

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, MARCH 23, 2015, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK AVENUE, GROSSE POINTE WOODS, MICHIGAN.

PRESENT: Mayor Novitke
Council Members Bryant, Granger, Ketels, Koester, McConaghy, Shetler

ABSENT: None

ALSO PRESENT: City Administrator Fincham
Treasurer/Comptroller Irby
City Attorney Chip Berschback
City Clerk Hathaway

Also in attendance were Mike VanOverbeke, VanOverbeke Michaud & Timmony PC, and Mark Hurst, Plante Moran.

Mayor Novitke called the meeting to order at 7:35 p.m.

Motion by Granger, seconded by Koester, that all items on tonight's agenda be received, placed on file, taken in order of appearance.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, McConaghy, Novitke, Shetler

No: None

Absent: None

The first item on the agenda was concerning **retirement plans – defined benefit versus defined contribution**. Mike VanOverbeke and Mark Hurst were in attendance at tonight's meeting to provide overviews regarding plans and identifying the differences.

The Chair explained this discussion is a follow-up to a Pension Board meeting. If there is a decision to move to a defined contribution plan, there would be a cost of \$8-10,000 for the actuary to do the study, but before deciding on having a study done, more information is needed.

Mark Hurst stated that weighing the pros and cons of the two plans is important. There are various reasons to go to either of the plans. Mr. Hurst is in favor of a defined contribution plan. Mr. VanOverbeke is in favor of a defined benefit, or modified benefit, plan. Mr. VanOverbeke distributed and provided an overview of a handout entitled, *In Support of Defined Benefit Plans – Great Value for the Dollar* and made reference to the City's *Actuarial Valuation as of June 30, 2014*.

Mr. Hurst then provided an overview recommending the defined contribution plan.

The Chair declared a recess at 8:55 p.m., and reconvened at 9:00 p.m.

The Treasurer/Comptroller commented, and suggested consideration of a hybrid plan with employee contribution, but that going to a defined contribution plan may not be the plan we want.

The Mayor stated he does not see the City moving away from the defined benefit plan for current, vested employees, and stated a concern over whether a defined contribution plan would retain good employees. He suggested pooling resources into something that would work. He asked administration to come back with parameters to discuss both plans or a hybrid to determine whether to do an actuarial study, which costs \$8-10,000, and to determine the impact of implementing a defined contribution plan and the impact upon the defined benefit plan.

There was a consensus of the Committee to look at it further, and that administration bring back options, look at potential changes to shift the risk a little bit from the employer to the employee; and, look at the defined benefit plan with different form and features to lessen the risk. Mr. VanOverbeke quoted the additional work taking approximately 10-15 hours. This item is to remain on the Committee-of-the-Whole and return in about six weeks, in the later part of May.

Mr. Hurst recommended that if the City is looking at a hybrid plan, be sure to look at market returns and discuss with the unions.

Discussion then ensued regarding **K-9 Division**. The City Administrator provided an overview of his memo dated March 16, 2015, and the Director of Public Safety's memo dated March 17, 2015. He stated the K-9 Safety Board agreed to donate \$25,000 to launch this program, anticipating a 3-4 year working life of Xander. He stated he still needs to work with the City Attorney to develop an Agreement for mutual aid establishing a 20% finder's fee on forfeitable items. The City will need to invest an additional \$24,000 over the next three years.

Motion by Shetler, seconded by Bryant, regarding K-9 Division, that the Committee-of-the-Whole recommend that the City Council incorporate a K-9 program as outlined by the City Administrator in his memo dated March 16, 2015.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, McConaghy, Novitke, Shetler

No: None

Absent: None

Motion by Granger, seconded by Shetler, that K-9 Division be removed from the Committee-of-the-Whole.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, McConaghy, Novitke, Shetler

No: None

Absent: None

The next item discussed was **Public Relations: Road Improvement**. Member Granger distributed draft GPW Road Construction public relations piece. Discussion ensued and comments were provided.

Motion by McConaghy, seconded by Shetler, that Public Relations: Road Improvement be removed from the Committee-of-the-Whole.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, McConaghy, Novitke, Shetler
No: None
Absent: None

The next item was concerning **GPbenches**. The Grosse Pointe Chamber requested the City sponsor a butterfly or a caterpillar in the GPBenches – Seat Yourself in Grosse Pointe! fund raising event, with proceeds benefitting the Grosse Pointe Chamber Foundation. Following discussion, there was a majority consensus not to sponsor a bench.

Motion by Granger, seconded by Shetler, that GPbenches be removed from the Committee-of-the-Whole.

Motion carried by the following vote:

Yes: Bryant, Granger, Ketels, Koester, McConaghy, Novitke, Shetler
No: None
Absent: None

Under New Business/Public Comment, the following individual was heard regarding family gatherings, things for families, and concern over the condition of Lake Front Park:

Mary Klobuchar
1675 Faircourt

Motion by Bryant, seconded by Granger, that the meeting of the Committee-of-the-Whole be adjourned at 10:33 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Lisa Kay Hathaway
City Clerk