

Present: Council President Downey; President Pro-Tem Woodrow; Members: Domzal, McCleary, Mooney, Pfeifer and Schmitt

Absent: None

Also Present: Village Manager, Murphy  
Public Services Director, Spallasso  
Assistant to the Manager, Pasieka  
Village Clerk, Marshall  
Finance Director, Wiszowaty

President Downey called the meeting to order at 7:30 p.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road.

**ADDITIONS TO AGENDA/APPROVE AGENDA**

Motion by Pfeifer, seconded by Schmitt, to correct item c. of the Consent Agenda to indicate that the bills were recapped as of October 6, 2003 and add item f. to the Business Agenda, “Schedule public hearing on lot split”.

Motion carried.

Motion by Woodrow, seconded by Schmitt, to switch the order of Business Agenda items ‘a’ and ‘b’.

Motion carried.

Motion by Woodrow, seconded by Pfeifer, to approve the agenda as amended.

Motion carried.

**PUBLIC HEARING – COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR 2004**

Downey declared the public hearing open at 7:34 p.m. on the use of Community Development Block Grant Funds for 2004.

Claudine Goeddeke representing HAVEN thanked the Village of Beverly Hills for its past support in providing services to survivors in this community. HAVEN is a nationally recognized non-profit organization with a mission to eliminate domestic violence, sexual assault and child abuse through treatment and prevention services across Oakland County. Goeddeke presented Council with a brief account of the service provided to 19 Beverly Hills residents last year. Haven requests \$2,000 from the Village Community Development Block Grant funds in order to continue to service people from this community.

No one else wished to be heard; therefore, the public hearing was closed at 7:35 p.m.

**PUBLIC COMMENTS**

Patricia Greening of 19289 Riverside, chairperson of the Parks and Recreation Board, was present with three children in Halloween costumes to remind everyone that the 8<sup>th</sup> Annual Halloween Hoot will be held in Beverly Park on Sunday, October 26. She highlighted activities that will occur throughout the day culminating in the evening when children trick or treat at kiosks set up by neighborhood associations along the park trail. The event is sponsored by the Village as well as Maryann McBroom, the Village Woman’s Club and the Lions Club.

W. A. Zimmerman of 22191 Camelot Court related that he has a past due balance on his water bill because Beverly Hills water bills are addressed to “resident” and are not forwarded by the Post Office to his summer residence. He will pay the overdue amount when he receives a bill for July and August defining the charges.

Downey responded that Mr. Zimmerman has been told in the past that there are other options for paying water bills including electronically. Property owners can continue to receive their water bills if they contact the Village and provide an address where they want their water bills sent.

Downey is in receipt of a letter from the Honorable Judge Stephen Cooper of the 46<sup>th</sup> District Court advising the Village that informative tours of the courthouse can be arranged.

**CONSENT AGENDA**

Motion by Pfeifer, seconded by Mooney, to approve the Consent Agenda as amended:

- a. Review and consider minutes of a regular Council meeting held on October 7, 2003.
- b. Review and consider minutes of a joint Planning Board/Council meeting held on October 8, 2003.
- c. Review and file bills recapped as of Monday, October 6, 2003.

Motion carried.

**BUSINESS AGENDA**

**REVIEW AND CONSIDER SUBCOMMITTEE RECOMMENDATION TO FILL VACANCY ON THE ZONING BOARD**

McCleary reported that a subcommittee meeting was held prior to the Council to consider nine candidates to fill a vacancy on the Zoning Board of Appeals. The subcommittee recommended that Council appoint Michael Brady to the position.

Motion by McCleary, seconded by Mooney, to appoint Michael Brady to the Zoning Board of Appeals for a term to expire on June 30, 2005.

Motion carried.

Downey recognized Michael Brady, who was in the audience, and welcomed him as member of the Zoning Board of Appeals.

**PRESENTATION OF JUNE 30, 2003 AUDIT BY PLANTE & MORAN**

Joe Heffernan and Stacey Reeves from Plante & Moran presented the audit report for the year ending June 30, 2003. Council members have received a copy of the general purpose financial statements of the Village and the auditor's letter of comments and recommendations.

A financial statement reporting change has been initiated in this year's audit as required by the Governmental Accounting Standards Board (GASB). The major additions included in this new reporting model are as follows:

- *Management Discussion and Analysis:* Management is now required to give an overview of the Village's overall financial position and results of operations.
- *Government-wide Financial Statements:* These additional statements adjust the normal fund-based statements into a combined, full-accrual format. This allows someone reading the financial statement to see the Village from a longer term perspective (i.e. are today's taxpayers paying the full cost of today's services). These statements show capital and infrastructure assets, as well as long term debt as part of the Village's financial picture.
- *Budget Comparison:* A financial statement reader will now be able to view not only the actual revenue and expenditures of the Village as compared to the current budget, but also as compared to the original budget.

Heffernan referred to the Management's Discussion and Analysis portion of the report and reviewed significant financial highlights of this year. State-shared revenue has been reduced from the statutory percentages of the sales tax that should have been distributed to local communities by about 12 percent. Beverly Hills is going into its fourth year of reductions in state-shared revenue, which has had a significant impact on the Village.

A determination was made that the Village's water system requires \$2.8 million in capital improvements in the short term. A water main replacement project has begun this year with a combination of millage and additional special assessments for water main improvements.

The total net assets related to the Village's governmental activities increased by approximately \$2 million this year. However, the unrestricted portion of net assets decreased by about \$300,000. This is the part of net assets that can be used to finance day-to-day operations.

The Village is in the process of completing the Coryell and Hummel Special Assessment District in the amount of \$500,000.

Heffernan summarized the financial statements with the use of graphs. The statement of governmental net assets shows that taxpayers have funded the full cost of providing services. Other graphs depicting statement of activities compare the resources provided in the current year to the cost of providing this year's services. The displays indicate that the taxpayers funded more than the cost of the current year's services due to the Capital Projects Infrastructure Millage and Special Assessments. An exhibit showing Village Water and Sewer Fund Activities is on a separate chart because the fund is viewed as being a self-supporting business activity and not a

governmental activity. The graph shows that the rates have been set sufficiently so that the Village is bringing in slightly more than is being spent and the net assets increased from \$1.2 to \$1.9 million during the year.

The General Fund Budgetary Highlights paragraph indicates that Village departments overall stayed below budget with total expenditures coming in at about \$100,000 less than what had been budgeted. This combined with unexpected revenue from SOCRRA allowed the Village's fund balance to decrease by about \$150,000 less than had been anticipated.

There were about \$2 million of capital assets put in this year with \$1.4 million being roads and bridges. Heffernan commented on the early call option of the Village's special assessment bonds, which should eliminate the risk of having to invest early payoff proceeds at an investment rate of return equivalent to the bond's interest rate.

Council questions and comments were addressed by Heffernan including an explanation of depreciation. It is the auditor's opinion that Beverly Hills is adequately setting aside through depreciation reserves and cash reserves to properly take into account the physical depreciation of its hard assets.

Reeves reviewed the Plante & Moran letter of comments and recommendations addressed to Council. The primary purpose of this letter is to give Council an update on anything that is happening legislatively that the auditors think is important to Council as decision makers. The other purpose is to provide suggestions on accounting procedure. This letter is more policy oriented as opposed to criticism of the Village's accounting practices as there are no deficiencies noted.

Reeves talked about the need to be mindful of the continued decrease in state shared revenues as Council goes through its budget process. The State is budgeting another cut to state shared revenue of 3% from fiscal year 2002/03 levels, which will result in another \$30,000 reduction for the Village.

The State held a revenue estimating conference on October 14, 2003 where it was announced that the projected shortfall for 2003/04 was \$900 million. If the State's solution to this shortfall has a severe economic impact on the Village in terms of a significant change in state-shared revenue, Plante & Moran will inform the Village.

Pfeifer questioned the amount of Telecommunications Act Revenue received this summer. Murphy will provide this number to Pfeifer. Pfeifer asked several specific questions on the audit report, which were answered by Heffernan. She brought an error to the attention of Plante & Moran on page 13 of the audit report where an amount appears on the wrong line.

Motion by Pfeifer, seconded by Mooney, to accept the Village of Beverly Hills Financial Report as of June 30, 2003 prepared by Plante & Moran, as amended.

Motion carried.

**REVIEW AND CONSIDER PROGRAM YEAR 2004 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION**

Before Council for consideration is the application and proposed use of Community Development Block Grant (CDBG) funds administered through Oakland County’s Community and Home Improvement Division. Municipalities are allocated funds based on population with this year’s allocation to Beverly Hills estimated to be \$22,722.

This year’s proposal is to allocate funds to HAVEN (Help Against Violent Encounters Now), to the Village for planning consultant services related to updating the Village Master Plan, and towards Senior Outreach Services and Minor Home Repair for low to moderate income senior citizens. It will be necessary this year for the Village to solicit Requests for Proposals for Senior Outreach Services and Minor Home Repair.

Motion by Pfeifer, seconded by Woodrow, to adopt the following resolution.

VILLAGE OF BEVERLY HILLS  
RESOLUTION APPROVING THE 2004  
COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION

WHEREAS, the Village of Beverly Hills has duly advertised a public hearing for the purpose of receiving comments regarding the proposed use of 2004 Program Year Community Development Block Grant funds in the approximate amount of \$22,722 and;

WHEREAS, the public hearing was held on Monday, October 20, 2003;

NOW THEREFORE BE IT RESOLVED, that at a regular meeting of the Village of Beverly Hills Council held on October 20, 2003 at the Village municipal offices, 18500 W. 13 Mile Road, Beverly Hills, MI 48025, that the 2004 Program Year Community Development Block Grant Application in the approximate amount of \$22,722 be approved and submitted along with the required signature page and Sub recipient Agreement signed by the Beverly Hills Council President as follows:

| Account | Project Name                   | Amount      |
|---------|--------------------------------|-------------|
| 3384-A  | HAVEN                          | \$2,000.00  |
| 3384-B  | Public Service Senior Services | 9,361.00    |
| 3304    | Planning                       | 4,544.00    |
| 3188    | Minor Home Repair              | 6,817.00    |
| Total   |                                | \$22,722.00 |

Domzal requested information at a future meeting regarding how many people are being assisted by the senior outreach services and the minor home repair program.

Murphy clarified that the application indicates the general categories of “public service senior services” and “minor home repair” instead of naming a specific organization this year because the Village is required to go out for bids every year for those services. Proposals received will

come before Council for consideration at which time there is likely to be a presentation that will address the utilization of these services in Beverly Hills. Pfeifer commented that she can provide Council with data on this year's use of these programs in the Village.

Downey mentioned that the Village ordinance enforcement officer has made a number of residents aware of these services.

Roll Call Vote on Motion:  
Motion carried (7 – 0).

**FIRST READING OF AN ORDINANCE REGARDING WATER SUPPLY & SEWER DISPOSAL SYSTEM REVENUE BONDS SERIES 2004**

Before Council for consideration is a proposed ordinance to provide for the construction and issuance of revenue bonds relating to the Drinking Water Revolving Fund project. The Village Council must consider an ordinance authorizing the issuance of debt regardless of whether it proceeds with a bond issue through DWRP or the open market. Administration expects to receive a decision from the State Department of Environmental Quality on use of DWRP revenue bonds by the end of the year.

McCleary stated that the ordinance is available for review at the Village offices. People may contact the Village Manager or Public Services Director if they have any questions. This constitutes the first reading of this ordinance.

**REVIEW AND CONSIDER FINAL PAYMENT TO SUMMIT TRANSPORT**

Before Council for consideration is approval of final payment to Summit Transport for construction of Beverly Park improvements. The contractor has completed the project including all punch list items. Administration recommends release of the final payment in the amount of \$22,154.19, for a final cost of \$470,358.35.

Motion by McCleary, seconded by Pfeifer, to approve final payment to Summit Transport, Inc. in the amount of \$22,154.19 for the completion of contract P-02-01 – Beverly Park Improvements.

Council questions were addressed by Spallasso. It was questioned whether the Village has received DNR grant money for this project. The Village can request reimbursement of money expended from the State Department of Natural Resources now that final payment is made to the contractor.

Spallasso stated that minor repair of seams in the parking lot will be addressed as part of the Village's joint sealing operation. The one-year bond coverage on the landscaping will begin upon approval of final payment to the contractor.

Roll Call Vote:  
Motion carried (7 – 0).

### **SCHEDULE PUBLIC HEARING ON LOT SPLIT**

An application has been submitted to the Village for a land division and combination for a site comprised of three parcels on Lahser Road. The proposal is to split a vacant lot and combine it with two separate parcels with homes on them. The Village Planning Board will hold a public hearing and review this proposal on Wednesday, October 22.

Council set Monday, November 3, 2003 as a public hearing date to consider the Brennan/Ruthven Land Division and Combination Application.

### **PUBLIC COMMENTS**

None

### **REPORTS**

#### **MANAGER**

Village Council is hosting an orientation meeting tomorrow night, October 21, with the 44 Strategic Planning Development Committee volunteers. The meeting will start at 7:30 p.m. in the council chambers.

Eagle Scout candidates Andy O'Reilly and Michael Sabat started work on installing steps on the sled hill this past weekend. They constructed 33 steps on the southeast side and three on the northwest side on Saturday and Sunday. They did a great job and expect to continue the project next weekend.

The Retirement Board continues its review of the qualification statements for investment consulting and performance monitoring services. The Board anticipates completing the work by its next regularly scheduled meeting on November 18.

Murphy thanked Bob Wiszowaty and staff for another solid year particularly in light of the GASB 34 changes in financial statement reporting.

Mooney asked Murphy to explain what options are available to residents who may be unable to pay their taxes. Murphy advised that residents can apply for an exception at the Southfield Township offices. There is a senior exception, which is a deferral whereby the resident can defer when the payment is due without penalty. The other request for exception is a poverty consideration, which is acted upon by the Board of Review.

Downey referred to discussion of Southfield Road corridor improvements at a recent joint meeting of the Council and Planning Board. Several items mentioned were enhancements that could be done now.

Murphy responded that he has talked to code enforcement officer Gosselin about a number of Southfield Road issues, some of which are already underway. Gosselin has made arrangements for community service help to clean up the alley behind shopping center at 13 Mile Road. He is aware of other issues including the unkempt fence along Gould Court and McDonald's and broken guard rails and will be working with those who are responsible.

## **COUNCIL**

McCleary hopes to see everyone at the Halloween Hoot.

It was stated earlier that Village water bills are addressed to “resident” and are not forwarded by the Post Office. Mooney stated that, if residents know that they will be out of town for an extended period, they can have their water bill electronically debited from their checking account. Murphy added that residents can also call the Village office and request to have their name put on the water bill or contact the Village and request an alternate address. Murphy related that mailing bills with residents’ names would require using regular postage resulting in a 50% increase in postage cost.

Mooney thanked Wiszowaty and staff for a great job assisting with the audit report.

Pfeifer informed Council that she contacted Tom Ryan regarding a proposed Charter Amendment to raise the limitation of expenditures without prior approval of Council. Council overlooked a section of the Charter that requires a purchase order to be written for any expenditure over \$25. Ryan suggested creating a section that states that Council can adopt a resolution to set a threshold for establishing purchases that need to be made with a purchase order.

At its Wednesday, October 15 meeting, the Birmingham Area Cable Board awarded a contract to Bloomfield Community Television to serve as PEG (public, educational and government) access provider for the member communities for the next three years. Because Comcast provides cable television to approximately 75% of residents, public access programming (Channel 15) developed by municipalities is an opportunity to reach people and inform them of what is happening in the community.

Pfeifer will be attending the Birmingham Area Seniors Coordinating Council meeting tomorrow. Pfeifer thinks that administration did a tremendous job on working within the budget this year.

Schmitt congratulated Michael Brady on his appointment to the ZBA. Schmitt commented that a topic that was brought up at the joint meeting with the Planning Board is the multiple meetings an applicant has to attend through the Village’s site plan approval process and how that could be changed. The Planning Board does a conscientious job, and the new planning consultant seems to be working out well. Schmitt thinks it is time to discuss the Planning Board becoming a planning commission. He noted that Council would still have the ultimate decision making authority.

Schmitt will attend a Michigan Municipal League meeting tomorrow on the topic of the impact of changing from a village to a city.

Domzal stated that the Planning Board will meet on Wednesday, October 22. The Personnel Committee will meet on Monday, October 27 to review applications for positions on the Strategic Planning Development Committee. The committee will take a look at people’s availability to serve and the various assignments that will be available. It is anticipated to contact the applicants within a couple of weeks.

Domzal commented that the findings of the auditors that the Village is on track to save \$150,000 is evidence that we have a good team that benefits the taxpayers. Administration is working to manage the Village's expenses in every area of the budget.

Woodrow reported that a special meeting of the Retirement Board was held last week to review proposals received in response to Request for Qualifications for consulting firms that provide municipal investment advisory services. The Board will meet in the public safety building the last week in October to interview four companies out of the eight firms that submitted proposals.

Woodrow stated that there were a number of qualified candidates for the vacant position on the Zoning Board of Appeals. He hopes that those residents who were not selected will keep their applications on file.

Woodrow read about the great MEAP test scores in the Birmingham School District in a recent edition of the Birmingham-Bloomfield Eagle. Our students did a great job overall, compared to state averages.

Downey stated that there will be joint Council study session on Monday, November 10.

Motion by Pfeifer, seconded by Domzal, to adjourn the meeting at 9:08 p.m.

Motion carried

**Doyle Downey**  
**Council President**

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

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