



Special City Council Meeting
6:00 PM, MONDAY, NOVEMBER 21, 2016
Conference Room
Farmington City Hall
23600 Liberty St
Farmington, MI 48335

FINAL

SPECIAL MEETING MINUTES

A special meeting of the Farmington City Council was held on November 21, 2016, in Farmington City Hall, Farmington, MI. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order at 6:00 PM by Mayor William Galvin.

1. CALL TO ORDER

Attendee Name	Title	Status	Arrived
Sara Bowman	Councilmember	Present	
Greg Cowley	Councilmember	Present	
William Galvin	Mayor	Present	
Steve Schneemann	Mayor Pro Tem	Present	
Jeff Scott	Councilmember	Present	

City Administration Present

City Clerk Halberstadt
City Manager Murphy
Treasurer Weber
Controller Norgard

2. APPROVAL OF AGENDA

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Greg Cowley, Councilmember
SECONDER:	Steve Schneemann, Mayor Pro Tem
AYES:	Bowman, Cowley, Galvin, Schneemann, Scott

3. PUBLIC COMMENT

No public comment was heard.

4. PLANTE MORAN AUDIT PRESENTATION

Present: Plante Moran representatives: Dave Helisek and Kari Shea

Galvin introduced Dave Helisek and Kari Shea, who presented the results of the Farmington audit for year ended June 30, 2016.

Helisek advised Plante Moran, once again, was able to give the City's financial statements an unmodified opinion which is the highest level of assurance that can be given. He stated that means the statements as presented fairly reflect the financial position of the City as of June 30, 2015.

Shea provided an audit presentation covering General Fund revenues and expenses, revenues and expenses by governmental activities, and Water and Sewer Fund cash flows. Shea advised that the City's General Fund ended with a \$2.6 million balance and noted \$2.2 million of that amount was unassigned or 29% of the Fund. Shea noted 29% is above the City's goal of 25%, which leaves the city in a comfortable place.

Galvin questioned the impact on the audit next year if the city spent down part of the General Fund on either projects or a transfer to the Capital Improvement Fund (CIF).

Weber responded that a transfer to the CIF would be a normal thing to do, and could be considered prudent saving, but advised that the City's ongoing operating revenues are very close to the ongoing operating expenditures.

Discussion followed regarding how the General Fund balance affects the City's bond rating.

Shea reviewed the city's revenues and expenditures. Weber elaborated on continuing rise of pension costs due to changes in rate of return, mortality tables, and the amount of time to contribute to the system. Based on projections, the city's annual contribution will reach \$500,000 by the year 2020.

Galvin mentioned the Great Lakes Water Authority and rising water rates. Cowley suggested exploring the benefits of consolidated purchasing with Farmington Hills to possibly cut costs.

Discussion followed regarding legacy costs.

Helisek briefly reviewed Plante Moran's official letter to the City including general information regarding the audit process and legislative and informational items. He mentioned there were no difficulties performing the audit. He also pointed out several items of interest within the letter to the City: legacy costs, revenue sharing, and Local Community Stabilization Authority revenue.

Responding to a question from Cowley, Weber stated the courthouse property is treated as a fixed asset.

Galvin recognized the time and effort put into the audit by Plante Moran, City Treasurer Weber and Controller Norgard.

Weber praised Norgard for her significant contribution to the audit.

5. OTHER BUSINESS

No other business was heard.

6. COUNCIL COMMENT

No Council Comment was heard.

7. ADJOURNMENT

Move to Adjourn

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Steve Schneemann, Mayor Pro Tem
SECONDER:	Greg Cowley, Councilmember
AYES:	Bowman, Cowley, Galvin, Schneemann, Scott

The meeting adjourned at 6:55 p.m.

William E. Galvin, Mayor

Susan K. Halberstadt, City Clerk

Approval Date: December 19, 2016