

The Village of Lexington Common Council held a Study Session Monday, June 10, 2024 in the Council Chambers at 7227 Huron Avenue, Lexington, MI 48450

Call to order the Study Session at 8:00 a.m. by President Kaatz

Roll call taken by Clerk Vicki Scott

Present: Gresock, Adams, Muoio, Morris, Kaatz

Absent: DeCoster – excused

Others present: L. Fisher

BUSINESS

A. Millage Language Presentation – L. Fisher explained a power point presentation showing by 2027-2028 the Village will be outpacing revenues by several percent with our expenses. The revenues are not growing as fast as the expenses. We have been operating very lean and have been cutting expenses for the last several years. The cost for public safety is just over \$450,000.00 for police, fire, medical first responders, and ambulance fees. During the budget projection meeting, we discussed the issues with our pension and OPEB liabilities. We have closed the MERS pension plan years ago and currently offer a 401k program. However, the OPEB plan is still open for past, current, and future employees. Discussion followed on changing this going forward. The options discussed at the last workshop was a Headlee override, the cap we are able to collect is 12.5 mils, current is 7.224, a public safety millage, a PA33 of 1951 special assessment, or PA345 of 1937 which is for larger communities with more retirees. Fisher stated approximately 1/3 of our yearly budget goes toward the police and fire services. Fisher explained 3 mils would generate approximately \$175,000.00, that could help free up funds to pay down liabilities. Discussion followed. Morris suggested working with the Township

B. Enterra Contract Rate Discussion – L. Fisher explained we are currently losing funds in our garbage budget. This is due to a few different components. The garbage company has charged a fuel surcharge each month, as well as asking for a post pandemic increase of \$1.68 per pick up. We have since corrected the issue of not suspending a customers account when they pay to have their water turned off for the season. We were being billed for each stop regardless if a resident was away. L. Fisher explained to cover the fuel surcharges and post pandemic increase we would need to increase each stop to \$19.52 per month. Discussion followed about charging each resident the exact cost plus 10% admin fee.

PUBLIC COMMENT – None

ADJOURNMENT

Kaatz adjourned the study session at 9:15 a.m.

Respectfully Submitted
Vicki Scott, Village Clerk