



CITY OF PONTIAC
OFFICE OF THE EMERGENCY MANAGER
LOUIS H. SCHIMMEL

47450 Woodward Avenue
Pontiac, Michigan 48342
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Dated: June 17, 2013

ORDER NO. S-278

RE: Adopt 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, 2013; to require the City tax to be levied upon all taxable property in the City.

**TO: Sherikia Hawkins, City Clerk
John Naglick, Finance Director**

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) in Section 10 empowers an Emergency Manager to issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government a Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 12(1) of the Act provides that “[a]n emergency manager may take 1 or more of the following additional actions with respect to a local government that is in receivership, notwithstanding any charter provision to the contrary: (dd) [e]xercise solely, for and on behalf of the local government, all other authority and responsibilities of the chief administrative officer and governing body concerning the adoption, amendment, and enforcement of ordinances....”

WHEREAS, Emergency Manager Schimmel introduced the attached ordinance at a public meeting on June 10, 2013; and,

WHEREAS, the proposed ordinance was distributed to each member of the Council and the Mayor by the Clerk; and,

WHEREAS, a summary of the proposed ordinance and time and place of consideration by the Emergency Manager was published in the Oakland Press on June 11, 2013; and,

WHEREAS, the Emergency Manager at a public meeting on June 17, 2013 announced that he is adopting the proposed ordinance.

It is hereby ordered:

1. That the attached Ordinance No. 2285, 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

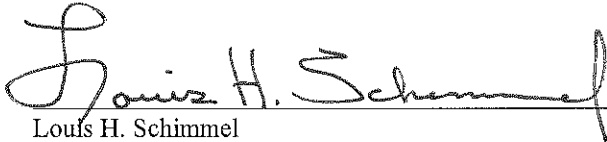
defray the debts, expenditures, and liabilities of said City for the fiscal year beginning the first day of July, 2013; to require the City tax to be levied upon all taxable property in the City, is adopted.

2. That the City Clerk shall take all actions required under the law to reflect the attached ordinance changes on the City books and records, including publication of the adopted ordinance.

The Order shall have immediate effect.

Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (**Public Act 442 of 1976, MCL 15.231, et. seq.**).

This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.



Louis H. Schimmel
City of Pontiac
Emergency Manager

cc: State of Michigan Department of Treasury
Mayor Leon B. Jukowski
Pontiac City Council

Ordinance No. 2285

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, 2013; to require the City tax to be levied upon all taxable property in the City.

The City of Pontiac Ordains:

Section 1. Title.

This ordinance shall be known as the City of Pontiac 2013-2014 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 Tuesday, June 11, 2013 and a public hearing on the proposed budget was held on Monday, June 17, 2013.

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

The Emergency Manager of the City of Pontiac causes to be levied and collected the general property tax on all real and personal property within the City upon the current tax roll an allocated millage of: General Operating – 11.2737 mills; Capital Improvement – 1.4091 mills; Sanitation – 2.8183 mills; Senior Services – .5000 mills.. 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 Function.

The Emergency Manager of the City of Pontiac adopts the 2013-2014 fiscal year budgets for the various funds by Function. 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 Function.

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 Finance Director of the City of Pontiac prior to being paid.

Section 6: Estimated 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, 2013 are:

<u>Fund Number</u>	<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>
101	General	\$ 30,636,047.00	\$ 30,635,686.00
113	Cable	\$ 130,000.00	\$ 185,188.00
202	Major Street	\$ 3,140,380.00	\$ 3,621,585.00
203	Local Street	\$ 1,425,305.00	\$ 787,782.00
212	Senior Activities	\$ 232,537.00	\$ 325,913.00
213	Chapter 20 Drain	\$ (250.00)	\$ 197,762.00
226	Sanitation Fund	\$ 4,136,118.00	\$ 4,064,001.00
235	Brownfield Redevelopment Authority	\$ 69,730.00	\$ 69,730.00
239	TIFA District 2	\$ 38,000.00	\$ 38,000.00
240	TIFA District 3	\$ 1,692,199.00	\$ 1,771,082.00
241	TIFA District 4	\$ 325,000.00	\$ 246,117.00
245	Capital Improvement	\$ 680,746.00	\$ 1,084,810.00
263	HOME Buyers Assistance	\$ 497,398.00	\$ 497,398.00
270	Drug Enforcement	\$ -	\$ 142,980.00
480	Public Act 48	\$ 200,000.00	\$ 200,000.00
585	Parking	\$ 50,875.00	\$ 2,627,820.00
677	Self-Insurance Wk Comp	\$ 600,000.00	\$ 600,000.00
729	Sick and Vacation	\$ -	\$ 25,000.00
759	Insurance	\$ 1,411,062.00	\$ 2,720,741.00
760	District Court	\$ 2,749,641.00	\$ 2,749,641.00

with expenditure authorization by function as herein provided:

General Fund

ESTIMATED REVENUES

Taxes	15,968,316
Licenses and Permits	2,898,200
State Grants	9,006,266
Federal Grants	25,000
Charges for Services	1,280,382
Interest and Rents	75,000
Other Revenue	<u>1,137,016</u>
TOTAL ESTIMATED REVENUES	30,390,180
Transfers In and Other Uses	245,867

APPROPRIATIONS

General Government	3,838,799
Public Safety	21,205,363
Public Works	1,466,005
Community and Economic Development	361,610
Recreation and Culture	282,827
Other Functions	<u>2,150,000</u>
TOTAL APPROPRIATIONS	29,304,604
Transfers Out and Other Uses	1,331,082

	General Fund	NET OF REVENUES/APPROPRIATIONS	361
		Estimated Beginning Fund Balance	575,682
		Estimated Ending Fund Balance	576,043
<u>Cable Fund</u>			
ESTIMATED REVENUES			
		Charges for Services	<u>130,000</u>
		TOTAL ESTIMATED REVENUES	130,000
		Transfers In and Other Sources	0
APPROPRIATIONS			
		General Government	<u>185,188</u>
		TOTAL APPROPRIATIONS	185,188
		Transfers Out and Other Uses	0
	Cable Fund	NET OF REVENUES/APPROPRIATIONS	(55,188)
		Estimated Beginning Fund Balance	997,608
		Estimated Ending Fund Balance	942,420
<u>Major Street Fund</u>			
ESTIMATED REVENUES			
		State Grants	<u>3,140,380</u>
		TOTAL ESTIMATED REVENUES	3,140,380
		Transfers In and Other Sources	0
APPROPRIATIONS			
		Public Works	<u>3,150,485</u>
		TOTAL APPROPRIATIONS	3,150,485
		Transfers Out and Other Uses	471,100
	Major Street Fund	NET OF REVENUES/APPROPRIATIONS	(481,205)
		Estimated Beginning Fund Balance	1,328,135
		Estimated Ending Fund Balance	846,930
<u>Local Street Fund</u>			
ESTIMATED REVENUES			
		State Grants	<u>954,205</u>
		TOTAL ESTIMATED REVENUES	954,205
		Transfers In and Other Sources	471,100
APPROPRIATIONS			
		Public Works	<u>787,782</u>
		TOTAL APPROPRIATIONS	787,782
		Transfers Out and Other Uses	0

Local Street Fund	NET OF REVENUES/APPROPRIATIONS	637,523
	Estimated Beginning Fund Balance	830,569
	Estimated Ending Fund Balance	1,468,092

Senior Activities

ESTIMATED REVENUES

Taxes		223,537
Charges for Services		9,000
	TOTAL ESTIMATED REVENUES	232,537
Transfers In and Other Sources		0

APPROPRIATIONS

Recreation and Culture		325,913
	TOTAL APPROPRIATIONS	325,913
Transfers Out and Other Uses		0

Senior Activities Fund	NET OF REVENUES/APPROPRIATIONS	(93,376)
	Estimated Beginning Fund Balance	1,057,028
	Estimated Ending Fund Balance	963,652

Chapter 20 Drain Fund

ESTIMATED REVENUES

Taxes		(250)
	TOTAL ESTIMATED REVENUES	(250)
Transfers In and Other Sources		0

APPROPRIATIONS

Public Works		197,762
	TOTAL APPROPRIATIONS	197,762
Transfers Out and Other Uses		0

Chapter 20 Drain Fund	NET OF REVENUES/APPROPRIATIONS	(198,012)
	Estimated Beginning Fund Balance	695,185
	Estimated Ending Fund Balance	497,173

Sanitation Fund

ESTIMATED REVENUES

Taxes		1,336,118
Charges for Services		2,800,000
Interest and Rents		0
	TOTAL ESTIMATED REVENUES	4,136,118
Transfers In and Other Sources		0

APPROPRIATIONS		
Public Works		<u>4,064,001</u>
	TOTAL APPROPRIATIONS	4,064,001
Transfers Out and Other Uses		0

	Sanitation Fund	NET OF REVENUES/APPROPRIATIONS	72,117
		Estimated Beginning Fund Balance	2,783,028
		Estimated Ending Fund Balance	2,855,145

Brownfield Redevelopment Authority

ESTIMATED REVENUES		
Taxes		<u>69,730</u>
	TOTAL ESTIMATED REVENUES	69,730
Transfers In and Other Sources		0

APPROPRIATIONS		
Community and Economic Development		<u>69,730</u>
	TOTAL APPROPRIATIONS	69,730
Transfers Out and Other Uses		0

	Brownfield Redevelopment Authority Fund	NET OF REVENUES/APPROPRIATIONS	0
		Estimated Beginning Fund Balance	13,681
		Estimated Ending Fund Balance	13,681

Tax Increment Financing Authority District 2

ESTIMATED REVENUES		
Charges for Services		<u>38,000</u>
	TOTAL ESTIMATED REVENUES	38,000
Transfers In and Other Sources		0

APPROPRIATIONS		
Community and Economic Development		<u>0</u>
	TOTAL APPROPRIATIONS	0
Transfers Out and Other Uses		38,000

	Tax Increment Financing District 2 Fund	NET OF REVENUES/APPROPRIATIONS	0
		Estimated Beginning Fund Balance	0
		Estimated Ending Fund Balance	0

Tax Increment Financing Authority
District 3

ESTIMATED REVENUES		
Taxes		1,102,000
	TOTAL ESTIMATED REVENUES	1,102,000
Transfers In and Other Sources		590,199
APPROPRIATIONS		
Debt Service		1,771,082
	TOTAL APPROPRIATIONS	1,771,082
Transfers Out and Other Uses		0
Tax Increment Financing District 3 Fund	NET OF REVENUES/APPROPRIATIONS	(78,883)
	Estimated Beginning Fund Balance	78,883
	Estimated Ending Fund Balance	0

Tax Increment Financing Authority
District 4

ESTIMATED REVENUES		
Taxes		325,000
	TOTAL ESTIMATED REVENUES	325,000
Transfers In and Other Sources		0
APPROPRIATIONS		
Community and Economic Development		0
	TOTAL APPROPRIATIONS	0
Transfers Out and Other Uses		246,117
Tax Increment Financing District 4 Fund	NET OF REVENUES/APPROPRIATIONS	78,883
	Estimated Beginning Fund Balance	0
	Estimated Ending Fund Balance	78,883

Capital Improvement

ESTIMATED REVENUES		
Taxes		680,746
	TOTAL ESTIMATED REVENUES	680,746
Transfers In and Other Sources		0
APPROPRIATIONS		
General Government		64,810
Public Works		1,020,000
	TOTAL APPROPRIATIONS	1,084,810
Transfers Out and Other Uses		0

Capital Improvement Fund	NET OF REVENUES/APPROPRIATIONS	(404,064)
	Estimated Beginning Fund Balance	463,285
	Estimated Ending Fund Balance	59,221

HOME Investment Partnerships Grant

ESTIMATED REVENUES

Federal Grants		<u>497,398</u>
Transfers In and Other Sources		0
	TOTAL ESTIMATED REVENUES	497,398

APPROPRIATIONS

Community and Economic Development		<u>497,398</u>
Transfers Out and Other Uses		0
	TOTAL APPROPRIATIONS	497,398

HOME Investment Partnerships Grant Fund	NET OF REVENUES/APPROPRIATIONS	0
	Estimated Beginning Fund Balance	2
	Estimated Ending Fund Balance	2

Drug Enforcement Fund

ESTIMATED REVENUES

Fines and Forfeits		<u>0</u>
Transfers In and Other Sources		0
	TOTAL ESTIMATED REVENUES	0

APPROPRIATIONS

Public Safety		<u>142,980</u>
Transfers Out and Other Uses		0
	TOTAL APPROPRIATIONS	142,980

Drug Enforcement Fund	NET OF REVENUES/APPROPRIATIONS	(142,980)
	Estimated Beginning Fund Balance	232,679
	Estimated Ending Fund Balance	89,699

PA 48 Telecommunications Fund

ESTIMATED REVENUES

State Grants		<u>200,000</u>
	TOTAL ESTIMATED REVENUES	200,000
Transfers In and Other Sources		0

APPROPRIATIONS

Public Works		<u>0</u>
	TOTAL APPROPRIATIONS	0
Transfers Out and Other Uses		200,000

PA 48 Telecommunications Fund	NET OF REVENUES/APPROPRIATIONS	0
	Estimated Beginning Fund Balance	0
	Estimated Ending Fund Balance	0

Parking Fund

ESTIMATED REVENUES

Taxes		(35,000)
Charges for Services		<u>85,875</u>
	TOTAL ESTIMATED REVENUES	50,875
Transfers In and Other Sources		0

APPROPRIATIONS

Public Works		45,000
Recreation and Culture		<u>2,582,820</u>
	TOTAL APPROPRIATIONS	2,627,820
Transfers Out and Other Uses		0

Parking Fund	NET OF REVENUES/APPROPRIATIONS	(2,576,945)
	Estimated Beginning Net Assets	14,958,809
	Estimated Ending Net Assets	12,381,864

Self-Insurance Workers' Compensation Fund

ESTIMATED REVENUES

Other Revenue		<u>600,000</u>
	TOTAL ESTIMATED REVENUES	600,000
Transfers In and Other Sources		0

APPROPRIATIONS

Other Functions		<u>600,000</u>
	TOTAL APPROPRIATIONS	600,000
Transfers Out and Other Uses		0

Self-Insurance Worker's Compensation Fund	NET OF REVENUES/APPROPRIATIONS	0
	Estimated Beginning Net Assets	93,174
	Estimated Ending Net Assets	93,174

Employee Sick and Vacation Fund

ESTIMATED REVENUES		
Other Revenue		<u>0</u>
	TOTAL ESTIMATED REVENUES	0
Transfers In and Other Sources		0
APPROPRIATIONS		
Other Functions		<u>25,000</u>
	TOTAL APPROPRIATIONS	25,000
Transfers Out and Other Uses		0
	NET OF REVENUES/APPROPRIATIONS	(25,000)
Sick and Vacation Fund	Estimated Beginning Net Assets	275,000
	Estimated Ending Net Assets	250,000

Insurance Fund

ESTIMATED REVENUES		
Other Revenue		<u>1,411,062</u>
	TOTAL ESTIMATED REVENUES	1,411,062
Transfers In and Other Sources		0
APPROPRIATIONS		
General Government		24,679
Other Functions		<u>2,675,448</u>
	TOTAL APPROPRIATIONS	2,700,127
Transfers Out and Other Uses		0
	NET OF REVENUES/APPROPRIATIONS	(1,309,679)
Insurance Fund	Estimated Beginning Net Assets	1,289,065
	Estimated Ending Net Assets	0

District Court Fund

ESTIMATED REVENUES		
State Sources		183,000
Charges for Services		793,550
Fines and Forfeits		755,001
Other Revenue		<u>(6,910)</u>
	TOTAL ESTIMATED REVENUES	1,724,641
Transfers In and Other Sources		1,025,000

APPROPRIATIONS		
General Government		2,749,641
	TOTAL APPROPRIATIONS	2,749,641
Transfers Out and Other Uses		0
	NET OF	
District Court Fund	REVENUES/APPROPRIATIONS	0
	Estimated Beginning Fund	
	Balance	0
	Estimated Ending Fund Balance	0

Section 7. Specific Appropriations.

There are no specific appropriations contained in the budget.

Section 8. Periodic Financial Reports.

The Finance Director shall provide the Emergency Manager, 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 Emergency Manager and 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 accounts within functions in a fund and among functions in a fund during the fiscal year provided that such amendments do not change the total revenues or total expenditures for the fund as approved by the Emergency Manager. If the total revenues or the total expenditures, including transfers in and out and other sources and uses within a single fund must be changed, then the Mayor shall present such amendment to the City Council for approval.

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. Effective Date.

This Ordinance shall be effective ten days after date of adoption.