



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

NOTICE OF MEETING AND AGENDA

Finance Committee Meeting
Monday, March 30, 2015
8:00 p.m.
City Hall Conference Room

1. Call to Order/Roll Call
2. Acceptance of Agenda
3. Approval of Minutes 03/09/15
4. 2015/16 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 MEETING.

CC:
McConaghy – Chair
Novitke

Koester
Fincham
Irby

Hathaway
File
Ahee

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, MARCH 9, 2015, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK PLAZA, GROSSE POINTE WOODS, MICHIGAN.

The meeting was called to order at 7:00 p.m. by Chair McConaghy.

In attendance: Chairman McConaghy
Members: Koester, Novitke

Absent: None

Also present: City Administrator Fincham
City Treasurer/Comptroller Irby
City Clerk Hathaway

Also in attendance: Council Member Shetler
Council Member Granger (Arrived 7:50 p.m.)

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 Novitke, seconded by Koester, that the minutes of February 23, 2015, be approved as submitted.

Motion passed by the following vote:

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

Discussion ensued regarding the **2015/16 budget review**. The Treasurer/Comptroller provided an overview and reported the entire proposed budget is done, with the exception of water/sewer. The water/sewer budget will be addressed on April 27, 2015, at Committee-of-the-Whole as Finance.

She discussed the motor vehicle fund and stated the Department of Public Safety asked for three more vehicle, and the Director of Public Works requested four more

dump trucks; the cost is \$466,000.00 to be paid for by leasing over a four-year period, or \$150-160,000.00 per year.

The Mayor asked for justification for the vehicles requests. The City Administrator provided an explanation for the three Public Safety SUV's. He stated the vehicles will be replacing old Crown Victorias, parts are no longer available, and the best option is a Ford Explorer to accommodate fire equipment. The goal is to get back into a vehicle rotation cycle. The new canine was also briefly discussed. He said the 2010 Crown Victoria has a new engine and can be used for the canine unit. He has also obtained donated equipment; a cage and door pop-system. This equipment donation will change his original request for a vehicle from the K-9 Safety Partners of Grosse Pointe to a request for money (\$25,000.00) to be used for offsetting costs of the canine. He stated the working life of a canine is eight to nine years, and the dog, Xander, is five years old. If brought on board by May, Xander would have three years of working life remaining. Money received from K-9 Safety Partners of Grosse Pointe will offset membership fees for the Canine Regional Training Academy to maintain certifications costing approximately \$1,300.00, food and veterinary care, and standard (.5) overtime for the officer's care/handling of the dog at \$10,000.00 per year.

The Mayor would like the Director of Public Services to provide justification for the four DPW dump trucks. The City Administrator stated one 10-yard dump truck was purchased through Congestion Mitigation Air Quality (CMAQ) at a total cost of \$137,000.00, with a cost to the city in the amount of \$37,000.00. Two of the dump trucks are one ton and two are five ton trucks. He stated parts are no longer available and the dump box is dangerous. The Treasurer/Comptroller stated after subtracting vehicle expenses the remaining balance in the motor vehicle fund is \$700-900,000.00, which is enough for a fire truck. The City Administrator stated a ladder truck costs \$1 million, and an engine is \$750,000.00.

The Treasurer/Comptroller discussed the Workers Compensation Fund, stating this is the second year in a row funds have been transferred from reserves because it is in excess of what is necessary, however the 2015/16 budget will be the last year for this transfer.

The Municipal Improvement Fund increased because of repairs to the Activities Building Parking lot. There will be a transfer out of General Fund Parks and Recreation budget to pay for the parking lot. The parking lot at the activities building is estimated to cost \$270,000.00 maximum with 30 year life; and \$100,000.00 minimum with an eight year life. Funds have been built into the general fund and would transfer into municipal improvement. There was a consensus of the Committee to include the parking lot, pending a presentation being provided by the Director of Public Services.

There was a consensus of the Committee to build the Department of Public Safety vehicles into the budget. There was also consensus of the Committee to build the Department of Public Works vehicles into the budget pending a presentation being provided by the Director of Public Services.

The City Administrator discussed the need to begin rebuilding the Department of Public Safety staffing back up beginning with an additional officer, from 32 to 33, which used to be 38. He believes the additional officer will provide added traffic enforcement, visibility on the street, and value with more boots on the ground. They also help at fires. He also discussed the Court Officer who assists the fugitive apprehension team, which is starting up again within the next couple of weeks. There are sixty violators pending with warrants for their arrest, and he stated we have had a good return on tax garnishments going back to 1999. He is also asking for three part-time officers performing police only, assisting with traffic control at fires, and will free up public safety officers.

The budget included 2% pay increases. The Court is down \$175,000 in revenue, and Court expenses are down.

The Treasurer/Comptroller stated that for the new parking meters, there was \$173,000 in a loan from the General Fund and now \$25,000.00 is coming back into general fund toward repayment.

The Treasurer/Comptroller distributed and reviewed the General Fund Budget Summary dated March 4, 2015; Fiscal Forecast Without OPEB dated March 6, 2015; and 2015/16 Proposed Budget Summary dated March 4, 2015. She stated the Board of Review begins tomorrow and more clear taxable value numbers will become available. The Treasurer/Comptroller was asked to build in \$50,000 for OPEB.

The Mayor requested a revenue spreadsheet be provided to the Committee, and that the Treasurer/Comptroller provide a breakdown of increases in revenue and itemizing improvements (commercial and residential), including The Rivers. The Treasurer/Comptroller reported plans are being submitted for Legacy Oaks and there should be movement within a few weeks.

The Finance Committee Meeting on March 30th will review budget books, options and justification for vehicles, additional information on the Activities Building parking lot, additional information on the canine funding, and taxable value updates.

Motion by Koester, seconded by Novitke, that tonight's meeting be adjourned at 8:00 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Lisa Kay Hathaway
City Clerk