

The Source

For Shelby Township and Utica

Sunday, September 14, 2014

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BRIEFS

Clerk hosts election worker job fair

At 6:30 p.m. Sept. 18 at the Shelby Township Municipal Building, 52700 Van Dyke, Shelby Township Clerk Stan Grot will accept applications and conduct brief on-site interviews for those interested in serving as election inspectors.

Election inspectors assist in assigned duties at a polling site on Election Day. Poll workers begin at 6 a.m. and work until approximately 9 p.m. and are given periodic breaks throughout the day. Volunteers must be available for one of the training sessions. Call 731-5102 or visit www.shelbytwp.org

Farrington has coffee hours

State Rep. Jeff Farrington will host coffee hours in Shelby Township at Biggy, 47053 Hayes Road, from 6 to

FINANCES

Agency affirms Shelby Twp.'s AA+ bond rating

By SEAN DELANEY
Source Staff Writer

Following an on-site presentation by Shelby Township Treasurer Michael Flynn, Standard & Poor's has affirmed the township's AA+ bond rating with a "stable outlook."

"The agency posed a lot of questions and we had very positive responses," Flynn said.

Meredith Shanle, president of Municipal Financial Consultants Inc., the township's financial consultant, accompanied Flynn to Chicago for the presentation.

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PHOTO COURTESY
SHELBY TOWNSHIP

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that regard," she said.

According to the treasurer, general fund deficits resulted in major financial

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Meredith Shanle, president, Municipal Financial Consultants Inc.

policy shifts for the township in 2008. Since then Shelby Township has reported savings in every department with no reduction in resident services. The result, Flynn said, has been excess general fund revenue through Department of Public Works reserves and a fire fund surplus in 2013.

"The police operating budget and defined benefit pension obligations are one of the last major financial hurdles the taxpayers of Shelby

are facing," Flynn said. "Our ability to close the system to new hires was critical to the long-term stability of the township."

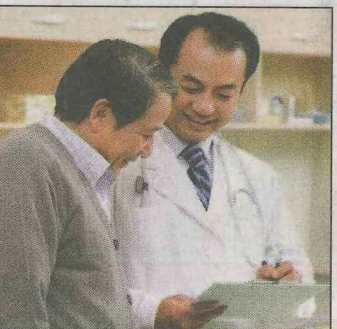
As part of a negotiated deal, both the police patrol and fire unions have agreed to close their defined benefit pension systems to new hires, provided the township fully funds the remaining liability of approximately \$24 million by the end of 2014. Major funding will be provided through an internal loan of

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Tour de Food offers cyclists a ride through scenic North Macomb



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Be your own health advocate to live well with Medicare

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\$13 million from the DPW fund, and an approximate \$9 million bond issuance, with the remaining balance coming from fire and police reserves.

“The result is that we have stopped the bleeding caused

by a poorly designed system,” Flynn said. “Now all we have to do is heal the patient - which I fully expect we can do if we continue with these policies.”

According to Flynn, funding the closed pension with an updated amortization schedule results in cash flow savings of over \$800,000 in the first year, in addition to about \$16.2 million in interest savings over the life of the fi-

nancing.

“We are very close to a revenue-neutral situation regarding the pension right out of the gate,” Flynn said. “We expect balanced budgets in both fire and police for 2015, with an operating surplus predicted as early as 2026.”

Flynn said state paperwork will be submitted in the next 2-3 weeks for the final authorization to issue bonds, with

an expected approval date by mid-November.

“This is a big win for both the taxpayers and employee stakeholders here in Shelby,” he added. “This problem took 30-plus years to create, but with board and union cooperation we were able to get back on track in just over five years. This is a milestone -- there is much reason for cautious financial optimism in Shelby.”