City of Hart, Michigan
CITY COUNCIL AGENDA
February 28, 2023, 7:30 PM
407 State St. – Council Chamber
NOTICE OF PUBLIC MEETING
REGULAR COUNCIL MEETING

1. Call to Order
2. Roll Call – Adams, Burillo, Evans, Hodges, Klotz, Trygstad, Platt
3. Pledge of Allegiance
4. Approval of Agenda
5. Public Comments – **Public comment on any matter that is not included on the agenda for a public hearing by the Council. We ask that you please limit your comments to 3 minutes**
    a. Correspondence, Events, Presentations
        i. Hart Police Department 2022 Year-End Report
6. Consent Agenda:
    a. Approval of Minutes from February 14, 2023 Council meeting.
    b. Bills, Claims, Payroll
    c. Reports of Boards, Commissions, and Committees
    d. Department Reports – Police/BioPure/Public Works/Energy/♥C&E Dvlp.
7. Action Items
    a. Resolution 2023-10 Resolution to Support DDA Liquor License Application
    b. Resolution 2023-11 Accept Engagement Letter for Auditing Services
8. Discussion Items
9. City Manager Report
10. Communications from the Mayor and Council (Including board and committee updates.)
11. Adjournment –

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City of Hart Police Department

407 State Street Ph. (231)873-2488 Fax (231)873-0100 Hart, MI 49420-1259

Juan Salazar, Chief

HART POLICE DEPARTMENT

YEAR-END REPORT

2022

City of Hart Police Department

407 State Street Ph. (231)873-2488 Fax (231)873-0100 Hart, MI 49420-1259

Juan Salazar, Chief

HART POLICE DEPARTMENT

2022 REPORT

CHIEF OF POLICE:

Juan Salazar - 06/2007

FULL-TIME POLICE OFFICERS:

D/Sgt. Kevin Skipski – 02/1996

*Officer Shawn Anderson – 05/2005

Officer Elizabeth (Mantyck) Schoedel – 03/2020

Officer Joseph Ingalls – 08/2017

Officer Kyle Moore – 10/2020

Officer Ray Ryder – 07/2022

PART-TIME POLICE OFFICERS:

*Officer David Malotke – 12/2018

Officer Brian Hintz – 07/2016

*No Longer with the Department

City of Hart Police Department

407 State Street Ph. (231)873-2488 Fax (231)873-0100 Hart, MI 49420-1259

Juan Salazar, Chief

TO: Mayor, Council and City Manager

FROM: Juan Salazar, Chief of Police

2022 Year-End Report

This report reviews activities the Hart Police Department has been involved in over the past 2022 calendar year. In addition, the report contains information on department personnel and compares crimes and complaints with previous years.

In January of 2022, Officer Schoedel attended a week-long defensive tactics training course in Human Factor's Research Group (formally known as PPCT; Pressure Point Control Training) at Delta College in Bay County, Michigan. As a result, Officer Schoedel will begin instructing our officers on the proper use of force and how to use the most minimal force when necessary to apprehend an individual. Additionally, Officer Schoedel will continue to train our officers yearly in defensive tactics during our annual departmental training.

In February of 2022, D/Sgt. Skipski attended a Basic Detective School at the Ludington Police Department. The school enabled D/Sgt. Skipski to receive valuable information on search warrants, surveillance, fraud complaints, computer investigations and homicide investigations. The class also supplied a host of materials for investigations and created contacts with other agency detectives.

On Sunday, April 17th, 2022, Officer Shawn Anderson worked his last shift with the Hart Police Department. On behalf of the Hart Police Department, I would like to recognize and thank Officer Anderson for his dedication and valued contributions to the department and for serving the citizens of the City of Hart for the last seventeen (17) years. Officer Anderson will be greatly missed by everyone in the department. Interviews were conducted internally within the department, and in March of 2022, Officer Kyle Moore, who was employed on a part-time status with the department, was offered and accepted the full-time position with the department. Officer Moore has been doing a great job and has excelled throughout the year.

In July of 2022, the City of Hart City Council approved hiring an additional full-time officer due to the difficulty of the department hiring part-time officers. The hiring of part-time officers is currently a nationwide issue in law enforcement. Agencies nationwide are also having difficulties hiring full-time officers to fill the ranks by retiring officers. Interviews were completed in May of 2022 for this new full-time position. In July of 2022, Officer Ray Ryder was offered and accepted the full-time position with the department. Officer Ryder has over ten (10) years of law enforcement experience and was previously employed full-time with the North

Muskegon Police Department. Officer Ryder has been doing a great job and has excelled throughout his time with the department.

In November of 2022, the department was awarded a grant from the Dickey Foundation to purchase six (6) Cardiac Science G5 Powerheart AEDs to distribute to (6) police departments within Oceana County to better equip our officers with much-needed living-saving equipment. Obtaining this generous donation from the Dickey Foundation will allow our residents and visitors alike to have this life-saving equipment on hand to assist with precious moments during a cardiac arrest emergency, which is extremely important for patient survival. This donation benefited the Hart Police Department, Pentwater Police Department, Shelby Police Department, Walkerville Police Department, Rothbury Police Department and the New Era Department.

The Hart Police Department, as of this year, has three (3) pursuit-rated vehicles, a 2016 Ford Interceptor SUV, a 2019 Ford Interceptor SUV and a 2022 Ford Interceptor SUV. The decision to keep the 2016 Ford Interceptor SUV and not remove the vehicle from service was due to allowing an extra vehicle for use during city events and an extra patrol vehicle for use in case another patrol vehicle is placed out of service. All vehicles have been well utilized by all officers, and I have received no major complaints or issues for any of the vehicles. Besides the occasional recall notice for repairs, all patrol vehicles have been running well. In October of 2022, the 2022 Ford Interceptor SUV was placed into service.

The Hart Police Department continually strives to train and keep updated on new and changing laws. The Hart Police Department continues to be involved in the West Michigan Criminal Justice Training Consortium. The department's commitment is 30% of the State Training Fund the department receives during the year. The department continues to have instructors in Firearms, Defensive Tactics, Taser, First Aid/CPR, Active Shooter Response, Bleeding Control, and skid car made possible through this consortium. This year, the department held its training in March of 2022 at the West Shore Community College training facility. Training consisted of Taser Re-Certification, Mandatory Firearms Lecture, Defensive Tactics (PPCT) Lecture/Practical and First Aid/CPR/AED Lecture/Practical. The department also conducts Firearms Qualifications twice a year, Spring and Fall qualifications, which consist of day and night shooting. The department currently utilizes the Hart Long Rifles range to conduct its qualifications. The Hart Long Rifles allow the department to utilize the range at no cost.

The Hart Police Department continues to offer the TEAM program, Teaching, Educating and Mentoring, to the 5th-grade students of the Hart Middle School. This program is very well received by the students and staff alike. The TEAM program ranges from K-12th grade and covers drug awareness, gun safety, and bullying. An Annual TEAM golf outing is also held yearly to cover costs for the program. This year's golf outing was held on Sunday, October 2nd, 2022, at the Oceana Golf Club in Shelby, and over $4,200 was raised. The Hart Police Department is also

working on becoming more involved in the school system and is requested to conduct training for students and facilities alike in several instances.

The Hart Police Department once again participated in an annual grant to continue teaching STEP to our 5th-grade students. STEP (Student Tools for Emergency Planning) is a Michigan State Police/Homeland Security grant which allows certified instructors to teach preparation techniques during national and inclement weather emergencies. After the course, each student is given a STEP backpack (go-bag) containing various emergency preparation items. The class's goal is to encourage the students to continue to add emergency equipment to their backpacks in case of a real emergency.

The Hart Police Department also instructs classes on drug awareness to the WSCC Criminal Justice Tech Prep class. The tech prep class comprises area high school students interested in Law Enforcement as a future career. Hart High School is also represented in the group. The drug awareness class is also taught yearly to Hart High School health students.

The Hart Police Department continues participating in the Bulletproof Vest Program, which allows departments that qualify to be reimbursed 50% of the vest's total cost. In 2022, a bulletproof vest costs approximately $1,048.00. The department has been part of this program for several years, assisting in purchasing new bulletproof vests for full-time and part-time officers.

DETECTIVE SERGEANT:

D/Sgt. Skipski finished up another busy but successful year. D/Sgt. Skipski was once again tasked with high-profile and long-term investigative complaints. This allows the officer to work with various state, local and federal agencies to assist with complaints that exceed local jurisdiction. This also opens up positive and more valuable resources to enhance investigative leads and crucial support efforts. These agencies include the Federal Bureau of Investigation, Homeland Security, Michigan State Police, SSCENT, and the state multi-jurisdictional fraud task force.

D/Sgt. Skipski has assisted with crime scene investigations and processing several stolen vehicles. This time-consuming process allows for the precise and critical retrieval of evidence at crime scenes or from stolen property. This includes preserving physical evidence, DNA samples and latent fingerprint retrieval.

D/Sgt. Skipski has also processed and returned physical evidence collected or retrieved as found property. This process allows for clearing non-court related property to be purged from the evidence room, thus keeping the remaining property accurate and accounted for.

D/Sgt. Skipski continues to maintain his presence at the Hart Public Schools. Instructing classes to both staff and students. These classes include CPR, First Aid, Bleeding Control, Active Shooter Response, Drug Recognition, Sexting, Bullying and many other topics. The school has also called upon D/Sgt. Skipski to investigate numerous issues occurring at the school. Vaping habits are still prevalent in our school system, and numerous tickets have been written to students, which cause them to address their habit and seek medical assistance when needed. Overall, police presence at the school has deterred many pending issues that typically arise from social media. D/Sgt. Skipski has maintained a close relationship with school administrators and attends all board meetings. Hart Pirate water bottles were given to various girls' and boys' sports teams at Hart Public Schools. Again, this offered the opportunity to gain the trust and respect of athletes and coaching staff.

Safety Pup has been implemented as a safety teaching tool at our lower-level grades, allowing D/Sgt. Skipski to instruct basic safety topics with Safety Pup being present. In addition, a full evacuation of Spitler Elementary was conducted this past year, allowing our students to get acquainted with officers and become comfortable with off-campus evacuation sites and proper procedures for active shooter response.

D/Sgt. Skipski has also overseen lockdown drills at our various schools on campus and has completed written documentation of the drill, which is required by Emergency Management.

D/Sgt. Skipski conducted a bicycle safety class at John Gurney Park throughout the past summer. Bicycle safety items were distributed along with a parade throughout the park.
Several CPR/First Aid classes were conducted within the community of Hart, allowing for AHA certification.

A grant through the American Deputy Association was obtained to purchase Stinger LED Flashlights for each officer in the department. These lights are extremely bright and provide safety during nighttime operations. Three 50-person trauma kits were also obtained through a grant from the Spirit of Blue. These trauma kits will be utilized at large-scale medical events, active shooter incidents etc.

D/Sgt. Skipski is also responsible for writing and updating all Incident Action Plans for all events held within the City of Hart. These include Asparagus Festival, graduation, Fair, all events held at our public schools, and Christmas Parade.

D/Sgt. Skipski graduated approximately 100 students from the Hart Middle School 5th grade TEAM class this past June. Students participated in 12 weeks of safety classes covering various topics. Guest speaker for graduation was Friend of the Court and retired Hart Police Sergeant William Cummins.

At the end of 2022, the Hart Police Department had six (6) full-time officers and one (1) part-time officer. The sole part-time officer is employed full-time at the Muskegon County Sheriff's Office.

In 2022, there were 199 arrests and 1,789 complaints or calls for service. In 2021 there were a total of 208 arrests and a total of 2,119 complaints or calls for service.

The following is a list of complaints received for 2022 and the last two previous years.

File Class:	**2022**	**2021**	**2020**
Criminal Sexual Conduct	4	9	9
Assaults / Domestic Assaults	63	59	69
Felonious Assaults	4	3	4
Intimidation/Threats/Harassment	53	43	52
Arson	1	0	0
Breaking & Entering / Unlawful Entry	10	13	16
Larceny	107	93	123
Motor Vehicle Theft	3	2	8
Fraud / Check Complaints	32	38	35
Embezzlement	2	1	0
Malicious Destruction of Property	42	43	30
Obstruction of Justice	46	66	84
Disorderly Persons	54	88	86
Operating While Intoxicated	9	10	23
Traffic Violations:	150	130	140

Thank you for your time, and if you have any questions, please feel free to contact me.

Respectfully,

Chief of Police, J. Salazar
Hart Police Department

CITY OF HART
407 S. STATE ST.
HART, MI 49420
COUNCIL PROCEEDINGS
February 14th, 2023
MINUTES – Draft

PRESENT: Councilors: Mayor Vicki Platt Justin Adams, Jim Evans, Dean Hodges, and Kris Trygstad
ABSENT: Catalina Burillo and Amanda Klotz
OTHERS PRESENT: City Manager – Rob Splane, City Clerk – Karla Swihart, BioPure Superintendent – Paul Cutter, DPW Superintendent – Brad Whitney, Economic Development Director Nichole Kleiner, George Sadler, and Roy Strait

Mayor Platt called the meeting to order; following the roll call, then led the Council in the pledge of allegiance.

APPROVAL OF AGENDA:

- J. Evans motioned to approve the agenda and was supported by J. Adams
  - Ayes: 5 Nays: 0 Absent: 2

PUBLIC COMMENTS:

- Roy Strait 6678 Montague Mi would like to thank the City of Hart police chief and Detective, Sargent Skipski for helping with delivery of toys to Roy's kids for Christmas.

CORRESPONDENCE, EVENTS, PRESENTATIONS:

- Council retreat printed summary – Patrice Martin, Innovative Community Solutions
  It was truly a pleaseure to work with you, your staff and the City Council during the January 28th Council Retreat. During our time together, we explored ways in which the council might work more closely together, the framwork of the City's Master Plan and its impending update and the value of and achallenges faced by the City's municipal departments.
  Attached to this document are the following:
  A) Council Working Agreements
  B) Asset Mapping and Future Visioning Results
  The Working Agreements are intended for use by the council to clarify expectations and to guide their interactions. The Asset Mapping document is intended to help focus resources towards a disred future state, as defined by the council. This document may aslo be helpful in defining the expectations of the City's Master Plan update.
  The session was arranged so that individuals participated as part of the whole group, while also conducting small group reflection and dialogue. We began the retreat with a paired activity in which members interviewd one another with the following questions:
  - *What attracted you to join the City of Hart?*
  - *What keeps you engaged?*

  Next, each partner was to share a story of when they felt the most proud of, or most connected to the work of the City. These results are considered to be "Points of Pride", and the results follow:
  - *When the athletic field was named after his father.*
  - *The gratification of being a contributing memvber of the community.*
  - *The "small town" feel of the City; how neighbors consistently help neighbors.*
  - *When she was able to purchase her own home in the City of Hart.*
  - *How east it is to become a part of the community.*

  Next, the group members introduced themselves and shared what they hoped to get from the session.

Members shared the following "wants"

- *Bigger vision of the city/clear direction and future orientation*
- *Cohesive council*
- *Culture of inclusion – all voices matter*
- *Clarity about the future of the City*
- *Getting to know everyone*
- *Functioning at the highest levels of performance*

The afternoon session in which council members were able to interact with each of the City's department heads generated a sense of good will and a better understanding of the work and challenges of these departments. Department heads encouraged council members to continue to reach out and learn more about the departments, particularly the BioPure facilities.

Overall, participants reported a sense of accomplishment from the retreat, and having many of their initial "wants" met.

CONSENT AGENDA:

- Approval of minutes from January 24th, 2023.
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
    - J. Evans motioned to approve Consent Agenda and supported by D. Hodges
        - Ayes: 5 Nays: 0 Absent: 2

ACTION ITEMS:

- Resolution 2023 – 07 Adopt City of Hart Investment Policy

  WHEREAS, the City of Hart works continuously to balance the financial needs of the City to create future economic stability; and

  WHEREAS, the City of Hart historically has invested cash reserves allocated for future capital uses in Certificates of Deposit; and

  WHEREAS, recent history has produced typical Certificate of Deposit rates of return at or about .05%, rate s of return; and

  WHEREAS, a more progressive and diversified investment strategy can help to mitigate losses due to inflationary trends; and

  WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:

  NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL

  Adopts the City of Hart Investment Policy pursuant to State of Michigan Public Act 20, Investment of Surplus Funds of Political Subdivisions.

  Furthermore, City Council hereby directs the City Treasurer in cooperation with the City Manager, and under the supervision of City Financial Advisors, Accountants, and Auditors to create policy in which to invest a portion of surplus funds into eligible securities.

    - J. Adams motioned to approve Resolution 2023-07 and supported by J. Evans
        - Ayes: 5 Nays: 0 Absent: 2
- Resolution 2023 – 08 Authorize placement of Main Street Market structures.

  WHEREAS, the City of Hart Master Plan Chapter 5 identifies top goals as redeveloping vacant or underused sites to retain existing and recruit new businesses, and;

  WHEREAS, the City was awarded a USDA grant to demolish the blighted structure at 227 East Main Street and construct a "pop-up-shop" market with 6 small business shed structures, new parking and gathering space, and;

  WHEREAS, the Heart Economic and Redevelopment Team has reviewed the existing plan and recommends amending the grant to move the Main Street Market to Parking lot #1 adjacent to the public bathrooms, and;

WHEREAS, the USDA has indicated that with approval this change to the grant can be made per council direction, and;
WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares:
NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL

Approves the request from Heart Economic and Redevelopment Team place the pop-up shop structures to the western portion on existing parking lot #1 and install necessary infrastructure to safely secure the sheds to the surface and provide electricity.

- J. Evans motioned to approve Resolution 2023-08 and supported by D. Hodges
  - Ayes: 5 Nays: 0 Absent: 2

- Resolution 2023 – 09 Accept Proposal for Biosolids Removal and Award Work

WHEREAS, the City of Hart operates and maintains a municipal wastewater treatment plant that generates approximately 4,000,000 gallons of biosolids annually that are removed and injected into farm fields in accordance with MDEQ- approved agronomic practices; and
WHEREAS, in March of 2021, City Council sought proposals from qualified biosolids removal contractors that operate in the State of Michigan to remove, haul, and apply biosolids; and
WHEREAS, the City received only one proposal as the other two biosolids hauling agencies in Michigan do not have the resources to commit to the City of Hart; and
WHEREAS, the proposal received in 2021 included a price of $459 per dry ton of biosolids; and
WHEREAS, in 2021 and 2022., the awarded contractor was not able to perform biosolid hauling per contractual terms due to commitments with other communities leaving Hart BioPure with compromised plant functionality and the City with excessive odor issues; and
WHEREAS local contractor has indicated that they are capable of performing this work and can do so at the previously quoted pricing while adhering to the scheduling needs of Hart BioPure; and
WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares;
NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL

Awards Biosolid hauling work to C&D Fuehring Farms in the amount of $459 per dry ton of biosolids removed, hauled, and applied.

Authorizes and directs the City Manager to sign the agreement on behalf of the City of Hart

- J. Adams motioned to approve Resolution 2023-09 and supported by K. Trygstad
  - Ayes: 5 Nays: 0 Absent: 2

DISCUSSION ITEMS:

- None

CITY MANAGER'S REPORT:

UPDATES:

- Wayfinding Signage project is in progress with the signs ordered pending approval of final proofs. Signage should be installed prior to Memorial Day.
- Hart Energy System Study has been reviewed by the Power Board in draft form. A final version of the study will be prepared and presented to council in March.
- Coordinating with the National Asparagus Festival this year to launch some new entertainment activities as we celebrate the 50-year anniversary of the festival.
- The developer of the Creeks Subdivision would like to amend the site plan to allow for more single-family homes. The City planning consultant will work with the Creeks homeowners association to determine what is acceptable, potentially looking to City council to adopt an amendment as necessary.
- Griswold force main construction project is nearing completion with some final tie points and connection pending.

Legacy Topics:

- Working to have communities review intergovernmental operational agreement for property code enforcement department – Adoption of that agreement is pending – Financial negotiation is in progress.
- Grant Funded 227 East Main property demolition completed. Site reconstruction to take place in the spring.

- The Charter review committee has finished its assessment for phase one City Charter amendments which include changing all pronouns to show gender equity and modifying the language which dictates the date and time of City Council meetings. The proposed changes are being reviewed by our City Attorney and we anticipate initiating that process soon.

  Upcoming Topics:
- Adoption of 2022-2026 Park and Rec Master Plan

COMMUNICATIONS FROM THE MAYOR AND COUNCIL:

- A big Thank you to Paul & Jami Cutter, Nichole and George for putting on a wonderful golf outing (frozen tinman)
- DPW new sign looks great.
- Kudos to Rob for changing the music on Saturday in honor of Burt Bacharach who passed away On Feb 8th.

ADJOURN:

- There being no further business to come before the Council, the meeting adjourned at upon a motion by J. Adams and supported by J. Evans. The next regularly scheduled meeting will be on February 28th, 2023, at 7:30 pm.

Respectfully Submitted

Karla Swihart

Karla Swihart, City Clerk

Payables Date 2.28.2023	Description	Total	General +	DPW	Energy	BPTF	Water
Amsoil	Oils	$ 1,221.18				$ 1,221.18	
C & I Electric	PLC troubleshooting	$ 600.00				$ 600.00	
Cutter, Paul	Reimburse Police Expense	$ 50.03				$ 50.03	
Great Lakes Pet Fencing	Final Pmt - Energy Dept	$ 14,927.78			$ 14,927.78		
HACH	Nitrite	$ 57.79				$ 57.79	
Joint Apprenticeship & Training	Lineman Training - Whitney/Schmieding	$ 12,216.00			$ 12,216.00		
JR Accounting	Accounting Assistance	$ 375.00	$ 375.00				
Lawson-Fisher	FERC Licensing	$ 1,668.48			$ 1,668.48		
Lawson-Fisher	DSSMR & Annual Impoundment	$ 1,893.69			$ 1,893.69		
LEAF	Police Copier - Lease Fee	$ 39.00	$ 39.00				
Mich. Townships Assoc.	BOR Training - T. Larson	$ 125.00	$ 125.00				
Mika Meyers	Legal Services	$ 3,429.00	$ 3,429.00				
MMEA	2023 Membership Dues	$ 6,345.00			$ 6,345.00		
MPPA	Purchased Power	$ 12,911.89			$ 12,911.89		
NYE Uniform	Police Uniforms	$ 87.14	$ 87.14				
NYE Uniform	Police Uniforms	$ 262.69	$ 262.69				
Oceana Road Commission	Salt/Sand 2022/2023	$ 3,429.14	$ 3,429.14				
Office Machines Co.	Police Copier - Overage Fees	$ 17.33	$ 17.33				
Pitney Bowes	Postage Meter Lease Fee	$ 162.00	$ 162.00				
Pixel Grafix	Chain of Custody forms	$ 200.00				$ 200.00	
Power Line Supply	Boot Covers	$ 196.00			$ 196.00		
Power Line Supply	Parts/Supplies	$ 1,026.47			$ 1,026.47		
Quill	Office Supplies	$ 199.98	$ 199.98				
State of Michigan	Water Use Reporting Fee 2022	$ 200.00				$ 200.00	
USA Bluebook	Parts/Supplies	$ 339.80					$ 339.80
VRC	Office Recycling Services	$ 55.32	$ 55.32				
Pranger Property Mgmt	CH/CC Cleaning Services	$ 168.00	$ 168.00				
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	Sub-total	**$ 62,203.71**	**$ 8,349.60**	**$ -**	**$ 51,185.31**	**$ 2,329.00**	**$ 339.80**
HAND CHECKS/ACH/EFT							
Alerus	City Share 401 Retirement 170	$ -	$ -				
US Postmaster	Postage	$ -					
AFLAC	Insurance Premium	$ -	$ -				
Guardian	Insurance Premium	$ 1,181.31	$ 1,181.31				
Delta Dental	Insurance Premium	$ -	$ -				
United Group	Insurance Premium	$ -					
Blue Cross Blue Shield	Insurance Premium	$ 15,557.48	$ 15,557.48				
	TOTAL HAND CHECKS	**$ 16,738.79**	**$ 16,738.79**	**$ -**	**$ -**	**$ -**	**$ -**
	Sub-Total Regular Bills/Hand Checks	***$ 78,942.50***	***$ 25,088.39***	***$ -***	***$ 51,185.31***	***$ 2,329.00***	***$ 339.80***
Gross Payroll	170	$ -					
	Sub-Total	**$ -**					
	GRAND TOTAL	***$ 78,942.50***	**$ 25,088.39**	**$ -**	**$ 51,185.31**	**$ 2,329.00**	**$ 339.80**

CITY OF HART – ENERGY DEPARTMENT

POWERBOARD @ CITY HALL
407 STATE STREET, HART, MICHIGAN
MONDAY, February 6th, 2023
8:30 am – MINUTES – Draft

Present: Members: Chair Mike Powers, Steve Bruch, Gayle Forner, and Dean Hodges
Absent: Nick Wadel
Others present: City Manager – Rob Splane, City Clerk – Karla Swihart, and Energy Superintendent – Mike Schiller
Call to Order: Powers called the meeting to order at 8:30 am.
Agenda/Minutes:

- Mr. Forner motioned to accept the current agenda and supported by Mr. Bruch
- Mr. Forner made a motion to approve the minutes from the January 9th ,2023 meeting, and supported by Mr. Hodges
  - Ayes: 4 Nays: 0 Absent: 1

Public Comment, Events, Correspondence:

NONE

Superintendents Mike Schiller's Report:

- The ASI, disconnect meters have not been working, there is a system download that must be done and so the guys have been going to each meter doing these downloads.
- New fence has started going up around the property at the Energy Department.
- The Street lights have been replaced and seem to be working properly now.
- Talk about the Diesel plant and what should be done with that in the upcoming years.
- System Study & starting to look into that a lot of prices listed on replacements/upgrades but looking to do a lot of that work in house.

Action Items:

- Review of Electric Distribution System Study Draft and suggest any potential changes.
  Lots of good information in this study including "Background and Findings, Analysis, Recommendations, and Attachments" included in your packets is the complete printout of the Study, wanted to go over with PB and would like to have a joint meeting with City Council.

City Manager Report:

NONE

Discussion Items:

NONE

Comments from the Power Board:

NONE

Adjournment:

- Mr. Forner motioned to adjourn the meeting at 10:00 am and supported by Mr. Bruch. All Ayes

Next Meeting: March 6th, 2023, at 8:30 am.

Respectfully Submitted,

Karla Swihart

Karla Swihart, City Clerk

HART AREA FIRE

ADMINISTRATIVE BOARD

Meeting Minutes- January 26, 2023

The Hart Area Fire Administrative Board Meeting was called to order by Vice Chairman Jay McGhan at 7:00PM. Others present for the meeting were, Mike Powers, Jerry Schaner, Dale Stevenson, Jake Whelpley, Larry Doran, Chief Fuehring and undersigned.

Chairman Gary Beggs was on speaker phone for the meeting.

Absent from the meeting was Mike Potter and John Williams.

Others present for the meeting was Assistant Chief Tim Tubbs

Motion was made by Powers and supported by Doran to approve the agenda with the addition of Budget Amendment added to the agenda. Voice Vote, all Yes. Motion carried.

Motion was made by Doran and supported by Stevenson to approve the minutes of the December 29 2022 meeting as presented. Voice Vote, All Yes. Motion Carried.

Treasurer advised that we had total bills for the month of $21,875.24. The bills covered the tax payments for the year and bench's, metal cabinet and shelving. The total fund balance at this time is $668,552.13. Motion was made by Powers and supported by Schaner To accept the Treasurers report and to pay the bills. Roll Call vote. All Yes. Motion Carried.

A budget amendment was requested to add $96,000.00 to the Capital Improvement expense which will make the new amount at $362,965.00. The over all budget will be $668,695.00. Motion was made by Whelpley and supported by Doran to make the requested budget amendment. Roll Call Vote. All Yes. Motion Carried.

Treasurer requested to purchase two Flear Thermal Imaging Cameras. For a total cost of $7,281.98. The company wants a credit card or a wire transfer. Will check with the bank on using the departments debit card for this purchase. Motion was made b y Doran and supported by Schaner to have the treasurer to move forward with this purchase with using the departments debit card if possible. Roll call vote. All Yes. Motion carried.

Chief advised we have added FF Jesse Bowman to the department. He is on Pentwater's department and has their gear and is trained and is also an EMT. He started last week. He has 4 other applications and will conduct interviews in a couple of months. A class for new fire fighters is more then a year away, but would want to add new fire fighters prior to that.

We are at 23 fire fighter at this time. We have 6 fire fighters that are also on Pentwater's department and have worked out with Jonathan, Pentwater Chief in reference to calls and turn out gear.

Kyle Dillingham put in new LED lights in this area.

Chief requested the board authorize a state wide mutual aid agreement be adopted. He advised there are a lot of advantages for the department such as hazardous chemical exposure or leak. Whelpley made the motion for the department to join the State Wide Mutual Aid agreement. Voice Vote, all yes. Motion Carried.

There was no Old Business.

There was no New Business.

Treasurer advised the 2022 Audit was completed and the report was passed out. No problems noted in the report.

The year end report was completed and passed out to board members for their review.

The next meeting was set for Thursday, February 23, 2023.

Stevenson asked Dwight if any progress has been made with the fire hydrants in town. Chief advised he had talked with the City Manager and no date as been set up as of yet.

Motion by Doran and supported by Stevenson to adjourn the meeting.

Meeting adjourned at 7:20PM

Respectfully Submitted,

Daniel Leimback, Sec/Treasurer

HART AREA PUBLIC LIBRARY
Board of Trustees
RESOLUTION NO. 2023-2

RESOLUTION APPROVING BUDGET AND CERTIFYING TAX LEVY

Minutes of a regular meeting of the Board of Trustees of the Hart Area Public Library, County of Oceana, State of Michigan, held in the Hart Area Public Library on the 13th day of February 2023 at 6:00 o'clock, p.m., prevailing Eastern Time.

PRESENT: Trustees: Burillo, Cortes, Metzler, Evans, Sterk

ABSENT: Trustees: Moul

The following preamble and resolution were offered by Trustee Burillo and supported by Trustee Cortes.

WHEREAS, in accordance with the Truth in Budgeting Act, there has been presented to the Board of Trustees of the Hart Area Public Library (the "Library") the proposed budget for the fiscal year 2023-2024; and

WHEREAS, a public hearing on the budget has been held in accordance with the provisions of Act 43 of 1963, as amended, after notice of the hearing was duly given; and

WHEREAS, the notice of the hearing on the budget included the following statement printed in 11-point bold faced type:

The property millage rate proposed to be levied to support the proposed budget will be subject of this hearing.

WHEREAS, in accordance with its budget for fiscal year 2023-2024, the Library determines that it is necessary for the Hart Area Public Library and its residents to levy the previous year's tax rate of 1.9578 mills or the maximum allowable as reduced by the Headlee Millage Reduction Fraction in fiscal year 2023-2024 for library purposes; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. That the Hart Area Public Library hereby approves and adopts the proposed budget for fiscal year 2023-2024 on file with the Secretary of the Board and hereby determines that 1.9578 mills or the maximum allowable as reduced by the Headlee Millage Reduction Fraction shall be levied in the City of Hart and the Township of Hart, County of Oceana, Michigan, for fiscal year 2023-2024 for the purpose of providing library funds for the operation of the Library.

2. The Secretary of the Library is authorized and directed to submit this Resolution and a Tax Rate Request form (L-4029) to the clerks of the City of Hart, and the Township of Hart, County of Oceana, Michigan, and to the County Equalization Department of the County of Oceana.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Trustees: Cortes, Burillo, Metzler, Evans, Sterk

NAYS: Trustees: None

RESOLUTION DECLARED ADOPTED.

Paula Hoard

Secretary, Board of Trustees
Hart Area Public Library
County of Oceana, Michigan

City of Hart Police Department

407 State Street Ph. (231)873-2488 Fax (231)873-0100 Hart, MI 49420-1259

Juan Salazar, Chief

TO: City of Hart Mayor, City Council, and City Manager
FROM: Juan Salazar, Chief of Police
DATE: February 28th, 2023

RECENT EVENTS

From Thursday, February 9th, 2023, through Wednesday, February 22nd, 2023, the Hart Police Department received 77 Complaints range from Motorist Assists, Warrant Arrests, Well-Being Checks, Assault & Batteries, Medical Assists, Animal Complaints, Vehicle Violations, Peacekeeping, Landlord-Tenant Complaints, Disorderly Conduct, Death Investigations, Trespassing, Retail Frauds, Assist to Other Agencies, and Suspicious Situations.

On Thursday, February 9th, 2023, the Hart Police Department was dispatched to the Park-N-Ride on Polk Road near the US31 Expressway, referencing a Well-Being Check. A 40-year-old Grand Rapids man continued to move his vehicle around the parking lot and roll his window up and down on the vehicle. Contact was made with the man, who later showed an active/valid outstanding warrant for his arrest out of Oceana County and Marquette, Michigan. The man was arrested and lodged at the Oceana County Jail on these outstanding warrants.

On Friday, February 10th, 2023, the Hart Police Department was dispatched to the 300 block of Johnson Street regarding an Assault & Battery. An argument erupted between a 13-year-old student and a 12-year-old girl due to name-calling. The student claims to have been tackled and struck in the face with a closed fist three (3) times by the girl. The individuals were turned over to their parents without incident after being interviewed. A report will be submitted to the Oceana County Prosecutor's Office for his review.

On Friday, February 10th, 2023, the Hart Police Department completed interviews on 12-year-old and 15-year-old Shelby boys referencing a Breaking & Entering complaint currently being investigated by the department. On Wednesday, February 8th, 2023, the department began investigating a Breaking & Entering complaint in the 1000 block of State Street regarding two (2) individuals shattering the front entry glass door and gaining entry into the building. No items were taken from the building. When interviewing the boys on this complaint, the boys admitted to breaking into this local business. The boys were turned over to their parents without incident, and a report will be submitted to the Oceana County Prosecutor's Office for his review.

On Saturday, February 10th, 2023, the Hart Police Department initiated a traffic stop on Polk Road near 72nd Avenue about an equipment violation. As a result, a 45-year-old Ludington man was cited for Operating a Motor Vehicle without a License.

On Sunday, February 12th, 2023, the Hart Police Department was dispatched to the 400 block of Johnson Street regarding a Property Damage Crash. Officers have further advised the operator of the vehicle, later identified as a 65-year-old Hart woman, was suspected to be under the influence of alcohol. The woman was subsequently cited for Operating a Motor Vehicle while Intoxicated.

On Tuesday, February 14th, 2023, at approximately 4:40 a.m., the Hart Police Department was dispatched to the 20-block of State Street referencing shots fired complaint. As officers arrived on the scene, the responding officers heard a single gunshot. Responding officers later located a 44-year-old Hart man lying in a parking lot in the area. The man is suspected of having walked off the roof of a local business downtown, landing in the parking lot. A handgun was located at the scene, which was seized by officers. The man is suspected of discharging the handgun into an apartment occupied by two (2) individuals at the time, a 40-year-old Hart man and a 45-year-old Hart woman. As the man walked off the business rooftop, the handgun discharged, as the man struck the pavement in the parking lot. The man was transported by LIFE EMS to Trinity Health Muskegon Hospital in Muskegon for his injuries. No other injuries were reported as a result of this incident. This is an ongoing investigation. The Hart Police Department was assisted by the Oceana County Sheriff's Office, LIFE EMS and the Hart Fire Department.

On Tuesday, February 14th, 2023, the Hart Police Department was dispatched to the 400 block of Wood Street, referencing a Retail Fraud. A 48-year-old Muskegon man was noted via surveillance footage taking/stealing a glass bottle of alcohol from a local business. Unfortunately, the man had left the scene before officers could review the surveillance footage. An investigation is ongoing.

Respectfully,

J. Salazar,
Chief of Police

RESOLUTION 2023-10
Hart City Council
City of Hart, Michigan

Resolution to Support Redevelopment Liquor License Application

WHEREAS, the City of Hart is supportive of economic development and redevelopment; and

WHEREAS, the City believes that making Redevelopment Liquor Licenses available as authorized by MCL 436.521a(1)(b) will lead to desirable development, job creation, reinvestment, redevelopment and an increased tax base; and

WHEREAS, the City of Hart has demonstrated that the total amount of private and public investment in real and personal property in the TIFA District was at least $200,000 in the past five years; and

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares;

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL

It is the consensus of City Council to recommend this application be considered for approval by the Michigan Liquor Control Commission.

Authorizes and directs the City Clerk to sign the Local Government Approval Form on behalf of the City of Hart and attest to the approval as written in the attached MLCC approval form.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular council meeting held on February 28, 2023.

Ayes: __ Nays: __ Absent: __

Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
Toll Free: 866-813-0011 • www.michigan.gov/lcc

Business ID: _____

Request ID: _____
(For MLCC use only)

Local Government Approval
(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new on-premises license application, certain types of license classification transfers, and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a Regular meeting of the Hart City Council council/board
(regular or special) (township, city, village)

called to order by Mayor Vicki Platt on February 28th, 2023 at _____
(date) (time)

the following resolution was offered:

Moved by _____ and supported by _____

that the application from Pink Elephant Diner Inc.
(name of applicant - if a corporation or limited liability company, please state the company name)

for the following license(s): MCL 436.1521a(1)(b) - Development (DDA) License - Class C
(list specific licenses requested)

to be located at: 207 State Street Hart, MI 49420

and the following permit, if applied for:

☐ Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it Recommends this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the City of Hart (township, city, village) council/board at a regular meeting held on February 28, 2023
(regular or special) (date)

Karla Swihart
Print Name of Clerk

_____
Signature of Clerk

_____
Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:
Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933
Fax to: 517-763-0059

LARA is an equal opportunity employer/program.Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

RESOLUTION 2023-11
Hart City Council
City of Hart, Michigan

Accept Engagement Agreement for Auditing Services

WHEREAS, the City of Hart is required to have an outside independent audit completed at the end of every fiscal year to ensure that the City's accounting practices and accounts are in compliance with generally accepted accounting practices and all Governmental Accounting Standards Board (GASB) and Other Post Employment Benefits (OPEB) reporting requirements; and

WHEREAS, the City of Hart has been happy with the services we have received in the past several years from the team of auditors that have ultimately formed into the firm which is known as Maner Costerisan and they are familiar with the city's practices and have helped with improving our process; and

WHEREAS with the end of Fiscal Year 2023 upon us it is necessary to enter into an engagement agreement with an independent auditing firm and as a professional service this is like attorneys and engineers not a service that is frequently bid out as the institutional knowledge that is gained by working with one firm for several years is a benefit to the City;

WHEREAS, in order to secure the benefits of efficient self-government and to promote and protect our common interests and welfare, the City Council hereby declares;

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL

Accepts the engagement agreement with Maner Costerisan for auditing services for FY 2023 in the amount of $20,500, for FY 2024 in the amount of $21,500 and FY 2025 in the amount of $22,500; and

Authorize the City Manager to sign the engagement letter.

Moved by _____, supported by _____, and thereafter adopted by the Hart City Council at a regular council meeting held on February 28, 2023.

Ayes: __ Nays: __ Absent: __

Maner Costerisan

2425 E. Grand River Ave.,
Suite 1, Lansing, MI 48912
517.323.7500
517.323.6346

February 13, 2023

City of Hart
407 State Street
Hart, MI 49420

We are pleased to confirm our understanding of the services we are to provide City of Hart for the years ended June 30, 2023, 2024, and 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of City of Hart as of and for the years ended June 30, 2023, 2024, and 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement City of Hart's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Hart's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison schedules
3. Required supplementary pension disclosures
4. Required supplementary other post-employment benefit disclosures

We have also been engaged to report on supplementary information other than RSI that accompanies City of Hart's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

1. Combining statements

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of accounting records of City of Hart and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention.**l** We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning: Management override of controls and revenue recognition.

Audit Procedures - Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we will perform tests of City of Hart's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of City of Hart in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Maner Costerisan and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Maner Costerisan personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the oversight agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jordan E. Smith, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

The fees for audit services will be as follows:

Year Ended June 30,	Financial Audit
2023	$ 20,500
2024	21,500
2025	22,500

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement letter. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

We will provide copies of our reports to City of Hart, however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance be performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. We understand we will be provided balanced records for each fund and that all accounts will be reconciled. If additional time is necessary, we will discuss it with you and arrive at a new fee before we incur the additional costs.

Because we are extremely interested in continuing to serve City of Hart and the fact that our audit team members have a great deal of experience working with similar entities, we are proposing a discount to our audit cost estimate. The price schedule detailed above is a firm price assuming City of Hart records are in reasonable condition and that we are provided reasonable staff assistance. If our team members spend more hours than the projected hours detailed above that are not due to unusual circumstances (i.e., unrecorded accruals, unbalanced records, improperly recorded activities, the state of the records being significantly different than what was stated, inadequate staff assistance, significant changes in auditing standards, etc.) then we will not bill for any amounts over the audit cost estimate. During the audit, we will spend approximately 20% more in fees than what is projected above, however, we will not bill you for that additional time, unless it exceeds the 20% amount which would be caused by circumstances such as those items listed above.

Our proposal is to provide City of Hart with auditing services, rather than accounting services. The cost schedule detailed on the previous page assumes that extensive journal entries to adjust the accounting records (i.e., bookkeeping) will not be required as part of the audit process. If auditor-proposed journal entries are required in order for the financial statements to be fairly presented in accordance with generally accepted accounting principles, we propose a per entry fee of $200.

The fees quoted above are based on City of Hart's current levels of client assistance and expertise. Should any of these levels of assistance or expertise change during the period of our engagement, we may need to arrive at a new fee arrangement for the remainder of the agreement.

If the City would like us to prepare the State of Michigan, F-65 Report, Form Act 51, or Form 5572; our fees will be based on the services rendered at our standard hourly rates.

If additional procedures are necessary to assist with the implementation of new accounting standards (such as GASB Statement No. 84, *Fiduciary Activities;* GASB Statement No. 87, *Leases;* GASB Statement No. 96, *Subscription-Based Information Technology Arrangements;* or any other new accounting standard impacting the City's financial statements), such assistance is considered outside the scope of the audit and our fees will be based on the services rendered at our standard hourly rates.

During the term of this agreement and for a period of one year thereafter, neither party shall directly or indirectly, solicit for employment or for engagement as an independent contractor, or encourage leaving their employment or engagement, any employee or independent contractor of the other party. For the avoidance of doubt, general advertisements for employment and responses thereto, shall not be deemed a violation of the paragraph. The parties agree that any breach of this paragraph would damage the other party in an amount difficult to ascertain with certainty, and that in the event that either party breaches this provision resulting in the other party losing the services of an employee or independent contractor for any period of time, the breaching party shall pay to the other party an amount equal to the annual rate of compensation (paid by the non-breaching party for the immediate prior calendar year) of the applicable employee or independent contractor.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. Our most recent peer review report accompanies this letter.

If reproduction or publication of financial statements audited by us, or any portion thereof, is intended, it is our policy that any master of printer's proofs be submitted to us for review prior to publication.

We will continue to perform our services under the arrangements discussed above from year to year unless for some reason you or we find that some change is necessary. However, the performance of each audit is a separate and severable engagement. Each separate engagement shall be deemed complete and Maner Costerisan will not have a continuing responsibility to perform additional services with respect to that completed engagement when we present to you the final audit report that relates to any given year.

Our audit report on the financial statements to be issued pursuant to this engagement is for your use. If it is your primary intent that our report will benefit or influence a third-party user, we must be informed prior to the beginning of the annual audit engagement.

Considering our current relationship as an independent member of the BDO Alliance USA, the firm may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

You agree that our maximum liability to you for any negligent errors or omissions committed by us in the performance of the engagement will be limited to the amount of our fees for this engagement, except to the extent determined to result from our gross negligence or willful misconduct.

Because there are inherent difficulties in recalling or preserving information as the period after an engagement increases, you agree that, notwithstanding the statute of limitations of the State of Michigan, any claim based on this engagement must be commenced within 12 months after performance of our service, unless you have previously provided us with a written notice of a specific defect in our services that forms the basis of the claim.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. If the parties are unable to resolve the dispute through mediation within 60 days from the date notice is first given from one party to the other as to the existence of a dispute and the demand to mediate, then they may proceed to resolve the matter by arbitration if this agreement provides that the particular dispute is subject to arbitration, or by whatever other lawful means are available to them if this agreement does not provide for arbitration of the particular dispute. Costs of any mediation proceeding shall be shared equally by all parties.

City of Hart and Maner Costerisan both agree that any dispute over fees charged by Maner Costerisan to the client or any other disputes will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration shall be binding and final. The arbitration shall take place at Lansing, Michigan. Any hearing shall be before one arbitrator in accordance with Rule 17 of the Commercial Arbitration Rules of the American Arbitration Association (the Rules). Any award rendered by the arbitrator pursuant to this agreement may be filed and entered and shall be enforceable in the appropriate court of the county in which arbitration proceeds. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we are accepting the use of arbitration for resolution. The prevailing party shall be entitled to an award of reasonable attorney's fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

Reporting

We will issue a written report upon completion of our audit of City of Hart's financial statements. Our report will be addressed to management and those charged with governance of City of Hart. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that City of Hart is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to City of Hart and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Maner Costerisan PC

RESPONSE:

This letter correctly sets forth the understanding of City of Hart.

By:_____

Title:_____

Date:_____

To: Maner Costerisan

After considering the qualifications of the accounting personnel of City of Hart we believe they have the qualifications and abilities to generate financial statements, including the required footnotes, in accordance with U.S. generally accepted accounting principles. However, for convenience and other issues, we may contract with you to prepare our financial statements.

Signature: _____

Title:_____

Date:_____

ADDENDUM TO ENGAGEMENT LETTER

As part of the audit engagement, you have requested our assistance with the following services. *Government Auditing Standards* considers these services as "non-attest" or "non-audit" services. Management is required to review, approve and accept responsibility for any non-audit services we may perform.

- Preparation of the financial statements, including the related notes, required and additional supplementary information.
- Calculation of the provision for depreciation.
- Assistance with the preparation and submission of audit financial information required by law or regulations.
- Assistance with, or the preparation of, year-end adjusting journal entries and workpapers.
- Assistance with the preparation of other financial reporting required by law or regulation (i.e. Form F-65, Form Act 51, Form 5572, etc.).
- Access to a secure website to exchange information electronically.