

**VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY  
MINUTES OF FINANCE COMMITTEE MEETING  
APRIL 28, 2015**

A meeting of the Finance Committee of the Village of Grosse Pointe Shores, A Michigan City was held on Tuesday, April 28, 2015 in the Council Chambers of the Grosse Pointe Shores Municipal Building. The meeting was called to order at 10:05 am, by Chairman Bisballe.

Present: Council Member Bisballe, Chair  
Council Member Robert Gesell  
Council member Kay Felt

Absent: None

Also Present: City Manager Mark Wollenweber  
Finance Officer, Rhonda Ricketts  
Public Safety Director, John Schulte  
Public Works Director, Brett Smith  
Pension Board Member, Chuck Ruifrok

All items pertinent to this meeting are either attached or placed on file.

APPROVAL OF MINUTES – APRIL 15, 2015

Motion by Council Member Gesell, seconded by Council Member Felt to approve.  
Passed 3-0.

ITEM 4 OLD BUSINESS, BUDGET DISCUSSION

The Finance Officer reviewed the handouts on the FY15-16 Proposed Budget. She went over the summary sheet of items changed since the previous draft (see attached). The Proposed Budget keeps the millage rate at 17.8794. That is the same total as in the current fiscal year. The Committee pointed out that the two factors affecting the budget are the retirement system along with the costs of retiree health care and the subsidy now required for the marina. It was noted that the outstanding marina bonds cannot be simply redone until July 2016. It was suggested that Grosse Pointe Shores consider placing on the ballot in November of 2016 a question to break out the pension and retiree health care millage as well as the refunding of the marina bonds. The proposed budget includes \$130,000 to be added to the retiree health care fund and an estimated \$100,000 increase to the required pension contribution based upon the decision to reduce the assumed rate of return for pension investments from 7.5% to 7%. It was also noted that the subsidy now needed for the marina has a \$165,000 effect on the budget. This would identify the long range obligations of the city that Council does not have normal control over. It was also the consensus of the Committee to not have a special joint meeting with Council based upon an upcoming Town Hall meeting and the required

budget public hearing to be held at the May 19, 2015 Council Meeting. The Committee also discussed the proposed increase from Detroit for water rates and it was mentioned that we do not yet have the proposed wholesale sewer rate increase from Wayne County. For the proposed budget in addition to the known DWSD wholesale rate increase it was suggested that we use a 12% for the wholesale sewer side.

Only spot concrete repairs for roads is included in the budget besides the crack sealing monies for Vernier and the length of Lake Shore Road. More repairs would be considered in the 2016-17 budget as a portion of voted debt is paid off in October 2016, perhaps in conjunction with a sewer repair program under the State SAW grant program. It was suggested that staff contact the State for possible grants for window replacement at the City Offices since the building is historic.

The Finance Officer mentioned that as part of implementing payment by credit cards that a surcharge for use would need to be put in place. It was the consensus of the Committee to set the fee high enough to just cover the basic costs.

An update as to progress on the automated water reading system was provided.

With the pending retirement of one of the Public Safety Officers the Committee wanted the Public Safety Director to proceed with filling the open position as soon as practical. The Chief mentioned that the various Police and Fire Academies usually conduct two classes per year.

Staff was asked to prepare a handout for the Town Hall meeting and for the Budget Public Hearing.

#### OTHER BUSINESS

NONE

#### PUBLIC COMMENTS

None

#### NEXT MEETING

It was decided that the next Finance Committee meeting would be held Tuesday, June 9, at 10:00am.

Meeting was adjourned at 11:04 am.

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Mark Wollenweber  
City Manager