

Present: President George; President Pro-Tem Hrydziuszko; Members: Abboud, Kecskemeti, Mooney, O’Gorman, and White

Absent: None.

Also Present: Village Manager, Campbell  
Village Clerk/Assistant Manager, Rutkowski  
Village Attorney, Ryan  
Public Safety Director, Torongeau  
Finance Director, McCarthy  
Interim Public Services Director, Trice  
Planning/Zoning Administrator, Stec  
Assistant to the Village Manager, Blenkhorn

### **ROLL CALL/CALL TO ORDER**

President George called the regular Village Council meeting to order at 6:00 p.m. in the Village Council Chambers located at 18500 W. Thirteen Mile Road, Beverly Hills, MI 48025.

### **AMENDMENTS TO AGENDA/APPROVE AGENDA**

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

Motion passed.

### **PUBLIC COMMENTS**

None.

### **STUDY SESSION TO REVIEW THE FISCAL YEAR 2023/2024 BUDGET**

Director McCarthy provided an overview of the Fiscal Year 2023/2024 proposed budget. She said the budget is a guide or road map for the Village to use and may be amended by the Village Council throughout the year. She noted that grants are not included in the budget until they are awarded and accepted. McCarthy stated that the Village is financially secure due to the Council and Administration’s prudence.

McCarthy provided an overview of the anticipated property tax revenue and state shared revenue. She went over the projected fund balances outlined in page 9 of the budget packet. She went over the General Fund and noted that there will likely be transfers from the General Fund to other funds. She noted there is a new department in the General Fund for Economic Development (728). She said Department 900 includes the Decision-Making Tool from Oakland County’s Critical Infrastructure Grant.

McCarthy went over the Major Road Fund, noting that the main project this year would be the Greenfield/Beverly Roundabout. She noted that a lot of projects are weather dependent and could carry over into the next Fiscal Year. She went over Fund 203, Act 51 money, and transfers from the General Fund. She talked about potential asphalt resurfacing project and catch basin cleaning that were added into the budget. She said there was a \$50,000 sidewalk repair pilot program included, pending Council approval.

McCarthy talked about the Public Safety Fund which is a larger fund and includes the most employees. She said the fire truck debt should be paid off in 2025. She talked about Fund 208, Park Capital, which is supported by a dedicated millage. The big project in this fund for this and next Fiscal Year is the Beverly Park playground replacement. Another project included in the Park fund was bathroom upgrades for Beverly Park to include heating to allow them to be open year-round. McCarthy went over the Library Fund, which is essentially pass through funding. The ARPA Fund has 3 approved projects. Fund 401, Capital, includes funding for sidewalks through TAP and SRTS. It also includes a transfer from the General Fund. She provided an overview of Fund 730, Retiree Health Care and Fund 737, MERS.

McCarthy gave an overview of Fund 592, Water. She said it is a unique fund since it is an enterprise fund, which is basically a self-contained business. Administration is recommending an increase of the infrastructure fee from \$70 to \$100 quarterly. Administration is also recommending a 16% water rate increase. McCarthy said the Village needs a cash reserve for operations, maintenance, emergencies, and capital improvements.

Campbell stated that he believes the responsible thing to do is to bring the rate and fee increases to the Council for review and consideration. He explained the Village's current agreement with the Water Resources Commission (WRC), which is unlike many other communities in the County. He said there could be an option for WRC to take on more maintenance and billing. He said there may be more advantageous to use WRC than other contractors. He said it would be a more collaborative relationship. He stated the recommendation to raise rates significantly this year would bring the fund up to par. Administration is trying to be proactive instead of reactively having to perform costly emergency water/sewer repairs.

Mooney stated that the cost of water has increased, at no fault of the Village residents. He noted the Village has gradually increased rates. He said the debt service charge recently increased because of the Village's participation in a regional water and sewer services. He said sewage is a larger portion of the bill. He said about a decade ago, a major water main project depleted the Water Fund. He said the Village does not make any money off of these charges and rates. He noted that \$70 to \$100 is a significant increase, but is necessary to get sewage out and water in.

Trice said there are two components of the fund: operational and capital. He said the Village is behind in funding these funds and needs to catch up to prepare for the future.

George said the Village does not have the staff to do major sewer projects, so those have to be bid out. He said having a relationship with WRC would put the Village in a better position in that regard.

The Council was provided with a list of operations and maintenance work that WRC provides.

The Council discussed building up a fund in order to be able to pay for WRC's services. They discussed whether to use WRC, other contractors, or bringing water/sewer in house.

The Council was provided with a list of immediate water/sewer projects that should be addressed, such as lining sewers and replacing outdated water meters, which totaled \$11 million.

The sense of Council was to move forward with the recommended rates and increases.

Mooney stated that there will be heartburn over these increases.

Hrydziuszko asked about rate comparisons to other communities. She said the Village has been much lower than its neighbors for a long time.

Campbell stated that Administration will send out an extra newsletter explaining the rate increases.

Mooney asked about the proposed landscaping at the Public Safety Building and stated that the budgeted amount was too high.

McCarthy went over the rubbish millage, which is basically pass through funds. She said monthly curbside chipping is included in the 2024 budget to take place April to November.

George said he appreciates all the hard work that goes into preparing the budget. He thanked McCarthy for providing a summary.

### **PUBLIC COMMENTS**

Kent Anerson, Orchard Way, asked about matching funds for park grants and said he does not think there would be enough funding. He thinks transfers from the General Fund are risky.

Kathleen Lorencz, Warwick, commented on Comeau's contract and asked how many companies bid on it annually. She would like to know more about their job descriptions and services provided.

Ken Luke, Nixon, commented on grants, Comeau, and park maintenance. He said residents are not happy with park maintenance. He said that competitive bidding is important. He noted that the Village pays more for the library millage than the park millage, which does not make sense to him. He talked about Economic Development and said perhaps the focus should be on recruiting Public Safety Officers instead. He said that Beverly Hills is a great place to live.

Karen Gilbert, Amherst, asked about the snow removal pilot program for 14 Mile Road. She said that she was surprised to see that the Village has to pay bank fees. She said she was concerned about heaving sidewalks and the cost. She thinks a sidewalk survey should be done and the Village should focus on the areas that need it most.

Bill Donnelly, Chelton, commented on the public perception of spending money on parks while raising water rates. He said he thinks it needs to be sold better to residents.

David Tobaben, Orchard Way, said water is a big monetary issue. He asked if a study has been completed on what needs to be done and what maintenance costs would be. He said the Village should be going after infrastructure grants.

Tony Lott, Riverside, talked about health care and pension costs. He said housing prices will decrease during a recession. He said the rates in the proposed budget are generous. He said he was astounded to see a General Fund transfer going toward the playground. He thinks more funding should go toward Public Safety and retiree health care contributions. He said the Village needs to figure out its priorities, such as retirees, underground infrastructure, and maintaining what we have.

He said inflation is higher than what is included in MERS' recommendations. He said perception is everything.

The Council discussed funding the playground and whether the Parks Fund can pay back the General Fund after a transfer. If not, the sense of Council was to perhaps finance a portion of the playground cost instead of transferring from the General Fund.

**ADJOURNMENT**

Motion by Mooney, second by Abboud, to adjourn the meeting at 8:15 p.m.

Motion passed.

**John George**  
**Council President**

**Kristin Rutkowski**  
**Village Clerk**