Brighton City Council Meeting

200 N First St ● City Hall Council Chambers ● Brighton, Michigan 48116
(810) 227-1911 ● www.brightoncity.org

October 19, 2023 – 6:30 p.m.

AGENDA

1. Call to order
2. Pledge of Allegiance
3. Roll call
4. Consider approval of the agenda
5. Consider approval of consent agenda items

Consent Agenda Items

a. Approval of Minutes: regular meeting of October 5, 2023

Correspondence

6. Call to the public
7. Staff updates
8. Updates from Councilmember liaisons to various boards and commissions
9. Receive the Plante Moran annual audit report and presentation
10. Transmittal of pension and OPEB reporting under Public Act 202 of 2017

Discussion

11. MDOT I-96 diverging diamond interchange pedestrian pathway

Public Hearing

12. Conduct a public hearing, second reading, and consider adoption of Ordinance 605: to repeal article X, "Massage Operations" of chapter 22 "Businesses" and codified as sections 22-301 through 22-325 of the City of Brighton Code of Ordinances

New Business

13. Consider Entering into closed session to receive a written attorney-client privileged communication pursuant to section MCL 15.268(1)(h) of the Open Meetings Act
14. Consider entering into closed session to consider a periodic personnel evaluation of a public officer, employee, staff member, or individual agent, if the named individual requests a closed hearing pursuant to MCL 15.268 (1)(a) of the Open Meetings Act

Other Business

15. Call to the public
16. Adjournment

Brighton City Council Meeting

200 N First St ● City Hall Council Chambers ● Brighton, Michigan 48116
(810) 227-1911 ● www.brightoncity.org

MINUTES OF THE REGULAR MEETING OF THE BRIGHTON CITY COUNCIL
HELD ON OCTOBER 5, 2023

1. **Call to order**

Mayor Tobbe called the meeting to order at 6:30 p.m.

2. **Pledge of Allegiance**

3. **Roll call**

Present were Mayor Tobbe, Mayor Pro Tem Bohn, Councilmembers: Albert, Emaus, Gardner, Gipson, and Pettengill.

Staff Present: City Manager Gretchen Gomolka, City Clerk Tara Brown, Human Resources Manager Michelle Miller, Community Development Manager Mike Caruso, Chief Brent Pirochta, and Attorney Sarah Gabis. There were approximately twenty people in the audience.

4. **Consider approval of the agenda**

Motion by Councilmember Gardner, seconded by Councilmember Pettengill to approve the agenda as presented. **The motion carried, 7-0.**

5. **Consider approval of consent agenda items**

Motion by Councilmember Albert, seconded by Councilmember Emaus to approve the consent agenda as presented. **The motion carried, 7-0.**

Consent Agenda Items

a. **Approval of Minutes: regular meeting of September 21, 2023**

Correspondence

6. **Call to the public**

Mayor Tobbe opened the call to the public at 6:32 p.m.

TJ Tyrrell, Jeff Worth, Craig Kovarik, Shaun Bhajan, and Danielle Corey spoke in favor of the pedestrian pathway.

Susan Bakhaus spoke regarding sidewalks on Brighton Lake Road.

7. **Staff updates**

Community Development Manager Caruso stated that contractors will be onsite at Lindbom to begin demolition of the building on October 6, 2023. The work will take a few weeks to complete. Mr. Caruso also provided an update on the Downtown Streetscape Project, noting that the homecoming parade may need to be routed differently. The projected completion date of the street is too close to call, it would be best to plan accordingly.

8. **Updates from Councilmember liaisons to various boards and commissions**

Councilmember Albert stated the City Manager Review committee met to discuss the format of the review. The committee will be ready to conduct the review on October 19, 2023.

Councilmember Emaus stated there were no DDA or Brighton Veteran Memorial Committee meetings however the Community Engagement Committee met to discuss a promotional event called the Full Hunters Moon Party. More information on the event on the DDA Downtown Facebook page.

Discussion

9. MDOT 1-96 Pedestrian Pathway informational update

City Manager Gomolka provided City Council and the public with an update regarding the funding and potential grants available for the pedestrian pathway if City Council wishes to move forward with the pathway.

New Business

10. BACC presentation and recommendation for the placement of Decision Pending

Human Resources Manger Miller and Brighton Arts and Culture Chair Thomas provided a synopsis and presentation of the Brighton Arts and Culture Commission recent discussion and a formal recommendation from the Commission to relocate Decision Pending to the center area of the Mill Pond Park area.

Motion by Councilmember Emaus, seconded by Councilmember Pettengill to approve the placement of Decision Pending as recommended by the Brighton Arts and Culture Commission. **The motion carried, 7-0.**

11. Conduct a first reading and set a public hearing of November 2, 2023, for Ordinance #606 Consumers Energy Company Gas Franchise

Motion by Councilmember Albert, seconded by Councilmember Gipson to set a public hearing of November 2, 2023, for Ordinance #606 Consumers Energy Gas Company Franchise. **The motion carried, 7-0.**

12. Consider entering into closed session to consider the purchase or lease of real property pursuant to MCL 15.268 (1)(d) of the Open Meetings Act

Motion by Councilmember Pettengill, seconded by Councilmember Emaus to enter into closed session at 7:35 p.m. to consider the purchase or lease of real property pursuant to MCL 15.268(1)(d) of the Open Meetings Act. **The motion carried by roll call vote, 7-0.**

Motion by Mayor Pro Tem Bohn, seconded by Councilmember Gipson to come out of closed session at 8:14 p.m. **The motion carried, 7-0.**

13. Consider Entering into Closed Session to Receive a Written Attorney-Client Privileged Communications Pursuant to section 8(1)(h) of the Open Meetings Act, MCL 15.268(1)(h)

Motion by Councilmember Gardner, seconded by Councilmember Gipson to enter into closed session at 8:15 p.m. to Receive a Written Attorney-Client Privileged Communications Pursuant to section 8(1)(h) of the Open Meetings Act, MCL 15.268(1)(h). **The motion carried by roll call vote, 7-0.**

Motion by Councilmember Gipson, seconded by Councilmember Emaus to come out of closed session at 8:47 p.m. **The motion carried, 7-0.**

Other Business

14. Call to the public

Mayor Tobbe opened the call to the public at 8:47 p.m.

Marty Smith spoke in favor of the pedestrian pathway.

Hearing and seeing no further comment, the call to the public was closed at 8:50 p.m.

15. Adjournment

Motion by Councilmember Emaus, seconded by Councilmember Gipson to adjourn the meeting at 8:50 p.m. **The motion carried (7-0).**

____
Tara Brown, City Clerk

City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL
OCTOBER 19, 2023

SUBJECT: TRANSMITTAL OF PENSION AND OPEB REPORTING UNDER PUBLIC ACT 202 OF 2017

BACKGROUND

- In 2018, the Michigan Department of Treasury released initial reporting requirements under Public Act 202 of 2017, the Protecting Local Government Retirement Benefits Act ("the Act"), which was a primary component of the act. These reporting requirements apply to all local units of government that offer or provide defined pension and/or defined benefit OPEB retirement benefits.
- In addition to submitting this form to the Department of Treasury, local units must also post this information on their website. The governing body of the local unit must also receive a copy of this form, in accordance with the Act, but the Act does not require approval by the governing body.
- The reporting form provided by the State uses inputs from the annual audit, actuarial reports, and investment providers to determine if a local unit meets the definition of "underfunded status" which will require corrective action plans by the local unit.
- The tests to determine if an "underfunded status" is triggered for Pension and OPEB are as follows:
  - Pension Triggers – The plan is less than 60% funded AND the annual Actuarial Determined Contribution is greater than 10% of Governmental fund revenues
  - OPEB Triggers – The plan is less than 40% funded AND the Annual Required Contribution is greater than 12% of Governmental fund revenues

ADMINISTRATIVE SUMMARY

- Attached is a copy of the completed report for the City of Brighton and we are pleased to say that an "underfunded status" was not triggered on either our pension or OPEB plans. We do, however want to point out that while our funded status measure for both Pension and OPEB have improved over the last year we continue to be close in both cases to the trigger point. Please note that the inputs from the actuarial reports are as of December 31, 2022, and that the recent improvement in the investment market is not reflected in the analysis.
  - Due to downturn experiences in 2022, the investment loss to our portfolio brought our funded status of the pension plan to 60% funded down from 71.5% in the prior year. We continue to be below the 10% limit for the Annual Requirement Contribution limit as we are at 8.2% up from 7.4% in the prior year, this is due primarily to changes in Actuarial assumptions.
  - For the OPEB plan we continue to fail the 40% funded mark as we are at 27.3% funded, however this is an increase over the 26.4%, and 22.0% funded status we had in the last two years. This increase is a result of the changes to the OPEB plans that were implemented in 2020. We continue to be below the 12% limit for the Annual Requirement Contribution limit as we are at 4.6%, a decrease from 6.6% in the prior year.
- In order to continue to avoid triggering "underfunded status" in future years, city council approved a $600,000 additional payment to MERS in the 2023-24 budget. Management will continue looking into making further additional contributions to these plans as a part of the annual budget process.
- The report also includes trigger calculations using State mandated uniform assumptions. These assumptions are included on the report so that the State can compare all municipalities as though all plans had the same assumptions. While these are not the official calculations for determining if triggers are pulled, they are indicative of what will happen if and when MERS changes assumptions. Using the State Assumptions, the City's pension plan does NOT pull any triggers, but is very close. The assumptions used in calculating the OPEB plan liability were similar as the state uniform assumptions and we saw favorable differences between the two

calculations.

RECOMMENDATION

- No action is needed by Council at this time

Prepared by: Elizabeth Gaines, Finance Director

Reviewed &
Approved by: Gretchen M. Gomolka, City Manager

Attachments: Form 5572 for both Pension and OPEB

Michigan Department of Treasury
Form 5572 (7-20)

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	City of Brighton
Enter Six-Digit Municode	472010
Unit Type	City
Fiscal Year End Month	June
Fiscal Year (four-digit year only, e.g. 2019)	2023
Contact Name (Chief Administrative Officer)	Elizabeth Gaines
Title if not CAO	Finance Director
CAO (or designee) Email Address	gainese@brightoncity.org
Contact Telephone Number	810-225-9283

Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting.

Questions: For questions, please email LocalRetirementReporting@michigan.gov. Return this original Excel file. Do not submit a scanned image or PDF.

Pension System Name (not division) 1	MERS
Pension System Name (not division) 2	
Pension System Name (not division) 3	
Pension System Name (not division) 4	
Pension System Name (not division) 5	

If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.

Line	Descriptive Information	Source of Data	System 1
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES
2	Provide the name of your retirement pension system	Calculated from above	MERS
3	**Financial Information**		
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	18,028,880
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	30,063,809
6	Funded ratio	Calculated	60.0%
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	1,094,049
8	Governmental Fund Revenues	Most Recent Audit Report	13,394,429
9	All systems combined ADC/Governmental fund revenues	Calculated	8.2%
10	**Membership**		
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	41
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	13
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	51
14	**Investment Performance**		
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	-10.37%
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	4.95%
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	6.79%
18	**Actuarial Assumptions**		
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Percent
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	16
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	No
23	**Uniform Assumptions**		
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	19,480,471
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	31,288,359
26	Funded ratio using uniform assumptions	Calculated	62.3%
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	1,317,204
28	All systems combined ADC/Governmental fund revenues	Calculated	9.8%
29	**Pension Trigger Summary**		
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	**Primary government triggers:** Less than 60% funded AND greater than 10% ADC/Governmental fund revenues. **Non-Primary government triggers:** Less than 60% funded	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
Local governments must post the current year report on their website or in a public place.
The local government must electronically submit the form to its governing body.
Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

Michigan Department of Treasury
Form 5572 (7-20)
The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report

Enter Local Government Name	City of Brighton
Enter Six-Digit Municode	472010
Unit Type	City
Fiscal Year End Month	June
Fiscal Year (four-digit year only, e.g. 2019)	2023
Contact Name (Chief Administrative Officer)	Elizabeth Gaines
Title if not CAO	Finance Director
CAO (or designee) Email Address	gainese@brightoncity.org
Contact Telephone Number	810-225-9283

Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting.

Questions: For questions, please email LocalRetirementReporting@michigan.gov. Return this original Excel file. Do not submit a scanned image or PDF.

OPEB System Name (not division) 1	City of Brighton Retiree Healthcare Plan
OPEB System Name (not division) 2	
OPEB System Name (not division) 3	
OPEB System Name (not division) 4	
OPEB System Name (not division) 5	

If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.

Line	Descriptive Information	Source of Data	System 1
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES
2	Provide the name of your retirement health care system	Calculated from above	City of Brighton Retiree Healthcare
3	**Financial Information**		
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	2,583,332
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	9,468,214
6	Funded ratio	Calculated	27.3%
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	619,589
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	YES
8	Governmental Fund Revenues	Most Recent Audit Report	13,394,429
9	All systems combined ADC/Governmental fund revenues	Calculated	4.6%
10	**Membership**		
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	24
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	37
14	Provide the amount of premiums paid on behalf of the retirants	Most Recent Audit Report or Accounting Records	519,073
15	**Investment Performance**		
16	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.46%
17	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	5.89%
18	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	6.80%
19	**Actuarial Assumptions**		
20	Assumed Rate of Investment Return	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%
21	Enter discount rate	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Dollar
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	26
24	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes
25	Health care inflation assumption for the next year	Actuarial Funding Valuation used in Most Recent Audit Report	7.5% pre-65 6.25% post-65
26	Health care inflation assumption - Long-Term Trend Rate	Actuarial Funding Valuation used in Most Recent Audit Report	3.50%
27	**Uniform Assumptions**		
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	2,729,142
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	9,634,474
30	Funded ratio using uniform assumptions	Calculated	28.3%
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	679,316
32	All systems combined ADC/Governmental fund revenues	Calculated	5.1%
33	**Summary Report**		
34	Did the local government pay the retiree insurance premiums for the year?	Accounting Records	YES
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	**Primary government triggers**: Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. **Non-Primary government** triggers: Less than 40% funded	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
Local governments must post the current year report on their website or in a public place
The local government must electronically submit the form to its governing body.
Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years
Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

City of Brighton

REPORT FROM THE CITY MANAGER TO CITY COUNCIL
JULY 20, 2023

SUBJECT: CONDUCT A PUBLIC HEARING, SECOND READING AND CONSIDER ADOPTION OF ORDINANCE #605 TO REPEAL ARTICLE X, "MASSAGE OPERATIONS" OF CHAPTER 22 "BUSINESSES" AND CODIFIED AS SECTIONS 22-301 THROUGH 22-325 OF THE BRIGHTON CITY CODE OF ORDINANCES

ADMINISTRATIVE REVIEW

The City Clerk, in conjunction with the Community Development team and Police Department, issue permits to massage business (myomassologists) throughout the city. These myomassologists must register with the State of Michigan. When initially adopted by the city, the permitting was put in place to regulate and ensure the safety of those who patronized massage businesses. The proliferation of the number of myomassologits throughout the city across many different business types, ie. chiropractors, salons, health food stores, etc. has made it difficult to identify where those services are offered. As the State requires registration the need for a local ordinance is redundant.

RECOMMENDATION

Staff recommends City Council conducts a public hearing, second read, and consider adoption of ordinance 605 as presented.

City Attorney (Required for all agreements, ordinances, etc.)

☒ Acceptable Form and Ready to Execute

☐ Other ___________

Prepared by: Tara Brown, City Clerk

Approved by: Gretchen Gomolka, City Manager

Attachments: 1. Ordinance 605, Proposed Repeal

CITY OF BRIGHTON

ORDINANCE NO. 605

AN ORDINANCE TO REPEAL ARTICLE X, "MASSAGE OPERATIONS" SECTIONS 22-301 THROUGH 22-325 OF THE BRIGHTON CITY CODE

THE CITY OF BRIGHTON HEREBY ORDAINS:

Section 1. Repeal of Article X, Section 22-301 through Section 22-325.

Article X, "Massage Operations" of Chapter 22 "Businesses" and codified as Sections 22-301 through 22-325, is hereby repealed.

Section 2. Repealer.

All ordinances that conflict with this Ordinance are repealed to the extent necessary to give this Ordinance full force and effect.

Section 3. Severability.

The provisions of this Ordinance are severable. If any provision of this Ordinance is found invalid for any reason, such holding will not affect the validity of the remaining provisions of this Ordinance.

Section 4. Effective Date.

This Ordinance shall take effect fifteen (15) days after enactment, and after publication as provided by law and the Charter.

YEAS: Council Member(s) ____

NAYS: Council Member(s) ____

ABSTAIN: Council Member(s) ____

ABSENT: Council Member(s) ____

CERTIFICATION

As the City Clerk of the City of Brighton, Livingston County, Michigan, I certify this is a true and complete copy of an ordinance adopted by the City of Brighton Council at a regular meeting held on ____________, 2023.

Date: ____________, 2023 City Clerk ______________________________

Tara Brown

First Reading: ____________________

Brief Publication: ____________________

Second Reading: ____________________

Public Hearing: ____________________

Adoption: ____________________

Publication: ____________________

Effective Date: ____________________