

Present: President Stearn; President Pro-Tem Koss; Members: Berndt and Mooney

Absent: Briggs, Oen and Peddie

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

President Stearn 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 Mooney, second by Koss, to approve the consent agenda as published.

Motion passed (4 – 0).

PUBLIC COMMENTS

Kathleen Berwick of 31381 Kennoway Court said that it was a Council person's right to sell their home at any time. She would be concerned if a Council member who encouraged tax increases and rezoning would move, leaving residents to pay the added bill and to live with the zoning changes. Berwick questioned why a community as small as Beverly Hills has not made budget cuts in terms of outsourcing the building department. She commented that disrespect of concerned residents by Council is not acceptable.

Bob Borgon of 32340 Drury Lane commented on the budget situation facing Council. He urged Council members to stay positive and focused in their thinking without using scare tactics.

Rukni Abboud of 18207 Gould Court stated that he intends to run for Village Council in the next two years. He clarified for the record that he does not plan to sue the Village of Beverly Hills; he may file a complaint in the Court of Appeals to reverse a decision if action is taken by the Village to rezone Lot #5 of Gould Court.

CONSENT AGENDA

Motion by Mooney, second by Berndt, to approve the consent agenda as published:

- a. Review/consider approval of regular Council meeting minutes of January 6, 2009.
- b. Review and file bills recapped as of Monday, January 5, 2009.

Motion passed (4 – 0).

BUSINESS AGENDA

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

Berndt reported that a subcommittee of Council met earlier this evening to review applications to fill a vacancy on the Zoning Board of Appeals. Council interviewed six capable candidates for the position before voting to recommend the appointment of Neil J. Davis of 32800 Bellvine

Trail to the Zoning Board of Appeals. Berndt appealed to everyone who applied for this position to consider submitting an application for the next Village board opening.

Motion by Berndt, second by Mooney, to appoint Neil Davis to the Village Zoning Board of Appeals for a term to expire on June 30, 2010.

In response to an inquiry from Rukni Abboud, it was stated that a ZBA member is appointed for three years. This appointment was made for two years to fill the unexpired term of Jack Fahlen.

Motion passed (4 – 0).

FIRST READING OF AN ORDINANCE AMENDING THE ZONING MAP IN CHAPTER 22 OF THE MUNICIPAL CODE

Council held a public hearing on December 2, 2008 and considered a proposal to rezone Lot #5 on Gould Court. Council voted 4-3 to direct administration to prepare an ordinance to amend the Zoning Map to rezone Lot #5 of Gould Court from R-3 single family residential to P-Parking. Before Council for consideration is an ordinance amendment to enact that zoning change.

Stearn read an Ordinance to Amend the Village Municipal Code, Chapter 22, The Zoning Ordinance for the Village of Beverly Hills. This constituted the first reading of the ordinance amendment. There will be a second reading and a vote on this ordinance at the next Council meeting.

REFER SITE PLAN REQUEST FROM DETROIT COUNTRY DAY SCHOOL TO THE ZONING BOARD OF APPEALS

Motion by Mooney, second by Koss, to table referral of a site plan request from Detroit Country Day School to the Zoning Board of Appeals until the second regularly scheduled Council meeting in February to allow for a full complement of members to be present and to give Council an opportunity to meet with Village Attorney Ryan in closed session regarding pending litigation that may impact their decision on whether to refer this site plan to the Zoning Board of Appeals.

Motion passed (4 – 0).

Stearn announced that Council will meet in closed session with the Village Attorney to discuss pending litigation prior to the February 3 Council meeting. Attorney Ryan was asked to prepare a memorandum on litigation between Detroit Country Day School and the Village of Beverly Hills.

REVIEW AND CONSIDER AMENDING RESOLUTION ADOPTED 1-6-09 REGARDING AUDITING SERVICES

A motion was approved at the last Council meeting to extend a contract with Plante Moran for auditing services. The amount for services to comply with SAS 104-111 was indicated as \$4,500 but should have been \$4,690. Wilson recommended that Council amend the previous motion to reflect the proper amount.

Motion by Mooney, second by Berndt, to amend the Council resolution approved on January 6, 2009 approving a contract for auditing services with Plante Moran by replacing the amount of \$4,500 with \$4,690 for services required to comply with Statements on Accounting Standards 104-111.

Roll Call Vote:
Motion passed (4 – 0).

DISCUSSION ITEMS

Budget

Mooney expressed Council's concern with the harsh economic times in southeast Michigan. Taxable value in the Village has been dramatically reduced in the last couple of years, and there has been limited ability to recoup that income due to the Headlee Amendment and Proposal A, particularly in view of the declining market value of homes.

There have been educational efforts made by the Finance Committee to address the impact of lower property values on property taxes and to explain why taxes are increasing when property value is decreasing. Mooney proposed that Council needs to reach out and do a better job of communicating the financial condition of the Village to its citizens. He asked both the Finance Committee and Administration to participate in an educational effort so residents will understand why the Village is in desperate financial straights.

Council should also educate the community on what is being done in terms of its future obligations. Municipalities are obligated by law to fund retirement plans for public safety officers and other employees in the Village. Beverly Hills has been among the leaders in identifying and prefunding its post employment benefit program. The Village has put aside money since 1994 to create a retiree health care reserve.

Mooney would like the Finance Committee to revisit the accounting and reporting requirements for unfunded retiree health care liabilities as well as the Village's post-employment benefits funding status. Once the community understands that the Village has to make these contributions towards retiree health care into the future, people will understand the obligations facing Beverly Hills and the need to continue to fund retiree health care.

At its last meeting, the Finance Committee suggested that it could provide a role in terms of educating residents as to basic financial and budget issues. Mooney suggested that Council assign the Finance Committee the task of preparing a PowerPoint presentation on Village finances and unfunded retiree health care liabilities. Finance Committee members offered to explore other ways to raise revenue and volunteered to assist the Village in seeking and writing grant applications. Mooney proposed that the Council partner with the Finance Committee and Administration to help members of the community understand why Beverly Hills does not have the revenue to maintain the community as it exists currently.

Stearn asked that discussion of the budget be included at future Council meetings as a business agenda item. Council will either have to cut the budget or raise taxes. He invited the public to come forward with their thoughts about the budget shortfall.

Council held a study session last week to review the 2008/09 budget and look for areas where cuts could be made. Reductions in the public service area were discussed. Consideration was given to taking the public services director position to a part-time or contractual basis. Council asked administration to prepare a report on changing the personnel in the building department. Council will be looking at cutting the Public Safety Department because the Village cannot continue to fund the department at the current level. It was noted that there may be unintended consequences of these actions.

Council is looking at budget cuts and considering a potential millage increase in the future. Stearn would like the Finance Committee, assisted by Finance Director, to prepare a short presentation that could be shown at every Council meeting. The presentation could be aired on municipal channel 15 and posted on the Village's web site. Either the Village is going to have to step up and increase the millage, or Council will be cutting services that the residents have become accustomed to in the community.

Council has been informed that the Village Women's Club will not be sponsoring the Memorial Day Parade and Carnival due to lack of funds and volunteers. This event has been going on in the community for 26 years. Council has asked the Parks and Recreation Board to take over the event if it can raise money through contributions to keep it going.

Koss remarked that the Village Manager has suggested a different way to structure the budget. She stated that \$4 million of the budget goes to the Public Safety Department with only \$2 million remaining for everything else provided by the Village. Council continues to make cuts in departments that are already working on tight budgets. Koss asserted that we need to go to the people and ask them to step forward and help pay for public safety expenses.

Berndt commented that public safety is a priority; even a 15% cut would represent a decrease in officers. Residents may have to start looking at a menu of choices.

Mooney agreed that even the reduction of one officer would threaten the fire fighting capability of the community and reduce the protection that exists today. The community has to have police protection and pay for it. The Village is required to provide building department services. Mooney added that we are also talking about the jobs of people who have been loyal to this community.

Paul Kleppert of 20855 W. 14 Mile Road commented that he would like to see the Village try to increase revenue instead of cutting services.

Mooney commented on the suggestion that the Village request funds from commercial entities. He referred to the Village Women's Club newsletter noting that their sponsors are the same business owners that are approached all the time to assist with community events and organizations. It is difficult to keep going to these people for money. Mooney added that Detroit Country Day School was asked for assistance with the Village 50th anniversary celebration to no avail.

Library

Stearn stated that this Council needs to make tough decisions on what it should keep and what it should cut. He opened discussion on a ballot proposal for library millage. Stearn asked Council to consider drafting a letter that would inform Baldwin Public Library of a millage proposal and place the library on notice that Beverly Hills may discontinue its contract if that proposal fails. The contract for library service is \$600,000 that the Village cannot afford. Beverly Hills has to notify the library by June 30 in order to cancel the contract two years from that date.

Berndt related that statistics from the library indicate that roughly one third of the community may be using the Baldwin Public Library. A millage proposal would give people a chance to have a voice in how they want their money spent.

Koss stated that people move to a community for different reasons. The library has informed Beverly Hills that over 57% of Village households have library cards, which is more than half of our community. She feared that there would not be enough support for anything if people are given a cafeteria menu of services. Koss said that the Village has an outstanding Public Safety Department that every resident in the Village would support. Council should examine the budget before placing the library question on the ballot.

Mooney talked about the cultural advantages to the community offered by the Baldwin Public Library. Beverly Hills pays less for use of the library than Birmingham or Bingham Farms residents per household. Once the library is gone, Beverly Hills may not be able to get it back, certainly not at the same price.

Paul Kleppert commented that Baldwin Library is giving consideration to becoming a regional library. If it is successful, there would be a tax on all member communities.

Stearn related that he has discussed this issue with the Mayor of Birmingham. Becoming a regional library would require a vote of any community that wants to be part of that regional library, and it would involve a millage. It could happen within a year or within five years.

Stearn asked everyone to start thinking about the library issue. Manager Wilson was asked to compile a list of surrounding communities and what they pay for their library in terms of millage rate and the amount of money per household. Cities to include are Southfield, Bloomfield, Troy, Oak Park, Birmingham, and any other communities within a couple square miles.

Landlord Tenant Ordinance

Berndt reviewed that the Village adopted a property maintenance code a couple of years ago without implementing an enforcement mechanism. A landlord tenant ordinance would serve the purpose of verifying the number of rental properties in the Village, and it could generate a small amount of revenue. It could also provide a mechanism to enforce the property maintenance code and protect property values. Berndt suggested that it was in the best interest of Village residents who have invested in their properties for all homes to be well maintained.

Koss recalled that the landlord-tenant ordinance discussion raised a lot of controversy when it was last discussed by Council. The number of non-homestead properties has tripled in the

Village since August of 2007. The Manager has suggested that the Village require owners of non-homestead properties to register with the municipal office and pay a fee; this would ascertain the number of non-homestead homes in the Village. Koss would be in favor of some type of informational registration within the Village offices of non-homestead property. Mooney commented that he would support a landlord tenant ordinance.

Stearn asked administration to place consideration of a landlord-tenant ordinance on the agenda of a future Council meeting. Ryan had previously drafted an ordinance, which will be redistributed to Council. The Manager was asked to invite the management of Huntley Apartments to that Council meeting in order to involve them in the discussion. Stearn asked that Director Woodard be prepared to discuss the value of a landlord tenant ordinance from a public safety point of view.

Sharon Tischler of 21415 Virmar Court stated that apartments do not file Property Transfer Affidavits; they are only filed by individual residences. Apartments are owned by one party. The original intent of the landlord tenant ordinance was to look at houses that were not being maintained. Tischler would support the concept of looking at individual households as opposed to the Huntley Apartments.

Finance Committee Assignments

As liaison to the Finance Committee, Mooney will prepare a written draft of the assignments to the Finance Committee including 1) Educate residents on basic financial and budget issues including drafting presentations for viewing at Council meetings on the impact of Headlee and Proposition A on the ability of the Village to collect taxes; 2) Educate the public on the Village's unfunded retiree health care liabilities; 3) Explore alternatives for raising new revenue; 4) Assist with researching and developing grant applications. This will be an agenda item for the next Council meeting.

Cost Recovery Ordinance

Stearn stated that recent newspaper articles have reported that some municipalities are charging utility companies for services that police and fire personnel provide during emergencies such as downed wires and natural gas leaks. There are local communities that have adopted ordinances allowing such fees to be charged. Stearn suggested that Attorney Ryan be asked to investigate a cost recovery ordinance and draft a sample ordinance for Council consideration. This will be a future business agenda item.

Director Woodard advised Council that he has received a copy of a proposed cost recovery ordinance from the Oakland County Fire Mutual Aid Group. This ordinance will be a requirement for Public Safety Department participation in the organization. The ordinance is being used by some of the communities. He will forward the draft ordinance to Tom Ryan.

PUBLIC COMMENTS

Sharon Tischler of 21415 Virmar Court commented on the Memorial Day Parade and Carnival that has been sponsored by the Women's Club for 26 years. It was a fund raising event that required a strong group of volunteers. Tischler informed Council of the timeline for placing an issue on the ballot for the November School Board election.

Rukni Abboud of 18207 Gould Court welcomed the 44th President of the United States.

Kathleen Berwick of 31381 Kennoway Court complained about snow removal and said that snow should be removed from areas near the main streets in a timely manner.

Paul Kleppert of 20855 W. 14 Mile Road commented that County snow plows traveling along Fourteen Mile Road sometimes throw a high amount of snow onto an intersection.

Wilson stated that snow removal service has not been cut or altered this year. No changes in that service were made because funds for snow plowing come from the Major Road Fund and not out of the General Fund.

REPORTS – MANAGER

Village Administration met after the last budget meeting and began working on preliminary budget amendments for fiscal year 2008-09. Everything else in the Manager's report was discussed tonight.

Director Woodard passed on information from Lt. Vargas, who is championing the Neighborhood Watch Program. Vargas has been sharing information with residents on how to contact the Public Safety Department when it is not a 9-1-1 situation. To assist people with recalling the non-emergency PSD number, it was suggested that they program the #25 speed dial on their phones to the Department's ten digit number (248-540-3400). The '25' corresponds with the last two digits of the 48025 zip code. It would be a way to promote easier communication between residents and the police dispatch.

REPORTS – COUNCIL

Koss reminded everyone about the Winter Family Fun Day this Sunday, January 25 in Beverly Park from 1-4 p.m.

Mooney could not recall it being this cold and snowy in about 20 years. He thought that the snow removal provided by the Department of Public Works has been remarkable and they should be commended for the job that they do.

Stearn stated that he has been contacted by a number of residents who have received water bills that total exactly \$100. He asked administration to look into this unusual coincidence.

The Winter Family Fun Day will be this Sunday in Beverly Park from 1-4 p.m. The Parks and Recreation Board has been working hard on coordinating this event, particularly Cindy Arvant. Stearn listed activities that will take place.

Stearn thanked the Parks and Recreation Board for taking on the Memorial Day Parade and Carnival. The Village Women's Club newsletter announced that the event was cancelled and that their membership was down from 120 to 46 members. The Memorial Day festivities have become a tradition on this community. Stearn asked members of the community to get involved and help us make it happen this year. People can contact the Village offices or Jim O'Reilly from the Parks and Recreation Board.

Stearn stated that DCDS will be coming back to the community for site plan approval for construction and renovations on their campus. He remarked that every time the Village asked Country Day School for something, they refused whether it was a request to install sidewalks in accordance with the ordinance or contribute to the Village's 50th Anniversary celebration.

Council is continuing to look at cuts to the budget. He asked members of the public who have ideas to come forward and voice them.

Motion by Mooney, second by Berndt, to adjourn the meeting at 9:07 p.m.

Motion passed (4 – 0).

Todd Stearn
Council President

Ellen E. Marshall
Village Clerk

Sue Bernard
Recording Secretary