

MINUTES OF THE MEETING OF THE COMMITTEE-OF-THE-WHOLE SITTING AS A FINANCE COMMITTEE OF THE CITY OF GROSSE POINTE WOODS HELD ON MONDAY, APRIL 17, 2023, IN THE COUNCIL CHAMBERS/COURTROOM OF THE ROBERT E. NOVITKE MUNICIPAL CENTER, 20025 MACK PLAZA DR., GROSSE POINTE WOODS, MICHIGAN.

PRESENT: Mayor Bryant
Council Members: Brown, Gafa, Granger, Koester, McConaghy, Vaughn
ABSENT: None

Also Present: City Administrator Schulte
Treasurer/Comptroller Murphy
City Attorney Morita
City Clerk Antolin
Assistant City Administrator Como
Director of Public Services Kowalski

Mayor Bryant called the meeting to order at 8:40 p.m.

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

Motion carried by the following vote:

Yes: Brown, Bryant, Gafa, Granger, Koester, McConaghy, Vaughn
No: None
Absent: None

The first item addressed was regarding the **Proposed FY 2023-2024 Budget**. The Treasurer/Comptroller provided an overview of the FY 2022/2023 General Fund Balance Analysis. She stated, as of February 28, 2023, revenue and expenses were estimated to be \$16.5 Million and \$15.3 Million, respectively, drawing approximately \$418,000 from Fund Balance.

Revenue was higher than anticipated due to increases in State Shared Revenue, Interest Income, park/community center activity, donations, and property tax administration fees. Over budgeted items such as retiree health care, personnel costs, legal/court fees and election supplies were approximately \$1.2 million, which is expected to be placed back into the Fund Balance. After FY 2022/2023, the Fund Balance is expected to be approximately 45%.

The anticipated Revenue Budget FY 2023/2024 is \$15.7 Million with projected expenses of \$16.7 Million, which would draw \$988,000 from the Fund Balance. With that projection, it would leave

the Fund Balance at \$5.9 Million or 35% of our expenses. Based on the Fund Balance Policy, this is well above the recommended 15%-20%.

The Treasurer/Comptroller provided a brief overview regarding increases of \$700,000 in Taxable Value and \$222,000 in State Shared revenues. Public Safety received an additional \$15,000 for recruitment, retention, education, and equipment.

The Treasurer/Comptroller provided an overview of major expenses in the General Fund for FY 2023/2024 including:

- Fund transfers for OPEB, Pension Fund, Capital Improvement Bond, Local Roads (Roslyn Rd.), Municipal Improvement Fund (Splash Pad, Dog Park).
- Fire Truck Payment
- New School Resource Officer (Funded in part by Grosse Pointe Public Schools)

Council congratulated and commended Treasurer/Comptroller Murphy and Administration on the excellent work done on the FY 2023/2024 Budget.

The Treasurer/Comptroller stated that the Pension Actuary is completing an experience study to implement a funding policy change. Now that the city is under 60% funding, the city may need to make a funding choice that may draw from the Fund Balance. There will be discussion regarding any proposed changes at the May 4, 2023 Pension Board meeting.

A brief discussion ensued regarding the new splash pad, local road projects and the growing Fund Balance to be used towards the Pension Fund. Any proposed implementations will be brought to a Committee-of-the-Whole meeting.

The next topic discussed, was regarding a **proposed ordinance amendment for Chapter 4, Alcoholic Liquors, Section 4-19 and 4-21 and a Class C Liquor License Transfer Agreement.**

City Attorney Morita provided an overview of the request to adopt an ordinance amendment that would remove the eleven (11) Class C/Tavern Liquor License limit. This will clean up any potential issues with current counts the city has and allow more flexibility.

Councilmember Vaughn asked, “If the applicant’s request is denied, what is their recourse? Can they sue or appeal?” The City Attorney responded, “If the basis of denial is reasonable, it’s defensible.”

Ms. Morita suggested, with changes to the Liquor License laws, the city may require applicants to go through a process to qualify for approval even when bringing a new license into the city. Council is interested in City Attorney Walling’s perspective of this suggestion.

The address 19850 Mack for Crispelli's is incorrect and will be corrected.

Discussion ensued regarding the city's Liquor License quota count and the allowances with new and transfer of these licenses.

The City Administrator and City Attorney stated that in addition to the request to remove the license quota cap, the city is asking approval of an agreement to restrict certain transfer of Class C Liquor Licenses to leave the city.

There was a consensus of the Committee-of-the-Whole to move forward with the proposed ordinance amendments and agreement restricting certain transfer of Class C Liquor License.

Under New Business, the following individual was heard:

- Councilmember Vaughn – The Helm presentation will be discussed at a future meeting and the Building Code update regarding rentals will be provided by Administration.

Under Public Comment, no one wished to be heard.

Motion by Granger, seconded by Koester, that the meeting of the Committee-of-the-Whole be adjourned at 9:40 p.m. PASSED UNANIMOUSLY.

Respectfully submitted,

Paul P. Antolin
City Clerk

Arthur W. Bryant
Mayor