

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, NOVEMBER 28, 2011, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

PRESENT: Mayor Novitke
Council Members Bryant, Granger, Ketels, Koester, McConaghy, Shetler

ABSENT: None

ALSO PRESENT: City Administrator Fincham
Treasurer/Comptroller Irby
City Attorney Berschback
Deputy City Clerk Ryska

Mayor Novitke called the meeting to order at 7:34 p.m.

Motion by Bryant, seconded by Ketels, that all items on tonight's agenda be received, placed on file, taken in order of appearance.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, McConaghy, Novitke, Shetler

No: None

Absent: None

The first item on the agenda was the **2010/2011 Audit**. Mark Hurst and Kari Shea from Plante & Moran were present to provide an overview and answer any questions. The Chair stated that this was an excellent audit. Mr. Hurst explained that the audit revealed one material weakness and one significant deficiency, both of which were relatively insignificant isolated instances. Mr. Hurst additionally stated that the city added funds to the Fund Balance. A question and answer session ensued regarding information reported on the Statement on Auditing Standards (SAS).

Mr. Hurst then informed the Committee that the Federal Awards Audit is necessary for any awards adding up over \$500,000. No problems were found and the City is in full compliance with this requirement.

Ms. Shea outlined the Comprehensive Annual Financial Report (CAFR) for Fiscal Year Ending June 30, 2011 and informed the Committee that the CAFR and Statistics portion of the report are optional and having them adds to the transparency of City finances. Ms. Shea further explained the City implemented the new GASB Statement #54 – Fund Balance Reporting and Governmental Fund Type Definitions, now putting the Local Street and Cable Franchise funds in the General Fund.

Ms. Shea reminded the Committee that although funds were added to the Fund Balance, the City should keep in mind that the Fund Balance in other Funds are diminishing and should be kept in consideration when discussing future budgets.

The Chair dedared a recess at 8:41 p.m., and reconvened at 8:52 p.m.

The next items on the agenda were **Fiscal Forecasting and Headlee Override**. Treasurer/Comptroller Irby first distributed a handout with General Fund Budget Projections that did not contain a Headlee Override millage. Approximately \$469,000 will be used from the General Fund Balance to cover the annual shortfall and to balance other funds for FY 2011/12. Based on the projections, the City would exhaust its Fund Balance by FY 2014/15 considering the forecasted decrease in property tax revenue and increased need for infrastructure repairs and vehide maintenance.

The second handout distributed by Treasurer/Comptroller Irby did contain a Headlee Override millage. The additional millage would give the City an additional two years of operation before exhausting its Fund Balance. The Committee discussed the possibility of placing a millage proposal on a ballot for the purpose of funding road construction projects.

The Treasurer/Comptroller was asked to provide an information sheet outlining what cost containment efforts the City has already taken to minimize expenditures.

The Chair dedared a recess at 9:47 p.m., and reconvened at 9:58 p.m.

The next item on the agenda was **Planning Commission Vacancy**. Mayor Novitke asked the Committee how they would like to proceed in order to fill the Planning Commission vacancy. Discussion ensued and the Committee decided to post the opening on the website and ask for applicants. The City Clerk was instructed to post the following notice:

Grosse Pointe Woods City Council is accepting applications to fill a vacancy on the Planning Commission. Interested residents should submit a Biographical Sketch and statement of interest to the City Clerk by February 29, 2012. The Biographical Sketch form is available on the City's website at www.gpwmi.us or at the City Clerk's office.

Mayor Novitke then stated that the applications received would be addressed at a Committee-of-the-Whole meeting on March 12, 2012.

The next item on the agenda was **Council Appointments to Commissions/ Committees/ Boards**. The Committee discussed the Mayoral and Council appointments that will be made at the next City Council meeting.

The next item discussed was the position of **Mayor Pro-Tem**. Mayor Novitke stated that the appointment of the Mayor Pro-Tem would be at the next City Council meeting.

The next item on the agenda was **Council Procedures**. For the benefit of the newly elected Council Members, Mayor Novitke began discussion of the purpose and function of the City Council and the Committee-of-the-Whole. He stated the importance of being prepared for Council meetings and having an understanding that the function of Council is to set policy. Additionally, Mayor Novitke outlined the differences of various motions made at meetings. Council and Administration are always available should anyone have questions.

The next item on the agenda was **City Attorney Overview**. City Attorney Berschback outlined the legality of a number of policies and procedures, namely the Open Meetings Act, Closed Executive Sessions, Freedom of Information Act, and Zoning Board of Appeals. Mr. Berschback also explained the meaning of a quorum and why members should not engage in round robin discussions.

Hearing no objections the following was addressed under New Business:

- City Administrator Fincham commended Treasurer/Comptroller Irby on a job well done with the Audit.

Motion by Koester, seconded by Shetler, that the meeting of the Committee-of-the-Whole be adjourned at 11:02 p.m. PASSED UNANIMOUSLY.