

REGULAR MEETING
Litchfield City Council - City Council Room
December 17, 2013 - 6:30 PM

Mayor Smith called the meeting to order at 6:30 PM.

Roll Call: Present – Mayor Edwin Smith, Councilpersons Jessica Bills, Rick Siebert, OR Smith, and Dan Efstathiou.

Absent – Brenda Thomas and Don Bannick

Also Present – City Manager- Douglas Terry, Clerk-Susan Ballinger, Treasurer-Jill Pelham, Chief, John Michelin, Admin/ Asst.- Lauren Skelly, OMC- Jason Wade, Andy Reynolds, Senator, Bruce Caswell, and Republican Party Representative- Hal Nottingham.

Consent Agenda – Councilman Siebert moved to approve the consent agenda, seconded by Councilwoman Bills. Motion Carried.

Call to the Public – Hal Nottingham of the Republican Party informed the board that he is running for the 58th District Seat. Mr. Nottingham gave the board a pamphlet which points out some of his core values and issues that he stands for and wants to help get Michigan back on the map in a business. Mr. Nottingham gave a quick brief update to the board on those issues and then thanked the board for their time.

Senator, Caswell was present to bring the board up to date on things happening in Lansing. Senator, Caswell talked about the new recall laws and P.A. 161 regarding a new disabled veterans law that allows vets to be exempt from paying real property tax. Senator, Caswell also gave an update on the State of Michigan Appropriations Funds. Senator, Caswell stated that legislation is currently looking into revamping on how the state pays for and takes care of its foster children in the State of Michigan. Also, Senator, Caswell will be in Lansing working on the Mental Health commission on how we deliver Mental Health Care to the people in this state. Senator, Caswell thanked the board for allowing him to speak on the current issues in Lansing and stated that if anyone has any questions please contact his office that is what they are there for is to help.

Audit Presentation -OMC- Jason Wade was present from Osbourne, March and Condon. The opinions that were issued on the Financial Statements of the City and TIFA are unqualified opinions, which are clean opinions, and the highest opinion you can receive on a set of Financial Statements. We are additionally required to issue reports on the City and TIFA's compliance with laws and regulations and internal controls. We are reporting that we couldn't find and non-compliance, and didn't identify any weakness in the City's internal controls. OMC will report three recorded conditions that are outlined in the back of the book. Two of those conditions are the same from last year and one new condition. Mr. Wade stated that these are not a result of a bad job or anything that is an issue with the way things are ran at the city. Councilman, Siebert moved to approve the 2012-2013 audited financial statements, seconded by Councilman, Efstathiou. Motion Carried.

Request for approval on Hawkes Drive repairs - Parrish Excavation, Inc. - Manager, Terry informed the board that all the city's lift stations are mechanically operated with pumps and when they reach a certain depth and the pumps fail to operate there is a safety net which allows bypass into a pipe which is force main. The public works department has been having issues with the Hawkes Drive Lift Station. The administration is seeking to install a failsafe system which would allow that bypass to go to the force main. So that if public works for whatever reason was unable to respond the city could have a backup and the city wants to avoid that at all costs. Hawkes Drive is the last lift station before it's pumped into the pond. So the city administration is requesting councils approval to allow Parrish to construct an 10 inch bypass at the Hawkes Drive Lift Station. After some discussion amongst the board members; Councilman, Smith moved to accept the bid from Parrish Excavating in the amount of \$7,557.20 for the Hawkes Drive Lift Station in line bypass installation, seconded by Councilman, Siebert. Motion Carried.

Council Review -2014 Recreation Plan - Manager, Terry explained to the board that the city's recreation plan is up for renewal and that he and the clerk has updated the plan in more detail on things that the city administration feels would benefit the city's recreation areas if possible through grants and/or donations that are submitted and received. The board discussed the proposed plan and after discussion there were no changes to the proposed 2014 recreation plan. Councilwoman, Bills motioned to accept the 2014 Recreation Plan as presented, seconded by Councilman, Smith. Motion Carried

Title VI Plan-Authorize Mayor & City Manager signatures - Manager, Terry explained to the board the Title VI document and how and why it came to the city as a requirement from the State of Michigan MDOT. The city must have this on file in order to receive road funds and other federal grants if needed in the future. After some discussion amongst the board; Councilman, Seibert motioned to accept the Title VI and LEP plan and authorize the City Manager and Mayor to sign the plan as presented, seconded by Councilwoman, Bills. Motion Carried.

DDA Appointments Tom Sawdey & Teresa Bonifield - Mayor, Smith re-appointed Mr. Sawdey and Mrs. Bonifield to the DDA Board. Councilman, Smith moved to approve the appointments of Tom Sawdey and Teresa Bonifield to the DDA Board, seconded by Councilman, Seibert. Motion Carried.

Board of Review Re-Appointment - Patsy Jones - Mayor, Smith re-appointed Patsy Jones to the Board of Review. Councilman, Smith moved to approve the re- appointment of Patsy Jones to Board of Review, seconded by Councilwoman, Bills. Motion Carried.

Police Administration Re-Appointments - Nancey Travis, Mike Murray, & Dave Chapman -Mayor, Smith re-appointed Ms. Travis, Mr. Murray, and Mr. Chapman to the Police Administration Board. Councilman, Smith moved to approve the re-appointments of Nancy Travis, Mike Murray and Dave Chapman to the Police Administration Board, seconded by Councilman, Siebert. Motion Carried.

Bills for Approval – Councilman, Smith to approve the bills in the amount of \$168,102.90 and apply to the proper accounts, seconded by Councilman, Efstathiou. Motion Carried.

Committee Appointments - Mayor, Smith gave the board members an updated list of the new committee appointments, with a list on file at the clerks' office. Councilman, Siebert motioned to accept the committee appointments as presented, seconded by Councilwoman, Bills. Motion Carried.

Police Report - Chief, Michelin stated that two officers have been sent to training regarding "use of force". Cars are up and running and the new cameras that now have time and date on them that can be used in court if necessary. Councilman, Siebert moved to accept the police report as presented and place on file, seconded by Councilman, Smith. Motion Carried.

Public Works Report – Councilwoman, Bills moved to accept the public works report as presented and place on file, seconded by Councilman, Smith. Motion Carried.

Treasurers Update – Treasurer, Pelham stated that her job requirements has become a full time job just reporting and preparing those reports in as many as three different formats required by the State. As far as the financial statements and although the audit report was good, but Treasurer, Pelham doesn't like having any comments in the back of the audit at all. Manager, Terry and she have discussed different options. Treasurer, Pelham stated that she prepares the financial statements and then the auditors put those figures into a template to audit those figures. Because the auditors do this process Treasurer, Pelham can't say that she has prepared them 100% but it takes a week to make the changes to the numbers that the auditors put into the template because the numbers are in the wrong spot or not correct. Treasurer, Pelham stated that she and the Manager are going to explore other options and that she had put that response in the financial statements. Not that OMC don't do a good job auditing but Treasurer, Pelham would like to entertain the idea of doing the financial statements herself and getting this remark removed. The rules change every day on what has to be included and that's the reason that the auditors have to

put that comment in the book. OMC stated that she is capable and if she took a class every year that gives updates on what has to be in those financial statements and disclosures, that OMC would consider being able to remove that comment from the book. The other option would be to hire another firm to actually prepare the financial statements, but she would have to do the same as she does now with OMC and that would just generate additional costs. But in the future Treasurer, Pelham may bring things to the board for them to review regarding this issues.

Treasurer, Pelham stated that she and Manager, Terry has had a training session with new council member, Dan Efstathiou and if anyone from the board has any questions regarding the audit or budget please just ask her.

City Manager's Update – Manager, Terry thanked the staff for their work and reminded everyone of the Christmas luncheon at the city office.

Committee Reports – Councilman, Smith informed the board that at the last fireboard meeting Harold Wolfinger and Bill Nobles are looking to retire from their titled positions and are looking for replacements to mentor for those positions.

Councilman Concerns - Councilman, Siebert stated that he was informed that there is a broken post in Fireman's Park on one of the mail structures and would like the public works department to take a look at it for repairs.

Correspondence –

Adjournment – Councilman, Smith moved to adjourn at 7:40pm, seconded by Councilman, Siebert. Motion Carried.