



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

(313) 343-2440  
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**NOTICE OF MEETING  
AND  
AGENDA**

**COMMITTEE-OF-THE-WHOLE**

Mayor Robert E. Novitke has called a meeting of the City Council, meeting as a Committee-of-the-Whole, sitting as a finance committee, for **Monday, May 1, 2017, at 6:00 p.m.** The meeting will be held in the Conference Room of the Municipal Building, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 and is accessible through the Municipal Court doors. In accordance with Public Act 267, the meeting is open to the public and the agenda items are as follows:

1. Call to Order
2. Roll Call
3. Acceptance of Agenda
4. Water Rates
  - A. Table 2a: Rate Calculations FY 2017/18
  - B. Option 1: Only Raise Commodity (Existing and Proposed Water & Sewer Rate Comparison FY 2017/18)
  - C. Table 9: (Utility Rate Projections FY 2017/18)
  - D. Table 4c: Meter Ratio Transition to Ultimate Factors FY 2017/18
  - E. Table 10 Water/Sewer Meter Charges FY 2017/18
5. Payroll Tax Withholding Update
6. Review FY 2017/18 Budget Book
7. New Business/Public Comment
8. Adjournment

**Bruce Smith**  
**City Administrator**

**IN ACCORDANCE WITH PUBLIC ACT 267 (OPEN MEETINGS ACT)**  
**POSTED AND COPIES GIVEN TO NEWSPAPERS**

The City of Grosse Pointe Woods will provide necessary, reasonable auxiliary aids and services, such as signers for the hearing impaired, or audio tapes of printed materials being considered at the meeting to individuals with disabilities. All such requests must be made at least five days prior to a meeting. Individuals with disabilities requiring auxiliary aids or services should contact the City of Grosse Pointe Woods by writing or call the City Clerk's office, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 (313) 343-2440, Telecommunications Device for the Deaf (TDD) 313 343-9249, or e-mail the City Clerk at [cityclk@gpwwmi.us](mailto:cityclk@gpwwmi.us).

cc:  
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**TABLE 2a**  
**CITY OF GROSSE POINTE WOODS**  
**RATE CALCULATIONS**  
**FY 2017-18**

	Typical Res. Increase %	Meter Charge		Billing Charge		CIP Charge		Commodity Charge		% Fixed GPW		% Fixed GLWA	
		Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer
Existing Fixed Fees	0.0%	\$ 14.53	\$ 31.14	\$ 1.04	\$ 1.04	\$ 10.89	\$ 10.89	\$ 3.45	\$ 2.23	34.8%	58.3%	60%	100%
Option 1: Only Raise Commodity	4.0%	\$ 14.53	\$ 31.14	\$ 1.04	\$ 1.04	\$ 10.89	\$ 10.89	\$ 3.57	\$ 2.60	36.7%	57.8%	60%	100%
Option 2: Only Raise Fixed	4.4%	\$ 15.74	\$ 33.72	\$ 1.12	\$ 1.12	\$ 11.77	\$ 11.77	\$ 3.45	\$ 2.23	39.3%	63.3%	60%	100%
Option 3: Raise Commodity and Fixed	4.2%	\$ 15.11	\$ 32.39	\$ 1.08	\$ 1.08	\$ 11.33	\$ 11.33	\$ 3.48	\$ 2.45	38.2%	60.2%	60%	100%

Option 1: Only Raise Commodity is Recommended Option

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 CITY OF GROSSE PTE WOODS

Option 1: Only Raise Commodity			
<b>TABLE 1</b> <b>CITY OF GROSSE POINTE WOODS</b> <b>EXISTING AND PROPOSED WATER &amp; SEWER RATE COMPARISON</b> <b>FY 2017-18</b>			
<b>RATE CATEGORY</b>	<b>EXISTING RATE</b>	<b>PROPOSED RATE</b>	<b>PERCENT CHANGE</b>
<b>Meter Charge (2 Months) -Per Equivalent Meter Table 3</b>			
<b>Total Meter Charge</b>	<b>\$45.67</b>	<b>\$45.67</b>	<b>0.0%</b>
<b>Billing Charge (2 Months) -Per Account</b>			
<b>Total Billing Charge</b>	<b>\$2.08</b>	<b>\$2.08</b>	<b>0.0%</b>
<b>Capital Improvement Charge (2 Months) - Per Equiv Meter Table 2</b>			
<b>Water</b>			
<b>Total CIP Charge</b>	<b>\$21.78</b>	<b>\$21.78</b>	<b>0.0%</b>
<b>Commodity Charge - Water (Per CCF)</b>			
<b>Total Commodity Water</b>	<b>\$3.45</b>	<b>\$3.57</b>	<b>3.5%</b>
<b>Commodity Charge - Sewer (Per CCF)</b>			
<b>Total Commodity Sewer</b>	<b>\$2.23</b>	<b>\$2.60</b>	<b>16.6%</b>
<b>Total Costs With 10.4 CCF Use (2 Months)</b>	<b>\$128.46</b>	<b>\$133.55</b>	<b>4.0%</b>
<b>Industrial Waste Control Charges</b>	<b>Per GLWA Adopted Rates</b>		



**Option 1: Only Raise Commodity**

**TABLE 9**  
**CITY OF GROSSE POINTE WOODS**  
**UTILITY RATE PROJECTIONS**  
**FY 2017-18**

	Proposed Rates		Projected Rates											
	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24	
FEE NAME	WATER	SEWER	WATER	SEWER	WATER	SEWER	WATER	SEWER	WATER	SEWER	WATER	SEWER	WATER	SEWER
Meter Charge (2 Month) - Per Equivalent Meter Table 3														
Total Calculated Fee	\$17.56	\$45.72	\$18.26	\$47.55	\$18.99	\$49.45	\$19.75	\$51.43	\$20.54	\$53.49	\$21.36	\$55.63	\$22.21	\$57.85
Miscellaneous Adjustment	-\$3.03	-\$14.58	-\$2.42	-\$13.61	-\$1.72	-\$12.45	-\$0.93	-\$11.10	-\$0.03	-\$9.53	\$0.00	-\$7.71	\$0.00	-\$5.63
Meter Charge Recommend Fee	\$14.53	\$31.14	\$15.84	\$33.94	\$17.26	\$37.00	\$18.82	\$40.33	\$20.51	\$43.96	\$21.36	\$47.91	\$22.21	\$52.22
Billing Charge (2 Month) - Per Account Meter														
Total Calculated Value	\$1.13	\$1.13	\$1.18	\$1.18	\$1.23	\$1.23	\$1.27	\$1.27	\$1.33	\$1.33	\$1.38	\$1.38	\$1.43	\$1.43
Miscellaneous Adjustment	-\$0.09	-\$0.09	-\$0.04	-\$0.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Billing Charge Recommended Fee	\$1.04	\$1.04	\$1.13	\$1.13	\$1.23	\$1.23	\$1.27	\$1.27	\$1.33	\$1.33	\$1.38	\$1.38	\$1.43	\$1.43
Capital Improvements Charge (2 Mo.) - Per Equivalent Meter Table 2														
Cash Financed Capital Improvements	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73	\$7.73
Debt Service	\$15.32	\$4.30	\$15.21	\$3.90	\$15.26	\$3.92	\$15.25	\$3.94	\$15.33	\$3.96	\$15.49	\$3.97	\$7.26	\$3.89
Total Calculated Fee	\$23.05	\$12.03	\$23.05	\$12.03	\$23.05	\$12.03	\$23.05	\$12.03	\$23.05	\$12.03	\$23.05	\$12.03	\$23.05	\$12.03
Miscellaneous Adjustment	-\$12.16	-\$1.14	-\$11.18	-\$0.16	-\$10.11	\$0.91	-\$8.95	\$2.07	-\$7.68	\$3.34	-\$6.29	\$4.72	-\$4.79	\$6.23
CIP Charge Recommended Fee	\$10.89	\$10.89	\$11.87	\$11.87	\$12.94	\$12.94	\$14.10	\$14.10	\$15.37	\$15.37	\$16.76	\$16.76	\$18.26	\$18.26
Commodity Charge Per CCF														
Calculated Fee per CCF	\$3.57	\$2.60	\$3.49	\$2.46	\$3.41	\$2.30	\$3.31	\$2.12	\$3.20	\$1.91	\$3.16	\$1.67	\$2.98	\$1.41
Recommended Commodity Fee	\$3.57	\$2.60	\$3.49	\$2.46	\$3.41	\$2.30	\$3.31	\$2.12	\$3.20	\$1.91	\$3.16	\$1.67	\$2.98	\$1.41
	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24	
Typ. Res. Payment (Using 10.4 CCF/2 Months)	\$133.55		\$137.54		\$141.81		\$146.24		\$150.90		\$155.72		\$159.36	
Typ. Increase on 2 Mo. Payment	4.0%		3.0%		3.1%		3.1%		3.2%		3.2%		2.3%	
Expenditures	\$9,087,840		\$9,294,544		\$9,515,637		\$9,744,293		\$9,983,474		\$10,232,740		\$10,403,196	
Revenues	\$9,087,563		\$9,294,544		\$9,515,637		\$9,744,293		\$9,983,474		\$10,232,740		\$10,403,196	
Revenue/Deficit	-\$277		\$0		\$0		\$0		\$0		\$0		\$0	
Estimated Utilities Fund Balance - Previous Year End	\$7,000,000		\$6,999,723		\$6,999,723		\$6,999,723		\$6,999,723		\$6,999,723		\$6,999,723	
Estimated Utilities Fund Balance - Current Year End	\$6,999,723		\$6,999,723		\$6,999,723		\$6,999,723		\$6,999,723		\$6,999,723		\$6,999,723	
Water and Sewer Rates Revenue % Fixed	47.7%		50.7%		53.9%		57.3%		60.8%		63.8%		67.7%	
Percentage of Total Expense Budget	77%		75%		74%		72%		70%		68%		67%	

GPW Commodity Projected Rate Increase	6.0%
GPW Projected Fixed Increase	9.0%
GPW O/M Projected Rate Increase	4.0%
GLWA Projected Fixed Increase	4.0%
NESDS Projected Fixed Increase	4.0%

FY 2017-18 Available Capital for Repairs and Improvements			
	Capital Improvements	Depreciation	Total
Water System	\$400,000	\$493,725	\$893,725
Sanitary System	\$400,000	\$393,975	\$793,975

<b>Utilities Fund Ending Working Capital</b>	
FY 2015 Ending Working Capital - June 30, 2014	\$5,344,217
FY 2016 Ending Working Capital - June 30, 2015	\$6,479,741
FY 2017 Ending Working Capital - June 30, 2016	\$7,000,000
FY 2018 Ending Working Capital - June 30, 2017	\$6,999,723 Estimate

<b>Table 4c</b> <b>CITY OF GROSSE POINTE WOODS</b> <b>Meter Ratio Transition to Ultimate Factors</b> <b>FY 2017-18</b>				
	Table 1	Table 2	Table 3	Table 4
Meter Size	FY16	FY17	FY18	FY19
5/8	1.0	1.0	1.0	1.0
3/4	1.0	1.0	1.0	1.0
1.0	1.4	1.8	2.2	2.5
1.5	1.8	2.9	4.0	5.0
2.0	2.9	4.6	6.3	8.0
3.0	11.0	12.7	14.4	16.0
4.0	14.0	17.7	21.4	25.0
6.0	21.0	30.7	40.4	50.0
8.0	29.0	46.0	63.0	80.0
10.0	58.3	77.2	96.1	115.0
Total Equivalent Meters	7,841	8,624	9,704	10,409

FY18 Rates are Proposed to Change Meter Charge from Table 2 to Table 3

FY18 Rates are Proposed to Change Capital Impr. Charge Frm Table 1 to Table 2

FY17 Rates Changed Meter Charege from Table 1 to Table 2



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Option 1: Only Raise Commodity							
<b>TABLE 10</b> <b>CITY OF GROSSE POINTE WOODS</b> <b>WATER / SEWER METER CHARGES</b> <b>FY 2017-18</b>							
Meter Charge - Per Equivalent Meter							
Meter Size (Inch)	Existing			Proposed			% Change
	GPW Equiv. Meter Ratio Table 2	Per 2 Months	Per Year	GPW Equiv. Meter RatioTable 3	Per 2 Months	Per Year	
5/8	1.0	\$45.67	\$274.02	1.0	\$45.67	\$274.02	0.0%
3/4	1.0	\$45.67	\$274.02	1.0	\$45.67	\$274.02	0.0%
1	1.8	\$82.21	\$493.24	2.2	\$100.47	\$602.84	22.2%
1.5	2.9	\$132.44	\$794.66	4.0	\$182.68	\$1,096.08	37.9%
2	4.6	\$210.08	\$1,260.49	6.3	\$287.72	\$1,726.33	37.0%
3	12.7	\$580.01	\$3,480.05	14.4	\$657.65	\$3,945.89	13.4%
4	17.7	\$808.36	\$4,850.15	21.4	\$977.34	\$5,864.03	20.9%
6	30.7	\$1,402.07	\$8,412.41	40.4	\$1,845.07	\$11,070.41	31.6%
Billing Charge (2 Month) - Per Account Meter							
All		\$2.08	\$24.96		\$2.08	\$24.96	0.0%
Capital Improvements Charge (2 Mo.)							
Meter Size (Inch)	GPW Equiv. Meter Ratio Table 1	Per 2 Months	Per Year	GPW Equiv. Meter RatioTable 3	Per 2 Months	Per Year	%Change
5/8	1.0	\$21.78	\$130.68	1.0	\$21.78	\$130.68	0.0%
3/4	1.0	\$21.78	\$130.68	1.0	\$21.78	\$130.68	0.0%
1	1.4	\$30.49	\$182.95	1.8	\$39.20	\$235.22	28.6%
1.5	1.8	\$39.20	\$235.22	2.9	\$63.16	\$378.97	61.1%
2	2.9	\$63.16	\$378.97	4.6	\$100.19	\$601.13	58.6%
3	11.0	\$239.58	\$1,437.48	12.7	\$276.61	\$1,659.64	15.5%
4	14.0	\$304.92	\$1,829.52	17.7	\$385.51	\$2,313.04	26.4%
6	21.0	\$457.38	\$2,744.28	30.7	\$668.65	\$4,011.88	46.2%
Charged per 2 Months		\$69.53	\$429.66		\$69.53	\$429.66	0.0%