

City of Portland

Portland, Michigan

Minutes of the City Council Meeting

Held on Monday, November 21, 2016

In Council Chambers at City Hall

Present: Mayor Barnes, Mayor Pro-Tem VanSlambrouck, Council Members Baldyga, and Johnston; City Manager Gorman; City Clerk Miller; Finance Officer/Treasurer Kinde; Police Chief Kirk

Absent: Council Member Fitzsimmons

Guests: Bill Tucker, CPA with Abraham & Gaffney; Ryan and Sarah Humphrey

The meeting was called to order at 7:00 P.M. by Mayor Barnes with the Pledge of Allegiance led by Sarah Humphrey

Motion by VanSlambrouck, supported by Baldyga, to approve the Proposed Revised Agenda as presented.

Yeas: VanSlambrouck, Baldyga, Johnston, Barnes

Nays: None

Absent: Fitzsimmons

Adopted

Motion by VanSlambrouck, supported by Johnston, to excuse the absence of Council Member Fitzsimmons.

Yeas: VanSlambrouck, Johnston, Baldyga, Barnes

Nays: None

Absent: Fitzsimmons

Adopted

Under City Manager Report, City Manager Gorman noted the legal counsel for Sparrow has completed revisions to the proposed purchase agreement. Sparrow is not reviewing the document.

The proposed redevelopment of Muffler Man at 738 E. Grand River Ave. will be considered by both the Zoning Board of Appeals and the Planning Commission at their December meetings. The site plan proposes the addition of 2 bays with a complete remodel and expanded footprint of the building. They are requesting a 10-foot variance from the side yard setback from the Zoning Board of Appeals. A Special Land Use Permit is required from the Planning Commission for the desired use in the C-2 District.

Interior construction on Old School Manor continues. There was a gas leak due to work being done at the site last week. Consumers Energy responded and the matter was resolved without incident.

City Manager Gorman praised the quick service and efforts of the Portland Police Department and the Portland Area Fire Authority.

City engineers and staff are reviewing the punch list for the Kent Street Improvement Project. The final close out on the project should happen soon.

City engineers and staff are working to complete the PASER study. The goal is to have it completed for the upcoming budget process.

Under Presentations, Bill Tucker, CPA with Abraham & Gaffney, presented the Fiscal Year 2015/2016 Audit. He thanked Finance Officer Kinde, City Manager Gorman, and City staff for their hard work and cooperation during the audit process. The audit resulted in an unmodified/clean opinion of the City's financial records which is the best opinion possible. Mr. Tucker noted the change in accounting standards by GASB that property held for resale be recorded as an asset rather than a capital asset. This change results in what looks to be an inflated fund balance.

There was discussion of the City owned property at Grand River Ave. and Cutler Rd.

Mr. Tucker noted the significant change in the net pension liability from 2015 to 2016 as a result of changes in the actuarial statements calculated by MERS. Changes were made to the investment rate of return and the mortality tables were updated and now show that individuals are living longer. The pensions for the City of Portland are 57% funded. Around the State of Michigan averages show that most pensions are 70-75% funded.

Finance Officer Kinde noted the City is taking action to increase the funding of the pension liability. New employees hired by the City are now offered a different pension plan, employees now contribute to their pensions, the City has requested MERS to use a twenty-year payment plan for the City so the actuaries each year include extra payments, and the City has made lump sum payments to the pension fund the last couple of years.

There was discussion.

Mr. Tucker reported that overall, the City of Portland is in very healthy financial condition and has a 41% fund balance. The average fund balance among municipalities is 14%.

Under New Business, the Council considered the acceptance of the Fiscal Year 2015/2016 Audit.

Motion by VanSlambrouck, supported by Baldyga, to accept the Fiscal Year 2015/2016 Audit as presented.

Yeas: VanSlambrouck, Baldyga, Johnston, Barnes

Nays: None

Absent: Fitzsimmons

Adopted

Mayor Barnes extended thanks for the auditors and Finance Officer Kinde for their hard work and professionalism.

City Manager Gorman also thanked Finance Officer Kinde and extended his appreciation for her diligence and auditing background.

The City Council considered Resolution 16-87 to amend the Budget for Fiscal Year 2016/2017.

Motion by Baldyga, supported by Johnston, to approve Resolution 16-87 to amend the Budget for Fiscal Year 2016/2017.

Yeas: Baldyga, Johnston, VanSlambrouck, Barnes

Nays: None

Absent: Fitzsimmons

Adopted

Motion by VanSlambrouck, supported by Baldyga, to approve the Consent Agenda which includes the Minutes and Synopsis from the Regular City Council Meeting held on November 7, 2016, payment of invoices in the amount of \$46,697.96 and payroll in the amount of \$152,113.96 for a total of \$198,811.92, and a request from the Nazarene Church for use of a portion of the River Trail and a pavilion as approved by the Parks and Recreation Board.

Yeas: VanSlambrouck, Baldyga, Johnston, Barnes

Nays: None

Absent: Fitzsimmons

Adopted

Under City Manager Comments, City Manager Gorman noted that Holidayfest will be held Saturday, December 10, 2016 and will include many fun and exciting events.

City Manager Gorman thanked the Electric Department for their efforts in hanging the Christmas lights.

City Manager Gorman further reminded residents that the winter parking ban is now in effect.

Under Council Comments, Mayor Pro-Tem VanSlambrouck noted that the Portland VFW will provide a free traditional Thanksgiving meal from Noon-3:00 P.M. on Thanksgiving for anyone that would like to attend.

Mayor Barnes thanked City crews for hard work on leaf pickup. This is a very valuable and unique service to the community.

Mayor Barnes also thanked City Manager Gorman for his dedication in attending this evening's meeting after having surgery today.

City Manager Gorman wished his wife a Happy 13th Wedding Anniversary.

Motion by VanSlambrouck, supported by Baldyga, to adjourn the regular meeting.

Yeas: VanSlambrouck, Baldyga, Johnston, Barnes

Nays: None

Absent: Fitzsimmons

Adopted

Meeting adjourned at 7:39 P.M.

Respectfully submitted,

James E. Barnes, Mayor

Monique I. Miller, City Clerk