

FINANCE AND BUDGET COMMITTEE MEETING MONDAY, JUNE 9, 2025
--

A Finance and Budget Committee meeting was held on Monday, June 9, 2025, in the City Hall Council Chambers.

**Committee Members
Present:**

Martha Ptasnik, Committee Chair
Rob Gjonaj Donovic, Committee Member

**Committee Members
Absent:**

Lynda L. Scheel, Committee Vice Chair

**City Officials and
Others Present:**

Brandon McCullough, Council President
Carrie Budzinski, Councilmember
Carter Fisher, City Attorney
Debra Lichtenberg, Finance Director
Connie Kumpula, Chief Accountant
Keith Szymanski – PM
Stephanie Atkinson – PM

Residents – see sign in sheet

1. The subject matter of Annual Audit Reports for the period December 1, 2023 to November 30, 2024. (CR 367-02)

The meeting convened at 7:00pm

The Committee Chair, Martha Ptashnik, opened the meeting with an explanation of the budgeting process including the audit, the development of the annual budget, the public hearing and the Council vote to approve in the Fall. The meeting was then turned over to Plante Moran to report out on the Audit.

Keith Szymanski, Plante Moran, presented the City of Livonia Audit for the fiscal year ending November 30, 2024. The audit was clean, and Livonia is in a great financial position.

Stephanie Atkinson, Plante Moran, reported on the General Fund, up 3% from the prior year, mostly due to an increase in property tax revenue. 55% of the revenue comes from property taxes.

Expenditures were up 4.4%, \$2.5 million were public safety costs which are the biggest portion of our expenditures. In fact, 80% of all General Fund expenses are personnel.

Looking at the comparison of Fund Balance as a percentage of Expenditures, this is at \$18 million due to good financial management. We have 3 months of expenses which is considered a very healthy fund balance.

Livonia has a lower unrestricted net position due to our millage structure. The benefit of that is transparency, however it also gives us less flexibility regarding spending.

Keith Szymanski, Plante Moran, indicated that due to the strength of the financial department there were no findings or questionable costs. In the letter sent to Council, no major changes are required, nothing new to implement, and with a clean audit - no adjustments needed.

City outperformed budget by \$1.8million, our retirement is 96% funded whereas the state requires 60%. Our pension funding is also 96% funded based on the recommendations from the actuaries. Livonia is best-in-class for being so well funded.

One recommendation to look at for the next budget is costs and fees. The city has realized a \$5.7 million shortfall, and this has doubled over the past few years.

One other note: 15 years ago, we hit rock bottom during the recession when home values plummeted, and this reduced the taxable values. Last year we were finally able to regain back to that level. Excellence in fiscal conservancy during this period helped the city to not pass the burden onto the taxpayers. The reality is that either the lesser of %5 or inflation is the limit on taxable value to increase annually unless a transfer of ownership occurs, but they can drop an unlimited amount. This is from Prop A which passed in 1994.

The meeting adjourned at 7:46pm

Note: This subject matter will remain in Committee as a standing item.

The Council Recommends: To receive and file the 2024 audit as submitted.

This item is to be placed on the **Regular Meeting Agenda of June 16, 2025**

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Martha Ptashnik', written over a horizontal line.

Martha Ptashnik, Chair

FINANCE AND BUDGET COMMITTEE MEETING
MONDAY, JUNE 9, 2025 - 7:00PM

NAME

DEPT OR CONTACT INFO FOR NOTIFICATIONS*

*PERTAINING THE SUBJECT MATTER OF THIS MEETING

Dennis Mika

Jim Bragg

Pastor Tyette Klarred

Cindy Fleming

Marilyn Kataras

Jennifer O'Connor

Frances Tunis

Alex King

Robert Biga