

Present: President Woodrow; President Pro-Tem Koss; Members: Berndt, Oen, Pfeifer and Stearn

Absent: Peddie

Also Present: Manager, Spallasso
Assistant Manager, Marshall
Finance Director, Wiszowaty
Director of Public Safety, Woodard
Village Attorney, Ryan

President Woodrow called the regular Council meeting to order at 7:30 p.m. The Pledge of Allegiance was recited by those in attendance.

ADDITIONS TO AGENDA/APPROVE AGENDA

Motion by Pfeifer, second by Oen, to approve the agenda as submitted.

Motion passed (6 – 0).

PUBLIC HEARING TO REVIEW 2007 ASSESSMENT ROLLS FOR DUST CONTROL AND OTHER MISCELLANEOUS ASSESSMENTS

A public hearing is required to review and confirm unpaid assessments and billings on properties to be added to the tax roll in the categories of dust control and other miscellaneous assessments. These are charges to residents for services that have already been incurred by the Village.

Woodrow opened the public hearing at 7:31 p.m. on the 2007 Assessment Rolls for dust control and miscellaneous assessments. He described the various categories and amounts of the charges. No one wished to be heard; therefore the public hearing was closed at 7:35 p.m.

PUBLIC COMMENTS

Bob Walsh of 20655 Smallwood Court inquired about manhole work he has observed in his neighborhood. Spallasso responded that manhole repairs are being conducted by the Oakland County Drain Office as part of its maintenance program for the Village. The work is being done only on manholes that are leaking or need repair in the separated sewer system area in the west side of the Village.

CONSENT AGENDA

Motion by Pfeifer, second by Berndt, to approve the consent agenda as published.

- a. Review/consider approval of minutes of special Council meeting held April 5, 2008.
- b. Review/consider approval of minutes of a joint Council/Finance Committee meeting held on April 8, 2008.
- c. Review/consider approval of minutes of regular Council meeting held April 15, 2008.
- d. Review/consider approval of minutes of special Council meeting held April 29, 2008.
- e. Review and file bills recapped as of Monday, April 28, 2008.
- f. Review/confirm 2007 Assessment Rolls for dust control and other miscellaneous assessments.
- g. Review/consider approval of work completed by JH Hart for tree removal services reimbursable through Metro Act Funds administered by Southfield Township.

Motion passed (6 – 0).

BUSINESS AGENDA

PUBLIC HEARING ON PROPOSED 2008/09 BUDGETS FOR GENERAL FUND, MAJOR & LOCAL ROADS, WATER & SEWER OPERATING, AND OTHER SPECIAL REVENUE FUNDS

Wisowaty presented an overview of the proposed 2008/2009 budget prior to accepting public comments. He discussed the General Fund revenue sources and related the effect of the Headlee Amendment and Proposal A on limiting property tax revenue received by the Village. State Revenue Sharing is down \$259,689 from the peak year of 2000. It is anticipated that the Village will receive \$828,747 in the next fiscal year, a \$4,885 increase from last year's amount.

Wisowaty summarized General Fund revenue sources, distribution, and projected amounts for 2008/09; revenue is anticipated to be \$7,241,624. The fund balance for the General Fund at the end of this period will be approximately 19%, or \$1,376,000. The combined 2008/09 millage rate is projected to be 11.7329, or a reduction of 0.0244 mil from the previous year. This is the tenth consecutive year that the combined millage rate has dropped.

General Fund expenditures were reviewed by department and percentage of budget. The total budget is \$7,241,624 for the 2008/09 fiscal year. In the next fiscal year, the General Fund budget will increase \$363,749 from the previous year. Rubbish collection and disposal will increase by \$39,586 from the current fiscal year. Health insurance and retiree health care continues to increase at five times the inflation rate. Based on numbers received, the increase this year is estimated at 12 percent.

Under the Uniform Budgeting Act, the Village is required to budget for special revenue funds, which is revenue derived from specific taxes or another revenue source such as Act 51 Gas and Weight Tax monies. Expenditures are restricted to the purpose of the fund. The Village Special Revenue Fund budgets include the Major Road Fund, Local Street Fund, Drug Law Enforcement Fund, Retiree Health Care Fund, Vacation Reserve Fund, and Sick Pay Fund.

The Major Road Fund has a balanced budget for 2008/09 of \$1,012,226. State Gas and Weight Tax is the largest revenue source at \$417,729. This budget will use \$552,062 from the Major Road fund balance. The largest expense will be construction, projected to be \$574,350. The fund balance will be approximately 29.10% or \$294,575 at the end of the fiscal year

The Local Street Fund shows a balanced budget of \$516,549. Revenue from Gas & Weight Tax is estimated at \$204,018; Transfers/Other Revenues will be \$118,328; Contribution from the Fund Balance will be \$116,000. Wisowaty stated that 0.1312 mills will be applied to the Local Road Fund from the General Operating Millage, totaling \$78,203. Construction and routine maintenance make up the majority of the Local Road Fund expenses. The fund balance at the end of June 30, 2009 will be at 22.99% or \$118,729.

The Drug Law Enforcement budget is estimated at \$3,600 for the next fiscal year. Vacation Reserve Fund shows revenue made up of interest in the amount of \$1,500. Sick Pay Reserve interest was budgeted at \$3,000.

The total revenue for the Retiree Health Care Fund is estimated at \$697,415. The contribution from the General Fund will be \$613,415. The actual expenses for health insurance for retirees is projected to be \$560,770. The Village will add \$52,645 to the fund in addition to current expenses. The fund balance in the Retiree Health Care Fund as of March 31, 2008 was \$1.4 million.

The Water & Sewer Operating Fund budget for 2008/09 will increase by \$493,845 from last year. The Village will supplement revenues by using a contribution from the Fund Balance to offset a rate increase. Residents' water and sewer rates will not increase this year. The Water & Sewer Budget for 2008/09 will be \$4,238,974 for revenue and expenditures.

Wisowaty thanked Council and residents for their input on the budget at study sessions as well as department heads and staff members who contributed to the preparation of the budget document.

Stearn thanked everyone for their hard work on this year's budget including Council, administration, department heads, and the public. He remarked that the good news is that Beverly Hills experienced property value increases this year while surrounding communities had decreasing property values. Further, this is the tenth consecutive year that the Village's combined millage has decreased, which means the Village is collecting less tax revenue from its residents. Tax revenue has increased by 1.5% while expenditures are up over 5% this year. Council has been able to retain healthy fund balances in all Village funds in light of the fact that money received through State Shared Revenue is down by \$250,000 since the peak year of 2000.

This Council has accomplished the established goal of continuing another year without raising taxes. Citizens will have to start looking at the future and start thinking about what is important to them in terms of maintaining current services and increasing taxes. Beverly Hills will have to consider additional revenue sources.

Woodrow opened the public hearing on the budget for fiscal year 2008/09 at 8:04 p.m.

Bob Walsh of 20655 Smallwood Court commented that the General Fund Revenue increased by 1.15% while expenses went up by 5.29% or approximately \$363,000. He noted that \$78,000 was transferred from the General Fund to the Local Road Fund. Walsh recapped action taken at budget study sessions with regard to the Major and Local Road Fund budgets. He commented on the balances remaining in the General Fund and Road Funds. Walsh voiced his opinion that two public safety contracts were recently approved without cost reductions. He commented on the costs of hiring a 25th public safety officer, who will be assigned outside the Village to the Oakland County Narcotics Enforcement Team.

Questions on the Water & Sewer Operating Fund expenses were addressed by Spallasso. Walsh addressed the Village's increasing health insurance costs for active employees and retirees noting that employees do not contribute to the cost of their insurance premiums. Walsh commented that this will be an interesting year for cost containment and cost reduction.

Sharon Tischler of 21415 Virmar Court referred to the Water & Sewer Operating Fund and asked if the Village is anticipating the same or less water usage than last year. Spallasso responded that the numbers are projected to remain constant. He indicated that residents' water

and sewer rates will not increase this year even though the Village has received an increase in sewer rates. A decision was made not to adjust the rates to recover increases in a year when water meters were replaced in most residences and a number of discrepancies were experienced between remote readings and the actual meter. The fund balance will be used to cover sewer rate increases.

No one else wished to be heard; the public hearing was closed at 8:19 p.m.

Stearn raised a few points in response to comments from the public. The Village hired a second detective for the Public Safety Department, which is costing the Village money. It is intended to revisit this decision in a year or two to determine whether the safety that officer provides is worth the expenditure. It was anticipated that the officer could bring money into the Village through drug and other forfeitures.

The Village is spending \$1.1 million on the Major and Local Road Funds even though the budget is not transferring 1 mil from the General Fund to the Local Road Fund. Projects will include the reconstruction of Thirteen Mile Road with concrete curbs and gutters. With regard to health insurance, this Council made a conscious decision to settle long-overdue Public Safety contracts with terms that it considered to be favorable.

REVIEW AND CONSIDER ADOPTION OF THE 2008/2009 FISCAL YEAR VILLAGE OF BEVERLY HILLS BUDGET

Motion by Stearn, second by Oen, to adopt the following resolution:

**RESOLUTION
TO ADOPT THE 2008/2009 FISCAL YEAR
VILLAGE OF BEVERLY HILLS BUDGET**

The Village Council of Beverly Hills conducted a public hearing on the proposed 2008/2009 Fiscal Year Budget on May 6, 2008 and public comments have been heard and considered, therefore, be it resolved that the 2008/2009 Fiscal Year Budget for the General Fund, Major Road Fund, Local Streets Fund, Drug Law Enforcement, Retiree Health Care, Vacation Reserve, Sick Leave and Water and Sewer Operating Fund in the following amounts be hereby adopted:

FUND NAME	REVENUES	APPROPRIATIONS
General Fund	\$7,241,624.00	\$7,241,624.00
Major Road Fund	\$1,012,226.00	\$1,012,226.00
Local Streets Fund	\$516,549.00	\$516,549.00
Drug Law Enforcement	\$3,600.00	\$3,600.00
Retiree Health Care	\$697,415.00	\$560,770.00
Vacation Reserve	\$1,500.00	\$00.00
Sick Leave Reserve	\$3,000.00	\$00.00
Water & Sewer Operating	\$4,283,974.00	\$4,283,974.00

Roll Call Vote:
Motion passed (6 – 0).

**REVIEW AND CONSIDER APPROPRIATING FUNDS FOR 2008/2009 FISCAL YEAR
VILLAGE OF BEVERLY HILLS BUDGET**

Motion by Stearn, second by Pfeifer, to adopt the following resolution:

RESOLUTION

**TO APPROPRIATE FUNDS FOR THE 2008/2009
BEVERLY HILLS BUDGET**

The Village Council of Beverly Hills has adopted its annual budget for its fiscal year beginning July 1, 2008 in accordance with State law and the Village Charter, and

The Village Council is also required to adopt an appropriations act to provide the authority to incur obligations and expend public funds.

THEREFORE, BE IT RESOLVED, that the adopted budget for the fiscal year beginning July 1, 2008 and ending June 30, 2009 shall establish the approved appropriation levels for the said fiscal year.

BE IT FURTHER RESOLVED that the Village Council does hereby authorize the Village Manager to execute transfers between appropriations provided that each transfer be approved by the Village Council prior to its execution.

BE IT FURTHER RESOLVED that the Village Council retains authority to amend the Village budget and this appropriations act at such times when deviations from the projected revenues and authorized expenditure levels become necessary and the amount of the deviations becomes known.

Roll Call Vote:
Motion passed (6 – 0).

**REVIEW AND CONSIDER ADOPTION OF THE 2008 VILLAGE OF BEVERLY HILLS
MILLAGE RATE**

Motion by Pfeifer, second by Oen, to adopt the following resolution:

RESOLUTION

**TO ADOPT THE 2008 VILLAGE OF BEVERLY HILLS BASE TAX RATE
PLUS ADDITIONAL MILLAGE TO RETIRE DEBT**

The Village Council on May 6, 2008 adopted the 2008/2009 Village Budget, and

The Village Council must adopt a millage rate to be spread on the Village tax roll for 2008, and

Public Act 5 of 1982 does not apply to levying for Debt Service, and

The proposed 9.3801 mils for operating purposes for the General Fund and the Local Streets Fund do not exceed the 11.00 mils maximum approved by the voters at the March 13, 1995 election.

THEREFORE, BE IT RESOLVED THAT the Village Council does hereby approve the total 2008 millage rate for the Village at 11.7329 mils and the 11.7329 millage rate is to be spread as follows:

General Fund.....	9.2489 mils
Road Fund.....	0.1312 mils
CSO Debt.....	0.6347 mils
Dedicated Millage.....	1.7181 mils
Total Millage Rate	11.7329 mils

Roll Call Vote:
Motion passed (6 – 0).

REVIEW/CONSIDER REQUESTS FROM BEVERLY HILLS LIONS CLUB AND VILLAGE WOMAN’S CLUB FOR USE OF VILLAGE STREETS AND BEVERLY PARK ON MAY 26, 2008 FOR MEMORIAL DAY FUN RUN, PARADE & CARNIVAL

Motion by Oen, second by Berndt, that the Village Council approve requests from the Beverly Hills Lions Club and the Village Woman’s Club of Beverly Hills for use of Village streets and Beverly Park on May 26, 2008 for the Annual Memorial Day Fun Run, Parade and Carnival, petting farm and pony rides and waiver of restriction on sales in the park.

Certificates of insurance naming the Village of Beverly Hills as additional insured have been provided by both entities and reviewed by the Village Attorney.

Motion passed (6 – 0).

REVIEW AND CONSIDER SOUTHFIELD ROAD CORRIDOR STUDY RECOMMENDATION FROM THE PLANNING BOARD

Oen related that Council directed the Planning Board to conduct a Southfield Road Corridor Study and provided a budget of \$7,500 for this work. The Planning Board determined that it would need the assistance of an expert who could develop a vision for the business district. The idea was to determine what could be done in the business corridor to update standards and promote future improvements.

Requests for Proposals were sent to 15 planning companies in Southeastern Michigan, which resulted in two proposals submitted to the Village. A proposal from Ann Arbor firm of Beckett & Raeder in the amount of \$19,950 was primarily a streetscape plan. The Planning Board determined that the proposal dated March 21, 2007 from Gibbs Planning Group, Inc. recognized the objectives and goals of the study. Robert Gibbs has provided the Village with an updated and revised proposal dated April 24, 2008 that outlines the specifics of the finished product and restates the project cost of \$7,500. Money has been budgeted for this expense.

Motion by Oen, second by Pfeifer, to approve the contract with Gibbs Planning Group, Inc. to conduct the Southfield Road Corridor Study; to authorize the Village Manager to sign the proposal at a cost not to exceed \$7,500; and to strike the following sentence from the contract, “In addition to the above fees for service, costs for reproduction, travel, and lodging shall be billed at direct cost”.

Stearn voiced his concern relative to text in the contract that included billing of costs for reproduction, travel and lodging. An alternate view expressed was that it was a standard consulting agreement, and the language was not an issue. Council agreed to add a condition to the motion to strike language authorizing payment of additional expenses above fees for services.

Stearn commented that property values will not continue to increase without re-evaluating and revitalizing features in the community including the Southfield Road business district.

Sharon Tischler of 21415 Virmar Court thought that there had been previous Southfield Road Corridor studies that were not completed or implemented. She asked what was different about the proposed study. Tischler did not want money spent on a plan that is not useful.

Oen responded that the proposal is to develop a vision or master plan for the commercial district on Southfield Road that would result in a growing and thriving area into the future.

Stearn added that the Request for Proposal stated that the purpose of the study was to develop a new vision for the retail and privately owned properties on Southfield Road starting from 13 Mile and ending at Beverly Road. The contract with Gibbs Planning Group includes providing two alternative master plan sketches, a public presentation, and up to two informal meetings with city stakeholders. The product will be a vision of what Southfield Road could become. The resulting plan would be a starting point for the Planning Board and Council to consider and decide how to implement this goal in the future through ordinance amendments, etc.

Tischler remarked that the resulting vision will not be realized unless there is a funding mechanism to make it attractive for property owners along Southfield Road to implement that master plan.

Bob Walsh of 20655 Smallwood Court said that the last Southfield Road Corridor study was ended in the initial stage because results of a village-wide survey conducted by the Strategic Planning Development Committee showed that improvements to the business district was not a priority of residents.

Pfeifer thought that the goal was to create an overlay district with a long-range plan. Stearn suggested that this study will be step one and that implementation of a vision or plan will be the next step. Berndt thought that the focus should be on a realistic plan that could be achieved with the resources available.

Roll Call Vote:
Motion passed (6 -0).

PUBLIC COMMENTS

Sharon Tischler of 21614 Virmar Court expressed concern that there are sections of Fourteen Mile Road west of Pierce where concrete chunks are missing, particularly in the center left-hand turn lanes. Spallasso responded that Fourteen Mile Road is a county road and Oakland County is responsible for making the necessary repairs to the road. Tischler suggested that the Planning Board should communicate with business owners on Southfield Road to keep them advised of the progress of the Southfield Road Corridor study.

REPORTS – MANAGER

Spallasso reported that Asix Paving has resumed the road resurfacing operation in Section One to complete last year's work program. The project should be done in a couple of weeks. The Thirteen Mile Road project is proceeding on schedule with utility work; pavement removal will begin some time next week. Motorists are advised to avoid Thirteen Mile Road. In response to an inquiry, Spallasso stated that the project involves asphalt resurfacing with concrete curbs and gutters.

The water meter replacement program is on schedule with over 3,000 meters replaced to date. It is anticipated that the project will be completed ahead of schedule. Spallasso reminded residents that the compost pile in the parking lot of the municipal building is available for residents' use only.

Spallasso thanked Wiszowaty for a good job on preparing the 2008/09 budget and thanked Council for their review of the budget.

COUNCIL COMMENTS

Members of Council thanked Village administration and department heads for a good job on preparing the 2008/09 budget.

Oen reported on a presentation by LSL Planning at the last Board meeting on the status of the Neighborhood Study west of Southfield Road. The report outlined what LSL is doing in terms of utilizing GIS data provided by Oakland County to inventory existing conditions and to project potential solutions relative to modifying Zoning Ordinance regulations to minimize the number of nonconforming lots west of Southfield Road.

The Planning Board is also discussing the possibility of developing a design review process and creating an architectural review board so that people building new houses would have to comply with a set of standards and come before a subcommittee of the Planning Board for review of their plans and materials.

Oen commented that he has observed that people are parking their cars on the grass along ditches and damaging lawns. He indicated that the Village Building Official and code enforcement officer have identified the need for ordinance amendments to address and regulate several items.

Oen reported that Planning Board members expressed concern at their last meeting about excessive signage at the strip mall at Thirteen Mile and Southfield Road. It was suggested that Council may want to consider directing the Planning Board to look at signage regulations. Oen reminded residents to continue their recycling efforts.

Stearn congratulated the Parks and Recreation Board on preparation of a Beverly Hills Community Recreation Plan, which has received approval from the Michigan Department of Natural Resources. The Plan will not expire until December 31, 2012. Stearn expressed the view that Council should give serious consideration to the capital improvement report prepared by the Parks and Recreation Board that provides a schedule for an annual capital improvement budget to address maintenance of existing park facilities and future needs. The Parks and Recreation Board will meet on Thursday, May 15 at 7:30 in Beverly Park. The Finance Committee will meet on Tuesday, May 13 at 7:00 p.m. in the Council chamber.

Koss remarked that the Village is heading into difficult financial times, and residents will need to start thinking about what is important to them. People need to be aware of rising costs and decreasing revenue. Koss thanked everyone in the community who is helping with the celebration of the Village's 50th Anniversary. She noted that the sign behind the Council table was prepared by a Village resident. Koss is looking forward to the celebration in Beverly Park on Saturday, June 14, 2008.

Stearn reminded everyone that the Annual Beverly Park Clean Up will take place this Saturday, May 10 at 10 a.m. The Village Council will be meeting on May 10 in the Council chamber at 9 a.m. to interview five candidates for the Village Manager position.

Stearn stated that he has supported the Village's contribution to the Baldwin Public Library in past years. He read an article recently that suggested that consideration is being given to raising the Village's contribution amount. Stearn advised Birmingham against proceeding in that direction.

Woodrow reminded residents that the 50th Anniversary of the Village of Beverly Hills is a year-long event, but it will be celebrated with a party in Beverly Park on Saturday, June 14. There will be food, games, and entertainment scheduled throughout the day.

Woodrow noted that the Charter limited millage rate approved by the electorate in 1995 at 11 mills has been rolling back each year and is now down to 9.2 mills. This will merit serious consideration by Village residents.

Pfeifer wished the City of Southfield a happy 50th anniversary.

Motion by Pfeifer, second by Oen, to adjourn the meeting at 9:10 p.m.

Motion passed (6 – 0).

Hugh Woodrow
Council President

Ellen E. Marshall
Village Clerk

Susan Bernard
Recording Secretary