

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR COUNCIL MEETING
DATE 05/23/2022**

The meeting was called to order at 7:00 p.m. by Mayor Krueger in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance.

Councilmembers Present: Florence, Gilbert, Hicks, Krueger, Pinkston, Henry.

Councilmembers Absent: Cramer.

Staff Present: City Manager Adam Zettel, Clerk Connie Olger, Treasurer Deanna Korth.

Others Present: Metro PD Chief Bade.

Others Virtually Attended: Lania Rocha, Dennis Cramer.

APPROVAL OF MINUTES

Resolution No. 220523-01

(Carried)

Motion by Councilmember Florence
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday May 09, 2022, to be circulated and placed on file.

YES Florence, Gilbert, Hicks, Krueger, Pinkston, Henry.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 220523-02

(Carried)

Motion by Councilmember Henry
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Agenda as, printed for the Regular Council Meeting of May 23, 2022, to be circulated and placed on file.

YES: Gilbert, Hicks, Krueger, Pinkston, Henry, Florence.
NO: None. Motion Declared Carried.

CITY MANAGER'S REPORT

Resolution No. 220523-03

(Carried)

Motion by Mayor Pro Tem Hicks

Second by Councilmember Florence

I Move the Swartz Creek City Council accept the City Manager's Report of May 23, 2022, including reports and communications to be circulated and placed on file.

Discussion Ensued.

YES: Hicks, Krueger, Pinkston, Henry, Florence, Gilbert.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

None.

COUNCIL BUSINESS:

RESOLUTION TO APPROVE PROFESSIONAL SERVICES ENGAGEMENT LETTER FOR GENERAL AND SPECIAL AUDIT SERVICES

Resolution No. 220523-04

(Carried)

Motion by Councilmember Gilbert
Second by Mayor Pro Tem Hicks

WHEREAS, Section 8.13 of the City Charter requires an audit of all accounts of the city government; and

WHEREAS, the city desires an independent and professional audit of financial statements in compliance with accounting principles generally accepted in the United States of America (GAAP); and

WHEREAS, independent auditors, Plante Moran, PLLC, chosen by the city per a qualified bidding selection process, has submitted an engagement letter, dated May 5, 2022, to perform auditing services related to the city's general fund, public utilities, enterprise accounts, Downtown Development Authority, Act 51 monies, and federal 'Single Audits' required for the use of federal funds, including USDA funds; and

WHEREAS, the City Council finds the services of Plante Moran, PLLC, to be sufficient and competitively priced.

NOW, THEREFORE BE IT RESOLVED that the City of Swartz Creek City Council accepts the engagement letter for general and GASB 75 audit services, as submitted by Plante Moran, PLLC, in the amount of \$32,025 (general) and \$10,000 for federal single audits, as well as necessary and reasonable travel & out-of-pocket expenses, for the noted services.

BE IT FURTHER RESOLVED, that the City Council directs the City Manager to execute said engagement letters on behalf of the city.

Discussion Ensued.

YES: Krueger, Pinkston, Henry, Florence, Gilbert, Hicks.
NO: None. Motion Declared Carried.

RESOLUTION TO SET THE 2022-2023 COUNCIL MEETING SCHEDULE

Resolution No. 220523-05

(Carried)

Motion by Councilmember Pinkston
Second by Councilmember Gilbert

WHEREAS, Act 261 of the Public Acts of the State of Michigan of 1968, as amended, requires a public notice of the schedule of regular meetings of the Swartz Creek City Council be given once each calendar year or fiscal year and that said notice shall show the regular dates and times for the meeting and the place at which meetings are held; and

WHEREAS, the Act directs that notice be posted prominently at the principle office of the City of Swartz Creek or at the public building at which meetings are held or published in the newspaper of general circulation in Swartz Creek,

NOW, THEREFORE, pursuant to the Act, public notice is hereby given that regular meetings for fiscal year 2022-2023 shall be held twice each month, and further, that all meetings shall be held in the Paul D. Bueche Municipal Building Council Chambers located at 8083 Civic Drive, Swartz Creek, Michigan, unless otherwise provided in advance by the City Council, and further, meetings shall commence at 7:00 P.M. on the following dates:

July 2022:	Monday – 11th Monday – 25th	
August 2022:	Monday – 08th Monday – 22nd	
September 2022:	Monday – 12th Monday – 26th	
October 2022:	Monday – 10th Monday – 24th	
November 2022:	Monday – 14th Monday – 28th	
December 2022:	Monday – 05th Monday – 12th	One week early Two weeks early
January 2023:	Monday – 09th Monday – 23rd	
February 2023:	Monday – 13th Monday – 27th	
March 2023:	Monday – 13th Monday – 27th	
April 2023:	Monday – 10th Monday – 24th	

May 2023: Monday – 08th
Monday – 22nd

June 2023: Monday – 12th
Monday – 26th

BE IT FURTHER RESOLVED that the Clerk is hereby directed to post a copy of this resolution in a prominent place in the City Offices of the City of Swartz Creek.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to supply forthwith, upon request, a copy of this resolution to any newspaper of general circulation in the political subdivision in which the meeting will be held and/or to any radio or television station that regularly broadcasts into the City of Swartz Creek.

Discussion Ensued.

YES: Pinkston, Henry, Florence, Gilbert, Hicks, Krueger.
NO: None. Motion Declared Carried.

FISCAL YEAR 2023 BUDGET PUBLIC HEARING

Open: 7:21 p.m.

Mr. Zettel City Manager reviewed the changes made to the budget since the last meeting. Some of the changes were wage changes due to contract negotiations, relocating water line on Dye Road and a refund from our insurance carrier. Deanna Korth City Treasurer also explained a few of the changes were due to input errors. The resolution has been revised to reflect the changes made. Mayor Pro Tem Hicks wondered how the garbage fund was doing with the gas increases. Mr. Zettel responded that GFL didn't have a fuel surcharge in their contract.

Closed: 7:47 p.m.

RESOLUTION TO APPROVE THE FISCAL YEAR 2022-2023 CITY BUDGET

Resolution No. 220523-06

(Carried)

Motion by Councilmember Florence
Second by Councilmember Henry

WHEREAS, the Swartz Creek City Council is required to approve a budget in accordance with the General Appropriations Act and Uniform Budgeting and Accounting Act; and

WHEREAS, a public hearing was posted and held in accordance with the city charter on May 23, 2022; and

WHEREAS, the Swartz Creek City Council finds the following Fund-based budget to be an accurate and desirable instrument to appropriate funds to serve the needs of the City of Swartz Creek.

THEREFORE BE IT RESOLVED, the Swartz Creek City Council hereby adopt the following 2022-2023 fiscal budget based upon the following tax mills:

General Operating Levy	4.6938	mills
Public Safety SAD	4.9000	mills
Street Levy	4.1019	mills
Sanitation Levy	2.6270	mills

101 GENERAL FUND	Estimated Beginning Fund Balance		\$	2,146,606
	<u>Estimated Revenues</u>	Adopted		
General Fund Estimated Operating Revenues		3,618,645		
		<u>3,618,645</u>		
	<u>Appropriations</u>	Adopted		
General Government Activities 000-299		529,677		
Public Safety Activities 301-399		1,533,881		
Public Works Activities 400-799		1,563,701		
Other Government Activities 800-999		181,550		
		<u>3,808,808</u>		
		<u>3,808,808</u>		
	Effect on General Fund's Fund Balance			(190,163)
	Estimated Ending Fund Balance June 30, 2023		\$	1,956,443

202 MAJOR STREETS	Estimated Beginning Fund Balance		\$	498,761
	<u>Estimated Revenues</u>	Adopted		
Major Streets Fund Estimated Operating Revenues		649,305		
		<u>649,305</u>		
	<u>Appropriations</u>	Adopted		
General Government Activities 101-299		1,100		
Public Safety Activities 301-399		0		
Public Works Activities 400-799		1,018,092		
Other Government Activities 800-999		0		
		<u>1,019,192</u>		
		<u>1,019,192</u>		
	Effect on Major Street's Fund Balance			(369,887)
	Estimated Ending Fund Balance June 30, 2023		\$	128,874

203 LOCAL STREETS FUND	Estimated Beginning Fund Balance			408,491.07
	<u>Estimated Revenues</u>	Adopted		
Local Streets Fund Estimated Operating Revenue		489,925		
		<u>489,925</u>		
	<u>Appropriations</u>	Adopted		
General Government Activities 101-299		850		
Public Safety Activities 301-399		0		

Public Works Activities 400-799	607,916
Other Government Activities 800-999	0
	<u>608,766</u>
	608,766

Effect on Local Streets Fund's Fund Balance

(118,841)

Estimated Ending Fund Balance June 30, 2023

\$ 289,650

204 MUNICIPAL STREET FUND Estimated Beginning Fund Balance 2,758.67

	Estimated Revenues	Adopted
Municipal Stree Fund Estimated Revenue		720,548
		<u>720,548</u>

	Appropriations	Adopted
General Government Activities 101-299		0
Public Safety Activities 301-399		0
Public Works Activities 400-799		0
Other Government Activities 800-999		470,402
		<u>470,402</u>

Effect on Municipal Street Fund's Fund Balance

250,146

Estimated Ending Fund Balance June 30, 2023

\$ 252,905

226 GARBAGE FUND Estimated Beginning Fund Balance \$ 362,482

	Estimated Revenues	Adopted
Garbage Fund Estimated Operating Revenue		445,285
		<u>445,285</u>

	Appropriations	Adopted
General Government Activities 000-299		41,714
Public Safety Activities 301-399		0
Public Works Activities 400-799		422,652
Other Government Activities 800-999		0
		<u>464,366</u>

Effect on Garbage Fund's Fund Balance

(19,081)

Estimated Ending Fund Balance June 30, 2023

\$ 343,400

248 DDA FUND Estimated Beginning Fund Balance \$ 83,593

	Estimated Revenues	Adopted
DDA Fund Estimated Operating Revenue		100,004
		<u>100,004</u>

<u>Appropriations</u>	<u>Adopted</u>
General Government Activities 101-299	2,804
Public Safety Activities 301-399	0
Public Works Activities 400-799	81,460
Other Government Activities 800-999	0
	84,264
	84,264

Effect on Local Streets Fund's Fund Balance	15,740
Estimated Ending Fund Balance June 30, 2023	\$ 99,333

402 FIRE EQUIPMENT FUND Estimated Beginning Fund Balance	\$ 197,290
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<u>Estimated Revenues</u>	<u>Adopted</u>
Fire Equipment Replacement Fund Est Operating Rev.	155,075
	155,075

<u>Appropriations</u>	<u>Adopted</u>
General Government Activities 101-299	0
Public Safety Activities 301-399	0
Public Works Activities 400-799	0
Other Government Activities 800-999	0
	0
	0

Effect on Fire Equip Replacement Fund's Fund Balance	155,075
Estimated Ending Fund Balance June 30, 2023	\$ 352,365

590 SEWER FUND Estimated Beginning Fund Balance	\$ 6,809,514
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<u>Estimated Revenues</u>	<u>Adopted</u>
Sanitary Sewer Fund Estimated Operating Revenue	1,301,740
	1,301,740

<u>Appropriations</u>	<u>Adopted</u>
General Government Activities 000-299	138,017
Public Safety Activities 301-399	0
Public Works Activities 400-799	1,862,815
Other Government Activities 800-999	8,000
	2,008,832
	2,008,832

Effect on Sanitary Sewer Fund's Fund Balance	(707,092)
Estimated Ending Fund Balance June 30, 2023	\$ 6,102,422

SEWER FUND EXPENSES INCLUDE \$290,000 IN DEPRECIATION

591 WATER FUND Estimated Beginning Fund Balance	\$	6,497,187
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<u>Estimated Revenues</u>	<u>Adopted</u>
Water Supply Fund Estimated Operating Revenue	2,266,470
	2,266,470

<u>Appropriations</u>	<u>Adopted</u>
General Government Activities 000-299	154,586
Public Safety Activities 301-399	0
Public Works Activities 400-799	2,467,586
Other Government Activities 800-999	51,813
	2,673,985
	2,673,985

Effect on Water Supply Fund's Fund Balance		(407,515)
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Estimated Ending Fund Balance June 30, 2023	\$	6,089,672
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WATER FUND EXPENSES INCLUDE \$375,000 IN DEPRECIATION

661 MOTOR POOL FUND Estimated Beginning Fund Balance	\$	209,243
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<u>Estimated Revenues</u>	<u>Adopted</u>
Motor Pool Fund Estimated Operating Revenue	167,355
	167,355

<u>Appropriations</u>	<u>Adopted</u>
General Government Activities 101-299	349,711
Public Safety Activities 301-399	0
Public Works Activities 400-799	0
Other Government Activities 800-999	4000
	353,711
	353,711

Effect on Motor Pool Fund's Fund Balance		(186,356)
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Estimated Ending Fund Balance June 30, 2023	\$	22,887
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MOTOR POOL EXPENSES INCLUDE \$40,000 IN DEPRECIATION

Total Estimated Revenues	\$	9,914,352
Total All Funds Appropriations	\$	11,492,327

Discussion Ensued.

YES: Henry, Florence, Gilbert, Hicks, Krueger, Pinkston.

NO: None. Motion Declared Carried.

RESOLUTION TO APPROVE CONSUMERS ENERGY LIGHTING REMOVAL AND REPLACEMENT WORK ORDERS

Resolution No. 220523-07

(Carried)

Motion by Councilmember Henry
Second by Councilmember Florence

WHEREAS, the street lights in the city are owned and operated by Consumers Energy Company (CE), a Michigan utility with principle offices located at One Energy Plaza, Jackson MI, 49201; and

WHEREAS, CE is the sole provider of street lights, electrical delivery, and maintenance on said lights in the County of Genesee, including Swartz Creek City; and

WHEREAS, CE supplies street lighting services to the city under a current standard street lighting contract which outlines specific fixture counts and types, said contract restated on November 1, 2014 and revised from time to time, most recently on November 1, 2019; and

WHEREAS, the City seeks additional changes to the street lighting services agreement that include changes to lighting types and subsequent billing for LED and decorative lighting; and

WHEREAS, Consumers Energy requires approval of an amendment to the existing street light contract and affirmation of the work orders to remove the existing lighting and install new lighting in accordance with the restated and amended lighting contract.

NOW THEREFORE, BE IT RESOLVED, it is hereby deemed advisable to authorize Consumers Energy Company to make changes in the lighting service as provided in the Standard Lighting Contract between the Company and the City of Swartz Creek, dated November 1, 2019, in accordance with the Authorization for Change in Standard Lighting Contract dated May 23, 2022.

BE IT FURTHER RESOLVED, that it is hereby deemed advisable to enter into a contract with Consumers Energy Company for furnishing lighting service within the City of Swartz Creek for a period of one year and thereafter from year to year, in accordance with the terms of the contract heretofore submitted to the city council.

BE IT FURTHER RESOLVED, that the city agrees to the terms and conditions of forms 547 and 548 as included in the city council packet of May 23, 2022 and further directs the City Clerk to execute said forms that represent the aforementioned terms and conditions.

Discussion Ensued.

YES: Florence, Gilbert, Hicks, Krueger, Pinkston, Henry.
NO: None. Motion Declared Carried.

RESOLUTION TO APPROVE ANNUAL COVERAGE AND PAYMENT FOR GENERAL AND LIABILITY INSURANCE OF THE CITY TO MEADOWBROOK

Resolution No. 220523-08

(Carried)

Motion by Mayor Pro Tem Hicks
Second by Councilmember Gilbert

WHEREAS, the City of Swartz Creek has a need to insure property, equipment, and services that it owns and provides; and

WHEREAS, the City of Swartz Creek has been engaged in risk management with the Michigan Municipal League Liability and Property Pool, as serviced by Meadowbrook Insurance Group since 1986; and

WHEREAS, the City of Swartz Creek finds this professional service to meet or exceed financial expectations, as well as the staffing and service needs of the city.

NOW, THEREFORE, BE IT RESOLVED, the City of Swartz Creek appropriate and approve payment for an amount not to exceed \$49,935 to Michigan Municipal League Meadow Brook Insurance, payment of the City's annual 2022-2023 premiums for property and liability insurance, funds to be apportioned to reflect departmental coverage as noted in the invoice.

Discussion Ensued.

YES: Florence, Gilbert, Hicks, Krueger, Pinkston, Henry.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Dennis Cramer 5299 Worchester Drive thanked the city team for the hard work preparing the budget. He is also looking forward to the new trail.

REMARKS BY COUNCILMEMBERS:

Mayor Pro Tem Hicks would like to see some bike racks downtown. Mr. Zettel will check into purchasing some.

Councilmember Henry was happy to see Abrams Park was mowed today.

Councilmember Gilbert would like everyone to say a prayer for his wife and everyone stay well.

Councilmember Florence is concerned with the two properties on Miller Road with the ponds. Mr. Zettel will followup on the properties. He also has concerns with the property behind Wendy's with the flooding. Mr. Zettel responded that the property has been sold and feels things will start improving.

Councilmember Pinkston asked for prayers for Gaylord and it's residents due to the tornado. He knows many prior city residents that live there.

Mayor Krueger is looking forward to the HTD kickoff celebration on June 2nd it is on his birthday. He found out he will need a hip replacement and appreciates prayers.

ADJOURNMENT

Resolution No. 220523-09

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Henry

I Move the Swartz Creek City Council adjourn the regular meeting at 7:58 p.m.

Unanimous Voice Vote.

David A. Krueger, Mayor

Connie Olger, City Clerk