

# City of Southgate

## Regular City Council Meeting

### February 21, 2018

A Regular Meeting of the Council of the City of Southgate was held in the Municipal Council Chambers, 14400 Dix-Toledo Highway, Southgate, Michigan on Wednesday, February 21, 2018 and was called to order at 7:00 PM by Council President John Graziani.

**This meeting began with the Pledge of Allegiance, followed by roll call.**

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Present: Bill Colovos, Mark Farrah, Karen George, John Graziani, Phillip Rauch, Dale Zamecki

Absent: \*Sheryl Denman, \*excused

Also Present: Mayor Joseph J. Kuspa, City Administrator Dustin Lent, City Attorney Brandon Fournier, Assistant City Administrator/Finance Director David Angileri, City Engineer John Hennessey, City Clerk Janice Ferencz, City Treasurer James Dallos, Public Safety Director Jeff Smith, Fire Chief Mike Sypula, Director of Public Services Bob Tarabula and Parks & Recreation Director Julie Goddard.

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#### **Minutes:**

Moved by Colovos, supported by Rauch, RESOLVED, that the minutes of the City Council Work Study Session dated February 7, 2018 be approved as presented. Carried unanimously.

Moved by Zamecki, supported by George, RESOLVED, that the minutes of the Regular City Council Meeting dated February 7, 2018 be approved as presented. Carried unanimously.

Moved by Farrah, supported by George, RESOLVED, that the minutes of the Public Hearing meeting dated February 7, 2018 be approved as presented. Carried unanimously.

#### **Consideration of Bids:**

1. **Letter from the Mayor; Re: Bid for the Purchase and Delivery of Trees:**

Moved by Zamecki, supported by George, RESOLVED THAT the Southgate City Council hereby awards the bid for Purchase and Delivery of Trees to Schichtel's Nursery Inc. (7420 Peters Rd., Springville, NY 14141) in the amount of \$8,000.

Motion carried unanimously.

#### **Communications "A":**

1. **Memo from Administrator; Re: Contract extension for Golf Pro:**

Moved by Farrah, supported by Colovos, RESOLVED that the Southgate City Council hereby extends the current contract of Golf Pro Chris Grandy for the 2018 Golf Season with the following modifications:

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- \$43,000. For the 2018 Golf Season (April 1<sup>st</sup> – December 31<sup>st</sup>)
- This salary will be his total compensation and all Golf Cart revenue shall belong to the City.
- The Golf Pro is now a contract employee and no longer receives Dental Insurance.
- The Golf Pro shall have full control of the golf pro shop and will keep 100% of all sales from the products he purchases.

BE IT FURTHER RESOLVED THAT sufficient funds are available in the Golf Course budget.

Motion carried unanimously.

### 2. **Memo from Administrator; Re: Roof Repair at the Court and Police Department Phase #2:**

Moved by Farrah, supported by Rauch, RESOLVED that the Southgate City Council hereby awards the Phase 2 Roof Repair bid to Lutz Roofing Company, Inc. (4721 22 Mile Road, Shelby Twp., MI 48317) in the amount of \$114,000. BE IT FURTHER RESOLVED THAT sufficient funds are available in the District Court Capital Fund to cover associated costs.

Motion carried unanimously.

### 3. **Memo from Deputy City Assessor; Re: March Board of Review 2018/Compensation:**

Moved by Rauch, supported by Zamecki, RESOLVED that the Southgate City Council hereby approves the 2018 Board of Review meeting dates and rates of compensation for the Board members as follows:

Tuesday, March 6 <sup>th</sup>	9:00 am to 7:00 pm
Tuesday, March 13	Noon to 9:00 pm
Tuesday, March 20 <sup>th</sup>	9:00 am to 7:00 pm
Thursday, March 22 <sup>nd</sup> (if necessary)	9:00 am to 7:00 pm

Compensation is \$200. per day and \$100. Per half day. An additional expense of \$100. per day for (snacks, coffee, lunch, dinner, etc.)

Motion carried unanimously.

### 4. **Memo from Deputy City Assessor; Re: Council Resolution 2018 Poverty Guidelines:**

Moved by Zamecki, supported by George, RESOLVED that the Southgate City Council hereby adopts the 2018 Resolution for Poverty Exemption as follows:

**WHEREAS, the** adoption of guidelines for poverty exemptions is required of the City Council and

**WHEREAS,** the principal residence of persons, who the Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

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**WHEREAS**, pursuant to PA 390 of 1994, the City of Southgate, Wayne County adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested.
- 2) Produce a valid driver's license or other form of identification if requested
- 3) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested
- 4) Meet the federal poverty income guidelines for the year of application as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body, providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
- 5) File an Application for Poverty Exemption in its entirety with all requested documentation with the Assessor or Board of Review. It must be accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns filed in the immediately preceding year or in the current year or a signed State Tax Commission Form 4988, *Poverty Exemption Affidavit*.
- 6) Report in the application the combined assets of all persons residing in the home, not including the primary residence. Combined assets cannot exceed \$25,000. Assets include but are not limited to, real estate other than the principal residence, personal property (jewelry, art, collections etc.), motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc. Statements must be complete with no missing pages.
- 7) Income included as household income shall be from any and all sources by all persons whether living in the household or not, and shall include but not limited to gifts and contributions, state or federal aid, alimony, pension, insurance benefits, return on investments, and any other forms of compensation received for purposes of establishing exemption eligibility. Statements must be complete with no missing pages.
- 8) Proof of income/assets from the Social Security Administration, Veterans Administration, College/University scholarships, for all persons residing in the home.
- 9) The Board of Review is only allowed to deviate from the established guidelines if there are substantial and compelling reasons. It is required that all "substantial and compelling" reasons be documented.

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- 10) If the applicant qualifies for Poverty Exemption, the Board of Review may grant a complete exemption from property taxes, a partial reduction in property taxes, or no reduction as set forth in these guidelines. Approval of the application does not automatically warrant a complete exemption from property taxes. Under no circumstances shall the Board of Review reduce the taxable value lower than that which produces an annual tax equal to 3.5% of an applicant's income plus any property tax credit refund payable by the State of Michigan (1040CR) so as not to reduce applicant's following year income tax refund.
- 11) The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.
- 12) If primary residence being sought for exemption was purchased within the past two years of this application, homeowner's closing statements must be submitted with application.
- 13) A person who files a claim for Poverty exemption is not prohibited from also appealing the assessment on the property to the Board of Review in the same year.
- 14) Any willful misstatements or misrepresentations made on the application may constitute perjury, which, under the law, is a felony punishable by fine or imprisonment.

The following is the current **2018** federal poverty income guidelines which will be updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

### **2018 Federal Poverty Guidelines Used in the Determination of Poverty Exemptions**

<b>Size of Family Unit</b>	<b>2018 Poverty Guidelines</b>
1	\$ 12,060
2	\$ 16,240
3	\$ 20,420
4	\$ 24,600
5	\$ 28,780
6	\$ 32,960
7	\$ 37,140
8	\$ 41,320
For each additional person	\$ 4,180

***The City of Southgate Poverty Exemption Guidelines and Application will be updated annually with the current year Poverty Income Guidelines as established by the United States Department of Health and Human Services without further resolutions. If alternative guidelines are adopted by this governing body a new resolution will be required.***

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**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing from/to the claimant.

Motion carried unanimously.

5. **Memo from ACA/FD; Re: Proposed Schedule FY 18/19 Budget Process:**

Moved by George, supported by Farrah, RESOLVED that the Southgate City Council hereby approves the proposed budget schedule for fiscal year commencing July 1, 2018:

Budget Workshop:	Saturday, April 14, 2018	8:00 a.m.
Public Hearing on Budget:	Wednesday, May 2, 2018	7:00 p.m.
Adoption of Budget by City Council	Wednesday, May 16, 2018	7:00 p.m.

Motion carried unanimously.

6. **Memo from ACA/FD; Re: Request for Public Hearings:**

Moved by Farrah supported by Rauch, RESOLVED that the Southgate City Council schedules two public hearings the evening of Wednesday, May 2, 2018 at 7:00 p.m. to be held in the Council Chambers in the Norma J. Wurmlinger Municipal Building, 14400 Dix-Toledo Road, Southgate, MI 48195 to entertain views and comments on 1) Southgate-Wyandotte Operation/Maintenance/Capital and 2) Water and Sewer Rates.

Motion carried unanimously.

### **Ordinances:**

Councilwoman George gave a first reading of Ordinance no. 995 to approve the editing and inclusion of certain ordinances.

### **Unscheduled Persons in Audience:**

Dawn Keaton, 13479 Kerr, spoke about the clearing of cross walks during snow emergencies.

### **Claims and Accounts:**

Moved by Farrah, supported by Zamecki, RESOLVED, that Claims and Accounts be paid as outlined on Warrant #1347 in the amount of \$1,133,255.30.

Motion carried unanimously.

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### **Adjournment:**

Moved by George, supported by Rauch, RESOLVED, that this Regular Meeting of the Southgate City Council be adjourned at 7:19 P.M. Carried unanimously.

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John Graziani  
Council President

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Janice M. Ferencz  
City Clerk