



Rochester Hills

Minutes - Draft

City Council Special Meeting

1000 Rochester Hills Dr
Rochester Hills, MI 48309
(248) 656-4600
Home Page:
www.rochesterhills.org

*David J. Blair, Jason Carlock, Ryan Deel, Carol Morlan, Theresa Mungoli,
Marvie Neubauer and David Walker*

Vision Statement: *The Community of Choice for Families and Business*

Mission Statement: *"Our mission is to sustain the City of Rochester Hills as the premier community of choice to live, work and raise a family by enhancing our vibrant residential character complemented by an attractive business community."*

Monday, August 18, 2025

5:30 PM

1000 Rochester Hills Drive

In accordance with the provisions of Act 267 of the Public Acts of 1976, as amended, the Open Meetings Act, notice was given that a Special Rochester Hills City Council Meeting would commence at 5:30 p.m. on Monday, August 18, 2025, to Acknowledge Receipt of the Older Persons' Commission (OPC) Social & Activity Center Fiscal Year 2026 Adopted Budget; to Acknowledge Receipt of the Rochester Avon Recreation Authority (RARA) Fiscal Year 2026 Adopted Budget; and to discuss the Fiscal Year 2026 Proposed Budget and 2027 2028 Projected Budget for the City of Rochester Hills.

CALL TO ORDER

President Deel called the Special Rochester Hills City Council Meeting to order at 5:30 p.m. Michigan Time.

ROLL CALL

Present 6 - Jason Carlock, Ryan Deel, Carol Morlan, David Walker, Theresa Mungoli and Marvie Neubauer

Absent 1 - David Blair

Others Present:

*Dennis Andrews, Deputy Parks & Natural Resources Director
Tracey Balint, City Engineer
Bryan Barnett, Mayor
Christy Bell, Administrative Specialist
Sheila Brown, Deputy City Clerk
Margaret Casey, Information Systems Administrator II
Esther Chirodea, Building Tech - Permits
Bill Cooke, Deputy Fire Chief
Ann Echols, Assistant Chief/Fire Marshal
Matt Einheuser, Natural Resources Manager
Ken Elwert, Parks & Natural Resources Director
Matt Exley, Manager of Facilities
Bill Fritz, Public Services Director
Larry Gambotto, Captain/Training Officer*

*Todd Gary, Fire Chief/Emergency Services Director
Lori Hamilton, Administrative Services Supervisor
Tim Hollis, Deputy Director
Debby Hoyle, Senior Financial Analyst
Angela Hysinger, Public Utilities Engineering Manager
Brooke Insana, Human Resources Director
Leon Luedeman, Water & Sewer Operations Manager
Rochelle Lyon, Information Systems Director
Kelly McBride, Parks Manager
Denise McDoniel, Financial Analyst
Pat McKay, Museum Manager
Chris McLeod, Planning Manager
Marissa Miller, Elections Specialist
Erin Mims, Admin Associate II - Youth Council & Elections
Nathan Mueller, Chief of Communications
Chitra Neelakantan, Supervisor
Sue Rehse, Human Resources Associate (PT)
Sara Roediger, Planning & Economic Development Director
Jeff Schultz, Manager of Inspection Services
Leanne Scott, City Clerk
Chris Shepard, Field Services Manager
Shannon Smith, Administrative Specialist - Human Resources
Joe Snyder, Chief Financial Officer
Karen Somerville, Deputy Assessing Director
Erin Sudrovec, Chief of Staff
Laurie Taylor, Assessing Director
Leslie Turnbull, Human Resources Manager
Pam Valentik, Economic Development Manager
Leslie VanGieson, Human Resources Coordinator
Mike Viazanko, Building/Ordinance/Facilities Director
Jodi Welch, Manager of Ordinance Services
Captain Paul Workman, Oakland County Sheriff's Office*

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Carlock, seconded by Neubauer, that the Agenda be Approved as Presented. The motion carried by the following vote:

Aye 6 - Carlock, Deel, Morlan, Walker, Mungioli and Neubauer

Absent 1 - Blair

PUBLIC COMMENT

None.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

None.

NEW BUSINESS

2025-0329 Request for Acknowledgment of Receipt of the Older Persons' Commission (OPC) Social & Activity Center FY 2026 Adopted Budget

Attachments: [081825 Agenda Summary.pdf](#)
[OPC FY 2026 Adopted Budget.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, introduced **Renee Cortright**, Executive Director for the Older Persons' Commission (OPC), and **Mandy Mullins**, Deputy Director for the OPC.

Ms. Cortright provided the following information regarding OPC's programming and services over the past year:

- 16,518 Events
 - 6.4 percent increase year over year
- A Day in the Life of OPC
 - Pickleball
 - Woodshop
 - Guitar Group
 - Billiards
 - Yoga
 - And More!
- Supportive Services
 - Nutrition Department Prepared: 112,000 Nutritionally Balanced Meals
 - Home Delivered and Congregate
 - Senior Services: 5,492
 - Units of Service
 - Info & Referral
 - Support Groups
 - Medical Equip Loans
 - Commodity Food Programs
 - Volunteers: 31,602 hours logged
 - Adult Day Service: 36 Participants
- Transportation
 - Over the last 12 months, OPC Minibuses traveled:
 - 54,451 trips
 - For Medical Appointments, Shopping, and Social Trips
 - 33 percent increase
 - 23 Routes / 39 Buses / 48 Drivers-Dispatch

Ms. Mullins shared the following FY 2026 - FY 2028 budget highlights:

- Established Transportation Fund = \$3.4 million
 - Total operating expenditures budgeted at \$3,153,400
 - Capital expenditures budgets at \$290,000
 - Funded by the County's transit millage, rider fees, grants, and donations

- General Fund Operations = \$5.6 million
 - Total operating expenditures budgeted at \$4,249,700
 - Capital expenditures budgeted at \$1,357,500
- Total Budget = \$9 million
 - 4.0 percent general salary adjustment
- Revenue and Expenditures
 - Operating revenues projected to exceed annual operating expenditures by \$694,900
 - Excess funds to be utilized for the capital improvement plan
- Major Facility Upgrades in 2026
 - Phase II Replacement of remaining HVAC units
 - Updating spaces for more efficient use
 - Elevator modernization to increase reliability, safety, and allow continued service
- Capital Improvement Projects
 - HVAC - Phase II
 - Room remodels
 - Elevators - Modernization

Mr. Walker thanked Ms. Cortright and Ms. Mullins for all they do for the community, recognizing the OPC as a treasure. He shared that the OPC went from a \$2-3 million per year operation to an over \$8 million per year operation in a relatively short period of time. He commented that their transportation services have grown exponentially and will continue to serve the residents of the City and surrounding areas. He also pointed out that the OPC's building is 20 years old, so they have been spending a lot of capital to keep it fresh and new.

Ms. Morlan acknowledged that Ms. Cortright and Ms. Mullins are wonderful to work with and provide an opportunity for people who are 50 years and older to build relationships, make friends, and maintain healthy habits.

President Deel voiced his appreciation for Ms. Cortright and Ms. Mullins' presentation and everything they do for the community's senior citizens to allow them to age in place and maintain active and fulfilled lives. He explained that this is one of the things that makes Rochester Hills the preeminent place to live, work, and raise a family.

A motion was made by Walker, seconded by Morlan, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Carlock, Deel, Morlan, Walker, Mungioli and Neubauer

Absent 1 - Blair

Enactment No: RES0194-2025

Resolved, that the Rochester Hills City Council hereby acknowledges receipt of the Fiscal Year 2026 Older Persons' Commission (OPC) Social & Activity Center Budget in the amount of \$9,050,600.

2025-0328 Request for Acknowledgment of Receipt of the Rochester-Avon Recreation Authority (RARA) FY 2026 Adopted Budget

Attachments: [081825 Agenda Summary.pdf](#)
[RARA FY 2026 Adopted Budget.pdf](#)
[Budget Detail.pdf](#)
[Budget Charts.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Officer, **Dave Word**, Executive Recreation Director for Rochester Avon Recreation Authority (RARA), and **Samuel Lunt**, Assistant Recreation Director for RARA, were in attendance to review RARA.

Mr. Lunt provided the following information regarding RARA's programming and services over the past year:

- 2025 in Review
 - Facility Improvements
 - Community Engagement
 - Master Plan
 - Millage
 - New Staff
 - And More!
- Facility Improvements
 - Hammock Park
 - Esports/Computer Lab
 - Parking Lot
 - Front Entrance
- Front Entrance and Parking Lot
 - Back parking lot has been redone
 - Actively working on pavilion over front entrance
- Community Engagement/Events
- Sponsorship Numbers
 - Over \$25,000 in sponsorship money from sponsors
- Participation by Cost Center
 - Sports - 3,386
 - Camps - 1,988
 - Events - 5,743*
 - PDF - 312
 - Activities - 820
 - Adaptive - 1,083
 - Rec Center - 36,816 (visitors YTD)
 - *Include both registered and unregistered estimates from community events
- Program Volume and Participation
 - Nearly 600 programs already run to date and 300 planned for this fall
- Participation Forecast
 - 2025 (Projected): 14,968
 - 2026 (Forecasted): 16,120

Mr. Snyder presented the Fund Balance chart, and explained that the black bars indicate the amount of Fund balance that RARA has, and the yellow bar shows their target balance. He shared that a very slight surplus for their 2026 budget has been approved by the RARA Board, and this is followed by a dip over the next few years primarily due to the need for parking lot repairs. He stated that RARA

looks to be in great shape, and applauded the work of Mr. Word and Mr. Lunt.

Mr. Word thanked City Council, making particular mention of Council Member Mungioli's support this past year in allowing them to start the Master Plan process and her assistance with their push for a millage renewal. He recognized that it has been a great year for RARA as a result of their board and partnerships with both school districts and both cities.

Ms. Mungioli shared that Mr. Lunt has become known nationally as an expert in AI and has been a keynote presenter at seminars to discuss how AI can be used in recreation. She noted that he is always bringing new things into RARA for the Board to use. She acknowledged Mr. Word for bringing on staff members like Mr. Lunt, and extended her appreciation to Mr. Snyder and his team. She informed people who want a RARA sign with the QR code to the Master Plan survey or more information about the millage renewal to reach out to her.

President Deel commended the presentation, explaining that he was particularly impressed by the level of community engagement that RARA has obtained. He shared that he loves the concept of the public-private partnerships they are building throughout the community, as these ultimately pay off dividends.

A motion was made by Mungioli, seconded by Morlan, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 6 - Carlock, Deel, Morlan, Walker, Mungioli and Neubauer

Absent 1 - Blair

Enactment No: RES0195-2025

Resolved, that the Rochester Hills City Council hereby acknowledges receipt of the Fiscal Year 2026 Rochester-Avon Recreation Authority (RARA) Budget in the amount of \$3,615,556.

PROPOSED 2026 BUDGET DISCUSSIONS

2025-0326 Public Hearing for the City of Rochester Hills Fiscal Year 2026 Proposed and 2027-2028 Projected Budget Plan; and the Proposed 2025 Millage Rates

Attachments: [092225 Agenda Summary.pdf](#)
[090825 Agenda Summary.pdf](#)
[Public Hearing Notice.pdf](#)
[081825 Agenda Summary.pdf](#)
[Budget Presentation Schedule.pdf](#)
[081125 Agenda Summary.pdf](#)
[081125 Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

Joe Snyder, Chief Financial Analyst, and **Denise McDoniel**, Financial Analyst, were present.

Mr. Snyder stated that the components in developing the City of Rochester Hills 2026-2028 Proposed Budget include the following:

- The City of Rochester Hills three-year adopted Budget Plan, which includes Fiscal Years 2025-2027
- The City of Rochester Hills Capital Improvement Plan for 2026 to 2031
- The City of Rochester Hills Seven-Year Financial Forecast for 2026 to 2032
- The Rochester Hills City Council Strategic Planning Technical Review Committee
 - Fiscal Year 2026 Goals and Objectives
 - Governmental Fund Balance Reserve Policy

He stated that this is the 16th consecutive year the City has presented a three-year budget plan, and noted that the overview of the Proposed 2026-2028 Budget includes the following:

- Continuing to present a three-year budget
- Budgets presented based on best estimates and projections for the future
- Conservative estimates of both revenues and expenditures
 - Ensures that the service levels proposed in the budget can be delivered

He spoke about the 2026 Budget/Proposed Expenditures, and noted the following:

- A total budget of \$223,266,910 in expenditures, which represents a 0.6 percent increase as compared to the Fiscal Year 2025 Budget, comprised largely of:
 - Public Service at 24 percent of the budget expenditures
 - Capital Outlay at 20 percent of the budget expenditures
 - Transfers-Out at 18 percent of the budget expenditures
 - General Government at 18 percent of the budget expenditures
 - Public Safety at 13 percent of the budget expenditures
 - Parks & Recreation at four percent of the budget expenditures
 - Economic Development at two percent of the budget expenditures
 - Debt Service at one percent of the budget expenditures
- Capital Outlay Proposed Projects for 2026 total \$44,843,350, and are largely made up of the following:
 - Facilities consists of 39 percent
 - Maintenance yard fuel tank installation at Borden Park
 - Electrical upgrades at Innovation Hills
 - Pedestrian bridge and structure repairs
 - Playground upgrades at Avondale Park
 - Installation of park entrance signs at Bloomer Park and Yates Park
 - Historical signage at the Museum
 - Development of Nowicki Park
 - Major Roads and Local Streets consist of 23 percent
 - Hamlin Road east of Crooks reconstruction
 - Adams Road improvements at Nowicki Park
 - Star-Batt left turn lane at Crooks
 - Livernois left turn signal at Drexelgate
 - Fence repair along Livernois between Avon and Walton
 - Local Street Rehabilitation Program

- Childress paving
- Dunning east of Eastwood paving
- Water & Sewer consists of 14 percent
 - Sanitary Sewer Rehabilitation Program
 - PRV removals and replacements
 - Henry Ford Rochester Hospital water main replacement
 - Dutton Road between Adams and Wales water main replacement
 - Nowicki Park water and sewer main extension
 - DPS Garage vehicle exhaust system replacement
 - Booster Station 1 generator replacement
- Fire Capital consists of 11 percent
 - Replacement of five ambulances
 - Auto extrication equipment
 - Stair chairs
 - Air monitors
 - Mobile data computer replacements
 - Exterior improvements at Fire Station No. 1
 - Fire system exhaust replacements for all five stations
- Pathways consists of five percent
 - Annual Pathway Rehabilitation Program
 - Pedestrian Bridge and Structure Repair Program
 - Potential HAWK signal at Hamlin Elementary
 - Pathway connections at South Adams Road
- Fleet consists of five percent
- MIS consists of three percent

He stated that the City Budget is proposing \$186,348,170 in revenue with major sources of proposed revenue consisting of the following:

- *Service Charges bringing in 38 percent; these charges consist of Water and Sewer charges, Building Department fees, etc.*
- *City Taxes bringing in 27 percent; an increase in the bottom line City millage rate from 10.84 mill to 11.27 is being proposed for next year due entirely to the 36 percent increase in Oakland County Sheriff's Office (OCSO) contractual rates, which were approved by the Oakland County Board of Commissioners in December 2024*
- *Transfers-In bringing in 20 percent; this represents the flip side of the Transfer-Out expenditures*
- *Intergovernmental Fund bringing in 12 percent; includes the State-Shared revenue and Act 51 Gas Tax*
- *Investments and Other Revenues bringing in three percent*

He announced that the City Budget is proposing \$44,843,350 in Capital and \$36,918,740 in Fund balance, equating to \$7,924,610 in Operating Surplus. He explained that this means that the City's recurring day-to-day revenues are projected to exceed its recurring day-to-day expenses by over \$8 million, and the City strategically uses this surplus to pay cash for its major Capital Projects like roads and parks.

He stated that the General Fund Budget is proposed at \$36 million, which includes the addition of one (1) full-time Grounds Crew Leader and one (1) part-time

to full-time Administrative Assistant in the Planning & Economic Development Department. He added that per the updated Fund Balance Policy, the City will be transitioning from an 80 percent Fund balance level to a 35 percent Fund balance level over the course of the next three years. He noted that any funding above these Fund balance target levels will be transferred-out to the Capital Improvement Fund.

He reported that the Capital Improvement Fund (CIF) is proposed at \$17.9 million and primarily includes the development of Nowicki Park next year. He stated that Capital Projects proposed for 2026 and beyond will continue to be revised and reassessed based on projects included in the CIP, which helps the City identify, prioritize, and schedule its Capital plans.

He shared that the Major Road Fund is proposed at \$8.3 million, and significant projects include those previously mentioned under the Major Roads and Local Streets portion of the Capital Outlay discussion. He added that the Major Road Fund is proposed to increase its Fund balance next year by approximately \$420,000, which is impressive given that the City is proposing \$3.1 million in Capital Projects. He noted that a draw from the Fund balance is projected due to several significant Major Road projects around the corner, including the reconstruction of Rochester Road in 2027, Hampton Circle in 2028, and John R in 2029.

He explained that the Local Street Fund is proposed at \$12.7 million, and significant projects include the Annual Local Street Rehabilitation Program and two SAD paving projects: Childress and Dunning. He noted that a reduction in the Local Street Fund balance is proposed over the next few years to set it at its 25 percent target balance, and this is anticipated to occur in 2029. He added that the annual transfer-in to the Local Street Fund from the General Fund will be an amount to maintain the Local Street Fund at its 25 percent target balance level long-term.

He stated that the Fire Operating Fund is proposed at \$17 million and that the combined Fire funds, including the Fire Operating Fund and the Fire Capital Fund, will be a major focus of attention moving forward. He continued that it is proposed for the Fire Operating Fund to operate with a very slight structural surplus of \$17,000, and City staff will be exploring options to maintain the Fire Operating Fund at its 25 percent Fund balance target range and to provide some additional flow of funding into the Fire Capital Fund for future Fire Capital replacements.

He shared that the Fire Capital Fund is proposed at \$5.8 million, and significant projects include those previously mentioned under the Fire Capital portion of the Capital Outlay discussion. He noted that the ambulances will take approximately three years to be manufactured, so no payments will likely be made until at least 2029. He added that the exterior improvements to Fire Station No. 1 will primarily consist of the tuckpointing of the brick mortar and the painting of the building. He shared that although this fund is his biggest concern, a silver lining is that the City's fleet and facilities are relatively new and in great shape.

He announced that the Police Fund is proposed at \$14.2 million. He explained that to maintain the same level of OCSO staffing at the higher cost level, the City is proposing to increase the Police Millage, which is currently set at 4.2 mill, by 0.4280 mill. He stated that this new Police Millage was calculated to be a level that will allow the Police Fund to operationally break even in 2027. He added that the same millage rate is projected to be able to sustain the Police Fund through the next OCSO contract, which ranges from 2028 to 2030 if the OCSO contractual rates approved by the Oakland County Board of Commissioners averages 5.2 percent over the next three-year contract. He noted that the Police Millage is projected to be set each year to maintain the Police Fund at its 25 percent target balance.

He shared the following 2026-2028 Budget Highlights:

- Structural Operating Surplus Maintained*
- Fund Balances Maintained*
- \$44M in Capital Projects Proposed*
 - Nowicki Park Development = \$14.5M*
 - No Debt Proposed*
- Police Millage Increase Proposed*
- Staffing Proposed*
 - 1.5x City Staff*

Council Discussion:

Ms. Mungoli inquired about the impact of the 0.0544 change in overall Charter Millages, and requested the dollar amount that this change translates to, explaining that she wants to be able to answer residents' questions about why the millage rate is increasing.

Mr. Snyder stated that the increase in the Charter Millage, or the General Fund Millage, is solely based on the Headlee reduction of all the other various millages. He explained that the Charter Millage is not at its Headlee cap, and by default, anything that drops down flows into the General Levy to keep the same bottom line millage rate. He continued that if they were to let the General Fund stay status quo and let all the other millages drop, this would mean less money coming into the General Fund, which would mean less money going over to the Capital Improvement Fund to do park projects, infrastructure, and other projects. He added that those dollars go back into the infrastructure in the community, whether it be a park, a road, a facility improvement, or otherwise. He shared that he can get back to her with the exact dollar amount of this change.

Ms. Mungoli expressed her understanding that the Headlee cap dictates that when the millage rate is rolled back down, the taxable value on property goes up, to equal the same amount. She questioned how this did not happen this year.

Mr. Snyder explained that the City has several funds, including the General Levy, Fire, and Police, that are not at their Headlee cap. He shared that this allows flexibility to maintain the same bottom line millage rate. He added that all

the other funds are at their Headlee cap and get rolled back.

Ms. Mungoli requested confirmation that if her house went from \$500,000 to \$525,000, it is not possible to keep the value the same. She also pointed out that the Drain Debt Fund is going away, and commented that she was surprised to see how much the Headlee cap is impacting the City this year. She inquired when the Fire Millage is up for renewal.

Mr. Snyder stated that it is not possible to keep the millage rates the same, as this is all set by the State of Michigan tax tribunals. He also shared that the Fire Millage is a Charter Millage, so it does not have to go back to the voters. He added that the Fire Millage, the General Levy, and the Library Millage are the only three Charter Millages.

Ms. Mungoli requested confirmation that if they need to increase the revenue in future years so that the balance does not go below the line, then they would go back to the voters. She questioned whether they would need to have a Fire I and a Fire II millage rate.

Mr. Snyder confirmed that they would need to go back to the voters, explaining that that is what they did about ten years ago when they brought forward the proposal to go from a paid on-call fire department to a 24/7 fire department. He noted that it was not term-limited, but they brought it to voters to see if they would be willing to increase that millage to provide for 24/7 coverage at each of the five fire stations. He stated that the new Fire millage would replace the existing one, and the City would keep that as a Charter.

Ms. Mungoli commented that RARA and the OPC have separate budgets from the City but are rolled into the overall millage, and requested confirmation that it is just one tax bill. She also inquired whether the City would benefit from having some debt so that the County would not keep asking for more money.

Mr. Snyder confirmed that it is one bill, but it shows all the millage rates individually. He noted that the City has so many different funds because it has so many different millages, and those dollars have to be treated a special way. He also explained that Oakland County cannot make a profit on any of the programs they operate and that to his knowledge, there are two major ones that they contract for with Oakland County, with the largest by far being the Oakland County Sheriff's Office and the other being dispatch services. He noted that one positive is that the City's external auditor, Rehmann, is also Oakland County's external auditor, so he can ask the auditor to monitor the County for things the City is concerned about. He added that the City has its own Assessing Department, so when Oakland County introduced the recent triple-digit increases on their assessing contracts, the City was held harmless.

Ms. Mungoli inquired when the City can expect to see more information regarding the debt that the County is going to ask them to absorb from the eight-foot sanitary sewer pipe, and when the City will receive its first bill to pay for this project. She also inquired when residents will see a new line item on their bill for drain debt.

Mr. Snyder shared that this matter more so goes through the Oakland County Water Resources Office, which is a component of Oakland County but is really its own separate division, and that the Water Resource Commission has been as transparent as possible. He stated that there are three phases; phase one consists of \$15 million worth of repairs currently happening to resolve the sinkhole issue, phase two requires \$45 million of continued work, with debt services starting in either late 2026 or early 2027, and phase three involves the completion process and could be as early as 2027 and as late as 2029. He shared that the City has already begun to see the bill for this project, as the Oakland County Resources Commission has bonded out the first \$15 million through Oakland County, who has incorporated that into their sanitary sewer rate for the current 2025-2026 year. He explained that a major reason why the City's sanitary sewer rates increased by nine percent is because there is debt service included. He continued that the Oakland County Resources Commission has been very forthright with the next part, the \$45 million bond, and communities will have a proportionate share depending on the amount of flow that each community pushes into that. He added that the City absorbs the drain debt cost into their sanitary sewer rate but breaks down the components of the sanitary sewer rate when they take this matter to the Water System Advisory Council.

Ms. Mungoli questioned whether there would be a tax advantage to residents if the City made it a separate debt line item as opposed to in their water bill.

Mr. Snyder responded that you are not supposed to deduct utilities off your taxes.

President Deel commented that Oakland County raising fees to their municipalities is essentially tantamount to a hidden tax on every resident, likening it to a corporate tax that gets passed on to consumers. He voiced his desire for the City to look out for this going forward, as they have seen Oakland County raise fees on assessing services, the Sheriff's Department, and others, and these costs end up getting passed on to residents.

Mr. Blair referred to the change the City made to its Fund Balance Policy, and inquired how the City is doing amidst all the tariffs, inflation, and uncertainty in Lansing and Washington.

Mr. Snyder responded that he is very comfortable with what the City has done with its Fund Balance Policy, as the Fund Balances are at a defensible range. He shared that when the City moved from 80 percent to 35 percent, the members of the City Council Strategic Planning & Policy Review Technical Review Committee did an exercise from the Government Finance Officers Association (GFOA) that was designed to determine how much fund balance your General Fund should have, and everyone came up with about the same place. He continued that Rochester Hills is not on a beach or in an earthquake zone and thus was not qualified to have the 80 percent fund balance level. He explained that the City is at the 35 percent level and not the 25 percent level because it has some funds that are dependent upon the General Fund for funding; notably, the Storm Water Fund, the Capital Improvement Fund, and, in time, the Local Street Fund. He added that tariffs and inflation have impacted the Fund Balance Policy change in that the

dollars the City has do not go as far for Capital Projects, and the City will likely have to do slightly less year to year.

***Mayor Barnett** praised the work of Mr. Snyder, Ms. McDoniel, and Debby Hoyle, Senior Financial Analyst. He emphasized that the collaborative relationship between City Council and the Finance team has resulted in a community that is debt-free, has been ranked the best place to live in Michigan and the ninth best place to live in the country, pays for its amenities in cash, and continues to be the gold standard for excellence. He pointed out that the individuals at this meeting are not always the most visible to the public yet are responsible for helping the City celebrate so many achievements.*

Discussed: General Budget Overview

Enactment No: RES0228-2025

2025-0330 Discussion - General Fund (100's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0326 for Council Discussion.

Discussed: GENERAL FUND REVENUE; MAYOR'S DEPARTMENT: Mayor's Department, Accounting, Legal Services, Treasury, Media Division, Street Lighting, Community Development Block Grant, Community Events, Community Programs; GENERAL FUND TRANSFER-OUT.

(Mr. Blair entered at 5:59 p.m.)

Present 7 - David Blair, Jason Carlock, Ryan Deel, Carol Morlan, David Walker, Theresa Mungioni and Marvie Neubauer

2025-0333 Discussion - Capital Funds (400's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0326 for Council Discussion.

Discussed: Capital Improvement Fund.

2025-0334 Discussion - Water and Sewer Funds (500's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0326 for Council Discussion.

Discussed: Solid Waste Fund.

2025-0335 Discussion - Internal Service Funds (600's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0326 for Council Discussion.

Discussed: Insurance Fund.

2025-0336 Discussion - Trust and Agency Funds (700's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0326 for Council Discussion.

Discussed: Retiree Healthcare Trust Fund

2025-0330 Discussion - General Fund (100's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

Assessing Department:

Laurie Taylor, Assessing Director, and **Karen Somerville**, Deputy Assessing Director, were in attendance to review the Assessing Department.

Ms. Taylor shared that the City is on a 12-year streak of economic growth. She explained that the 2026 estimated taxable value was anticipated to increase by 2.5 percent; however, the actual increase was 4.68 percent. She added that the spread between assessed value and taxable value continues to grow, and is currently at \$1.7 billion.

Ms. Somerville stated that residential properties make up over 80 percent of the assessment roll, providing a massive 40 percent cushion on average per household.

Council Discussion:

President Deel commented that the 40 percent difference between taxable value and assessed value is like an insurance policy in that it ensures the City will be able to maintain its revenues in the case of a housing market downturn. He requested further explanation of this number, and inquired about the cause behind the 4.68 percent increase in taxable value.

Ms. Taylor reiterated that there is a \$1.7 billion difference between assessed value and taxable value, and explained that a market downturn affects assessment but does not affect taxable value, so if the market comes down, assessments would come down. She noted that assessments represent 50 percent of market value, and the market would have to come down \$1.7 billion for it to start affecting the taxable value; this is when the City would start seeing revenue differences. She added that the 4.68 percent increase in taxable value could be due to new construction or uncapping.

Ms. Mungoli requested confirmation that the City is in safe shape when it comes to tax tribunals. She pointed out that they have an excellent track record of winning in the tribunals, and inquired whether the City usually has the favor if somebody does appeal.

Ms. Taylor confirmed that the City is in safe shape when it comes to tax tribunals. She stated that they have eight outstanding tax tribunals, whether in small

claims or the entire tribunal. She explained that some of them are repeats that have been withdrawn in the past, and one came uncapped. She also shared that the City usually has the favor in the case of an appeal.

Planning & Economic Development Department:

Sara Roediger, Planning & Economic Development Director, **Chris McLeod**, Planning Manager, and **Pam Valentik**, Economic Development Manager, were in attendance to review the Planning & Economic Development Department.

Mr. McLeod stated that with over 2,100 interactions and countless forums and meetings, the City's Master Plan is nearing completion and is anticipated to be adopted by year's end. He explained that the Planning & Economic Development (PED) Department made sure that the plan reflected the community's desire to remain low-rise, changing very little in land use. He shared that the PED Department will present the Master Plan in a new manner; an interactive website that is relatable to how today's population consumes content. He noted that their Public Review period has begun, and their next milestones are scheduled for October and November, for a Public Hearing and potential adoption, respectively.

Ms. Roediger shared some big wins they have had in navigating the EGLE Remediation and Restoration Grant this year:

- 3 Projects Completed
 - Livernois Green Space
 - Auburn Rd Green Space
 - Hamlin Rd Sewer Extension
- 4 Site Assessments Underway
- Interactive Map Provides Updates on all Projects

She explained that they are working to get not only environmental improvement but also the ability to invest in these underutilized properties. She added that almost \$3 million has been committed to date, with another \$60 million requested, and this does not include the private investment that will surely follow once these sites are ready to be developed.

Ms. Valentik provided the following Economic Development updates:

- The PED Department is fostering entrepreneurship with the City's young residents. Last month, they held their pilot of the RHising Market at the Brooklands Block Party, and 11 entrepreneurs between the ages of ten and 18 were able to promote their handmade products and services. The Rochester Chamber Foundation awarded \$250 cash prizes to two deserving entrepreneurs.
- In the inaugural RHISE Cup competition, 12 companies participated with the goal of bringing together their local crews to engage with the community they work in. One particular impact was the Social Challenge; a food drive for Neighborhood House in which donations topped 4,000 pounds of food. This year, 22 teams will compete in the RHISE Cup, which is funded through the LDFA to support the City's Economic Development strategy.
- After 30 years, the LDFA is set to expire at the end of this year. The City has

hired Dickinson Wright to assist with extending the LDFA another 20 years. The LDFA has been a valuable tool for financing many Infrastructure Capital Projects that may have fallen completely on the City's tax revenue to cover, and it is both an economic development tool and an infrastructure vessel.

- The PED Department continues to elevate the Mayor's Business Council and RHISE events. Some events have pertained to serious matters, such as conversations about U.S. trade affairs, Michigan's business climate, and cybersecurity planning with former Governor Rick Snyder. Other events have focused on embracing positivity. One such example is the second Diversity of Thought event, which brought together 50 HR directors.

Ms. Roediger announced that for the first time in 20 years, the PED Department is looking to expand their team. She explained that their part-time Administrative Assistant position is proposed to become a full-time position to help them continue delivering top-notch service. She shared that they pride themselves in providing first-rate service, whether it be through leading the State in the use of technology or having the lowest vacancy rates in the County, and their success is measured by having some of the happiest residents and businesses around.

Discussed: ASSESSING: Assessing, Board of Review; PLANNING & ECONOMIC DEVELOPMENT: Planning Commission, Planning Department, Zoning Board of Appeals.

2025-0337 Discussion - Component units (800's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0330 for Council Discussion.

Discussed: Historic Districts Commission, EGLE Grant Fund, Brownfield Revolving fund, BRA / Legacy Fund, BRA / Rochester @ Avon Fund, Local Development Finance Authority.

2025-0330 Discussion - General Fund (100's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

Clerk's Department:

Leanne Scott, City Clerk, and **Sheila Brown**, Deputy City Clerk, were in attendance to review the Clerk's Department.

Clerk Scott and Deputy Clerk Brown presented a digital storybook showcasing the functions of the Clerk's Office, with the following highlights:

- Passports

- Serves over 1,000 families a year

- Provides a friendly and reliable service in a comfortable and relaxed environment

- City Council

- Supports, maintains, and updates City Council and 39 other Boards, Commissions, and Committees

- Recordkeeping
 - Preserves the legal and historical narrative of the City
 - Collaboration across all City departments
 - Ensures that progress is built on a solid, well-documented foundation
- Rochester Hills Government Youth Council (RHGYC)
 - Community Impact
 - 1,100+ hours
 - 5 Schools Represented
 - Serving on over 10 Boards
- Maintenance of the Van Hoosen Jones Stoney Creek Cemetery
 - Serves the community's history and provide solace to families
 - Beautification of grounds and addressing of safety concerns
 - Irrigation project will come to fruition this year
- Birth Certificates
 - 512 Babies Born
 - 1,188 Birth Certificate Copies Issued
 - Jan-June 2025
- Elections
 - Guardians of democracy
 - Serves every citizen's right to vote, ensuring fairness and integrity
 - Collaboration with poll workers, election officials, and community groups

Clerk Scott emphasized that the Clerk's Office is not just a collection of services; it is a dynamic force where a day's work is dedicated to serving individual dreams, building a connected and engaged community, and fostering the essential collaboration needed to move the City forward, impacting every life within its bounds. She acknowledged that they are able to offer their services because of the support of Council and the Mayor.

Council Discussion:

Ms. Mungoli inquired about what software the Clerks used to create their storybook. She also requested more information about the Cemetery Master Plan and how it will expand the Clerk's Office's story. She inquired whether they need a company that is specific to cemeteries to do the Master Plan.

Clerk Scott shared that they used AI to turn actual pictures into drawings, and it is the same software used for the monthly Fire Report. She continued that they have never done a Cemetery Master Plan, and explained that the majority of the Cemetery is plotted out, but there are areas they can expand on. She added that they would like to utilize every square inch of the Cemetery and that she would love to see a cremation garden, as cremations are on the rise. She directed the question about a cemetery-specific company to the Purchasing Department.

Mr. Blair questioned whether they would be cutting the grass more if they are watering it more. He also pointed out that the Museum is very close to the Cemetery, and inquired whether there is ever a sharing of employees or equipment. He shared that finding maintenance professionals is very difficult, and expressed his belief that creating synergy for the Museum Maintenance Specialist position would be a creative use.

Clerk Scott responded that she does not know if they will necessarily need to cut the grass more, but they will be watering it smarter to get off-peak rates. She explained that they can water at night instead of during the day and control what zone is being run. She voiced her belief that the irrigation system will save time, as new grave sites are not being watered as much as they need to have the grass grow. She continued that the Museum and Cemetery do not currently share employees or equipment, and this is a question for HR. She shared that right now, they have more employees at the Cemetery than they have in the past, with two part-time employees, two full-time employees, and a seasonal worker.

President Deel praised the presentation, noting that it would be the perfect format for the Library Board to adopt.

Discussed: CLERKS OFFICE: City Council, Elections, Clerk's Department, Cemetery.

2025-0336 Discussion - Trust and Agency Funds (700's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0330 for Council Discussion.

Discussed: VHJSC Cemetery Perpetual Care Trust.

2025-0335 Discussion - Internal Service Funds (600's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

MIS Department:

Rochelle Lyon, Information Systems Director, and **Margaret Casey**, Information Systems Administrator II, were in attendance to review the MIS Department.

Ms. Lyon stated that the MIS team continues to be the dedicated guardians of the City's digital infrastructure; they are constantly working to ensure systems are stable, efficient, and secure, allowing all City departments to deliver seamless services to residents and businesses.

She shared that one of her favorite ways their team works to protect the City is by partnering with users through their Cybersecurity Awareness Program, and they highlight this partnership with a very special cybersecurity partner; their golden gnome. She explained that this traveling award visits staff and entire departments to recognize outstanding security habits. She added that through mandatory monthly training, staff members are continually learning and working to protect digital assets, often flagging potential phishing threats.

She reported that a critical component of this budget period is a comprehensive network refresh, and this essential project is a key initiative of their long-term IT Strategic Plan and will enhance the speed, reliability, and overall efficiency of

internal operations. She also announced that they are excited to embark on a significant website upgrade. She explained that the City website is often the first point of contact for residents, serving an average of 34,000 visitors per month. She detailed that this initiative is about more than just a new look; it is about creating a more intuitive, accessible, and dynamic online experience.

Council Discussion:

Ms. Mungoli commented that it is good to see the expenditures for the coming year, and inquired whether there are any other major system changes besides the website.

Ms. Lyon responded that there are systems in other departments going in that MIS is partnering on, but there are no other systems on their radar that need replacement right now. She noted that they are always adding to their security platform and have planned for that in this budget.

Ms. Mungoli remarked that it is nice to see stability in that respect, and added that she would love to help test the website.

Discussed: MANAGEMENT INFORMATION SYSTEMS (MIS) DEPARTMENT: MIS Fund.

(RECESS 7:19 p.m. - 7:42 p.m.)

2025-0330 Discussion - General Fund (100's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

Human Resources Department:

Brooke Insana, Human Resources Director, and **Leslie Turnbull**, Human Resources Manager, were in attendance to review Human Resources.

Ms. Insana shared that she is proud to lead the Human Resources (HR) team, and introduced the members: Leslie Turnbull, Human Resources Manager, Leslie VanGieson, Human Resources Coordinator, Celeste Mansour, Human Resources Coordinator, Shannon Smith, Administrative Specialist - Human Resources, and Sue Rehse, Human Resources Associate (PT).

She stated that one of their core functions is talent acquisition, and they cast a wide net, inspecting 2,400 applications to hire only the top two percent to join the City's team. She explained that this rigorous process ensures that they bring in only the most qualified and dedicated individuals to serve the City.

Ms. Turnbull shared that over the past year, they have hired 31 full-time employees and 93 part-time and seasonal staff. She continued that their mission is to attract, cultivate, engage, and retain the most talented City staff to consistently meet and surpass the expectations of residents, businesses, and visitors. She added that Council's dedication and investment in the City team demonstrated through robust compensation and benefits with a focus on professional development ensures their ongoing ability to attract the very best.

She noted that their recruitment efforts have been nothing short of global in scope.

Ms. Insana reported that there were 28 internal promotions within the past year. She explained that this internal growth is essential for maintaining continuity and peak performance across all City operations. She also recognized those who have served the City for many years and are now enjoying a well-deserved retirement. She continued by discussing the finalization of the GELC 1984 and IAFF Fire 3472 contracts, detailing that countless hours of negotiation and teamwork were dedicated to secure these vital agreements and fair working conditions. She added that the HR Department plays a pivotal role in fostering a positive and supportive work culture, and led initiatives such as the Employee Fall Festival, the Pancake Breakfast, the Halloween Potluck, and the Holiday Cookie Exchange. She thanked the HR team and all City employees for their hard work and dedication.

Council Discussion:

Ms. Mungoli thanked Ms. Insana and her team for their work, and added that she appreciates the status of the union contracts for this year.

Building/Ordinance/Facilities Department:

Mike Viazanko, Building/Ordinance/Facilities Director, **Tim Hollis**, Deputy Building/Ordinance/Facilities Director, **Jeff Schultz**, Manager of Inspector Services, **Jodi Welch**, Manager of Ordinance Services, and **Matt Exley**, Manager of Facilities, were in attendance to review the Building/Ordinance/Facilities Department.

Mr. Hollis shared that among the buildings nearing completion are Legacy Apartments, Serra Ford, and the Gerald.

Mr. Schultz provided the following Building Department statistics:

- Inspections 8,600
- Plan Reviews 1,800
- Permits Closed 1,030
- 40 percent improved plan review turnaround time

Ms. Welch discussed the following information regarding the Ordinance Division:

- Total Inspections 3,539
- Proactive Inspections 70 percent
- Illegal Signs 903
- Partnering with GIS, they have increased their contract efficiency by adding an innovative tracking system for both the contractor and inspectors

Mr. Exley stated that the Facilities team is involved with the following projects:

- City Hall LED Light Replacement

- City Hall Chiller Replacement
- Borden Grounds Locker Room
- City Hall EV Car Chargers
- DPS Main Door Replacement
- DPS Interior Improvements
- Fire 1 Remodel
- OCSO Interior Improvements
- Bloomer Dry Storage Building
- New Concrete for Eagles Landing
- Farm House Wallpaper Replacement
- Livernois House Demo
- South Boulevard House Demos
- "Beekeeper" House Demo
- Fire Training Tower Demo
- New Fire Training Tower
- Accounting Manager Workstation Upgrades
- Fire 2 Exercise Room Concrete Floor Repair
- Building Department Remodel
- HR and Fiscal Remodel
- Stoney Creek School Lift Replacement
- Innovation Hills Restroom Building
- Cemetery Irrigation Project
- Velodrome Demo

He added that they are on pace to hit 3,300 service requests, a ten percent increase from last year.

Mr. Viazanko highlighted the leadership of the members of the Building Department:

- ICC Region 5:
 - Mike Viazanko - Secretary of Executive Board
- AIA Detroit BC/RC:
 - Mike Viazanko - Building Official Liaison
- MACEO Board Members:
 - Mike Johnson - President
 - Jodi Welch - Secretary
- OCBOA:
 - Angelo Pizzo - President
 - Jeff Schultz - Program Director
- SEMBOIA:
 - Jason Rhoades - Vice President
- RECI:
 - Tony Tomasin - Vice President
- Michigan Permit Tech Association
 - Chitra Neelakantan - President
 - Beth Dusevic - Treasurer

Discussed: HUMAN RESOURCES DEPARTMENT: Human Resources Department;
BUILDING/ORDINANCE COMPLIANCE/FACILITIES DEPARTMENT: Building
Department, Ordinance Compliance, Weed Control, Facilities Fund.

2025-0331 Discussion - Special Revenue Funds (200's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

Department of Public Services:

Bill Fritz, Public Services Director, **Tracey Balint**, City Engineer, and **Lori Hamilton**, Administrative Services Supervisor, were in attendance to review the Department of Public Services.

Mr. Fritz stated that City Council's support of DPS has enabled them to improve the City's infrastructure and achieve levels of service near the peak among comparable communities. He presented a video that provided the following information:

- **Mr. Fritz** shared the following 2025 DPS projects:

- Brewster Road Reconstruction
- Brewster Road Water Main Replacement
- University Hills Water Main Replacement
- Innovation Hills Sanitary and Water Main Extensions
- Auburn & Technology Drive Traffic Signal
- Annual Concrete Replacement Program
- Annual Asphalt Rehabilitation Program

- **Seth Bucholz**, Transportation Technician, reported that the Local Streets Millage, which was renewed in 2019 for ten years, has enabled DPS to rehabilitate over 30 additional miles of local streets. He continued that Rochester Hills is 19 years into a 20-year Pathway Millage, which has allowed DPS to resurface nearly a mile of asphalt pathway every year. He added that since 2006, when the millage was approved, DPS has resurfaced nearly 14 miles of pathway.

- **Ms. Balint** shared that every year, DPS replaces about six miles of aging water main utilizing innovative trenchless techniques. She explained that replacing aging water main with new pipes improves the water quality and the pressure, reduces the number of leaks, and conserves water.

- **Mitchell Collins**, GIS Technician, announced that the GIS team is transforming Citywide spatial data into valuable information, providing interactive maps, enhancing asset management, and assisting residents with faster access to City information and more efficient emergency services.

- **Leon Luedeman**, Water & Sewer Operations Manager, shared that DPS maintains all of the City's infrastructure necessary to ensure its residents enjoy safe, clean drinking water and effective wastewater removal.

- **Jeff Fox**, Roads & Pathway Operations Manager, stated that during the spring, summer, and fall, DPS Roads and Pathways crews grade gravel roads, make repairs, and clean the City's 300 miles of roads. He continued that DPS ensures the roads are safe and smooth, filling potholes and keeping streets clear of debris, and when winter weather hits, DPS crews are on call 24/7 ready to clear roads.

- **Nick Watterson**, Fleet Manager, noted that the City's Fleet division keeps over 300 City-owned vehicles and equipment running smoothly. He explained that they handle everything from routine preventative maintenance like oil changes and

tire rotations to major repairs when things break down. He reported that last year alone, they completed over 1,000 work orders, including insourcing of work for outside agencies such as the Rochester Hills Public Library, the City of Pontiac, Rochester, and Washington Township Fire Departments.

- **Chris Shepard**, Field Services Manager, stated that the City's Sign Shop assists in traffic studies and maintains over 8,000 signs and signals, including the growing number of lighted pedestrian crossing signals.

- **Ms. Hamilton** shared that every year, dozens of grateful residents, customers, and others express their gratitude with calls, emails, and even an occasional pizza or box of donuts.

- **Mr. Fritz** provided a list of the proposed projects for 2026:

- Roads and Pathways
 - Concrete Road Replacement Program (Locations TBD)
 - Asphalt Road and Pathway Rehab Program (Locations TBD)
 - Adams Rd Improvements at Nowicki Park
 - Childress Ave & Enid St SAD Paving
 - Dunning Rd SAD Paving
 - Hamlin Rd at Crooks Concrete Replacement
 - Star-Batt Left Turn Signal at Crooks Rd
 - Livernois Rd Left Turn Signal at Drexelgate
 - Livernois Fence Replacement at Avon Rd
- Water and Sewer
 - Henry Ford Rochester Hospital Water Main Improvements
 - PRV Removals
 - Sanitary Sewer Rehab Program (Locations TBD)
 - Nowicki Park Water and Sanitary Extension
 - Dutton Rd Water Main Replacement

Mr. Fritz thanked City Council for their thoughtful consideration, and asked for their support so that the DPS team can continue delivering exceptional service to the residents of the City.

Council Discussion:

Ms. Mungoli inquired about the amount of pathway rehabilitation the City is doing this year. She pointed out a list of projects that are the beginning pieces for 2027 construction, and inquired whether they are engineering studies for this year.

Ms. Balint responded that they usually do about a mile per year with the Asphalt Rehabilitation Program.

Mr. Fritz shared that they are considering some infill work, but the exact locations have yet to be determined. He noted that the team has gotten very efficient, explaining that when the millage first started out, they filled gaps and repaired small sections, but in recent years, they have been able to concentrate on longer stretches and complete full miles.

Ms. Balint added that they usually determine the locations for infill work when they design the HMA Program in the fall.

Ms. Mungioli inquired about the PASER rating of the City's pathways. She expressed the benefit of a pathway rating map on any millage requests for next year.

Ms. Balint shared that they created a PASER rating program within the last year and that the team is collecting information to create better plans and programs.

Mr. Fritz added that the PASER program is new and innovative, and he does not know of any other communities using it to rate pathways.

Ms. Mungioli brought up the decrease of 100 percent, or \$1.185 million, in Capital Outlay due to no proposed projects in 2026 for the Water Resource Fund, as well as the decrease of \$13 million in Capital Outlay due to fewer Capital Projects in Fiscal Year 2026. She commented that this is more than DPS's budget, and inquired about what projects they are doing this year.

Mr. Snyder noted that the \$1.185 million decrease is for Storm Water.

Ms. Balint explained that in the last couple of years, they have done many water main replacement projects, which get up to anywhere between five and seven million dollars. She shared that next year they are doing projects that are smaller but still very important, such as the one at Henry Ford Hospital, the one on Dutton, and the PRV projects.

Ms. Mungioli asked Mr. Snyder what percentage of the budget DPS has.

Mr. Snyder stated that it depends on the year, but DPS's budget currently constitutes about half of the City's budget.

Ms. Mungioli pointed out that between public services, water, sewer, roads, pathways, and snow removal, DPS does a lot. She thanked Mr. Fritz and his team for all of their great work.

Mr. Blair brought up the three aspects of pathways: construction, rehabilitation, and maintenance. He pointed out that as the City continues building, the maintenance piece of the pie keeps getting larger. He inquired whether the CIP contains a list of areas where the City wants pathways. He also inquired whether the City's study on pathway gaps has uncovered any information regarding changes in ownership of the houses in front of gaps.

Ms. Balint responded that she is unsure whether the CIP lists areas where the City wants pathways, but she can look into it. She explained that the City has more gaps than missing pieces. She also shared that she does not know if there have been any changes in home ownership, but she can follow up on this matter.

Mr. Blair commented on the sticker shock of professional engineering services, and requested elaboration on the process for deciding whether the City will do the engineering in-house or have a professional firm come in and do it.

Ms. Balint shared that they are in the process of renewing the engineering contracts, and explained that the decision depends on area of expertise. She stated that the City can do the Concrete Rehabilitation Program, the Asphalt Rehabilitation Program, and water main replacements, but they do not have the capacity in-house for services such as water modeling or water studies or more complicated projects like Barclay Circle, which had a bike lane.

Mr. Fritz added that they may have more jobs than they can field internally, so they must use their consultants.

President Deel thanked Mr. Fritz and his team for their presentation and the work they do. He commented that DPS provides important services, and not only do they look at very technical issues, but they must also deal with people's frustration when roads are under construction.

Discussed: DEPARTMENT OF PUBLIC SERVICES (DPS): Major Road Fund, Local Street Fund, Pathway Maintenance Fund.

2025-0333 Discussion - Capital Funds (400's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0331 for Council Discussion.

Discussed: Pathway Construction Fund.

2025-0331 Discussion - Special Revenue Funds (200's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0331 for Council Discussion.

Discussed: Water Resources Fund.

2025-0334 Discussion - Water and Sewer Funds (500's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0331 for Council Discussion.

Discussed: Sewer - Operating Division, Water - Operating Division, Water & Sewer - Capital Fund, Water & Sewer - Debt Fund.

2025-0335 Discussion - Internal Service Funds (600's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0331 for Council Discussion.

Discussed: Fleet Fund.

2025-0331 Discussion - Special Revenue Funds (200's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

Todd Gary, Fire Chief/Emergency Services Director, **Bill Cooke**, Deputy Fire Chief, and **Ann Echols**, Assistant Chief/Fire Marshal were in attendance to provide an overview of the Rochester Hills Fire Department (RHFD).

Chief Gary presented a video that provided the following information:

- **Deputy Chief Cooke** announced that in the past year, the Rochester Hills Fire Department has continued to demonstrate exceptional dedication, responding to a record number of calls, enhancing their community outreach programs, and maintaining rigorous training standards.

- **Assistant Chief Echols** detailed that this budget addresses critical areas such as aging equipment and maintaining competitive compensation to attract and retain the highly skilled professionals that are the backbone of the department.

- **Chief Gary** added that this budget reflects their commitment to ensuring the safety and well-being of the community and addressing the evolving needs of the City and the Fire Department while maintaining fiscal responsibility.

- **Assistant Chief Echols** stated that Fire & Life Safety inspections are vitally important to the well-being of businesses, employees, and patrons. She reported that in the last three years, they have seen a 15 percent reduction in the total number of Fire inspection violations and also a reduction in the severity of violations. She noted that this year, the Fire & Life Safety Inspection Division will inspect over 10 million square feet of property.

- **Captain Joshua Boyce**, Assistant Fire Marshal, shared that in May, they adopted the 2024 International Fire Code, which is the most current fire code available. He explained that this new code allows them to address new and emerging technologies, such as EVs, energy storage systems, and solar panel installations.

- **Jennifer Conklin**, Fire & Life Safety Educator, stated that this year, in conjunction with the Rochester and Oakland Township Fire Departments, they visited each kindergarten and second grade classroom in Rochester Community Schools, educating hundreds of students in fire safety. She added that they also began their residential Knox Box Loaner Program and Nasal Cannula Thermal Fuse Leave Behind Program.

- **Captain Larry Gambotto**, Training Officer, voiced that the Rochester Hills Fire Department is committed to a highly trained and effective team, as demonstrated by the over 11,200 hours of training completed in 2024. He shared that their training tower is undergoing a significant transition. He explained that the original tower, which was constructed in the mid-1980s, served thousands of firefighters from Rochester Hills and the surrounding areas, and the new state-of-the-art four-story training tower will feature two live fire training rooms, providing a realistic and controlled environment for honing essential firefighting skills. He noted that the new facility is vital for preparing personnel to effectively respond to any community emergency.

- **Captain Tim Matz**, EMS Coordinator, stated that the Rochester Hills Fire Department EMS Division is dedicated to providing exceptional emergency medical attention to all citizens, and shared that they are replacing an advanced video airway tool. He explained that this innovative technology will enhance their paramedics' precision in placing advanced airways for patients unable to control

their own breathing, providing more efficient and critical support in life-saving situations. He also reported that the Rochester Hills Fire Department has earned the American Heart Association's Gold Level Mission: Lifeline Award for the second consecutive year in recognition of their incredible dedication to heart and stroke care.

- **Chief Gary** shared that to further optimize their resources and meet the needs of the community, they are requesting approval to purchase five new ambulances. He explained that they are increasing the size of their ambulance fleet to meet the rising demand for EMS and that this adjustment reflects the changing nature of emergency calls, with a growing proportion being medical emergencies rather than fire incidents.

- **Lieutenant Walter Murphy**, Fire & Life Safety, added that they are seeking approval to replace two critical pieces of equipment: air monitors and thermal imaging cameras. He explained that the air monitors are essential for public safety, as they are used to verify the presence of carbon monoxide when a resident's alarm is triggered, and replacing these ensures continued accuracy in detecting this potentially deadly gas. He continued that their thermal imaging cameras are a vital tool for their operations, particularly when searching for victims or locating hidden fires, and upgrading these cameras will enhance their ability to conduct these critical tasks effectively and safely.

- **Chief Gary** concluded by reiterating that this budget reflects the Fire Department's commitment to the safety and well-being of the City's residents. He thanked all the members of Fire Department for their dedication to the Fire service, as well as City Council and the City administration for their continued support.

Chief Gary noted that this budget is crucial for the Fire Department to continue meeting the needs of the community and maintaining the high level of service residents expect.

Council Discussion:

Ms. Mungoli thanked the Fire Department for all the work they do to keep the City safe, and expressed how impressive the Rochester Hills Fire Department is compared to the staffing levels of Macomb Township's Fire Department. She inquired where the ambulances are in the budget book, and how they will be distributed to the fire stations. She also commented that the community is aging in place, and inquired whether the Fire Department has looked at where senior citizens are located.

Mr. Snyder responded that the ambulances are in the 2026 budget, but the City will not make payment until the ambulances arrive and they are happy with them, and this might be three or more years down the road.

Chief Gary explained that they used to have five ambulances, one at each station, and had two reserves but kept one when they purchased the last group, giving them three reserves. He continued that due to their call volume, they will likely start running two ambulances out of Station No. 1 sometime later this year or the beginning of next year. He continued that they are working on updating their Strategic Plan and would like to cut down the fleet of fire apparatus. He explained that 85 percent of their calls are medical, meaning that 85 percent of the time,

they take an ambulance, and 15 percent of the time, they take a fire engine. He detailed that they have seven ambulances and ten pieces of fire apparatus, and they want to reduce the number of fire apparatus and ultimately have two ambulances at every station. He noted that they hope to have an updated Strategic Plan by the end of the year.

Mr. Walker requested confirmation that the Fire Department is looking to replace the thermal imaging cameras they bought ten years ago, not the ones they bought four years ago. He also inquired whether they are up for a new ISO certification next year.

Chief Gary confirmed Mr. Walker's understanding of the thermal imaging camera replacements. He also shared that the ISO inspection is typically done every two years, and although it would technically be due in 2026, he cannot guarantee that it will happen.

Mr. Walker inquired whether there is any way to provoke an inspection.

Chief Gary shared that they are working towards getting a better rating, but the only way to get a rating sooner is by demonstrating that they can potentially increase up to the next number. He stated that their intention is to follow up with ISO at the beginning of next year because even though ISO has been doing an inspection every three to four years, they want to do one every two years.

Mr. Walker expressed that he would encourage the Fire Department to work towards a better rating based on what it would mean to the community and to homeowners' insurance. He also referred to the fact that 32.8 percent of this month's EMS calls were to senior living facilities, and commented that it would be an interesting study to determine ways to recover more of those costs.

President Deel thanked Chief Gary and his team for their presentation and everything they do throughout the year, emphasizing that public safety is City Council's top priority in their Strategic Plan. He mentioned that he was once told that whenever a senior living facility is put in, the Fire Department should budget for one visit per year for each bed, so a 365-bed facility would see one visit per day. He stated that City Council must be cognizant of this as the City's residents age in place.

Chief Gary noted that that number has gone up, as it is 1.3 calls per bed per year.

Discussed: FIRE DEPARTMENT: Fire Department Fund.

2025-0333 Discussion - Capital Funds (400's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0331 for Council Discussion.

Discussed: Fire Capital Fund.

2025-0331 Discussion - Special Revenue Funds (200's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

Captain Paul Workman, Oakland County Sheriff's Office (OCSO), was in attendance to provide an overview of the Oakland County Sheriff's Office.

Captain Workman highlighted that in 2025, Rochester Hills was named the ninth best place to live in the nation by U.S. News & World Report, ranking higher than any other city in Michigan, and was recognized as the fourth safest place to live in the nation by the same report.

He announced that 2026 would begin with 64 Sheriff's Office personnel:

- 1 - Captain
- 2 - Lieutenants
- 6 - Patrol Sergeants
- 1 - Detective Sergeant
- 1 - School Resource Sergeant
- 8 - Detectives
- 1 - Community Resource Deputy
- 3 - School Resource Deputies
- 41 - Deputy II (no-fill)

He explained that one change to OCSO's staffing pertains to Rochester Community School District's decision to reduce the number of SROs by one. He added that although this reduction will affect how they provide coverage across schools, he remains confident in their ability to ensure the safest possible environment for both students and staff.

He thanked City Council for approving a renovation to the Substation, noting that these updates will not only provide a more comfortable and accessible space for residents but will also enhance the workflow and productivity of deputies. He detailed that some of the key improvements include a dedicated soft interview room to better support victims of crimes, a more efficient briefing and training area, and a front lobby that is both more welcoming and more secure.

He provided the following information regarding key performance indicators:

- OCSO Total Calls for Service remained steady last year with a modest increase of 340 incidents; this rise is not indicative of a surge in crime but is rather a reflection of OCSO's continued efforts to be more accessible to the public.
- Group A crimes decreased by about 300 incidents and are well below the ten-year average of 1,300 incidents per year. Group B crimes decreased by about 200 incidents, and they expect to keep this total well below its ten-year average of 430 incidents per year.
- False alarms decreased to three percent of Total Calls for Service in 2024 after leveling off at about five percent in the last few years.

- Based on the last Rochester Hills Community Survey, the Sheriff's Office received a 91 percent satisfaction rating from residents, and 99 percent of the community feel safe in their home. The City continues to overwhelmingly outperform the national averages in both of these key categories.

Council Discussion:

Ms. Mungoli inquired about a ribbon cutting date for the Sheriff's Office Substation, noting that she is glad to see that the work is 99 percent done.

Captain Workman responded that he is working with the Community Liaison Deputy and that the tentative date for the ribbon cutting is September 20th.

Ms. Neubauer voiced a request to reexamine the SRO situation once the school district gets their budget from the State, explaining that although she has full confidence in the Sheriff's Department, she believes it is important to restore the SRO position. She mentioned the possibility of somehow obtaining a grant for health, welfare, and safety to supplement the 50 percent from the district.

Captain Workman stated that they will continue to look at grants. He shared that he has looked at a couple of grants in the past and they did not cover salary, but he believes there are some ways to work out the situation.

President Deel pointed out that the budget in Lansing is not finalized, so grants could potentially come out of Lansing and into the school district. He requested confirmation that if this happens during the course of the next year, then the City could request to restore the SRO.

Captain Workman voiced his belief that doing so would be possible, noting that contract amendments would be needed and the Board would have to approve it.

President Deel thanked Captain Workman for his presentation and everything his officers do to keep the City safe.

Discussed: **SPECIAL POLICE FUND: Special Police Fund.**

2025-0330 Discussion - General Fund (100's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0331 for Council Discussion.

Discussed: **Crossing Guards.**

Parks & Natural Resources Department:

Ken Elwert, Parks & Natural Resources Director, was in attendance to review the Parks & Natural Resources Department.

Mr. Elwert discussed some of the Parks & Natural Resources Department's experiences over the last year that have contributed to residents' 93 percent satisfaction rate:

- Young campers are satisfied with outdoor engagement, including the City's partnership with RARA on their Adaptive Program.
- Thousands attend Wet & Wild Wednesdays every Wednesday in July.
- At Spencer Park, people enjoy swimming at the beach in the summer and playing hockey on Carter Lake in the winter.
- Satisfaction abounds on the playground and the net bridge at Innovation Hills.
- 40,000 satisfied people check out the fireworks at Festival of the Hills.
- The Parks & Natural Resources team prepared for the restoring of native plants on the Ruby Green Space.
- The Forestry team receives more compliments than any of the department's divisions for their prompt response to tree issues and taking the time to answer the variety of resident questions.
- Grounds work is a core behind-the-scenes element of resident satisfaction. Fixing drainage, irrigation, and pump issues, along with traditional landscaping care, is a regular occurrence. The recent completion of the Grounds Maintenance Study shows a path to develop best practices, including needed staffing to move forward, starting with this year's request for a full-time Crew Leader.
- The top-level commitment to marriage runs deep in the department. At the Museum, people put down roots that provide a connection to the City's history going back over a hundred years.
- The department is requesting to build Nowicki Park. The park plans include walking trails, a small pond, a one-acre playground, a three-acre dog park with separate small and large dog areas, and a center building that includes a park office, year-round restrooms, and a community room. This indoor space will be active year-round with community groups, regular Outdoor Engagement programming, and RARA summer camps, and it will also provide an early voting location for a few weeks per year. The large one-acre playground, about a third of the size of Innovation Hills, will be fenced and will feature sand play, a variety of natural and traditional playground pieces, and multilevel connections. This playground will serve the northwest area of the City that is currently unparked. Concepts pertaining to the unique look and feel of the buildings in the park are firming up, and the Parks & Natural Resources Department will be taking these items to the Planning Commission soon. With City Council's guidance tonight, they expect to start building the park in 2026 and open in 2027.
- The City's Bebb oak tree was planted over 300 years ago, and every generation since has enjoyed its legacy.

Council Discussion:

Ms. Morlan expressed her gratitude for the Bebb oak tree, and thanked Mr. Elwert and his department for all the amazing things they do for the City's parks. She shared that City Council's recent tour of Nowicki Park was helpful in seeing where various components will be located. She continued by bringing up that in 2008, the custodian and maintenance worker for the Museum was taken back to part-time, yet the amount of programming, events, and activities at the Museum has grown exponentially since then. She requested a straw poll for this item, and asked Mr. Snyder for insight into the financial repercussions of restoring this position to full-time. She stressed her belief that doing so is important, explaining that this position is special in that there are priceless documents that must be preserved

and protected, and the buildings are historical.

Mr. Snyder stated that there is currently a part-time Facilities Technician at the Museum, and the delta for moving this position to full-time would be approximately \$70,000, though this number is uncertain. He explained that a major contributing factor is single vs. family medical benefits, with \$70,000 being the most expensive family plan. He continued that there are dollars within the General Fund, but this change would mean that \$70,000 less would go over to Capital.

Mr. Blair acknowledged that parks continue to be one of the most popular things enjoyed by the City's residents. He shared that he was recently at a community event where he talked to two dozen people, and every single person was excited about Nowicki Park. He inquired whether the Parks & Natural Resources Department is on track to grind 100 stumps by the end of the year as projected.

Mr. Elwert responded in the affirmative.

Ms. Mungoli echoed Ms. Morlan's appreciation for the walkthrough of Nowicki Park, and requested confirmation that there is a resident meeting on Thursday night to discuss the park. She also inquired whether they are looking for money for the big barn at the Museum.

Mr. Elwert confirmed that there is a resident meeting on Thursday the 21st from 7:00 to 9:00 p.m. Regarding the barn at the Museum, he explained that the first step is creating a concept plan and exploring the costs, and these elements are in the Museum Operations Plan that Pat McKay, Museum Manager, and his team have put together. He explained that as you drive into the Museum main campus, there are concrete slabs to the left where there are pieces of equipment; however, there used to be a big barn there that was 101 feet instead of 100 feet to make it "the big barn in Oakland County" at the time. He recognized the need to see whether this fits on the campus and how they would pursue fundraising. He noted that they have talked about endowment funds and other funds with the Rochester Hills Museum Foundation, who is very interested and involved in the process.

Ms. Mungoli questioned whether neighbors will want a structure that tall near them.

Mr. Elwert shared that when they put up the equipment barn, which blocked some houses, the neighbors expressed their support of the project because they knew how Mr. McKay and his team work with the community and resolve any issues. He emphasized his confidence that they will be able to work with neighbors the same way in this situation, noting that they are not anywhere close to having that conversation yet.

Ms. Mungoli thanked Mr. Elwert and his team, including the hundreds of people he must hire and rehire every year to ensure that the City's residents are safe in the parks.

Mr. Walker requested explanation of the eight percent, or \$71,740, increase in Personnel Services due to the upgrade of the part-time Museum Maintenance Specialist.

Mr. Elwert explained that although the increase is not all for that position, the original concept before Councilwoman Morlan presented the idea of the straw poll was to essentially upgrade the current part-time position to a comparable level of responsibilities that are across the City. He reiterated Mr. Snyder's comment that moving the part-time position to full-time would necessitate \$70,000, and if this were to occur, then what is in the budget about the part-time item would no longer apply.

Mr. Walker inquired about savings and how they would reduce the \$71,000 that has already been allocated to the Museum for this position.

Mr. Snyder voiced his belief that what was noted was a grade increase, explaining that the job description warrants a higher grade of pay. He added that the second part is extending the number of hours, bringing the total to \$70,000.

Mr. Walker requested confirmation of his understanding that the amount would be \$74,000 plus \$70,000, totaling around \$140,000.

Mr. Snyder explained that a large portion of that amount consists of benefits, particularly medical, so the full-time position would not be a \$140,000 position but instead would be in the \$90,000-\$100,000 range.

Ms. Morlan questioned whether making it a \$90,000 full-time position would mean they are increasing it by \$30,000.

Mr. Snyder clarified that they would be taking a \$40,000 position up to a potentially \$110,000 position with all benefits. He noted that if they were to hire a single employee, the total would likely come down \$15,000.

President Deel thanked Mr. Elwert for his presentation, and voiced his confidence in the Parks & Natural Resources team to carry out all the things City Council asks of them. He commented that the team has made Innovation Hills a premier regional destination and that he is looking forward to the completion of Nowicki Park.

Mr. Elwert shared that they have a strong team and are drawing from around the nation, as they have an individual from Colorado who recently joined their management team, as well as a team member from Florida. He noted that they are tapping creative energy from all over.

Additional Questions/Comments from Staff:

Mr. Snyder responded to Council Member Mungoli's previous inquiry about the 0.0544 mill change in Charter Millages, sharing that this equates to roughly \$270,000.

He summarized Ms. Morlan's request for the straw poll item she requested: that

the part-time Museum Maintenance Specialist be moved to full-time status. He explained that he will work with Clerk Scott to double-check the numbers, and she will send each of the members of City Council an email "ballot." He added that the results of the vote will be reported to the public at the Budget Public Hearing on September 8th.

Mayor Barnett expressed that it is a blessing to have such a strong Fiscal team, and recognized Joe Snyder, Chief Financial Officer, Debby Hoyle, Senior Financial Analyst, and Denise McDoniel, Financial Analyst, for their leadership. He extended his appreciation to City Council for their continued partnership, and all the department directors. He then read an AI-generated poem highlighting the City's budget.

President Deel thanked the staff members for their presentations, noting that it is clear to City Council how much hard work and dedication they put into them. He voiced his appreciation for the entertainment aspect, as the different departments distilled hundreds of pages of the budget book into fun and engaging presentations. He also shared that he continues to marvel at how Rochester Hills' budget process is truly a model for other organizations to follow. He underscored his appreciation for all the work the staff members do tonight and throughout the entire year on behalf of all 78,000 residents.

Discussed: PARKS & NATURAL RESOURCES: Parks Department, Grounds Maintenance Division, Natural Resources Division.

2025-0337 Discussion - Component units (800's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0330 for Council Discussion.

Discussed: Museum Division.

2025-0331 Discussion - Special Revenue Funds (200's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0330 for Council Discussion.

Discussed: Parks Infrastructure Millage Fund, Tree Fund, Green Space.

2025-0336 Discussion - Trust and Agency Funds (700's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0330 for Council Discussion.

Discussed: Green Space Perpetual Care Trust.

2025-0337 Discussion - Component units (800's) - 2026 Budget

Attachments: [Budget Presentation Schedule.pdf](#)

See Legislative File 2025-0330 for Council Discussion.

Discussed: RH Museum Foundation Trust Fund.

NEXT MEETING DATE

- Regular Meeting - Monday, August 25, 2025 - 7:00 p.m.

ADJOURNMENT

There being no further business before Council, it was moved by Mungioli and seconded by Neubauer to adjourn the meeting at 9:03 p.m.

*RYAN DEEL, President
Rochester Hills City Council*

*LEANNE SCOTT, MMC, Clerk
City of Rochester Hills*

*EMMA BOWEN
Administrative Coordinator
City Clerk's Office*

Approved as presented at the (insert date, or dates) Regular City Council Meeting.