

MINUTES
CITY OF FARMINGTON HILLS
SPECIAL BUDGET STUDY SESSION
CITY HALL – COMMUNITY ROOM
MAY 4, 2026 – 4:00PM

The special budget study session meeting of the Farmington Hills City Council was called to order by Mayor Rich at 4:01pm.

Council Members Present: Aldred, Boleware, Bridges, Bruce, Dwyer, Knol and Rich

Council Members Absent: None

Others Present: Acting City Manager Mondora, City Clerk Lindahl, Directors Brown, Farmer and Skrobola and Fire Chief Unruh, Police Chief Piggot, and City Attorney Joppich

INTRODUCTION BY FINANCE DIRECTOR

Taxable Values and Property Tax Revenue

Director Skrobola presented the overview of citywide taxable values, noting a 3.9 percent increase in the FY26–27 taxable value. He broke this down as a 3.73 percent increase in real property values, a 4.5 percent increase in residential values, a 1.28 percent increase in commercial values, a 3.99 percent increase in industrial values, and a personal property component accounting for approximately 4.912 percent of the tax base — slightly below the 5 percent threshold.

On millage rates, Director Skrobola noted a slight rollback effect but highlighted the recently approved public safety millage renewal coming on at 1.4675 mills, bringing the total citywide millage to 1.160.5444 compared to the current rate of 1.51.94. He explained that prior renewals of the public safety millage and road millage had been "rolled back up" to prior voter-approved levels after Headlee Amendment reductions. He explained that the Michigan Constitution limits tax rate growth when net taxable value growth exceeds the rate of inflation, requiring modest millage rate reductions.

Councilmember Aldred asked how the new Neighborhood Road Fund revenue of approximately \$4 million annually flowed through the general fund budget. Director Skrobola directed Council to page 44 of the budget document, noting that operating transfers out, which had been in the \$9 million-plus range, were projected to decrease to approximately \$7.988 million to \$8 million in the coming fiscal year. He explained that a significant portion of this savings derived from bond issuances made late in the fiscal year that eliminated one full debt payment, allowing a reduction in general fund transfers to the debt service fund. In the out years, the ongoing differential savings of over \$1 million annually was attributed to the drains being moved from debt-financed infrastructure to cash-financed infrastructure through the Neighborhood Road Fund, eliminating interest and issuance costs.

Councilmember Bridges inquired about whether there was any concern regarding the House Fiscal Agency's revenue projections for the state. Director Skrobola stated he saw no cause for major concern, noting that the initial estimate for the Neighborhood Road Fund of approximately \$6 million annually had been revised down to around \$4 million, but had been solidified. He further noted that even if the marijuana industry component were to underperform, the majority of the funding derived from a reassignment of existing taxes already approved by the legislature, and revenues of at least \$3 to \$3.5 million annually were still expected.

General Fund Revenue and Expenditures

Director Skrobola summarized that overall general fund revenue was increasing by \$2.3 million, or 2.7 percent. Property taxes constituted the largest single revenue source at approximately \$43 million, with state-shared revenue at approximately \$10 million; combined, these two sources represented \$54 million of an \$86 million revenue budget, with recreation user fees contributing approximately \$10 million.

On the expenditure side, police and fire represented approximately \$34 million of a \$90 million expenditure budget, approximately 37 percent of total spending. General government expenditures included transfers out to the Capital Improvement Program (CIP) and the retirement system. Public Services accounted for approximately \$4.9 million, covering administrative right-of-way work charged to the general fund. Community development, boards and commissions, and the court were noted at approximately \$8.38 million. Refuse removal was noted at approximately \$4.8 million, fully funded by the refuse millage. Director Skrobola assured Council that even if refuse consolidation were to falter and charges increased; there was sufficient administrative capacity to increase the refuse millage rate without returning to voters.

State-Shared Revenue

Director Skrobola presented a slide showing the impact of state-shared revenue cuts beginning in 2001–2002, noting that current receipts of approximately \$9 million remain below what they would have been absent those reductions. He expressed satisfaction that there have been no further cuts in recent years.

Fund Balance

Director Skrobola reported that the city anticipated closing the current fiscal year with a fund balance of approximately \$64 million, with the fiscal plan projecting a reduction of approximately \$3.7 to \$3.8 million annually over the next two fiscal years. He characterized the plan as a "glide path" toward landing increased costs in a fiscally responsible manner. He noted this represented a slight improvement versus the prior year's projected deficit of approximately \$4.7 million annually, attributable largely to the road funding shift.

Councilmember Aldred asked what was driving the projected fund balance reduction. Director Skrobola explained that the Special Services structural deficit in the range of \$4.5 to \$5 million, combined with a general fund deficit in the \$3.5 to \$4 million range, were the primary drivers.

Mayor Rich noted that the proposed addition of approximately 12 new employees — eight firefighters and four police staff — at an estimated all-in cost of approximately \$130,000 per employee, would add roughly \$1.56 million annually in ongoing personnel costs.

Acting City Manager Mondora added that the recently authorized tentative agreement with the IAFF represented an additional \$570,000 in annual ongoing costs.

Councilmember Boleware inquired about what would happen when the fund balance reached approximately 30 percent — the level identified as a reasonable floor. Director Skrobola responded that the out-years beyond the formally programmed two-year budget were projections based on departmental planning assumptions and were subject to significant variables including recession risk, state and federal policy changes, and interest income volatility. He reflected on the dramatic swing in interest income in recent years — from below half a million annually to approximately \$4 million annually at peak, driven by Federal Reserve rate cycles — and noted that he had been attempting to calibrate interest income projections conservatively.

Councilmember Boleware raised the question of why no community center funding was reflected in the assigned fund balance. Director Skrobola responded that no formal decision had been made on the community center, and therefore it had not been formally assigned. He noted he had run approximately 35 different financing scenarios and that there were multiple potential funding sources. Councilmember Boleware referenced the potential for county partnership funding as a source of hope.

Councilmember Boleware also raised a question about part-time and overtime being lumped together in the budget document, noting she would prefer a more accurate breakdown. Director Skrobola acknowledged this was a longstanding format and estimated the split was approximately half-and-half and offered to explore breaking the line items out in the future.

Councilmember Knol expressed a general concern about the percentage growth in many departmental budgets — noting that several departments were showing growth rates of 6 to 9 percent while total revenue was growing only approximately 3 to 3.5 percent. She acknowledged some of the increases were for known items such as personnel, healthcare, and utilities adjustments, but cautioned that if the majority of departments consistently grew faster than revenues, the fund balance drawdown would not be sustainable. Director Skrobola acknowledged that utilities had been deliberately adjusted this year to reflect a clear post-COVID trend, and that personnel remained the dominant driver of operational costs.

Councilmember Aldred noted that a goal-setting session had been placed on the agenda for October and expressed his hope that getting ahead of the budget process earlier in the year would allow Council to ask broader strategic questions rather than reviewing a completed document after the fact.

Councilmember Bridges echoed this perspective, emphasizing that departmental requests should be scrutinized based on identified service deficiencies and community needs rather than on organizational wants.

Capital Expenditures

Director Skrobola drew Council's attention to a significant change in the presentation of road fund capital expenditures for the upcoming fiscal year. He explained that historically, the city had budgeted only the anticipated cash-flow portion of committed road projects within the fiscal year, rather than the full committed project amount. This had made the road fund balance appear larger than it was in practice. In consultation with Public Services staff, he had reworked the approach so that the full committed amount of every road project was now reflected in the budget, representing full recognition of the City Council's commitment to infrastructure investment. As a result, the total capital budget appeared to increase to nearly \$48 million compared to the typical range of the high thirties million. He clarified that this was purely a budgeting methodology change and did not alter any decisions about road programs.

Other CIP items noted as status quo included: drains and bridges, sidewalks at \$500,000, fire vehicles at approximately \$1 million, police capital, DPW vehicles at approximately \$1.7 million, technology at approximately \$1.6 to \$1.7 million, and public facilities at approximately \$600,000 (primarily for the court parking lot).

Councilmember Boleware, noting that grants represented only approximately 1 percent of the general fund, expressed her desire for the city to be more proactive in seeking grants, noting that many comparable cities reflected closer to 6 percent. Acting City Manager Mondora clarified that the figure was somewhat skewed because road grants typically flow through MDOT's billing system and are not fully reflected on the city's books, with the city only recording its 20 percent match. Director Skrobola agreed that a notation could be added to more prominently reflect grant funding flowing through the road fund. He noted the city did a reasonable job on CDBG, nutrition, and other grants given the community's socioeconomic profile.

CITY ATTORNEY

City Attorney Steve Joppich presented the city attorney's budget overview. He noted that the firm, located in Farmington Hills, employed approximately 10 to 11 attorneys doing work for the city across various disciplines. He described the team as closely integrated with city operations and expressed pride that the city currently had only one pending lawsuit calling this "spectacular" for a city of Farmington Hills' size.

City Attorney Joppich acknowledged he was requesting an unusual rate increase this year, noting that like any business, the firm experienced inflation and increased costs over the past two to three years and had delayed raising rates. He described the fee structure as consisting of a flat annual retainer covering routine day-to-day city attorney work, and hourly billing for non-routine items including prosecution, court defense, labor relations, MTT, and special projects. He stated that the retainer and hourly rate had historically increased by approximately 2 percent annually, with exceptions during the Great Recession when the firm held rates flat in solidarity with the city.

Councilmember Bridges noted that the budgeted amount appeared to increase from approximately \$814,000 to approximately \$914,000 — roughly a \$100,000 increase. Acting City Manager Mondora clarified that the increase was partially attributable to the firm having absorbed the city's labor attorney, previously contracted separately, bringing all legal services under one umbrella. She noted that the hourly rate for the labor attorney through City Attorney Joppich's firm was significantly lower than the prior firm's rates.

Councilmember Bridges expressed support for the rate increase and offered high praise for City Attorney Joppich's service, legal expertise, and overall working relationship with the city.

Councilmember Starkman added that City Attorney Joppich's firm had a strong reputation in the municipal law field, even among his attorney parents who were not in the municipal law practice area.

Councilmember Knol asked whether the labor attorney had previously been billed through HR. Acting City Manager Mondora confirmed that the bills had historically come into HR for sign-off and had always been a line item in the city attorney's budget, now consolidated under the same umbrella. City Attorney Joppich noted that having the labor counsel located three doors down from his office had improved communication and coordination significantly.

Councilmember Boleware commended City Attorney Joppich as one of the best municipal attorneys in the state, a sentiment she said she hears frequently.

No objections were raised to the proposed rate increase.

HUMAN RESOURCES

Director of Human Resources Lori Brown presented the Human Resources department budget, first delivering a brief summary covering the department's major areas of focus. She highlighted continued modernization through integration of BSNA and NeoGov systems, which had improved data accuracy, reduced manual processes, and enhanced reporting. She noted workforce engagement initiatives including lunch-and-learn programs, employee recognition efforts, and expanded training. She described the complexity of benefits administration across multiple vendors and the city's data-driven approach to compensation, including ongoing wage

studies and recently negotiated collective bargaining agreements. She closed by emphasizing HR's central role in maintaining a stable, compliant, and high-performing workforce.

Staffing and Structure

Director Brown described the department's staffing as consisting of herself, one part-time HR aide, three Senior HR Analysts covering employee relations, compensation, and diversity/engagement respectively, and three HR Analysts covering benefits, recruiting, and HRIS (Human Resources Information Systems) analysis. She described the HRIS Analyst position as one of her best hiring decisions, given the growing complexity of systems including BSNA, UKG, and NeoGov.

Performance Evaluation

Councilmember Bridges asked about performance evaluation processes, particularly for directors. Director Brown confirmed the city was working to implement the "Perform" module within NeoGov, with a target of rolling it out during the third or fourth quarter of the current year. Acting City Manager Mondora confirmed that in the interim, paper-based forms using ICMA core competencies have been used, and that the executive team has received annual performance reviews from the city manager, including objectives and metrics, for the past two years.

Wage Study

Councilmember Knol noted an increase in the consultant line item (page 109, line 004) from approximately \$133,000 to approximately \$156,000 and asked what it was for. Director Brown confirmed this was for the wage study.

Councilmember Boleware pressed for specifics, noting she had asked about a wage study in prior budget cycles. Director Brown explained that a prior wage study had been started before her tenure but was not a complete study. The current effort, being conducted in partnership with an external consultant, is a full wage review for all employees excluding police and fire — whose contracts had been in active negotiation, making it difficult to finalize the study earlier. She indicated the study for IAFF would be completed in May and that the overall study would be completed once she had confidence in the full negotiated outcome.

Director Brown also confirmed that the wage study would include market comparisons.

ACTION ITEM: Director of Human Resources Brown to complete the wage study by May, beginning with IAFF, and thereafter for the full organization including non-union employees.

NeoGov Overview

Councilmember Starkman asked for a brief overview of NeoGov. Director Brown described NeoGov as the city's primary HRIS hub, covering recruitment, onboarding, performance evaluation, forms, training, and certification tracking. She noted that since going live with the

recruitment module, the number of applications received had increased from approximately 1,400 under the prior paper-based system to approximately 4,000. Director Skrobola added that NeoGov complemented BSNA's basic HR and payroll functionality by providing a comprehensive "cradle-to-grave" system for managing all personnel matters that a basic ERP module cannot fully accommodate.

FIRE DEPARTMENT

Fire Chief Jon Unruh presented the Fire Department budget. He expressed appreciation for the proposed addition of eight firefighters in the upcoming fiscal year, stating that this would address the department's core operational needs: placing an additional ambulance on the road and providing additional fire protection coverage in the Station 4 area. He stated that anything beyond the eight positions would be for overtime reduction purposes and that the department intended to evaluate overtime impacts before requesting the additional four positions planned for two years out.

Councilmember Dwyer asked how quickly the eight new firefighters could be hired and on the road. Fire Chief Unruh indicated he anticipated all eight could be on board by the first part of the calendar year following budget approval in June, noting the department was selective but attracted strong candidates given Farmington Hills' reputation and working conditions. Mayor Rich confirmed the timeline as: budget approval in June, fiscal year effective July 1, all eight on board by January 1.

Councilmember Aldred asked about the net overtime impact of adding eight firefighters. Fire Chief Unruh explained that the first eight would absorb the first two leave days without triggering overtime, but beyond that it would still result in overtime. He stated he did not anticipate any material reduction in overtime in the first year because the new employees would not yet have accrued leave time. He acknowledged the department is currently spending approximately \$1 million annually on overtime and that a more significant savings was expected when the subsequent four positions were added, by which time the first eight would have begun taking leave.

Technology and Equipment

Councilmember Boleware asked whether there were any emerging technologies on the horizon for the fire department. Fire Chief Unruh stated that the department had made major technology investments in FY24–25, including Vector Solutions training software, Guardian Tracking HR software for documenting both positive events and disciplinary matters, and PowerDMS document management software.

Deputy Fire Chief Olszewski had recently attended the International Firefighters Conference in Indianapolis and reported no new technologies that would provide near-term benefit to the department.

On scheduling software, Director Skrobola clarified that the fire department was retaining its current scheduling software, at approximately \$9,000 per year, because UKG did not fully support the complex scheduling needs of a 24-hour fire service operation.

Mutual Aid

Councilmember Bridges asked about mutual aid. Fire Chief Unruh explained the department belongs to two mutual aid associations: Oak Way, encompassing nine departments to the north and east, and Western Wayne Mutual Aid Association, encompassing 22 departments in Western Wayne County. When the city's resources are depleted — whether due to a large fire or elevated EMS call volume — it relies on mutual aid, primarily from Livonia, Southfield, and West Bloomfield. He confirmed mutual aid partners do respond to EMS calls when needed.

Drones

Councilmember Dwyer raised the topic of drone technology, noting departments like Dearborn had stationed drones at seven different buildings for rapid deployment. Fire Chief Unruh confirmed that the department has access to drones through the Western Wayne Fire Chiefs group, stored in Livonia, and that the Police Department's drone program has been highly beneficial at fire scenes due to thermal imaging capability, helping incident commanders locate hot spots in structures. He noted the potential for closer integration between fire and police drone usage.

ISO Rating

Councilmember Aldred referenced the fire study's concern about the city's ISO 2 rating. Fire Chief Unruh acknowledged that retaining the ISO 2 rating was not guaranteed, expressing confidence in response times, water supply, dispatching, equipment, and vehicle location, but noting the challenge of assembling 17 firefighters at the scene of a structure fire in a timely manner. He indicated the addition of eight firefighters would directly address this issue.

EMS Billing and Medicare Reimbursement

Councilmember Boleware raised the question of potential reductions in Medicare reimbursement for EMS services. Fire Chief Unruh explained that the department works with its billing company to optimize rates based on Medicare allowables without placing an undue burden on patients for out-of-pocket expenses.

Deputy Fire Chief Olszewski confirmed that at a recent meeting with the billing company EMSMC, the average cost per trip collected had actually increased by approximately \$15 compared to the prior year, and the overall trend was positive rather than declining.

Councilmember Boleware also raised a question about the approximately \$325 per-run cost for Farmington contract EMS service and whether declining reimbursements could impact the city's financial position. Deputy Fire Chief Olszewski confirmed the trend was upward, not downward, though modest.

Public Safety Millage Fund

Mayor Rich summarized that the millage funds: one fire chief, one deputy chief, four battalion chiefs, five shift lieutenants, four shift sergeants, 20 full-time firefighters, one EMS coordinator, and 5.85 FTE paid-on-call callback firefighters.

Mayor Rich noted that one of the two public safety millages expires in June of the current year and has been renewed, and the second expires in 2031 (not 2033 as stated in the budget document). Director Skrobola confirmed the second millage expires after 2031, with the next millage election appropriately placed in 2032.

Related Capital

Acting City Manager Mondora reviewed the fire equipment investments for the next fiscal year.

Mayor Rich asked whether additional capital items were needed to support the 16 total new firefighters anticipated by January. Fire Chief Unruh confirmed that the department was in good shape with respect to both vehicles and facilities and did not anticipate needing a new fire station, stating that five stations were adequate to maintain an ISO 2 rating.

Turnout Gear

Councilmember Knol noted a significant one-year spike in the turnout gear line item, jumping from approximately \$25,000 to approximately \$101,000 before returning to approximately \$27,000. Fire Chief Unruh confirmed this was a one-time purchase of turnout gear for the eight new firefighters.

Data Processing / Scheduling Software

Councilmember Knol noted an increase in data processing from approximately \$34,000 to approximately \$75,000 in a prior year, remaining flat since. Deputy Fire Chief Olszewski and Fire Chief Unruh explained that the increase reflected the addition of the training software (Vector Solutions / ISO-compliant database), DMS (document management system), and Guardian Tracking — all added in the FY24–25 cycle to meet ISO requirements and modernize record-keeping. Director Skrobola clarified that the department is retaining its LaTeX scheduling software at approximately \$9,000 per year as a separate line item within that total.

POLICE DEPARTMENT

Police Chief John Piggott opened by noting that the past year saw record increases in crimes, arrests, citations, and calls for service, trends he projected would continue as newer officers develop competency. As of the date of the meeting, the department was one short of its budgeted staffing level of 115, with recruitment efforts having nearly filled the gap despite a challenging year of retirements.

Transition to 12-Hour Shifts

Chief Piggott announced that the department had successfully negotiated a Memorandum of Understanding with its patrol and command unions to transition to 12-hour shifts, effective May 17. He described the negotiations as resulting in no changes to the existing contract, with the 12-hour shift structure applied consistently to vacation, sick leave, and other time-off provisions. Under the new system, patrol will operate four platoons of approximately 10 officers each, with the department's priority being to maintain a minimum of eight officers on the road at all times on each shift.

Councilmember Dwyer expressed strong personal support for the 12-hour shift transition, drawing on his experience as a former police chief. He noted that 12-hour shifts typically result in reductions in sick time and overtime, improve officer morale, and significantly enhance recruiting, particularly given that officers would receive every other Friday, Saturday, and Sunday off, regardless of seniority.

Chief Piggott agreed and noted that since the transition had been announced publicly, interest from candidates at other departments had already increased noticeably. He cited the recent hiring of five officers from the Canton Police Department as an example of the department's recruiting success, acknowledging the new shift structure, strong compensation package, and positive work culture as key recruitment tools.

Chief Piggott also described the use of lateral-hire incentives: state-funded academy subsidies (approximately \$20,000 per recruit) had been converted into signing bonuses to attract experienced officers from other departments, further strengthening the recruiting pipeline.

Staffing History and Request

Councilmember Dwyer raised the issue of sworn officer staffing levels, noting that when he left as chief in 2008, the department had 125 to 126 sworn officers, while the current budgeted level was 115. He expressed concern that the department was receiving only 2.5 new positions in the current budget — a school resource officer half-funded by the school district, one dispatcher, and one civilian communications/records coordinator — with no new road patrol officers.

Chief Piggott provided historical context going back to FY 1995, noting the department was at 102 officers prior to the first public safety millage, rose to approximately 118 to 120 after the millage passed, fell back to 102 to 106 during and after the Great Recession, and had been gradually recovering over the past decade to the current level of 115. He noted that for much of the past year the department was operating below even its budgeted 115, likely around 110, due to retirements.

Chief Piggott noted that since 2018, calls for service had increased from approximately 26,000 to approximately 52,000, a 97 percent increase, while the department had grown only 9 percent in sworn staffing, from 106 to 116 officers. He contrasted this with the fire department,

which he estimated had grown approximately 40 percent over the same period. He attributed the explosive growth in calls for service in part to a state-mandated requirement to log traffic stops as individual calls for service.

Chief Piggott also drew Council's attention to the impact of long-term Family Medical Leave Act (FMLA) usage, noting that in the prior year the department logged approximately 23,000 hours of long-term FMLA leave, equivalent to the full-time work of approximately 11 officers. This, combined with starting each day near minimum staffing, meant any single fluctuation triggered overtime. Chief Piggott stated that his target for appropriate staffing remains 125 sworn officers, and that he was requesting incremental growth, approximately three to four officers per year, to reach that goal rather than asking for ten at once.

Mayor Rich expressed personal support for the police department and noted she had never voted against a police department request. She observed that the weekly incident reports showed the department regularly providing mutual aid to other communities but receiving mutual aid less frequently and asked that future reports capture inbound mutual aid to help build the public business case for additional staffing.

Councilmember Bridges emphasized that any request for additional staff must be grounded in documented deficiencies in service delivery.

Councilmember Boleware suggested that a formal staffing study, similar to the fire department study, should be conducted before committing to further sworn officer additions, to ensure data-driven decision-making and to explore whether civilian positions could replace sworn roles in certain areas.

Chief Piggott confirmed that a staffing study was included in the proposed budget, noting that in discussions with Director Skrobola, the study had been incorporated into the support services budget at approximately \$75,000. He also confirmed that the building and facilities study was intended to be conducted concurrently with the staffing study, as the two were interrelated.

Civilian Realignment

Chief Piggott described the strategy of using civilians to perform functions previously requiring sworn officers, freeing up sworn personnel for higher-priority law enforcement work. He provided the example of the new civilian administrative supervisor position for records and communications, which would allow a lieutenant to be reassigned from overseeing dispatchers and records to overseeing internal affairs, professional standards, and accreditation. He also highlighted the use of the Crime Data Analyst to reduce the burden of investigative analysis on detectives.

Councilmember Aldred noted that the data analyst position appeared to show zeros across the board on page 132 and questioned whether it was correctly categorized. Chief Piggott acknowledged this was likely an error in the budget document, as the position was authorized in the prior year. Director Skrobola agreed to investigate and correct the entry.

Traffic Stop Transparency Dashboard

Councilmember Bridges referenced the expanded activity log and asked whether the department had conducted analysis of the data. Chief Piggott confirmed that the department had created a public transparency dashboard using data from the Crime Data Analyst and the activity log, with the most recent six-month update pending publication. He described the study's finding that approximately 45 percent of the surrounding motorist population was African American and approximately 41 percent was Caucasian, and that the department's traffic stop and citation data closely reflected those population ratios. He also noted that Heritage Park alone draws approximately 70 percent of its visitors from outside the city.

Councilmember Bridges cautioned that demographic percentages could be geographically skewed depending on which areas of the city enforcement was concentrated and suggested a more nuanced discussion outside the budget meeting.

Mental Health Response

Councilmember Starkman raised the issue of mental health-related calls for service, referencing programs in other cities such as Durham, North Carolina, that embed social workers with police.

Chief Piggott acknowledged the city's officers are trained in mental health first response from dispatcher through command staff, which he credited with a significant increase in psychiatric petition rates and improved diversion of individuals in crisis to Corewell and West Bloomfield hospitals. He described a co-response partnership with Oakland County Mental Health where detectives and peer support coaches conduct follow-up visits with individuals after mental health incidents to connect them with ongoing services.

Mayor Rich expressed interest in exploring a tablet/iPad-based solution connecting officers in the field with social workers in real time, similar to programs referenced from other municipalities, and noted she would be supportive of a mid-year budget amendment if needed to fund such a pilot.

Youth Engagement and Summer Meetups

Mayor Rich expressed interest in understanding the department's plan for the upcoming summer with respect to youth meetups and large informal gatherings at commercial locations, referencing the challenges experienced the prior summer. Chief Piggott confirmed the department had discussed the issue at the Crime Prevention Advisory Committee meeting and was in discussions with the school superintendent and community members about a proactive

communication effort to parents before the end of the school year, alerting them to the phenomenon and encouraging parental engagement before enforcement becomes necessary.

Federal Forfeiture Fund

Chief Piggott explained that federal forfeiture funds are used for training, ammunition, and uniform purchases — consumable items with no residual value, to avoid the accounting complexities and audit risks associated with purchasing capital items with forfeiture funds. He noted that any capital item purchased with forfeiture funds must be tracked through its full lifecycle, with any proceeds from sale returned to the forfeiture account.

Councilmember Knol asked what criteria governed expenditure of forfeiture funds. Chief Piggott and Acting City Manager Mondora explained that the guiding principle is "consumable" items, those with no residual or resale value, so the city is not required to track the item through its lifecycle or return proceeds upon disposition.

State Forfeiture Fund

Chief Piggott explained that the primary use of state forfeiture funds is to finance the department's canine program, including all food, equipment, medical costs, and training for the department's three K-9 units. He noted the approach mirrors the federal forfeiture policy of limiting purchases to consumable items.

Related Capital

Approximately \$64,000 was requested for body armor replacement as existing vests expire. Chief Piggott noted that approximately half of the cost would be reimbursed by the federal government, though typically with a one-year delay in receipt.

Carbine Next Generation 9-1-1 System

Chief Piggott explained that Oakland County has mandated that all Public Safety Answering Points transition from the Emergency Call Works platform to the Carbine system. The existing Emergency Call Works contract had been paid upfront at a 5 to 10 percent discount, which was why no annual line item had appeared in recent budgets. Carbine does not offer an upfront payment option. The initial year cost is approximately \$150,000, with subsequent annual costs of approximately \$68,000 based on five workstations. Chief Piggott noted that if a sixth dispatch workstation is built out, there may be an additional per-workstation cost in future years.

Acting City Manager Mondora noted that a federal grant through Senator Peters' office was in process, with confirmed support for both the mobile command unit and the dispatch workstation grant request. Senator Slotkin's office had not yet confirmed.

Grappler Vehicle Apprehension System

Chief Piggott described the Grappler as a newer technology that can be deployed from certain equipped patrol vehicles to attach to and anchor a fleeing vehicle's wheel before a pursuit develops, potentially preventing a dangerous high-speed chase. He noted several successful deployments in the surrounding area in the past year. The system can only be attached to full-frame vehicles and would represent a limited initial introduction to evaluate effectiveness.

Councilmember Knol noted the system could also reduce property and personal damage by preventing pursuits from starting. Chief Piggott agreed.

PIT Training

Chief Piggott noted that the department was continuing to pursue Precision Intervention Technique (PIT) training. He explained that Livonia PD, which had been the department's training provider, had ceased offering the training to outside agencies due to staffing constraints. The Oakland County Sheriff's Office only trains its own personnel. As a result, the department was now planning to send three to four officers to a school in Ohio to become certified trainers, using existing grant funds, so that the department can train its own officers going forward. The grant would also fund the purchase of sacrificial vehicles for training purposes.

SPECIAL SERVICES DEPARTMENT

Interim Director of Special Services Bryan Farmer opened by noting that the department had begun the budget process in September — earlier than the typical January start — in anticipation of former Director Schnackel's retirement. He summarized that after a thorough review of all programs and operations, the department had achieved approximately a \$2 million reduction in the operational budget moving into the out years, reaching a projected deficit of approximately \$4.6 million in FY27–28 and \$4.4 million in FY28–29, down from a peak deficit of approximately \$6.5 million in FY24–25.

He highlighted specific savings measures including a reduction of 9.51 FTE part-time and program staff positions (saving approximately \$261,870), reductions in makerspace hours based on actual participation data, right-sizing of aquatics staffing and concession stand hours, consolidation of concert programming to focus on proven performers, and revision of agreements with performing groups to include a revenue-share structure rather than flat fees.

He also described new revenue initiatives including doubling nonresident program fees to a 20 percent differential (aligned with benchmark community data), increasing ice arena fees in the fall, increasing golf round fees, raising program fees where applicable, adding a dedicated sales position within guest services to pursue corporate and association event bookings, and actively pursuing a hospital/medical tenant partnership for the Hawk's third floor.

Interim Director Farmer presented a financial summary sheet to Council showing the distinction between operational deficit (excluding debt service) and total deficit (including debt retirement for the Hawk and Golf Course). He emphasized that the figures in the budget for FY 2025–26 were inflated by approximately \$300,000 due to an anticipated but unrealized hospital partnership revenue projection from the prior year.

Interim Director Farmer acknowledged that prior budget projections for the Hawk had been overly optimistic on the revenue side and committed to more conservative, data-grounded projections going forward.

Hawk Construction Cost History

Councilmember Dwyer asked for a summary of construction cost history. Interim Director Farmer and Director Skrobola confirmed that the original budget for the Hawk was approximately \$20 million for construction plus \$5 million for the Heritage Park and Costick Center, for a total of approximately \$25 million, with the final cost coming in at approximately \$26.8 million — an overrun from the original estimate in the range of \$4 to \$6 million depending on the baseline used.

Parking and Capacity

Councilmember Boleware noted that on each of her two recent visits to the Hawk, there was no available parking. Interim Director Farmer acknowledged this was a significant constraint and a known challenge and noted that the decision to place the new Activity Center at the Costick site was partly driven by the parking and capacity limitations at The Hawk.

Parks Division

Councilmember Aldred raised the persistent issue of playground equipment replacement at city parks, expressing frustration that the FY26–27 budget showed zero dollars allocated for playground equipment. He noted this concern had been raised at every budget cycle and goal session since he joined Council. Interim Director Farmer acknowledged the challenge, noting that the budget is consumed by necessary expenditures (equipment, snowplows, etc.) leaving limited discretionary capacity. He noted that Heritage Park playground equipment had been identified for replacement using a \$500,000 CDBG grant match.

Councilmember Aldred raised the condition of the Old Town Park tennis courts in the southeast corner of the city, noting limited parking and poor condition. Interim Director Farmer acknowledged the parking challenge and noted the courts had limited usage beyond nearby residents. Discussion ensued about the possibility of converting the courts to dual-use pickleball/tennis courts, which both Councilmembers Knol and Aldred supported as a cost-effective and high-demand improvement.

Cultural Arts Division

Councilmember Boleware and Mayor Rich asked about the approximately 10 percent reduction in the cultural arts budget. Interim Director Farmer explained the primary savings driver was a \$261,000 reduction in part-time staff hours across the division, driven by participation data analysis. Specific changes included: makerspace hours reduced based on actual attendance patterns; ceramic classes reduced; performing arts music classes eliminated; studio manager hours reduced from four to two positions; and concerts reduced and restructured from upfront flat fees to a revenue-share model where performers receive a lower guaranteed payment plus a share of ticket sales, reducing the city's financial exposure while maintaining programming.

Interim Director Farmer described the successful partnership with the Detroit Metropolitan Youth Symphony Orchestra, which grew Farmington Hills school student participation from 10 to 35 students. He noted the department was shifting toward partnership and contracted delivery models rather than building all programming internally.

Mayor Rich asked about a summer concert series at Heritage Park; Interim Director Farmer confirmed only free concerts through community bands were planned, unless a sponsor was secured.

Interim Director Farmer reported that a sold-out comedy show had taken place at The Hawk the prior weekend, and that the comedy category was emerging as a proven programming category with strong audience demand.

Councilmember Boleware noted that DSO performances and comedy consistently sell out and encouraged continued focus on high-demand genres.

Golf Division

Interim Director Farmer confirmed nonresident golf fees would increase and that a salesperson was being activated to pursue corporate bookings and Hawk Golf Simulator usage, including league play and sports team training partnerships.

Hawk Golf Simulator Revenue

Councilmember Aldred noted the golf simulator revenue projection of approximately \$60,000 to \$70,000 and asked whether this was in line with expectations. Interim Director Farmer stated it was a realistic, conservative projection, noting that the fall golf leagues had been popular immediately upon introduction and that the department was exploring Groupon marketing and partnerships with sports teams including North Farmington's golf team.

Third Floor / Conference Center

Councilmember Knol cautioned against investing heavily in the third-floor conference center without a confirmed tenant, noting competition from newer hotels with existing conference facilities. Interim Director Farmer confirmed that the approach was to redo specific spaces only when a defined use and revenue projection had been established, consistent with the

Multipurpose Room model where approximately \$22,000 in renovation costs generated approximately \$75,000 in subsequent revenue.

Interim Director Farmer noted that the \$750,000 state grant secured by Samantha Steckloff was being directed toward cosmetic improvements in the third floor hallways and common areas (removing lockers, repainting, improving aesthetics for prospective tenants), not toward specific room renovations that would need to be tailored to a confirmed tenant.

Councilmember Knol noted that council should have a discussion about how those grant funds are spent.

Parks Millage Fund

Interim Director Farmer noted that the parks millage expires in June 2028, with the renewal election most likely being considered in 2027 to avoid the risk of a gap in funding, consistent with the pattern of prior millage renewals in 2019 with the next cycle anticipated for 2029.

Nutrition Grant Fund

Interim Director Farmer noted that longtime Nutrition Coordinator Teresa Bryant was retiring and had been replaced by a new coordinator who had previously worked at Panasonic Automotive and had volunteered with the city's senior transportation program. He expressed confidence in the transition, noting that the new coordinator would be fully trained before Coordinator Bryant's departure.

Community Center Renovations Fund

Director Skrobola provided context, noting this fund was originally used to construct The Hawk and was retained as a convenient mechanism to aggregate major capital expenditures related to The Hawk and Costick Center. He noted that the \$750,000 state earmark from the general fund had been transferred into this fund and was restricted for use at The Hawk.

Related Capital

Interim Director Farmer and Director Skrobola noted that much of the parks-related capital in this section represents aspirational planning items that are not all funded within the current fiscal year. Director Skrobola clarified that parks millage bond proceeds fund the first portion of capital, with remaining items reflected as placeholders in the CIP.

Interim Director Farmer acknowledged a significant backlog of deferred capital needs at The Hawk, noting that a comprehensive facilities study had identified approximately \$16 million in capital needs across the building.

Discussion was held on the condition of the playground equipment throughout the city parks and council had concerns that there was no funding shown for that to be updated or replaced.

Councilmember Aldred raised the issue of playground equipment, noting that there is zero budget for playground equipment in FY26–27. He stated he has raised this issue at every budget and goal session since joining Council and expressed strong frustration. Interim Director Farmer noted budget constraints related to mandatory operational expenditures have repeatedly displaced playground funding.

Councilmember Boleware echoed the concern and expressed frustration that despite consensus on the priority, funding has not been appropriated.

PUBLIC COMMENT

Karen Peper, resident, noted that she appreciates the work of council and staff on the budget preparation and that the meeting was very informative.

ADJOURNMENT

The special budget study session adjourned at 8:07pm

Respectfully submitted,

Carly Lindahl, City Clerk