

**CITY COUNCIL
121 N CHURCH STREET, HUDSON, MI
REGULAR MEETING
January 4, 2022**

747469:

The regular meeting was called to order by Mayor Pro Tem Lee Daugherty at 7:00 pm.

ROLL CALL: PRESENT: Lee Daugherty, Rick Moreno, Carl Sword, Pam Ely, and Natalie Loop
ABSENT: Lee Ann Minton and Carmel Camp

ALSO PRESENT: Rich & Carolyn Halliwill, Barb Ireland – Hudson Post Gazette, Daniel Schudel, Jack Ely, Ron Haber & Kim Hedrick – County National Bank, WWTP Superintendent Ted Hutchison, City Treasurer Linda Cross, City Manager Charles Weir, and City Clerk Jeaniene McClellan

Excuse Absent Members:

747470:

Motion by Carl Sword, seconded by Rick Moreno **to excuse absent members from the meeting.** CARRIED 5-0 by roll call

Approval of Minutes of December 7, 2021:

747471:

Motion by Carl Sword, seconded by Pam Ely **to approve the minutes from December 7, 2021 and place on file.** CARRIED 5-0 by roll call

PUBLIC COMMENT:

No public comments received.

NEW BUSINESS:

Approve: Revised Deficit Elimination Plan for the Utility Fund:

Council approved a deficit elimination plan for the Utility Fund (-300,729.00) at the December 7, 2021 Council Meeting. The plans were submitted to the Michigan Department of Treasury. On December 10, 2021, City Manager Charles Weir received an email response from Mr. Bill Sanders from the Michigan Department of Treasury, advising that the plans submitted needed additional work done, specifically more detail with the revenues and expenses for the fund.

Attached is the revised Deficit Elimination Plan for the Utility Fund. The Resolution that Council approved on December 7, 2021 will have to be amended. The revised deficit elimination plan for the Utility Fund is attached for Council approval. Also attached is the amended resolution for the Utility Fund.



December 21, 2021

Revised Deficit Elimination Plan

Utility Fund

<u>2021/2022</u>		<u>2022/2023</u>	
Starting Fund Balance:	(-\$300,729)	Starting Fund Balance:	\$166,031
Revenues		Revenues	
Lab Services	\$4,000	Lab Services	\$4,000
Sewer Use Receipts	\$300,000	Sewer Use Receipts	\$309,000
Water Use Receipts	\$324,000	Water Use Receipts	\$333,720
Water Bond	\$101,052	Water Bond	\$101,052
Sewer Bond	\$303,667	Sewer Bond	\$303,667
Late Charges	\$18,000	Late Charges	\$18,000
RTS / Sewer Rentals	\$10,291	RTS / Sewer Rentals	\$10,291
RTS / Water Rentals	\$31,664	RTS / Water Rentals	\$31,664
<u>Transfer from Income Tax</u>	<u>\$201,899</u>	<u>Transfer from Income Tax</u>	<u>\$188,143</u>
Total	\$1,294,573	Total	\$1,300,796

Expenditures		Expenditures	
<u>2021/2022</u>		<u>2022/2023</u>	
Sewer System Maint	\$131,426	Sewer System Maint	\$139,426
Sewage Treatment	\$356,063	Sewage Treatment	\$624,686
Utility Adm	\$82,429	Utility Adm	\$156,076
Water Distribution	\$112,800	Water Distribution	\$117,398
W.T.P Pumping	\$142,095	W.T.P Pumping	\$215,108
Total	\$827,813	Total	\$1,252,320
Excess Revenue	\$466,760	Excess Revenue	\$48,476
Ending Fund Balance:	\$166,031	Ending Fund Balance:	\$214,507

(517) 448-8983 121 N Church St Hudson, MI 49247 www.ci.hudson.mi.us

Explanation:

The deficit of \$300,729.00 noted in the City of Hudson Fiscal Year 2020 / 2021 audit report was a combination of many things from the past several years. These include a failure to raise and assess water and sewer rates adequately, and completing the 1st phase in a major street construction project paid with cash, and not being able to transfer funds from the Income Tax Fund to pay on the water and sewer bond payments due to the major street project.

The plan put in place by the Hudson City Council takes the Utility Fund out of a deficit in the first year. This is due to the increase in utility rates. Utility rates will be reviewed annually to make sure that the Utility Fund is sufficiently funded going forward.

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REVENUE AND EXPENDITURE REPORT FOR CITY OF HUDSON

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PERIOD ENDING 12/31/2021

GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	YTD BALANCE 12/31/2021	ACTIVITY FOR MONTH 12/31/2021	AVAILABLE BALANCE	% BDGT USED
Fund 590 - UTILITIES FUND						
Revenues						
Dept 000						
590-000-445.000	PENALTY AND INTEREST ON TAXES	0.00	0.42	0.00	(0.42)	100.00
590-000-504.000	S2 GRANT REVENUE SRF SWQIF	0.00	0.00	0.00	0.00	0.00
590-000-505.000	SAM GRANT REVENUE	0.00	0.00	0.00	0.00	0.00
590-000-628.000	REPAIRS/LINES/METERS	0.00	0.00	0.00	0.00	0.00
590-000-631.000	LABORATORY SERVICES	4,000.00	0.00	0.00	4,000.00	0.00
590-000-632.000	SEWER USE RECEIPTS	300,000.00	205,149.59	17,261.80	94,850.41	68.38
590-000-632.001	WATER USE RECEIPTS	324,000.00	153,373.13	17,837.98	170,626.87	47.34
590-000-643.000	WATER BOND	101,052.00	44,831.77	6,167.20	56,220.23	44.37
590-000-643.001	SEWER BOND	303,667.00	114,496.48	17,112.70	189,170.52	37.70
590-000-644.000	SEWAGE CONNECTIONS	0.00	(61.39)	0.00	61.39	100.00
590-000-644.001	WATER CONNECTIONS	0.00	0.00	0.00	0.00	0.00
590-000-646.000	LATE CHARGES	18,000.00	11,313.80	1,847.12	6,686.20	62.85
590-000-647.000	SALE OF MATERIALS	0.00	0.00	0.00	0.00	0.00
590-000-665.000	INTEREST EARNINGS	0.00	0.00	0.00	0.00	0.00
590-000-677.005	RTS/SEWER RENTALS	10,291.00	6,145.13	669.52	4,145.87	59.71
590-000-677.006	RTS/WATER RENTAL	31,664.00	9,580.29	2,138.13	22,083.71	30.26
590-000-678.000	MISC REVENUE	0.00	7,772.82	107.82	(7,772.82)	100.00
590-000-683.000	DEQ LSL DRINKING WATER PILOT GRANT	0.00	0.00	0.00	0.00	0.00
590-000-699.705	TRANSFER FROM INCOME TAX	201,899.00	40,000.00	0.00	161,899.00	19.81
Total Dept 000		1,294,573.00	592,602.04	63,142.27	701,970.96	45.78
TOTAL REVENUES		1,294,573.00	592,602.04	63,142.27	701,970.96	45.78
Expenditures						
Dept 560 - SEWER SYSTEM MAINTENANCE						
590-560-721.000	ADMINISTRATIVE EXPENSE	127,126.00	52,969.15	0.00	74,156.85	41.67
590-560-740.000	OPERATING SUPPLIES	200.00	480.40	0.00	(280.40)	240.20
590-560-807.000	AUDIT FEES	1,000.00	1,000.00	0.00	0.00	100.00
590-560-943.000	EQUIPMENT RENTAL	2,000.00	78.47	0.00	1,921.53	3.92
590-560-956.000	MISC EXPENSE	100.00	0.00	0.00	100.00	0.00
590-560-967.000	SEWER REHAB PROJECT	1,000.00	0.00	0.00	1,000.00	0.00
590-560-996.000	AMORTIZATION OF BOND PREMIUM	0.00	0.00	0.00	0.00	0.00
Total Dept 560 - SEWER SYSTEM MAINTENANCE		131,426.00	54,528.02	0.00	76,897.98	41.49
Dept 561 - SEWAGE TREATMENT						
590-561-702.000	SALARIES & WAGES	97,663.00	45,510.16	7,193.84	52,152.84	46.60
590-561-703.000	PART TIME WAGES	0.00	0.00	0.00	0.00	0.00
590-561-714.000	FICA	7,471.00	3,194.73	544.44	4,276.27	42.76
590-561-719.000	FRINGE BENEFITS	46,379.00	22,611.09	3,857.97	23,767.91	48.75
590-561-727.000	OFFICE SUPPLIES	500.00	616.11	189.00	(116.11)	123.22
590-561-731.000	REFUSE COLLECTION	0.00	0.00	0.00	0.00	0.00
590-561-740.000	OPERATING SUPPLIES	1,500.00	804.81	136.24	635.19	57.65
590-561-743.000	TREATMENT CHEMICALS	10,000.00	3,230.35	0.00	6,769.65	32.30
590-561-744.000	LAB SUPPLIES	8,000.00	4,739.53	58.98	3,260.47	59.24
590-561-744.001	LAB EQUIP REPLACEMENT	2,000.00	2,285.64	367.60	(285.64)	114.28
590-561-750.000	DIESEL FUEL	600.00	362.88	362.88	237.12	60.48
590-561-751.000	GASOLINE	750.00	0.00	0.00	750.00	0.00
590-561-759.000	UNIFORMS	1,000.00	1,010.95	243.12	(10.95)	101.10
590-561-776.000	BUILDING MAINTENANCE	1,100.00	496.68	0.00	603.32	45.15
590-561-781.000	REPAIR PARTS	5,000.00	1,074.18	863.39	3,925.82	21.48
590-561-818.000	CONTRACTUAL SERVICES	5,000.00	3,013.90	210.00	1,986.10	60.28

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GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	YTD BALANCE 12/31/2021	ACTIVITY FOR MONTH 12/31/2021	AVAILABLE BALANCE	% BDGT USED
Fund 590 - UTILITIES FUND						
Expenditures						
590-561-818.006	SLUDGE APPLICATION	16,500.00	0.00	0.00	16,500.00	0.00
590-561-818.007	PERMITS & FEES	3,000.00	70.00	0.00	2,930.00	2.33
590-561-850.000	TELEPHONE	1,700.00	1,016.41	263.56	683.59	59.79
590-561-864.000	CONFERENCE & TRANSPORTATION	750.00	320.00	0.00	430.00	42.67
590-561-921.000	ELECTRICITY	49,000.00	24,708.86	4,162.39	24,291.14	50.43
590-561-923.000	HEATING FUEL	6,500.00	1,884.98	440.06	4,615.02	29.00
590-561-927.000	WATER	300.00	651.11	96.15	238.89	73.95
590-561-933.000	EQUIPMENT REPAIRS/MAINTENANCE	5,000.00	2,302.44	360.79	2,697.56	46.05
590-561-943.000	EQUIPMENT RENTAL	6,000.00	582.89	0.00	5,417.11	9.71
590-561-956.000	MISC EXPENSE	100.00	0.00	0.00	100.00	0.00
590-561-956.014	S2 I&I FLOW STUDY/PLAN	0.00	0.00	0.00	0.00	0.00
590-561-956.015	SRF GRANT EXPENSE	0.00	0.00	0.00	0.00	0.00
590-561-956.017	SAW GRANT PROJECT EXPENSES	0.00	0.00	0.00	0.00	0.00
590-561-958.000	MEMBERSHIP & DUES	300.00	1,340.28	1,340.28	(1,040.28)	446.76
590-561-963.000	EQUIPMENT REPLACEMENT	18,000.00	626.12	0.00	17,373.88	3.48
590-561-972.000	RESIDENTIAL LIFT STATIONS	12,000.00	8,024.39	6.72	3,975.61	66.87
590-561-972.001	CAPITAL IMPROVEMENT (ROOF)	0.00	0.00	0.00	0.00	0.00
590-561-972.002	EQUIPMENT FUND	6,000.00	399.94	0.00	5,600.06	6.67
590-561-993.000	SRF INTEREST PAYMENT	43,350.00	0.00	0.00	43,350.00	0.00
590-561-996.000	AMORTIZATION OF BOND PREMIUM	0.00	0.00	0.00	0.00	0.00
590-561-996.002	WWTP BAD DEBT RETIREMENT	0.00	0.00	0.00	0.00	0.00
Total Dept 561 - SEWAGE TREATMENT		356,063.00	130,948.43	20,699.41	225,114.57	36.78
Dept 570 - UTILITY ADMINISTRATION						
590-570-702.000	SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00
590-570-721.000	ADMINISTRATIVE EXPENSE	79,204.00	33,001.65	0.00	46,202.35	41.67
590-570-730.000	POSTAGE	1,000.00	0.00	0.00	1,000.00	0.00
590-570-801.000	COMPUTER/SOFTWARE SUPPORT EXPENSE	5,000.00	600.00	0.00	4,400.00	12.00
590-570-900.000	PRINTING & PUBLISHING	75.00	3.00	0.00	72.00	4.00
590-570-943.000	EQUIPMENT RENTAL	150.00	0.00	0.00	150.00	0.00
590-570-960.000	BAD DEBT EXPENSE	0.00	20.00	0.00	(20.00)	100.00
590-570-971.000	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
Total Dept 570 - UTILITY ADMINISTRATION		85,429.00	33,624.65	0.00	51,804.35	39.36
Dept 571 - WATER DISTRIBUTION						
590-571-721.000	ADMINISTRATIVE EXPENSE	76,625.00	31,927.05	0.00	44,697.95	41.67
590-571-727.000	OFFICE SUPPLIES	75.00	0.00	0.00	75.00	0.00
590-571-740.000	OPERATING SUPPLIES	10,000.00	(466.98)	1,577.91	10,466.98	(4.67)
590-571-818.000	CONTRACTUAL SERVICES	5,000.00	2,483.88	1,930.00	2,516.12	49.68
590-571-864.000	CONFERENCE & TRANSPORTATION	0.00	240.00	0.00	(240.00)	100.00
590-571-935.000	REPAIRS & MAINTENANCE	0.00	0.00	0.00	0.00	0.00
590-571-943.000	EQUIPMENT RENTAL	6,000.00	2,180.97	0.00	3,819.03	36.35
590-571-956.000	MISC EXPENSE	100.00	29.94	0.00	70.06	29.94
590-571-971.000	CAPITAL OUTLAY	15,000.00	0.00	0.00	15,000.00	0.00
590-571-971.001	CAPITAL OUTLAY (DEQ LSL GRANT)	0.00	(2,499.56)	0.00	2,499.56	100.00
Total Dept 571 - WATER DISTRIBUTION		112,800.00	33,895.30	3,507.91	78,904.70	30.05
Dept 572 - W.T.P. PUMPING						
590-572-702.000	SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00
590-572-721.000	ADMINISTRATIVE EXPENSE	76,625.00	31,927.05	0.00	44,697.95	41.67

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GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	YTD BALANCE 12/31/2021	ACTIVITY FOR MONTH 12/31/2021	AVAILABLE BALANCE	% BDGT USED
Fund 590 - UTILITIES FUND						
Expenditures						
590-572-740.000	OPERATING SUPPLIES	500.00	384.49	0.00	115.51	76.90
590-572-743.000	TREATMENT CHEMICALS	4,500.00	4,159.97	644.67	340.03	92.44
590-572-776.000	BUILDING MAINTENANCE	500.00	0.00	0.00	500.00	0.00
590-572-778.000	EQUIP/REPAIR REPLACEMENT	22,500.00	152.33	0.00	22,347.67	0.68
590-572-818.000	CONTRACTUAL SERVICES	1,000.00	384.99	105.00	615.01	38.50
590-572-864.000	CONFERENCE & TRANSPORTATION	750.00	0.00	0.00	750.00	0.00
590-572-921.000	ELECTRICITY	23,000.00	14,593.05	2,910.27	8,406.95	63.45
590-572-923.000	HEATING FUEL	5,500.00	1,035.12	472.09	4,464.88	18.82
590-572-943.000	EQUIPMENT RENTAL	5,000.00	3,318.12	403.56	1,681.88	66.36
590-572-956.000	MISC EXPENSE	100.00	0.00	0.00	100.00	0.00
590-572-958.001	MEMBERSHIP & DUES MRWA	2,000.00	0.00	0.00	2,000.00	0.00
590-572-963.000	EQUIPMENT REPLACEMENT	0.00	0.00	0.00	0.00	0.00
590-572-968.000	DEPRECIATION	0.00	0.00	0.00	0.00	0.00
590-572-996.001	WTP BOND DEBT	120.00	0.00	0.00	120.00	0.00
Total Dept 572 - W.T.P. PUMPING		142,095.00	55,955.12	4,535.59	86,139.88	39.38
TOTAL EXPENDITURES		827,813.00	308,951.52	28,742.91	518,861.48	37.32
Fund 590 - UTILITIES FUND:						
TOTAL REVENUES		1,294,573.00	592,602.04	63,142.27	701,970.96	45.78
TOTAL EXPENDITURES		827,813.00	308,951.52	28,742.91	518,861.48	37.32
NET OF REVENUES & EXPENDITURES		466,760.00	283,650.52	34,399.36	183,109.48	60.77

City of Hudson Michigan
Amended

Resolution To Adopt The Deficit Elimination Plan For The Utilities Fund

WHEREAS The City of Hudson's Utilities Fund has a \$300,729.00 deficit fund balance on June 30 2021; and

WHEREAS, 1971 PA 140 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury;

NOW THEREFORE, IT IS RESOLVED that the City of Hudson's legislative body adopts the following as the City of Hudson Utility Fund Deficit Elimination Plan:

2020/2021	2021/2022	2022/2023
Deficit (-\$300,729.00)	\$465,134.00	\$166,031.00
	Revenues \$1,294,574.00	Revenues \$1,300,796.00
	Expenditures \$827,813.00	Expenditures \$1,252,320.00
	Excess Revenue \$466,761.00 -\$300,729.00 Deficit	Excess Revenue \$48,476.00
	Fund Balance \$166,031.00	Fund Balance \$214,507.00

Explanation:

The deficit of (\$300,729.00) noted in the City of Hudson Fiscal Year 2020/2021 audit report was a combination of many things over the past several years. These include a failure to raise and assess water and sewer rates adequately, and the completion of a major street construction project that was paid with cash while not being able to transfer funds from the City Income Tax Fund to pay on the water and sewer bond payments due to the Income Tax Funds being spent on the major street project.

The Utilities Fund was brought into the positive by using City Income Tax dollars and Capital Improvement Bond 2021 dollars to make the utilities bond payments October 2021. The larger surplus in the 2021/2022 excess revenue balance is partially due to the Capital Improvement Bond dollars received. A water and sewer rate study was done and the City Council raised the rates on water and sewer based on the study results.

Water and Sewer rates have not been adjusted for several years to meet the debt obligations along with operational and maintenance needs. The Utility Fund will have to continue to rely on income tax dollars, which was originally part of the funding for the Utilities Fund. The City will also review the rates annually and makes the necessary adjustments as needed to keep the Utility Fund out of a deficit.

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

The following aye votes were recorded:

The following nay votes were recorded:

Absent:

STATE OF MICHIGAN

COUNTY OF LENAWEE

I, Jeaniene McClellan, City Clerk of the City of Hudson Michigan, do hereby certify that the above is a true and correct copy of the Resolution adopting the Deficit Elimination Plan for the City of Hudson Utility Fund, adopted by the City Council at a meeting held on January 4, 2022.

Jeaniene McClellan, City Clerk
Dated: January 4, 2022

747472:

Motion by Natalie Loop, seconded by Carl Sword **approve the revised deficit elimination plan and resolution for the Utility Fund, and authorize the City Manager to forward the plan and resolution to the Michigan Department of Treasury for certification.** CARRIED 5-0 by roll call vote.

Approve: Revised Deficit Elimination Plan for the Ambulance Fund:

Council approved a deficit elimination plan for the Ambulance Fund (-19,002.00) at the December 7, 2021 Council Meeting. The plans were submitted to the Michigan of Treasury. On December 10, 2021, City Manager received an email response from Mr. Bill Sanders from the Michigan Department of Treasury, advising that the plans submitted needed additional work done, specifically more detail with the revenues and expenses for the fund.

Attached is the revised Deficit Elimination Plan for the Ambulance Fund. The Resolution that Council approved on December 7, 2021 will have to be amended. The revised deficit elimination plan for the Ambulance Fund is attached for Council approval. Also attached is the amended resolution for the Ambulance Fund.



December 21, 2021

Revised Deficit Elimination Plan

Ambulance Fund

<u>2021/2022</u>		<u>2022/2023</u>	
Starting Fund Balance (-\$19,002.00)		Starting Fund Balance \$100,709.00	
Revenues		Revenues	
LCSA ALS	\$8,117.00	LCSA ALS	\$8,117.00
Property Tax	\$47,000.00	Property Tax	\$47,000.00
Ins. Receivables	\$290,000.00	Ins. Receivables	\$290,000.00
Contracts	\$245,500.00	Contracts	\$245,500.00
Due From Gen Fund	\$30,000.00	Due From Gen. Fund	\$0
Other	\$11.00	Other	\$11.00
Due From Income Tax	<u>\$128,932.00</u>	Due From Income Tax	<u>\$108,932.00</u>
Total	\$749,560.00	Total	\$699,560.00
Expenditures		Expenditures	
<u>2021/2022</u>		<u>2022/2023</u>	
Salaries & Wages	\$550,454.00	Salaries & Wages	\$568,144.00
Office Supplies	\$5,850.00	Office Supplies	\$5,350.00
Gasoline	\$9,500.00	Gasoline	\$9,500.00
Station 2 Expense	\$8,000.00	Station 2 Expense	\$8,000.00
Other Expense	\$28,045.00	Other Expense	\$27,270.00
H.C. Cap. Imp.	<u>\$18,000.00</u>	H.C. Cap. Imp.	\$18,000.00
Total	\$ 629,849.00	Ambulance Payment	\$28,935.00
		2021 C.I. Bond	<u>\$2,538.00</u>
		Total	\$ 677,737.00
Excess Revenue	\$ 119,711.00	Excess Revenue	\$ 21,823.00
Ending Fund Balance	\$100,709.00	Ending Fund Balance	\$122,532.00

Explanation:

The deficit of \$19,002.00 noted in the City of Hudson June 30, 2021 2020 audit report was due in part expenses in payroll and supply costs due to the pandemic. A large part of the ambulance fund relies on insurance receivables from medical runs. This number fluctuates on the number of runs and insurance receivables paying for the service.

In the fiscal year 2021/2022 year the Ambulance Fund deficit was corrected by the transferring of funds from the General Fund and the City Income Tax to the Ambulance Fund. The Hudson City Council has waived the City Income Tax Policy for two years to assist with getting the City finances back on track.

The Ambulance Fund will need to be monitored closely. The tax mills and levees may have to be increased as well as the contractual agreements with the counties and townships served, if the deficit trend continues.



GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	YTD BALANCE 12/31/2021	ACTIVITY FOR MONTH 12/31/2021	AVAILABLE BALANCE	% BGD USED
Fund 210 - AMBULANCE						
Revenues						
Dept 000						
210-000-404.000	PPT REIMBURSEMENT	8,117.00	7,821.07	0.00	295.93	96.35
210-000-445.000	PENALTY AND INTEREST ON TAXES	0.00	7.13	3.08	(7.13)	100.00
210-000-582.000	1% MILLAGE / CITY PROPERTY TAX	47,000.00	43,237.71	155.52	3,762.29	92.00
210-000-630.002	A.L.S. INSURANCE RECEIVABLES	290,000.00	167,534.32	22,475.91	122,465.68	57.77
210-000-635.000	HILLSDALE COUNTY ALS TAX MILLS	130,000.00	67,747.56	0.00	62,252.44	52.11
210-000-635.001	WRIGHT TWP/WALDRON ALS CONTRACT	18,000.00	4,500.00	0.00	13,500.00	25.00
210-000-635.002	DOVER TOWNSHIP ALS TAX MILLS	25,000.00	16,051.62	0.00	8,948.38	64.21
210-000-635.003	MEDINA TOWNSHIP ALS TAX MILLS	11,300.00	0.00	0.00	11,300.00	0.00
210-000-635.004	HUDSON TOWNSHIP ALS TAX MILLS	54,500.00	3,033.81	0.00	51,466.19	5.57
210-000-645.000	AMBULANCE BILLING SERVICES	6,700.00	2,193.00	0.00	4,507.00	32.73
210-000-665.000	INTEREST EARNINGS	11.00	0.00	0.00	11.00	0.00
210-000-678.000	MISC REVENUE	0.00	0.00	0.00	0.00	0.00
210-000-678.004	MISC REVENUE BENEFIT FUND	0.00	100.00	0.00	(100.00)	100.00
210-000-678.005	MISC REVENUE LOAN PROCEEDS	0.00	0.00	0.00	0.00	0.00
210-000-699.101	TRANSFER FROM GENERAL FUND	30,000.00	30,000.00	0.00	0.00	100.00
210-000-699.705	TRANSFER FROM INCOME TAX	128,932.00	60,000.00	0.00	68,932.00	46.54
Total Dept 000		749,560.00	402,226.22	22,634.51	347,333.78	53.66
TOTAL REVENUES		749,560.00	402,226.22	22,634.51	347,333.78	53.66
Expenditures						
Dept 344 - AMBULANCE DEPARTMENT						
210-344-702.000	SALARIES & WAGES	456,750.00	218,719.45	33,639.26	238,030.55	47.89
210-344-714.000	FICA	34,941.00	15,378.81	2,561.00	19,562.19	44.01
210-344-719.000	FRINGE BENEFITS	58,763.00	28,301.46	6,439.30	30,461.54	48.16
210-344-721.000	ADMINISTRATIVE EXPENSE	0.00	0.00	0.00	0.00	0.00
210-344-727.000	OFFICE SUPPLIES	1,100.00	324.58	0.00	775.42	29.51
210-344-728.000	SOFTWARE MAINTENANCE	1,800.00	0.00	0.00	1,800.00	0.00
210-344-730.000	POSTAGE	750.00	436.97	0.00	313.03	58.26
210-344-740.000	OPERATING SUPPLIES	8,000.00	5,052.99	186.10	2,947.01	63.16
210-344-741.000	CLEANING SUPPLIES	1,000.00	104.00	0.00	895.90	10.41
210-344-751.000	GASOLINE	9,500.00	6,346.31	0.00	3,153.69	66.80
210-344-759.000	UNIFORMS	3,000.00	479.92	0.00	2,520.08	16.00
210-344-776.000	BUILDING MAINTENANCE	5,000.00	0.00	0.00	5,000.00	0.00
210-344-802.000	CONTRACT TO HOUSE ALS UNIT	8,000.00	3,454.53	88.31	4,545.47	43.18
210-344-803.000	CONTRACT BILLING SVC EXPENSE	300.00	67.80	0.00	232.20	22.60
210-344-807.000	AUDIT FEES	350.00	350.00	0.00	0.00	100.00
210-344-818.000	CONTRACTUAL SERVICES	4,300.00	2,309.40	0.00	1,990.60	53.71
210-344-835.001	HEALTH SERVICES	300.00	0.00	0.00	300.00	0.00
210-344-850.000	TELEPHONE	4,170.00	2,716.33	884.76	1,453.67	65.14
210-344-864.000	CONFERENCE & TRANSPORTATION	0.00	0.00	0.00	0.00	0.00
210-344-923.000	HEATING FUEL	500.00	49.03	0.00	450.97	9.81
210-344-930.000	VEHICLE REPAIR & MAINTENANCE	4,300.00	2,925.00	1,091.33	1,375.00	68.02
210-344-933.000	EQUIPMENT REPAIRS/MAINTENANCE	5,000.00	1,629.35	0.00	3,370.65	32.59
210-344-934.000	OFFICE EQUIP MAINT	1,500.00	0.00	0.00	1,500.00	0.00
210-344-956.000	MISC EXPENSE	100.00	100.00	0.00	0.00	0.00
210-344-958.000	MEMBERSHIP & DUES	500.00	356.32	0.00	143.68	71.26
210-344-961.000	TRAINING & EQUIPMENT	1,925.00	0.00	0.00	1,925.00	0.00
210-344-961.002	AMBULANCE NOTE PAYABLE	0.00	0.00	0.00	0.00	0.00
210-344-971.000	CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
210-344-977.300	HILLSDALE CTY CAPITAL IMPROV.	18,000.00	9,399.41	0.00	8,600.59	52.22

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REVENUE AND EXPENDITURE REPORT FOR CITY OF HUDSON
 PERIOD ENDING 12/31/2021

Page: 2/2

GL NUMBER	DESCRIPTION	2021-22 AMENDED BUDGET	YTD BALANCE 12/31/2021	ACTIVITY FOR MONTH 12/31/2021	AVAILABLE BALANCE	% BODGT USED
Fund 210 - AMBULANCE						
Expenditures						
Total Dept 344 - AMBULANCE DEPARTMENT		629,849.00	298,401.76	44,890.06	331,447.24	47.38
TOTAL EXPENDITURES		629,849.00	298,401.76	44,890.06	331,447.24	47.38
Fund 210 - AMBULANCE:						
TOTAL REVENUES		749,560.00	402,226.22	22,634.51	347,333.78	53.66
TOTAL EXPENDITURES		629,849.00	298,401.76	44,890.06	331,447.24	47.38
NET OF REVENUES & EXPENDITURES		119,711.00	103,824.46	(22,255.55)	15,886.54	86.73

**City of Hudson Michigan
 Amended**

Resolution To Adopt The Deficit Elimination Plan For The Ambulance Fund

WHEREAS The City of Hudson's Ambulance Fund has a \$19,002.00 deficit fund balance on June 30 2021; and

WHEREAS, 1971 PA 140 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury;

NOW THEREFORE, IT IS RESOLVED that the City of Hudson's legislative body adopts the following as the City of Hudson Ambulance Fund Deficit Elimination Plan:

2020/2021	2021/2022	2022/2023
Deficit (-\$19,002.00)	\$119,711.00	\$100,709.00
	Revenues \$749,560.00	Revenues \$699,560.00
	Expenditures \$629,849.00	Expenditures \$677,737.00
	Excess Revenue \$119,711.00 -\$19,002.00 Deficit	Excess Revenue \$21,823.00
	Fund Balance \$100,709.00	Fund Balance \$122,532.00

Explanation:

The deficit of \$19,002.00 noted in the City of Hudson Fiscal Year 2020/2021 audit report was due in part to overtime expenses in payroll and supply costs due to the pandemic. A large part of the Ambulance Fund relies on insurance receivables from medical runs. This number fluctuates on the number of runs and insurance receivables paying for the service.

In the fiscal year 2021/2022 year the Ambulance Fund deficit was eliminated by the transferring of funds from the General Fund and the City Income Tax Fund to the Ambulance Fund. The Hudson City Council has waived the City Income Tax Fund Policy for two years to assist with getting the City finances back on track.

The Ambulance Fund will need to be monitored closely going forward. The tax mills and levees may have to be increased as well as the contractual service agreements with the counties and townships served if the deficit trend continues.

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

The following aye votes were recorded:

The following nay votes were recorded:

Absent:

STATE OF MICHIGAN

COUNTY OF LENAWEE

I, Jeaniene McClellan, City Clerk of the City of Hudson Michigan, do hereby certify that the above is a true and correct copy of the Resolution adopting the Deficit Elimination Plan for the City of Hudson Ambulance Fund, adopted by the City Council at a meeting held on January 4, 2021.

Jeaniene McClellan, City Clerk

Dated: January 4, 2022

747473:

Motion by Natalie Loop, seconded by Pam Ely **approve the revised deficit elimination plan and resolution for the Ambulance Fund, and authorize the City Manager to forward the plan and resolution to the Michigan Department of Treasury for certification.** CARRIED 5-0 by roll call vote.

Approve: Deficit Elimination Plan for the Community Center Fund:

Along with the deficit elimination plans for the Utilities and Ambulance Funds, Michigan Treasury also noted in the City's audit report that the Hudson Community Center Fund was in the deficit in the amount of (-878.00).

The Michigan Department of Treasury is requiring a deficit elimination plan for the Community Center Fund as well. The deficit was created by the capital improvement that was done at the Community Center (Generator) and the fact that the Community Center was not open for public rentals from March 2020 through May 2021 due to the pandemic. \$3,200.00 in rental revenue was not collected over that time period.

Attached is the deficit elimination plan and resolution for the Community Center Fund which will need Council approval before sending it to the Michigan Department of Treasury.



January 4, 2022

Deficit Elimination Plan

Community Center Fund

2021/20222022/2023

Starting Fund Balance: (-\$878.00) Starting Fund Balance: \$4,702.00

Revenues**Revenues**

Franchise Fees	\$10,000.00	Franchise Fees	\$10,000.00
Interest Earnings	\$10.00	Interest Earnings	\$10.00
Rental – 313 W. Main	\$3,000.00	Rental - 313 W. Main	\$3,000.00
Contributions & Donations	\$0.00	Contributions & Donations	\$0.00
Reimbursement	\$750.00	Reimbursement	\$750.00
Rental – Com Center	\$4,000.00	Rental – Com Center	\$4,000.00
Dept Aging Rent	\$8,400.00	Dept Aging Rent	\$8,400.00
Total	\$26,160.00	Total	\$26,160.00

Expenditures2021/20222022/2023

Adm Expense	\$2,500.00	Adm Expense	\$2,500.00
Oper Supplies	\$500.00	Oper Supplies	\$500.00
Bldg Maintenance	\$3,000.00	Bldg Maintenance	\$3,000.00
Audit Fees	\$200.00	Audit Fees	\$200.00
Contractual Services	\$480.00	Contractual Services	\$480.00
Telephone	\$900.00	Telephone	\$900.00
Electricity	\$8,400.00	Electricity	\$8,400.00
Heating Fuel	\$1,850.00	Heating Fuel	\$1,850.00
Water	\$400.00	Water	\$400.00
Equipment Rental	\$800.00	Equipment Rental	\$800.00
Misc Expense	\$50.00	Misc Expense	\$50.00
313 W. Main Taxes	\$1,500.00	313 W. Main Taxes	\$1,500.00
Total	\$20,580.00	Total	\$20,580.00

Excess Revenue	\$5,580.00	Excess Revenue	\$5,580.00
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Ending Fund Balance:	\$4,702.00	Ending Fund Balance:	\$10,282.00
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(517) 448-8983 121 N Church St Hudson, MI 49247 www.ci.hudson.mi.us

Explanation:

The deficit of \$878.00 noted in the City of Hudson Fiscal Year 2020 / 2021 audit report was due to capital improvements that were made to the Community Center during Fiscal Year 2020/2021. The Community Center was closed to public rentals due to the pandemic from March 2020 through May 2021. \$3,200.00 in rental revenue was not collected due to being closed over that period.

The Community Center deficit has been eliminated due to its reopening and rental fees being collected again. The rental agreement with the Department on Aging and rental fees for the public are under review and increases are anticipated moving forward.

		2021-22		ACTIVITY FOR		AVAILABLE		% BODG	
GL NUMBER	DESCRIPTION	AMENDED BUDGET	YTD BALANCE 12/31/2021	MONTH 12/31/2021	BALANCE	USED			
12/27/2021 10:19 AM User: LINDA DB: Hudson REVENUE AND EXPENDITURE REPORT FOR CITY OF HUDSON Page: 1/1 PERIOD ENDING 12/31/2021									
Fund 211 - COMMUNITY CENTER									
Revenues									
Dept 000									
211-000-477.000	FRANCHISE FEE	10,000.00	12,559.65	961.51	(2,559.65)	125.60			
211-000-665.000	INTEREST EARNINGS	10.00	0.00	0.00	10.00	0.00			
211-000-667.000	RENTAL INCOME 313 W MAIN	3,000.00	1,750.00	350.00	1,250.00	58.33			
211-000-674.000	CONTRIBUTIONS & DONATIONS	0.00	0.00	0.00	0.00	0.00			
211-000-676.000	TELEPHONE REIMBURSEMENT LCDA	750.00	1,150.98	86.68	(400.98)	153.46			
211-000-677.001	RENTAL INCOME COMM CTR	4,000.00	1,825.00	200.00	2,175.00	45.63			
211-000-677.002	DEPT ON AGING RENTAL	7,700.00	4,200.00	700.00	3,500.00	54.55			
211-000-678.000	MISC REVENUE	0.00	0.00	0.00	0.00	0.00			
211-000-699.101	TRANSFER FROM GENERAL FUND	0.00	0.00	0.00	0.00	0.00			
211-000-699.705	TRANSFER FROM INCOME TAX	0.00	0.00	0.00	0.00	0.00			
Total Dept 000		25,460.00	21,485.63	2,198.19	3,974.37	84.39			
TOTAL REVENUES		25,460.00	21,485.63	2,198.19	3,974.37	84.39			
Expenditures									
Dept 805 - COMMUNITY CENTER									
211-805-721.000	ADMINISTRATIVE EXPENSE	2,500.00	0.00	0.00	2,500.00	0.00			
211-805-740.000	OPERATING SUPPLIES	500.00	3.04	0.00	496.96	0.61			
211-805-776.000	BUILDING MAINTENANCE	3,000.00	347.22	0.00	2,652.78	11.57			
211-805-776.001	313 W MAIN STREET	0.00	0.00	0.00	0.00	0.00			
211-805-807.000	AUDIT FEES	200.00	200.00	0.00	200.00	58.33			
211-805-818.000	CONTRACTUAL SERVICES	480.00	280.00	40.00	200.00	58.33			
211-805-850.000	TELEPHONE	900.00	590.76	92.68	309.24	65.64			
211-805-912.000	ELECTRICITY	0.00	0.00	0.00	0.00	0.00			
211-805-921.000	ELECTRICITY	8,400.00	5,378.64	700.48	3,021.36	64.03			
211-805-923.000	HEATING FUEL	1,850.00	719.58	208.45	1,130.42	38.90			
211-805-927.000	WATER	400.00	319.36	61.48	80.64	79.84			
211-805-943.000	EQUIPMENT RENTAL	800.00	78.47	0.00	721.53	9.81			
211-805-956.000	MISC EXPENSE	50.00	0.00	0.00	50.00	0.00			
211-805-957.001	313 W MAIN TAXES	1,500.00	1,530.58	461.42	(30.58)	102.04			
211-805-977.200	CAPITAL IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00			
Total Dept 805 - COMMUNITY CENTER		20,580.00	9,447.65	1,564.51	11,132.35	45.91			
TOTAL EXPENDITURES		20,580.00	9,447.65	1,564.51	11,132.35	45.91			
Fund 211 - COMMUNITY CENTER:									
TOTAL REVENUES		25,460.00	21,485.63	2,198.19	3,974.37	84.39			
TOTAL EXPENDITURES		20,580.00	9,447.65	1,564.51	11,132.35	45.91			
NET OF REVENUES & EXPENDITURES		4,880.00	12,037.98	633.68	(7,157.98)	246.68			

City of Hudson Michigan

Resolution To Adopt The Deficit Elimination Plan Community Center Fund

WHEREAS The City of Hudson's Community Center Fund has a \$878.00 deficit fund balance on June 30 2021; and

WHEREAS, 1971 PA 140 requires that a Deficit Elimination Plan be formulated by the local unit of government and filed with the Michigan Department of Treasury;

NOW THEREFORE, IT IS RESOLVED that the City of Hudson's legislative body adopts the following as the City of Hudson Community Center Fund Deficit Elimination Plan:

2020/2021	2021/2022	2022/2023
Deficit (-\$878.00)	\$5,580.00	\$4,702.00
	Revenues \$26,160.00	Revenues \$26,160.00
	Expenditures \$20,580.00	Expenditures \$20,580.00
	Excess Revenue \$5,580.00 -\$878.00 Deficit	Excess Revenue \$5,580.00
	Fund Balance \$4,702.00	Fund Balance \$10,282.00

Explanation:

The deficit of \$878.00 noted in the City of Hudson Fiscal Year 2020/2021 audit report was due in part to a capital improvements that were made to the Community Center during the fiscal year 2020/2021. The Community Center was closed to public rentals due to the pandemic from March 2020 through May 2021. \$3,200.00 in rental revenue was not collected due to it being closed over that period.

The Community Center deficit has been eliminated due to it's reopening and rental fees being collected again. The rental agreement with the Department on Aging and rental fees for the public are under review and increases are anticipated moving forward.

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

The following aye votes were recorded:

The following nay votes were recorded:

Absent:

STATE OF MICHIGAN

COUNTY OF LENAWE

I, Jeaniene McClellan, City Clerk of the City of Hudson Michigan, do hereby certify that the above is a true and correct copy of the Resolution adopting the Deficit Elimination Plan for the City of Hudson Community Center Fund, adopted by the City Council at a meeting held on December 7, 2021.

Jeaniene McClellan, City Clerk
 Dated: January 4, 2022

747474:

Motion by Natalie Loop, seconded by Rick Moreno **approve the deficit elimination plan and resolution for the Community Center Fund, and authorize the City Manager to forward the plan and resolution to the Michigan Department of Treasury for certification.**

CARRIED 5-0 by roll call vote.

Accept: Purchase Offers on Vacant City Lot Sales:

The City received six offers on five properties. The purchase offer deadline was December 3, 2021. Offers were opened on December 8, 2021. Offers noted are the high offers on the properties noted.

Daiton & Erin Lemmon	Bid on Maple Street – XH0-411-0101-00	\$1,000.00
Ronald Keck	Bid on Maple Street - XH0-411-0102-00	\$ 752.00
S & D Endeavors LLC	Bid on 100 Fayette Street - XH0-000-0150-00	\$ 625.00
Todd D Coles	Bid on 315 & 319 School Street -	
	XH0-700-2050-00	\$ 400.00
	XH0-700-2060-00	\$ 400.00

Council will have to accept the purchase offers before the properties can be sold. Mr Weir contacted the City Attorney and he agreed that a Quit Claim Deed is the fastest most economical way to transfer the property. If a buyer does not want a Quit Claim Deed, all fees could be paid by the new owner if Council chooses to do so.

The Council was given a draft of a Quit Claim Deed that could be used. The City Attorney viewed the document and advised that it was acceptable to use.

Once Council accepts the bids, the bidders will be contacted and advised the terms of the sale and transfer.

747475:

Motion by Carl Sword, seconded by Rick Moreno **accept the purchase offers on the vacant lots as presented and the terms of sale and property transfer, and authorize the City Manager to sign the Quit Claim Deeds and other transfer documents as needed.** CARRIED 5-0 by roll call vote.

Approve: MDOT Performance Resolution for Governmental Agencies:

Adopting the resolution will allow the City to continue to receive MDOT approval for the different parades along the trunkline throughout the year.

Government agencies must apply annually, prior to February, for the on-line permit application.

747476:

Motion by Pam Ely, seconded by Carl Sword **adopt the resolution “Annual Application and Permit for Miscellaneous Operations Within State Trunkline Right of Way” for the calendar year 2022.** CARRIED 5-0 by roll call vote.

Authorize: Moving City Bank Accounts:

As Council knows, County National Bank, CNB has been instrumental in the financial recovery of the City with the Tax Anticipation Note of \$239,834.00 in June 2021. Without that note the City would have suffered even more financial distress and services to the residents of Hudson would have likely been cut, and the possible appointment of an emergency manager from the State of Michigan.

CNB came through again for the City with the Capital Improvement Bond of \$750,000.00 in September 2021. Those funds gave the City the ability to make its water and sewer bond payments and payments on the new fire truck and ambulance loans. It also is allowing the City to begin crucial repairs and upgrades to two of the City’s main sewer lift stations.

Ron Haber Vice President of CNB Hudson Office, has expressed interest in managing more of the City accounts. CNB has demonstrated its commitment to the City in helping it recover and prosper moving forward.

There are no additional cost or fees with moving the accounts to CNB. The accounts specifically we are suggesting to open at CNB is the Combined Deposit Account, Payables and Payroll accounts. These accounts have the most daily activity. Having these accounts moved to CNB will be more efficient.

The following accounts can stay at Old National Bank if Council chooses to do so.

DDA account, HPD Drug Enforcement and Abandon Property account, ALS Membership and two CDs. The combined deposit account at Old National Bank can stay active with ALS deposits and can be moved later if ALS Supervisor Jim Stevens and Council would want to move over to County National Bank as well.

747477:

Motion by Carl Sword, seconded by Rick Moreno **authorize the City Manager and Treasurer to open a Combined Deposit Account and Payroll Accounts at County National Bank.**

CARRIED 5-0 by roll call vote.

CD Renewals at Old National Bank:

These are two Certificate of Deposits at Old National Bank that are maturing. One CD matured on December 27, 2021. The other CD will mature on May 18, 2022.

The first CD amount is \$5,347.08 and the second is in the amount of \$2,276.72. Both CD's will renew automatically if Council chooses to take no action with the CDs.

The City has a 10 day window to withdraw the funds after he maturity date without a penalty.

747478:

Motion by Natalie Loop, seconded by Carl Sword **approve to withdraw the 1st CD now (\$5,347.08 could be a little more) and the 2nd CD in May (\$2,276.72 could be a little more) and put it into an account.** CARRIED 5-0 by roll call

UNFINISHED BUSINESS:

Bills:

Bills to Council
January 4, 2022

Bills to be Approved

Berends Hendricks & Stuit	\$17,304.50	Liability & Auto Insurance January Quarterly Installment
USA Bluebook	\$1,201.09	Intellical LBOD Probe - WWTP Lab Equipment
White, Hotchkiss & Falahee, PLLC	\$1,245.00	November 2021 Legal Services
Michigan Department of Environment, Great lake, and Energy	\$1,950.00	NPDES Annual Permit Fee 2022 - WWTP
Hillsdale County Inspection	\$2,740.00	Building Inspections for August, September, October and November 2021
Next Generation Automotive	\$1,393.44	2017 chevrolet silverado (brakes, rotors, & seals) Vin #7340
MML Workers' Compensation Fund	\$6,136.00	2nd Quarterly Payment

ALS Construction Equipment	\$1,573.72	Backhoe repair
Consumer Energy	\$3,068.54	WWTP November 2021 Electric
Consumer Energy	\$2,910.27	DPW November 2021 Electric
Hudson Collision	\$1,175.35	2021 Durango Repair
Henricks Ford	\$1,052.15	2012 Ford Repair
Modern Waste	\$9,411.50	Refuse Service December 2021
Renius & Renius	\$1,512.50	Assessing Fee for December 2021
Mission Communications	\$1,620.75	lift station communications at Sunrise, Church, WWTP, & Jackson Street
Total	\$54,294.81	

Bills to be Confirmed

D & P Communications	\$1,275.51	All Departments - Internet and phones services November 2021
Consumer Energy	\$2,126.10	November 2021 Electric - Street Lights
Consumer Energy	\$1,042.19	November 2021 Electric - LED Lights
EGLE	\$1,340.28	Community Public Water Supply Annual Fee
City of Hudson	\$1,641.60	Winter Taxes for Industrial Park
Corrpro Company	\$1,930.00	Water Tank Inspections
Point & Pay	\$2,000.00	One time Set Up Fee
Total	\$11,355.68	

747479:

Motion by Carl Sword, seconded by Rick Moreno **to pay the bills.** CARRIED 5-0 by roll call vote

Account Balances & Check Register:

Account Balances:

General Fund	\$286,935.23
Cemetery Trust Fund	\$ 2,262.45
Major Street Fund	\$ 74,709.18

Local Street Fund \$ 56,370.28

2303

Fire Department Fund	\$ 53,022.77
Recreation Fund	\$ 6,018.40
Cemetery Foundation	\$ 23,915.89
Ambulance	-(\$ 12,763.94)
Community Center	\$ 15,126.70
Thompson Museum Fund	\$ 57,662.33
Library Fund	\$ 12,047.65
Thompson Library Fund	\$ 0.00
Museum Fund	\$ 44,928.52
Downtown Development	\$ 8,299.32
Industrial Park Fund	\$ 14,651.52
L D F A	\$ 0.00
2021 Capital Improvement Bond Fund	\$257,390.46
Sidewalk Fund	\$ 2,565.98
Utilities Fund	-(\$185,769.64)
Motor Veh and Equip Fund	\$210,275.53
Property Tax Collection	\$ 74,161.02
Income Tax Fund	\$ 32,835.91

747480:

Motion by Carl Sword, seconded by Rick Moreno **to accept the Account Balances & Check Register and place on file.** CARRIED 5-0 by roll call vote

Department Head Reports:

747481:

Motion by Rick Moreno, seconded by Natalie Loop **to accept the Department Head Reports and place on file.** CARRIED 5-0 by roll call vote

Revenue Expenditure Report:

747482:

Motion by Carl Sword, seconded by Pam Ely **to accept the Revenue Expenditure Report and place on file.** CARRIED 5-0 by roll call vote

MANAGER'S REPORT:

- The Financially Distressed Cities Villages and Townships (FDCVT) grant application to the State of Michigan has been submitted. The application was completed to request grant funding to help the City with the additional debt taken on due to the financial issues the City is currently experiencing. The grant request was for \$993,287.92 which would cover the expenses associated with the Capital Improvement Bond the City had to secure to stay solvent. March 2022 is when applicants will be notified if they will be considered to receive the grant funding.
- The Hudson Community Center Agreement was due for review June of this year. Mr Weir will be contacting the Lenawee County Department on Aging to discuss the agreement for this new year and moving forward. He has also started looking at the current rental rates for the public as well. We will bring this back to Council in the near future for its consideration.
- Mr Best and Mr Weir has a meeting scheduled with Jones & Henry with moving forward with the Drinking Water Asset Management (DWAM) on January 12th. The 187 random locations will have to be identified for the identification of water service lines materials to residences and businesses. The actual work at this point is to start in the spring of this year.
- DPW had to repair two water line breaks on Thursday and Friday last week. One was on Oak Street and the other was near the Lincoln Elementary School. The crew had to put some long hours in to get them fixed.
- We are pleased to announce that Josh Mattek has passed his test for the Waste Water C License. The testing for this license is very difficult. Josh is now fully licensed to run the Waste Water Plant.
- The City Attorney Eric White has not heard from Mr Hartsel's attorney as of the writing of this report. City Manager Charles Weir asked Mr White to inquire about the delay in getting the signatures on the agreement.

COUNCIL COMMENTS:**ADJOURNMENT:****747483:**Motion by Carl Sword, seconded by Rick Moreno to **adjourn the meeting at 8:04 pm**APPROVED: _____
Lee Daugherty, Mayor Pro TemATTEST: _____
Jeaniene McClellan, City Clerk