

REGULAR MEETING OF THE COUNCIL
OF THE
CITY OF DEARBORN

March 1, 2010

The Council convened at 7:00 P.M., President of the Council Thomas P. Tafelski presiding. Present at roll call were Councilmembers Abraham, Darany, Hubbard, O'Donnell, Sareini, Shooshanian and President of the Council Tafelski; absent, none. A quorum being present, the Council was declared in session.

Pastor Mike Ewert of Dearborn Free Methodist Church delivered the invocation.

By Shooshanian supported by Hubbard.

3-111-10. RESOLVED: That the minutes of the previous regular meeting of February 16, 2010, and the same are hereby approved as recorded and published.

The resolution was unanimously adopted.

Councilmember Hubbard introduced Ordinance No. 10-1264, entitled, "An Ordinance to Amend Section 9.02 of Ordinance No. 06-1111 of the City of Dearborn" by rezoning parcels 82-10-083-24-023, 82-10-083-24-024 and 82-10-083-24-027 located north of Ford Road and adjacent to the CSX Railroad from an Industrial A (Light Industrial District) to a Business B (Community Business District) zoning classification.

The Clerk read the Ordinance by title.

The President of the Council announced that this was the first reading of the Ordinance.

By Sareini supported by Shooshanian.

3-112-10. RESOLVED: That proposed Ordinance No. 10-1264 be laid on the table.

The resolution was unanimously adopted.

Councilmember Hubbard introduced Ordinance No. 10-1265, entitled, "An Ordinance to Amend Article II of the Offenses Chapter (Chapter 14) of the Code of the City of Dearborn By Amending Sec. 14-44, entitled, 'Dangerous or Hazardous Substances or Materials Costs Recovery' and Deleting Sec. 14-44A entitled, 'Reimbursement of Rescue or Ambulance Costs'."

The Clerk read the Ordinance by title.

The President of the Council announced that this was the first reading of the Ordinance.

By O'Donnell supported by Shooshanian.

3-113-10. RESOLVED: That proposed Ordinance No. 10-1265 be laid on the table.

The resolution was unanimously adopted.

Councilmember Shooshanian introduced Ordinance No. 10-1266, entitled, "An Ordinance to Amend the Administration Chapter (Chapter 2) of the Code of the City of Dearborn by Adding Section 2-568A to Division 4, entitled 'Preference for Local Bidders/Dearborn-based Businesses'."

The Clerk read the Ordinance by title.

The President of the Council announced that this was the first reading of the Ordinance.

By Hubbard supported by Sareini.

3-114-10. RESOLVED: That proposed Ordinance No. 10-1266 be laid on the table.

The resolution was unanimously adopted.

By Hubbard supported by Abraham.

3-115-10. RESOLVED: That all of the public alley 18 feet wide, between Maple Avenue and Neckel Avenue, extending from the Northerly line of Lot 104 extended, to the Northerly right-of-way line of Diversey (60 feet wide), as platted within Frischkorn's Columbus Park Subdivision as recorded in Liber 36, Page 47, of Wayne County Records, be and the same is hereby vacated, discontinued and abolished, reserving and retaining, however, an 18 foot easement on, over, along, across, under, above and through all of such vacated alley as above described for public use and public utility purposes including use for sewers, together with surface drainage and surface drainage structures, utility mains, conduits and poles, together with access for the maintenance and/or installation thereof but not for public travel or transportation; be it further

RESOLVED: That the Clerk be and is hereby directed to record the within resolution in the office of the Wayne County Register of Deeds and the Department of Commerce for the State of Michigan after it has become effective.

The resolution was unanimously adopted.

By Shooshanian supported by O'Donnell.

3-116-10. RESOLVED: That all bids received for Street Paving, Curb and Catch Basin Repair Contract 2009/2010, Job #10-12-066, C.I.P. Q57910 are hereby rejected except the bid of G.V. Cement Contracting Co. in the total amount of \$1,329,817, that the aforementioned bid is hereby accepted, that the checks of the unsuccessful bidders be returned forthwith, that the Mayor is hereby authorized to execute a formal contract upon the approval of the Department of Law; provided however, that all of the specifications and instructions in the bid have been fully complied with; be it further

RESOLVED: That this contract shall be financed through Capital Improvement Project Q57910 with a breakdown as follows:

(202-2009-452.45-20) Major Street Fund	\$ 140,000
(203-2009-452.45-20) Local Street Fund	\$ 675,817
(401-2009-435.45-20) General Capital Imp. Fund	\$ 95,000
(401-2010-435.45-20) Public Works Billable Proj.	\$ 47,000
(590-2006-435.45-20) Sewer Fund	\$ 237,000
(591-2011-435.45-20) Water Fund	<u>\$ 135,000</u>
TOTAL BID AMOUNT	\$1,329,817

be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

Renewed on 3/7/11 per C.R. 3-104-11

By Hubbard supported by Abraham.

3-117-10. RESOLVED: That all proposals received for Golf Course Consulting Services are hereby rejected except the proposal of The National Golf Foundation in the total amount of \$22,000, that the aforementioned proposal is hereby accepted, that the checks of the unsuccessful proposals be returned forthwith, that the Mayor is hereby authorized to execute a formal contract upon the approval of the Department of Law; provided however, that all of the specifications and instructions in the proposal have been fully complied with; be it further

RESOLVED: That in order to fund this project, City Council hereby authorizes an appropriation in the amount of \$22,000 from the General Fund, fund balance as a contribution to the Golf Course Fund; be it further

RESOLVED: That this contribution shall be recognized as revenue in the Golf Course Fund and budget appropriated in the amount equal to the contribution in Account #584-3080-683.34-90; be it further

RESOLVED: That this contract shall be financed from the Consulting Services Account (Account #584-3080-683.34-90); be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Hubbard supported by Shooshanian.

3-118-10. RESOLVED: That all bids received for Street Sweeper Brooms are hereby rejected except the bids of Keystone Plastics in the approximate amount of \$17,097.20 and Bell Equipment in the approximate amount of \$15,628, that the aforementioned bids are hereby accepted, that the checks of the unsuccessful bidders be returned forthwith, that the Mayor is hereby authorized to execute formal contracts upon the approval of the Department of Law; provided however, that all of the specifications and instructions in the bids have been fully complied with; be it further

RESOLVED: That these contracts shall be financed from the General Fund, Public Works, Fleet Maintenance, Repair & Maintenance, Vehicle Repair & Maintenance Account (Account #101-2085-856.43-65); be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Shooshanian supported by Abraham.

3-119-10. WHEREAS: The City presently has a contract with Lacaria Concrete Construction (C.R. 3-162-09) for Asphalt Street Pavement Resurfacing, Phase I (Contract 2008/2009), and

WHEREAS: The original contract specifications allow for two (2) one-year renewals beyond the expiration of the present contract. This is the first renewal, and

WHEREAS: Lacaria Concrete Construction has offered to renew the present contract prices through the 2009/2010 Construction Season; be it

RESOLVED: That the contract for Asphalt Street Pavement Resurfacing 2009/10, Job #10-09-059, C.I.P. Q57810 is hereby renewed with Lacaria Concrete Construction through the 2009/2010 Construction Season in the amount of \$1,725,038.50; be it further

RESOLVED: That this contract renewal shall be financed through C.I.P. Q57810 with a funding breakdown as follows:

Local Street Fund (203)	\$1,674,238.50
Sewer Fund (590)	<u>\$ 50,800.00</u>
TOTAL	\$1,725,038.50

be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By O'Donnell supported by Shooshanian.

3-120-10. WHEREAS: The City presently has a contract with United Lawnscape, Inc. (C.R. 12-812-08) for Turf Maintenance on City-owned Lots, and

WHEREAS: The original contract specifications allow for a renewal of one year beyond the expiration of the present contract. This is the first and final renewal, and

WHEREAS: United Lawnscape, Inc. has offered to renew the present contract prices through November, 2010; be it

RESOLVED: That the contract for Turf Maintenance on City-owned Lots is hereby renewed with United Lawnscape, Inc. through November, 2010 in the amount of \$41,800; be it further

RESOLVED: That this contract renewal shall be financed from the General Fund, Public Works, Parks Division, Contractual Services Account with maintenance done after June 30, 2010 being contingent upon the adoption of the FY11 budget; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Hubbard supported by O'Donnell.

3-121-10. RESOLVED: That City Council hereby amends the contract with CDM in the amount of \$481,800 for Additional Services Related to the Revised CSO Basis of Design; be it further

RESOLVED: That this amendment shall be financed from the C.I.P. Project #N85000, for East Dearborn (related to SRF 5207-03 Contracts 5 & 6); be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Shooshanian supported by Hubbard.

3-122-10. WHEREAS: The Golf Course Fund has loans for various items including the golf cart fleet and turf maintenance equipment. To date, the golf course has paid back to the General Fund \$624,054 which included principal and interest. The balance on these advances is \$103,534, and

WHEREAS: The golf industry has experienced a greater financial challenge as a result of the poor economic conditions. Household discretionary income has declined for many households as a result of these conditions. Golf is an activity that relies in part on discretionary spending and as such has been affected, and

WHEREAS: To place the Golf Course Fund on better financial footing, the Recreation and Finance Departments have recommended that these advances be converted to a contribution this fiscal year. The recommendation includes forgoing this year's interest, and

WHEREAS: The Recreation and Finance Departments have requested that the Finance Director be authorized to appropriate \$103,534 of the General Fund fund balance as a contribution to the Golf Course Fund and to recognize the revenue and appropriate the same within the Golf Course Fund; be it

RESOLVED: That City Council hereby authorizes the Finance Director to appropriate \$103,534 of General Fund fund balance as a contribution to the Golf Course Fund and to recognize the revenue and appropriate the same within the Golf Course Fund; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Shooshanian supported by Abraham.

3-123-10. WHEREAS: The City Charter Section 7.13 per MCL 129.12 and 211.43b provides the City Council with the authority to select depositories in which the funds of the City may be deposited, and

WHEREAS: C.R. 4-239-82 authorized the City Treasurer to deposit public monies in financial institutions that no longer exist due to mergers or acquisitions by other financial institutions, and

WHEREAS: C.R. 4-239-82 authorized Clearwater Beach Bank FL as the main depository bank for Dearborn Towers, and

WHEREAS: Over time Clearwater Beach Bank FL became Bank of America, which has a presence in the State of Michigan in compliance with Public Act 20 of 1943 as amended; be it

RESOLVED: That the City Council hereby rescinds C.R. 4-239-82; be it further

RESOLVED: That the City Council hereby authorizes the City Treasurer to deposit the funds of Dearborn Towers in Bank of America; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Sareini supported by O'Donnell.

3-124-10. WHEREAS: The City Charter Section 10.5 states that the City Treasurer shall have custody of City funds, money and securities, and be responsible for the deposit and safekeeping of City funds, money and securities, and

WHEREAS: C.R. 4-238-82 directed how the City's cash may be invested and defined the City Investment Officer, and

WHEREAS: C.R. 4-238-82 became obsolete when the City adopted its formal investment policy in 1998 as required by Public Act 20 of 1943 as amended; be it

RESOLVED: That the City Council hereby rescinds C.R. 4-238-82; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Hubbard supported by O'Donnell.

3-125-10. WHEREAS: The City Charter Section 10.5 states that the City Treasurer shall have custody of City funds, money, and securities, and be responsible for the deposit and safekeeping of City funds, money and securities, and

WHEREAS: The City Treasurer is the City of Dearborn Investment Officer and shall conform to the existing laws of the State of Michigan (Public Acts 20 of 1943 as amended) and the City's investment policy, and

WHEREAS: C.R. 7-423-84 provided the City Treasurer with authority to use depositories selected by the Director of Finance for the purchase of short-term investments, and

WHEREAS: The current City Charter eliminated the Director of Finance position and consolidated the duties of the Director of Finance and the City Treasurer under the City Treasurer title; be it

RESOLVED: That City Council hereby rescinds C.R. 7-423-84; be it further

RESOLVED: That the City Council hereby authorizes the City Treasurer to select depositories for the purchase of marketable investments in compliance with Public Act 20 of 1943 as amended and the City's investment policy; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Sareini supported by Hubbard.

3-126-10. WHEREAS: The City Charter Section 7.13 per MCL 129.12 and 211.43b provides the City Council with the authority to select depositories in which the funds of the City may be deposited, and

WHEREAS: Comerica Bank is the main depository for the City of Dearborn (including Camp Dearborn), which has a presence in the State of Michigan in compliance with Public Act 20 of 1943 as amended, and

WHEREAS: Various City of Dearborn based financial institutions accept property tax and water payments from their respective customers and transfer those funds to the City's main depository bank at the direction of the City Treasurer or the City Treasurer's designee; be it

RESOLVED: That City Council hereby affirms Comerica Bank as the City's main depository bank; be it further

RESOLVED: That City Council hereby authorizes City of Dearborn based financial institutions that accept property tax and water payments from their respective customers as agents of the City of Dearborn for transfer of collected funds to the City's main depository bank at the direction of the City Treasurer or the City Treasurer's designee; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By O'Donnell supported by Shooshanian.

3-127-10. WHEREAS: Public Act 20 of 1943 as amended requires that the City adopt a formal investment policy, and

WHEREAS: The City Council adopted a formal investment policy for non-Pension funds with C.R. 11-1115-98 effective December 23, 1998, and

WHEREAS: The current City Charter eliminated the Director of Finance position and consolidated the duties of the Director of Finance and the City Treasurer under the City Treasurer title, and

WHEREAS: The investment policy for non-Pension funds requires amendment due to clerical errors, changes in the City Charter, changes to the Governmental Finance Officers Association (GFOA) sample investment policy, and Public Act 20 of 1943 as amended, and

WHEREAS: Revision to the City's investment policy for non-Pension funds will necessitate revision to the investment policies of other City governing boards: East Dearborn Downtown Development Authority, West Dearborn Downtown Development Authority, Brownfield Redevelopment Authority, and the Economic Development Corporation of the City of Dearborn, and

WHEREAS: The Finance Department will continue to handle cash management duties for the City of Dearborn and its associated component units except the Economic Development Corporation, and where a consistent policy and designation of investment officer will facilitate ongoing cash management; be it

RESOLVED: That the City Council hereby adopts the revised policy for investment of City of Dearborn non-Pension funds as follows:

City of Dearborn Investment Policy

To comply with Public Act 20 of 1943, as amended

I. Purpose

It is the policy of the City of Dearborn to invest its funds in a manner which will provide sufficient security while meeting the daily cash flow needs of the City and to provide the highest investment return consistent with safety and liquidity while complying with all state statutes governing the investment of public funds. Governmental Finance Officers Association (GFOA) Recommended Practices for Treasury and Investment Management will also be used as a guide.

II. Scope

This policy applies to the investment of available operating funds. The investment of funds of the pension systems and post-employment health care are covered by separate policy. Pooling of Funds within Governmental Unit (including component units): Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

a. Credit Risk: The City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities listed in Section VII of this Investment Policy
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City may do business in accordance with Section V of this Investment Policy
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

b. Interest Rate Risk: The City will minimize the risk that the market value of securities in the portfolio will fall due to changes in market interest rates by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby minimizing the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in marketable securities, money market mutual

funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see Section VIII).

2. Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should have sufficient securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds. These funds may, but do not necessarily have to have, a constant net asset of \$1.00 per share.

3. Yield: The investment portfolio is designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall be held to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal
- A security swap would improve the quality, yield, or target duration in the portfolio
- Liquidity needs of the portfolio require that the security be sold (with a possible loss).

Benchmarks: The City's cash management portfolio is designed with the objective of regularly meeting or exceeding a performance benchmark, which shall be the average return on three-month U.S. Treasury bills, the average rate on Fed funds or other comparable indices, whichever is higher. Theses indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return (net of management/custodial fees). The investment program seeks to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

IV. Standards of Care

1. Prudence: The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. Ethics and Conflicts of Interest: Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the city.

3. Delegation of Authority: Authority to manage the investment program is granted to the City Treasurer, hereinafter referred to as investment officer, and derived from the City Charter (Chapter 10, Section 5). Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the

procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

V. Authorized Financial Institutions, Depositories and Broker/Dealers.

1. Authorized Financial Institutions, Depositories and Broker/Dealers: A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule). [SEC Rule 15C3-1 sets capital requirements for brokers and dealers. Under this rule, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current clients.]

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of National Association of Securities Dealers (NASD) certification
- Proof of state registration
- Completed broker/dealer questionnaire
- Certification of having read and understood and agreeing to comply with the City's investment policy
- Evidence of adequate relevant insurance coverage (Liability, FDIC, SIPC, Errors and Omissions coverage, NCUA, Excess Share Insurance).

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer.

VI. Safekeeping and Custody

1. Delivery vs. Payment

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

2. Safekeeping

Securities will be held by an independent third-party custodian selected by the City of Dearborn as evidenced by safekeeping receipts in the City's name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70). Exceptions to this requirement are safekeeping receipts or confirmations issued for certificates of deposit and commercial paper purchased by the City directly from eligible financial institutions or broker/dealers where the securities are being held in an account in the City's name.

3. Internal Controls

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities.
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian (for repurchase agreements)

- Investment pools organized under the surplus funds investment pool act, Public Act 367 of 1982, MCL 129.111 to 129.118
- The investment pools organized under the local government investment pool act, Public Act 121 of 1985, MCL 129.141 to 129.150
- Any other investments permitted by future amendments to Public Act 20 of 1943 as amended

2. Collateralization: Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, Full collateralization may be required on non-negotiable certificates of deposit if the investment officer believes collateralization is necessary to protect principal invested. The investment officer will evaluate the credit worthiness of the institution and prevailing practice of other governments in the State of Michigan and the general state of the economy.

3. Repurchase Agreements: Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements.

VIII. Investment Parameters

1. Diversification: The investments shall be diversified by:

- Limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities)
- Limiting investment in securities that have higher credit risks
- Investing in securities with varying maturities
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIP), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

2. Maximum Maturities: To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or, alternatively, compliance should be assured through the City's annual audit.

VII. Suitable and Authorized Investments

1. Investment Types: Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following Investments will be permitted by this policy and are those defined by state and local law where applicable:

- U.S. Treasury obligations which carry the full faith and credit guarantee of the United States government and are considered to be the most secure instruments available.
- U.S. government agency and instrumentality obligations that have a liquid market with a readily determined market value
- Certificates of deposit and other evidences of deposit at financial institutions, but only if the financial institution complies with subsections (2) and (5) of Public Act 20 of 1943 as amended
- Commercial paper rated, at the time of purchase, in the highest tier (e.g., A-1, P-1, F-1 or D-1 or higher) established by not less than 2 standard rating services and that mature not more than 270 days after the date of purchase
- Repurchase agreements comprising instruments listed in subdivision (a) of Public Act 20 of 1943 as amended and consistent with GFOA Recommended Practices on Repurchase Agreements
- Banker's acceptances of United States banks
- Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one (1) standard rating service
- Mutual funds registered under the investment company act of 1940, title I chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation
- Obligations described in subdivisions (a) through (g) of Public Act 20 of 1943 as amended if purchased through an inter-local agreement under the urban cooperation act of 1967, 1967 (Ex Sess) Public Act 7, MCL 124.501 to 124.512

(5) years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio may be invested in readily available funds such as LGIP, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

IX. Reporting

1. **Methods:** The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment officer, the legislative body, and any pool participants. The report will include the following:

- Listing of individual securities held at the end of the reporting period
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity
- Listing of investment by maturity date
- Percentage of the total portfolio which each type of investment represents

2. **Performance Standards:** The investment portfolio will be managed in accordance with the parameters specified within this policy.

3. **Marking to Market:** The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with applicable standards.

X. Policy Considerations

1. **Exemption:** Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At

maturity or liquidation, such monies shall be reinvested only as provided by this policy.

2. Amendments: This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

XI. Effective date

This policy shall take effect December 23, 1998 (C.R. 11-1115-98). This policy was revised effective (month, day, year) (C.R. xx-xxx-xx).

XII. List of Attachments

The following documents, as applicable, are attached to this policy:

- Copy of Public Act 20 of 1943 as amended
- Copy of 2007 City Charter Section 10.5, regarding responsibilities of the City Treasurer
- GFOA Recommended Practices for Treasury and Investment Management
- Finance Department investment procedures manual.

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

ATTACHMENT

D

INVESTMENT OF SURPLUS FUNDS OF POLITICAL SUBDIVISIONS
Act 26 of 1943

AN ACT relative to the investment of funds of public corporations of the state; and to validate certain investments.

History: 1943, Act 20, Imd. Eff. Mar. 13, 1943;—Am. 1968, Act 285, Imd. Eff. Aug. 1, 1968;—Am. 1997, Act 186, Imd. Eff. Dec. 30, 1997.

The People of the State of Michigan enact:

129.91 Investment of funds of public corporations; eligible depository; secured deposits; funds limitation on acceptable assets; pooling or coordinating funds; written agreements; investment in certificate of deposit; conditions; "financial institution" defined; additional definitions.

Sec. 1. (1) Except as provided in section 5, the governing body by resolution may authorize its investment officer to invest the funds of that public corporation in 1 or more of the following:

(a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

(b) Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution complies with subsection (2), or certificates of deposit obtained through a financial institution as provided in subsection (5).

(c) Commercial paper rated at the time of purchase: within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.

(d) Repurchase agreements consisting of instruments listed in subdivision (a).

(e) Bankers' acceptances of United States banks.

(f) Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service.

(g) Mutual funds registered under the investment company act of 1940, title 1 of chapter 686, 54 Stat. 789, 15 USC 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:

(i) The purchase of securities on a when-issued or delayed delivery basis.

(ii) The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.

(iii) The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.

(h) Obligations described in subdivisions (a) through (g) if purchased through an interlocal agreement under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

(i) Investment pools organized under the surplus funds investment pool act, 1982 PA 367, MCL 129.111 to 129.118.

(j) The investment pools organized under the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150.

(2) Except as provided in subsection (5), a public corporation that invests its funds under subsection (1) shall not deposit or invest the funds in a financial institution that is not eligible to be a depository of funds belonging to this state under a law or rule of this state or the United States.

(3) Assets acceptable for pledging to secure deposits of public funds are limited to assets authorized for direct investment under subsection (1).

(4) The governing body by resolution may authorize its investment officer to enter into written agreements with other public corporations to pool or coordinate the funds to be invested under this section with the funds of other public corporations. Agreements allowed under this subsection shall include all of the following:

(a) The types of investments permitted to be purchased with pooled funds.

(b) The rights of members of the pool to withdraw funds from the pooled investments without penalty.

(c) The duration of the agreement and the requirement that the agreement shall not commence until at least 60 days after the public corporations entering the agreement give written notice to an existing local government investment pool which is organized pursuant to the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150, in those counties where such a pool is operating and accepting deposits on or before September 29, 2006.

(d) The method by which the pool will be administered.

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(c) The manner by which the public corporations will respond to liabilities incurred in conjunction with the administration of the pool.

(f) The manner in which strict accountability for all funds will be provided for, including an annual statement of all receipts and disbursements.

(g) The manner by which the public corporations will adhere to the requirements of section 5.

(5) In addition to the investments authorized under subsection (1), the governing body by resolution may authorize its investment officer to invest the funds of the public corporation in certificates of deposit in accordance with all of the following conditions:

(a) The funds are initially invested through a financial institution that is not ineligible to be a depository of surplus funds belonging to this state under section 6 of 1855 PA 105, MCL 21.146.

(b) The financial institution arranges for the investment of the funds in certificates of deposit in 1 or more insured depository institutions, as defined in 12 USC 1813, or 1 or more insured credit unions, as defined in 12 USC 1752, for the account of the public corporation.

(c) The full amount of the principal and any accrued interest of each certificate of deposit is insured by an agency of the United States.

(d) The financial institution acts as custodian for the public corporation with respect to each certificate of deposit.

(e) At the same time that the funds of the public corporation are deposited and the certificate or certificates of deposit are issued, the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially invested by the public corporation through the financial institution.

(6) A public corporation that initially invests its funds through a financial institution that maintains an office located in this state may invest the funds in certificates of deposit as provided under subsection (5).

(7) As used in this section, "financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and that maintains a principal office or branch office located in this state under the laws of this state or the United States.

(8) As used in this act:

(a) "Governing body" means the legislative body, council, commission, board, or other body having legislative powers of a public corporation.

(b) "Funds" means the money of a public corporation, the investment of which is not otherwise subject to a public act of this state or bond authorizing ordinance or resolution of a public corporation that permits investment in fewer than all of the investment options listed in subsection (1) or imposes 1 or more conditions upon an investment in an option listed in subsection (1).

(c) "Investment officer" means the treasurer or other person designated by statute or charter of a public corporation to act as the investment officer. In the absence of a statutory or charter designation, the governing body of a public corporation shall designate the investment officer.

(d) "Public corporation" means a county, city, village, township, port district, drainage district, special assessment district, or metropolitan district of this state, or a board, commission, or another authority or agency created by or under an act of the legislature of this state.

History: 1943, Act 20, Imd. Eff. Mar. 13, 1943;—CL 1948, 129.91;—Am. 1964, Act 126, Imd. Eff. Aug. 28, 1964;—Am. 1977, Act 66, Imd. Eff. July 20, 1977;—Am. 1978, Act 506, Imd. Eff. Dec. 11, 1978;—Am. 1979, Act 79, Imd. Eff. Aug. 1, 1979;—Am. 1982, Act 217, Imd. Eff. July 8, 1982;—Am. 1988, Act 239, Imd. Eff. July 11, 1988;—Am. 1997, Act 44, Imd. Eff. June 30, 1997;—Am. 1997, Act 196, Imd. Eff. Dec. 30, 1997;—Am. 2006, Act 400, Imd. Eff. Sept. 29, 2006;—Am. 2008, Act 308, Imd. Eff. Dec. 18, 2008;—Am. 2009, Act 21, Imd. Eff. May 5, 2009.

129.92 Repealed. 1997, Act 196, Imd. Eff. Dec. 30, 1997.

Compiler's note: The repealed section pertained to investment of sinking funds and insurance moneys by school districts.

129.93 Existing investments ratified and validated.

Sec. 3. Investments made before the effective date of the amendatory act that repealed section 2 of the surplus funds, sinking funds, or insurance funds of a political subdivision of this state in bonds and other obligations of the United States or its instrumentalities or certificates of deposit or depository receipts of a bank that is a member of the federal deposit insurance corporation as provided under section 1 and former section 2 of this act are hereby ratified and validated.

History: 1943, Act 20, Imd. Eff. Mar. 13, 1943;—CL 1948, 129.93;—Am. 1964, Act 126, Imd. Eff. Aug. 28, 1964;—Am. 1997, Act 196, Imd. Eff. Dec. 30, 1997.

129.94 Funds accumulated under eligible deferred compensation plan; deposit; investment;

Repealed Tuesday, September 29, 2009

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ATTACHMENT
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- (e) Maintenance of a record of any franchise, contract or agreement entered into by the City;
- (f) Issuance and registration of all licenses granted after the license fee has been paid to the Treasurer;
- (g) Administration of all oaths and affirmations, except as provided in this charter, in matters pertaining to the City, without charge;
- (h) Efficient administration of the affairs of the office of Clerk and Election Commission;
- (i) Preparation and submission to the Council and to the citizens of a complete report on the activities of the office of Clerk and the Election Commission on or before the first day of September of each year;
- (j) Provision of copies, certified under the seal of the City when requested, of public documents and records of the City as required by law;
- (k) Approval by the signing of any standard operating procedures adopted by the office of Clerk or Election Commission;
- (l) Performance of other duties required by law, this charter or ordinance or resolution of the Council.

Section 10.5. City treasurer.

The City Treasurer shall be the general accountant of the City and shall have custody of City funds, money, and securities, and be responsible for the deposit and safekeeping of City funds money and securities. The Treasurer shall have all powers and immunities for the collection of taxes as provided by law. The Treasurer shall maintain a uniform system of accounts as required by law.

State law references: Mandatory that Charter provide for duties of officers, MCL 117.3(d).

Section 10.6. City assessor.

The City Assessor shall be certified and shall possess all qualifications for the position required by law. The assessor shall have all power vested in and shall be charged with all duties imposed upon assessing officers by general laws of the State. The Assessor shall prepare all regular and special assessment rolls in the manner prescribed by this Charter, by ordinance or by the general laws of the State.

State law references: Mandatory that Charter provide for duties of officers, MCL 117.3(d).

GFOA Sample Investment Policy

The purpose of this sample investment policy is to aid the general membership of the Government Finance Officers Association (GFOA) in the preparation of an investment policy. This sample policy is not intended to supplant an existing policy; rather, it is presented as a model to help investing entities customize a policy to fit their particular needs, constraints and capabilities. In order to accommodate the varying needs of government entities and in order to stimulate conversation at the local level, certain sections of the attached policy include examples of alternative language. These alternative examples may be used *in place of or in addition to* the first paragraph presented for that section, depending on the goals and objectives of the particular investing entity.

For additional information, please read Chapter Three of *Investing Public Funds*, second edition, a text authored by Girard Miller, with M. Corinne Larson and W. Paul Zorn, and published by the Government Finance Officers Association of the United States and Canada. You are also invited to contact current staff of the GFOA Standing Committee on Cash Management for assistance in modifying and/or writing your government's investment policy. Governments should obtain counsel to ensure compliance with state and local laws, regulations, and other policies concerning the investment of public funds.

I. Governing Authority

Legality

The investment program shall be operated in conformance with federal, state, and other legal requirements, including *[insert applicable citations governing the investment of public funds]*.

II. Scope

This policy applies to the investment of all funds, excluding the investment of employees' retirement funds. Proceeds from certain bond issues, as well as separate foundation or endowment assets, are covered by a separate policy. *[This section should be modified to specify which assets are excluded from this policy.]*

1. Pooling of Funds

Except for cash in certain restricted and special funds, the [entity] will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. *[This paragraph refers to the pooling of funds within a single governmental entity and implies no reference to local government investment pools. This GFOA Sample Investment Policy is not specifically designed for use by local government investment pools, although certain portions of this sample policy may apply.]*

III. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

a. Credit Risk

The [entity] will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in Section VII of this Investment Policy
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the [entity] will do business in accordance with Section V
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

b. Interest Rate Risk

The [entity] will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see section VIII).

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

Alternative sample language:

The [entity's] cash management portfolio shall be designed with the objective of regularly meeting or exceeding a performance benchmark, which could be the average return on three-month U.S. Treasury bills, the state investment pool, a money market mutual fund (specify) or the average rate on Fed funds, whichever is higher. These indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return.

The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles. (See Section IX on performance standards and selecting a benchmark.)

4. Local Considerations

Where possible, funds may be invested for the betterment of the local economy or that of local entities within the State. The [entity] may accept a proposal from an eligible institution which provides for a reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.

Alternative sample language:

The [entity] seeks to promote local economic development through various programs and activities. Included is a program of rewarding local financial institutions that increase their commitments to private economic growth and local housing investment. The government's governing board recognizes that our Linked Deposit Program might diminish short-term investment yields by xx basis points (.xx percent) in exchange for potential expansion of the tax base.

IV. Standards of Care

1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the [entity].

3. Delegation of Authority

Authority to manage the investment program is granted to [designated official, hereinafter referred to as investment officer] and derived from the following: [insert code citation, ordinances, charters or statutes]. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. *[Please refer to GFOA's Investment Procedures Manual, 2003.]* No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

V. Authorized Financial Institutions, Depositories, and Broker/Dealers

1. Authorized Financial Institutions, Depositories, and Broker/Dealers

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
- Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties)
- Proof of state registration
- Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
- Certification of having read and understood and agreeing to comply with the [entity's] investment policy.
- Evidence of adequate insurance coverage.

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the investment officer. (See Appendix for the GFOA Recommended Practice on "Governmental Relationships with Securities Dealers.")

2. Minority and Community Financial Institutions

From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to certain parts of the criteria under Paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.

VI. Safekeeping and Custody

1. Delivery vs. Payment

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

2. Safekeeping

Securities will be held by a [centralized] independent third-party custodian selected by the entity as evidenced by safekeeping receipts in the [entity's] name. The safekeeping institution shall annually

provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

3. *Internal Controls*

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the [entity] are protected from loss, theft or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Dual authorizations of wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or alternatively, compliance should be assured through the [entity] annual independent audit.

Alternative sample language:

The investment officer shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the investment committee, where present, and with the independent auditor. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the [entity.]

VII. Suitable and Authorized Investments

1. *Investment Types*

Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following investments will be permitted by this policy and are those defined by state and local law where applicable:

- U.S. Treasury obligations which carry the full faith and credit guarantee of the United States government and are considered to be the most secure instruments available;
- U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable market value;
- Canadian government obligations (payable in local currency);
- Certificates of deposit and other evidences of deposit at financial institutions,
- Bankers' acceptances;
- Commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency;

- Investment-grade obligations of state, provincial and local governments and public authorities;
- Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments;
- Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities; and
- Local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation.

Investment in derivatives of the above instruments shall require authorization by the appropriate governing authority. (See the GFOA Recommended Practice on "Use of Derivatives by State and Local Governments," 2002.)

2. Collateralization

Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit. (See GFOA Recommended Practices in Appendix.)

3. Repurchase Agreements

Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements. (See GFOA Recommended Practices in Appendix.)

VIII. Investment Parameters

1. Diversification

The investments shall be diversified by:

- limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- limiting investment in securities that have higher credit risks,
- investing in securities with varying maturities, and
- continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. (See the GFOA Recommended Practice on "Diversification of Investments in a Portfolio" in Appendix.)

Alternative samples:

1. Diversification

It is the policy of the [entity] to diversify its investment portfolios. To eliminate risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or class of securities, all cash and cash equivalent assets in all [entity] funds shall be diversified by maturity, issuer, and class of security. Diversification strategies shall be determined and revised periodically by the investment committee/investment officer for all funds except for the employee retirement fund.

In establishing specific diversification strategies, the following general policies and constraints shall apply: Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. Maturities selected shall provide for stability of income and reasonable liquidity.

For cash management funds:

- Liquidity shall be assured through practices ensuring that the next disbursement date and payroll date are covered through maturing investments or marketable U.S. Treasury bills.
- Positions in securities having potential default risk (e.g., commercial paper) shall be limited in size so that in case of default, the portfolio's annual investment income will exceed a loss on a single issuer's securities.
- Risks of market price volatility shall be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.
- The investment committee/investment officer shall establish strategies and guidelines for the percentage of the total portfolio that may be invested in securities other than repurchase agreements, Treasury bills or collateralized certificates of deposit. The committee shall conduct a quarterly review of these guidelines and evaluate the probability of market and default risk in various investment sectors as part of its considerations.

AND/OR

The following diversification limitations shall be imposed on the portfolio:

- Maturity: No more than xx percent of the portfolio may be invested beyond 12 months, and the weighted average maturity of the portfolio shall never exceed one year.
- Default risk: No more than xx percent of the overall portfolio may be invested in the securities of a single issuer, except for securities of the U.S. Treasury. No more than xx percent of the portfolio may be invested in each of the following categories of securities:
 - a) Commercial paper,
 - b) Negotiable certificates of deposit,
 - c) Bankers' acceptances,
 - d) Any other obligation that does not bear the full faith and credit of the United States government or which is not fully collateralized or insured and
 - e) No more than xx percent of the total portfolio may be invested in the foregoing instruments at any time.
- Liquidity risk: At least xx percent of the portfolio shall be invested in overnight instruments or in marketable securities which can be sold to raise cash in one day's notice.

2. Maximum Maturities

To the extent possible, the [entity] shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the [entity] will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. The [entity] shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body. (See the GFOA Recommended Practice on

"Maturities of Investments in a Portfolio" in Appendix.)

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

3. *Competitive Bids*

The investment officer shall obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments purchased on the secondary market.

IX. Reporting

1. *Methods*

The investment officer shall prepare an investment report at least quarterly *[or monthly]*, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter *[or month]*. This management summary will be prepared in a manner which will allow the [entity] to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the entity's chief administrative officer, the legislative body, the investment committee and any pool participants. The report will include the following:

- Listing of individual securities held at the end of the reporting period.
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- Listing of investment by maturity date.
- Percentage of the total portfolio which each type of investment represents.

Alternative sample:

- I. The investment officer shall submit quarterly an investment report that summarizes recent market conditions, economic developments and anticipated investment conditions. The report shall summarize the investment strategies employed in the most recent quarter, and describe the portfolio in terms of investment securities, maturities, risk characteristics and other features. The report shall explain the quarter's total investment return and compare the return with budgetary expectations. The report shall include an appendix that discloses all transactions during the past quarter. The report shall be in compliance with state law and shall be distributed to the investment committee and others as required by law.

Each quarterly report shall indicate any areas of policy concern and suggested or planned revision of investment strategies. Copies shall be transmitted to the independent auditor.

Within 40 days of the end of the fiscal year, the investment officer shall present a comprehensive annual report on the investment program and investment activity. The annual report shall include 12-month and separate quarterly comparisons of return and shall suggest policies and improvements that might be made in the investment program. Alternatively, this

report may be included within the [entity] annual Comprehensive Annual Financial Report.

2. *Performance Standards*

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken, and the benchmarks shall have a similar weighted average maturity as the portfolio.

Alternative sample:

The [entity's] cash management portfolio shall be designed with the objective of regularly meeting or exceeding a selected performance benchmark, which could be the average return on three-month U.S. Treasury bills, the state investment pool, a money market mutual fund [specify] or the average rate of Fed funds. These indices are considered benchmarks for lower risk investment transactions and therefore comprise a minimum standard for the portfolio's rate of return.

3. *Marking to Market*

The market value of the portfolio shall be calculated at least quarterly [or monthly] and a statement of the market value of the portfolio shall be issued at least quarterly [or monthly]. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools." (See GFOA Recommended Practices in Appendix.) In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

X. **Policy Considerations**

1. *Exemption*

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

Alternative sample:

Any investment currently held that does not meet the guidelines of this policy shall be temporarily exempted from the requirements of this policy. Investments must come in conformance with the policy within six months of the policy's adoption or the governing body must be presented with a plan through which investments will come into conformance.

2. *Amendments*

This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individuals charged with maintaining internal controls.

XI. **Approval of Investment Policy**

The investment policy shall be formally approved and adopted by the governing body of the [entity] and reviewed annually:

XII. List of Attachments

The following documents, as applicable, are attached to this policy:

- Listing of authorized personnel,
- Relevant investment statutes and ordinances,
- Listing of authorized broker/dealers and financial institutions,
- Internal Controls
- Glossary

XIII. Other Documentation

- Master Repurchase Agreement, other repurchase agreements and tri-party agreements,
- Broker/Dealer Questionnaire,
- Credit studies for securities purchased and financial institutions used,
- Safekeeping agreements,
- Wire transfer agreements,
- Sample investment reports,
- Methodology for calculating rate of return,
- GFOA Recommended Policies.

Investment Procedures and Internal Controls Guidelines

A. Introduction

The City of Dearborn has established an investment officer within the Finance Department with the responsibility of conducting cash and investment transactions for all non-pension and non-post employment health care funds held by or for the benefit of the City. The investment officer for the City of Dearborn is the City Treasurer (See Section 10.5 of the City Charter). The responsibility for the management of the investments here and after in this document will be referred to as the investment officer. The investment program has been delegated to the investment officer who shall implement the investment policy by following the investment procedures and internal controls herein delineated.

B. Objective

The *Investment Procedures and Internal Controls Manual* provides an outline for investment management. This manual shall be reviewed annually by the investment officer.

C. Meeting Investment Policy Objectives

Safety: Prudent and Ethical Standards

The standard of prudence to be used by the investment staff shall be the "prudent person" and shall be applied in the context of managing the overall portfolio. The City of Dearborn's investment officer, or person's performing the investment functions, acting in accordance with written policies and procedures and exercising due diligence, shall not be responsible for an individual security's credit risk or market price changes, provided the deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. (See Section IV Standards of Care in the City's investment policy.)

The "prudent person" standard is herewith understood to mean the following: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Liquidity

Investment staff shall perform regular cash flow analyses which consider future working capital needs and enable the investment officer to make appropriate investment decisions.

Yield

Return on investment is of secondary importance compared to safety and liquidity. If available investment options meet safety and liquidity requirements, the investment officer shall consider yield when making investment decisions.

D. Investment Decisions

The investment officer shall adhere to the guidelines of the City of Dearborn's investment policy regarding all investment purchases or any other cash and investment transactions.

E. Delegation of Authority

The management and implementation of the investment policy is delegated to the investment officer, who shall establish procedures for the operation of the investment program. The investment officer shall provide written delegation of authority to administer the investment program in his/her absence.

F. Duties and Responsibilities

The investment officer and designated staff shall have specific written duties and responsibilities related to investment activities. The investment officer and designated staff responsible for duties and responsibilities related to investment activities shall be known as the investment team.

G. Ethics and Conflicts of Interest

For the protection of the investment officer and designated staff, full written disclosure must be made by the investment team of any material interests they may hold in a financial institution (broker/dealers, banks, etc.) which conducts business with the government. (See Section IV Standards of Care in the City's investment policy.)

H. Internal Controls

The following are a list of internal controls that the City of Dearborn uses as guidelines in investment management. Most are included as part of the investment procedures (See section J. Operations, 1 Investment procedures). Item 7 is addressed with the Finance Department annual vacation schedule. Item 8 is addressed by the City's Legal Department.

1. **Control of collusion:** Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
Segregation of duties: By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a good separation of duties is achieved.
2. **Custodial safekeeping:** Securities purchased from any bank or dealer, including appropriate collateral, shall be placed into an independent third-party institution for custodial safekeeping. (Exceptions to this requirement are safekeeping receipts or confirmations issued for certificates of deposit and commercial paper purchased by the City directly from approved financial institutions or broker/dealers where the securities are being held in an account in the City's name.)
3. **Avoidance of physical delivery securities:** Book entry securities are much easier to transfer and account for since actual delivery is not taken. Physical delivery securities must be properly safeguarded as are any valuable documents. The potential of fraud and loss increases with physical delivery securities. Bearer-form securities are much easier to convert to personal use than securities that are registered in the name of the government. The City of Dearborn will not accept physical delivery of

securities and will not enter into an agreement that does not guarantee book delivery of securities.

4. **Clear delegation of authority to subordinate staff members:** Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid any improper actions. Clear delegation of authority also preserves the internal control structure that is built around various staff positions and their respective responsibilities.
5. **Written confirmation of all transactions (transfer, fax, Internet) for investments and wire transfers:** Due to the potential for errors and improprieties arising from telephone/electronic transactions, they shall be documented in writing and approved by the appropriate person(s).
6. **Development of electronic funds transfer agreements with banks:** This agreement should outline the various controls and security provisions for making and receiving electronic funds transfers.
 - Dual authorization representing the City of Dearborn shall be in compliance with the policy for all transfers.
 - Financial institutions will have written instructions regarding City of Dearborn authorizations for wire transfers, restrictions on accounts where funds can be wired, and other procedures that will mitigate unauthorized movement of funds (e.g., call-back to independent person, written confirmations, etc.).
7. **Encourage minimum planned vacations of one full week per calendar year and more, if possible, for investment personnel.**
8. **Insurance shall be secured at appropriate levels to bond employees charged with investment and cash management responsibilities.**

I. Reporting Requirements

1. The investment officer shall prepare a quarterly report. The report shall contain but not be limited to the following information:
 - monthly average rate of return on the portfolio,
 - average days to maturity,
 - monthly portfolio composition, and
 - mark to market valuation.
2. At a minimum, a report shall be presented annually to the governing body to update administration on securities held, maturities, investment returns, unrealized gains (losses), comparisons to established benchmarks, market conditions, prevailing investment strategy, and adherence to the investment policy. Securities will be reported on a marked to market basis as defined by the Governmental Accounting Standards Board (GASB).

J. Operations

Procedures and duties recommended include:

1. **Investment procedures:** The following is a basic outline of routine procedures necessary to maintain proper documentation on cash and investments transactions.

i. Cash Flow: The Treasury Division performs a daily cash flow analysis to determine the working capital available for investment. The following

accounts are considered in the cash flow analysis: general interest checking accounts, government cash investment accounts, and other available funds under management. Cash flow analysis shall consider short-term payables, tax due dates, tax distribution dates, payroll liabilities, debt service schedules, interest income, statutory and contractual payables/receivables (if known).

A review of investment maturities shall be done in order to determine how long the available cash can be invested before it is needed again to meet obligations.

ii. Security Selection Process: The investment team provides the investment officer with the cash flow analysis. The investment officer consults with the investment team and the money manager for appropriate investment options which meet safety, liquidity and yield objectives. A quarterly investment portfolio report is issued by the money manager and/or the investment team which documents the security holdings, rates of return, and performance to benchmarks.

The investment team considers the current economy and investment options to determine where and how to invest the cash. The investment team may also consider the direct purchase of bank CDs and/or commercial paper from broker/dealers. All securities purchased through the money manager shall be received by "delivery vs. payment" (per the investment policy) to the third-party custodian for safekeeping. Additional requirements and procedures shall be outlined in a third-party custodial safekeeping agreement regarding safekeeping procedures.

Certificates of deposit, when purchased directly by the City, are permitted to be held at the issuing bank as evidenced by a safekeeping receipt. Commercial paper, when purchased directly by the City, is permitted to be held by the broker/dealer for safekeeping as evidenced by a confirmation receipt.

The investment team performs quarterly due diligence on financial institutions approved by the City Treasurer for investment using bank rating services to determine whether they meet financial strength and asset size requirements to purchase certificates of deposit (CDs). The interest rates of each eligible financial institution are reviewed related to investment amount and duration. Funds are invested with the eligible financial institution(s) with the most favorable interest rate(s). The financial institution(s) is contacted and the purchase(s) is confirmed, and a safekeeping receipt is issued by the bank(s) to the City as evidence of investment. Quarterly due diligence is also performed for broker/dealers approved by the City Treasurer for investment using Financial Industry Regulatory Authority (FINRA) reports to determine whether a broker/dealer is registered with the SEC, whether there are any current suspensions with any regulator, and whether there have been any events disclosed related to the broker/dealer.

The City generates an internal investment report that lists the City's CD and commercial paper investment holdings, if any. The report is used to determine which financial institutions and broker/dealers are currently eligible for investment placement. A financial institution's asset size will determine how much money can be invested in CDs.

iii. Fund Transfers: Repetitive wire transfer codes for financial institutions pre-approved by the City Treasurer for investment are set up in the online wire transfer application by the City's main depository bank. Treasury enters the investment purchase into the online wire transfer application of its main depository bank using the repetitive wire code for the financial institution that will receive the funds. Purchase related documentation is prepared by Treasury for signature by the City's authorized signers and to record the investment on the City's books. An authorized signer must also provide second level approval of the wire transfer in order for the wire to be processed by the City's main depository bank. If a CD is purchased from the City's main depository bank, there is no need for a wire transfer, and only purchase related documentation is prepared by Treasury for signature by the City's authorized signers and to record the investment on the City's books. Wire instructions and personal identification numbers (PINs) shall be safeguarded. The purpose of the bank transfer must be stated as part of the transfer information.

iv. Safekeeping Receipts and Confirmations: Processing of safekeeping receipts and securities confirmations, including filing and reconciling, shall be conducted by an individual not permitted to purchase and sell investments. Safekeeping receipts and confirmations of direct CD and commercial paper investments are placed in an investment binder located in Treasury's vault. Investments are filed in maturity date order and attached to the Treasury backup documentation for each investment.

v. Investment Accounting: The investment team must ensure proper accounting entries have been recorded for each investment. Investments shall be recorded in the financial records at the original cost. Interest income will be recognized at maturity or amortized as of the last day of the fiscal year according to the effective interest method of amortization. Internal investment reports shall be generated on a monthly basis for direct purchase investments and shall be checked against the original documentation to ensure the accuracy of the reports.

All investment income should be recorded monthly and allocated to the appropriate fund that earned the investment income. Investment portfolios will be reported at the fair market value according to the GFOA recommended practice (and as defined by GASB 31) on a monthly/quarterly/year-end basis. Year-end financial statements will contain all required disclosures to comply with GASB 31.

K. Selection of Dealers and Bankers

All securities shall be purchased according to the investment policy. The selection of dealers and bankers shall be governed by GFOA's Recommended Practice on the selection of dealers/brokers: *Government Relationships with Securities Dealers*.

The investment team shall provide each authorized dealer a copy of the investment policy which they shall sign, acknowledging that they will comply with its requirements.

L. Exhibits

There are a series of documents that are used by investment team to provide for the proper documentation for cash and investment transactions, as described in this manual. The following exhibits are samples of those documents and are kept on file in the Treasury Division:

I. Policy Documents

- City of Dearborn Investment Policy
- Governing Statutes

II. Agreements

- Safekeeping Agreement
- Wire Transfer Agreement
- Broker/Dealer Questionnaire
- Investment Policy Certification of understanding and compliance

III. Operating Documents

- Order/Confirmation Document
- List of Authorized Financial Institutions and Brokers
- List of Authorized Personnel
- City Investment Summary Reports

Reviewed and approved by City of Dearborn Investment Officer on (date).

Signature: _____

Finance Director/Treasurer

By Hubbard supported by Sareini.

3-128-10. WHEREAS: The U.S. Department of Housing & Urban Development, owner of the property, has offered to sell the substandard dwelling located at 6345 Jonathon, Dearborn, Michigan, to the City of Dearborn for the sum of \$26,000 cash, and

WHEREAS: The price at which this property is offered to the City is deemed fair and reasonable and the acquisition is within the intent and spirit of the City's HUD-Neighborhood Stabilization Program; therefore be it

RESOLVED: That City Council hereby determines to acquire the property described as:

Lot 325 Robert Oakmans Oakman Blvd and Schaefer Ave Sub No 1, City of Dearborn, Wayne County, Michigan, as recorded in Liber 54, Page 3 of Plats, Wayne County Records.

Tax I.D. 82-10-083-03-033
Commonly known as 6345 Jonathon

from the owner thereof and pay therefore the purchase price not to exceed \$26,000 upon furnishing to the City by said owner of a title insurance policy showing marketable title thereon and when a warranty deed to the premises has been properly executed, approved by the Office of the Corporation Counsel and delivered to the City; be it further

RESOLVED: That this acquisition is contingent upon the terms and conditions set forth in the purchase agreement as prepared, reviewed, approved and executed by the Office of the Corporation Counsel; be it further

RESOLVED: That the Finance Director be and is hereby authorized and directed to issue his proper warrant in the amount of \$26,000, subject to adjustments, if any, as shown the closing statement prepared, reviewed and approved by the Office of the Corporation Counsel, drawn upon the Community Development Fund (283) Project No. C07700, payable to the grantor, or their nominee in payment of said property; be it further

RESOLVED: That Corporation Counsel or her designee is authorized to execute documents on behalf of the City of Dearborn for the purchase of 6345 Jonathon; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Sareini supported by Shooshanian.

3-129-10. WHEREAS: Daifalla Asoufi, Mohamed A. Ali and his wife Zubeida Ali, have offered to sell the three unit residential property located at 5002 Porath, Dearborn, Michigan, to the City of Dearborn for the sum of \$120,000 cash, and

WHEREAS: The price at which this property is offered to the City is deemed fair and reasonable; therefore be it

RESOLVED: That City Council hereby determines to acquire the property described as:

Lot 177, F & P.M. Park Sub., of part of Fractional Section 17, T. 2 S., R. 11 E., Springwells, (now City of Dearborn), Wayne County, Michigan as recorded in Liber 16, Page 43 of Plats, Wayne County Records.

Tax I.D. 82-10-172-06-025
Commonly known as 5002 Porath

from the owner thereof and pay therefore the sum of \$120,000 upon furnishing to the City by said owners of a title insurance policy showing marketable title thereon and when a warranty deed to the premises has been properly executed, approved by the Office of the Corporation Counsel and delivered to the City; be it further

RESOLVED: That this acquisition is contingent upon the terms and conditions set forth in the purchase agreement as prepared, reviewed, approved and executed by the Office of the Corporation Counsel; be it further

RESOLVED: That the Finance Director be and is hereby authorized and directed to issue his proper warrant in the amount of \$120,000, subject to adjustments, if any, as shown the closing statement prepared, reviewed and approved by the Office of the Corporation Counsel, drawn upon the General Capital Improvement Fund Project No. A40000, Account #401-6100-435.71-10, payable to the grantors, or their nominee in payment of said property; be it further

RESOLVED: That Corporation Counsel or her designee is authorized to execute documents on behalf of the City of Dearborn for the purchase of 5002 Porath; be it further

RESOLVED: That this resolution be given
immediate effect.

The resolution was unanimously adopted.

By Hubbard supported by Shooshanian.

3-130-10. RESOLVED: That receipt of a donation in the amount of \$100 from State Representative Gino H. Polidori to the City of Dearborn for the 90th Birthday Party to be held on April 23, 2010 is hereby acknowledged and accepted; be it further

RESOLVED: That City Council hereby extends its appreciation to the donor for the aforementioned gift; be it further

RESOLVED: That City Council hereby directs the City Treasurer to credit this money to the Recreation Department, Senior Services Division, Account #101-3090-365.90-00, and authorizes the Director of Finance to process expenditures from this account in support of the purpose for which it was donated.

The resolution was unanimously adopted.

By Shooshanian supported by Hubbard.

3-131-10. RESOLVED: That the Friends For The Dearborn Animal Shelter be and they are hereby granted permission to conduct the Fifth Annual Mutt Strut and Pet Expo on Saturday, May 15, 2010 and Sunday, May 16, 2010 from approximately 9:00 A.M. to 5:00 P.M. subject to all applicable ordinances and the rules and regulations of the Police Department; be it further

RESOLVED: That the Saturday, May 15, 2010, pledge-driven dog walk route, beginning at 10:30 A.M., shall be as follows: Beginning at Ford Field between the ball diamonds, event participants will proceed east to Brady Street; south on Brady Street crossing Michigan Avenue; west on Michigan Avenue to Howard Street; north on Howard Street crossing Michigan Avenue again; east on Michigan Avenue to Brady Street; then continuing north on Brady Street and finishing back at Ford Field; also all participants shall be restricted to utilizing the sidewalks only, and no portion of the roadways designated within the dog walk route and must make lawful and proper use of all traffic signals and signs in a manner so as not to interfere with any vehicular or pedestrian traffic; be it further

RESOLVED: That City Council hereby approves the installation of temporary lawn signs and street light pole banners (along Michigan Avenue between Brady and Military Streets); waives permits fees for the erection of 16-18 tents/booths of various sizes and sidewalk/temporary sales relating to merchandise/food vendors and authorizes assistances/materials from the Recreation, Public Works, Police and Fire Departments; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Shooshanian supported by O'Donnell.

3-132-10. RESOLVED: That City Council hereby approves the application of Cigaro Lounge for Exhibitor Equipment Licenses for 1 Juke Box and 2 Videogames at 22037 Michigan Avenue; be it further

RESOLVED: That this resolution be given immediate effect.

The resolution was unanimously adopted.

By Tafelski supported unanimously.

3-133-10. WHEREAS: The Mayor and the Council have learned with sorrow of the passing of Howard Edward Renas, and

WHEREAS: This departure at the dictation of Divine Providence, constitutes an irreparable loss to the beloved family and numerous friends and neighbors; be it

RESOLVED: That the Mayor and members of the Council of the City of Dearborn here assembled, hereby sincerely extend and offer in this sad hour of bereavement, heartfelt sympathy and condolence to the family of the deceased.

The resolution was unanimously adopted.

By Tafelski supported unanimously.

3-134-10. WHEREAS: The Mayor and the Council have learned with sorrow of the passing of George Raymond, and

WHEREAS: This departure at the dictation of Divine Providence, constitutes an irreparable loss to the beloved family and numerous friends and neighbors; be it

RESOLVED: That the Mayor and members of the Council of the City of Dearborn here assembled, hereby sincerely extend and offer in this sad hour of bereavement, heartfelt sympathy and condolence to the family of the deceased.

The resolution was unanimously adopted.

By Tafelski supported unanimously.

3-135-10. WHEREAS: The Mayor and the Council have learned with sorrow of the passing of Bernice Theisen, and

WHEREAS: This departure at the dictation of Divine Providence, constitutes an irreparable loss to the beloved family and numerous friends and neighbors; be it

RESOLVED: That the Mayor and members of the Council of the City of Dearborn here assembled, hereby sincerely extend and offer in this sad hour of bereavement, heartfelt sympathy and condolence to the family of the deceased.

The resolution was unanimously adopted.

By Hubbard supported unanimously.

3-136-10. WHEREAS: The Mayor and the Council have learned with sorrow of the passing of Charles Sadousky, and

WHEREAS: This departure at the dictation of Divine Providence, constitutes an irreparable loss to the beloved family and numerous friends and neighbors; be it

RESOLVED: That the Mayor and members of the Council of the City of Dearborn here assembled, hereby sincerely extend and offer in this sad hour of bereavement, heartfelt sympathy and condolence to the family of the deceased.

The resolution was unanimously adopted.

By Hubbard supported unanimously.

3-137-10. WHEREAS: The Mayor and the Council have learned with sorrow of the passing of Howard Rigley, and

WHEREAS: This departure at the dictation of Divine Providence, constitutes an irreparable loss to the beloved family and numerous friends and neighbors; be it

RESOLVED: That the Mayor and members of the Council of the City of Dearborn here assembled, hereby sincerely extend and offer in this sad hour of bereavement, heartfelt sympathy and condolence to the family of the deceased.

The resolution was unanimously adopted.

By Darany supported unanimously.

3-138-10. WHEREAS: The Mayor and the Council have learned with sorrow of the passing of Duane W. Smith, and

WHEREAS: This departure at the dictation of Divine Providence, constitutes an irreparable loss to the beloved family and numerous friends and neighbors; be it

RESOLVED: That the Mayor and members of the Council of the City of Dearborn here assembled, hereby sincerely extend and offer in this sad hour of bereavement, heartfelt sympathy and condolence to the family of the deceased.

The resolution was unanimously adopted.

By Darany supported unanimously.

3-139-10. WHEREAS: The Mayor and the Council have learned with sorrow of the passing of E. Ray Scott, and

WHEREAS: This departure at the dictation of Divine Providence, constitutes an irreparable loss to the beloved family and numerous friends and neighbors; be it

RESOLVED: That the Mayor and members of the Council of the City of Dearborn here assembled, hereby sincerely extend and offer in this sad hour of bereavement, heartfelt sympathy and condolence to the family of the deceased.

The resolution was unanimously adopted.

There being no further business, upon a motion duly made, seconded, and adopted, the Council then adjourned at 7:43 P.M.

APPROVED:

THOMAS P. TAFELSKI
President of the Council

ATTESTED:

KATHLEEN BUDA
City Clerk