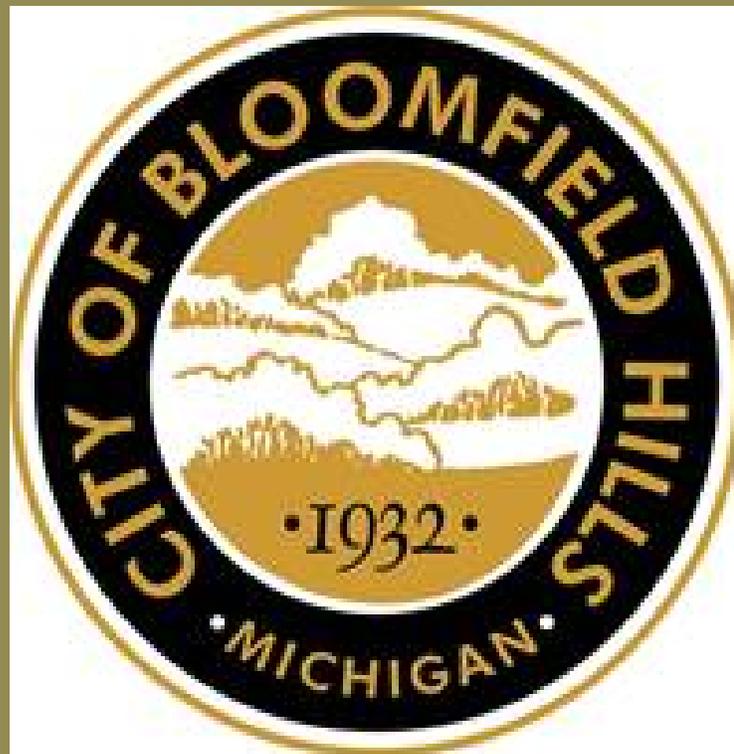


2014-2015 BUDGET





City of Bloomfield Hills
FY 2014-2015
Budget

Commission

Patricia A. Hardy, Mayor
Michael J. Dul, Mayor Pro-Tem
Michael Coakley, Commissioner
Sarah McClure, Commissioner
Stuart D. Sherr, Commissioner

City Manager

Jay W. Cravens

Clerk

Amy L. Burton

Finance Director/Treasurer

Karen K. Ruddy

Director of Public Safety

David S. Hendrickson

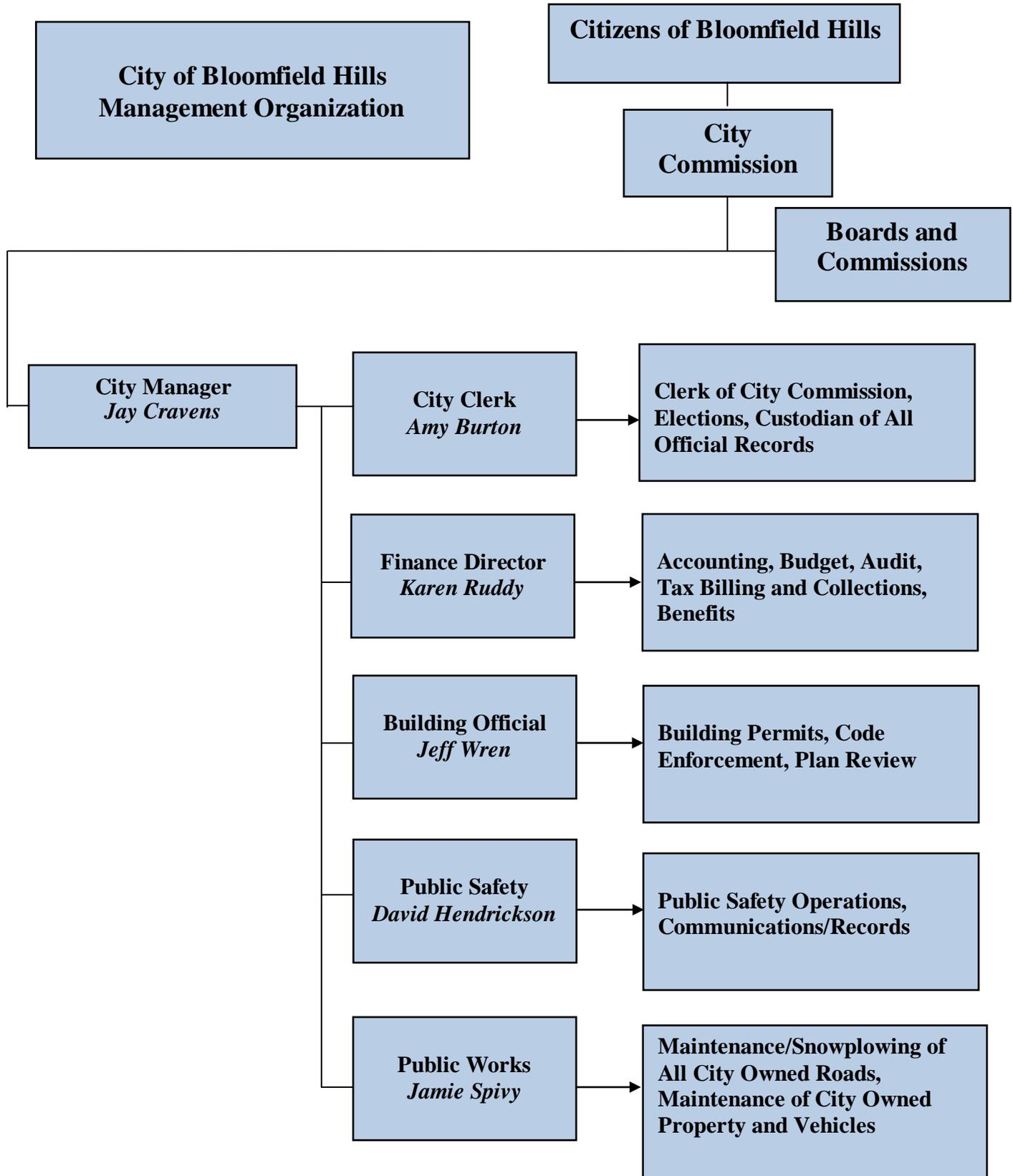
Building Official

Jeff Wren

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City of Bloomfield Hills
Organizational Chart



Message from the Finance Director

General Fund 2014-2015 budgeted revenues are \$8,953,823 compared with \$8,788,924 in 2013-2014. Excluding the use of fund balance to balance the budget, revenues increased by about \$99,000. In 2014-2015 \$66,000 of unrestricted fund balance will be used to balance the budget. Using fund balance to offset expenses that are greater than revenue is a common practice; which is both allowable and acceptable.

Property taxes rose by approximately \$194,000 from last year. However \$37,710 of the increase is tax money that was to be allocated to the Road Construction Fund, but budgeted to stay in the General Fund. In 2013-2014 the General Fund transferred \$37,710 in additional funds to the Road Construction Fund for preliminary design of the 2015 road projects. Therefore in 2015, \$37,710 of the tax revenue allocated for road construction will remain in the General Fund.

Although tax revenue is up in 2014-2015, building permits revenue decreased by \$174,000. In 2013-2014 the Cedarbrook Continuing Care Retirement Community project began; increasing building permit revenue. In 2015 mechanical, electrical and plumbing permits are expected to rise in total by approximately \$99,000, also due to the Cedarbrook project.

Budgeted expenditures for the 2014-2015 General Fund are \$8,953,823 compared with 2013-2014 budgeted expenditures of \$8,788,924; an increase of \$165,000. The increase in expenses is primarily due to increased public safety pension costs. The pension multipliers were decreased in the last labor negotiations which should help reduce costs. However, the most recent pension actuarial study did not include the reduction. A supplemental valuation is being done and any reduction to the employer contributions for 2014-2015 will be handled by a budget amendment.

The tax millage is being increased by .75 mills to fund the reconstruction of Vaughn and South Cranbrook roads. This revenue will be allocated to the Road Construction Fund and is not part of the General Fund budget. Since the water mains lie beneath these roads, as well as Yarboro and Joyce roads, the Commission agreed the water mains should be replaced and any sewer rehabilitation performed during the road construction. The cost to replace these water mains and perform necessary sewer rehab is approximately \$4.5 million. In order to fund these projects the City has decided to purchase bonds through the Water/Sewer Fund. The funding for these bonds will increase the combined water and sewer rates by eight percent. Preliminary design and the majority of the water main construction are slated for late 2014-2015, with the project being completed in 2015-2016.

Over the past five years, while revenues have decreased and expenses have continued to rise, it has been a challenge to continue to provide the highest level of service while continuing to improve our roads. This budget is proof of the hard work and commitment of the Commission and the staff to keep this community one to be proud of. Finally, I would like to take this opportunity to thank Mayor Patricia Hardy, Commissioners Sarah McClure, Michael Dul, Stuart Sherr and Michael Coakley, City Manager Jay Cravens, City Clerk Amy Burton, Chief David Hendrickson and the entire administrative staff for all of their help and support during this budget process. They were all essential to the process.

Karen K. Ruddy, Finance Director/Treasurer

Budget Overview

City of Bloomfield Hills

Established in 1932, Bloomfield Hills is a predominately residential community with expansive lots and unique architecture. Situated in Oakland County, the City is approximately four square miles of rolling hills, trees, and water. Although the City has a population of only 3,869, it is ranked as one of the top five wealthiest cities in the United States that consists of over 1,000 households.

Fund Structure

The City of Bloomfield Hills maintains accounts for 10 funds including a fund that brings the City of Bloomfield Hills in compliance with GASB 34. There are six types of funds: General Fund, Special Revenue Funds, Debt Service Funds, Enterprise Funds, Capital Projects Funds and Trust and Agency Funds.

General Fund - The General Fund is the City's primary operating fund. The General Fund is a government fund that generates revenues to cover general operational expenses and is accounted for on the modified accrual basis. Modified accrual basis of accounting is a blend of both cash and full accrual. Revenue is recognized when it is considered available and measurable, while expenses are recognized when the liability has occurred.

Special Revenue Funds

Major Road Fund and Local Road Fund - The Major and Local Road Funds account for resources of state and weight tax revenues that are restricted for use on major or local roads. These funds account for expenditures associated with the maintenance and improvements of City roads.

Drug Forfeiture Fund - The Drug Forfeiture Fund accounts for money or property seized by the Public Safety Department.

General Obligation Debt Service Fund - The Debt Service Fund accounts for the actual costs of interest and principal on general obligation debt issued by the City of Bloomfield Hills.

Water and Sewer Fund - The Water and Sewer Fund accounts for the results of operations that provide water and sewer services to citizens that are financed by user charges. This fund is an Enterprise Fund which operates like a business entity.

Road Construction Fund - The Road Construction Fund accounts for major road repair and road replacement projects.

Trust and Agency Fund - The Trust and Agency Fund accounts for building bonds, escrows, etc., that are held by the City until required work is performed or used to pay vendors related to building projects. This fund has no revenue or expense recorded, so no budget is required or prepared.

Tax Collection Fund - The Tax Collection Fund accounts for the yearly property tax receipts collected, and tax distributions made by the City. This fund has no revenue or expense recorded, so no budget is required or prepared.

GASB 34 Fund - The GASB 34 Fund converts governmental fund statements to full accrual accounting, in accordance with Governmental Accounting Standards Board Statement 34; no budget is required or prepared for this fund.

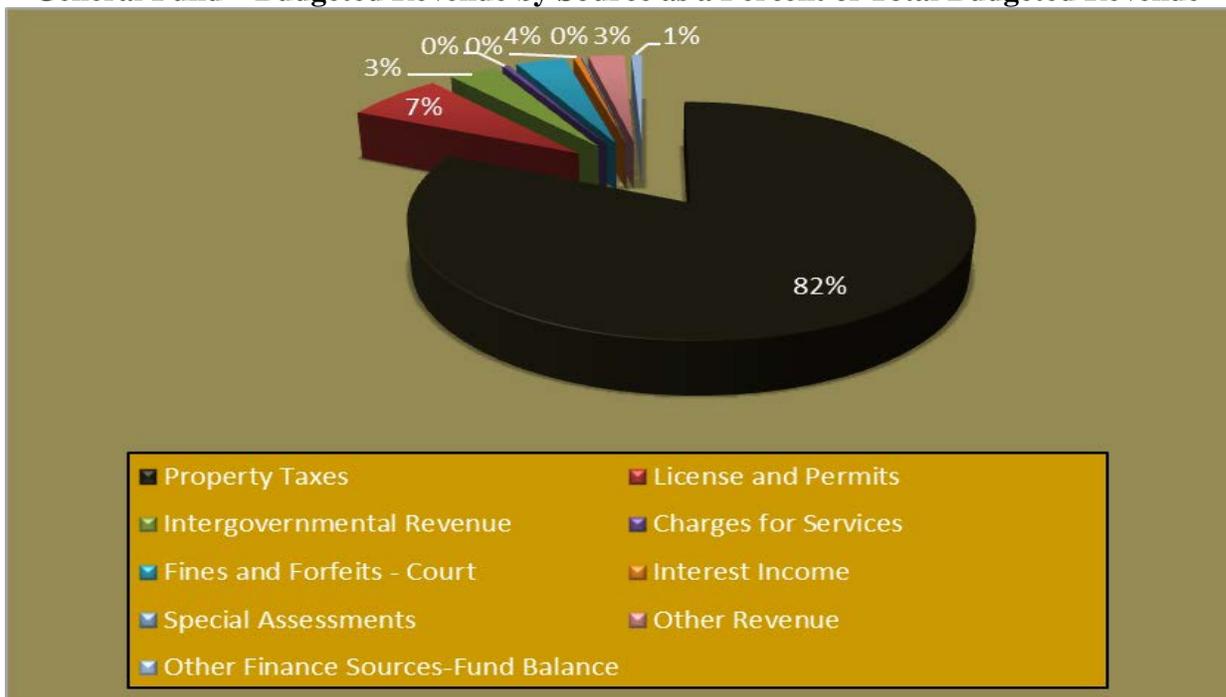
General Fund Overview

Revenue

General Fund 2015 budgeted operating revenue is \$8,953,823 compared with 2014 budgeted revenue of \$8,788,924; an increase of approximately \$165,000. Property tax revenue is the largest revenue source for the General Fund and makes up 82% of total revenue. Property taxes increased by 2.5% from last year, but this increase was offset by a decrease in building permits by approximately the same amount. The \$165,000 increase in revenue is primarily due to mechanical, electrical and plumbing permit revenue expected in 2015 for the Cedarbrook Continuing Care Retirement Community project that is underway, and utilizing \$66,000 in prior year fund balance to balance the budget. It is permissible and acceptable to use fund balance (savings) from previous years to balance the budget.

The City is able to levy 14.7182 mills without voter approval. However, only 9.85 of general operating mills were levied in the past; 9.50 mills were allocated to the General Fund for operating and .35 mills were allocated to the Road Construction Fund. In 2015 the City has elected to increase the levy by .75 mills; which will be collected on the 2014 tax roll. This revenue will generate approximately \$550,000 each year and be allocated to the Road Construction Fund for the reconstruction of Vaughn and S. Cranbrook roads. The City also levies .39 mills each year for Baldwin Library services; these mills are voter authorized. The library contract will be up in November of 2014, but the voters will be asked to renew this millage on the August 2014 ballot.

General Fund – Budgeted Revenue by Source as a Percent of Total Budgeted Revenue



State Revenue Sharing

State revenue sharing is a local unit’s share of state sales tax and in the past it was made up of both constitutional and statutory payments. In 2012 the State of Michigan replaced statutory revenue sharing with EVIP (Economic Vitality Incentive Program). The City no longer qualifies for the EVIP portion of revenue sharing.

Constitutional

The constitutional portion of state revenue sharing is based on a formula using population times the state distribution rate. Constitutional revenue sharing is set by law and cannot be taken away without a change to the state constitution. However, this amount can vary based on the amount of sales tax collected each year. The State of Michigan has announced a 3% increase in constitutional revenue sharing in 2015. Therefore, the 2015 budget reflects that increase.

EVIP

Public Act 63 of 2011 introduced EVIP (Economic Vitality Incentive Program) which replaced statutory revenue sharing. Not all municipalities were eligible to receive the statutory replacement; including Bloomfield Hills. In the graph below you can see a decrease in year 2009-2010 from 2008-2009, representing the City’s loss of revenue due to the EVIP disqualification.

The graph below depicts a comparison of the City’s revenue sharing payments for years 2005 through 2013.

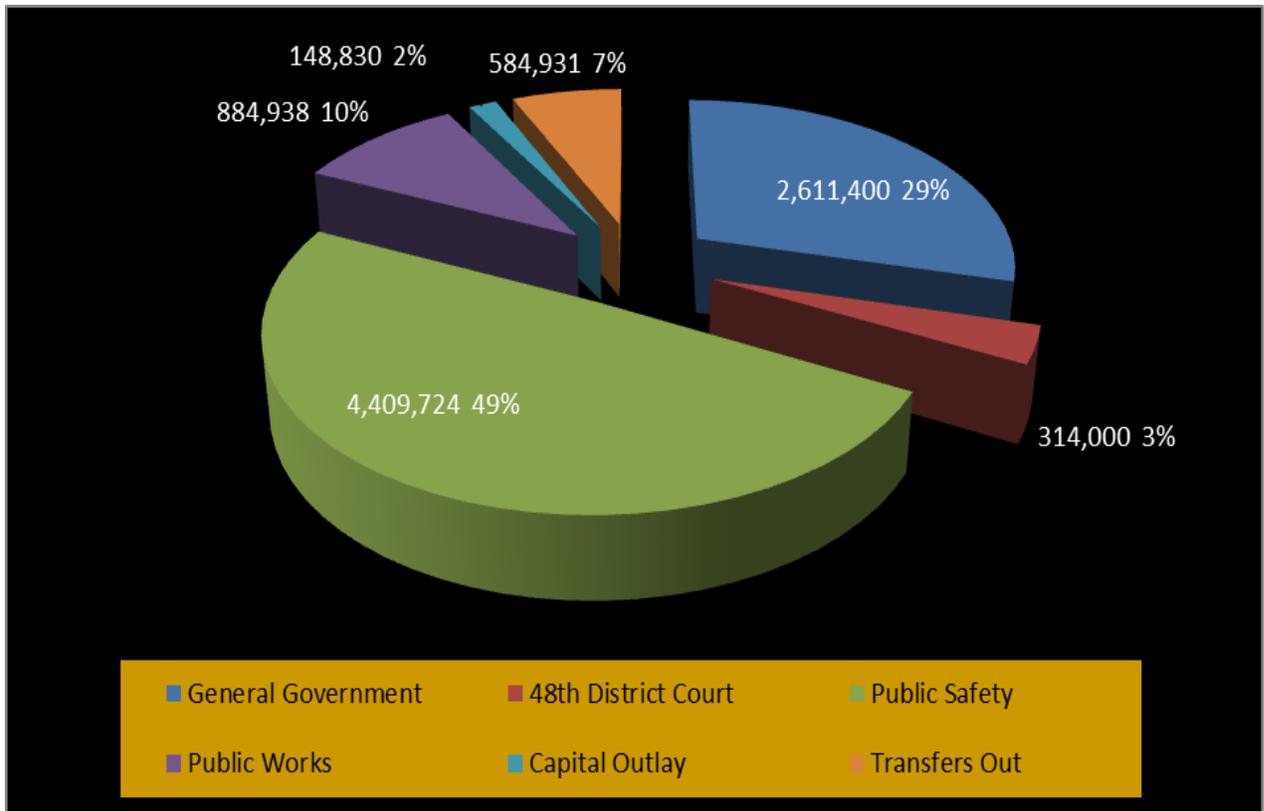


Expenditures

The General Fund expenditure budget for 2015 is \$8,953,823, compared with 2014 budgeted expenditures of \$8,788,924; an increase of \$165,000. The increase is mainly due to rising pension costs in the public safety department. Although the City has recently negotiated lower multiplier's, which should help reduce liability, the reductions came too late to be included in the latest MERS actuarial study. A supplemental study is being done and any reductions to the City's contribution rate will be shown via a budget amendment.

The largest operating cost to the City is our public safety department. The City's public safety department combines both police and fire services, and each officer is trained in both. As shown in the graph below, public safety consumes almost half of the General Fund budget at 49% of total General Fund expenditures. General governmental expenses are second behind public safety, making up 29% of the General Fund budget.

General Fund – Budgeted Expenditures by Function as a Percentage of Total Expense Budget



**GENERAL FUND
2014-2015 FINANCIAL SUMMARY**

Estimated Revenue Sources

Property Taxes	\$ 7,342,297
License and Permits	616,900
Intergovernmental Revenue	300,800
Charges for Services	37,000
Fines and Forfeits - Court	314,000
Interest Income	42,207
Special Assessments	7,360
Other Revenue	227,200
Other Finance Sources-Fund Balance	<u>66,059</u>

Total Budgeted Revenue Sources **\$ 8,953,823**

Estimated Expenditures

Commission	\$ 600
48 th District Court	314,000
City Manager	151,910
City Attorney	170,000
Assessing	49,234
City Clerk	113,979
Treasury	163,187
General Admin	1,144,495
Building/Grounds	188,825
Public Safety	4,409,724
Building/Planning	342,379
Public Works	842,938
Engineering	42,000
Library	286,791
Capital Purchases	148,830
Transfers Out	584,931
Other Finance Sources-Fund Balance	<u>-</u>

Total Budgeted Expenditures **\$ 8,953,823**

Budgeted Net Revenue (Expenditures) **\$ -**

Estimated Fund Balance

Fund Balance at June 30, 2013 (Audited)	\$ 4,186,024
Estimated Change in Fund Balance at June 30, 2014	<u>58,600</u>
Estimated Fund Balance at June 30, 2014	\$ 4,244,624
Estimated Change in Fund Balance at June 30, 2015	<u>(66,059)</u>
Estimated Fund Balance at June 30, 2015	\$ 4,178,565

GENERAL FUND REVENUE



GENERAL FUND – REVENUE

REVENUE BY SOURCE	2013 Actual	2014 Budget	2015 Approved Budget
<u>PROPERTY TAXES</u>			
PROPERTY TAXES - OPERATING	\$ 6,700,761	\$ 6,809,701	\$ 7,003,340
LIBRARY MILLAGE	275,109	279,839	285,957
PROPERTY TAXES - DELQ PPT	2,830		
PENALTY & INTEREST - TAXES	53,586	50,000	53,000
<u>LICENSES & PERMITS</u>			
CONTRACTOR REGISTRATION	9,706	5,000	9,000
BUILDING PERMITS	219,777	400,000	230,000
PERMIT APPLICATION FEE-ALL BL	43,452	50,000	43,000
VACANT HOME REGISTRATION FEE	300		
ELECTRICAL PERMITS	40,885	53,000	70,000
PLUMBING PERMITS	19,345	23,000	60,000
MECHANICAL PERMITS	30,030	32,000	69,000
IN-HOME SALE PERMITS	1,850	1,000	1,000
W.W. DREAM CRUISE SPECIAL PER	5,000	5,000	5,000
DOG LICENSE FEES	1,040	560	900
CABLE TV FRANCHISE FEES	199,976	125,000	129,000
<u>INTERGOVERNMENTAL REVENUE</u>			
CRIMINAL JUSTICE TRAINING 302	4,184	2,266	4,000
PUB SAFETY 911 TRAINING FUND	2,922	3,216	3,200
GRANT		1,846	
LIQUOR LICENSE REBATE	5,357	5,240	5,200
STATE REVENUE SHARING	286,441	280,047	288,400
<u>CHARGES FOR SERVICES</u>			
PLANNING COMMISSION FEES	7,373	5,000	5,000
CHARGES FOR SERVICES	933	6,178	1,000
CHARGES FOR SERV-PUBLIC SAFET	2,267	5,513	2,500
ZBA REVIEW FEES	6,500	5,000	4,500
PUBLIC SAFETY-COST RECOVERY	7,315	2,000	2,000
PUBLIC SAFETY-OVERTIME REIMB	3,487	624	
FIRE MARSHALL	25,255	22,000	22,000
RIGHT-OF-WAY FEE	(3,725)		
<u>FINES & FORFEITS</u>			
48TH DISTRICT CT-FINES & FEES	339,822	314,000	314,000
<u>INTEREST INCOME</u>			
	58,929	40,000	42,207
<u>SPECIAL ASSESSMENTS</u>			
	11,810	10,544	7,360
<u>OTHER REVENUE</u>			
OTHER REVENUE	37,090	17,000	
FIRE SUPPRESSION & ALARM PERM	5,765	4,000	5,000
SALE OF ASSETS	18,393		12,000
DPW EQUIP&LABOR REIMB	314,862	165,000	170,200
RETIREE DRUG SUBSIDY	24,090	15,000	
REIMBURSEABLE EXPENSES	130		
REFUNDS & REBATES	44,121	47,800	40,000
PUBLIC SAFETY GIFT CONTRIBS.	6,080	2,550	
OPERATING TRANSFER IN	12,900		
OTHER FINANCING SOURCES – FUND BAL	635,887		66,059
TOTAL REVENUE & OTHER SOURCES	\$ 9,461,835	\$ 8,788,924	\$ 8,953,823

GENERAL FUND APPROPRIATIONS



GENERAL INFORMATION - APPROPRIATIONS

KEY ASSUMPTIONS

⌘ WAGE INCREASES	0%
⌘ HEALTH INSURANCE BASES ON ILLUSTRATIVE RATES	
⌘ ADMIN RETIREMENT CONTRIBUTION	16.00%
○ Admin Closed	\$54,168/year
⌘ DPW RETIREMENT CONTRIBUTION	
○ Closed Group	\$133,452/year
○ Hired after 1/1/2006	1.88%
⌘ PUBLIC SAFETY RETIREMENT CONTRIBUTION	
○ Dispatch	6.97%
○ PSO Closed Group	\$441,204/year
○ PSO Hired after 7/1/2009	10.07%
○ Command	108.88%
○ PS Executive Closed	\$97,452/year
⌘ GENERAL OPERATING INCREASES	Based on 2 year history
⌘ UTILITY \ FUEL INCREASES	5.00%

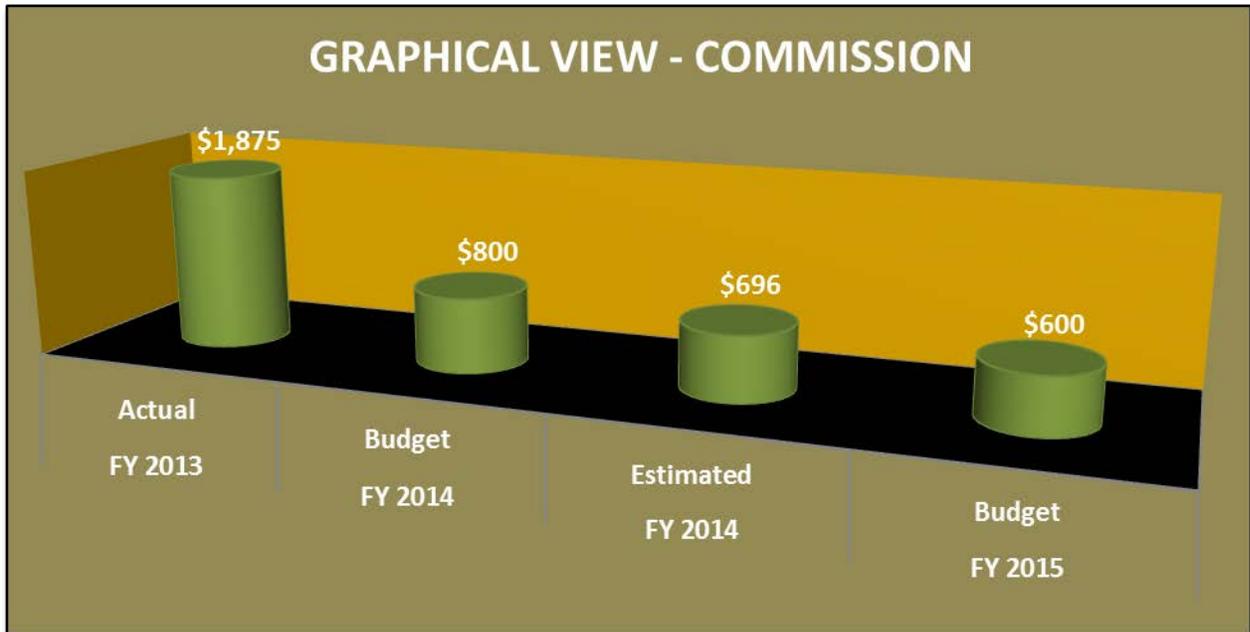
SUMMARY OF FTE'S (Full-Time Equivalents) - GENERAL FUND

Department	2014 Full-Time	2014 Part-Time	2014 Total FTE's	2013 Total FTE's
City Manager	1	0	1.00	1.00
Clerk	1	1	1.80	1.80
Treasury	2	1	2.60	2.60
Public Safety	28	4	29.00	29.00
Building	1	2	2.25	2.25
DPW	5	0	5.00	5.00
Total	38	8	41.65	41.65

Note: FTE's are shown above by department assignment, not by allocation to other departments/funds

DEPARTMENT APPROPRIATIONS
Commission

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: FINANCE DIRECTOR



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
Financial Summary	Actual	Budget	Estimated	Approved Budget
Personnel Services	\$ 300	\$ 300	\$ 300	\$ 300
Operating Costs	1,575	500	396	300
Total	\$ 1,875	\$ 800	\$ 696	\$ 600

Personnel/FTE Data	Actual	Budget	Actual	Budget
Part Time Elected Positions	5	5	5	5
Total Positions	5	5	5	5
Full Time Equivalents	0.0	0.0	0.0	0.0

Commissioners

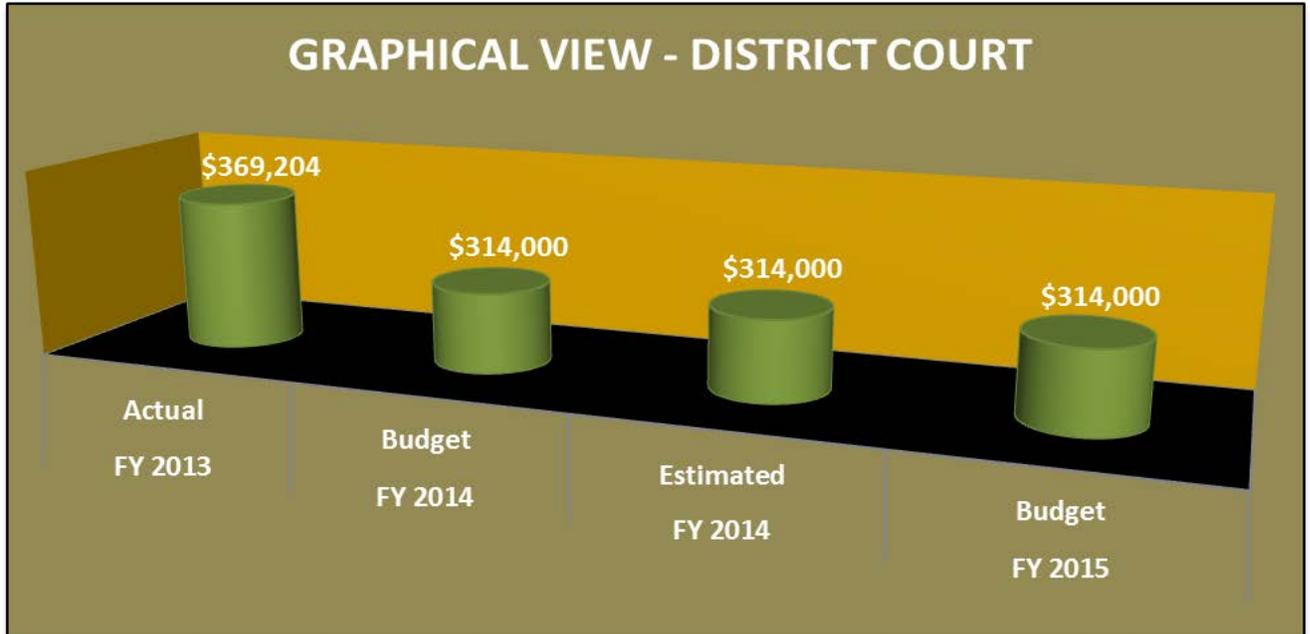
- ↻ Elected for 2 year terms
- ↻ Enact legislation and policies
- ↻ Approve budget
- ↻ Assist residents

Changes in Budget

- 25% decrease from 2014 budget
- 2015 decrease due to elimination of conference/travel budget for commission members
- 2013 actual is high because of a one-time expense accounted for in this department

DEPARTMENT APPROPRIATIONS
48th District Court

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	369,204	314,000	314,000	314,000
Total	\$ 369,204	\$ 314,000	\$ 314,000	\$ 314,000

Personnel/FTE Data	Actual	Budget	Actual	Budget
Total Positions	0	0	0	0
Full Time Equivalents	0.0	0.0	0.0	0.0

48th District Court Department

- ↗ Contractual services with the 48th District Court to provide an independent third branch of government
- ↗ Services include arraignments, misdemeanors, small claim cases, search warrants, civil law suits, felony pleas, landlord-tenant disputes, civil infractions, and preliminary examinations

Changes in Budget

- There is no change from the 2014 budget
- The Court has decreased its budget over the past two years and so we expect no increase in expenditures for 2015

DEPARTMENT APPROPRIATIONS City Manager

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: CITY MANAGER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ 127,118	\$ 143,965	\$ 144,018	\$ 146,950
Operating Costs	4,133	5,079	5,079	4,960
Total	\$ 131,251	\$ 149,044	\$ 149,097	\$ 151,910

Personne/FTE Data	Actual	Budget	Actual	Budget
Full Time Positions:				
City Manager	1	1	1	1
Total Positions	1	1	1	1
Full Time Equivalents	1.0	1.0	1.0	1.0

City Manager's Department

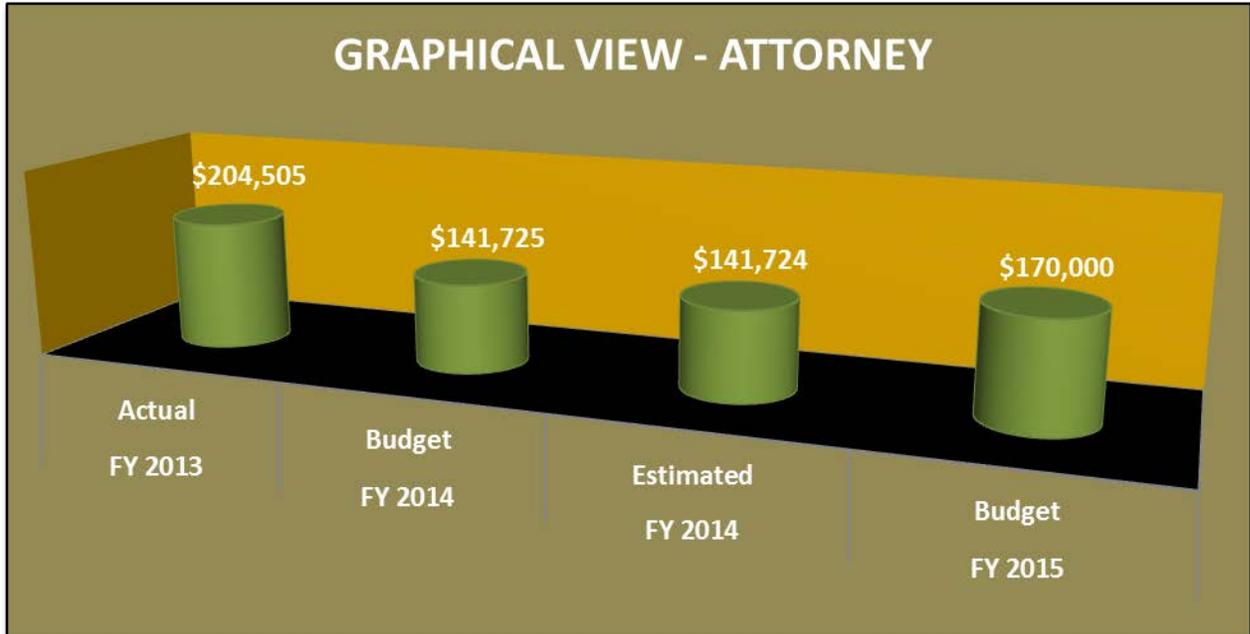
- ↻ Directs and coordinates the operations of the City's departments and staff
- ↻ Manages, supervises, and coordinates overall long range planning, strategic plans, public improvements and general municipal operations
- ↻ Represents management in labor relations and approves contracts and agreements on behalf of the City
- ↻ Coordinates City operations with other governmental agencies to increase efficiency and maximize availability of services

Changes in Budget

- 2% increase over 2014 budget
- Increase in 2015 budget due to a salary increase late in 2014 causing salary to be higher in 2015
- In 2014 City Manager's salary and benefits were allocated as follows: **City Manager Dept.-80%**, **Building Dept.-5%** and **Sewer and Water Fund-5%**

DEPARTMENT APPROPRIATIONS
City Attorney

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
Financial Summary	Actual	Budget	Estimated	Approved Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	204,505	141,725	141,724	170,000
Total	\$ 204,505	\$ 141,725	\$ 141,724	\$ 170,000
Personnel Services				
Personne/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full Time Equivalents	-	-	-	-

City Attorney's Department

- The city contracts with two separate legal firms. One firm is contracted to advise and assist with municipal legal issues and the other firm is contracted for labor issues; including assistance with labor negotiations

Changes in Budget

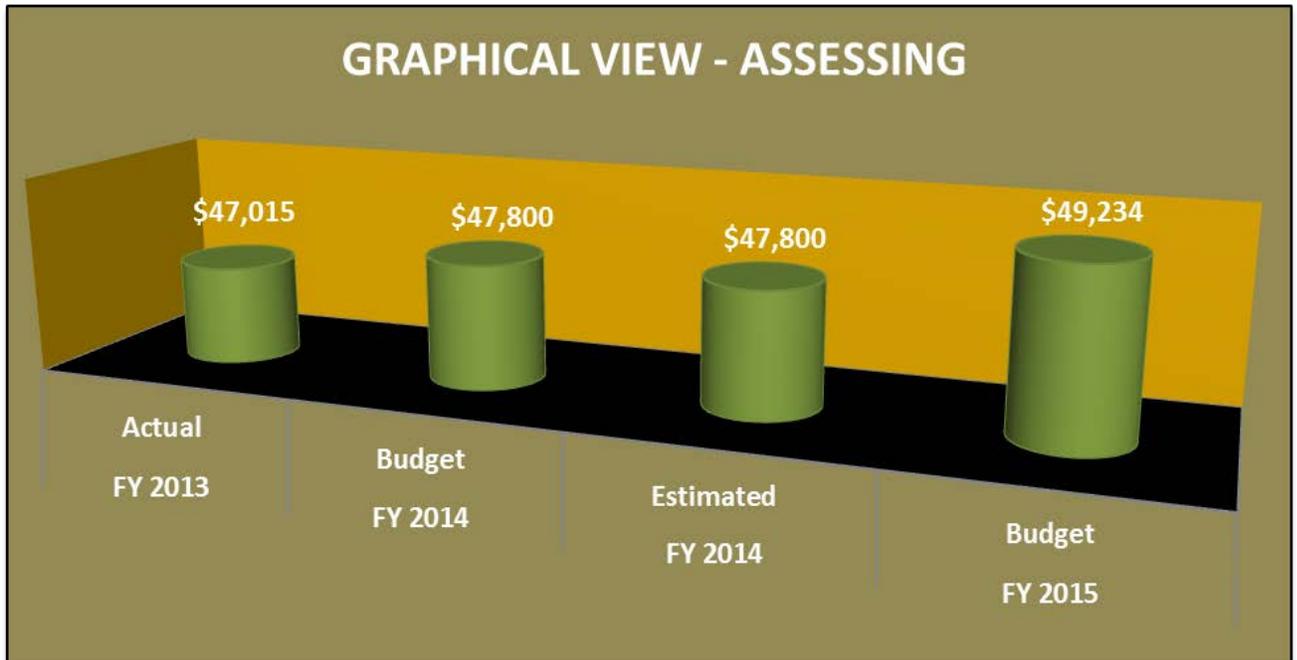
- 20% increase over 2014 budget
- Includes estimated increase for Department of Public Works contract negotiations for contract expiring June of 2014, and Dispatch, Public Safety and Command contracts which all expire June of 2015

DEPARTMENT APPROPRIATIONS

Assessing

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT

STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	47,015	47,800	47,800	49,234
Total	\$ 47,015	\$ 47,800	\$ 47,800	\$ 49,234

Personne/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full Time Equivalents	-	-	-	-

Assessing Department

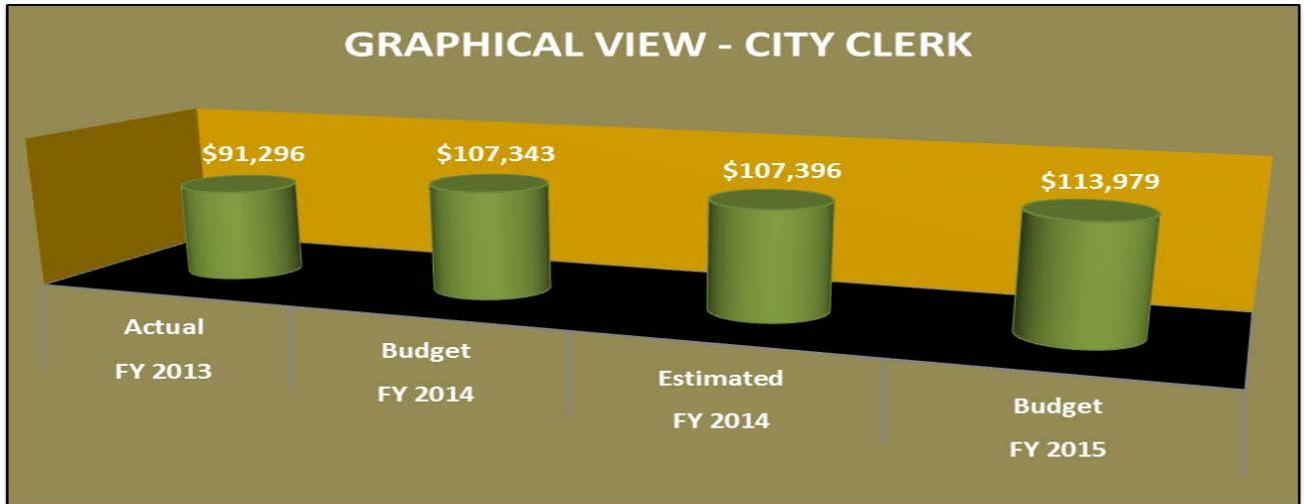
- ↻ Assessing services contracted with Oakland County
- ↻ Valuation of real and personal property
- ↻ Assists with Board of Review
- ↻ Personal Property tax return printing, and tax software yearly fees

Expenditure Information

- 3% increase over 2014 budget
- 2015 costs include 3% increase for possible contractual and printing increases

DEPARTMENT APPROPRIATIONS
City Clerk

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: CITY CLERK



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
<u>Financial Summary</u>	Actual	Budget	Estimated	Approved Budget
Personnel Services	\$ 76,326	\$ 86,943	\$ 86,996	\$ 91,114
Operating Costs	14,970	20,400	20,400	22,865
Total	\$ 91,296	\$ 107,343	\$ 107,396	\$ 113,979

<u>Personnel/FTE Data</u>	Actual	Budget	Actual	Budget
Full Time Positions:				
City Clerk	1	1	1	1
Part Time Positions:				
Clerk Assistant	0	1	1	1
Total Positions	1	2	2	2
Full Time Equivalents	1.0	1.8	1.8	1.8

City Clerk's Department

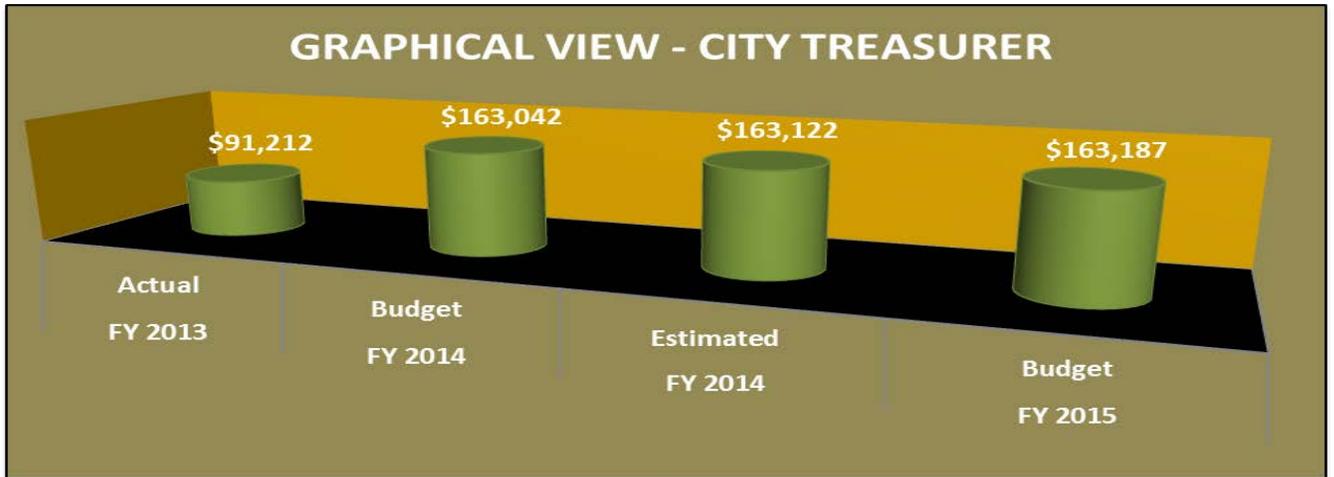
- ↻ Clerk to the City Commission, Planning Commission and Zoning Board or Appeals
- ↻ Custodian of all official city records
- ↻ Administers all local, school, state and federal elections and maintains Qualified Voter File
- ↻ Administrator of city website
- ↻ Freedom of Information Act Coordinator

Changes in Budget

- 6% increase over 2014 budget
- Increase for 2015 mainly due to re-allocation of Clerk's benefits and Clerk Assistant wages from the General Administration budget
- Wage and benefits allocations: **Clerk Dept.**-Clerk 85%, Clerk Assistant 20% **Building Dept.**-Clerk 15%, Clerk Assistant 80%
- The Clerk's budget can fluctuate yearly due to the number of required elections held

DEPARTMENT APPROPRIATIONS
City Treasurer

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
<u>Financial Summary</u>	Actual	Budget	Estimated	Approved Budget
Personnel Services	\$ 89,717	\$ 160,842	\$ 160,922	\$ 161,075
Operating Costs	1,495	2,200	2,200	2,112
Total	\$ 91,212	\$ 163,042	\$ 163,122	\$ 163,187
<u>Personnel/FTE Data</u>	Actual	Budget	Actual	Budget
Full Time Positions:				
Finance Dir/Treasurer	1	1	1	1
Accounting Clerk	1	1	1	1
Part Time Positions:				
Finance Clerk	1	1	1	1
Total Positions	3	3	3	3
Full Time Equivalents	2.6	2.6	2.6	2.6

City Treasurer's Department

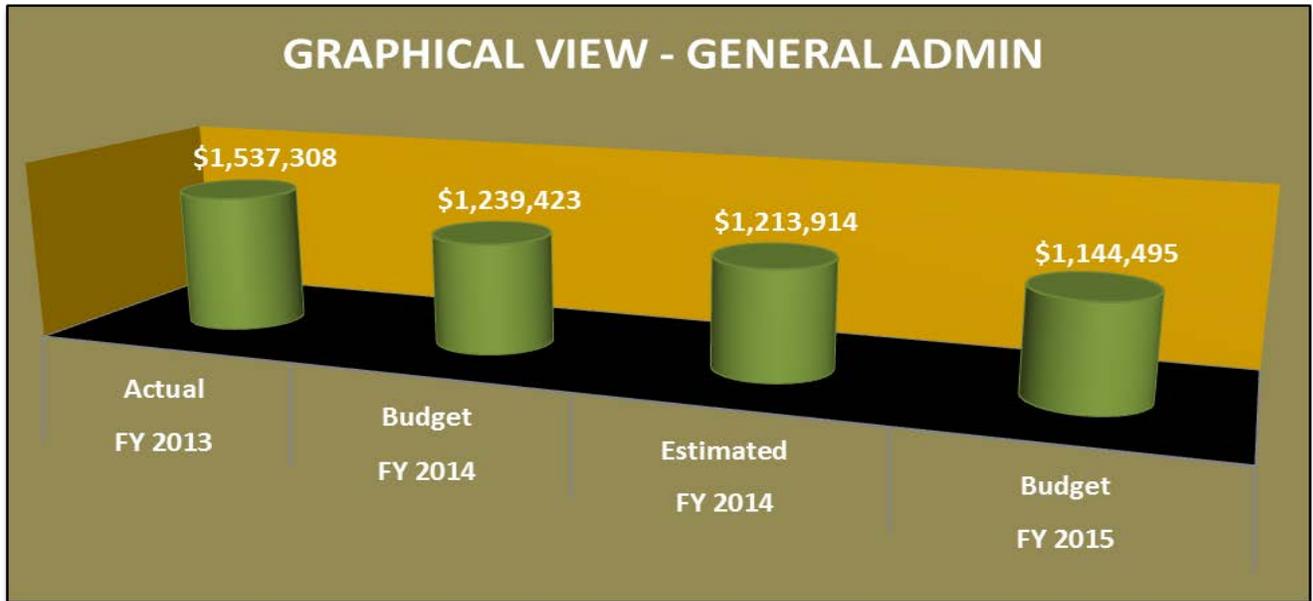
- ↗ Financial administration, budget preparation and oversight
- ↗ Annual financial statement audit and maintaining proper internal controls
- ↗ Supervises accounts payable, accounts receivable and payroll functions
- ↗ Tax roll maintenance, tax billing, revenue collection and tax settlement with the county

Expenditure Information

- 0% increase over 2014 budget
- 2013 costs are lower because interim Finance Director accounted for in Gen Admin Dept.
- In 2014 the Accounting Clerk wages and benefits and the Finance Director/Treasurer's benefits were allocated to Building and the Water/Sewer Fund from General Admin
- Wage and benefit allocations: **Treasury**-Finance Director 80%, Accounting Clerk 65%; **Building**-Finance Director 10%, Accounting Clerk 30%, Finance Clerk 10%; **Water and Sewer Fund**-Finance Director 10%, Accounting Clerk 5%

DEPARTMENT APPROPRIATIONS
General Administration

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ 1,143,224	\$ 991,759	\$ 970,478	\$ 930,228
Operating Costs	394,084	247,664	243,436	214,267
Total	\$ 1,537,308	\$ 1,239,423	\$ 1,213,914	\$ 1,144,495
Personnel/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

General Administration Department

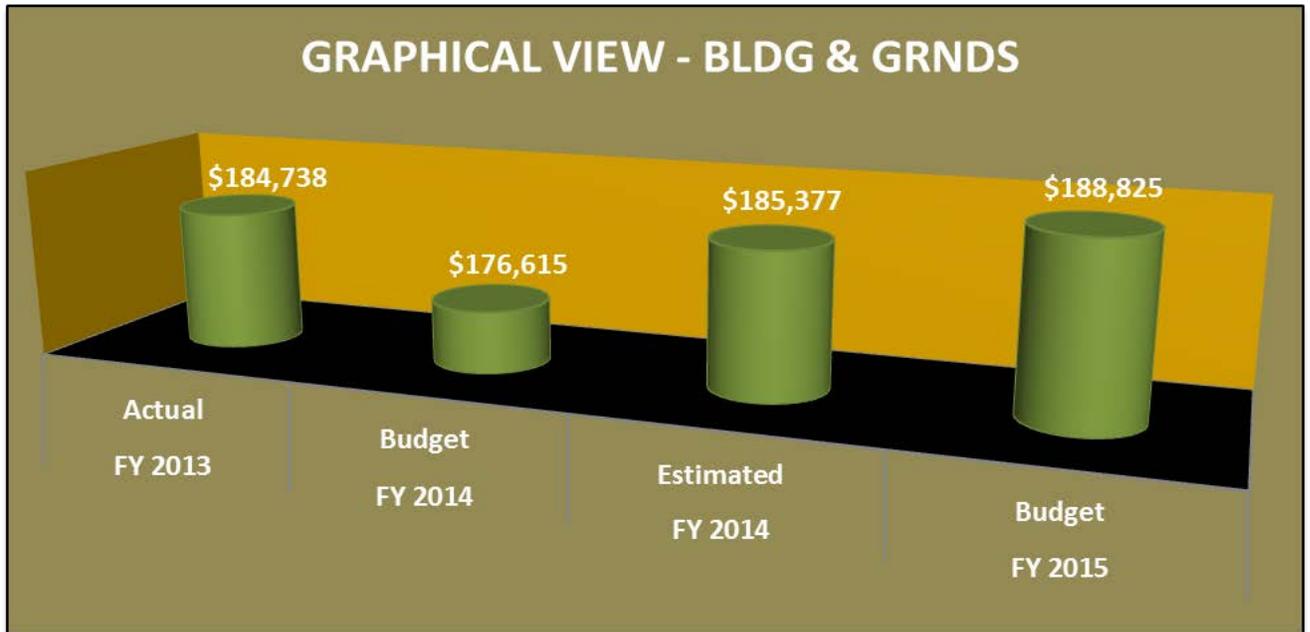
- Accounts for expenses that are not allocated between City Manager, City Clerk, Treasurer, and Building departments

Changes in Budget

- 7.7% decrease from 2014 budget
- 2013 costs were higher as interim Finance Director/Treasurer costs were accounted for in this department under professional services. Full-time Finance Director/Treasurer wages are accounted for in City Treasurer’s Department
- In 2014 current employee wages and benefits were allocated to respective departments
- 2015 budget decrease due to expected reduction of tax tribunal cases and savings on health insurance costs for switching to self-insurance plan
- Retiree health care/prescriptions and defined benefit costs for past administrators accounted for in this department

DEPARTMENT APPROPRIATIONS
Buildings and Grounds

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Financial Summary				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	184,738	176,615	185,377	188,825
Total	\$ 184,738	\$ 176,615	\$ 185,377	\$ 188,825
Personnel/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

Buildings and Grounds Department

- ↗ Repair and Maintenance on municipal buildings and grounds
- ↗ Includes cleaning and supplies, utilities costs, building repairs and ground

Changes in Budget

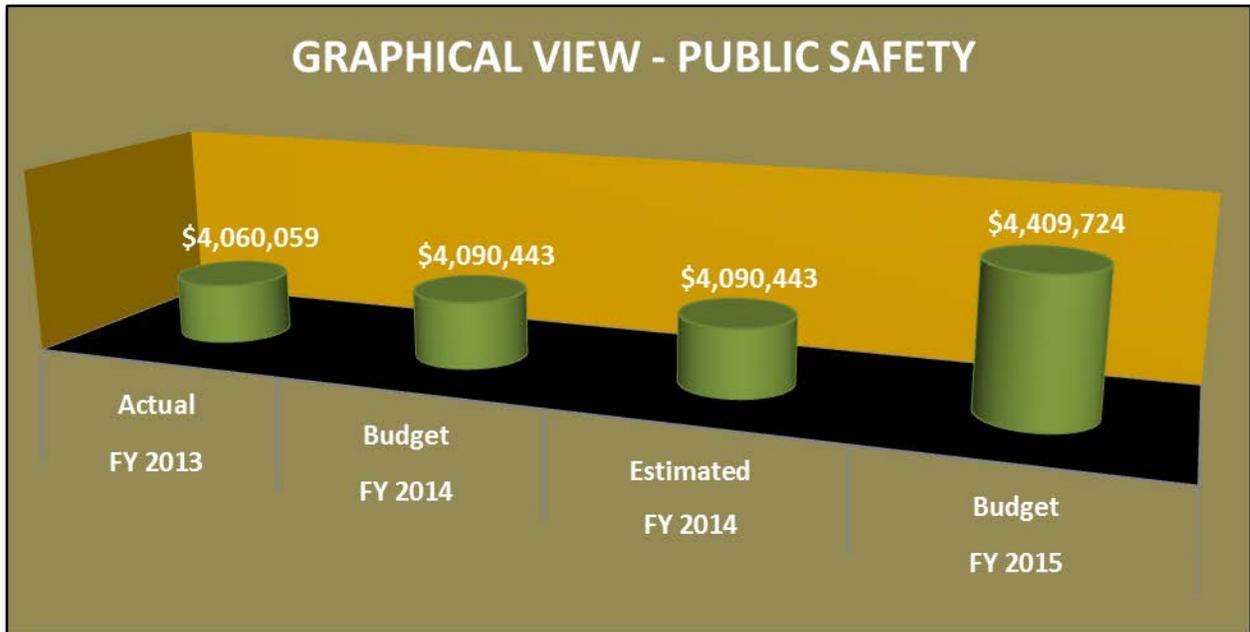
- ↗ 6.9% increase over 2014 budget
- ↗ The majority of the increase is for the estimated increase for utilities

DEPARTMENT APPROPRIATIONS

Public Safety

FUND/FUNCTION: GENERAL/PUBLIC SAFETY

STAFF RESPONSIBLE: PUBLIC SAFETY DIRECTOR



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ 3,616,564	\$ 3,674,004	\$ 3,674,004	\$ 4,019,681
Operating Costs	443,495	416,439	416,439	390,043
Total	\$ 4,060,059	\$ 4,090,443	\$ 4,090,443	\$ 4,409,724

Personnel/FTE Data	Actual	Budget	Actual	Budget
Full Time Positions:				
Chief/Director	1	1	1	1
Lieutenants	4	4	4	4
Sergeants	3	3	3	3
Public Safety Officers	17	17	17	17
Dispatchers	3	3	3	3
Total Full Time	28	28	28	28
Part Time Positions:				
Dispatchers	4	4	4	4
Total Part Time	4	4	4	4
Total Positions	32	32	32	32
Full Time Equivalents	29.00	29.00	29.00	29.00

DEPARTMENT APPROPRIATIONS - CONTINUED

Public Safety

Public Safety Department

- ↗ Crime Prevention
- ↗ Fire Prevention
- ↗ Protect life and property
- ↗ Preserve peace, order and safety
- ↗ Law and ordinance enforcement
- ↗ Safeguard constitutional guarantees of all citizens
- ↗ Investigate problems and incidents and present evidence for prosecution of offenders

Changes in Budget

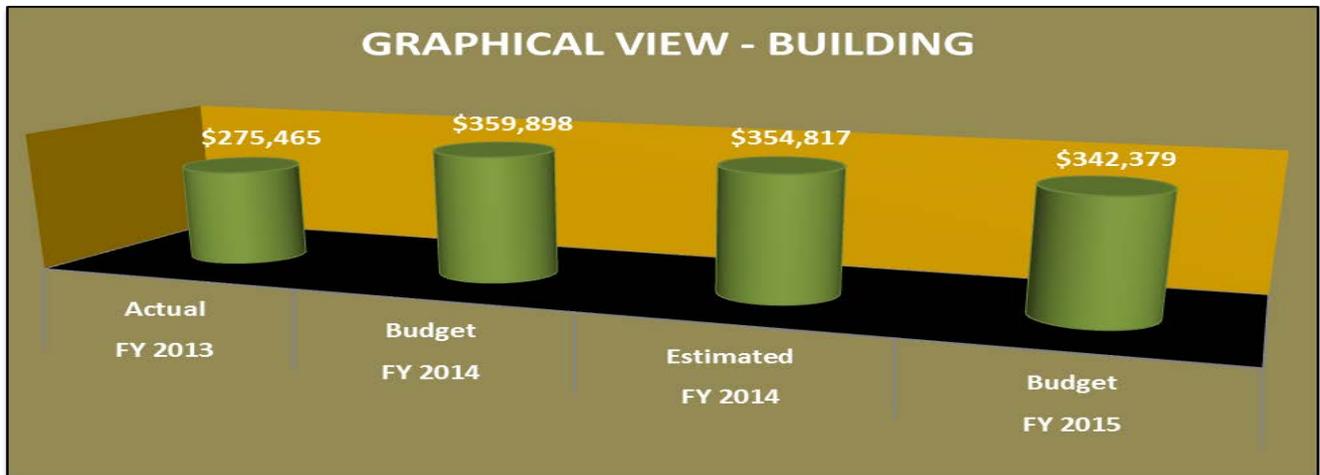
- 7.8% increase over 2014 budget
- In 2014 public safety overtime was analyzed and reduced for both Public Safety and Command officers. Dispatch overtime continued to be high because of turnover of part time staff. However the total net effect of the decrease in all public safety overtime for 2014 was over 55%
- The 2015 budget includes a slight increase in overtime as the reduction in 2014 may have been too aggressive. Overtime in 2015 was reduced by 43% compared with 2013, and increased by 26% compared with 2014 budget.
- The largest increase in this cost center is in defined benefit expense. This expense increased by \$350,000. The largest increase was in the command officer employer contributions which increased to 108.88% of wages from 77.77% of wages in 2014.
- Public safety officers hired before 7/1/2009 are in a closed group; which means the monthly contribution is fixed. For 2015 the employer yearly contribution will be \$441,204. For public safety officers hired after 7/1/2009 the 2015 employer contribution equates to 10.7% of those employees' wages.
- Although this budget reflects a growing trend in pension costs, the retirement multiplier for public safety and command officers is decreasing from 3.0% to 2.8% for service after 2/1/2013 and 7/9/2013 respectively. However, actuarial results are not available as of the date of this budget, but this change in multiplier should have a positive effect on this budget. A budget amendment will be prepared if the budget is expected to decrease.

DEPARTMENT APPROPRIATIONS

Building

FUND/FUNCTION: GENERAL/PUBLIC SAFETY

STAFF RESPONSIBLE: BUILDING INSPECTOR



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ 154,087	\$ 220,352	\$ 222,621	\$ 235,815
Operating Costs	121,378	139,546	132,196	106,564
Total	\$ 275,465	\$ 359,898	\$ 354,817	\$ 342,379
Personne/FTE Data:	Actual	Budget	Estimated	Budget
Full Time Positions:				
Building Inspector	1	1	1	1
Part Time Positions				
Building Assistant	1	1	1	1
Code Compliance	1	1	1	1
Total Positions	3	3	3	3
Full-Time Equivalents	2.25	2.25	2.25	2.25

Building Department

- ↗ Issues building, electrical, plumbing, mechanical, sign and zoning permits
- ↗ Performs inspections to ensure code compliance
- ↗ Ordinance enforcement

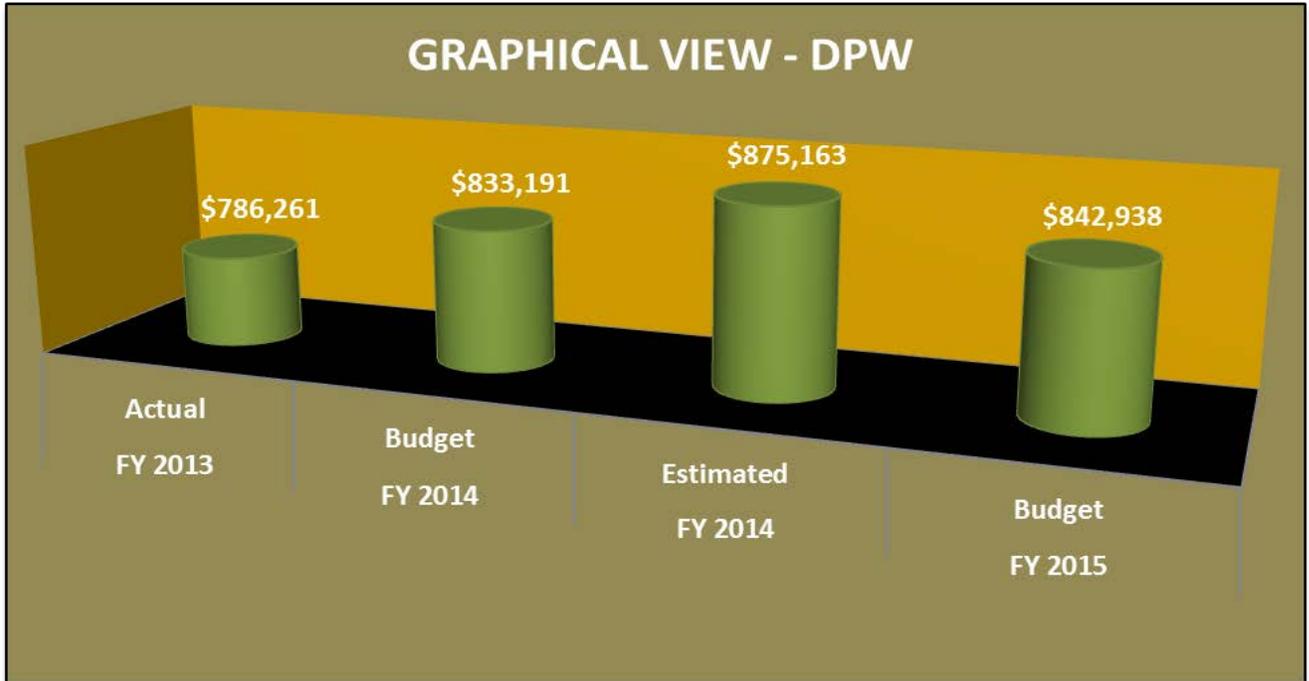
Changes in Budget

- 5% decrease from the 2014 budget
- In 2014 wage and benefits allocations were made to this department; causing an increase from 2013
- 2015 decrease is due to a net effect of increased health insurance costs with a reduction to building inspector fees which were higher in 2014. The increased 2014 inspector fees were to contractually pay the retired building inspector until a new inspector was hired
- Wage allocations from other departments to Building are as follows: **City Manager -5%, City Clerk-15%, Clerk Admin Assistant-80%, Finance Director-10%, Finance Clerk-5% and Accounting Clerk-30%**

DEPARTMENT APPROPRIATIONS
Department of Public Works

FUND/FUNCTION: GENERAL/PUBLIC WORKS

STAFF RESPONSIBLE: CITY MANAGER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ 508,747	\$ 546,463	\$ 546,409	\$ 519,980
Operating Costs	277,514	286,728	328,754	322,958
Total	\$ 786,261	\$ 833,191	\$ 875,163	\$ 842,938

Personnel/FTE Data	Actual	Budget	Actual	Budget
Full Time Positions:	5	5	5	5
Total Positions	5	5	5	5
Full Time Equivalents	5.0	5.0	5.0	5.0

Department of Public Works Department

- ↗ Road Maintenance for snow plowing and tree damage
- ↗ Mowing of vacant lots

Changes in Budget

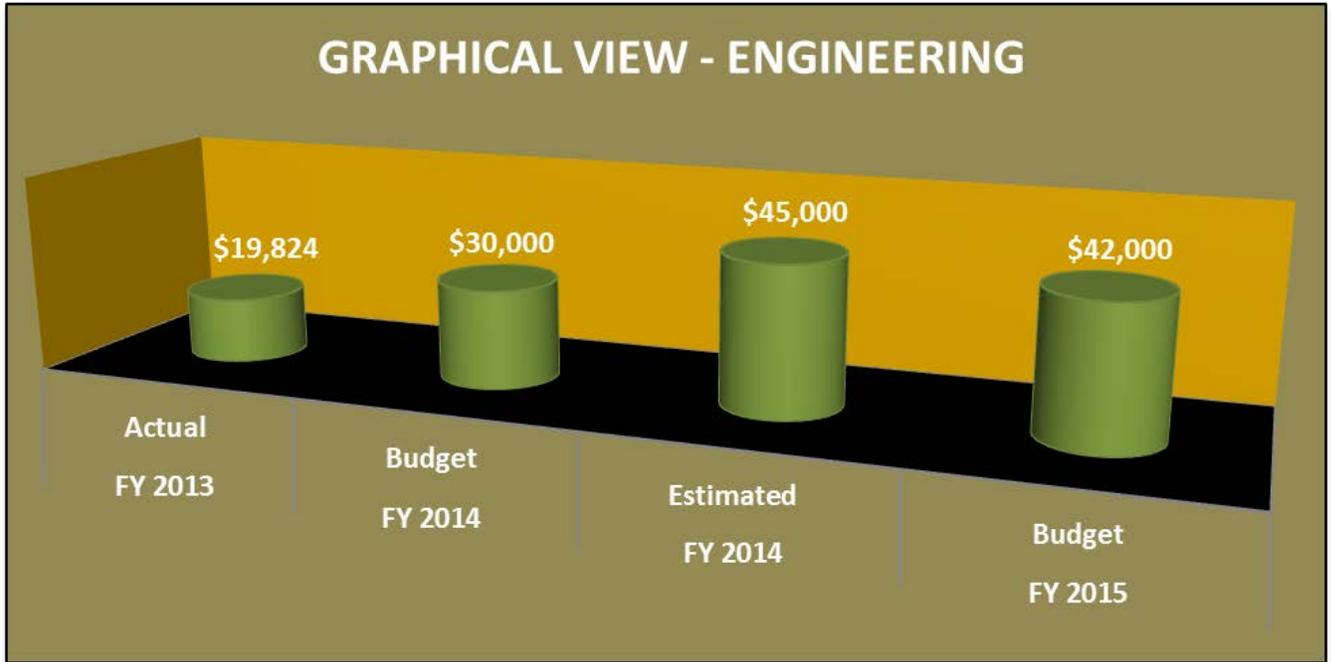
- 1% increase over the 2014 budget
- 2013 actual was less than 2014 budget due to overtime in 2014 for severe winter weather
- In 2015 overtime was reduced to 15% of wages, while defined benefit costs increased
- Every year \$50,000 is expensed in this department for yearly road maintenance. In 2015 the budget was increased to \$100,000

DEPARTMENT APPROPRIATIONS

Engineering

FUND/FUNCTION: GENERAL/PUBLIC WORKS

STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
Financial Summary	Actual	Budget	Estimated	Approved Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	19,824	30,000	45,000	42,000
Total	\$ 19,824	\$ 30,000	\$ 45,000	\$ 42,000
Personnel/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full Time Equivalents	-	-	-	-

Engineering Department

- ↗ Engineering for the City contracted with Hubbell, Roth and Clark engineering firm
- ↗ Consults with City on road and water/sewer issues
- ↗ Obtains estimates and bids for road and water/sewer projects

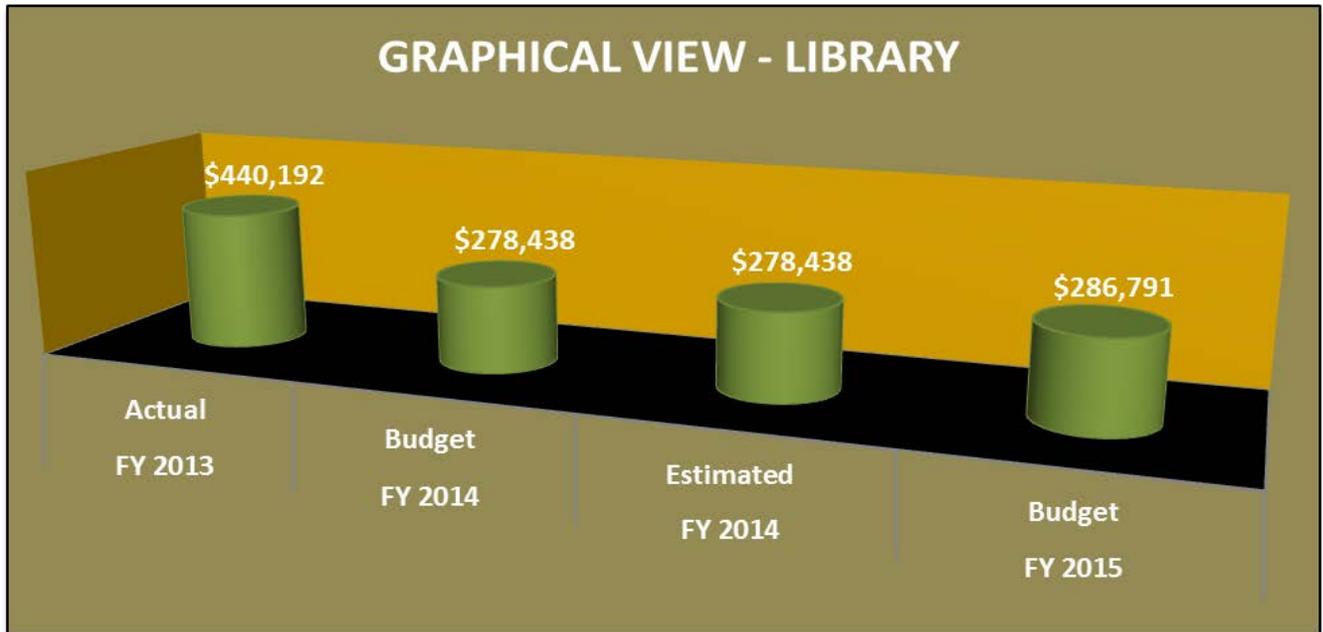
Changes in Budget

- 40% increase over the 2014 budget
- 2014 increase due to costs to explore future road project estimates
- 2015 increase due to increased storm water permit costs

DEPARTMENT APPROPRIATIONS

Library

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
 STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
Financial Summary	Actual	Budget	Estimated	Approved Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	440,192	278,438	278,438	286,791
Total	\$ 440,192	\$ 278,438	\$ 278,438	\$ 286,791
Personnel/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

Library Department

- ↗ Contract with Baldwin Library for library services
- ↗ Voters approved .39 mills to pay for library use
- ↗ 2014-2015 will be the last year to collect this millage and provide this service without another voter approval

Changes in Budget

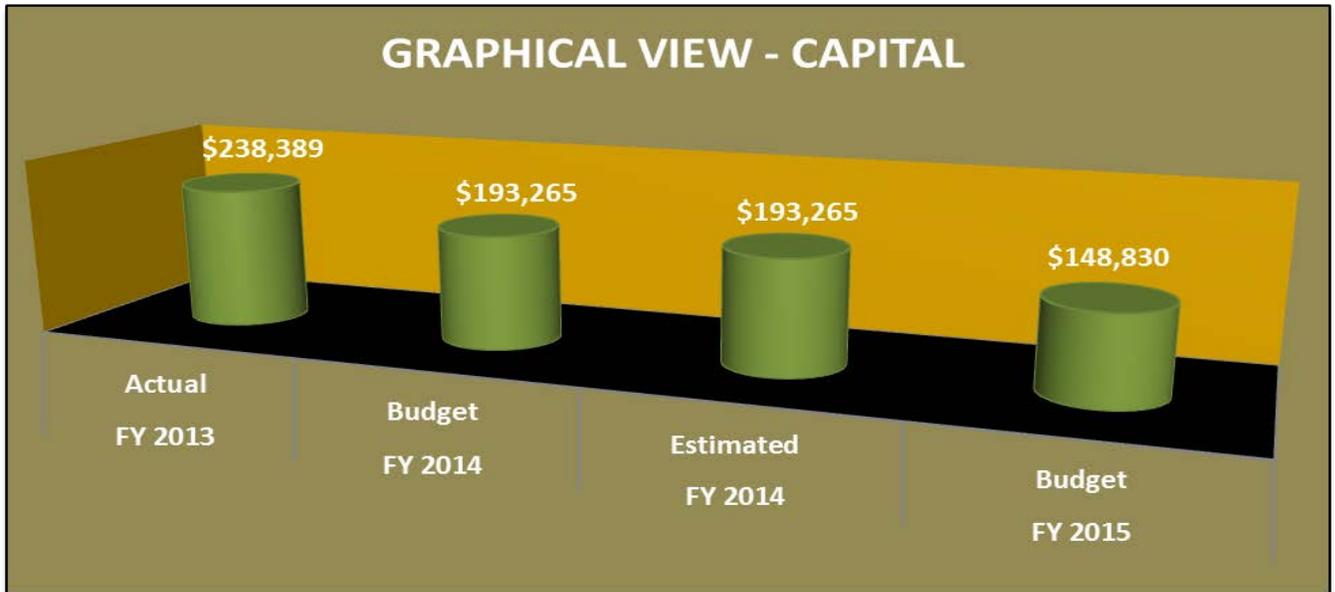
- 3% increase over 2014 budget
- 2013 actual is higher than subsequent years because of a timing difference between the service contract and the collection of tax revenue. This will reverse in the last year of contractual library services when expenses will be less than tax revenue
- 2014 increase is due to estimated contractual CPI increase

DEPARTMENT APPROPRIATIONS

Capital Purchases

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT

STAFF RESPONSIBLE: CITY MANAGER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	238,389	193,265	193,265	148,830
Total	\$ 238,389	\$ 193,265	\$ 193,265	\$ 148,830

Personne/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

Capital Purchases

- ↗ Capital purchases for the City are accounted for here
- ↗ 2015 purchases include:
 - \$31,850 – Computers/Software
 - \$15,000 – Phone Lease (2 of 5)
 - \$34,000 – Public Safety vehicle
 - \$24,109 – Public Safety 911 console lease (3 of 4 years)
 - \$ 8,871 – DPW Backhoe Lease (2 of 3 years)
 - \$35,000 – DPW Salt Truck (1 of 5 years)

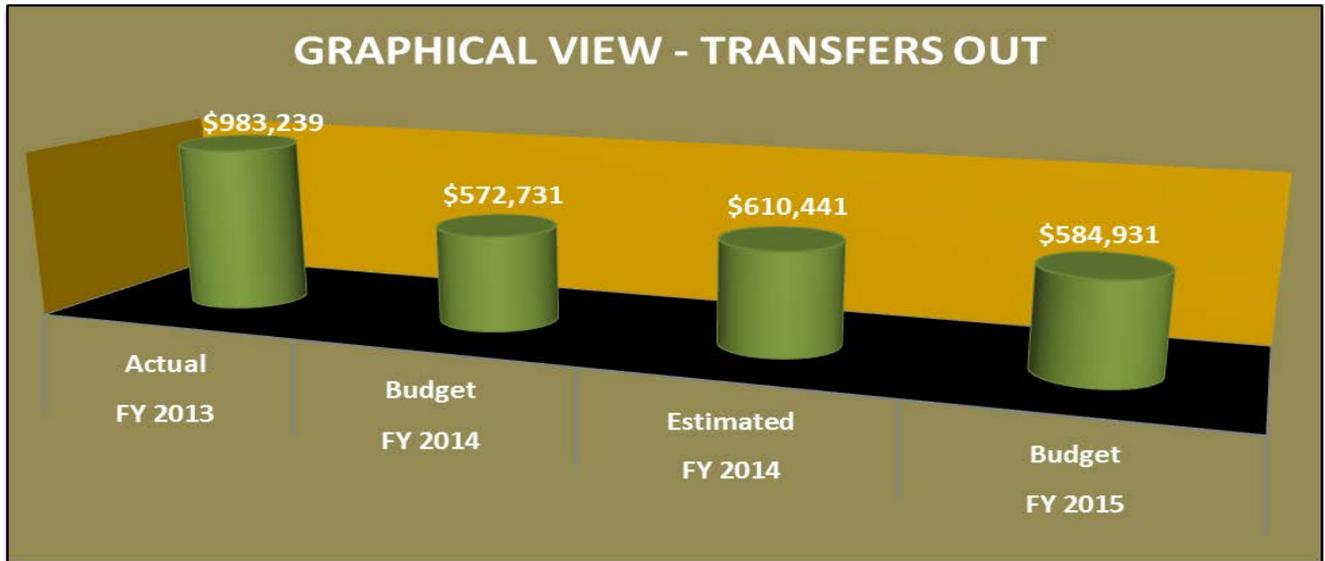
Changes in Budget

- 23% decrease from the 2014 budget
- Capital purchases vary from year to year based on the Capital Improvement Plan and budget restraints

DEPARTMENT APPROPRIATIONS

Transfers Out

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT
 STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
Financial Summary	Actual	Budget	Estimated	Approved Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	983,239	572,731	610,441	584,931
Total	\$ 983,239	\$ 572,731	\$ 610,441	\$ 584,931
Personnel/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

Transfers Out

- ↗ Transfers from the General Fund to other Funds are accounted for here
- ↗ Road Construction is accounted for in a separate fund, so the General Fund transfers dollars to support approved road construction projects
- ↗ In 2007 and 2009 the City approved the sale of bonds to make major road improvements. The debt obligation is accounted for in a separate fund, so the General Fund transfers the amount owing on the debt to that fund each year.
- ↗ Transfers include:
 - Road Construction Fund - \$0
 - General Obligation Debt (road bonds) - \$584,931

Changes in Budget

- 2% increase over 2014 budget
- Increase due to the increase in bond debt payments (amortization schedule can be found on page 44)

MAJOR ROADS FUND



MAJOR ROADS FUND
2014-2015 FINANCIAL SUMMARY

Estimated Revenue Sources

State Gas & Weight Tax	\$ 204,852	
Metro Act Revenue	3,500	
Financing Sources-Fund Balance	<u>31,059</u>	
 Total Budgeted Revenue Sources		 \$ 239,411

Estimated Expenditures

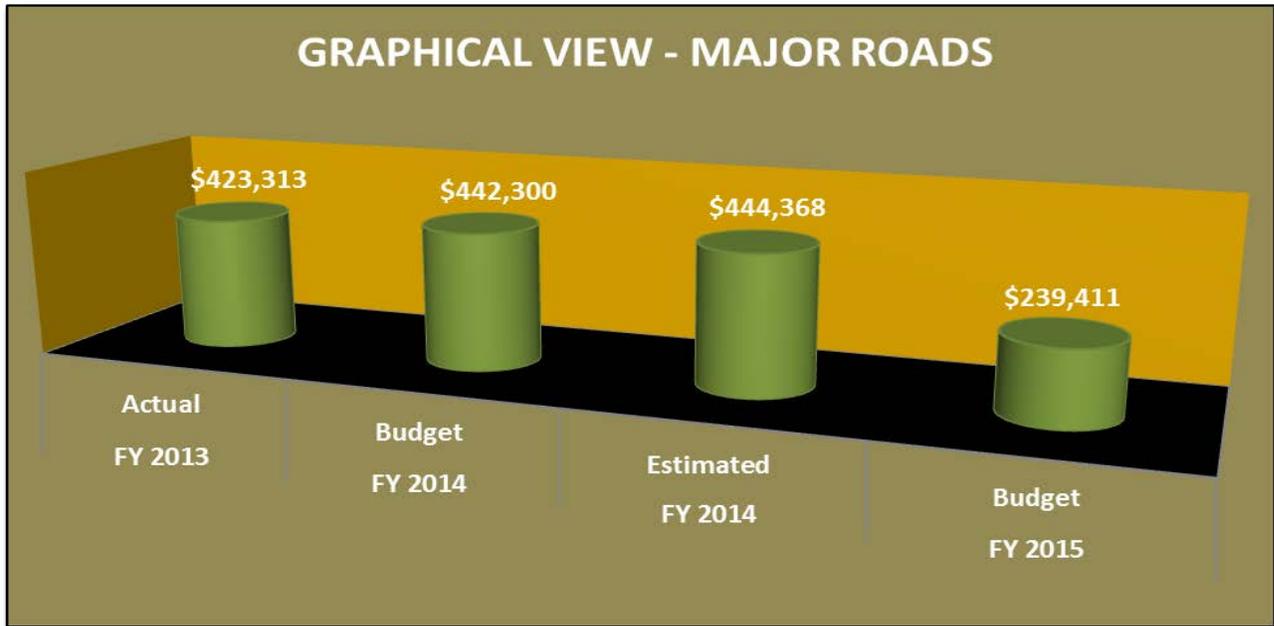
Routine Maintenance	\$ 27,800	
Traffic Services	20,000	
Winter Maintenance	66,700	
Admin & Engineering	22,485	
Transfer to Local Roads Fund	102,426	
Transfer to Road Construction Fund	<u>-0-</u>	
 Total Budgeted Expenditures		 \$ <u>239,411</u>
 Budgeted Net Revenue (Expenditures)		 \$ -0-

Estimated Fund Balance

Fund Balance at June 30, 2013 (Audited)	\$ 289,643
Estimated Change in Fund Balance at June 30, 2014	<u>(229,818)</u>
Fund Balance at June 30, 2014	\$ 59,825
Estimated Change in Fund Balance at June 30, 2015	<u>(31,059)</u>
Estimated Fund Balance at June 30, 2015	\$ 28,766

DEPARTMENT APPROPRIATIONS
Major Roads Fund

FUND/FUNCTION: MAJOR ROADS/PUBLIC WORKS
 STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
Financial Summary	Actual	Budget	Estimated	Approved Budget
Operating Costs	\$ 423,313	\$ 442,300	\$ 444,368	\$ 239,411
Total	\$ 423,313	\$ 442,300	\$ 444,368	\$ 239,411

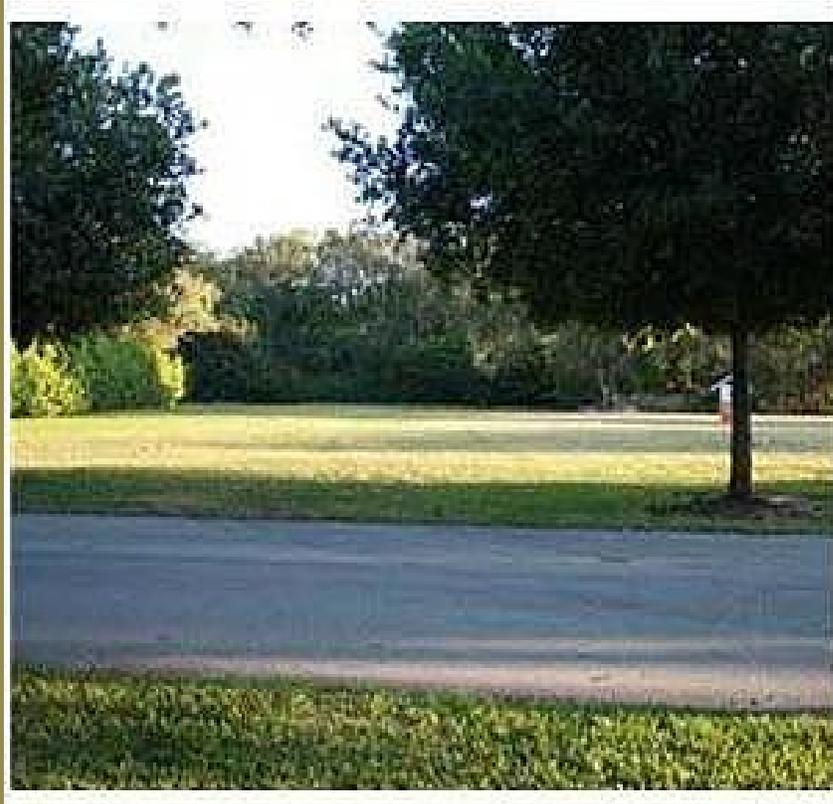
Major Roads Fund

- ↗ This Fund accounts for the routine and winter maintenance of major roads in the City
- ↗ The City of Bloomfield Hills has 8.83 miles of major roads and 24.81 miles of local roads
- ↗ Since the City has more local roads than major roads, the state allows 50% of gas and weight tax revenue to be transferred from the Major Roads Fund to the Local Roads Fund
- ↗ The Major Roads Fund also reimburses the General Fund for DPW wage and equipment costs relating to winter and routine maintenance, and with a 10% transfer of gas and weight tax revenue for administrative costs

Changes in Budget

- 46% decrease from the 2014 budget
- In 2015 no transfer from Major Roads to the Road Construction Fund was budgeted; this decreased costs. For many years the Major Roads Fund was allowed to build up surpluses. However, these surpluses have been diminished. Any remaining excess fund balance will be used to cover any reimbursement owing to the General Fund for DPW wage and equipment costs.

LOCAL ROADS FUND



LOCAL ROADS FUND
2014-2015 FINANCIAL SUMMARY

Estimated Revenue Sources

State Gas & Weight Tax	\$ 97,418	
Transfer In – Major Street Fund	99,525	
Metro Act Revenue	10,500	
Financing Sources-Fund Balance	<u>13,599</u>	
 Total Budgeted Revenue Sources		 \$ 221,042

Estimated Expenditures

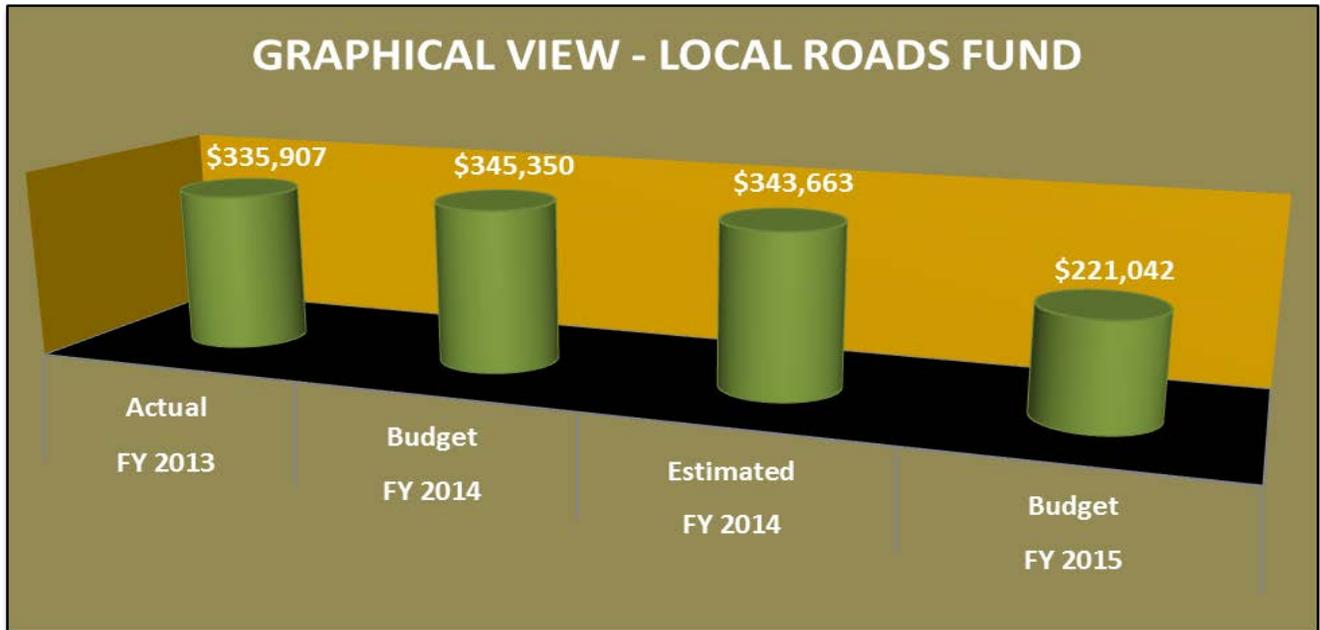
Construction Phase I	\$ 5,000	
Routine Maintenance	106,000	
Traffic Services	7,000	
Winter Maintenance	88,300	
Admin & Engineering	14,742	
Transfer to Road Construction Fund	<u>-0-</u>	
 Total Budgeted Expenditures		 \$ 221,042
 Budgeted Net Revenue (Expenditures)		 \$ -0-

Estimated Fund Balance

Fund Balance at June 30, 2013 (Audited)	\$ 148,570
Estimated Change in Fund Balance at June 30, 2014	<u>(133,588)</u>
Fund Balance at June 30, 2014	\$ 14,982
Estimated Change in Fund Balance at June 30, 2015	<u>(13,599)</u>
Estimated Fund Balance at June 30, 2015	\$ 1,383

DEPARTMENT APPROPRIATIONS
Local Roads Fund

FUND/FUNCTION: LOCAL ROADS/PUBLIC WORKS
 STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
<u>Financial Summary</u>	Actual	Budget	Estimated	Approved Budget
Operating Costs	\$ 335,907	\$ 345,350	\$ 343,663	\$ 221,042
Total	\$ 335,907	\$ 345,350	\$ 343,663	\$ 221,042

Local Roads Fund

- ↗ This Fund accounts for the routine and winter maintenance of city local roads
- ↗ The City of Bloomfield Hills has 8.83 miles of major roads and 24.81 miles of local roads
- ↗ Since the City has more local roads than major roads, the state allows 50% of gas and weight tax revenue to be transferred from the Major Road Fund to the Local Road Fund
- ↗ The Local Roads Fund reimburses the General Fund for DPW wage and equipment costs relating to winter and routine maintenance, and with a 10% transfer of gas and weight tax revenue for administrative costs

Changes in Budget

- 36% decrease from the 2014 budget
- In 2015 no transfer from Local Roads to the Road Construction Fund was budgeted because surpluses which had built up in the past have diminished. Also, DPW wage and equipment reimbursements have been reduced. If the actual amount was reimbursed from Local Roads it would cause a deficit fund balance

DRUG FORFEITURE FUND



DRUG FORFEITURE FUND
2014-2015 FINANCIAL SUMMARY

Estimated Revenue Sources

Drug Seizure Money	\$ -	
Other Financing Resources – Fund Balance	<u>6,416</u>	
Total Budgeted Revenue Sources		\$ 6,416

Estimated Expenditures

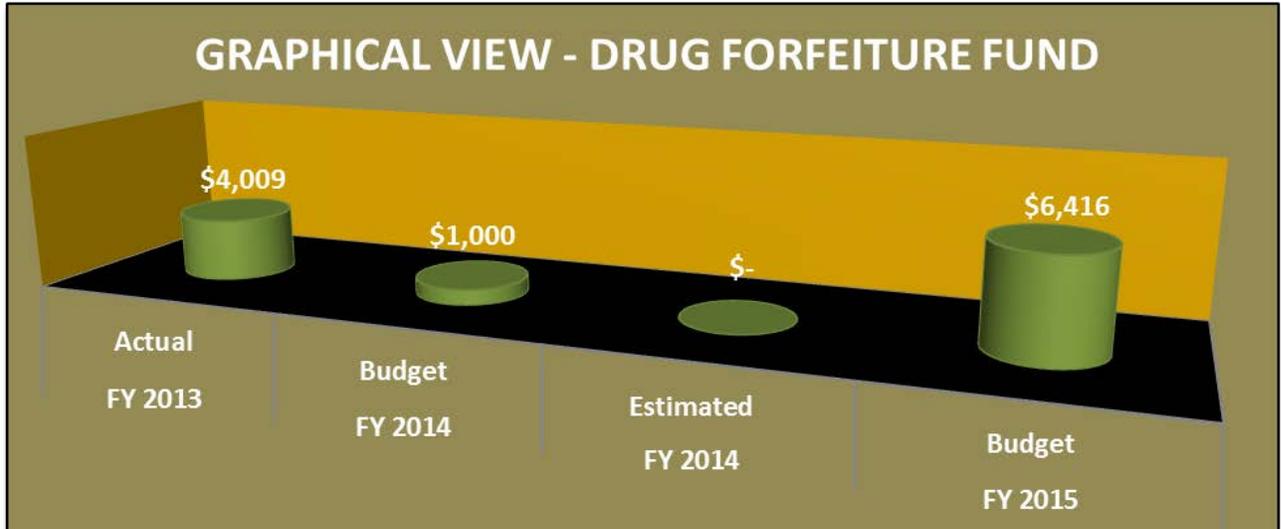
Enforcement Supplies	\$ 6,416	
Computer Equipment	<u>-</u>	
Total Budgeted Expenditures		<u>\$ 6,416</u>
Budgeted Net Revenue (Expenditures)		\$ -0-

Estimated Fund Balance

Fund Balance at June 30, 2013 (Audited)	\$ 6,322	
Estimated Change in Fund Balance at June 30, 2014	<u>94</u>	
Fund Balance at June 30, 2014	\$ 6,416	
Estimated Change in Fund Balance at June 30, 2015	<u>(6,416)</u>	
Estimated Fund Balance at June 30, 2015		\$ -0-

DEPARTMENT APPROPRIATIONS
Drug Forfeiture Fund

FUND/FUNCTION: DRUG FORFEITURE/RESTRICT USE OF ASSETS
 STAFF RESPONSIBLE: DIRECTOR OF PUBLIC SAFETY



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
<u>Financial Summary</u>	Actual	Budget	Estimated	Approved Budget
Operating Costs	\$ 4,009	\$ 1,000	\$ -	\$ 6,416
Total	\$ 4,009	\$ 1,000	\$ -	\$ 6,416

Drug Forfeiture Fund

- ↗ Property and money that is forfeited due to drug arrest are restricted for use in the Fund
- ↗ Expenses are restricted for use according to the State of Michigan

Changes in Budget

- 540% increase over the 2014 budget
- The increase in budget is because the entire fund balance that has been restricted in this fund will be used for enforcement supplies in 2015

GENERAL OBLIGATION DEBT FUND



GENERAL OBLIGATION DEBT FUND
2014-2015 FINANCIAL SUMMARY

Estimated Revenue Sources

Transfer In – General Fund	\$ 584,931	
Other Financing Sources-Fund Balance	_____ -	
 Total Budgeted Revenue Sources		 \$ 584,931

Estimated Expenditures

Principal – 2007 Roads	\$ 300,000	
Principal – 2010 Roads	100,000	
Interest – 2007 Roads	70,375	
Interest – 2010 Roads	113,625	
Bond Fees	_____ 931	
 Total Budgeted Expenditures		 \$ 584,931
 Budgeted Net Revenue (Expenditures)		 \$ -0-

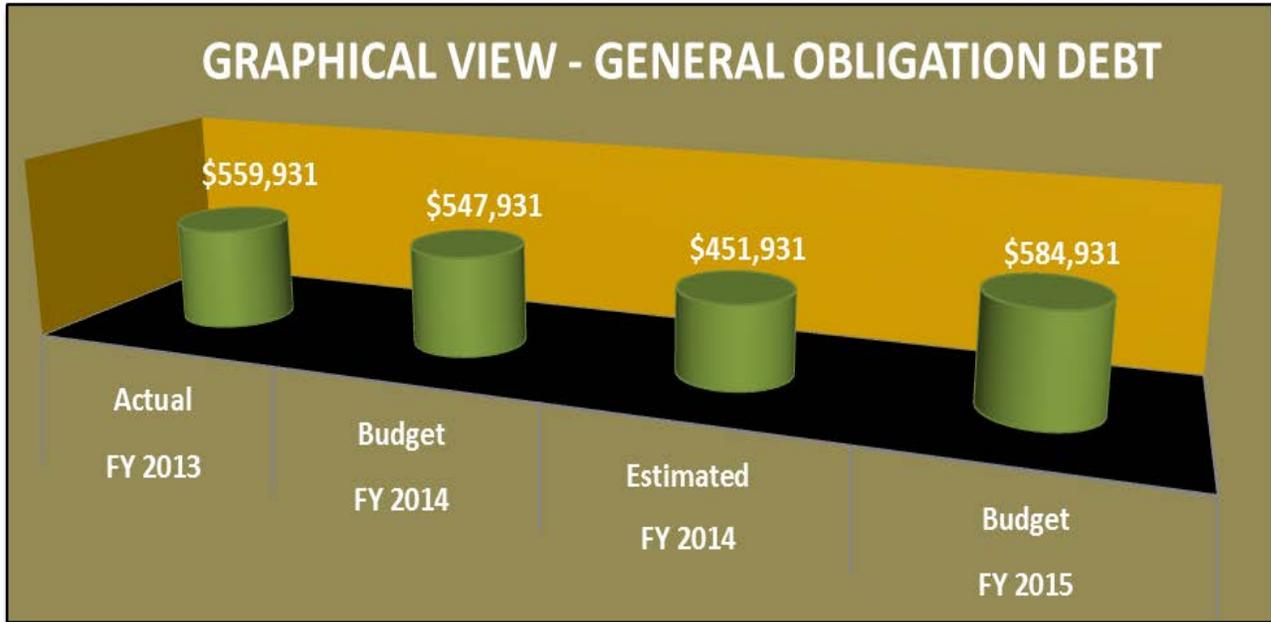
Estimated Fund Balance

Fund Balance at June 30, 2013 (Audited)	\$ 363	
Estimated Change in Fund Balance at June 30, 2014	_____ (200)	
Fund Balance at June 30, 2014	\$ 163	
Estimated Change in Fund Balance at June 30, 2015	_____ -	
Estimated Fund Balance at June 30, 2015		\$ 163

DEPARTMENT APPROPRIATIONS
General Obligation Debt Fund

FUND/FUNCTION: GENERAL OBLIGATION DEBT/PAYMENT OF DEBT

STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

	FY 2013	FY 2014	FY 2014	FY 2015
Financial Summary	Actual	Budget	Estimated	Approved Budget
Operating Costs	\$ 559,931	\$ 547,931	\$ 451,931	\$ 584,931
Total	\$ 559,931	\$ 547,931	\$ 451,931	\$ 584,931

General Obligation Debt Fund

- ↗ This Fund accounts for the yearly debt principal and interest payments on road bonds
- ↗ 2007 Road Bonds
 - 2015 principal and interest \$370,375
 - 2016-2016 total principal and interest outstanding \$1,687,562
- ↗ 2010 Road Bonds
 - 2015 principal and interest \$213,625
 - 2016-2025 total principal and interest outstanding \$4,301,187

Changes in Budget

- 6.75% increase over the 2014 budget
- Budget will vary due to debt schedules; which are shown on the following page

DEBT OBLIGATION SCHEDULE

2007 Road Bonds

Fiscal Year	Principal	Rate	Interest	Total
2007/08	-	0.00%	112,177.08	112,177.08
2008/09	-	0.00%	122,375.00	122,375.00
2009/10	200,000	4.00%	118,375.00	318,375.00
2010/11	200,000	4.00%	110,375.00	310,375.00
2011/12	250,000	4.00%	101,375.00	351,375.00
2012/13	250,000	4.00%	91,375.00	341,375.00
2013/14	250,000	4.00%	81,375.00	331,375.00
2014/15	300,000	4.00%	70,375.00	370,375.00
2015/16	300,000	4.00%	58,375.00	358,375.00
2016/17	350,000	5.25%	43,187.50	393,187.50
2017/18	400,000	3.75%	26,500.00	426,500.00
2018/19	500,000	3.80%	9,500.00	509,500.00
	3,000,000		945,364.58	3,945,364.58

2010 Road Bonds

Fiscal Year	Principal	Rate	Interest	Total
2010/11	-	0.00%	125,651.04	125,651.04
2011/12	100,000	2.00%	119,625.00	219,625.00
2012/13	100,000	2.00%	117,625.00	217,625.00
2013/14	100,000	2.00%	115,625.00	215,625.00
2014/15	100,000	2.00%	113,625.00	213,625.00
2015/16	200,000	2.25%	110,375.00	310,375.00
2016/17	200,000	2.25%	105,875.00	305,875.00
2017/18	300,000	2.50%	99,875.00	399,875.00
2018/19	300,000	2.875%	91,812.50	391,812.50
2019/20	300,000	3.00%	83,000.00	383,000.00
2020/21	400,000	3.125%	72,250.00	472,250.00
2021/22	400,000	3.375%	59,250.00	459,250.00
2022/23	500,000	3.50%	43,750.00	543,750.00
2023/24	500,000	3.50%	26,250.00	526,250.00
2024/25	500,000	3.50%	8,750.00	508,750.00
	4,000,000		1,293,338.54	5,293,338.54

ROAD CONSTRUCTION FUND



ROAD CONSTRUCTION FUND
2014-2015 FINANCIAL SUMMARY

Estimated Revenue Sources

Property Taxes	\$ 768,837	
Other Financing Sources – Fund Balance	<u>64,550</u>	
Total Budgeted Revenue Sources		\$ 833,387

Estimated Expenditures

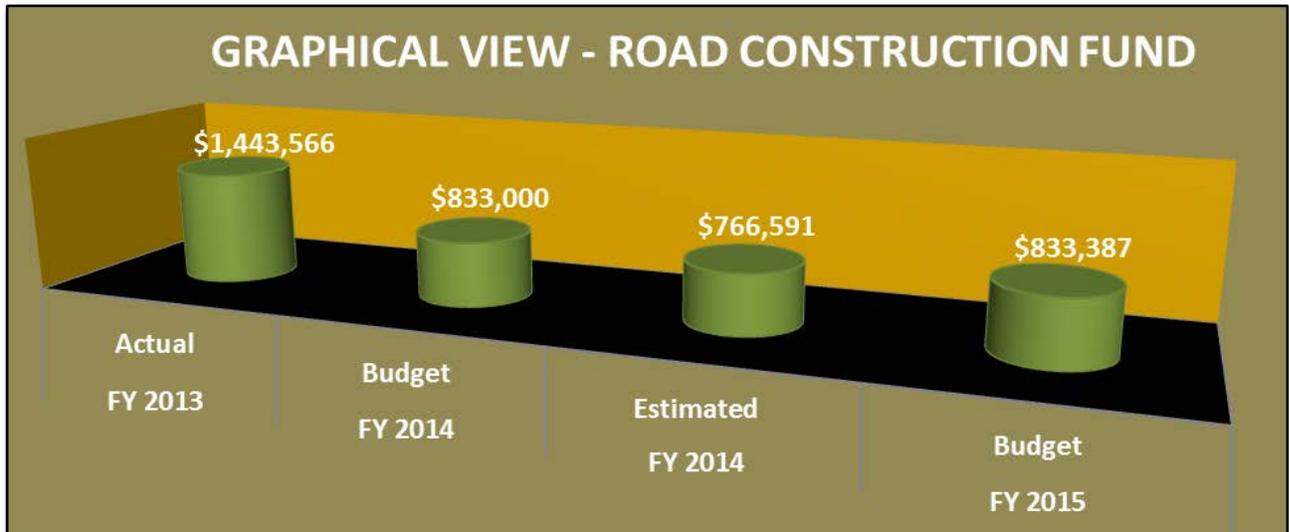
Construction	\$ 833,387	
Other Financing Uses – Fund Balance	<u>-</u>	
Total Budgeted Expenditures		<u>\$ 833,387</u>
Budgeted Net Revenue (Expenditures)		\$ -0-

Estimated Fund Balance

Fund Balance at June 30, 2013 (Audited)	\$ 194,364
Estimated Change in Fund Balance at June 30, 2014	<u>(127,743)</u>
Fund Balance at June 30, 2014	\$ 66,621
Estimated Change in Fund Balance at June 30, 2015	<u>(64,550)</u>
Estimated Fund Balance at June 30, 2015	\$ 2,071

DEPARTMENT APPROPRIATIONS
Road Construction Fund

FUND/FUNCTION: ROAD CONTRUCTION/PUBLIC WORKS
 STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013	FY 2014	FY 2014	FY 2015
	Actual	Budget	Estimated	Approved Budget
Operating Costs	\$ 1,443,566	\$ 833,000	\$ 766,591	\$ 833,387
Total	\$ 1,443,566	\$ 833,000	\$ 766,591	\$ 833,387

Road Construction Fund

- ↻ This Fund was established in 2007 to account for significant repairs and replacement of City roads
- ↻ Road projects are funded utilizing any of the following funding sources
 - Property tax millage of .35 mills designated for road construction projects
 - Property tax increase in 2015 of .75 mills for road reconstruction of S. Cranbrook and Vaughn
 - Transfers from the General Fund
 - Transfers from Major Roads and/or Local Roads Funds
- ↻ When Water and Sewer lines are replaced during major road construction, those funds are taken from our Water and Sewer Fund. In the past, these funds were transferred from Water and Sewer Fund to Road Construction Fund. However, in 2013-2014 the expense attributable to the Sewer/Water replacement are accounted for in the Water and Sewer Fund

Changes in Budget

- No change from the 2014 budget
- 2013 expenses included the reconstruction of Epping Lane and S. Kensington. In 2014, costs included the reconstruction of Orchard Ridge North and engineering costs for Yarboro/Joyce
- In 2015, the budget includes a .75 mill increase for approximately three years to reconstruct Vaughn and S. Cranbrook roads. These road construction projects will include replacement of the water mains; which are situated under the roadway

ENTERPRISE FUND



WATER AND SEWER FUND 2014-2015 FINANCIAL SUMMARY

Estimated Revenue Sources

Sale of Water	\$ 3,005,255	
Sewage disposal Charges	2,450,000	
Investment Income	8,000	
New Connection Fees	<u>45,000</u>	
 Total Budgeted Revenue Sources		 \$ 5,508,255

Estimated Expenditures

Cost of Water	\$ 1,540,000	
Cost of Sewage Treatment	1,150,000	
Operation & Maintenance	1,164,685	
Administrative	169,933	
Miscellaneous	30,000	
Depreciation	<u>323,500</u>	
 Total Budgeted Expenditures		 <u>\$ 4,378,118</u>
 Budgeted Net Revenue (Expenditures)		 \$ 1,130,137

Estimated Fund Balance

Net Position at June 30, 2013 (Audited)		\$ 8,351,151
Estimated Change in Net Position at June 30, 2014		<u>1,788,448</u>
Net Position at June 30, 2014		\$ 10,139,599
Estimated Change in Net Position at June 30, 2015		<u>1,130,137</u>
Estimated Net Position at June 30, 2015		\$ 11,269,736

DEPARTMENT APPROPRIATIONS
Water and Sewer Fund

FUND/FUNCTION: SEWER AND WATER/PUBLIC WORKS
STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated	FY 2015 Approved Budget
Personnel Services	\$ -	\$ 21,722	\$ 21,722	\$ 22,668
Operating Costs	3,451,832	4,155,805	4,016,310	4,355,450
Total	\$ 3,451,832	\$ 4,177,527	\$ 4,038,032	\$ 4,378,118

Personnel/FTE Data	Actual	Budget	Actual	Budget
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

Water and Sewer Fund

- ↗ Enterprise Fund which operates like a regular business
- ↗ Water and sewage disposal services are purchased from Oakland County
- ↗ Fund receives allocations for employee wage and benefits as well as overhead

Changes in Budget

- 5% increase over 2014 budget
- The increase in 2015 is due to additional bond issuance and bond interest expense.
- The City is purchasing bonds in 2014-2015 to finance the water main replacement for Yarboro/Joyce, Vaughn and Cranbrook roads. The water mains are situated directly under these roadways, so the water mains will be replaced during the reconstruction of these roads. Construction is slated to run from fiscal year 2014-2015 through fiscal year 2016-2017.
- The Water/Sewer Fund is an Enterprise Fund so it is accounted for on a full accrual basis. Therefore, only the bond interest, bond issuance costs, and depreciation are budgeted. The bond proceeds and the cost of the water main replacements are carried on the balance sheet and not considered budgeted costs.

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