

**VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY
MINUTES OF FINANCE COMMITTEE MEETING
NOVEMBER 12, 2015**

A meeting of the Finance Committee of the Village of Grosse Pointe Shores, A Michigan City was held on Thursday, November 12, 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
Council Member Robert Barrette
Council Member Elect Doug Kucyk
DPW Director Brett Smith

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

APPROVAL OF MINUTES – OCTOBER 13, 2015

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

ITEM 4 OLD BUSINESS

None

ITEM 5 NEW BUSINESS

The Chair requested that since the Parks and Harbor Chair, Council Member Barrette was present that his concerns for next year's budget be moved up on the agenda. He discussed three items. The wrought iron fence especially at the north end needs significant repair and each section costs \$2100 each. He also mentioned that we have a meeting coming up with representatives of Albert Kahn who did the Park Master Plan and that we should probably wait for other park improvements until we get a price on updating the Parks Master Plan. The second item mentioned was the bad condition of the parking lot both at the park and at the DPW building. It was pointed out that repaving the parking lot would also need to include replacement of all of the parking blocks. He mentioned that the final item needing replacement are the 4 tennis courts at an approximate cost of \$200,000.

Finance Committee Chair Bisballe mentioned that the 2003 bond is to be paid off next October with the final payment of \$235,000. While it is up to the Council, it may be possible to allocate portions of those monies to a large one time only project like the tennis courts or roof repairs. While there was some discussion about moving the tennis courts, that did not seem likely along with plans for the grass area by the offices for overflow parking. Staff was asked to obtain prices for the fence repairs of the north 3 or 4 sections. It was also indicated that moving the dog park was unlikely and staff was already obtaining pricing for a gated/key fob system where users would purchase a key fob after they have obtained their dog license with all the proper documentation.

Rhonda went over the resolution for the PA 152 medical benefits and that the appropriate resolution would be on the upcoming Council Agenda to keep the program as an 80/20 contribution program. She also went over the reports from our health care consultant, Cornerstone, about options for changes in the dental and optical insurances. These were shown as an example of the quotes taken by Cornerstone as our consultant along with the other Grosse Pointe cities. No changes were being projected by staff at this time.

Rhonda then went over a new policy that the auditors recommended for Credit and Debit Card users that she recommended that the Finance Committee approve and recommend to Council. Motion by Council Member Felt, seconded by Council Member Gesell to recommend that Council approve the policy as submitted by staff. Passed 3-0.

The next item discussed by the Committee was the Honeywell Energy cost avoidance report. It was indicated that our savings for the year was way above the Honeywell guarantee. It was also pointed out that the City received a special award for its reduction in energy usage that will be acknowledged at the next Council Meeting.

The Committee then discussed the draft of the annual audit. The auditors mentioned in their write up 3 credit card receipts that needed additional documentation. It was suggested that maybe a short form be developed to attach to the receipts as they are submitted. Committee Chair Bisballe pointed out that the proper controls are in place but that needs exceed the dollars available and it is the role of the Finance Committee to help prioritize the needs and match to the dollars available. Rhonda discussed a few changes to specific sections of the auditors letter that more accurately describe current fiscal conditions. She also pointed out their request to set up the Drug Law Enforcement Fund as a separate fund with its own projected revenue and expenses and that this will be done as part of the mid-year budget amendments in January.

OTHER BUSINESS

The manager mentioned that as part of the refunding of the Marina Bonds that a trip to Chicago to meet with the S&P rating agency is likely for early December and that staff is

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hopeful, that it will result in an upgrade to our bond rating from AA+ to AAA.

The Manager also discussed with the Finance Committee the need to correct a previous reduction in the pension factor for the three employees who retired and came back to work for GP Shores and for the three remaining non union administrative employees who are in the defined benefit pension system. In the past, they were given the same retirement system factor as the Command Officers but the pension factor for those employees was lowered back in mid 2010 and never lowered for the other union groups through the union negotiations. It is estimated to be an annual cost increase of about \$4100. It was the unanimous consensus of the Finance Committee to correct this and the manager indicated this would be placed for Council action on the December 15, 2015 meeting agenda with the positive recommendation of the Finance Committee.

PUBLIC COMMENTS

None

NEXT MEETING

No meeting was set but likely would take place in January in advance of the Council Meeting to go over the mid-year budget amendments and capital projects for the next fiscal year.

Meeting was adjourned at 11:45 am.

Mark Wollenweber
City Manager