FINANCE AND BUDGET COMMITTEE MEETING
WEDNESDAY, MAY 22, 2024

A Finance and Budget Committee meeting was held on Wednesday, May 22, 2024, in the City Hall Council Chambers.

Committee Members Present:	Martha Ptashnik, Committee Vice Chair Rob Donovic, Committee Member
Committee Members Absent:	Jim Jolly, Committee Chair
City Officials and Others Present:	Carrie Budzinski, Councilmember Eric Goldstein, Assistant City Attorney Debra Lichtenberg, Finance Director Connie Kumpula, Chief Accountant Stacey Reeves, Plante Moran, PLLC Stephanie Atkinson, Plante Moran, PLLC Keith Szymanski, Plante Moran, PLLC

Additional Attendees: See attached.

1. **CR 367-02** Topic of Annual Audit Reports. (City of Livonia Audit Reports for the period December 1, 2022, to November 30, 2023).

The meeting convened at 7:00 PM and was led by Committee Vice Chair, Martha Ptashnik.

Plante Moran gave an overview of their annual audit of city finances.

A few key points:

- The General Fund revenue is down 5% from the previous year, this was recognized as AARPA money that was transferred out.
- 54% of the General Fund is from property taxes
- Total pension liability is healthy, goal is 100%, 60% is considered fully funded, Livonia is at 84.64%
- 2022, Livonia switched to Medicare Advantage, resulting in a slight overfunding, as of 2023 we are now fully funded, and this has reduced the city's required contributions going forward.
- The report did include an "emphasis of matter" paragraph, that is required to be disclosed. In the report Note 18 to the financial statements, the December 1, 2022, net position of the governmental activities, business-type activities, and enterprise funds has been restated to correct a misstatement due to a change in actuaries. This issue is not expected to reoccur, and the city worked in partnership with Plante Moran to correct the report.
- The opinion from Plante Moran is that all numbers are now reliable and correct. Their opinion is not modified with respect to this matter.
- One area that the city may need to examine for budgeting is surcharges by the Court. Surcharges go to debt services of the building and are no longer sufficient to cover these costs resulting in a need to transfer money from the General Fund.

The Committee recommends:
To receive and file the 2023 audit report as submitted.

Note: This item will remain in Committee.

The meeting adjourned at 8:01 PM

This item is to be placed on the **Regular Meeting Agenda of June 3, 2024**Respectfully submitted,

Martha Ptashnik, Vice Chair

FINANCE AND BUDGET COMMITTEE MEETING
WEDNESDAY, MAY 22, 2024, 7:00PM

NAME **DEPT OR CONTACT INFO FOR NOTIFICATIONS***

*PERTAINING TO THE SUBJECT MATTER OF THIS MEETING

Steve Stavrakas