

Present: President Mooney; President Pro-Tem Peddie; Members: Abboud, Delaney, Mueller, Nunez, and Oen

Absent: None

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

ADMINISTER OATH OF OFFICE TO NEWLY ELECTED COUNCIL MEMBERS BY HONORABLE CYNTHIA ARVANT, 46th DISTRICT COURT

The Honorable Cynthia Arvant administered the oath of office to newly elected Council members John Mooney, Phillip Mueller, and Daniel Nunez. She congratulated the new Council members and provided a few words of inspiration.

Council President Mooney called the regular Council meeting to order at 7:35 p.m. in the Southfield Township municipal building at 18550 W. Thirteen Mile Road.

ELECTION OF PRESIDENT AND PRESIDENT PRO-TEM

Mooney opened the floor for nominations for the office of Council President. Delaney nominated John Mooney for the position of Council President. There were no further nominations.

Vote to elect John Mooney as Council President:

Abboud	- yes
Delaney	- yes
Mooney	- no
Mueller	- yes
Nunez	- yes
Oen	- yes
Peddie	- yes

John Mooney was elected as Council President (6-1).

Mooney opened the floor for nominations for the position of President Pro Tem. Oen nominated Lee Peddie as President Pro Tem of Council. There were no further nominations.

Vote to elect Lee Peddie as President Pro Tem:

Delaney	- yes
Mooney	- yes
Mueller	- yes
Nunez	- yes
Oen	- yes
Peddie	- yes
Abboud	- yes

Lee Peddie was elected as President Pro Tem (7-0).

AMENDMENTS TO AGENDA/APPROVE AGENDA

Motion by Delaney, second by Oen, to amend the agenda, moving Consent Agenda Item, “Review and consider approval of minutes of a regular Council meeting held November 1, 2016” to become Business Item 6.

Motion passed.

Motion by Oen, second by Peddie, to approve the agenda as amended.

Motion passed.

COMMUNITY ANNOUNCEMENTS

The Honorable Cynthia Arvant thanked the residents for their support as she was elected to the 46th District Court and she looks forward to continuing to serve the Village of Beverly Hills.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Sharon Tishler reported on the high turnout for voting in Southfield Township and was happy to report no complications arose on election day.

CONSENT AGENDA

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

1. Review and file bills recapped as of Monday, November 14, 2016.

Motion passed.

BUSINESS AGENDA

PRESENTATION AND REVIEW AND FILE OF JUNE 30, 2016 AUDIT BY PLANTE MORAN

Council members are in receipt of the audited financial statements of the Village of Beverly Hills for the fiscal year ended June 30, 2016. Auditor Martin Olejnik stated that Plante & Moran has given its unmodified audit opinion on the Village’s financial statements, which means that Beverly Hills’ accounting records are correct and are presented in accordance with accounting standards mandated by the State. Jennifer Lebiecz will review the graphs that highlight information in the financial statements. Rumzei Abdallah will follow up with a discussion of the Management Letter.

Olejnik highlighted that the Village General Fund is in a strong position. He expressed some concern, short and long term with Water and Sewer Rates. Another long-term concern would be the liability of postemployment health benefits being reported in the face of the financial statements. The Pension Liability will be increasing because of extended life expectancy.

Lebiedz highlighted key points of the financial statements. She referred to a graph illustrating General Fund Revenue and the sources of that revenue. The biggest sources of revenue for the General Fund continue to be State Shared Revenue and Property Tax revenue and fees. A subsequent graph demonstrated an increase in taxable value and State Equalized Value (SEV) in the last four years. A review of the major revenue sources shows that property tax values are starting to inch up. Looking forward, it is expected that taxable values will continue to experience small or moderate increases. In monitoring this revenue source, the Village needs to keep in mind that the future taxable value increases will be limited to the lesser of 5% or inflation; so even if home sales do increase at a faster rate, the property tax revenue will be held to this lower amount. State-shared revenue was starting to show some modest increases, but sales tax revenue for the State's fiscal year ending September 30, 2016 is coming in lower than expected which will impact the constitutional revenue sharing. During the economic downturn, the Village resized its operations to fit the new lower revenue structure. The revenue improvements brought the Village into a structurally balanced budget; however, the long-term fiscal sustainability will be dependent on the ability to hold cost increases (driven significantly by the cost of pension, retiree health care and current employee health care) within the limits of expected revenue increases, which are predicted to be at or below the rate of inflation.

A graph of General Fund Expenditures by major category illustrated that nearly half the expenses relate to people costs. The second largest expenditures category is the collection and disposal of rubbish. The other expenses are consistent with previous years. A graph depicting fund balances from 2011-2015 relative to the minimum target shows that the Village is above the recommended minimum of 20% of the next year's general fund expenditures. She discussed a graph showing long-term debt obligations, with the majority being due to water and sewage.

Adballah discussed the letter addressed to the Village Council. The first section contains required communication on the audit process. Section two discusses the audit process in general. There were no issues discovered during the audit and no disagreements with management. Section three contains general recommendations from Plante & Moran based on the results of the audit. There were no significant deficiencies in the audit. The items noted were mentioned last year and are related to information technology under the current system as well as physical security of the Village's information technology.

The Water and Sewer Fund continues to operate at a loss; the fund balance has decreased over the last few years. It was also noted that it has been some time since the Village performed an analysis of the allocation of costs between departments. Although the amounts appear reasonable, the Village is encouraged to update the analysis and re-evaluate it regularly, at least every two to three years. The Village presently maintains various accounts pertaining to collection of money from third parties which are later utilized to pay costs on behalf of those parties. Plante & Moran recommends the creation of a trust and agency fund to assist in maintaining the accounts, instead of in the General Fund.

The third section of the letter includes legislative and informational items occurring in the State. In June 2015, the GASB issued new standards addressing accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB, which

refers to retiree healthcare). GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, addresses accounting and reporting by employer governments that provide OPEB benefits to their employees. For fiscal years beginning on or after January 1, 2015, the threshold for obtaining a federal awards audit will increase from the current threshold of \$500,000 of annual federal spending to \$750,000. There will also be significant changes to the criteria for qualifying as a low-risk auditee and a reduction in the number of major programs required to be tested for some clients. The Village has historically been below the threshold. However, from time to time, depending upon the level of federal spending, the Village may still be subject to an audit requirement even at the new higher \$750,000 threshold.

Olejnik commended the Village for its record keeping and thanked Village staff for their assistance during the audit process. Mooney thanked Olejnik, Abdallah and Lebiecz for presenting the audit report. He recognized the Village staff for a job well done.

Motion by Oen, second by Delaney, to receive and file the June 2016 audit as conducted and submitted by Plante & Moran.

Motion passed.

REVIEW AND CONSIDER SITE PLAN FOR NEW POLE LIGHTING IN PARKING LOT AT BEVERLY HILLS CLUB (BHC), 31555 SOUTHFIELD ROAD

Abboud explained Beverly Hills Club, 31555 Southfield Road, has submitted plans to add four pole lights to their parking lot. Per Section 22.09.020 (a) this project requires site plan approval. At their meeting held October 24, 2016 the Planning Commission recommended approval of the site plan as submitted. The Commission noted the light poles are consistent height with neighboring properties and the lighting is generally consistent with Village Ordinance. The lighting in this area of Southfield Road is poor and the Commission supports additional lighting for public safety.

Motion by Abboud, second by Peddie, that the Village Council approves site plan dated September 20, 2016 for addition of four pole lights to the parking lot at the Beverly Hills Club (BHC) 31555 Southfield Road.

Motion passed.

PUBLIC HEARING TO RECEIVE COMMENTS ON PROGRAM YEAR 2017 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Wilson explained Beverly Hills has participated in the federally funded Community Development Block Grant (CDBG) program for more than 25 years. The Village is currently in a three-year contract (2015, 2016 and 2017) with Oakland County to participate in this program which is administered through Oakland County's Community & Home Improvement Division. Each year's CDBG allocation is based on a formula that uses several objective measures of community needs. The Village's estimated allocation for Program Year 2017 is \$14,534. The Village must comply with several rules that include limiting our allocation for public service activities to a maximum of 30% of the total 2017 allocation and allocating a minimum of \$3,000 for each

project. This year Council is being asked to consider allocating funds for minor home repair services for low to moderate income citizens, public services, and removal of architectural barriers. The Council would be allocating \$7,174 for removal of architectural barriers, \$4,360 for yard services and \$3,000 for minor home repair and through the CDBG program.

Mooney opened the public hearing at 8:05 pm for comments on the Beverly Hills application for participation in the 2017 CDBG program.

No one wished to be heard; the public hearing was closed at 8:06 pm.

**REVIEW AND CONSIDER PROGRAM YEAR 2017 COMMUNITY DEVELOPMENT
BLOCK GRANT APPLICATION**

Motion by Oen, second by Delaney, that the Village of Beverly Hills Council adopt the following Resolution:

Whereas, Oakland County is preparing an Annual Action Plan to meet application requirements for the Community Development Block Grant (CDBG) program, and other Community Planning and Development (CPD) programs, and;

Whereas, Oakland County has requested CDBG-eligible projects from participating communities for inclusion in the Action Plan, and

Whereas, the Village of Beverly Hills has duly advertised and conducted a public hearing on November 15, 2016 for the purpose of receiving public comments regarding the proposed use of PY 2017 Community Development Block Grant (CDBG) funds in the approximate amount of \$14,534, and

Whereas, the Village of Beverly Hills found that the following projects meet the federal objectives of the CDBG program and are prioritized by the community as high priority need.

Account	Project Name	Amount
172170-731619	Removal of Architectural Barriers	7,174.00
172160-732170	Public Services – Yard Services	4,360.00
172160-731227	Minor Home Repair	3,000.00

Therefore Be It Resolved, that the Village of Beverly Hills' CDBG application is hereby authorized to be submitted to Oakland County for inclusion in Oakland County's Annual Action Plan to the U.S. Department of Housing and Urban Development, and that the Council President is hereby authorized to execute all documents, agreements, or contracts which result from this application to Oakland County.

Roll Call Vote:
Motion passed (7-0)

RECOGNITION OF ROBERT BORGON FOR HIS SERVICE TO THE VILLAGE

Mooney and all members of Council expressed their admiration for Borgon and their gratitude for his service and dedication to the Village Council. Mooney presented Borgon with a plaque honoring his time spent in service. Borgon will continue as valuable member of the Birmingham Area Cable Board and Next.

Borgon expressed his gratitude for the recognition and shared how much he enjoyed his term on the Village Council.

REVIEW AND CONSIDER APPROVAL OF MINUTES OF A REGULAR COUNCIL MEETING HELD NOVEMBER 1, 2016

With regard to the motion on page four to purchase two patrol vehicles for public safety, Delaney would like the breakdown of pricing in relationship to the cost of the two new Tahoes to be included in the motion. He suggested that the motion read, "...state bidding program, with the vehicles costing \$71,964 and the modifications by Cinergy Wireless totaling \$22,864 totaling \$94,828..."

Motion by Delaney, second by Peddie to amend the minutes as suggested and approve them as amended.

Motion passed.

PUBLIC COMMENTS

Tischler thanked the Village of Beverly Hills for providing the training room at Public Safety for the absentee ballot counting board to use for the counting of ballots.

Tischler suggested that the Planning Commission needs to consider home businesses that are being run out of resident areas.

Tischler suggested that no parking signs be placed on Vernon Street along the blind curve area on both sides for the safety of the residents.

MANAGER'S REPORT

Wilson reported that the Village's Charter Amendment that was on the ballot in the General Election passed. The City of Birmingham has approached the Village regarding a potential sidewalk crossing across 14 Mile around Norchester. The project will require construction of a new sidewalk, striping and marking of the crosswalk. This area has been reported as a high pedestrian area. The Village is requesting advanced signage to notify drivers of the crosswalk.

Wilson offered his congratulations to the Groves High School Football team on their advancement to the State Championships.

The last yard waste pick up is scheduled for the week of December 12, 2016. The Village offices will be closed November 24 and November 25 for the Thanksgiving holiday.

Mooney thanked the Public Safety department for their hard work making the Village of Beverly Hills the fourth safest community in the state.

COUNCIL COMMENTS

Nunez thanked the Village for their support in the election, and he looks forward to serving.

Mueller thanked the Village for their support in the election, and congratulated Groves High School on their winning the regional championship. He announced Chaz Ringey has completed the horseshoe pits at Beverly Park and it's a wonderful addition to the park.

Abboud reported that the Planning Commission is working on the tree ordinance. He attended a SEMCOG meeting where they shared some of their upcoming programs that will make funding available to villages and cities in the state.

Delaney congratulated Nunez on his win and looks forward to working with him on the Council. He thanked Tischler for a well-run election.

Oen congratulated Laura, BCTV employee who films the Council meetings, on the October 26, 2016 birth of her son.

Peddie congratulated the elected members of Council and thanked the Council for her reelection to Pro-Tem.

Mooney congratulated the newly elected and reelected members of Council and thanked them for his reelection to President. He expressed his gratitude for the Council and looks forward to the upcoming session.

Motion by Oen, second by Delaney, to adjourn the meeting at 8:53 pm.

Motion passed.

John Mooney
Council President

Ellen Marshall
Village Clerk

Elizabeth Lyons
Recording Secretary