



innovative by nature

Bryan K. Barnett
Mayor

City Council

June 25, 2012

Ravi Yalamanchi
District 1

Dear Senator Marleau,

Adam Kochenderfer
District 2

Re: *Request for Attorney General Opinion*

Greg Hooper
District 3

Nathan Klomp
District 4

James Rosen
At-Large

Mark Tisdell
At-Large

Michael Webber
At-Large

We are aware the City of Rochester has asked your office to request the Michigan Attorney General's opinion on questions relating to the Rochester Hills – Oakland – Rochester Older Persons Commission's ("OPC") 2012 budget. These questions stem from a debate among the member municipalities that has ensued since last Fall. We further understand that ordinarily the Attorney General's Office is reluctant to issue opinions on issues that are local in nature -- especially politically-tinged local issues such as those relating to the OPC budget. Nevertheless, in the event the Attorney General decides to enter this local dispute, the City of Rochester Hills believes it would be helpful to the communities involved and municipalities across the state to address additional questions surrounding the OPC budget dispute and its relationship to the Urban Cooperation Act, MCL 124.501 et seq and the Activities or Services for Older Persons Act, MCL 400.571 et seq. Therefore, on behalf of the City of Rochester Hills, I request that the following questions be submitted to the Attorney General for his opinion:

Background

Nearly 30 years ago, the City of Rochester Hills (formerly Avon Township), Charter Township of Oakland and the City of Rochester entered into an Interlocal Agreement (copy attached) to establish an Older Persons Commission to provide activities and services for seniors. The OPC is governed by an 8 member board comprised of elected officials and residents appointed by the member municipalities. Pursuant to Article V, Section 2 of the Interlocal Agreement, the OPC develops an annual budget in accordance with the Uniform Budgeting and Accounting Act (1968 PA 2) and submits the budget to each member municipality. The Interlocal Agreement requires that the governing bodies of the member municipalities "shall review and either approve as presented or as modified, an identical budget, no later than October 1 of each year."

The OPC's governing board submitted a balanced budget to the member municipalities that reduced total expenditures from the previous year. Rochester Hills and Oakland Township timely approved the OPC budget as submitted by the OPC's governing board before the October 1, 2011 deadline. However, contrary to the Interlocal Agreement's terms, the City of Rochester did not object to or otherwise act on the OPC budget before that date. Instead, Rochester submitted an "alternate budget" to Rochester Hills and Oakland Township, on or about December 11, 2011, only three weeks before the beginning of OPC's fiscal year. The governing bodies of both Rochester Hills and Oakland Township thereafter both reaffirmed their prior approvals of the 2012 OPC annual budget as approved and submitted by the OPC governing board, without modification.

Questions

1. Did one member-municipality's presentation of an alternate budget well after the time allowed under the Interlocal Agreement modify the original approved OPC budget, such that the alternate budget now governs all OPC expenditures under the Uniform Budgeting and Accounting Act, MCL 141.421 et seq or any other state law?
2. Are Rochester Hills and Oakland Township compelled by the Uniform Budgeting and Accounting Act or any other state law to accept the alternate budget submitted by Rochester and modify the OPC budget they previously approved and are satisfied with?

We will appreciate your assistance in submitting these questions to the Michigan Attorney General for his opinion. Please feel free to contact me to discuss.

Sincerely,

Bryan K. Barnett, Mayor
City of Rochester Hills