

City of Huntington Woods  
Long Range Budget & Planning Committee  
Monday, January 14, 2019  
Minutes

The meeting was called to order at 7:33 p.m. at the Library

Present: Jeff Samoray, Sharon Abramsky, Susan Klein, Kim Bateman, Joel Kellman, Lisa Momblanco, Chuck Batcheller, Tony Lehmann, Amit Bhagwan, Tim Rowland, Amy Sullivan.

Absent: Seth Kritzman, Melanie Wiegand, Zac Andreoni, Michael Lehman, Kris Vigliotti, Frank Mioni, Fred Fechheimer, Shelley Gach-Droz, Joseph Falik, Nick Gruber, Mike Egnotovitch, John Nantais, Adam Kaplan, Molly Tripp, and Joseph Falik.

Guest: Jason Jordan

1. Roll Call
2. Approval of agenda: Moved by C. Batcheller and seconded by S. Klein to approve the agenda. Approved unanimously.
3. Approval of December 17, 2018 minutes: Moved by A. Bhagwan and seconded by L. Momblanco to approve the minutes. Approved unanimously.
4. Update from subcommittees:
  - a. City Hall, Public Safety & DPW: C. Batcheller said the subcommittee had recently met with A. Sullivan and Public Safety Director A. Pazuchowski to consider ideas for cost savings in the Public Safety Department. They identified 4 possible scenarios:
    - Sharing fire equipment with a neighboring community
    - Contract with a neighboring community to provide fire services to HW
    - Consolidate with a neighboring community
    - Consider replacing retiring officers with part-time officers

They realize none of these options would create any short-term savings but the subcommittee wants to continue to work with T. Rowland and A. Pazuchowski to determine if there are any cost saving opportunities. C. Batcheller said the subcommittee also wants to look at the advantages and disadvantages for each option because if there are cost savings, then there may be trade-offs too. T. Lehmann said he had updated the metrics worksheet he had developed and will distribute a final draft to the rest of the

Committee. He said after reviewing the statistics, he was encouraged to find that our costs per capita for operating the Public Safety Department were not out of line with other similar cities. It demonstrated that we are very efficient despite being a small city. The subcommittee is still reviewing services and costs for the DPW department.

b. Recreation and Library: L. Momblanco said the subcommittee met with T. Rowland and prepared a list of questions for Recreation Director Mary Gustafson on programming at the Recreation Center. M. Gustafson has responded but the subcommittee has not met to review the information she provided. T. Lehmann asked if the subcommittee had explored making activities available to Berkley residents since their request for a community center millage failed and L. Momblanco said yes. The Committee discussed opening the pool to use by non-residents. Next steps are to follow-up with T. Rowland and M. Gustafson.

c. Roads and Sewers: J. Samoray said the subcommittee continued to meet with the financial consultants and had narrowed the options for road improvements to two. The consultants are looking at the possible funding options for the identified scenarios. T. Lehmann said to make sure that the Charter does not impose any limitations on levying debt if the subcommittee is recommending a bond for road improvements. The two scenarios cost between \$11 – \$12 million over a 20 year period and J. Samoray reminded the Committee that if all the remaining roads were reconstructed at once, the estimate was \$17 million so a long-term plan is actually less expensive. He reminded the Committee that there were 3 different kinds of sewer repairs recommended by the engineers. The sewer replacement work will be funded by the recently approved bond and sewer lining will be funded with the flat \$17 charge on water bills. The subcommittee was tasked with finding funding options for the remaining \$7 million worth of pipe bursting work that is recommended. They looked at 3 different funding options:

- Asking voters for a bond to fund the work and the estimated average tax bill would increase by \$200/year
- Placing a fixed charge on the water bills which could be an action of the City Commission and the estimated required charge would be about \$200/year or \$175 if the charge was based on meter size
- Increasing water rates to cover the cost of construction with a projected estimated cost to the residents being about \$200/year but the consultants warned that traditionally as water rates go up, usage goes down so this was an unreliable revenue stream

The subcommittee will continue to work with the financial consultants to develop a recommendation so the Committee can make an informed recommendation to the City Commission.

d. Revenue sources: K. Bateman said the subcommittee is still leaning towards an PA 345 millage as the best source of additional revenue but they are on hold for now while the City obtains an updated valuation that will more clearly spell out what the future pension obligations are. He noted that Oak Park and Berkley also levy a PA 345 millage. The City needs to work with the City Attorney to determine if the millage can be collected for pension payments over the required minimum contribution as determined by the actuaries to pay down the pension liability sooner. The subcommittee is also looking at other smaller revenue opportunities and studying whether the amount of potential revenue that can be generated is worth pursuing. For example, one possible opportunity would be to place advertisement on City water bills or in the Hometown Herald. Grants should also be explored but they aren't a permanent source of funding. The subcommittee also is looking into the feasibility of a public-private partnership in one of the City's business districts as a possible source of additional revenue. The Committee discussed whether it was feasible to annex the homes in Royal Oak that are on the west side of Woodward.

5. Public Participation: None
6. Other business: A. Bhagwan encouraged those subcommittees who are close to making recommendations, to bring them back so they can be voted on by the Committee as a whole and forwarded to the City Commission.
7. Adjournment: Meeting adjourned at 8:44 p.m. and the next meeting is Monday, February 11, 2019 at 7:30 p.m.