

A meeting of the Blue Ribbon Operations Committee of the Village of Grosse Pointe Shores, a Michigan City (B.R.O.C.), was held on Wednesday, August 5, 2013, @ 8:00AM in the Council Room of the Grosse Pointe Shores Municipal Building.

PRESENT:

Chairperson: Alan Broad
Secretary: John L. Booth II
Council Liaison: Dan Schulte
Members: Mary Anne LaHood
Elizabeth Eldridge
Dr. Quresh Khairullah
John Renick
Cheryl Holm

Members Absent: Connie Houin
Marlene Stahl

The Chairperson, Alan Broad, called the meeting to order at 8:10AM.

APPROVAL OF PAST MINUTES:

Approval was waived.

DISCUSSION:

Chairperson Broad stated that the purpose of this meeting was to continue the discussion of the committee effort to produce a combined draft interim report to the Village Council. He noted that new drafts of the report written by himself and a redraft of the previous report by Cheryl Holm were emailed to all committee members prior to this meeting.

After some discussion it was reaffirmed by the members in attendance at the meeting that the working master draft report will be the version authored by Chairperson Broad, which contains excerpted text from both the latest Holm draft and the earlier draft of town fiscal history authored by Secretary Booth.

There followed a very lengthy discussion of the structure and form of any finished interim committee report during which all members agreed that hallmark of such a report should be brevity and focus. It was also agreed that any committee recommendations for operational or service delivery be kept in perspective with their possible dollar contribution to budget saving the priority.

The committee agreed that the summary of the report shall include key data to support its recommendations. Chairperson Broad stated that this data would include information comparable to the four year trailing "performance dashboard" published by the City of Grosse Pointe Farms. Thereupon, Secretary Booth volunteered to meet with City Manager Wollenweber to provide this data. In addition, Secretary Booth stated that he will ask the City Manager for current dollar short fall estimates for the Shores Pension Plan funding and the funding shortfall for retiree health care net of the restricted fund balance for Village retiree healthcare.

Finally , the committee was unanimous in its opinion that while the full text of the report should provide the facts on which any committee recommendation for changing residential services or for saving operational monies in the annual general fund, that these recommendations, even aggregated still would not provide nearly as material an impact on the

Village financial health as the Village Council forcefully addressing the changes to employee legacy benefit plans recommended in the first B.R.O.C. report.

The committee in its general discussions agreed amongst its members that the real threats to fiscal sustainability for the Shores in the future were a convergence of three issues: 1) local tax millage for the Shores which is bumping up against the State of Michigan statutory ceiling of 20 mils and almost 5 mils HIGHER than G.P. Park, G P City, and G P Farms, 2) unfunded employee retiree pensions and health care coupled with a high level of outstanding municipal bonds, 3) aging municipal equipment, vehicles and infrastructure of unknown remaining useful life with no annual budget reserve for capital expenditures.

Chairperson Broad stated that prior to the next committee meeting he will work with Cheryl Holm to include in his master draft more of the text from her latest draft of the report. He asked others during the time before the next meeting to email him with their suggested text or changes for amending his master draft.

Secretary Booth promised to circulate to all committee members the information and figures obtained as a result of his forthcoming meeting with the City Manager.

OLD AND NEW BUSINESS

None

NEXT MEETING DATE & ADJOURNMENT

Chairperson Broad after a brief discussion set the date for the next meeting of the B.R.O.C. for Monday, September 16th @ 8:00AM in the Council Room of the village municipal building, unless he is notified that the Council Room is unavailable, in which case an alternative meeting place will be identified and noticed to the committee. He stated that the tentative agenda for this meeting will be to hopefully have the general text and format of the interim report more or less complete, so the committee will be able to review and discuss it in detail plus data supporting its recommendations to be included as tabbed report attachments.

Upon a motion to adjourn which was seconded, the meeting was adjourned @ 9:30AM.

Respectfully submitted,

John L. Booth II
Secretary
Blue Ribbon Operations Committee
Village of Grosse Pointe Shores