

Present: President Stearn; President Pro-Tem Koss; Members: Berndt, Briggs, Mooney, Oen and Peddie

Absent: None

Also Present: Manager, Wilson
Assistant Manager, Marshall
Director of Public Safety, Woodard

President Stearn called the special Council meeting to order at 9:00 a.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road. This is a strategy session to establish Council direction and priorities for the year. Council will meet again on Monday, November 24 to hold a study session to review Village finances.

ADDITIONS TO AGENDA/APPROVE AGENDA

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

Motion passed (7 – 0).

STUDY SESSION TO REVIEW COUNCIL'S PRIORITY LIST

Council members were asked to consider the direction of the Village in the coming years. Stearn wrote headings specifying various categories on sheets of paper displayed on the wall. He asked Council members to put forward their thoughts and ideas. There was participation by members of the public. The initiatives proposed were discussed, and the disposition of each item was determined by a majority vote of Council.

Communication

Mooney remarked that, with the defeat of the ballot proposition, the electorate has communicated that Council has not made a case for an increase in the amount of money that the Village can collect. The question before Council is how the Village should operate in the next months and years given the message from the voters. Koss concurred that there will be tough decisions to be made in terms of reducing costs. Stearn thought that Council needed to initiate better communication now in preparation for another ballot proposal to keep the Village from running out of money. Briggs commented that Council should establish a dialog with the residents and build trust.

It was the consensus of Council that communication with Village residents should be improved. Members talked about how to better communicate what is going on in the Village.

- Homeowner Associations/*meeting with Council*
- Schools (PTA)/*meeting with Council*
- Businesses/*meeting with Council*
- Village-wide email notifications/*agreement to proceed*
- Villager Newsletter content/*to be decided by administration.*
- Informative Council meetings
Council agreed to a meeting structure with presentations from administration
- Form volunteer corps/*contact resident to coordinate effort*

Edna Freier of Woodhaven Lane mentioned that there are inactive homeowner associations in the Village. In addition to communicating with neighborhood associations and school PTA's, she suggested initiating a grass roots campaign to reach people. Freier believed that there are a number of residents who are concerned about retaining current services and who would be willing to assist with a one-on-one communication technique. They would knock on doors and talk to people to deliver a clearly defined message.

Public Safety Department

Direction on reductions to the Public Safety Department budget was deferred until the Council meeting scheduled for Monday, November 24, at which time there will be a review of Village finances.

- Dispatch (combine with Birmingham, Bingham Farms, Franklin)/*cost & feasibility analysis by administration*
- 3rd Detective/11-24 meeting
- Other Layoffs/review shift schedule/11-24 meeting
- Negotiations (12/09)/*form negotiating committee*
- Neighborhood Watch/*communication*
- Combine forces with neighbors/11-24 meeting topic
- Long-term regional police force/ *future topic*
- Future separation of police & fire departments/ *future topic*

Council discussed the possibility of reopening communication with the City of Birmingham about combining dispatch departments. There was conversation about contracting versus consolidating. Manager Wilson suggested that Council look into expanding the Village's current dispatch operation to provide service to Bingham Farms and Franklin, which would bring in additional revenue. Beverly Hills' current operation has the ability to take on added capacity.

Director Woodard related that a study was conducted in 1974 on the topic of consolidating the public safety departments for Franklin, Bingham Farms and Beverly Hills into a unified public safety delivery system. There were three recommendations on how it could be accomplished. He will provide a copy of this report to all members of Council. Stearn questioned whether analysis of that prospect would qualify for Governor Granholm's consolidation study grant.

Mooney asked Council to consider what level of public safety should be provided for the Village and what coverage is mandated by OSHA. He proposed that Administration provide Council with a report and recommendations on possible public safety layoffs, dispatch consolidation, and revitalization of the neighborhood watch program.

Wilson stated that the public safety concept has served the Village well for a long period of time. There is not an even split in the department functions in terms of time dedicated to police and to fire; it is probably 90:10 percent. Fire department requirements put certain burdens on minimum staffing levels. There may be a way to provide fire service in a different capacity in the future and focus the public safety department on police protection.

Stearn mentioned that negotiations on public safety union contracts will be coming up in December of 2009. He proposed creating a negotiating team today to begin talks with the unions. It would consist of the Village labor attorney, Village manager, and members of Council.

Planning

- Southfield Road corridor/*ongoing study*
- Lessen meetings/role/*revisit after joint meeting*

There was discussion and diverse opinions on the relevancy of the Southfield Road corridor study. Stearn thought that the study was important to render Beverly Hills more marketable and provide a means of bringing in more revenue over time. Mooney countered with the view that the Village is spending time looking at problems that will never be solved.

Oen stated that the cost will be minimal to develop an overlay plan for Southfield Road for future development or renovation of the business corridor. Berndt added that a revitalized Southfield Road would bring in revenue that is desperately needed.

Stearn suggested deferring further discussion on this topic until Council hears the presentation by planner Bob Gibbs.

Capital Improvements & Capital Purchases

Council action on capital purchases was deferred until the November 24 Council meeting.

- Limit
- Eliminate unmarked vehicles
- Prepare five-year capital improvement plan for infrastructure/*direction to administration*

It was noted that there is no money budgeted for capital improvements in the park. The park dedicated millage has expired and revenue raised has been used to implement improvements consistent with the Park Master Plan.

Mooney suggested that administration and Public Safety Director submit a plan for fire truck replacement. He proposed that consideration be given to the following: eliminate any public safety vehicles that are not marked; make vehicles last 30% longer; place a freeze on equipment purchases. Stearn urged Council to be cautious of extreme measures that would require catching up in the future.

Wilson advocated separating general fund capital improvements from other capital improvements. Water mains, roads, and sewer systems will create a problem in five years if they are not maintained. There will be revenue from enterprise funds for water and sewer main repair. Road repair funds will become tight. It will be important to have a five-year capital improvement plan. Administration was directed to prepare a road repair inventory including a budget for Council review.

Director Woodard said that he has been criticized for assigning a detective to the Oakland County Narcotics Enforcement Team (NET). In addition to providing better drug enforcement in the community, the assignment provides forfeiture funds to be returned to the Village. This money will be used to supplant General Fund capital expenses for the Department. Woodard will present a report to Council on the task force including operational issues.

Investments

- Management of retiree health care funds/*delegate oversight to Retirement Board-Council agenda item*
- 20% General Fund Balance (60 days)/*report & recommendation from Manager*
- Refinance Bonds/*report from administration*

Wilson will provide a recommendation to Council at an upcoming meeting to delegate management of Village retiree health care funds to the Retirement Board. The idea is to have a professional investment company involved in managing these funds.

There was discussion of the Village policy to maintain a minimum fund balance of 20% of the annual operating budget. Wilson thought that the Village needed some cushion from a cash flow perspective. Council asked for a report from administration on an appropriate fund balance level for the Village and what other communities are doing.

Mooney noted that the Village will be required to make a contribution this year to the Public Safety Retirement Fund. Woodard stated that the next annual actuarial study that indicates the amount of the employer contribution will be available in March.

Stearn asked if the Village can refinance any of its bonds. Wilson will investigate this.

New Revenue

- Establish community foundation/endowment – *assigned to Parks and Recreation Board*
- Encourage recycling/provide alternative bins/ *later*
- Increase fees (building, administration, park, other)/*discuss at 11/24 meeting*
- Garbage collection millage/*topic for 11/24 meeting*

Wilson stated that Community Foundation of Southeast Michigan has become active in setting up foundations for municipalities, governmental units, and school districts. There are people in the Village who would consider the Village of Beverly Hills in their trust or estate at some point. That money could possibly fund an item like capital improvements in the park. It was mentioned that former Council President Dave Domzal was an advocate of creating a community foundation.

It was noted that Beverly Hills is the only SOCRRA community that finances trash collection through its General Fund without levying a millage for trash collection and disposal. Council understood that the message from the voters was that they did not want to pay additional taxes.

Wilson related that the Village loses revenue every week when material that can be recycled goes to the landfill. SOCRRA will pay to recycle this material, but residents put it in the trash and not the recycle bin. Beverly Hills loses up to \$100,000 a year in revenue. Berndt suggested making more than one recyclable bin available to residents.

Parks

- Grants
- Lessen meetings/role
- Hidden Rivers/Douglas Evans park property

Peddie commented that a number of capital improvements were made to Beverly Park with dedicated millage money. She expressed concern that there are no funds available in the budget to maintain these improvements and facilities.

Mooney suggested removing deed restrictions on Hidden Rivers and Douglas Evans nature preserves for alternative use of that property. There are no taxes paid on those properties because they are owned by the Village. It was noted that the Village's retention treatment facility is located on Douglas Evans property.

Building Department/ DPW

- Building Department – outsource/*topic for 11-24 Council meeting*
- Code Enforcement/*11-24 meeting*
- Landlord/tenant ordinance/*administration report on registration of rental property*
- DPW – reduce services (islands, snow plowing, park, overtime pay)/*11-24 topic*

It was suggested that Council consider outsourcing building department staff including the building official, clerk, or code enforcement officer. This will be a topic for the November 24 Council study session.

Wilson noted that code enforcement will become busier over the next several years due to vacancies, foreclosures, and rental property in the Village.

Janet Mooney, Southfield Township Treasurer, said that the Township is monitoring and trying to classify non-homestead properties. They are working with the Village code enforcement officer on identifying vacant property.

Community Action & Library

- BCC, BYA, etc./*topic for 11/24*
- Community Events/ *topic for 11/24*
- Library Millage/*future topic*

Community events include contributions to the Birmingham fireworks, Winter Family Fun Day, Halloween Hoot, Memorial Day Parade, Village calendar, Newsletter, and volunteer appreciation dinner. It was suggested that administration report on the cost of these community action programs. Mooney asked administration for a report on options for using Community Development Block Grant (CDBG) money.

Stearn stated that Village residents appear to be split on supporting a contract with Baldwin Public Library for library services. He thought that it was time for the electorate to vote on whether to contract for library service because the Village can no longer afford to pay for this out of general operating millage.

It was indicated that the Village has looked into contracting with other libraries including the City of Southfield and Bloomfield Township libraries. Those contracts were more costly. The Village is receiving good value from Baldwin Library.

Other

- Change roles of Village boards/*action on expired terms & Finance Committee*
- Unfunded retiree health care/review contracts (explain, review legality)
- Chapter 11
- Merge with other community/*future*
- Review Medicare supplements in contracts; premium contributions by employees; coordination of benefits
- Look at final average compensation of pension system

Council discussed the Village's unfunded retiree health care liability and related government accounting standards. There was a difference of opinion among members of Council on whether the Village should contribute a designated annual amount in order to fully fund health care into the future or whether it should fund retiree health care on a pay-as-you-go-basis.

Council recessed at 11:37 a.m. The meeting reconvened at 11:55 a.m. Council took action on a number of the initiatives set forth during the meeting.

Communication

Motion by Mooney, second by Koss, to direct administration to contact officers of each homeowner association, Parent Teachers Association, swim club, church, and business in the Village and indicate that, in an effort to improve communication, Council would like to schedule an informational meeting with them some time in January at a regularly scheduled or special Council meeting. Council would be amenable to sending a subcommittee to a meeting of a group that could not attend a Council meeting.

Mooney commented that the goal is to get these people on board in terms of understanding the problems of the Village.

Motion passed (7 – 0)

Council discussed forming a corps of volunteers that might be generated through meetings with the above mentioned groups. A designated coordinator would be appointed. Council asked administration to contact resident Edna Freier, who offered to assist with initiating a grass roots campaign to reach people.

Motion by Mooney, second by Koss, that Village department heads be present at a Council meeting to present their agenda item for discussion and action as opposed to having a Council member present items. The Village Manager will have the discretion to determine whether he can substitute for that staff member. The Manager will decide whether an agenda item warrants attendance by a chairperson of a specific Board.

Motion passed (7 – 0).

Change Role of Boards

Mooney made a motion that the Finance Committee, Parks and Recreation Board, and Planning Board meet only on an ad hoc basis and that each of those bodies should appoint a recording secretary to take their meeting minutes.

Stearn commented that the Planning Board has other business in addition to assignments from Council such as site plan reviews and rezoning requests. They meet only once a month. He thought that published meetings on the calendar improves communication with the public.

Mooney suggested limiting the involvement of the planning consultant and attendance by the building official at Planning Board meetings. Stearn proposed making these decisions following its joint meetings when Council can discuss these matters with Board members and decide whether their suggestions are viable options. Mooney withdrew his motion.

Wilson advised Council to consider a change in past practice whereby current Board members automatically receive another term if they are willing to be reappointed. There may be board or committee members who do not project a positive image of the Village of Beverly Hills. The Council liaison or a member of administration could relay feedback to Council if there is a board member who does not represent the Village well.

Motion by Mooney, second by Koss, that all expired terms of Village Board and Committee members be considered vacant and open to the public at large.

Motion passed (7 – 0).

There was discussion on whether administrative staff should be limited to attending only those board meetings where their participation is necessary. Wilson expressed the view that it was important to have someone from administration at most meetings. There was no action taken by Council.

The status and function of the Finance Committee was a topic of discussion. The debate focused on either disbanding the committee or directing the group to meet only when given specific direction from Council. There was agreement that a board or committee exists to serve the needs of Council.

Motion by Mooney, second by Koss, to direct the Finance Committee to take no action until a specific request is given to them by a motion from Council.

Ayes – Koss, Mooney, Oen and Peddie

Nays – Berndt, Briggs, and Stearn

Motion passed (4 – 3).

Mooney will draft instructions to the Finance Committee regarding its charge from Council to review the article published in the Birmingham-Bloomfield Eagle newspaper critiquing Beverly Hills finances and the millage restoration ballot proposal.

Investments

Motion by Mooney, second by Berndt, to direct the Village Manager to prepare a report and recommendation to Council on the appropriate fund balance amount given the present state of the economy and the budget for 2009/2010.

Motion passed (7 – 0).

Motion by Mooney, second by Oen, to request Administration to explore refinancing of outstanding bonds and conduct a cost/benefit analysis to determine whether it is in the Village's best interest; report to Council within 60 days with a course of action.

Motion passed (7 – 0).

One of the items included in the 2008 Audit Report was a recommendation from Plante & Moran regarding oversight of retiree health care funds. The auditors suggested that the Retirement Board, which oversees the Public Safety Retirement System, provide oversight to the Village retiree health care funds as well. This will be an upcoming Council agenda item.

The Village currently contracts with IbeX Insurance Agency for risk management and insurance services. The cost of their service is built into the insurance premium rates. Council is in receipt of a proposal from Cornerstone Group to provide the Village with a Healthcare & Benefits Consulting Services Agreement. That company would provide the standard services with respect to administration of health benefits and would also assist in establishing a long-term strategy for healthcare and retiree benefits. It was the sense of Council at its October 21, 2008 meeting to place an item on its agenda to consider directing administration to solicit requests for proposals from companies that specialize in health benefits administration.

New Revenue

Community Foundation

Motion by Mooney, second by Briggs, that the Parks and Recreation Board be instructed to explore and report to Council on the establishment of a Beverly Hills community foundation with a park fund within the foundation. The Board should contact Dave Domzal and request his participation on a pro bono basis.

There was a consensus that establishing a community foundation would assist the Village in obtaining new revenue to finance capital improvements for the park and other Village departments.

Motion passed (7 – 0).

Garbage Collection

Imposing a fee for trash collection and disposal will be a topic of discussion at the Monday, November 24 Council meeting.

Increase Fees

A motion to direct administration to analyze building fees and increase fees if feasible failed due to lack of support. Council members were in agreement that there is a need to consider the status of building department and staffing before decisions are made on increasing fees.

Building Department

Staffing

Stearn proposed that Council consider outsourcing the duties of the building official. There may be other ways to accomplish the Village's goals and save money. The Village already contracts for electrical, plumbing and mechanical inspections.

Wilson commented on duties performed by the building official other than inspections and issuing permits noting that there is a public relations aspect to the building department. There are questions for the building official and public contact with the building department from citizens, contractors, landscapers and builders. It was questioned whether the Village needs two full-time people to operate the building department. A general permit can be issued by the Village clerk. Options appear to be raising fees to break even, cutting down on manpower, a part time building department, or contracting out for building department services. This will be a topic for the November 24 Council meeting.

Landlord/Tenant statute

Wilson suggested that the Village require registration with the building department and a per-unit fee for rental units. Inspections would be conducted on an as-needed basis. There is value to having knowledge of the location of rental property in the Village.

Motion by Briggs, second by Koss, to direct administration to prepare a proposal for registration of rental property in the Village of Beverly Hills.

Motion passed (7 – 0).

Community Action & Library

Administration was asked to prepare a memo on the use of Community Development Block Grant funds. Funding the library contract with Baldwin Library will be a future topic of discussion.

Public Safety Department

Budget and Capital Purchases

Further discussion and action on reductions to the public safety budget and capital purchases was deferred until the Monday, November 24 meeting of Council, at which time there will be a review of Village finances.

Negotiations

Motion by Berndt, second by Koss, to form a negotiating committee to begin discussions with representatives from the Public Safety unions. The committee will consist of the Village Labor Attorney, Village Manager, and three Council members (Koss, Peddie and Stearn).

Motion passed (7 – 0).

Dispatch

Motion by Mooney, second by Koss, to instruct administration to determine the cost of taking on dispatch service for the villages of Bingham Farms and Franklin police departments and offer to perform their dispatch duties, requesting a response in three or four weeks. Administration was asked to provide Council with numbers and the feasibility of a proposal for consideration at a meeting in December.

Motion passed (7 – 0).

Separating Police & Fire

Council discussed whether to ask administration to begin to investigate the possibility of separating police and fire services in the future and analyze the cultural, societal and financial impact on the Village. It was mentioned that separating police and fire may require a Charter Amendment. There would be salary adjustments in terms of moving from a public safety department to police only.

Council agreed that this issue merits future discussion but decided not to take action at this time.

Other

Merger

Merging with another community was an alternative that Council did not want to pursue at this time.

Motion by Oen, second by Briggs, to adjourn the meeting at 1:05 p.m.

Ayes – Berndt, Briggs, Oen, Peddie, Stearn

Nays – Koss and Mooney

Motion passed (5 – 2).

Todd Stearn
Council President

Ellen E. Marshall
Village Clerk

Sue Bernard
Recording Secretary