

CITY OF FARMINGTON HILLS FY 2017/18 ANNUAL BUDGET



City of Farmington Hills, Michigan
Annual Budget
Fiscal Year
July 1, 2017 - June 30, 2018



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
Gary Mekjian, Assistant City Manager
Karen Mondora, Public Services
Kelly Monico, Central 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 November 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 served as Mayor Pro Tem in 2016. 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 third term on the Michigan Municipal League Finance Steering Committee. He is a member of the Board of Directors of the Xemplar Club, Farmington Ski Club, the F2H Fit Challenge, and the Quaker Valley Farms Association, where he is a past President. He is President and Chairman of the Board of the Farmington Area Goodfellows, Vice President of the Inter-Agency Council, and is a member of the Optimist Club 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 is president of the Oakland Schools Board of Education, a partner in RichLaw, PLLC, a Farmington Hills-based law firm, and a retiree from General Motors. She served 10 years on the Farmington/Farmington Hills Foundation for Children, Youth & Families, including seven years as the Allocations Chair. She served on the Committee to Increase Voter Participation, the Commission for Children, Youth & Families, and the Arts Commission. She was on the Board of Directors for the Greater Detroit Agency for the

Mayor and City Council

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 Council Liaison to the Retirement Board, on the National League of Cities Community & Economic Development Council, and on the SEMCOG Policy Committee. Her term expires in 2019.

Samantha Steckloff was elected to City Council in November 2013 and serves as Mayor Pro Tem for 2017. 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.

How to Use This Budget Document

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, 2016

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, 2016.

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 2017

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

INTRODUCTION

With this letter I am transmitting the 2017/18 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 increased by 2.58 % in 2017, compared to the original 2016 tax roll. The increase in taxable value is the net result of a 2.8% increase in Real Property taxable value and a 0.4% decrease in Personal Property taxable value. The increase in Real Property taxable value is the result of a 2.9% increase in Residential values, a 2.6% increase in Commercial values, and a 1.8% increase in Industrial values.

Personal Property taxable value is approximately 6.3% of the 2017 tax base for FY 2017/18, down from 6.5% in 2016. We expect personal property taxable value to continue its decline as a percentage of the total tax base, as the phase-out of eligible manufacturing personal property continues through FY 2022/23. The City expects to receive reimbursement from the State of Michigan in FY 2017/18 for the loss of personal property taxes due to the exemptions of the phased-out personal property to-date.

The City will be impacted for the second year-in-a-row by a Headlee Millage Rollback in FY 2017/18. The Road, Parks and the Public Safety Millages will be reduced by 0.85% in FY 2017/18. Although taxable value growth is projected to be approximately 2% - 3% annually over the next six years, notwithstanding the continued partial phase-out of personal property, 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 each year. Based on these projections, we estimate that beginning in FY 2020/21 the City's Operating Millage will be required 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 \$4.9 million for FY 2017/18. The City's Defined Benefit Pension and Retiree Healthcare Contributions are approximately \$6.2 million for FY 2017/18.

GENERAL FUND REVENUE

The Total General Fund Revenue Budget of \$55,606,290 for FY 2017/18 (including transfers-in from other Funds) increased by \$1,347,880 or 2.5% compared to the FY 2016/17 Adopted Budget of \$54,258,410 and increased by \$324,058 or 0.6% compared to the FY 2016/17 Year-end Projection of \$55,282,232. In comparing the FY 2017/18 Revenue Budget to the FY 2016/17 Year-end Revenue Projection, Property Taxes increased 2.8%, Licenses & Permits decreased by 5.4%, Grants decreased by 19.9%, State Shared Revenue decreased by 3.5%, Fees decreased by 0.4% (Recycling Fees will remain at the FY 2016/17 level), Sales increased by 19.6%, Fines & Forfeits decreased by 0.2%, Interest Earnings increased by 10%, Inter-fund Transfers-in remained the same, Recreation User Charges decreased by 1.2%, and Other Revenue decreased by 1.2%.

GENERAL FUND EXPENDITURES

For FY 2016/17, Total General Fund Expenditures plus Transfers to Other Funds is projected to end the year down by approximately \$1,495,000 or 2.6% compared to the Budget, which is due to across-the-board decreased expenditures in all functional categories. The FY 2017/18 Proposed Budget for Total General Fund Expenditures plus Transfers to Other Funds is up by approximately \$1,318,000 or 2.3% compared to the FY 2016/17 Budget. The Budget over Budget increase is the result of increases in Boards & Commissions, General Government, Public Safety, Planning & Community Development and Special Services; partially offset by decreases in Public Services and Interfund Transfers.

GENERAL FUND – FUND BALANCE

The FY 2017/18 General Fund Budget is balanced with the use of \$2,644,595 of Fund Balance. Total Fund Balance in the General Fund is estimated to be \$28.1 million or 48% of Total General Fund Expenditures plus Transfers-out at June 30, 2018. Of that amount, approximately \$14.9 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 \$13.2 million is equivalent to 23% of Total General Fund Expenditures plus Transfers-out at June 30, 2018.

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 2.9% from \$82,334 in 2016 to \$84,741 in 2017, which includes adjustments to existing properties plus the addition of new residential properties. Using the 2016 millage rates, this equates to an overall average of a \$97.63 property tax increase per principal residential owner, of which \$34.49 would be increased from City taxes. The budget is based on a property tax rate of 14.2978 mills, a 0.0295 millage decrease from FY 2016/17. This decrease in millage results from a Headlee Rollback on the Road Millage (0.0170 mills), the Parks Millage (0.0042 mills), and the Public Safety Millage (0.0269 mills); as well as a small decrease in the economic development millage (0.0004); partially offset by a small increase in the refuse millage (0.0190 mills). This millage decrease will result in a \$2.50 reduction in City property tax revenue from the average residential property owner, which netted with the increased taxable value will result in an average \$31.99 increase in City property taxes from the average residential taxpayer compared to FY 2016/17.

ALL BUDGETED FUNDS

The Total Budgeted Expenditure allocation for All Budgeted Funds for FY 2017/18 is approximately \$94 million compared to \$98 million for FY 2016/17, and \$83 million for FY 2015/16, excluding inter-fund transfers. This is a 4% decrease in expenditures from FY 2016/17. The approximate \$4 million decrease in overall City expenditures is primarily due to decreases in the Local Road, Public Safety Millage and Capital Improvement Funds.

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 2017/18 budget. They are broken down into FY 2016/17 accomplishments and current ongoing projects and FY 2017/18 programs.

Ongoing or Fiscal Year 16/17 Accomplishments

- **Regional Cooperation/Collaboration and Environmental Sustainability.** The City of Farmington Hills, the City of Farmington and Farmington Public Schools joined together to compete for the Georgetown University Energy Prize (GUEP), a national competition which challenged communities to create and employ plans for improving municipal and residential energy efficiency. Through this opportunity, the City of Farmington Hills has built partnerships, supported regional collaboration in sustainability, and has helped save money and improve energy efficiency in the areas of commercial, residential and municipal. Moving forward, the City of Farmington Hills will continue to support the community to improve economic viability, community vitality and environmental sustainability through outreach, education, collaboration, critical thinking and problem solving. These efforts will continue to demonstrate the City of Farmington Hills' commitment to a more sustainable future that benefits the community as a whole and positions the City as a local and national leader in the field.
- **Safe City.** Serious Part A Crime decreased 3.4% in 2016, as a result of 84 fewer reported crimes. Compared to 10 years ago, Part A Crime is down 36%. A comparison of 2016 crime against the 30 year average reveals a positive long term trend; a 73% decrease in armed robberies, 66% fewer burglaries, 65% decrease in auto thefts and a 39% decrease in larceny from autos. In 2016, the department recorded the lowest number of armed robberies and auto thefts ever recorded and the second lowest number of total burglaries ever reported. The Farmington Hills violent crime rate per 100,000 people is 39% below the Michigan average and our property crime rate is 78% below the state average.
- **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 substantially completed in FY 2016/17: Inkster Road (13 Mile to 14 Mile), 13 Mile (Haggerty to Halsted), 13 Mile (Farmington to Orchard Lake), Colfax Road (Gill to Farmington), Drake (13 Mile to 14 Mile), I-275 (8 Mile to M-5), Orchard West Subdivision (SAD), Woodbrook Subdivision (SAD), Independence Commons Subdivision (SAD), Briar Hill Subdivision (SAD), and Hollywood/Westhill Woods/Tarabusi Grand River Gardens Subdivision (SAD).
- **Sidewalks/Pathways.** In addition to the ongoing sidewalk replacement and maintenance program, the following sidewalks are planned to be completed in FY 2016/17: 14 Mile, Chatsworth to Inkster Rd., South; Middlebelt, Westside, Ten Mile to Juneau Lane; and Gill Road.

- **New Development and Improvements.** For 2016, the Planning and Community Development Department oversaw the construction of eleven (11) new residential units with a value of over \$5.6 million. Permits for \$20 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 \$77.1 million.
- **New Equipment.** The following significant equipment was or will be placed into service in FY 2016/17: DPW – (3) Trucks, High Lift, Storm Sewer Vacuum Truck, Storm Sewer Inspection Camera, and Street Sweeper; Special Services – Irrigation Pump and Line Painter; Technology – Election Equipment and various I.T. Upgrades/Improvements; Police – Wearable Body Armor; and Fire – Engine Replacement. (4) Rescue Replacements, and (2) Medic Replacements.
- **Public Facilities.** The following significant public facility improvements were or will be completed in FY 2016/17: Fire Station and HVAC Improvements; Police Building Basement, Locker Room and Alarm Improvements; City-wide HVAC Replacements; DPW Roof and Overhead Door Replacements; Heritage Park Entrance Road Improvements; Costick Center Mechanical and Parking Lot Improvements; and Ice Arena Improvements; and

In Process or FY 2017/18 Program Goals

- **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 General Fund, Parks & Recreation Millage Fund, and the Golf Course Capital Improvement Fund will finance \$555,000 of capital projects/outlays for Heritage Park, Founders Sports Park, Athletic Fields, Vehicles & Equipment, Comfort Station, and the Ice Arena.
- **Forfeiture Fund Capital Projects.** The Federal Forfeiture Fund will finance \$137,000 for Police Vehicles & Equipment.
- **Public Safety Millage Capital Projects.** The Public Safety Millage Fund will finance \$76,000 for Fire Vehicles.
- **Construction Projects.** The Major and Local Road Funds will expend over \$12 million in road improvements in 2017/18. 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.
 - Design of 13 Mile, Drake to Farmington – funded by Road Millage Property Taxes.
 - Design of Halsted, 12 Mile to I-696 – funded by Road Millage Property Taxes.
 - Design of 13 Mile, Middlebelt to Inkster – funded by Road Millage Property Taxes.
 - Reconstruction of Drake, 12 Mile to 13 Mile – funded by Gas & Weight Taxes.

- Reconstruction of 13 Mile, Halsted to Drake – funded by Gas & Weight Taxes and Road Millage Property Taxes.
- Reconstruction of 11 Mile, Middlebelt to Orchard Lake – funded by Road Millage Property Taxes.
- Country Club Drive SAD – financed by Capital Improvement Bonds for the property owner’s share and Road Millage Property Taxes for the City’s Local Match.
- Various Local Road Mill & Fill Resurfacing – funded by Road Millage Property Taxes.
- 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 \$5.9 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 various Culvert Replacements and Repairs; the Design for Improvements to the Minnow Pond Drain, an update to the City’s Master Storm Drainage Plan and the development of an Asset Management Program; Storm Water Pollution Prevention Initiative; GIS Storm Phases I, II, and III; Illicit Discharge Elimination Program; and miscellaneous detention basin maintenance, replacement and repairs.
- Facility improvements which include a City-wide Facilities Audit, Sustainability Study, City-wide Air-Conditioning replacements, Costick Center Building & Grounds Improvements, Gateway Signage at Major Road Entrances to the City, Exterior Wayfinding Signage at the City Hall Municipal Campus, Fire Station Improvements, Police Cell Plumbing Replacement, DPW Salt Storage Dome Re-roof and Make-up Air Unit 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; and Eleven Mile, South side, Orchard Lake to Middlebelt.
- Equipment for the Fire Department includes the replacement of Ladder Truck #1; Extrication Equipment for Ladder Truck #2, (2) Thermal Imaging Cameras, (8) Multi-gas Monitors, as well as a vehicle refurbishment.
- Equipment for the Public Services Department includes a new Ten-yard Dump Truck with slip-in V-Box, the Replacement of a Ten-yard Hook-Loading Dump Truck with attachments, the Replacement of (2) Five-yard Dump Trucks with slip-in V-Boxes, and the Refurbishment of Existing Equipment.

- Technology equipment includes a complete Radio System Replacement, a Phone and Video Study, 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 2017/18 is \$19,222,331, which is approximately \$6,514,000 less than budgeted in FY 2016/17. The majority of the reduced capital expenditures results from less planned Local Road Fund Projects in FY 2017/18. Of the total capital expenditures for FY 2017/18, \$12,009,602 is for Major and Local Road construction projects; \$5,946,248 is for infrastructure/capital improvements/equipment included in the Capital Improvement Fund; \$529,500 is for Parks & Recreation and Golf Course Fund capital projects; \$423,481 is for various General Fund capital outlays; \$213,500 is for the Forfeiture and Public Safety Funds capital items; and \$100,000 is for the Brownfield Redevelopment Authority. 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. With no additional full-time staffing proposed in FY 2017/18, the full-time staffing level remains down 13% from FY 2007/08. However, the proposed Budget does reflect a 2.7% increase in part-time staffing from FY 2016/17, primarily for the Fire Department and Special Services Department. 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 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:

- Angela Nazak, Senior Adult Supervisor of the Special Services Department was named Employee of the Year. Five others were named Outstanding Employees: Christopher Barth, Information Systems Analyst II of the Central Services Department; Matthew Berzins, Equipment Operator III of the Public Services Department; Cheryl McGuire, Code/Zoning Inspector of the Planning and Community Development Department; Khalfani Stephens, Economic Development Director of the City Manager's Office; and Vianney Wilson, Department Aide of the Human Resources Department.
- Officer Larry Hernandez was named Police Officer of the Year.
- Lieutenant Jeremy Dougherty was named Firefighter of the Year.
- The City received the Distinguished Budget Presentation Award from the Government Finance Officers' Association (GFOA) for the FY 2016/17 Budget. This is the 31st 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, 2016, which was the 18th 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
Shu-Fen Lin, Controller
Gary Mekjian, Assistant City Manager
Karen Mondora, Director of Public Services
Kelly Monico, Director of Central 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.

The City Forecasts the General Fund five (5) years out from the adopted budget using conservative but realistic assumptions as its "Base Forecast". Using the Base Forecast model, the City projects the annual and cumulative change to the General Fund – fund balance relative to its fund balance target range. If the Base Forecast reflects fund balance declining below the fund balance target range within the Forecast timeframe, then alternative forecast scenarios are developed reflecting assumptions which keep fund balance within the target range.

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.

The Budget Process

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.

The Budget Process

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 2017/18 BUDGET CALENDAR

January 3, 2017	Distribution of budget instructions and forms to Department Directors
January 9 - 13, 2017	Finance Pre-submittal Meetings with Departments
January 28, 2017	City Council Goal Setting Meeting
January 30, 2017	Departmental Budget Requests Submitted to Finance Department.
Feb. 27 – March 1, 2017	Finance Department Budget Review Meetings with Departments
March 20 – 24, 2017	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 27 - April 21, 2017	Budget Document Preparation
April 24, 2017	Transmittal of FY 2017/18 Budget document to City Council (study session).
May 4 & 10, 2017	Budget review study sessions with City Council & direction to staff to publish public hearing notice.
May 2017	Public Notice of Public Hearing on FY 2017/18 Proposed Budget and tax rate.
June 12, 2017	Public Hearing and Adoption of FY 2017/18 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

In addition, the City will establish and follow general debt limitation guidelines for the debt capacity measures below:

- Net Debt as a Percentage of Taxable Value;
- Net Debt per Capita;
- Net Debt per Capita as a Percentage of Income per Capita;
- Annual Debt Service Expenditures as a Percentage of Annual Total Expenditures for the Governmental Activities; and
- Annual Debt Service Expenditures as a Percentage of Annual Total Revenue for the Governmental Activities.

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.

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.

Financial Policies

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

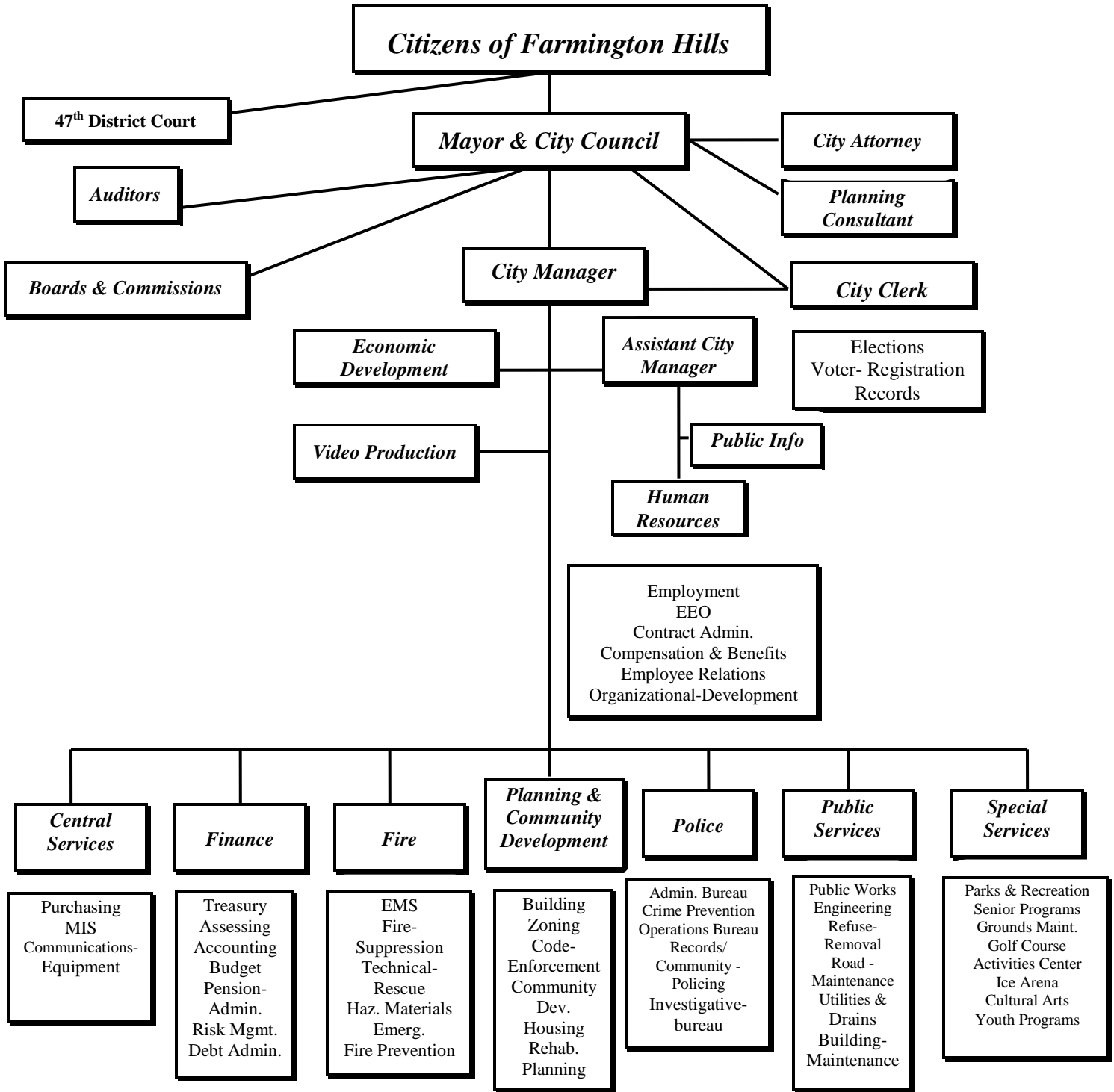
FINANCIAL POLICY BENCHMARKS

<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 = 26% of Expenditures + Transfers-out (FY 2015/16 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 2015/16 CAFR, which was the 18th 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> 2017 Taxable Value base comprised of:</p> <table style="margin-left: 40px;"> <tr> <td>Residential</td> <td style="text-align: right;">70%</td> </tr> <tr> <td>Non residential</td> <td style="text-align: right;">30%</td> </tr> </table>	Residential	70%	Non residential	30%
Residential	70%				
Non residential	30%				
<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>				

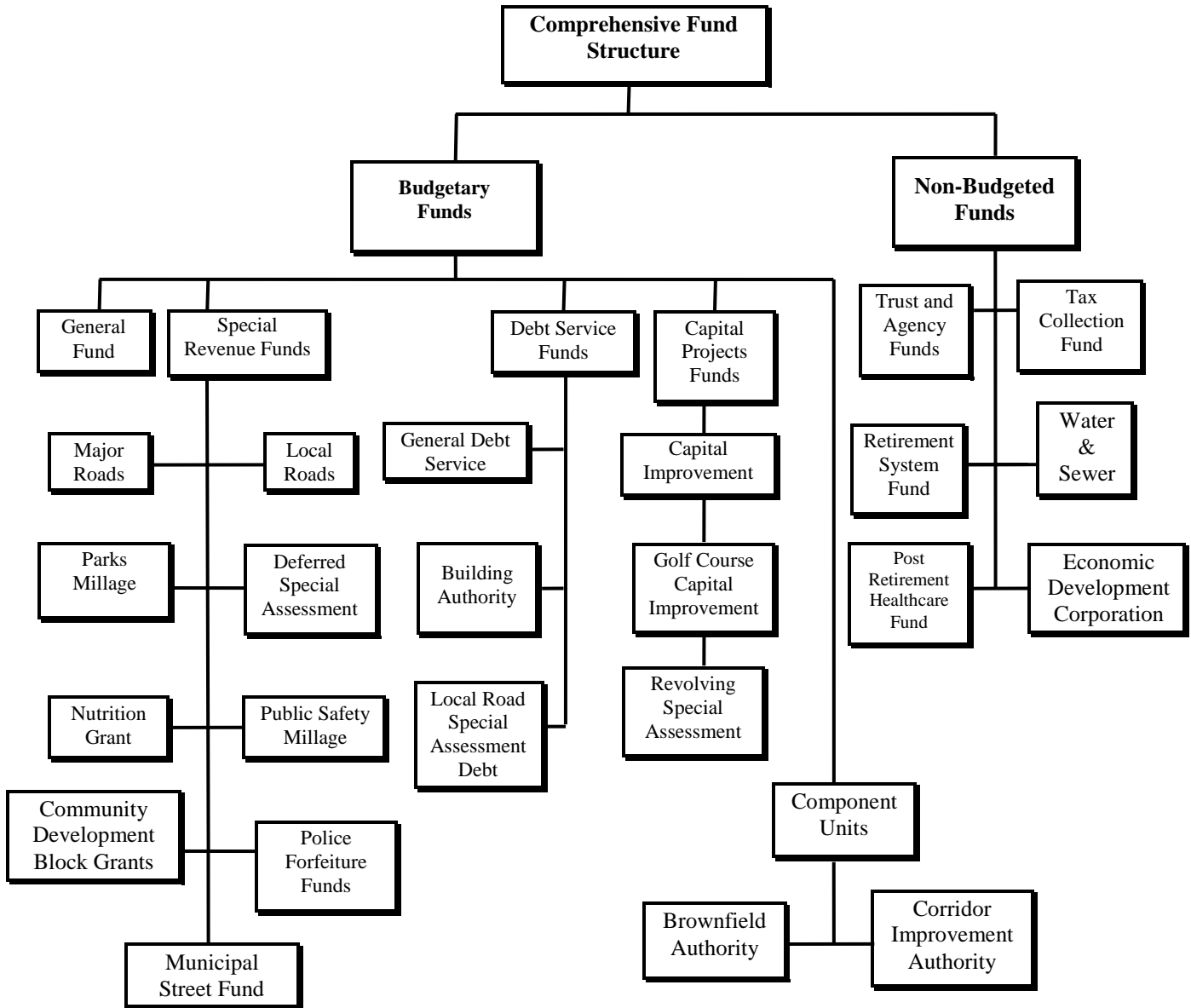
FINANCIAL POLICY BENCHMARKS (Continued)

<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 17/18: Drainage: \$ 1,603,000 Sidewalks: \$ 350,000 Equipment: \$ 2,863,000 Public Facilities \$ 1,130,000</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 2016/17, which is the 31st 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 2015/16 Funded Ratio: Retirement System- 84% funded Post-Retirement Healthcare Fund- 100% funded</p>
<p>Enhance the property tax base.</p>	<p>2016 Community investment: Residential: 11 new units valued at \$5.6 million. \$20 million in improvements / additions to existing units.</p> <p>Commercial New, Additions & Improvements: \$77.1 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 14-15	FY 15-16	FY 16-17	FY 2017-2018		
	Full Time	Full Time	Full Time	Part Time Full Time	FTE* Total	
General Fund:						
City Administration	5	5	5	4	1.10	5.10
Public Information	4	4	4	4	2.10	6.10
Finance	19	19	19	19	1.09	20.09
City Clerk	6	6	6	6	0.20	6.20
Human Resources	4	4	4	4	0.14	4.14
Central Services	9	9	9	9	0.90	9.90
Police	141	142	142	142	11.74	153.74
Fire	51	51	55	55	38.92	93.92
Planning & Community Development	18	19	19	19	0.37	19.37
Public Services -						
Administration	4	4	4	4	0.00	4.00
Road Maintenance	20	20	20	21	6.92	27.92
Building Maintenance	4	4	4	4	0.00	4.00
Engineering	13	13	13	13	2.32	15.32
D.P.W. Garage	11	12	12	11	1.00	12.00
Waste Collection/Recycling	1	1	1	1	0.00	1.00
Special Services -						
Administration	11	11	11	12	10.25	22.25
Youth and Families	1	1	1	1	8.73	9.73
Senior Adults	5	5	5	5	21.16	26.16
Parks	9	9	9	9	16.59	25.59
Cultural Arts	2	2	2	2	1.47	3.47
Golf Course	2	2	2	2	11.41	13.41
Recreation	0	0	0	0	12.05	12.05
Ice Arena	3	3	3	3	10.41	13.41
TOTAL CITY	343	346	350	350	158.87	508.87

FULL TIME EMPLOYEE STATISTICS SUMMARY

	14-15	15-16	16-17	17-18
FULL TIME	343.00	346.00	350.00	350.00
FTE	155.72	158.92	154.72	158.87
TOTAL FULL TIME AND FTE	498.72	504.92	504.72	508.87

Although the number of full-time employees will be the same in FY 2017/18, the City Manager Department will have 1 less FTE and the Special Services Department will have 1 more FTE in FY 2017/18. The number of part-time employees will increase by 4.15 FTE's in 17/18, primary in the Fire Department and Special Services Department.

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 2017/18 and the last four fiscal years and the taxable value for FY 2017/18 are outlined below:

Advalorem Taxable Value (subject to City taxation)* = \$3,206,649,400
IFT Taxable Value = \$929,350

Millage Type	Actual Tax Rate FY 2013/14	Actual Tax Rate FY 2014/15	Actual Tax Rate FY 2015/16	Actual Tax Rate FY 2016/17	Proposed Tax Rate FY 2017/18
Operations	6.7084	6.5206	5.9466	5.8911	6.1549
Capital	0.6163	0.7986	1.5606	1.5978	1.7168
Debt Service	0.6313	0.6368	0.4488	0.4671	0.4434
Total Charter Operating Millage**	7.9560	7.9560	7.9560	7.9560	8.3151
Refuse Removal	0.7168	0.7436	0.7542	0.7169	0.7359
Economic Development	0.0164	0.0164	0.0160	0.0160	0.0156
Voted Road Millage	0.0000	0.0000	2.0000	1.9908	1.9738
Voted Parks	0.4882	0.4882	0.4882	0.4859	0.4817
Voted Public Safety	3.1764	3.1764	3.1764	3.1617	3.1348
Total Voted Millage	3.6646	3.6646	5.6646	5.6384	5.5903
Total City Millage	12.3538	12.3806	14.3908	14.3273	14.6569

* Less Taxable Value on Renaissance Zone Property.

** Subject to Headlee Capped Charter Maximum of 8.3151 Mills.

2017 TAXABLE VALUE ANALYSIS BY CLASS

CLASS	2016 Taxable	Net New	Adjustment	2017 Taxable	% of Taxable Adjustment	% of Taxable Roll
COMMERCIAL	649,105,680	5,817,783	11,253,167	666,176,630	1.73%	20.77%
INDUSTRIAL	93,312,600	79,420	1,592,160	94,984,180	1.71%	2.96%
RESIDENTIAL	2,181,346,960	7,700,683	55,150,547	2,244,198,190	2.53%	69.96%
REAL PROPERTY	2,923,765,240	13,597,886	67,995,874	3,005,359,000	2.33%	93.69%
PERSONAL	203,299,780	12,930,030	(13,729,230)	202,500,580	-6.75%	6.31%
GRAND TOTAL	3,127,065,020	26,527,916	54,266,644	3,207,859,580	1.74%	100.00%
GRAND TOTAL*	3,127,065,020	26,527,916	54,266,644	3,207,859,580	2.58%	100.00%

* Including Net New.

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

	2017 S.E.V.	2017 TAXABLE	S.E.V. TO T.V. REDUCTION
COMMERCIAL	777,853,580	666,176,630	111,676,950
INDUSTRIAL	112,724,920	94,984,180	17,740,740
RESIDENTIAL	2,881,826,210	2,244,198,190	637,628,020
REAL PROPERT	3,772,404,710	3,005,359,000	767,045,710
PERSONAL	202,501,390	202,500,580	810
GRAND TOTAL	3,974,906,100	3,207,859,580	767,046,520

Property taxpayer savings (using 2016 millage rates) are:

City Taxes at 14.3273 mills	\$ 10,989,706
Total Taxes at 44.7491 mills **	\$ 34,324,641

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

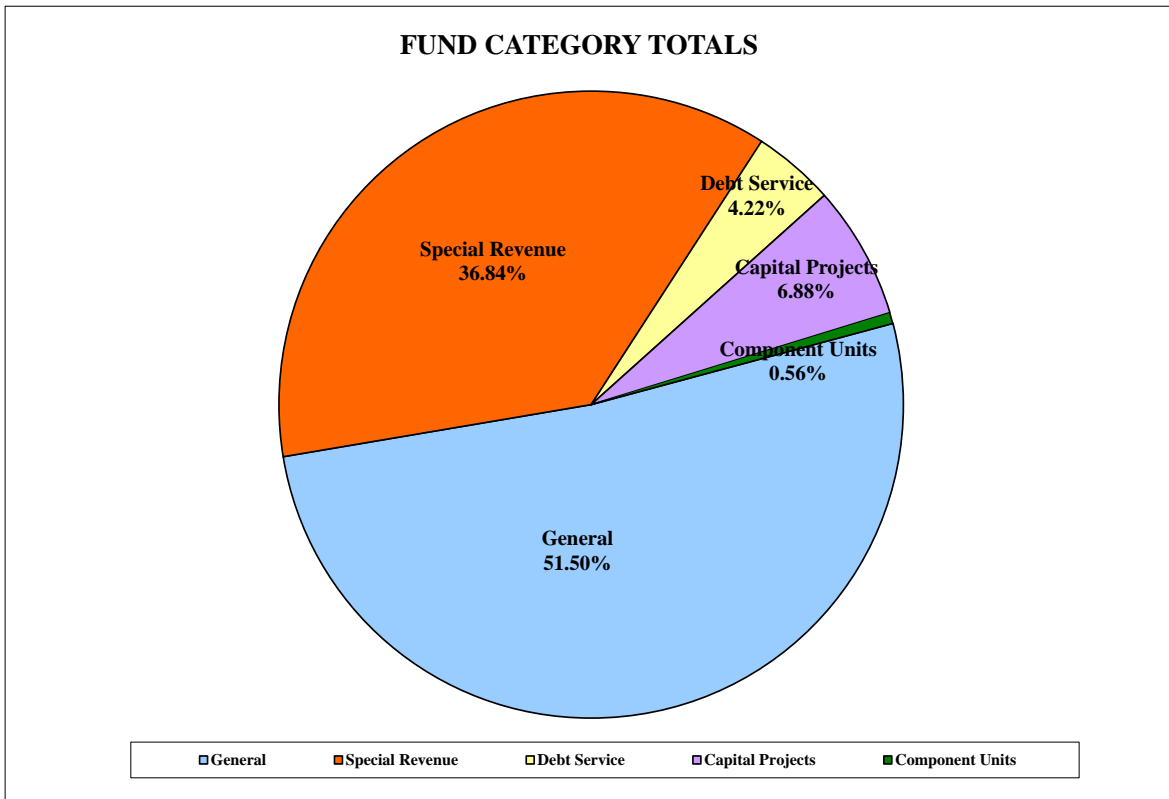
**2016 Farmington Schools Homestead tax rate

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

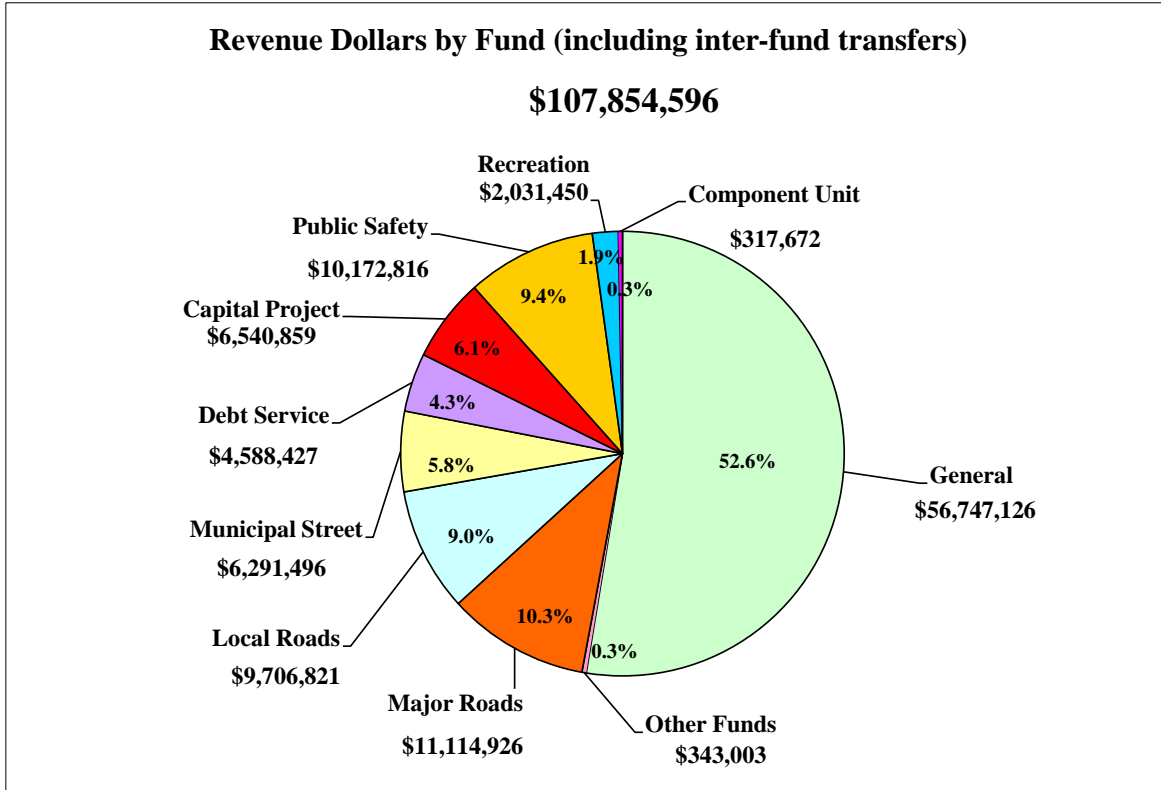
FUND OVERVIEW

The City’s General Fund accounts for 51.50% or \$58,235,639 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:

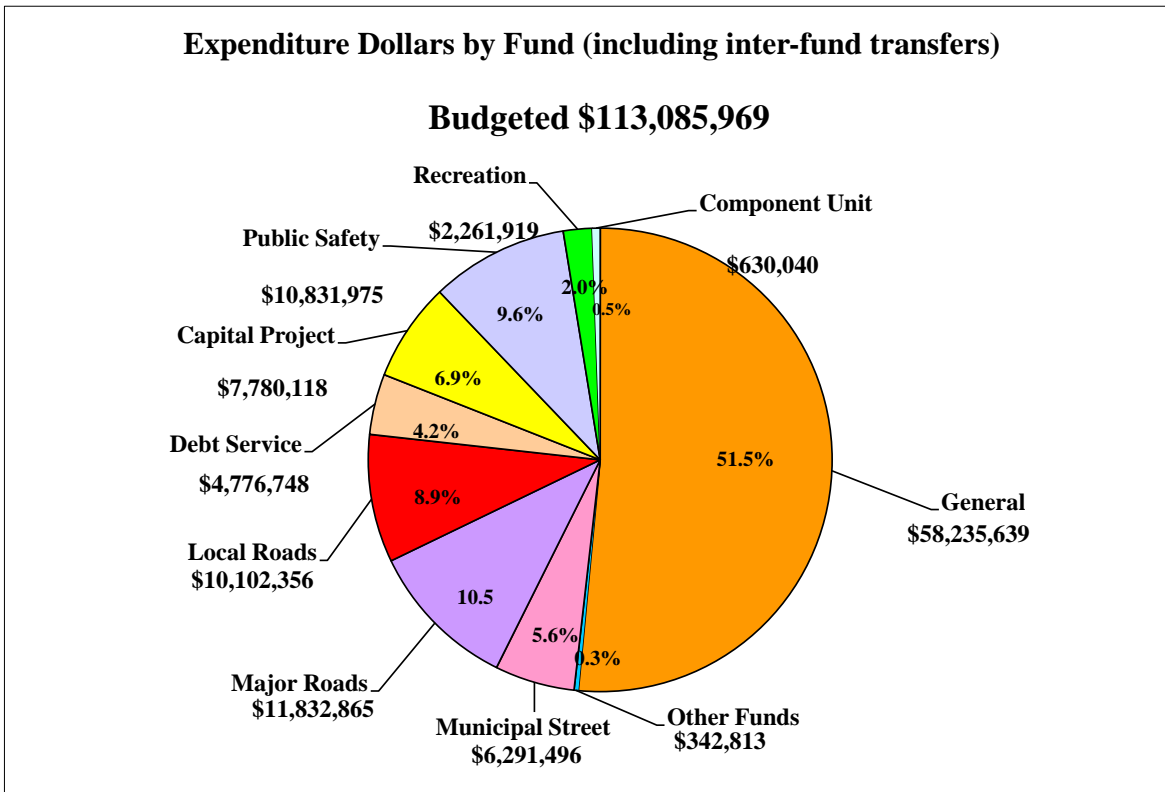
Fund Category	Budget	Percentage
General	\$58,235,639	51.50%
Special Revenue	41,663,424	36.84%
Debt Service	4,776,748	4.22%
Capital Projects	7,780,118	6.88%
Component Units	630,040	0.56%
Total	\$113,085,969	100.00%



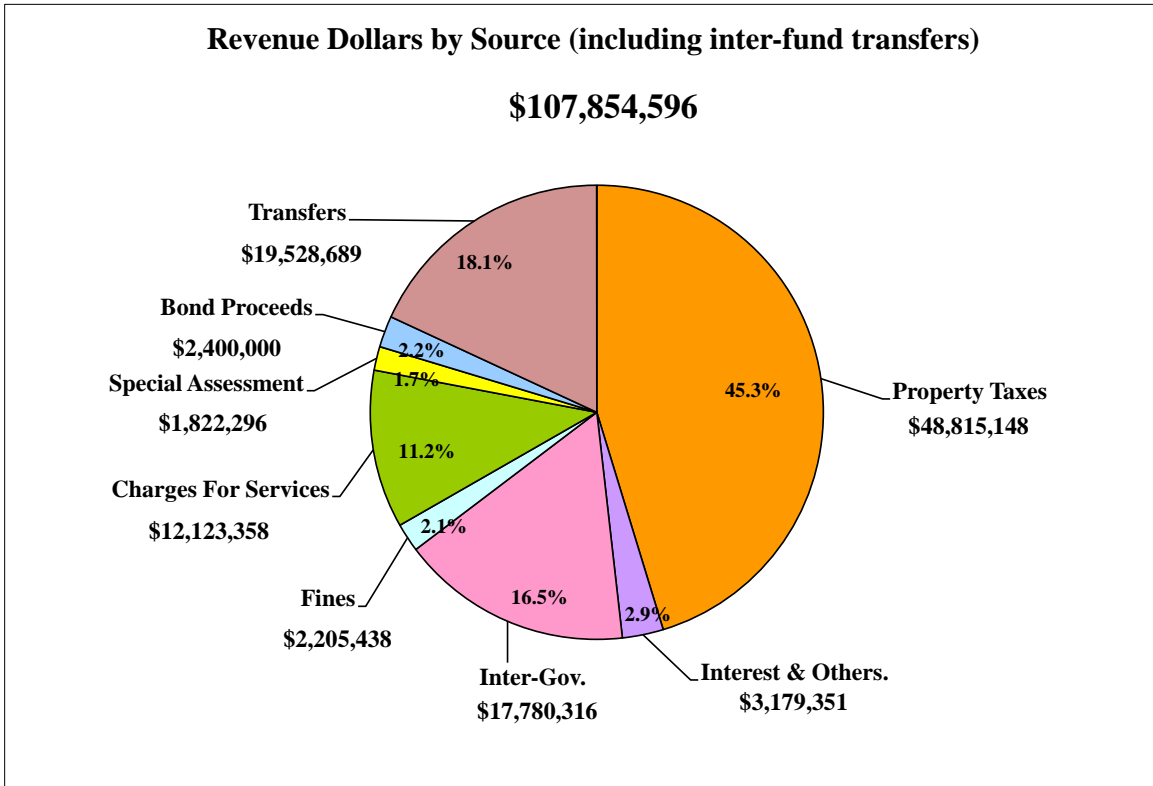
SUMMARY OF BUDGETARY FUNDS BY FUND TYPE FY 2017/18



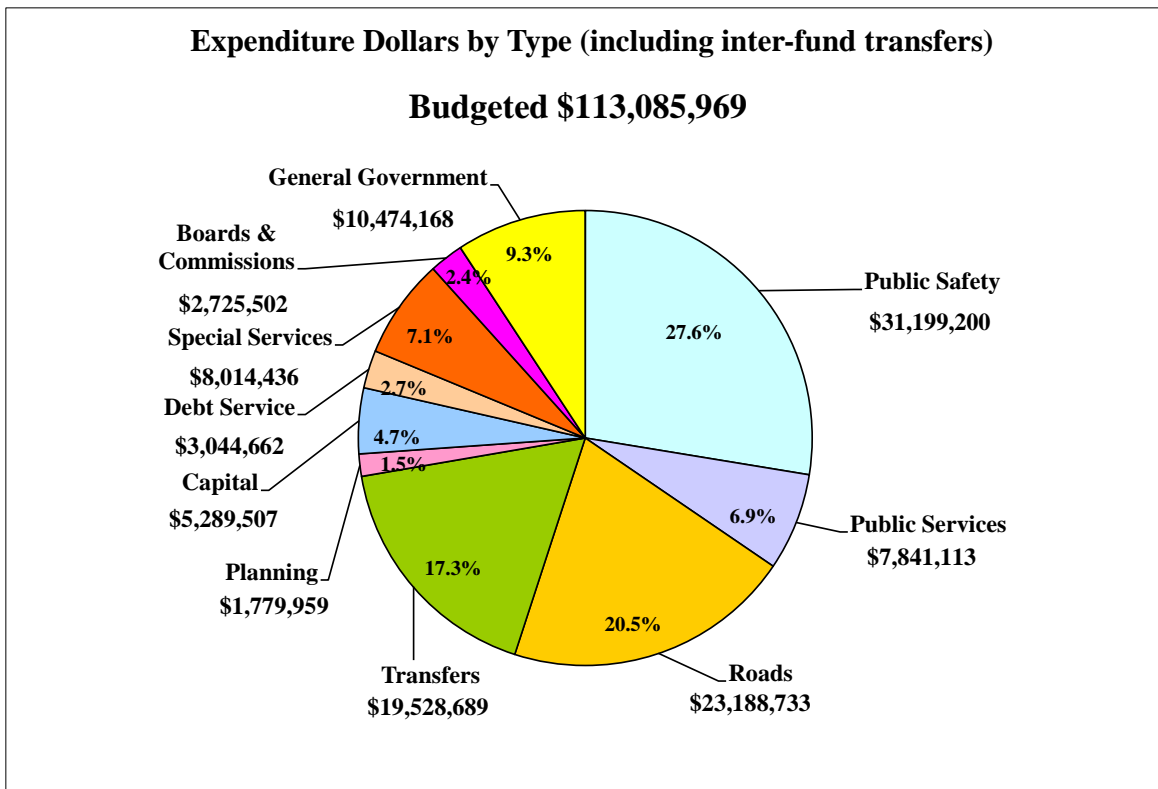
Variiances between revenue and expenditures are from Fund Balance.



**SUMMARY OF BUDGETARY FUNDS
BY REVENUE SOURCE AND EXPENDITURE TYPE
FY 2017/18**



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



CONSOLIDATED BUDGET SUMMARY
FISCAL YEAR ENDING 6/30/18

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Component Units	Total Funds
FUND BALANCE AT JULY 1, 2017	30,727,498	6,154,345	2,114,410	1,916,968	1,047,995	41,961,217
REVENUES						
Property Taxes	30,742,979	17,762,997	0	0	309,172	48,815,148
Intergovernmental	7,618,427	9,711,879	250,010	200,000	0	17,780,316
Charges for Service	12,123,358	0	0	0	0	12,123,358
Special Assessment	0	1,200,490	621,806	0	0	1,822,296
Interest Income	319,000	102,310	86,962	6,350	8,500	523,122
Fines and Forfeitures	2,205,438	0	0	0	0	2,205,438
Other/Miscellaneous	2,421,074	203,655	0	31,500	0	2,656,229
Total Revenues	55,430,276	28,981,331	958,778	237,850	317,672	85,925,907
EXPENDITURES						
Boards and Commissions	2,725,502	0	0	0	0	2,725,502
General Government	10,474,168	0	0	0	0	10,474,168
Public Safety	20,443,225	10,755,975	0	0	0	31,199,200
Planning, Commun. & Econ. Dev.	1,779,959	0	0	0	0	1,779,959
Public Services	7,841,113	0	0	0	0	7,841,113
Special Services	8,014,436	0	0	0	0	8,014,436
Highways and Streets	0	20,455,733	0	2,733,000	0	23,188,733
Land Acquisition, Capital Improvements and Other	0	1,373,632	11,152	3,283,683	621,040	5,289,507
Debt Service Principal	0	0	2,410,000	0	0	2,410,000
Debt Service Interest	0	0	634,662	0	0	634,662
Total Expenditures	51,278,403	32,585,340	3,055,814	6,016,683	621,040	93,557,280
Revenues over/(under) Expenditures	4,151,873	(3,604,009)	(2,097,036)	(5,778,833)	(303,368)	(7,631,373)
OTHER FINANCING SOURCES AND USES						
Proceeds from Bond Sale	0	2,400,000	0	0	0	2,400,000
Transfers In	1,316,850	8,279,181	3,629,649	6,303,009	0	19,528,689
Transfers Out	(6,957,236)	(9,078,084)	(1,720,934)	(1,763,435)	(9,000)	(19,528,689)
Total	(5,640,386)	1,601,097	1,908,715	4,539,574	(9,000)	2,400,000
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,488,513)	(2,002,912)	(188,321)	(1,239,259)	(312,368)	(5,231,373)
FUND BALANCE AT JUNE 30, 2018	29,238,985	4,151,433	1,926,089	677,709	735,627	36,729,844

Schedule of Interfund Transfers FY 2017/18

Fund Transfer From	Fund Transfer To	Amount
General Fund	Capital Improvement Fund	5,505,122 (3)
	Golf Course Capital Improvement Fund	29,952 (3)
	General Debt Service Fund	1,422,162 (2)
	Total General Fund	6,957,236
 Municipal Street Fund	Major Roads Fund	4,235,125 (3)
	Local Roads Fund	2,055,621 (3)
	Total Municipal Street Fund	6,290,746
 Major Roads Fund	Local Roads Fund	225,000 (4)
 Local Roads Fund	Special Assessment Revolving Fund	176,935 (5)
	Local Road Special Assessment Debt Fund	993,753 (2)
	General Debt Service Fund	83,800 (2)
	Total Local Roads Fund	1,254,488
 Special Assessment Revolving Fund	Local Roads Fund	1,763,435 (3)
 Local Road Special Assessment Debt Fund	Special Assessment Revolving Fund	591,000 (5)
 Parks Millage Fund	General Fund	1,307,850 (1)
 General Debt Service Fund	Building Authority Fund	1,129,934 (2)
 Brownfield Redevelopment Authority Fund	General Fund	9,000 (1)
	Total Interfund Transfers	19,528,689

- (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.

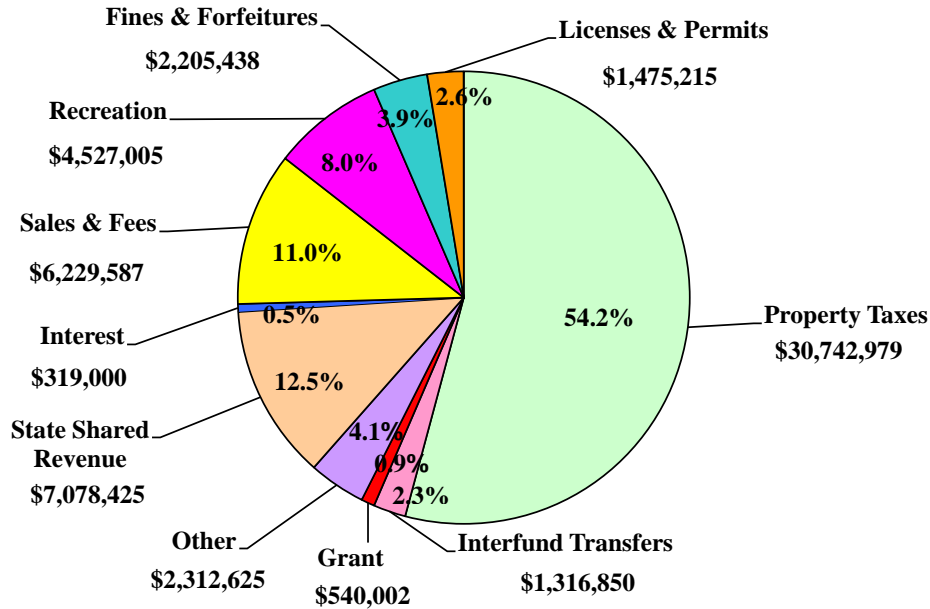
GENERAL FUND

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.

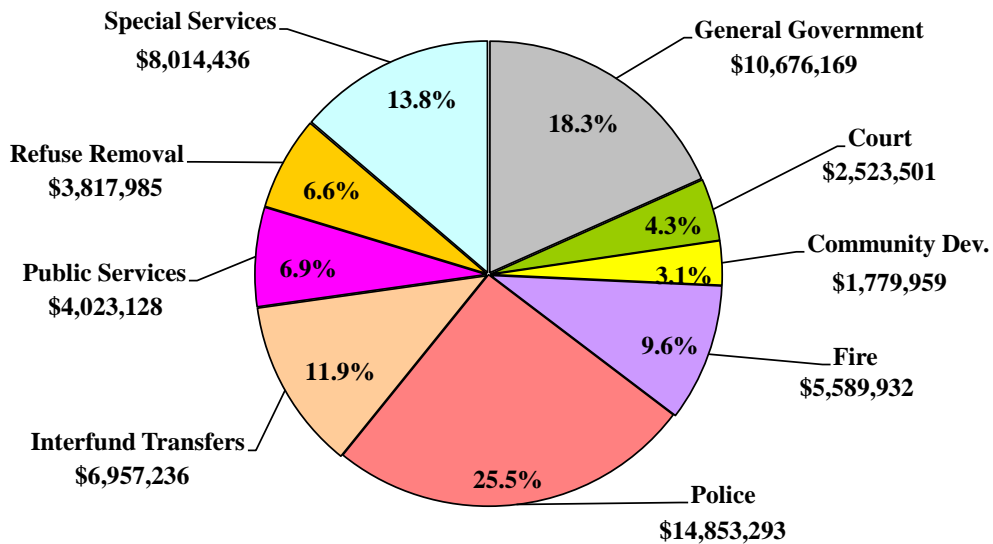


GENERAL FUND FY 2017/18

Total General Fund Revenue and Transfers In Budgeted \$56,747,126

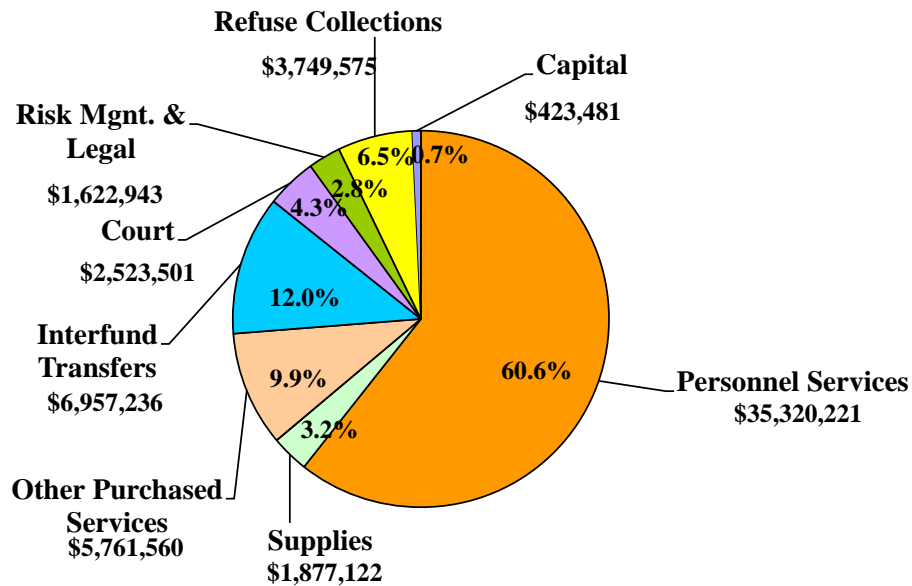


Total General Fund Expenditures and Transfers Out Budgeted \$58,235,639



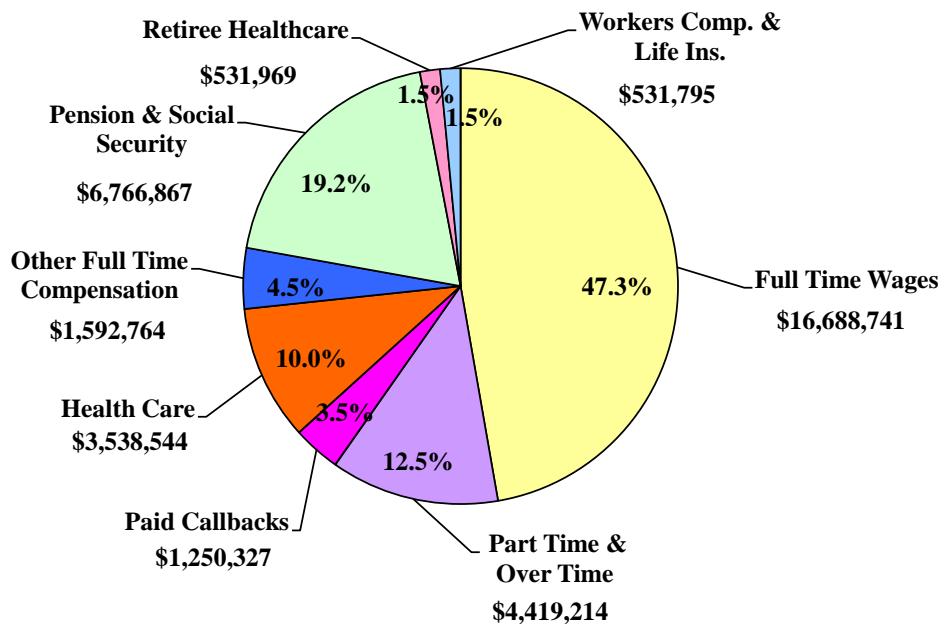
General Fund Expenditures by Classification

Budgeted \$58,235,639



General Fund Personnel Services

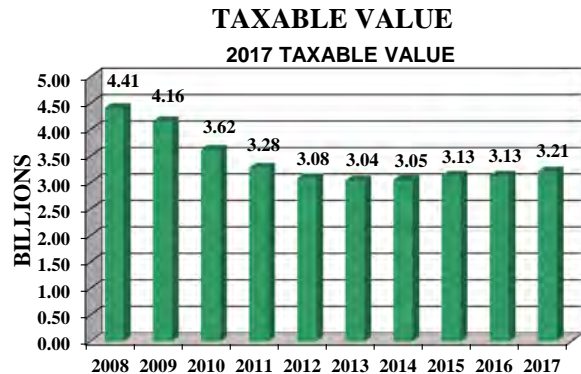
Budgeted \$35,320,221



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 54.2% of the General Fund Revenue, same as one year ago. The proposed General Operating Millage (\$1 per \$1,000 of Taxable Value) is 8.3151, which covers operations, debt service and capital outlays. The Taxable Value of \$3,207,859,580 for FY 2017/18 was established on 12/31/16.

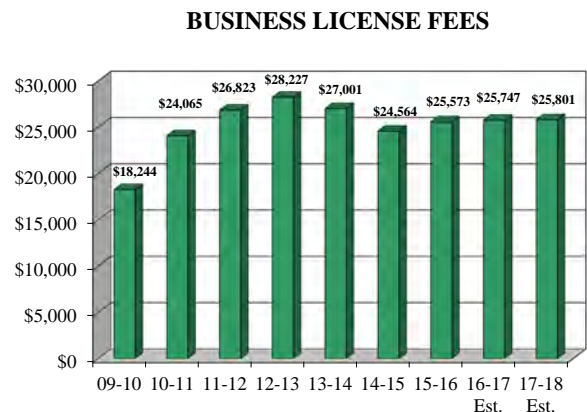
This category also consists of delinquent tax collections, penalties, interest, delinquent taxes, IFT Payments, and administration fees. Total General Fund property tax related revenues are projected at \$30,742,979 for FY 2017/18.

Real Property Taxes that are delinquent at March 1, 2018 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.

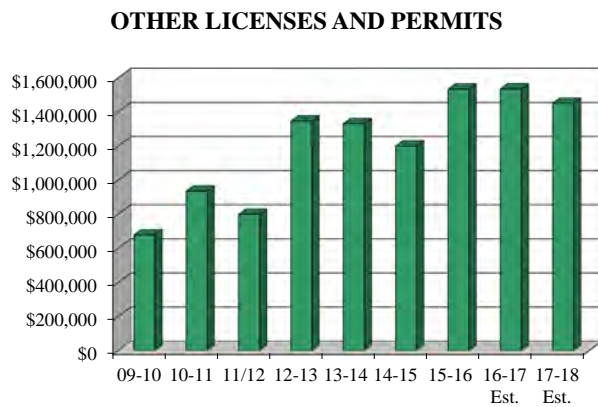
This category of revenue is projected at \$25,801 for FY 2017/18.



General Fund Revenue Analysis

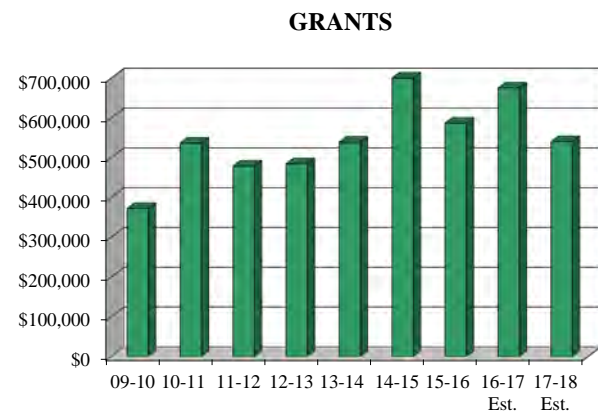
Other Licenses and Permits

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 \$1,449,414 for FY 2017/18.



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 \$540,002 for FY 2017/18.

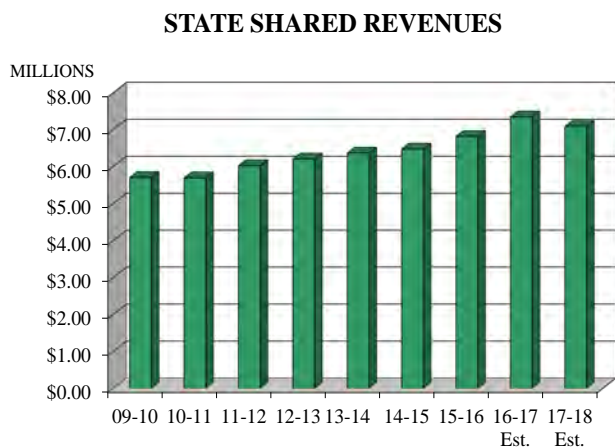


State Shared Revenues

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.

In addition, this revenue source now also includes the State's reimbursement of exempt personal property taxes.

The FY 2017/18 revenues are based on the State's Budget estimates. This amount is projected to be \$7,078,425 or 12.5% of the General Fund Revenue Budget, down from 13.1% last year.

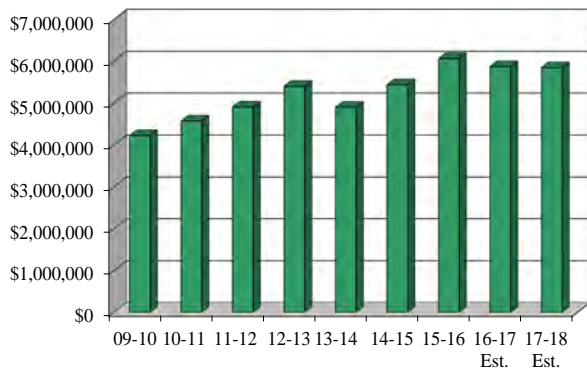


General Fund Revenue Analysis

Fees

Sources for these revenues are fees charged for various services provided by the City. This category accounts for \$5,842,435 of the General Fund Revenues. The largest revenue fee items in this group are \$1,830,000 for cable franchise fees, \$1,736,000 for advance life support fees, and \$1,465,000 for curbside recycling fees. Other revenues are estimated on anticipated development and construction and past revenue trends.

FEES

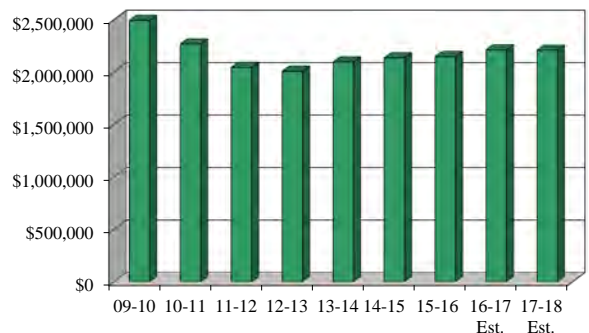


Fines and Forfeitures

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 \$2,205,438 for FY 2017/18 and comprise 3.9% of the General Fund Budget, about the same as the budget last year.

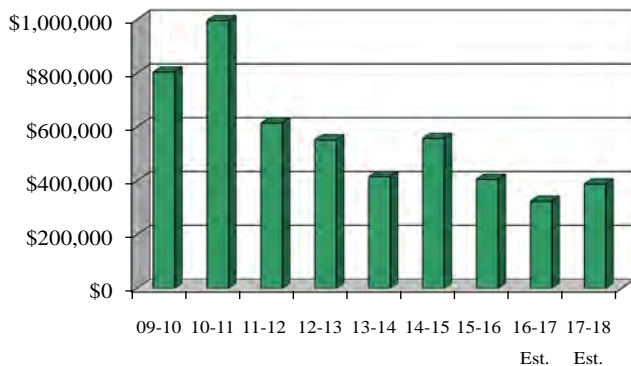
FINES AND FORFEITURES



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 \$387,154 of the FY 2017/18 General Fund Budget.

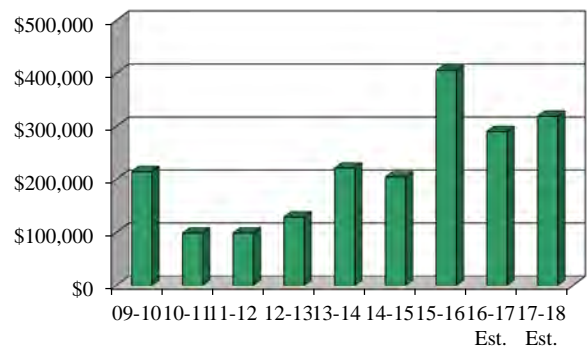
SALES



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 \$319,000 to the City's revenue.

INVESTMENT INCOME

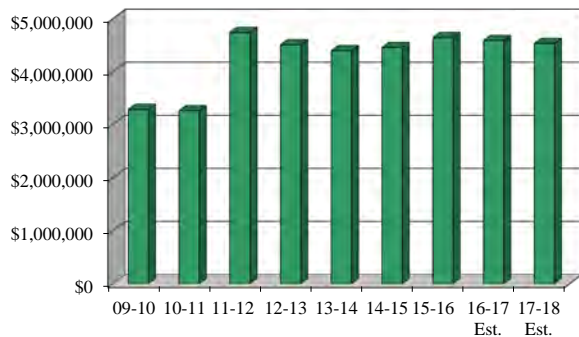


General Fund Revenue Analysis

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 \$4,527,005 or 8.0% of the FY 2017/18 General Fund Revenue Budget.

RECREATION USER CHARGES

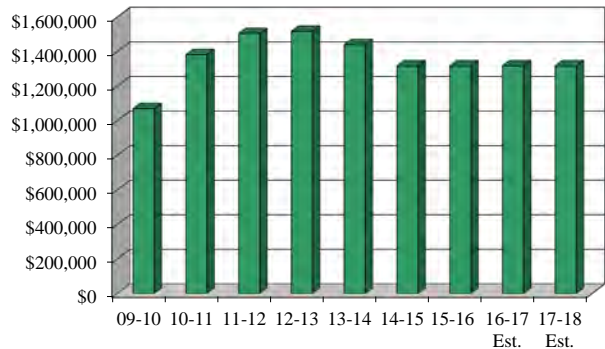


Contributions from Other Funds

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 2017/18 contributions will be \$1,316,850 or 2.3% 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 2017/18 is \$2,312,625.

GENERAL FUND SUMMARY

	2014/15 Actual	2015/16 Actual	2016/17 Budget	2016/17 Estimated	2017/18 Adopted
FUND BALANCE AT JULY 1					
Nonspendable, Restricted & Assigned	13,197,685	13,750,547	17,464,597	17,464,597	17,309,157
Unassigned	11,599,339	13,987,360	13,418,341	13,418,341	13,418,341
TOTAL FUND BALANCE	24,797,024	27,737,907	30,882,938	30,882,938	30,727,498
REVENUES					
Property Taxes	28,172,671	29,058,007	28,863,205	28,781,343	30,742,979
Business Licenses & Permits	24,564	25,573	24,500	25,747	25,801
Other Licenses & Permits	1,199,723	1,532,521	1,204,400	1,534,226	1,449,414
Grants	766,828	586,568	685,100	674,665	540,002
State Shared Revenues	6,460,457	6,807,773	7,112,338	7,336,848	7,078,425
Fees	5,432,753	6,059,238	5,581,500	5,866,128	5,842,435
Sales	556,602	404,838	343,968	323,545	387,154
Fines & Forfeitures	2,132,227	2,145,354	2,160,000	2,209,000	2,205,438
Interest Earnings	204,059	404,784	256,000	290,000	319,000
Recreation User Charges	4,450,083	4,637,772	4,567,540	4,582,942	4,527,005
Other Revenue	2,994,704	2,442,125	2,143,009	2,340,938	2,312,625
TOTAL OPERATING REVENUE	52,394,671	54,104,553	52,941,560	53,965,382	55,430,276
EXPENDITURES					
Boards & Commissions	2,637,879	2,649,973	2,713,206	2,710,176	2,725,502
General Government	9,449,511	9,274,061	10,193,692	9,979,974	10,474,168
Public Safety	18,372,150	18,378,223	19,742,249	19,194,253	20,443,225
Planning & Community Development	1,351,797	1,423,852	1,747,446	1,593,984	1,779,959
Public Services	7,294,453	7,275,405	7,940,849	7,487,111	7,841,113
Special Services	7,075,084	7,304,009	7,610,668	7,561,431	8,014,436
TOTAL EXPENDITURES	46,180,874	46,305,523	49,948,110	48,526,928	51,278,403
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	6,213,797	7,799,030	2,993,449	5,438,453	4,151,873
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	1,316,850	1,316,850	1,316,850	1,316,850	1,316,850
Operating Transfers Out	(4,589,764)	(5,970,849)	(6,984,443)	(6,910,743)	(6,957,236)
TOTAL OTHER FINANCING FINANCING SOURCES (USES)	(3,272,914)	(4,653,999)	(5,667,593)	(5,593,893)	(5,640,386)
EXCESS OF REVENUE AND FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	2,940,883	3,145,031	(2,674,144)	(155,440)	(1,488,513)
FUND BALANCE AS OF JUNE 30					
Nonspendable, Restricted & Assigned	13,750,547	17,464,597	14,026,291	17,309,157	16,083,733
Unassigned	13,987,360	13,418,341	14,182,503	13,418,341	13,155,252
TOTAL FUND BALANCE	27,737,907	30,882,938	28,208,794	30,727,498	29,238,985
Unassigned Fund Balance As Percent Of Expenditures	27.6%	25.7%	24.9%	24.2%	22.6%

General Fund Summary

	Actual	Actual	Budget	Estimate	Adopted
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2017	June 30, 2018
<u>Nonspendable and Restricted Fund Balance</u>					
SWOCC Advance of Principal	367,669	161,149	0	0	0
Restricted	22,408	22,408	22,408	22,408	22,408
Prepays	<u>471,832</u>	<u>871,159</u>	<u>234,922</u>	<u>234,922</u>	
Total Nonspendable and Restricted Fund Balance	<u>861,909</u>	<u>1,054,716</u>	<u>257,330</u>	<u>257,330</u>	<u>22,408</u>
<u>Assigned Fund Balance</u>					
Next Year's Budgeted Expenditures	1,124,364	2,476,602	1,000,000	2,644,595	2,077,800
Encumbrances Carried Forward	136,737	157,541	193,026	193,026	175,000
Future Inspections	200,000	200,000	200,000	200,000	0
Communications	200,000	200,000	200,000	200,000	0
Information Technology	650,000	900,000	0	180,000	0
Police Patrol Cars	400,000	400,000	0	0	0
Activities Center	355,000	355,000	205,000	205,000	0
Buses	400,000	400,000	0	0	0
Stormwater	1,000,000	5,396,353	3,541,935	5,000,000	1,140,837
Sidewalks & Bikepaths	500,000	500,000	0	0	0
Corridor Improvement Authority	920,000	920,000	0	0	0
Unfunded 1st Year CIP Projects	0	0	4,988,500	4,988,506	8,286,688
Police Training	2,537	4,385	3,000	3,000	3,000
Public Safety	5,000,000	0	0	0	0
Retirement System Contribution*	1,000,000	2,500,000	2,137,500	2,137,700	3,000,000
Retiree Healthcare System Contribution*	<u>1,000,000</u>	<u>2,000,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,378,000</u>
Total Assigned Fund Balance	<u>12,888,638</u>	<u>16,409,881</u>	<u>13,768,961</u>	<u>17,051,827</u>	<u>16,061,325</u>
Total Nonspendable, Restricted & Assigned Fund Balance	<u>13,750,547</u>	<u>17,464,597</u>	<u>14,026,291</u>	<u>17,309,157</u>	<u>16,083,733</u>

* Over and above the annual actuarial calculated contribution.

GENERAL FUND ESTIMATED REVENUE ANALYSIS

ACCT. NO.	DESCRIPTION	2014/15 Actual	2015/16 Actual	2016/17 Budget	2016/17 Projection	2017/18 Budget
<u>PROPERTY TAXES</u>						
403	005 Current Operating Property Tax	24,070,417	24,699,784	24,698,019	24,607,060	26,412,821
	006 Current Refuse Removal Property Tax	2,247,974	2,339,628	2,225,491	2,217,295	2,337,563
	007 Economic Development Property Tax	49,537	49,597	49,669	49,486	49,553
	020 Delinquent Personal Property	55,927	50,747	57,000	54,600	55,000
	025 Interest & Penalty	329,330	377,496	298,000	322,000	330,000
	027 Transfer Affidavit Penalty Fee	24,290	24,225	24,500	36,530	30,000
	030 Payments in Lieu of Taxes	19,466	21,458	19,500	19,500	19,500
	031 IFT Payments	9,160	6,610	4,524	4,505	4,046
	032 Administration Fee	1,371,898	1,490,164	1,483,901	1,467,567	1,501,696
	035 Trailer Taxes	2,724	2,913	2,600	2,800	2,800
	036 MTT Payments/Adjustments	(15,755)	(4,615)	0	0	0
	Total Property Taxes	28,164,968	29,058,007	28,863,205	28,781,343	30,742,979
<u>BUSINESS LICENSES & PERMITS</u>						
451	025 Vendor Permits	6,519	6,338	6,500	6,400	6,547
	030 Business Licenses	3,450	3,600	3,500	4,087	3,787
	050 Landfill Permit	390	260	300	260	309
	055 Residential Builders Registration	14,205	15,375	14,200	15,000	15,157
	Total Business Licenses & Permits	24,564	25,573	24,500	25,747	25,801
<u>OTHER LICENSES & PERMITS</u>						
476	006 Fire Damage Reports	358	374	400	400	385
	009 Zoning Compliance Permit	2,610	2,900	3,000	3,000	2,893
	010 Building Permits	799,717	1,091,964	800,000	1,104,076	1,018,557
	015 Electrical Permits	132,525	150,321	130,000	150,000	147,168
	020 Heating Permits	138,800	148,978	140,000	150,000	148,845
	025 Plumbing Permits	70,515	70,149	70,000	70,000	71,626
	035 Over - Size / Weight Permits	1,000	1,150	1,000	1,150	1,122
	045 Cab Card Permits	6,700	3,000	6,500	3,200	3,200
	050 Dog Licenses	3,868	4,505	3,000	4,000	4,207
	060 Sidewalk R.O.W. Utility	10,145	11,595	10,000	11,000	11,132
	065 Residential Improvement & Engineering	4,400	6,400	10,000	8,000	6,392
	066 Residential Improvement Building	550	800	1,000	1,000	799
	069 Rental Unit Inspection Fee	27,300	38,640	28,000	27,000	31,600
	070 Soil Erosion & Sediment	1,235	1,745	1,500	1,400	1,489
	Total Other Licenses & Permits	1,199,723	1,532,521	1,204,400	1,534,226	1,449,414
<u>GRANTS</u>						
505	004 Federal FEMA Safer Grant	162,554	202,112	350,000	320,000	172,000
	005 Homeland Security Federal Grant	33,481	6,390	0	31,449	0
	029 SMART Grant Revenue	244,210	239,498	264,000	239,500	264,499
	032 Police Training Grant, P.A. 302	20,109	20,972	20,000	20,000	20,768
	033 State Act 32 Dispatch Training	0	7,825	0	7,916	0
	045 Auto Theft Grant	71,526	66,507	35,300	40,000	60,531
	050 County Grants	22,506	18,264	11,300	11,300	17,704
	052 CGAP I.T. Grant	195,177	0	0	0	0
	053 Georgetown University Grant	17,265	0	0	0	0
	054 Miscellaneous Grant	0	3,000	0	0	0
	100 MMRMA Rap Grant	0	22,000	4,500	4,500	4,500
	Total Grants	766,828	586,568	685,100	674,665	540,002

Estimated Revenue Analysis

ACCT. NO.	DESCRIPTION	2014/15 Actual	2015/16 Actual	2016/17 Budget	2016/17 Projection	2017/18 Budget
<u>STATE SHARED REVENUE</u>						
574	000 LCSSA Reimb. of Exempt Personal Property	7,703	353,942	423,338	823,770	473,689
	005 Income, Sales & Intangibles	6,421,273	6,415,437	6,650,000	6,474,279	6,565,736
	010 Liquor License Tax	39,184	38,394	39,000	38,799	39,000
	Total State Shared Revenue	6,468,160	6,807,773	7,112,338	7,336,848	7,078,425
<u>FEES</u>						
607	030 Police Accident Reports	40,205	20,422	35,000	30,000	30,813
	031 Police Services	45,144	45,498	45,000	45,000	46,118
	032 Franklin Lockup Service Fees	1,400	1,000	700	1,300	1,300
	035 Miscellaneous Police Fees	66,501	48,851	55,000	55,000	57,920
	036 False Alarms	58,180	46,049	45,000	46,000	47,000
	037 Liquor License Processing	10,500	4,000	10,000	7,000	7,310
	038 Fire Department Cost Recovery	7,437	6,530	1,500	1,500	5,259
	039 Fire Inspection	83,753	96,405	80,000	96,000	93,894
	040 Weed Cutting	8,980	11,772	9,000	9,000	10,116
	041 Advance Life Support Fees	1,699,324	1,708,423	1,750,000	1,700,000	1,736,634
	042 Animal Appeal Hearing	750	1,700	800	1,300	1,275
	045 Planning Commission	43,200	67,866	40,000	50,000	54,762
	055 Zoning Board	8,571	6,846	7,500	7,500	7,792
	060 Board Up Fees	0	250	0	0	0
	065 Zoning Site Plan Review	3,810	29,333	4,000	4,000	5,000
	070 Engineering Site Plan Review	53,731	201,331	98,000	106,553	122,949
	076 In-House Engineering Fees	277,059	389,979	300,000	125,000	269,293
	078 Soil Erosion Inspection	0	(250)	0	0	0
	082 S.A.D. Engineering Fees	45,865	37,550	50,000	316,939	50,000
	083 Revenues Cable TV	1,494,393	1,862,278	1,550,000	1,800,000	1,830,000
	084 SWOCC Contribution	8,316	6,237	0	0	0
	085 Recycling Fees	1,475,634	1,467,168	1,500,000	1,464,036	1,465,000
	Total Fees	5,432,753	6,059,238	5,581,500	5,866,128	5,842,435
<u>SALES</u>						
642	005 Maps & Publications	142	(158)	150	100	50
	008 General forfeiture - Adjudicated	35,205	0	0	0	0
	009 Franklin Dispatch	50,458	50,459	50,458	50,458	51,468
	010 Auctions	3,396	20,134	9,300	9,300	11,162
	013 Permits Expired - Uncompleted	69,050	33,455	25,000	25,000	35,000
	014 Donations	5,040	2,133	3,200	2,000	2,000
	015 Miscellaneous Income	65,953	41,959	60,000	63,998	58,449
	019 Health Care Co-Pay	60	(119)	800	326	50
	020 Vital Statistics	96,028	95,446	85,000	85,000	94,001
	021 Passport Fees	21,800	20,475	15,000	15,000	19,474
	025 Fixed Asset Sales	144,410	75,079	30,000	40,263	50,000
	055 Building Demolition	0	250	0	0	0
	056 Rental Income (Radio Tower)	64,560	65,225	64,560	31,600	65,000
	057 Phone Franchise Fees	500	500	500	500	500
	Total Sales	556,602	404,838	343,968	323,545	387,154

Estimated Revenue Analysis

ACCT. NO.	DESCRIPTION	2014/15 Actual	2015/16 Actual	2016/17 Budget	2016/17 Projection	2017/18 Budget
<u>FINES & FORFEITURES</u>						
655	001 Civil Fines	188,395	183,512	225,000	219,000	200,908
	002 Court Filing Fees	724,706	833,661	780,000	762,000	788,925
	003 Probation Fees	244,129	289,923	300,000	276,000	275,418
	004 PSI District Court	33,290	25,575	25,000	17,000	25,794
	005 Ordinance Fines	888,670	742,969	765,000	853,000	844,777
	007 Motor Carrier Fines	7,096	15,788	20,000	40,000	21,381
	015 Parking Fines	29,744	31,617	30,000	30,000	31,063
	025 Bond Forfeitures	16,197	22,309	15,000	12,000	17,172
	Total Fines & Forfeitures	2,132,227	2,145,354	2,160,000	2,209,000	2,205,438
<u>INTEREST EARNINGS</u>						
664	005 Interest Income	204,059	286,842	256,000	290,000	319,000
668	001 Unrealized Gain/(Loss)	0	117,942	0	0	0
	Total Interest Earnings	204,059	404,784	256,000	290,000	319,000
<u>INTERFUND TRANSFERS</u>						
676	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	400,000	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	1,316,850	1,316,850	1,316,850	1,316,850	1,316,850
<u>RECREATION USER CHARGES</u>						
695	015 Administration	25	24,181	10,900	13,640	10,900
	020 Youth & Family Contributions (incl. Farmington)	134,618	159,287	165,000	158,050	148,000
	201 Farmington Contributions	206,156	221,374	224,358	224,358	226,100
	027 Transportation Sponsorship	15,000	15,126	16,000	16,000	16,000
	028 Kroger Transportation	12,720	11,280	15,800	15,800	15,800
	029 Other Transportation Revenues	39,388	34,417	41,000	35,000	37,000
	030 Senior Revenues	117,925	145,806	129,200	129,200	133,200
	032 Senex Program Revenues	56,402	58,927	66,272	66,272	70,850
	033 Senior Trips	3,840	3,548	3,000	3,000	3,000
	034 Special Functions Revenues	15,373	16,303	13,500	13,500	13,500
	035 Grounds & Recreation	35,345	44,050	36,000	37,000	37,000
	041 Swimming	302,019	333,664	294,100	292,041	294,990
	044 Cultural Arts	316,161	323,334	327,330	323,480	336,800
	045 After School Recreation	21,718	19,446	18,500	16,456	16,710
	055 Day Camp	138,150	153,714	129,780	131,815	137,470
	057 Gym	42,642	35,022	32,920	33,971	34,330
	060 Classes	61,436	47,116	51,710	58,383	51,710
	065 Tennis	8,240	4,644	4,625	4,560	4,625
	070 Golf	4,580	5,034	3,990	4,358	4,360
	071 Junior Golf League	800	1,750	2,550	2,645	2,550
	075 Softball	12,600	7,535	11,875	12,195	11,875
	085 Safety Clinic	260	130	400	300	300
	105 Special Events	73,048	69,753	56,940	56,583	57,370
	110 Youth Soccer	44,886	34,451	46,300	45,383	45,950
	120 Youth Basketball	25,522	22,086	22,000	18,215	18,300
	170 Teen Programs	15,743	27,155	21,130	21,153	25,790
	202 Golf Course Revenues	915,741	1,005,216	960,000	960,000	960,000
	203 Farmington Hills Golf Club Concessions	4,000	6,000	10,000	37,500	10,000
	204 Farmington Hills Golf Club Reimbursement	0	0	0	20,753	0
	205 Travel Trips	96	0	0	0	0
	206 Driving Range Fees	189,128	204,206	185,000	185,000	185,000
	208 Adult Chorale	7,944	5,479	7,200	7,169	7,200

Estimated Revenue Analysis

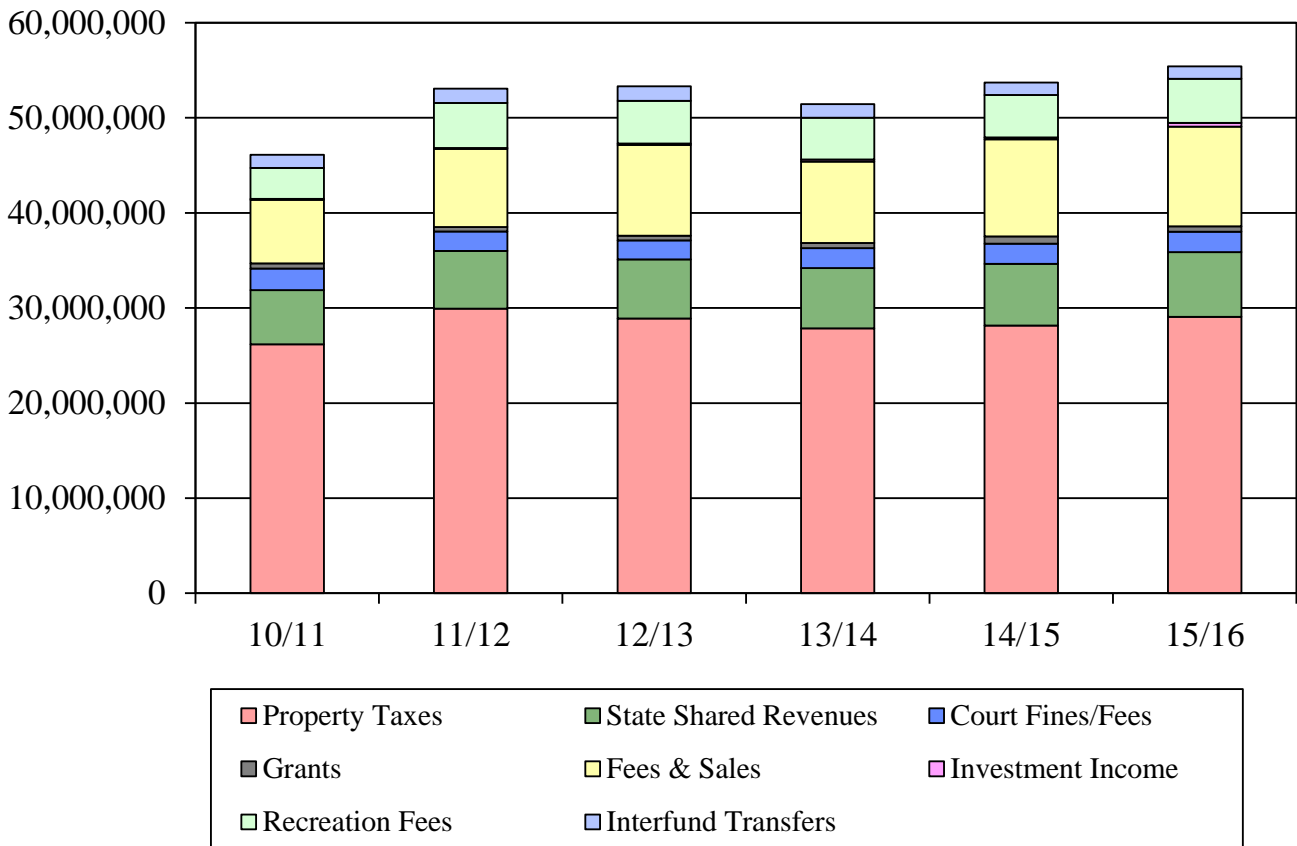
ACCT. NO.	DESCRIPTION	2014/15 Actual	2015/16 Actual	2016/17 Budget	2016/17 Projection	2017/18 Budget
	212 Nature Study	67,781	61,208	63,775	70,402	42,775
	213 Archery	0	60,839	55,000	60,906	61,000
	216 Safety Town	8,823	11,483	10,800	9,300	10,800
	218 Children's Travel	51,944	51,544	43,560	44,501	46,200
	300 Activities Center Rent	113,685	94,212	123,500	121,787	116,500
	301 Grant Center Rental	25,710	23,760	26,725	30,323	27,250
	302 Longacre House Rental	95,944	114,848	118,800	114,056	118,800
	303 Dog Park Revenue	10,340	10,402	11,250	10,417	10,500
	408 Heritage Rental Fees	30,022	28,331	30,500	31,470	30,500
Ice	805 Youth Hockey Contract	719,239	681,829	685,000	685,000	685,000
	807 Figure Skating Contract	13,440	16,568	15,000	15,350	15,350
	809 Other Ice Contract Ice	86,225	86,213	80,000	80,000	80,000
	812 Misc. Hourly - Figure Skating	87,661	97,469	85,000	85,000	85,000
	822 Single Usage - Shift Hockey	9,094	7,214	10,000	5,000	5,000
	824 Single Usage - Open Skate	11,975	9,720	15,000	10,000	10,000
	826 Adult Hockey	48,681	37,988	45,600	45,000	45,000
	830 Learn to Skate	67,781	51,675	65,000	65,000	65,000
	831 Non-Ice Activities	9,016	10,000	10,000	10,000	10,000
	840 Special Events - Ice Show	4,965	4,030	1,000	1,000	1,000
	841 Ice Retail Sales	164	236	500	500	500
	843 Ice Tax Exempt	32	789	50	50	50
	844 Ice Food Sales	89,668	79,323	95,000	80,000	80,000
	845 Ice Arena Vending Machine Revenue	4,480	4,132	5,000	5,000	5,000
	846 Ice Arena Coin Locker Revenue	170	0	100	100	100
	847 Ice Arena Video Game Revenue	52	0	0	0	0
	848 Ice Arena Outside Concession	54,954	37,970	45,000	40,000	40,000
	849 Ice Arena Room Rentals	2,869	2,625	3,000	3,000	3,000
	850 Ice Arena Advertising	4,415	5,542	6,000	6,000	6,000
	852 Ice Arena Pro-shop Lease	17	0	0	0	0
	853 Ice Arena Skate Rental	9,430	7,788	10,000	10,000	10,000
	Total Recreation User Charges	4,450,083	4,637,772	4,567,540	4,582,942	4,527,005
	<u>OTHER REVENUE</u>					
696	000 Bond/Insurance Recoveries	998,748	447,793	500,000	500,000	500,000
	001 Reimbursements	143,006	8,568	10,000	86,417	50,000
	002 State Reimbursement for Elections	48,254	4,057	2,257	56,761	5,000
	003 School Reimbursement for High School Officer	78,287	78,287	78,287	79,853	81,450
	004 Rx Cost Recovery Rebate	42,647	62,775	45,000	82,511	82,500
	005 Equipment Rental - Force Account	1,073,200	1,061,101	1,089,925	1,089,925	1,089,925
	006 Farmington Refuse Removal Contribution	930	649	1,000	900	950
	007 Refunds	1,314	1,775	10,000	2,500	2,000
	008 O.C.C. Payroll Reimbursement	0	(576)	8,000	4,000	5,000
	009 Federal Task Force Overtime Reimbursement	60,968	40,629	50,000	45,000	46,000
	010 Sponsorship - Special Services	90,688	1,000	9,750	5,000	5,000
	011 Traffic Improvement Asso. Bypass Reimbursement	18,201	16,733	19,000	17,000	17,000
	012 Vending Machine Rebates	1,892	1,549	1,900	1,600	1,600
	013 Fuel & Maintenance Reimbursement	5,461	4,089	7,140	5,000	5,000
	014 Overhead Street Lighting Reimbursement	57,557	52,576	58,000	58,184	58,200
	017 Contributions from Other Governments	22,500	0	1,500	1,500	1,500
	018 Contribution for Dispatch Services	213,000	217,375	216,250	217,375	223,000
	019 Contribution for I.T. Services	35,000	37,412	35,000	37,412	38,500
	020 City of Farmington Insurance Contribution	103,042	0	0	0	0
	021 Defined Contribution 401 Forfeiture	0	230	0	0	0
	023 Trust Fund Forfeiture	0	406,103	0	50,000	100,000
	Total Other Revenue	2,994,695	2,442,125	2,143,009	2,340,938	2,312,625
	TOTAL OPERATING REVENUE	53,711,512	55,421,403	54,258,410	55,282,232	56,747,126

GENERAL FUND EXPENDITURE SUMMARY FY 2017/18

DIV.		2014/15	2015/16	2016/17	2016/17	2017/18	2017/18
NO.	Category and Line Item	Actual	Actual	Current	Estimated	Proposed	Adopted
		Expenditures	Expenditures	Budget	Expenditures	Budget	Budget
115	Boards & Commissions	2,637,879	2,649,973	2,713,206	2,710,176	2,725,502	2,725,502
	<u>GENERAL GOVERNMENT:</u>						
101	City Council	102,672	105,990	119,210	115,665	102,737	102,737
172	City Administration	689,003	584,183	739,637	665,711	645,130	645,130
175	Public Information	342,594	354,218	455,558	422,259	464,805	464,805
202	Finance	1,580,107	1,632,181	1,915,736	1,784,889	1,981,610	1,981,610
210	Corporation Counsel	569,892	592,446	661,500	786,500	640,500	640,500
215	City Clerk	659,117	609,804	678,177	637,184	651,182	651,182
226	Human Resources	368,503	355,431	386,283	379,123	392,471	392,471
250	Central Services	1,080,828	1,150,629	1,262,953	1,194,230	1,253,772	1,253,772
290	Support Services	1,024,780	1,541,384	1,612,450	1,632,226	1,674,730	1,674,730
298	Post Employment Benefits	3,032,015	2,347,795	2,362,187	2,362,187	2,667,231	2,667,231
	TOTAL GENERAL GOVERNMENT	9,449,511	9,274,061	10,193,692	9,979,974	10,474,168	10,474,168
	<u>PUBLIC SAFETY:</u>						
300	Police	14,154,931	13,971,973	14,589,967	14,119,861	14,853,293	14,853,293
337	Fire	4,217,219	4,406,251	5,152,282	5,074,392	5,589,932	5,589,932
	TOTAL PUBLIC SAFETY	18,372,150	18,378,223	19,742,249	19,194,253	20,443,225	20,443,225
443	Planning, & Community Development	1,351,797	1,423,852	1,747,446	1,593,984	1,779,959	1,779,959
	<u>PUBLIC SERVICES:</u>						
440	DPS Administration	363,267	346,697	477,800	410,301	441,034	441,034
442	Road Maint & Supervision	366,608	354,108	342,815	316,071	347,565	347,565
444	Building Maintenance	470,852	438,941	531,878	506,562	516,622	516,622
449	Engineering	1,111,796	1,139,254	1,271,995	1,090,147	1,249,197	1,249,197
450	DPW Maintenance Facility	1,205,270	1,239,921	1,581,971	1,428,539	1,468,710	1,468,710
523	Waste Removal	3,776,660	3,756,484	3,734,389	3,735,491	3,817,985	3,817,985
	TOTAL PUBLIC SERVICES	7,294,453	7,275,405	7,940,849	7,487,111	7,841,113	7,841,113
	<u>SPECIAL SERVICES:</u>						
752	Administration	1,815,157	1,908,092	1,913,510	1,966,176	2,119,293	2,119,293
760	Youth Services	384,166	367,083	392,074	392,769	414,371	414,371
765	Senior Services	831,309	839,277	907,618	868,372	943,193	943,193
770	Parks Maintenance	1,460,089	1,458,381	1,602,327	1,564,718	1,651,017	1,651,017
775	Cultural Arts	363,502	393,735	412,773	402,196	438,418	438,418
780	Golf Course	743,449	710,658	754,823	741,855	793,497	793,497
785	Recreation Programs	499,880	555,310	570,319	590,031	571,304	571,304
790	Ice Arena	977,532	1,071,472	1,057,225	1,035,314	1,083,342	1,083,342
	TOTAL SPECIAL SERVICES	7,075,085	7,304,009	7,610,668	7,561,431	8,014,436	8,014,436
	TOTAL EXPENDITURES	46,180,875	46,305,523	49,948,110	48,526,928	51,278,403	51,278,403
	OTHER FINANCING USES						
299	Interfund Transfers	4,589,764	5,970,849	6,984,443	6,910,743	6,957,236	6,957,236
	TOTAL EXPENDITURES AND OTHER FINANCING USES	50,770,639	52,276,372	56,932,553	55,437,671	58,235,639	58,235,639

General Fund Actual Revenues by Source Fiscal 10/11 Through Fiscal 15/16						
Revenue Source	10/11	11/12	12/13	13/14	14/15	15/16
Property Taxes	26,193,182	29,937,954	28,896,910	27,852,944	28,164,968	29,058,007
State Shared Revenues	5,691,982	6,062,082	6,203,453	6,355,651	6,468,160	6,807,773
Court Fines/Fees	2,264,792	2,042,286	2,006,071	2,094,189	2,132,227	2,145,354
Grants	536,346	478,590	484,191	538,699	766,828	586,568
Fees & Sales	6,693,312	8,205,303	9,570,774	8,558,015	10,208,337	10,464,295
Investment Income	98,274	98,321	129,016	221,027	204,059	404,784
Recreation Fees	3,259,105	4,733,470	4,502,147	4,390,936	4,450,083	4,637,772
Interfund Transfers	1,381,570	1,503,517	1,516,850	1,439,259	1,316,850	1,316,850
Total Revenue	46,118,563	53,061,523	53,309,412	51,450,720	53,711,512	55,421,403

General Fund Revenues by Source

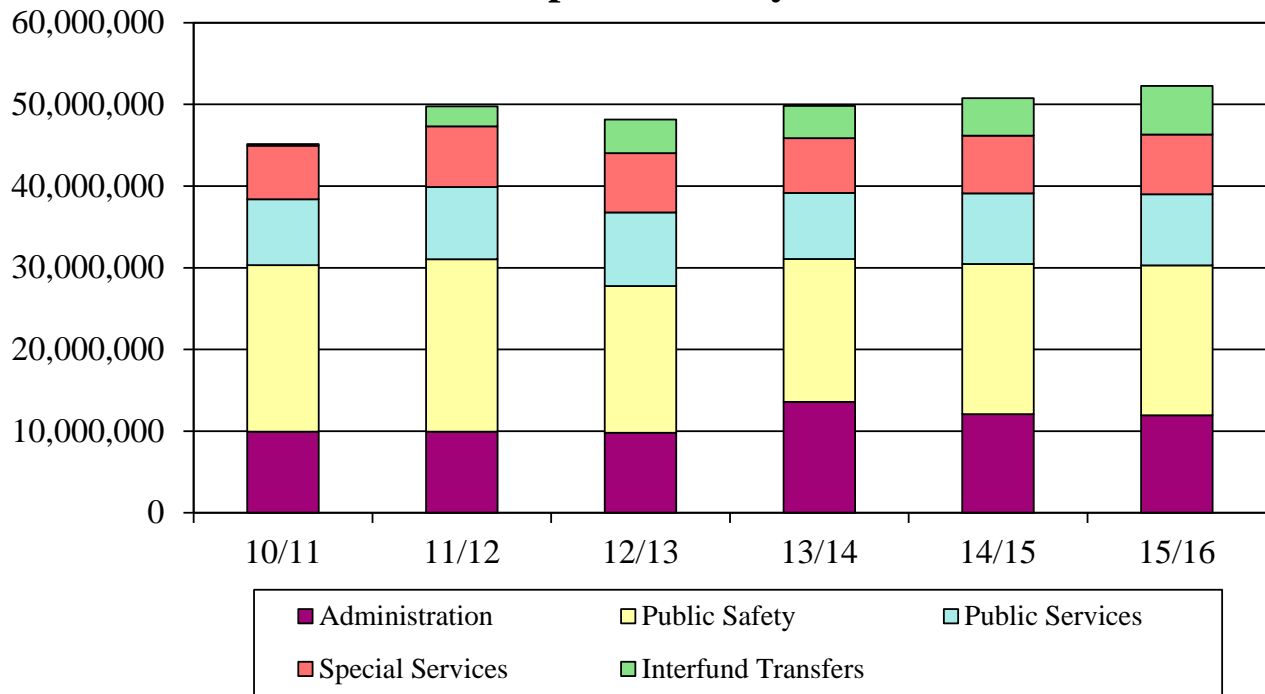


General Fund Expenditure Summary

General Fund Actual Expenditures by Function Fiscal 10/11 through 15/16						
Expenditure Function	10/11	11/12	12/13	13/14	14/15	15/16
Administration	9,943,730	9,927,089	9,786,590	13,584,449	12,087,390	11,924,034
Public Safety	20,379,056	21,111,694	17,978,411	17,498,574	18,372,150	18,378,223
Public Services	8,073,318	8,853,920	9,014,178	8,069,655	8,646,250	8,699,257
Special Services	6,543,104	7,433,857	7,243,999	6,703,167	7,075,084	7,304,009
Interfund Transfers	194,567	2,433,906	4,121,412	3,973,615	4,589,764	5,970,849
Total Expenditures	45,133,775	49,760,466	48,144,590	49,829,460	50,770,638	52,276,372

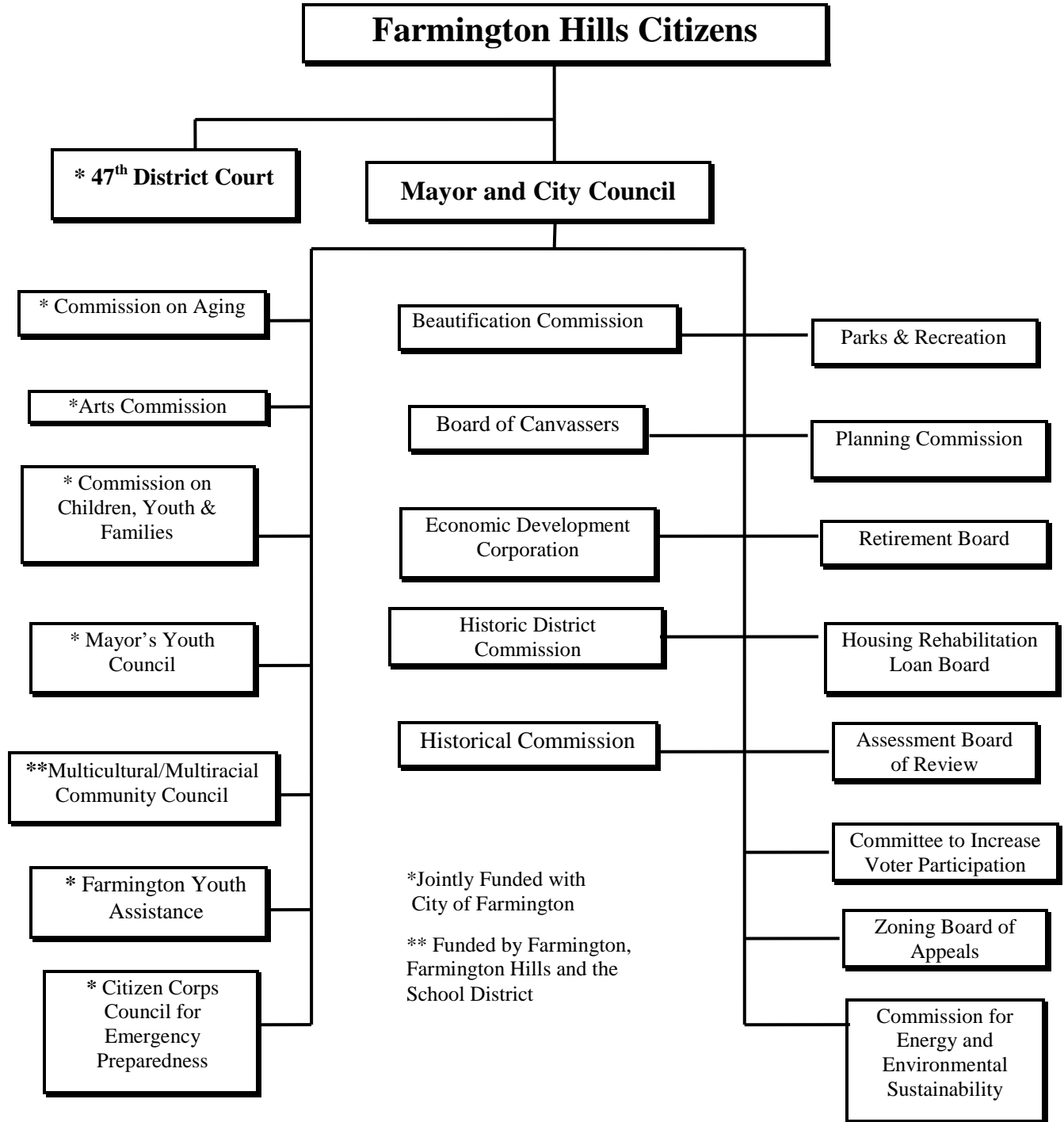
General Fund

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 *	2015/16 Actual	2016/17 Projected	2017/18 Estimated
Service Level	Farm. Hills Contribution to Court Expenses	\$2,449,923	\$2,506,486	\$2,523,501
	Farmington Contribution to Court Expenses	\$478,689	\$465,397	\$528,260
	Total Farmington Hills Court Fine Revenue	\$2,145,354	\$2,209,000	\$2,205,438
	Total Farmington Revenue	\$582,698	\$600,000	\$600,000
	Community Work Program Revenue	\$74,843	\$75,000	\$75,000
	New Case Filings – Farmington Hills Venue *	15,436	16,000	17,000
	New Case Filings – Farmington Venue *	4,642	4,800	5,000
	Total Dispositions (Calendar Year) *	22,081	23,000	23,000
	Total Community Work Program Labor Hours*	9,472	9,500	10,000
	Sec. of State Abstracts Processed Timely *	99%	99%	99%
	Efficiency	Cost to Cities Per Case Disposition	\$132.63	\$129.17
Revenue to Cities Per Case Disposition (Excluding CWP Revenue)		\$126.83	\$122.83	\$125.00
Estimated Minimum Labor Value of Community Work Program to Cities (Based on minimum wage labor rate; includes estimated insurance, supervision, and transportation costs paid).		\$172,533	\$176,500	\$186,000

*Caseload, CWP labor hours, and abstract processing statistics reported are for the calendar year 2016 actual and projected calendar year 2017. 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 and Commissions

BOARDS, COMMISSIONS AND AGENCIES

DEPARTMENT NUMBER: 115

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(800) JOINTLY FUNDED AGENCIES							
021	Farmington Area Youth Assistance	43,563	43,566	43,551	43,551	43,513	43,513
031	47th District Court	2,449,319	2,449,923	2,506,486	2,506,486	2,523,501	2,523,501
033	Farmington Area Arts Commission	650	837	820	820	819	819
034	Commission on Aging	1,265	583	1,639	1,639	1,637	1,637
038	Multicultural/Multiracial Comm. Council	1,349	2,601	6,572	6,572	6,567	6,567
039	Comm. on Children/Youth/Families	3,192	1,086	2,427	2,427	2,425	2,425
042	Mayor's Youth Council	3,910	4,856	5,410	5,410	5,405	5,405
043	Emergency Preparedness Commission	524	353	2,329	2,329	2,327	2,327
		2,503,772	2,503,805	2,569,234	2,569,234	2,586,195	2,586,195
(800) OTHER BOARDS & COMMISSIONS							
002	Zoning Board of Appeals	5,194	5,159	7,040	6,000	5,870	5,870
005	Assessment Board of Review	3,893	3,741	6,000	4,000	6,000	6,000
024	Beautification Commission	5,693	5,612	5,410	5,410	5,410	5,410
032	Historical Commission	1,608	1,178	7,816	7,816	5,606	5,606
036	Historic District Commission	2,548	3,209	8,739	8,739	5,121	5,121
037	Parks & Recreation Commission	1,356	1,003	1,500	1,500	1,500	1,500
040	Comm. to Increase Voter Participation	653	611	667	667	667	667
044	Comm. for Energy & Environ. Sustainability	50,168	57,558	51,800	51,800	50,000	50,000
109	Planning Commission	62,994	68,097	55,000	55,010	59,133	59,133
		134,107	146,168	143,972	140,942	139,307	139,307
DEPARTMENT TOTAL		2,637,879	2,649,973	2,713,206	2,710,176	2,725,502	2,725,502

Boards and Commissions comprise 4.68% 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	2014/15 Actual Expenditures	2015/16 Actual Expenditures	2016/17 Current Budget	2016/17 Estimated Expenditures	2017/18 Proposed Budget	2017/18 Adopted Budget
GENERAL GOVERNMENT:							
101	City Council	102,672	105,990	119,210	115,665	102,737	102,737
172	City Administration	689,003	584,183	739,637	665,711	645,130	645,130
175	Public Information	342,594	354,218	455,558	422,259	464,805	464,805
202	Finance	1,580,107	1,632,181	1,915,736	1,784,889	1,981,610	1,981,610
210	Corporation Counsel	569,892	592,446	661,500	786,500	640,500	640,500
215	City Clerk	659,117	609,804	678,177	637,184	651,182	651,182
226	Human Resources	368,503	355,431	386,283	379,123	392,471	392,471
250	Central Services	1,080,828	1,150,629	1,262,953	1,194,230	1,253,772	1,253,772
290	Support Services	1,024,780	1,541,384	1,612,450	1,632,226	1,674,730	1,674,730
298	Post Employment Benefits	3,032,015	2,347,795	2,362,187	2,362,187	2,667,231	2,667,231
TOTAL GENERAL GOVERNMENT		9,449,511	9,274,061	10,193,692	9,979,974	10,474,168	10,474,168
OTHER FINANCING USES							
299	Interfund Transfers	4,589,764	5,970,849	6,984,443	6,910,743	6,957,236	6,957,236
TOTAL		14,039,275	15,244,910	17,178,135	16,890,717	17,431,404	17,431,404

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Regular Meetings Held	22	22	22
	Special Meetings Held-(Joint/Other)	7	3	3
	Goals Sessions	1	1	1
	Study Sessions	19	20	20
	Public Hearings	14	14	14
	Ordinances Enacted	6	8	8
	Agenda Items Requiring Action / Resolutions Adopted	201	185	185
Efficiency	Activity Expenditures as a % of General Fund	0.20%	0.21%	0.20%

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$3,545 or 3% decrease from the current budget.
- The decrease results primarily from savings in Conferences & Workshops.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$12,928 or 11% decrease from the FY 16-17 year-end projection and a \$16,473 or 14% decrease from the FY 16-17 budget.
- The budget to budget decrease results primarily from less Conference & Workshops and Membership & Licenses expenditures, partially offset by a proposed 2% wage increase.

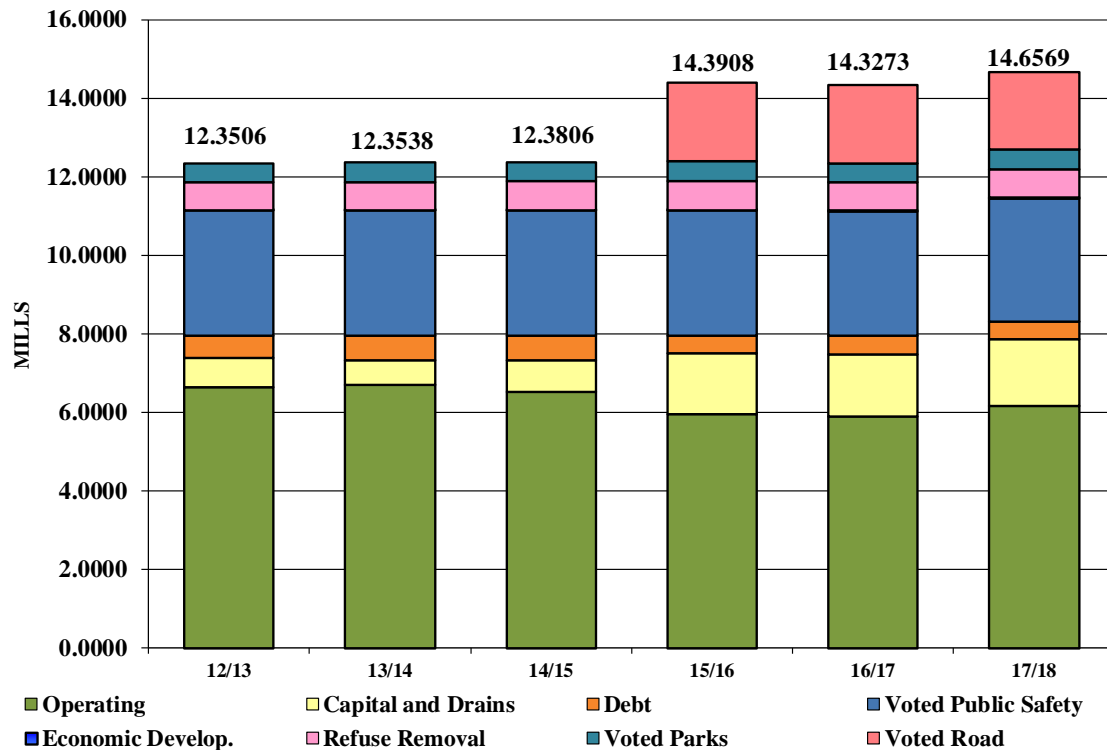
	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
City Council	\$102,672	\$105,990	\$119,210	\$115,665	\$102,737

City Council

DEPARTMENT NUMBER: 101

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Wages	47,554	48,505	49,530	49,530	50,521	50,521
200	Social Security	3,638	3,711	3,789	3,789	3,865	3,865
350	Workers Compensation	52	49	94	94	96	96
Category Total		51,244	52,264	53,413	53,413	54,482	54,482
(801) PROFESSIONAL & CONTRACTUAL							
001	Conference & Workshops	13,164	14,733	26,545	23,000	14,700	14,700
002	Memberships & Licenses	34,778	36,095	36,252	36,252	30,555	30,555
070	Miscellaneous Expense	3,486	2,898	3,000	3,000	3,000	3,000
Category Total		51,428	53,726	65,797	62,252	48,255	48,255
DEPARTMENT TOTAL		102,672	105,990	119,210	115,665	102,737	102,737

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.

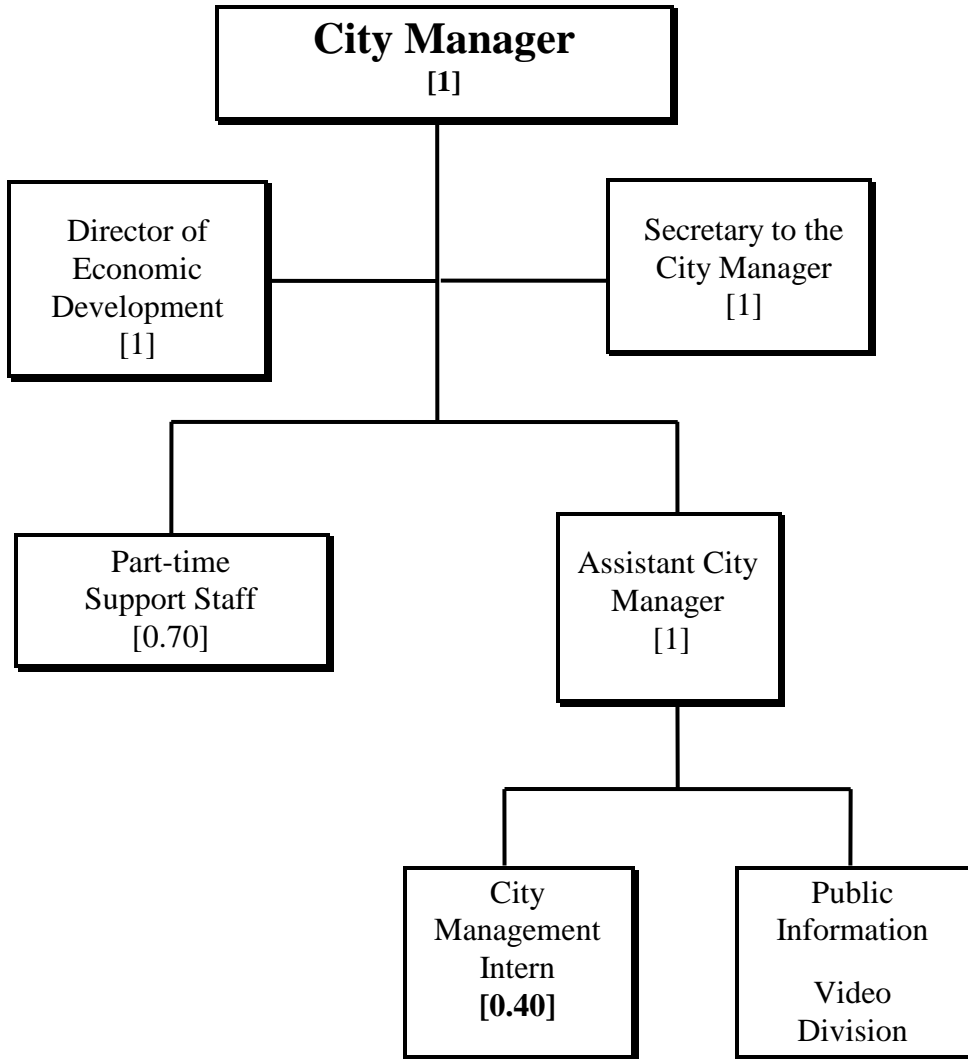
- Continue to develop and maintain Farmington Hills as a quality community for future generations. (1 – 14)
- Identify key priorities and establish procedures that ensure effective management of available resources. (2)
- Identify and implement innovative strategies and priorities that move Farmington 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)
- Perform the Managerial Audit as prescribed in the City Charter. (1,2,4,9,10)
- Redesign of Farmington FOCUS and other City publications. (4,11)

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.
- Strive to address issues identified by City Council through its annual Goals Setting Session
- 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 potential future 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.

	Performance Indicators	FY 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Council, Board, and Commission Meetings Staffed	81	81	88
	City Council Agenda Items prepared for Council Action	201	185	185
	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	1.12%	1.20%	1.11%

CITY ADMINISTRATION



Total Full Time Equivalent [5.1]

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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	0	0
		5	5	4	4
(038) PART-TIME (FTE)					
		1.0	1.0	1.1	1.1
DEPARTMENT TOTAL					
		6.0	6.0	5.1	5.1

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$73,926 or 10% decrease from the current budget.
- The decrease results primarily from less personnel costs from not filling the Assistant to the City Manager position, as well as less related vehicle allowance and operating supplies.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$20,581 or 3% decrease from the FY 16-17 year-end projection and \$94,507 or 13% decrease from the FY 16-17 budget.
- The budget to budget decrease results primarily from the elimination of the Assistant to the City Manager position.

	2014-2015 ACTUAL	2015-16 ACTUAL	2016-17 CURRENT BUDGET	2016-17 PROJECTED YEAR-END	2017-18 PROPOSED BUDGET
City Administrator	\$689,003	\$584,183	\$739,637	\$665,711	\$645,130

City Administration

DEPARTMENT NUMBER: 172

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Administrative & Clerical	437,262	378,867	491,081	457,473	424,033	424,033
038	Part-time	34,742	35,758	33,278	35,883	34,552	34,552
106	Sick & Vacation	55,411	20,768	4,295	9,940	4,382	4,382
112	Overtime	0	54	0	0	0	0
200	Social Security	33,239	34,189	38,509	36,395	34,011	34,011
250	Blue Cross/Optical/Dental	58,797	45,753	81,526	55,625	64,526	64,526
275	Life Insurance	2,824	2,501	3,729	3,039	3,390	3,390
300	Pension - DC	19,419	19,613	40,300	24,247	31,818	31,818
325	Longevity	20,711	17,258	10,330	10,329	10,993	10,993
350	Worker's Compensation	1,068	1,004	1,950	1,829	1,756	1,756
	Category Total	663,474	555,764	704,998	634,760	609,461	609,461
(740) OPERATING SUPPLIES							
001	Gas & Oil	3,795	1,244	3,150	2,590	4,080	4,080
002	Books & Subscriptions	0	0	0	0	59	59
008	Supplies	2,555	6,218	3,000	2,500	3,000	3,000
040	Miscellaneous Expense	318	354	400	400	400	400
	Category Total	6,668	7,817	6,550	5,490	7,539	7,539
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	6,804	6,269	12,775	13,000	12,905	12,905
002	Memberships & Licenses	3,795	1,705	3,774	3,600	3,633	3,633
005	Fleet Insurance	2,191	2,208	2,245	2,245	2,192	2,192
006	Vehicle Maintenance	709	830	700	1,766	1,000	1,000
013	Education & Training	1,762	701	1,145	1,000	1,200	1,200
041	Vehicle Allowance	3,600	5,100	7,200	3,600	7,200	7,200
042	Mileage Reimbursement	0	0	250	250	0	0
	Category Total	18,861	16,812	28,089	25,461	28,130	28,130
(970) CAPITAL OUTLAY							
002	Office Equipment	0	3,790	0	0	0	0
	Category Total	0	3,790	0	0	0	0
DEPARTMENT TOTAL		689,003	584,183	739,637	665,711	645,130	645,130

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 Channels, 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 8.1, the City's Youtube Channel and AT&T Channel 99, 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 City's Council meetings can be viewed on the City's website at <http://www.fhgov.com/Government/Reference/Video-on-Demand.aspx>

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 8.1 and AT&T 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.
- With the dissolving of SWOCC in 2016, the City’s Video Division is now responsible for producing programs for the City’s Government Access Channel. This change is reflected in the new “Total Video Division programs produced” Service Level indicator.

	Performance Indicators	FY 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Total Video Division programs produced	149	100	170
	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	49.6	33	57.6
	Activity Expenditures as a % of General Fund	0.68%	0.76%	0.80%

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
(010)	Salaries & Wages				
	Video Manager	1	1	1	1
	Production Specialist	2	2	2	2
	Public Information Coordinator	1	1	1	1
		4	4	4	4
(038)	PART-TIME (FTE)	0	2.1	2.1	2.1
	DEPARTMENT TOTAL	4.0	6.1	6.1	6.1

Public Information

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$33,299 or 7% decrease from the current budget.
- The decrease results primarily from projected lower than budgeted part-time wages, partially offset by higher than budgeted production equipment expenditures.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$42,546 or 10% increase from the FY 16-17 year-end projection and \$9,247 or 2% increase from the FY 16-17 budget.
- The budget to budget increase results primarily from increases in personnel and supply costs, partially offset by no capital outlay expenditures proposed for FY 17/18.

	2014-2015 ACTUAL	2015-16 ACTUAL	2016-17 CURRENT BUDGET	2016-17 PROJECTED YEAR-END	2017-18 PROPOSED BUDGET
Public Information	\$342,594	\$354,218	\$455,558	\$422,259	\$464,805



Public Information

DEPARTMENT NUMBER: 175

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Salary - Full Time	209,148	214,163	217,600	217,600	222,164	222,164
038	Part-time Technicians	0	0	65,520	25,620	66,830	66,830
106	Sick & Vacation	876	919	2,064	2,064	4,264	4,264
200	Social Security	16,723	17,056	22,759	19,500	23,405	23,405
250	Blue Cross/Optical/Dental	62,875	54,207	57,990	63,500	68,287	68,287
275	Life Insurance	1,154	1,169	1,222	1,192	1,239	1,239
300	Pension - DC	5,432	3,885	5,577	5,577	5,663	5,663
325	Longevity	10,355	10,995	12,297	12,299	12,669	12,669
350	Worker's Compensation	510	507	1,173	1,057	1,242	1,242
	Category Total	<u>307,072</u>	<u>302,902</u>	<u>386,202</u>	<u>348,409</u>	<u>405,763</u>	<u>405,763</u>
(740) OPERATING SUPPLIES							
001	Gas and Oil	360	170	420	289	480	480
008	Supplies	1,670	1,631	1,850	1,850	6,075	6,075
	Category Total	<u>2,030</u>	<u>1,801</u>	<u>2,270</u>	<u>2,139</u>	<u>6,555</u>	<u>6,555</u>
(801) PROFESSIONAL & CONTRACTUAL							
005	Fleet Insurance	363	387	421	421	512	512
006	Vehicle Maintenance	0	434	0	828	1,000	1,000
007	Equipment Maintenance	519	521	400	400	400	400
015	Office Rental	0	1,150	15,000	13,800	13,800	13,800
024	Newsletter	32,610	37,034	35,200	35,200	36,775	36,775
	Category Total	<u>33,491</u>	<u>39,527</u>	<u>51,021</u>	<u>50,649</u>	<u>52,487</u>	<u>52,487</u>
(970) CAPITAL OUTLAY							
020	Production Equipment	0	9,989	16,065	21,062	0	0
	Category Total	<u>0</u>	<u>9,989</u>	<u>16,065</u>	<u>21,062</u>	<u>0</u>	<u>0</u>
DEPARTMENT TOTAL		<u>342,594</u>	<u>354,218</u>	<u>455,558</u>	<u>422,259</u>	<u>464,805</u>	<u>464,805</u>

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 2016, the City had approximately 27,900 real parcels (of which 707 are tax-exempt) and 3,000 personal property descriptions (of which 1,526 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

- Continue 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.
- Expand the functional use of a credit card service provider for City-wide point of collection options for non-tax receipts.
- 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.
- 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. This will include the implementation of GASB 74 & 75, new Standards for the accounting and financial reporting of OPEB.

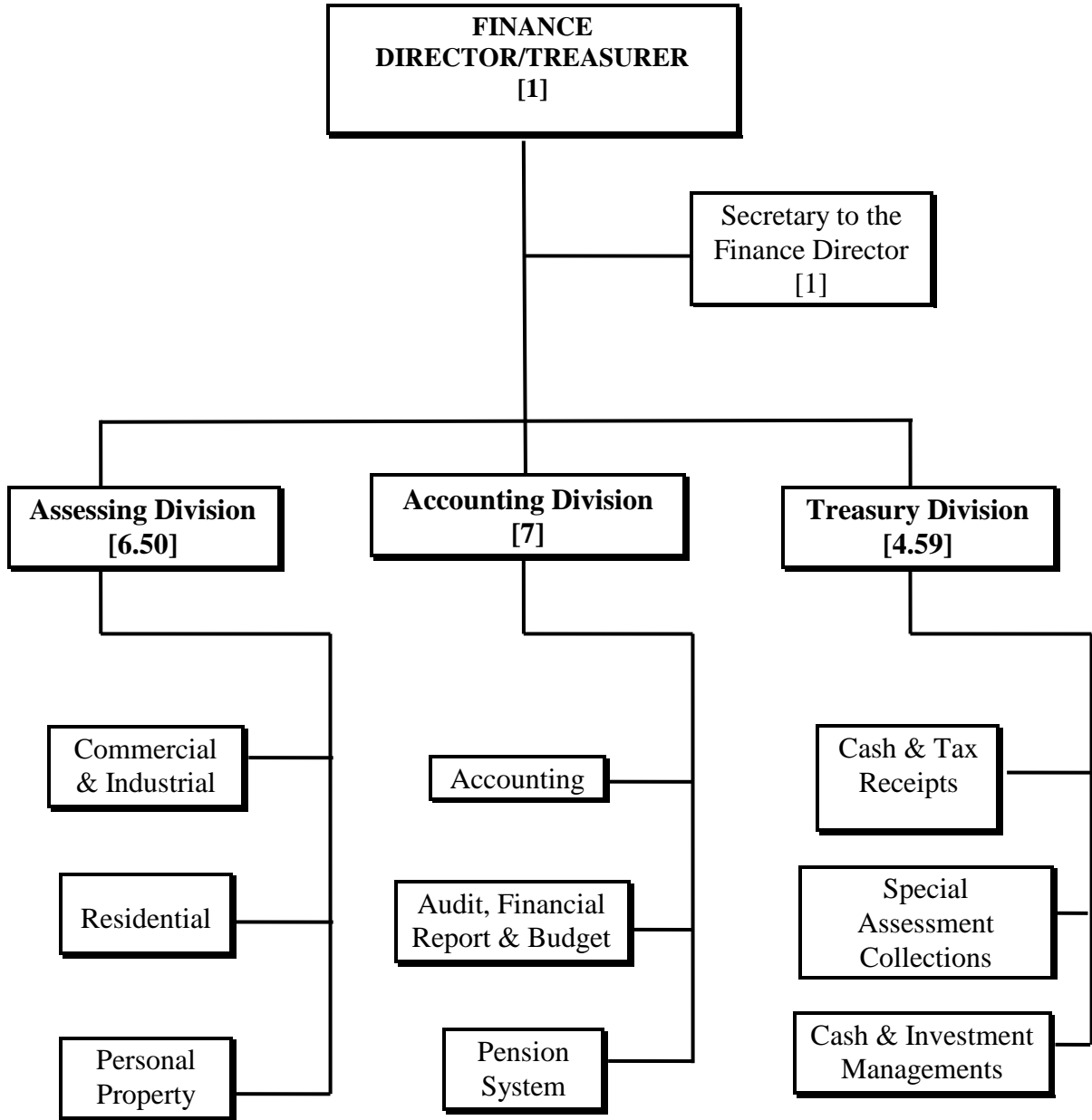
Finance Department

- Work with DPS to prepare for the MDOT Performance Audit of Gas & Weight Tax revenue.
- Per the recommendation of the City Auditor, and with the advice and counsel of the City Attorney, continue 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 may 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.
- Continue developing a Finance Department staff Succession Plan, including possible functional restructuring and related work area improvements.

Finance Department

	Performance Indicators	FY 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated	
Service Level	Number of Passport Applications Processed	826	785	800	
	Number of Pension Estimates Prepared	58	84	36	
	Net Retirement System & Post-Retirement Healthcare Fund Position Held in Trust	\$203,298,111	\$215,000,000	\$227,900,000	
	Amount of Total-City interest income	\$1,472,779	\$1,620,000	\$1,782,000	
	City taxes billed/levied (adjusted)	\$44,773,169	\$44,617,808	\$45,867,000	
	Ad Valorem Original Taxable Value	\$3,128,358,530	\$3,127,065,020	\$3,207,859,580	
	City - Cash and cash equivalents at June 30 th	\$112,041,915	\$103,743,000	\$97,362,000	
	Number of Payroll Direct Deposits Issued	16,838	17,450	17,600	
	Number of Payroll Checks Issued	659	676	650	
	Number of Accounts Payable Checks Issued	5,758	6,000	5,800	
	Number of Vendor Invoices Paid	11,881	11,850	11,500	
	Commercial/Industrial property appraisals	42	35	40	
	Residential property appraisals	959	906	900	
	Board of Review Appeals	342	237	250	
	Preparation of Special Assessment Rolls	11	42	20	
	Property splits/combinations processed	13	12	15	
	Homestead exemption affidavits processed	1,182	1,516	1,550	
	Property Transfer Affidavits	1,378	1,466	1,500	
	Efficiency	City's bond rating – Moody's.	Aa1	Aa1	Aa1
		City's bond rating – Standard & Poor's	AAA	AAA	AAA
Total percent of tax levy collected.		98.64%	98.65%	98.66%	
Number of years G.F.O.A. Distinguished Budget Awards received.		30	31	32	
Number of years the Financial Reporting Achievement Awards received.		18	19	20	
Average Rate of Return on Investments		0.76%	1.00%	1.20%	
Retirement System – Funded Ratio		85.00%	86.00%	84.00%	
Post-Retirement Healthcare Fund – Funded Ratio		100.00%	100.00%	100.00%	
Activity Expenditures as a % of General Fund		3.12%	3.22%	3.40%	

FINANCE DEPARTMENT



Total Full Time Equivalent [20.09]

STAFFING LEVELS

Acct. No.	Title	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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				
	Asst. Finance Director/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	7	7	7
208	TREASURY				
	Deputy Treasurer	1	1	1	1
	Account Processing Supervisor	1	1	1	1
	Account Clerk II	1	0	0	0
	Account Clerk I	1	2	2	2
	Total	4	4	4	4
	Part Time (FTE)	0.50	0.50	0.59	0.59
	TREASURY TOTAL	4.50	4.50	4.59	4.59
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	20.09	20.09

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$130,847 or 7% decrease from the current budget.
- The decrease results primarily from a projected \$100,000 budget savings in MTT Refunds, with the remaining savings in personnel costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$196,721 or 11% increase from the FY 16-17 year-end projection, and \$65,874 or 3% increase from the FY 16-17 budget.
- The budget to budget increase results primarily from a 3% increase in personnel costs and approximately \$10,000 in one-time capital outlay expenditures for improved office efficiency and effectiveness for the departmental staff.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Finance	\$1,580,107	\$1,632,181	\$1,915,736	\$1,784,889	\$1,981,610

Finance Department

DEPARTMENT NUMBER: 202 - ADMINISTRATION

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES						
010 Administrative Salaries	164,649	169,879	172,605	172,574	176,226	176,226
106 Sick & Vacation	2,023	0	12,707	29,733	0	0
112 Overtime	0	193	100	100	100	100
200 Social Security	13,118	13,059	14,838	13,516	14,243	14,243
250 Blue Cross/Optical/Dental	15,846	22,721	25,299	25,293	25,854	25,854
275 Life Insurance	1,251	1,278	1,341	1,305	1,365	1,365
300 Pension - DC	12,880	9,243	13,384	13,333	13,678	13,678
325 Longevity	1,582	1,866	3,175	3,176	3,922	3,922
350 Worker's Compensation	378	349	692	655	682	682
Allocate 20% of Sec. to Pension Fund	(14,270)	(15,307)	(16,065)	(15,884)	(16,470)	(16,470)
Allocate 5% of All to Water fund	(10,586)	(9,644)	(12,207)	(12,984)	(11,804)	(11,804)
Allocate 5% of All to Sewer fund	(10,586)	(9,644)	(12,207)	(12,984)	(11,804)	(11,804)
Category Total	176,285	183,993	203,662	217,833	195,993	195,993
(740) OPERATING SUPPLIES						
002 Books & Subscriptions	390	199	50	179	200	200
008 Supplies	1,504	1,430	1,200	1,200	1,200	1,200
041 Over & Short	(13)	(156)	0	12	0	0
Category Total	1,881	1,473	1,250	1,391	1,400	1,400
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	1,853	2,130	575	301	1,530	1,530
002 Memberships & Licenses	1,098	1,815	2,130	1,725	920	920
004 Consultants	1,505	2,005	2,015	2,010	42,015	42,015
005 Fleet Insurance	840	840	840	840	840	840
013 Education & Training	858	133	340	445	445	445
024 Printing Services	0	415	0	0	0	0
041 Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
042 Mileage Reimbursement	144	137	150	150	150	150
Category Total	9,897	11,075	9,650	9,071	49,500	49,500
(970) CAPITAL OUTLAY						
001 Office Furniture	0	0	0	0	8,581	8,581
Category Total	0	0	0	0	8,581	8,581
FINANCE - ADMIN. TOTAL	188,063	196,541	214,562	228,295	255,474	255,474

Finance Department

DEPARTMENT NUMBER: 207 - ACCOUNTING

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES						
010 Accounting Salaries	338,277	372,889	392,858	392,850	409,495	409,495
038 Part-Time	751	0	0	0	0	0
106 Sick & Vacation	17,821	26,176	8,307	8,050	8,100	8,100
112 Overtime	929	4,492	3,125	2,580	3,230	3,230
200 Social Security	26,976	31,136	31,458	30,650	32,871	32,871
250 Blue Cross/Optical/Dental	69,747	59,771	75,713	68,500	90,181	90,181
275 Life Insurance	920	999	1,067	1,031	1,075	1,075
300 Pension - DC	20,229	27,440	38,266	38,722	39,907	39,907
325 Longevity	9,947	9,891	6,912	6,914	8,864	8,864
350 Worker's Compensation	778	834	1,488	1,480	1,580	1,580
Allocate 2.5% of All to Water fund	(11,993)	(13,499)	(13,980)	(12,850)	(14,883)	(14,883)
Allocate 2.5% of All to Sewer fund	(11,993)	(13,499)	(13,980)	(12,850)	(14,883)	(14,883)
Allocate 67% of pension accountant to Pension fund	(59,030)	(57,229)	(58,217)	(58,300)	(59,340)	(59,340)
Category Total	403,359	449,400	473,017	466,777	506,197	506,197
(740) OPERATING SUPPLIES						
002 Books & Subscriptions	396	0	650	0	0	0
008 Supplies	2,129	1,804	2,500	2,500	2,650	2,650
Category Total	2,525	1,804	3,150	2,500	2,650	2,650
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	764	631	1,835	1,750	3,320	3,320
002 Memberships & Licenses	475	810	800	650	880	880
013 Education & Training	931	1,374	2,225	2,205	2,330	2,330
021 Audit Services	48,740	52,115	62,000	60,000	62,000	62,000
024 Printing Services	423	2,683	1,550	1,550	1,600	1,600
042 Mileage Reimbursement	309	368	510	500	550	550
Category Total	51,642	57,982	68,920	66,655	70,680	70,680
(970) CAPITAL OUTLAY						
001 Office Furniture	4,668	0	0	0	0	0
Category Total	4,668	0	0	0	0	0
FINANCE - ACCOUNTING TOTAL	462,194	509,187	545,087	535,932	579,527	579,527

Finance Department

DEPARTMENT NUMBER: 208 - TREASURY

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Treasury Salaries	177,911	177,443	190,181	190,160	203,021	203,021
038	Part-time Salary	15,742	6,355	16,431	16,016	19,154	19,154
106	Sick & Vacation	1,275	0	1,327	0	2,902	2,902
112	Overtime	1,203	2,759	3,122	1,068	4,020	4,020
200	Social Security	15,283	14,232	16,360	16,000	17,795	17,795
250	Blue Cross/Optical/Dental	32,315	25,426	38,393	26,000	27,709	27,709
275	Life Insurance	627	632	671	671	692	692
300	Pension - DC	15,421	10,415	16,530	10,670	17,266	17,266
325	Longevity	2,202	1,520	2,786	2,754	3,511	3,511
350	Worker's Compensation	716	510	800	782	890	890
	Category Total	262,694	239,292	286,601	264,121	296,960	296,960
(740) OPERATING SUPPLIES							
008	Supplies	1,401	1,797	1,900	1,320	1,700	1,700
	Category Total	1,401	1,797	1,900	1,320	1,700	1,700
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	1,034	1,850	1,958	1,800	1,480	1,480
002	Memberships & Licenses	70	70	70	70	70	70
007	Office equipment Maint	180	0	0	0	0	0
013	Education & Training	157	99	1,951	2,068	1,955	1,955
024	Printing Services	7,965	7,631	9,838	9,269	10,023	10,023
042	Mileage Reimbursement	47	107	204	204	214	214
500	Bank Service Fees	54,969	49,839	47,922	55,000	55,000	55,000
	Category Total	64,422	59,596	61,943	68,411	68,742	68,742
(970) CAPITAL OUTLAY							
002	Office Equipment	1,167	0	0	0	2,000	2,000
	Category Total	1,167	0	0	0	2,000	2,000
FINANCE - TREASURY TOTAL		329,685	300,686	350,443	333,852	369,402	369,402

Finance Department

DEPARTMENT NUMBER: 209 - ASSESSING

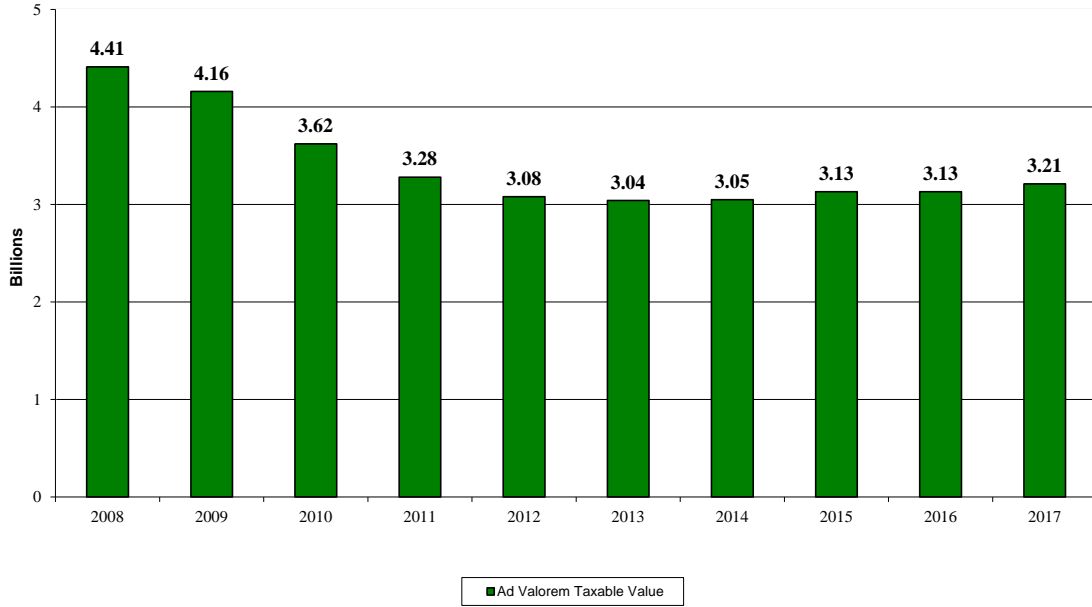
Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Administrative & Clerical	394,081	403,638	422,727	422,727	435,083	435,083
038	Part-time	12,152	21,082	17,902	17,902	18,882	18,882
106	Sick & Vacation	6,553	2,041	2,041	1,225	2,082	2,082
112	Overtime	494	429	750	750	750	750
200	Social Security	31,197	33,068	35,020	34,350	36,248	36,248
250	Blue Cross/Optical/Dental	92,215	88,259	100,307	92,500	99,099	99,099
275	Life Insurance	963	954	1,011	980	1,019	1,019
300	Pension - DC	29,633	20,670	31,509	24,626	32,619	32,619
325	Longevity	10,833	12,904	14,340	14,347	17,038	17,038
350	Worker's Compensation	1,949	1,900	3,370	3,370	3,575	3,575
	Category Total	<u>580,069</u>	<u>584,945</u>	<u>628,978</u>	<u>612,777</u>	<u>646,395</u>	<u>646,395</u>
(740) OPERATING SUPPLIES							
001	Gas & Oil	171	169	250	242	480	480
002	Books & Subscriptions	7,123	7,408	7,651	7,651	7,985	7,985
008	Supplies	1,084	1,132	750	750	750	750
	Category Total	<u>8,377</u>	<u>8,708</u>	<u>8,651</u>	<u>8,643</u>	<u>9,215</u>	<u>9,215</u>
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	242	663	975	0	975	975
002	Memberships & Licenses	1,550	2,150	2,175	2,175	1,760	1,760
005	Fleet Insurance	1,533	528	565	565	512	512
006	Vehicle Maintenance	557	68	500	100	500	500
009	Consultants	800	22,700	5,000	5,000	20,000	20,000
013	Education & Training	2,865	2,783	4,300	3,800	4,100	4,100
024	Printing Services	4,171	3,221	4,500	3,750	3,750	3,750
999	Tax Tribunal Refunds	0	0	150,000	50,000	90,000	90,000
	Category Total	<u>11,719</u>	<u>32,114</u>	<u>168,015</u>	<u>65,390</u>	<u>121,597</u>	<u>121,597</u>
FINANCE - ASSESSING TOTAL		<u>600,165</u>	<u>625,767</u>	<u>805,644</u>	<u>686,810</u>	<u>777,207</u>	<u>777,207</u>
TOTAL FINANCE DEPARTMENT		<u>1,580,107</u>	<u>1,632,181</u>	<u>1,915,736</u>	<u>1,784,889</u>	<u>1,981,610</u>	<u>1,981,610</u>

CAPITAL OUTLAY

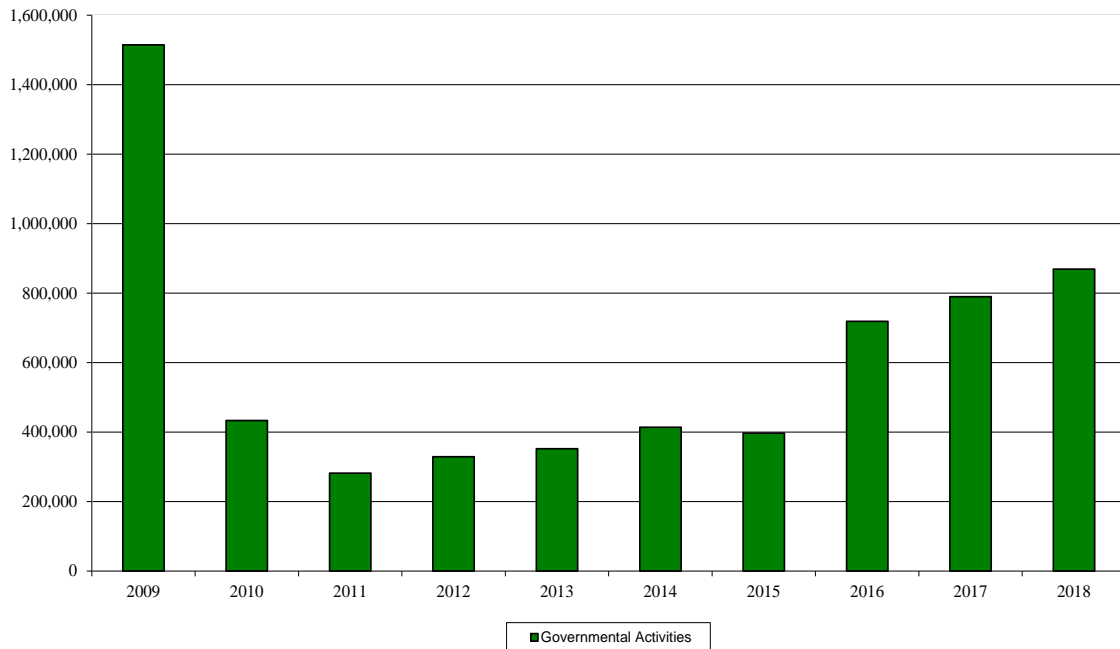
Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
ADMINISTRATION DIVISION						
001		Office Furniture				
	1	Office Layout Improvements	8,581	8,581	1	8,581
		Total Office Furniture		<u>8,581</u>		<u>8,581</u>
TREASURY DIVISION						
002		Office Equipment				
	1	Cash Discriminator	2,000	2,000	1	2,000
		Total Office Equipment		<u>2,000</u>	<u>1</u>	<u>2,000</u>
		TOTAL CAPITAL OUTLAY		<u>10,581</u>		<u>10,581</u>

KEY DEPARTMENTAL TRENDS

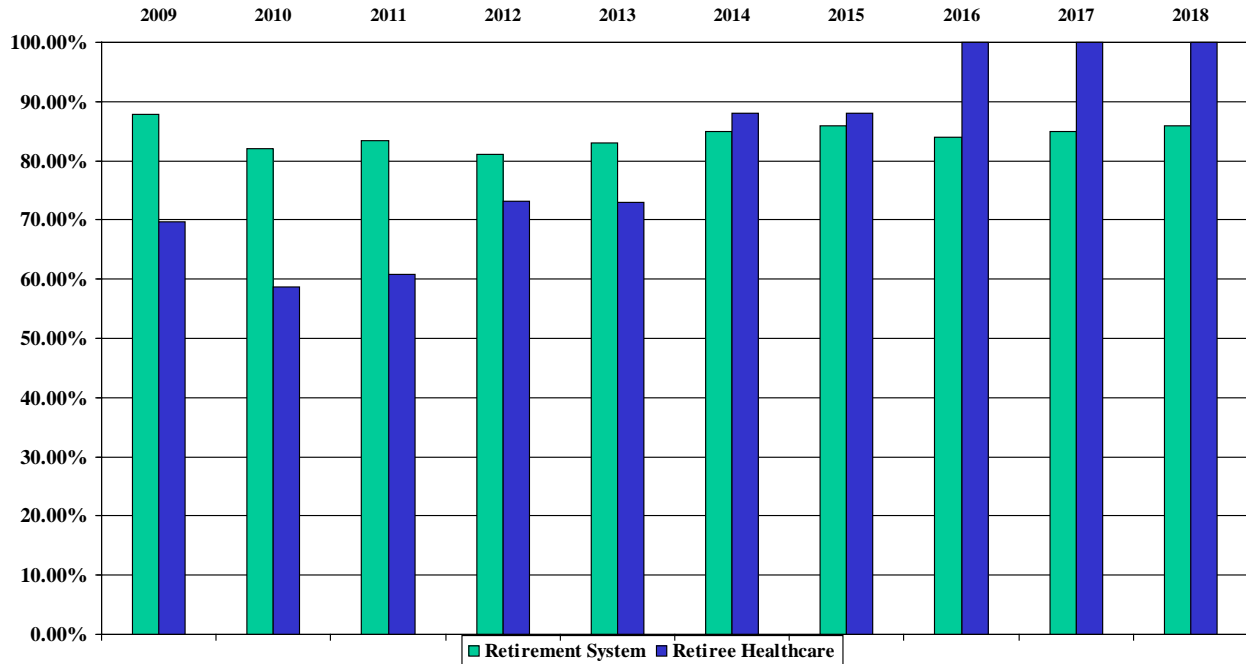
City of Farmington Hills
Taxable Value History/Projection
2008 - 2017



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**



The Retirement System’s Investment Return Assumption (Discount Rate) was reduced by the Retirement Board from 7.50% to 7.40%, effective for the Actuarial Valuation Report as of June 30, 2016. Therefore, the June 30, 2016 Actuarial Accrued Liability increased and the Funded Ratio decreased relative to the previous Discount Rate. Consequently, the City’s Contribution for FY 2017/18 is higher relative to the previous Discount Rate.

CORPORATION COUNSEL

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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$125,000 or 19% increase from the current budget.
- The increase results primarily from projected more legal fees in the areas of court defense and tax tribunals.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$146,000 or 19% decrease from the FY 16-17 year-end projection and a \$21,000 or 3% decrease from the FY 16-17 current budget.
- The budget to budget decrease results primarily from less legal fees in the area the tax tribunals; partially offset by increased legal fees in the areas of retainer and court defense.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
City Attorney	\$569,892	\$592,446	\$661,500	\$786,500	\$640,500

DEPARTMENT NUMBER: 210

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(801) PROFESSIONAL & CONTRACTUAL							
008	Legal Retainer	187,500	191,250	208,000	208,000	212,000	212,000
009	Prosecution	295,200	292,145	290,500	290,500	290,500	290,500
010	Court Defense	33,123	42,811	40,000	85,000	50,000	50,000
011	Labor Relations	23,985	6,974	20,000	20,000	20,000	20,000
012	MTT Professional Service	28,171	47,574	90,000	170,000	55,000	55,000
071	Special Projects	1,913	11,692	13,000	13,000	13,000	13,000
DEPARTMENT TOTAL		569,892	592,446	661,500	786,500	640,500	640,500

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 2017/18 budget one Election will be conducted – the local General Election scheduled for November 7, 2017.

GOALS

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

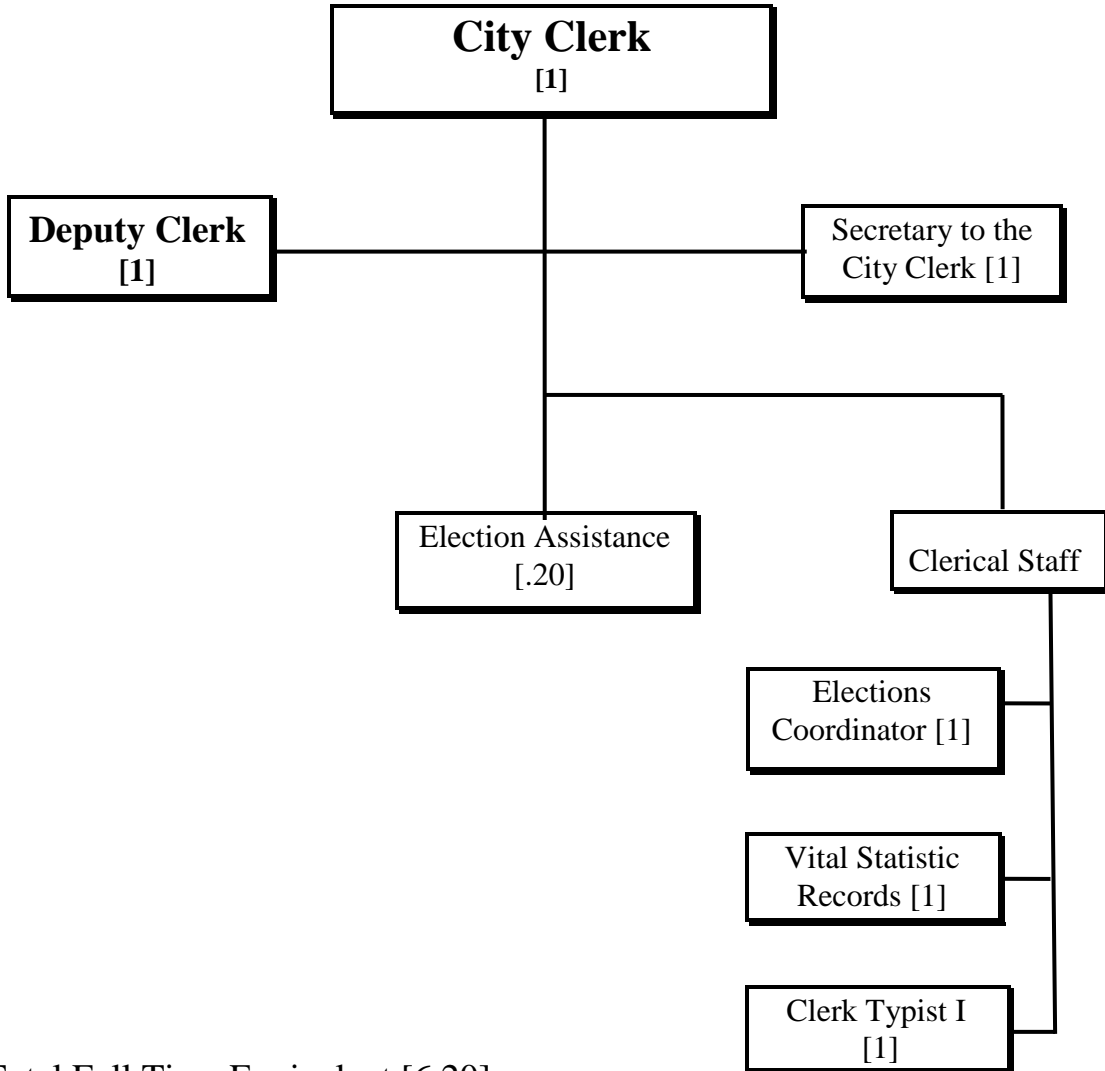
- Review and update ordinances pertinent to the City Clerk's Office. (2)
- Overall review and update of ordinances with Departments. (2,8,9)
- Work with City of Farmington on combined training efforts for Elections when possible. (2,8)
- Streamlining document retention and assisting with department access to public files held by the Clerk's Office to avoid duplication. (2,9)
- 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 (1,2,4)
- Training and Open Houses for utilizing the new Election Equipment. (1,2,4)
- Implementation of new Election Equipment for the local November 7, 2017 Election. (1,2,9)

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 local General Election in a thorough and efficient manner.

	Performance Indicators	FY 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Levels	Birth Records Processed	652	678	N/A
	Death Records Processed	1,160	1,200+	N/A
	Freedom of Information Act (FOIA) Requests Processed	220	225	200+
	Ordinances Enacted	6	8	7
	Sets of City Council Minutes(includes study sessions, special meetings) prepared	48	45	45
	Sets of Planning Commission Minutes prepared	19	22	22
	Sets of Zoning Board of Appeals Minutes prepared	11	12	11
	Agendas & Minutes posted and filed for other various board/commission and committees	292	260	290
	Voter Registration Records Processed	5,588	7,050	5,500+
	Absentee Ballots Issued	15,091	22,802	8,000
	Council Agendas/Packets Prepared	25	21	21
	No. of Elections Conducted *Included Special Elections held August, 2015 and March and May, 2016	4*	2	1
	No. of Public Notices Published	102	110	100+
	No. of Documents Recorded	33	35	35
	No. of Liquor License Requests approved by City Council (New, transfers, One-Day, etc)	4	4	4
	No. of Permits Issued- Special Events, Temporary Outdoor Sales, Massage Businesses, Home Daycare, Peddler/Solicitor	159	165	165
	Efficiency	Activity Expenditures as a % of General Fund	1.17%	1.15%

CITY CLERK



Total Full Time Equivalent [6.20]

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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	0.34	0.35	0.20	0.20
	Total	0.34	0.35	0.20	0.20
	Department Total	6.34	6.35	6.20	6.20

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$40,993 or 6% decrease from the current budget.
- The decrease results primarily from a decrease in part-time wages, pension contributions, health insurance costs, office equipment maintenance and legal notices; partially offset by an increase in election workers costs and, overtime.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$13,998 or 2% increase from the FY 16-17 year-end projection and \$26,995 or 4% decrease from the FY 16-17 budget.
- The budget to budget decrease results primarily from decreased part-time wages, election workers costs, overtime, and office equipment maintenance; partially offset by an increase in full-time salaries, election supplies and printing services.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
City Clerk	\$659,117	\$609,804	\$678,177	\$637,184	\$651,182

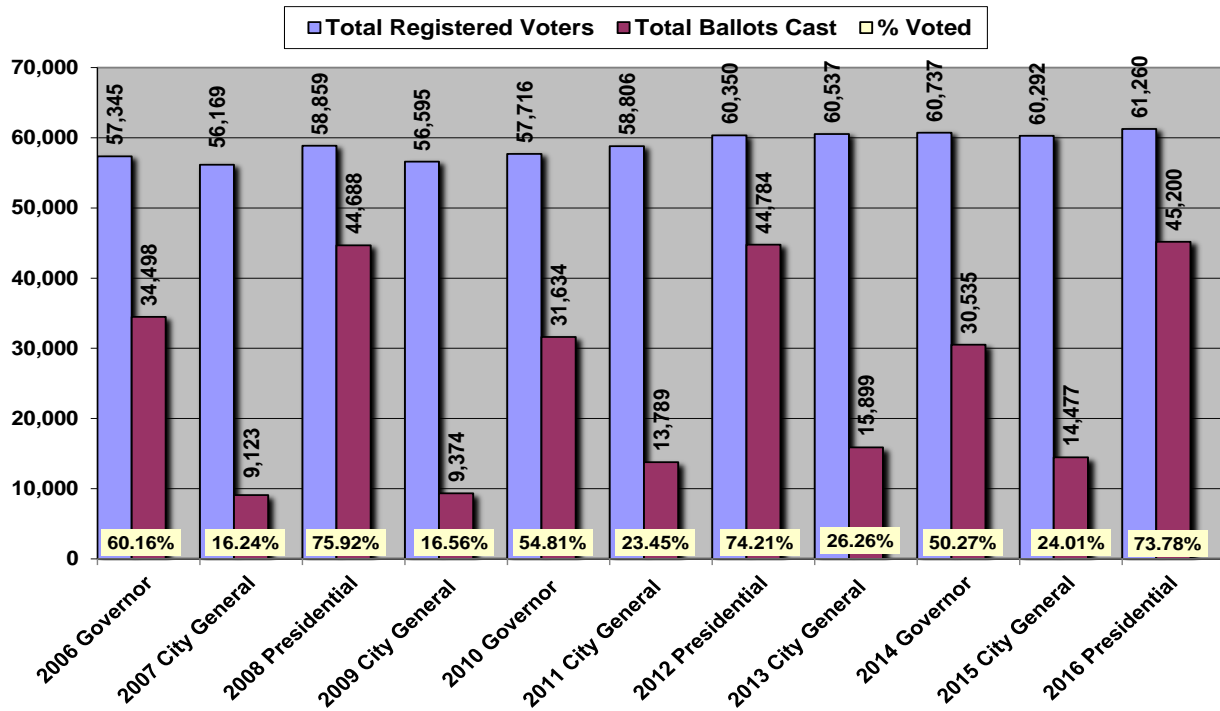
City Clerk

DEPARTMENT NUMBER: 215

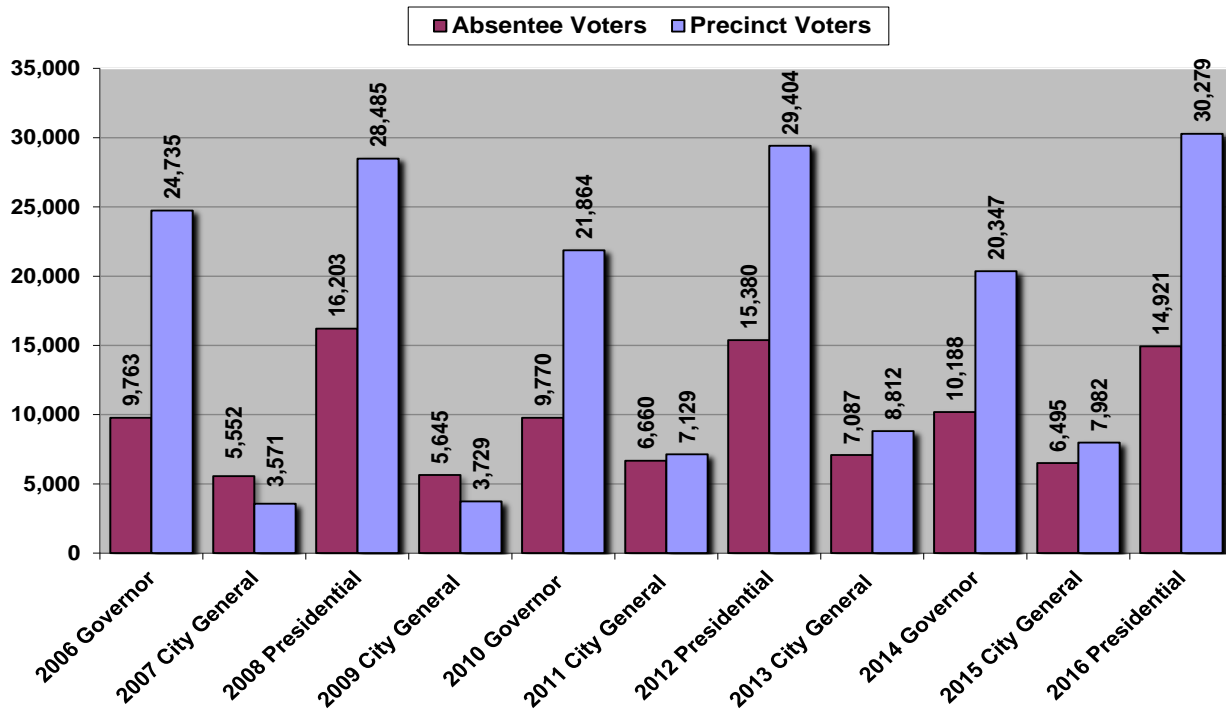
Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	321,470	325,743	337,180	338,670	359,180	359,180
038 Part-time	9,082	4,862	9,555	2,268	5,304	5,304
039 Election Workers	106,845	62,815	89,500	97,649	39,985	39,985
106 Sick & Vacation	9,652	2,259	1,140	1,141	2,154	2,154
112 Overtime	12,145	8,173	9,244	13,100	8,116	8,116
200 Social Security	27,674	26,609	28,640	28,550	30,137	30,137
250 Blue Cross/Optical/Dental	66,299	66,530	79,171	65,306	81,353	81,353
275 Life Insurance	1,733	1,780	1,857	1,813	1,920	1,920
300 Pension - DC	23,345	16,496	24,290	5,380	26,119	26,119
325 Longevity	10,787	11,683	13,056	13,053	14,860	14,860
350 Worker's Compensation	794	699	1,329	1,341	1,434	1,434
Category Total	<u>589,826</u>	<u>527,649</u>	<u>594,962</u>	<u>568,271</u>	<u>570,562</u>	<u>570,562</u>
(740) OPERATING SUPPLIES						
001 Gas & Oil	366	705	735	553	960	960
008 Supplies	5,127	3,310	3,700	3,000	3,700	3,700
012 Election Supplies	12,272	26,296	15,200	15,200	24,800	24,800
Category Total	<u>17,765</u>	<u>30,312</u>	<u>19,635</u>	<u>18,753</u>	<u>29,460</u>	<u>29,460</u>
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	1,918	2,448	4,250	4,250	3,750	3,750
002 Memberships & Licenses	575	460	440	470	470	470
004 Consultants	6,713	6,696	8,500	8,000	8,500	8,500
005 Fleet Insurance	840	840	840	840	840	840
007 Office Equip. Maintenance	13,698	15,478	13,800	6,500	400	400
012 Codification	5,829	2,297	6,500	6,500	6,000	6,000
013 Education & Training	763	2,540	3,050	2,200	3,500	3,500
014 Legal Notices	11,361	9,051	14,000	10,000	14,000	14,000
015 Election Site Rentals	3,820	2,800	2,900	2,800	1,400	1,400
024 Printing Services	2,170	5,018	3,700	3,000	6,700	6,700
041 Vehicle Allowance	3,600	3,600	3,600	3,600	3,600	3,600
078 Recording Fees	239	615	2,000	2,000	2,000	2,000
Category Total	<u>51,526</u>	<u>51,843</u>	<u>63,580</u>	<u>50,160</u>	<u>51,160</u>	<u>51,160</u>
DEPARTMENT TOTAL	<u>659,117</u>	<u>609,804</u>	<u>678,177</u>	<u>637,184</u>	<u>651,182</u>	<u>651,182</u>

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)

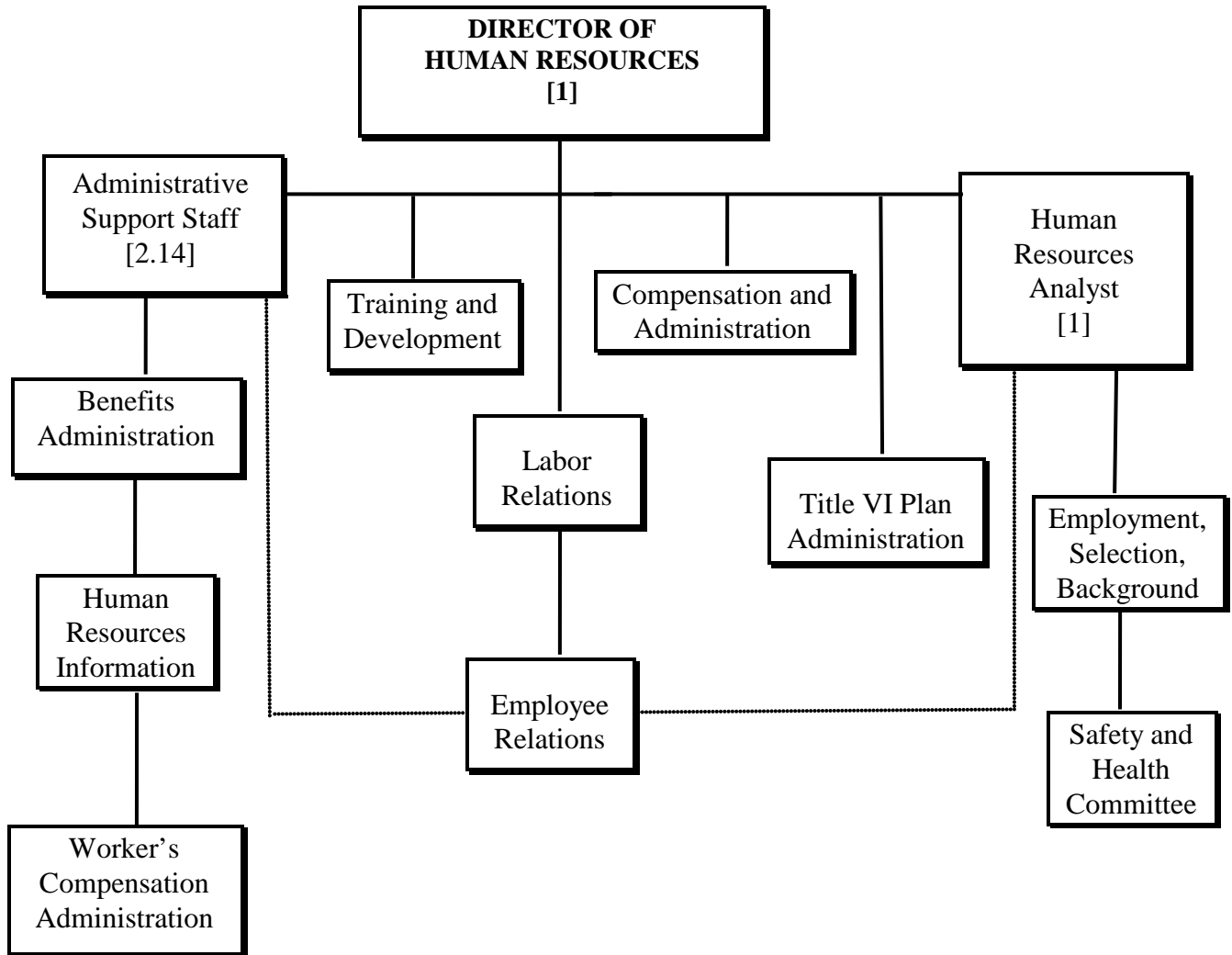
Human Resources

- 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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Full-time new hires	14	17	13
	Part-time/seasonal new hires	221	220	230
	Full-time terminations/Retirements	21	17	20
	Part-time/seasonal terminations	173	153	158
	Health Insurance Administration (including FT, COBRA and retirees)	449	401	420
	Applications received	1,223	1,336	1,301
	Payroll changes processed	600	580	607
	Occupational injuries or illnesses	51	32	30
	Drivers license checks processed	378	240	230
	Criminal checks processed	394	250	280
	Benefit changes processed	600	630	690
	Employee consultations	3,600	3,600	3,600
	Participation in Fit for Life Program	30%	31%	32%
	Efficiency	Number of years awarded MML Lowest Modification Factor for Workers Compensation	21	22
Average # work days to complete internal recruitment		19	30	29
Average # work days to complete external recruitment		90	70	54
% Labor grievances resolved before arbitration		100%	100%	100%
Full-time employee turnover rate (excluding retirements)		0.8%	0.5%	0.6%
% Minorities in Work Force		12%	13%	14%
Activity Expenditures as a % of General Fund		0.68%	0.68%	0.67%

HUMAN RESOURCES



**Total Full Time Equivalent
[4.14]**

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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	0.14	0.14	0.14
	DEPARTMENT TOTAL	4.00	4.14	4.14	4.14

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$7,160 or 2% decrease from the current budget.
- The decrease results primarily from less part-time wages, sick & vacation payouts and personnel advertisements.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$13,348 or 4% increase from the FY 16-17 year-end projection and \$6,188 or 2% increase from the FY 16-17 current budget
- The budget to budget increase results primarily from higher personnel costs; partially offset by lower operating supplies and professional & contractual expenditures.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Human Resources	\$368,503	\$355,431	\$386,283	\$379,123	\$392,471

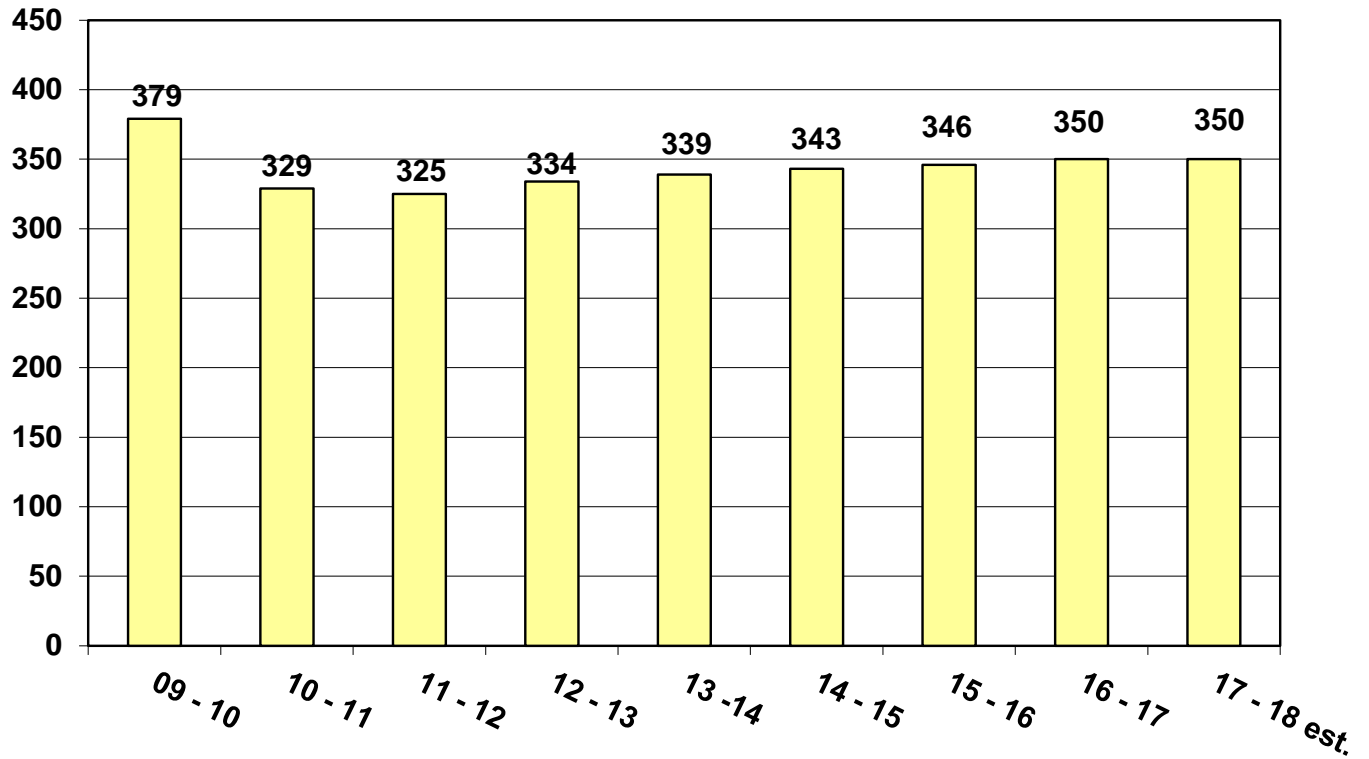
Human Resources

DEPARTMENT NUMBER: 226

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Administrative Salaries	225,195	244,962	253,592	252,876	262,583	262,583
038	Part-time	30,639	9,484	3,000	0	3,000	3,000
106	Sick & Vacation	5,678	4,880	6,030	4,987	6,229	6,229
112	Overtime	107	0	500	500	500	500
200	Social Security	19,837	19,530	20,618	19,977	21,385	21,385
250	Blue Cross/Optical/Dental	29,587	35,565	38,393	38,366	38,947	38,947
275	Life Insurance	1,431	1,540	1,782	1,740	1,825	1,825
300	Pension - DC	22,059	16,907	24,646	24,415	25,306	25,306
325	Longevity	557	1,497	1,784	1,791	2,597	2,597
350	Worker's Compensation	588	537	992	984	1,058	1,058
	Category Total	<u>335,679</u>	<u>334,902</u>	<u>351,337</u>	<u>345,636</u>	<u>363,430</u>	<u>363,430</u>
(740) OPERATING SUPPLIES							
001	Gas & Oil	1,774	1,333	1,680	1,337	2,400	2,400
003	Personnel Testing	383	570	747	747	747	747
004	Personnel Advertising	6,254	5,422	7,200	6,200	6,200	6,200
008	Supplies	1,161	968	1,400	1,327	1,600	1,600
	Category Total	<u>9,571</u>	<u>8,293</u>	<u>11,027</u>	<u>9,611</u>	<u>10,947</u>	<u>10,947</u>
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	921	907	1,100	790	1,220	1,220
002	Memberships & Licenses	845	605	680	680	755	755
004	Consultants/CDL	2,177	219	2,000	3,200	3,200	3,200
005	Fleet Insurance	840	840	840	840	840	840
013	Education & Training	11,023	1,775	7,275	6,200	4,325	4,325
024	Printing Services	53	33	0	0	0	0
025	Safety & Health Committee	1,438	1,979	6,924	6,566	1,924	1,924
026	Physical Exams	2,356	2,279	1,500	2,000	2,230	2,230
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
	Category Total	<u>23,253</u>	<u>12,236</u>	<u>23,919</u>	<u>23,876</u>	<u>18,094</u>	<u>18,094</u>
DEPARTMENT TOTAL		<u>368,503</u>	<u>355,431</u>	<u>386,283</u>	<u>379,123</u>	<u>392,471</u>	<u>392,471</u>

KEY DEPARTMENTAL TREND

FULL TIME EMPLOYEES (positions)



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.

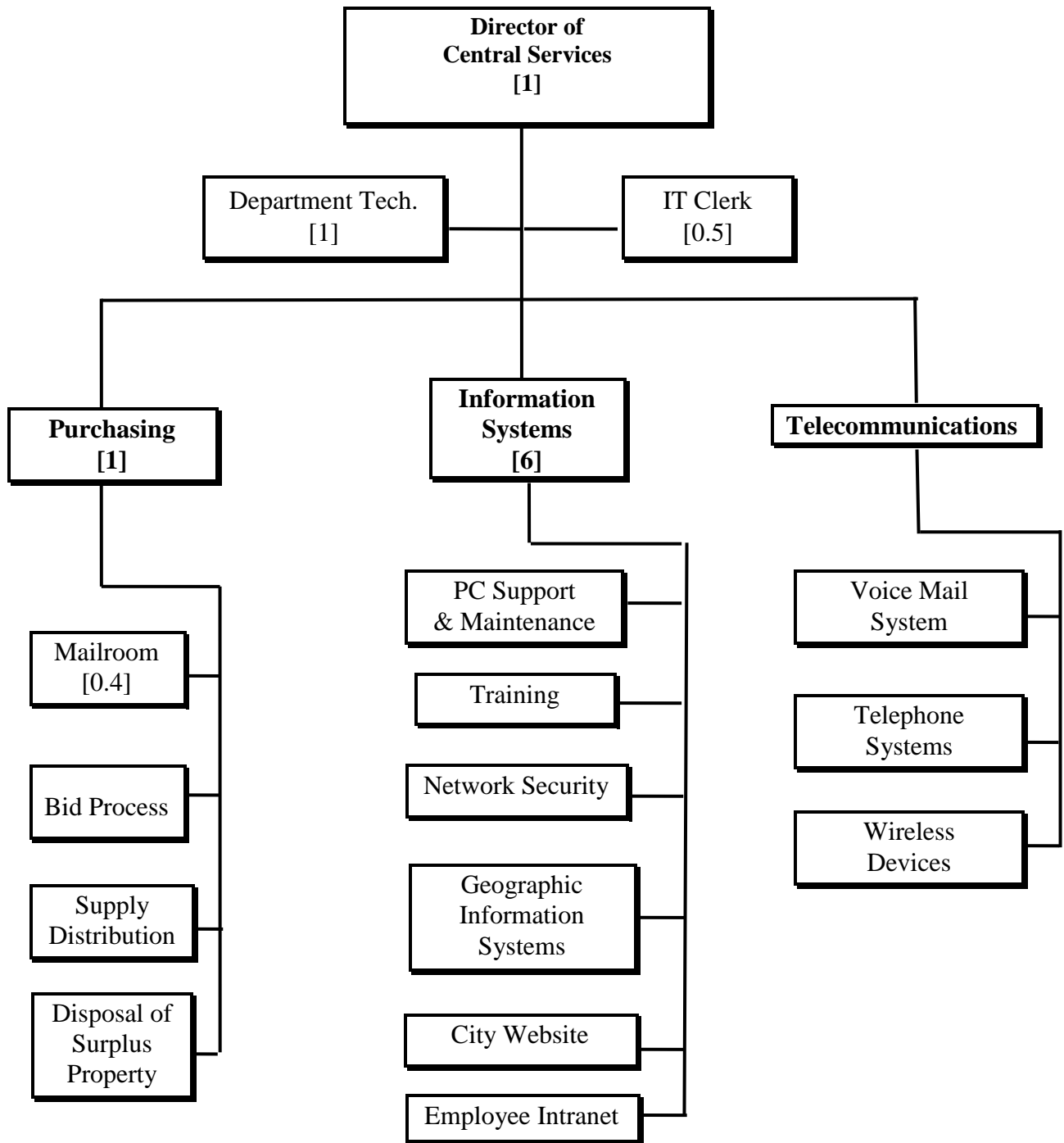
- Streamline routine work-flow with the use of technology. (2,8)
- Maintain a stable, reliable and efficient computer network. (2,8)
- Provide software training opportunities for employees. (2,8)
- Replace obsolete and ineffective technology equipment prior to it becoming a support problem. (2)
- Promote 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.
- Leverage the use of GIS Technology to better serve staff, local business & residents.

	Performance Indicators	FY 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Software Systems Supported	200	206	200
	Software Training Classes Provided	11	12	12
	GIS Enhanced Applications	3	6	9
	Computer Hardware Supported (PC's)	467	473	475
	Helpdesk/Support incidents	958	1,000	1,000
	Multi-Function Network Printers	57	55	55
	Network & Local Printers	34	34	34
	Portable PC's Supported	55	61	61
	Virtual Servers Maintained	36	36	36
	Smart phone devices	243	250	262
	Smart phone Users	187	200	210
	Ratio of PC's to IT Analysts	90:1	94:1	95:1
	Sealed Bids/RFP's Issued	68	64	65
	MITN e-Procurement members	168	175	176
	City Manager Reports	64	65	65
	Purchase Orders Issued	748	780	785
	Total Amount Purchased	\$23,198,000	\$23,000,000	\$23,500,000
	Purchasing Net Aggregate Savings	\$392,000	\$450,000	\$528,000
	Total Dollars purchased with p-card	\$1,909,812	\$2,387,265	\$2, 725, 991
	Total number of p-card transactions	6,751	8,438	9,200
Total sold through MITN auction	\$102,741	\$140,826	\$141,000	
Number of items sold through MITN auction	328	340	350	
Outbound U.S. Mail Spend	\$64,276	\$75,561	\$66,873	
Efficiency	Average Amount of Purchase Order	\$31,013	\$29,487	\$29,936
	Savings per \$1 expended	\$.0168	\$.0195	\$.0225
	Average p-card transaction	\$282.89	\$282.92	\$296.30
	Activity Expenditures as % of General Fund	2.20%	2.15%	2.15%

CENTRAL SERVICES



Total Full Time Equivalent [9.90]

STAFFING LEVELS

Acct. 250	Title	Authorized Positions		Requested Positions	Authorized Positions
		FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Budget	FY 2017/18 Budget
(010) Administrative and Clerical					
	Director of Central Services	1	1	1	1
	Buyer	1	1	1	1
	Manager of Information Technology	1	1	1	1
	Information Systems Analyst II	4	3	3	3
	Information Systems Analyst I	0	1	1	1
	GIS Technician	1	1	1	1
	Aide	1	1	0	0
	Department Technician	0	0	1	1
	Total	9	9	9	9
(038) Part Time (FTE)					
	Mail Clerk	0.40	0.40	0.40	0.40
	IT Clerk	0.00	0.00	0.50	0.50
	Total	0.40	0.40	0.90	0.90
Department Total		9.40	9.40	9.90	9.90

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$68,723 or 5% decrease from the current budget.
- The decrease results primarily from projected less than budgeted administrative salaries, overtime, health insurance, longevity, gas & oil, consultants and office equipment maintenance; partially offset by more than budgeted sick & vacation cash out, part-time wages and pension costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$59,542 or 5% increase from the FY 16-17 year-end projection and \$9,181 or 0.7% decrease from the FY 16-17 current budget.
- The budget to budget decrease results primarily from an overall reduction in personnel and supply costs; partially offset by an increase in professional & contractual expenditures.

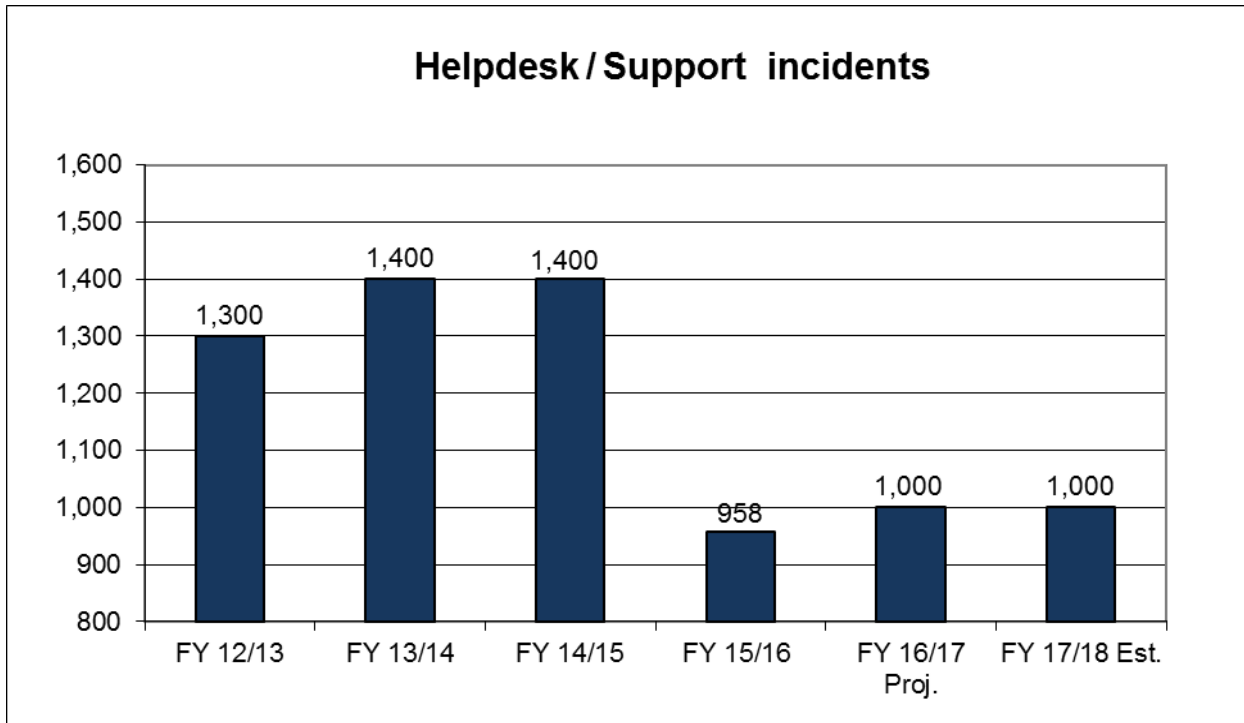
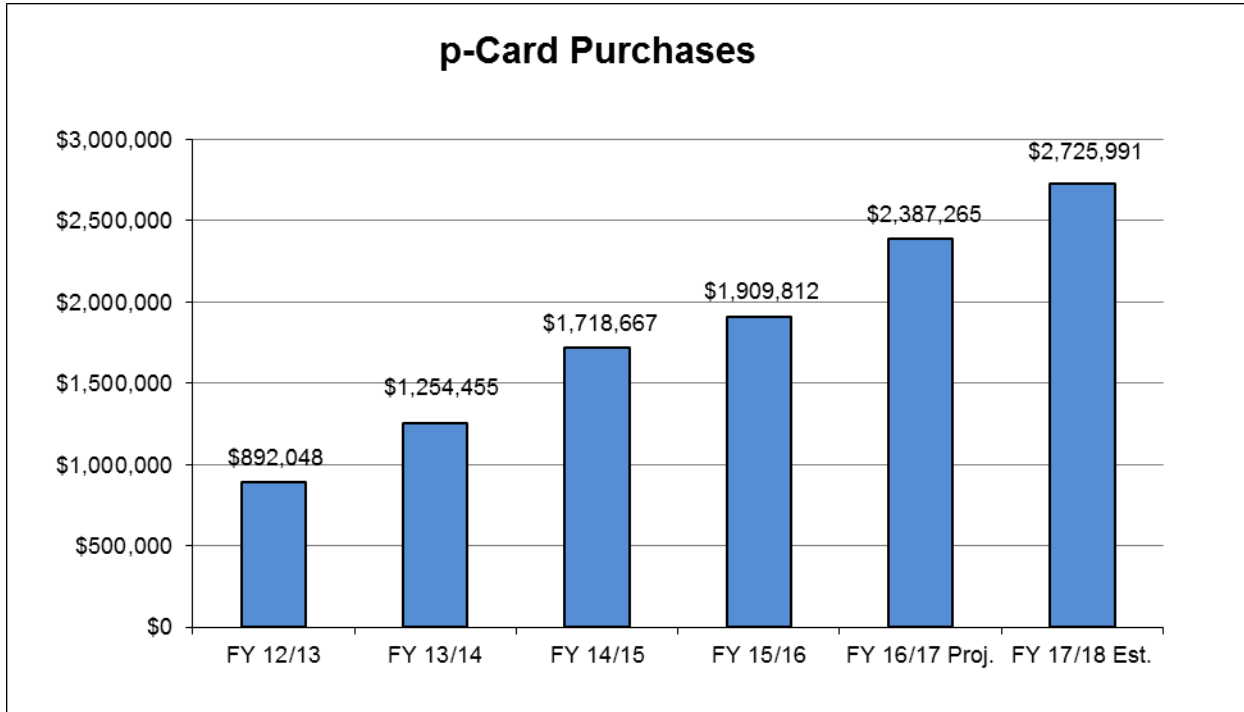
	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Central Services	\$1,080,828	\$1,150,629	\$1,262,953	\$1,194,230	\$1,253,772

Central Services

DEPARTMENT NUMBER: 250

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702)	SALARIES & WAGES						
010	Administrative Salaries	651,425	653,728	671,783	607,465	641,308	641,308
038	Part-time	8,879	8,814	9,500	11,705	25,585	25,585
106	Sick & Vacation	8,790	61,565	13,226	48,821	4,515	4,515
112	Overtime	7,846	5,728	14,000	9,500	14,000	14,000
200	Social Security	51,900	53,522	56,301	53,259	55,152	55,152
250	Blue Cross/Optical/Dental	96,185	94,588	117,300	114,250	128,952	128,952
275	Life Insurance	3,554	3,515	3,754	3,102	3,579	3,579
300	Pension - DC	0	1,333	7,667	9,955	13,040	13,040
325	Longevity	30,086	34,451	32,850	29,952	29,828	29,828
350	Worker's Compensation	1,521	1,427	2,659	2,618	2,624	2,624
	Category Total	860,186	918,672	929,040	890,627	918,583	918,583
(740)	OPERATING SUPPLIES						
001	Gas & Oil	2,454	1,685	2,310	754	1,200	1,200
002	Books & Subscriptions	59	59	60	59	59	59
008	Supplies	1,854	902	1,500	1,500	1,700	1,700
	Category Total	4,368	2,646	3,870	2,313	2,959	2,959
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	1,704	1,192	3,500	2,925	3,500	3,500
002	Memberships & Licenses	160,545	187,822	233,548	231,000	242,690	242,690
004	Consultants/Website Dev.	48,014	30,340	66,205	48,500	50,000	50,000
005	Fleet Insurance	840	840	840	840	840	840
007	Office Equip. Maintenance	806	0	16,000	9,800	24,400	24,400
013	Education & Training	568	5,516	6,000	6,000	7,000	7,000
024	Printing Services	197	0	350	125	200	200
041	Auto Allowance	3,600	3,600	3,600	2,100	3,600	3,600
	Category Total	216,274	229,311	330,043	301,290	332,230	332,230
	DEPARTMENT TOTAL	1,080,828	1,150,629	1,262,953	1,194,230	1,253,772	1,253,772

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 2.87% of the General Fund's requested budget, are partially supported by a \$58,200 Reimbursement for Overhead Street Lighting from various affected subdivisions and properties.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET

- \$19,776 or 1% increase from the current budget.
- The increase results primarily from projected more than budgeted land acquisition costs of foreclosed properties from Oakland County, federal ACA transitional insurance program costs, and overhead street light costs; partially offset by less than budgeted operating supplies, consultant and postage & machine rental costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$42,504 or 3% increase from the FY 16-17 year-end projection and \$62,280 or 4% increase from the FY 16-17 budget.
- The budget to budget increase results primarily from increases in some professional & contractual expenditures, including \$50,000 for a new City-wide insurable vehicle repairs account; partially offset by reductions in operating supplies.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Support Services	\$1,024,780	\$1,541,384	\$1,612,450	\$1,632,226	\$1,674,730

Support Services

DEPARTMENT NUMBER: 290

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(740) OPERATING SUPPLIES							
001	Gas & Oil Pool Cars	7,304	5,046	9,450	6,198	9,600	9,600
008	Miscellaneous Expense	11,722	13,246	22,500	12,200	16,000	16,000
014	Copier Supplies	3,650	4,108	5,400	4,800	5,400	5,400
034	Publications for Resale	5,048	0	900	0	0	0
046	City-Wide Beautification	2,060	23,641	26,750	26,750	25,000	25,000
	Category Total	29,785	46,040	65,000	49,948	56,000	56,000
(801) PROFESSIONAL & CONTRACTUAL							
003	Public Relations	25,913	24,298	27,000	27,000	27,000	27,000
004	Consultants	11,577	23,257	30,000	22,000	30,000	30,000
005	Fleet Insurance	5,110	5,280	5,650	5,650	5,120	5,120
006	Vehicle Maintenance	7,068	3,087	4,800	5,671	7,500	7,500
007	Office Equip. Maintenance	0	6,696	9,500	4,500	5,000	5,000
008	Homeland Security Consultant	12,375	0	0	0	0	0
015	Copier Rental	38,551	35,748	45,000	36,500	45,000	45,000
016	Phone Expense	177,949	154,774	170,000	166,875	178,000	178,000
018	Postage & Machine Rental	101,318	103,254	140,000	114,000	115,000	115,000
019	Gen. Liability & Contents	332,139	711,895	809,000	809,000	825,000	825,000
022	Insurable Vehicle Repairs	0	0	0	0	50,000	50,000
024	Printing Services	394	36	0	0	0	0
027	Radio Maintenance	0	0	0	0	1,250	1,250
050	Overhead Lighting Utilities	142,351	173,000	160,000	175,000	180,000	180,000
082	Unemployment Compensation	47,976	48,736	50,000	51,000	50,000	50,000
083	Disability Funding	2,552	9,354	7,500	10,000	10,000	10,000
084	Pest Abatement	11,533	18,453	13,000	18,900	13,000	13,000
085	Cobra Insurance	5,861	6,529	5,000	6,000	6,000	6,000
086	Health IBNR	(44,004)	11,052	50,000	50,000	50,000	50,000
087	Wellness Program	8,282	6,932	12,000	12,000	11,000	11,000
089	State Hlth. Insurance Claims Tax	77,918	2,530	6,000	3,000	3,600	3,600
090	Fed. ACA Transitional Insurance Prgrm.	30,135	6,027	0	42,000	3,260	3,260
998	Disaster Emergency Fund	0	0	3,000	3,000	3,000	3,000
	Category Total	994,996	1,350,939	1,547,450	1,562,096	1,618,730	1,618,730
(970) CAPITAL OUTLAY							
055	Land Acquisition	0	0	0	20,182	0	0
	Category Total	0	0	0	20,182	0	0
(996) CONTRIBUTION							
084	SWOCC	0	144,405	0	0	0	0
	Category Total	0	144,405	0	0	0	0
DEPARTMENT TOTAL		1,024,780	1,541,384	1,612,450	1,632,226	1,674,730	1,674,730

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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- No change.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$305,044 or 13% increase from the FY 16-17 budget.
- The City-wide combined Retirement System and Retiree Healthcare Plan's actuarial calculated contributions decreased in FY 17/18 from FY 16/17. However, the proposed budget reflects the City's overall combined contribution matching the FY 16/17 contribution. The increased contribution over the required contribution is reflected in the closed group retirement system only. Therefore, this activity reflects a budget-to-budget increase; however, City-wide the combined contribution is not increasing.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Post- Employment Benefits	\$3,032,015	\$2,347,795	\$2,362,187	\$2,362,187	\$2,667,231

Post-employment Benefits comprise 4.58% of the General Fund's proposed budget.

DEPARTMENT NUMBER: 298

Acct.	2014/15	2015/16	2016/17	2016/17	2017/18	2017/18
No. Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(702) SALARIES & WAGES						
305 General Group DB Pension	1,938,491	1,756,865	1,782,993	1,782,993	2,462,813	2,462,813
308 General Group DB Retiree Healthcare	1,093,524	590,930	579,194	579,194	204,418	204,418
DEPARTMENT TOTAL	3,032,015	2,347,795	2,362,187	2,362,187	2,667,231	2,667,231

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, and to the Golf Course Capital Improvement Fund from Golf Course Bond Refunding Savings.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$73,700 or 1% decrease from the current budget.
- The decrease results from a reduction in the appropriation to the General Debt Service Fund due to a recent bond refunding savings on the District Court Building Authority Bonds.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$46,493 or 0.7% increase from the FY 16-17 year-end projection and \$27,207 or 0.4% decrease from the FY 16-17 budget.
- The budget to budget decrease results from the elimination of the appropriation to the Corridor Improvement Authority and a 3% decrease in the appropriation to the General Debt Service Fund; partially offset by a 1% increase in the appropriation to the Capital Improvement Fund.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Interfund Transfers	\$4,589,764	\$5,970,849	\$6,984,443	\$6,910,743	\$6,957,236

Interfund Transfers comprise 11.94% of the General Fund's proposed budget.

DEPARTMENT NUMBER: 299

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(801) PROFESSIONAL & CONTRACTUAL						
202 To Major Road Fund	75,000	0	0	0	0	0
203 To Local Road Fund	75,000	0	0	0	0	0
242 To Corridor Improvement Auth. Fund	30,000	50,000	50,000	50,000	0	0
301 To General Debt Service Fund	1,943,105	1,419,180	1,460,091	1,386,391	1,422,162	1,422,162
404 To Capital Improvement Fund:	2,436,707	4,471,717	5,444,400	5,444,400	5,505,122	5,505,122
412 To Golf Course Capital Improv. Fund	29,952	29,952	29,952	29,952	29,952	29,952
Total Operating Budget	4,589,764	5,970,849	6,984,443	6,910,743	6,957,236	6,957,236
DEPARTMENT TOTAL	4,589,764	5,970,849	6,984,443	6,910,743	6,957,236	6,957,236

PUBLIC SAFETY SUMMARY

DIV.	2014/15	2015/16	2016/17	2016/17	2017/18	2017/18
NO. Category and Line Item	Actual	Actual	Current	Estimated	Proposed	Adopted
	Expenditures	Expenditures	Budget	Expenditures	Budget	Budget
PUBLIC SAFETY:						
300 Police	14,154,931	13,971,973	14,589,967	14,119,861	14,853,293	14,853,293
337 Fire	4,217,219	4,406,251	5,152,282	5,074,392	5,589,932	5,589,932
TOTAL PUBLIC SAFETY	18,372,150	18,378,223	19,742,249	19,194,253	20,443,225	20,443,225



Police Department Honor Guard



Fire Department Honor Guard

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 2016 with “Group A” (20 most serious) crimes dropping by 3.4%. This reduction is the sixth such decline during the past seven years. Since 2006, Group A crime is down 38%. The number of Auto Thefts was the lowest ever recorded in the City’s 43 year history, the number of Burglaries was the second lowest ever recorded, and the number of Armed Robberies was the lowest yearly total in the City’s history.

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)
- 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)
- 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, consistent with the President’s report on 21st Century Policing. (2,3,11,13)
- Increase the use of technology for evidence collection through the purchase of updated equipment. (1,3)
- Replace marked patrol vehicles and unmarked vehicles that have reached their end of law enforcement use. (1,3)
- Install interior and exterior security upgrades to include: additional audio/video security, exterior signage, and security devices. (1,2,3,13)
- Continue to research policies, technology, and legal requirement for the acquisition and use of integrated body worn / in-car cameras for police officers. (1,3,8,9)
- Purchase of an electronic white-board for use in the planning and execution of search warrants and dynamic entries. (1,3)
- Continue successful efforts to recruit, hire, and retain quality police employees, while seeking to add diversity to the workforce. (1,8,13)
- Work towards the achievement of accreditation through the Michigan Association of Chiefs of Police. (1,7,9)
- Increase reality-based training involving the utilization of de-escalation techniques while training in use-of-force options. (1,8)

PERFORMANCE OBJECTIVES

	Performance Indicators	2015 Actual	2016 Actual	2017 Projected
Service Level	Neighborhood Watch Groups	118	118	118
	Speech/Service Requests	73	82	78
	False Alarm Fees Collected	\$46,591	\$36,880	\$46,000
	Report Copy Requests	1,700	1,417	1,500
	Pistol Permits Processed **	2,048	2,042	2,050
	Investigative Division Cases	5,500	4,941	5,000
	Investigative Division Arrest Warrants	538	498	500
	Investigative Division Juvenile Petitions	72	62	65
	Fire Service Calls	9,027	9,208	9,100
	Adults Arrested	2,771	2,267	2,400
	Juveniles Arrested	64	56	60
	O.U.I.L. Arrests	181	163	170
	Traffic Violations Issued***	9,305	7,606	8,000
	Dispatched Runs (FHPD/FHFD/FVPD)	52,747	46,479	50,000
	Group A Crimes per 1,000 Population	32.32	31.52	31.70
	Group B Crimes/Activities per 1,000 Population	11.78	10.92	10.92
	Villages of Franklin & Bingham Farms Dispatched Calls for Service	3,509	3,300	3,400
	City of Farmington Dispatched Calls for Service	6,066	6,467	6,200
	Burglaries-residential*	107	101	100
	Burglaries-commercial*	31	47	45
	Robberies	13	9	11
	Moving Violations (Hazardous)***	5,361	5,039	5,100
	Non-Moving Violations (Non- Hazardous)***	3,944	2,567	3,000
	Residential Burglaries/1,000 Housing Units	1.32	1.29	1.29
	Efficiency	Cases Closed	5,500	4,822
Average Response Time to Primary Calls (Group A Crimes which included both emergency and non-emergency service calls)		7.41	5.60	5.60
Activity Expenditures as a % of General Fund		26.73%	25.47%	25.50%

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

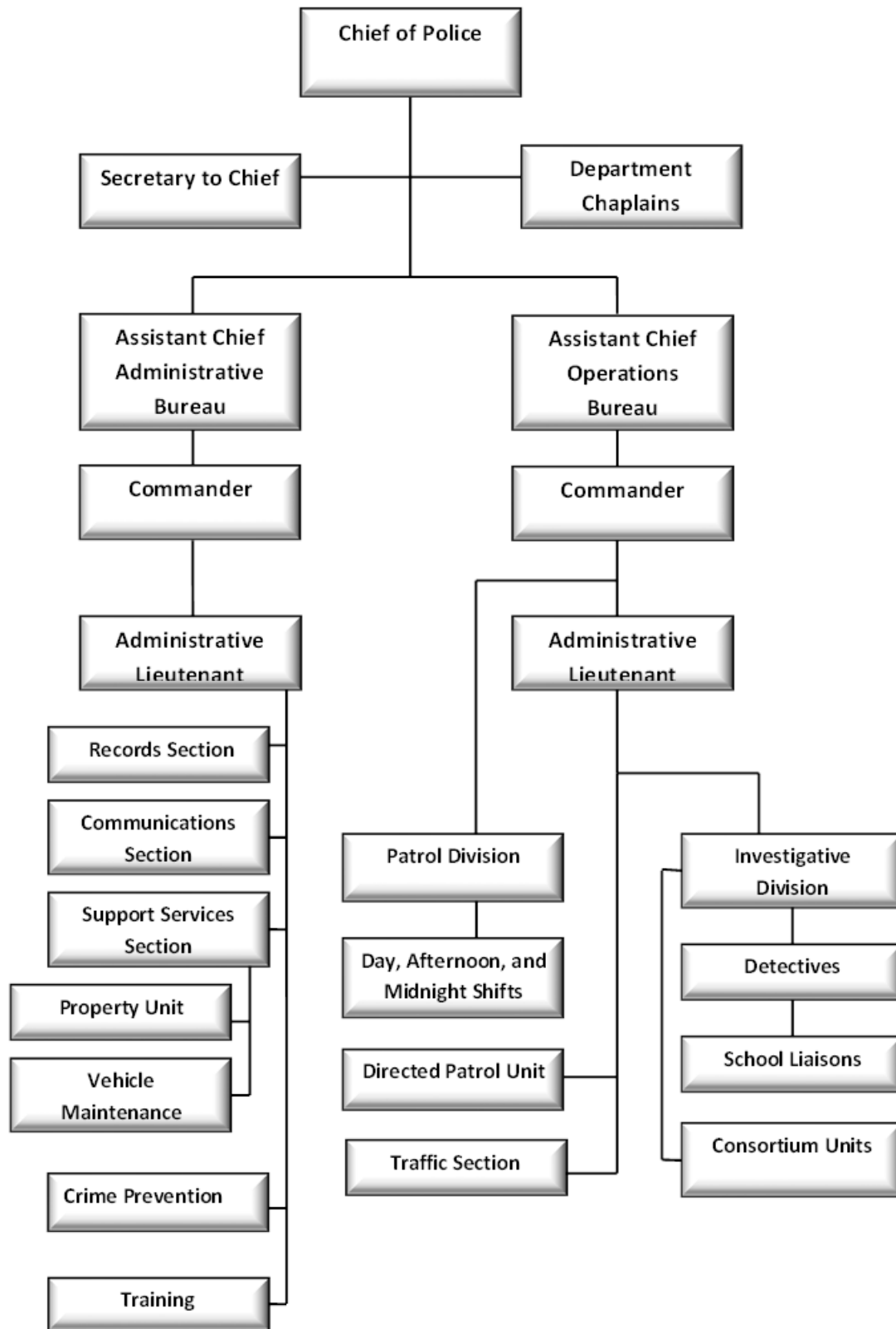
** Change in legislation allowed some firearm purchases directly from a Federal Firearms Licensed Dealer

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

Department Budgetary Accomplishments

- Hired six new police officers during the 2016 calendar year to fill vacancies.
- Hired two full-time and three part-time dispatchers during the 2016 calendar year to fill vacancies.
- Replaced the Department's 9-1-1 Call Processing Equipment (CPE). Traditional copper lines were replaced with high speed fiber optics to prepare for Next Generation 9-1-1.
- Replaced the phone and radio recording system for compatibility with the new 9-1-1 Call Processing Equipment.
- Upgraded one Records Section position to Department Aide in order to comply with increased FOIA/Discovery requests and redactions.
- Installed a heating and cooling unit at the Police Command Desk and in the Jail Lockup facility addressing a long standing HVAC problem.
- Purchased and equipped four marked patrol SUVs and four unmarked vehicles to replace those being removed from the Department's fleet.
- Purchased one Chevrolet Tahoe SUV to replace the Patrol Supervisor vehicle.
- Purchased an advanced firearms and use of force training simulator. Cost were shared with the City of Farmington and the Village of Franklin police departments.
- Replaced eight Computer Aided Dispatch workstations.
- Purchased a less-lethal device, door-breaching tools, ballistic shields, and conducted Department-wide training regarding their use.
- Conducted a promotional examination that established an eligibility list for lieutenants and sergeants.
- Purchased and implemented new software to assist in the tracking and invoicing of false alarms.
- Purchased PowerDMS software that will assist in the organization of Department Regulations, orders, directives, City ordinances, and assist with the Accreditation process.

POLICE DEPARTMENT



Police Department

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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	7	7	8	8
	Teleprocessing Operator	2	1	1	1
	Clerk Typist II	3	3	2	2
	Clerk Typist I	1	1	2	2
	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
	Crime Prevention Technician	0	0	1	1
	Record FOIA Technician	1	2	2	2
	Total	29	29	31	31
(017)	Assistant Chief	1	2	2	2
(018)	Commander	3	2	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)	10.92	10.57	10.52	10.52
	Total	82.14	81.79	81.74	81.74
Total		111.14	110.79	112.74	112.74
705 PUBLIC SAFETY MILLAGE					
(010) Administrative & Clerical					
	Communications Supervisor (Civilian)	1	1	1	1
	Crime Prevention Technician	1	1	0	0
	Dispatcher	6	6	5	5
	Total	8	8	6	6
(021)	Police Officer	35	35	35	35
Total Public Safety Millage Fund		43.00	43.00	41.00	41.00
DEPARTMENT TOTAL		154.14	153.79	153.74	153.74

Police Department

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$470,106 or 3% decrease from the current budget.
- The decrease results from projected lower than budgeted personnel costs (\$445,800), and operating supplies (\$36,100); partially offset by higher than budgeted professional and contractual expenditures (\$11,800).

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$733,432 or 5% increase from the FY 16-17 year-end projection and \$263,326 or 2% increase over the FY 16-17 current budget.
- The budget to budget increase results primarily from higher personnel costs (\$104,500), operating supplies (\$4,600), and capital outlay (\$155,900); partially offset by lower professional & contractual expenditures (\$1,700).

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Police	\$14,154,931	\$13,971,973	\$14,589,967	\$14,119,861	\$14,853,293

Police Department

DEPARTMENT NUMBER: 300

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	1,306,845	1,357,087	1,463,110	1,484,000	1,566,405	1,566,405
017 Assistant Chiefs	101,374	204,300	210,120	210,930	214,322	214,322
018 Commanders	293,334	203,090	202,666	193,725	206,719	206,719
019 Lieutenants	443,760	453,609	456,909	460,703	466,048	466,048
020 Sergeants	1,302,383	1,335,670	1,341,292	1,364,903	1,368,122	1,368,122
021 Patrol	2,984,170	3,054,825	3,184,188	2,951,051	3,183,111	3,183,111
038 Part-time	355,918	377,191	425,000	400,756	400,000	400,000
041 Court Time	116,148	84,513	125,000	95,000	100,000	100,000
042 Holiday Pay	290,551	301,769	312,827	305,135	317,500	317,500
051 Crossing Guards	14,005	14,590	17,000	17,000	17,000	17,000
106 Sick/Personal Leave	198,325	191,550	250,000	300,000	350,000	350,000
112 Overtime	538,122	556,896	530,000	637,302	672,900	672,900
115 Grant - dispatch Training Wages	1,163	1,848	0	4,214	0	0
200 Social Security	635,778	655,067	694,183	678,649	721,657	721,657
250 Blue Cross/Optical/Dental	1,240,088	1,114,715	1,352,360	1,054,970	1,405,446	1,405,446
275 Life Insurance	13,821	13,508	14,807	14,125	15,229	15,229
300 Pension - DC	84,688	68,624	114,761	117,966	150,155	150,155
305 Pension - DB	1,479,211	1,437,301	1,341,913	1,341,913	1,476,747	1,476,747
308 Post Retirement Healthcare	1,108,242	749,425	750,973	750,973	261,284	261,284
325 Longevity	470,946	512,189	555,809	517,905	543,412	543,412
350 Worker's Compensation	89,926	91,427	175,918	171,844	187,331	187,331
Category Total	13,068,800	12,779,192	13,518,836	13,073,064	13,623,388	13,623,388
(705) PUBLIC SAFETY MILLAGE						
010 Administrative & Clerical	412,195	437,269	431,860	380,756	341,662	341,662
021 Patrol	2,269,543	2,321,813	2,471,858	2,444,350	2,544,079	2,544,079
041 Court Time	117,891	76,649	120,000	103,896	90,000	90,000
042 Holiday Pay	127,950	136,405	144,304	138,896	145,563	145,563
106 Sick/Personal/Vacation	16,441	14,251	11,000	14,536	15,000	15,000
112 Overtime	283,926	270,409	300,000	490,568	277,100	277,100
200 Social Security	249,446	251,642	272,765	277,583	268,843	268,843
250 Blue Cross/Optical/Dental	476,067	449,034	549,923	447,945	562,708	562,708
275 Life Insurance	5,232	5,098	5,407	4,975	5,041	5,041
300 Pension - DC	62,205	46,279	67,100	72,133	70,745	70,745
305 Pension - DB	603,613	622,907	585,568	585,568	663,109	663,109
308 Post Retirement Healthcare	229,568	161,847	156,159	156,159	58,518	58,518
325 Longevity	61,251	65,251	86,577	80,107	100,853	100,853
350 Worker's Compensation	36,885	36,343	70,933	75,982	73,779	73,779
Reallocation to P.S. Millage Fund	(4,952,212)	(4,895,196)	(5,273,454)	(5,273,454)	(5,217,000)	(5,217,000)
Category Total	0	0	0	0	0	0

Police Department

DEPARTMENT NUMBER: 300

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(740) OPERATING SUPPLIES						
001 Gas & Oil	202,611	140,764	210,000	134,960	216,000	216,000
002 Books & Subscriptions	1,165	1,211	1,915	1,200	3,100	3,100
003 Pers. Testing & Advert.	12,655	4,630	9,585	9,000	8,000	8,000
008 Supplies	61,791	54,889	70,575	96,000	60,050	60,050
011 Rental Equipment	24,351	32,013	32,500	32,500	34,125	34,125
018 Ammunition & Weapons	33,826	33,383	39,425	39,425	38,275	38,275
019 Uniforms/Uniform Equip.	113,089	95,664	89,850	104,650	98,900	98,900
040 Miscellaneous Expense	4,751	8,587	6,000	6,000	6,000	6,000
041 Over and Short	0	(3)	0	0	0	0
Category Total	454,240	371,138	459,850	423,735	464,450	464,450
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	1,762	2,338	5,220	5,220	5,220	5,220
002 Memberships & Licenses	609	774	1,815	1,850	1,815	1,815
005 Fleet Insurance	34,717	36,325	45,489	45,489	41,858	41,858
006 Vehicle Maintenance	92,951	121,017	106,950	125,000	105,550	105,550
007 Office Equip. Maint.	1,486	2,124	8,650	6,150	12,485	12,485
008 Firearms Range Maint.	4,947	1,743	3,000	3,000	7,500	7,500
009 In-car Maint	34	0	18,000	17,985	10,000	10,000
013 Education & Training	32,960	22,433	43,125	25,650	27,150	27,150
014 State Act 302 Training	21,142	19,124	20,000	20,000	20,000	20,000
015 State Act 32 Training	7,465	5,994	17,000	17,000	17,000	17,000
016 Telephone Expense	24,226	20,935	32,750	32,750	38,150	38,150
023 Data Processing	77,567	82,051	94,332	101,538	108,017	108,017
024 Printing Services	8,436	9,748	8,500	6,500	8,550	8,550
026 Physical Examinations	6,805	8,821	7,200	26,000	18,000	18,000
027 Vehicle Radio Maint.	13,905	16,935	17,000	10,000	12,000	12,000
028 Prisoner Care	18,451	13,487	14,000	14,000	14,000	14,000
029 Building Maintenance	28,824	23,639	18,220	18,200	18,230	18,230
041 Auto Allowances	18,000	18,000	18,000	18,000	18,000	18,000
043 Auto Washing	5,995	5,752	4,000	4,000	4,000	4,000
044 Towing	441	75	300	1,000	300	300
056 Utilities	62,932	58,449	55,000	60,000	60,000	60,000
065 Uniform Cleaning	20,210	20,214	18,500	18,500	18,500	18,500
070 Crime Prevention	2,064	3,531	4,500	4,500	4,500	4,500
097 Live Scan Application	28,154	15,724	25,000	16,000	14,000	14,000
098 Investigative Services	8,543	11,499	6,630	6,630	6,630	6,630
Category Total	522,626	520,728	593,181	604,962	591,455	591,455
(970) CAPITAL OUTLAY						
001 Office Furniture	6,778	7,352	0	0	0	0
002 Office Equipment	0	21,269	18,100	18,100	0	0
015 Automotive/Auto Equip.	64,639	168,903	0	0	174,000	174,000
019 Radio & Radar Equip.	7,758	9,533	0	0	0	0
020 Miscellaneous Equipment	30,091	81,335	0	0	0	0
036 Building Improvements	0	12,523	0	0	0	0
Category Total	109,265	300,914	18,100	18,100	174,000	174,000
DEPARTMENT TOTAL	14,154,931	13,971,973	14,589,967	14,119,861	14,853,293	14,853,293

Police Department

Over \$400,000 of various General Fund Grants, Fees and Contributions help support the cost of providing Police Services throughout the City.

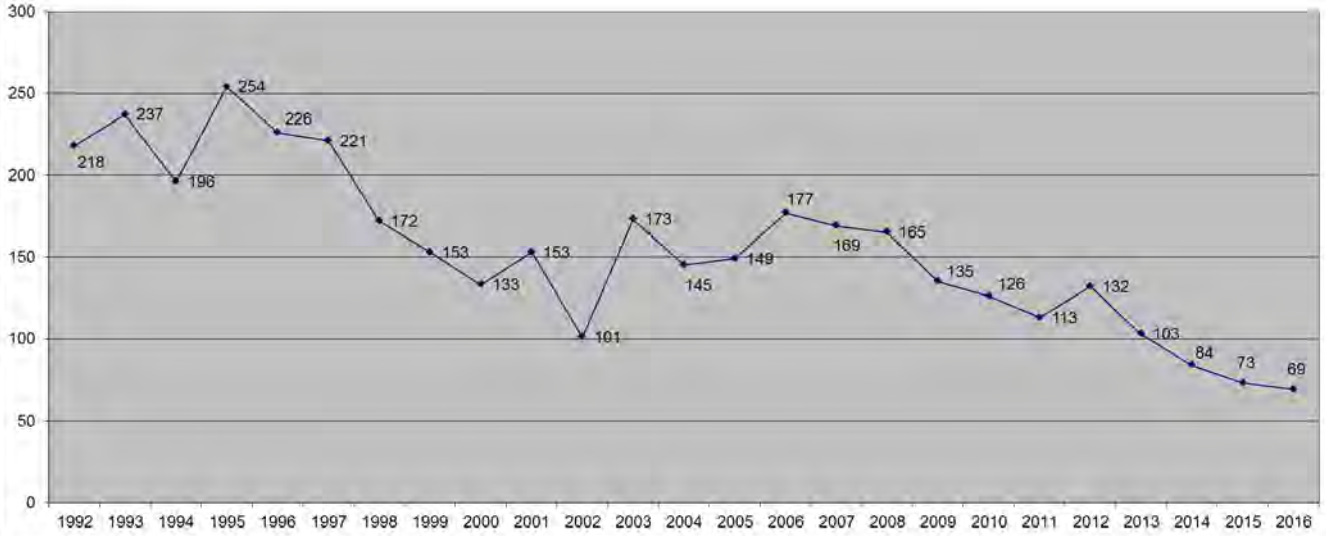
CAPITAL OUTLAY

Department Number: 300

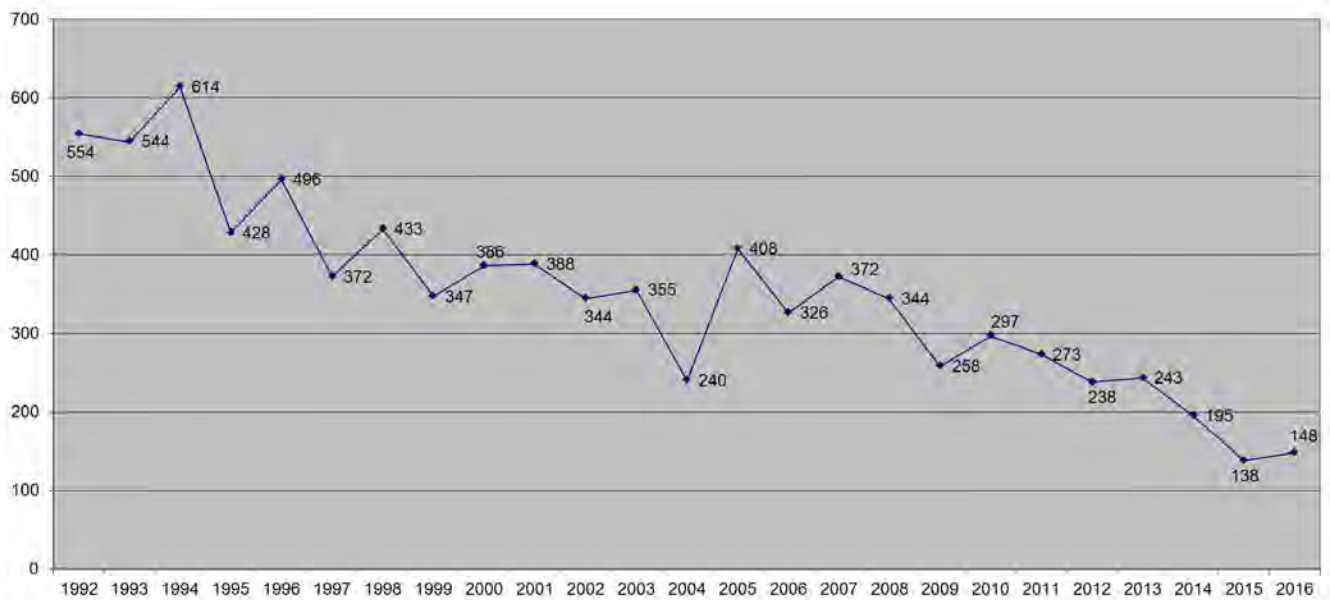
Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
015		Automotive/Auto Equip.				
	1	Police Motocarrier Enforcement Truck	42,500	42,500	1	42,500
	2	Marked Police Explorers	27,500	55,000	2	55,000
	2	Building Expenses - Marked Police Explorers	14,500	29,000	2	29,000
	2	Unmarked Police Vehicles	23,000	46,000	2	46,000
	2	Building Expenses - Unmarked Police Vehicles	750	1,500	2	1,500
		Total Automotive/Auto Equip.		<u>174,000</u>		<u>174,000</u>

Key Department Trends

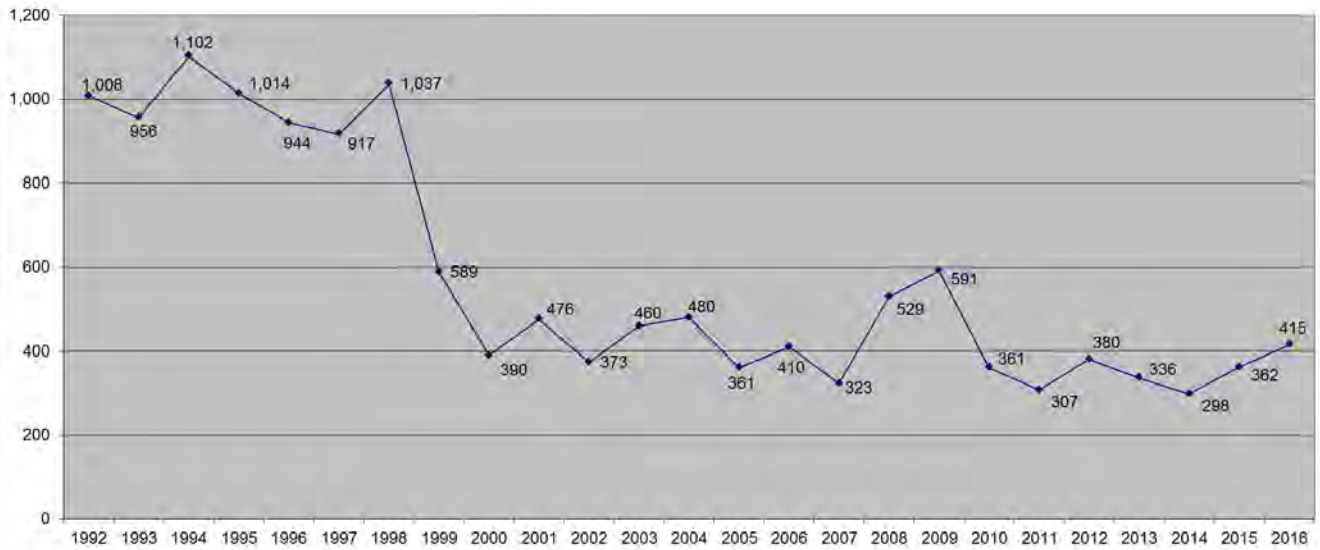
25 Year History – Unlawful Driving Away of Automobiles



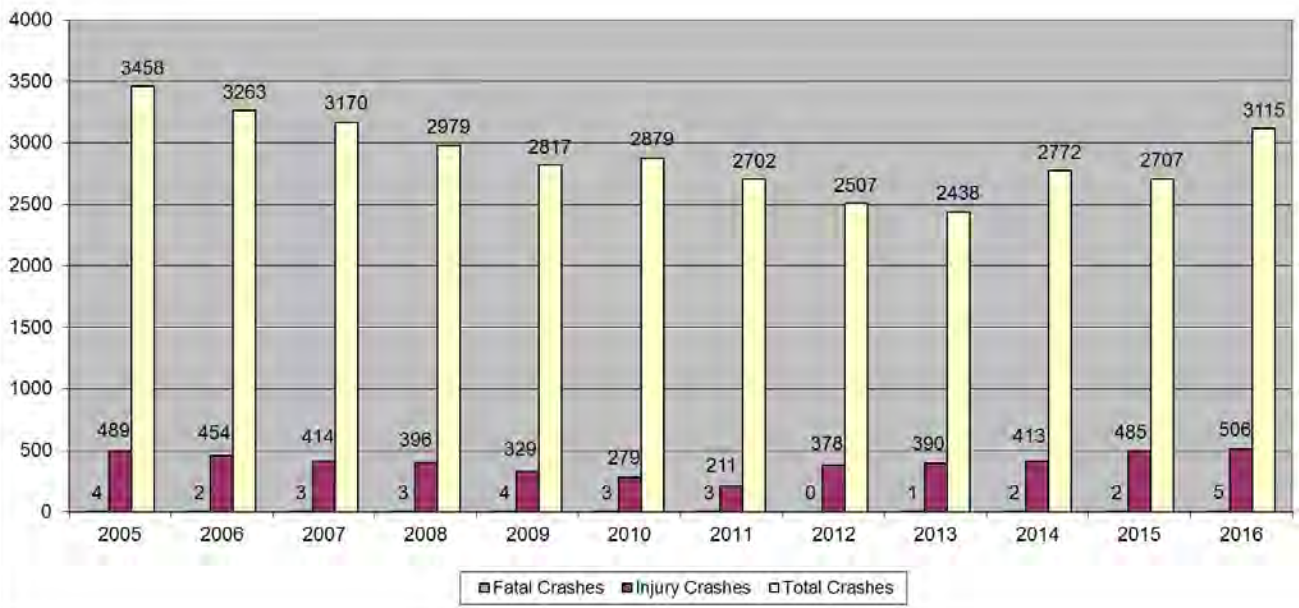
25 Year History - Residential and Commercial Burglaries



25 Year History – Larceny from Autos



12 Year History - 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 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 2.0% 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

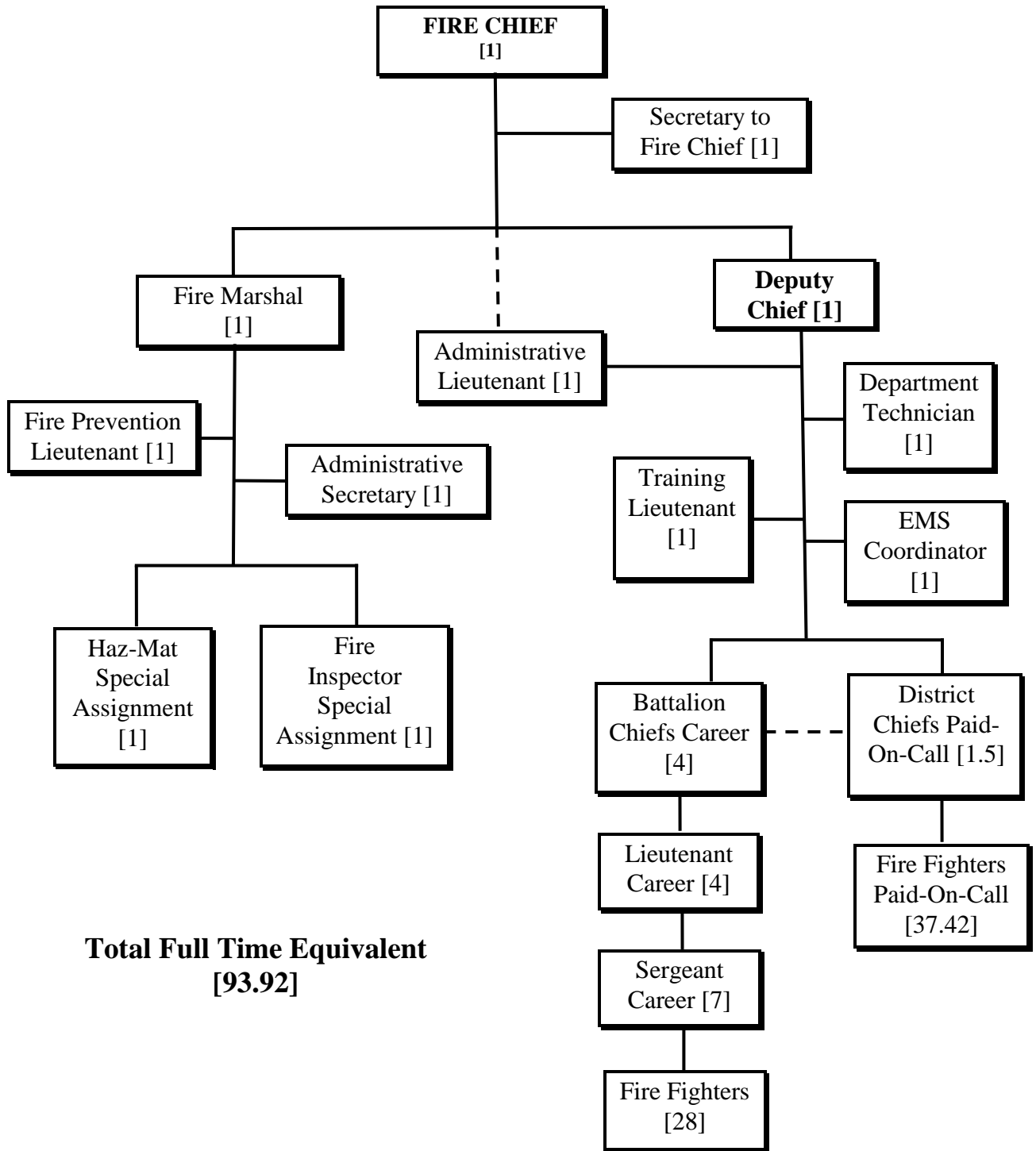
- Develop and implement personnel career paths and training criteria for succession planning.
- Evaluate individual and team skill levels to ensure performance is at the expected standards.
- Continue to emphasize safety on the fire ground and emergency scenes by training personnel in hazard recognition, 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 2015/2016 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Number of Incidents	9,208	9,392	9,580
	Number of Emergency Medical Incidents	6,097	6,219	6,343
	Number of Public Education Programs	112	130	130
	Number of Training Hours	19,024	20,164	20,567
Efficiency	Activity Expenditures as a % of General Fund	8.43%	9.15%	9.60%



New Advanced Life Support Transporting Units

FIRE DEPARTMENT



STAFFING LEVELS

Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
<u>GENERAL FUND</u>					
(010) Full Time Wages					
	Lieutenant	3	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	4	4	3	3
	Full-time Fire Fighter	10	14	13	13
	Fire Fighter/Inspector	1	1	1	1
	Hazardous Material Specialist	1	1	1	1
	Total	23	27	25	25
(025) Paid Callback System (FTE)					
	Paid Callback	19.63	16.51	28.02	28.02
	Total	19.63	16.51	28.02	28.02
<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
	Shift Sergeant	0	0	4	4
	Full-time Fire Fighter	17	17	15	15
	EMS Coordinator	1	1	1	1
	Total	28	28	30	30
(025) Paid Callback System (FTE)					
	Paid Callback	23.00	20.19	10.90	10.90
	Total	23.00	20.19	10.90	10.90
Department Total		93.63	91.70	93.92	93.92

Fire Department

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$77,890 or 2% decrease from the current budget.
- The decrease results from projected lower than budgeted personnel costs (\$65,000), operating supplies (\$12,700) and professional & contractual (\$200).

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$515,540 or 10% increase from the FY 16-17 year-end projection and \$437,650 or 8% increase over the FY 16-17 current budget.
- The budget to budget increase results primarily from \$457,000 in higher personnel costs due in part to a proposed net increase of \$32,500 for the addition of three new sergeant positions and the elimination of three full-time firefighters; \$45,200 in higher operating supplies; partially offset by \$64,500 in lower professional & contractual expenditures (mainly in vehicle and building maintenance).

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Fire	\$4,217,219	\$4,406,251	\$5,152,282	\$5,074,392	\$5,589,932

Fire Department

DEPARTMENT NUMBER: 337

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	1,403,498	1,654,749	1,927,204	1,942,867	1,864,703	1,864,703
025 Paid Callback Wages	882,282	914,090	755,414	736,026	1,250,327	1,250,327
038 Part-time	25,187	0	1,000	0	1,000	1,000
042 Holiday Pay	1,508	7,257	24,472	16,439	28,830	28,830
106 Sick & Vacation	41,094	6,714	20,000	35,000	36,000	36,000
112 Overtime	94,503	90,219	136,805	130,827	110,250	110,250
200 Social Security	183,921	204,228	224,753	221,918	257,736	257,736
250 Blue Cross/Optical/Dental	259,428	260,804	364,060	288,641	330,619	330,619
275 Life Insurance	2,900	2,941	3,548	3,465	3,299	3,299
300 Pension - DC	15,962	12,058	22,408	21,850	22,644	22,644
305 Pension - DB	240,054	263,883	338,206	338,206	359,140	359,140
308 Post Retirement Healthcare	106,519	80,686	94,519	94,519	66,267	66,267
325 Longevity	44,463	55,723	73,078	71,364	78,044	78,044
350 Workers Compensation	57,544	64,103	112,350	131,685	145,936	145,936
Category Total	3,358,863	3,617,454	4,097,817	4,032,807	4,554,795	4,554,795
(705) PUBLIC SAFETY MILLAGE						
010 Full Time Wages	2,221,920	2,365,041	2,285,344	2,308,813	2,528,101	2,528,101
025 Paid Callback Wages	665,236	575,643	923,892	963,892	483,590	483,590
042 Holiday	118,687	115,796	130,810	127,172	146,535	146,535
106 Sick & Vacation	36,417	91,019	78,000	78,000	81,900	81,900
112 Overtime	327,830	312,271	285,000	289,508	299,250	299,250
200 Social Security	266,640	268,273	291,631	291,814	280,574	280,574
250 Blue Cross/Optical/Dental	368,323	355,016	400,175	344,360	442,665	442,665
275 Life Insurance	4,523	4,602	4,715	4,615	4,994	4,994
300 Pension - DC	10,168	17,432	26,064	25,978	26,286	26,286
305 Pension - DB	421,809	430,953	438,378	438,378	528,696	528,696
308 Post Retirement Healthcare	245,041	154,970	141,211	141,211	128,121	128,121
325 Longevity	116,132	118,625	106,706	106,710	127,819	127,819
350 Workers Compensation	79,395	77,461	150,959	142,434	138,469	138,469
Reallocation to P.S. Millage Fund	(4,882,121)	(4,887,102)	(5,262,885)	(5,262,885)	(5,217,000)	(5,217,000)
Category Total	0	0	0	0	0	0
(740) OPERATING SUPPLIES						
001 Gas & Oil	90,021	65,241	93,347	69,420	111,950	111,950
002 Books & Subscriptions	2,941	9,810	9,425	13,964	10,865	10,865
008 Supplies	79,718	65,771	82,013	84,177	77,400	77,400
011 Medical Supplies	80,209	69,210	77,331	79,704	90,331	90,331
019 Uniforms	18,416	28,425	27,000	24,000	27,000	27,000
020 Protective Clothing	10,790	10,499	3,500	8,200	5,600	5,600
040 Miscellaneous	6,573	8,090	8,049	8,049	8,049	8,049
075 Fire Equipment Repair Parts	17,480	23,618	30,589	31,000	40,625	40,625
076 Fire Prevention Materials	4,799	4,746	4,800	4,800	9,400	9,400
Category Total	310,946	285,409	336,054	323,314	381,220	381,220

Fire Department

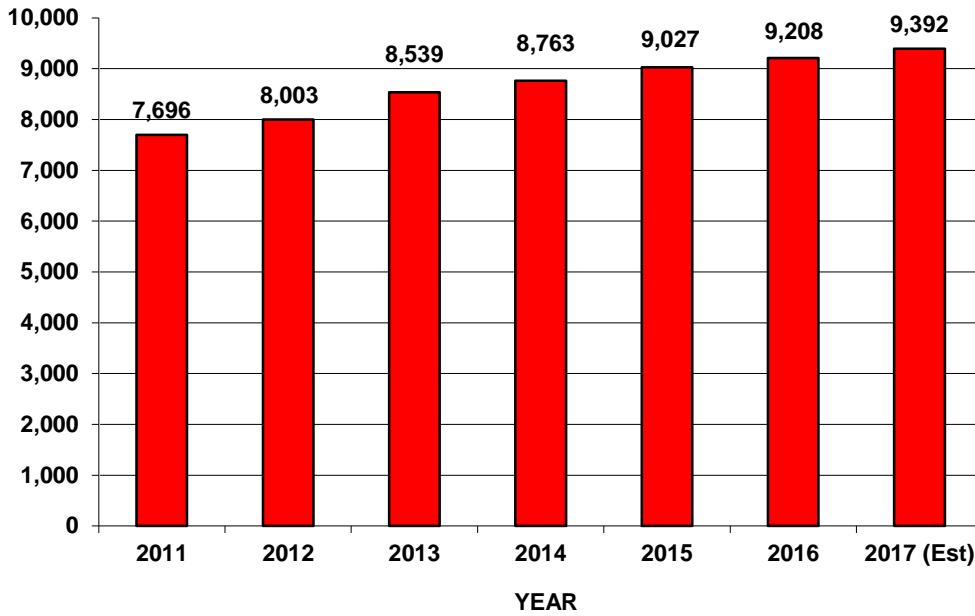
DEPARTMENT NUMBER: 337

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	3,814	6,044	8,724	9,000	9,470	9,470
002 Memberships & Licenses	17,033	14,046	20,752	21,500	26,763	26,763
005 Fleet Insurance	66,579	72,420	69,613	69,613	62,518	62,518
006 Vehicle Maintenance	68,856	60,570	120,779	111,950	65,000	65,000
007 Office Equip. Maintenance	7,751	8,017	10,500	10,500	10,500	10,500
008 Vehicle Refurbishment	50	0	0	0	0	0
009 Consultants	68,802	85,684	77,000	77,000	77,000	77,000
013 Education and Training	48,388	49,490	49,775	60,000	65,720	65,720
016 Phone Expense	10,527	11,039	16,500	16,500	16,500	16,500
023 Data Processing	13,251	12,455	27,758	27,750	27,736	27,736
025 Utilities	129,190	117,804	123,423	125,000	120,955	120,955
026 Physical Examinations	26,536	22,006	51,500	48,412	56,000	56,000
027 Radio Maintenance	2,249	1,251	2,000	1,391	2,000	2,000
029 Building Maintenance	55,676	15,106	114,433	114,000	88,100	88,100
031 Fire Hydrant Rentals	25,110	25,655	25,655	25,655	25,655	25,655
041 Auto Allowance	3,600	1,800	0	0	0	0
Category Total	547,410	503,387	718,411	718,271	653,917	653,917
DEPARTMENT TOTAL	4,217,219	4,406,251	5,152,282	5,074,392	5,589,932	5,589,932

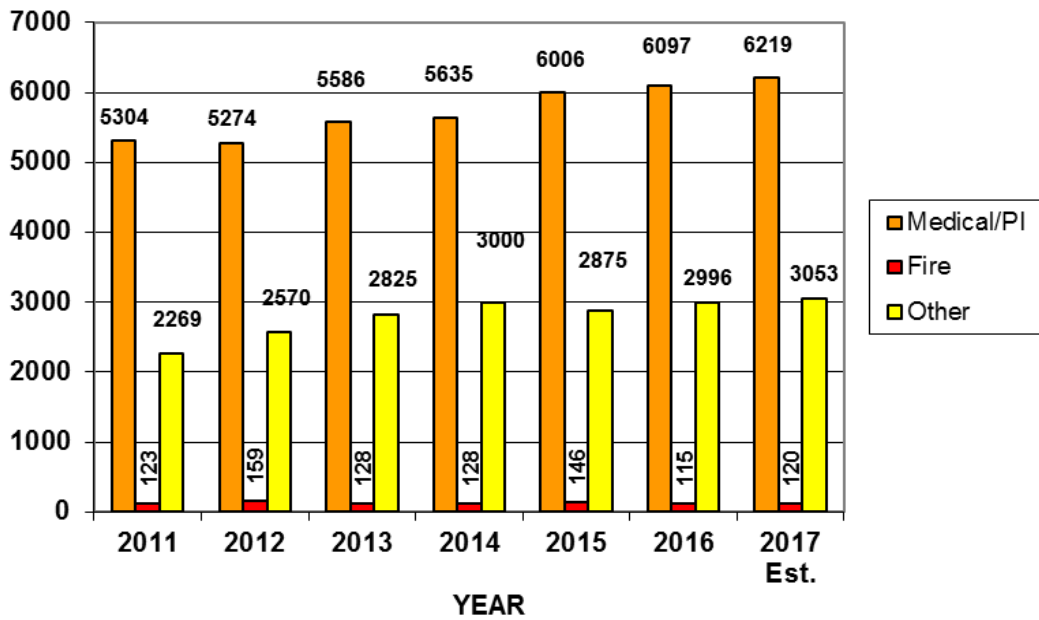
Various General Fund Licenses & Permits and User Fee Revenue helps to support the cost of providing Fire Services throughout the City. The most significant are Advance Life Support Fees (ambulance transport) which is expected to generate over \$1.7 million for the City in FY 17/18.

KEY DEPARTMENTAL TRENDS

NUMBER OF INCIDENTS



INCIDENTS BY TYPE



PLANNING AND COMMUNITY DEVELOPMENT

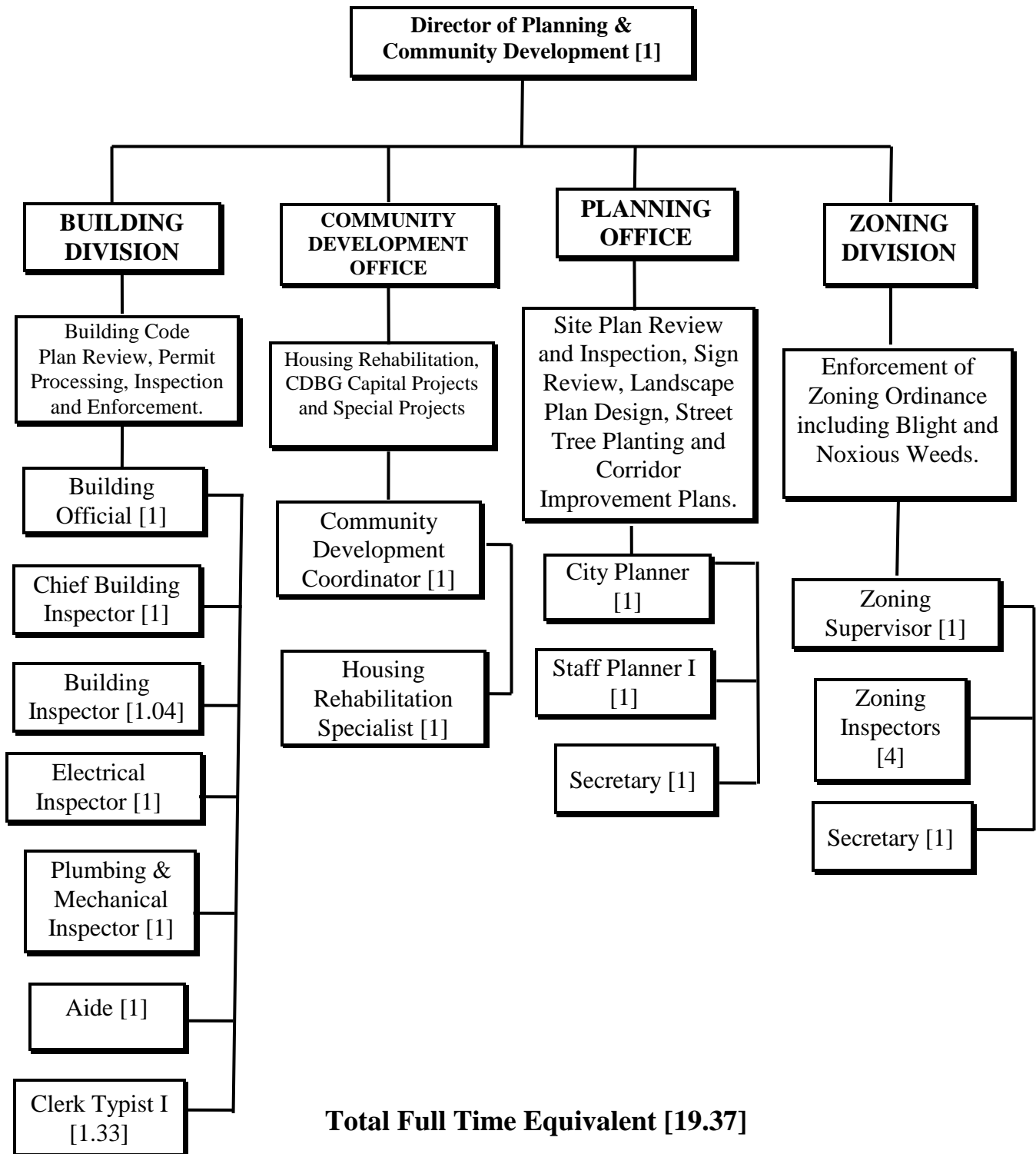
MISSION STATEMENT: Provide professional planning and community development services as directed by the City's codes and ordinances with an appreciation for a participatory approach to community change involving residents and property owners.

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 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

Title or Position	Authorized Positions		Requested Positions	Authorized Positions
	15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
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	1	1	1
Staff Planner II	1	0	0	0
Housing Rehab Specialist	1	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	11	11	11	11
Code Inspectors				
Chief Building Inspector	0	1	1	1
Building Inspector	2	1	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)				
Department Workers	0	0.04	0.37	0.37
Total Part-Time	0.0	0.04	0.37	0.37
DEPARTMENT TOTAL	19.00	19.04	19.37	19.37

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Building Permits Issued	2,049	1,798	1,924
	Electrical Permits Issued	992	633	813
	HVAC Permits Issued	1,266	1,135	1,201
	Plumbing Permits Issued	812	511	662
	Change of Occupancy Permits	65	94	80
	Demolition Permits Issued	34	25	30
	Certificates of Occupancy Issued	1,547	1,405	1,476
	Building Inspections	3,770	3,939	3,855
	Electrical Inspections	1,724	2,011	1,868
	HVAC Inspections	2,209	1,503	1,856
Plumbing Inspections	1,283	1,442	1,363	
Efficiency	Inspections/Inspector/Year	2,247	2,223	2,235
	Inspections Performed within 24 hrs.	97%	99%	98%
	Permit Fees Collected	1,461,412	1,474,000	1,386,000

Building Permits at Market Value

Ten Year History 2007-2016 (Calendar Year)



Residential

Year	New Construction		Additions & Improvements		Total Value
	Number	Value	Number	Value	
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
2016	11	5,647,600	1,403	20,017,495	25,665,095

Commercial

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
2016	6	38,212,748	216	38,908,951	77,121,699

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 in 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 2016, 20 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 is provided by this office for the Costick Activities Center Senior Adult program, including building costs and staffing. Parking lot and lighting improvements at Fire Station #3, located at Grand River, will be completed by the end of the fiscal year.

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 three Farmington Hills families in 2016. 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 two years. There has been a necessary modification to the inspection ordinance to improve the appeal process. The initial notification of property owners was completed in 2016. Approximately 400 inspections have been completed each year. We believe the majority of rental property owners have been notified and the number of new applications will be reduced to approximately 200 in 2017/2018.

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 Costick 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 28 homes with a budget of \$248,197.
- 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 200 homes.

	Performance Indicators	FY 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Housing Rehabilitations Completed	19	20	28
	Housing Rehabilitation Dollars	211,072	151,903	248,197
	CDBG Capital Dollars	352,105	181,896	0
	CDBG Loan Board Meetings	7	8	9
	Special Project Meetings/Beautification Commission Meetings	8	10	10
Efficiency	Single-Family Rental Inspections	383	385	200
	% 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	11,110	7,595	9,083

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Planning Commission meetings	21	22	22
	Historic District Commission meetings	9	12	12
	PUD Plans	3	3	3
	Site Plans	26	28	30
	Rezoning Requests	1	6	5
	Zoning Text & City Code Amendments	0	5	2
	Landscape Plans	18	20	20
	Lot Splits	10	11	15
	Land Transfers/Combinations	6	6	6
	Plat/Site Condominium	2	3	2
	Cluster Options	1	2	2
	PUD Option Qualification	3	4	5
	New Building Permits (off., comm., ind.)	4	12	10
	Tree Permits	54	100	60
	Residential Permits	23	55	45
	Re-Occupancy Permits	63	65	65
Efficiency	Miscellaneous Permits	242	250	250
	% of tree permits reviewed within 5 days	100%	100%	100%
	% of permit requests reviewed 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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	ZBA-Regular Meetings	10	11	12
	ZBA-Special Meetings	0	1	1
	ZBA Cases	35	40	40
	ZBA Mailings	1,675	2,300	2,300
	Junk Vehicles Inspections	2,654	2,500	2,000
	Blight Inspections	7,573	11,000	11,000
	Sign Inspections	739	1,300	1,450
	Zoning Inspections	2,508	1,100	1,900
	Total Number of Inspections	13,474	15,900	16,350
Efficiency	Average # of Inspections/Inspector	3,369	3,975	4,012
	Number of Abatements	3,238	5,000	5,000

Planning & Community Development

Planning & Community Development comprises 3.06% of the General Fund's proposed budget.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$153,462 or 9% decrease from the current budget.
- The decrease results primarily from budget savings in personnel costs, gas & oil and building demolition expenditures.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$185,975 or 12% increase from the FY 16-17 year-end projection, and a \$32,513 or 2% increase from the FY 16-17 budget.
- The budget to budget increase results primarily from increased personnel costs (assuming full-staffing), gas & oil, engineering consulting and vehicle maintenance costs.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Planning & Community Development	\$1,351,797	\$1,423,852	\$1,747,446	\$1,593,984	\$1,779,959

\$1,386,000 of Building related Licenses & Permits Revenue supports the costs of the Planning & Community Development Department.

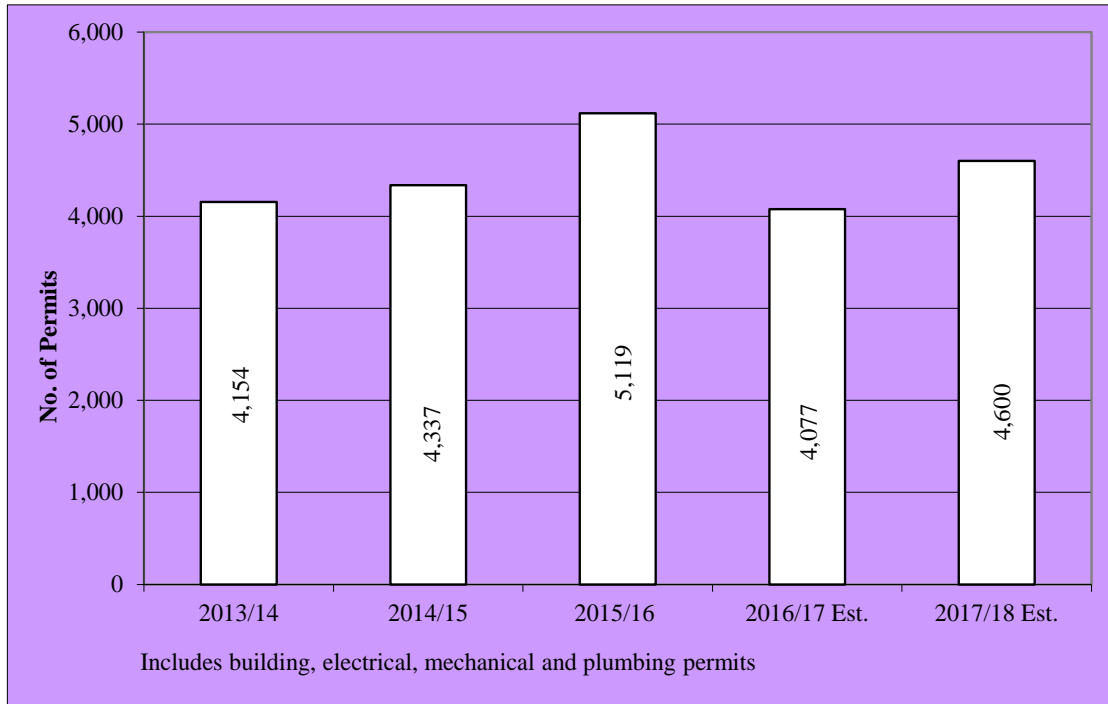
Planning & Community Development**Planning & Community Development**

DEPARTMENT NUMBER: 443

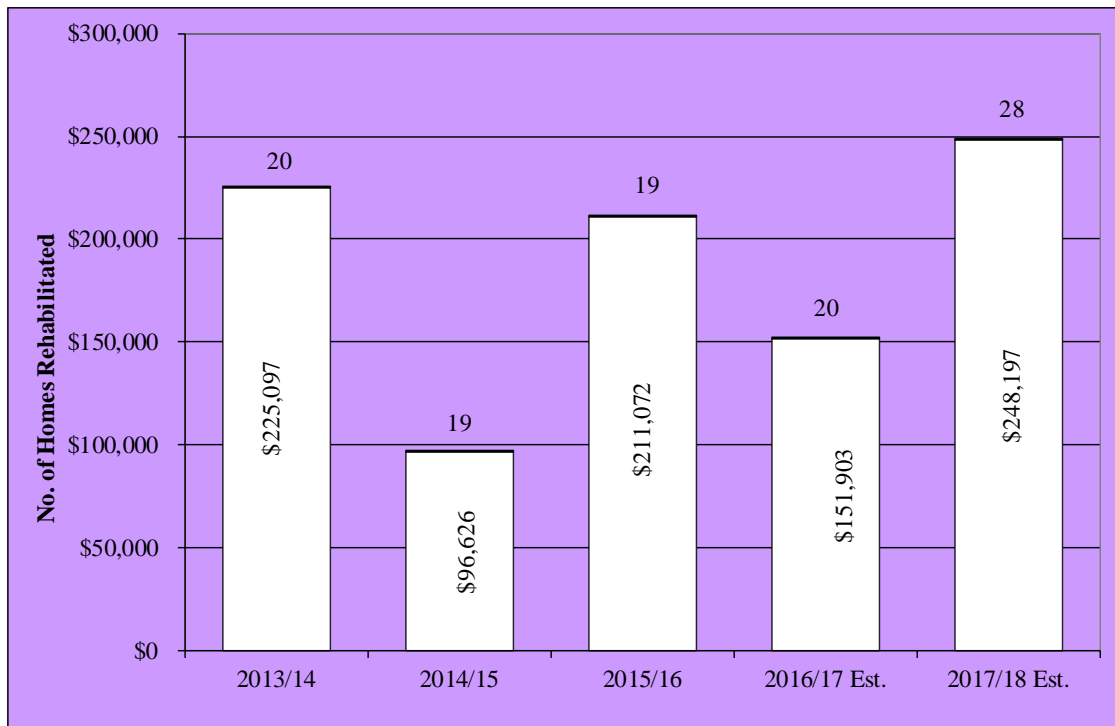
Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	501,004	600,156	677,101	670,440	696,066	696,066
032 Code Inspectors	456,774	456,315	473,408	472,944	486,637	486,637
038 Part-time	15,250	1,634	2,000	6,000	12,000	12,000
106 Sick & Vacation	12,104	7,631	98,936	30,000	60,000	60,000
112 Overtime	6,461	7,782	7,500	7,200	7,500	7,500
200 Social Security	76,432	83,248	100,618	93,012	101,041	101,041
250 Blue Cross/Optical/Dental	204,657	195,376	263,569	222,596	281,310	281,310
275 Life Insurance	2,833	3,007	3,230	3,136	3,259	3,259
300 Pension - DC	45,853	36,676	66,075	49,516	68,070	68,070
325 Longevity	35,044	39,309	51,873	46,628	53,297	53,297
350 Worker's Compensation	4,654	4,759	8,978	8,556	9,216	9,216
700 Cost allocate to CDBG	(66,729)	(74,824)	(68,856)	(73,000)	(68,356)	(68,356)
Category Total	1,294,338	1,361,068	1,684,432	1,537,028	1,710,040	1,710,040
(740) OPERATING SUPPLIES						
001 Gas & Oil	11,893	10,554	14,700	11,264	16,320	16,320
002 Books & Subscriptions	799	747	900	1,200	700	700
008 Supplies	3,575	4,104	4,500	3,750	4,550	4,550
Category Total	16,267	15,405	20,100	16,214	21,570	21,570
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	425	635	500	500	500	500
002 Memberships & Licenses	825	2,070	1,600	1,600	1,600	1,600
004 Engineering Consultant	3,875	7,500	4,000	7,000	7,000	7,000
005 Fleet Insurance	5,439	5,979	5,914	5,914	5,549	5,549
006 Vehicle Maintenance	4,640	5,173	4,100	6,028	8,000	8,000
013 Education & Training	689	505	400	400	400	400
024 Printing Services	1,412	3,065	2,500	3,000	3,500	3,500
041 Vehicle Allowance	3,600	3,600	3,600	3,600	3,600	3,600
085 Weed Cutting	5,853	3,808	6,200	4,200	4,200	4,200
086 Building Board-Up	5,855	195	2,500	1,500	2,500	2,500
087 Building Demolition	8,580	14,850	11,600	7,000	11,500	11,500
Category Total	41,193	47,380	42,914	40,742	48,349	48,349
DEPARTMENT TOTAL	1,351,797	1,423,852	1,747,446	1,593,984	1,779,959	1,779,959

KEY DEPARTMENTAL TRENDS

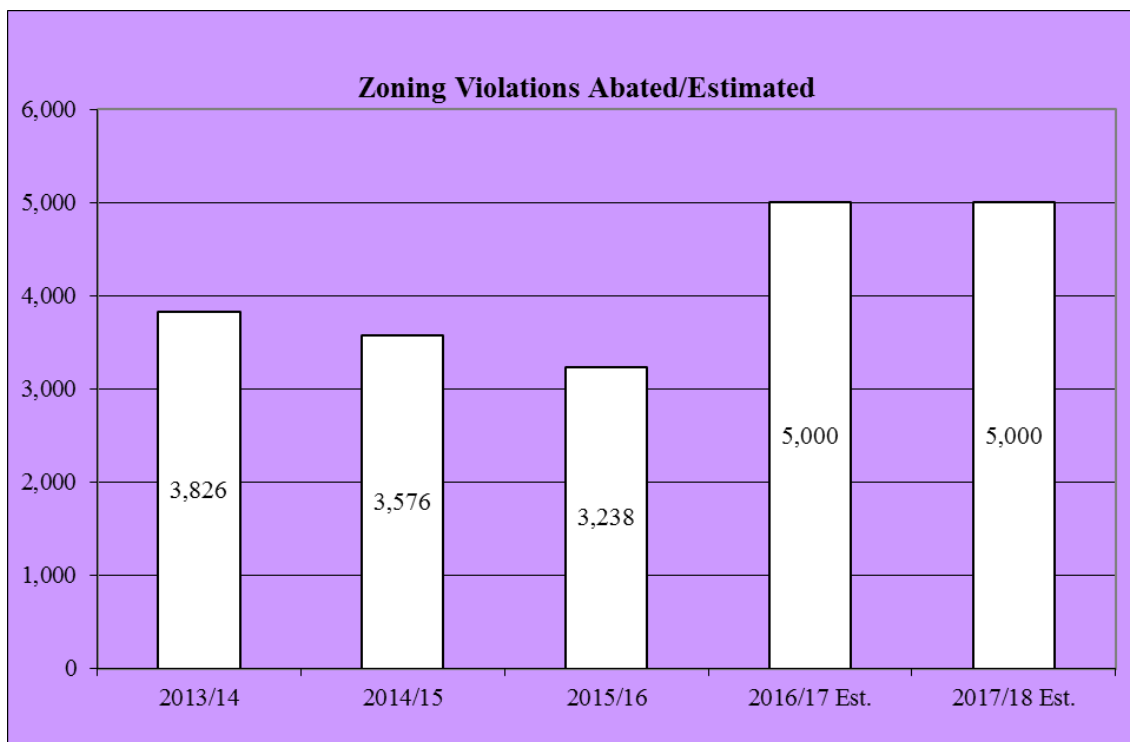
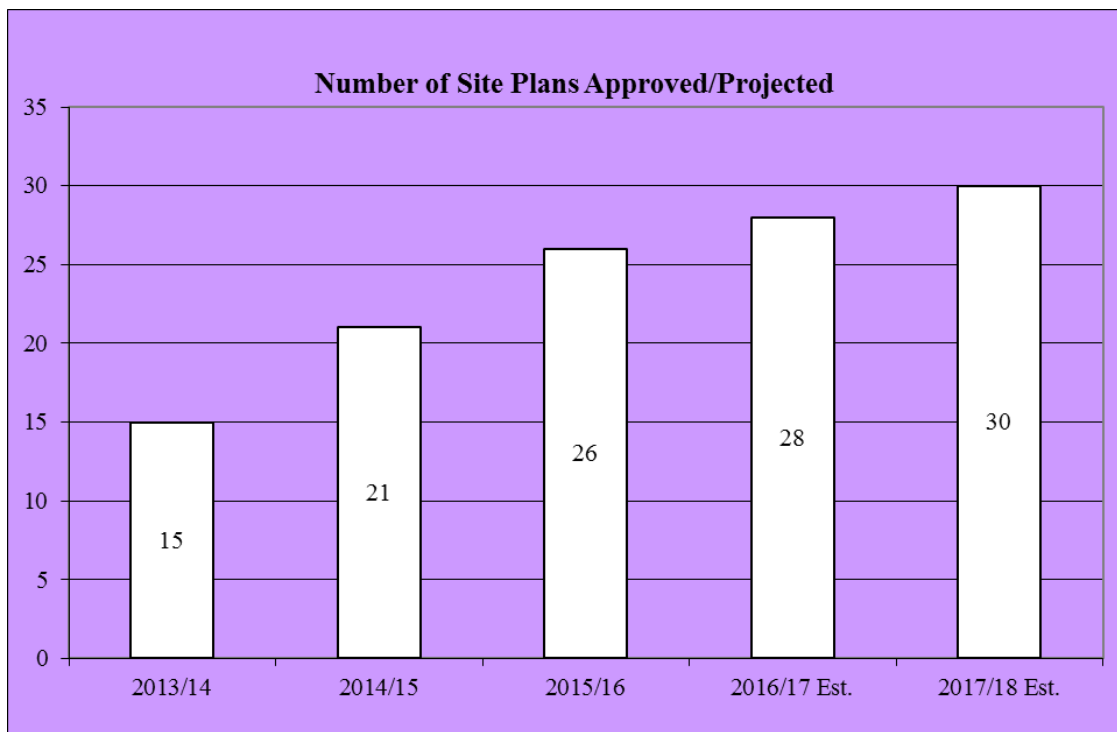
All Permits Issued/Estimated



Housing Rehabilitation Program Homes Assisted/Projected



KEY DEPARTMENTAL TRENDS (Continued)



PUBLIC SERVICES SUMMARY

DIV.		2014/15	2015/16	2016/17	2016/17	2017/18	2017/18
NO.	Category and Line Item	Actual	Actual	Current	Estimated	Proposed	Adopted
		Expenditures	Expenditures	Budget	Expenditures	Budget	Budget
PUBLIC SERVICES:							
440	DPS Administration	363,267	346,697	477,800	410,301	441,034	441,034
442	Road Maint & Supervision	366,608	354,108	342,815	316,071	347,565	347,565
444	Building Maintenance	470,852	438,941	531,878	506,562	516,622	516,622
449	Engineering	1,111,796	1,139,254	1,271,995	1,090,147	1,249,197	1,249,197
450	DPW Maintenance Facility	1,205,270	1,239,921	1,581,971	1,428,539	1,468,710	1,468,710
523	Waste Removal	3,776,660	3,756,484	3,734,389	3,735,491	3,817,985	3,817,985
TOTAL PUBLIC SERVICES		7,294,453	7,275,405	7,940,849	7,487,111	7,841,113	7,841,113

The Public Services Department comprises 13.46% 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.

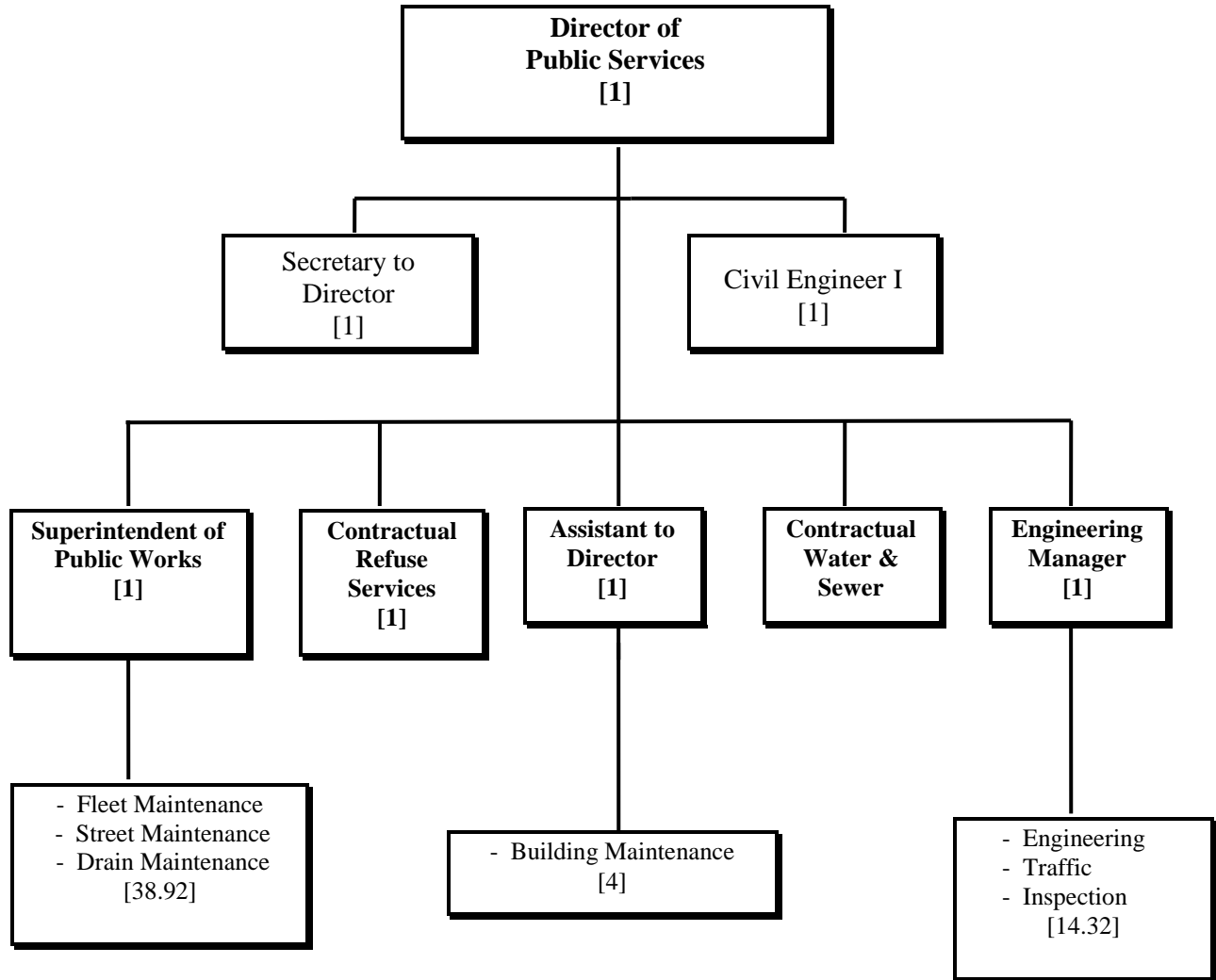
- To provide administration for the Department of Public Services including refuse disposal within the City, maintenance and repair of all public streets, public utilities, review and inspection of all right-of-way installations, and the maintenance of public buildings and properties. (1,13)
- To represent 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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
	Service Level	Reports to council	70	70
Meetings attended impacting the delivery of public services		275	275	275
Efficiency	% of City Council meetings attended	75%	75%	75%
	% of site plans for sewer fees reviewed within 48 hours	98%	98%	98%
	Activity Expenditures as a % of General Fund	0.66%	0.74%	0.76%

PUBLIC SERVICES



Total Full Time Equivalent [64.24]

ADMINISTRATION STAFFING LEVELS

Acct. 440	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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 I	1	1	1	1
	Administration Division Total	4	4	4	4

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$67,499 or 14% decrease from the current budget.
- The decrease results primarily from projected less than budgeted personnel costs (\$62,300), operating supplies (\$2,100) and professional & contractual services (\$3,100).

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$30,733 or 7.5% increase from the FY 16-17 year-end projection and \$36,766 or 8% decrease from the FY 16-17 budget.
- The budget to budget decrease results from approximately \$34,800 less personnel costs and \$2,900 less operating supply costs; partially offset by \$900 more professional and contractual costs.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
DPS Administration	\$363,267	\$346,697	\$477,800	\$410,301	\$441,034

DPS Administration

DEPARTMENT NUMBER: 440

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Administrative & Clerical	286,719	208,237	312,747	268,840	293,037	293,037
106	Sick & Vacation	6,578	4,276	3,420	3,266	3,489	3,489
112	Overtime	1,979	2,305	4,114	4,000	9,128	9,128
200	Social Security	22,347	16,109	25,129	21,590	24,403	24,403
250	Blue Cross/Optical/Dental	37,782	36,106	59,218	34,984	35,150	35,150
275	Life Insurance	1,675	1,324	2,069	1,516	1,886	1,886
300	Pension - DC	27,796	9,268	30,285	17,637	18,392	18,392
325	Longevity	2,667	3,129	3,767	5,913	8,734	8,734
350	Worker's Compensation	941	435	1,427	1,362	1,572	1,572
591	Reallocation to Water Funds	(38,806)	(28,119)	(55,272)	(35,911)	(39,579)	(39,579)
592	Reallocation to Sewer Funds	(38,806)	(42,179)	(55,272)	(53,866)	(59,369)	(59,369)
	Category Total	310,872	210,892	331,632	269,331	296,843	296,843
(740) OPERATING SUPPLIES							
001	Gas & Oil	2,206	1,527	2,310	1,167	1,920	1,920
002	Books & Subscriptions	154	208	100	100	100	100
004	Recruiting	0	0	1,000	1,000	1,000	1,000
008	Supplies	3,000	2,481	3,000	4,600	3,000	3,000
025	Pilot- Vegetation Management	300	2,003	2,550	36	0	0
	Category Total	5,660	6,218	8,960	6,903	6,020	6,020
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	2,866	5,046	5,990	4,160	5,835	5,835
002	Memberships & Licenses	31,590	31,395	33,191	32,000	32,808	32,808
004	Consultants	5,639	89,257	92,587	92,587	92,623	92,623
005	Fleet Insurance	840	840	840	840	840	840
006	Vehicle Maintenance	71	85	130	130	130	130
013	Education & Training	2,128	565	870	750	2,335	2,335
041	Auto Allowance	3,600	2,400	3,600	3,600	3,600	3,600
	Category Total	46,735	129,587	137,208	134,067	138,171	138,171
DEPARTMENT TOTAL		363,267	346,697	477,800	410,301	441,034	441,034

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
	Service Level	Maintenance contracts completed	31	32
Utility structure inspections		16	20	20
Community work programs work days supervised		16	16	16
Efficiency	Square yards of 8" concrete placed	19,040	2,700	12,800
	Tons of asphalt placed	9,222	9,000	9,200
	Lineal feet of re-ditching	17,114	19,000	19,500
	Miles per road maintenance personnel	15.2	15.2	14.5
	Gallons of Liquid De-Icer	211,500	225,000	235,000
	Tons of Cold Patch Material Placed	378	310	275
	Activity Expenditures as a % of General Fund	0.68%	0.57%	0.60%

ROAD MAINTENANCE STAFFING LEVELS

Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
(010)	Administrative and Clerical				
	Supervisor	3	3	3	3
	Equipment Operator III	5	5	5	5
	Sign Shop Technician	1	1	1	1
	Equipment Operator II	7	7	9	9
	Equipment Operator I	2	2	1	1
	Laborer I	2	2	2	2
	Total	20	20	21	21
(038)	Seasonal Aide (FTE)	6.92	6.92	6.92	6.92
	Department Total	26.92	26.92	27.92	27.92

Road Maintenance

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET

- \$26,744 or 8% decrease from current budget.
- The decrease is primarily the result of projected less than budgeted operating supplies (\$20,100) and capital outlay (\$14,200), partially offset by projected more than budgeted professional and contractual services (\$7,600).

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION

- \$31,494 or 10% increase from the FY 16-17 year-end projection and \$4,750 or 1% increase from the FY 16-17 budget.
- The budget-to-budget increase results from a \$20,700 increase in operating supplies and an \$8,100 increase in professional & contractual expenditures; partially offset by a \$24,100 decrease in capital outlay.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
*Road Maintenance	\$366,608	\$354,108	\$342,815	\$316,071	\$347,565

* Net of Reimbursement from the Road Funds.

Road Maintenance

DEPARTMENT NUMBER: 442

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES						
010 Administrative & Clerical	1,005,727	1,038,644	1,095,292	1,108,627	1,177,413	1,177,413
015 Seasonal Aides	87,067	94,894	145,920	145,920	145,920	145,920
106 Sick & Vacation	11,936	11,203	5,628	10,200	39,014	39,014
112 Overtime	102,505	98,459	116,619	127,278	130,084	130,084
200 Social Security	94,664	96,538	109,168	109,453	120,364	120,364
250 Blue Cross/Optical/Dental	265,937	233,420	274,680	226,276	301,597	301,597
275 Life Insurance	1,943	2,058	2,044	2,022	2,146	2,146
300 Pension - DC	29,179	24,991	37,960	34,233	45,635	45,635
325 Longevity	48,226	49,046	52,012	50,106	56,787	56,787
350 Worker's Compensation	41,359	42,709	82,866	82,610	92,830	92,830
Category Total	1,688,542	1,691,964	1,922,189	1,896,725	2,111,790	2,111,790
(740) OPERATING SUPPLIES						
001 Gas & Oil	114,779	77,093	106,045	83,700	122,250	122,250
002 Books & Subscriptions	90	107	150	150	150	150
008 Supplies	1,364	401	1,800	1,800	1,800	1,800
019 Uniforms	16,871	17,190	14,500	19,000	19,000	19,000
030 Tools & Misc. Small Equip.	9,549	6,303	9,000	9,000	9,000	9,000
034 Safety Equipment	9,644	13,288	12,300	10,000	12,300	12,300
Category Total	152,297	114,381	143,795	123,650	164,500	164,500
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences & Workshops	4,690	4,607	7,715	7,715	7,715	7,715
002 Memberships & Licenses	1,138	1,078	1,411	1,411	1,525	1,525
005 Fleet Insurance	19,602	20,511	22,313	22,313	19,500	19,500
006 Vehicle Maintenance	107,256	129,530	77,700	83,972	88,500	88,500
008 Equipment Maintenance	909	1,150	2,500	4,000	2,500	2,500
013 Education & Training	1,167	2,823	4,125	4,125	4,125	4,125
029 Cemetery Maintenance	239	172	1,000	800	1,000	1,000
030 Emergency Meal Allowance	1,054	489	1,100	1,100	1,100	1,100
071 Contractual Projects	0	17,018	10,000	10,000	10,000	10,000
Category Total	136,055	177,378	127,864	135,436	135,965	135,965

Road Maintenance

DEPARTMENT NUMBER: 442

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(970) CAPITAL OUTLAY						
002 Office Equipment	507	3,119	0	0	0	0
020 Equipment	10,792	29,674	25,071	17,072	5,100	5,100
058 Trucks	66,957	29,556	46,084	39,913	42,000	42,000
Category Total	78,256	62,349	71,156	56,985	47,100	47,100
GROSS DEPARTMENT TOTAL	2,055,150	2,046,072	2,265,004	2,212,796	2,459,355	2,459,355
Less: Road Funds Reimbursement	(1,688,542)	(1,691,964)	(1,922,189)	(1,896,725)	(2,111,790)	(2,111,790)
NET DEPARTMENT TOTAL	366,608	354,108	342,815	316,071	347,565	347,565

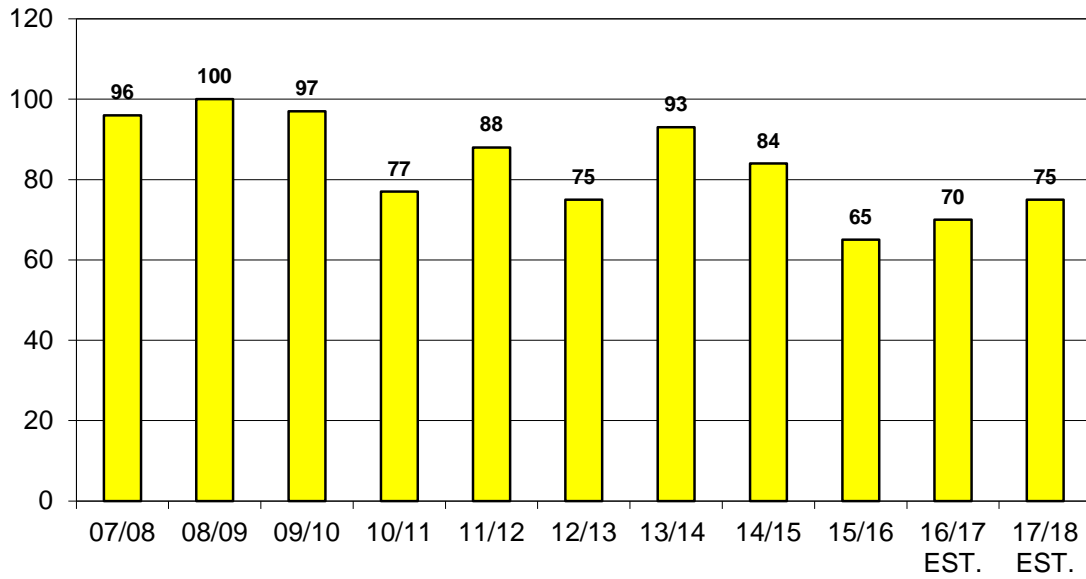
In addition to the Road Fund's Reimbursement for Personnel Costs netted above, General Fund Revenue reflects Fees from the Road Fund's for Equipment Rental.

CAPITAL OUTLAY SCHEDULE FY 2017/18

Acct. No.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
020	1	Equipment				
		Walk-behind Brush Mower	5,100	5,100	1	5,100
		Equipment Subtotal		5,100		5,100
058	1	Truck				
		Pickup Truck with Snow Plow	42,000	42,000	1	42,000
		Truck Subtotal		42,000		42,000
CAPITAL OUTLAY TOTAL				47,100		47,100

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Community Work Program work days supervised	39	40	41
	Requests for maintenance service	1,820	1,820	1,900
	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	0.84%	0.91%	0.89%

BUILDING MAINTENANCE STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$25,316 or 5% decrease from the current budget.
- This decrease results primarily from projected less overtime, health insurance, pension contributions and building improvement expenditures than budgeted; partially offset by projected more than budgeted operating supply costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$10,060 or 2% increase from the FY 16-17 year-end projection and \$15,256 or 3% decrease over the FY 16-17 budget.
- The budget to budget decrease is due from no capital outlay in the base budget and less operating supplies; partially offset by increases in personnel costs and professional & contractual expenditures.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Building Maintenance	\$470,852	\$438,941	\$531,878	\$506,562	\$516,622

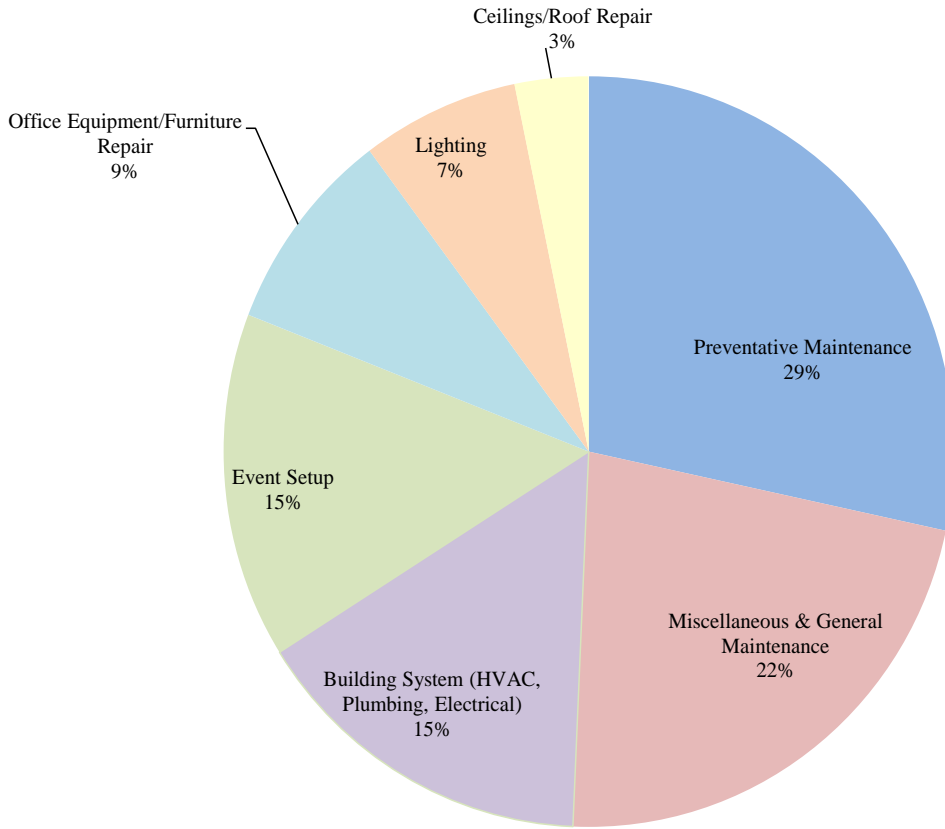
Building Maintenance

DEPARTMENT NUMBER: 444

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Salaries	182,713	194,411	202,457	201,750	206,321	206,321
038	Part time	4,344	0	0	0	0	0
106	Sick & Vacation	3,816	6,190	4,000	4,850	4,074	4,074
112	Overtime	8,233	7,842	13,005	10,000	9,061	9,061
200	Social Security	16,842	17,783	18,320	18,251	19,336	19,336
250	Blue Cross/Optical/Dental	71,151	67,105	79,407	77,348	88,924	88,924
275	Life Insurance	418	492	511	490	511	511
300	Pension - DC	6,646	7,568	10,478	5,365	10,595	10,595
325	Longevity	8,855	9,216	10,014	10,015	10,317	10,317
350	Worker's Compensation	4,177	4,684	8,420	8,256	9,110	9,110
	Category Total	307,195	315,290	346,612	336,325	358,249	358,249
(740) OPERATING SUPPLIES							
001	Gas & Oil	784	486	735	625	960	960
008	Supplies	6,570	8,869	10,000	20,000	9,550	9,550
019	Uniforms	1,448	1,371	1,800	1,800	1,800	1,800
	Category Total	8,802	10,726	12,535	22,425	12,310	12,310
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	420	513	1,370	0	1,370	1,370
002	Memberships & Licenses	0	300	300	300	1,200	1,200
005	Fleet Insurance	520	559	611	611	543	543
006	Vehicle Maintenance	5,428	198	200	176	400	400
013	Education & Training	145	860	1,000	2,200	1,000	1,000
025	Utilities	68,321	60,120	75,000	75,000	75,000	75,000
029	Building Maintenance	48,734	45,618	67,000	67,000	66,550	66,550
	Category Total	123,568	108,167	145,481	145,287	146,063	146,063
(970) CAPITAL OUTLAY							
015	Vehicles	24,893	0	0	0	0	0
036	Building Improvements	6,394	4,758	27,250	2,525	0	0
	Category Total	31,287	4,758	27,250	2,525	0	0
DEPARTMENT TOTAL		470,852	438,941	531,878	506,562	516,622	516,622

KEY DEPARTMENTAL TRENDS

**Service Requests for Building Maintenance
FY 2016/17**



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

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Contracts Let (number)	14	8	10
	Contracts Let (amount)	\$21,778,282	\$9,621,336	\$17,679,000
	Site Plans Reviewed	17	20	15
	Subdivision/Locations Participating in SAFE-TE ³	3	4	4
	Citizen Service Requests	224	284	254
Efficiency	Percent first reviews within four weeks	65%	80%	76%
	Activity Expenditures as a % of General Fund	2.18%	1.97%	2.14%

ENGINEERING STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
(010)	Salaries and Wages				
	Engineering Manager	1	1	0	0
	City Engineer	0	0	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	0	0
	Civil Engineer II	1	2	2	2
	Civil Engineer I	1	1	1	1
	Construction Inspector IV	1	0	1	1
	Construction Inspector III	1	1	0	0
	Construction Inspector II	2	2	2	2
	Construction Inspector I	0	0	1	1
	Clerk Typist I	1	1	1	1
	Engineering Office Aide	1	0	0	0
	Administrative Secretary	0	1	1	1
	Total	13	13	13	13
(038)	Part-time (FTE)				
	Part-Time	2.31	2.39	2.32	2.32
	Total	2.31	2.39	2.32	2.32
	Engineering Division Total	15.31	15.39	15.32	15.32

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$181,848 or 14% decrease from the current budget.
- The decrease results primarily from projected less than budgeted personnel costs (\$173,600), operating supplies (\$6,600), and capital outlay (\$3,400); partially offset by projected more than budgeted professional & contractual expenditures (\$1,800).

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$154,050 or 15% increase from the FY 16-17 year-end projection and \$22,798 or 2% decrease from the FY 16-17 budget.
- The budget to budget decrease results from \$20,900 less personal costs and \$10,700 less capital outlays; partially offset by \$2,500 more operating supplies, and \$6,300 more professional and contractual expenditures.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Engineering	\$1,111,796	\$1,139,254	\$1,271,995	\$1,090,147	\$1,249,197

Engineering Division

DEPARTMENT NUMBER: 449

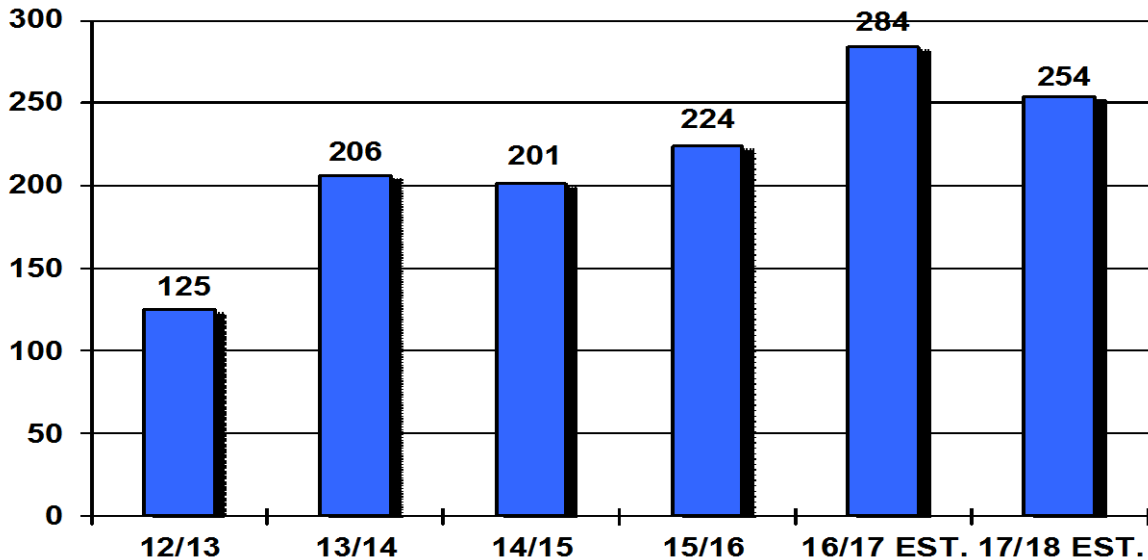
Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Salaries & Wages	755,796	772,591	835,537	759,950	820,988	820,988
038	Part-time	54,258	65,190	91,648	61,275	81,411	81,411
106	Sick & Vacation	10,137	27,373	33,333	10,900	37,807	37,807
112	Overtime	129,621	129,509	158,000	152,431	157,268	157,268
200	Social Security	73,693	77,315	88,242	77,256	86,719	86,719
250	Blue Cross/Optical/Dental	147,917	138,973	178,712	150,782	158,367	158,367
275	Life Insurance	3,323	3,380	3,867	3,200	3,457	3,457
300	Pension - DC	35,269	25,834	41,018	46,442	54,613	54,613
325	Longevity	30,177	31,989	34,974	29,589	31,672	31,672
350	Worker's Compensation	4,772	5,415	8,413	8,338	8,584	8,584
	Reallocation to Water Fund	(217,968)	(177,450)	(278,822)	(278,822)	(259,359)	(259,359)
	Reallocation to Sewer Fund	(32,820)	(40,756)	(35,692)	(35,692)	(43,227)	(43,227)
	Category Total	994,175	1,059,364	1,159,230	985,649	1,138,300	1,138,300
(740) OPERATING SUPPLIES							
001	Gas & Oil	17,952	13,251	21,000	15,426	24,000	24,000
002	Books & Subscriptions	0	0	400	0	410	410
008	Supplies	10,982	19,702	9,300	8,637	8,802	8,802
	Category Total	28,934	32,954	30,700	24,063	33,212	33,212
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	2,930	2,581	6,150	4,050	5,430	5,430
002	Memberships & Licenses	909	1,977	2,280	1,863	2,263	2,263
004	Consultants	0	150	500	0	500	500
005	Fleet Insurance	2,326	2,463	2,670	3,510	3,227	3,227
006	Vehicle Maintenance	5,561	4,271	4,100	4,995	5,800	5,800
007	Office Equip. Maintenance	1,057	2,931	6,540	5,000	6,800	6,800
009	Consulting & Review Fee	0	0	500	0	500	500
013	Education & Training	4,562	2,451	6,600	8,050	7,565	7,565
024	Printing Services	109	33	0	100	0	0
041	Auto Allowance	0	0	0	3,600	3,600	3,600
	Category Total	17,455	16,857	29,340	31,168	35,685	35,685
(970) CAPITAL OUTLAY							
001	Office Furniture	0	524	0	0	0	0
002	Office Equipment	1,244	0	0	0	0	0
015	Inspection Vehicles	69,989	29,556	52,725	49,267	42,000	42,000
	Category Total	71,233	30,080	52,725	49,267	42,000	42,000
DEPARTMENT TOTAL		1,111,796	1,139,254	1,271,995	1,090,147	1,249,197	1,249,197

CAPITAL OUTLAY

Acct. 970	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
015		Inspection Vehicles				
	1	Pickup Truck with Snow Plow	42,000	42,000	1	42,000
		Inspection Vehicles Subtotal		42,000		42,000
		CAPITAL OUTLAY TOTAL		42,000		42,000

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
	Parts Received (\$)	278,020	216,600	227,400
	Parts Issued (\$)	266,561	231,400	254,500
	Fuel Gallons	241,974	240,320	262,650
	Number of Vehicles and Equipment	444	445	451
	Average Age of Vehicles and Equipment	4.91	4.88	4.6
	New Vehicles and Equipment Purchased	27	33	30
	Efficiency	Activity Expenditures as a % of General Fund	2.37%	2.58%

DPW MAINTENANCE FACILITY STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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	1	1
	Mechanic I	1	1	1	1
	Auto Service Worker	0	0	1	1
	Inventory & Repair Coordinator	1	1	1	1
	Building Maint Tech.	1	1	1	1
	Total Full-time	12	12	11	11
	(038) Part-time	1.0	1.0	1.0	1.0
	DPW Maintenance Facility Total	13.00	13.00	12.00	12.00

DPW Maintenance Facility

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$153,432 or 10% decrease from the current budget.
- The decrease results primarily from projected budget savings in personnel costs (\$177,100), operating supplies (\$180,400), and professional & contractual services (\$23,900); partially offset by an increase in capital outlay (\$36,000) and a reduction in interdepartmental billings (\$191,900).

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$40,171 or 3% increase from the FY 16/17 year-end projects and a \$113,261 or 7% decrease from the FY 16/17 budget.
- The budget-to-budget decrease results primarily from \$103,200 less personnel costs, \$2,900 less professional and contractual expenditures, \$4,200 less capital outlay and \$61,800 more interdepartmental billings; partially offset by \$58,800 more operating supplies.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
DPW Maintenance Facility	\$1,205,270	\$1,239,921	\$1,581,971	\$1,428,539	\$1,468,710

DPW Maintenance Facility

DEPARTMENT NUMBER: 450

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
015	Supervision/Sec./Mech.	577,407	650,282	708,176	634,965	653,598	653,598
038	Part-time	5,764	23,716	43,800	30,000	43,800	43,800
106	Sick & Vacation	11,712	25,863	77,782	29,500	57,894	57,894
112	Overtime	43,092	37,742	45,840	41,708	43,960	43,960
200	Social Security	50,440	56,784	69,598	58,158	63,471	63,471
250	Blue Cross/Optical/Dental	163,004	157,551	199,167	173,127	176,853	176,853
275	Life Insurance	1,365	1,397	1,616	1,485	1,522	1,522
300	Pension - DC	13,546	17,627	33,880	34,224	39,515	39,515
325	Longevity	35,690	36,854	34,193	34,323	30,445	30,445
350	Worker's Compensation	8,216	9,346	19,644	19,116	19,484	19,484
	Category Total	910,236	1,017,161	1,233,696	1,056,606	1,130,542	1,130,542
(740) OPERATING SUPPLIES							
001	Fuel & Oil Inventory	587,132	399,646	609,328	425,394	655,735	655,735
002	Books & Subscriptions	520	1,500	2,400	2,400	2,400	2,400
008	Supplies	7,449	8,826	8,000	8,000	8,790	8,790
009	Gas & Oil	6,972	2,509	4,200	3,041	5,280	5,280
012	Mechanics Tool Allowance	3,967	4,289	4,375	4,375	3,750	3,750
076	Auto/Truck Parts	186,875	214,909	228,278	231,943	239,450	239,450
085	Misc. Auto/Truck Supplies	13,110	16,965	16,000	17,000	16,000	16,000
	Category Total	806,025	648,644	872,581	692,153	931,405	931,405
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	4,783	1,852	4,745	4,745	4,745	4,745
002	Memberships & Licenses	1,018	2,544	1,075	1,075	1,046	1,046
005	Fleet Insurance	1,237	1,302	1,407	1,407	1,637	1,637
006	Vehicle Maintenance	4,669	1,042	2,800	903	1,500	1,500
007	Office Equip. Maintenance	4,282	4,607	6,300	6,300	6,300	6,300
008	Garage Equip. Maintenance	2,990	3,393	14,200	14,200	14,200	14,200
013	Education & Training	2,960	154	1,320	1,320	1,320	1,320
025	Utilities Expense	75,101	58,615	80,500	80,500	80,500	80,500
027	Radio Maintenance	9,950	1,523	2,000	1,000	2,000	2,000
029	Building Maintenance	36,727	26,548	37,500	37,500	40,500	40,500
046	Custodial Contract	9,563	7,028	14,000	14,000	14,000	14,000
056	Refuse Removal	5,920	6,413	9,100	9,100	9,400	9,400
104	Subcontract Repairs	67,780	74,092	89,500	68,544	84,350	84,350
	Category Total	226,981	189,112	264,447	240,594	261,498	261,498

DPW Maintenance Facility

DEPARTMENT NUMBER: 450

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(970) CAPITAL OUTLAY							
007	Garage Equipment	4,671	23,963	8,000	8,000	5,000	5,000
015	Vehicles	135,094	94,764	118,225	154,267	117,000	117,000
019	Radio Equipment	0	0	2,800	2,800	2,800	2,800
036	Building Improvements	0	20,000	0	0	0	0
	Category Total	<u>139,765</u>	<u>138,727</u>	<u>129,025</u>	<u>165,067</u>	<u>124,800</u>	<u>124,800</u>
	Total Expenditures	2,083,007	1,993,643	2,499,749	2,154,420	2,448,245	2,448,245
	Less Interdepartment Billings	<u>(877,738)</u>	<u>(753,722)</u>	<u>(917,778)</u>	<u>(725,881)</u>	<u>(979,535)</u>	<u>(979,535)</u>
	DEPARTMENT TOTAL	<u>1,205,270</u>	<u>1,239,921</u>	<u>1,581,971</u>	<u>1,428,539</u>	<u>1,468,710</u>	<u>1,468,710</u>

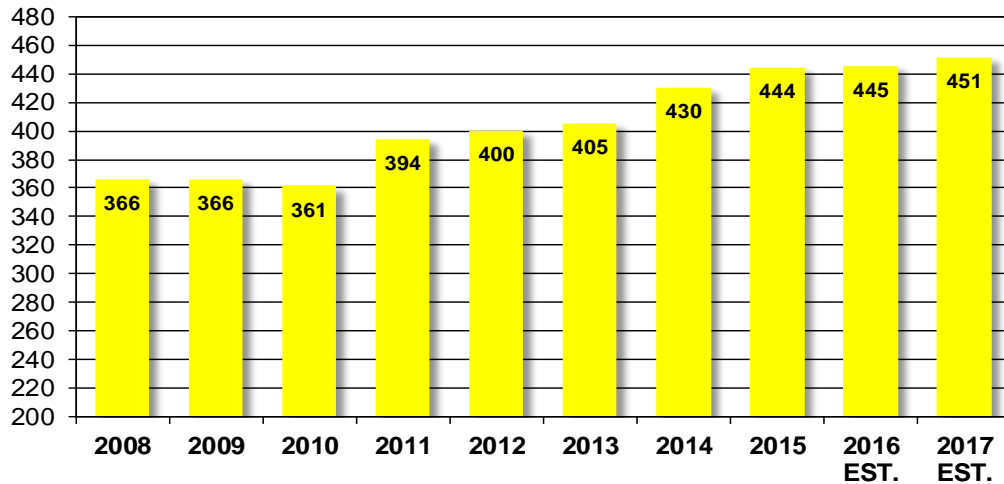
This Division's operations are partially supported by Reimbursements for Fuel & Maintenance costs from other local governments.

CAPITAL OUTLAY

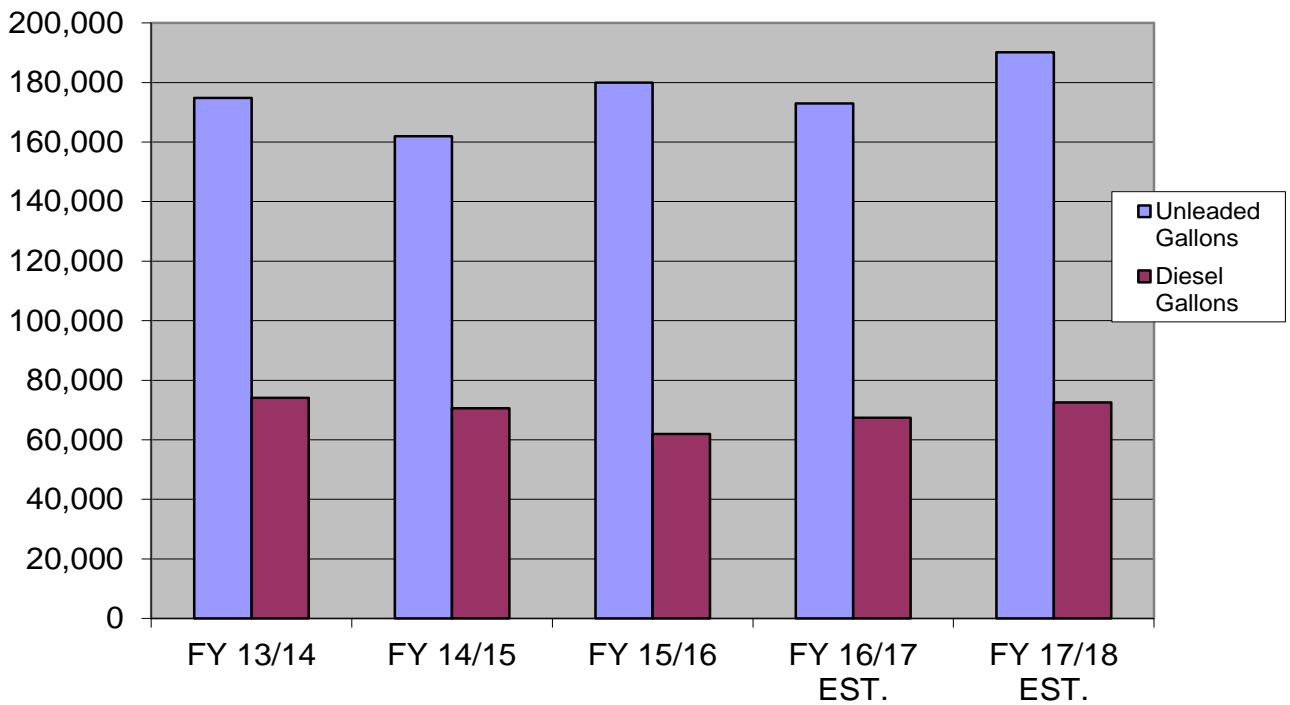
Acct. No.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
007		Garage Equipment				
	1	Mobile Wheel Grabber	5,000	5,000	1	5,000
		Garage Equipment Subtotal		<u>5,000</u>		<u>5,000</u>
015		Vehicles				
	3	Fleet Vehicles	25,000	75,000	3	75,000
	1	Pickup Truck with Snow Plow	42,000	42,000	1	42,000
		Vehicle Subtotal		<u>117,000</u>		<u>117,000</u>
019		Radio Equipment				
	2	Mobile Radio	1,400	2,800	2	2,800
		Radio Equipment Subtotal		<u>2,800</u>		<u>2,800</u>
		CAPITAL OUTLAY TOTAL		<u>124,800</u>		<u>124,800</u>

KEY DEPARTMENTAL TRENDS

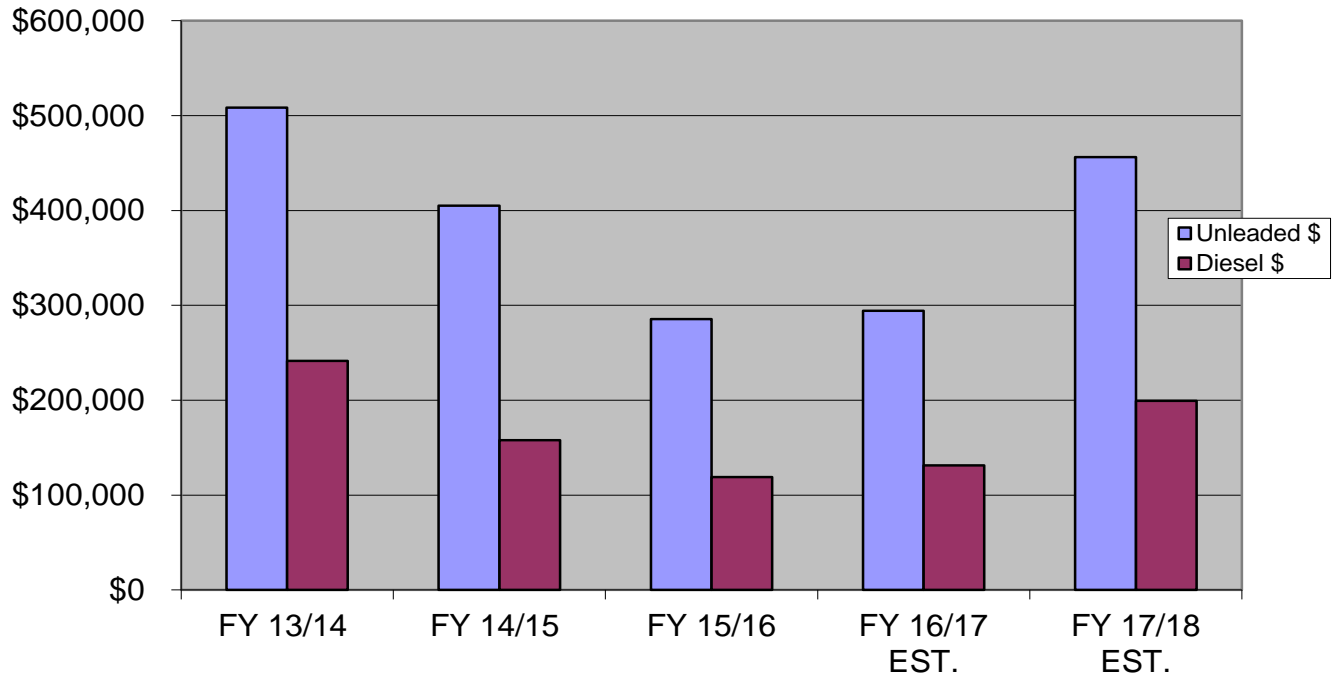
Number of Vehicles and Equipment Maintained



UNLEADED AND DIESEL FUEL USAGE (gallons)



UNLEADED AND DIESEL FUEL USAGE (\$)



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 six events scheduled for 2017. 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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Pounds of waste per household	2,436	2,460	2,490
	Dwelling units served	23,329	23,346	23,380
Efficiency	Diversion rate	44%	39.5%	44%
	Waste Landfilled	56%	60.5%	56%
	Farmington Hills attendance at all 5 Household Hazardous Waste events	2,275	2,447	2,500
	Activity Expenditures as a % of General Fund	7.19	6.74%	6.55%

WASTE COLLECTION/RECYCLING STAFFING LEVELS

Acct.	702 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
(010) Full time					
	Clerk Typist I	1	1	1	1
	Total	1	1	1	1
Department Total		1	1	1	1

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$1,102 or 0.02% increase from the current budget.
- The increase is due primarily to projected higher than budgeted personnel costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$82,494 or 2% increase from the FY 16-17 year-end projection and \$83,596 or 2% increase from the FY 16-17 budget.
- The budget-to-budget increase is due primarily to increases in the contractual annual per-home rate.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Waste Collection	\$3,776,660	\$3,756,484	\$3,734,389	\$3,735,491	\$3,817,985

Waste Collection/Recycling

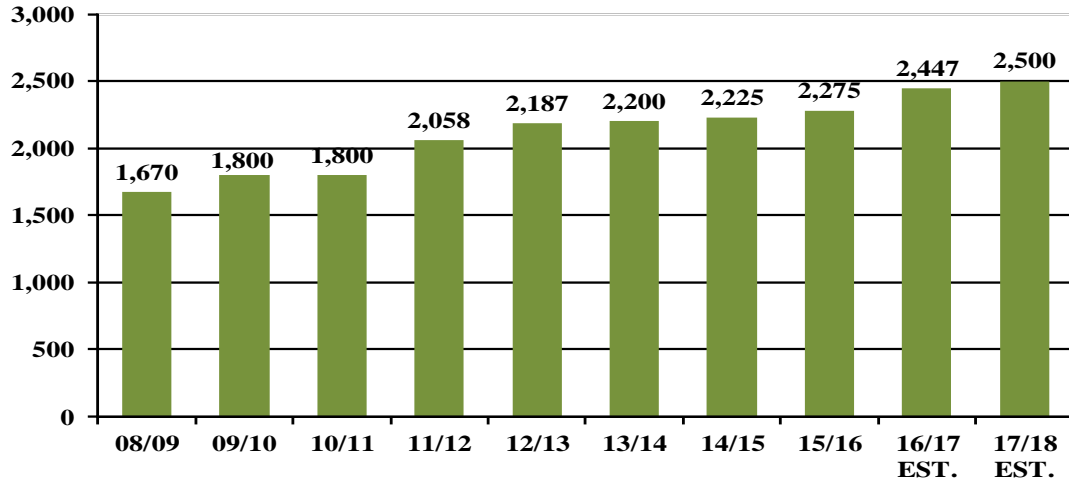
DEPARTMENT NUMBER: 523

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) SALARIES & WAGES							
010	Salaries & Wages	29,778	32,130	33,406	35,025	36,904	36,904
112	Overtime	33	45	300	40	40	40
200	Social Security	2,092	2,298	2,571	2,635	2,826	2,826
250	Blue Cross/Optical/Dental	20,338	11,654	18,752	18,263	19,336	19,336
275	Life Insurance	49	98	127	105	127	127
300	Pension - DC	4,490	3,338	4,841	4,963	5,204	5,204
325	Longevity	0	0	0	0	140	140
350	Workers Compensation	63	62	117	125	133	133
	Category Total	<u>56,843</u>	<u>49,626</u>	<u>60,114</u>	<u>61,156</u>	<u>64,710</u>	<u>64,710</u>
(740) OPERATING SUPPLIES							
008	Miscellaneous	<u>1,145</u>	<u>1,375</u>	<u>2,200</u>	<u>2,200</u>	<u>3,700</u>	<u>3,700</u>
	Category Total	<u>1,145</u>	<u>1,375</u>	<u>2,200</u>	<u>2,200</u>	<u>3,700</u>	<u>3,700</u>
(801) PROFESSIONAL & CONTRACTUAL							
056	Collection Contract	3,555,345	3,534,230	3,490,600	3,489,460	3,565,600	3,565,600
058	Recycling Center	7,414	8,545	16,800	16,800	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	<u>56,239</u>	<u>63,032</u>	<u>65,000</u>	<u>66,200</u>	<u>67,500</u>	<u>67,500</u>
	Category Total	<u>3,718,672</u>	<u>3,705,483</u>	<u>3,672,075</u>	<u>3,672,135</u>	<u>3,749,575</u>	<u>3,749,575</u>
Total Refuse Removal Expenditures		<u>3,776,660</u>	<u>3,756,484</u>	<u>3,734,389</u>	<u>3,735,491</u>	<u>3,817,985</u>	<u>3,817,985</u>

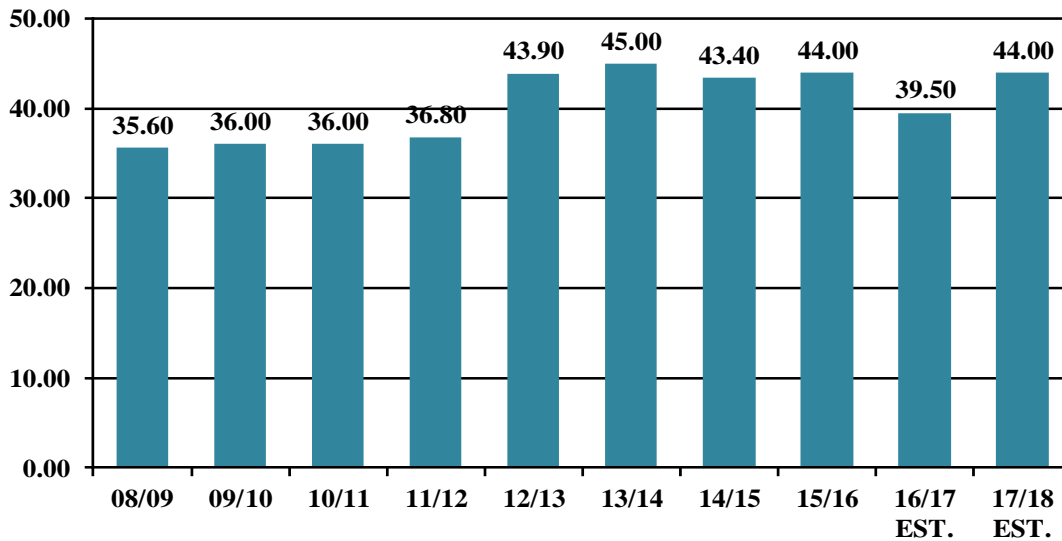
This Division is supported primarily by a Refuse Collection & Disposal Dedicated Millage and Recycling User Fees.

KEY DEPARTMENTAL TRENDS

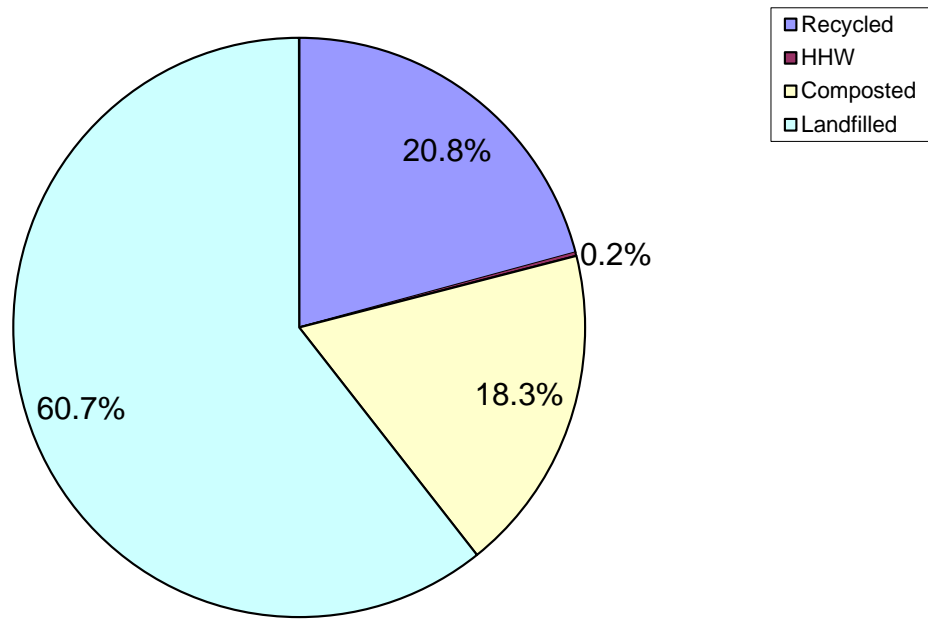
Number of Cars Participating in HazMat Events



Percent of Recycled and Composted Materials Diverted from Landfill



Diversion Rate - 2016



SPECIAL SERVICES SUMMARY

DIV. NO. Category and Line Item	2014/15 Actual Expenditures	2015/16 Actual Expenditures	2016/17 Current Budget	2016/17 Estimated Expenditures	2017/18 Proposed Budget	2017/18 Adopted Budget
SPECIAL SERVICES:						
752 Administration	1,815,157	1,908,092	1,913,510	1,966,176	2,119,293	2,119,293
760 Youth Services	384,166	367,083	392,074	392,769	414,371	414,371
765 Senior Services	831,309	839,277	907,618	868,372	943,193	943,193
770 Parks Maintenance	1,460,089	1,458,381	1,602,327	1,564,718	1,651,017	1,651,017
775 Cultural Arts	363,502	393,735	412,773	402,196	438,418	438,418
780 Golf Course	743,449	710,658	754,823	741,855	793,497	793,497
785 Recreation Programs	499,880	555,310	570,319	590,031	571,304	571,304
790 Ice Arena	977,532	1,071,472	1,057,225	1,035,314	1,083,342	1,083,342
TOTAL SPECIAL SERVICES	7,075,085	7,304,009	7,610,668	7,561,431	8,014,436	8,014,436

The Special Services Department comprises 13.75% of the General Fund's Proposed Budget and is supported primarily from Recreation User Fee (\$4,527,005), an appropriation from the Parks Millage (\$1,307,850), a SMART Grant (\$264,499), and Reimbursements from Oakland Community College for part-time employees (\$5,000).



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 3.64% of the General Fund Budget in FY 2017/18.

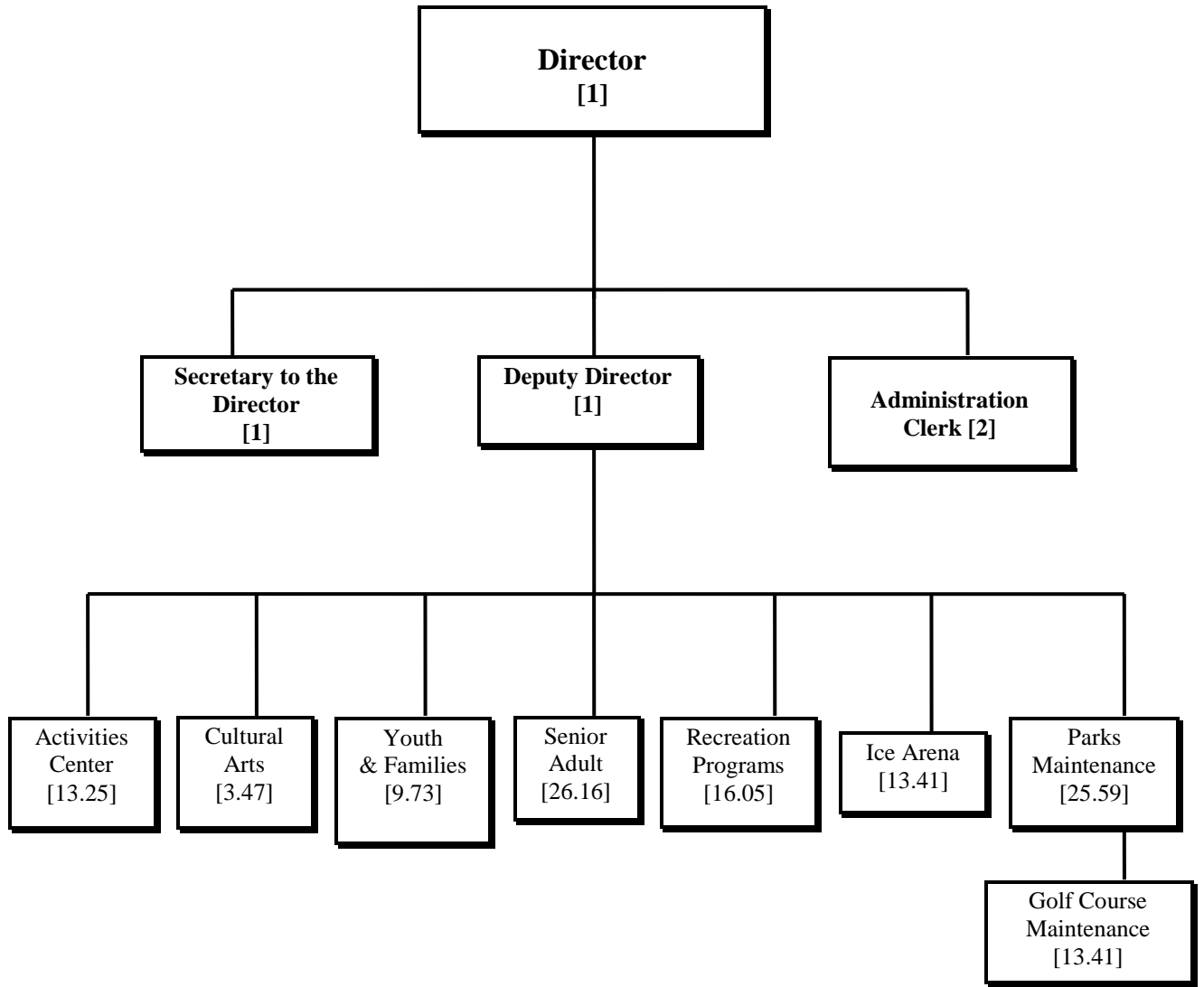
The Department provides a wide variety of programs, services and facilities to the residents. The City has experienced rapid growth since the early 1980's, and the Department is endeavoring to keep pace with the growing and diverse requests for leisure activities and facilities. Land acquisition, facility 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 Department-wide Master Plan for future planning and application for State and Federal Grants. (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 [126.07]

ADMINISTRATION STAFFING LEVELS

Acct. 752 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
	15/16 Budget	16/17 Budget	17/18 Budget	17/18 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	2	2	2
Marketing Assistant	0	0	1	1
Clerk Typist II	1	0	0	0
Total	7	7	8	8
(011) Program Management				
Recreation Superintendant	0	0	1	1
Recreation Supervisor	4	4	3	3
	4	4	4	4
(038) Part-time (FTE)				
	10.15	9.55	10.25	10.25
ADMINISTRATION TOTAL	21.15	20.55	22.25	22.25

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$52,666 or 3% increase from the current budget.
- The increase results from projected \$63,295 more than budgeted professional & contractual services; partially offset by \$8,347 less than budgeted personnel costs and \$2,282 less operating supplies.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$153,117 or 8% increase from the FY 16-17 year-end projection and \$205,783 or 11% increase from the FY 16-17 budget.
- The budget to budget increase results primarily from salary/wage and benefit increases (including the conversion of the part-time Marketing Assistant position to a full-time position and the transfer of the Sustainability Coordinator position from the City Manager’s budget), increased maintenance & repairs, contracted custodial services, and additional credit card fees.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Special Services Administration	\$1,815,157	\$1,908,092	\$1,913,510	\$1,966,176	\$2,119,293

Administration

DEPARTMENT NUMBER: 752

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702)	Salaries & Wages						
010	Administrative & Clerical	412,086	424,736	435,306	425,054	470,521	470,521
011	Program Management	220,975	228,651	234,173	237,650	246,977	246,977
038	Part-time	237,156	249,590	265,590	265,123	289,420	289,420
106	Sick & Vacation	9,953	19,622	9,016	23,910	29,613	29,613
112	Overtime	1,863	1,940	3,391	8,250	3,659	3,659
200	Social Security	69,483	72,458	75,609	75,519	82,619	82,619
250	Blue Cross/Optical/Dental	112,132	110,811	142,004	120,600	177,742	177,742
275	Life Insurance	2,297	2,315	2,443	2,364	2,551	2,551
300	Pension - DC	19,119	13,553	20,333	21,071	31,905	31,905
325	Longevity	25,080	27,989	29,237	28,447	28,051	28,051
350	Worker's Compensation	9,818	9,902	19,223	19,990	21,233	21,233
	Category Total	<u>1,119,962</u>	<u>1,161,569</u>	<u>1,236,325</u>	<u>1,227,978</u>	<u>1,384,291</u>	<u>1,384,291</u>
(740)	Operating Supplies						
001	Gas & Oil	2,601	2,407	2,730	2,998	4,440	4,440
002	Books & Subscriptions	0	0	85	85	85	85
008	Supplies	88,464	94,357	88,800	86,250	86,250	86,250
	Category Total	<u>91,065</u>	<u>96,764</u>	<u>91,615</u>	<u>89,333</u>	<u>90,775</u>	<u>90,775</u>
(801)	Professional & Contractual						
001	Conferences & Workshops	2,027	2,994	3,250	2,975	3,075	3,075
002	Memberships & Licenses	8,419	8,636	7,299	7,299	7,299	7,299
005	Fleet Insurance	1,360	1,399	2,016	2,016	1,895	1,895
006	Vehicle Maintenance	383	283	700	641	900	900
007	Office Equip. Maint. & Rent	38,090	36,535	53,500	35,582	35,000	35,000
013	Education & Training	1,073	0	750	750	750	750
016	Telephone	7,522	5,883	7,800	7,800	7,800	7,800
018	Postage & Bulk Mailing	20,799	21,045	22,950	21,237	21,678	21,678
024	Printing Costs	45,639	48,864	48,300	48,000	48,000	48,000
025	Utilities	222,188	217,119	201,850	215,380	216,240	216,240
029	Maintenance & Repair	115,843	160,741	90,550	146,080	140,580	140,580
035	Credit Card Fees	56,715	57,739	56,000	60,000	60,000	60,000
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
066	Contract Services	80,473	58,133	69,060	79,560	79,560	79,560
067	Scholarships	0	10,000	10,000	10,000	10,000	10,000
072	Special Projects	0	8,065	7,945	7,945	7,850	7,850
	Category Total	<u>604,129</u>	<u>641,034</u>	<u>585,570</u>	<u>648,865</u>	<u>644,227</u>	<u>644,227</u>
(970)	Capital Outlay						
036	Building Improvements	1	8,725	0	0	0	0
	Category Total	<u>1</u>	<u>8,725</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	ADMINISTRATION TOTAL	<u>1,815,157</u>	<u>1,908,092</u>	<u>1,913,510</u>	<u>1,966,176</u>	<u>2,119,293</u>	<u>2,119,293</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 youth in middle school. 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.

Our After School Youth Centers are located in each of the four quadrants of Farmington Hills offering opportunities to middle school age youth in Farmington Hills and Farmington. Over 13,000 youth have taken part in the youth center program since its beginning. This year more than 500 youth members have joined the program and have attended one of the five youth centers on a daily basis. Our 2016 Summer Drop-In Program had over 108 participants enrolled, averaging 60 youth per day and averaging 33 youth on each of the 28 field trips that were offered. Because of the success of last year's vegetable garden, our Summer Drop-In Program members were eager to begin again. They planted and tended the garden and once again reaped the rewards by making zucchini bread and enjoying fresh vegetables. Some of our youth cannot afford the field trips, but thanks to our generous partnerships, we were able to include many of the youth on educational and outdoor field trips, at no cost. These campers visited Ann Arbor Hands-On Museum, Underground Railroad, Yankee Air Museum, the DIA and Detroit Historic Museum. Courtesy of Farmington Hills/Farmington Xemplar Club, Farmington Public School Education Foundation, the Bernstein Law Firm, Paulson's Audio-Video, Susan Sloat-Ray Okonski Foundation, Farmington/Farmington Hills Community 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. We opened a new center at Dunckel and we look forward to being there next fall. Youth Center Members have the opportunity to participate in special programs throughout the year. Our newest pilot program, "Identity" is being offered for both the boys and girls. This program focuses on discovering the child's natural gift; whether they are an organizer, a teacher, etc., and helping them develop their personal trait. This awareness can help them personally, at school and potentially in the workplace. We continue our partnership with Club Z! Tutoring, assisting the youth with homework and healthy study habits.

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. Youth members also set up two Holiday Giving Trees which collected over 300 sets of new scarves, mittens, socks and gloves for families in need.

We are proud to be going into our 21st full year providing a fun, educational, 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, and cable shows. (1,6,11)
- Continue working with the 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)
- Create more promotional videos showing the variety of activities and events at the After School Program. (1,6,13)
- Enhance our partnership with Brighthouse (now Spectrum), PKC Group and other local businesses to offer educational, healthy programs and volunteer opportunities for our youth members. (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 that could afford us this same opportunity. (2,8)
- Maintain partnership with Oakland Early Education which provides volunteer students to assist at the Youth Centers. They usually provide 5 to 7 students.(2,8)
- Enhance and support the Boys to Men program and promote and expand our Identity program which will benefit both the boys and girls. (4,6)
- Continuously evaluate our focus on health and fitness with the help of our personal technology devices and working together with fitness goals. (1,4,13)



Field Day with Bernstein Team



Yankee Air Museum Field Trip

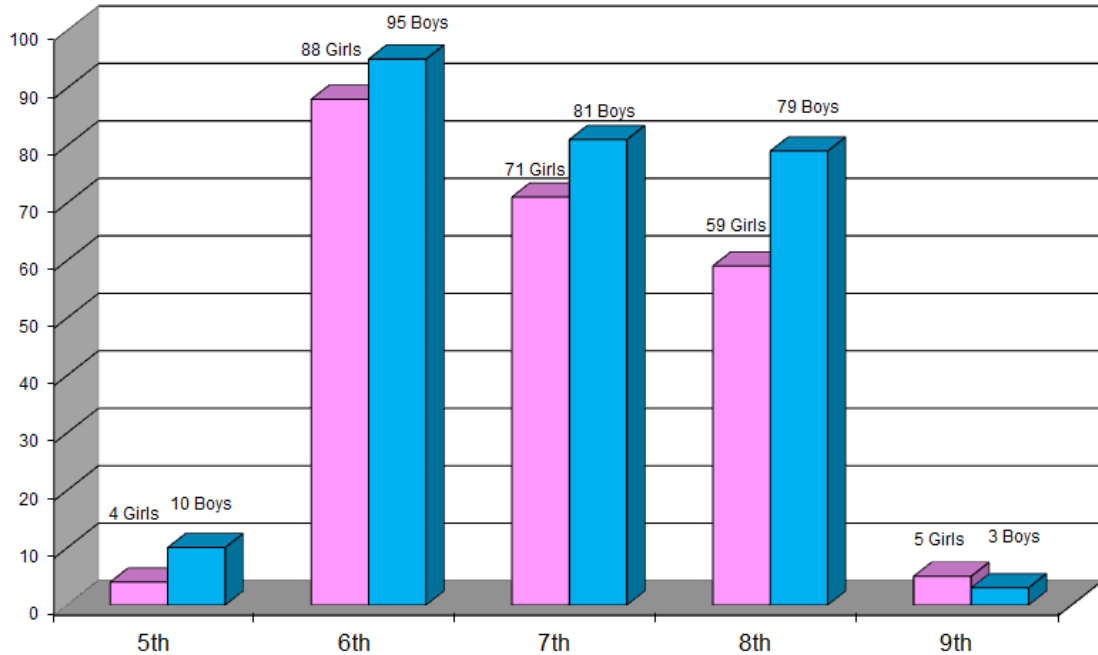
PERFORMANCE OBJECTIVES

- Communicate with parents/guardians of our youth to continue to evaluate their needs and program interests.
- 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 16,400 hours. During the school year program, the average youth member spends an average of 2.75 hours per day for a total for 110,055 hours and 7 half days at 6 hours each. **This equals 129,419 hours our youth have spent supervised in a safe, structured environment.**

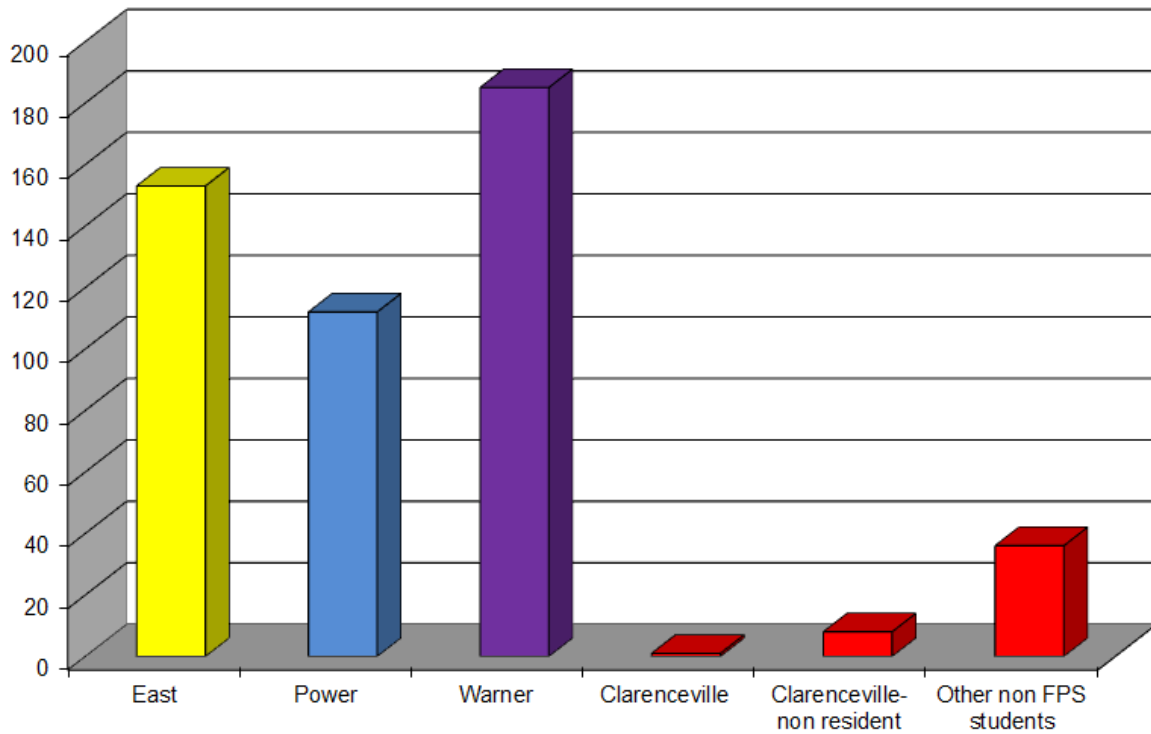
	Performance Indicators	FY 2015-2016 Actual	FY 2016-2017 Projected	FY 2017-2018 Estimated
Service Level Summer	Summer Drop-in Program participation	118	104	125
	Number of days Summer Drop-In Program is offered	39	39	39
	Average daily participants of Summer Drop-in	70	58	70
	Total number of Summer Drop-In visits	2,501	2,050	2,400
	Daily average of summer field trip participants	33	33	35
	Number of summer field trips	30	25	28
	Total of summer field trip participants	983	807	1,000
Service Level School Year	Total number of enrolled After School youth members (5 th Grade)	188	0	NA
	Total number of enrolled After School youth members (6 th – 9 th Grade)	397	495	500
	Total number of days program is offered	173	175	181
	Daily average participation (Four centers operate Mon. through Thurs. Three centers open on Friday)	267	230	250
	Total youth center school year program visits (All Youth Centers)	48,327	41,630	45,000
	Total school year field trip participants *	549	494	500
Efficiency	Total number of Summer Drop-In and school year field trip participants *	1,532	1,301	1,500
	Total number of days program is offered summer/school year	220	220	220
	Total number of Summer Drop-In and school year visits	50,828	43,680	48,000
	Total number of hours our youth have spent in the Summer Drop-In and After School Program	141,411	129,419	135,000
	Activity Expenditures as a % of General Fund	0.70%	0.71%	0.71%

Note:* Decrease in school year field trip number is due to school district reconfiguration going back to 6th, 7th and 8th grade.
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 2.75 hours per day.

2016-2017 Girl & Boy Youth Members by Grade



2016-2017 Youth Members By School



STAFFING LEVELS

Acct. 760	Title or Position	Authorized Positions		Authorized Positions	Requested Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
(760) YOUTH & FAMILIES					
010	Youth Services Supervisor	1	1	1	1
	Total	1	1	1	1
038	Part time (FTE)	8.50	8.73	8.73	8.73
DEPARTMENT TOTAL		9.50	9.73	9.73	9.73

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$695 or 0.2% increase from the current budget.
- The increase results primarily from projected more than budgeted part-time wages, partially offset by projected less than budgeted health insurance costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR END PROJECTION –

- \$21,602 or 5.5% increase from the FY 16-17 year-end projection and \$22,297 or 5.7% increase over the FY 16-17 budget.
- The budget to budget increase results from more personnel costs, primarily in the area of part-time wages and health insurance.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Youth & Family Services	\$384,166	\$367,083	\$392,074	\$392,769	\$414,371

DEPARTMENT NUMBER: 760

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) Salaries & Wages							
010	Administrative & Clerical	64,558	66,102	67,162	67,162	68,571	68,571
038	Part-time	203,046	207,129	206,520	210,480	225,347	225,347
106	Sick & Vacation	1,855	1,892	4,343	4,467	4,593	4,593
112	Overtime	677	136	400	200	200	200
200	Social Security	22,008	21,307	21,710	21,969	23,270	23,270
250	Blue Cross/Optical/Dental	5,240	6,147	10,944	7,495	11,398	11,398
275	Life Insurance	98	98	102	102	102	102
325	Longevity	3,858	4,185	5,352	5,353	5,460	5,460
350	Worker's Compensation	3,686	3,551	6,641	6,641	7,330	7,330
	Category Total	<u>305,027</u>	<u>310,548</u>	<u>323,174</u>	<u>323,869</u>	<u>346,271</u>	<u>346,271</u>
(740) Operating Supplies							
002	Books & Subscriptions	0	0	100	100	100	100
008	Supplies	47,378	36,765	36,000	36,000	36,000	36,000
	Category Total	<u>47,378</u>	<u>36,765</u>	<u>36,100</u>	<u>36,100</u>	<u>36,100</u>	<u>36,100</u>
(801) Professional & Contractual							
001	Conferences & Workshops	0	0	200	200	200	200
002	Memberships & Licenses	675	780	1,000	1,000	1,000	1,000
007	Office Equip. Maint. & Rent	913	1,471	2,000	2,000	2,000	2,000
013	Education & Training	75	0	100	100	100	100
042	Mileage Reimbursement	3,330	0	0	0	0	0
066	Contractual Services	26,767	17,519	29,500	29,500	28,700	28,700
	Category Total	<u>31,761</u>	<u>19,771</u>	<u>32,800</u>	<u>32,800</u>	<u>32,000</u>	<u>32,000</u>
Total Youth & Families		<u>384,166</u>	<u>367,083</u>	<u>392,074</u>	<u>392,769</u>	<u>414,371</u>	<u>414,371</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, and 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 2017/18 Proposed Budget.

GOALS

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

- Program evening and weekend physical activities, such as exercise classes, bicycling and pickleball to encourage Baby Boomers to be active before retirement. (6,13)
- Create and enhance programs and services to ensure seniors in the community are able to maintain a quality of life that makes retirement years full and dignified. (1,6,13)
- 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)
- Continue to improve the quality of life for older adults with dementia by providing workshops and support groups for family caregivers and SENEX Adult Day Program. (1,13)
- Work with area senior living facilities to encourage their residents to participate in Senior Division special events, lifelong learning classes and pool activities such as the arthritis swim. (1,12,13)

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 2015-2016

	Card Swipe	Nutrition	Outreach	Trips and Travel	Senex	Transportation	Chore	Aquatics	Exercise	Clubs	Special Events	Service	Support Groups	Dance	Activities, Speakers & Classes	Totals
July 2015	2,361	9,049	321	26	136	2,910	13	954	1,061	478	139	52	25	142	205	17,872
August 2015	1,660	8,773	245	40	137	9,961	9	1,073	873	572	459	69	57	155	236	24,319
September 2015	1,739	9,296	361	64	171	2,659	14	1,066	1,131	462	385	69	79	121	419	18,036
October 2015	3,912	9,266	394	28	183	2,108	18	1,337	1,057	480	196	53	30	224	770	20,056
November 2015	1,734	7,997	508	35	189	1,973	26	965	1,182	511	376	40	21	66	438	16,061
December 2015	1,635	8,718	882	20	212	2,225	18	862	938	443	189	43	75	176	278	16,714
January 2016	1,754	8,278	303	6	155	1,769	17	992	1,217	379	124	74	49	54	427	15,598
February 2016	1,117	8,682	337	22	130	1,775	10	931	1,154	411	356	318	82	219	300	15,844
March 2016	1,916	9,373	372	16	191	2,174	11	1,097	1,273	519	74	337	48	88	409	17,898
April 2016	1,501	8,961	356	37	176	1,918	14	1,084	1,199	550	43	234	34	76	432	16,615
May 2016	1,591	8,584	444	41	189	1,882	9	1,099	1,196	594	130	70	55	74	469	16,427
June 2016	1,630	8,935	448	24	193	2,243	21	1,148	1,254	415	560	109	12	207	531	17,730
TOTALS	22,550	105,912	4,971	359	2,062	33,597	180	12,608	13,535	5,814	3,031	1,468	567	1,602	4,914	213,170

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		2015/16 Budget	2016/17 Budget	2017/18 Budget	2017/18 Budget
(765) SENIOR ADULTS					
010 Administrative & Clerical					
	Senior Adult Program Supervisor	1	1	1	1
	Senior Adult Supervisor	0	2	2	2
	Senior Adult Specialist - Programming	2	1	1	1
	Senior Adult Specialist	1	0	0	0
	Senior Adult Nutrition Coordinator	1	1	1	1
	Total	5	5	5	5
038 Part-time (FTE)					
	Part-time	4.06	4.06	4.09	4.09
	Part-time Nutrition Grant	6.01	6.01	6.01	6.01
	Maintenance	0.24	0.24	0.24	0.24
	Part-time Transportation Grant	10.82	10.82	10.82	10.82
	Total	21.13	21.13	21.16	21.16
	SENIOR ADULTS TOTAL	26.13	26.13	26.16	26.16

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$39,246 or 4% decrease from the current budget.
- The decrease results from projected lower than budgeted health insurance, pension contributions and SMART transportation costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$74,821 or 9% increase from the FY 16-17 year-end projected budget and \$35,575 or 4% increase from the FY 16-17 budget.
- The budget to budget increase results primarily from an increase in personnel and SMART transportation costs.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Senior Adult	\$831,309	\$839,277	\$907,618	\$868,372	\$943,193

Senior Services Division

DEPARTMENT NUMBER: 765

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702)	Salaries & Wages						
010	Administrative & Clerical	246,884	251,453	262,112	262,884	273,538	273,538
038	Part-time	104,959	107,078	104,725	104,725	108,225	108,225
039	Part-time Nutrition Grant	110,632	135,770	134,873	134,873	141,916	141,916
040	Maintenance	3,980	3,467	4,484	4,484	4,484	4,484
075	Part-time Transportation	214,733	231,012	234,300	234,300	249,300	249,300
106	Sick & Vacation	6,139	3,282	3,323	3,395	3,768	3,768
112	Overtime	1,269	114	0	500	0	0
200	Social Security	52,523	55,725	57,234	57,066	60,161	60,161
250	Blue Cross/Optical/Dental	45,434	41,754	66,407	42,752	64,477	64,477
275	Life Insurance	563	575	664	647	672	672
300	Pension - DC	25,866	18,301	26,875	20,005	27,751	27,751
325	Longevity	2,264	2,694	4,329	4,331	5,195	5,195
350	Worker's Compensation	9,255	9,748	17,730	17,660	19,185	19,185
	Reallocate to Nutrition Grant Fund	(174,477)	(200,216)	(192,787)	(192,787)	(203,223)	(203,223)
	Category Total	650,022	660,758	724,269	694,835	755,449	755,449
(740)	Operating Supplies						
008	Supplies	16,105	18,020	17,800	17,800	17,800	17,800
009	Kitchen Food & Supplies	251,274	269,247	231,188	231,188	247,800	247,800
010	Special Events	694	935	2,000	2,000	2,000	2,000
072	Special Function Expense	7,790	7,655	9,050	9,050	9,050	9,050
	Reallocate to Nutrition Grant Fund	(246,586)	(259,826)	(231,188)	(231,188)	(247,800)	(247,800)
	Category Total	29,276	36,030	28,850	28,850	28,850	28,850
(801)	Professional & Contractual						
001	Conferences & Workshops	317	95	350	350	350	350
002	Memberships & Licenses	742	685	1,005	1,005	1,005	1,005
005	Fleet Insurance	7,844	8,370	8,744	8,744	7,509	7,509
013	Education & Training	910	0	250	250	250	250
024	Printing Costs	2,432	3,035	3,050	3,050	2,930	2,930
066	Contract Services	48,191	62,700	55,650	55,650	55,650	55,650
075	SMART Transportation	68,090	63,357	81,450	71,638	87,200	87,200
076	Dial - A - Ride	3,623	4,247	4,000	4,000	4,000	4,000
	Category Total	132,148	142,489	154,499	144,687	158,894	158,894
(970)	Capital Outlay						
020	Miscellaneous Equipment	19,862	0	0	0	0	0
	Category Total	19,862	0	0	0	0	0
	Total Senior Adults	831,309	839,277	907,618	868,372	943,193	943,193

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)
- Add more interpretive and educational features to trail system at Heritage Park. (1,13)
- 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)
- Begin implementation of topdressing applications to maintain and improve quality of Founders Park soccer fields. (1,3)

PERFORMANCE OBJECTIVES

- Continue development of the instructional planting area at the regraded intersection area of Heritage Park.
- Continue landscaping around Heritage equipment storage area.
- Monitor and control invasive species in the new wetlands reestablishment area surrounding the former boardwalk at Heritage Park.
- Begin construction of Heritage Park Nature Discovery Trail Extension.
- Increase removal and replacement of dead or dangerous trees in all park sites.
- 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.
- Begin sand topdressing program at Founders 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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
	Fields Maintained	60	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	2.79%	2.82%	2.83%

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 Budget
(770)	PARKS DIVISION				
(010)	Salaries & Wages				
	Park Maintenance Superintendent	1	1	1	1
	Park Maintenance Supervisor	1	1	1	1
	Building Maintenance Mechanic	1	1	1	1
	Laborer II	2	2	2	2
	Laborer I	1	1	1	1
	Park Maintenance Technician	2	2	2	2
	Naturalist	1	1	1	1
	Total	9	9	9	9
(038)	Part-Time (EFT)	16.83	16.70	16.59	16.59
	PARKS DIVISION TOTAL	25.83	25.70	25.59	25.59

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$37,609 or 2% decrease from the current budget.
- The decrease results from projected \$30,945 less than budgeted personnel costs (primarily health insurance) and \$17,673 less operating supplies (primarily gas & oil); partially offset by projected \$11,009 more than budgeted professional and contractual services (primarily utilities and vehicle maintenance).

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$86,299 or 6% increase from the FY 16-17 year-end projection and \$48,690 or 3% increase over the FY 16-17 budget.
- The budget to budget increase results from \$29,300 more personnel costs, \$3,200 more operating supplies, and \$16,200 more professional & contractual services.

	2014-15 ACTUAL	2015-16 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Parks	\$1,460,089	\$1,458,381	\$1,602,327	\$1,564,718	\$1,651,017

Parks Division

Department 770

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702)	Salaries & Wages						
010	Salaries & Wages	428,064	441,270	455,196	452,978	466,248	466,248
038	Part-time	330,962	360,362	391,168	387,940	400,952	400,952
106	Sick & Vacation	17,047	13,854	14,966	14,821	15,266	15,266
112	Overtime	58,786	59,240	65,000	64,000	60,000	60,000
200	Social Security	65,032	68,125	72,866	71,880	74,186	74,186
250	Blue Cross/Optical/Dental	92,791	64,088	94,173	71,350	103,557	103,557
275	Life Insurance	1,019	901	920	900	920	920
300	Pension-DC	10,573	7,470	11,613	11,530	11,954	11,954
325	Longevity	21,394	23,808	26,162	26,059	27,291	27,291
350	Worker's Compensation	11,693	12,191	22,739	22,400	23,717	23,717
	Category Total	<u>1,037,360</u>	<u>1,051,308</u>	<u>1,154,803</u>	<u>1,123,858</u>	<u>1,184,091</u>	<u>1,184,091</u>
(740)	Operating Supplies						
001	Gas & Oil	59,642	39,109	60,430	43,730	63,635	63,635
002	Books & Subscriptions	0	0	200	100	200	200
008	Supplies	76,955	87,619	74,150	73,675	74,000	74,000
014	Chemical Supplies	42,333	32,309	47,280	47,000	47,285	47,285
019	Uniforms & Clothing	6,567	6,471	7,058	6,940	7,160	7,160
030	Miscellaneous Tools	2,703	2,396	2,000	2,000	2,000	2,000
	Category Total	<u>188,200</u>	<u>167,904</u>	<u>191,118</u>	<u>173,445</u>	<u>194,280</u>	<u>194,280</u>
(801)	Professional & Contractual						
001	Conferences & Workshops	904	844	1,150	910	1,150	1,150
002	Memberships & License	245	586	1,105	947	1,045	1,045
005	Fleet Insurance	6,261	6,646	7,635	7,635	7,942	7,942
006	Vehicle Maintenance	23,657	20,605	17,800	22,246	23,500	23,500
007	Equipment Maintenance	18,474	23,388	21,000	20,500	21,000	21,000
013	Education & Training	383	537	600	600	600	600
025	Utilities	85,787	89,313	90,300	102,823	102,823	102,823
029	Park Bldgs. Maintenance	10,996	5,873	6,929	6,000	6,000	6,000
056	Refuse Dumpster	5,968	5,601	10,787	10,454	10,787	10,787
066	Contract Services	81,854	85,776	99,100	95,300	97,800	97,800
	Category Total	<u>234,529</u>	<u>239,169</u>	<u>256,406</u>	<u>267,415</u>	<u>272,647</u>	<u>272,647</u>
	DEPARTMENT TOTAL	<u>1,460,089</u>	<u>1,458,381</u>	<u>1,602,327</u>	<u>1,564,718</u>	<u>1,651,017</u>	<u>1,651,017</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 fourth exhibition in January 2017, showcasing over 90 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 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 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

- Using information gleaned from the Creative Census, and additional feedback from the community, investigate a strategy to implement 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. (1,4,6)
- Explore the possibility of adding a dedicated pottery studio at the Heritage Park Stables Studio. (1,6)
- Explore the idea of expanding our current Farmington Hills Youth Theatre offerings to create a larger regional Youth Theatre program. (1,2,6)
- Renew and expand the Public Art exhibit at City Hall to include a literary arts component. (1,4)
- Continuously evaluate all arts-related programs based on time, space and value to the community. Monitor and maintain high quality of programming, while being aware of the need to keep programs affordable and competitively priced. (2,6)
- Develop new, more varied full-day 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

- 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. (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 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)
- Communicate on a regular basis with patrons of Cultural Arts programs, in order to assess their interests and needs. (6)

PERFORMANCE OBJECTIVES

- Evaluate responses from the 2016 Creative Census to gain a better understanding of the needs of local creative individuals, organizations and businesses.
- Evaluate the 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.
- Create a Children’s Concert Series
- Recognize and encourage young local artists and performers through programs such as the Student Art Awards and the Festival of the Arts, and through performance opportunities such as the “Young Classical Musician Showcase” at the Farmington Players Barn Theatre.
- 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

- Create a literary arts component of the Farmington Hills Public Art Program.
- 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.

	Performance Indicators	FY 2015-16 Actual	FY 2016-17 Projected	FY 2017-18 Estimated
Service Level	Art, Dance and Music Class Participants	625	600	650
	Professional Concert Series, Special Events, Youth Theatre performances	9,500	9,200	9,600
	Summer Concerts Attendance (est.)	3,500	4,000	4,000
	Performance Classes, Youth Theatre	500	450	650
	Festival of the Arts Attendance (est.) Artist Awards, Art Receptions	1,550	1,550	1,600
	Art on the Grand Attendance (est.)	40,000	40,000	40,000
	Instrumental Lessons	250	400	400
Efficiency	Activity Expenditures as a % of General fund	0.75%	0.73%	0.75%

STAFFING LEVELS

Acct. 702 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
	2015/16 Budget	2016/17 Budget	2017/18 Budget	2017/18 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)	1.47	1.47	1.47	1.47
CULTURAL ARTS TOTAL	3.47	3.47	3.47	3.47

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$10,577 or 3% decrease from the current budget.
- The decrease results from projected \$27,876 lower than budgeted personnel costs (primarily health insurance) and \$3,533 lower than budgeted operating supplies; partially offset by projected \$20,832 higher than budgeted contractual service costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$36,222 or 9% increase from the FY 16-17 year-end projection and \$25,645 or 6% increase from the FY 16-17 budget.
- The budget to budget increase results from an increase in Contract Services; partially offset by lower personnel and supply costs.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Cultural Arts	\$363,502	\$393,735	\$412,773	\$402,196	\$438,418

Cultural Arts Division

DEPARTMENT NUMBER: 775

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) Salaries & Wages						
010 Administrative & Clerical	100,176	118,231	123,991	121,332	128,502	128,502
038 Part-time	41,709	52,244	45,900	42,192	43,605	43,605
106 Sick & Vacation	2,443	0	2,574	0	0	0
112 Overtime	64	0	0	1,000	0	0
200 Social Security	10,706	12,627	13,296	12,312	13,328	13,328
250 Blue Cross/Optical/Dental	29,926	24,838	39,639	21,056	37,544	37,544
275 Life Insurance	164	197	204	200	204	204
300 Pension - DC	5,119	4,866	7,187	6,914	7,499	7,499
325 Longevity	886	1,270	1,338	1,339	2,111	2,111
350 Worker's Compensation	1,955	2,307	4,067	3,975	4,198	4,198
Category Total	193,148	216,580	238,196	210,320	236,991	236,991
(740) Operating Supplies						
002 Subscriptions	0	50	0	0	0	0
008 Supplies	20,890	34,588	31,142	31,142	31,142	31,142
010 Special Functions	29,033	32,816	34,675	31,142	32,950	32,950
Category Total	49,922	67,454	65,817	62,284	64,092	64,092
(801) Professional & Contractual						
001 Conferences & Workshops	0	150	260	0	0	0
002 Memberships & Licenses	514	393	400	660	660	660
066 Contractual Services	119,917	109,158	108,100	128,932	136,675	136,675
Category Total	120,432	109,701	108,760	129,592	137,335	137,335
Total Cultural Arts	363,502	393,735	412,773	402,196	438,418	438,418

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)
- Complete implementation of new Driving Range ball dispenser hardware and software which will facilitate customer service and increase sales at the range. (11)
- 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.
- Continue parking lot maintenance around Clubhouse.
- Finish construction of cart paths on Front 9.
- Complete software installation on Driving Range.
- 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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
	Total number of rounds	39,461	41,000	41,000
Resident	29,005	29,500	29,500	
Non-Resident	10,456	11,500	11,500	
9/18 Holes Weekdays	30,513	31,000	31,000	
9/18 Holes Weekend	8,948	10,000	10,000	
Seniors 9/18 hole	13,911	13,500	13,500	
Efficiency	Total Revenue	1,241,767	\$1,250,000	\$1,250,000
	Cost for 9 holes of golf (weekday resident)	\$15.00	\$15.00	\$15.00
	Activity Expenditures as a % of General Fund	1.36%	1.34%	1.36%

STAFFING LEVELS

Acct. 780	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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)	11.57	11.46	11.41	11.41
GOLF COURSE TOTAL		13.57	13.46	13.41	13.41

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$12,968 or 2% decrease over the current budget.
- The decrease results from projected \$5,741 lower than budgeted personnel costs (primarily health insurance), and \$8,306 lower than budgeted operating supplies (primarily gas & oil), partially offset by projected \$1,079 higher than budgeted professional & contractual services.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$51,642 or 7% increase from the FY 16-17 year-end projection and \$38,674 or 5% increase over the FY 16-17 budget.
- The budget to budget increase results from \$30,456 higher personnel costs (primarily sick & vacation payout) and \$9,684 higher professional & contractual services (primarily utilities); partially offset by \$1,466 lower fuel costs.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Golf	\$743,449	\$710,658	\$754,823	\$741,855	\$793,497

Golf Division

DEPARTMENT: 780

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
702 Salaries & Wages							
010	Salaries & Wages	101,075	103,479	105,133	105,130	107,331	107,331
038	Part-time	242,336	233,335	245,658	244,650	250,320	250,320
106	Sick & Vacation	5,899	3,052	4,755	4,810	22,520	22,520
112	Overtime	24,540	27,051	21,500	24,000	24,000	24,000
200	Social Security	28,882	28,661	29,302	29,662	31,387	31,387
250	Blue Cross/Optical/Dental	25,820	19,989	25,069	17,500	25,654	25,654
275	Life Insurance	197	197	204	200	204	204
325	Longevity	4,180	5,139	5,987	5,988	6,112	6,112
350	Worker's Compensation	3,582	3,165	5,774	5,701	6,311	6,311
	Category Total	436,511	424,068	443,382	437,641	473,838	473,838
740 Operating Supplies							
001	Gas & Oil	15,459	10,693	22,866	14,599	21,400	21,400
008	Supplies	39,973	45,360	34,700	34,700	34,700	34,700
009	Golf Pro Shop Merchandise	41,807	15,942	30,000	30,000	30,000	30,000
014	Fertilizer & Insect Control	53,755	61,517	52,700	52,700	52,700	52,700
019	Uniforms	2,801	2,165	3,788	3,749	3,788	3,788
	Category Total	153,795	135,676	144,054	135,748	142,588	142,588
801 Professional & Contractual							
002	Memberships & Licenses	200	310	1,370	1,170	1,295	1,295
005	Fleet Insurance	363	387	421	421	375	375
006	Vehicle Maintenance	811	61	1,400	200	450	450
007	Equipment Maintenance	32,204	21,761	27,400	27,500	27,500	27,500
013	Education & Training	0	0	200	0	200	200
024	Printing Costs	2,064	940	2,800	2,800	2,800	2,800
025	Utilities	71,348	63,461	80,100	81,800	88,200	88,200
027	Radio Equipment Maint.	0	0	200	200	200	200
029	Maintenance & Building Repairs	5,424	6,463	6,520	6,520	6,520	6,520
056	Refuse Dumpster	4,205	2,074	5,176	3,005	3,681	3,681
066	Contractual Services	36,526	55,457	41,800	44,850	45,850	45,850
	Category Total	153,143	150,914	167,387	168,466	177,071	177,071
GOLF TOTAL		743,449	710,658	754,823	741,855	793,497	793,497

RECREATION DIVISION

The Recreation Division continued to maintain a strong presence in the community in 2016 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. Staffing for the Recreation Division consists of 4 full-time supervisory positions charged to the Administrative Division and 12.05 part-time FTE's accounted for directly in the Recreation Division.

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Total participation hours	306,400	307,600	308,500
	Recreation programs offered	2,660	2,670	2,690
	Number of people participating in programs	28,300	29,400	29,900
	Number of new programs created	20	20	15
	Number of athletic field reservations	5,000	5,000	5,000
	Volunteer hours donated	7,400	7,600	7,900
Efficiency	Activity Expenditures as a % of General Fund	1.06%	1.06%	0.98%

Recreation Division

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$19,712 or 3.5% increase from the current budget.
- The increase results primarily from increases in Teen Programs and Nature Study.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$18,727 or 3% decrease from the FY 16-17 year-end projection and \$985 or 0.2% increase from the FY 16-17 budget.
- The budget to budget increase results from the net of increases and decreases in a variety of programs.

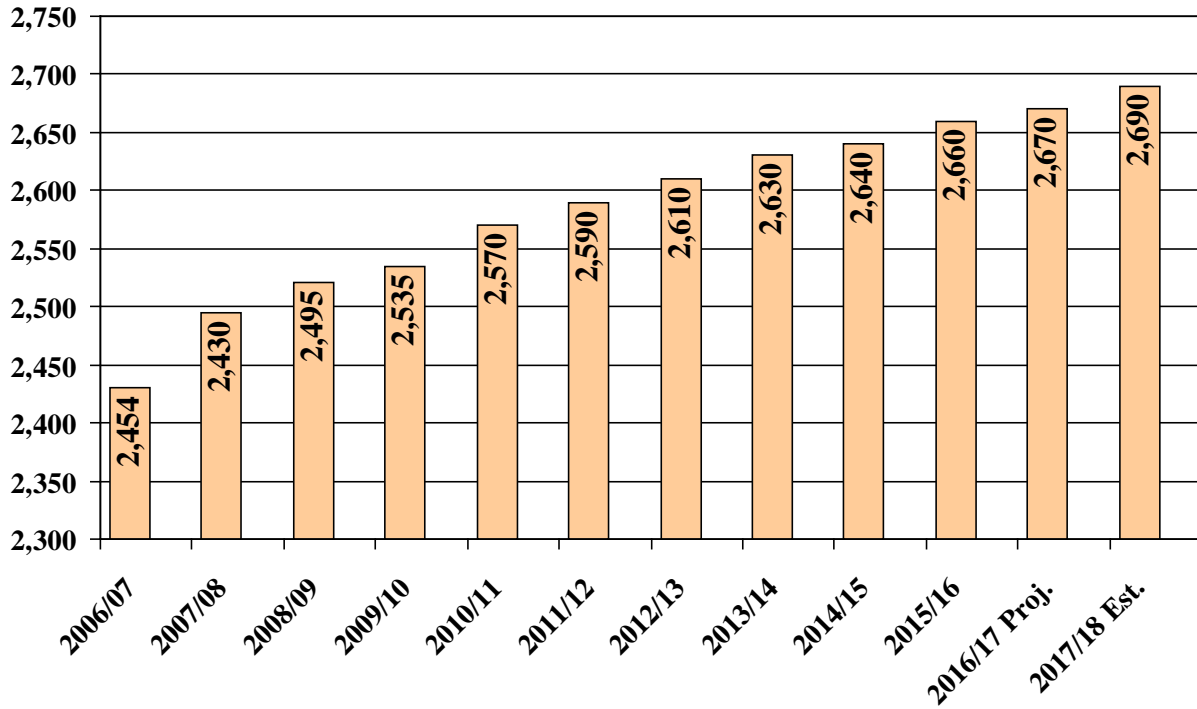
	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Recreation	\$499,880	\$555,310	\$570,319	\$590,031	\$571,304

DEPARTMENT NUMBER: 785

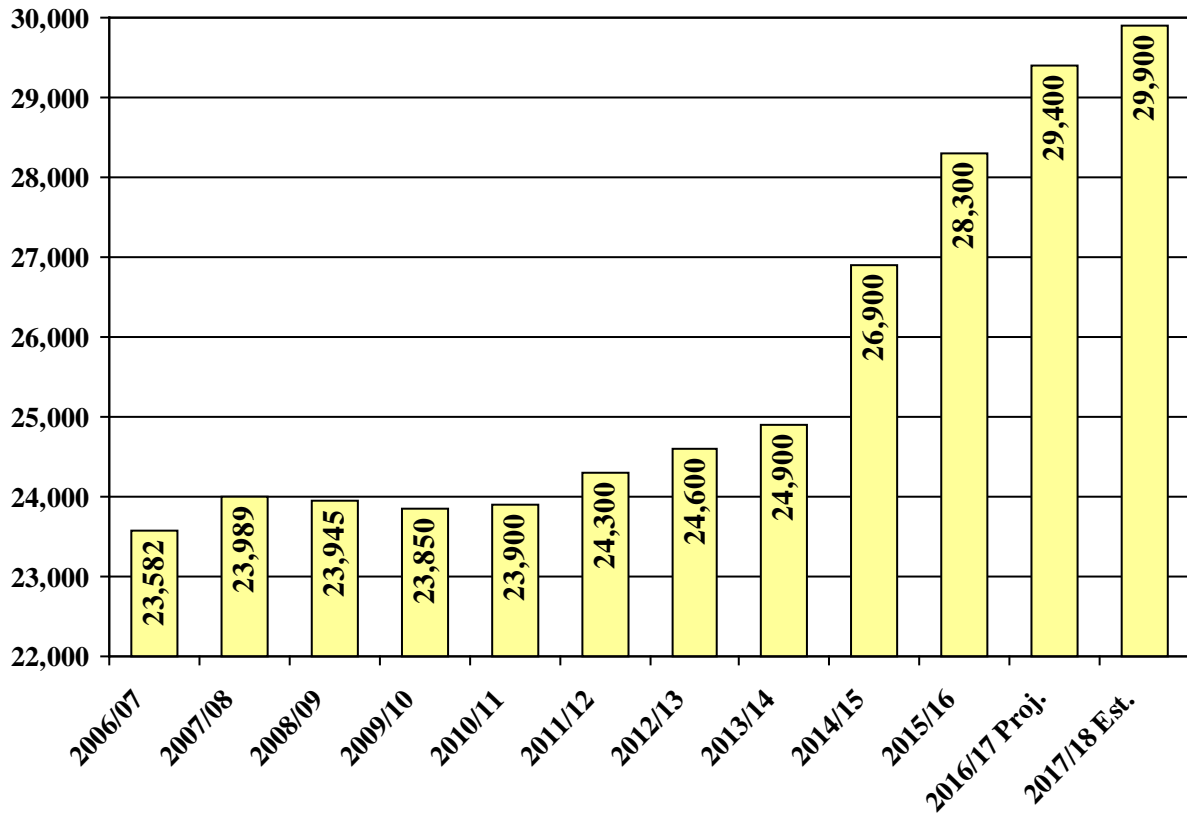
Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
<u>(965) RECREATION PROGRAMS</u>						
001 Over & Short	(13)	(484)	0	0	0	0
041 Swimming	141,420	159,020	147,692	148,177	148,908	148,908
045 After School Recreation	20,264	16,607	14,168	11,798	12,238	12,238
055 Day Camp	68,990	74,091	82,864	84,556	90,563	90,563
057 Gym	26,444	20,772	20,106	20,450	20,952	20,952
060 Classes	44,589	33,414	34,803	33,039	33,984	33,984
065 Tennis Lessons	8,033	3,883	3,738	3,178	3,738	3,738
070 Golf	6,445	5,143	5,585	5,570	5,540	5,540
075 Softball	6,463	4,512	8,475	8,756	8,820	8,820
105 Special Events	32,001	30,250	30,129	30,274	30,321	30,321
110 Youth Soccer	9,780	10,532	10,460	9,528	9,360	9,360
120 Youth Basketball	17,383	14,877	16,667	14,500	14,936	14,936
170 Teen Programs	16,665	20,718	20,105	31,166	23,531	23,531
200 Social Security	19,465	22,600	19,800	23,800	23,050	23,050
208 Adult Chorus	5,078	5,674	7,700	7,541	7,700	7,700
212 Nature Study	33,419	41,004	50,583	56,043	34,658	34,658
213 Archery	0	49,905	50,000	52,725	53,000	53,000
216 Safety Town	5,495	4,363	7,251	7,390	7,541	7,541
218 Children's Travel	35,050	35,337	33,785	35,310	36,264	36,264
219 Sled Hill	0	0	258	0	0	0
350 Worker's Compensation	2,911	3,090	6,150	6,230	6,200	6,200
TOTAL REC. PROGRAMS	499,880	555,310	570,319	590,031	571,304	571,304

KEY DEPARTMENT TRENDS

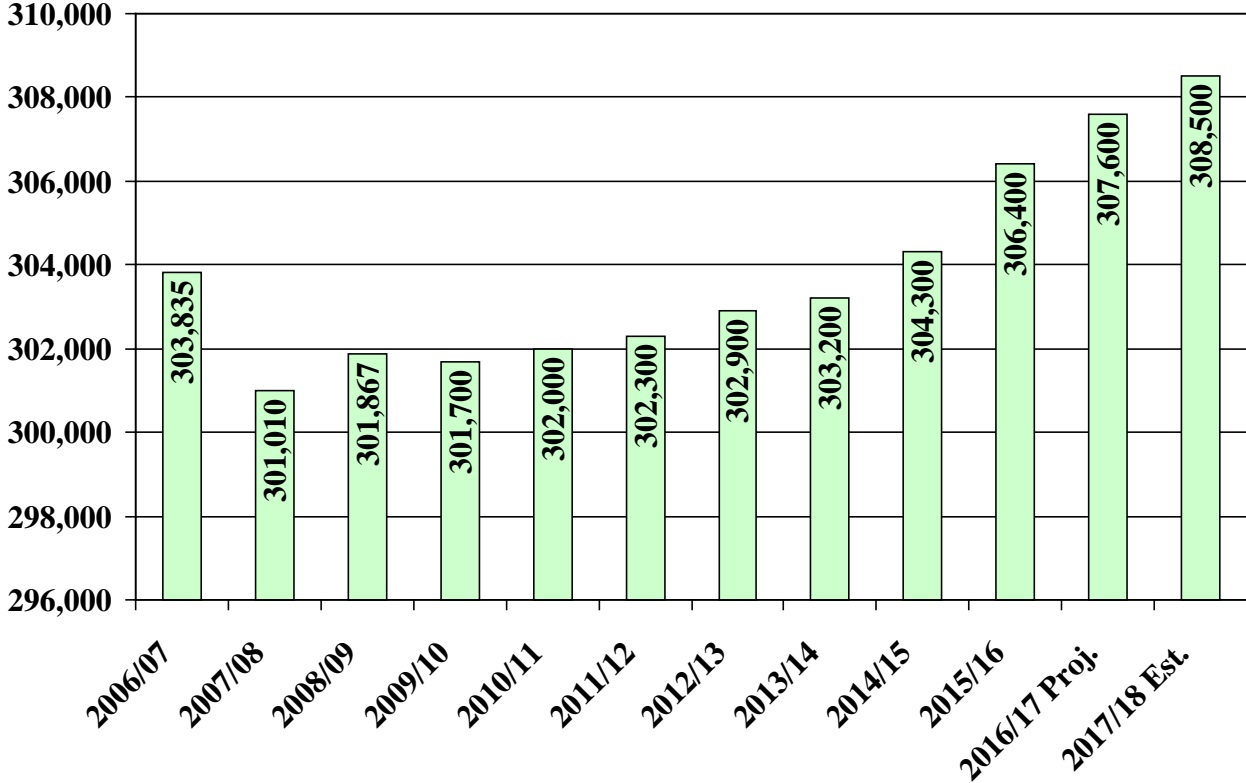
TOTAL PROGRAM ACTIVITIES



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
- 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)
- Continue to improve 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 and events.
- 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 United States Ice Rink Association (formerly Serving the American Rinks) Training events.
- Continue to grow offerings to the Adult Hockey League players

Service Level	Performance Indicators	FY 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
		Number of participants at open skate	18,000	17,500
	Learn to Skate Class Participation	1,000	1,000	1,000
Efficiency	Inside concession revenue	\$79,323	\$75,000	\$80,000
	Outside concession revenue	\$37,970	\$36,000	\$40,000
	Activity Expenditures as a % of General Fund	2.05%	1.87%	1.86%

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		15/16 Budget	16/17 Budget	17/18 Budget	17/18 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)	6.63	7.13	7.38	7.38
	ADMINISTRATION TOTAL	9.63	10.13	10.38	10.38
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	12.66	13.16	13.41	13.41

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$21,911 or 2% decrease from the current budget.
- The decrease results from projected lower than budgeted personnel costs and professional & contractual services; partially offset by higher than budgeted operating supplies..

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$48,028 or 5% increase from the FY 16-17 year-end projection and \$26,117 or 2% increase over the FY 16-17 budget.
- The budget to budget increase results primarily from \$25,000 for restroom partitions.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Ice Arena	\$977,532	\$1,071,472	\$1,057,225	\$1,035,314	\$1,083,342

DEPARTMENT NUMBER: 790

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(702) Admin. Salaries & Wages						
010 Administrative & Clerical	155,596	160,660	164,758	164,861	169,691	169,691
038 Part-time	157,013	145,222	183,807	180,000	183,000	183,000
106 Sick & Vacation	6,938	7,296	7,444	9,216	9,462	9,462
112 Overtime	81	0	1,500	500	500	500
200 Social Security	24,925	24,306	27,961	27,493	28,385	28,385
250 Blue Cross/Optical/Dental	48,813	49,754	63,276	51,800	58,309	58,309
275 Life Insurance	558	690	726	712	741	741
300 Pension - DC	5,877	4,296	6,329	6,310	6,592	6,592
325 Longevity	6,691	7,215	8,008	8,009	8,375	8,375
350 Worker's Compensation	2,418	2,262	4,423	4,460	4,638	4,638
Category Total	408,910	401,702	468,232	453,361	469,693	469,693
(703) Concession Salaries & Wages						
038 Part-time	49,372	54,973	59,755	55,663	61,265	61,265
112 Overtime	38	0	350	350	350	350
200 Social Security	3,780	4,206	4,600	4,285	4,714	4,714
350 Worker's Compensation	370	398	754	705	770	770
Category Total	53,560	59,577	65,459	61,003	67,099	67,099
(740) Operating Supplies						
001 Gas & Oil	1,801	1,251	1,750	1,750	1,750	1,750
002 Books & Subscriptions	230	230	150	150	150	150
008 Supplies	100,531	90,205	95,580	95,580	95,580	95,580
019 Uniforms & Cleaning	1,061	669	850	850	850	850
030 Miscellaneous Tools	0	154	100	100	100	100
035 Bank Credit Card Charges	5,956	5,241	4,500	6,000	6,600	6,600
Category Total	109,579	97,751	102,930	104,430	105,030	105,030
(801) Professional & Contractual						
002 Memberships & Licenses	5,297	4,297	5,000	5,000	5,000	5,000
006 Vehicle Maintenance	13	0	0	0	0	0
007 Office Equip. Maintenance	3,775	5,316	4,500	4,500	4,500	4,500
008 Arena Equip. Maintenance	11,002	18,245	14,084	11,000	11,000	11,000
013 Education & Training	347	0	300	300	300	300
024 Printing Costs	2,491	1,045	4,000	4,000	4,000	4,000
025 Utilities	276,542	269,262	291,380	291,380	291,380	291,380
029 Building Maintenance	59,639	76,652	51,440	50,440	50,440	50,440
066 Contract Services	46,378	37,547	48,800	48,800	48,800	48,800
068 Non-Ice Activities	0	1,100	1,100	1,100	1,100	1,100
Category Total	405,483	413,466	420,604	416,520	416,520	416,520
(970) Capital Outlay						
036 Building Improvements	0	98,976	0	0	25,000	25,000
Category Total	0	98,976	0	0	25,000	25,000
TOTAL	977,532	1,071,472	1,057,225	1,035,314	1,083,342	1,083,342

CAPITAL OUTLAY

Department Number 790

Acct.		Unit	Budget	Manager's Budget		
970	Quantity	Item Description	Cost	Request	Quantity	Amount
036		Building Improvements				
		Ice Arena Restroom Partitions		25,000		25,000
		Building Improvements Subtotal		<u>25,000</u>		<u>25,000</u>
		CAPITAL OUTLAY TOTAL		<u>25,000</u>		<u>25,000</u>

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, 2017	3,235,293	479,232	2,439,820	0	6,154,345
REVENUES					
Property Taxes	6,271,495	1,531,113	9,960,388	0	17,762,997
Intergovernmental	8,906,947	325,002	172,427	307,503	9,711,879
Interest Income	55,500	6,810	40,000	0	102,310
Special Assessments	1,200,490	0	0	0	1,200,490
Miscellaneous	129	168,526	0	35,000	203,655
Total Revenues	16,434,562	2,031,451	10,172,815	342,503	28,981,331
EXPENDITURES					
Highways & Streets	20,455,733	0	0	0	20,455,733
Public Safety	0	0	10,755,975	0	10,755,975
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	1,060	954,069	76,000	342,503	1,373,632
Total Expenditures	20,456,793	954,069	10,831,975	342,503	32,585,340
Revenues over/(under) Expenditures	(4,022,231)	1,077,382	(659,160)	0	(3,604,009)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	2,400,000	0	0	0	2,400,000
Transfers In	8,279,181	0	0	0	8,279,181
Transfers Out	(7,770,234)	(1,307,850)	0	0	(9,078,084)
Total	2,908,947	(1,307,850)	0	0	1,601,097
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,113,284)	(230,468)	(659,160)	0	(2,002,912)
FUND BALANCE AT JUNE 30, 2018	2,122,009	248,764	1,780,660	0	4,151,433

<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, 2017	0	1,925,260	1,256,777	53,256	3,235,293
REVENUES					
Property Taxes	6,271,495	0	0	0	6,271,495
Intergovernmental	0	6,856,672	2,050,275	0	8,906,947
Interest Income	20,000	23,000	12,000	500	55,500
Special Assessments	0	0	1,200,490	0	1,200,490
Miscellaneous	0	129	0	0	129
Total Revenues	6,291,496	6,879,801	3,262,765	500	16,434,562
EXPENDITURES					
Highways & Streets	0	11,607,865	8,847,868	0	20,455,733
Land Acquisition, Capital Improvements and Other	750	0	0	310	1,060
Total Expenditures	750	11,607,865	8,847,868	310	20,456,793
Revenues over/(under) Expenditures	6,290,746	(4,728,064)	(5,585,103)	190	(4,022,231)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	2,400,000	0	2,400,000
Transfers In	0	4,235,125	4,044,056	0	8,279,181
Transfers Out	(6,290,746)	(225,000)	(1,254,488)	0	(7,770,234)
	(6,290,746)	4,010,125	5,189,568	0	2,908,947
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(0)	(717,939)	(395,535)	190	(1,113,284)
FUND BALANCE AT JUNE 30, 2018	0	1,207,321	861,242	53,446	2,122,009

<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, 2017	0	479,232	479,232
REVENUES			
Property Taxes	0	1,531,113	1,531,113
Intergovernmental	298,503	26,499	325,002
Interest Income	310	6,500	6,810
Miscellaneous	168,526	0	168,526
Total Revenues	467,339	1,564,112	2,031,451
EXPENDITURES			
Land Acquisition, Capital Improvements and Other	467,339	486,730	954,069
Total Expenditures	467,339	486,730	954,069
Revenues over/(under) Expenditures	0	1,077,382	1,077,382
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	(230,468)	(230,468)
FUND BALANCE AT JUNE 30, 2018	0	248,764	248,764

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, 2017	2,030,679	248,159	160,981	2,439,820
REVENUES				
Property Taxes	9,960,388	0	0	9,960,388
Intergovernmental	172,427	0	0	172,427
Interest Income	40,000	0	0	40,000
Total Revenues	10,172,815	0	0	10,172,815
EXPENDITURES				
Public Safety	10,435,130	247,285	73,560	10,755,975
Land Acquisition, Capital Improvements and Other	76,000	0	0	76,000
Total Expenditures	10,511,130	247,285	73,560	10,831,975
Revenues over/(under) Expenditures	(338,315)	(247,285)	(73,560)	(659,160)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(338,315)	(247,285)	(73,560)	(659,160)
FUND BALANCE AT JUNE 30, 2018	1,692,365	874	87,421	1,780,660

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. Overall tax revenue will increase by 1.8% in FY 17/18 from an increase in taxable value, partially offset by a Headlee Rollback of the millage, as shown below.

CITY OF FARMINGTON HILLS MUNICIPAL STREET FUND

<u>Advalorem</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Total Advalorem TV (less Sr. + Ren. Zone)	3,114,250,547	3,198,471,000
Less: Delinquent Personal TV	(10,053,254)	(10,064,173)
Less: CIA TV	0	(499,000)
Less: Brownfield TV	(11,303,910)	(11,447,540)
Applicable TV	3,092,893,384	3,176,460,288
Millage	<u>0.00199080</u>	<u>0.00197380</u>
Applicable Levy	<u>6,157,332</u>	<u>6,270,578</u>
<u>IFT</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Total TV	1,036,930	929,350
Millage	<u>0.00099540</u>	<u>0.00098690</u>
Applicable Levy	<u>1,032</u>	<u>917</u>

Expenditures

The Municipal Street Fund intends to appropriate 100% of its tax revenue to the Major and Local Road Funds in FY 2017/18 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, 2018.

Municipal Street Fund

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$27,679 or 0.4% decrease from the current budget.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$1,067,495 or 14.5% decrease from the FY 16-17 year-end projection.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Municipal Street Fund	\$0	\$5,045,349	\$7,386,670	\$7,358,991	\$6,291,496

Municipal Street Fund

MUNICIPAL STREET FUND

FUND NUMBER: 201

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1		0	0	1,180,627	1,180,627	0	0
REVENUES							
403 008	Road Millage Property Tax	0	6,217,175	6,202,596	6,157,332	6,270,578	6,270,578
031	IFT Payments	0	1,515	1,032	1,032	917	917
664 005	Interest Income	0	7,286	3,500	20,000	20,000	20,000
TOTAL REVENUES		0	6,225,976	6,207,128	6,178,364	6,291,496	6,291,496
TOTAL REVENUES AND OTHER FINANCING SOURCES							
		0	6,225,976	6,207,128	6,178,364	6,291,496	6,291,496
(500) EXPENDITURES							
996 003	Miscellaneous/Audit Expenditures	0	0	500	750	750	750
TOTAL EXPENDITURES		0	0	500	750	750	750
(299) OTHER FINANCING USES							
801 101	Transfer to General Fund	0	0	0	0	0	0
801 202	Transfer to Major Road Fund	0	2,795,349	3,693,085	3,679,121	4,235,125	4,235,125
801 203	Transfer to Local Road Fund	0	2,250,000	3,693,085	3,679,120	2,055,621	2,055,621
TOTAL OTHER FINANCING USES		0	5,045,349	7,386,170	7,358,241	6,290,746	6,290,746
TOTAL EXPENDITURES AND OTHER FINANCING USES							
		0	5,045,349	7,386,670	7,358,991	6,291,496	6,291,496
Revenue over/(under) Expenditures		0	1,180,627	(1,179,542)	(1,180,627)	(0)	(0)
FUND BALANCE AT JUNE 30		0	1,180,627	1,085	0	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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Pothole Patching - tons of cold patch	70	50	35
	Pavement Replacement --tons of asphalt	7,350	7,000	7,000
	Pavement Replacement - yards of 8" concrete	11,840	8,700	8,800
	Joint Sealing/Overband-pounds	336,990	300,000	310,000
	Sweeping – curb miles	370	370	370
	Snow/Ice Control – tons of salt	3,600	3,600	4,000
	Storm Drain Structure Repairs – each	25	30	40
	Ditching – lineal feet	4,051	4,100	4,050
	Traffic Counts - approaches	10	40	40
	Roadside Cleanup – roadside miles	825	825	825
	Roadside Mowing – swath mile (5 ft. wide cut)	170	180	180
	Lawn Mowing – acres	1,500	1,500	1,500
	Sign Install/Repair – each	70	70	60
	Efficiency	Maintenance cost/major road mile	85,700	82,800
Miles per Road Maintenance personnel.		2.9	2.9	2.8
Major Road mileage		58	58	58

REVENUE/OTHER FINANCING SOURCES – FY 2017/18

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 50% of the budgeted resources needed to fund the Major Road Fund, is projected to increase by 18% for FY 2017/18, based on MDOT estimates of Gas & Weight Tax.

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, and (2) 13 Mile Road between Haggerty and Halsted.

Major Roads

Other Revenue:

Miscellaneous Income – Minimal revenue projected in 17/18.

Interest on Investments – Consistent revenue projected for 17/18.

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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$1,772,977 or 14% decrease from the current budget.
- The decrease results primarily from less projected construction expenditures compared to budget.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$805,711 or 7% increase from the FY 16-17 year-end projection, and \$967,266 or 8% decrease from the FY 16-17 budget.
- The budget to budget decrease results primarily from less construction costs (\$1,184,200); partially offset by more routine maintenance (\$118,600), more traffic service costs (\$14,600), more winter maintenance (\$62,900), and more administrative costs (\$20,800).
- Fund balance is projected to be \$1,207,321 or 10% of Total Expenditures and Other Financing Uses at June 30, 2018. The \$717,939 or 37% reduction in fund balance is due primarily to planned construction projects.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Major Road Fund	\$4,774,008	\$7,232,899	\$12,800,131	\$11,027,154	\$11,832,865

Major Roads

MAJOR ROAD FUND

FUND NUMBER: 202

Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	2,765,343	2,984,378	3,601,945	3,601,945	1,925,260	1,925,260
REVENUES						
Intergovernmental Revenues						
Gas & Weight Tax (Act 51)	3,906,412	4,122,242	4,904,612	4,715,000	5,586,000	5,586,000
State of Michigan - General Fund Appropriation	354,136	73,672	0	0	0	0
Build Michigan Program Revenue	132,808	132,725	132,728	132,695	132,700	132,700
Metro Act Franchise	213,223	287,659	220,000	220,000	220,000	220,000
Other Government (County, etc.)	9,929	352,342	89,000	27,301	176,900	176,900
Federal/State Grants	300,725	54,367	1,473,000	554,223	741,072	741,072
Total Intergovernmental Revenues	4,917,234	5,023,007	6,819,340	5,649,219	6,856,672	6,856,672
Miscellaneous Income	129	129	130	129	129	129
Interest on Investments	680	31,981	25,500	22,000	23,000	23,000
Total Other Revenues	809	32,110	25,630	22,129	23,129	23,129
TOTAL REVENUES	4,918,043	5,055,117	6,844,970	5,671,348	6,879,801	6,879,801
OTHER FINANCING SOURCES						
Contributions from other Funds:						
Municipal Street Fund	0	2,795,349	3,693,085	3,679,121	4,235,125	4,235,125
General Fund	75,000	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES	75,000	2,795,349	3,693,085	3,679,121	4,235,125	4,235,125
TOTAL REVENUES AND OTHER FINANCING SOURCES	4,993,043	7,850,466	10,538,055	9,350,469	11,114,926	11,114,926

Major Roads

FUND NUMBER: 202

Acct.		2014/15	2015/16	2016/17	2016/17	2017/18	2017/18
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
EXPENDITURES							
(451) CONSTRUCTION							
	Category Total	1,348,141	1,994,467	7,701,155	5,897,819	6,516,936	6,516,936
(463) ROUTINE MAINTENANCE							
011	Surface Maint - Labor	441,606	442,502	518,329	510,792	566,356	566,356
012	Surface Maint - Equip Rent	243,000	243,000	246,700	246,700	246,700	246,700
013	Surface Maint - Materials	37,603	34,927	56,700	56,700	56,700	56,700
014	Joint Sealing Program	203,063	294,849	414,100	414,100	414,100	414,100
015	Pavement Replacement	475,854	1,990,363	1,260,000	1,260,000	1,260,000	1,260,000
016	Surface Maint - Contract	26,986	24,026	50,000	50,000	50,000	50,000
021	Guard Rails - Labor	9,667	9,687	10,793	10,636	11,793	11,793
022	Guard Rails - Equip Rent	2,000	2,000	2,000	2,000	2,000	2,000
023	Guard Rails - Materials	109	76	2,000	2,000	2,000	2,000
024	Guard Rails - Contract	400	60,654	45,000	45,000	45,000	45,000
031	Sweep & Flush - Labor	19,225	19,263	21,463	21,151	23,452	23,452
032	Sweep & Flush - Equip Rent	35,500	35,500	36,000	36,000	36,000	36,000
033	Sweep & Flush - Materials	1,448	0	3,000	3,000	3,000	3,000
034	Sweep & Flush - Contract	28,023	16,932	33,000	33,000	33,000	33,000
041	Shoulder Maint - Labor	19,225	19,263	21,463	21,151	23,452	23,452
042	Shoulder Maint - Equip Rent	25,400	25,400	25,800	25,800	25,800	25,800
051	Forestry Maint - Labor	77,007	77,163	85,976	84,726	93,942	93,942
052	Forestry Maint - Equip Rent	40,703	40,600	41,200	41,200	41,200	41,200
054	Forestry Maint - Contract	52,164	70,530	86,000	110,000	110,100	110,100
061	Drain Structures - Labor	19,225	19,263	21,463	21,151	23,452	23,452
062	Drain Structures - Equip	15,200	15,200	15,500	15,500	15,500	15,500
063	Drain Structures - Mat	4,265	11,731	10,000	7,000	10,000	10,000
064	Drain Structures - Contract	68,233	49,416	108,800	108,800	108,800	108,800
071	Ditching & Bk Slope - Labor	57,783	57,900	64,368	63,432	70,332	70,332
072	Ditching & Bk Slope - Equip	27,783	27,000	27,400	27,400	27,400	27,400
073	Ditching & Bk Slope - Mat	5,264	11,970	14,000	14,000	14,000	14,000
081	Road Cleanup - Labor	19,225	19,263	21,463	21,151	23,452	23,452
082	Road Cleanup - Equip Rent	6,838	10,200	10,400	10,400	10,400	10,400
091	Grass/Weed - Labor	52,290	52,396	58,380	57,531	63,789	63,789
092	Grass/Weed - Equip Rental	20,300	20,300	20,600	20,600	20,600	20,600
093	Grass/Weed - Materials	1,491	68	3,500	3,500	3,500	3,500
094	Grass/Weed - Contract	211,679	239,254	286,800	290,000	305,000	305,000
	Category Total	2,248,558	3,940,698	3,622,198	3,634,421	3,740,820	3,740,820

Major Roads

FUND NUMBER: 202

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(474) TRAFFIC SERVICES - MAINT.							
011	Sign Maint - Labor	105,897	106,112	118,231	116,512	129,186	129,186
012	Sign Maint - Equip Rent	15,200	15,200	15,500	15,500	15,500	15,500
013	Sign Maint - Materials	16,451	35,990	18,000	18,000	18,000	18,000
024	Signal Maint - Contract	150,321	121,475	155,000	155,000	155,000	155,000
031	Pavement Striping - Labor	2,197	2,202	2,453	2,417	2,680	2,680
032	Pavement Striping - Equip	1,000	1,000	1,100	1,100	1,100	1,100
033	Pavement Striping - Mat.	0	0	500	500	500	500
034	Pavement Striping - Contract	40,339	142,003	183,200	183,200	183,200	183,200
041	Traffic Count - Labor	14,062	14,089	15,699	15,471	17,154	17,154
042	Traffic Count - Equip Rent	5,655	5,500	5,600	5,600	5,600	5,600
043	Traffic Counts - Other	793	395	2,500	4,500	4,500	4,500
050	Overhead Lighting	23,414	30,946	25,000	25,000	25,000	25,000
	Category Total	375,328	474,912	542,783	542,800	557,420	557,420
(478) WINTER MAINTENANCE							
001	Snow/Ice Control - Labor	125,123	125,376	139,695	137,664	152,639	152,639
002	Snow/Ice Control - Equip	97,344	85,450	86,300	86,300	86,300	86,300
003	Snow/Ice Control - Mat	295,948	343,420	400,000	400,000	450,000	450,000
	Category Total	518,415	554,246	625,995	623,964	688,939	688,939
(482) ADMIN., RECORDS, ENGINEERING							
001	Admin., Records, Eng.	9,224	90	15,000	25,000	25,000	25,000
002	Traffic Improvement Assoc.	26,300	27,000	28,000	27,900	28,500	28,500
003	Pavement Management update	13,543	6,782	15,000	15,000	15,000	15,000
012	Third Party Equipment Rental	0	204	15,000	15,000	15,000	15,000
021	Audit Fees	9,500	9,500	10,000	20,250	20,250	20,250
	Category Total	58,567	43,576	83,000	103,150	103,750	103,750
	TOTAL EXPENDITURES	4,549,008	7,007,899	12,575,131	10,802,154	11,607,865	11,607,865
(485) OTHER FINANCING USES							
	Contributions to other Funds:						
001	Local Roads	225,000	225,000	225,000	225,000	225,000	225,000
	TOTAL OTHER FINANCING USES	225,000	225,000	225,000	225,000	225,000	225,000
TOTAL EXPENDITURES AND OTHER FINANCING USES		4,774,008	7,232,899	12,800,131	11,027,154	11,832,865	11,832,865
	Revenues over/(under) Expenditures	219,035	617,567	(2,262,076)	(1,676,685)	(717,939)	(717,939)
FUND BALANCE AT JUNE 30		2,984,378	3,601,945	1,339,869	1,925,260	1,207,321	1,207,321
Fund Balance as a % of Total Expenditures and Other Financing Uses		62.51%	49.80%	10.47%	17.46%	10.20%	10.20%

Major Roads

MAJOR ROAD CONSTRUCTION DETAIL

PROJECTS	Total Cost	Spent Through 6/30/2016	Project Commitment Remaining	To Be Expended in 16/17				To be Spent in 2017/18 and Beyond
				Gas & Weight Tax / Fund Balance	Grants	Road Millage	Other Govt. (OC, State)	
<u>2009/2010</u>								
NW Hwy Connector Ph 1 (Remainder - ROW) - 047 - OPEN	350,000	N/A	350,000	0	0	0	0	350,000
14 Mile, Haggerty to Drake - 2012 - 131	931,888	921,888	10,000	10,000	0	0	0	0
<u>2012/2013</u>								
13 Mile Rehab, Orchard Lake to Middlebelt - 195	664,874	662,874	2,000	2,000	0	0	0	0
Orchard Lake, 13-14 Mile PE Concept -184	277,308	135,409	141,899	1,078	0	0	27,301	113,520
<u>2013/2014</u>								
Farmington, 10 Mile to 11 Mile - 084	360,422	358,422	2,000	2,000	0	0	0	0
10 Mile, Farmington to Orchard Lake - 057	445,042	405,042	40,000	0	0	0	0	40,000
Farmington, 11 Mile to 12 Mile -078	37,512	35,512	2,000	2,000	0	0	0	0
14 Mile at Halsted CMAQ SCATS Signal - 017	16,357	14,357	2,000	2,000	0	0	0	0
14 Mile at Drake CMAQ SCATS Signal - 012	14,717	12,717	2,000	2,000	0	0	0	0
Gill Road Fiberoptic School Sign - 235	23,000	4,620	18,380	18,380	0	0	0	0
<u>2015/2016</u>								
Orchard Lk Rd, 13 Mile to 14 Mile Road - DESIGN - 184	969,000	0	969,000	0	0	0	0	969,000
Colfax & Gill Road Reconstruction/CDBG Sidewalk -DESIGN-101	1,565,035	1,465,035	100,000	100,000	0	0	0	0
Inkster Road Rehabilitation from 13 Mile to 14 Mile - 500	545,290	94,706	450,584	450,584	0	0	0	0
Major Road Sidewalk ADA - Improvement	45,000	0	45,000	45,000	0	0	0	0
13 Mile, Haggerty - Halsted CONSTRUCTION - 236	490,799	297,044	193,755	0	163,753	0	0	30,002
13 Mile, Farmington - Orchard Lake CONSTRUCTION - 194	596,853	47,622	549,231	339,789	179,442	0	0	30,000
Drake, 13 Mile - 14 Mile CONSTRUCTION - 020	1,777,522	296,148	1,481,374	36,868	211,028	1,183,478	0	50,000
Colfax & Gill Road Reconstruction CONSTRUCTION - 101	1,999,034	1,190,496	808,538	0	0	788,538	0	20,000
9 Mile - Halsted Intersection Improvement Study	19,539	0	19,539	19,539	0	0	0	0
	11,129,192	5,941,892	5,187,300	1,031,238	554,223	1,972,016	27,301	1,602,522

Prior Year(s) Funds Held over for 16/17 Project Completion 3,584,778

PROJECTS	Total Cost	Spent Through 6/30/2016	Project Commitment Remaining	To Be Expended in 16/17				Portion of Remaining Amount to be Spent in 2017/18 and Beyond
				Act 51	Grants	Road Millage	Other Govt. (OC, State)	
<u>2016/2017</u>								
11 Mile, Middlebelt to Orchard Lake - DESIGN	149,000	0	149,000	149,000	0	0	0	0
11 Mile, Middlebelt to Orchard Lake CONSTRUCTION	1,824,019	0	1,824,019	0	0	352,205	0	1,471,814
14 Mile/Orchard Lk rd Roundabout Construction Final Invoice	34,936	0	34,936	0	0	34,936	0	0
I-275 - 8 Mile to M-5	714,000	0	714,000	357,000	0	319,000	0	38,000
Drake Road Mill & Fill, 12 Mile - 13 Mile - CONSTRUCTION	720,000	0	720,000	0	0	216,000	0	504,000
13 Mile Halsted - Drake DESIGN	115,000	0	115,000	0	0	115,000	0	0
13 Mile Halsted - Drake CONSTRUCTION	2,000,000	0	2,000,000	0	0	600,000	0	1,400,000
Major Road Geotech	20,000	0	20,000	20,000	0	0	0	0
Major Road ADA	45,000	0	45,000	45,000	0	0	0	0
Springbrook Tapers at 10 Mile Road and Shiawassee - 037	104,900	0	104,900	34,936	0	69,964	0	0
	5,726,855	0	5,726,855	605,936	0	1,707,105	0	3,413,814

Current Year Project Costs for 16/17 2,313,041

FY 16/17 Total Project Costs 5,897,819 1,637,174 554,223 3,679,121 27,301

Major Roads

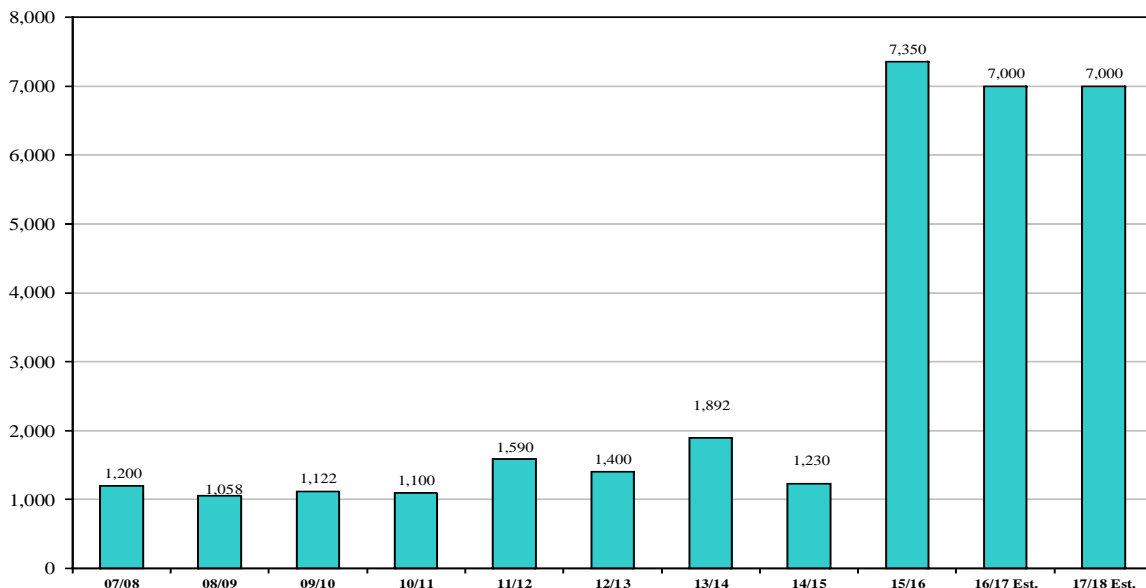
MAJOR ROAD CONSTRUCTION DETAIL

	Total Cost	Spent Through 6/30/2016	Project Commitment Remaining	To Be Expended in 17/18			Other Govt. (OC, State)	To be Spent in 2018/19 and Beyond
				Gas & Weight Tax /		Road Millage		
				Fund Balance	Grants			
<u>Carryover</u>								
NW Hwy Connector Ph 1 (Remainder - ROW) - 047	350,000	0	350,000	0	0	0	350,000	
Orchard Lake, 13-14 Mile PE Concept -184	277,308	163,788	113,520	0	113,520	0	0	
10 Mile, Farmington to Orchard Lake - 057	445,042	405,042	40,000	0	0	0	40,000	
Orchard Lk Rd, 13 Mile to 14 Mile Road - DESIGN - 184	969,000	0	969,000	76,900	615,200	0	76,900	
13 Mile, Haggerty - Halsted - CONSTRUCTION - 236	490,799	460,797	30,002	17,650	12,352	0	0	
13 Mile, Farmington - Orchard Lake - CONSTRUCTION - 194	596,853	566,853	30,000	30,000	0	0	0	
Drake, 13 Mile - 14 Mile - CONSTRUCTION - 020	1,777,522	1,727,522	50,000	50,000	0	0	0	
Drake Road Mill & Fill, 12 Mile -13 Mile- CONSTRUCTION	720,000	216,000	504,000	504,000	0	0	0	
Colfax & Gill Road Reconstruction CONSTRUCTION - 101	1,999,034	1,979,034	20,000	20,000	0	0	0	
13 Mile, Halsted - Drake - CONSTRUCTION- 197	2,000,000	600,000	1,400,000	428,453	0	971,547	0	
11 Mile, Middlebelt to Orchard Lake Road	1,824,019	352,205	1,471,814	0	0	1,471,814	0	
I-275 - 8 Mile to M-5	714,000	676,000	38,000	18,000	0	0	20,000	
<u>2017/2018</u>								
County Commissioner Bi-Party Program	200,000	0	200,000	0	0	100,000	100,000	
13 Mile, Drake to Farmington - DESIGN	200,000	0	200,000	0	0	200,000	0	
Halsted Road, 12 Mile to I-696 - DESIGN	175,600	0	175,600	0	0	175,600	0	
2018 Major Road Mill & Fill - DESIGN	100,000	0	100,000	0	0	100,000	0	
2018 Major Road Mill & Fill - CONSTRUCTION	1,000,000	0	1,000,000	0	0	200,000	800,000	
Major Road Design TBD	200,000	0	200,000	0	0	200,000	0	
Misc.	50,000	0	50,000	0	0	50,000	0	
Major Road ADA	45,000	0	45,000	0	0	45,000	0	
Signal - Hills Tech Drive/Halsted	195,000	0	195,000	0	0	0	195,000	
Tri-Party - 12 Mile Haggerty to Farmington	240,000	0	240,000	0	0	240,000	0	
13 Mile, Middlebelt - Inkster - DESIGN	200,000	0	200,000	0	0	200,000	0	
13 Mile, Drake to Farmington - CONSTRUCTION	3,000,000	0	3,000,000	0	0	250,000	2,750,000	
Halsted, 12 Mile to I-696 - CONSTRUCTION	2,500,000	0	2,500,000	218,836	0	31,164	2,250,000	
	20,269,177	7,147,241	13,121,936	1,363,839	741,072	4,235,125	176,900	6,605,000

FY 17/18 Total Project Costs **6,516,936**

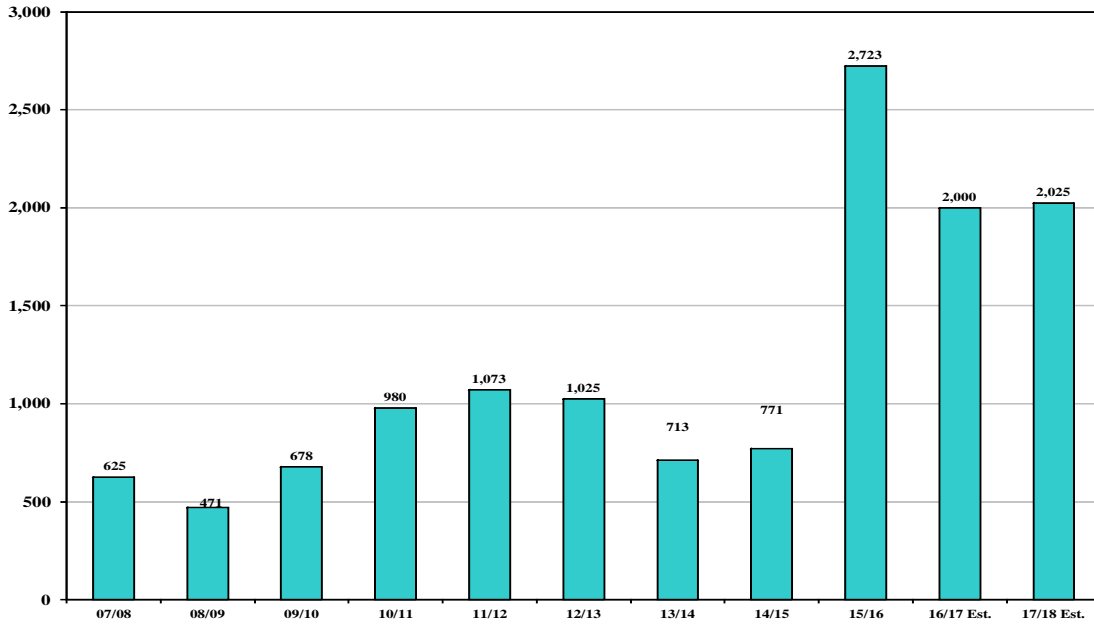
KEY DEPARTMENTAL TRENDS

ASPHALT REMOVED AND REPLACED (Tons)

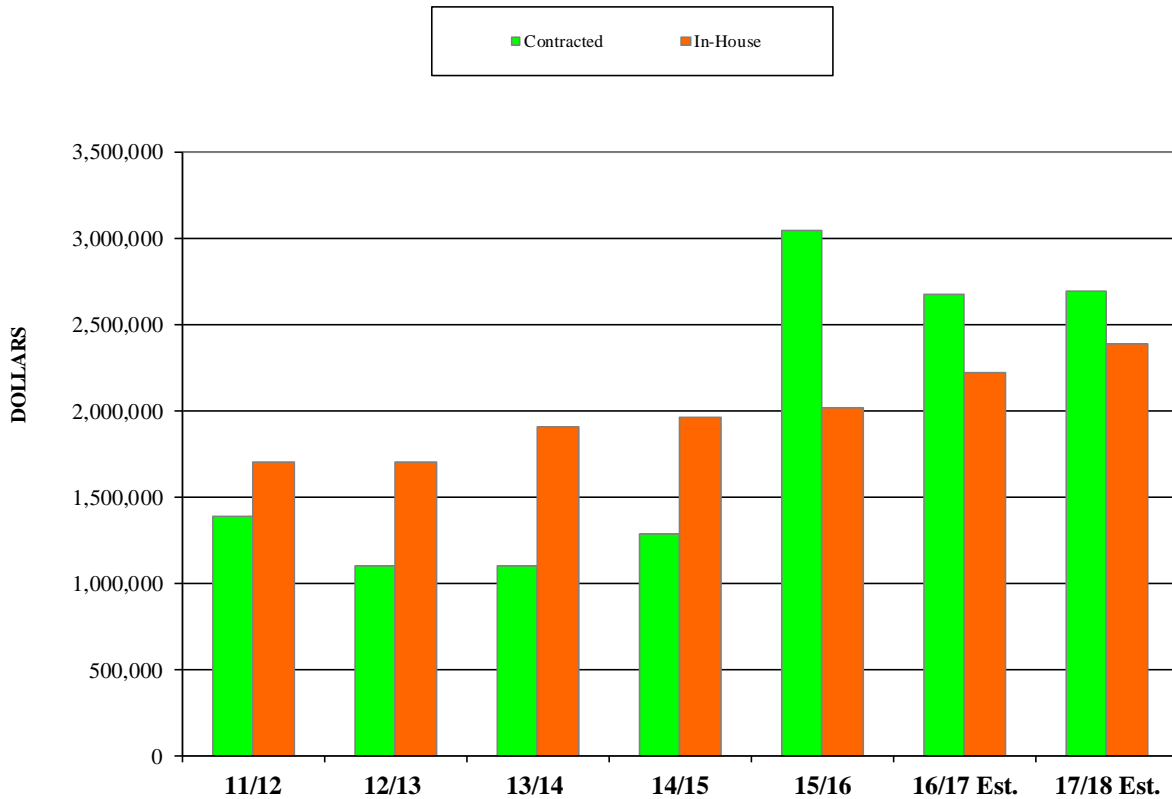


KEY DEPARTMENTAL TRENDS (Cont'd.)

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 2015/16 Actual	FY 2016/17 Projected	FY 2017/18 Estimated
Service Level	Pothole Patching – tons of cold patch	308	260	240
	Pavement Replacement – tons of asphalt	1,870	2,000	2,200
	Pavement Replacement – yards of 8” concrete	7,200	4,000	4,000
	Gravel Road Grading – miles	477	490	490
	Joint Sealing – lineal feet	273,990	265,000	270,000
	Sweeping – curb miles	1,100	1,100	1,100
	Storm Drain Structure Repairs	60	70	75
	Ditching – lineal feet	13,063	14,500	15,000
	Plowing – # of complete plowing of local roads	4	6	7
	Culvert Installations	41	46	50
	Roadside Cleanup – roadside miles	6	6	8
	Roadside Mowing – swath mile (5 ft. wide cut)	60	60	60
	Lawn Mowing – acres	125	150	130
	Sign Installations and Repairs	400	350	400
	Traffic Counts	20	40	40
Efficiency	Maintenance cost/local road mile	10,622	11,000	13,100
	Miles per Road Maintenance personnel	12.3	12.3	11.7

REVENUE/OTHER FINANCING SOURCES – FY 2017/18

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 21% of the budgeted resources needed to fund the Local Road Fund, is projected to increase by 18% for FY 2017/18, based on MDOT estimates of Gas & Weight Tax.

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 17/18.

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 - Consistent revenue projected for 17/18.

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 4% of the estimated Major Road Gas & Weight tax for FY 2017/18.

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.

Special Assessment Revolving Fund Appropriation – This is an appropriation for various road maintenance projects.

SAD Bond Proceeds - \$2,400,000 of 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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$548,582 or 4% increase from the current budget.
- The increase results primarily from projected more construction costs than budgeted; partially offset by less bond financing costs and contributions to the SAD Debt Service Fund.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$5,546,382 or 35% decrease from the FY 16-17 year end projection and \$4,997,800 or 33% decrease from the FY 16-17 current budget.
- The budget-to-budget decrease results primarily from less construction costs (\$5,612,600) and less administrative costs (\$64,900); partially offset by more routine maintenance (\$492,600), more traffic service costs (\$2,300), more winter maintenance costs (\$8,600), and more contributions to other funds (\$176,200).
- Fund balance is projected to be \$861,242 or 9% of Total Expenditure and Other Financing Uses at June 30, 2018. The \$395,535 or 32% decrease in fund balance is due primarily to increased maintenance costs.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Local Road Fund	\$3,021,801	\$6,291,215	\$15,100,156	\$15,648,738	\$10,102,356

Local Roads**LOCAL ROAD FUND**

FUND NUMBER: 203

Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	908,705	1,320,202	318,754	318,754	1,256,777	1,256,777
REVENUES						
Intergovernmental Revenues:						
Gas & Weight Tax (Act 51)	1,390,651	1,468,190	1,746,806	1,680,000	1,990,000	1,990,000
State of Michigan - General Fund Approp.	126,048	791,489	0	0	0	0
Build Michigan Fund	47,279	47,272	47,200	47,271	47,275	47,275
Fines & Forfeitures	47,500	6,051	22,500	13,000	13,000	13,000
Total	1,611,478	2,313,002	1,816,506	1,740,271	2,050,275	2,050,275
Other Revenues:						
Special Assessment Interest	0	15,546	387,867	68,808	338,861	338,861
Special Assessment Principle	0	474,416	646,478	389,024	861,629	861,629
Interest on Investments	204	10,778	1,300	11,000	12,000	12,000
Total	204	500,740	1,035,645	468,832	1,212,490	1,212,490
TOTAL REVENUES	1,611,682	2,813,742	2,852,151	2,209,103	3,262,765	3,262,765
OTHER FINANCING SOURCES						
Contributions from other Funds:						
General Fund	75,000	0	0	0	0	0
Municipal Street Fund	0	2,250,000	3,693,085	3,679,120	2,055,621	2,055,621
Major Roads	225,000	225,000	225,000	225,000	225,000	225,000
Local Road SAD Revolving (247)	1,508,972	205	1,000	0	1,763,435	1,763,435
Local Road SAD Debt Fund (813)	10,507	820	0	0	0	0
Misc	2,136	0	0	0	0	0
S.A.D Bond Proceeds	0	0	9,775,000	10,473,538	2,400,000	2,400,000
TOTAL OTHER FINANCING SOURCES	1,821,616	2,476,025	13,694,085	14,377,658	6,444,056	6,444,056
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,433,298	5,289,767	16,546,236	16,586,761	9,706,821	9,706,821

Local Roads**LOCAL ROAD FUND**

FUND NUMBER: 203

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
EXPENDITURES						
(451) CONSTRUCTION						
Category Total	950,819	3,512,998	11,105,223	12,339,987	5,492,666	5,492,666
(463) ROUTINE MAINTENANCE						
011 Surface Maint - Labor	268,589	269,134	314,037	309,471	343,135	343,135
012 Surface Maint - Equip Rent	184,000	184,000	186,800	186,800	186,800	186,800
013 Surface Maint - Materials	83,028	99,950	97,900	97,900	97,900	97,900
014 Joint Sealing Program	206,721	305,466	332,600	333,000	332,600	332,600
015 Pavement Replacement	166,797	452,736	378,000	378,000	778,000	778,000
016 Surface Main - Contract	8,995	8,009	25,000	25,000	25,000	25,000
021 Rails/Posts - Labor	7,249	7,264	8,094	7,976	8,844	8,844
022 Rails/Posts - Equip Rent	900	900	1,000	1,000	1,000	1,000
023 Rails/Posts - Materials	38	0	500	500	500	500
024 Rails/Posts - Contract	0	7,200	12,000	12,000	12,000	12,000
031 Sweep & Flush - Labor	21,751	21,794	24,283	23,930	26,533	26,533
032 Sweep & Flush - Equip Rent	55,000	55,000	55,900	55,900	55,900	55,900
034 Sweep & Flush - Contract	80,828	44,663	89,000	89,000	89,000	89,000
041 Shoulder Maint - Labor	3,295	3,301	3,679	3,626	4,020	4,020
042 Shoulder Maint - Equip Rent	4,000	4,000	4,100	4,100	4,100	4,100
051 Forestry Maint - Labor	72,612	72,759	81,068	79,889	88,580	88,580
052 Forestry Maint - Equip Rent	43,176	43,000	43,700	43,700	43,700	43,700
054 Forestry Maint - Contract	24,097	40,987	51,000	76,000	76,000	76,000
061 Drain Structures - Labor	45,808	45,902	51,143	50,399	55,882	55,882
062 Drain Structures - Equip	28,000	28,000	28,400	28,400	28,400	28,400
063 Drain Structures - Mat	1,076	5,788	8,000	6,000	8,000	8,000
064 Drain Structures - Contract	141,099	241,038	216,050	216,050	216,050	216,050
071 Ditching & Bk Slope - Labor	178,180	178,542	198,933	196,040	217,366	217,366
072 Ditching & Bk Slope - Equip	120,000	120,000	121,800	121,800	121,800	121,800
073 Ditching & Bk Slope - Mat	33,131	41,210	45,000	45,000	45,000	45,000
081 Road Cleanup - Labor	2,197	2,202	2,451	2,415	2,678	2,678
082 Road Cleanup - Equip Rent	1,000	1,000	1,050	1,050	1,050	1,050
091 Grass/Weed - Labor	21,751	21,794	24,228	23,876	26,473	26,473
092 Grass/Weed - Equip Rental	20,900	20,900	21,200	21,200	21,200	21,200
093 Grass/Weed - Materials	1,896	0	4,100	4,100	4,100	4,100
094 Grass/Weed - Contract	0	0	1,000	1,000	3,000	3,000
103 Dust Control - Materials	0	0	7,000	3,500	7,000	7,000
104 Dust Control - Contract	35,648	85,155	53,100	53,100	53,100	53,100
Category Total	1,861,762	2,411,693	2,492,116	2,501,722	2,984,711	2,984,711

Local Roads

FUND NUMBER: 203

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
(474) TRAFFIC SERVICES - MAINT.							
011	Sign Maint - Labor	21,751	21,794	24,228	23,876	26,473	26,473
012	Sign Maint - Equip Rent	5,500	5,500	5,600	5,600	5,600	5,600
013	Sign Maint -Materials	7,232	6,089	8,200	8,200	8,200	8,200
	Category Total	<u>34,483</u>	<u>33,383</u>	<u>38,028</u>	<u>37,676</u>	<u>40,273</u>	<u>40,273</u>
(478) WINTER MAINTENANCE							
001	Snow/Ice Control - Labor	82,829	82,998	92,269	90,927	100,818	100,818
002	Snow/Ice Control - Equip	85,173	85,000	86,275	86,275	86,275	86,275
003	Snow/Ice Control - Material	2,336	44	0	0	0	0
	Category Total	<u>170,338</u>	<u>168,041</u>	<u>178,544</u>	<u>177,202</u>	<u>187,093</u>	<u>187,093</u>
(482) ADMIN., RECORDS, ENGINEERING							
001	Admin., Records, Eng.	0	0	10,000	10,000	10,000	10,000
002	Bond Financing Costs	0	79,550	175,000	128,799	100,000	100,000
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	4,400	4,400	5,000	15,125	15,125	15,125
	Category Total	<u>4,400</u>	<u>83,950</u>	<u>208,000</u>	<u>171,924</u>	<u>143,125</u>	<u>143,125</u>
(485) OTHER FINANCING USES							
Contribution to Other Funds							
	Local Road SAD Revolving Fund	0	0	179,858	179,858	176,935	176,935
	Local Road SAD Debt Fund	0	0	818,437	160,319	993,753	993,753
	General Debt Service Fund	0	81,150	79,950	80,050	83,800	83,800
	Category Total	<u>0</u>	<u>81,150</u>	<u>1,078,245</u>	<u>420,227</u>	<u>1,254,488</u>	<u>1,254,488</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES		<u>3,021,801</u>	<u>6,291,215</u>	<u>15,100,156</u>	<u>15,648,738</u>	<u>10,102,356</u>	<u>10,102,356</u>
Revenues over/(under) Expenditures		411,497	(1,001,448)	1,446,080	938,023	(395,535)	(395,535)
FUND BALANCE AT JUNE 30		<u>1,320,202</u>	<u>318,754</u>	<u>1,764,834</u>	<u>1,256,777</u>	<u>861,242</u>	<u>861,242</u>
Fund Balance as a % of Total Expenditures and Other Financing Uses		43.69%	5.07%	11.69%	8.03%	8.53%	8.53%

Local Roads

LOCAL ROAD CONSTRUCTION DETAIL

To Be Expended in 2016/17

PROJECTS	Total Project Cost	Spent through 06/30/2016	Project Commitment Remaining	Act 51 Local	Bond Proceeds	Road Millage	To be Spent in 2017/18 and Beyond
<u>2016/17</u>							
Orchard West Sub Road Rehabilitation	501,583	357,233	144,350	0	115,480	28,870	0
Woodbrook Sub Road Rehabilitation	1,363,414	551,514	811,900	0	649,520	162,380	0
Independence Commons Road Rehab	7,869,000	967,969	6,901,031	0	5,520,825	1,380,206	0
Briar Hill Subdivision Road Rehabilitation	1,890,999	671,623	1,219,376	0	975,501	243,875	0
Hollywood ,Westhill Woods, Tarabusi Grand River Gardens Area Sub Road Rehabilitation	2,868,056	1,016,059	1,851,997	0	1,481,598	370,399	0
<u>SAD DESIGN:</u>							
Tarabusi, Roseland Gardens/Flemings Roseland Gardens and Farmington Acres - DESIGN	260,000	0	260,000	0	0	260,000	0
Pleasant Valley Farms #1 & 2 and Old Homestead #1 - DESIGN	108,000	0	108,000	0	0	54,000	54,000
Richland Gardens Area - DESIGN	271,000	0	271,000	0	0	135,500	135,500
Cora & Haynes - DESIGN	65,000	0	65,000	0	0	32,500	32,500
Stonecreek Sub & Westlake Sub - DESIGN	350,000	0	350,000	0	0	175,000	175,000
Country Club Drive SAD	1,903,000	0	1,903,000	0	507,466	126,867	1,268,666
Paramount Ct, Buttons Orchard and Chelsea Crossing Mill & Fill	303,000	0	303,000	0	0	101,000	202,000
<u>Residential Speed Control</u>							
-Briar Hill Speed Humps	11,000	0	11,000	11,000	0	0	0
-Local Road Radar Signs and Count Panel	8,000	0	8,000	8,000	0	0	0
	17,772,052	3,564,398	14,207,654	19,000	9,250,389	3,070,598	1,867,666

Total Project Costs for 16/17

12,339,987

To Be Expended in 2017/18

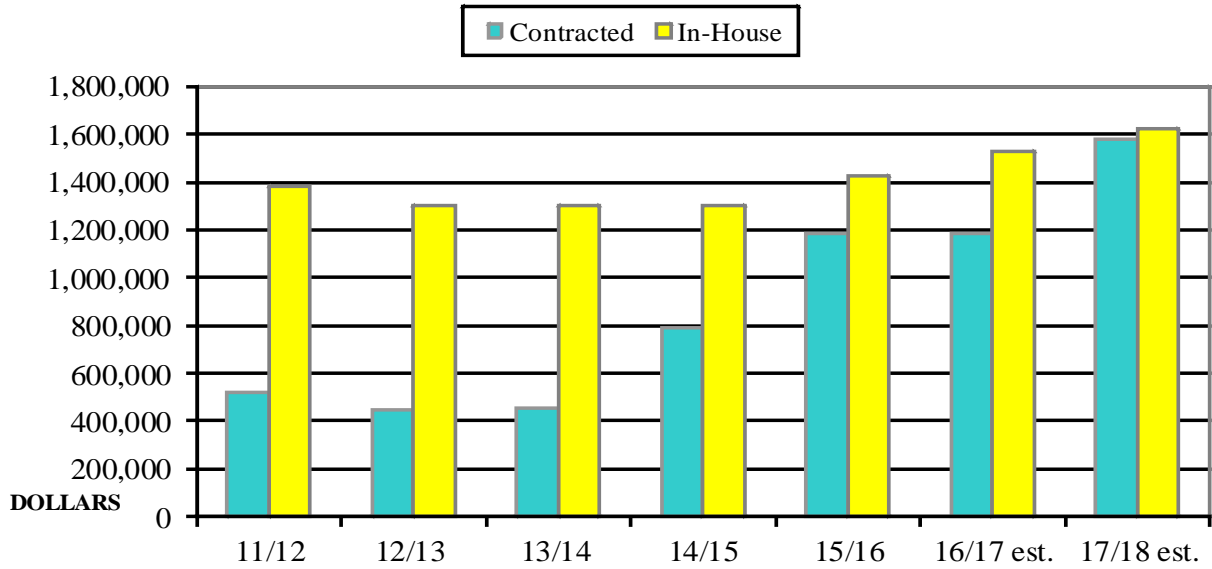
PROJECTS	Total Project Cost	Spent through 06/30/2017	Project Commitment Remaining	Act 51 Local	Bond Proceeds	Road Millage	To be Spent in 2018/19 and Beyond
<u>Carryover</u>							
<u>SAD DESIGN:</u>							
Pleasant Valley Farms #1 & 2 and Old Homestead #1 - DESIGN	108,000	54,000	54,000	0	0	54,000	0
Richland Gardens Area - DESIGN	271,000	135,500	135,500	0	0	135,500	0
Cora & Haynes - DESIGN	65,000	32,500	32,500	0	0	32,500	0
Stonecreek Sub & Westlake Sub - DESIGN	350,000	175,000	175,000	0	0	175,000	0
Country Club Drive SAD	1,903,000	634,333	1,268,667	0	994,350	274,316	0
Paramount Ct, Buttons Orchard & Chelsea Crossing Mill & Fill	303,000	101,000	202,000	0	0	202,000	0
<u>2017/18</u>							
Residential Speed Control	25,000	0	25,000	25,000	0	0	0
SAD DESIGN	300,000	0	300,000	8,858	0	291,142	0
Directed SAD	10,000,000	0	10,000,000	0	2,400,000	600,000	7,000,000
Local Road Mill & Fill Resurfacing 2018	300,000	0	300,000	0	0	300,000	0
	13,625,000	1,132,333	12,492,667	33,858	3,394,350	2,064,458	7,000,000

Total Project Costs for 17/18

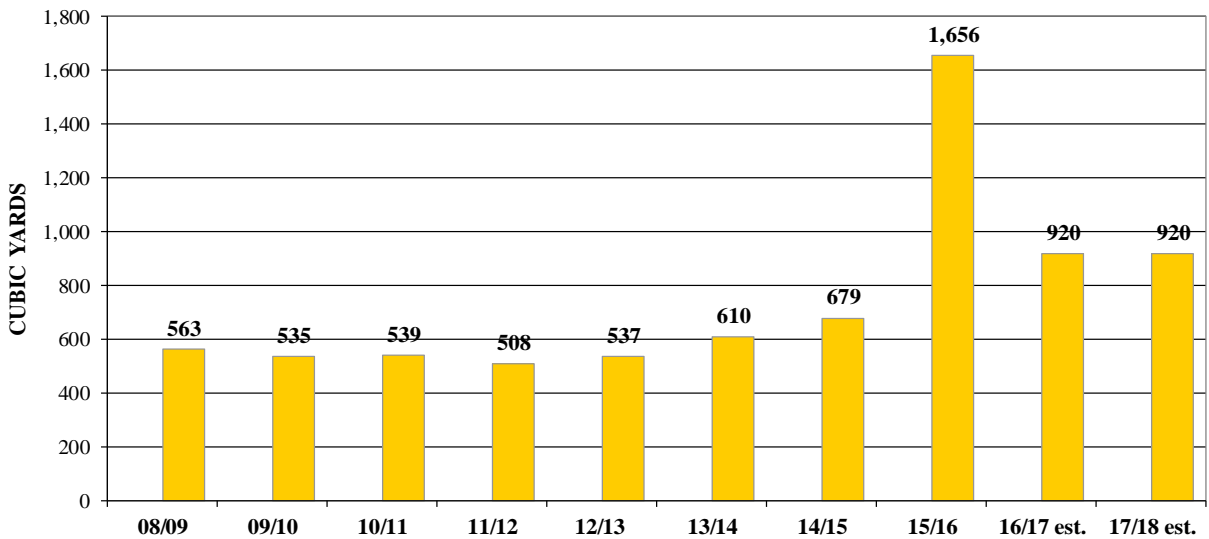
5,492,666

KEY DEPARTMENTAL TRENDS

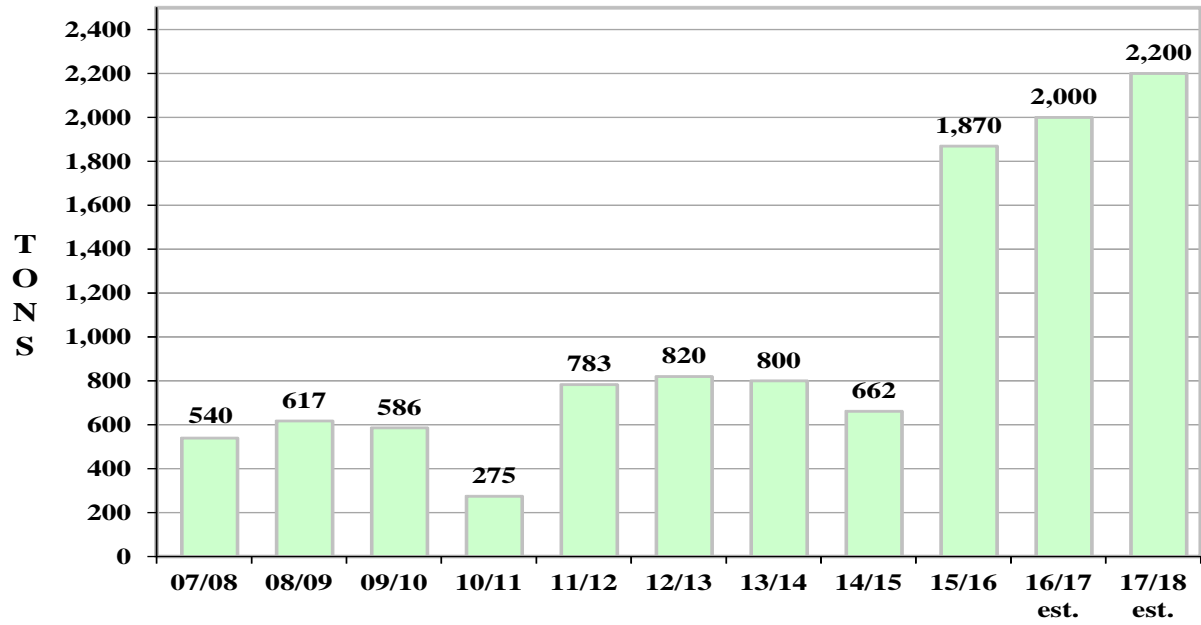
CONTRACTED VS. IN HOUSE MAINTENANCE



CONCRETE REMOVED AND REPLACED (Cubic yards)

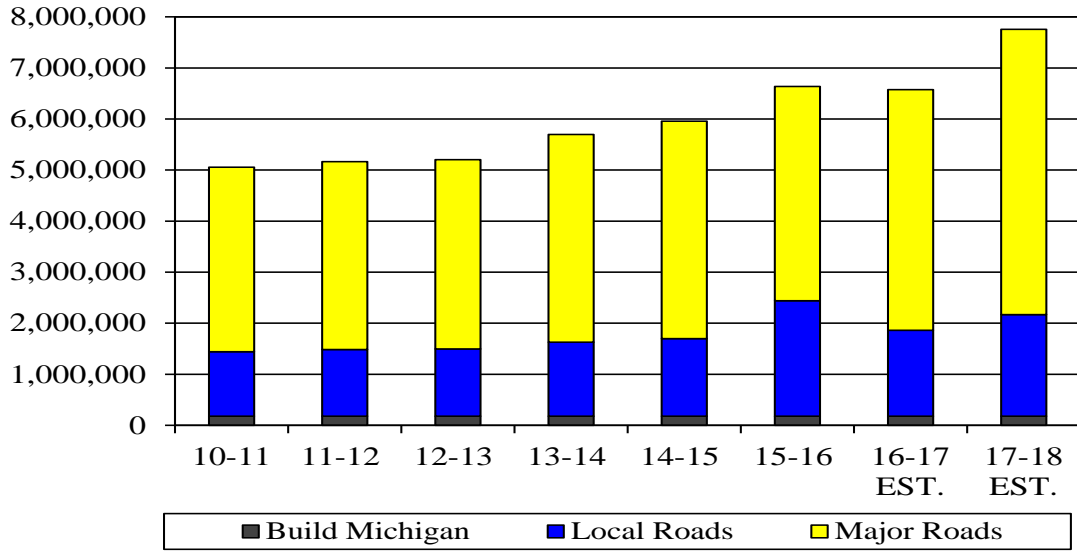


ASPHALT REMOVED AND REPLACED (TONS)



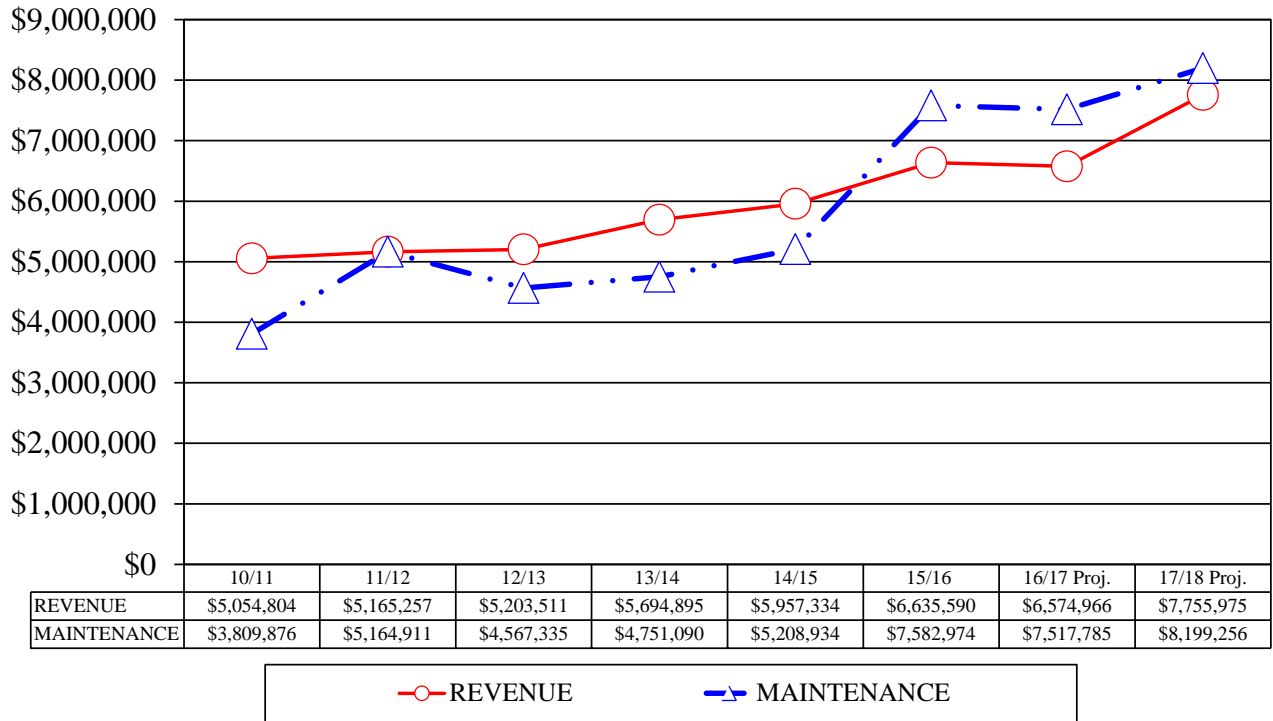
MAJOR AND LOCAL ROAD FUNDS SUMMARY

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 2017/18

Category	Major Roads	Local Roads	Eliminate Transfers Between Road Funds	Total Road Funds
Revenues				
Gas & Weight Funds (Act 51)	5,718,700	2,037,275	0	7,755,975
Fines & Forfeits	0	13,000	0	13,000
Local Road Special Assessment	0	1,200,490	0	1,200,490
Contributions From SAD Revolving Fund	0	1,763,435	0	1,763,435
Contributions From Other Governments	396,900	0	0	396,900
Federal and State Grants	741,072	0	0	741,072
Transfer From Major Roads	0	225,000	(225,000)	0
Transfer From Municipal Street Fund	4,235,125	2,055,621	0	6,290,746
Interest Income	23,000	12,000	0	35,000
Miscellaneous Income	129	0	0	129
SAD Bond Proceeds	0	2,400,000	0	2,400,000
Appropriation (To)/From Fund Balance	717,939	395,535	0	1,113,474
Total Revenues	11,832,865	10,102,356	(225,000)	21,710,221
Expenditures				
Construction	6,516,936	5,492,666	0	12,009,602
Routine Maintenance	3,740,820	2,984,711	0	6,725,531
Traffic Services Maintenance	557,420	40,273	0	597,693
Winter Maintenance	688,939	187,093	0	876,032
Transfer to SAD Revolving Fund	0	176,935	0	176,935
Transfer to Local Road SAD Debt Service Fund	0	993,753	0	993,753
Transfer to General Debt Service Fund	0	83,800	0	83,800
Admin., Records, Engineering	103,750	143,125	0	246,875
Total Maintenance	5,090,929	4,609,690	0	9,700,619
Transfer To Local Roads	225,000	0	(225,000)	0
Total Expenditures	11,832,865	10,102,356	(225,000)	21,710,221

Major and Local Road Funds Summary

TRANSPORTATION

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Gravel to Paved, Special Assessment Districts	2,400,000	480,000	NC	80 WGM	80 WGM	80 WGM	80 WGM	80 WGM	80 WGM	
Local Road Rehabilitation, Special Assessment Districts (See Local Road SAD sheet)	60,000,000	12,000,000	NC	2,000 WGM	2,000 WGM	2,000 WGM	2,000 WGM	2,000 WGM	2,000 WGM	
Tri-Party TBD	2,450,000	810,000	NC	235 WGM	115 WGM	115 WGM	115 WGM	115 WGM	115 WGM	
Capital Preventative Maintenance Projects (see Capital Preventative Maint Sheet)	6,275,000	6,275,000	NC	975 WGM	825 WGM	1,100 WGM	1,100 WGM	975 WGM	1,300 WGM	
Industrial/Commercial Rd Rehabilitation Special Assessment Districts (See Industrial/Commercial SAD spreadsheet)	22,325,000	4,465,000	NC	420 WGM	95 WGM	290 WGM	220 WGM	310 WGM	1,300 WGM	1,830 WGM
Eleven Mile Road, Orchard Lake to Middlebelt	3,200,000	1,600,000	NC	1,600 WGM						
Halsted, I-696 to Twelve Mile	1,900,000	1,900,000	NC	1,900 WGM						
Power Road, Ten Mile to Eleven Mile Road	1,850,000	1,850,000	NC		1,850 WGM					
Thirteen Mile Road, Drake to Farmington	2,785,000	835,000	NC		835 WGM					
Orchard Lake Boulevard, Thirteen to Fourteen Mile - ROW & Construction	33,000,000	5,500,000	NC		1,700 WGM	1,850 WGM		1,950 WGM		
Thirteen Mile Road, Middlebelt to Inkster Road	2,520,000	756,000				756 WGM				
Farmington, Twelve Mile to Thirteen Mile	2,000,000	2,000,000	NC			2,000 WGM				
Nine Mile, Halsted to Drake	2,100,000	2,100,000	NC				2,100 WGM			
SUB-TOTAL:	\$142,805,000	\$40,571,000	0	7,210	7,500	8,191	5,615	5,430	4,795	1,830

Major and Local Road Funds Summary

TRANSPORTATION (continued)

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Nine Mile/Halsted Intersection Improvements	1,600,000	800,000	NC					800 WGM		
Grand River Corridor Improvement Authority (CIA) Projects	10,000,000	0	NC							WGM
Eleven Mile Road, Middlebelt to Inkster	2,000,000	2,000,000	NC							2,000 WGM
Twelve Mile Widening, Inkster to Middlebelt	10,625,000	1,062,500	NC							1,063 WG
Ten Mile/Grand River/M-5 Phase II	20,000,000	250,000	NC							250 WG
Thirteen Mile Widening, Middlebelt to Orchard Lake	10,625,000	3,187,500	NC							3,188 WG
Orchard Lake Boulevard, Twelve to Thirteen Mile	45,000,000	4,500,000	NC							4,500 WG
Nine Mile Road, Drake to Gill, Reconstruction	1,000,000	1,000,000	NC							1,000 WG
Grand River, Ten Mile to Shiawassee	30,000,000	750,000	NC							750 WG
Grand River, Shiawassee to M-5 end	22,500,000	562,500	NC							562 WG
Grand River, M-5 to Eight Mile	19,000,000	475,000	NC							475 WG
Eleven Mile Road, Farmington to Orchard Lake	2,000,000	2,000,000	NC							2,000 WG
PAGE 2 SUB-TOTAL:	\$174,350,000	\$16,587,500	\$0	0	0	0	0	800	0	15,787
PAGE 1 SUB-TOTAL:	\$142,805,000	\$40,571,000	0	7,210	7,500	8,191	5,615	5,430	4,795	1,830
TOTAL:	\$317,155,000	\$57,158,500	\$0	7,210	7,500	8,191	5,615	6,230	4,795	17,617

Major and Local Road Funds Summary

LOCAL ROADS

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Flemings Roseland Park	1,950,000	390,000	NC	390 M						
Tarabusi Roseland Gardens	1,950,000	390,000	NC	390 M						
Old Homestead and Pleasant Valley Farms #1	1,650,000	330,000	NC	330 M						
Oakland Hills Orchard	1,400,000	280,000	NC	280 M						
Supervisor's Plat #13 - Sunnydale	550,000	110,000	NC	110 M						
Fendt's Hilldale Subdivision - Bridgeman	550,000	110,000	NC	110 M						
Supervisor's Middlebelt & Ten Mile Road. Plat #2	1,020,000	204,000	NC	204 M						
Farmington Acres	815,000	163,000	NC	163 M						
Farmington View Sub	330,000	66,000	NC	66 M						
Tarabusi Grand River Gardens (Concrete)	1,250,000	250,000	NC		250 M					
Westlake Subdivision (HMA)	865,000	173,000	NC		173 M					
Stone Creek Subdivision (Concrete)	460,000	92,000	NC		92 M					
Westlake Subdivision (Concrete)	5,650,000	1,130,000	NC		1,130 M					
Drake Farm Sub	305,000	61,000	NC		61 M					
SUB-TOTAL:	\$18,745,000	\$3,749,000	NC	2,043	1,706	0	0	0	0	0

Major and Local Road Funds Summary

LOCAL ROADS (continued)

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures are shown in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Stone Creek Sub (HMA)	420,000	84,000	NC		84 M					
Fairway Hills	235,000	47,000	NC		47 M					
Grand River Homes Subdivision (HMA)	30,000	6,000	NC		6 M					
Richland Gardens Subdivision	5,600,000	1,120,000	NC		1,120 M					
Wedgewood Commons	3,600,000	720,000	NC			720 M				
Heritage Hills	10,650,000	2,130,000	NC			330 M	1,800 M			
Supervisor's Sub #8	500,000	100,000	NC					100 M		
Woodcreek Hills Subdivision	2,000,000	400,000	NC					400 M		
Supervisor's Plat of Quaker Valley Farms	1,650,000	330,000	NC					330 M		
Normandy Hills	1,310,000	262,000	NC					262 M		
Coventry	400,000	80,000	NC					80 M		
Woodland Trails Subdivision	900,000	180,000	NC					180 M		
Halsted Estates Condos	275,000	55,000	NC					55 M		
Franklin Forest Subdivision	730,000	146,000	NC					146 M		
Canterbury West	555,000	111,000	NC					111 M		
Franklin Oaks	430,000	86,000	NC					86 M		
Grand Gardens (Olde Town/Meadowbrook Heights)	275,000	55,000	NC					55 M		
PAGE 2 SUB-TOTAL:	\$29,560,000	\$5,912,000		0	1,257	1,050	1,800	1,805	0	0
PAGE 1 SUB-TOTAL:	\$18,745,000	\$3,749,000	NC	2,043	1,706	0	0	0	0	0
TOTAL:	\$48,305,000	\$9,661,000		2,043	2,963	1,050	1,800	1,805	0	0

Major and Local Road Funds Summary

LOCAL ROADS (continued)

PROJECT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	City Cost figures are show in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Arbor Park Subdivision	800,000	160,000	80% SAD 20% City						160 M	
Camelot Courts Subdivision	4,308,000	862,000	80% SAD 20% City						862 M	
Krave's Grand River Heights	2,035,000	407,000	80% SAD 20% City						407 M	
Farmington Hills Subdivision	1,300,000	260,000	80% SAD 20% City						260 M	
Farm Meadows Subdivision	1,600,000	320,000	80% SAD 20% City						320 M	
Meadowbrook Heights Subdivision	820,000	164,000	80% SAD 20% City							164 M
Country Corner	360,000	72,000	80% SAD 20% City							72 M
Hunters Pointe Colony	300,000	60,000	80% SAD 20% City							60 M
Grand River Homes	4,000,000	800,000	80% SAD 20% City							800 M
Willowbrook Commons	1,800,000	360,000	80% SAD 20% City							360 M
Woodstream Farms Subdivision	2,850,000	570,000	80% SAD 20% City							570 M
Barbizon Estates	2,000,000	400,000	80% SAD 20% City							400 M
PAGE 3 SUB-TOTAL:	\$22,173,000	\$4,435,000		0	0	0	0	0	2,009	2,426
PAGE 2 SUB-TOTAL:	\$29,560,000	\$5,912,000		0	1,257	1,050	1,800	1,805	0	0
PAGE 1 SUB-TOTAL:	\$18,745,000	\$3,749,000		2,043	1,706	0	0	0	0	0
TOTAL:	\$70,478,000	\$14,096,000		2,043	2,963	1,050	1,800	1,805	2,009	2,426

INDUSTRIAL/COMMERCIAL ROADS

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Country Club Corporate Park (Country Club Dr.)	2,100,000	420,000	NC	420 M						
Farmington Hills IRO Park North (Enterprise Ct.)	475,000	95,000	NC		95 M					
Farmington Interchange Industrial Park (Interchange Dr. & Ct.)	1,400,000	280,000	NC			280 M				
North Industrial Drive	1,100,000	220,000	NC				220 M			
Supervisor's Plat # 11 (Hathaway Street)	1,100,000	220,000	NC					220 M		
Farmington Research & Industrial Center Indoplex Circle	1,550,000	310,000	NC						310 M	
Farmington Freeway Industrial Park, 1, 2 and 3	6,500,000	1,300,000	NC							1,300 M
TOTAL:	\$14,225,000	\$2,845,000		420	95	280	220	220	310	1,300

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 2017/18 other than annual audit fees.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- No change projected.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$10 increase from the FY 16-17 year-end projection and budget.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Deferred S.A. Fund	\$300	\$300	\$300	\$300	\$310

Fund Number: 255

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	52,534	52,536	52,986	53,086	53,256	53,256
REVENUES						
664-005 Interest Income	302	750	400	470	500	500
Total Revenues	302	750	400	470	500	500
EXPENDITURES						
996-00: Miscellaneous	300	300	300	300	310	310
Total Expenditures	300	300	300	300	310	310
Revenues over/(under) Expenditures	2	450	100	170	190	190
FUND BALANCE AT JUNE 30	52,536	52,986	53,086	53,256	53,446	53,446

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 estimated tax captures and delinquent 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. Beginning in FY 16/17 this Fund also received a reimbursement from the State of Michigan for the exemption of certain personal property taxes, per the State’s phased-in personal property tax reform. Overall tax revenue will increase by 1.9% in FY 17/18 from an increase in taxable value, partially offset by a Headlee Rollback of the millage, as shown below.

CITY OF FARMINGTON HILLS
PARKS & RECREATION MILLAGE

<u>Advalorem</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Total Advalorem TV (less Sr. + Ren. Zone)	3,114,250,547	3,198,471,000
Less: Delinquent Personal TV	(10,053,254)	(10,064,173)
Less: CIA TV	0	(499,000)
Less: Brownfield TV	(11,303,910)	(11,447,540)
Applicable TV	3,092,893,384	3,176,460,288
Millage	<u>0.00048595</u>	<u>0.00048170</u>
Applicable Levy	<u>1,503,005</u>	<u>1,530,889</u>
<u>IFT</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Total TV	1,036,930	929,350
Millage	<u>0.00024298</u>	<u>0.00024085</u>
Applicable Levy	<u>252</u>	<u>224</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 \$230,468 or 48% to \$248,764 by June 30, 2018, which is 14% of Total Expenditures and Other Financing Uses.

Parks Millage Fund

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$12,307 or 0.8% increase from the current budget primarily for increased capital expenditures at Heritage Park, partially offset by decreased capital expenditures at Founders Park.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$172,573 or 11% increase from the FY 16-17 year-end projection and \$184,880 or 11% increase from the FY 16-17 budget.
- The budget to budget increase results from increased capital expenditures for Heritage Park, Founders Park, the Activities Center and Equipment purchases planned for FY 17-18.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Parks Millage Fund	\$1,647,842	\$1,368,297	\$1,609,700	\$1,622,007	\$1,794,580

Parks Millage Fund

PARKS MILLAGE FUND

FUND NUMBER: 410

Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	582,498	414,673	568,189	568,189	479,232	479,232
REVENUES						
Special Levy	1,477,072	1,515,691	1,508,561	1,503,005	1,530,889	1,530,889
IFT Payments	513	370	252	252	224	224
LCSSA Reimb. of Exempt Pers. Property	0	0	23,794	23,794	26,499	26,499
Interest on Investments	2,431	5,752	3,551	6,000	6,500	6,500
TOTAL REVENUES	1,480,017	1,521,813	1,536,158	1,533,051	1,564,112	1,564,112
EXPENDITURES						
Operations:						
Audit & Legal Fees	1,100	1,100	1,100	1,100	1,130	1,130
Park Maintenance	0	13	0	0	0	0
Players Barn Contract	22,750	23,100	22,750	23,100	23,100	23,100
Total Operations	23,850	24,213	23,850	24,200	24,230	24,230
Capital:						
Heritage Park (YAC)	91,387	0	25,000	45,857	58,000	58,000
Athletic Fields	6,466	6,888	25,000	25,000	25,000	25,000
Construction Heritage	0	2,341	0	0	0	0
Equipment	54,184	13,255	180,000	181,100	223,000	223,000
Comfort Station (Port-A-Johns)	6,308	5,727	8,000	8,000	8,000	8,000
Founders Park Improvements	0	0	10,000	0	30,000	30,000
Playground Improvement	0	0	5,000	5,000	5,000	5,000
Dog Park Improvement	600	0	0	0	0	0
Activities Center Improvements	7,197	8,024	25,000	25,000	113,500	113,500
Total Capital	166,142	36,234	278,000	289,957	462,500	462,500
Total Expenditures	189,992	60,447	301,850	314,157	486,730	486,730
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	400,000	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	0	0	0	0	0
Total Other Financing Uses	1,457,850	1,307,850	1,307,850	1,307,850	1,307,850	1,307,850
TOTAL EXPENDITURES AND OTHER FINANCING USES (OFU)	1,647,842	1,368,297	1,609,700	1,622,007	1,794,580	1,794,580
Revenues over/(under) Expenditures	(167,825)	153,516	(73,542)	(88,956)	(230,468)	(230,468)
FUND BALANCE AT JUNE 30	414,673	568,189	494,647	479,232	248,764	248,764
Fund Balance as a % of Expend/OFU	25.16%	41.53%	30.73%	29.55%	13.86%	13.86%

CAPITAL PROJECT DETAIL

	FY 2015/16	FY 2016/17	FY 2017/18
	Actual	Estimated	Budget
HERITAGE PARK			
Archery Range and Stables Area	2,341	0	0
Longacre	0	25,000	15,000
Daycamp/Nature Center (Floor)	0	20,857	15,000
Spicer House Boiler Replacements			28,000
Total Heritage Park	2,341	45,857	58,000
ATHLETIC FIELDS			
Ball field & soccer field renovation	6,888	25,000	25,000
EQUIPMENT			
Parks Equipment	0	180,000	223,000
Misc	13,254	1,100	0
Total Equipment	13,254	181,100	223,000
COMFORT STATION			
Portable units for Little League program	5,727	8,000	8,000
ACTIVITIES CENTER IMPROVEMENTS			
Gym Flooring	0	0	3,500
Master Plan	0	0	35,000
Costick Center Exterior Tuckpointing/Painting	0	0	25,000
Costick Center - Senior Center Carpet Replacement	0	0	25,000
Misc improvements	8,024	25,000	25,000
Total Activies Center Improvements	8,024	25,000	113,500
FOUNDERS PARK			
Playground Equipment/Improvements	0	0	30,000
Total Funders Park	0	0	30,000
PLAYGROUND EQUIPMENT			
Soccer Fields Top-dress	0	5,000	5,000
Total Playground Equipment	0	5,000	5,000
TOTAL CAPITAL	36,234	289,957	462,500

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 104,945 meals were served in FY 2015/16. A projection of 104,000 meals is estimated for the FY 2016/17 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, 2018.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$30,094 or 7% increase from the current budget from more congregate meals and audit fees.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$10 increase from the FY 16-17 year-end projection for increased audit fees.

\	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Nutrition Grant Fund	\$446,719	\$485,795	\$437,235	\$467,329	\$467,339

Nutrition Grant Fund

Nutrition Grant Fund

FUND NUMBER: 281

Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	0	0	0	0	0	0
REVENUES						
Federal Grant	304,461	345,904	286,741	298,503	298,503	298,503
Program Income	116,523	113,826	124,087	141,243	141,243	141,243
Interest Income	79	313	200	300	310	310
Local Match	25,656	25,752	26,207	27,283	27,283	27,283
Total Revenues	446,719	485,795	437,235	467,329	467,339	467,339
EXPENDITURES						
Audit Fees	0	0	0	300	310	310
Congregate Meals	68,104	78,078	67,117	96,221	96,221	96,221
Homebound Meals	378,615	407,717	370,118	370,808	370,808	370,808
Total Expenditures	446,719	485,795	437,235	467,329	467,339	467,339
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 became 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 tax captures and delinquent taxes.

Revenue Assumptions

This Fund historically receives revenue from the special millage levy, industrial facilities tax payments and interest income. Beginning in FY 16/17 this Fund also received a reimbursement from the State of Michigan for the exemption of certain personal property taxes, per the State's phased-in personal property tax reform. Overall tax revenue will increase by 1.8% in FY 17/18 from an increase in taxable value, partially offset by a Headlee Rollback of the millage, as shown below.

CITY OF FARMINGTON HILLS PUBLIC SAFETY MILLAGE

<u>Advalorem</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Total Advalorem TV (less Sr. + Ren. Zone)	3,114,250,547	3,198,471,000
Less: Delinquent Personal TV	(10,053,254)	(10,064,173)
Less: CIA TV	0	(499,000)
Less: Brownfield TV	(11,303,910)	(11,447,540)
Applicable TV	3,092,893,384	3,176,460,288
Millage	<u>0.00316179</u>	<u>0.00313480</u>
Applicable Levy	<u>9,779,075</u>	<u>9,958,932</u>
<u>IFT</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Total TV	1,036,930	929,350
Millage	<u>0.00158089</u>	<u>0.00156740</u>
Applicable Levy	<u>1,639</u>	<u>1,457</u>

Expenditures

The public safety millage funds the following expenditures in FY 2017/18:

Police

- 35 sworn police officers
- 5 full-time police dispatchers - required for the delivery of Emergency Medical Dispatch services
- 1 full-time civilian police dispatch supervisor

Public Safety Millage

Fire

- 4 fire shift lieutenants
- 4 battalion chiefs
- 4 Shift Sergeants
- 15 full-time fire fighters
- 1 EMS Coordinator
- 1 Fire Chief
- 1 Deputy Chief
- 10.9 FTE Paid Callback Fire Fighters
- (2) Vehicles

Fund Balance

Fund Balance is planned to be approximately \$1.7 million or 16% of expenditures at June 30, 2018. The \$338,315 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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- No change.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$536,809 or 5% decrease from the FY 16-17 year-end projection and budget.
- The budget to budget decrease results from less capital outlay and personnel expenditures for both the Police and Fire Departments.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Public Safety Millage Fund	\$9,865,595	\$9,940,500	\$11,047,939	\$11,047,939	\$10,511,130

Public Safety Millage

Public Safety Millage

FUND NUMBER: 205

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1		3,399,375	3,141,768	3,103,093	3,103,093	2,030,679	2,030,679
REVENUES							
403-005	Public Safety Millage	9,598,125	9,849,396	9,815,223	9,779,075	9,958,932	9,958,932
403-031	IFT Payments	3,338	2,406	1,639	1,639	1,457	1,457
573-000	LCSSA Reimb. of Exempt Pers. Property	0	0	154,811	154,811	172,427	172,427
664-005	Interest Income	6,525	50,023	15,000	40,000	40,000	40,000
TOTAL REVENUES		9,607,988	9,901,825	9,986,673	9,975,525	10,172,815	10,172,815
EXPENDITURES							
300	Police Department						
	Salaries and Wages	4,952,212	4,895,196	5,273,454	5,273,454	5,217,000	5,217,000
	Professional & Contractual	550	550	550	550	565	565
970-058	Capital Outlay	0	0	291,500	291,500	0	0
Total Police Department		4,952,762	4,895,746	5,565,504	5,565,504	5,217,565	5,217,565
337	Fire Department						
	Salaries and Wages	4,882,121	4,887,102	5,262,885	5,262,885	5,217,000	5,217,000
	Operating Supplies	0	94,202	0	0	0	0
	Professional & Contractual	550	550	550	550	565	565
970-058	Capital Outlay	30,161	62,900	219,000	219,000	76,000	76,000
Total Fire Department		4,912,833	5,044,754	5,482,435	5,482,435	5,293,565	5,293,565
TOTAL EXPENDITURES		9,865,595	9,940,500	11,047,939	11,047,939	10,511,130	10,511,130
Excess Revenues over Expenditures		(257,607)	(38,675)	(1,061,266)	(1,072,414)	(338,315)	(338,315)
FUND BALANCE AT JUNE 30		3,141,768	3,103,093	2,041,827	2,030,679	1,692,365	1,692,365
Fund Balance as a % of Expenditures		31.85%	31.22%	18.48%	18.38%	16.10%	16.10%

Public Safety Millage

Capital Outlay

Fund Number: 205

Acct.		Unit	Budget	Manager's Budget		
970	Quantity	Item Description	Cost	Request	Quantity	Amount
337-970-058						
	2	Vehicles	38,000	<u>76,000</u>	2	<u>76,000</u>
				<u>76,000</u>		<u>76,000</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 2017/18 available resources will be utilized to:

- Fund Drug Education;
- 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 \$874 at June 30, 2018. The \$247,285 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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$30,844 or 13% decrease from the current budget.
- The decrease results primarily from less than budgeted capital outlay expenditures for automotive equipment.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$44,036 or 22% increase from the FY 16-17 year-end projection, and \$13,192 or 6% increase from the FY 16-17 budget.
- The budget to budget increase results primarily from more operating supplies and professional & contractual expenditures, partially offset by less capital outlay expenditures.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Federal Forfeiture Fund	\$496,536	\$261,544	\$234,093	\$203,249	\$247,285

Federal Forfeiture Fund**Federal Forfeiture Fund**

FUND NUMBER: 213

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	824,835	436,458	345,476	345,476	248,159	248,159
REVENUES						
010 Auction	9,784	17,225	0	0	0	0
012 Federal Treasury Forfeiture	0	53,454	0	0	0	0
013 Federal Forfeiture	97,725	95,995	0	103,310	0	0
015 Miscellaneous Income	0	0	0	922	0	0
664 Interest Income	650	3,888	0	1,700	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES	108,159	170,562	0	105,932	0	0
EXPENDITURES						
(740) OPERATING SUPPLIES						
002 Books & Subscriptions	3,174	0	0	0	0	0
008 Drug Education	0	0	1,200	1,200	1,200	1,200
009 Evidence Lab Supplies	71	0	0	0	7,850	7,850
018 Ammunition & Weapons	28,820	0	0	0	9,825	9,825
019 Uniform	5,910	5,467	0	1,994	16,000	16,000
021 Audit Fee	4,950	0	4,950	400	410	410
040 Miscellaneous	0	0	20,500	20,500	8,500	8,500
Category Total	42,925	5,467	26,650	24,094	43,785	43,785
(801) PROFESSIONAL & CONTRACTUAL						
001 Conferences and Workshops	0	2,147	0	460	0	0
006 Vehicle Maintenance	62,787	36,882	45,000	45,000	66,000	66,000
023 Data Processing	0	0	12,995	12,995	0	0
098 Polygraph/DNA Services	5,991	5,743	0	0	0	0
Category Total	68,778	44,772	57,995	58,455	66,000	66,000
(970) CAPITAL OUTLAY						
001 Office Furniture	0	2,990	0	0	0	0
002 Equipment	0	0	12,948	12,948	0	0
015 Automotive & Auto Equipment	384,833	208,315	136,500	107,752	137,500	137,500
Category Total	384,833	211,305	149,448	120,700	137,500	137,500
TOTAL EXPENDITURES AND OTHER FINANCING USES	496,536	261,544	234,093	203,249	247,285	247,285
Revenues over/(under) Expenditures	(388,377)	(90,982)	(234,093)	(97,317)	(247,285)	(247,285)
FUND BALANCE AS OF JUNE 30	436,458	345,476	111,383	248,159	874	874

CAPITAL OUTLAY

Fund Number: 213

Acct.		Unit	Budget	<u>Manager's Budget</u>	
970	Quantity Item Description	Cost	Request	Quantity	Amount
015	AUTOMOTIVE				
	2 Unmarked Investigative Vehicles	23,000	46,000	2	46,000
	1 Supervisor Vehicle (Tahoe)	37,500	37,500	1	37,500
	2 Marked Police Vehicles and Equip	27,000	54,000	2	54,000
			<u>137,500</u>		<u>137,500</u>
	CAPITAL OUTLAY TOTAL		<u><u>137,500</u></u>		<u><u>137,500</u></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 2017/18, funding will be utilized for:

- Police Department K-9 related expenditures; and
- Miscellaneous police and training equipment.

Fund Balance

Fund balance is projected to be \$87,421 at June 30, 2018. The \$73,560 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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$46,325 or 36% decrease from the current budget.
- The decrease results primarily from less than budgeted building improvements and ammunition & weapons, partially offset by more than budgeted education & training.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$7,415 or 9% decrease from the FY 16-17 year-end projection and \$53,740 or 42% decrease from the FY 16-17 budget.
- The budget to budget decrease results primarily from less capital outlay, education & training and building improvements, partially offset by more operating supplies.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
State Forfeiture Fund	\$47,153	\$2,778	\$127,300	\$80,975	\$73,560

State Forfeiture Fund

State Forfeiture Fund

FUND NUMBER: 214

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	51,667	69,952	183,544	183,544	160,981	160,981
REVENUES						
014 State Forfeiture	65,197	114,251	0	57,204	0	0
015 Miscellaneous	0	0	0	0	0	0
025 Sale of Fixed Assets	172	0	0	208	0	0
664 Interest Income	69	2,120	0	1,000	0	0
TOTAL REVENUE	65,438	116,371	0	58,412	0	0
EXPENDITURES						
(740) OPERATING SUPPLIES						
008 Drug Education	200	0	1,100	600	1,100	1,100
009 Evidence Lab Supplies	797	0	0	0	15,000	15,000
018 Ammunition & Weapons	0	236	15,700	5,700	17,600	17,600
019 Uniform	0	0	5,000	5,000	16,500	16,500
021 Audit Fees	0	0	0	400	410	410
040 Miscellaneous	7,776	2,541	10,500	10,500	20,250	20,250
Total Operating Supplies	8,773	2,778	32,300	22,200	70,860	70,860
(801) PROFESSIONAL & CONTRACTUAL						
013 Education & Training	0	0	40,000	53,775	2,700	2,700
Total Professional & Contractual	0	0	40,000	53,775	2,700	2,700
(970) CAPITAL OUTLAY						
036 Building Improvements	38,380	0	55,000	5,000	0	0
Total Capital Outlay	38,380	0	55,000	5,000	0	0
TOTAL EXPENDITURES	47,153	2,778	127,300	80,975	73,560	73,560
TOTAL EXPENDITURES AND OTHER FINANCING USES						
	47,153	2,778	127,300	80,975	73,560	73,560
Revenues over/(under) Expenditures	18,285	113,593	(127,300)	(22,563)	(73,560)	(73,560)
FUND BALANCE AS OF JUNE 30	69,952	183,544	56,244	160,981	87,421	87,421

**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 2017/18, approximately 28 homes will be rehabilitated at a cost of \$248,197 as part of the Housing Rehabilitation Program.

Fund Balance

Fund balance is projected to be \$0 at June 30, 2018.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$89,596 or 26% increase from the current budget.
- The increase results from additional loan receipt funds being primarily appropriated to Capital Projects.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$89,596 or 21% decrease from the FY 16-17 year-end projection, and no change from the current budget.
- Although there is no budget to budget change, the distribution of expenditures reflects more housing rehabilitation and administrative costs and no appropriation to the Capital Improvement Fund in FY 2017/18.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
CDBG Fund	\$349,010	\$665,158	\$342,503	\$432,099	\$342,503

Community Development Block Grant Fund

Community Development Block Grant Fund

FUND NUMBER: 275

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1		0	0	0	0	0	0
REVENUES							
	Community Development						
	Block Grant	288,329	445,917	307,503	307,503	307,503	307,503
	Housing Rehabilitation						
	Program Loan Receipts	60,680	219,241	35,000	124,596	35,000	35,000
	Total Revenues	349,010	665,158	342,503	432,099	342,503	342,503
EXPENDITURES							
ADMINISTRATION							
	Salaries & Wages	13,090	15,026	53,856	13,200	53,356	53,356
	Fringe Benefits	13,508	14,998	15,000	15,000	15,000	15,000
	Rehab programs	40,131	44,800	0	44,800	0	0
	Supplies	0	475	100	100	100	100
	Conferences & Workshops	760	1,210	800	800	800	800
	Memberships & Dues	3,815	3,540	1,400	1,400	1,400	1,400
	Education & Training	0	0	600	600	600	600
	Legal Notices	758	932	1,400	1,400	1,400	1,400
	South Oakland Shelter	0	7,500	7,500	7,500	7,500	7,500
	Haven	5,000	5,500	5,500	5,500	5,500	5,500
	Audit Fees	0	6,000	0	6,000	6,150	6,150
	Common Ground	2,000	2,000	2,000	2,000	2,500	2,500
	Category Total	79,062	101,981	88,156	98,300	94,306	94,306
CAPITAL OUTLAY							
	Housing Rehab. Grants	16,730	61,386	25,347	7,903	44,347	44,347
	Housing Rehabilitation	19,216	1,012	94,000	94,000	168,850	168,850
	Housing Rehab. Income Est.	60,680	148,674	35,000	50,000	35,000	35,000
	Category Total	96,626	211,072	154,347	151,903	248,197	248,197
	Total Expenditures	175,688	313,053	242,503	250,203	342,503	342,503
OTHER FINANCING USES							
	Contribution to Other Funds						
	Capital Improvement Fund						
	Capital Projects	173,322	352,105	100,000	181,896	0	0
	Total Other Financing Uses	173,322	352,105	100,000	181,896	0	0
TOTAL EXPENDITURES AND OTHER FINANCING USES		349,010	665,158	342,503	432,099	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

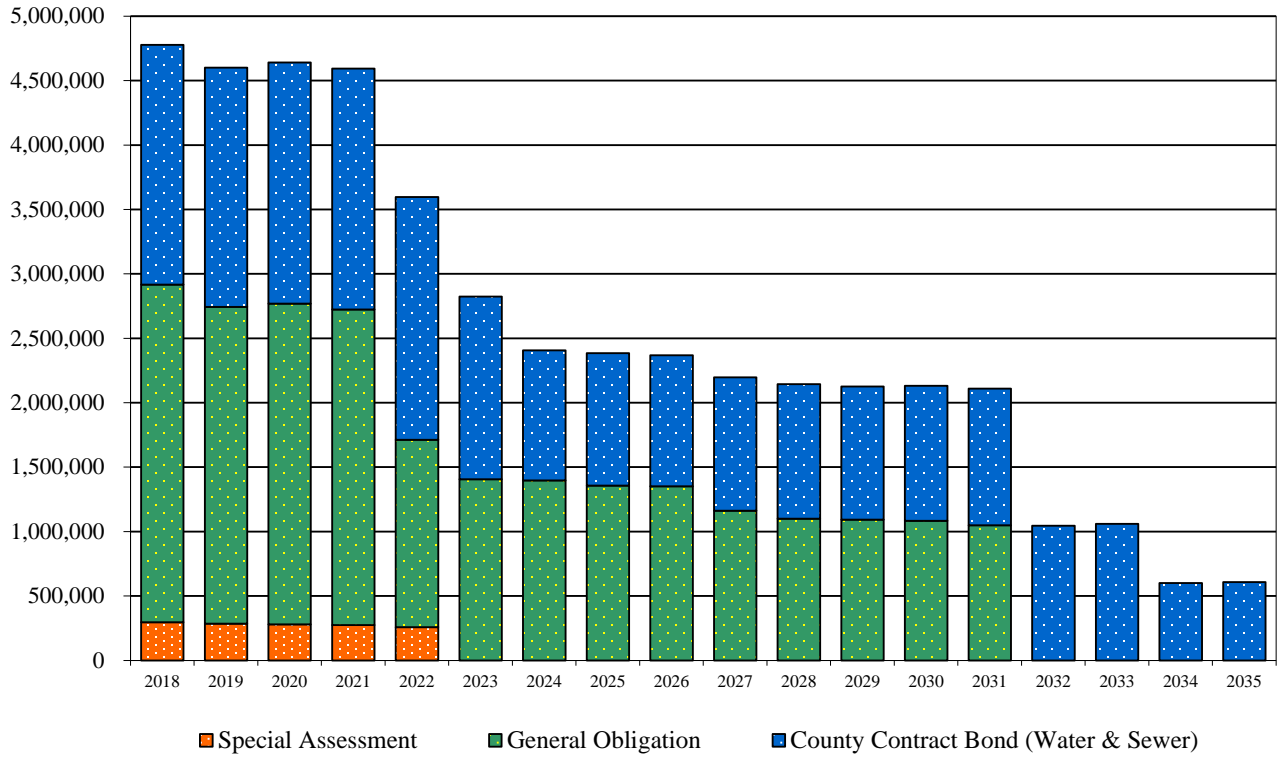
The City of Farmington Hills Building Authority is a financing vehicle utilized in Michigan to finance facilities through the issuance of bonded debt. This separate Authority issues debt, builds the facility and enters into lease agreements for the facilities with the community. The annual lease payments 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, 2017)
for Fiscal Years Ending June 30, 2018 - 2035**



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, 2017	155,812	150	1,958,448	2,114,410
REVENUES				
Interest income	1,000	0	85,962	86,962
Special Assessments	0	0	621,806	621,806
Intergovernmental Revenues	250,010	0	0	250,010
Total Revenues	251,010	0	707,768	958,778
EXPENDITURES				
Bond principal payments	425,000	1,065,000	920,000	2,410,000
Interest and fiscal charges	201,113	64,159	369,390	634,662
Miscellaneous	925	925	9,302	11,152
Total Expenditures	627,038	1,130,084	1,298,692	3,055,814
Revenues over/(under) Expenditures	(376,028)	(1,130,084)	(590,924)	(2,097,036)
OTHER FINANCING SOURCES AND USES				
Proceeds from Bond Sale	0	0	0	0
Transfers In				
-General Fund	1,422,162	0	0	1,422,162
-SAD Revolving Fund	0	0	0	0
-Local Road Fund	83,800	0	993,753	1,077,553
-General Debt Fund	0	1,129,934	0	1,129,934
-Park Millage Fund	0	0	0	0
Total Transfers In	1,505,962	1,129,934	993,753	3,629,649
Transfers Out				
-SAD Revolving Fund	0	0	(591,000)	(591,000)
-Local Road Fund	0	0	0	0
- Building Authority Fund	(1,129,934)	0	0	(1,129,934)
Total Transfers out	(1,129,934)	0	(591,000)	(1,720,934)
Total Other Financing Sources and Uses	376,028	1,129,934	402,753	1,908,715
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	(150)	(188,171)	(188,321)
FUND BALANCE AT JUNE 30, 2018	155,812	0	1,770,277	1,926,089

Debt Service Funds**GENERAL DEBT SERVICE FUND**

FUND NUMBER: 301

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	162,749	161,247	162,194	162,194	155,812	155,812
REVENUES						
(642) Caddell Drain Credit	3,070	0	0	0	0	0
(664) Interest Income	497	620	440	5,500	1,000	1,000
(655) Contribution from Farmington - Court	136,822	148,957	155,332	143,790	161,010	161,010
(655) District Court Building Fund	87,596	75,727	89,000	89,000	89,000	89,000
Total Revenues	227,985	225,304	244,772	238,290	251,010	251,010
OTHER FINANCING SOURCES						
(676) Contribution From Other Funds:						
General Fund	1,943,105	1,419,180	1,460,091	1,386,391	1,422,162	1,422,162
SAD Revolving Fund	77,800	0	0	0	0	0
Local Road Fund	0	81,150	79,950	80,050	83,800	83,800
Park Millage Fund	150,000	0	0	0	0	0
	2,170,905	1,500,330	1,540,041	1,466,441	1,505,962	1,505,962
TOTAL REVENUES AND OTHER FINANCING SOURCES	2,398,890	1,725,634	1,784,813	1,704,731	1,756,972	1,756,972
EXPENDITURES						
GENERAL DEBT ISSUES:						
(990) Interest:						
Caddell Erosion - 1994	2,456	0	0	0	0	0
Farmington Hills Golf Club	15,300	5,150	0	0	0	0
Farmington Hills Ice Arena	11,065	0	0	0	0	0
2012 G.O. Limited Capital Impr. Bonds	22,400	21,250	20,050	20,050	18,800	18,800
2013 Golf Refunding Interest	193,563	192,563	189,063	189,063	182,313	182,313
Total	244,783	218,963	209,113	209,113	201,113	201,113
(995) Principal:						
Caddell Erosion - 1994	122,784	0	0	0	0	0
Farmington Hills Golf Club	250,000	250,000	0	0	0	0
Farmington Hills Ice Arena	495,000	0	0	0	0	0
2012 G.O. Limited Capital Impr. Bonds	55,000	60,000	60,000	60,000	65,000	65,000
2013 Golf Refunding	50,000	50,000	315,000	315,000	360,000	360,000
Total	972,784	360,000	375,000	375,000	425,000	425,000
TOTAL GENERAL DEBT	1,217,567	578,963	584,113	584,113	626,113	626,113
(996) Miscellaneous/Audit Expense	900	900	900	900	925	925
Total Expenditures	1,218,467	579,863	585,013	585,013	627,038	627,038

Debt Service Funds**GENERAL DEBT SERVICE FUND**

FUND NUMBER: 301

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
OTHER FINANCING USES							
(905)	Contribution to Building Authority						
	Interest:						
	Refunding Bond - 2003 DPW/Fire	27,300	19,700	12,000	12,000	4,200	4,200
	47th District Court - Refunding	264,625	230,125	191,900	118,200	60,159	60,159
	Total	291,925	249,825	203,900	130,200	64,359	64,359
	Principal:						
	Refunding Bond - 2003 DPW/Fire	200,000	200,000	195,000	195,000	195,000	195,000
	47th District Court - Refunding	690,000	695,000	800,000	800,000	870,000	870,000
	Total	890,000	895,000	995,000	995,000	1,065,000	1,065,000
	Use of Bldg. Authority Fund Balance	0	0	0	0	0	0
	Total Contribution to Building Auth.	1,181,925	1,144,825	1,199,800	1,126,100	1,129,934	1,129,934
	Total Other Financing Uses	1,181,925	1,144,825	1,199,800	1,126,100	1,129,934	1,129,934
TOTAL EXPENDITURES AND OTHER FINANCING USES		2,400,392	1,724,688	1,784,813	1,711,113	1,756,972	1,756,972
	Revenues Over/(Under) Expenditures	(1,502)	947	0	(6,382)	0	0
	FUND BALANCE AT JUNE 30	161,247	162,194	162,194	155,812	155,812	155,812

Debt Service Funds**BUILDING AUTHORITY FUND**

FUND NUMBER: 662

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1		1,949	1,050	150	150	150	150
REVENUES							
(664)	Interest Income	1	0	0	0	0	0
	Total Revenues	1	0	0	0	0	0
OTHER FINANCING SOURCES							
Contributions from other funds:							
(301)	General Debt Service Fund	1,181,925	1,144,825	1,199,800	1,126,100	1,129,934	1,129,934
	Total Other Financing Sources	1,181,925	1,144,825	1,199,800	1,126,100	1,129,934	1,129,934
TOTAL REVENUES AND OTHER FINANCING SOURCES		1,181,926	1,144,825	1,199,800	1,126,100	1,129,934	1,129,934
EXPENDITURES							
	Bond Principal	890,000	895,000	995,000	995,000	1,065,000	1,065,000
	Bond Interest:						
	Refunding -DPW/Fire	27,300	19,700	12,000	12,000	4,000	4,000
	47th District Court - Refunding	264,625	230,125	191,900	118,200	60,159	60,159
	Total Interest	291,925	249,825	203,900	130,200	64,159	64,159
	Total Debt Service	1,181,925	1,144,825	1,198,900	1,125,200	1,129,159	1,129,159
	Audit Fees	900	900	900	900	925	925
TOTAL EXPENDITURES		1,182,825	1,145,725	1,199,800	1,126,100	1,130,084	1,130,084
TOTAL EXPENDITURES AND OTHER FINANCING USES		1,182,825	1,145,725	1,199,800	1,126,100	1,130,084	1,130,084
Revenues Over/(Under) Expenditures		(899)	(900)	0	0	(150)	(150)
FUND BALANCE AT JUNE 30		1,050	150	150	150	0	0

Debt Service Funds**LOCAL ROAD SPECIAL ASSESSMENT DEBT SERVICE FUND**

FUND NUMBER: 813

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1		1,898,108	2,097,263	2,113,034	2,113,034	1,958,448	1,958,448
REVENUES							
672-001	Special Assessment Principle	954,676	792,961	654,539	646,651	621,806	621,806
672-002	Investment Earnings	0	0	0	4,000	4,000	4,000
667-003	Special Assessment Interest	171,650	164,578	113,559	113,049	81,962	81,962
Total Revenue		1,126,326	957,539	768,098	763,700	707,768	707,768
EXPENDITURES							
996-001	Debt Service (P&I)	467,422	306,536	1,119,475	461,357	1,289,390	1,289,390
996-003	Auditing Fees	9,075	9,075	9,075	9,075	9,302	9,302
Total Expenditures		476,497	315,611	1,128,550	470,432	1,298,692	1,298,692
Excess or Revenue (Under)/Over Expenditures		649,829	641,928	(360,452)	293,268	(590,924)	(590,924)
OTHER FINANCING SOURCES/(USES)							
	Revolving SAD Fund (net)	(380,798)	(625,337)	(608,173)	(608,173)	(591,000)	(591,000)
	Local Roads	(10,507)	(820)	818,437	160,319	993,753	993,753
	Water/Sewer	(59,369)	0	0	0	0	0
Total Other Financing Sources/(Uses)		(450,674)	(626,157)	210,264	(447,854)	402,753	402,753
Net Change in Fund Balance		199,155	15,771	(150,188)	(154,586)	(188,171)	(188,171)
FUND BALANCE AT JUNE 30		2,097,263	2,113,034	1,962,846	1,958,448	1,770,277	1,770,277

Debt Service Funds

**CALCULATION OF DEBT LEVY FY 2017/18
GENERAL DEBT SERVICE FUND**

<i>Description of Debt</i>	<i>Fund Servicing Debt</i>	<i>Final Maturity</i>	<i>Debt Outstanding Year Ended 6/30/17</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Millage*</i>
Building Authority Issues:							
Refunding Bonds-2003 DPW/Fire Station No.2 47TH District	Building Authority	17-18	195,000	195,000	4,200	199,200	0.0621
Court Refunding Farmington Hills Court Debt	Building Authority	20-21	3,805,000	870,000	60,159	930,159	
Less Farmington's Share (17.31%)				(150,597)	(10,413)	(161,010)	(0.0502)
Less Contributions - Court Bldg. Fund				(83,244)	(5,756)	(89,000)	(0.0278)
Net Debt Levy				636,159	43,990	680,149	0.2121
Total Building Authority Issues			4,000,000	831,159	48,190	879,349	0.2742
Farmington Hills Golf Club:		30-31	6,130,000	360,000	182,313	542,313	0.1691
Capital Improvement Bonds - City Share of SAD		26-27	740,000	65,000	18,800	83,800	0.0261
Miscellaneous Expenditures						1,100	
Local Road Fund						(83,800)	
Interest Earnings						(1,000)	
Fund Balance Contribution						0	
						(83,700)	(0.0261)
GRAND TOTAL			10,870,000	1,256,159	249,303	1,421,762	0.4434
			Net Amount	Debt Millage			
DEBT LEVY:			1,421,762	0.4434			
Taxable Value less Ren.Zone			3,206,649,400				

* 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 2017/18

Description of Existing Debt	Fund Servicing Debt	Existing Debt Outstanding at June 30, 2017	Principal	Interest	Total
General Obligation:					
Farmington Golf Club	Debt Service	6,130,000	360,000	182,313	542,313
Local Roads - City	Debt Service	740,000	65,000	18,800	83,800
Local Roads - Assesseees	Special Assessment	8,475,000	650,000	216,338	866,338
Building Authority Bonds	Debt Service	4,000,000	1,065,000	64,359	1,129,359
County Contract Bonds	* Water and Sewer	18,344,646	1,402,295	458,426	1,860,721
Special Assessment Bonds	** Special Assessment	1,320,000	270,000	25,638	295,638
TOTAL		39,009,646	3,812,295	965,874	4,778,169

* Included in the City's Water and Sewer Funds

**STATEMENT OF LEGAL DEBT MARGIN
AS OF JUNE 30, 2017**

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:

2017 State Equalized Value (SEV)	<u>3,975,370,775</u>
Debt Limited (10% of State Equalized Valuation and Equivalent)	397,537,078
Amount of Outstanding Debt *	39,009,646
Less:	
Special Assessment Bonds	<u>1,320,000</u> <u>37,689,646</u>
LEGAL DEBT MARGIN	<u>359,847,432</u>
 Percentage of Legal Debt Limit Utilized	 9.48%

* 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.

The following summarizes the City's CIP requests for the Capital Project Funds (without the costs from non-City funding sources):

CIP (Non-Roads/Non-Utilities) Summary 2017/2018- 2022/2023

DEPARTMENT	Primarily Funded by an Appropriation from the General Fund.						
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Public Facilities	3,013	1,155	705	1,010	505	505	80
Parks & Recreation	2,597	587	549	383	812	615	0
Fire Equipment	1,538	1,643	1,210	1,272	1,522	1,082	0
DPW Equipment	820	890	1,152	905	930	740	0
Drainage	4,522	1,705	1,445	3,933	1,635	1,185	7,530
Sidewalks	524	481	786	937	509	389	5,487
TOTALS:	\$13,014	\$6,461	\$5,847	\$8,440	\$5,913	\$4,516	\$13,097

*Costs shown are in thousands of dollars

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, 2017	240,026	12,832	1,664,111	1,916,968
REVENUES				
Sales, Fees & Other	0	31,500	0	31,500
Grant	200,000	0	0	200,000
Interest income	3,000	350	3,000	6,350
Total Revenues	203,000	31,850	3,000	237,850
EXPENDITURES				
Public Facilities	1,130,000	0	0	1,130,000
Drainage	1,603,000	0	0	1,603,000
Sidewalk	350,000	0	0	350,000
Equipment	2,863,248	67,000	0	2,930,248
Administration & Misc.	1,900	205	1,330	3,435
Total Expenditures	5,948,148	67,205	1,330	6,016,683
Revenues over/(under) Expenditures	(5,745,148)	(35,355)	1,670	(5,778,833)
OTHER FINANCING SOURCES AND USES				
Transfer in from Local Road SAD	0	0	591,000	591,000
Transfer in from Local Road Fund	0	0	176,935	176,935
Transfer in from CDBG	0	0	0	0
Transfer in from General Fund	5,505,122	29,952	0	5,535,074
Transfer out - Local Road Fund	0	0	(1,763,435)	(1,763,435)
Total Other Financing Sources and Uses	5,505,122	29,952	(995,500)	4,539,574
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(240,026)	(5,403)	(993,830)	(1,239,259)
FUND BALANCE AT JUNE 30, 2018	0	7,429	670,281	677,709

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 \$60,722 in FY 17/18 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 2016/17, there were over \$1,511,000 of project expenditures encumbered and carried forward from FY 2015/16. For FY 2017/18, 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 \$5.9 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 17/18 will decrease by \$240,026 or 100% to \$0 by June 30, 2018. 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 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

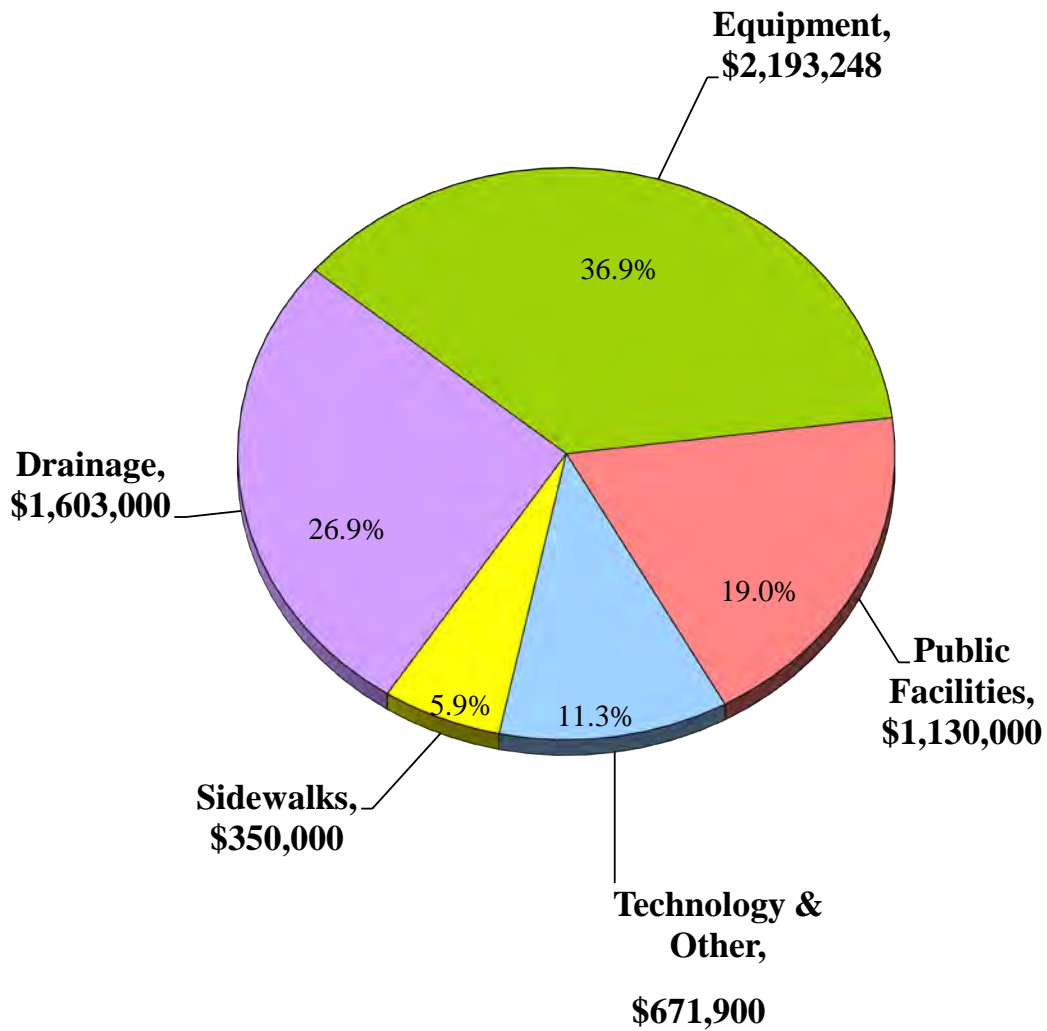
- \$1,053 increase from the current budget.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$2,420,146 or 29% decrease from the FY 16-17 year-end projection and \$2,419,093 or 29% decrease from the FY 16-17 budget.
- The budget to budget decrease results from approximately \$175,000 less drainage expenditures, \$1,519,000 less equipment expenditures, and \$899,000 less public facilities expenditures; partially offset by \$173,000 more sidewalk expenditures.

	2014-2015 ACTUAL	2015-16 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Capital Improvement Fund	\$2,994,003	\$4,066,823	\$8,367,241	\$8,368,294	\$5,948,148

Capital Improvement Fund Expenditures \$5,948,148



Capital Improvement Fund

CAPITAL IMPROVEMENT FUND

FUND NUMBER: 404

Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	2,367,566	2,076,505	2,884,806	2,884,806	240,026	240,026
REVENUES						
Interest on Investments	862	26,046	3,000	3,000	3,000	3,000
Sale of Fixed Assets	3,100	0	0	0	0	0
Sidewalk/Drainage Assessments	20,371	13,117	0	62,418	0	0
Energy & Environmental Sustainability	0	12,147	0	0	0	0
Grants	11,684	0	0	31,800	200,000	200,000
Miscellaneous	51,417	0	0	0	0	0
Total Revenues	87,434	51,310	3,000	97,218	203,000	203,000
OTHER FINANCING SOURCES						
Contribution From:						
CDBG Fund	173,322	352,105	100,000	181,896	0	0
General Fund - Property Tax Allocation	2,436,707	4,471,709	5,444,400	5,444,400	5,505,122	5,505,122
City of Farmington	5,479	0	0	0	0	0
Total Other Financing Sources	2,615,508	4,823,814	5,544,400	5,626,296	5,505,122	5,505,122
TOTAL REVENUES AND OTHER FINANCING SOURCES	2,702,942	4,875,124	5,547,400	5,723,514	5,708,122	5,708,122
EXPENDITURES						
DRAINAGE	303,608	566,776	1,777,500	2,106,000	1,603,000	1,603,000
SIDEWALKS	435,884	662,549	177,000	317,978	350,000	350,000
EQUIPMENT						
Video Equipment	0	208,243	0	0	0	0
Data Processing & Technology	315,605	31,133	669,000	400,000	670,000	670,000
Police Equipment	102,586	3,119	94,929	94,929	0	0
Fire Equipment & Apparatus	462,398	261,227	1,945,000	1,946,860	1,219,400	1,219,400
Special Services Equipment	29,991	259,923	150,657	159,700	0	0
D.P.W. Equipment	665,658	607,098	1,522,625	1,368,777	973,848	973,848
Total Equipment	1,576,238	1,370,743	4,382,211	3,970,266	2,863,248	2,863,248
ADMINISTRATIVE						
Audit Fees	1,850	1,850	1,900	1,850	1,900	1,900
Total Administrative	1,850	1,850	1,900	1,850	1,900	1,900

Capital Improvement Fund

CAPITAL IMPROVEMENT FUND

FUND NUMBER: 404

Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
PUBLIC FACILITIES						
Land Acquisition	0	4,060	0	0	0	0
Sustainability Study	0	0	0	0	100,000	100,000
City-wide Facilities Audit	0	0	0	0	150,000	150,000
City-wide Air Conditioning Replacements	0	0	94,817	94,817	50,000	50,000
Barrier Free (ADA) Improvements	0	23,507	25,000	25,000	25,000	25,000
Gateway Signage @ Entrances to City - Major Roads	0	0	50,000	50,000	50,000	50,000
Exterior Wayfinding @ City Hall Municipal Campus	0	0	25,000	0	25,000	25,000
Costick Center Improvements/Mechanical Replacements	0	323,922	300,000	315,949	350,000	350,000
Costick Center - Parking Lot/Drive Improvements (Gate 4)	0	24,787	540,000	540,000	50,000	50,000
Heritage Park Nature Center Roof Replace. / Office Addtn.	0	674	0	0	0	0
Heritage Park Entry Road Improvements	289,492	0	71,008	71,008	0	0
Ice Arena Improvements / Restroom Partitions	0	0	100,000	100,000	0	0
Fire Station Improvements	75,234	75,536	351,856	260,000	180,000	180,000
Fire Station HVAC	0	0	0	91,856	0	0
City Hall Revitalization Project	1,493	0	0	0	0	0
Police Building Improvements	25,000	818,110	56,890	72,117	0	0
Police Exterior Updates	0	0	50,000	0	0	0
Police Dept. Parking Lot Imp.	225,393	941	9,059	0	0	0
Gas Pump & Related Canopy Replacement	55,834	0	0	0	0	0
Police Cell Plumbing Replacement	0	0	0	0	30,000	30,000
Energy & Environmental Sustainability Projects	3,977	193,368	15,000	15,000	0	0
DPW Make-up Air Unit Replacement	0	0	0	0	25,000	25,000
DPW Saly Storage Dome Re-roof	0	0	0	0	95,000	95,000
DPW - 4 Overhead Doors	0	0	0	51,280	0	0
DPW Roof Replacement	0	0	340,000	285,173	0	0
Total Public Facilities	676,423	1,464,905	2,028,630	1,972,200	1,130,000	1,130,000
TOTAL EXPENDITURES	2,994,003	4,066,823	8,367,241	8,368,294	5,948,148	5,948,148
TOTAL EXPENDITURES AND OTHER FINANCING USES	2,994,003	4,066,823	8,367,241	8,368,294	5,948,148	5,948,148
Revenues Over/(under) Expenditures	(291,061)	808,301	(2,819,841)	(2,644,780)	(240,026)	(240,026)
FUND BALANCE AT JUNE 30	2,076,505	2,884,806	64,964	240,026	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 2017/18 drainage expenditures of \$1,603,000 will be as follows:

	DRAINAGE PROJECTS	17/18 BUDGET	MAINT. COSTS	OTHER OPERATING COSTS
1.	Storm Water Pollution Prevention Initiative	50,000	No Change	No Change
2.	Miscellaneous Drain Construction	100,000	No Change	No Change
3.	Illicit Discharge Elimination Program	30,000	No Change	No Change
4.	GIS Storm Phases I, II & III	25,000	No Change	No Change
5.	Open Channel Maintenance	100,000	No Change	No Change
6.	Misc. Major Culvert Replacement & Repair	75,000	No Change	No Change
7.	Miscellaneous Storm Sewer Repair	300,000	No Change	No Change
8.	City-owned Storm Water Basin Maintenance	25,000	No Change	No Change
9.	Minnow Pond at Halsted (Design)	200,000	No Change	No Change
10.	Storm Modeling and Master Plan Update & Asset Management Plan	123,000	No Change	No Change
11.	Pebblecreek Crossing, Eleven Mile west of Middlebelt	400,000	No Change	No Change
12.	Lundy 44" by 72" Culvert Improvement	75,000	No Change	No Change
13.	Brittany Culvert Replacement	100,000	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.

Capital Improvement Fund

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.
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. City-owned Storm Water Basin Maintenance. The City owns a total of nine storm water detention and retention basins. These basins are required to be maintained in accordance with the Federal Clean Water Act to control urban pollutants. This project provides improvement for all nine City owned basins. The improvements include select vegetation removal, sedimentation removal, and inlet/outlet pipe maintenance. In conjunction with the Capital Improvement Plan, the project is intended to provide annual maintenance and upkeep.
9. Minnow Pond at Halsted (Design). This project includes the improvement of the Minnow Pond Drain at Fourteen Mile and Halsted and provides for the raising of Halsted to eliminate the flooding that occasionally occurs.
10. Storm Modeling and Master Plan Update & Asset Management Plan. The State of Michigan recently made \$450 million dollars available to communities to assist them in addressing stormwater and wastewater issues and construct improvements. Communities were allowed to submit requests of up to \$2 million dollars. If successful in obtaining grant dollars, the first million dollars is provided at 90/10 match and the second million dollars is provided at a 75/25 match. This funding will be used, in part, to update the City's Master Storm Drainage Plan adopted by the City in 1986 to incorporate modern storm water best management practices involving quantity, quality, and sustainability techniques. In addition, the monies will be used to develop an asset management program so that the City can more strategically fund and schedule storm drainage improvements.
11. Pebblecreek Crossing, Eleven Mile west of Middlebelt. Reline existing twin 48" culverts under Eleven Mile Road west of Middlebelt.
12. Lundy 44" by 72" Culvert Improvement. The existing Lundy 44" by 72" culvert under Lundy services the upstream section of the North Bell Creek. It is old corrugated metal pipe and needs to be rehabilitated. Additional downstream improvement may also be necessary.
13. Brittany Culvert Replacement. This project provides for the improvement of the culvert crossing at Brittany Drive. The two existing 144" diameter culverts need to be replaced and a 20' x 12' box culvert is proposed. The installation will improve channel flow, minimize siltation and allow for an updated road crossing.

Capital Improvement Fund

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 2017/18 public facilities expenditures of \$1,130,000 will be as follows:

	PUBLIC FACILITIES	17/18 BUDGET	MAINTENANCE COSTS	OTHER OPERATING COSTS
1.	City-wide Air Conditioning Replacements	50,000	No Change	No Change
2.	City-wide Facilities Audit	150,000	No Change	No Change
3.	Gateway Signage @ Entrances to City – Major Roads	50,000	No Change	No Change
4.	Exterior Wayfinding @ City Hall Campus	25,000	No Change	No Change
5.	Sustainability Study	100,000	No Change	No Change
6.	Barrier Free (ADA) Improvements	25,000	No Change	No Change
7.	Costick Center HVAC / Mechanical Updates	350,000	No Change	No Change
8.	Costick Center Parking Lot / Drive Gate 4 Replacement	50,000	No Change	No Change
9.	DPW Make-up Air Unit Replacement	25,000	No Change	No Change
10.	DPW Salt Storage Dome Re-roof	95,000	No Change	No Change
11.	Fire Station Improvements	180,000	No Change	No Change
12.	Police Cell Plumbing Replacement	30,000	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. City-wide Facilities Audit. This project involves performing a comprehensive property condition assessment at City-owned facilities. The assessment would result in a prioritized budget for asset management needs that could be programmed in future years.
3. 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.
4. Exterior Wayfinding @ City Hall Campus. Installation of wayfinding signage to direct visitors to services at the Municipal Campus.
5. Sustainability Study. The City Charter requires the Administration to develop a strategic plan for sustainability. The study will provide specific recommendations for the preservation, viability, and

Capital Improvement Fund

sustainability of the City. It is anticipated that the study will include an evaluation of the strengths and weaknesses of our present state and the opportunities and barriers to continued economic growth.

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. Costick Center HVAC / Mechanical Updates. Domestic Boiler Mech. 8, Multi-zone Air Handling Unit 405, Chiller, Gym Roof Top A/C Units, Office Roof Top A/C Unit (RTU 2), and Compressor.
8. Costick Center Parking Lot / Drive Gate 4 Replacement.
9. DPW Make-up Air Unit Replacement. Positive air exchange is required in the work environment for health reasons due to inside vehicle storage and operations at the DPW Facility.
10. DPW Salt Storage Dome Re-roof. The DPW salt storage dome was constructed in 1998. It has a 3,700-ton capacity, which is a little more than one-half of the City's annual salt use. The roof is reaching the end of its life and needs to be replaced prior to it reaching a point where costly structural damage occurs.
11. Fire Station Improvements. Fire stations 1, 2, 4, and 5 are in need of a network of interior improvements. These stations are all over 18 years old. Currently, various cabinets, countertops, carpet, and wall coverings are in need of replacement. The estimated total for this project is \$100,000. The concrete aprons, driveways, sidewalks and parking lots are deteriorating at fire stations 2 and 3 and are in need of replacement and/or repairs. This is reflected in 2017/2018. The estimated total for this project is \$ 80,000.
12. Police Cell Plumbing Replacement. The existing plumbing system in the Police Department Cell Block area is becoming obsolete with only one source for replacement parts. This project would include replacement of main gate valves, supply plumbing, fixtures, and restoration.

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.

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 2017/18 sidewalks and bike path expenditures of \$350,000 will be as follows:

	SIDEWALKS AND BIKE PATHS	17/18 BUDGET	MAINENANCE COSTS	OTHER OPERATING COSTS
1.	Major Road Sidewalk Replacements	100,000	No Change	No Change
2.	Eleven Mile, South side, Orchard Lake to Middlebelt	250,000	No Change	No Change

Capital Improvement Fund

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 2017/18 equipment in the amount of \$2,863,248 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 radio system and a phone/video study.

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.

	EQUIPMENT	17/18 BUDGET	MAINT. COSTS	OTHER OPERATING COSTS
	Technology			
1.	Complete Radio System Replacement	250,000	No Change	No Change
2.	Phone and Video Study	50,000	No Change	No Change
3.	Digitizing of Microfiche and Microfilm	50,000	No Change	No Change
4.	City-Wide Technology	320,000	35,000	No Change
	Fire Department			
5.	Replacement for Ladder Truck #1	1,100,000	No Change	No Change
6.	Replacement for Extrication Equipment for Ladder Truck #2	35,000	No Change	No Change
7.	Replacement for (2) Thermal Imaging Cameras and (8) Multi-gas Monitors	34,400	No Change	No Change
8.	Vehicle Refurbishment	50,000	No Change	No Change
	Public Service Department			
9.	Ten Yard Dump Truck with slip-in V-Box	153,848	No Change	No Change
10.	Replacement of Ten Yard Hook-Loading Dump Truck with attachments	270,000	No Change	No Change
11.	Refurbished Existing Equipment	50,000	No Change	No Change
12.	Replacement of (2) Five Yard Dump Trucks with slip-in V-Boxes	500,000	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 2017/18
<u>DRAINS</u>	
Storm Water Pollution Prevention Initiative (SWPPI)	50,000
Miscellaneous Drainage Construction & Improvements	100,000
IDEP Elimination Program	30,000
Storm Water GIS	25,000
Drainage Maintenance (Open Channel)	100,000
Miscellaneous Major Culvert Replacement & Repair	75,000
Miscellaneous Storm Sewer Repair	300,000
City-owned Storm Water Basin Maintenance	25,000
Minnow Pond at Halsted (Design)	200,000
Storm Modeling and Master Plan Update & Asset Management Plan	123,000
Pebblecreek Crossing, Eleven Mile west of Middlebelt	400,000
Lundy 44" by 72" Culvert Improvement	75,000
Brittany Culvert Replacement	100,000
TOTAL DRAINAGE	<u>1,603,000</u>
<u>PUBLIC FACILITIES</u>	
City-wide Air Conditioning Replacements	50,000
City-wide Facilities Audit	150,000
Gateway Signage @ Entrances to City - Major Roads	50,000
Exterior Wayfinding @ City Hall Municipal Campus	25,000
Sustainability Study (Harrison High School)	100,000
Barrier Free (ADA) Improvements	25,000
Costick Center HVAC/Mechanical Updates	350,000
Costick Center Parking Lot/Drive Replacement (Gate 4)	50,000
DPW Make-up Air Unit Replacement	25,000
DPW Salt Storage Dome Re-roof	95,000
Fire Station Improvements	180,000
Police Cell Plumbing Replacement	30,000
TOTAL PUBLIC FACILITIES	<u>1,130,000</u>
<u>SIDEWALK PROGRAM</u>	
Major Road Sidewalk Replacements, incl. Brick Pavers	100,000
Eleven Mile, South side, Orchard Lake to Middlebelt	250,000
TOTAL SIDEWALK PROGRAM	<u>350,000</u>

PROJECT LIST

	PROPOSED BUDGET FY 2017/18
<u>EQUIPMENT</u>	
Technology	
Complete Radio System Replacement	250,000
Phone & Video Study	50,000
Digitizing of Microfiche and Microfilm	50,000
City-wide Technology	320,000
Total Technology	<u>670,000</u>
Fire Equipment:	
Replacement for Ladder Truck #1	1,100,000
Replacement for Extrication Equipment for Ladder Truck #2	35,000
Replacement for 2 Thermal Imaging Cameras and 8 Multi-gas Monitors	34,400
Vehicle Refurbishment	50,000
Total Fire Equipment	<u>1,219,400</u>
D.P.W. Equipment:	
Ten Yard Dump Truck with slip-in V-Box	153,848
Replacement of Ten Yard Hook-Loading Dump Truck with attachments	270,000
Refurbish Existing Equipment	50,000
Replacement of (2) Five Yard Dump Trucks with slip-in V-Boxes	500,000
Total DPW Equipment	<u>973,848</u>
TOTAL EQUIPMENT	<u><u>2,863,248</u></u>

Capital Improvement Fund

DRAINAGE

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures are shown in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Storm Water Management Plan (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	450,000	450,000	NC	75 CF	75 CF	75 CF	75 CF	75 CF	75 CF	
Miscellaneous Storm Sewer Repair	1,800,000	1,800,000	NC	300 CF	300 CF	300 CF	300 CF	300 CF	300 CF	
City Owned Storm Water Basin Maintenance	150,000	150,000	NC	25 CF	25 CF	25 CF	25 CF	25 CF	25 CF	
Omenwood, Geraldine and Medbury Culvert Improvement	150,000	150,000	NC	150 CF						
Minnow Pond at Halsted	2,000,000	2,000,000	10,000 AC	2,000 CF						
Storm Modeling and Master Plan Update & Asset Management Plan	1,235,000	142,000	NC	142 CF						
Pebblecreek Crossing, Eleven Mile west of Middlebelt	1,000,000	1,000,000	NC	1,000 CF						
Lundy 44" by 72" Culvert Improvement	75,000	75,000	5,000 AC	75 CF						
Brittany Culvert Replacement	840,000	840,000	NC	100 CF		740 CF				
Woodcreek Hills Subdivision Drainage	3,428,000	3,428,000	NC	200 CF			3,228 CF			
Quaker Valley Road Culvert Replacement	1,080,000	1,080,000	NC	150 CF				930 CF		
Minnow Pond Drain, Thirteen Mile at Lake Park	1,000,000	1,000,000	NC		1,000 CF					
SUB TOTAL:	\$15,038,000	\$13,945,000	\$15,000	4,522	1,705	1,445	3,933	1,635	705	0

Capital Improvement Fund

DRAINAGE (continued)

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures are shown in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Rollcrest/North Ravines	480,000	480,000	1,500 AC						480 CF	
Minnow Pond Drain, Thirteen Mile and Mirlon	241,000	231,000	NC							231 CF
Brookhill Subdivision Drainage	945,000	189,000	NC							189 CF
Fendt Channel Improvement	137,000	137,000	NC							137 CF
Caddell Drain, Nine Mile at Drake	1,500,000	1,500,000	NC							1,500 CF
Caddell Drain Improvements - Phase II	1,000,000	600,000	NC							600 CF
Mirlon Driveway Culvert	112,000	112,000	NC							112 CF
Harwich Dr. Drainage Improvement	101,000	101,000	NC							101 CF
Windwood Pointe Subdivision Drainage	265,000	133,000	NC							133 CF
North Bell, Eight Mile to Randall	800,000	800,000	3,000 AC							800 CF
North Bell, Ruth to Farmington City Limit	1,177,000	1,177,000	3,500 AC							1,177 CF
Staman Acres Storm Water Relief	1,319,000	1,319,000	5,000 AC							1,319 CF
North Bell, Randall to Ruth	1,153,000	1,153,000	1,500 AC							1,153 CF
Vacri Lane Rear Yard Drainage Improvements	76,000	76,000	5,000 AC							76 CF
SUB-TOTAL:	\$9,306,000	\$8,008,000	\$19,500	0	0	0	0	0	480	7,528
PAGE 1 SUB-TOTAL:	\$15,038,000	\$13,945,000	\$15,000	4,522	1,705	1,445	3,933	1,635	705	0
TOTAL:	\$24,344,000	\$21,953,000	\$34,500	4,522	1,705	1,445	3,933	1,635	1,185	7,528

Capital Improvement Fund

PUBLIC FACILITIES

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures are shown in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	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	2,200,000	2,200,000	60,000 AC	400 CF	400 CF	350 CF	350 CF	350 CF	350 CF	
Digitizing of Microfiche and Microfilm	350,000	350,000	NC	50 CF	50 CF	50 CF	50 CF	50 CF	50 CF	50 CF
Energy and Environmental Sustainability Investments	180,000	180,000	Reduction	30 CF	30 CF	30 CF	30 CF	30 CF	30 CF	
Air Conditioning Replacements	300,000	300,000	NC	50 CF	50 CF	50 CF	50 CF	50 CF	50 CF	
Improved Phone System	400,000	400,000	40,000 AC	200 CF	200 CF					
Video Surveillance Equipment	600,000	600,000	30,000 AC	200 CF	200 CF	200 CF				
Fire Station Improvements	630,000	630,000	NC	180 CF	200 CF		250 CF			
ERP/Financial Software	50,000	50,000	75,000 AC	50 CF						
Election Equipment	410,500	218,000	NC	218 CF						
Gateway Signage at Entrances to the City on Major Roads	75,000	75,000	NC	75 CF						
DPW Make-Up Air Unit Replacement	25,000	25,000	NC	25 CF						
DPW Interior Surface Maintenance and Restoration	100,000	100,000	NC	100 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	125,000	125,000	NC	125 CF						
All In One printer OCE Colowave 500 42" wide color multifunction wide format system	40,000	40,000	NC	40 CF						
Police Department Cell Plumbing Replacement	30,000	30,000	NC	30 CF						
Police Access Control	40,000	40,000	NC	40 CF						
Police Officer Body Worn/In-car Camera System	450,000	450,000	NC	450 CF						
Communications Section Workstation Replacement/upgrade	200,000	200,000	NC	200 CF						
Complete Radio System Replacement	250,000	250,000	NC	250 CF						
Sustainability Study	100,000	100,000	NC	100 CF						
Police Department Master Keying	60,000	60,000	NC	30 CF						30 CF
Mobile Command Post Vehicle	255,500	255,500	NC				255 CF			
TOTAL:	\$7,166,000	\$6,973,500	\$205,000	3,013	1,155	705	1,010	505	505	80

Capital Improvement Fund

SIDEWALKS

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	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						
Fourteen Mile, south side, Pear Ridge to Clubhouse	252,000	252,000	NC	252 CF						
Eleven Mile Road, south side, Orchard Lake to Middlebelt	360,000	72,000	NC	72 CF						
Inkster, west side, Twelve Mile to I-696	356,000	356,000	NC		356 CF					
Thirteen Mile, Drake to Marvin	127,000	25,000	NC		25 CF					
Eleven Mile, north side, Old Homestead to Farmington Hills, Golf Club	148,000	148,000	NC			148 CF				
Inkster Road, west side, Nine Mile to Eleven Mile Road	1,076,000	1,076,000	NC			538 CF	538 CF			
Farmington, east side, between Thirteen and Fourteen Mile	299,000	299,000	NC				299 CF			
Halsted Road, east side, Brookwood to Fourteen Mile Road	409,000	409,000	NC					409 CF		
Inkster Road from Eleven Mile to the north end of the I-696 over pass	289,000	289,000	NC						289 CF	
Halsted, west side, Nine Mile to Windwood, City ROW only	94,000	94,000	NC							94 CF
Thirteen Mile, south side, Drake to Valley Bend	177,000	177,000	NC							177 CF
Power, east side, Ten Mile to Eleven Mile	964,000	964,000	NC							964 CF
Halsted south of Nine Mile at 22311 & 22315 (westside)	88,000	88,000	NC							88 CF
SUB-TOTAL:	\$5,339,000	\$4,949,000	\$0	\$524	\$481	\$786	\$937	\$509	\$389	\$1,323

Capital Improvement Fund

SIDEWALKS (continued)

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Riverwalk, Colfax pathway, Riverwalk to Mayfield	53,000	53,000	NC							53 CF
Rouge River Trail	137,500	0	NC							0
Inkster Road, west side, Thirteen Mile to Old Colony Street	409,000	409,000	NC							409 CF
Folsom, south side, Orchard Lake to Power	346,000	173,000	NC							173 CF
Nine Mile, south side, Drake to Farmington	433,000	216,500	NC							217 CF
Nine Mile, south side, Heather Ridge to Acadia Way	82,000	82,000	NC							82 CF
Folsom, south side, Tuck to Orchard Lake Road	892,000	446,000	NC							446 CF
Hills Tech Bike Path **	883,000	883,000	NC							883 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 **	524,000	524,000	NC							524 CF
Orchard Lake Road, east side, Folsom to Grand River	450,000	0	NC							0
Ten Mile, south side, Stoney Creek to Inkster	351,000	175,500	NC							176 CF
Scottsdale north, to south of Fourteen Mile Road	50,000	50,000	NC							50 CF
SUB-TOTAL:	\$5,761,500	\$4,163,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,163
PAGE 1 SUB-TOTAL:	\$5,339,000	\$4,949,000	0	524	481	786	937	509	389	1,323
TOTAL:	\$11,100,500	\$9,112,000	0	524	481	786	937	509	389	5,486

Capital Improvement Fund

DPW EQUIPMENT

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/2019	2019/20	2020/21	2021/22	2022/23	FUTURE
2017/2018 DPW Equipment	820,000	820,000	NC	820 CF						
2018/2019 DPW Equipment	890,000	890,000	NC		890 CF					
2019/2020 DPW Equipment	1,152,000	1,152,000	NC			1,152 CF				
2020/2021 DPW Equipment	905,000	905,000	NC				905 CF			
2021/2022 DPW Equipment	930,000	930,000	NC					930 CF		
2022/2023 DPW Equipment	740,000	740,000	NC						740 CF	
TOTAL:	\$5,437,000	\$5,437,000	\$0	\$820	\$890	\$1,152	\$905	\$930	\$740	\$0

FIRE EQUIPMENT

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
2017/2018 Fire Equipment and Apparatus	1,538,138	1,538,138	NC	1538 CF						
2018/2019 Fire Equipment and Apparatus	1,642,875	1,642,875	NC		1643 CF					
2019/2020 Fire Equipment and Apparatus	1,209,869	1,209,869	NC			1210 CF				
2020/2021 Fire Equipment and Apparatus	1,272,025	1,272,025	NC				1272 CF			
2021/2020 Fire Equipment and Apparatus	1,521,676	1,521,676	NC					1,522 CF		
2022/2023 Fire Equipment and Apparatus	1,081,760	1,081,760	NC						1,082 CF	
TOTAL:	\$8,266,343	\$8,266,343	\$0	\$1,538	\$1,643	\$1,210	\$1,272	\$1,522	\$1,082	\$0

Capital Improvement Fund

PARKS & RECREATION

PROJECT	TOTAL COST	CITY COST	MAINTENANCE COSTS	City Cost figures shown are in thousands of dollars.							
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE	
2017/2018 Vehicles, Equipment and Infrastructure	2,868,000	2,868,000	NC	2,530 CF; 223 PM; 67 GC; 47 IF							
2018/2019 Vehicles, Equipment and Infrastructure	908,000	908,000	NC		517 CF; 274 PM; 70 GC; 47 IC						
2019/2020 Vehicles, Equipment and Infrastructure	1,094,000	1,094,000	NC			495 CF; 450 PM; 54 GC; 95 IC					
2020/2021 Vehicles, Equipment and Infrastructure	552,000	552,000	NC				320 CF; 89 PM; 63 GC; 80 IC				
2021/2022 Vehicles, Equipment and Infrastructure	1,090,000	1,090,000	NC					780 CF; 128 PM; 32 GC; 150 IF			
2022/2023 Vehicles, Equipment and Infrastructure	838,000	838,000	NC						565 CF; 123 PM; 50 GC; 100 IF		
Acquisition of Park Land	1,500,000	1,500,000	NC								1,500 PM
Costick Center Pool and Performing Arts Space	25,000,000	25,000,000	155,000 AC								25,000,000
TOTAL:	\$33,850,000	\$33,850,000	\$155,000	2,868	908	1,094	552	1,090	838		26,500

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 2016/17, a Greens Roller, Verdicut Greens Mower and Range Equipment (picker, change machine and mats) are projected to be purchased. For FY 2017/18, a Fairway Mower is being proposed to be purchased.

Fund Balance

Fund balance is projected to decrease by \$5,403 or 42% to \$7,429 by June 30, 2018 which is 11% of Total Expenditures.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- No change.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- The \$5 increase results from an increase in audit fees.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Golf Course Capital Improvement Fund	\$25,879	\$97,580	\$67,200	\$67,200	\$67,205

Golf Course Capital Improvement Fund

Golf Course Capital Improvement Fund

FUND NUMBER: 412

Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	19,353	52,278	17,250	17,250	12,832	12,832
REVENUES						
Green Fees	28,813	32,345	30,750	32,500	31,500	31,500
Approp. from the General Fund	29,952	29,952	29,952	29,952	29,952	29,952
Interest	39	255	80	330	350	350
TOTAL REVENUES	58,804	62,552	60,782	62,782	61,802	61,802
EXPENDITURES						
Miscellaneous	200	200	200	200	205	205
Equipment	25,679	97,380	67,000	67,000	67,000	67,000
TOTAL EXPENDITURES	25,879	97,580	67,200	67,200	67,205	67,205
Revenues Over/(Under) Expenditures	32,925	(35,028)	(6,418)	(4,418)	(5,403)	(5,403)
FUND BALANCE AT JUNE 30	52,278	17,250	10,832	12,832	7,429	7,429

Capital Outlay

Acct.	2017/18 Requested	Unit Cost	Budget Request	Manager's Budget Quantity	Amount
970	Quantity	Item Description			
(002)	Equipment				
		Fairway Mower	67,000	1	67,000
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) appropriations directly to the Local Road Fund 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/other financing sources are 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 2017/18 expenditures/other financing uses reflect an appropriation to the Local Road Fund and auditing fees.

Fund Balance

Fund balance is projected to be \$670,281 or 38% of Total Expenditures and Other Financing Uses at June 30, 2018. The \$993,830 or 60% decrease in fund balance is due to planned appropriations for Local Road Fund maintenance projects.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$1,105 or 46% decrease from the current budget.
- The decrease results primarily from a less than budgeted loan to the Local Road Fund.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$1,763,470 increase from the FY 16-17 year-end projection and \$1,762,365 increase from the FY 16-17 budget.
- The budget to budget increase results from a planned appropriation to Local Road Fund for maintenance projects.

	2014-2015 ACTUAL	2015-16 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Revolving S.A. Fund	\$1,946,067	\$1,500	\$2,400	\$1,295	\$1,764,765

Special Assessment Revolving Loan/Maintenance Fund

Special Assessment Revolving Loan/Maintenance Fund

FUND NUMBER: 247

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	1,440,032	241,694	874,875	874,875	1,664,111	1,664,111
REVENUES						
Interest Income	8,931	9,344	2,000	2,500	3,000	3,000
Total Revenues	8,931	9,344	2,000	2,500	3,000	3,000
OTHER FINANCING SOURCES						
Local Road SAD - Closed District Transfers	0	0	0	0	0	0
Local Road SAD Fund - Loan Paybacks	738,798	625,337	608,173	608,173	591,000	591,000
Local Road Fund - Loan Paybacks	0	0	179,858	179,858	176,935	176,935
Contribution from SAD's	738,798	625,337	788,031	788,031	767,935	767,935
TOTAL REVENUES AND OTHER FINANCING SOURCES	747,729	634,681	790,031	790,531	770,935	770,935
EXPENDITURES						
Administration	1,295	1,295	1,400	1,295	1,330	1,330
Total Expenditures	1,295	1,295	1,400	1,295	1,330	1,330
OTHER FINANCING USES						
Contribution to other funds:						
SAD Roads (813...)	358,000	0	0	0	0	0
Loan to Local Road Fund	1,508,972	205	1,000	0	0	0
Appropriation to Local Road Fund	0	0	0	0	1,763,435	1,763,435
General Debt Service	77,800	0	0	0	0	0
Total Other Financing Uses	1,944,772	205	1,000	0	1,763,435	1,763,435
TOTAL EXPENDITURES AND OTHER FINANCING USES	1,946,067	1,500	2,400	1,295	1,764,765	1,764,765
Excess Revenues over/(under) Expenditures and Other Financing Uses	(1,198,338)	633,181	787,631	789,236	(993,830)	(993,830)
FUND BALANCE AT JUNE 30	241,694	874,875	1,662,506	1,664,111	670,281	670,281

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, 2017	118,161	929,834	1,047,995
REVENUES			
Property Taxes	9,463	299,709	309,172
Intergovernmental	0	0	0
Interest Income	500	8,000	8,500
Total Revenues	9,963	307,709	317,672
EXPENDITURES			
Legal Fees	1,000	0	1,000
Legal Notices	500	0	500
Audit Fees	515	1,025	1,540
Supplies	1,500	0	1,500
Building Demolition	0	425,000	425,000
Capital Outlay	50,000	100,000	150,000
Miscellaneous	1,500	20,000	21,500
Consultants	20,000	0	20,000
Total Expenditures	75,015	546,025	621,040
Revenues over/(under) Expenditures	(65,052)	(238,316)	(303,368)
OTHER FINANCING SOURCES AND USES			
Transfers In			
-from General Fund	0	0	0
Total Transfers In	0	0	0
Transfers Out			
-to General Fund	0	(9,000)	(9,000)
Total Transfers out	0	(9,000)	(9,000)
Total Other Financing Sources and Uses	0	(9,000)	(9,000)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(65,052)	(247,316)	(312,368)
FUND BALANCE AT JUNE 30, 2018	53,109	682,518	735,627

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 and Art Institute; as shown below:

CITY OF FARMINGTON HILLS
BROWNFIELD REDEVELOPMENT AUTHORITY
TAX INCREMENT REVENUE

	<u>FY 2016/17</u>	<u>FY 2017/18</u>
Captured Taxable Value	11,303,910	11,447,540
Property Taxes By Taxing Unit:		
City of Farmington Hills	161,955	163,704
Oakland County/HCMA	50,798	51,031
Oakland ISD	37,753	37,927
Oakland Community College	17,755	17,837
Farmington District Library	17,839	17,921
Oakland County PTA	11,237	11,289
Total	297,336	299,709

Expenditures

Expenditures for FY 2016/17 primarily reflect funds appropriated for the Demolition of the ATG Site, an appropriation to the Site Remediation Revolving Loan sub-fund, as well as funds allocated for administrative/operating expenditures.

Expenditures for 2017/18 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 \$929,834 at June 30, 2017 and \$682,518 at June 30, 2018. Brownfield funds are to be expended during the life of the Brownfield Plan.

Brownfield Redevelopment Authority

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$170,059 or 24% decrease from the current budget (which includes \$107,796 carried forward from FY 15-16 encumbrances).
- The decrease results primarily from less overall Project costs than budgeted.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$7,288 or 1% increase from the FY 16-17 year-end projection, and \$162,771 or 23% decrease from the FY 16-17 budget.
- The budget to budget decrease results primarily from anticipated less overall capital project expenditures and appropriation to the Revolving Loan Fund in FY 2017/18.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Brownfield Redevelopment Fund	\$310,252	\$120,357	\$717,796	\$547,737	\$555,025

Brownfield Redevelopment Authority

BROWNFIELD REDEVELOPMENT AUTHORITY FUND

FUND NUMBER: 243

Acct. No.	Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1		973,992	944,762	1,170,235	1,170,235	929,834	929,834
REVENUES							
	Property Taxes	269,369	274,231	277,803	297,336	299,709	299,709
	Federal Grant	4,800	55,200	0	0	0	0
	Other Revenue	610	0	0	0	0	0
	Interest Income	6,243	16,398	8,000	10,000	8,000	8,000
TOTAL REVENUES		281,022	345,829	285,803	307,336	307,709	307,709
EXPENDITURES							
	Audit Fees	1,000	1,000	1,000	1,000	1,025	1,025
	Building Demolition	175,336	51,406	7,478	136,876	75,000	75,000
	Assessments	4,800	55,200	0	0	20,000	20,000
(970)	Capital Outlay	10,820	3,751	328,060	28,602	100,000	100,000
TOTAL EXPENDITURES		191,956	111,357	336,538	166,478	196,025	196,025
OTHER FINANCING USES							
	Transfer to General Fund	9,000	9,000	9,000	9,000	9,000	9,000
	Site Remediation Revolving Loan Fund	109,296	0	372,259	372,259	350,000	350,000
TOTAL OTHER FINANCING USES		118,296	9,000	381,259	381,259	359,000	359,000
TOTAL EXPENDITURES AND OTHER FINANCING USES		310,252	120,357	717,796	547,737	555,025	555,025
Revenues Over/(Under) Expenditures		(29,230)	225,472	(431,993)	(240,401)	(247,316)	(247,316)
FUND BALANCE AT JUNE 30		944,762	1,170,235	738,241	929,834	682,518	682,518

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 participating taxing units. However, total taxable value decreased in Tax Years 2015 and 2016 compared to Tax Year 2014, therefore, there were no captured tax dollars available in FY 2015/16 or FY 2016/17. Total taxable value in 2017 is expected to be \$499,000 higher compared to Tax Year 2014, therefore, there will be tax captures available in FY 2017/18.

Tax increment revenue is projected to be \$9,463 in FY 2017/18, which will be generated from the City of Farmington Hills, Oakland County, the Oakland County Public Transportation Authority and Schoolcraft Community College.

Expenditures

Expenditures include supplies, legal notices, and professional service fees, and land acquisition.

Corridor Improvement Authority

Fund Balance

Fund balance is projected to be \$118,161 at June 30, 2017, and \$53,109 at June 30, 2018. The \$65,052 decrease in fund balance is primarily the result of the elimination of General Fund support, now that tax increment revenue is beginning to be generated from the capture of increased overall taxable value within the CIA's Development District.

FY 16-17 YEAR-END PROJECTION vs. FY 16-17 CURRENT BUDGET –

- \$71,600 or 76% decrease from the current budget.
- The decrease results primarily from less anticipated consultant expenditures and no anticipated land acquisition costs.

FY 17-18 PROPOSED BUDGET vs. FY 16-17 YEAR-END PROJECTION –

- \$52,015 or 226% increase from the FY 16-17 year-end projection, and \$19,585 or 21% decrease from the FY 16-17 budget.
- The budget to budget decrease results primarily a decrease in consultant expenditures.

	2014-2015 ACTUAL	2015-2016 ACTUAL	2016-2017 CURRENT BUDGET	2016-2017 PROJECTED YEAR-END	2017-2018 PROPOSED BUDGET
Corridor Improvement Authority Fund	\$16,600	\$19,999	\$94,600	\$23,000	\$75,015

Corridor Improvement Authority

CORRIDOR IMPROVEMENT AUTHORITY FUND

FUND NUMBER: 242

Acct. No. Category and Line Item	2014/15 Actual	2015/16 Actual	2016/17 Budgeted	2016/17 Estimated	2017/18 Proposed	2017/18 Adopted
FUND BALANCE AT JULY 1	25,699	43,398	90,161	90,161	118,161	118,161
REVENUES						
403-001 Property Taxes	0	0	0	0	9,463	9,463
505-016 Federal Grants	4,264	16,473	0	0	0	0
664-005 Interest Income	35	289	100	1,000	500	500
TOTAL REVENUES	4,299	16,762	100	1,000	9,963	9,963
OTHER FINANCING SOURCES						
676-101 Transfer from General Fund	30,000	50,000	50,000	50,000	0	0
TOTAL OTHER FINANCING SOURCES	30,000	50,000	50,000	50,000	0	0
TOTAL REVENUE AND OTHER FINANCING SOURCES						
	34,299	66,762	50,100	51,000	9,963	9,963
EXPENDITURES						
740-008 Supplies	0	1,635	1,500	500	1,500	1,500
801-004 Consultants	15,314	18,304	40,000	20,000	20,000	20,000
801-012 Legal Fees	0	0	1,000	1,000	1,000	1,000
801-014 Legal Notices	417	0	500	500	500	500
801-021 Audit Fees	0	0	100	500	515	515
970-055 Land Acquisition	0	0	50,000	0	50,000	50,000
996-003 Miscellaneous	869	61	1,500	500	1,500	1,500
TOTAL EXPENDITURES	16,600	19,999	94,600	23,000	75,015	75,015
Revenues & Other Sources Over/(Under)						
Expenditures	17,699	46,763	(44,500)	28,000	(65,052)	(65,052)
FUND BALANCE AT JUNE 30	43,398	90,161	45,661	118,161	53,109	53,109

BUDGET RESOLUTION

WHEREAS, the appropriate City Officers have submitted to the City Manager an itemized estimate of expenditures for FY 2017/18 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 2017/18 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 2017/18 on June 12, 2017 and the property tax millage rate to be levied to support the FY 2017/18 budget; and,

WHEREAS, an appropriate public notice was published on May 31 and June 7, 2017, notifying citizens of the Public Hearing on the proposed FY 2017/18 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 12, 2017 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 2017/18;

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 2017/18 in the aggregate amount of \$58,235,639 for expenditures and transfers-out funded by \$56,747,126 in revenues and transfers-in.
- 2) That the City Council for the City of Farmington Hills hereby appropriates the sum of \$58,235,639 in expenditures and transfers-out for FY 2017/18 for General Fund purposes on a departmental and activity total basis as follows:

GENERAL FUND

Boards & Commissions	\$2,725,502
General Government	10,474,168
Public Safety	20,443,225
Planning & Community Development	1,779,959
Public Services	7,841,113
Special Services	8,014,436
Operating Transfers Out	6,957,236
Total Expenditures + Transfers-out	<u><u>\$58,235,639</u></u>

- 3) That the City of Farmington Hills shall levy 6.1549 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 2017/18 for general operating purposes.

- 4) That the City of Farmington Hills shall levy 0.4434 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 2017/18 for general debt service requirements (all 0.4434 mills are from within the City Charter Limit) and to adopt the 2017/18 Debt Service Fund Budgets schedule as attached below.
- 5) That the City of Farmington Hills shall levy 2.1985 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 2017/18 for Capital Improvements of which 0.4817 mills will be dedicated to Parks Development as approved by the electorate in November 2007 and to adopt the 2017/18 Capital Improvement Fund Budget and Parks & Recreation Capital Development Funds Budget as attached below.
- 6) That the City of Farmington Hills shall levy 3.1348 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 2017/18 for the purposes of public safety.
- 7) That the City of Farmington Hills shall levy 0.7359 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 2017/18 for refuse removal and disposal.
- 8) That the City of Farmington Hills shall levy 0.0156 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 2017/18 for economic development and public information.
- 9) That the City of Farmington Hills shall levy 1.9738 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 2017/18 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 14.6569 mills ad valorem on the taxable value of all real and personal property subject to taxation in the City of Farmington Hills for FY 2017/18.

11) That the City of Farmington Hills estimates General Fund Revenues and transfers-in for the FY 2017/18 to total \$56,747,126, as follows:

GENERAL FUND

Property Taxes	\$30,742,979
Business Licenses & Permits	25,801
Other Licenses & Permits	1,449,414
Grants	540,002
State Shared Revenues	7,078,425
Fees	5,842,435
Sales	387,154
Fines & Forfeitures	2,205,438
Interest Earnings	319,000
Recreation User Charges	4,527,005
Other Revenue	2,312,625
Operating Transfers In	1,316,850
Total Revenue + Transfers-in	<u><u>\$56,747,126</u></u>

- 12) That the City of Farmington Hills adopts the Special Revenue Funds Budgets for the FY 2017/18 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, 2017	3,235,293	479,232	2,439,820	0	6,154,345
REVENUES					
Property Taxes	6,271,495	1,531,113	9,960,388	0	17,762,997
Intergovernmental	8,906,947	325,002	172,427	307,503	9,711,879
Interest Income	55,500	6,810	40,000	0	102,310
Special Assessments	1,200,490	0	0	0	1,200,490
Miscellaneous	129	168,526	0	35,000	203,655
Total Revenues	16,434,562	2,031,451	10,172,815	342,503	28,981,331
EXPENDITURES					
Highways & Streets	20,455,733	0	0	0	20,455,733
Public Safety	0	0	10,755,975	0	10,755,975
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	1,060	954,069	76,000	342,503	1,373,632
Total Expenditures	20,456,793	954,069	10,831,975	342,503	32,585,340
Revenues over/(under) Expenditures	(4,022,231)	1,077,382	(659,160)	0	(3,604,009)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	2,400,000	0	0	0	2,400,000
Transfers In	8,279,181	0	0	0	8,279,181
Transfers Out	(7,770,234)	(1,307,850)	0	0	(9,078,084)
Total	2,908,947	(1,307,850)	0	0	1,601,097
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,113,284)	(230,468)	(659,160)	0	(2,002,912)
FUND BALANCE AT JUNE 30, 2018	2,122,009	248,764	1,780,660	0	4,151,433

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, 2017	0	1,925,260	1,256,777	53,256	3,235,293
REVENUES					
Property Taxes	6,271,495	0	0	0	6,271,495
Intergovernmental	0	6,856,672	2,050,275	0	8,906,947
Interest Income	20,000	23,000	12,000	500	55,500
Special Assessments	0	0	1,200,490	0	1,200,490
Miscellaneous	0	129	0	0	129
Total Revenues	6,291,496	6,879,801	3,262,765	500	16,434,562
EXPENDITURES					
Highways & Streets	0	11,607,865	8,847,868	0	20,455,733
Land Acquisition, Capital Improvements and Other	750	0	0	310	1,060
Total Expenditures	750	11,607,865	8,847,868	310	20,456,793
Revenues over/(under) Expenditures	6,290,746	(4,728,064)	(5,585,103)	190	(4,022,231)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	2,400,000	0	2,400,000
Transfers In	0	4,235,125	4,044,056	0	8,279,181
Transfers Out	(6,290,746)	(225,000)	(1,254,488)	0	(7,770,234)
	(6,290,746)	4,010,125	5,189,568	0	2,908,947
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(0)	(717,939)	(395,535)	190	(1,113,284)
FUND BALANCE AT JUNE 30, 2018	0	1,207,321	861,242	53,446	2,122,009

SPECIAL REVENUE FUNDS RECREATION FUNDS SUMMARY

	Nutrition Fund #281	Parks & Recreation Millage Fund #410	Total Recreation Funds
FUND BALANCE AT JULY 1, 2017	0	479,232	479,232
REVENUES			
Property Taxes	0	1,531,113	1,531,113
Intergovernmental	298,503	26,499	325,002
Interest Income	310	6,500	6,810
Miscellaneous	168,526	0	168,526
Total Revenues	467,339	1,564,112	2,031,451
EXPENDITURES			
Land Acquisition, Capital Improvements and Other	467,339	486,730	954,069
Total Expenditures	467,339	486,730	954,069
Revenues over/(under) Expenditures	0	1,077,382	1,077,382
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	(230,468)	(230,468)
FUND BALANCE AT JUNE 30, 2018	0	248,764	248,764

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, 2017	2,030,679	248,159	160,981	2,439,820
REVENUES				
Property Taxes	9,960,388	0	0	9,960,388
Intergovernmental	172,427	0	0	172,427
Interest Income	40,000	0	0	40,000
Total Revenues	10,172,815	0	0	10,172,815
EXPENDITURES				
Public Safety	10,435,130	247,285	73,560	10,755,975
Land Acquisition, Capital Improvements and Other	76,000	0	0	76,000
Total Expenditures	10,511,130	247,285	73,560	10,831,975
Revenues over/(under) Expenditures	(338,315)	(247,285)	(73,560)	(659,160)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(338,315)	(247,285)	(73,560)	(659,160)
FUND BALANCE AT JUNE 30, 2018	1,692,365	874	87,421	1,780,660

13) That the City of Farmington Hills adopts the 2017/18 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, 2017	155,812	150	1,958,448	2,114,410
REVENUES				
Interest income	1,000	0	85,962	86,962
Special Assessments	0	0	621,806	621,806
Intergovernmental Revenues	250,010	0	0	250,010
Total Revenues	251,010	0	707,768	958,778
EXPENDITURES				
Bond principal payments	425,000	1,065,000	920,000	2,410,000
Interest and fiscal charges	201,113	64,159	369,390	634,662
Miscellaneous	925	925	9,302	11,152
Total Expenditures	627,038	1,130,084	1,298,692	3,055,814
Revenues over/(under) Expenditures	(376,028)	(1,130,084)	(590,924)	(2,097,036)
OTHER FINANCING SOURCES AND USES				
Proceeds from Bond Sale	0	0	0	0
Transfers In				
-General Fund	1,422,162	0	0	1,422,162
-SAD Revolving Fund	0	0	0	0
-Local Road Fund	83,800	0	993,753	1,077,553
-General Debt Fund	0	1,129,934	0	1,129,934
-Park Millage Fund	0	0	0	0
Total Transfers In	1,505,962	1,129,934	993,753	3,629,649
Transfers Out				
-SAD Revolving Fund	0	0	(591,000)	(591,000)
-Local Road Fund	0	0	0	0
- Building Authority Fund	(1,129,934)	0	0	(1,129,934)
Total Transfers out	(1,129,934)	0	(591,000)	(1,720,934)
Total Other Financing Sources and Uses	376,028	1,129,934	402,753	1,908,715
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	(150)	(188,171)	(188,321)
FUND BALANCE AT JUNE 30, 2018	155,812	0	1,770,277	1,926,089

- 14) That the City of Farmington Hills adopts the 2017/18 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, 2017	240,026	12,832	1,664,111	1,916,968
REVENUES				
Sales, Fees & Other	0	31,500	0	31,500
Grant	200,000	0	0	200,000
Interest income	3,000	350	3,000	6,350
Total Revenues	203,000	31,850	3,000	237,850
EXPENDITURES				
Public Facilities	1,130,000	0	0	1,130,000
Drainage	1,603,000	0	0	1,603,000
Sidewalk	350,000	0	0	350,000
Equipment	2,863,248	67,000	0	2,930,248
Administration & Misc.	1,900	205	1,330	3,435
Total Expenditures	5,948,148	67,205	1,330	6,016,683
Revenues over/(under) Expenditures	(5,745,148)	(35,355)	1,670	(5,778,833)
OTHER FINANCING SOURCES AND USES				
Transfer in from Local Road SAD	0	0	591,000	591,000
Transfer in from Local Road Fund	0	0	176,935	176,935
Transfer in from CDBG	0	0	0	0
Transfer in from General Fund	5,505,122	29,952	0	5,535,074
Transfer out - Local Road Fund	0	0	(1,763,435)	(1,763,435)
Total Other Financing Sources and Uses	5,505,122	29,952	(995,500)	4,539,574
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(240,026)	(5,403)	(993,830)	(1,239,259)
FUND BALANCE AT JUNE 30, 2018	0	7,429	670,281	677,709

- 15) That the City of Farmington Hills adopts the 2017/18 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, 2017	118,161	929,834	1,047,995
REVENUES			
Property Taxes	9,463	299,709	309,172
Intergovernmental	0	0	0
Interest Income	500	8,000	8,500
Total Revenues	9,963	307,709	317,672
EXPENDITURES			
Legal Fees	1,000	0	1,000
Legal Notices	500	0	500
Audit Fees	515	1,025	1,540
Supplies	1,500	0	1,500
Building Demolition	0	425,000	425,000
Capital Outlay	50,000	100,000	150,000
Miscellaneous	1,500	20,000	21,500
Consultants	20,000	0	20,000
Total Expenditures	75,015	546,025	621,040
Revenues over/(under) Expenditures	(65,052)	(238,316)	(303,368)
OTHER FINANCING SOURCES AND USES			
Transfers In			
-from General Fund	0	0	0
Total Transfers In	0	0	0
Transfers Out			
-to General Fund	0	(9,000)	(9,000)
Total Transfers out	0	(9,000)	(9,000)
Total Other Financing Sources and Uses	0	(9,000)	(9,000)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(65,052)	(247,316)	(312,368)
FUND BALANCE AT JUNE 30, 2018	53,109	682,518	735,627

- 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 2017/18 Budgets of the General Fund, Special Revenue Funds and Capital Projects Funds shall be automatically amended on July 1, 2017 to re-appropriate fund balances for certain outstanding encumbrances and/or available capital project budget balances at June 30, 2017, 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, 2017 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 2016/17 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 2017/18, as may be updated by the Finance Director:

GENERAL FUND

Revenues

Property Taxes	\$28,781,343
Business Licenses & Permits	25,747
Other Licenses & Permits	1,534,226
Grants	674,665
State Shared Revenues	7,336,848
Fees	5,866,128
Sales	323,545
Fines & Forfeitures	2,209,000
Interest Earnings	290,000
Recreation User Charges	4,582,942
Other Revenue	2,340,938
Operating Transfers In	1,316,850
Total Revenue + Transfers-in	\$55,282,232

Expenditures

Boards & Commissions	\$2,710,176
General Government	9,979,974
Public Safety	19,194,253
Planning & Community Development	1,593,984
Public Services	7,487,111
Special Services	7,561,431
Operating Transfers Out	6,910,743
Total Expenditures + Transfers-out	\$55,437,671

- 20) That the FY 2016/17 Special Revenue Funds Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2017/18, 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, 2016	5,154,412	568,189	3,632,113	0	9,354,714
REVENUES					
Property Taxes	6,158,364	1,503,257	9,780,714	0	17,442,335
Intergovernmental	7,389,490	322,297	315,325	307,503	8,334,615
Interest Income	53,470	6,300	42,700	0	102,470
Special Assessments	457,832	0	0	0	457,832
Miscellaneous	129	168,526	1,130	124,596	294,381
Total Revenues	14,059,285	2,000,380	10,139,869	432,099	26,631,633
EXPENDITURES					
Highways & Streets	26,030,665	0	0	0	26,030,665
Public Safety	0	0	10,821,663	0	10,821,663
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	1,050	781,486	510,500	432,099	1,725,135
Total Expenditures	26,031,715	781,486	11,332,163	432,099	38,577,463
Revenues over/(under) Expenditures	(11,972,430)	1,218,894	(1,192,294)	0	(11,945,830)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	0	0	0
Transfers In	18,056,779	0	0	0	18,056,779
Transfers Out	(8,003,468)	(1,307,850)	0	0	(9,311,318)
Total	10,053,311	(1,307,850)	0	0	8,745,461
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,919,119)	(88,956)	(1,192,294)	0	(3,200,369)
FUND BALANCE AT JUNE 30, 2017	3,235,293	479,232	2,439,820	0	6,154,345

**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	1,180,627	3,601,945	318,754	53,086	5,154,412
REVENUES					
Property Taxes	6,158,364	0	0	0	6,158,364
Intergovernmental	0	5,649,219	1,740,271	0	7,389,490
Interest Income	20,000	22,000	11,000	470	53,470
Special Assessments	0	0	457,832	0	457,832
Miscellaneous	0	129	0	0	129
Total Revenues	6,178,364	5,671,348	2,209,103	470	14,059,285
EXPENDITURES					
Highways & Streets	0	10,802,154	15,228,511	0	26,030,665
Public Safety	0	0	0	0	0
Debt Service	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	750	0	0	300	1,050
Total Expenditures	750	10,802,154	15,228,511	300	26,031,715
Revenues over/(under) Expenditures	6,177,614	(5,130,806)	(13,019,408)	170	(11,972,430)
OTHER FINANCING SOURCES AND USES					
Bond Proceeds	0	0	0	0	0
Transfers In	0	3,679,121	14,377,658	0	18,056,779
Transfers Out	(7,358,241)	(225,000)	(420,227)	0	(8,003,468)
	(7,358,241)	3,454,121	13,957,431	0	10,053,311
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,180,627)	(1,676,685)	938,023	170	(1,919,119)
FUND BALANCE AT JUNE 30, 2017	0	1,925,260	1,256,777	53,256	3,235,293

<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	568,189	568,189
REVENUES			
Property Taxes	0	1,503,257	1,503,257
Intergovernmental	298,503	23,794	322,297
Interest Income	300	6,000	6,300
Miscellaneous	168,526	0	168,526
Total Revenues	467,329	1,533,051	2,000,380
EXPENDITURES			
Land Acquisition, Capital Improvements and Other	467,329	314,157	781,486
Total Expenditures	467,329	314,157	781,486
Revenues over/(under) Expenditures	0	1,218,894	1,218,894
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	(88,956)	(88,956)
FUND BALANCE AT JUNE 30, 2017	0	479,232	479,232

**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, 2016	3,103,093	345,476	183,544	3,632,113
REVENUES				
Property Taxes	9,780,714	0	0	9,780,714
Intergovernmental	154,811	103,310	57,204	315,325
Interest Income	40,000	1,700	1,000	42,700
Miscellaneous	0	922	208	1,130
Total Revenues	9,975,525	105,932	58,412	10,139,869
EXPENDITURES				
Public Safety	10,537,439	203,249	80,975	10,821,663
Land Acquisition, Capital Improvements and Other	510,500	0	0	510,500
Total Expenditures	11,047,939	203,249	80,975	11,332,163
Revenues over/(under) Expenditures	(1,072,414)	(97,317)	(22,563)	(1,192,294)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,072,414)	(97,317)	(22,563)	(1,192,294)
FUND BALANCE AT JUNE 30, 2017	2,030,679	248,159	160,981	2,439,820

- 21) That the FY 2016/17 Debt Service Fund Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2017/18, 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, 2016	162,194	150	2,113,034	2,275,378
REVENUES				
Interest income	5,500	0	117,049	122,549
Special Assessments	0	0	646,651	646,651
Intergovernmental Revenues	232,790	0	0	232,790
Miscellaneous	0	0	0	0
Total Revenues	238,290	0	763,700	1,001,990
EXPENDITURES				
Bond principal payments	375,000	995,000	270,000	1,640,000
Interest and fiscal charges	209,113	130,200	191,357	530,670
Miscellaneous	900	900	9,075	10,875
Total Expenditures	585,013	1,126,100	470,432	2,181,545
Revenues over/(under) Expenditures	(346,723)	(1,126,100)	293,267	(1,179,555)
OTHER FINANCING SOURCES AND USES				
Proceeds from Bond Sale	0	0	0	0
Transfers In				
-General Fund	1,386,391	0	0	1,386,391
-Local Road Fund	80,050	0	160,319	240,369
-General Debt Fund	0	1,126,100	0	1,126,100
-Park Millage Fund	0	0	0	0
Total Transfers In	1,466,441	1,126,100	160,319	2,752,860
Transfers Out				
-SAD Revolving Fund	0	0	(608,173)	(608,173)
-Local Road Fund	0	0	0	0
- Building Authority Fund	(1,126,100)	0	0	(1,126,100)
Total Transfers out	(1,126,100)	0	(608,173)	(1,734,273)
Total Other Financing Sources and Uses	340,341	1,126,100	(447,854)	1,018,587
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(6,382)	0	(154,586)	(160,968)
FUND BALANCE AT JUNE 30, 2017	155,812	150	1,958,448	2,114,410

- 22) That the FY 2016/17 Capital Projects Fund Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2017/18, 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, 2016	2,884,806	17,250	874,875	3,776,930
REVENUES				
Sales, Fees & Other	62,418	32,500	0	94,918
Grant Revenue	31,800	0	0	31,800
Interest income	3,000	330	2,500	5,830
Total Revenues	97,218	32,830	2,500	132,548
EXPENDITURES				
Public Facilities	1,972,200	0	0	1,972,200
Drainage	2,106,000	0	0	2,106,000
Sidewalk	317,978	0	0	317,978
Equipment	3,970,266	67,000	0	4,037,266
Administration & Misc.	1,850	200	1,295	3,345
Total Expenditures	8,368,294	67,200	1,295	8,436,789
Revenues over/(under) Expenditures	(8,271,076)	(34,370)	1,205	(8,304,241)
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	181,896	0	0	181,896
Transfer in from General Fund	5,444,400	29,952	0	5,474,352
Transfer out	0	0	0	0
Total Other Financing Sources and Uses	5,626,296	29,952	788,031	6,444,279
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(2,644,780)	(4,418)	789,236	(1,859,962)
FUND BALANCE AT JUNE 30, 2017	240,026	12,832	1,664,111	1,916,968

- 23) That the FY 2016/17 Component Units Budgets be amended to the following estimated revenues and projected actual expenditures as reflected in the budget document submitted for FY 2017/18, 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, 2016	90,161	1,170,235	1,260,396
REVENUES			
Property Taxes	0	297,336	297,336
Grant	0	0	0
Interest Income	1,000	10,000	11,000
Total Revenues	1,000	307,336	308,336
EXPENDITURES			
Legal Fees	1,000	0	1,000
Legal Notices	500	0	500
Audit Fees	500	1,000	1,500
Supplies	500	0	500
Building Demolition	0	509,135	509,135
Capital Outlay	0	28,602	28,602
Miscellaneous	500	0	500
Consultants	20,000	0	20,000
Total Expenditures	23,000	538,737	561,737
Revenues over/(under) Expenditures	(22,000)	(231,401)	(253,401)
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	28,000	(240,401)	(212,401)
FUND BALANCE AT JUNE 30, 2017	118,161	929,834	1,047,995

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 22,900 City water customers and approximately 22,600 City sewer customers on a quarterly basis. Average annual water consumption per water customer is 16.17 thousand cubic feet (mcf) and the average annual sewage treatment is 14.62 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 16/17 YEAR-END PROJECTION vs. FY 15/16 ACTUAL

- Total Revenue is projected to increase by approximately \$327,000 or 1% from the previous year. Capital Contributions are projected to increase by approximately \$20,000 or 7% from the previous year. Bond Proceeds are projected to increase by \$12.3 million from the previous year, for the Middlebelt Sanitary Sewer Transport Tunnel Project.
- Total Expenses are projected to increase by approximately \$1 million or 4% from the previous year. Capital Assets are projected to decrease by approximately \$1.3 million or 10% from the previous year.
- The impact from above, results in a projected \$4,695,297 increase in Working Capital to \$71,272,004 at June 30, 2017, which is 314% 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.

FY 17/18 PROPOSED FINANCIAL PLAN vs. FY 16/17 YEAR-END PROJECTION

- Total Revenue is projected to increase by approximately \$878,000 or 3% from the previous year. No change in Capital Contributions is projected from the previous year. No Bond Proceeds are projected for FY 17/18.
- Total Expenses are projected to increase by approximately \$769,000 or 3% from the previous year. Based on the proposed CIP, Capital Assets are projected to decrease by approximately \$12.3 million from the previous year.
- The impact from above, results in a projected \$2,045,944 increase in Working Capital to \$73,317,948 at June 30, 2018, which is 314% of total projected expenses and transfers-out (less depreciation) for FY 17/18. 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 FY 2014/15	ACTUAL FY 2015/16	YEAR-END PROJECTION FY 2016/17	PROPOSED PLAN FY 2017/18
REVENUES				
Sale of Water	13,510,498	12,298,112	13,250,000	13,647,500
Sewage Disposal Charges	10,142,239	10,026,314	10,200,000	10,506,000
Other Operating Revenue	<u>1,748,320</u>	<u>3,324,258</u>	<u>2,500,000</u>	<u>2,575,000</u>
Total Operating Revenue	25,401,057	25,648,684	25,950,000	26,728,500
Other Non-operating Revenue				
Interest Income	605,710	737,573	750,000	825,000
Debt Service Charge	<u>-</u>	<u>812,059</u>	<u>825,000</u>	<u>849,750</u>
TOTAL REVENUES	26,006,767	27,198,316	27,525,000	28,403,250
EXPENSES				
Cost of Water	9,809,798	7,948,053	8,500,000	8,755,000
Cost of Sewage Treatment	8,423,785	8,272,238	8,500,000	8,755,000
Other Operation and Maintenance	4,071,261	4,022,327	4,100,000	4,223,000
Billing and Administrative Costs*	951,872	1,052,686	1,100,000	1,133,000
Depreciation	<u>3,513,122</u>	<u>3,667,667</u>	<u>3,750,000</u>	<u>3,862,500</u>
Total Operating Expenses	26,769,838	24,962,971	25,950,000	26,728,500
Other Non-operating Expenses				
Interest Expense	<u>322,305</u>	<u>426,514</u>	<u>467,737</u>	<u>458,426</u>
TOTAL EXPENSES	27,092,143	25,389,485	26,417,737	27,186,926
Income/(Loss) Before Contributions	(1,085,376)	1,808,831	1,107,263	1,216,324
Capital Contributions:				
Tap-in Fees	149,758	180,003	200,000	200,000
Special Assessments	<u>202,392</u>	<u>85,410</u>	<u>85,000</u>	<u>85,000</u>
Total Capital Contributions	352,150	265,413	285,000	285,000
Transfer-in From Other Funds	59,369	-	-	-
Transfer-out To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	(673,857)	2,074,244	1,392,263	1,501,324
Capital Assets	(5,880,879)	(12,849,780)	(14,190,000)	(1,887,000)
Depreciation	3,513,122	3,667,667	3,750,000	3,862,500
Bond Proceeds	10,412,242	2,812,434	15,145,329	-
Current Portion of Long-term Debt	<u>(550,000)</u>	<u>(630,000)</u>	<u>(1,402,295)</u>	<u>(1,430,880)</u>
CHANGE IN WORKING CAPITAL	6,820,628	(4,925,435)	4,695,297	2,045,944
WORKING CAPITAL-BEGINNING	64,681,514	71,502,142	66,576,707	71,272,004
WORKING CAPITAL-ENDING	71,502,142	66,576,707	71,272,004	73,317,948
WC as a % of Expenses plus Transfers-out				
less Depreciation	303%	306%	314%	314%

* Includes City Labor Costs associated with Accounting and Project Engineering.

Water & Sewer Fund

WATER MAINS

WATER MAIN PROJECT	TOTAL COST	CITY COST	Maint. Costs	Figures are shown in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	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 (aka Meadowbrook Heights), Replace existing 4" & 6" with 8"	800,000	800,000	NC		800 WS					
Westbrooke Plaza Water Main Replacement	335,000	335,000	NC		335 WS					
Villa Capri Subdivision, Replace existing 6" & 8" with 8"	2,400,000	2,400,000	NC			800 WS	1,600 WS			
Kimberley Subdivision, Replace existing 6" & 8" with 8" & 12"	3,500,000	3,500,000	NC					1,750 WS	1,750 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	0	NC							
Colwell Water Main, Shiawassee to Sedalia	425,000	425,000	NC							425 WS
TOTAL:	\$24,540,000	\$22,045,000	\$0	\$1,085	\$1,235	\$900	\$1,700	\$1,850	\$1,850	\$13,425

SANITARY SEWERS

SANITARY SEWER PROJECT	TOTAL	CITY COST	Maint. Costs	City Cost figures are shown in thousands of dollars.						
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	FUTURE
Sanitary Sewer Rehabilitation Program	3,000,000	3,000,000	NC	500 SS	500 SS	500 SS	500 SS	500 SS	500 SS	
Wastewater Asset Management Plan	1,210,000	302,000	NC	302 SS						
Thirteen Mile Sanitary Sewer (Marvin to Drake)	600,000	600,000	NC		600 SS					
Evergreen/Farmington LTCAP Upgrade - Eight Mile Road Storage Tank	17,625,000	10,223,000	NC				10,223 SS			
TOTAL:	\$22,435,000	\$14,125,000		\$802	\$1,100	\$500	\$10,723	\$500	\$500	

YOUR 2016 TAX DOLLAR

Based on Principal Residence (Homestead) Rate

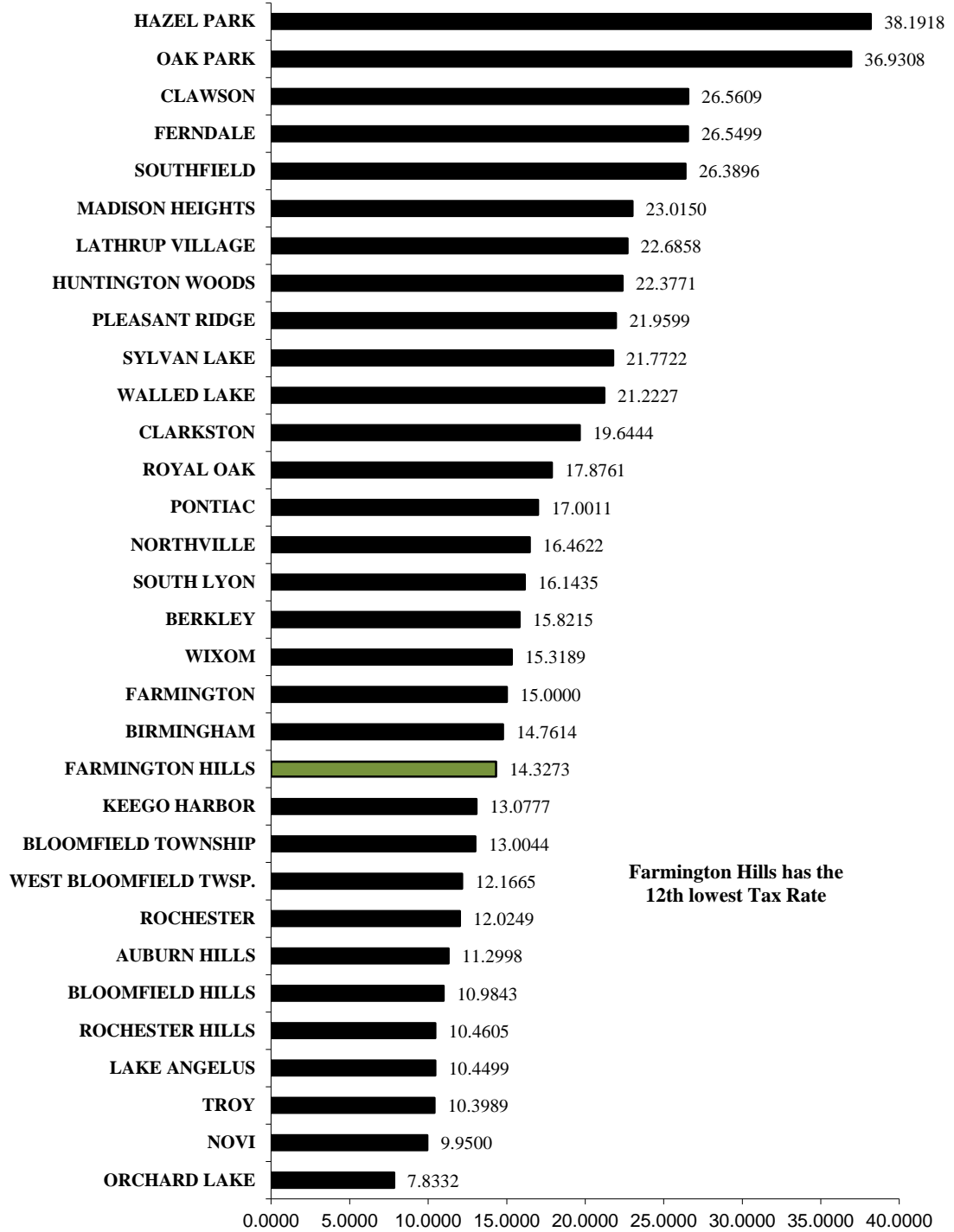
School District	County/Other	Education *	City
Farmington	12.93%	55.05%	32.02%
Walled Lake	14.60%	49.23%	36.17%
Clarenceville	15.50%	46.11%	38.39%



* Local Schools (including State support) + Oakland Intermediate Schools + Community College

2016 Local Unit Tax Rates

For all Cities and Major Townships in Oakland



2016 Tax Comparison for All Cities and Major Townships in Oakland County

<u>Local Taxing Unit</u>	2016 <u>Millage</u>	2016 <u>Taxable Value</u>	2016 <u>City Taxes</u>
Southfield	26.3896	2,400,338,435	63,343,971
Troy	10.3989	4,540,034,370	47,211,363
Bloomfield Township	13.0044	3,470,928,740	45,137,346
Farmington Hills*	14.3273	3,118,193,330	44,675,291
Royal Oak	17.8761	2,435,802,290	43,542,645
West Bloomfield Township	12.1665	3,333,230,100	40,553,744
Rochester Hills	10.4605	3,225,294,400	33,738,192
Novi	9.9500	3,298,149,850	32,816,591
Birmingham	14.7614	2,110,188,780	31,149,341
Madison Heights	23.0150	763,320,030	17,567,810
Auburn Hills	11.2998	1,508,920,380	17,050,499
Oak Park	36.9308	440,172,910	16,255,938
Ferndale	26.5499	534,548,520	14,192,210
Pontiac	17.0011	662,679,370	11,266,278
Wixom	15.3189	652,804,610	10,000,249
Clawson	26.5609	330,387,770	8,775,397
Bloomfield Hills	10.9843	791,127,310	8,689,980
Rochester	12.0249	679,377,720	8,169,449
Berkley	15.8215	508,946,490	8,052,297
Huntington Woods	22.3771	330,782,340	7,401,950
Hazel Park	38.1918	169,554,010	6,475,573
South Lyon	16.1435	329,152,650	5,313,676
Farmington	15.0000	313,625,530	4,704,383
Walled Lake	21.2227	183,013,800	3,884,047
Pleasant Ridge	21.9599	141,727,410	3,112,320
Lathrup Village	22.6858	122,079,080	2,769,462
Orchard Lake	7.8332	351,238,900	2,751,325
Northville	16.4622	152,991,818	2,518,582
Sylvan Lake	21.7722	84,628,350	1,842,545
Keego Harbor	13.0777	85,068,990	1,112,507
Clarkston	19.6444	39,427,100	774,522
Lake Angelus	10.4499	71,228,660	744,332

* 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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Operations	6.4341	6.5435	6.5139	6.3279	7.2148
Capital	0.4800	0.4800	0.4800	0.4800	0.2400
Debt	0.6347	0.5402	0.5362	0.6481	0.5012
Total Charter	7.5488	7.5637	7.5301	7.4560	7.9560
Refuse	0.5082	0.4933	0.5269	0.6010	0.6822
Econ. Develop.	0.0000	0.0000	0.0000	0.0000	0.0152
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	10.6180
Taxable Value*	\$4,438,529,490	\$4,411,543,260	\$4,165,008,570	\$3,619,696,470	\$3,281,707,580
Tax Levy	\$44,481,167	\$44,210,722	\$41,740,050	\$36,275,150	\$34,845,171
Tax Collections**	\$43,356,322	\$42,669,852	\$40,166,471	\$34,911,860	\$33,353,601
Percent Collected***	97.47%	96.51%	96.23%	96.24%	95.72%

<u>Millage Type</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Operations	6.6396	6.7084	6.5206	5.9466	5.8911
Capital	0.7467	0.6163	0.7986	1.5606	1.5978
Debt	0.5697	0.6313	0.6368	0.4488	0.4671
Total Charter	7.9560	7.9560	7.9560	7.9560	7.9560
Refuse	0.7138	0.7168	0.7436	0.7542	0.7169
Econ. Develop.	0.0162	0.0164	0.0164	0.0160	0.0160
Parks	0.4882	0.4882	0.4882	0.4882	0.4859
Roads	0.0000	0.0000	0.0000	2.0000	1.9908
Public Safety	3.1764	3.1764	3.1764	3.1764	3.1617
Total City Millage	12.3506	12.3538	12.3806	14.3908	14.3273
Taxable Value*	\$3,077,626,770	\$3,040,696,350	\$3,051,369,420	\$3,125,682,070	\$3,125,760,110
Tax Levy	\$38,010,476	\$37,564,155	\$37,777,784	\$44,981,066	\$44,783,703
Tax Collections**	\$36,891,023	\$36,922,255	\$36,898,852	\$44,257,766	\$44,060,403
Percent Collected***	97.05%	98.29%	97.67%	98.39%	98.38%

* 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**

Farmington School District

<u>Millage Type</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
City	10.0216	10.0216	10.0216	10.0216	10.6180
Local Schools P.R.E.	10.1784	9.6915	10.1442	12.0278	12.3334
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	0.1000	0.1000	0.1000	0.1000
Art Institute	0.0000	0.0000	0.0000	0.0000	0.0000
Total P.R.E. Millage	37.9751	37.5882	38.0409	39.9245	40.8265
Local Schools Non-P.R.E.	9.6216	10.1085	9.6558	8.0722	7.8466
Total Non-P.R.E. Millage	47.5967	47.6967	47.6967	47.9967	48.6731

Walled Lake School District

<u>Millage Type</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
City	10.0216	10.0216	10.0216	10.0216	10.6180
Local Schools P.R.E.	6.6700	6.5722	6.4793	6.7508	6.8812
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	0.1000	0.1000	0.1000	0.1000
Art Institute	0.0000	0.0000	0.0000	0.0000	0.0000
Total P.R.E. Millage	34.4667	34.4689	34.3760	34.6475	35.3743
Local Schools Non-P.R.E.	16.1200	16.2178	16.0207	15.7492	15.6188
Total Non-P.R.E. Millage	50.5867	50.6867	50.3967	50.3967	50.9931

Clarenceville School District

<u>Millage Type</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
City	10.0216	10.0216	10.0216	10.0216	10.6180
Local Schools P.R.E.	5.1324	5.0898	5.1146	5.1922	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	3.3690
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	0.1000	0.1000	0.1000	0.1000
Art Institute	0.0000	0.0000	0.0000	0.0000	0.0000
Total P.R.E. Millage	33.1414	33.1988	33.2236	33.3012	33.2054
Local Schools Non-P.R.E.	17.3676	17.4102	17.3854	17.3078	18.0000
Total Non-P.R.E. Millage	50.5090	50.6090	50.6090	50.6090	51.2054

**HISTORICAL REAL PROPERTY TAX RATES FOR ALL TAXING UNITS
BY TAX YEAR**

Farmington School District

<u>Millage Type</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
City	12.3506	12.3538	12.3806	14.3908	14.3273
Local Schools P.R.E.	13.3810	13.0140	11.7472	12.4418	12.1482
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Oakland Community College	1.5844	1.5844	1.5844	1.5819	1.5707
Intermediate Schools	3.3690	3.3690	3.3690	3.3633	3.3398
County	4.6461	4.6461	4.6461	4.5456	4.4938
Library	1.5856	1.5856	1.5856	1.5856	1.5781
Transit Authority	0.5900	0.5900	1.0000	0.9998	0.9941
Zoo	0.1000	0.1000	0.1000	0.0998	0.0990
Art Institute	0.2000	0.2000	0.2000	0.1996	0.1981
Total P.R.E. Millage	43.8067	43.4429	42.6129	45.2082	44.7491
Local Schools Non-P.R.E.	7.1790	7.5460	8.5128	8.9982	9.2918
Total Non-P.R.E. Millage	50.9857	50.9889	51.1257	54.2064	54.0409

Walled Lake School District

<u>Millage Type</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
City	12.3506	12.3538	12.3806	14.3908	14.3273
Local Schools P.R.E.	7.0254	7.4730	7.6843	7.2841	7.0150
State Education Tax	6.0000	6.0000	6.0000	6.0000	6.0000
Oakland Community College	1.5844	1.5844	1.5844	1.5819	1.5707
Intermediate Schools	3.3690	3.3690	3.3690	3.3633	3.3398
County	4.6461	4.6461	4.6461	4.5456	4.4938
Library	1.5856	1.5856	1.5856	1.5856	1.5781
Transit Authority	0.5900	0.5900	1.0000	0.9998	0.9941
Zoo	0.1000	0.1000	0.1000	0.0998	0.0990
Art Institute	0.2000	0.2000	0.2000	0.1996	0.1981
Total P.R.E. Millage	37.4511	37.9019	38.5500	40.0505	39.6159
Local Schools Non-P.R.E.	15.5346	15.6715	15.8029	15.8339	15.9129
Total Non-P.R.E. Millage	52.9857	53.5734	54.3529	55.8844	55.5288

Clarenceville School District

<u>Millage Type</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
City	12.3506	12.3538	12.3806	14.3908	14.3273
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	1.7880
Intermediate Schools	3.3690	3.3690	3.3690	3.3633	3.3398
County	4.6461	4.6461	4.6461	4.5456	4.4938
Library	1.5856	1.5856	1.5856	1.5856	1.5781
Transit Authority	0.5900	0.5900	1.0000	0.9998	0.9941
Zoo	0.1000	0.1000	0.1000	0.0998	0.0990
Art Institute	0.2000	0.2000	0.2000	0.1996	0.1981
Total P.R.E. Millage	35.1380	35.1412	35.5780	37.4812	37.3182
Local Schools Non-P.R.E.	18.0000	18.0000	18.0000	18.0000	18.0000
Total Non-P.R.E. Millage	53.1380	53.1412	53.5780	55.4812	55.3182

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 Receipients
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
6/30/2016**	\$150,257,018	\$179,218,630	\$28,961,612	83.8%	\$5,370,490	277	293

* Annual Contribution to be made in the 2nd subsequent fiscal year from the Valuation Date.

** Investment Return Assumption lowered from 7.50% to 7.40%.

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 Receipients
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
06/30/16	\$71,438,401	\$71,198,513	(\$239,888)	100.3%	\$776,762	233	214

* Revised the 2010 valuation using revised assumptions, as of June 30, 2011.

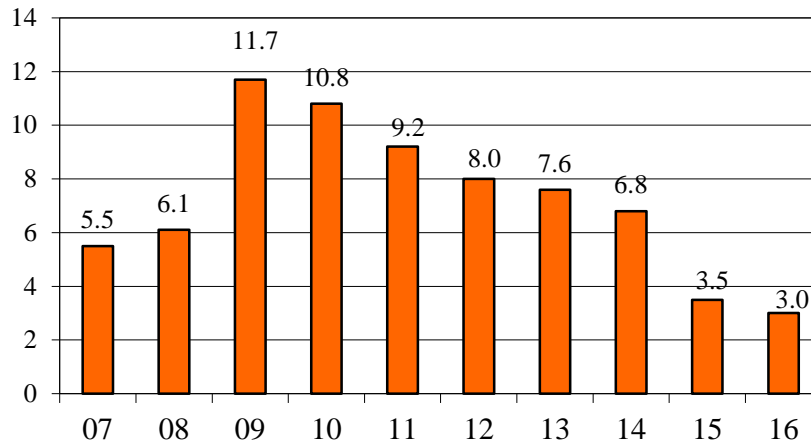
** Annual Contribution made in the 2nd subsequent fiscal year from the Valuation Date.

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
2016	81,412	34,963	9,909	3.0

**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.