

FARMINGTON CITY COUNCIL
REGULAR MEETING
November 17, 2008

A regular meeting of the Farmington City Council was held on Monday, November 17, 2008, 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 Knol.

PRESENT: Buck, Knol, McShane, Wiggins, Wright.

ABSENT: None.

CITY ADMINISTRATION: City Clerk Halberstadt, Director Gushman, Director Nebus, City Manager Pastue, Attorney Schultz and Treasurer Weber.

CONSENT AGENDA

11-08-222 MOTION by Wiggins, seconded by McShane, to approve the consent agenda as presented:

- A. Special meeting minutes of September 15, 2008
- B. Special meeting minutes of October 6, 2008
- C. Special meeting minutes of October 20, 2008
- D. Regular meeting minutes of October 20, 2008
- E. Special meeting minutes of November 3, 2008
- F. City of Farmington financial report quarter ended September 30, 2008
- G. 47th District Court financial report quarter ended September 30, 2008
- H. Farmington investment report quarter ended September 30, 2008
- I. Farmington monthly payments report – October 2008
- J. Department of Public Works and Water and Sewer Department 1st quarter report – July 1, 2008 through September 30, 2008
- K. Public Safety monthly report – October 2008

MOTION CARRIED UNANIMOUSLY.

APPROVAL OF REGULAR AGENDA

11-08-223 MOTION by Wright, seconded by Buck, to approve the agenda as amended (adding item 7A. – Letter of Understanding with COAM). MOTION CARRIED UNANIMOUSLY.

PRESENTATIONS/PUBLIC HEARINGS

PROCLAMATION – COMMUNITY LIVING CENTERS (CLC)

Council issued a proclamation in recognition of the 40th anniversary of Community Living Centers.

Laura Pollacia-Scanlan was present to thank Council for the recognition. She discussed upcoming fundraising events sponsored by the CLC.

FISCAL YEAR 2007-08 FINANCIAL REPORT

Presentation – Plante & Moran

Present: Gordon Krater, Bill Brickey, Carrie Shay

Gordon Krater stated the audit went well, financial records were in good shape, and Farmington once again received an unqualified opinion. He stated the City's major funds are all in sound fiscal condition. He stated the City is in better shape than many other communities. He thanked the City's Finance Department for their excellent work especially in light of new audit standards.

Carrie Shay provided a slide presentation providing a broad view of the City's finances. She noted the City's total revenues increased by 6.4%. She stated the general fund expenditures totaled \$7.8 million representing a \$260K decrease from last year. She discussed changes in reporting for fringe benefits.

Shay stated general government total expenditures decreased by \$279K. She pointed out the primary reason was due to large capital outlays and the last installment on the court agreement that occurred in the prior fiscal year. She noted an increase of \$176K in Public Safety. She further noted an increase of \$51K in community and economic development due to a number of projects including: branding study, sign ordinance and master plan.

Shay noted a decrease in cash of \$900K in the Water and Sewer Fund over the last three years due to major projects including: replacement of water mains on Shiawassee and Power Roads and the footing drain disconnect. She stated the City maintains sufficient cash flow to operate the systems, but needs to review the rate structure to cover future major improvements.

Bill Brickey reviewed the audit report provided to City Council. He noted that due to legislative changes the report is structured differently and separated in two parts: 1) results of the audit and 2) informational and legislative items. He reported the audit did not discover deficiencies in any areas nor were there any significant audit findings. He discussed proposed legislative changes related to property taxes and Proposal A. He further discussed continued decrease in state revenue sharing and its future impact on municipalities. He noted the City is in better shape than many communities because the statutory portion is no longer budgeted in the general fund.

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Councilmember Wiggins questioned the 2007 expiration date of statutory revenue sharing formula. Brickey responded the state has honored their promise to continue statutory funding even though they could stop at anytime.

Councilmember McShane noted the audit report reflected the City has been both proactive and frugal in its approach to finances. Mr. Brickey confirmed the City has done an outstanding job in managing its fund balance.

Councilmember Wright suggested scheduling a special study session led by an expert who can review the audit report with Council in light of the change in accounting standards.

Mr. Krater stated Plante Moran would be happy to conduct a mini seminar free of charge to Council.

Mayor Knol thanked the City Staff for their fiscal responsibility. She cautioned the City needs to continue to be prudent in managing taxpayer dollars wisely, especially in view of the economic downturn.

Pastue stated the City will be in reasonably good shape for the next fiscal year, but cautioned difficult times are ahead. He spoke about the need to reduce the volatility of water and sewer rates. He discussed a built-in structure for a reliable renewal and replacement capital program for water and sewer. He thanked the Treasurer's Department for their excellent work.

Wright suggested the creation of a score card to show how Farmington differentiates itself from other comparative communities. He discussed differences that are important to measure, i.e. millage per capita.

Mr. Krater stated a score card of quantitative matrices that would measure the health of a city. He noted what they could not provide is a qualitative evaluation.

Wright stressed the importance of drawing comparisons with peer communities.

Consideration to Accept Fiscal Year 2007-08 Financial Audit

11-08-224 MOTION by Buck, seconded by Wright, to accept the Fiscal Year 2007-08 Financial Report by Plante Moran as presented. MOTION CARRIED UNANIMOUSLY.

MASTER LAND USE PLAN

Consideration of Resolution to Authorize Distribution of Draft Plan

City Manager Pastue requested Council's consideration to authorize distribution of the draft Master Plan as recommended by the Planning Commission. He anticipated the comment period would run through the end of January. The Plan would then be brought back to the Planning Commission at their February

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meeting with a review of comments from other jurisdictions and planning agencies. The Planning Commission would then schedule a public hearing on the Draft Plan.

Pastue also requested a determination by Council on whether the Council or Planning Commission would adopt the Master Plan.

Pastue noted the Land Use Map distributed to Council and requested insertion in the Master Plan as Page 4-14. He stated the map reflects some of the changes in defining the Central Business District.

Responding to a question from Councilmember McShane, Pastue confirmed the green practices and LEED standards discussed at a prior meeting have been incorporated into the Plan.

RESOLUTION 11-08-225 Motion by McShane, seconded by Wiggins, to adopt a resolution authorizing distribution of a Draft Master Plan as recommended by the Planning Commission. **SEE ATTACHED RESOLUTION.** MOTION CARRIED UNANIMOUSLY.

Determine Board to Adopt Master Plan

Wiggins expressed support for the adoption of the Master Plan by the Planning Commission.

McShane also supported Planning Commission adoption of the Plan.

Buck stated the Planning Commission is a good steward for the City and they should adopt the Plan.

Wright expressed support for the Planning Commission with one exception. He questioned whether Council would have redress if the Planning Commission made changes to the Plan as a result of public comment.

Attorney Schultz stated once Council has approved the Plan they would not have redress if the Planning Commission made any significant changes. He noted Council involvement in the Master Plan is a new concept under Michigan Law. He further noted Council has a liaison to the Planning Commission.

Mayor Knol expressed support for the Planning Commission to adopt the Plan. She stated Planning Commission members are appointed because they have a particular skill set. They are able to review and analyze a professional plan and modify it as necessary. She pointed out there is a lot of give and take between the Commission and Council.

11-08-226 MOTION by Wiggins, seconded by McShane, to authorize that the Planning Commission will be responsible for adopting the Master Plan. MOTION CARRIED, 4 AYES, 1 NAY (Wright).

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OLD BUSINESS

None.

NEW BUSINESS

Letter of Understanding with COAM

Administration requested Council approve a Letter of Understanding with the COAM which would allow retiring Commander Putt to receive an additional 7 months of service credit in lieu of receiving payout of accrued sick leave.

11-08-227 MOTION by Wright, seconded by McShane, to recuse Councilmember Wiggins from discussion and action by Council regarding Letter of Understanding with COAM. MOTION CARRIED UNANIMOUSLY.

11-08-228 MOTION by Wright, seconded by Buck, to authorize the City Manager prepare a Letter of Understanding with the Command Officers Association of Michigan (COAM) to allow Commander Putt to receive an additional 7 months of service credit in lieu of receiving payout of accrued sick leave as part of her retirement agreement. MOTION CARRIED, 4 AYES, 1 RECUSED (Wiggins).

PUBLIC COMMENT

Hank Borgman, 34011 Grand River, noted Council has a legal right to raise taxes, but questioned whether it would be morally right.

COUNCIL COMMENT

Wright pointed out the complexity of the City's financial statement and noted Council could use some remedial work in trying to understand it. He discussed the merit of a "score card" tracking the success of the City and other communities. He stated something similar for the DDA would also be very helpful. He recognized the challenge of developing a common set of measurements.

Knol requested City Administration develop a list of performance measurements as part of the budget process.

Pastue stated a list of objective assessments is available and could be developed as part of a score card.

Knol requested a future budget meeting include an expert who would walk the Council through the financial audit and a report comparing key indicators between peer cities.

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Buck thanked the City's finance staff and the City Manager for their prudent management of the budget. He congratulated both the City and Planning Commission for the preparation of the Master Plan.

McShane stated the financial report reflects the frugality of City staff. She noted legacy costs for the City continue to climb dramatically. She thanked the City Clerk for conducting a well run election.

McShane recognized Deputy Director Schulz's graduation from an FBI sponsored Michigan Police Executive Development Program.

McShane noted Farmington residents can apply for funding through the Oakland County Stabilization Program to address foreclosure issues. She stressed the importance of getting the word out regarding this program.

Wiggins noted a successful Farmer's Market season this year. He requested a report from City Administration on its success and how it compared to last year.

Knol thanked the staff and second grade students at Forest Elementary School for their interest in the Grand River Streetscape Project.

Knol recognized recipients of the Oakland County Main Street awards including: the DDA for their information campaign on the Grand River Streetscape and Pat Sheldon as an outstanding volunteer.

Knol noted Brian Golden and Dan Higgins won an award through SWOCC for their video promoting the Grand River Streetscape.

ADJOURNMENT

11-08-229 MOTION by McShane, seconded by Wright, to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 9:15 p.m.

Valerie S. Knol, Mayor

Susan K. Halberstadt, City Clerk

APPROVED: December 15, 2008