

**City of Flint**  
**Receivership Transition Advisory Board Agenda**  
**Thursday, July 15, 2015**  
**1:00 PM**

Flint City Hall  
Council Chambers – 3<sup>rd</sup> Floor  
1101 S. Saginaw St.  
Flint, Michigan 48502

**I. CALL TO ORDER**

- A. Roll Call
- B. Approval of Agenda
- C. Approval of June 11, 2015 RTAB meeting minutes

**II. OLD BUSINESS**

- A. Obsolete Personal Property Tax Exemption (OPRA) (attachment #2a – 2e)

**III. NEW BUSINESS**

- A. Approval of Resolutions & Ordinances for City Council Meetings
  - 1. Resolutions from Regular City Council meeting of June 8, 2015 (attachment #3)
    - a. Resolution #150448 – FY2016 Budget Adjustment (Amendment)/Transfer of Funds/Public Safety/911 (attachment #3a)
  - 2. Resolutions from Regular City Council meeting of June 22, 2015 (attachment #4)
  - 3. Resolutions from Special City Council meeting of June 29, 2015 (attachment #5a and #5b)
- B. City Administrator Items
  - 1. Budget to Actual – May 2015 (attachment #6)
  - 2. Budget Overview

**IV. PUBLIC COMMENT**

**V. ADJOURNMENT**

**Dempkowski, Angela (Treasury)**

---

**From:** Cline, Richard (Treasury)  
**Sent:** Wednesday, June 10, 2015 10:44 AM  
**To:** Dempkowski, Angela (Treasury)  
**Subject:** Flint RTAB: OPRA/Resolution No. 150387.1  
**Attachments:** 600 South Saginaw OPRA.pdf; City Council OPRA Denial.pdf  
  
**Importance:** High

Angela,

Please transmit this information to the RTAB members.

---

**Board Members:**

Yesterday, a supplemental request was received from City Administrator Natasha Henderson regarding the denial of a OPRA certificate by the Flint City Council at their May 27, 2015 meeting.

Emergency Manager Order 20 requires that the City Council act upon any proposed economic or redevelopment project recommended for approval by the City Administrator.

In the event, which as occurred in this case, that the City Council rejects the recommendation of the City Administrator, the Council must provide a written explanation to the RTAB within 14 days of the Council meeting.

The RTAB must then review both the original recommendation and the reasons for denial and select the final course of action to be followed.

I wish to note that at the time of RTAB agenda preparation, a final decision had not been reached on this issue because an additional City Council meeting to reconsider this issue was being contemplated. That did not occur but the City Council's reasoning for rejection of the project was ultimately received.

The City Council's information was received prior to the 14 day deadline.

The RTAB Board should consider amending tomorrow's agenda prior to approval to isolate this issue from the remainder of items from the May 27 City Council meeting so additional discussion can occur. I recommend making this item IV A (2) (g) under New Business.

I also want to note that the RTAB is under no obligation to make a final decision on this matter at tomorrow's meeting. The Board may do so if it desires, but there is no obligation.

Please review this information, if there are any questions, please contact me directly.

Sincerely,

**Eric Cline** | Department Manager  
State of Michigan | Michigan Department of Treasury | Office of Fiscal Responsibility  
430 W. Allegan Street, 3rd Floor | Lansing, MI 48922  
Lansing Office (517) 335-2078 | Cell Phone (517) 243-8450 | Traverse City Office (231) 922-5228  
E-mail [cliner1@michigan.gov](mailto:cliner1@michigan.gov)

*CONFIDENTIALITY NOTICE: This e-mail, and any attachments, is for the sole use of the intended recipient(s) and may contain information that is confidential and protected from disclosure under the law. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail, and delete/destroy all copies of the original message and attachments Thank you.*

**From:** Natasha Henderson [mailto:[nhenderson@cityofflint.com](mailto:nhenderson@cityofflint.com)]  
**Sent:** Tuesday, June 09, 2015 4:32 PM  
**To:** Cline, Richard (Treasury)  
**Subject:** OPRA/Resolution No. 150387.1

Hello Eric,

Per our conversation, I have attached a Memo requesting that the OPRA that was denied be reconsidered. Also, I have included the City Council's rationale for denying the requested OPRA.

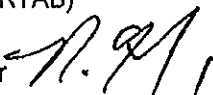
Thanks,

Natasha

Natasha L. Henderson, City Administrator  
**City of Flint, Michigan**  
1101 S. Saginaw St.  
Flint, MI 48502  
Email: [nhenderson@cityofflint.com](mailto:nhenderson@cityofflint.com)  
Phone: (810) 237-2057  
[www.cityofflint.com](http://www.cityofflint.com)

**City of Flint, Michigan**  
**Office of the City Administrator**

# Memo

**To:** Receivership Transition Advisory Board (RTAB)  
**From:** Natasha L. Henderson, City Administrator   
**cc:** Dayne Walling, Mayor  
**Date:** June 9, 2015  
**Re:** Obsolete Property Rehabilitation Exemption Certificate, 600 South, L.L.C.,

---

## **600 South, L.L.C. (OPRA)**

On May 27, 2015, City Council voted to reject Resolution No. 150387.1 proposing the approval of an Obsolete Property Rehabilitation Certificate/URC 600 South, L.L.C./600 South Saginaw St. Project, therefore I am requesting that this item be reviewed in accordance with Order No. 20-(a) 19. The City has an exorbitant amount of vacant properties, and this particular property has been vacant over fifteen years. Vacant properties have had a severe impact on the City's ability to attract businesses and families to the City. Further, the increased costs of the water utility bills have resulted in loss of water customers. Given the aforementioned challenges of the City, I believe it is imperative that economic development tools be utilized to encourage growth and development, which will increase the number of users of the water system, attract people to the City, and spur growth at a critical time in the City of Flint.

This project proposes to renovate a structure in order to create a facility that supports the growth of small retail and service businesses. It will serve an important role in allowing home-based or start-up businesses the opportunity to gain visibility and increase sales. Eventually tenant companies may outgrow this space and need larger facilities in the City.

I have included an estimate of City of Flint tax revenue impact based on figures provided by City of Flint Assessor's Office and the project scope presented by the Developer.

## **Financial Implications/OPRA/600 South L.L.C.**

### **Current property tax revenue**

- o Taxable Value 2014 -- Land \$49,600; Building \$46,600  
(Total-\$96,200)
- o Real property taxes paid for land and building in 2014 -- Total \$6,771.04  
City of Flint \$1,917.26 <sup>1</sup>

### **Estimated impact of renovation on future property tax revenue**

- o Forecast Taxable Value after construction -- Land \$49,600; Building \$182,150
- o Forecast real property tax paid for land and building -- Total \$15,981.17
- o City of Flint \$4,579.03

### **Current income tax revenue**

- o Income tax revenue 2014 – Zero

### **Estimated impact of renovation on future income tax revenue**

- o Job creation – 10-25; Estimated income tax revenue -- \$1,872 - \$4,617 per year

## **CONCLUSION**

**ESTIMATED ANNUAL CITY OF FLINT CHANGE IN REVENUE: INCREASE OF \$1,872 TO \$4,617 ANNUALLY**

<sup>1</sup> City of Flint Current Non-Homestead Millage Rate is 68.9587 (per 1,000 of taxable value).  
This includes City revenue as follows: General Operating 7.5 mills, Capital Improvements 2.5, and Voted Operating 9.1 plus Street Light \$70.94 and 1% admin fee \$66.33.

# Memorandum

**Date:** February 23, 2015  
Revised version submitted 6/1/2015  
**To:** City of Flint  
**From:** Marcus Papin, URC  
Tim Herman, URC  
**Subject:** 600 South Building (Perry Drugs)

---

Proposed Project Name: 600 South Building (Perry Drugs)  
Location: 600 S Saginaw Street, Flint, MI  
Last Real Uses: Pharmacy/Dollar Store/Storage  
Project Cost: \$994,611  
Year Built: 1937  
Total Square Ft. 9,794

## **QUICK OVERVIEW:**

This project a \$600,000 investment in downtown Flint, would create the potential for 10-25 new jobs in downtown Flint. This request would freeze the building to its current taxable value of, \$92,200, for 12 years. This freeze will allow for the project to move forward receiving state and foundation support. The property will after the 12 year mark provide a modest return to the investor. The creation of these 8 new storefront will provide for new income, and business taxes to the city. The city will also be receiving building and business permit fees in association with this building, which would go directly to the city, while the property taxes for this building are subject to the DDA TIF zone. This building will allow for a wide variety of tenants. These tenants could be startups, home business looking for brick and mortar or existing business looking to expand into a new market. In addition one of the spaces will be a "pop up" space allowing for 1 month test of their business in a store front. The hope is that these small businesses will outgrow their space and look to relocate to a larger space in downtown or throughout the city.

## **BACKGROUND:**

The former Perry Drugs building located at 600 S Saginaw Street has been vacant for nearly a decade. This building is situated on a prime corner for development. Located directly across the street from the Dryden (a building currently under construction by Phil Hagerman and company) and the Wade Trim building a mixed use development encompassing several ground floor retail spaces this building is a crucial piece to continued foot traffic in downtown Flint.

### **PROJECT SCOPE:**

The building itself will be converted to an 8 tenant building. The current building is in an unusable state. There are several roof leaks, broken windows, and a stripped out shell. The renovation will require a new roof, 5 new store fronts being cut into the existing façade and white box build out of the spaces. We will furnish each unit with a built out bathroom, water heater, residential style furnace, florescent lighting on the ceiling and storefront hardware. Additionally each unit will be separately metered for gas/electricity and water.

### **DEMAND:**

The 8 retail spaces will allow us to fill an ever growing demand for affordable small retail space in downtown Flint. The building will also present a unique opportunity with the 400 SF unit which will provide "pop-up" space to tenants for short term leases periods. This I believe can help entice more entrepreneurs to open brick and mortar in our downtown as well as be an attraction to visitors generating fresh retail opportunities 1-2 months. The additional spaces will allow for small businesses and start-ups to add to our diverse downtown. We have interest from several potential tenants, a coffee bean roasting company, a local barber looking for more space, and a Credit Union. All would provide a unique experience and enhance the current downtown setting.

### **DESIGN SPECS:**

Gross SF: 9,794 SF,

Leasable SF: 8,998 SF,

Number of Units: 8 Commercial

Range in Size: 443 to 1,847 SF

### **FINANCIAL PROJECTIONS**

#### **Sources:**

Senior Debt*	\$300,000
State MCRP at 20%	\$139,172
URC Building Donation	\$250,000
URC Cash Contribution	\$183,263
Uptown 4 Cash Contribution	\$122,175
<b>GAP</b>	<b>\$ 0</b>
<b>TOTAL</b>	<b>\$994,611</b>

\*75% LTV at 10 year term with 15 year amortization and 5% interest.

#### **Uses:**

Building Acquisition	\$250,000
Hard Construction	\$600,000
Construction Contingency	\$ 48,361
Owner Contingency	\$ 15,000

Environmental	\$ 25,000
Construction Loan Interest	\$ 11,250
Rent up Reserves	\$ 25,000
<u>Soft Costs</u>	<u>\$ 20,000</u>
<b>TOTAL</b>	<b>\$994,611</b>

## 600 South Saginaw



Earthwise  
Design

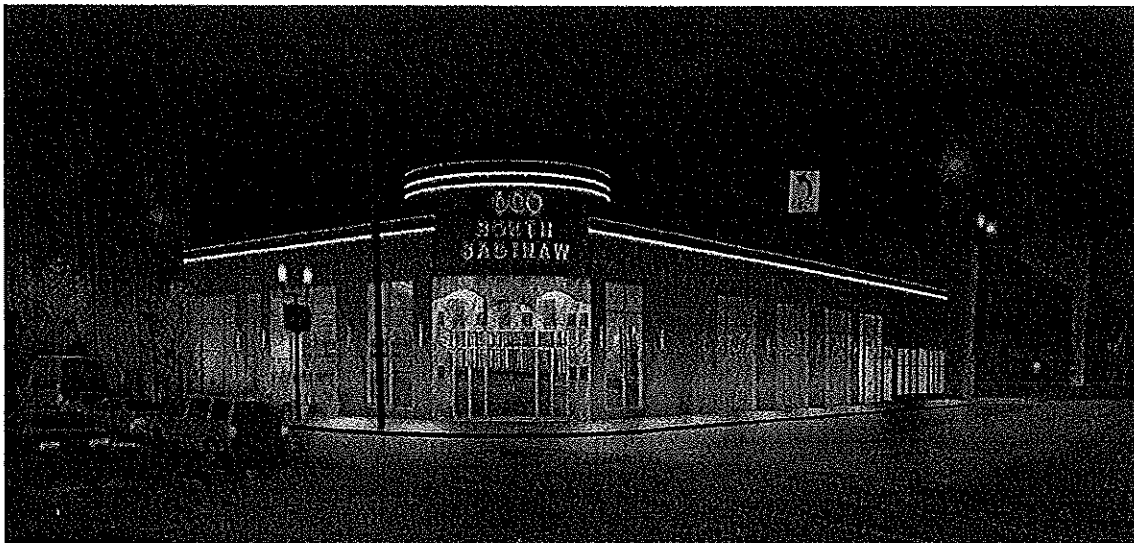


## 600 South Saginaw



Earthwise  
Design

## 600 South Saginaw



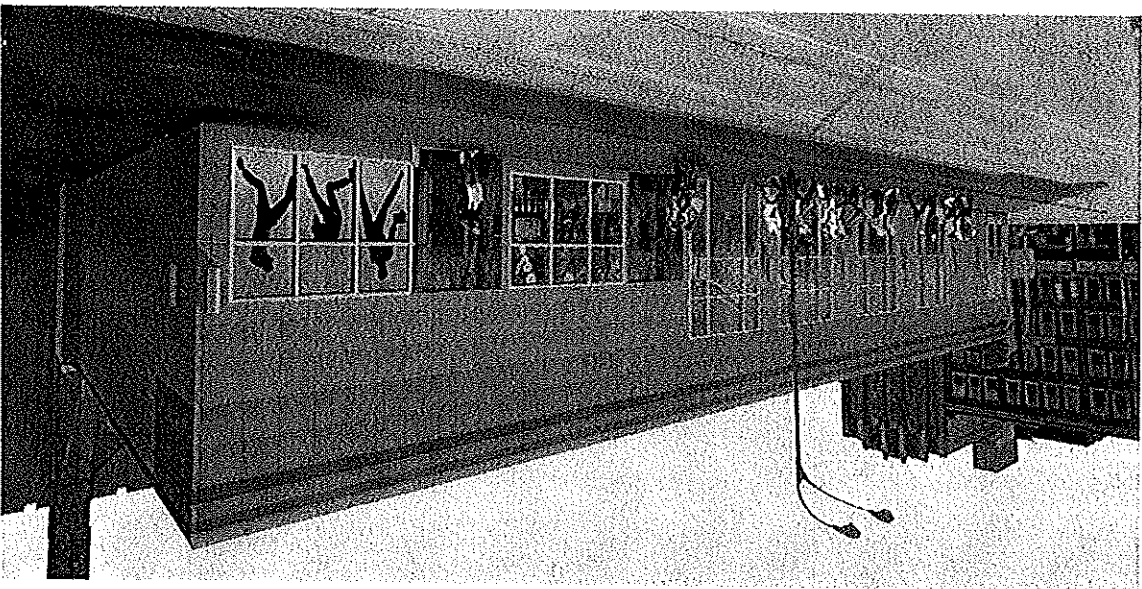
Earthwise  
Design

## 600 South Saginaw

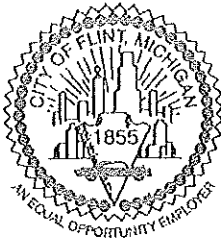


Earthwise  
Design

Earthwise  
Design



600 South Saginaw



OFFICE OF THE CITY COUNCIL

## MEMORANDUM

**TO:** TRANSITION ADVISORY BOARD  
**FROM:** FLINT CITY COUNCIL  
**DATE:** JUNE 5, 2015  
**RE:** DENIAL OF RESOLUTION

Emergency Order 20 section 19 provides for the following:

*Review and act by resolution on proposed economic or redevelopment projects recommended for approval by the City Administrator. In the event that the City Council fails to approve such a recommended action, the Council shall record the rationale for its disapproval in writing and submit this document to the Board within 14 days of the council meeting in which the economic or redevelopment project was voted upon. The Board shall then evaluate the City Administrator's recommendation for the economic or redevelopment project and the City Council's rationale against it. The Board shall select the course of action which, in the Board's sole discretion, best serves the interests of the citizens of the City of Flint. If the Board endorses the proposed economic or redevelopment project, the City shall implement it promptly without Council approval.*

At the regular City Council meeting on May 27, 2015, the City Administrator presented to the City Council for our consideration Resolution 150387.1. This resolution was offered to approve an Obsolete Property Rehabilitation Exemption Certificate for the 600 S. Saginaw St Project.

After some lengthy discussion between Members of Council, the Resolution failed by a vote of 3-5.

Those voting in favor were Councilwoman Poplar, Councilman Kincaid and Council President Freeman.

Those voting against the Resolution were Councilman Mays, Councilman Nelson, Councilman Winfrey, Councilwoman Galloway and Councilwoman VanBuren.

Councilman Davis was absent.

There was an attempt to hold a meeting for reconsideration of this action, There were some Members that did come to different conclusions (both ways), but it was determined that the final outcome would not change from what was previously determined and no meeting was held.

Pursuant to Section 19 of Emergency Order 20, what follows seeks to satisfy the mandate that City Council provide rationale for voting against Resolution 150387.1

While there were many issues raised and reasons given for voting against this Resolution, there were three that continually rose to the top during debate.

First there seemed to be a sense by a Majority of Council that there has been a disproportionate amount of attention and favor given to those who seek to develop our Downtown core. It is no secret that our residents are burdened with a very high tax rate and assessments coupled with water rates that are among the highest in the State if not the Country. Residents can not continue to carry the entire burden alone while those who seek to profit off of development are able to skip out on their share of that burden. It was the consensus of the Majority that until our residents are able to find some relief there should not be any further loss of revenue via abatements that have the potential to cause further burden to our residents.

Second, there was concern about the length of time that the abatement would extend. While the law allows for up to 12 years, there is no requirement that it must be for that length of time. Loosing out on this revenue for 12 years, knowing full well the looming financial difficulties that we continue to face, does not seem prudent. Further, City Council had very limited input during this process since it was initiated while the City was still under an Emergency Manager. It was expressed that if there had been more involvement from the start with City Council and more interaction between all parties involved that perhaps some of these concerns could have been worked through in a way that would have satisfied everyone's concerns. Communication is essential to reaching an agreement and a key party to the negotiations was kept out until it was too late to effectuate changes.

Finally, it was felt that the economic impact, in terms of total jobs gained, was not great enough to warrant an abatement for this dollar amount and for this length of time.

Given these key concerns, the Majority of the City Council respectfully asks that you concur with our conclusion that residents cannot continue to carry the total burden while

others, particularly those developing our Downtown, continue to seek reductions in their burden. Further the Majority asks that you uphold the decision that was made by a duly elected representative Body of this community.

Attachment #26

**Dempkowski, Angela (Treasury)**

---

**From:** Cline, Richard (Treasury)  
**Sent:** Thursday, June 18, 2015 10:14 AM  
**To:** Dempkowski, Angela (Treasury)  
**Subject:** Flint RTAB: OPRA - Act 146 of 2000

[http://www.legislature.mi.gov/\(S\(mgwsy5p1xoz5kbyiqdyviynf\)\)/mileg.aspx?page=getObject&objectName=mcl-Act-146-of-2000](http://www.legislature.mi.gov/(S(mgwsy5p1xoz5kbyiqdyviynf))/mileg.aspx?page=getObject&objectName=mcl-Act-146-of-2000)

Angela,

FYI.

This is a link to the OPRA statute.

I would like to include a copy of this law in the next RTAB packet.

I believe it will give them some context.

Also, all RTAB questions have been sent to the City.

I asked for a response by the next submission date of July 2.

Eric Cline | Department Manager

State of Michigan | Michigan Department of Treasury | Office of Fiscal Responsibility

430 W. Allegan Street, 3rd Floor | Lansing, MI 48922 Lansing Office (517) 335-2078 | Cell Phone (517) 243-8450 |

Traverse City Office (231) 922-5228 E-mail [cliner1@michigan.gov](mailto:cliner1@michigan.gov)

CONFIDENTIALITY NOTICE: This e-mail, and any attachments, is for the sole use of the intended recipient(s) and may contain information that is confidential and protected from disclosure under the law. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail, and delete/destroy all copies of the original message and attachments Thank you.



**OBSOLETE PROPERTY REHABILITATION ACT**  
**Act 146 of 2000**

AN ACT to provide for the establishment of obsolete property rehabilitation districts in certain local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of certain local government officials; and to provide penalties.

History: 2000, Act 146, Imd. Eff. June 6, 2000.

*The People of the State of Michigan enact:*

**125.2781 Short title.**

Sec. 1. This act shall be known and may be cited as the "obsolete property rehabilitation act".

History: 2000, Act 146, Imd. Eff. June 6, 2000.

**125.2782 Definitions.**

Sec. 2. As used in this act:

(a) "Commercial housing property" means that portion of real property not occupied by an owner of that real property that is classified as residential real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, is a multiple-unit dwelling, or is a dwelling unit in a multiple-purpose structure, used for residential purposes. Commercial housing property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to a multiple-unit dwelling or dwelling unit in a multiple-purpose structure, used for residential purposes.

(b) "Commercial property" means land improvements classified by law for general ad valorem tax purposes as real property including buildings and improvements assessable as real property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise. Commercial property shall also include facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise or a multiple-unit dwelling or a dwelling unit in a multiple-purpose structure, used for residential purposes. Commercial property does not include any of the following:

(i) Land.

(ii) Property of a public utility.

(c) "Commission" means the state tax commission created by 1927 PA 360, MCL 209.101 to 209.107.

(d) "Department" means the department of treasury.

(e) "Facility", except as otherwise provided in this act, means a building or group of contiguous buildings.

(f) "Functionally obsolete" means that term as defined in section 2 of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2652.

(g) "Obsolete properties tax" means the specific tax levied under this act.

(h) "Obsolete property" means commercial property or commercial housing property, that is 1 or more of the following:

(i) Blighted, as that term is defined in section 2 of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2652.

(ii) A facility as that term is defined under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.

(iii) Functionally obsolete.

(i) "Obsolete property rehabilitation district" means an area of a qualified local governmental unit established as provided in section 3. Only those properties within the district meeting the definition of "obsolete property" are eligible for an exemption certificate issued pursuant to section 6.

(j) "Obsolete property rehabilitation exemption certificate" or "certificate" means the certificate issued pursuant to section 6.

(k) "Qualified local governmental unit" means 1 or more of the following:

(i) A city with a median family income of 150% or less of the statewide median family income as reported in the 1990 federal decennial census that meets 1 or more of the following criteria:

(A) Contains or has within its borders an eligible distressed area as that term is defined in section 11(u)(ii)

and (iii) of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411.

(B) Is contiguous to a city with a population of 500,000 or more.

(C) Has a population of 10,000 or more that is located outside of an urbanized area as delineated by the United States bureau of the census.

(D) Is the central city of a metropolitan area designated by the United States office of management and budget.

(E) Has a population of 100,000 or more that is located in a county with a population of 2,000,000 or more according to the 1990 federal decennial census.

(ii) A township with a median family income of 150% or less of the statewide median family income as reported in the 1990 federal decennial census that meets 1 or more of the following criteria:

(A) Is contiguous to a city with a population of 500,000 or more.

(B) All of the following:

(I) Contains or has within its borders an eligible distressed area as that term is defined in section 11(u)(ii) of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411.

(II) Has a population of 10,000 or more.

(iii) A village with a population of 500 or more as reported in the 1990 federal decennial census located in an area designated as a rural enterprise community before 1998 under title XIII of the omnibus budget reconciliation act of 1993, Public Law 103-66, 107 Stat. 416.

(iv) A city that meets all of the following criteria:

(A) Has a population of more than 20,000 or less than 5,000 and is located in a county with a population of 2,000,000 or more according to the 1990 federal decennial census.

(B) As of January 1, 2000, has an overall increase in the state equalized valuation of real and personal property of less than 65% of the statewide average increase since 1972 as determined for the designation of eligible distressed areas under section 11(u)(ii)(B) of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411.

(f) "Rehabilitation" means changes to obsolete property other than replacement that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation includes major renovation and modification including, but not necessarily limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, adding additional stories to a facility or adding additional space on the same floor level not to exceed 100% of the existing floor space on that floor level, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the obsolete property to an economically efficient condition. Rehabilitation shall not include improvements aggregating less than 10% of the true cash value of the property at commencement of the rehabilitation of the obsolete property.

(m) "Rehabilitated facility" means a commercial property or commercial housing property that has undergone rehabilitation or is in the process of being rehabilitated, including rehabilitation that changes the intended use of the building. A rehabilitated facility does not include property that is to be used as a professional sports stadium. A rehabilitated facility does not include property that is to be used as a casino. As used in this subdivision, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

(n) "Taxable value" means the value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

History: 2000, Act 146, Imd. Eff. June 6, 2000;—Am. 2006, Act 70, Imd. Eff. Mar. 20, 2006.

### **125.2783 Obsolete property rehabilitation districts; creation; conditions; filing written request; notice and hearing; finding and determination.**

Sec. 3. (1) A qualified local governmental unit, by resolution of its legislative body, may establish 1 or more obsolete property rehabilitation districts that may consist of 1 or more parcels or tracts of land or a portion of a parcel or tract of land, if at the time the resolution is adopted, the parcel or tract of land or portion of a parcel or tract of land within the district is either of the following:

(a) Obsolete property in an area characterized by obsolete commercial property or commercial housing property.

(b) Commercial property that is obsolete property that was owned by a qualified local governmental unit on the effective date of this act, and subsequently conveyed to a private owner.

(2) The legislative body of a qualified local governmental unit may establish an obsolete property

rehabilitation district on its own initiative or upon a written request filed by the owner or owners of property comprising at least 50% of all taxable value of the property located within a proposed obsolete property rehabilitation district. The written request must be filed with the clerk of the qualified local governmental unit.

(3) Before adopting a resolution establishing an obsolete property rehabilitation district, the legislative body shall give written notice by certified mail to the owners of all real property within the proposed obsolete property rehabilitation district and shall afford an opportunity for a hearing on the establishment of the obsolete property rehabilitation district at which any of those owners and any other resident or taxpayer of the qualified local governmental unit may appear and be heard. The legislative body shall give public notice of the hearing not less than 10 days or more than 30 days before the date of the hearing.

(4) The legislative body of the qualified local governmental unit, in its resolution establishing an obsolete property rehabilitation district, shall set forth a finding and determination that the district meets the requirements set forth in subsection (1).

*History: 2000, Act 146, Imd. Bff. June 6, 2000.*

**125.2784 Obsolete property rehabilitation exemption certificate; application; filing; contents; hearing; determination of taxable value.**

Sec. 4. (1) If an obsolete property rehabilitation district is established under section 3, the owner of obsolete property may file an application for an obsolete property rehabilitation exemption certificate with the clerk of the qualified local governmental unit that established the obsolete property rehabilitation district. The application shall be filed in the manner and form prescribed by the commission. The application shall contain or be accompanied by a general description of the obsolete facility and a general description of the proposed use of the rehabilitated facility, the general nature and extent of the rehabilitation to be undertaken, a descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, a time schedule for undertaking and completing the rehabilitation of the facility, a statement of the economic advantages expected from the exemption, including the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment, and information relating to the requirements in section 8.

(2) Upon receipt of an application for an obsolete property rehabilitation exemption certificate, the clerk of the qualified local governmental unit shall notify in writing the assessor of the local tax collecting unit in which the obsolete facility is located, and the legislative body of each taxing unit that levies ad valorem property taxes in the qualified local governmental unit in which the obsolete facility is located. Before acting upon the application, the legislative body of the qualified local governmental unit shall hold a public hearing on the application and give public notice to the applicant, the assessor, a representative of the affected taxing units, and the general public. The hearing on each application shall be held separately from the hearing on the establishment of the obsolete property rehabilitation district.

(3) Upon receipt of an application for an obsolete property rehabilitation exemption certificate for a facility located on property that was owned by a qualified local governmental unit on the effective date of this act, and subsequently conveyed to a private owner, the clerk of the qualified local governmental unit, in addition to the other requirements of this section, shall request the assessor of the local tax collecting unit in which the facility is located to determine the taxable value of the property. This determination shall be made prior to the hearing on the application for an obsolete property rehabilitation exemption certificate held pursuant to subsection (2).

*History: 2000, Act 146, Imd. Bff. June 6, 2000.*

**125.2785 Approval or disapproval of resolution; forward copies.**

Sec. 5. The legislative body of the qualified local governmental unit, not more than 60 days after receipt of the application by the clerk, shall by resolution either approve or disapprove the application for an obsolete property rehabilitation exemption certificate in accordance with section 8 and the other provisions of this act. The clerk shall retain the original of the application and resolution. If approved, the clerk shall forward a copy of the application and resolution to the commission. If disapproved, the reasons shall be set forth in writing in the resolution, and the clerk shall send, by certified mail, a copy of the resolution to the applicant and to the assessor. A resolution is not effective unless approved by the commission as provided in section 6.

*History: 2000, Act 146, Imd. Eff. June 6, 2000.*

**125.2786 Approval or disapproval of resolution by commission; certificate; issuance; form; contents; effective date; filing; maintenance of record of certificates; copy; discovery of error or mistake in application; amended application; failure to forward approved**

**application; duties of commission.**

Sec. 6. (1) Not more than 60 days after receipt of a copy of the application and resolution adopted under section 5, the commission shall approve or disapprove the resolution.

(2) Following approval of the application by the legislative body of the qualified local governmental unit and the commission, the commission shall issue to the applicant an obsolete property rehabilitation exemption certificate in the form the commission determines, which shall contain all of the following:

(a) A legal description of the real property on which the obsolete facility is located.

(b) A statement that unless revoked as provided in this act the certificate shall remain in force for the period stated in the certificate.

(c) A statement of the taxable value of the obsolete property, separately stated for real and personal property, for the tax year immediately preceding the effective date of the certificate after deducting the taxable value of the land and personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14.

(d) A statement of the period of time authorized by the legislative body of the qualified local governmental unit within which the rehabilitation shall be completed.

(e) If the period of time authorized by the legislative body of the qualified local governmental unit pursuant to subdivision (d) is less than 12 years, the exemption certificate shall contain the factors, criteria, and objectives, as determined by the resolution of the qualified local governmental unit, necessary for extending the period of time, if any.

(3) Except as otherwise provided in this section, the effective date of the certificate is the December 31 immediately following the date of issuance of the certificate.

(4) The commission shall file with the clerk of the qualified local governmental unit a copy of the obsolete property rehabilitation exemption certificate, and the commission shall maintain a record of all certificates filed. The commission shall also send, by certified mail, a copy of the obsolete property rehabilitation exemption certificate to the applicant and the assessor of the local tax collecting unit in which the obsolete property is located.

(5) Notwithstanding any other provision of this act, if a qualified local governmental unit passed a resolution approving an application for an obsolete property rehabilitation exemption certificate on November 5, 2008 for a rehabilitated facility located in an obsolete property rehabilitation district established on January 29, 2003 with rehabilitation commencing on July 24, 2007, the effective date of the certificate shall be December 31, 2008.

(6) If an error or mistake in an application for an obsolete property rehabilitation exemption certificate is discovered after the legislative body of the qualified local governmental unit has approved the application or after the commission has issued a certificate for the application, an applicant may submit an amended application in the same manner as an original application under section 4 that corrects the error or mistake. Pursuant to sections 5 and 6, the legislative body of the qualified local governmental unit and the commission may approve or deny the amended application. If the commission previously issued a certificate for the original application and approves an amended application under this subsection, the commission shall issue an amended certificate for the amended application pursuant to section 6 with the same effective date as the original certificate.

(7) If the clerk of the qualified local governmental unit failed to forward an application that was approved by the legislative body of the qualified local governmental unit before October 1 of that year to the commission before October 1 but filed the application before March 30 of the immediately succeeding year and the commission approves the application, notwithstanding any other provision of this act, the certificate shall be considered to be issued on December 31 in the year in which the qualified local governmental unit approved the application.

(8) Beginning October 1, 2013, the commission shall do all of the following for each obsolete property rehabilitation exemption certificate approved or disapproved by the commission under subsection (6) or (7):

(a) Notify the office of the member of the house of representatives of this state and the office of the senator of this state, who represent the geographic area in which the property covered by the application for a certificate is located, that an application for a certificate has been approved or disapproved under subsection (6) or (7).

(b) Publish on its website a copy of the certificate if approved, or a copy of the denial notice if disapproved, under subsection (6) or (7) and whatever additional information the commission considers appropriate regarding the application.

**History:** 2000, Act 146, Imd. Eff. June 6, 2000;—Am. 2010, Act 137, Imd. Eff. Aug. 4, 2010;—Am. 2011, Act 272, Imd. Eff. Dec. 19, 2011;—Am. 2013, Act 115, Imd. Eff. Sept. 24, 2013.

**125.2787 Issuance of certificate; tax exemption; time period; limitation; commencement; extension; review.**

Sec. 7. (1) A rehabilitated facility for which an obsolete property rehabilitation exemption certificate is in effect, but not the land on which the rehabilitated facility is located, or personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, for the period on and after the effective date of the certificate and continuing so long as the obsolete property rehabilitation exemption certificate is in force, is exempt from ad valorem property taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(2) Unless earlier revoked as provided in section 12, an obsolete property rehabilitation exemption certificate shall remain in force and effect for a period to be determined by the legislative body of the qualified local governmental unit. The certificate may be issued for a period of at least 1 year, but not to exceed 12 years. If the number of years determined is less than 12, the certificate may be subject to review by the legislative body of the qualified local governmental unit and the certificate may be extended. The total amount of time determined for the certificate including any extensions shall not exceed 12 years after the completion of the rehabilitated facility. The certificate shall commence with its effective date and end on the December 31 immediately following the last day of the number of years determined. The date of issuance of a certificate of occupancy, if required by appropriate authority, shall be the date of completion of the rehabilitated facility.

(3) If the number of years determined by the legislative body of the qualified local governmental unit for the period a certificate remains in force is less than 12 years, the review of the certificate for the purpose of determining an extension shall be based upon factors, criteria, and objectives that shall be placed in writing, determined and approved at the time the certificate is approved by resolution of the legislative body of the qualified local governmental unit and sent, by certified mail, to the applicant, the assessor of the local tax collecting unit in which the obsolete property is located, and the commission.

History: 2000, Act 146, Imd. Eff. June 6, 2000.

**125.2788 Taxable value of property proposed to be exempt; application; limitation; separate finding by legislative body of qualified local governmental unit; statement; requirements for approval of application; effective date of certificate.**

Sec. 8. (1) If the taxable value of the property proposed to be exempt pursuant to an application under consideration, considered together with the aggregate taxable value of property exempt under certificates previously granted and currently in force under this act or under 1974 PA 198, MCL 207.551 to 207.572, exceeds 5% of the taxable value of the qualified local governmental unit, the legislative body of the qualified local governmental unit shall make a separate finding and shall include a statement in its resolution approving the application that exceeding that amount shall not have the effect of substantially impeding the operation of the qualified local governmental unit or impairing the financial soundness of an affected taxing unit.

(2) The legislative body of the qualified local governmental unit shall not approve an application for an obsolete property exemption certificate unless the applicant complies with all of the following requirements:

(a) Except as otherwise provided in subsection (3), the commencement of the rehabilitation of the facility does not occur before the establishment of the obsolete property rehabilitation district.

(b) The application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of this act and that shall be situated within an obsolete property rehabilitation district established in a qualified local governmental unit eligible under this act to establish such a district.

(c) Completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated.

(d) The applicant states, in writing, that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

(e) The applicant is not delinquent in the payment of any taxes related to the facility.

(3) The legislative body of a qualified local governmental unit may approve an application for an obsolete property exemption certificate if the commencement of the rehabilitation of the facility occurs before the establishment of the obsolete property rehabilitation district and if 1 or more of the following are met:

(a) All of the following are met:

(i) The building permit for the rehabilitation of the facility was obtained in October 2002.

(ii) The obsolete property rehabilitation district was created in April 2002.

(iii) The rehabilitation of the facility included adding additional stories to the facility.

- (b) All of the following are met:
  - (i) Emergency or temporary repairs or improvements were made before the establishment of the obsolete property rehabilitation district.
  - (ii) The obsolete property rehabilitation district was created in January 2006.
  - (iii) The facility is located in a city with a population of more than 20,500 and less than 27,000 and is located in a county with a population of more than 95,000 and less than 105,000.
- (c) All of the following are met:
  - (i) Roof repairs or improvements were completed in March 2006 before the establishment of the obsolete property rehabilitation district.
  - (ii) The obsolete property rehabilitation district was created in April 2006.
  - (iii) The application was submitted to the qualified local governmental unit in April 2006.
  - (iv) The facility is located in a city with a population of more than 10,800 and less than 11,100 and is located in a county with a population of more than 39,000 and less than 42,000.
- (d) All of the following are met:
  - (i) The building permit for the rehabilitation of the facility was obtained in September 2010.
  - (ii) The obsolete property rehabilitation district was created in October 2012.
  - (iii) The rehabilitation of the facility included renovation of the entire interior building structure and mold removal.
- (e) All of the following are met:
  - (i) Roof repairs or improvements began before the establishment of the obsolete property rehabilitation district.
  - (ii) The application for the facility was submitted to the qualified local governmental unit in January 2010.
  - (iii) The qualified local governmental unit established the district in June 2010 and approved the certificate in October 2010.
  - (iv) The facility is located in a city with a population of more than 600,000 and is located in a county with a population of more than 1,800,000, according to the most recent decennial census.
- (4) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (3)(a), (b), and (c), the effective date of the certificate shall be December 31, 2006.
- (5) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (3)(d), the effective date of the certificate shall be December 31, 2011.
- (6) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (3)(e), the effective date of the certificate shall be December 31, 2010.

**History:** 2000, Act 146, Imd. Eff. June 6, 2000;—Am. 2006, Act 667, Imd. Eff. Jan. 10, 2007;—Am. 2008, Act 504, Imd. Eff. Jan. 13, 2009;—Am. 2013, Act 265, Eff. Mar. 14, 2014.

#### **125.2789 Value and taxable value of property; annual determination.**

Sec. 9. The assessor of each qualified local governmental unit in which there is a rehabilitated facility with respect to which 1 or more obsolete property rehabilitation exemption certificates have been issued and are in force shall determine annually as of December 31 the value and taxable value, both for real and personal property, of each rehabilitated facility separately, having the benefit of a certificate and upon receipt of notice of the filing of an application for the issuance of a certificate, shall determine and furnish to the local legislative body the value and the taxable value of the property to which the application pertains and other information as may be necessary to permit the local legislative body to make the determinations required by section 8(2).

**History:** 2000, Act 146, Imd. Eff. June 6, 2000.

#### **125.2790 Obsolete properties tax; amount; collection, disbursement, and assessment; payment; copy of disbursement amount; form; property located in renaissance zone; exemption of rehabilitated facility of qualified start-up business from tax collection; resolution; "qualified start-up business" defined.**

Sec. 10. (1) There is levied upon every owner of a rehabilitated facility to which an obsolete property rehabilitation exemption certificate is issued a specific tax to be known as the obsolete properties tax.

(2) The amount of the obsolete properties tax, in each year, shall be determined by adding the results of both of the following calculations:

- (a) Multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the

rehabilitated facility is located by the taxable value of the real and personal property of the obsolete property on the December 31 immediately preceding the effective date of the obsolete property rehabilitation exemption certificate after deducting the taxable valuation of the land and of personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, for the tax year immediately preceding the effective date of the obsolete property rehabilitation exemption certificate.

(b) Multiplying the mills levied for school operating purposes for that year under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, and the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, by the taxable value of the real and personal property of the rehabilitated facility, after deducting all of the following:

(i) The taxable value of the land and of the personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14.

(ii) The taxable value used to calculate the tax under subdivision (a).

(3) The obsolete properties tax shall be collected, disbursed, and assessed in accordance with this act.

(4) The obsolete properties tax is an annual tax, payable at the same times, in the same installments, and to the same officer or officers as taxes imposed under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, are payable. Except as otherwise provided in this section, the officer or officers shall disburse the obsolete properties tax payments received by the officer or officers each year to and among this state, cities, school districts, counties, and authorities, at the same times and in the same proportions as required by law for the disbursement of taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(5) For intermediate school districts receiving state aid under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount of obsolete property tax that would otherwise be disbursed to an intermediate school district, all or a portion, to be determined on the basis of the tax rates being utilized to compute the amount of state aid, shall be paid to the state treasury to the credit of the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(6) The amount of obsolete property tax described in subsection (2)(a) that would otherwise be disbursed to a local school district for school operating purposes, and all of the amount described in subsection (2)(b), shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(7) The officer or officers shall send a copy of the amount of disbursement made to each unit under this section to the commission on a form provided by the commission.

(8) A rehabilitated facility located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, is exempt from the obsolete properties tax levied under this act to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except for that portion of the obsolete properties tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. The obsolete properties tax calculated under this subsection shall be disbursed proportionately to the taxing unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff.

(9) Upon application for an exemption under this subsection by a qualified start-up business, the governing body of a local tax collecting unit may adopt a resolution to exempt a rehabilitated facility of a qualified start-up business from the collection of the obsolete properties tax levied under this act in the same manner and under the same terms and conditions as provided for the exemption in section 7hh of the general property tax act, 1893 PA 206, MCL 211.7hh. The clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit and the legislative body of each taxing unit that levies ad valorem property taxes in the local tax collecting unit. Before acting on the resolution, the governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing. If a resolution authorizing the exemption is adopted in the same manner as provided in section 7hh of the general property tax act, 1893 PA 206, MCL 211.7hh, the rehabilitated facility owned or operated by a qualified start-up business is exempt from the obsolete properties tax levied under this act, except for that portion of the obsolete properties tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff, for the year in which the resolution is adopted. A qualified start-up business is not eligible for an exemption under this subsection for more than 5 years. A qualified start-up business may receive the exemption under this subsection in nonconsecutive years. The obsolete properties tax calculated under this subsection shall be disbursed proportionately to the taxing unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. As used in this subsection, "qualified start-up business" means that term as defined in section 31a of the single business tax act, 1975 PA 228, MCL 208.31a, or in section 415 of the

Michigan business tax act, 2007 PA 36, MCL 208.1415.

History: 2000, Act 146, Imd. Eff. June 6, 2000;—Am. 2004, Act 251, Imd. Eff. July 23, 2004;—Am. 2007, Act 193, Imd. Eff. Dec. 21, 2007.

#### **125.2791 Lien; proceedings.**

Sec. 11. The amount of the tax applicable to real property, until paid, is a lien upon the real property to which the certificate is applicable. Proceedings upon the lien as provided by law for the foreclosure in the circuit court of mortgage liens upon real property may commence only upon the filing by the appropriate collecting officer of a certificate of nonpayment of the obsolete properties tax applicable to real property, together with an affidavit of proof of service of the certificate of nonpayment upon the owner of the facility by certified mail, with the register of deeds of the county in which the property is situated.

History: 2000, Act 146, Imd. Eff. June 6, 2000.

#### **125.2792 Revocation of certificate; findings.**

Sec. 12. The legislative body of the qualified local governmental unit may, by resolution, revoke the obsolete property rehabilitation exemption certificate of a facility if it finds that the completion of rehabilitation of the facility has not occurred within the time authorized by the legislative body in the exemption certificate or a duly authorized extension of that time, or that the holder of the obsolete property exemption certificate has not proceeded in good faith with the operation of the rehabilitated facility in a manner consistent with the purposes of this act and in the absence of circumstances that are beyond the control of the holder of the exemption certificate.

History: 2000, Act 146, Imd. Eff. June 6, 2000.

#### **125.2793 Transfer and assignment of certificate.**

Sec. 13. An obsolete property rehabilitation exemption certificate may be transferred and assigned by the holder of the certificate to a new owner of the rehabilitated facility if the qualified local governmental unit approves the transfer after application by the new owner.

History: 2000, Act 146, Imd. Eff. June 6, 2000.

#### **125.2794 Report to commission.**

Sec. 14. Not later than October 15 each year, each qualified local governmental unit granting an obsolete property rehabilitation exemption shall report to the commission on the status of each exemption. The report must include the current value of the property to which the exemption pertains, the value on which the obsolete property rehabilitation tax is based, a current estimate of the number of jobs retained or created by the exemption, and a current estimate of the number of new residents occupying commercial housing property units covered by the exemption.

History: 2000, Act 146, Imd. Eff. June 6, 2000.

#### **125.2795 Report to legislative committees.**

Sec. 15. (1) The department annually shall prepare and submit to the committees of the house of representatives and senate responsible for tax policy and economic development issues a report on the utilization of obsolete property rehabilitation districts, based on the information filed with the commission.

(2) After this act has been in effect for 3 years, the department shall prepare and submit to the committees of the house of representatives and senate responsible for tax policy and economic development issues an economic analysis of the costs and benefits of this act in the 3 qualified local governmental units in which it has been most heavily utilized.

History: 2000, Act 146, Imd. Eff. June 6, 2000.

#### **125.2796 Exemption after December 31, 2016.**

Sec. 16. A new exemption shall not be granted under this act after December 31, 2016, but an exemption then in effect shall continue until the expiration of the exemption certificate.

History: 2000, Act 146, Imd. Eff. June 6, 2000;—Am. 2010, Act 137, Imd. Eff. Aug. 4, 2010.

#### **125.2797 Exclusions; limitation.**

Sec. 17. (1) Within 60 days after the granting of an obsolete property rehabilitation exemption certificate under section 6 for a rehabilitated facility, the state treasurer may, for a period not to exceed 6 years, exclude up to 1/2 of the number of mills levied for school operating purposes under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, and under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, from the specific tax calculation on the facility under section 10(2)(b) if the state treasurer determines that



reducing the number of mills used to calculate the specific tax under section 10(2)(b) is necessary to reduce unemployment, promote economic growth, and increase capital investment in qualified local governmental units.

(2) The state treasurer shall not grant more than 25 exclusions under this section each year.

**History:** 2000, Act 146, Imd. Eff. June 6, 2000.

Attachment # 3a 150448

CAO 18 2015

PRESENTED: 6-2-15

ADOPTED:

*Resolution Authorizing the City of Flint officials to do all things necessary to process a Budget Amendment for the Public Safety 911 Department*

**BY THE CITY ADMINISTRATOR:**

Due to the City's Public Safety 911 services being extended from June 30, 2015 to August 31, 2015, it is necessary that appropriated funds be moved from various police line items to the Public Safety 911 line items for the FY-16 budget; and

The Public Safety 911 Department asks that the following transactions take place to facilitate the budget amendment:

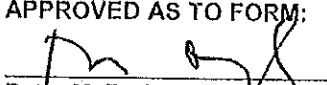
AMOUNT	TRANSFER FROM	TRANSFER TO
\$32,945.00	101-305.200-702.000	101-325.100-702.000
\$3,456.00	101-305.200-719.100	101-325.100-719.100
\$6,179.00	101-305.200-719.200	101-325.100-719.200
\$42,580.00		


AMOUNT	911 SURCHARGE REVENUE	Expense
\$160,339.00	101-325.100-629.000	
\$88,977.55		101-325.100-702.000
\$36,979.37		101-325.100-709.000
\$5,451.53		101-325.100-719.100
\$28,843.47		101-325.100-719.200
\$87.08		101-325.100-719.310
\$160,339.00		

IT IS RESOLVED, That the Police Department and Public Safety 911 Department's FY-16 Budget shall be amended to transfer appropriated funds from the aforementioned line items above in the respective amounts.

BE IT FURTHER RESOLVED, That FY-16 estimated 911 Surcharge Revenue in the amount of \$160,339.00 be recognized and that appropriation in like amount be allocated to the aforementioned line items above.

APPROVED AS TO FORM:

  
Peter M. Bade, City Attorney

  
Natasha L. Henderson, City Administrator

APPROVED AS TO FINANCE:

  
Dawn Steele, Deputy Finance Director

DATED: 6-2-2015

## RESOLUTION STAFF REVIEW FORM

---

**DATE:** 06/01/15

**Agenda Item Title:** Budget Amendment

**Prepared By:** Rick Johnson, Police Financial Coordinator

**Background/Summary of Proposed Action:** Public Safety 911 services has been extended from June 30, 2015 to August 31, 2015. It is necessary that appropriated funds be moved from Police Department line items to the Public Safety 911 Department to cover cost for the extended two months. These needed appropriations for 911 was initially budgeted in the Police Departments Identification Bureau and are being moved back to the 911 line items.

**Financial Implications:** There is no increase in funding. Funds will come from budgeted amounts in the Police budget and from 911 Surcharge Revenues.

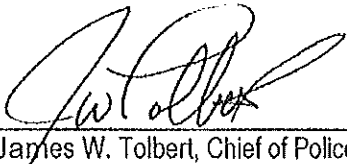
**Budgeted Expenditure?** Yes ☐ No ☐ Please explain if no:

**Account No.:**

**Pre-encumbered?** Yes ☒ No ☐ Requisition #

**Other Implications (i.e., collective bargaining):** None

**Staff Recommendation:** Recommend Approval

**Staff Person:**   
James W. Tolbert, Chief of Police

Attachment #2c

**FROM: Natasha L. Henderson**  
**City Administrator**

Fred Headen:

Eric:

I have the following three questions:

1. The June 9, 2015, memorandum from the City Administrator indicated that, if the exemption is granted, the estimated annual revenue increase to the City will be approximately \$1,872 to \$4,617. This appears to be based upon future income tax revenue which is estimated to be the identical dollar range. The memorandum also indicated that the property in question paid \$1,917.26 in property taxes to the City for 2014. Will the property continue to pay property tax on the existing valuation (as opposed to new valuation resulting from the proposed renovations) during the 12-year term of the exemption?

Yes, the existing valuation will be utilized, which is the benefit of the OPRA.

2. The memorandum estimated 10-25 jobs will be created if the exemption is granted. Are these jobs expected to be created initially, or in the aggregate over the 12-year term of the exemption?

Varies, depending upon the tenants of the building and how many employees of the businesses.

3. If the exemption is granted, will the written agreement contain a claw-back provision governing what will occur in the event the estimated new jobs are not created (e.g., that the exemption may be revoked)?

No claw-back, as the exemption would go away if the building is sold. Further, the OPRA is not tied to jobs created, as there is not a City approved formula. The OPRA would only be of benefit to the company if the property is rehabilitated. A formula is normally created and utilized in communities that are in high-demand and do not have a vast vacancy rate.

Thanks.

Fred

David McGhee:

Richard,

Thank you. Please see below:

1. Has city council explored the possibility, with Uptown, of an arrangement that would be less than the full "up to" twelve years?

Yes, the project will not move forward if the full 12 years is not granted.

2. Has city council explored the possibility of and "community benefits" opportunities? This would possibly address some of their concerns.

If the City adopts a "community benefits" structure, this will be applicable to any OPRA, and in my professional opinion, the City is not in a position to make this a requirement, as the City has the highest tax and water rate in the County, in addition to aged infrastructure, thereby qualifying numerous properties as obsolete.

3. Has city council wrestled with the fact that this proposal locks in the current rate for a number of years - in which the city would receive a steady amount of tax revenue, versus the building remaining vacant, as it has been for years, and the tax revenue received potentially declining as the value might decline considering more years of vacancy?

Please refer to Council's response.

Best,  
David McGhee

**Brian Larkin:**

Eric,

My questions are for Council:

1. In order to grant an OPRA abatement an Obsolete Property Rehabilitation District must first be created. During the April 27<sup>th</sup> meeting The Council voted 7-1 in favor of creating the OPR district. The district consists of two buildings covering contiguous space. What was the purpose behind the approval of creating the district?

An OPRA district can only be utilized to grant certificates.

2. Is the purpose of their denial to completely block the OPRA from going through or to have impact in addressing their three points of contention outlined in their denial letter? As it pertains to their points

- a. This seems to be an overarching policy issue and I'm not sure the connection between this specific OPRA and Residents carrying additional burden of for profit development. In order for this abatement to result in a loss of revenue as stated then alternative development must occur. Is it the belief of the council that other forms of development are currently in place that will occur of an equivalent size absent a tax abatement?

Please refer to Council's response.

- b. As it pertains to the years has there been consideration to proposing a 10 year max as opposed to 12? This number is in line with the max years for Commercial Rehabilitation credits.

No, as this is not a request for commercial rehabilitation credits.

- c. Given the concerns of the economic impact as it relates to abatement amount. The abatement amount appears to be based on the value of development as opposed to the amount of general fund dollars diverted. Is it the position of the council that given the amount of jobs proposed that they would prefer less development to keep the taxable value of the site down? If so that seems counterproductive.

Please refer to Council's response.

3. What alternatives to accepting this resolution as currently constituted are they proposing? Has the council considered Community Benefits Agreements (before they are legislatively removed)?

No alternative was presented, as URC will not be moving forward with the project if the OPRA is not granted. A "community benefits agreement" can only be considered if the company is willing to accept it and I'm not aware that the company would accept.

**Dr. Walker-Griffea:**

Here are my questions.

1. Has the City denied this type of exemption to any other businesses since 2005?

Not that I am aware of.

2. Do the investors requesting the exemption have other properties with this type of exemption? If so, how many years are left in the 12 year process? What has been the investors' track record in creating jobs and new revenue streams for the City with those properties?

I do not have information pertaining to this Company's other holdings, as the City does not have requirements adopted to make the decision about their disposition on an OPRA based on other investments of the company, so I did not make this a factor in favorably presenting the company's request for the OPRA certificate. I am not aware of the company's track record in creating jobs, as there are not any OPRAs within the City requiring job creation to obtain an OPRA.

Please refer to Council's response for more details.

3. What will the City's revenue projection be for this property based on new income, business taxes, business and building permit fees described in the quick overview?

This information has been provided as an attachment to the CA memorandum, absent the building permit fees. The building permit fees are based on a fee schedule that pays for staff time, so revenue would not be realized by inspection fees.

4. What is the estimated amount of modest return projections for the investor described in the quick overview?

The information provided attached to the CA memorandum contains the information.

5. Can the exemption be granted for less than 12 years?

Yes, however this project will not move forward with less than 12 years.



Frequently Asked Questions  
Obsolete Property Rehabilitation Act  
(PA 146 of 2000, as amended)

The following frequently asked questions are being provided as a service to assessors and taxpayers to better inform them about the administration of Public Act 146 of 2000, as amended.

**Note:** The information contained in these frequently asked questions constitutes an analysis of one or more statutes and not legal advice. Since the analysis is limited to general statutory requirements, individual facts may result in different conclusions being reached. Therefore, individuals may wish to consult legal counsel.

**1. What is an Obsolete Property Rehabilitation Exemption?**

The Obsolete Property Rehabilitation Act (OPRA), PA 146 of 2000, as amended, provides tax exemptions for commercial and commercial housing properties that are rehabilitated and meet the requirements of the Act. Properties must meet eligibility requirements including a statement of obsolescence by the local assessor. The property must be located in an established Obsolete Property Rehabilitation District. Exemptions are approved for a term of 1-12 years as determined by the local unit of government. The property taxes for the rehabilitated property are based on the previous year's (prior to rehabilitation) taxable value. The taxable value is frozen for the duration of the exemption. Additionally, the State Treasurer may approve reductions of half of the school operating and state education taxes for a period not to exceed 6 years for 25 applications annually. Applications are filed, reviewed and approved by the local unit of government, but are also subject to review at the State level by the Property Services Division. The State Tax Commission (STC) is responsible for final approval and issuance of OPRA certificates. Exemptions are not effective until approved by the STC.

**2. Who establishes an Obsolete Property Rehabilitation District?**

The legislative body of a qualified local governmental unit may establish an Obsolete Property Rehabilitation District on its own initiative or upon a written request filed by the owner(s) of property comprising at least 50% of all taxable value of the property located within the proposed Obsolete Property Rehabilitation District.

**3. How do I apply for an Obsolete Property Rehabilitation Exemption Certificate?**

An application for the Obsolete Property Rehabilitation Exemption can be found at the Michigan Department of Treasury website: [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions).

File two (2) copies of the completed application and all attachments with the clerk of the local governmental unit where the property is located. You must meet the following qualifications of the Act:

- a. The property must be located within a qualified local governmental unit defined under MCL 125.2782(k).

Frequently Asked Questions  
Obsolete Property Rehabilitation Act  
(PA 146 of 2000, as amended)

- b. The property must be located within an obsolete property rehabilitation district defined under MCL 125.2782(i)
- c. The property has been determined by the assessor to be an obsolete property defined under MCL 125.2782(h).

**4. Are there provisions in the application process which are time sensitive?**

Yes. To guarantee same year approval, applications must be completed and received by the State Tax Commission no later than October 31<sup>st</sup>. Applications received after October 31<sup>st</sup> will be processed based on staff availability.

**5. Who determines if a facility qualifies for an Obsolete Property Rehabilitation Exemption Certificate?**

Initially, that determination is made when the application is filed and reviewed by the local governmental unit. However, the local governmental unit's determination is reviewed and either approved, modified, or denied by the State Tax Commission (STC). The STC determination is based partly on the assessor's statement of obsolescence, which requires the assessor to visit the site and determine that the property is obsolete.

**6. Can an application for an Obsolete Property Rehabilitation Exemption Certificate be denied?**

Yes. An application can be denied at the local governmental unit level or by the State Tax Commission if all of the requirements were not met by the applicant.

**7. Can a decision of the State Tax Commission (STC) regarding an Obsolete Property Rehabilitation Exemption Certificate be appealed?**

No. Public Act 146 of 2000, as amended, does not give taxpayers appeal rights.

**8. What is the term of an Obsolete Property Rehabilitation Exemption Certificate?**

The certificate may be issued for a period of at least 1 year, but not more than 12 years. The total amount of time determined for the certificate, including any extensions, shall not exceed 12 years after the completion of the rehabilitated facility. The certificate shall commence with its effective date and end on the December 30<sup>th</sup> immediately following the last day of the number of years approved.

**9. What determines the starting date of an Obsolete Property Rehabilitation Exemption Certificate?**

The effective date of the certificate is December 31<sup>st</sup> immediately following the date of issuance of the certificate by the State Tax Commission.

Frequently Asked Questions  
Obsolete Property Rehabilitation Act  
(PA 146 of 2000, as amended)

**10. How is the tax computed on a rehabilitated facility?**

Calculating the obsolete property's tax is a two-step process.

First, multiply the total mills levied as ad valorem taxes for that year by all taxing units by the taxable value of the real property (excluding land) for the tax year immediately preceding the effective date of the obsolete property rehabilitation exemption.

Second, multiply the local school district operating and state education tax mills by the difference between the taxable value of the real property (excluding land) for the current tax year and the taxable value of the real property (excluding land) for the tax year immediately preceding the effective date of the exemption. Within sixty (60) days after the granting of an obsolete property rehabilitation exemption certificate, the State Treasurer may exempt 50% of these mills for a period of not to exceed six (6) years. The State Treasurer will not grant more than 25 of these exemptions each year.

**11. Are special assessment millage rates impacted by the granting of an Obsolete Property Rehabilitation Act exemption?**

Special assessment millage rates may be impacted. Millage-based special assessments levied under Public Act 33 of 1951 do not apply to property with an Obsolete Property Rehabilitation Act exemption. However, the special assessment would still be applicable to the land on which the Obsolete Property Rehabilitation Act exemption property is located. Conversely, for millage-based special assessments levied under public acts other than Public Act 33 of 1951, property with an Obsolete Property Rehabilitation Act exemption pays on the full special assessment millage rate, the same as any "ad valorem" property.

**12. What happens when an incomplete application for an Obsolete Property Rehabilitation Exemption Certificate is received?**

The applicant will be contacted to submit the required items.

**13. Can an Obsolete Property Rehabilitation Exemption Certificate be transferred?**

Yes. A certificate may be transferred and assigned by the holder of the certificate to a new owner of the rehabilitated facility if the qualified local governmental unit approves the transfer after application by the new owner.

**14. Can an Obsolete Property Rehabilitation Exemption Certificate (OPREC) be revoked? If yes, who holds the authority to do so?**

Yes. The legislative body of the qualified local governmental unit may, by resolution, revoke the Obsolete Property Rehabilitation Exemption Certificate of a facility if it finds

Frequently Asked Questions  
Obsolete Property Rehabilitation Act  
(PA 146 of 2000, as amended)

that the completion of rehabilitation of the facility has not occurred within the time authorized by the legislative body in the exemption certificate or a duly authorized extension of that time has not been received. In addition, the certificate may be revoked if the holder of the OPREC has not proceeded in good faith with the operation of the rehabilitated facility in a manner consistent with the purposes of this act and in the absence of circumstances that are beyond the control of the holder of the exemption certificate.

**15. When does the revocation of an Obsolete Property Rehabilitation Exemption Certificate take effect?**

The revocation of an Obsolete Property Rehabilitation Exemption Certificate is effective the December 31<sup>st</sup> of the year in which the local governmental unit resolves to revoke the certificate.

**16. What is the definition of “commercial property”?**

MCL 125.2782(b) defines “commercial property” as:

“Land improvements classified by law for general ad valorem tax purposes as real property including buildings and improvements assessable as real property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206; MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise. Commercial property shall also include facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise or a multiple-unit dwelling or a dwelling unit in a multiple-purpose structure, used for residential purposes. Commercial property **does not** include any of the following: land or property of a public utility.” (Emphasis added)

**17. What is the definition of “obsolete property”?**

MCL 125.2782(h) defines “obsolete property” as:

“Commercial property or commercial housing property that is 1 or more of the following:

- i. Blighted, as that term is defined in section 2 of the brownfield redevelopment financing act, 1996 PA 381; MCL 125.2652;

Frequently Asked Questions  
Obsolete Property Rehabilitation Act  
(PA 146 of 2000, as amended)

- ii. A facility as that term is defined under section 20101 of the natural resources and environmental protection act, 1994 PA 451; MCL 324.20101; and
- iii. Functionally obsolete.”

**18. What is the definition of “rehabilitation”?**

“Rehabilitation” is defined by MCL 125.2782(l) as:

“changes to obsolete property other than replacement that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation includes major renovation and modification including, but not necessarily limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, adding additional stories to a facility or adding additional space on the same floor level not to exceed 100% of the existing floor space on that floor level, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the obsolete property to an economically efficient condition. Rehabilitation shall not include improvements aggregating less than 10% of the true cash value of the property at commencement of the rehabilitation of the obsolete property.”

**19. What is the definition of “rehabilitated facility”?**

MCL 125.2782(m) defines “rehabilitated facility” as:

“commercial property or commercial housing property that has undergone rehabilitation or is in the process of being rehabilitated, including rehabilitation that changes the intended use of the building. A rehabilitated facility does not include property that is to be used as a professional sports stadium or casino.” (Emphasis added)

**20. What is required of the Local Governmental Unit regarding the yearly status reporting of Obsolete Property Rehabilitation Exemptions to the State Tax Commission?**

Not later than October 15<sup>th</sup> of each year, each local governmental unit granting an Obsolete Property Rehabilitation Exemption shall report to the commission on the status of each exemption. The report must include the current value of the property to which

Frequently Asked Questions  
Obsolete Property Rehabilitation Act  
(PA 146 of 2000, as amended)

the exemption pertains, the value on which the obsolete property rehabilitation tax is based, a current estimate of the number of jobs retained or created by the exemption, and a current estimate of the number of new residents occupying commercial housing property units covered by the exemption.

**21. Where can I obtain copies of previously issued Obsolete Property Rehabilitation Exemption Certificates?**

Copies of certificates acted upon by the State Tax Commission after January 1, 2013 are available on the Department of Treasury website at: [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions). Choose the exemption program under which the certificate was issued. Within the "Certificate Activity" link, the certificates are listed according to the date they were acted upon.

Council Rational

Brian Larkin,

1. Councilman Eric Mays did not vote to create the OPRA District on April 27, 2015. The purpose of creating the OPRA District on April 27, 2015 was to at some point in the future grant the OPRA Exemption Certificate after the applicant came before Council and gave detailed factual information as to the proposed projects. That did not and has not happened. The Council meets as a body in a "open public meeting" by law. Uptown and the Regional Chamber Leadership has failed and/or refused to come before this Legislative Body at all times pertinent hereto. The Emergency Manager Law has wrongfully taken this

Council's Legislative Power to do our "due diligence". The Charter gives this Legislative Body the same power to hold "hearings" as the Legislative Bodies in Lansing and Washington, but the Emergency Managers and, now, the City Administrator will not allow us to use our "investigative hearing" "due diligence" tool.

2. The rationale for denial was and is until Council can "properly function" and perform adequate "due diligence" the vote is no.

a. No, that is not the belief. (See question 2.c)

b. There has been a proposal of fewer than 12 years by Council. (See question 2.b.)

c. The Council is in favor of development of the site and request certain decision make come before Council to discuss details.



3. First, the Council REQUESTS the opportunity to do its CHARTER give "due diligence" in a "public meeting" as REQUIRED pursuant to the Open Meetings Act. The City Administrator, Mayor and the Applicants SEEM not to understand and/or RESPECT the REQUEST of the Council to "inquire" in a "Council Meeting" vs behind closed doors. We should be able to ask our questions on RECORD and in a "public meeting". We asked certain RELEVANT "decision makers" to come before us. They have REFUSED at all times PERTINENT hereto.

The Council's rational as to this OPRA REQUEST was to say to the City Administrator the Mayor, the Applicant, the Council President the RTAB and the public that if this Legislative Body cannot do its "due diligence" that a "No" vote is our only choice.

Councilman Mays was told in no uncertain terms his Legislative "inquiry" would not be granted.

FREDERICK HEADEN,

If you look at the Council Rational that is primarily contained in the answers to Brian Larkin's questions it will answer your question, hopefully. I could not answer whether or not Uptown will continue to pay \$1,917.26 in property taxes, whether they would move forward without the Exemption, scrap the project, sell the property, etc. because the Council was denied "due diligence" at all times pertaining hereto.

David McGhee,

1. The Council has explored and "inquired" of an arrangement that would be less than twelve years.
2. The Council has not discussed "community benefits" opportunities. (SEE Brian Larkin answers)
3. (SEE the answers to Brian Larkin's questions)  
The Council did not have the opportunity to adequately "inquire" as to the buildings remaining vacant at all time pertinent hereto.

Dated: 7-1-2015

Eric Mays  
Eric Mays

## City of Flint, Michigan

Third Floor, City Hall  
1101 S. Saginaw Street  
Flint, Michigan 48502  
[www.cityofflint.com](http://www.cityofflint.com)



### Meeting Minutes 2 - Final

Monday, June 8, 2015

6:14 PM

RTAB SUMMARY

Council Chambers

### CITY COUNCIL

*Joshua M. Freeman, President, Ward 4*  
*Wantwaz D. Davis, Vice President, Ward 5*

*Eric Mays, Ward 1*

*Kerry Nelson, Ward 3*

*Monica Galloway, Ward 7*

*Jacqueline Poplar, Ward 2*

*Herbert J. Winfrey, Ward 6*

*Victoria VanBuren, Ward 8*

*Scott Kincaid, Ward 9*

*Inez M. Brown, City Clerk*

## ROLL CALL

**Present:** Councilperson: Councilperson Poplar, Freeman, Councilperson Winfrey, Councilperson Galloway, Councilperson VanBuren, Councilperson Kincaid and Councilperson Mays

**Absent:** Councilperson: Councilperson Nelson and Davis

## PUBLIC HEARINGS

**150392**      Amendment/Ordinance/Chapter 46 [Utilities]/Article III [Rates and Charges]/Division I [Water]

An ordinance to amend the Code of the City of Flint by amending Chapter 46 [Utilities], Article III [Rates and Charges], Division I [Water] by amending and restating existing Section 46-52.2 [When Bills Due; Interest on Past Due Amount].

**HEARING HELD**

## RESOLUTIONS

**150439**      Acceptance of Payments/Financial Transaction Devices/Various Departments

Resolution resolving that the City Council hereby authorizes acceptance of payments by financial transaction devices (primarily credit and debit cards) at the Customer Service Center, the Police Department and the Building Inspections Division, and that the City Treasurer and Deputy City Treasurer shall be jointly responsible for approving a policy providing for the procedures and internal controls and determining the types of financial transaction devices that may be accepted in accordance with all applicable laws, as requested by Treasury.

**A motion was made by Councilperson Kincaid, seconded by Councilperson Mays, that this matter be Adopted. The motion carried by the following vote:**

**Aye:** 7 - Councilperson Poplar, Chairperson Freeman, Councilperson Winfrey, Councilperson Galloway, Councilperson VanBuren, Councilperson Kincaid and Councilperson Mays

**Absent:** 2 - Councilperson Nelson and Vice President Davis

**150448**      FY2016/Budget Adjustment (Amendment)/Transfer of Funds/Public Safety/911

Resolution resolving that the Police Department and Public Safety's 911 Department shall have their FY2016 budgets amended to transfer appropriated funds from the aforementioned line items in the respective amounts, AND, resolving that the FY2016 estimated 911 Surcharge Revenue in the amount of \$160,339.00 be recognized, and that appropriation in like amount be allocated to the aforementioned line items, as requested by Police. [NOTE: \$42,580.00 is being transferred to and from General Fund accounts as follows: from 101-305.200-702.000 to 101-325.100-702.000 = \$32,945.00; from

101-305.200-719.100 to 101-325.100-719.100 = \$3,456.00; and from 101-305.200-719.200 to 101-325.100-719.200 = \$6,179.00. The \$160,339.00 will come from the following General Fund accounts: 101-325.100-702.000 = \$88,977.55; 101-325.100-709.000 = \$36,979.37; 101-325.100-719.100 = \$5,451.53; 101-325.100-719.200 = \$28,843.47; and 101-325.100-719.310 = \$87.08.] [NOTE: The adjustment is due to the city's 911 services being extended from June 30, 2015, to August 31, 2015.]

A motion was made by Councilperson Mays, seconded by Councilperson Kincaid, that this matter be Adopted. The motion carried by the following vote:

Aye: 7 - Councilperson Poplar, Chairperson Freeman, Councilperson Winfrey, Councilperson Galloway, Councilperson VanBuren, Councilperson Kincaid and Councilperson Mays

Absent: 2 - Councilperson Nelson and Vice President Davis

## ORDINANCES - Second Reading

150392 Amendment/Ordinance/Chapter 46 [Utilities]/Article III [Rates and Charges]/Division I [Water]

An ordinance to amend the Code of the City of Flint by amending Chapter 46 [Utilities], Article III [Rates and Charges], Division I [Water] by amending and restating existing Section 46-52.2 [When Bills Due; Interest on Past Due Amount].

*Councilperson Mays added to the motion that Ordinance No. 150392 be amended and adopted to take "immediate effect."*

A motion was made by Councilperson Mays, seconded by Councilperson Kincaid, that this matter be PASSED. The motion carried by the following vote:

Aye: 6 - Councilperson Poplar, Councilperson Winfrey, Councilperson Galloway, Councilperson VanBuren, Councilperson Kincaid and Councilperson Mays

No: 1 - Chairperson Freeman

Absent: 2 - Councilperson Nelson and Vice President Davis

## City of Flint, Michigan

Third Floor, City Hall  
1101 S. Saginaw Street  
Flint, Michigan 48502  
[www.cityofflint.com](http://www.cityofflint.com)



### Meeting Minutes 2 - Final

Monday, June 22, 2015

6:04 PM

RTAB SUMMARY

Council Chambers

### CITY COUNCIL

*Joshua M. Freeman, President, Ward 4*  
*Wantwaz D. Davis, Vice President, Ward 5*

*Eric Mays, Ward 1*

*Kerry Nelson, Ward 3*

*Monica Galloway, Ward 7*

*Jacqueline Poplar, Ward 2*

*Herbert J. Winfrey, Ward 6*

*Victoria VanBuren, Ward 8*

*Scott Kincaid, Ward 9*

*Inez M. Brown, City Clerk*



## ROLL CALL

Present: Councilperson: Councilperson Poplar, Councilperson Nelson, Freeman, Davis, Councilperson Winfrey, Councilperson Galloway, Councilperson VanBuren, Councilperson Kincaid and Councilperson Mays

## PUBLIC HEARINGS

150396.2      Public Hearing//Industrial Facilities Exemption Certificate (IFEC)/General Motors LLC/Body Shop - 3100 Van Slyke

A Public Hearing to consider an Industrial Facilities Exemption Certificate (IFEC) for General Motors LLC shall be held on the 22nd day of June, 2015, in City Council Chambers, 3rd Floor, City Hall, 1101 S. Saginaw Street, Flint.

HEARING HELD

## RESOLUTIONS

150396.1      Approval/Industrial Facilities Exemption Certificate (IFEC)/General Motors, LLC/Body Shop/3100 Van Slyke

Resolution resolving that the Flint City Council finds and determines that the granting of the IFEC, considered with the aggregate State Equalized Valuation of property exempt under certificates previously granted and currently in force, pursuant to Act 198 of the Public Acts of 1974, as amended, shall not have the effect of substantially impeding the operation of the City of Flint, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes for the City of Flint; AND, that the application from General Motors, LLC for an IFEC, with respect to a new facility (at 3100 Van Slyke) situated within an Industrial Development District, and the same is hereby approved, AND, that forece and effect for a period of 12 years in addition to a three-year construction period, AND, resolving that the appropriate city officials are hereby authorized to execute the Tax Abatement Agreement with the applicant specifying the conditions/recourses of the IFEC, as requested by the Department of Community and Economic Development (DCED). [City Administrator Submission No. CA0082015.]

Adopted

Substituted

A motion was made by Vice President Davis, seconded by Councilperson Mays, that this matter be POSTPONED for July 14, 2015. The motion failed by the following vote:

Aye: 2 - Vice President Davis and Councilperson Mays

No: 7 - Councilperson Poplar, Councilperson Nelson, Chairperson Freeman, Councilperson Winfrey, Councilperson Galloway, Councilperson VanBuren and Councilperson Kincaid

A motion was made by Councilperson Kincaid, seconded by Councilperson Nelson, that this matter be Adopted. The motion carried by the following vote:

**Aye:** 6 - Councilperson Poplar, Councilperson Nelson, Chairperson Freeman, Councilperson Winfrey, Councilperson VanBuren and Councilperson Kincaid

**No:** 2 - Vice President Davis and Councilperson Galloway

**Absent:** 1 - Councilperson Mays

150471

Grant Agreement/City of Flint/Genesee County/Environmental Protection Agency Brownfield Revolving Loan Fund/Chevy Commons

Resolution resolving that the appropriate city officials are hereby authorized to do all things necessary to enter into a Grant Agreement with Genesee County, attached hereto and made a part thereof, and adhere to the terms and conditions therein. [NOTE: Genesee County is the recipient of the Environmental Protection Agency's (EPA) Brownfield Revolving Loan Fund (BRLF). The city wishes to enter into a Grant Agreement with Genesee County in order for the county to grant \$400,000.00 from the BRLF to the city for the purpose of improvements to city-owned land commonly known as Chevy-in-the-Hole. The Genesee County Land Bank Authority will administer the grant and hire contractors for the work.] [City Administrator Submission No. CA0252015.]

Amended

150472

Agreement Amendment/City of Flint/Genesee County Land Bank Authority/Management/Environmental Protection Agency Brownfield Revolving Loan Fund/Chevy Commons

Resolution resolving that the City of Flint enters into an Agreement Amendment with the Genesee County Land Bank Authority (GCLBA) in order to allow the GCLBA to manage an additional \$400,000.00 in funding from the Environmental Protection Agency Brownfield Revolving Loan Fund (BRLF) as well as future grant funds to the city for improvements to the property specified in the Agreement. [NOTE: The city entered into an agreement with GCLBA relative to five parcels of real property located in the city and commonly known as Chevy-in-the-Hole. Under the agreement, the GCLBA will complete work utilizing grant funds, including \$1.6 million from an Environmental Protection Agency's (EPA) Brownfield Revolving Loan Fund (BRLF), as a subgrant from Genesee County to the City. [City Administrator Submission No. CA0262015]

Amended

## RESOLUTIONS - MAY BE REFERRED FROM COTW

150484.1

CA0202015 - Resolution to Extend ONIX Networking Corporation Professional Services Contract Change Order No. 5 in an Amount Not to Exceed \$2,292.50 for a Revised Contract Amount of \$153,589.50.

This Matter was ADOPTED BY THE MASTER RESOLUTION on the Consent Agenda.

- 150471.1 Amended Resolution/Grant Agreement/City of Flint/Genesee County/Environmental Protection Agency Brownfield Revolving Loan Fund/Chevy Commons

Resolution resolving that the appropriate city officials are hereby authorized to do all things necessary to enter into a Grant Agreement with Genesee County, attached hereto and made a part thereof, and adhere to the terms and conditions therein. [NOTE: Resolution amended to add "BY THE MAYOR".]

This Matter was ADOPTED BY THE MASTER RESOLUTION on the Consent Agenda.

- 150472.1 Amended Resolution/Agreement Amendment/City of Flint/Genesee County Land Bank Authority/Management/Environmental Protection Agency Brownfield Revolving Loan Fund/Chevy Commons

Resolution resolving that the City of Flint enters into an Agreement Amendment with the Genesee County Land Bank Authority (GCLBA) in order to allow the GCLBA to manage an additional \$400,000.00 in funding from the Environmental Protection Agency Brownfield Revolving Loan Fund (BRLF) as well as future grant funds to the city for improvements to the property specified in the Agreement. [NOTE: Resolution amended to add "BY THE MAYOR".]

This Matter was ADOPTED BY THE MASTER RESOLUTION on the Consent Agenda.

### Passed The Consent Agenda

A motion was made by Councilperson Kincaid, seconded by Councilperson Nelson, including all the preceding items marked as having been adopted on a Consent Agenda. The motion carried by the following vote:

Aye: 8 - Councilperson Poplar, Councilperson Nelson, Chairperson Freeman, Vice President Davis, Councilperson Winfrey, Councilperson VanBuren, Councilperson Kincaid and Councilperson Mays

Absent: 1 - Councilperson Galloway

## **City of Flint, Michigan**

*Third Floor, City Hall  
1101 S. Saginaw Street  
Flint, Michigan 48502  
[www.cityofflint.com](http://www.cityofflint.com)*



### **Meeting Minutes 2 - Final**

**Monday, June 29, 2015**

**5:36 PM**

**RTAB SUMMARY**

**Council Chambers**

### **SPECIAL CITY COUNCIL**

*Joshua M. Freeman, President, Ward 4  
Wantwaz D. Davis, Vice President, Ward 5*

*Eric Mays, Ward 1*

*Kerry Nelson, Ward 3*

*Monica Galloway, Ward 7*

*Jacqueline Poplar, Ward 2*

*Herbert J. Winfrey, Ward 6*

*Victoria VanBuren, Ward 8*

*Scott Kincaid, Ward 9*

*Inez M. Brown, City Clerk*

**ROLL CALL**

**Present:** Councilperson Mays, Councilperson Poplar, Councilperson Nelson, Councilperson Freeman, Vice President Davis, Councilperson Winfrey and Councilperson Galloway

**Absent:** Councilperson VanBuren and Councilperson Kincaid

**RESOLUTIONS**

**150488** Resolution to Authorize Budget Amendments (FY2015)

CA2082015 - Resolution Authorizing Amendments to the FY15 Budget.

**Adopted**

**Substituted**

A motion was made by Councilperson Mays, seconded by Councilperson Nelson, that this matter be Amended. The motion carried by the following vote:

**Aye:** 7 - Councilperson Mays, Councilperson Poplar, Councilperson Nelson, Councilperson Freeman, Vice President Davis, Councilperson Winfrey and Councilperson Galloway

**Absent:** 2 - Councilperson VanBuren and Councilperson Kincaid

**150488.1** Amended Resolution/Resolution to Authorize Budget Amendments (FY2015)

An Amended Resolution Authorizing Amendments to the FY15 Budget. [NOTE: The City of Flint 4th Quarter Budget Amendments for the Fiscal Year Ending June 30, 2015 document, as presented to the City Council, was amended by the Council to take \$200,000.00 from the Proposed Amended Budget 6/29/2015 Ending Fund Balance of \$495,153.00 for the purpose of grass cutting.]

A motion was made by Councilperson Mays, seconded by Councilperson Nelson, that this matter be **ADOPTED AS AMENDED**. The motion carried by the following vote:

**Aye:** 7 - Councilperson Mays, Councilperson Poplar, Councilperson Nelson, Councilperson Freeman, Vice President Davis, Councilperson Winfrey and Councilperson Galloway

**Absent:** 2 - Councilperson VanBuren and Councilperson Kincaid

**City of Flint, Michigan**  
**Office of the City Administrator**

# Memo

**To:** Receivership Transition Advisory Board (RTAB)  
**From:** Natasha L. Henderson, City Administrator *N.L.H.*  
**cc:** Mayor Dayne Walling  
**Date:** July 1, 2015  
**Re:** Special City Council Meeting, June 29, 2015, Item #1

---

## **Fiscal Year (FY) 2015 Fourth Quarter Budget Amendment**

I am requesting that the RTAB reconsider Council action taken on Item No. 1 in reference to the FY2015 Fourth Quarter Budget Amendments, as such action is not in compliance with Fund Balance Policy Ordinance No. 3851 and Budget Stabilization Ordinance No. 3853 that were adopted by the Council and Emergency Manager Order. Council was presented Fourth Quarter Budget Amendments on June 29, 2015, in accordance with the Uniform Budget and Accounting Act, which aligns budgeted revenues and expenditures for the FY2015 year-end. The budget amendments that were presented to Council resulted in a \$495,153.00 general fund balance and \$1 million unrestricted general fund balance, which is less than 3 percent of the general fund budget of \$51.3 million. Council did not approve the amendments as presented, however Council approved an amendment to the amendments, which allocated \$200,000.00 of the \$495,153.00 fund balance to grass abatement. Council's action would result in a reserve of less than 2.5 percent of the general fund budget of \$51.3 million. However, the Fund Balance Policy states that ***the City shall maintain unrestricted reserves in an amount equal to no less than twelve percent (12%) and no more than fifteen percent (15%) of budgeted general fund expenditures at all times***, therefore approving the budget amendments presented by Council is not in compliance with the adopted Fund Balance Policy Ordinance. It is important that Council understand that operating with such a low fund balance can be of great detriment to the City and that decisions to allocate fund balance should not be made unless at least twelve percent (12%)

of the City's general fund revenue is maintained in accordance with the Fund Balance Policy Ordinance. Accordingly, I have attached financial stability ordinances for your review.

The act of Council to amend the FY2015 Fourth Quarter Budget Amendments was not advised and is of great concern for a number of reasons. The Executive Leadership Team has been working diligently to coordinate efforts between the County Land Bank, community agencies and cross-departmental staff support in order to address the urgent need of grass abatement within the constraints of the FY2016 adopted budget. Additionally, prior to June 29<sup>th</sup>, City staff had begun to review and identify funding available within the balanced FY2016 budget that might expedite the procurement of equipment for community use and escalate the efforts of third-party contractors already assisting the City in grass abatement. In total, the resources identified as budgeted without any budget amendment total approximately \$140,000.00.

It is important for all parties to be aware that, while the City of Flint has emerged from Receivership, the City's position is far from stable and remains in a climate of financial uncertainty. There are a number of major challenges that could threaten, if not devastate, the City's financial solvency in the immediate future.

For instance:

- An adverse outcome of the Federal lawsuit over retiree healthcare could result in increased costs of more than \$5 million annually.
- The Police and Fire and Neighborhood Police special millages expire in 2017. Combined, these special millages provide approximately \$5 million in financing for the City's public safety. Without the renewal, the current level of public safety services will not be maintained.
- In May 2015, the City received notification from the 'State' Tax Commission that a complete reappraisal of real property located within city limits is required. The initial estimate received to perform a project of this magnitude was returned at an estimated cost of \$3 million.

Council's Vision for the City of Flint is to create "a well-managed, financially stable, and accountable government focused on creating and maintaining a vibrant and growing community which will attract and retain residents, businesses, students, and visitors and improve our quality of life." In order to provide a stable environment in which to grow, ordinances adopted regarding the City's Fund Balance Policy and Budget Stabilization Fund were adopted. The City's Fund Balance Policy clearly outlines the City's intention to build and maintain a general fund reserve of 12-15% of budgeted expenditures at all times. The projected ending general fund balance, per the proposed fourth quarter amendments, would create a fund balance of less than 3% of FY2016 budgeted expenditures. With the uncertainties the City faces and the requirement to support the cost of a City-wide appraisal, the City is not in a financial position to spend the fund balance it has just begun to establish.

Over the past few years, many difficult decisions were necessary to balance the budget and eliminate the accumulated general fund deficit. In order to maintain this incredible progress, the

Mayor, Council and Administration must work together to demonstrate that all of the actions taken by them assure that the City remains on a path to fiscal stability. Given the aforementioned information, I am requesting that the RTAB review and approve the FY2015 Fourth Quarter Budget Amendments, as proposed, which will allow the City to continue to develop a workable plan to address grass abatement within the FY2016 budget, without decreasing the general fund balance, in accordance with the Fund Balance Policy.



140851

ORDINANCE NO. 3851

An Ordinance to amend the Code of the City of Flint by amending Chapter 18, Taxation; Funds; Purchasing, by adding Article X, Fund Balance Policy.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF FLINT:

Sec. 1. That the Code of the City of Flint shall be amended by amending Chapter 18, Taxation; Funds; Purchasing, by adding Article X, Fund Balance Policy, which shall read in its entirety as follows:

*ARTICLE X. FUND BALANCE POLICY*

**§18-41 ESTABLISHMENT AND POLICY GUIDELINES.**

A. IT IS THE POLICY OF THE CITY TO MAINTAIN UNRESTRICTED RESERVES IN AN AMOUNT EQUAL TO NO LESS THAN TWELVE PERCENT (12%) AND NO MORE THAN FIFTEEN PERCENT (15%) OF BUDGETED GENERAL FUND EXPENDITURES AT ALL TIMES. THE RESERVES SHALL BE MAINTAINED IN THE FUND BALANCES OF THE GENERAL FUND AND THE BUDGET STABILIZATION FUND, PROVIDED HOWEVER, THAT A LEAST AN AMOUNT EQUAL TO FIVE PERCENT (5%) OF BUDGETED GENERAL FUND EXPENDITURES WILL BE MAINTAINED IN THE GENERAL FUND.

B. IT IS FURTHER THE POLICY OF THE CITY TO MAINTAIN NO LESS THAN EIGHT HUNDRED THOUSAND DOLLARS (\$800,000.00) IN UNRESTRICTED RESERVES IN THE PUBLIC IMPROVEMENT FUND AT ALL TIMES.

C. IF EVENTS NECESSITATE THAT THE COMBINED BALANCES DROP BELOW TWELVE PERCENT (12%) OF GENERAL FUND EXPENDITURES, ANNUAL APPROPRIATIONS OF A MINIMUM OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) WILL BE MADE UNTIL THE TWELVE PERCENT (12%) TARGET IS REACHED. IN THE EVENT THAT COMBINED RESERVES ARE PROJECTED TO EXCEED FIFTEEN PERCENT (15%) OF GENERAL FUND REVENUES, THE EXCESS AMOUNT WILL BE USED TO SUPPLEMENT RETIREE HEALTHCARE PREFUNDING. THE USE OF, AND APPROPRIATIONS TO, THE BUDGET STABILIZATION FUND ARE GOVERNED BY THE CITY'S BUDGET STABILIZATION ORDINANCE.

D. IF EVENTS NECESSITATE THAT THE UNRESTRICTED RESERVES IN THE PUBLIC IMPROVEMENT FUND DROP BELOW EIGHT HUNDRED THOUSAND DOLLARS (\$800,000.00), FUTURE YEARS' APPROPRIATIONS SHALL BE FOUR HUNDRED THOUSAND DOLLARS (\$400,000.00) LESS THAN THE PROPERTY TAX REVENUES RECEIVED FROM THE DEDICATED MILLAGE UNTIL THE EIGHT HUNDRED

THOUSAND DOLLAR (\$800,000.00)  
TARGET IS REACHED.

Sec. 2. This ordinance shall become  
immediately effective upon publication.

Adopted this 1st day of  
March, 2015 A.D.

\_\_\_\_\_  
Darnell Earley, Emergency Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Peter M. Bade, City Attorney

EM SUBMISSION NO.: \_\_\_\_\_

PRESENTED: \_\_\_\_\_

ADOPTED: \_\_\_\_\_

S:\Ordinance Files\Fund Balance Policy Ordinance 10.23.14.docx

140853

ORDINANCE NO. 3853

An Ordinance to amend the Code of the City of Flint by amending Chapter 18, Taxation; Funds; Purchasing, by adding Article VIII, Budget Stabilization Fund.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF FLINT:

Sec. 1. That the Code of the City of Flint shall be amended by amending Chapter 18, Taxation; Funds; Purchasing, by adding Article VIII, Budget Stabilization Fund, which shall read in its entirety as follows:

*ARTICLE VIII. BUDGET STABILIZATION FUND*

**§18-30 ESTABLISHMENT.**

PURSUANT TO THE BUDGET STABILIZATION FUND, PUBLIC ACT 30 OF 1978, THERE IS HEREBY ESTABLISHED A BUDGET STABILIZATION FUND (THE "FUND") FOR THE CITY OF FLINT (THE "CITY"). THE FUND SHALL BE SEPARATE AND DISTINCT FROM THE CITY'S GENERAL FUND, AS DICTATED BY THE STATE OF MICHIGAN UNIFORM CHART OF ACCOUNTS. APPROPRIATIONS TO THE FUND AND EXPENDITURES FROM THE FUND SHALL BE MADE AS PROVIDED IN THIS ORDINANCE AND SHALL COMPLY WITH THE REQUIREMENTS OF PUBLIC ACT 30 OF 1978, AS AMENDED, BEING MCL 141.441 ET SEQ.

**§18-31 DEFINITIONS.**

AS USED IN THIS SECTION:

*BUDGETED EXPENDITURES.* MONEY

PREVIOUSLY APPROPRIATED BY ACTION OR UNDER AUTHORITY OF COUNCIL AND SHALL NOT INCLUDE UNAPPROPRIATED COST INCREASES WHICH MAY ARISE OR RESULT FROM LABOR NEGOTIATION, ORDER OF ARBITRATION OR BINDING MEDIATION.

*ESTIMATED EXPENSES.* IN REGARD TO PREPARING A BUDGET FOR AN ENSUING FISCAL YEAR, *ESTIMATED EXPENSES* SHALL NOT INCLUDE EXPENSE INCREASES ARISING FROM LABOR NEGOTIATION, ORDER OF ARBITRATION, OR BINDING MEDIATION.

*FISCAL YEAR.* THE CITY'S FISCAL YEAR, BEGINNING JULY 1 AND ENDING JUNE 30.

*FUND.* THE BUDGET STABILIZATION FUND ESTABLISHED UNDER THIS ORDINANCE.

**§18-32 APPROPRIATIONS:**

1. COMMENCING WITH THE CITY'S FISCAL YEAR 2015-2016, OR AT THE BEGINNING OF THE NEXT FISCAL YEAR AFTER WHICH THE GENERAL FUND HAS A POSITIVE FUND BALANCE IN AN AMOUNT WHICH IS AT LEAST FIVE PERCENT (5%) OF THE PREVIOUS YEAR'S GENERAL FUND REVENUES, AND CONTINUING IN EACH FISCAL YEAR THEREAFTER, CITY COUNCIL, BY TWO-THIRDS VOTE OF THE MEMBERS SERVING, UPON RECOMMENDATION OF THE MAYOR, MAY APPROPRIATE BY RESOLUTION TO THE FUND ALL OR PART OF A SURPLUS IN THE GENERAL FUND RESULTING FROM AN EXCESS OF

REVENUE IN COMPARISON TO EXPENSES. SURPLUS IN THE GENERAL FUND SHALL BE DETERMINED WHEN THE FISCAL YEAR AUDIT IS COMPLETE, AND FOR PURPOSES OF THIS ORDINANCE, SHALL REFER TO EXCESS OF REVENUES OVER EXPENSES THAT RESULT IN A POSITIVE FUND BALANCE IN THE GENERAL FUND THAT IS GREATER THAN FIVE PERCENT (5%) OF THE PREVIOUS YEAR'S GENERAL FUND REVENUES.

2. THE CITY SHALL NOT IMPOSE ADDITIONAL TAXES PRODUCING REVENUES IN EXCESS OF THAT NEEDED FOR ITS ESTIMATED BUDGET IN ORDER TO PROVIDE FOR MONEY TO BE APPROPRIATED TO THE FUND. EARNINGS OF MONIES IN THE FUND SHALL BE RETURNED TO THE CITY'S GENERAL FUND.

3. THE AMOUNT OF MONEY IN THE FUND SHALL NOT EXCEED EITHER FIFTEEN PERCENT (15%) OF THE CITY'S MOST RECENT GENERAL FUND BUDGET, AS ORIGINALLY ADOPTED, OR FIFTEEN PERCENT (15%) OF THE AVERAGE OF THE CITY'S FIVE MOST RECENT GENERAL FUND BUDGETS, AS AMENDED, WHICHEVER IS LESS.

4. THE CONSIDERATION OF ANNUAL APPROPRIATIONS SHALL TAKE INTO ACCOUNT THE CITY'S FINANCIAL GOAL OF MAINTAINING A FINANCIAL RESERVE EQUAL TO OR EXCEEDING FIFTEEN PERCENT (15%) OF GENERAL FUND REVENUES, AS

CONTAINED IN THE STATE APPROVED DEFICIT ELIMINATION PLAN, DATED JULY 16, 2014

5. THE MONEY IN THE FUND MAY BE INVESTED AS PROVIDED BY LAW, WITH THE EARNINGS OF THE FUND TO BE RETURNED TO THE CITY'S GENERAL FUND.

6. IF THE MONEY IN THE FUND EXCEEDS THE MAXIMUM AMOUNT PERMITTED, THE EXCESS MONEY SHALL BE APPROPRIATED IN THE CITY'S NEXT GENERAL FUND BUDGET, BUT SHALL NOT BE APPROPRIATED TO THE FUND.

#### §18-33. EXPENDITURES:

MONEY IN THE FUND MAY BE APPROPRIATED BY RESOLUTION OF CITY COUNCIL ADOPTED BY A TWO-THIRDS VOTE OF THE MEMBERS SERVING ON CITY COUNCIL, ACTING UPON THE RECOMMENDATION OF THE MAYOR, FOR THE FOLLOWING PURPOSES:

1. TO COVER A GENERAL FUND DEFICIT, SHOULD THE CITY'S ANNUAL AUDIT REVEAL A DEFICIT; AND

2. TO PREVENT A REDUCTION IN THE LEVEL OF PUBLIC SERVICES AT ANY TIME IN THE FISCAL YEAR, WHEN THE CITY'S BUDGETED REVENUE IS NOT BEING COLLECTED IN AN AMOUNT SUFFICIENT TO COVER BUDGETED EXPENDITURES; AND

3. TO PREVENT A REDUCTION IN THE LEVEL OF PUBLIC SERVICES

WHEN, IN PREPARING THE BUDGET FOR THE NEXT FISCAL YEAR, THE CITY'S ESTIMATED REVENUE DOES NOT APPEAR SUFFICIENT TO COVER ESTIMATED EXPENSES; AND

4. TO COVER EXPENSES ARISING BECAUSE OF A NATURAL DISASTER, INCLUDING FLOOD, FIRE OR TORNADO. HOWEVER, IF FEDERAL OR STATE FUNDS ARE RECEIVED TO OFFSET THE APPROPRIATIONS FROM THE FUND, SUCH FUNDS SHALL BE RETURNED TO THE FUND.

THE MONEY IN THE FUND SHALL NOT BE APPROPRIATED FOR THE ACQUISITION, CONSTRUCTION, OR ALTERATION OF A FACILITY AS PART OF A GENERAL CAPITAL IMPROVEMENT PROGRAM.

§§ 18-34 THROUGH 18-39 RESERVED.

Sec. 2. This ordinance shall become immediately effective upon publication.

Adopted this 1st day of March, 2015 A.D., 2014 A.D.

Darnell Earley, Emergency Manager

APPROVED AS TO FORM:

Peter M. Bade, City Attorney

EM SUBMISSION NO.: \_\_\_\_\_

PRESENTED: \_\_\_\_\_

ADOPTED: \_\_\_\_\_

S:\Ordinance Files\Budget Stabilization Ordinance 09.11.14.docx

Attachment #6



Dayne Walling  
Mayor

**CITY OF FLINT, MICHIGAN**  
**Department of Finance**

Natasha L. Henderson  
City Administrator

Jody N. Lundquist  
Finance Director

Dawn Steele  
Deputy Finance Director

DATE: June 23, 2015  
TO: Natasha L. Henderson  
City Administrator

FROM: Jody Lundquist

RE: Budget to Actual Revenue and Expenditure Report

Please find attached for your review the City of Flint's Budget to Actual Revenue and Expenditure Report for the period ending May 31, 2015 with the Cash and Investment Account Summary as of April 30, 2015 for the RTAB as required by Emergency Manger Order 20.

The Finance Team is working diligently to implement policies and procedures that will ensure timely reconciliation of all City bank accounts within two weeks of month end. Once delivery methods and availability of account statements have been addressed, future Budget to Actual and Cash Summary reports will be provided for the same reporting period.

Please let me know if you have any questions or concerns.

Thank you,

Jody N. Lundquist

**CITY OF FLINT**  
**BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT**  
**FOR THE PERIOD ENDING MAY 31, 2015**

ACCOUNT DESCRIPTION	2013-14		2014-15		YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDOGT USED
	AMENDED BUDGET	YTD BALANCE 05/31/2014	AMENDED BUDGET				
<b>Fund 101 - General Fund</b>							
Property Taxes	4,622,000.00	4,658,320.68	4,970,000.00	4,492,063.97	477,936.03	90.38	
Special assessment taxes	97,941.00	67.87	16,655.84	16,655.84	-	100.00	
Income taxes	14,731,796.00	10,790,641.80	13,000,000.00	11,407,081.23	1,592,918.77	87.75	
Interest and dividend income	150,000.00	41,179.00	235,000.00	82,361.99	152,638.01	35.05	
State revenues	16,826,365.60	12,040,216.16	18,663,176.52	13,089,161.09	5,574,015.43	70.13	
Charges for service rendered	10,218,680.75	9,045,996.51	7,835,464.78	7,078,103.36	757,361.42	90.33	
Other revenues	537,750.00	253,392.76	534,603.00	612,907.30	(78,304.30)	114.65	
Drawings from fund balance	(999,999.88)	-	(1,000,000.00)	-	(1,000,000.00)	-	
Fines and forfeitures	1,825,000.00	1,728,407.30	1,862,746.00	1,366,657.33	496,088.67	73.37	
License and Permits	1,121,448.00	905,603.98	1,306,926.00	899,107.52	407,818.48	68.80	
Unclassified	-	26,133.79	256,500.00	119,216.87	137,283.13	46.48	
Federal revenues	-	162,433.83	-	-	-	-	
Proceeds from sale of capital assets	-	-	500.00	500.00	-	100.00	
Transfers in	4,577,998.00	5,887,998.00	3,777,998.00	4,209,887.11	(431,889.11)	111.43	
Proceeds from loan	-	-	-	7,000,000.00	(7,000,000.00)	100.00	
TOTAL REVENUES	53,708,979.47	45,540,391.68	51,459,570.14	50,373,703.61	1,085,866.53	97.89	
General government	8,619,831.21	6,450,630.42	20,657,068.35	17,613,122.55	3,043,945.80	85.26	
Legislative	373,225.00	318,270.26	429,775.00	359,153.89	70,621.11	83.57	
Judicial	5,201,872.66	4,796,497.83	3,964,720.57	3,622,685.50	342,035.07	91.37	
Police	22,026,659.32	19,417,818.57	12,995,895.87	11,524,738.30	1,471,157.57	88.68	
Emergency dispatch	3,745,525.00	2,991,718.43	2,489,900.00	2,198,843.27	291,056.73	88.31	
Fire	11,276,566.90	9,391,783.75	5,856,259.07	5,208,966.05	647,293.02	88.95	
Community development	453,174.34	373,297.01	798,478.14	655,165.48	143,312.66	82.05	
Transportation	450.00	415.31	-	-	-	-	
Facilities and Maintenance	1,207,381.08	1,026,777.48	1,410,498.83	1,112,617.49	297,881.34	78.88	
Transfers out	775,169.96	539,169.96	412,701.00	297,347.12	115,353.88	72.05	
TOTAL EXPENDITURES	53,679,855.47	45,306,379.02	49,015,296.83	42,592,639.65	6,422,657.18	86.90	
NET OF REVENUES/EXPENDITURES	29,124.00	234,012.66	2,444,273.31	7,781,063.96	(5,336,790.65)		

CITY OF FLINT  
BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT  
FOR THE PERIOD ENDING MAY 31, 2015

ACCOUNT DESCRIPTION	2013-14 AMENDED BUDGET	YTD BALANCE 05/31/2014	2014-15 AMENDED BUDGET	YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDGT USED
<b>Fund 202 - Major Street Fund</b>						
State revenues	6,606,855.00	5,428,768.64	6,886,680.00	5,778,320.14	1,108,359.86	83.91
Charges for service rendered	31,506.00	22,762.79	26,506.00	21,279.15	5,226.85	80.28
Other revenues	228,391.20	68,638.63	216,931.46	25,662.11	191,269.35	11.83
Drawings from fund balance	(531,345.80)	-	1,181,571.69	-	1,181,571.69	-
Federal revenues	-	7,723.00	87,680.25	87,680.28	(10.08)	100.00
<b>TOTAL REVENUES</b>	<b>6,335,406.40</b>	<b>5,527,893.06</b>	<b>8,399,369.40</b>	<b>5,912,941.68</b>	<b>2,486,427.72</b>	<b>70.40</b>
General government	-	-	1,442,892.40	1,221,553.05	221,339.35	84.66
Transportation	6,212,783.73	4,719,400.25	6,829,672.33	3,820,211.63	3,009,460.70	55.94
Debt services - interest	9,098.31	9,097.93	8,550.69	8,550.32	0.37	100.00
Debt services - principal	109,524.36	109,522.19	110,071.98	110,069.80	2.18	100.00
<b>TOTAL EXPENDITURES</b>	<b>6,331,406.40</b>	<b>4,838,020.37</b>	<b>8,391,187.40</b>	<b>5,160,384.80</b>	<b>3,230,802.60</b>	<b>61.50</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>4,000.00</b>	<b>689,872.69</b>	<b>8,182.00</b>	<b>752,556.88</b>	<b>(744,374.88)</b>	
BEG. FUND BALANCE	3,031,165.88	3,031,165.88	4,926,787.10	4,926,787.10		
END FUND BALANCE	4,926,787.10	3,721,038.57	4,934,969.10	5,679,343.98		
<b>Fund 203 - Local Street Fund</b>						
State revenues	1,827,772.00	1,646,016.87	1,941,703.00	1,462,355.64	479,347.36	75.31
Other revenues	648,386.00	66,251.00	625,843.00	11,278.00	614,565.00	1.80
Drawings from fund balance	124,932.79	-	288,513.00	-	288,513.00	-
<b>TOTAL REVENUES</b>	<b>2,601,090.79</b>	<b>1,712,267.87</b>	<b>2,856,059.00</b>	<b>1,473,633.64</b>	<b>1,382,425.36</b>	<b>51.60</b>
Fund 203 - Local Street Fund						
General government	-	-	314,769.55	281,719.75	33,049.80	89.50
Transportation	2,601,090.79	2,240,560.60	2,518,002.84	1,702,246.49	815,756.35	67.60
<b>TOTAL EXPENDITURES</b>	<b>2,601,090.79</b>	<b>2,240,560.60</b>	<b>2,832,772.39</b>	<b>1,983,966.24</b>	<b>848,806.15</b>	<b>70.04</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>-</b>	<b>(528,292.73)</b>	<b>23,286.61</b>	<b>(510,332.60)</b>	<b>533,619.21</b>	
BEG. FUND BALANCE	1,483,998.39	1,483,998.39	1,610,711.98	1,610,711.98		
END FUND BALANCE	1,610,711.98	955,705.66	1,633,998.59	1,100,379.38		



**CITY OF FLINT**  
**BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT**  
**FOR THE PERIOD ENDING MAY 31, 2015**

ACCOUNT DESCRIPTION	2013-14		2014-15		YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDGT USED
	AMENDED BUDGET	YTD BALANCE 05/31/2014	AMENDED BUDGET	YTD BALANCE 05/31/2015			
<b>Fund 205 - Public Safety</b>							
Property Taxes	3,539,000.00	4,377,446.35	3,688,274.80	3,688,274.80	-	-	100.00
Drawings from fund balance	(1,743,172.65)	-	4,667,309.00	-	-	4,667,309.00	-
<b>TOTAL REVENUES</b>	<b>1,845,827.35</b>	<b>4,377,446.35</b>	<b>8,355,583.80</b>	<b>3,688,274.80</b>	<b>3,688,274.80</b>	<b>4,667,309.00</b>	<b>44.14</b>
Police	1,845,827.35	1,000,630.20	2,635,327.63	2,442,332.19	2,442,332.19	192,995.44	92.68
Fire	-	-	3,722,946.00	3,378,897.12	3,378,897.12	344,048.88	90.76
<b>TOTAL EXPENDITURES</b>	<b>1,845,827.35</b>	<b>1,000,630.20</b>	<b>6,358,273.63</b>	<b>5,821,229.31</b>	<b>5,821,229.31</b>	<b>537,044.32</b>	<b>91.55</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>-</b>	<b>3,376,816.15</b>	<b>1,997,310.17</b>	<b>(2,132,954.51)</b>		<b>4,130,264.68</b>	
BEG. FUND BALANCE	5,063,475.30	5,063,475.30	8,457,278.70	8,457,278.70			
END FUND BALANCE	8,457,278.70	8,440,291.45	10,454,588.87	6,324,324.19			

**Fund 207 - Police Fund**

Property Taxes	1,196,000.00	1,311,985.12	1,250,306.00	1,250,306.04	(0.04)	100.00
Other revenues	354,180.00	307,635.76	93,180.00	-	93,180.00	-
Drawings from fund balance	-	-	42,501.75	-	42,501.75	-
<b>TOTAL REVENUES</b>	<b>1,550,180.00</b>	<b>1,619,620.88</b>	<b>1,385,987.75</b>	<b>1,250,306.04</b>	<b>135,681.71</b>	<b>90.21</b>
<b>Fund 207 - Police Fund</b>						
Police	1,550,179.86	1,492,306.38	1,358,911.62	1,156,056.85	202,854.77	85.07
<b>TOTAL EXPENDITURES</b>	<b>1,550,179.86</b>	<b>1,492,306.38</b>	<b>1,358,911.62</b>	<b>1,156,056.85</b>	<b>202,854.77</b>	<b>85.07</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>0.14</b>	<b>127,314.50</b>	<b>27,076.13</b>	<b>94,249.19</b>	<b>(67,173.06)</b>	
BEG. FUND BALANCE	224,248.74	224,248.74	19,655.11	19,655.11		
END FUND BALANCE	19,655.11	351,563.24	46,731.24	113,904.30		

**CITY OF FLINT**  
**BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT**  
**FOR THE PERIOD ENDING MAY 31, 2015**

ACCOUNT DESCRIPTION	2013-14		2014-15		YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BODGT USED
	AMENDED BUDGET	YTD BALANCE 05/31/2014	AMENDED BUDGET	YTD BALANCE 05/31/2015			
Fund 208 - Park/Recreation Fund							
Property Taxes	299,089.00	327,990.85	312,546.23	312,546.23	-	100.00	
Other revenues	-	3,940.00	4,930.00	4,965.00	(35.00)	100.71	
Drawings from fund balance	74,000.00	-	97,000.00	-	97,000.00	-	
Transfers in	360,975.38	125,000.00	99,413.00	88,306.44	11,106.56	88.83	
TOTAL REVENUES	734,064.38	456,930.85	513,889.23	405,817.67	108,071.56	78.97	
Fund 208 - Park/Recreation Fund							
Community development	734,064.38	558,627.53	513,889.23	370,303.75	143,585.48	72.06	
TOTAL EXPENDITURES	734,064.38	558,627.53	513,889.23	370,303.75	143,585.48	72.06	
NET OF REVENUES/EXPENDITURES							
	-	(101,696.68)	-	35,513.92	(35,513.92)		
BEG. FUND BALANCE							
END FUND BALANCE	75,499.68	75,499.68	99,942.19	99,942.19			
	99,942.19	(26,197.00)	99,942.19	135,456.11			
Fund 219 - Street Light							
Special assessment taxes	2,982,960.20	2,998,476.54	2,738,986.00	2,718,530.79	20,455.21	99.25	
Other revenues	-	3,453.00	-	-	-	-	
Drawings from fund balance	-	-	(184,580.65)	-	(184,580.65)	-	
TOTAL REVENUES	2,982,960.20	3,001,929.54	2,554,405.35	2,718,530.79	(164,125.44)	106.43	
Fund 219 - Street Light							
General government	105,884.00	97,060.37	91,210.00	75,893.25	15,316.75	83.21	
Transportation	2,877,076.00	2,030,981.36	2,463,195.35	1,992,628.39	470,566.96	80.90	
TOTAL EXPENDITURES	2,982,960.00	2,128,041.73	2,554,405.35	2,068,521.64	485,883.71	80.98	
NET OF REVENUES/EXPENDITURES							
	0.20	873,887.81	-	650,009.15	(650,009.15)		
BEG. FUND BALANCE							
END FUND BALANCE	213,421.25	213,421.25	709,203.31	709,203.31			
	709,203.31	1,087,309.06	709,203.31	1,359,212.46			

**CITY OF FLINT**  
**BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT**  
**FOR THE PERIOD ENDING MAY 31, 2015**

ACCOUNT DESCRIPTION	2013-14 AMENDED BUDGET	YTD BALANCE 05/31/2014	2014-15 AMENDED BUDGET	YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDGT USED
<b>Fund 226 - Rubbish Collection Fund</b>						
Property Taxes	5,131,490.00	4,823,834.07	5,517,813.08	5,516,768.29	1,044.79	99.98
Charges for service rendered	-	-	1,022.00	11,093.00	(10,071.00)	1,085.42
Other revenues	-	1,800.00	-	-	-	-
Drawings from fund balance	-	-	(61,448.00)	-	(61,448.00)	-
License and Permits	1,000.00	560.00	1,120.00	1,600.00	(480.00)	142.86
<b>TOTAL REVENUES</b>	<b>5,132,490.00</b>	<b>4,826,194.07</b>	<b>5,458,507.08</b>	<b>5,529,461.29</b>	<b>(70,954.21)</b>	<b>101.30</b>
General government	-	-	173,143.00	205,659.50	(32,516.50)	118.78
Transportation	150,000.00	40,914.00	49,755.00	7,255.00	42,500.00	14.58
Public works	4,982,490.00	4,313,372.51	4,451,319.95	3,972,211.80	479,108.15	89.24
<b>TOTAL EXPENDITURES</b>	<b>5,132,490.00</b>	<b>4,354,286.51</b>	<b>4,674,217.95</b>	<b>4,185,126.30</b>	<b>489,091.66</b>	<b>89.54</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>-</b>	<b>471,907.56</b>	<b>784,289.12</b>	<b>1,344,334.99</b>	<b>(560,045.87)</b>	
BEG. FUND BALANCE			277,050.01	277,050.01		
END FUND BALANCE	277,050.01	471,907.56	1,061,339.13	1,621,385.00		

**Fund 265 - Drug Law Enforcement Fund**

Other revenues	21,000.00	10,732.60	16,500.00	3,818.27	12,681.73	23.14
Drawings from fund balance	284,041.99	-	374,062.82	-	374,062.82	-
Fines and forfeitures	130,000.00	10,190.50	101,000.00	25,966.50	75,033.50	25.71
<b>TOTAL REVENUES</b>	<b>435,041.99</b>	<b>20,923.10</b>	<b>491,562.82</b>	<b>29,784.77</b>	<b>461,778.05</b>	<b>6.06</b>
Police	435,041.99	193,374.99	477,562.82	318,909.93	158,652.89	66.78
<b>TOTAL EXPENDITURES</b>	<b>435,041.99</b>	<b>193,374.99</b>	<b>477,562.82</b>	<b>318,909.93</b>	<b>158,652.89</b>	<b>66.78</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>-</b>	<b>(172,451.89)</b>	<b>14,000.00</b>	<b>(289,125.16)</b>	<b>303,125.16</b>	
BEG. FUND BALANCE	947,295.69	947,295.69	768,973.54	768,973.54		
END FUND BALANCE	768,973.54	774,843.80	782,973.54	479,848.38		

CITY OF FLINT  
BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT  
FOR THE PERIOD ENDING MAY 31, 2015

ACCOUNT DESCRIPTION	2013-14 AMENDED BUDGET	YTD BALANCE 05/31/2014	2014-15 AMENDED BUDGET	YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDGT USED
<b>Fund 274 - HUD CDBG, ESG, &amp; HOME GRANTS</b>						
Transfer in from 296 fund	-	-	-	250,539.90	(250,539.90)	100.00
Federal revenues	4,607,450.89	3,339,203.23	11,834,238.67	3,280,077.19	8,554,161.48	27.72
<b>TOTAL REVENUES</b>	<b>4,607,450.89</b>	<b>3,339,203.23</b>	<b>11,834,238.67</b>	<b>3,530,617.09</b>	<b>8,303,621.58</b>	<b>29.83</b>
General government	123,156.26	84,292.22	215,349.80	149,441.38	65,908.42	69.39
Fire	530,758.50	468,079.50	14,765.50	10,323.33	4,442.17	89.92
Community development	3,877,384.00	3,263,101.00	10,521,674.00	2,721,867.00	7,799,808.00	26.25
Transportation	-	-	204,964.06	6,157.61	198,806.45	3.00
Facilities and Maintenance	-	-	35,000.00	-	35,000.00	-
Building inspections	76,152.40	189,112.82	842,484.86	161,431.11	681,053.75	19.16
<b>TOTAL EXPENDITURES</b>	<b>4,607,451.16</b>	<b>4,004,585.54</b>	<b>11,834,238.22</b>	<b>3,049,220.43</b>	<b>8,785,018.79</b>	<b>25.77</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>(0.27)</b>	<b>(665,382.31)</b>	<b>0.45</b>	<b>481,396.66</b>	<b>(481,397.21)</b>	
BEG. FUND BALANCE						
FUND BALANCE ADJUSTMENTS	(415,253.32)	-	(732,423.65)	(732,423.65)		
END FUND BALANCE	(732,423.65)	(665,382.31)	(732,423.20)	(251,026.99)		

CITY OF FLINT  
BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT  
FOR THE PERIOD ENDING MAY 31, 2015

ACCOUNT DESCRIPTION	2013-14 AMENDED BUDGET	YTD BALANCE 05/31/2014	2014-15 AMENDED BUDGET	YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BOST USED
<b>Fund 296 - Other Grants Fund</b>						
Interest and dividend income	5,150.00	272,874.15	-	-	-	-
State revenues	37,586.15	440,014.67	4,350,527.94	1,646,362.01	2,704,165.93	37.84
Charges for service rendered	-	504.12	-	-	-	-
Other revenues	587,471.70	1,454,575.29	953,489.91	810,895.22	142,594.69	85.04
Drawings from fund balance	70,000.00	-	-	-	-	-
Fines and forfeitures	-	4,214.35	4,214.35	4,214.35	-	100.00
Federal revenues	1,634,584.08	1,451,653.05	1,727,809.36	517,891.12	1,209,918.24	29.97
Local grants	107,153.04	117,079.64	114,926.60	112,893.78	2,032.82	98.23
Net increase in fair value of investment	-	(5,791.64)	-	-	-	-
<b>TOTAL REVENUES</b>	<b>2,441,944.97</b>	<b>3,735,123.63</b>	<b>7,150,968.16</b>	<b>3,092,256.48</b>	<b>4,058,711.68</b>	<b>43.24</b>
<b>Fund 296 - Other Grants Fund</b>						
General government	-	-	19,661.97	5,120.50	14,541.47	26.04
Police	1,154,804.63	1,357,728.84	3,249,068.75	2,036,209.51	1,212,859.24	62.67
Community development	1,025,450.08	1,872,931.81	1,366,783.70	146,317.70	1,220,466.00	10.71
Transportation	-	-	1,642,144.00	-	1,642,144.00	-
Facilities and Maintenance	261,690.26	244,213.44	773,309.74	30,137.94	743,171.80	3.90
Public works	-	-	50,000.00	-	50,000.00	-
Transfer out to 274 fund	-	-	50,000.00	250,539.90	(200,539.90)	501.08
Utilities	-	66,650.61	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>2,441,944.97</b>	<b>3,541,524.70</b>	<b>7,150,968.16</b>	<b>2,468,325.55</b>	<b>4,682,642.61</b>	<b>34.52</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>-</b>	<b>193,598.93</b>	<b>-</b>	<b>623,930.93</b>	<b>(623,930.93)</b>	
<b>BEG. FUND BALANCE</b>	<b>864,077.56</b>	<b>864,077.56</b>	<b>111,782.51</b>	<b>111,782.51</b>		
<b>FUND BALANCE ADJUSTMENTS</b>	<b>(1,019,574.45)</b>					
<b>END FUND BALANCE</b>	<b>111,782.51</b>	<b>1,057,676.49</b>	<b>111,782.51</b>	<b>735,713.44</b>		

**CITY OF FLINT**  
**BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT**  
**FOR THE PERIOD ENDING MAY 31, 2015**

ACCOUNT DESCRIPTION	2013-14		2014-15		YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDOT USED
	AMENDED BUDGET	YTD BALANCE 05/31/2014	AMENDED BUDGET	BUDGET			
Fund 402 - Public Improvement Fund							
Property Taxes	1,740,800.00	1,639,985.44	1,703,000.00	1,556,201.04	146,798.96	91.38	
Other revenues	426,700.00	399,048.40	380,000.00	328,357.71	51,642.29	86.41	
Drawings from fund balance	590,957.00	-	767,957.00	-	767,957.00	-	
TOTAL REVENUES	2,758,457.00	2,039,033.84	2,850,957.00	1,884,558.75	966,398.25	66.10	
Facilities and Maintenance	444,000.24	384,549.46	721,900.00	463,564.37	258,335.63	64.21	
Transfers out	1,712,353.00	851,953.00	1,526,953.00	1,455,120.75	71,832.25	95.30	
Debt services - interest	407,103.76	407,103.76	407,104.00	400,191.26	6,912.74	98.30	
Debt services - principal	195,000.00	195,000.00	195,000.00	200,000.00	(5,000.00)	102.56	
TOTAL EXPENDITURES	2,758,457.00	1,838,606.22	2,850,957.00	2,518,876.38	332,080.62	88.35	
NET OF REVENUES/EXPENDITURES							
	-	200,427.62	-	(634,317.63)	634,317.63		
BEG. FUND BALANCE	7,499,170.72	7,499,170.72	9,335,338.32	9,335,338.32			
END FUND BALANCE	9,335,338.32	7,699,598.34	9,335,338.32	8,701,020.69			
Fund 542 - Building Inspection Fund							
Charges for service rendered	279,729.51	249,377.29	50,000.00	39,591.66	10,408.34	79.18	
Drawings from fund balance	-	-	236,763.00	-	236,763.00	-	
License and Permits	1,729,457.00	1,527,741.22	2,187,558.00	2,433,971.90	(246,413.90)	111.26	
Federal revenues	99.20	195,002.50	-	-	-	-	
Transfers in	539,169.96	539,169.96	313,561.00	209,040.68	104,520.32	66.67	
TOTAL REVENUES	2,548,455.67	2,511,290.97	2,787,882.00	2,682,604.24	105,277.76	96.22	
General government	-	(704.42)	504,424.81	562,147.37	(57,722.56)	111.44	
Transfers out	-	110,000.00	-	-	-	-	
Building inspections	2,548,455.45	2,161,402.05	1,582,907.71	856,685.36	726,222.35	54.12	
TOTAL EXPENDITURES	2,548,455.45	2,270,697.63	2,087,332.52	1,418,832.73	668,499.79	67.97	
NET OF REVENUES/EXPENDITURES							
	0.22	240,593.34	700,549.48	1,263,771.51	(563,222.03)		
BEG. FUND BALANCE	400,968.71	400,968.71	643,475.73	643,475.73			
END FUND BALANCE	643,475.73	641,562.05	1,344,025.21	1,907,247.24			

CITY OF FLINT  
BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT  
FOR THE PERIOD ENDING MAY 31, 2015

ACCOUNT DESCRIPTION	2013-14 AMENDED BUDGET	YTD BALANCE 05/31/2014	2014-15 AMENDED BUDGET	YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDGT USED
<b>Fund 590 - Sewer Fund</b>						
Interest and dividend income	10,000.00	-	-	-	-	-
Charges for service rendered	31,886,397.00	26,039,471.09	30,352,249.00	26,152,040.04	4,200,208.96	86.16
Other revenues	22,000.00	19,466.85	93,646.26	89,613.66	4,032.60	95.69
Drawings from fund balance	10,872.00	-	4,652,363.49	-	4,652,363.49	-
Transfers in	-	-	800,000.00	800,000.00	-	100.00
<b>TOTAL REVENUES</b>	<b>31,929,269.00</b>	<b>26,058,937.94</b>	<b>35,898,258.75</b>	<b>27,041,653.70</b>	<b>8,856,605.05</b>	<b>75.33</b>
General government	48,888.32	45,504.31	3,765,455.36	3,489,525.53	275,929.83	92.67
Transfers out	1,860,000.00	1,860,000.00	1,860,000.00	2,505,000.00	(645,000.00)	134.68
Debt services - interest	897.98	342.86	695.21	-	695.21	-
Debt services - principal	5,763.46	5,763.46	6,016.23	5,551.20	465.03	92.27
Public works	-	-	1,990,000.00	328,850.00	1,661,150.00	16.53
Utilities	30,013,721.01	19,367,988.39	23,178,657.95	13,978,307.40	9,200,350.55	60.31
<b>TOTAL EXPENDITURES</b>	<b>31,929,270.77</b>	<b>21,279,599.02</b>	<b>30,800,824.75</b>	<b>20,307,234.13</b>	<b>10,493,590.62</b>	<b>65.93</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>(1.77)</b>	<b>4,779,338.92</b>	<b>5,097,434.00</b>	<b>6,734,419.57</b>	<b>(1,636,985.57)</b>	
<b>BEG. FUND BALANCE</b>	<b>64,827,168.00</b>	<b>64,827,168.00</b>	<b>67,787,493.73</b>	<b>67,787,493.73</b>		
<b>END FUND BALANCE</b>	<b>67,787,493.73</b>	<b>69,606,506.92</b>	<b>72,884,927.73</b>	<b>74,521,913.30</b>		

CITY OF FLINT  
BUDGET TO ACTUAL REVENUE AND EXPENDITURE REPORT  
FOR THE PERIOD ENDING MAY 31, 2015

ACCOUNT DESCRIPTION	2013-14 AMENDED BUDGET	YTD BALANCE 05/31/2014	2014-15 AMENDED BUDGET	YTD BALANCE 05/31/2015	AVAILABLE BALANCE	% BDT USED
<b>Fund 591 - Water Fund</b>						
Charges for service rendered	47,856,000.00	41,924,380.30	36,096,500.00	29,288,741.56	6,807,758.44	81.14
Other revenues	5,000.00	8,711.75	37,000.00	31,150.83	5,849.17	84.19
Drawings from fund balance	10,872.00	-	4,865,245.00	-	4,865,245.00	-
Gain on sale of fixed assets	3,999,009.00	100,903.78	200,000.00	254,521.24	(54,521.24)	127.26
<b>TOTAL REVENUES</b>	<b>51,870,881.00</b>	<b>42,033,995.83</b>	<b>41,198,745.00</b>	<b>29,574,413.63</b>	<b>11,624,331.37</b>	<b>71.78</b>
General government	48,888.32	45,503.61	4,255,508.06	3,828,303.55	427,204.51	89.96
Transfers out	3,768,071.00	3,768,071.00	1,660,571.00	1,490,801.19	169,769.81	89.78
Public works	-	-	2,760,000.00	49,245.00	2,710,755.00	1.78
Utilities	44,655,312.81	39,082,774.62	26,803,749.09	14,911,139.71	11,892,609.38	55.63
<b>TOTAL EXPENDITURES</b>	<b>48,472,272.13</b>	<b>42,896,349.23</b>	<b>35,479,828.15</b>	<b>20,279,489.45</b>	<b>15,200,338.70</b>	<b>57.16</b>
<b>NET OF REVENUES/EXPENDITURES</b>	<b>3,398,608.87</b>	<b>(862,353.40)</b>	<b>5,718,916.85</b>	<b>9,294,924.18</b>	<b>(3,576,007.33)</b>	
<b>BEG. FUND BALANCE</b>	<b>26,442,011.00</b>	<b>26,442,011.00</b>	<b>29,523,671.11</b>	<b>29,523,671.11</b>		
<b>FUND BALANCE ADJUSTMENTS</b>	<b>75,847.91</b>					
<b>END FUND BALANCE</b>	<b>29,523,671.11</b>	<b>25,579,657.60</b>	<b>35,242,587.96</b>	<b>38,818,595.29</b>		



**CITY OF FLINT**  
**CASH AND INVESTMENT ACCOUNT SUMMARY**  
**FOR THE PERIOD FROM JULY 1, 2014 TO APRIL 30, 2015**

Fund Account	Description	Beginning Balance 07/01/2014	Ending Balance 04/30/2015
<b>Fund 101 General Fund</b>			
001.000	Commercial Pooled Cash Account	161,059.51	2,013,433.33
001.400	Citizens - Chk - Pension P/R 907-040-0	154,516.54	-
001.450	Citizens - P/R Direct Deposit - 906-9766	(41,304.18)	(45,409.19)
004.000	Imprest Cash	9,300.35	9,300.35
004.100	Imprest Cash - Register	5,325.00	5,325.00
	General Fund	288,897.22	1,982,649.49
<b>Fund 202 Major Street Fund</b>			
001.000	Commercial Pooled Cash Account	4,027,379.48	5,389,040.54
004.000	Imprest Cash	60.00	60.00
	Major Street Fund	4,027,439.48	5,389,100.54
<b>Fund 203 Local Street Fund</b>			
001.000	Commercial Pooled Cash Account	1,319,610.47	1,111,665.65
<b>Fund 205 Public Safety</b>			
001.000	Commercial Pooled Cash Account	8,613,673.08	6,544,240.34
<b>Fund 207 Police Fund</b>			
001.000	Commercial Pooled Cash Account	104,164.74	136,658.18
<b>Fund 208 Park/Recreation Fund</b>			
001.000	Commercial Pooled Cash Account	227,612.03	116,750.14
<b>Fund 219 Street Light</b>			
001.000	Commercial Pooled Cash Account	1,046,168.83	760,721.16
<b>Fund 226 Rubbish Collection Fund</b>			
001.000	Commercial Pooled Cash Account	1,028,629.18	762,257.50
<b>Fund 265 Drug Law Enforcement Fund</b>			

**CITY OF FLINT**  
**CASH AND INVESTMENT ACCOUNT SUMMARY**  
**FOR THE PERIOD FROM JULY 1, 2014 TO APRIL 30, 2015**

Fund Account	Description	Beginning Balance 07/01/2014	Ending Balance 04/30/2015
001.000	Commercial Pooled Cash Account	1,345,857.61	1,047,113.61
Fund 274 HUD CDBG, ESG, & HOME GRANTS			
001.000	Commercial Pooled Cash Account	(995,285.06)	(2,341,545.43)
001.100	Bank - Urban Renewal - 230006018089	-	2,034,576.21
	HUD CDBG, ESG, & HOME GRANTS	(995,285.06)	(306,969.22)
Fund 296 Other Grants Fund			
001.000	Commercial Pooled Cash Account	(243,104.95)	595,538.47
001.100	Bank - Urban Renewal - 230006018089	250,539.90	-
	Other Grants Fund	7,434.95	595,538.47
Fund 402 Public Improvement Fund			
001.000	Commercial Pooled Cash Account	2,242,619.26	1,323,877.63
Fund 542 Building Inspection Fund			
001.000	Commercial Pooled Cash Account	660,243.05	1,812,110.85
004.000	Imprest Cash	50.00	50.00
	Building Inspection Fund	660,293.05	1,812,160.85
Fund 590 Sewer Fund			
001.000	Commercial Pooled Cash Account	11,349,127.44	28,537,947.23
Fund 591 Water Fund			
001.000	Commercial Pooled Cash Account	7,833,368.99	16,936,576.22
001.001	Cash Reserve	5,848,116.20	5,848,116.20
	Water Fund	13,681,485.19	22,784,692.42
	TOTAL - ALL FUNDS	44,947,727.47	72,598,403.99