

## Jonathan Smith

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**From:** Jonathan Smith  
**Sent:** Tuesday, March 26, 2024 10:26 AM  
**To:** Sue Wylie; Laura Rodgers; Gary Casey; Gary Casey; Amanda Forte; Mike Lamphier; Theodore H. Quisenberry; Peg Roth; sylvanlawtr@gmail.com  
**Cc:** Greg Cote; Karen Delorge  
**Subject:** Formal Request to Independence Township for Restitution of Police & Fire Overbilling  
**Attachments:** City of Clarkston Formal Request re Police-Fire Overbilling 3-25-24.pdf

City Council and City Attorney,

The subject of this email was not addressed in last night's Council meeting because negotiations with Independence Township are still ongoing. But for your information, an in-depth analysis of the Township's billing to the City for Police and Fire services has confirmed that we were overbilled a total of almost \$172K over the last 14 years. Since the very first quarterly bill in 2010, the Township has been using the wrong formula for calculating the charges. Their own analysts have confirmed this.

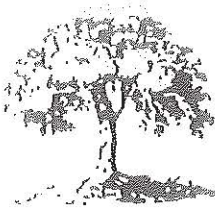
Yesterday Greg Cote and I met with Township Supervisor Jose Aliaga to discuss the restitution. In my follow-up letter to Jose (attached), you can see that I am requesting restitution of the full \$171,799.60. Jose's position (and their attorney's position) is that the Township should only be liable for the 6-year Statue of Limitations, or \$87,301.93. Jose asked that I send a formal request which he can take to the Township Board for consideration.

It is likely that the Township Board will decline my request for the full restitution when they meet next, but feel strongly that I needed to make this request on behalf of our residents. I will keep you posted on future developments.

For your information,

### **Jonathan Smith**

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## CITY OF THE VILLAGE OF CLARKSTON

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March 25, 2024

**To:** Jose Aliaga, Independence Township Supervisor  
6483 Waldon Center Drive  
Clarkston, MI 48346

**Subject:** 2010-2023 Overbilling for Police and Fire Services

Dear Jose,

Following up on our meeting today on this subject, please accept this formal request from the City of the Village of Clarkston for full restitution of the \$171,799.60 overpaid by the City to Independence Township for Police and Fire services for the years 2010 through 2023, per the attached schedule. As you are aware, the cause of the overbilling is due to the fact that Police and Fire millage rates were to be charged against City's Real Property taxable value only (per section 2 of the attached Intergovernmental Agreement dated 9/13/2010) but instead were charged against the combined value of both Real Property and Personal Property.

The City acknowledges that the overbilling was not intentional, it was the result of a simple oversight when the billing calculation process was put in place for the first quarterly invoice. Nonetheless, we appeal to your history of doing the right thing and ask for restitution of the full \$171,799.60 overpayment.

Thank you for your attention to this matter.

**Jonathan Smith**

City Manager, City of the Village of Clarkston  
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cc: City Councilmembers  
Tom Ryan, City Attorney

**INDEPENDENCE TOWNSHIP**

Charge to Village for Police and Fire Service  
Fiscal 2011 thru Fiscal 2023

**POLICE CONTRACT**

Tax Year/ Fiscal Year	ACTUAL ACTIVITY				REVISED ACTIVITY				Annual Difference	Fund Balance Change
	Taxable Real & Personal	Millage Rate	Amount Charged	Quarterly Charge	Taxable Real Only	Millage Rate	Amount Charged	Quarterly Charge		
2022/2023	52,077,490.00	2.7637	143,926.56	35,981.64	49,620,150.00	2.7637	137,135.21	34,283.80	(6,791.35)	
2021/2022	48,628,970.00	2.7900	135,674.83	33,918.71	46,220,580.00	2.7900	128,955.42	32,238.85	(6,719.41)	82,890
2020/2021	46,562,240.00	2.8140	131,026.14	32,756.54	44,234,280.00	2.8140	124,475.26	31,118.82	(6,550.88)	45,000
2019/2020	44,802,900.00	2.8379	127,146.15	31,786.54	42,345,360.00	2.8379	120,171.90	30,042.97	(6,974.25)	142,165
2018/2019	43,123,450.00	2.8678	123,669.43	30,917.36	40,733,920.00	2.8678	116,816.74	29,204.18	(6,852.69)	466,415
2017/2018	40,833,740.00	2.8678	117,103.00	29,275.75	38,798,620.00	2.8678	111,266.68	27,816.67	(5,836.32)	(39,724.90)
2016/2017	39,427,100.00	2.9003	114,350.42	28,587.61	37,574,610.00	2.9003	108,977.64	27,244.41	(5,372.78)	147,826
2015/2016	38,927,220.00	2.9323	114,146.29	28,536.57	37,084,930.00	2.9323	108,744.14	27,186.04	(5,402.15)	1,696
2014/2015	37,639,450.00	2.9500	111,036.38	27,759.09	35,918,320.00	2.9500	105,959.04	26,489.76	(5,077.33)	54,615
2013/2014	37,102,750.00	2.9500	109,453.11	27,363.28	35,356,790.00	2.9500	104,302.53	26,075.63	(5,150.58)	132,670
2012/2013	36,944,060.00	2.9500	108,984.98	27,246.24	35,210,560.00	2.9500	103,871.15	25,967.79	(5,113.83)	163,588
2011/2012	42,159,670.00	2.9500	124,371.03	31,092.76	40,637,450.00	2.9500	119,880.48	29,970.12	(4,490.55)	274,101
2010/2011	44,143,080.00	2.0547	90,700.79	22,675.20	42,476,780.00	2.0547	87,277.04	21,819.26	(3,423.75)	603,444
2009/2010	48,029,340.00	2.0547	98,685.88	24,671.47	46,316,910.00	2.0547	95,167.35	23,791.84	(3,518.53)	

**FIRE CONTRACT**

Tax Year/ Fiscal Year	ACTUAL ACTIVITY				REVISED ACTIVITY				Annual Difference	Fund Balance Change
	Taxable Real & Personal	Millage Rate	Amount Charged	Quarterly Charge	Taxable Real Only	Millage Rate	Amount Charged	Quarterly Charge		
2022/2023	52,077,490.00	3.3893	176,506.24	44,126.56	49,620,150.00	3.3893	168,177.57	42,044.39	(8,328.66)	
2021/2022	48,628,970.00	3.3399	162,415.90	40,603.98	46,220,580.00	3.3399	154,372.12	38,593.03	(8,043.78)	419,202
2020/2021	46,562,240.00	3.3655	156,705.22	39,176.30	44,234,280.00	3.3655	148,870.47	37,217.62	(7,834.75)	(50,774)
2019/2020	44,802,900.00	3.3655	150,784.16	37,696.04	42,345,360.00	3.3655	142,513.31	35,628.33	(8,270.85)	972,482
2018/2019	43,123,450.00	3.3972	146,498.98	36,624.75	40,733,920.00	3.3972	138,381.27	34,595.32	(8,117.71)	956,608
2017/2018	40,833,740.00	3.4304	140,076.06	35,019.02	38,798,620.00	3.4304	133,094.79	33,273.70	(6,981.28)	(47,577.03)
2016/2017	39,427,100.00	3.4653	136,626.73	34,156.68	37,574,610.00	3.4653	130,207.30	32,551.82	(6,419.43)	(149,662)
2015/2016	38,927,220.00	3.7361	145,435.99	36,359.00	37,084,930.00	3.7361	138,553.01	34,638.25	(6,882.98)	367,627
2014/2015	37,639,450.00	3.5188	132,445.70	33,111.42	35,918,320.00	3.5188	126,389.38	31,597.35	(6,056.31)	(1,329,633)
2013/2014	37,102,750.00	3.5188	130,557.16	32,639.29	35,356,790.00	3.5188	124,413.47	31,103.37	(6,143.68)	388,412
2012/2013	36,944,060.00	3.6188	133,693.16	33,423.29	35,210,560.00	3.6188	127,419.97	31,854.99	(6,273.19)	484,824
2011/2012	42,159,670.00	3.1688	133,595.56	33,398.89	40,637,450.00	3.1688	128,771.95	32,192.99	(4,823.61)	(1,214,785)
2010/2011	44,143,080.00	3.1688	139,880.59	34,970.15	42,476,780.00	3.1688	134,600.42	33,650.11	(5,280.17)	444,189
2009/2010	48,029,340.00	2.9600	142,166.85	35,541.71	46,316,910.00	2.9600	137,098.05	34,274.51	(5,068.79)	