



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

(313) 343-2440
Fax (313) 343-2785

**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, for **Monday, February 18, 2013, at 7:30 p.m.** The meeting will be held in the Conference Room of the Municipal Building, 20025 Mack Plaza, 20025 Mack, 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. Budget Considerations
 - A. Finance Committee Excerpt 01/14/13, w/recommendations
 1. W.A.N.
 2. Landscape Mulch
 3. Park considerations
 - B. Committee-of-the-Whole Excerpt 12/10/12
 - C. Parks & Recreation/DPW Expense/Revenue Sheet 02/05/13 and Potential Expense Reductions for FY 2012/13
5. Financial Suggestion
6. New Business/Public Comment
7. Adjournment

Alfred Fincham
City Administrator

IN ACCORDANCE WITH PUBLIC ACT 267 (OPEN MEETINGS ACT)
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The Committee commenced discussing **fiscal forecasting**. The Mayor stated the budget is in better fiscal condition than when adopted due to \$326,000 being added to the fund balance, and the SEV projected to increase by 2-2.3% per taxable value, or \$150,000. Therefore, the fiscal year is ending up better than originally budgeted. With respect to potential expense reductions for 2012/13 FY budget, the Mayor was in favor of removing the municipal W.A.N. (\$35,000) and possibly shred service (\$1,100) from the budget, and leaving the rest of the line items as budgeted for the FY 12/13 and address additional reductions while preparing the 2013/14 budget, except for some items to be addressed at the Committee-of-the-Whole.

The Committee commenced discussing reduction items. Member Koester suggested preparing a strategy moving forward, reduce aesthetic improvements, eliminate W.A.N., and consider charging an additional fee for park passes (per person/per family.) Chair McConaghy stated he was not in favor of closing amenities (slides) at the park but rather significant cuts would require us to look at personnel, and he inquired regarding the total cost of curbside leaf pickup including equipment costs. He was in favor of eliminating W.A.N. expense from the FY 2012/13 budget and recommended referring this item to the Committee-of-the-Whole for review and discussion.

Discussion ensued regarding mulching of the City's landscape beds. The Director of Public Services stated that although weeds are likely to grow causing additional man hours to maintain the landscape beds, mulch could be eliminated for this year but will need to be done next year.

Motion by Novitke, seconded by Koester, regarding 2012/13 budgeted expense reductions, that the Finance Committee recommend to the Committee-of-the-Whole for consideration eliminating the W.A.N. from the 2012/13 budget (\$35,000.)

Motion passed by the following vote:

Yes: Koester, McConaghy, Novitke
No: None
Absent: None

Motion by Novitke, seconded by Koester, regarding 2012/13 budgeted expense reductions, that the Finance Committee recommend to the Committee-of-the-Whole for consideration eliminating mulching of the City landscape beds in 2013 (\$16,000.)

Motion passed by the following vote:

Yes: Koester, McConaghy, Novitke
No: None
Absent: None

There was a consensus of the Committee to refer the remainder of this item to the Committee-of-the-Whole.

Motion by Koester, seconded by Novitke, regarding 2012/13 budgeted expense reductions, that the Finance Committee refer the remainder of the items including prior park suggestions to the Committee-of-the-Whole.

Motion passed by the following vote:

Yes: Koester, McConaghy, Novitke

No: None

Absent: None

Motion by Novitke, seconded by Koester, that all prior motions be immediately certified.

Motion passed by the following vote:

Yes: Koester, McConaghy, Novitke

No: None

Absent: None

The next item discussed was regarding **budget review/fiscal projections**. The City Administrator provided an overview.

The Treasurer/Comptroller provided information regarding budget shortfalls and causes. She stated \$650,000 is needed, in addition to \$50,000 for a restricted fund, totaling approximately \$700,000. Causes include \$45-225,000 in revenue loss due to elimination of personal property tax, and there will be a revenue drop in permit fees for the Rivers project. She reported some items not included in previous fiscal forecasting, which include the upcoming bid for the City's rubbish contract; Pension Board Actuarial fees increasing \$150,000 next year; WCA Assessing contracts \$80,000; and \$50,000 is needed for major roads. Inflationary costs have also not been factored into projections.

The City Administrator discussed the following cost cutting items:

Lake Front Park:

- Heating system for platform tennis is in need of replacement at a cost of \$10,000 – do not replace.
- One of two baby pools has a leak requiring a liner replacement at a cost of \$18,000 to repair – do not fix.

The Recreation Supervisor then reviewed cost cutting items for the Committee's consideration:

- Eliminating the buses would reduce wages by \$11,600;
- Buses need new oil pans and one air conditioning unit requires repair at a cost of approximately \$3,500 each, or \$7,000;
- Eliminating the bridge attendant would reduce wages by \$6,381, but would result in the bridge remaining open. (There was a suggestion to staff the bridge on weekends only);
- Change winter hours at the park: M-F 2-9 p.m.; Sat/Sun 12-9 p.m., saving \$10,800 on gate attendant wages;
- Close the park at 10 p.m. in the summer saving \$4,166;
- Close waterslide for entire summer saving \$17,210. There was a suggestion to reduce the hours of operation to only Saturday and Sunday;
- Limit diving well hours to 5 hours, 1-6 p.m. saving \$3,540;
- Close baby pool #1 due to a necessary replacement of the pool liner at a cost of \$17,900; and will attain additional cost saving for wages. Administration was requested to provide demographics;
- Eliminate early morning lap swim saving \$6,500;
- Change pool opening hours from 10 a.m. to 12 p.m. on Friday saving \$2,898; open at 12 p.m. Saturday saving \$2,184; open at 12 p.m. Sunday saving \$2,184; August 19-30 after conclusion of swim lessons open at 12 p.m. Monday-Thursday saving \$1,932;
- Change winter activities building hours to be the same as the park hours saving \$9,819;
- Change summer activities building hours to 12 p.m. to 9 p.m. saving \$7,634;
- Eliminate Community Center building attendant for after-hours city meetings saving \$980;
- Charge \$1 for guests at the park, increasing revenue by \$25,000;

- Charge \$4 for morning swim, if 30 people per day then \$7,900 in new revenue;
- Increase swim programs average fee to \$5.39 per lesson, currently \$4.33, producing approximately \$13,967 in increased revenue;
- Charge \$25 for winter kayak storage, \$800 in revenue;
- Rent the gym/racquetball at \$10 p/hour from 5-9 p.m. for \$21,600 in revenue;
- Charge \$10 for special visitor passes for \$2,100 in revenue;
- Charge \$10 for each park pass for \$174,730 in revenue. There was discussion regarding a lesser amount or a per-family fee.

Approximate Proposed Cost Cutting Totals:

\$128,000 Cost savings

\$243,800 additional revenue

The Treasurer/Comptroller stated total park operations cost approximately \$1 million.

Discussion ensued regarding establishing a price per individual pass or family pass with approximately 17,560 park passes issued last year.

The Mayor suggested looking at the concept of city events/functions being supported by charging a small fee (Hob Nobbin, Egg Hunt.)

The Director of Public Services discussed items for consideration for cost reductions as follows:

- Eliminate fall tree planting \$10,000, at least temporarily;
- Eliminate mulch services for Mack Avenue planting beds at a cost of \$14-15,000;
- Eliminate holiday lights and garland on light poles \$2,000;
- Eliminate Hazardous Waste Day Shred Service at \$2,200, twice per year;
- Eliminate curbside leaf pick up saving \$112,000, not including the vac-all;
- Cut back on street sweeping to every other week saving \$4,000;
- Eliminate sidewalk snow removal saving \$10-12,000.

There was a consensus of the Committee-of-the-Whole to send these items to the Finance Committee for further review.

The Building Official suggested reviewing building and tap fees with the Director of Public Services.

Discussion ensued regarding the City calendar, and there was a consensus of the Committee-of-the-Whole to:

- Include, "See the City *Update and* website for changes in pool, park and Activity Building hours and sign-up for email notices";
- Identify unpaid furlough days
- Include a disclaimer stating, "Events are subject to change."

Hearing no objections, under New Business/Public Comment:

- The City Administrator briefly discussed, and advised the Committee, that there has been a vacancy in the Community Center Senior Coordinator position caused by filling

the vacancy in the Building Department. There was a consensus of the Committee that the Administrator has the authority to fill the vacant position based on discussions held at the previous October 29, 2012, Committee-of-the-Whole meeting.

Parks and Recreation

2/5/2013

Cost cutting ideas	Previous expense	New expense	Amount saved
Lake Front Park			
Eliminate park bus	\$11,600.00	\$0.00	\$11,600.00
Diving well			
Limit diving well hours 1 pm- 6 pm	\$15,931.89	\$12,391.47	\$3,540.42
Eliminate bridge attendant	\$6,381.76		\$6,381.76
Change LFP hours:			
Winter Park hours			
M- F: 2pm-9 pm			
Sat. & Sun 12 pm- 9 pm	\$27,391.00	\$16,582.95	\$10,808.05
Summer			
Close LFP at 10 pm	\$36,636.00	\$32,469.95	\$4,166.05
Pool (Limited hours)			
Waterslide close for summer	\$17,210.00	\$0.00	\$17,210.00
open on the weekends only	\$17,210.00	\$4,917.00	\$12,293.00
Community Center			
Baby Pool (open only BP2 for season)			
Liner for BP1 (new expense)	\$17,900		\$17,900.00
Staffing	\$19,424.50	\$12,950.00	\$6,474.50
POOL (Laps and main pool) June 14- Sept. 2			
Eliminate morning swim	\$6,560.00		\$6,560.00
Open at 12 pm Fridays	\$24,150.00	\$21,252.00	\$2,898.00
Open at 12 pm Saturdays	\$18,396.00	\$16,212.00	\$2,184.00
Open at 12 pm Sundays	\$18,396.00	\$16,212.00	\$2,184.00
Aug. 19-Aug. 30 open at 12 pm M-Th	\$16,100.00	\$14,168.00	\$1,932.00
Activites Building			
Change hours of AB			
Winter AB hours			
M- F: 2pm-9 pm			
Sat. & Sun 12 pm- 9 pm	\$22,932.00	\$13,112.10	\$9,819.90
Summer AB Hours (12 pm-9 pm)	\$22,932.00	\$15,297.45	\$7,634.55
Community Center			
*Eliminate building attendant for after hour city meetings (Appox. 49 meetings 2011)	\$980.00		\$980.00

Cost revenue	Previous expense	New Revenue	Net Revenue
Lake Front Park			
Charge for guests at park (25,037 guests as of 12/5/12)	\$0.00	\$25,000.00	\$25,000.00
Charge \$10 for Special visitors pass		\$2,140.00	\$2,140.00
Charge \$10 for each park pass		\$174,730.00	\$174,730.00
POOL (Laps and main pool) June 14- Sept. 2			
Charge \$4 per morning swim	\$6,560.00	\$7,920	\$1,360.00
Increase fees/falicity programs			
Increase swim program fees		\$13,967.00	\$13,967.00
Winter kayak storage \$25 per boat rack		\$800.00	\$800.00
Activites Building			
Charge \$10 per hour for gym/racquetball (revenue if gym/racquetball rented 5- 9 pm daily)		\$21,600.00	\$21,600.00
Community Center			
Charge \$1 per person for Monday Cards (43 days, 40 per day)		\$1,720.00	\$1,720.00
Charge senior club for use of rooms \$10 per meeting (20 meetings a year)		\$200.00	\$200.00
Special Events			
Proposed fee increase (see attached sheet for Details)	\$25,245.80	\$27,588.00	\$2,342.20

Special Event Breakdown

		Number of participants	Previous fee	Previous Event Revenue	Proposed fee increase	Forecasted Event Revenue	Total Expenses (Supplies + Wages)	Forecasted Net Event Cost (Expenses - Revenue)
Winterfest		233	\$0.00	\$0.00	\$7.00	\$1,631.00	\$3,111.28	\$1,480.28
*Mother/Son	Resident	55	\$4.00	\$220.00	\$7.00	\$505.00	\$516.16	\$11.16
	Non-resident	*15?	NA	NA	\$8.00			
Daddy/Daughter (All Pointes)		202	\$8.00	\$1,616.00	\$8.00	\$1,616.00	\$948.22	-\$667.78
Easter Egg Hunt		271	\$4.00	\$1,096.00	\$5.00	\$1,355.00	\$724.64	-\$630.36
Senior Ice Cream Social		110	\$0.00	\$0.00	\$3.00	\$330.00	\$328.88	-\$1.12
Perch Derby	Fishing participant	102	\$5.00	\$691.00	\$8.00	\$928.00	\$918.58	-\$9.42
	Non fishing	28	\$3.00		\$4.00			
Family Swim				\$0.00	Eliminate	\$308.00		-\$308.00
Teen Swim				\$0.00	Eliminate	\$308.00		-\$308.00
*Movie/Campout/Breakfast (campsites)		39	\$25.00	\$780.00	\$30.00	\$2,370.00	\$3,225.62	\$855.62
	Non-resident	*30?	NA	NA	\$40.00			
City Picnic		635	\$0.00	\$0.00	\$5.00	\$3,175.00	\$2,514.11	-\$660.89
Labor Day Bridge Walk		150	\$0.00	\$0.00	\$8.00	\$1,200.00	\$1,342.46	\$142.46
Senior Picnic	Resident	62	\$5.00	\$399.00	\$22.00	\$1,539.00	\$1,567.60	\$28.60
	Non-resident	7	\$8.00		\$25.00			
Hob Nobbin		695	\$4.00	\$2,780.00	\$7.00	\$4,865.00	\$4,255.70	-\$609.30
Woods Aglow (2011)		300		\$0.00	\$5.00	\$1,500.00	\$1,419.06	-\$80.94
Senior Holiday Social (2012)	Resident	41	\$23.00	\$970.00	\$27.00	\$1,317.00	\$1,450.54	\$133.54
	Non-resident	7	\$30.00		\$30.00			
*Polar Express (2011)	Resident	538	\$4.00	\$2,152.00	\$5.00	\$2,690.00	\$2,129.35	-\$560.65
add 2 more buses/day	Non-resident	*180?	NA	NA	\$7.00	\$1,260.00	\$712.42	-\$547.58
Total Net Event Cost for all City Events								-1,184.80

*open event to other Pointes in the future number of participants is an estimate

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CITY OF GROESBECK, WOODS

POTENTIAL EXPENSE REDUCTIONS FOR 2012/13 FY BUDGET

Savings from this fiscal year budget can be realized by not going ahead with the following services, materials or equipment purchases:

• Mulching City Beds	\$ 16,000
• Shred Service – April, 2013	\$ 1,100
• Sewer Line Root Control	\$ 10,000
• Municipal W.A.N.	\$ 35,000
• Activities Bldg. Equipment	\$ 3,500
• Two (2) 10-ft. Snow Plows	\$ 14,000
• One (1) John Deere Tractor	\$ 30,000
• Back-up Diesel Pump	<u>\$150,000</u>
Total Potential Savings in FY 2012/13 Budget	\$259,600

POTENTIAL EXPENSE REDUCTIONS FOR 2013/14 FY BUDGET

FALL TREE PLANTING (2012: Removed 92 Trees; Planted 50 Planted) –
ELIMINATE (2013/2014 BUDGET) – SAVE \$10,000

MULCHING CITY BEDS – ELIMINATE (2013/2014 BUDGET) – SAVE \$16,000

REDUCE HOLIDAY DECORATIONS – ELIMINATE LIGHT POLE GARLAND
(2013/2014 BUDGET) SAVE \$ 2,000

SEMI-ANNUAL SHRED SERVICE (APRIL & OCTOBER) –
ELIMINATE (2013/2014 BUDGET) SAVE \$ 2,200

CURBSIDE LEAF PICKUP – ELIMINATE – REDUCES LABOR, EQUIPMENT, TRUCKING, AND
DISPOSAL COSTS (BASED ON 2011/12 ACTUAL EXPENSES):

• TRUCKING LEAVES ONLY	SAVE \$48,105
• FUEL (1,715 GALLONS @\$3.35)	SAVE \$ 5,745
• DISPOSAL AT INDIAN SUMMER FOR LEAVES TRUCKED IN – NO BAGGED COMPOST INCLUDED (2,444 TONS @\$18/TON)	<u>SAVE \$43,992</u>
SUBTOTAL POTENTIAL SAVINGS	\$97,842

STREET SWEEPING –

Every other week instead of every week based on 40 week season (fuel SAVE \$ 4,020
figures do not include the 9 weeks included in leaf Season figures above)

- FUEL (2011/12 - 75 gallons week x 31 weeks = 2,325 @\$3.35 = \$7,789)
- FUEL (2012/13 - 75 gallons weeks x 15 weeks = 1125 weeks @\$3.35 = \$3,769)

SIDEWALK PLOWING – Eliminate plowing sidewalks on overtime

Each time we plow at time-and a half = \$2,150; at double time = \$2,865

(2010/11 = 12 times; Mack = 10 times; 2011/12 = 2 times)

SNOW PLOWING –

- Option 1 – Eliminate plowing streets on overtime (approximately \$5,000 savings per occurrence)
- Option 2 – Do not begin plowing streets until snow has ended
- Option 3 – Begin working snow storm early morning (5 am – 2.5 hrs. O.T. \$2,014) to get jump on streets, schools, and traffic.

SALTING – Eliminate salting entire city – Only spot-salt cross streets and full-salt side streets.

Can spot salt entire city in less time than full salt.

- | | |
|--|-----------------|
| • This will save on use of salt (approximately 35% per season) | \$15,325 |
| • Save on overtime hours (approximately 35% per season) | <u>\$30,705</u> |
| Total possible seasonal savings each fiscal year | \$46,030 |