

City of Allegan
FINANCE COMMITTEE MEETING
401 Hubbard Street
Allegan MI 49010
July 11, 2016

I. Call to Order

The meeting was called to order at 5:30pm.

II. Attendance

Present: Councilmember McKenzie, Mayor Pro-tem Tripp, Mayor Ingalsbee, Betty McDaniel

Absent: None

Others

Present: City Manager Rob Hillard, Finance Director Tracy Stull, DPW Director Aaron Haskin

III. Minutes of the Previous Meetings

Betty McDaniel, supported by Mayor Pro-tem Tripp, made a motion to approve the minutes of the Committee meeting for April 11, 2016. Motion passed by acclamation. Mayor Pro-Tem Tripp, supported by Councilmember McKenzie, made a motion to approve the meeting minutes for June 13, 2016. Motion passed by acclamation.

IV. Old Business

1. Airport Fixed Based Operator Request for Proposals

City Manager Hillard reviewed the counter proposal from Ace Aviation for services related to the Airport Fixed Base Operator contract. Based on the proposal, the City Attorney drafted two contracts. The first contract is a Fixed Base Operator contract that reflects a \$1,000 a month rent to the City with a three 3% increase annually. It provides a number of services, including continued use of the fuel equipment for his use. Utilities are included in the rent. The second contract is for on-call services as an Assistant Airport Manager that reflects a \$275 payment to Ace Aviation. This will provide State authority to assist the DPW Director in airport operations, and also provides responsibilities in promoting the hangars to increase use and provide more rent to the airport, and provide various maintenance opportunities throughout the airport. The Committee asked a variety of questions, including requirements of insurance coverage and worker's compensation. Mayor Pro-tem Tripp, supported by Councilmember McKenzie, made a motion to recommend to Council approval of the contracts. Motion passed by acclamation.

2. Finance Department Reorganization

The City Manager presented a plan to the Finance Committee to reorganize the Finance Department and segments of City Hall duties. This plan in general includes providing authority of the Finance Department to oversee day-to-day operations of the Clerking, Elections, and Assessing Duties in the future. This plan was developed as a result of the anticipated resignations in the next year. The concept was presented to the Finance Committee and they expressed concerns. Since the plan will require budget adjustments through the Council, the item will be on a future agenda.

C. Investment Policy

City Finance Director Stull presented a proposed investment policy. The last time a policy was developed was in 2006. The policy reflects a number of changes, including the opportunity to participate in investment pools, and requires more process into investments. She indicated this is a final draft, but will be submitted to a certifying agency to assure it meets investment standards and State statute. The Committee asked a variety of questions. Ms. McDaniel, supported by Mayor Pro-tem Tripp, made a motion to recommend to City Council the investment policy as presented, after review and comment by APT-US&C. Motion passed by acclamation.

V. New Business

VI. Adjournment

The meeting was adjourned at 6:33pm.

Respectfully Submitted,

**Robert Hillard
City Manager**