

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE, MEETING AS A FINANCE COMMITTEE, OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, NOVEMBER 6, 2006, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

PRESENT: Mayor Novitke
Council Members Dickinson, Granger, Howle, Reynolds, Spicher, Waldmeir

ABSENT: None

ALSO PRESENT: City Administrator Wollenweber
City Attorney Don Berschback
City Comptroller Maison
City Clerk Hathaway

Mayor Novitke called the meeting to order at 7:05 p.m.

Also present at tonight's meeting were Jim Buckley and Lisa Hermann, from PriceWaterhouseCoopers, the City's auditors.

Motion by Spicher, seconded by Dickinson, that Council Member Waldmeir be excused from tonight's meeting.

Motion carried by the following vote:

Yes: Dickinson, Granger, Howle, Novitke, Reynolds, Spicher, Waldmeir

No: None

Absent: None

The only item on tonight's agenda was regarding **2005/06 Audit Report**.

The Mayor turned the meeting over to Council Member Allen Dickinson, Chair of the Finance Committee. Mr. Dickinson requested an overview of the City's 2005/06 audit from the City Comptroller.

The City Comptroller provided an overview. He indicated City reserves are at \$4.6 million, plus \$2.4 million in cable funds, plus there is an additional \$500,000 in revenues to be received in 2006/07 for 2005/06 projects. He stated the water/sewer fund is increasing due to the new rate and construction projects being completed cheaper than anticipated. He further stated class action settlements with DTE/MichCon and Consumers power impacted the audit. Settlements cost the City \$230,000 for DTE/MichCon, and \$123,000 for Consumers that the City had budgeted in tax revenues, which the City did not receive. There is a negative fund balance of \$215,000 versus the anticipated \$500,000 in fund balance to transfer.

Council Member Waldmeir joined the meeting at 7:17 p.m.

Mr. Buckley distributed and reviewed the Finance Committee Report, Resolution and Completion of the Financial Statement Audit For the Fiscal Year Ended June 30, 2006, dated November 6, 2006. He indicated the audit, overall was favorable.

Motion by Howle, seconded by Reynolds, that tonight's meeting adjourn at 7:31 p.m. Passed unanimously.

Respectfully submitted,

Lisa Kay Hathaway
City Clerk