

Present: President Mercer; Members: Burry, Kelly, LaFerriere, Mooney and Oen

Absent: Briggs

Also Present: Village Manager, Wilson  
Assistant Manager/Clerk, Marshall  
Finance Director, Wiszowaty  
Public Safety Director, Torongeau

President Mercer called the special Council meeting to order at 6:08 p.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road.

#### **ADDITIONS TO AGENDA/APPROVE AGENDA**

Motion by Oen, second by Mooney, to approve the agenda as published.

Motion passed.

#### **STUDY SESSION TO REVIEW FY 2014/2015 BUDGET**

Council is in receipt of the proposed 2014-15 fiscal year budget for review. Included in the budget book are complete preliminary budgets for the General Fund, Public Safety Fund, Library Fund, Major and Local Street Funds, Special Revenue Funds (Drug Enforcement, Retiree Health Care, Vacation Reserve and Sick Leave Reserve) and Water and Sewer Operating budgets.

Manager Wilson presented an overview of the General Fund budget. Administration is recommending a millage rate of 1.8100 mills for the 2014-15 and 2015-16 fiscal years. The proposed budget includes an overall millage rate that is slightly lower than the FY 2013-14 year as the public safety dedicated millage and library millage were subject to a slight Headlee Rollback this year. In addition, the CSO millage will expire after this year resulting in a further millage reduction for FY 2015-16. Even with lower tax rates, the Village is able to continue to build its fund reserves and fully fund future legacy cost liabilities. These positive developments are due to recovery of Village property values as well as expenditure constraints through consolidation of services and revised pay and benefit structures.

The Village is projecting over \$802,000 in State Revenue Sharing. General Fund Expenses will be \$2,626,895 or a surplus of \$32,742. This will cover all General Fund Departments and allow for a transfer to the Major Road Fund/Local Road Fund of \$300,000 primarily for a concrete road replacement project in Metamora and a transfer of \$75,000 to the Fire Truck Reserve program.

Village Administration recommended that the rubbish collection fee increase by \$10 to a rate of \$110 per home. It was reported at the last Council meeting that the Village received a proposal for leaf collection at a cost of roughly \$120,000, which would equate to a \$30/home charge. The rubbish and leaf collection rate will have to be set at \$140 per home for the first year in order to implement this program. The rate would be increased by \$10 again next year until the rubbish collection fees become self supporting.

There is a loss of revenue to the building department, primarily in permit fees. These are largely offset by the loss in expenditures for payment of inspection fees. Most of the inspection service has been absorbed by the City of Royal Oak. The Village building department will continue to provide code enforcement, rental inspection, sign and fence permits. All building, mechanical, plumbing, and electrical permitting will be performed by the City of Royal Oak going forward.

There is one proposed staffing change in this budget, which will be elimination of the full-time secretarial position in the building department as of December 31, 2014. Much of this employee's work has been contracted out to the City of Royal Oak. Wilson referred to organizational changes in General Administration related to a new software program that will be implemented this Fall. There will be training and reassignment of duties among employees.

Wilson stated that the budget includes a proposal for a \$30,000 allocation to BASCC (Birmingham Area Seniors Coordinating Council) for advanced programming and senior services. The Village currently pays about \$5,000 per year to BASCC. The organization submitted a proposal asking its member communities for additional funds to expand their programming options.

Finance Director Wiszowaty related that there will be changes in the budget distributed to Council on April 1 regarding millage numbers. The Public Safety and Library millage figures will be reduced slightly because taxable value has increased above the 1.6% CPI. The resulting millage reduction factor will effect the Library and Public Safety by 0.9904 percent. It will not effect the General Fund, which is still under the 2.1 millage cap. These changes will be reflected in budget book revisions. Wilson added that the Village is subject to the Headlee Rollback because property values are increasing faster than the rate of inflation.

Wilson said that he included an additional \$25,000 in this year's budget for professional fees covering the Master Plan update. In response to a request from Walter Briggs in his memo to Council, there was agreement to restore the West Nile/mosquito abatement program in the amount of \$1,500.

Wilson stated that he and Wiszowaty will make changes to the budget based on feedback from Council at this meeting. Revised sheets will be provided to Council prior to next week's Council meeting.

Council went through the budget by section and discussed topics based on questions or comments from members. Subjects discussed were the Baldwin Library contract; passport fees and whether to continue issuing passports considering the manpower required for processing; providing long term senior services; fire apparatus; long term infrastructure needs; and DWSD issues.

Burry talked about the funding allocated to BASCC in the amount of \$30,000 and contributions expected from Birmingham and Bingham Farms. The three area communities are committing to the Phase 1 project, which is to expand hours and services to seniors.

Diane Wilkins of 32321 Arlington voiced her support for funding BASCC. Beverly Hills needs the services provided by the organization, and residents are using these services. Seniors are an expanding demographic with various needs in terms of activities, entertainment, education, and transportation. BASCC improves the quality of life for people in the community.

Beverly Hills resident Bob Borgon representing BASCC thanked Council for its support of the organization. The funding will allow the senior center to be open six days a week including some evenings. Borgon answered questions from Council members including long term plans for providing senior services and a building to house the organization.

Mercer commended individuals who volunteer with BASCC including Greg Burry, who serves as liaison from the Village Council. It is important to look at what surrounding communities are doing and decide how our area is going to provide services to seniors into the future. Burry mentioned the importance of maintaining a senior friendly environment for our communities.

Comments and questions from an April 28, 2014 correspondence from Walter Briggs regarding the budget session were addressed by Wilson and Council. The topics included personal property taxes, local street repair, increasing inspection fees, street lighting, new accounting software, and funding for a community survey.

With regard to the Public Safety Department, Wilson stated that the Village is budgeting for the hiring of a new officer as of July 1, 2014. Beverly Hills is losing at least one lieutenant as of December 24, 2014 when his time in the Drop Program expires. It is anticipated that a new officer will be hired as of July 1, 2015. Wilson said that there will be more personnel transitions out of the Department due to the number of time purchases from MERS.

Wilson commented that pension costs have gone down from previous years due primarily to a transition to the Municipal Employees' Retirement System and the market recovery. The Village is continuing to fully fund its ARC (annual required contribution) for OPEB (Other Post Employment Benefits). The fire truck payment will be made at about \$90,000. The Department is planning to replace two vehicles in the upcoming budget, which is the normal rotation of vehicles. Wilson addressed a question regarding the increase in dispatch service costs. He related that part-time dispatchers are difficult to locate and hire. Another problem is the increased training requirements imposed by the State on dispatchers. Other topics discussed were investigation and implementation of solar powered speed indicators, new fire apparatus, and the issue of defined benefit versus defined contribution.

Wilson informed Council that Administration is proposing a 5% rate increase for both water and sewer funds due to rate increases from SOCWA and ongoing cost increases and volatility in sewer charges due to the new billing methodology from the Oakland County Water Resources Commissioner's Office. In addition, water usage is down in the community. Wilson noted that a condition of accepting the SAW grant was a requirement to conduct a thorough rate analysis to ensure that the rates charged to residents are adequate to maintain the system. This will be done over the next two to three years.

**PUBLIC COMMENTS**

Questions from Norman Rubin of 31020 Rivers Edge Court on prioritization of local road repairs and the increase in the per household fee for rubbish removal were addressed by Council. Rubin asked that a device that measures vehicle speed be placed on 13 Mile Road. He requested increased enforcement of passing on the shoulder eastbound on 13 Mile Road turning into Rivers Edge. Rubin questioned whether the idea of separate metering for sprinkling systems would be reconsidered. Wilson responded that the idea has merit, and he will pursue it. An ordinance is required to allow for separate metering.

**COUNCIL COMMENTS**

None

Motion by Mooney, second by LaFerriere, to adjourn the meeting at 8:03 p.m.

Motion passed.

**Tim Mercer**  
**Council President**

**Ellen E. Marshall**  
**Village Clerk**

**Susan Bernard**  
**Recording Secretary**