



City Council Budget Study Session Minutes

Monday, May 03, 2021 at 6:00 PM
27400 Southfield Road, Lathrup Village, Michigan 48076

In accordance with Emergency Orders issued by the Michigan Department of Health and Human Services, Oakland County, local officials, and State of Michigan legislation, which allows for electronic meetings of public bodies, notice is hereby given that the City of Lathrup's City Council will be meeting electronically using [www.Zoom.us](https://www.zoom.us) for videoconference and public access.

Call to Order

Call to Order at 6:00 p.m. by Mayor Garrett.

Present: Mayor Garrett and Mayor Pro Tem Kantor

Council members: Ian Ferguson and Saleem Siddiqi

Absent: Council member Donna Stallings

All Councilmembers present are meeting virtually and they are located in Lathrup Village, MI - Oakland County.

Others Present: Dr. Sheryl Mitchell Theriot, City Administrator
Pamela Bratschi, Assistant City Administrator/Treasurer
Scott McKee, Police Chief
Scott Baker, City Attorney
Susie Stec, Community & Economic Development and DDA Director
Kelda London, Government Operations Assistant
Yvette Talley, City Clerk

Also Present: Scott Ringler, Giffels Webster

2. Budget Discussion Items

A. Fiscal Year 2021/22 Budget

Dr. Sheryl Mitchell Theriot gave an overview and answered specific questions.

Revenues - Due to the coronavirus, there are a lot of unknowns regarding revenue. We are anticipating a decrease in revenue sharing of 2% from the state of Michigan. Also, anticipating the American Rescue Plan dollars which is approximately \$403,000, but the federal government has not yet issued guidelines on how we are allowed to use those dollars.

Millage - The 2021 millage rate is projected to be 24.4906 mills. The General Operating Millage is reduced to 17.8783 from the authorized maximum of 20 mills (and reduced from FY 2020/21 of

18.1912). The increase of 3.9307 reflects the millage that was approved by the voters for the street project.

Salaries - 2% increase for Police and all employees for the upcoming year.

Road Millage Rate - No transfer of funds from General Fund or Major Street Fund to Local Street Fund. There is the voter authorized 3.9307 road millage. The Major Street Fund needs to grow in preparation for the upcoming 11 Mile construction project.

B. Capital Improvement Plan 2021-2026

Dr. Sheryl Mitchell Theriot gave an overview and answered specific questions. The capital improvement project is a major, nonrecurring expenditure that generally has a public purpose and cost \$5,000 or more. This can include rehabilitation, new facilities and equipment, with a useful life of 3 or more years.

Projects totaling \$5,285,974 Fiscal Year 2021/22 Funding Sources:

- General Fund/CIP/Special Assessments	\$ 411,450
- Water/Sewer Fund	\$ 133,477
- Water CIP Bonds	\$ 3,103,000
- Road Bonds	\$ 1,532,322
- Local & Major Streets Funds	\$ 88,000
- DDA Fund	\$ 17,725

Discussion - General fund/CIP/Special Assessments, Water/Sewer Fund, Water CIP Bonds, Road Bonds, Local & Major Streets, DDA fund. Planning Commission has included the replacement of Sarrackwood park playground equipment. Police Dept. – Body cameras. City Council will take action on the Capital Improvement Plan 2021-2026 on May 17, 2021.

C. Retiree Health Addendum

Dr. Sheryl Mitchell Theriot gave an overview and answered specific questions. A recent court case stated that unless the Collective Bargaining Agreements explicitly promised to provide retirees with healthcare benefits for life, lifetime benefits could not be presumed. The current language does not promise “lifetime” benefits in the policies or agreements that are in place.

Steve Schwartz, Labor Attorney gave an overview and answered specific questions regarding Retiree Health Addendum. Mr. Schwartz suggested to meet again with City Council to go over details.

Chief McKee gave an explanation of the history of retiree health addendum.

D. American Rescue Plan (ARP)

Dr. Sheryl Mitchell Theriot gave an overview and answered specific questions. The Federal Government is releasing \$350 billion to states and local governments. The City of Lathrup Village is expecting to receive \$403,939. The funds will first go to the State of Michigan, which will then issue two separate installments May/June 2021 and May/June 2022. Funds are required to be used by December 2024. Once the guidelines from the government are received on how to use the funds a decision will be made. However, Susie Stec said if possible, some of the funds will be used for home-based businesses.

3. Discussion Items

A. Request for Opinion – Placing Special Assessments on Winter Tax Bill

Dr. Sheryl Mitchell Theriot gave an overview and answered specific questions. Consider the budget to be adopted in June (since it's due in July) instead of May. A lot of agencies and entities send their information in late May, so to have the budget adoption date changed to June would allow staff to include updated information in formulating the budget. Attorney Scott Baker said to make this change would require a charter amendment. Attorney Baker indicated that the requirement to adopt the budget is in the Charter. Mayor Pro Tem indicated that if it wasn't too cumbersome, to move forward with charter amendment language changes for winter taxes and budget adoption date. The two separate ballot questions could appear on the ballot for November 2, 2021. Clerk Talley will advise on the date for submitting ballot initiatives. The State Attorney General and Oakland County have to have time to review the language.

B. Study Session – Recordings

Council member Ferguson requested a discussion of video recordings of study session. Video recordings is part of having good records. Prior to COVID, Council had decided to start recording DDA, along with Planning Commission meetings. Availability of Zoom formats and recordings addresses the logistical challenges with recording the study sessions, which were held in the Conference Room.

C. Encroachment License Application – 27680 Lathrup Blvd

Dr. Sheryl Mitchell Theriot gave an overview and answered questions. The resident submitted a revocable permanent encroachment license application for the abandoned portion of San Quentin Street, which serves as part of his driveway.

D. Marijuana/Cannabis Update

Dr. Sheryl Mitchell Theriot gave an overview and answered specific questions.

Planning Commission discussed the draft Zoning Ordinance and General Code Ordinance language at their April 20th meeting. The current sunset expires in August, 2021. There will be a public hearing - June 15th Planning Commission meeting. The draft will go to City Council to review before the Public Hearing. Discussed changes to the ordinance such as: hours of operation, eliminate distance separation unless there are more than 2 cannabis facilities, criteria for scoring changed from 70% to 85%. If the applicant doesn't score 70%, they will not be considered. Discussed clarifying the amount of cannabis businesses that will be allowed.

The schedule for City Council is suggested to include 2 readings of the General Code Ordinance:

- July 21 (1st reading)
- July 26 (2nd reading)

Discussed logistics of public hearing. Will place a comment box in lobby and have a survey on the city's website. Discussion of having the actual meeting outside.

E. Infrastructure Update

Dr. Sheryl Mitchell Theriot gave an overview on the updates of infrastructure update.

Post office will hold the mail, if roads are closed. Post Office telephone number is 800-275-8777. Discussion of alternative parking and that police will monitor car parking on the street overnight, but will not be writing tickets.

Stop box installations by Sunde Building scheduled for May 3 - May 14

Lead copper replacement - 21 homes were identified with lead or galvanized steel water service lines and letters have been mailed seeking signed agreements to authorize the city's contractor – D'Angelo Brothers to replace the water service line. Scott Ringler said Miss Dig is holding up projects, because they can't come out to stake until May 10. City Administrator suggested that Miss Dig get more help because this is holding up projects in the city and in cities across the state of Michigan.

Sidewalks – assessing the conditions.

Fire Hydrants - Within the next 2 weeks work will begin on the replacement of fire hydrants.

F. Planning Commission Appointment

Dr. Mitchell Theriot gave an overview and answered specific questions. Discussed vacancies on Planning Commission and the deadline to apply is May 10.

4. Mayor and Council Comments

Ferguson said due to mental fatigue in the community a Social worker should be available to consult on an as needed basis.

Mayor Garrett stated there will be another Farms to Families food distribution on May 15th. She's in need of volunteers/drivers to assist.

Discussed choosing dates/times for next budget study session.

5. Public Comments

Public Comments: Kim Hodge – questioned language in Agreement about the Water system replacement. Asked what will happen if her property is damaged. A revised contract will be sent out.

6. Adjourn

Motion by Council member Ferguson, seconded by Council member Siddiqi to adjourn this meeting.

Meeting adjourned at 7:56 p.m.

Minutes transcribed by Clerk Yvette Talley.