



# Rochester Hills Minutes Financial Services Committee

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*Donald Atkinson, David Byrne, John Dalton, Kurt Dawson,  
Melinda Hill, Barbara Holder, Julie Jenuwine, Jillian Rataj, Wayne Williams*

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Thursday, July 14, 2005

5:00 PM

1000 Rochester Hills Drive

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draft

## CALL TO ORDER

*Chairperson Dalton called the Financial Services Committee meeting to order at 5:04 p.m.*

## ROLL CALL

**Present:** Melinda Hill, Barbara Holder, John Dalton, Donald Atkinson and Wayne Williams

*Non-Voting Members Present: Julie Jenuwine and Kurt Dawson*

*Non-Voting Members Absent: David Byrne and Jillian Rataj*

*Jillian Rataj provided prior notice that she would be unable to attend meeting and asked to be excused.*

## APPROVAL OF MINUTES

**2005-0222** Financial Services Committee Meeting - December 9, 2004.

**Attachments:** 120904 Draft Minutes.pdf; Resolution.pdf

**A motion was made by Holder, seconded by Hill, that this matter be Approved.**

**Resolved that the Financial Services Committee Meeting hereby approves the Minutes of the Regular Meeting of December 9, 2004, as presented.**

**The motion carried.**

**2005-0275** Financial Services Committee Meeting - January 13, 2005

**Attachments:** 011305 Draft Minutes.pdf; Resolution.pdf

**A motion was made by Holder, seconded by Hill, that this matter be Approved.**

**Resolved that the Financial Services Committee hereby approves the Minutes of the Regular Meeting of January 13, 2005, as presented.**

**The motion carried.**

## COMMUNICATIONS

*Committee members welcomed Wayne Williams, Financial Services Citizen Representative.*

*Mr. Williams introduced himself and expressed his pleasure on being appointed to the Financial Services Committee.*

## UNFINISHED BUSINESS

**2004-0122** Update regarding Water Reservoir Project.

**Attachments:** Agenda Summary.pdf; Referral Report.pdf; Amendment to Water Distribution System Study January 2005.pdf; CDV Draft Min Excerpts 012204.pdf; Water Distribution 012204.pdf; Water Distribution Outline & Presentation 042204.pdf; 0122 Resolution.pdf

*Committee members discussed Water Reservoirs noting the following:*

*\* Draft RFP for design services has been completed and distributed to members of the engineering staff.*

*\* Final RFP should go out by the end of July.*

**Discussed**

## NEW BUSINESS

**2005-0102** City of Rochester Hills Street Lighting Policy

**Attachments:** Street Lighting Policy.pdf; Street Lighting Policy.Revised.pdf; Street Lighting Policy FS 101305.pdf

*Committee members discussed the Street Lighting Policy noting the following:*

*Mr. Rousse, DPW Director, stated that he drafted a formal rationale using the Astro Standard for design rough draft supplied in determining the policy for installing street lighting. Mr. Rousse stated that he is seeking additional comments from the Financial Services Committee members so that revisions can be made before the final draft is brought forward to City Council for their adoption.*

*Mr. Rousse stated draft policy language as follows:*

*...that the policy shall be known as the City of Rochester Hills Street Lighting Policy here and to referred to as ... the purpose of this Policy is to protect the health, safety and welfare of the residents.*

*\* Street Lighting Policy would provide the City with a formal policy and procedure.*

*\* Policy would only apply to those street light requests that are for major roads.*

- \* *Subdivisions that request street lights are responsible for the installation costs, etc.*
- \* *Currently the community has a total of sixty-five (65) major road street lights, thirty (30) are paid for by the City, twenty-nine (29) are paid for by the subdivisions and four (4) are paid for by the Road Commission.*
- \* *Installation cost is approximately \$3,000 and annual operating cost is \$250.*
- \* *Before installation, City considers the following criteria:*
  - \* *Geometrics of the intersection*
  - \* *Sight distance*
  - \* *View obstruction*
  - \* *Existing traffic light*
  - \* *Traffic counts*
  - \* *Other street lights*
  - \* *Level of illumination*
  - \* *Existing Pathway*
  - \* *School area*
  - \* *Crash data*
- \* *City does not have an official "system of warrants" to determine where street lights should be installed.*
- \* *A formal policy would provide a guideline to evaluate requests before requests are forwarded onto Traffic Safety and Advisory Board evaluation.*
- \* *Once a policy or guidelines are developed, it then becomes an internal operation in which the Engineering Department would perform a traffic study and forward request on to the Traffic Safety and Advisory Board, citizen representation, who would ultimately make the final decision and/or approval.*
- \* *It is the City's responsibility to provide illumination in the right-of-way.*

*Committee members agreed that policies are adopted by City Council but enforced by the Administration and should remain under their responsibility.*

*Committee member expressed concern that every subdivision will request entrance street lights. Therefore, the Committee recommends that the Street Lighting Policy reflects that subdivision entrances do not apply. It was noted that requests from subdivisions for street lighting at entrances would have a subdivision assessment.*

### **Discussed**

**2005-0337**

2005 DPS Replacement Equipment - Loader and Flail Mower

**Attachments:** DPS Replacement for 121, 35.pdf

*Roger Rousse, DPS Director, discussed proposed 2005 DPS equipment replacement of Loader and Flail Mower noting the following:*

- \* *Replace two (2) pieces of equipment with one (1) piece of equipment.*
- \* *Saves on purchase price.*
- \* *Increases utilization and saves on maintenance costs.*
- \* *Flail Mower and Front End Loader Equipment are fully depreciated and beyond their*

*life cycle replacement.*

*\* Old equipment has cost \$22,000 in repairs over the past two (2) years.*

*\* The mower is \$62,000 and the loader is \$86,000 and by combining them saves the City \$30,000 (\$8,000 in cost plus \$20,000 in needed repairs).*

*Mr. Rousse explained that by renting this piece of equipment hourly for major roads and renting it from the City itself, generates approximately \$16,000 in annual revenue.*

*Committee member expressed concern regarding the break down of this one (1) combined unit and what the cost would be to maintain effective operations.*

*Mr. Rousse verified that the City has a good maintenance department with highly skilled vehicle maintenance and repair employees. He confirmed that the monies were in place in the fleet fund to purchase this unit.*

*Committee members agreed to yield to Mr. Rousse's expertise on this equipment and authorized Mr. Rousse to move forward with an RFP.*

#### **Discussed**

**2005-0431**

2005 DPS Replacement Equipment - Tap Crew Truck

**Attachments:** Tap Crew Truck Overview.pdf

*Mr. Rousse, DPW Director, discussed replacement of the Tap Crew Truck noting the following:*

*\* Current Tap Crew Truck is an underpowered multi-use utility vehicle used to tow heavy equipment.*

*\* Over the years, equipment has gotten heavier and bigger and creates an unsafe towing problem for the Tap Crew Truck.*

*\* Tap Crew Truck is fully depreciated.*

*\* Cost is \$78,000 for the new GMC Tap Truck which purchase price will be offset once old vehicle is sold.*

#### **Discussed**

**2005-0233**

Police Funding

**Attachments:** Agenda Summary.pdf; Supplemental Memo Jenuwine dtd 2-17-06.pdf; Supplemental Memo Jenuwine dtd 2-13-06.pdf; Supplemental Memo Jenuwine dtd 5-09-05.pdf; Memo Jenuwine dtd 3-31-05.pdf; 2005 - OCSD Millage Analysis.pdf; 2005 - OCSD Millage Analysis R&E.pdf

Committee members discussed the Police Millage it was noted that December of 2006 will be the last levy for Special Police II Millage which provides funding for the fiscal year 2007.

Ms. Jenuwine presented the following three (3) Millage requirement scenarios as requested by Public Safety:

- \* What would be the required Millage if City continues as usual.
- \* What would be the required Millage if additional officer added each year beginning in 2008 through the year 2015.
- \* What would be the required Millage if all eight (8) Deputies hired immediately.

Committee member expressed concern with supplementing Police Millage with available unexplainable fund balance and further questioned when this fund is depleted if General Fund would then be the subsidy for it. Committee member stated that the Millage should be great enough to hold a constant.

Ms. Jenuwine stated 1.3268 is needed to stop a subsidy from the General Fund. She further stated the following:

- \* If City had all eight (8) officers, City would need 2.2857.
- \* If City had all eight (8) officers and only added them one (1) per year, City would need 2.258.
- \* If City were status quo, remaining at fifty-eight (58) through 2014, City would need 2.0445.

Committee members thanked Ms. Jenuwine for the update.

#### **Discussed**

**2005-0464**

GFOA Distinguished Budget Award - Fiscal Year 2005

**Attachments:** GFOA Award - 2005 Budget.pdf

Ms. Julie Jenuwine, Finance Director, informed Committee members that City did meet the GFOA criteria required and that the City did receive the GFOA Budget award for 2005.

#### **Discussed**

**2005-0468**

Solid Waste Fund Elimination

**Attachments:** Solid Waste fund elimination.pdf; Solid Waste Fund Chart of Acct page.pdf

Ms. Jenuwine, Finance Director, reported that for the 2006 fiscal year budget the monies under the Solid Waste Fund will be transferred to reflect under Ordinance and the Ordinance Budget which is in the General Fund. She noted the following:

- \* The appropriate fund is the Special Revenue Fund which accounts for a tax levy or a special assessment for purposes of providing garbage and rubbish collection.
- \* This transfer of funds is to eliminate the smaller funds and have one (1) fund and one (1) line item.
- \* If the City decides to go with a single Solid Waste hauler, it would be an Enterprise

*Fund, self supporting, and would be under the Enterprise area of the budget.*

*Committee members agreed that Solid Waste Fund is a high end concern of the citizens and by eliminating the fund and transferring monies under ordinance would create confusion. Members will continue discussion at budget workshops.*

### **Discussed**

**2005-0470**

Discussion Regarding authorizing Mayor, City Clerk and Finance Director to circulate preliminary and final official statement for Rewold Drain Phase II Improvements, Series 2005 - Continuing Disclosure

**Attachments:** Agenda Summary.pdf; Petition 1984.pdf; Petition 1984 OCDC Bd Acceptance.pdf; Drain Bd Meeting Name Change.pdf; 0470 Resolution.pdf

*Committee discussed the Rewold Drain Phase II Improvements, Series 2005 Bonds - Continuing Disclosure noting the following:*

*\* Resolution is asking to add a Continuing Disclosure Statement to the petition of 1984.*

*\* In 1984 the bonding rules did not call for Continuing Disclosures but is now required.*

*Ms. Jenuwine stated that annually she must provide Continuing Disclosure to all the Federal and State surveillance agencies/organizations who review and monitor bonds and make sure the City is worthy of the ratings that we have. She further stated that she is bringing Continuing Disclosure language to City Council for their approval.*

**A motion was made by Holder, seconded by Hill, that this matter be Discussed.**

**For discussion purposes only.**

**The motion carried by the following vote:**

**Aye:** Hill, Holder, Dalton, Atkinson and Williams

## **YOUTH COMMENTS**

*None Presented*

## **ANY OTHER BUSINESS**

*None Presented*

**NEXT MEETING DATE - August 11, 2005**

## **ADJOURNMENT**

*There being no further business to discuss, Chairperson Dalton adjourned the meeting at 6:05 p.m.*

*Minutes prepared by Sue Busam*