

City of Huntington Woods  
Long Range Budget & Planning Committee  
June 17, 2019  
Minutes

The meeting was called to order at 7:05 p.m. at the Library.

Present: Kim Bateman, Shelley Gach-Droz, Fred Fechheimer, Joseph Falik, Nick Gruber, Joel Kellman, Jeff Samoray, Molly Trip, Amit Bhagwan, Tony Lehmann, Amy Sullivan, Tim Rowland.

Absent: Frank Mioni, Seth Kritzman, Melanie Wiegand, Zac Andreoni, Adam Kaplan, Chuck Batcheller, John Nantais, Mike Egnotovich, Lisa Momblanco, Susan Klein, Sharon Abramsky, Kris Vigliotti.

Public: David Sloan and Clare Galed.

1. Roll Call
2. Approval of agenda: Moved by F. Fechheimer and seconded by Joel Kellman to approve the agenda. Approved unanimously.
3. Approval of May 20, 2019 minutes: Moved by F. Fechheimer and seconded by A. Bhagwan to approve the minutes. Approved unanimously.
4. Review of draft reports from subcommittees:
  - a. Recreation and Library: J. Kellman said that cost estimates had been added to their report and detail on the district library concept was added. F. Fechheimer asked if the unfunded retiree liability was included in the table and it is. He suggested that it be added to the footnote and that the fiscal year for the dollar amounts be included. J. Kellman asked for an explanation of the Parks Department cost. T. Rowland explained that the cost for the Parks Department represents the wages and benefits for two full-time employees, the cost for summer temporary employees and cost for contractual services for park lawn cutting. S. Gach said the subcommittee did not make specific recommendations about the combining positions at the Recreation Center but the Committee noted that the job descriptions are on the Google drive and they can be included in the report as an addendum for the City Commission to reference. J. Kellman and S. Gach-Droz will work with T. Rowland on a final draft. The subcommittee members thanked T. Rowland for his assistance on their report.

- b. Roads and Sewer: J. Samoray said based on questions from the Committee on when the heavy maintenance would begin, the report has been revised to make it clear that the heavy maintenance will begin in year 1 of the 20-year plan which in turn reduces the amount of the bond needed for the road reconstruction portion of the strategy. The subcommittee acknowledged the assistance of the consultants in the report.
- c. Revenue Sources: K. Bateman passed out the draft report and said that the MERS projection scenario needs to be added to the final draft of the report. The subcommittee decided not to make a recommendation to ask voters for a Headlee override in the future but did mention that it was a possibility the City could look at some other time. J. Samoray suggested adding to the report that the benefit of the PA 345 millage was it frees up \$800,000 in the General Fund budget to be spent on other city priorities. J. Kellman asked if the draft report included a calculation of the PA 345 tax impact on homeowners. K. Bateman said it did not but it could be added to the final draft. There was discussion on the recommendation that the PA 345 millage request be capped at 5 mills for 25 years. Some members of the Committee were concerned that voters would assume the City would levy 5 mills if they didn't understand that the millage rate would be determined annually by the MERS actuarial report. There was a discussion on lowering the recommendation to a maximum of 3 mills. Other Committee members assumed the MERS projections would be revised in the future and rather than have to ask the voters for another millage if 3 mills was not enough, it was better to have a 5 mill cap. T. Rowland pointed out that the PA 345 statute does not require a maximum millage cap or a sunset date. Both items are optional if put before the voters. F. Fechheimer asked if the City had requested, or could request, a lower interest rate assumption from MERS because he felt their 7.35% assumption was too optimistic. A. Sullivan said the actuarial determined contribution would be based on the 7.35% interest rate assumption even if MERS prepared a different scenario for the City. N. Gruber asked that the final report make it clear that the PA 345 recommendation was action that required a vote of the residents. He also asked that the final report detail the reason why the maximum millage cap was different than the estimated millage rates which range from 2.2 to 2.7 per year. J. Kellman asked that the millage impact table show the average homeowner the cost for 2.7 mills and 5 mills.

Motion by F. Fechheimer to limit the maximum millage for the PA 345 proposition to 3.5 mills for 25 years. Seconded by J. Falik.

4 – yes votes                      5 – no votes                      1 member did not vote  
Motion fails.

Motion by N. Gruber to limit the maximum millage for the PA 345 proposition to 5 mills for 25 years. Seconded by S. Gach-Droz.

7 – yes votes                      2 – no votes                      1 member did not vote  
Motion passed.

- d. City Hall, Public Safety & DPW: N. Gruber stated that there were no changes to the draft report presented at the May meeting.
  - e. Communication: J. Samoray stated the subcommittee planned to meet next week so the final drafts of the subcommittee reports should be sent to A. Sullivan by the end of the week. N. Gruber reminded the Committee that because the 4 subcommittee reports were written by different individuals, the Communication subcommittee may need to make minor changes to the reports so they have a similar tone and the same fonts, etc.
- 5. Public Participation: None
  - 6. Other Committee member business: T. Rowland said the OPEB study is due this week and would be distributed to the Committee. J. Falik said it was important for the Committee members to know if the projections are similar to the amounts being contributed now or if they are substantially different as it will impact the City's long-term financial health.
  - 8. Adjournment: Meeting adjourned at 8:30 p.m. and the next meeting is Monday, July 15, 2019 at 7:00 p.m.