

CITY OF BRIGHTON  
CITY COUNCIL MEETING  
CITY HALL  
November 3, 2011

**Regular Blue Sky - 7:00 pm:** Review of Agenda Items for this evening's meeting

**REGULAR SESSION - 7:30 P.M.**

1. Call to order
2. Pledge of Allegiance
3. Roll Call
4. [Approval of minutes: Regular Meeting of October 20, 2011](#), Special Meeting of October 22<sup>nd</sup> + 23<sup>rd</sup>, Special Meeting & Closed Session of October 23<sup>rd</sup>
5. City Manager's presentation & recognition for a City Employee's retirement
6. Mayor's Reading of Citizen Inquiries received since the last City Council Meeting
7. Consider approval of the Agenda
8. Call to the Public

**Consent Agenda**

9. Consider approval of a [Budget Preparation Process calendar for the next 2-year budget of FY 12-13 & 13-14](#)
10. Consider Mayor's recommended reappointments to the ZBA and Board of Review
11. Consider approval of recommendations from the Officers' Compensation Board
12. Consider approval of staff's [quarterly investment of idle funds' report](#)

**Policy Development & Customer Communications' action item**

13. Consider approval of budget amendment for an allocation to the Livingston County EDC as the City's share of an EDC contract with SPARK for economic development marketing and business development services
14. Consider approval of authorization to the City Manager to obtain a formal independent appraisal of City Hall building & property
15. City Council's report regarding the recent City Council's annual performance evaluation of the City Manager
16. Consider approval of staff's recommended Due Care Plan for the Imagination Station Playground and related inputs from the Imagination Station Volunteer Committee
17. Consider approval of the draft Minutes & Proposed Goals' lists from the Goal-Setting Retreat of October 22<sup>nd</sup>+23<sup>rd</sup>

**Other Business**

18. Information for City Customers
19. Receive updates from Council Member Liaisons to other Boards and Commission
20. Call to the Public
21. Conduct a closed session with the City's Labor Attorney
22. Adjournment

**MINUTES OF THE MEETING OF THE CITY COUNCIL OF BRIGHTON**  
**HELD ON OCTOBER 20, 2011 AT THE BRIGHTON CITY HALL**  
**200 N. 1ST STREET, BRIGHTON, MICHIGAN**

**BLUE SKY SESSION**

The Council conducted a Blue Sky Session at 7:00 p.m. Present were Mayor Bandkau, Mayor Pro-Tem Bohn, Councilmembers Schillinger, Muzzin, Cooper, Roblee and Pipoly. The Council reviewed the agenda items.

**REGULAR SESSION**

Mayor Bandkau called the regular meeting to order at 7:30 p.m. Following the Pledge of Allegiance, the roll was called, there being present were Mayor Bandkau, Mayor Pro-Tem Bohn, Councilmembers Schillinger, Muzzin, Roblee, Cooper and Pipoly. Also in attendance were Attorney Paul Burns and Staff members Dana Foster, Jennifer Burke, Diana Lowe, Amy Cyphert, Matt Schindewolf, Tom Wightman, Kelly LaLonde, Matt Modrack and an audience of 18. Press and Media included Nicole Krawcke from The Patch.

**MINUTES APPROVAL**

It was moved by Mayor Pro-Tem Bohn, seconded by Muzzin to approve the Regular Meeting minutes of October 6, 2011 as presented. Motion passed 7-0.

**EAGLE SCOUT AWARDS**

Mayor Bandkau read an Eagle Scout Proclamation to Matthew Hummel.

Mr. Hummel stated his final Eagle Scout project consisted of building a butterfly garden for the Spencer Elementary School, which is like an outdoor classroom.

Mayor Bandkau read an Eagle Scout Proclamation to Quaid Stouder.

Mr. Stouder stated his final Eagle Scout project consisted of building four shooting benches for the Livingston Conservation Association for the marksman ship program.

Dennis Kallio stated he has helped produce 63 Eagle Scouts since he has been Scoutmaster.

**CITIZEN INQUIRIES**

Mayor Bandkau read a Citizens Inquiry - Susan Walters-Steinacker - 1) Are council members paid for "non" public meetings? 2) How is attendance verified? 3) Are council members paid for "non" city sanctioned meetings? 4) Why did Council members Roblee and Cooper billed the tax payers for more meetings than any other council members? 5) Will the city put the council submitted for payment documents on line?

### **AGENDA APPROVAL**

It was moved by Councilmember Cooper, seconded by Pipoly to approve the Agenda as amended. Add item 4a, Eagle Scout Proclamations. A roll call vote was taken. Yes: Schillinger, Cooper, Bohn, Bandkau, Muzzin, Roblee, Pipoly. No: none. Motion passed 7-0.

The following items were approved on Consent Agenda:

1. Approved the Art & Acoustic Music Festival for 2012 Civic Event.
2. Resolution 11-22, Place a lien on property for unpaid code violations related maintenance.

### **CALL TO THE PUBLIC**

Mayor Bandkau opened the Call to the Public at 7:44 p.m. The following comments were heard:

Ray Smith, Howell, gave information regarding Smart Meters and the dangers of having them. He encouraged residents to refuse to have Smart Meters installed on homes.

Pauline Holton, precinct delegate from Shelby Township, stated Smart Meters are not mandatory. She handed out literature and a DVD regarding Smart Meter information, how it violates resident's privacy and their dangers. She encouraged residents not to have Smart Meters installed on their homes.

John Holton, 2392 Bark Avenue, Shelby Township asked the City Council to pass a Resolution to encourage people not to have Smart Meters installed on homes in the City of Brighton.

City Manager, Dana Foster stated the City's right-of-way Ordinances are the closest way we have to regulate installation of these meters. He suggested requesting our DTE Manager, Paul Ganz, to attend a future City Council meeting to address this issue.

Mayor Pro-Tem Bohn suggested discussing this issue at the upcoming City Council Retreat.

Pat Cole, Brighton City, stated the information boxes at the cemetery were installed prior to her request and that there are no rules in the box. Citizen Inquiries are directed to the City Council, not to Manager Foster. She suggested the people be able to elect their Mayor as a Charter revision.

Hearing no further comment, the Call to the Public was closed at 8:09.

### **FAÇADE GRANT PROGRAM FOR 412, 416 & 420 W. GRAND RIVER PUBLIC HEARING**

Mayor Bandkau opened the Public Hearing for the façade grant project for 412, 416 & 420 W. Main Street in the amount of \$108,000 for a total project cost of \$144,000 pursuant to Michigan Economic Development Corporation requirements for MSC 211004-CDF at 8:10 p.m. The following comment was heard:

Pat Cole stated she is opposed to have funds being spent on buildings that are for sale and because the City will have to put in funds from the DDA.

Hearing no further comment, Mayor Bandkau closed the Public Hearing at 8:13 p.m.

DDA Director, Matt Modrack stated the MEDC Funds will have conditions such as job creation, how it is advertised, put out for bid, have a payback provision and becomes an interest free loan. He discussed the partnership program.

City Manager, Dana Foster stated if the City does not pursue the grants we are receiving, someone else in the State will and we are doing better than most jurisdictions for these grant/tax dollars.

Mayor Bandkau thanked Matt Modrack and staff for searching out these grants.

DDA Director, Matt Modrack stated a thriving downtown in a community could result in improved neighborhoods. He has partnered with two banks and structured a possible \$200,000 line of credit subject to future City Council approval and committed \$30,000 as a loan from the DDA.

#### **FINAL FAÇADE GRANT PROJECT RESOLUTION**

It was moved by Councilmember Muzzin, seconded by Roblee to approve Resolution 11-23, Authorizing the City Manager to submit the final façade Grant project related documentation to the MEDC and designate the City Manager to serve as the certifying officer for the environmental review. A roll call vote was taken. Yes: Schillinger, Cooper, Bohn, Bandkau, Muzzin, Roblee, Pipoly. No: none. Motion passed 7-0.

#### **ANNAUL FINANCIAL REPORT**

Finance Director, Kelly LaLonde briefed the City Council on the annual external audit report. She thanked the Finance Department for all of their efforts on the recent audit. She thanked Plante and Moran and Tim St. Andrew and Chris Jones for keeping her well informed and for helping with the Citizens Guide to get posted on the City's website.

Chris Jones, Plante and Moran Partner stated the documents received from the City of Brighton Finance Department have been accurate and this should qualify the City for the 24<sup>th</sup> consecutive Unqualified Auditors Review.

Tim St. Andrew, Plante Moran Manager, discussed the Powerpoint slides: General Fund Revenue, Taxable Value Breakdown, Taxable Value vs. State Equalized Value, General Fund Expenditures, Expenditure Trends, Comparison of General Fund Balances, Governmental Activities and Governmental Activities.

## **6-YEAR FINANCIAL FORCAST REPORT AND PRESENTATION**

Finance Director, Kelly LaLonde gave a presentation regarding the 6-Year Financial Forecast. She displayed slides regarding Fund Balance and Operating Expenditures, OPEB Contribution and General Fund Unreserved Fund Balance.

City Manager, Dana Foster discussed the changes in the Trend Line of General Fund Unreserved Fund Balance. He thanked Kelly LaLonde and staff for the updates on these forecasts.

## **2010 ADOPTED GOALS PROGRESS REPORT**

City Manager, Dana Foster discussed gave a progress report and ranking of the 2010 Adopted Goals.

## **CITY CUSTOMER INFORMATION**

City Manager, Dana Foster stated the City received the 6<sup>th</sup> consecutive Distinguished Budget Award from the GFOA. He gave an Imagination Station progress update stating the repairs should be completed Wednesday of next week. He displayed a chart regarding the DDA and Regional Revenue produced by the DDA District, stating these are dollars that are kept in our City and how it helped pay for the eastbound I-96 entry ramp.

Councilmember Muzzin gave a Brighton Area Fire Authority update, stating there was an internal promotion of a new fire inspector. Monday the 24<sup>th</sup> at 8:00 a.m. there will be a Special meeting for a New Fire Chief.

Councilmember Cooper encouraged everyone to vote in the upcoming election and there is a City Council Retreat this weekend from 8-4 on Saturday and from 8-11 on Sunday.

Councilmember Roblee stated the Grand Reopening of the Imagination Station on October 29<sup>th</sup> at 11:00 p.m. and the will also be the last day of Farmers Market. October 31<sup>st</sup> is the Tridge or Treat Spooktacular Civic Event from 5-7 p.m. in partnership with the Brighton Area Fire Authority.

Councilmember Pipoly stated the DDA no longer owns the former Chamber site. Backfilling of the Barton property is complete and the parking lot will be done by late November. 121 W. North Street property is reserved on an option and the environmental bore is forthcoming. The ornamental trees from the former Chamber site will be relocated to the Pierce Street parking lot greenbelt.

Mayor Bandkau stated she attended the Metrology grand opening.

## **CALL TO THE PUBLIC**

Mayor Bandkau gave a Call to the Public at 9:39 p.m. The following comments were heard:

Pauline Holton, Shelby Township, asked Council to look at the DVD's she passed out earlier and to remember the health effects from the meters, privacy and the fact that they can catch fire.

City Council  
October 20, 2011  
Page 5

John Holton, Shelby Township, asked City Council to look at the DVD that was passed out earlier. He discussed the cancer risks of Smart meters, cell phone and cell towers.

Pat Cole asked when the weatherproof information box would be installed at the cemetery? She stated Champs Pub does not need a for sale sign to be for sale. She asked where the money is going to come from to build the proposed DDA parking garage?

Hearing no further comment, the Call to the Public was closed at 9:49 p.m.

**ADJOURNMENT**

It was moved by Councilmember Muzzin, seconded by Cooper to adjourn the meeting at 9:49 p.m. Motion passed 7-0.

---

Diana Lowe, City Clerk

---

Ricci Bandkau, Mayor

## **BUDGET CALENDAR FOR FY12/13 & 13/14 PROPOSED BUDGET**

### **Operating Budget**

November 29, 2011	Budget instructions delivered to Department Directors
December 29, 2011	Budget Requests submitted to Finance Director
December 29- February 17, 2012	Review, analysis, and calculations of submittals by Finance Director.
February 17, 2012	Budget Requests and analyses submitted to City Manager by Finance Director
February 17- March 7, 2012	City Manager's review and analysis, including meetings on budget requests with Department Directors
March 7, 2012	City Manager finalizes budget recommendations
March 7-13, 2012	Staff produces Budget for submission to City Council
March 15, 2012	City Manager's recommended budget presented to City Council
March 20, 22, 27, 29 April 3 & 5, 2012	City Council Budget Work Session's & Early Blue Sky
April 5, 2012	Council directs staff to publish the Budget Hearing notice
April 19, 2012	Public Hearing on Budget
May 3, 2012	Council Adopts Annual Budget
May 17, 2012	Council Adopts Millage
June 21, 2012	Council Adopts Fee Schedule

MEMORANDUM

To: Dana Foster, City Manager

From: Kelly LaLonde, Finance Director



Date: October 25, 2011

**Subject: The City's Quarterly Investment Report as of September 30, 2011**

Attached you will find the City's Quarterly Investment Report as of September 30, 2011.

In comparison to the quarter ended June 30, 2011, the City's total investment/bank balance has increased by \$4,493,009 or 156% to \$7,367,672, which is generally indicative of the fact that the majority of the City's tax revenue levied is collected in the first quarter of the fiscal year, while expenditures are relatively more constant throughout the year. In comparison to the same quarter a year ago, i.e., the quarter ended September 30, 2010, the City's total investment/bank balance has decreased by \$228,870 or 3%.

In comparison to the quarter ended June 30, 2011, the City's average rate of return on investments has decreased from 0.51% to 0.42%. The decrease is reflective of lower rates of return than the previous quarter. The City continues to earn more than the benchmark 3-month Treasury Bill Rate and Fed Funds Rate.

Since June 30, 2011, the City's investment in FDIC insured CD's increased by \$3,351,000. The City's collateralized deposits/investments with JP Morgan Chase Bank totaled approximately \$2,463,648 or approximately 33% of the City's overall portfolio.

Attached you will find a quarterly investment report prepared by the City Treasurer, per the recently updated Investment Policy. We continue to work within the primary objectives of the City's Investment Policy, which, in priority order, are; safety, liquidity and return on investment.

Let me know if you have any questions.

## MEMO

To: City Council  
From: Fern Jackson, Treasurer   
Subject: 3<sup>rd</sup> Quarter investment report  
Date: October 24, 2011

The City of Brighton invested in 18 certificates of deposits with various Michigan banks with a 1-year maturity or less. This has an effect of spreading the risk of FDIC insurance to \$250,000 per institution and provides better coverage in case of a bank default. Each bank carries the maximum of \$250,000 per savings or checking account or certificate of deposit.

The interest rates of these certificates range from .40% to a maximum of .80% and varies in amount from \$100,000 to \$250,000. Laddering the investments out provides an on going steady interest income, which is an additional revenue to the City budget. This also protects the interest revenue from market declines in the money market accounts. Most of the certificates were purchased from the general fund, \$2,200,000.00, which is from the tax revenue received from the tax bills due August 15 of each year. One \$100,000 certificate of deposit was purchased for the sewer fund. All the local jurisdictions have been paid from the collections received every 2 weeks as required by State law.

We continue to see low interest rates as the Federal Reserve pledged for the first time in their last meeting in August to keep its benchmark interest rate at a record lows at least through mid-2013 to revive the economy. This in turn produces very low CD rates for our interest income revenue. The Federal Reserve announced plans to buy \$400 billion of long-term debt and said there are "significant downside risks" to the economic outlook. September's meeting produced an increase in 10-year treasuries as the Federal Open Market Committee employed the "Operation Twist". This program should put downward pressure on longer-term interest rates and help make broader financial conditions more accommodating.

Our current financial institutions which we have money market accounts with are providing .45% to .498% interest rates on over 38% of our total investments. These funds are completely liquid in nature and are available to use on demand. Certificates of Deposit require a penalty in interest; normally one month is forfeited, if they are needed prior to their maturity. Currently JPMorgan Chase has 33% of all funds in the money market and checking accounts as well as grant funds.

CITY OF BRIGHTON  
 QUARTERLY INVESTMENT REPORT  
 AS OF SEPT 30, 2011\*

<u>Investment Account</u>	<u>Account Balance</u>	<u>Maturity Date</u>	<u>Current % Interest Rate</u>	<u>Average R.O.R.</u>	
JP Morgan Chase & Co. - A/P	168,034.83	Immediate	0.00%	0.00%	7,367,671.78
JP Morgan Chase & Co. - Payroll	15,312.81	Immediate	0.00%	0.00%	7,367,671.78
JP Morgan Chase & Co. - Payroll M.M.	602,859.45	Immediate	0.45%	0.04%	7,367,671.78
JP Morgan Chase & Co. - MSHDA	16,651.26	Immediate	0.00%	0.00%	7,367,671.78
JP Morgan Chase & Co. - Escrow	-	Immediate	0.00%	0.00%	7,367,671.78
JP Morgan Chase & Co. - Tax	-	Immediate	0.00%	0.00%	7,367,671.78
JP Morgan Chase & Co. - Money Market	1,660,789.57	Immediate	0.45%	0.10%	7,367,671.78
Total Chase Bank	<u>2,463,647.92</u>				
Michigan Commerce - Police Forfeiture	17,311.21	Immediate	0.17%	0.00%	7,367,671.78
Michigan Commerce - Juvenile	246.72	Immediate	0.00%	0.00%	7,367,671.78
Michigan Commerce - CD	250,000.00	4/15/2012	0.50%	0.02%	7,367,671.78
Michigan Commerce - Tax account	1,102.34	Immediate	0.17%	0.00%	7,367,671.78
Total Michigan Commerce Bank	<u>268,660.27</u>				
First National Bank-tax account	21,392.10	Immediate	0.00%	0.00%	7,367,671.78
Total 1st Natl Bank	<u>21,392.10</u>				
Level 1-Money Market	561,790.40	Immediate	0.50%	0.04%	7,367,671.78
Level 1-U/B checking	248.14	Immediate	0.00%	0.00%	7,367,671.78
Total Level 1	<u>562,038.54</u>				
LOTUS BANK	200,590.28	Immediate	0.65%	0.02%	7,367,671.78
Total Lotus Bank	<u>200,590.28</u>				
CD-Talmer Bank	251,026.00	11/16/11	0.65%	0.02%	7,367,671.78
CD-TCF Bank	250,000.00	11/29/11	0.40%	0.01%	7,367,671.78
CD-TCF Bank	250,000.00	12/29/11	0.40%	0.01%	7,367,671.78
CD-United Bank	250,000.00	1/15/12	0.70%	0.02%	7,367,671.78
CD-United Bank	250,000.00	1/28/12	0.40%	0.01%	7,367,671.78
CD-Bank of Ann Arbor	250,316.67	1/30/12	0.80%	0.03%	7,367,671.78
CD-Bank of Holland	250,000.00	2/27/12	0.40%	0.01%	7,367,671.78
CD-Flagstar Bank	250,000.00	3/15/12	0.60%	0.02%	7,367,671.78
CD-Bank of Ann Arbor	250,000.00	3/28/12	0.45%	0.02%	7,367,671.78
CD-Mercantile Bank of MI	250,000.00	4/27/12	0.49%	0.02%	7,367,671.78
CD-Macatawa Bank	250,000.00	5/11/12	0.58%	0.02%	7,367,671.78
CD-Ann Arbor State Bank-CD	100,000.00	5/15/12	0.50%	0.01%	7,367,671.78
CD-Flagstar	250,000.00	5/29/12	0.70%	0.02%	7,367,671.78
CD-Mercantile Bank of MI	250,000.00	6/15/12	0.80%	0.03%	7,367,671.78
CD-the PrivateBank	100,000.00	6/30/12	0.50%	0.01%	7,367,671.78
CD-Independent Bank	200,000.00	9/8/11	0.56%	0.02%	7,367,671.78
CD-PNC Bank	200,000.00	10/9/12	0.40%	0.01%	7,367,671.78
Total Certificate of Deposits	<u>3,851,342.67</u>				
TOTAL	<u>7,367,671.78</u>		12.22%	<u>0.42%</u>	7,367,671.78
Avg. three Month Treasury Bill Rate				<b>0.0483%</b>	
Average Fed Funds Rate				<b>0.0839%</b>	
City's Avg. R.O.R. over/(under) the 3-month T-Bill Rate				0.37%	
City's Avg. R.O.R. over/(under) the Avg. Fed Funds Rate				0.33%	

\* From the website below

<http://bonds.yahoo.com/>

\*\* From the website below

<http://app.ny.frb.org/markets/omo/dmm/fedfundsdata.cfm>

M:Fern/Mydocs/misc/Council qtrly report 6-30-11.xls

\*Amounts match the bank statement balance and there may be reconciling items between the General Ledger and the bank.