

A Regular Meeting (Zoom provided) of the Otsego City Commission was held on Monday, January 18, 2021.

The meeting was called to order by Mayor Trobeck at 7:00 p.m. with the following Commissioners present: Stacey Withee, Brent Milhiem, Lauri Krueger and Dustin McNees. Absent: None. Also present: City Manager Mitchell, Finance Director Storbeck and Fire Chief Weber.

The audience joined the Commission in the Pledge of Allegiance.

The January 4, 2021, Regular Meeting Minutes were approved as submitted.

**REMARKS FROM THE AUDIENCE REGARDING AGENDA ITEMS**

None.

**I. PRESENTATIONS:**

A. ALLEGAN COUNTY COMMISSIONER – GALE DUGAN  
Commissioner Dugan gave an update on the County’s most recent activities

**II. PUBLIC HEARING:**

**III. PLANNING AND ZONING:**

**IV. ORDINANCES:**

**V. REQUESTS:**

A. CONSIDERATION OF THE FUND BALANCE POLICY  
Since the Fund Balance Policy was not discussed at the Workshop Meeting, Commissioner McNees moved to remove the Consideration of the Fund Balance Policy, and add under Discussions – Fund Balance Policy, seconded by Commissioner Krueger. CARRIED UNANIMOUSLY

**VI. AGREEMENTS:**

**VII. RESOLUTIONS:**

A. CONSIDERATION OF RESOLUTION NO. 2021-03 – A RESOLUTION TO DETERMINE 241 HELEN, CITY OF OTSEGO AS BLIGHTED UNDER THE CRITERIA OF ACT 381 OF 1996.  
Commissioner Milhiem offered the following resolution and moved for its adoption, seconded by Commissioner Withee.

CITY OF OTSEGO  
ALLEGAN COUNTY, MICHIGAN  
RESOLUTION NO. 2021-03

RESOLUTION TO DETERMINE 241 HELEN, CITY OF OTSEGO AS BLIGHTED  
UNDER THE CRITERIA OF ACT 381 OF 1996.

WHEREAS, the ACBRA has requested, based on tax reversion of the property, that the property be determined by Otsego City Commission as blighted under the criteria specified in the Brownfield Redevelopment Financing Act, Act 381 of 1996 (the Act);

WHEREAS, such a designation would allow the property to be eligible for reimbursement of eligible activities through the Allegan County Brownfield Redevelopment Authority;

WHEREAS, the Allegan County Board of Commissioners established the Allegan County Brownfield Redevelopment Authority (ACBRA), which facilitates the implementation of plans relating to the identification and treatment of environmentally- distressed and blighted areas within the County of Allegan, pursuant and in accordance with provisions of the Act;

WHEREAS, the Act requires explicit consent of each local unit of government included in the Authority, which the City of Otsego joined by resolution; and

WHEREAS, the ACBRA will be submitting a proposed Brownfield Plan, which would enable the ACBRA to seek tax increment financing (TIF) revenues, and if approved demolish and redevelop the property thereby eliminating the blight;

RESOLVED, that City Commission determine that the property located at 241 Helen as blighted under the criteria for tax reverted property under the Brownfield Redevelopment Financing Act; and

RESOLVED, that a copy of this Resolution be provided to the City of Otsego Assessor's office.

YEAS: Commissioners: Cyndi Trobeck, Brent Milhiem, Dustin McNees, Stacey Withee,  
Lauri Krueger.

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

**VIII. APPOINTMENTS:**

## **IX. DISCUSSION ITEMS:**

### **A. FUND BALANCE POLICY**

Mayor Trobeck stated that the Fund Balance Policy would determine what percentage of the budget each fund would be required to have in their “savings”. She commented that right now we have a 47% fund balance, but we are currently deficit spending. Finance Director Storbeck commented that this policy is not set in stone, but for budgetary purposes it helps the Finance Director and City Manager. He stated that in the past there has been no clear guidance, and he appreciates the confidence you have in him, but it would be nice to have the Commission, Finance Director and City Manager all on the same page. He stated that 16% would be approximately – 2 months, but he would rather see three months of fund balance. He commented that the policy is straightforward, and is only for non-restricted funds. He commented that it is a planning tool and the City Commission can override it at any time. Finance Director Storbeck reviewed the current fund balances of various funds. Commissioner McNees asked if the wording on Page 5 – “Shortfalls” were specific steps that had to be taken or if not, could they be changed to bullet points. Finance Director Storbeck will make the change. Finance Director Storbeck answered questions of the Commission regarding the policy.

A discussion took place regarding LCSA money and how it is distributed. Finance Director Storbeck continued that he is looking for guidance that fits the needs of the City and his successor. Finance Director Storbeck explained further that there is no penalty for not hitting the percentages, but it would have to be disclosed to the City Commission. City Manager Mitchell explained that the policy is setting the bare minimum.

Mayor Trobeck asked if the Commission needed to discuss the Fund Balance Policy further. It was the consensus of the Commission to further discuss the Fund Balance Policy at a Workshop Meeting on February 1, 2021. The Fund Balance Policy discussion and City Commission Goals will be placed on the Workshop Agenda. There will also be a Workshop Meeting on February 15, 2020.

### **MANAGER'S REPORT**

1. He gave updates on the following:
  - Rock-Tenn
  - Potential Developers
  - Dam
  - Re-Opening of City Hall
  - Fire Department Roof
  
2. He asked for further questions or comments regarding his written Manager’s Report submitted to the Commission in their weekly packet.

### **COMMUNICATIONS**

None.

### **REMARKS FROM THE AUDIENCE**

Fire Chief Weber gave an update on COVID and vaccinations in Allegan County.

## **COMMISSIONERS' COMMENTS**

Commissioner Milhiem – he commented that it is awesome to be back in person and meetings taking place face to face. He commented that he feels 100% comfortable and thanked the Mayor, City Manager, and City Clerk. He commented that it will be good to talk about goals, because we get caught up in the day to day, and it will be a way to get new ideas. He stated that he is looking forward to spring and getting back to normal – having kids playing sports. He commented that he is looking forward to going over the budget and having a balanced budget and not having an over taxing burden.

Commissioner Withee – she commented that it was nice meeting in person.

Commissioner Krueger – she thanked Finance Director Storbeck for presenting and answering questions in a simplified manner. She stated that she loves the Workshop Meetings and is looking forward to it. She commented that she missed meeting in person.

Commissioner McNees – he congratulated County Commission Dugan on being Vice-Chair of the County Commissioners. He thanked City Manager Mitchell for the recent press release. He thanked Finance Director Storbeck. He thanked Chief Weber for his work on the roof. He commented that he was glad to be back in person and was happy to see everyone.

Mayor Trobeck – she thanked City Manager Mitchell and Finance Director Storbeck for the presentation. She thanked Clerk Cronen and Fire Chief Weber. She announced that there was virtual training available for Commissioners. She thanked the Commission for being open, honest and for their questions. She commented that it is not going to be an easy year, but commented that it is nice to face this year with this Commission.

## **ADJOURN**

The meeting was adjourned on a motion by Commissioner McNees, seconded by Commissioner Krueger. CARRIED – 7:53 p.m.

Angela M. Cronen, MMC  
City Clerk