CITY OF BURTON

BURTON CITY COUNCIL MEETING

JANUARY 20, 2022

MINUTES

Council Chambers	Regular Meeting	7:00 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by President Steven Heffner at 7:00 PM.

A. INVOCATION LED BY: GREG FENNER

Mr. Fenner recognized a moment of silence for the passing of community member and Bendle Football Coach, Bryan Grant.

B. THE PLEDGE OF ALLEGIANCE IS LED BY: GREG FENNER

C. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Vice President	Present	
Steven Heffner	President	Present	
Vaughn Smith	Councilman	Present	
Gregory Fenner	Councilman	Present	
Christina Conley	Councilwoman	Present	
Greg Hull	Councilman	Present	
Christina Hickson	Councilwoman	Present	

D. APPROVAL OF AGENDA

1. Motion to Approve the Agenda as Presented.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Tom Martinbianco, Vice President
SECONDER:	Christina Conley, Councilwoman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

E. STAFF PRESENT

Charles Abbey, DPW Director/HR Director
Racheal Boggs, City Clerk
Jodi Holbrook, Controller
Brian Ross, Police Chief

F. APPROVAL OF MINUTES

1. City Council - Regular Meeting - Jan 6, 2022 7:00 PM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Gregory Fenner, Councilman
SECONDER:	Christina Hickson, Councilwoman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

G. ADMINISTRATIVE REPORTS

Mr. Abbey stated the Mayor is under the weather tonight and is unable to attend. There is a correction needed regarding the Maplewood Meadows special assessment that was approved at a previous meeting. There was an issue with IQM2 and the resolution did not fully appear in the minutes that were approved. We need to make this clarification tonight.

H. COMMITTEE REPORTS

Mr. Hull stated the Parks & Recreation Commission met last week where we reelected Mr. Scharrer as Chairperson. We also met this week to review our by-laws. This Saturday at Fire Station 1, we will be removing the Christmas decorations at 1:00PM if anyone would like to volunteer.

Mrs. Conley stated I know that Greg Hull is the Council Representative for the Parks & Rec now. I am getting a lot of phone calls asking why the Council President got rid of me. I would like everyone to know that I will still be there to help with whatever they need.

Mr. Heffner introduced guest speaker, Dale Weighill, Associate Vice President for Institutional Advancement at Mott Community College.

Mr. Weighill provided a presentation and update on Mott Community College's COVID response, dual enrollment, online, in-person and hybrid classes being offered, extension centers in multiple locations, workforce development division and culinary arts. Academic programs include health science, automotive, HVAC, welding, information technology, fine arts, graphic design, media, arts, music, business and marketing. Short term career training, a mobile training lab and a GED program are also available. We have partnered with Consumers Energy to recruit line workers in Flint and Genesee County. Mott facilities include the Culinary Institute, RTC, LERTA and most recent is our Lenore Croudy Family Life Center. Mott has 50 clubs and activities as well as an athletic program. We have the lowest tuition in this area. We are approaching our 100th Anniversary on September 23, 2023.

Mr. Smith thanked Mr. Weighill. My family has gone to Mott and we have saved a lot of money on tuition over the years.

Mr. Hull asked about the type of training that is done with the mobile lab.

Mr. Weighill stated the training can be customized. A company interested can call workforce development for more details.

1. Motion to add to the agenda: Approve and Authorize the following for the Special Assessment Paving District known as 21-019-P.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Tom Martinbianco, Vice President
SECONDER:	Vaughn Smith, Councilman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

I. AUDIENCE PARTICIPATION

Lindsey Spiewak of 2218 Lily Court in Davison expressed concerns regarding the Burton recount that took place in December.

Sandy Jobin of 1208 Rinn Street in Burton spoke to the council regarding family members working elections, broken seals and election fraud.

J. COUNCIL DISCUSSION

Mrs. Conley stated I don't understand how a canister can be opened. I would like to know if it was tampered with on the way to City Hall. I would like to set up a legistrative meeting because Mrs. Jobin has a point. On election day, I came here to turn in ballots. I came down to the basement and peeked into the door where they were counting ballots. Tom Ellenburg and Lary Michael were there counting ballots. That is totally wrong. We have people counting the ballots that are promoting or endorsing candidates that are now on our board. Elected Officials should not be allowed at elections. When we go door to door to campaign, people always ask who they should vote for. I would like to ask the state what the rules and regulations are because I think this is wrong. Family should not be allowed what-so-ever. County Commissioner, Ellenburg is in a race this coming year. I would like Burton to make an ordinance on what we can do for our elections.

Mrs. Hickson stated we can address that with the Legislative Committee. A meeting was scheduled for February 7, 2022 at 6:00PM.

Mr. Abbey stated it sounds like there were two issues that the Councilwoman brought up. One was to address future elections with the Legislative Committee about state statutes and how the city is going to proceed with elections. The other issue was regarding the ballot container and in all fairness, we owe it to the Clerk to allow her to respond and give a clear picture of what transpired and what that means.

Mr. Heffner asked if the Clerk would like to respond.

Ms. Boggs stated I received the full report the same day that Mrs. Spiewick received it, I had to call the county to get it. The only report I had was the one I gave at the December meeting and I stand by my statement that there was no change from the canvassed results to the recount results. With many recounts there are procedural errors; corrective action has already been put into place for those. Anyone wishing for detailed information, it is public information and I am an open book. There were procedural issues that were a result of human error. There was no broken seal. The report states the bag was sealed with two seal numbers instead of one. One of those seal numbers was not recorded, the seal that attached the container certificate, not the bag. The bag came to us intact with its integrity, had not been opened and signed by one Republican and one Democrat election inspector. The receiving board made the determination to leave that bag sealed rather than expose the ballots and somehow minimize the integrity of those ballots. The county determined this bag to be improperly sealed and I argued this. The state law says it needs to be sealed, it was. The county makes this determination whether to open a bag and count ballots, not me. I don’t have to agree with Legislation, I do have to follow it. I made it known in the recount that I did not agree with their decision. The next issue was Precinct 5-10 on your report with the 15 ballots. This was due to the 15 write-in ballots being signed and sealed by a Democrat and Republican election inspector in a container separately from the other ballots. I argued that one as well. Despite my explanations on both instances, the county determined them to both be un-recountable. This does not change the results. The results reported were exactly the same. To Mrs. Jobin and Mrs. Spiewak, who seem to have left the meeting, I am happy to have you as election workers, as a challenger, a spectator, or a poll watcher. Whatever energy you would like to put towards making the elections a more transparent process, I am all about it. I would also like to state that I am not related to Ellen Ellenburg, we are in no way related. As far as family members working the elections, there is no law that states family members cannot work the elections. Clerks all across the state rely on our family members because these are people that we can trust. I can see the look it gives out, maybe that is a Legislative change that needs to take place. Election workers cannot work in an election if they are on the ballot, that is the law and I follow it.

Mr. Abbey reminded the council that we have previously had to raise election pay during COVID to beg workers to come work.

Mrs. Conley stated how did Lindsey Spiewak get this information and share it with us today when we knew nothing about it. It says 5-10 and 7-12 were un-recountable. I think if you are going to recount an election they should all be recounted or don’t count it at all.

Ms. Boggs stated I agree with that statement and that is why I argued in the recount room that these precincts should be recountable. The County Board of Canvassers has a law to follow. The law states if there are any of the three issues with the bag, it cannot be recounted. The law is vague in certain areas and that is what I argued. That bag was sealed, it was actually double sealed, it was intact, the problem was, the second seal was not recorded. The second seal was only holding a certificate on, not sealing the bag. I should only be an observer at a recount so it was not my role to even argue this. I felt strongly about the decision being made so I spoke up and even pulled out the law.

Mrs. Conley stated the Board of County Canvassers reached out to Mrs. Spiewak and gave her this information. That’s what I do not understand.

Ms. Boggs stated to my knowledge, she came there asking for it. They never sent it to me as a final report. I know they have had some turnover there, maybe that was the case. When I called, they immediately sent it to me.

Mrs. Conley stated just like those voter boxes out there, I am so dead against those. People make rules up for voting every year. It used to be 90 days before an election you had to register, now you can come in the day of an election with your driver’s license and you get to vote. Who makes these rules up?

Ms. Boggs stated it is definitely not me. I don’t always have to agree with the law but I always follow it. That is a legislation issue.

Mrs. Conley stated I am glad we had this conversation because it was bothering me and I would expect someone to voice their opinion too if my whole family was working also.

Mr. Heffner stated for transparency and due to the fact that our country is traumatized right now, I think it would be a great investment to purchase web cams to put in the absentee counting room during the election so residents can watch the ballots if they choose to. That would be another form of transparency for people to watch. Maybe this is something the Legislative Committee, the administration and the City Attorney can talk about.

Mr. Smith asked, what kind of latitude do we have with this? These are state statutes.

Attorney Doyle stated Election Law is quite cumbersome. I will research it and reach out to the county and the state.

Mr. Fenner stated the bags that couldn't be recounted were counted at the election but because of the improper sealing they couldn't be recounted. The original count for those bags stood. Correct?

Ms. Boggs stated that is correct. That is the way the law reads. If a precinct is deemed to be not recountable, the original canvass stands.

Mr. Fenner stated all the original votes were counted, it just could not be recounted.

Ms. Boggs stated that is correct.

Mr. Fenner stated in the original count as well as the recount, there is a member from the Republican Party and the Democratic Party in charge of the ballots. There is oversight. There are people with vested interest in the outcome of the election watching what is going on.

Ms. Boggs said, yes, that is correct.

Mrs. Conley stated I have a question for Racheal. D is a democrat, R is a republican. What does a W mean?

Ms. Boggs stated there are several other recognized political parties, besides the two major parties. W stands for Working Class Party.

Mr. Martinbianco stated there are two worthwhile conferences coming up. The first is in Washington D.C., March 14-16 sponsored by the National League of Cities. The other is the MML Capital Conference in Lansing March 15-16. If anyone is interested, contact the Council President.

Mr. Heffner stated if you are going to Washington D.C., this is the year to do it because of all the federal money that is out there. Anyone considering lobbying Congress or the Senate, this is the year to do it.

K. COUNCIL ACTION

1. Approve and authorize the payment of Attorney Billing (Doyle) 1/1/22 to 1/12/22 in the amount of $6,264.00.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Christina Conley, Councilwoman
SECONDER:	Christina Hickson, Councilwoman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

2. Approve and authorize the Mayor's appointment of Lyle Demo, 2422 Blarney Drive, Davison, MI 48423 to the Downtown Development Authority, with a term ending December 2025.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Christina Conley, Councilwoman
SECONDER:	Vaughn Smith, Councilman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

3. Approve and authorize the Mayor's appointment of Mark Purzyki-Sova, G3358 S. Saginaw St., Burton, MI 48529 to the Downtown Development Authority, with a term ending December 2025.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Gregory Fenner, Councilman
SECONDER:	Christina Conley, Councilwoman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

4. Approve and Authorize the Poverty Exemption application and guidelines for use by property owners and the City of Burton Board of Review for consideration of exemption of ad valorem property taxes for tax year 2022 pursuant to MCL 211.7u.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Christina Conley, Councilwoman
SECONDER:	Tom Martinbianco, Vice President
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

5. Approve and Authorize the Mayor and City Clerk to execute a contract with Wade Trim, Inc. 555 S. Saginaw Street, Suite 201 Flint, MI 48502, for Preliminary Engineering of Bristol Road, from Fenton Road to Saginaw St. (DPW Project No. 21-022-P), at an estimated cost of $137,600, contingent upon approval of the City Attorney.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Gregory Fenner, Councilman
SECONDER:	Tom Martinbianco, Vice President
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

6. Approve and Authorize the Motor Pool Shortfall Elimination Plan.

   Mr. Smith asked if the administration could go through the accounting on this.

   Mr. Abbey stated in our motor pool, we have discussed this fro for several years. What triggered this was when capital assets were purchased in the past, such as a vactor truck, it is a $400,000 machine. It is depreciated out over a number of years. In this case, it was 10 years. Every year you have depreciation. This vactor truck was purchased by the sewer department to use solely on sewers. It is kept as an asset in the sewer department and depreciated out of the sewer fund. When the last administration bought it, they put it into motor pool. When the sewer department uses the truck, they pay a rental fee to motor pool. The problem is it is not used everyday because it requires 4-5 people on the job. When we are short on people, especially during COVID, that truck doesn't work everyday. It has shortfalls in it. It was around $34,000.

Mr. Smith stated I am trying to figure out how you got to that number.

Ms. Holbrook stated motor pool is recorded like an enterprise fund because it is an internal service fund. When you look at the total net position for the fund, it is $1.4 million. When you balance out the current assets with the current liabilities, $170,000 of the accrued liability is a negative cash. This is for large pieces of equipment that were purchased 3-5 years ago through motor pool and motor pool didn't technically have the cash to purchase those things. If you recall from our budget workshops this year, we discussed if the money for new equipment should come from motor pool and I said no, motor pool doesn't have any money. We calculated last years equipment hourly rental which is set by the state and it would have taken 17 years to recoup the $400,000. We had a meeting with Plant Moran, $7,000 of the liability was accrued payroll and they don't count that against us as a liability. $160,180 was the total current assets from inventory, prepaid expenses, receivables, and due from other funds. Not counting the equipment assets just current assets. On page 82-83 of the Comprehensive Annual Financial Report, the current assets are $160,180. You have non-current assets which is all of the equipment. Liabilities are $201,354. Out of the accrued liabilities, there is a portion that isn't counted by the state which is the $7,000. $170,575 of that was negative cash which is reported as a liability. When you figure the difference of the two, current assets of $160,180 and current liabilities of $194,399. The deficit is $34,219.

Mr. Abbey stated putting these in motor pool creates these problems. We have made the corrections and put them where they belong. This was Plante Moran's recommendation. It is more reflective of how we use the equipment.

Mr. Martinbianco stated in doing this reversal, will the enterprise funds be reimbursing the motor pool fund for the net asset value?

Ms. Holbrook stated it would be at the current book value not the purchase price.

Mr. Martinbianco stated in the current budget, under capital asset requests, there is about $485,000 worth of dump trucks and an excavator. General fund is paying for those so they will go under motor pool assets. Correct?

Ms. Holbrook said, that is correct.

Mr. Martinbianco stated we have to take into account the motor pool revenue will go down because of the other entities; sewer and water fund who will now finance their own equipment. The depreciation will be picked up by the other entities, correct?

Ms. Holbrook said, correct.

Mr. Martinbianco asked if a budget amendment will be brought forth.

Ms. Holbrook stated technically this is a transfer. It is not a budgeted item. We are basically trading an asset for cash so it wouldn't require a budget amendment.

Mr. Abbey stated going forward in the budget, you will see it in the appropriate place.

Ms. Holbrook stated I would like to add that it doesn't impact the water fund. There is no equipment only used by the water department. There are things that are used by water and sewer that will be maintained in the motor pool and charged off appropriately during the uses. This is more for stuff that is isolated specifically for sewer uses.

Mr. Martinbianco stated equipment used for roads will still be motor pool. Correct?

Ms. Holbrook said, correct.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Tom Martinbianco, Vice President
SECONDER:	Gregory Fenner, Councilman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

7. Approve and Authorize the following for the Special Assessment Paving District known as 21-019-P.

A. Approve the map or drawing, order preparation of final plans and specifications and cost estimate as originally presented or as revised, corrected, amended, or changed.
B. Determine to make the improvement as presented.
C. Designate the special assessment district to include the following:

MAPLEWOOD MEADOWS NO 1
LOTS 1-54, 56-57, INCLUSIVE

MAPLEWOOD MEADOWS NO 4
LOTS 200-239, INCLUSIVE

MAPLEWOOD MEADOWS NO 2
LOTS 60-118, INCLUSIVE

MAPLEWOOD MEADOWS NO 5
LOTS 240-286, INCLUSIVE

MAPLEWOOD MEADOWS NO 3
LOTS 119-199, INCLUSIVE

MAPLEWOOD MEADOWS NO 6
LOTS 287-346, INCLUSIVE

MAPLEWOOD MEADOWS PARK MAPLEWOOD MEADOWS NO 6

W 1/2 OF E 1/2 OF NW 1/4 EXCEPT N 1000 FT & E 1/2 OF E 1/2 OF NW 1/4 EXCEPT N 575 FT SEC 35 T7N R7E

S 24 A OF N 50 A OF W 1/2 OF NE 1/4 EXCEPT A PARCEL OF LAND BEG A PARCEL OF LAND BEG AT SE COR OF MARTIN SUBDIVISION, A RECORDED PLAT TH S 38 DEG 16 MIN 32 SEC W 148.24 FT TH S 19 DEG 02 MIN 51 DEG W 98.82 FT TH S 30 DEG 19 MIN 02 SEC W 97.05 FT TH S 29 DEG 25 MIN 16 SEC W 71.88 FT TH S 53 DEG 18 MIN 58 SEC W 209.88 FT TH S 29 DEG 51 MIN 46 SEC W 146.04 FT TH S 31 DEG 03 MIN 11 SEC W 75.41 FT TH S 0 DEG 07 MIN 50 SEC E 125 FT TH N 89 DEG 52 MIN 10 SEC E 497.49 FT TH N 0 DEG 05 MIN 11 SEC W 796.66 FT TH N 89 DEG 49 MIN 04 SEC E 8.26 FT TO PL OF BEG SEC 35 T7N R7E

D. The improvements to be made using funding by: 2003-4063-818.5000.
E. The number of installments in which the assessments may be paid, and ordering shall be

12 annual payments.

F. The City Assessor to prepare a special assessment roll for 50% of the cost to be so assessed with provision that the first payment will become due along with the summer taxes following the completion of construction and 50% to be paid by the City Local Street Funds 2003-4063-818.5000.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Tom Martinbianco, Vice President
SECONDER:	Christina Hickson, Councilwoman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

Mr. Heffner asked if the sidewalk in front of the police station will be fixed. It is a trip hazard.

Mr. Abbey stated we will continue to patch it until the weather breaks. The gas tanks have come in and we are waiting for parts and antennas. The one at the DPW is done and we are waiting on the remote antenna reads. Excavating and redoing the parking lot is all part of the plan. The front lot including the sidewalk will be done after that.

Discussion continued on police parking lot.

Mr. Heffner would like an update on the Karsney and Phillips matter at the next council meeting.

Attorney Doyle stated we are at a stand still with the Karsney case. The circuit court is not doing anything in person until February 4th. The judge only holds status conferences in person. She does not permit them to be done via Zoom.

Mr. Heffner stated he would like to have a meeting to discuss the COVID money. We need to talk about how to best benefit the city with this money.

A Committee of the Whole Meeting was tentatively scheduled for February 1, 2022 at 6:00PM.

Mr. Heffner asked if we have heard anything about infrastructure money.

Mr. Abbey stated we have had discussions with the auditors and the Congressman's Offices and there are still other pots of money out there as well as safety grant money. We have been brainstorming about what we should go after. A lot of these have matching funds tied to them and projects are very expensive. We have applied for more grant money in the last couple months than we have in a very long time. I can show you what we have applied for and where.

Mr. Heffner stated in 2008 or 2009 when the mayor was on the council, we went to Washington D.C. for a conference. We were told of a Police Department grant that was being released on that same day. We notified the Police Chief and our city was the 15th in the whole country to apply. We got a grant of $750,000 because we were in the right place at the right time. That's how important going to these conferences can be.

Agendas and minutes may be found at www.burtonmi.gov

Meeting was adjourned at 8:50 PM.

CITY OF BURTON

BURTON CITY COUNCIL MEETING

JANUARY 6, 2022

MINUTES

Council Chambers	Regular Meeting	7:00 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by President Steven Heffner at 7:00 PM.

A. INVOCATION LED BY: VAUGHN SMITH

Mr. Smith recognized a moment of silence for the lives of family and friends lost in 2021.

B. THE PLEDGE OF ALLEGIANCE IS LED BY: VAUGHN SMITH

C. ROLL CALL

Attendee Name	Title	Status	Arrived
Tom Martinbianco	Vice President	Excused	
Steven Heffner	President	Present	
Vaughn Smith	Councilman	Present	
Gregory Fenner	Councilman	Present	
Christina Conley	Councilwoman	Excused	
Greg Hull	Councilman	Present	
Christina Hickson	Councilwoman	Present	

D. APPROVAL OF AGENDA

1. Motion to Approve the Agenda as Presented.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Christina Hickson, Councilwoman
SECONDER:	Gregory Fenner, Councilman
AYES:	Heffner, Smith, Fenner, Hull, Hickson
EXCUSED:	Martinbianco, Conley

E. STAFF PRESENT

Duane Haskins, Mayor
Racheal Boggs, City Clerk
Charles Abbey, DPW Director/HR
Brian Ross, Police Chief

F. APPROVAL OF MINUTES

1. City Council - Regular Meeting - Dec 20, 2021 7:00 PM

Minutes Acceptance: Minutes of Jan 6, 2022 7:00 PM (APPROVAL OF MINUTES)

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Christina Hickson, Councilwoman
SECONDER:	Gregory Fenner, Councilman
AYES:	Heffner, Smith, Fenner, Hull, Hickson
EXCUSED:	Martinbianco, Conley

G. ADMINISTRATIVE REPORTS

Mayor Haskins gave a report on the following:

- Happy New Year to everyone.
- The COVID numbers are rising and it is starting to impact staffing at the city. With 1-3 people working in our offices, I am asking everyone to be patient. This week has been rough.
- The Police Officer and Deputy that were shot are doing well and recovering. This is an ongoing investigation that will go on for a long time. Please continue to keep them in your thoughts and prayers. Thank you to the community for your support.

H. COMMITTEE REPORTS

Mrs. Hickson stated we will be starting our Legislative Committee meetings soon.

I. AUDIENCE PARTICIPATION

None.

J. COUNCIL DISCUSSION

None.

K. COUNCIL ACTION

1. Approve and authorize the payment of Attorney Billing (Doyle) 12/9/21 to 12/31/21 in the amount of $4,979.00.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Gregory Fenner, Councilman
SECONDER:	Christina Hickson, Councilwoman
AYES:	Heffner, Smith, Fenner, Hull, Hickson
EXCUSED:	Martinbianco, Conley

2. Approve and authorize Resolution 2022-__ to tentatively commit to provide the required 20% local match for City of Burton projects in the 2023-2026 Transportation Improvement Program (TIP) in the years in which they are programmed, which is to be determined.

   Mr. Hull asked, why there is a blank in the resolution.

   Ms. Boggs stated it will be assigned a resolution number when the resolution is completed.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Vaughn Smith, Councilman
SECONDER:	Christina Hickson, Councilwoman
AYES:	Heffner, Smith, Fenner, Hull, Hickson
EXCUSED:	Martinbianco, Conley

Agendas and minutes may be found at www.burtonmi.gov

Meeting was adjourned at 7:13 PM.

Burton City Council
4303 S. Center Road
Burton, MI 48519

ADOPTED

Meeting: 01/20/22 07:00 PM
Department: Clerk's Office
Category: Attorney Billing
Prepared By: Racheal Boggs
Department Head: Racheal Boggs

AGENDA ITEM (ID # 5281)

DOC ID: 5281

Approve and authorize the payment of Attorney Billing (Doyle) 1/1/22 to 1/12/22 in the amount of $6,264.00.

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Christina Conley, Councilwoman
SECONDER:	Christina Hickson, Councilwoman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

Burton City Council
4303 S. Center Road
Burton, MI 48519

ADOPTED

Meeting: 01/20/22 07:00 PM
Department: Clerk's Office
Category: Appointment
Prepared By: Racheal Boggs
Department Head: Racheal Boggs

AGENDA ITEM (ID # 5275)

DOC ID: 5275

Approve and authorize the Mayor's appointment of Lyle Demo, 2422 Blarney Drive, Davison, MI 48423 to the Downtown Development Authority, with a term ending December 2025.

ATTACHMENTS:

- Lyle Demo DDA Letter(PDF)

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Christina Conley, Councilwoman
SECONDER:	Vaughn Smith, Councilman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

Lyle Demo

2422 Blarney Dr. Davison, MI, 48423

(810)955-1903

Ldemo1981@gmail.com

Applying for a position on the DDA board

Education

Grand Blanc High School 1995-2000

Mott Community College [Associate's Degree- Applied Science]

Major [Criminal Justice]

Experience

All Shine Auto Detailing- Owner 2000-present

I have been a business owner in Burton since 2015

I feel that I can bring a lot of good ideas to the DDA, and the downtown business district. I like a lot of the changes that have been made on Saginaw Street to improve the downtown district.

Burton City Council
4303 S. Center Road
Burton, MI 48519

ADOPTED

Meeting: 01/20/22 07:00 PM
Department: Clerk's Office
Category: Appointment
Prepared By: Racheal Boggs
Department Head: Racheal Boggs

AGENDA ITEM (ID # 5276)

DOC ID: 5276

Approve and authorize the Mayor's appointment of Mark Purzyki-Sova, G3358 S. Saginaw St., Burton, MI 48529 to the Downtown Development Authority, with a term ending December 2025.

ATTACHMENTS:

- Mark Purzyki-Sova DDA Letter (PDF)

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Gregory Fenner, Councilman
SECONDER:	Christina Conley, Councilwoman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

Letter of Interest

This is a letter of interest and petition for Mark D. Purzycki-Sova to become a DDA member.

I would like to thank you Mayor Haskins, and former Mayor Paula Zelenko for your encouragement in my desire to hold a DDA member seat for the city of Burton.

As I'm sure you know I have been in business as the owner of Joan's Attic Antique Mall with Gregory Purzyki-Sova, in good standing for seven years which is located at: G3358 S. Saginaw St., Burton MI.

I have a great interest in being a part of DDA as I have perspectives and knowledge that I feel will be very beneficial for Burton. Many business owners and friends are encouraging me to pursue this endeavor so I am.

I respectfully look forward to hearing from you and the City Counsel. Please advise of anything else that you require or would like me to do in moving forward.

Mark D. Purzyki-Sova
(810) 569-4462

Burton City Council
4303 S. Center Road
Burton, MI 48519

ADOPTED

Meeting: 01/20/22 07:00 PM
Department: Assessor's Office
Category: Resolution
Prepared By: Racheal Boggs
Department Head: Ann Abbey

AGENDA ITEM (ID # 5277)

DOC ID: 5277

Approve and Authorize the Poverty Exemption application and guidelines for use by property owners and the City of Burton Board of Review for consideration of exemption of ad valorem property taxes for tax year 2022 pursuant to MCL 211.7u.

ATTACHMENTS:

- 2022 POVERTY EXEMPTION (PDF)

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Christina Conley, Councilwoman
SECONDER:	Tom Martinbianco, Vice President
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

2022 POVERTY EXEMPTION
POLICY, GUIDELINES AND APPLICATION

Section 211.7u (1) of the Michigan General Property Tax Act indicates that "the principal residence of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation under this act."

The City of Burton adopts a policy which includes an asset and income test. The Board of Review shall follow the City of Burton policy when granting or denying an exemption. If a person meets all eligibility requirements, the Board of Review must grant a full exemption equal to a 100% reduction in taxable value or a partial exemption equal to a 25% or 50% reduction in taxable value.

A property owner who files for a poverty exemption at the March Board of Review is not prohibited from also filing a valuation appeal at the March Board of Review. A property owner that did not file a poverty appeal to the March Board of Review may file a poverty exemption application with the July or December Board of Review. Poverty exemption denials may be appealed to the Michigan Tax Tribunal.

The following policy and guidelines were adopted at the ________________ City of Burton City Council meeting. The income levels used are the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services. Updated annually.

Return the application and required documentation as soon as possible to allow time for review, before it is submitted to the Board of Review.

MARCH BOARD OF REVIEW:	**SUBMIT BY MARCH 3, 2022**
JULY BOARD OF REVIEW:	**SUBMIT BY JULY 7, 2022**
DECEMBER BOARD OF REVIEW:	**SUBMIT BY DECEMBER 2, 2022**

Requirements:

1. All applicants must annually file a completed application form and all required documentation with the City of Burton Assessor's Office. The application and supporting documentation must be submitted after January 1, 2022, but before the December Board of Review. Disabled applicants may call the Assessor's Office at (810) 743-1500 ext 1300 to arrange for assistance.

2. All applicants must provide a complete, signed Federal Income Tax return and State Income Tax return, including the Homestead Property Tax Credit (MI-1040CR), that were filed in the immediately preceding year for all persons residing in the principal residence. If the applicant(s) is not required to file a Federal or State Income Tax return, a signed Poverty Exemption Affidavit must be provided along with the Homestead Property Tax Credit (MI-1040CR), if you do not file any Income Tax Returns we will accept bank statements from January 1, 2021 to December 31, 2021.

3. In accordance with PA 390 of 1994, the applicant must meet the "Asset Guidelines" adopted by the City of Burton (attached on page 2).

4. The applicant must meet the Federal Poverty Income Guidelines (attached).

5. Applicants must make an appointment with the Board of Review to review documentation and answer any questions the Board of Review members may have.

*** Failure to meet the requirements will result in a denial of the poverty exemption. ***

*** Submission of an incomplete application will result in return of the incomplete application WITHOUT consideration of the Board of Review. ***

Asset Guidelines
Used in the Determination of Poverty Exemptions for 2022

As required by PA 390 of 1994, all guidelines for poverty exemptions established by the governing body of the local assessing unit SHALL include an asset level test. The purpose of an asset test is to determine the resources available (cash and fixed assets and property that could be converted to cash) that could be used to pay property taxes in the year the poverty exemption is filed.

The following asset test shall apply to all applications for poverty exemption:

• All household members shall NOT have ownership interest in any real estate other than the principal residence for which the poverty exemption is requested.

• The applicant shall not have assets exceeding the amount shown in the chart below based on the number of household occupants.

• The asset guideline (test) shall exclude the value of the principal residence subject to the poverty exemption request and exclude the value of one automobile. If multiple automobiles are owned, then the least valuable automobile will be excluded from the asset guideline.

• The individual applicant shall not have **total** assets (excluding the value of the principal residence subject to the exemption request and excluding the value of one automobile) more than **$4,000 and/or $6,000 per household.**

Size of Family Unit	Asset 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 exceeding the amounts stated above will result in a denial of the poverty exemption.

All asset information, as requested in the Application for Poverty Exemption, must be completed in total. The Board of Review may request additional information and verification of assets if the Board of Review determines it to be necessary and may deny an application if the assets are not properly identified.

Cash and other assets may include but are not limited to:

- Bank accounts (i.e. savings, checking)

- Stocks and bonds, pensions, IRAs and other investment accounts
- Withdrawals of bank deposits and borrowed money
- Gifts, loans, lump-sum inheritances and one-time insurance payments
- Money received from the sale of property such as stocks, bonds, a house, or a car unless a person is in the specific business of selling such property
- Second home, rental property or building/property other than the residence
- Excess or vacant land
- Extraordinary automobiles
- Jewelry, antiques or artworks
- Recreational vehicles*
- Equipment or other personal property of value
- Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms

**Recreational vehicles may include snowmobiles, boats, camping trailers, travel trailers, motor home, jet skis, motorcycles, off road vehicles or anything which may be considered a recreational vehicle.*

Income Guidelines
Used in the Determination of Poverty Exemptions for 2021

Local governing bodies are required to adopt guidelines that set income levels for poverty exemptions and those income levels shall not be set lower by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons shall not be set lower than $21,720 which is the amount shown on the following table for a family of 3 persons. Below are the federal poverty guidelines updated annually in the federal register by the US Department of Health and Human Services which were adopted in 2020. The City of Hamtramck Board of Review will follow these guidelines for granting or denying poverty exemptions for the 2021 year:

Income Guidelines Continued

Size of Family Unit	Asset 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**

The income guidelines shall include, but are not limited to, the annual income for the person claiming the exemption and all persons living in the principal residence.

Income includes:

• Money, wages, salaries before deductions, and regular contributions from persons not living in the residence
• Net receipts from non-farm and farm self-employment (receipts from a person's own business, professional enterprise, or partnership, after business expense deductions)
• Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments, public assistance, and supplemental security income (SSI)
• Alimony, child support, military family allotments

• Private and governmental retirement and disability pensions, regular insurance, annuity payments
• College or university scholarships, grants, fellowships, and assistantships
• Dividends, interest and net income from rental, royalties, estates, trusts, gambling or lottery winnings

Meeting the income level guideline does NOT guarantee the approval of a poverty exemption. Income and asset guidelines are reviewed by the Board of Review in the decision-making process.

Poverty Exemption Reduction Calculation

Public Act 253 of 2020 amended MCL 211.7u related to poverty exemptions. PA 253 of 2020 lists the specific percentage reductions in taxable value that may be used by the Board of Review in granting a poverty exemption.

MCL 211.7u (5) states that if a person claiming the poverty exemption meets all eligibility requirements, the Board of Review shall grant the poverty exemption, in whole or in part, as follows:

1) a full exemption equal to a 100% reduction in taxable value for the year in which the exemption is granted; or
2) a partial exemption equal to a 50% reduction in taxable value for the year in which the exemption is granted; or
3) a partial exemption equal to a 25% reduction in taxable value for the year in which the exemption is granted.

No other method of calculating taxable value may be utilized, except for those percentage reductions specifically authorized in statute, or any other percentage reduction approved by the Michigan State Tax Commission. The following table depicts the taxable value reduction granted to the eligible applicant for 2021 poverty exemptions:

Household Size	**Income** *(federal limit)*	**100% Taxable Value Exemption**	**50% Taxable Value Exemption**	**25% Taxable Value Exemption**
1	$12,880	$0 to $6,440	$6,441 to $9,684	$9,685 to $12,880
2	$17,420	$0 to $8,710	$8,711 to $13,097	$13,098 to $17,420
3	$21,960	$0 to $10,980	$10,981 to $16,511	$16,512 to $21,960
4	$26,500	$0 to $13,250	$13,251 to $19,924	$19,925 to $26,500
5	$31,040	$0 to $15,520	$15,521 to $23,338	$23,339 to $31,040
6	$35,580	$0 to $17,790	$17,791 to $26,751	$26,752 to $35,580
7	$40,120	$0 to $20,060	$20,061 to $30,165	$30,166 to $40,120
8	$44,660	$0 to $22,330	$22,331 to $33,578	$33,579 to $44,660
additional person	$4,540			

Income greater than what is stated above, per household size, will result in a denial of the poverty exemption.

APPLICANT CERTIFICATION
(APPLICANT MUST INITIAL EACH APPLICABLE STATEMENT)

______ I/We declare that the statements made herein are complete, true and correct to the best of my/our knowledge. Any willful misstatements or misrepresentations made on this form may constitute perjury, which, under the law, is a felony punishable by fine or imprisonment.

______ I/We also understand that this application will be ***DENIED*** if the information contained within is found to be false or incomplete.

______ I/We understand that if any information contained herein is found to be false or incomplete, any and all relief granted by this application will be forfeited and placed back on the assessment roll with penalties and interest occurring on the additional tax liability in accordance with Section 211,119 of the Michigan Compiled Laws.

______ I/We understand this exemption is **ONLY** for the tax year of **2022**.

______ I/We have received a copy of and understand the 2022 Poverty Guidelines Exemption Policy and Guidelines.

______ I/We certify that I/We DID file a State or Federal Income Tax Return (1040 or MI-1040) and Michigan Homestead Property Tax Credit (MI-1040CR) for the tax year 2021 and included a copy with this application, if did not file I/We included copies of bank statements from January 2021 – December 2021 with this application OR completed and included the Poverty Exemption Affidavit.

______ I/We hereby authorize the City of Burton Assessor's Office to verify and or obtain information from any creditor, financial institution, government agency, insurance company or any other organization necessary for the purpose of this application of Poverty Exemption for the tax year 2022.

____ Date: ____________
Applicant Print Name

____
Applicant Signature

____ Date: ____________
Spouse Print Name

____
Spouse Signature

WAIVER OF CONFIDENTIALITY

Parcel ID Number: ______________________________

Property Address: ____

I (we), ____, hereby consent to the examination of all submitted documents as well as the tax returns and any other related financial documents required to determine eligibility for tax relief, including but not limited to all those listed below:

Federal Income Tax Returns

Michigan Income Tax Returns

Principal Residence Exemption Form

Social Security Administration Statements

Bank Statements

By the City of Burton Assessor's Office staff, their designated agent, the members of the City of Burton Board of Review and the State of Michigan Tax Tribunal. I further consent to any discussion of the information contained in this application at a duly convened public meeting of the City of Burton Board of Review.

By signing this Waiver of Confidentiality, I understand and acknowledge that I am forever giving up any and all possible claims that I may have related to the disclosure information contained in said tax returns, statements and other related documents, for which claims may arise pursuant to Internal Revenue Code Section 6103, and/or any other federal, state or local statute or regulation.

I certify that I have read and understand the contents of this document in its entirety and have signed it of my own free will.

______________________________	______________________________
Print Name	Print Name
______________________________	______________________________
Signature	Signature
______________________________	______________________________
Date	Date

CHECKLIST
2022 POVERTY EXEMPTION
(Please submit copies only-not originals)

THIS COMPLETED CHECKLIST MUST BE RETURNED
WITH THE POVERTY EXEMPTION APPLICATION

Note: Provide copies of the following as proof for **ALL OCCUPANTS LIVING IN THE HOME** even if not contributing to household income or expenses.

_____ Timely filed, fully complete and signed Poverty Exemption Application (Form 5737)

_____ Copies of 2021 Federal Income Tax Return, if you do not file Federal Income Tax Returns you must provide Bank Statements from January 1, 2021 to December 31, 2021 and complete Poverty Exemption Affidavit (Form 4988)

_____ Copies of 2021 Michigan Income Tax Returns, if you do not file Michigan Income Tax Returns you must provide Bank Statements from January 1, 2021 to December 31, 2021 and complete Poverty Exemption Affidavit-Form 4988)

_____ Copy of 2021 Michigan Homestead Property Tax Credit Claim (MI-1040CR), if filed

_____ Copies of 2021 W-2 Forms, Social Security Statements (SSA-1099), Disability Statement or similar income verification for all household members

_____ Copies of statements for checking account, savings account, certificate of deposit (CD's), stocks, bonds, pension (IRA, 401, etc.) account or any other asset/retirement account

_____ Copies of valid State of Michigan Driver's License or similar form of identification for all members of the household

_____ Copy of 2021 mortgage/equity loan payment verification showing the current loan balance and principal and interest payment amounts. If mortgage/equity loan was obtained in the last two (2) years, a copy of the mortgage application is required.

_____ Copies of State of Michigan Registration & Insurance for all vehicles in the household

_____ Copy of proof of property ownership (Deed, Land Contract, etc.)

_____ Completed Applicant Certification form

_____ Completed Waiver of Confidentiality form

_____ Applicants MUST make an appointment with the Board of Review to review documentation and answer any questions the Board of Review members may have.

Michigan Department of Treasury
5737 (01-21), Page 1 of 4

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
☐ 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.

☐ 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

Continue on Page 2

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 on 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

Continue on Page 3

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 Expense (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)

Continue and sign on Page 4

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 11: 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 12: 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 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**

Attachment: 2022 POVERTY EXEMPTION (5277 : 2022 Poverty Exemption Application & Guidelines)

Michigan Department of Treasury
4988 (05-12)

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

Michigan Department of Treasury
5739 (01-21)

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) ☐ City ☐ Township ☐ 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.)

☐ I own the property in which the exemption is being claimed.

☐ 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.

☐ 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)

☐ Approved ☐ Denied (Attach appeal instructions and provide to owner.)	Tax Year(s) exemption will be posted to 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

Attachment: 2022 POVERTY EXEMPTION (5277 : 2022 Poverty Exemption Application & Guidelines)

Burton City Council
4303 S. Center Road
Burton, MI 48519

ADOPTED

Meeting: 01/20/22 07:00 PM
Department: Department of Public Works
Category: Contract
Prepared By: Amber Abbey
Department Head: Charles Abbey

AGENDA ITEM (ID # 5279)

DOC ID: 5279

Approve and Authorize the Mayor and City Clerk to execute a contract with Wade Trim, Inc. 555 S. Saginaw Street, Suite 201 Flint, MI 48502, for Preliminary Engineering of Bristol Road, from Fenton Road to Saginaw St. (DPW Project No. 21-022-P), at an estimated cost of $137,600, contingent upon approval of the City Attorney.

ATTACHMENTS:

- 20211223_Wingblad-Ltr (PDF)

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Gregory Fenner, Councilman
SECONDER:	Tom Martinbianco, Vice President
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

Wade Trim, Inc.
555 S. Saginaw Street, Suite 201 • Flint, MI 48502
810.235.2555 • www.wadetrim.com

December 21, 2021

City of Burton
Department of Public Works
4303 South Center Road
Burton, MI 48519

Attention: Mr. Peter Wingblad
Superintendent of Engineering and Inspection

Re: Bristol Road Reconstruction
City of Burton, Genesee County, Michigan

Dear Mr. Wingblad:

Wade Trim is pleased to submit the following proposal to provide Preliminary Engineering (PE) services for the reconstruction of Bristol Road through the Michigan Department of Transportation (MDOT) Local Agency Program (LAP).

Project Understanding

We understand that the intent of the project is to cold mill and resurface one mile of Bristol Road from Fenton Road to Saginaw Street in accordance with the roadway preservation funding allocated by the Genesee County Metropolitan Planning Commission Transportation Improvement Program (TIP). Based upon review of record information and our recent site visit, the roadway section consists of five 12-foot wide hot mix asphalt (HMA) lanes with concrete base and concrete curb and gutter. Right-turn lanes were noted at northbound Fenton Road and southbound Saginaw Street. Roadway reconstruction will include asphalt milling, concrete base joint repair, HMA resurfacing, sidewalk and ramp reconstruction, pavement markings, and final restoration.

Roadway improvements will include the intersection of Fenton Road to the spring point in all directions. No roadway improvements are anticipated within the intersection of Saginaw Street, as the recent reconstruction of Saginaw Street included reconstructing the west quadrant of the intersection, approximately 100 feet west of the curb return. This newly constructed pavement will serve as the east project limit. Side street intersection approaches and driveways (residential and commercial) will be improved as part of the project.

Scope of Services

1. Pre-Design Scope Verification

   Wade Trim will coordinate a project kickoff meeting to review scope items, discuss potential design concerns, and evaluate cost saving alternatives to verify that the project is within the programmed budget. City staff from interested departments will be encouraged to participate in the scope verification so that the design objectives are clearly defined from the project onset, which will streamline the approval process.

2. Topographic Survey

   Wade Trim will perform a detailed field survey of the project site using electronic data collectors for CADD input, in conjunction with traditional survey work to obtain information on the existing roadway within the project limits defined above. Survey information will include, but not be limited to, the following:

- Establish horizontal and vertical control, for design and construction purposes, of topographic features such as centerline, edge of road, gutter, back of curb, sidewalks, power poles, telephone pedestals, fences, driveways, storm structures, water and sanitary structures, trees, and other features encountered during survey.
- Existing information for utilities (i.e., gas, electric, telephone, cable, water, sanitary sewer, storm sewer, etc.) that may be affected by the proposed resurfacing project.
- Limits of the road rights-of-way and approximate location of property lines for design purposes.

3. Geotechnical

A total of ten pavement cores and soil borings will be conducted to a depth of five feet within the project limits at select locations determined by site inspection with City, Wade Trim, and geotechnical firm representatives. One sample will be collected from each test boring and tested for density, moisture content, gradation, and compressive strength. A geotechnical report will be prepared containing the results of the laboratory tests, an analysis of the subsurface conditions, and recommendations for subgrade preparation and pavement design for select sections of full depth pavement removal and replacement, as deemed necessary.

4. Right-of-Way

It is anticipated that the roadway improvements will be conducted within the existing right-of-way. However, the construction of the ADA-compliant ramps may warrant temporary grading permits. Wade Trim will identify these areas during the Design Phase and will provide a list of locations for the City's use in obtaining the permits.

5. Design Phase

Following completion of the scope verification and topographic survey/data gathering, preliminary construction plans will be developed, along with a construction cost estimate and special provisions meeting City of Burton standards and MDOT LAP guidelines. It is anticipated that the plan set will include the following sheets:

- Title Sheet including sheet index, utility contacts, and project location.
- Legend Sheet including line type and symbols key.
- Alignment Sheet including stationing, project control, benchmarks, and soil boring locations.
- Maintenance of Traffic (MOT) Plan.
- Typical Roadway Cross Sections.
- Soil Boring Logs.
- General Construction Details and Notes Sheet(s) for applicable construction activities.
- Roadway Removal (cold milling and pavement removal limits) Sheet(s).
- Roadway Reconstruction Plan and Profile Sheet(s) with existing and proposed pavement elevations.
- ADA ramp and intersection reconstruction details.
- Pavement Marking and Signage Sheet.

The Design Phase will also include preparation and submittal of the LAP Project Programming Application to the City for review, approval, and signature. Also, the Michigan State Historic Preservation Office (SHPO) Clearance Form, National Environmental Policy Act (NEPA) Local Agency Environmental Clearance Form, and MDOT Work Zone Safety and Mobility Form will be completed and submitted for approval.

6. Construction Review and Approval Phase

Construction plans will be submitted to AT&T, Consumers Energy, Comcast, Flint Mass Transportation Authority (MTA), and other applicable utility agencies determined from the Miss Dig request.

At each stage of the project design process (base plan, grade inspection, and final plan), our in-house construction staff will perform a constructability review to verify efficiency and cost-effectiveness measures are being met.

The PE package (plans, construction estimate, and special provisions) will be submitted to the City for a Base Plan Review Meeting. Base Plan review comments and concerns from the meeting will be addressed and/or incorporated into a Grade Inspection (GI) submittal package and forwarded to MDOT. Construction plans will also be submitted to applicable local agencies for permitting, including the Soil Erosion and Sedimentation Control (SESC) Permit.

A GI Meeting will be held with the City, MDOT, and utility representatives to review the construction documents. GI Meeting comments will be incorporated into the final construction plans, construction estimate, and special provisions and forwarded to MDOT for final approval and bid letting.

<u>Schedule</u>

Wade Trim acknowledges that this project is funded for fiscal year 2023 with an anticipated construction kickoff in the Spring of 2023, and we offer the following schedule for project activities in accordance with the MDOT LAP Project Planning Guide:

Notice to Proceed...January 2022
Kickoff Meeting..February 1, 2022
Complete Topographic Survey ....April 1, 2022
Base Plan Submittal ....June 1, 2022
Base Plan Review Meeting................................June 15, 2022
Grade Inspection Plan Submittal ....July 1, 2022
Grade Inspection Plan Review Meeting............August 3, 2022
Final Plans to MDOT...October 7, 2022
MDOT Bid Letting ....December 2, 2022

<u>Fee</u>

Wade Trim will provide the above-described Scope of Services for the Bristol Road Reconstruction Project in accordance with the following fee schedule:

Task	Fee
Pre-Design Scope Verification	$ 5,070
Topographic Survey	$ 27,540
Geotechnical Investigation	$ 7,000
Design Phase	$ 81,510
Construction Review and Approval Phase	$ 16,480
Total Base Fee	$137,600

Individual task fees may vary from proposed fees listed above; however, the total project cost will not exceed the Total Base Fee above. All labor and expenses will be invoiced monthly for effort expended to date, utilizing the basis of actual cost with fixed fee invoicing format with MDOT-approved overhead and profit. Wade Trim will prepare the MDOT Third Party Agreement and Derivation of Costs forms when authorized.

Services not specifically listed in the above-described Scope of Services are not included. Should the need arise for additional PE services, Wade Trim will provide a detailed cost estimate and obtain approval from the City before proceeding.

Please find enclosed a Short Form Professional Services Agreement for this project. If this proposal meets with your approval, please sign, date, and return a copy of the Agreement to our office. Our receipt of the executed Agreement will serve as our authorization to proceed.

We appreciate the opportunity to be of service to the City of Burton and look forward to partnering with your office on this project. If you have questions, please contact me or Becky at 810.235.2555.

Very truly yours,

Wade Trim, Inc.

Kevin E. Cook, PE	Rebecca M. Smith, PE
Project Manager	Senior Vice President

KEC:RMS:jlb
AAA 1000.21F
20211221_WINGBLAD-LTR.DOCX
Enclosure

Professional Services Agreement (Short Form)

Agreement

To engage the Services of Wade Trim, Inc. as a Design, Planning, Testing and/or Land Survey Professional.

This Agreement, entitled Bristol Road Reconstruction, City of Burton, Genesee County, Michigan between the City of Burton Department of Public Works of 4303 South Center Road, Burton, Michigan 48519, hereinafter called "Owner," and Wade Trim, Inc., 555 South Saginaw Street, Suite 201, Flint, Michigan 48502, hereinafter called "Professional," is as follows:

The Owner and Professional, for mutual consideration hereinafter set forth, agree as follows:

A. Professional agrees to perform certain professional services for Owner as follows:

As outlined in Wade Trim's proposal letter dated December 21, 2021.

B. Owner agrees to pay Professional as compensation for his services as follows:

Total Fee of **$137,600.**

C Owner agrees to establish an allowance of $N/A for additional services on this Project (not less than 10% of the compensation amount specified in Item B.)

D. The Owner and Professional agree to conditions as set forth on the reverse side in the General Provisions of this Agreement.

E. The Owner and Professional agree to the following schedule:

As outlined in Wade Trim's proposal letter dated December 21, 2021.

F. Professional has the option to render this Agreement null and void, if it is not executed within 60 days.

Owner:		Professional:	Rebecca Smith
By:	Duane Haskins (Print Name)	By:	Rebecca M. Smith, PE (Print Name)
Title:	Mayor	Title:	Senior Vice President
Date Signed:		Date Signed:	12/22/21
Witness:		Witness:	

WT114-01

1.01 Basic Agreement

A. Professional shall provide, or cause to be provided, the services set forth in this Agreement, and Owner shall pay Professional for such Services as set forth herein.

2.01 Payment Procedures

A. *Preparation of Invoices*. Professional will prepare a monthly invoice in accordance with Professional's standard invoicing practices and submit the invoice to Owner.

B. *Payment of Invoices*. Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Professional for services and expenses within 30 days after receipt of Professional's invoice, the amounts due Professional will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, Professional may, without liability, after giving seven days written notice to Owner, suspend services under this Agreement until Professional has been paid in full all amounts due for services, expenses, and other related charges. Payments will be credited first to interest and then to principal.

3.01 Additional Services

A. If authorized by Owner, or if required because of changes in the Project, Professional shall furnish services in addition to those set forth above.

B. Owner shall pay Professional for such additional services as follows: For additional services of Professional's employees engaged directly on the Project an amount equal to the cumulative hours charged to the Project by each class of Professional's employees times standard hourly rates for each applicable billing class; plus reimbursable expenses and Professional's consultants' charges with a 15% mark-up, if any.

4.01 Termination

A. The obligation to provide further services under this Agreement may be terminated:

1. For cause,

    a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party.

    b. By Professional:

        1) upon seven days written notice if Professional believes that Professional is being requested by Owner to furnish or perform services which are outside of the agreed upon scope of services without compensation, which are contrary to Professional's responsibilities as a licensed professional; or

        2) upon seven days written notice if the Professional's services for the Project are delayed or suspended for more than 90 days for reasons beyond Professional's control.

        3) Professional shall have no liability to Owner on account of such termination.

    c. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under paragraph 4.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its failure and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon the receipt of notice by Professional.

B. The terminating party under paragraphs 4.01.A.1 or 4.01.A.2 may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Professional to demobilize personnel and equipment from the Project site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files. Professional shall be compensated for Basic Services performed through the date of termination as set forth herein and for work performed per 4.01.B in the manner set forth in 3.01.

5.01 Controlling Law

A. This Agreement is to be governed by the law of the state in which the Project is located.

6.01 Successors, Assigns, and Beneficiaries

A. Owner and Professional each is hereby bound and the partners, successors, executors, administrators, employees and legal representatives of Owner and Professional (and to the extent permitted by paragraph 6.01.B the assigns of Owner and Professional) are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

B. Neither Owner nor Professional may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

7.01 General Considerations

A. The standard of care for all professional engineering and related services performed or furnished by Professional under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Professional makes no warranties, express or implied, under this Agreement or otherwise, in connection with Professional's services. Professional and its consultants may use or rely upon the design services of others, including, but not limited to, contractors, manufacturers, and suppliers and Professional shall not be responsible for design services provided by others.

B. Professional shall not at any time supervise, direct, or have control over any contractor's work, nor shall Professional have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, for safety precautions and programs incident to a contractor's work progress, nor for any failure of any contractor to comply with laws and regulations applicable to contractor's work.

C. Professional neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform its work in accordance with the contract between Owner and such contractor.

D. Professional shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any contractor's agents or employees or any other persons (except Professional's own employees) at the Project site or otherwise furnishing or performing any of construction work; or for any decision made on interpretations or clarifications of the construction contract given by Owner without consultation and advice of Professional.

E. The provisions in this Agreement supersede and render null and void any contrary provisions in the contract documents between Owner and Contractor.

F. All design documents prepared or furnished by Professional are instruments of service, and Professional retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed.

G. To the fullest extent permitted by law, Owner and Professional (1) waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project, and (2) agree that Professional's total liability to Owner under this Agreement shall be limited to $50,000 or the total amount of compensation received by Professional, whichever is less.

H. The parties acknowledge that Professional's scope of services does not include any services related to a Hazardous Environmental Condition (including but not limited to the presence of asbestos, PCBs, petroleum, hazardous substances or waste, and radioactive materials). If Professional or any other party encounters a Hazardous Environmental Condition, Professional may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until Owner: (i) retains appropriate specialist consultants or contractors to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (ii) warrants that the Site is in full compliance with applicable Laws and Regulations.

8.01 Dispute Resolution

Except for debt collection cases for less than $25,000, and except as otherwise provided herein, all claims, counterclaims, disputes and other matters in question between the parties hereto arising out of or relating to this Agreement or the breach thereof will be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining subject to the limitations and restrictions stated below. This agreement to arbitrate and any other agreement or consent to arbitrate entered into in accordance herewith as provided in this paragraph will be specifically enforceable under the prevailing arbitration law of any court having jurisdiction.

Notice of demand for arbitration must be filed in writing with the other parties to this Agreement and with the American Arbitration Association. The demand must be made within a reasonable time after the claim, dispute, or other matter in question has arisen. In no event may the demand for arbitration be made after the expiration of one year from the date the cause of action accrued. The cause of action whether based in tort, contract, indemnity, contribution, or any other form of action, legal or equitable, shall be deemed to have accrued at the time the party asserting the claim either knew or, by the exercise of reasonable diligence, should have known of the existence of the facts underlying such claim, dispute or other matter in question regardless of when damages occur. After the expiration of said one year, any claim between the parties hereto shall be barred.

No arbitration arising out of, or relating to this Agreement may include, by consolidation, joinder or in any other manner, any person or entity who is not a party to this Agreement.

The award rendered by the arbitrators will be final, not subject to appeal and judgment may be entered upon it in any court having jurisdiction thereof.

9.01 Total Agreement

A. This Agreement (together with any expressly incorporated appendix), constitutes the entire agreement between Owner and Professional, supersedes all prior written or oral understandings, and becomes binding as if fully executed at the time Professional commences work. To the extent that the terms of any appendices or documents referenced in this Agreement conflict with the terms of this Agreement, the terms of this Agreement shall govern. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

Approve and Authorize the Motor Pool Shortfall Elimination Plan.

COMMENTS - Current Meeting:

Mr. Smith asked if the administration could go through the accounting on this.

Mr. Abbey stated in our motor pool, we have discussed this fro for several years. What triggered this was when capital assets were purchased in the past, such as a vactor truck, it is a $400,000 machine. It is depreciated out over a number of years. In this case, it was 10 years. Every year you have depreciation. This vactor truck was purchased by the sewer department to use solely on sewers. It is kept as an asset in the sewer department and depreciated out of the sewer fund. When the last administration bought it, they put it into motor pool. When the sewer department uses the truck, they pay a rental fee to motor pool. The problem is it is not used everyday because it requires 4-5 people on the job. When we are short on people, especially during COVID, that truck doesn't work everyday. It has shortfalls in it. It was around $34,000.

Mr. Smith stated I am trying to figure out how you got to that number.

Ms. Holbrook stated motor pool is recorded like an enterprise fund because it is an internal service fund. When you look at the total net position for the fund, it is $1.4 million. When you balance out the current assets with the current liabilities, $170,000 of the accrued liability is a negative cash. This is for large pieces of equipment that were purchased 3-5 years ago through motor pool and motor pool didn't technically have the cash to purchase those things. If you recall from our budget workshops this year, we discussed if the money for new equipment should come from motor pool and I said no, motor pool doesn't have any money. We calculated last years equipment hourly rental which is set by the state and it would have taken 17 years to recoup the $400,000. We had a meeting with Plant Moran, $7,000 of the liability was accrued payroll and they don't count that against us as a liability. $160,180 was the total current assets from inventory, prepaid expenses, receivables, and due from other funds. Not counting the equipment assets just current assets. On page 82-83 of the Comprehensive Annual Financial Report, the current assets are $160,180. You have non-current assets which is all of the equipment. Liabilities are $201,354. Out of the accrued liabilities, there is a portion that isn't counted by the state which is the $7,000. $170,575 of that was negative cash which is reported as a liability. When you figure the difference of the two, current assets of $160,180 and current liabilities of $194,399. The deficit is $34,219.

Mr. Abbey stated putting these in motor pool creates these problems. We have made the corrections and put them where they belong. This was Plante Moran's recommendation. It is more reflective of how we use the equipment.

Mr. Martinbianco stated in doing this reversal, will the enterprise funds be reimbursing the motor pool fund for the net asset value?

Ms. Holbrook stated it would be at the current book value not the purchase price.

Mr. Martinbianco stated in the current budget, under capital asset requests, there is about $485,000 worth of dump trucks and an excavator. General fund is paying for those so they will go under motor pool assets. Correct?

Ms. Holbrook said, that is correct.

Mr. Martinbianco stated we have to take into account the motor pool revenue will go down because of the other entities; sewer and water fund who will now finance their own equipment. The depreciation will be picked up by the other entities, correct?

Ms. Holbrook said, correct.

Mr. Martinbianco asked if a budget amendment will be brought forth.

Ms. Holbrook stated technically this is a transfer. It is not a budgeted item. We are basically trading an asset for cash so it wouldn't require a budget amendment.

Mr. Abbey stated going forward in the budget, you will see it in the appropriate place.

Ms. Holbrook stated I would like to add that it doesn't impact the water fund. There is no equipment only used by the water department. There are things that are used by water and sewer that will be maintained in the motor pool and charged off appropriately during the uses. This is more for stuff that is isolated specifically for sewer uses.

Mr. Martinbianco stated equipment used for roads will still be motor pool. Correct?

Ms. Holbrook said, correct.

ATTACHMENTS:

- Motor Pool Deficit Elimination Plan 6-30-21 (DOCX)

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Tom Martinbianco, Vice President
SECONDER:	Gregory Fenner, Councilman
AYES:	Martinbianco, Heffner, Smith, Fenner, Conley, Hull, Hickson

City of Burton Legislative Body Resolution and Deficit Elimination Plan:

WHEREAS City of Burton's **Motor Pool Fund** has a $34,219.00 deficit fund balance on June 30, 2021; and

WHEREAS, Act 275 of the Public Acts of 1980 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury:

NOW THEREFORE, IT IS RESOLVED that the City of Burton's legislative body adopts the following as the **Motor Pool Fund** Deficit Elimination Plan:

BE IT FURTHER RESOLVED that the City of Burton's Mayor submits the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

	2021	2022
OPERATING REVENUE		
Other sales to customers	$ 146,405	$ 315,000
Charges to other funds	$ 692,851	$ 817,000
Transfers from General Fund	$ -	$ 935,000
Total operating revenue	$ 839,257	$ 2,067,000
OPERATING EXPENSES		
Personnel services-Net of	$ 271,375	$ 312,900
retirement adjustments	-	-
Equipment rental and repairs	$ 66,474	$ 100,000
Contractual services	$ 4,829	$ 6,000
Supplies and materials	$ 267,908	$ 498,400
Insurance	$ 46,943	$ 45,000
Miscellaneous	$ 17,791	$ 17,400
Depreciation	$ 295,176	$ 372,025
Total operating expenses	$ 970,496	$ 1,351,725
OPERATING GAIN (LOSS)	$ (131,239)	$ 715,275
NONOPERATING REVENUE (EXPENSE)		
Investment interest and FMV changes		
Gain (Loss) on sale of assets	$ (1,738)	$ 411,000
Total nonoperating revenue (expense)	$ (1,738)	$ 411,000
TRANSFERS OUT	$ 1,737	$ 15,800
CHANGE IN NET POSITION	$ (134,714)	$ 1,110,475
NET POSITION-Beginning of year	$ 1,541,006	$ 1,406,292
NET POSITION-End of year	$ 1,406,292	$ 2,516,767

ADD CLERK'S CERTIFICATION

Motor Pool Fund

Shortfall $34,219

Solution: The current City Administration has assessed the Motor Pool accounting and procedural methods to create a plan of action. We have reviewed the Motor Pool Fund fixed asset listing in detail and noted that in previous years, equipment that is exclusively used by enterprise funds were inadvertently recorded to the Motor Pool fund. The City will transfer that equipment to the appropriate funds and adjust the general ledger accordingly for an estimated $400,000; ensuring the proper fund has paid for the equipment. The City will also begin doing an annual analysis for the remaining life of all motor pool assets, perhaps reducing the annual depreciation expense. We have also enhanced our timekeeping technology to make it more efficient, and accurate, in capturing the hourly rental for equipment and vehicles. In 2021, the Motor Pool Fund made a final payment on a loan, reducing the expenses by almost $94,000 per year. In addition, in July of 2021 a transfer was made, from the general fund to the motor pool fund, for the purchase of new assets in the amount of $935,000. Less approximate annual depreciate, this will increase the capital assets by $538,975. All of these changes will result in not only a correction, but what should be a future growth for the fund.