



CITY COUNCIL AGENDA ITEM

March 24, 2011

To: The Honorable Mayor and City Council Members

From: John Szerlag, City Manager
Cindy Stewart, Community Affairs Director

Subject: Report on CMNtv Michigan Town Hall: State Budget Crisis

CMNtv in conjunction with the Oakland Press and FOX 2 held a Michigan Town Hall on the State Budget Crisis at their Troy Studio on March 9, 2011. The panel was Andy Meisner, Oakland County Treasurer; John Nixon, Michigan State Budget Director; L. Brooks Patterson, Oakland County Executive and John Szerlag, Troy City Manager. Here is a brief synopsis from the program which went very well.

John Nixon said: "If you look at why John Szerlag and Troy are in good shape it's because he has implemented a lot of best practices. He's done away with his defined benefit pension system, he's done away with some of these areas which we need to encourage all cities, villages and towns to do, as well as the counties. We're sitting in one of the best managed counties in the country and I think that all the other counties -- or a lot of counties here in Michigan -- are not in such a good position. Through our revenue sharing proposal we've reduced the statutory revenue sharing and we're going to give back a significant amount if the cities, villages and towns implement best practices like the City of Troy has done already.

Andy Meisner said: In fairness, I think there have been a number of services at the local level and sometimes there's duplication and different communities have shown a different willingness to kind of get out in front of this problem, certainly Troy is one that has (and Nixon interjects with an "absolutely") ... so I agree with the notion of letting these locals know that this is seriously "go" time. I would just respectfully request that communities like Troy that have implemented those best practices be given credit in whatever structure you develop ... so that they are not penalized for having been forward thinking."

Nixon: "Certainly ... we won't penalize good -managed cities."