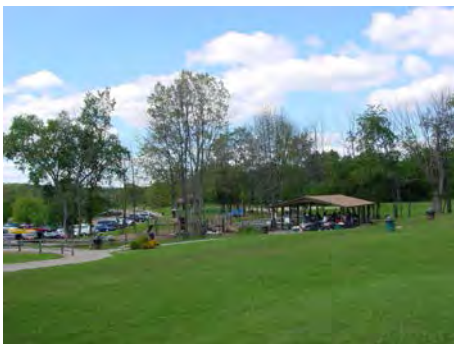


CITY OF FARMINGTON HILLS FY 2016/17 ANNUAL BUDGET



City of Farmington Hills, Michigan
Annual Budget
Fiscal Year
July 1, 2016 - June 30, 2017



Farmington Hills City Council

Standing (l-r): Michael Bridges, Randy Bruce, Richard Lerner, Samantha Steckloff
Seated (l-r): Valerie Knol, Mayor Ken Massey, Theresa Rich

City Manager

Dave Boyer

Executive Management Team

David Gajda, Finance
Ed Gardiner, Planning and Community Development
Michael Lasley, Central Services
Gary Mekjian, Assistant City Manager / Public Services
Charles Nebus, Police
John Randle, Human Resources
Ellen Schnackel, Special Services
Pam Smith, City Clerk
Khalfani Stephens, Economic Development
Jon Unruh, Fire

Budget Preparation Staff

David Gajda, Finance Director
Shu-Fen Lin, Controller
Kim Ried, Secretary to the Finance Director

MAYOR AND CITY COUNCIL

Ken Massey was elected mayor in 2015, and elected to City Council in 2003, 2007, and 2011. He served as Mayor Pro Tem in 2006, 2010, and 2015. He is a past chair and founding member of the Emergency Preparedness Commission, a member of the National League of Cities (NLC) Public Safety and Crime Prevention Steering Committee, which he chaired in 2012, and is the NLC liaison to the Department of Homeland Security Consortium and Intergovernmental Task Force. He co-founded the Suicide Prevention Committee, Farmington SAFE, and serves as Chairman of the Board of Directors of Beaumont - Farmington Hills. His term expires in 2019.

Michael Bridges was elected to City Council in 2008 and re-elected in 2009 and 2013. He serves on the Crime Prevention Advisory Board and is a Board member of the Farmington YMCA. He is a member of the Michigan Municipal League (MML) Municipal Services Committee, the MML Transportation and Infrastructure Policy Committee, and the National League of Cities (NLC) Policy Advocacy Committee - Intergovernmental Relations, Finance and Administration. He serves as the alternate delegate to SEMCOG. His term expires in 2017.

Randy Bruce was elected to City Council in 2003, 2007, 2011, and 2015. He served as Mayor Pro Tem in 2005, 2009, and 2014. He is the Council liaison to the Farmington Area Arts Commission, is a member of the 47th District Court Sobriety Court Advisory Committee, and co-founded the Suicide Prevention Committee and Intergovernmental Task Force. His term expires in 2019.

Valerie Knol was elected to City Council in 2013 and began serving as Mayor Pro Tem in 2015. She is the Council liaison to the Historic District Commission, Historical Commission, and the Beautification Commission. She was on the Farmington City Council for eight years and served as the Mayor of Farmington from 2007-09. She has served on the Board of the Farmington YMCA and the Greater Farmington Area Chamber of Commerce, and currently serves on the Board of the Oakland County Zoological Authority. Her term expires in 2017.

Richard Lerner was elected to City Council in 2011 and 2015. He is the Council liaison to the Parks and Recreation Commission and the Committee to Increase Voter Participation, and is currently serving his second term on the Michigan Municipal League Finance Steering Committee. He is a member of the Board of Directors of the Xemplar Club, Optimist Club, Farmington Ski Club, the F2H Fit Challenge, and the Quaker Valley Farms Association, where he is a past President. He also serves as Vice President of the Inter-Agency Council, and is a member of the Farmington Area Goodfellows and Sons of the American Legion, where he is the Project Manager for the Farmington Memorial Day Parade. His term expires in 2019.

Theresa Rich was elected to City Council in 2015. She has served 10 years on the Commission for Children, Youth & Families, including seven years as the Allocations Chair. She served on the Committee to Increase Voter Participation and the Arts Commission, and nine years on the Greater Detroit Agency for the Blind and Visually Impaired, including two years as President. She was an active member of the Heritage Hills Homeowners Association, including two years as President. She is the Council Liaison to the Retirement Board. Her term expires in 2019.

Samantha Steckloff was elected to City Council in November 2013. She is the Council liaison to the Commission on Children, Youth & Families, the Mayor's Youth Council, and the Millennial Mayors Congress. She has served on the Parks and Recreation Commission and the Committee to Increase Voter Participation. She was one of the first participants in the Farmington Hills After-School Program. Her term expires in 2017.

City of Farmington Hills

City Facilities



Facility Name	Address	Facility Name	Address	Facility Name	Address
City Hall	31555 Eleven Mile Rd	Fire Station 4	28711 Drake Rd	Police Station	31655 Eleven Mile Rd
47th District Court	31605 Eleven Mile Rd	Fire Station 5	31455 Eleven Mile Rd	Southwest Oakland Cable Commission	33300 Nine Mile Rd
Dept. of Public Works	27245 Halsted Rd	Farmington Hills Golf Club	37777 Eleven Mile Ct	William Costick Activity Center	28600 Eleven Mile Rd
Fire Station 1	35725 Nine Mile Rd	Ice arena & Skate park	35500 Eight Mile Rd		
Fire Station 2	28225 Middlebelt Rd	Longacre House	24705 Farmington Rd		
Fire Station 3/ Grant Community Ctr	29260 Grand River	Parks and Golf Maintenance	38111 Interchange Dr		



SOURCE: City of Farmington Hills GIS, 2013

DESCRIPTION OF THE CITY



Farmington Hills is a 34 square mile suburban community with a pastoral and gently rolling terrain in Oakland County, MI. It is one of the largest cities in Oakland County; the most prosperous county in Michigan and one of the most prosperous counties in America. Incorporated in 1973, the City quickly grew from its rural roots, and today offers a unique blend of historic charm, international diversity, and cutting edge commerce, making it one of the most desirable locations to live and work in the United States.

The City possesses an ideal location within 25 minutes of downtown Detroit and Detroit Metro Airport and at the focal point of a North/South and East/West freeway network. Industrial centers of Warren, the Saginaw/Flint area, Lansing and Toledo, Ohio, as well as the Ann Arbor technology corridor are within an hour's drive. Approximately half of America's disposable income, half of the country's work force and nearly half of the total U.S. population are within a 500-mile radius of the City. The City supports seven industrial parks totaling more than 600 acres. In addition, the 12 Mile Road, Orchard Lake Road and Northwestern Highway corridors host many commercial and office developments, which house many corporate headquarters and district offices of regional, national and international prominence.

The community offers many premier residential areas providing a wide range of housing options, meeting the needs and style demands of those who live here. The distinctive custom residences, neighborhoods with well established landscaping and tree lined streets, well planned condominiums and a variety of apartments provide options to fit every lifestyle and price range.

The City's respect for its Quaker heritage is demonstrated by its commitment to historical preservation through its Historic Commission, Historical District and the conversion of the historic Spicer Estate House to a Visitor Center located in Heritage Park.

The City is enhanced by exemplary educational opportunities for kindergarten through 12th grade via both public and private schools and a premier district library system with one of the highest annual circulation rates in the State. A broad spectrum of recreational and cultural activities are available within the City or within a short drive. Twelve major colleges and universities are within a 45-minute drive of the community. Quality health care is readily accessible through Botsford Hospital, a full service teaching Hospital with a Level II Trauma Center and Certified Stroke Center, which is associated with Michigan State University and a part of Beaumont Health. Twelve major medical centers and hospitals are within a half-hour driving distance of the City. Many physicians affiliated with these medical facilities maintain their offices in Farmington Hills.

HOW TO USE THIS BUDGET DOCUMENT

This document outlines the City's operational master plan for the coming budget year. This section is intended to acquaint the reader with the organization of the budget document and assist in obtaining the optimum from the information contained in this document.

The budget is divided by tabs into sections. A *Table of Contents* tab is included in the beginning of the book.

The *City Manager's Message*, which capsulizes the objectives of the budget along with the story behind the raw numbers, is presented in the second tab. It identifies major issues, outlines decisions to be made by the City Council during budget review and adoption, and communicates a thorough understanding of the budget impact for the upcoming fiscal year. A *Tax Overview* is also included in this tab which outlines the City's Total Tax Rate and its allocation between funds. A graphic portrayal of the budgetary fund revenues and expenditures by sources and uses is also presented in this section. An *Organizational Chart* is provided for the entire City organization. A chart depicting the City's financial and accounting fund structure is also included in this section. Department Organizational Charts are provided in each department's budget section.

The *General Fund* section contains revenue and expenditure summaries for the General Fund as well as brief detail and narratives on each major revenue category. Revenue and expenditure schedules include actuals for the past two completed years, the current fiscal year's amended budget, projected actuals for the current fiscal year, and the proposed/adopted budget. Expenditures are broken down into these categories: personnel, operating supplies, professional & contractual services, and capital outlay. The General Fund is further subdivided into major functional areas of activities such as: Boards, Commissions & Agencies; General Government; Public Safety (Police and Fire); Planning & Community Development; Public Services; and Special Services.

Departmental Expenditures are grouped by activity. Included in each section are narratives describing the department or division's mission, followed by goals, performance objectives and performance indicators. The performance indicators are divided into service level and efficiency measures. Also included is an organizational chart, staff position listing and a summary which highlights how we project the current year will end, in total, compared to the budget; as well as how next year's proposed budget, in total, compares to the current year. This is followed by the line-item detail budget, key trends shown graphically and capital outlay schedules.

The *Special Revenue Funds* section contains budget information and the proposed budget for funds that are maintained for specific revenue sources that are restricted or committed to expenditures for specific functions or activities. These restrictions/commitments are imposed by State Statute or Constitution, City Council Resolution or action by the City's electorate through the approval of special dedicated millages.

The *Debt Service Funds* section provides the budgetary funds for the payment of annual debt service (principal and interest payments) on bonds, which were issued by the City or on behalf of the City by the County.

The **Capital Projects Funds** section contains budget information for the Capital Improvement Fund, including both the capital improvements plan and the capital improvements budget and a description of the difference between the two and how they are interrelated is also included. This section also includes the Golf Course Capital Improvement Fund and Revolving Special Assessment Fund.

The **Component Unit** section contains budget information for the Brownfield Redevelopment Authority Budget and Corridor Improvement Authority.

The **Supplemental Information** section contains financial plans, charts and graphs illustrating the City's financial condition and other statistics and demographics of the community. The budget resolution is included in this section of the final adopted budget.

A **Glossary** at the back of this book which defines technical terms used throughout the budget document is included in this section of the final adopted budget.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Farmington Hills

Michigan

For the Fiscal Year Beginning

July 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award of Distinguished Budget Presentation to the City of Farmington Hills for its annual budget for the fiscal year beginning July 1, 2015.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

This Distinguished Budget Presentation Award represents the 30th consecutive award the City of Farmington Hills has received.

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April 2016

To: Honorable Mayor and City Council
Residents of the City of Farmington Hills

INTRODUCTION

With this letter I am transmitting the 2016/17 budget for the City of Farmington Hills. The budget is one of the most important documents the City prepares, since it identifies the services to be provided over the next year and how those services are to be financed. It describes in detail how each City department, activity, and function will invest the City's resources for the benefit of the community.

The budget includes input from City Council, as well as from residents, staff, consultants, and the City's planning program documents. This input assists us in prioritizing and directing our resources toward those programs, projects and activities that have the greatest potential for helping us successfully achieve our goals while addressing the City's most pressing needs. Building community understanding and support for the budget and for the services and programs that we provide is essential. The budget addresses current and future community needs and balances service demands with conservative financial management. It supports the following goals:

1. Employ a multi-disciplined, well-planned strategic approach to address the financial, social, and environmental dimensions of sustainability for the City of Farmington Hills.
2. Provide high quality, dependable public services that residents and businesses expect in order to enjoy a City that is safe and clean. This includes effective fire and police protection, advanced life-support services, safe and efficient water and sewer systems, and refuse pickup including curbside recycling and composting.
3. Support social, cultural, and recreational programs and services that enhance the lives of our residents, help build strong families, and showcase Farmington Hills as a desirable place to live, work, play and learn.
4. Increase the tax base by maintaining a healthy business climate by working cooperatively with federal, state, county, and local agencies to provide assistance to new and existing businesses in the community.
5. Define and establish long-term funding strategies for Major and Local Road Improvements.

This Budget maintains all City services with some cost increases and by making improvements in areas where previous budget cuts have made it difficult to keep up with work load demands and/or new mandated work requirements.

I am optimistic about the City of Farmington Hills and where we are headed. There is opportunity in this time of fiscal challenge. Farmington Hills is a great place to live, work, play and learn. We offer a high quality of life and a high level of service to our residents. The fiscal

limitations we face can be met through more collaboration with surrounding Communities, and smarter ways of doing business. Over the past years, we have cut back, done without, and changed how we do some things. This has resulted in cost savings and efficiencies. While the response and effort of each department has been excellent, we continue to seek ways to reduce spending.

BUDGET OVERVIEW

Total Ad valorem Taxable Value decreased by 0.04 % in 2016, compared to the original 2015 tax roll. The decrease in taxable value is the net result of a 17.2% decrease in Personal Property taxable value and a 1.4% increase in Real Property taxable value. The increase in Real Property taxable value is the result of a 1.9% increase in Residential values and a 0.3% increase in Commercial values, partially offset by a 1.7% decrease in Industrial values.

Personal Property taxable values in 2016 decreased by \$42,216,200 compared to the original 2015 assessment roll. This decrease is net of a \$54,624,770 reduction in 2016 taxable value from the exemptions of Personal Property for 1,526 eligible small parcels and 52 eligible manufacturing personal property parcels; and a \$12,408,570 increase in 2016 taxable value from all other personal property parcels. Personal Property taxable value is approximately 6.5% of the 2016 tax base for FY 2016/17, down from 7.8% in 2015. The reduction in personal property from the exemptions equates to an approximate \$783,000 loss in personal property taxes for the City in FY 2016/17. Based on the reimbursement formula provided by the State of Michigan, we expect to receive a reimbursement from the State in 2016 of approximately \$601,000 or 77% of the lost revenue.

In addition to the decrease in taxable value, for the first time since FY 2004/05 the City will be impacted by a Headlee Millage Rollback in FY 2016/17. The Road, Parks and the Public Safety Millages will be reduced by 0.46% in FY 2016/17. Although 2016 will see a decrease in taxable value, we are projecting a 1.9% increase in taxable value in 2017, notwithstanding the continued partial phase-out of personal property. However, the limits on property tax revenue growth due to the interaction of Headlee and Proposal A, will temper this improvement going forward, with a projected continued Headlee Rollback through 2021, at which time the City's Operating Millage may have to be rolled back.

Total City costs to provide healthcare benefits for City employees (at the State imposed employer "hard cap" level), including costs of full-time employees opting-out and new costs for eligible part-time employees, plus dental and optical benefits are estimated to be approximately \$4.8 million for FY 2016/17. The Defined Benefit Pension and Retiree Healthcare Contributions as valued by the Actuary is approximately \$6.2 million for FY 2016/17.

GENERAL FUND REVENUE

The Total General Fund Revenue Budget of \$54,258,410 for FY 2016/17 (including transfers-in from other Funds) increased by \$31,992 or 0.06% compared to the FY 2015/16 Adopted Budget of \$54,226,418 and increased by \$430,218 or 0.8% compared to the FY 2015/16 Year-end Projection of \$53,828,192. In comparing the FY 2016/17 Revenue Budget to the FY 2015/16 Year-end Revenue Projection, Property Taxes decreased 0.25%, Licenses & Permits decreased by 0.01%, Grants increased by 22.78%, State Shared Revenue increased by 1.89%, Fees increased by 1.61% (Recycling Fees will remain at the FY 2015/16 level), Sales increased by 0.45%, Fines & Forfeits increased by 0.51%, Interest Earnings increased by 9.87%, Inter-fund Transfers-in remained the same, Recreation User Charges increased by 0.40%, and Other Revenue increased by 4.97%.

GENERAL FUND EXPENDITURES

For FY 2015/16, Total General Fund Expenditures plus Transfers to Other Funds is projected to end the year down by approximately \$1,060,000 or 1.9% compared to the Budget, which is due to decreased expenditures in Boards & Commissions, General Government, Public Safety, Planning & Community Development, Public Services, and Transfers to Other Funds; partially offset by increased expenditures in Special Services. The FY 2016/17 Proposed Budget for Total General Fund Expenditures plus Transfers to Other Funds is up by approximately \$1,242,000 or 2.2% compared to the FY 2015/16 Budget. The Budget over Budget increase is the result of increases in Public Safety, Planning & Community Development, Special Services and Transfers to Other Funds; partially offset by decreases in Boards & Commissions, General Government, and Public Services.

GENERAL FUND – FUND BALANCE

The FY 2016/17 General Fund Budget is balanced with the use of \$2,471,601 of Fund Balance. Total Fund Balance in the General Fund is estimated to be \$24.7 million or 43% of Total General Fund Expenditures plus Transfers-out at June 30, 2017. Of that amount, approximately \$10.5 million is Assigned/Restricted for future funding of General Fund Operations, Unfunded 1st Year CIP Project Requests, and Contributions to the Employees' Retirement System and Retiree Healthcare Fund. The remaining Unassigned Fund Balance of approximately \$14.2 million is equivalent to 25% of Total General Fund Expenditures plus Transfers-out at June 30, 2017.

TAX RATE AND TAX ROLL

Approximately seventy (70%) percent of the tax roll is residential. Approximately thirty (30%) percent of the tax roll is non-residential and includes commercial (21%) and industrial (3%) and personal property (6%). The average residential property taxable value increased by 1.9% from \$80,801 in 2015 to \$82,334 in 2016, which includes adjustments to existing properties plus the addition of new residential properties. Using the 2015 millage rates, this equates to an overall average of a \$68.68 property tax increase per principal residential owner, of which \$22.06 would be increased from City taxes. The budget is based on a property tax rate of 14.3273 mills, a 0.0635 millage decrease from FY 2015/16. This decrease in millage results from a Headlee Rollback on the Road Millage (0.0092 mills), the Parks Millage (0.0023 mills), and the Public Safety Millage (0.0147 mills); as well as a small decrease in the refuse millage (0.0373 mills). This millage decrease will result in a \$5.22 reduction in City property tax revenue from the average residential property owner, which netted with the increased taxable value will result in an average \$16.84 increase in City property taxes from the average residential taxpayer compared to FY 2015/16.

ALL BUDGETED FUNDS

The Total Budgeted Expenditure allocation for All Budgeted Funds for FY 2016/17 is approximately \$98 million compared to \$83 million for FY 2015/16, and \$79 million for FY 2014/15, excluding inter-fund transfers. This is an 18% increase in expenditures from FY 2015/16. This approximate \$15 million increase in overall City expenditures is primarily due to increases in the Major and Local Road Funds & related Debt Service, and other Capital Projects.

BUDGET HIGHLIGHTS

Through fiscal responsibility, we have been able to implement programs that strengthen our community and enhance the lives of our residents. The following is a brief summary of major programs and projects that are completed, ongoing and included in the FY 2016/17 budget. They are broken down into FY 2015/16 accomplishments and current ongoing projects and FY 2016/17 programs.

Ongoing or Fiscal Year 15/16 Accomplishments

- **Regional Cooperation/Collaboration and Environmental Sustainability.** The Cities of Farmington Hills and Farmington joined together to compete for the Georgetown University Energy Prize (GUEP), a national competition which challenges communities to create and employ plans for improvement of energy efficiency. Farmington Hills and Farmington are one of 50 communities chosen to advance to the Semifinals. A project team composed of members from the City of Farmington Hills, Farmington, and Farmington Public Schools, worked together to assemble a detailed long-term plan for the community's energy-saving program. The semi-finals of the competition began on January 1, 2015 and conclude on December 31, 2016. By joining forces, our community has demonstrated a commitment to a more sustainable and environmentally conscious future and put Farmington Hills and Farmington in a position to take home the \$5 million prize to support energy-efficiency measures and programs that reward the community as a whole.
- **Safe City.** All identified safe city ranking research companies, although using slightly different methods to interpret crime data, rank Farmington Hills as one of the safest cities in Michigan. The average number of violent crimes per 100,000 residents in Farmington Hills is 116, compared to the Michigan average of 427 incidents per 100,000 residents. Serious Part A crime dropped 5.69% in Farmington Hills last year. The Part A Crime total was the lowest number recorded in 37 years. Compared to ten years ago, serious crime in Farmington Hills has dropped 39%.
- **Intranet.** This online communication service continues to increase employee productivity and make accessing information easier for employees. Employee news, forms, benefit information, health and wellness, and more are all found on the Intranet.
- **Repaving.** The following significant road projects were or will be completed in FY 2015/16: Drake Road (S. of 12 Mile), Gill & Lytle (9 Mile to Drake), Orchard West Subdivision (SAD), and Woodbrook Subdivision (SAD).
- **Sidewalks/Pathways.** In addition to the ongoing sidewalk replacement and maintenance program, the following sidewalks are planned to be completed in FY 2015/16: 14 Mile, Chatsworth to Inkster Rd., South; and Middlebelt, Westside, Ten Mile to Juneau Lane.
- **New Development and Improvements.** For 2015, the Planning and Community Development Department oversaw the construction of twenty-two (22) new residential units with a value of over \$6.8 million. Permits for \$16.2 million in improvements and additions to existing residential units were issued. New commercial development along with additions and improvements had a construction value of over \$38.4 million.

- **New Equipment.** The following equipment was or will be placed into service in FY 2015/16: DPW – (2) Ten Yard Trucks, Five Yard Truck, F550 Cab, Front-end Loader, Sewer Vacuum Truck, Wood Chipper, and Refurbished Equipment; Special Services – Three Yard Dump Truck, Parks Equipment, Golf Carts, and (2) Pickup Trucks; Technology – Video Equipment, Mobile Data Computer Notebooks, Replacement of PC's & Licenses, and various I.T. Upgrades and Improvements; Fire – Engine #1 Replacement; and Police – Wearable Body Armor.
- **Public Facilities.** The following public facility improvements were or will be completed in FY 2015/16: Fire Station Improvements; Police Building Renovations, HVAC Replacements, DPW Building Systems Upgrades, Heritage Park Nature Center Improvements, Founders Park Pump Station and Parking Lot Light Improvements, and Energy & Environmental Sustainability Projects; and

In Process or FY 2016/17 Program Goals

- **Bike Path Routes throughout the City.** The City will fund a non-motorized Master Plan.
- **2020 Visioning.** The City will continue to follow up on the ideas generated from the 2020 Visioning Process for the development of a long-range plan for a sustainable City.
- **Economic Development.** The City will continue to seek out ways to promote and market the City for businesses to locate.
- **Special Services Capital Projects.** The Parks & Recreation Millage Fund and the Capital Improvement Fund will finance \$1,218,000 of capital projects/outlays for Heritage Park, Founders Sports Park, Athletic Fields, Vehicles & Equipment, Comfort Station, the Costick Activities Center and Parking Lot, Playground Equipment, and the Ice Arena.
- **Forfeiture Fund Capital Projects.** The Federal and State Forfeiture Funds will finance \$55,000 of Police Building/Parking Lot Security Improvements and \$136,000 for Police Vehicles & Equipment.
- **Public Safety Millage Capital Projects.** The Public Safety Millage Fund will finance \$510,000 of capital projects for 911 Call Processing Equipment & Recording System, and Police and Fire Vehicles and related equipment.
- **Construction Projects.** The Major and Local Road Funds will expend over \$17.2 million in road improvements in 2016/17. The primary projects to be completed and the recommended funding sources are as follows:
 - Design of Orchard Lake Road, 13 Mile to 14 Mile – funded by Gas & Weight Taxes/Grants/County Road Commission.
 - Reconstruction of Inkster Road, 13 Mile to 14 Mile – funded by Road Millage Property Taxes.
 - Reconstruction of Colfax Road, Gill to Farmington – funded by Road Millage Property Taxes/Grants.
 - Reconstruction of 13 Mile, Haggerty to Halsted - funded by Road Millage Property Taxes/Grants.

- Reconstruction of 13 Mile, Farmington to Orchard Lake – funded by Road Millage Property Taxes/Grants.
- Reconstruction of Drake, 13 Mile to 14 Mile – funded by Road Millage Property Taxes/Grants.
- Design of 11 Mile, Middlebelt to Orchard Lake – funded by Gas & Weight Taxes.
- Design of 13 Mile, Halsted to Drake – funded by Road Millage Property Taxes.
- Signal Upgrade at 9 Mile and Halsted – funded by Gas & Weight Taxes.
- 8 Mile, Farmington to Halsted – funded by Gas & Weight Taxes.
- Springbrook Tapers at 10 Mile and Shiawassee – funded by Road Millage Property Taxes.
- Independence Commons Subdivision SAD – financed by Capital Improvement Bonds for the property owner’s share and Road Millage Property Taxes for the City’s Local Match.
- Briar Hill Subdivision SAD – financed by Capital Improvement Bonds for the property owner’s share and Road Millage Property Taxes for the City’s Local Match.
- Hollywood, Westhill Woods, Tarabusi Grand River Gardens Area Subdivision SAD – financed by Capital Improvement Bonds for the property owner’s share and Road Millage Property Taxes for the City’s Local Match.
- Design of New Local Road SAD Projects – funded by Road Millage Property Taxes.

CAPITAL IMPROVEMENT FUND

In addition to the capital projects contained in the Parks & Recreation Millage Fund, Golf Course Capital Improvement Fund, Road Funds, Public Safety Millage Fund and Forfeiture Fund budgets, the City plans to invest approximately \$6.9 million on infrastructure and capital improvements benefiting the entire community. This program is comprised of facility improvements, sidewalk construction, drainage improvements, technology enhancements, and the acquisition of equipment for the Public Services and Fire Departments. While the revenue resources are limited, a proper balance of capital vis-a-vis operating cost needs to be maintained. Next year's program includes:

- Drainage improvements which will concentrate on the Drake Road Culvert Replacement; Storm Water Pollution Prevention Initiative; GIS Storm Phases I, II, and III; Illicit Discharge Elimination Program; and miscellaneous detention basin and culvert maintenance, replacement and repairs.
- Facility improvements which include City-wide Air-Conditioning replacements, Costick Center Improvements, Gateway Signage at Major Road Entrances to the City, Exterior Wayfinding Signage at the City Hall Municipal Campus, Ice Arena Improvements, Fire Station Improvements, Police Exterior Updates, DPW Roof Replacement, Barrier Free (ADA) Improvements, and continued Energy & Environmental Sustainability Projects.
- Sidewalk improvements will take place this next fiscal year for Major Road Sidewalk Replacements.
- Equipment for the Fire Department includes the replacement of Engine #33; Rescues #1, 2, 3 & 4; and Medics #3 & 5; as well as a vehicle refurbishment.

- Equipment for the Public Services Department includes a Ten-yard Dump Truck with slip-in V-Box, a Mechanical Street Sweeper Replacement, and Refurbished Winter Maintenance Equipment.
- Technology equipment includes improvements to the Phone System, Election Equipment, the Digitizing of Microfiche and Microfilm, and various City-wide upgrades to keep the network fast and reliable.

CITY-WIDE CAPITAL EXPEDITURES

The total dollar amount of capital expenditures for FY 2016/17 is \$25,736,623, which is approximately \$12,809,000 more than budgeted in FY 2015/16. Of that total, \$17,288,223 is for Major and Local Road construction projects; \$6,853,500 is for infrastructure/capital improvements/equipment included in the Capital Improvement Fund; \$702,000 is for the Forfeiture and Public Safety Funds capital items; \$345,000 is for Parks & Recreation and Golf Course Fund capital projects; \$300,000 is for the Brownfield Redevelopment Authority; and \$247,900 is for various General Fund capital outlays. Specific information about the capital projects is included in each respective Fund/Department.

PERSONNEL COSTS AND STAFFING

As we have gone through the transition of significantly less staff resources over the last several years, we have restructured operations where appropriate to better utilize existing staff resources to maintain a base level of City services. While full-time staffing remains down 13% from FY 2007/08, this Budget reflects four additional full-time firefighter positions, which are funded by a Federal FEMA Safer Grant. Farmington Hills still has one of the lowest employee-to-resident ratios of any local community while continuing to provide efficient and comprehensive services. We are always looking for ways to reduce costs while maintaining a quality workforce. City government is a people business. We serve people's needs and wants with people. This is a good staff with dedicated people who enjoy their work. I am proud of them every day. The proposed budget includes a 2% pay increase for all full-time and part-time employees.

ACKNOWLEDGEMENTS

The past year has been highlighted by numerous achievements resulting in both state and national recognition due to the fine work of employees and the cooperation between the City Council, City Administration, and the residents. I am proud to present the following list of accomplishments:

- Marc Stec, Staff Planner II of the Planning and Community Development Department was named Employee of the Year. Four others were named Outstanding Employees: Carly Hotchkiss, Deputy Clerk of the City Clerk Department; Erin Karlson, Department Technician of the Fire Department; Rachel Timlin, Cultural Arts Supervisor of the Special Services Department; and Paul Wonfor, Building Maintenance Mechanic of the Public Services Department.
- Sergeant Richard Wehby was named Police Officer of the Year.
- Lieutenant Jason Baloga was named Firefighter of the Year.

- The City received the Distinguished Budget Presentation Award from the Government Finance Officers' Association (GFOA) for the FY 2015/16 Budget. This is the 30th consecutive year the City has received the award.
- The City received a Certificate of Achievement of Excellence in Financial Reporting from the GFOA for the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015, which was the 17th consecutive year the City received this award.

I would like to personally thank all of the department heads for not only doing their usual excellent job of submitting reasonable and prudent budget requests, but also acknowledging the economic realities and uncertainties facing us and budgeting accordingly. We remain committed to the core values of health and safety for our residents and customers. Mindful of the current economic challenges, our eyes are also trained on the future of our fine City. I am proud of the team effort that went into producing this lean budget which holds down operating expenditure costs while maintaining core services. Thanks also to those who have worked hard on putting together this budget.

Dave Gajda, Finance Director/Treasurer
 Ed Gardiner, Director of Planning and Community Development
 Michael Lasley, Director of Central Services
 Shu-Fen Lin, Controller
 Gary Mekjian, Assistant City Manager / Acting Director of Public Services
 Chuck Nebus, Police Chief
 John Randle, Human Resources Director
 Kim Ried, Secretary to the Finance Director
 Ellen Schnackel, Director of Special Services
 Pam Smith, City Clerk
 Khalfani Stephens, Economic Development Director
 Jon Unruh, Fire Chief



Dave Boyer
 City Manager

MID-TERM AND LONG-TERM GOALS

MID-TERM GOALS (1 to 5 years)

1. Provide high quality dependable public services.
2. Implement programs and activities to reduce costs, increase revenues, and add efficiencies.
3. Enhance the safety of the city's residents and businesses, as well as visitors to the community.
4. Provide forums that encourage active participation in our local community and government.
5. Expand and retain the existing business base and enhance commitment to the redevelopment of the maturing sections of the city.
6. Provide a wide array of artistic, cultural, and recreation programs and activities to meet the changing leisure needs of the community.
7. Be proactive in the legislative process at the State and Federal level by representing the interests of the city.
8. Maintain an educated staff and provide a safe and positive work environment.
9. Ensure compliance with all federal, state, and local laws in addition to the rules and requirements of other governing agencies and organizations.
10. Participate in sound management practices to protect and enhance the environment.
11. Maintain a strong City identity and citizen participation by enhancing communication with the public.

LONG-TERM GOALS (5 years or more)

12. Assure the continued vitality of Farmington Hills as a premier community by preserving the tax base, the infrastructure and quality of life.
13. Improve the livability of the city.
14. Preserve and strengthen city home rule to maintain local control of local issues.

The goals in each departmental budget directly link to the City-wide mid and long-term goals. This is demonstrated by the number(s) in parenthesis at the end of each departmental goal. Achievement of the Department goals and City-wide mid-term goals assist the City's progress in meeting its long-term strategic goals.

LONG-TERM FINANCIAL PLANS

The City's financial planning process assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve its goals. A key component in determining future options, potential problems, and opportunities is the forecast of revenues and expenditures. Financial forecasting is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. Revenue and expenditure forecasting does the following:

- Provides an understanding of available funding;
- Evaluates financial risk;
- Assesses the likelihood that services can be sustained;
- Assesses the level at which capital investment can be made;
- Identifies future commitments and resource demands; and
- Identifies the key variables that cause change in the level of revenue.

Forecasts include Governmental Funds Revenue, Expenditures, Financial Position, and Long-term Debt Obligations.

THE BUDGETING PROCESS

Budgeting is a financial plan for utilizing the City's available funds during a fiscal year to accomplish established goals and objectives. It also:

- A. Provides citizens with an understandable financial plan in which the welfare of the citizens may be enhanced or reduced in the budgeting process;
- B. Prioritizes goals that will provide for community needs;
- C. Defines the financial plan that will be used to achieve stated goals;
- D. Determines the level of taxation required.

The budget compiles the financial data needed to support Farmington Hills' decision making/ policy development process. The budget is based on City Council Goals, the Capital Improvements Program and other planning and programming documents, the City's financial policies, City Council direction, current revenue restraints and City Manager and departmental review of operations.

City Council uses the following planning documents to guide its short and long term budget decisions. Valuable information is gathered from these plans and the residents who serve on the various Boards and Commissions responsible for their creation.

The Master Plan for Future Land Use

Provides guidelines for decisions on how land will be used. The master plan is: 1) a long-range, comprehensive and general guide for the development of land; 2) a map of future land uses and the supporting documentation describing the details, and 3) the result of an orderly process of survey and study of the basic planning elements - land use, natural features, populations and community facilities; residential, recreation, commercial, office and industrial land needs and thoroughfares and streets to provide for vehicular movements within and through the city.

The Parks and Recreation Master Plan

Focuses on the needs of current and future residents of Farmington Hills in order to continue providing programs and services to improve their quality of life. The Master Plan: 1) includes public input regarding the current and future park and recreation needs of Farmington Hills residents; 2) provides the Parks and Recreation Commission, Special Services staff, and other community stakeholders with information to guide parks and recreation planning for the next years, and 3) represents the needs and desires of current Farmington Hills residents and projects the needs of future residents based upon growth trends and demographic information.

The Capital Improvements Plan

Plans for and guides needed capital improvements and expenditures in a fiscally sound manner and ensures that improvements are consistent with the goals and policies of the city and the expectations of residents. A capital project or expenditure must: 1) impact the City-at-large or address a major need within the City in some specific way, 2) represent a public facility, 3) represent a physical improvement, and 4) require the expenditure of at least \$25,000.

The Budget Process

The Economic Development Plan

Provides a framework for making sound decisions regarding the allocation of limited economic development resources. The mission is to: 1) maintain a healthy business climate, including the expansion of business in the international trade arena; 2) work cooperatively with the state, county, chamber of commerce, economic development corporation, schools, universities and others to provide basic business assistance to new and existing businesses in the community, and 3) strengthen and revitalize the economy by attracting and retaining quality jobs.

The Master Storm Drainage Plan

Provides the City with a plan and guide for the continued development of the city. The plan is flexible and allows and encourages the use of the natural open drainage system to its fullest.

LEGAL REQUIREMENTS

In addition to sound financial theory and principles, the City of Farmington Hills' budget process is governed by the City Charter and State Statutes of Michigan. "Article VI, General Finance" of the City Charter establishes July 1 through June 30 as the City's fiscal year and annual budget cycle for the City government.

Budget Document

The City Charter, approved by the electorate on May 8, 1973, and the State of Michigan Uniform Budgeting Act (Public Act 621 of 1978), which amended the Uniform Accounting Act of 1968 (Public Act 2 of 1968), mandates that the budget document present a complete financial plan for the ensuing fiscal year and contain the following:

- A. Estimates of all anticipated revenues of the City from all sources with comparative statement of actual amounts received from each or similar sources for the preceding fiscal year, the current fiscal budget, projected actuals for the current fiscal year and estimated amounts for the proposed budget year.
- B. Detailed estimates of all proposed expenditures for each department and office of the City showing expenditures for corresponding actual expenditures for the preceding fiscal year, budget amounts for the current fiscal year, projected actual expenditures for the current fiscal year and amount for the proposed fiscal year.
- C. Statement of estimated Fund Balance for the end of the current fiscal year.
- D. Statements of the bonded and other indebtedness of the City showing the debt redemption and interest requirements for the fiscal year and the amount of indebtedness outstanding at the end of the fiscal year.

Budget Procedure

As required by the City Manager, each City Officer must submit to the City Manager an itemized estimate of expenditures for the next fiscal year for the department or activities under his/her direction. The City Manager then prepares a complete itemized budget proposal for the next fiscal year and must present it to City Council not later than the first regular meeting in May. Prior to the adoption of the budget, at the first regular meeting in June, a Public Hearing on the budget must be held to inform the public and solicit input and comments from the citizenry. At least one week prior to the Public Hearing on the budget, copies of the budget document are on file at the City Clerk's Office and the public libraries for the review and inspection by the citizens. A Public Notice, published in a newspaper of general circulation in the community, announces the time and place of the meeting and the availability of the budget document for review.

FY Budget

The budget process begins in January with the distribution of budget instructions and forms. Department requests are submitted by City officials in February. Departmental budget reviews are held with the City Manager, Finance Director and Department Heads. After revenue projections are prepared by the Finance Department, expenditure requests are reconciled by the City Manager and Finance Director to conform to revenue projections and a recommended budget is presented to City Council.

The City Council holds public study sessions with the City Manager, Finance Director and Department Heads, at which input from the public is received.

A Public Hearing to receive additional citizen input and comments is scheduled for May or June, after a public notice is published in the Farmington Observer. The Budget Document, including a schedule of all Study Session dates and the Public Hearing date is available for review by interested parties at the City Clerk's Office at City Hall and the two branches of the District Library. The Budget Document and Tax Rate are adopted in June, after the Public Hearing.

The final budget document evolving from the budget process consists of 13 major sections and contains the budget message, budget overview, budgets including revenue and expenditure estimates for the upcoming fiscal year for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Component Units and the Budget Resolution.

The budget is constructed in compliance with the State Uniform Accounting Budgetary Act of 1968 (Public Act 22 of 1968), as amended, which categorizes elements of the accounting and budget system into Funds, Departments or categories, Reserves and Expenditures.

The operations of each fund are accounted for as a separate self-balancing set of accounts that consist of assets, liabilities, fund equity and appropriate revenues and expenditures.

Budget Appropriation and Amendments

The City budget is adopted by the City Council on an activity or function/department basis. The City Manager is authorized by Budget Resolution to make budgetary transfers within the appropriation centers established through the budget. However, all transfers between appropriation centers may be made only by further action by the City Council.

City Council may make additional appropriations during the fiscal year for unanticipated expenditures required by the City, but such additional appropriations shall not exceed the amount of actual and/or anticipated revenue and available fund balance as estimated in the budget unless the appropriations are necessary to relieve an emergency endangering the public health, safety or welfare. The Council may also reappropriate funds among appropriation centers. Council is apprised of the budget status through quarterly reports prepared by the Finance Department.

FY 2016/17 BUDGET CALENDAR

January 5, 2016	Distribution of budget instructions and forms to Department Directors
January 20 -22, 2016	Finance Pre-submittal Meetings with Departments
January 23, 2016	City Council Goal Setting Meeting
February 1, 2016	Departmental Budget Requests Submitted to Finance Department.
Feb. 24 – March 1, 2016	Finance Department Budget Review Meetings with Departments
March 15 – 24, 2016	City Manager Budget Review meetings with Departments and District Court on General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and Component Units.
March 25 - April 22, 2016	Budget Document Preparation
April 25, 2016	Transmittal of FY 2016/17 Budget document to City Council (study session).
May 2 – 5, 2016	Budget review study sessions with City Council & direction to staff to publish public hearing notice.
May 2016	Public Notice of Public Hearing on FY 2016/17 Proposed Budget and tax rate.
June 13, 2016	Public Hearing and Adoption of FY 2016/17 budget and tax rate.

FINANCIAL POLICIES

GENERAL

All budgetary funds must be balanced. Total anticipated revenue plus appropriations from the beginning fund balance and reserves, in excess of prudent designations of fund balance and reserves, must equal total estimated expenditures for all funds.

The City will strive to establish and maintain an unassigned fund balance of 15-25% of the General Fund expenditures for the subsequent year to pay expenditures caused by unforeseen emergencies, cash shortfalls caused by revenue declines or delays and mitigate the need for short term borrowing.

General fund encumbrances outstanding at the fiscal year end will not be charged to the current year budget but may be assigned from fund balance and automatically re-appropriated in the new budget year and when paid charged to the new fiscal year. The new fiscal year budget may need to be amended to support the re-appropriated encumbrances, if budget funds were not sufficiently available to be carried forward with the encumbrances.

All budgets shall be adopted on a basis consistent with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. Revenues are budgeted when they become measurable and available and expenditures are charged against the budget when they become measurable, a fund liability has been incurred and that liability will be liquidated with current resources.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies.

FUND ACCOUNTING

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The various funds are grouped into generic fund types in two broad categories as follows:

BUDGETARY & GOVERNMENTAL FUNDS

General Fund

The General Fund under GASB 34 has been identified as a major fund and contains the records of the ordinary activities of the City which are not accounted for in another fund. The fund contains appropriation for all operating departments of the city. City Council has broad discretionary powers over the utilization and financial resources of the General Fund. General Fund activities are financed by revenues from general property taxes, state-shared revenues and other sources.

Financial Policies

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of earmarked revenues or financing activities requiring separate accounting because of legal or regulatory provisions. The primary special revenue funds are the Major and Local Road Funds, and the Public Safety Millage Fund which have been identified by the criteria of GASB 34 as major funds. The dedicated Recreation Special Millage Fund is also a Special Revenue Fund.

Debt Service Funds

Debt Service Funds are used to account for the annual payment of principal, interest and expenses in connection with certain long-term debt other than enterprise fund bonds payable. The Local Road Special Assessment Debt Fund has been identified as a major fund by the criteria of GASB 34.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or outlays, other than those of proprietary enterprise funds. The Capital Improvement Fund has been identified as a major fund by the criteria of GASB 34 and is used to account for the development of capital facilities other than those for Roads, Utilities and Parks & Recreation.

Enterprise Funds

An Enterprise Fund is established when the intention is that the costs of providing goods or services is financed or recovered primarily through user charges. Enterprise Funds include the Water & Sewer Funds, which are included as a Financial Plan in the Supplemental Information section of this document.

COMPONENT UNITS

Component Units are legally separate entities for which the City is financially accountable. The Brownfield Redevelopment Authority is a Component Unit of the City created to facilitate the implementation of plans for the identification, treatment and revitalization of environmentally distressed areas within the City designated as Brownfield Redevelopment Zones. The Corridor Improvement Authority Fund is a Component Unit of the City created to correct and prevent deterioration in business districts, encourage historic preservation, and promote economic growth.

FIDUCIARY FUNDS

Trust and Agency Funds

Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds. These include the Retirement System and Agency Funds. The Retirement System is accounted for in the same manner as a proprietary fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The financial activity of the Agency Funds is limited to collection of amounts which are subsequently returned or paid to third parties and, accordingly, are limited to cash transactions.

Financial Policies

BASIS OF ACCOUNTING

The budgets of General Governmental Funds are prepared on the modified accrual basis of accounting. Under this method, the City recognizes revenue when it becomes both measurable and available to finance current City operations. Expenditures are recorded when the related fund liabilities are incurred, except principal and interest on general obligation long-term debt, which are recorded when due. Modifications in such method from the accrual basis are as follows:

- A) Property taxes and other revenue that are both measurable and available for use to finance operations of the City are recorded as revenue when received.
- B) Interest on bonded indebtedness and other long-term debt is not recorded as an expenditure until its due date.
- C) Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- D) Normally, expenditures are not divided between years by the recording of prepaid expenses.

Enterprise, and non-expendable Trust and Pension Trust Fund are prepared on the full accrual basis. Under this method, revenues are recognized when earned and expenses are recognized when incurred.

CAPITAL ASSETS

Capital assets used in governmental fund type operations are recorded as expenditures at the time of purchase. All capital assets are recorded at cost, or if donated, at their estimated fair value on the date donated.

WATER AND SEWER SYSTEMS

Oakland County operates the City's water and sewer systems by contract. Periodically, the County transfers the net revenues to the City, which deposits them in the Water & Sewer Fund.

INVESTMENTS

Investments are recorded at cost, which approximates market value.

ELIMINATIONS

The total data presented is the aggregate of the fund types. No consolidating or other eliminations were made in arriving at the totals; therefore, they do not present consolidated information.

LEASE-PURCHASE CONTRACTS

The City is involved in the purchase by lease contracts of a Department of Public Service Maintenance Building, Fire Station No. 2 and the 47th District Court Facility from the City of Farmington Hills Building Authority, a City-created and directed authority, whose sole business activity is acquiring and leasing property to the City. Building Authority operations consist of the issuance and repayment of debt and the construction of facilities, all of which are reported in the appropriate City funds. The financial statements of the City of Farmington Hills Building Authority are consolidated with the financial statements of the City as follows:

- A) The assets of the Building Authority held for payment of outstanding bond issues are reported in the Debt Service Funds.
- B) Construction activities are recorded in a Capital Projects Fund.
- C) Fixed assets (completed construction projects) of the Building Authority are reported in the Capital Assets.
- D) Remaining amounts due on bonds issued by the Building Authority are reported in the non-current liabilities.

CAPITAL IMPROVEMENT BUDGET POLICIES

The City will, annually, prepare and update a Six Year Capital Improvement Program. This Program will contain projects and equipment costs in excess of \$25,000. Total project cost and sources of funding, along with project descriptions, will be outlined in the Capital Improvement Program. Areas included in the Program will be: drainage, sanitary sewers and watermains, public facilities, sidewalks, transportation, equipment and parks and recreation facilities.

The purpose of this Six Year Program is to facilitate the orderly planning and infrastructure improvements, maintain, preserve and protect the City's existing infrastructure system and provide for the scheduled replacement of equipment and acquisition of new equipment to insure the efficient delivery of services to the community.

In addition to the Six Year Capital Improvement Program the City will prepare a Capital Improvement Budget, which will implement to the extent of available resources, the first year of the Capital Improvement Program.

FINANCIAL REPORTING & AUDITING POLICIES

In accordance with Section 6.10 of the City Charter, an independent audit of all City funds will be conducted annually by a Certified Public Accounting Firm.

The Comprehensive Annual Financial Report (CAFR) shall be subject to the annual audit. The annual audit will be conducted in accordance with generally accepted auditing standards. The scope and procedures of the audit will be in conformance with the "Engagement Letter" signed by the City and the auditors. The City fully complied with the Governmental Accounting Standards Board Pronouncement 34 in the most recent audits. The basis for budgeting follows the same basis as the audited financial statements.

While the City's annual audit includes the Water & Sewer Fund and Pension Funds, the annual budget does not include the Water & Sewer Fund and Pension Funds.

The City will establish and maintain a high standard of accounting practices. Accounting standards will conform to generally accepted accounting principles as established by the Governmental Accounting Standards Board.

The Finance Department will maintain a system of internal controls to safeguard the City's assets and insure accurate and timely accounting, reporting and disclosure.

The Finance Department will prepare monthly budget and financial reports for internal management purposes. In addition to financial audits, every five years, the City will conduct a Managerial Audit. These audits will be conducted by an independent consultant or consultants chosen by City Council, who will determine the scope of the audit and the nature of the report to be presented to City Council.

CASH AND INVESTMENT POLICIES

On November 16, 1998, the City Council adopted an extensive Investment Policy for all the funds of the City, excluding Employee Pension Assets. This Policy has been amended as recently as January 23, 2012. The Policy stresses legal compliance with Public Act 20 of 1943 as amended by Public Act 196 of 1997 as to type of investments permitted, which include certificates of deposits, treasury bills, obligations of U.S. Government agencies, notes, bonds, commercial paper (two highest rating), repurchase agreements, bankers acceptances, pools or mutual funds with legal investments and full faith and credit U.S. agency paper.

The investment objective of the City is "S.L.Y.," Safety, Liquidity and Yield.

The City has received certification from the Municipal Treasurer's Association of the United States and Canada, certifying that the City's Investment Policy meets the standards established by that body.

Financial Policies

The document covers the following areas and topics:

- A) Objectives
- B) Combining of funds/prorating of interest among funds
- C) Delegation of authority (employees authorized to place investments)
- D) Prudence - Prudent Person Principle
- E) Ethics and Conflict of Interest
- F) Internal Control
- G) Reports and Accounting
- H) Diversification of percentages of portfolio allowed for each type of investment maturity schedule and financial institution
- I) Criteria for selecting banks and dealers
- J) Safekeeping, custody, investment procedure and internal control
- K) Glossary of terms

DEBT MANAGEMENT POLICY

The City will limit short term borrowing to cover cash flow shortages through the issuance of tax anticipation notes. The issuance of long-term debt will be limited to capital improvements or projects that cannot be financed from current revenues or resources. For purposes of this policy, current resources are defined as that portion of fund balance in excess of required reserves.

The maturity of the bond issues will not exceed the useful life of the capital improvement project. Long term bonding will be considered when future citizens will receive a benefit from the improvement. The City's Statement of Legal Debt Margin calculation is located in the Debt Service Fund Section of this Budget Document.

The City will limit its general obligation long term debt to 10% of the City's State Equalized Value (Assessed Value), excluding the following bonds from the limitation:

- A) Special Assessment Bonds
- B) Mortgage Bonds
- C) Transportation Fund Bonds

Financial Policies

- D) Revenue Bonds
- E) Bonds issued, or contract or assessment obligations, incurred to comply with an order of the Water Resources Commission or a court of competent jurisdiction
- F) Other obligations incurred for water supply, sewage, drainage or refuse disposal projects necessary to protect the public health by abating pollution
- G) Bonds issued for the construction, improvement or replacement of a combined sewer overflow abatement facility
- H) Bonds issued to pay premiums or establish self insurance contracts in accordance with Act 202, Public Acts of Michigan, 1943, as amended

All other bonds are not subject to financial limitations.

The City will maintain communications and relations with bond rating agencies and endeavor to improve or maintain its current bond rating annually.

TAX ABATEMENT POLICY

On February 9, 1998, the City Council adopted a Tax Abatement Policy. The Policy was revised on February 28, 2000 and again on July 28, 2003.

Criteria with which a business must comply in order for City Council to consider an Industrial Development District Tax Abatement Proposal

1. The abatement must include funding from a State or Federal program, unless the project is for redevelopment or rehabilitation or for new personal property only (if the new personal property request creates or retains new jobs within the City of Farmington Hills).
2. The tax abatement will not cause a negative impact on local tax revenues.
3. The business qualifying for an Industrial Development District Tax Abatement must remain within the City of Farmington Hills for twice the length of the tax abatement period and if a move out of the community should occur, the business shall repay the entire amount of the abatement and it shall be a lien on the property until paid.

PURCHASING POLICIES

On March 26, 2012, the City Council adopted a Resolution establishing the amended City Purchasing Policies and Procedures. These Policies comply with Section 9.12 of the City Charter authorizing the City Council to establish Purchasing Policies and require sealed bids to authorize all awards for goods and services over \$10,000. The Policy provides for a centralized purchasing system administered by the City's Director of Central Services, who reports to the City Manager.

Financial Policies

All goods and services aggregating in excess of \$10,000 in a fiscal year are formally bid, which is in writing, sealed and submitted in accordance with written specifications and opened at a public bid opening. Bid awards exceeding \$10,000 are reviewed and approved by City Council. Purchase orders from \$3,000 - \$10,000 are approved by the City Manager after receipt of three written quotations. Items under \$3,000 are awarded by the Director of Central Services after solicitation of three verbal quotations.

The Policy also provides for procurement in cases of emergency situations threatening public health, welfare and safety, subject to after the fact review of the basis of the emergency and the selection of the particular vendor to be placed in the purchasing file.

The 12-page Policy Document and 17-page Procedures Document cover topics such as:

- A) Organization and Authority
 - 1) Role of the City Council
 - 2) Role of the City Manager
 - 3) Role of the Director of Central Services
- B) Standards of Conduct
- C) Policy Amendment Procedures
- D) Bid specification preparation, bidding procedures, bid opening, bid awards, correction of bids
- E) Rules against subdivision to avoid sealed bid and Council award procedures
- F) Procurement of professional services

REVENUE POLICIES

The City will strive to maintain diversified, stable sources of revenues to protect essential service delivery from short-term fluctuations in any one source.

The City will maintain sound appraisal procedures and practices to reflect current property values.

The City will minimize the impact of property tax financing for city services by seeking alternative financing such as grants, user fees, and upgrading/enhancing the property tax base.

The City will project its annual revenues based on historical data, county, state and national economics and new statutes.

The City will finance essential City services that have a city-wide benefit from revenue sources generated from a broad base, such as property taxes and state shared revenues.

The City will review fee structures to charge the cost of service to the benefiting property owners and customers serviced, while being sensitive to the needs of low-income individuals.

The City will make all current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

GRANTS MANAGEMENT POLICY

The City has established Policies and Procedures to Administer and Manage Federal Grant Awards.

The Policies and Procedures include the requirements for the Grant Development, Application and Approval Process; Grant Program Implementation; Financial and Budgetary Compliance; Recordkeeping; Allowable and Unallowable Costs; Cash Management; Davis-Bacon Act Compliance; Grant Eligibility; Equipment and Real Property Management; Grant Matching, Level of Effort and Earmarking; Period of Availability; Procurement and Vendor Suspension and Debarment; Program Income; Real Property Relocation and Acquisition; Grant Reporting; Record Retention and Access; and Sub-recipient Monitoring

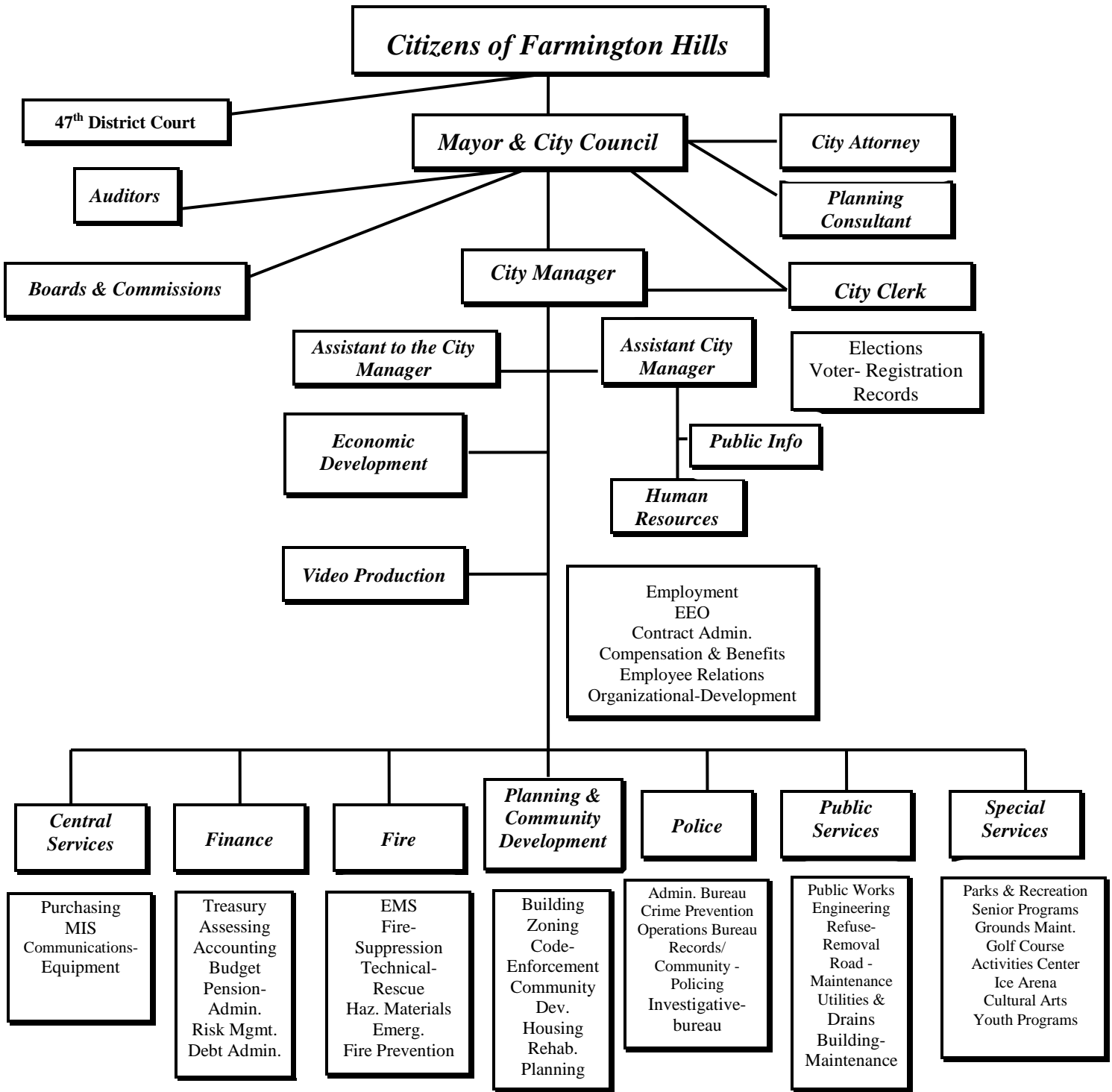
FINANCIAL POLICY BENCHMARKS

<u>Financial Policy Benchmarks</u>	<u>Status</u>
<p><u>Fund Balance</u> Unassigned General Fund – fund balance = 15% - 25% of General Fund Expenditures + Transfers-out.</p>	<p><u>Fund Balance</u> Unassigned General Fund - fund balance = 27% of Expenditures + Transfers-out (FY 2014/15 audit).</p>
<p><u>Accounting, Auditing, Financial Reporting Policy</u> Produce Comprehensive Annual Financial Report (CAFR) in accordance with GAAP.</p>	<p><u>Accounting, Auditing, Financial Reporting Policy</u> Received the GFOA Certificate of Achievement of Excellence in Financial Reporting for the City’s FY 2014/15 CAFR, which was the 17th consecutive year the City received this award.</p>
<p><u>Revenue Policy</u> Maintain a diversified and stable taxable revenue base.</p>	<p><u>Revenue Policy</u> 2016 Taxable Value base comprised of: Residential 70% Non residential 30%</p>
<p>Maintain sound appraisal procedures and practices to reflect accurate property rates.</p>	<p>Equalization factor of 1.</p>
<p><u>Investment Policy</u> Analyze market conditions to maximize yields while maintaining the integrity and safety of principal.</p>	<p><u>Investment Policy</u> The City’s average rate of return on investments routinely exceeds the benchmark 3-month Treasury Bill Rate and the Fed Funds Rate.</p>
<p><u>Debt Policy</u> Maturity of bond issues will not exceed useful life of capital improvements they finance.</p>	<p><u>Debt Policy</u> No bond issue has a maturity schedule beyond 25 years.</p>
<p>Maintain a sound relationship with major bond rating agencies and an investment grade bond rating.</p>	<p>Moody’s rating: Aa1 Standard & Poors rating: AAA</p>

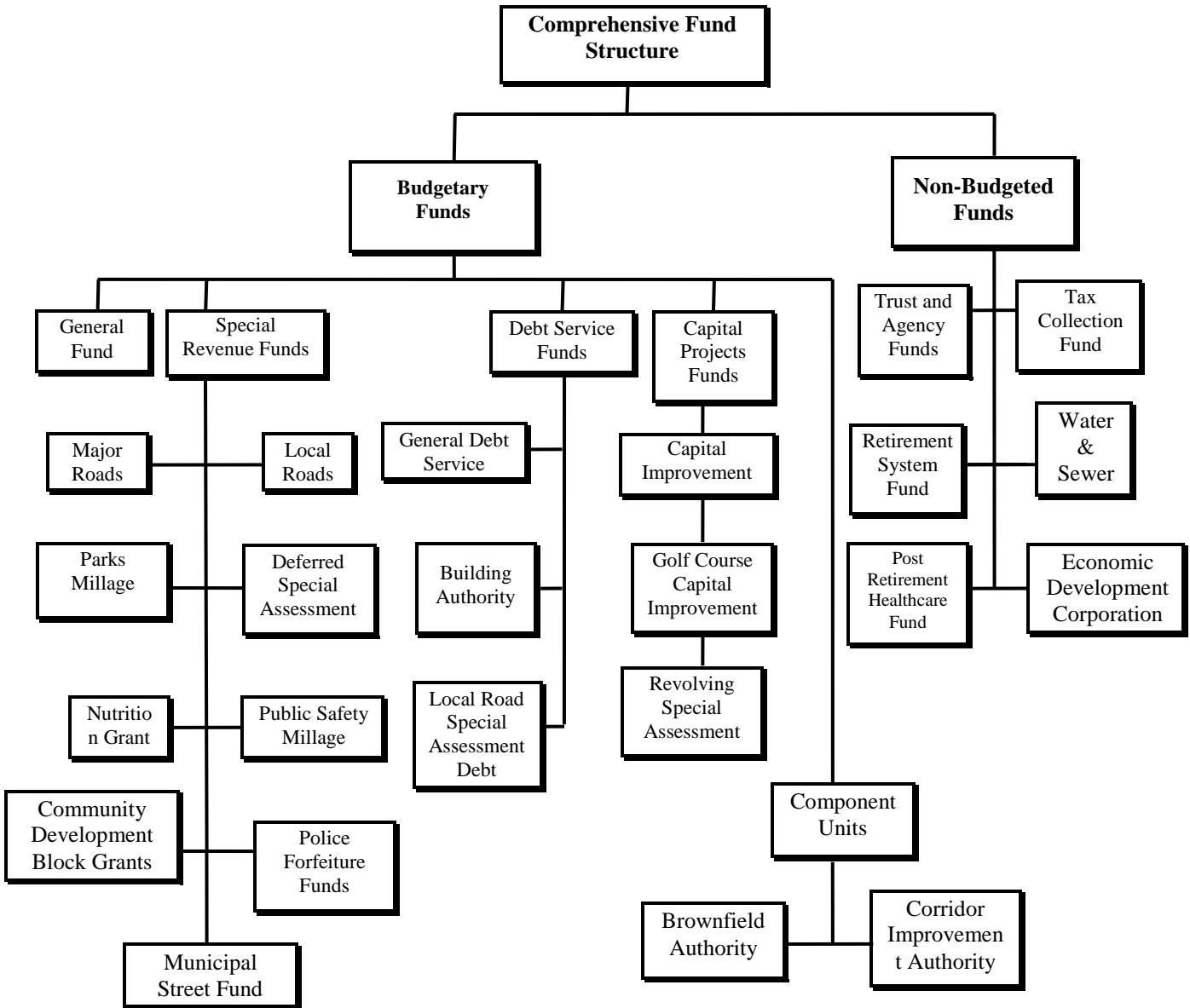
FINANCIAL POLICY BENCHMARKS (Continued)

<u>Financial Policy Benchmarks</u>	<u>Status</u>
<p><u>Capital Improvement Policy</u> Maintain long range pre-planning of capital improvements and infrastructure.</p>	<p><u>Capital Improvement Policy</u> The Planning Commission annually prepares a six-year Capital Improvement Plan.</p>
<p>Implement annually capital improvements in accordance with an adopted six-year capital improvement program within revenue restraints.</p>	<p>Capital Improvements budgeted in FY 16/17: Drainage: \$ 1,777,500 Sidewalks: \$ 177,000 Equipment: \$ 3,194,000 Public Facilities \$ 1,705,000</p>
<p><u>Financial Policy</u> Place emphasis on areas of long-term importance such as, employee relations, automation, and technology improvements.</p>	<p><u>Financial Policy</u> Funding for City-wide technology ensures a reliable network and funding for employee development maintains positive employee relations.</p>
<p>Produce a budget document that is a policy tool, a public information document, a financial control mechanism and a management tool.</p>	<p>Received the GFOA “Distinguished” Budget Presentation award for FY 2015/16, which is the 30th consecutive year the City has received this award.</p>
<p>Integrate performance measurement and productivity indicators in the budget.</p>	<p>Continue to update budget document with performance measures including output and efficiency.</p>
<p>All budgetary funds must be balanced.</p>	<p>The budget is balanced – estimated revenue and available fund balance are equal to or greater than estimated expenditures.</p>
<p>Maintain adequate level of funding for employee retirement systems.</p>	<p>FY 2014/15 Funded Ratio: Retirement System- 86% funded Post-Retirement Healthcare Fund- 88% funded</p>
<p>Enhance the property tax base.</p>	<p>2015 Community investment: Residential: 22 new units valued at \$6.8 million. \$16.2 million in improvements / additions to existing units. Commercial New, Additions & Improvements: \$38.4 million.</p>

CITY OF FARMINGTON HILLS



CITY OF FARMINGTON HILLS FINANCIAL ORGANIZATION STRUCTURE



Descriptions for each Budgeted Fund are contained behind each Fund category tab.

FULL-TIME EMPLOYEE STATISTICS

Department/Function	FY 13-14	FY 14-15	FY 15-16	FY 2016-2017		
	Full Time	Full Time	Full Time	Full Time	Part Time FTE*	Total
General Fund:						
City Administration	5	5	5	5	1.00	6.00
Public Information	4	4	4	4	2.10	6.10
Finance	18	19	19	19	1.00	20.00
City Clerk	6	6	6	6	0.35	6.35
Human Resources	4	4	4	4	0.14	4.14
Central Services	9	9	9	9	0.40	9.40
Police	140	141	142	142	11.79	153.79
Fire	51	51	51	55	36.70	91.70
Planning & Community Development	18	18	19	19	0.04	19.04
Public Services -						
Administration	4	4	4	4	0.00	4.00
Road Maintenance	19	20	20	20	6.92	26.92
Building Maintenance	4	4	4	4	0.00	4.00
Engineering	13	13	13	13	2.39	15.39
D.P.W. Garage	10	11	12	12	1.00	13.00
Waste Collection/Recycling	1	1	1	1	0.00	1.00
Special Services -						
Administration	11	11	11	11	9.55	20.55
Youth and Families	1	1	1	1	8.73	9.73
Senior Adults	5	5	5	5	21.13	26.13
Parks	9	9	9	9	16.70	25.70
Cultural Arts	2	2	2	2	1.47	3.47
Golf Course	2	2	2	2	11.46	13.46
Recreation	0	0	0	0	11.69	11.69
Ice Arena	3	3	3	3	10.16	13.16
TOTAL CITY	339	343	346	350	154.72	504.72

FULL TIME EMPLOYEE STATISTICS SUMMARY

	13-14	14-15	15-16	16-17
FULL TIME	339.00	343.00	346.00	350.00
FTE	154.15	155.72	158.92	154.72
TOTAL FULL TIME AND FTE	493.15	498.72	504.92	504.72

The number of full-time employees will increase by 4 in FY 2016/17, by adding four fire fighter positions in the Fire Department. However, part-time paid-on-call fire fighters are being reduced by 5.93 FTE's.

*FTE (Full Time Equivalent) Represents part-time employee hours divided by 2080.

TAX OVERVIEW

The most important decision made annually by City Council is the establishment of the fiscal year tax rate levy and the allocation of this rate among the property tax supported Funds. The Tax Rate Millage for FY 2016/17 and the last four fiscal years and the taxable value for FY 2016/17 are outlined below:

Advalorem Taxable Value (subject to City taxation)* = \$3,125,760,110
 IFT Taxable Value = \$1,036,930

Millage Type	Actual Tax Rate FY 2012/13	Actual Tax Rate FY 2013/14	Actual Tax Rate FY 2014/15	Actual Tax Rate FY 2015/16	Proposed Tax Rate FY 2016/17
Operations	6.6396	6.7084	6.5206	5.9466	5.8911
Capital	0.7467	0.6163	0.7986	1.5606	1.5978
Debt Service	0.5697	0.6313	0.6368	0.4488	0.4671
Total Charter Operating Millage**	7.9560	7.9560	7.9560	7.9560	7.9560
Refuse Removal	0.7138	0.7168	0.7436	0.7542	0.7169
Economic Development	0.0162	0.0164	0.0164	0.0160	0.0160
Voted Road Millage	0.0000	0.0000	0.0000	2.0000	1.9908
Voted Parks	0.4882	0.4882	0.4882	0.4882	0.4859
Voted Public Safety	3.1764	3.1764	3.1764	3.1764	3.1617
Total Voted Millage	3.6646	3.6646	3.6646	5.6646	5.6384
Total City Millage	12.3506	12.3538	12.3806	14.3908	14.3273

* Less Taxable Value on Renaissance Zone Property.

** Subject to Headlee Capped Charter Maximum of 8.3864 Mills.

2016 TAXABLE VALUE ANALYSIS BY CLASS

CLASS	2015 Taxable	Net New	Adjustment	2016 Taxable	% of Taxable Adjustment	% of Taxable Roll
COMMERCIAL	647,245,830	1,082,558	777,292	649,105,680	0.12%	20.76%
INDUSTRIAL	94,923,440	(179,350)	(1,431,490)	93,312,600	-1.51%	2.98%
RESIDENTIAL	2,140,673,280	5,528,341	35,145,339	2,181,346,960	1.64%	69.76%
REAL PROPERTY	2,882,842,550	6,431,549	34,491,141	2,923,765,240	1.20%	93.50%
PERSONAL	245,515,980	(31,113,060)	(11,103,140)	203,299,780	-4.52%	6.50%
GRAND TOTAL	3,128,358,530	(24,681,511)	23,388,001	3,127,065,020	0.75%	100.00%
GRAND TOTAL*	3,128,358,530	(24,681,511)	23,388,001	3,127,065,020	-0.04%	100.00%

* Including Net New.

ANALYSIS OF TAX SAVINGS FROM TAXABLE VALUE (T.V.) VERSUS S.E.V.*

	2016 S.E.V.	2016 TAXABLE	S.E.V. TO T.V. REDUCTION
COMMERCIAL	702,713,630	649,105,680	53,607,950
INDUSTRIAL	99,325,020	93,312,600	6,012,420
RESIDENTIAL	2,746,569,900	2,181,346,960	565,222,940
REAL PROPERTY	3,548,608,550	2,923,765,240	624,843,310
PERSONAL	203,299,030	203,299,780	(750)
GRAND TOTAL	3,751,907,580	3,127,065,020	624,842,560

Property taxpayer savings (using 2015 millage rates) are:

City Taxes at 14.3908 mills	\$ 8,991,984
Total Taxes at 45.2082 mills **	\$ 28,248,007

*S.E.V. - State Equalized Value (50% of Fair Market Value)

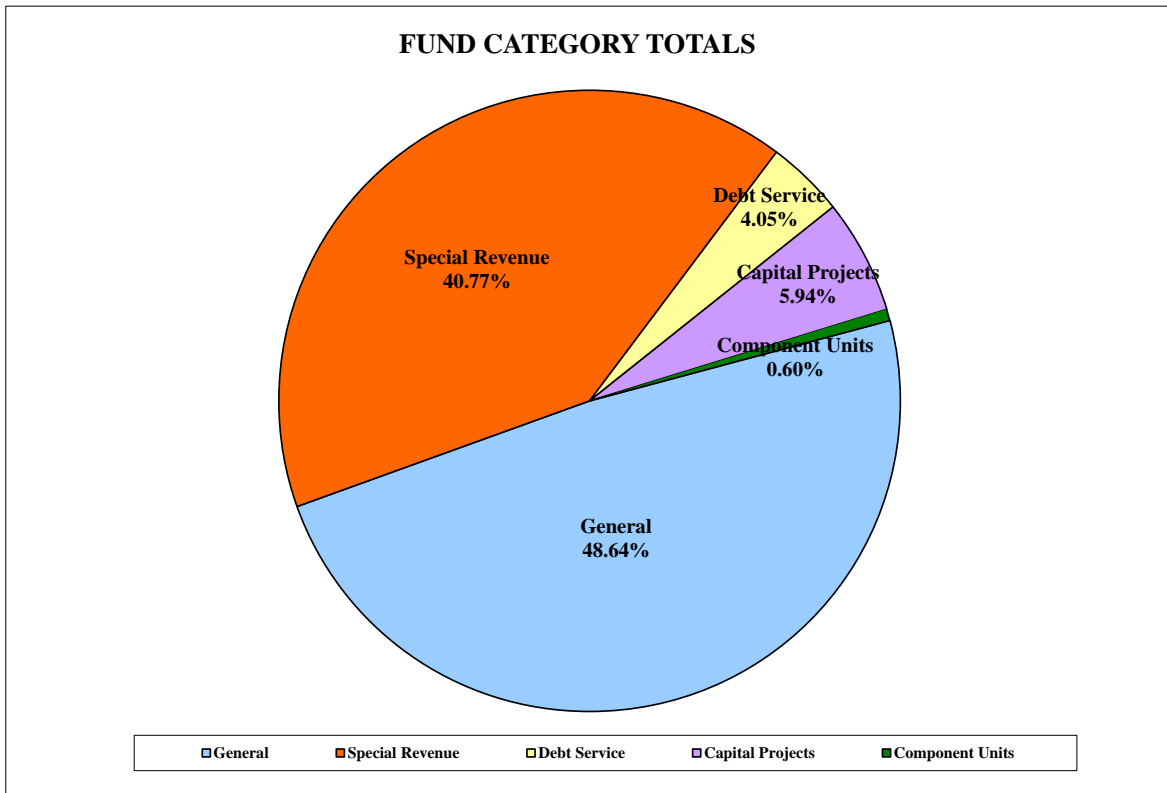
**2015 Farmington Schools Homestead tax rate

Pursuant to Michigan Law, property taxes are levied against Taxable Value, which is capped at the rate of inflation until the property is transferred. State Equalized Value represents 50% of market value and was the basis for the property tax levy until Proposal A was adopted in 1994.

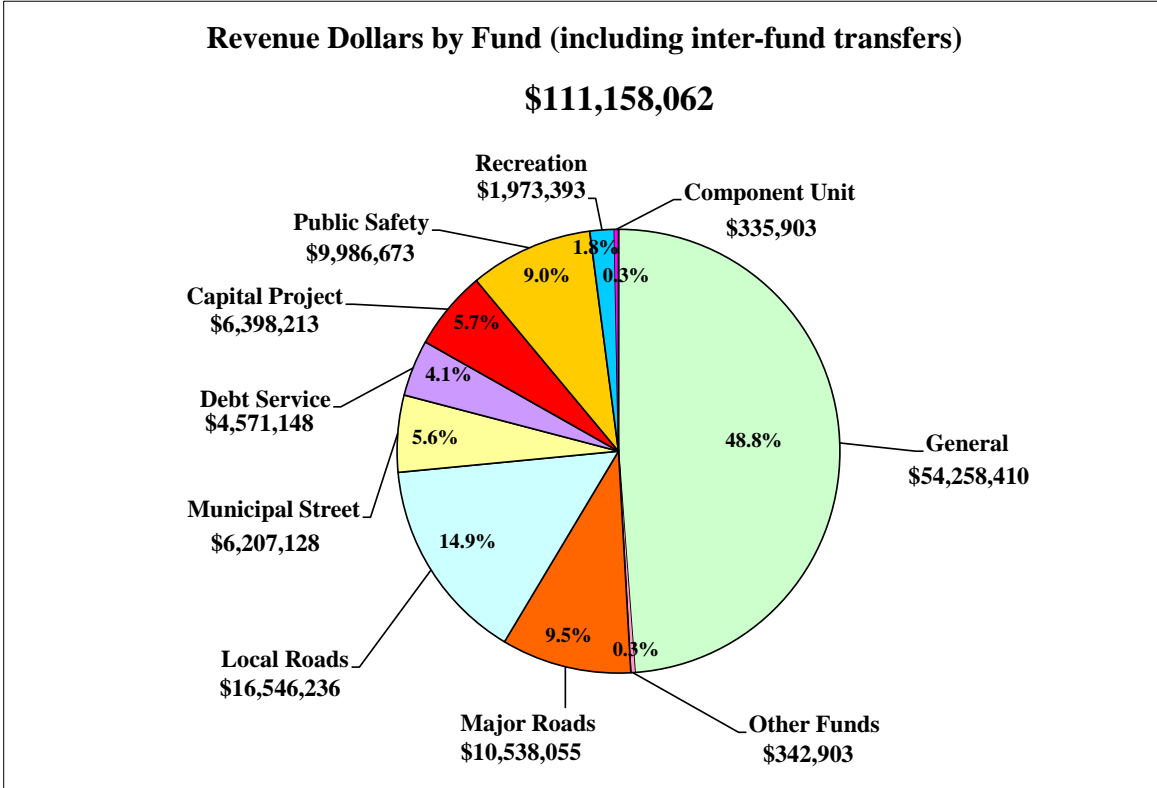
FUND OVERVIEW

The City’s General Fund accounts for 48.64% or \$56,730,011 of the total expenditure budget, including inter-fund transfers. City resources for the entire City’s operating departments are financed through the General Fund. The City Council has wide discretionary power over the financial resources attributable to this Fund. Detailed revenue and expenditures by Fund and revenue by source and expenditures by type are portrayed in schedules and graphs within this section as well as their percentage share of the total financial picture. The composition of the Fund category expenditures in the budget document including other financing uses (transfers out) are:

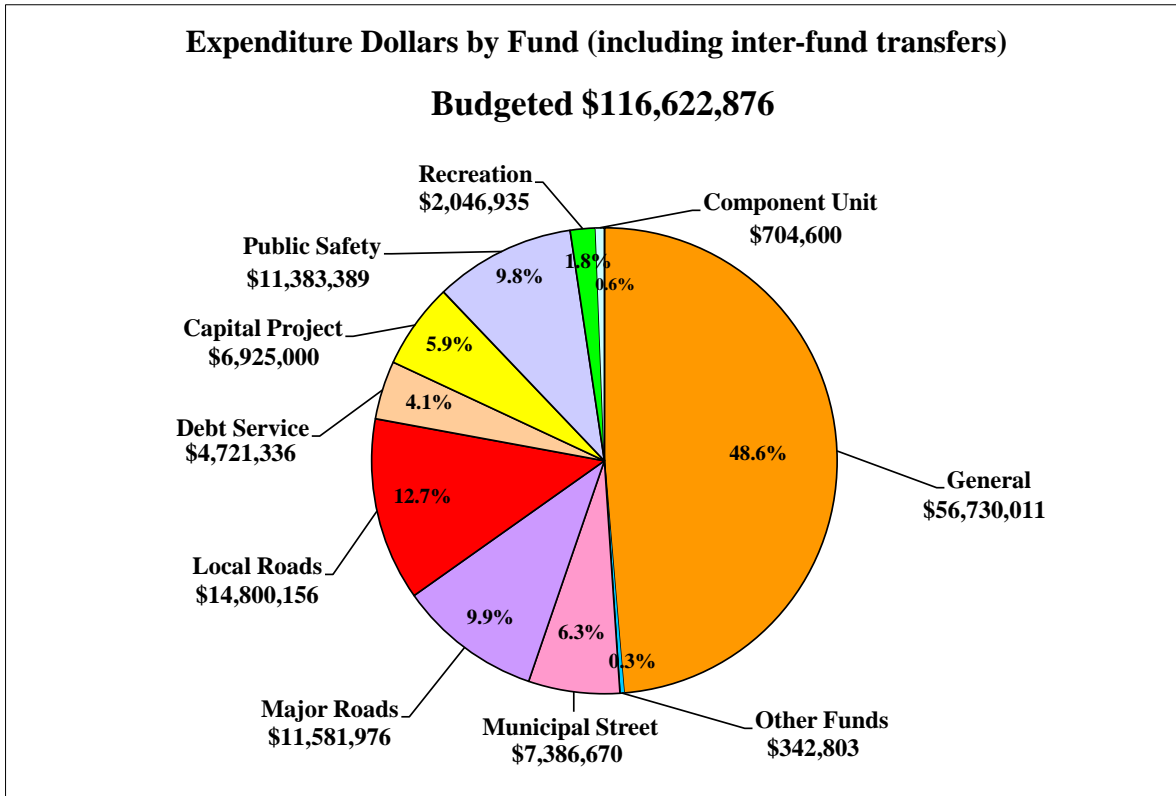
Fund Category	Budget	Percentage
General	\$56,730,011	48.64%
Special Revenue	47,541,929	40.77%
Debt Service	4,721,336	4.05%
Capital Projects	6,925,000	5.94%
Component Units	704,600	0.60%
Total	\$116,622,876	100.00%



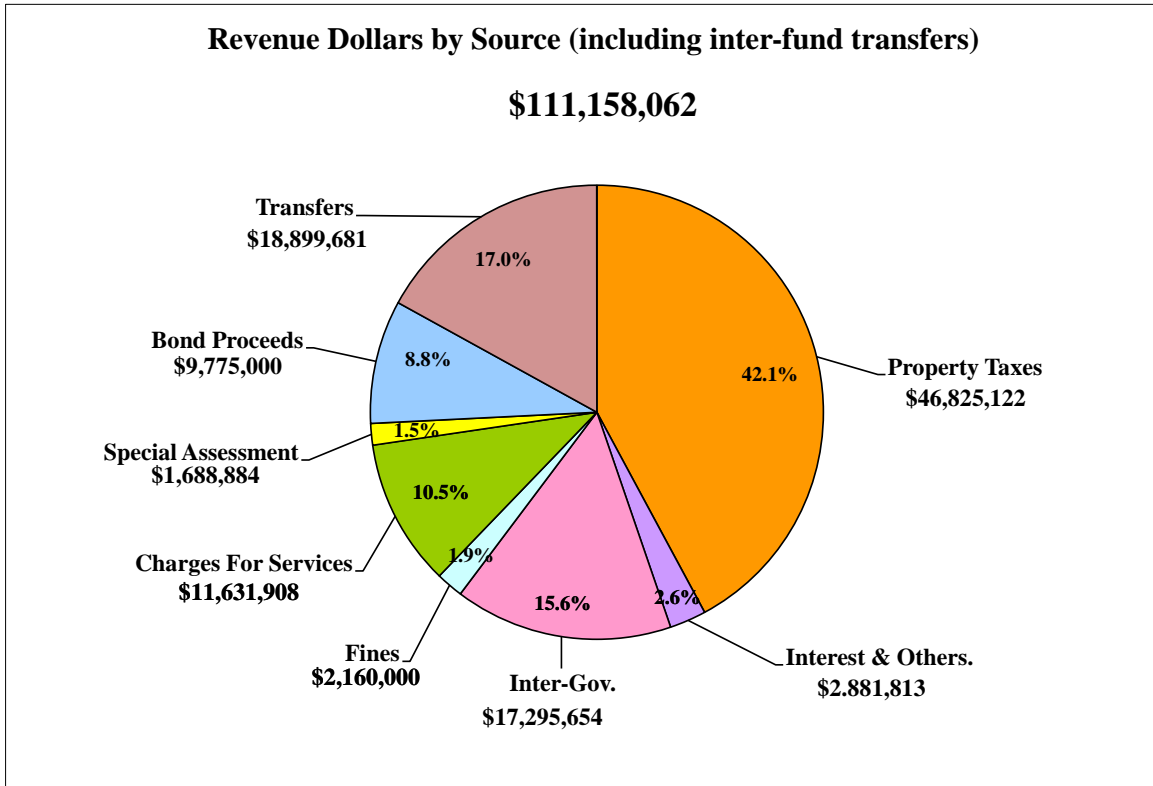
SUMMARY OF BUDGETARY FUNDS BY FUND TYPE FY 2016/17



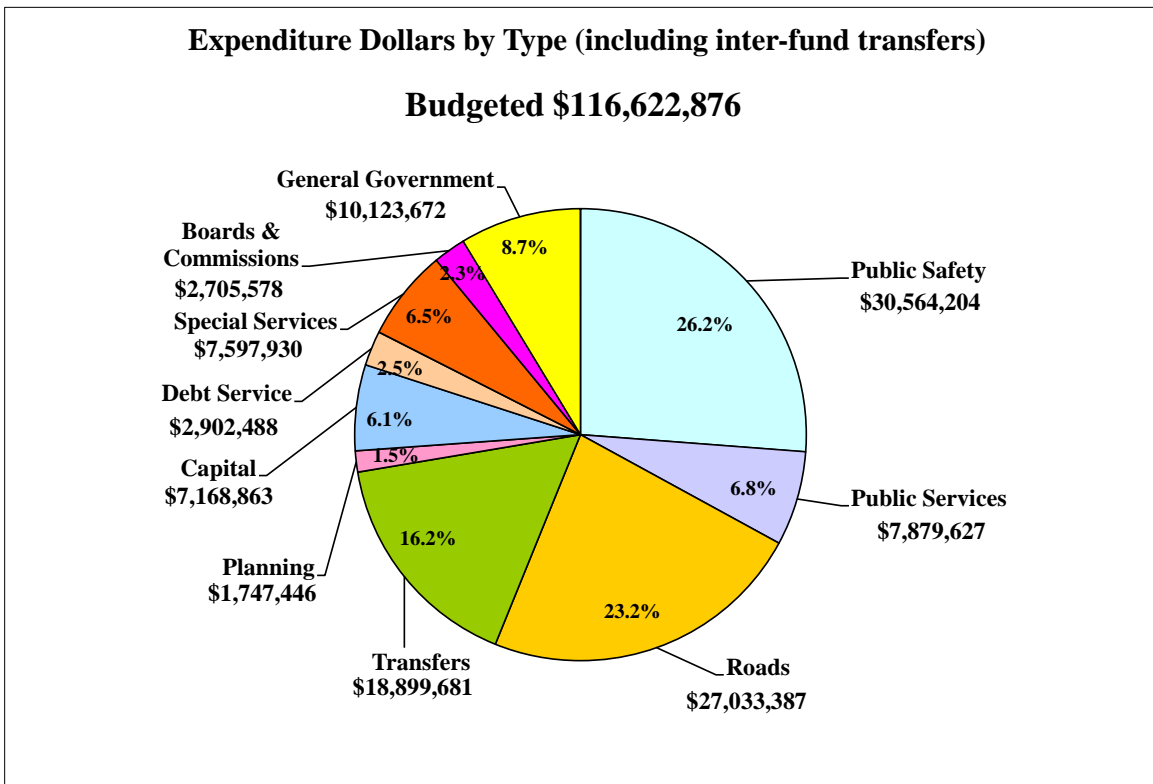
Variiances between revenue and expenditures are from Fund Balance.



**SUMMARY OF BUDGETARY FUNDS
BY REVENUE SOURCE AND EXPENDITURE TYPE
FY 2016/17**



**Variiances between revenue and expenditures are
from Fund Balances.**



CONSOLIDATED BUDGET SUMMARY
FISCAL YEAR ENDING 6/30/17

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Component Units	Total Funds
FUND BALANCE AT JULY 1, 2016	27,138,460	14,804,022	2,128,019	2,204,017	990,796	47,265,316
REVENUES						
Property Taxes	28,863,205	17,684,114	0	0	277,803	46,825,122
Intergovernmental	7,797,438	9,253,884	244,332	0	0	17,295,654
Charges for Service	11,631,908	0	0	0	0	11,631,908
Special Assessment	0	1,034,345	654,539	0	0	1,688,884
Interest Income	256,000	49,451	113,999	5,080	8,100	432,630
Fines and Forfeitures	2,160,000	0	0	0	0	2,160,000
Other/Miscellaneous	2,233,009	185,424	0	30,750	0	2,449,183
Total Revenues	52,941,560	28,207,218	1,012,870	35,830	285,903	82,483,381
EXPENDITURES						
Boards and Commissions	2,705,578	0	0	0	0	2,705,578
General Government	10,123,672	0	0	0	0	10,123,672
Public Safety	19,691,315	10,872,889	0	0	0	30,564,204
Planning, Commun. & Econ. Dev.	1,747,446	0	0	0	0	1,747,446
Public Services	7,879,627	0	0	0	0	7,879,627
Special Services	7,597,930	0	0	0	0	7,597,930
Highways and Streets	0	25,078,887	0	1,954,500	0	27,033,387
Land Acquisition, Capital Improvements and Other	0	1,492,888	10,875	4,969,500	695,600	7,168,863
Debt Service Principal	0	0	2,207,336	0	0	2,207,336
Debt Service Interest	0	0	695,152	0	0	695,152
Total Expenditures	49,745,568	37,444,664	2,913,363	6,924,000	695,600	97,723,195
Revenues over/(under) Expenditures	3,195,992	(9,237,446)	(1,900,493)	(6,888,170)	(409,697)	(15,239,814)
OTHER FINANCING SOURCES AND USES						
Proceeds from Bond Sale	0	9,775,000	0	0	0	9,775,000
Transfers In	1,316,850	7,612,170	3,558,278	6,362,383	50,000	18,899,681
Transfers Out	(6,984,443)	(10,097,265)	(1,807,973)	(1,000)	(9,000)	(18,899,681)
Total	(5,667,593)	7,289,905	1,750,305	6,361,383	41,000	9,775,000
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(2,471,601)	(1,947,541)	(150,188)	(526,787)	(368,697)	(5,464,814)
FUND BALANCE AT JUNE 30, 2017	24,666,859	12,856,481	1,977,831	1,677,230	622,099	41,800,502

<h2 style="margin: 0;">Schedule of Interfund Transfers</h2> <h3 style="margin: 0;">FY 2016/17</h3>
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Fund Transfer From	Fund Transfer To	Amount
General Fund	Capital Improvement Fund	5,444,400 (3)
	Golf Course Capital Improvement Fund	29,952 (3)
	General Debt Service Fund	1,460,091 (2)
	Corridor Improvement Authority Fund	50,000 (1)
	Total General Fund	6,984,443
Municipal Street Fund	Major Roads Fund	3,693,085 (3)
	Local Roads Fund	3,693,085 (3)
	Total Municipal Street Fund	7,386,170
Major Roads Fund	Local Roads Fund	225,000 (4)
Local Roads Fund	Special Assessment Revolving Fund	179,858 (5)
	Local Road Special Assessment Debt Fund	818,437 (2)
	General Debt Service Fund	79,950 (2)
	Total Local Roads Fund	1,078,245
Special Assessment Revolving Fund	Local Roads Fund	1,000 (3)
Local Road Special Assessment Fund	Special Assessment Revolving Fund	608,173 (5)
Parks Millage Fund	General Fund	1,307,850 (1)
Community Development Block Grant Fund	Capital Improvement Fund	100,000 (3)
General Debt Service Fund	Building Authority Fund	1,199,800 (2)
Brownfield Redevelopment Authority Fund	General Fund	9,000 (1)
	Total Interfund Transfers	18,899,681

- (1) Transfer of discretionary funds to be used for the benefit of the community.
- (2) Transfer for debt service payments.
- (3) Transfer for Capital improvements.
- (4) Allowable transfer under Act 51.
- (5) Transfer to repay interfund loan.

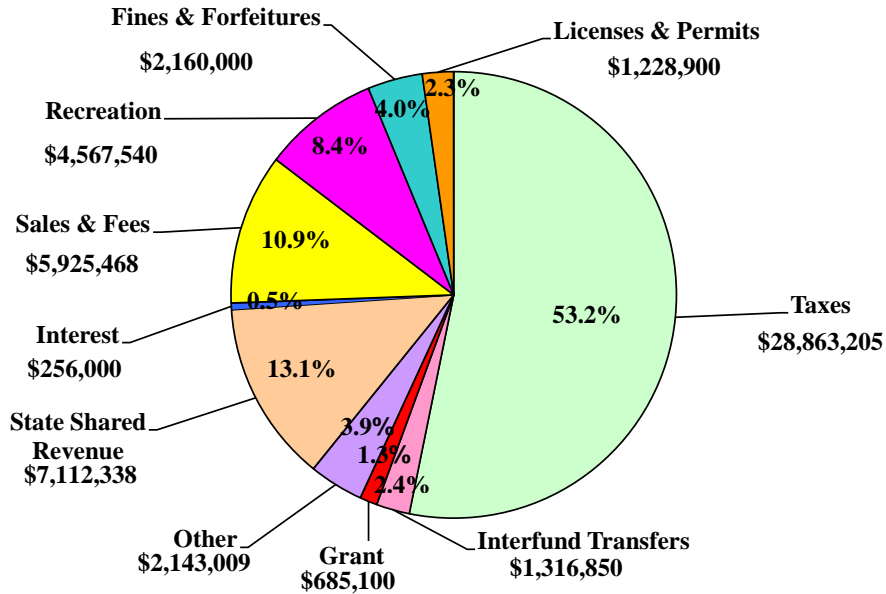
GENERAL FUND

The City's General Fund contains the budgetary and financial controls for all the City's activities and functions which are not accounted for in other specialized funds, which contain restrictions on the usage of the Fund's assets, mandated by City Charter, State Statute or bond covenants. This Fund contains budgets for all the Operating Departments of the City. A vast variety of revenues such as general property taxes, license fees, court revenues, permits, recreation user charges, investment income, service fees, State Shared Revenues and grants provide the economic resources for the operation of this Fund. City Council has broad discretionary powers over the utilization of financial resources of the General Fund.

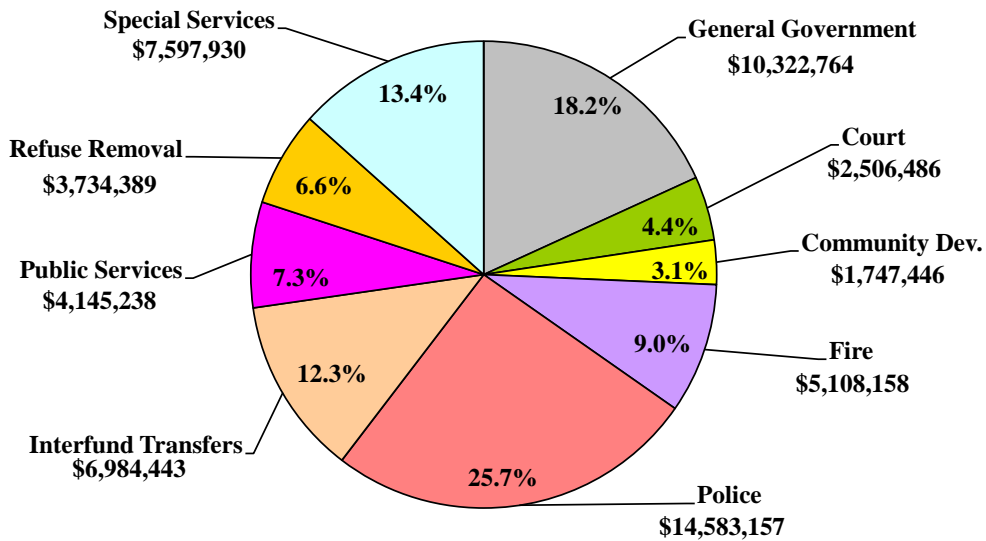


GENERAL FUND FY 2016/17

**Total General Fund Revenue and Transfers In
Budgeted \$54,258,410**

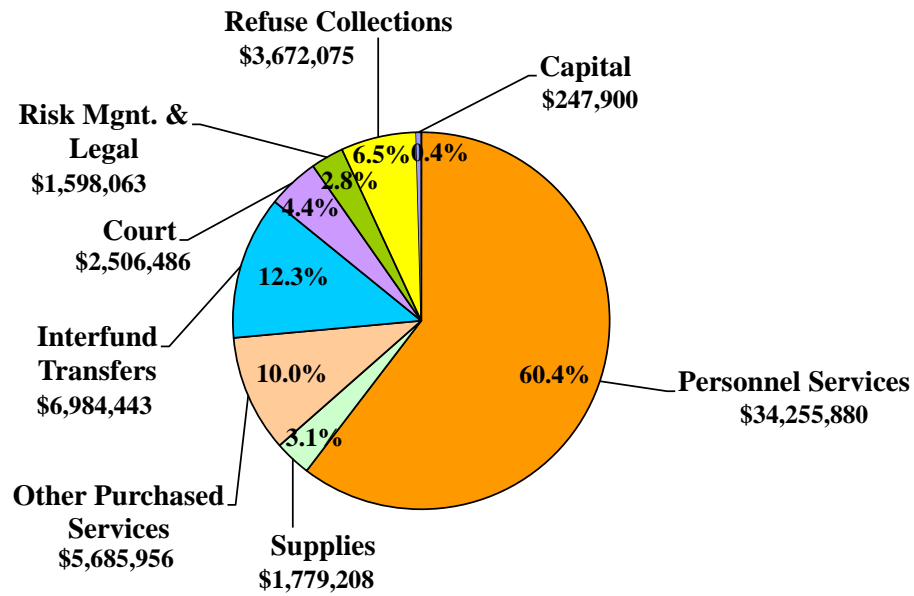


**Total General Fund Expenditures and Transfers Out
Budgeted \$56,730,011**



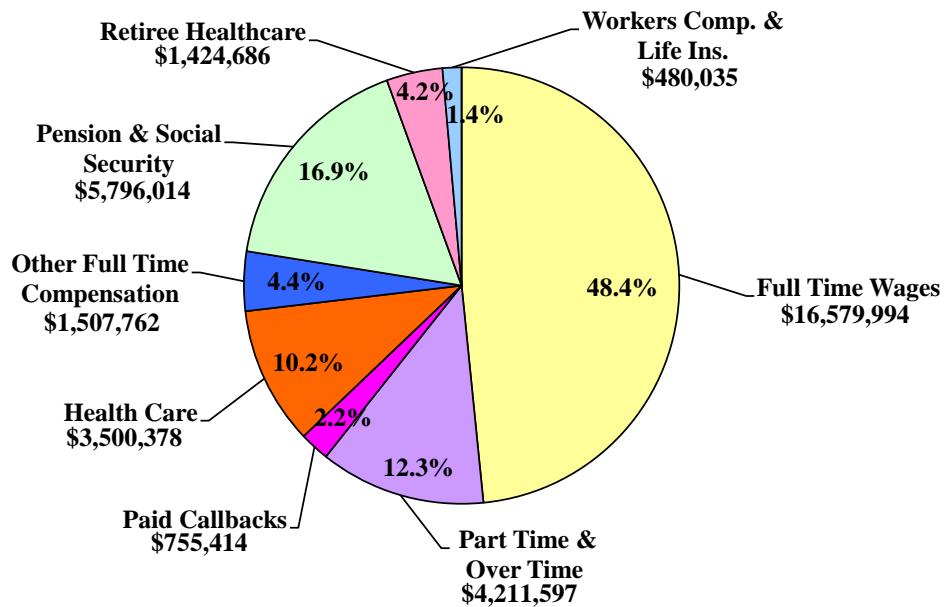
General Fund Expenditures by Classification

Budgeted \$56,730,011



General Fund Personnel Services

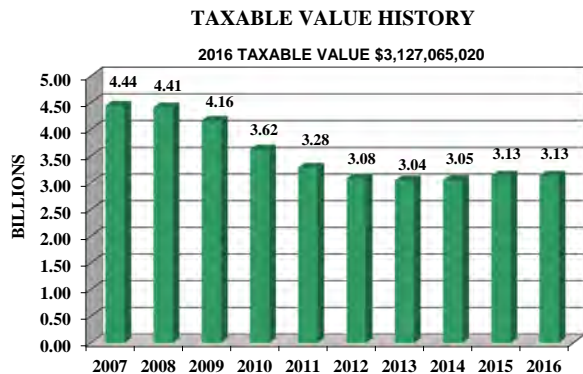
Budgeted \$34,255,880



GENERAL FUND REVENUE ANALYSIS

City Property Taxes

The Major Source of Revenue for the General, Municipal Street, Public Safety Millage, General Debt Service, Capital Improvement, Park Millage, and Brownfield Redevelopment Authority Funds is generated by City Property Taxes. These taxes are levied on both real and personal property within the community. Real property is categorized in three major classifications: residential, commercial, and industrial parcels.



With the implementation of a State Constitutional Amendment commonly known as “Proposal A” (approved by the State electorate in 1994), increases in Taxable Value of individual parcels are limited to the Consumer Price Index or 5%, whichever is lower. This applies to all parcels that do not transfer ownership. Properties which change ownership or where new additions or construction takes place can be assessed at 50% of Fair Market Value.

Property Taxes are the function of two variables: Taxable Value and Tax Rate. The Total Taxable Value (less Renaissance Zone) multiplied by the Tax Rate allocated to the General Fund will calculate the total property tax for the General Fund.

Property Taxes represent 53.2% of the General Fund Revenue, same as one year ago. The proposed General Operating Millage (\$1 per \$1,000 of Taxable Value) is 7.956, which covers operations, debt service and capital outlays. The Taxable Value of \$3,127,065,020 for FY 2016/17 was established on 12/31/15.

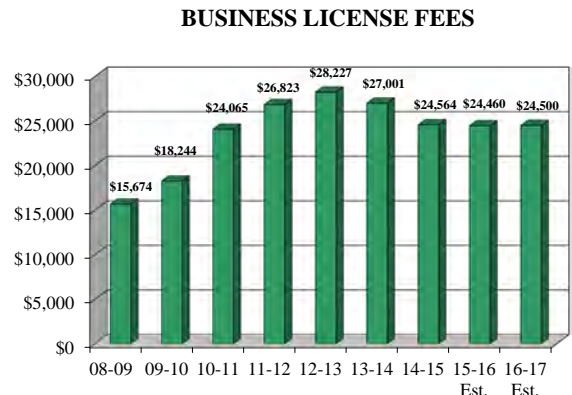
This category also consists of delinquent tax collections, penalties, interest, delinquent taxes, IFT Payments, and administration fees. Total General Fund property tax related revenues are projected at \$28,863,205 for FY 2016/17.

Real Property Taxes that are delinquent at March 1, 2017 will be sold to the County Treasurer. Therefore, real property taxes will be 100% collectable for cash flow purposes.

Business Licenses and Permits

Business licenses and permits are revenues derived from licenses issued to various classes of businesses conducting operations within the City boundaries.

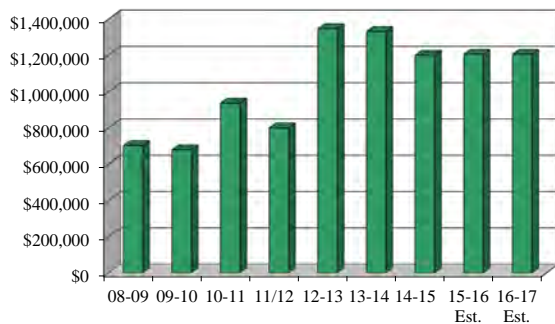
This category of revenue is projected at \$24,500 for FY 2016/17.



Other Licenses and Permits

This revenue source represents fees charged to owners and contractors for permits that allow the construction of new structures as well as improvements to existing structures. Mechanical permits such as heating/air conditioning, electrical, and plumbing are also included in this category. Revenue estimates for this classification are \$1,204,400 for FY 2016/17.

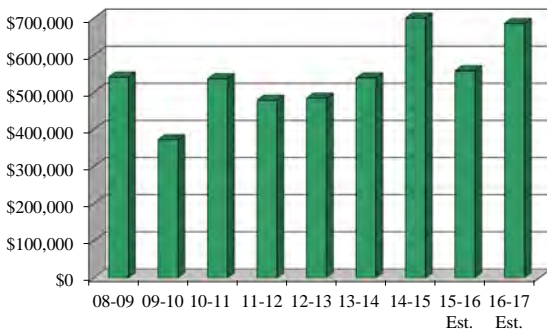
OTHER LICENSES AND PERMITS



Grants

Grant revenue is primarily based on a Suburban Mobility Authority for Regional Transportation (SMART) Grant, and Federal FEMA Safer Grant. Grant Revenue is estimated at \$685,100 for FY 2016/17.

GRANTS

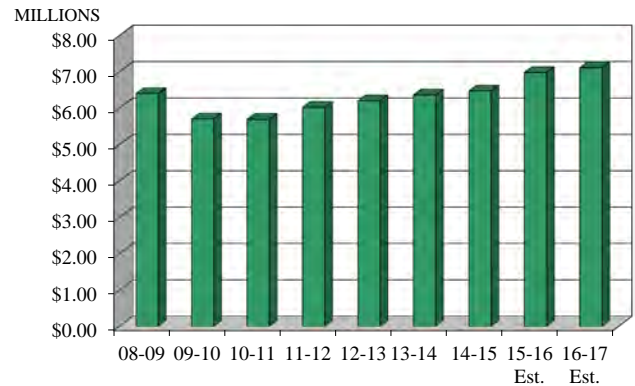


State Shared Revenues

A major source of revenue for the City is State levied and collected taxes on sales, which are shared with local units of government. The Michigan Constitution allocates a portion of the state sales tax to be distributed to local units on a per capita basis, using the last decennial census to determine population. The Legislature has allocated an additional portion of the sales tax to be distributed to the local units, based on taxable value per capita, unit type, population and yield equalization. This allocation is now based on compliance with the State's City, Village and Township Revenue Sharing (CVTRS) Program.

The FY 2016/17 revenues are based on the State's Budget estimates. This amount is projected to be \$7,112,338 or 13.1% of the General Fund Revenue Budget, up from 12.5% last year.

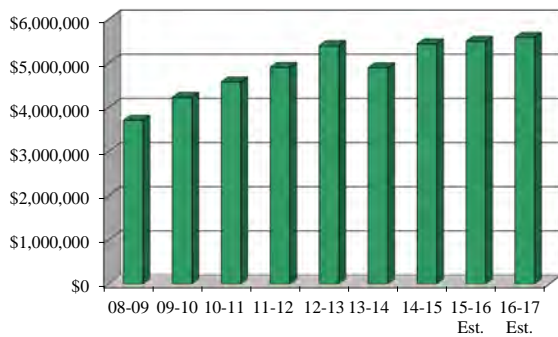
STATE SHARED REVENUES



Fees

Sources for these revenues are fees charged for various services provided by the City. This category accounts for \$5,581,500 of the General Fund Revenues. The largest revenue fee items in this group are \$1,750,000 for advance life support fees, \$1,500,000 for curbside recycling fees, and \$1,550,000 for Cable Franchise Fees. Other revenues are estimated on anticipated development and construction and past revenue trends.

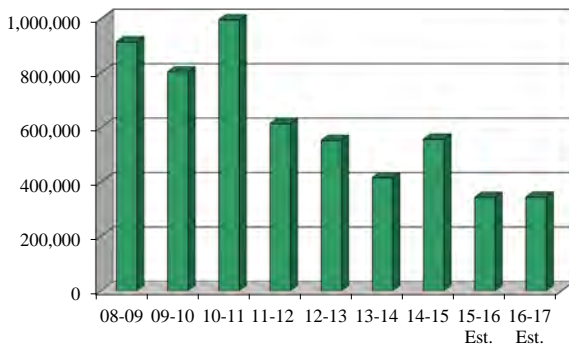
FEES



Sales

This category of revenue is generated by the sale of various products, fixed asset sales, vital statistics (birth and death records) and radio tower rentals for cellular antennas. This category of revenue accounts for \$343,968 of the FY 2016/17 General Fund Budget.

SALES

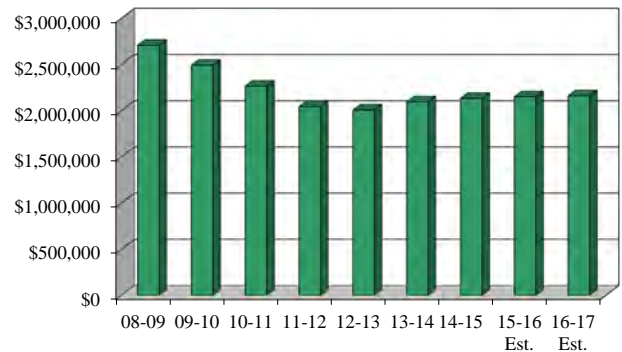


Fines and Forfeitures

These revenues are collected from the 47th District Court for fines levied on individuals, businesses, and/or corporations who have violated various State statutes, local ordinances or laws. A major portion of this activity is initiated by the Police Department for traffic violations.

These revenues are projected at \$2,160,000 for FY 2016/17 and comprise 4% of the General Fund Budget, about the same as the budget last year.

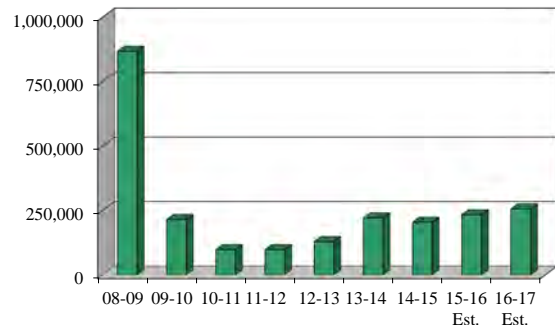
FINES AND FORFEITURES



Investment Income

Investment Income is revenue derived from investing funds, which are not needed for disbursement for goods and/or services until a later date. This investment or cash management program is anticipated to add \$256,000 to the City's revenue.

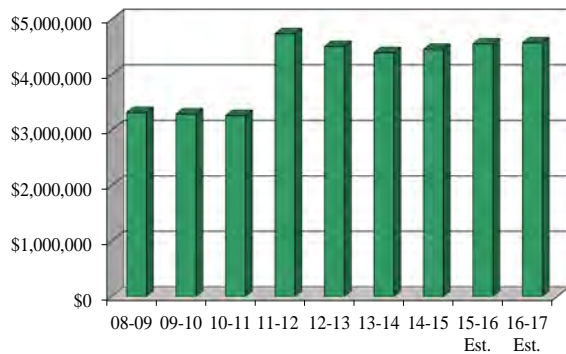
INVESTMENT INCOME



Recreation User Charges

This category includes fees for recreation, senior, and cultural programs conducted by the Parks and Recreation Department at the William M. Costick Center, Heritage and Founders Sports Park, Ice Arena and various school and recreational activity facilities throughout the community, including the City of Farmington. This group of revenue accounts for \$4,567,540 or 8.4% of the FY 2016/17 General Fund Revenue Budget.

RECREATION USER CHARGES

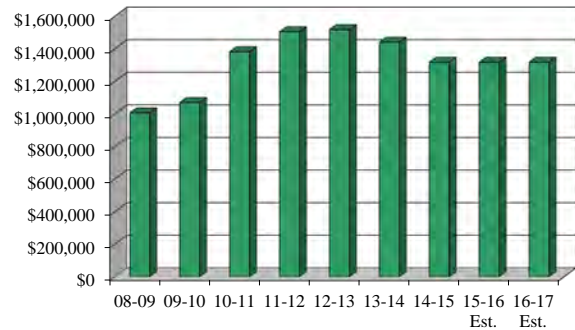


Contributions from Other Funds

This category represents the Parks Millage Fund, interfund transfers to assist in the funding of Special Service’s programs for park maintenance, recreation, seniors, youth, and cultural programs contained in the General Fund. This category also includes an appropriation from the Brownfield Redevelopment Authority Fund for administrative costs of the General Fund.

FY 2016/17 contributions will be \$1,361,850 or 2.4% of the General Fund Revenue Budget.

CONTRIBUTIONS FROM OTHER FUNDS



Other Revenue

This category includes the rental fees for the Road Funds use of DPS equipment, Bond/Insurance Recoveries and Distributions, as well as various refunds, reimbursements and contributions from other governments and agencies. The Other Revenue budget for FY 2016/17 is \$2,143,009.

GENERAL FUND SUMMARY

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Estimated	2016/17 Adopted
FUND BALANCE AT JULY 1					
Nonspendable, Restricted & Assigned	12,471,398	13,197,685	13,750,547	13,750,547	13,531,551
Unassigned	10,704,367	11,599,339	13,987,360	13,987,360	13,606,910
TOTAL FUND BALANCE	23,175,765	24,797,024	27,737,907	27,737,907	27,138,460
REVENUES					
Property Taxes	27,852,944	28,172,671	28,856,660	28,935,638	28,863,205
Business Licenses & Permits	27,001	24,564	23,419	24,460	24,500
Other Licenses & Permits	1,330,182	1,199,723	1,304,218	1,204,617	1,204,400
Grants	538,699	766,828	289,000	557,988	685,100
State Shared Revenues	6,355,651	6,460,457	6,766,512	6,980,744	7,112,338
Fees	4,893,497	5,432,753	5,075,421	5,492,852	5,581,500
Sales	414,701	556,602	482,776	342,414	343,968
Fines & Forfeitures	2,094,189	2,132,227	2,173,620	2,148,966	2,160,000
Interest Earnings	221,027	204,059	243,000	233,000	256,000
Recreation User Charges	4,390,936	4,450,083	4,493,455	4,549,151	4,567,540
Other Revenue	1,892,634	2,994,704	2,201,487	2,041,512	2,143,009
TOTAL OPERATING REVENUE	50,011,461	52,394,671	51,909,568	52,511,342	52,941,560
EXPENDITURES					
Boards & Commissions	2,519,107	2,637,879	2,708,301	2,658,483	2,705,578
General Government	11,065,342	9,449,511	10,131,172	9,839,862	10,123,672
Public Safety	17,498,574	18,372,150	19,193,035	19,129,998	19,691,315
Planning & Community Development	1,243,358	1,351,797	1,604,374	1,485,018	1,747,446
Public Services	6,826,297	7,294,453	8,032,894	7,815,168	7,879,627
Special Services	6,703,168	7,075,084	7,470,688	7,528,269	7,597,930
TOTAL EXPENDITURES	45,855,846	46,180,874	49,140,463	48,456,798	49,745,568
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	4,155,615	6,213,797	2,769,104	4,054,544	3,195,992
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	1,439,259	1,316,850	2,316,850	1,316,850	1,316,850
Operating Transfers Out	(3,973,615)	(4,589,764)	(6,347,055)	(5,970,841)	(6,984,443)
TOTAL OTHER FINANCING FINANCING SOURCES (USES)	(2,534,356)	(3,272,914)	(4,030,205)	(4,653,991)	(5,667,593)
EXCESS OF REVENUE AND FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	1,621,259	2,940,883	(1,261,101)	(599,447)	(2,471,601)
FUND BALANCE AS OF JUNE 30					
Nonspendable, Restricted & Assigned	13,197,685	13,750,547	11,527,050	13,531,551	10,484,356
Unassigned	11,599,339	13,987,360	14,949,756	13,606,910	14,182,503
TOTAL FUND BALANCE	24,797,024	27,737,907	26,476,806	27,138,460	24,666,859
Unassigned Fund Balance As Percent Of Expenditures	23.3%	27.6%	26.9%	25.0%	25.0%

General Fund Summary

	Actual	Actual	Budget	Estimate	Adopted
	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2016	June 30, 2017
<u>Nonspendable and Restricted Fund Balance</u>					
SWOCC Advance of Principal	566,247	367,669	161,150	161,150	0
Restricted	22,408	22,408	22,408	22,408	22,408
Prepays	430,407	471,832	234,922	234,922	234,922
Total Nonspendable and Restricted Fund Balance	<u>1,019,062</u>	<u>861,909</u>	<u>418,480</u>	<u>418,480</u>	<u>257,330</u>
<u>Assigned Fund Balance</u>					
Next Year's Budgeted Expenditures	1,091,242	1,124,364	1,000,000	1,781,601	1,000,000
Encumbrances Carried Forward	177,388	136,737	150,000	150,000	193,026
Future Inspections	300,000	200,000	200,000	200,000	200,000
Communications	200,000	200,000	200,000	200,000	200,000
Information Technology	500,000	650,000	250,000	500,000	0
Finance Software	0	0	400,000	400,000	0
Police Patrol Cars	400,000	400,000	400,000	400,000	0
Activities Center	455,000	355,000	355,000	355,000	205,000
Buses	400,000	400,000	400,000	400,000	0
Stormwater	500,000	1,000,000	500,000	5,000,000	0
Sidewalks & Bikepaths	500,000	500,000	500,000	500,000	0
Corridor Improvement Authority	1,000,000	920,000	750,000	0	0
Unfunded 1st Year CIP Projects	0	0	0	223,470	4,988,500
Police Training	3,570	2,537	3,570	3,000	3,000
Public Safety	4,801,423	5,000,000	5,000,000	0	0
Retirement System Contribution*	1,000,000	1,000,000	500,000	2,000,000	2,137,500
Retiree Healthcare System Contribution*	<u>850,000</u>	<u>1,000,000</u>	<u>500,000</u>	<u>1,000,000</u>	<u>1,300,000</u>
Total Assigned Fund Balance	<u>12,178,623</u>	<u>12,888,638</u>	<u>11,108,570</u>	<u>13,113,071</u>	<u>10,227,026</u>
Total Nonspendable, Restricted & Assigned Fund Balance	<u>13,197,685</u>	<u>13,750,547</u>	<u>11,527,050</u>	<u>13,531,551</u>	<u>10,484,356</u>

* Over and above the annual actuarial calculated contribution.

GENERAL FUND ESTIMATED REVENUE ANALYSIS

ACCT. NO.	DESCRIPTION	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Projection	2016/17 Budget
<u>PROPERTY TAXES</u>						
403	005 Current Operating Property Tax	24,134,034	24,070,417	24,681,782	24,653,434	24,698,019
	006 Current Refuse Removal Property Tax	2,162,484	2,247,974	2,339,744	2,337,056	2,225,491
	007 Economic Development Property Tax	49,421	49,537	49,637	49,580	49,669
	020 Delinquent Personal Property	57,913	55,927	60,000	57,000	57,000
	025 Interest & Penalty	263,772	329,330	267,000	300,000	298,000
	027 Transfer Affidavit Penalty Fee	17,725	24,290	22,600	24,225	24,500
	030 Payments in Lieu of Taxes	18,750	19,466	18,750	19,466	19,500
	031 IFT Payments	13,278	9,160	6,603	6,610	4,524
	032 Administration Fee	1,385,457	1,371,898	1,407,944	1,485,666	1,483,901
	035 Trailer Taxes	2,537	2,724	2,600	2,600	2,600
	036 MTT Payments/Adjustments	(252,427)	(15,755)	0	0	0
	Total Property Taxes	27,852,944	28,164,968	28,856,660	28,935,638	28,863,205
<u>BUSINESS LICENSES & PERMITS</u>						
451	025 Vendor Permits	7,371	6,519	5,100	6,500	6,500
	030 Business Licenses	3,125	3,450	3,570	3,500	3,500
	050 Landfill Permit	515	390	265	260	300
	055 Residential Builders Registration	15,990	14,205	14,484	14,200	14,200
	Total Business Licenses & Permits	27,001	24,564	23,419	24,460	24,500
<u>OTHER LICENSES & PERMITS</u>						
476	006 Fire Damage Reports	538	358	510	400	400
	009 Zoning Compliance Permit	3,865	2,610	3,264	3,000	3,000
	010 Building Permits	872,104	799,717	900,660	800,000	800,000
	015 Electrical Permits	135,244	132,525	122,400	130,000	130,000
	020 Heating Permits	158,200	138,800	156,060	140,000	140,000
	025 Plumbing Permits	102,692	70,515	83,640	70,000	70,000
	035 Over - Size / Weight Permits	950	1,000	1,020	1,000	1,000
	045 Cab Card Permits	6,600	6,700	4,896	6,500	6,500
	050 Dog Licenses	2,794	3,868	2,448	3,077	3,000
	060 Sidewalk R.O.W. Utility	12,270	10,145	7,043	10,000	10,000
	065 Residential Improvement & Engineering	28,400	4,400	17,952	10,000	10,000
	066 Residential Improvement Building	3,550	550	2,244	1,000	1,000
	069 Rental Unit Inspection Fee	0	27,300	143	28,140	28,000
	070 Soil Erosion & Sediment	2,975	1,235	1,938	1,500	1,500
	Total Other Licenses & Permits	1,330,182	1,199,723	1,304,218	1,204,617	1,204,400
<u>GRANTS</u>						
505	004 Federal FEMA Safer Grant	205,389	162,554	0	225,000	350,000
	005 Homeland Security Federal Grant	0	33,481	0	1,978	0
	029 SMART Grant Revenue	223,760	244,210	224,000	239,499	264,000
	032 Police Training Grant, P.A. 302	19,623	20,109	20,000	20,000	20,000
	045 Auto Theft Grant	48,894	71,526	34,000	35,258	35,300
	050 County Grants	11,783	22,506	11,000	11,253	11,300
	052 CGAP I.T. Grant	29,250	195,177	0	0	0
	053 Georgetown University Grant	0	17,265	0	0	0
	054 Miscellaneous Grant	0	0	0	3,000	0
	100 MMRMA Rap Grant	0	0	0	22,000	4,500
	Total Grants	538,699	766,828	289,000	557,988	685,100

Estimated Revenue Analysis

ACCT. NO.	DESCRIPTION	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Projection	2016/17 Budget
<u>STATE SHARED REVENUE</u>						
573	000 LCSSA Reimb. of Exempt Personal Property	0	7,703	0	292,583	423,338
	005 Income, Sales & Intangibles	6,317,081	6,421,273	6,727,162	6,649,836	6,650,000
	010 Liquor License Tax	38,570	39,184	39,350	38,325	39,000
	Total State Shared Revenue	6,355,651	6,468,160	6,766,512	6,980,744	7,112,338
<u>FEES</u>						
607	030 Police Accident Reports	34,665	40,205	34,680	35,000	35,000
	031 Police Services	45,619	45,144	36,720	45,000	45,000
	032 Franklin Lockup Service Fees	0	1,400	408	800	700
	035 Miscellaneous Police Fees	62,190	66,501	52,020	55,000	55,000
	036 False Alarms	47,160	58,180	44,814	45,000	45,000
	037 Liquor License Processing	11,850	10,500	9,180	10,000	10,000
	038 Fire Department Cost Recovery	1,089	7,437	3,000	1,500	1,500
	039 Fire Inspection	82,327	83,753	65,280	80,000	80,000
	040 Weed Cutting	10,795	8,980	11,220	9,000	9,000
	041 Advance Life Support Fees	1,438,459	1,699,324	1,596,300	1,700,000	1,750,000
	042 Animal Appeal Hearing	1,750	750	918	1,100	800
	045 Planning Commission	26,281	43,200	22,670	50,463	40,000
	048 IFT Application Fees	600	0	612	0	0
	055 Zoning Board	11,476	8,571	7,466	7,500	7,500
	060 Board Up Fees	1,590	0	0	250	0
	065 Zoning Site Plan Review	2,720	3,810	2,652	15,580	4,000
	070 Engineering Site Plan Review	48,184	53,731	36,720	118,494	98,000
	076 In-House Engineering Fees	119,933	277,059	122,400	312,865	300,000
	082 S.A.D. Engineering Fees	148,948	45,865	243,872	50,000	50,000
	083 Revenues Cable TV	1,319,516	1,494,393	1,346,400	1,500,000	1,550,000
	084 SWOCC Contribution	8,316	8,316	8,482	6,237	0
	085 Recycling Fees	1,470,029	1,475,634	1,429,607	1,449,063	1,500,000
	Total Fees	4,893,497	5,432,753	5,075,421	5,492,852	5,581,500
<u>SALES</u>						
642	005 Maps & Publications	200	142	204	150	150
	008 General forfeiture - Adjudicated	0	35,205	0	0	0
	009 Franklin Dispatch	50,458	50,458	51,467	50,458	50,458
	010 Auctions	7,258	3,396	7,446	9,271	9,300
	013 Permits Expired - Uncompleted	21,204	69,050	25,500	25,000	25,000
	014 Donations	100	5,040	500	3,133	3,200
	015 Miscellaneous Income	63,119	65,953	153,000	60,000	60,000
	016 Excess Nutrition Funds	55,035	0	56,100	0	0
	019 Health Care Co-Pay	0	60	522	773	800
	020 Vital Statistics	88,718	96,028	84,660	85,000	85,000
	021 Passport Fees	12,450	21,800	12,597	15,000	15,000
	025 Fixed Asset Sales	19,327	144,410	25,000	28,319	30,000
	055 Building Demolition	12,639	0	0	250	0
	056 Rental Income (Radio Tower)	63,908	64,560	65,280	64,560	64,560
	057 Phone Franchise Fees	1,000	500	500	500	500
	Total Sales	414,701	556,602	482,776	342,414	343,968

Estimated Revenue Analysis

ACCT. NO.	DESCRIPTION	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Projection	2016/17 Budget
<u>FINES & FORFEITURES</u>						
655	001 Court Judgement Fees	200,210	188,395	204,000	224,000	225,000
	002 Court Filing Fees	677,740	724,706	674,220	779,000	780,000
	003 Probation Fees	178,240	244,129	191,760	300,000	300,000
	004 PSI District Court	32,973	33,290	31,620	25,000	25,000
	005 Ordinance Fines	922,392	888,670	959,820	761,000	765,000
	007 Motor Carrier Enforcement Fines	32,138	7,096	69,360	18,000	20,000
	015 Parking Fines	38,388	29,744	28,560	28,000	30,000
	025 Bond Forfeitures	12,108	16,197	14,280	13,966	15,000
	Total Fines & Forfeitures	2,094,189	2,132,227	2,173,620	2,148,966	2,160,000
<u>INTEREST EARNINGS</u>						
664	005 Interest Income	221,027	204,059	243,000	233,000	256,000
<u>INTERFUND TRANSFERS</u>						
676	201 Municipal Street Fund	0	0	1,000,000	0	0
	243 Brownfield Authority Fund Admin.	9,000	9,000	9,000	9,000	9,000
	410 Parks Millage - Park Maint & Admin.	382,450	382,450	382,450	382,450	382,450
	Parks Millage - Naturalist	75,400	75,400	75,400	75,400	75,400
	Parks Millage - Youth	150,000	150,000	150,000	150,000	150,000
	Parks Millage - Activities Center Programs	500,000	400,000	400,000	400,000	400,000
	Parks Millage - Facility/Programs	150,000	150,000	150,000	150,000	150,000
	Parks Millage - Cultural Arts	150,000	150,000	150,000	150,000	150,000
	Total Inter-Fund Transfers	1,439,259	1,316,850	2,316,850	1,316,850	1,316,850
695	015 Administration	405	25	12,900	23,886	10,900
	020 Youth & Family Contributions (incl. Farmington)	181,973	134,618	181,800	158,050	165,000
	201 Farmington Contributions	202,788	206,156	219,686	219,686	224,358
	027 Transportation Sponsorship	17,500	15,000	16,000	16,000	16,000
	028 Kroger Transportation	12,240	12,720	13,560	15,800	15,800
	029 Other Transportation Revenues	36,893	39,388	42,723	40,000	41,000
	030 Senior Revenues	121,327	117,925	123,422	126,200	129,200
	031 Mercy Meal Fees	608	0	0	0	0
	032 Senex Program Revenues	61,481	56,402	62,620	66,272	66,272
	033 Senior Trips	1,072	3,840	3,000	3,000	3,000
	034 Special Functions Revenues	10,393	15,373	10,209	13,500	13,500
	035 Grounds & Recreation	42,406	35,345	36,000	35,260	36,000
	041 Swimming	271,930	302,019	277,750	293,147	294,100
	044 Cultural Arts	315,636	316,161	326,935	333,885	327,330
	045 After School Recreation	23,701	21,718	24,660	18,418	18,500
	055 Day Camp	128,855	138,150	129,480	128,882	129,780
	057 Gym	47,524	42,642	38,290	32,024	32,920
	060 Classes	56,923	61,436	52,285	51,562	51,710
	065 Tennis	8,245	8,240	7,125	4,300	4,625
	070 Golf	6,165	4,580	4,940	3,745	3,990
	071 Junior Golf League	1,625	800	2,550	2,380	2,550
	075 Softball	9,125	12,600	10,100	11,555	11,875
	085 Safety Clinic	270	260	580	400	400
	105 Special Events	76,305	73,048	55,515	60,610	56,940
	110 Youth Soccer	52,611	44,886	50,700	45,961	46,300
	120 Youth Basketball	27,843	25,522	26,100	21,983	22,000
	170 Teen Programs	23,931	15,743	21,802	21,092	21,130
	202 Golf Course Revenues	916,756	915,741	965,560	965,560	960,000
	203 Farmington Hills Golf Club Concessions	2,500	4,000	10,000	10,000	10,000
	204 Farmington Hills Golf Club Reimbursement	7,500	0	0	0	0
	205 Travel Trips	0	96	0	0	0
	206 Driving Range Fees	168,503	189,128	170,700	185,105	185,000
	208 Adult Chorale	5,486	7,944	7,200	7,213	7,200

Estimated Revenue Analysis

ACCT. NO.	DESCRIPTION	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Projection	2016/17 Budget
212	Nature Study	50,953	67,781	51,938	45,184	63,775
213	Archery	0	0	0	50,000	55,000
216	Safety Town	8,790	8,823	8,400	9,778	10,800
218	Children's Travel	50,150	51,944	38,400	42,376	43,560
300	Activities Center Rent	111,841	113,685	130,000	120,865	123,500
301	Grant Center Rental	27,106	25,710	26,725	26,650	26,725
302	Longacre House Rental	112,684	95,944	115,800	120,663	118,800
303	Dog Park Revenue	9,350	10,340	11,250	11,785	11,250
408	Heritage Rental Fees	33,461	30,022	30,500	30,120	30,500
Ice 805	Youth Hockey Contract	628,894	719,239	650,000	685,000	685,000
807	Figure Skating Contract	14,797	13,440	15,000	15,000	15,000
809	Other Ice Contract Ice	75,186	86,225	70,000	80,000	80,000
812	Misc. Hourly - Figure Skating	84,851	87,661	80,000	85,000	85,000
822	Single Usage - Shift Hockey	16,869	9,094	15,000	10,000	10,000
824	Single Usage - Open Skate	15,352	11,975	15,000	15,000	15,000
826	Adult Hockey	61,954	48,681	79,600	45,600	45,600
830	Learn to Skate	63,895	67,781	60,000	65,000	65,000
831	Non-Ice Activities	9,288	9,016	10,000	10,000	10,000
840	Special Events - Ice Show	4,863	4,965	5,000	1,000	1,000
841	Ice Retail Sales	217	164	500	500	500
843	Ice Tax Exempt	64	32	50	54	50
844	Ice Food Sales	94,503	89,668	100,000	95,000	95,000
845	Ice Arena Vending Machine Revenue	4,750	4,480	5,000	5,000	5,000
846	Ice Arena Coin Locker Revenue	0	170	100	100	100
847	Ice Arena Video Game Revenue	0	52	0	0	0
848	Ice Arena Outside Concession	58,469	54,954	55,000	45,000	45,000
849	Ice Arena Room Rentals	2,503	2,869	3,000	3,000	3,000
850	Ice Arena Advertising	0	4,415	3,000	6,000	6,000
852	Ice Arena Pro-shop Lease	42	17	0	0	0
853	Ice Arena Skate Rental	9,584	9,430	10,000	10,000	10,000
	Total Recreation User Charges	4,390,936	4,450,083	4,493,455	4,549,151	4,567,540
	<u>OTHER REVENUE</u>					
696 000	Bond/Insurance Recoveries	248,688	998,748	400,000	400,000	500,000
001	Reimbursements	33,660	143,006	15,000	10,000	10,000
002	State Reimbursement for Elections	41,985	48,254	0	2,257	2,257
003	School Reimbursement for High School Officer	78,287	78,287	78,287	78,287	78,287
004	Rx Cost Recovery Rebate	60,365	42,647	60,000	62,775	45,000
005	Equipment Rental - Force Account	1,033,265	1,073,200	1,073,200	1,073,200	1,089,925
006	Farmington Refuse Removal Contribution	724	930	1,500	1,000	1,000
007	Refunds	19,542	1,314	20,000	10,000	10,000
008	O.C.C. Payroll Reimbursement	3,692	0	9,000	8,000	8,000
009	Federal Task Force Overtime Reimbursement	45,622	60,968	53,000	50,000	50,000
010	Sponsorship - Special Services	504	90,688	500	9,750	9,750
011	Traffic Improvement Asso. Bypass Reimbursement	14,795	18,201	19,000	19,000	19,000
012	Vending Machine Rebates	1,815	1,892	2,000	1,900	1,900
013	Fuel & Maintenance Reimbursement	10,358	5,461	10,000	4,593	7,140
014	Overhead Street Lighting Reimbursement	55,041	57,557	53,000	58,000	58,000
017	Contributions from Other Governments	11,941	22,500	3,000	1,500	1,500
018	Contribution for Dispatch Services	210,000	213,000	213,000	216,250	216,250
019	Contribution for I.T. Services	22,350	35,000	35,000	35,000	35,000
020	City of Farmington Insurance Contribution	0	103,042	156,000	0	0
	Total Other Revenue	1,892,634	2,994,695	2,201,487	2,041,512	2,143,009
	TOTAL OPERATING REVENUE	51,450,720	53,711,512	54,226,418	53,828,192	54,258,410

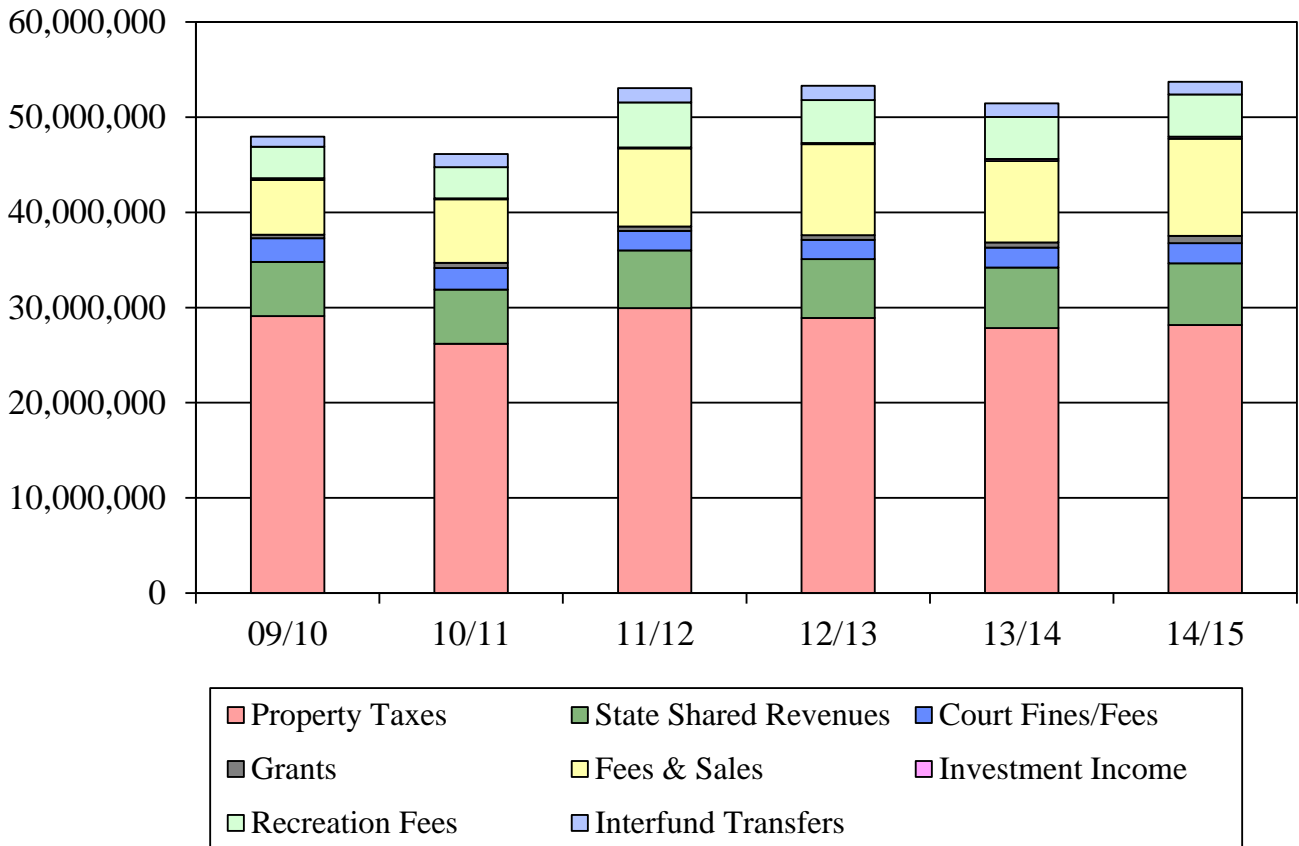
GENERAL FUND EXPENDITURE SUMMARY FY 2016/17

DIV. NO. Category and Line Item	2013/14 Actual Expenditures	2014/15 Actual Expenditures	2015/16 Current Budget	2015/16 Estimated Expenditures	2016/17 Proposed Budget	2016/17 Adopted Budget
115 Boards & Commissions	2,519,107	2,637,879	2,708,301	2,658,483	2,705,578	2,705,578
<u>GENERAL GOVERNMENT:</u>						
101 City Council	105,087	102,672	113,462	106,580	119,210	119,210
172 City Administration	642,187	689,003	733,254	655,379	739,637	739,637
175 Public Information	337,395	342,594	364,978	362,284	447,493	447,493
202 Finance	1,500,152	1,580,107	1,746,580	1,730,319	1,915,736	1,915,736
210 Corporation Counsel	565,676	569,892	607,475	601,600	616,500	616,500
215 City Clerk	581,886	659,117	631,574	636,661	678,177	678,177
226 Human Resources	410,781	368,503	375,091	377,726	386,283	386,283
250 Central Services	1,005,827	1,080,828	1,227,228	1,187,238	1,246,748	1,246,748
290 Support Services	1,415,501	1,024,780	1,983,734	1,834,280	1,611,700	1,611,700
298 Post Employment Benefits	4,500,851	3,032,015	2,347,795	2,347,795	2,362,187	2,362,187
TOTAL GENERAL GOVERNMENT	11,065,342	9,449,511	10,131,172	9,839,862	10,123,672	10,123,672
<u>PUBLIC SAFETY:</u>						
300 Police	13,592,112	14,154,931	14,725,851	14,415,118	14,583,157	14,583,157
337 Fire	3,906,462	4,217,219	4,467,184	4,714,880	5,108,158	5,108,158
TOTAL PUBLIC SAFETY	17,498,574	18,372,150	19,193,035	19,129,998	19,691,315	19,691,315
443 Planning, & Community Development	1,243,358	1,351,797	1,604,374	1,485,018	1,747,446	1,747,446
<u>PUBLIC SERVICES:</u>						
440 DPS Administration	360,778	363,267	456,664	419,321	476,213	476,213
442 Road Maint & Supervision	364,199	366,608	386,812	375,764	321,159	321,159
444 Building Maintenance	395,878	470,852	549,801	510,160	504,628	504,628
449 Engineering	1,068,313	1,111,796	1,313,742	1,193,692	1,267,270	1,267,270
450 DPW Maintenance Facility	1,089,147	1,205,270	1,545,937	1,473,290	1,575,968	1,575,968
523 Waste Removal	3,547,982	3,776,660	3,779,938	3,842,941	3,734,389	3,734,389
TOTAL PUBLIC SERVICES	6,826,297	7,294,453	8,032,894	7,815,168	7,879,627	7,879,627
<u>SPECIAL SERVICES:</u>						
752 Administration	1,730,859	1,815,156	1,873,982	1,929,278	1,910,960	1,910,960
760 Youth Services	361,186	384,166	383,836	376,011	392,074	392,074
765 Senior Services	785,431	831,309	881,903	877,898	907,618	907,618
770 Parks Maintenance	1,341,425	1,460,089	1,571,464	1,490,001	1,600,272	1,600,272
775 Cultural Arts	384,908	363,502	389,651	402,243	408,723	408,723
780 Golf Course	724,244	743,449	738,187	740,579	754,823	754,823
785 Recreation Programs	479,477	499,880	499,797	552,819	570,319	570,319
790 Ice Arena	895,638	977,532	1,131,868	1,159,441	1,053,141	1,053,141
TOTAL SPECIAL SERVICES	6,703,167	7,075,084	7,470,688	7,528,269	7,597,930	7,597,930
TOTAL EXPENDITURES	45,855,845	46,180,874	49,140,463	48,456,798	49,745,568	49,745,568
OTHER FINANCING USES						
299 Interfund Transfers	3,973,615	4,589,764	6,347,055	5,970,841	6,984,443	6,984,443
TOTAL EXPENDITURES AND OTHER FINANCING USES	49,829,460	50,770,638	55,487,518	54,427,639	56,730,011	56,730,011

**General Fund
Actual Revenues by Source
Fiscal 09/10 Through Fiscal 14/15**

Revenue Source	09/10	10/11	11/12	12/13	13/14	14/15
Property Taxes	29,096,212	26,193,182	29,937,954	28,896,910	27,852,944	28,164,968
State Shared Revenues	5,703,873	5,691,982	6,062,082	6,203,453	6,355,651	6,468,160
Court Fines/Fees	2,490,154	2,264,792	2,042,286	2,006,071	2,094,189	2,132,227
Grants	372,080	536,346	478,590	484,191	538,699	766,828
Fees & Sales	5,721,347	6,693,312	8,205,303	9,570,774	8,558,015	10,208,337
Investment Income	214,509	98,274	98,321	129,016	221,027	204,059
Recreation Fees	3,285,943	3,259,105	4,733,470	4,502,147	4,390,936	4,450,083
Interfund Transfers	1,069,400	1,381,570	1,503,517	1,516,850	1,439,259	1,316,850
Total Revenue	47,953,518	46,118,563	53,061,523	53,309,412	51,450,720	53,711,512

**General Fund
Revenues by Source**

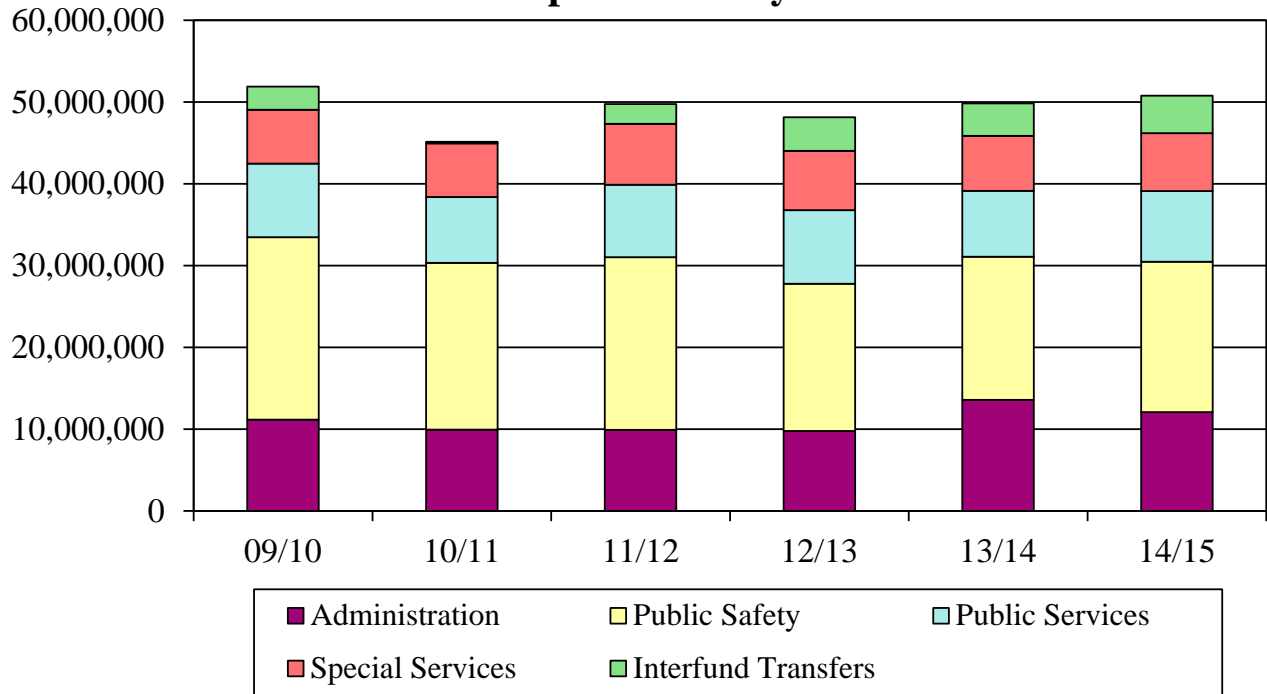


**General Fund
Actual Expenditures by Function
Fiscal 09/10 through 14/15**

Expenditure Function	09/10	10/11	11/12	12/13	13/14	14/15
Administration	11,162,858	9,943,730	9,927,089	9,786,590	13,584,449	12,087,390
Public Safety	22,309,231	20,379,056	21,111,694	17,978,411	17,498,574	18,372,150
Public Services	8,991,045	8,073,318	8,853,920	9,014,178	8,069,655	8,646,250
Special Services	6,586,965	6,543,104	7,433,857	7,243,999	6,703,167	7,075,084
Interfund Transfers	2,842,535	194,567	2,433,906	4,121,412	3,973,615	4,589,764
Total Expenditures	51,892,634	45,133,775	49,760,466	48,144,590	49,829,460	50,770,638

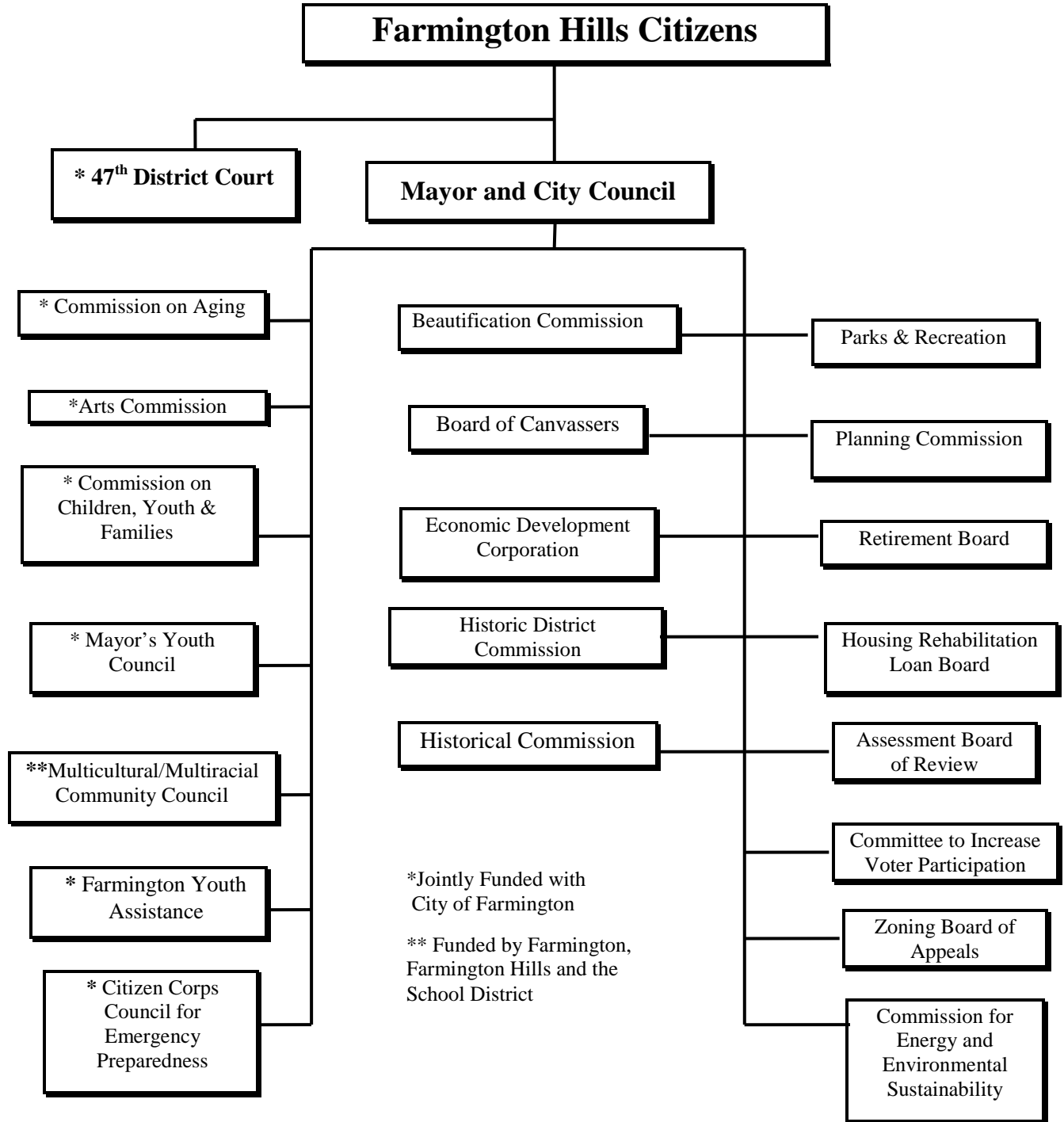
General Fund

Expenditures by Function



CITY OF FARMINGTON HILLS

Table of Boards & Commissions



BOARDS, COMMISSIONS AND AGENCIES

47th DISTRICT COURT

The 47th Judicial District Court is a limited jurisdiction court serving the cities of Farmington and Farmington Hills. The Court has jurisdiction over criminal misdemeanors, civil cases in which the amount in dispute is \$25,000 or less, parking violations, traffic violations and other civil infractions, landlord-tenant disputes, and small claims matters. In addition, the Court has initial jurisdiction on criminal felony cases for the purpose of determining probable cause.

The Court has two full-time judges elected to six-year terms. The chief judge of the Court is appointed by the Michigan Supreme Court and serves a two-year term as chief judge. The Court utilizes the services of part-time magistrates, who are appointed by the chief judge. Magistrates handle criminal arraignments, informal hearings, small claims hearings, and plea and sentencing on certain violations as permitted by law. The Court strives to provide outstanding service to the community. In establishing its goals and measuring its progress, the Court uses the following five standards:

- 1) Increasing access to court services;
- 2) Ensuring expedition and timeliness of service;
- 3) Ensuring equality, fairness and justice;
- 4) Maintaining independence while also ensuring accountability; and
- 5) Enhancing public trust and confidence in the Court as an institution.

GOALS

- **Access to Justice:** Strive to eliminate all unnecessary barriers to service including economic, procedural, linguistic, and physical.
- **Expedition and Timeliness:** Eliminate any unnecessary delays in case management.
- **Equality, Fairness and Integrity:** Demonstrate equal and unqualified respect for the rights and concerns of all individuals who contact the court for service and/or information.
- **Independence and Accountability:** Assert and maintain the distinctiveness required of the judiciary while simultaneously working with other branches of government to ensure the most efficient and effective use of public resources.
- **Public Trust and Confidence:** Continually focus on taking actions that inform the public of the Court's efforts and build the public's trust and confidence in the judiciary.

PERFORMANCE OBJECTIVES

- Continue to provide the highest level of service to the public as measured by annual public satisfaction survey results.
- Continue to identify and implement case management strategies to minimize case processing time and ensure organizational goals are met.
- Continue to meet all reporting demands associated with finances, caseload and abstract processing.

47th District Court

- Continue to focus efforts on the collection of outstanding receivables including the use of the special “show cause” calendar and other collection strategies.
- Continue the Court’s Sobriety Court project and work with the State Court Administrative Office on the evaluation component.
- Maintain the success of the Court’s Community Work Program (CWP), which provides approximately 12,000 free labor hours for work projects in Farmington and Farmington Hills.
- Continue to identify areas for improvement in courthouse security and develop and implement policies and practices to ensure public safety.
- Continue to work with the councils and administrations of both cities to address issues of mutual concern and coordinate services for the benefit of the public.
- Continue to be actively involved in the community through working with school and community groups to increase awareness of court-related issues affecting the public.
- Continue implementation of the Court’s document imaging/management system to allow for greater efficiencies in record management and access.

	Performance Indicators *	2014/15 Actual	2015/16 Projected	2016/17 Estimated
Service Level	Farm. Hills Contribution to Court Expenses	\$2,449,319	\$2,449,723	\$2,506,486
	Farmington Contribution to Court Expenses	\$410,031	\$470,438	\$465,397
	Total Farmington Hills Court Fine Revenue	\$2,132,227	\$2,148,966	\$2,160,000
	Total Farmington Revenue	\$623,718	\$600,000	\$600,000
	Community Work Program Revenue	\$58,660	\$60,000	\$60,000
	New Case Filings – Farmington Hills Venue *	17,740	18,000	18,000
	New Case Filings – Farmington Venue *	4,380	5,000	5,000
	Total Dispositions (Calendar Year) *	24,455	24,000	24,000
	Total Community Work Program Labor Hours*	12,376	12,000	12,000
	Sec. of State Abstracts Processed Timely *	99%	99%	99%
	Efficiency	Cost to Cities Per Case Disposition	\$116.92	\$119.58
Revenue to Cities Per Case Disposition (Excluding CWP Revenue)		\$119.58	\$120.33	\$120.33
Estimated Minimum Labor Value of Community Work Program to Cities (Based on minimum wage labor rate; includes estimated insurance, supervision, and transportation costs paid).		\$163,552	\$175,000	\$175,000

*Caseload, CWP labor hours, and abstract processing statistics reported are for the calendar year 2015 actual, projected calendar year 2016. Financial statistics reported (except CWP value) are for fiscal year July 1 – June 30.

FARMINGTON YOUTH ASSISTANCE

Farmington Youth Assistance is a volunteer organization serving the Farmington School District Area. It is not a Board or Commission of the City; but it works cooperatively with the Oakland County Probate Court, the schools, police, parents, youth and community resources to help families and young people. Its primary goal is to prevent delinquency and neglect by providing counseling. Funding is provided by the City of Farmington Hills and the City of Farmington.

FARMINGTON AREA ARTS COMMISSION

An encouraging environment stimulates performing and creative artists to study and present their talents. This joint Farmington Hills/Farmington Commission works toward that end by defining and creating appropriate programs to implement artistic and cultural activities that touch many areas such as: music, theater, dance, education institutions, visual arts, literature and letters, architecture and architectural landscaping, museums, and allied arts and crafts. The Commission also encourages public interest in the cultural heritage of the community. This Commission is comprised of 9 members--6 from Farmington Hills and 3 from Farmington--each are appointed by their respective Mayors with concurrence by the City Councils for staggered 3-year terms. Meetings are held on the third Thursday of each month except June/July/August.

FARMINGTON AREA COMMISSION ON AGING

The goals of this joint Farmington Hills/Farmington Commission are all geared toward the betterment of daily living for older adults. The Commission examines social attitudes, creates community awareness, establishes a climate for living independently with dignity, and encourages recognition for their contribution to the past and present. The Commission holds public forums in Farmington Hills and Farmington to identify the needs of the older, adult community. (An advisory council has also been formed to represent their concerns, identify resources at local, County, State, and Federal levels for their assistance and work with elected and appointed representatives in the community to more effectively aid them and provide current factual information regarding the aged in the community.) The Commission is comprised of 11 members--8 from Farmington Hills and 3 from Farmington--each are appointed by their respective Mayors with concurrence of their City Councils for staggered 3-year terms. The Senior Adult Program Supervisor serves as a non-voting member and liaison to the Commission. Meetings are held the fourth Tuesday of each month.

MAYOR'S YOUTH COUNCIL

The Mayor's Youth Council is an advisory Council charged with the authority and responsibility of making recommendations to the Cities of Farmington Hills and Farmington concerning the needs and concerns of youth and the community, and the appropriate means by which public and private agencies including volunteer efforts may address such needs and concerns. The Youth Council consists of eleven high school students from Farmington Hills, appointed by the Mayor with the concurrence of the City Council and two high school students from the City of Farmington, appointed by the Mayor with the concurrence of the City Council. Members serve for one year terms and until their successors are appointed and qualified. Members may serve for more than one term.

MULTICULTURAL/MULTIRACIAL COMMUNITY COUNCIL

The purpose of this Council, representing schools, government, clergy, business, service groups and residents, is to enhance the basic human dignity of all people, and to assure that all residents of Farmington and Farmington Hills feel welcome and comfortable in their City, schools and neighborhoods. The Council promotes community awareness and acceptance of diversity through the development and implementation of appropriate action plans. The principles of the Council are to improve race relations in the community and to promote a climate of inclusion and welcome in the Farmington/Farmington Hills area. Anyone with an interest in the mission and goals of the Council is eligible to apply for membership. Limited funding for the Council is provided by the two Cities and the School District. Steering Committee meetings are held on the third Thursday of each month, and there are monthly forums/presentations for the general membership on designated dates.

COMMISSION ON CHILDREN, YOUTH & FAMILIES

This Commission was established to encourage an environment where children, youth, and families are happy, healthy, educated, and safe and have the opportunity to reach their full potential. The Commission consists of 12-19 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. Meetings are held the first Thursday of every month.

EMERGENCY PREPAREDNESS COMMISSION

This committee, established by the City Council, is comprised of residents, business owners, and representatives of the Police and Fire Departments. Its mission is to support and enhance the efforts of local public safety organizations in helping ensure that residents and business owners have the information, education and skills necessary to protect themselves, their families, homes and businesses in the event of a local emergency.

FARMINGTON HILLS BEAUTIFICATION COMMISSION

The purpose of the Beautification Commission is to report to City Council areas of the city in need of aesthetic and environmental attention, to encourage high standards of appearance among property owners, to be an example for others by supporting and participating in aesthetic and environmental projects, to be knowledgeable about city projects and to participate in the Annual Beautification Commission Awards ceremony. The commission consists of up to 21 members, appointed by the Mayor with concurrence of the City Council, for staggered 3-year terms. Beautification Commission meetings are held on the third Tuesday of the month.

HISTORICAL COMMISSION

The purpose of the Commission is to collect, arrange, and preserve historical material indicative of the lives, customs, dress, and resources of the early residents of the Farmington Hills area. They also publish source material and historical studies on the history of the area including such materials as may be furnished for that purpose by educational institutions and by the Michigan Historical Commission. The members are appointed by the Mayor with concurrence of the City Council, and there is no limit on membership. This Commission meets the second Wednesday of the month.

HISTORIC DISTRICT COMMISSION

The purpose of this Commission is to safeguard the heritage of Farmington Hills by establishing and preserving districts in the City which reflect elements of the cultural, social, economic, political or architectural history; stabilize and improve property values in and adjacent to such districts; promote civic beautification of structures and lands within the historic districts for historic and cultural preservation; and promote the use of historic districts and local history for the education, pleasure, and welfare of the citizens of the City. There are 7 members appointed by the Mayor with the concurrence of the City Council. They meet on the second Wednesday of each month except December.

COMMITTEE TO INCREASE VOTER PARTICIPATION

The purpose of this Committee is to stimulate and improve voter participation in all elections and to increase the quality and quantity of publicity and information regarding such elections. It consists of 9 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. The Committee meets on the first Wednesday of each month.

COMMISSION FOR ENERGY & ENVIRONMENTAL SUSTAINABILITY

The Commission for Energy and Environmental Sustainability (CEES) was originally established in February 2008 as the Green Efforts Committee. In the first year the Committee was tasked with providing recommendations that would provide energy and cost savings to the City. In February 2009, the Committee was extended for another two years and its purpose was expanded. Its mission was to collaborate with City Staff and the community to enhance energy efficiency and sustainability by encouraging policies and practices based on economical, environmental and community values. In 2011, the Green Efforts Committee was elevated to a Commission. The Commission consists of eleven members appointed by the Mayor with Concurrence by City Council. Meetings are held the third Tuesday of each month. For more information visit: www.sustainablefh.com.

PARKS AND RECREATION COMMISSION

The Commission's prime objective is to coordinate recreational programs and to improve, expand, and reflect the park, recreational and cultural needs of the community. It works with other communities and City departments to develop and maintain aesthetically pleasing site development, care, and adequate safety conditions. The Commission is comprised of 9 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. Meetings are held the second Tuesday of each month or as needed.

ZONING BOARD OF APPEALS

The Board acts on all questions arising under the Zoning Ordinance. It hears and decides appeals from property owners, and reviews any order, requirement, decision or determination made by an administrative official regarding the Zoning Ordinance. It is comprised of 7 members plus 2 alternates appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. The Zoning Board of Appeals meets on the second Tuesday of the month.

PLANNING COMMISSION

The purpose of this Commission is to promote public health, safety, and welfare through sound land use planning. The Planning Commission's Capital Improvements Plan plans for a system of transportation, sewage disposal, safe and adequate water supply, recreation, and other public improvements. The Planning Commission is responsible for making and adopting a master plan as a guide for development, including a determination of the extent of probable future needs. The Commission consists of 9 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. Meetings are held on the first, second and third Thursday of each month.

ASSESSMENT BOARD OF REVIEW

This is a statutory board responsible for the review of the tax assessment role and to hear citizens' appeals of their assessments. The 3-member board has the authority to make corrections where necessary and to endorse the tax roll of the City for the year in which it has been prepared in accordance with Section 7.06 of the Charter. Board members are appointed by the Mayor with concurrence of the City Council for 3-year staggered terms. The Chairperson is chosen the first day of the meeting. The City Assessor serves on the Board but cannot vote. All other members cannot be City employees. The Board meets the second, third and fourth weeks in March; once during the third week of July; and once during the second week of December.

RETIREMENT BOARD

The Board has the authority to administer, manage, and operate the retirement system and to construe and make effective the provisions of the Pension Ordinance. The retirement system provides for the retirement of City employees. This 7 member Board is comprised of the City's Finance Director, 2 representatives from the Police/Fire union, 2 General Employee representatives, and 2 City Council appointed members. Meetings are held at least once every quarter at City Hall. Expenses are paid through the Farmington Hills Retirement Plan.

BOARDS, COMMISSIONS AND AGENCIES

DEPARTMENT NUMBER: 115

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(800) JOINTLY FUNDED AGENCIES							
021	Farmington Area Youth Assistance	43,543	43,563	43,566	43,566	43,551	43,551
031	47th District Court	2,392,617	2,449,319	2,492,688	2,449,723	2,506,486	2,506,486
033	Farmington Area Arts Commission	1,003	650	820	820	820	820
034	Commission on Aging	699	1,265	1,639	1,639	1,639	1,639
038	Multicultural/Multiracial Comm. Council	2,918	1,349	6,575	3,500	6,572	6,572
039	Comm. on Children/Youth/Families	418	3,192	2,428	2,428	2,427	2,427
042	Mayor's Youth Council	5,164	3,910	5,412	5,412	5,410	5,410
043	Emergency Preparedness Commission	543	524	2,330	1,000	2,329	2,329
		2,446,905	2,503,772	2,555,458	2,508,088	2,569,234	2,569,234
(800) OTHER BOARDS & COMMISSIONS							
002	Zoning Board of Appeals	6,292	5,194	7,040	7,040	7,040	7,040
005	Assessment Board of Review	3,916	3,893	8,000	6,000	6,000	6,000
024	Beautification Commission	5,357	5,693	5,410	5,410	5,410	5,410
032	Historical Commission	1,260	1,608	5,606	2,500	5,606	5,606
036	Historic District Commission	4,723	2,548	7,278	7,278	5,121	5,121
037	Parks & Recreation Commission	1,201	1,356	1,500	1,500	1,500	1,500
040	Comm. to Increase Voter Participation	574	653	667	667	667	667
044	Comm. for Energy & Environ. Sustainability	734	50,168	75,000	60,000	50,000	50,000
109	Planning Commission	48,145	62,994	42,342	60,000	55,000	55,000
		72,202	134,107	152,843	150,395	136,344	136,344
DEPARTMENT TOTAL		2,519,107	2,637,879	2,708,301	2,658,483	2,705,578	2,705,578

Boards and Commissions comprise 4.77% of the General Funds proposed budget.

GENERAL GOVERNMENT SUMMARY

The General Government classification of the General Fund budget represents a group of departments and functions which provide primarily legislative, administrative and logistical support for departments generally regarded as operating departments, as well as appropriations to support other Funds of the City. The operating departments provide the citizens and property owners of the community with direct services. Although most of the services performed by this General Government group are of an internal nature, some limited external public services are provided such as: election and voter services, property information, tax rates and collection, public information and employment opportunities.

A summary of the budget allocation for these components is contained in the schedule below:

DIV. NO.	Category and Line Item	2013/14 Actual Expenditures	2014/15 Actual Expenditures	2015/16 Current Budget	2015/16 Estimated Expenditures	2016/17 Proposed Budget	2016/17 Adopted Budget
GENERAL GOVERNMENT:							
101	City Council	105,087	102,672	113,462	106,580	119,210	119,210
172	City Administration	642,187	689,003	733,254	655,379	739,637	739,637
175	Public Information	337,395	342,594	364,978	362,284	447,493	447,493
202	Finance	1,500,152	1,580,107	1,746,580	1,730,319	1,915,736	1,915,736
210	Corporation Counsel	565,676	569,892	607,475	601,600	616,500	616,500
215	City Clerk	581,886	659,117	631,574	636,661	678,177	678,177
226	Human Resources	410,781	368,503	375,091	377,726	386,283	386,283
250	Central Services	1,005,827	1,080,828	1,227,228	1,187,238	1,246,748	1,246,748
290	Support Services	1,415,501	1,024,780	1,983,734	1,834,280	1,611,700	1,611,700
298	Post Employment Benefits	4,500,851	3,032,015	2,347,795	2,347,795	2,362,187	2,362,187
TOTAL GENERAL GOVERNMENT		11,065,342	9,449,511	10,131,172	9,839,862	10,123,672	10,123,672
OTHER FINANCING USES							
299	Interfund Transfers	3,973,615	4,589,764	6,347,055	5,970,841	6,984,443	6,984,443
TOTAL		15,038,957	14,039,275	16,478,227	15,810,703	17,108,115	17,108,115

CITY COUNCIL

MISSION STATEMENT: Provide policy leadership for the community and administration on all issues that affect the health, safety and welfare of Farmington Hills.

The citizens are represented by seven elected officials. The Mayor is elected directly by the electorate for not more than two consecutive two-year terms. The six City Council Members are elected for staggered terms of four years each. The Council meets at least twice monthly, and conducts specially scheduled Study Sessions on an as-needed basis.

The Mayor and Council members are collectively responsible for establishing public policy, adopting a budget, and hiring and directing the City Manager. In addition, the Council appoints the City Clerk and the City Attorney. The City Council represents the City in various local, regional, state, and national boards, commissions, and committees. The Council also provides public leadership and communicates with constituents about the various issues of the community.

One of the primary duties of the City Council is to establish policies. Policy is established in the approval of ordinances, the adoption of resolutions, the setting of goals and objectives, the determination of priorities for public services, and the approval of programs throughout the City. Policy is also established through the approval and amendment of the operational and capital budgets, the approval of grant applications, ratification of labor contracts, and the approval of land acquisitions and major purchases.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Provide policy direction to the City Administration in the implementation and evaluation of various City programs. (1, 2)
- Ensure the City's long-term financial stability by adopting a fiscally responsible budget, monitoring expenses, and continually seeking alternative revenue sources. (2)
- Preserve and improve the City's infrastructure and economic base. (3, 5, 12, 13)
- Strengthen activities, programs, and services that give adults and children the opportunity to enrich their lives, enhance their future, and build a stronger community. (4, 6, 12, 13).
- Take an active roll in promoting energy and environmental sustainability throughout the community. (10)
- Protect home rule so that local issues are decided by the City through its residents. (14)
- Enhance communications between the residents and the City government through the City Website, cable programming, citizen/business engagement efforts, the Focus newsletter, surveys and other media. (4, 11)
- Work with state and federal officials to reduce and effectively manage legislative mandates that create administrative and financial challenges for local governments. (7, 14)
- Help shape public policy at the state and federal level by tracking pending legislation and advocating for initiatives deemed beneficial to the City. (7, 14)

PERFORMANCE OBJECTIVES

- Continue to evaluate and implement the recommendations of the Vision 2020 reports and Sustainability Study by engaging the City’s boards and commissions, public, and staff to implement some, all, or parts of the recommendations as determined to be appropriate for the future long-term health of the City.
- Support the Community’s participation in the Georgetown University Energy Prize competition through City Policy and the Commission for Energy and Environmental Sustainability.
- Expand communication with the public through further use of technology by enhancing the City website, listservs, the low frequency radio station, and other alternatives.
- Improve public bus transportation by engaging and partnering with SMART and the RTA.
- Continue to evaluate further cooperative relationships with the neighboring communities of Farmington, Livonia, Novi, and Southfield.
- Educate the public regarding emergency preparedness through the Emergency Preparedness Commission to increase the City’s ability to respond in the event of a major emergency.
- Continue the implementation of tools and polices that encourage private sector reinvestment and redevelopment along the East Grand River, Eight Mile Road, and Orchard Lake Road corridors to improve the long-term viability of these areas.
- Involve high school age students in City government through the Mayor’s Youth Council and work to engage both students and millennial residents (age 18 – 35) in the local government process.
- Work with City Administration to market city owned properties where appropriate.
- Address strategic policy issues in the areas of public safety, transportation infrastructure (incl. non-motorized), traffic, economic development/redevelopment, neighborhoods, telecommunications, transportation, and technology.
- Equitably administer the City’s tax abatement policy and encourage economic development while protecting the long-term financial interests of the City.
- Encourage redevelopment throughout the City by continuing to support policies that streamline permitting, simplify the PUD process, and make way for current and future residential and commercial building needs
- Work with City Administration to efficiently and effectively implement the City’s road millage and review the levied amount annually.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Regular Meetings Held	21	21	21
	Special Meetings Held	2	3	1
	Goals Sessions	1	1	1
	Study Sessions	17	20	18
	Public Hearings	20	18	20
	Ordinances Enacted	9	10	10
	Agenda Items Requiring Action / Resolutions Adopted	189	208	200
Efficiency	Activity Expenditures as a % of General Fund	0.20%	0.20%	0.21%

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$6,882 or 6% decrease from the current budget.
- The decrease results primarily from savings in Conferences & Workshops.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$12,630 or 12% increase from the FY 15-16 year-end projection and a \$5,748 or 5% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from a proposed 2% wage increase, a 3% increase for the same Memberships & Licenses, and more Council attendance at MML and NLC Conferences & Workshops.

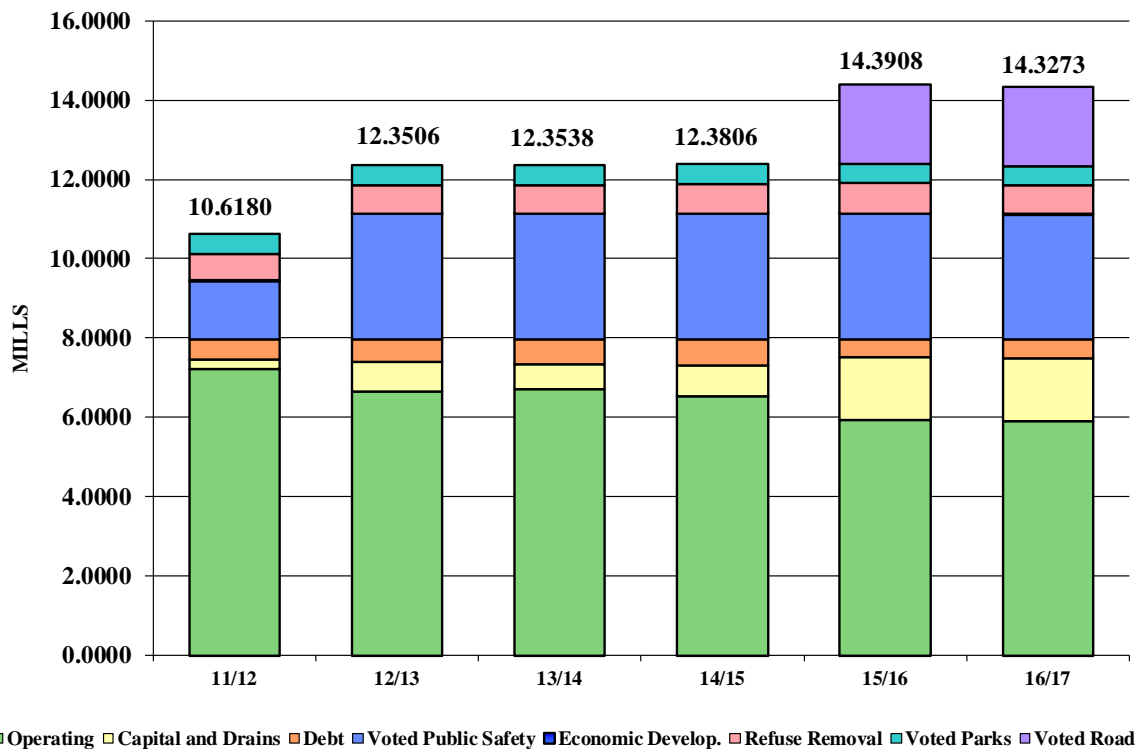
	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
City Council	\$105,087	\$102,672	\$113,462	\$106,580	\$119,210

City Council

DEPARTMENT NUMBER: 101

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Wages	46,622	47,554	48,512	48,512	49,530	49,530
200	Social Security	3,567	3,638	3,711	3,711	3,789	3,789
350	Workers Compensation	47	52	57	57	94	94
	Category Total	50,236	51,244	52,280	52,280	53,413	53,413
(801) PROFESSIONAL & CONTRACTUAL							
001	Conference & Workshops	18,699	13,164	23,020	15,200	26,545	26,545
002	Memberships & Licenses	33,623	34,778	35,162	36,100	36,252	36,252
070	Miscellaneous Expense	2,530	3,486	3,000	3,000	3,000	3,000
	Category Total	54,851	51,428	61,182	54,300	65,797	65,797
DEPARTMENT TOTAL		105,087	102,672	113,462	106,580	119,210	119,210

Tax Rate History



CITY ADMINISTRATION

MISSION STATEMENT: Under the direction of the City Council, provide administrative leadership and management of the daily operations of the City government.

The City Manager's Office is responsible for the day-to-day administration of the municipal organization under the leadership of the City Manager. This office also provides staff support for the City Council. The Office undertakes special projects, handles citizens' inquiries, customer requests for service, and communications from other governments and agencies. The City Manager approves key purchases and personnel actions. This office provides direct supervision to the City departments noted on the Organization Chart.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

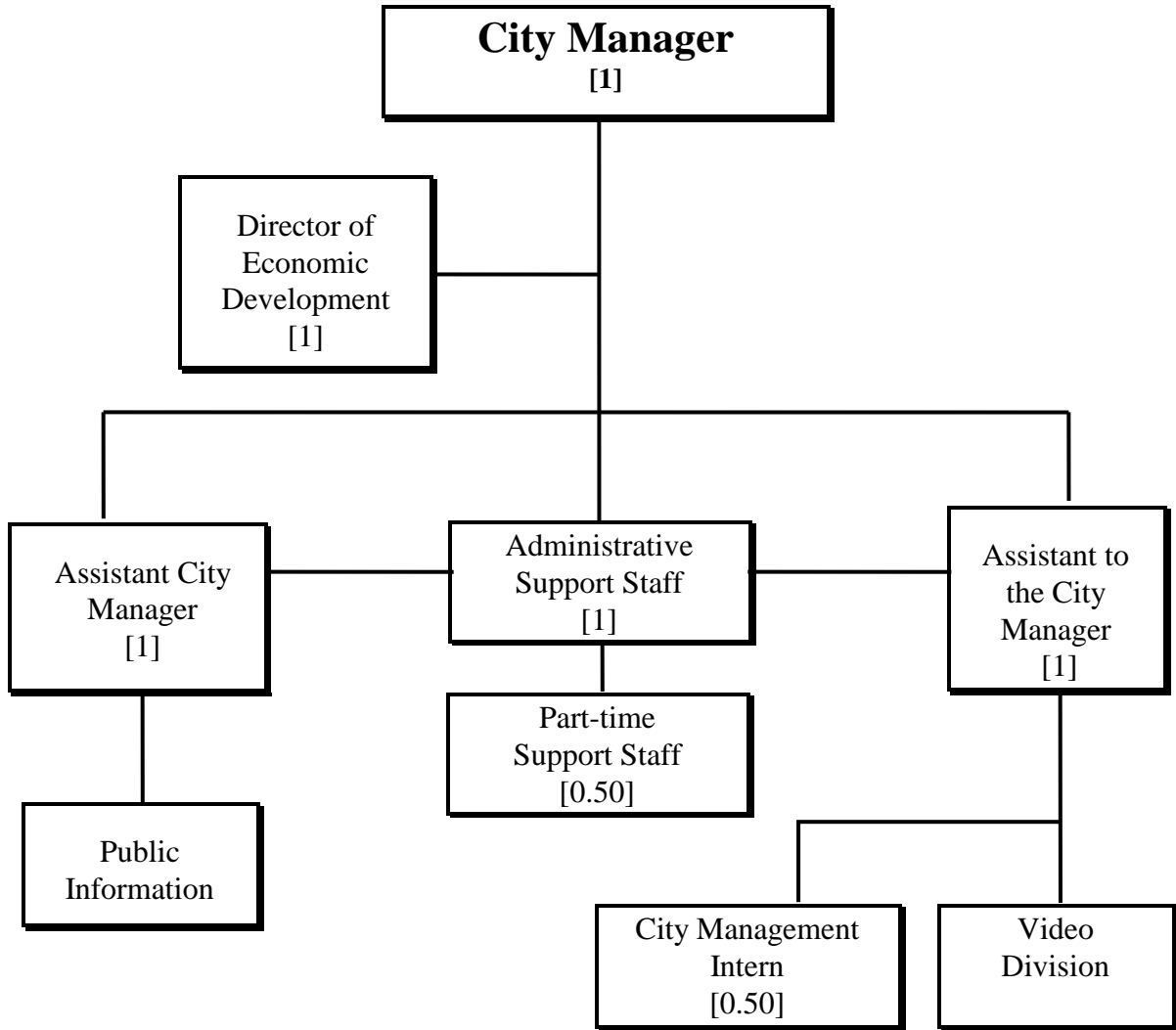
- Continue to develop and maintain Farmington Hills as a quality community for future generations. (1 – 14)
- Identify key priorities and establish procedures that ensure effective management of available resources. (2)
- Identify and implement innovative strategies and priorities that move Farmington Hills beyond economic recovery into growth. (1-14)
- Develop a budget for City operations and capital improvements that encourages investment, creativity, accountability, and fiscal responsibility. (2, 9, 10, 12, 13)
- Provide effective leadership to administrative departments maintaining a climate of positive employee relations that facilitates excellent service to the public. (8)
- Develop and implement a brand story and marketing effort that sets Farmington Hills apart from its peers to attract new residential and commercial interest and investment. (5,11)
- Provide pertinent and timely information to City Council regarding local, state, and federal issues to protect the interests of the City and its residents. (7, 14)
- Work in partnership with City Council to achieve the City's mission and goals. (1-14)
- Through Human Resources, continue efforts to have staff reflect the community. (11)

PERFORMANCE OBJECTIVES

- Continue to systematically review operations and services for greater efficiency.
- Promote and pursue additional outside funding for infrastructure improvements, capital items, and other special projects.
- Continue to analyze and evaluate recommendations of the Vision 2020 Reports and Sustainability Study and direct the implementation of some, all, or portions of the recommendations as determined to be appropriate by the City Council.
- Work with state, county, and local officials to continue and improve the City’s business retention and growth efforts.
- Continue to work with SMART and the Regional Transit Authority, particularly as it relates to a potential 2016 RTA regional revenue vote and the Grand River Corridor, with the objective of improving and expanding the availability of public transportation services.
- Work with the Corridor Improvement Authority (CIA) Board of Directors, Grand River Avenue stakeholders, City of Farmington CIA Board of Directors, to implement the CIA Development and Tax Increment Financing Plans and the Grand River Corridor Vision Plan.
- Work with the City Council, Community Stakeholders, Non-Profit Organizations, such as the Michigan Municipal League, and other appropriate parties to develop a comprehensive place making strategy designed to attract and retain knowledge-based workers, entrepreneurs and growing sectors of the economy.
- Develop and deliver a brand message that reinforces the core attributes of Farmington Hills as a residential location.

Service Level	Performance Indicators	FY 2013/14 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
	Council, Board, and Commission Meetings Staffed	85	85	90
City Council Agenda Items prepared for Council Action	189	208	208	
Executive Staff Meetings	50	50	50	
Administrative Policies Implemented	2	0	0	
Efficiency	Average Response Time to Citizen Inquiry	4 Hours	4 Hours	4 Hours
	Activity Expenditures as a % of General Fund	1.36%	1.20%	1.30%

CITY ADMINISTRATION



Total Full Time Equivalent [6.0]

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
CITY ADMINISTRATION & MANAGEMENT					
(010) Administrative and Clerical					
	City Manager	1	1	1	1
	Assistant City Manager	1	1	1	1
	Secretary to City Manager	1	1	1	1
	Director of Economic Development	1	1	1	1
	Assistant to City Manager	1	1	1	1
		5	5	5	5
(038) PART-TIME (FTE)					
		0.5	1	1	1
DEPARTMENT TOTAL					
		5.5	6	6	6

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$77,875 or 11% decrease from the current budget.
- The decrease results primarily from the net of personnel changes due to the retirement of the previous City Manager and the departure of the Assistant to the City Manager.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$83,258 or 13% increase from the FY 15-16 year-end projection and \$6,383 or 1% increase from the FY 15-16 budget.
- The budget to budget increase results from a 1.4% increase in personnel costs; partially offset by decreases in operating supplies and professional & contractual expenditures.

	2013-2014 ACTUAL	2014-15 ACTUAL	2015-16 CURRENT BUDGET	2015-16 PROJECTED YEAR-END	2016-17 PROPOSED BUDGET
City Administrator	\$642,187	\$689,003	\$733,254	\$655,379	\$739,637

City Administration

DEPARTMENT NUMBER: 172

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Administrative & Clerical	450,802	437,262	497,059	412,135	491,081	491,081
038	Part-time	20,991	34,742	29,500	33,296	33,278	33,278
106	Sick & Vacation	16,406	55,411	8,032	20,800	4,295	4,295
112	Overtime	1,539	0	0	200	0	0
200	Social Security	34,819	33,239	38,182	37,010	38,509	38,509
250	Blue Cross/Optical/Dental	41,651	58,797	69,951	65,770	81,526	81,526
275	Life Insurance	3,087	2,824	3,825	2,995	3,729	3,729
300	Pension - DC	23,545	19,419	25,620	33,450	40,300	40,300
325	Longevity	21,434	20,711	21,710	17,434	10,330	10,330
350	Worker's Compensation	1,104	1,068	1,187	1,076	1,950	1,950
	Category Total	615,377	663,474	695,066	624,166	704,998	704,998
(740) OPERATING SUPPLIES							
001	Gas & Oil	4,521	3,795	5,040	1,920	3,150	3,150
002	Books & Subscriptions	128	0	59	0	0	0
008	Supplies	1,499	2,555	4,000	4,100	3,000	3,000
040	Miscellaneous Expense	279	318	400	400	400	400
	Category Total	6,427	6,668	9,499	6,420	6,550	6,550
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	8,073	6,804	12,610	8,200	12,775	12,775
002	Memberships & Licenses	3,271	3,795	3,521	2,330	3,774	3,774
005	Fleet Insurance	2,190	2,191	2,208	2,208	2,245	2,245
006	Vehicle Maintenance	849	709	600	1,230	700	700
013	Education & Training	0	1,762	1,500	475	1,145	1,145
041	Vehicle Allowance	6,000	3,600	7,200	5,100	7,200	7,200
042	Mileage Reimbursement	0	0	1,050	250	250	250
	Category Total	20,383	18,861	28,689	19,793	28,089	28,089
(970) CAPITAL OUTLAY							
002	Office Equipment	0	0	0	5,000	0	0
	Category Total	0	0	0	5,000	0	0
DEPARTMENT TOTAL		642,187	689,003	733,254	655,379	739,637	739,637

PUBLIC INFORMATION

MISSION STATEMENT: Disseminate information on City activities to the public through the most appropriate media available, including the City website, Facebook, listserv, Focus newsletter, print media, TV, radio, online publications, the City's local cable Channel 8, AM radio station, and electronic signs.

Keeping the public informed about City services is essential to maintaining the continued trust of those we serve. The two components of public information in the City, Public Relations and Video Production, function together under the direction of the City Manager's Office. This cohesive, focused approach provides a comprehensive public information program.

The municipal cable channel, The Great 8, provides City information and video programming 24 hours a day, seven days a week. Television programming from all City departments is a valuable tool to inform viewers of local issues. The schedule for Channel 8 programs can be found on the City website at www.fhgov.com/Community/Cable.asp

The City website, Facebook, and listserv provide regular updates on City news and events. News releases promote the City in local media outlets. The Annual Report highlights the previous year's activities and is distributed each January to every residential address in the City. The Focus newsletter informs residents of City activities, programs, and services and is distributed to all residents twice annually.

GOALS

The number in parentheses shows the link between the departmental goal and the City goals.

- Keep residents, businesses, and organizations informed about municipal activities, programs, and projects. (11)
- Give departments, boards, and commissions the opportunity to use Channel 8 for promotional and educational purposes. (11)
- Continue to enhance public confidence and trust in City government. (1-14)
- Promote City events and services, and present City information and issues through various media. (11)
- Promote a vibrant and viable community. (11)
- Further explore social media as a means to increase the dissemination of public information. (4, 11)
- Reinforce residents' confidence and pride in a City that cares about the needs of the community. (4-11)
- Inform listeners about emergencies, weather, traffic, and road conditions through broadcasts on 1650 AM. (3,11)

PERFORMANCE OBJECTIVES

- Promote the benefits of living and working in the City of Farmington Hills.
- Provide information to assist residents in making informed decisions about City government.
- Disseminate information on City services, City events, and emergency conditions.
- Develop new, primarily online, topical and informative programming targeting young professionals and families.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Video Division programs produced	160	142	145
	Total programs produced for Channel 8	197	160	167
	Resolutions and proclamations produced	38	32	32
	News releases/flyers produced and disseminated	440	350	350
	Newspaper columns produced	2	8	8
	Newsletters/annual report produced	3	3	3
Efficiency	Number of programs produced per full time staff	61.6	72	56.8
	Activity Expenditures as a % of General Fund	0.67%	0.67%	0.79%

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010)	Salaries & Wages				
	Video Manager	1	1	1	1
	Production Specialist	2	2	2	2
	Public Information Coordinator	1	1	1	1
		<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
(038)	PART-TIME (FTE)	<u>0</u>	<u>0</u>	<u>2.1</u>	<u>2.1</u>
	DEPARTMENT TOTAL	<u>4</u>	<u>4</u>	<u>6.1</u>	<u>6.1</u>

Public Information

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$2,694 or 0.7% decrease from the current budget.
- The decrease results primarily from projected lower than budgeted health insurance costs and operating supplies.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$85,209 or 23.5% increase from the FY 15-16 year-end projection and \$82,515 or 22.6% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from new expenditures for part-time staffing and office rental to support in-house video production services to replace those services previously provided by SWOCC. The increased expenditures are supported by increased Brighthouse Franchise and PEG Fees previously received by SWOCC.

	2013-2014 ACTUAL	2014-15 ACTUAL	2015-16 CURRENT BUDGET	2015-16 PROJECTED YEAR-END	2016-17 PROPOSED BUDGET
Public Information	\$337,395	\$342,594	\$364,978	\$362,284	\$447,493



Public Information

DEPARTMENT NUMBER: 175

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) Salaries & Wages							
010	Salary - Full Time	205,063	209,148	214,151	214,950	217,600	217,600
038	Part-time Technicians	0	0	0	0	65,520	65,520
106	Sick & Vacation	924	876	1,983	1,983	2,064	2,064
200	Social Security	16,057	16,723	17,377	17,334	22,759	22,759
250	Blue Cross/Optical/Dental	58,062	62,875	64,004	61,400	57,990	57,990
275	Life Insurance	1,019	1,154	1,169	1,169	1,222	1,222
300	Pension - DC	5,317	5,432	5,512	5,512	5,577	5,577
325	Longevity	9,199	10,355	10,994	10,995	12,297	12,297
350	Worker's Compensation	494	510	541	520	1,173	1,173
	Category Total	296,134	307,072	315,731	313,863	386,202	386,202
(740) Operating Supplies							
001	Gas and Oil	395	360	560	192	420	420
008	Supplies	6,067	1,670	2,000	1,850	1,850	1,850
	Category Total	6,463	2,030	2,560	2,042	2,270	2,270
(801) Professional & Contractual							
005	Fleet Insurance	330	363	387	387	421	421
006	Vehicle Maintenance	270	0	0	232	0	0
007	Equipment Maintenance	404	519	300	360	400	400
015	Office Rental	0	0	0	0	15,000	15,000
024	Newsletter	33,794	32,610	34,000	33,400	35,200	35,200
	Category Total	34,798	33,491	34,687	34,379	51,021	51,021
Capital Outlay							
020	Production Equipment	0	0	12,000	12,000	8,000	8,000
	Category Total	0	0	12,000	12,000	8,000	8,000
DEPARTMENT TOTAL		337,395	342,594	364,978	362,284	447,493	447,493

CAPITAL OUTLAY

Acct. No.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget Quantity	Manager's Budget Amount
020 PRODUCTION EQUIPMENT						
		Wiring System		8,000		8,000
CAPITAL OUTLAY TOTAL				8,000	0	8,000

FINANCE DEPARTMENT

MISSION STATEMENT: Maintain accurate and complete records of all financial transactions, assets and liabilities, safeguard City assets, prepare financial statements and reports and maintain investment grade status for City issued debt instruments with rating agencies. To insure that all ad valorem assessments and taxable values in the City of Farmington Hills are accurate, uniform, equitable and made in conformance with all applicable State directives and statutes.

The Finance Department is comprised of the Administration, Accounting, Assessing and Treasury Divisions. At the direction of the Finance Director/Treasurer, the Finance Department's service to the community is assigned either by State Statute, City Charter, City Ordinances, City Council Resolutions or direction from the City Manager.

The fiduciary and accounting functions include the control and accountability for all the monies received, disbursed or held in trust for all the financial activity of the City, which includes 19 separate budgeted accounting Funds. The Treasury's responsibilities, in addition to recording all City receipts/money, include a cash management program aimed at maximizing investment income while safeguarding the principal. The Finance Department also maintains relationships with the financial institutions servicing the City, which also serve as a liaison with national rating agencies that rate the City's bond issues.

The Assessing Division's primary responsibility is to annually prepare the property tax assessment roll. This function requires the Division to maintain accurate and complete records of all taxable real and personal property in the City. In light of many mandates in assessment administration, the Assessing Division has had to continually monitor and comply with ever changing requirements in assessment administration including the classification of homestead and non-homestead exemptions, the filing and recording of property transfer affidavits, and now the filing and recording of personal property exemption affidavits. For 2015, the City had approximately 27,900 real parcels (of which 707 are tax-exempt) and 3,000 personal property descriptions (of which 1,382 have no tax, due to the annual filing of the small parcel exemption affidavit). The Assessing Division provides accurate maintenance of the assessment rolls by field inspections of building permits issued by the City, random reviews of existing assessment records, as well as provides information and assistance to taxpayers of the City by phone, email and in person.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Issue the Comprehensive Annual Financial Report (CAFR) in accordance with Generally Accepted Accounting Principles (GAAP) that meets the Government Finance Officers Association (GFOA) Certification program for excellence in financial reporting. (9)
- Provide accurate and timely financial and accounting services to internal and external customers. (9)
- Provide accurate and timely payroll to employees and fulfill all federal and state reporting requirements. (8,9)

Finance Department

- Provide timely payments to vendors within appropriate internal approvals. (9)
- Ensure customer service and easy access to our property records. (1)
- Ensure compliance with financial reporting standards set by the Governmental Accounting Standards Board (GASB) and State of Michigan Public Acts. (9)
- Provide risk management activities, which will safeguard all City assets in the most cost-effective manner. (2,9)
- Insure a competent audit firm performs an annual audit and that the City's CAFR is published and made available to the general public on the City's website. (9)
- Maintain an investment grade bond rating of an "AA" or above. (9)
- Provide professional money managers to manage and administer the City's Pension and Post-Retirement benefits. (2-9)
- Assist in developing and implementing needed programs to reduce costs, increase revenues, and add efficiencies. (2)
- Support the continuous professional development and empowerment of staff. (8)
- Provide programs and procedures that ensure a fair and equitable assessment administration system, according to the City Charter and the Michigan General Property Tax Laws. (9)
- Provide a professionally certified and educated staff to meet objectives. (8)
- Prepare the staff for professional advancement opportunities. (8)

PERFORMANCE OBJECTIVES

- Work on developing "best practice" policies and procedures of key financial functions.
- Continue to train/cross-train all staff, and maintain/update Standard Operating Procedures in order to better serve internal and external users.
- Improve on the efficiency and effectiveness of the Accounts Payable function by offering more vendors the option to receive their payment via the City's Purchasing/Credit Card.
- Improve on the efficiency and effectiveness of the Accounts Receivable function by expanding the Finance Department's use of invoicing for non-tax payments due the City, including the continued use of a collection agency for delinquent accounts.
- Implement a functional credit card service provider for City-wide point of collection options.
- Manage the City's Debt to leverage funding for long-term capital projects while continuing to maintain or enhance the City's strong bond ratings. This will primarily include bond financing for Local Road Special Assessment projects over the next five years.
- Continue to work on merging the Local Road Special Assessment Fund into the Local Road Fund, while maintaining a tracking system for the accounting of each separate special assessment district.

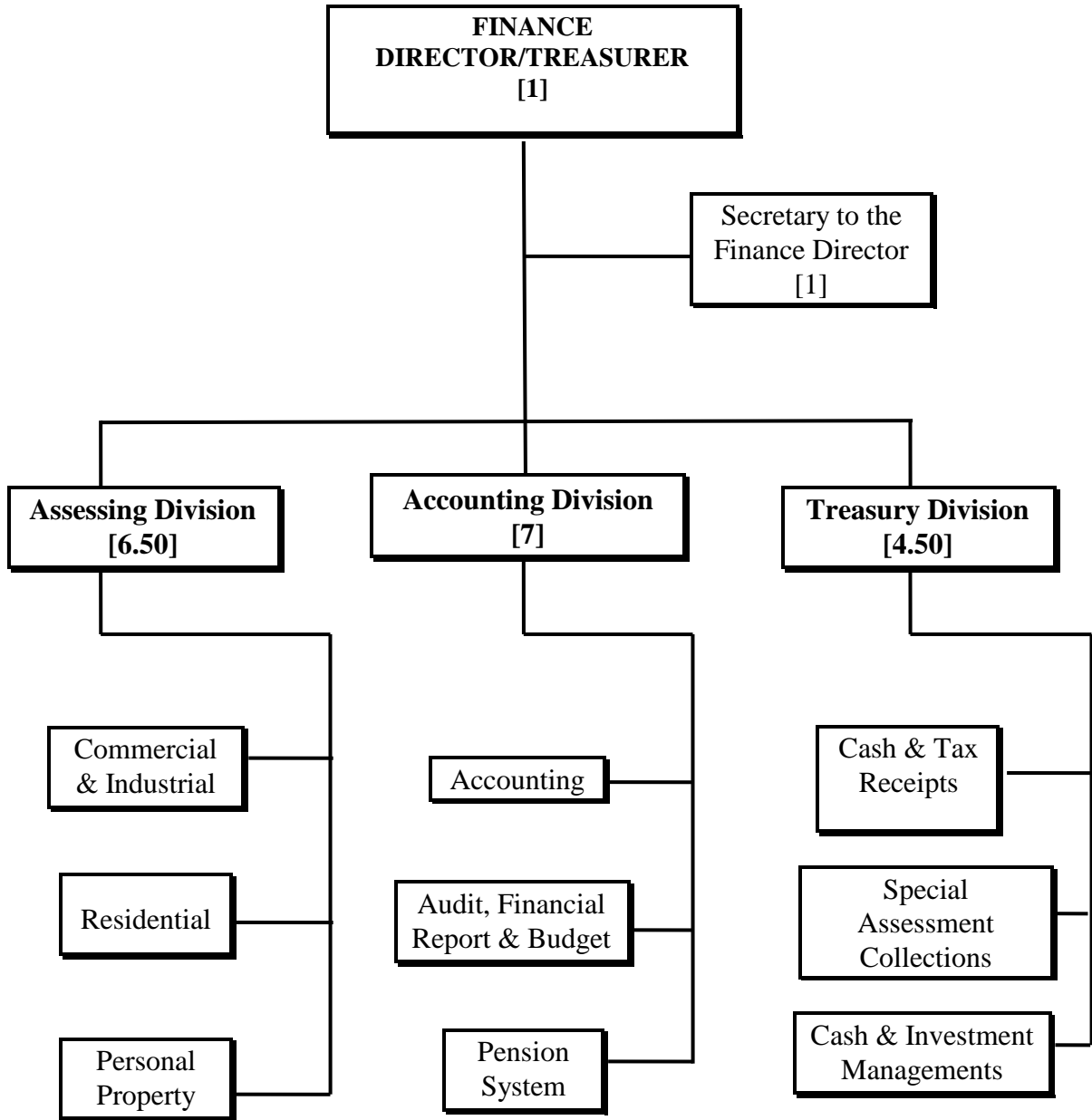
Finance Department

- Account for all City financial transactions timely and accurately to limit the number of auditor adjusted journal entries.
- Work with the City's Auditor to keep updated on new and pending GASB Statements impacting the City and develop a long-term plan to manage the resulting workload.
- Per the recommendation of the City Auditor, and with the advice and counsel of the City Attorney, begin a long-term process to close out the files of old development projects and clean-up the accounting for the related performance bonds held in trust by the City.
- Begin a long-term process to clean-up the accounting for the City's Payback Districts.
- Manage the City's Investments, in order of priority; to safeguard the assets, provide adequate liquidity and maximize yield, including the streamlining of bank accounts to provide improved staff and accounting efficiencies. This will include the setup of a zero balance checking/disbursement account connected to a savings/receiving account, which crosses all City Funds, to reduce the amount of inter-bank/inter-Fund transfers.
- Manage the City's General Liability and Property Insurance to protect the City from unexpected liability and property losses.
- Utilize GIS information for greater departmental efficiency and expand the options through which the public can access property record information.
- Continue to accept Passport Applications according to the requirements of the U.S. Department of State.
- Continue to improve the Department's document retention, storage and retrieval and disposal practices.
- Administer the City's Retirement System and Retiree Healthcare Fund to the benefit of its members and beneficiaries, including a review and analysis of the Retirement Board's Investment Policy, which drives its Investment Return Assumptions, and make adjustments where warranted to realistically and reasonably fund the System's unfunded liabilities, within the City's budgetary constraints.
- Implement a City-wide Federal Grants Management Policy, in compliance with new Federal Grant Rules regarding the Management of Federal Programs.
- Develop a Finance Department staff Succession Plan for the next 10 years.

Finance Department

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Number of Passports processed.	872	907	940
	Pension calculations prepared.	18	48	28
	Net Retirement System & Post-Retirement Healthcare Fund Position Held in Trust	\$211,949,186	\$211,949,186	\$227,900,000
	Amount of Total-City interest income	\$1,008,964	\$1,168,000	\$1,345,000
	City taxes billed/levied (adjusted)	\$37,756,272	\$44,634,376	\$44,804,000
	Ad Valorem Original Taxable Value	\$3,054,060,110	\$3,128,358,530	\$3,127,065,020
	City - Cash and cash equivalents at June 30 th	\$108,269,673	\$114,663,000	\$109,909,000
	Number of payroll direct deposits	16,713	16,900	17,000
	Number of payroll checks issued.	730	730	735
	Number of accounts payable checks.	6,497	6,500	6,600
	Number of Invoices Paid	13,809	14,000	14,250
	Commercial/Industrial property appraisals	46	42	50
	Residential property appraisals	484	959	1,000
	Board of Review Appeals	404	342	350
	Preparation of Special Assessment Rolls	9	11	18
	Property splits/combinations processed	17	13	15
	Homestead exemption affidavits processed	1,198	1,182	1,200
	Property Transfer Affidavits	1,968	1,378	1,400
	Efficiency	City's bond rating – Moody's.	Aa1	Aa1
City's bond rating – Standard & Poor's.		AAA	AAA	AAA
Total percent of tax levy collected.		97.67%	98.39%	98.75%
Number of years G.F.O.A. Distinguished Budget Awards received.		29	30	31
Number of years the Financial Reporting Achievement Awards received.		17	18	19
Average Rate of Return on Investments		0.57%	0.66%	0.76%
Retirement System – Funded Ratio		86.00%	86.00%	87.00%
Post-Retirement Healthcare Fund – Funded Ratio		88.00%	88.00%	89.00%
Activity Expenditures as a % of General Fund		3.11%	3.18%	3.38%

FINANCE DEPARTMENT



Total Full Time Equivalent [20]

STAFFING LEVELS

Acct. No.	Title	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
202	ADMINISTRATIVE				
	Finance Director/Treasurer	1	1	1	1
	Secretary to Finance Director	1	1	1	1
	ADMINISTRATIVE TOTAL	2	2	2	2
207	ACCOUNTING				
	Controller	1	1	1	1
	City/Pension Accountant	3	3	3	3
	Payroll Coordinator	1	1	1	1
	AP - Accounting Technician	1	1	1	1
	AP - Account Clerk II	1	1	1	1
	ACCOUNTING TOTAL	7.00	7.00	7.00	7.00
208	TREASURY				
	Deputy Treasurer	1	1	1	1
	Account Processing Supervisor	1	1	1	1
	Account Clerk II	1	1	0	0
	Account Clerk I	1	1	2	2
	Total	4	4	4	4
	Part Time (FTE)	0.50	0.50	0.50	0.50
	TREASURY TOTAL	4.50	4.50	4.50	4.50
209	ASSESSING				
	City Assessor	1	1	1	1
	Assessor III	2	2	2	2
	Assessor II	2	2	2	2
	Clerk Typist II	1	1	1	1
	Total	6	6	6	6
	Part Time (FTE)	0.50	0.50	0.50	0.50
	ASSESSING TOTAL	6.50	6.50	6.50	6.50
FINANCE DEPARTMENT TOTAL		20.00	20.00	20.00	20.00

Finance Department

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$16,261 or 1% decrease from the current budget.
- The decrease results primarily from projected budget savings in personnel; partially offset by projected increases in operating supplies and professional & contractual expenditures.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$185,417 or 10.7% increase from the FY 15-16 year-end projection, and \$169,156 or 9.7% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from the change to move the \$150,000 budget for the Michigan Tax Tribunal (MTT) Refund account to the Assessing Division from the Support Services Department budget, to place this expenditure in the Department most responsible for the expenditure. The FY 16/17 budget also reflects an overall 1.3% increase in personnel costs. It's important to note that the base budget reflects a 5% reduction in bank service fees based on the anticipation of bank relationship changes to streamline and improve overall services.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Finance	\$1,500,152	\$1,580,107	\$1,746,580	\$1,730,319	\$1,915,736

Finance Department

DEPARTMENT NUMBER: 202 - ADMINISTRATION

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Administrative Salaries	159,797	164,649	169,868	170,497	172,605	172,605
106	Sick & Vacation	0	2,023	0	0	12,707	12,707
112	Overtime	26	0	0	100	100	100
200	Social Security	12,562	13,118	13,477	13,100	14,838	14,838
250	Blue Cross/Optical/Dental	14,119	15,846	25,642	25,240	25,299	25,299
275	Life Insurance	1,103	1,251	1,285	1,276	1,341	1,341
300	Pension - DC	12,623	12,880	13,159	13,178	13,384	13,384
325	Longevity	1,094	1,582	1,866	1,866	3,175	3,175
350	Worker's Compensation	368	378	380	347	692	692
	Allocate 20% of Sec. to Pension Fund	(12,008)	(14,270)	(15,602)	(15,186)	(16,065)	(16,065)
	Allocate 5% of All to Water fund	(10,084)	(10,586)	(11,284)	(10,785)	(12,207)	(12,207)
	Allocate 5% of All to Sewer fund	(10,084)	(10,586)	(11,284)	(10,785)	(12,207)	(12,207)
	Category Total	169,516	176,285	187,507	188,848	203,662	203,662
(740) OPERATING SUPPLIES							
002	Books & Subscriptions	362	390	398	199	50	50
008	Supplies	1,276	1,504	1,000	1,200	1,200	1,200
041	Over & Short	(164)	(13)	0	0	0	0
	Category Total	1,474	1,881	1,398	1,399	1,250	1,250
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	1,746	1,853	2,330	1,878	575	575
002	Memberships & Licenses	860	1,098	1,950	1,815	2,130	2,130
004	Consultants	1,105	1,505	1,510	2,005	2,015	2,015
005	Fleet Insurance	840	840	840	840	840	840
013	Education & Training	10	858	335	183	340	340
024	Printing Services	0	0	0	415	0	0
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
042	Mileage Reimbursement	94	144	50	150	150	150
	Category Total	8,255	9,897	10,615	10,886	9,650	9,650
(970) CAPITAL OUTLAY							
001	Office Furniture	2,563	0	0	0	0	0
	Category Total	2,563	0	0	0	0	0
FINANCE - ADMIN. TOTAL		181,808	188,063	199,520	201,133	214,562	214,562

Finance Department

DEPARTMENT NUMBER: 207 - ACCOUNTING

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Accounting Salaries	312,977	338,277	395,171	375,120	392,858	392,858
038	Part-Time	0	751	0	0	0	0
106	Sick & Vacation	8,180	17,821	28,853	32,035	8,307	8,307
112	Overtime	1,366	929	2,650	5,300	3,125	3,125
200	Social Security	24,743	26,976	33,527	31,951	31,458	31,458
250	Blue Cross/Optical/Dental	44,832	69,747	82,930	69,306	75,713	75,713
275	Life Insurance	786	920	1,042	1,051	1,067	1,067
300	Pension - DC	13,537	20,229	25,606	39,263	38,266	38,266
325	Longevity	8,568	9,947	11,588	9,891	6,912	6,912
350	Worker's Compensation	712	778	940	897	1,488	1,488
	Allocate 2.5% of All to Water fund	(10,380)	(11,993)	(14,558)	(14,125)	(13,980)	(13,980)
	Allocate 2.5% of All to Sewer fund	(10,380)	(11,993)	(14,558)	(14,125)	(13,980)	(13,980)
	Allocate 67% of pension accountant to Pension fund	(49,088)	(59,030)	(56,244)	(55,796)	(58,217)	(58,217)
	Category Total	345,853	403,359	496,947	480,768	473,017	473,017
(740) OPERATING SUPPLIES							
002	Books & Subscriptions	608	396	700	600	650	650
008	Supplies	1,766	2,129	2,480	2,650	2,500	2,500
	Category Total	2,374	2,525	3,180	3,250	3,150	3,150
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	532	764	1,080	1,456	1,835	1,835
002	Memberships & Licenses	670	475	870	810	800	800
013	Education & Training	349	931	2,065	1,952	2,225	2,225
021	Audit Services	63,510	48,740	63,000	59,600	62,000	62,000
024	Printing Services	2,074	423	1,550	2,520	1,550	1,550
042	Mileage Reimbursement	177	309	414	510	510	510
	Category Total	67,312	51,642	68,979	66,848	68,920	68,920
(970) CAPITAL OUTLAY							
001	Office Furniture	0	4,668	0	0	0	0
	Category Total	0	4,668	0	0	0	0
FINANCE - ACCOUNTING TOTAL		415,539	462,194	569,106	550,866	545,087	545,087

Finance Department

DEPARTMENT NUMBER: 208 - TREASURY

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Treasury Salaries	190,548	177,911	189,232	178,975	190,181	190,181
038	Part-time Salary	14,946	15,742	16,045	7,673	16,431	16,431
106	Sick & Vacation	21,905	1,275	1,301	0	1,327	1,327
112	Overtime	1,316	1,203	1,500	2,833	3,122	3,122
200	Social Security	17,550	15,283	16,035	14,515	16,360	16,360
250	Blue Cross/Optical/Dental	27,767	32,315	36,307	32,100	38,393	38,393
275	Life Insurance	555	627	649	632	671	671
300	Pension - DC	9,546	15,421	16,625	15,373	16,530	16,530
325	Longevity	6,296	2,202	1,521	1,521	2,786	2,786
350	Worker's Compensation	523	716	471	396	800	800
	Category Total	290,952	262,694	279,686	254,018	286,601	286,601
(740) OPERATING SUPPLIES							
008	Supplies	1,450	1,401	1,350	1,900	1,900	1,900
	Category Total	1,450	1,401	1,350	1,900	1,900	1,900
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	977	1,034	2,055	1,885	1,958	1,958
002	Memberships & Licenses	308	70	70	70	70	70
007	Office equipment Maint	0	180	0	0	0	0
013	Education & Training	2,460	157	406	111	1,951	1,951
024	Printing Services	5,133	7,965	8,100	9,838	9,838	9,838
042	Mileage Reimbursement	126	47	150	126	204	204
500	Bank Service Fees	49,414	54,969	51,000	50,070	47,922	47,922
	Category Total	58,418	64,422	61,781	62,101	61,943	61,943
(970) CAPITAL OUTLAY							
002	Office Equipment	0	1,167	0	0	0	0
	Category Total	0	1,167	0	0	0	0
FINANCE - TREASURY TOTAL		350,820	329,685	342,817	318,019	350,443	350,443

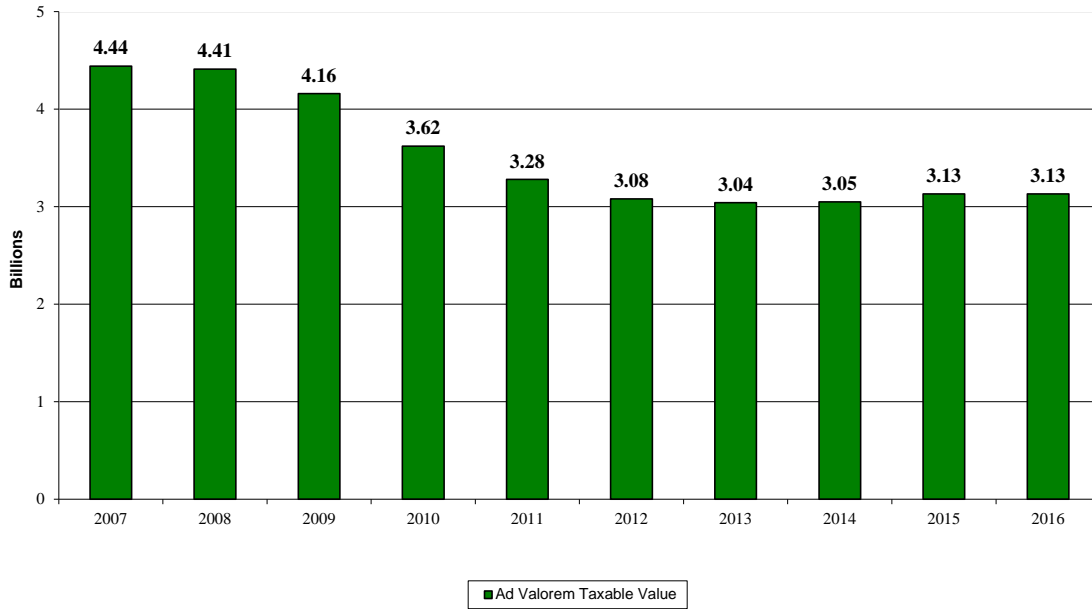
Finance Department

DEPARTMENT NUMBER: 209 - ASSESSING

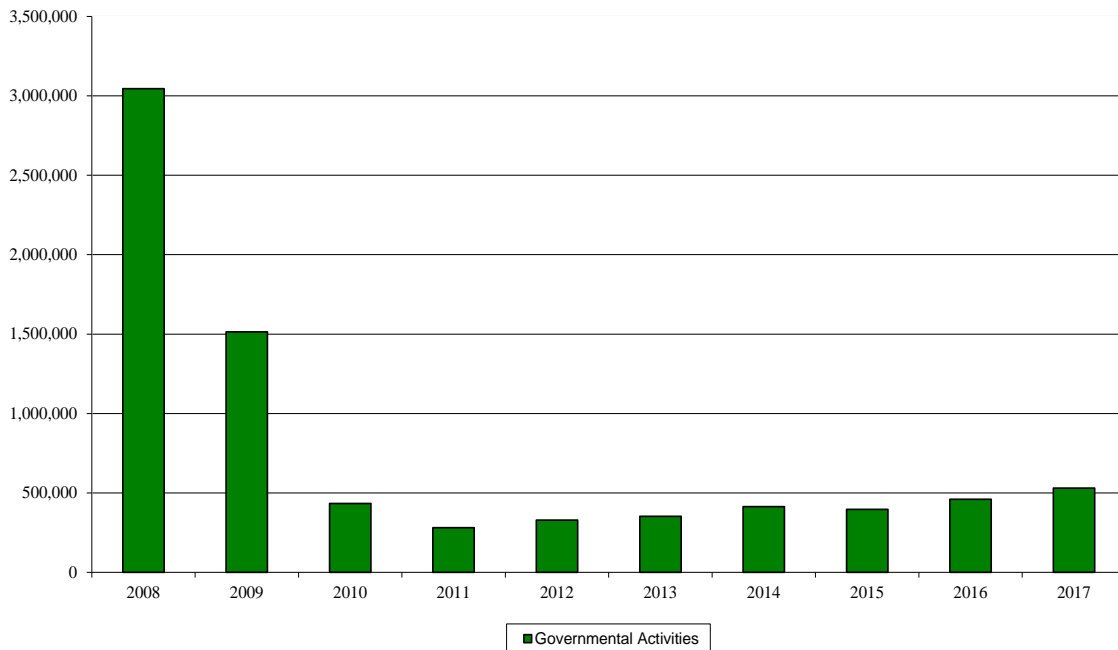
Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Administrative & Clerical	378,345	394,081	411,045	405,552	422,727	422,727
038	Part-time	13,418	12,152	17,554	21,583	17,902	17,902
106	Sick & Vacation	0	6,553	2,001	4,192	2,041	2,041
112	Overtime	437	494	1,100	750	750	750
200	Social Security	29,986	31,197	34,050	33,624	35,020	35,020
250	Blue Cross/Optical/Dental	66,450	92,215	94,990	105,250	100,307	100,307
275	Life Insurance	875	963	983	964	1,011	1,011
300	Pension - DC	28,490	29,633	30,762	29,825	31,509	31,509
325	Longevity	8,656	10,833	13,390	12,905	14,340	14,340
350	Worker's Compensation	1,938	1,949	2,145	1,960	3,370	3,370
	Category Total	<u>528,595</u>	<u>580,069</u>	<u>608,020</u>	<u>616,605</u>	<u>628,978</u>	<u>628,978</u>
(740) OPERATING SUPPLIES							
001	Gas & Oil	516	171	560	197	250	250
002	Books & Subscriptions	235	7,123	7,123	7,435	7,651	7,651
008	Supplies	967	1,084	1,000	1,000	750	750
	Category Total	<u>1,718</u>	<u>8,377</u>	<u>8,683</u>	<u>8,632</u>	<u>8,651</u>	<u>8,651</u>
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	1,198	242	975	664	975	975
002	Memberships & Licenses	1,650	1,550	2,365	2,175	2,175	2,175
005	Fleet Insurance	1,530	1,533	528	528	565	565
006	Vehicle Maintenance	778	557	500	500	500	500
009	Consultants	9,000	800	4,150	23,000	5,000	5,000
013	Education & Training	2,596	2,865	4,975	3,800	4,300	4,300
024	Printing Services	4,920	4,171	4,941	4,397	4,500	4,500
999	Tax Tribunal Refunds	0	0	0	0	150,000	150,000
	Category Total	<u>21,672</u>	<u>11,719</u>	<u>18,434</u>	<u>35,064</u>	<u>168,015</u>	<u>168,015</u>
FINANCE - ASSESSING TOTAL		<u>551,985</u>	<u>600,165</u>	<u>635,137</u>	<u>660,301</u>	<u>805,644</u>	<u>805,644</u>
TOTAL FINANCE DEPARTMENT		<u>1,500,152</u>	<u>1,580,107</u>	<u>1,746,580</u>	<u>1,730,319</u>	<u>1,915,736</u>	<u>1,915,736</u>

KEY DEPARTMENTAL TRENDS

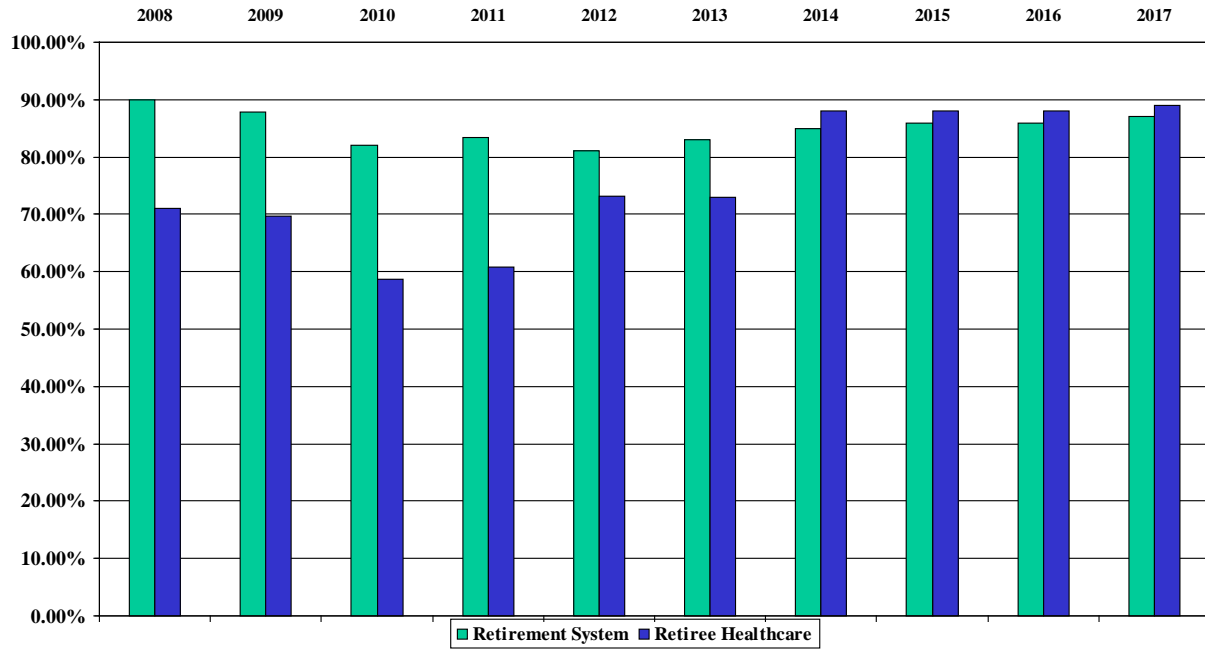
City of Farmington Hills
Taxable Value History/Projection
2007 - 2016



City of Farmington Hills
Governmental Activities - Investment Earning History/Projection
at June 30th



**City of Farmington Hills
Retirement System and Retiree Healthcare- Funded Ratio History/Projection
at June 30th**



CORPORATION COUNCIL

MISSION STATEMENT: Advise and represent the City Council and Administration in all legal matters.

Legal Services are provided through a contract with a private firm. Legal services include acting as legal advisor to the City Council, Boards and Commissions, and City Staff; preparing all legal documents; preparing for enactment all additions and amendments to the City's Code of Ordinances; and representing the City in all legal proceedings in which the City may have an interest. There are no city employees in this budget.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- To provide legal services in an efficient, competent and cost effective manner. (2,9)
- To identify key legal priorities of the City. (2)
- To assist the City Council and other Boards and Commissions regarding legal issues that may arise at meetings. (2,7)
- To establish legal procedures, guidelines and standards in support of the City Council and City Administration's missions and goals. (1-14)
- To advise and counsel the City regarding developing state and federal legislation, as well as recent court decisions. (7)

PERFORMANCE OBJECTIVES

- To provide the necessary support to diligently prosecute all ordinances as required by the City of Farmington Hills.
- To provide the necessary support for handling all civil litigation involving the City in State and Federal Courts and administrative agencies.
- To render legal opinions, to prepare and review contracts, and to prepare ordinances in a timely manner.

Corporation Counsel

Legal Services comprise 1.1% of the General Fund’s proposed budget.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$5,875 or 1% decrease from the current budget.
- The decrease results primarily from projected less legal fees in the areas of prosecutions, court defense and tax tribunals; partially offset by projected more legal fees for special projects.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$14,900 or 2.5% increase from the FY 15-16 year-end projection and a \$9,025 or 1.5% increase from the FY 15-16 adopted budget.
- The budget to budget increase results primarily from increased legal fees in the areas of the retainer and special projects; partially offset by decreased legal fees in the areas of prosecutions, court defense, and tax tribunals.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
City Attorney	\$565,676	\$569,892	\$607,475	\$601,600	\$616,500

DEPARTMENT NUMBER: 210

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(801) PROFESSIONAL & CONTRACTUAL							
008	Legal Retainer	187,500	187,500	191,250	191,250	208,000	208,000
009	Prosecution	275,253	295,200	291,225	290,350	290,500	290,500
010	Court Defense	46,343	33,123	50,000	45,000	40,000	40,000
011	Labor Relations	12,970	23,985	20,000	20,000	20,000	20,000
012	MTT Professional Service	43,610	28,171	55,000	45,000	45,000	45,000
071	Special Projects	0	1,913	0	10,000	13,000	13,000
DEPARTMENT TOTAL		565,676	569,892	607,475	601,600	616,500	616,500

CITY CLERK

MISSION STATEMENT: To serve the public, City Departments and City Council by efficiently providing up-to-date information on the many diverse functions of City Hall and the City Clerk's Office and by maintaining accurate and complete records of all business transactions and to conduct in an orderly manner, all federal, state, county and local elections.

The City Clerk's Office is responsible for many diverse functions and serves as the main information office of the City. The City Clerk attends and records all meetings of the City Council. A summary report of Council's actions is then prepared and distributed to City staff and the public. The City Clerk also prepares the tentative and final City Council meeting agendas and electronic information packets with the assistance of the City Manager. All public hearing notices are posted and submitted for publishing by the City Clerk's Office. Additional responsibilities include maintaining all files and permanent records of the City and conducting elections and the maintenance of all voter registrations. The Clerk's Office is also responsible for receiving/reviewing petitions and preparing resolutions for special assessment district improvements, the processing of Council resolutions, and all legal advertising for the City. The Clerk's Office maintains the City Codes of Ordinances, Resolutions and other legal documents. In addition, the Clerk's Office processes birth and death records, certain business registrations/permits, new subdivision plats, easements and agreements, street/alley vacations, and is responsible for recording documents with the Oakland County Register of Deeds. The City Clerk functions as Secretary to the City Council and Building and Hospital Authorities and provides direct recording secretarial services to the Planning Commission and Zoning Board of Appeals; and support clerical services for agendas and minutes for the Arts Commission, Beautification Commission, Commission on Children, Youth and Families, Commission for Energy and Environmental Sustainability, Emergency Preparedness Commission, Historic District Commission, Historical Commission, Mayor's Youth Council, Parks & Recreation Commission and various Ad-Hoc Commissions and Committees.

During the FY 2016/17 budget two elections will be conducted – the Primary Election scheduled for August 2, 2016 and General Presidential Election scheduled for November 8, 2016.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

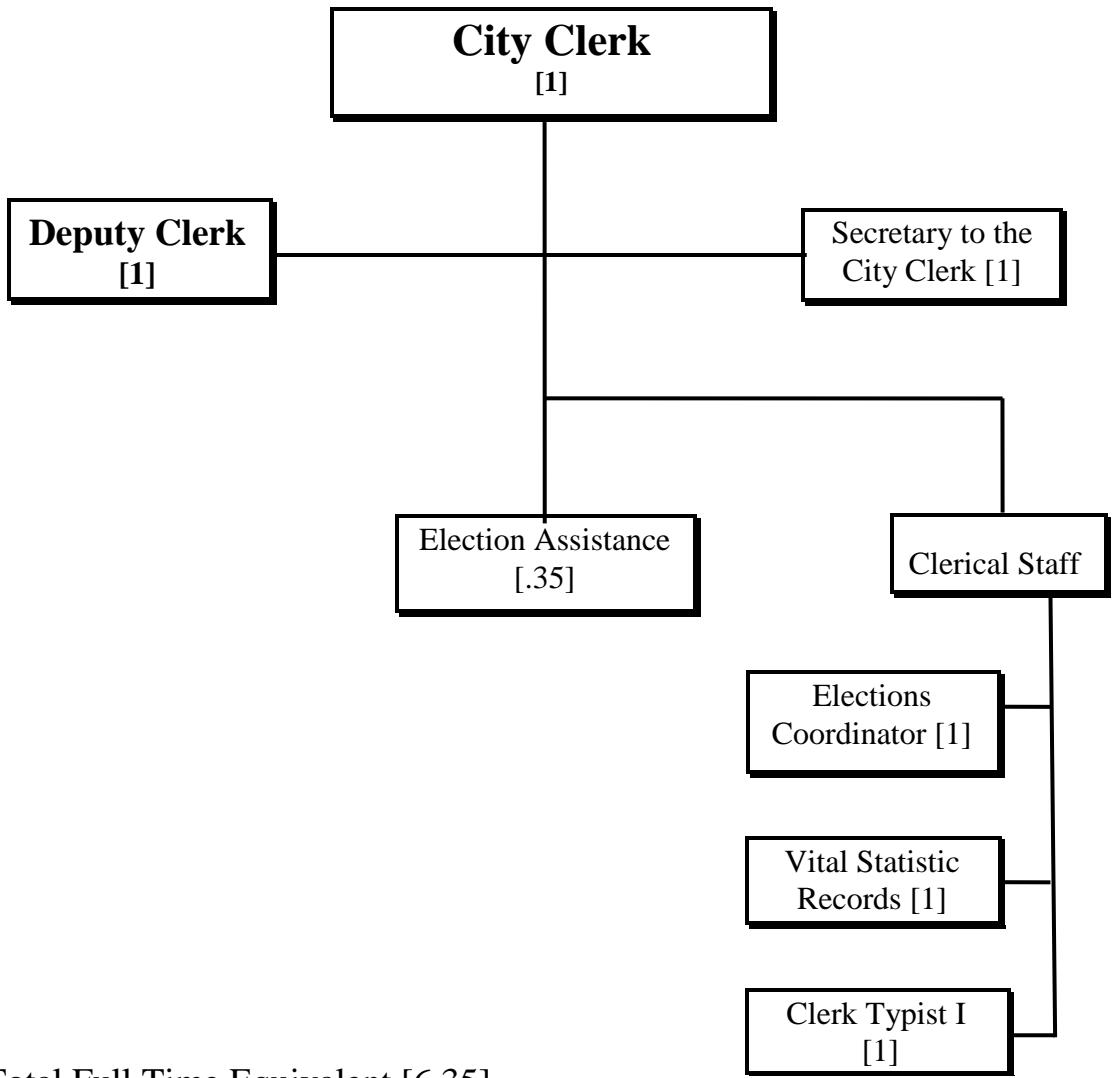
- Review and update ordinances pertinent to the City Clerk's Office. (2)
- Overall review and update of ordinances with Departments. (2,8,9)
- Implementation of the E-recording services offered by Oakland County to record city documents. (2)
- Work with City of Farmington on combined training efforts for Elections when possible. (2,8)
- Work with legislators on Election Law changes to assist in better Election Management, such as no-reason absentee voting, early registration for students and streamlining the process for first time registrants; and for continued funding for new Election Equipment (1,2,4)
- Work with the County Elections Office to obtain new Election Equipment prior to the General City Election in 2017 and offer various training opportunities on the new equipment to the residents. (1,9)

PERFORMANCE OBJECTIVES

- Provide agendas, minutes and all documents within the time frame required by law.
- Provide updated City Clerk Department information on the City’s website.
- Update and accurately maintain the city’s voter registration system.
- Respond to FOIA requests within the time frame(s) required by law.
- Process permits and licenses in a timely manner and schedule before Council as required
- Update and maintain the permanent absent voter list.
- Update and maintain the City Code of Ordinances.
- Maintain accurate counts and documentation of all birth and death records filed with the city.
- Conduct the August Primary and November Presidential Election in a thorough and efficient manner.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Levels	Birth Records Processed	842	875	N/A
	Death Records Processed	1199	1246	N/A
	Freedom of Information Act (FOIA) Requests Processed	130	200	200
	Ordinances Enacted	9	10	9
	Sets of City Council Minutes(includes study sessions, special meetings) prepared	47	50	47
	Sets of Planning Commission Minutes prepared	19	22	22
	Sets of Zoning Board of Appeals Minutes prepared	11	12	12
	Agendas & Minutes posted and filed for other various board/commission and committees	292	290	290
	Voter Registration Records Processed	5,221	5,850	6500
	Absentee Ballots Issued	25,002	14,513	23,500
	Council Agendas/Packets Prepared	24	22	22
	No. of Elections Conducted *Special State-Wide Election called for May, 2015 *Special School Elections called for in August, 2015 and May, 2016	3*	4*	2
	No. of Public Notices Published	112	120	120
	No. of Documents Recorded	67	80	80
	No. of Liquor License Requests approved by City Council (New, transfers, One-Day, etc)	9	4	4
	No. of Permits Issued- Special Events, Temporary Outdoor Sales, Massage Businesses, Home Daycare, Peddler/Solicitor	133	149	149
Efficiency	Activity Expenditures as a % of General Fund	1.30%	1.17%	1.20%

CITY CLERK



Total Full Time Equivalent [6.35]

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
City Clerk					
(010) Administrative and Clerical					
	City Clerk	1	1	1	1
	Deputy Clerk	1	1	1	1
	Secretary to the Clerk	1	1	1	1
	Clerk Typist II	1	1	1	1
	Clerk Typist I	1	1	1	1
	Election Coordinator	1	1	1	1
	Total	6	6	6	6
(038) Part Time (FTE)					
	Election Help	0.31	0.34	0.35	0.35
	Total	0.31	0.34	0.35	0.35
Department Total		6.31	6.34	6.35	6.35

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$5,087 or .81% increase from the current budget.
- The increase results primarily from an increase in Office Equipment Maintenance to pay the Election Equipment maintenance for 16/17 that will be billed in April, 2016; increased printing expenses for 2 Special School Elections and continuing education costs for the Deputy Clerk.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$41,516 or 6.5% increase from the FY 15-16 year-end projection and \$46,603 or 7.4% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from increased personnel costs for election inspectors, part-time and overtime for two elections with an expected high voter turn-out as well as increases in consultants, office equipment maintenance and education & training; partially offset by a decrease in election supplies.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
City Clerk	\$581,886	\$659,117	\$631,574	\$636,661	\$678,177

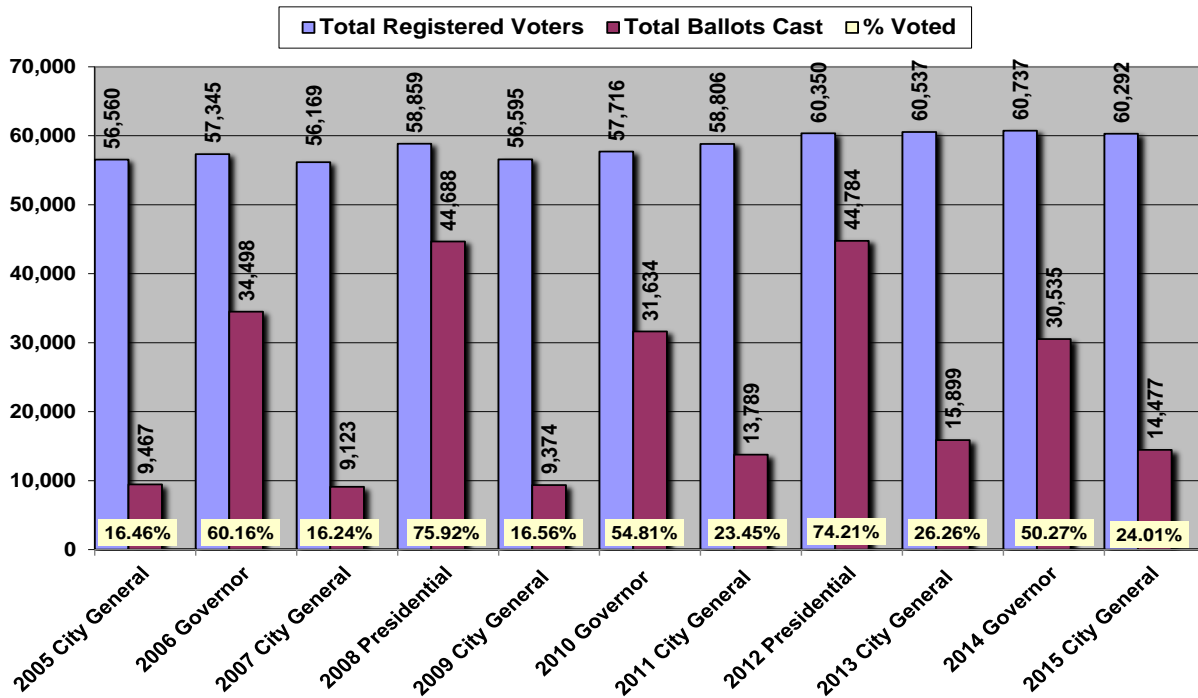
City Clerk

DEPARTMENT NUMBER: 215

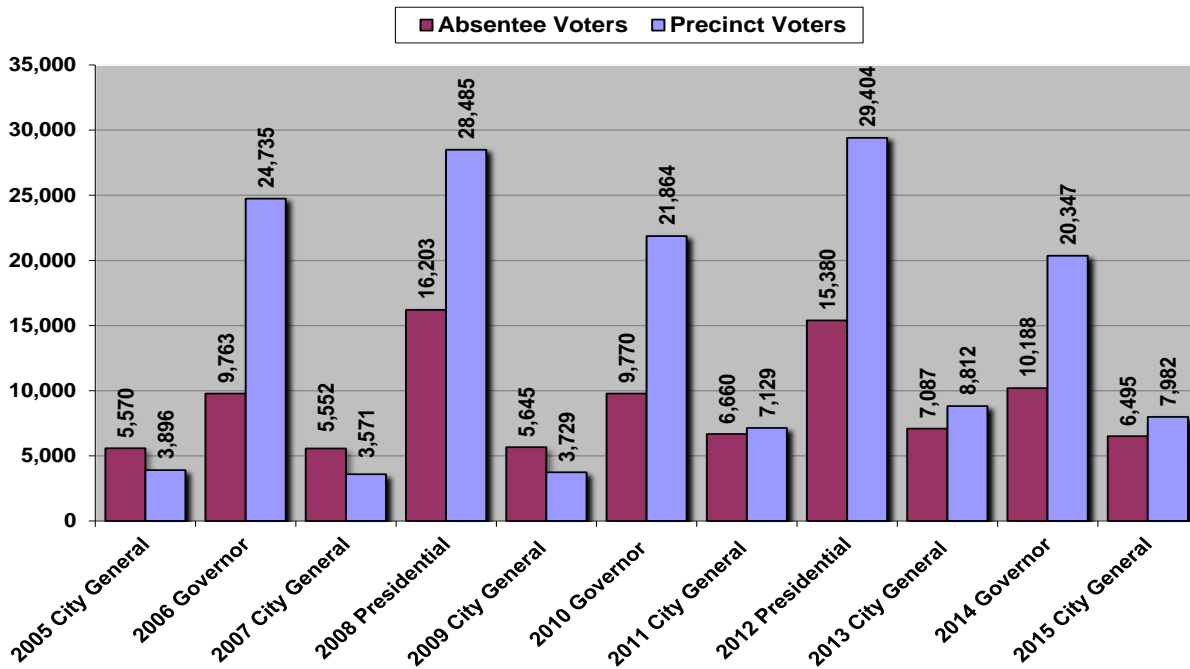
Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	323,784	321,470	327,650	328,148	337,180	337,180
038 Part-time	5,487	9,082	9,100	6,200	9,555	9,555
039 Election Workers	51,401	106,845	59,870	65,000	89,500	89,500
106 Sick & Vacation	0	9,652	2,016	1,119	1,140	1,140
112 Overtime	6,377	12,145	8,535	6,600	9,244	9,244
200 Social Security	26,530	27,674	27,815	27,102	28,640	28,640
250 Blue Cross/Optical/Dental	57,562	66,299	73,265	73,536	79,171	79,171
275 Life Insurance	1,597	1,733	1,785	1,783	1,857	1,857
300 Pension - DC	23,136	23,345	23,749	23,698	24,290	24,290
325 Longevity	11,288	10,787	11,879	11,683	13,056	13,056
350 Worker's Compensation	765	794	775	713	1,329	1,329
Category Total	507,927	589,826	546,439	545,582	594,962	594,962
(740) OPERATING SUPPLIES						
001 Gas & Oil	449	366	560	785	735	735
008 Supplies	3,274	5,127	3,900	2,500	3,700	3,700
012 Election Supplies	24,915	12,272	24,475	24,475	15,200	15,200
Category Total	28,637	17,765	28,935	27,760	19,635	19,635
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	1,289	1,918	4,250	3,500	4,250	4,250
002 Memberships & Licenses	420	575	440	440	440	440
004 Consultants	6,731	6,713	7,500	8,000	8,500	8,500
005 Fleet Insurance	840	840	840	840	840	840
007 Office Equip. Maintenance	7,018	13,698	9,820	12,789	13,800	13,800
012 Codification	4,551	5,829	6,500	6,500	6,500	6,500
013 Education & Training	1,203	763	550	3,050	3,050	3,050
014 Legal Notices	12,886	11,361	14,000	14,000	14,000	14,000
015 Election Site Rentals	2,180	3,820	3,000	2,800	2,900	2,900
024 Printing Services	4,642	2,170	3,700	5,800	3,700	3,700
041 Vehicle Allowance	3,600	3,600	3,600	3,600	3,600	3,600
078 Recording Fees	-38	239	2,000	2,000	2,000	2,000
Category Total	45,322	51,526	56,200	63,319	63,580	63,580
DEPARTMENT TOTAL	581,886	659,117	631,574	636,661	678,177	678,177

KEY DEPARTMENTAL TRENDS

Total Votes Cast



Total Voters By Election



HUMAN RESOURCES

MISSION STATEMENT:

Provide comprehensive personnel and organizational development services to the employees and operating units of the City.

The Human Resources Department provides service, consultation, and control in the areas of employment and recruitment, compensation administration, employee and labor relations, benefits administration, worker's compensation, safety, unemployment compensation, employee education and development, performance evaluations, discipline, union collective bargaining and contract administration, employment related outside agency complaints, state and federal labor law compliance, personnel records maintenance, organizational development, service and recognition, equal employment opportunity, Title VI compliance and other personnel related issues.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- To champion the City's effort to ensure that diversity within the workforce appropriately reflects the Farmington Hills community. (8)
- To assist departments in cost saving measures through reorganization and personnel management. (1, 2)
- Maintain the Employee Safety Program and the careful administration of the worker's compensation program. (2, 8)
- To continue to effectively manage the HRIS software and encourage appropriate departmental utilization of the database. (2)
- To continue to receive an award for having the lowest experience modification factor among cities of comparable size by the Michigan Municipal League Worker's Compensation Fund. (2, 8)
- Develop additional Standard Practice Policies to ensure uniform administration of policies, benefits and procedures. (8, 9)
- To partner with employee groups and continue to provide a positive, productive and satisfying work environment. (8)
- Update and maintain job descriptions for all employee groups. (8)
- To provide quality, efficient employee relations and personnel services to departments and be recognized as a business partner for such. (8)
- Administer the Fit for Life program to encourage employees and spouses to maintain healthy lifestyles. (2, 8)

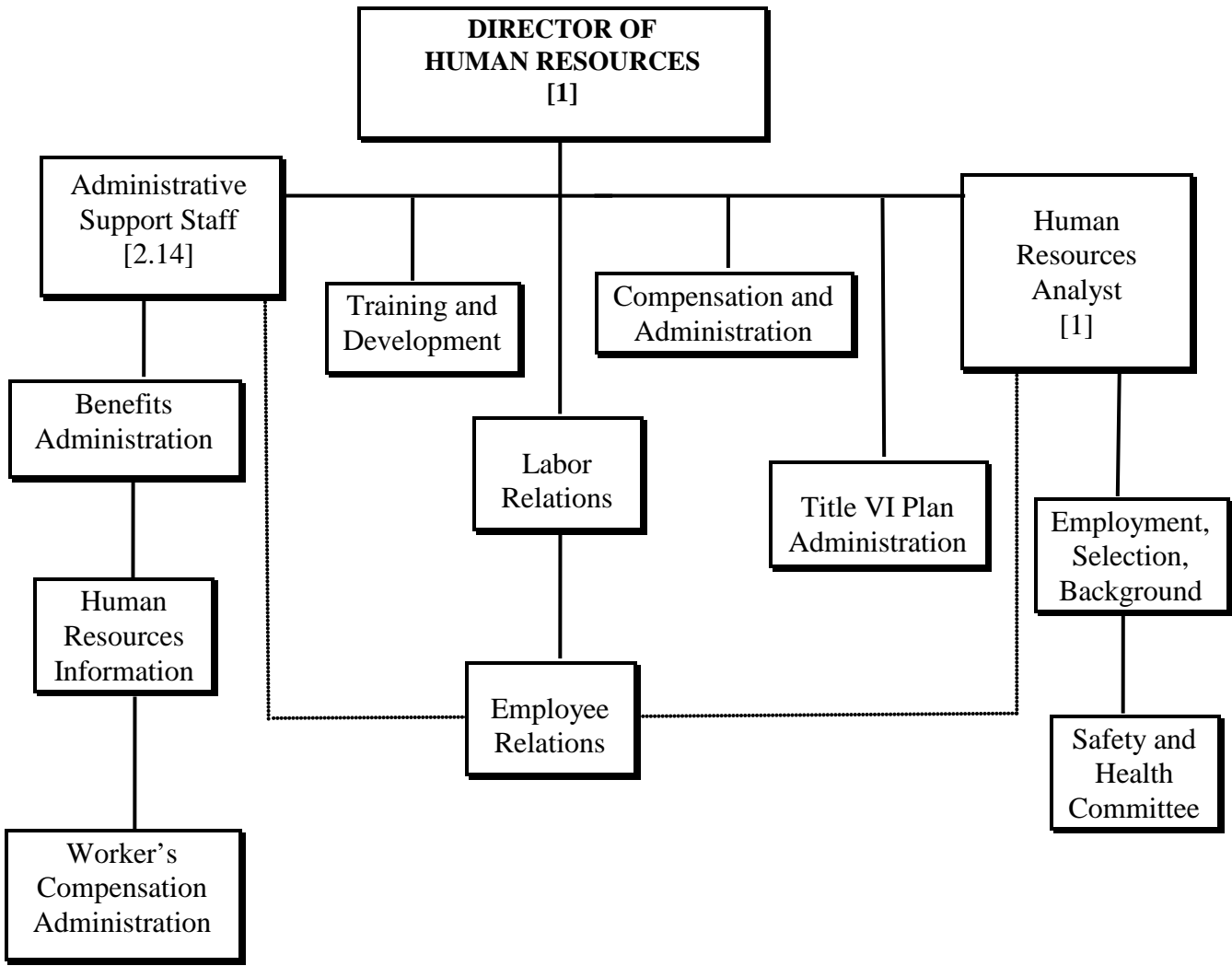
Human Resources

- Recruit and hire the most qualified candidates using performance based criteria and equal opportunity. (8)
- Develop and support programs that promote morale amongst the workforce and highlight the City as an employer of choice. (8)
- Maintain the intranet as a critical source of information to employees regarding employment, benefits, policies programs and procedures. (2, 8)
- To actively manage the benefit plans and discover cost savings opportunities. (2)

PERFORMANCE OBJECTIVES

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Full-time new hires	21	17	13
	Part-time/seasonal new hires	214	220	240
	Full-time terminations/Retirements	16	17	15
	Part-time/seasonal terminations	158	153	158
	Health Insurance Administration (including FT, COBRA and retirees)	449	401	420
	Applications received	902	1,250	1201
	Payroll changes processed	780	580	607
	Occupational injuries or illnesses	43	32	30
	Drivers license checks processed	244	225	230
	Criminal checks processed	257	245	280
	Benefit changes processed	744	630	690
	Employee consultations	3,600	3600	3600
	Participation in Fit for Life Program	31%	32%	32%
	Efficiency	Number of years awarded MML Lowest Modification Factor for Workers Compensation	21	22
Average # work days to complete internal recruitment		39	30	29
Average # work days to complete external recruitment		74	62	54
% Labor grievances resolved before arbitration		100%	100%	100%
Full-time employee turnover rate (excluding retirements)		0.7%	0.3%	0.5%
% Minorities in Work Force		12%	13%	13%
Activity Expenditures as a % of General Fund		0.73%	0.69%	0.68%

HUMAN RESOURCES



**Total Full Time Equivalent
[4.14]**

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010) Administrative and Clerical					
	Director of Human Resources	1	1	1	1
	Human Resources Analyst	1	1	1	1
	Secretary to the Director	1	1	1	1
	Human Resources Department Aide	1	1	1	1
		4	4	4	4
(038)	Part Time (FTE)	0	0	0.14	0.14
	DEPARTMENT TOTAL	4	4	4.14	4.14

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$2,635 or 0.7% increase from the current budget.
- The increase results primarily from an increase in part-time wages, sick & vacation payouts and personnel advertisements.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$8,557 or 2.3% increase from the FY 15-16 year-end projection and \$11,192 or 3% increase from the FY 15-16 current budget
- The budget to budget increase results primarily from higher personnel costs and advertising costs, and new costs associated with the City’s Emergency Action Plan, and ACA related supplies.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Human Resources	\$410,781	\$368,503	\$375,091	\$377,726	\$386,283

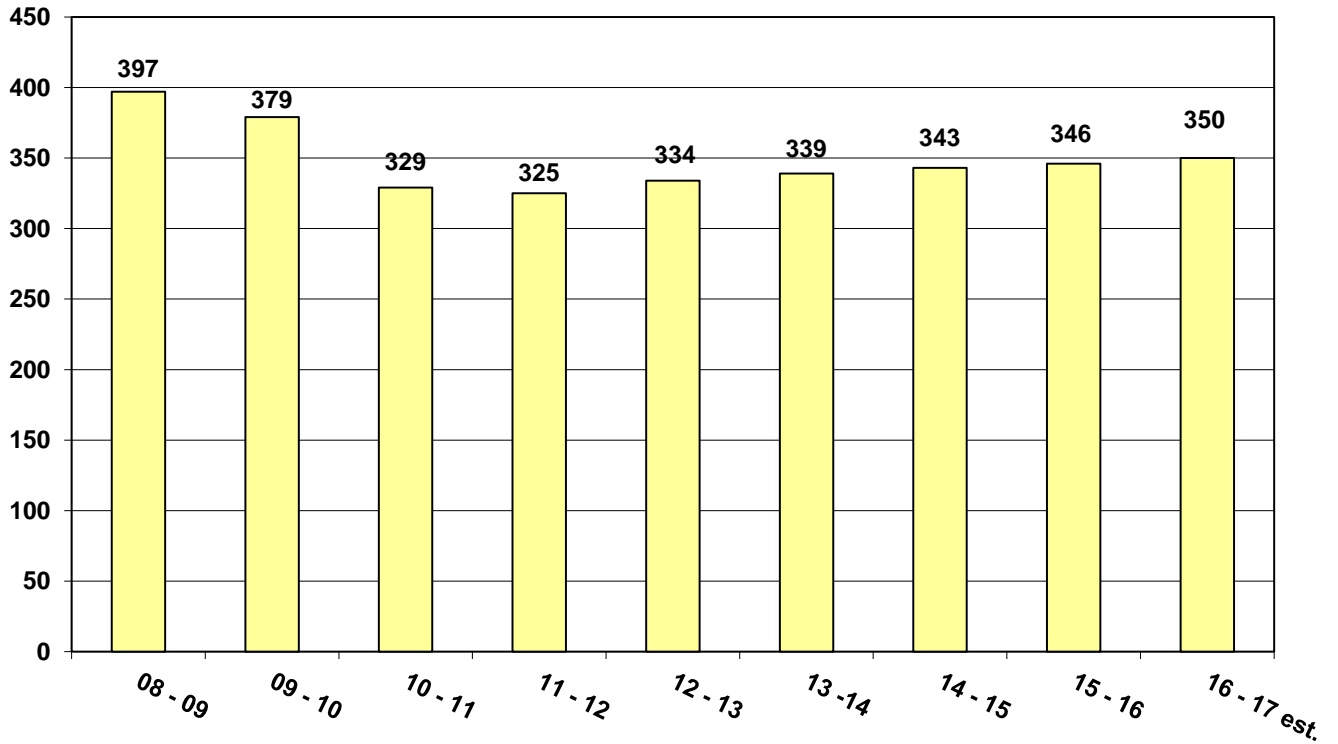
Human Resources

DEPARTMENT NUMBER: 226

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Administrative Salaries	255,698	225,195	244,883	245,711	253,592	253,592
038	Part-time	73	30,639	3,000	9,750	3,000	3,000
106	Sick & Vacation	35,732	5,678	3,895	5,857	6,030	6,030
112	Overtime	907	107	0	700	500	500
200	Social Security	22,589	19,837	19,715	19,990	20,618	20,618
250	Blue Cross/Optical/Dental	47,496	29,587	49,684	40,500	38,393	38,393
275	Life Insurance	1,541	1,431	1,546	1,513	1,782	1,782
300	Pension - DC	16,219	22,059	23,967	24,025	24,646	24,646
325	Longevity	10,411	557	1,493	1,497	1,784	1,784
350	Worker's Compensation	663	588	562	548	992	992
	Category Total	391,329	335,679	348,745	350,091	351,337	351,337
(740) OPERATING SUPPLIES							
001	Gas & Oil	1,552	1,774	2,240	1,480	1,680	1,680
002	Books & Subscriptions	42	0	0	0	0	0
003	Personnel Testing	507	383	747	740	747	747
004	Personnel Advertising	4,944	6,254	4,200	7,100	7,200	7,200
008	Supplies	942	1,161	800	800	1,400	1,400
	Category Total	7,987	9,571	7,987	10,120	11,027	11,027
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	1,248	921	1,100	1,100	1,100	1,100
002	Memberships & Licenses	779	845	815	615	680	680
004	Consultants/CDL	624	2,177	2,244	1,400	2,000	2,000
005	Fleet Insurance	840	840	840	840	840	840
013	Education & Training	1,034	11,023	6,500	6,500	7,275	7,275
024	Printing Services	0	53	0	0	0	0
025	Safety & Health Committee	1,600	1,438	1,960	1,960	6,924	6,924
026	Physical Exams	1,740	2,356	1,300	1,500	1,500	1,500
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
	Category Total	11,464	23,253	18,359	17,515	23,919	23,919
DEPARTMENT TOTAL		410,781	368,503	375,091	377,726	386,283	386,283

KEY DEPARTMENTAL TREND

FULL TIME EMPLOYEES



CENTRAL SERVICES

MISSION STATEMENT:

Provide the highest quality, efficient internal support for Information Technology, Purchasing and Telecommunications.

The Department of Central Services provides internal support for Information Technology, Purchasing, Mail Services and Telecommunications. Information Technology staff provides technical support and maintenance of information systems, telecommunications systems and GIS. Supplies and services are procured by purchasing staff for all departments and divisions within the City. Purchasing staff also dispose of surplus City owned property. Mail services for incoming and outgoing mail are managed by Central Services staff.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Streamline routine work-flow with the use of technology. (2,8)
- Maintain a stable, reliable and efficient computer network. (2,8)
- Provide software training opportunities for employees. (2,8)
- Replace obsolete and ineffective technology equipment prior to it becoming a support problem. (2)
- Promote the use of e-Procurement and expand the membership of vendors and agencies. (2)
- Expand the use of cooperative purchasing. (2,10)
- Replace paper based sealed bidding process with electronic process. (2,8)
- Review, promote and implement creative ways to save money and improve operations. (2)
- Educate staff about the purchasing process. (2,9)
- Expand the use of GIS technology. (2,8)
- Promote, support and expand networked phone system. (2)
- Promote, educate and expand the use of the p-card program. (2,8)
- Implement Green purchasing procedures. (2,10)
- Maintain existing service and support levels with added responsibilities. (1,8)
- Review consolidation opportunities.(2,10)
- Manage additional responsibilities (Farmington IT). (2)

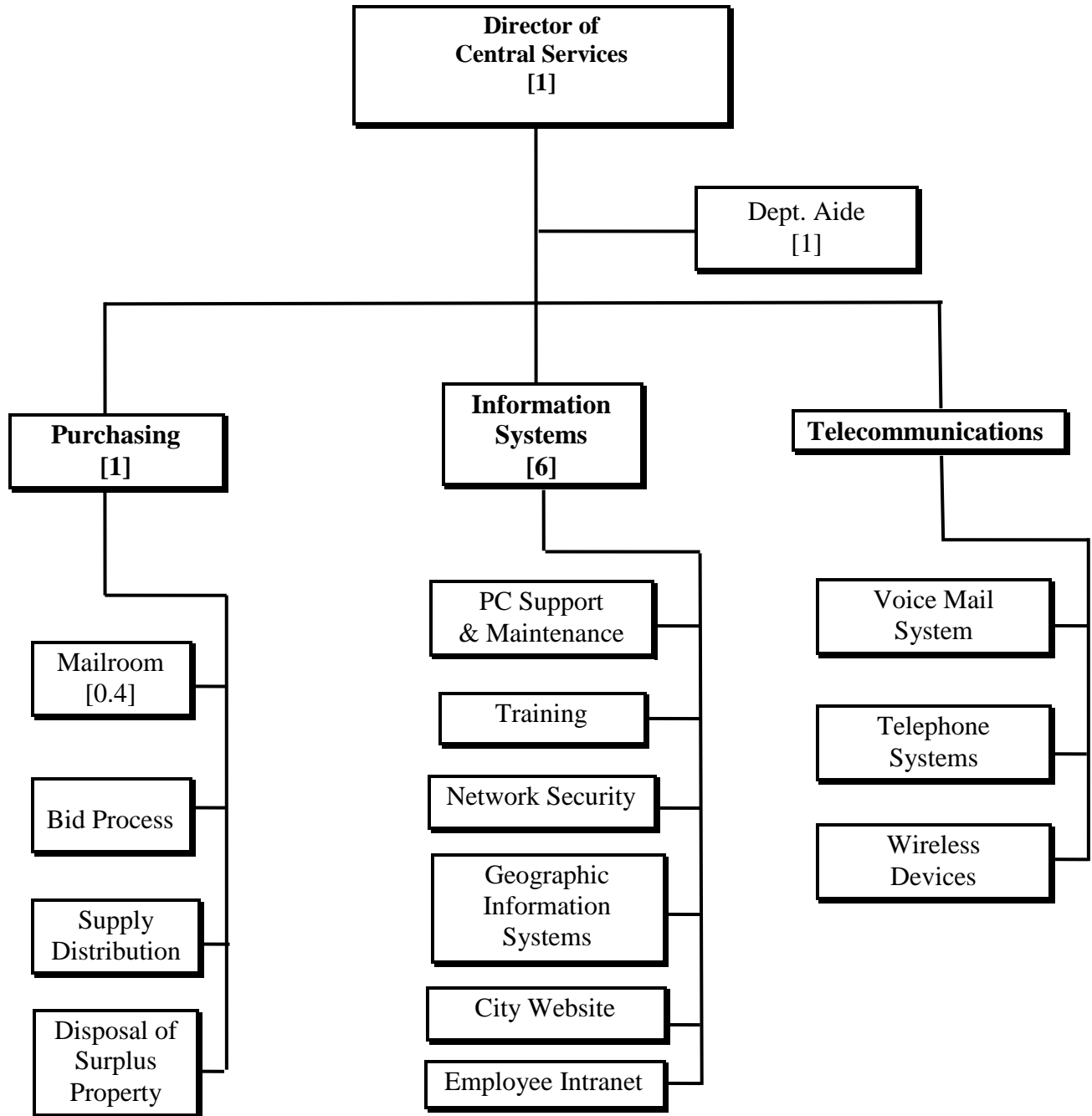
PERFORMANCE OBJECTIVES

- Maintain and improve growing services levels within assigned resources.
- To promote the use of technology to improve the delivery of City services.
- To support end users in a timely and professional manner without secondary visits.
- Expand the use of the City website and to disseminate information about the City.
- Expand and promote the use of the employee intranet.
- Implement pro-active contracts with multi year renewal options.
- Eliminate redundancy of information maintenance and promote information sharing.
- Expand the use of document imaging.
- Encourage, expand and promote cooperative purchasing.
- Support and maintain data network to provide uninterrupted work for staff.
- Encourage and promote the use of existing software systems to their fullest capacity.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Software Systems Supported	202	202	206
	Software Training Classes Provided	0	25	0
	Computer Hardware Supported (PC's)	431	450	468
	Helpdesk/Support incidents	1,400	1,500	1,500
	Multi-Function Network Printers	53	57	59
	Network & Local Printers	31	33	37
	Portable PC's Supported	58	60	70
	Virtual Servers Maintained	35	37	40
	Smart phone devices	90	100	98
	Smart phone Users	102	102	115
	Ratio of PC's to IT Analysts	86 : 1	90 : 1	94 : 1
	Sealed Bids/RFP's Issued	65	65	68
	MITN e-Procurement members	130	140	154
	City Manager Reports	70	73	73
	Purchase Orders Issued	748	780	785
	Total Amount Purchased	\$17,400,000	\$18,000,000	\$18,500,000
	Purchasing Net Aggregate Savings	\$324,014	\$500,000	\$550,000
	Total Dollars purchased with p-card	\$1,718,667	\$2,148,000	\$2,400,000
	Total number of p-card transactions	6,432	7,700	8,000
	Efficiency	Total sold through MITN auction	\$76,279	\$100,000
Number of items sold through MITN auction		167	175	180
Outbound U.S. Mail Processed		77,882	75,000	85,000
Average Amount of Purchase Order		\$23,262	\$23,076	\$23,566
Savings per \$1 expended	\$.018	\$.028	\$.030	
Average p-card transaction	\$267.20	\$278.96	\$300.00	
Activity Expenditures as % of General Fund	2.13%	2.18%	2.20%	

CENTRAL SERVICES

Total Full Time Equivalent [9.40]



STAFFING LEVELS

Acct. 250	Title	Authorized Positions		Requested Positions	Authorized Positions
		FY 2014/15 Budget	FY 2015/16 Budget	FY 2016/17 Budget	FY 2016/17 Budget
(010) Administrative and Clerical					
	Director of Central Services	1	1	1	1
	Senior Buyer	1	1	1	1
	Manager of Information Technology	1	1	1	1
	Information Systems Analyst II	4	4	3	3
	Information Systems Analyst I	0	0	1	1
	GIS Technician	1	1	1	1
	Aide	1	1	1	1
		<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
(038) Part Time (FTE)					
	Part time help	0.40	0.40	0.40	0.40
	Total	<u>0.40</u>	<u>0.40</u>	<u>0.40</u>	<u>0.40</u>
	Department Total	<u>9.40</u>	<u>9.40</u>	<u>9.40</u>	<u>9.40</u>

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$39,990 or 3.3% decrease from the current budget.
- The decrease results primarily from projected less than budgeted operating supply and professional & contractual expenditures; partially offset by projected more than budgeted personnel expenditures.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$59,510 or 5% increase from the FY 15-16 year-end projection and \$19,520 or 1.6% increase from the FY 15-16 current budget.
- The budget to budget increase results primarily from increased memberships & licenses and office equipment maintenance.

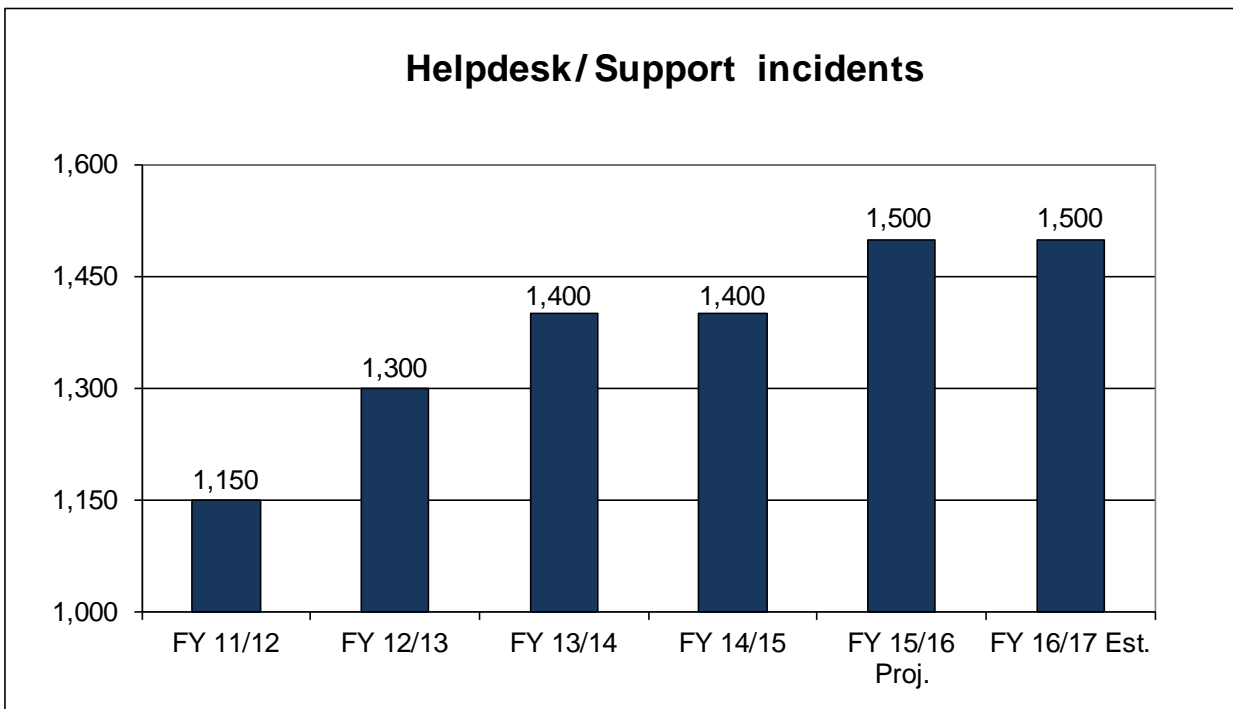
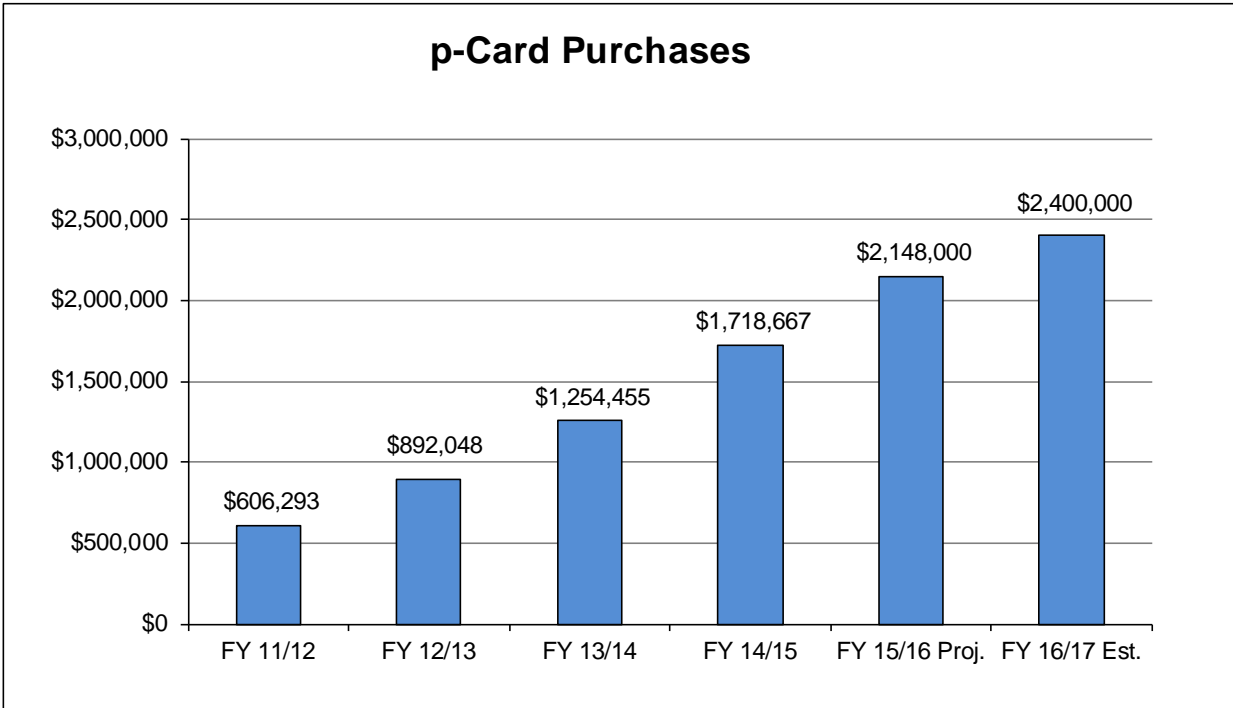
	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Central Services	\$1,005,827	\$1,080,828	\$1,227,228	\$1,187,238	\$1,246,748

Central Services

DEPARTMENT NUMBER: 250

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Administrative Salaries	638,184	651,425	668,765	664,205	671,783	671,783
038	Part-time	8,894	8,879	9,300	9,200	9,500	9,500
106	Sick & Vacation	11,046	8,790	16,133	25,581	13,226	13,226
112	Overtime	461	7,846	15,000	8,000	14,000	14,000
200	Social Security	50,341	51,900	56,543	55,195	56,301	56,301
250	Blue Cross/Optical/Dental	81,939	96,185	98,967	106,090	117,300	117,300
275	Life Insurance	3,135	3,554	3,614	3,614	3,754	3,754
300	Pension - DC	0	0	0	2,468	7,667	7,667
325	Longevity	27,443	30,086	33,817	34,455	32,850	32,850
350	Worker's Compensation	1,478	1,521	1,600	1,520	2,659	2,659
	Category Total	822,920	860,186	903,738	910,328	929,040	929,040
(740) OPERATING SUPPLIES							
001	Gas & Oil	3,014	2,454	3,080	1,960	2,310	2,310
002	Books & Subscriptions	104	59	60	60	60	60
008	Supplies	1,462	1,854	1,500	1,100	1,500	1,500
	Category Total	4,580	4,368	4,640	3,120	3,870	3,870
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	1,131	1,704	3,500	3,000	3,500	3,500
002	Memberships & Licenses	153,752	160,545	230,290	215,000	233,548	233,548
004	Consultants/Website Dev.	19,005	48,014	73,120	50,000	50,000	50,000
005	Fleet Insurance	840	840	840	840	840	840
007	Office Equip. Maintenance	0	806	1,150	0	16,000	16,000
013	Education & Training	0	568	6,000	1,000	6,000	6,000
024	Printing Services	0	197	350	350	350	350
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
	Category Total	178,327	216,274	318,850	273,790	313,838	313,838
DEPARTMENT TOTAL		1,005,827	1,080,828	1,227,228	1,187,238	1,246,748	1,246,748

KEY DEPARTMENTAL TRENDS



SUPPORT SERVICES

MISSION STATEMENT: Provide those services and activities necessary to the overall day-to-day operation of the City government.

Support Services refers to services that are provided to support the overall operation of the City. This cost center provides support for the entire organization and accounts for all general costs that cannot be allocated to any one particular department. Budget funding covers general liability & property insurance, telecommunications, overhead street lighting, copiers, beautification projects, staff vehicles, postage and other administrative functions. There are no employees in this budget.

This Department's operations, which are 2.84% of the General Fund's requested budget, are partially supported by a \$58,000 Reimbursement for Overhead Street Lighting from various affected subdivisions and properties.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$149,454 or 7.5 % decrease from the current budget.
- The decrease results primarily from projected less than budgeted tax tribunal refunds, overhead street lighting costs, and the State Health Insurance Claims Tax (which is now being allocated to the various respective departments); partially offset by a one-time contribution to SWOCC to facilitate its dissolution.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$222,580 or 12% decrease from the FY 15-16 year-end projection and \$372,034 or 19% decrease from the FY 15-16 budget.
- The budget to budget decrease results primarily from the change to move the budget for the Michigan Tax Tribunal (MTT) Refund account to the Assessing Division of the Finance Department, to place this expenditure in the Department most responsible for the expenditure; and the reduction in the State Health Insurance Claims Tax.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Support Services	\$1,415,501	\$1,024,780	\$1,983,734	\$1,834,280	\$1,611,700

Support Services

DEPARTMENT NUMBER: 290

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(740) OPERATING SUPPLIES							
001	Gas & Oil Pool Cars	7,575	7,304	8,400	6,400	9,450	9,450
008	Miscellaneous Expense	12,641	11,722	22,500	12,000	22,500	22,500
014	Copier Supplies	3,746	3,650	5,400	4,500	5,400	5,400
034	Publications for Resale	651	5,048	900	0	900	900
046	City-Wide Beautification	5,782	2,060	25,727	24,000	26,000	26,000
	Category Total	30,395	29,785	62,927	46,900	64,250	64,250
(801) PROFESSIONAL & CONTRACTUAL							
003	Public Relations	63,374	25,913	27,000	26,000	27,000	27,000
004	Consultants	10,570	11,577	30,000	30,000	30,000	30,000
005	Fleet Insurance	5,100	5,110	5,280	5,280	5,650	5,650
006	Vehicle Maintenance	5,249	7,068	4,600	6,683	4,800	4,800
007	Office Equip. Maintenance	957	0	9,500	8,000	9,500	9,500
008	Homeland Security Consultant	0	12,375	0	0	0	0
015	Copier Rental	38,048	38,551	45,000	39,000	45,000	45,000
016	Phone Expense	186,614	177,949	175,000	155,000	170,000	170,000
018	Postage & Machine Rental	94,386	101,318	115,000	134,000	140,000	140,000
019	Gen. Liability & Contents	633,347	332,139	809,000	809,000	809,000	809,000
020	Liability Claims Settlement	815	0	0	0	0	0
024	Printing Services	0	394	0	100	0	0
050	Overhead Lighting Utilities	172,498	142,351	180,000	145,000	160,000	160,000
082	Unemployment Compensation	50,127	47,976	57,000	46,500	50,000	50,000
083	Disability Funding	9,423	2,552	6,400	7,340	7,500	7,500
084	Pest Abatement	13,138	11,533	13,000	12,000	13,000	13,000
085	Cobra Insurance	2,813	5,861	3,000	3,000	5,000	5,000
086	Health IBNR	(2,794)	(44,004)	50,000	50,000	50,000	50,000
087	Wellness Program	7,328	8,282	12,000	4,500	12,000	12,000
089	State Hlth. Insurance Claims Tax	62,673	77,918	110,000	5,545	6,000	6,000
090	Fed. ACA Transitional Insurance Prgn	0	30,135	6,027	6,027	0	0
998	Disaster Emergency Fund	326	0	3,000	0	3,000	3,000
999	Tax Tribunal Refunds	0	0	260,000	150,000	0	0
	Category Total	1,353,993	994,996	1,920,807	1,642,975	1,547,450	1,547,450
(970) CAPITAL OUTLAY							
015	Vehicles	31,113	0	0	0	0	0
	Category Total	31,113	0	0	0	0	0
(996) CONTRIBUTION							
084	SWOCC	0	0	0	144,405	0	0
	Category Total	0	0	0	144,405	0	0
DEPARTMENT TOTAL		1,415,501	1,024,780	1,983,734	1,834,280	1,611,700	1,611,700

POST EMPLOYMENT BENEFITS

Post Employment Benefits are contributions made to the City's Defined Benefit Retirement System and Retiree Healthcare Plan for the Closed General Member Group. Prior to FY 2013/14, these contributions were allocated to the various representative Departments. However, due to the General Group being closed to new members since FY 2006/07, it became increasingly more difficult to accurately allocate these contributions, as new hires have been placed in Defined Contribution plans.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- No change.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$14,392 or 0.6% increase from the FY 15-16 budget.
- The budget to budget increase results from \$26,128 more actuarial calculated contributions to the Retirement System, partially offset by \$11,736 less actuarial calculated contributions to the Retiree Healthcare Plan in FY 2016/17, compared to FY 2015/16.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Post- Employment Benefits	\$4,500,851	\$3,032,015	\$2,347,795	\$2,347,795	\$2,362,187

Post-employment Benefits comprise 4.16% of the General Fund's proposed budget.

DEPARTMENT NUMBER: 298

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
305	General Group DB Pension	2,020,573	1,938,491	1,756,865	1,756,865	1,782,993	1,782,993
308	General Group DB Retiree Healthcare	2,480,278	1,093,524	590,930	590,930	579,194	579,194
DEPARTMENT TOTAL		4,500,851	3,032,015	2,347,795	2,347,795	2,362,187	2,362,187

INTERFUND TRANSFERS

In accordance with generally accepted accounting principles, the Interfund Transfers section of the budget provides appropriations for the City’s General Fund contributions to the General Debt Service Fund for existing debt issues, the Capital Improvement Fund for various capital improvements, for the continued funding of the Corridor Improvement Authority, and to the Golf Course Capital Improvement Fund from Golf Course Bond Refunding Savings.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$376,214 or 6% decrease from the current budget.
- The decrease results from a projected decrease in the appropriation to the Capital Improvement Fund, due to the deferral of the Costick Center Parking Lot Improvement Project and the purchase of some Fire Department Vehicles to FY 2016/17; partially offset by the purchase of video equipment.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$1,013,602 or 17% increase from the FY 15-16 year-end projection and \$637,388 or 10% increase from the FY 15-16 budget.
- The budget to budget increase results from a \$596,477 increased appropriation to the Capital Improvement Fund and a \$40,911 increase in the appropriation to the General Debt Service Fund, due to an increase in Building Authority Debt Service.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Interfund Transfers	\$3,973,615	\$4,589,764	\$6,347,055	\$5,970,841	\$6,984,443

Interfund Transfers comprise 12.31% of the General Fund’s proposed budget.

Interfund Transfers

DEPARTMENT NUMBER: 299

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(801) PROFESSIONAL & CONTRACTUAL						
202 To Major Road Fund	0	75,000	0	0	0	0
203 To Local Road Fund	0	75,000	0	0	0	0
242 To Corridor Improvement Auth. Fund	30,000	30,000	50,000	50,000	50,000	50,000
301 To General Debt Service Fund	2,069,682	1,943,105	1,419,180	1,419,180	1,460,091	1,460,091
404 To Capital Improvement Fund:	1,843,981	2,436,707	4,847,923	4,471,709	5,444,400	5,444,400
412 To Golf Course Capital Improv. Fund	29,952	29,952	29,952	29,952	29,952	29,952
Total Operating Budget	<u>3,973,615</u>	<u>4,589,764</u>	<u>6,347,055</u>	<u>5,970,841</u>	<u>6,984,443</u>	<u>6,984,443</u>
DEPARTMENT TOTAL	<u>3,973,615</u>	<u>4,589,764</u>	<u>6,347,055</u>	<u>5,970,841</u>	<u>6,984,443</u>	<u>6,984,443</u>

PUBLIC SAFETY SUMMARY

DIV.	2013/14	2014/15	2015/16	2015/16	2016/17	2016/17
NO. Category and Line Item	Actual	Actual	Current	Estimated	Proposed	Adopted
	Expenditures	Expenditures	Budget	Expenditures	Budget	Budget
PUBLIC SAFETY:						
300 Police	13,592,112	14,154,931	14,725,851	14,415,118	14,583,157	14,583,157
337 Fire	3,906,462	4,217,219	4,467,184	4,714,880	5,108,158	5,108,158
TOTAL PUBLIC SAFETY	17,498,574	18,372,150	19,193,035	19,129,998	19,691,315	19,691,315



POLICE DEPARTMENT

MISSION STATEMENT: The Farmington Hills Police Department is committed to maintaining the safety and quality of life of this community through the delivery of superior police services without prejudice or partiality.

Criminal activity once again decreased during 2015 with “Group A” (20 most serious) crimes dropping by 5.7%. This reduction is the fifth such decline during the past six years. Since 2005, Group A crime is down 39%. The numbers of Burglaries and Auto Thefts in 2015 were the lowest ever recorded in the City’s 42 year history, and the number of armed robberies tied the lowest yearly total in the City’s history. Finally in 2015, the City recorded the fewest number of sexual assaults in 21 years.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Continue successful efforts to reduce crime, increase community and inter-agency cooperation thereby enhancing the quality of life for City residents and visitors. (2,8,13)
- Replacement of the Department’s 9-1-1 Call Processing Equipment (CPE). This will replace traditional copper lines with high speed fiber optics to prepare for Next Generation 911. (1,3,9,13)
- Continue the development of the Department’s ability to gather, analyze and utilize critical crime trend data toward effective deployment of personnel and crime prevention tactics. (1,2)
- Replacement of the phone/radio recording system to enable compatibility with the new 9-1-1 Call Processing Equipment. (1,3,9)
- Work with other city departments to implement an automated scheduling program that will streamline the process and greatly increase overall efficiency. (1,2,8)
- Continue to build upon law enforcement and community relationships through several key crime prevention programs. (2,3,11,13)
- Replace a number of marked patrol and unmarked vehicles that have reached their end of expected patrol use with both sedan and SUV style vehicles in order to continue necessary fleet rotation. (1,8)
- Upgrade one Records Section position to Department Aide in order to comply with increased FOIA/Discovery requests and redactions. (1,8)
- Install interior and exterior security upgrades to include: additional audio/video security; exterior signage, security devices, and ordinance restricting unauthorized personnel from the police parking lot. (1,2,13)
- Continue the technological and legal research/testing into the future acquisition of integrated body worn / in-car cameras for police officers. (1,3,8,9)

PERFORMANCE OBJECTIVES

	Performance Indicators	2014 Actual	2015 Actual	2016 Projected
Service Level	Neighborhood Watch Groups	116	118	122
	Speech/Service Requests	59	73	78
	False Alarm Fees Collected	\$50,275	\$46,591	\$45,659
	Report Copy Requests	1,836	1,700	1,723
	Pistol Permits Processed **	1,978	2,048	2,119
	Investigative Division Cases	5,618	5,500	5,406
	Investigative Division Arrest Warrants	411	538	503
	Investigative Division Juvenile Petitions	93	72	78
	Fire Service Calls	8,763	9,027	9,300
	Adults Arrested	3,153	2,771	2,895
	Juveniles Arrested	64	64	67
	O.U.I.L. Arrests	236	181	190
	Traffic Violations Issued****	10,441	9,305	10,100
	Dispatched Runs (FHPD/FHFD/FVPD)	41,638	52,747	54,357
	Group A Crimes per 1,000 Population	34.65	32.32	35.00
	Group B Crimes/Activities per 1,000 Population	15.44	11.78	12.1
	Villages of Franklin & Bingham Farms Dispatched Calls for Service	3,832	3,509	3,763
	City of Farmington Dispatched Calls for Service	7,163	6,066	6,241
	Burglaries-residential*	143	107	120
	Burglaries-commercial*	52	31	40
	Robberies	18	13	15
	Moving Violations (Hazardous)****	6,488	5,361	5,481
	Non-Moving Violations (Non- Hazardous)****	3,953	3,944	3,935
Residential Burglaries/1,000 Housing Units	3.9	1.32	1.80	
Efficiency	Cases Closed	5,403	5,500	5,610
	Average Response Time to Primary Calls (Group A Crimes which included both emergency and non-emergency service calls)***	Unavailable	7.41	7.27
	Activity Expenditures as a % of General Fund	27.88%	26.48%	25.71%

* Includes entry by forcible and non-forcible (unsecured) means

** Change in legislation allowed some firearm purchases directly from a Federal Firearms Licensed Dealer

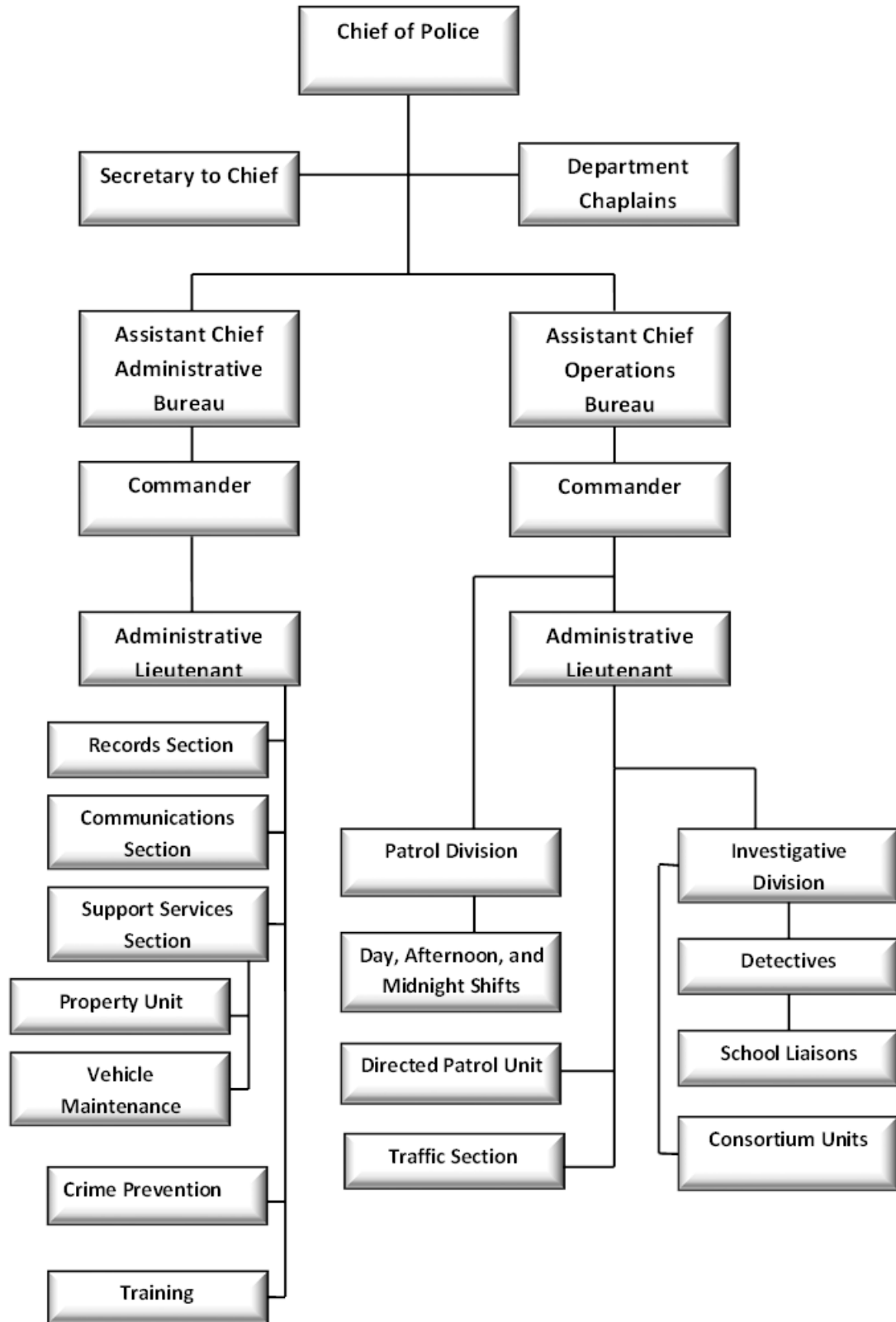
*** A mandatory Oakland County CAD upgrade caused this information to be unavailable in 2014.

**** Numbers corrected to include traffic violations only. Misdemeanor ticket violations excluded.

Department Budgetary Accomplishments

- Hired three new police officers during the fiscal year to fill vacancies
- The Department implemented a new organizational chart to address several areas of need within the agency; this reorganization helps to ensure that both efficient and effective staff work is completed in a timely manner while developing future Departmental executives.
- One full time and one part time 9-1-1 dispatchers were added to fill vacancies.
- Replacement of the Department's Electro Muscular Disruption technology (Tasers) which have reached the manufacturers end of life recommendations.
- The Department trained and equipped all sworn personnel in the use of Narcan. Narcan is a lifesaving drug used to reverse the effects of opiate overdose.
- The Department purchased a new Evidence Technician vehicle which was equipped with specialized storage and technologies.
- The Department's locker rooms, storage rooms, crime lab, and fitness room were renovated. Current facilities hadn't been updated since the building was constructed.
- Police carport was improved with the addition of water diversion apparatus.
- A heating and cooling unit was installed in the Department's detached three bay garage to allow for processing vehicles for evidence.
- Replaced two Livescan fingerprint units located in the Department's cell block area and the records section.
- Purchased and equipped six marked patrol vehicles and eight unmarked vehicles to replace those being removed from the Department's fleet.
- Purchased a high speed currency counter for investigative personnel to replace obsolete unit.
- Purchased and replaced 13 portable investigative notebooks (Mobile Data Computers).
- Replaced the outdated battery back up unit which supplies uninterrupted power to the 9-1-1 center.
- Replaced four police vehicle radar units, and two portable electronic speed display signs.

POLICE DEPARTMENT



Police Department

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010) Administrative & Clerical					
	Chief of Police	1	1	1	1
	Secretary to the Chief of Police	1	1	1	1
	Records Division Supervisor	1	1	1	1
	Dispatch Coordinator	3	3	3	3
	Secretary	3	3	3	3
	Dispatcher	6	7	7	7
	Teleprocessing Operator	2	2	1	1
	Clerk Typist II	1	3	3	3
	Clerk Typist I	3	1	1	1
	Community Service Officer	1	1	1	1
	Administrative Secretary	3	3	3	3
	Police Service Technician	1	1	1	1
	Records Section Coordinator	1	1	1	1
	Record FOIA Technician	1	1	2	2
	Total	28	29	29	29
	(017) Assistant Chief	1	1	2	2
	(018) Commander	3	3	2	2
	(019) Lieutenant	5	5	5	5
	(020) Sergeant	16	16	16	16
	(021) Police Officer	45	45	45	45
	(051) Crossing Guard (FTE)	1.22	1.22	1.22	1.22
	(038) Part-time (Dispatch & Clerical) (FTE)	11.66	10.92	10.57	10.57
	Total	82.88	82.14	81.79	81.79
	Total	110.88	111.14	110.79	110.79
705 PUBLIC SAFETY MILLAGE					
(010) Administrative & Clerical					
	Communications Supervisor (Civilian)	1	1	1	1
	Crime Prevention Technician	1	1	1	1
	Dispatcher	6	6	6	6
	Total	8	8	8	8
	(021) Police Officer	35	35	35	35
	Total Public Safety Millage Fund	43.00	43.00	43.00	43.00
	DEPARTMENT TOTAL	153.88	154.14	153.79	153.79

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$310,733 or 2% decrease from the current budget.
- The decrease results from projected lower than budgeted personnel costs (\$191,000), operating supplies (\$117,000), and capital outlay (\$12,000); partially offset by higher than budgeted professional and contractual expenditures (\$9,000).

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$168,039 or 1% increase from the FY 15-16 year-end projection and \$142,694 or 1% decrease over the FY 15-16 current budget.
- The budget to budget decrease results primarily from lower capital outlay (\$307,000) and operating supplies (\$61,000); partially offset by higher personnel costs (\$178,000) and professional & contractual expenditures (\$48,000).

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Police	\$13,592,112	\$14,154,939	\$14,725,851	\$14,415,118	\$14,583,157

Police Department

DEPARTMENT NUMBER: 300

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	1,203,963	1,306,845	1,432,007	1,383,957	1,463,110	1,463,110
017 Assistant Chiefs	99,388	101,374	103,000	206,064	210,120	210,120
018 Commanders	287,587	293,334	298,038	204,818	202,666	202,666
019 Lieutenants	346,750	443,760	447,948	456,431	456,909	456,909
020 Sergeants	1,274,617	1,302,383	1,315,000	1,342,190	1,341,292	1,341,292
021 Patrol	3,162,748	2,984,170	3,150,287	3,097,561	3,184,188	3,184,188
038 Part-time	381,965	355,918	455,000	425,000	425,000	425,000
041 Court Time	120,309	116,148	145,000	110,000	125,000	125,000
042 Holiday Pay	292,891	290,551	306,815	299,224	312,827	312,827
051 Crossing Guards	14,715	14,005	20,690	16,000	17,000	17,000
106 Sick/Personal Leave	160,941	198,325	250,000	250,000	250,000	250,000
112 Overtime	498,297	538,122	530,000	550,000	530,000	530,000
115 Grant - dispatch Training Wages	0	1,163	0	0	0	0
200 Social Security	622,038	635,778	688,693	671,036	694,183	694,183
250 Blue Cross/Optical/Dental	1,034,394	1,240,088	1,271,538	1,226,865	1,352,360	1,352,360
275 Life Insurance	12,956	13,821	14,587	14,905	14,807	14,807
300 Pension - DC	68,509	84,688	103,613	99,285	114,761	114,761
305 Pension - DB	1,254,970	1,479,211	1,437,301	1,437,301	1,341,913	1,341,913
308 Post Retirement Healthcare	1,056,009	1,108,242	749,425	749,425	750,973	750,973
325 Longevity	457,181	470,946	518,078	508,592	555,809	555,809
350 Worker's Compensation	89,179	89,926	103,837	101,382	175,918	175,918
Category Total	12,439,405	13,068,800	13,340,857	13,150,036	13,518,836	13,518,836
(705) PUBLIC SAFETY MILLAGE						
010 Administrative & Clerical	373,859	412,195	418,701	481,052	431,860	431,860
021 Patrol	1,983,000	2,269,543	2,415,665	2,346,561	2,471,858	2,471,858
041 Court Time	65,858	117,891	140,000	100,000	120,000	120,000
042 Holiday Pay	113,456	127,950	140,371	135,531	144,304	144,304
106 Sick/Personal/Vacation	10,275	16,441	13,000	5,000	11,000	11,000
112 Overtime	223,015	283,926	330,000	300,000	300,000	300,000
200 Social Security	212,588	249,446	270,660	261,728	272,765	272,765
250 Blue Cross/Optical/Dental	350,383	476,067	533,604	489,173	549,923	549,923
275 Life Insurance	4,206	5,232	5,368	5,580	5,407	5,407
300 Pension - DC	47,862	62,205	64,135	70,022	67,100	67,100
305 Pension - DB	532,551	603,613	622,907	622,907	585,568	585,568
308 Post Retirement Healthcare	280,474	229,568	161,847	161,847	156,159	156,159
325 Longevity	54,490	61,251	80,327	66,074	86,577	86,577
350 Worker's Compensation	31,100	36,885	41,874	40,000	70,933	70,933
Reallocation to P.S. Millage Fund	(4,283,117)	(4,952,212)	(5,238,459)	(5,085,475)	(5,273,454)	(5,273,454)
Category Total	0	0	0	0	0	0

Police Department

DEPARTMENT NUMBER: 300

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(740) OPERATING SUPPLIES						
001 Gas & Oil	262,818	202,611	280,000	160,000	210,000	210,000
002 Books & Subscriptions	1,860	1,165	1,500	1,500	1,915	1,915
003 Pers. Testing & Advert.	8,900	12,655	15,800	7,000	9,000	9,000
008 Supplies	62,773	61,791	51,300	51,300	64,350	64,350
011 Rental Equipment	27,205	24,351	32,500	32,500	32,500	32,500
018 Ammunition & Weapons	24,122	33,826	41,320	41,320	39,425	39,425
019 Uniforms/Uniform Equip.	45,586	113,089	83,600	95,000	89,850	89,850
040 Miscellaneous Expense	8,006	4,751	8,400	9,000	6,000	6,000
041 Over and Short	(44)	0	0	0	0	0
Category Total	441,227	454,240	514,420	397,620	453,040	453,040
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	1,593	1,762	1,740	1,740	5,220	5,220
002 Memberships & Licenses	850	609	960	1,100	1,815	1,815
005 Fleet Insurance	32,530	34,717	36,325	36,325	45,489	45,489
006 Vehicle Maintenance	121,097	92,951	119,523	119,523	106,950	106,950
007 Office Equip. Maint.	2,239	1,486	8,000	8,000	8,650	8,650
008 Firearms Range Maint.	1,068	4,947	3,920	3,920	3,000	3,000
009 In-car Maint	0	34	0	0	18,000	18,000
013 Education & Training	23,951	32,960	19,150	25,000	43,125	43,125
014 State Act 302 Training	24,159	21,142	18,000	19,000	20,000	20,000
015 State Act 32 Training	9,424	7,465	11,500	11,500	17,000	17,000
016 Telephone Expense	18,314	24,226	41,250	32,750	32,750	32,750
023 Data Processing	84,275	77,567	87,496	87,496	94,332	94,332
024 Printing Services	10,623	8,436	9,000	7,000	8,500	8,500
026 Physical Examinations	9,178	6,805	0	7,200	7,200	7,200
027 Vehicle Radio Maint.	28,255	13,905	23,950	23,950	17,000	17,000
028 Prisoner Care	13,724	18,451	14,000	14,000	14,000	14,000
029 Building Maintenance	22,014	28,824	15,000	16,000	18,220	18,220
041 Auto Allowances	18,000	18,000	18,000	18,000	18,000	18,000
043 Auto Washing	5,386	5,995	4,000	4,000	4,000	4,000
044 Towing	189	441	300	300	300	300
056 Utilities	59,947	62,932	50,000	56,000	55,000	55,000
065 Uniform Cleaning	18,214	20,210	18,000	17,500	18,500	18,500
070 Crime Prevention	2,074	2,064	3,000	3,000	4,500	4,500
097 Live Scan Application	23,427	28,154	25,000	24,000	25,000	25,000
098 Investigative Services	5,353	8,543	17,130	17,000	6,630	6,630
Category Total	535,884	522,626	545,244	554,304	593,181	593,181
(970) CAPITAL OUTLAY						
001 Office Furniture	0	6,778	7,350	7,352	0	0
002 Office Equipment	0	0	21,500	21,270	18,100	18,100
015 Automotive/Auto Equip.	60,196	64,639	181,000	181,000	0	0
019 Radio & Radar Equip.	0	7,758	14,000	9,600	0	0
020 Miscellaneous Equipment	110,000	30,091	79,480	81,336	0	0
036 Building Improvements	5,400	0	22,000	12,600	0	0
Category Total	175,596	109,265	325,330	313,158	18,100	18,100
DEPARTMENT TOTAL	13,592,112	14,154,931	14,725,851	14,415,118	14,583,157	14,583,157

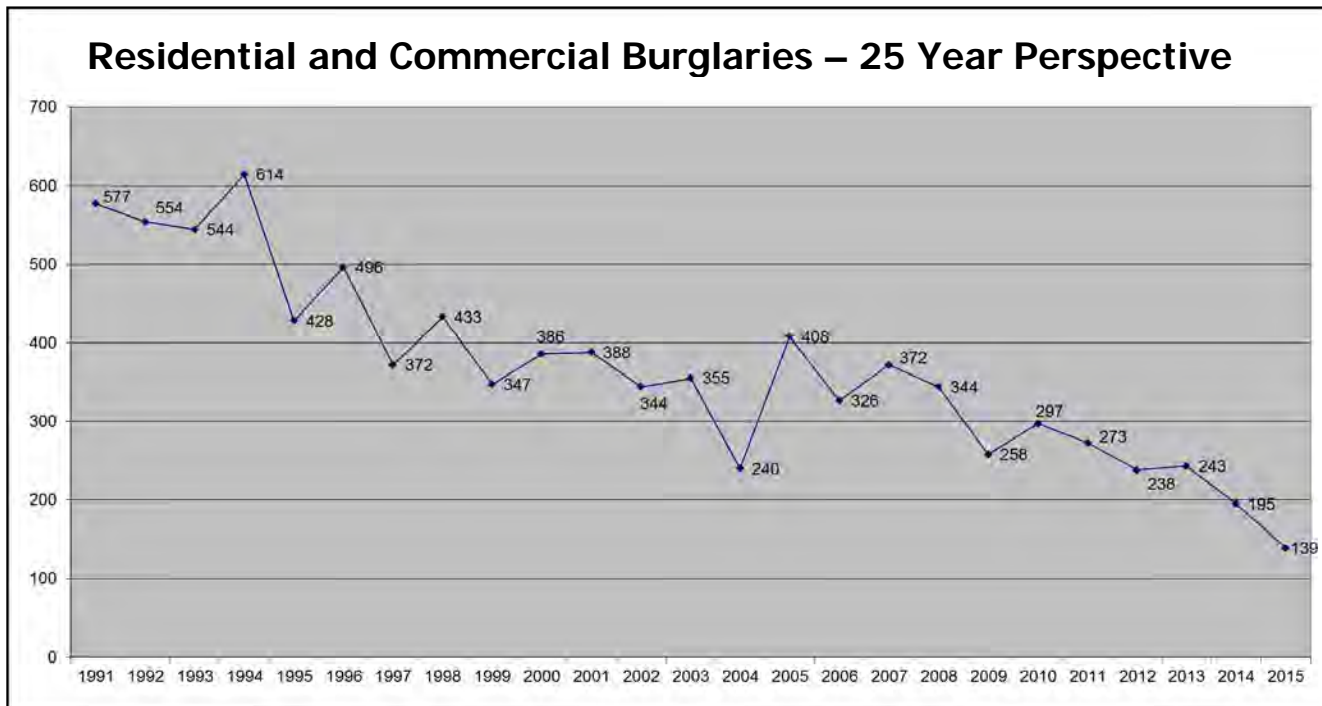
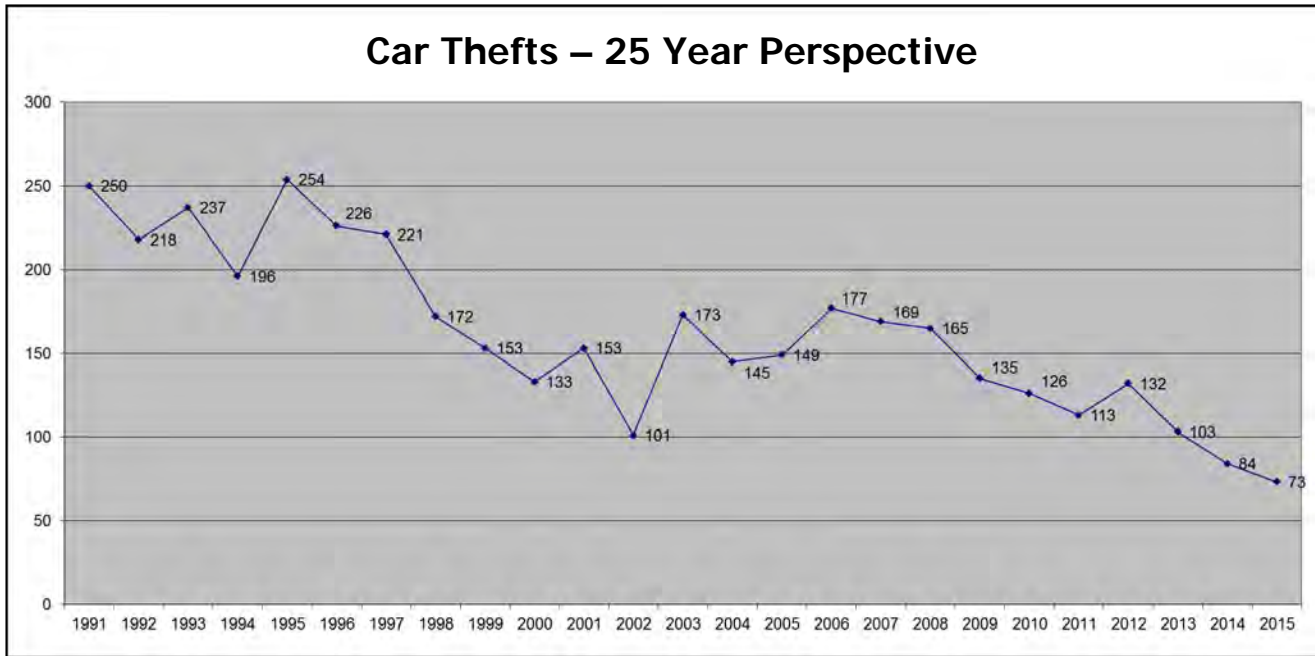
Police Department

CAPITAL OUTLAY

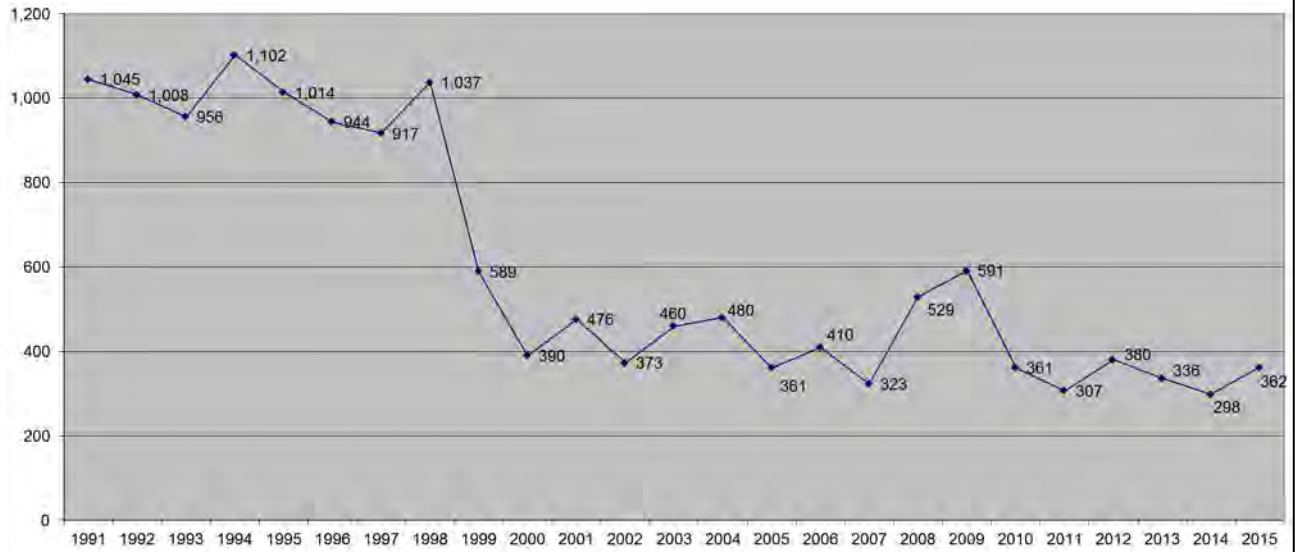
Department Number: 300

Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
002		Office Equipment				
	7	CAD Workstation Replacement	1,800	12,600	7	12,600
	5	Laptop computer	1,100	5,500	5	5,500
				<u>18,100</u>		<u>18,100</u>
		CAPITAL OUTLAY TOTAL		<u>18,100</u>		<u>18,100</u>

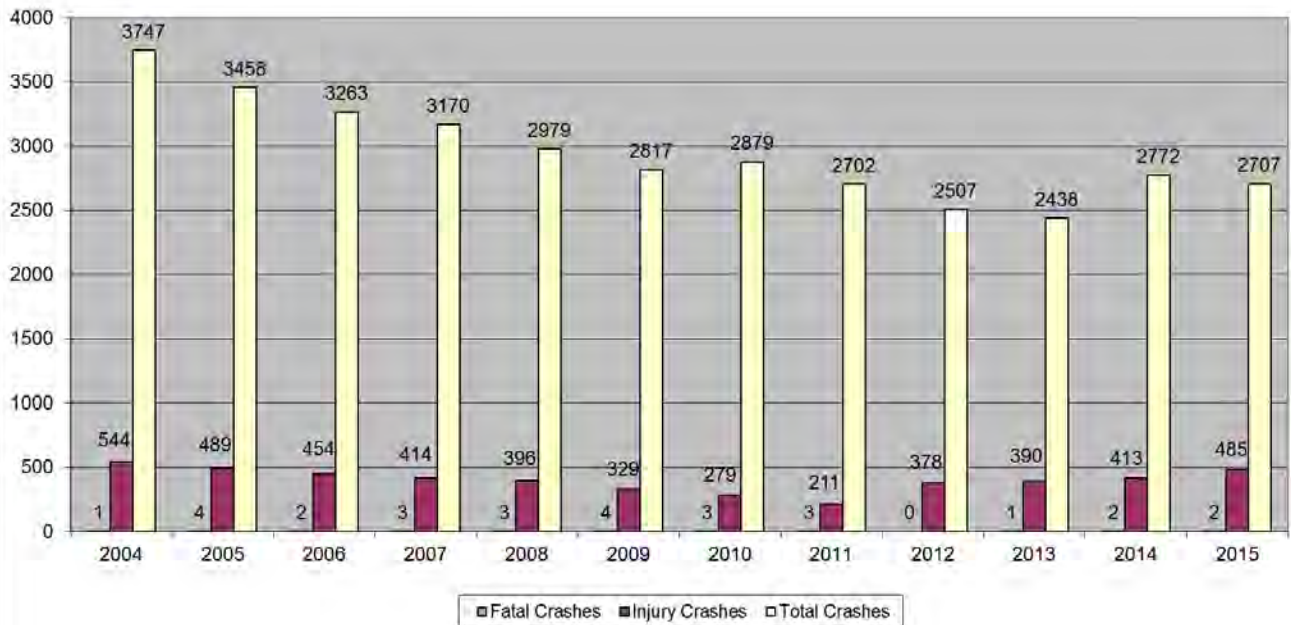
Key Department Trends



25 Year History – Larceny from Autos



Total Traffic Crashes



FIRE DEPARTMENT

MISSION STATEMENT: The Farmington Hills Fire Department, utilizing a combination of career and part-paid personnel in an efficient and effective manner, has the responsibility to preserve the resources of the community through fire prevention and suppression, to reduce the adverse effects of injury or sudden illness through quality emergency medical service as first responders, to provide the necessary services during natural or man-made disasters and to respond to the community as requested in the spirit of the fire service.

The Fire Department serves the community in four primary areas: fire suppression, fire prevention, EMS/rescue services, and emergency management. Fire suppression includes the response to fires and the other preparation needed to be ready and capable, including training and equipment maintenance. Fire prevention includes inspection, plan review, public safety education and fire investigation. The code enforcement functions are coordinated with other appropriate departments of the City to create and maintain safe conditions in buildings and during events. The Fire Department also responds to all incidents for emergency medical services and rescue situations using vehicles that have been equipped with Basic and Advanced Life Support (ALS) capabilities. Fire Fighter/Paramedics respond and provide ALS on the scene and transport the patient, if necessary, to the hospital.

Emergency Management involves the preparation for and response to natural or man-made disasters. The Emergency Manager within the Fire Department, along with the City Management, have taken significant steps to prepare for such events by conducting Incident Management System training for Fire, Police, DPW, Special Services, and Emergency Operations Center personnel, as well as the planning and coordination of regular exercises. The Emergency Manager is also responsible for the coordination of all of the programs that are conducted under the auspice of Department of Homeland Security grants.

The Fire Department has been and continues to be a very cost effective and an efficient method to deliver service to the community. Because the Fire Department is a combination Department, the annual budget is significantly less than other cities of comparable size and services provided.

The Fire Department experienced a 3.0% increase in overall incident volume from the previous year.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- To continually evaluate all aspects of the Department's activities for effectiveness and efficiency. (2,3)
- To provide service to the community during emergency, non-emergency and disaster events. (1,3)
- To maintain and expand personnel training levels in order to meet the ever-changing response needs of the community. (3,8)
- To emphasize personal and team safety in all tasks performed. (8)
- To prepare the Department and City Staff to safely and effectively handle all hazards in the community through continued education and necessary equipment. (3,12)
- To provide City-wide planning and coordination of governmental services in the event of a catastrophic event. (3)
- To educate children and adults in fire and other safety principles and practices. (3,12)

PERFORMANCE OBJECTIVES

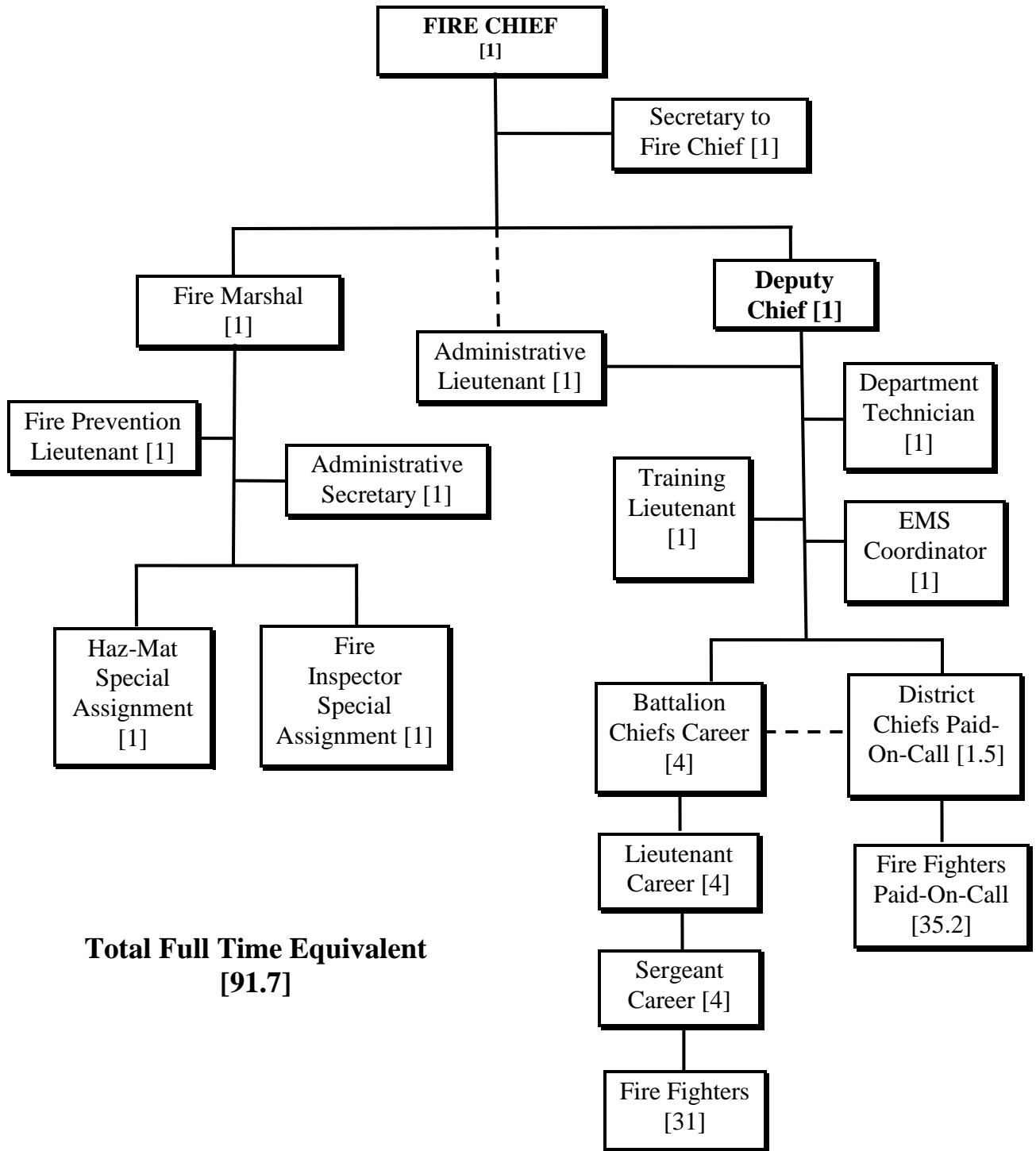
- Develop and implement personnel career paths and training criteria for succession planning.
- Evaluate individual and team skill levels to ensure performance is at the expected standards.
- Continue to emphasize safety on the fire ground and emergency scenes by training personnel in hazard recognition, self-survival and emergency communications techniques.
- Continue the integration of the National Incident Management System criteria for both Fire Department and other critical City personnel.
- Participate in local, regional, and State exercises to test and refine disaster preparedness capabilities.
- Enhance the wellness/fitness awareness of all Department personnel and encourage healthy lifestyles thereby minimizing the frequency and severity of job related injury and illness.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Number of Incidents	9,027	9,207	9,391
	Number of Emergency Medical Incidents	6,006	6,126	6,248
	Number of Public Education Programs	104	106	110
	Number of Training Hours	21,045	21,250	21,500
Efficiency	Activity Expenditures as a % of General Fund	8.31%	8.66%	9.00%



2015 School Fall Assembly Program Cast

FIRE DEPARTMENT



STAFFING LEVELS

Acct. 337 Title	Authorized Positions		Requested Positions	Authorized Positions
	14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
<u>GENERAL FUND</u>				
(010) Full Time Wages				
Lieutenant	2	3	3	3
Fire Marshal	1	1	1	1
Secretary to the Fire Chief	1	1	1	1
Administrative Secretary	1	1	1	1
Department Tech.	1	1	1	1
Station Sergeant	0	4	4	4
Full-time Fire Fighter	14	10	14	14
Assistant to the Chief	1	0	0	0
Fire Fighter/Inspector	1	1	1	1
Hazardous Material Specialist	1	1	1	1
Total	23	23	27	27
(025) Paid Callback System (FTE)				
Paid Callback	19.63	19.63	16.51	16.51
Total	19.63	19.63	16.51	16.51
<u>PUBLIC SAFETY MILLAGE FUND</u>				
(010) Administrative and Clerical				
Fire Chief	1	1	1	1
Deputy Chief	1	1	1	1
Battalion Chief	4	4	4	4
Shift Lieutenant	4	4	4	4
Full-time Fire Fighter	17	17	17	17
EMS Coordinator	1	1	1	1
Total	28	28	28	28
(025) Paid Callback System (FTE)				
Paid Callback	23	23	20.19	20.19
Total	23	23	20.19	20.19
Department Total	93.63	93.63	91.7	91.7

Fire Department

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$247,696 or 5.5% increase from the current budget.
- The increase results from projected higher than budgeted personnel costs (\$245,700), and professional & contractual (\$30,700); partially offset by lower than budgeted operating supplies (\$28,800).

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$393,278 or 8% increase from the FY 15-16 year-end projection and \$640,974 or 14% increase over the FY 15-16 current budget.
- The budget to budget increase results primarily from higher personnel costs due to four new full-time firefighters, partially funded by a SAFER Grant and partially offset by a reduction in part-time paid-on-call fire fighters (\$538,900); and professional & contractual, due to increased vehicle and building maintenance costs, a mobile computer based inspection program and additional pre-employment physical and psychological exams (\$111,100); partially offset by lower than budgeted operating supplies (\$9,000).

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGE
Fire	\$3,906,462	\$4,217,219	\$4,467,184	\$4,714,880	\$5,108,158

Fire Department

DEPARTMENT NUMBER: 337

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	1,421,537	1,403,498	1,620,801	1,694,995	1,927,204	1,927,204
025 Paid Callback Wages	703,260	882,282	799,898	964,247	755,414	755,414
038 Part-time	9,259	25,187	1,000	1,000	1,000	1,000
042 Holiday Pay	3,402	1,508	0	7,258	24,472	24,472
106 Sick & Vacation	51,361	41,094	20,000	19,638	20,000	20,000
112 Overtime	109,184	94,503	100,000	105,567	136,805	136,805
200 Social Security	176,657	183,921	198,817	197,178	224,753	224,753
250 Blue Cross/Optical/Dental	234,478	259,428	333,901	335,414	364,060	364,060
275 Life Insurance	2,804	2,900	3,017	3,086	3,548	3,548
300 Pension - DC	16,608	15,962	17,645	17,710	22,408	22,408
305 Pension - DB	182,533	240,054	263,883	263,883	338,206	338,206
308 Post Retirement Healthcare	95,636	106,519	80,686	80,686	94,519	94,519
325 Longevity	48,612	44,463	57,172	55,723	73,078	73,078
350 Workers Compensation	54,822	57,544	62,062	58,244	112,350	112,350
Category Total	3,110,154	3,358,863	3,558,882	3,804,629	4,097,817	4,097,817
(705) PUBLIC SAFETY MILLAGE						
010 Full Time Wages	2,034,029	2,221,920	2,266,010	2,381,041	2,285,344	2,285,344
025 Paid Callback Wages	680,944	665,236	724,404	515,276	923,892	923,892
042 Holiday	111,493	118,687	124,682	115,796	130,810	130,810
106 Sick & Vacation	52,148	36,417	77,665	95,279	78,000	78,000
112 Overtime	306,945	327,830	265,000	320,608	285,000	285,000
200 Social Security	245,389	266,640	273,287	283,442	291,631	291,631
250 Blue Cross/Optical/Dental	313,476	368,323	381,679	394,232	400,175	400,175
275 Life Insurance	3,906	4,523	4,751	4,864	4,715	4,715
300 Pension - DC	5,063	10,168	10,500	20,869	26,064	26,064
305 Pension - DB	331,109	421,809	430,953	430,953	438,378	438,378
308 Post Retirement Healthcare	253,810	245,041	154,970	154,970	141,211	141,211
325 Longevity	109,697	116,132	122,449	118,626	106,706	106,706
350 Workers Compensation	73,724	79,395	82,447	82,841	150,959	150,959
Reallocation to P.S. Millage Fund	(4,521,733)	(4,882,121)	(4,918,797)	(4,918,797)	(5,262,885)	(5,262,885)
Category Total	0	0	0	0	0	0
(740) OPERATING SUPPLIES						
001 Gas & Oil	108,647	90,021	124,740	78,021	93,347	93,347
002 Books & Subscriptions	3,951	2,941	10,969	10,900	9,425	9,425
008 Supplies	60,407	79,718	77,400	77,000	77,400	77,400
011 Medical Supplies	73,052	80,209	64,000	74,000	77,331	77,331
019 Uniforms	25,537	18,416	27,000	26,800	27,000	27,000
020 Protective Clothing	1,468	10,790	3,500	8,200	3,500	3,500
040 Miscellaneous	7,644	6,573	8,049	8,049	8,049	8,049
075 Fire Equipment Repair Parts	16,275	17,480	20,000	23,900	30,589	30,589
076 Fire Prevention Materials	3,126	4,799	4,800	4,800	4,800	4,800
Category Total	300,107	310,946	340,458	311,670	331,441	331,441

Fire Department

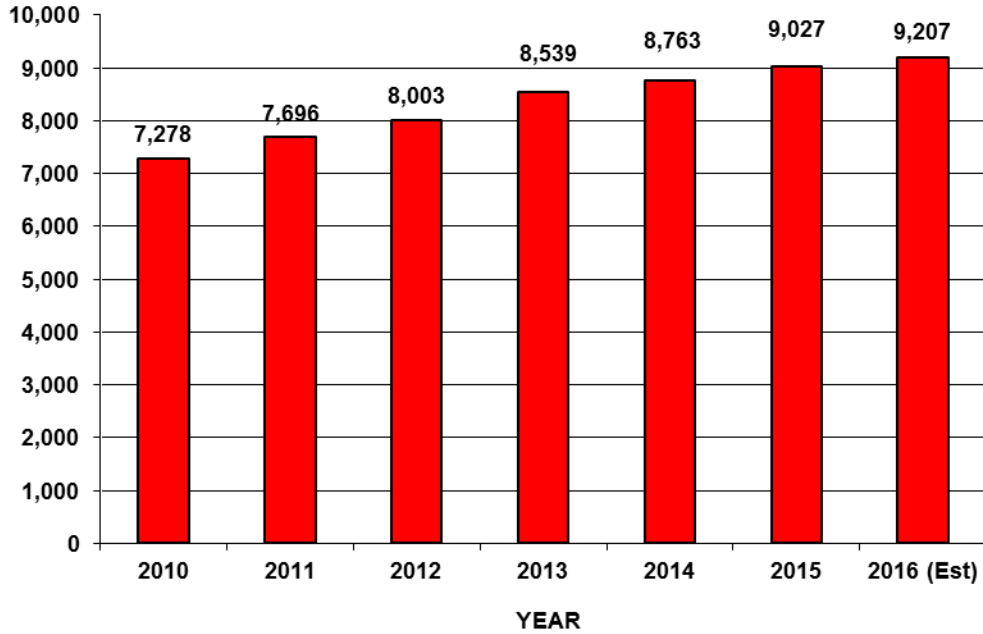
DEPARTMENT NUMBER: 337

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	990	3,814	6,575	6,575	8,724	8,724
002 Memberships & Licenses	19,124	17,033	21,664	18,900	20,752	20,752
005 Fleet Insurance	40,313	66,579	72,420	72,420	69,613	69,613
006 Vehicle Maintenance	54,396	68,856	51,400	84,601	120,100	120,100
007 Office Equip. Maintenance	8,334	7,751	8,500	10,500	10,500	10,500
008 Vehicle Refurbishment	32	50	0	0	0	0
009 Consultants	80,166	68,802	77,000	77,000	77,000	77,000
013 Education and Training	58,392	48,388	52,085	65,000	49,775	49,775
016 Phone Expense	12,116	10,527	16,500	16,500	16,500	16,500
023 Data Processing	6,754	13,251	14,852	14,852	27,758	27,758
025 Utilities	129,616	129,190	123,423	114,728	123,423	123,423
026 Physical Examinations	16,955	26,536	33,800	33,200	51,500	51,500
027 Radio Maintenance	7,378	2,249	2,000	2,000	2,000	2,000
029 Building Maintenance	32,911	55,676	58,790	55,270	75,600	75,600
031 Fire Hydrant Rentals	25,125	25,110	25,235	25,235	25,655	25,655
041 Auto Allowance	3,600	3,600	3,600	1,800	0	0
Category Total	<u>496,201</u>	<u>547,410</u>	<u>567,844</u>	<u>598,581</u>	<u>678,900</u>	<u>678,900</u>
DEPARTMENT TOTAL	<u>3,906,462</u>	<u>4,217,219</u>	<u>4,467,184</u>	<u>4,714,880</u>	<u>5,108,158</u>	<u>5,108,158</u>

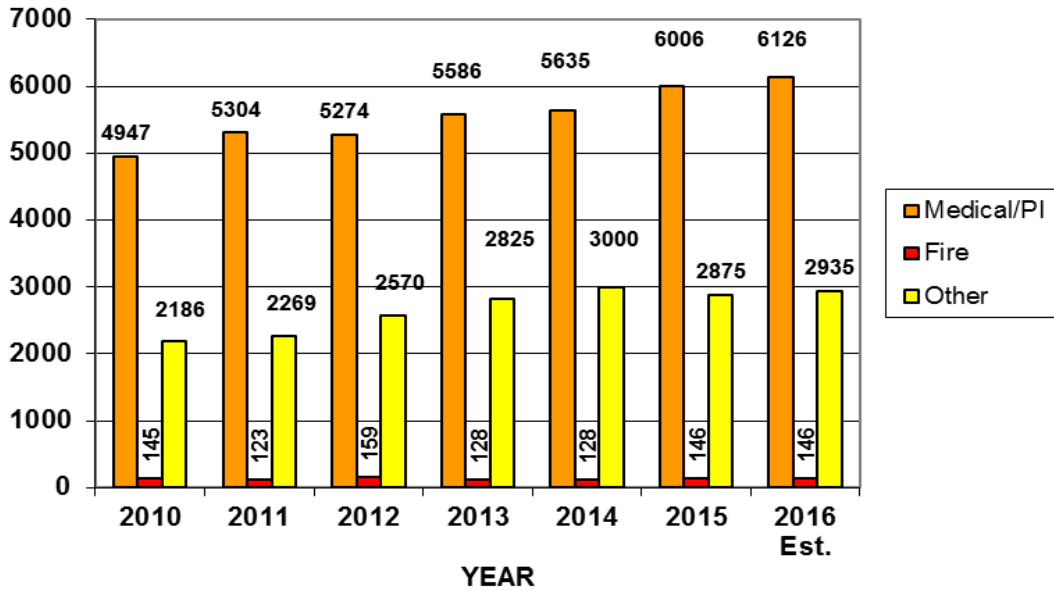
Various General Fund Licenses & Permits and User Fee Revenue helps to support the cost of providing Fire Services throughout the City. The most significant are Advance Life Support Fees (ambulance transport) which is expected to generate over \$1.75 million for the City in FY 16/17.

KEY DEPARTMENTAL TRENDS

NUMBER OF INCIDENTS



INCIDENTS BY TYPE



PLANNING AND COMMUNITY DEVELOPMENT

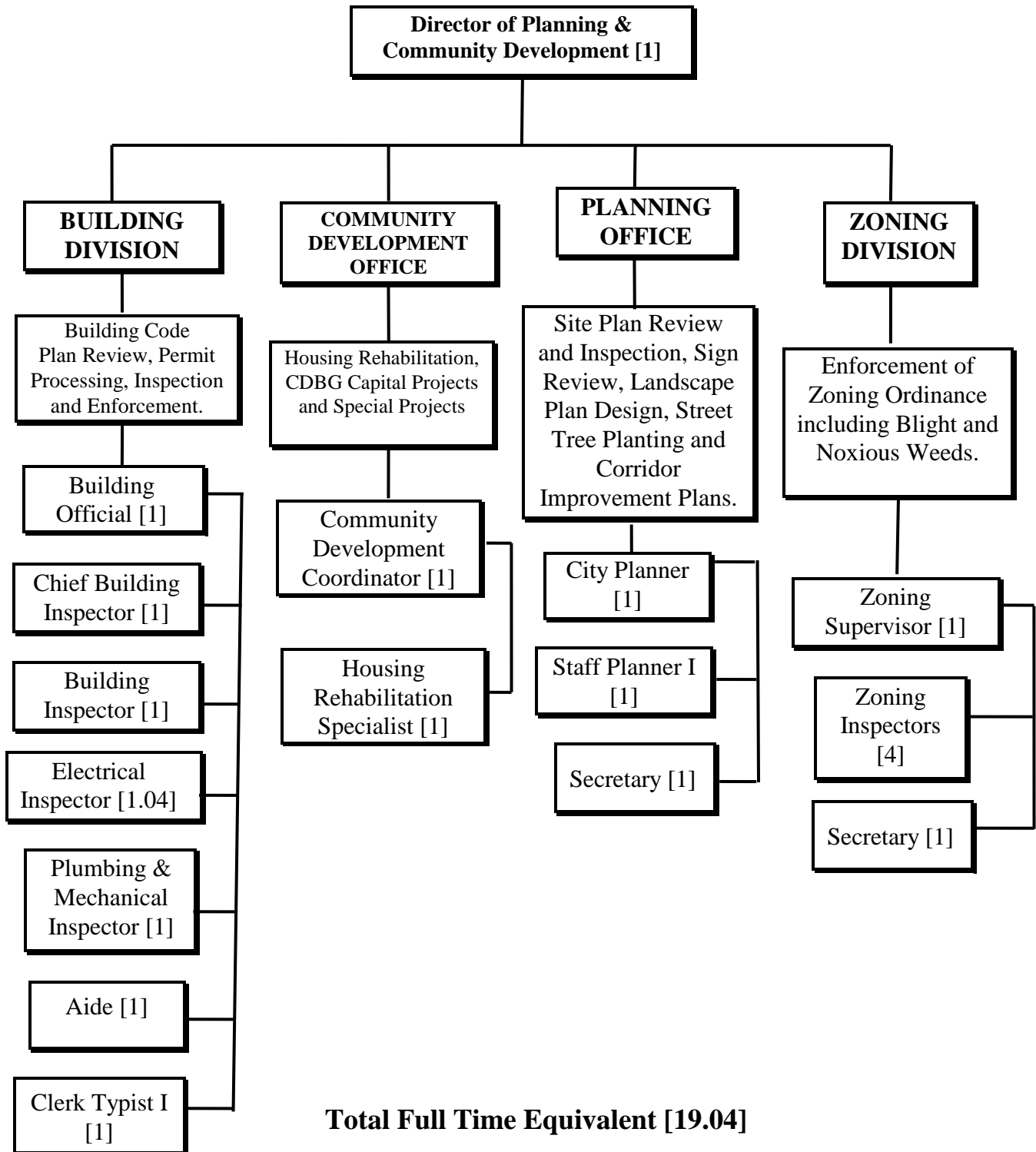
MISSION STATEMENT: Provide professional planning and community development services as required by the City's codes and ordinances with an appreciation for a participatory approach to community change involving residents and property owners.

ADMINISTRATION

The Department of Planning and Community Development is comprised of the Building Division, Zoning and Code Enforcement Division, Community Development Office and Planning Office. Under the Director, the primary responsibility of the department is to monitor the City's development, redevelopment and property maintenance through enforcement of all applicable codes and ordinances. The Community Development Department has implemented the Single-Family Rental Inspection Program over the past year. The department as well undertakes special planning projects and assignments as directed by the City Manager. Nineteen full time equivalent employees make the department an efficient operation. Funding for the department continues to be in large part supported by permit fees. The department provides professional staff support to City Council, Planning Commission, Zoning Board of Appeals, Beautification Commission, Historic District Commission, Historical Commission, Housing Rehabilitation Loan Board and Building Boards.



PLANNING & COMMUNITY DEVELOPMENT



STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010) Administrative & Clerical					
	Community Development Director	1	1	1	1
	Community Development Coordinator	1	1	1	1
	Building Official	1	1	1	1
	City Planner	1	1	1	1
	Zoning Office Supervisor	1	1	1	1
	Staff Planner I	0	0	1	1
	Staff Planner II	1	1	0	0
	Housing Rehab Specialist	0	1	1	1
	Secretary to the Director	1	1	1	1
	Secretary	1	1	1	1
	Aide	1	1	1	1
	Clerk Typist I	1	1	1	1
	Total	10	11	11	11
(032) Code Inspectors					
	Chief Building Inspector	1	0	1	1
	Building Inspector	1	2	1	1
	Electrical Inspector	1	1	1	1
	Plumbing/Mechanical Inspector	1	1	1	1
	Zoning Code Inspector	4	4	4	4
	Total	8	8	8	8
Part-time (FTE)					
	Housing Rehabilitation Specialist	0.6	0	0	0
	Department Workers	0	0	0.04	0.04
	Total Part-Time	0.6	0	0.04	0.04
DEPARTMENT TOTAL		18.60	19.00	19.04	19.04

BUILDING DIVISION

The Building Division's primary duties include the review of construction plans and documents, the issuance of building, electrical, mechanical and plumbing permits and the inspection of new and renovated structures for compliance with applicable codes and standards. The Building Official oversees a staff of six full time employees: 2 Building Inspectors; 1 Electrical Inspector; 1 Plumbing and Mechanical Inspector; 1 Building Division Aide; and 1 Clerk Typist. Additional duties include the registration of all contractors performing work within the city and responding to service requests from residents. Statistical reports are sent monthly to the U. S. Census Bureau, the F. W. Dodge Report and the Southeastern Michigan Council of Governments (SEMCOG) in addition to other city departments. The Building Division maintains permit and plan records in accordance with the State of Michigan record retention schedule and receives numerous requests for copies of plans and construction documents each year. The Building Division also responds to resident complaints pertaining to substandard housing and dangerous buildings as well as property maintenance issues. Inspection staff initiates enforcement action through District Court when warranted.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Enforce the Property Maintenance Code to ensure protection of the City's housing stock. (1,12,13)
- Provide on-going training to inspectors necessary to maintain State registrations. (8)
- Improve process efficiency to shorten turnaround time of permit requests.(1,2)

PERFORMANCE OBJECTIVES

- Perform inspections within the next available date of request.
- Perform plan review for residential permit in 3-5 days and commercial permits in 5-10 days.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Building Permits Issued	1,781	1,798	1,790
	Electrical Permits Issued	798	633	716
	HVAC Permits Issued	1,147	1,135	1,141
	Plumbing Permits Issued	611	511	561
	Change of Occupancy Permits	75	94	85
	Demolition Permits Issued	30	25	28
	Certificates of Occupancy Issued	1,477	1,405	1,441
	Building Inspections	4,054	3,939	3,997
	Electrical Inspections	2,193	2,011	2,102
	HVAC Inspections	1,771	1,503	1,637
Plumbing Inspections	1,365	1,442	1,404	
Efficiency	Inspections/Inspector/Year	2,345	2,223	2,284
	Inspections Performed within 24 hrs.	99%	99%	95%
	Permit Fees Collected	1,141,557	1,140,000	1,140,000

Building Permits at Market Value

Ten Year History 2006-2015 (Calendar Year)



Residential

Year	New Construction		Additions & Improvements		Total Value
	Number	Value	Number	Value	
2006	28	6,131,736	1,119	7,717,196	13,848,932
2007	29	6,048,965	1,336	6,425,830	12,474,795
2008	9	2,897,272	211	3,714,370	6,611,642
2009	11	3,569,160	315	5,351,442	8,920,602
2010	29	7,993,496	1,338	6,149,024	14,142,520
2011	18	5,573,463	1,182	9,678,290	15,251,753
2012	39	14,948,935	1,167	12,561,971	27,510,906
2013	75	25,526,217	1,203	13,953,649	39,479,866
2014	78	26,231,580	1,104	10,265,886	36,497,466
2015	22	6,750,578	1,450	16,195,759	22,946,337

Commercial

2006	5	4,362,091	140	13,551,264	17,913,355
2007	8	2,584,392	160	24,966,680	27,551,072
2008	5	4,784,200	173	27,979,274	32,763,474
2009	6	6,032,056	127	16,899,337	23,931,393
2010	4	17,856,729	166	14,058,606	31,915,335
2011	3	858,623	150	18,191,427	19,050,050
2012	5	15,286,092	168	34,915,575	50,201,667
2013	5	7,229,192	188	30,661,877	37,891,069
2014	5	3,479,190	197	35,239,862	38,719,052
2015	5	7,658,502	206	30,694,871	38,353,373

Source: Building Division records

COMMUNITY DEVELOPMENT OFFICE

The Community Development Coordinator administers the Community Development Block Grant (CDBG) Program, provides professional assistance to the Beautification Commission and oversees various special projects. The purpose of the CDBG program is to provide assistance to low and moderate income families and eligible areas. There are many aspects to the program: Housing Rehabilitation Program, participating in the non-profit Rebuilding Together, capital projects, assisting the administration of CDBG funding from City of Farmington, participation in the HOME Consortium with Oakland County and administration of the Single-Family Rental Inspection Program.

In 2015, 19 homes were rehabilitated through the Housing Rehabilitation Program. The Community Development Office funded repair of an additional eight homes through Rebuilding Together. Administration of CDBG funds from the City of Farmington by this office for the Senior Adult program at the Costick Activities Center, including building costs and staffing.

The City of Farmington Hills has continued its relationship with the Oakland County HOME Consortium. The additional funding available through the HOME Consortium has made available a new option for home repairs for Housing Rehabilitation clients. The Community Development Office has referred Housing Rehabilitation clients that fit the Oakland County criteria, for necessary home repairs. The Oakland County HOME Consortium has completed home repairs for two Farmington Hills families in 2015. The housing rehabilitation program has been consistent in its level of projects to ensure a consistent level of service to Farmington Hills residents.

The Single-Family Rental Inspection ordinance has been in effect for one year. There has been the development of a registration process and inspection criteria. The first year saw the completion of 383 inspections, just short of the original goal, 400 homes. A similar number of inspections is expected to be completed in 2016.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Administer CDBG funds in accordance with HUD regulations. (5, 9, 12, 13)
- Assist the City of Farmington with the expenditure of their CDBG funds at the Activities Center. (2, 9)
- Provide staff assistance to the Beautification Commission. (1, 12)
- Administer the Single-Family Rental Inspection code to prevent blight and property deterioration of the City's housing stock.(1,3,9,12)

PERFORMANCE OBJECTIVES

- Rehabilitate 20 homes with a budget of \$154,347.
- Successfully coordinate with Oakland County HOME Consortium.
- Complete capital projects within one year of letting contract.
- Successfully coordinate special projects including Rebuilding Together.
- Administer the Single-Family Rental Inspection Program, completing inspections on 400 homes.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Housing Rehabilitations Completed	19	25	20
	Housing Rehabilitation Dollars	96,626	200,000	154,347
	CDBG Capital Dollars	173,322	300,000	100,000
	CDBG Loan Board Meetings	5	9	9
	Special Project Meetings/Beautification Commission Meetings	8	10	10
Efficiency	Single-Family Rental Inspections	NA	400	400
	% of CDBG Admin. Cost/Total Entitlement (below HUD 20% guideline)	20%	20%	20%
	% of Capital Projects completed within one year	100%	100%	100%
	Dollars/Housing Rehab Completed	7,390	9,000	7,717

PLANNING OFFICE

The Planning Office is responsible for the long-range land use planning for the City including review of all development and redevelopment activity. The office consists of two professional planners and a secretary. The office provides professional staff to the Planning Commission, Historic District Commission, Historical Commission and other commissions as required. Administrative duties to those commissions include preparation of agendas, coordination of reviews and public notification. Additional staff duties in conjunction with the City's planning consultant involve site plan and landscape plan review, site development inspection, tree removal permit review and inspection, city-wide addressing, review of construction permits for zoning ordinance compliance, special landscape project design and implementation, and processing of all rezoning and development requests.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Provide professional planning assistance to residents, property owners and land developers. (1,12)
- Provide professional staff assistance to the Planning Commission, the Zoning Board of Appeals, the Historic District Commission and Historical Commission. (1,12)
- Lead the effort to encourage redevelopment and reinvestment in the community by updating the planning standards. (1,2)

PERFORMANCE OBJECTIVES

- Coordinate the creation of zoning ordinance amendments resulting from updates to the Master Plan.
- Expand opportunities for web based applications for review by the Planning Office.
- Provide professional assistance in the adaptive reuse of commercial and industrial buildings and properties.
- Coordinate the five year revision of the Master Plan for Future Land Use, including incorporating the Grand River Corridor Vision Plan.

Planning & Community Development

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Planning Commission meetings	21	22	22
	Historic District Commission meetings	11	12	12
	PUD Plans	1	4	3
	Site Plans	23	24	23
	Rezoning Requests	1	1	1
	Zoning Text Amendments	1	1	4
	Landscape Plans	14	20	15
	Land Divisions	4	13	15
	Plat/Site Condominium	0	1	2
	Cluster Options	1	3	2
	PUD Option Qualification	1	6	3
	New Building Permits (off.,comm.,ind)	7	2	8
	Tree Permits	95	65	60
	Residential Permits	22	25	25
	Change of Occupancy Permits	58	35	60
Miscellaneous Permits	550	398	450	
Efficiency	% of tree permits reviewed within 5 days	100%	100%	100%
	% of permit requests reviewed within 5 days	100%	100%	100%
	% of occupancy inspections performed within 5 days	100%	100%	100%

ZONING DIVISION

The Zoning and Code Enforcement Division is responsible for the enforcement of the Zoning Ordinance and of those parts of the City Code that relate to property, including the blight ordinance and the noxious weed ordinance. The division is comprised of a supervisor, four field inspectors, and a secretary. The division conducts inspections and contacts residents and business owners to obtain compliance with the City Code. If necessary, violators are taken to district court for a hearing before a magistrate or a judge. The magistrate or judge is empowered to order abatement of the violations that are civil infractions. The Zoning Division coordinates the court ordered clean ups, weed cutting and towing of illegal vehicles. The Zoning Division and Building Division work cooperatively to remove dangerous buildings and to upgrade the housing stock in the City by responding to residents' complaints and observed violations. The division also provides staff support for the Zoning Board of Appeals. This included site review, case preparation, notification mailings, and presentation of all agenda items before the Board.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Participate in forums to educate the public about code requirements and how enforcement sustains property values. (11,12)
- Update ordinance language when changes are required to meet or enhance community standards. (12)
- Improve code enforcement tracking and reporting with updated software. (2,12)
- Neighborhood stabilization through enforcement of property maintenance codes. (12)

PERFORMANCE OBJECTIVES

- Respond within 24 hours of a report of a violation of a city code.
- Enhance operational efficiency by use of code enforcement tracking system

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	ZBA-Regular Meetings	11	12	12
	ZBA-Special Meetings	0	1	1
	ZBA Cases	38	40	40
	ZBA Mailings	2,513	2,300	2,300
	Junk Vehicles Inspections	2,475	2,500	2,000
	Blight Inspections	8,195	11,000	11,000
	Sign Inspections	735	1,300	1,450
	Zoning Inspections	2,085	1,100	2,000
	Total Number of Inspections	13,490	15,900	16,450
Efficiency	Average # of Inspections/Inspector	3,372	3,975	4,112
	Number of Abatements	3,576	5,000	5,100

Planning & Community Development

Planning & Community Development comprises 3.08% of the General Fund's proposed budget.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$119,356 or 7.4% decrease from the current budget.
- The decrease results primarily from budget savings in personnel costs and gas & oil expenditures.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$262,428 or 17.7% increase from the FY 15-16 year-end projection, and a \$143,072 or 8.9% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from increased personnel costs, assuming full-staffing and potential staff retirements.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Planning & Community Development	\$1,243,358	\$1,351,797	\$1,604,374	\$1,485,018	\$1,747,446

\$1,140,000 of Building related Licenses & Permits Revenue supports the costs of the Planning & Community Development Department.

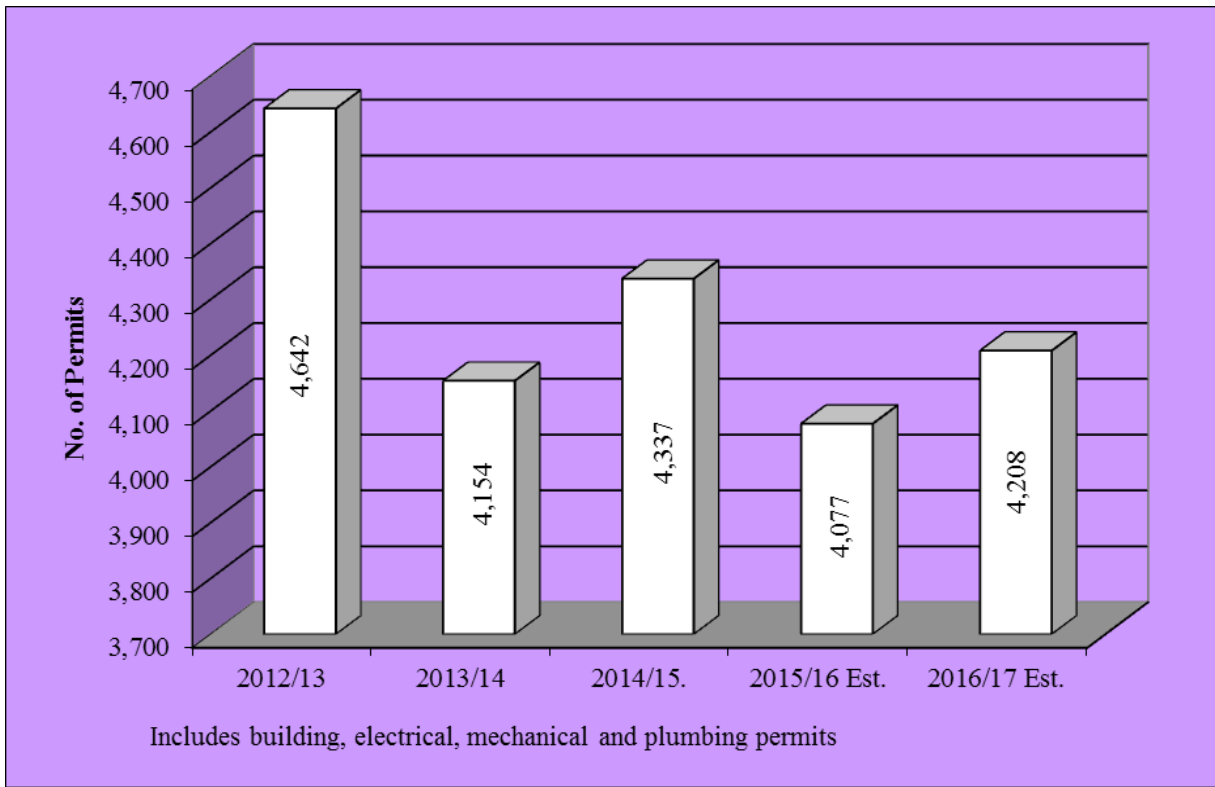
Planning & Community Development

DEPARTMENT NUMBER: 443

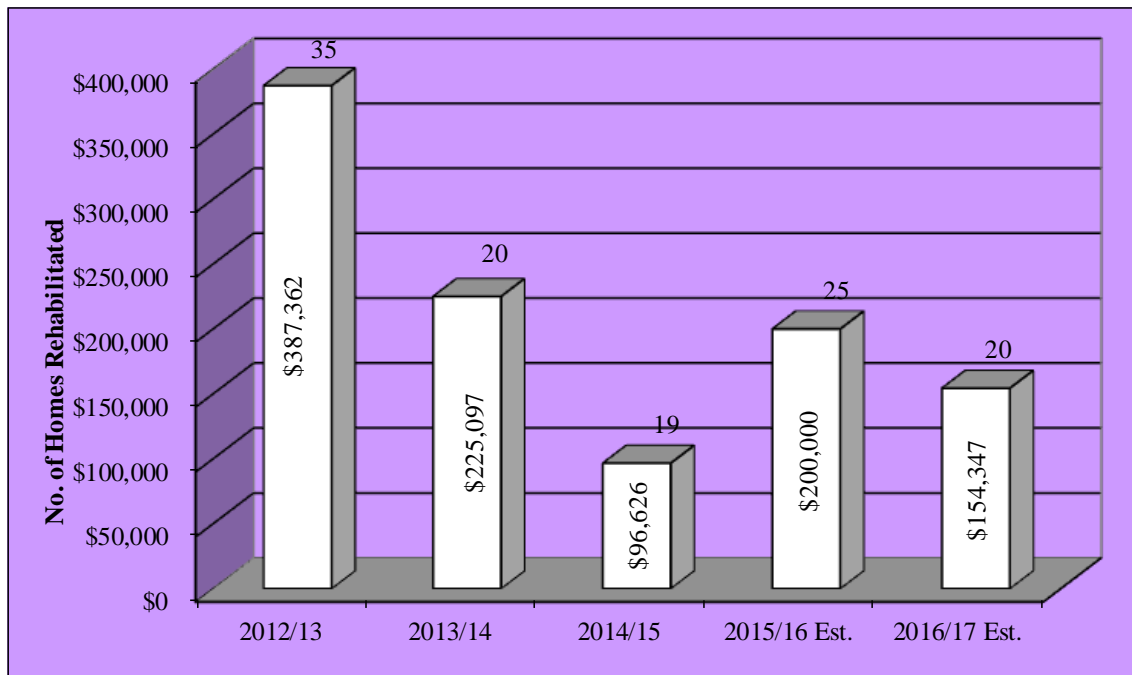
Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	447,864	501,004	675,696	604,200	677,101	677,101
032 Code Inspectors	432,541	456,774	457,021	460,353	473,408	473,408
038 Part-time	67,972	15,250	10,000	2,000	2,000	2,000
106 Sick & Vacation	12,272	12,104	10,681	13,300	98,936	98,936
112 Overtime	9,397	6,461	7,500	9,000	7,500	7,500
200 Social Security	74,872	76,432	91,507	85,175	100,618	100,618
250 Blue Cross/Optical/Dental	157,959	204,657	262,090	215,706	263,569	263,569
275 Life Insurance	2,447	2,833	3,156	3,058	3,230	3,230
300 Pension - DC	38,492	45,853	64,950	56,370	66,075	66,075
325 Longevity	32,216	35,044	35,857	39,309	51,873	51,873
350 Worker's Compensation	4,614	4,654	5,242	5,005	8,978	8,978
700 Cost allocate to CDBG	(82,949)	(66,729)	(81,500)	(73,500)	(68,856)	(68,856)
Category Total	1,197,696	1,294,338	1,542,200	1,419,976	1,684,432	1,684,432
(740) OPERATING SUPPLIES						
001 Gas & Oil	14,335	11,893	14,000	12,000	14,700	14,700
002 Books & Subscriptions	1,053	799	1,000	950	900	900
008 Supplies	2,684	3,575	4,500	4,000	4,500	4,500
Category Total	18,071	16,267	19,500	16,950	20,100	20,100
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	166	425	500	635	500	500
002 Memberships & Licenses	1,215	825	1,600	1,600	1,600	1,600
004 Engineering Consultant	3,900	3,875	4,000	3,900	4,000	4,000
005 Fleet Insurance	5,940	5,439	5,979	5,979	5,914	5,914
006 Vehicle Maintenance	6,128	4,640	4,000	5,628	4,100	4,100
013 Education & Training	362	689	1,000	400	400	400
024 Printing Services	1,925	1,412	1,500	3,000	2,500	2,500
041 Vehicle Allowance	3,600	3,600	3,600	3,600	3,600	3,600
085 Weed Cutting	3,424	5,853	6,000	6,000	6,200	6,200
086 Building Board-Up	931	5,855	5,000	2,500	2,500	2,500
087 Building Demolition	0	8,580	9,495	14,850	11,600	11,600
Category Total	27,591	41,193	42,674	48,092	42,914	42,914
DEPARTMENT TOTAL	1,243,358	1,351,797	1,604,374	1,485,018	1,747,446	1,747,446

KEY DEPARTMENTAL TRENDS

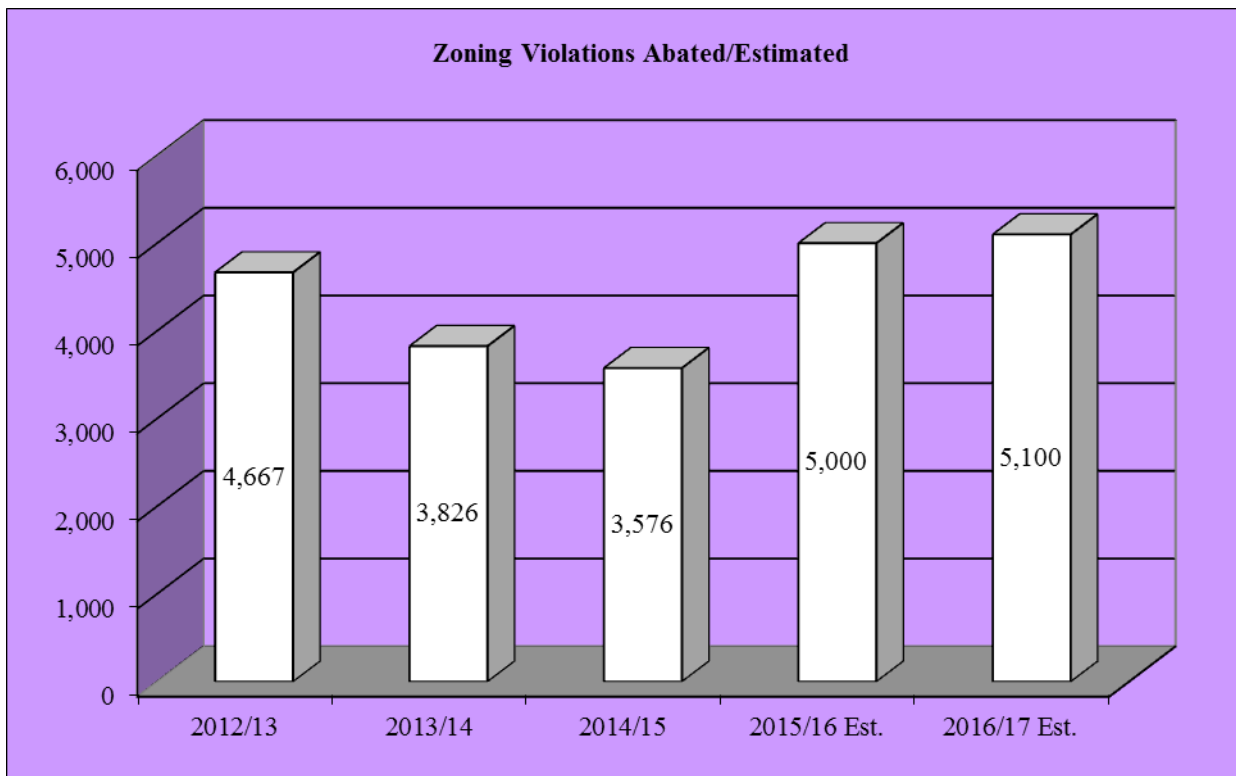
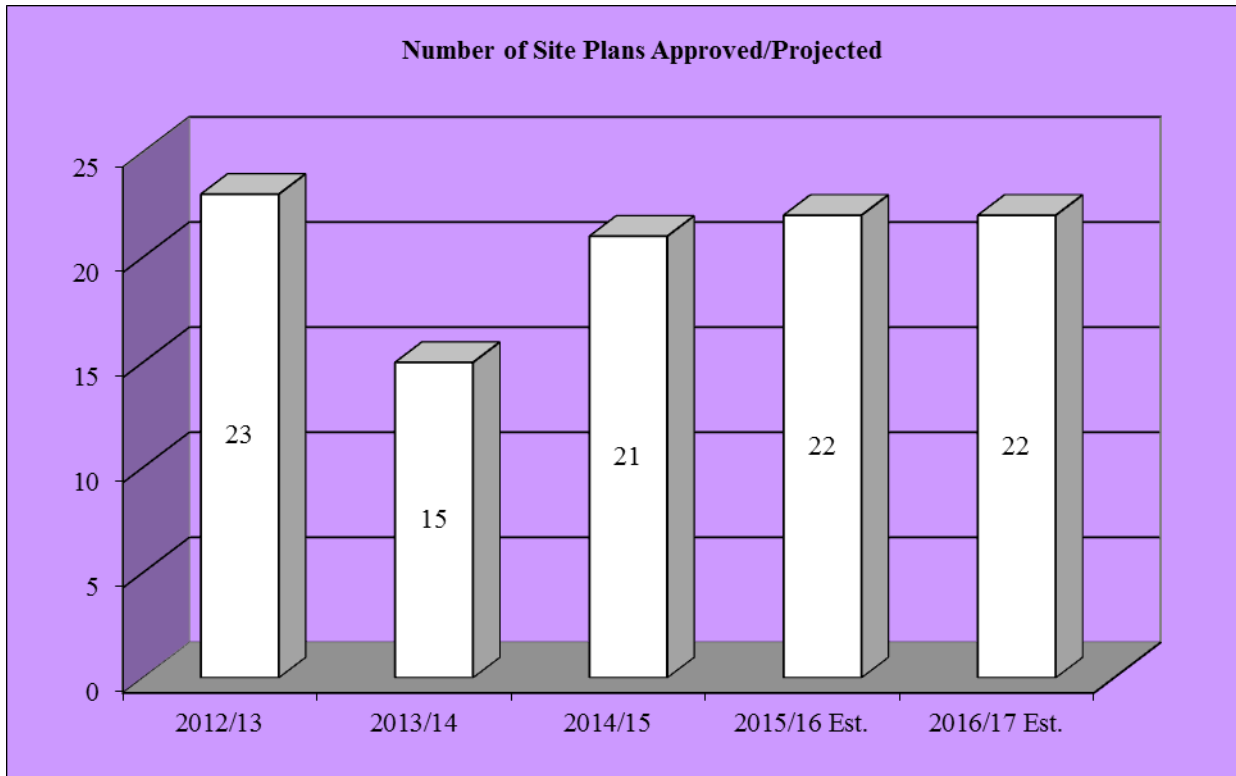
All Permits Issued/Estimated



Housing Rehabilitation Program Homes Assisted/Projected



KEY DEPARTMENTAL TRENDS (Continued)



PUBLIC SERVICES SUMMARY

DIV. NO.	Category and Line Item	2013/14 Actual Expenditures	2014/15 Actual Expenditures	2015/16 Current Budget	2015/16 Estimated Expenditures	2016/17 Proposed Budget	2016/17 Adopted Budget
PUBLIC SERVICES:							
440	DPS Administration	360,778	363,267	456,664	419,321	476,213	476,213
442	Road Maint & Supervision	364,199	366,608	386,812	375,764	321,159	321,159
444	Building Maintenance	395,878	470,852	549,801	510,160	504,628	504,628
449	Engineering	1,068,313	1,111,796	1,313,742	1,193,692	1,267,270	1,267,270
450	DPW Maintenance Facility	1,089,147	1,205,270	1,545,937	1,473,290	1,575,968	1,575,968
523	Waste Removal	3,547,982	3,776,660	3,779,938	3,842,941	3,734,389	3,734,389
TOTAL PUBLIC SERVICES		6,826,297	7,294,453	8,032,894	7,815,168	7,879,627	7,879,627

The Public Services Department comprises 13.89% of the General Fund's Proposed Budget.



PUBLIC SERVICES

MISSION STATEMENT: The mission of the Department of Public Services is to provide technical expertise and assistance to our residents as well as maintain accurate records. We strive to improve efficiency and customer service through embracing innovation, resulting in superior quality of life for those in our community. We plan, design, construct and preserve city buildings, roads, public utilities and community mobility in a safe and environmentally sensitive manner. In addition we provide refuse removal as well as maintain city vehicles and equipment.

DPS ADMINISTRATION

The Department of Public Services Administration provides the overall management for the Department's three operating divisions: Public Works, Engineering and Building Maintenance. The department consists of the Director and three administrative staff members. The salaries of these employees are partially reimbursed from the water and sewer funds.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

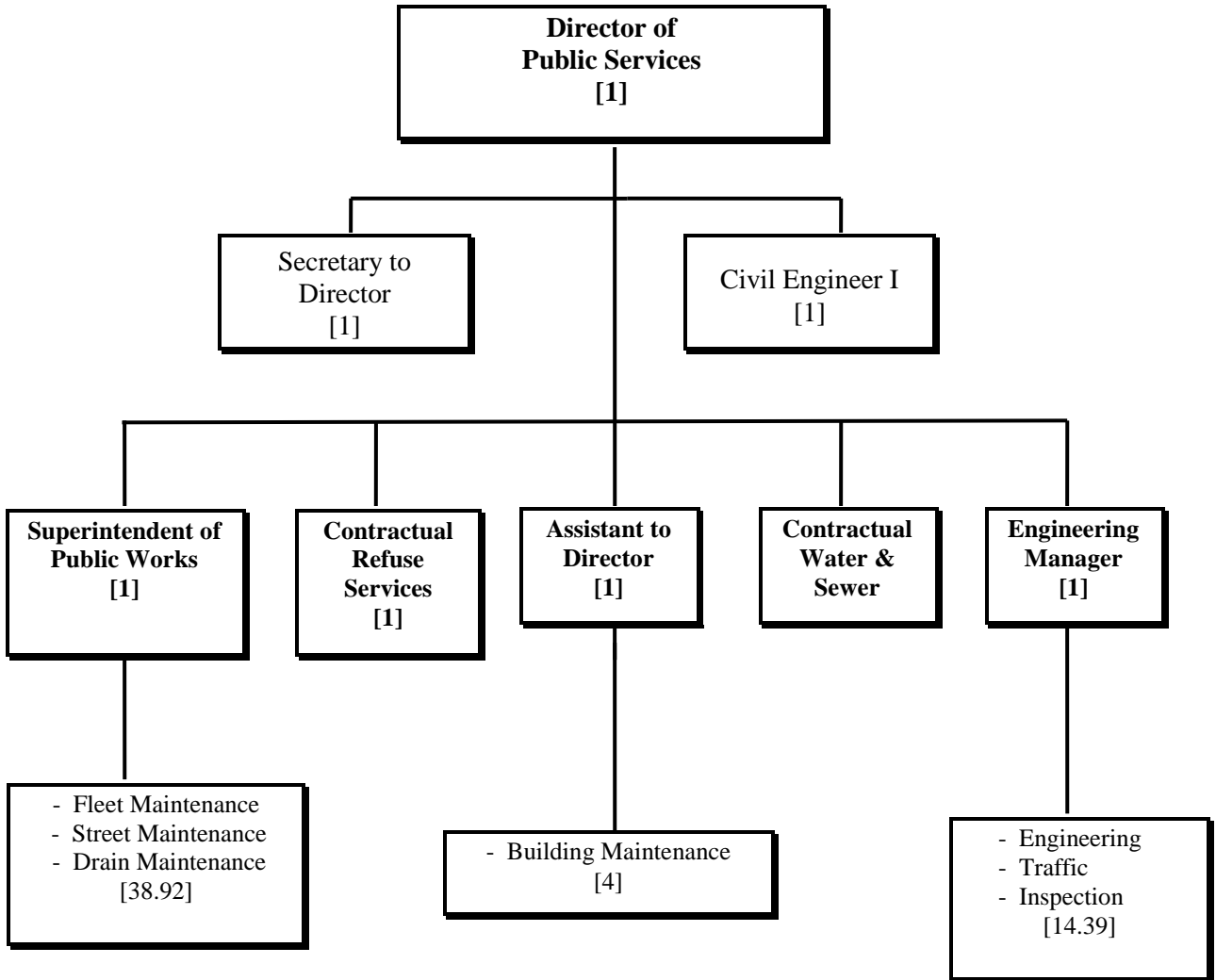
- To provide administration for the Department of Public Services including refuse disposal within the City, maintenance and repair of all public streets, public utilities, review and inspection of all right-of-way installations, and the maintenance of public buildings and properties. (1,13)
- To represent the City's interests with federal, state, county and other agencies coordinating programs relative to the roads, sewers, drainage, water supply, solid waste, and public facilities. (9,13)
- To eliminate inefficiencies and redundancies for all City buildings and properties regarding construction and maintenance projects. (2)
- To develop and implement a citywide geographical information system (GIS). (2)
- To understand the condition of the Cities streets, drainage, water and sewer systems to ensure timely and cost effective management of these vital assets. (2,11)
- To report to City Manager and City Council regarding City infrastructure and departmental activities. (1,12)
- To achieve high levels of service despite budget cuts by cross training and innovative practices. (1,3,8)
- To participate in sound management practices to protect and enhance the Rouge River Watershed. (9,10,12)

PERFORMANCE OBJECTIVES

- Coordinate the construction and maintenance for all City buildings and properties including materials, personnel and equipment.
- Enroll staff in classes, seminars, conventions, etc. which highlight current state-of-the-art technology and information.
- Work with Rouge River Watershed communities and the Michigan Department of Environmental Quality (MDEQ) on the NPDES Storm Water Permit.
- Work with Oakland County to develop base maps for the GIS system and implementation of a Collaborative Asset Management System (CAMS).
- Pursue and promote additional funding for road maintenance and improvement utilizing the pavement management system.
- Pursue and promote additional funding for maintaining existing drainage systems and capital improvement projects for new drainage systems.
- Update the Master Drainage Plan.
- Evaluate the Oakland County Evergreen/Farmington system and complete the master sanitary sewer plan.

Service Level	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
	Efficiency	Reports to council	70	70
Meetings attended impacting the delivery of public services		275	275	275
% of City Council meetings attended		75%	75%	75%
Efficiency	% of site plans for sewer fees reviewed within 48 hours	98%	98%	98%
	Activity Expenditures as a % of General Fund	0.72%	0.77%	0.84%

PUBLIC SERVICES



Total Full Time Equivalent [64.31]

ADMINISTRATION STAFFING LEVELS

Acct. 440	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010) Administrative and Clerical					
	Director of Public Services	1	1	1	1
	Assistant to Director	1	1	1	1
	Secretary to Director of Public Services	1	1	1	1
	Civil Engineer II	1	0	0	0
	Civil Engineer I	0	1	1	1
	Administration Division Total	4	4	4	4

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$37,343 or 8% decrease from the current budget.
- The decrease results primarily from projected less than budgeted personnel costs and unused contractual and professional services for consultants in FY 15-16.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$56,892 or 13% increase from the FY 15-16 year-end projection and \$19,549 or 4% increase from the FY 15-16 budget.
- The budget to budget increase results from approximately \$22,800 more personnel costs and \$3,000 more operating supply costs; partially offset by \$6,300 less professional and contractual costs.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
DPS Administration	\$360,778	\$363,267	\$456,664	\$419,321	\$476,213

DPS Administration

DEPARTMENT NUMBER: 440

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Administrative & Clerical	231,433	286,719	302,645	266,008	312,747	312,747
106	Sick & Vacation	3,074	6,578	3,353	3,581	3,420	3,420
112	Overtime	797	1,979	2,181	2,184	4,114	4,114
200	Social Security	17,672	22,347	24,154	20,737	25,129	25,129
250	Blue Cross/Optical/Dental	31,417	37,782	44,098	43,983	59,218	59,218
275	Life Insurance	1,405	1,675	1,961	1,768	2,069	2,069
300	Pension - DC	21,002	27,796	29,362	25,159	30,285	30,285
325	Longevity	2,146	2,667	3,129	3,130	3,767	3,767
350	Worker's Compensation	739	941	857	650	1,427	1,427
Reallocation to Sewer and Water Funds		(8,475)	(77,611)	(102,935)	(88,429)	(110,544)	(110,544)
Category Total		301,210	310,872	308,805	278,771	331,632	331,632
(740) OPERATING SUPPLIES							
001	Gas & Oil	2,943	2,206	2,800	1,600	2,310	2,310
002	Books & Subscriptions	59	154	100	100	100	100
004	Recruiting	0	0	0	0	1,000	1,000
008	Supplies	2,296	3,000	3,000	2,500	3,000	3,000
025	Pilot- Vegetation Management	0	300	0	2,000	2,550	2,550
Category Total		5,298	5,660	5,900	6,200	8,960	8,960
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	2,885	2,866	5,990	5,990	5,990	5,990
002	Memberships & Licenses	31,980	31,590	33,170	33,170	33,191	33,191
004	Consultants	13,577	5,639	97,609	90,000	91,000	91,000
005	Fleet Insurance	840	840	840	840	840	840
006	Vehicle Maintenance	178	71	130	130	130	130
013	Education & Training	417	2,128	620	620	870	870
016	Telephone Expense	794	0	0	0	0	0
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
Category Total		54,270	46,735	141,959	134,350	135,621	135,621
DEPARTMENT TOTAL		360,778	363,267	456,664	419,321	476,213	476,213

ROAD MAINTENANCE

The road maintenance and supervision budget provides funding for the staff assigned to right-of-way maintenance activities in support of the Department's Vision and Mission Statements. The City's street network currently includes approximately 58 miles of major streets and 246 miles of local streets. Farmington Hills has the ninth largest municipal street network in the State of Michigan and the largest municipal network in Oakland County. Routine maintenance of the City's street system includes pavement patching, road grading, litter control, forestry maintenance, storm drain maintenance and improvements, sign maintenance and snow/ice control. Additionally, City crews provide mowing and litter control services to 40 miles of State and County roads.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Improve road safety. (1,3,13)
- Reduce complaints. (8,11,13)
- Improve efficiency of the snow and ice control operations. (3,10,13)
- Improve the efficiency of road maintenance services. (2,12)
- Maintain a safe work environment. (8)
- Contribute to the City's beautification. (12,13)
- Utilize the Pavement Management System to improve the efficiency and planning of road maintenance operations. (12,13)
- Implement and utilize modern Asset Management software. (2,8)
- Obtain APWA certification. (1)
- Improve the contract preparation, scheduling, and oversight of contracted road and right-of-way maintenance services. (1,3)

PERFORMANCE OBJECTIVES

- Dedicate training time to staff development and safety programs.
- Utilize best (maintenance) management practices.
- Improve response to service requests

PERFORMANCE OBJECTIVES

Service Level	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
	Service Level	Maintenance contracts completed	30	32
Utility structure inspections		22	28	30
Community work programs work days supervised		19	18	18
Efficiency	Square yards of 8" concrete placed	5,004	12,045	12,500
	Tons of asphalt placed	1,892	7,935	8,000
	Lineal feet of re-ditching	20,702	21,000	21,500
	Miles per road maintenance personnel	15.2	15.2	15.2
	Gallons of Liquid De-Icer	110,000	170,000	250,000
	Tons of Cold Patch Material Placed	400	360	320
	Activity Expenditures as a % of General Fund	0.72%	0.69%	0.57%

ROAD MAINTENANCE STAFFING LEVELS

Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010)	Administrative and Clerical				
	Supervisor	3	3	3	3
	Equipment Operator III	4	5	5	5
	Sign Shop Technician	0	1	1	1
	Equipment Operator II	9	7	7	7
	Equipment Operator I	2	2	2	2
	Laborer I	2	2	2	2
	Total	20	20	20	20
(038)	Seasonal Aide (FTE)	3.46	6.92	6.92	6.92
	Department Total	23.46	26.92	26.92	26.92

Road Maintenance

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET

- \$11,048 or 3% decrease from current budget.
- The decrease is primarily the result of projected less than budgeted gas & oil expenditures, partially offset by projected more than budgeted vehicle maintenance costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION

- \$54,605 or 14% decrease from the FY 15-16 year-end projection and \$65,653 or 17% decrease from the FY 15-16 budget.
- The budget-to-budget decrease results primarily from a decrease in the cost of gas & oil supplies and capital outlay expenditures, partially offset by a small increase in professional & contractual expenditures.

	2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 CURRENT BUDGET	2014-2015 PROJECTED YEAR-END	2015-2016 PROPOSED BUDGET
*Road Maintenance	\$364,199	\$366,608	\$386,812	\$375,764	\$321,159

* Net of Reimbursement from the Road Funds.

Road Maintenance

DEPARTMENT NUMBER: 442

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Administrative & Clerical	964,925	1,005,727	1,069,416	1,068,000	1,095,292	1,095,292
015	Seasonal Aides	77,041	87,067	145,920	145,920	145,920	145,920
106	Sick & Vacation	6,210	11,936	4,572	4,572	5,628	5,628
112	Overtime	158,263	102,505	117,711	113,988	116,619	116,619
200	Social Security	94,340	94,664	106,583	105,459	109,168	109,168
250	Blue Cross/Optical/Dental	184,174	265,937	256,719	252,050	274,680	274,680
275	Life Insurance	1,748	1,943	2,036	2,075	2,044	2,044
300	Pension - DC	23,523	29,179	36,768	34,850	37,960	37,960
325	Longevity	45,780	48,226	48,585	49,048	52,012	52,012
350	Worker's Compensation	40,049	41,359	46,877	46,135	82,866	82,866
	Category Total	<u>1,596,052</u>	<u>1,688,542</u>	<u>1,835,187</u>	<u>1,822,097</u>	<u>1,922,189</u>	<u>1,922,189</u>
(740) OPERATING SUPPLIES							
001	Gas & Oil	163,193	114,779	147,000	82,043	106,045	106,045
002	Books & Subscriptions	64	90	150	150	150	150
008	Supplies	1,246	1,364	1,700	1,800	1,800	1,800
019	Uniforms	11,135	16,871	12,200	14,500	14,500	14,500
030	Tools & Misc. Small Equip.	8,330	9,549	9,000	9,000	9,000	9,000
034	Safety Equipment	8,720	9,644	12,300	12,300	12,300	12,300
	Category Total	<u>192,687</u>	<u>152,297</u>	<u>182,350</u>	<u>119,793</u>	<u>143,795</u>	<u>143,795</u>
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	1,628	4,690	7,715	7,715	7,715	7,715
002	Memberships & Licenses	1,173	1,138	1,325	1,325	1,411	1,411
005	Fleet Insurance	17,490	19,602	20,511	20,511	22,313	22,313
006	Vehicle Maintenance	101,752	107,256	76,000	123,593	77,700	77,700
008	Equipment Maintenance	2,014	909	2,500	2,500	2,500	2,500
013	Education & Training	874	1,167	4,125	4,125	4,125	4,125
029	Cemetery Maintenance	739	239	1,000	1,000	1,000	1,000
030	Emergency Meal Allowance	2,094	1,054	1,000	1,000	1,100	1,100
071	Contractual Projects	0	0	10,000	10,000	10,000	10,000
	Category Total	<u>127,766</u>	<u>136,055</u>	<u>124,176</u>	<u>171,769</u>	<u>127,864</u>	<u>127,864</u>

Road Maintenance

DEPARTMENT NUMBER: 442

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(970) CAPITAL OUTLAY						
002 Office Equipment	4,316	507	3,500	3,500	0	0
020 Equipment	35,182	10,792	39,786	56,136	8,000	8,000
058 Trucks	4,248	66,957	37,000	24,566	41,500	41,500
Category Total	43,746	78,256	80,286	84,202	49,500	49,500
GROSS DEPARTMENT TOTAL	1,960,251	2,055,150	2,221,999	2,197,861	2,243,348	2,243,348
Less: Road Funds Reimbursement	(1,596,052)	(1,688,542)	(1,835,187)	(1,822,097)	(1,922,189)	(1,922,189)
NET DEPARTMENT TOTAL	364,199	366,608	386,812	375,764	321,159	321,159

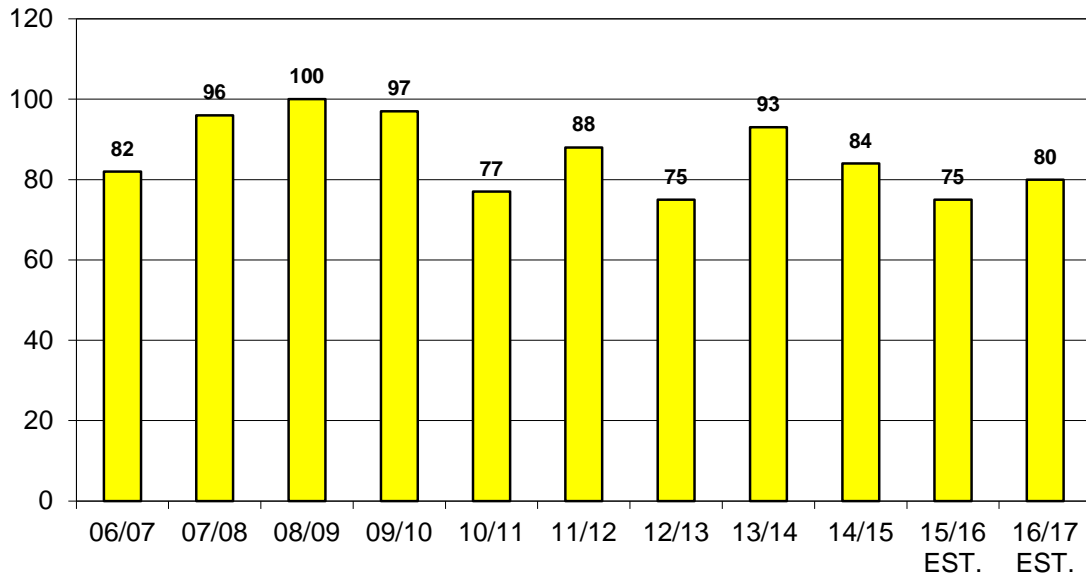
In addition to the Road Fund's Reimbursement for Personnel Costs netted above, General Fund Revenue reflects Fees from the Road Fund's for Equipment Rental.

Capital Outlay Schedule FY 2016/17

Acct. No. Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
				Quantity	Amount
020	EQUIPMENT				
1	GPS Tracking System	8,000	8,000	1	8,000
Equipment Subtotal			8,000		8,000
058	TRUCKS				
1	Pick-Up Truck	36,000	36,000	1	36,000
1	Plow	5,500	5,500	1	5,500
Truck Subtotal			37,000		41,500
TOTAL			45,000		49,500

KEY DEPARTMENTAL TRENDS

Emergency Call-Ins (Roads)



BUILDING MAINTENANCE

The operation and maintenance expenses for City Hall and the Police Facility are charged to this account. Principal expenses are for salaries and supplies to keep the buildings in good repair. The building maintenance staff is responsible for monthly inspections of all heating, ventilation and air conditioning (HVAC) equipment for 14 City-owned buildings.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Create an organized environment for all departments for record storage and retrieval. (2,8)
 - Continue to utilize the Community Service Work Program for various maintenance projects. (2)
 - To operate efficiently, reduce unnecessary spending and effectively maintain the City’s facilities. (2,8)
- Meet all safety standards prescribed by the State and Federal regulations. (8,9)
 - Provide preventative maintenance programs on all mechanical, electrical, and plumbing equipment for all City buildings. (2,8)
 - Ensure that residents and employees have clean and safe facilities to carry on their day-to-day business. (3,8,13)
 - Become experts in Green Technology. (2)

PERFORMANCE OBJECTIVES

- To maintain within the budgetary framework, 14 City facilities in a safe, clean and economical manner.
- To test and maintain backflow prevention devices for all City facilities.
- To conduct monthly preventative maintenance inspections on a timely basis and oversee quarterly inspections performed by contractors.
- To coordinate the storage or disposal of any unused furniture or equipment for City auctions.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Community Work Program work days supervised	39	40	41
	Requests for maintenance service	1,820	1,820	1,820
	Number of monthly inspections (HVAC)	168	168	168
	Number of buildings maintained	14	14	14
Efficiency	Percentage of service requests met within 10 days	90%	90%	90%
	Percentage of emergency call-ins responded to within 30 minutes.	95%	95%	95%
	Activity Expenditures as a % of General Fund	0.93%	0.94%	0.89%

BUILDING MAINTENANCE STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15	15/16	16/17	16/17
		Budget	Budget	Budget	Budget
(010)					
	Building Maintenance Supervisor	1	1	1	1
	Building Maintenance Technician	1	1	1	1
	Building Maintenance Worker	2	2	2	2
	Building Maint. Division Total	4	4	4	4

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$39,641 or 7% decrease from the current budget.
- This decrease results primarily from capital equipment savings, and projected lower than budgeted health insurance, utility and operating supply costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$5,532 or 1% decrease from the FY 15-16 year-end projection and \$45,173 or 8% decrease over the FY 15-16 budget.
- The budget to budget decrease is due primarily from a decrease in capital outlay needs and utility costs, partially offset by increases in personnel costs.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Building Maintenance	\$395,878	\$470,852	\$549,801	\$510,160	\$504,628

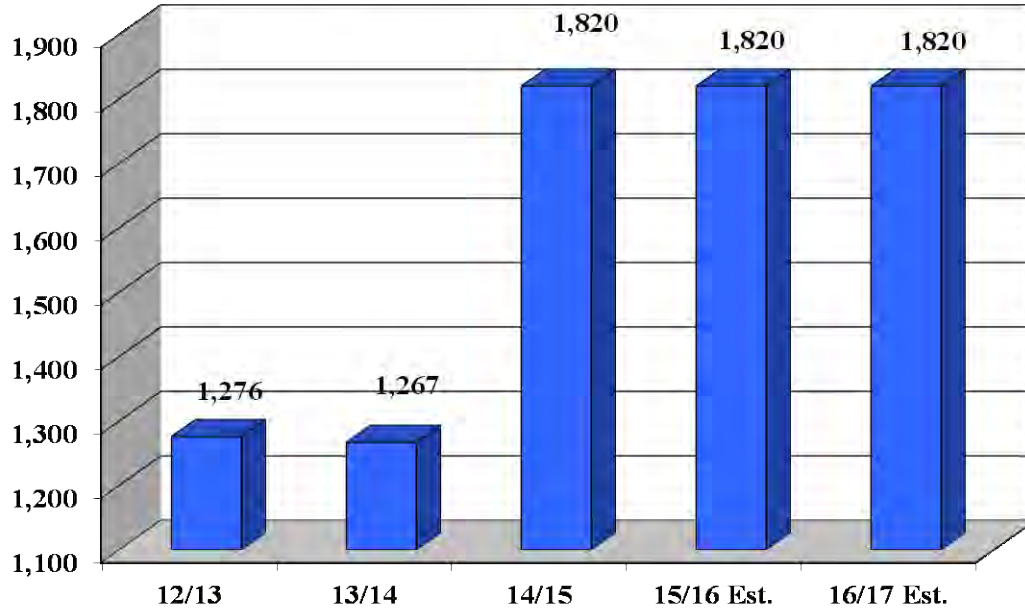
Building Maintenance

DEPARTMENT NUMBER: 444

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Salaries	183,507	182,713	195,097	196,545	202,457	202,457
038	Part time	0	4,344	0	0	0	0
106	Sick & Vacation	4,992	3,816	4,861	4,960	4,000	4,000
112	Overtime	9,871	8,233	13,000	13,000	13,005	13,005
200	Social Security	16,870	16,842	20,373	17,913	18,320	18,320
250	Blue Cross/Optical/Dental	47,492	71,151	75,008	73,521	79,407	79,407
275	Life Insurance	365	418	509	505	511	511
300	Pension - DC	5,029	6,646	10,207	10,019	10,478	10,478
325	Longevity	8,650	8,855	9,216	9,216	10,014	10,014
350	Worker's Compensation	4,024	4,177	4,821	4,483	8,420	8,420
	Category Total	<u>280,799</u>	<u>307,195</u>	<u>333,092</u>	<u>330,162</u>	<u>346,612</u>	<u>346,612</u>
(740) OPERATING SUPPLIES							
001	Gas & Oil	767	784	980	560	735	735
008	Supplies	8,447	6,570	10,000	8,500	10,000	10,000
019	Uniforms	855	1,448	1,520	1,520	1,800	1,800
	Category Total	<u>10,069</u>	<u>8,802</u>	<u>12,500</u>	<u>10,580</u>	<u>12,535</u>	<u>12,535</u>
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	0	420	700	600	1,370	1,370
002	Memberships & Licenses	300	0	300	300	300	300
005	Fleet Insurance	510	520	559	559	611	611
006	Vehicle Maintenance	121	5,428	150	200	200	200
013	Education & Training	780	145	1,000	1,000	1,000	1,000
025	Utilities	56,451	68,321	80,000	70,000	75,000	75,000
029	Building Maintenance	46,848	48,734	67,000	67,000	67,000	67,000
	Category Total	<u>105,010</u>	<u>123,568</u>	<u>149,709</u>	<u>139,659</u>	<u>145,481</u>	<u>145,481</u>
(970) CAPITAL OUTLAY							
015	Vehicles	0	24,893	0	0	0	0
020	Equipment	0	0	29,500	0	0	0
036	Building Improvements	0	6,394	25,000	29,759	0	0
	Category Total	<u>0</u>	<u>31,287</u>	<u>54,500</u>	<u>29,759</u>	<u>0</u>	<u>0</u>
DEPARTMENT TOTAL		<u>395,878</u>	<u>470,852</u>	<u>549,801</u>	<u>510,160</u>	<u>504,628</u>	<u>504,628</u>

KEY DEPARTMENTAL TRENDS

Service Requests for Maintenance



ENGINEERING DIVISION

Activities of the Engineering Division include municipal project design and administration, as well as, plan review and inspection of new developments. In addition, the Division addresses traffic concerns and considerable requests for information by engineers, builders and residents. The Division strives to improve the safety and mobility of the transportation system of the City.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Maintain accurate records. Make available to public. (1, 10, 12, 13)
- Address storm water quality concerns and pursue innovative “green” practices. (10, 13)
- Improve condition of city water system by replacing old water main. (13)
- Maintain quality engineering services including design review and analysis. (1, 2)
- Pursue grant funds for aging infrastructure. (5)
- Incorporated and Improve GIS technology into delivery of engineering services. (2, 8)

PERFORMANCE OBJECTIVES

- Reduce initial review time for sites and subdivisions.
- Complete requested and budgeted capital improvement projects.
- Reduce vehicle crash rate citywide.
- Assist neighborhoods with Traffic SAFE-TE³ Program implementations (Safety Awareness for Everyone through Education, Enforcement and Engineering).

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Contracts Let (number)	18	14	13
	Contracts Let (amount)	\$6,719,897	\$22,335,765	\$16,421,072
	Site Plans Reviewed	11	12	12
	Subdivision/Locations Participating in SAFE-TE ³	3	3	3
	Citizen Service Requests	201	280	310
Efficiency	Percent first reviews within four weeks	91%	83%	83%
	Activity Expenditures as a % of General Fund	2.19%	2.19%	2.23%

ENGINEERING STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010) Salaries and Wages					
	Engineering Manager	1	1	1	1
	Chief Engineering Inspector	1	1	1	1
	Design Technician	1	1	1	1
	Traffic Engineer	1	1	1	1
	Civil Engineer III	1	1	1	1
	Civil Engineer II	1	1	2	2
	Civil Engineer I	1	1	1	1
	Construction Inspector IV	1	1	0	0
	Construction Inspector III	1	1	1	1
	Construction Inspector II	2	2	2	2
	Clerk Typist II	1	0	0	0
	Clerk Typist I	0	1	1	1
	Engineering Office Aide	1	1	0	0
	Administrative Secretary	0	0	1	1
	Total	13	13	13	13
(038) Part-time (FTE)					
	Part-Time	2.31	2.31	2.39	2.39
	Total	2.31	2.31	2.39	2.39
	Engineering Division Total	15.31	15.31	15.39	15.39

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$120,050 or 9% decrease from the current budget.
- The decrease results primarily from projected less than budgeted part-time, overtime, and sick and vacation leave payouts; less gas & oil supply costs; less office equipment; and less professional & contractual expenditures.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$73,578 or 6% increase from the FY 15-16 year-end projection and \$46,472 or 3.5% decrease from the FY 15-16 budget.
- The budget to budget decrease results primarily from a significant increase in the Water Fund reallocations to reflect increased work in our water replacement program and a decrease in capital outlays.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Engineering	\$1,068,313	\$1,111,796	\$1,313,742	\$1,193,692	\$1,267,270

Engineering Division

DEPARTMENT NUMBER: 449

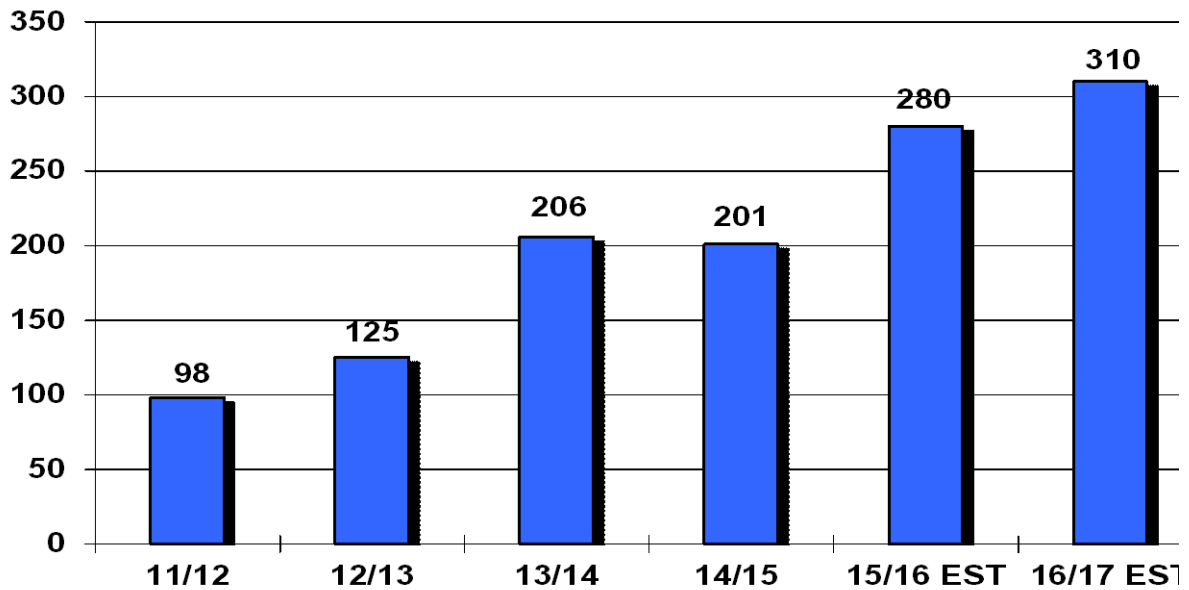
Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702)	SALARIES & WAGES						
010	Salaries & Wages	702,974	755,796	807,866	805,205	835,537	835,537
038	Part-time	43,862	54,258	91,875	53,222	91,648	91,648
106	Sick & Vacation	35,940	10,137	35,410	17,407	33,333	33,333
112	Overtime	96,564	129,621	158,600	135,378	158,000	158,000
200	Social Security	68,268	73,693	86,111	79,190	88,242	88,242
250	Blue Cross/Optical/Dental	111,267	147,917	157,870	162,080	178,712	178,712
275	Life Insurance	2,632	3,323	3,690	3,598	3,867	3,867
300	Pension - DC	26,251	35,269	39,200	39,155	41,018	41,018
325	Longevity	35,397	30,177	31,896	31,990	34,974	34,974
350	Worker's Compensation	5,892	4,772	5,386	4,815	8,413	8,413
	Reallocation to Water Fund	(85,964)	(217,968)	(177,450)	(177,450)	(278,822)	(278,822)
	Reallocation to Sewer Fund	(33,444)	(32,820)	(40,756)	(40,756)	(35,692)	(35,692)
	Category Total	1,009,639	994,175	1,199,699	1,113,835	1,159,230	1,159,230
(740)	OPERATING SUPPLIES						
001	Gas & Oil	20,186	17,952	20,160	14,400	21,000	21,000
002	Books & Subscriptions	0	0	791	0	400	400
008	Supplies	14,388	10,982	9,500	9,200	9,300	9,300
	Category Total	34,574	28,934	30,451	23,600	30,700	30,700
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	2,384	2,930	6,080	5,783	6,150	6,150
002	Memberships & Licenses	1,373	909	2,299	2,158	2,280	2,280
004	Consultants	0	0	1,350	0	500	500
005	Fleet Insurance	2,160	2,326	2,463	2,463	2,670	2,670
006	Vehicle Maintenance	7,655	5,561	3,900	1,883	4,100	4,100
007	Office Equip. Maintenance	767	1,057	6,800	4,281	6,540	6,540
009	Consulting & Review Fee	0	0	1,350	0	500	500
013	Education & Training	3,873	4,562	5,350	5,100	6,600	6,600
024	Printing Services	397	109	0	33	0	0
	Category Total	18,608	17,454	29,592	21,701	29,340	29,340
(970)	CAPITAL OUTLAY						
002	Office Equipment	1,244	1,244	17,000	0	0	0
015	Inspection Vehicles	4,248	69,989	37,000	34,556	48,000	48,000
	Category Total	5,492	71,233	54,000	34,556	48,000	48,000
	DEPARTMENT TOTAL	1,068,313	1,111,796	1,313,742	1,193,692	1,267,270	1,267,270

CAPITAL OUTLAY

Acct. 970	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
015	1	Survey vehicle	48,000	48,000	1	48,000
Total Vehicle Costs						48,000
CAPITAL OUTLAY TOTAL						48,000

KEY DEPARTMENTAL TRENDS

Citizens Service Requests



DPW MAINTENANCE FACILITY

The DPW maintenance facility budget provides funding for the administrative office and fleet maintenance operations. The office staff processes all service requests and inquiries from residents for street, drainage, roadside maintenance, as well as refuse/recycling services. The office staff also serves as the communications link between residents and the DPW field staff, via cell phones and two-way radio, ensuring a quick response to citizen service requests. All of this activity is in support of the Department's Vision and Mission Statements.

The DPW's garage is responsible for maintaining the City's fleet of approximately 400 vehicles and pieces of equipment, which includes passenger vehicles, patrol vehicles, pick-up trucks, light trucks, utility vehicles, heavy trucks, private vehicles, vans/buses, multi-purpose vehicles, heavy road equipment, and small equipment. New emission control requirements, fuel economy standards, computerized engine controls, safety enhancements, and an aging fleet all contribute significantly to the fleet maintenance workload.

The cornerstone of the DPW garage is the preventative maintenance (PM) program. The objective of preventative maintenance is to extend the service life of equipment, minimize downtime and avoid equipment failures through scheduled inspection and service.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Improve fleet safety, reliability, and equipment longevity. (2,8)
- Promote alternative fuels within the fleet. (2)
- Promote more shared use of City fleet by all departments through the use of higher-quality pool vehicles. (2)
- Provide adequate maintenance and upgrades to the DPW facility to ensure maximum benefit and longevity. (1,2)
- Ensure a safe work environment. (8)

PERFORMANCE OBJECTIVES

- Reduce vehicle down-time.
- Improve vehicle lifecycle costs.
- More balanced use of the fleet.
- Improve equipment versatility.
- Improve the quality of the automobiles in the fleet.

DPW Maintenance Facility

Service Level	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
	Parts Received	230,122	278,020	255,000
	Parts Issued	205,518	266,561	275,000
	Fuel Gallons	232,554	241,974	255,500
	Number of Vehicles and Equipment	430	444	451
	Average Age of Vehicles and Equipment	5.2	4.91	4.88
	New Vehicles and Equipment Purchased	25	27	25
	Efficiency	Activity Expenditures as a % of General Fund	2.37%	2.71%

DPW MAINTENANCE FACILITY STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(015) Supervision/Secretary/Mechanics					
	DPW Superintendent	1	1	1	1
	Secretary	1	1	1	1
	DPW Contract Technician	1	1	1	1
	Fleet & Facility Maintenance Supervisor	1	1	1	1
	Mechanic III	2	2	2	2
	Mechanic II	3	3	3	3
	Mechanic I	0	1	1	1
	Inventory & Repair Coordinator	1	1	1	1
	Building Maint Tech.	1	1	1	1
	Total Full-time	11	12	12	12
(038)	Part-time	1.0	1.0	1.0	1.0
	DPW Maintenance Facility Total	12.00	13.00	13.00	13.00

DPW Maintenance Facility

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$72,647 or 5% decrease from the current budget.
- The decrease results primarily from projected budget savings in fuel & oil supplies and personnel costs, partially offset by increases in vehicle parts.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$102,678 or 7% increase from the FY 15/16 year-end projects and a \$30,031 or 2% increase from the FY 15/16 budget.
- The budget-to-budget increase results primarily from increases in personnel, vehicle parts, contract repairs and utility costs; partially offset by decreases in Capital Outlay expenditures, and fuel cost reductions.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
DPW Maintenance Facility	\$1,089,147	\$1,205,270	\$1,545,937	\$1,473,290	\$1,575,968

DPW Maintenance Facility

DEPARTMENT NUMBER: 450

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
015	Supervision/Sec./Mech.	559,154	577,407	691,251	683,600	708,176	708,176
038	Part-time	27,162	5,764	43,970	33,000	43,800	43,800
106	Sick & Vacation	4,343	11,712	29,967	17,200	77,782	77,782
112	Overtime	60,923	43,092	61,543	45,088	45,840	45,840
200	Social Security	51,734	50,440	66,094	61,800	69,598	69,598
250	Blue Cross/Optical/Dental	110,089	163,004	194,522	191,500	199,167	199,167
275	Life Insurance	1,226	1,365	1,587	1,538	1,616	1,616
300	Pension - DC	11,511	13,546	25,553	29,016	33,880	33,880
325	Longevity	34,991	35,690	37,237	36,855	34,193	34,193
350	Worker's Compensation	8,584	8,216	11,376	11,212	19,644	19,644
	Category Total	869,715	910,236	1,163,100	1,110,809	1,233,696	1,233,696
(740) OPERATING SUPPLIES							
001	Fuel & Oil Inventory	771,069	587,132	766,740	447,644	609,328	609,328
002	Books & Subscriptions	395	520	2,400	2,400	2,400	2,400
008	Supplies	8,809	7,449	7,800	10,800	8,000	8,000
009	Gas & Oil	6,931	6,972	7,280	2,560	4,200	4,200
012	Mechanics Tool Allowance	3,313	3,967	3,750	4,375	4,375	4,375
076	Auto/Truck Parts	205,372	186,875	203,797	291,304	227,000	227,000
085	Misc. Auto/Truck Supplies	14,068	13,110	16,000	16,000	16,000	16,000
	Category Total	1,009,957	806,025	1,007,767	775,083	871,303	871,303
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	3,275	4,783	4,595	4,595	4,745	4,745
002	Memberships & Licenses	1,004	1,018	1,065	1,865	1,075	1,075
005	Fleet Insurance	1,170	1,237	1,302	1,302	1,407	1,407
006	Vehicle Maintenance	3,690	4,669	2,600	2,063	2,800	2,800
007	Office Equip. Maintenance	4,715	4,282	6,300	6,300	6,300	6,300
008	Garage Equip. Maintenance	2,871	2,990	5,000	4,000	14,200	14,200
013	Education & Training	319	2,960	1,320	1,200	1,320	1,320
025	Utilities Expense	66,805	75,101	76,000	75,000	80,500	80,500
027	Radio Maintenance	0	9,950	2,000	2,000	2,000	2,000
029	Building Maintenance	16,190	36,727	36,650	37,000	37,500	37,500
046	Custodial Contract	7,056	9,563	15,000	14,000	14,000	14,000
056	Refuse Removal	6,561	5,920	9,100	9,100	9,100	9,100
104	Subcontract Repairs	55,553	67,780	77,034	71,508	89,500	89,500
	Category Total	169,208	226,981	237,966	229,933	264,447	264,447

DPW Maintenance Facility

DEPARTMENT NUMBER: 450

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(970) CAPITAL OUTLAY							
007	Garage Equipment	3,495	4,671	40,450	40,818	8,000	8,000
015	Vehicles	25,375	135,094	103,000	99,773	113,500	113,500
019	Radio Equipment	0	0	2,800	2,800	2,800	2,800
036	Building Improvements	16,159	0	20,000	20,000	0	0
	Category Total	45,029	139,765	166,250	163,391	124,300	124,300
	Total Expenditures	2,093,909	2,083,007	2,575,082	2,279,216	2,493,746	2,493,746
	Less Interdepartment Billings	(1,004,762)	(877,738)	(1,029,145)	(805,926)	(917,778)	(917,778)
DEPARTMENT TOTAL		1,089,147	1,205,270	1,545,937	1,473,290	1,575,968	1,575,968

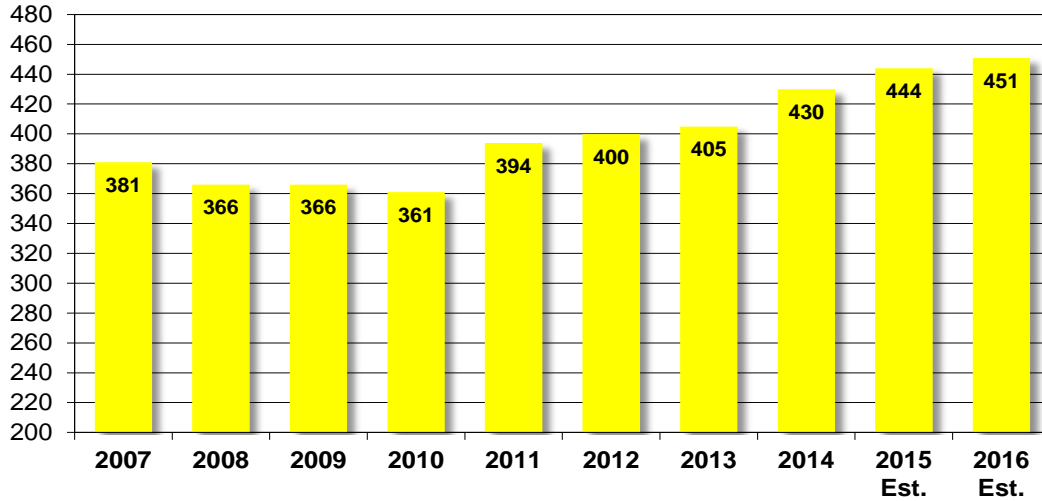
This Division's operations are partially supported by Reimbursements for Fuel & Maintenance costs from other local governments.

CAPITAL OUTLAY

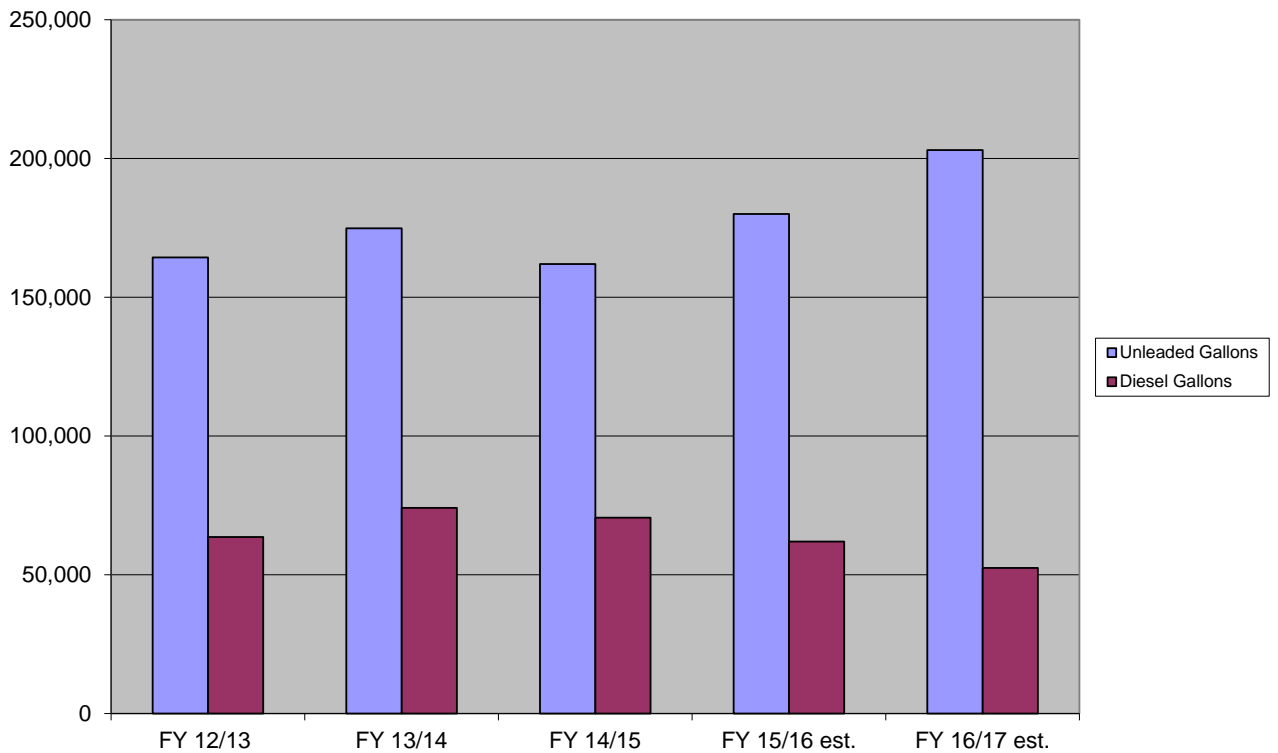
Acct. No.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
007	GARAGE EQUIPMENT					
	1	Emergency Eye wash & Chemical Shower	8,000	8,000	1	8,000
	Total Equipment Subtotal			8,000	8,000	
015	VEHICLES					
	1	Pick-Up Truck	36,000	36,000	1	36,000
	1	Plow	5,500	5,500	1	5,500
	3	Automobile	24,000	72,000	3	72,000
	Total Vehicles			113,500	113,500	
019	RADIO EQUIPMENT					
	2	Mobile Radios	1,400	2,800	2	2,800
	Total Radio Equipment			2,800	2,800	
CAPITAL OUTLAY TOTAL				124,300	124,300	

KEY DEPARTMENTAL TRENDS

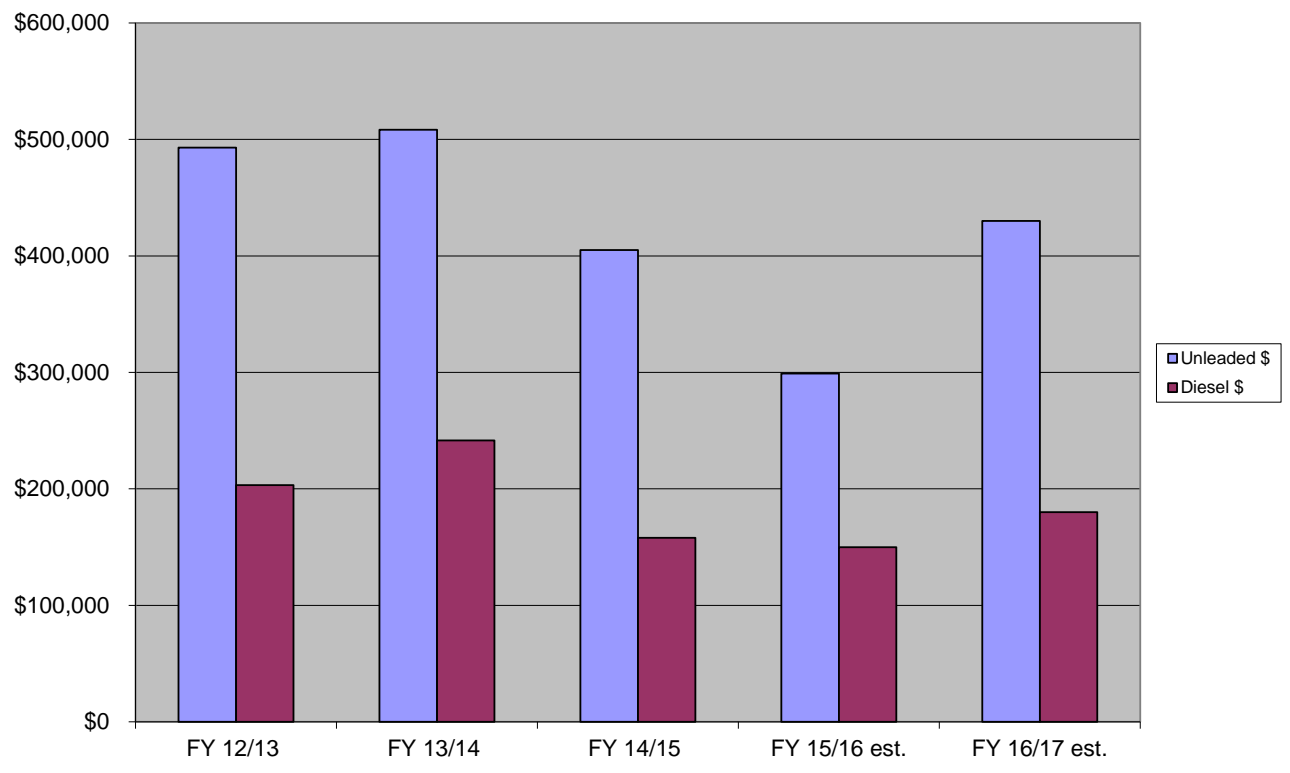
Number of Vehicles and Equipment Maintained



UNLEADED AND DIESEL FUEL USAGE (gallons)



UNLEADED AND DIESEL FUEL USAGE (cost)



WASTE COLLECTION/RECYCLING

In 2012, the City extended the contract for refuse, recycling and yard waste collection with Waste Management, Inc. to 2022, which broadens the range of recyclable materials and improves collection methods. This agreement was made possible through the efforts of the Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC). The City is one of seven member communities that participated in a private/public partnership and operates a Materials Recovery Facility (MRF) on Eight Mile Road in Southfield.

The DPW is responsible for monitoring day-to-day refuse/recycling services, dispatching complaints to the contractor’s supervisory staff, and responding to questions and special requests from residents. Beginning in 1999, the Hazardous Materials Collection program was expanded to allow Farmington Hills residents to participate in other RRRASOC member Hazardous Materials Collection events, with five events scheduled for 2016. This program enables residents to properly dispose of oil-based paint, pesticides, chemicals, solvents, used computer equipment, and other hazardous materials.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Provide the most cost-effective waste collection, recycling, and yard waste collection program. (1,2,10,12,13)
 - Increase recycling and yard waste diversion rate. (1,2,10,12,13)
- Improve the attendance and quality of materials collected at the Household Hazardous Waste Day events. (1,2)

PERFORMANCE OBJECTIVES

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Pounds of waste per household	2,429	2,400	2,400
	Dwelling units served	23,320	23,330	23,380
Efficiency	Diversion rate	43.4%	44%	45%
	Waste Landfilled	56.6%	56.0%	55.0%
	Farmington Hills attendance at all 5 Household Hazardous Waste events	2,225	2,275	2,100
	Activity Expenditures as a % of General Fund	7.44%	7.06%	6.58%

WASTE COLLECTION/RECYCLING STAFFING LEVELS

Acct.	702 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(010) Full time					
	Clerk Typist I	1	1	1	1
	Total	1	1	1	1
Department Total		1	1	1	1

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$63,003 or 2% increase from the current budget.
- The increase is due to a higher number of new homes added to the program than originally estimated.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$108,552 or 3% decrease from the FY 15-16 year-end projection and \$45,549 or 1% decrease from the FY 15-16 budget.
- The budget-to-budget decrease is due to the elimination of the fire-related hauling fee to another recycling center; partially offset by increased personnel costs and increases in the contractual annual per-home rate.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Waste Collection	\$3,547,982	\$3,776,660	\$3,779,938	\$3,842,941	\$3,734,389

Waste Collection/Recycling

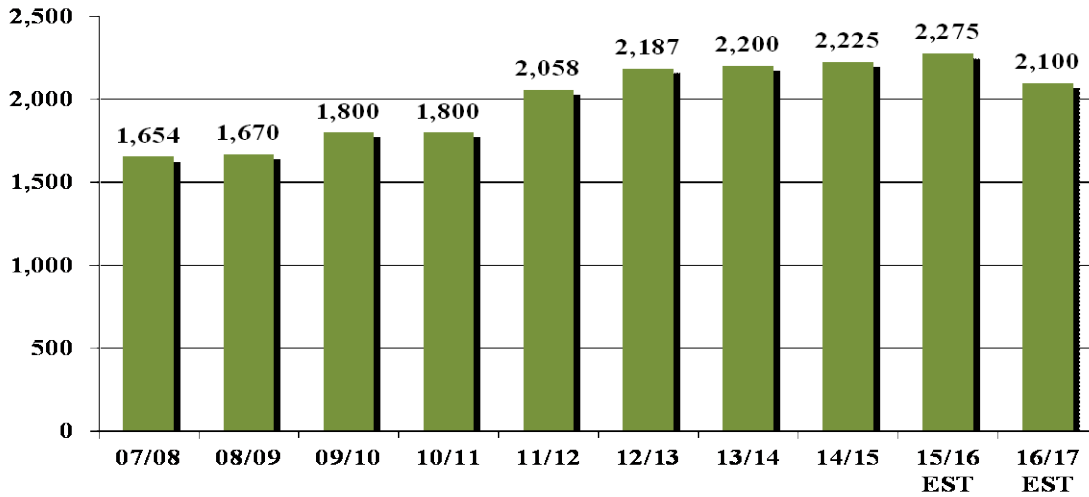
DEPARTMENT NUMBER: 523

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) SALARIES & WAGES							
010	Salaries & Wages	17,441	29,778	31,807	32,083	33,406	33,406
106	Sick And Vacation	790	0	0	0	0	0
112	Overtime	42	33	0	300	300	300
200	Social Security	1,351	2,092	2,419	2,384	2,571	2,571
250	Blue Cross/Optical/Dental	3,586	20,338	18,495	18,470	18,752	18,752
275	Life Insurance	38	49	126	117	127	127
300	Pension - DC	2,757	4,490	4,680	4,686	4,841	4,841
350	Workers Compensation	42	63	66	66	117	117
	Category Total	26,047	56,843	57,593	58,106	60,114	60,114
(740) OPERATING SUPPLIES							
008	Miscellaneous	990	1,145	2,200	2,200	2,200	2,200
	Category Total	990	1,145	2,200	2,200	2,200	2,200
(801) PROFESSIONAL & CONTRACTUAL							
056	Collection Contract	3,355,326	3,555,345	3,537,800	3,600,200	3,490,600	3,490,600
058	Recycling Center	10,369	7,414	17,670	17,760	16,800	16,800
059	Contribution to RRRASOC	99,675	99,675	99,675	99,675	99,675	99,675
060	Disposal of Household Hazardous Materials	55,575	56,239	65,000	65,000	65,000	65,000
	Category Total	3,520,945	3,718,672	3,720,145	3,782,635	3,672,075	3,672,075
Total Refuse Removal Expenditures		3,547,982	3,776,660	3,779,938	3,842,941	3,734,389	3,734,389

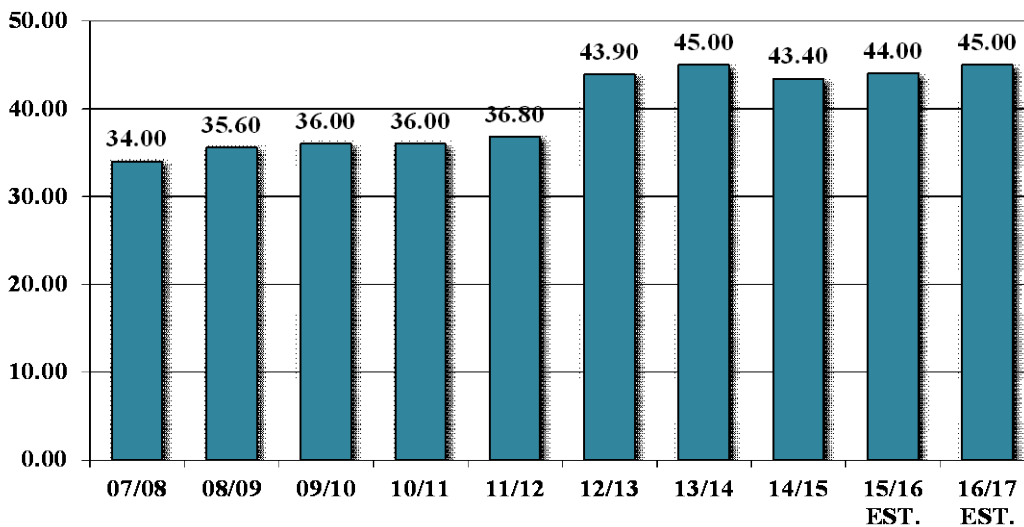
This Division is supported primarily by a Refuse Collection & Disposal Dedicated Millage and Recycling User Fees.

KEY DEPARTMENTAL TRENDS

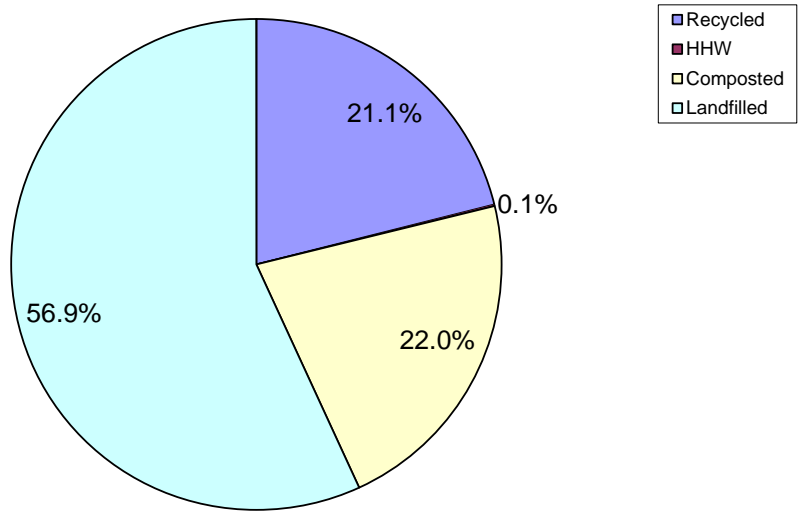
Number of Cars Participating in HazMat Events



Percent of Recycled and Composted Materials Diverted from Landfill



Diversion Rate - 2015



SPECIAL SERVICES SUMMARY

DIV.		2013/14	2014/15	2015/16	2015/16	2016/17	2016/17
NO.	Category and Line Item	Actual	Actual	Current	Estimated	Proposed	Adopted
		Expenditures	Expenditures	Budget	Expenditures	Budget	Budget
SPECIAL SERVICES:							
752	Administration	1,730,859	1,815,156	1,873,982	1,929,278	1,910,960	1,910,960
760	Youth Services	361,186	384,166	383,836	376,011	392,074	392,074
765	Senior Services	785,431	831,309	881,903	877,898	907,618	907,618
770	Parks Maintenance	1,341,425	1,460,089	1,571,464	1,490,001	1,600,272	1,600,272
775	Cultural Arts	384,908	363,502	389,651	402,243	408,723	408,723
780	Golf Course	724,244	743,449	738,187	740,579	754,823	754,823
785	Recreation Programs	479,477	499,880	499,797	552,819	570,319	570,319
790	Ice Arena	895,638	977,532	1,131,868	1,159,441	1,053,141	1,053,141
TOTAL SPECIAL SERVICES		6,703,167	7,075,084	7,470,688	7,528,269	7,597,930	7,597,930

The Special Services Department comprises 13.4% of the General Fund's Proposed Budget and is supported primarily from Recreation User Fee (\$4,567,540), an appropriation from the Parks Millage (\$1,307,850), a SMART Grant (\$264,000), and Reimbursements from Oakland Community College for part-time employees (\$8,000).



SPECIAL SERVICES

MISSION STATEMENT: Provide municipal services for the physical, recreational, leisure and cultural well-being of the residents of the City of Farmington Hills. The Department provides activities, services and facilities for fitness, athletics, cultural arts, conservation and general open space use in a safe and enjoyable environment for all age groups.

ADMINISTRATION

The Department has gradually evolved from the Farmington Area Recreation Commission (established in 1948) to the Parks and Recreation Department in 1978 and finally by authority of the City Council as stated in the City Charter, to the Department of Special Services in 1985. The Department consists of eight divisions including Administration, Cultural Arts, Senior Division, Youth and Families Division, Recreation Division, Parks & Golf Division, Facilities Division and the Ice Arena. The Administration Division is 3.41% of the General Fund Budget in FY 2016/17.

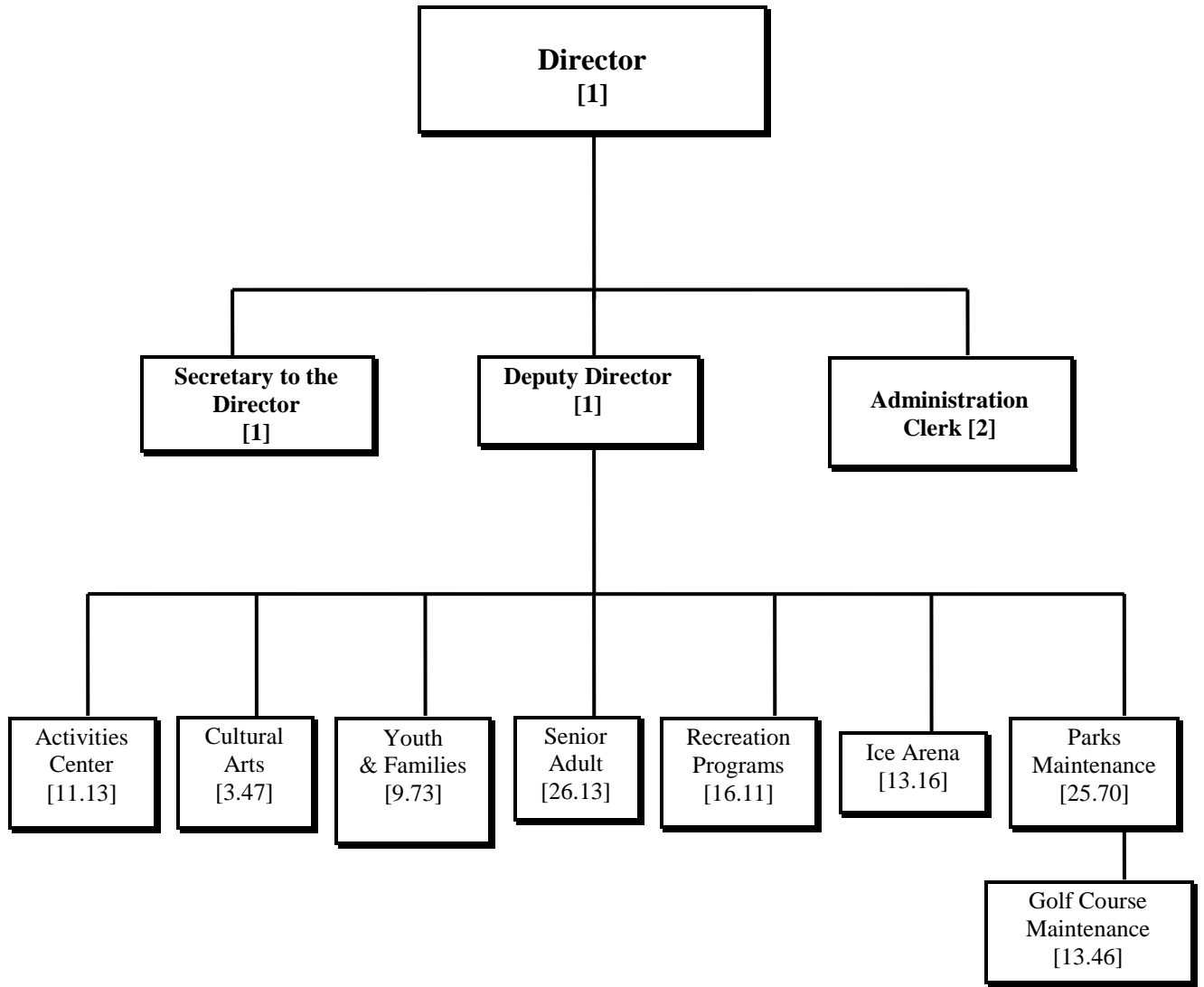
The Department provides a wide variety of programs, services and facilities to the residents. The City has experienced rapid growth since the early 1980's, and the Department is endeavoring to keep pace with the growing and diverse requests for leisure activities and facilities. Land acquisition, facility development, program expansion and diversification have always been paramount and still are today.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Provide administrative oversight and support to each Division within the Department so that staff are empowered to provide the best services for our residents/customers. (8)
- Continue to promote and enhance web-based registration system for department's programs, classes and ticket sales. (2)
- Manage millage funds to maintain and improve facilities and programs. (2)
- Provide proper protective equipment and training for staff so that they may complete their duties in a safe and efficient manner. (2,8)
- Research and pursue Federal, State and private grants, and other funding sources to maximize spending dollars for capital growth and land improvements. (2,7)
- Strengthen existing and create new partnerships. (2)
- Provide high quality programs, facilities and services. (1,6,13)
- Proactively respond to emerging trends and issues in order to remain a vital force in the community. (6,12,13)
- Preserve and enhance attractive and valuable natural resources within the community and maximize accessibility for all users. (2,6)
- Develop and implement a facility Master Plan for the Costick Center for future planning of repairs and possible renovation/expansion. (2,8)
- Continue to seek new strategies to promote our programs, facilities and services. (2)
- Continue to work closely with other City Departments to ensure the delivery of high-quality services to our residents and customers. (1,13)

SPECIAL SERVICES



Total Full Time Equivalent [123.89]

Administration

Acct. 752	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(702) ADMINISTRATION					
(010) Administration					
	Director	1	1	1	1
	Deputy Director	1	1	1	1
	Facilities Supervisor	1	1	1	1
	Secretary to the Director	1	1	1	1
	Bldg. Maintenance Tech.	1	1	1	1
	Department Aide	1	1	2	2
	Clerk Typist II	1	1	0	0
	Total	7	7	7	7
(011) Program Management					
	Recreation Supervisor	4	4	4	4
		4	4	4	4
(038) Part-time (FTE)					
		9.98	10.15	9.55	9.55
ADMINISTRATION TOTAL		20.98	21.15	20.55	20.55

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$55,296 or 3% increase from the current budget.
- The increase results primarily from projected more than budgeted maintenance and repair costs at the Costick Center.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$18,318 or 1% decrease from the FY 15-16 year-end projection and \$36,978 or 2% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from salary/wage and benefit increases and additional funding for office equipment maintenance, rent & building maintenance & repair costs.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
S.S. Administration	\$1,730,859	\$1,815,156	\$1,873,982	\$1,929,278	\$1,910,960

Administration

DEPARTMENT NUMBER: 752

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) Salaries & Wages							
010	Administrative & Clerical	395,258	412,086	422,785	429,780	435,306	435,306
011	Program Management	211,980	220,975	228,631	229,600	234,173	234,173
038	Part-time	239,608	237,156	271,830	252,943	265,590	265,590
106	Sick & Vacation	8,092	9,953	11,805	17,644	9,016	9,016
112	Overtime	3,177	1,863	3,288	3,144	3,391	3,391
200	Social Security	67,723	69,483	74,619	73,550	75,609	75,609
250	Blue Cross/Optical/Dental	94,367	112,132	125,593	123,800	142,004	142,004
275	Life Insurance	2,010	2,297	2,354	2,354	2,443	2,443
300	Pension - DC	18,345	19,119	19,725	19,850	20,333	20,333
325	Longevity	21,257	25,080	27,617	28,000	29,237	29,237
350	Worker's Compensation	10,049	9,818	11,373	11,880	19,223	19,223
	Category Total	<u>1,071,867</u>	<u>1,119,962</u>	<u>1,199,620</u>	<u>1,192,545</u>	<u>1,236,325</u>	<u>1,236,325</u>
(740) Operating Supplies							
001	Gas & Oil	3,631	2,601	3,860	2,080	2,730	2,730
002	Books & Subscriptions	0	0	85	85	85	85
008	Supplies	86,110	88,464	90,105	86,340	86,250	86,250
	Category Total	<u>89,742</u>	<u>91,065</u>	<u>94,050</u>	<u>88,505</u>	<u>89,065</u>	<u>89,065</u>
(801) Professional & Contractual							
001	Conferences & Workshops	1,731	2,027	1,700	2,825	3,250	3,250
002	Memberships & Licenses	7,204	8,419	7,299	7,299	7,299	7,299
005	Fleet Insurance	1,350	1,360	1,399	1,399	2,016	2,016
006	Vehicle Maintenance	242	383	1,700	300	700	700
007	Office Equip. Maint. & Rent	37,537	38,090	42,454	42,454	53,500	53,500
013	Education & Training	220	1,073	750	750	750	750
016	Telephone	6,253	7,522	7,800	7,800	7,800	7,800
018	Postage & Bulk Mailing	19,738	20,799	22,950	22,950	22,950	22,950
024	Printing Costs	47,456	45,639	49,500	49,500	48,300	48,300
025	Utilities	220,043	222,188	213,580	200,880	201,850	201,850
029	Maintenance & Repair	86,748	115,843	74,690	165,000	90,550	90,550
035	Credit Card Fees	53,066	56,715	60,000	56,000	56,000	56,000
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
066	Contract Services	74,061	80,473	74,945	69,526	69,060	69,060
067	Scholarships	10,000	0	10,000	10,000	10,000	10,000
072	Special Projects	0	0	7,945	7,945	7,945	7,945
	Category Total	<u>569,249</u>	<u>604,129</u>	<u>580,312</u>	<u>648,228</u>	<u>585,570</u>	<u>585,570</u>
(970) Capital Outlay							
036	Building Improvements	1	0	0	0	0	0
	Category Total	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
ADMINISTRATION TOTAL		<u>1,730,859</u>	<u>1,815,156</u>	<u>1,873,982</u>	<u>1,929,278</u>	<u>1,910,960</u>	<u>1,910,960</u>

YOUTH & FAMILY SERVICES – AFTER SCHOOL PROGRAM

MISSION STATEMENT: Provide an after-school and summer program for middle school youth that offers a safe, fun environment, free from inappropriate influences. Reduce the use and abuse of alcohol, tobacco, and drugs by middle school youth.

Farmington Hills Area Youth & Family Services has successfully developed and implemented a structured program for middle and upper elementary school age students. Since 1996, the program targets youth that would benefit from supervised after-school activities consisting of educational tutoring, group discussions, recreation, and social skills development. Throughout its history, the program has been a model of innovation and a place where the youth want to be after school. Youth & Family Services, is proud to congratulate Todd Lipa, Program Supervisor of our After School Program. Todd was recognized by Bright House and USA Networks as their National Award winner in the USA Unites program. This award honors extraordinary individuals who are improving lives and strengthening communities.

Our After School Youth Centers are located in each of the four quadrants of Farmington Hills offering opportunities to middle and upper elementary school age youth in Farmington Hills and Farmington. Over 12,000 youth have taken part in the youth center program since its beginning. This year more than 580 youth members have joined the program and have attended one of the five youth centers on a daily basis. Our 2015 Summer Drop-In Program had 118 participants enrolled, averaging 70 youth per day and averaging 32 youth on each of the 25 field trips that were offered. This program still thrives because of generous donations from our local businesses and corporations, Farmington/Farmington Hills Community Foundation, Farmington Hills/Farmington Xemplar Club, Farmington Public School Education Foundation, the Bernstein Law Firm, Paulson's Audio-Video, Susan Sloat-Ray Okonski Foundation, service organizations, friends and families.

We consistently seek input from youth members in creating and implementing programs, while simultaneously providing leadership opportunities for participants. Youth Center Members have the opportunity to participate in special programs throughout the year. Some of our successful ongoing programs include Boys to Men, Girl Power, Club Z! Tutoring and our newest pilot program on health and fitness. Through a grant from MParks; (Michigan Recreation and Parks Association), and the support of others we are beginning a program that focuses on tracking youth fitness levels. Over 100 participants, including youth members, staff and Mayors Youth Council are wearing Pivotal activity bands, this program will help track our amount of steps and level of activity. We hope to combine this with a STEM program and by partnering with a video business here in Farmington Hills that creates apps and gaming.

The summer program participants created a sunflower and vegetable garden. With participation from Home Depot, and a grant from Peace, Love and Planet, the garden provided a hands-on learning opportunity for all. Youth members reaped rewards by making zucchini bread and fresh vegetables for salads. PKC Group, Gordon Food Services and Busch's worked together again this year with the youth and senior division giving back to their community during this holiday season supporting and serving families in need.

We are proud to be going into our 20th year providing a fun, secure environment where young people can be actively involved in physical, social and educational benefits while learning important lifelong lessons.



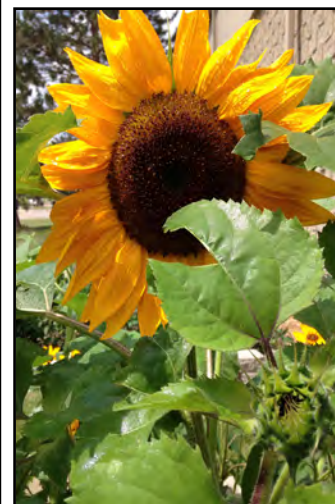
GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Maintain and work to increase enrollment for the After School and Summer Drop-In programs. (6,13)
- Continue our affiliation with Farmington Public Schools becoming stronger as we work together supporting our youth through tutoring and awareness of positive mental health. (2,4)
- Proceed with our partnership with Michigan School of Professional Psychology to look at new and creative programming for middle school age youth. This partnership will increase awareness both for students and staff. (2,6)
- Increase our enrichment opportunities with implementation of our Outdoor Education Program which parallels Farmington Public School curriculum. This program is in partnership with the George Riley Foundation and Farmington Area Optimist Club. (2,6)
- Expand the tutoring program through our partnership with Club Z! Tutoring, a professional tutoring organization. Increase enrichment opportunities to include study skills training for youth members. (1,6)
- Explore new opportunities on ways to reach families not participating in after school programs by partnering with local faith organizations, youth publications, social media and cable shows. (1, 6, 11)
- Continue our partnership with OCC and their work study program to help offset staff budget costs and continue to pursue other colleges. (2, 8)
- Proceed partnering with Bernstein Law Firm. Our youth will interact and learn directly from these leaders in the field of law with hands-on workshops. (1,11,13)
- Continue the Boys to Men- Fathers Who Care program. The facilitator will work twice a week with our young men teaching them conflict resolutions, changing possible negative behavior into positive behavior. Eventually including the fathers to spend recreational time with youth. (1,2,11)
- Enhance our partnership with Brighthouse, PKC Group and other local businesses to offer educational, healthy programs and volunteer opportunities for our youth members. (1,6,11)
- Maintain and increase the members involved in the Health and Fitness program with the Pivotal Band. Keeping in mind the goal of staying healthy with the help of our technology devices and working together on new fitness goals.(1,6,11)



Youth Members keeping fit with their Pivotal Bands!



Our Summer Drop-In Program produced a vegetable and sunflower garden on the Farmington Hills Ice Arena property.

PERFORMANCE OBJECTIVES

- We have seen a small increase in our daily visits at the After School Youth Centers.
- In partnership with Oakland Early Education Center, 6 volunteers worked at the After School and Summer Drop-In Programs at no cost to the City of Farmington Hills.
- The total number of hours spent by youth members in the After School and Summer Drop-In Programs is as follows: In the summer program, each youth member averaged 8 hours per day for a total of 26,208 hours. During the school year program, the average youth member spent an average of 2.5 hours per day for a total for 94,080 hours. **This equals 120,288 hours our youth have spent supervised in a safe, structured environment.**

	Performance Indicators	FY 2014-2015 Actual	FY 2015-2016 Projected	FY 2016-2017 Estimated
Service Level Summer	Summer Drop-in Program participation	186	118	120
	Number of days Summer Drop-In Program is offered	39	39	39
	Average daily participants of Summer Drop-in	84	70	70
	Total number of Summer Drop-In visits	3276	2876	2500
	Daily average of summer field trip participants	44	33	35
	Number of summer field trips	25	32	26
	Total of summer field trip participants	1096	983	840
	Service Level School Year	Total number of enrolled After School youth members (5 th – 9 th Grade)	611	580
Total number of enrolled After School youth members (6 th – 9 th Grade)		460	450	450
Total number of days program is offered		168	176	176
Daily average participation (Four centers operate Mon. through Thurs. Three centers open on Friday)		224	250	200
Total youth center school year program visits (All Youth Centers)		37,632	44,000	35,000
Total school year field trip participants *		140	348	250
Outdoor Education Program participants		900	900	500
Efficiency	Total number of Summer Drop-In and school year field trip participants *	1236	1248	750
	Total number of days program is offered summer/school year	215	215	215
	Total number of Summer Drop-In and school year visits	41,680	43,532	37,500
	Total number of hours our youth have spent in the Summer Drop-In and After School Program	120,288	133,000	107,500
	Activity Expenditures as a % of General Fund	0.76%	0.69%	0.69%

Note:* Decrease in school year field trip number is due to limited amount of half-days.

Note: To calculate the average number of hours youth spend in the programs, we averaged summer total by 8 hours per day and school year average 2.25 hours per day.

STAFFING LEVELS

Acct. 760	Title or Position	Authorized Positions		Authorized Positions	Requested Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(760) YOUTH & FAMILIES					
010	Youth Services Supervisor	1	1	1	1
	Total	1	1	1	1
038	Part time (FTE)	7.00	8.50	8.73	8.73
DEPARTMENT TOTAL		8.00	9.50	9.73	9.73

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$7,825 or 2% decrease from the current budget.
- The decrease results primarily from projected less part-time wages and health insurance costs compared to budget.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$16,063 or 4% increase from the FY 15-16 year-end projection and \$8,238 or 2% increase over the FY 15-16 budget.
- The budget to budget increase results from more personnel costs, primarily in the area of part-time wages and workers' compensation insurance.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Youth & Family Services	\$361,186	\$384,166	\$383,836	\$376,011	\$392,074

DEPARTMENT NUMBER: 760

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) Salaries & Wages							
010	Administrative & Clerical	63,293	64,558	66,098	66,345	67,162	67,162
038	Part-time	195,810	203,046	202,818	199,060	206,520	206,520
106	Sick & Vacation	3,928	1,855	4,007	4,379	4,343	4,343
112	Overtime	337	677	0	400	400	400
200	Social Security	20,383	22,008	21,333	21,000	21,710	21,710
250	Blue Cross/Optical/Dental	4,209	5,240	12,517	8,100	10,944	10,944
275	Life Insurance	91	98	102	102	102	102
325	Longevity	3,783	3,858	4,185	4,185	5,352	5,352
350	Worker's Compensation	3,456	3,686	3,876	3,540	6,641	6,641
	Category Total	<u>295,290</u>	<u>305,027</u>	<u>314,936</u>	<u>307,111</u>	<u>323,174</u>	<u>323,174</u>
(740) Operating Supplies							
002	Books & Subscriptions	150	0	100	100	100	100
008	Supplies	38,948	47,378	36,000	36,000	36,000	36,000
	Category Total	<u>39,098</u>	<u>47,378</u>	<u>36,100</u>	<u>36,100</u>	<u>36,100</u>	<u>36,100</u>
(801) Professional & Contractual							
001	Conferences & Workshops	40	0	200	200	200	200
002	Memberships & Licenses	1,335	675	1,000	1,000	1,000	1,000
007	Office Equip. Maint. & Rent	5,354	913	2,000	2,000	2,000	2,000
013	Education & Training	0	75	100	100	100	100
042	Mileage Reimbursement	4,354	3,330	0	0	0	0
066	Contractual Services	15,715	26,767	29,500	29,500	29,500	29,500
	Category Total	<u>26,797</u>	<u>31,761</u>	<u>32,800</u>	<u>32,800</u>	<u>32,800</u>	<u>32,800</u>
Total Youth & Families		<u>361,186</u>	<u>384,166</u>	<u>383,836</u>	<u>376,011</u>	<u>392,074</u>	<u>392,074</u>

SENIOR SERVICES DIVISION

MISSION STATEMENT: The Farmington Hills Senior Services Division provides Adults 50 & Better with recreation, education, socialization, volunteer opportunities, referrals and services.

The Farmington Hills Senior Services Division serves residents 50 years of age and over by providing programs and services designed to foster independent and healthy lifestyles. Emphasis is placed on innovative programming targeting aging baby boomers as well as older adults. The wide variety of programs encompasses physical, social, educational, recreational activities, regardless of income, race, religion, physical or mental ability. Community-based service programs are designed for adult residents requiring assistance with transportation, chore services, home delivered meals, nutritional supplements, adult day program and food assistance programs. A variety of community partnerships enhance the ability of the Senior Division to provide quality programs and services. The Senior Services Division offers a place to gain the skills, resources and connections needed to respond to the personal and community challenges that face the older adult. Planned events are scheduled daily including evenings and weekends at the Costick Activities Center, Longacre House and the Jon Grant Community Center. The Senior Services Division comprises 1.62% of the General Fund's FY 2016/17 Proposed Budget.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Improve the quality of life for older adults with dementia and their caregivers through education, adult day program, support groups and community advocacy. (11)
- Continue to expand community awareness of the existing programs and services through networking, social media, web, newspapers, electronic communications and cable television. (11)
- Enhance accessibility for older adults and people with a disability to participate as an active member of the community through a comprehensive transportation program. (1, 12, 13)
- Create intergenerational activities and special events to encourage participation in community events for multiple generations. (6,12)
- Program evening and weekend activities and events to attract the Baby Boomers. (6)
- Enhance the participants experience by updating the atmosphere of the dining and social area of Conway Hall. (1,12)
- Broaden the scope of community activities by working in partnership with other City Departments and Special Services Divisions. (2,6,12)

PERFORMANCE OBJECTIVES

- Promote and expand innovative programs to attract greater number of adults.
- Create more opportunities for volunteers to enhance services for Farmington area older adults.
- Expand programs to promote independence, health and wellness for adults of all abilities.

Senior Division Monthly Attendance Totals 2014-2015

	<i>Card Swipe</i>	<i>Nutrition</i>	<i>Outreach</i>	<i>Trips and Travel</i>	<i>Senex</i>	<i>Transportation</i>	<i>Chore</i>	<i>Aquatics</i>	<i>Exercise</i>	<i>Clubs</i>	<i>Special Events</i>	<i>Service</i>	<i>Support Groups</i>	<i>Dance</i>	<i>Activities, Speakers & Classes</i>	<i>Totals</i>
July 2014	1,912	7,699	281	57	135	3,201	12	887	824	467	473	123	42	104	282	16,499
August 2014	1,958	7,572	216	79	135	9,388	8	867	608	381	214	86	86	51	264	21,913
September 2014	2,054	7,657	304	48	151	2,427	12	837	720	600	311	88	44	75	384	15,712
October 2014	2,399	9,221	362	7	187	2,035	16	1,106	948	602	180	63	57	101	476	17,760
November 2014	1,806	7,960	449	47	139	1,779	28	767	738	377	276	42	39	47	330	14,824
December 2014	1,667	8,628	618	27	150	2,057	17	863	598	472	262	62	55	49	200	15,725
January 2015	1,591	8,503	268	25	127	1,772	15	852	835	395	134	56	49	71	215	14,908
February 2015	1,238	7,956	231	0	111	1,684	8	719	711	298	347	172	60	70	220	13,825
March 2015	1,929	9,056	308	26	177	2,055	9	981	1,018	546	449	285	61	89	295	17,284
April 2015	2,018	9,013	326	38	168	2,673	15	1,068	1,047	524	139	167	63	108	365	17,732
May 2015	1,838	8,499	315	40	140	1,930	7	970	939	507	200	66	38	102	343	15,934
June 2015	2,092	9,501	331	33	141	1,846	17	991	1,097	521	476	86	56	88	499	17,775
TOTALS	22,502	101,265	4,009	427	1,761	32,847	164	10,908	10,083	5,690	3,461	1,296	650	955	3,873	199,891

STAFFING LEVELS

Acct. 765 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
	2014/15 Budget	2015/16 Budget	2016/17 Budget	2016/17 Budget
(765) SENIOR ADULTS				
010 Administrative & Clerical				
Senior Adult Program Supervisor	1	1	1	1
Senior Adult Supervisor	0	0	2	2
Senior Adult Specialist - Programming	2	2	1	1
Senior Adult Specialist	1	1	0	0
Senior Adult Nutrition Coordinator	1	1	1	1
Total	5	5	5	5
038 Part-time (FTE)				
Part-time	4.42	4.06	4.06	4.06
Part-time Nutrition Grant	6.70	6.01	6.01	6.01
Maintenance	0.38	0.24	0.24	0.24
Part-time Transportation Grant	11.03	10.82	10.82	10.82
Total	22.53	21.13	21.13	21.13
SENIOR ADULTS TOTAL	27.53	26.13	26.13	26.13

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$4,005 or 0.5% decrease from the current budget.
- The decrease results primarily from a decrease in SMART transportation Dial-a-Ride costs, partially offset by higher salary and wage costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$29,720 or 3.4% increase from the FY 15-16 year-end projected budget and \$25,715 or 2.9% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from an increase in wages and benefits, partially offset by a decrease in SMART transportation Dial-a-Ride costs..

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Senior Adult	\$785,431	\$831,309	\$881,903	\$877,898	\$907,618

Senior Services Division

DEPARTMENT NUMBER: 765

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) Salaries & Wages						
010 Administrative & Clerical	237,545	246,884	249,838	253,400	262,112	262,112
038 Part-time	95,074	104,959	100,150	102,802	104,725	104,725
039 Part-time Nutrition Grant	109,568	110,632	132,606	133,440	134,873	134,873
040 Maintenance	4,794	3,980	4,075	4,200	4,484	4,484
075 Part-time Transportation	207,005	214,733	230,250	230,644	234,300	234,300
106 Sick & Vacation	1,897	6,139	1,975	3,147	3,323	3,323
112 Overtime	698	1,269	0	114	0	0
200 Social Security	50,039	52,523	55,199	55,663	57,234	57,234
250 Blue Cross/Optical/Dental	45,309	45,434	61,284	61,284	66,407	66,407
275 Life Insurance	588	563	647	647	664	664
300 Pension - DC	24,861	25,866	25,875	25,875	26,875	26,875
325 Longevity	2,052	2,264	2,655	2,655	4,329	4,329
350 Worker's Compensation	9,505	9,255	10,162	10,162	17,730	17,730
Reallocate to Nutrition Grant Fund	(174,954)	(174,477)	(185,937)	(185,937)	(192,787)	(192,787)
Category Total	613,982	650,022	688,779	698,096	724,269	724,269
(740) Operating Supplies						
008 Supplies	15,737	16,105	17,800	17,800	17,800	17,800
009 Kitchen Food & Supplies	211,643	251,274	220,807	228,000	231,188	231,188
010 Special Events	1,093	694	2,000	2,000	2,000	2,000
072 Special Function Expense	5,554	7,790	9,050	9,050	9,050	9,050
Reallocate to Nutrition Grant Fund	(201,015)	(246,586)	(219,918)	(228,000)	(231,188)	(231,188)
Category Total	33,012	29,276	29,739	28,850	28,850	28,850
(801) Professional & Contractual						
001 Conferences & Workshops	175	317	350	350	350	350
002 Memberships & Licenses	824	742	1,005	1,005	1,005	1,005
005 Fleet Insurance	7,532	7,844	8,370	8,370	8,744	8,744
013 Education & Training	0	910	250	250	250	250
024 Printing Costs	2,425	2,432	2,810	2,810	3,050	3,050
066 Contract Services	48,949	48,191	50,200	50,200	55,650	55,650
075 SMART Transportation	74,466	68,090	94,400	83,967	81,450	81,450
076 Dial - A - Ride	4,398	3,623	6,000	4,000	4,000	4,000
Reallocate to Nutrition Grant Fund	(330)	0	0	0	0	0
Category Total	138,438	132,148	163,385	150,952	154,499	154,499
(970) Capital Outlay						
020 Miscellaneous Equipment	0	19,862	0	0	0	0
Category Total	0	19,862	0	0	0	0
Total Senior Adults	785,431	831,309	881,903	877,898	907,618	907,618

PARKS DIVISION

The Parks Division operates, maintains and provides security for over 600 acres of parkland, including 62 athletic fields. This includes turf management on all sites, grading, re-building, dragging and lining of baseball diamonds; layout, lining, goal and net replacement on soccer, lacrosse, field hockey, and flag football fields; mowing; landscaping; trash pickup and disposal; and the care and replacement of amenities at all park and municipal sites. The Parks Division also provides for leaf removal, seasonal cleanup, snow and ice removal and melting compound application. Riley Skate Park, the Heritage Splash Pad, William Grace Dog Park and the recently completed Riley Archery Range have increased user participation in park activities and maintenance demands. The Visitor Center, Day Camp Building and the Nature Center at Heritage Park are operated and maintained by the Parks Division. Assistance to park users and security for all sites is provided by the Park Ranger Service 365 days a year.

The Parks Division works very closely with other Divisions of the Department of Special Services, other City departments, the City of Farmington, Farmington Public Schools, baseball and soccer associations and various community groups to provide a wide variety of athletic, recreational and special needs for the citizens of the community. Some examples of the diverse functions of the Parks Division include the pick up and distribution of food commodities for the Senior Adult Division, and the pick up, installation, removal and storage of voting devices at all precincts for city, state and national elections. The division is also responsible for the set-up and takedown for many special events such as the holiday lighting, banners, Art on the Grand, Family Funfest Carnival, Founder's Festival, Festival of the Arts, Hay Day, Special Olympics, and special tournaments for baseball and soccer.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Monitor landscape and drainage improvements at the Heritage Stable Studio and Heritage History Center area in conjunction with new archery range. (3,13)
- Continue environmentally sound maintenance practices established by certification under the Michigan Turfgrass Environmental Stewardship Program. (2,3)
- Monitor final phases of the reestablishment of wetlands environment in the former Boardwalk area at Heritage Park. (1,3)
- Interior renovations for Stables Art Studio at Heritage Park. (2)
- Repair Heritage Park entrance drive beds and appearance since Farmington Road paving project is complete. (3)
- Supplement and improve equipment maintenance procedures through utilization of dedicated part-time personnel. (1,2)
- Re-establish turf and landscape planting in conjunction with new pavement and drainage at Heritage Park entrance. (3,13)
- Enhance site security at various parks. (2,13)
- Improve paved trails at Heritage Park. (3,13)
- Paint & Stain Heritage Park Buildings as necessary. (1,3)
- Finish construction and outfitting of new archery range at Heritage Park. (6)
- Implement operation and maintenance plan for new floating dock at Founders Park. (6)
- Improve irrigation systems at Founders Park.(2,13)

PERFORMANCE OBJECTIVES

- Develop a plan and implement Phase 1 for construction of an instructional planting area at the regraded intersection area of Heritage Park.
- Complete landscaping around Heritage equipment storage area.
- Install handrails on Heritage History House steps.
- Monitor and control invasive species in the new wetlands reestablishment area surrounding the former boardwalk at Heritage Park.
- Install replacement irrigation pump station at Founders Park.
- Continue operation of new Splash Pad at Heritage Park and establish landscaped area surrounding.
- Enlarge “no mow” areas around ponds and in certain parks to further reduce maintenance costs and environmental impact.
- Expand use of the City of Farmington Hills recycling program in all parks and buildings.
- Expand and monitor program of eradication of non-native plant species in parks.
- Coordinate and develop projects involving the increased use of corporate and casual volunteer groups in all parks.
- Continue improvements to Nature Discovery Trail at Heritage Park.
- Continue work with DPW to review and establish more effective ice/snow control measures by expanding the use of brine treatments on walks, parking lots and drives on all City sites.
- Work with DPW in collaborating on efficient use of equipment and personnel on various maintenance and construction projects throughout the City.
- Continue work with FPS and user groups to control costs in athletic field use.
- Continue maintenance and monitor operation for William Grace Dog Park.
- Explore installation of security fencing at the Founders Park Maintenance Building to deter theft and vandalism.
- Resurface/repair trails at Heritage Park.
- Upgrade equipment and vehicle fleet.

Service Level	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
	Fields Maintained	62	60	60
Total acreage maintained	528	528	528	
Flower beds maintained (Square feet)	24,435	24,435	24,435	
Acres mowed	155	155	155	
Efficiency	Numbers of acres maintained per FTE	20.57	20.57	20.57
	Acres of parkland per 1,000 population	7.47	7.47	7.47
	Activity Expenditures as a % of General Fund	2.88%	2.74%	2.82%

STAFFING LEVELS

Acct. 770	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(770)	PARKS DIVISION				
(010)	Salaries & Wages				
	Park Maintenance Superintendent	1	1	1	1
	Park Maintenance Supervisor	1	1	1	1
	Building Maintenance Mechanic	0	1	1	1
	Laborer II	2	2	2	2
	Laborer I	1	1	1	1
	Park Maintenance Technician	3	2	2	2
	Naturalist	1	1	1	1
	Total	9	9	9	9
(038)	Part-Time (EFT)	15.88	16.83	16.70	16.70
	PARKS DIVISION TOTAL	24.88	25.83	25.70	25.70

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$81,463 or 5% decrease from the current budget.
- The decrease results primarily from less personnel costs (\$72,400) due to the inability to attract part time labor, a reduction in operating supplies (\$6,400) due to lower fuel and winter maintenance costs, and less professional & contractual costs (\$2,600) in a variety of accounts.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$110,271 or 7% increase from the FY 15-16 year-end projection and \$28,808 or 2% increase over the FY 15-16 budget.
- The budget to budget increase results primarily from increased personnel costs due to union contract increases, a projected implementation of a new part-time employee pay scale, and workers' compensation insurance; as well as increased fuel costs, fleet insurance costs, and increased contracted service costs for Heritage Park sewer pumps.

	2013-14 ACTUAL	2014-15- 2014 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Parks	\$1,341,425	\$1,460,609	\$1,571,464	\$1,490,001	\$1,600,272

Parks Division

Department 770

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702)	Salaries & Wages						
010	Salaries & Wages	404,769	428,064	443,274	445,592	455,196	455,196
038	Part-time	290,082	330,962	389,979	350,650	391,168	391,168
106	Sick & Vacation	9,416	17,047	15,147	14,576	14,966	14,966
112	Overtime	77,516	58,786	65,000	57,000	65,000	65,000
200	Social Security	61,496	65,032	71,695	68,368	72,866	72,866
250	Blue Cross/Optical/Dental	66,331	92,791	104,289	81,500	94,173	94,173
275	Life Insurance	798	1,019	1,066	955	920	920
300	Pension-DC	9,321	10,573	11,026	11,200	11,613	11,613
325	Longevity	20,019	21,394	23,781	23,808	26,162	26,162
350	Worker's Compensation	9,277	11,693	13,159	12,358	22,739	22,739
	Category Total	<u>949,025</u>	<u>1,037,360</u>	<u>1,138,416</u>	<u>1,066,007</u>	<u>1,154,803</u>	<u>1,154,803</u>
(740)	Operating Supplies						
001	Gas & Oil	57,586	59,642	57,035	46,758	60,430	60,430
002	Books & Subscriptions	346	0	200	100	200	200
008	Supplies	60,509	76,955	74,150	83,733	74,150	74,150
014	Chemical Supplies	39,453	42,333	47,280	41,675	47,280	47,280
019	Uniforms & Clothing	5,267	6,567	7,058	6,940	7,058	7,058
030	Miscellaneous Tools	2,213	2,703	2,000	2,100	2,000	2,000
	Category Total	<u>165,374</u>	<u>188,200</u>	<u>187,723</u>	<u>181,305</u>	<u>191,118</u>	<u>191,118</u>
(801)	Professional & Contractual						
001	Conferences & Workshops	1,326	904	1,395	895	1,150	1,150
002	Memberships & License	928	245	1,030	647	1,030	1,030
005	Fleet Insurance	5,650	6,261	6,646	6,646	7,635	7,635
006	Vehicle Maintenance	11,843	23,657	18,300	20,046	17,800	17,800
007	Equipment Maintenance	22,617	18,474	20,500	20,500	21,000	21,000
013	Education & Training	0	383	600	600	600	600
025	Utilities	86,816	85,787	90,300	87,600	90,300	90,300
029	Park Bldgs. Maintenance	12,219	10,996	6,000	6,000	6,000	6,000
056	Refuse Dumpster	7,195	5,968	11,253	10,454	10,787	10,787
066	Contract Services	78,433	81,854	89,300	89,300	98,050	98,050
	Category Total	<u>227,026</u>	<u>234,529</u>	<u>245,324</u>	<u>242,688</u>	<u>254,352</u>	<u>254,352</u>
	DEPARTMENT TOTAL	<u>1,341,425</u>	<u>1,460,089</u>	<u>1,571,464</u>	<u>1,490,001</u>	<u>1,600,272</u>	<u>1,600,272</u>

CULTURAL ARTS DIVISION

The Special Services' Cultural Arts Division supports the positive influence of arts and culture in our community, both economically and socially, by answering the needs and desires expressed by our citizens. The Division offers a widely varied selection of educational and entertainment opportunities in all areas of the arts, seeking out high-quality professional instructors and performers. Division offerings include art, music and theater classes and productions, a wide range of summer camps, workshops and lessons; a concert series at the Farmington Players Theatre and free summer concerts at Heritage Park. The Division's Public Art Program at the Farmington Hills City Hall opened the third exhibition in January 2015, showcasing over 80 works of art from both local and regional artists. The Division also presents ongoing art exhibits at the City Gallery, as well as Art on the Grand, the annual fine arts fair in downtown Farmington, bringing over 100 artists to the area from across the country. The Division also supports the Festival of the Arts, in conjunction with the Farmington Community Arts Council and the Farmington Public Schools, and programs such as the Artist in Residence, Student Art Awards, Art of the Matter conference, and the Greater Farmington Film Festival.

The Division also works with other cultural organizations in the State, such as the Michigan Council for the Arts and Cultural Affairs, as well as the Detroit Institute of Arts, Farmington Area Art Commission, the Farmington Community Arts Council, KickstART Farmington, Farmington Public Schools and PTA, media and the residents, in order to enhance and support the presence of the arts in our State by means of strategic planning, information, education, arts advocacy and the sharing of resources. The Division also seeks out funding in the form of grants from various sources.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Explore the possibility of creating a Mayor's Youth Arts Council to ensure that young people play an active role in our city's arts and cultural programming. (4,6,11)
- Produce and implement a "Creative Census" for residents of Farmington and Farmington Hills in order to better understand and serve the needs of local creative individuals, organizations and businesses. (1,11,13)
- Explore the possibility of creating an Arts Alliance between the Farmington Hills Cultural Arts Division, the Farmington Community Arts Council and the Farmington Area Arts Commission in order to better serve the needs of individuals, organizations and businesses involved in all areas of the arts. (2,6,11)
- Continue to add and diversify new programs, following current successful trends while researching new interests and available resources. (1,2,6)
- Continuously evaluate all arts-related programs based on time, space and value to community. (2,6)
- Monitor and maintain high quality of programming, while being aware of the need to keep programs affordable and competitively priced. (2)
- Develop new, more varied summer camp offerings and classes, especially in the theater arts. (2,6)
- Connect students with professional artists and performers at theatre camps, art camps, and the Festival of the Arts. (2,4,11)

Cultural Arts Division

- Continue to renew and expand the Public Art exhibit at City Hall to include new artwork and media, as well as rotating exhibits which will change every three to six months. (1,6)
- Provide new, diverse and high-quality concerts that provide affordable entertainment for families. (2)
- Enhance and support the activities of the Farmington Area Art Commission, including the Student Art Awards and Artist in Residence programs, as well as new educational projects such as the annual “Art of the Matter” student conference. (1,6)
- Serve as an ongoing facilitator and/or supporter for large area art events, such as Art on the Grand, the Festival of the Arts, and the Greater Farmington Film Festival; seek out ideas for new festivals and events. (6,11)
- Serve as a liaison to the Farmington Hills area’s cultural organizations, serving to help unite the goals of each.(1,6,11)
- Serve as an advocate for the intrinsic value of art and cultural programs to the community, sharing information about the economic and educational gains to our area available through the arts. (2,11)
- Continue to support Division and Departmental promotional efforts. (2,11)
- Encourage increased volunteer inclusion in Division’s events and services. (4)
- Encourage more local artists and performers to become a part of the celebration of our local talent in programs such as the Artist in Residence. (4,6,11)
- Utilize available resources as effectively as possible, such as creating more promotional videos for the City’s Channel 8. (1,4)
- Communicate on a regular basis with patrons of Cultural Arts programs, in order to assess their interests and needs. (6)

PERFORMANCE OBJECTIVES

- Provide information on cultural resources and local talents via the City’s video channel presentations.
- Provide programs that help develop self-confidence and life skills in youth.
- Recognize and encourage young artists and performers through programs such as the Student Art Awards and the Festival of the Arts.
- Continue to expand promotional efforts in order to build awareness of the available programs, the Department, and the arts in general.
- Continue to bring in new artists to participate in Art on the Grand, while supporting cooperative efforts between the Cities of Farmington Hills and Farmington, in order to introduce thousands of new visitors to our community.

Cultural Arts Division

- Renew the Public Art Program exhibit at City Hall and continually at the Costick City Gallery, inviting in new exhibitors, in order to enhance the facilities and attract new visitors.
- Create new events to connect businesses with talented citizens in our community, such as art receptions at City Hall.
- Encourage students interested in art careers through interaction with local art-based businesses, such as Artpack, and through activities such as “Art of the Matter” conference.
- Introduce new local talent to the public by showcasing performances at the Heritage Park amphitheatre, and also encouraging visual artists to take advantage of exhibition opportunities within the City.
- Encourage citizens to understand the value of arts programming to the physical and mental health of their families; encourage involvement in local community groups such as The Farmington Community Arts Council and its numerous membership organizations, and also regional groups such as the Michigan Weavers Guild and Great Lakes Beadworkers.
- Evaluate community’s needs and specific interests in the arts, in order to continue to satisfy current customers, add new patrons, and attract people to the area.

	Performance Indicators	FY 2014-15 Actual	FY 2015-16 Projected	FY 2016-17 Estimated
Service Level	Art, Dance and Music Class Participants	625	625	650
	Professional Concert Series, Special Events, Youth Theatre performances	9,500	9,600	9,600
	Summer Concerts Attendance (est.)	3,000	4,000	4,000
	Performance Classes, Youth Theatre	500	600	650
	Festival of the Arts Attendance (est.) Artist Awards, Art Receptions	1,550	1,550	1,600
	Art on the Grand Attendance (est.)	60,000	60,000	60,000
	Instrumental Lessons	250	250	260
Efficiency	Activity Expenditures as a % of General fund	0.72%	0.74%	0.72%

STAFFING LEVELS

Acct. 702 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
	2014/15 Budget	2015/16 Budget	2016/17 Budget	2016/17 Budget
(775) CULTURAL ARTS				
010 Administrative & Clerical				
Cultural Arts Supervisor	1	1	1	1
Cultural Arts Coordinator	1	1	1	1
	2	2	2	2
038 Part-time (FTE)	1.40	1.47	1.47	1.47
CULTURAL ARTS TOTAL	3.40	3.47	3.47	3.47

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$12,592 or 3% increase from the current budget.
- The increase results primarily from projected higher part-time wages, health insurance costs, and operating supplies for special functions; partially offset by lower than budgeted contractual service costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$6,480 or 2% increase from the FY 15-16 year-end projection and \$19,072 or 5% increase over the FY 15-16 budget.
- The budget to budget increase results primarily from increased wages, health insurance costs, workers' compensation insurance costs and pension contributions.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Cultural Arts	\$384,908	\$363,502	\$389,651	\$402,243	\$408,723

Cultural Arts Division

DEPARTMENT NUMBER: 775

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) Salaries & Wages						
010 Administrative & Clerical	116,246	100,176	118,107	118,646	123,991	123,991
038 Part-time	36,483	41,709	44,370	53,370	45,900	45,900
106 Sick & Vacation	30,212	2,443	1,833	2,444	2,574	2,574
112 Overtime	3,512	64	0	0	0	0
200 Social Security	14,441	10,706	12,668	13,095	13,296	13,296
250 Blue Cross/Optical/Dental	17,801	29,926	31,502	35,391	39,639	39,639
275 Life Insurance	182	164	204	200	204	204
300 Pension - DC	0	5,119	6,868	6,898	7,187	7,187
325 Longevity	4,232	886	1,270	1,271	1,338	1,338
350 Worker's Compensation	2,600	1,955	2,302	2,335	4,067	4,067
Category Total	<u>225,709</u>	<u>193,148</u>	<u>219,124</u>	<u>233,650</u>	<u>238,196</u>	<u>238,196</u>
(740) Operating Supplies						
008 Supplies	23,744	20,890	31,142	31,142	31,142	31,142
010 Special Functions	26,208	29,033	30,625	36,790	30,625	30,625
Category Total	<u>49,952</u>	<u>49,922</u>	<u>61,767</u>	<u>67,932</u>	<u>61,767</u>	<u>61,767</u>
(801) Professional & Contractual						
001 Conferences & Workshops	0	0	0	150	260	260
002 Memberships & Licenses	90	514	660	660	400	400
066 Contractual Services	109,157	119,917	108,100	99,851	108,100	108,100
Category Total	<u>109,247</u>	<u>120,432</u>	<u>108,760</u>	<u>100,661</u>	<u>108,760</u>	<u>108,760</u>
Total Cultural Arts	<u>384,908</u>	<u>363,502</u>	<u>389,651</u>	<u>402,243</u>	<u>408,723</u>	<u>408,723</u>

GOLF DIVISION

The beautiful, 175 acre Farmington Hills Golf Club was established in 2002. Renovation was completed in 2005 with all 18 holes open for play. The Golf Club, located at 11 Mile and Halsted, presents one of the best golfing venues in the area. The Golf Club offers 18 championship holes, measuring 6,413 yards. A 32 station driving range, located in the middle of the front nine, is very accessible from the parking lot. A tunnel connects two distinctively different nines, each offering remarkable beauty and character with bent grass tees, fairways, and greens. The full service clubhouse offers dining, a pro shop, outdoor patio and wonderful views of the course.

In spite of a weak economy the number of rounds played per year is holding steady, except for weather related fluctuations. This further serves to verify the excellent reputation that the golf course and driving range have achieved since the renovation.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Continue to add and maintain new tree plantings and site amenities to enhance the future ambience of the property. (6,13)
- Market the golf course and driving range to expand revenues and maximize exposure for the facility. (11)
- Continue comprehensive maintenance program to insure longevity and serviceability of golf cart fleet. (1,2)
- Continue to research the latest products available for turf maintenance to assure the best cost ratio and environmental sustainability. (1,2)
- In conjunction with the Planning Department pursue grants for tree replacement on the course. (6)
- Complete repaving of the cart paths on the Front 9 and repair parking lot at the clubhouse (1,2)

PERFORMANCE OBJECTIVES

- Complete ground restoration adjoining new cart paths.
- Repair parking lots around Clubhouse.
- Finish construction of cart paths on Front 9
- Complete final restoration on area disturbed by dredging pond at #13.
- Rebuild Ladies Tee on Hole 6 and repair Tees 5 & 13.
- Continue removal of dead trees and replacement with native species.
- Institute maintenance program for sewer pumps on course
- Put new rental cart fleet in service.

Service Level	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
	Service Level	Total number of rounds	39,251	42,000
Resident		28,660	29,900	30,750
Non-Resident		10,591	11,100	11,250
9/18 Holes Weekdays		29,877	31,000	30,500
9/18 Holes Weekend		9,374	11,000	11,500
Seniors 9/18 hole		14,288	13,500	13,500
Efficiency	Total Revenue	1,108,870	\$1,160,665	\$1,155,000
	Cost for 9 holes of golf (weekday resident)	\$15.00	\$15.00	\$15.00
	Activity Expenditures as a % of General Fund	1.46%	1.36%	1.33%

STAFFING LEVELS

Acct. 780	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
(780)	GOLF COURSE				
(010)	Salaries & Wages				
	Golf Supervisor	1	1	1	1
	Laborer II	1	1	1	1
	Total	2	2	2	2
(038)	Part-Time (FTE)	11.01	11.57	11.46	11.46
	GOLF COURSE TOTAL	13.01	13.57	13.46	13.46

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$2,392 or 0.3% increase over the current budget.
- The increase results primarily from higher contractual service costs, partially offset by lower part-time wages and health insurance costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$14,244 or 1.9% increase from the FY 15-16 year-end projection and \$16,636 or 2.3% increase over the FY 15-16 budget.
- The budget to budget increase results primarily from projected higher personnel costs, and fuel costs.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Golf	\$724,244	\$743,449	\$738,187	\$740,579	\$754,823

Golf Division

DEPARTMENT: 780

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
702	Salaries & Wages						
010	Salaries & Wages	99,107	101,075	103,474	104,062	105,133	105,133
038	Part-time	223,524	242,336	236,380	228,400	245,658	245,658
106	Sick & Vacation	2,173	5,899	4,350	4,570	4,755	4,755
112	Overtime	26,264	24,540	20,500	21,000	21,500	21,500
200	Social Security	27,429	28,882	28,292	27,940	29,302	29,302
250	Blue Cross/Optical/Dental	18,493	25,820	27,312	25,500	25,069	25,069
275	Life Insurance	182	197	204	204	204	204
325	Longevity	3,678	4,180	5,139	5,139	5,987	5,987
350	Worker's Compensation	3,729	3,582	3,609	2,934	5,774	5,774
	Category Total	<u>404,579</u>	<u>436,511</u>	<u>429,260</u>	<u>419,749</u>	<u>443,382</u>	<u>443,382</u>
740	Operating Supplies						
001	Gas & Oil	25,086	15,459	19,735	19,199	22,866	22,866
008	Supplies	37,940	39,973	34,700	35,450	34,700	34,700
009	Golf Pro Shop Merchandise	28,948	41,807	30,000	30,000	30,000	30,000
014	Fertilizer & Insect Control	45,208	53,755	52,700	52,700	52,700	52,700
019	Uniforms	3,370	2,801	3,788	3,749	3,788	3,788
	Category Total	<u>140,553</u>	<u>153,795</u>	<u>140,923</u>	<u>141,098</u>	<u>144,054</u>	<u>144,054</u>
801	Professional & Contractual						
002	Memberships & Licenses	582	200	1,420	1,095	1,370	1,370
005	Fleet Insurance	330	363	387	387	421	421
006	Vehicle Maintenance	-6,430	811	1,500	384	1,400	1,400
007	Equipment Maintenance	34,907	32,204	27,400	27,500	27,400	27,400
013	Education & Training	147	0	200	0	200	200
024	Printing Costs	2,082	2,064	3,000	2,800	2,800	2,800
025	Utilities	73,507	71,348	80,100	74,050	80,100	80,100
027	Radio Equipment Maint.	0	0	500	200	200	200
029	Maintenance & Building Repair	30,058	5,424	6,520	6,520	6,520	6,520
056	Refuse Dumpster	3,182	4,205	5,176	4,830	5,176	5,176
066	Contractual Services	40,746	36,526	41,800	61,966	41,800	41,800
	Category Total	<u>179,112</u>	<u>153,143</u>	<u>168,003</u>	<u>179,732</u>	<u>167,387</u>	<u>167,387</u>
	GOLF TOTAL	<u>724,244</u>	<u>743,449</u>	<u>738,187</u>	<u>740,579</u>	<u>754,823</u>	<u>754,823</u>

RECREATION DIVISION

The Recreation Division continued to maintain a strong presence in the community in 2015 with high participation numbers in several areas. The Recreation Division continues to focus on outdoor programming, special events, camps, fitness programs, classes, and the development of new programs for people of all ages, abilities and interests. The Recreation Division continued to maintain partnerships with area businesses through receiving funding and volunteerism.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Expand/support current programs. (1)
- Continue successful identification and implementation of new revenue producing programs. (2,6)
- Perform annual review of existing programs to continue, modify, eliminate or replace. (2,6)
- Continue developing sponsorships & partnerships. (2)
- Utilize available marketing resources. (2)
- Continue to develop facilities and amenities to meet the needs of residents. (6)

PERFORMANCE OBJECTIVES

- Creation of 10 new programs.
- Creation of 5 new sponsorships/partnerships.
- Increase number of participants.
- Continue to market utilizing existing and new resources.
- Maintain revenues and expenditures to have balanced budget for Division.

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Total participation hours	304,300	306,300	307,000
	Recreation programs offered	2,640	2,660	2,665
	Number of people participating in programs	26,900	28,200	29,400
	Number of new programs created	20	20	10
	Number of athletic field reservations	5,000	5,000	5,000
	Volunteer hours donated	7,000	7,300	7,800
Efficiency	Activity Expenditures as a % of General Fund	0.98%	1.02%	1.01%

Recreation Division

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$53,022 or 11% increase from the current budget.
- The increase results primarily from the costs of the new archery program and from the net of projected increases and decreases in a variety of programs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$17,500 or 3% increase from the FY 15-16 year-end projection and \$70,522 or 14% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from a projected increase in costs for the Swimming Program, Nature Study Program and Archery Program. It is projected that additional revenue generated from these three programs will more than offset the additional expenditures.

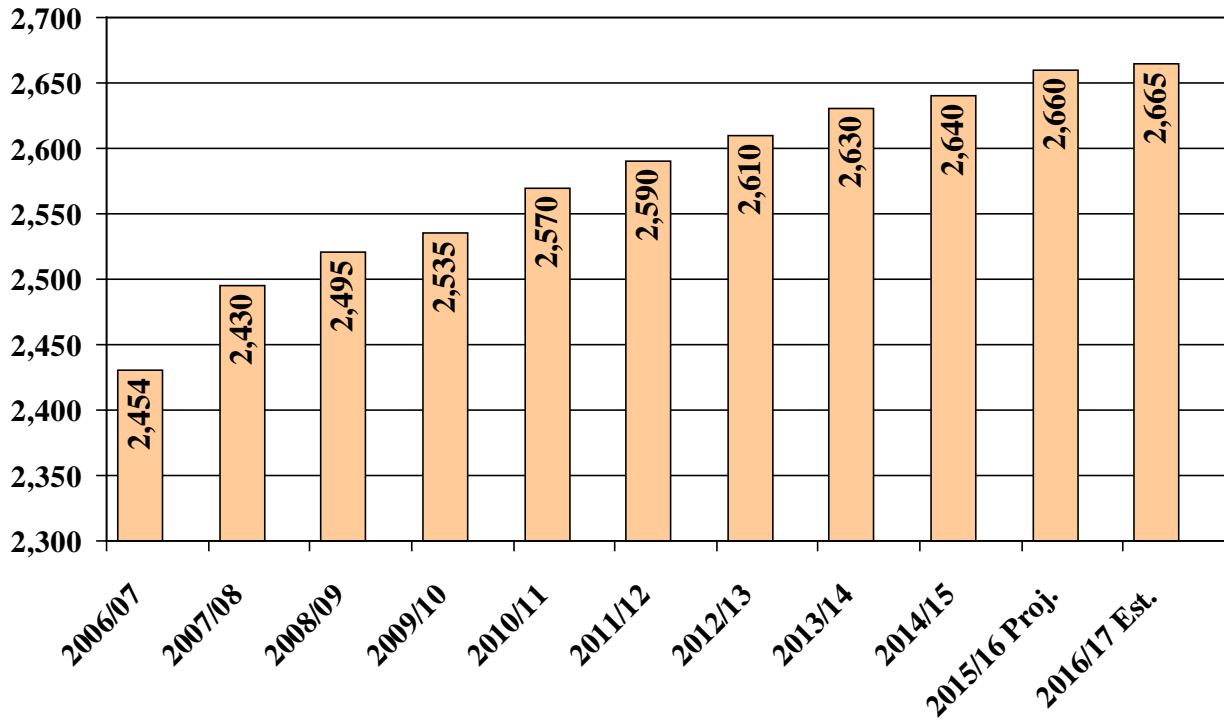
	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Recreation	\$479,477	\$499,880	\$499,797	\$552,819	\$570,319

DEPARTMENT NUMBER: 785

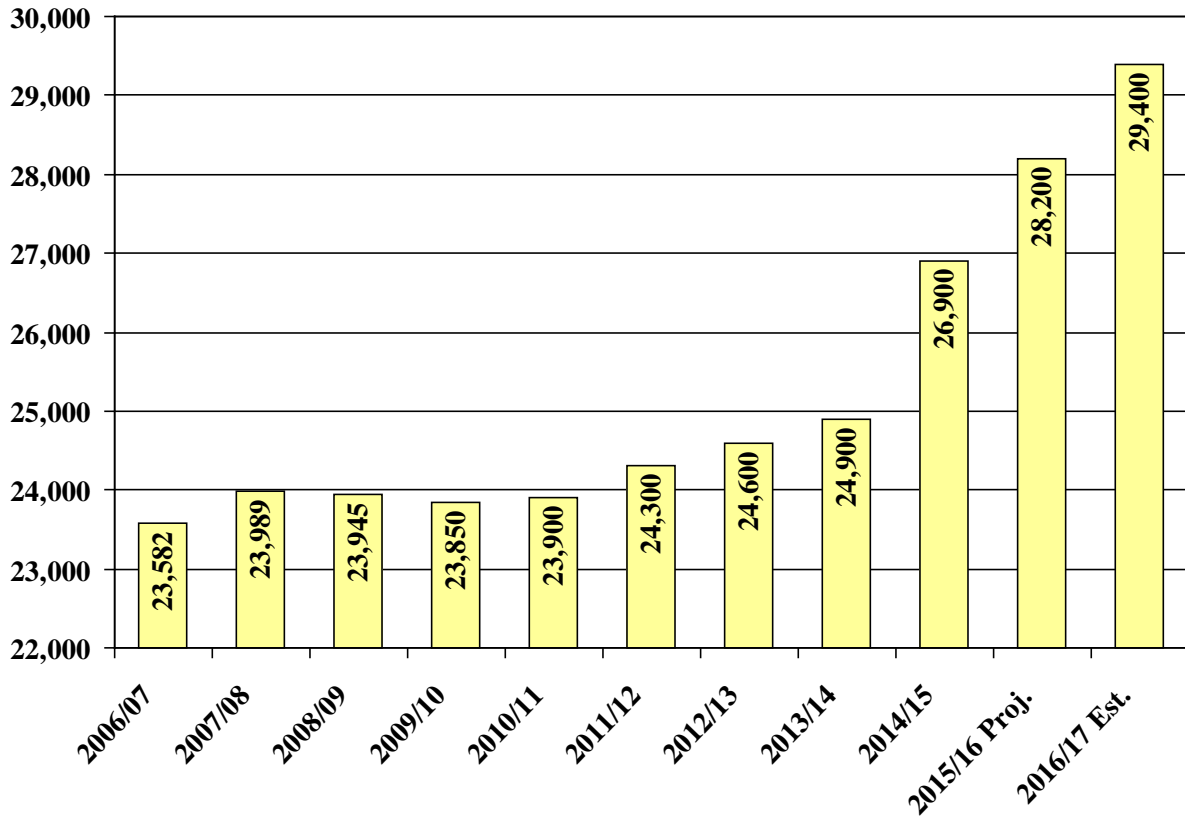
Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(965) RECREATION PROGRAMS						
001 Over & Short	33	(13)	0	0	0	0
041 Swimming	127,505	141,420	133,498	149,719	147,692	147,692
045 After School Recreation	20,802	20,264	15,168	13,406	14,168	14,168
055 Day Camp	76,988	68,990	84,999	84,055	82,864	82,864
057 Gym	28,683	26,444	23,848	19,903	20,106	20,106
060 Classes	34,632	44,589	34,828	34,580	34,803	34,803
065 Tennis Lessons	6,084	8,033	5,487	2,702	3,738	3,738
070 Golf	6,342	6,445	2,902	5,243	5,585	5,585
075 Softball	8,441	6,463	9,346	8,261	8,475	8,475
105 Special Events	31,545	32,001	30,664	30,446	30,129	30,129
110 Youth Soccer	10,651	9,780	12,770	11,141	10,460	10,460
120 Youth Basketball	20,731	17,383	19,119	16,427	16,667	16,667
170 Teen Programs	21,518	16,665	20,844	20,108	20,105	20,105
200 Social Security	18,810	19,465	17,500	19,500	19,800	19,800
208 Adult Chorus	6,069	5,078	7,700	7,548	7,700	7,700
212 Nature Study	18,277	33,419	37,598	38,444	50,583	50,583
213 Archery	0	0	0	47,000	50,000	50,000
216 Safety Town	5,929	5,495	7,469	7,237	7,251	7,251
218 Children's Travel	33,423	35,050	32,153	33,736	33,785	33,785
219 Sled Hill	0	0	258	258	258	258
350 Worker's Compensation	3,014	2,911	3,646	3,105	6,150	6,150
TOTAL REC. PROGRAMS	479,477	499,880	499,797	552,819	570,319	570,319

KEY DEPARTMENT TRENDS

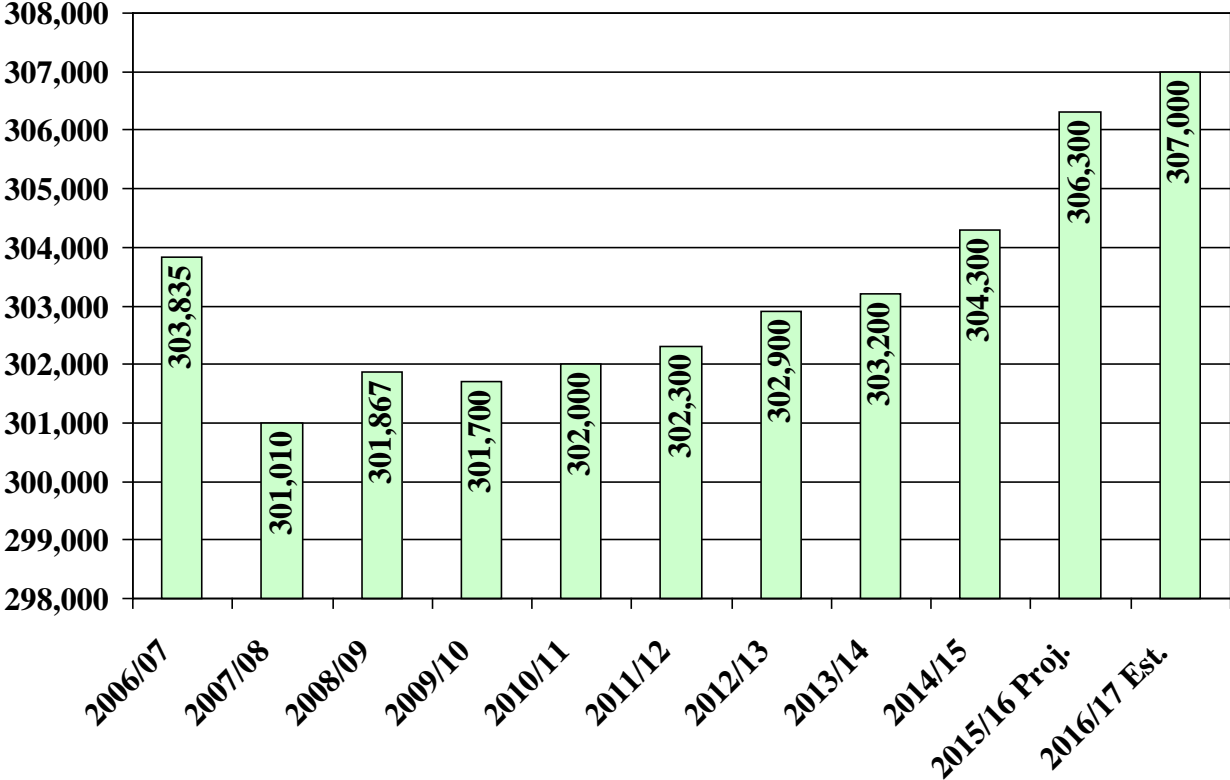
TOTAL PROGRAM ACTIVITIES



NUMBER OF PROGRAM ENROLLEES



PROGRAM PARTICIPATION HOURS



ICE ARENA DIVISION

MISSION STATEMENT: Provide the public of all ages with the best possible environment in which to enjoy ice skating and related activities.

On September 1, 1995, the City opened a 70,000 square foot Ice Arena facility containing two ice surfaces, seating capacity for 1,200, concession facilities, locker rooms, lockers, meeting rooms, administrative offices, and a pro-shop. The facility provides recreational and competitive skating for youth and adult hockey associations, public skating, instructional skating, figure skating, and general private contracted rentals. The facility was financed by \$6,000,000 in Limited Tax General Obligations Bonds approved by the voters.

The Farmington Hills Ice Arena is a division of the Special Services Department. The facility serves the community primarily through various ice skating activities. Additional services include: The Club 2nd Floor for middle school and high school youth, room rentals for various meetings and parties, snack bar concession operations both in the arena and at Founders Sports Park.

The following programs comprise the arena on-ice activities, serving the public of all ages:

- Learn-to-Skate Instructional Programs
- Hockey Clinics and Schools
- Youth Hockey Leagues
- Youth Center Ice Time
- Figure Skating Club
- Private Contract Ice time
- High School Hockey Teams
- High School Figure Skating Teams
- Junior Hockey Teams
- Adult Hockey Leagues
- Public Open Skating Sessions
- Ice Soccer

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Upgrade outdated equipment to be more efficient, cost effective, and green for the environment. (10)
- Utilize e-mail for booking ice time, registration receipts, confirmations, communications and promotion of programs and activities. (2)
- Continue to provide the community with a first-class facility offering the best in programming and services at an affordable price. (1, 2, 6)
- Increase program enrollment by proactively promoting and marketing through specialized flyers, emails, mailing, and other various media forms. (2, 11)
- Implement and promote web-based registration for Arena programs through the city website. (2)
- Utilize available means to promote and increase awareness of Arena programs and activities, including social networking. (6, 11)
- Identify and implement new revenue producing programs, activities, and events. (2)
- Work cooperatively with Recreation and Youth & Family Services to promote the After School Program. (2, 6)
- Continue collaboration and develop enhanced partnerships with user associations. (2, 6)

- Utilize social media for publicizing, communications and promotion of programs and activities. (2)
- Research and analyze current data from ice arenas around the country for benchmarks and best practices. (2, 6)
- Continue to explore opportunities presented by the Riley Skate Park near the Ice Arena, the baseball diamonds, the disc golf course, the fishing pier, and the soccer fields. (1, 2, 6)

PERFORMANCE OBJECTIVES

- Renovate and upgrade the 20 year old arena to maintain its state-of-the-art attractiveness
- Aggressively market the use of ice rentals during the months of March through August to increase revenue during the off-season.
- Increase exposure of the Arena as a destination facility to the public thru events and tournaments, including hosting State and National Tournaments.
- Increase new skater registration in Arena programs and activities in partnership with the Little Caesars Farmington Hills Hockey Association.
- Promote efficient and effective operations to provide the most affordable skating activities and programs.
- Provide Youth Hockey Association activities and programs that meet the needs of both house and travel players to increase membership and participation.
- Host S.T.A.R (Serving the American Rinks) Training events.
- Continue to grow offerings to the Adult Hockey League players

Service Level	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
	Service Level	Number of participants at open skate	18,500	18,000
Learn to Skate Class Participation		1,025	1,000	1,000
Efficiency	Inside concession revenue	\$89,668	\$95,000	\$95,000
	Outside concession revenue	\$54,953	\$55,000	\$55,000
	Activity Expenditures as a % of General Fund	1.93%	2.13%	1.86%

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		14/15 Budget	15/16 Budget	16/17 Budget	16/17 Budget
702	ICE ARENA ADMINISTRATION				
(010)	Salaries & Wages				
	Ice Arena Manager	1	1	1	1
	Arena Maintenance Supervisor	1	1	1	1
	Ice arena Supervisor	1	1	1	1
	Total	3	3	3	3
(038)	Part-Time (FTE)	8.10	6.63	7.13	7.13
	ADMINISTRATION TOTAL	11.10	9.63	10.13	10.13
703	ICE ARENA CONCESSION STAND				
(038)	Part Time (FTE)	3.03	3.03	3.03	3.03
	CONCESSION STAND TOTAL	3.03	3.03	3.03	3.03
	ICE ARENA TOTAL	14.13	12.66	13.16	13.16

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$27,573 or 2% increase from the current budget.
- The increase results primarily from a projected increase in building maintenance expenditures; partially offset by projected decreases in part-time wages and health insurance.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$106,300 or 9% decrease from the FY 15-16 year-end projection and \$78,727 or 7% decrease below the FY 15-16 budget.
- The budget to budget decrease results primarily from reduction of capital outlays, partially offset by increased personnel costs.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Ice Arena	\$895,638	\$977,532	\$1,131,868	\$1,159,441	\$1,053,141

DEPARTMENT NUMBER: 790

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(702) Admin. Salaries & Wages						
010 Administrative & Clerical	129,090	155,596	160,762	162,562	164,758	164,758
038 Part-time	152,197	157,013	174,291	165,035	183,807	183,807
106 Sick & Vacation	7,359	6,938	7,065	7,375	7,444	7,444
112 Overtime	115	81	1,500	1,500	1,500	1,500
200 Social Security	22,040	24,925	26,839	26,247	27,961	27,961
250 Blue Cross/Optical/Dental	30,924	48,813	60,584	55,592	63,276	63,276
275 Life Insurance	412	558	692	692	726	726
300 Pension - DC	1,462	5,877	6,114	6,168	6,329	6,329
325 Longevity	5,792	6,691	7,215	7,216	8,008	8,008
350 Worker's Compensation	2,220	2,418	2,666	2,537	4,423	4,423
Category Total	351,611	408,910	447,728	434,924	468,232	468,232
(703) Concession Salaries & Wages						
038 Part-time	46,522	49,372	59,295	54,294	59,755	59,755
112 Overtime	0	38	350	350	350	350
200 Social Security	3,559	3,780	4,565	4,181	4,600	4,600
350 Worker's Compensation	355	370	480	410	754	754
Category Total	50,436	53,560	64,690	59,235	65,459	65,459
(740) Operating Supplies						
001 Gas & Oil	1,350	1,801	1,750	1,750	1,750	1,750
002 Books & Subscriptions	200	230	150	230	150	150
008 Supplies	103,652	100,531	95,580	95,580	95,580	95,580
019 Uniforms & Cleaning	991	1,061	850	850	850	850
030 Miscellaneous Tools	75	0	100	100	100	100
035 Bank Credit Card Charges	5,852	5,956	4,500	4,500	4,500	4,500
Category Total	112,120	109,579	102,930	103,010	102,930	102,930
(801) Professional & Contractual						
002 Memberships & Licenses	5,795	5,297	5,000	5,000	5,000	5,000
006 Vehicle Maintenance	0	13	0	0	0	0
007 Office Equip. Maintenance	4,005	3,775	4,500	4,420	4,500	4,500
008 Arena Equip. Maintenance	6,556	11,002	11,000	11,000	11,000	11,000
013 Education & Training	300	347	300	300	300	300
024 Printing Costs	1,412	2,491	4,000	4,000	4,000	4,000
025 Utilities	283,969	276,542	291,380	291,380	291,380	291,380
029 Building Maintenance	34,646	59,639	50,440	96,272	50,440	50,440
066 Contract Services	44,187	46,378	48,800	48,800	48,800	48,800
068 Non-Ice Activities	600	0	1,100	1,100	1,100	1,100
Category Total	381,470	405,483	416,520	462,272	416,520	416,520
(970) Capital Outlay						
036 Building Improvements	0	0	100,000	100,000	0	0
Category Total	0	0	100,000	100,000	0	0
TOTAL	895,638	977,532	1,131,868	1,159,441	1,053,141	1,053,141

SPECIAL REVENUE FUNDS

Special Revenue Funds are maintained to account for specific revenue sources that are legally restricted to expenditures for specific functions or activities. The legal restrictions are imposed by State Statute or Constitution, City Council Resolution or action of the City's electorate through the approval of special dedicated millages.

Funds budgeted in this group can be categorized as follows:

Infrastructure –

Major and Local Road Funds are restricted by State Statute to finance the maintenance and construction of the major and local street system. Funds are derived from State levied and collected gas taxes and vehicle registration fees shared with local units of government, as well as City Road Millage Property Taxes.

The Municipal Street Fund was established to account for up to a \$2 Mill (\$2.00 per \$1,000 of Taxable Value) levy approved by the electorate of the City in November 2014, effective July 2015 for ten years. These funds are dedicated for the City's local match to Major Road grant funded Projects and Local Road special assessment Projects, as well as preventative maintenance treatments on both Major and Local Roads.

The Deferred Special Assessment Fund was established by City Council to provide interim financing of special assessment installments for citizens who are not eligible for State Programs and/or meet criteria for the City's deferment program.

Recreation –

The Parks Millage Fund provides for the accounting and budgeting of up to \$0.5000 Mill (\$0.5000 per \$1,000 of Taxable Value). The initial millage was approved in June of 1986. These funds are dedicated to the acquisition, development and equipping of parks and recreational and cultural facilities in the City, as well as supporting the senior program. The initial millage expired June 30, 2009. Voters approved a 10-year renewal in August 2008. It will expire on June 2019.

The Nutrition Grant Fund for meals and services to seniors is financed primarily by Federal Grants.

Public Safety –

The Public Safety Millage Fund was originally established to account for up to a \$1 Mill (\$1.00 per \$1,000 of Taxable Value) levy approved by the electorate of the City in November 1995. This millage has been utilized to fund the Police and Fire Departments. The original millage was renewed in November 2003 for a ten year period beginning July 2006. Up to an additional 0.5 mill was also approved at that time. The renewed and additional millage became effective with the July 2006 levy. In November 2015 voters passed a renewal of the Headlee Rolled back 1.4764 millage. This renewal becomes effective in July 2016 and expires June 30, 2026. An additional 1.7 mills was approved in 2011, effective July 2012 for ten years and expires June 30, 2022.

The Police Forfeiture Funds into which all monies seized in arrests for illegal drug activities are deposited.

Special Revenue Funds

Grants –

Community Development Block Grant for assistance to low and moderate income individuals for housing rehabilitation work and for capital improvements in eligible areas. The grant funds come from the U.S. Department of Housing and Urban Development (HUD).

Revenue -

The primary revenue sources for major Special Revenue Funds are summarized in the following paragraphs:

Road Funds

Sales tax on gasoline use, diesel fuel, driver's license fees, and vehicle registration fees are collected at the State level and are the funding mechanism for the construction and maintenance of municipal roads. These State revenues are shared with the City based on miles of roads and population. Projections are based on estimates prepared by the Michigan Department of Transportation. These revenues can be leveraged with Federal and State grants and locally assessed Special Assessments to benefiting properties. In July 1997, the State Legislature increased the gas tax by 4 cents per gallon. The revenues generated by the additional four cents per gallon are to be distributed to the following formula: one cent to the critical bridge fund for state projects only; three cents through the current Act 51 distribution formula.

Voted Millage

The electorate of the community has approved four special millages:

- Up to 0.5000 Mill (\$0.50 per \$1,000 Taxable Value) for Parks acquisition and development.
- Up to 1.4764 (\$1.4764 per \$1,000 Taxable Value) for Police and Fire Public Safety.
- Up to 1.7000 (\$1.7000 per \$1,000 Taxable Value) for Police and Fire Public Safety.
- Up to 2.0000 Mills (\$2.00 per \$1,000 Taxable Value) for Major and Local Roads.

These millages have been or could be reduced and capped per the cumulative impact of the Headlee Millage Reduction Factor Calculation. The revenue generated from these millages is calculated by multiplying the Taxable Values by the Millage rate and reducing the figure for estimated delinquent taxes.

Other revenue sources include bonds and grants.

SPECIAL REVENUE FUNDS SUMMARY

	Total Infrastructure Funds	Total Recreation Funds	Public Safety Funds	C.D.B.G Fund #275	Total Special Revenue Funds
FUND BALANCE AT JULY 1, 2016	11,087,144	501,379	3,215,500	0	14,804,022
REVENUES					
Property Taxes	6,203,628	1,508,813	9,971,673	0	17,684,114
Intergovernmental	8,635,846	310,535	0	307,503	9,253,884
Interest Income	30,700	3,751	15,000	0	49,451
Special Assessments	1,034,345	0	0	0	1,034,345
Miscellaneous	130	150,294	0	35,000	185,424
Total Revenues	15,904,649	1,973,393	9,986,673	342,503	28,207,218
EXPENDITURES					
Highways & Streets	25,078,887	0	0	0	25,078,887
Public Safety	0	0	10,872,889	0	10,872,889
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	800	739,085	510,500	242,503	1,492,888
Total Expenditures	25,079,687	739,085	11,383,389	242,503	37,444,664
Revenues over/(under) Expenditures	(9,175,038)	1,234,308	(1,396,716)	100,000	(9,237,446)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	9,775,000	0	0	0	9,775,000
Transfers In	7,612,170	0	0	0	7,612,170
Transfers Out	(8,689,415)	(1,307,850)	0	(100,000)	(10,097,265)
Total	8,697,755	(1,307,850)	0	(100,000)	7,289,905
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(477,283)	(73,542)	(1,396,716)	0	(1,947,541)
FUND BALANCE AT JUNE 30, 2017	10,609,861	427,837	1,818,784	0	12,856,481

<p>SPECIAL REVENUE FUNDS INFRASTRUCTURE FUNDS SUMMARY</p>
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	Municipal Street Fund #201	Major Roads Fund #202	Local Roads Fund #203	Deferred Special Assessment Fund #255	Total Infrastructure Funds
FUND BALANCE AT JULY 1, 2016	1,179,542	2,861,151	6,994,140	52,311	11,087,144
REVENUES					
Property Taxes	6,203,628	0	0	0	6,203,628
Intergovernmental	0	6,819,340	1,816,506	0	8,635,846
Interest Income	3,500	25,500	1,300	400	30,700
Special Assessments	0	0	1,034,345	0	1,034,345
Miscellaneous	0	130	0	0	130
Total Revenues	6,207,128	6,844,970	2,852,151	400	15,904,649
EXPENDITURES					
Highways & Streets	0	11,356,976	13,721,911	0	25,078,887
Land Acquisition, Capital Improvements and Other	500	0	0	300	800
Total Expenditures	500	11,356,976	13,721,911	300	25,079,687
Revenues over/(under) Expenditures	6,206,628	(4,512,006)	(10,869,760)	100	(9,175,038)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	9,775,000	0	9,775,000
Transfers In	0	3,693,085	3,919,085	0	7,612,170
Transfers Out	(7,386,170)	(225,000)	(1,078,245)	0	(8,689,415)
	(7,386,170)	3,468,085	12,615,840	0	8,697,755
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,179,542)	(1,043,921)	1,746,080	100	(477,283)
FUND BALANCE AT JUNE 30, 2017	0	1,817,230	8,740,220	52,411	10,609,861

<p>SPECIAL REVENUE FUNDS RECREATION FUNDS SUMMARY</p>
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	Nutrition Fund #281	Parks & Recreation Millage Fund #410	Total Recreation Funds
FUND BALANCE AT JULY 1, 2016	0	501,379	501,379
REVENUES			
Property Taxes	0	1,508,813	1,508,813
Intergovernmental	286,741	23,794	310,535
Interest Income	200	3,551	3,751
Miscellaneous	150,294	0	150,294
Total Revenues	437,235	1,536,158	1,973,393
EXPENDITURES			
Land Acquisition, Capital Improvements and Other	437,235	301,850	739,085
Total Expenditures	437,235	301,850	739,085
Revenues over/(under) Expenditures	0	1,234,308	1,234,308
OTHER FINANCING SOURCES AND USES			
Transfers Out	0	(1,307,850)	(1,307,850)
Total	0	(1,307,850)	(1,307,850)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	(73,542)	(73,542)
FUND BALANCE AT JUNE 30, 2017	0	427,837	427,837

SPECIAL REVENUE FUNDS PUBLIC SAFETY FUNDS SUMMARY
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	Public Safety Fund #205	Federal Forfeiture Fund #213	State Forfeiture Fund #214	Total Public Safety Funds
FUND BALANCE AT JULY 1, 2016	2,839,207	209,849	166,445	3,215,500
REVENUES				
Property Taxes	9,971,673	0	0	9,971,673
Interest Income	15,000	0	0	15,000
Total Revenues	9,986,673	0	0	9,986,673
EXPENDITURES				
Public Safety	10,537,439	208,150	127,300	10,872,889
Land Acquisition, Capital Improvements and Other	510,500	0	0	510,500
Total Expenditures	11,047,939	208,150	127,300	11,383,389
Revenues over/(under) Expenditures	(1,061,266)	(208,150)	(127,300)	(1,396,716)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,061,266)	(208,150)	(127,300)	(1,396,716)
FUND BALANCE AT JUNE 30, 2017	1,777,941	1,699	39,145	1,818,784

MUNICIPAL STREET FUND

This Fund provides for the accounting and budgeting of the voter approved up to 2.00 Mill special Road Millage. Revenue is calculated by multiplying the eligible taxable value by the City Council approved millage rate and reducing the figure for estimated delinquent personal property taxes. The millage was approved by the electorate in November 2014, effective July 2015 for ten years.

Revenue

This Fund receives revenue from the special millage levy, industrial facilities tax payments and interest income. The FY 2016/17 tax revenue will decrease slightly due to a small Headlee Millage Rollback of the 2.0000 mills to 1.9908 mills, as shown below:

CITY OF FARMINGTON HILLS MUNICIPAL STREET FUND

<u>Advalorem</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
Total Advalorem TV (less Ren. Zone)	3,122,158,570	3,125,760,110
Less: Delinquent Personal TV	(12,220,776)	(10,130,053)
Less: Brownfield TV	0	0
Applicable TV	3,109,937,794	3,115,630,058
Millage	<u>0.00200000</u>	<u>0.00199080</u>
Applicable Levy	<u>6,219,876</u>	<u>6,202,596</u>
<u>IFT</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
Total TV	1,515,030	1,036,930
Millage	<u>0.00100000</u>	<u>0.00099540</u>
Applicable Levy	<u>1,515</u>	<u>1,032</u>

Expenditures

The Municipal Street Fund intends to appropriate 100% of its tax revenue to the Major and Local Road Funds in FY 2016/17 for the City's local match to Major Road grant funded Projects, Local Road special assessment Projects, as well as preventative maintenance treatments on both Major and Local Roads.

Fund Balance

Fund Balance is projected to be \$0 at June 30, 2017.

Municipal Street Fund

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$1,000,000 or 16.5% decrease from the current budget.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$2,340,821 or 46% increase from the FY 15/16 year-end projection.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Municipal Street Fund	\$0	\$0	\$6,045,849	\$5,045,849	\$7,386,670

Municipal Street Fund

MUNICIPAL STREET FUND

FUND NUMBER: 201

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1		0	0	0	0	1,179,542	1,179,542
REVENUES							
403 008	Road Millage Property Tax	0	0	6,227,002	6,219,876	6,202,596	6,202,596
031	IFT Payments	0	0	1,515	1,515	1,032	1,032
664 005	Interest Income	0	0	750	4,000	3,500	3,500
TOTAL REVENUES		0	0	6,229,267	6,225,391	6,207,128	6,207,128
TOTAL REVENUES AND OTHER FINANCING SOURCES							
		0	0	6,229,267	6,225,391	6,207,128	6,207,128
(500) EXPENDITURES							
996 003	Miscellaneous/Audit Expenditures	0	0	500	500	500	500
TOTAL EXPENDITURES		0	0	500	500	500	500
(299) OTHER FINANCING USES							
801 101	Transfer to General Fund	0	0	1,000,000	0	0	0
801 202	Transfer to Major Road Fund	0	0	2,795,349	2,795,349	3,693,085	3,693,085
801 203	Transfer to Local Road Fund	0	0	2,250,000	2,250,000	3,693,085	3,693,085
TOTAL OTHER FINANCING USES		0	0	6,045,349	5,045,349	7,386,170	7,386,170
TOTAL EXPENDITURES AND OTHER FINANCING USES							
		0	0	6,045,849	5,045,849	7,386,670	7,386,670
Revenue over/(under) Expenditures		0	0	183,418	1,179,542	(1,179,542)	(1,179,542)
FUND BALANCE AT JUNE 30		0	0	183,418	1,179,542	0	0

MAJOR ROADS

Ensuring safe driving conditions is the primary objective of the street maintenance program. Maintaining the aesthetic quality of Farmington Hills' street network is also a high priority. In order to meet these objectives, routine maintenance of the City's approximately 58-mile major road system includes pavement patching and replacement, shoulder grading, litter control, roadside mowing, landscaping, forestry services, storm drain maintenance, street sweeping, ditching, sign installation and repair, snow/ice control, and a variety of emergency activities.

The DPW supplements the work performed by the staff with the services of private contractors. Contracted programs include: pavement striping and marking, crack sealing, catch basin cleaning, forestry services, landscape maintenance, signal maintenance, guardrail replacement, and street sweeping.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Improve the safety of motorized and non-motorized travel. (3,12,13)
- Improve snow and ice control services while reducing costs. (10,12,13)
- Extend the service life of the major road infrastructure by implementing industry Best Management Practices for asset management. (2,12,13)
- Improve the efficiency of road maintenance services. (1)
- Utilize the Pavement Management System to improve the efficiency of road maintenance operations and planning. (2,13)
- Fulfill National Pollutant Discharge Elimination System (NPDES) permit requirements. (9,10,12)
- Improve storm drain maintenance services-reduce frequency and severity of roadway flooding and icing. (10,12,13)

PERFORMANCE OBJECTIVES

- Improve street safety by replacing deteriorating pavement and repairing/replacing infrastructure that has reached the end of its useful life.
- Improve effectiveness of street signs by utilizing state-of-the-art reflective sign sheeting materials.
- Fulfill NPDES mandate, adopt Best Management (maintenance) Practices.
- Improve cost effectiveness of road maintenance activities by using Best Maintenance Practices of the industry and continually searching for new and improved products and methods.

Major Roads

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Pothole Patching - tons of cold patch	100	60	40
	Pavement Replacement --tons of asphalt	1,230	5,735	5,800
	Pavement Replacement - yards of 8" concrete	3,353	8,050	8,400
	Joint Sealing/Overband-pounds	90,800	100,000	110,000
	Sweeping – curb miles	300	300	300
	Snow/Ice Control – tons of salt	4,600	3,500	5,000
	Storm Drain Structure Repairs – each	31	40	50
	Ditching – lineal feet	4,200	4,250	4,500
	Traffic Counts - approaches	96	100	100
	Roadside Cleanup – roadside miles	546	550	570
	Roadside Mowing – swath mile (5 ft. wide cut)	175	178	178
	Lawn Mowing – acres	1,600	1,600	1,700
	Sign Install/Repair – each	161	170	170
Efficiency	Maintenance cost/major road mile	54,200	94,229	82,113
	Miles per Road Maintenance personnel.	2.9	2.9	2.9
	Major Road mileage	58	58	58

REVENUE/OTHER FINANCING SOURCES – FY 2016/17

All Major Road funds are restricted by state statute to finance the maintenance and construction of the major street system.

Intergovernmental Revenue:

Gas & Weight Tax (Act 51) - Comes from state levied and collected gas taxes, drivers license and vehicle registration fees and are shared with local units of government based on population, miles and classification of road types. Gas & Weight Tax revenue, which comprises approximately 47% of the budgeted resources needed to fund the Major Road Fund, is projected to increase by 3% for FY 2016/17, based on MDOT estimates of Gas & Weight Tax and the State's General Fund Appropriation to the City.

Build Michigan Program Revenue - This is money from the Michigan Department of Transportation for road and bridge infrastructure improvements. It has remained relatively consistent over the years.

METRO Act Franchise Fees – This is an annual maintenance fee assessed on all telecommunications providers operating in the City's Right-of-Way (R.O.W.). The fee which is collected by the State and distributed to the City once each year, is five cents per linear foot of public right-of-way used. The fees collected can only be used for City right-of-way purposes.

Other Government Contributions - This source of revenue is primarily from Oakland County for jointly funded Road Projects.

Federal/State Grants - These sources of revenue are Federal Grants passed through MDOT to pay for the design of the reconstruction of (1) Orchard Lake between 13 Mile Road and 14 Mile Road, (2) Colfax Road between Gill Road and Farmington Road, (3) 13 Mile Road between Haggerty and Halsted, (4) 13 Mile Road between Farmington and Orchard Lake, and (5) Drake Road between 13 Mile and 14 Mile..

Major Roads

Other Revenue:

Miscellaneous Income – Minimal revenue projected in 16/17.

Interest on Investments – Increased revenue projected for 16/17.

Other Financing Sources:

Municipal Street Fund – This is an appropriation of the Road Millage property tax funds to pay for preventative maintenance treatments and the City's local match to Grant funded infrastructure Projects.

EXPENDITURES/OTHER FINANCING USES

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$657,892 or 7% decrease from the current budget.
- The decrease results primarily from less projected construction, winter maintenance and administrative expenditures compared to budget.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$3,133,920 or 37% increase from the FY 15-16 year-end projection and \$2,476,028 or 27% increase from the FY 15/16 current budget.
- The budget-to-budget increase results primarily from more construction costs (\$3,221,700), more traffic service costs (\$20,700), and more winter maintenance (\$5,000); partially offset by less routine maintenance (\$737,300) and less administrative costs (\$34,100).
- Fund balance is projected to be \$1,817,230 or 16% of Total Expenditure and Other Financing Uses at June 30, 2017. The \$1,044,000 or 36% reduction in fund balance is due primarily to planned appropriations for construction Projects, while maintaining an adequate fund balance available for emergencies and/or revenue shortfalls.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Major Road Fund	\$4,867,301	\$4,774,008	\$9,105,948	\$8,448,056	\$11,581,976

Major Roads

MAJOR ROAD FUND

FUND NUMBER: 202

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	2,941,501	2,765,343	2,984,378	2,984,378	2,861,151	2,861,151
REVENUES						
Intergovernmental Revenues						
Gas & Weight Tax (Act 51)	4,067,290	3,906,412	4,261,431	4,142,680	4,904,612	4,904,612
State of Michigan - General Fund Appropriation	0	354,136	0	638,240	0	0
Build Michigan Program Revenue	132,886	132,808	133,000	132,728	132,728	132,728
Metro Act Franchise	239,261	213,223	250,000	215,000	220,000	220,000
Other Government (County, etc.)	11,161	9,929	348,601	352,341	89,000	89,000
Federal/State Grants	239,570	300,725	535,200	45,861	1,473,000	1,473,000
Total Intergovernmental Revenues	4,690,167	4,917,234	5,528,232	5,526,850	6,819,340	6,819,340
Miscellaneous Income	129	129	150	130	130	130
Interest on Investments	847	680	700	2,500	25,500	25,500
Total Other Revenues	976	809	850	2,630	25,630	25,630
TOTAL REVENUES	4,691,143	4,918,043	5,529,082	5,529,480	6,844,970	6,844,970
OTHER FINANCING SOURCES						
Contributions from other Funds:						
Municipal Street Fund	0	0	2,795,349	2,795,349	3,693,085	3,693,085
General Fund	0	75,000	0	0	0	0
TOTAL OTHER FINANCING SOURCES	0	75,000	2,795,349	2,795,349	3,693,085	3,693,085
TOTAL REVENUES AND OTHER FINANCING SOURCES	4,691,143	4,993,043	8,324,431	8,324,829	10,538,055	10,538,055

Major Roads

FUND NUMBER: 202

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
EXPENDITURES							
(451) CONSTRUCTION							
	Category Total	1,426,501	1,348,141	3,261,253	2,674,983	6,483,000	6,483,000
(463) ROUTINE MAINTENANCE							
011	Surface Maint - Labor	417,418	441,606	479,958	476,535	518,329	518,329
012	Surface Maint - Equip Rent	245,000	243,000	243,000	243,000	246,700	246,700
013	Surface Maint - Materials	30,927	37,603	55,000	55,000	56,700	56,700
014	Joint Sealing Program	128,627	203,063	402,000	402,000	414,100	414,100
015	Pavement Replacement	359,514	475,854	2,044,346	2,044,346	1,260,000	1,260,000
016	Surface Maint - Contract	21,499	26,986	75,000	50,000	50,000	50,000
021	Guard Rails - Labor	9,138	9,667	10,507	10,432	10,793	10,793
022	Guard Rails - Equip Rent	2,000	2,000	2,000	2,000	2,000	2,000
023	Guard Rails - Materials	3,975	109	3,000	3,000	2,000	2,000
024	Guard Rails - Contract	0	400	40,000	62,000	45,000	45,000
031	Sweep & Flush - Labor	18,171	19,225	20,894	20,745	21,463	21,463
032	Sweep & Flush - Equip Rent	35,500	35,500	35,500	35,500	36,000	36,000
033	Sweep & Flush - Materials	86	1,448	3,000	3,000	3,000	3,000
034	Sweep & Flush - Contract	27,852	28,023	33,000	33,000	33,000	33,000
041	Shoulder Maint - Labor	18,171	19,225	20,894	20,745	21,463	21,463
042	Shoulder Maint - Equip Rent	25,400	25,400	25,400	25,400	25,800	25,800
051	Forestry Maint - Labor	72,789	77,007	83,695	83,098	85,976	85,976
052	Forestry Maint - Equip Rent	40,650	40,703	40,600	40,600	41,200	41,200
054	Forestry Maint - Contract	59,661	52,164	86,000	86,000	86,000	86,000
061	Drain Structures - Labor	18,171	19,225	20,894	20,745	21,463	21,463
062	Drain Structures - Equip	10,200	15,200	15,200	15,200	15,500	15,500
063	Drain Structures - Mat	776	4,265	9,000	12,000	10,000	10,000
064	Drain Structures - Contract	17,342	68,233	119,167	119,167	108,800	108,800
071	Ditching & Bk Slope - Labor	54,618	57,783	62,801	62,353	64,368	64,368
072	Ditching & Bk Slope - Equip	25,400	27,783	27,000	27,000	27,400	27,400
073	Ditching & Bk Slope - Mat	4,429	5,264	11,236	14,000	14,000	14,000
081	Road Cleanup - Labor	18,171	19,225	20,894	20,745	21,463	21,463
082	Road Cleanup - Equip Rent	10,285	6,838	10,200	10,200	10,400	10,400
083	Road Cleanup - Materials	486	0	0	0	0	0
091	Grass/Weed - Labor	49,426	52,290	56,831	56,426	58,380	58,380
092	Grass/Weed - Equip Rental	20,300	20,300	20,300	20,300	20,600	20,600
093	Grass/Weed - Materials	2,589	1,491	3,500	3,500	3,500	3,500
094	Grass/Weed - Contract	222,616	211,679	278,700	278,700	286,800	286,800
	Category Total	1,971,186	2,248,558	4,359,516	4,356,737	3,622,198	3,622,198

Major Roads

FUND NUMBER: 202

Acct.		2013/14	2014/15	2015/16	2015/16	2016/17	2016/17
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(474) TRAFFIC SERVICES - MAINT.							
011	Sign Maint - Labor	100,097	105,897	115,094	114,273	118,231	118,231
012	Sign Maint - Equip Rent	15,200	15,200	15,200	15,200	15,500	15,500
013	Sign Maint - Materials	9,862	16,451	15,000	18,000	18,000	18,000
024	Signal Maint - Contract	133,498	150,321	150,000	152,000	155,000	155,000
031	Pavement Striping - Labor	2,077	2,197	2,388	2,371	2,453	2,453
032	Pavement Striping - Equip	1,000	1,000	1,000	1,000	1,100	1,100
033	Pavement Striping - Mat.	0	0	500	500	500	500
034	Pavement Striping - Contract	140,956	40,339	179,600	179,600	183,200	183,200
041	Traffic Count - Labor	13,291	14,062	15,282	15,173	15,699	15,699
042	Traffic Count - Equip Rent	5,600	5,655	5,500	5,500	5,600	5,600
043	Traffic Counts - Other	0	793	2,500	2,500	2,500	2,500
050	Overhead Lighting	1,026	23,414	20,000	30,000	25,000	25,000
	Category Total	422,607	375,328	522,064	536,117	542,783	542,783
(478) WINTER MAINTENANCE							
001	Snow/Ice Control - Labor	118,269	125,123	135,989	135,019	139,695	139,695
002	Snow/Ice Control - Equip	71,100	97,344	85,000	85,000	86,300	86,300
003	Snow/Ice Control - Mat	356,377	295,948	400,000	350,000	400,000	400,000
	Category Total	545,745	518,415	620,989	570,019	625,995	625,995
(482) ADMIN., RECORDS, ENGINEERING							
001	Admin., Records, Eng.	10,084	9,224	50,000	15,500	15,000	15,000
002	Traffic Improvement Assoc.	25,900	26,300	27,000	27,000	28,000	28,000
003	Pavement Management update	15,277	13,543	15,000	15,000	15,000	15,000
012	Third Party Equipment Rental	0	0	15,000	18,200	15,000	15,000
021	Audit Fees	0	9,500	10,125	9,500	10,000	10,000
	Category Total	51,261	58,567	117,125	85,200	83,000	83,000
	TOTAL EXPENDITURES	4,417,301	4,549,008	8,880,948	8,223,056	11,356,976	11,356,976
(485) OTHER FINANCING USES							
	Contributions to other Funds:						
001	Local Roads	450,000	225,000	225,000	225,000	225,000	225,000
	TOTAL OTHER FINANCING USES	450,000	225,000	225,000	225,000	225,000	225,000
TOTAL EXPENDITURES AND OTHER FINANCING USES		4,867,301	4,774,008	9,105,948	8,448,056	11,581,976	11,581,976
	Revenues over/(under) Expenditures	(176,158)	219,035	(781,517)	(123,227)	(1,043,921)	(1,043,921)
FUND BALANCE AT JUNE 30		2,765,343	2,984,378	2,202,861	2,861,151	1,817,230	1,817,230
Fund Balance as a % of Total Expenditures and Other Financing Uses		56.81%	62.51%	24.19%	33.87%	15.69%	15.69%

Major Roads

MAJOR ROAD CONSTRUCTION DETAIL

PROJECTS	Total Cost	Spent Through 6/30/2015	Allocation to other funds	Project Commitment Remaining	To Be Expended in 15/16				To be Spent in 2016/17 and Beyond
					Act 51	Grants	Road Millage	Other Govt.	
<u>2007/08</u>									
14 Mile Rd (Drake to Farmington) - 125 CLOSED	284,985	281,798		3,187	3,187	0	0	0	0
<u>2009/2010</u>									
MDOT Bridge at Drake & I-696 - 119 - CLOSED	16,757	16,015		742	742	0	0	0	0
NW Hwy Connector Ph 1 (Remainder - ROW) - 047 -OPEN	750,000			750,000	0	0	0	0	750,000
14 Mile, Haggerty to Drake - 2012 - 131	941,888	921,888		20,000	20,000	0	0	0	0
Grand River Ave, 10 Mile to Haggerty (ARRA)-133 CLOSED	297,012	323,512		(26,500)	(26,500)	0	0	0	0
<u>2012/2013</u>									
Freedom Road, Drake to Hillview Ct - 138	168,938	168,673		265	265	0	0	0	0
13 Mile Rehab, Orchard Lake to Middlebelt - 195	682,874	662,874		20,000	20,000	0	0	0	0
Orchard Lake, 13-14 Mile PE Concept -184	155,000	135,409		19,591	3,556	16,035	0	0	0
Eight Mile (Grand River to Inkster Road)- 069	12,100	11,100		1,000	1,000	0	0	0	0
Drake Road, 9 Mile to Freedom Road - 227	45,000			45,000	45,000	0	0	0	0
<u>2013/2014</u>									
Farmington, 10 Mile to 11 Mile - 084	388,422	358,422		30,000	20,000	0	0	0	10,000
10 Mile, Farmington to Orchard Lake - 057	435,042	405,042		30,000	20,000	0	0	0	10,000
Farmington, 11 Mile to 12 Mile -078	65,512	35,512		30,000	20,000	0	0	0	10,000
Orchard Lake & 13 Mile Safety Proj. (Signal/Peds)-009	16,500	8,069		8,431	8,431	0	0	0	0
Grand River & Haggerty Safety Proj. (Signal/Peds)-009	8,500	4,156		4,344	4,344	0	0	0	0
14 Mile at Halsted CMAQ SCATS Signal - 017	30,300	14,357		15,943	2,000	13,943	0	0	0
14 Mile at Drake CMAQ SCATS Signal - 012	28,600	12,717		15,883	0	15,883	0	0	0
Gill Road Fiberoptic School Sign - 235	23,000	4,620		18,380	18,380	0	0	0	0
<u>2014/2015</u>									
13 Mile, Orchard Lake to Farmington - Design 194	60,000			60,000	0	0	60,000	0	0
13 Mile, Haggerty to Halsted - Design 236	54,000			54,000	30,000	0	24,000	0	0
Drake Road, 13 Mile to 14 Mile - Design 020	290,000			290,000	150,000	0	0	140,000	0
Resurface - Drake, S. of 12 Mile; Gill & Lytle (9 Mile - Drake)	437,808			437,808	0	0	437,808	0	0
<u>2015/2016</u>									
Orchard Lk Rd, 13 Mile to 14 Mile Road - Design - 184	769,000			769,000	0	0	0	0	769,000
Colfax & Gill Road Reconstruction/CDBG Sidewalk -Design-101	103,409			103,409	0	0	103,409	0	0
Inkster Road Rehabilitation from 13 Mile to 14 Mile - 500	900,000			900,000	0	0	450,000	0	450,000
Major Road Sidewalk ADA - Improvement	45,000			45,000	0	0	45,000	0	0
Haggerty Road, 10 Mile to South - Novi	18,500			18,500	18,500	0	0	0	0
Major Road Geotech	50,000			50,000	0	0	50,000	0	0
13 Mile - Haggerty - Halsted (Construction) - 236	925,000			925,000	0	0	100,000	0	825,000
13 Mile - Farmington - Orchard Lake (Construction) - 194	830,000			830,000	0	0	100,000	0	730,000
Drake - 13 Mile - 14 Mile (Construction) - 020	2,317,000			2,317,000	0	0	300,000	0	2,017,000
Colfax & Gill Road Reconstruction (Construction) - 101	2,200,000			2,200,000	0	0	440,000	0	1,760,000
9 Mile - Halsted Intersection Improvement Study	20,000			20,000	20,000	0	0	0	0
Anticipated 2015 Triparty	180,000			180,000	0	0	0	0	180,000
	13,550,147	3,364,164	0	10,185,983	378,905	45,861	2,110,217	140,000	7,511,000
Total Construction Projected 15/16					2,674,983				

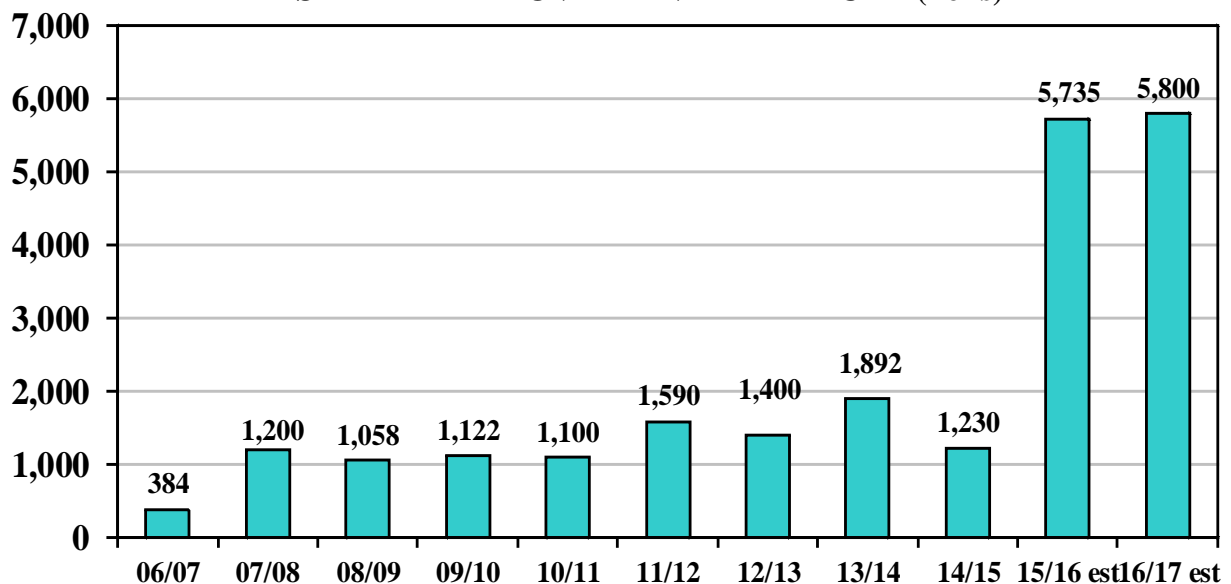
Major Roads

MAJOR ROAD CONSTRUCTION DETAIL

	Total Cost	Spent Through 6/30/2016	Allocation to other funds	Project Commitment Remaining	To Be Expended in 16/17				To be Spent in 2017/18 and Beyond
					Act 51	Grants	Road	Other	
							Millage	Govt.	
<u>Carryover</u>									
NW Hwy Connector Ph 1 (Remainder - ROW) - 047	750,000			750,000	0	0	0	0	750,000
Farmington, 10 Mile to 11 Mile - 084	388,422	378,422		10,000	10,000	0	0	0	0
10 Mile, Farmington to Orchard Lake - 057	435,042	425,042		10,000	10,000	0	0	0	0
Farmington, 11 Mile to 12 Mile -078	65,512	55,512		10,000	10,000	0	0	0	0
Orchard Lk Rd, 13 Mile to 14 Mile Road - Design - 184	769,000			769,000	145,000	535,000	0	89,000	0
Colfax Road Recon, Gill Rd to Farmington Rd - Design - 101	2,200,000	440,000		1,760,000	0	300,000	1,460,000	0	0
Inkster Road Rehabilitation from 13 Mile to 14 Mile - 500	900,000	450,000		450,000	0	0	450,000	0	0
13 Mile - Haggerty - Halsted (Construction) - 236	925,000	100,000	300,000	525,000	0	176,000	349,000	0	0
13 Mile - Farmington - Orchard Lake (Construction) - 194	830,000	100,000		730,000	0	250,000	480,000	0	0
Drake - 13 Mile - 14 Mile (Construction) - 020	2,317,000	300,000	1,600,000	417,000	0	212,000	205,000	0	0
Anticipated Triparty	180,000			180,000	0	0	0	0	180,000
<u>2016/2017</u>									
11 Mile - Middlebelt to Orchard Lake - Design	175,000			175,000	175,000	0	0	0	0
11 Mile - Middlebelt to Orchard Lake (Construction)	1,800,000			1,800,000	0	0	400,000	0	1,400,000
I-275 - 8 Mile to M-5	714,000			714,000	357,000	0	0	0	357,000
2017 Mill & Fill Design/Construction (target Drake Road - 12 Mile to 13 Mile)	1,000,000			1,000,000	0	0	100,000	0	900,000
2017 Major Road Design/Construction (target 13 Mile - Halsted - Drake) - 197	175,000			175,000	0	0	175,000	0	0
Signal - 9 Mile and Halsted Upgrade	175,000			175,000	175,000	0	0	0	0
Major Road Geotech	50,000			50,000	50,000	0	0	0	0
Major Road ADA	45,000			45,000	45,000	0	0	0	0
8 Mile - Farmington - Halsted - 053	100,000			100,000	100,000	0	0	0	0
Springbrook Tapers at 10 Mile Road and Shiawassee - 037	175,000			175,000	0	0	175,000	0	0
Miscellaneous	50,000			50,000	50,000	0	0	0	0
	14,218,976	2,248,976	1,900,000	10,070,000	1,127,000	1,473,000	3,794,000	89,000	3,587,000
Total Construction Projected 16/17					6,483,000				

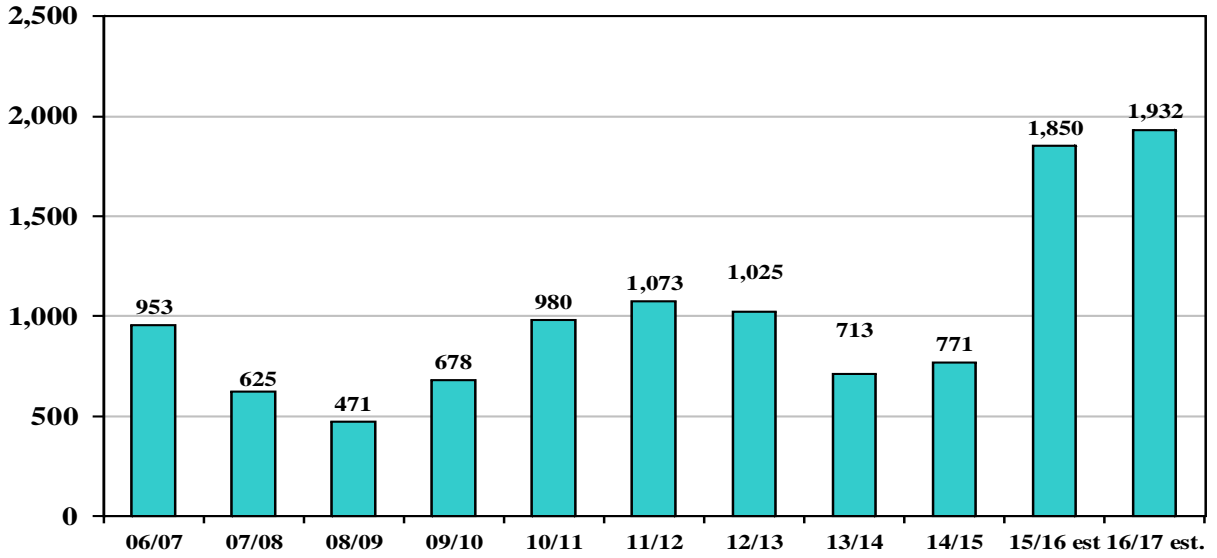
KEY DEPARTMENTAL TRENDS

ASPHALT REMOVED AND REPLACED (Tons)

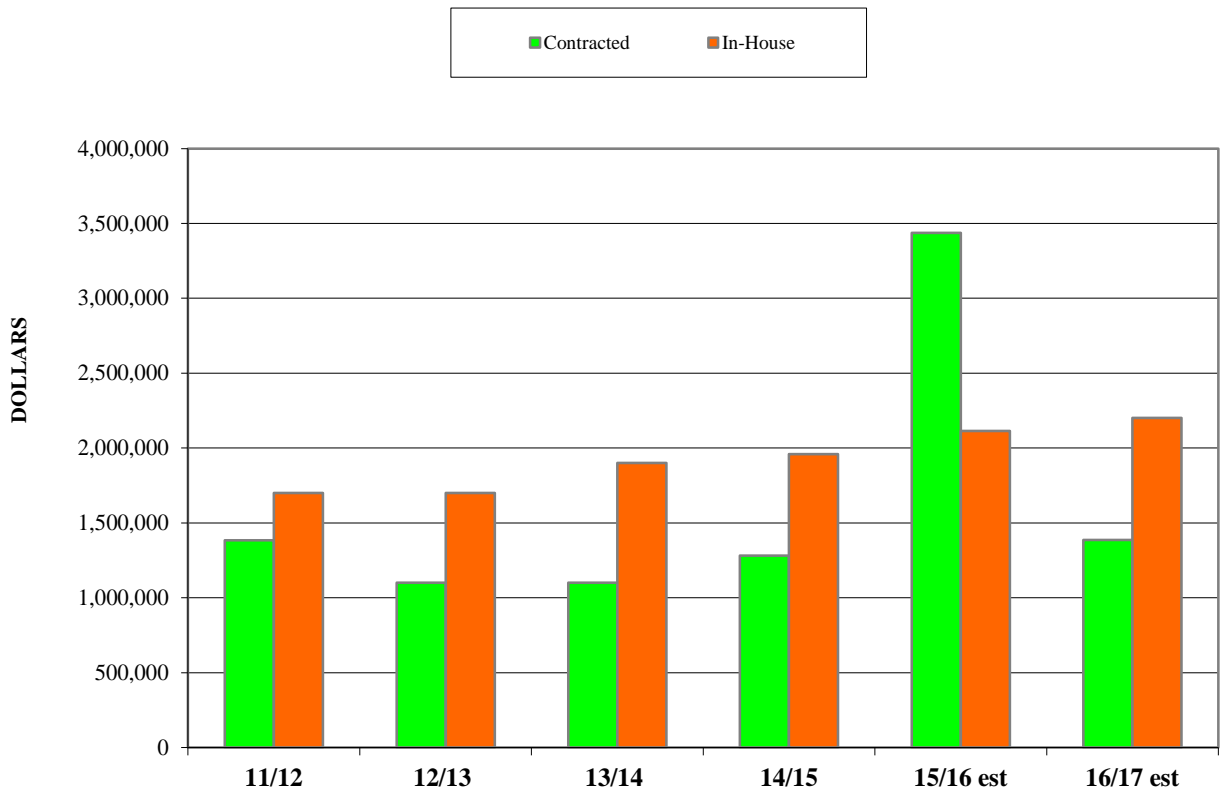


KEY DEPARTMENTAL TRENDS (Cont'd.)

Concrete Removed and Replaced (Cubic Yards)



CONTRACTED VS. IN-HOUSE MAINTENANCE



LOCAL ROADS

The Local Road Fund budget provides funding for the maintenance of the City's 246 miles of paved and unpaved local streets. Local street services include pavement patching/replacement, road grading, dust control, forestry maintenance, storm drain maintenance, sign repair, guardrail repairs, snow/ice control, roadside mowing and litter control. The DPW supervisory staff establishes pavement repair priorities in consultation with the Engineering Division.

Private contractors are used to supplement the work performed by the DPW staff. Contracted services include crack/joint sealing, catch basin cleaning, dust control, street sweeping, forestry services, pavement replacement, catch basin repair, and sump pump connections.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Improve local road safety. (3,12,13)
- Extend the service life of the local road infrastructure by implementing industry Best Management Practices for asset management. (2,12,13)
- Improve snow & ice control services. (3)
- Fulfill National Pollutant Discharge Elimination System (NPDES) permit requirements. (9,10,12)
- Improve storm drain maintenance services—reduce frequency and severity of local street flooding. (10,12,13)

PERFORMANCE OBJECTIVES

- Improve street safety by replacing deteriorated pavement, repairing guardrails, and upgrading intersection signs.
- Improve effectiveness of street signs by utilizing state-of-the-art reflective sign sheeting materials.
- Fulfill NPDES mandate, adopt best management (maintenance) practices.
- Improve cost effectiveness of road maintenance activities by using Best Maintenance Practices of the industry and continually searching for new and improved products and methods.

Local Roads

	Performance Indicators	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Estimated
Service Level	Pothole Patching – tons of cold patch	300	300	280
	Pavement Replacement – tons of asphalt	662	2,200	2,200
	Pavement Replacement – yards of 8” concrete	1,651	4,000	4,100
	Gravel Road Grading – miles	375	400	400
	Joint Sealing – lineal feet	60,300	70,000	75,000
	Sweeping – curb miles	1,485	1,485	1,485
	Storm Drain Structure Repairs	46	70	90
	Ditching – lineal feet	16,800	17,000	17,500
	Plowing – # of complete plowing of local roads	3	3	6
	Culvert Installations	36	38	38
	Roadside Cleanup – roadside miles	4	5	5
	Roadside Mowing – swath mile (5 ft. wide cut)	60	60	60
	Lawn Mowing – acres	180	180	182
	Sign Installations and Repairs	410	400	400
	Traffic Counts	36	36	36
Efficiency	Maintenance cost/local road mile	8,401	11,486	10,946
	Miles per Road Maintenance personnel	13.0	12.3	12.3

REVENUE/OTHER FINANCING SOURCES – FY 2016/17

All Local Road funds are restricted by the State to finance the maintenance and construction of the local street system. Revenue fluctuates from year to year based on the number and size of local road improvement Special Assessment District (SAD) projects.

Gas & Weight Tax (Act 51) - Comes from state levied and collected gas taxes, drivers license and vehicle registration fees and are shared with local units of government based on population, miles and classification of road type. Gas & Weight Tax revenue, which comprises 11% of the budgeted resources needed to fund the Local Road Fund, is projected to increase by 3% for FY 2016/17, based on MDOT estimates of Gas & Weight Tax and the State’s General Fund Appropriation to the City.

Build Michigan Fund - This is money from the Michigan Department of Transportation for road and bridge infrastructure improvements. It has remained relatively consistent over the years.

Fines & Forfeitures – This is an allocation of approximately 1/3 of the Motor Carrier Enforcement Fines expected to be collected in FY 16/17.

Special Assessments – For assessment rolls confirmed after June 30, 2015, this is money paid by property owners in installments for their share of the cost of local road improvements directly benefiting their property.

Interest on Investments - Minimal revenue projected for 16/17.

Major Road Fund Appropriation – Act 51 allows up to 50% of the Major Road Fund Gas & Weight Tax revenue to be appropriated annually to the Local Road Fund for Local Road expenditures. The \$225,000 proposed appropriation is approximately 5% of the estimated Major Road Gas & Weight tax for FY 2016/17.

Local Roads

Municipal Street Fund – This is an appropriation of the Road Millage property tax funds to pay for preventative maintenance treatments and the City’s local match for Special Assessment infrastructure Projects.

SAD Bond Proceeds - \$9,775,000 of SAD Bonds are anticipated to be issued to finance the property owner’s 80% share, plus financing costs, of various local road SAD Projects.

EXPENDITURES/OTHER FINANCING USES

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$2,444,328 or 38% increase from the current budget.
- The increase results primarily from projected more construction and bond financing costs than budgeted; partially offset by less contributions from the SAD Revolving Fund.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$5,903,431 or 66% increase from the FY 15-16 year end projection and \$8,347,759 or 129% increase from the FY 15-16 current budget.
- The budget-to-budget increases results primarily from more construction costs (\$7,944,200), traffic service costs (\$1,000), more winter maintenance costs (\$3,500), more administrative costs (\$170,100) and more contributions to other funds (\$357,200); partially offset by less routine maintenance (\$128,200).
- Fund balance is projected to be \$8,740,220 or 59% of Total Expenditure and Other Financing Uses at June 30, 2017. The \$1,746,080 or 25% increase in fund balance is due to the anticipated receipt of bond proceeds in FY 2016/17 for SAD road projects that will extend into FY 2017/18.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Local Road Fund	\$3,208,846	\$3,021,801	\$6,452,397	\$8,896,725	\$14,800,156

Local Roads

LOCAL ROAD FUND

FUND NUMBER: 203

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	733,573	908,705	1,320,202	1,320,202	6,994,140	6,994,140
REVENUES						
Intergovernmental Revenues:						
Gas & Weight Tax (Act 51)	1,447,430	1,390,651	1,515,448	1,475,444	1,746,806	1,746,806
State of Michigan - General Fund Approp.	0	126,048	0	226,936	0	0
Build Michigan Fund	47,289	47,279	47,200	47,200	47,200	47,200
Fines & Forfeitures	47,500	47,500	47,500	22,500	22,500	22,500
Total	1,542,220	1,611,478	1,610,148	1,772,080	1,816,506	1,816,506
Other Revenues:						
Special Assessment Interest	0	0	203,938	14,782	387,867	387,867
Special Assessment Principle	0	0	811,406	120,671	646,478	646,478
Interest on Investments	161	204	180	1,300	1,300	1,300
Total	161	204	1,015,524	136,753	1,035,645	1,035,645
TOTAL REVENUES	1,542,381	1,611,682	2,625,672	1,908,833	2,852,151	2,852,151
OTHER FINANCING SOURCES						
Contributions from other Funds:						
General Fund	0	75,000	0	0	0	0
Municipal Street Fund	0	0	2,250,000	2,250,000	3,693,085	3,693,085
Major Roads	450,000	225,000	225,000	225,000	225,000	225,000
Local Road SAD Revolving (247)	277,442	1,508,972	1,281,600	1,000	1,000	1,000
Local Road SAD Debt Fund (813...)	1,114,155	10,507	0	830	0	0
Misc	0	2,136	0	0	0	0
S.A.D Bond Proceeds	0	0	0	10,185,000	9,775,000	9,775,000
TOTAL OTHER FINANCING SOURCES	1,841,597	1,821,616	3,756,600	12,661,830	13,694,085	13,694,085
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,383,978	3,433,298	6,382,272	14,570,663	16,546,236	16,546,236

Local Roads

LOCAL ROAD FUND

FUND NUMBER: 203

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
EXPENDITURES							
(451) CONSTRUCTION							
	Category Total	1,392,694	950,819	2,861,000	5,786,712	10,805,223	10,805,223
(463) ROUTINE MAINTENANCE							
011	Surface Maint - Labor	253,877	268,589	291,916	289,834	314,037	314,037
012	Surface Maint - Equip Rent	186,900	184,000	184,000	184,000	186,800	186,800
013	Surface Maint - Materials	83,256	83,028	95,000	95,000	97,900	97,900
014	Joint Sealing Program	140,937	206,721	325,300	325,300	332,600	332,600
015	Pavement Replacement	103,765	166,797	536,700	536,700	378,000	378,000
016	Surface Main - Contract	7,166	8,995	30,000	20,000	25,000	25,000
021	Rails/Posts - Labor	6,853	7,249	7,879	7,823	8,094	8,094
022	Rails/Posts - Equip Rent	1,000	900	900	900	1,000	1,000
023	Rails/Posts - Materials	0	38	500	500	500	500
024	Rails/Posts - Contract	0	0	10,000	12,000	12,000	12,000
031	Sweep & Flush - Labor	20,559	21,751	23,639	23,470	24,283	24,283
032	Sweep & Flush - Equip Rent	55,000	55,000	55,000	55,000	55,900	55,900
034	Sweep & Flush - Contract	67,924	80,828	89,000	89,000	89,000	89,000
041	Shoulder Maint - Labor	3,115	3,295	3,581	3,555	3,679	3,679
042	Shoulder Maint - Equip Rent	4,000	4,000	4,000	4,000	4,100	4,100
051	Forestry Maint - Labor	68,635	72,612	78,918	78,355	81,068	81,068
052	Forestry Maint - Equip Rent	44,000	43,176	43,000	43,000	43,700	43,700
054	Forestry Maint - Contract	34,867	24,097	51,000	51,000	51,000	51,000
061	Drain Structures - Labor	43,300	45,808	49,787	49,432	51,143	51,143
062	Drain Structures - Equip	27,500	28,000	28,000	28,000	28,400	28,400
063	Drain Structures - Mat	757	1,076	6,000	6,000	8,000	8,000
064	Drain Structures - Contract	59,122	141,099	240,600	240,600	216,050	216,050
071	Ditching & Bk Slope - Labor	168,421	178,180	193,655	192,274	198,933	198,933
072	Ditching & Bk Slope - Equip	122,800	120,000	120,000	120,000	121,800	121,800
073	Ditching & Bk Slope - Mat	39,213	33,131	40,000	45,000	45,000	45,000
081	Road Cleanup - Labor	2,077	2,197	2,388	2,371	2,451	2,451
082	Road Cleanup - Equip Rent	1,000	1,000	1,000	1,000	1,050	1,050
091	Grass/Weed - Labor	20,559	21,751	23,639	23,470	24,228	24,228
092	Grass/Weed - Equip Rental	21,900	20,900	20,900	20,900	21,200	21,200
093	Grass/Weed - Materials	1,961	1,896	4,000	4,000	4,100	4,100
094	Grass/Weed - Contract	0	0	1,000	500	1,000	1,000
103	Dust Control - Materials	0	0	7,000	3,500	7,000	7,000
104	Dust Control - Contract	35,986	35,648	52,000	52,000	53,100	53,100
	Category Total	1,626,450	1,861,762	2,620,302	2,608,484	2,492,116	2,492,116

Local Roads

FUND NUMBER: 203

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
(474) TRAFFIC SERVICES - MAINT.							
011	Sign Maint - Labor	20,559	21,751	23,639	23,470	24,228	24,228
012	Sign Maint - Equip Rent	5,500	5,500	5,500	5,500	5,600	5,600
013	Sign Maint -Materials	294	7,232	8,000	8,000	8,200	8,200
042	Traffic Counts - Equip.	259	0	0	0	0	0
	Category Total	26,612	34,483	37,139	36,970	38,028	38,028
(478) WINTER MAINTENANCE							
001	Snow/Ice Control - Labor	78,293	82,829	90,023	89,381	92,269	92,269
002	Snow/Ice Control - Equip	80,000	85,173	85,000	85,000	86,275	86,275
003	Snow/Ice Control - Material	197	2,336	0	100	0	0
	Category Total	158,490	170,338	175,023	174,481	178,544	178,544
(482) ADMIN., RECORDS, ENGINEERING							
001	Admin., Records, Eng.	4,600	0	15,000	10,000	10,000	10,000
002	Bond Financing Costs	0	0	0	176,528	175,000	175,000
003	Pav't Mgt System Update	0	0	3,000	3,000	3,000	3,000
012	Third-Party Equip. Rental	0	0	15,000	15,000	15,000	15,000
021	Audit Fees	0	4,400	4,875	4,400	5,000	5,000
	Category Total	4,600	4,400	37,875	208,928	208,000	208,000
(485) OTHER FINANCING USES							
Contribution to Other Funds							
	Local Road SAD Revolving Fund	0	0	639,908	0	179,858	179,858
	Local Road SAD Debt Fund	0	0	0	0	818,437	818,437
	General Debt Service Fund	0	0	81,150	81,150	79,950	79,950
	Category Total	0	0	721,058	81,150	1,078,245	1,078,245
TOTAL EXPENDITURES AND OTHER FINANCING USES		3,208,846	3,021,801	6,452,397	8,896,725	14,800,156	14,800,156
Revenues over/(under) Expenditures		175,132	411,497	(70,125)	5,673,938	1,746,080	1,746,080
FUND BALANCE AT JUNE 30		908,705	1,320,202	1,250,077	6,994,140	8,740,220	8,740,220
Fund Balance as a % of Total Expenditures and Other Financing Uses		28.32%	43.69%	19.37%	78.61%	59.05%	59.05%

Local Roads

LOCAL ROAD CONSTRUCTION DETAIL

To Be Expended in 2015/16

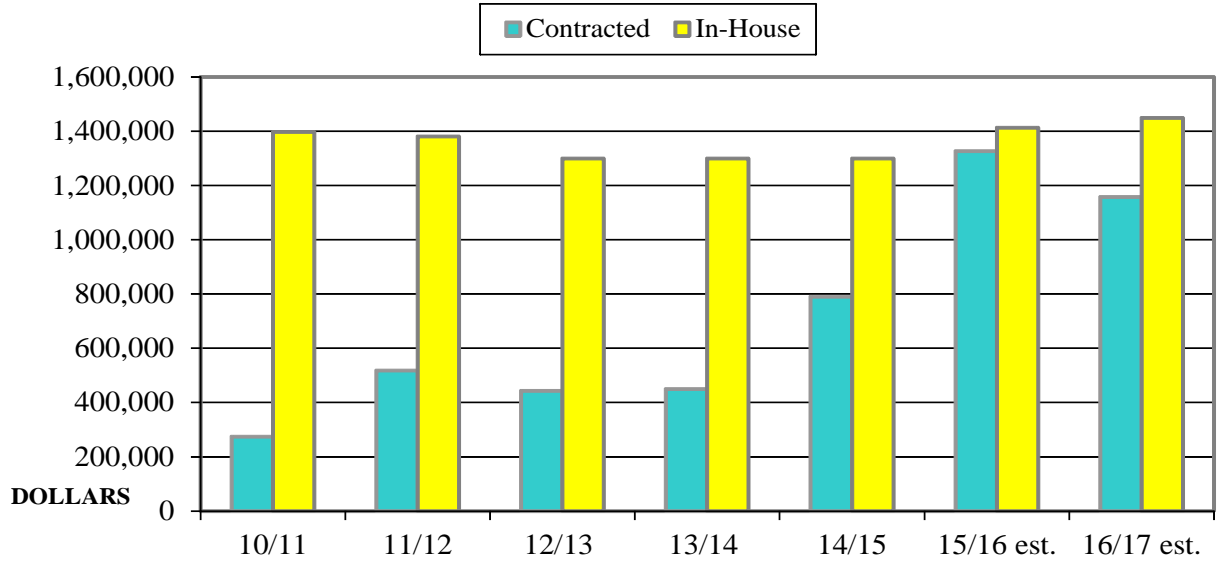
PROJECT	Project Commitment Remaining	Act 51 Local	S.A.D. Bonds	S.A.D. Revolving Fund	Road Millage	Portion of Remaining Amount to be Spent in
						2016/17
<u>2015/16</u>						
Orchard West Sub Road Rehabilitation	144,350	0	0	115,480	28,870	0
Woodbrook Sub Road Rehabilitation	811,900	0	0	649,520	162,380	0
Independence Commons Road Rehab.	7,869,000	0	2,153,810	0	538,452	5,176,738
Briar Hill Subdivision Road Rehabilitation	1,890,999	0	618,320	0	154,580	1,118,099
Hollywood ,Westhill Woods, Tarabusi Grand River Gardens Area Sub Road Rehabilitation	2,850,686	0	932,240	0	233,060	1,685,386
SAD Design	200,000	0	0	0	200,000	0
	13,766,935	0	3,704,370	765,000	1,317,342	7,980,223
Total Construction Projected 15/16	5,786,712					

To Be Expended in 2016/17

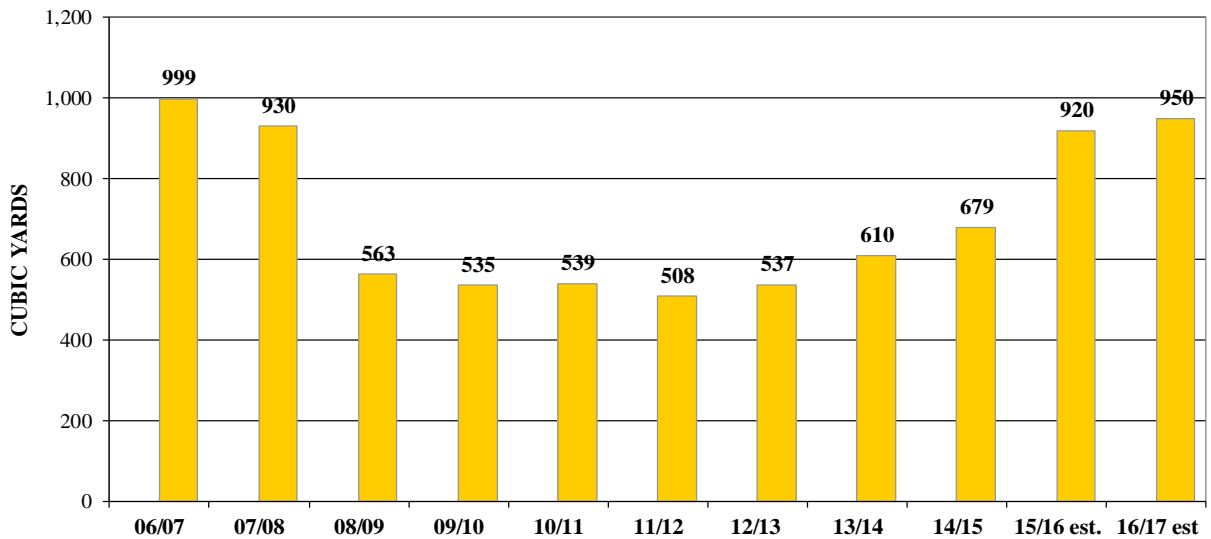
	Total Project Cost	Spent through 06/30/2016	Project Commitment Remaining	Act 51 Local	S.A.D. Bonds	S.A.D. Revolving Fund	Road Millage	Portion of Remaining Amount to be Spent in
								2017/18
<u>Carryover</u>								
Independence Commons Road Rehab.	7,869,000	2,692,262	5,176,738	0	4,141,390	0	1,035,348	0
Briar Hill Subdivision Road Rehabilitation	1,890,999	772,900	1,118,099	0	894,479	0	223,620	0
Hollywood ,Westhill Woods, Tarabusi Grand River Gardens Area Sub Road Rehabilitation	2,850,686	1,165,300	1,685,386	0	1,348,309	0	337,077	0
<u>2016/17</u>								
Directed SAD LOCAL	10,000,000	0	10,000,000	0	1,600,000	0	400,000	8,000,000
Country Club Drive Road Rehab.	2,000,000	0	2,000,000	0	320,000	0	80,000	1,600,000
Residential Speed Control	25,000	0	25,000	25,000	0	0	0	0
SAD Design	400,000	0	400,000	0	0	0	400,000	0
	25,035,685	4,630,462	20,405,223	25,000	8,304,178	0	2,476,045	9,600,000
Total Construction Projected 16/17			10,805,223					

KEY DEPARTMENTAL TRENDS

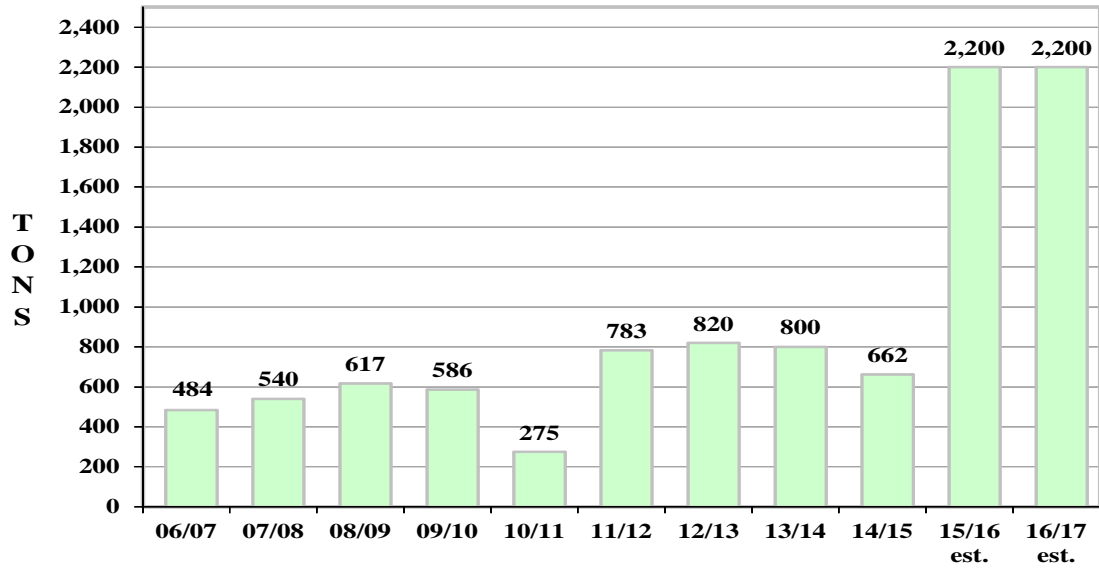
CONTRACTED VS. IN HOUSE MAINTENANCE



CONCRETE REMOVED AND REPLACED (Cubic yards)

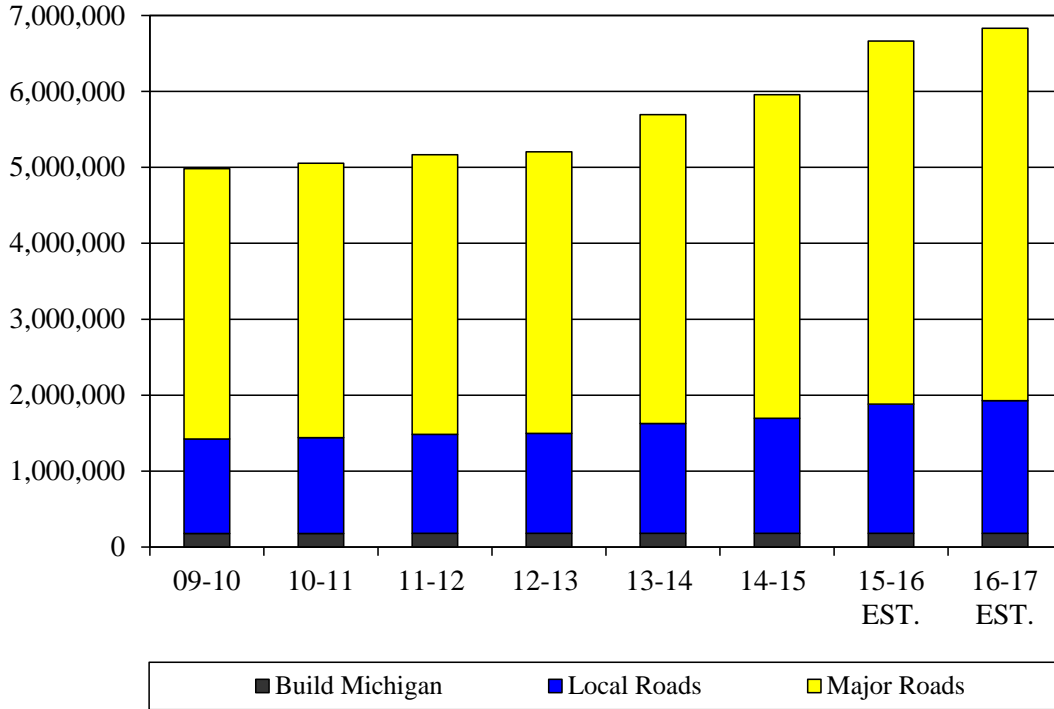


ASPHALT REMOVED AND REPLACED (TONS)



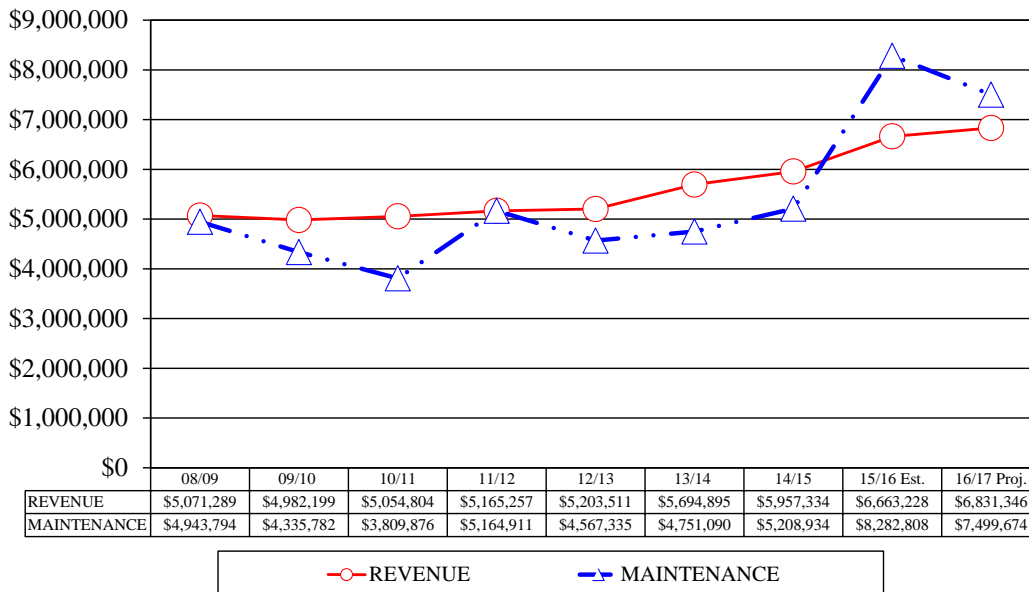
MAJOR AND LOCAL ROAD FUNDS SUMMARY

GAS AND WEIGHT TAX HISTORY



MAJOR & LOCAL ROAD

STATE SHARED REVENUE VS. MAINTENANCE



Major and Local Road Funds Summary

Road Funds Summary Of Revenue & Expenditures FY 2016/17

Category	Major Roads	Local Roads	Eliminate Transfers Between Road Funds	Total Road Funds
Revenues				
Gas & Weight Funds (Act 51)	5,037,340	1,794,006	0	6,831,346
Fines & Forfeits	0	22,500	0	22,500
Local Road Special Assessment	0	1,034,345	0	1,034,345
Contributions From SAD Revolving Fund	0	1,000	0	1,000
Contributions From Other Governments	309,000	0	0	309,000
Federal and State Grants	1,473,000	0	0	1,473,000
Transfer From Major Roads	0	225,000	(225,000)	0
Transfer From Municipal Street Fund	3,693,085	3,693,085	0	7,386,170
Interest Income	25,500	1,300	0	26,800
Miscellaneous Income	130	0	0	130
SAD Bond Proceeds	0	9,775,000	0	9,775,000
Appropriation (To)/From Fund Balance	1,043,921	(1,746,080)	0	(702,159)
Total Revenues	11,581,976	14,800,156	(225,000)	26,157,132
Expenditures				
Construction	6,483,000	10,805,223	0	17,288,223
Routine Maintenance	3,622,198	2,492,116	0	6,114,314
Traffic Services Maintenance	542,783	38,028	0	580,811
Winter Maintenance	625,995	178,544	0	804,539
Transfer to SAD Revolving Fund	0	179,858	0	179,858
Transfer to Local Road SAD Debt Service Fund	0	818,437	0	818,437
Transfer to General Debt Service Fund	0	79,950	0	79,950
Admin., Records, Engineering	83,000	208,000	0	291,000
Total Maintenance	4,873,976	3,994,933	0	8,868,909
Transfer To Local Roads	225,000	0	(225,000)	0
Total Expenditures	11,581,976	14,800,156	(225,000)	26,157,132

Major and Local Road Funds Summary

TRANSPORTATION

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Gravel to Paved, Special Assessment Districts	2,400,000	480,000	NC	80 WG	80 WG	80 WG	80 WG	80 WG	80 WG	
Local Road Rehabilitation, Special Assessment Districts (See Local Road SAD Spreadsheet)	60,000,000	12,000,000	NC	2,000 WG	2,000 WG	2,000 WG	2,000 WG	2,000 WG	2,000 WG	
Tri-Party TBD	900,000	300,000	NC	50 WG	50 WG	50 WG	50 WG	50 WG	50 WG	
Capital Preventative Maintenance Projects (See Capital Preventive Maint Sheet)	4,375,000	4,375,000	NC	750 WG	1000 WG	875 WG	750 WG	1,000 WG		
I-275 north of Five Mile through I-696 Interchange	80,000,000	714,000	NC	714 WG						
Industrial/Commercial Rd Rehabilitation Special Assessment Districts (See Industrial/Commercial SAD spreadsheet)	12,920,000	2,578,000	NC		375 WG	345 WG	200 WG	200 WG	288 WG	1,170 WG
Orchard Lake Boulevard, Thirteen to Fourteen Mile - ROW & Construction	23,800,000	1,660,000	NC		450 WG	510 WG		700 WG		
Eleven Mile Road, Orchard Lake to Middlebelt	1,850,000	550,000			550 WG					
Halsted, I-696 to Twelve Mile	1,450,000	1,450,000	NC				1,450 WG			
Power Road, Ten Mile to Eleven Mile Road	1,100,000	1,100,000	NC							1,100 WG
Shiawassee, W. City limits to Inkster Road	2,000,000	2,000,000	NC							2,000 WG
Grand River Corridor Improvement Authority (CIA) Projects	10,000,000	0	NC							
Thirteen Mile Road, Halsted to Drake	1,900,000	1,900,000	NC							1,900 WG
SUB-TOTAL:	\$202,695,000	\$29,107,000	0	3,594	4,505	3,860	4,530	4,030	2,418	6,170

Major and Local Road Funds Summary

TRANSPORTATION (continued)

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Eleven Mile Road, Middlebelt to Inkster	1,850,000	1,850,000	NC							1,850 WG
Twelve Mile Widening, Inkster to Middlebelt	8,500,000	850,000	NC							850 WG
Nine Mile/Halsted Intersection Improvements	1,600,000	800,000	NC							800 WG
Ten Mile/Grand River/M-5 Phase Two	20,000,000	250,000	NC							250 WG
Thirteen Mile Widening, Middlebelt to Orchard Lake	8,650,000	2,600,000	NC							2,600 WG
Orchard Lake Boulevard, Twelve to Thirteen Mile	25,000,000	6,250,000	NC							6,250 WG
Weighmaster Eyebrow	400,000	400,000	NC							400 WG
Thirteen Mile Road, Drake to Farmington	1,900,000	1,900,000	NC							1,900 WG
Nine Mile Road, Drake to Gill, Reconstruction	790,000	790,000	NC							790 WG
Grand River, Ten Mile to Shiawassee	28,600,000	715,000	NC							715 WG
Grand River, Shiawassee to M-5 end	20,700,000	518,000	NC							518 WG
Grand River, M-5 to Eight Mile	17,500,000	438,000	NC							438 WG
Tuck Road, Folsom to Eight Mile Road	1,000,000	1,000,000	NC							1,000 WG
PAGE 2 SUB-TOTAL:	\$136,490,000	\$18,361,000	\$0	0	0	0	0	0	0	18,361
PAGE 1 SUB-TOTAL:	\$202,695,000	\$29,107,000	0	3,594	4,505	3,860	4,530	4,030	2,418	6,170
TOTAL:	\$339,185,000	\$47,468,000	\$0	3,594	4,505	3,860	4,530	4,030	2,418	24,531

DEFERRED SPECIAL ASSESSMENT FUND

Overview

In 1982, the City Council established a Special Assessment Deferment Policy and Procedure to defer annual special assessment installments that present a financial hardship for homeowners. This deferment procedure is for homestead property owners who do not qualify for the State deferment program or assistance from the State Social Services Department. Deferments must be renewed annually. Eligibility criteria such as household income and other factors are outlined in the “Guidelines - Special Assessment Deferment Procedures” available at the Treasury Office. The Deferred Special Assessment Fund is the Fund established to retain and account for funds appropriated for the deferment program.

Revenue Assumptions

Interest income is minimal due to a small fund balance and relatively low market interest rates.

Expenditures

There are no expenditures for FY 2016/17 other than annual audit fees.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- No change projected.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- No change anticipated.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Deferred S.A. Fund	\$150	\$300	\$300	\$300	\$300

Fund Number: 255

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	52,673	52,534	52,536	52,261	52,311	52,311
REVENUES						
664-005 Interest Income	11	302	25	350	400	400
Total Revenues	11	302	25	350	400	400
EXPENDITURES						
996-00: Miscellaneous	150	300	300	300	300	300
Total Expenditures	150	300	300	300	300	300
Revenues over/(under) Expenditures	(139)	2	(275)	50	100	100
FUND BALANCE AT JUNE 30	52,534	52,536	52,261	52,311	52,411	52,411

PARKS MILLAGE FUND

Overview

This Fund provides for the accounting and budgeting of the voter approved up to 0.50 mill special parks millage. Revenue is calculated by multiplying the eligible taxable value by the Headlee adjusted millage rate and reducing the figure for delinquent personal property taxes. The initial millage was approved in 1986 and renewed for a ten-year period in 1997. Voters approved a 10 year renewal in August 2008 which will run July 2009 – June 2019.

Revenue Assumptions

This Fund historically receives revenue from the special millage levy, industrial facilities tax payments and interest income. Although there will be a small decrease in tax revenue due to a Headlee Rollback (as shown below), total revenue will increase in FY 16/17 by approximately 1.3% compared to the FY 15/16 year-end projection. This is due primarily from a State of Michigan reimbursement for lost personal property taxes exempted from the tax roll, per the State's phased-in personal property tax reform.

CITY OF FARMINGTON HILLS PARKS & RECREATION MILLAGE

<u>Advalorem</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
Total Advalorem TV (less Ren. Zone)	3,122,158,570	3,125,760,110
Less: Delinquent Personal TV	(12,220,776)	(10,130,053)
Less: Brownfield TV	(11,215,540)	(11,303,910)
Applicable TV	3,098,722,254	3,104,326,148
Millage	<u>0.00048820</u>	<u>0.00048595</u>
Applicable Levy	<u>1,512,796</u>	<u>1,508,561</u>
<u>IFT</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
Total TV	1,515,030	1,036,930
Millage	<u>0.00024410</u>	<u>0.00024298</u>
Applicable Levy	<u>370</u>	<u>252</u>

Expenditures

Financial support this year will continue for the Players Barn, various Capital Improvements, and General Fund support for Park Maintenance, the Nature Center, Senior Programs, Youth and Family Programs, Cultural Arts, and various Facility Programs.

Fund Balance

Fund balance is projected to decrease by \$73,542 to \$427,837 by June 30, 2017, which is 27% of Total Expenditures and Other Financing Uses.

Parks Millage Fund

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$187 decrease from the current budget.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$179,740 increase from the FY 15-16 year-end projection and \$179,553 or 13% increase from the FY 15-16 budget.
- The budget to budget increase results from increased equipment purchases planned for FY 16-17.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Parks Millage Fund	\$1,678,458	\$1,647,842	\$1,430,147	\$1,429,960	\$1,609,700

Parks Millage Fund

PARKS MILLAGE FUND

FUND NUMBER: 410

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	772,806	582,498	414,673	414,673	501,379	501,379
REVENUES						
Special Levy	1,473,936	1,477,072	1,514,536	1,512,796	1,508,561	1,508,561
IFT Payments	724	513	370	370	252	252
LCSSA Reimb. of Exempt Pers. Property	0	0	0	0	23,794	23,794
Miscellaneous	9,500	0	0	0	0	0
Interest on Investments	3,990	2,431	3,500	3,500	3,551	3,551
TOTAL REVENUES	1,488,150	1,480,017	1,518,406	1,516,666	1,536,158	1,536,158
EXPENDITURES						
Operations:						
Audit & Legal Fees	1,300	1,100	1,300	1,100	1,100	1,100
Master Plan	13,294	0	0	0	0	0
Players Barn Contract	22,750	22,750	22,750	22,750	22,750	22,750
Total Operations	37,344	23,850	24,050	23,850	23,850	23,850
Capital:						
Heritage Park (YAC)	17,345	91,387	15,000	15,000	25,000	25,000
Athletic Fields	15,765	6,466	25,000	25,000	25,000	25,000
Construction Heritage	0	0	2,950	2,950	0	0
Equipment	39,674	54,184	5,675	7,255	180,000	180,000
Comfort Station (Port-A-Johns)	6,370	6,308	8,000	8,000	8,000	8,000
Founders Park Improvements	0	0	5,000	5,000	10,000	10,000
Playground Improvement	0	0	5,000	5,000	5,000	5,000
Dog Park Improvement	1,111	600	1,000	1,000	0	0
Activities Center Improvements	3,000	7,197	30,622	29,055	25,000	25,000
Total Capital	83,264	166,142	98,247	98,260	278,000	278,000
Total Expenditures	120,608	189,992	122,297	122,110	301,850	301,850

Parks Millage Fund

PARKS MILLAGE FUND

FUND NUMBER: 410

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
OTHER FINANCING USES						
General Fund						
Park Maintenance/Operations	382,450	382,450	382,450	382,450	382,450	382,450
Nature Center	75,400	75,400	75,400	75,400	75,400	75,400
Youth Services	150,000	150,000	150,000	150,000	150,000	150,000
Activities Center/Seniors	500,000	400,000	400,000	400,000	400,000	400,000
Cultural Arts	150,000	150,000	150,000	150,000	150,000	150,000
Facility/Programs	150,000	150,000	150,000	150,000	150,000	150,000
General Debt Service Fund	150,000	150,000	0	0	0	0
Total Other Financing Uses	1,557,850	1,457,850	1,307,850	1,307,850	1,307,850	1,307,850
TOTAL EXPENDITURES AND						
 OTHER FINANCING USES (OFU)	1,678,458	1,647,842	1,430,147	1,429,960	1,609,700	1,609,700
Revenues over/(under) Expenditures	(190,308)	(167,825)	88,259	86,706	(73,542)	(73,542)
FUND BALANCE AT JUNE 30	582,498	414,673	502,931	501,379	427,837	427,837
Fund Balance as a % of Expend/OFU	34.70%	25.16%	35.17%	35.06%	26.58%	26.58%

CAPITAL PROJECT DETAIL

	FY 2014/15	FY 2015/16	FY 2016/17
	Actual	Estimated	Budget
HERITAGE PARK			
Archery Range and Stables Area	89,392	2,950	0
Longacre	1,995	15,000	15,000
Daycamp/Nature Center (Floor)	0	0	10,000
Total Heritage Park	91,387	17,950	25,000
FOUNDERS SPORTS PARK IMPROVEMENTS			
Park Improvements	0	5,000	10,000
ATHLETIC FIELDS			
Ball field & soccer field renovation	6,466	25,000	25,000
EQUIPMENT			
Zamboni Repair	40,000	0	0
Compressor Repair	10,184	0	0
Maintenance Equipment	0	0	40,000
Parks Equipment	0	0	77,000
3/4 Ton 4x4 Pickup Truck w Snow Plow	0	0	37,000
Canyon Pickup Truck - Baseball	0	0	26,000
Misc	0	7,255	0
Total Equipment	50,184	7,255	180,000
COMFORT STATION			
Portable units for Little League program	6,308	8,000	8,000
ACTIVITIES CENTER IMPROVEMENTS			
Gym Flooring	7,197	0	0
Misc improvements	0	29,055	25,000
Total Activies Center Improvements	7,197	29,055	25,000
PLAYGROUND EQUIPMENT			
Dog Park	600	1,000	0
Playground Equipment/Improvements	4,000	5,000	5,000
Total Playground Equipment	4,600	6,000	5,000
TOTAL CAPITAL	166,142	98,260	278,000

NUTRITION GRANT FUND

Overview

The Nutrition Grant Fund provides meals to Farmington/Farmington Hills residents, 60 years and over and is funded primarily by Federal Grants from the U.S. Department of Health and Human Services passed through the Area Agency on Aging. The Federal Grants are subject to Federal compliance audits. The Senior Division of the Special Services Department provides nutrition services for both congregate (on site) meals offered at the Center for Active Adults located in the Costick Center, and to homebound older adults unable to prepare their own meals.

The congregate and home delivered meals are designed to meet one-third of the recommended daily dietary requirement focusing on nutritional needs through careful menu planning, quality food and nutrition education.

The Home Delivered Meal (HDM) program mandates the delivery of one hot meal on five or more days a week at least one meal per day, may consist of a hot meal, cold meal, frozen meal, shelf stable or supplemental foods.

Six shelf stable meals are required to be in every HDM client's home in the event of an emergency that would prohibit the daily meal delivery. (i.e. inclement weather, power failure, etc. preventing the preparation and delivery of meals). All daily meals are delivered to the home by volunteers. Holiday Meals are prepared in the Costick Center Kitchen and delivered by staff and volunteers on Thanksgiving, Christmas and Easter Day. A total of 105,163 meals were served in FY 2014/15. A projection of 103,620 meals is estimated for the FY 2015/16 contract year.

Revenue Assumptions

Funding is primarily provided by Federal Grants and program income for both congregate and homebound meals. A local grant match is also required from the City. Additional funding comes from donations and interest income.

Expenditures

Personnel, supplies and utility/rent expenditures are used to provide congregate and homebound meals to those 60 years and older.

Fund Balance

Fund balance is projected to be \$0 at June 30, 2017.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- The projected \$17,750 increase from the current budget results from more homebound meal costs, partially offset by less congregate meal costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- No change proposed.

\	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Nutrition Grant Fund	\$398,990	\$446,719	\$419,485	\$437,235	\$437,235

Nutrition Grant Fund

NUTRITION GRANT FUND

FUND NUMBER: 281

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	0	0	0	0	0	0
REVENUES						
Federal Grant	265,041	304,461	281,842	286,741	286,741	286,741
Program Income	111,255	116,523	111,826	124,087	124,087	124,087
Interest Income	35	79	60	200	200	200
Local Match	22,659	25,656	25,757	26,207	26,207	26,207
Total Revenues	398,990	446,719	419,485	437,235	437,235	437,235
EXPENDITURES						
Congregate Meals	67,014	68,104	83,199	67,117	67,117	67,117
Homebound Meals	331,976	378,615	336,286	370,118	370,118	370,118
Total Expenditures	398,990	446,719	419,485	437,235	437,235	437,235
Revenues over/(under) Expenditures	0	0	0	0	0	0
FUND BALANCE AT JUNE 30	0	0	0	0	0	0

PUBLIC SAFETY MILLAGE FUND

In November 2015 voters passed a renewal of the 1.4764 millage. This renewal becomes effective in July 2016 and expires June 30, 2026. An additional 1.70 mills was approved by the electorate in 2011, effective in July 2012 and expires June 30, 2022. Revenue is calculated by multiplying the eligible taxable value by the Headlee adjusted millage rate and reducing the figure for estimated Brownfield Authority tax capture and delinquent taxes.

Revenue Assumptions

This Fund historically receives revenue from the special millage levy, industrial facilities tax payments and interest income. Although there will be a small decrease in tax revenue due to a Headlee Rollback (as shown below), total revenue will increase in FY 16/17 by approximately 1.3% compared to the FY 15/16 year-end projection. This is due primarily from a State of Michigan reimbursement for lost personal property taxes exempted from the tax roll, per the State's phased-in personal property tax reform.

CITY OF FARMINGTON HILLS PUBLIC SAFETY MILLAGE

<u>Advalorem</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
Total Advalorem TV (less Ren. Zone)	3,122,158,570	3,125,760,110
Less: Delinquent Personal TV	(12,220,776)	(10,130,053)
Less: Brownfield TV	(11,215,540)	(11,303,910)
Applicable TV	3,098,722,254	3,104,326,148
Millage	0.00317640	0.00316179
Applicable Levy	<u>9,842,781</u>	<u>9,815,223</u>
<u>IFT</u>	<u>FY 15/16</u>	<u>FY 16/17</u>
Total TV	1,515,030	1,036,930
Millage	0.00158820	0.00158089
Applicable Levy	<u>2,406</u>	<u>1,639</u>

Expenditures

The public safety millage funds the following expenditures in FY 2016/17:

Police

- 35 sworn police officers
- 6 full-time police dispatchers—required for implementation and continued delivery of Emergency Medical Dispatch services
- 1 full-time civilian police dispatch supervisor
- 1 civilian crime prevention technician
- 911 Call Processing Equipment & Recording System
- (5) Vehicles & related Equipment

Fire

- 4 fire shift lieutenants
- 4 battalion chiefs
- 17 full-time fire fighters
- 1 EMS Coordinator
- 1 Fire Chief
- 1 Deputy Chief

Public Safety Millage

- 25 FTE Paid Callback Fire Fighters
- 911 Call Processing Equipment & Recording System
- (3) Vehicles

Fund Balance

Fund Balance is planned to be approximately \$1.8 million or 16% of expenditures at June 30, 2017. The \$1,061,266 reduction in fund balance is due to planned appropriations for Public Safety purposes, while maintaining an adequate fund balance available for emergencies and/or revenue shortfalls.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$153,159 or 1% decrease from the current budget.
- The decrease results from less than budgeted Police Department personnel costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$885,190 or 9% increase from the FY 15-16 year-end projection and \$732,031 or 7% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from more Fire Department personnel costs to staff another Fire Station and more Capital Outlay for both the Police and Fire Departments.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Public Safety Millage Fund	\$8,835,368	\$9,865,595	\$10,315,908	\$10,162,749	\$11,047,939

Public Safety Millage

PUBLIC SAFETY MILLAGE

FUND NUMBER: 205

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1		2,648,688	3,399,375	3,141,768	3,141,768	2,839,207	2,839,207
REVENUES							
403-005	Public Safety Millage	9,577,759	9,598,125	9,854,099	9,842,781	9,815,223	9,815,223
403-031	IFT Payments	4,711	3,338	2,406	2,406	1,639	1,639
573-000	LCSSA Reimb. of Exempt Pers. Property	0	0	0	0	154,811	154,811
664-005	Interest Income	3,585	6,525	7,000	15,000	15,000	15,000
TOTAL REVENUES		9,586,055	9,607,988	9,863,505	9,860,188	9,986,673	9,986,673
EXPENDITURES							
300	Police Department						
	Salaries and Wages	4,283,117	4,952,212	5,238,459	5,085,475	5,273,454	5,273,454
	Professional & Contractual	725	550	725	550	550	550
970-058	Capital Outlay	0	0	0	0	291,500	291,500
Total Police Department		4,283,842	4,952,762	5,239,184	5,086,025	5,565,504	5,565,504
337	Fire Department						
	Salaries and Wages	4,550,801	4,882,121	4,918,797	4,918,797	5,262,885	5,262,885
	Operating Supplies	0	0	10,000	10,000	0	0
	Professional & Contractual	725	550	84,927	84,927	550	550
970-058	Capital Outlay	0	30,161	63,000	63,000	219,000	219,000
Total Fire Department		4,551,526	4,912,833	5,076,724	5,076,724	5,482,435	5,482,435
TOTAL EXPENDITURES		8,835,368	9,865,595	10,315,908	10,162,749	11,047,939	11,047,939
Excess Revenues over Expenditures		750,687	(257,607)	(452,403)	(302,561)	(1,061,266)	(1,061,266)
FUND BALANCE AT JUNE 30		3,399,375	3,141,768	2,689,365	2,839,207	1,777,941	1,777,941
Fund Balance as a % of Expenditures		38.47%	31.85%	26.07%	27.94%	16.09%	16.09%

Capital Outlay

Fund Number: 205

Acct.		Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Request	Quantity	Amount
300-970-058					
		911 Call Processing Equip.	100,000		100,000
		911 Recording System	20,000		20,000
	3	Marked Police Vehicles & Equip.	42,000	3	126,000
	2	Unmarked Police Vehicles & Equip.	22,750	2	45,500
			<u>291,500</u>		<u>291,500</u>
337-970-058					
		911 Call Processing Equip.	100,000		100,000
		911 Recording System	20,000		20,000
	3	Vehicles	33,000	3	99,000
			<u>219,000</u>		<u>219,000</u>

FEDERAL FORFEITURE FUND

Overview

This Fund was established in 2007, to comply with the guidelines of the Uniform Budgeting Act of 1978. It obtains its funding from the distribution of forfeited assets seized in drug arrests under federal statutes. Its forfeiture funds are considered Federal Grants for purposes of compliance with Federal Grant regulations.

Revenue Assumptions

Revenue is difficult to predict given that it comes solely from seizures subsequent to drug-related arrests. Acquisitions are not made until sufficient funds have been secured to cover them.

Expenditures

In FY 2016/17 available resources will be utilized to:

- Fund Drug Education;
- Fund the purchase of necessary police protective equipment and building entry tools;
- Fund the purchase of two Departmental unmarked vehicles and three marked patrol vehicles; and
- Fund other necessary expenditures not available in the Department's General Fund base budget.

Fund Balance

Fund balance is projected to be \$1,699 at June 30, 2017. The \$208,150 reduction in fund balance is due to an agency requirement to not budget for revenue, therefore, all budgeted expenditures are covered by available fund balance.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$23,551 or 6.7% increase from the current budget.
- The increase results primarily from projected unbudgeted data processing and capital outlay expenditures.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$165,739 or 44.3% decrease from the FY 15-16 year-end projection.
- The decrease results primarily from fewer vehicle maintenance and equipment purchases than the FY 15/16 year-end projection.

Federal Forfeiture Fund	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
	\$384,768	\$496,536	\$350,338	\$373,889	\$208,150

Federal Forfeiture Fund**FEDERAL FORFEITURE FUND**

FUND NUMBER: 213

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	864,776	824,835	436,458	436,458	209,849	209,849
REVENUES						
010 Auction	29,382	9,784	0	0	0	0
012 Federal Treasury Forfeiture	0	0	0	53,454	0	0
013 Federal Forfeiture	314,943	97,725	0	93,126	0	0
664 Interest Income	502	650	0	700	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES	344,827	108,159	0	147,280	0	0
EXPENDITURES						
(740) OPERATING SUPPLIES						
002 Books & Subscriptions	0	3,174	0	0	0	0
008 Drug Education	1,338	0	1,200	500	1,200	1,200
009 Evidence Lab Supplies	0	71	0	0	0	0
018 Ammunition & Weapons	20,901	28,820	10,000	10,000	0	0
019 Uniform	0	5,910	5,137	5,468	0	0
021 Audit Fee	0	4,950	5,500	4,950	4,950	4,950
040 Miscellaneous	5,914	0	0	1,980	20,500	20,500
Category Total	28,153	42,925	21,837	22,898	26,650	26,650
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences and Workshops	0	0	0	2,200	0	0
006 Vehicle Maintenance	0	62,787	76,799	79,599	45,000	45,000
007 Office Equipment Maintenance	2,904	0	0	0	0	0
023 Data Processing	0	0	0	13,000	0	0
098 Polygraph/DNA Services	0	5,991	5,500	4,000	0	0
Category Total	2,904	68,778	82,299	98,799	45,000	45,000
(970) CAPITAL OUTLAY						
001 Office Furniture	19,000	0	0	2,990	0	0
002 Equipment	111,206	0	17,000	17,000	0	0
015 Automotive & Auto Equipment	223,505	384,833	229,202	232,202	136,500	136,500
Category Total	353,711	384,833	246,202	252,192	136,500	136,500
TOTAL EXPENDITURES AND OTHER FINANCING USES	384,768	496,536	350,338	373,889	208,150	208,150
Revenues over/(under) Expenditures	(39,941)	(388,377)	(350,338)	(226,609)	(208,150)	(208,150)
FUND BALANCE AS OF JUNE 30	824,835	436,458	86,120	209,849	1,699	1,699

CAPITAL OUTLAY

Fund Number: 213

Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
015		AUTOMOTIVE				
	2	Unmarked Investigative Vehicles	22,000	44,000	2	44,000
	2	Marked Police Vehicles and Equipment	27,500	55,000	2	55,000
	1	Supervisor Vehicle (Tahoe)	37,500	37,500	1	37,500
				<u>136,500</u>		<u>136,500</u>
		CAPITAL OUTLAY TOTAL		<u>136,500</u>		<u>136,500</u>

STATE FORFEITURE FUND

Overview

The State Forfeiture fund was established in 1989, to comply with the guidelines of the Uniform Budgeting Act of 1978. This Fund obtains its funding from the distribution of forfeited assets seized in drug arrests under state statutes.

Revenue Assumptions

Revenue is difficult to predict given that it comes solely from seizures subsequent to drug-related arrests. Acquisitions are not made until sufficient funds have been secured to cover them.

Expenditures

In FY 2016/17, funding will be utilized for:

- Police Department K-9 related expenses;
- Miscellaneous operating supplies; and
- Building Improvements

Fund Balance

Fund balance is projected to be \$39,145 at June 30, 2017. The \$127,300 reduction in fund balance is due to an agency requirement to not budget for revenue, therefore, all budgeted expenditures are covered by available fund balance.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$50,000 or 91% decrease from the current budget.
- The decrease results primarily from less than budgeted building improvements to the interior to the Police facility.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$122,300 or 2,446% increase from the FY 15-16 year-end projection and \$72,300 or 131% increase from the FY 15-16 budget.
- The budget to budget increase results primarily from an increase in expenditures for operating supplies, education and training, and building improvements in FY 2016/17.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
State Forfeiture Fund	\$201,876	\$47,153	\$55,000	\$5,000	\$127,300

State Forfeiture Fund

STATE FORFEITURE FUND

FUND NUMBER: 214

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	141,412	51,667	69,952	69,952	166,445	166,445
REVENUES						
014 State Forfeiture	111,360	65,197	0	101,193	0	0
015 Miscellaneous	674	0	0	0	0	0
025 Sale of Fixed Assets	0	172	0	0	0	0
664 Interest Income	98	69	0	300	0	0
TOTAL REVENUE	112,131	65,438	0	101,493	0	0
EXPENDITURES						
(740) OPERATING SUPPLIES						
008 Drug Education	182	200	0	0	1,100	1,100
009 Evidence Lab Supplies	0	797	0	0	0	0
018 Ammunition & Weapons	0	0	0	0	15,700	15,700
019 Uniform	0	0	0	0	5,000	5,000
040 Miscellaneous	1,395	7,776	5,000	5,000	10,500	10,500
Total Operating Supplies	1,577	8,773	5,000	5,000	32,300	32,300
(801) PROFESSIONAL & CONTRACTUAL						
013 Education & Training	0	0	0	0	40,000	40,000
070 Crime Prevention	400	0	0	0	0	0
Total Professional & Contractual	400	0	0	0	40,000	40,000
(970) CAPITAL OUTLAY						
036 Building Improvements	199,898	38,380	50,000	0	55,000	55,000
Total Capital Outlay	199,898	38,380	50,000	0	55,000	55,000
TOTAL EXPENDITURES	201,876	47,153	55,000	5,000	127,300	127,300
TOTAL EXPENDITURES AND OTHER FINANCING USES	201,876	47,153	55,000	5,000	127,300	127,300
Revenues over/(under) Expenditures	(89,745)	18,285	(55,000)	96,493	(127,300)	(127,300)
FUND BALANCE AS OF JUNE 30	51,667	69,952	14,952	166,445	39,145	39,145

State Forfeiture Fund

CAPITAL OUTLAY

Fund Number: 214

Acct.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
36		BUILDING IMPROVEMENTS				
		Exterior Building/Parking Lot Security		55,000		55,000
		CAPITAL OUTLAY TOTAL		<u>55,000</u>		<u>55,000</u>

**COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) FUND**

Overview

Annually, Farmington Hills receives CDBG funds from the United States Department of Housing and Urban Development (HUD). The Federal Grants are subject to Federal compliance audits. The funds are used to provide assistance to low and moderate income individuals for housing rehabilitation work and for capital improvements in eligible areas.

Revenue Assumptions

This Fund receives revenue from the Community Development Block Grant Program, block grant carryover which is unused money from the previous year, and program loan receipts or payments made upon the sale of property which received a deferred loan. Block grant carryover and loan receipts are unpredictable and fluctuate from year to year.

Expenditures

In FY 2016/17, approximately 28 homes will be rehabilitated at a cost of \$254,000 as part of the Housing Rehabilitation Program.

Fund Balance

Fund balance is projected to be \$0 at June 30, 2017.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$162,169 or 38% increase from the current budget.
- The increase results from additional grant funds being appropriated to Housing Rehabilitation Projects and Capital Projects.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$250,297 or 42% decrease from the FY 15-16 year-end projection.
- The decrease results primarily from less grant funds to be allocated in FY 2016/17, which will reduce Capital Projects.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
CDBG Fund	\$268,547	\$349,010	\$430,631	\$592,800	\$342,503

Community Development Block Grant Fund

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

FUND NUMBER: 275

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1		0	0	0	0	0	0
REVENUES							
	Community Development Block Grant	174,252	288,329	395,631	417,800	307,503	307,503
	Housing Rehabilitation Program Loan Receipts	94,295	60,680	35,000	175,000	35,000	35,000
	Total Revenues	268,547	349,010	430,631	592,800	342,503	342,503
EXPENDITURES							
ADMINISTRATION							
	Salaries & Wages	18,269	13,090	66,500	14,350	53,856	53,856
	Fringe Benefits	13,530	13,508	15,000	14,350	15,000	15,000
	Rehab programs	0	40,131	0	44,800	0	0
	Supplies	0	0	100	0	100	100
	Conferences & Workshops	800	760	1,000	1,100	800	800
	Memberships & Dues	1,440	3,815	1,800	1,800	1,400	1,400
	Education & Training	0	0	0	0	600	600
	Legal Notices	1,411	758	1,400	1,400	1,400	1,400
	South Oakland Shelter Haven	0	0	0	7,500	7,500	7,500
	Common Ground	1,000	2,000	2,000	2,000	2,000	2,000
	Category Total	41,450	79,062	92,800	92,800	88,156	88,156
CAPITAL OUTLAY							
	Housing Rehab. Grants	47,033	16,730	23,000	42,500	25,347	25,347
	Housing Rehabilitation	83,769	19,216	167,000	12,500	94,000	94,000
	Housing Rehab. Income Est.	94,295	60,680	35,000	145,000	35,000	35,000
	Category Total	225,097	96,626	225,000	200,000	154,347	154,347
	Total Expenditures	266,547	175,688	317,800	292,800	242,503	242,503
OTHER FINANCING USES							
	Contribution to Other Funds Capital Improvement Fund Capital Projects	2,000	173,322	112,831	300,000	100,000	100,000
	Total Other Financing Uses	2,000	173,322	112,831	300,000	100,000	100,000
TOTAL EXPENDITURES AND OTHER FINANCING USES		268,547	349,010	430,631	592,800	342,503	342,503
	Excess Revenue over Expenditures	0	0	0	0	0	0
FUND BALANCE AT JUNE 30		0	0	0	0	0	0

DEBT SERVICE FUNDS

Debt Service Funds are established by State Statute and bond covenants to account for the recording of the collection and expenditure of resources earmarked for the retirement of debt issued directly by the City or for which the City agreed, by contract, to make debt payments on bonds issued by other units of government on the City's behalf. The City has three Debt Service Funds; the General Debt Service Fund, the Building Authority Debt Service Fund, and the Local Road Special Assessment Debt Service Fund. Water and Sewer Debt is accounted for within the Water and Sewer Enterprise Fund.

General Debt Service Fund

This Fund was established in FY 1994/95 for all the debt service payments to be funded with local property tax revenue. The bond issues to be serviced by this Fund fall into the following categories: G.O. Tax Limited Capital Improvement Bonds, Storm Drain Bonds, Highway Bonds, and Building Authority Bonds, although the service of the Building Authority Bonds is just a pass through from the General Fund to the Building Authority Debt Service Fund. Bonds are payable on the City-at-large share of Local Road SAD's through 2027, and the Golf Club through 2031.

Building Authority Debt Service Fund

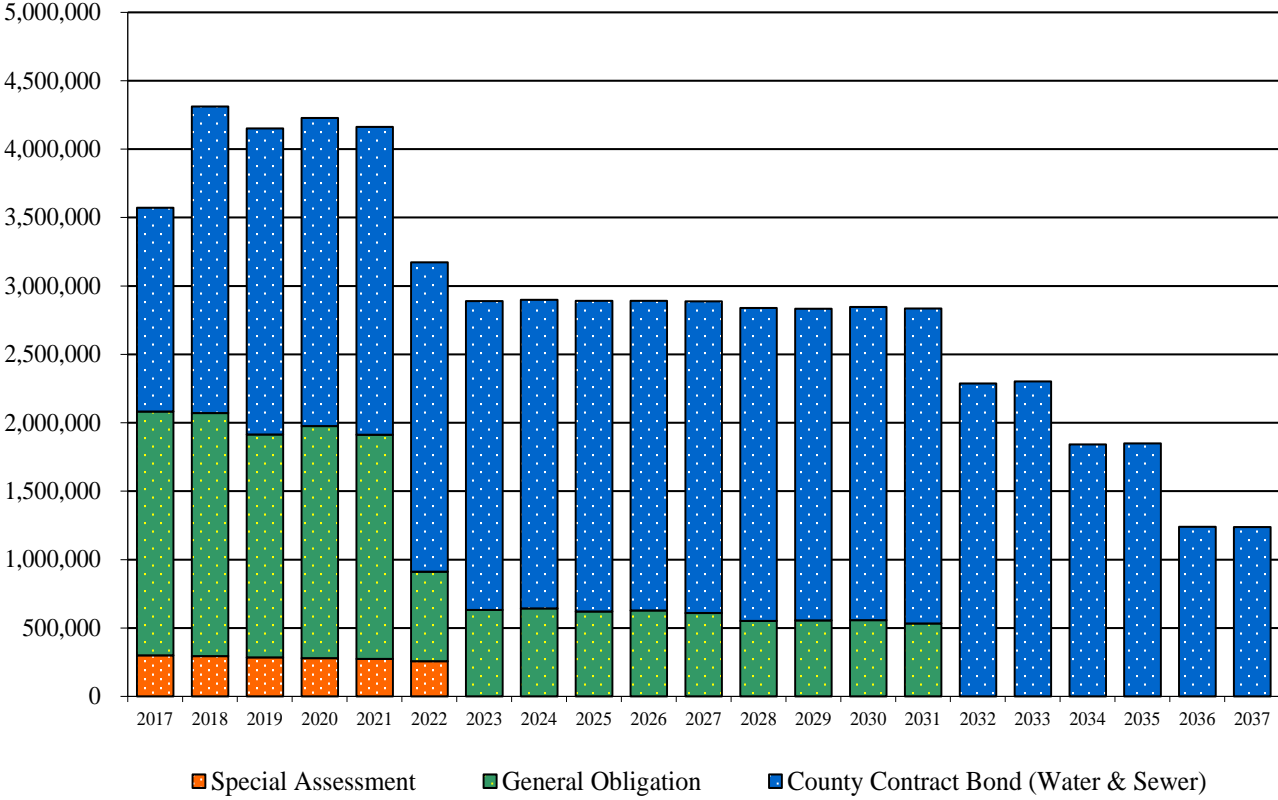
The City of Farmington Hills Building Authority is a financing vehicle utilized in Michigan to finance facilities through the issuance of bonded debt. This separate Authority issues debt, builds the facility and enters into lease agreements for the facilities with the community. The annual lease payments are in amounts equal to the annual debt service requirements. The operating tax levy support for debt service is budgeted in the General Fund and appropriated ultimately to the Building Authority Debt Service Fund. Lease payments are made to the Building Authority and the Building Authority renders payment to the bond paying agent. The City is currently financing the expansion of the D.P.W. Facility, renovation of Fire Station No. 2, and the relocation and expansion of the 47th District Court Facility through the City of Farmington Hills Building Authority.

Local Road Special Assessment Debt Service Fund

This Fund has historically been used to accumulate special assessment collections to be used to pay debt service costs for bonds issued for specific improvements that benefit property owners and to account for the construction activity for local road improvements that benefit property owners, as well as to pay back special assessment loans from the Special Assessment Revolving Fund. As of FY 2015/16, all new special assessment districts are to be accounted for in the Local Road Fund. Therefore, this Fund will continue to account for special assessment receipts and paybacks to the SAD Revolving Fund for SAD's confirmed prior to FY 2015/16. Once all the assessments have been received and the loans have been paid back, then this Debt Service Fund will only account for the payment of special assessment debt service, and related miscellaneous expenditures.

The City of Farmington Hills' Debt Management Policies are outlined in the Financial Policies Section of this Budget Document. The following Chart reflects the Schedule of Debt Retirement for Existing Debt.

**Schedule of Existing Debt Service (as of June 30, 2016)
for Fiscal Years Ending June 30, 2017 - 2037**



Debt Service Funds

DEBT SERVICE FUNDS SUMMARY

	General Debt Service Fund #301	Building Authority Debt Fund #662	Local Road SAD Debt Fund #813	Total Debt Service Funds
FUND BALANCE AT JULY 1, 2016	174,257	0	1,953,762	2,128,019
REVENUES				
Interest income	440	0	113,559	113,999
Special Assessments	0	0	654,539	654,539
Intergovernmental Revenues	244,332	0	0	244,332
Total Revenues	244,772	0	768,098	1,012,870
EXPENDITURES				
Bond principal payments	375,000	995,000	837,336	2,207,336
Interest and fiscal charges	209,113	203,900	282,139	695,152
Miscellaneous	900	900	9,075	10,875
Total Expenditures	585,013	1,199,800	1,128,550	2,913,363
Revenues over/(under) Expenditures	(340,241)	(1,199,800)	(360,452)	(1,900,493)
OTHER FINANCING SOURCES AND USES				
Proceeds from Bond Sale	0	0	0	0
Transfers In				
-General Fund	1,460,091	0	0	1,460,091
-SAD Revolving Fund	0	0	0	0
-Local Road Fund	79,950	0	818,437	898,387
-General Debt Fund	0	1,199,800	0	1,199,800
-Park Millage Fund	0	0	0	0
Total Transfers In	1,540,041	1,199,800	818,437	3,558,278
Transfers Out				
-SAD Revolving Fund	0	0	(608,173)	(608,173)
-Local Road Fund	0	0	0	0
- Building Authority Fund	(1,199,800)	0	0	(1,199,800)
Total Transfers out	(1,199,800)	0	(608,173)	(1,807,973)
Total Other Financing Sources and Uses	340,241	1,199,800	210,264	1,750,305
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	0	(150,188)	(150,188)
FUND BALANCE AT JUNE 30, 2017	174,257	0	1,803,574	1,977,831

Debt Service Funds**GENERAL DEBT SERVICE FUND**

FUND NUMBER: 301

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	6,625	162,749	161,247	161,247	174,257	174,257
REVENUES						
(642) Caddell Drain Credit	0	3,070	0	0	0	0
(664) Interest Income	137	497	400	430	440	440
(655) Contribution from Farmington - Court	163,437	136,822	149,038	149,038	155,332	155,332
(655) District Court Building Fund	98,845	87,596	94,500	88,000	89,000	89,000
Total Revenues	262,418	227,985	243,938	237,468	244,772	244,772
OTHER FINANCING SOURCES						
(676) Contribution From Other Funds:						
General Fund	2,069,682	1,943,105	1,419,180	1,419,180	1,460,091	1,460,091
SAD Revolving Fund	78,900	77,800	0	0	0	0
Local Road Fund	0	0	81,150	81,150	79,950	79,950
Park Millage Fund	150,000	150,000	0	0	0	0
(695) Bond Proceeds	5,762	0	0	0	0	0
	2,304,344	2,170,905	1,500,330	1,500,330	1,540,041	1,540,041
TOTAL REVENUES AND OTHER FINANCING SOURCES	2,566,762	2,398,890	1,744,268	1,737,798	1,784,813	1,784,813
EXPENDITURES						
GENERAL DEBT ISSUES:						
(990) Interest:						
Caddell Erosion - 1994	7,517	2,456	0	0	0	0
Farmington Hills Golf Club	24,031	15,300	5,500	5,150	0	0
Farmington Hills Ice Arena	33,105	11,065	0	0	0	0
2012 G.O. Limited Capital Impr. Bonds	23,900	22,400	21,650	21,450	20,050	20,050
2013 Golf Refunding Interest	193,524	193,563	192,313	192,613	189,063	189,063
Total	282,077	244,783	219,463	219,213	209,113	209,113
(995) Principal:						
Caddell Erosion - 1994	122,784	122,784	0	0	0	0
Farmington Hills Golf Club	225,000	250,000	250,000	250,000	0	0
Farmington Hills Ice Arena	500,000	495,000	0	0	0	0
2012 G.O. Limited Capital Impr. Bonds	55,000	55,000	60,000	60,000	60,000	60,000
2013 Golf Refunding	0	50,000	50,000	50,000	315,000	315,000
Total	902,784	972,784	360,000	360,000	375,000	375,000
TOTAL GENERAL DEBT	1,184,861	1,217,567	579,463	579,213	584,113	584,113
(996) Miscellaneous/Audit Expense	2,650	900	2,650	900	900	900
Total Expenditures	1,187,511	1,218,467	582,113	580,113	585,013	585,013

Debt Service Funds**GENERAL DEBT SERVICE FUND**

FUND NUMBER: 301

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
OTHER FINANCING USES							
(905)	Contribution to Building Authority						
	Interest:						
	Refunding Bond - 2003 DPW/Fire	34,753	27,300	19,680	19,700	12,000	12,000
	47th District Court - Refunding	298,375	264,625	230,125	230,125	191,900	191,900
	Total	333,128	291,925	249,805	249,825	203,900	203,900
	Principal:						
	Refunding Bond - 2003 DPW/Fire	205,000	200,000	200,000	200,000	195,000	195,000
	47th District Court - Refunding	685,000	690,000	695,000	695,000	800,000	800,000
	Total	890,000	890,000	895,000	895,000	995,000	995,000
	Use of Bldg. Authority Fund Balance	0	0	975	0	0	0
	Total Contribution to Building Auth.	1,223,128	1,181,925	1,145,780	1,144,675	1,199,800	1,199,800
	Total Other Financing Uses	1,223,128	1,181,925	1,145,780	1,144,675	1,199,800	1,199,800
TOTAL EXPENDITURES AND OTHER FINANCING USES		2,410,638	2,400,392	1,727,893	1,724,788	1,784,813	1,784,813
	Revenues Over/(Under) Expenditures	156,124	(1,502)	16,375	13,010	0	0
	FUND BALANCE AT JUNE 30	162,749	161,247	177,622	174,257	174,257	174,257

Debt Service Funds**BUILDING AUTHORITY FUND**

FUND NUMBER: 662

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1		2,923	1,949	1,050	1,050	0	0
REVENUES							
(664)	Interest Income	1	1	0	0	0	0
Total Revenues		1	1	0	0	0	0
OTHER FINANCING SOURCES							
Contributions from other funds:							
(301)	General Debt Service Fund	1,223,128	1,181,925	1,145,780	1,144,675	1,199,800	1,199,800
Total Other Financing Sources		1,223,128	1,181,925	1,145,780	1,144,675	1,199,800	1,199,800
TOTAL REVENUES AND OTHER FINANCING SOURCES		1,223,128	1,181,926	1,145,780	1,144,675	1,199,800	1,199,800
EXPENDITURES							
	Bond Principal	890,000	890,000	895,000	895,000	995,000	995,000
	Bond Interest:						
	Refunding -DPW/Fire	34,752	27,300	19,680	19,700	12,000	12,000
	47th District Court - Refunding	298,375	264,625	230,125	230,125	191,900	191,900
	Total Interest	333,127	291,925	249,805	249,825	203,900	203,900
	Total Debt Service	1,223,127	1,181,925	1,144,805	1,144,825	1,198,900	1,198,900
	Audit Fees	975	900	975	900	900	900
TOTAL EXPENDITURES		1,224,102	1,182,825	1,145,780	1,145,725	1,199,800	1,199,800
TOTAL EXPENDITURES AND OTHER FINANCING USES		1,224,102	1,182,825	1,145,780	1,145,725	1,199,800	1,199,800
Revenues Over/(Under) Expenditures		(974)	(899)	0	(1,050)	0	0
FUND BALANCE AT JUNE 30		1,949	1,050	1,050	0	0	0

Debt Service Funds**LOCAL ROAD SPECIAL ASSESSMENT DEBT SERVICE FUND**

FUND NUMBER: 813

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1		2,090,379	1,898,108	2,097,263	2,097,263	1,953,762	1,953,762
REVENUES							
664	Special Assessment Interest	181,940	171,650	0	144,002	113,559	113,559
672	Special Assessment Principle	1,102,473	954,676	0	668,177	654,539	654,539
Total Revenue		1,284,413	1,126,326	0	812,179	768,098	768,098
EXPENDITURES							
440	Capital/Bond Financing Costs	28,327	0	0	0	0	0
996-001	Debt Service (P&I)	422,861	467,422	446,487	306,438	1,119,475	1,119,475
996-003	Auditing Fees	0	9,075	9,075	9,075	9,075	9,075
Total Expenditures		451,188	476,497	455,562	315,513	1,128,550	1,128,550
Excess or Revenue (Under)/Over Expenditures		833,225	649,829	(455,562)	496,666	(360,452)	(360,452)
OTHER FINANCING SOURCES/(USES)							
	Revolving SAD Fund (net)	159,228	(380,798)	0	(639,337)	(608,173)	(608,173)
	Local Roads	(1,132,972)	(10,507)	0	(830)	818,437	818,437
	Water/Sewer	(51,751)	(59,369)	0	0	0	0
Total Other Financing Sources/(Uses)		(1,025,496)	(450,674)	0	(640,167)	210,264	210,264
Net Change in Fund Balance		(192,271)	199,155	(455,562)	(143,501)	(150,188)	(150,188)
FUND BALANCE AT JUNE 30		1,898,108	2,097,263	1,641,701	1,953,762	1,803,574	1,803,574

Debt Service Funds

**CALCULATION OF DEBT LEVY FY 2016/17
GENERAL DEBT SERVICE FUND**

<i>Description of Debt</i>	<i>Fund Servicing Debt</i>	<i>Final Maturity</i>	<i>Debt Outstanding Year Ended 6/30/16</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Millage*</i>
Building Authority Issues:							
Refunding Bonds-2003 DPW/Fire Station No.2	Building Authority	17-18	390,000	195,000	12,000	207,000	0.0662
Audit Fees						900	0.0003
47TH District							
Court Refunding	Building Authority	20-21	4,485,000	800,000	191,900	991,900	
Farmington Hills Court Debt			4,485,000	800,000	191,900	991,900	0.3173
Less Farmington's Share (15.66%)				(125,280)	(30,052)	(155,332)	(0.0497)
Less Contributions - Court Bldg. Fund				(71,781)	(17,219)	(89,000)	(0.0285)
Net Debt Levy				602,939	144,629	747,568	0.2392
Use of Bldg. Authority Fund Balance						0	0.0000
Total Building Authority Issues			4,875,000	797,939	156,629	955,468	0.3057
Farmington Hills Golf Club:		30-31	6,445,000	315,000	189,063	504,063	0.1613
Capital Improvement Bonds - City Share of SAD		26-27	800,000	60,000	20,050	80,050	0.0256
Miscellaneous Expenditures						900	
Local Road Fund						(79,950)	
Interest Earnings						(440)	
Fund Balance Contribution						0	
						(79,490)	(0.0254)
GRAND TOTAL			12,120,000	1,172,939	365,742	1,460,091	0.4671
			Net Amount	Debt Millage			
DEBT LEVY:			1,460,091	0.4671			
Taxable Value less Ren.Zone			3,125,760,110				

* Debt issued prior to the State Constitutional Amendment in December, 1978, or approved by the vote of the electorate since that time, is exempt from Charter Millage Limitation. Debt issued without a vote of the electorate since then is subject to Charter Millage Limitations. All current bond issues and related debt service is subject to the Charter limits.

DEBT SUMMARY FY 2016/17

Description of Existing Debt	Fund Servicing Debt	Existing Debt Outstanding at June 30, 2016	Principal	Interest	Total
General Obligation:					
Farmington Golf Club	Debt Service	6,445,000	315,000	189,063	504,063
Local Roads	Debt Service	800,000	60,000	20,050	80,050
Building Authority Bonds	Debt Service	4,875,000	995,000	203,900	1,198,900
County Contract Bonds	* Water and Sewer	34,120,005	630,000	410,356	1,040,356
Special Assessment Bonds	** Special Assessment	1,590,000	270,000	31,038	301,038
TOTAL		47,830,005	2,270,000	854,407	3,124,407

* Included in the City's Water and Sewer Funds

** Does not include pending SAD Bonds.

**STATEMENT OF LEGAL DEBT MARGIN
AS OF JUNE 30, 2016**

Act 279, Public Acts of Michigan of 1909, as amended, provides that the net indebtedness of the City shall not exceed 10 percent of all assessed valuation as shown by the last preceding assessment roll of the City. In accordance with Act 279, the following bonds are excluded from the computation of net indebtedness:

- Special Assessment Bonds
- Mortgage Bonds
- Revenue Bonds
- Bonds issued, or contracts or assessment obligations incurred, to comply with an order of the Water Resources Commission or a court of competent jurisdiction.
- Other obligations incurred for water supply, drainage, sewerage, or refuse disposal projects necessary to protect the public health by abating pollution.

The Municipal Finance Act provides that the total debt in Special Assessment Bonds, which would require that the City pledge its full faith and credit, shall not exceed 12 percent of the assessed valuation of taxable property of the City, nor shall such bonds be issued in excess of three percent in any calendar year unless voted. The Special Assessment Bond percent is in addition to the above described 10 percent limit provided in Act 279, Public Acts of Michigan of 1909, as amended. The following is the Legal Debt Margin calculation:

2016 State Equalized Value (SEV)	<u>3,750,000,000</u>
Debt Limited (10% of State Equalized Valuation and Equivalent)	375,000,000
Amount of Outstanding Debt *	47,830,005
Less:	
Special Assessment Bonds	<u>1,590,000</u> <u>46,240,005</u>
LEGAL DEBT MARGIN	<u>328,759,995</u>
 Percentage of Legal Debt Limit Utilized	 12.33%

* Inclusive of Water and Sewer Funds Debt.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are maintained to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays; including the acquisition or construction of major capital facilities or outlays, other than those of Roads funded by Gas & Weight Taxes/Millage, Parks & Recreation, Forfeiture Funds, and Water & Sewer Utilities, which are accounted for in separate Special Revenue and Enterprise Funds. Budget Funds in this group include:

- **The Capital Improvement Fund**, which is a major Fund by the criteria of GASB 34 and is used to account for the development of capital projects, facilities and equipment; and
- **The Golf Course Capital Improvement Fund**, which was established in 1992 and is used to account for the acquisition of golf course equipment and capital improvements.
- **The Special Assessment Revolving Fund**, which was established in 1986 to utilize assessments for construction advances, loans to SAD's, the City's contribution to SAD's, the elimination of SAD deficits, and for ongoing repairs and maintenance to SAD's.

CAPITAL PROJECTS FUNDS SUMMARY

	Capital Improvement Fund #404	Golf Course Capital Improv. Fund #412	Special Assessment Revolving Fund #247	Total Capital Project Funds
FUND BALANCE AT JULY 1, 2016	1,308,000	15,386	880,631	2,204,017
REVENUES				
Sales, Fees & Other	0	30,750	0	30,750
Interest income	3,000	80	2,000	5,080
Total Revenues	3,000	30,830	2,000	35,830
EXPENDITURES				
Public Facilities	1,705,000	0	0	1,705,000
Drainage	1,777,500	0	0	1,777,500
Sidewalk	177,000	0	0	177,000
Equipment	3,194,000	67,000	0	3,261,000
Administration & Misc.	1,900	200	1,400	3,500
Total Expenditures	6,855,400	67,200	1,400	6,924,000
Revenues over/(under) Expenditures	(6,852,400)	(36,370)	600	(6,888,170)
OTHER FINANCING SOURCES AND USES				
Transfer in from Local Road SAD	0	0	608,173	608,173
Transfer in from Local Road Fund	0	0	179,858	179,858
Transfer in from CDBG	100,000	0	0	100,000
Transfer in from General Fund	5,444,400	29,952	0	5,474,352
Transfer out	0	0	(1,000)	(1,000)
Total Other Financing Sources and Uses	5,544,400	29,952	787,031	6,361,383
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,308,000)	(6,418)	787,631	(526,787)
FUND BALANCE AT JUNE 30, 2017	0	8,968	1,668,262	1,677,230

CAPITAL IMPROVEMENT FUND

Overview

In 1982, the City Council established the Capital Improvement Fund for the purpose of providing financing for the acquisition and construction of infrastructure improvements and equipment acquisitions in excess of \$25,000 to maintain the quality of service in Farmington Hills. The annual Capital Improvement Fund Budget is the financial means by which the first year of the Capital Improvement Program (CIP) is implemented to the extent revenues are available.

Capital Improvement Plan

The City Charter (Sections 3.07 and 6.08) charges the City Manager with the responsibility of submitting a Capital Improvements Plan to the City Council. Public Act 285 of the Public Acts of 1931 of the State of Michigan requires cities with Planning Commissions to prepare a Six-Year Capital Improvements Plan.

The goal in developing a multi-year Capital Improvement Program is to plan for and establish guidelines and priorities for capital improvements and expenditures in a fiscally sound manner. This program sets forward the basis for annual fiscal capital projects budgeted in the budgetary funds such as the Capital Improvement Fund, Road Funds and dedicated millage funds for Public Safety and Parks and Recreation development. The CIP helps track multi-year projects that may require planning, design, land acquisition, construction and future operating costs. The projects identified in the CIP represent the City's plan to serve residents and anticipate the needs of our dynamic community. It is updated annually by the Planning Commission and presented to the City Council for their consideration. The following documents are considered in the preparation of the CIP:

- Five Year Departmental Plans
- Capital Improvements Plan
- The Master Plan for Future Land Use
- The Parks and Recreation Master Plan
- The Economic Development Plan
- The Master Storm Drainage Plan
- The Sustainability Study
- The Technology Master Plan
- The Municipal Complex Master Plan

Within each of these plans, a prioritization process is described that outlines how specific projects are ranked. Each year the Planning Commission, with staff input, prioritizes the projects in the Capital Improvements Plan. The establishment of priorities is indicated by the fiscal year in which the projects are scheduled to be implemented.

The Plan is reviewed by the Planning Commission at a study session and then set for public review at a public hearing. The finalized document becomes the "City of Farmington Hills Six Year Capital Improvements Plan." This formal document is not static but is used as a basis for next year's plan.

Capital Improvement Fund

As used in this document, the term Capital Improvements Plan is intended to reflect a complete list of all major capital projects with estimates anticipated in both capital and future operating costs over the next six-year period that will be necessary to serve existing and new development in the City. All of these public facilities, utility and service projects are listed on a priority basis, which reflects the fiscal year in which they are proposed. This six-year program also includes a discussion for providing the financial means for implementing the projects so that the City can provide, as adequately as possible, for the public health, safety and general welfare of all the people of the City and economic activities that support them.

Relationship between the Capital and Operating Budgets

The Capital and Operating budgets are closely interrelated. The allocation of the total millage between operating expenditures in the General Fund, capital expenditures in the Capital Improvement Fund, and debt service on bond issues, whose proceeds were utilized to fund prior capital improvements, has a direct impact on funding committed for operations and capital improvements.

Capital expenditures impact the operating budget both positively and negatively. Paving and resurfacing roads reduces maintenance costs as does major refurbishing of City facilities. Sidewalk and bike path construction, storm drainage improvements, and DPW equipment replacement do not add any significant operating costs. However, the construction of new facilities and expansions of existing facilities will increase utility, building maintenance and custodial costs. See the Project Detail section for specific information on the operating impact of funded capital projects.

Revenue

Operating Millage appropriated to this Fund from within the City Charter millage is the primary source of revenue. The property tax appropriation increases by \$972,691 in FY 16/17 to fund the proposed Capital Projects.

Expenditures

The annual Capital Improvement Fund budget is the financial means by which the first year of the Capital Improvement Program is implemented to the extent revenues are available. For FY 2015/16, there were over \$576,000 of project expenditures encumbered and carried forward from FY 2014/15. For FY 2016/17, in addition to the capital projects contained in the General Fund, Road Funds, Forfeiture Funds, the Parks Millage Fund, the Brownfield Redevelopment Authority Fund and Golf Course Capital Improvement Fund budgets, the City plans to expend approximately \$6.9 million for capital improvements in this Fund benefiting the entire community. This program is comprised of facility improvements and expansions, sidewalk construction, drainage improvements, technology enhancements, and the acquisition of various equipment for the Public Services and Fire Departments. The Project Detail pages describe the capital projects.

Capital Improvement Fund

Fund Balance:

The projected fund balance for FY 16/17 will decrease by \$1,308,000 or 100% to \$0 by June 30, 2017. Due to General Fund tax dollars being the primary funding source for this Fund, all available fund balance is assumed to be used in conjunction with the City's limited taxing authority.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

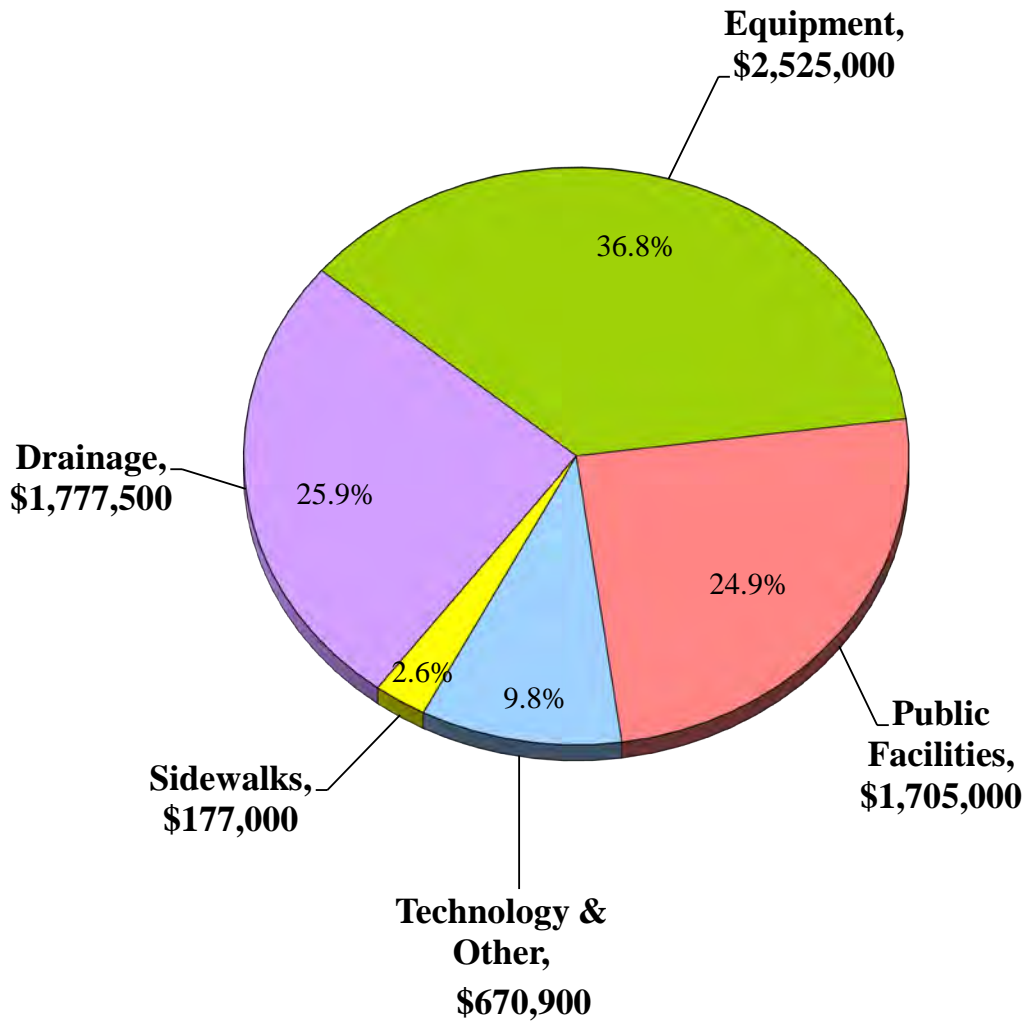
- \$857,036 or 13.3% decrease from the current budget.
- The decrease results primarily from the projected lower than budgeted public facility and equipment costs, partially offset by projected increased drainage and sidewalk project costs.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$1,287,189 or 23% increase from the FY 15-16 year-end projection and \$430,153 or 7% increase from the FY 15-16 budget.
- The budget to budget increase results from approximately \$1,300,200 more drainage expenditures; partially offset by \$712,300 less public facilities expenditures, \$150,400 less equipment expenditures, \$4,800 less sidewalk expenditures and \$2,600 less administrative expenditures.

	2013-2014 ACTUAL	2014-15 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016/17 PROPOSED BUDGET
Capital Improvement Fund	\$4,150,138	\$2,994,003	\$6,425,247	\$5,568,211	\$6,855,400

Capital Improvement Fund Expenditures \$6,855,400



Capital Improvement Fund

CAPITAL IMPROVEMENT FUND

FUND NUMBER: 404

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	4,567,903	2,367,566	2,076,505	2,076,505	1,308,000	1,308,000
REVENUES						
Interest on Investments	1,442	862	500	3,000	3,000	3,000
Sale of Fixed Assets	41,000	3,100	2,000	0	0	0
Sidewalk SAD's	7,737	20,371	0	12,851	0	0
Energy & Environmental Sustainability	0	0	0	12,146	0	0
Grants	48,999	11,684	0	0	0	0
Miscellaneous	0	51,417	0	0	0	0
Total Revenues	99,177	87,434	2,500	27,997	3,000	3,000
OTHER FINANCING SOURCES						
Contribution From:						
CDBG Fund	2,000	173,322	112,831	300,000	100,000	100,000
General Fund - Property Tax Allocation	1,843,981	2,436,707	4,847,923	4,471,709	5,444,400	5,444,400
Contribution From Other Governments						
City of Farmington	4,642	5,479	0	0	0	0
Total Other Financing Sources	1,850,623	2,615,508	4,960,754	4,771,709	5,544,400	5,544,400
TOTAL REVENUES AND OTHER FINANCING SOURCES	1,949,800	2,702,942	4,963,254	4,799,706	5,547,400	5,547,400
EXPENDITURES						
DRAINAGE	871,590	303,608	477,287	481,877	1,777,500	1,777,500
SIDEWALKS	291,210	435,884	181,792	410,438	177,000	177,000
EQUIPMENT						
Video Equipment	0	0	0	105,218	0	0
Data Processing & Technology	347,892	315,605	420,360	329,435	669,000	669,000
Police Equipment	69,193	102,586	103,119	98,048	0	0
Fire Equipment & Apparatus	1,021,397	462,398	1,089,227	264,690	1,945,000	1,945,000
Special Services Equipment	0	29,991	410,000	440,746	0	0
D.P.W. Equipment	785,108	665,658	1,321,683	1,585,158	580,000	580,000
Total Equipment	2,223,590	1,576,238	3,344,389	2,823,295	3,194,000	3,194,000
ADMINISTRATIVE						
General E&E Sustainability Supplies	0	0	2,500	2,500	0	0
Audit Fees	1,950	1,850	1,950	1,850	1,900	1,900
Total Administrative	1,950	1,850	4,450	4,350	1,900	1,900

Capital Improvement Fund

CAPITAL IMPROVEMENT FUND

FUND NUMBER: 404

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
PUBLIC FACILITIES						
Land Acquisition	6,052	0	0	3,601	0	0
City-wide Air Conditioning Replacements	0	0	50,000	50,000	50,000	50,000
Gateway Signage @ Entrances to City - Major Roads	0	0	0	0	50,000	50,000
Exterior Wayfinding @ City Hall Municipal Campus	0	0	0	0	25,000	25,000
Activity Center Renovation	130,798	0	0	0	0	0
Costick Center HVAC Replacements	0	0	350,000	350,000	0	0
Costick Center - Parking Lot Improvements	0	0	540,000	10,000	540,000	540,000
Costick Center Improvements	0	0	0	0	300,000	300,000
Heritage Park Nature Center Improvements	0	0	33,000	74,533	0	0
Heritage Park Entry Road Improvements	0	289,492	58,835	0	0	0
Founders Park - Pump Station & Parking Lot Lights	0	0	40,000	40,000	0	0
Ice Arena Improvements	0	0	0	0	100,000	100,000
Fire Station Improvements	157,937	75,234	135,000	167,392	260,000	260,000
City Hall Revitalization Project	18,474	1,493	0	0	0	0
Police Building Improvements	310,200	25,000	875,000	875,000	0	0
Police Exterior Updates	0	0	0	0	50,000	50,000
Police Parking Lot Improvements	0	225,393	10,494	10,000	0	0
Gas Pump & Related Canopy Replacement	62,166	55,834	0	0	0	0
Barrier Free (ADA) Improvements	0	0	25,000	23,507	25,000	25,000
Energy & Environmental Sustainability Projects	16,171	3,977	250,000	194,218	15,000	15,000
DPW Improvements	60,000	0	50,000	50,000	0	0
DPW Roof Replacment	0	0	0	0	290,000	290,000
Total Public Facilities	761,798	676,423	2,417,329	1,848,251	1,705,000	1,705,000
TOTAL EXPENDITURES	4,150,138	2,994,003	6,425,247	5,568,211	6,855,400	6,855,400
TOTAL EXPENDITURES AND OTHER FINANCING USES	4,150,138	2,994,003	6,425,247	5,568,211	6,855,400	6,855,400
Revenues Over/(under) Expenditures	(2,200,337)	(291,061)	(1,461,993)	(768,505)	(1,308,000)	(1,308,000)
FUND BALANCE AT JUNE 30	2,367,566	2,076,505	614,512	1,308,000	0	0

Capital Improvement Fund

PROJECT DESCRIPTIONS

Drainage

Drainage projects improve the drainage courses outlined in the Master Storm Drainage Plan and are supplemented by storm water quality considerations required under the City's National Pollutant Discharge Elimination System storm water permit. Priority criteria are:

- Integrating water quantity issues with water quality issues;
- Immediate flood peak reduction to solve the most significant flooding concerns;
- Integration with other improvements including water main, sanitary sewer, paving and building construction;
- Ensuring the continued development and redevelopment of the City; and
- Encouragement of riparian stewardship and maintenance.

In 2016/17 drainage expenditures of \$1,777,500 will be as follows:

	DRAINAGE PROJECTS	16/17 BUDGET	MAINT. COSTS	OTHER OPERATING COSTS
1.	Storm Water Pollution Prevention Initiative	25,000	No Change	No Change
2.	Miscellaneous Drain Construction	50,000	No Change	No Change
3.	Illicit Discharge Elimination Program	15,000	No Change	No Change
4.	GIS Storm Phases I, II & III	12,500	No Change	No Change
5.	Open Channel Maintenance	50,000	No Change	No Change
6.	Misc. Major Culvert Replacement & Repair	25,000	No Change	No Change
7.	Miscellaneous Storm Sewer Repair	100,000	No Change	No Change
8.	Drake Road Culvert Replacement	1,500,000	No Change	No Change

1. Storm Water Pollution Preventative Initiative. An NPDES permit was obtained from the MDEQ. As a requirement of the permit, a watershed management plan is needed. A major component of this plan is the Storm Water Pollution Prevention Initiative. The Pollution Prevention Initiative requires that certain projects and procedures be adopted that will ultimately lead to a cleaner Rouge River in accordance with the Federal Clean Water Act. Projects may include erosion controls in the open watercourses in Farmington Hills and siltation basins to remove suspended sediment from storm water.
2. Miscellaneous Drain Construction. This involves construction of storage facilities, pipe and culvert enclosures and channel improvements throughout most of the drainage districts in the City. It also includes projects that are necessitated from inspection programs.
3. Illicit Discharge Elimination Program. Under the current NPDES storm water permit, the City has a continuous requirement to identify and remove illegal discharges into City owned drainage systems. This includes sanitary system corrections, drainage system sampling and monitoring, education programs, pollution investigative efforts, etc, that are related to the City owned drainage system.
4. GIS Storm Phases I, II & III. This project involves the identification of areas in the City where storm system features have not been acquired to date and locating plans for these areas where available. The additional plans will be digitized and storm features will be added to the GIS storm sewer layer as required under the NPDES permit issued to Farmington Hills.
5. Open Channel Maintenance. Ninety-percent of the City's drainage system is in open channels. Most of these major drainage courses have not been cleaned since their original construction. This program represents a continuous program for maintenance of these drainage courses.

Capital Improvement Fund

6. Miscellaneous Major Culvert Replacement & Repair. This involves emergency replacement and repair of major culverts in the public right-of-way.
7. Miscellaneous Storm Sewer Repair. Throughout this City many local roads are being considered for reconstruction through the Special Assessment process. In addition, several of the areas where the roads are not candidates for local reconstruction have storm sewers in need of rehabilitation. The storm sewer system in these areas as determined by the DPS will be televised and inspected. If deemed necessary an appropriate cleaning, repair, replacement, lining and rehabilitation program will be implemented at the time of or prior to the road reconstruction.
8. Drake Road Culvert Replacement. The existing twin 11' x 7' culvert under Drake Road is failing and in need of replacement. An 18' x 7' concrete box culvert is being considered.

Financial impact: Drainage improvements do not have a significant impact on operating budgets. The cost of the capital improvements are distributed over many years and ensure continued improvement, thereby having the potential to save millions of dollars in flood damage in the future.

Non-financial impact: The City is required to install various improvements in accordance with the United States Clean Water Act. All projects are consistent with the City's federal permit. Funding projects in the Master Storm Drainage Plan promotes an improved quality of life.

Public Facilities

The Municipal Complex Master Plan defines space requirements necessary to alleviate overcrowding and provides the technological requirements that are necessary for the City to provide services.

In 2016/17 public facilities expenditures of \$1,705,000 will be as follows:

	PUBLIC FACILITIES	16/17 BUDGET	MAINTENANCE COSTS	OTHER OPERATING COSTS
1.	City-wide Air Conditioning Replacements	50,000	No Change	No Change
2.	Gateway Signage @ Entrances to City	50,000	No Change	No Change
3.	Exterior Wayfinding @ City Hall Campus	25,000	No Change	No Change
4.	Costick Center Imp. & Parking Lot Imp.	840,000	No Change	No Change
5.	Ice Arena Improvements	100,000	No Change	No Change
6.	Barrier Free (ADA) Improvements	25,000	No Change	No Change
7.	Energy & Environmental Sustainability	15,000	Reduction	No Change
8.	DPW Roof Replacement	290,000	No Change	No Change
9.	Fire Station Improvements	260,000	No Change	No Change
10.	Police Exterior Updates	50,000	No Change	No Change

1. City-wide Air Conditioning Replacements. HVAC systems at seven City facilities are impacted by the pending phase-out of R-22 refrigerant. R-22 is a hydrochlorofluorocarbon subject to EPA mandates. R-22 refrigerant will not be manufactured or imported after January 1, 2020. Replacement of these systems will be required at some point in the future.
2. Gateway Signage @ Entrances to City. The existing entrance/gateway signs were installed over 18 years ago. Many have since been damaged and removed. This project includes planning, design, and installation of new signage.
3. Exterior Wayfinding @ City Hall Campus. Installation of wayfinding signage to direct visitors to services at the Municipal Campus.

Capital Improvement Fund

4. Costick Center Improvements. Planned Improvements include the replacement of the boiler systems in Mechanical Room 8 that control and supply heat distribution to Wexford hall, the Northwest Corridor and Conway Hall, along with a domestic boiler; the replacement of office and hallway carpeting; exterior painting and tuck-point; and Parking Lot C repaving and improvements.
5. Ice Arena Improvements. Updates and repairs to Ice Arena infrastructure and equipment.
6. Barrier Free (ADA) Improvements. The City conducted a survey of architectural barriers in its buildings, facilities, and parks in the spring and summer of 2008. The survey identified physical barriers in City buildings, facilities, and parks built prior to 1992 based on Michigan Barrier Free Design standards. Recognizing that the City has limited funds and cannot immediately make all buildings, facilities, and parks fully accessible, the City has prioritized barriers based on a barrier's level of impact on a person's ability to access City facilities and/or programs.
7. Energy & Environmental Sustainability. Numerous opportunities remain throughout City facilities to decrease energy use, deploy renewable energy and implement other energy and environmental initiatives. Investing in sustainability reduces city operating costs and hedges against the rising cost of energy. In most cases, investments in energy efficiency can have a positive impact on operation and maintenance budgets allowing funds to be redeployed to other priorities. Projects to be targeted for Energy and Environmental Sustainability Funds or grants include:
 - Lighting Upgrades: Various Locations.
 - Energy Efficiency Upgrades (Non-Lighting): Various Locations.
 - Building Envelope Improvements: Various Locations.
8. DPW Roof Replacement. The current DPW facility was built in 1997. Staff has been battling leaks throughout the facility for several years. The current rubber membrane roof has now separated from the structure. Old auto tires are being used as weights to keep the membrane in place until the roof can be replaced.
9. Fire Station Improvements. Fire stations 1, 2, 4, and 5 are in need of a network of interior improvements. These stations are all over 17 years old. Improvements include various cabinets, countertops, carpet, and interior modifications to accommodate a 24 hour operation. In addition, the concrete aprons, driveways, sidewalks and parking lots are deteriorating at fire stations 1, 2, 4 and 5 and are in need of replacement and/or repairs.
10. Police Exterior Updates. The police building's parking lots allow full undeterred access to sensitive areas that affect employee safety and facility security. Open access to these areas expose city vehicles, containing high value equipment, to intentional property crimes. Access control improvements would be designed to decrease accessibility to these sensitive areas and improve employee safety and property security. Area Police Departments have experienced safety and security related issues at their facilities. These issues include; open carry advocates conducting hostile encounters, persons with mental health issues engaging police employees, vandalism, theft, assault, trespassing and compromised undercover operations. Farmington Hills has also experienced problems resulting from breeches in security. This project would include new signage, vehicle access controls, and pedestrian access controls.

Financial Impact: Some of these public facility improvements/replacements are expected to provide energy savings cost reductions.

Non-financial Impact: Improved employee working conditions are expected to increase employee efficiency, effectiveness and morale.

Capital Improvement Fund

Sidewalks and Bike Paths

Providing safe pedestrian travel along major traffic corridors is a priority of the City Council, School Board, staff, and residents. Developers have installed sidewalks as a requirement of development. In many cases, sidewalk gaps have resulted. Annually, pedestrian traffic generators and sidewalk gaps are identified in preparation of the Capital Improvements Plan. These areas continue to be a priority. In 2016/17 sidewalks and bike path expenditures of \$177,000 will be as follows:

	SIDEWALKS AND BIKE PATHS	16/17 BUDGET	MAINTENANCE COSTS	OTHER OPERATING COSTS
1.	Major Road Sidewalk Replacements	100,000	No Change	No Change
2.	Non-motorized Master Plan	25,000	No Change	No Change
3.	Middlebelt, Westside, Ten Mile to Juneau Lane	52,000	No Change	No Change

Financial Impact: Providing sidewalks and bike paths does not have a significant impact on operating budgets.

Non-financial Impact: Sidewalks and bike paths add to the attractiveness of the City, appeal to families, and signal a resident-friendly community. They contribute positively to the community's environment and image. They provide safe pedestrian travel to schools, shopping centers, and recreational areas.

Equipment

In 2016/17 equipment in the amount of \$3,194,000 will be purchased.

Technology Equipment

The Technology Master Plan provides for ongoing costs of equipment and technology improvements. Ongoing costs include the replacement of equipment and a fast and reliable network. Included in the budget are: PC/network and database upgrades, the digitizing of microfiche and microfilm, improvements to the phone system and election equipment.

Public Service and Fire Department Equipment

Due to the expense of major equipment purchases for the City, a continuous provision must be made from year to year for new equipment and to replace worn out and unserviceable equipment. Priority is given based on mileage, safety, body/interior condition, functionality, mechanical condition, and service record.

Capital Improvement Fund

	EQUIPMENT	16/17 BUDGET	MAINT. COSTS	OTHER OPERATING COSTS
	Technology			
1.	Improved Phone System	200,000	No Change	No Change
2.	Digitizing of Microfiche and Microfilm	50,000	No Change	No Change
3.	City-Wide Technology	200,000	35,000	No Change
4.	Election Equipment	219,000	No Change	No Change
	Fire Department			
5.	Engine #33 Replacement	523,000	No Change	No Change
6.	Rescue # 1 Replacement	228,680	No Change	No Change
7.	Rescue # 2 Replacement	228,680	No Change	No Change
8.	Rescue # 3 Replacement	228,680	No Change	No Change
9.	Rescue # 4 Replacement	228,600	No Change	No Change
10.	Medic #3 Replacement	228,680	No Change	No Change
11.	Medic #5 Replacement	228,680	No Change	No Change
12.	Vehicle Refurbishment	50,000	No Change	No Change
	Public Service Department			
13.	Ten Yard Dump Truck with slip-in V-Box	260,000	No Change	No Change
14.	Refurbished Winter Maintenance Equipment	50,000	No Change	No Change
15.	Mechanical Street Sweeper Replacement	270,000	No Change	No Change

Financial Impact: Purchasing equipment does not have a significant impact on the operating budget.

Non-financial Impact: Having reliable equipment is essential to maintain roads and for the safety of our residents.

PROJECT LIST

	PROPOSED BUDGET FY 2016/17
<u>DRAINS</u>	
Storm Water Pollution Prevention Initiative (SWPPI)	25,000
Miscellaneous Drainage Construction	50,000
IDEP Elimination Program	15,000
GIS Storm Phases I & II & III	12,500
Drainage Maintenance (Open Channel)	50,000
Miscellaneous Major Culvert Replacement & Repair	25,000
Miscellaneous Storm Sewer Repair	100,000
Drake Road Culvert Replacement	1,500,000
TOTAL DRAINAGE	<u>1,777,500</u>
<u>PUBLIC FACILITIES</u>	
City-wide Air Conditioning Replacements	50,000
Gateway Signage @ Entrances to City - Major Roads	50,000
Exterior Wayfinding @ City Hall Municipal Campus	25,000
Costick Center Improvements	300,000
Costick Center - Parking Lot Improvements	540,000
Ice Arena Improvements	100,000
Barrier Free (ADA) Improvements	25,000
Energy & Environmental Sustainability Investments	15,000
DPW Roof Replacment	290,000
Fire Station Improvements	260,000
Police Exterior Updates	50,000
TOTAL PUBLIC FACILITIES	<u>1,705,000</u>
<u>SIDEWALK PROGRAM</u>	
Major Road Sidewalk Replacements, incl. Brick Pavers	100,000
Non-motorized Master Plan	25,000
Middlebelt, Westside, Ten Mile to Juneau Lane	52,000
TOTAL SIDEWALK PROGRAM	<u>177,000</u>

PROJECT LIST

EQUIPMENT

Technology	
Improved Phone System	200,000
Election Equipment	219,000
Digitizing of Microfiche and Microfilm	50,000
City-wide Technology	200,000
Total Technology	<u>669,000</u>
Fire Equipment:	
Engine #33 Replacement	523,000
Replacement for Rescue #1	228,680
Replacement for Rescue #2	228,680
Replacement for Rescue #3	228,680
Replacement for Rescue #4	228,600
Replacement for Medic #3	228,680
Replacement for Medic #5	228,680
Vehicle Refurbishment	50,000
Total Fire Equipment	<u>1,945,000</u>
D.P.W. Equipment:	
Ten Yard Dump Truck with slip-in V-Box	260,000
Refurbish Winter Maintenance Equipment	50,000
Mechanical Street Sweeper Replacement	270,000
Total DPW Equipment	<u>580,000</u>
TOTAL EQUIPMENT	<u><u>3,194,000</u></u>
TOTAL FUND	<u><u>6,853,500</u></u>

Capital Improvement Fund

CAPITAL IMPROVEMENT FUND - CIP SUMMARY TABLE

DEPARTMENT	TOTAL COST	CITY COST	MAINT. COSTS							FUTURE	# OF PROJECTS
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22		
Drainage	21,520	19,250	25	2,055	1,753	1,697	3,415	1,767	555	8,008	26
Public Facilities	7,995	7,804	140	3,124	1,030	855	505	1,755	505	30	24
Sidewalks	10,065	8,319	NC	492	490	724	861	362	976	4,414	26
DPW Equipment	5,908	5,908	NC	900	921	1,113	927	1,059	988	0	6
Fire Equipment	8,017	8,017	NC	1,157	1,180	1,463	1,035	1,521	1,661	0	6
Parks & Recreation	12,298	11,938	155	1,743	550	540	535	535	535	7,500	11
TOTALS:	\$65,803	\$61,236	\$320	\$9,471	\$5,924	\$6,392	\$7,278	\$6,999	\$5,220	\$19,952	99

* Costs shown are in thousands of dollars

Capital Improvement Fund

DRAINAGE

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Storm Water (SWMP)	300,000	300,000	NC	50 CF	50 CF	50 CF	50 CF	50 CF	50 CF	
Storm Water GIS	150,000	150,000	NC	25 CF	25 CF	25 CF	25 CF	25 CF	25 CF	
IDEP Elimination Program	180,000	180,000	NC	30 CF	30 CF	30 CF	30 CF	30 CF	30 CF	
Miscellaneous Drain Construction and Improvements	600,000	600,000	NC	100 CF	100 CF	100 CF	100 CF	100 CF	100 CF	
Open Channel Maintenance Program	600,000	600,000	NC	100 CF	100 CF	100 CF	100 CF	100 CF	100 CF	
Miscellaneous Major Culvert Replacement & Repair	300,000	300,000	NC	50 CF	50 CF	50 CF	50 CF	50 CF	50 CF	
Miscellaneous Storm Sewer Repair	1,200,000	1,200,000	NC	200 CF	200 CF	200 CF	200 CF	200 CF	200 CF	
Drake Road Culvert Replacement	1,500,000	1,500,000	NC	1,500 CF						
Omenwood, Geraldine and Medbury Culvert Improvement	150,000	150,000	NC		150 CF					
North Bell, Randall to Ruth	1,048,000	1,048,000	1,500 AC		1,048 CF					
Storm Modeling and Master Plan Update & Asset Management Plan	1,235,000	142,000	NC			142 CF				
Quaker Valley Road Culvert Replacement	1,000,000	1,000,000	NC			1,000 CF				
Woodcreek Hills Subdivision Drainage	2,860,000	2,860,000	NC				2,860 CF			
Brittany Culvert Replacement	776,000	776,000	NC					776 CF		
Rollcrest/North Ravines	436,000	436,000	1,500 AC					436 CF		
Minnow Pond Drain, Thirteen Mile and Miron	220,000	211,000	NC							211 CF
Brookhill Subdivision Drainage	936,000	188,000	NC							188 CF
SUB TOTAL:	\$13,491,000	\$11,641,000	\$3,000	2,055	1,753	1,697	3,415	1,767	555	399

Capital Improvement Fund

DRAINAGE (continued)

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Fendt Channel Improvement	125,000	125,000	NC							125 CF
Minnow Pond at Halsted	3,500,000	3,500,000	10,000 AC							3,500 CF
Caddell Drain Improvements - Phase II	1,000,000	600,000	NC							600 CF
Mirlon Driveway Culvert	102,000	102,000	NC							102 CF
Harwich Dr. Drainage Improvement	92,000	92,000	NC							92 CF
Windwood Pointe Subdivision Drainage	241,000	121,000	NC							121 CF
North Bell, Ruth to Farmington City Limit	1,069,000	1,069,000	3,500 AC							1,069 CF
North Bell, Eight Mile to Randall	800,000	800,000	3,000 AC							800 CF
Staman Acres Storm Water Relief	1,200,000	1,200,000	5,000 AC							1,200 CF
SUB-TOTAL:	\$8,129,000	\$7,609,000	21,500	0	0	0	0	0	0	7,609
PAGE 1 SUB-TOTAL:	\$13,391,000	\$11,641,000	\$3,000	2,055	1,753	1,697	3,415	1,767	555	399
TOTAL:	\$21,520,000	\$19,250,000	\$24,500	2,055	1,753	1,697	3,415	1,767	555	8,008

Capital Improvement Fund

PUBLIC FACILITIES

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Barrier Free (ADA) Improvements	150,000	150,000	NC	25 CF	25 CF	25 CF	25 CF	25 CF	25 CF	
City-Wide Technology	2,450,000	2,450,000	35,000 AC	600 CF	400 CF	400 CF	350 CF	350 CF	350 CF	On Going
Digitizing of Microfiche and Microfilm	300,000	300,000	NC	50 CF	50 CF	50 CF	50 CF	50 CF	50 CF	On Going
Energy and Environmental Sustainability Investments	180,000	180,000	Reduction	30 CF	30 CF	30 CF	30 CF	30 CF	30 CF	On Going
Air Conditioning Replacements	300,000	300,000	NC	50 CF	50 CF	50 CF	50 CF	50 CF	50 CF	
Improved Phone System	650,000	650,000	30,000 AC	650 CF						
Gateway Signage at Entrances to the City on Major Roads	150,000	150,000	NC	75 CF	75 CF					
Election Equipment	410,500	219,000	NC	219 CF						
DPW Roof Replacement	290,000	290,000	NC	290 CF						
DPW Vehicle Storage Garage Re-Painting	80,000	80,000	NC	80 CF						
Salt Storage Dome Re-roof	95,000	95,000	NC	95 CF						
Exterior Wayfinding at City Hall Municipal Campus	50,000	50,000	NC	50 CF						
City Wide Facilities Audit	80,000	80,000	NC	80 CF						
Police Department Cell Plumbing Replacement	30,000	30,000	NC	30 CF						
Police Exterior Updates	100,000	100,000	NC	100 CF						
911 Call Processing Equipment Replacement	200,000	200,000	NC	200 CF						
911 Recording System	40,000	40,000	NC	40 CF						
Police Officer Body Worn Camera System	200,000	200,000	NC	200 CF						
Communications Section Workstation Replacement	150,000	150,000	NC		150 CF					
Complete Radio System Replacement	250,000	250,000	NC		250 CF					
Mobile Command Post Vehicle	300,000	300,000	NC			300 CF				
Fire Station Improvements	510,000	510,000	NC	260 CF				250 CF		
ERP/Financial Software	1,000,000	1,000,000	75,000 AC					1000 CF		
Police Department Master Keying	30,000	30,000	NC							30 CF
TOTAL:	\$7,995,500	\$7,804,000	\$140,000	3,124	1,030	855	505	1,755	505	30

Capital Improvement Fund

SIDEWALKS

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Sidewalk replacement along major roads including brick paver repair/replace	600,000	600,000	NC	100 CF	100 CF	100 CF	100 CF	100 CF	100 CF	
Non-motorized Master Plan	100,000	100,000	NC	100 CF						
Middlebelt, west side, Ten Mile to Juneau Lane	52,000	52,000	NC	52 CF						
Fourteen Mile, south side, Pear Ridge to Clubhouse	240,000	240,000	NC	240 CF						
Eleven Mile Road, south side, Orchard Lake to Middlebelt	330,000	66,000	NC		66 CF					
Inkster, west side, Twelve Mile to I-696	324,000	324,000	NC		324 CF					
Inkster Road, west side, Nine Mile to Eleven Mile Road	978,000	978,000	NC			489 CF	489 CF			
Eleven Mile, north side, Old Homestead to Farmington Hills, Golf Club	135,000	135,000	NC			135 CF				
Farmington, east side, between Thirteen and Fourteen Mile	272,000	272,000	NC				272 CF			
Inkster Road from Eleven Mile to the north end of the I-696 over pass	262,000	262,000	NC					262 CF		
Power, east side, Ten Mile to Eleven Mile	876,000	876,000	NC						876 CF	
Halsted, west side, Nine Mile to Windwood, City ROW only	86,000	86,000	NC							86 CF
Thirteen Mile, south side, Drake to Valley Bend	162,000	162,000	NC							162 CF
SUB-TOTAL:	\$4,417,000	\$4,153,000	\$0	492	490	724	861	362	976	248

Capital Improvement Fund

SIDEWALKS (continued)

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Rouge River Trail	125,000	0	NC							0
Inkster Road, west side, Thirteen Mile to Old Colony Street	372,000	372,000	NC							372 CF
Folsom, south side, Orchard Lake to Power	315,000	158,000	NC							158 CF
Orchard Lake Road, east side, Folsom to Grand River	440,000	0	NC							0 CF
Ten Mile, south side, Stoney Creek to Inkster	319,000	160,000	NC							160 CF
Halsted Road, east side, Brookwood to Fourteen Mile Road	371,000	371,000	NC							371 CF
Nine Mile, south side, Drake to Farmington	393,000	197,000	NC							197 CF
Nine Mile, south side, Heather Ridge to Acadia Way	74,000	74,000	NC							74 CF
Folsom, south side, Tuck to Orchard Lake Road	810,000	405,000	NC							405 CF
Hills Tech Bike Path **	802,000	802,000	NC							802 CF
Country Club, Haggerty to Twelve Mile	575,000	575,000	NC							575 CF
Halsted Road, Twelve Mile to Hills Tech Drive upgrade to Bike Path	576,000	576,000	NC							576 CF
Haggerty, east side, Hills Tech Drive to Country Club Drive **	476,000	476,000	NC							476 CF
SUB-TOTAL:	\$5,648,000	\$4,166,000		0	0	0	0	0	0	4,166
PAGE 1 SUB-TOTAL:	\$4,417,000	\$4,153,000	\$0	492	490	724	861	362	976	248
TOTAL:	\$10,065,000	\$8,319,000	\$0	492	490	724	861	362	976	4,414

Capital Improvement Fund

DPW EQUIPMENT

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/2019	2019/20	2020/21	2021/22	FUTURE
DPW Equipment	900,000	900,000	NC	900 CF						
DPW Equipment	921,000	921,000	NC		921 CF					
DPW Equipment	1,113,000	1,113,000	NC			1,113 CF				
DPW Equipment	927,000	927,000	NC				927 CF			
DPW Equipment	1,059,000	1,059,000	NC					1,059 CF		
DPW Equipment	988,000	988,000	NC						988 CF	
TOTAL:	\$5,908,000	\$5,908,000		900	921	1,113	927	1,059	988	0

FIRE EQUIPMENT

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Fire Equipment	1,157,000	1,157,000	NC	1,157 CF						
Fire Equipment	1,180,000	1,180,000	NC		1,180 CF					
Fire Equipment	1,463,000	1,463,000	NC			1,463 CF				
Fire Equipment	1,035,000	1,035,000	NC				1,035 CF			
Fire Equipment	1,521,000	1,521,000	NC					1,521 CF		
Equipment and Apparatus	1,661,000	1,661,000	NC						1,661 CF	
TOTAL:	8,017,000	8,017,000	NC	1,157	1,180	1,463	1,035	1,521	1,661	0

Capital Improvement Fund

PARKS & RECREATION

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Maintenance Equipment and Operations	225,000	225,000	NC	40 CF	40 CF	40 CF	35 PM	35 PM	35 PM	
Heritage Park Historic Buildings	418,000	418,000	NC	248 CF; 10 PM	40 CF	30 PM	30 PM	30 PM	30 PM	
Parks & Golf Vehicles	683,000	683,000	NC	83 CF	120 CF	120 CF	120 CF	120 CF	120 CF	
Parks & Golf Equipment	644,000	644,000	NC	77 CF; 67 GF	100 CF	100 CF	100 CF	100 CF	100 PM	
Ice Arena Improvements	600,000	600,000	NC	100 IF	100 IF	100 IF	100 IF	100 IF	100 IF	
Costick Improvements	1,100,000	1,100,000	NC	320 CF; 30 PM	150 CF	150 CF	150 CF	150 CF	150 CF	
Founders and Parking Lot and Playground	190,000	190,000	NC	190 CF						
Parking Lot Improvements - Costick	900,000	540,000	NC	540 CF						
Farmington Hills Golf Club Tee Repairs	38,000	38,000	NC	38 CF						
Acquisition of Park Land	1,500,000	1,500,000	NC							1,500 PM
Costick Center Pool and Performing Arts Space	6,000,000	6,000,000	155,000 AC							6,000 PM
TOTAL:	\$12,298,000	\$11,938,000	\$155,000	1,743	550	540	535	535	535	7,500

GOLF COURSE CAPITAL IMPROVEMENT FUND

Overview

This Capital Projects Fund was established in 1992, and is used to account for the acquisition of golf course equipment and capital improvements.

Revenue Assumptions

This Fund receives revenue from a per-round surcharge on green fees and interest income. In addition, the General Fund appropriates funds equivalent to the annual average bond interest expense savings from a 2013 Golf Course Improvement Bond Refunding, which matures in FY 2030/31.

Expenditures

For FY 2015/16, a Utility Mower, a Cushman HD 3 Wheel Utility Cart and a Greens Mower are projected to be purchased. For FY 2016/17, a Greens Roller, Verticut Greens Mower and Range Equipment (picker, change machine and mats) are being proposed to be purchased.

Fund Balance

The projected fund balance at June 30, 2017 is \$8,968 or 13% of expenditures. The \$6,418 reduction in fund balance is due to planned appropriations for Golf Course equipment, while maintaining an adequate fund balance available for emergencies and/or revenue shortfalls.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$2,026 or 2% decrease.
- The decrease results from lower actual equipment costs than budgeted.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$30,724 or 31% decrease from the FY 15-16 year-end projection.
- The decrease results primarily from fewer equipment purchases next year compared to this year.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Golf Course Capital Improvement Fund	\$92,213	\$25,879	\$99,950	\$97,924	\$67,200

Golf Course Capital Improvement Fund

Golf Course Capital Improvement Fund

FUND NUMBER: 412

Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	31,820	19,353	52,278	52,278	15,386	15,386
REVENUES						
Green Fees	28,672	28,813	30,500	31,000	30,750	30,750
Approp. from the General Fund	29,952	29,952	29,952	29,952	29,952	29,952
Interest	22	39	40	80	80	80
Miscellaneous	21,100	0	0	0	0	0
TOTAL REVENUES	79,746	58,804	60,492	61,032	60,782	60,782
EXPENDITURES						
Miscellaneous	200	200	200	200	200	200
Equipment	92,013	25,679	99,750	97,724	67,000	67,000
TOTAL EXPENDITURES	92,213	25,879	99,950	97,924	67,200	67,200
Revenues Over/(Under) Expenditures	(12,467)	32,925	(39,458)	(36,892)	(6,418)	(6,418)
FUND BALANCE AT JUNE 30	19,353	52,278	12,820	15,386	8,968	8,968

Capital Outlay

Acct.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget Quantity	Amount
(002)		Equipment				
	1	Greens Roller	15,000	15,000	1	15,000
	1	Range Equipment	22,000	22,000	1	22,000
	1	Verticut Greens Mower	30,000	30,000	1	30,000
		CAPITAL OUTLAY TOTAL		67,000		67,000

SPECIAL ASSESSMENT REVOLVING FUND

Overview

This Capital Projects Fund was established by City Council in 1986 to utilize assessments in excess of the actual cost of the improvement by 5% or less of the original special assessment roll for (1) special assessment construction advances, (2) loans to special assessment districts in lieu of selling special assessment bonds for the property owners share of the SAD, (3) an appropriation for the City-at-large share of SAD Projects (4) the elimination of deficits in special assessment districts too small to warrant the expense of reassessing, and (5) for local road repairs and required maintenance activities. Once an SAD is closed its account balances roll into this Closed SAD Revolving Fund. Alternatively, Closed SAD balances can be accounted for within its primary Fund, i.e., local road SAD balances can be accounted for in the Local Road Fund.

Revenue

Revenue is derived primarily from loan paybacks from special assessment districts, excess assessments from closed-out special assessment districts and interest income on investable funds.

Expenditures

FY 2015/16 and FY 2016/17 expenditures reflect auditing fees and a small loan to the Local Road Fund.

Fund Balance

Fund balance declined by \$1,198,338 in FY 14-15 to \$241,694 at June 30, 2015 due to planned appropriations for Local Road SAD construction Project. The new directed SAD program will rely on bond financing and road millage funds for all future SAD Projects. Therefore, the City plans to build up the fund balance in the Revolving Fund over time from loan paybacks to be used primarily to enhance local road maintenance.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$1,280,600 or 99.9% decrease from the current budget.
- The decrease results primarily from less available funds than budgeted and a change in financing for future Local Road SAD Projects.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- No change from the FY 15-16 year-end projection and \$1,280,600 or 99.9% decrease from the FY 15-16 budget.
- The budget to budget decrease results from a plan to build up the fund balance in the Revolving Fund over time from loan paybacks to be used primarily to enhance local road maintenance.

	2013-2014 ACTUAL	2014-15 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016/17 PROPOSED BUDGET
Revolving S.A. Fund	\$1,294,459	\$1,946,067	\$1,283,000	\$2,400	\$2,400

Special Assessment Revolving Loan/Maintenance Fund

Special Assessment Revolving Loan/Maintenance Fund

FUND NUMBER: 247

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	1,937,953	1,440,032	241,694	241,694	880,631	880,631
REVENUES						
Interest Income	231	8,931	500	2,000	2,000	2,000
Total Revenues	231	8,931	500	2,000	2,000	2,000
OTHER FINANCING SOURCES						
Local Road SAD - Closed District Transfers	0	0	14,571	14,000	0	0
Local Road SAD Fund - Loan Paybacks	737,287	738,798	625,337	625,337	608,173	608,173
Local Road Fund - Loan Paybacks	0	0	0	0	179,858	179,858
Water/Sewer SAD Loan Paybacks	59,020	0	0	0	0	0
Contribution from SAD's	796,307	738,798	639,908	639,337	788,031	788,031
TOTAL REVENUES AND OTHER FINANCING SOURCES	796,538	747,729	640,408	641,337	790,031	790,031
EXPENDITURES						
Administration	1,400	1,295	1,400	1,400	1,400	1,400
Total Expenditures	1,400	1,295	1,400	1,400	1,400	1,400
OTHER FINANCING USES						
Contribution to other funds:						
SAD Roads (813...)	934,113	358,000	0	0	0	0
SAD Water and Sewer	2,605	0	0	0	0	0
Loan to Local Road Fund	277,442	1,508,972	1,281,600	1,000	1,000	1,000
General Debt Service	78,900	77,800	0	0	0	0
Total Other Financing Uses	1,293,059	1,944,772	1,281,600	1,000	1,000	1,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	1,294,459	1,946,067	1,283,000	2,400	2,400	2,400
Excess Revenues over/(under) Expenditures and Other Financing Uses	(497,921)	(1,198,338)	(642,592)	638,937	787,631	787,631
FUND BALANCE AT JUNE 30	1,440,032	241,694	(400,898)	880,631	1,668,262	1,668,262

COMPONENT UNITS

Component Units are legally separate entities for which the City is financially accountable. The Brownfield Redevelopment Authority Fund and Corridor Improvement Authority Fund are included in this group and are included in the City's government-wide financial statements.

	Corridor Improvement Authority Fund #242	Brownfield Redevelopment Authority Fund #243	Total Component Units
FUND BALANCE AT JULY 1, 2016	78,690	912,106	990,796
REVENUES			
Property Taxes	0	277,803	277,803
Intergovernmental	0	0	0
Interest Income	100	8,000	8,100
Total Revenues	100	285,803	285,903
EXPENDITURES			
Legal Fees	1,000	0	1,000
Legal Notices	500	0	500
Audit Fees	100	1,000	1,100
Supplies	1,500	0	1,500
Building Demolition	0	300,000	300,000
Capital Outlay	50,000	300,000	350,000
Miscellaneous	1,500	0	1,500
Consultants	40,000	0	40,000
Total Expenditures	94,600	601,000	695,600
Revenues over/(under) Expenditures	(94,500)	(315,197)	(409,697)
OTHER FINANCING SOURCES AND USES			
Transfers In			
-from General Fund	50,000	0	50,000
Total Transfers In	50,000	0	50,000
Transfers Out			
-to General Fund	0	(9,000)	(9,000)
Total Transfers out	0	(9,000)	(9,000)
Total Other Financing Sources and Uses	50,000	(9,000)	41,000
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(44,500)	(324,197)	(368,697)
FUND BALANCE AT JUNE 30, 2017	34,190	587,909	622,099

BROWNFIELD REDEVELOPMENT AUTHORITY FUND

The Brownfield Redevelopment Authority Fund is a Component Unit of the City created to facilitate the implementation of plans for the identification, treatment and revitalization of environmentally distressed areas within the City designated as Brownfield Redevelopment Zones.

Revenue

Revenue is currently derived primarily from tax increments captured from incremental cumulative increases in taxable value applied to the operating millage rates of the various taxing units, exclusive of the Farmington Schools, State Education Tax, Zoo Authority, Art Institute, and the City's Road Millage; as shown below:

CITY OF FARMINGTON HILLS
BROWNFIELD REDEVELOPMENT AUTHORITY
TAX INCREMENT REVENUE

	<u>FY 2015/16</u>	<u>FY 2016/17</u>
Captured Taxable Value	11,215,540	11,303,910
Property Taxes By Taxing Unit:		
City of Farmington Hills	138,970	140,064
Oakland County/HCMA	52,109	52,519
Oakland ISD	37,785	38,083
Oakland Community College	17,770	17,910
Farmington District Library	17,783	17,923
Oakland County PTA	11,216	11,304
Total	275,632	277,803

Expenditures

Expenditures for FY 2015/16 reflect funds appropriated for Cart Path Restoration, Parking Lot Improvements, Pond Dredging, the Demolition of the ATG Site, Underground Fuel Tank Repair, as well as funds allocated for administrative/operating expenditures.

Expenditures for 2016/17 reflect funds appropriated for an appropriation to the Site Remediation Revolving Loan sub-fund, as well as funds allocated for planned projects, and administrative & operating expenditures.

Fund Balance

Fund balance is projected to be \$912,106 at June 30, 2016 and \$587,909 at June 30, 2017. Brownfield funds are to be expended during the life of the Brownfield Plan.

Brownfield Redevelopment Authority

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$192,585 or 37% decrease from the current budget (which includes \$114,873 carried forward from FY 14-15 encumbrances).
- The decrease results primarily from the reduction of the appropriation to the Revolving Loan Fund.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$279,712 or 85% increase from the FY 15-16 year-end projection.
- The increase results primarily from a planned increase in capital projects and the appropriation to the Revolving Loan Fund in FY 2016/17.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Brownfield Redevelopment Fund	\$196,081	\$310,252	\$522,873	\$330,288	\$610,000

Brownfield Redevelopment Authority

Brownfield Redevelopment Authority Fund

FUND NUMBER: 243

Acct. No.	Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1		910,174	973,992	944,762	944,762	912,106	912,106
REVENUES							
	Property Taxes	259,689	269,369	270,583	275,632	277,803	277,803
	Federal Grant	0	4,800	0	14,000	0	0
	Other Revenue	0	610	0	0	0	0
	Interest Income	210	6,243	300	8,000	8,000	8,000
TOTAL REVENUES		259,899	281,022	270,883	297,632	285,803	285,803
EXPENDITURES							
	Audit Fees	1,000	1,000	1,000	1,000	1,000	1,000
	Building Demolition	23,709	175,336	73,288	73,288	0	0
	Assessments	0	4,800	0	14,000	0	0
(970)	Capital Outlay	156,747	10,820	151,445	157,000	300,000	300,000
TOTAL EXPENDITURES		181,456	191,956	225,733	245,288	301,000	301,000
OTHER FINANCING USES							
	Transfer to General Fund	9,000	9,000	9,000	9,000	9,000	9,000
	Site Remediation Revolving Loan Fund	5,625	109,296	288,140	76,000	300,000	300,000
TOTAL OTHER FINANCING USES		14,625	118,296	297,140	85,000	309,000	309,000
TOTAL EXPENDITURES AND OTHER FINANCING USES		196,081	310,252	522,873	330,288	610,000	610,000
Revenues Over/(Under) Expenditures		63,818	(29,230)	(251,990)	(32,656)	(324,197)	(324,197)
FUND BALANCE AT JUNE 30		973,992	944,762	692,772	912,106	587,909	587,909

CORRIDOR IMPROVEMENT AUTHORITY FUND

The Corridor Improvement Authority (CIA) Fund is a Component Unit of the City created to correct and prevent deterioration in business districts, encourage historic preservation, and promote economic growth. The Authority was created in collaboration with the City of Farmington in sharing a corridor to leverage investments by defraying some of the costs of redevelopment and sharing resources that can be invested in improvements. The Authority, among other things, can secure funding for improvement projects; acquire, improve and operate real property; and develop plans to protect the properties from deterioration and promote economic growth in the development area. These initiatives can serve to improve the aesthetics of the corridor by installing new landscaping, improving building façades and implementing design guidelines. The authority can also work to improve the function of the corridor by marketing and supporting corridor businesses, improving transportation systems, and improving wayfinding.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals.

- Implement the priorities identified in the Grand River Corridor Vision Plan and the Development/Tax Increment Finance Plan. (3, 5, 6, 10, 12, 13)
- Work cooperatively with the Michigan Department of Transportation to study road design alternatives that facilitate the Vision Plan. (3, 5, 6, 10, 12, 13)
- Develop a strategy to reengage the Rouge River Corridor. (5, 6, 10)
- Actively promote Corridor revitalization efforts and projects. (4)

Revenue

On November 24, 2014 the City Council approved the CIA's Development and Tax Increment Financing Plan, setting Tax Year 2014 as the base year. Beginning in FY 2015/16 (Tax Year 2015), tax increments were eligible to be captured from incremental cumulative increases in taxable value from the base year, applied to the operating millage rates of the various taxing units. However, total taxable value decreased in Tax Year 2015 compared to Tax Year 2014, therefore, there were no captured tax dollars available 2015. Total taxable value in 2016 is expected to be approximately \$221,000 lower compared to Tax Year 2014, so again, there will be no tax captures available.

The City's General Fund is budgeted to appropriate \$50,000 for the Authority in FY 2016/17. Other revenue may be generated as a result of joint projects with the City of Farmington CIA where Farmington Hills serves as the fiduciary.

Expenditures

Expenditures include supplies, legal notices, and professional service fees, and land acquisition.

Corridor Improvement Authority

Fund Balance

Fund balance is projected to be \$78,690 at June 30, 2016, and \$34,190 at June 30, 2017. The \$44,500 decrease in fund balance is primarily the result of anticipated property acquisition, leasing costs and maintenance costs.

FY 15-16 YEAR-END PROJECTION vs. FY 15-16 CURRENT BUDGET –

- \$21,086 or 37% decrease from the current budget.
- The decrease results primarily from less anticipated consultant expenditures for joint projects with the City of Farmington.

FY 16-17 PROPOSED BUDGET vs. FY 15-16 YEAR-END PROJECTION –

- \$58,315 or 161% increase from the FY 15-16 year-end projection.
- The increase results primarily from new property acquisition, leasing and maintenance costs; as well as increased consultant expenditures.

	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 CURRENT BUDGET	2015-2016 PROJECTED YEAR-END	2016-2017 PROPOSED BUDGET
Corridor Improvement Authority Fund	\$10,147	\$16,600	\$57,371	\$36,285	\$94,600

Corridor Improvement Authority

CORRIDOR IMPROVEMENT AUTHORITY FUND

FUND NUMBER: 242

Acct. No. Category and Line Item	2013/14 Actual	2014/15 Actual	2015/16 Budgeted	2015/16 Estimated	2016/17 Proposed	2016/17 Adopted
FUND BALANCE AT JULY 1	4,843	25,699	43,398	43,398	78,690	78,690
REVENUES						
505-016 Federal Grants	0	4,264	12,500	21,457	0	0
664-005 Interest Income	15	35	30	120	100	100
TOTAL REVENUES	15	4,299	12,530	21,577	100	100
OTHER FINANCING SOURCES						
676-101 Transfer from General Fund	30,000	30,000	50,000	50,000	50,000	50,000
696-017 Contribution from other Government	988	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES	30,988	30,000	50,000	50,000	50,000	50,000
TOTAL REVENUE AND OTHER FINANCING SOURCES	31,003	34,299	62,530	71,577	50,100	50,100
EXPENDITURES						
740-008 Supplies	1,975	0	1,000	1,635	1,500	1,500
801-004 Consultants	7,905	15,314	52,371	34,050	40,000	40,000
801-012 Legal Fees	0	0	1,000	0	1,000	1,000
801-014 Legal Notices	0	417	500	0	500	500
801-021 Audit Fees	0	0	1,000	100	100	100
970-055 Land Acquisition	0	0	0	0	50,000	50,000
996-003 Miscellaneous	267	869	1,500	500	1,500	1,500
TOTAL EXPENDITURES	10,147	16,600	57,371	36,285	94,600	94,600
Revenues & Other Sources Over/(Under)						
Expenditures	20,856	17,699	5,159	35,292	(44,500)	(44,500)
FUND BALANCE AT JUNE 30	25,699	43,398	48,557	78,690	34,190	34,190

BUDGET RESOLUTION

WHEREAS, the appropriate City Officers have submitted to the City Manager an itemized estimate of expenditures for FY 2016/17 for the respective departments and/or activities under his/her direction; and,

WHEREAS, the City Manager has prepared a complete itemized budget proposal for FY 2016/17 including the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and the Component Units, and has submitted the same to the City Council pursuant to Article VI of the City Charter; and,

WHEREAS, a Public Hearing was held on the combined budgets for FY 2016/17 on June 13, 2016 and the property tax millage rate to be levied to support the FY 2016/17 budget; and,

WHEREAS, an appropriate public notice was published on June 1 and June 8, 2016, notifying citizens of the Public Hearing on the proposed FY 2016/17 Budget and the proposed property tax levy to support these budgets and the City Council's intention to adopt the budgets and establish the property tax rates on June 13, 2016 after the Public Hearing; and,

WHEREAS, all necessary proceedings have been taken by the City of Farmington Hills, Oakland County, Michigan, for the adoption of its Budget for the FY 2016/17;

THEREFORE, be it resolved by the City Council as follows:

- 1) That the City Council for the City of Farmington Hills hereby adopts the General Fund Budget for FY 2016/17 in the aggregate amount of \$56,730,011 for expenditures and transfers-out funded by \$54,258,410 in revenues and transfers-in.
- 2) That the City Council for the City of Farmington Hills hereby appropriates the sum of \$56,730,011 in expenditures and transfers-out for FY 2016/17 for General Fund purposes on a departmental and activity total basis as follows:

GENERAL FUND

Boards & Commissions	\$2,705,578
General Government	10,123,672
Public Safety	19,691,315
Planning & Community Development	1,747,446
Public Services	7,879,627
Special Services	7,597,930
Operating Transfers Out	6,984,443
Total Expenditures + Transfers-out	<u>\$56,730,011</u>

- 3) That the City of Farmington Hills shall levy 5.8911 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2016/17 for general operating purposes.

- 4) That the City of Farmington Hills shall levy 0.4671 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2016/17 for general debt service requirements (all 0.4671 mills are from within the City Charter Limit) and to adopt the 2016/17 Debt Service Fund Budgets schedule as attached below.
- 5) That the City of Farmington Hills shall levy 2.0837 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2016/17 for Capital Improvements of which 0.4859 mills will be dedicated to Parks Development as approved by the electorate in November 2007 and to adopt the 2016/17 Capital Improvement Fund Budget and Parks & Recreation Capital Development Funds Budget as attached below.
- 6) That the City of Farmington Hills shall levy 3.1617 mills ad valorem (as approved by the electorate in November 2011 and November 2015) on the taxable value of all real and personal property subject to taxation in the City of Farmington Hills for the FY 2016/17 for the purposes of public safety.
- 7) That the City of Farmington Hills shall levy 0.7169 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2016/17 for refuse removal and disposal.
- 8) That the City of Farmington Hills shall levy 0.0160 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2016/17 for economic development and public information.
- 9) That the City of Farmington Hills shall levy 1.9908 mills ad valorem tax (as approved by the electorate in November 2014) on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2016/17 for the City's local match to Major Road grant funded projects and Local Road special assessment projects as well as preventative maintenance treatments on both Major and Local Roads.
- 10) That of the City of Farmington Hills shall levy a total of 14.3273 mills ad valorem on the taxable value of all real and personal property subject to taxation in the City of Farmington Hills for FY 2016/17.

- 11) That the City of Farmington Hills estimates General Fund Revenues and transfers-in for the FY 2016/17 to total \$54,258,410, as follows:

GENERAL FUND

Property Taxes	\$28,863,205
Business Licenses & Permits	24,500
Other Licenses & Permits	1,204,400
Grants	685,100
State Shared Revenues	7,112,338
Fees	5,581,500
Sales	343,968
Fines & Forfeitures	2,160,000
Interest Earnings	256,000
Recreation User Charges	4,567,540
Other Revenue	2,143,009
Operating Transfers In	1,316,850
Total Revenue + Transfers-in	<u><u>\$54,258,410</u></u>

- 12) That the City of Farmington Hills adopts the Special Revenue Funds Budgets for the FY 2016/17 as follows:

SPECIAL REVENUE FUNDS SUMMARY

	Total Infrastructure Funds	Total Recreation Funds	Public Safety Funds	C.D.B.G Fund #275	Total Special Revenue Funds
FUND BALANCE AT JULY 1, 2016	11,087,144	501,379	3,215,500	0	14,804,022
REVENUES					
Property Taxes	6,203,628	1,508,813	9,971,673	0	17,684,114
Intergovernmental	8,635,846	310,535	0	307,503	9,253,884
Interest Income	30,700	3,751	15,000	0	49,451
Special Assessments	1,034,345	0	0	0	1,034,345
Miscellaneous	130	150,294	0	35,000	185,424
Total Revenues	15,904,649	1,973,393	9,986,673	342,503	28,207,218
EXPENDITURES					
Highways & Streets	25,078,887	0	0	0	25,078,887
Public Safety	0	0	10,872,889	0	10,872,889
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	800	739,085	510,500	242,503	1,492,888
Total Expenditures	25,079,687	739,085	11,383,389	242,503	37,444,664
Revenues over/(under) Expenditures	(9,175,038)	1,234,308	(1,396,716)	100,000	(9,237,446)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	9,775,000	0	0	0	9,775,000
Transfers In	7,612,170	0	0	0	7,612,170
Transfers Out	(8,689,415)	(1,307,850)	0	(100,000)	(10,097,265)
Total	8,697,755	(1,307,850)	0	(100,000)	7,289,905
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(477,283)	(73,542)	(1,396,716)	0	(1,947,541)
FUND BALANCE AT JUNE 30, 2017	10,609,861	427,837	1,818,784	0	12,856,481

SPECIAL REVENUE FUNDS INFRASTRUCTURE FUNDS SUMMARY

	Municipal Street Fund #201	Major Roads Fund #202	Local Roads Fund #203	Deferred Special Assessment Fund #255	Total Infrastructure Funds
FUND BALANCE AT JULY 1, 2016	1,179,542	2,861,151	6,994,140	52,311	11,087,144
REVENUES					
Property Taxes	6,203,628	0	0	0	6,203,628
Intergovernmental	0	6,819,340	1,816,506	0	8,635,846
Interest Income	3,500	25,500	1,300	400	30,700
Special Assessments	0	0	1,034,345	0	1,034,345
Miscellaneous	0	130	0	0	130
Total Revenues	6,207,128	6,844,970	2,852,151	400	15,904,649
EXPENDITURES					
Highways & Streets	0	11,356,976	13,721,911	0	25,078,887
Land Acquisition, Capital Improvements and Other	500	0	0	300	800
Total Expenditures	500	11,356,976	13,721,911	300	25,079,687
Revenues over/(under) Expenditures	6,206,628	(4,512,006)	(10,869,760)	100	(9,175,038)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	9,775,000	0	9,775,000
Transfers In	0	3,693,085	3,919,085	0	7,612,170
Transfers Out	(7,386,170)	(225,000)	(1,078,245)	0	(8,689,415)
	(7,386,170)	3,468,085	12,615,840	0	8,697,755
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,179,542)	(1,043,921)	1,746,080	100	(477,283)
FUND BALANCE AT JUNE 30, 2017	0	1,817,230	8,740,220	52,411	10,609,861

SPECIAL REVENUE FUNDS RECREATION FUNDS SUMMARY

	Nutrition Fund #281	Parks & Recreation Millage Fund #410	Total Recreation Funds
FUND BALANCE AT JULY 1, 2016	0	501,379	501,379
REVENUES			
Property Taxes	0	1,508,813	1,508,813
Intergovernmental	286,741	23,794	310,535
Interest Income	200	3,551	3,751
Miscellaneous	150,294	0	150,294
Total Revenues	437,235	1,536,158	1,973,393
EXPENDITURES			
Land Acquisition, Capital Improvements and Other	437,235	301,850	739,085
Total Expenditures	437,235	301,850	739,085
Revenues over/(under) Expenditures	0	1,234,308	1,234,308
OTHER FINANCING SOURCES AND USES			
Transfers Out	0	(1,307,850)	(1,307,850)
Total	0	(1,307,850)	(1,307,850)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	(73,542)	(73,542)
FUND BALANCE AT JUNE 30, 2017	0	427,837	427,837

SPECIAL REVENUE FUNDS PUBLIC SAFETY FUNDS SUMMARY
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	Public Safety Fund #205	Federal Forfeiture Fund #213	State Forfeiture Fund #214	Total Public Safety Funds
FUND BALANCE AT JULY 1, 2016	2,839,207	209,849	166,445	3,215,500
REVENUES				
Property Taxes	9,971,673	0	0	9,971,673
Interest Income	15,000	0	0	15,000
Total Revenues	9,986,673	0	0	9,986,673
EXPENDITURES				
Public Safety	10,537,439	208,150	127,300	10,872,889
Land Acquisition, Capital Improvements and Other	510,500	0	0	510,500
Total Expenditures	11,047,939	208,150	127,300	11,383,389
Revenues over/(under) Expenditures	(1,061,266)	(208,150)	(127,300)	(1,396,716)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,061,266)	(208,150)	(127,300)	(1,396,716)
FUND BALANCE AT JUNE 30, 2017	1,777,941	1,699	39,145	1,818,784

- 13) That the City of Farmington Hills adopts the 2016/17 Debt Service Fund Budgets as follows:

DEBT SERVICE FUNDS SUMMARY

	General Debt Service Fund #301	Building Authority Debt Fund #662	Local Road SAD Debt Fund #813	Total Debt Service Funds
FUND BALANCE AT JULY 1, 2016	174,257	0	1,953,762	2,128,019
REVENUES				
Interest income	440	0	113,559	113,999
Special Assessments	0	0	654,539	654,539
Intergovernmental Revenues	244,332	0	0	244,332
Total Revenues	244,772	0	768,098	1,012,870
EXPENDITURES				
Bond principal payments	375,000	995,000	837,336	2,207,336
Interest and fiscal charges	209,113	203,900	282,139	695,152
Miscellaneous	900	900	9,075	10,875
Total Expenditures	585,013	1,199,800	1,128,550	2,913,363
Revenues over/(under) Expenditures	(340,241)	(1,199,800)	(360,452)	(1,900,493)
OTHER FINANCING SOURCES AND USES				
Proceeds from Bond Sale	0	0	0	0
Transfers In				
-General Fund	1,460,091	0	0	1,460,091
-SAD Revolving Fund	0	0	0	0
-Local Road Fund	79,950	0	818,437	898,387
-General Debt Fund	0	1,199,800	0	1,199,800
-Park Millage Fund	0	0	0	0
Total Transfers In	1,540,041	1,199,800	818,437	3,558,278
Transfers Out				
-SAD Revolving Fund	0	0	(608,173)	(608,173)
-Local Road Fund	0	0	0	0
- Building Authority Fund	(1,199,800)	0	0	(1,199,800)
Total Transfers out	(1,199,800)	0	(608,173)	(1,807,973)
Total Other Financing Sources and Uses	340,241	1,199,800	210,264	1,750,305
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	0	(150,188)	(150,188)
FUND BALANCE AT JUNE 30, 2017	174,257	0	1,803,574	1,977,831

- 14) That the City of Farmington Hills adopts the 2016/17 Capital Projects Fund Budgets as follows:

CAPITAL PROJECT FUNDS SUMMARY

	Capital Improvement Fund #404	Golf Course Capital Improv. Fund #412	Special Assessment Revolving Fund #247	Total Capital Project Funds
FUND BALANCE AT JULY 1, 2016	1,308,000	15,386	880,631	2,204,017
REVENUES				
Sales, Fees & Other	0	30,750	0	30,750
Interest income	3,000	80	2,000	5,080
Total Revenues	3,000	30,830	2,000	35,830
EXPENDITURES				
Public Facilities	1,705,000	0	0	1,705,000
Drainage	1,777,500	0	0	1,777,500
Sidewalk	177,000	0	0	177,000
Equipment	3,194,000	67,000	0	3,261,000
Administration & Misc.	1,900	200	1,400	3,500
Total Expenditures	6,855,400	67,200	1,400	6,924,000
Revenues over/(under) Expenditures	(6,852,400)	(36,370)	600	(6,888,170)
OTHER FINANCING SOURCES AND USES				
Transfer in from Local Road SAD	0	0	608,173	608,173
Transfer in from Local Road Fund	0	0	179,858	179,858
Transfer in from CDBG	100,000	0	0	100,000
Transfer in from General Fund	5,444,400	29,952	0	5,474,352
Transfer out	0	0	(1,000)	(1,000)
Total Other Financing Sources and Uses	5,544,400	29,952	787,031	6,361,383
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,308,000)	(6,418)	787,631	(526,787)
FUND BALANCE AT JUNE 30, 2017	0	8,968	1,668,262	1,677,230

- 15) That the City of Farmington Hills adopts the 2016/17 Component Unit Fund Budgets as follows:

COMPONENT UNIT FUNDS SUMMARY

	Corridor Improvement Authority Fund #242	Brownfield Redevelopment Authority Fund #243	Total Component Units
FUND BALANCE AT JULY 1, 2016	78,690	912,106	990,796
REVENUES			
Property Taxes	0	277,803	277,803
Intergovernmental	0	0	0
Interest Income	100	8,000	8,100
Total Revenues	100	285,803	285,903
EXPENDITURES			
Legal Fees	1,000	0	1,000
Legal Notices	500	0	500
Audit Fees	100	1,000	1,100
Supplies	1,500	0	1,500
Building Demolition	0	300,000	300,000
Capital Outlay	50,000	300,000	350,000
Miscellaneous	1,500	0	1,500
Consultants	40,000	0	40,000
Total Expenditures	94,600	601,000	695,600
Revenues over/(under) Expenditures	(94,500)	(315,197)	(409,697)
OTHER FINANCING SOURCES AND USES			
Transfers In			
-from General Fund	50,000	0	50,000
Total Transfers In	50,000	0	50,000
Transfers Out			
-to General Fund	0	(9,000)	(9,000)
Total Transfers out	0	(9,000)	(9,000)
Total Other Financing Sources and Uses	50,000	(9,000)	41,000
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(44,500)	(324,197)	(368,697)
FUND BALANCE AT JUNE 30, 2017	34,190	587,909	622,099

- 16) That the City Council hereby authorizes the City Manager to make budgetary transfers within the appropriation centers established through the budget and that all transfers between appropriation centers may be made only by further action by the City Council, pursuant to the provisions of the Michigan Uniform Accounting and Budgeting Act.
- 17) That the FY 2016/17 Budgets of the General Fund, Special Revenue Funds and Capital Projects Funds shall be automatically amended on July 1, 2016 to re-appropriate fund balances for certain outstanding encumbrances and/or available capital project budget balances at June 30, 2016, as authorized by the City Manager.
- 18) That the City Council hereby authorizes the City Manager to assign all General Fund – unassigned fund balance in excess of 25% of General Fund expenditures at June 30, 2016 for future City budget amendment appropriations, which may be made only by further action by the City Council, pursuant to the provisions of the Michigan Uniform Accounting and Budgeting Act.
- 19) That the FY 2015/16 departmental and activity budget amounts for the General Fund be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2016/17, as may be updated by the Finance Director:

GENERAL FUND

Revenues

Property Taxes	\$28,935,638
Business Licenses & Permits	24,460
Other Licenses & Permits	1,204,617
Grants	557,988
State Shared Revenues	6,980,744
Fees	5,492,852
Sales	342,414
Fines & Forfeitures	2,148,966
Interest Earnings	233,000
Recreation User Charges	4,549,151
Other Revenue	2,041,512
Operating Transfers In	1,316,850
Total Revenue + Transfers-in	<u><u>\$53,828,192</u></u>

Expenditures

Boards & Commissions	\$2,658,483
General Government	9,839,862
Public Safety	19,129,998
Planning & Community Development	1,485,018
Public Services	7,815,168
Special Services	7,528,269
Operating Transfers Out	5,970,841
Total Expenditures + Transfers-out	<u><u>\$54,427,639</u></u>

- 20) That the FY 2015/16 Special Revenue Funds Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2016/17, as may be updated by the Finance Director:

SPECIAL REVENUE FUNDS

	Total Infrastructure Funds	Total Recreation Funds	Public Safety Funds	C.D.B.G Fund #275	Total Special Revenue Funds
FUND BALANCE AT JULY 1, 2015	4,356,841	414,673	3,648,178	0	8,419,691
REVENUES					
Property Taxes	6,221,391	1,512,796	9,845,188	0	17,579,374
Intergovernmental	7,298,930	287,111	247,773	417,800	8,251,614
Interest Income	8,150	3,700	16,000	0	27,850
Special Assessments	135,453	0	0	0	135,453
Miscellaneous	130	150,294	0	175,000	325,424
Total Revenues	13,664,054	1,953,901	10,108,961	592,800	26,319,715
EXPENDITURES					
Highways & Streets	17,038,631	0	0	0	17,038,631
Public Safety	0	0	10,383,161	0	10,383,161
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	800	559,345	158,477	292,800	1,011,422
Total Expenditures	17,039,431	559,345	10,541,638	292,800	28,433,214
Revenues over/(under) Expenditures	(3,375,377)	1,394,556	(432,677)	300,000	(2,113,499)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	0	0	0
Transfers In	15,457,179	0	0	0	15,457,179
Transfers Out	(5,351,499)	(1,307,850)	0	(300,000)	(6,959,349)
Total	10,105,680	(1,307,850)	0	(300,000)	8,497,830
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	6,730,303	86,706	(432,677)	0	6,384,331
FUND BALANCE AT JUNE 30, 2016	11,087,144	501,379	3,215,500	0	14,804,022

**SPECIAL REVENUE FUNDS
INFRASTRUCTURE FUNDS SUMMARY**

	Municipal Street Fund #201	Major Roads Fund #202	Local Roads Fund #203	Deferred Special Assessment Fund #255	Total Infrastructure Funds
FUND BALANCE AT JULY 1, 2015	0	2,984,378	1,320,202	52,261	4,356,841
REVENUES					
Property Taxes	6,221,391	0	0	0	6,221,391
Intergovernmental	0	5,526,850	1,772,080	0	7,298,930
Interest Income	4,000	2,500	1,300	350	8,150
Special Assessments	0	0	135,453	0	135,453
Miscellaneous	0	130	0	0	130
Total Revenues	6,225,391	5,529,480	1,908,833	350	13,664,054
EXPENDITURES					
Highways & Streets	0	8,223,056	8,815,575	0	17,038,631
Public Safety	0	0	0	0	0
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	500	0	0	300	800
Total Expenditures	500	8,223,056	8,815,575	300	17,039,431
Revenues over/(under) Expenditures	6,224,891	(2,693,576)	(6,906,742)	50	(3,375,377)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	0	0	0
Transfers In	0	2,795,349	12,661,830	0	15,457,179
Transfers Out	(5,045,349)	(225,000)	(81,150)	0	(5,351,499)
	(5,045,349)	2,570,349	12,580,680	0	10,105,680
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	1,179,542	(123,227)	5,673,938	50	6,730,303
FUND BALANCE AT JUNE 30, 2016	1,179,542	2,861,151	6,994,140	52,311	11,087,144

<p>SPECIAL REVENUE FUNDS RECREATION FUNDS SUMMARY</p>
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	Nutrition Fund #281	Parks & Recreation Millage Fund #410	Total Recreation Funds
FUND BALANCE AT JULY 1, 2015	0	414,673	414,673
REVENUES			
Property Taxes	0	1,512,796	1,512,796
Intergovernmental	286,741	370	287,111
Interest Income	200	3,500	3,700
Miscellaneous	150,294	0	150,294
Total Revenues	437,235	1,516,666	1,953,901
EXPENDITURES			
Land Acquisition, Capital Improvements and Other	437,235	122,110	559,345
Total Expenditures	437,235	122,110	559,345
Revenues over/(under) Expenditures	0	1,394,556	1,394,556
OTHER FINANCING SOURCES AND USES			
Transfers Out	0	(1,307,850)	(1,307,850)
Total	0	(1,307,850)	(1,307,850)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	86,706	86,706
FUND BALANCE AT JUNE 30, 2016	0	501,379	501,379

**SPECIAL REVENUE FUNDS
PUBLIC SAFETY FUNDS SUMMARY**

	Public Safety Fund #205	Federal Forfeiture Fund #213	State Forfeiture Fund #214	Total Public Safety Funds
FUND BALANCE AT JULY 1, 2015	3,141,768	436,458	69,952	3,648,178
REVENUES				
Property Taxes	9,845,188	0	0	9,845,188
Intergovernmental	0	146,580	101,193	247,773
Interest Income	15,000	700	300	16,000
Miscellaneous	0	0	0	0
Total Revenues	9,860,188	147,280	101,493	10,108,961
EXPENDITURES				
Public Safety	10,004,272	373,889	5,000	10,383,161
Land Acquisition, Capital Improvements and Other	158,477	0	0	158,477
Total Expenditures	10,162,749	373,889	5,000	10,541,638
Revenues over/(under) Expenditures	(302,561)	(226,609)	96,493	(432,677)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(302,561)	(226,609)	96,493	(432,677)
FUND BALANCE AT JUNE 30, 2016	2,839,207	209,849	166,445	3,215,500

- 21) That the FY 2015/16 Debt Service Fund Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2016/17, as may be updated by the Finance Director:

DEBT SERVICE FUNDS SUMMARY

	General Debt Service Fund #301	Building Authority Debt Fund #662	Local Road SAD Debt Fund #813	Total Debt Service Funds
FUND BALANCE AT JULY 1, 2015	161,247	1,050	2,097,263	2,259,560
REVENUES				
Interest income	430	0	144,002	144,432
Special Assessments	0	0	668,177	668,177
Intergovernmental Revenues	237,038	0	0	237,038
Miscellaneous	0	0	0	0
Total Revenues	237,468	0	812,179	1,049,647
EXPENDITURES				
Bond principal payments	360,000	895,000	270,000	1,525,000
Interest and fiscal charges	219,213	249,825	36,438	505,476
Miscellaneous	900	900	9,075	10,875
Total Expenditures	580,113	1,145,725	315,513	2,041,351
Revenues over/(under) Expenditures	(342,645)	(1,145,725)	496,666	(991,704)
OTHER FINANCING SOURCES AND USES				
Proceeds from Bond Sale	0	0	0	0
Transfers In				
-General Fund	1,419,180	0	0	1,419,180
-Local Road Fund	81,150	0	0	81,150
-General Debt Fund	0	1,144,675	0	1,144,675
-Park Millage Fund	0	0	0	0
Total Transfers In	1,500,330	1,144,675	0	2,645,005
Transfers Out				
-SAD Revolving Fund	0	0	(639,337)	(639,337)
-Local Road Fund	0	0	(830)	(830)
- Building Authority Fund	(1,144,675)	0	0	(1,144,675)
Total Transfers out	(1,144,675)	0	(640,167)	(1,784,842)
Total Other Financing Sources and Uses	355,655	1,144,675	(640,167)	860,163
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	13,010	(1,050)	(143,501)	(131,541)
FUND BALANCE AT JUNE 30, 2016	174,257	0	1,953,762	2,128,019

- 22) That the FY 2015/16 Capital Projects Fund Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2016/17, as may be updated by the Finance Director:

CAPITAL PROJECT FUNDS SUMMARY

	Capital Improvement Fund #404	Golf Course Capital Improv. Fund #412	Special Assessment Revolving Fund #247	Total Capital Project Funds
FUND BALANCE AT JULY 1, 2015	2,076,505	52,278	241,694	2,370,477
REVENUES				
Sales, Fees & Other	24,997	31,000	0	55,997
Grant Revenue	0	0	0	0
Interest income	3,000	80	2,000	5,080
Total Revenues	27,997	31,080	2,000	61,077
EXPENDITURES				
Public Facilities	1,848,251	0	0	1,848,251
Drainage	481,877	0	0	481,877
Sidewalk	410,438	0	0	410,438
Equipment	2,823,295	97,724	0	2,921,019
Administration & Misc.	4,350	200	1,400	5,950
Total Expenditures	5,568,211	97,924	1,400	5,667,535
Revenues over/(under) Expenditures	(5,540,214)	(66,844)	600	(5,606,458)
OTHER FINANCING SOURCES AND USES				
Transfer in from Local Road SAD	0	0	639,337	639,337
Transfer in from CDBG	300,000	0	0	300,000
Transfer in from General Fund	4,471,709	29,952	0	4,501,661
Transfer out	0	0	(1,000)	(1,000)
Total Other Financing Sources and Uses	4,771,709	29,952	638,337	5,439,998
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(768,505)	(36,892)	638,937	(166,460)
FUND BALANCE AT JUNE 30, 2016	1,308,000	15,386	880,631	2,204,017

- 23) That the FY 2015/16 Component Units Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2016/17, as may be updated by the Finance Director:

COMPONENT UNITS SUMMARY

	Corridor Improvement Authority Fund #242	Brownfield Redevelopment Authority Fund #243	Total Component Units
FUND BALANCE AT JULY 1, 2015	43,398	944,762	988,160
REVENUES			
Property Taxes	0	275,632	275,632
Grant	21,457	14,000	35,457
Interest Income	120	8,000	8,120
Total Revenues	21,577	297,632	319,209
EXPENDITURES			
Legal Fees	0	0	0
Legal Notices	0	0	0
Audit Fees	100	1,000	1,100
Supplies	1,635	76,000	1,635
Building Demolition	0	73,288	73,288
Capital Outlay	0	157,000	157,000
Miscellaneous	500	14,000	14,500
Consultants	34,050	0	34,050
Total Expenditures	36,285	321,288	281,573
Revenues over/(under) Expenditures	(14,708)	(23,656)	(38,364)
OTHER FINANCING SOURCES AND USES			
Transfers In			
-from General Fund	50,000	0	50,000
Total Transfers In	50,000	0	50,000
Transfers Out			
-to General Fund	0	(9,000)	(9,000)
Total Transfers out	0	(9,000)	(9,000)
Total Other Financing Sources and Uses	50,000	(9,000)	41,000
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	35,292	(32,656)	2,636
FUND BALANCE AT JUNE 30, 2016	78,690	912,106	990,796

WATER & SEWER FUND

MISSION STATEMENT:

Provide an uninterrupted supply of clean, safe and clear water to its customers in sufficient amount to meet their needs and demands throughout the entire year. Provide for the collection, treatment and proper discharge of domestic, commercial and industrial wastewater in accordance with the State of Michigan National Pollutants Discharge Elimination System (NPDES) Discharge Permit and United States Environmental Protection Agency regulations.

The Water and Sewer Fund accounts for the operational, capital and related debt service activity of water distribution and sanitary sewage collection systems in the City, which are supplied by the Detroit Water and Sewerage Department (DWSD); and operated, maintained and administered by the Oakland County Water Resources Commission (WRC). The costs of providing utility services to the general public on a continuing basis are financed or recovered primarily through user charges and/or capital contributions.

On September 9, 2014, the City of Detroit, the Counties of Macomb, Oakland and Wayne, and the State of Michigan signed a Memorandum of Understanding (MOU) which paved the way for the formation of the Great Lakes Water Authority (GLWA) designed to leverage the assets of the Detroit-owned water and sewerage systems. The GLWA was formally approved on October 10, 2014. A six-person board was established for the GLWA, comprised of one member from each County, one from the State of Michigan and two from the City of Detroit.

Effective January 1, 2016 the GLWA assumed responsibility for the management, operations, and maintenance of the City of Detroit's water and sewer infrastructure supplying wholesale customers across the region, including the City of Farmington Hills. In exchange for the management of the utility systems, the GLWA will provide annual lease payments of \$50 million a year for 40 years to the City of Detroit. The City of Detroit will use these funds to overhaul its aging infrastructure. The lease also provides for a \$4.5 million Water Residential Assistance Program to help low-income customers of GLWA customer communities pay their water and sewer bills.

The Water and Sewer Funds distinguish between current and non-current assets and liabilities. The measure of Working Capital (i.e., current assets less current liabilities) reflects the relatively liquid portion of total Water and Sewer Fund capital, which constitutes a margin or buffer for meeting obligations. It is essential that the City maintain an adequate level of Working Capital in its Water and Sewer Funds to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenses) and to ensure stable services and fees. Working capital is a crucial consideration, too, in long-term financial planning. Credit rating agencies consider the availability of working capital in their evaluations of continued creditworthiness. Likewise, relevant laws and regulations look to appropriate levels of working capital for Water and Sewer Funds.

Water & Sewer Fund

The Government Finance Officers Association (GFOA) recommends that under no circumstances should the target for working capital be less than forty-five (45) days worth of annual operating expenses and other working capital needs of the utility funds. In order to arrive at a customized target amount of working capital for the City we reviewed the following characteristics of the Water & Sewer Fund:

- Support from general government.
- Transfers out.
- Cash cycles.
- Customer concentration.
- Demand for services.
- Control over rates and revenues.
- Asset age and condition.
- Volatility of expenses.
- Control over expenses.
- Management plans for working capital.
- Separate targets for operating and capital needs.
- Debt position.

Based on a review of the above characteristics of the Water and Sewer Fund, we have targeted to have a Water and Sewer Fund Working Capital balance of no less than 25% of total expenses and transfers-out, exclusive of depreciation, a non-cash item. In this context, a target working capital balance equal to approximately one quarter of the fiscal year's cash based expenses, provides a reasonable cushion to pay for ongoing expenses in the event of revenue shortfalls, or emergencies requiring unexpected outlays of cash.

The WRC bills approximately 22,800 City water customers and approximately 22,500 City sewer customers on a quarterly basis. Average annual water consumption per water customer is 15.41 thousand cubic feet (mcf) and the average annual sewage treatment is 15.86 mcf. There are approximately 456 miles of water main and over 5,100 fire hydrants in the City. There are approximately 328 miles of sanitary sewer main in the City.

With the exception of some Interest Earnings on City investments, virtually all other funding sources (revenue/capital contributions) are generated by WRC utility billings fee collections. Annually, Water and Sewer User Fee Rates for City customers are developed by the WRC, with input and assistance from City staff, and then subsequently recommended to the City Council for adoption.

With the exception of some City Administrative, Accounting and Engineering Labor Costs, as well as utility contributions associated with City Road Projects, virtually all other funding uses (expenses/ capital assets) are paid by the WRC.

Water & Sewer Fund

FY 15/16 YEAR-END PROJECTION vs. FY 14/15 ACTUAL

- Total Revenue is projected to decrease by approximately \$266,000 or 1% from the previous year. Capital Contributions are projected to increase by approximately \$62,000 or 18% from the previous year. Bond Proceeds are projected to increase by \$7.5 million from the previous year, for the Middlebelt Sanitary Sewer Transport Tunnel Project.
- Total Expenses are projected to increase by approximately \$58,000 from the previous year. Capital Assets are projected to increase by approximately \$9 million from the previous year.
- The impact from above, results in a projected \$5,089,343 increase in Working Capital to \$76,591,485 at June 30, 2016, which is 325% of total projected expenses and transfers-out (less depreciation) for FY 15/16. This is well above the Working Capital Minimum Target of 25% of Total Expenses plus Transfers-out, less Depreciation.

FY 16/17 PROPOSED FINANCIAL PLAN vs. FY 15/16 YEAR-END PROJECTION

- Total Revenue is projected to increase by approximately \$819,000 or 3% from the previous year. Capital Contributions are projected to increase by approximately \$12,000 or 3% from the previous year. No Bond Proceeds are projected for FY 16/17.
- Total Expenses are projected to increase by approximately \$791,000 or 3% from the previous year. Capital Assets are projected to decrease by approximately \$671,000 from the previous year.
- The impact from above, results in a projected \$12,820,235 decrease in Working Capital to \$63,771,251 at June 30, 2017, which is 263% of total projected expenses and transfers-out (less depreciation) for FY 16/17. This is well above the Working Capital Minimum Target of 25% of Total Expenses plus Transfers-out, less Depreciation. However, it is important to note that the CIP includes over \$34 million in Capital Projects in the out-years, of which some can be funded on a pay-as-you-go basis, while other Big Projects, would be funded through a County borrowing paid back over the term of the bonds.

Water & Sewer Fund

CITY OF FARMINGTON HILLS FINANCIAL SUMMARY WATER & SEWER FUND

	ACTUAL <u>FY 2013/14</u>	ACTUAL <u>FY 2014/15</u>	YEAR-END PROJECTION <u>FY 2015/16</u>	PROPOSED PLAN <u>FY 2016-17</u>
REVENUES				
Sale of Water	13,990,712	13,510,498	13,750,000	14,162,500
Sewage Disposal Charges	9,866,451	10,142,239	10,004,000	10,304,120
Other Operating Revenue	<u>892,303</u>	<u>1,748,320</u>	<u>1,320,000</u>	<u>1,359,600</u>
Total Operating Revenue	24,749,466	25,401,057	25,074,000	25,826,220
Other Non-operating Revenue	5,800	-	-	-
Interest Income	<u>915,125</u>	<u>605,710</u>	<u>666,281</u>	<u>732,909</u>
TOTAL REVENUES	25,670,391	26,006,767	25,740,281	26,559,129
EXPENSES				
Cost of Water	10,632,333	9,809,798	10,220,000	10,526,600
Cost of Sewage Treatment	7,104,322	8,423,785	7,763,000	7,995,890
Other Operation and Maintenance	4,339,219	4,071,261	4,205,000	4,331,150
Billing and Administrative Costs*	894,132	951,872	922,000	949,660
Depreciation	<u>3,374,502</u>	<u>3,513,122</u>	<u>3,618,516</u>	<u>3,727,071</u>
Total Operating Expenses	26,344,508	26,769,838	26,728,516	27,530,371
Other Non-operating Expenses	40,745	-	-	-
Interest Expense	<u>166,488</u>	<u>322,305</u>	<u>421,572</u>	<u>410,356</u>
TOTAL EXPENSES	26,551,741	27,092,143	27,150,088	27,940,727
Income/(Loss) Before Contributions	(881,350)	(1,085,376)	(1,409,807)	(1,381,598)
Capital Contributions:				
Tap-in Fees	281,559	149,758	205,412	211,575
Special Assessments	<u>-</u>	<u>202,392</u>	<u>208,464</u>	<u>214,718</u>
Total Capital Contributions	281,559	352,150	413,876	426,292
Transfer-in From Other Funds	51,752	59,369	-	-
Transfer-out To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	(548,039)	(673,857)	(995,931)	(955,306)
Capital Assets	(6,617,638)	(5,880,879)	(14,861,000)	(14,190,000)
Depreciation	3,374,502	3,513,122	3,618,516	3,727,071
Bond Proceeds	-	10,412,242	17,957,758	-
Restricted Assets	3,830,367	-	-	-
Current Portion of Long-term Debt	<u>(270,000)</u>	<u>(550,000)</u>	<u>(630,000)</u>	<u>(1,402,000)</u>
CHANGE IN WORKING CAPITAL	(230,808)	6,820,628	5,089,343	(12,820,235)
WORKING CAPITAL-BEGINNING	64,912,322	64,681,514	71,502,142	76,591,485
WORKING CAPITAL-ENDING	64,681,514	71,502,142	76,591,485	63,771,251
WC as a % of Expenses plus Transfers-out less Depreciation	279%	303%	325%	263%

* Includes City Labor Costs associated with Accounting and Project Engineering.

Water & Sewer Fund

WATER MAINS

WATER MAIN PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Miscellaneous upgrades to the Water System	600,000	600,000	NC	100 WS	100 WS	100 WS	100 WS	100 WS	100 WS	
Grand River Homes, Replace existing 4" & 6" with 8", Phase III	985,000	985,000	NC	985 WS						
Grayling, Waldron and Dresden, Replace existing 4" & 6" with 8"	800,000	800,000	NC		800 WS					
Villa Capri Subdivision, Replace existing 6" & 8" with 8"	2,400,000	2,400,000	NC			800 WS	1,600 CF			
Westbrooke Plaza Water Main Replacement	335,000	335,000	NC					335 CF		
Kimberley Subdivision, Replace existing 6" & 8" with 8" & 12"	3,500,000	3,500,000	NC							3,500 WS
Kendallwood No. 1, Replace existing 6" & 8" with 8"	4,700,000	4,700,000	NC							4,700 WS
Kendallwood No. 2 and No. 3 Subdivision, Replace existing 6" & 8" with 8"	4,200,000	4,200,000	NC							4,200 WS
Kirkside, Westerleigh, Nottingwood, Nestlewood, Replace existing 6" with 8"	1,500,000	1,500,000	NC							1,500 WS
Community Well Conversion	2,270,000	0	NC							
Westbrooke Manor Subdivision, Replace existing 6" & 8" with 8"	2,600,000	2,600,000	NC							2,600 WS
Cora Water Main, north of Fink	225,000	225,000	NC							225 WS
Colwell Water Main, Shiawassee to Sedalia	425,000	425,000	NC							425 WS
TOTAL:	\$24,540,000	\$22,270,000		1,085	900	900	1,700	435	100	17,150

SANITARY SEWERS

SANITARY SEWER PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	Figures shown are in thousands of dollars.						
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	FUTURE
Sanitary Sewer Rehabilitation Program	3,000,000	3,000,000	NC	500 SS	500 SS	500 SS	500 SS	500 SS	500 SS	
Evergreen/Farmington LTCAP Upgrade - Middlebelt Transport and Storage Tunnel and Utley Area Sanitary Sewer Isolation	46,600,000	25,210,000	NC	25,210 SS						
Wastewater Asset Management Plan	1,210,000	302,000	NC			302 SS				
Evergreen/Farmington LTCAP Upgrade - Eight Mile Road Storage Tank	17,625,000	10,250,000	NC		10,250 SS					
TOTAL:	68,435,000	38,762,000		25,710	10,750	802	500	500	500	0

YOUR 2015 TAX DOLLAR

Based on Principal Residence (Homestead) Rate

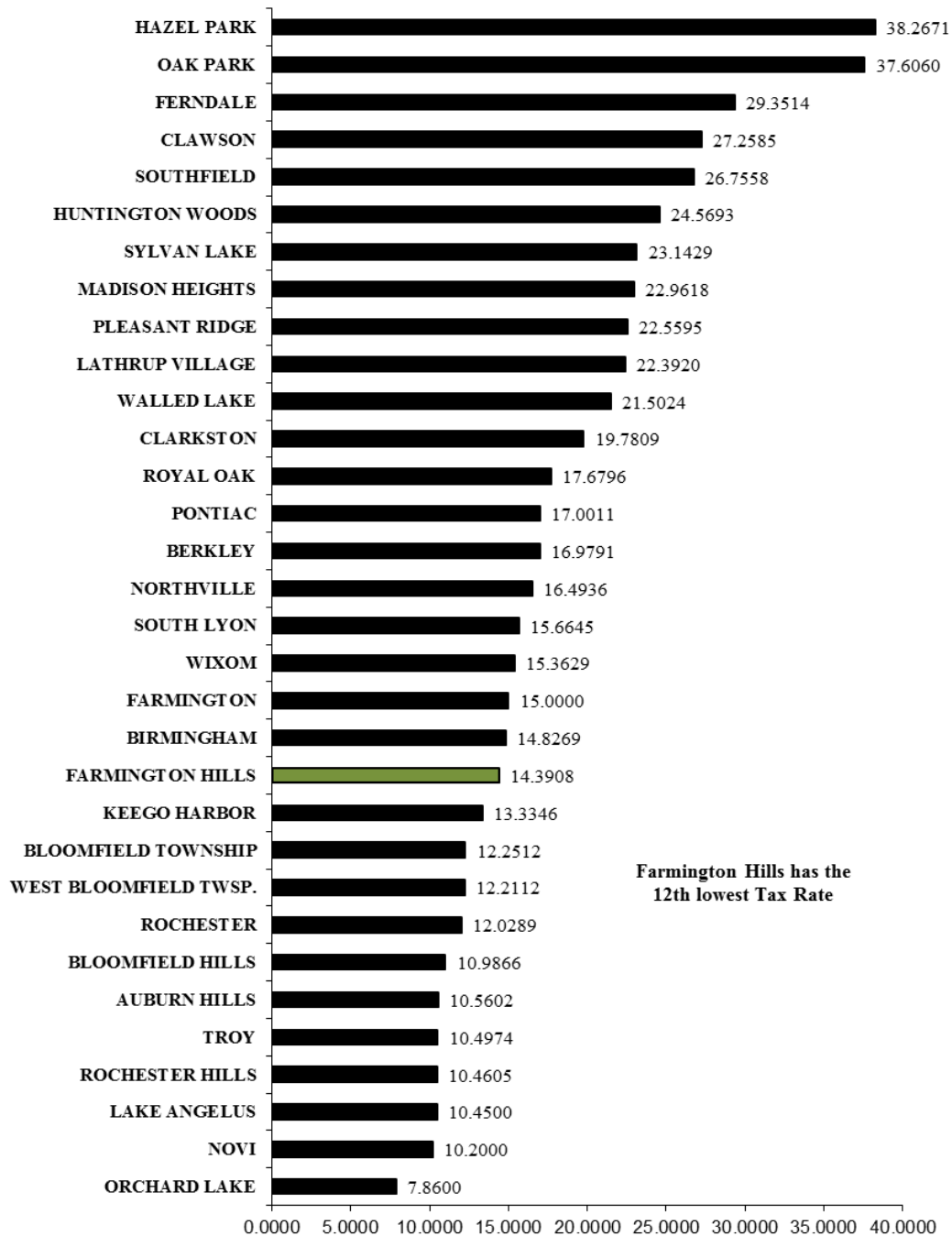
School District	County/Other	Education *	City
Farmington	12.93%	55.24%	31.83%
Walled Lake	14.59%	49.48%	35.93%
Clarenceville	15.59%	46.01%	38.40%



* Local Schools (including State support) + Oakland Intermediate Schools + Community College

2015 Local Unit Tax Rates

For all Cities and Major Townships in Oakland



2015 Tax Comparison for All Local Units of Governments in Oakland County

<u>Local Taxing Unit</u>	2015 <u>Millage</u>	2015 <u>Taxable Value</u>	2015 <u>City Taxes</u>
Southfield	26.7558	2,410,552,725	64,496,267
Troy	10.4974	4,500,799,520	47,246,693
Farmington Hills*	14.3908	3,118,115,290	44,872,174
Bloomfield Township	13.2512	3,364,207,210	44,579,783
Royal Oak	17.6796	2,349,473,630	41,537,754
West Bloomfield Township	12.2112	3,273,356,660	39,971,613
Rochester Hills	10.4605	3,180,062,060	33,265,039
Novi	10.2000	3,205,169,860	32,692,733
Birmingham	14.8269	2,001,037,050	29,669,176
Madison Heights	22.9618	773,601,050	17,763,273
Auburn Hills	10.5602	1,614,202,570	17,046,302
Oak Park	37.6060	427,812,400	16,088,313
Ferndale	29.3514	514,217,830	15,093,013
Pontiac	17.0011	669,161,280	11,376,478
Wixom	15.3629	663,244,690	10,189,362
Clawson	27.2585	320,297,510	8,730,830
Bloomfield Hills	10.9866	766,373,340	8,419,837
Berkley	16.9791	494,027,840	8,388,148
Rochester	12.0289	675,440,470	8,124,806
Huntington Woods	24.5693	321,468,780	7,898,263
Hazel Park	38.2671	167,343,680	6,403,757
South Lyon	15.6645	325,002,040	5,090,994
Farmington	15.0000	311,109,170	4,666,638
Walled Lake	21.5024	180,836,670	3,888,422
Pleasant Ridge	22.5595	137,265,570	3,096,643
Orchard Lake	7.8600	343,922,900	2,703,234
Lathrup Village	22.3920	120,560,080	2,699,581
Northville	16.4936	148,900,716	2,455,909
Sylvan Lake	23.1429	83,045,160	1,921,906
Keego Harbor	13.3346	82,554,690	1,100,834
Clarkston	19.7809	38,927,220	770,015
Lake Angelus	10.4500	69,557,680	726,878

* Less Renaissance Zone and Senior Housing

Source: Original Taxable Value from Oakland County Equalization Department

**CITY PROPERTY TAX RATE, LEVY & COLLECTIONS HISTORY
BY TAX YEAR**

<u>Millage Type</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Operations	6.4138	6.4341	6.5435	6.5139	6.3279
Capital	0.4800	0.4800	0.4800	0.4800	0.4800
Debt	0.6362	0.6347	0.5402	0.5362	0.6481
Total Charter	7.5300	7.5488	7.5637	7.5301	7.4560
Refuse	0.5270	0.5082	0.4933	0.5269	0.6010
Econ. Develop.	0.0000	0.0000	0.0000	0.0000	0.0000
Parks	0.4882	0.4882	0.4882	0.4882	0.4882
Roads	0.0000	0.0000	0.0000	0.0000	0.0000
Public Safety	1.4764	1.4764	1.4764	1.4764	1.4764
Total City Millage	10.0216	10.0216	10.0216	10.0216	10.0216
Taxable Value*	\$4,294,168,650	\$4,438,529,490	\$4,411,543,260	\$4,165,008,570	\$3,619,696,470
Tax Levy	\$43,034,441	\$44,481,167	\$44,210,722	\$41,740,050	\$36,275,150
Tax Collections**	\$41,829,579	\$43,356,322	\$42,669,852	\$40,166,471	\$34,911,860
Percent Collected***	97.20%	97.47%	96.51%	96.23%	96.24%

<u>Millage Type</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operations	7.2148	6.6396	6.7084	6.5206	5.9466
Capital	0.2400	0.7467	0.6163	0.7986	1.5606
Debt	0.5012	0.5697	0.6313	0.6368	0.4488
Total Charter	7.9560	7.9560	7.9560	7.9560	7.9560
Refuse	0.6822	0.7138	0.7168	0.7436	0.7542
Econ. Develop.	0.0152	0.0162	0.0164	0.0164	0.0160
Parks	0.4882	0.4882	0.4882	0.4882	0.4882
Roads	0.0000	0.0000	0.0000	0.0000	2.0000
Public Safety	1.4764	3.1764	3.1764	3.1764	3.1764
Total City Millage	10.6180	12.3506	12.3538	12.3806	14.3908
Taxable Value*	\$3,281,707,580	\$3,077,626,770	\$3,040,696,350	\$3,051,369,420	\$3,125,682,070
Tax Levy	\$34,845,171	\$38,010,476	\$37,564,155	\$37,777,784	\$44,981,066
Tax Collections**	\$33,353,601	\$36,891,023	\$36,922,255	\$36,898,852	\$44,257,766
Percent Collected***	95.72%	97.05%	98.29%	97.67%	98.39%

* From the Original Ad valorem Tax Roll less Renaissance Zone.

** From the Adjusted Ad valorem Tax Roll. Exclusive of non-City Taxes collected for the Brownfield Redevelopment Authority.

*** Collections through February each year. 100% of the delinquent real property taxes are remitted to the City from the County's Delinquent Tax Fund by the end of each fiscal year.

**HISTORICAL REAL PROPERTY TAX RATES FOR ALL TAXING UNITS
BY TAX YEAR**

<u>Farmington School District</u>					
<u>Millage Type</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
City	10.0216	10.0216	10.0216	10.0216	10.0216
Local Schools P.R.E.	10.6511	10.1784	9.6915	10.1442	12.0278
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Oakland Community College	1.5844	1.5844	1.5844	1.5844	1.5844
Intermediate Schools	3.3690	3.3690	3.3690	3.3690	3.3690
County	4.6461	4.6461	4.6461	4.6461	4.6461
Library	1.5856	1.5856	1.5856	1.5856	1.5856
Transit Authority	0.5900	0.5900	0.5900	0.5900	0.5900
Zoo	0.0000	0.0000	0.1000	0.1000	0.1000
Art Institute	0.0000	0.0000	0.0000	0.0000	0.0000
Total P.R.E. Millage	38.4478	37.9751	37.5882	38.0409	39.9245
Local Schools Non-P.R.E.	9.0877	9.6216	10.1085	9.6558	8.0722
Total Non-P.R.E. Millage	47.5355	47.5967	47.6967	47.6967	47.9967

<u>Walled Lake School District</u>					
<u>Millage Type</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
City	10.0216	10.0216	10.0216	10.0216	10.0216
Local Schools P.R.E.	6.7841	6.6700	6.5722	6.4793	6.7508
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Oakland Community College	1.5844	1.5844	1.5844	1.5844	1.5844
Intermediate Schools	3.3690	3.3690	3.3690	3.3690	3.3690
County	4.6461	4.6461	4.6461	4.6461	4.6461
Library	1.5856	1.5856	1.5856	1.5856	1.5856
Transit Authority	0.5900	0.5900	0.5900	0.5900	0.5900
Zoo	0.0000	0.0000	0.1000	0.1000	0.1000
Art Institute	0.0000	0.0000	0.0000	0.0000	0.0000
Total P.R.E. Millage	34.5808	34.4667	34.4689	34.3760	34.6475
Local Schools Non-P.R.E.	16.0059	16.1200	16.2178	16.0207	15.7492
Total Non-P.R.E. Millage	50.5867	50.5867	50.6867	50.3967	50.3967

<u>Clarenceville School District</u>					
<u>Millage Type</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
City	10.0216	10.0216	10.0216	10.0216	10.0216
Local Schools P.R.E.	5.1766	5.1324	5.0898	5.1146	5.1922
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Schoolcraft College	1.7967	1.7967	1.7967	1.7967	1.7967
Intermediate Schools	3.3690	3.3690	3.3690	3.3690	3.3690
County	4.6461	4.6461	4.6461	4.6461	4.6461
Library	1.5856	1.5856	1.5856	1.5856	1.5856
Transit Authority	0.5900	0.5900	0.5900	0.5900	0.5900
Zoo	0.0000	0.0000	0.1000	0.1000	0.1000
Art Institute	0.0000	0.0000	0.0000	0.0000	0.0000
Total P.R.E. Millage	33.1856	33.1414	33.1988	33.2236	33.3012
Local Schools Non-P.R.E.	17.3234	17.3676	17.4102	17.3854	17.3078
Total Non-P.R.E. Millage	50.5090	50.5090	50.6090	50.6090	50.6090

**HISTORICAL REAL PROPERTY TAX RATES FOR ALL TAXING UNITS
BY TAX YEAR**

Farmington School District					
<u>Millage Type</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
City	10.6180	12.3506	12.3538	12.3806	14.3908
Local Schools P.R.E.	12.3334	13.3810	13.0140	11.7472	12.4418
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Oakland Community College	1.5844	1.5844	1.5844	1.5844	1.5819
Intermediate Schools	3.3690	3.3690	3.3690	3.3690	3.3633
County	4.6461	4.6461	4.6461	4.6461	4.5456
Library	1.5856	1.5856	1.5856	1.5856	1.5856
Transit Authority	0.5900	0.5900	0.5900	1.0000	0.9998
Zoo	0.1000	0.1000	0.1000	0.1000	0.0998
Art Institute	0.0000	0.2000	0.2000	0.2000	0.1996
Total P.R.E. Millage	40.8265	43.8067	43.4429	42.6129	45.2082
Local Schools Non-P.R.E.	7.8466	7.1790	7.5460	8.5128	8.9982
Total Non-P.R.E. Millage	48.6731	50.9857	50.9889	51.1257	54.2064

Walled Lake School District					
<u>Millage Type</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
City	10.6180	12.3506	12.3538	12.3806	14.3908
Local Schools P.R.E.	6.8812	7.0254	7.4730	7.6843	7.2841
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Oakland Community College	1.5844	1.5844	1.5844	1.5844	1.5819
Intermediate Schools	3.3690	3.3690	3.3690	3.3690	3.3633
County	4.6461	4.6461	4.6461	4.6461	4.5456
Library	1.5856	1.5856	1.5856	1.5856	1.5856
Transit Authority	0.5900	0.5900	0.5900	1.0000	0.9998
Zoo	0.1000	0.1000	0.1000	0.1000	0.0998
Art Institute	0.0000	0.2000	0.2000	0.2000	0.1996
Total P.R.E. Millage	35.3743	37.4511	37.9019	38.5500	40.0505
Local Schools Non-P.R.E.	15.6188	15.5346	15.6715	15.8029	15.8339
Total Non-P.R.E. Millage	50.9931	52.9857	53.5734	54.3529	55.8844

Clarenceville School District					
<u>Millage Type</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
City	10.6180	12.3506	12.3538	12.3806	14.3908
Local Schools P.R.E.	4.5000	4.5000	4.5000	4.5000	4.5000
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Schoolcraft College	1.7967	1.7967	1.7967	1.7967	1.7967
Intermediate Schools	3.3690	3.3690	3.3690	3.3690	3.3633
County	4.6461	4.6461	4.6461	4.6461	4.5456
Library	1.5856	1.5856	1.5856	1.5856	1.5856
Transit Authority	0.5900	0.5900	0.5900	1.0000	0.9998
Zoo	0.1000	0.1000	0.1000	0.1000	0.0998
Art Institute	0.0000	0.2000	0.2000	0.2000	0.1996
Total P.R.E. Millage	33.2054	35.1380	35.1412	35.5780	37.4812
Local Schools Non-P.R.E.	18.0000	18.0000	18.0000	18.0000	18.0000
Total Non-P.R.E. Millage	51.2054	53.1380	53.1412	53.5780	55.4812

Retirement System & Retiree Healthcare Plan Funding Progress

CITY OF FARMINGTON HILLS EMPLOYEE'S RETIREMENT SYSTEM

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	*Future Annual Contribution	Active Members	Benefit Receipts
06/30/06	\$101,041,990	\$111,174,556	\$10,132,566	90.9%	\$3,767,273	414	150
06/30/07	\$109,839,894	\$121,107,744	\$11,267,850	90.7%	\$3,613,612	416	155
06/30/08	\$117,994,843	\$131,182,445	\$13,187,602	89.9%	\$3,701,944	402	166
06/30/09	\$123,309,158	\$140,261,150	\$16,951,992	87.9%	\$3,999,704	386	173
06/30/10	\$122,384,733	\$149,204,540	\$26,819,807	82.0%	\$4,474,398	327	229
06/30/11	\$126,993,894	\$152,271,739	\$25,277,845	83.4%	\$4,293,782	318	230
06/30/12	\$127,759,371	\$157,810,232	\$30,050,861	81.0%	\$4,549,123	301	244
06/30/13	\$135,447,393	\$163,515,916	\$28,068,523	82.8%	\$4,882,377	299	265
06/30/14	\$142,635,461	\$168,555,933	\$25,920,472	84.6%	\$4,710,931	288	279
06/30/15	\$148,299,323	\$171,958,385	\$23,659,062	86.2%	\$4,710,485	283	283

* Annual Contribution to be made in the 2nd subsequent fiscal year from the Valuation Date.

CITY OF FARMINGTON HILLS POST-RETIREMENT HEALTHCARE FINANCE FUND

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	**Future Annual Contribution	Covered Members	Covered Benefit Receipts
06/30/06	\$29,245,746	\$50,674,604	\$21,428,858	57.7%	\$3,051,388	414	89
06/30/07	\$35,850,866	\$54,475,299	\$18,624,433	65.8%	\$3,231,967	416	103
06/30/08	\$40,551,585	\$57,063,627	\$16,512,042	71.1%	\$2,971,747	402	108
06/30/09	\$41,318,305	\$59,275,315	\$17,957,010	69.7%	\$3,186,426	386	115
06/30/10	\$44,004,631	\$74,937,594	\$30,932,963	58.7%	\$3,311,150	323	121
6/30/2010*	\$44,004,631	\$72,230,135	\$28,225,504	60.9%	\$3,329,505	323	169
06/30/12	\$50,982,851	\$69,722,666	\$18,739,815	73.1%	\$2,892,858	292	177
06/30/13	\$51,000,000	\$69,700,000	\$18,700,000	73.2%	\$2,890,395	292	177
06/30/14	\$62,830,994	\$71,356,286	\$8,525,292	88.1%	\$1,808,068	255	203
06/30/15	\$62,830,994	\$71,356,286	\$8,525,292	88.1%	\$1,794,724	255	203

* Revised the 2010 valuation using revised assumptions, as of June 30, 2011.

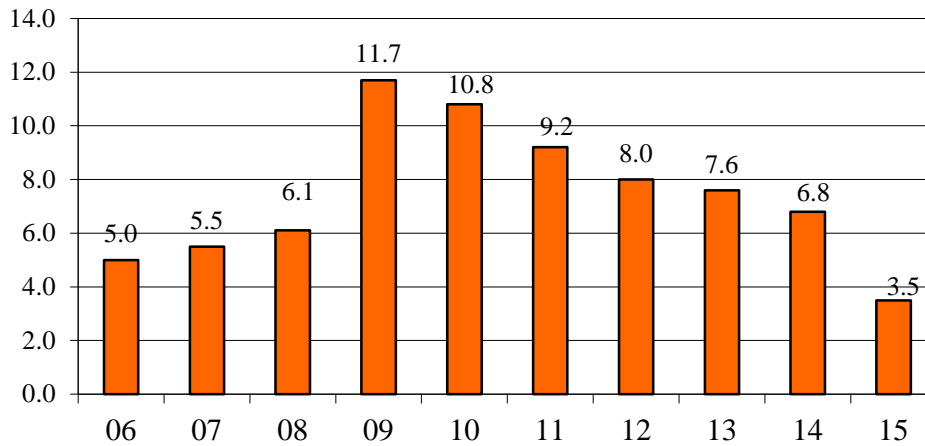
** Annual Contribution made in the 2nd subsequent fiscal year from the Valuation Date.

COMMUNITY DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Number of Households</u>	<u>School Enrollment</u>	<u>Annual Average Unemployment Rate</u>
2005	80,895	33,644	12,154	5.1
2006	80,486	33,650	12,162	5.0
2007	80,280	33,740	12,023	5.5
2008	79,327	33,412	12,004	6.1
2009	79,152	33,423	11,967	11.7
2010	79,740	33,366	11,649	10.8
2011	79,740	33,559	11,435	9.2
2012	79,777	33,591	11,230	8
2013	80,895	34,255	10,838	7.6
2014	81,798	34,755	10,376	6.8
2015	81,910	35,138	9,995	3.5

Annual Average Unemployment Rate Last 10 Years



GLOSSARY OF TERMS

ACCRUAL BASIS is the recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

ACTIVITY is the budgetary expenditure level adopted in the Budget Resolution. An activity is generally a department organization for budgetary purposes. An activity is further broken down into object classes of expenditures: Personal Services, Operating Supplies, Professional & Contractual and Capital Outlay. These are defined within this Glossary.

AD VALOREM TAXES – Commonly referred to as property taxes. These taxes are levied on both real and personal property according to the property’s valuation and the tax rate.

APPROPRIATION – A legal authorization to incur obligations and to make expenditures for specific purposes.

APPROVED BUDGET the revenue and expenditure plan for the City for the fiscal year as reviewed and formally adopted by City Council Budget Resolution.

ASSESSED VALUATION the value placed upon property equal to 50% of fair market value, as required by State law.

ASSETS - Resources owned or held by a government that have monetary value.

AUDIT – Prepared by an independent certified public accountant, the primary objective of an audit is to determine if the city’s financial statements present fairly the city’s financial position and results of operations in conformity with generally accepted accounting principles. It is customary that a Management Letter be issued.

BALANCED BUDGET – A budget in which estimated revenues are equal to or greater than estimated expenditures.

BOND – A long-term IOU or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date, the maturity date. Bonds are primarily used to finance capital projects.

BUDGET – A plan of financial activity for a specified period of time, indicating all planned revenues and expenses for the budget period.

BUDGET AMENDMENT adjustment made to the budget during the fiscal year by the City Council to properly account for unanticipated changes which occur in revenues and/or expenditures and for program initiatives approved during the fiscal year. The adjustment is made by formally amending the approved budget.

BUDGET CALENDAR – The schedule of key dates a government follows in the preparations and adoption of the budget.

BUDGET POLICIES – General and specific guidelines that govern financial plan preparation and administration.

Glossary of Terms

BUDGET RESOLUTION the formal Resolution by which the City Council adopts the recommended budget and establishes the millage rate for taxation of property during the budget year.

CAPITAL BUDGET – The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.

CAPITAL EXPENDITURE expenditures relating to the purchase of equipment, facility modifications, land or other fixed assets. To be categorized as a capital outlay item (fixed asset), the purchase must have a value of at least \$1,000 and a useful life of more than one fiscal year. If an item is \$25,000 or more, it is budgeted out of the Capital Improvement Fund.

CAPITAL IMPROVEMENT PLAN (CIP) – A six (6) year plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government’s long-term plans.

COMMUNITY DEVELOPMENT BLOCK PROGRAM - CDBG - A program of the U.S. Department of Housing and Urban Development designed to benefit low and moderate-income persons by providing revitalization and human services to communities.

DEBT SERVICE expenditures relating to the retirement of long-term debt principal and interest.

DEBT SERVICE FUNDS are used to account for the payment of general long-term debt principal and interest. Budgeted Debt Service Funds are General Debt Service Fund, Building Authority, and Special Assessments.

EFFICIENCY INDICATORS quantify the relationship between input and output.

ENTERPRISE FUNDS are used to account for operations financed and operated in a manner similar to private business enterprises. An Enterprise Fund is established when the intention is that the costs of providing goods or services is financed or recovered primarily through user charges.

EXPENDITURES are decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues.

EXPENSES are outflows or other using up of assets or incurrences of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity’s ongoing major or central operations.

FISCAL YEAR a twelve-month period designated as the operating year for an entity. The fiscal year for the City is July 1 through June 30.

FTE (Full Time Equivalent) represents part-time employee hours divided by 2080.

FUND an independent fiscal entity with a self-balancing set of accounts recording cash and other resources, together with all related liabilities, obligations, reserves and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Funds are categorized for budgeting purposes as General, Special Revenue, Debt Service, Capital Project, and Component Unit. Funds are defined in the Uniform Chart of Accounts for Counties and Local Units of Government in Michigan.

Glossary of Terms

FUND BALANCE an accumulated excess of revenues over expenditures segregated by fund. Exception: Proprietary Funds (Enterprise, Internal Service) are accounted for in the same manner as private businesses and record retained earnings as opposed to fund balances. The budgets for these funds are prepared on a net working capital basis, which equates to fund balances.

FUND BALANCE, AVAILABLE (UNASSIGNED) – The funds remaining from the prior year, which are available for appropriation and expenditure in the current year.

GENERAL FUND the fund used to account for all financial transactions except those required to be accounted for in another fund.

GOAL – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

GRANTS – Contributions by a government or other organization to support a particular function. Grants may be classified as either operational or capital.

INTERFUND TRANSFERS budgeted allocations of the resources of one fund transferred to another fund. This is typical for those funds which do not receive sufficient revenues to pay for necessary expenditures incurred in their operations. Transfers are also made from certain operating funds to debt retirement funds to retire debt related to the operations of the transferring fund.

INFRASTRUCTURE the basic physical framework or foundation of the City, referring to its buildings, roads, bridges, sidewalks, water system and sewer systems.

MILL a taxation unit equal to one dollar of tax obligation for every \$1,000 of assessed valuation of property.

MILLAGE the total tax obligation per \$1,000 of assessed valuation of property.

MODIFIED ACCRUAL BASIS is the accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments are recognized when they become susceptible to accrual, that is when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred except for inventories of materials and supplies that may be considered expenditures either when purchased or when used, and prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

NET WORKING CAPITAL the excess of cash, accounts receivable and inventory over accounts payable and other short-term liabilities. See Fund Balance.

OPERATING SUPPLIES expenditures relating to the purchase of expendable items utilized in service delivery such as office supplies, gas and oil and parts and repair items.

ORGANIZATION CHART a chart representing the authority, responsibility and relationships of departmental entities within the City organization.

PERFORMANCE INDICATORS are the measurement of how a program is accomplishing its mission through the delivery of products or service.

PERFORMANCE OBJECTIVES are the desired output oriented accomplishments that can be measured within a given time period.

Glossary of Terms

PROFESSIONAL & CONTRACTUAL expenditures relating to services rendered to the City of external providers of legal services, auditing and architectural services, as well as other private contractors providing telephone service, utilities, insurance and printing.

PROPOSAL “A” is a State Constitutional Amendment approved by the electorate in 1994 that limits increases in Taxable Value of individual parcels to the Consumer Price Index or 5%, whichever is lower. This applies to all parcels that do not transfer ownership. Properties that change ownership or where new additions or construction takes place can be assessed at 50% of Fair Market Value.

RECOMMENDED BUDGET the City's revenue and expenditure plan for the fiscal year as prepared and recommended by the City Manager for consideration by City Council.

RETAINED EARNINGS an accumulated excess of revenues over expenditures for proprietary funds (Enterprise, Internal Service) equates to fund balance for governmental funds.

REVENUES are increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers. Also, general long-term debt proceeds and operating transfers in are classified as “other financing sources” rather than as revenues.

SPECIAL ASSESSMENT DISTRICT (SAD) a method of financing public improvements by distributing the cost of a project to those properties realizing a direct benefit. Types of projects most often financed through Special Assessments include sanitary sewers, water mains, road construction and reconstruction and sidewalk construction.

SPECIAL REVENUE FUNDS are used to account for the proceeds of specific revenue sources or to finance specified activities in accordance with statutory or administrative requirements. Budgeted special revenue funds are Major Roads, Local Roads, Senior Center, Community Development Block Grant, Parks Capital Development, Capital Improvement Fund, Revolving Special Assessment, Nutrition and Police Forfeiture Fund.

STATE EQUALIZED VALUE (SEV) the assessed valuation of property in the City as determined by the City Assessor subject to review by higher levels of government to assure that it equals 50% of fair market value, as required by State law.

TAXABLE VALUE In March 1994, the electorate of the State of Michigan approved Proposal A, which added new terminology to property tax administration. This terminology was "Taxable Value." Taxable Value is the State Equalized Value at December 31, 1994, adjusted for changes in fair market value, the cost of living index or 5%, whichever provides the lower Taxable Value for calculation of taxes.

TAX BASE the total value of taxable property in the City.

TRANSFERS OUT See Interfund Transfers.

TRUST AND AGENCY FUNDS are used to account for assets held by the City as trustee.