



CITY OF GROSSE POINTE WOODS
20025 Mack Plaza Drive
Grosse Pointe Woods, Michigan 48236-2397

NOTICE OF MEETING AND AGENDA

Finance Committee Meeting
Monday, April 10, 2017
6:00 p.m.
City Hall Conference Room

1. Call to Order/Roll Call
2. Acceptance of Agenda
3. Finance Committee Minutes 04/03/17
4. Review of Proposed Budget
5. New Business/Public Comment
6. Adjournment

PUBLIC INVITED: IN ACCORDANCE WITH PUBLIC ACT 267 OF 1976 (OPEN MEETINGS ACT), ALL MEMBERS OF THE GROUP SELECTED, AS WELL AS THE GENERAL PUBLIC, ARE INVITED TO ATTEND THE FOLLOWING MEETING.

cc:
McConaghy
Novitke
Koester

File
Behrens
Smith

Hathaway

Submitted by: Todd McConaghy

Office Held: Chair

Telephone: 313 343-2440

MINUTES OF THE FINANCE COMMITTEE MEETING OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, APRIL 3, 2017, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK PLAZA, GROSSE POINTE WOODS, MICHIGAN.

The meeting was called to order at 6:03 p.m. by Chair McConaghy.

In attendance: Chairman McConaghy
Members: Koester, Novitke

Absent: None

Also present: City Administrator Smith
Treasurer/Comptroller Behrens
City Clerk Hathaway

Motion by Koester, seconded by Novitke, that all items on tonight's agenda be received and placed on file.

Motion passed by the following vote:

Yes: Koester, McConaghy, Novitke
No: None
Absent: None

Motion by Koester, seconded by Novitke, that the meeting minutes dated March 28, 2017, be approved as amended.

Motion passed by the following vote:

Yes: Koester, McConaghy, Novitke
No: None
Absent: None

The purpose of tonight's meeting was to review the **proposed budget**. The Chair stated that the need for a new roof and heating/cooling system, public safety 911 system, and tractors (leaf machine) have made an impact on municipal improvement. The Treasurer/Comptroller stated 1 mil = 659,445 taxable, SEV = 842,847,660, the total budget is \$38,591,570, and the General Fund Budget is \$13,792,264. The Treasurer/Comptroller was asked to include calculations removing transfers.

The City Administrator identified the following:

- Roof and heating/cooling - \$715,000.
- Public Safety 911 - \$122,000, with best value at \$132,000.
- Roof on the bathhouse - \$255,000.
- 911 24/17 on-call maintenance \$15,000.
- Tractors are \$175,000 each; \$350,000 total, which vendor offers an installment purchase plan and Treasurer/Comptroller is checking with Comerica.
- The boiler in the bathhouse needs replacement.

The Mayor suggested exploring bonding for City Hall and other buildings, and to spread out payments over a number of years, as opposed to taking funds out of the fund balance, which is currently at 36%. A meeting is forthcoming to discuss options with Messrs. Bendzinski, McGow, and Brickey, and a suggestion was made to look into Comerica, to explore lease versus bonding regarding vehicles

The Mayor requested the Treasurer/Comptroller to check with Mr. Bendzinski regarding his availability for next week to provide financing options and recommendations, along with information from Comerica. The Director of Public Services will be identifying needed infrastructure improvements and costs. The Treasurer/Comptroller was asked to find out how to achieve a AAA bond rating.

Discussion ensued regarding increased health care costs. The Mayor stated that switching to HSA plan was expected to save the City money. The City Administrator stated when estimated costs were received they were calculated in the spring and premiums received a year later consumed the anticipated savings, \$180,000. The Mayor stated the savings were supposed to be realized for three years. The Committee needs to meet and take a close look at the health care with Cornerstone present to discuss what the increase is and to obtain information. The Treasurer/Comptroller identified per person medical costs at \$14,225 for medical, \$2,000 for dental, \$2,000 for Health Savings Accounts; and \$19,301 is a total estimated cost.

Discussion ensued regarding Public Safety overtime whether consideration should be given to looking at staffing levels in Public Safety versus paying overtime. The Treasurer/comptroller stated the department is down one Public Safety Officer, a second is in field training, and a third on workers compensation. The Treasurer/Comptroller stated one officer costs \$110,000.00 and the City Administrator said that overtime is necessary at times.

Information Technology was briefly discussed and administration was asked whether outside quotes had been obtained, which they have not. Administration was asked to provide costs for comparison.

The Treasurer/Comptroller provided an overview of her revised memo dated April 3, 2017. She was asked to check on roll-backs. She stated that the boat dock fund is at \$245,508.

Motion by Novitke, seconded by Koester, that tonight's meeting be adjourned at 7:21 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Lisa Kay Hathaway
City Clerk