

Present: President Stearn; President Pro-Tem Pfeifer; Members: Craig, Domzal, Downey, Munguia and Walsh

Absent: None

Also Present: Interim Manager, Spallasso
Finance Director, Wiszowaty
Director of Public Safety, Woodard

Stearn called the meeting to order at 7:30 p.m. in the Village municipal building at 18500 W. Thirteen Mile Road.

This meeting was scheduled as a preliminary budget study session for the purpose of discussing two items: 1) General direction to administration with respect to budget preparation, and 2) Requests for specific information and consideration of additions or deletions of line items prior to receiving the draft budget at the April 2 Council meeting.

Stearn asked for comments from Council on the direction it should give to administration relative to budget preparation. Council members expressed their views on whether to prepare a budget that assesses the full millage cap.

There was agreement among Council not to reduce services. Council also shared the view that the Village should be spending each dollar as efficiently as possible. There was emphasis placed on looking at efficiency improvements in each department. Council agreed to continue to transfer 1 mill from the operating millage to the local road fund for road maintenance. The point was made that consideration should be given to how the budget fits into longer term financial projections. It was the consensus of Council to keep the budget in line with the previous year's budget.

Don MacDonald, Finance Committee member, offered his input on the budget process. He suggested that the direction from Council to administration should be to prepare a carry over budget at the current dollar level. If there are contractual expenditures in a department that will raise the budget above last year's level, that department head could come before Council and explain that the same level cannot be maintained without cutting the service level. This will show that Council has tried to maintain the current level of services with current dollars by increased productivity and efficiencies.

Neil Hitz, Finance Committee member, commented that the capital budget is at a break even or deficit level in some areas; the operating budget is at a break even level. If Council feels that it must go to the voters and ask for a millage cap increase in the next two to three years, it behooves the Village to show as much restraint as possible in this operating budget.

Wiszowaty estimated that levying up to the millage cap this year would result in increased revenue from last year of \$150,000 due to the effects of inflation and the Headlee Amendment. There was consensus of Council to direct administration to prepare an operating budget for 2001/02 that does not exceed last year's \$5.6 million budget. In addition, Wiszowaty was

asked to prepare a work sheet that shows how much money the additional 0.3 mill would generate if the maximum millage is levied. Council may decide to assess that 0.3 mill difference to build a surplus for a project that has been identified or to transfer it to another fund where it is needed for a specific program.

Craig brought up the topic of how to phase in water and sewer rate increases. The Village has done this in the past on a quarterly basis. Wiszowaty stated that water rate increases could be phased in on a monthly basis over three months if Council is in agreement. Council will have further discussion on water and sewer rate increases during budget sessions.

Stearn opened the floor for discussion of specific data Council members would like prepared by Wiszowaty for upcoming budget deliberations. Council should also indicate if there are any line items they would like added or deleted from the budget before the draft document is prepared and distributed.

Council requested administration to prepare the following information for distribution to all members:

- Data for review of Village vehicles
- Estimated cost of expenses related to the manager selection process
- List of donations to community service organizations
- Top sheet explaining how each department is maintaining its budget through efficiencies without reducing service
- List of conferences and travel costs for each department. Note duplicate memberships.
- Sheet indicating money budgeted for planning consultant fees and money spent
- Information on grant availability for various Village programs

Domzal commented on the importance of working closely with the Parks and Recreation Board on capital improvements for Beverly Park in view of the passage of the park dedicated millage. Stearn indicated that there will be an item on the next Council meeting agenda to consider directing the parks and recreation department to develop a plan for park capital improvement expenditures.

There was a consensus of Council to eliminate a budget allocation this year from the general operating fund to the park capital improvement fund.

Walsh understands that municipalities are moving away from the BOCA regulations and will be following state mandated construction codes. It may no longer be necessary for the building official to attend the annual BOCA conference. This will be brought up during budget deliberations.

Council discussed whether to allocate funds to set aside for a ditch maintenance program. It was noted that ditches are in integral part of the storm water management system for half of the Village. This will be discussed further at upcoming budget study sessions.

Wisowaty answered questions from Walsh regarding maintenance and trouble shooting with respect to computer hardware and software. The Village web page is currently maintained by a resident volunteer.

Pfeifer stated that she would like to explore how Community Development Block Grant funds are being spent as well as the Village's donations to the Birmingham Area Seniors Coordinating Council (BASCC). BASCC Director Theresa Monsour is willing to sit down with Pfeifer to discuss this matter. Council members had no objections to Pfeifer meeting with a representative of BASCC.

Pfeifer commented on the practice of allocating a portion of the park pavilion rental fees to the park capital projects fund. She thinks the fees should be used for administrative costs. There was some discussion on whether park pavilion rental fees should be used for maintenance of park facilities or for park capital improvements. This may be a topic of discussion during budget deliberations.

Craig noted that overtime expenses in the Public Safety Department have exceeded the budgeted amount in the last couple of years. He suggests budgeting adequately for overtime. Director Woodard indicated that he has a plan for dealing with the overtime budget. Stearn stated that Woodard will have an opportunity to review the public safety department budget in its entirety at a future budget session.

The meeting was adjourned at 8:55 p.m.

Todd Stearn
Council President

Ellen E. Marshall
Village Clerk