

FARMINGTON CITY COUNCIL
SPECIAL MEETING
March 3, 2010

A special meeting of the Farmington City Council was held on Wednesday, March 3, 2010, in Council Chambers, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 8:05 p.m. by Mayor Buck.

COUNCIL MEMBERS PRESENT: Buck, McShane, Wiggins, Wright.

COUNCIL MEMBERS ABSENT: Knol.

CITY ADMINISTRATION: City Clerk Halberstadt, City Manager Pastue, Treasurer Weber.

APPROVAL OF AGENDA

03-10-042 MOTION by McShane, seconded by Wiggins, to approve the agenda as submitted. MOTION CARRIED UNANIMOUSLY.

FISCAL 2010/11 BUDGET UPDATE

City Manager Pastue provided Council with a preview of the proposed 2010/11 budget. He discussed the importance of a long term view with a 5-7 year strategy. He spoke about the vision for Farmington through this recession and its ultimate recovery. He asked if Farmington will be a safe, vibrant community with good services and reliable infrastructure or a City with mediocre services and failing infrastructure.

Pastue stated the proposed budget maintains good services and infrastructure and positions the City to prosper when the economy recovers. He discussed the many reasons for the City's financial crisis including: significantly lower investment earnings, reduced revenue sharing, property value declines and increased contributions toward legacy costs. He discussed the number of steps the City has taken to reduce costs.

Pastue discussed the key elements of the proposed budget:

- 1.38 millage increase
- Programmed reduction in cash reserves
 - Conversion costs for moving to defined contribution for retiree healthcare
 - Earmark \$1,300,000 for future debt service payment
 - Sick and vacation leave payouts
- Incorporate wage and benefit reductions
- Incorporate capital outlay/improvements funding

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Discussion followed regarding the advantages and disadvantages of the proposed budget. Discussion continued regarding the negative impact on City services if the millage rate is maintained.

Pastue stated his belief that the proposed long term budget plan is a viable strategy for maintaining a high level of City services over the next several years as long as all of the elements of the plan are fully implemented.

Pastue confirmed he will send all related spread sheets of the proposed budget to Council.

OTHER BUSINESS

No other business was heard.

PUBLIC COMMENT

No public comment was heard.

COUNCIL COMMENT

No Council comment was heard.

ADJOURNMENT

03-10-043 MOTION by Wright, seconded by McShane, to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 9:05 p.m.

J.T. (Tom) Buck, Mayor

Susan K. Halberstadt, City Clerk

APPROVED: April 19, 2010