

City of Corunna
Regular Council Meeting
Tuesday, January 3, 2006

Present: Corey, Mehigh, Jessen, Spring, Johnson, Wagner, Hall.

Absent: None.

Guests: Janet Washburn, Parks & Recreation Director; Merilee Lawson, Assessor/Planner; Chief Kim Williams, Police Department; Officer Nick Chiro, Police Department; Judy Horton; Helen Granger, The Independent; Greg Cochran; and other concerned citizens.

The meeting was called to order in the City Council Chambers by Mayor Corey at 7:00 p.m.

MINUTES OF THE PREVIOUS REGULAR MEETING: Johnson moved, Hall seconded to approve the previous regular meeting minutes dated December 19, 2005 as presented.

Roll call vote:

Yes: Jessen, Spring, Johnson, Wagner, Hall, Mehigh.

No: None.

Motion CARRIED

AGENDA APPROVAL: Johnson moved, Wagner seconded to accept the agenda as presented.

Roll call vote:

Yes: Spring, Johnson, Wagner, Hall, Mehigh, Jessen.

No: None.

Motion CARRIED

APPROVAL OF VENDOR DISBURSEMENTS: Johnson moved, Wagner seconded to approve the vendor disbursements dated December 16, 2005 as presented.

Roll call vote:

Yes: Johnson, Wagner, Hall, Mehigh, Jessen, Spring.

No: None.

Motion CARRIED

Wagner moved, Johnson seconded to approve the vendor disbursements dated December 29, 2005 as presented.

Roll call vote:

Yes: Wagner, Hall, Mehigh, Jessen, Spring, Johnson.

No: None.

Motion CARRIED

CONSIDER INVESTMENT POLICY RESOLUTION NO. 010306-01: Nichole Cowdrey advised when the auditors gave the city's audit they stated the city had to adopt the GASB40 for its new investment policy. The city presently has an investment policy but it lists the treasurer as the person in charge of investments and all of the banks. She further

advised the new investment policy is more thorough and is what the auditors are looking for. Councilperson Johnson asked if this is something that is done every year. Ms. Cowdrey advised yes because something might change every year. Councilperson Mehigh asked what the city has to do if it has an 18-month certificate of deposit and if the city has to reinvest it every year. Ms. Cowdrey advised only the policy has to be reviewed every year. Councilperson Spring asked if investments will come to council once a year so the council can see where the investments are. Ms. Cowdrey advised she gives Mr. Sawyer a monthly print out that shows how much money is invested in each fund. Councilperson Spring advised he has never seen that. Mayor Corey advised this has never come to council but if council wants a copy of the print out, they can ask the city manager for a copy. During the budget workshops, council usually sees what was made during the year but if council wants to look at a print out on a quarterly or semi-annually basis, they can. Councilperson Spring stated if money is being moved to different accounts, he, as a councilperson, would like to know where the money is being moved to and where the money is being invested in. He has never received the information in the past but if he is the only one who wants to see the investments then he will get a copy from Mr. Sawyer. Mayor Corey asked council if they had an interest in getting a copy of the investments on a semi-annual basis. Councilperson Mehigh stated either Mr. Sawyer or Ms. Cowdrey could bring the council up-to-date quarterly. Mayor Corey stated that would be fine too. Ms. Lawson advised the city's investments are pretty simple to explain because the city is not allowed to take risks that individuals are allowed to take. Ms. Cowdrey advised the city has its money in CD's and in commercial paper. Mayor Corey asked council if they wanted a semi-annual report. Councilperson Johnson stated she did not need a copy because she gets enough information at budget time. Ms. Cowdrey advised she could throw a copy of the print out as an insert in June and in January and asked if council wanted a copy of what she gives Mr. Sawyer. Mayor Corey advised that would be fine. Johnson moved, Wagner seconded to accept the following Resolution No. 010306-01 City of Corunna Investment Policy:

Resolution No. 010306-01
City of Corunna Investment Policy

I. Governing Authority

(i) Purpose

It is the policy of the City of Corunna to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the City and comply with all state statutes and local statutes governing the investment of public funds.

II. Scope

This investment policy applies to all financial assets of the City of Corunna, excluding the investment of employees' retirement funds. These assets are accounted for in the various funds of the City and include:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Trust and Agency Funds
- Debt Service Funds
- Any new fund created by the legislative body

III. General Objectives

The primary objectives, in priority order, of the City of Corunna's investment activities shall be safety, liquidity, and yield:

1. *Safety*

Safety of principal is the foremost objective of the investment program. Investments of the City of Corunna 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 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 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 City 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 City's 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 City of Corunna's 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 is 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.

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 City of Corunna 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.

IV. Standards of Care

1. *Prudence*

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.

The standard of prudence to be used by investment officials shall be the "prudent person" and/or "prudent investor" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the

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 appropriate action is taken to control adverse developments.

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 of Corunna.

3. *Delegation of Authority*

Authority to manage the investment program is granted to the City Clerk/Treasurer and derived from the following: City Treasurer per MCL 87.11. 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 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
- Certification of having read and understood and agreeing to comply with the [entity's] investment policy.
- Evidence of adequate insurance coverage.

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.

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 City of Corunna'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 City of Corunna 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 City's annual independent audit.

VII. Suitable and Authorized Investments

1. *Investment Types*

Consistent with the 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;
- 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.

2. *Collateralization*

Where allowed by state law, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.

VIII. Investment Parameters

1. *Diversification*

It is the policy of the City of Corunna 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 City of Corunna's 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.

IX. Reporting

1. *Methods*

The investment officer shall prepare an investment report monthly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the month. 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 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.

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.

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 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.

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.

Approval of Investment Policy

The investment policy shall be formally approved and adopted by the governing body of the City of Corunna and reviewed annually.

Roll call vote:

Yes: Wagner, Hall, Mehig, Jessen, Spring, Johnson.

No: None.

Motion CARRIED

CONSIDER STRUCTURE AND COUNCIL REPRESENTATION ON PARK MASTER PLAN

COMMITTEE: Janet Washburn stated it is time to update the park master plan and the Department of Natural Resources has set forth some different rules in putting a master plan together as far as the public and community is concerned. She thinks it is imperative that the city get this started because if the city had not had the foresight to include the boat launch in the master plan, the city would not have been able to get that money. She further stated the park master plan has to be updated every five years and has to be registered with the Department of Natural Resources in order to apply for any funding. The committee should have one representative from each of the commissions, but she did not know if the council wanted one or two representatives. She also advised Jan Scott from the Planning Commission sat on the committee the last time and has agreed to sit on the committee again and she is a wealth of information. The park master plan has to be prepared by a firm so going out for bids is something that should be done within the next six weeks. Mayor Corey suggested that council go over the list of representatives that Ms. Washburn has submitted. He advised a motion needs to be made to form a Park Master Plan Committee and the list of participants that are required should be established in the motion.

He suggested making a follow-up motion to appoint one or two members of the council to that committee. Councilperson Spring asked if the last master plan had as many people involved. Ms. Washburn advised there might have been fewer people last time but she did not know if that was an advantage. Mayor Corey stated he thought the city was trying to get a fair representation of everyone who is involved with the parks. The Downtown Development Authority has taken the step to connect the park via Corunna Avenue to the downtown and is trying to create activities that will link the park to the downtown, he is sure that is why they are on the committee too. Councilperson Johnson stated she thought the city paid a little more to have the park master plan done so it would not cost as much the next time it had to be done. Mayor Corey advised that was right. Ms. Washburn advised the city received a master plan from Wade Trim and Rowe Engineering but the city decided to go with Rowe Engineering. The city decided to have Rowe Engineering update the plan they presented and incorporate some of the things from the Wade Trim plan, which included the boat launch. Councilperson Johnson stated she thought something was specifically said that the next time the master plan came around it would not cost a lot of money if the city went with a particular plan design. Mayor Corey advised he remembered identically what Councilperson Johnson stated and the plan was to digitalize the master plan so overlays of any changes could be done, which would not cost as much. He further advised he felt the city should get a very clear understanding about what it will cost in the future, but this is something the committee can look into. There is no question that the city needs to do this to get money and grants but the city also needs to be economical about it. Councilperson Johnson advised she remembers it was a girl that presented the master plan who stated the next time it comes around, it will not cost the city as much. Ms. Washburn advised that is probably true if council only wants them to critique what the city has already got, but that was another group that was brought in that had said that. Two women gave the city a price of \$9,500. Councilperson Johnson advised Ms. Washburn that she was not arguing with her but she knows what she remembers and she will go back four years and look at the meeting minutes. Ms. Washburn advised that was what the woman said at that time but the city did not go with them. The city went back to Rowe Engineering and had them do it for \$2,400. Mayor Corey stated with the advancement of computer disks, the city should not have to redraw the park every five years because the park is there and will stay there. Councilperson Mehig stated he shares some of the concerns that Councilperson Spring does because a large committee is usually not very efficient and he would personally like to see a smaller committee. Ms. Washburn advised the Department of Natural Resources is requesting that people who have anything to do with recreation be on the committee and if the city gets real lucky, eight people might show up. Mayor Corey asked Ms. Washburn if the Department of Natural Resources was specifically telling her that each one of the groups needs to be represented. Ms. Washburn advised it is their recommendation that any board or commission that has something to do with the park be given representation. Mayor Corey stated maybe city residents are not needed on the committee because many of the people on the other boards and commissions are city residents and they could double as each. Ms. Washburn advised no. Councilperson Spring asked if he could be the council, forestry commission and city resident representative. Ms. Washburn advised no. Mayor Corey asked if she was sure about that. Ms. Washburn advised she would go and get the criteria. Councilperson Johnson stated the committee does not need three parks and

recreation commission representatives. Ms. Horton advised yes it does. Councilperson Johnson stated no it does not. Greg Cochran advised the whole parks and recreation commission should be on the committee because this is their job. Ms. Horton advised the bulk of the last park plan was done by the parks and recreation commission. Mayor Corey stated he understood that but Ms. Washburn has advised that these other people have changed the rules. Councilperson Spring stated the point he was making was if there was 18 people on the committee the last time and it worked okay then the council should go forward with it, but as Councilperson Mehig stated, it might be difficult to make decision with that many people. Mayor Corey stated he thought it would be important to have Mr. Sawyer, Ms. Washburn and Ms. Lawson on the committee. Councilperson Johnson asked if council could go ahead and give its approval to move the committee forward. Mayor Corey advised the membership needs to be established tonight. Ms. Washburn stated a public hearing is needed so people can come in and share their views and ideas and this has to be documented. Mayor Corey stated right now the council is working on membership. Ms. Washburn advised she understood that but things have changed. Councilperson Mehig asked Ms. Washburn if she would like council to have a special meeting in order to give her time to prepare. Ms. Washburn stated she thought this was being over played. Mayor Corey suggested taking a 10 minute recess in order to allow Ms. Washburn to get things together, which started at 7:28 p.m. The meeting reconvened at 7:36 p.m. Mayor Corey stated after reading the pertinent section of the directive that Ms. Washburn gave the council, it was clear on pages 12 and 13 of that document that the Department of Natural Resources was just giving examples or guidelines on who needs to be on the committee and the city can choose anyone it wants to be on the committee. He further stated he believed Ms. Washburn's intent was to get a fair representation from those that are responsible for activities in the park. It is important that the city manager, city planner and the parks and recreation director be involved with this committee and he felt the council should move forward on this committee tonight. Councilperson Mehig asked Ms. Washburn if she had a copy of who was on the committee five years ago. Ms. Washburn advised she probably had a copy of it in her files but she could not pull it out at the moment. Councilperson Spring stated when the city applied for the grant that had to have a master plan in place and asked if the city was asked what the makeup of the master plan was. Ms Washburn advised no, she was the person who made up the list of representatives that should be on the committee. Mayor Corey stated it made sense to him that the city would not want the whole parks and recreation commission on the committee and advised three members would be a fair representation. Ms. Washburn stated when she spoke to Mr. Sawyer about how the committee was going to be structured, he wrote down the name of every commission that has some interest in the park. Councilperson Mehig asked Ms. Washburn if she felt comfortable with the proposed committee membership. Ms. Washburn advised she felt the council should be represented so when something does come up it can be explained to the rest of the council better than she could explain it. Councilperson Mehig stated if Ms. Washburn is comfortable with the members of the committee then the council should authorize the committee as presented. Mehig moved, Wagner seconded to form the Park Master Plan Committee as presented by Ms. Washburn. Mayor Corey stated if the council felt a smaller group is needed, a core group of six or eight people could be appointed and letters could be sent out to all of the other committees asking them to be at the meeting for discussion purposes but they would not be a voting

member.

Roll call vote:

Yes: Jessen, Wagner, Mehigh.

No: Johnson, Hall, Spring.

Mayor: Yes

Motion CARRIED

Ms. Washburn asked what a quorum would be with 13 people. Mayor Corey advised seven people. Johnson moved, Wagner seconded to appoint Dawn Johnson as the council representative to the Park Master Plan Committee.

Roll call vote:

Yes: Hall, Jessen, Wagner, Spring, Mehigh, Johnson.

No: None.

Motion CARRIED

Johnson moved, Hall seconded to appoint Dan Wagner as the alternate council representative to the Park Master Plan Committee.

Yes: Hall, Wagner, Mehigh, Jessen, Spring, Johnson.

No: None.

Motion CARRIED

Mehigh moved, Johnson seconded that the first meeting of the Park Master Plan Committee take place no later than February 7, 2006.

Yes: Mehigh, Jessen, Spring, Hall, Johnson, Wagner.

No: None.

Motion CARRIED

ROUNDTABLE DISCUSSION: Councilperson Hall advised she had nothing to discuss.

Councilperson Wagner advised he had nothing to discuss.

Councilperson Johnson wished the mayor a safe trip and to have a good vacation.

Councilperson Spring advised he had nothing to discuss.

Councilperson Jessen advised he had nothing to discuss.

Councilperson Mehigh congratulated the person who picked out the paint color for the council room because it took a lot of courage.

Mayor Corey stated over the last three or four years the city has done a remarkable job with its workers. The administration and staff have done an outstanding job and these are the best he has seen since he has been the mayor. He further stated one evidence of that was a letter that was sent in which was critical of Ms. Washburn because she was doing her job. There was an individual who felt city employees or other people should get preferential treatment and he was happy to see that everyone is being treated equally. He

also stated for a long time people have been treated depending on who they were or what they did. The council is the guardian of tax money and it does not get to make special rules like people in private industry do. The council has guidelines it has to follow and it is the council's job to see that people are equally treated. Mayor Corey advised the writer of this particular letter intended to be critical and he appreciated the job that Ms. Washburn did because she did the right thing and the city has never been more open than he has ever seen. He congratulated everyone in the city for doing their jobs and the city has one of the most outstanding teams working here now than he has seen and he has been in the city for 36 years. Mayor Corey wished everyone a happy new year.

ADJOURN: Mehigh moved, Jessen seconded to adjourn.

Roll call vote:

Yes: Spring, Mehigh, Jessen, Johnson, Wagner, Hall.

No: None.

Motion CARRIED Time was 7:55 p.m.

STEVE COREY, MAYOR

NICHOLE COWDREY, CITY CLERK/TREASURER