



MINUTES

COUNCIL BUDGET WORK SESSION

Thursday, April 23, 2026

4:00 PM

Village Hall – 21 East Church Street, Lake Orion, MI 48362

(248) 693-8391 ext. 102

1. Call to Order

The April 23, 2026 Village Council Regular Meeting was called to order by President Rutt at 4:00PM.

2. Roll Call and Determination of Quorum

PRESENT

President Teresa Rutt

President Pro Tem Stan Ford

Council Member Michael Lamb

Council Member George Dandalides - arrived at 4:02 PM

Council Member Alex Comparoni Jr

Council Member Eric Papacek

ABSENT

Council Member Nancy Moshier

STAFF PRESENT

Village Manager Darwin McClary

DDA Executive Director Matthew Gibb

Deputy Clerk/Treasurer Lynsey Blough

MOTION made by President Rutt, Seconded by Council Member Comparoni Jr, to excuse Council Member Moshier from the April 23, 2026, Council Budget Work Session Meeting.

VOTING YE: Rutt, Ford, Lamb, Comparoni Jr, Papacek

VOTING NAY: None

ABSENT: Moshier, Dandalides

MOTION: Carried

3. Call to the Public

None.

4. Other Items

A. Review and Discuss Proposed FY 2026-27 Budget

Village Manager McClary introduced the continued budget work session on DDA funds and turned the presentation over to Executive Director Gibb. Executive Director Gibb outlined a fiscally conservative budget focused on maintaining Village commitments while reducing internal costs through restructuring and operational cuts. He reported projected TIF revenue and total revenues, with conservative assumptions for external funding. The proposal includes continued funding for public safety, DPW, and administrative services with modest increases, while reducing staffing, marketing, and operational expenses, including eliminating the Assistant Director position in favor of a lower-cost role. He noted the budget aligns with prior DDA Board approval and requested Council consideration to move it forward.

Council Member Lamb raised concerns that the DDA captures 82% of tax revenue within its district and should continue funding Village services but questioned a roughly \$47,000 discrepancy in the 75/25 contribution calculation. Executive Director Gibb and Village Manager McClary clarified that the contribution formula is based on revenue growth, not just taxable value, consistent with adopted policy and prior practice, and noted administrative fee increases reflect rising costs. Council Member Lamb also raised questions about grant spending, marketing line items, and the lack of a defined Lumberyard project budget, expressing concern about transparency and documentation of larger expenditures. He acknowledged improvements in budget organization and supported reasonable administrative costs, but continued to advocate for clearer calculations, stronger oversight, and possible refinement of the governing agreement.

A related discussion focused on administrative costs and Township tax collection fees. The Village Manager clarified that the DDA administrative fee would remain about \$69,000 for Village-provided services, while the DDA would pay its proportional share of Township tax collection costs directly to the Township rather than routing those costs through the Village.

Council Member Dandalides pointed out that the methodology in question was consistent with prior years and policy and characterized the disagreement over the calculation as largely moot, expressing no major concern with the budget. Council Member Papacek focused on the broader structure of the budget, noting that while some cuts or consolidation (such as potential duplication of services) could be explored, he did not see significant immediate financial return to the Village from further reductions and was still working through the process and flow of funds. Pro Tem Ford cautioned against excessive cuts, emphasizing that DDA and Village services contribute to quality of life and community character, and argued that reducing discretionary services too far could negatively impact the community's appeal. Council Member Comparoni Jr. questioned whether the budget outcomes would be acceptable to residents on fixed incomes to which Executive Director Gibb responded that the DDA had reduced its own operating costs while maintaining service commitments and prioritized funding toward core obligations. Council Member Rutt expressed general support for the DDA budget, commending its efforts to streamline operations and stating he saw no major concerns.

5. Call to the Public

James Barry expressed general support for the DDA's budget efforts, noting they did a solid job restructuring and aligning assumptions, but emphasized the need for continued scrutiny and cost reduction. Drawing from a corporate perspective, he encouraged ongoing efficiency reviews, including shared services, contract evaluation, and exploring cost-saving opportunities such as interest earnings on fund balances. He also highlighted the importance of transparency in large contract expenditures, adherence to purchasing policies, and considering long-term financial factors like depreciation to ensure proper planning for future capital replacements. Overall, he framed his comments as constructive suggestions to improve financial discipline and long-term sustainability.

Rosemary Ford questioned claims that no action had been taken to address water and sewer costs, noting prior efforts including federal funding and a committee recommendation to allocate additional Village resources, while Village Manager McClary added that the Village also secured \$100,000 grant from Oakland County through ARPA funds and also received \$335,000 in its own ARPA grant funding toward the sanitary sewer pump station project, further demonstrating steps taken to reduce the financial burden.

Council Member Lamb stated that while both the Village and DDA have seen similar proportional increases in expenses since 2023, the Village's revenues have remained flat while the DDA's have grown significantly. He argued this indicates the Village is experiencing essentially zero economic growth and relies on limited property redevelopment for revenue increases.

6. Adjournment

MOTION made by Council Member Comparoni Jr, Seconded by Council Member Lamb, to adjourn the April 23, 2026 Council Budget Work Session Meeting.

VOTING YEA: Rutt, Ford, Lamb, Dandalides, Comparoni Jr, Papacek

VOTING NAY: None

ABSENT: Moshier

MOTION: Carried

The April 23, 2026, Village Council Budget Work Session Meeting adjourned at 5:26 PM.

Teresa Rutt
President

Lynsey Blough, CMC
Deputy Clerk/Treasurer

Sonja Stout
Clerk/Treasurer

Date Approved: as presented May 11, 2026