

City of Muskegon  
City Commission Worksession  
September 12, 2011  
City Commission Chambers  
5:30 PM

MINUTES

2011-61

Present: Commissioners Warmington, Gawron, Wierengo, Carter, Spataro, Shepherd, and Wisneski.

Absent: None.

**Next Michigan-Ed Garner and Rick Chapla.**

Ed Garner and Rick Chapla gave a presentation on Next Michigan, a new regional development corporation by inter-local agreement.

It is hoped that Muskegon County and Kent County will develop an agreement to partner in this program.

It is expected that an application will be sent to the State of Michigan by December 31, 2011.

The City Commission asked several questions about the program. No action was taken at this time.

**Audit Contract Extension.**

Brickley DeLong is currently the City of Muskegon's auditing firm. There is a long term working relationship with the two organizations that has worked very well for the City. Staff would like to continue by extending the current agreement until 2016 with a reduction of the current cost to the City.

This item will be considered by the City Commissioners at its next City Commission meeting to be held on September 13, 2011.

**Financial Policies Update.**

Tim Paul, Finance Director, gave an overview of the proposed changes to the current Financial Policies. They include raising the General Fund reserve policy from 10% to 13%, changes to policies to be in compliance with GASB, streamlining the City's investment policy, standardizing staff write-off accounts, and formalization of policies regarding water/sewer issues.

This item will be considered by the City Commissioners at its next City Commission meeting to be held on September 13, 2011.

**Personal Property Taxes.**

Staff was instructed to write a resolution asking the Legislature and the Governor to re-consider reducing revenue to local units of government from the Michigan Personal Property Tax with the passage of an amendment of the Michigan Constitution to protect the full amount of replacement revenue.

This item will be considered by the City Commissioners at its next City Commission meeting to be held on September 13, 2011.

**Renaissance Zone Discussion.**

With the elimination of the Michigan Business Tax and the implementation of the Corporate Income Tax on January 1, 2012, businesses located in Renaissance Zones may be impacted by the new tax structure.

Staff was instructed to write a resolution authorizing the City to continue providing the City personal income tax benefits with Renaissance Zones for the life of each Zone.

**Adjournment.**

**Motion by Commissioner Carter, seconded by Commissioner Shepherd to adjourn at 6:25 p.m.**

*MOTION PASSES*

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**Ann Marie Cummings, MMC  
City Clerk**