❖ Educate + Develop the Workforce
 - Align Pontiac's talent with the needs of employers through education and job training
- ❖ Advance Strategic Growth Areas
 - Grow targeted industries to strengthen Pontiac's local economy and regional competitiveness
- ❖ Enhance the Local Brand + Image
 - Strengthen Pontiac's image and brand within the marketplace
- ❖ Improve the Local Quality of Life
 - Ensure residents and businesses have access to and are supported by strong community amenities and services
- ❖ Promote Development in Priority Areas
 - Direct redevelopment to targeted areas in the community that have the greatest economic potential and/or ability to improve the local quality of life
- ❖ Align + Empower the Implementers
 - Unite and empower local leaders and community organizations to collaboratively grow the local economy

Priority Development Areas are locations in the City that offer unique opportunities to improve Pontiac's social and economic conditions. As the financial condition of the City strengthens, Priority Development Areas can provide direction to City leaders on how development incentives and capital projects are prioritized. Public and private investment in these areas will not only support the Pillar of promoting development, but will support other Plan Pillars as well.

The Steering Committee selected the Priority Development Areas based on the key findings gathered from Advisory Group input, economic conditions analysis and the community survey, along with firsthand knowledge of the City. The Committee also considered the recommendations in the City Master Plan, other recent studies and initiatives. The following five Priority Development Areas (PDA) represent locations, projects and sites where public and private investment can advance placemaking, job creation and image. Implementing these projects presents the greatest opportunity to improve Pontiac's social and economic conditions, hastening Pontiac's economic recovery.

Pontiac Moving Forward (Continued)

Proposed Actions	
PDA #1 Complete Streets, Transit And Non-Motorized Transportation	
1.1	Actively engage City elected and appointed officials with these initiatives and become familiar with the leading and participating organizations.
1.2	Raise awareness of these initiatives with residents and businesses throughout the City.
1.3	Communicate the importance of implementing these plans to state and federal elected officials.
1.4	Implement phase one of the Downtown Pontiac Transportation Assessment - conversion of one-way City streets to two-way.
1.5	Participate in the "Healthy Pontiac - We Can" complete streets study and adopt a complete streets ordinance.
Outcomes	<ul style="list-style-type: none"> The Complete Streets study was completed in 2017 (PDA # 1.5).
Action Plans	<ul style="list-style-type: none"> Continue CDBG sidewalk program from 2018. City plans to contract \$200,000 per year for sidewalk repair in fiscal year 2022 with the option of continuing the contract in fiscal year 2023.
PDA #2 Neighborhoods	
2.1	Work with Strategy 1 partners to identify neighborhood needs and priorities.
2.2	Develop criteria (i.e. number of school aged children, owner occupancy, percent vacant lots) to target neighborhoods for housing non-profit and private developer investment.
2.3	Utilize City PASER neighborhood street condition assessment to guide public street improvements.
2.4	Work with owners of former school property to develop plans that support reinvestment and the goals of the surrounding neighborhoods.
Outcomes	<ul style="list-style-type: none"> Flagstar Bank plans with partnership with Oakland University plans to invest \$10 million over the next 5 years to help develop community investment through increased homeownership, economic and neighborhood development, and children education and literary programs. Established Neighborhood Empowerment program in fiscal year 2017 to strengthen the City's neighborhood areas by providing citizen advocacy groups with a mechanism that will allow them to submit proposals that will help improve neighborhood projects. This project was continued in 2021. Reactivation of the Cemetery fund in fiscal year 2018 to provide funding for obligations that were previously removed by emergency manager. Continued funding is expected for 2022.
Action Plans	<ul style="list-style-type: none"> Continuation of Neighborhood Empowerment program in fiscal year 2022 with a budget of \$50,000 in the parks grounds maintenance department of the general fund. Continued improvement to condition of Major and local roads with road improvement budget of \$5.8 million for fiscal year 2022. Continuation of funding for the Cemetery fund is budgeted at \$616,803 transfer from the general fund. Established a district project budget of \$150,000 in fiscal year 2022 in the City Council department.

Pontiac Moving Forward (Continued)

Proposed Actions	
PDA #3 Downtown Private Sector Catalyst Projects	
3.1	Evaluate the benefits of establishing a DDA, PSD, or BID to support downtown management, infrastructure funding and business grant and loan programs.
3.2	Work with property owners to document their efforts to obtain project funding and quantify their funding and credit needs.
3.3	Seek grant support for projects where private investment has partnered with non-profit organizations.
3.4	Evaluate the feasibility of financial packages that combine traditional financing and tax credits, with MEDC, MSHDA, CEED, SBA 504 and foundation grant support.
3.5	Apply for a Revolving Loan Fund grant with foundation match support.
3.6	Develop and adopt a three-tiered incentive package that incorporates: Time (expedited reviews and approvals), Financial (reduced or waived fees and dues) and Service (building and site design assistance, tax credit application support).
3.7	Work with the Downtown Pontiac Business Association to establish a pop-up retail program to showcase available retail space, recruit new downtown businesses and attract foot traffic to the downtown.
Public/Private Catalyst Partnerships	
3.8	Identify stakeholders with interests in advancing these partnerships.
3.9	Work with City leaders, property owners and residents to determine project priority.
3.10	Seek consensus on the general course of action how to best proceed with evaluating project feasibility.
3.11	Where appropriate conduct feasibility studies that explore development options that consider public and private funding, return on investment, ownership, job creation, tax revenue generation, community benefits and placemaking.
Outcomes	<ul style="list-style-type: none"> In 2017, the City joined in a partnership with Oakland County Main Street Program, a non-profit organization charged with managing the City's Main Street program in downtown Pontiac to help restore economic vitality and promote quality of life. Implementation of the Pontiac job Pipeline program. This program is a source of information for city residents seeking job training and employment opportunities.
Action Plans	<ul style="list-style-type: none"> Continuation of the sponsorships through the OU Pontiac Initiative to invest in activities related to education, civic engagement, economic development, health, arts, and neighborhoods.

Pontiac Moving Forward (Continued)

Proposed Actions	
PDA #4 Gateways And Corridors	
4.1	Evaluate the benefits of establishing a CIA to support corridor and gateway reinvestment.
4.2	Consider a "Corridor Keeper" program or other mechanism to communicate with property and business owners.
4.3	Work with the City, county and state road agencies to evaluate road condition, safety and capacity needs.
4.4	Evaluate private investment potential including job creation and tax revenue generation.
4.5	Determine infrastructure improvement needs and evaluate potential for economic development grant support.
4.6	Consider developing and adopting sub area corridor plans that address land use, landscaping, building facades, and needed regulatory changes.
Outcomes	<ul style="list-style-type: none"> The City is currently working concurrently with MDOT and Oakland County transportation service center on designs to reconfigure the current Woodward Avenue loop into a two-way layout. This redesign is expected to draw in more traffic to the downtown area, spurring economic development and commerce.
Action Plans	<ul style="list-style-type: none"> Continued improvement to condition of major roads and Local roads with a capital improvement budget \$5.8 million in fiscal year 2022. Fiscal year 2022 budget includes expansion of the department of public works personnel in order to continue to provide better services to the citizens of Pontiac.

Pontiac Moving Forward (Continued)

Proposed Actions	
PDA #5 Manufacturing, R&D Sites And Campuses	
5.1	Develop a mechanism to communicate with property and business owners.
5.2	Connect property and business owners with MEDC and Oakland County EDCA resources.
5.3	Meet with property and business owners to understand their needs and interest in growing their businesses and/ or developing their property.
5.4	Work with owners or listing brokers to develop property profiles for distribution to potential investors.
5.5	Evaluate the potential of developing a shared marketing strategy for the sites and properties.
5.6	Update the City zoning ordinance to make it more flexible and reflect the intent of the City master plan's entrepreneurial districts.
Outcomes	<ul style="list-style-type: none"> Continued participation in the Oakland County One Stop Ready program
Action Plans	<ul style="list-style-type: none"> Continue to monitor the business environment and attract economic opportunities for the City through use of the Community Development department and Planning and Zoning Ordinances.

Plan Strategies: How We Grow

The plan's strategies link the where and what we want to grow through a set of achievable projects that can make a significant impact and build tremendous momentum towards the overall economic recovery effort of Pontiac. Based on research and input from the Plan's Advisors and Steering Committee, the following set of six strategies rose to the surface as the most tactical starting point for Pontiac's economic recovery effort. It is expected that these projects will stimulate other projects.

The Plan Strategies are listed below:

1. Strengthen Neighborhood and Advocacy Groups
2. Develop a Marketing Plan
3. Grow Business Support Services
4. Expand Business Entrepreneurial + Incubator Services
5. Establish an Arts Collaborative
6. Increase Access to Job Skills Training Programs

Tax Rates to Support 2021-22 Budget

City of Pontiac Taxable Value, Millage Rate and Property Tax Revenue History

Property Tax Year Fiscal Year	2019 Actual FY 2019-2020	2020 Projection FY 2020-2021	2021 Estimate FY 2021-2022	2022 Estimate FY 2022-2023	2023 Estimate FY 2023-2024
Taxable Value - Real*	631,027,030	677,517,920	690,390,760	703,508,185	716,874,840
Taxable Value - Personal Property Tax*	118,114,500	116,491,630	118,704,971	120,960,365	123,258,612
Total Taxable Value	749,141,530	794,009,550	809,095,731	824,468,550	840,133,453
% change in total TV from prior year	2.70%	5.99%	1.90%	1.90%	1.90%
Less: Captures	69,455,853	69,800,000	71,126,200	72,477,598	73,854,672
Adjusted Taxable Value*	679,685,677	724,209,550	737,969,531	751,990,953	766,278,781
% change in adjusted TV from prior year	12.78%	6.55%	1.90%	1.90%	1.90%
Millage Rate					
General Fund	11.16990	11.16990	11.05030	11.05030	11.05030
Capital Improvement	1.39610	1.39610	1.38110	1.38110	1.38110
Sanitation	2.79230	2.79230	2.76240	2.76240	2.76240
Senior Services	0.49540	0.49540	0.49000	0.49000	0.49000
Youth Services	1.48620	1.48620	0.75000	1.47020	1.47020
Total Operating Millage	17.3399	17.3399	16.4338	17.1540	17.1540
Tax Revenue					
General Fund	7,470,216	7,612,150	7,689,338	8,309,726	8,467,610
Capital Improvement	935,265	953,035	962,698	1,038,575	1,058,308
Sanitation	1,867,348	1,902,828	1,922,123	2,077,300	2,116,769
Senior Services	333,456	337,493	340,916	368,476	375,477
Youth Services	987,344	1,006,103	515,805	1,105,577	1,126,583
Grand Total	\$ 11,593,629	\$ 11,811,609	\$ 11,430,880	\$ 12,899,653	\$ 13,144,746

*TV has been adjusted for half rate special acts.

The following are the adopted tax rates and revenue to support the budget for the 2021-22 fiscal year:

State law permits a Home Rule City like Pontiac to levy up to 20.0000 mills under its charter. The Charter authorizes the Operating and Capital Improvement millages.

The City of Pontiac voters renewed the Senior Services millage for an additional ten years in August, 2016.

The City of Pontiac voters approved a youth recreation millage on November 8, 2016 to levy up to 1.5 mills for a period of 10 years, 2017 to 2026. The millage is levied specifically for the purpose of expending funds for centers open exclusively to youths under 21 years of age and aimed at curbing juvenile delinquency within the City of Pontiac.

The 2022 tax year will see a reduction of the Total City Millage rate due to a Headlee Rollback.

Budgeted Third Party Services with Direct Cost to the City

The City has contracted with the following vendors to provide the following services to the City. To be determined (TBD) vendors have not been identified yet through the bidding process.

Budgeted 3rd Party Services with Direct Cost to City				
Vendor	Service	2019-20	2020-21	2021-22
General Fund				
Oakland County Sheriff	Police Patrol	\$ 11,545,614	\$ 11,891,982	\$ 13,214,910
Oakland County Sheriff	Police Overtime	978,500	978,500	884,798
Oakland County Sheriff	Police and Fire Dispatch	206,970	213,179	219,575
Kristel Group	Janitorial - Substation	41,200	42,436	-
Waterford Township	Fire Protection	7,693,142	7,693,142	8,481,689
Wade Trim	Code Enforcement	-	-	-
Wade Trim	Planning	-	-	-
Seasonal Property Maintenance LLC	Tree Maintenance	131,325	135,265	139,323
Innovative Software	Income Tax Collection	340,000	340,000	290,000
Oakland County	Assessing	448,823	448,823	418,805
Plante Moran	Accounting	289,200	289,200	297,600
Plante Moran	Budget	10,000	10,000	15,900
PCM	Information Technology	310,000	310,000	310,000
Rehmann	External Audit	52,600	52,600	54,400
Giamarco, Mullins & Horton	City Attorney	350,200	360,706	386,500
Kristel Group	Janitorial - City Hall	54,590	56,228	-
Casar Management LC	Salting and Plowing - City Hall	25,750	26,523	12,750
Casar Management LC	Salting and Plowing - Sheriff	18,540	19,096	15,000
Plunkett Cooney	Bloomfield Park Services	15,450	15,914	16,391
Oakland County	Drain Maintenance	206,000	212,180	218,545
TBD	Civil Engineering	231,750	238,703	245,864
United Lawnscap	Grass Cutting, City Property	109,901	113,198	116,594
General Fund Total		\$ 23,059,555	\$ 23,447,674	\$ 25,338,643
Major and Local Street Funds				
Curbco Inc.	Pothole Patching	\$ 231,750	\$ 238,703	\$ 245,864
United Resources	Storm Sewer Maintenance	793,100	816,893	841,400
TBD	Engineering	103,000	106,090	109,273
Great Lakes Power & Lighting	Street Light Maintenance	267,800	275,834	284,109
TBD	Traffic Signal Maintenance	128,750	132,613	136,591
TBD	Contracted Construction	257,500	265,225	273,182
Action Traffic	Street and Traffic Signs	87,550	90,177	92,882
Seasonal Property Maintenance LLC	Trees in ROW	195,700	201,571	207,618
United Lawnscap	Grass Cutting, Right-of-Way	51,500	53,045	54,636
Major and Local Street Funds Total		\$ 2,116,650	\$ 2,180,150	\$ 2,245,554
Sanitation Fund				
Advanced Disposal	Garbage Collection	\$ 3,499,425	\$ 3,499,425	\$ 2,967,500
Sanitation Fund Total		\$ 3,499,425	\$ 3,499,425	\$ 2,967,500
Building Inspection Fund				
Wade Trim	Construction Code Enforcement	\$ 1,723,710	\$ 1,723,710	\$ 1,742,796
Building Inspection Fund Total		\$ 1,723,710	\$ 1,723,710	\$ 1,742,796

Services Provided by other Governments at No Cost to the City

The City has absolved itself of all control over each of the following services which are now provided by the following government agencies. As a result, these services are now provided at no cost to the City. Any questions or concerns about the following services should be directed to the government agency as listed. The City sold its water and sanitary sewer systems to Oakland County.

Services Provided by Government at No Cost to City		
Provider	Service	Telephone Number
Oakland County	Animal Control	248-391-4102
Water Resources Commission	Soil Erosion and Sedimentation Control	248-858-5389
Water Resources Commission	Water and Sewer Emergencies	248-624-6366
Water Resources Commission	Water and Sewer Services	248-858-1110
Oakland County Clerk	Birth and Death Certificates	248-858-0571
Oakland County	HOME Improvement Program	248-858-5401
SMART	Senior Citizen Commuter Bus Service	866-962-5515

Position Summary Schedule

Key Assumptions for All Departments

- ❖ The FY21/22 Budget includes the following new positions:
 - General Fund:
 - Mayor – Full time Customer Service Rep position added
 - Finance – Deputy Finance Director position added
 - City Clerk/Elections – Part time position converted to full time
 - Public Works – Two full time maintenance workers added
- ❖ Medical and Dental insurance are expected to increase of 3%
- ❖ Workers Compensation, Life, and Optical insurance are expected to increase 3%

Fund	Department	2019-20 Actual	2020-21 Budget	2021-22 Adopted	Difference FY21 to FY22	2023-26 Total
General Fund						
	City Council	9	9	8	-1	8
	Mayor	4	4	5	1	5
	Finance	5	5	6	1	6
	Income Tax	2	1	1	0	1
	City Clerk/Elections	4	4.5	5	0.5	5
	Human Resources	2	2	2	0	2
	Treasurer	4	4	4	0	4
	Sheriff	0	0	0	0	0
	Crossing Guards	3	3	3	0	3
	Public Works	26	24	26	2	26
	Planning	3	3	3	0	3
	Code Enforcement	6	6	5	-1	5
	Redevelopment & Housing	3	3	3	0	3
General Fund		71	68.5	71	2.5	71
Youth Recreation Fund		33	14	14	0	14
Cable Fund		2	1	1	0	1
Senior Millage Fund		6	4	4	0	4
District Court Fund		42	36	36	0	36
MIDC Fund		3	3	3	0	3
Grand Total		157	126.5	129	2.5	129

Financial Policies

The accounting policies of the City of Pontiac, Michigan conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). Following is a summary of the significant policies:

Fund Balance Reserve Policy

The City of Pontiac City Council adopted a fund balance policy on March 5, 2014. The annual budget is developed so that current year revenues meet current year expenditures. The City of Pontiac deems it necessary to maintain adequate levels of fund balance to maintain financial stability and to mitigate future unforeseen liabilities or risks. Therefore, the following outlines the City's policy on maintaining what the City deems to be an adequate amount of City's various Funds unrestricted fund balance to ensure stable tax rates and to serve as a guide in long term financial planning. All fund balance categories will be reported consistent with GASB pronouncements.

The City will establish a reserve to pay for expenditures as a result of unforeseen emergencies or for shortfalls caused by revenue declines. The City will seek to maintain a diversified and stable revenue system to shelter itself from short-run fluctuations in any one revenue source. The City will attempt to obtain additional revenue sources to insure a balanced budget.

The following factors are considered by the City in establishing its fund balance policy:

- ❖ The predictability of its revenues and volatility of its expenditures. The City will follow an aggressive policy of collecting revenue.
- ❖ Exposure to significant one-time outlays (i.e. disasters, cash flow shortfalls, short term capital needs).
- ❖ Potential need of General Fund resources from other funds as well as availability of resources in other funds.
- ❖ Specific and planned future capital projects, including retaining funds for grant matching opportunities.
- ❖ Liquidity, cash flow needs and to avoid borrowing costs.
- ❖ Maintain and improve the City's credit rating.

The City will review fund balance/reserves annually during the budget process. In the event the level of expenditures exceeds the estimated appropriations, the City will create a plan to replenish fund balance/reserves within three years by controlling operating expenditures, adjusting operations and/or dedicating excess or specific revenue sources.

Financial Policies (Continued)

General Fund

For the General Fund, the unassigned fund balance will be maintained with a minimum of approximately 15% of the budgeted expenditures of that particular fiscal year. In the event that circumstances arise causing the unassigned fund balance to fall below 15%, a plan will be put in place to replenish the balance during the subsequent two budget years. Additional reserves can be designated for a specific purpose, as identified by City Council, during the budget process. Fund balance will be established to:

- ❖ Provide a fund or reserve to meet emergency expenditures and future capital needs;
- ❖ Provide cash to finance expenditures from the beginning of the budget year until general property taxes or other revenues are collected;
- ❖ Demonstrate financial stability and therefore preserve or enhance its bond rating, thereby lowering debt issuance costs;
- ❖ Accumulate sufficient assets to make designated purchases;
- ❖ Avoid short-term borrowing and associated interest costs.

As part of the budget process excess fund balance may be used to reduce liabilities or fund expenditures of the next fiscal period.

The City shall utilize GASB categories to designate the fund balances which are rolled together for reporting of fund balance in accordance with GASB 54. The only *unassigned* fund balance of the City shall be that of the General Fund.

Special Revenue Funds

Resources in a fund other than the General Fund are either (1) required to be used for the purpose of the fund or (2) intended by the government to be used for that purpose. Special revenue funds report specific revenue sources that are designated to be used for a particular purpose. Unless they are listed individually below, Special Revenue Funds will establish a minimum of 15% of budgeted expenditures as unassigned fund balance in any given budget year.

Road Funds (Major and Local Street Fund)

The City's fund balance for the road funds will be established within a minimum range of 10 - 20%, of the budgeted expenditures individually and collectively amongst the two funds, to cover extraordinary maintenance events (i.e. unusual winter maintenance events, emergency reconstruction, etc.), and contingencies for budgeted construction projects. In addition, the City may establish a designation for capital projects in excess of \$1.5 million, to be completed in future years based on the capital improvement program.

Senior Millage Fund

The fund balance for the Senior Activities Fund will establish a minimum of 10% of fund annual budgeted expenditures, since this fund is similar to the General Fund in terms of covering operations. This fund receives revenue from the dedicated special voted property tax millage. The City may establish a designation for capital projects in excess of \$200,000; to be completed in future years based on the capital improvement program.

Financial Policies (Continued)

Sanitation Fund

The fund balance for the Sanitation Fund will establish a minimum of 15% of fund annual budgeted expenditures. This fund receives revenue from the dedicated special voted property tax millage and also a sanitation fee assessment in addition to the millage to cover the difference between the tax revenue and the expenditures. The City may lower the sanitation assessment to property owners during the budget approval process based on the data available at that time. The potential for increase in the fuel surcharge costs as part of sanitation expenditures necessitates a healthy fund balance to hedge against that unexpected increase in costs.

Capital Improvements Fund

The fund balance for the Capital Improvement Fund will be used primarily for capital improvements, but may also be used for other capital infrastructure projects. The fund's resources are primarily from special millage. The fund balance is recommended to be at least 15% of scheduled expenditures.

Other Internal Service Funds

The fund balance for Internal Service Funds (Insurance and Workers Comp Insurance Fund etc.) will be used for appropriations based on the specific purpose of those funds. Unless they are listed individually above, internal revenue funds will establish a minimum of 10% of budgeted expenditures as unassigned fund balance in any given budget year.

Investment Policy

The City of Pontiac City Council adopted an Investment Policy August 12, 2013 and amended it April 23, 2014. The investment program is operated in conformance with federal, state, and other legal requirements, including the Investment of Surplus Funds of Political Subdivisions, being Public Act 20 of 1943, as amended. The policy applies to the investment of all funds, excluding the investment of employees' retirement funds, which are governed under the policies of the respective retirement systems. Proceeds from certain bond issues, as well as separate foundation or endowment assets, will be covered by a separate policy at such time that the City should acquire such funds.

Financial Policies (Continued)

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. *Safety*

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

a. Credit Risk

The City of Pontiac will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- ❖ Limiting investments to the types of securities listed in Section VII of this Investment Policy
- ❖ Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City of Pontiac will do business in accordance with Section V
- ❖ Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

b. Interest Rate Risk

The City of Pontiac will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- ❖ Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- ❖ Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see section VIII).

c. General Risk

Risk shall also be minimized by closely monitoring pertinent financial information and rating agency reports that would disclose a weakening financial condition at any firm or institution associated with City investments. Written notice of any adverse changes in financial condition of these institutions shall be immediately forwarded to the City Council by the investment officer for his/her review and appropriate action.

2. *Liquidity*

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining the maximum market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow characteristics of the portfolio.

Financial Policies (Continued)

3. *Yield*

The City of Pontiac's cash management portfolio shall be designed with the objective of regularly meeting or exceeding a performance benchmark, which could be the average return on three-month U.S. Treasury bills, the state investment pool, a money market mutual fund, or the average rate on Fed funds, whichever is higher. These indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

Investment Types

Consistent with the Investment of Surplus Funds of Political Subdivisions, investments will be permitted by this policy as those defined by state and local law where applicable, with the exception of hedge funds.

Investment Parameters

Diversification

It is the policy of the City of Pontiac to diversify its investment portfolios. To eliminate risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or class of securities, all cash and cash equivalent assets in all City of Pontiac funds shall be diversified by maturity, issuer, and class of security. Diversification strategies shall be determined and revised periodically by the investment committee/investment officer for all funds under the control of the City.

In establishing specific diversification strategies, the following general policies and constraints shall apply: Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. Maturities selected shall provide for stability of income and reasonable liquidity.

For cash management funds:

- ❖ Liquidity shall be assured through practices ensuring that the next disbursement date and payroll date are covered through maturing investments or marketable U.S. Treasury bills.
- ❖ Positions in securities having potential default risk (e.g., commercial paper) shall be limited in size so that in case of default, the portfolio's annual investment income will exceed a loss on a single issuer's securities.
- ❖ Risks of market price volatility shall be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.
- ❖ The investment committee/investment officer shall establish strategies and guidelines for the percentage of the total portfolio that may be invested in securities other than repurchase agreements, Treasury bills or collateralized certificates of deposit. The committee shall conduct a quarterly review of these guidelines and evaluate the probability of market and default risk in various investment sectors as part of its considerations.

Financial Policies (Continued)

The following diversification limitations shall be imposed on the portfolio:

- ❖ Maturity: No more than 25 percent of the portfolio may be invested beyond 12 months, and the weighted average maturity of the portfolio shall never exceed one year.
- ❖ Default risk: No more than 25 percent of the overall portfolio may be invested in the securities of a single issuer, except for securities of the U.S. Treasury.
- ❖ Liquidity risk: At least 10 percent of the portfolio shall be invested in overnight instruments or in marketable securities which can be sold to raise cash in one day's notice.

Capital Asset Policy

A "capital asset" is land, improvement to land, easements, buildings, building improvements, vehicles, machines, equipment, works of art, historical treasures, and all other tangible and intangible items used in operations that have an estimated useful life of at least two years following the date of acquisition and when valued individually, contain a value of at least ten thousand dollars. A capital asset shall be considered to have been acquired on the date that the item was placed into useful service.

A minimum capitalization threshold of ten thousand dollars (\$10,000.00) is hereby established for any individual item, unless the effect of doing so would be to eliminate a significant portion of total capital assets. Specific minimum thresholds are given to the following class of items:

<i><u>Asset Class</u></i>	<i><u>Minimum</u></i>
Land	\$ 10,000.00
Land Improvements	\$ 25,000.00
Buildings and Building Improvements	\$ 50,000.00
Machinery and Equipment	\$ 10,000.00
Vehicles	\$ 20,000.00
Office Machines	\$ 10,000.00
Office Furniture	\$ 10,000.00
Intangible Assets	\$ 10,000.00

To assist in the differentiation between a capitalizable item and maintenance, an item shall be capitalized if it meets the criteria established above and increases the capacity, efficiency, or useful life of the item.

At a minimum, the Finance Director or his designee shall assign the following information, if applicable, on all capital assets acquired after June 30, 2013 and still in the possession of the City of Pontiac:

- ❖ Major asset class;
- ❖ Asset subclass;
- ❖ Function and activity;
- ❖ Fund and account;
- ❖ Asset number;
- ❖ Asset description;
- ❖ Estimated useful life in accordance with this policy.

Financial Policies (Continued)

Useful Lives

In establishing the useful lives of capital assets acquired after June 30, 2013, the Finance Director or his designee should take into consideration the quality of the asset obtained, the application of the asset in the future, and the environment in which the asset will be used and stored. Past experience with similar assets and the City's capital improvement program must also be considered. As a guide, the City Council recommends that the Finance Director or his designee use "Estimating useful lives for capital assets" by Paul Gruenwald, as published in the GAAFR Review by the Government Finance Officers Association.

At least annually, the Finance Director or his designee should review the depreciation schedule of each capital asset and compare the schedule to the City's actual experience; if upon such comparison the decision is made that an adjustment to the depreciation schedule is required, then such adjustment should be made.

Annually, each department head shall be responsible for evaluating the condition of each capital asset under his control and reporting its condition to the Finance Director or his designee. The Finance Director or his designee shall create the various condition levels and standards.

For all capital infrastructures, the custodian shall provide an annual report to the Finance Director by the first day of February that addresses the following items:

- ❖ A condition rating jurisdiction wide;
- ❖ A condition rating for each asset class;
- ❖ Indirect condition data such as major repairs or continuous complaints;
- ❖ Suggestion if asset should be retired, replaced, or depreciation schedule extended.

At a minimum, depreciation should be entered into the City's books annually; however, the Finance Director or his designee has the option of making either quarterly or monthly entries. Straight-line depreciation shall be used. Assets acquired during the fiscal year shall be depreciated monthly.

Credit Card Policy

As a matter of sound fiscal control, city credit cards may be issued only to a limited number of employees and officials who conduct business on behalf of the City. Such credit cards are issued and authorized only for city employees and officials approved by the Finance Director. In the absence of the Finance Director, the Senior Financial Analyst can make approvals to issue and authorize credit cards.

Only the following credit cards are authorized to be issued and used: Home Depot credit card (under the custody of the DPW director or his/her designee), Staples credit card (under the custody of finance director or his/her designee), Pacific Pride fuel card (under the custody of DPW director or his/her designee, and two general credit cards from a US banking institution under the name and custody of the City's Finance Director and the Mayor of the City. The total combined authorized credit limit for all credit cards issued by the City cannot exceed \$50,000 or 1% of the General Fund's budget for the City for the current fiscal year, whichever is less.

City Credit cards can only be used by an officer or employee of the City for the purchase of goods or services for the official business of the City of Pontiac. Expenses must be approved budget items only. Any items not budgeted must be authorized by the Finance Director. No alcoholic beverages may be purchased with the credit cards. A city officer or employee using the credit cards must submit to the finance department documentation detailing the goods or services purchased, the cost of the goods or services, the date of the purchase, and the official business for which purchased.

Employees may not take cash advances on City credit cards.

Financial Policies (Continued)

In the event that it should be determined by the Mayor that any person has misused or abused the city credit card which has been issued, the Mayor may give notice in writing to the cardholder to surrender the card to the Finance Director. Failure to surrender a city credit card within three working days may be cause for discipline up to and including dismissal.

All employees and officials are reminded that misuse of a city credit card may be a violation of state criminal laws. A copy of this policy is to be given to all city employees and officials who are issued credit cards.

Purchasing Ordinance

The City of Pontiac Emergency Manager Louis Schimmel adopted a Purchasing Ordinance February 29, 2012. The City of Pontiac Purchasing Department continues to follow the adopted Ordinance No. 2233 as follows:

- a. This department is to provide for the purchasing of and disposition of property by the City, and for the changes in the administration and procedures of the purchasing department consistent with the Charter.
- b. The people of the City by referendum vote have adopted a Charter effective May 3, 1982, and that Charter made significant changes in the administration of the purchasing department by assigning its functions to a department of the finance department, imposing upon it the responsibility of procuring all property and contracts for the City and disposing of all personal property which has become unsuitable for city use, unless provided otherwise by ordinance or administrative procedure, and requiring that all procurements and dispositions be made in accordance with open and fair procedures.
- c. The procedures for procuring property and services and the disposition of property are to be established by ordinance to protect the interest of the City and to assure fairness; and the Charter provides that those procedures shall require competitive bidding for all purchases and contracts for procurement that exceed a dollar amount fixed by ordinance.

Centralized purchasing authority; use of purchase orders; change orders.

- a. Except as otherwise provided in this division, all rights, powers, duties and authority relating to the procurement of supplies, services and construction, in or exercised by the City or any agency of the City, and the sale and disposal of materials, equipment and supplies owned by the City or any agency of the City, are hereby transferred to the finance director and purchasing agent as provided in this division and the Charter, sections 4.303 and 4.304.
- b. All goods and services acquired by the City, except utility bills, principal and interest payments on bonds, refunds, remittances, and juror payments, shall be approved as evidenced by a purchase order approved by the Purchasing Agent. Purchase orders shall not span fiscal years in that expenses shall be charged against the purchase order in the year the expensed item or service was received by the City. The Purchasing Agent shall not approve any purchase order unless there is a sufficient appropriation to cover the requested purchase.

Financial Policies (Continued)

- c. The Finance Director is authorized to issue change orders to the extent permitted by contract or this Code. Unless permitted by contract, no change order shall be authorized if such change order or the sum of all change orders is greater than ten percent of the original purchase order without the approval of the City Council. The Finance Director shall not approve any change order unless there is a sufficient appropriation to cover the requested purchase.

Professional service contracts.

- a. Professional service contracts are excluded from the provisions of this division. The Mayor shall with the concurrence of the council adopt administrative rules regarding the retention of professional services. However, any contract for professional services, except for legal and accounting services, during the course of a fiscal year in excess of \$10,000.00 must have the approval of the council, unless the services required are of an emergency nature attested in writing by the department head requesting the service, the Finance Director, the Purchasing Agent, and the Mayor. Such emergency contracts shall be forwarded to City Council for their information along with the attestation.
- b. The Mayor, with the concurrence of the Finance Director and City Attorney, may secure the services of law firms and accounting firms up to \$500,000 per year without a formal contract approved by City Council, provided that there are funds available in the City's budget for such services. The use of attorneys and accounting firms under this provision is not intended to establish a long-term relationship with City but rather to address a specific need expressed by the City Attorney or Finance Director in writing.
- c. Professional service contracts can only be cancelled in accordance with the terms of the contract in question by five votes of the City Council and concurrence of the Mayor.
- d. The Mayor may authorize the City Attorney to file suit against any contractor which is deemed by the Mayor and City Attorney to be in breach of contract with the City.

Specifications, contracts and bid documents for construction contracts and purchases.

- a. Specifications, contracts and bid documents for construction contracts and purchases where written specifications are utilized shall be drawn in accordance with the directives set forth in this division and shall be prepared by the using department, subject to the approval of the purchasing agent. Whenever a commodity is to be procured or disposed of by more than one department, the purchasing division shall establish standard specifications after consulting with all involved departments.
- b. Notwithstanding the foregoing provisions regarding the preparation of contract specifications and the provisions of this division regarding the procedures for advertising, bidding and award of city contracts, the administration of construction contracts after the award thereof shall be the responsibility of the department or division as designated by the Mayor, and not the purchasing agent.
- c. Notices of projects or items sought through a competitive bid process shall be posted on the City's web page and also on the MITN web site. Notices shall be posted for a minimum period of one week. Notices shall direct respective bidders to the City's web site where the complete bid package is available.

Financial Policies (Continued)

Revenue Policy

The City will estimate its annual revenue by a conservative, objective and analytical process. The City will review fees and charges annually and will provide City Council a fee schedule at the same time the Council deliberates on the budget. The Finance Director will attempt to design and/or modify revenue estimates to include provisions that automatically allow charges to grow at a rate that keeps pace with the cost of providing the service.

Debt Policy

Presently, the City does not have any debt that is rated by any of the debt rating agencies related to governmental activities and business-type activities. State statute limits the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The current debt limitation for the City of Pontiac is approximately \$79.4 million (10% of total assessed value). The City's total outstanding bonded debt as of June 30, 2021 was \$16.91 million. The City of Pontiac is 78% or \$62.49 million below their legal debt limit. The City does not intend to issue any debt for FY 21/22.

The City of Pontiac currently has two outstanding Bond Issues for the Tax Increment Finance Authority #2 through 2024 and #3 through the year 2031. The Tax Increment Finance Authority receives its revenues from a tax increment finance district that captures certain city, county, school, community college, and other property taxes. Because tax revenue captures are not anticipated to be able to cover debt payments, the City's General Fund is obligated to make up the difference. This will be accomplished by a contribution from the General Fund Community Development function to the Tax Increment Finance Authority. This is properly budgeted and accounted for as a Financial Guarantee in the TIF Funds.

In accordance with Michigan Public Act 279 of 1909 as amended, and the City Charter of the City, provide that the City of Pontiac may borrow money and issue bonds as needed. In accordance with Michigan Public Act 99 of 1933 as amended, and the City Charter of the City, provide that the net installment purchase contracts of the City shall not exceed 1.25% of the taxable value of the real and personal property in the City at the date of the contract or agreement. Currently the City of Pontiac does not have any installment purchase agreements.

The table below reflects the debt service requirements for the FY21/22 Budget.

	Principal	Interest	Total
TIFA 3 2007C Bond	\$ 1,555,000	\$ 751,713	\$ 2,306,713
TIFA 2 2007 C Bond	305,000	44,988	349,988
Grand Total FY2021/22	\$ 1,860,000	\$ 796,700	\$ 2,656,700

Accounting, Auditing and Financial Reporting Policies

The accounting policies of the City of Pontiac, Michigan conform to accounting principles generally accepted in the United State of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

Financial Policies (Continued)

The General Fund, Special Revenue, Capital Improvement, and Debt are appropriated, and transactions are accounted for on the modified accrual basis of accounting. The Internal Service Fund, Pension and Other Postemployment Trust Funds, Discretely Presented Component Units and the Enterprise Funds are appropriated for and transactions are accounted for on a full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. The following major revenue sources meet the availability criterion: state-shared revenue, state gas and weight tax revenue, district court fines, and interest associated with the current fiscal period. Conversely, some property taxes and income taxes will be collected after the period of availability; receivables have been recorded for these, along with an "unavailable revenue" deferred inflows of resources.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

As required by the City of Pontiac Charter, at least 120 days after each fiscal year, the Mayor shall provide for an annual audit of the accounts of all elective officers, appointees and departments of City government by public accountants, who have no personal interest, direct or indirect, in the financial affairs of the City or any of its departments, elective officers, appointees or employees. An independent audit is conducted annually and the City produces annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Government Accounting Standards Board (GASB) rules.

Short Term Factors

Development of the fiscal year 2022 budget took into account the following short-term developments:

Salaries – The City has budgeted for a total of 2.5 more positions than in fiscal year 2021. The slight increase in positions is due to the Mayor, Finance, and DPW departments. A majority of employees' salaries have been budgeted at a 3% increase over FY 20/21 levels.

Employee benefits – The City has incorporated increases to health (3%) and dental (3%) benefits. The City is also expecting workers compensation, life, and optical insurance to increase by 3%. Due to existing contracts, life, worker's compensation, and optical insurance are expected to remain the same. The City pays medical insurance for all City employees up to the Hardcap Limit as established by the State of Michigan Public Act 152 of 2011. The City pays 80% of the medical insurance for Court Employees.

Fees – The City does not anticipate any significant increase to fees in fiscal year 2022.

Capital Improvement – Road and IT capital projects are based on current year progress and the City's 5-year capital plan. Road projects budgeted for fiscal year 2022 will utilize fund balance in major and local streets. The Capital Improvement fund is also budgeted to utilize fund balance in fiscal year 2022. This is mainly due to building improvements in the Cable and Public Safety functions.

Property Tax Levels – Due to the Michigan constitutional Headlee amendment property taxes can only see an increase of the lesser of 5% or inflation year to year. Furthermore, during the past two years, the City saw major developments approved that will increase taxable value in the future. However, the property tax impact will be negligible because of abatements awarded as a condition for these developments to take place.

Income Tax Levels – As stated above, the City has had major developments approved to take place in the near future. The City's original estimates resulted in an increase in the FY 2022 income tax revenue.

Use of Reserves – Below is the planned use of reserves in fiscal year 2022:

- ❖ Major and local streets – fund balance will be utilized for road improvement projects.
- ❖ Youth Recreation Millage Fund – fund balance will be utilized for youth recreation programs
- ❖ Senior activities – fund balance will be utilized for operating expenditures
- ❖ Cable – fund balance will be utilized for capital outlay of computer and video equipment
- ❖ Drug enforcement – fund balance will be utilized for operating expenditures
- ❖ MIDC Fund – fund balance will be utilized for court expenditures, using grant funding
- ❖ Capital Improvement fund – fund balance will be utilized for necessary repairs to Cable, Police, and department of public works departments
- ❖ Parking Fund – Net position will be utilized for depreciation on Phoenix Center structure

Short Term Factors (Continued)

Service-level assumptions – Continuing from 2021, the City has increased budgets to insource snow plowing, pothole patching, code enforcement and planning in fiscal year 2022 in order to increase the service level and efficiency of these activities. The City has also increased the budget in the neighborhood projects line items to provide more community and economic development.

Economic Development Strategies – The City will continue to follow the goals set through the “Pontiac Moving Forward” initiative.

Inflation assumptions – The fiscal year 2022 budget includes inflation increases for supplies and other services that are subject to inflation.

Long Term Financial Planning

The City currently uses a five-year financial model for planning of operating, capital expenditures, and other services to ensure that the City has a five-year balanced budget and is in compliance with the fund balance policy. Below are the assumptions used in the five-year financial model based on function.

Revenue Assumptions:

Property Taxes: Because of the Headlee amendment restrictions, increase in the fiscal years 2021 through 2025 property tax revenue is estimated to be 1.9% each year.

Income Taxes: Due to the major developments in the past fiscal year, which will have a significant impact on income tax revenue, the City expects to rebound from the COVID-19 period levels in 2022, with an increase of 19% in 2022, and an increase of 1% for the years thereafter through 2026.

Licenses and Permits: Due to increased economic development activity that require an increased volume of licenses and permits, this revenue is expected to increase 2% in 2022 through 2026.

Charges for Services: The City expects charges for service to increase 2% each year due to increased economic development in future years.

Federal Grants: The City was awarded approximately \$37 Million from the American Rescue Plan Act in FY 2020-21. The funding is to be spent through December 31, 2026, however, the City is currently exploring the potential use of the funds. The City has budgeted \$65,000 of COVID 19 expenditures in the FY22 budget.

State Grants: The City does not expect any major increases or impactful spending in the next two years, with the exception of State Shared Revenue, which the City is expecting to increase 3% each year.

Fines and Forfeits: No major increases anticipated, therefore a 1% increase is expected for 2022 through 2026

Interest and Rents: We anticipate an increase in interest of 0.5% for 2022 through 2026 due to City investing in low risk CD's and Money Market accounts

Expenditure assumptions:

Personnel Services: The City has been looking into insourcing services that were outsourced during emergency management. The City has budgeted in the short term for these changes. Long-term, the City must weigh all the costs and benefits from insourcing services and determine whether insourcing makes sense. As far as personnel costs, the City has budgeted an increase in salaries of 3% year over year.

Supplies: A 2.5% increase for 2022 through 2026 is expected to account for inflation, which is dependent on overall economy and available information from market indices.

Long Term Financial Planning (Continued)

Other Services and Charges – 2.5% increase annually for 2022 through 2026 For those third-party services who have multi-year contracts, those have been projected based on increases as indicated in those contracts.

Capital Outlay – Capital Outlay is currently budgeted for 2022 through 2026 based on the City's five-year capital road and IT improvement plan. Any increased activity will depend on the ability for City to explore bond market.

Debt Service – Currently, the City's only debt service is in TIFA funds and Phoenix Center Installment Debt and is the only debt that is budgeted for the next two years. However, the City is exploring the bond market for capital improvements and this may be subject to change.

Budget Process

The budget process in the city charter in Section 5.102 is outlined as follows:

- ❖ The Department Heads are to provide to the Mayor their budget estimates and requests.
- ❖ By May 1, the Mayor is required to present to the City Council a proposed budget and a proposed annual appropriations ordinance. The budget is to be balanced. A balanced budget exists when budgeted revenues (including available unreserved Fund Balance) are equal or more than the budgeted expenditures.
- ❖ According to the Budget Hearings of Local Governments Act (MCL 141.411 *et seq.*), the City Council shall advertise in a newspaper of general circulation that the council will hold a public hearing on the proposed budget and tax rate to support the budget. Notice of the hearing must be published at least six days before the hearing.
- ❖ The city charter requires that an ordinance, except an emergency ordinance, is published in a newspaper of general circulation before the effective date. An emergency ordinance must still be published. The Mayor has the ability to issue a full veto or a line-item veto of the proposed budget ordinance. For a normal ordinance, the Clerk shall present the Mayor the proposed budget ordinance within four business days after the ordinance is adopted. Upon receipt, the Mayor has seven calendar days to issue his/her veto or sign the ordinance, except the Mayor shall notify the Clerk within 24 hours of the receipt of an emergency ordinance of his intention to veto. The Council has seven days from receipt of the veto to consider an override.

The Budget Ordinances further directs the City's budget process as follows:

- ❖ On or before March 15 in each year, the Finance Director shall distribute the budget request packet to each Department Head, whom shall return the completed budget request packet to the finance director on or before April 1 in each year. Budget estimates are to be completed for the two ensuing fiscal years.
- ❖ On or before April 1 in each year, the Finance Director shall transmit the departmental requests to the Mayor, who may revise or alter the estimates, and then shall return a copy of a balanced budget as revised to the Finance Director for tabulation on or before May 1 each year along with a list clearly indicating the changes the Mayor made in order to arrive at a balanced budget.
- ❖ The Finance Director shall recalculate the balanced budget proposed by the Mayor and shall inform the Mayor of any inconsistencies.
- ❖ On or before May 1 in each year, the Mayor shall submit to the City Council the proposed budget and appropriations ordinance for the ensuing two fiscal years and the proposed tax rate for the ensuing fiscal year. The proposed budgets shall be balanced. The Mayor shall provide a budget message with the proposed budgets that identifies revenues, expenditures, and significant revenues and significant expenditures.
- ❖ On or before June 1, the City Council shall authorize and publish a notice of public hearing on the proposed budget and tax rate and shall introduce the proposed appropriation ordinance at a City Council meeting.
- ❖ The City Council shall not amend the proposed appropriation ordinance or tax rate until after the public hearing. The City Council shall be permitted to make unlimited amendments to the budget subsequent to the public hearing on the budget and before its adoption.

Budget Process (Continued)

- ❖ By June 9 and no less than six days after the notice of public hearing on the proposed budget for the ensuing fiscal year and tax rate is published and the proposed appropriation ordinance had been introduced at a City Council meeting, the City Council shall hold a public hearing on the proposed budget and proposed tax rate and shall adopt an appropriations ordinance and tax rate. The budget shall be adopted on a functional basis for expenditures, rather than on a departmental or line item basis. A second resolution of intent will also be adopted for the budget for the second ensuing fiscal year; this resolution has no legal authority.
- ❖ At the meeting wherein the City Council adopts the appropriations ordinance, the Council shall adopt a resolution setting user fees for the ensuing fiscal year. Such fees shall be amended or waived by the City Council from time to time during the fiscal year only upon recommendation from the Finance Director and Mayor.

Budget Amendment Policy

The Budget Ordinance ordains during the fiscal year, 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 transfers 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.

Budget Calendar for FY 2021-2022

July 1, 2020	New fiscal year 2020-2021 begins
February 1, 2021	Personnel costs such as current rates, budgeted hours, and vacancies schedules are prepared
February 8, 2021	Finance Director distributes the budget request packets/instructions to the Department Directors
February 12, 2021	Department Directors return and approved budgeted hours
February 26, 2021	Finance department prepares schedules of key accounts, and works on other budget preparation tasks
March 1, 2021	Department Directors given access to enter requested budget into BS&A
March 12, 2021	Department Directors return requested budget to Finance
March 15- March 31, 2021	Review, analysis, and calculations of submittals by Finance Director. Finance performs fund balance projections and calculation of fund balance policies
April 1, 2021	Finance Director transmits the departmental requests to the Mayor
April 2- April 16, 2021	Mayor meets with Department Heads and Finance Director on budget requests
April 19, 2021	Mayor returns a copy of the balanced budget to the Finance Director
April 20- April 30, 2021	Finance Director prepares budget document with Mayor's requested changes
May 1, 2021	Mayor submits to the City Council the balanced budget and appropriations ordinance
May 2- May 27, 2021	Mayor and Council hold meetings to discuss budget
May 19, 2021	Council establishes public hearing on budget and tax rates for June 2, 2020
May 28, 2021	Notice of public hearing published in Oakland County Press
June 2, 2021	Council holds public hearing on budget
June 9, 2021	Council adopts the appropriations ordinance and tax rate for the new year.
July 1, 2021	New fiscal year 2020-2021 begins

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All Funds Summary

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Budget Fund Matrix

Function		Community and Economic					Recreation and			Transfers out and other financial		Total by fund
Fund Name	General Government	Public Safety	Public Works	Development	Health and Welfare	Culture	Debt Service	Other Functions	uses			
General Fund	\$ 6,782,468	\$ 23,431,261	\$ 3,077,386	\$ 2,339,548	\$ -	\$ 593,307		\$ 2,516,607	\$ 2,864,004	\$ 41,604,581		
Major Streets			7,387,889							7,387,889		
Local Streets			3,931,242							3,931,242		
Youth Recreation Millage						983,042				983,042		
Cemetery Care	616,803									616,803		
Senior Activities Millage						557,286				557,286		
Sanitation			4,195,752							4,195,752		
Cable	241,179								750,000	991,179		
Building Department		2,178,410								2,178,410		
Drug Enforcement		63,248								63,248		
District Court	3,814,254								38,847	3,853,101		
MIDC	692,925									692,925		
TIFA District 2							\$ 652,986			652,986		
TIFA District 3							2,986,869			2,986,869		
Brownfield Redevelopment Authority				5,150						5,150		
Capital Improvement Fund	2,093,333	500,000	513,000	-		-				3,106,333		
Insurance Fund	-							7,821,857		7,821,857		
Worker's Compensation Fund								798,700		798,700		
Parking Fund			197,726			952,648	407,698			1,558,072		
Total by function	\$ 14,240,962	\$ 26,172,919	\$ 19,303,995	\$ 2,344,698	\$ -	\$ 3,086,283	\$ 4,047,553	\$ 11,137,164	\$ 3,652,851	\$ 83,986,425		

Description of City Funds

The City has prepared the budget in accordance with generally accepted accounting principles (GAAP). Government Funds and the City's Component Unit Funds use modified accrual accounting. Proprietary Funds use full accrual accounting. The following funds are being appropriated in this budget document:

Governmental Funds

General Fund: The General Fund is the main operating fund of the City as nearly all of the City's daily operations are funded by the General Fund. The General Fund accounts for and reports all financial resources that are not accounted for and reported in another fund. The General Fund derives its revenue from three major sources: city income tax, state revenue sharing, and property taxes. In addition, certain functions in the General Fund are supported by user fees. Every municipal government in Michigan has a General Fund. State law requires a budget for the General Fund.

Special Revenue Funds: Special revenue funds are used to account for and to report the proceeds of specific revenue sources that are restricted or committed to spending for purposes specified by an external source. State law requires a budget for the Special Revenue Funds. The City's special revenue funds reflected in this budget are:

- ❖ **Major Street Fund** - Gas tax revenue distributed by the State of Michigan to the City which is restricted to construct and maintain streets classified as "major" in the City. Applicable legislation: Public Act 51 of 1951.
- ❖ **Local Street Fund** - Gas tax revenue distributed by the State of Michigan to the City which is restricted to construct and maintain streets classified as "local" in the City. Applicable legislation: Public Act 51 of 1951.
- ❖ **Youth Recreation Millage Fund** - This fund is used to account for property tax revenue levied specifically for the purpose of expending funds for centers open exclusively to youths under 21 years of age and aimed at curbing juvenile delinquency within the City of Pontiac. The City of Pontiac voters approved the millage on November 8, 2016 to levy up to 1.5 mills for a period of 10 years, 2017 to 2026. Applicable legislation: Public Act 179 of 1967.
- ❖ **Cemetery Fund** - This fund is used to account for money held by the City for the perpetual care of the cemetery.
- ❖ **Senior Activities Fund** - Property tax revenue levied specifically for the operation of facilities that primarily benefit senior citizens. The City funds operations at the Ruth Peterson and Robert Bowen senior centers. The voters approved a levy not to exceed 0.75 mill(s) on August 2, 2016 for a period of 10 years and expires in 2026. Applicable legislation: Public Act 39 of 1976.
- ❖ **Sanitation Fund** - Property tax revenue and user fees levied specifically for the collection and disposal of garbage in the City and the operation of the City's landfill. Applicable legislation: Public Act 298 of 1917.
- ❖ **Cable Fund** - Fees paid by subscribers to cable and internet service provided by Comcast and AT&T which are restricted for use by the City to maintain and operate a cable television studio. Applicable legislation: Public Act 480 of 2006.

Description of City Funds (Continued)

- ❖ **Home Buyers Fund** - The Home Investment Partnership Program (HOME) is an entitlement program of the U.S. Department of Housing and Urban Development (HUD). HOME provides formula grants to State and localities that communities use-often in partnership with local nonprofit groups to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.
- ❖ **Drug Enforcement Fund** - Funds seized from drug dealers under federal and state law that can be used for specific law enforcement purposes. Applicable legislation: Public Act 368 of 1978.
- ❖ **District Court Fund** - Fund used to support the operating expenditures of the 50th District Court. The 50th District Court is an agency of the State of Michigan that is funded by the City of Pontiac.
- ❖ **MIDC Grant Fund** - Fund used to support the operating revenue and expenditures of the Michigan Indigent Defense Council (MIDC) Grant awarded to the City of Pontiac's District Court. MIDC grant requires that a separate MIDC grant fund be established
- ❖ **Public Act 48 Telecommunications Fund** - Fees paid by telecommunications providers to the State of Michigan which are restricted for use by the City for maintenance of rights of way. Applicable legislation: Public Act 48 of 2002
- ❖ **Building Department Fund** - Fund supported by user fees paid by applicants for construction code permits, rental inspections, and business licenses along with a supplement from the General Fund as the fees do not cover the cost of providing the construction code services.

Capital Project Funds: Capital project funds are used to account for and report the financial resources that are restricted, committed, or assigned to be used on capital outlays, including the construction or acquisition of facilities and other capital assets.

- ❖ **Capital Improvement Fund** - Property tax revenue levied specifically for the construction and acquisition of capital outlays. This millage is authorized by the City charter.

Proprietary Funds

Enterprise Funds: Proprietary funds are used to account for and report financial resources that receive significant support from user fees and charges. State law does not require a budget for Enterprise Funds, however, the City has chosen to adopt budgets for such funds. Proprietary funds are accounted for on a full accrual basis rather than a modified accrual basis.

- ❖ **Parking Enterprise Fund** - Fund supported by user fees paid by users of City owned and operated parking lots and the Phoenix Center garage. The City no longer operates any parking lots and has closed the Phoenix Center because operating revenues did not support operations, let alone capital needs.

Description of City Funds (Continued)

Internal Service Funds: Internal Service Funds are proprietary funds that are used to report any activity that provides goods or services to other funds, departments, or agencies of the City and its component units or to other governments on a cost-reimbursement basis. State law does not require a budget for Internal Service Funds, however, the City has chosen to adopt budgets for such funds.

- ❖ **Insurance Fund** - Used to report the financial resources committed to pay the health, dental, and life insurance expenses of the City's active employees who receive such benefits and the City's retirees and to pay the property and general liability insurance expenses of the City and associated administrative costs.
- ❖ **Workers Compensation Fund** - Used to report the financial resources committed to pay all expenses associated with workers compensation claims against the City. The City of Pontiac currently purchases workers compensation insurance for current employees.

Component Unit Funds: Entities for which the City is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the City's operations. State law does not require a budget for Component Unit Funds, however, the City has chosen to adopt budgets for such funds.

- ❖ **Tax Increment Finance Authority Area #2 Fund** - Property tax revenues on specific parcels captured for the sole purpose of supporting a specific development plan. These funds are supervised by the Tax Increment Finance Authority, which is considered a component unit of the City in the City's financial statements. Applicable legislation: Public Act 450 of 1980.
- ❖ **Tax Increment Finance Authority Area #3 Fund** - Property tax revenues on specific parcels captured for the sole purpose of supporting a specific development plan. These funds are supervised by the Tax Increment Finance Authority, which is considered a component unit of the City in the City's financial statements. Applicable legislation: Public Act 450 of 1980.
- ❖ **Brownfield Redevelopment Authority Fund** - Property tax revenues on specific parcels captured for the sole purpose of reimbursing developers for costs incurred for redeveloping parcels of an approved brownfield plan in the City. The City has three active brownfield plans: USF Holland, Saginaw Street Industrial, and Lafayette Lofts. These funds are supervised by the Brownfield Redevelopment Authority, which is considered a component unit of the City in the City's financial statements. Applicable legislation: Public Act 381 of 1996.

Description of Functions

General Government

- ❖ Operations under this category include the City Council, Mayor, Clerk, Attorney, Human Resources, Assessing, Income Tax, Information Technology, Treasurer, Finance Administration, and Building Maintenance. These are the core roles that are required for a government to function.

Public Safety

- ❖ Operations under this category include Police, Fire, Building Safety, and Crossing Guards. These are the roles that a city uses to keep the public safe.

Public Works

- ❖ Operations under this category include DPW Administration, Engineering, and Street Lighting which are funded by the General Fund and road construction, summer road maintenance, winter road maintenance, and traffic control which are funded by a grant from the State of Michigan (Act 51).

Community Development

- ❖ Operations under this category include contributions to the Tax Increment Finance Authority to offset the shortfall of tax captures to make bond payments, organization and record management of the former Pontiac Growth Group and Federal Programs Office, management of City property sales, planning and zoning, code enforcement, and proactive economic development initiatives.

Recreation and Culture

- ❖ Operations under this category include expenses related to park maintenance and the historic district commission.

Health and Welfare

- ❖ Operations under this category include expenses related to smart-bus services

Other Functions

- ❖ Operations under this category include funding for retiree pension and insurance benefits.

Debt Service

- ❖ This is the area that reflects payments on outstanding bonds and the financial guarantee in the Component Unit Funds.

Transfers Out

- ❖ Transfers out are movement of resources from one City Fund to another City Fund. The City has various transfers out including transfers from the General Fund to the 50th District Court Fund to support court operations.

Consolidated Financial Schedule

The schedule below illustrates the total City budget for each major fund category. The City of Pontiac prepares a budget for six different fund categories. The below revenues are separated into the major revenue categories and the expenditures are separated into the major functions.

2021-22 All Funds Budget Summary

Statement of Revenues & Expenditures

Revenues	General	Special Revenue	Capital Projects	Component Units	Enterprise	Internal Service	Total
Property Taxes	\$ 8,712,819	\$ 2,746,844	\$ 957,698	\$ 1,433,971	\$ -	\$ -	\$ 13,851,332
Income Taxes	15,161,500	-	-	-	-	-	15,161,500
Licenses and Permits	213,400	2,994,800	-	-	-	-	3,208,200
Federal Grants	5,825,000	-	-	-	-	-	5,825,000
State Grants	10,847,816	8,967,310	42,500	196,300	-	-	20,053,926
Contributions from Primary Government	-	-	-	982,544	-	-	982,544
Charges for Services	1,082,700	3,295,161	-	50,000	-	6,858,250	11,286,111
Fines and Forfeits	28,000	795,700	-	-	-	-	823,700
Interest and Rents	450,900	106,900	25,000	-	23,400	15,000	621,200
Other Revenue	2,123,479	834,658	-	-	-	731,662	3,689,799
Total Revenues	44,445,614	19,741,373	1,025,198	2,662,815	23,400	7,604,912	75,503,312
Expenditures							
General Government	6,782,468	5,365,161	-	-	-	-	12,147,629
Public Safety	23,431,261	2,241,658	-	-	-	-	25,672,919
Public Works	3,077,386	15,515,883	-	-	197,726	-	18,790,995
Community and Economic Development	2,339,548	-	-	5,150	-	-	2,344,698
Recreation and Culture	593,307	1,540,328	-	-	952,648	-	3,086,283
Other Functions	2,516,607	-	-	-	-	8,620,557	11,137,164
Capital Outlay	-	-	3,106,333	-	-	-	3,106,333
Debt Service & Financial Guarantee	-	-	-	3,639,855	407,698	-	4,047,553
Total Expenditures	38,740,577	24,663,030	3,106,333	3,645,005	1,558,072	8,620,557	80,333,574
Excess of Revenue Over (Under)	5,705,037	(4,921,657)	(2,081,135)	(982,190)	(1,534,672)	(1,015,645)	(4,830,262)
Other Financing Sources (Uses)							
Transfers In and Other Financing Sources	21,000	2,881,851	750,000	-	-	-	3,652,851
Transfers (Out) and Other Financing Sources	(2,864,004)	(788,847)	-	-	-	-	(3,652,851)
Total Other Financing Sources	(2,843,004)	2,093,004	750,000	-	-	-	-
Net Change in Fund Balance/Net Position	2,862,033	(2,828,653)	(1,331,135)	(982,190)	(1,534,672)	(1,015,645)	(4,830,262)
Fund Balances - Beginning of year	18,076,641	21,724,377	3,352,989	(5,323,008)	11,046,572	2,411,919	51,289,490
Fund Balances - End of Year	\$ 20,938,674	\$ 18,895,724	\$ 2,021,854	\$ (6,305,198)	\$ 9,511,900	\$ 1,396,274	\$ 46,459,228

Four Year Consolidated Fund Financial Schedules

	2018-19 Actual	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
Statement of Revenues & Expenditures - All Funds				
Revenues				
Property Taxes	\$ 14,596,321	\$ 14,251,757	\$ 14,642,924	\$ 13,851,332
Income Taxes	14,456,678	14,801,727	12,742,718	15,161,500
Licenses and Permits	2,563,731	4,806,737	3,685,913	3,208,200
Federal Grants	85,972	26,687	3,418,855	5,825,000
State Grants	18,249,872	18,907,146	23,081,099	20,053,926
Contributions from Primary Government	632,824	622,500	-	982,544
Charges for Services	8,766,925	8,895,741	9,389,648	11,286,111
Fines and Forfeits	1,132,693	979,642	550,721	823,700
Interest and Rents	1,438,126	1,489,874	589,314	621,200
Other Revenue	2,705,351	2,493,987	3,606,564	3,689,799
Total Revenues	64,628,493	67,275,798	71,707,756	75,503,312
Expenditures				
General Government	12,013,227	9,650,271	11,025,996	12,147,629
Public Safety	21,907,490	23,072,287	24,852,957	25,672,919
Public Works	14,155,335	13,889,348	17,621,377	18,790,995
Other Functions	11,172,288	6,363,073	10,106,413	11,137,164
Health and Welfare	-	-	-	-
Community and Economic Development	1,560,859	1,463,366	823,973	2,344,698
Recreation and Culture	2,730,742	2,634,499	10,888,703	3,086,283
Capital Outlay	959,377	1,754,951	-	3,106,333
Debt Service & Financial Guarantee	2,975,587	2,962,063	2,340,201	4,047,553
Total Expenditures	67,474,905	61,789,858	77,659,620	80,333,574
Excess of Revenue Over (Under)	(2,846,412)	5,485,940	(5,951,864)	(4,830,262)
Other Financing Sources (Uses)				
Transfers In and Other Financing Sources	2,024,598	8,504,299	2,738,629	3,652,851
Transfers (Out) and Other Financing Sources	2,024,598	8,504,299	2,738,629	3,652,851
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances/Net Position	(2,846,412)	5,485,940	(5,951,864)	(4,830,262)
Fund Balances - Beginning of year	54,604,213	51,757,807	57,241,354	51,289,490
Fund Balances - End of Year	\$ 51,757,801	\$ 57,243,747	\$ 51,289,490	\$ 46,459,228
Financial Position - All governmental funds				
Nonspendable	83,486	86,806	190,474	190,474
Restricted	20,367,827	22,300,275	27,599,024	23,383,101
Committed	3,200,000	3,200,000	3,200,000	3,200,000
Assigned	2,800,000	2,100,000	-	-
Unassigned	16,013,733	20,411,366	11,719,553	11,670,075
Investment in Capital Assets	9,292,755	9,145,300	8,580,439	8,015,578
Total Fund Balance	51,757,801	57,243,747	51,289,490	46,459,228

Multi-Year Budget

For financial planning purposes, the City prepares a multi year budget. The City Council adopts only a one-year budget, which is included in the Budget Ordinance in Appendix A of the budget document. The four consecutive years are considered to be adopted early and can be changed during the next year's budget process.

DESCRIPTION	ACTUAL 2019-20	PROJECTED 2020-21	BUDGET 2021-22	2022-23	2023-24	2024-25	2025-26
Fund 101 - General Fund							
PROPERTY TAXES	8,619,087	8,715,628	8,712,819	8,799,449	8,886,951	8,975,336	9,064,612
INCOME TAXES	14,801,727	12,742,718	15,161,500	16,435,000	16,648,750	16,791,250	16,957,500
LICENSES AND PERMITS	696,781	213,000	213,400	219,802	226,398	233,190	240,186
CHARGES FOR SERVICES	1,088,618	1,229,239	1,082,700	1,104,354	1,126,442	1,148,967	1,171,948
FEDERAL GRANTS	26,687	3,418,855	5,825,000	25,000	25,000	25,000	25,000
STATE GRANTS	9,610,145	10,949,863	10,847,816	10,626,788	10,892,231	11,164,305	11,443,175
OTHER REVENUE	1,831,635	2,645,388	2,123,479	2,179,575	2,237,278	2,296,636	2,357,697
FINES AND FORFEITS	8,000	38,000	28,000	28,280	28,563	28,848	29,137
INTEREST AND RENTS	1,142,077	461,952	450,900	453,155	455,421	457,697	459,986
TOTAL REVENUES	\$ 37,824,757	\$ 40,414,643	\$ 44,445,614	\$ 39,871,403	\$ 40,527,034	\$ 41,121,229	\$ 41,749,241
101-City Council	486,051	844,880	1,259,620	1,008,479	1,034,123	1,060,435	1,087,446
171-Mayor	586,108	486,929	614,257	744,823	753,309	762,024	770,970
215-City Clerk	304,852	296,517	340,605	335,013	344,626	354,513	364,688
191-Elections	96,814	598,007	385,667	339,739	349,397	359,322	369,541
206-Finance Administration	523,541	483,244	623,127	743,993	765,691	788,114	811,181
201-Accounting	290,222	298,558	298,570	298,594	307,519	316,645	326,071
202-Income Tax Administration	390,062	440,897	492,390	499,166	505,007	511,014	517,192
228-Information Technology	345,213	401,569	488,293	523,502	538,838	554,310	569,916
253-Treasurer	324,966	339,867	436,259	458,358	471,560	485,148	499,130
255-Medical Marihuana Applications	31,043	317,960	362,616	359,110	368,380	377,889	387,649
257-Assessor	422,794	427,510	431,805	444,699	445,038	445,385	445,741
270-Personnel Services	181,621	217,639	231,509	246,521	253,510	260,694	268,092
265-Building Maintenance	382,323	495,994	396,250	365,917	375,692	385,726	396,039
266-City Attorney	1,360,070	1,366,720	421,500	625,250	640,881	656,904	673,325
TOTAL GENERAL GOVERNMENT FUNCTION	\$ 5,725,680	\$ 7,016,291	\$ 6,782,468	\$ 6,993,164	\$ 7,153,571	\$ 7,318,123	\$ 7,486,981
301-POLICE/SHERIFF	12,848,459	13,606,677	14,471,236	15,075,972	15,823,399	16,608,032	17,431,728
309-CROSSING GUARDS	2,890	410	26,732	27,534	28,359	29,211	30,086
325-COMMUNICATIONS/DISPATCH	206,970	213,180	382,923	226,162	232,947	239,935	247,133
336-FIRE DEPARTMENT	7,784,854	8,165,654	8,550,370	8,976,171	9,423,220	9,892,576	10,385,357
TOTAL PUBLIC SAFETY FUNCTION	\$ 20,843,173	\$ 21,985,921	\$ 23,431,261	\$ 24,305,839	\$ 25,507,925	\$ 26,769,754	\$ 28,094,304
445-DRAINS - PUBLIC BENEFIT	84,417	316,400	316,670	324,587	332,702	341,018	349,545
447-Engineering	649,896	795,579	654,197	1,013,688	1,040,478	1,067,977	1,096,213
448-Street Lighting	892,719	1,028,000	1,082,461	1,097,326	1,125,112	1,153,598	1,182,807
458-PUBLIC WORKS OPERATIONS	688,910	525,098	1,024,058	983,649	1,010,289	1,037,659	1,065,782
TOTAL PUBLIC WORKS FUNCTION	\$ 2,315,942	\$ 2,665,077	\$ 3,077,386	\$ 3,419,250	\$ 3,508,581	\$ 3,600,252	\$ 3,694,347
690-REDEVELOPMENT AND HOUSING	885,158	244,568	1,330,482	1,458,277	1,102,073	886,042	937,670
721-PLANNING	238,868	227,669	305,059	381,817	392,935	404,381	416,159
733 - CODE ENFORCEMENT	339,340	346,586	704,007	762,035	783,417	805,405	828,019
TOTAL COMMUNITY AND ECONOMIC DEVELOPMENT FUNCTION	\$ 1,463,366	\$ 818,823	\$ 2,339,548	\$ 2,602,129	\$ 2,278,425	\$ 2,095,828	\$ 2,181,848
774-CITY EVENTS	87,033	18,067	40,000	82,000	84,050	86,152	88,305
818-PARKS GROUNDS MAINTENANCE	373,878	666,580	553,307	941,902	965,563	989,815	1,014,681
TOTAL RECREATION AND CULTURE FUNCTION	\$ 460,911	\$ 684,647	\$ 593,307	\$ 1,023,902	\$ 1,049,613	\$ 1,075,967	\$ 1,102,986
861-Retiree Fringes	1,835,294	2,430,895	2,496,607	2,000,000	2,000,000	2,000,000	2,000,000
TOTAL OTHER FUNCTIONS	\$ 1,846,111	\$ 2,457,725	\$ 2,516,607	\$ 2,020,600	\$ 2,021,218	\$ 2,021,855	\$ 2,022,510
OPERATING TRANSFERS IN	296,752	62,723	21,000	21,000	21,000	21,000	21,000
APPROPRIATION (OPERATING) TRANSFERS (OUT)	8,189,524	2,637,669	2,864,004	2,824,672	2,913,128	3,009,230	3,108,047
TRANSFERS (OUT) AND OTHER SOURCES	\$ (7,892,772)	\$ (2,574,946)	\$ (2,843,004)	\$ (2,803,672)	\$ (2,892,128)	\$ (2,988,230)	\$ (3,087,047)
GENERAL FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 18,591,032	\$ 15,865,428	\$ 18,076,641	\$ 20,938,674	\$ 17,641,521	\$ 13,757,094	\$ 9,008,314
ANNUAL REVENUE	38,121,509	40,477,366	44,466,614	39,892,403	40,548,034	41,142,229	41,770,241
ANNUAL EXPENDITURES	(40,844,707)	(38,266,153)	(41,604,581)	(43,189,556)	(44,432,461)	(45,891,009)	(47,691,023)
ENDING FUND BALANCE	\$ 15,867,834	\$ 18,076,641	\$ 20,938,674	\$ 17,641,521	\$ 13,757,094	\$ 9,008,314	\$ 3,087,532

Multi-Year Budget (Continued)

DESCRIPTION	ACTUAL 2019-20	PROJECTED 2020-21	BUDGET 2021-22	2022-23	PROJECTED 2023-24	2024-25	2025-26
Fund 202 - MAJOR STREETS							
STATE GRANTS	6,055,457	9,085,187	6,068,289	6,028,910	6,179,633	6,334,124	6,492,477
OTHER REVENUE	28,395	44,068	600,058	-	-	-	-
INTEREST AND RENTS	25,842	5,000	7,100	7,136	7,171	7,207	7,243
TOTAL REVENUES	\$ 6,109,694	\$ 9,134,255	\$ 6,675,447	\$ 6,036,046	\$ 6,186,804	\$ 6,341,331	\$ 6,499,720
443-NONMOTORIZED	88,260	50,000	50,000	51,250	52,531	53,844	55,189
458-PUBLIC WORKS OPERATIONS	309,187	288,300	288,326	405,646	417,815	430,350	443,261
463-Routine Maintenance Roads	3,687,023	6,543,150	6,154,819	8,500,665	6,377,815	8,956,008	4,056,380
478-Winter Maintenance	320,662	426,339	522,383	573,828	589,121	604,826	620,950
485-TRAFFIC CONTROL	278,382	323,028	372,361	319,101	327,315	335,743	344,387
TOTAL PUBLIC WORKS	\$ 4,683,514	\$ 7,630,817	\$ 7,387,889	\$ 9,850,490	\$ 7,764,597	\$ 10,380,771	\$ 5,520,167
MAJOR STREET FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 2,492,967	\$ 3,919,151	\$ 5,422,589	\$ 4,710,147	\$ 895,703	\$ (682,090)	\$ (4,721,530)
ANNUAL REVENUE	6,109,694	9,134,255	6,675,447	6,036,046	6,186,804	6,341,331	6,499,720
ANNUAL EXPENDITURES	(4,683,514)	(7,630,817)	(7,387,889)	(9,850,490)	(7,764,597)	(10,380,771)	(5,520,167)
ENDING FUND BALANCE	\$ 3,919,147	\$ 5,422,589	\$ 4,710,147	\$ 895,703	\$ (682,090)	\$ (4,721,530)	\$ (3,741,977)
Fund 203 - Local Streets							
STATE GRANTS	1,777,560	1,787,500	1,956,096	2,009,637	2,059,878	2,111,375	2,164,159
OTHER REVENUE	10,732	-	-	-	-	-	-
INTEREST AND RENTS	76,551	16,803	42,800	43,014	43,229	43,445	43,662
TOTAL REVENUES	\$ 1,864,843	\$ 1,804,303	\$ 1,998,896	\$ 2,052,651	\$ 2,103,107	\$ 2,154,820	\$ 2,207,821
443-NONMOTORIZED	76,320	150,000	150,000	153,750	157,594	161,534	165,572
458-PUBLIC WORKS OPERATIONS	128,917	125,757	125,757	184,876	190,423	196,136	202,019
463-Routine Maintenance Roads	2,791,049	2,187,955	3,263,596	1,459,875	1,497,223	2,735,536	1,574,822
478-Winter Maintenance	236,970	182,162	341,889	397,124	407,704	418,569	429,726
485-TRAFFIC CONTROL	47,231	50,000	50,000	51,250	52,531	53,845	55,191
TOTAL PUBLIC WORKS	\$ 3,280,487	\$ 2,695,874	\$ 3,931,242	\$ 2,246,875	\$ 2,305,475	\$ 3,565,620	\$ 2,427,330
LOCAL STREET FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 4,988,092	\$ 3,572,447	\$ 2,680,876	\$ 748,530	\$ 554,306	\$ 351,938	\$ (1,058,862)
ANNUAL REVENUE	1,864,843	1,804,303	1,998,896	2,052,651	2,103,107	2,154,820	2,207,821
ANNUAL EXPENDITURES	(3,280,487)	(2,695,874)	(3,931,242)	(2,246,875)	(2,305,475)	(3,565,620)	(2,427,330)
ENDING FUND BALANCE	\$ 3,572,448	\$ 2,680,876	\$ 748,530	\$ 554,306	\$ 351,938	\$ (1,058,862)	\$ (1,278,371)
Fund 208 - Recreation Millage							
PROPERTY TAXES	985,033	1,051,283	515,805	1,024,110	1,034,520	1,045,036	1,055,658
STATE GRANTS	44,981	38,318	38,300	38,300	38,300	38,300	38,300
OTHER REVENUE	-	150,000	234,000	234,840	235,688	236,545	237,411
TOTAL REVENUES	\$ 1,030,014	\$ 1,239,601	\$ 788,105	\$ 1,297,250	\$ 1,308,508	\$ 1,319,881	\$ 1,331,369
Function: RECREATION AND CULTURE	-	-	-	-	-	-	-
756-RECREATION FACILITY	623,438	983,772	696,521	1,293,548	1,323,270	1,353,776	1,385,082
774-CITY EVENTS	-	9,000	9,000	-	-	-	-
775-YOUTH SPORTS	236,782	48,775	277,521	283,704	292,032	300,606	309,433
TOTAL RECREATION AND CULTURE	\$ 860,220	\$ 1,041,547	\$ 983,042	\$ 1,577,252	\$ 1,615,302	\$ 1,654,382	\$ 1,694,515
YOUTH RECREATION MILLAGE FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	272,385	442,181	640,235	445,298	165,296	(141,498)	(475,999)
ANNUAL REVENUE	1,030,014	1,239,601	788,105	1,297,250	1,308,508	1,319,881	1,331,369
ANNUAL EXPENDITURES	(860,220)	(1,041,547)	(983,042)	(1,577,252)	(1,615,302)	(1,654,382)	(1,694,515)
ENDING FUND BALANCE	\$ 442,179	\$ 640,235	\$ 445,298	\$ 165,296	\$ (141,498)	\$ (475,999)	\$ (839,145)

Multi-Year Budget (Continued)

DESCRIPTION	ACTUAL 2019-20	PROJECTED 2020-21	BUDGET 2021-22	2022-23	PROJECTED 2023-24	2024-25	2025-26
Fund 209 - CEMETERY CARE FUND							
CHARGES FOR SERVICES	13,751	11,758	-	-	-	-	-
OTHER REVENUE	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 13,751	\$ 11,758	\$ -	\$ -	\$ -	\$ -	\$ -
276-Cemetery Oak Hill	109,896	233,089	258,601	357,661	367,469	377,548	387,910
273-Cemetery Ottawa Park	109,531	184,326	358,202	193,871	192,207	197,492	202,703
TOTAL GENERAL GOVERNMENT	\$ 219,427	\$ 417,415	\$ 616,803	\$ 549,532	\$ 559,676	\$ 575,040	\$ 590,613
OPERATING TRANSFERS IN	-	405,657	616,803	549,529	559,675	575,036	590,611
TRANSFERS (OUT) AND OTHER SOURCES	\$ -	\$ 405,657	\$ 616,803	\$ 549,529	\$ 559,675	\$ 575,036	\$ 590,611
CEMETERY CARE FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	(6,024)	(211,700)	(211,700)	(211,700)	(211,703)	(211,704)	(211,708)
ANNUAL REVENUE	13,751	417,415	616,803	549,529	559,675	575,036	590,611
ANNUAL EXPENDITURES	(219,427)	(417,415)	(616,803)	(549,532)	(559,676)	(575,040)	(590,613)
ENDING FUND BALANCE	\$ (211,700)	\$ (211,700)	\$ (211,700)	\$ (211,703)	\$ (211,704)	\$ (211,708)	\$ (211,710)
Fund 212 - Senior Activities Millage							
PROPERTY TAXES	333,530	351,354	338,916	346,372	349,864	353,392	356,956
STATE GRANTS	14,993	12,772	14,700	14,700	14,700	14,700	14,700
INTEREST AND RENTS	20,849	4,795	4,700	4,724	4,748	4,772	4,796
TOTAL REVENUE	\$ 369,372	\$ 368,921	\$ 358,316	\$ 365,796	\$ 369,312	\$ 372,864	\$ 376,452
813-Ruth Peterson Senior Citizen Center	214,390	199,350	248,891	253,257	260,066	266,915	273,954
814-Bowen Senior Citizen Center	183,345	247,096	308,395	314,180	322,443	330,656	339,092
TOTAL RECREATION AND CULTURE	\$ 397,735	\$ 446,446	\$ 557,286	\$ 567,437	\$ 582,509	\$ 597,571	\$ 613,046
SENIOR ACTIVITIES - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 1,031,791	\$ 1,003,429	\$ 925,904	\$ 726,934	\$ 525,293	\$ 312,096	\$ 87,389
ANNUAL REVENUE	369,372	368,921	358,316	365,796	369,312	372,864	376,452
ANNUAL EXPENDITURES	(397,735)	(446,446)	(557,286)	(567,437)	(582,509)	(597,571)	(613,046)
ENDING FUND BALANCE	\$ 1,003,428	\$ 925,904	\$ 726,934	\$ 525,293	\$ 312,096	\$ 87,389	\$ (149,205)
Fund 226 - Sanitation Fund							
PROPERTY TAXES	1,904,314	2,022,165	1,892,123	1,911,613	1,931,301	1,951,189	1,971,278
CHARGES FOR SERVICES	1,906,688	2,389,176	2,389,161	2,052,785	2,152,089	2,254,764	2,360,120
STATE GRANTS	84,511	93,961	94,000	94,000	94,000	94,000	94,000
OTHER REVENUE	300	619	600	615	630	646	662
INTEREST AND RENTS	85,849	40,800	40,800	41,004	41,209	41,415	41,622
TOTAL REVENUES	\$ 3,981,662	\$ 4,546,721	\$ 4,416,684	\$ 4,100,017	\$ 4,219,229	\$ 4,342,014	\$ 4,467,682
528-Sanitation Collection	3,604,405	4,431,883	4,196,752	4,305,772	4,429,062	4,555,967	4,670,363
TOTAL PUBLIC WORKS	\$ 3,604,405	\$ 4,431,883	\$ 4,196,752	\$ 4,305,772	\$ 4,429,062	\$ 4,555,967	\$ 4,670,363
SANITATION FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 6,177,618	\$ 6,554,874	\$ 6,669,712	\$ 6,889,644	\$ 6,683,889	\$ 6,474,056	\$ 6,260,103
ANNUAL REVENUE	3,981,662	4,546,721	4,416,684	4,100,017	4,219,229	4,342,014	4,467,682
ANNUAL EXPENDITURES	(3,604,405)	(4,431,883)	(4,196,752)	(4,305,772)	(4,429,062)	(4,555,967)	(4,670,363)
ENDING FUND BALANCE	\$ 6,554,875	\$ 6,669,712	\$ 6,889,644	\$ 6,683,889	\$ 6,474,056	\$ 6,260,103	\$ 6,057,422
Fund 231 - CABLE FUND							
CHARGES FOR SERVICES	144,407	92,553	118,500	120,870	123,288	125,754	128,269
INTEREST AND RENTS	12,479	1,902	6,900	6,935	6,969	7,004	7,039
TOTAL REVENUES	\$ 156,886	\$ 94,455	\$ 125,400	\$ 127,805	\$ 130,257	\$ 132,758	\$ 135,308
291-CABLE	146,550	234,693	241,179	163,956	168,688	173,557	178,570
TOTAL GENERAL GOVERNMENT	\$ 146,550	\$ 234,693	\$ 241,179	\$ 163,956	\$ 168,688	\$ 173,557	\$ 178,570
TRANSFERS (OUT) AND OTHER SOURCES	\$ -	\$ -	\$ 750,000	\$ -	\$ -	\$ -	\$ -
CABLE FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 1,200,486	\$ 1,210,822	\$ 1,070,584	\$ 204,805	\$ 168,654	\$ 130,223	\$ 89,424
ANNUAL REVENUE	156,886	94,455	125,400	127,805	130,257	132,758	135,308
ANNUAL EXPENDITURES	(146,550)	(234,693)	(991,179)	(163,956)	(168,688)	(173,557)	(178,570)
ENDING FUND BALANCE	\$ 1,210,822	\$ 1,070,584	\$ 204,805	\$ 168,654	\$ 130,223	\$ 89,424	\$ 46,162

Multi-Year Budget (Continued)

DESCRIPTION	ACTUAL 2019-20	PROJECTED 2020-21	BUDGET 2021-22	2022-23	PROJECTED 2023-24	2024-25	2025-26
Fund 239 - TAX INCREMENT FINANCE AUTHORITY #2							
PROPERTY TAXES	3,756	3,000	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
CHARGES FOR SERVICES	50,000	50,000	50,000	50,000	50,000	-	-
STATE GRANTS	17,600	-	-	-	-	-	-
CONTRIBUTION FROM PRIMARY GOVERNMENT	307,563	-	302,988	287,738	272,488	-	-
TOTAL REVENUES	\$ 378,919	\$ 53,000	\$ 349,988	\$ 334,738	\$ 319,488	\$ (3,000)	\$ (3,000)
OTHER SERVICES AND CHARGES	600	-	-	-	-	-	-
DEBT SERVICE	685,882	375,738	652,986	622,476	591,976	-	-
TOTAL DEBT SERVICE	\$ 686,482	\$ 375,738	\$ 652,986	\$ 622,476	\$ 591,976	\$ -	\$ -
TIFA #2 - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ (2,660,559)	\$ (2,968,122)	\$ (3,290,860)	\$ (3,593,858)	\$ (3,881,596)	\$ (4,154,084)	\$ (4,157,084)
ANNUAL REVENUE	378,919	53,000	349,988	334,738	319,488	(3,000)	(3,000)
ANNUAL EXPENDITURES	(686,482)	(375,738)	(652,986)	(622,476)	(591,976)	-	-
ENDING FUND BALANCE	\$ (2,968,122)	\$ (3,290,860)	\$ (3,593,858)	\$ (3,881,596)	\$ (4,154,084)	\$ (4,157,084)	\$ (4,160,084)
Fund 240 - TAX INCREMENT FINANCE AUTHORITY #3							
PROPERTY TAXES	1,426,707	1,454,734	1,431,457	1,431,457	1,431,457	1,431,457	1,431,457
STATE GRANTS	218,999	196,348	196,300	196,300	196,300	196,300	196,300
CONTRIBUTION FROM PRIMARY GOVERNMENT	314,937	-	679,556	726,821	372,836	415,877	453,693
TOTAL REVENUES	\$ 1,960,643	\$ 1,651,082	\$ 2,307,313	\$ 2,354,578	\$ 2,000,593	\$ 2,043,634	\$ 2,081,450
DEBT SERVICE	2,275,581	1,964,463	2,986,869	3,081,399	2,373,429	2,459,511	2,535,143
TOTAL DEBT SERVICE	\$ 2,275,581	\$ 1,964,463	\$ 2,986,869	\$ 3,081,399	\$ 2,373,429	\$ 2,459,511	\$ 2,535,143
TIFA#3 - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ (1,745,754)	\$ (2,060,692)	\$ (2,374,073)	\$ (3,053,629)	\$ (3,780,450)	\$ (4,153,286)	\$ (4,569,163)
ANNUAL REVENUE	1,960,643	1,651,082	2,307,313	2,354,578	2,000,593	2,043,634	2,081,450
ANNUAL EXPENDITURES	(2,275,581)	(1,964,463)	(2,986,869)	(3,081,399)	(2,373,429)	(2,459,511)	(2,535,143)
ENDING FUND BALANCE	\$ (2,060,692)	\$ (2,374,073)	\$ (3,053,629)	\$ (3,780,450)	\$ (4,153,286)	\$ (4,569,163)	\$ (5,022,856)
Fund 243 - Brownfield Redeveloping Auth							
PROPERTY TAXES	37,801	42,056	5,514	5,514	5,514	5,514	5,514
TOTAL REVENUES	\$ 37,801	\$ 42,056	\$ 5,514	\$ 5,514	\$ 5,514	\$ 5,514	\$ 5,514
TOTAL COMMUNITY AND ECONOMIC DEVELOPMENT	\$ -	\$ 5,150	\$ 5,150	\$ 5,279	\$ 5,411	\$ 5,546	\$ 5,685
BROWNFIELD REDEVELOP. AUTHORITY - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 267,218	\$ 305,019	\$ 341,925	\$ 342,289	\$ 342,524	\$ 342,627	\$ 342,595
ANNUAL REVENUE	37,801	42,056	5,514	5,514	5,514	5,514	5,514
ANNUAL EXPENDITURES	-	(5,150)	(5,150)	(5,279)	(5,411)	(5,546)	(5,685)
ENDING FUND BALANCE	\$ 305,019	\$ 341,925	\$ 342,289	\$ 342,524	\$ 342,627	\$ 342,595	\$ 342,424
Fund 249 - BUILDING INSPECTION FUND							
LICENSES AND PERMITS	4,109,956	3,472,913	2,994,800	3,084,644	3,177,183	3,272,499	3,370,673
CHARGES FOR SERVICES	216,178	158,617	121,300	123,726	126,201	128,725	131,299
OTHER REVENUE	8	25	-	-	-	-	-
INTEREST AND RENTS	7,746	1,363	2,600	2,613	2,626	2,639	2,652
TOTAL REVENUES	\$ 4,333,888	\$ 3,632,918	\$ 3,118,700	\$ 3,210,983	\$ 3,306,010	\$ 3,403,863	\$ 3,504,624
371-BUILDING INSPECTION DEPARTMENT	2,175,299	2,808,203	2,178,410	2,198,496	2,244,540	2,291,552	2,339,551
TOTAL PUBLIC SAFETY	\$ 2,175,299	\$ 2,808,203	\$ 2,178,410	\$ 2,198,496	\$ 2,244,540	\$ 2,291,552	\$ 2,339,551
BUILDING INSPECTION FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 924,180	\$ 3,082,769	\$ 3,907,484	\$ 4,847,774	\$ 5,860,261	\$ 6,921,731	\$ 8,034,042
ANNUAL REVENUE	4,333,888	3,632,918	3,118,700	3,210,983	3,306,010	3,403,863	3,504,624
ANNUAL EXPENDITURES	(2,175,299)	(2,808,203)	(2,178,410)	(2,198,496)	(2,244,540)	(2,291,552)	(2,339,551)
ENDING FUND BALANCE	\$ 3,082,769	\$ 3,907,484	\$ 4,847,774	\$ 5,860,261	\$ 6,921,731	\$ 8,034,042	\$ 9,199,115

Multi-Year Budget (Continued)

DESCRIPTION	ACTUAL 2019-20	PROJECTED 2020-21	BUDGET 2021-22	2022-23	PROJECTED 2023-24	2024-25	2025-26
Fund 263 - HOME BUYERS ASSISTANCE -							
OTHER REVENUE	-	-	-	-	-	-	-
TOTAL REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL COMMUNITY AND ECONOMIC DEVELOPMENT	\$ -	\$ 3,638	\$ -	\$ -	\$ -	\$ -	\$ -
HOME BUYERS ASSISTANCE - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 3,638	\$ 3,638	\$ -	\$ -	\$ -	\$ -	\$ -
ANNUAL REVENUE	-	-	-	-	-	-	-
ANNUAL EXPENDITURES	-	(3,638)	-	-	-	-	-
ENDING FUND BALANCE	\$ 3,638	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 265 - DRUG ENFORCEMENT FUND							
INTEREST AND RENTS	1,214	722	900	905	909	914	918
FINES AND FORFEITS	37,213	40,000	40,000	40,400	40,804	41,212	41,624
TOTAL REVENUES	\$ 38,427	\$ 40,722	\$ 40,900	\$ 41,305	\$ 41,713	\$ 42,126	\$ 42,542
TOTAL PUBLIC SAFETY	\$ 53,815	\$ 58,833	\$ 63,248	\$ 64,829	\$ 66,450	\$ 68,112	\$ 69,814
DRUG ENFORCEMENT FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 227,441	\$ 212,052	\$ 193,941	\$ 171,593	\$ 148,069	\$ 123,332	\$ 97,346
ANNUAL REVENUE	38,427	40,722	40,900	41,305	41,713	42,126	42,542
ANNUAL EXPENDITURES	(53,815)	(58,833)	(63,248)	(64,829)	(66,450)	(68,112)	(69,814)
ENDING FUND BALANCE	\$ 212,053	\$ 193,941	\$ 171,593	\$ 148,069	\$ 123,332	\$ 97,346	\$ 70,074
Fund 276 - District Court							
CHARGES FOR SERVICES	662,623	573,977	666,200	679,524	693,114	706,977	721,118
STATE GRANTS	182,896	182,900	182,900	188,387	194,039	199,860	205,856
OTHER REVENUE	23	50	-	-	-	-	-
FINES AND FORFEITS	934,429	472,721	755,700	510,757	515,865	521,023	526,234
INTEREST AND RENTS	1,585	594	1,100	1,106	1,111	1,117	1,122
TOTAL REVENUES	\$ 1,781,556	\$ 1,230,242	\$ 1,605,900	\$ 1,379,774	\$ 1,404,129	\$ 1,428,977	\$ 1,454,330
136-District Court	2,734,300	2,643,137	3,392,173	3,190,852	3,280,403	3,372,490	3,467,188
151-Court Probation	196,688	240,530	422,081	424,861	437,611	450,742	464,260
TOTAL GENERAL GOVERNMENT	\$ 2,930,988	\$ 2,883,667	\$ 3,814,254	\$ 3,615,713	\$ 3,718,014	\$ 3,823,232	\$ 3,931,448
OPERATING TRANSFERS IN	1,188,960	1,850,209	2,247,201	2,275,143	2,353,453	2,434,194	2,517,436
APPROPRIATION (OPERATING) TRANSFERS (OUT)	39,775	59,237	38,847	39,204	39,568	39,939	40,318
DISTRICT COURT - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 1,487	\$ 1,245	\$ 138,792	\$ 138,792	\$ 138,792	\$ 138,792	\$ 138,792
ANNUAL REVENUE	2,970,516	3,080,451	3,853,101	3,654,917	3,757,582	3,863,171	3,971,766
ANNUAL EXPENDITURES	(2,970,763)	(2,942,904)	(3,853,101)	(3,654,917)	(3,757,582)	(3,863,171)	(3,971,766)
ENDING FUND BALANCE	\$ 1,240	\$ 138,792	\$ 138,792	\$ 138,792	\$ 138,792	\$ 138,792	\$ 138,792
Fund 277 - MIDC GRANT FUND							
STATE GRANTS	609,528	698,254	613,025	631,416	650,358	669,869	689,965
TOTAL REVENUES	\$ 609,528	\$ 698,254	\$ 613,025	\$ 631,416	\$ 650,358	\$ 669,869	\$ 689,965
137-MIDC Grant-District Court	627,552	473,753	692,925	674,478	691,969	709,917	728,333
TOTAL GENERAL GOVERNMENT	\$ 627,552	\$ 473,753	\$ 692,925	\$ 674,478	\$ 691,969	\$ 709,917	\$ 728,333
OPERATING TRANSFERS IN	18,023	38,237	17,847	18,204	18,568	18,939	19,318
TRANSFERS (OUT) AND OTHER SOURCES	\$ 18,023	\$ 38,237	\$ 17,847	\$ 18,204	\$ 18,568	\$ 18,939	\$ 19,318
MIDC GRANT - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 262,738	\$ 200,685	\$ 175,827	\$ 152,784	\$ 131,675
ANNUAL REVENUE	627,551	736,491	630,872	649,620	668,926	688,808	709,283
ANNUAL EXPENDITURES	(627,552)	(473,753)	(692,925)	(674,478)	(691,969)	(709,917)	(728,333)
ENDING FUND BALANCE	\$ (1)	\$ 262,738	\$ 200,685	\$ 175,827	\$ 152,784	\$ 131,675	\$ 112,625
Fund 280 - PA 48 TELECOMMUNICATION ALLOCATION (ROW)							
STATE GRANTS	248,221	-	-	-	-	-	-
TOTAL REVENUES	\$ 248,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL PUBLIC WORKS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
APPROPRIATION (OPERATING) TRANSFERS (OUT)	275,000	7,750	-	-	-	-	-
TRANSFERS (OUT) AND OTHER SOURCES	\$ 275,000	\$ 7,750	\$ -	\$ -	\$ -	\$ -	\$ -
PA 48 TELECOMM. - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 57,750	\$ 30,972	\$ 23,222	\$ 23,222	\$ 23,222	\$ 23,222	\$ 23,222
ANNUAL REVENUE	248,221	-	-	-	-	-	-
ANNUAL EXPENDITURES	(275,000)	(7,750)	-	-	-	-	-
ENDING FUND BALANCE	\$ 30,971	\$ 23,222	\$ 23,222	\$ 23,222	\$ 23,222	\$ 23,222	\$ 23,222

Multi-Year Budget (Continued)

DESCRIPTION	ACTUAL 2019-20	PROJECTED 2020-21	BUDGET 2021-22	2022-23	PROJECTED 2023-24	2024-25	2025-26
Fund 445 - Capital Improvements Fund							
PROPERTY TAXES	941,529	1,002,704	957,698	967,460	977,321	995,985	1,015,004
STATE GRANTS	42,255	35,996	42,500	42,500	42,500	42,500	42,500
INTEREST AND RENTS	47,510	25,000	25,000	25,125	25,251	25,377	25,504
TOTAL REVENUES	\$ 1,031,294	\$ 1,063,700	\$ 1,025,198	\$ 1,035,085	\$ 1,045,072	\$ 1,063,862	\$ 1,083,008
228-Information Technology	98,190	-	23,333	-	-	-	-
265-Building Maintenance	1,502,427	-	1,200,000	330,000	560,000	-	-
273-Cemetery Ottawa Park	63,075	-	120,000	-	-	-	-
291-Cable	-	-	750,000	-	-	-	-
TOTAL CAPITAL - GENERAL GOVERNMENT	\$ 1,663,692	\$ -	\$ 2,093,333	\$ 330,000	\$ 560,000	\$ -	\$ -
301-POLICE/SHERIFF	10,784	-	500,000	-	-	-	-
336-FIRE	79,447	-	-	-	-	-	-
TOTAL CAPITAL - PUBLIC SAFETY	\$ 90,231	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
448-Street Lighting	795	-	213,000	-	-	-	-
451-Construction Road & Bridges	-	-	300,000	-	-	-	-
458-PUBLIC WORKS OPERATIONS	233	-	-	470,000	470,000	-	-
733-CODE ENFORCEMENT	-	-	-	-	-	-	-
TOTAL CAPITAL - PUBLIC WORKS	\$ 1,028	\$ -	\$ 513,000	\$ 470,000	\$ 470,000	\$ -	\$ -
OPERATING TRANSFERS IN	-	-	750,000	-	-	-	-
CAPITAL IMPROVEMENT FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 3,012,946	\$ 2,289,289	\$ 3,352,989	\$ 2,021,854	\$ 2,256,939	\$ 2,272,011	\$ 3,335,873
ANNUAL REVENUE	1,031,294	1,063,700	1,775,198	1,035,085	1,045,072	1,063,862	1,083,008
ANNUAL EXPENDITURES	(1,754,951)	-	(3,106,333)	(800,000)	(1,030,000)	-	-
ENDING FUND BALANCE	\$ 2,289,289	\$ 3,352,989	\$ 2,021,854	\$ 2,256,939	\$ 2,272,011	\$ 3,335,873	\$ 4,418,881
Fund 585 - Parking Enterprise Fund							
INTEREST AND RENTS	46,453	14,897	23,400	23,517	23,635	23,753	23,872
OPERATING TRANSFERS IN	7,000,564	381,803	-	-	-	-	-
TOTAL REVENUES	\$ 7,047,017	\$ 396,700	\$ 23,400	\$ 23,517	\$ 23,635	\$ 23,753	\$ 23,872
PERSONNEL SERVICES	(59,760)	132,000	132,000	132,000	132,000	132,000	132,000
OTHER SERVICES AND CHARGES	64,760	65,726	65,726	66,197	66,680	67,175	67,683
TOTAL PUBLIC WORKS	\$ 5,000	\$ 197,726	\$ 197,726	\$ 198,197	\$ 198,680	\$ 199,175	\$ 199,683
OTHER SERVICES AND CHARGES	886,836	1,532,121	952,648	1,115,015	1,121,648	1,128,447	1,135,416
CAPITAL OUTLAY	28,797	7,183,942	-	-	-	-	-
TOTAL RECREATION AND CULTURE	\$ 915,633	\$ 8,716,063	\$ 952,648	\$ 1,115,015	\$ 1,121,648	\$ 1,128,447	\$ 1,135,416
TOTAL DEBT SERVICE	\$ -	\$ -	\$ 407,698	\$ 978,477	\$ 978,476	\$ 978,476	\$ 978,477
PARKING ENTERPRISE - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 13,437,275	\$ 19,563,661	\$ 11,046,572	\$ 9,511,900	\$ 7,243,728	\$ 4,968,559	\$ 2,686,214
ANNUAL REVENUE	7,047,017	396,700	23,400	23,517	23,635	23,753	23,872
ANNUAL EXPENDITURES	(920,633)	(8,913,789)	(1,558,072)	(2,291,689)	(2,298,804)	(2,306,098)	(2,313,576)
ENDING FUND BALANCE	\$ 19,563,659	\$ 11,046,572	\$ 9,511,900	\$ 7,243,728	\$ 4,968,559	\$ 2,686,214	\$ 396,510
Fund 629 - Employees Sick & Vacation Pay Fund							
CHARGES FOR SERVICES	(3,206)	-	-	-	-	-	-
INTEREST AND RENTS	3,206	486	-	-	-	-	-
TOTAL REVENUES	\$ -	\$ 486	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER FUNCTIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EMPLOYEE SICK & VAC - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 486	\$ 486	\$ 486	\$ 486	\$ 486
ANNUAL REVENUE	-	486	-	-	-	-	-
ANNUAL EXPENDITURES	-	-	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ 486	\$ 486	\$ 486	\$ 486	\$ 486	\$ 486

Multi-Year Budget (Continued)

DESCRIPTION	ACTUAL 2018-19	PROJECTED 2019-20	BUDGET 2021-22	2022-23	PROJECTED 2023-24	2024-25	2025-26
Fund 659 - Insurance Fund							
CHARGES FOR SERVICES	4,627,776	4,611,717	6,379,550	1,326,255	1,352,780	1,379,835	1,407,433
OTHER REVENUE	622,894	766,414	731,662	-	-	-	-
TOTAL REVENUES	\$ 5,250,670	\$ 5,378,131	\$ 7,111,212	\$ 2,065,234	\$ 2,099,149	\$ 2,133,667	\$ 2,168,804
194-Risk Management	74	177	-	-	-	-	-
TOTAL GENERAL GOVERNMENT	\$ 74	\$ 177	\$ -	\$ -	\$ -	\$ -	\$ -
851-Insurance and Bonds	303,284	676,360	676,360	693,269	710,601	728,366	746,575
854-Employee Medical Insurance	1,053,527	1,778,150	1,882,062	1,696,180	1,746,762	1,798,856	1,852,504
861-Retiree Fringes	3,032,005	4,535,259	5,263,435	-	-	-	-
TOTAL OTHER FUNCTIONS	\$ 4,388,816	\$ 6,989,769	\$ 7,821,857	\$ 2,389,449	\$ 2,457,363	\$ 2,527,222	\$ 2,599,079
INSURANCE FUND - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	\$ 2,245,566	\$ 3,107,346	\$ 1,495,531	\$ 784,886	\$ 460,671	\$ 102,457	\$ (291,098)
ANNUAL REVENUE	5,250,670	5,378,131	7,111,212	2,065,234	2,099,149	2,133,667	2,168,804
ANNUAL EXPENDITURES	(4,388,890)	(6,989,946)	(7,821,857)	(2,389,449)	(2,457,363)	(2,527,222)	(2,599,079)
ENDING FUND BALANCE	\$ 3,107,346	\$ 1,495,531	\$ 784,886	\$ 460,671	\$ 102,457	\$ (291,098)	\$ (721,373)
Fund 677 - Self Insurance Workers Compensation							
CHARGES FOR SERVICES	188,906	272,611	478,700	491,925	505,525	519,511	533,891
INTEREST AND RENTS	18,513	15,000	15,000	15,075	15,150	15,226	15,302
TOTAL REVENUES	\$ 207,419	\$ 287,611	\$ 493,700	\$ 507,000	\$ 520,675	\$ 534,737	\$ 549,193
TOTAL OTHER FUNCTIONS	\$ 128,146	\$ 658,919	\$ 798,700	\$ 612,525	\$ 626,743	\$ 641,365	\$ 656,401
SELF INS. WORKERS COMP - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	1,207,936	1,287,210	915,902	610,902	505,377	399,309	292,681
ANNUAL REVENUE	207,419	287,611	493,700	507,000	520,675	534,737	549,193
ANNUAL EXPENDITURES	(128,146)	(658,919)	(798,700)	(612,525)	(626,743)	(641,365)	(656,401)
ENDING FUND BALANCE	\$ 1,287,209	\$ 915,902	\$ 610,902	\$ 505,377	\$ 399,309	\$ 292,681	\$ 185,473
Fund 703 - Current Tax Collections Fund							
PROPERTY TAXES	20,338,659	20,338,659	20,338,659	-	-	-	-
TOTAL REVENUES	\$ 20,338,659	\$ 20,338,659	\$ 20,338,659	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER FUNCTIONS	\$ 20,338,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Tax Collections Fund - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	-	-	20,338,659	40,677,318	40,677,318	40,677,318	40,677,318
ANNUAL REVENUE	20,338,659	20,338,659	20,338,659	-	-	-	-
ANNUAL EXPENDITURES	(20,338,659)	-	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ 20,338,659	\$ 40,677,318	\$ 40,677,318	\$ 40,677,318	\$ 40,677,318	\$ 40,677,318
Fund 761 - District Court Trust & Agency Fund							
TOTAL REVENUES	\$ 904,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER FUNCTIONS	\$ 904,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Court Trust & Agency Fund - FUND BALANCE SUMMARY							
BEGINNING FUND BALANCE	-	-	-	-	-	-	-
ANNUAL REVENUE	904,303	-	-	-	-	-	-
ANNUAL EXPENDITURES	(904,303)	-	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRAND TOTALS							
BEGINNING FUND BALANCE	\$ 51,757,807	\$ 57,241,354	\$ 71,628,149	\$ 87,136,546	\$ 76,594,127	\$ 67,805,373	\$ 55,720,030
ANNUAL REVENUE - ALL FUNDS	97,023,059	94,785,044	99,494,822	68,303,988	69,213,283	70,181,068	71,516,260
ANNUAL EXPENDITURES - ALL FUNDS	(91,537,119)	(80,398,249)	(83,986,425)	(78,846,407)	(78,002,037)	(82,266,411)	(78,604,975)
ENDING FUND BALANCE	\$ 57,243,747	\$ 71,628,149	\$ 87,136,546	\$ 76,594,127	\$ 67,805,373	\$ 55,720,030	\$ 48,631,315

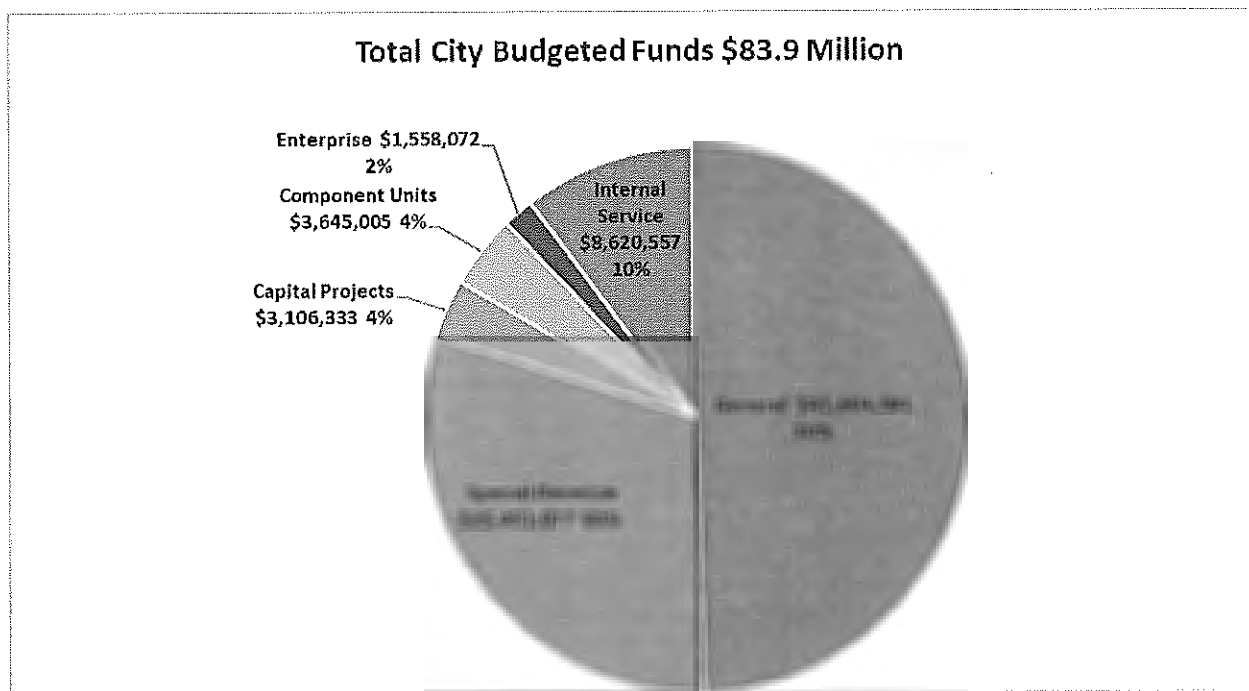
Budget Overview

This overview section of the budget has been prepared as a general overview of the FY21/22 budget for the City of Pontiac. This overview will provide City residents with a comprehensive summary of the City's plans for the next fiscal year. This budget overview will briefly introduce you to the City's budget. It will explain how the City plans to utilize its resources and will highlight some of the more significant changes to the City's budget.

Total City Funds

The FY2021/22 budgeted expense for all City funds totals \$83.9 million - an increase of \$3.5 million from the FY 20/21 projection and \$6.3 million decrease from the FY 20/21 amended budget (including transfers out).

The City establishes a budget for 23 separate reporting funds. These 23 funds can be further grouped into six major fund categories as the following graph illustrates. The largest is the General Fund, with budgeted expenses of \$41.6 million or 49% of the total City budget. The General Fund is the budget center for the majority of services available to City residents. The second largest category is the Special Revenue Funds, with budgeted expenses of \$25.4 million in funding towards roads, sanitation, and specific purposes. Both the General Fund and Special Revenue Funds will be discussed in depth later in this Budget Overview Section.



General Fund

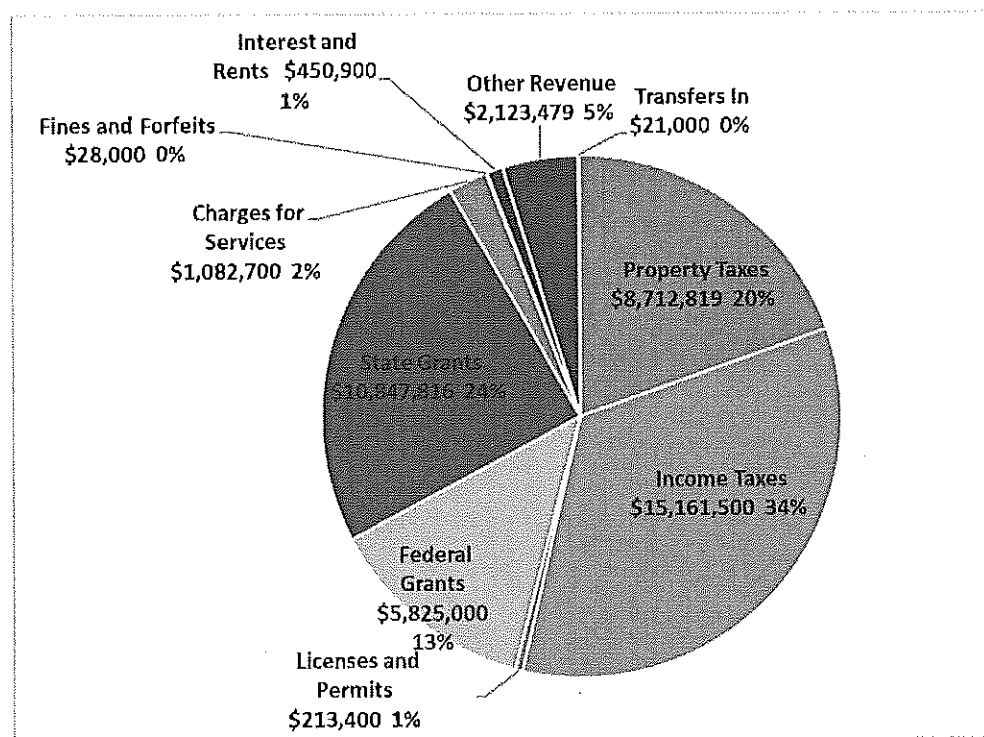
The **General Fund** budgeted expenditures are \$41.6 million, a decrease of 8% or \$3,338,428 from the FY20/21 projection. General Fund budgeted revenues increased \$3.9 million or 9% from the FY20/21 projection. The net result is an increase of \$2,862,033 in fund balance.

Budget Overview (Continued)

The General Fund derives its revenue from primarily three sources: Income Tax, Property Tax and State Revenue Sharing. These three items represent 78% of the total revenue for the General Fund. The City is expecting a net increase of 21% in income taxes as more businesses return to in-person work after the COVID-19 pandemic, along with the opening of the Amazon Distribution Center., a net increase in property tax revenue of 1% due to anticipated increase in taxable value, and 2.9% net increase to State Revenue Sharing is expected. The remaining 9% of the revenue in the General Fund consists of interest income 1%, other revenue 5%, licenses and permits 1%, and charges for services and transfers in of 2%.

The City's millage rate is expected to remain the same, minus the headlee reduction, from FY20/21, with the exception of the Youth Recreation Millage, which was only levied for half of the allowable levy in the current year, 0.75 mills. The City's total taxable value for FY21/22 is expected to increase 1.019%. Taxable values have increased for the sixth time in the last seven years.

The graph below illustrates the General Fund revenue by category.

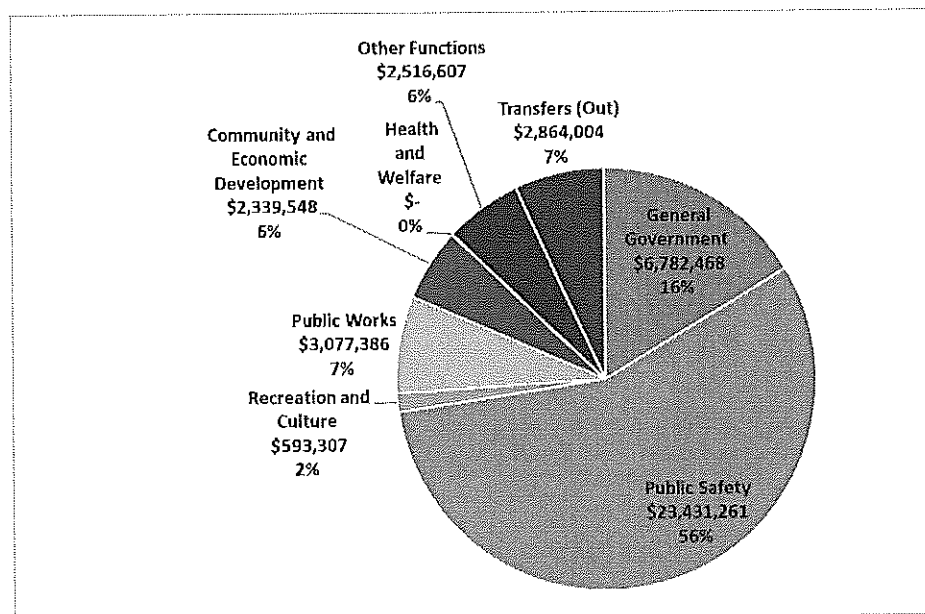


The \$41.6 million General Fund budgeted expenditures are comprised of eight separate functions as illustrated in the graph below. The largest function is for **Public Safety**, which consists of Police, Fire, Dispatch, and Crossing Guard services. There is a small increase in the Public Safety function related to contractual increases for services provided. The City of Pontiac contracts with Oakland County Sheriff for Police and Dispatch Services. Waterford Township provides fire services to Pontiac residents.

The **General Government Function** budgeted expenditures are \$6.7 million or 16% of the total General Fund expenditures. General Government includes the City Council, Mayor, City Clerk, Elections, Personnel, Accounting, Finance, Treasury, Medical Marihuana Applications, City Attorney, Assessor, Building Maintenance, Income Tax, and IT. General Government is decreasing \$233,823 from FY20/21 projection. The largest portion of the decrease is related to Elections and City Attorney departments.

Budget Overview (Continued)

The chart below shows the General Fund expenditures by function.



The **Public Works** function is expected to increase \$412,309 from the FY20/21 projection to a total budget of approximately \$3 million. The Public Works function consists of Drains, Engineering, Street Lighting, and Public Works Operations. The Public Works function is expecting to fill two full time Maintenance Worker positions.

The **Community Development** function is expecting an increase of approximately \$1.5 million for a total budget of approximately \$2.3 million. The Community Development function consists of Redevelopment and Housing, Planning, and insourcing of the Code Enforcement Department. In order to provide a more efficient service to citizens, both the planning and code enforcement departments were insourced in fiscal year 2019 from the current third-party provider, which is the main reason for the continued increase. The Community Development function also includes the approximate \$982,544 transfer to the TIF funds for debt service.

Recreation and Culture is budgeting a decrease in spending of \$91,340 for a total budget of \$593,307. The Recreation and Culture function consists of City Events for the Dream Cruise and Parks Ground Maintenance. In FY21/22, the Recreation and Culture function budget removed the additional \$3,150,000 for the purchase of a youth recreation center. The City is planning to keep support consistent for the Dream Cruise in fiscal year 2022. The park maintenance department is expected to decrease \$113,273 from FY20/21 projected. This is due to a decrease in budgeted expenditures for mowing services.

Health and Welfare is not budgeted for in FY21/22.

Budget Overview (Continued)

Other functions is increasing \$257,763 for a total budget of \$2,516,607. The increase is related to the Police and Fire Pension contribution that was calculated by the actuary.

The **Transfers Out** is the last function of the General Fund. The City is planning to transfer \$616,803 to the Cemetery Fund and \$2.2 million to the District Court Fund. This is a decrease of \$55,499 from FY20/21 amended budget. During FY 20/21, the City transferred \$381,803 to the Parking Fund for improvements to the Phoenix Center

Special Revenue Funds

The Special Revenue Funds budgeted expenditures are \$25.4 million or 30% of the total City expenditures. The City of Pontiac has budgeted 12 Special Revenue Funds for FY20/21. Below are the highlights of each fund

- ❖ Major Street Fund - \$7.3 million in expenditures, which is a \$242,928 decrease from FY20/21 projected.
 - The Major Street Fund will receive \$5.8 million in revenue from the State of Michigan for ACT 51, which is a decrease of \$5,711 from the FY20/21 projected. These funds are restricted for road improvement.
 - Major Streets is also budgeted to receive an additional \$200,000 from a State Grant.
 - The Major Street Fund will fund snow removal, roadway maintenance and traffic control.
 - The Major Street Fund is planning \$3.8 million in road improvements to Centerpoint Parkway, Mill Street and Walton Rd.
 - The Major Street Fund will use \$712k in fund balance on road projects.
- ❖ Local Street Fund - \$3.9 million in expenditures, which is a \$1,235,368 increase from FY20/21 projected.
 - The Local Street Fund will receive \$2 million in revenue from the State of Michigan for ACT 51, which is an increase of \$168,596 or 9%. These funds are restricted for road improvement.
 - The Local Street Fund will fund snow removal, roadway maintenance, stormwater maintenance and traffic control.
 - The Local Street is planning \$2.0 million in road improvements for FY21/22.
 - The Local Street Fund will use \$1.9 million in Fund Balance for road projects and tree maintenance.
- ❖ Youth Recreation Fund - \$983k in expenditures, which is a \$58,505 decrease from FY 20/21 projected.
 - The Youth Recreation Fund is planning to levy property taxes in fiscal year 2022 of \$515,805.
 - The Youth Recreation Fund decrease in spending is mainly due to the recreation facility costs and programming. The FY21/22 removed a line item for \$312,000 to lease the recreation building.
- ❖ Cemetery Care Fund - \$616,803 in expenditures, which is an increase of \$199,388 from FY20/21 projected.
 - The Cemetery Care Fund will receive a transfer of \$616,803 from the General Fund.
 - The Cemetery Care Fund will fund care and maintenance of the City's Cemetery. Currently, the City is working on making repairs to the buildings located on the Cemeteries.

Budget Overview (Continued)

- ❖ Senior Activities Millage - \$557,286 in expenditures, which is an increase of \$110,840 from FY20/21 projected.
 - The Senior Activities Millage will receive \$338,916 in property tax revenue for FY21/22, which is a decrease of about 3% from projected.
 - The Senior Activities Fund will use \$198,970 in Fund Balance.
- ❖ Sanitation Fund - \$4,196,752 in expenditures, which is a decrease of \$235,131 from FY20/21 projected.
 - The Sanitation Fund will receive \$4.4 million in revenue from a combination of property tax revenue, user fees for rubbish collection and a host fee from Advanced Disposal.
 - The Sanitation Fund will fund rubbish services for City residents. In addition to rubbish services, the Sanitation Fund will fund \$150,000 for the Collier Landfill Closure.
- ❖ Cable Fund - \$991,179 in expenditures, which is an increase of \$756,486 from the FY20/21 projected.
 - The Cable Fund receives \$118,500 in fees from AT&T and Comcast that is collected from City of Pontiac customers. This is an increase of \$25,947 from FY20/21 projected.
 - The Cable Fund is planning to transfer \$750,000 to the Capital Improvement Fund in FY21/22. The money will be spent on updates to the Council Chambers Studio.
 - In FY21/22, the Cable Fund is planning \$84,705 for new furniture, video equipment and computer equipment.
 - The Cable Fund will use \$865,779 in Fund Balance.
- ❖ Building Inspection Fund - \$2,178,410 in expenditures, which is a decrease of \$629,793 from the FY20/21 projected per the contract with Wade Trim, the contractor handling building and permitting.
 - The Building Inspection Fund will receive \$3.1 million in revenue from building, plumbing, mechanical permits and inspection fees.
 - The decrease in expenditures for FY21/22 is related to a decrease in the contract cost with Wade Trim from FY20/21.
- ❖ Drug Enforcement Fund - \$63,248 in expenditures, which is an increase of \$4,415 from FY21/22 projected.
 - The Drug Enforcement fund is expecting to receive \$40,000 in funds from drug forfeitures. This is the same amount as the FY20/21 projected. These funds are restricted for purposes of drug enforcement.
 - The FY21/22 budget includes \$63,000 of planned expenditures related to drug enforcement. This includes overtime from Oakland County Sheriff's department and cell-phone charges.

Budget Overview (Continued)

- ❖ District Court Fund - \$3.8 million in expenditures, which is an increase of \$910,197 from FY20/21 projected.
 - The 50th District Court collects revenue for services related to the court operations, including funding from the State of Michigan. The District Court Fund is expecting to receive \$3.8 million in total revenue, which includes a \$2.2 million transfer from the General Fund. The court operating revenue is expecting to increase from additional fees.
 - The FY21/22 budget includes \$3.8 million of budgeted operating expenditures related to the District Court. The increase is mainly due to additional salaries and wages.
- ❖ MIDC Grant Fund – \$692,925 in expenditures, which is an increase of \$219,172 from FY20/21 projected.
 - MIDC Grant Fund was split out from the District Court Fund into its own separate fund.
 - For FY21/22, the Court is expecting to receive \$613,025 in budgeted revenue from MIDC, and \$17,847 will be a transfer from the Court Fund.
 - The MIDC has \$692,925 budgeted expenditures to be used on legal defense costs for FY21/22.

The **Capital Projects Fund** budget is \$3.1 million for capital projects in FY21/22. This is an increase of \$664,000 from FY20/21 amended budget. The Capital Projects Fund plans to receive \$957,698 in property tax revenue for FY21/22. The City of Pontiac has a dedicated capital millage of 1.39610 mills. The capital budget includes the following items.

- ❖ City Hall Lot Repairs \$800,000
- ❖ City Hall Building \$400,000
- ❖ Ottawa Park Vehicle and Mausoleum Repair \$120,000
- ❖ Council Chambers Studio \$750,000
- ❖ Computer Equipment \$23,333
- ❖ Police Station Building Improvements \$500,000
- ❖ Street Lights \$213,000
- ❖ To Be Determined Roads \$300,000

Budget Overview (Continued)

The **Parking Fund** is the City of Pontiac's only Enterprise Fund. Budgeted expenses for this fund total \$1.6m. This amount is \$7.3 million less than the FY20/21 projected. The significant decrease is due to a settlement of a lawsuit on the Phoenix Center the City paid for improvements to the structure during FY20/21. The parking fund is expected to receive \$23,400 in interest income. The majority of the expenses for FY21/22 for this fund is depreciation expense of \$849,686 on the existing parking structures.

The **Internal Service Funds** budget is \$8.6 million or 10% of the City's total budget for services provided. The Internal Service Funds consist of the Insurance Fund and the Workers Compensation Fund. The Insurance Fund budget is \$7.8 million for health insurance for employees and retirees and general liability and property insurance. The Insurance Fund receives reimbursements from users of the services, including retirees, employees and other City Funds.

The Workers Compensation Fund budget is nearly \$800,000 for workers compensation premiums for current employees and workers compensation charges from former employees, when the City was previously self-insured. The increase from FY20/21 is due to an increase in insurance premiums. The Workers Compensation Fund is fully reimbursed by charges for services from other City Funds and the Water Resource Commission of Oakland County.

The **Component Units** budget is \$3.6 million in FY21/22. The Component Units consist of three different funds: Tax Increment Finance Authority (TIF) #2 and #3 and the Brownfield Redevelopment Fund. TIF Districts #2 and #3 budget is for debt service and a financial guarantee expense. The captured tax revenue for those two districts are not sufficient to make the debt service payments. The General Fund financially guaranteed the debt for both TIF #2 and #3 and contributes the additional amount necessary to pay the annual debt service. The General Fund is budgeted to transfer \$982,554 in total for these two funds. The TIF #3 district is budgeting to receive \$1.4 million in captured property tax revenue for FY21/22. This is a decrease of \$23,277 from the FY 20/21 projection. TIF #2 is not expecting to receive any revenue from captured property tax in FY 21/22.

The Brownfield Redevelopment Fund is budgeting \$5,514 in property tax captures, which is a decrease of 87% from FY 20/21 projected.

Budget Overview (Continued)

The following shows the IT equipment requested and funded in the FY21/22 budget.

Information Technology FY21-22 Budget				
#	Project Description	Exp Type	FY 21-22	Notes
IT-1	Microsoft Office 2016			City is only licensed for obsolete version the Microsoft Office 2010
IT-3	Revize Website	SW Maint	\$4,900	Yearly Support/Licensing
IT-4	Nimble SAN Maintenance Support	HDW Maint	\$10,000	Yearly Support/Licensing - Support expires on 7/21/2021
IT-6	Barracuda Licensing and Support	HDW Maint	\$1,500	Yearly Support/Licensing
IT-7	Exchange Server Standard CAL			Sure up licensing for amount of devices currently in use
IT-14	HP Server Support and Maintenance	HDW Maint	\$3,000	Expires 7/17/2021 - Need to extend maintenance for at least 2 years
IT-15A	Ring Central Cloud Services - MRC	OpEx	\$31,572	Expected MRC for RC Cloud VoIP Services. Costs may be allocated across departments
IT-16	Miscellaneous Hdw/SW	Misc	\$10,000	Miscellaneous items that might be purchased throughout the year.
IT-18	Backup Exec (Backup Software Maintenance) - VEEAM	SW Maint	\$900	Yearly Support/Licensing - Converted to Veeam in FY18/19
IT-19	Desktop Refresh 1/3	PC Refresh	\$23,333	Warranty for these machines typically is for 3 years.
IT-20	Cloud Consulting - DR/BC & Applications	DR/BC/App	\$37,500	MS365 Migration services based off estimate from Insight PS
IT-30	MS Office Licensing/MS365 Solution/CSP	Licensing	\$29,640	MS Office 365 CSP Licensing - Assumes 365 E3 license cost @ \$19ea/mo. Costs may be allocated across departments
IT-31	Sophos Firewall - Maintenance & Support	SupportMaint	\$3,300	Yearly Support/Licensing for City Hall XG330 FW pair
IT-32	VMWare Vsphere Support	SupportMaint	\$1,000	Yearly Support/Licensing for VM Servers
IT-33	Cisco SmartNet - C3925 Router	SupportMaint	\$1,600	Yearly Maintenance and Support for Cisco Router
IT-34	IPSwitch - What's Up Gold - Network Monitoring tool	SupportMaint	\$1,000	Annual Support/Licensing for Network Monitoring Tool
IT-35	Iron Mountain - Off-Site Tape Storage	SupportMaint	\$3,660	Backup Tape Storage and Recovery
IT-36	Sophos Endpoint Protection (Client) Intercept-X	Licensing	\$17,190	3 years of Support/Licensing Anti-Virus Software
IT-37	Sophos Managed Threat Response (MTR) - SOC Services	OpEx	\$51,938	3 years of Support/Licensing for Managed Threat Services
	Grand Total		\$ 232,033	

Budget Overview (Continued)

The following reflects the City's road improvement plan for the next five fiscal years. The FY21/22 road improvements are included in the budget.

Schedule of Capital Outlay

Fiscal Years 2022-2026

Fund	Project Name	Project Description	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
			7/1/21 - 6/30/22	7/1/22 - 6/30/23	7/1/23 - 6/30/24	7/1/24 - 6/30/25	7/1/25 - 6/30/26
202	Mill Street	Resurface and restore	\$ 1,003,202				
202	Walton	Resurface and restore	\$ 540,000				
202	University Drive Bridge & Kennett	Resurface and restore	\$ 21,033				
202	Vanguard	Resurface and restore	\$ 500,000				
202	Orchard Lake Road Signals	Signals	\$ 35,765				
202	W. Columbia	Resurface and restore	\$ 1,200,000				
202	Multi-Road Mill & Fill Project	Resurface and restore	\$ 2,300,000				
202	Walton Signals	Signals		\$ 137,982			
202	Baldwin Joint Repair	Resurface and restore		\$ 300,000			
202	Elizabeth Joint Repair	Resurface and restore		\$ 300,000			
202	Golf Drive	Resurface and restore		\$ 4,000,000			
202	Perry Street	Resurface and restore			\$ 1,750,000		
202	Orchard Lake Road	Resurface and restore			\$ 178,263		
202	MKL Jr. Boulevard	Resurface and restore			\$ 591,420		
202	Pike Street	Resurface and restore				\$ 5,000,000	
			<u>\$ 5,600,000</u>	<u>\$ 4,737,982</u>	<u>\$ 2,519,683</u>	<u>\$ 5,000,000</u>	<u>\$ -</u>
203	Cherry Hill: Kennett to Fairmount	Resurface and restore	\$ 650,000				
203	Bynan: Walton to Gambrell	Resurface and restore	\$ 400,000				
203	Gambrell: Bynan to Walton	Resurface and restore	\$ 200,000				
203	Grandville: Walton to Grandtour	Resurface and restore	\$ 250,000				
203	Starlite: Cherry Hill to Moonlight	Resurface and restore	\$ 300,000				
203	Fairmount: Columbia to Cherry Hill	Resurface and restore	\$ 200,000				
203	Eastway	Resurface and restore				\$ 300,000	
203	Emerson	Resurface and restore				\$ 450,000	
203	Madison	Resurface and restore				\$ 450,000	
			<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,200,000</u>	<u>\$ -</u>

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General Fund

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General Fund Summary

The General Fund is the main operating fund of the City as nearly all of the City's daily operations are funded by the General Fund. The General Fund accounts for and reports all financial resources that are not accounted for and reported in another fund. Every municipal government in Michigan has a General Fund.

Revenue Summary Analysis

The City of Pontiac FY21/22 Budgeted revenue is increasing \$4,030,971 from FY20/21 projected and \$6,620,857 from FY19/20 actual. The General Fund derives its revenue from three major sources: City Income Tax, State Revenue Sharing, and Property Taxes. In addition, certain functions in the General Fund are supported by user fees and reimbursements. The increase is reflective of an increase in Federal Grants of \$2,406,145. Additionally, the FY21/22 budget is estimating to see revenue increase in Income Taxes. The total increases of this category is \$2,418,782 from projected. Revenue is explained in more detail in the pages that follow.

Expenditure Summary Analysis

The General Fund expenditures are divided into 8 major functions: General Government, Public Safety, Public Works, Health and Welfare, Community Development, Recreation and Culture, Other and Transfers Out. The total expenditures for FY21/22 are increasing 9% or \$3,338,428 from the FY20/21 projected and an increase of \$749,874 from FY19/20 actual. The main component of the budget increase is related to the increase in Community Development Function. Expenditures are explained in more detail in the pages that follow.

Fund Balance Summary Analysis

- ❖ Similar to FY20/21, the City has committed \$3.2 million of fund balance for the purpose of purchasing the youth recreation center. This did not happen in FY20/21. The amount is included in the current year's committed fund balance.
- ❖ The FY20/21 ending fund balance is expected to increase by 13.9% or \$2,211,213. This can be attributed to the decrease in transfers out for the year. The FY19/20 budgeted included a \$7,000,000 transfer to the Parking Fund for Phoenix Center Repairs.
- ❖ The FY21/22 fund balance is expected to increase approximately \$2.8 million from the FY20/21 projected. The budgeted ending fund balance at June 30, 2022 is projected to be \$20.9 million. This is 50% of total General Fund expenditures. The fund balance policy requires fund balance to be at least 15% of budgeted expenditures. The ending fund balance at June 30, 2022 is expected to be \$14.6 million above the minimum fund balance.

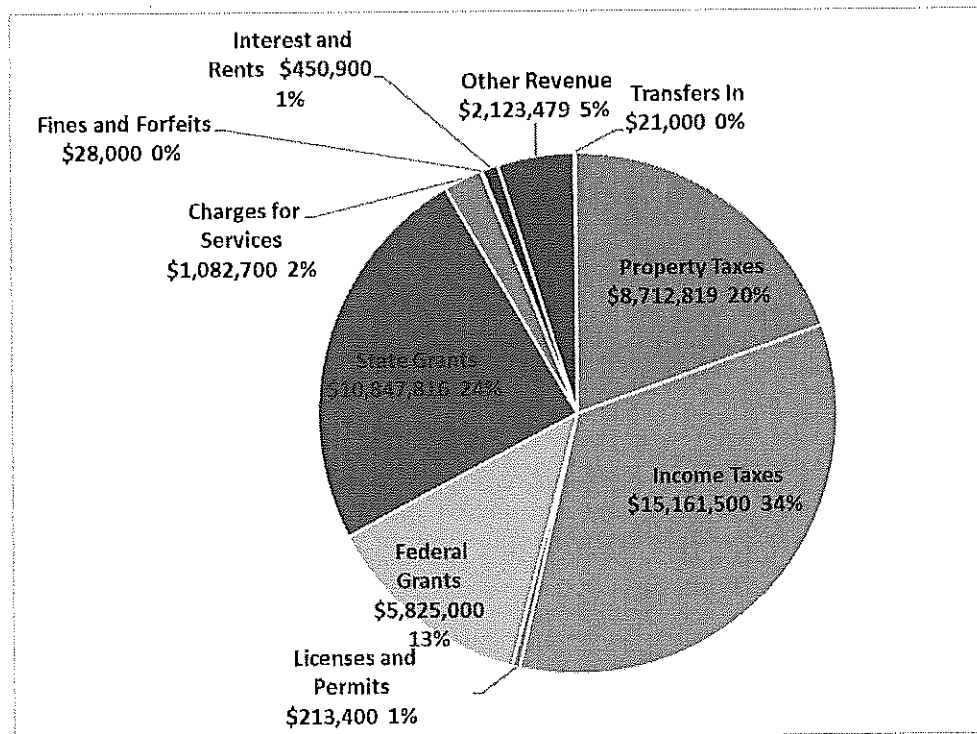
General Fund Summary (Continued)

Budgeted Financial Summary

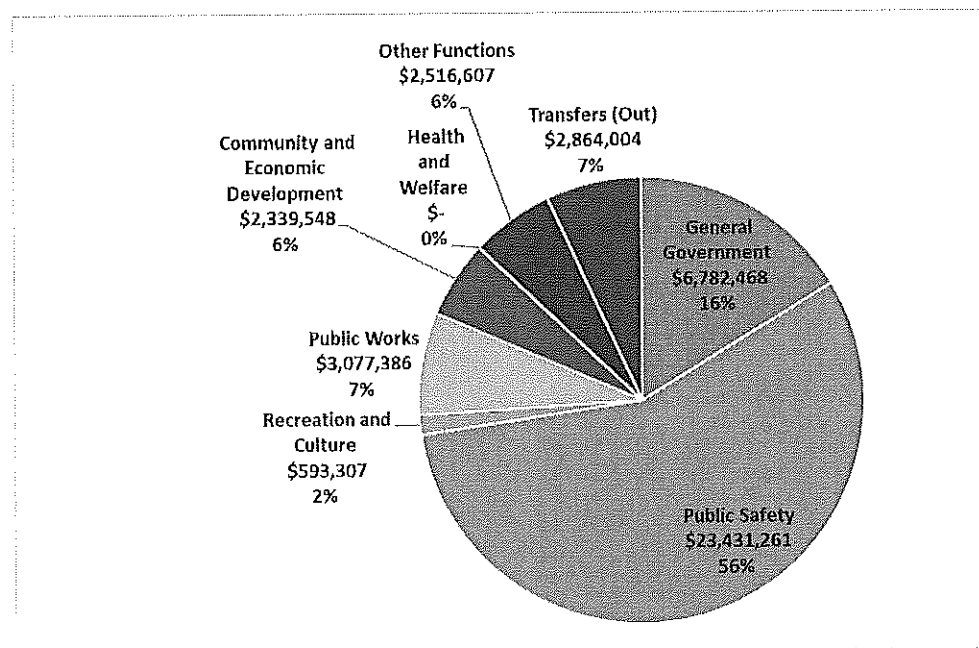
	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
Estimated Revenue Source			
Property Taxes	\$ 8,619,087	\$ 8,715,628	\$ 8,712,819
Income Taxes	14,801,727	12,742,718	15,161,500
Licenses and Permits	696,781	213,000	213,400
Federal Grants	26,687	3,418,855	5,825,000
State Grants	9,610,145	10,949,863	10,847,816
Charges for Services	1,088,618	1,229,239	1,082,700
Fines and Forfeits	8,000	38,000	28,000
Interest and Rents	1,142,077	461,952	450,900
Other Revenue	1,831,635	2,645,388	2,123,479
Total Budgeted Revenue Sources	37,824,757	40,414,643	44,445,614
Proposed Appropriations			
City Council	486,051	844,880	1,259,620
Mayor	586,108	486,929	614,257
City Clerk	304,852	296,517	340,605
Elections	96,814	598,007	385,667
Medical Marihuana Applications	31,043	317,960	362,616
Finance	523,541	483,244	623,127
Accounting	290,222	298,558	298,570
Income Tax	390,062	440,897	492,390
Information Technology	345,213	401,569	488,293
Treasurer	324,966	339,867	436,259
Assessing	422,794	427,510	431,805
Personnel	181,621	217,639	231,509
Building Maintenance	382,323	495,994	396,250
City Attorney	1,360,070	1,366,720	421,500
Total General Government	5,725,680	7,016,291	6,782,468
Police	12,848,459	13,606,677	14,471,236
Crossing Guards	2,890	410	26,732
Dispatch	206,970	213,180	382,923
Fire	7,784,854	8,165,654	8,550,370
Total Public Safety	20,843,173	21,985,921	23,431,261
Drains - Public Benefit	84,417	316,400	316,670
Engineering	649,896	795,579	654,197
Street Lighting	892,719	1,028,000	1,082,461
Public Works Operations	688,910	525,098	1,024,058
Total Public Works	2,315,942	2,665,077	3,077,386
Tele-van Services	-	-	-
Total Health and Welfare	-	-	-
Redevelopment and Housing	885,158	244,568	1,330,482
Planning	238,868	227,669	305,059
Code Enforcement	339,340	346,586	704,007
Total Community Development	1,463,366	818,823	2,339,548
Recreation Facility	-	-	-
City Events	87,033	18,067	40,000
Ewalt Center/Galloway Park	-	-	-
Parks Grounds Maintenance	373,878	666,580	553,307
Total Recreation and Culture	460,911	684,647	593,307
Retiree Fringes	1,835,294	2,430,895	2,496,607
Unemployment Compensation	10,817	26,830	20,000
Total Other	1,846,111	2,457,725	2,516,607
Total Budgeted Expenditures	32,655,183	35,628,484	38,740,577
Budgeted Net Revenue (Expenditures)	5,169,574	4,786,159	5,705,037
Other Financing Sources (Uses)			
Transfers In and Other Financing Sources	296,752	62,723	21,000
Transfers (Out) and Other Financing Sources	(8,189,524)	(2,637,669)	(2,864,004)
Total Other Financing Sources	(7,892,772)	(2,574,946)	(2,843,004)
Estimated Fund Balance			
Beginning Fund Balance July 1	18,591,032	15,865,428	18,076,641
Change in Fund Balance	(2,723,198)	2,211,213	2,862,033
Ending Fund Balance June 30	\$ 15,867,834	\$ 18,076,641	\$ 20,938,674
Financial Position			
Nonspendable	33,879	-	-
Restricted	-	56,500	-
Committed	3,200,000	3,200,000	3,200,000
Assigned	2,100,000	-	-
Unassigned	10,533,955	14,820,141	17,738,674
Ending Fund Balance June 30	\$ 15,867,834	\$ 18,076,641	\$ 20,938,674

General Fund Summary (Continued)

FY 2021-22 Budgeted Revenue by Major Category



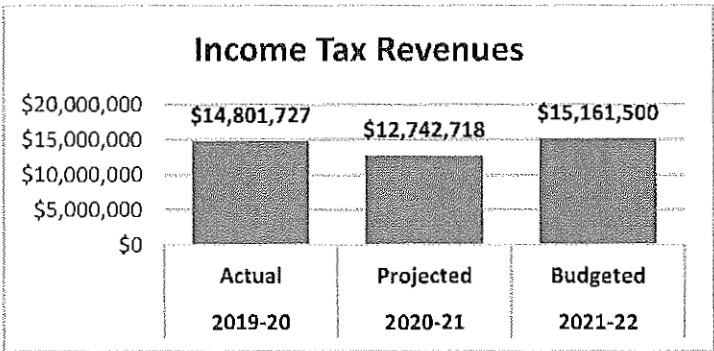
Expenditure by Function



General Fund Revenue

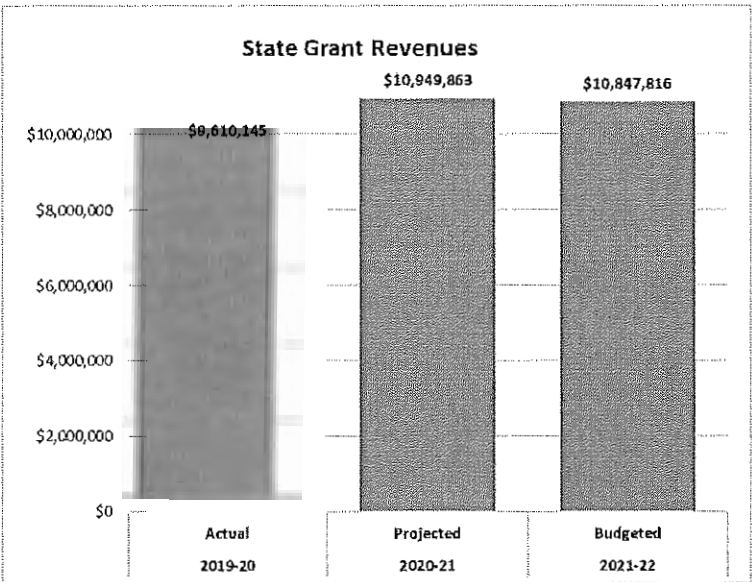
Income Tax Revenue

As authorized by the Uniform City Income Tax Ordinance, the City of Pontiac assesses an Income Tax on all residents and businesses located in Pontiac and non-residents that work in the City of Pontiac. The Individual Tax Rate is 1% for residents and ½% for non-residents. The corporation tax rate is 1%. Income Tax is the largest revenue source of the General Fund, representing over 1/3 of the total General Fund revenue. The General Fund is expected to receive and collect \$12.7 million in FY20/21. This is a decrease of \$2,059,009 or 13.9% from the prior year. The decrease can be attributed to COVID-19 slowing down businesses in the City. Revenue for Income Tax is calculated by the Income Tax Personnel. Income Tax revenue is expected to also increase over the next fiscal year, as the COVID-19 pandemic improves.



State Grant Revenue

The second largest revenue source for the General Fund (27%) is from State Grant Revenue. Local units of government in Michigan share in the State Sales Tax, commonly referred to as State Revenue Sharing. The General Fund is expecting approximately \$10.9 million in revenue from the State. The State Shared Revenue is expected to decrease \$102,047 from FY20/21 projection. The State of Michigan provides estimates for future State Revenue Sharing payments. The Michigan Constitution allocates a portion of the state sales tax to be distributed to local units on a per capita basis, using the last decennial census to determine population.



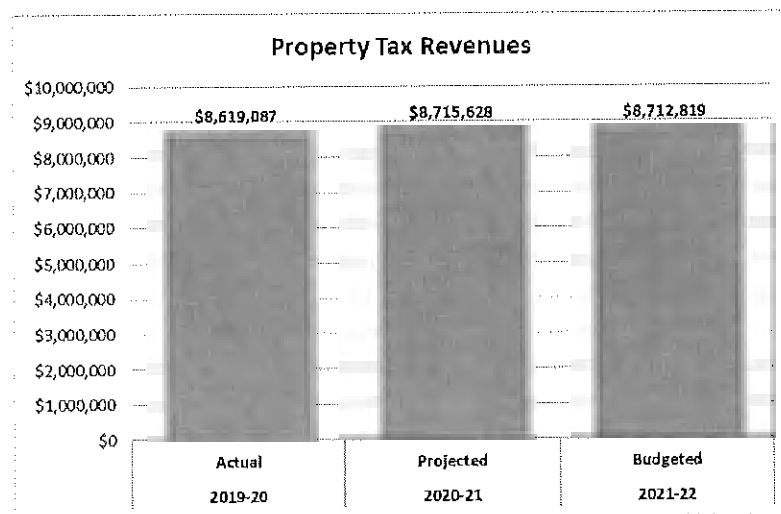
General Fund Revenue (Continued)

Property Tax Revenue

The third largest source (20%) of the revenue received in the General Fund is from the levy and collection of Property Taxes and the Small Taxpayer Exemption Loss (STEL). For Fiscal Year 2021/22 the General Fund is budgeted to receive and collect \$8,712,819 from property taxes, penalties and interest on taxes paid late and a 1% administration fee. This is about the same amount as prior year.

Property taxes are levied on each July 1 on the taxable valuation of property as of the preceding December 31. Taxes have a final collection date of February 28 of the following year, at which time any unpaid taxes are transferred to the county delinquent tax rolls.

The City of Pontiac is expecting approximately a 1.74% increase in the collection of property tax revenue based on estimates from Oakland County. The STEL is expected to stay consistent for FY21/22. The 1.74% increase in property taxes levied is offset by an anticipated increase in property tax chargebacks resulting in a net 0.1% increase in total property tax revenue.



Other Revenue

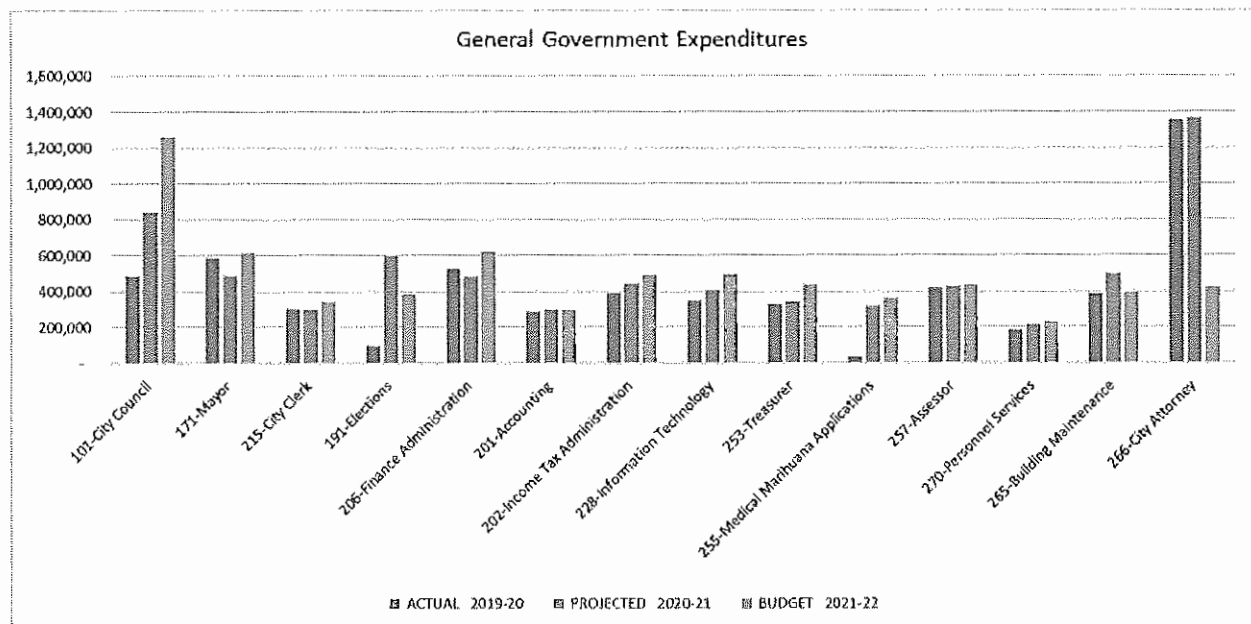
The remaining 21% or \$9.7 million of revenue in the General Fund is received from plan review fees, charges for services, investment earnings, fines and forfeits, grant revenue and miscellaneous revenue.

General Fund Expenditures

General Government Function

Operations under this category include the City Council, Mayor, Clerk, Elections, Attorney, Human Resources, Assessing, Income Tax, Information Technology, Treasurer, Medical Marijuana Applications, Finance Administration, Accounting, and Building Maintenance. These are the core roles that are required for a government to function.

The General Government function for the General Fund represents 16% of the total expenditures or approximately \$6.8 million of the total budget for FY21/22. The pages that follow explain each department of the General Government function and the changes to the budget.

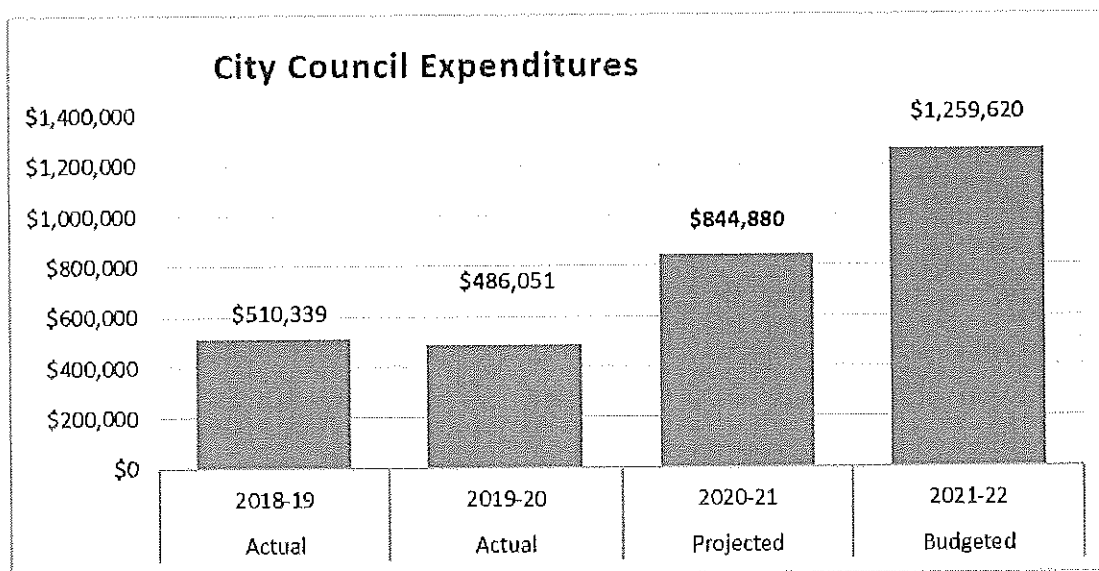


General Fund Expenditures (Continued)

City Council

The mission of the Pontiac City Council is to sustain the City as a distinctive, progressive, and premier community of choice to live, work, and raise a family by enhancing our residential character complemented by an attractive business community.

The Pontiac City Council consists of seven members. The City of Pontiac is divided into seven districts and each district is represented by one Council member. Council members are each elected to four-year terms. Council members serve as the legislative body for the City and serve on various boards, commissions, and committees



FINANCIAL SUMMARY - City Council

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 228,921	\$ 233,828	\$ 321,566	\$ 202,220	\$ 363,405
Supplies	1,727	2,681	14,000	14,000	17,000
Other Services and Charges	279,691	249,542	703,995	628,660	879,215
Total	\$ 510,339	\$ 486,051	\$ 1,039,561	\$ 844,880	\$ 1,259,620

Changes in Budget

- ❖ Total \$220,059 increase from the FY20/21 amended budget and \$414,740 from the FY20/21 projected activity.
- ❖ Personnel Services is increasing due to a budgeted position of Communications & Outreach Specialist.
- ❖ Supplies is increasing by \$3,000 from the FY20/21 amended budget mainly due to the Office Supplies line item.
- ❖ Other Services and Charges is increasing from the FY20/21 amended budget due to increases in Legal Services, District Projects, Professional Services, and City Events.

City Council Department - Goals

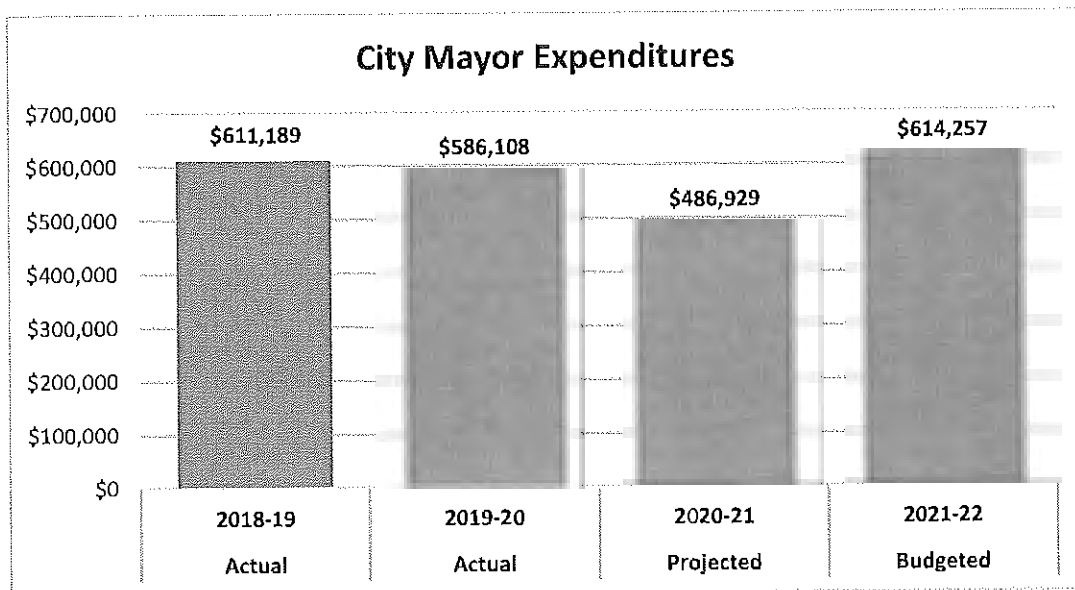
- ❖ To provide guidance and prioritize individual projects for the district project budget (**Pontiac Moving Forward : PDA #2 Neighborhoods**).

General Fund Expenditures (Continued)

City Mayor

The mission of the Mayor's Department is to provide for the overall administration of the City of Pontiac with primary focus on policy implementation, enforcement of City ordinances, strategic planning, administration, and effective management of City departments and services.

The Mayor is the chief executive of the City and as provided by charter, is in charge of and is accountable for the executive branch of the City government. The Mayor shall serve a four (4) year term. The Mayor oversees the administration of all departments, with police services contracted through the Oakland County Sheriff's Office (OCSO) and fire services contracted through Waterford Township. Pontiac Mayor Deirdre Waterman is a committed public servant with decades of professional expertise, public service, and philanthropic endeavors. She was elected Mayor by the citizens of Pontiac in 2013 and re-elected in 2017, becoming the first woman to ever be elected to the position.



FINANCIAL SUMMARY - City Mayor

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 456,660	\$ 501,558	\$ 458,896	\$ 304,450	\$ 466,435
Supplies	29,962	22,114	31,480	32,240	33,661
Other Services and Charges	124,567	62,436	115,688	150,239	114,161
Total	<u>\$ 611,189</u>	<u>\$ 586,108</u>	<u>\$ 606,064</u>	<u>\$ 486,929</u>	<u>\$ 614,257</u>

Changes in Budget

- ❖ Total \$8,193 increase from the FY20/21 amended budget and \$127,328 from FY20/21 projected activity.
- ❖ Personnel Services increased from the 20/21 projected budget by \$161,985. This is mainly due to the Salaries and Wages line item increasing by \$126,399. The benefit lines increased following this wage increase as well. This significant difference is due to the Deputy Mayor position being vacant during FY20/21.
- ❖ Other Services and Charges amounts stayed consistent with the amounts from the FY20/21 budgeted and projected.

General Fund Expenditures (Continued)

City Mayor

Mayor Department - Goals

- ❖ Improve service to citizens needs by examining new methodologies and technologies that will enhance and improve department operations.
- ❖ Continue to examine contracts with third parties to ensure that the best service is being delivered to citizens while being fiscally responsible.
- ❖ Collaborate with the community to maintain and nurture the City's business environment and spur economic development (***PDA # 3 Downtown private sector catalyst projects & PDA #5 Manufacturing, R&D Sites and Campuses***).
- ❖ Coordinate with the community to continue neighborhood revitalization through blight removal and park maintenance (***PDA #2 Neighborhoods***).

General Fund Expenditures (Continued)

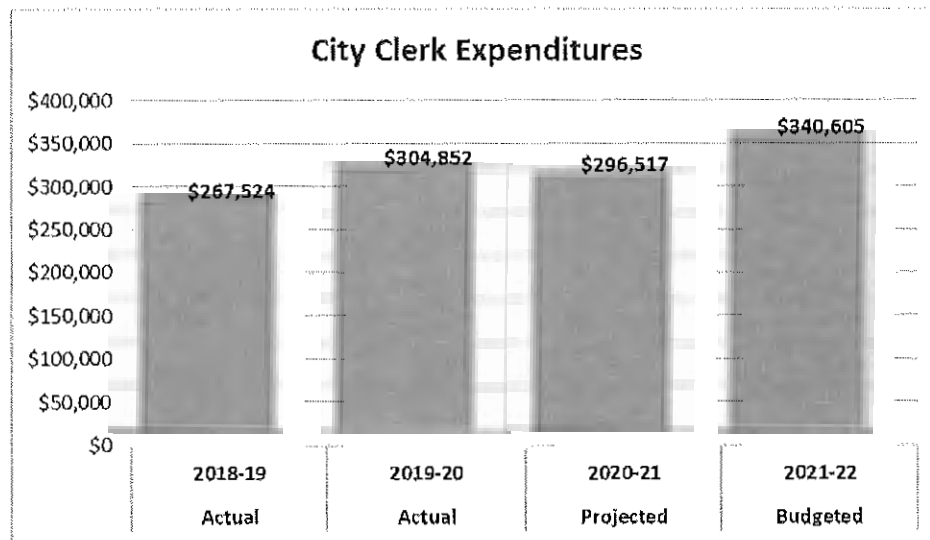
City Clerk

The mission of the Clerk's Office is to perform the traditional duties of the City Clerk's Office as prescribed by Federal and State Law and the City Charter, while providing outstanding customer service to internal and external customers.

According to the City Charter (Section 3.201) the City Clerk shall be responsible for:

- ❖ Registration of Electors residing in the City and the conduct of elections in the City. (Section 3.201).
- ❖ Serving as the clerk of the council, giving required public notices, and keeping a record of all ordinances, resolutions and other proceedings. (Section 3.201).
- ❖ Maintaining a record of all existing and proposed rules, regulations, policies, and procedures of the City. (Section 3.201).
- ❖ Certifying under corporate seal, when requested, copies of all official papers and records of the City and making them available to the public as provided by law. (Section 3.201).
- ❖ Maintaining reasonably accessible voter registration sites through-out the City on a year-round basis. (Section 3.203).
- ❖ Administering oaths, and taking affidavits and exercise other powers and duties as prescribed by law, this charter, or ordinance. (Section 3.204).

The Clerk's Office offers a range of services to internal and external customers including notary service, research and retrieval of city documents, voter registration cards, voter registration applications, and absentee ballots. Services provided by the Clerk's Office are delivered in an impartial and ethical manner.



FINANCIAL SUMMARY - City Clerk

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 158,825	\$ 226,478	\$ 248,222	\$ 215,210	\$ 252,105
Supplies	4,245	3,910	5,730	6,200	8,500
Other Services and Charges	104,454	74,464	74,337	75,107	80,000
Total	\$ 267,524	\$ 304,852	\$ 328,289	\$ 296,517	\$ 340,605

General Fund Expenditures (Continued)

City Clerk

Changes in Budget

- ❖ Total \$12,316 increase from the FY20/21 amended budget and \$44,088 increase from FY20/21 projected activity.
- ❖ Personnel Services increased from FY20/21 projected activity by \$36,895. This is due to slight increases in the Salaries and Wages, Part-Time wages, and Medical Insurance line items.

City Clerk Department - Goals

- ❖ To comply with State Laws, the City Charter, and Adopted Procedures.
- ❖ Notice and record all meetings in conjunction with State of Michigan laws and local ordinances.
- ❖ Respond to all FOIA requests in the time period and manner prescribed by State of Michigan laws and local ordinances.
- ❖ Foster an environment that allows employees to grow professionally. Encourage advanced education through public/private institutions, as well as continued education through the Municipal Clerks, Michigan Association of Municipal Clerks, and State of Michigan Bureau of Elections.
- ❖ Oversee the Medical Marihuana Applications process and comply with all state rules and regulations related.
- ❖ Actively become involved with City leaders and become familiar with participating organizations to Pontiac Moving Forward (***Pontiac Moving Forward: PDA #1.1***).
- ❖ Raise awareness to residents and businesses on the importance of Pontiac Moving Forward (***Pontiac Moving Forward: PDA #1.2***).

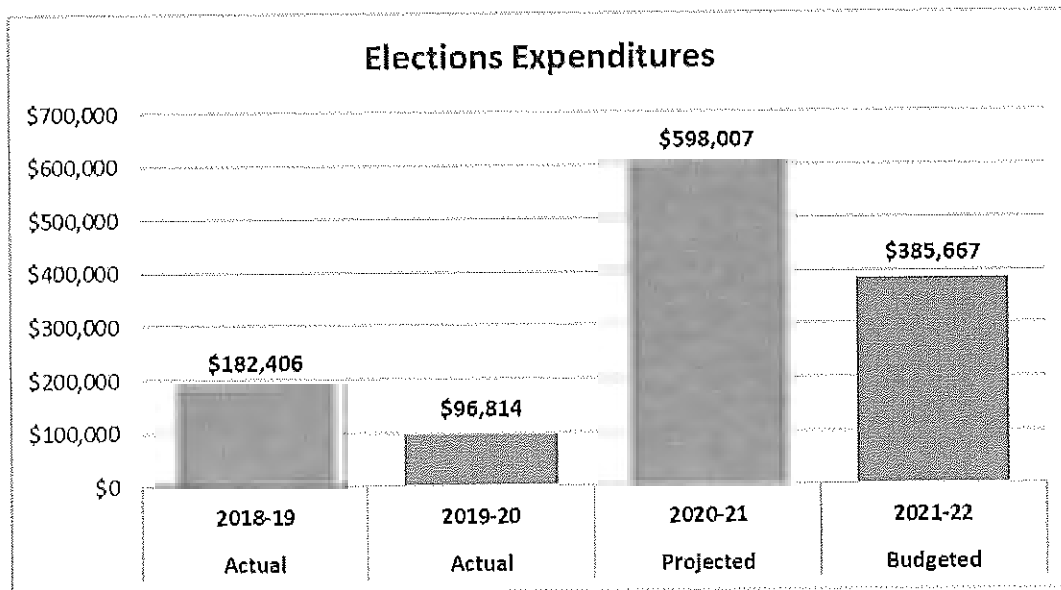
General Fund Expenditures (Continued)

Elections

The mission of the Elections Department is to conduct voter registration and ensure federal, state, and local elections are conducted timely, responsibly, and with the highest level of professional election standards, accountability, security, and integrity.

The Elections Department of the City Clerk's Office maintains the City's Qualified Voter File (QVF - Voter Registration Master File) for the State of Michigan and is responsible for the conduct of all elections in the City. Voter registration is maintained on a daily basis pursuant to the rules of the statewide Qualified Voter File and Michigan Compiled Laws (Election Law). Elections are conducted as scheduled through Election Law.

The Elections Department provides its services to the community by maintaining a permanent absentee voter list and automatically mailing absentee applications to those voters. Voter registration drives are conducted monthly in the community. Staff continually attends training programs to assure up-to-date compliance with all applicable election laws.



FINANCIAL SUMMARY - Elections

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 142,867	\$ 41,355	\$ 173,072	\$ 84,190	\$ 273,547
Supplies	14,945	30,498	64,150	64,150	50,500
Other Services and Charges	24,594	24,961	448,838	449,667	61,620
Total	\$ 182,406	\$ 96,814	\$ 686,060	\$ 598,007	\$ 385,667

Changes in Budget

- ❖ Total \$300,393 decrease in the budget from FY20/21 amended budget and \$212,340 decrease from FY20/21 projections.
- ❖ Other Services and Charges decreased significantly in budget FY21/22. This is due to FY21/22 not including the Election Grant expenditure amount of \$405,640. The grant concluded at the end of FY20/21.
- ❖ Personnel Services showed an increase of \$100,475 due to the new Elections Assistant Position and related benefits

General Fund Expenditures (Continued)

Elections

Elections Department - Goals

- ❖ Comply with Federal and State laws and the City Charter.
- ❖ Process and conduct all elections accurately, efficiently, and in accordance with Federal and State laws, the City Charter, and Adopted Procedures.
- ❖ Train staff and election workers in the latest practices, laws and technology.
- ❖ Raise awareness of the Pontiac Moving Forward initiative when communicating to new registered voters (*Pontiac Moving Forward: PDA #1.2*).

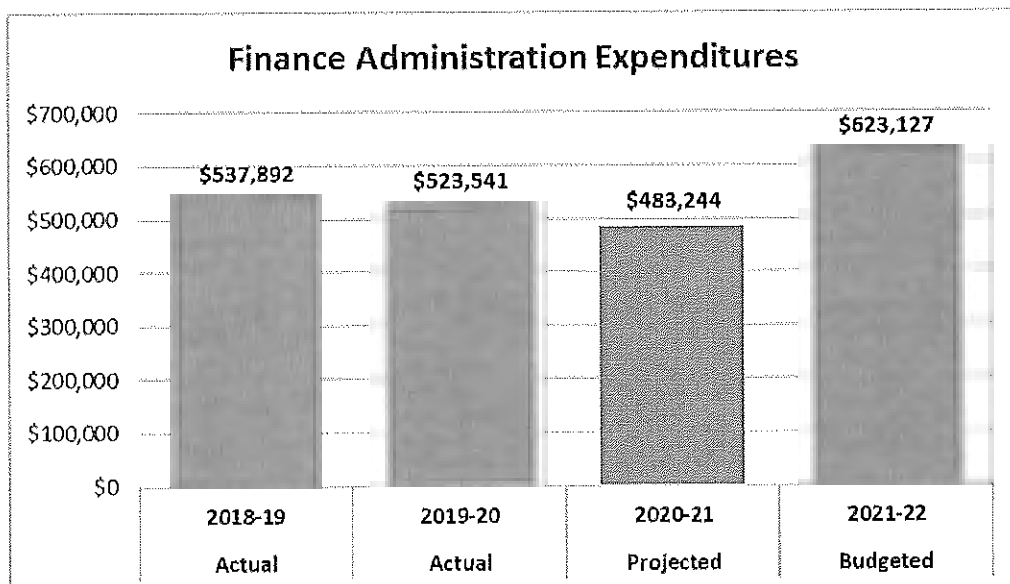
General Fund Expenditures (Continued)

Finance Administration

The mission of Finance Administration is to provide the highest quality financial services at the most effective cost to the City of Pontiac residents.

The Finance Administration is responsible for overall finance operations, such as:

- ❖ Payables processing - Process all vendor and employee payments timely, avoid all potential late fees and take advantage of vendor discounts.
- ❖ Budget - Prepare and monitor the budget, including, but not limited to, preparing revenue and expenditures projections, providing budget assistance, and establishing target goals with other departments, match expenditures to approved appropriations, timely preparation of amended budget resolutions, adjustments, and present reports to City Council monthly.
- ❖ Purchasing – The City provides centralized purchasing for the entire City. Purchasing activities include coordinating the acquisition of goods and services, developing bid packages for potential vendors, and awarding purchase orders and contracts in accordance with City Ordinances and policies.
- ❖ Retirement Pension Boards - The Finance Director sits on the Board of Directors as the Secretary and service as a liaison to the City for the General Employees Retirement Systems (GERS), the Police and Fire Retirement System (PFRS), and Police and Fire VEBA boards.
- ❖ Manage the administration of the financial affairs of the entire City. In addition to serving as a financial advisor for the entire City, the following separately budgeted departments are supervised and report directly to the Finance Director:
 - Accounting
 - Income Tax
 - Information Technology
 - Treasury
 - Assessing
 - Personnel Services



General Fund Expenditures (Continued)

Finance Administration

FINANCIAL SUMMARY - Finance Administration

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 280,476	\$ 309,228	\$ 496,898	\$ 215,890	\$ 514,055
Supplies	6,813	6,973	7,800	7,800	7,235
Other Services and Charges	250,603	207,340	133,063	259,554	101,837
Total	<u>\$ 537,892</u>	<u>\$ 523,541</u>	<u>\$ 637,761</u>	<u>\$ 483,244</u>	<u>\$ 623,127</u>

Changes in Budget

- ❖ Decrease of \$14,634 from the FY20/21 amended budget and \$139,883 from FY20/21 projected activity.
- ❖ Personnel Services increase by \$298,165 from the FY20/21 projected. This was due to several positions being vacant in the Finance Department for much or most of FY20/21. The vacant positions were Finance Director, Deputy Finance Director, and Senior Financial Analyst.

Finance Administration - Goals

- ❖ Achieve the GFOA Distinguished Budget Presentation Award for the fifth year in a row.
- ❖ To coordinate and work with City departments for the expedient purchase of capital equipment, projects, and vehicles.
- ❖ Deliver accurate pay and benefits to employees as scheduled, assuring accuracy of all paychecks, and meet all required tax withholding and reporting deadlines, and distribute all elected withholdings from employee checks as directed.
- ❖ Attend all retirement board and committee meetings on behalf of the City of Pontiac.
- ❖ Monitor and assist with negotiating all contracts of the City to ensure the lowest price with the highest quality of service.
- ❖ Timely respond to Mayor and Departments on requests for fiscal analysis of major projects to the City.
- ❖ Assist the Mayor and City Council with evaluating the feasibility of financial packages for the Pontiac Moving Forward Plan (*Pontiac Moving Forward: PDA #3.4*).

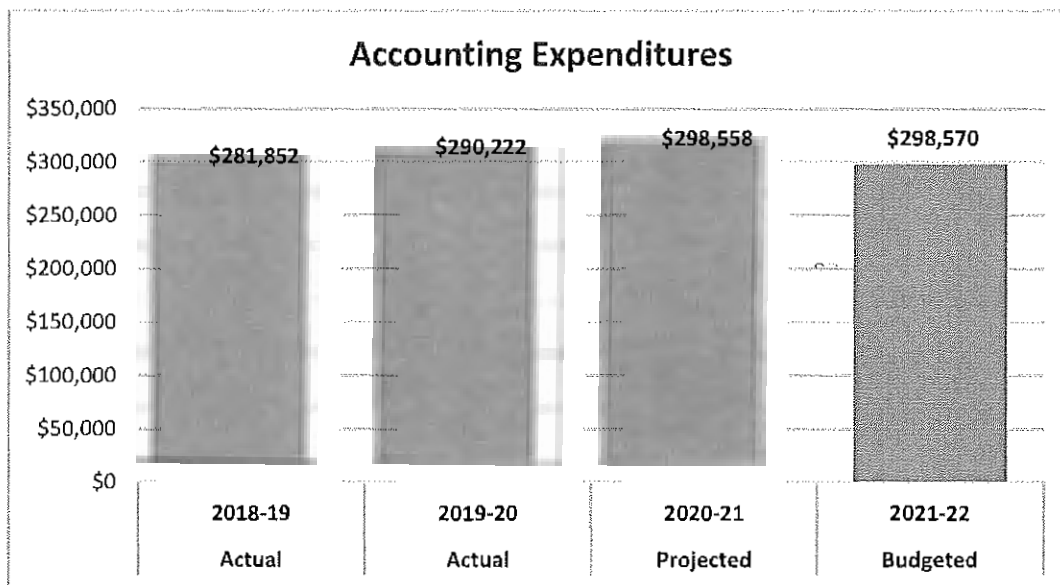
General Fund Expenditures (Continued)

Accounting

The mission of the Accounting Department is to provide accurate and timely comprehensive accounting reports for the City decision-makers to evaluate

The Accounting Department is contracted through Plante Moran and is a component of the Finance Department that reports directly to the Finance Director. Accounting is responsible for reconciling significant transactions from the general ledger to supporting documents. While other departments record the initial cash receipts and disbursements transactions for the City, Accounting provides technical support to these departments on the proper accounting and reporting of transactions. Significant account balances such as cash are reconciled to bank statements monthly and monthly financial reports are produced for internal review by those responsible for operations of the City. The Accounting Departments assists the Finance Director and other departments in analysis of various transactions and financial projections in order for the City to manage and guide the operating results desired.

Accounting also prepares the City for the annual audit required by the State of Michigan, the Single Audit on federal awards as needed, and the filing of other year-end financial reports. Year-end accounting adjustments and new GASB standards are included in the financial statements in accordance with Generally Accepted Accounting Principles (GAAP), the Governmental Accounting Standards Board (GASB), and the uniform accounting procedures and classification of accounts as developed by the State of Michigan.



FINANCIAL SUMMARY - Accounting

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -
Other Services and Charges	281,852	290,222	298,550	298,558	298,570
Total	\$ 281,852	\$ 290,222	\$ 298,550	\$ 298,558	\$ 298,570

General Fund Expenditures (Continued)

Accounting

Changes in Budget

- ❖ Budgeted 2022 expenditures are consistent with 2021 budgeted and projected.
- ❖ Services provided by Plante Moran are the same amount for FY21/22.

Accounting Department - Goals

- ❖ Ensure compliance with financial reporting standards set by GAAP, GASB, GFOA, State of Michigan, and the Federal Government.
- ❖ Implement Governmental Accounting Standards Board numbers 84 and 87 into the audited financial statements.
- ❖ Reconcile all financial transactions accurately, timely, and cost-effectively and provide interim financial reports to finance director and Mayor.
- ❖ Achieve unmodified opinion from the City's external Auditor and assist City with compliance with financial reporting standards. The recent changes in auditing standards significantly raised the bar on what is expected of management and the communication to the governing body for all procedures, processes, and internal controls.
- ❖ Assist Finance Director and senior financial analyst with preparing financial analysis on programs for the Pontiac Moving Forward (***Pontiac Moving Forward: PDA #3.11***).

General Fund Expenditures (Continued)

Income Tax

The mission of the City Income Tax Department is to collect the City's income tax efficiently and equitably within the limits of the City income tax ordinance.

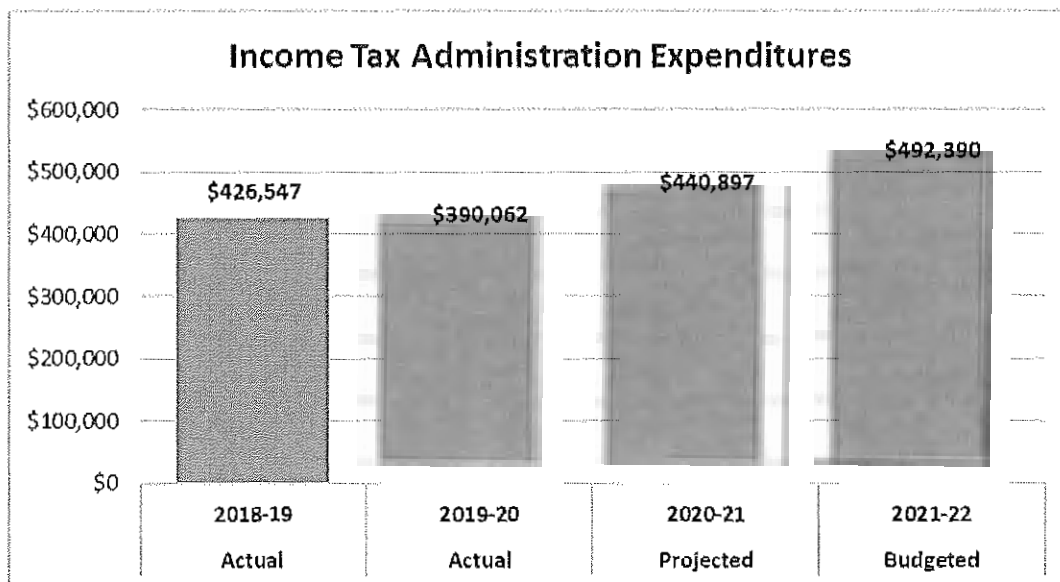
The City Income Tax Department is part of the City's Finance Department and is comprised of two sections:

❖ **Income Tax Department**

Responsible for the collection and processing of income tax returns and issues refunds or assessments as required, and administration of the income tax ordinance.

❖ **Income Tax Audit & Compliance**

Responsible for the development of compliance programs, enforcement of the income tax ordinance, and collection of past due and delinquent income tax due to the City of Pontiac.



FINANCIAL SUMMARY - Income Tax Administration

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Personnel Services	\$ 76,696	\$ 80,767	\$ 85,771	\$ 72,010	\$ 116,450
Supplies	36,766	28,205	34,450	35,650	34,150
Other Services and Charges	313,085	281,090	349,981	333,237	339,990
Capital Outlay	-	-	1,800	-	1,800
Total	\$ 426,547	\$ 390,062	\$ 472,002	\$ 440,897	\$ 492,390

General Fund Expenditures (Continued)

Income Tax

Changes in Budget

- ❖ Total \$20,388 increase from the FY20/21 amended budget and \$51,493 increase from FY20/21 projected activity.
- ❖ The primary Increase is due to Personnel Services. Medical Insurance line item for \$18,597 was added into the budget for FY21/22. The budget also includes a new line item for MERS Employer Contributions in the amount of \$3,850.
- ❖ The Other Services and Charges included a decrease for Professional Services Innovative Software to process Income Tax returns and payments, and a decrease in printing and bindery services during FY21/22.

Income Tax Administration - Goals

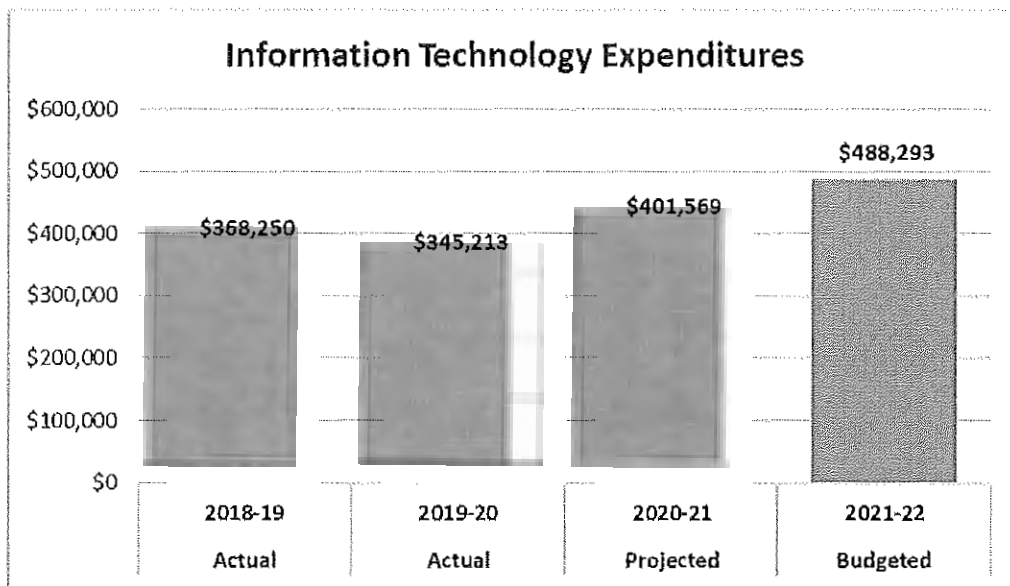
- ❖ Ensure continued compliance with City Charter and State of Michigan Income Tax Laws.
- ❖ Implement new statutory requirements and regulations in a timely and cost-effective manner.
- ❖ Provide efficient income tax administration through effective communication with all taxpayers, including deploying instructions for the Resident Income Tax form translated into Spanish.
- ❖ Provide outreach to the preparer community.
- ❖ Coordinate with Purchasing, Accounts Payable, and Building Departments to improve income tax compliance with the business community.
- ❖ Develop a succession plan to continue/enhance enforcement/compliance efforts by the Income Tax Department.
- ❖ Increase efforts in collecting delinquent accounts.

General Fund Expenditures (Continued)

Information Technology

The Information Technology (IT) Services Department is responsible for supporting information, communications, and technology needs of City government including network and data center operations, desktop/network/mobile computing, application and integration support, content and document management, geographical information systems, telecommunications, physical and virtual security, audio/visual systems and enterprise printing. IT provides leadership in setting future direction for Information Technology so the City can achieve its strategic priorities. IT collaborates with service areas on business process improvements by delivering clear business value and providing enterprise-level project management expertise while ensuring successful initiatives across the organization.

- ❖ Offering clear and concise technical expertise, bridging any technical gaps as they arise.
- ❖ Promote and facilitate the effective integration of technology into the basic mission of the City of Pontiac through planning, training, consulting, and other support activities.
- ❖ Develop, enhance, and manage the City's enterprise network to provide high speed, transparent, and highly functional connectivity among all information resources.
- ❖ Facilitate the collection, storage, security and integrity of electronic data while ensuring appropriate access.
- ❖ Promote new uses of information technology within the City through the support for exploratory and innovative applications.
- ❖ Provide leadership for effective strategic and tactical planning in the use of technology
- ❖ Supporting the effectiveness of City of Pontiac operations through IT solutions and processes that align with the City's priorities and strategic initiatives.



FINANCIAL SUMMARY - Information Technology

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Supplies	\$ 2,837	\$ 3,568	\$ 14,025	\$ 16,030	\$ 14,025
Other Services and Charges	365,413	341,645	369,500	385,539	474,268
Total	<u>\$ 368,250</u>	<u>\$ 345,213</u>	<u>\$ 383,525</u>	<u>\$ 401,569</u>	<u>\$ 488,293</u>

General Fund Expenditures (Continued)

Information Technology

Changes in Budget

- ❖ Total \$104,768 increase from the FY20/21 amended budget and \$86,724 from FY20/21 projected activity.
- ❖ Supplies remained the same amount as the FY20/21 amended budget.
- ❖ Other Services and Charges increased from FY20/21 amended budget. The line item Services – Maintenance-Computer Equipment increased by \$103,478 in FY21/22.

Information Technology - Goals

- ❖ Evaluate Pontiac's current technology resources (website, social media, etc.) to promote Pontiac Moving Forward (*Pontiac Moving Forward: PDA# 1.2, 1.3, 3.8, 5.1*).
- ❖ Assemble a roadmap to upgrade IT infrastructure. This includes Networking hardware, Virtualization stack, and Software.
- ❖ Implement plan to start rolling refresh of workstations. Starting in 2019, 1/3 of all workstations would be refreshed. Every year going forward we would refresh 1/3 of all workstations as the warranty expires.
- ❖ Upgrade Website with Revize. Revize handles City of Pontiac website hosting. The City is currently working with Revize to update technologies that will provide departments the best tools to inform residents of current and upcoming events regarding transportation, downtown and business development.
- ❖ Most likely we are to implement and deploy Service Plus for ticketing system.
- ❖ Upgrade Access Switches. The current switches are EOL (End of Life) and will no longer be supported.
- ❖ Upgrade Core Switches to Cisco 9200. To handle traffic more efficiently, to set up the right environment for new phone system in the following fiscal year. The City has started using Ring Central during FY20/21.

General Fund Expenditures (Continued)

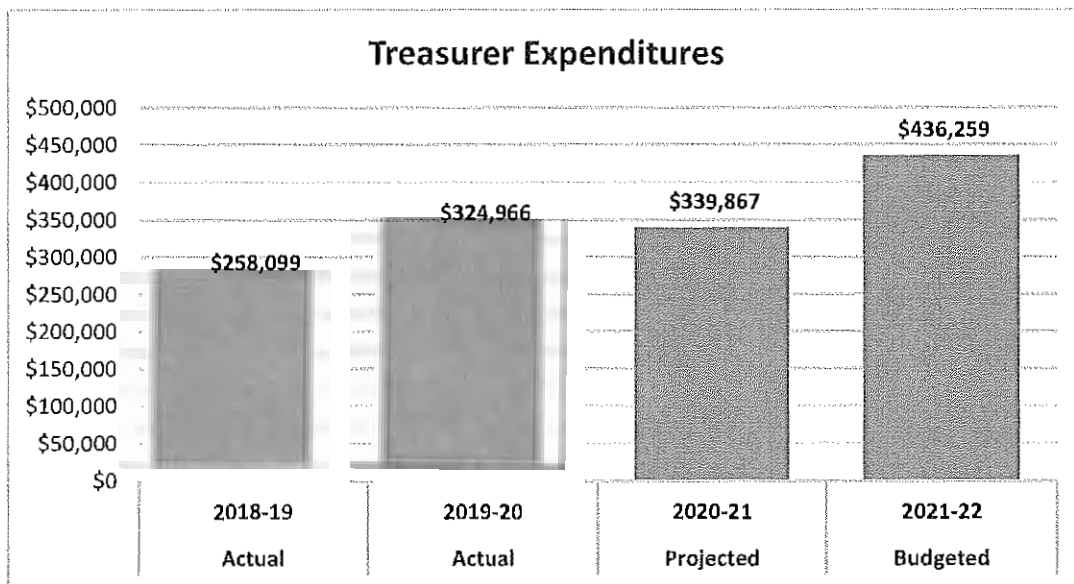
Treasurer

The mission of the Treasury Department is to accurately and timely collect, disburse, and prudently invest the City's monies.

The Treasurer's Department is responsible for collecting and reporting all revenues received by the City. This includes revenues directly collected by the Treasurer's Office and revenues collected by other areas and reported to the Treasurer's Office. Revenue transactions conducted at the Treasurer's Office include:

- ❖ Purchase of dog licenses
- ❖ Payment for current year property tax
- ❖ Payment for income taxes
- ❖ Payments for account receivables invoices and special assessment

The Treasurer is also responsible for mailing all tax bills and collecting all tax payments. The Treasurer also prepares the Tax Settlement on an annual basis with Oakland County. The Treasurer also coordinates the Board of Review for any taxpayers that wish to dispute their property tax assessment.



FINANCIAL SUMMARY - Treasurer

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 180,880	\$ 191,113	\$ 322,995	\$ 220,920	\$ 329,902
Supplies	28,819	25,545	29,750	29,750	29,750
Other Services and Charges	48,400	108,308	76,447	89,197	76,607
Total	\$ 258,099	\$ 324,966	\$ 429,192	\$ 339,867	\$ 436,259

General Fund Expenditures (Continued)

Treasurer

Changes in Budget

- ❖ Total \$7,067 increase from FY20/21 amended budget and \$96,392 increase from FY20/21 projected activity.
- ❖ Slight Increase from the FY20/21 amended budget can be mainly attributed to Personnel Services. The increase is due to employee raises and increased benefit lines

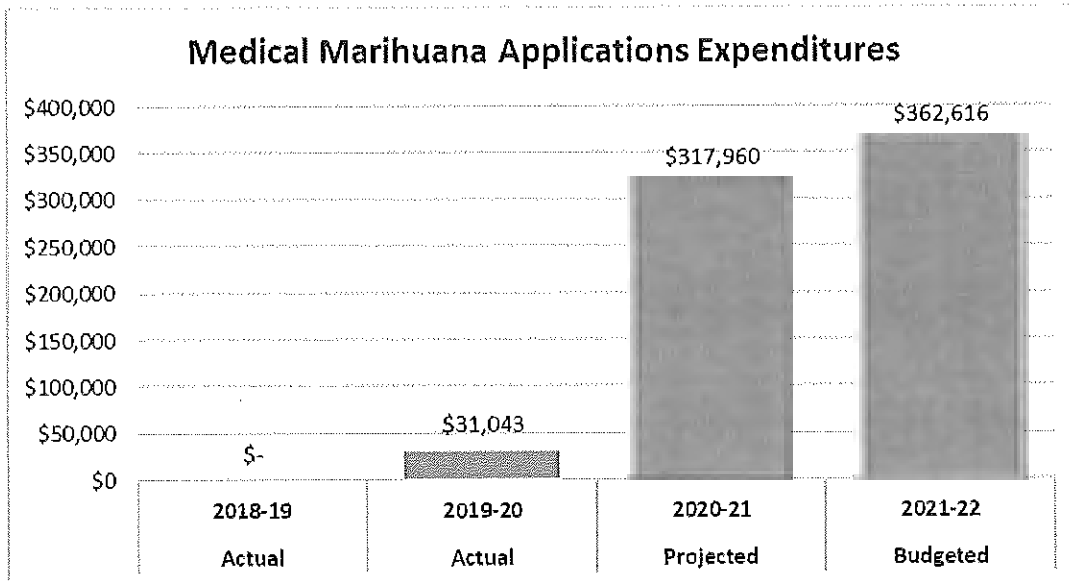
Treasurer - Goals

- ❖ Ensure compliance with City Charter and State of Michigan General Tax Laws by maintaining accurate tax rolls and implementing new statutory requirements and regulations in a timely and cost-effective manner
- ❖ Review programs and procedures to maximize enhancements and efficiencies.
- ❖ Research new banking services to improve departmental efficiency and provide increased levels of service to our constituents.
- ❖ Maintain the updated Investment Policy consistent with State law and industry best practices.
- ❖ Evaluate and identify residents and tax parcels that could benefit from Pontiac Moving Forward (*Pontiac Moving Forward: PDA #5.4, 5.5*).

General Fund Expenditures (Continued)

Medical Marihuana Applications

The Medical Marihuana Applications Department purpose is to ensure proper applications and fees are filled out and met before a medical marihuana facility can operate within the City of Pontiac. The Department is overseen by the City Clerk and abides by Pontiac Ordinance NO. #2357(B).



FINANCIAL SUMMARY - Medical Marihuana Applications

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ -	\$ -	\$ 19,019	\$ 1,000	\$ 71,786
Supplies	-	2,432	1,618	1,620	8,000
Other Services and Charges	-	28,611	315,536	315,340	282,830
Total	\$ -	\$ 31,043	\$ 336,173	\$ 317,960	\$ 362,616

Changes in Budget

- ❖ The Medical Marihuana Applications Department was created in FY19/20.
- ❖ There is an increase of \$26,443 from the FY20/21 amended budget, and an increase of \$44,656 from the FY20/21 projected activity.
- ❖ The Personnel Services increase is due to the addition of the Regulatory Analyst position into the department. The wages line item increased along with several benefit line items.
- ❖ Other Services and Charges also decreased from FY20/21 amended budget. This was due to decreasing the line item for Legal Advisor to City Clerk by \$85,000.

Medical Marihuana Applications – Goals

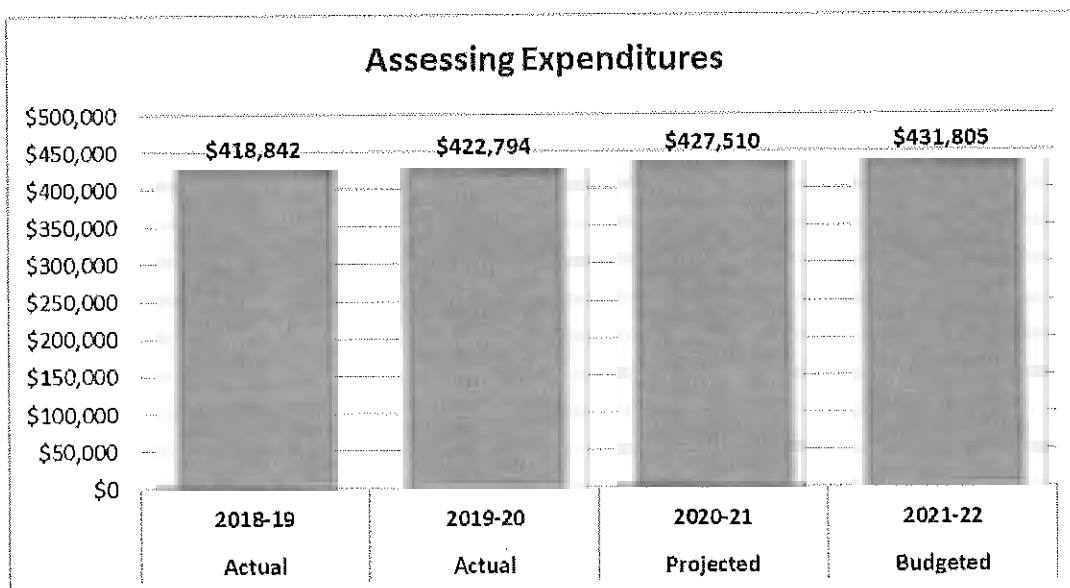
- ❖ To ensure all proper applications and fees are filled out entirely before a medical marihuana facility can operate within the City.
- ❖ Stay up to date with current State regulations and procedures regarding the application process for Medical Marihuana Facilities.

General Fund Expenditures (Continued)

Assessing

The mission of the Assessing Department is to assure that property assessment rolls are lawful, accurate, and equitable.

The Assessing Department is contracted through Oakland County Equalization Department. Oakland County develops an annual tax roll pursuant to mandates of State Property Tax Law and the City Charter for use by all taxing authorities located within the City of Pontiac. Parts of this process include maintaining: Property Record and Valuation files; Property Sales files; Property Tax maps; up-to-date Name and Address files; Homeowner's Principal Residence Exemption Affidavit files; Property Transfer Affidavit files; and Equalization files for reporting purposes.



FINANCIAL SUMMARY - Assessing

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Personnel Services	\$ 1,800	\$ 2,100	\$ 1,800	\$ 900	\$ 1,000
Supplies	10,544	10,141	12,000	12,000	12,000
Other Services and Charges	406,498	410,553	414,608	414,610	418,805
Total	\$ 418,842	\$ 422,794	\$ 428,408	\$ 427,510	\$ 431,805

Changes in Budget

- ❖ Total \$3,397 increase from FY20/21 amended budget. Total \$4,295 increase from FY20/21 projected activity. Assessing services provided by Oakland County increased slightly.

Assessing - Goals

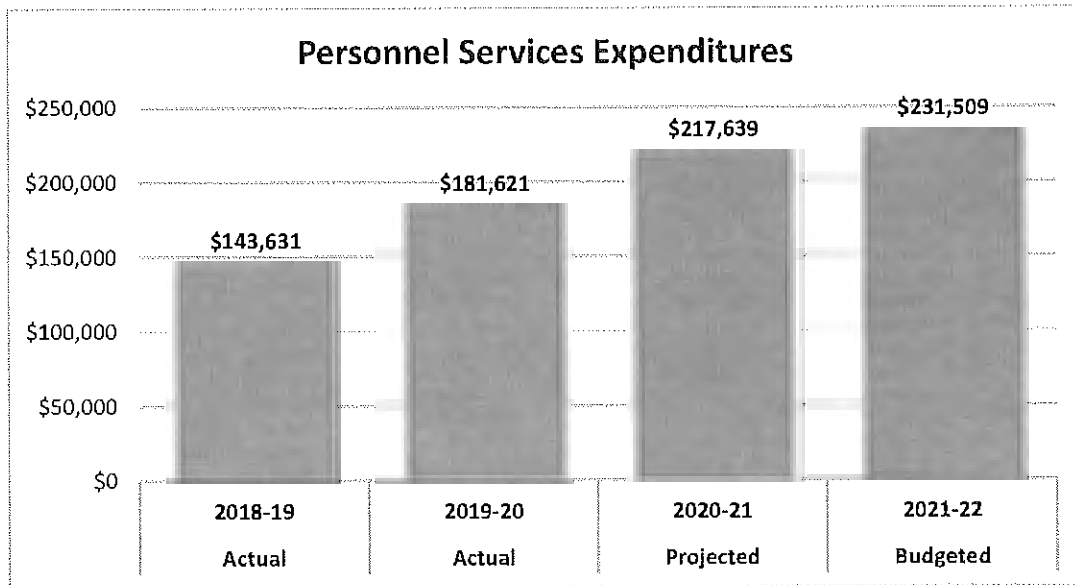
- ❖ Provide programs and procedures that ensure a fair and equitable assessment administration system, according to the City Charter and Michigan General Property Tax Laws.
- ❖ Ensure a comprehensive and impartial review of all parcels appealed before the Board of Review.
- ❖ Provide assistance to economic development and building department to timely supply assessing of new developments that come to the City.

General Fund Expenditures (Continued)

Personnel Services

The mission of the Personnel Department is to serve as a strategic partner in the selection, management, and development of staff to meet the organization's current needs and objectives.

The Personnel Department currently performs key internal services in support of the City's workforce and operations. Services include staffing, wage and salary administration, benefits administration, safety and worker's compensation, employee development, employee and labor relations, and personnel records administration.



FINANCIAL SUMMARY - Personnel Services

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 42,138	\$ 141,027	\$ 152,389	\$ 132,020	\$ 152,389
Supplies	10,955	1,090	3,350	3,350	3,350
Other Services and Charges	90,538	39,504	55,741	82,269	75,770
Total	\$ 143,631	\$ 181,621	\$ 211,480	\$ 217,639	\$ 231,509

Changes in Budget

- ❖ Total \$20,029 increase from FY20/21 amended budget and \$13,870 increase from FY20/21 projected activity.
- ❖ Personnel Services stayed consistent from FY20/21 amended budget in FY21/22.
- ❖ Other Services and Charges also increased slightly due to the Other Professional Services line item. This line increased by \$20,000 for FY21/22.
- ❖ Supplies budgeted amounts stayed the same as the FY20/21 amended budget.

General Fund Expenditures (Continued)

Personnel Services

Personnel Services - Goals

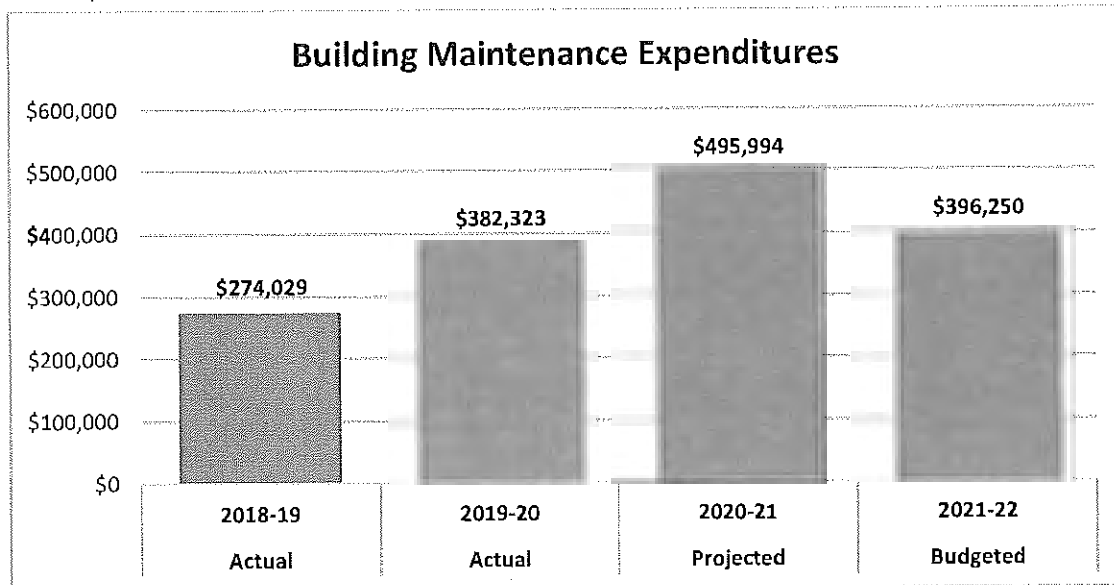
- ❖ Develop, present and implement Emergency Preparedness Manual to establish procedures and train staff how to respond in the event of an emergency.
- ❖ Continue to help maintain the professional environment within the City.
- ❖ Obtain approval and implement Training Plan.
- ❖ Implement training and team building activities to increase employee morale.
- ❖ Continue to reconcile all insurance invoices.
- ❖ Continue to provide professional and courteous customer service to all stakeholders.
- ❖ Provide information to all employees on the importance of the Pontiac Moving Forward initiative (***Pontiac Moving Forward: PDA #1.1 - 1.3***).

General Fund Expenditures (Continued)

Building Maintenance

The mission of the Building Maintenance Department is to provide a well maintained, clean, and comfortable environment for our residents, visitors, and employees.

The Building Maintenance Department ensures all City buildings are equipped with supplies and cleaned on a regular basis. The department also coordinates all outdoor maintenance, including mowing and plowing.



FINANCIAL SUMMARY - Building Maintenance

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 78,224	167,427	121,832	\$ 257,880	\$ 181,685
Supplies	12,276	18,695	28,830	30,250	30,750
Other Services and Charges	183,529	196,201	183,395	207,864	183,815
Total	\$ 274,029	\$ 382,323	\$ 334,057	\$ 495,994	\$ 396,250

Changes in Budget

- ❖ Total \$62,193 increase from FY20/21 amended budget and \$99,744 decrease from projected activity.
- ❖ Increase in Personnel Services is related to four positions being budgeted in the department for FY21/22. The four positions consist of two full time janitors, a full time Building Laborer, and 50% allocated Maintenance Worker.
- ❖ Supplies amounts stayed consistent through both Fiscal Years.
- ❖ Other Services and Charges is increasing slightly due to the COVID 19 expenditures line item adding \$5,000 to the budget in FY21/22. The line item for Contractual Janitorial Services has decreased to zero in FY21/22.

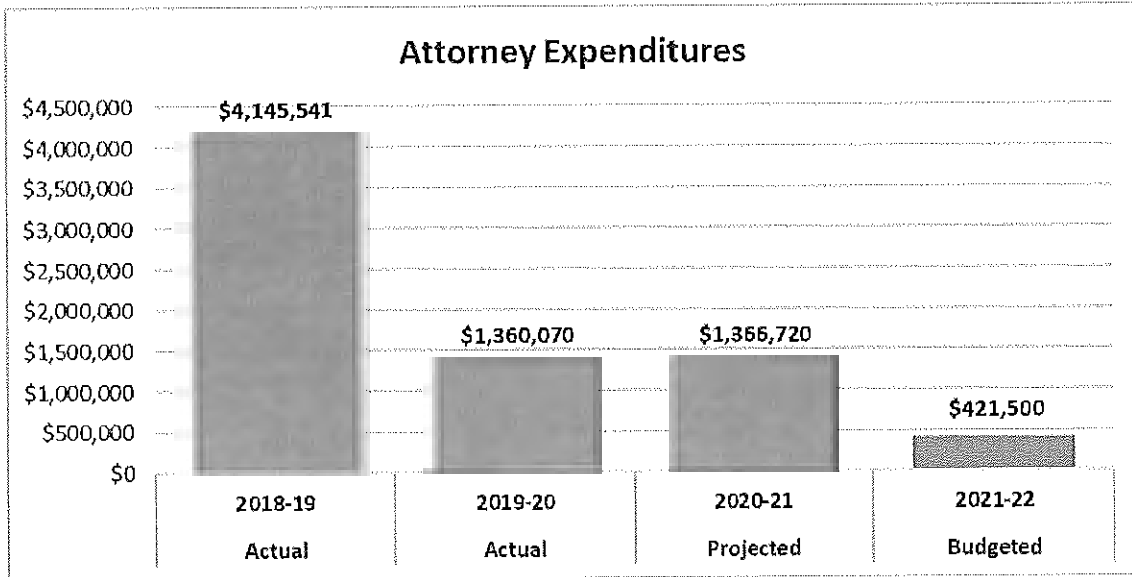
Building Maintenance - Goals

- ❖ To work with the Parks & Grounds Maintenance Department to improve the exterior aesthetics of the City Hall Commons.
- ❖ Continue to review janitorial services to maintain clean and sanitary building for employees and customers.
- ❖ Monitor janitorial supplies for fair pricing.
- ❖ Provide distribution material in all City buildings on the Pontiac Moving Forward initiative (*Pontiac Moving Forward: PDA# 1.2*).

General Fund Expenditures (Continued)

Attorney

The City of Pontiac utilizes contractual legal services for routine issues, lawsuits, contract administration, labor relations, pension/benefit related administration, interpretation and preparation of ordinances, prosecution of ordinance violations, and review of City Charter issues. In order to obtain high-quality legal services at the best price possible, the City contracts with outside law firms for all legal services, as the City employs no in-house attorneys.



FINANCIAL SUMMARY - Attorney

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Other Services and Charges	\$ 4,145,541	\$ 1,360,070	\$ 1,103,005	\$ 1,366,720	\$ 421,500
Total	\$ 4,145,541	\$ 1,360,070	\$ 1,103,005	\$ 1,366,720	\$ 421,500

Changes in Budget

- ❖ Decrease of \$681,505 from the FY20/21 amended budget and \$945,220 decrease from the FY20/21 projected balance. The significant difference is due to the \$700,000 Phoenix Center settlement being paid out in FY20/21 and not budgeted again in FY21/22.
- ❖ The City uses Giamarco Mullins & Horton as its City Attorney.

Attorney - Goals

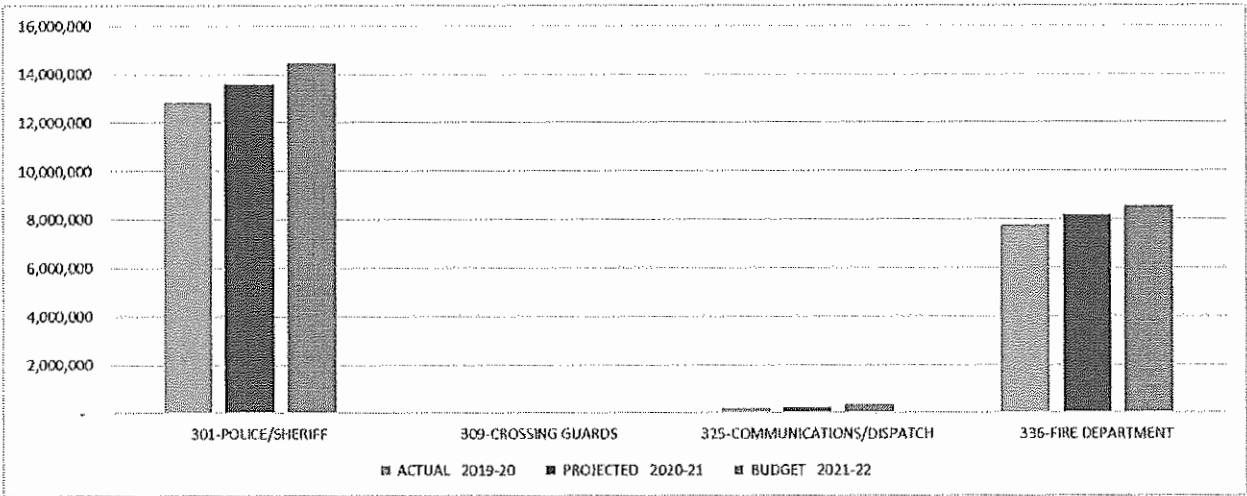
- ❖ Provide timely and logical responses to all questions and issues assigned to the law firm.
- ❖ Issue solid and defensible legal opinions on all issues referred to the law firm.
- ❖ Represent the City vigorously and effectively in lawsuits filed on behalf of, or against, the City of Pontiac.
- ❖ Remain knowledgeable and informed about legal issues that may affect City government and provide proactive advice to City Council and Administration regarding such issues.
- ❖ Review plans and processes on Pontiac Moving Forward to ensure legal compliance (*Pontiac Moving Forward: PDA #3.6*).

General Fund Expenditures

Public Safety Function

Operations under this category include Police, Fire, Dispatch and Crossing Guards. These are the roles that a city uses to keep the public safe.

The Public Safety Function for the General Fund represents about 56% of the total expenditures or approximately \$23.4 million of the total budget for FY21/22. The pages that follow explain each department of the Public Safety Function and the changes to the budget.



General Fund Expenditures (Continued)

Police

The Oakland County Sheriff's Office - Pontiac Patrol Department was created to provide contracted police services to the City of Pontiac. In addition to performing the conventional duties of law enforcement, the Sheriff's Office maintains a substation in the City of Pontiac, which is open 24 hours a day, affording residents the ability to:

- ❖ Place their house on the House Check list, providing extra patrol during extended periods the homeowner will be away.
- ❖ Make reports of incidents or accidents when a police officer was not called to the scene.
- ❖ Have officers available to talk to Community Groups, Homeowners Associations, and Businesses on topics of concern.
- ❖ Provide PBT (preliminary breath tests) at a fee of \$10 per test.

The Police Services Unit provides the organization with a broad array of services such as: uniformed patrol, traffic enforcement, ordinance enforcement, professional standards, parking enforcement, general investigations, specialized investigations, K-9 Unit, training, recruiting, hiring, data processing, and records management. In addition to responding to calls for service and follow-up investigations, the Police Services Unit is committed to proactive policing and community engagement. The Emergency Management Services Unit is responsible for the coordination of citywide emergency preparedness. The unit also manages overall emergency response and recovery, intergovernmental emergency cooperation, emergency public information, and administers state and federal grants.

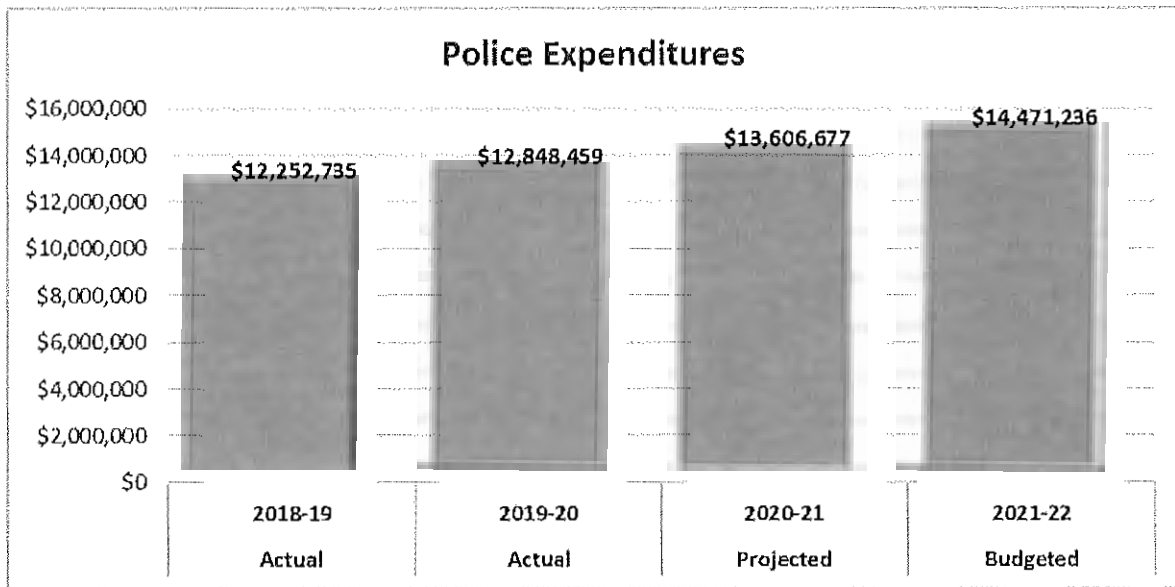
Community Policing Unit

The Community Policing Unit utilizes organizational strategies, community partnerships and problem-solving techniques to proactively address public safety and "quality of life" issues within the City of Pontiac. The goal for this unit will be to significantly increase the Sheriff's Office attendance at functions and events throughout the City, to have a presence in the schools in the City, and to increase our partnerships with youth organizations. Also,

- ❖ Address citizen complaints regarding public safety and quality of life issues throughout the City.
- ❖ Involvement in youth programs and events through the Sheriff's PAL program, the schools, and local places of worship.
- ❖ Acting as a liaison with local businesses.
- ❖ Assisting with the coordination of various community events.

General Fund Expenditures (Continued)

Police



FINANCIAL SUMMARY - Police

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 81,362	\$ 59,123	\$ 80,303	\$ -	\$ 48,167
Supplies	3,005	11,705	6,300	7,860	7,800
Other Services and Charges	12,168,368	12,777,631	13,335,670	13,598,817	14,415,269
Total	\$ 12,252,735	\$ 12,848,459	\$ 13,422,273	\$ 13,606,677	\$ 14,471,236

Changes in Budget

- ❖ Total \$1,048,963 increase from the FY20/21 amended budget and \$864,559 increase from FY20/21 projected.
- ❖ The Other Services and Charges increase is mainly from the contract with Oakland County for both regular service and overtime.

Police/Sheriff - Goals

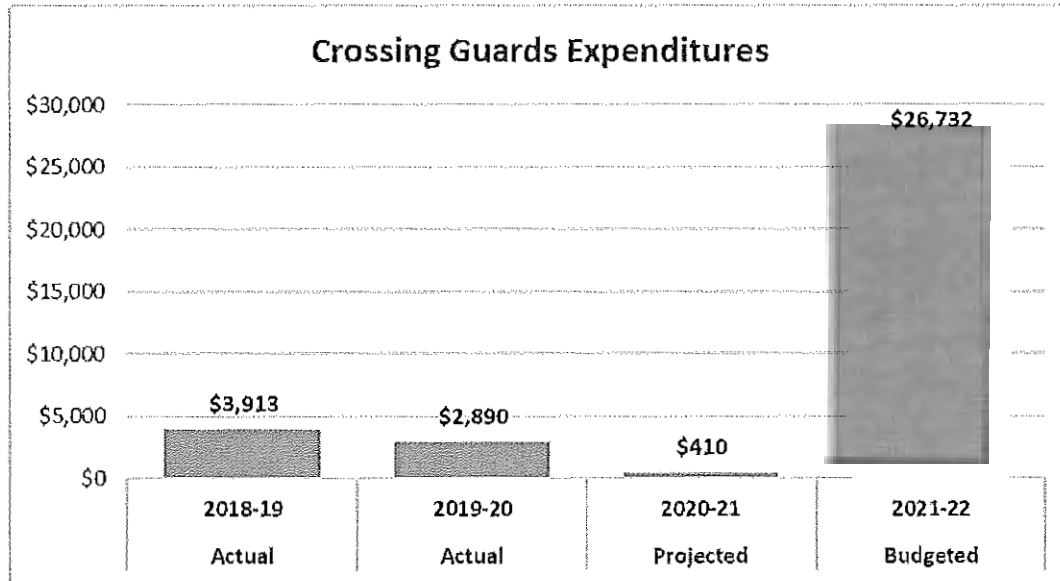
- ❖ Provide high visibility, community-oriented neighborhood patrol to residents.
- ❖ Maintain positive relationships with citizens and Homeowner Associations to provide for open communication.
- ❖ Enforce compliance with State law and Local ordinances.
- ❖ Remain vigilant in monitoring crime trends and adjust staff appropriately to address problems/challenges relating to changing economic conditions.
- ❖ Identify and maintain an acceptable level of service with current staffing.
- ❖ Improve response time to aid citizens and be on par with other Oakland County communities.
- ❖ Assist the City with identifying neighborhoods and businesses for improvement in the Pontiac Moving Forward initiative (*Pontiac Moving Forward: PDA # 4.3*).

General Fund Expenditures (Continued)

Crossing Guards

The Crossing Guard Program ensures the safety of pedestrian students of the City of Pontiac School Districts.

The Crossing Guard Program provides adult guidance by certified individuals at identified school crossing locations in order to create gaps in traffic ensuring for the safe flow of pedestrian students and vehicular traffic.



FINANCIAL SUMMARY - Crossing Guards

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Personnel Services	\$ 3,913	\$ 2,890	\$ 26,732	\$ 410	\$ 26,732
Supplies	-	-	-	-	-
Total	\$ 3,913	\$ 2,890	\$ 26,732	\$ 410	\$ 26,732

Changes in Budget

- ❖ The FY21/22 Budget remained the same as the FY20/21 budget and increase of \$26,322 from projection.

Crossing Guards - Goals

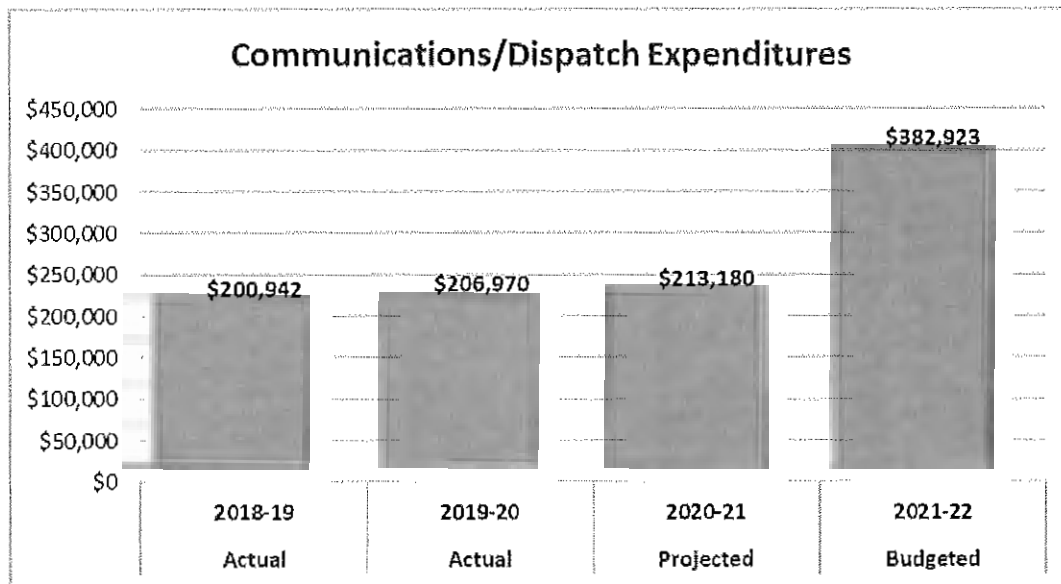
- ❖ Provide for the safe crossing of students to and from school during the school year.

General Fund Expenditures (Continued)

Dispatch

The Dispatch Department is the first link between emergency providers and the public we serve. Its role is to provide professional and courteous dispatching services.

The City of Pontiac contracts dispatching services through Oakland County Sheriff's Operation Center. The Oakland County Sheriff's Operations center supports all divisions of the Sheriff's Office and operates one of the largest law enforcement/medical/fire dispatch 911 centers in Michigan. The Sheriff's Operations Center staff is comprised of a Chief of Communications, a QA Supervisor Medical/Fire, a QA Supervisor Law Enforcement, five Sergeants, five Dispatch Shift Leaders, fifty-eight Dispatch Specialists, two Warrant Clerks, and one Office Assistant.



FINANCIAL SUMMARY - Communications/Dispatch

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Other Services and Charges	\$ 200,942	\$ 206,970	\$ 213,180	\$ 213,180	\$ 382,923
Total	\$ 200,942	\$ 206,970	\$ 213,180	\$ 213,180	\$ 382,923

Changes in Budget

- ❖ Other Services and Charges is expected to increase \$169,743 from the FY20/21 amended budget and projection due to a contractual increase with Oakland County for dispatch services.

Communications/Dispatch - Goals

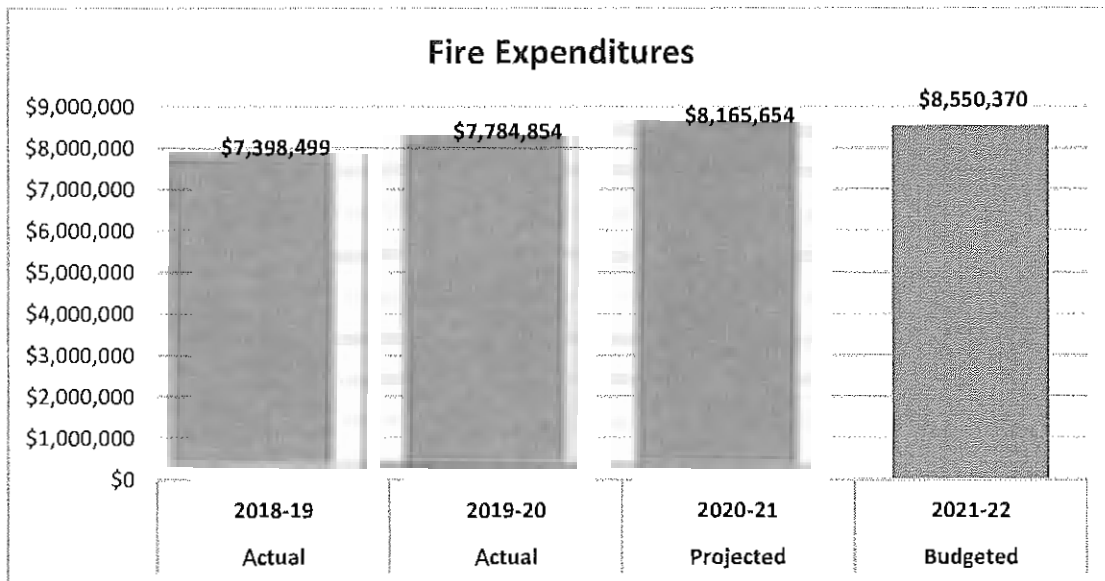
- ❖ Encourage and support citizen involvement and leadership to improve the quality of life by ensuring that the citizen's first point of contact with his/her public safety resources is courteously, sympathetically, and efficiently met.
- ❖ Ensure the safety and effectiveness of our officers and other public safety personnel by diligently and thoroughly gathering all pertinent information necessary to ensure a safe and efficient response.
- ❖ Provide our officers and other public safety personnel with a communications' safety net through conscientious monitoring, and when necessary, through timely intervention and interaction.

General Fund Expenditures (Continued)

Fire

The City of Pontiac contracts fire services through the Waterford Township Fire Department. Waterford Township has become one of the most progressive, best equipped, best trained, and technologically advanced fire departments in the State of Michigan. With this progressive approach, the Waterford Fire Department took on the fire protection needs of the City of Lake Angelus in 2000. In February 2012, the Fire Department began contracting Fire and EMS services to the City of Pontiac.

Waterford Fire Department is now the largest staffed fire department in Oakland County. Resources include 8 fire stations staffed 24 hours a day, 10 fully equipped late-model fire engines, 6 state-of-the-art Advanced Life Support EMS rescue vehicles, 3 100-foot aerial ladder trucks, 2 mobile command vehicles with on-board computer and communications system, 144 full-time highly trained firefighters, of which 105 are licensed paramedics, and 10 volunteer firefighters.



FINANCIAL SUMMARY - Fire

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Supplies	\$ 1,111	\$ 2,762	\$ 3,000	\$ 3,000	\$ 3,000
Other Services and Charges	7,397,388	7,782,092	8,160,467	8,162,654	8,547,370
Total	\$ 7,398,499	\$ 7,784,854	\$ 8,163,467	\$ 8,165,654	\$ 8,550,370

Changes in Budget

- ❖ \$386,903 increase from FY20/21 budget and \$384,716 increase from FY20/21 projected is from a contractual increase in services with Waterford Township for fire services.

General Fund Expenditures (Continued)

Fire

Fire Dept - Goals

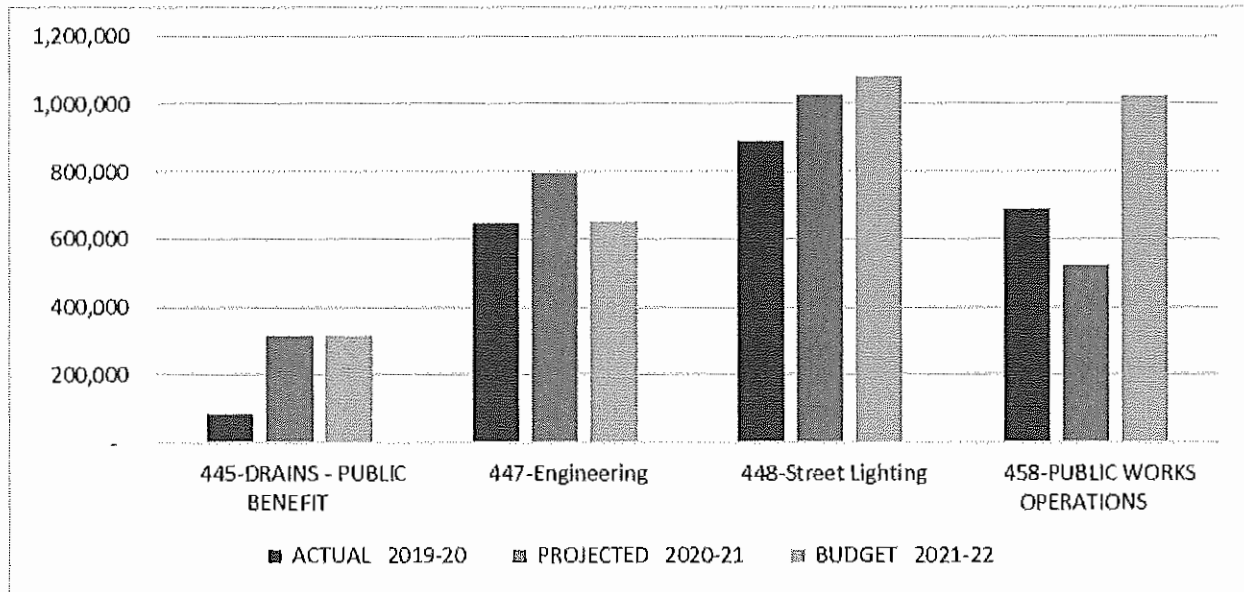
- ❖ Provide a high level of emergency service that continually improves the quality of life for residents, businesses, and visitors.
- ❖ Continue improving various areas within the department ranging from service and program enhancements to operational improvements, all while remaining fiscally prudent with taxpayer dollars.
- ❖ Assist the City with identifying neighborhoods and businesses for improvement in the Pontiac Moving Forward initiative (*Pontiac Moving Forward: PDA # 4.3*).

General Fund Expenditures

Public Works Function

Operations under this category include DPW Administration, Engineering, Drains, and Street Lighting which are funded by the General Fund.

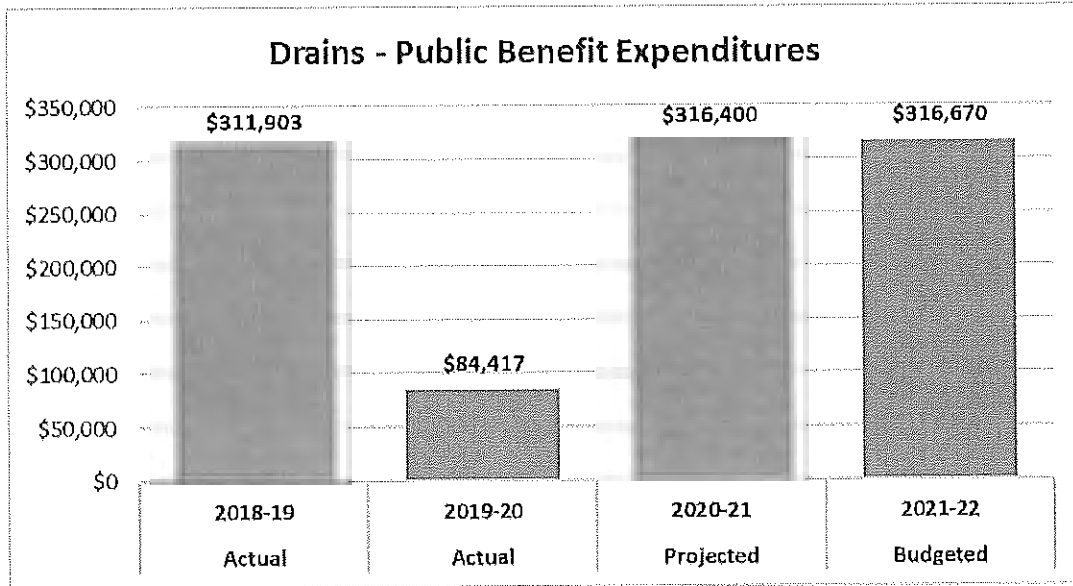
The Public Works Function for the General Fund represents 7% of the total expenditures or approximately \$3 million of the total budget for FY21/22. The pages that follow explain each department of the Public Works Function and the changes to the budget.



General Fund Expenditures (Continued)

Drains - Public Benefit

Drains - Public Benefit Department is used to account for Drain Maintenance expenditures within the City of Pontiac.



FINANCIAL SUMMARY - Drains - Public Benefit

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Other Services and Charges	\$ 311,903	\$ 84,417	\$ 316,400	\$ 316,400	\$ 316,670
Total	\$ 311,903	\$ 84,417	\$ 316,400	\$ 316,400	\$ 316,670

Changes in Budget

- ❖ Budget increased slightly by \$270 from the FY20/21 amended budget and projected.
- ❖ 2019-20 activity was an outlier due to no work being done in the spring of 2020 as a result of the pandemic.

Drains Dept - Goals

- ❖ Coordinate with Oakland County Water Resource Commission (OCWRC) to design, construct, preserve, and maintain drainage facilities in the community as provided for under the Public Drain Code.
- ❖ Cooperate with OCWRC to reach compliance requirements of the Soil Erosion and Sedimentation Act.
- ❖ Evaluate the application of enabling legislation for the development of funding strategies in order to meet the federally required (but unfunded) mandates for storm water maintenance.

General Fund Expenditures (Continued)

Engineering

The **Engineering Department** provides a wide range of engineering services to the Department of Public Works and Utilities, the Mayor's Office, other city departments, as well as the general public. Below are generalities and specific functions of the department:

❖ **Administration of Capital Improvement Programs & Resource Management**

- Construction administration and inspection
- Construction layout
- CDBG Sidewalk Program
- Design

❖ **Preparation/Processing Applications of Federal and/or State Funding**

- Providing technical support for grant applications
- Apply for funding with MDOT, RCOC, and SEMCOG
- Cost Analysis/Value Engineering for Capital Projects
- Estimating
- Evaluating/Recommending design changes

❖ **Administrative Support for Specific Programs & Projects**

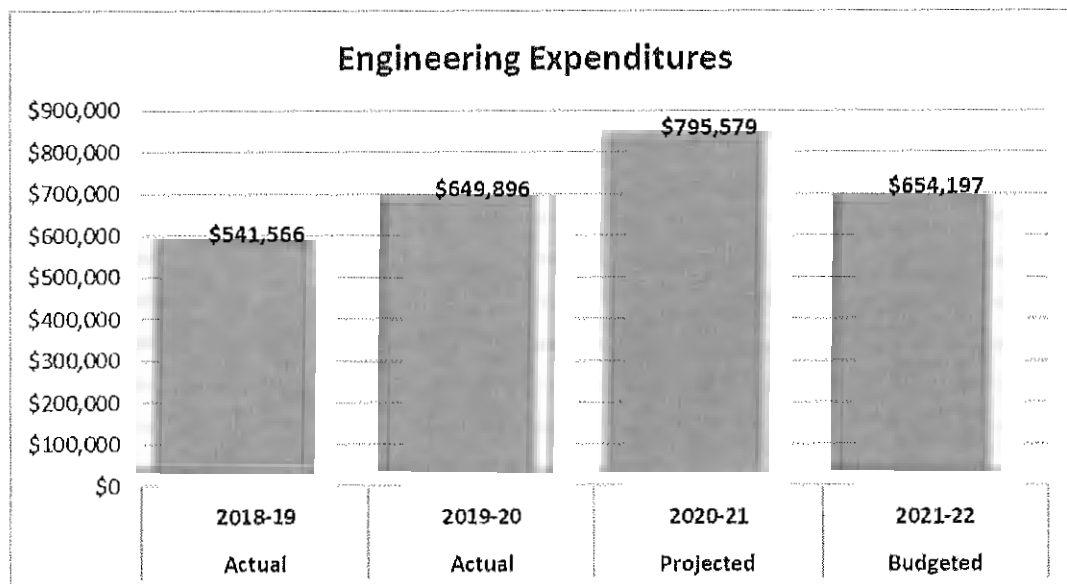
- Specification writing
- Preparation of construction documents
- Consultant selection and consultant management
- Bid evaluation
- Request for Proposals

❖ **Traffic Engineering Services**

- Review Pavement Markings
- Review/Optimize Signal timings
- Analyze sign requests
- Traffic volume information

❖ **Other Engineering Services**

- Issues relating to drainage
- Inquiries on Utility locations and sizes
- Topographic information
- Issue public Right-of-Way permits



General Fund Expenditures (Continued)

Engineering

FINANCIAL SUMMARY - Engineering

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Personnel Services	\$ 94,096	\$ 85,214	\$ 280,923	\$ 141,350	\$ 217,527
Supplies	2,393	3,857	11,000	11,000	25,820
Other Services and Charges	394,986	549,297	271,893	631,229	395,850
Capital Outlay	50,091	11,528	12,000	12,000	15,000
Total	\$ 541,566	\$ 649,896	\$ 575,816	\$ 795,579	\$ 654,197

Changes in Budget

- ❖ Increase of \$78,381 from FY20/21 amended budget and a decrease of \$141,382 from FY20/21 projection.
- ❖ Personnel Services increased by about \$76,177 from the FY20/21 projected amount. The Engineering personnel line items are made up of several City employees who allocate part of their time to the department.
- ❖ Supplies increased by \$14,820 in FY21/22. A line item for \$15,000 of Computer Equipment was added into the budget.
- ❖ Other Services and Charges decrease by \$235,379 due to less engineering services being budgeted in FY21/22. The department also includes \$15,000 for Capital Outlay. This is designated in the Special Equipment line item.

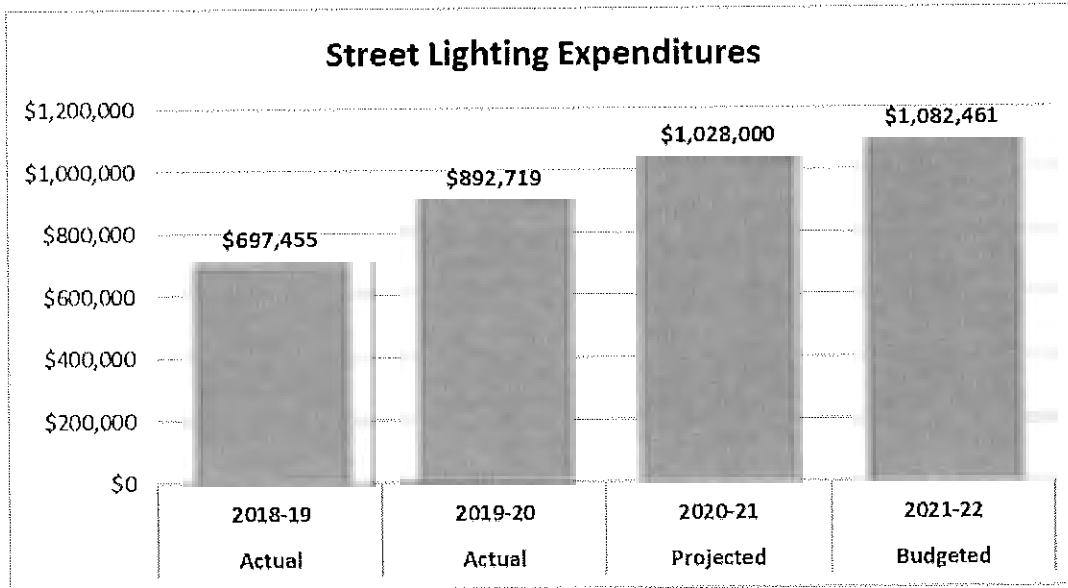
Engineering - Goals

- ❖ To incorporate the guiding principles of the 2014 Master Plan Update into designs of infrastructure improvements.
- ❖ To create plans and specifications, and administer contracts for various capital improvement projects including road and sidewalk projects.
- ❖ Pursue alternative funding for capital projects, such as grants, to improve traffic flow, safety at major road intersections, and path/sidewalk construction.
- ❖ Coordinate with the County Road Commission on future County road improvements in the City.
- ❖ Participate in the "Healthy Pontiac - We can" and assist with completing the streets ordinance (***Pontiac Moving Forward: PDA #1.5***).
- ❖ Determine infrastructure improvement needs (***Pontiac Moving Forward: PDA #4.5***).

General Fund Expenditures (Continued)

Street Lighting

Street Lighting is used to account for street lighting services within the City of Pontiac.



FINANCIAL SUMMARY - Street Lighting

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ -	\$ -	\$ -	\$ 64,930	\$ 80,061
Other Services and Charges	697,455	892,719	909,400	963,070	1,002,400
Total	\$ 697,455	\$ 892,719	\$ 909,400	\$ 1,028,000	\$ 1,082,461

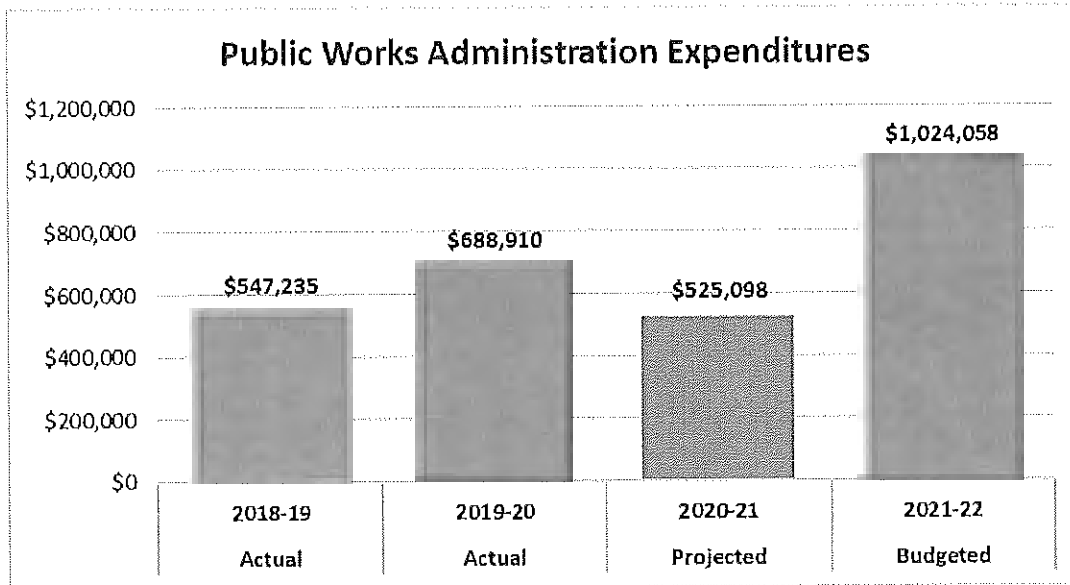
Changes in Budget

- ❖ Increase of \$173,061 from FY20/21 amended budget and increase of \$54,461 from FY 20/21 projection.
- ❖ Personnel Services increased due to several positions having a 10% time allocations added to the department.

General Fund Expenditures (Continued)

Public Works Administration

The mission is to provide the highest quality public works services to the residents of Pontiac and business community balanced through operation and to provide these services in a responsible and efficient manner. This mission is accomplished by teamwork and coordination with other service providers in the City.



FINANCIAL SUMMARY - Public Works Administration

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 253,637	\$ 344,553	\$ 343,853	\$ 240,030	\$ 572,722
Supplies	51,967	87,852	147,200	99,160	170,000
Other Services and Charges	241,631	256,505	301,352	185,908	281,336
Total	\$ 547,235	\$ 688,910	\$ 792,405	\$ 525,098	\$ 1,024,058

Changes in Budget

- ❖ Total \$231,653 increase from FY20/21 amended budget and decrease of \$293,445 from the FY20/21 projection.
- ❖ Increase in Personnel Services of approximately \$228,869 from the FY20/21 amended budget is attributed to the two full time maintenance positions being added into the budget in FY21/22.
- ❖ Decrease in Supplies of about \$22,800 from the FY20/21 amended budget. The Equipment Maintenance Supplies line item was the majority of that amounts with a \$20,000 increase from the FY20/21 amended budget.
- ❖ Increase in Other Services and Charges of approximately \$95,428 from the FY20/21 projected activity is due the maintenance for vehicles line item for \$80,610.

General Fund Expenditures (Continued)

Public Works Administration

Public Works Administration - Goals

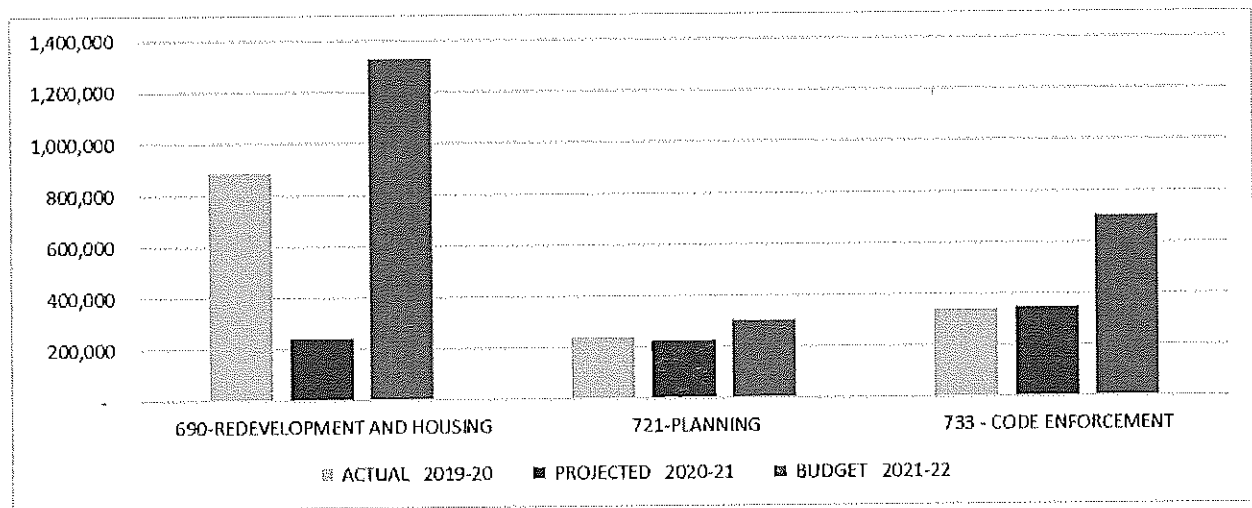
- ❖ Continue management and oversight of all City of Pontiac construction projects.
- ❖ Continue the management and oversight of all City facilities, including maintenance and capital projects.
- ❖ Continue to review departmental and divisional staffing allocations in order to maximize delivery of public services with existing resources.
- ❖ Implement Phase One of the Downtown Pontiac Transportation Assessment - conversion of one-way City streets to two-way. (*Pontiac Moving Forward: PDA #1.4*).

General Fund Expenditures

Community Development Function

Operations under this category include contributions to the Tax Increment Finance Authority to offset the shortfall of tax captures to make bond payments (Financial Guarantee Expense), organization and record management of the former Pontiac Growth Group and Federal Programs Office, management of City property sales, planning and zoning, proactive economic development initiatives, and code enforcement.

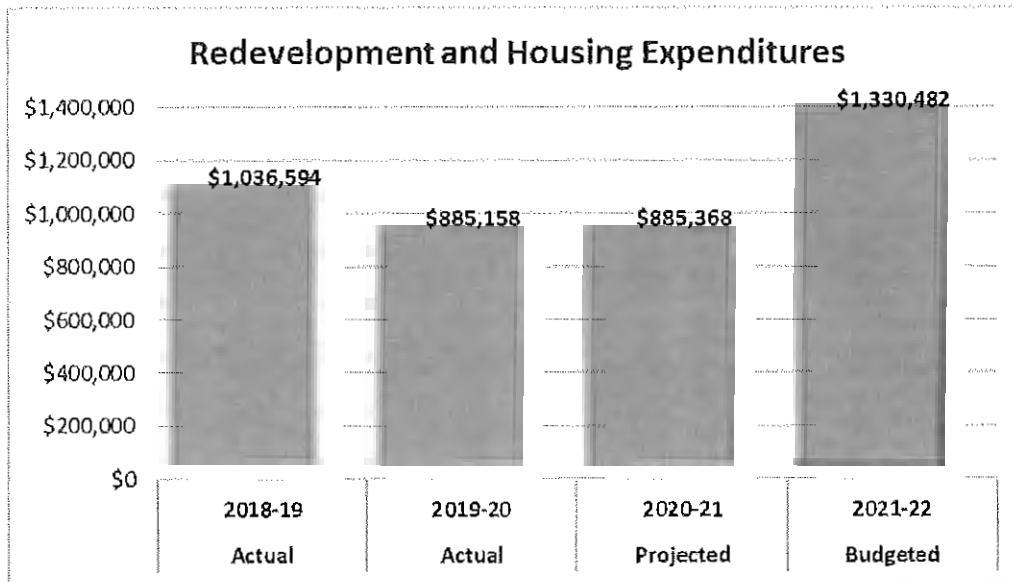
The Community Development function for the General Fund represents 5% of the total expenditures or approximately \$2.3 million of the total budget for FY21/22. The pages that follow explain the department of the Community Development Function and the changes to the budget.



General Fund Expenditures (Continued)

Redevelopment and Housing

The Redevelopment and Housing Department plans, coordinates, implements, monitors and evaluates city-wide property rehabilitation and new construction development proposals and implements programs where economically feasible. They also coordinate the acquisition and disposition of real estate with the City and provide on-going maintenance of CDBG parcels.



FINANCIAL SUMMARY - Redevelopment and Housing

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 242,476	\$ 113,803	\$ 250,456	\$ 138,780	\$ 293,248
Supplies	394	6,721	1,750	14,390	6,750
Other Services and Charges	793,724	764,634	852,032	732,198	1,030,484
Total	\$ 1,036,594	\$ 885,158	\$ 1,104,238	\$ 885,368	\$ 1,330,482

Changes in Budget

- ❖ Increase of \$226,244 from the FY20/21 amended budget.
- ❖ Personnel Services increased from the FY20/21 budget mainly due to the Medical Insurance line item. This increased by about \$37,000 in FY21/22.
- ❖ Supplies increased \$5,000 from the FY20/21 amended budget due to the Computer Equipment line item.
- ❖ Other Services and Charges includes approximately \$982,000 transfer to the TIF funds for debt service.
- ❖ The remaining line items in Other Services and Charges excluding the TIF transfers decreased by \$164,012 from the FY20/21 amended budget. This is due to several different line items within the budget. The more significant lines are Demolition Services decreased by \$50,000, Blight Court by \$15,000, Other Professional Services by \$7,100, and Census Expenditures by \$90,000. The Census Services ended in FY20/21 and will most likely not have any more expenses during FY21/22.

Redevelopment and Housing

Redevelopment and Housing - Goals

- ❖ Provide for a diverse business base that generates high-quality employment opportunities and a strong tax revenue base.
- ❖ Continue to monitor growth industries and foster an environment that supports a strong supply chain in these markets.
- ❖ Develop policies that ensure compatibility and harmony between land uses in the community.
- ❖ Identify projects during the early redevelopment stage that would qualify and benefit from Pontiac Moving Forward (*Pontiac Moving Forward: PDA# 3.8 and 3.9*).

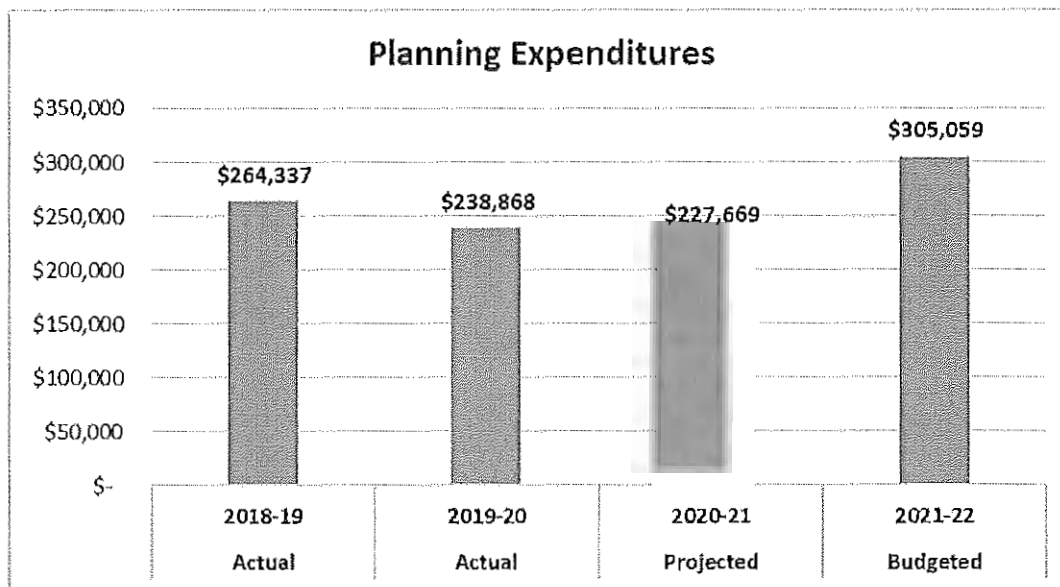
General Fund Expenditures (Continued)

Planning

The mission of the Planning Department is to administer the development process in the City of Pontiac. The Department is responsible for development from concept through occupancy and is responsible for coordinating reviews and inspections by staff as well as by other departments and agencies.

The Planning Department is responsible for all site plan reviews, special exception permits and reviews, zoning compliance permits, and all zoning related building reviews. Additionally, planning staff provides staff support to the Pontiac Planning Commission, Historic District Commission, and Zoning Board of Appeals which includes preparing commissioner packets, agendas, public notices, and meeting action minutes.

Perhaps the most important function of the Planning Department is as the primary face of development for the City of Pontiac. The City Planner plays a key role in economic development by meeting with perspective investors/developers, assisting private parties with land investigations and working with the private sector to redevelop blighted and/or obsolete properties. Staff is available to meet with residents, property owners and prospective property owners to discuss potential uses and developments five days per week.



FINANCIAL SUMMARY - Planning

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Personnel Services	\$ 170,621.00	\$ 197,669	\$ 252,290	\$ 169,260	\$ 249,849
Supplies	6,606	9,496	14,750	3,610	7,600
Other Services and Charges	87,110	31,703	41,082	54,799	47,610
Total	\$ 264,337	\$ 238,868	\$ 308,122	\$ 227,669	\$ 305,059

General Fund Expenditures (Continued)

Planning

Changes in Budget

- ❖ Decrease of \$3,063 from FY 20/21 amended budget and an increase of \$77,390 from FY 20/21 projection.
- ❖ Personnel Services amounts stayed consistent with the FY20/21 budget.
- ❖ Supplies amounts decreased by \$7,150 from the FY20/21 amended budget.
- ❖ Other Services and Charges increased by \$6,528 from the FY20/21 amended budget due to the COVID 19 expenditure line item. This line item had \$17,800 worth of expenses in the projected FY20/21.
- ❖ The City has insourced the Planning department in FY18/19. The department has transitioned from using Wade Trim for Planning services.

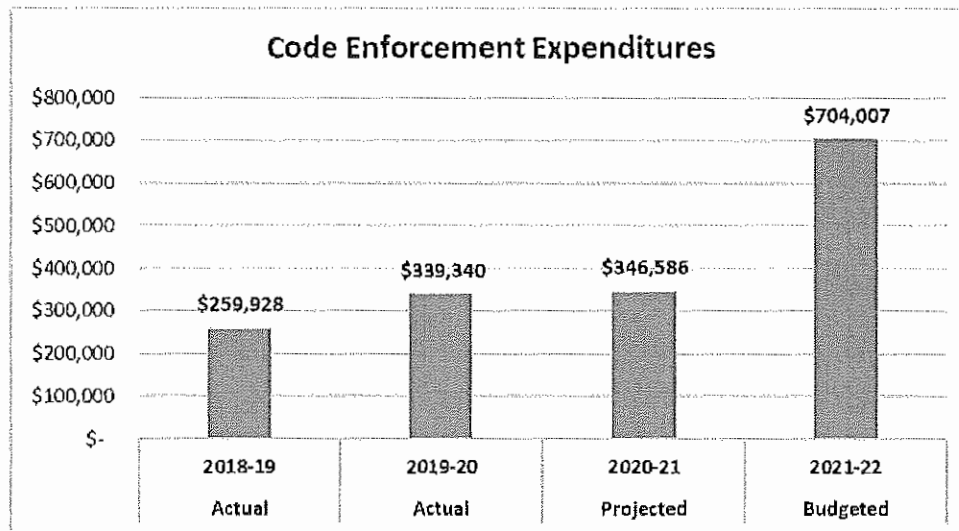
Planning - Goals

- ❖ Assist the Planning Commission to implement the Master Plan Update.
- ❖ Oversee the development and approval of various plans and development standards that establish the framework for decision-making regarding the highest and best use of land.
- ❖ Adopt and review goals for land use policies that promote the livability and sustainability of our community.
- ❖ Continue to insource the planning department to increase response and provide a more efficient service to the citizens.
- ❖ Develop criteria to target neighborhoods for housing non-profit and private developer investment (*Pontiac Moving Forward: PDA #2.2*).

General Fund Expenditures (Continued)

Code Enforcement

Code Enforcement falls under the purview of Building Safety. The mission of the code enforcement department is to assist residents and businesses in maintaining safe and clean properties and buildings. The Code Enforcement staff, along with the Building Safety inspectors, are part of the "silent public safety" staff who help make sure the community is safe and clean. Code Enforcement pro-actively patrols neighborhoods, responds to citizen complaints and works with the community to identify and correct code violations such as blight, trash/debris, inoperable and unlicensed vehicles, tall grass, and weeds. The goal of these officers is to get the code violations resolved as quickly as possible.



FINANCIAL SUMMARY - Code Enforcement

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 179,436.00	\$ 293,592	\$ 449,614	\$ 261,140	\$ 445,797
Supplies	16,550	6,760	12,100	6,740	8,300
Other Services and Charges	63,942	38,988	189,718	78,706	249,910
Total	\$ 259,928	\$ 339,340	\$ 651,432	\$ 346,586	\$ 704,007

Changes in Budget

- ❖ The City has insourced this department since FY18/19 from the current contractor, Wade Trim.
- ❖ Increase of \$52,575 from the FY20/21 amended budget and \$357,421 from the FY20/21 projected.
- ❖ Personnel Services amounts stayed consistent with the FY20/21 budget.
- ❖ Other Services and Charges increased due to the Blight Court line item. \$90,000 has been added to the budget for this. The Other Professional Services line item decreased by \$30,000 in FY21/22.

Code Enforcement - Goals

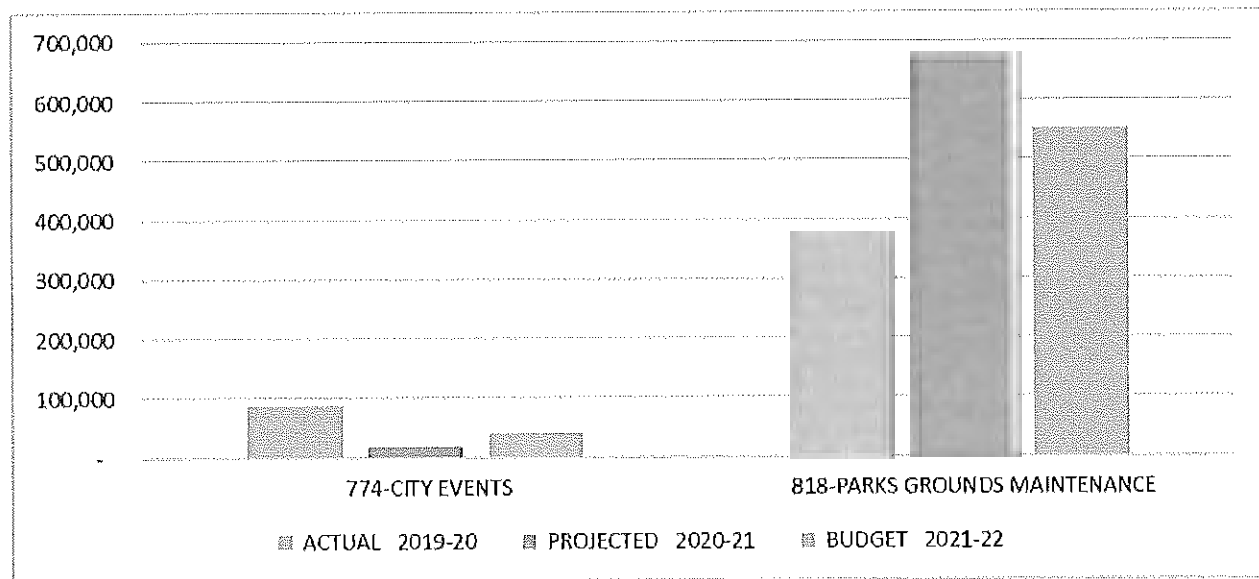
- ❖ Increase inspection rate and decrease response time between warning and correction to help aid in the restoration of the Pontiac's neighborhoods and downtown area (*Pontiac Moving Forward PDA #2.1 and PDA #3.9*).

General Fund Expenditures

Recreation and Culture Function

Operations under this category include expenses related to City Events, Park Maintenance, and the Historic District Commission.

The Recreation and Culture function for the General Fund represents 1% of the total expenditures or approximately \$593,307 of the total budget for FY21/22. The pages that follow explain the department of the Recreation and Culture function and the changes to the budget.



General Fund Expenditures (Continued)

Recreation Facility

The Recreation Facility Department was established to purchase the Youth Recreation building and land during the FY19/20. The plans to buy the building did not come to fruition during FY19/20 or FY20/21.

Recreation Facility Expenditures				
\$1				
\$1				
\$1				
\$1				
\$1				
\$1				
\$0				
\$0				
\$0				
\$0				
\$-	\$-	\$-	\$-	\$-
	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Budgeted

FINANCIAL SUMMARY - Recreation Facility

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Capital Outlay	\$ -	\$ -	\$ 3,150,000	\$ -	\$ -
Total	\$ -	\$ -	\$ 3,150,000	\$ -	\$ -

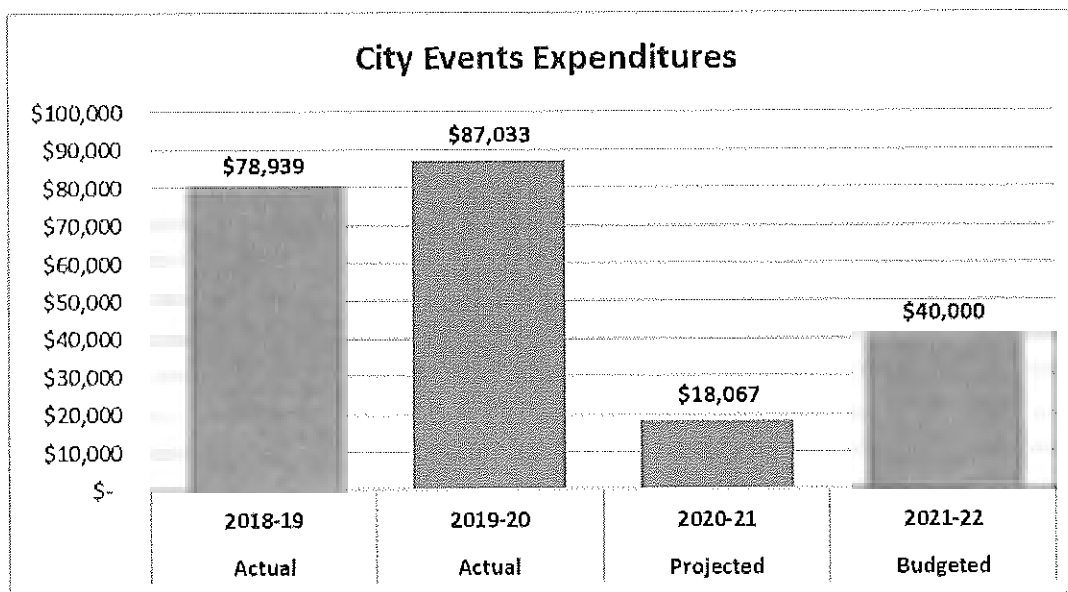
Changes in Budget

- ❖ This department was created in FY19/20. The City budgeted \$3,150,000 to purchase the Youth Recreation Center during the year. The City did not buy the building during FY20/21. The City did not budget for this in FY21/22.

General Fund Expenditures (Continued)

City Events

The City Events Department was established to account for community related events and promotions that are not related to a specific department.



FINANCIAL SUMMARY -City Events

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Other Services and Charges	\$ 78,939	\$ 87,033	\$ 85,950	\$ 18,067	\$ 40,000
Total	\$ 78,939	\$ 87,033	\$ 85,950	\$ 18,067	\$ 40,000

Changes in Budget

- ❖ The FY21/22 budget decreased by \$45,950 from the FY20/21 amended budget and by \$14,067 from the projected amount.
- ❖ The City has budgeted \$10,000 for the annual Dream Cruise event. The Dream Cruise is partially funded through donations and reimbursements of City expenses.
- ❖ The remaining \$30,000 of the budget for FY21/22 will go towards City Events such as Mayor's State of the City Address, Mother's Day Brunch, Music Festivals, Christmas Extravaganza, and the Art Crawl.

City Events- Goals

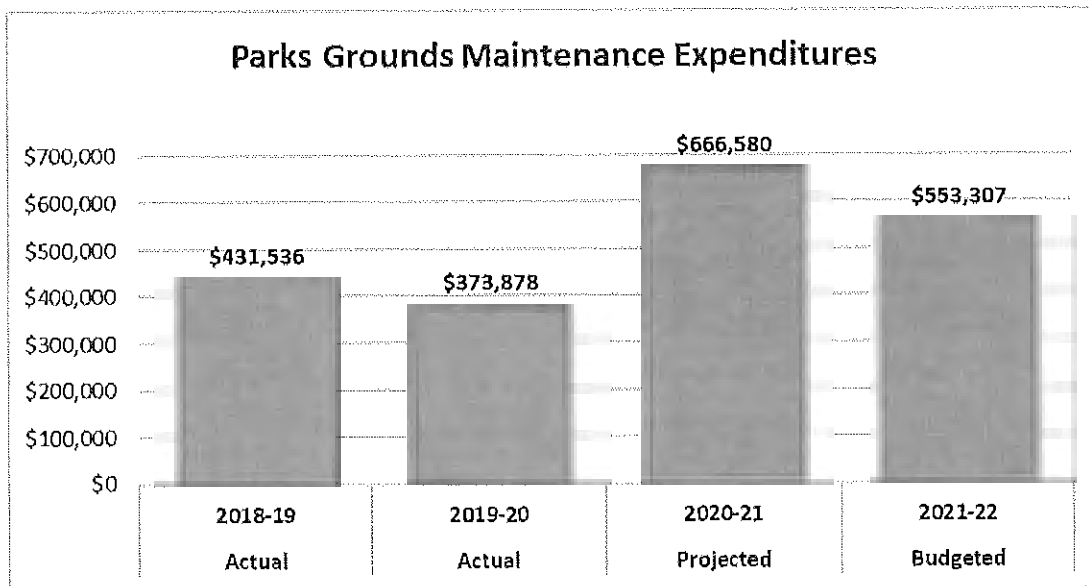
- ❖ Provide community events that contribute to the quality of life within Pontiac, promote the City within the region, and generate economic activity while minimizing the expense to City taxpayers.
- ❖ Continue successful fundraising efforts for the Dream Cruise.

General Fund Expenditures (Continued)

Park Grounds Maintenance

The mission of the Parks Ground Maintenance Department of the Department of Public Works Department is to ensure that a wide array of outdoor recreation opportunities, both passive and active, are available to people of all age groups, interests, and abilities, while protecting and conserving the integrity of our natural and historical resources.

The Parks Department is responsible for the operation, maintenance, staffing, planning, and development of all City parks.



FINANCIAL SUMMARY - Parks Grounds Maintenance

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 13,513	\$ 23,710	\$ 21,772	\$ -	\$ 6,957
Supplies	8,383	9,762	94,300	75,310	89,050
Other Services and Charges	409,640	340,406	402,839	591,270	457,300
Total	\$ 431,536	\$ 373,878	\$ 518,911	\$ 666,580	\$ 553,307

Changes in Budget

- ❖ \$34,396 increase from the FY20/21 amended budget and \$113,273 from the FY20/21 projected.
- ❖ Personnel Services decreased by \$14,315 for FY21/22. Less time will be allocated to this department during the year.
- ❖ Supplies decreased by about \$5,250 from the FY20/21 amended budget. This was due to the reduction in the Tools/Supplies and Building Maintenance Supplies line items.
- ❖ Other Services and Charges budget increased by \$54,461 due to increasing the line item for Professional Mowing Service by \$100,000. The City also decreased the line item for Other Professional Services by \$50,000.

General Fund Expenditures (Continued)

Park Grounds Maintenance

Parks Ground Maintenance - Goals

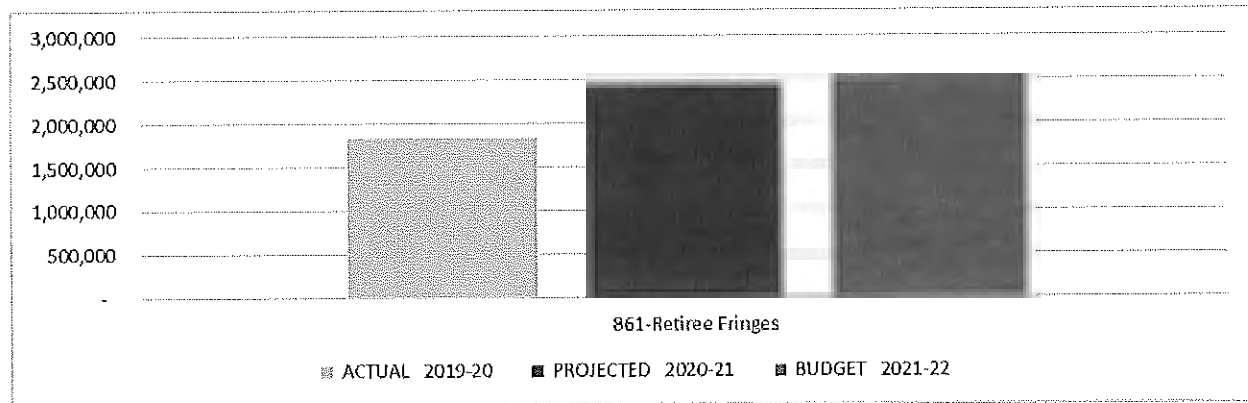
- ❖ Examine Department mission, operations, structure, and facilities to meet community needs.
- ❖ Improve operational procedures, documentation, and review system to align with City Administration and Council policies.
- ❖ Develop a strong conservation ethic in the community.
- ❖ Provide assistance to citizen advocacy groups through the City's Neighborhood projects program and improve neighborhood conditions (***Pontiac Moving Forward: PDA# 4.1***)

General Fund Expenditures

Other Functions

Operations under this category include funding for retiree pension and insurance benefits.

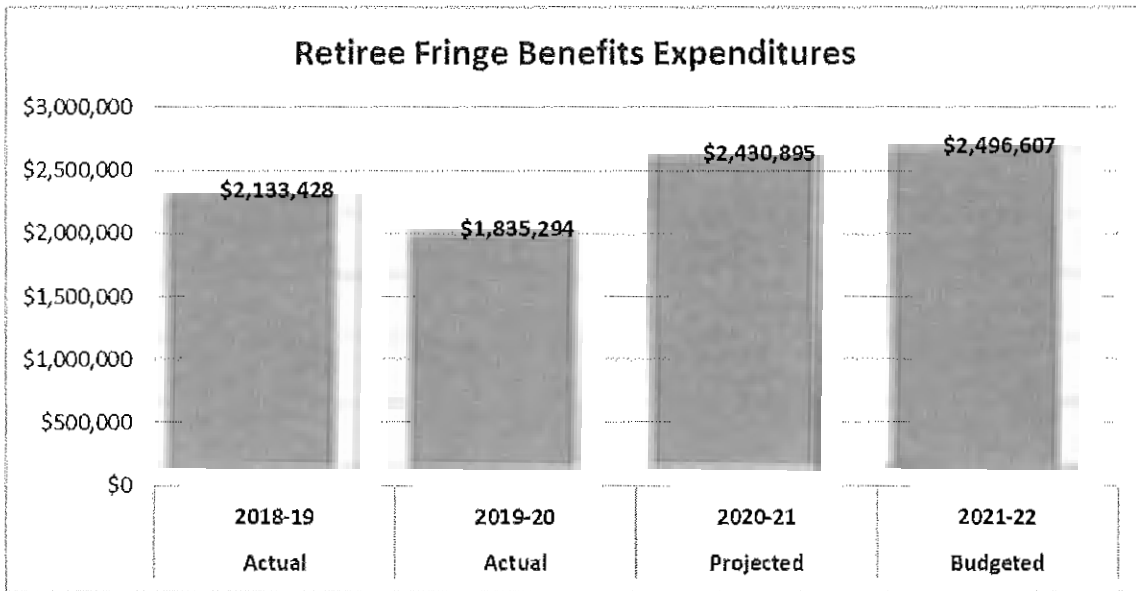
The Other functions for the General Fund represent 6% of the total expenditures or approximately \$2.5 million of the total budget for FY21/22. There are two departments in the Other Functions category, Unemployment Compensation and Retiree Fringe Benefits.



General Fund Expenditures (Continued)

Retiree Fringe Benefits

The Retiree Fringes Department for the Police and Fire Pension contribution and the City's contribution to Other Post-Employment Benefits (OPEB) Trust Fund. The contributions for the Pension are calculated annually through an actuarial study. The OPEB Trust Fund contribution is part of a tentative settlement agreement with retirees for health care.



FINANCIAL SUMMARY - Retiree Fringe Benefits

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 2,133,428	\$ 1,835,294	\$ 2,248,844	\$ 2,430,895	\$ 2,496,607
Total	\$ 2,133,428	\$ 1,835,294	\$ 2,248,844	\$ 2,430,895	\$ 2,496,607

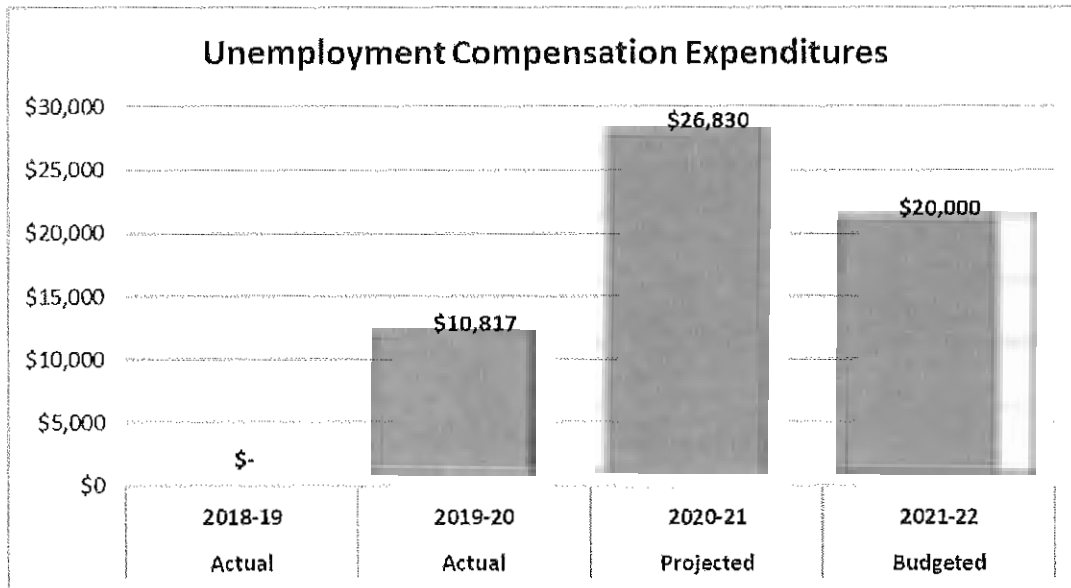
Changes in Budget

- ❖ The total budget increased from FY20/21 amended budget by \$247,763 and projected by \$65,712. This is the City's contribution to the Police and Fire Pension Retirement Plan in accordance with the actuarial value of the annual required contribution (ARC).

General Fund Expenditures (Continued)

Unemployment Compensation

The Unemployment Compensation Department was established to account for Unemployment compensation, supplemental unemployment benefits, and welfare relief payments.



FINANCIAL SUMMARY -Unemployment Compensation

	2018-19		2019-20		2020-21		2020-21		2021-22	
Financial Summary	Actual		Actual		Budgeted		Projected		Budgeted	
Personnel Services	\$	-	\$	10,817	\$	10,000	\$	26,830	\$	20,000
Total	\$	-	\$	10,817	\$	10,000	\$	26,830	\$	20,000

Changes in Budget

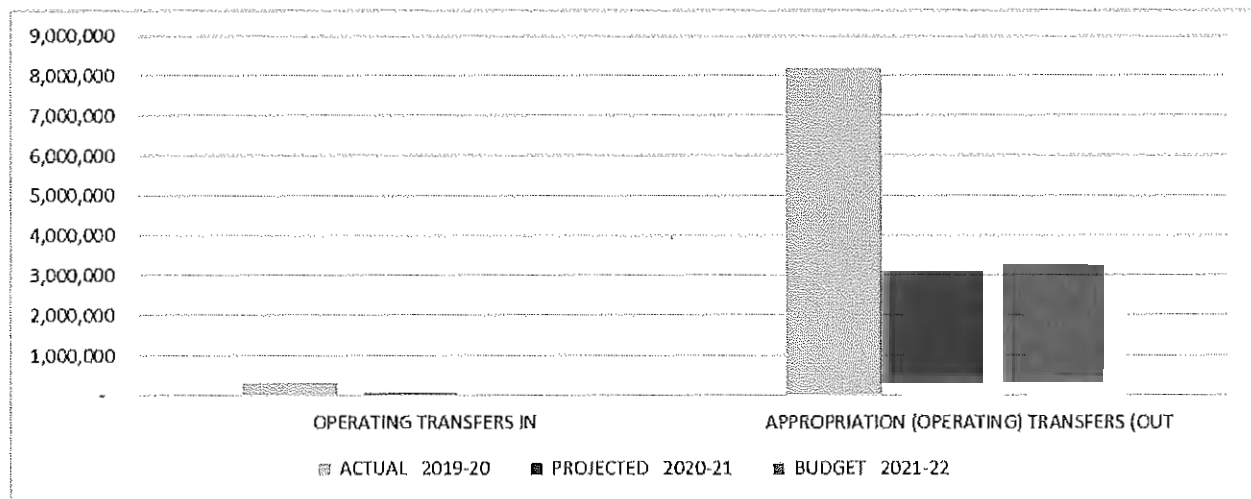
- ❖ \$20,000 was entered into the Unemployment Compensation line item for the FY21/22 budget.

General Fund Expenditures

Transfers

The General Fund transfers money to other Funds to support and subsidize activities that do not generate enough revenue to cover their own costs. This includes transfers out to support the 50th District Court and the Cemetery Fund. The Transfers activity also includes transfers in from other Funds, such as the 50th District Court for parking ticket revenue that belongs to the General Fund and monies from the PA48 Fund to cover a portion of street lighting expenses.

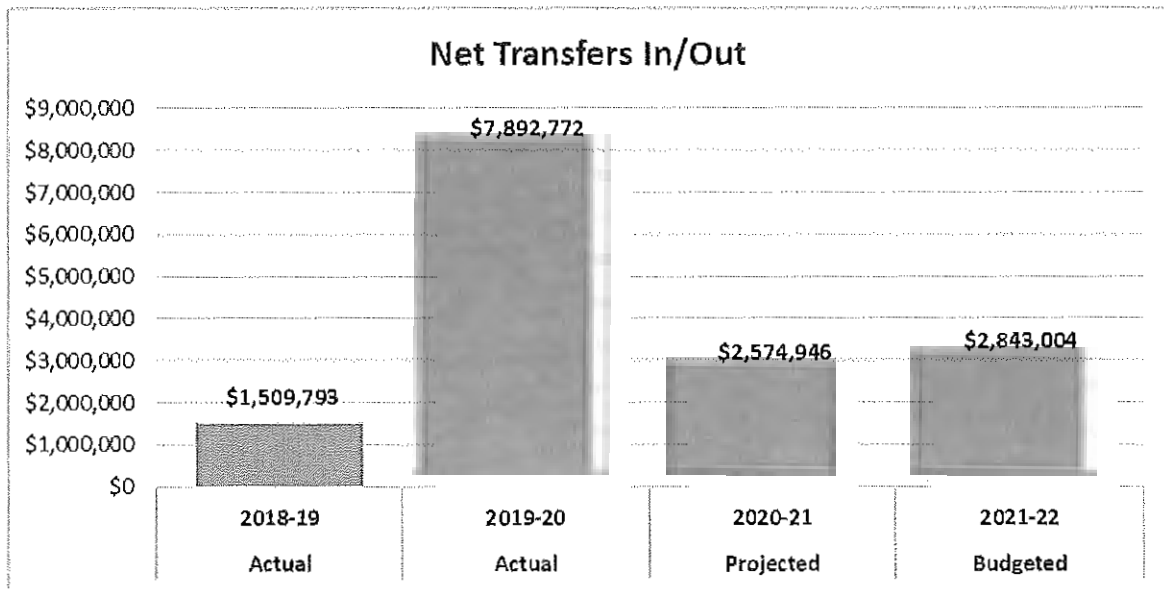
The Transfers function for the General Fund represents 6.8% of the total expenditures or approximately \$2.8 million of the total budget for FY21/22. There is one department in the Transfers category.



General Fund Expenditures (Continued)

Transfers

The General Fund Transfer Out cost center transfers funding collected by the City's General Fund to various other special purpose funds. Some of the receiving funds may already have an established funding source, but those specific source(s) may not be adequate to provide the full level of funding necessary to provide for the desired level of service.



FINANCIAL SUMMARY - Transfers

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Interfund Transfers In	\$ (248,585)	\$ (296,752)	\$ (62,723)	\$ (62,723)	\$ (21,000)
Interfund Transfers out	1,758,378	8,189,524	2,919,503	2,637,669	2,864,004
Total	\$ 1,509,793	\$ 7,892,772	\$ 2,856,780	\$ 2,574,946	\$ 2,843,004

Transfers In

- ❖ \$21,000 transfer from the District Court for Parking Fines that belong to the General Fund.

Transfers Out

- ❖ \$616,803 transfer to the Cemetery Fund to fund repairs and operation of the City's cemeteries.
- ❖ \$2,247,201 transfer to the District Court Fund to cover expenditures in excess of revenue.

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Special Revenue Funds

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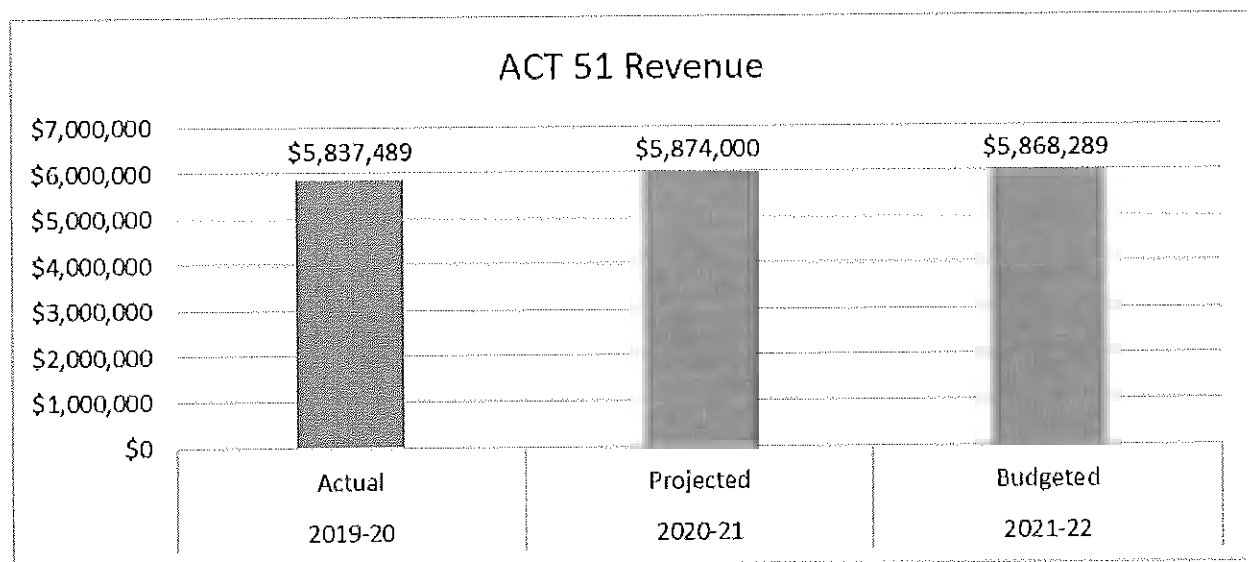
Major Street Fund

The mission of the Major Street Fund is to maintain the major road system and rights-of-way in such a manner as to ensure safety for vehicular and pedestrian traffic, as well as to present an attractive roadside environment in accordance with State Act 51 of the Public Acts of 1951 as amended.

The City of Pontiac currently owns and operates over 70-miles of major roadway. The Department of Public Works (DPW) through the Major Street Fund accounts for the maintenance, planning, design, construction, and improvement of the major road network. DPW coordinates improvements with Road Commission for Oakland County (RCOC) and Michigan Department of Transportation (MDOT) road systems located within City limits in accordance with State Act 51 of the Public Acts of 1951, as amended.

Major Street Fund Revenue

The Major Street Fund derives the majority (91%) of its revenue from ACT 51 monies received from (MDOT). The State of Michigan provides estimated revenue for ACT 51 based on the number of "Major" street miles and the Population of the City of Pontiac. In November, 2015, the State of Michigan Legislature passed and Governor Snyder signed nine bills into law which increased transportation revenue for municipalities in the State of Michigan. The revenue package has increased revenues over time, starting in FY 2017 and increasing through FY 2021. For FY2021/22, Pontiac is expected to receive \$5,868,289 in ACT 51 major road monies, which is an increase of \$245,630 or 4.3% from FY2020/21 amended budget. The City is also expecting to receive \$200,000 in revenue from a State Grant and \$600,058 from Reimbursements. The remaining revenue of \$7,100 in the Major Street Fund is from investment earnings and miscellaneous revenue.

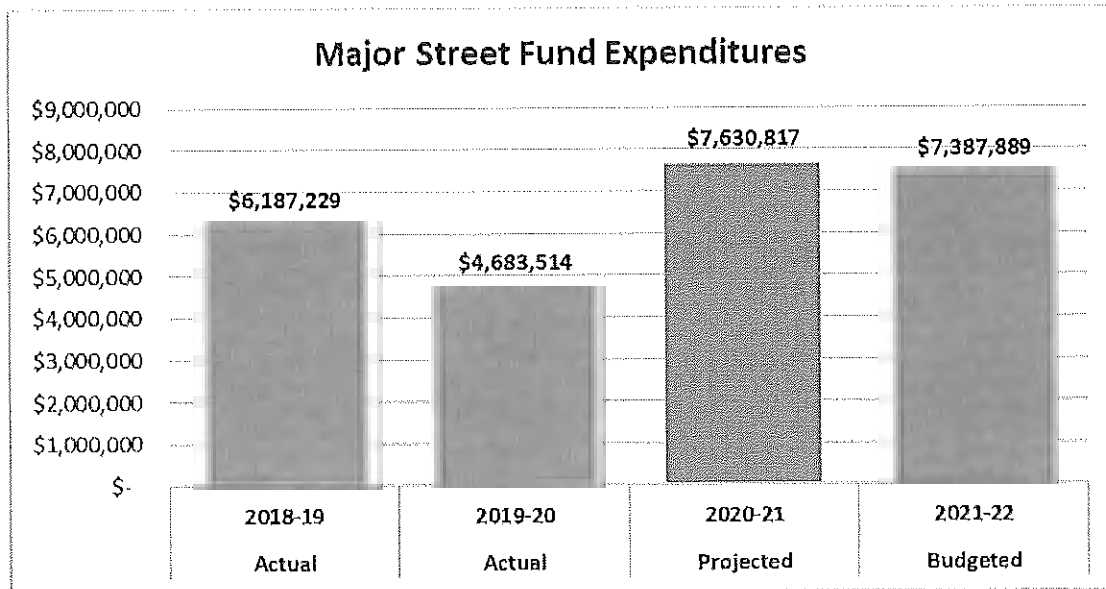


Major Street Fund (Continued)

Major Street Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
State Grants	6,055,457	9,085,187	6,068,289
Other Revenue	28,395	44,068	600,058
Interest and Rents	25,842	5,000	7,100
Total Budgeted Revenue Sources	6,109,694	9,134,255	6,675,447
<u>Proposed Appropriations</u>			
Non Motorized	88,260	50,000	50,000
Public Works Operations	309,187	288,300	288,326
Street Preservation	3,687,023	6,543,150	6,154,819
Traffic Services	278,382	323,028	372,361
Winter Maintenance	320,662	426,339	522,383
Total Budgeted Expenditures	4,683,514	7,630,817	7,387,889
Budgeted Net Revenue (Expenditures)	1,426,180	1,503,438	(712,442)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	-	-	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	2,492,967	3,919,151	5,422,589
Change in Fund Balance	1,426,180	1,503,438	(712,442)
Ending Fund Balance June 30	\$ 3,919,147	\$ 5,422,589	\$ 4,710,147
<u>Financial Position</u>			
Restricted	3,919,147	5,422,589	4,710,147
Ending Fund Balance June 30	\$ 3,919,147	\$ 5,422,589	\$ 4,710,147

Major Street Fund (Continued)



FINANCIAL SUMMARY - Major Street Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 258,228	\$ 311,815	\$ 473,159	\$ 379,528	\$ 408,563
Supplies	369,805	330,660	470,250	623,933	593,500
Other Services and Charges	1,719,141	2,287,496	2,458,973	2,827,356	2,585,826
Capital Outlay	3,840,055	1,753,543	3,387,366	3,800,000	3,800,000
Total	\$ 6,187,229	\$ 4,683,514	\$ 6,789,748	\$ 7,630,817	\$ 7,387,889

Changes in Budget

- ❖ Increase of \$598,141 from the FY20/21 amended budget and decrease of \$242,928 from FY20/21 projected.
- ❖ Increase in Supplies from the FY20/21 amended budget is related to an increase in Snow Removal Supplies of approximately \$160,000.
- ❖ Major Street Fund continues to fund snow removal, roadway maintenance, street signal maintenance, and traffic signs.
- ❖ The City has budgeted \$50,000 during FY21/22 for Nonmotorized capital improvements such as sidewalks.
- ❖ The Major Street Fund is planning Road Projects for FY21/22 for a total of \$3.8 million:

Major Street Fund - Goals

- ❖ Identify long-term funding sources that will provide for the consistent operation, maintenance, reconstruction, and rehabilitation of the City's Major Road system.
- ❖ Maintain community involvement and public education to promote the need for an adequate funding source in order to manage the needs, priorities, and strategies for the operation, maintenance, and rehabilitation of the City's Major Road system.
- ❖ Construct and rehabilitate failing segments of the City's major road system by implementing improvements as presented in the annual Capital Improvement Plan (CIP) while balancing the sometimes-conflicting interests of safety, mobility, and environmental impact.

Major Street Fund (Continued)

- ❖ Continue the planning, design, construction, and if necessary, right-of-way acquisition for improvements based on the following projects listed in the CIP.
- ❖ Determine infrastructure improvement needs (*Pontiac Moving Forward: PDA #4.5*).
- ❖ Utilize City PASER street condition assessment to guide public street improvements (*Pontiac Moving Forward: PDA# 2.3*).

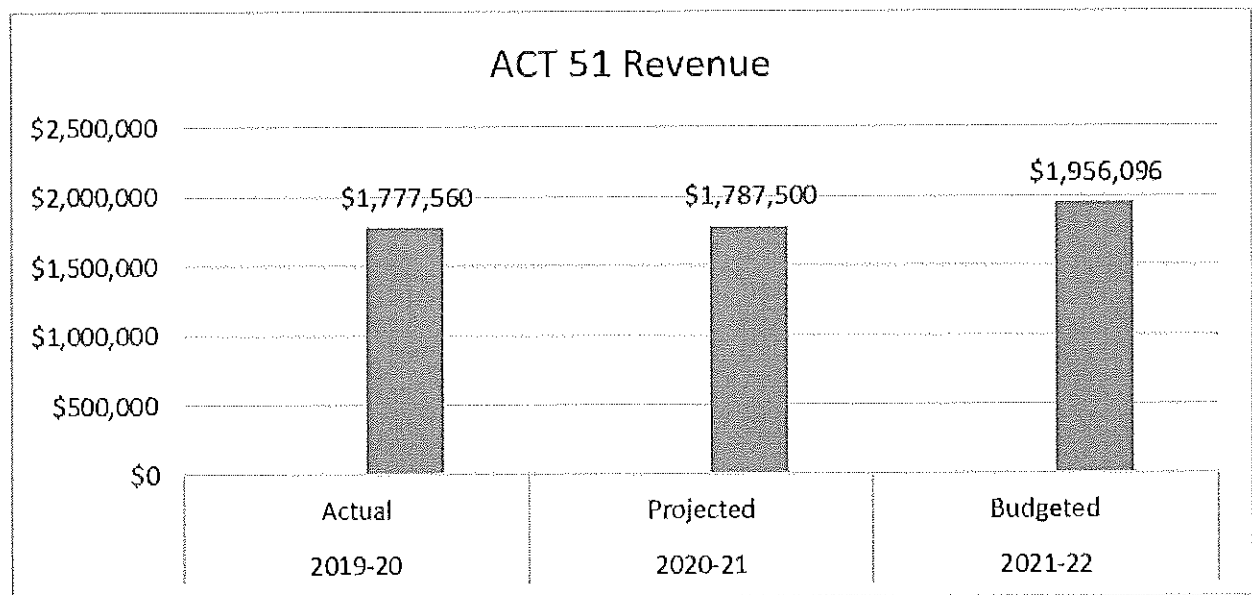
Local Street Fund

The mission of the Local Street Fund is to facilitate the development, maintenance, and operation of the local street system through accepted engineering standards in order to meet the community's need for a safe, efficient, and cost-effective local street system.

The City of Pontiac currently owns and operates over 158-miles of local roadway. The Department of Public Works through the Local Street Fund accounts for the maintenance, planning, design, construction, and improvement of the local road network. DPW coordinates improvements with Road Commission for Oakland County (RCOC) and Michigan Department of Transportation (MDOT) road systems located within City limits in accordance with State Act 51 of the Public Acts of 1951, as amended.

Local Street Fund Revenue

The Local Street Fund derives the majority (98%) of its revenue from ACT 51 monies received from (MDOT). The State of Michigan provides estimated revenue for ACT 51 based on the number of "local" street miles and the population of the City of Pontiac. In November, 2015, the Legislature passed and Governor Snyder signed nine bills into law which have increased transportation revenue for municipalities in the State of Michigan. The revenue package has increased revenues over time, starting in FY 2017 and increasing through FY 2021. For FY2021/22, Pontiac is expected to receive \$1,956,096 in ACT 51 monies, which is an increase of approximately \$168,596 or 9% from FY2020/21 projected.

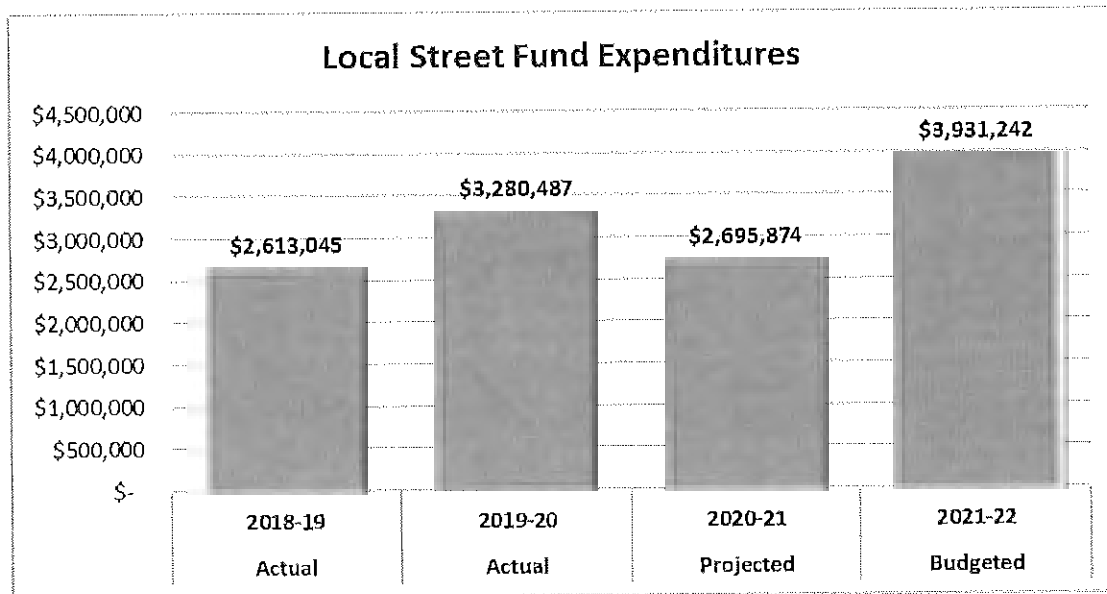


Local Street Fund (Continued)

Local Street Fund Budgeted Financial Summary

	2019-20	2020-21	2021-22
	Actual	Projected	Budgeted
<u>Estimated Revenue Source</u>			
State Grants	\$ 1,777,560	\$ 1,787,500	\$ 1,956,096
Other Revenue	10,732	-	-
Interest and Rents	76,551	16,803	42,800
Total Budgeted Revenue Sources	1,864,843	1,804,303	1,998,896
<u>Proposed Appropriations</u>			
Non Motorized	76,320	150,000	150,000
Public Works Operations	128,917	125,757	125,757
Street Preservation	2,791,049	2,187,955	3,263,596
Winter Maintenance	236,970	182,162	341,889
Traffic Control	47,231	50,000	50,000
Total Budgeted Expenditures	3,280,487	2,695,874	3,931,242
Budgeted Net Revenue (Expenditures)	(1,415,644)	(891,571)	(1,932,346)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	-	-	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	4,988,092	3,572,447	2,680,876
Change in Fund Balance	(1,415,644)	(891,571)	(1,932,346)
Ending Fund Balance June 30	\$ 3,572,448	\$ 2,680,876	\$ 748,530
<u>Financial Position</u>			
Restricted	3,572,448	2,680,876	748,530
Ending Fund Balance June 30	\$ 3,572,448	\$ 2,680,876	\$ 748,530

Local Street Fund (Continued)



FINANCIAL SUMMARY - Local Street Fund

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Personnel Services	\$ 137,482	\$ 150,639	\$ 288,452	\$ 141,647	\$ 237,485
Supplies	85,340	118,378	243,000	198,450	218,000
Other Services and Charges	1,122,355	1,320,872	1,580,757	1,205,777	1,325,757
Capital Outlay	1,267,868	1,690,598	2,150,000	1,150,000	2,150,000
Total	\$ 2,613,045	\$ 3,280,487	\$ 4,262,209	\$ 2,695,874	\$ 3,931,242

Changes in Budget

- ❖ Decrease of \$330,967 from the FY20/21 amended budget and \$1,235,368 increase from the FY20/21 projection.
- ❖ The Local Street Fund continues to fund snow removal services, traffic signs, stormwater maintenance, and miscellaneous roadway maintenance for local streets.
- ❖ The City has budgeted \$150,000 for Nonmotorized capital improvements such as sidewalks.
- ❖ The Local Street Fund is expected to use \$1.9 million in fund balance on road construction projects and tree maintenance for FY21/22. The ending fund balance at June 30, 2022 is planned to be \$748k or 19% of expenditures. This is a 72% decrease from the FY20/21 projected fund balance. The use of fund balance is necessary to complete the failing roads in the City. The ending fund balance is within the 10-20% range per the City's adopted fund balance policy.
- ❖ The City has budgeted \$2,000,000 in Road Constructions projects for FY21/22. These projected include:
 - Cherry Hill: Kennett to Fairmont - \$650,000
 - Bynan: Walton to Gambrell - \$400,000
 - Gambrell: Bynan to Walton - \$200,000
 - Grandville: Walton to Grandtour - \$250,000
 - Starlite: Cherry Hill to Moonlight - \$300,000
 - Fairmont: Columbia to Cherry Hill - \$200,000

Local Street Fund (Continued)

Local Street Fund - Goals

- ❖ Identify long-term funding sources that will provide for the consistent operations, maintenance, reconstruction, and rehabilitation of all neighborhood streets.
- ❖ Plan local street system improvement and rehabilitation projects that provide for improved motor vehicle travel needs along the neighborhood streets of the community. A safe and adequate local street system is vital to preserving the quality of life in the City, which enhances the attraction and retention of residents.
- ❖ Provide for a comprehensive and proactive Local Street System Maintenance Plan which maximizes the resources available for local street maintenance.
- ❖ Determine infrastructure improvement needs (***Pontiac Moving Forward: PDA #4.5***).
- ❖ Utilize City PASER street condition assessment to guide public street improvements (***Pontiac Moving Forward: PDA# 2.3***).

Youth Recreation Fund

The Youth Recreation Millage Fund is used to account for property tax revenue levied specifically for the purpose of expending funds for centers open exclusively to youths under 21 years of age and aimed at curbing juvenile delinquency within the City of Pontiac. The City of Pontiac voters approved the millage in 2016 to levy up to 1.5 mills for a period of 10 years, 2017 to 2026.

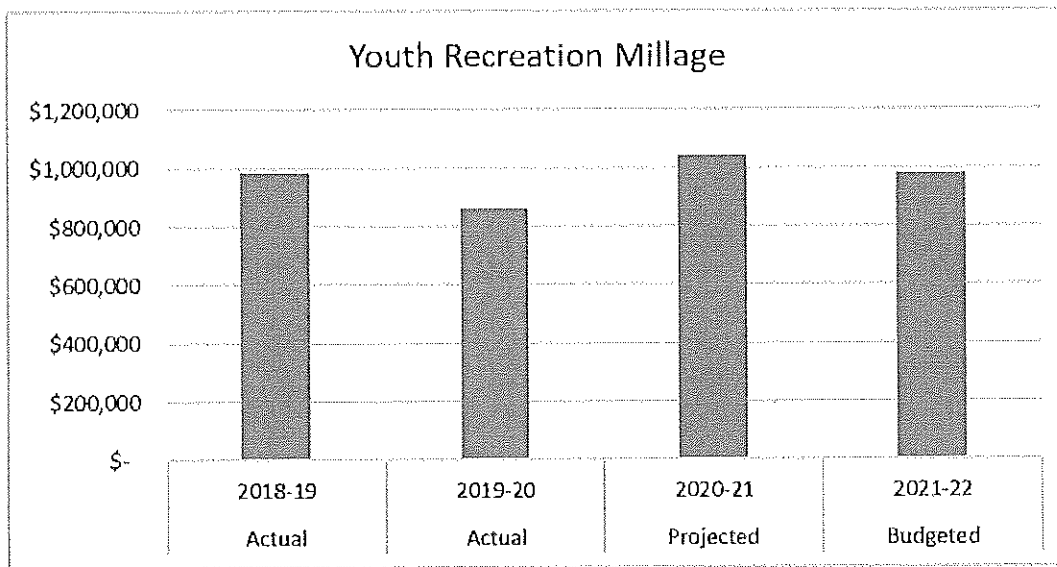
Youth Recreation Fund Revenue

The City of Pontiac is levying mills for the sixth year in FY21/22.

Youth Recreation Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Property Taxes	\$ 985,033	\$ 1,051,283	\$ 515,805
State Grants	44,981	38,318	38,300
Other Revenue	-	150,000	234,000
Total Budgeted Revenue Sources	1,030,014	1,239,601	788,105
<u>Proposed Appropriations</u>			
Recreation and Facilities	623,438	983,772	696,521
City Events	-	9,000	9,000
Youth Sports	236,782	48,775	277,521
Total Budgeted Expenditures	860,220	1,041,547	983,042
Budgeted Net Revenue (Expenditures)	169,794	198,054	(194,937)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Total Other Financing Sources	-	-	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	272,385	442,181	640,235
Change in Fund Balance	169,794	198,054	(194,937)
Ending Fund Balance June 30	\$ 442,179	\$ 640,235	\$ 445,298
<u>Financial Position</u>			
Nonspendable	51,171	51,171	51,171
Restricted	391,008	589,064	394,127
Committed	-	-	-
Ending Fund Balance June 30	\$ 442,179	\$ 640,235	\$ 445,298

Youth Recreation Fund (Continued)



FINANCIAL SUMMARY - Youth Recreation

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel	\$ 390,842.00	\$ 328,453	\$ 458,580	\$ 168,902	\$ 449,592
Supplies	34,386.00	31,046	114,950	118,155	133,250
Other Services and Charges	562,109.00	500,721	709,483	754,490	400,200
Total	<u>\$ 987,337</u>	<u>\$ 860,220</u>	<u>\$ 1,283,013</u>	<u>\$ 1,041,547</u>	<u>\$ 983,042</u>

Changes in Budget

- ❖ The Youth Recreation fund budget will be \$983,042, a decrease of \$58,505 from FY20/21 projected and decrease of \$299,971 from FY20/21 amended budgeted.
- ❖ The Pontiac City Charter authorized a millage up to 1.5 mills, however, the actual millage has been rolled back to 1.4862.
- ❖ FY20/21 projected amount increased from FY19/20 actual due to COVID-19 shutting down Youth Recreation Programs at the City of Pontiac in FY20.
- ❖ During FY21/22 the City removed the \$312,000 for the rental of the Youth Center.

Cemetery Fund

The City of Pontiac owns two cemeteries, Ottawa Park and Oak Hill, which are managed by an outside contractor. The Cemetery Fund is used to account for operating expenditures of the City cemeteries that are not required to be performed by the contract with the management company. The money held by the City for the care of the cemetery was previously moved to the General Fund by the Emergency Manager in 2011.

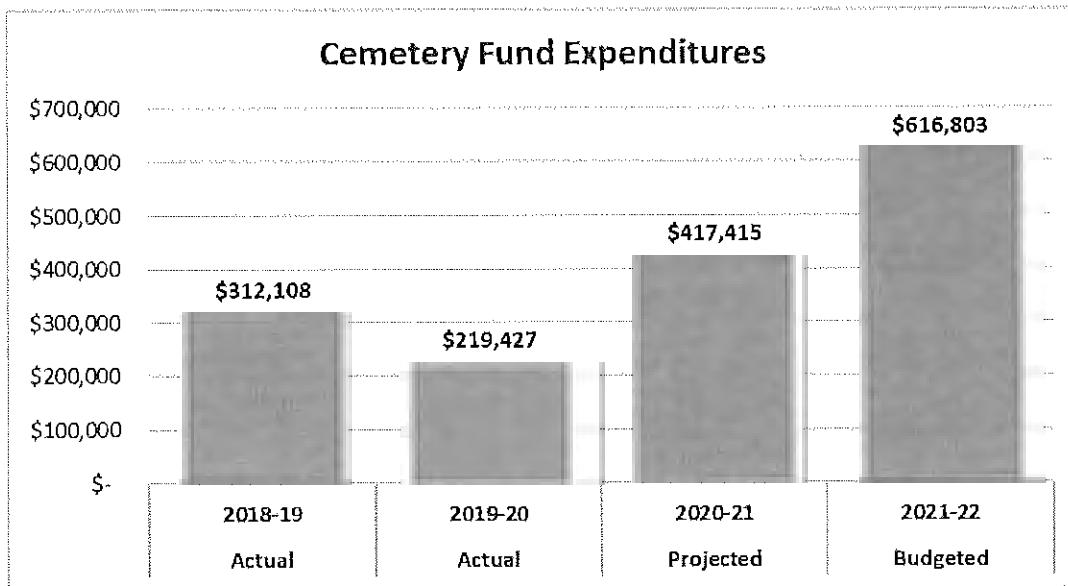
Cemetery Fund Revenue

Starting in FY16/17, the City of Pontiac appropriated \$250,000 from the General Fund for the Cemetery to a separate special revenue fund. The City took over operations and maintenance of the cemetery in FY17/18 while in search of a new contractor. The entire amount of the revenue for this fund is from the General Fund and revenue collected for prepaid graves. The General Fund is expected to transfer \$616,803 into the Cemetery Fund for FY21/22.

Cemetery Fund Budgeted Financial Summary

REVENUE BY SOURCE	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
Charges for Service	\$ 13,751	\$ 11,758	\$ -
Transfers In	-	405,657	616,803
Total Budgeted Revenue Sources	13,751	417,415	616,803
Proposed Appropriations			
Personnel Services	9,434	123,000	161,852
Supplies	6,003	33,500	33,500
Other Expenditures	203,990	260,915	421,451
Total Budgeted Expenditures	219,427	417,415	616,803
Budgeted Net Revenue (Expenditures)	(205,676)	-	-
Estimated Fund Balance			
Beginning Fund Balance July 1	(6,024)	(211,700)	(211,700)
Change in Fund Balance	(205,676)	-	-
Ending Fund Balance June 30	\$ (211,700)	\$ (211,700)	\$ (211,700)
Financial Position			
Restricted	(211,700)	(211,700)	(211,700)
Ending Fund Balance June 30	\$ (211,700)	\$ (211,700)	\$ (211,700)

Cemetery Fund (Continued)



FINANCIAL SUMMARY - Cemetery Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 21,747.00	\$ 9,434	\$ 9,031	\$ 123,000	\$ 161,852
Supplies	21,617.00	6,003	33,500	33,500	33,500
Other Services and Charges	268,744	203,990	644,960	260,915	421,451
Total	\$ 312,108	\$ 219,427	\$ 687,491	\$ 417,415	\$ 616,803

Changes in Budget

- ❖ \$70,688 decrease from the FY20/21 amended budget and \$199,388 increase from the FY20/21 projected.
- ❖ The City budgeted \$101,620 in FY21/22 for the Cemetery management company Covenant.
- ❖ Personnel Services increased by \$152,821 from the FY20/21 amended budget.
- ❖ Other Services and Charges decreased by \$233,509 from the FY20/21 amended budget. This was due to removing the line item for Building Maintenance for \$200,000 in FY21/22.

Cemetery Fund - Goals

- ❖ Determine the appropriate levels of service, desired features, and other aspects of the Cemetery's operations.
- ❖ Maintain the cemetery in a beautiful and serene manner and condition.
- ❖ Maintain accurate record of prepaid graves from the mid-1980s to current and reconcile differences from deactivations.

Senior Activities Fund

The mission of the Senior Activities Fund is to provide extensive and varied recreational programs, enhance personal enrichment, and provide for the community's leisure needs.

Activities and services include programs and activities for Pontiac's older population. The City of Pontiac offers two senior centers for rental. Currently the centers available are Robert W. Bowens Senior Center and Ruth Peterson Senior Center. These facilities offer diverse programs during the week for senior citizen resident of the City of Pontiac. The senior centers are available for rental to resident and non-residents, businesses, schools, civic groups and non-profit organizations.

Senior Activities Fund Revenue

The Senior Activities Fund is used to account for property tax revenue levied specifically for the operation of facilities that primarily benefit senior citizens. The City funds operations at the Ruth Peterson and Robert Bowen senior centers. This millage was originally approved by voters on November 7, 2006 and expired in 2016. Voters renewed this millage for additional 10 years (2017 to 2026) on August 2, 2016. The Applicable legislation: Public Act 39 of 1976.

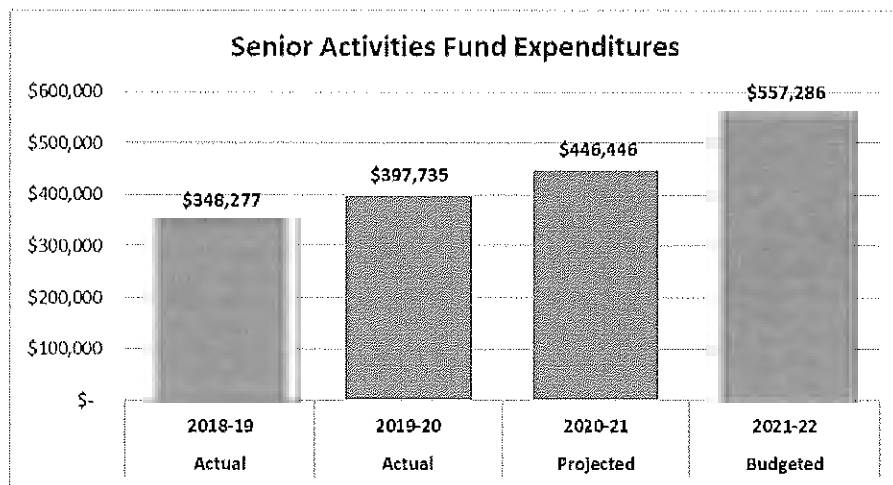
The primary revenue source for the Senior Activities Fund is property tax revenue. The Senior Activities Fund is expected to receive and collect approximately \$354,000 for FY21/22. This is a 2% decrease from the FY20/21 projection. The property taxes also include reimbursement from the State of Michigan for the Small Taxpayer Exemption Loss (STEL), which is expected to decrease by approximately \$2,000. The remaining percentage of the revenue is from investment income and rental income from the Senior Centers.

Senior Activities Fund (Continued)

Senior Activities Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Property Taxes	\$ 333,530	\$ 351,354	\$ 338,916
State Grants	14,993	12,772	14,700
Interest and Rents	20,849	4,795	4,700
Total Budgeted Revenue Sources	369,372	368,921	358,316
<u>Proposed Appropriations</u>			
Ruth Peterson Senior Center	214,390	199,350	248,891
Bowen Senior Citizen Center	183,345	247,096	308,395
Total Budgeted Expenditures	397,735	446,446	557,286
Budgeted Net Revenue (Expenditures)	(28,363)	(77,525)	(198,970)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	-	-	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	1,031,791	1,003,429	925,904
Change in Fund Balance	(28,363)	(77,525)	(198,970)
Ending Fund Balance June 30	\$ 1,003,428	\$ 925,904	\$ 726,934
<u>Financial Position</u>			
Nonspendable	511	511	511
Restricted	1,002,917	925,393	726,423
Ending Fund Balance June 30	\$ 1,003,428	\$ 925,904	\$ 726,934

Senior Activities Fund (Continued)



FINANCIAL SUMMARY - Senior Activities Fund

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Personnel Services	\$ 159,234	\$ 188,886	\$ 245,400	\$ 134,051	\$ 251,368
Supplies	15,030	10,709	24,066	20,136	24,050
Other Services and Charges	174,013	197,702	265,076	292,259	281,868
Capital Outlay	-	438	-	-	-
Total	\$ 348,277	\$ 397,735	\$ 534,542	\$ 446,446	\$ 557,286

Changes in Budget

- ❖ \$22,744 increase from the FY20/21 budget and \$110,840 increase from the FY20/21 projection.
- ❖ Other Services and Charges had an increase of \$5,968 from the FY20/21 amended budget. This can be attributed to the COVID 19 Expenditures line item being added in for FY21/22.
- ❖ There is no capital outlay planned for FY21/22.
- ❖ The FY21/22 budget is projected to have an ending fund balance at June 30, 2022 of \$726,934 which is a reduction of approximately \$198,970 or 21%. The ending fund balance is above the minimum target of 10% of expenditures per the City's fund balance policy. The remaining fund balance is restricted for Senior Activity purposes.

Senior Activities Fund - Goals

- ❖ Increase utilization of the Senior Centers with more classes, programs and activities conducive to the demographics and group age of population.
- ❖ Enhance/expand existing Case Management services for the elderly population.
- ❖ Create new collaborative programs with facilities outside of the physical Senior Centers.
- ❖ Explore the possibility of redistribution of community and municipal credits from the SMART millage to facilitate senior transportation to downtown and outside services.

Sanitation Fund

The Sanitation Fund is used to account for the collection and disposal of garbage in the City and the post-closure care of the City's landfill. Under State law, the City levies a special property tax levy earmarked to support the cost of operating a weekly rubbish collection and disposal service. This fund accounts for the tax levy proceeds, rubbish fees, and host fees. It also records the expenditures for rubbish collection, hauling and disposal, recycling, composting, and trash cleanup. Applicable legislation: Public Act 298 of 1917.

Sanitation Fund Revenue

The Charges for Services represent 54% of the revenue for the Sanitation Fund. 42% represents the Property Tax levy. The remaining 4% represents reimbursements from MDEQ contracted construction, and investment and rental income. The user fee and property tax levy is calculated in an effort to cover all expenditures.

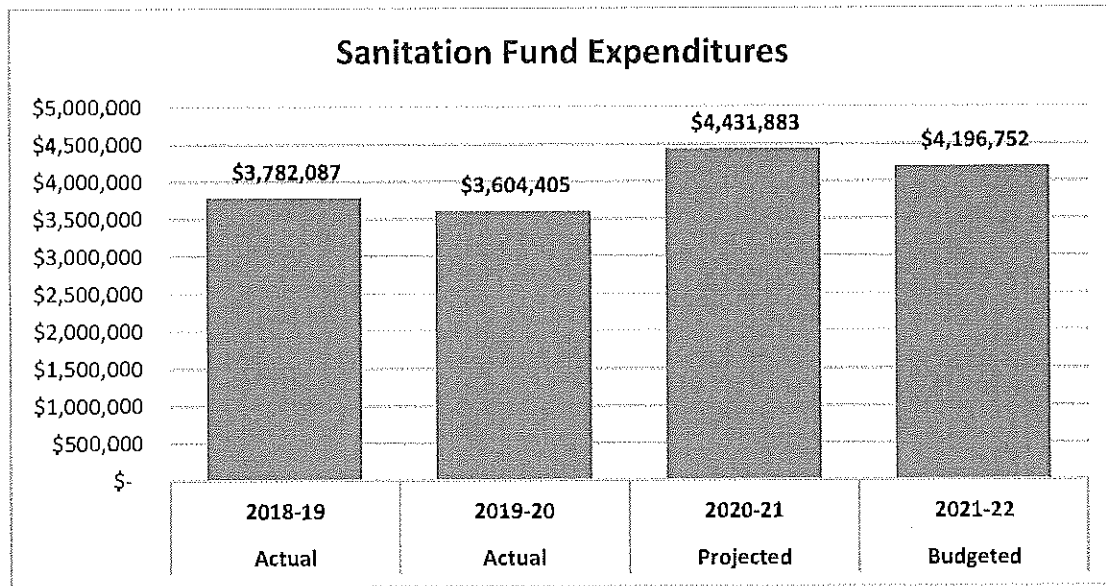
The Sanitation Fund has cash set aside for the post-closure care for the Collier Road Landfill. These assets have been classified as restricted assets in the Sanitation Fund. The projected fund balance portion restricted for the landfill closure at June 30, 2021 was \$2,001,291.

Sanitation Fund (Continued)

Sanitation Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Property Taxes	\$ 1,904,314	\$ 2,022,165	\$ 1,892,123
Charges for Services	1,906,688	2,389,176	2,389,161
State Grants	84,511	93,961	94,000
Other Revenue	300	619	600
Interest and Rents	85,849	40,800	40,800
Total Budgeted Revenue Sources	3,981,662	4,546,721	4,416,684
<u>Proposed Appropriations</u>			
Public Works	3,604,405	4,431,883	4,196,752
Total Budgeted Expenditures	3,604,405	4,431,883	4,196,752
Budgeted Net Revenue (Expenditures)	\$ 377,257	\$ 114,838	\$ 219,932
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	-	-	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	\$ 6,177,618	\$ 6,554,874	\$ 6,669,712
Change in Fund Balance	377,257	114,838	219,932
Ending Fund Balance June 30	6,554,875	6,669,712	6,889,644
<u>Financial Position</u>			
Restricted-Landfill Closure	2,051,291	2,001,291	1,801,291
Restricted	4,503,584	4,668,421	5,088,353
Ending Fund Balance June 30	\$ 6,554,875	\$ 6,669,712	\$ 6,889,644

Sanitation Fund (Continued)



FINANCIAL SUMMARY - Sanitation Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 27,147	\$ 25,919	\$ 126,670	\$ 65,803	\$ 91,922
Supplies	5,759	5,207	11,000	11,000	11,700
Other Services and Charges	3,679,951	3,573,279	4,216,540	4,355,080	4,093,130
Capital Outlay	69,230	-	-	-	-
Total	\$ 3,782,087	\$ 3,604,405	\$ 4,354,210	\$ 4,431,883	\$ 4,196,752

Changes in Budget

- ❖ \$157,458 decrease from the FY20/21 amended budget and \$235,131 decrease from the FY20/21 projected.
- ❖ Personnel Services budget is decreasing from FY20/21 amended budget due to a recalculation of the employee's time to this fund.
- ❖ The FY21/22 budget includes \$3 million for refuse collection for all City of Pontiac residents through a contract with Advanced Disposal.
- ❖ The line item Services -- Contracted Construction decreased by \$300,000 from the FY20/21 amended budget.
- ❖ The FY20/21 fund balance is projected to increase \$114,838 or 1.7% for a total ending fund balance of \$6,669,712 at June 30, 2021.
- ❖ \$200,000 of the use of fund balance will be from the restricted portion of fund balance for the landfill closure. At June 30, 2022 the portion of fund balance restricted for the landfill closure is projected to be \$1,801,291. The ending fund balance is projected to be above the minimum ending fund of 15% of expenditures, per the City's adopted fund balance policy.

Sanitation Fund - Goals

- ❖ Provide the highest level of service at the most economical cost for taxpayers.
- ❖ Ensure the contracted waste hauler remains in compliance with Federal and State regulations pertaining to waste pick-up and landfill.
- ❖ Finalize compliance with state and federal mandates to permanently close the landfill.

Cable Fund

The Cable Department is the liaison of the City of Pontiac from the cable providers and assists with taping of pertinent meetings and placement of content on government and public access channels. The Cable Fund accounts for the revenue received from telecommunication companies in the form of "PEG fees". PEG stands for "public, education, & government." By federal statute, PEG revenue is restricted and can only be used for the capital costs incurred for PEG access facilities. The City of Pontiac uses its PEG fees to maintain and operate the cable television studio.

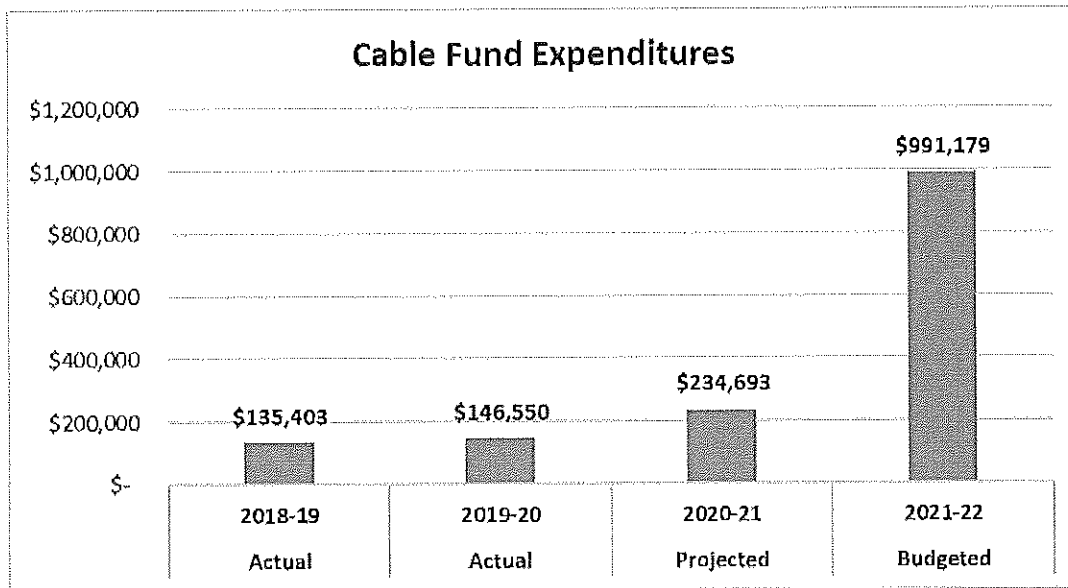
Cable Fund Revenue

The Cable Fund receives nearly all of its revenue from PEG fees paid to the City by Comcast and AT&T. Revenue is expected to be \$118,553 for FY21/22, which is \$25,947 higher than FY20/21 projected. The Cable Fund is also expecting \$6,900 of investment earnings.

Cable Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Charges for Services	\$ 144,407	\$ 92,553	\$ 118,500
Interest and Rents	12,479	1,902	6,900
Total Budgeted Revenue Sources	156,886	94,455	125,400
<u>Proposed Appropriations</u>			
General Government	146,550	234,693	241,179
Total Budgeted Expenditures	146,550	234,693	241,179
Budgeted Net Revenue (Expenditures)	\$ 10,336	\$ (140,238)	\$ (115,779)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Source	-	-	(750,000)
Total Other Financing Sources	-	-	(750,000)
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	1,200,486	1,210,822	1,070,584
Change in Fund Balance	10,336	(140,238)	(865,779)
Ending Fund Balance June 30	\$ 1,210,822	\$ 1,070,584	\$ 204,805
<u>Financial Position</u>			
Restricted	1,210,822	1,070,584	204,805
Ending Fund Balance June 30	\$ 1,210,822	\$ 1,070,584	\$ 204,805

Cable Fund (Continued)



FINANCIAL SUMMARY - Cable Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 93,787	\$ 107,701	\$ 101,548	\$ 98,333	\$ 103,858
Supplies	13,232	10,383	20,500	20,500	18,600
Other Services and Charges	28,384	27,468	32,706	33,155	34,016
Capital Outlay	-	998	82,705	82,705	84,705
Transfer Out	-	-	-	-	750,000
Total	\$ 135,403	\$ 146,550	\$ 237,459	\$ 234,693	\$ 991,179

Changes in Budget

- ❖ \$753,920 increase from the FY20/21 amended budget and \$756,486 increase from FY20/21 projected.
- ❖ The FY21/22 budget includes \$750,000 transfer out to the Capital Improvement Fund for improvements to the Council Chambers Studio.
- ❖ The FY21/22 budget again includes \$84,705 of capital for cable studio enhancements and video equipment replacement.
- ❖ The FY21/22 budget continues to provide funding for one employee to operate the Cable television studios, as well as miscellaneous supplies and small repairs to equipment as needed.
- ❖ The FY20/21 budget is projected to decrease fund balance about 11.5% or \$140,238 to \$1,070,584.
- ❖ The FY21/22 budget includes decreasing fund balance 80.8% or \$865,779 by June 30, 2022 ending fund balance of \$204,805 or 20.6% of operating expenditures, is above the minimum required 15% of expenditures per the City's adopted fund balance policy.

Building Fund

The mission of the Building Fund is to administer the development process in the City of Pontiac. The Department is responsible for development from concept through occupancy and is responsible for coordinating reviews and inspections by staff as well as by other departments and agencies.

Building Safety

Building Safety is responsible to insure all buildings are safe for all. The group is responsible for reviewing construction plans, issuing permits, and performing inspections for building, electrical, mechanical, and plumbing work done in Pontiac. The technical staff monitors projects throughout the construction process to ensure compliance with all state construction codes and local ordinance. Technical staff, the Building Official, plan reviewers, and all inspectors (building, electrical, mechanical, and plumbing) are all licensed as required by State law.

Building safety coordinates and works closely with other City departments involved in construction and is responsible for coordinating reviews and inspections with the Waterford Regional Fire Department, Oakland County Water Resources Commission, and Oakland County Sherriff.

Administratively, the Building Safety staff is responsible for staff support of both the Hearing Officer and Board of Appeals. This effort includes all administrative functions to support each, scheduling, and providing legal notice for every case, assembling all case materials, posting notices on every property, property inspections, and recording decisions by both the Hearing Officer and Board of Appeals. Staff also communicates directly with property owners (and/or their representatives) that are in the process of being reviewed by either the Hearing Officer or Board of Appeals.

Building Safety is also responsible for the operation of the City's rental property registration program. The City requires all residential rental properties to register with the City and be inspected at least once every three years or upon change in tenant. Building Safety staff is responsible for all administration, invoicing, tracking, communication, and inspections related to this program.

Building Fund Revenue

The Building Fund is supported by user fees paid by applicants for construction code permits, rental inspections, and business licenses. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. The City accounts for construction code activity in the Building Inspection special revenue fund.

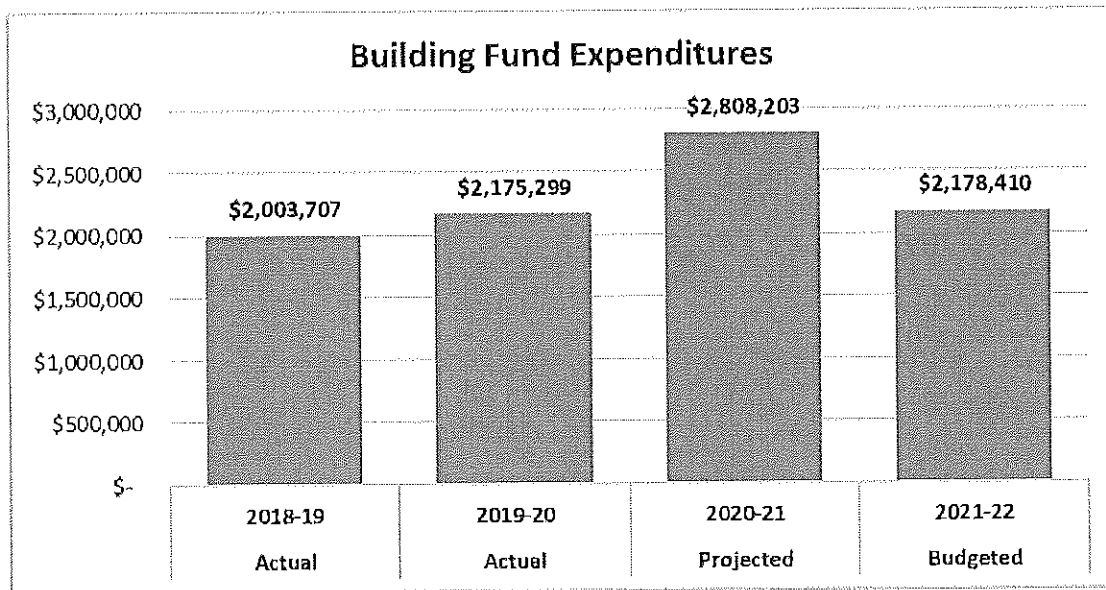
The license and permit revenue represents over 95% of the revenue for the Building Fund. The remaining 5% of revenue is from charges for services and interest income. Wade Trim Associates currently performs the management and inspections for building activity. The revenue is estimated based on current building permit trends provided by the current contractor, Wade Trim.

Building Fund (Continued)

Building Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Licenses and Permits	4,109,956	3,472,913	2,994,800
Charges for Services	216,178	158,617	121,300
Other Revenue	8	25	-
Interest and Rents	7,746	1,363	2,600
Total Budgeted Revenue Sources	4,333,888	3,632,918	3,118,700
<u>Proposed Appropriations</u>			
Supplies	8,935	11,885	20,850
Other Services and Charges	2,166,364	2,796,318	2,157,560
Total Budgeted Expenditures	2,175,299	2,808,203	2,178,410
Budgeted Net Revenue (Expenditures)	2,158,589	824,715	940,290
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	924,180	3,082,769	3,907,484
Change in Fund Balance	2,158,589	824,715	940,290
Ending Fund Balance June 30	\$ 3,082,769	\$ 3,907,484	\$ 4,847,774
<u>Financial Position</u>			
Restricted	3,082,769	3,907,484	4,847,774
Ending Fund Balance June 30	\$ 3,082,769	\$ 3,907,484	\$ 4,847,774

Building Fund (Continued)



FINANCIAL SUMMARY - Building Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Supplies	\$ 11,748	\$ 8,935	\$ 15,350	\$ 11,885	\$ 20,850
Other Services and Charges	1,991,959	2,166,364	2,826,978	2,796,318	2,157,560
Total	<u>\$ 2,003,707</u>	<u>\$ 2,175,299</u>	<u>\$ 2,842,328</u>	<u>\$ 2,808,203</u>	<u>\$ 2,178,410</u>

Changes in Budget

- ❖ \$629,793 decrease from the FY20/21 Amended Budget and \$663,918 decrease from FY20/21 projected.
- ❖ Supplies increased slightly from FY20/21 amended budget.
- ❖ Other services and charges include the professional services of Wade Trim for Building Department Inspection and Management. There has been a decrease in contract fees of approximately \$670,807 from FY 20/21 budget.
- ❖ The FY20/21 budget is projected to gain 26.7% of fund balance or \$824,715.
- ❖ The FY21/22 budget includes an increase to fund balance of \$940,290. The ending fund balance is projected to be \$4,847,774 at June 30, 2022.

HOME Buyers Assistance Fund

The Home Investment Partnership Program (HOME) is an entitlement program of the U.S. Department of Housing and Urban Development (HUD). HOME provides formula grants to State and localities that communities use-often in partnership with local nonprofit groups to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

Oakland County has been administering HOME grants awarded to the City since FY12/13. Currently, the City of Pontiac is not expecting to receive and administer this grant in-house. The City of Pontiac offers down payment assistance to low to moderate homebuyers who are interested in purchasing a home within the geographical area of Pontiac. The homebuyer's income must not exceed 80% of the City of Pontiac's median income. The property being purchased must be used as the principal residence of the purchaser.

Home Buyers Fund Revenue

The Home Buyers Assistance Fund currently does not have any expected funds to be received from Grants. In FY20/21, it was projected that the remaining fund balance was to be spent on Community and Economic appropriations. The City did not budget any funds in FY21/22 and the fund balance is zero.

Home Buyers Assistance Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Federal Grants	-	-	-
Other Revenue	-	-	-
Total Budgeted Revenue Sources	-	-	-
<u>Proposed Appropriations</u>			
Community and Economic Development	-	3,638	-
Total Budgeted Expenditures	-	3,638	-
 Budgeted Net Revenue (Expenditures)	-	(3,638)	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	3,638	3,638	-
Change in Fund Balance	-	(3,638)	-
Ending Fund Balance June 30	\$ 3,638	\$ -	\$ -
<u>Financial Position</u>			
Restricted	3,638	-	-
Ending Fund Balance June 30	\$ 3,638	\$ -	\$ -

Drug Law Enforcement Fund

The Drug Law Enforcement Fund is used to account for funds seized from drug dealers under federal and state law that can be used for specific law enforcement purposes. Applicable legislation: Public Act 368 of 1978.

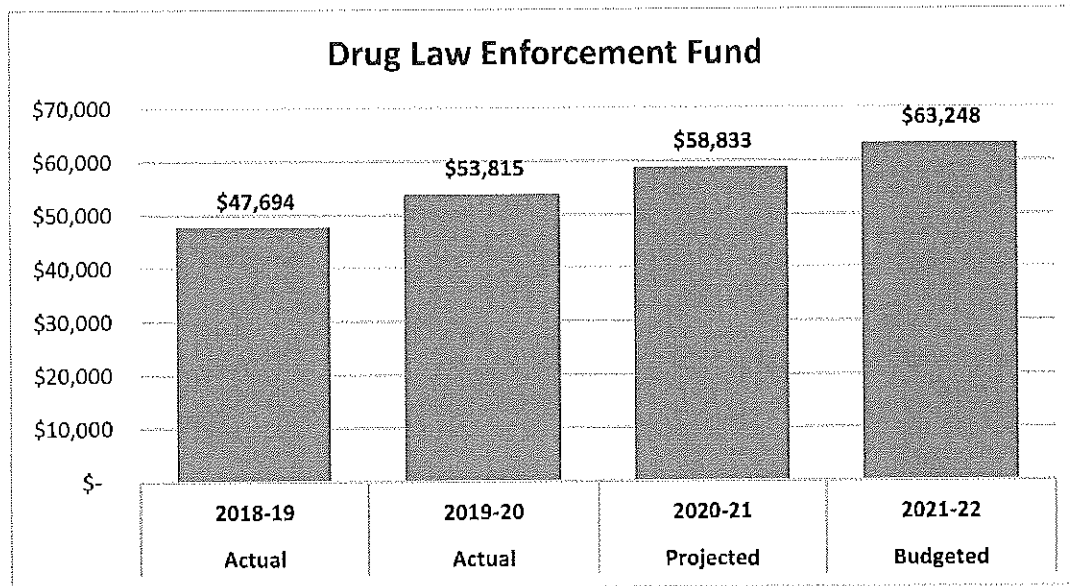
Drug Law Enforcement Fund Revenue

The majority of the revenue in this fund is from forfeits, with a small amount of revenue from interest earnings. FY21/22 is expecting \$10,000 in overtime reimbursements from Oakland County Sheriff that is directly related to forfeiture activity. Forfeit revenue is usually unpredictable for this fund. The FY21/22 budget is expecting \$40,000 in Forfeiture revenue, which is the same as the FY20/21 projected.

Drug Law Enforcement Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Fines and Forfeits	\$ 37,213	\$ 40,000	\$ 40,000
Interest and Rents	1,214	722	900
Total Budgeted Revenue Sources	38,427	40,722	40,900
<u>Proposed Appropriations</u>			
Public Safety	53,815	58,833	63,248
Total Budgeted Expenditures	53,815	58,833	63,248
Budgeted Net Revenue (Expenditures)	(15,388)	(18,111)	(22,348)
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	227,441	212,052	193,941
Change in Fund Balance	(15,388)	(18,111)	(22,348)
Ending Fund Balance June 30	\$ 212,053	\$ 193,941	\$ 171,593
<u>Financial Position</u>			
Restricted	212,053	193,941	171,593
Ending Fund Balance June 30	\$ 212,053	\$ 193,941	\$ 171,593

Drug Law Enforcement Fund (Continued)



FINANCIAL SUMMARY - Drug Law Enforcement Fund

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Other Services and Charges	\$ 47,694	\$ 53,815	\$ 58,033	\$ 58,833	\$ 63,248
Total	\$ 47,694	\$ 53,815	\$ 58,033	\$ 58,833	\$ 63,248

Changes in Budget

- ❖ The FY21/22 budget includes \$63,248 of public safety expenditures that are related to forfeiture, including fees paid to Oakland County Sheriff department for expenditures related to drug activity.
- ❖ The FY20/21 is projecting to use \$18,111 or 8.5% of fund balance. The planned drug related expenditures are more than the forfeits projected.
- ❖ The FY21/22 budget is projecting to decrease fund balance about 11.5% or \$22,348. The ending fund balance of \$171,593 is 271% of expenditures, which is above the minimum 15% per the City's adopted fund balance policy.

District Court Fund

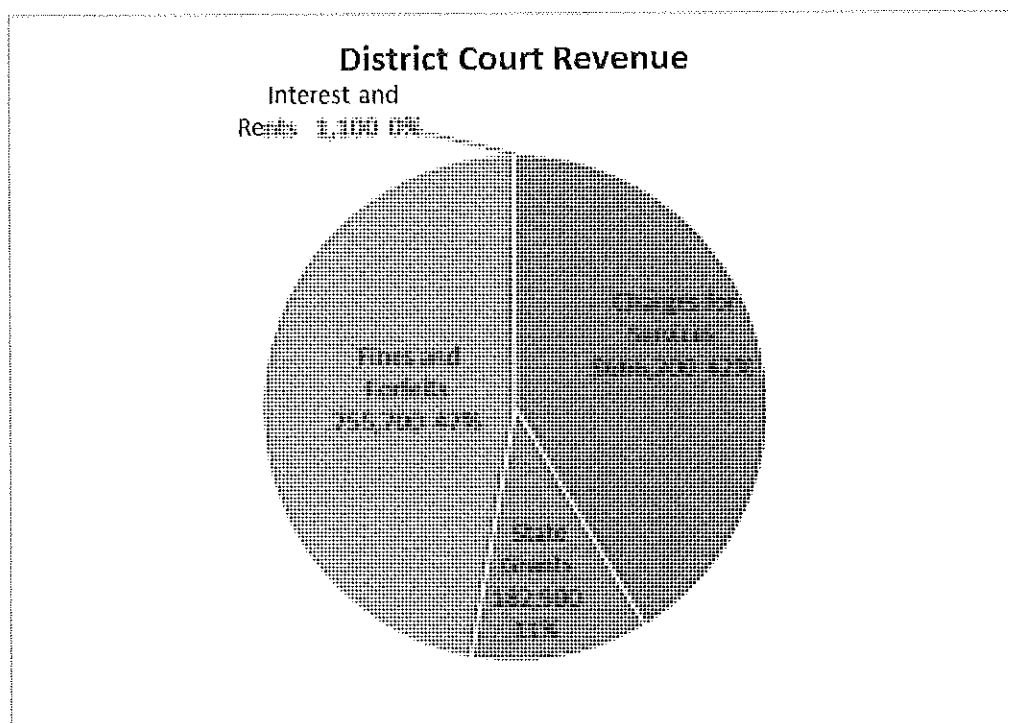
The 50th District Court is a State of Michigan Court which is administered by four elected District Judges who serve 6-year terms. The District Court has jurisdiction of all city ordinance violations and state law misdemeanors. The Court also conducts preliminary examinations of felony cases. In civil matters, this court has jurisdiction of all civil cases where the amount claimed is up to \$25,000.00, small claims cases up to \$5,500.00, and a landlord/tenant department. The Court handles garnishments as well as eviction proceedings, land contract and mortgage foreclosures. In small claims matters, litigants agree to waive their rights to a jury, rules of evidence, representation by a lawyer and the right to appeal from the district judge's decision. Small claims cases are heard by a judge whose decision is final.

The 50th District Court Probation Department is responsible for the supervision of all individuals placed on probation by the district judges.

District Court Fund Revenue

The District Court Fund is used to support the operating expenditures of the 50th District Court. The 50th District Court receives the majority of its revenue from charges for services and fines and forfeits. These revenues do not cover all of the expenditures for the courts operations, resulting in the General Fund subsidizing the remaining difference each year.

Fines and forfeits represent 47% or \$755,700 of the total revenue for the court. The court receives the majority of its fines from traffic violations. The Charges for Services category is the second largest for approximately \$666,200. The court also receives aid from the State of Michigan for \$182,900 and a small amount of interest income. In addition to the revenue received by the court, the General Fund expenditures are budgeted to transfer \$2.2 million to the Court.

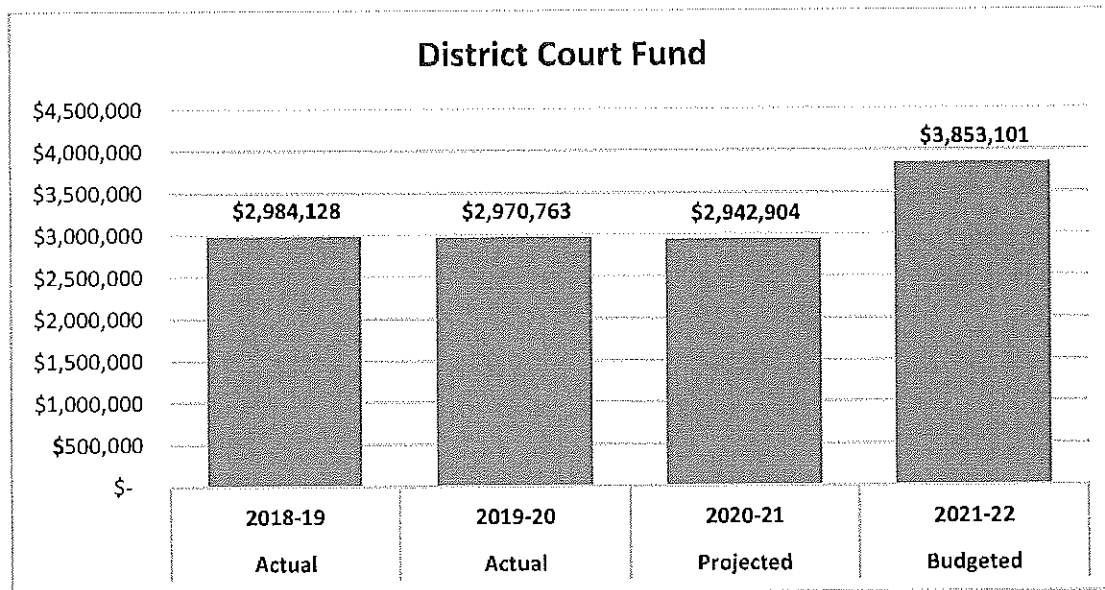


District Court Fund (Continued)

District Court Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Charges for Services	\$ 662,623	\$ 573,977	\$ 666,200
State Grants	182,896	182,900	182,900
Fines and Forfeits	934,429	472,721	755,700
Interest and Rents	1,585	594	1,100
Total Budgeted Revenue Sources	<u>1,781,556</u>	<u>1,230,242</u>	<u>1,605,900</u>
<u>Proposed Appropriations</u>			
District Court	2,734,300	2,643,137	3,392,173
Court Probation	196,688	240,530	422,081
Total Budgeted Expenditures	<u>2,930,988</u>	<u>2,883,667</u>	<u>3,814,254</u>
Budgeted Net Revenue (Expenditures)	<u>(1,149,432)</u>	<u>(1,653,425)</u>	<u>(2,208,354)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	1,188,960	1,850,209	2,247,201
Transfers (Out) and Other Financing Sources	(39,775)	(59,237)	(38,847)
Total Other Financing Sources	<u>1,149,185</u>	<u>1,790,972</u>	<u>2,208,354</u>
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	1,487	1,245	138,792
Change in Fund Balance	(247)	137,547	-
Ending Fund Balance June 30	<u>\$ 1,240</u>	<u>\$ 138,792</u>	<u>\$ 138,792</u>
<u>Financial Position</u>			
Nonspendable	1,240	138,792	138,792
Ending Fund Balance June 30	<u>\$ 1,240</u>	<u>\$ 138,792</u>	<u>\$ 138,792</u>

District Court Fund (Continued)



FINANCIAL SUMMARY - District Court Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 1,981,874	\$ 1,990,521	\$ 2,455,957	\$ 1,633,078	\$ 2,557,424
Supplies	78,718	90,395	113,050	128,349	135,800
Other Services and Charges	869,014	843,947	1,077,965	1,097,240	1,083,030
Capital Outlay	13,302	6,125	42,500	25,000	38,000
Transfers Out	41,220	39,775	59,237	59,237	38,847
Total	\$ 2,984,128	\$ 2,970,763	\$ 3,748,709	\$ 2,942,904	\$ 3,853,101

Changes in Budget

- ❖ The FY21/22 budget includes appropriations of approximately \$3.8 million.
- ❖ The District Court Fund includes funding for the District Court judges and administration as required by law.
- ❖ Other Services and Charges are increasing by \$5,065 from the FY20/21 amended budget. A \$15,000 line item for COVID 19 expenditures was added into the budget for FY21/22. Utility expenses are also increasing slightly.
- ❖ The ending fund balance for the District Court fund is expected to be zero. The non-spendable fund balance is attributed to prepaid expense. Since the District Court is subsidized by the General Fund, there is expected to be no fund balance at the end of the fiscal year.

District Court - Goals

- ❖ Improve justice administration by recording and reporting accurate and comprehensive court and case information.
- ❖ Improve and increase the use of technology in court functions and the delivery of court services.
- ❖ Promote increased public access and understanding of the court system and its processes.
- ❖ Improve the experience of prospective and selected jurors.
- ❖ As the delivery of justice continues to evolve, provide educational opportunities for all staff to stay abreast of the changes in statutes and court rules.

MIDC Grant Fund

The Michigan Indigent Defense Commission (MIDC) Grant Fund's purpose is to oversee the acceptance of grant funds from MIDC and charging all plan related costs to this fund. The fund is to be completely separated from the District Court Fund, as to allow for better management of the grant monies and monitoring by the local and state interested parties.

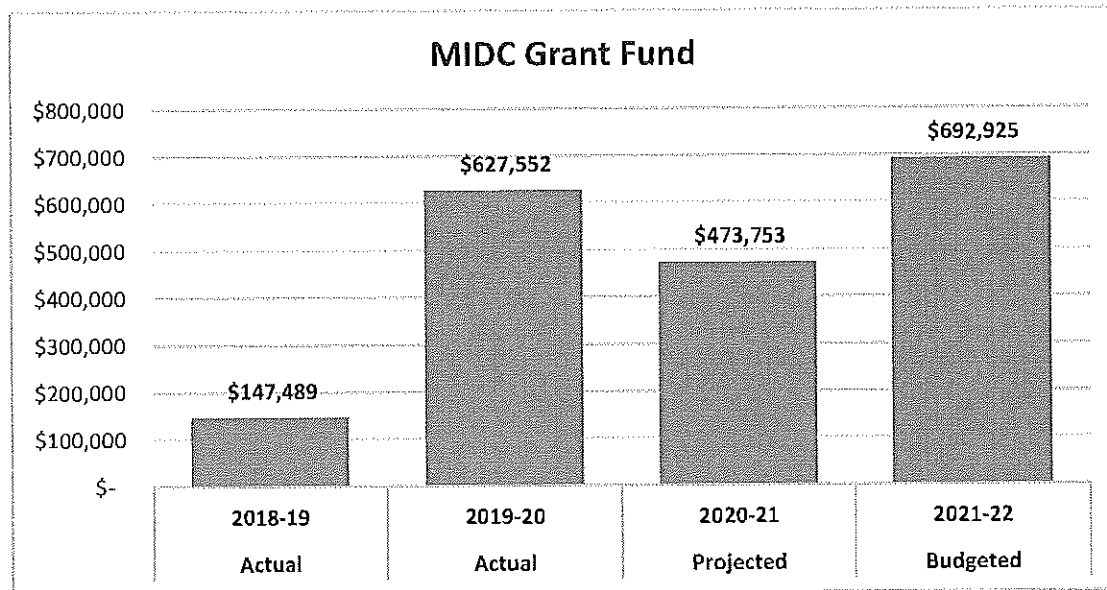
MIDC Fund Revenue

FY21/22 is expected to receive \$613,025 grant money from the State of Michigan. The Fund is also budgeted to have a local share transfer in amount of \$17,847.

MIDC Grant Fund Budgeted Financial Summary

	<u>2017-18 Actual</u>	<u>2018-19 Projected</u>	<u>2019-20 Budgeted</u>
<u>Estimated Revenue Source</u>			
State Grants	\$ 609,528	\$ 698,254	\$ 613,025
Total Budgeted Revenue Sources	609,528	698,254	613,025
<u>Proposed Appropriations</u>			
General Government	627,552	473,753	692,925
Total Budgeted Expenditures	627,552	473,753	692,925
 Budgeted Net Revenue (Expenditures)	 (18,024)	 224,501	 (79,900)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	18,023	38,237	17,847
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	18,023	38,237	17,847
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	-	-	262,738
Change in Fund Balance	(1)	262,738	(62,053)
Ending Fund Balance June 30	\$ (1)	\$ 262,738	\$ 200,685
<u>Financial Position</u>			
Restricted	-	262,738	200,685
Ending Fund Balance June 30	\$ -	\$ 262,738	\$ 200,685

MIDC Grant Fund (Continued)



FINANCIAL SUMMARY - MIDC Grant Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 20,553	\$ 95,130	\$ 152,941	\$ 72,637	\$ 156,794
Supplies	-	754	1,500	1,500	1,300
Other Services and Charges	126,936	444,178	582,050	393,496	533,750
Capital Outlay	-	87,490	-	6,120	1,081
Total	\$ 147,489	\$ 627,552	\$ 736,491	\$ 473,753	\$ 692,925

Changes in Budget

- ❖ The FY21/22 budget includes appropriations of \$692,925. This amount is \$43,566 less than the FY20/21 amended budget, and \$219,172 more than the FY20/21 projected. Fund balance at the end of FY21/22 is expected to be \$200,685. The City has budgeted a local transfer amount of \$17,847 from the District Court Fund.
- ❖ The MIDC fund is expecting to receive State Grant amount of \$613,025 during FY21/22.

MIDC Fund - Goals

- ❖ Monitor all MIDC related revenues and appropriations throughout the FY making sure they are being separated from the District Court.
- ❖ Ensure the City is up to date with reporting as is required by the State of Michigan and MIDC.

PA-48 Telecommunication Allocation Fund

The PA 48 Telecommunications Fund is used to account for Metro Act fees paid to the City of Pontiac by the State of Michigan. The Metro Authority annually invoices telecommunication providers for assessed maintenance fees for actual footages installed in municipal public right-of-ways. The City is required to use these fees to pay for rights-of-way related purposes. At this time, these fees are used to pay for street light expenditures in the City right-of-ways in the General fund. All Metro Act revenue is transferred to the General Fund to cover a portion of those expenditures. The revenue received does not cover 100% of the expenditures. Applicable legislation: Public Act 48 of 2002

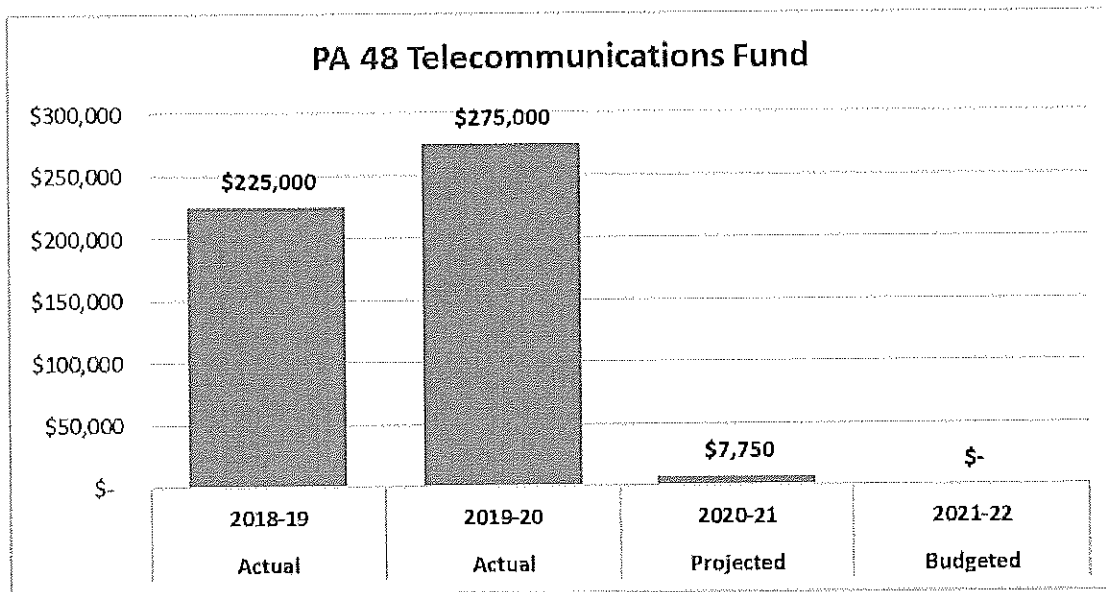
PA 48 Fund Revenue

The PA 48 Fund does not expect to receive any revenue for the FY 21/22 budget. This amount normally received from the State of Michigan will now be recognized in the General Fund.

PA-48 Telecommunication Allocation Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Licenses and Permits	-	-	-
State Grants	248,221	-	-
Total Budgeted Revenue Sources	248,221	-	-
<u>Proposed Appropriations</u>			
Public Works	-	-	-
Total Budgeted Expenditures	-	-	-
Budgeted Net Revenue (Expenditures)	248,221	-	-
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Sources	(275,000)	(7,750)	-
Total Other Financing Sources	(275,000)	(7,750)	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	57,750	30,972	23,222
Change in Fund Balance	(26,779)	(7,750)	-
Ending Fund Balance June 30	\$ 30,971	\$ 23,222	\$ 23,222
<u>Financial Position</u>			
Restricted	30,971	23,222	23,222
Ending Fund Balance June 30	\$ 30,971	\$ 23,222	\$ 23,222

PA-48 Telecommunication Allocation Fund (Continued)



FINANCIAL SUMMARY - PA 48 Telecommunications Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Transfers Out	\$ 225,000	\$ 275,000	\$ 7,750	\$ 7,750	\$ -
Total	\$ 225,000	\$ 275,000	\$ 7,750	\$ 7,750	\$ -

Changes in Budget

- ❖ The revenue normally received from the State of Michigan into this Fund will now go into the General Fund.

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Capital Improvements Fund

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Capital Improvements Fund

The Capital Improvements Fund is used to account for and report the financial resources that are restricted, committed, or assigned to be used on capital outlays, including the construction or acquisition of facilities and other capital assets. The Capital Improvements Fund is authorized by City Charter to levy property taxes specifically for the construction and acquisition of capital outlays.

Per the City of Pontiac Capital Asset Policy, a capital asset is land, improvement to land, easements, buildings, building improvements, vehicles, machines, equipment, works of art, historical treasures, and all other tangible and intangible items used in operations that have an estimated useful life of at least two years following the date of acquisition and when valued individually, contain a value of at least ten thousand dollars. A capital asset shall be considered to have been acquired on the date that the item was placed into useful service.

To assist in the differentiation between a capitalizable item and maintenance, an item shall be capitalized if it meets the criteria established above and increases the capacity, efficiency, or useful life of the item.

The Capital Improvements Fund is expected to spend \$3,106,333 in capital projects in FY21/22. All of the capital purchases for FY21/22 are nonrecurring. Listed in the Changes to Budget Section on the page following the Capital Projects Budgeted Financial Summary are the projects expected over the next budget year.

The effects of capital improvement items are taken into account for the operating budget throughout the City at the time the budget is prepared. For FY21/22, there are no assets that are affecting the operating budget.

Capital Improvement Fund Revenue

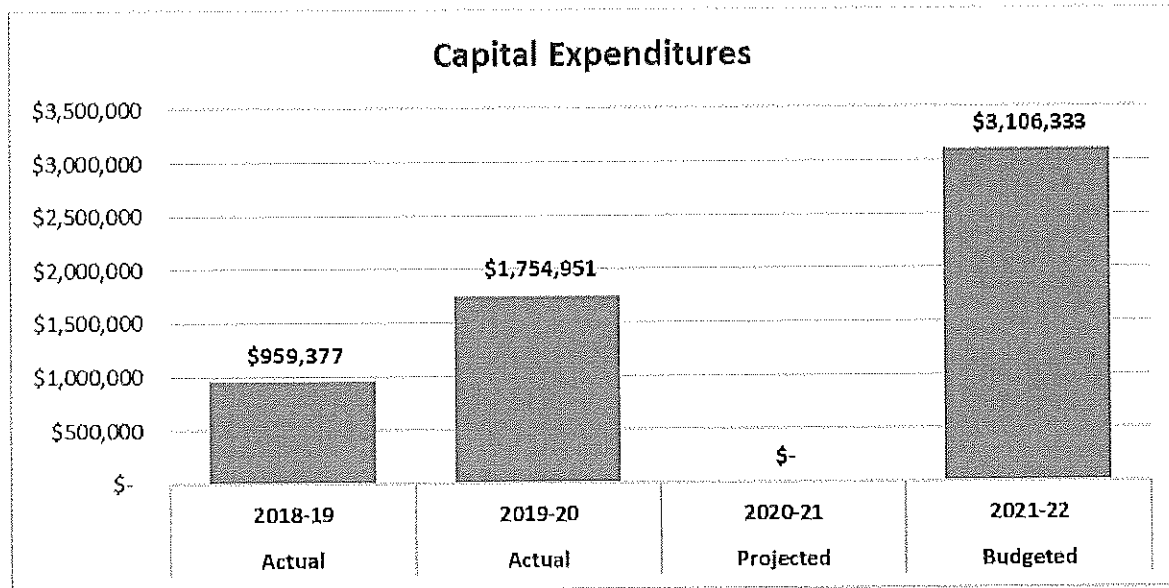
The Pontiac City Charter authorized a millage up to 1.5 mills, however, the millage has been reduced to 1.3961 due to a Headlee Amendment rollback. The FY21/22 budget is projecting property tax revenue of approximately \$957,698, which is an decrease of \$45,006 from the FY20/21 projection. The property taxes also include reimbursement from the State of Michigan for the Small Taxpayer Exemption Loss

Capital Improvements Fund (Continued)

Capital Improvement Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Property Taxes	\$ 941,529	\$ 1,002,704	\$ 957,698
State Grants	42,255	35,996	42,500
Interest and Rents	47,510	25,000	25,000
Total Budgeted Revenue Sources	1,031,294	1,063,700	1,025,198
<u>Proposed Appropriations</u>			
Capital Expense - General Government	1,663,692	-	2,093,333
Capital Expense - Public Safety	90,231	-	500,000
Capital Expense - Public Works	1,028	-	513,000
Capital Expense - Community and Economic Development	-	-	-
Capital Expense - Recreation and Culture	-	-	-
Total Budgeted Expenditures	1,754,951	-	3,106,333
Budgeted Net Revenue (Expenditures)	(723,657)	1,063,700	(2,081,135)
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	3,012,946	2,289,289	3,352,989
Change in Fund Balance	(723,657)	1,063,700	(1,331,135)
Ending Fund Balance June 30	\$ 2,289,289	\$ 3,352,989	\$ 2,021,854
<u>Financial Position</u>			
Restricted	2,289,289	3,352,989	2,021,854
Ending Fund Balance June 30	\$ 2,289,289	\$ 3,352,989	\$ 2,021,854

Capital Improvements Fund (Continued)



FINANCIAL SUMMARY - Capital Expenditures Fund

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Capital Outlay	\$ 959,377	\$ 1,754,951	\$ 2,442,333	\$ -	3,106,333
Transfers Out	-	-	-	-	-
Total	\$ 959,377	\$ 1,754,951	\$ 2,442,333	\$ -	3,106,333

Changes in Budget

- ❖ FY21/22 budget includes over \$3.1 million in capital projects.
- ❖ FY21/22 ending fund balance is expecting \$2,021,854 in restricted fund balance, which is a decrease of 39% from beginning fund balance. The use of fund balance is for necessary capital projects within the City.
- ❖ FY21/22 budget is expected to use \$1.3 million or 39.6% of fund balance on capital projects. The balance on June 30, 2022 will be \$2,021,854, greater than the minimum of 15% of expenditures, as required by the City's fund balance policy.
- ❖ The City of Pontiac is planning the following projects:
 - City Hall Parking Lot Repairs \$800,000
 - City Hall Building Additions and Repairs \$400,000
 - Ottawa Park Roof Replacement \$120,000
 - Computer Equipment \$23,333
 - Cable \$750,000
 - Sheriff Substation repairs \$500,000
 - Street Light Improvements \$213,000
 - To be determined roads \$300,000

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Enterprise Funds

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Parking Fund

The Parking Fund accounts for the activities of City-owned parking structures and lots. Currently, the parking fund's only revenue source is from interest income as the City currently has no parking lot operations.

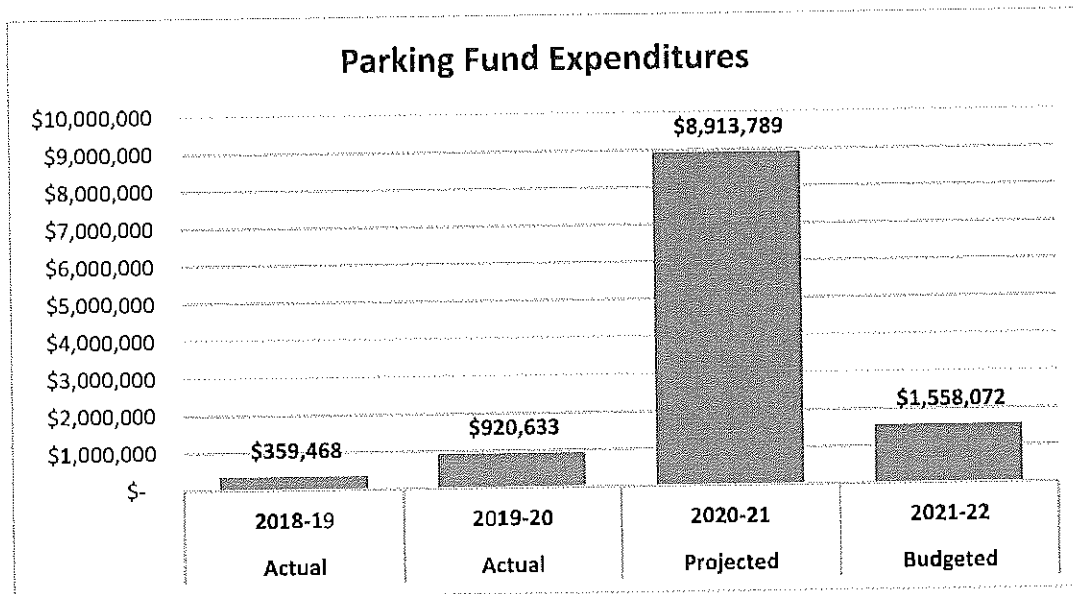
Parking Fund Revenue

The City reports property tax revenue chargebacks as a component of property tax revenue. The chargebacks result from taxes from prior years that the County is unable to collect and subsequently charges to the City. The City no longer has a property tax levy for the Parking Fund resulting in only the chargeback paid to the County being reported per governmental accounting standards. In addition to the charges for services for parking lot use, the Parking Fund is also projected to receive approximately \$23,400 in investment income for FY21/22.

Parking Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
Estimated Revenue Source			
Interest and Rents	46,453	14,897	23,400
Total Budgeted Revenue Sources	46,453	14,897	23,400
Other Financing Sources (Uses)			
Transfers In and Other Financing Sources	7,000,564	381,803	-
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	7,000,564	381,803	-
Proposed Appropriations			
Parking - City	\$,000	197,726	197,726
Parking - Phoenix Center	915,633	8,716,063	952,648
Debt Service	-	-	407,698
Total Budgeted Expenditures	920,633	8,913,789	1,558,072
 Budgeted Net Revenue (Expenditures)	 6,126,384	 (8,517,089)	 (1,534,672)
Estimated Fund Balance			
Beginning Net Position July 1	13,437,275	19,563,661	11,046,572
Change in Net Position	6,126,384	(8,517,089)	(1,534,672)
Ending Net Position June 30	\$ 19,563,659	\$ 11,046,572	\$ 9,511,900
Financial Position			
Unrestricted Net Position	8,104,651	152,425	(817,386)
Investment in Fixed Assets	9,145,300	8,580,439	8,015,578
Restricted for Pension Benefits	2,313,708	2,313,708	2,313,708
Ending Net Position June 30	\$ 19,563,659	\$ 11,046,572	\$ 9,511,900

Parking Fund (Continued)



FINANCIAL SUMMARY - Parking Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ (593,438)	\$ (59,760)	\$ 132,000	\$ 132,000	\$ 132,000
Supplies	-	-	-	-	-
Other Services and Charges	952,906	951,596	1,243,365	1,597,847	1,018,374
Capital Outlay	-	28,797	7,000,000	7,183,942	-
Debt Service	-	-	-	-	407,698
Total	\$ 359,468	\$ 920,633	\$ 8,375,365	\$ 8,913,789	\$ 1,558,072

Changes in Budget

- ❖ FY21/22 budget includes \$1,558,072 in expenditures, which is a decrease of \$7,355,717 from FY20/21 projected and \$6,817,293 decrease from FY20/21 amended budget.
- ❖ The significant decrease is due to a settlement of a lawsuit on the Phoenix Center. The City paid for improvements to the structure during FY20/21.
- ❖ Other Services and Charges includes the following items:
 - Depreciation \$897,000 – this remained the same as FY20/21 budget.
 - Property Insurance & utilities \$76,317
 - Legal Services of \$15,000
- ❖ The change in net position of FY21/22 is estimated to decrease fund balance by \$1.5 million or 14%. The ending fund balance at June 30, 2022 will be \$9,511,900.

Internal Service Funds

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Insurance Fund

The Insurance Fund was created to account for the City's insurance services, the cost of general liability, property insurance premiums, and health insurance for both active and retirees. The City has purchased commercial insurance for medical and dental, and general liability expense claims and participates in the Michigan Municipal Risk Management Authority risk pool for claims relating to property loss, torts, and errors and omissions.

The Michigan Municipal Risk Management Authority (the "Authority") risk pool program operates as a claims servicing pool for amounts up to member retention limits, and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to the Authority that the Authority uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the City. The City estimates the liability for general liability claims that have been incurred through the end of the fiscal year, including claims that have been reported as well as those that have not yet been reported.

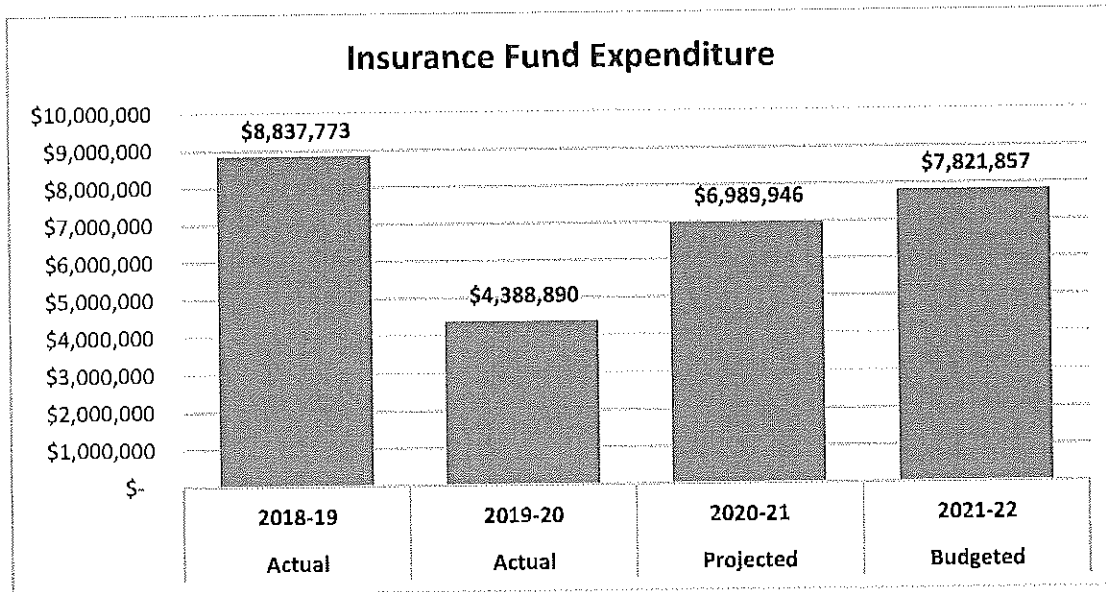
Insurance Fund Revenue

The Insurance Fund is funded by user fees: internal city user departments, employee insurance contributions, retiree insurance contributions, VEBA Trust contributions, and insurance reimbursements. The City is expecting \$6,379,550 in user charges for FY21/22. The user charges match expenditures for health, dental, optical, life, and general and property insurance. Legal fees and Risk Management is currently not reimbursed by other funds. The revenue is increasing approximately \$1.7 million or 32% from FY20/21 projected. The increase is directly related to reimbursements for health-care for retirees, employees, and general and property insurance. 100% of the healthcare for employees and retirees are reimbursed by Funds/Departments (City portion), employees and retirees.

Insurance Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Charges for Services	\$ 4,627,776	\$ 4,611,717	\$ 6,379,550
Other Revenue	622,894	766,414	731,662
Interest and Rents	-	-	-
Total Budgeted Revenue Sources	5,250,670	5,378,131	7,111,212
<u>Proposed Appropriations</u>			
General Government	74	177	-
Insurance	4,388,816	6,989,769	7,821,857
Total Budgeted Expenditures	4,388,890	6,989,946	7,821,857
Budgeted Net Revenue (Expenditures)	861,780	(1,611,815)	(710,645)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	-	-	-
<u>Estimated Fund Balance</u>			
Beginning Net Position July 1	2,245,566	3,107,346	1,495,531
Change in Net Position	861,780	(1,611,815)	(710,645)
Ending Net Position June 30	\$ 3,107,346	\$ 1,495,531	\$ 784,886
<u>Financial Position</u>			
Unrestricted Net Position	3,107,346	1,495,531	784,886
Ending Net Position June 30	\$ 3,107,346	\$ 1,495,531	\$ 784,886

Insurance Fund (Continued)



FINANCIAL SUMMARY - Insurance Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Personnel Services	\$ 8,837,773	\$ 4,388,890	\$ 7,601,136	\$ 6,989,946	\$ 7,821,857
Total	\$ 8,837,773	\$ 4,388,890	\$ 7,601,136	\$ 6,989,946	\$ 7,821,857

Changes in Budget

- ❖ FY21/22 budget includes \$7,821,857 in expenditures, which is \$831,911 higher than the FY20/21 projected and \$220,721 higher than the FY20/21 budget.
- ❖ The FY21/22 budget includes a \$176,025 contribution to the VEBA OPEB Trust.
- ❖ FY21/22 budget includes premiums for general liability and property insurance.
- ❖ FY21/22 includes all medical, dental, optical and life insurance premiums for all employees and retirees
- ❖ FY21/22 also includes the risk management function for the City of Pontiac and legal services related to retiree healthcare.

Workers' Compensation Fund

The Workers' Compensation Fund is used to account for claims and insurance for workers' compensation. The City was previously self-insured and records a liability for those claims that have been reported as well as those that have not yet been reported. For the last few years, the City has purchased workers' compensation insurance for current employees.

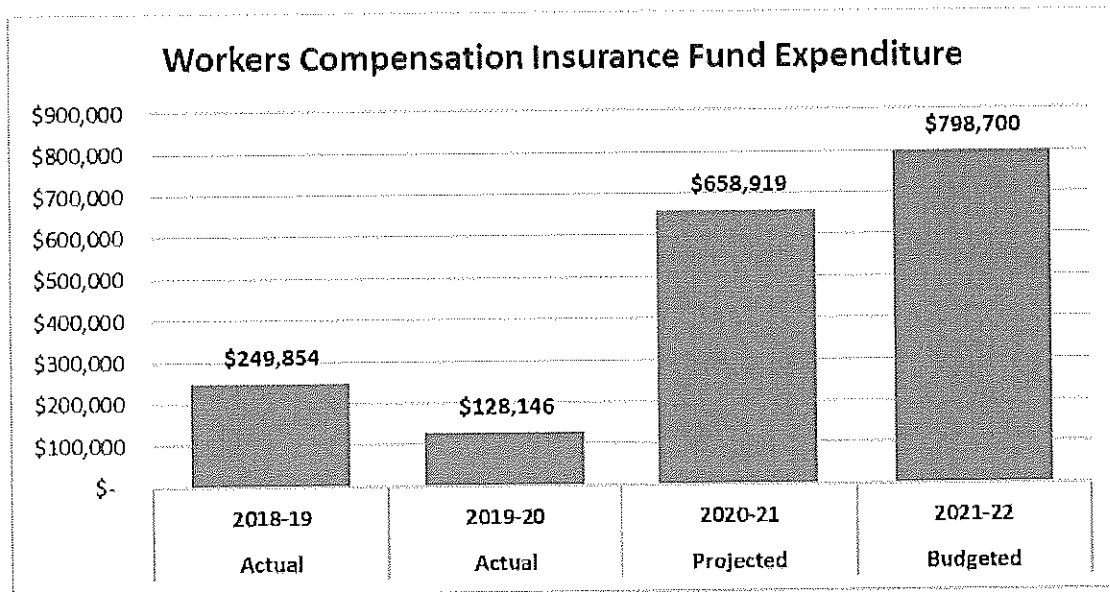
Workers' Compensation Fund Revenue

The Workers' Compensation Fund is funded by user fees: internal city user departments and reimbursements from the City's insurance company. The City is expecting \$478,700 in user charges and \$15,000 in investment income for FY21/22. The user charges and investment income are expected to recover 100% of the insurance expenditures.

Workers' Compensation Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Charges for Services	\$ 188,906	\$ 272,611	\$ 478,700
Interest and Rents	18,513	15,000	15,000
Total Budgeted Revenue Sources	207,419	287,611	493,700
<u>Proposed Appropriations</u>			
Insurance	128,146	658,919	798,700
Total Budgeted Expenditures	128,146	658,919	798,700
Budgeted Net Revenue (Expenditures)	79,273	(371,308)	(305,000)
<u>Estimated Fund Balance</u>			
Beginning Net Position July 1	1,207,936	1,287,210	915,902
Change in Net Position	79,273	(371,308)	(305,000)
Ending Net Position June 30	\$ 1,287,209	\$ 915,902	\$ 610,902
<u>Financial Position</u>			
Unrestricted Net Position	1,287,209	915,902	610,902
Ending Net Position June 30	\$ 1,287,209	\$ 915,902	\$ 610,902

Workers' Compensation Fund (Continued)



FINANCIAL SUMMARY - Workers Compensation Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Other Services and Charges	\$ 249,854	\$ 128,146	\$ 658,919	\$ 658,919	\$ 798,700
Total	\$ 249,854	\$ 128,146	\$ 658,919	\$ 658,919	\$ 798,700

Changes in Budget

- ❖ FY21/22 Budget includes \$798,700 in expenditures, which is \$139,781 higher than the FY20/21 projected and \$139,781 higher than the FY20/21 budget.
- ❖ The FY20/21 is projecting to use 28.8% or \$371,308 from net position to cover potential claims for worker's compensation from previous employees when the City was self-insured. The ending unrestricted net position at June 30, 2022 is expected to be \$610,902, which is above the above the 10% required per the City's adopted fund balance policy.

Component Unit Funds

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Tax Increment Finance Authority #2 and #3 Funds

The Tax Increment Financing Authority (TIFA) was created to promote economic growth and business development within the community. The TIFA's governing body consists of not less than 7 or more than 13 persons appointed by the Mayor, subject to the approval of the City Council. A member shall hold office until the member's successor is appointed. An appointment to fill a vacancy shall be made by the Mayor for the unexpired term only.

The City has two TIFA Districts Funds #2 and #3. The only budgeted activity in both of these Funds is to pay TIFA debt service. In 2007, the City guaranteed the 10-year, \$1.315 million TIFA 2 2007C series, the 17-year, \$3.28 million TIFA 2 2007C series, and the 24-year, \$24.45 million TIFA 3 2007C series revenue bond issuances in accordance with a resolution adopted by the City. The bonds mature annually through May 1, 2017, May 1, 2024 and May 1, 2031, respectively, with semiannual interest payments. In the event that the TIFA is unable to make a payment, the City is required to make that payment. As a result of declining TIFA revenues that occurred in 2014 and prior, the City determined in FY 14 that it was more likely than not that the City would be required to pay a percentage of the remaining portion of the TIFA's debt service payments based on this guarantee going forward.

Total TIFA debt service due in FY21/22 is \$2,656,700 of which \$982,554 will be paid by the City via a contribution from the General Fund. TIF #2 is expecting to not capture any property tax revenue. TIF #3 is expecting to capture approximately \$1.4 million of which all will be used for debt service. Both districts are expected to receive reimbursements for personal property tax loss.

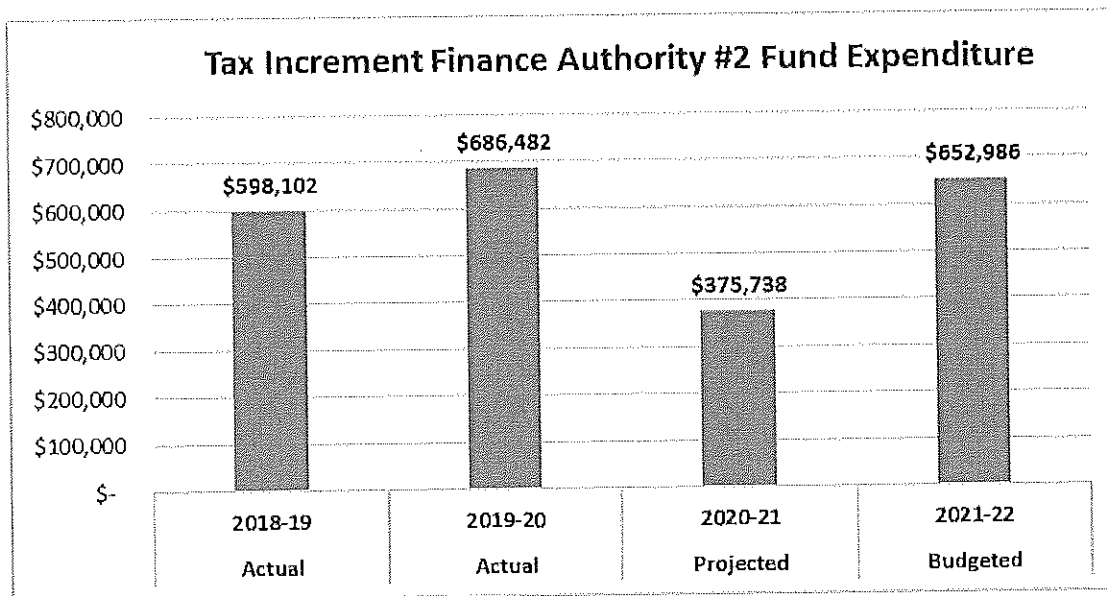
The agreement also provides for the TIFA to reimburse the City for any debt service amounts paid for by the City. Accordingly, the TIFA records a financial guarantee expense and liability to the City each year in accordance with GASB 70. The cumulative amount owed to the general fund for FY21/22 is expected to be \$7,849,370 for both TIFA #2 and #3, which is the cause for the deficits in these funds. Funds to reimburse the General Fund are not expected to be available until all TIFA debt service has been paid in full.

Tax Increment Finance Authority #2 Fund

Tax Increment Finance Authority #2 Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Property Taxes	\$ 3,756	\$ 3,000	\$ (3,000)
Charges for Services	50,000	50,000	50,000
State Grants	17,600	-	-
Contribution From Primary Government	307,563	-	302,988
Total Budgeted Revenue Sources	378,919	53,000	349,988
<u>Proposed Appropriations</u>			
Other Services and Charges	600	-	-
Debt Services & Financial Guarantee	685,882	375,738	652,986
Total Budgeted Expenditures	686,482	375,738	652,986
Budgeted Net Revenue (Expenditures)	(307,563)	(322,738)	(302,998)
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	(2,660,559)	(2,968,122)	(3,290,860)
Change in Fund Balance	(307,563)	(322,738)	(302,998)
Ending Fund Balance June 30	\$ (2,968,122)	\$ (3,290,860)	\$ (3,593,858)
<u>Financial Position</u>			
Unassigned	(2,968,122)	(3,290,860)	(3,593,858)
Ending Fund Balance June 30	\$ (2,968,122)	\$ (3,290,860)	\$ (3,593,858)

Tax Increment Finance Authority #2 Fund (Continued)



FINANCIAL SUMMARY - Tax Increment Finance Authority #2

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Other Services and Charges	\$ -	\$ 600	\$ 600	\$ -	\$ -
Debt Service and Financial Guarantee	598,102	685,882	652,743	375,738	652,986
Total	\$ 598,102	\$ 686,482	\$ 653,343	\$ 375,738	\$ 652,986

Changes in Budget

- ❖ The FY21/22 budget is expected to decline due to the debt service payment and recording of financial guarantee.
- ❖ The FY21/22 unassigned fund deficit is expected to be \$3.5 million for TIFA #2. The deficit for both districts will increase by the amount of the financial guarantee (the portion of debt service contributions from the General Fund required to be paid back when tax revenue becomes available in the TIFA Funds). The deficit represents the cumulative amount owed to the General Fund.

Tax Increment Finance Authority #2 Fund (Continued)

Debt Service Report

Debt Name:	TIFA 2 2007 C Bond
Issuance Date:	12/19/2007
Issuance Amount:	\$3,280,000
Debt Instrument (or Type):	Local Government Loan Program Revenue Bonds
Repayment Source(s):	General Fund Revenue

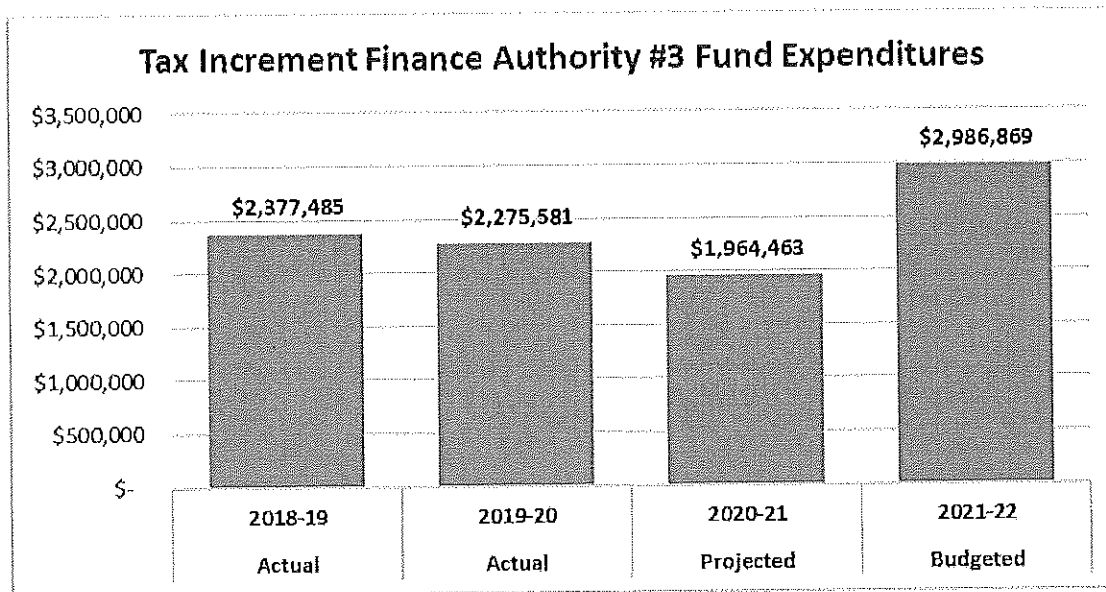
Years Ending	Principal	Interest	Total
2022	\$ 305,000	\$ 44,988	\$ 349,988
2023	\$ 305,000	\$ 29,738	\$ 334,738
2024	\$ 305,000	\$ 14,488	\$ 319,488
Totals	\$ 915,000	\$ 89,213	\$ 1,004,213

Tax Increment Finance Authority #3 Fund

Tax Increment Finance Authority #3 Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Property Taxes	\$ 1,426,707	\$ 1,454,734	\$ 1,431,457
State Grants	218,999	196,348	196,300
Contribution From Primary Government	314,937	-	679,556
Total Budgeted Revenue Sources	1,960,643	1,651,082	2,307,313
<u>Proposed Appropriations</u>			
Other Services and Charges	600	-	600
Debt Service & Financial Guarantee	2,274,981	1,964,463	2,986,269
Total Budgeted Expenditures	2,275,581	1,964,463	2,986,869
Budgeted Net Revenue (Expenditures)	(314,938)	(313,381)	(679,556)
<u>Other Financing Sources (Uses)</u>			
Transfers In and Other Financing Sources	-	-	-
Transfers (Out) and Other Financing Sources	-	-	-
Total Other Financing Sources	-	-	-
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	(1,745,754)	(2,060,692)	(2,374,073)
Change in Fund Balance	(314,938)	(313,381)	(679,556)
Ending Fund Balance June 30	\$ (2,060,692)	\$ (2,374,073)	\$ (3,053,629)
<u>Financial Position</u>			
Unassigned	(2,060,692)	(2,374,073)	(3,053,629)
Ending Fund Balance June 30	\$ (2,060,692)	\$ (2,374,073)	\$ (3,053,629)

Tax Increment Finance Authority #3 Fund (Continued)



FINANCIAL SUMMARY - Tax Increment Finance Authority #3 Fund

Financial Summary	2018-19 Actual	2019-20 Actual	2020-21 Budgeted	2020-21 Projected	2021-22 Budgeted
Other Services and Charges	\$ -	\$ 600	\$ 600	\$ -	\$ 600
Debt Service and Financial Guarantee	2,377,485	2,274,981	2,327,538	1,964,463	2,986,269
Total	\$ 2,377,485	\$ 2,275,581	\$ 2,328,138	\$ 1,964,463	\$ 2,986,869

Changes in Budget

- ❖ The FY21/22 budget includes approximately \$2.9 million in debt service payments on the TIFA 3 2007C Bonds and \$679,556 in Financial Guarantee expense for the General Fund contribution to pay the debt service.
- ❖ The FY21/22 unassigned fund deficit is expected to be \$3 million for TIFA #3. The deficit will increase by the amount of the financial guarantee (the portion of debt service contributions from the General Fund required to be paid back when tax revenue becomes available in the TIFA Funds). The deficit represents the cumulative amount owed to the General Fund.

Tax Increment Finance Authority #3 Fund (Continued)

Debt Service Report

Debt Name:	TIFA 3 2007C Bond
Issuance Date:	12/19/2007
Issuance Amount:	\$24,450,000
Debt Instrument (or Type):	Local Government Loan Program Revenue Bonds
Repayment Source(s):	General Fund Revenue

Years Ending	Principal	Interest	Total
2022	\$ 1,555,000	\$ 751,713	\$ 2,306,713
2023	\$ 1,680,000	\$ 673,963	\$ 2,353,963
2024	\$ 1,410,000	\$ 589,963	\$ 1,999,963
2025	\$ 1,520,000	\$ 522,988	\$ 2,042,988
2026	\$ 1,630,000	\$ 450,788	\$ 2,080,788
2027	\$ 1,745,000	\$ 373,363	\$ 2,118,363
2028	\$ 1,565,000	\$ 290,475	\$ 1,855,475
2029	\$ 1,570,000	\$ 220,050	\$ 1,790,050
2030	\$ 1,675,000	\$ 149,400	\$ 1,824,400
2031	\$ 1,645,000	\$ 74,025	\$ 1,719,025
Totals	\$ 15,995,000	\$ 4,096,725	\$ 20,091,725

Brownfield Redevelopment Authority Fund

The Brownfield Redevelopment Authority was created to remediate contaminated properties located within the City of Pontiac and to promote economic growth for these properties through the use of captured property taxes. The properties included are listed as contaminated by the Environmental Protection Agency. Each authority shall be under the supervision and control of a board chosen by the governing body (City Council). The governing body may by majority vote designate the trustees of the board of the Tax Increment Financing Authority as the Brownfield Redevelopment Board, which City Council did by resolution on December 18, 1997.

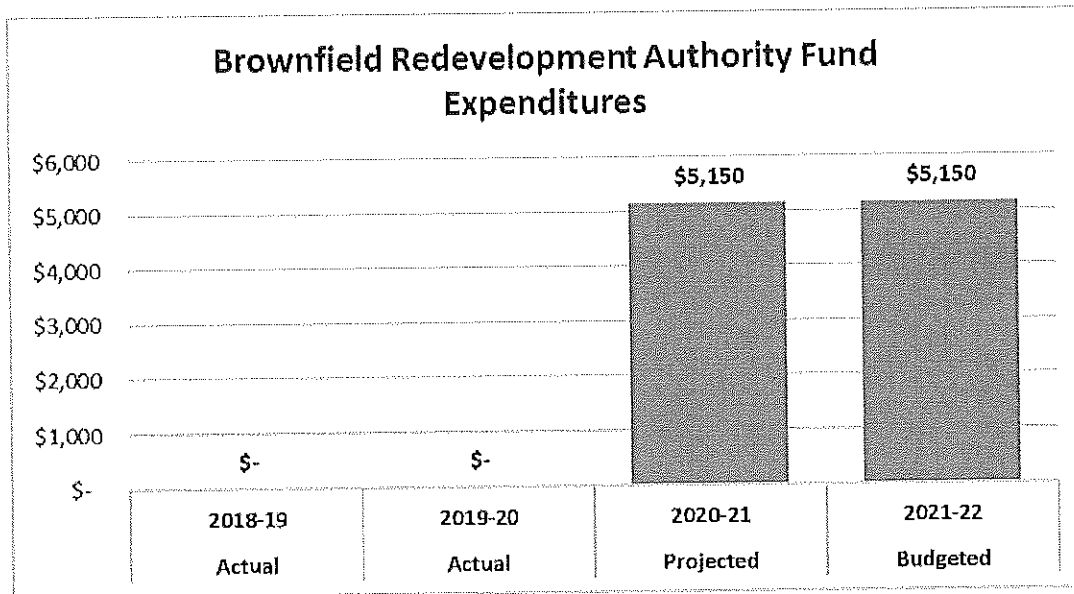
Brownfield Redevelopment Authority Fund Revenue

The Brownfield Redevelopment Authority Fund receives property tax revenue from parcels within the established district. The property tax revenue for FY21/22 is expected to be \$5,514. The Brownfield Redevelopment Fund is expected to expend \$5,150 in FY21/22 on Brownfield eligible expenditures.

Brownfield Redevelopment Authority Fund Budgeted Financial Summary

	2019-20 Actual	2020-21 Projected	2021-22 Budgeted
<u>Estimated Revenue Source</u>			
Property Taxes	\$ 37,801	\$ 42,056	\$ 5,514
Total Budgeted Revenue Sources	<u>37,801</u>	<u>42,056</u>	<u>5,514</u>
<u>Proposed Appropriations</u>			
Brownfield Authority Administration	-	5,150	5,150
Total Budgeted Expenditures	-	<u>5,150</u>	<u>5,150</u>
Budgeted Net Revenue (Expenditures)	<u>37,801</u>	<u>36,906</u>	<u>364</u>
<u>Estimated Fund Balance</u>			
Beginning Fund Balance July 1	267,218	305,019	341,925
Change in Fund Balance	37,801	36,906	364
Ending Fund Balance June 30	<u>\$ 305,019</u>	<u>\$ 341,925</u>	<u>\$ 342,289</u>
<u>Financial Position</u>			
Restricted	305,019	341,925	342,289
Ending Fund Balance June 30	<u>\$ 305,019</u>	<u>\$ 341,925</u>	<u>\$ 342,289</u>

Brownfield Redevelopment Authority Fund (Continued)



FINANCIAL SUMMARY - Brownfield Redevelopment Authority Fund

	2018-19	2019-20	2020-21	2020-21	2021-22
Financial Summary	Actual	Actual	Budgeted	Projected	Budgeted
Other Services and Charges	\$ -	\$ -	\$ 5,150	\$ 5,150	\$ 5,150
Total	\$ -	\$ -	\$ 5,150	\$ 5,150	\$ 5,150

Changes in Budget

- ❖ The FY21/22 budget is expected to remain the same amount as the FY20/21 projected amounts. The City is expecting to receive a small amount of \$5,514 from property tax revenue. Budgeted net revenue/expenditures is expected to be \$364.
- ❖ The FY21/22 ending fund balance is expected to remain very similar to FY20/21.

Budget Ordinance

Ordinance

An 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, 2021; to adopt the fee schedule for public records and services for the fiscal year 2021/22.

Whereas, the proposed General Appropriations Act is required to be effective July 1, 2021 so the City can legally operate.

The City of Pontiac Ordains:

Section 1. Title.

This ordinance shall be known as the City of Pontiac 2021-2022 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 25, 2021 and a public hearing on the proposed budget was held on June 1, 2021.

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 11.0503 operating; 0.7500 youth center; 1.3811 capital improvement; 2.7624 sanitation; 0.4900 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 2021-22, 2022-23, 2023-24, 2024-25, and 2025-26 fiscal years. The City Council of the City of Pontiac adopts the 2021-2022 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, 2021 are \$79,156,163 in revenues and \$83,986,425 in expenditures, as set forth in the 2021-2022 budget as reflected in the budget report dated June 24, 2021.

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 request, 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 year, activity to date, prior year budget, and all sources of income of employee salaries.

Budget Ordinance (Continued)

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.

Section 13. Emergency Declaration and Effective Date.

This Ordinance is declared an emergency to allow the City to legally spend money after July 1, 2021 and shall be effective immediately upon adoption.

Budget Ordinance (Continued)

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

<u>Fund Number</u>	<u>Fund</u>		<u>Revenues</u>		<u>Expenditures</u>
101	General	\$	44,466,614	\$	41,604,581
202	Major Streets	\$	6,675,447	\$	7,387,889
203	Local Streets	\$	1,998,896	\$	3,931,242
208	Youth Recreation Millage	\$	788,105	\$	983,042
209	Cemetery Care Fund	\$	616,803	\$	616,803
212	Senior Activities Millage	\$	358,316	\$	557,286
226	Sanitation Fund	\$	4,416,684	\$	4,196,752
231	Cable Fund	\$	125,400	\$	991,179
239	TIFA District 2	\$	349,988	\$	652,986
240	TIFA District 3	\$	2,307,313	\$	2,986,869
243	Brownfield Redeveloping Auth	\$	5,514	\$	5,150
249	Building Department	\$	3,118,700	\$	2,178,410
265	Drug Enforcement	\$	40,900	\$	63,248
276	District Court	\$	3,853,101	\$	3,853,101
277	MIDC Grant	\$	630,872	\$	692,925
445	Capital Improvement	\$	1,775,198	\$	3,106,333
585	Parking	\$	23,400	\$	1,558,072
659	Insurance	\$	7,111,212	\$	7,821,857
677	Self-Insurance Wk Comp	\$	493,700	\$	798,700

Budget Ordinance (Continued)

General Fund - 101

ESTIMATED REVENUES

Property Taxes	8,712,819
Income Taxes	15,161,500
Licenses and Permits	213,400
Federal Grants	5,825,000
State Grants	10,847,816
Charges for Services	1,082,700
Fines and Forfeits	28,000
Interest and Rents	450,900
Other Revenue	2,123,479
Transfers In and Other Uses	21,000

TOTAL ESTIMATED REVENUES	44,466,614
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APPROPRIATIONS

General Government	6,782,468
Public Safety	23,431,261
Public Works	3,077,386
Health and Welfare	-
Community and Economic Development	2,339,548
Recreation and Culture	593,307
Other Functions	2,516,607
Transfers Out and Other Uses	2,864,004

TOTAL APPROPRIATIONS	41,604,581
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General Fund

NET OF REVENUES/APPROPRIATIONS	2,862,033
Estimated Beginning Fund Balance	18,076,641
Estimated Ending Fund Balance	20,938,674

Major Street Fund - 202

ESTIMATED REVENUES

State Grants	6,068,289
Other Revenue	600,058
Interest and Rents	7,100

TOTAL ESTIMATED REVENUES	6,675,447
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APPROPRIATIONS

Public Works	7,387,889
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TOTAL APPROPRIATIONS	7,387,889
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Major Street Fund

NET OF REVENUES/APPROPRIATIONS	(712,442)
Estimated Beginning Fund Balance	5,422,589
Estimated Ending Fund Balance	4,710,147

Budget Ordinance (Continued)

<u>Local Street Fund - 203</u>		
ESTIMATED REVENUES		
State Grants		1,956,096
Interest and Rents		42,800
TOTAL ESTIMATED REVENUES		1,998,896
APPROPRIATIONS		
Public Works		3,931,242
TOTAL APPROPRIATIONS		3,931,242
Local Street Fund		
NET OF REVENUES/APPROPRIATIONS		(1,932,346)
Estimated Beginning Fund Balance		2,680,876
Estimated Ending Fund Balance		748,530

<u>Youth Recreation Millage Fund - 208</u>		
ESTIMATED REVENUES		
Property Taxes		515,805
Other Revenue		234,000
TOTAL ESTIMATED REVENUES		749,805
APPROPRIATIONS		
Recreation and Culture		983,042
TOTAL APPROPRIATIONS		983,042
<u>Recreation Millage Fund</u>		
NET OF REVENUES/APPROPRIATIONS		(233,237)
Estimated Beginning Fund Balance		640,235
Estimated Ending Fund Balance		406,998

<u>Cemetery Care Fund - 209</u>		
ESTIMATED REVENUES		
Transfers In and Other Uses		616,803
TOTAL ESTIMATED REVENUES		616,803
APPROPRIATIONS		
General Government		616,803
TOTAL APPROPRIATIONS		616,803
Cemetery Care Fund		
NET OF REVENUES/APPROPRIATIONS		-
Estimated Beginning Fund Balance		(211,700)
Estimated Ending Fund Balance		(211,700)

Budget Ordinance (Continued)

Senior Activities - 212		
ESTIMATED REVENUES		
Property Taxes		338,916
Other Revenue		-
Interest and Rents		4,700
	TOTAL ESTIMATED REVENUES	343,616
APPROPRIATIONS		
Recreation and Culture		557,286
	TOTAL APPROPRIATIONS	557,286
Senior Activities		
	NET OF REVENUES/APPROPRIATIONS	(213,670)
	Estimated Beginning Fund Balance	925,904
	Estimated Ending Fund Balance	712,234

Sanitation Fund - 226		
ESTIMATED REVENUES		
Property Taxes		1,892,123
Charges for Services		2,389,161
Other Revenue		600
Interest and Rents		40,800
	TOTAL ESTIMATED REVENUES	4,322,684
APPROPRIATIONS		
Public Works		4,196,752
	TOTAL APPROPRIATIONS	4,196,752
Sanitation Fund		
	NET OF REVENUES/APPROPRIATIONS	125,932
	Estimated Beginning Fund Balance	6,669,712
	Estimated Ending Fund Balance	6,795,644

Budget Ordinance (Continued)

Cable Revenue - 231		
ESTIMATED REVENUES		
Charges for Services		118,500
Interest and Rents		6,900
TOTAL ESTIMATED REVENUES		125,400
APPROPRIATIONS		
General Government		241,179
Transfer Out		750,000
TOTAL APPROPRIATIONS		991,179
Cable Revenue		
NET OF REVENUES/APPROPRIATIONS		(865,779)
Estimated Beginning Fund Balance		1,070,584
Estimated Ending Fund Balance		204,805

Tax Increment Finance Authority District 2 - 239		
ESTIMATED REVENUES		
Property Taxes		(3,000)
Charges for Services		50,000
Contribution from Primary Government		302,988
TOTAL ESTIMATED REVENUES		349,988
APPROPRIATIONS		
Debt Service & Financial Guarantee		652,986
TOTAL APPROPRIATIONS		652,986
Tax Increment Finance Authority District 2		
NET OF REVENUES/APPROPRIATIONS		(302,998)
Estimated Beginning Fund Balance		(3,290,860)
Estimated Ending Fund Balance		(3,593,858)

Tax Increment Finance Authority District 3 - 240		
ESTIMATED REVENUES		
Property Taxes		1,431,457
State Grants		196,300
Contribution from Primary Government		679,556
TOTAL ESTIMATED REVENUES		2,307,313
APPROPRIATIONS		
Debt Service & Financial Guarantee		2,986,869
TOTAL APPROPRIATIONS		2,986,869
Tax Increment Finance Authority District 3		
NET OF REVENUES/APPROPRIATIONS		(679,556)
Estimated Beginning Fund Balance		(2,374,073)
Estimated Ending Fund Balance		(3,053,629)

Budget Ordinance (Continued)

<u>Brownfield Redevelopment Authority - 243</u>	
ESTIMATED REVENUES	
Property Taxes	5,514
TOTAL ESTIMATED REVENUES	5,514
APPROPRIATIONS	
Community and Economic Development	5,150
TOTAL APPROPRIATIONS	5,150
Brownfield Redevelopment Authority	
NET OF REVENUES/APPROPRIATIONS	364
Estimated Beginning Fund Balance	341,925
Estimated Ending Fund Balance	342,289

<u>Building Department Fund - 249</u>	
ESTIMATED REVENUES	
Licenses and Permits	2,994,800
Charges for Services	121,300
Interest and Rents	2,600
TOTAL ESTIMATED REVENUES	3,118,700
APPROPRIATIONS	
Public Safety	2,178,410
TOTAL APPROPRIATIONS	2,178,410
Building Department Fund	
NET OF REVENUES/APPROPRIATIONS	940,290
Estimated Beginning Fund Balance	3,907,484
Estimated Ending Fund Balance	4,847,774

<u>Drug Enforcement Fund - 265</u>	
ESTIMATED REVENUES	
Fines and Forfeits	40,000
Interest and Rents	900
TOTAL ESTIMATED REVENUES	40,900
APPROPRIATIONS	
Public Safety	63,248
TOTAL APPROPRIATIONS	63,248
Drug Enforcement Fund	
NET OF REVENUES/APPROPRIATIONS	(22,348)
Estimated Beginning Fund Balance	193,941
Estimated Ending Fund Balance	171,593

Budget Ordinance (Continued)

<u>District Court - 276</u>		
ESTIMATED REVENUES		
Charges for Services		666,200
State Grants		182,900
Fines and Forfeits		755,700
Interest and Rents		1,100
Transfers In and Other Uses		2,247,201
	TOTAL ESTIMATED REVENUES	3,853,101
APPROPRIATIONS		
General Government		3,814,254
Transfers Out and Other Uses		38,847
	TOTAL APPROPRIATIONS	3,853,101
District Court		
	NET OF REVENUES/APPROPRIATIONS	-
	Estimated Beginning Fund Balance	138,792
	Estimated Ending Fund Balance	138,792

<u>MIDC Fund - 277</u>		
ESTIMATED REVENUES		
State Grants		613,025
Transfers In and Other Uses		17,847
	TOTAL ESTIMATED REVENUES	630,872
APPROPRIATIONS		
General Government		692,925
	TOTAL APPROPRIATIONS	692,925
MIDC Fund		
	NET OF REVENUES/APPROPRIATIONS	(62,053)
	Estimated Beginning Fund Balance	262,738
	Estimated Ending Fund Balance	200,685

Budget Ordinance (Continued)

PA 48 - Telecommunications Fund - 280

ESTIMATED REVENUES

State Grants	-
TOTAL ESTIMATED REVENUES	-

APPROPRIATIONS

Transfers Out and Other Uses	-
TOTAL APPROPRIATIONS	-

PA 48 - Telecommunications Fund

NET OF REVENUES/APPROPRIATIONS	-
Estimated Beginning Fund Balance	23,222
Estimated Ending Fund Balance	23,222

Capital Improvement Fund - 445

ESTIMATED REVENUES

Property Taxes	957,698
State Grants	42,500
Interest and Rents	25,000
Transfers In and Other Uses	750,000
TOTAL ESTIMATED REVENUES	1,775,198

APPROPRIATIONS

General Government	2,093,333
Public Safety	500,000
Public Works	513,000
TOTAL APPROPRIATIONS	3,106,333

Capital Improvement Fund

NET OF REVENUES/APPROPRIATIONS	(1,331,135)
Estimated Beginning Fund Balance	3,352,989
Estimated Ending Fund Balance	2,021,854

Budget Ordinance (Continued)

<u>Parking Fund - 585</u>		
ESTIMATED REVENUES		
Interest and Rents		23,400
TOTAL ESTIMATED REVENUES		23,400
APPROPRIATIONS		
Other Services		1,018,374
Debt Service		407,698
Personnel Services		132,000
TOTAL APPROPRIATIONS		1,558,072
Parking Fund		
NET OF REVENUES/APPROPRIATIONS		(1,534,672)
Estimated Beginning Net Position		11,046,572
Estimated Ending Net Position		9,511,900

<u>Insurance Fund - 659</u>		
ESTIMATED REVENUES		
Charges for Services		6,379,550
Other Revenues		731,662
TOTAL ESTIMATED REVENUES		7,111,212
APPROPRIATIONS		
General Government		-
Other Functions		7,821,857
TOTAL APPROPRIATIONS		7,821,857
Insurance Fund		
NET OF REVENUES/APPROPRIATIONS		(710,645)
Estimated Beginning Fund Balance		1,495,531
Estimated Ending Fund Balance		784,886

Budget Ordinance (Continued)

<u>Workers' Compensation Fund - 677</u>		
ESTIMATED REVENUES		
Charges for Services		478,700
Interest and Rents		15,000
TOTAL ESTIMATED REVENUES		493,700
APPROPRIATIONS		
Other Functions		798,700
TOTAL APPROPRIATIONS		798,700
Workers' Compensation Fund		
NET OF REVENUES/APPROPRIATIONS		(305,000)
Estimated Beginning Fund Balance		915,902
Estimated Ending Fund Balance		610,902

City of Pontiac Fees for FY 2021/2022

General/Administration

City Clerk

Notary Service:

City Residence	\$5.00	Per Page
Non-city residence	\$10.00	Per page

Code of Ordinances:

Per book	\$250.00
Per supplement service copy of voter files	\$75.00

Copy of Voter files:

Per disk email option available	\$35.00
Per name (list)	\$0.02
Per name (list) Xerox copies	\$0.04
Per page	\$1.00

Human Resources

Copies of files	\$0.13	Per page
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Income Tax

NSF	\$35.00	Per item
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Planning Department

General

Land division	\$600.00
Land platting	\$900.00
Lot split	\$750.00
Lot combination (1st lot combined)	\$100.00
Each additional lot combined	\$50.00
Regulated Use Waiver (1st acre or less)	\$1,000.00
Each additional acre or fraction thereof	\$100.00
Right of Way/Alley Vacation	\$1,500.00
Special Planning Commission meeting	\$2,000.00
Comprehensive Plan - Book w/Map	\$50.00
Map only (color)	\$5.00
Zoning Ordinance Book w/ Map	\$35.00
Map only (colored map w/cd)	\$5.00
Landlord Eviction/Dumping Fee	\$1,000.00

Planning Commission

Multiple family dwelling preliminary site plan review	\$500.00
Each additional acre or fraction thereof	\$25.00
Multiple family dwelling final site plan review	\$990.00
Each additional unit	\$100.00
(Max fee \$10,000.00)	
Non-residential preliminary site plan review	\$500.00
Each additional acre or fraction thereof	\$25.00
Non-residential final site plan review	\$990.00
Each additional 1,000 Sq. Ft.	\$100.00
(Max fee \$10,000.00)	
Parking lot or change of use (1 acre or less)	\$600.00
Each additional acre or fraction thereof	\$50.00
Planned unit development	\$1,000.00

Planning Department (Continued)

Administrative Review Fees

Zoning compliance permit	\$150.00
Parking lot change of use (1 acre or less)	\$500.00
Each additional acre or fraction thereof	\$50.00
Special exception permit (1 acre or less)	\$1,000.00
Each additional acre or fraction thereof	\$100.00
Zoning map amendment (1 acre or less)	\$1,350.00
Each additional acre or fraction thereof	\$100.00
Waiver from Woodlands Ordinance	\$750.00
Sign review	\$150.00
Wireless communication facility administrative review	\$1,000.00

Zoning Board of Appeals

Residential (1 & 2 family)	\$300.00
For each additional variance on the same petition	\$100.00
Multiple family and non-residential variance	\$950.00
For each additional variance on the same petition	\$100.00
Use variance (1 acre or less)	\$1,000.00
Each additional acre or fraction thereof	\$100.00
Signage variance	\$750.00

Historic District Commission

Commission review	\$200.00
Special meeting	\$2,000.00

Building Permits

Building	\$75.00 Minimum fee
Estimated Cost of Construction:	
\$200.00 to \$1,000.00	\$75.00
\$1,001.00 to \$500,000.00	\$75.00
	Plus \$20.00 per \$1,000.00 of cost or fraction thereof over \$1,001.00
\$500,001.00 to \$1,500,000.00	\$10,055.00
	Plus \$15.00 per \$1,000.00 of cost or fraction thereof over \$500,001.00
If more than \$1,500,000.00	\$25,040.00
	Plus \$10.00 per \$1,000.00 of cost or fraction thereof over \$1,500,001.00 with no upper limit

Special Inspections:

Inspections, for determining code compliance	\$50.00
Re-inspection of work not ready and re-inspection of a violation that has not been complied with by the expiration notice	\$50.00

Overtime Inspections -

Fee for inspection outside or regular business hours shall be at 1.5 times the hourly rate of the personnel involved, with minimum charge to three hours

City of Pontiac Fees for FY 2021/2022 (Continued)

<u>Building Permits (Continued)</u>		<u>Construction BOA</u>	
Administration	\$200.00	Filing Fee	\$500.00
The inspection fee for work initiated before permit has been issued		NSF	\$35.00
		<u>Electrical Permits</u>	
Plan review:		Application Fee	\$35.00
\$0 to \$1,000,000	0.0015 of valuation minus \$100.00 minimum	New Home	\$205.00
\$1,000,000 to \$5,000,000	\$1,500.00 plus .0005 of evaluation over \$500,000	Substandard Property/Complete Renovation	\$205.00
\$5,000,000 to \$ and up	\$3,500.00 plus .0004 of evaluation over \$5,000,000	Minimum Fee	\$75.00
Plan review of electrical, mechanical and plumbing is 25% of the building plan review fee for each discipline.		Permanent Service for One Phase:	
Minimum plan review fee \$175.00		100 Ampere or Less	\$37.00
Application Fee	\$35.00	101 to 200 Ampere	\$40.00
Special Building Fees:		210 to 400 Ampere	\$47.00
Permit Extension Fee	\$50.00	Over 400 Ampere	\$50.00
Contractor Registration	\$35.00	Permanent Service for Three Phase:	
Certificate of Occupancy	\$200.00	100 Ampere or Less	\$42.00
NSF	\$35.00	101 to 200 Ampere	\$47.00
		201 to 400 Ampere	\$52.00
		Over 400 Ampere	\$55.00
		Additional Service -	
		Each Additional Sub-Service	\$30.00
		Stand by Power & Generator (One Phase):	
		100 Ampere or Less	\$37.00
		101 to 200 Ampere	\$40.00
		201 to 400 Ampere	\$47.00
		Over 400 Ampere	\$50.00
		Automatic Transfer Switch	\$35.00
		Manual Transfer Switch	\$30.00
		Stand by Power & Generator (Three Phase):	
		100 Ampere or Less	\$42.00
		101 to 200 Ampere	\$47.00
		201 to 400 Ampere	\$52.00
		Over 400 Ampere	\$55.00
		Automatic Transfer Switch	\$40.00
		Manual Transfer Switch	\$35.00
		Stand by Power & Generator (Temporary):	
		60 Ampere Switch	\$20.00
		100 Ampere Switch	\$21.00
		200 Ampere Switch	\$22.00
		400 Ampere Switch	\$23.00
		600 Ampere Switch	\$24.00
		800 Ampere Switch	\$25.00
		Electrical Furnaces & Heating Units -	
		1 - 10 Units in Addition to Circuit Fee	\$25.00
		Welders and Generators -	
		Each in Additions of Circuit Fee	\$25.00
		Feeders & Sub-Feeders -	
		Up to 50 Feet	\$25.00
		Each additional 50 feet or fraction thereof	\$25.00
<u>Demolition Permit</u>			
First 1000 sq. ft.	\$250.00		
Each additional 500 sq. ft.	\$50.00		
NSF	\$35.00		
<u>Property Maintenance</u>			
Property Maintenance Inspection	\$200.00		
NSF	\$35.00		
<u>Team Inspection</u>			
Per Inspector	\$50.00		
Re-Inspection	\$50.00		
NSF	\$35.00		
<u>Hearing Officer</u>			
Special Hearing	\$900.00		
NSF	\$35.00		
<u>Board of Appeals</u>			
Special Hearing	\$900.00		
NSF	\$35.00		

City of Pontiac Fees for FY 2021/2022 (Continued)

Electrical Permits (Continued)

Transformers:	
1 KVA Through 100 KVA	\$32.00
101 KVA Through 200 KVA	\$37.00
201 KVA Through 400 KVA	\$40.00
Over 400 KVA	\$47.00
Motors:	
First 1/4 HP up to 10 HP (Up to 7450W)	\$25.00
First 11 HP up to 20 HP (Up to 14920W)	\$26.00
First 21 HP up to 30 HP (Up to 22380W)	\$27.00
First 31 HP up to 40 HP (Up to 29840W)	\$28.00
First 41 HP up to 50 HP (Up to 37300W)	\$29.00
First 51 HP and Up	\$40.00
Each Additional Unit	\$42.00
Mobile Home Electrical Hook-Up -	
Per Unit	\$75.00
Sign Installation & Inspection Before Installation:	
One Sign	\$75.00
Each Additional Sign at Same Location	\$25.00
Fixtures (Smoke Detectors, Power Outlets, Light Fixtures):	
Installation of 1 to 10 Fixtures	\$20.00
Each Additional 10 Fixtures or Fraction Thereof	\$15.00
Lighting Pole & Base Installation	\$25.00
Battery Operated Light/Line Voltage - First 10	\$20.00
Each Additional 10 Fixtures or Fraction Thereof	\$15.00
Exit Light (Each)	\$15.00
Each Circuit	\$15.00
General Repair Permit	\$75.00
Special Electrical Fees:	
Inspection To Determine Code Compliance	\$50.00
Re-Inspection Fee of work not ready, or for a violation not complied with by expiration date of Violation Notice	\$50.00
Fee for Inspection out of Regular Hours at 1.5 times Rate of inspector, with 3 hour minimum charge. (Per Hour)	\$50.00
Permit Extension Fee	\$50.00
Contractor Registration	\$35.00
Work Done Without Permit Penalty	\$200.00
NSF	\$35.00

Mechanical Permits

Application Fee	\$35.00
New Home	\$205.00
Substandard Property/Complete Renovation	\$205.00
Minimum Fee	\$75.00
Heating Equipment - New or Replacement:	
Over 40,000 to 100,000 BTU Per Hour:	
First 10 Units at Each Occupancy - Each Unit	\$40.00

Mechanical Permits (Continued)

Each Additional Unit Over 10 at Same Occupancy	\$30.00
Over 200,000 to 400,000 BTU Per Hour - Each Unit	\$47.00
Water Heater, Chimney Liner, Fireplace, Fire Dampers	\$32.00
Gas Piping System Permit:	
1 Gas Pressure & Piping Test	\$64.00
Each System (Furnace, Water Heater, Dryer, Range, etc.)	\$32.00
Space Heating/Cooling Distribution System Ductwork:	
Up to 100,000 BTU Fuel Input Per Hour	\$32.00
Over 100,000 to 200,000 BTU Fuel Input Per Hour	\$50.00
Over 200,000 to 400,000 BTU Fuel Input Per Hour	\$60.00
Over 400,000 to 2,000,000 BTU Fuel Input Per Hour	\$75.00
Over 2,000,000 to 5,000,000 BTU Fuel Input Per Hour	\$80.00
Comfort Cooling Equipment & Systems:	
Up to 60,000 BTU (5 Tons) or less (Self Contained Units or Systems):	
First 10 Units at Same Location/Each Unit	\$50.00
Additional Units Over 10 at Same Location/Each Unit	\$32.00
60,000 BTU (5 Tons) to 120,000 BTU (10 Tons)/Each Unit	\$57.00
120,000 BTU (10 Tons) to 600,000 BTU (50 Tons)/Each Unit	\$67.00
600,000 BTU (50 Tons) to 1,500,000 BTU (125 Tons)/Each Unit	\$100.00
Alterations to Each System	\$30.00
Commercial Clothes Dryer for Installation or Replacement:	
1st 5 Units Commercial Clothing Dryer	\$30.00
Each Additional Commercial Clothes Dryer @ Same Location	\$21.00
Liquefied Petroleum Gas System & Storage:	
Over 500 Gallons to 1,200 Gallons	\$42.00
Over 1,200 Gallons	\$47.00
Fire Suppression Systems:	
Inspection of Sprinkler Heads - First 10	\$50.00
Each Additional Heads Over 10	\$5.00
Commercial Hood System:	
Each New or Modified System	\$164.00
Duct Systems - Installation, Alteration or Additions:	
Up to 1,000 Cubic Feet Per Minutes of Air	\$27.00
Over 1,000 CFM to 2,000 CFM	\$32.00
Over 2,000 CFM to 4,000 CFM	\$37.00
Over 4,000 CFM to 20,000 CFM	\$42.00
Over 20,000 CFM to 50,000 CFM	\$47.00

City of Pontiac Fees for FY 2021/2022 (Continued)

<u>Mechanical Permits (Continued)</u>		<u>Plumbing Permits</u>	
Refrigeration System for Other Than Comfort Cooling - Self-Contained System/Compressor, Activated by Motors or Engines:		Application Fee	\$35.00
Up to 5 HP		New Home	\$205.00
5 HP to 10 HP		Substandard Property/Complete Renovation	\$205.00
10 HP to 50 HP		Minimum Fee	\$75.00
50 HP to 1255 HP		Stacks (New Alteration) (Soil, Waste, Vent, Inside Connection)	\$17.00
Installation Permit - Tank (Fuel Oil or Other):		Sump & Interceptors, Dishwashers, Tubs, Catch Basins, Automatic Washers, Drinking Fountains, Floor Drains, Food Disposals, Grinders, Hose Connections, Humidifiers, Laundry Trays, Lavatories, Pumps Toilets, Sinks, Soda Fountain or Br, Urinals & Shower Traps (Each)	\$16.00
Above Ground, Not Exceeding 550 Gallons		Water Heater	\$20.00
Below Ground, Not Exceeding 550 Gallons		Backflow Preventer	\$5.00
Over 550 Gallons to 5,000 Gallons		Medical Gas System	\$45.00
Over 5,000 Gallons to 20,000 Gallons		Water Service:	
Over 20,000 Gallons to 50,000 Gallons		Water Svs/Dist 1/2"	\$40.00
Over 50,000 Gallons to 200,000 Gallons		Water Svs/Dist 3/4"	\$40.00
Over 200,000 Gallons		Water Svs/Dist 1"	\$45.00
Alterations to existing Burner or Furnace		Water Svs/Dist 2"	\$50.00
Air/Exhaust Vents		Water Svs/Dist 3"	\$60.00
Each Additional Vent		Water Svs/Dist 4"	\$70.00
Air Handling Equipment or Systems:		Water Svs/Dist Over 4"	\$80.00
Blower, fans and electronic air cleaner, new installation:		Water Distribution:	
Up to 4,000 CFM		1st 100 Feet	\$80.00
Over 4,000 CFM to 50,000 CFM		Each Additional Foot	\$0.10
Heat Recovery Unit/Radiator		Building Sewer - Size:	
Mobile Home Mechanical Hook-Up:		Building Sewer & Drain 4"	\$45.00
Per Unit		Building Sewer & Drain 10"	\$50.00
Boiler 200,000 BTU		Building Sewer & Drain 12"	\$55.00
Piping:		Building Sewer & Drain 14"	\$60.00
Medical Gas, Process Piping, Hydronic Piping,		Building Sewer & Drain 16"	\$70.00
Refrigeration Piping Each System		Building Sewer & Drain 18"	\$75.00
Pressure Test for Each System		Storm Sewer:	
Fuel gas, Process, Hydronic, Refrigeration,		Storm & Sanitary 1st 200 Feet	\$80.00
Commercial Air Conditioning		Storm & Sanitary Additional 100 Feet	\$35.00
\$0.05 Processed Piping Per Foot		Building Sewer to Drain Connection - Building Drain - Underground Building Drains/Storm not Over 6"	\$45.00
Special Mechanical Fees:		Storm Drain -	
Inspection To Determine Code Compliance		Manholes and Catch Basins	\$16.00
Re-Inspection Fee of work not ready, or for a violation not complied with by expiration date of Violation Notice		Plumbing for Mobile Home Hook-Up - Per Unit	\$75.00
Fee for Inspection out of Regular Hours at 1.5 times Rate of inspector, with 3 hour minimum charge.		Special Plumbing Fees:	
\$50.00 Per Hour		Inspection to Determine Code Compliance	\$50.00
Permit Extension Fee		Re-Inspection Fee of work not ready, or for a violation not complied with by expiration date of Violation Notice	\$50.00
Work Done Without Permit Penalty			
Plan Review Fee			
Mechanical Contractor Registration			
Mechanical Board of Appeals			
NSF			

City of Pontiac Fees for FY 2021/2022 (Continued)

Plumbing Permits (Continued)

Fee for Inspection out of Regular Hours at 1.5 times Rate of Inspector, with 3 hour minimum charge. (Per Hour)	\$50.00
Permit Extension Fee	\$50.00
Contractor Registration	\$15.00
Work Done Without Permit Penalty	\$200.00
NSF	\$35.00

Fire Permit Electrical

Application Fee	\$35.00
Minimum Fee	\$75.00
Circuits for Fire System:	
Each Signaling Device	\$11.00
Each Control Circuit	\$15.00
Each Remote Sensor	\$11.00
Each Main Control Station	\$17.00
Each Speaker & Microphone	\$11.00
Each Amplifier	\$11.00
Each Main Control Center	\$15.00
Each Door or Window Sensor	\$11.00
Each Vibration Sensor	\$11.00
Each Key Station or Remote Station	\$9.00
Each Panic Button	\$11.00
Each Automatic Dialer	\$10.00
Each Pressure Sensor	\$11.00
Each Alarm (Horn, Bell, Etc.)	\$11.00
Each Auxiliary Power Supply	\$10.00
Each Control Panel	\$15.00
Each Pull Station	\$11.00
Each Fire Head and/or Smoke Sensor	\$11.00
Each Telephone Station	\$11.00
Each Doorway Exit Unlocking System	\$9.00
Each Data Gathering, Reporting, Sub Panel	\$15.00
Each Fan, Elevator Interlocked to System	\$14.00
Special Mechanical Fees:	
Inspection To Determine Code Compliance	\$50.00
Re-Inspection Fee of work not ready, or for a violation not complied with by expiration date of Violation Notice	\$50.00
Fee for Inspection out of Regular Hours at 1.5 times Rate of inspector, with 3 hour minimum charge. (Per Hour)	\$50.00
Permit Extension Fee	\$50.00
Contractor Registration	\$35.00
Work Done Without Permit Penalty	\$200.00
NSF	\$35.00

Sign Permit

Application Fee (Non-Refundable)	\$150.00
NSF	\$35.00

Business License

Business Certificate Fee Schedule:	
New License (Requires Team Inspection)	\$160.00
Renew License	\$160.00
Special Event License	\$1,200.00
Non-participating vendor fee	\$1,000.00
Niche Business:	
Arcade and Vending Machines (Per Machine)	\$25.00
Massage Parlor	\$500.00
Newspaper Delivery Receptacle	\$1.00
Sidewalk Café	\$100.00
Taxicab (Per Bond plate)	\$50.00
Taxicab Business	\$100.00
Taxicab Driver	\$100.00
Public Assembly -	
Amusement Gallery, Dance Hall, Theatre	\$175.00
Transient Housing:	
Hotel/Motel (Per Room - Every Three Years)	\$25.00
Transient Housing (Per Room - Every Three Years)	\$210.00
Non-Profit Organizations -	
Club, Service Organization, Hospitals	\$20.00
Temporary Permit:	
Christmas Tree Sales	\$100.00
Circus or Carnival (Per Week)	\$350.00
Daily Business License (1 Day)	\$150.00
Daily Business License (Each Additional Day)	\$100.00
Fireworks display	\$100.00
Sound (Public Address) (Per three Days)	\$100.00
Sound (Vehicle)	\$100.00
Transient Trader	\$10.00
Going out of Business Sale	\$50.00
Peaceful Assembly	\$75.00
Sound Permit	\$100.00
Businesses Requiring Bonds:	
Auctioneer	\$2,500.00
Auctions (Two times the value of auction items)	\$1,000.00 - \$5,000.00
Christmas Tree Sales	\$1,000.00
Circus or Carnival	\$1,000.00
Dry Cleaners	\$1,000.00
Frozen Confectioners (Ice Cream Truck)	\$2,000.00
Junk Dealer	\$1,000.00
Junk Gatherer	\$200.00
Second Hand Dealer	\$2,500.00
Newspaper Deliver Receptacle	\$5,000.00
Sidewalk Café	\$300.00

Rental Registration

Rental Registration (Per Building)	\$300.00
Rental Inspection (Per unit)	\$100.00
Rental Inspection for units 2 - 10, 12 - 20, 22 - 30, etc. (Per unit)	\$25.00

City of Pontiac Fees for FY 2021/2022 (Continued)

Rental Registration (Continued)

Change of Rental Manager	\$150.00
Re-inspection Fee	\$50.00
Annual Tenant Verification Fee	\$10.00
Rental Complaint When Certified Fee	\$75.00
NSF	\$35.00

Ordinance Enforcement

Blight Court Administration Fee	\$200.00
Grass Cutting Administration Fee	\$100.00
Place Property Charges on Tax bill Fee	\$50.00

DPW

Sanitation - R-O-W Abatements	\$58.70
Senior Centers:	
Deposits	\$100.00 Refundable
Rental Fees:	
Repast Dinner Weekdays	\$32.00
Repast Dinner Weekends – Minimum of 4 hours	\$25.00
Events	\$100.00
	Weekdays – No minimum hours
	Weekends – Minimum of 4 hours
Parks:	
Deposits	\$100.00 Refundable
Rental Fees	\$35.00 Parks with pavilion
Porta Johns	\$90.00 Per Event
Comfort Station	\$50.00 Beaudette Park Only

Zoning Board of Appeals

Board of Appeals:	
Application Fee	\$500.00
Special Hearing	

Special Event Permit

Non-refundable Administrative Review Fee	\$500.00
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Economic Development (Non-Refundable)

Commercial Rehabilitation Act (PA 210 of 2005)	\$1,500.00
Plant Rehabilitation & Industrial Development Act (PA 198 of 1974)	\$1,500.00
Obsolete Property Rehabilitation Act (OPRA) (PA 146 of 2000)	\$1,500.00
Payment in Lieu of Tax (PILOT), State Housing Development Authority Act (PA 346 of 1966)	\$1,500.00
Brownfield Tax Increment Financing (TIF) Brownfield Redevelopment Financing Act (PA 381 of 1996)	\$1,500.00

Glossary of Budget and Finance Terms

The annual budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the annual budget document in understanding these terms, this budget glossary has been included in the document.

Abate: To suppress or end a nuisance (such as weed abatement).

Accrual Basis of Accounting: A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

ACT 51: The common reference to the State Gas & Weight Tax Act. "Act 51 Revenues" then generally means those revenues distributed to Cities and other local governments from the State's Gas & Weight related taxes/fees to be used for street construction and maintenance.

Activity Budget(s): Cost centers or specific and commonly recognized service functions within a fund or department to which specific expenses are to be allocated.

Ad Valorem: Imposed at a rate percent of the value as stated.

Annual Appropriation Ordinance: The final City operating budget as approved by the City Council. It reflects the City's operating budget at the beginning of the fiscal year on July 1st.

Appropriation: An expenditure authorization made by the City Council, which permits charges against specified funding sources. Appropriations are usually made for fixed amounts and are typically approved for the entire fiscal year unless otherwise amended by the City Council.

Approved/ Adopted Budget: The City's budget and expenditure authority as adopted by the City Council in a vote conducted after a City Charter-required public hearing to collect public input on the Proposed Budget.

Assessed Valuation: The estimated value placed upon real and personal property by the City Assessor. Assessed value is required to be at 50% of true cash value.

Assets: Property owned by the City which has monetary value.

Audit: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to: Ascertain whether financial statements fairly present financial positions and results of operations; test whether transactions have been legally performed; identify areas for possible improvements in accounting practices and procedures; ascertain whether transactions have been recorded accurately and consistently; ascertain the stewardship of officials responsible for governmental resources.

Balanced Budget: The budgeted revenues (including available unreserved Fund Balance) are equal or more than the budgeted expenditures.

Base Budget: The budget predicated on maintaining the existing level of service.

Bond (Debt Instrument): A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

Glossary of Budget and Finance Terms (Continued)

Brownfield Redevelopment Authority: A Brownfield Redevelopment Authority is created by a municipality with the intent to capture property tax revenues on specific parcels for the sole purpose of reimbursing developers for costs incurred for redeveloping brownfields in the City. These funds are supervised by the Brownfield Redevelopment Authority, which is considered a component unit of the City in the City's financial statements. Applicable legislation: Public Act 381 of 1996.

Budget Amendment: Adjustments made to the budget or approved expenditure authority during the fiscal year by the City Council to properly account for unanticipated changes, which occur either in revenues or expenditures or for programs or policy objectives initially approved for the fiscal year. The State Budgeting Act requires amendments within each activity level budget, where needed to maintain expenditures.

Budget (Operating): A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the City and its departments operate.

Budget Calendar: The schedule of key dates or milestones that the City follows in the preparation and adoption of the budget.

Budget Ordinance: An ordinance adopting and approving a budget for the fiscal year beginning July 1st.

Budgetary Control: The level at which expenditures cannot legally exceed the appropriated amounts.

Budgeted Funds: Funds that are planned for certain uses. The budget document that is submitted for Council approval is composed of budgeted funds.

Budget Message (Mayor's): Initially, a general discussion of the proposed budget document presented in writing as a supplement to the budget document. The budget message explains primary budget issues against the background of financial experience in recent years and presents recommendations made by the Mayor.

Capital Expenditures: The expenditures for the acquisition of capital assets; whether major assets with long-term useful life spans or shorter-term operational capital needs such as office equipment, small tools & machinery. The expenditures are financed by either capital debt or cash-pay-as-you-go.

Cash Management: The management of cash necessary to pay for government services while investing temporarily idle cash in order to earn interest. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds safely in order to achieve the highest interest on temporary cash balances.

Census: The official process of counting the number of people in a country, city, or town and collecting demographic information.

CIP: Abbreviation for Capital Improvement Program or construction in progress.

Contingency: An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures. Under Michigan law, to be used contingencies must be moved to a more distinctive appropriation by a budget amendment.

Glossary of Budget and Finance Terms (Continued)

Contractual Services: Items of expenditure from services that the City receives from an outside company. HVAC, maintenance, custodial services, Building, Mechanical, and Plumbing Inspectors are examples of contractual services.

CPI: Abbreviation for Consumer Price Index.

Current Taxes: Taxes that are levied and due within one year.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Department: A major activity of the City, which indicates overall management responsibility for an operation of a group of related operations within a functional area.

Depreciation: That portion of the cost of a capital asset, used during the year to provide service.

DPW: Abbreviation for Department of Public Works.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenses. Enterprise funds are established for services such as water and sewer utilities.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The cost of goods delivered and services rendered, whether paid or unpaid.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance: Fund balance is the difference between assets and liabilities in a governmental fund. Fund balance is further defined into the below separate categories:

- ❖ **Nonspendable fund balance**—amounts that are not in a spendable form (such as inventory and prepaids; or noncurrent receivables) or are legally or contractually required to be maintained intact (such as the corpus of a permanent fund)
- ❖ **Restricted fund balance**—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. You'll note that this definition is the same as restricted net assets. There could still be differences between restricted fund balance and restricted net assets (because of modified accrual v. full accrual), but the concepts are the same.
- ❖ **Committed fund balance**—amounts constrained to specific purposes by formal action of the governing body (or the highest level of decision-making authority). To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint. The constraint should not be indirect or implied - it should be explicit and specific written action (implied constraints would fall to the next category, assigned). In contrast with restricted amounts, commitments are not legally enforceable and can be lifted by the government itself.

Glossary of Budget and Finance Terms (Continued)

- ❖ **Assigned fund balance**—an amount a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. You'll notice that assigned fund balance is very similar to committed fund balance; however, assigned fund balance expresses an intent that is somewhat less restrictive than committed fund balance because: It generally shows intent to use resources in a particular way rather than a requirement to do so; the governing body's action to create the assignment can be more indirect or implied - it does not require a clear, written action. (for instance, it could be the creation of a budget where that action implies that the governing body intends to use those resources in a certain way) The governing body may formally delegate this authority to an individual or group
- ❖ **Unassigned fund balance**—amounts that are available for any purpose (basically anything that doesn't fall into one of the other four categories above). Unassigned fund balance will only be reported in the general fund (although there is an exception with negative unassigned fund balance that can be reported in other funds).

Full-time Equivalent: Is a unit that indicates the workload of an employed person in a way that makes workloads or class loads comparable across various contexts. FTE is often used to measure a worker's or student's involvement in a project, or to track cost reductions in an organization.

GAAP: Abbreviation for Generally Accepted Accounting Principles.

GASB: Abbreviation for Governmental Accounting Standards Board. The GASB provides direction in accounting and reporting requirements for units of government.

General Fund: The largest fund within the City, the General Fund accounts for most of the financial resources of the government that may be used for any lawful purpose. General Fund revenues include property taxes, licenses and permits, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as police protection, finance, public services and general administration.

General Obligation Bonds: When the City pledges its full faith and credit to the repayment of the bonds it issues, those bonds are General Obligation (G.O) bonds.

GFOA: Abbreviation for Government Finance Officers Association.

Governmental Fund: A fund used to account for most of a government's activities, including those that are tax supported. The City maintains the following types of governmental funds: a general fund, special revenue funds, and capital improvement fund.

Headlee Amendment: The Headlee Amendment places an upper limit on the total amount of operating property taxes a city can collect in the fiscal year. This constitutional amendment limits the growth in taxable value attributed to market adjustment (excluding new construction) to the growth in the consumer price index (CPI). If this situation occurs, the operating millages, which are applied to the taxable value, must be reduced to compensate for any increase in excess of the CPI.

Headlee Override: A Headlee override is a vote by the electors to return the millage to the amount originally authorized via charter, state statute, or a vote of the people, and is necessary to counteract the effects of the Headlee Rollback.

Glossary of Budget and Finance Terms (Continued)

Immediate Funds: Liquid Funds available during the timeframe in which fund balance or working capital is needed to pay demands or claims before the major or significant revenue sources will be received for each respective Fund, as determined by management.

Industrial Facilities Tax (IFT): Special tax roll provided for under Act 198. This Act allows the City to levy one half the total Millage on the value of new or expanded facilities up to 12 years.

Investment: Securities purchased and held for the production of income in the form of interest.

Internal Service Funds: Funds used to finance and account for services furnished by a designated department to another department within a single governmental unit. Included in this category is the Insurance Fund and Worker's Compensation Fund.

LDFA: Abbreviation for Local Development Finance Authority.

Legacy Costs: Costs incurred by the City in prior years under different leadership. These costs consist primarily of obligations to pay health care costs for retirees.

Liabilities: Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.

Liquid Funds: Funds that can be converted to cash within 30 days.

Long Term Debt: Debt with a maturity of more than one year.

Major Fund: A fund whose revenues, expenditures, assets or liabilities are at least ten percent of the total of their fund category (governmental or proprietary) and five percent of the aggregate of all governmental and proprietary funds in total.

Maturities: The date on which the principal or stated values of investments or debt obligation mature and may be reclaimed.

Mill: A mathematical taxation unit equal to one dollar of tax obligation for every \$1,000 of taxable valuation property.

Millage: A rate (as of taxation) expressed in mills per dollar.

Modified Accrual Basis of Accounting: Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar obligations, which should be recognized when due.

Net Assets: Total assets minus total liabilities.

Net Debt: All City Debt net of special assessment, transportation fund and revenue bond debt.

Net Position: The difference between (1) assets and deferred outflow of resources, and (2) liabilities and deferred inflows of resources.

Glossary of Budget and Finance Terms (Continued)

Non-Major Fund: A fund whose revenues, expenditures, assets or liabilities are at less than ten percent of the total of their fund category (governmental or proprietary) and less than five percent of the aggregate of all governmental and proprietary funds in total.

Operating Deficit: An excess of expenditures over revenue for a certain time period such as one fiscal year. The City's fiscal year runs from July 1st - June 30th each year.

Ordinance: A law or rule made by an authority such as a city government.

Other Post-Employment Benefits (OPEB): Abbreviation for other post-employment benefits. Other post-employment benefits are healthcare benefits paid to retirees by the City.

Per Capita basis: Per unit of population.

Property Tax Chargeback: The amount of uncollected property taxes invoiced by the County Treasurer to the City for uncollected real property taxes at least two years delinquent.

Property Tax Rate: The percentage of the value of a property to be paid as a tax. It is also known as a millage rate or mill (which is also one-thousandth of a currency unit). To calculate the property tax, the City will multiply the taxable value of the property by the mill rate and then divide by 1,000. For example, a property with a taxable value of \$50,000 located in a City with a mill rate of 20 mills would have a property tax bill of \$1,000 per year.

Proprietary Fund: A business-like fund of a state or local government such as enterprise or internal service funds. Enterprise funds provide goods or services to the general public for a fee. The City's only enterprise fund is the parking fund.

Revenue: An addition to the assets of a fund, which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital in an enterprise.

Revenue Shortfall: Projected revenues are less than expected.

Special Assessment Fund: Special Assessment Funds are used to account for the construction and financing of public improvements benefiting a limited number of properties. Assessments are repaid over a number of years with interest.

Special Revenue Funds: A type of governmental fund that is used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

State Equalized Value (SEV): The assessed valuation of property in the City as determined by the City Assessor and then reviewed and adjusted, if necessary, by the City's Board of Review and the State Tax Commission to assure that it equals 50% of the market value as required by State Law.

Structural Deficit: An underlying imbalance in government revenues and expenditures. When this situation exists, operating revenues do not support the cost of operations without one-time revenue sources and results in the current revenue structure (e.g., taxes, fees, and other sources), not being sufficient to maintain services at the current level.

Glossary of Budget and Finance Terms (Continued)

Structurally Balanced Budget: A budget that is sustainable for multiple years into the future.

Surplus Funds: Liquid or Non-Liquid Funds not immediately needed to pay demands against vendors and other claimants as determined by management.

Tax Base: The total value of taxable property in the City.

Taxable Value: This is a value used as a base for levying property taxes. It was established by a state constitutional amendment. Taxable value limits increase in value attributed to market adjustment. The increase is limited to the lesser of the actual increase, the rate of inflation as established by the consumer price index, or 5%. When property changes ownership, the value returns to 50% of true cash value.

Tax Increment Finance Authority (TIFA): TIFA is an abbreviation for tax increment finance authority. A tax increment finance authority is created by a municipality with the intention of capturing property tax revenues on specific parcels for the sole purpose of supporting a specific development plan. These funds are supervised by the Tax Increment Finance Authority, which is considered a component unit of the City in the City's financial statements. Applicable legislation: Public Act 450 of 1980

Transfers- IN/OUT: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

Transition Advisory Board: A four-member board appointed by the governor under Public Act 436 of 2012 that is charged with monitoring the activities and decisions of the City; also referred to as the TAB.

Trust and Agency Fund: Trust and Agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments, or other funds.

#6

ORDINANCE



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

TO: Honorable City Council President Williams and City Council Members

FROM: Darin Carrington, Finance Director

DATE: December 22, 2021

**RE: **Emergency Ordinance for Extension of Supplemental Pension
Payment for GERS Retirees****

Currently, General Employees' Retirement System (GERS) retirees receive a supplemental pension payment in the amount of \$400 per month. The Supplemental Payment is set to expire on December 31, 2021. The City has been working with the newly established VEBA in getting the health care benefits for eligible retirees and other individuals. The New VEBA is expected to have the health care benefits available to retirees on February 1, 2022. In order to avoid the Supplemental Payment ending before the VEBA is able to provide the planned health care benefits, we would like to extend the Supplemental Payment beyond the December 31st expiration date and we are submitting this ordinance.

An actuarial study has been done as required by state law and a copy of the study has been provided to City Council. Given the critical nature of these payments to these retirees, we are requesting an extension of the Supplemental Payments. Our request is to continue the payments until December 31, 2022 or until the New VEBA begins providing the health care benefits to the retirees, *whichever comes first*.

As such, the following resolution is requested for your consideration:

Whereas, the temporary supplemental payments to members of the GERS pension system are set to expire on December 31, 2021; and,

Whereas, the City Council desires that this temporary increase continues no longer than December 31, 2022; and,

Whereas, such ordinance, if approved, will take effect from January 1, 2022 and expire on December 31, 2022 or when the New VEBA starts providing health insurance to eligible retirees, whichever comes first, and,

Whereas, the Pontiac City Council considers this an emergency.

Now therefore, an Ordinance to provide limited increase in pension payments to members of the General Employees' Retirement System (GERS) is hereby approved.

Ordinance No. 2346

An ordinance to provide for a limited increase in pension payments for certain members of the General Employees' Retirement System ("GERS").

Whereas, the temporary increase in pension payments to members of the GERS pension system is set to expire on December 31, 2021; and,

Whereas, the City Council desires that this temporary increase continues until no longer than December 31, 2022

Whereas, such ordinance if approved will take effect from January 1, 2022 and expire on December 31, 2022, or when the New VEBA begins providing the health care benefits to the eligible retirees, whichever comes first, and,

Whereas, the Pontiac City Council considers this an emergency. The City of Pontiac ordains:

Section 1. Amendments.

The General Employees' Retirement System ordinance shall be amended to read as follows:

a. Section 17.6 shall be amended to add the following language: Temporary Pension Increase: "*All persons who are receiving retirement benefits as of December 1, 2021 and who enter pay status through December 1, 2022, shall be entitled to receive an increase in their monthly allowance of four hundred dollars (\$400.00) per month beginning January 1, 2022 through December 31, 2022, or when the New VEBA begins providing the health care benefits to the eligible retirees, whichever comes first.*"

Section 2. Severability.

If any section, 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 the Ordinance shall stand and be in full force and effect.

Section 3. 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 4. Publication.

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

Section 5. Emergency Declaration and Effective Date.

This Ordinance is declared an emergency of health and safety to allow the pension recipients to collect the increase authorized in this Ordinance on the date identified in this Ordinance and shall be effective immediately upon adoption by the City Council.



December 17, 2021

Ms. Deborah Munson
Executive Director
City of Pontiac General Employees'
Retirement System
2201 Auburn Road, Suite B
Auburn Hills, Michigan 48326

Re: Proposed Benefit Change

Dear Ms. Munson:

Enclosed is a supplemental actuarial valuation for the City of Pontiac General Employees' Retirement System members.

Please call if you have any questions regarding the enclosed calculations.

Sincerely,
Gabriel, Roeder, Smith & Company

A handwritten signature in cursive script that reads "Louise Gates".

Louise M. Gates, ASA, FCA, MAAA
Consulting Actuary

Enclosure

CONFIDENTIAL

Requested By: Ms. Deborah Munson, Executive Director

Submitted By: Louise M. Gates, ASA, FCA, MAAA, and James D. Anderson, FSA, EA, FCA, MAAA
Gabriel, Roeder, Smith & Company

Subject: Extension of Monthly Stipend Payment through December, 2022

Date: December 17, 2021

This report contains an actuarial valuation of a proposed change in benefit provisions for eligible members of the City of Pontiac General Employees' Retirement System (GERS). The actuaries issuing this report are independent of the plan sponsor, are Members of the American Academy of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

The date of the valuation was December 31, 2020. This means that the results of the supplemental valuation indicate what the December 31, 2020 valuation would have shown if the proposed benefit change had been in effect on December 31, 2020. Supplemental valuations do **not** predict the result of future actuarial valuations. Rather, supplemental valuations give an indication of the probable long-term cost of the plan change only without comment on the complete end result of the future valuations. This report may be distributed only in its entirety and only with the permission of the City.

Except where indicated, the actuarial assumptions and methods used in this study were the same as those used in the regular actuarial valuation of the Retirement System as of December 31, 2020.

A brief summary of the December 31, 2020 GERS data, used in this valuation is presented below:

Group	Number	Average in Years	
		Age	Service
Active Members	26	45.7	11.4
Terminated Vested	109	51.4	N/A
Retirees & Beneficiaries	1,063	72.1	N/A

City of Pontiac General Employees' Retirement System Proposal as of December 31, 2020

Present Provisions: A monthly stipend benefit of \$400 is payable to all eligible individuals who are receiving a pension benefit from the GERS. The stipend benefit is payable through December 31, 2021. No stipend benefits will be paid after this date.

Proposed Provisions: A monthly stipend benefit of \$400 is payable to all eligible individuals who are receiving a pension benefit from the GERS. The stipend benefit is payable through December 31, 2022. No stipend benefits will be paid after this date.

Actuarial Statement

The expected financial effect of the proposal is shown below:

Results as of December 31, 2020

	<u>Present Provisions</u>	<u>Proposed Provisions</u>	<u>Increase</u>
Present Value of Future Benefits	\$4,952,747	\$9,585,350	\$4,632,603

The table above shows the value of GERS liabilities for stipend benefits payable from December 31, 2020 through December 31, 2021 in the column titled present provisions. The value of GERS liabilities for stipend benefits payable from December 31, 2020 through December 31, 2022 is shown in the column titled proposed provisions. The difference (shown in the column titled increase) is the increase in the value of GERS benefits associated with the proposed plan provisions which extends the stipend payments by 12 months.

Since GERS assets as of the valuation date exceed the present value of future plan benefits before and after the proposed change, City contributions to the GERS are expected to remain \$0 for the City's 2022-2023 budget year.



City of Pontiac General Employees' Retirement System Proposal as of December 31, 2020

Comments

Comment 1 — The calculations are based upon assumptions regarding future events, which may or may not materialize. They are also based upon present and proposed plan provisions that are outlined in this report. If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, that important plan provisions relevant to this proposal are not described, or that conditions have changed since the calculations were made, you should contact the authors of this report prior to relying on information in the report.

Comment 2 — No statement in this report is intended to be interpreted as a recommendation in favor of the change, or in opposition to it.

Comment 3 — This report is intended to describe the expected financial effect of the proposed plan changes on the General Employees' Retirement System. The impact (if any) that the proposed provisions may have on other City sponsored post-retirement benefit plans is not included in this report.

Comment 4 — This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

Comment 5 — This report shows the value of the increase in benefit payments associated with extending stipend payments through December 31, 2022. The value of these additional benefit payments will be lower than shown on page 2, if retiree health care benefits begin before December 31, 2022. In this instance, the \$400 per month stipend payments stop per the Settlement Agreement.

Comment 6 — The liability load included in the December 31, 2020 valuation for future Reciprocal Act retirees and stipend payments is expected to be sufficient to cover the increase in GERS liabilities due to this proposal.

#7

RESOLUTION



Executive Branch

**CITY OF
PONTIAC**
OFFICIAL MEMORANDUM

TO: Mayor Deirdre Waterman, City Council President Williams and
City Council Members

FROM: Matthew A Gibb, Special Counsel for Economic Development
Linnette Phillips, Director of Economic Development

DATE: December 23, 2021
For the Council Session of December 28, 2021

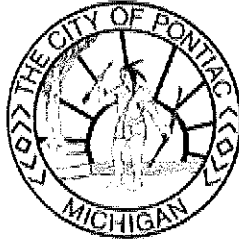
**RE: RESOLUTION TO ADOPT POLICY ON DISPOSITION OF CITY OWNED
PROPERTY AND SUPPLEMENTAL POLICY ON PROPERTY ACQUIRED
BY RIGHT OF FIRST REFUSAL**

(TO BE ACTED UPON ON DECEMBER 28, 2021
THESE REQUIRE SUSPENSION OF COUNCIL RULES)

The City of Pontiac is presently without a policy under which the City can offer for sale, transfer, convey or otherwise dispose of City owned property. As such several opportunities for community development and assistance to homeowners are being lost and not acted upon. The proposed Policy under this Memorandum and Resolution would allow the City to proactively assess and plan for timely and purposeful development opportunities. The policy further allows homeowners and business to addresses issues where the property adjoining their property can be added to the overall title to allow for expansion, improvement or development.

The attached resolution seeks adoption of the following Policy and supporting Program and Application Materials:

1. DISPOSITION OF CITY OWNED REAL PROPERTY POLICY
2. NEGOTIATED SALE OF REDEVELOPMENT PROPERTIES PROGRAM OVERVIEW
3. NEGOTIATED SALE OF REDEVELOPMENT PROPERTIES APPLICATION(S)
4. SUPPLEMENTAL POLICY DISPOSITION OF CITY OWNED PROPERTY ACQUIRED BY
RIGHT OF FIRST REFUSAL
5. RULES FOR PREQUALIFICATION OF COMMUNITY REDEVELOPMENT PARTNERS



CITY OF PONTIAC CITY COUNCIL

RESOLUTION ADOPTING POLICY(S) CONCERNING THE DISPOSAL OF CITY OWNED PROPERTY INCLUDING PROPERTY ACQUIRED BY RIGHT OF FIRST REFUSAL

Whereas, the City of Pontiac is the title owner of multiple properties through the City that are available for redevelopment and improvement; and

Whereas, the City of Pontiac desires that residents and city based businesses have an opportunity to acquire and improve property within the City providing a public purpose to the city through redevelopment, enhancement of community, and adding property to the tax base of the City; and

Whereas, Under MCL 211.78m of the General Property Tax Act, the foreclosing governmental unit, the Oakland County Treasurer, must offer tax-foreclosed properties for sale to the state first, then the city, village, or township, then the county in which the property is located. Any purchase by the County or City must be for a public purpose. If the local governments do not purchase the property, they are sold at public auction.

Whereas, it is in the best interests of the City to codify a policy and process to permit acquisition, disposition and development of presently underutilized property in the City ; and

Now, Therefore, the City Council of the City of Pontiac hereby adopts the following Policy(s) and Program Applications and Materials: DISPOSITION OF CITY OWNED REAL PROPERTY POLICY; NEGOTIATED SALE OF REDEVELOPMENT PROPERTIES PROGRAM OVERVIEW; NEGOTIATED SALE OF REDEVELOPMENT PROPERTIES APPLICATION(S); SUPPLEMENTAL POLICY DISPOSITION OF CITY OWNED PROPERTY ACQUIRED BY RIGHT OF FIRST REFUSAL; RULES FOR PREQUALIFICATION OF COMMUNITY REDEVELOPMENT PARTNERS

PASSED AND APPROVED BY THE CITY COUNCIL, Pontiac, Michigan, this ____ day of _____, 2021

AYES: _____

NAYS: _____

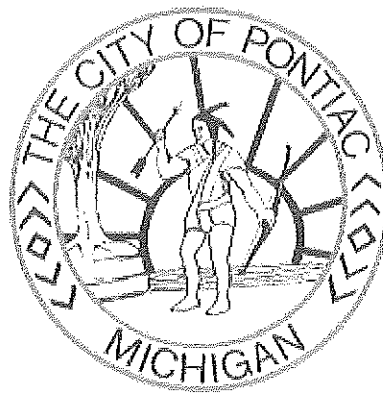
I, Garland Doyle, Interim Clerk of the City of Pontiac, hereby certify that the above Resolution is a true copy and accurate copy of the Resolution passed by the City Council of the City of Pontiac on _____, 2021.

GARLAND DOYLE, City Clerk

Dated: _____, 2021

NEGOTIATED SALE OF REDEVELOPMENT PROPERTIES

Application Form



**Deirdre Waterman, Mayor
CITY OF PONTIAC**

Department of Economic Development

Application for Purchase of Redevelopment Property

Please return the completed application and supporting documentation to:
City of Pontiac Department of Economic Development
47450 Woodward Ave Pontiac, MI 48342
(248) xxx-xxxx Email:

I. Property Identification

1. Provide the street address of the property to be purchased below:

2. Provide the property's PIN numbers (tax parcel identification numbers) if known.

3. Current Use of Property: ☐ Vacant Land ☐ Improved with Building
4. Property Type: ☐ Commercial ☒ Industrial
 ☐ Residential ☒ Mixed-Use
 ☐ Other _____
5. Land Area: _____ square feet
6. Current Zoning Designation: _____
7. Redevelopment Area or TIF District _____

II. Applicant Information

8. Name of Applicant: _____
9. Business Name and Address: _____

10. Phone Number: _____
11. Fax Number: _____
12. E-Mail Address: _____

13. Type of Business Entity: ☐ Individual ☐ Sole Proprietorship
☐ Nonprofit Corporation ☐ For-Profit Corporation
☐ Partnership ☐ Limited Liability Company

14. Name, address, and phone numbers of other persons or entities having an ownership interest in the applicant business entity:

15. Provide a description of your real estate development experience. Be sure to list any past or present development projects that involved the sale of City land or that included City financial assistance. If you propose residential or mixed-use development of the property, indicate if you are a licensed Residential Developer and provide a copy of the license. Attach additional sheets if necessary.

III. Purchase and Redevelopment Proposal

16. Proposed Purchase Price: ☐ Market Value as determined by City-ordered appraisal; or
☐ Stated Price: \$ _____

17. Do you own or control an adjacent property? If so, identify the property by address and PIN, describe your interest, and describe its current use:

18. Type of Redevelopment Proposal: ☐ Commercial/Retail ☐ Multi-Family Residential
☐ Single Family/Townhouses ☐ Industrial
☐ Institutional/Non-Profit ☐ Accessory Parking/Open Space
☐ Mixed-Use ☐ Other _____

19. Project Narrative: Write a brief description of the project. Be as specific as possible about timing, scope of work, intended end-users of property, type of construction and financing. If you own or control an adjacent property, describe how the City parcel will contribute to the overall project. Attach additional sheets if necessary.

20. Building Area:

Existing Building Area: _____ square feet

Proposed New Construction or Addition: _____ square feet

Total After Completion: _____ square feet

21. Unit Breakdown For Residential or Mixed-Use Projects:

Unit Type	No. of Units	No. of Bedrooms	Avg. Unit Size-sf	Avg. Rent if Apts.	Avg. Price if For-Sale
A	_____	_____	_____	\$_____	\$_____
B	_____	_____	_____	\$_____	\$_____
C	_____	_____	_____	\$_____	\$_____
D	_____	_____	_____	\$_____	\$_____
E	_____	_____	_____	\$_____	\$_____
TOTAL:	_____	AVG:	_____	\$_____	\$_____

Identify the units, if any, that are deemed "affordable" under the City's affordable housing ordinance (list unit types): _____. Do the affordable unit prices or rents include parking? ☐ Yes ☐ No

List which utilities are included in the affordable unit rent (all utilities, heat only, no utilities): _____.

22. Attach conceptual site plans, floor plans, and front elevation to illustrate the proposed redevelopment project and site improvements.
23. Job Retention/Creation: List the projected number of part-time jobs and full-time jobs at the project after completion, if applicable.

	<u>Jobs Retained</u>	<u>Jobs Created</u>	<u>Total Jobs</u>
Full Time Employees:	_____	_____	_____
Part Time Employees:	_____	_____	_____

24. Identify the public benefits, if any, to be created by the project.

<input type="checkbox"/> Affordable Rental Housing	<input type="checkbox"/> Affordable For-Sale Housing
<input type="checkbox"/> New Retail in Underserved Area	<input type="checkbox"/> New or Retained Jobs
<input type="checkbox"/> Cultural or Social Services	<input type="checkbox"/> Fiscal Benefits
<input type="checkbox"/> Innovative Environmental Features	<input type="checkbox"/> Other _____

25. Describe the public benefits. Be as specific as possible regarding number and type of affordable housing units, affordability levels, type of new and retained jobs, number of temporary construction jobs, type of new retail services proposed, and type of innovative environmental features (such as a green roof). Attach additional sheets if necessary.

26. Are you requesting government assistance in the form of a purchase price reduction, TIF funds, property tax abatement, City infrastructure improvements, street or alley vacation, bond or loan financing, or other economic benefits? ☐ Yes ☐ No

If yes, describe the type and amount of assistance requested:

27. Provide sources and uses of funds construction pro-forma and revenue projections.

IV. Signature

I, the undersigned, affirm that the project descriptions, numerical and financial estimates, and all other information I have provided in this application are true and complete to the best of my knowledge. I have read and understood the requirements described in the overview, application, and attachments including the Construction Monitoring Requirements. Furthermore, I certify that I am authorized to initiate the application process on behalf of the project described.

I understand that I cannot change the description of the redevelopment project or the identity of the purchasing entity included in this application without CITY's consent. I understand that I must demonstrate to the satisfaction of the department the ability of the purchasing entity to complete the proposed project. I understand that all documents submitted on behalf of this application become the property of the City of Pontiac.

Signed, _____ Date: _____

Title: _____

Submission Checklist

Initial Submission Requirements

- Application Form ☐
- Sources and Uses of Funds, Construction Pro-Forma, and Revenue Projections (Attachment A) ☐
- Conceptual Site Plan, Floor Plans, and Front Elevation ☐
- Economic Disclosure Statement (Attachment B) ☐
- Principal Profiles (Attachment C) ☐

Submissions Required Prior to CDC

- Applicant's Financial Statement ☐
- Organizational and Operating Documents of Purchasing Entity ☐
- Copy of Residential Developer license (if applicable) ☐
- Letter of Interest From Financing Sources (if project is to be bank financed) ☐
- Copies of Notification Letters to be Sent to M/WBE Contractor's Associations (Attachment D) ☐
- Needs Assessment Form to be Submitted to CITY's Workforce Solutions Division (if applicable, Attachment E) ☐
- Preliminary Site Plan, Floor Plans, Elevations, and Rendering ☐

Submissions Required Prior to City Council

- Offer to Purchase and Good Faith Deposit (Attachment F) ☐
- Detailed Project Budget (including M/WBE project budget if applicable) ☐
- Current Financial Statement ☐

Submissions Required Prior to Closing

- Proof of Equity and Lender Financing ☐
- Copies of Building Permits and Zoning Approval ☐
- Any Other Customary Legal Documents ☐

Informational Attachments

- Sample Redevelopment Agreement
- City of Pontiac Affordable Housing Guidelines
- Redevelopment Area Plan (provided upon request)

Disposition of City Owned Real Property Policy

Economic Development Department

City of Pontiac, Michigan

DRAFT [dated 6-16-2021]

On a regular basis, the City of Pontiac reviews its inventory of real property to determine what land is in excess of its foreseeable needs. Land that is no longer needed for public purposes is declared surplus and then made available for sale in accordance with the following Policy for the Disposition of City Owned Surplus Real Property as approved by the Pontiac City Council. Questions regarding Surplus Real Property can be directed to the Economic Development Department via email lphillips@pontiac.mi.us or by calling 248.758.3029.

Scope, Purpose & Responsibility

Scope: The City may own, develop, maintain and operate its property, including all buildings and improvements, for any purpose within the scope of the powers of the City, and upon the discontinuance of public use may lease, sell or otherwise dispose of its property subject to any restrictions imposed by law or the City Charter.

Purpose: Provide a comprehensive policy, process and guidelines for disposing of City owned real estate. This policy is intended to create a process that is transparent to the community, maximizes return on investment, and provides a vehicle for collaboration. It is the City's intent to reuse or redevelop property that reflects the City's economic sustainability goals and desired community assets.

Responsibility: The City shall maintain a listing of all City owned real property. Prior to considering any sale or other disposition of City owned real property, the Mayor or designee shall review the history of each parcel of City owned real property to determine whether the parcel is subject to grant or deed restrictions, laws (such as tax foreclosure proceedings), or other circumstances or conditions which may prohibit, restrict or affect the sale or transfer of the parcel.

At least once annually, the Mayor or designee shall determine, in accordance with this Policy, whether specific parcels of City owned real property are no longer used for public purposes or will enhance economic or residential development within the City and therefore can be sold or disposed of in another manner [hereinafter referred to as "Surplus Real Property"].

The Mayor or designee shall then coordinate and manage the sale or other disposition of Surplus Real Property in accordance with this Policy. The City and/or Oakland County shall retain an easement on all properties where public utilities exist or where future development may conceivably require public utilities.

Definitions

1. "Notice of Intent to Sell – Request for Proposals" means the notice prepared by the City announcing that the City will receive offers for the sale of a particular parcel or parcels of Surplus Real Property. The notice shall include information then available to the City concerning the parcel or parcels of Surplus Real Property. The notice shall also provide prospective purchasers with directions on where or how they may obtain specific information concerning the Surplus Real Property identified in the notice.
2. "Surplus Real Property" includes the lands, buildings, structures and fixtures on the real property.
3. "City Council" is the elected legislative body of the City of Pontiac.

Notice of Intent to Sell

Each year the City shall publish a Notice of Intent to Sell in a newspaper of general circulation. The City may also sell parcels of Surplus Real Property through the following methods:

1. A public request for proposals by publishing a Notice of Intent to Sell – Request for Proposals. At a minimum the notice shall include the parcel's mailing address, parcel tax identification number, zoning classification, size, and minimum bid price. A copy of the notice shall be mailed or delivered to all adjacent real property owners as identified in the City's Building and Safety records. The notice shall allow a minimum of thirty (30) days for the submission of responses, proposals, offers and/or bids.
2. A classified advertisement containing the information in (1. above) which is published for three consecutive days in a newspaper of general circulation in the City.
3. A listing containing the information in (1. above) on the City's website and/or Pontiac TV for a minimum of five days.

The City may consider and accept unsolicited offers on any parcel of Surplus Real Property or any other parcel of City owned real property through a licensed real estate broker, including its real estate salespersons, or from individuals or other legal entities.

All advertisements, notices, listings, requests for proposals or bids, and any other method of marketing Surplus Real Property shall contain the Reserves of the City section on page 5 of this Policy.

Transaction Requirements

Except as may be authorized by the City Council, all Surplus Real Property shall be sold "AS IS", with conveyance by a quit claim deed or a land contract (which provides for the subsequent conveyance by quit claim deed) prepared by the City. All conveyances shall be subject to any existing easements, reservations, rights of use and restrictions of record, building and use restrictions, zoning ordinances, municipal regulations, prior conveyances or leases of oil, gas

and mineral rights, and all liens, encumbrances, defects and other conditions on, concerning or relating to the Surplus Real Property.

In no event will the City consider conveying marketable title to Surplus Real Property unless a standard policy of title insurance can be obtained and issued for the Surplus Real Property. The City shall not sell, transfer or convey Surplus Real Property or any other parcel of City owned real property to any individual or entity who is in default of any contract or obligation with the City, including but not limited to a prospective purchaser who is shown in the City records to have delinquent City real or personal property taxes or special assessments, past due utility bills, outstanding invoices for City services, or has received a notice or citation for violation of any City ordinance, rule or regulation, unless the default, delinquency or violation is corrected prior to City Council's consideration of the sale or other disposition of the Surplus Real Property.

The purchaser shall agree to pay and be responsible to pay for any mortgage title insurance policy, all costs in applying for and securing financing or assuming existing financing, all costs of preparation of documents relating to new or existing financing, recording financing statements, inspections, environmental assessments, recording fees for mortgage and deed, costs in connection with matters relating to purchaser's use or intended use of the Surplus Real Property, including but not limited to, re-zoning, special use permits, variances, soil borings, surveying, rights of way, site plan preparation, sanitary sewer lines, water lines and other matters related to development of the Surplus Real Property, and purchaser's broker and attorney fees. A purchaser cannot be a current City of Pontiac employee.

Contents of Response to Notice of Intent to Sell or unsolicited offers

All offers to purchase Surplus Real Property shall be in writing and signed by the prospective purchasers, and contain the following information:

1. parcel identification number,
2. parcel address,
3. total purchase price,
4. proposed use and development of the property,
5. guarantees for completing any proposed project,
6. anticipated method(s) of financing,
7. contingencies required by purchaser,
8. formal name, address, telephone number and legal organization (if applicable) of purchaser(s),
9. name of principal for purchaser who is authorized to execute all documents on behalf of purchaser,
10. timeline for implementation and completion of any proposed project
11. any specific contingencies to be performed by the City,
12. dollars to be invested (if constructing a building/home),
13. number of jobs to be created/retained (if commercial or industrial),

14. average job wage (if commercial or industrial),
15. name, address and telephone number of developer,
16. terms of sale (e.g. cash, land contract or option).

All brokers or agents acting on behalf of the proposed purchaser shall be disclosed.

Financial Incentives

Redevelopment projects that will provide tangible public benefits may be eligible for various forms of financial assistance, such as tax increment financing (TIF). Eligibility for most financial assistance programs is contained within the authorizing legislation which must be followed. For more information on the various assistance programs administered by the Economic Department, visit the department's website at www.pontiac.mi.us. Separate applications must be submitted for each financial assistance program.

Deadline for Proposals, Responses, Offers or Bids Revised

The City may refuse to consider any response, proposal, offer or bid concerning Surplus Real Property which is received after the expiration of the published deadline. The City, if determined to be in the City's best interest, may consider offers on any parcel of City owned real property which is not included in any announcement of Surplus Real Property.

Approval Vacant Surplus Real Property with 50' Frontage or Less

Disposition of vacant surplus real property with frontage of 50' or less may be approved by the Mayor or designee. ALL REMAINING SALES AND TRANSACTIONS COVERED BY THIS POLICY MUST BE APPROVED BY THE CITY COUNCIL. Prior to the City Council's consideration of any transaction, City staff shall provide the City Council with a summary of all responses, proposals, offers and bids received for each parcel of Surplus Real Property.

Purchaser's Use of Real Estate Broker (i.e. "Buyer's Agent")

Purchaser shall be responsible for payment of its real estate brokerage fee. Purchaser must have a written contract with the real estate broker. Purchaser and its real estate broker shall certify:

1. That the real estate broker is a "Buyer's Agent", as defined in the Michigan Real Estate Brokers Act, PA 299 of 1980, as amended, in the transaction and that the Buyer's Agent has performed a service and procured the sale for purchaser; and that the Buyer's Agent shall not be considered to be an agent or representative of the City.

Real Estate Broker

If the City requires the services of a real estate broker, the City and a licensed real estate broker shall enter into the listing agreement. The broker's fee charged to the City shall be negotiated by the broker and the City. The City will pay the broker's fee preferably out of the proceeds of the sale at closing, but in no event more than forty-five (45) days from the date of the successful closing of the transaction.

1. Subject to negotiation and acceptance by the City and Broker, the City may consider real estate brokerage fees.
2. No exclusive brokerage agreements will be granted.
3. The broker shall use all available marketing methods to advertise and promote the sale of the Surplus Real Property.

Awards, Preferences and Conditions

Residential: Preference will be given to purchasers that will construct a home on a vacant parcel. Adjoining property owners will be given preference if the Surplus Real Property is unbuildable because of zoning, other codes or laws, or economic factors or conditions.

Commercial and Industrial: Preference will be given according to the number of jobs to be created and the dollar amount of the purchaser's total investment.

Prior to any listing; Notice of Intent to Sell; other marketing or solicitation method; or any acceptance of any response, proposal, offer or bid concerning commercial and industrial Surplus Real Property, shall be appraised by an appraiser who is licensed or certified by the State of Michigan to conduct the appraisal deemed necessary for the particular parcel of Surplus Real Property. The appraisal and any agreement related thereto shall be distinct and separate from any listing agreement, proposal, offer, bid, or market analysis which may be requested or entered into by the City.

Appraisals: All Surplus Real Property having an assessed value for the land, buildings and improvements, in excess of \$50,000 must be appraised.

Reserves of the City

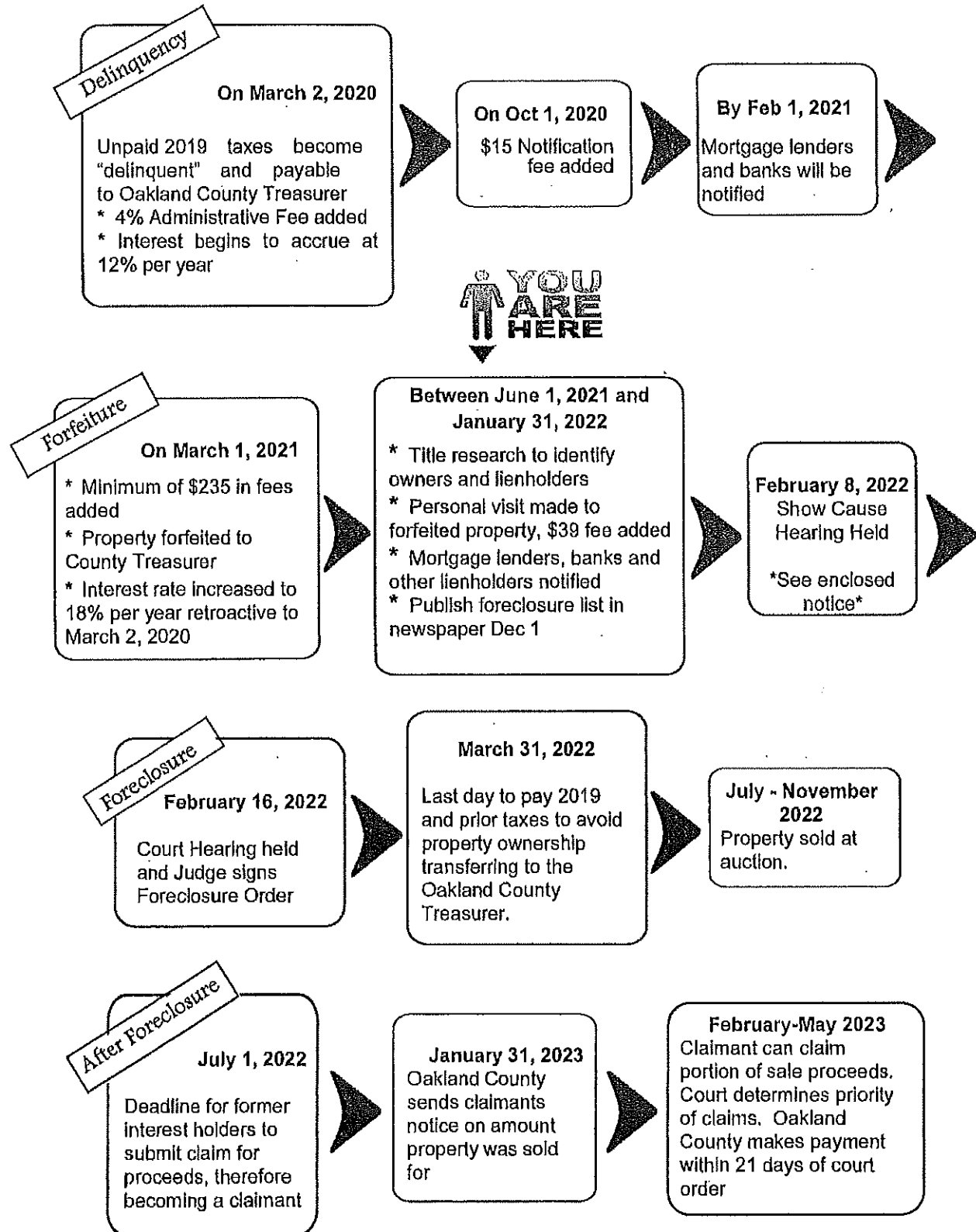
The City absolutely reserves to itself the right and prerogative: to reject any and all proposals, responses, offers and/or bids to purchase any Surplus Real Property; to reject any proposals, responses, offers and/or bids not accompanied by the documents or data required by this Policy, or the advertisement and/or any request for proposals, offers or bids; or to reject any offer which is in any way incomplete, irregular, not responsive or not responsible; or to withdraw any parcel of Surplus Real Property prior to the acceptance or entry into any purchase agreement.

The City may enter into a purchase agreement with a purchaser which the City Council, in its sole and absolute discretion and judgment, determines will be in the best interests of the City. The City reserves the right to waive informalities or irregularities in any of the processes, procedures, terms or conditions set forth in this Policy. The City shall not enter into any purchase agreement until the City has concluded all investigations it deems necessary to establish the responsibility, qualifications and financial ability of the proposed purchaser to purchase the Surplus Real Property and/or to complete any project identified by a prospective purchaser as set forth in section. This "reservation" shall be included in any publication, listing agreement, notice or other request concerning Surplus Real Property or any other City owned real property.



Delinquent Property Tax Timeline for 2019 or prior Taxes

The property tax foreclosure process can be confusing. We'd like to answer any questions you might have. We can also help you develop a payment strategy. Please call us at (248) 858-0611 or send an e-mail to treasurer@oakgov.com





Robert Wittenberg, Treasurer
1200 N. Telegraph Road, Building 12 E
Pontiac, MI 48341-0479
Telephone 248-858-0611
www.oakgov.com/treasurer
treasurer@oakgov.com

AGENCIES PROVIDING ASSISTANCE

Accounting Aid Society: Free income tax preparation on Saturdays in Pontiac January through April 15 for qualified individuals and families. 313-556-1920 www.accountingaidociety.org

Community Housing Network: Budget counseling; housing needs assessment to determine housing needs; homeless assistance for those about to lose or who have lost their home. 248-928-0111 www.communityhousingnetwork.org

HAVEN: Shelter, counseling, advocacy and educational programs for victims of domestic violence and sexual assault. 24 Hour crisis & support: 248-334-1274 www.haven-oakland.org

JVS Human Services: Financial counseling; mortgage foreclosure counseling; budget counseling; job training; Financial Education: 248-233-4299 General Services: 248-559-5000 www.jvshumanservices.org

Lighthouse of Oakland County: Food assistance; utility assistance; Center for Working Families (budget counseling; computer training; workforce development training); homebuyer education; career dress. 248-920-6200 www.lighthouseoakland.org

Lakeshore Legal Aid: Provides a variety of free or low cost legal assistance including family matters, consumer matters, income matters, and housing matters for low income and senior people. 888-783-8190 (Toll Free) www.lakeshorelegalaids.org

Oakland Livingston Human Service Agency Pontiac: Food and utility assistance; mortgage foreclosure counseling; weatherization and minor home repair. 248-209-2600 www.olhsa.org

Michigan Works! – Employment training, workforce and professional development. 800-285-9675 www.michiganworks.org

COUNTY GOVERNMENT SERVICES

Oakland County Treasurers Office Financial Empowerment Center: Free one-on-one assistance with credit repair, budgeting, assistance opening checking or savings accounts, and other financial counseling, counseling support for small business, including help applying for financing. 248-858-0611 www.oakgov.com/treasurer

Oakland County Equalization: Provides services for several municipalities located within the county in regard to P.R.E. exemptions and determines the Assessed Values. 248-858-0740 www.oakgov.com/mgtbud/equal

Oakland County Division of Neighborhood and Housing Development: Mortgage foreclosure counseling; budget counseling; home repair loans; reverse mortgage counseling. General number 248-858-5402 www.oakgov.com/chi

Oakland County Probate Court: Helps in cases of estates and wills, trusts, guardianship/conservators. 248-858-0620 www.oakgov.com/courts/probate

Oakland County Veterans Services: Provides a variety of assistance to qualified veterans including potential assistance with delinquent property tax payments. 248-858-0785 www.oakgov.com/veterans

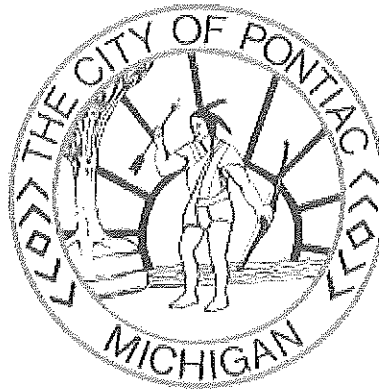
Water Resources Commission (WRC): Formerly known as the Drain Commissioner's Office. 248-858-0958 www.oakgov.com/water

STATE GOVERNMENT SERVICES

Department of Human Services – State of Michigan: Food assistance; utility assistance; cash assistance; childcare; medical assistance; emergency relief. www.michigan.gov/dhs Pontiac - 248-975-4800 Southfield – 248-262-6400

NEGOTIATED SALE OF REDEVELOPMENT PROPERTIES

Program Overview



**Deirdre Waterman, Mayor
CITY OF PONTIAC**

Department of Economic Development

City of Pontiac
Department of Economic Development
Negotiated Sale of Redevelopment Properties

PROGRAM OVERVIEW

A Negotiated Sale is a process that facilitates the sale of City-owned properties. The City of Pontiac makes real estate available for purchase and redevelopment, and the Department of Economic Development is the City department authorized to accept purchase applications.

Which Redevelopment Properties Are Available For Purchase By Negotiated Sale? The City has identified City-owned properties for purchase by negotiated sale. Properties in the inventory consist mostly of vacant residential, commercial, and industrial land, but the inventory can also include improved properties. To find out whether a particular property is City-owned, located in redevelopment project area and available for sale under the negotiated sale process, contact _____ at _____.

Eligible To Purchase City Property By Negotiated Sale?

Any entity or individual may qualify to purchase City property by negotiated sale except that some restrictions may apply to City of Pontiac employees. The purchaser must be able to demonstrate the financial ability and experience necessary to complete the purchase and the proposed development. All applications to purchase properties under the negotiated sale process must include a proposal to develop the property.

How is the Sale Price Determined?

The value of the property is established by a market value appraisal prepared by an independent appraiser hired and compensated by the City. The department may recommend a write-down from the appraised value only when the proposed development meets the redevelopment goals of the community and provides tangible public benefits, such as affordable housing units, new or retained jobs, new retail services in an underserved community, cultural activities, social services, fiscal benefits, or innovative environmentally sustainable features such as green roofs. The City may order an updated appraisal of the property before the final sale price is approved by the City Council.

What Financial Incentives Are Available?

Redevelopment projects that will provide tangible public benefits may be eligible for various forms of financial assistance, such as tax increment financing (TIF). Eligibility for most financial assistance programs is contained within the authorizing legislation which must be followed. For more information on the various assistance programs administered by the Department, visit the department's website at www.pontiac.mi.us. Separate applications must be submitted for each financial assistance program.

What Are The City's Construction and Monitoring Requirements?

All purchasers of City property must comply with the City of Pontiac's construction requirements. Pontiac residents must perform at least half of all construction-worker hours. A performance bond must be maintained if any work is being done in the public way.

Applicants seeking a purchase price write-down or financial assistance for residential projects must set aside a portion of the housing units for occupancy by low-to moderate-income households if the project will contain 10 or more units. The City will monitor the development following completion in order to ensure that the affordable housing requirements are satisfied. Likewise, projects offering other public benefits in return for a write-down or financial assistance will be monitored by the City after completion.

Following submission of the purchase application and upon preliminary recommendation of the project by the Department, all applicants are required to meet with a representative of the City to receive additional information on the construction and affordable housing requirements and the monitoring process. To arrange the meeting, please call _____ at _____.

APPLICATION AND APPROVAL PROCESS

Applicants must complete the attached application form and submit it, along with all required supporting documents, to Department of Economic Development. The Department will review the application, and if recommended by the department the application will be submitted to the City Council for its approval. If approved by the City Council, public notice of the proposed purchase will be published in a metro newspaper in order to solicit alternative proposals. If no responsive alternative proposal is received after 30 days, a Redevelopment Agreement (RDA) will be negotiated between the applicant and the Department. If a responsive alternative proposal is received, the department may select another disposition process to sell the property.

The RDA is a contract that commits the purchaser to complete the proposed redevelopment within a specified time frame. The negotiated sale is not complete until the RDA has been approved by the City Council and signed by all parties. Closing of the sale will occur on the date specified in the RDA.

The following sections describe the steps of the application and approval process and the required submissions.

Step One: Application Process

The applicant submits the completed application. For Step One, the applicant must provide:

- Completed application form and attachments
- Economic Disclosure Statement (EDS)
- Principal Profiles
- Conceptual site plan, floor plans, and elevation

Step Two: Approval Process

Department of Economic Development will review the application and will notify the applicant whether or not the proposal will be recommended to the Community Development Commission. If the CDC approves the recommendation and if no responsive alternative Proposal is received within 30 days of publication of a public notice, a Redevelopment Agreement will be negotiated between the City and the applicant. The RDA will be submitted to the City Council for approval. The final steps in the approval process are the execution of the Redevelopment Agreement and closing of the sale.

For Step Two, the applicant must provide:

Prior to first City Council approval:

- Financial Statement
- Organizational and operating documents of purchasing entity
- If project is bank-financed, a letter of interest from the proposed lender
- Residential Developer License (residential or residential mixed-use developments only)
- Preliminary site plan, floor plans, elevations, and color rendering of the proposed project
- Notice of proposed development provided by certified mail to M/WBE contractor's associations
- Submission to the department's Workforce Solutions division an employment needs assessment form (for projects providing new or retained permanent jobs)

Prior to presenting RDA to City Council:

- Good faith deposit and signed offer form
- Detailed project budget (final estimate, including M/WBE budget)
- Current financial statement

Prior to Closing:

- Proof of equity and lender financing
- Copies of building permits and zoning approval
- Any other customary legal documents
- Meet with Monitoring and Compliance

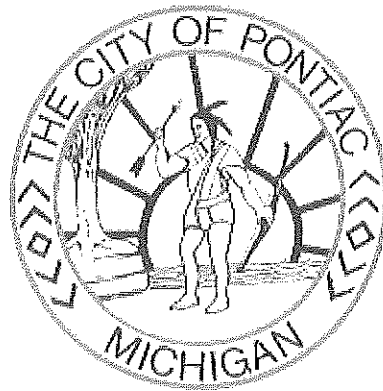
Step Three: Construction

It is the responsibility of the applicant to ensure that the general contractor, or the applicant if acting as the general contractor, complies with all City construction requirements.

For more information on property sales call the Department of Economic Development. For information on other programs, contact the department at _____ or visit the department's website at www.pontiac.mi.us. The Negotiated Sale program overview and application form can be downloaded from the website.

RULES FOR PREQUALIFICATION OF COMMUNITY REDEVELOPMENT PARTNERS

Right of First Refusal Program



**Office of the Mayor
CITY OF PONTIAC**

Department of Economic Development

RULES FOR PREQUALIFICATION OF COMMUNITY REDEVELOPMENT PARTNERS

Right of First Refusal Program

I. PREQUALIFICATION COMMITTEE

1.1 Committee Purpose and Duties:

- 1.1.1 The Prequalification Committee ("Committee") oversees and is responsible for the approval of prequalification of prime community redevelopment partners, suspension and revocation of prequalification of prime community redevelopment partners, determination of work classification, and any increase or decrease thereof for all prime community redevelopment partners in connection with all properties acquired and/or accepted by City of Pontiac pursuant to the City's exercised right of first refusal, intended as projects for construction, reconstruction, or demolition of physical facilities, capital improvement projects in excess of \$25,000, and redevelopment of affordable housing in the City (collectively, "Projects").
- 1.1.2 Each and every prime community redevelopment partner desiring to bid on Projects ("Partner") shall submit for the review of one or more members of the Committee an application for prequalification which shall include but not be limited to the Partner's description of its work experience and any other necessary documentation and/or information ("Prequalification Application"). Each and every Partner must be prequalified to perform the classified work ("Prequalified" or "Prequalification") as determined by the Prequalification Committee and ratified by the City Director of Budget and Finance.
- 1.1.3 The Committee shall administer and make all decisions and determinations on all matters relating to any or all community development partners' (i) approval of Prequalification and denial of Prequalification, including but not limited to work classifications; (ii) suspension and revocation of Prequalification or any portion thereof; and (iii) increase or reduction of work classification. The Committee shall also maintain a listing of Prequalified Community development partners and their work classifications.

1.2 Organization:

- 1.2.1 The Committee consists of three (3) persons from the City of Pontiac ("COP"):
- Mayor, COP, or his authorized designee, who serves as Chairperson of the Committee;
 - Director, Economic Development, COP; and
 - Manager, Planning , COP.

- 1.2.2 Whenever necessary, the Committee shall be assisted by an appropriate City staff consisting of:

City Attorney Office
Office of Budget and Finance ("OBF") Assistant to the Mayor of COP
Department of Building and Safety of COP
Counsel for Economic Development

II. PROCEDURES FOR PREQUALIFICATION

2.1 Written Application for Prequalification:

- 2.1.1 Each Partner shall complete and file with the Committee a Prequalification Application. The Prequalification Application may be obtained from the City's COP website or the COP Economic Development Department by calling (248) 758-3000. The Prequalification Application shall be executed by a legally authorized representative of the Partner and notarized. A Partner's submission of the Prequalification Application shall constitute representations and warranties by a Partner that all information provided by a Partner therein and in connection therewith is true and accurate in all material respects and that all previous experience reported by a Partner was accomplished with fifty percent (50%) or more of the Partner's own sources.

- 2.1.2 All Prequalification Applications for Prequalification shall be filed in the office of:

Department of Economic Development
City of Pontiac
47450 Woodward Ave
Pontiac, MI 48342
(248) 758-3000

- 2.1.3 In order for a Partner's bid to be considered for a Project, the Partner must have received City approval of its Prequalification Application at least ten (10) calendar days prior to bid opening for the Project for which a Partner submits a bid. The City shall not consider the bid of a Partner who is not Prequalified for any Project. Except as otherwise stated in these Rules, possession of a valid certificate of Prequalification ("Certificate") is valid through the expiration date stated on the Certificate.

The Committee reserves the right to re-evaluate a Prequalified Partner at any time. Any Partner who holds a Certificate shall furnish additional information bearing on the Partner's work classification and general qualifications, at any time and as may be required by the Committee in its sole discretion. The City may in its sole discretion reject an unopened bid of any Partner who fails to promptly and properly furnish all information and documentation as may be requested by City.

- 2.1.4 Except as otherwise stated or identified in a City contract, subcommunity development partners are not required to be Prequalified to perform on Projects. However, before subcommunity development partners are permitted to work on Projects, the subcommunity development partners shall be subject to the approval by the Committee and/or COP.
- 2.1.5 The Partner shall furnish to the Committee information, including but not limited to:
- a) A completed Prequalification Application;
 - b) A copy of Partner's organizational documents identifying authorized individuals or parties who may legally bind the Partner and may sign contract documents;
 - c) A summary of relevant public and private work completed in the last three (3) years including the following information:
 - Name of project
 - Location of project
 - Worked as a prime or subPartner
 - Summary of work completed (scope of work that your firm self-performed on the project with specific quantities)
 - Contract value
 - Name of owner for project
 - Date project was started and completed
 - Reference (name and phone number of owner(s), representative or inspector)
 - If the Partner is a newly formed entity, the previous work performance and experience of its owners, officers or principal employees will be considered.
 - d) Description of financial condition and levels of staffing;
 - e) Description of facilities and equipment;
 - f) Extent and type of work the Partner asserts Partner is qualified to handle at one time;

- g) A statement as to the type, model, year of manufacture, current book value and condition of each piece of owned or permanently leased equipment and all facilities related to the requested work classifications;
- h) Name of bonding company/surety underwriter;
- i) If a Partner is doing business under a name other than its legal name (a/k/a, d/b/a, trading as, etc.), the Partner must report same as part of the Prequalification Application; and
- j) Such other pertinent information, guarantees and affidavits as the Committee may request in its sole discretion

2.1.6 A Partner's financial statement is not required at the time of submission of a Prequalification Application, but the City and Committee reserve the right to request a financial statement from the Partner at any time to review the financial condition and stability of a Partner.

III. APPROVAL/DENIAL OF PARTNER'S PREQUALIFICATION REQUEST

3.1 Review of Prequalification Application:

- 3.1.1 One or more members of the Committee shall attempt to review the Prequalification Application, and all information submitted by the Partner seeking to be Prequalified within thirty (30) calendar days of the Committee's receipt thereof. In order to be approved as Prequalified, a Partner must submit all required and requested information and documentation and demonstrate to the satisfaction of the Committee, in its sole discretion:
 - a) Financial responsibility, sufficient capital, and sufficient staffing to undertake and conduct the work classifications sought by Partner; and
 - b) Sufficient facilities and equipment appropriate to perform the work classifications sought or possess assets adequate to purchase or lease the necessary equipment; and
 - c) Previous satisfactory work performance in the work classifications applied for with other jurisdictions, state agencies, counties, municipalities and/or the City; and
 - d) Evidence of ability to obtain required bonding for the work classifications.

The Committee may, at its option, verify any or all of the information submitted by the Partner and/or any or all information that may be additionally requested by Committee.

3.1.2 In addition to fulfilling all requirements of Section 3.1.1 above, a Partner shall only be considered for Prequalification if:

- (a) All information in the Prequalification Application is complete, true and accurate, and is acceptable to the Committee in its sole discretion; and
- (b) Any other pertinent information and documentation the Committee deems relevant is timely submitted and is acceptable to the Committee in its discretion.

3.1.3 Community development partners are responsible for the performance of their subcommunity development partners. The performance of the Partner and its subcommunity development partners shall be considered by the Committee.

3.2 Qualification Limit:

3.2.1 A "Qualification Limit" upon work classification may be established by the Committee, in its sole discretion, when the Committee upon its review of all of the submissions of the Partner including, but not limited to, past performance, responsiveness, financial condition, or any other criteria deemed material by the Committee, determines such action is in the best interest of the City.

3.3 Certificate of Prequalification:

3.3.1 The Committee shall attempt to make a decision on Prequalification within thirty (30) calendar days of the Committee's receipt of a Partner's submission of the Prequalification Application, and any other requisite Prequalification information and documentation. In the event the Committee approves the Partner for Prequalification and such Prequalification is ratified by the City Director of Budget and Finance, the Partner may receive a Certificate. Said Certificate shall state the approved work classification(s), the Certificate's effective date and expiration date, and any Qualified Limit or Qualification Limit. Except as

otherwise stated in these Rules, a Certificate is generally valid for a thirty-six (36) month term unless a probationary term of twelve (12) months is issued. However, the City and/or the Committee reserve the right in their sole discretion to re-evaluate a Prequalified Partner at any time. Any Prequalified Partner bidding upon a Project shall furnish additional information bearing on the Partner's work classification and general qualifications as may be required or requested by the City and/or Committee, in their sole discretion. The City may reject the unopened bid of any Prequalified Partner who fails to promptly and properly furnish all the information and documentation requested by the Committee and/or the City. Not less than thirty (30) calendar days prior to the expiration date of the Prequalified Partner's then-current Certificate, the Prequalified Partner should file a new Prequalification Application, and any other requisite information in order to attempt to avoid any lapse in the Partner's Prequalification.

- 3.3.2 In the event either the Committee declines to approve the Partner for Prequalification or the City Director of Budget and Finance fails to ratify a Partner for Prequalification, the Committee shall forward written notice of the denial of Prequalification to the Partner.

3.4 Listing of Prequalified Community development partners Available:

A current list of Prequalified Community development partners, with their work classifications and Prequalification numbers, is available for inspection through COP's Department of Economic Development.

IV. APPEAL OF DECISIONS OF THE COMMITTEE

4.1 Denial of Prequalification / Dispute of Limits or Classifications:

- 4.1.1 Except as otherwise stated in these Rules, a Partner who is dissatisfied with the Committee's denial of Prequalification, has thirty (30) calendar days from the date of the Committee's written denial to provide written notice to the Committee of the Partner's dissatisfaction, desire for reconsideration, and request to be heard before the Committee. Simultaneous with the Partner's written notice to the Committee, the Partner may submit any additional documentation and/or information it deems relevant to the Committee. Upon the Committee's receipt of Partner's written notice (and additional documentation and/or information, if submitted), the Committee shall timely conduct a meeting with the Partner in connection with the denial. The Committee shall attempt to conduct the meeting within sixty (60) calendar days of the Committee's receipt of Partner's written notice. Thereafter, the Committee shall render its decision and notify the Partner in writing thereof. The decision of the Committee is final and binding.

In the event the Committee upholds the denial of Prequalification, the Partner may only reapply for Prequalification in accordance with the Committee's written decision and in no event may Partner reapply prior to six (6) months following the final decision of the Committee on the Partner's previous Prequalification Application.

- 4.1.2 Except as otherwise stated in these Rules, a Partner who is dissatisfied with the Committee's determination regarding a "Qualified Limit", "Qualification Limit", or work classification(s), has thirty (30) calendar days from the date of the Committee's written notification of said "Qualified Limit", "Qualification Limit", or work classification(s) to provide written notice to the Committee of the Partner's dissatisfaction, desire for reconsideration, and request to be heard before the Committee. Simultaneous with the Partner's written notice to the Committee, the Partner may submit any documentation and/or information it deems relevant to the Committee. Upon the Committee's receipt of Partner's written notice (and documentation and/or information, if submitted), the Committee shall timely conduct a meeting with the Partner in connection therewith. The Committee shall attempt to conduct the meeting within sixty (60) calendar days of the Committee's receipt of Partner's written notice. Thereafter, the Committee shall render its decision and notify the Partner in writing thereof. The decision of the Committee is final and binding.

In the event the Committee upholds the original "Qualified Limit", "Qualification Limit", and/or work classification(s), the Partner may only reapply for an increase to a "Qualified Limit", "Qualification Limit", or work classification(s) in accordance with the Committee's written decision and in no event may Partner reapply prior to six (6) months following the final decision of the Committee on the Partner's previous Prequalification Application.

4.2 Revocation and Suspension of Partner's Prequalification:

- 4.2.1 The Committee's decision or determination to revoke or suspend a Partner's Prequalification shall be in the Committee's sole discretion. Grounds for revocation of Prequalification and the related Certificate and/or for suspension of a Prequalification and the related Certificate for any period of time include, but are not limited to, the following:
- a) Submission of false or materially inaccurate information, including but not limited to, financial information or experience information or other data;

- b) Failure to submit all required information or any additional financial information or other pertinent information as may be requested by the Committee in its sole discretion;
- c) Failure to perform work in a manner acceptable to the City or failure to perform work in accordance with the contract on a CityProject;
- d) Failure to secure required bonding;
- e) Failure to comply with applicable federal, state, and local laws, regulations, executive orders, and rules; and/or
- f) Defaulting on a City contract or any contract with a public body, jurisdiction or state.

4.2.2 Suspension or revocation of Prequalification shall be immediate upon the date of the Committee's written decision to the Partner. The length of a suspension or revocation period will be stated in the Committee's written decision.

4.2.3 In the event the Committee decides to suspend or revoke the Partner's Prequalification and the related Certificate, and the Partner is dissatisfied with such decision, the Partner shall give written notice to the Committee of its dissatisfaction and desire to be heard before the Committee within thirty (30) calendar days from the date of the Committee's written notice of suspension or revocation. Simultaneous with the Partner's written notice to the Committee, the Partner may submit any documentation and/or information it deems relevant to the Committee. Upon the Committee's receipt of Partner's written notice (and documentation and/or information, if submitted), the Committee shall timely conduct a hearing in connection with the suspension or revocation. The Committee shall attempt to conduct the hearing within sixty (60) calendar days of the Committee's receipt of Partner's written notice. Thereafter, the Committee shall render its decision and notify the Partner in writing thereof. The decision of the Committee is final and binding. Once Prequalification is revoked or suspended, a Partner may not reapply for Prequalification for the period of time stipulated by the Committee in its written decision.

#8

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

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

FROM: Darin Carrington, Finance Director

CC: Honorable Mayor Deirdre Waterman; Attorney Anthony Chubb

DATE: December 22, 2021

RE: **Proposed Enhanced Pension Benefit**

The City has been working over the last several years to address the issues surrounding retiree pension and health care benefits. As part of these efforts, a New VEBA has been created to address retiree health care. This VEBA will be funded in part from excess assets from the City's General Employees' Retirement System (GERS) and the assets from the Police & Fire VEBA.

Once these assets are transferred to the VEBA, the funding level of GERS will be at 130%. Meaning that the projected liabilities of GERS will be covered by the assets of GERS at a ratio of 130%.

For the last several years, many of the City's retirees have been receiving a temporary \$400 supplemental monthly pension payment. This supplemental payment has been authorized annually by City Council. The current supplemental payment is expected to continue only until the VEBA begins providing health care benefits. Currently, the VEBA is set to begin providing health care benefits on February 1, 2022. Additionally, there are certain members of GERS (e.g. former hospital employees) who are not eligible for the health care benefits that will be provided by the VEBA.

Given the fact that GERS will have a 130% funded level, the Administration has been looking at ways to responsibly utilize this over-funded status to increase the amount of financial support provided to retirees. The attached presentation provides details on a proposed Enhanced Pension Benefit in the amount of Three Hundred Dollars (\$300) per month. This benefit would provide retirees with a monthly payment in addition to their regular pension payment.

State law requires an actuarial analysis be done to calculate the costs of any changes in pension benefits. In order to further analyze this proposed benefit we are hereby requesting that the City Council adopts the following resolutions to have the needed actuarial studies for the proposed enhanced pension benefit.

City of Pontiac

PONTIAC CITY COUNCIL

At a regular meeting of the Pontiac City Council ("City Council") held on _____, 2021.

WHEREAS, City's GERS retirees currently receive a \$400 supplemental pension payment ("Supplemental Payment") and this payment is set to expire on December 31, 2021. The City desires to determine the costs for implementing a permanent Enhanced Pension Benefit in the amount of \$300

WHEREAS, MCL §38.1140h(5) requires that a supplemental actuarial analysis concerning the costs for any additional pension benefits be conducted by the GERS system's actuary prior to implementing additional benefits;

WHEREAS, MCL §38.1140h(5) requires that any supplemental actuarial analysis be paid for by the City (not the retirement system); and

WHEREAS, the City desires to have a supplemental actuarial analysis evaluating the financial viability of an Enhanced Pension Benefit be conducted and adopts the following resolutions:

RESOLVED, that the Reestablished GERS's Board of Trustees are directed to have the system's actuary conduct the supplemental actuarial analysis required by MCL §38.1140h(5) for purposes of a permanent Enhanced Pension Benefit; and

FURTHER RESOLVED, that the City shall pay for the cost of the supplemental actuarial analysis.

Ordinance No.

AN ORDINANCE TO AMEND THE CITY OF PONTIAC REESTABLISHED GENERAL EMPLOYEES' RETIREMENT SYSTEM.

The City of Pontiac ordains:

Section 1. Amendments.

That the City of Pontiac Reestablished General Employees' Retirement System ("Retirement System") is hereby amended as follows:

Section 20 shall be amended to add the following subsection (c):

(c) Permanent Pension Increase:

Effective _____, 202_, all current and future eligible individuals who are receiving a Pension benefit from the Retirement System shall be entitled to receive an annual enhanced benefit in the form of a stipend of \$3,600.00, subject to the terms and conditions set forth in this subsection (c). The stipend shall be paid in July of each year provided that the Retirement System's prior year's annual valuation (calculated using the same actuarial assumptions used in the final valuation calculated as of March 31, 2021 for the General Employees' Retirement System ("Termination Valuation")) determines that the Retirement System is at least 1__% funded. For the period of _____, 2022 through June 30, 2022, eligible individuals shall receive a pro-rata stipend of \$_____ payable in \$300 monthly installments. The stipend shall be payable for the lifetime of the eligible individual, provided, however, that no stipend shall be paid or due for any year subsequent to a year in which the Retirement System's annual valuation (calculated using the same actuarial assumptions used in the Termination Valuation) determines that the Retirement System's funded level is below 1__%.

Section 2. Severability.

If any section, 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 the Ordinance shall stand and be in full force and effect.

Section 3. 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 4. Publication.

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

Section 5. Effective Date.

This Ordinance shall be effective 10 days after adoption by the City Council.

I hereby certify that the foregoing is a true copy of the Ordinance as passed by the City Council of the City of Pontiac at a regular Council Meeting held electronically in said City on the ____ day of _____, 202__.

Garland S. Doyle, Interim City Clerk

City of Pontiac – Enhanced Benefit Proposal

December 2021

Background

- The City of Pontiac General Employees' Retirement System (GERS) pension liability as of March 31, 2021 was \$328.6 million.
- GERS will soon be distributing part of its assets to the New VEBA; post distribution GERS will be funded at 130% with \$427 million in assets.
- Currently, GERS retirees receive a supplemental pension payment of \$400 per month. This payment will end once the New VEBA begins providing health care benefits to eligible GERS members. These benefits are expected to begin February 1, 2022.
- There are a number of GERS members (e.g. Hospital retirees) that are not eligible for the health care benefits.

Proposal

- The proposal is to utilize the excess assets from GERS to provide eligible retirees a monthly benefit enhancement.
- The benefit will help offset the decreased pension payments some retirees will experience with the ending of the temporary supplemental payments.
- This enhanced monthly benefit would be completely independent of and in addition to any pension benefit owed and is being proposed at an amount of \$300 per month.
- This would be paid in perpetuity unless a major change in the GERS assets and/or liabilities which results in the funding level falling below 113% (the “Trigger”).

Proposal Contd.

- The enhanced benefit is being proposed at an amount so that the GERS funding level remains at a sufficient level
- The **113%** funding level Trigger will help ensure that the City does not have to make future contributions to the GERS pension fund

Key Notes

- The City of Pontiac and Mayor Waterman are concerned about the retiree's financial well-being and would like to use some of the excess assets available to provide an additional \$300 enhanced benefit to eligible retirees.
- The option to provide this enhanced benefit is in part related to the investment strategy that the City of Pontiac and Mayor Waterman have taken and continue to take.
- The enhanced benefit would continue in perpetuity unless a drastic change in the market and/or the GERS liabilities cause a major change in the funding level of GERS

Caveats

- Census data and pension asset information was used in the calculations herein. The retiree census data changes from year to year. Changes in the census will have significant impacts on the analysis herein.
- The results used in this memorandum are only as good as the underlying data and assumptions. If any of the underlying data is determined to be flawed or inaccurate, then the findings described herein may likewise be flawed or inaccurate.
- The future investment rates of return, projected liabilities and funding levels will have significant impact on the results of the actuarial enhanced benefit analysis.

#9

RESOLUTION



City of Pontiac, Michigan

Department of Finance

Mayor Deirdre Waterman

To: Honorable Mayor and City Council

From: Porche Prater, Interim Treasurer

Through: Darin Carrington – Finance Director

Date: December 28, 2021

Re: Resolution to approve the revised Federal Poverty Guidelines for 2022 and the City of Pontiac Board of Review Instructions for Applicants requesting Hardship Exemption consideration

Honorable Council President and City Council:

On an annual basis, the General Property Tax Act requires the governing body to adopt guidelines for the Board of Review to follow when considering applications for hardship exemptions. Homeowners granted hardship exemptions by the Board of Review are not required to pay 100% of the property taxes assessed against their homestead property in 2022. If a first time applicant is granted poverty exemption in tax year 2022, that exemption shall be carried forward in the tax years 2023, 2024 and 2025. City residents who receive such extension shall file an affidavit rescinding the exemption within 45 days of no longer being eligible for the exemption.

Please note that special assessments and the sanitation fee cannot be waived or reduced. Applicants must meet the standards established by an income level test and an asset level test. The proposed guidelines identify the federal poverty guidelines for the income level test and establish a threshold that varies depending on the family size. For example, a family of four has a threshold of \$26,500 in 2022 (based on the 2022 Federal Poverty Guidelines). A copy of the Federal Poverty Guidelines for 2022 is attached for your information.

At this time, the City Council is requested to adopt the following resolution:
WHEREAS, In accordance with State of Michigan Act No. 390 Public Acts of 1994, approved December 29, 1994, General Property Section 211. 7u (4). "The governing assessing unit shall determine and make public the policy and guidelines the uses for

the granting of exemptions. The guidelines shall include but not specific income and asset levels of the household income assets;" and,

WHEREAS, The Pontiac City Council approved said Hardship Exemption Guidelines for 2021; and,

WHEREAS, said Hardship Guidelines should be amended annually to reflect the new Federal Poverty Guidelines, NOW, THEREFORE, BE IT RESOLVED, that the Pontiac City Council hereby approves the attached revised Federal Poverty guidelines for the 2022 and the City of Pontiac Board of Review Instructions for Applicants requesting Hardship Exemption consideration.

ATTACHMENT



City of Pontiac, Michigan Department of Finance

Mayor Deirdre Waterman

TO: PROPERTY OWNERS APPLYING FOR HARDSHIP EXEMPTION (FINANCIAL) FROM
THE CITY OF PONTIAC BOARD OF REVIEW

The Board of Review for the City of Pontiac has adopted uniform guidelines for determining poverty exemptions. Taxpayers whose income falls below a determined level may apply for a reduced assessment, based on income, assets and family size. The goal of this procedure is to adopt consistent standards for granting tax relief based on hardship. Please note: This application may reduce the taxable value of your property; however, it does not affect the homestead exemption, which reduces the millage rate.

Attached is a schedule which outlines the eligibility guidelines as established by the Pontiac City Council. Please note that all pertinent income and expense data shall be used in the determination of eligibility. Attached is the Application for MCL 211.7u Poverty Exemption form.

When the application is returned to the Treasurer's Office at City Hall or the Oakland County Equalization Office, 250 Elizabeth Lake Road in Pontiac, you shall also submit completed copies of your Federal and State Income Tax Returns, the General Homestead Property Tax Claim Form (MI-1040 CR-4), and the Senior Citizen Homestead Property Tax Form (MI-1040 CR-1) or proof of Social Security Income.

It is not necessary for you to appear in person before the Board of Review. The Oakland County Equalization Office will submit your application to the Board for their consideration.

In order to provide time to review this application, it must be returned to the Treasurer's Office at City Hall or the Oakland County Equalization Office after January 1st and ON OR BEFORE MARCH 10th, JULY 18th, or DECEMBER 12th. Please also note: You may only submit one application per year.

If you have any questions or need assistance, please contact the Oakland County Equalization Office at (248) 858-0776.

CITY OF PONTIAC BOARD OF REVIEW

City of Pontiac Policy for Applicants Requesting Consideration Under SECTION 211.7u of the GENERAL PROPERTY TAX ACT OF 1893: THE MICHIGAN HOMESTEAD POVERTY EXEMPTION.

To be eligible, a person shall do all of the following on an annual basis:

- 1) Applicant(s) shall obtain the hardship application form from the City of Pontiac Treasurer's Office or the Oakland County Equalization Department. Handicapped or disabled applicants may call the Assessor's Office to make necessary arrangements for assistance.
- 2) Applicant(s) must **own and occupy** the property as a homestead.
- 3) The subject property must be classified as an "improved single family residential" or "residential condominium" property with a valid Homeowner's Principal Residence Exemption currently in effect.
- 4) Submit completed Form 5737 Application for MCL 211.7u Poverty Exemption and Form 5739 Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty.
- 5) Submit the most recent year's copies of the following **for all persons residing in the homestead**:
 - a. Produce a valid driver's license or Michigan State Identification card for all persons residing in the household.
 - b. Federal Income Tax Return-1040, 1040A or 1040E and Michigan Income Tax Return-MI 1040, MI1040A or MI1040EZ.
 - c. Senior Citizens Homestead Property Tax Form MI-1040CR-1 or General Homestead Property Tax Claim MI-1040CR-4.
 - d. Benefit Statement from ADC, Pension, Retirement, Social Security Administration and/or Michigan Social Services as to moneys paid to you during previous year. (along with a signed form 4988).
- 6) Produce a deed, land contract or other evidence of ownership of the property.
- 7) Applicant(s) must complete the application form in its entirety and return to the Treasurer's or Equalization Office. Any application submitted to the Board of Review which has not been filled out in its entirety shall be denied by the Board of Review. Appeals of said denial shall be made to the Michigan Tax Tribunal.
- 8) A hardship exemption **shall not** be granted to any applicant who does not own and occupy the homestead.
- 9) A hardship exemption **shall not** be granted to any applicant who owns sellable property other than their homestead regardless of location.
- 10) All hardship exemptions shall be granted for the current tax year only unless the applicant can show that they meet the qualifications for a three (3) year exemption. An extended exemption eligibility applies to those applicants who receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability or retirement benefits.

- 11) The **maximum** allowed reduction for hardship exemption shall be 50% of Taxable Value of the homestead for the tax year.
- 12) The Hardship Exemption shall be granted for the current tax year or for the current year and three (3) future tax years (2023, 2024 and 2025). Applicants who receive a fixed income solely from public assistance, that is not subject to significant annual increases (Federal Supplemental Security Income, Social Security, Disability or retirement benefits), is eligible to receive current tax year plus three (3) future year Hardship Exemptions.
- 13) Applicant who receive the extended exemption, for three future years due to receiving fixed income, is required to file an affidavit rescinding the exemption within forty-five (45) days of no longer being eligible for the exemption.
- 14) Applications may be reviewed and acted upon by the Board of Review without applicant(s) being present. However, the Board may request that any or all applicants be physically present to respond to any questions the Board of Review may have. This means that an applicant may be called to appear on short notice.
- 15) Applicant(s) should be prepared to answer questions regarding their financial affairs, the status of people living in their home, etc.
- 16) The Board of Review shall follow the policy and guidelines set forth above when granting and denying poverty exemptions. The same standards shall apply to each taxpayer within the city claiming the poverty exemption for the assessment year.
- 17) The application for an exemption shall be filed after January 1st, but one day prior to the last day of the Board of Review.
- 18) The filing of this application constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.
- 19) A person filing a poverty exemption claim is not prohibited from also appealing the assessment on the property for which that claim is made before the March Board of Review in the same year.
- 20) Applicant(s) may apply for Poverty Exemption to only one session of the Board of Review (March, July, or December) and any appeal of the Board's decision shall be made to the Michigan Tax Tribunal.
- 21) The filing of this application constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.
- 22) A person filing a poverty exemption claim is not prohibited from also appealing the assessment on the property for which that claim is made before the March Board of Review in the same year.

FEDERAL POVERTY GUIDELINES

For Use in 2022 Assessments

US Department of Health & Human Services

STC Bulletin 17 of 2021

Size of Family Unit	Poverty Guidelines
1	\$12,880
2	\$17,420
3	\$21,960
4	\$26,500
5	\$31,040
6	\$35,580
7	\$40,120
8	\$44,660
For each additional person	\$4,540

ASSETS- A hardship exemption shall **not** be granted to any applicant whose assets exceed \$100,000. An applicant's homestead and principal vehicle shall be excluded from consideration as an asset.

Assets include all other property, including from all other persons residing in the household. Property shall include, but is not limited to: cash, savings, stocks, mutual funds, certificates of deposit, insurance commodities, coin collections, boats, jewelry, art, motor vehicles, recreation vehicles, second homes, cottages or any other saleable real property or other tangible items.

REQUIRED DOCUMENTS

Hardship Exemption applicants shall submit copies of the documents listed below to be considered for eligibility. For each member of the household, please attach copies of the applicable documents to your application.

- COPY OF APPLICANT'S DRIVERS LICENSE OR OTHER FORM OF IDENTIFICATION
- CURRENT YEAR FEDERAL INCOME TAX RETURN
- CURRENT YEAR MICHIGAN INCOME TAX RETURN
- CURRENT YEAR GENERAL HOMESTEAD PROPERTY TAX MI 1040CR
-or- SENIOR CITIZEN HOMESTEAD PROPERTY TAX MI-1040CR-1
- STATEMENT OF ANNUAL INCOME FOR ALL PEOPLE LIVING IN THE HOME:
 - ADC BUDGET LETTER
 - PENSION/RETIREMENT BENEFITS
 - CURRENT YEAR SOCIAL SECURITY STATEMENT (Attached Form 4988 must be signed)
 - SOCIAL SECURITY CARD
 - ALIMONY, CHILD SUPPORT
 - PIP, DHS, DISABILITY & WORKER'S COMPENSATION
 - W-2
 - OTHER INCOME
- WARRANTY DEED or LAND CONTRACT or QUIT CLAIM DEED

IN ADDITION, PLEASE INCLUDE DOCUMENTATION OF OTHER INCOME SOURCES FOR ALL MEMBERS OF THE HOUSEHOLD.

Application for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township the property is located in each year on or after January 1.

To be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

PART 1: PERSONAL INFORMATION: Petitioner must list all required personal information.

Petitioner's Name:		Daytime Phone Number:	
Age of Petitioner:	Marital Status:	Age of Spouse:	Number of Legal Dependents:
Property Address of Principal Residence:		City:	State: ZIP Code:
<input type="checkbox"/> Check if applied for Homestead Property Tax Credit		Amount of Homestead Property Tax Credit:	

PART 2: REAL ESTATE INFORMATION: List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.

Property Parcel Code Number:		Name of Mortgage Company:	
Unpaid Balance Owed on Principal Residence:	Monthly Payment:	Length of Time at this Residence:	
Property Description:			

PART 3: ADDITIONAL PROPERTY INFORMATION: List information related to any other property owned by you or any member residing in the household.

<input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below		Amount of Income Earned from Other Property:		
1	Property Address:	City:	State:	ZIP Code:
	Name of Owner(s):	Assessed Value:	Date of Last Taxes Paid:	Amount of Taxes Paid:
2	Property Address:	City:	State:	ZIP code:
	Name of Owner(s):	Assessed Value:	Date of Last Taxes Paid:	Amount of Taxes Paid:

PART 4: EMPLOYMENT INFORMATION: List your current employment information.

Name of Employer:			
Address of Employer:	City:	State:	ZIP Code:
Contact Person:	Employer Telephone Number:		

PART 5: INCOME SOURCES: List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.

Source of Income	Monthly or Annual Income (indicate which)

PART 6: CHECKING, SAVINGS AND INVESTMENT INFORMATION: List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.

Name of Financial Institution or Investments	Amount of Deposit	Current Interest Rate	Name on Account	Value of Investment

PART 7: LIFE INSURANCE: List all policies held by all household members.

Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured

PART 8: MOTOR VEHICLE INFORMATION: All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.

Make	Year	Monthly Payment	Balance Owed

PART 9: HOUSEHOLD OCCUPANTS: List all persons living in the household.

First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

PART 10: PERSONAL DEBT: List all personal debt for all household members.

Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

PART 11: MONTHLY EXPENSE INFORMATION: The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.

Heating	Electric	Water	Phone
Cable	Food	Clothing	Health Insurance
Garbage	Daycare	Car Expenses (gas, repair, etc.)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	

NOTICE: Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year must be submitted with this application. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year.

PART 12: POLICY AND GUIDELINES ACKNOWLEDGMENT:

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

☐ The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

PART 13: CERTIFICATION:

I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from the property taxes pursuant to Michigan Compiled Law, Section 211.7u.

Printed Name	Signature	Date

This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.

Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 35 days of decision. A copy of the Board of Review decision must be included with the petition.

Michigan Tax Tribunal
PO Box 30232
Lansing MI 48909

Phone: 517-335-9760
E-mail: taxtrib@michigan.gov

Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty

This form is issued under the authority of Public Act 253 of 2020.

This form is to be used to affirm ownership, occupancy, and income status. MCL 211.7u(2) provides that, to be eligible for exemption under this section, a person shall, subject to subsection (6) and (8), annually affirm that the applicant owns and occupies, as a principal residence, the property for which an exemption is requested.

PART 1: OWNER INFORMATION - Enter information for the person owning and occupying the residence.			
Owner Name		Owner Telephone Number	
Mailing Address	City	State	ZIP Code
PART 2: LEGAL DESIGNEE INFORMATION (Complete if applicable.)			
Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
PART 3: HOMESTEAD PROPERTY INFORMATION - Enter information for property in which the exemption is being claimed.			
City or Township (check the appropriate box and enter name) <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		County	
Name of Local School District			
Parcel Identification Number		Year(s) Exemption Previously Granted by Board of Review	
Homestead Property Address		City	State ZIP Code
PART 4: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)			
<input type="checkbox"/> I Own the property in which the exemption is being claimed.			
<input type="checkbox"/> The property in which the exemption is being claimed is used as my homestead. Homestead is generally defined as any dwelling with its land and buildings where a family makes its home.			
<input type="checkbox"/> After establishing initial eligibility for the exemption, my income and asset status has remained unchanged and/or I receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability or retirement benefits.			
PART 5: CERTIFICATION			
I hereby certify to the best of my knowledge that the information provided on this form is true and I am eligible to receive an exemption from property taxes by reason of poverty pursuant to Michigan Compiled Law, Section 211.7u.			
Owner or Legal Designee Name (print)		Signature of Owner or Legal Designee	Date
Designee must attach a letter of authority.			
LOCAL GOVERNMENT USE ONLY (DO NOT WRITE BELOW THIS LINE)			
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (Attach appeal instructions and provide to owner.)		Tax year(s) exemption will be posted to the tax roll	
CERTIFICATION - I certify that, to the best of my knowledge, the information contained in this form is complete and accurate.			
Assessor Signature		Date Certified by Assessor	

Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

INSTRUCTIONS: When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, _____, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence: _____

Signature of Person Making Affidavit

Date

FORECLOSURE TIMELINE



March 1 – Delinquent taxes turned over to County Treasurer by local unit. Multiple fees added at certain times. Six to 12 tax bills sent by first class mail.



May 1 – Site visit and property inspection.



December – List of forfeitures going to foreclosure published in the local paper.



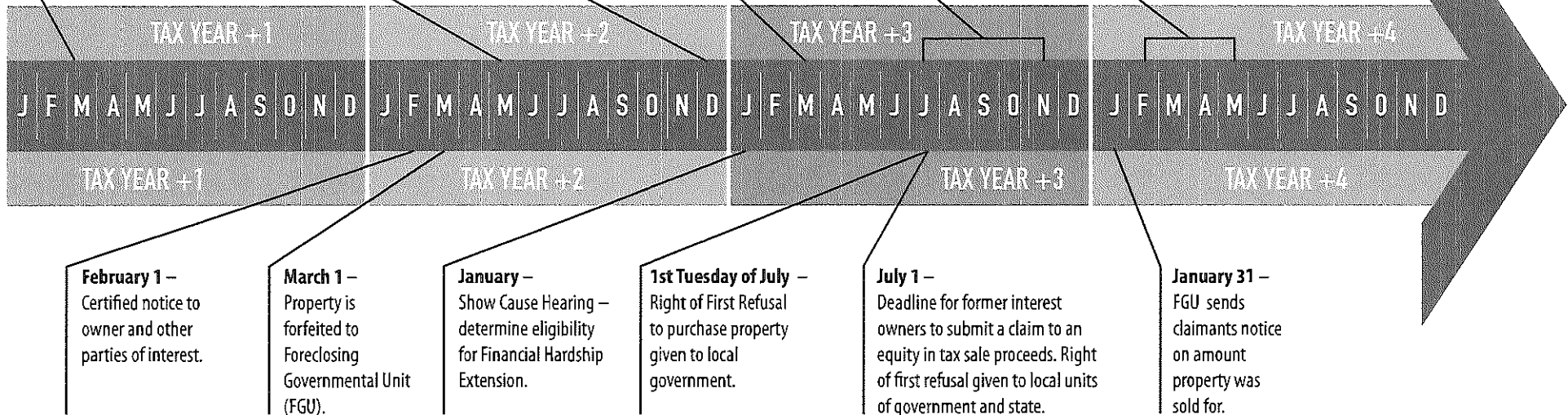
March 30 – Deadline for Circuit Court to enter Judgement of Foreclosure.



July to November – Completion of all tax auctions.



February to May – Claimant can claim portion of sale proceeds. Court determines priority of claims to proceeds. FGU disburses funds within 21 days of court order on sale proceeds.



FORECLOSURE TIMELINE

TAX YEAR +1			TAX YEAR +3		
Date	Statute	Action	Date	Statute	Action
Mar 1	MCL 211.78a(2)	Unpaid taxes levied in the immediately preceding year are returned to the County Treasurer as delinquent for collection.	Jan	MCL 211.78h(2)	FGU files amended petition removing redeemed parcels.
Mar 1	MCL 211.78a(3)	4% admin fee and interest computed at a noncompounded rate of 1% per month added to delinquent parcel.	Jan-Feb	MCL 211.78k(1)	Not later than the hearing date, FGU files proof of certified mail service of show-cause and foreclosure hearings, proof of personal visit to property, and proof of publication.
By Jun 1	MCL 211.78b	Foreclosing Governmental Unit (FGU) sends notice by first-class mail to taxpayer or owner.	7 + days before judicial hearing	MCL 211.78j(1)	FGU holds administrative show-cause hearing.
By Sep 1	MCL 211.78c	FGU sends second notice by first-class mail to taxpayer or owner.	Jan 30-Feb 28	MCL 211.78h(5), .78k	Judicial foreclosure hearing held.
Oct 1	MCL 211.78d	FGU adds a \$15 fee.	Mar 30	MCL 211.78k(5)	Deadline for circuit court to enter judgment of foreclosure.
Nov 1	MCL 211.78e(1)	FGU prepares a list of all property subject to forfeiture for delinquent taxes.	Mar 31	MCL 211.78k	Effective date of judgment. Last day to redeem foreclosed property. Title vests in FGU.
Dec 1	MCL 211.78e(2)	FGU updates taxpayer address based on current local unit records.	Jul 1	MCL 211.78t(2)	Deadline for former interest holders to submit to the FGU a notice of intention to claim an interest in sale proceeds using a form available from the FGU or the Department of Treasury.
			Jul (1st Tues.)	MCL 211.78m(1)	Deadline to exercise gov. agency first right of refusal; but could take place before this date.
			Jul (3rd Tues.)	MCL 211.78m(2), (5)	First opportunity to offer property at auction. One or more auctions may be held, the last of which has no or low minimum bid.
			Jul-Nov	MCL 211.78m(3)	Second governmental right of refusal purchase opportunity after each public auction.
			Nov (1st Tues.)	MCL 211.78m(2)	Deadline for completion of all auctions.
			Dec 1	MCL 211.78m(6)	Deadline for FGU to transfer list of unsold parcels to the city, township, or village clerk.
			Dec 30	MCL 211.78m(6)	Deadline for city, township, or village to reject property transfer. Date title transfers to local unit or, in case of objection, to FGU or the Land Bank Fast Track Authority if state is FGU.
			Dec 31	MCL 211.78m(11)	All taxes for the year of foreclosure are canceled for parcels purchased by state, city, village, township, county, or city or county land bank before the first auction; transferred to the local unit or Land Bank Fast Track Authority after not selling at auction; or retained by FGU.
			Dec 31	MCL 211.78m(12)	All liens for costs of demolition, safety repairs, debris removal, or sewer or water charges due on the property as of the December 31 immediately succeeding the sale, transfer, or retention of the property are canceled.
TAX YEAR +2					
Date	Statute	Action			
Feb 1	MCL 211.78f(1), (2)	FGU sends notice by certified mail to taxpayer and, if different, the owner, AND by first-class mail to occupant.			
Feb 1	MCL 211.78f(3), (4)	FGU may publish notices in a newspaper.			
Mar 1	MCL 211.78g(1)	Delinquent property forfeits to the treasurer.			
Mar 1	MCL 211.78g(1)	FGU adds \$175 title fee to the parcel.			
Mar 1	MCL 211.78g(3)(b)	Redemption requires additional interest computed at a noncompounded rate of 1/2% per month from March 1 preceding forfeiture.			
Mar 1	MCL 211.78g(3)(c)	Redemption requires payment of all recording fees and all fees for service of process or notice.			
Apr 15	MCL 211.78g(2)	Deadline for FGU to record a certificate of forfeiture.			
May 1	MCL 211.78i(1), (3)	FGU initiates title search and personal visit to forfeited property.			
Jun 15	MCL 211.78h(1)	Deadline for FGU to file petition for foreclosure with listing of forfeit with the circuit court.			
Dec-Jan	MCL 211.78i(2)	FGU sends certified mail notice of show-cause hearing (scheduled not less than 7 days before judicial hearing), no less than 30 days before the show-cause hearing, to owners of interest.			
Dec-Jan	MCL 211.78i(5)	FGU publishes notice listing pending foreclosures.			
			TAX YEAR +4		
Date	Statute	Action	Date	Statute	Action
Jan 31	MCL 211.78t(3)	Deadline for FGU to send each claimant a notice that includes the amount for which the property was sold; the amount of any outstanding unpaid taxes, including federal, state, and local tax liens; and the total amount of any remaining proceeds.	Feb 1-May 15	MCL 211.78t(4)	Period during which a claimant may file a motion with the circuit court to claim any portion of the remaining proceeds to which the claimant is entitled.
Feb 1-May 15	MCL 211.78t(5)	FGU must provide info to court, including all claimants for a parcel, minimum bid, sale amount, and taxes owed.	Feb 1-May 15	MCL 211.78t(5)	FGU must provide info to court, including all claimants for a parcel, minimum bid, sale amount, and taxes owed.
After FGU responds to claimant's motion	MCL 211.78t(9)	Circuit court hearing to determine relative priority of claims to sale proceeds and the value of each claim of interest.			
Within 21 days after court order	MCL 211.78t(10)	FGU disburses the funds within 21 days after entry of an order directing disposition of the sale proceeds.			



#10

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

Executive Branch

To: Honorable Council President and City Council Members

From: City Attorney through Executive Office

Re: Resolution to Approve Revised Medical Marihuana Commission Rules

Date: December 22, 2021

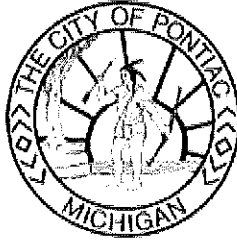
RESOLUTION

Whereas, Ordinance 2357(B), Section 6(a), requires the Medical Marihuana Commission to adopt Rules and Regulations that govern its proceedings and deliberations; and

Whereas, Ordinance 2357(B) Section 6(b), requires the adopted rules to be approved by City Council; and

Whereas, the Medical Marihuana Commission adopted the attached Rules and Regulations at a duly noticed public meeting held on November 30, 2021;

Now, Therefore, the Pontiac City Council hereby approves the Rules and Regulations adopted by the Medical Marihuana Commission to govern its proceedings and deliberations.



Pontiac Medical Marihuana Commission Rules and Regulations

All meetings of the Medical Marihuana Commission ("Commission") will be held in compliance with all applicable statutes, including the Open Meetings Act, 1976 PA 267 as amended, and with these rules and regulations.

Commission Membership Requirements

Members of the Commission shall be residents of the City of Pontiac and shall serve without pay.

Commission Powers and Duties

The Commission shall review and decide all appeals that are forwarded to it by the City Clerk pursuant to Ordinance 2357(B). The Commission shall review all appeals de novo. The Commission may overturn a decision or finding of the City Clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole record considered by the City Clerk in arriving at such decision or finding.

Meeting Schedule

The Committee shall post a meeting notice in a manner consistent with applicable law subsequent to receiving an appeal forwarded to it by the City Clerk pursuant to City Ordinance 2357(B). Due to the timing irregularity of the receipt of appeals, the Commission may not schedule Regular Meetings as set forth in the Michigan Open Meetings Act, Michigan Public Act 267 of 1976, at MCL 15.265. If the Commission does adopt a regular meeting schedule, it shall be posted in a manner consistent with MCL 15.265.

Minutes of meetings

Minutes of all meetings of the Commission shall be kept in a manner consistent with applicable law. A copy of the minutes of meetings shall be available for public inspection at the City Clerk's Office during regular business hours.

Conduct of meetings

All meetings of the Commission shall be open to the public except as permitted by applicable law. All open meetings shall be open to the media, freely subject to recording by radio, television and photographic services at any time, provided that such arrangements do not interfere with the orderly conduct of the meetings.

Commission meeting agenda

Meeting agendas will be as follows

1. Call to order
2. Pledge of Allegiance
3. Roll Call
4. Amendments to and approve of the agenda
5. Approval of the Minutes (As needed)
6. Agenda Items
7. Public Comment (3 Minute Limit)
8. Adjournment

Quorum

A majority of the Commission shall constitute a quorum for the review of appeals.

Chairperson, Vice Chairperson, and Secretary

The Commission shall select, by majority vote, a Chairperson, Vice Chairperson and Secretary.

Presiding Officer

The Presiding Officer shall be responsible for enforcing these Rules and Regulations and for enforcing orderly conduct at meetings. The Chairperson shall be the Presiding Officer. If the Chairperson is absent, the Vice Chairperson shall act as the Presiding Officer. In the event of a resignation or other permanent absence of the Chairperson or Vice Chairperson position, it shall be filled by nomination and majority vote of the Commission members serving.

Disorderly conduct

The Presiding Officer may call to order any person who is being disorderly by speaking out of order or otherwise disrupting the proceedings, failing to be germane, speaking longer than the allotted time or speaking vulgarities. Such person shall be seated until the Presiding Officer determines the person is in order.

Closed sessions

Closed sessions may be held only for the reasons consistent with applicable law, as determined by the City Attorney.

Calling closed sessions

The Commission by a two-thirds roll call vote may call a closed session subject to the conditions herein. The roll call vote and purpose(s) for calling the closed meeting shall be entered into the minutes of the public part of the meeting at which the vote is taken.

Minutes of closed meetings

A separate set of minutes shall be taken at the closed session. These minutes will be retained by the City Clerk and shall not be available to the public.

Discussion and voting

Rules of parliamentary procedure

The rules of parliamentary practice, as contained in the 11th edition of Robert's Rules of Order, shall govern the Commission in all cases to which they are applicable, provided they are not in conflict with these rules, city ordinances or applicable state statutes. The Presiding Officer shall preserve order and decorum and may speak to points of order in preference to other members. If a point of order is given it should not exceed two (2) minutes.

Conduct of discussion

During the Commission discussion and debate, no member shall speak until recognized for that purpose by the Presiding Officer. After such recognition, the member shall confine discussion to the question at hand and to its merits and shall not be interrupted except by a point of order or privilege raised by another member. Speakers should address their remarks to the chair, maintain a courteous tone and avoid interjecting a personal note into debate.

Public comment

Each meeting agenda shall provide reserved time for public comment participation. During public comment, each individual shall be limited to three (3) minutes, and shall not engage in conduct or language that disrupts, makes fun of, or otherwise impedes the orderly conduct of the meeting. In addition, members of the audience shall not engage in disorderly or boisterous activity including but not limited to; the utterance of loud, obnoxious, threatening, or abusive language, cheering, whistling, or any other acts that disturb, disrupt, or impede, or otherwise interfere with the orderly conduct of the meeting.

Suspension of rules

The rules of the Commission may be suspended for a specified portion of a meeting by an affirmative vote of two-thirds of the members present except that Commission actions shall conform to applicable law.

#11

**COMMUNICATION
FROM THE CITY
ATTORNEY**

M E M O R A N D U M

TO: Pontiac City Council

CC: Mayor Deirdre Waterman

FROM: Anthony Chubb, Esq.

DATE: December 23, 2021

RE: Potential Extension to the Pontiac / Waterford Regional Fire Agreement

The current contract between the City of Pontiac and the Waterford Regional Fire Department (“WRFD”) expires on February 1, 2022. Administration determined that it is in the best interests of the parties to enter into a short-term extension as the newly elected Council has not had an opportunity to discuss long-term goals as it relates to fire services in the City.

Administration officials met with WRFD and Waterford Township representatives on December 22, 2021, to discuss potential options as we near the expiration of the agreement. WRFD and Waterford Township officials were in agreement with a potential one-year extension. The parties discussed a three percent rate increase for the extension term. The Waterford Township may discuss this matter on January 10, 2022, and it will thereafter be brought before the City Council for potential approval.

#12

**COMMUNICATION
FROM THE
MAYOR**

Memo

To: Honorable City Council President Kermit Williams and City Council
From: Mayor Deirdre Waterman
CC: Tamura Veasy, Executive Assistant and Garland Doyle, City Clerk
Date: December 23, 2021
Subject: **Mayoral Board & Commission Appointees**

While City Council confirmation for appointment is required for various Boards and Commissions, the Mayor, in accordance with the City's Municipal Code and various Federal and/or State regulations, has the authority to appoint qualified individuals (without City Council approval) to the following Boards and/or Commissions noted below.

Name of Board and/or Commission	Legislative Authority
Arts Commission	Article V - Boards and Commissions, Section 2.426 of the Pontiac Municipal Code
Construction Code Board of Appeals	Article I - In General, Division 2, Construction Board of Appeals, Sections 22.11 thru 22.27 of the Pontiac Municipal Code
Historic District Commission	Article III – Preservation of Historic Buildings, Section 74-54 of the Pontiac Municipal Code
Medical Marihuana Board	Article XXX – Sections 26.1493 and 26.1494 of the Pontiac Municipal Code
Pontiac Housing Commission	Article VI, Housing Commission of the Pontiac Municipal Code and Public Acts of Michigan of 1933, Extra Session (MCL <u>125.651</u> et seq., MSA 5.3011 et seq., as amended)

As one of my final actions as Mayor, the following individuals are hereby reappointed to the Boards and Commissions noted below. Appointments to the Arts Commission and Housing Commission will be sent in a separate memorandum.

Construction Code Board of Appeals

Name of Appointee	Expired Term	Retro-Appointment Term(s)
1. Fabrizio Pensce	06-28-2013 to 03-01-2018	Reappoint to the following 5-year Retro-term: 03-01-2018 to 03-01-2023
2. Al Decker, P.E.	02-29-2012 to 03-01-2014	Reappoint to the following 5-year Retro-terms: 03-01-2014 to 03-01-2019, and 03-01-2019 to 03-01-2024

Construction Code Board of Appeals (Continued)

Name of Appointee	Expired Term	Retro-Appointment Term(s)
3. George J. Hartman, R.A.	02-29-2012 to 03-01-2015	Reappoint to the following 5-year Retro-terms: 03-01-2015 to 03-01-2020, and 03-01-2020 to 03-01-2025
4. Jeffrey Scott	08-13-2013 to 03-01-2016	Reappoint to the following 5-year Retro-terms: 03-01-2016 to 03-01-2021, and 03-01-2021 to 03-01-2026
5. Jeffery Spencer	02-29-2012 to 03-01-2017	Reappoint to the following 5-year Retro-terms: 03-01-2017 to 03-01-2022

Historic District Commission

Name of Appointee	Expired Term	Retro-Reappointment Term(s)
1. Kenneth Burch	07-19-2013 to 07-19-2015	Reappoint to the following 3-year Retro-terms: 07-19-2015 to 07-19-2018 07-19-2018 to 07-19-2021 and 07-19-2021 to 07-19-2024
2. Rick David	07-19-2013 to 07-19-2016	Reappoint to the following 3-year Retro-terms: 07-19-2016 to 07-19-2019 and 07-19-2019 to 07-19-2022
3. Kathy Henk	07-19-2013 to 07-19-2016	Reappoint to the following 3-year Retro-terms: 07-19-2016 to 07-19-2019 and 07-21-2019 to 07-21-2022

Historic District Commission (Continued)

Name of Appointee	Expired Term	Retro-Reappointment Term(s)
4. Robert Karazim	09-19-2013 to 07-19-2016	Reappoint to the following 3-year Retro-terms: 07-19-2016 to 07-19-2019 and 07-21-2019 to 07-19-2022
5. Linda Porter	08-13-2013 to 07-19-2014	Reappoint to the following 3-year Retro-terms: 07-19-2014 to 07-19-2017 07-21-2017 to 07-19-2020 and 07-19-2020 to 07-10-2023

Medical Marihuana

Name of Appointee	Expired Term	Retro-Reappointment Term(s)
1. Christi Terrell	11-12-2021 to 11-12-2024	Appointed to a 3-year term: 11-12-2021 to 11-12-2024
2. Gladys Smith	11-12-2021 to 11-12-2024	Appointed to a 3-year term: 11-12-2021 to 11-12-2024
3. Deirdre Waterman	11-12-2021 to 11-12-2024	Appointed to a 3-year term: 11-12-2021 to 11-12-2024

Memorandum – Mayoral Board & Commission Appointees
December 23, 2021
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In closing, I would like to express my appreciation to all past and current Board and Commission members for their excellent service to the great City of Pontiac.

“Volunteerism is the voice of the people put into action. These actions shape and mold the present into a future of which we can all be proud.” – Helen Dyer

Respectfully,

Deirdre Waterman
Mayor