

Present: Chairperson MacDonald; Vice-Chair Hitz; Members: Donnelly, Jallad, Lanigan and Westerlund

Absent: Kleppert

Also Present: Finance Director, Wiszowaty
Council member, Briggs

Vice-Chairperson Hitz called the meeting to order at 7:00 p.m. in the Village municipal building at 18500 W. Thirteen Mile Road.

APPROVE/AMEND AGENDA

Westerlund proposed two additional agenda items: a) Consider joint meeting of the Finance Committee and Council and discuss agenda items; b) Discuss library contract and consider recommendation to Council.

Motion by Hitz, second by Kleppert, to approve the amended agenda.
Motion passed.

PUBLIC COMMENTS

None

REVIEW AND CONSIDER APPROVAL OF MINUTES OF THE FINANCE COMMITTEE MEETING HELD MAY 12, 2009

Motion by Westerlund, second by Lanigan, that the minutes of a Finance Committee meeting held on May 12, 2009 be approved as submitted.

Motion passed.

REVIEW REPORT REGARDING AVAILABLE GRANTS

Lanigan attended a seminar at SEMCOG University on May 14, 2009 titled, “Grants: How elected officials can champion the process”. He referred to his written report dated June 9, 2009 and provided an overview of the grant application process, tips and approaches for a successful grant proposal, and resource information available from SEMCOG. He outlined a few of the programs that may be able to benefit Beverly Hills.

Hitz questioned whether there was anything the Finance Committee could do to assist the Village or Council with investigating or applying for grants. The Committee could monitor grant availability and assist administration with researching grant opportunities.

It was indicated that there is more than one individual on staff who is responsible for researching and applying for grants for their department. Because much of the information in grant requests is similar, the Village might want to consider having one person write grant requests and reach out to various departments for unique information that applies to a specific grant. If there was a central area for grant writing information and where grants were finalized, a lead individual could begin to build relationships for the Village.

DISCUSS OPPORTUNITIES FOR GENERATING ADDITIONAL REVENUE

This agenda item was tabled due to the absence of Paul Kleppert.

DISCUSS 18-MONTH PLAN FOR POTENTIAL MILLAGE INCREASE

DISCUSS A LA CARTE MILLAGE STRATEGY

DISCUSS COST SAVINGS IN TERMS OF CONSOLIDATING SERVICES

These agenda items were postponed to a future meeting. It was suggested that these issues be discussed with Council in terms of strategy before proceeding. Also, there may be two new members on the Finance Committee next month following Council action to appoint members due to expired terms.

CONSIDER JOINT MEETING OF FINANCE COMMITTEE AND COUNCIL AND AGENDA ITEMS

Westerlund proposed that the Finance Committee schedule a joint meeting with Council and develop agenda items in order to generate a productive outcome. It was his thought to approach Council with ideas on how the Finance Committee could assist them. Briggs responded that it was appropriate for both bodies to sit down and talk about what they want to accomplish.

Finance Committee members agreed that its role was to investigate, recommend, explain and compare on any number of topics. A major focus of discussion should be financial issues facing the Village in 2010 through 2014 and consideration of related topics including: A la carte millage strategy vs. general fund approach; shared services; strategic service (public safety) vs. non-strategic (trash pickup); what is important to the identity of Beverly Hills; marketing a millage proposal to voters; demographics; financial forecast and assumptions. This committee is a relatively objective third party group that could assist with explaining the financial issues of the Village to the electorate.

Briggs mentioned that Council will be holding a study session soon to discuss the five year financial forecast. The Finance Committee could participate and contribute to the discussion on the forecast and assumptions.

Motion by Westerlund, second by Lanigan, to request a joint meeting of the Finance Committee and Council in the near future to discuss financial issues facing the Village from 2010 through 2014 and how the Finance Committee might assist Council and Village Administration. The Finance Committee could investigate, review, recommend, or explain the following topics or others determined by Council:

- 1) Ala Carte millage vs. General Fund millage
- 2) What are the demographics of the Village and how this may affect future Village issues and voter understanding of those issues
- 3) Shared services
- 4) Explain the financial issues and conditions within the Village to the citizens
- 5) Review and understand the assumptions that are a part of the financial forecast

Motion passed (6 – 0).

DISCUSS NOTIFICATION TO THE BALDWIN LIBRARY BOARD

The Village’s agreement with the Baldwin Public Library includes a two-year notification requirement to opt out of the contract. Council has been discussing whether to give notice to the library by the end of June, after which time the Village would lose its opportunity to notify the Library Board for a year. The annual cost of the library is 1.077 mills, or 0.9285 as reduced by Headlee, and represents 9% of the Village’s operating budget. Representatives of Council are scheduled to meet with members of the Baldwin Library Board to discuss the library contract.

Westerlund commented that the Village’s 2009/10 budget was approved, and Council is already looking at next year’s budget. He expressed concern that the Village will lose out on a good deal if Council sends notice to opt out of the existing contract without additional consideration.

Briggs remarked that there is a risk in not notifying the Library Board if the Village is not able to fund the service in two years; there is also a risk in canceling the contract and not being able to negotiate the same terms if a dedicated millage is passed.

Following discussion on the topic, the majority of Finance Committee members agreed that the timing was wrong to opt out of the library contract. It was suggested that Council discuss all avenues with the Library Board before making the determination to cancel the contract. It was noted that the Village Attorney has indicated that giving formal notice to opt out of the agreement would cancel the current contract. A new contract would require renegotiation.

Hitz thought that the Finance Committee could help explain the issue to the voters at some point but questioned what this group could do in the short term to give Council guidance on the topic. Council is wrestling with this from a legal standpoint in terms of committing to keep the library or finesse a discussion with the Library Board without starting the clock running.

Motion by Westerlund, second by Lanigan, to recommend against Council sending a letter to the Baldwin Library Board opting out of the contract for library service before researching the subject further to determine what is in the Village’s best interest and establishing a committee to do due diligence on exploring a millage increase to support current services.

Yes - Donnelly, Jallad, Lanigan, MacDonald and Westerlund

No - Hitz

Motion passed (5 – 1).

PUBLIC COMMENTS

None

COMMITTEE COMMENTS

Members agreed to begin discussion next month on the topic of an a la carte millage strategy including pros and cons and to research what other communities do. Jallad suggested establishing a formalized process for explaining issues to the community without bias. He will draft a process outlining how the Board would communicate ideas assigned from Council to the community.

The agenda for the July meeting will include: 1) Discuss opportunities for generating additional revenue (Kleppert); 2) Outline process for explaining issues to the community (Jallad); and 3) Discuss a la carte millage strategy.

MacDonald thanked Neil Hitz and Pat Westerlund for their accomplishments and dedication to the Finance Committee. Hitz and Westerlund are up for reappointment to the committee.

The meeting was adjourned at 8:41 p.m.