

# 2016-2017 BUDGET





City of Bloomfield Hills  
FY 2016-2017  
Budget

Commission

Stuart D. Sherr, Mayor  
Michael Coakley, Mayor Pro-Tem  
Sarah McClure, Commissioner  
Susan McCarthy, Commissioner  
Michael J. Dul, Commissioner

City Manager

Jay W. Cravens

Clerk

Amy L. Burton

Finance Director/Treasurer

Karen K. Ruddy

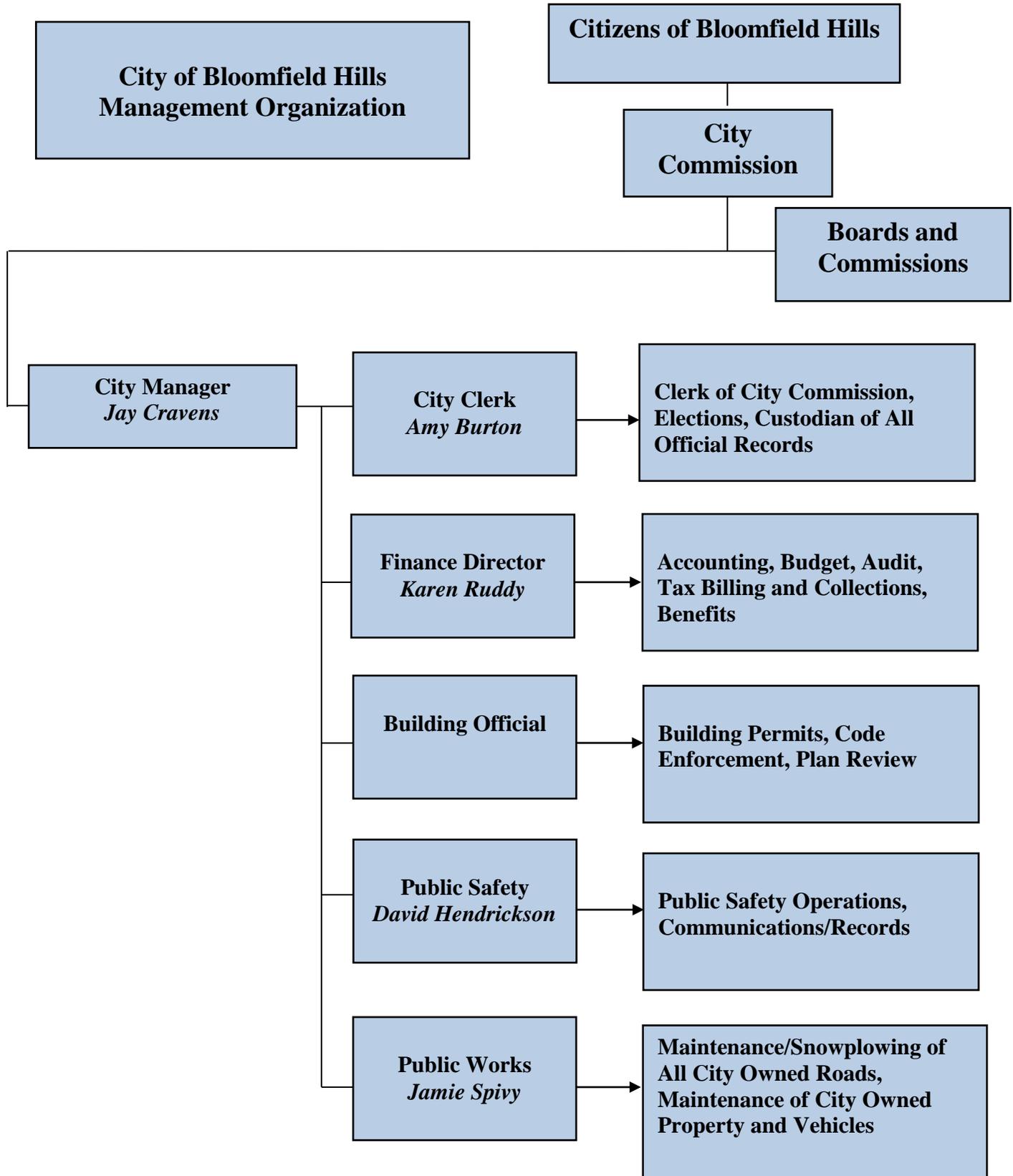
Director of Public Safety

David S. Hendrickson

## TABLE OF CONTENTS

	<u>Page #</u>
Organizational Chart	4
Budget Message	5
Budget Overview	6
General Fund Overview	7
Financial Summary	9
General Fund Revenue	10
General Fund Appropriations	
Key Assumptions and FTE Summary	13
Commission	14
48 <sup>th</sup> District Court	15
City Manager	16
Assessing	17
City Attorney	18
City Clerk	19
Treasury	20
General Administration	21
Building & Grounds	22
Public Safety	23
Building & Planning	25
Public Works	26
Engineering	27
Library	28
Transfers Out	29
Major Roads Fund	30
Local Roads Fund	33
General Obligation Debt Fund	36
Capital Improvement Fund	41
Road Construction Fund	44
Enterprise Fund -Water and Sewer	47

**City of Bloomfield Hills  
Organizational Chart**



## Message from the Finance Director

The 2017 (2016-2017 fiscal year) budget process went rather smoothly this year. The City has used the same budgeting format for the last three years; which has led to a much more efficient process. The budget process begins in December and the final budget resolution is approved in May. The process requires an analysis of prior year actual compared with the current year budget and the current year projected. These amounts are compared for each line item to arrive at a proposed budget. The Finance Director then meets with each department head after they have reviewed their individual budget. Once the department heads have signed off on their budgets, budget work sessions are held with the City Commission where each department and each Fund is reviewed. Any Commission recommended changes are made and brought back to the next budget work session until the Commission is satisfied with the overall budget.

The approval of the budget is made by a budget resolution which is called the General Appropriations Act. The revenue budget is approved by revenue source while expenditures are approved at a department level. This budget document shows the approved budget in a format that attempts to give the reader a higher level of detail than the resolution. The budget document shows the results both numerically and graphically, and presents a financial summary for each fund type. Furthermore, a separate expenditure page, which outlines the purpose and responsibilities of each department/fund is presented.

The General Fund 2017 budgeted revenues were \$9,529,516, which included \$28,000 in prior years' restricted building fund balance. Property tax revenue (the city's largest source of revenue) increased by \$40,190. However, in 2016 \$167,000 of property taxes that would have been allocated to the Road Improvement Fund were allocated to the General Fund to cover pull ahead funds in 2015 for a Road Improvement project. This made 2016 property tax revenue higher than usual. Therefore, if we eliminate the \$167,000 allocation in 2016, property taxes would have increased approximately \$207,000 from 2016 to 2017.

The General Fund 2017 budgeted expenditures were \$9,529,516; the same as revenues (balanced budget.) Expenditures were up from 2016 by \$273,932. The increase was primarily due to a \$217,000 transfer to the Road Improvement Fund to complete several road resurfacing projects in 2017. Most departments had little to no increase; with some departments actually decreased in budget.

The hard work and commitment of the Commission and the staff has continued to keep this community one to be proud of, and one of the few communities in Michigan with a AAA bond rating. Finally, I would like to take this opportunity to thank Mayor Stuart Sherr, Commissioners Michael Dul, Sarah McClure, Michael Coakley, and Susan McCarthy, 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.

**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.

### **Capital Projects Funds**

**Capital Improvement Fund** – The Capital Improvement Fund was new in 2015-2016 and accounts for capital purchases, such as computers, building improvements, vehicles and equipment; which in the past were accounted for in the General Fund.

**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.

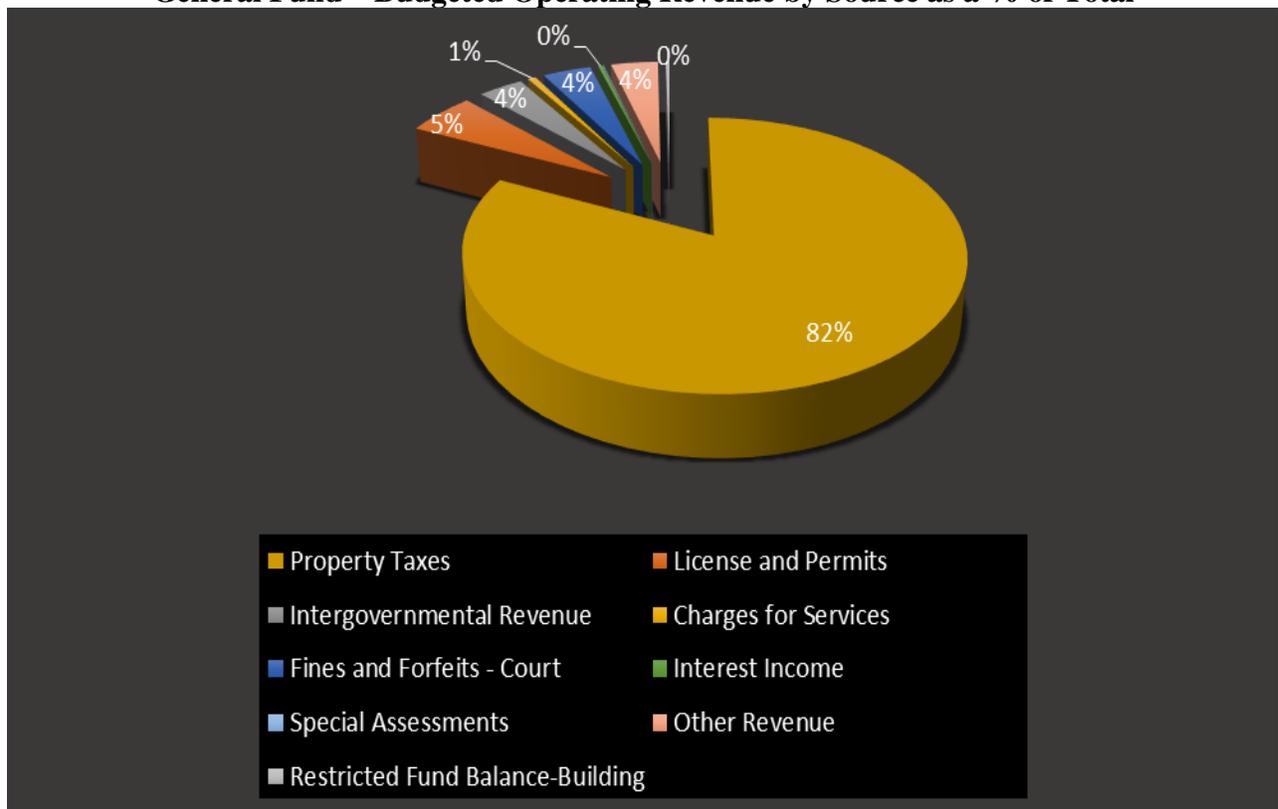
## General Fund Overview

### Revenue

General Fund 2017 budgeted operating revenue is \$9,529,516 compared with 2016 budgeted revenue of \$9,441,650; an increase of 87,866. The increase is due primarily to an increase in property tax revenue and increased reimbursement from the road funds for DPW labor and equipment. The 2017 budget utilized \$28,000 of restricted (construction code) fund balance from the building department's prior years' accumulated revenues over expenses. Any accumulated fund balance restricted due to building department activity can only be used to fund the building department's subsequent years' expense over revenues.

Property tax is the largest revenue source for the General Fund. The City is able to levy 14.5930 mills without voter approval. However, only 10.60 of general operating mills are levied; 9.50 mills are allocated to the General Fund for operating and 1.10 mills are allocated to the Road Construction Fund. The allocation to road construction was increased by .75 mills in 2015. The City plans to continue to collect the additional .75 mills for road improvements at least through 2017. The additional revenue was needed for the reconstruction of local roads. In August of 2014 voters authorized the City to collect up to .39 mills per year over the next six years for Baldwin Library services. However, a Headlee tax rollback was required which permanently reduced the 2016 tax millage to .3843 mills.

**General Fund – Budgeted Operating Revenue by Source as a % of Total**



## Expenditures

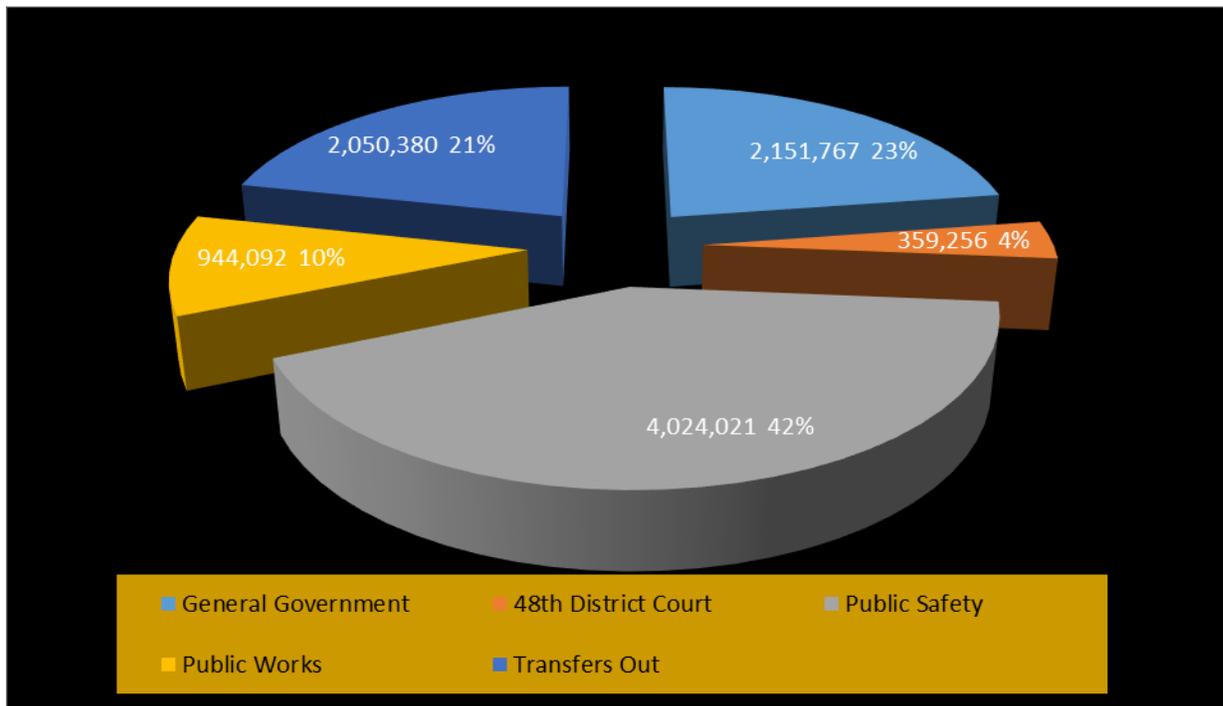
The General Fund expenditure budget for 2017 is \$9,529,516, compared with 2016 budgeted expenditures of \$9,255,584; an increase of \$273,932. The increase is due mainly to a \$217,000 transfer from the General Fund to the Road Construction Fund for street improvement projects, a \$25,000 increase in the crack and seal program, and \$10,000 for the city tree planting program.

The city's defined pension expense is broken into two components in the budget. Normal costs, the portion of pension benefits paid upon retirement, but earned by active employees, are accounted for in departments in the General Fund. However, in 2015 the city bonded to pay the accrued unfunded pension liability. The debt payments are shown as a transfer out of the General Fund, not in individual departments.

Although, the unfunded pension liability has been paid off, MERS (Municipal Employees' Retirement System) has changed some of the assumptions used for the actuarial study. The impact of those changes will most likely increase our liability, but those changes did not impact the pension expense for 2017.

The public safety department is the largest cost to the city. As seen in the graph below, public safety makes up 42% of the total General Fund budget. However, as mentioned above, when the pension bonds were issued in 2015, the unfunded liability expense shifted from individual departments to a transfer from General Fund to the Debt Obligation Fund. Therefore, if the unfunded pension liability had not been paid off, the public safety department's expense compared to the total General Fund expenditures would be much larger.

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



**GENERAL FUND  
2016-2017 FINANCIAL SUMMARY**

**Estimated Revenue Sources**

Property Taxes	\$ 7,831,915	
License and Permits	516,800	
Intergovernmental Revenue	338,077	
Charges for Services	60,000	
Fines and Forfeits - Court	364,824	
Interest Income	30,634	
Special Assessments	5,287	
Other Revenue	353,965	
Other Finance Sources-Fund Balance Building	<u>28,014</u>	
Total Budgeted Revenue Sources		<b>\$ 9,529,516</b>

**Estimated Expenditures**

Commission	\$ 600	
48 <sup>th</sup> District Court	364,824	
City Manager	159,661	
City Attorney	194,645	
Assessing	49,434	
City Clerk	121,862	
Treasury	171,893	
General Admin	264,088	
Building/Grounds	179,955	
Public Safety	4,054,329	
Building/Planning	422,405	
Public Works	938,942	
Engineering	48,960	
Library	287,998	
Transfers Out	2,269,920	
Other Finance Uses-Fund Balance	<u>-</u>	
Total Budgeted Expenditures		<b>\$ 9,529,516</b>
Budgeted Net Revenue (Expenditures)		<b>\$ -</b>

**Estimated Fund Balance**

Fund Balance at June 30, 2015 (Audited)	\$ 5,195,282
Estimated Change in Fund Balance at June 30, 2016	<u>145,226</u>
Estimated Fund Balance at June 30, 2016	\$ 5,340,508
Estimated Change in Fund Balance at June 30, 2017	<u>(28,014)</u>
Estimated Fund Balance at June 30, 2017	<b>\$ 5,312,494</b>

# GENERAL FUND REVENUE



**GENERAL FUND – REVENUE**

<b>REVENUE BY SOURCE</b>	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b><u>PROPERTY TAXES</u></b>			
PROPERTY TAXES - OPERATING	\$ 6,990,039	\$ 7,433,955	\$ 7,474,145
LIBRARY MILLAGE	286,562	299,225	304,770
PROPERTY TAXES - DELQ PPT	7,396		
PENALTY & INTEREST - TAXES	48,681	53,000	53,000
<b><u>LICENSES &amp; PERMITS</u></b>			
CONTRACTOR REGISTRATION	9,622	9,000	9,000
BUILDING PERMITS	214,556	230,000	215,000
PERMIT APPLICATION FEE-ALL BL	31,250	43,000	30,000
ELECTRICAL PERMITS	52,355	40,000	52,000
PLUMBING PERMITS	19,052	20,000	20,000
MECHANICAL PERMITS	42,275	30,000	42,000
IN-HOME SALE PERMITS	150	500	500
W.W. DREAM CRUISE SPECIAL PER	5,514	5,000	5,500
DOG LICENSE FEES	910	800	800
CABLE TV FRANCHISE FEES	142,128	130,000	142,000
<b><u>INTERGOVERNMENTAL REVENUE</u></b>			
CRIMINAL JUSTICE TRAINING 302	7,528	4,000	7,528
PUB SAFETY 911 TRAINING FUND	4,997	3,200	4,997
GRANT	9,015		
LOCAL COMMUNITY STABILIZATION			23,000
LIQUOR LICENSE REBATE	5,341	5,200	5,500
STATE REVENUE SHARING	294,792	297,052	297,052
<b><u>CHARGES FOR SERVICES</u></b>			
PLANNING COMMISSION FEES	3,500	5,000	5,000
CHARGES FOR SERVICES	15,173	1,000	5,000
CHARGES FOR SERV-PUBLIC SAFET	10,320	2,500	7,000
ZBA REVIEW FEES	2,000	6,000	6,000
PUBLIC SAFETY-COST RECOVERY	4,326	5,000	5,000
PUBLIC SAFETY-OVERTIME REIMB	1,805	1,000	1,000
FIRE MARSHALL	24,230	25,000	25,000
RIGHT-OF-WAY FEE	48,458	6,000	6,000
<b><u>FINES &amp; FORFEITS</u></b>			
48TH DISTRICT CT-FINES & FEES	333,346	359,256	364,824
FORFEITURES	146,339	19,300	
<b><u>INTEREST INCOME</u></b>			
	31,471	57,200	30,634
<b><u>SPECIAL ASSESSMENTS</u></b>			
	9,371	7,360	5,287
<b><u>OTHER REVENUE</u></b>			
PEG FRANCHISE FEES	69,822	70,975	70,975
OTHER REVENUE	2,770	10,000	3,000
FIRE SUPPRESSION & ALARM PERM	11,130	5,000	11,100
SALE OF ASSETS	6,810	5,000	2,000
DPW EQUIP&LABOR REIMB	208,319	160,185	201,890
REIMBURSEABLE EXPENSES	26,082		14,000
REFUNDS & REBATES	107,106	51,102	51,000
GIFT CONTRIBUTIONS.	9,435		
OTHER FINSOURCES – BOND/DEBT PRO PROC	15,869,812		
OTHER FINANCING SOURCES – FUND BAL BLDG		40,840	28,014
<b>TOTAL REVENUE &amp; OTHER SOURCES</b>	<b>\$ 25,113,788</b>	<b>\$ 9,441,650</b>	<b>\$ 9,529,516</b>

# GENERAL FUND APPROPRIATIONS



## GENERAL INFORMATION - APPROPRIATIONS

### KEY ASSUMPTIONS

☞ WAGE INCREASES	0%
☞ HEALTH INSURANCE BASED ON ILLUSTRATIVE RATES	
☞ DEFINED CONTRIBUTION – PER MERS	\$ 262,812
☞ PENSION BONDS PRINCIPAL & INTEREST	\$1,152,372
☞ GENERAL OPERATING INCREASES	Based on 2 year history
☞ UTILITY \FUEL INCREASES	Based on trending

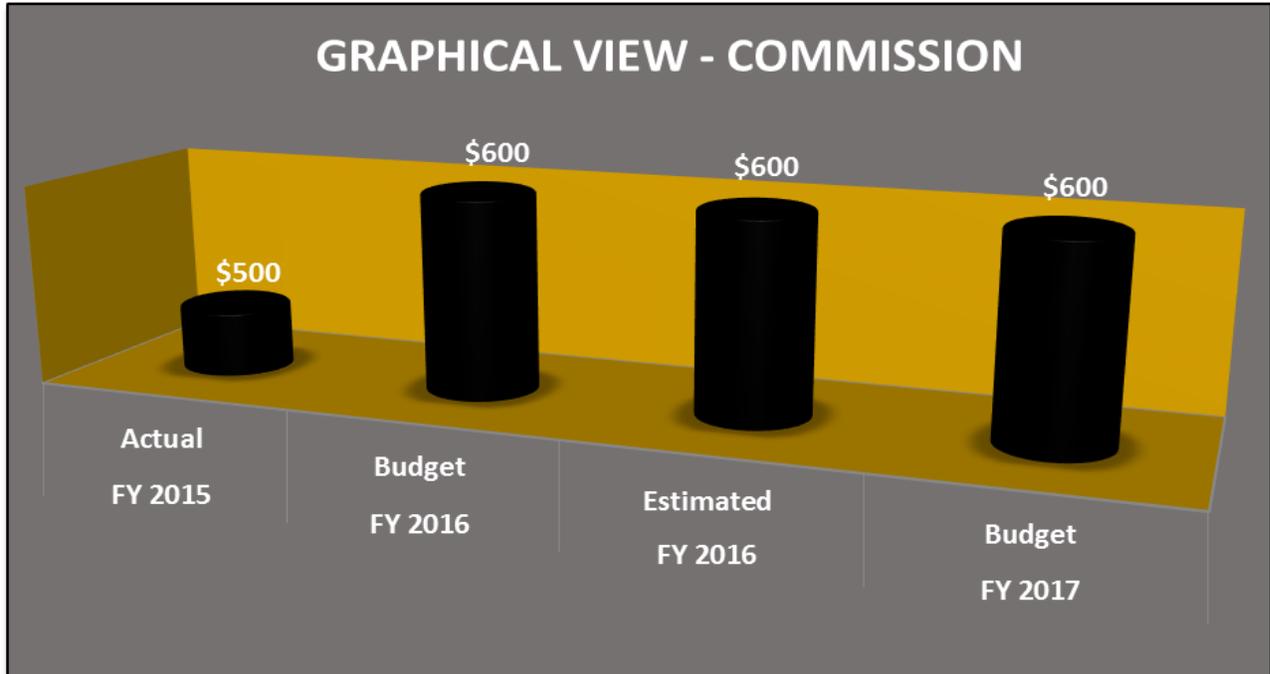
### SUMMARY OF FTE'S (Full-Time Equivalents) - GENERAL FUND

Department	2017 Full-Time	2017 Part-Time	2017 Total FTE's	2016 Total FTE's
Commission	0	5	.05	.05
City Manager	1	0	1.00	1.00
Clerk	2	0	2.00	2.00
Treasury	2	1	2.60	2.60
Public Safety	27	4	28.00	29.00
Building	2	1	2.25	2.25
DPW	5	0	5.00	5.00
<b>Total</b>	<b>39</b>	<b>11</b>	<b>40.90</b>	<b>41.90</b>

*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**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ 300	\$ 300	\$ 300	\$ 300
Operating Costs	200	300	300	300
<b>Total</b>	<b>\$ 500</b>	<b>\$ 600</b>	<b>\$ 600</b>	<b>\$ 600</b>

<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Part Time Elected Positions	5	5	5	5
<b>Total Positions</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
Full Time Equivalents	0.05	0.05	0.05	0.05

**Commissioners**

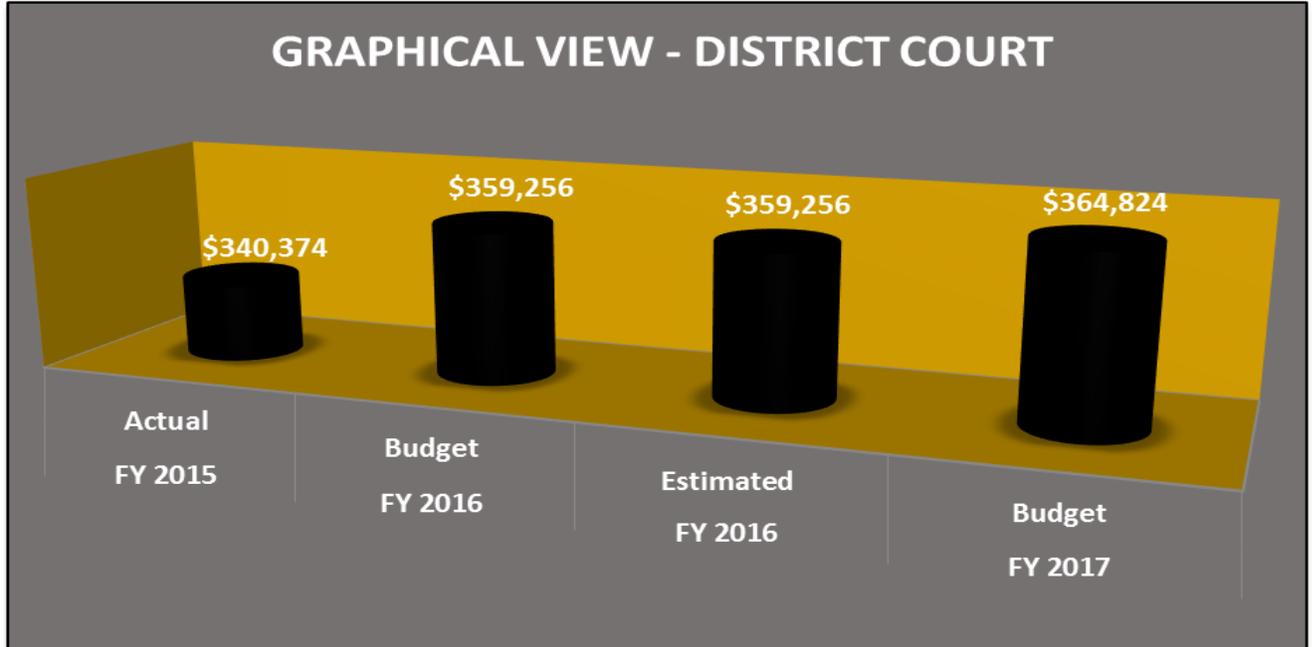
- ↺ Elected for 2 year terms in odd election years
- ↺ Enact legislation and policies
- ↺ Approve budget
- ↺ Assist residents

**Changes in Budget**

- No change from 2016 budget

DEPARTMENT APPROPRIATIONS  
48<sup>th</sup> District Court

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



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	340,374	359,256	359,256	364,824
<b>Total</b>	<b>\$ 340,374</b>	<b>\$ 359,256</b>	<b>\$ 359,256</b>	<b>\$ 364,824</b>

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

**48<sup>th</sup> District Court Department**

- ↻ Contractual services with the 48<sup>th</sup> 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**

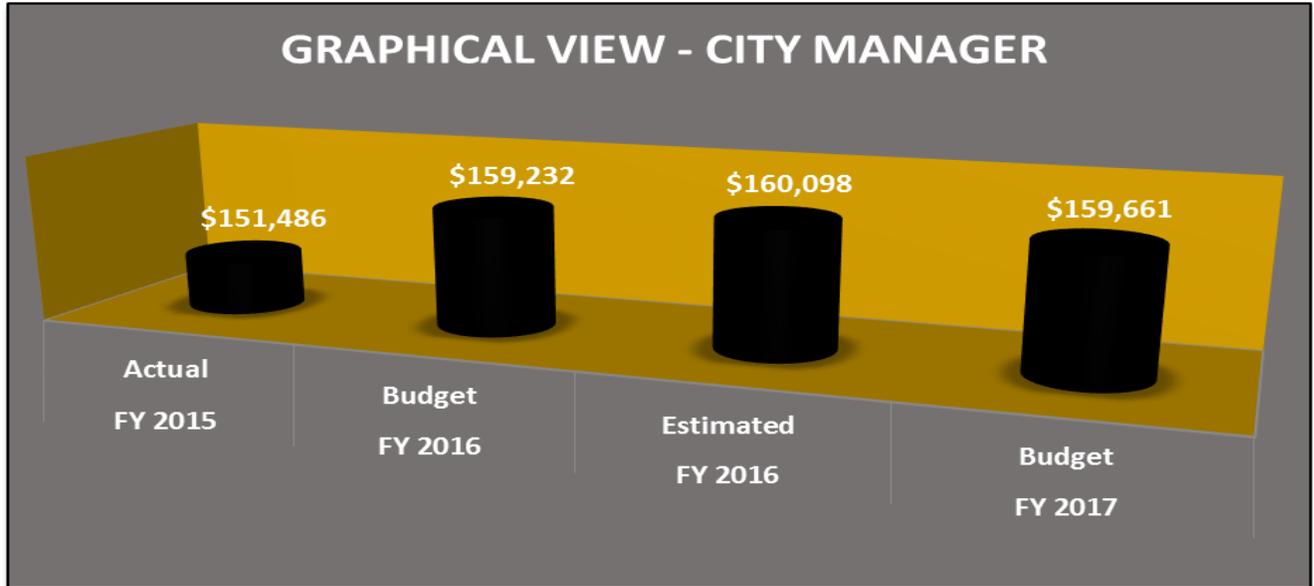
- 1.55% increase over 2016 budget
- A revenue item for court payments offset this expense which nets to zero
- Expenses are based on a budget created by the 48<sup>th</sup> District Court

DEPARTMENT APPROPRIATIONS

City Manager

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT

STAFF RESPONSIBLE: CITY MANAGER



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ 148,181	\$ 153,022	\$ 153,888	\$ 153,451
Operating Costs	3,305	6,210	6,210	6,210
<b>Total</b>	<b>\$ 151,486</b>	<b>\$ 159,232</b>	<b>\$ 160,098</b>	<b>\$ 159,661</b>

<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
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**

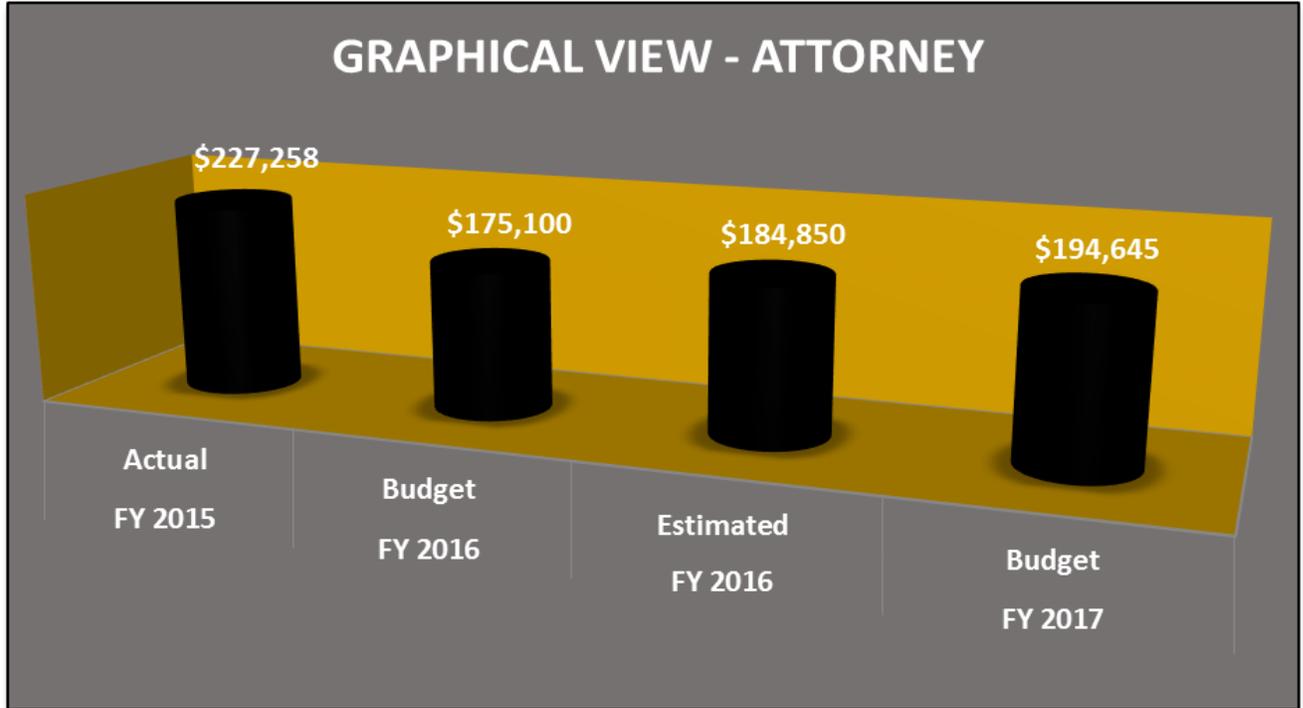
- Directs and coordinates the operations of the City’s departments and staff
- Manages, supervises, and coordinates overall long range planning, strategic plans, public improvements and general municipal
- Represents management in labor relations and approves contracts and agreements on behalf of the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

**Changes in Budget**

- .27% increase over the 2016 budget
- The City Manager’s salary and benefits are allocated as follows: City Manager 80%, Building 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 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Budget
<b>Financial Summary</b>				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	227,258	175,100	184,850	194,645
<b>Total</b>	<b>\$ 227,258</b>	<b>\$ 175,100</b>	<b>\$ 184,850</b>	<b>\$ 194,645</b>
Personnel Services				
<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Total Positions	-	-	-	-
Full Time Equivalents	-	-	-	-

**City Attorney's Department**

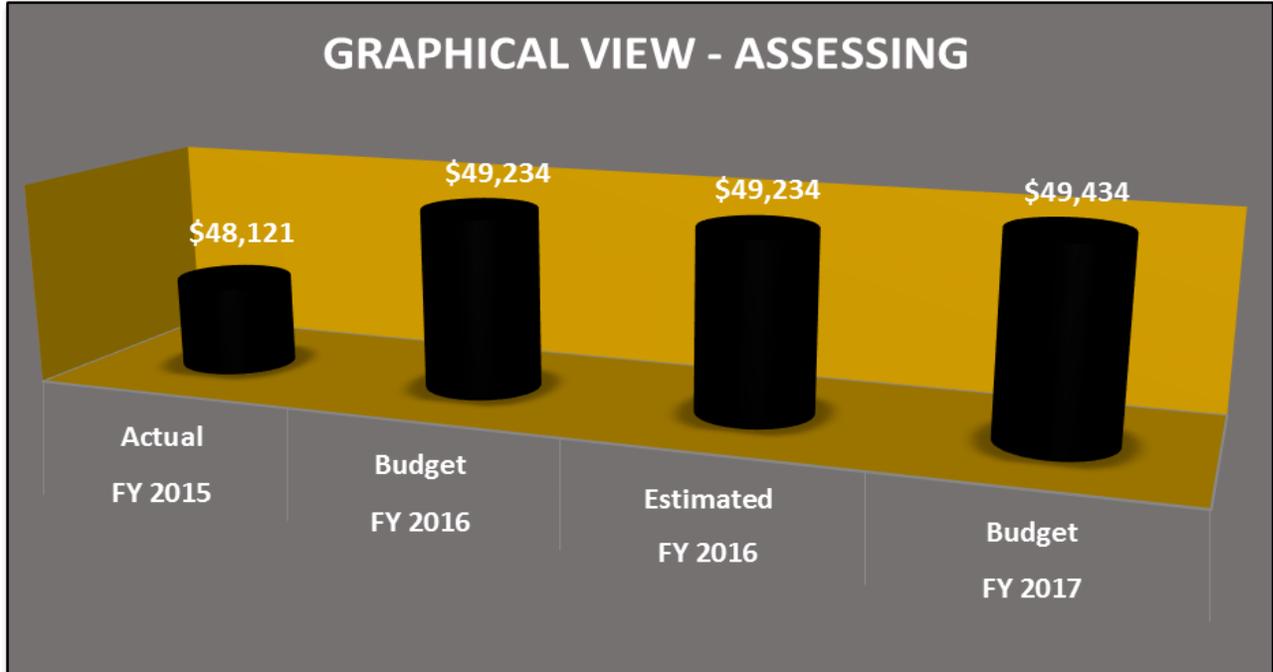
☛ Contracted by City to advise on legal issues including labor negotiations

**Changes in Budget**

- 11% increase over 2016 budget
- Expense varies year to year because number of legal cases cannot be determined
- This budget used the average of the last four years' expense

DEPARTMENT APPROPRIATIONS  
Assessing

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



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	48,121	49,234	49,234	49,434
<b>Total</b>	<b>\$ 48,121</b>	<b>\$ 49,234</b>	<b>\$ 49,234</b>	<b>\$ 49,434</b>

<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
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

**Changes in Budget**

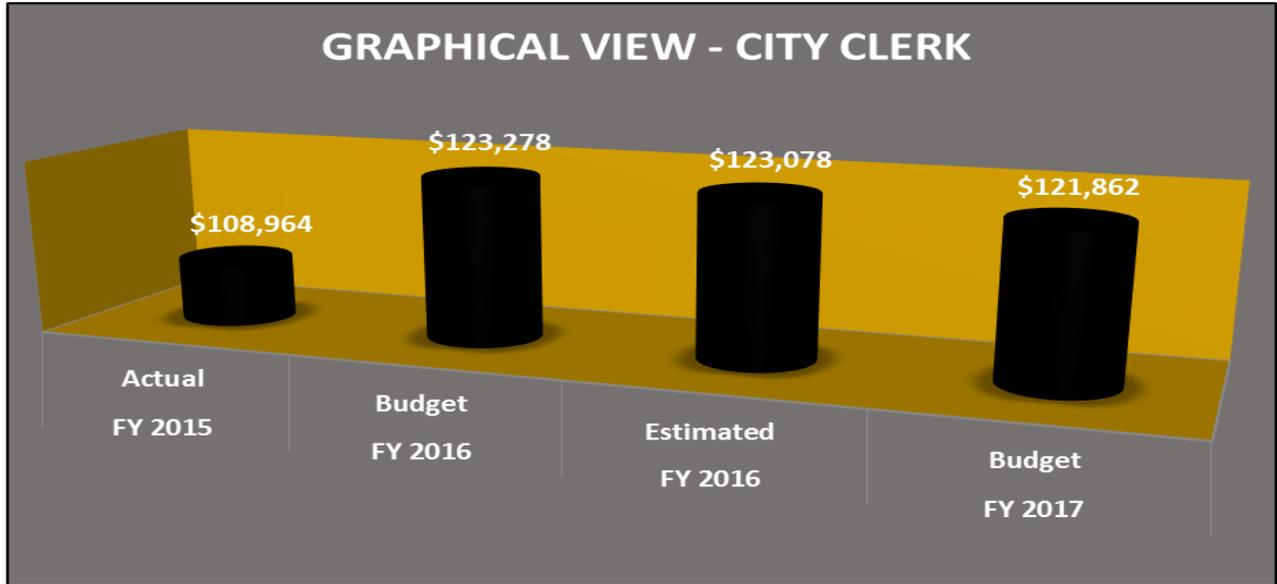
- Small increase from 2016 budget
- This budget includes drain assessment expense

DEPARTMENT APPROPRIATIONS

City Clerk

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT

STAFF RESPONSIBLE: CITY CLERK



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ 89,305	\$ 96,810	\$ 98,410	\$ 99,417
Operating Costs	19,659	25,095	23,995	22,445
<b>Total</b>	<b>\$ 108,964</b>	<b>\$ 121,905</b>	<b>\$ 122,405</b>	<b>\$ 121,862</b>
<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Full Time Positions:				
City Clerk	1	1	1	1
Clerk Assistant	1	1	1	1
<b>Total Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Full Time Equivalents	2.0	2.0	2.0	2.0

**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**

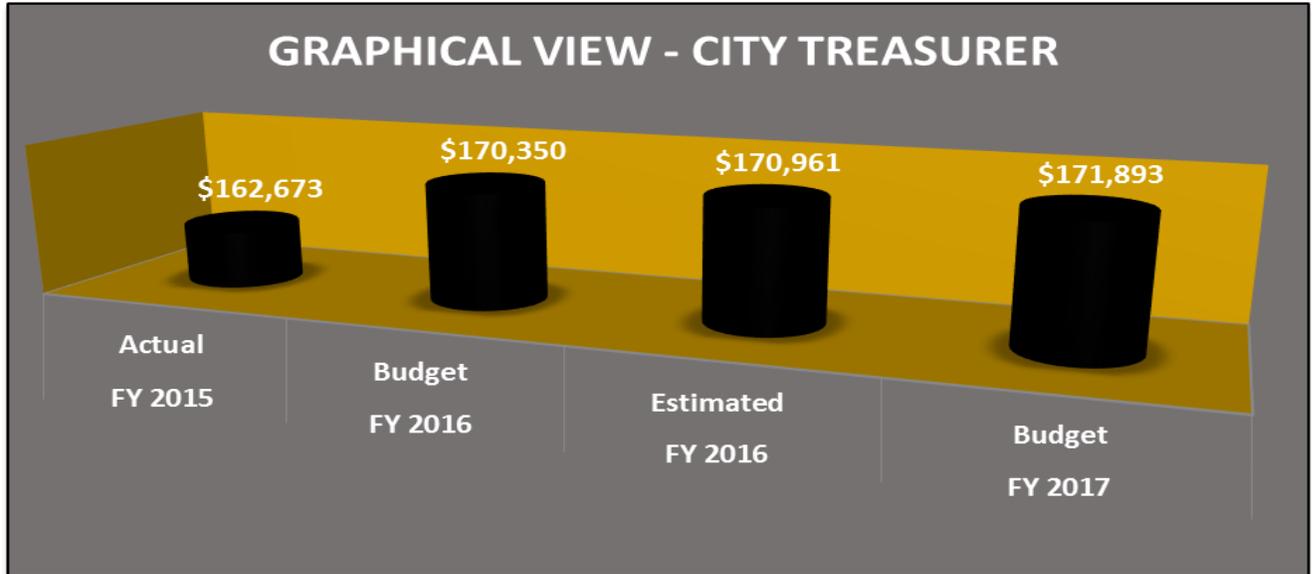
- 1.15% decrease from 2016 budget
- Decrease due reduction of codification expense because of a one-time legal review in 2016
- The Clerk's budget will fluctuate yearly due to the number of required elections
- Wage and benefits allocations: **Clerk Dept.-Clerk 85%, Clerk Assistant 15% Building Dept.-Clerk 15%, Clerk Assistant 85%**

DEPARTMENT APPROPRIATIONS

City Treasurer

FUND/FUNCTION: GENERAL/GENERAL GOVERNMENT

STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



**FINANCIAL & PERSONNEL SUMMARY**

	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Budget
<b>Financial Summary</b>				
Personnel Services	\$ 160,361	\$ 162,747	\$ 162,639	\$ 164,525
Operating Costs	2,312	7,603	8,322	7,368
<b>Total</b>	<b>\$ 162,673</b>	<b>\$ 170,350</b>	<b>\$ 170,961</b>	<b>\$ 171,893</b>
<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
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
<b>Total Positions</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Full Time Equivalents	2.6	2.6	2.6	2.6

**City Treasurer’s Department**

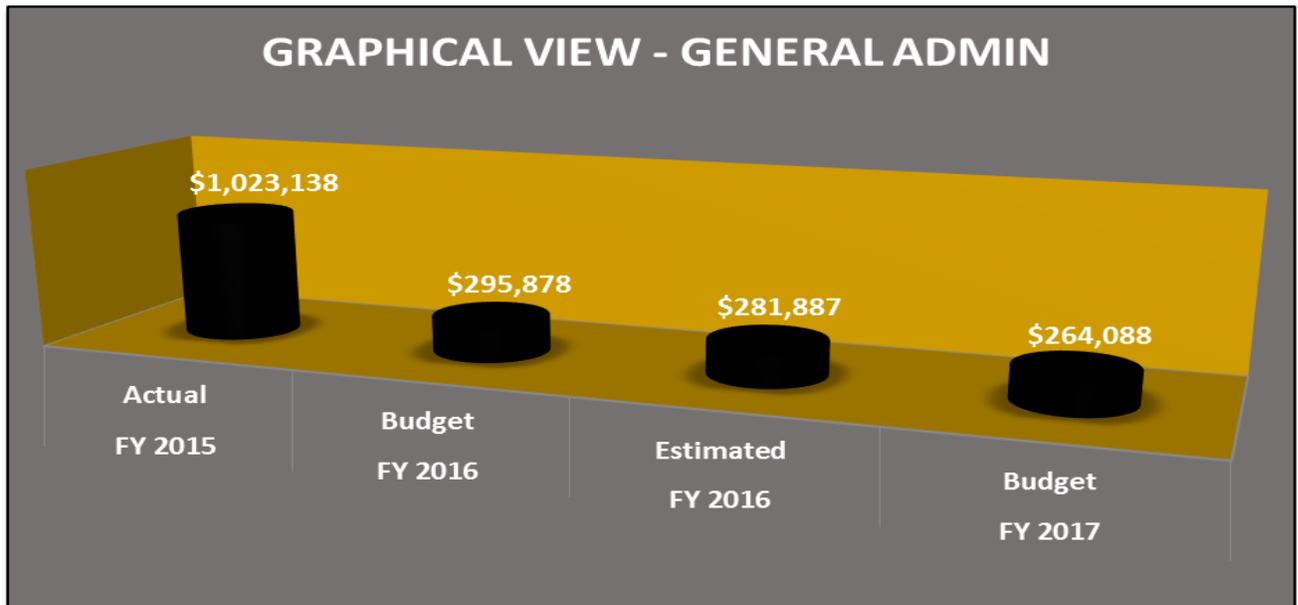
- Financial administration, budget preparation and oversight
- Annual financial statement audit and maintaining proper internal controls
- Supervises accounts payable, accounts receivable and payroll functions
- Tax roll maintenance, tax billing, revenue collection and tax settlement with the county

**Expenditure Information**

- .9% increase over 2016 budget
- Wage and benefit allocations: **Treasury**-Finance Director 75%, Accounting Clerk 65%; **Building**-Finance Director 15%, Accounting Clerk 30%, Finance Clerk 10%; **Water and Sewer Fund**-Finance Director 10%, Accounting Clerk 5%

# General Administration

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



## FINANCIAL & PERSONNEL SUMMARY

	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Budget
<b>Financial Summary</b>				
Personnel Services	\$ 772,347	\$ 29,343	\$ 29,343	\$ 27,669
Operating Costs	250,791	266,535	252,544	236,419
<b>Total</b>	<b>\$ 1,023,138</b>	<b>\$ 295,878</b>	<b>\$ 281,887</b>	<b>\$ 264,088</b>
<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

### General Administration Department

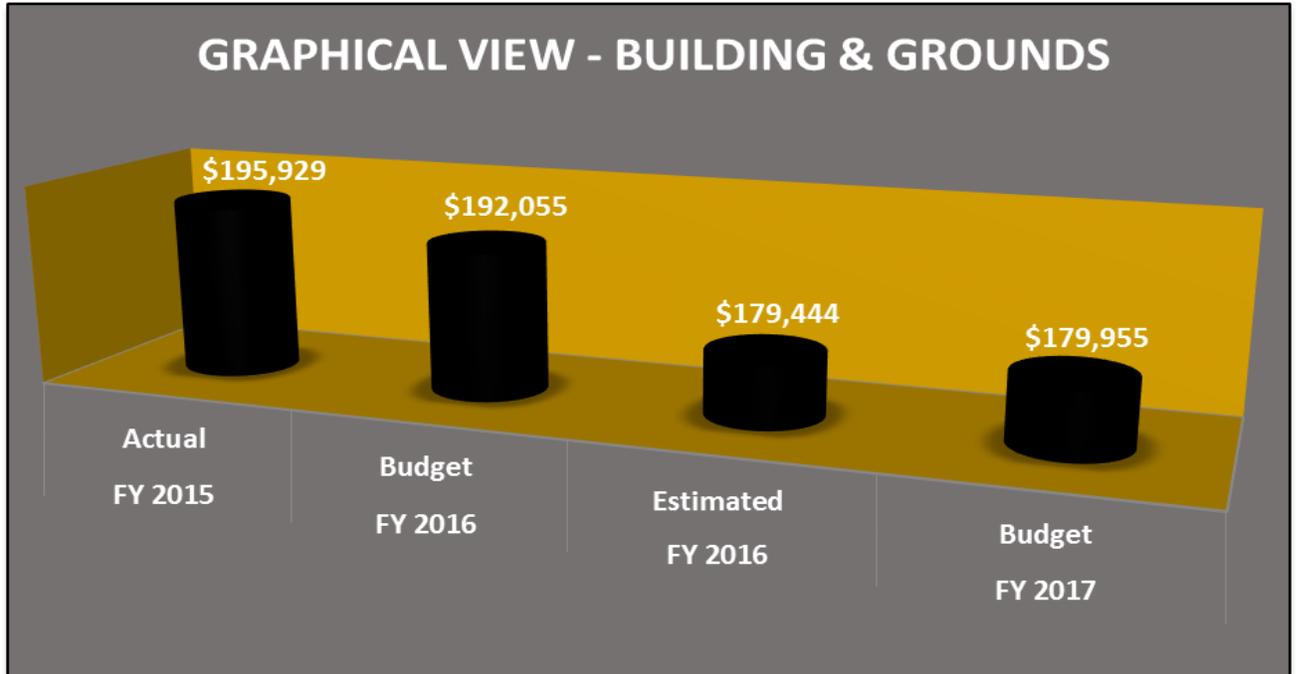
- Accounts for expenses that are not allocated between City Manager, City Clerk, Treasurer, and Building departments.

### Changes in Budget

- 10.7% decrease from the 2016 budget
- 2017 decrease was due primarily to:
  - Decrease in the Michigan Tax Tribunal (MTT) tax cases
  - Elimination of bank fees by switching to new banking institution
  - Professional services cost reduced by OPEB actuarial costs. An actuarial study is only required every three years
- 2015 actual costs are higher because in 2016 most of the retiree health, dental and OPEB pre-funding costs were moved from this department to the department from which the employee retired; Public Safety or DPW

DEPARTMENT APPROPRIATIONS  
Buildings and Grounds

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



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	195,929	192,055	179,444	179,955
<b>Total</b>	<b>\$ 195,929</b>	<b>\$ 192,055</b>	<b>\$ 179,444</b>	<b>\$ 179,955</b>

<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
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**

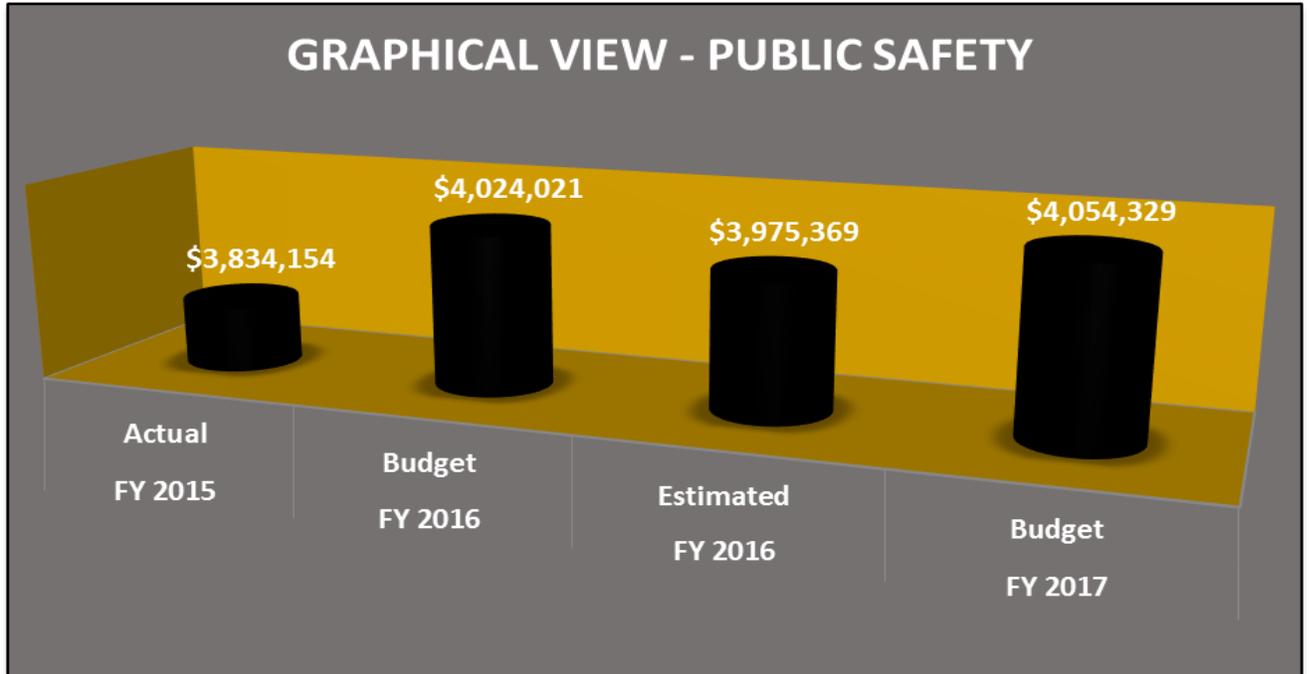
- ↻ 6.3% decrease from 2016 budget
- ↻ The decrease is from a reduction in utilities which were budgeted high in 2016

DEPARTMENT APPROPRIATIONS

Public Safety

FUND/FUNCTION: GENERAL/PUBLIC SAFETY

STAFF RESPONSIBLE: PUBLIC SAFETY DIRECTOR



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ 3,455,554	\$ 3,617,890	\$ 3,571,677	\$ 3,636,296
Operating Costs	378,600	406,131	403,691	418,033
<b>Total</b>	<b>\$ 3,834,154</b>	<b>\$ 4,024,021</b>	<b>\$ 3,975,369</b>	<b>\$ 4,054,329</b>

<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
<b>Full Time Positions:</b>				
Chief/Director	1	1	1	1
Lieutenants	4	4	4	4
Sergeants	3	3	3	3
Public Safety Officers	17	17	16	16
Dispatchers	3	3	3	3
<b>Total Full Time</b>	<b>28</b>	<b>28</b>	<b>27</b>	<b>27</b>
<b>Part Time Positions:</b>				
Dispatchers	3	3	4	4
<b>Total Part Time</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>
<b>Total Positions</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
Full Time Equivalents	29.00	29.00	28.00	28.00

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**

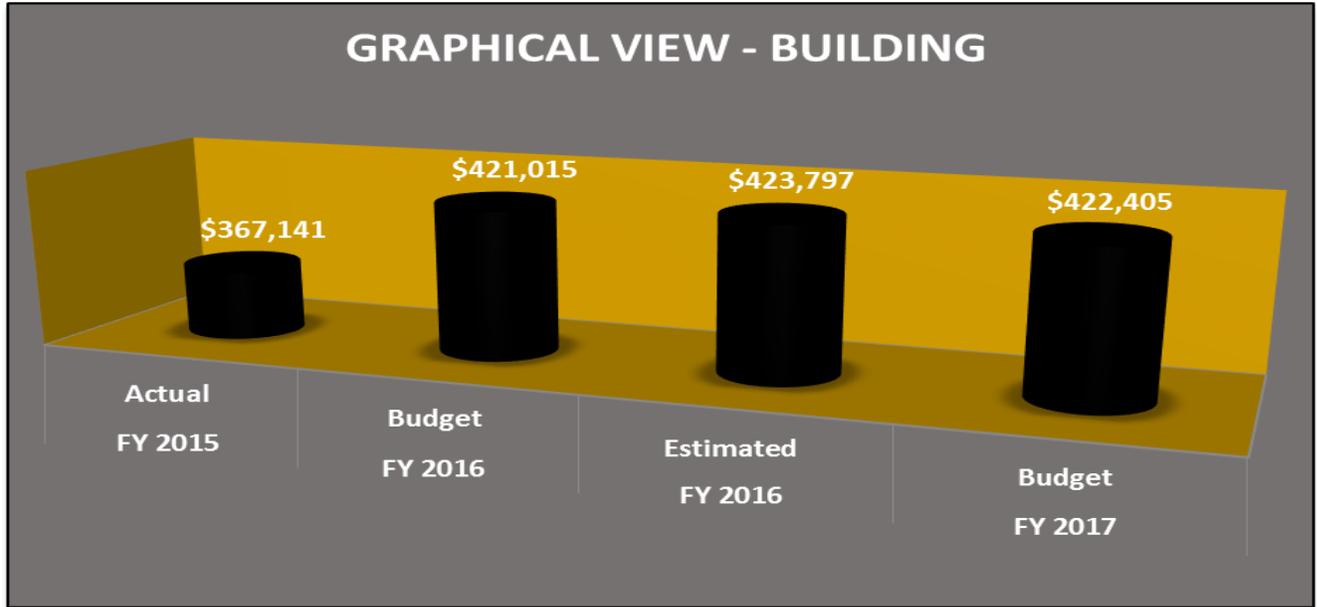
- .75% increase over the 2016 budget
- The 2017 budget decrease primarily due a new budget item of \$8,000 for the annual open house, plus various small account increases
- In 2016 retiree health, dental and OPEB pre-funding costs for public safety retirees were moved to this department from the General Administration department to better reflect all costs of this department
- The 2015 actual personnel costs were reduced by \$13,266,005 for accrued pension costs that were paid off using bond proceeds. The yearly bond payment expense is now in transfers out of General Fund
- FTE's were reduced in 2015 due to attrition

DEPARTMENT APPROPRIATIONS

Building

FUND/FUNCTION: GENERAL/PUBLIC SAFETY

STAFF RESPONSIBLE: BUILDING OFFICIAL



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ 244,979	\$ 289,316	\$ 289,119	\$ 290,587
Operating Costs	122,162	131,699	134,678	131,819
<b>Total</b>	<b>\$ 367,141</b>	<b>\$ 421,015</b>	<b>\$ 423,797</b>	<b>\$ 422,405</b>
<b>Personnel/FTE Data:</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Full Time Positions:				
Building Official	1	1	1	1
Part Time Positions				
Building Assistant	1	1	1	1
Code Compliance	1	1	1	1
<b>Total Positions</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
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

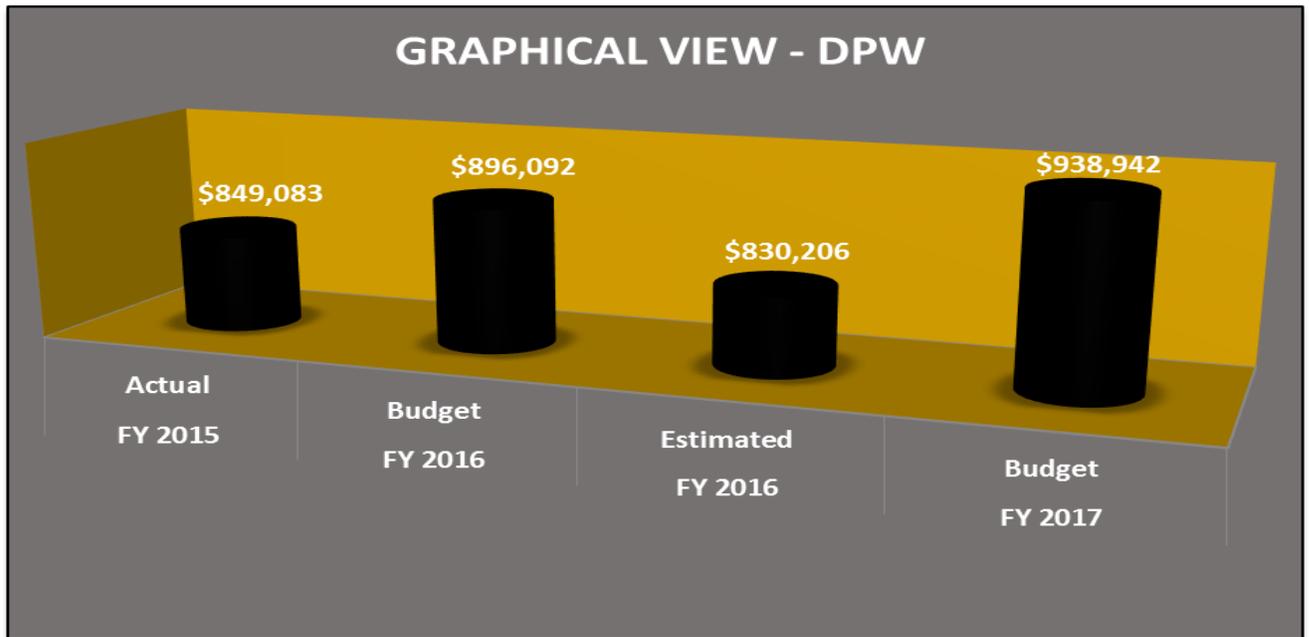
**Changes in Budget**

- .3% increase over the 2016 budget
- Any excess of expenses over building related revenue will be taken from fund balance that has been restricted to building activity. This will include an allocation of shared costs
- Wage allocations to Building are as follows: City Manager 5%, City Clerk 15%, Clerk Assistant 85%, Finance Director 15%, 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**

	FY 2015	FY 2016	FY 2016	FY 2017
<b>Financial Summary</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>
Personnel Services	\$ 436,057	\$ 537,168	\$ 479,464	\$ 541,325
Operating Costs	413,027	358,924	350,742	397,617
<b>Total</b>	<b>\$ 849,083</b>	<b>\$ 896,092</b>	<b>\$ 830,206</b>	<b>\$ 938,942</b>

<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
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**

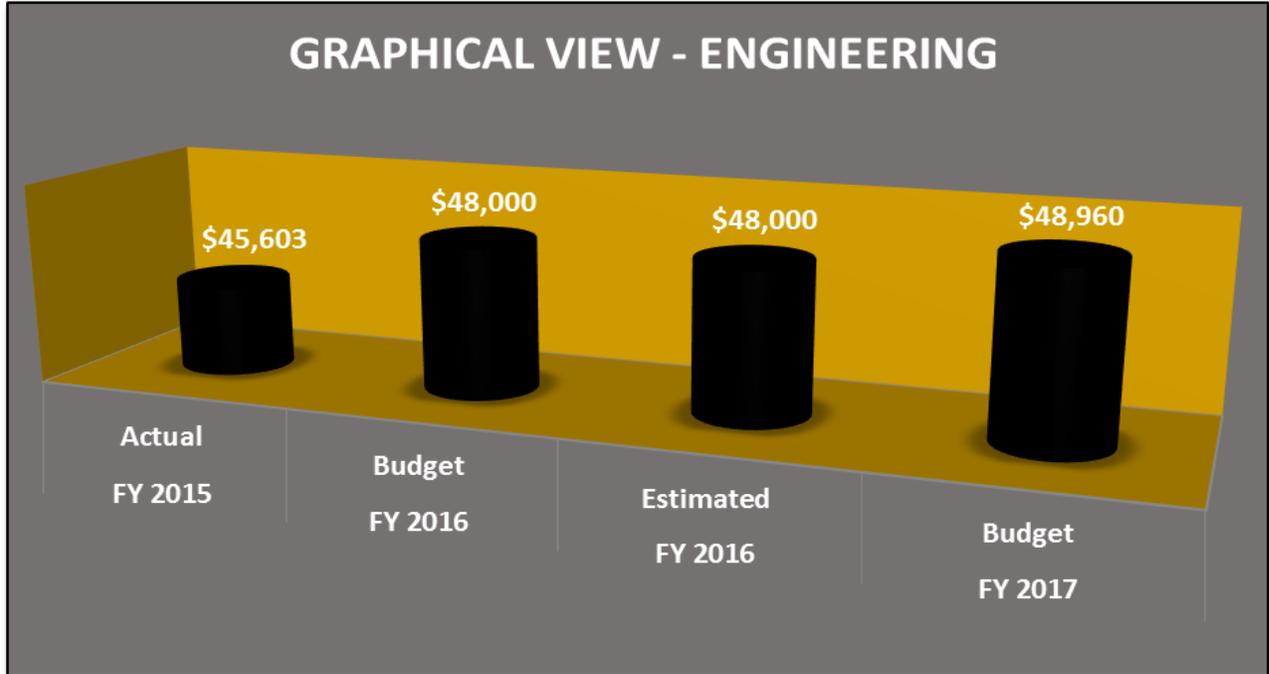
- 4.8% increase over the 2016 budget
- 2017 increase due primarily to increase in crack and seal costs and tree planting program
- In 2016 retiree health, dental and OPEB pre-funding costs for public safety retirees were moved to this department from General Administration department to better reflect all costs of this department
- The 2015 actual personnel costs were reduced by \$1,947,777 for comparison purposes. This expense paid off the accrued unfunded pension liability; using bond proceeds. The yearly bond payment expense is now in transfers out of General Fund.

DEPARTMENT APPROPRIATIONS

Engineering

FUND/FUNCTION: GENERAL/PUBLIC WORKS

STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



**FINANCIAL & PERSONNEL SUMMARY**

Financial Summary	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	45,603	48,000	48,000	48,960
<b>Total</b>	<b>\$ 45,603</b>	<b>\$ 48,000</b>	<b>\$ 48,000</b>	<b>\$ 48,960</b>

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

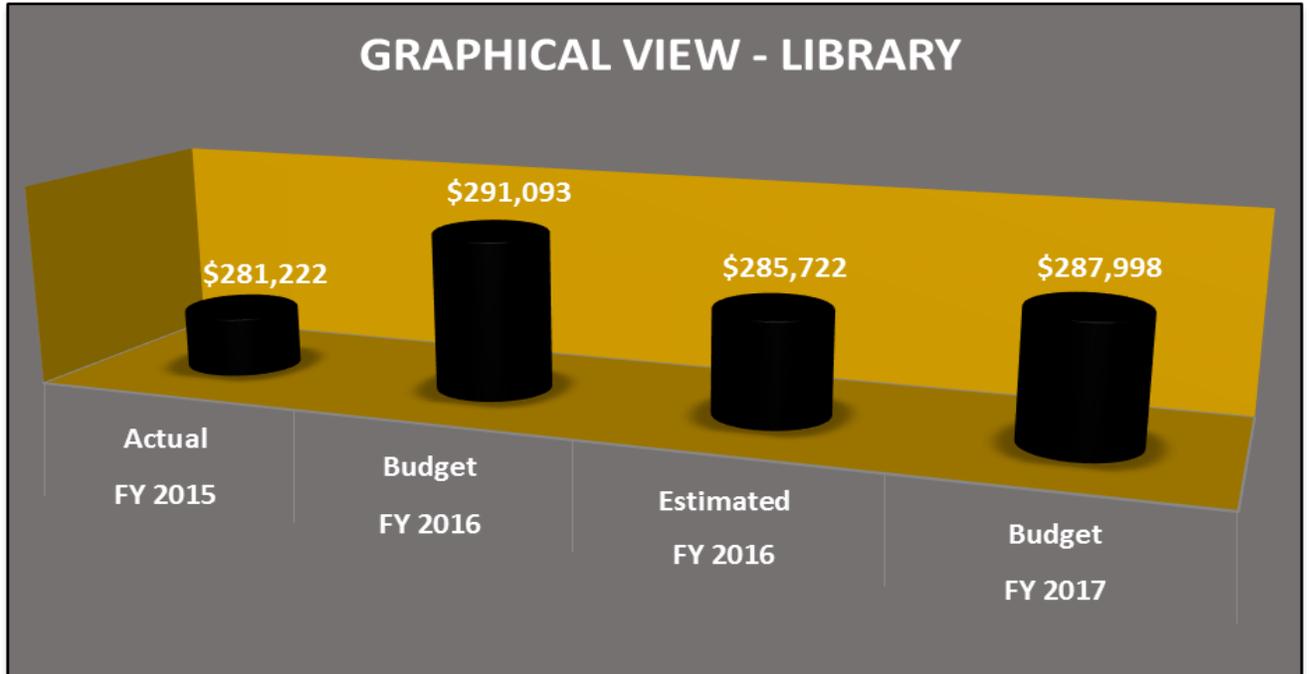
**Changes in Budget**

- 2% increase over the 2016 budget
- The 2017 increase is for storm water cost increases
- This department includes right of way expenses which have an offsetting revenue line item

DEPARTMENT APPROPRIATIONS

Library

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



**FINANCIAL & PERSONNEL SUMMARY**

<b>Financial Summary</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Budget</b>	<b>FY 2016 Estimated</b>	<b>FY 2017 Budget</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	281,222	291,093	285,722	287,998
<b>Total</b>	<b>\$ 281,222</b>	<b>\$ 291,093</b>	<b>\$ 285,722</b>	<b>\$ 287,998</b>

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

**Library Department**

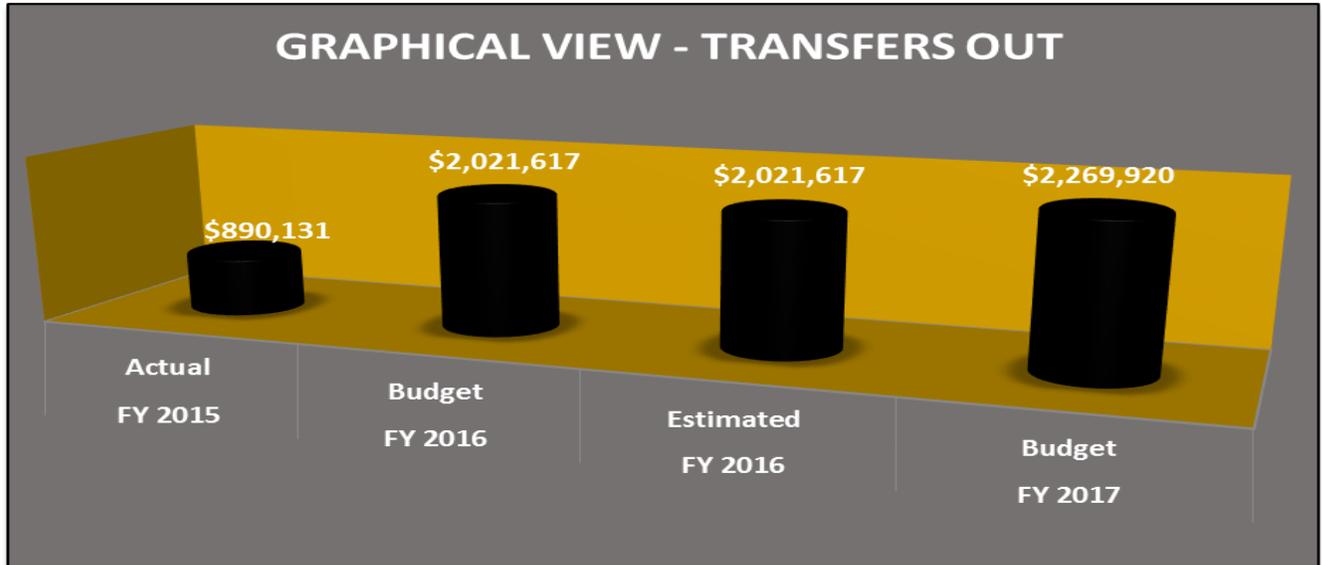
- ↗ Contract with Baldwin Library for library services
- ↗ Voters approved millage to pay for library use; 2016 tax levy is .3843 mills
- ↗ November 2014 voters approved renewal of millage for six additional years

**Changes in Budget**

- 1% decrease from the 2016 budget
- 2017 decrease is to reflect a more accurate estimate of library increases

DEPARTMENT APPROPRIATIONS  
**Transfers Out**

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



**FINANCIAL & PERSONNEL SUMMARY**

	FY 2015	FY 2016	FY 2016	FY 2017
<b>Financial Summary</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operating Costs	890,131	2,021,617	2,021,617	2,269,920
<b>Total</b>	<b>\$ 890,131</b>	<b>\$ 2,021,617</b>	<b>\$ 2,021,617</b>	<b>\$ 2,269,920</b>
<b>Personnel/FTE Data</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
Total Positions	-	-	-	-
Full-Time Equivalents	-	-	-	-

**Transfers Out**

- ↻ Transfers from the General Fund to other Funds are accounted for here.
- ↻ Transfers include:
  - Road Construction Fund Transfer - \$217,000
  - Capital Equipment Fund Transfer - \$200,000
  - General Obligation Debt Fund Transfer - \$1,852,920
- ↻ General Obligation Debt Fund accounts for payment of three bond issues; 2007 roads, 2010 roads, and 2014 pension liability.

**Changes in Budget**

- 12% increase over the 2016 budget
- The increase in 2016 is due the following:
  - Transfer to road construction fund in 2017 for road projects
  - Addition of pension bond principal in 2017
  - 2010 road bond issue back loaded causing payments to increase
- Amortization schedules can be found on pages 40 and 41

# MAJOR ROADS FUND



**MAJOR ROADS FUND**  
**2016-2017 FINANCIAL SUMMARY**

**Estimated Revenue Sources**

State Gas & Weight Tax	\$ 226,906	
Metro Act Revenue	3,000	
Financing Sources-Fund Balance	<u>10,339</u>	
 Total Budgeted Revenue Sources		 <b>\$ 240,245</b>

**Estimated Expenditures**

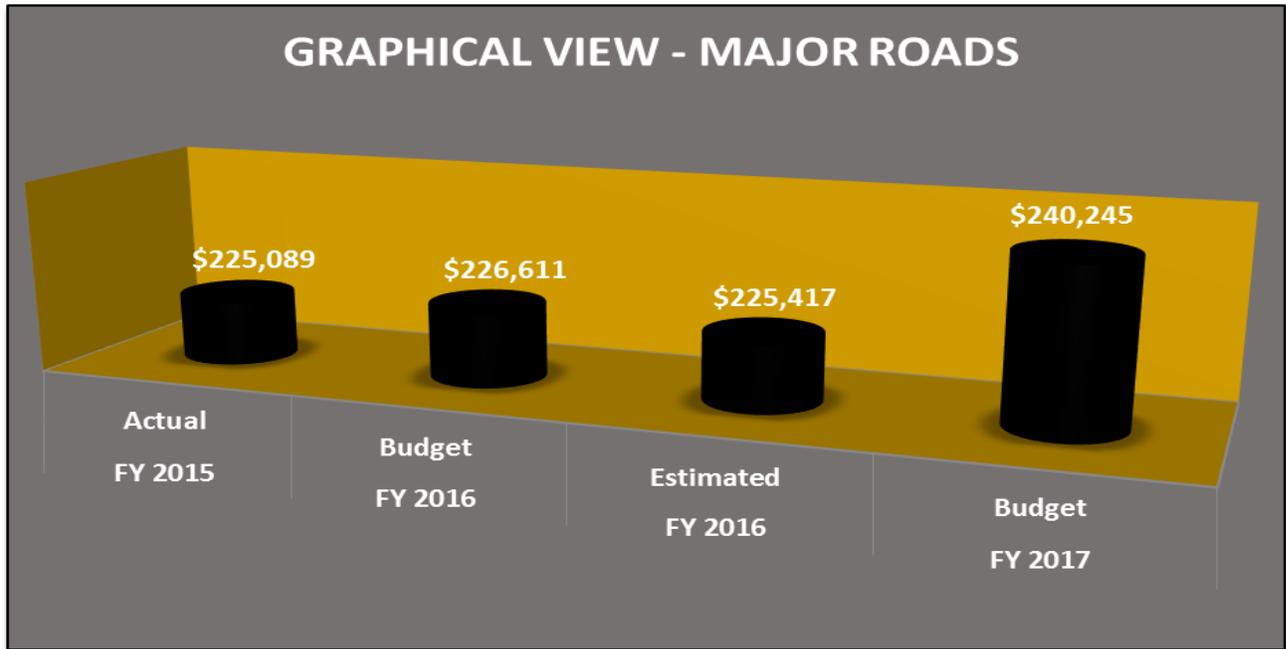
Routine Maintenance	\$ 28,473	
Traffic Services	21,000	
Winter Maintenance	52,628	
Admin & Engineering	24,691	
Transfer to Local Roads Fund	<u>113,453</u>	
 Total Budgeted Expenditures		 <b><u>\$ 240,245</u></b>
 Budgeted Net Revenue (Expenditures)		 <b>\$ -0-</b>

**Estimated Fund Balance**

Fund Balance at June 30, 2015 (Audited)	\$ 59,324
Estimated Change in Fund Balance at June 30, 2016	<u>4,489</u>
Fund Balance at June 30, 2016	\$ 63,814
Estimated Change in Fund Balance at June 30, 2017	<u>(10,339)</u>
Estimated Fund Balance at June 30, 2017	<b>\$ 53,474</b>

# Major Roads Fund

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



## FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Budget
Operating Costs	\$ 225,089	\$ 226,611	\$ 225,417	\$ 240,245
Total	\$ 225,089	\$ 226,611	\$ 225,417	\$ 240,245

### 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 through a 10% transfer of gas and weight tax revenue

### Changes in Budget

- 6% increase over the 2016 budget
- The increase is due to additional ACT 51 funds from the State of Michigan which in turn allows an increased transfer to the General Fund to reimburse for DPW wage and equipment costs

# LOCAL ROADS FUND



## LOCAL ROADS FUND 2016-2017 FINANCIAL SUMMARY

### Estimated Revenue Sources

State Gas & Weight Tax	\$	100,756	
State – Additional Road Funds		12,340	
Transfer In – Major Street Fund		113,453	
Metro Act Revenue		9,120	
Financing Sources-Fund Balance		<u>25,007</u>	
Total Budgeted Revenue Sources			<b>\$ 260,676</b>

### Estimated Expenditures

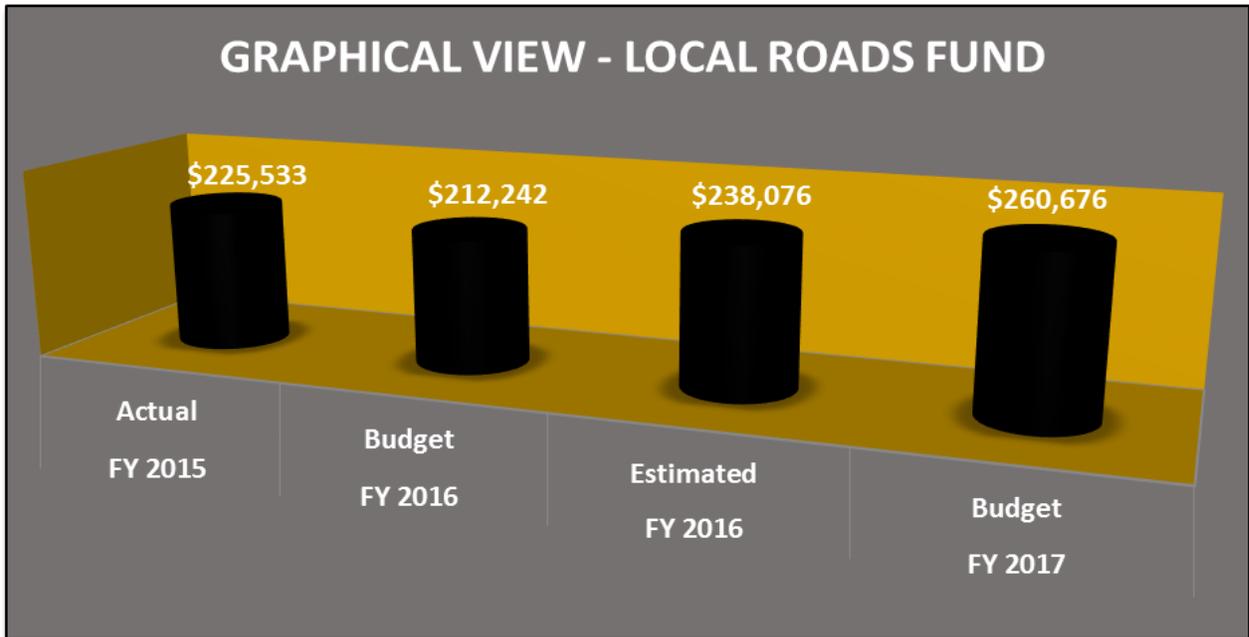
Construction Phase I	\$	2,500	
Routine Maintenance		151,000	
Traffic Services		11,000	
Winter Maintenance		81,100	
Admin & Engineering		<u>15,076</u>	
Total Budgeted Expenditures			<b><u>\$ 260,676</u></b>
Budgeted Net Revenue (Expenditures)			<b>\$ -0-</b>

### Estimated Fund Balance

Fund Balance at June 30, 2015 (Audited)	\$	49,024	
Estimated Change in Fund Balance at June 30, 2016		<u>(2,400)</u>	
Fund Balance at June 30, 2016		\$ 46,624	
Estimated Change in Fund Balance at June 30, 2017		<u>(25,007)</u>	
Estimated Fund Balance at June 30, 2017		<b>\$ 21,617</b>	

# Local Roads Fund

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



## FINANCIAL & PERSONNEL SUMMARY

	FY 2015	FY 2016	FY 2016	FY 2017
<b>Financial Summary</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>
Operating Costs	\$ 225,533	\$ 212,242	\$ 238,076	\$ 260,676
Total	\$ 225,533	\$ 212,242	\$ 238,076	\$ 260,676

### 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 through a 10% transfer of gas and weight tax revenue

### Changes in Budget

- 23% increase from the 2016 budget
- The increase is due to additional ACT 51 funds from the State of Michigan which in turn allows an increased transfer to the General Fund to reimburse for DPW wage and equipment costs

# GENERAL OBLIGATION DEBT FUND



**GENERAL OBLIGATION DEBT FUND**  
**2016-2017 FINANCIAL SUMMARY**

**Estimated Revenue Sources**

Transfer In – General Fund	\$ 1,852,920	
Other Financing Sources-Fund Balance	<u>                  -</u>	
 Total Budgeted Revenue Sources		 <b>\$ 1,852,920</b>

**Estimated Expenditures**

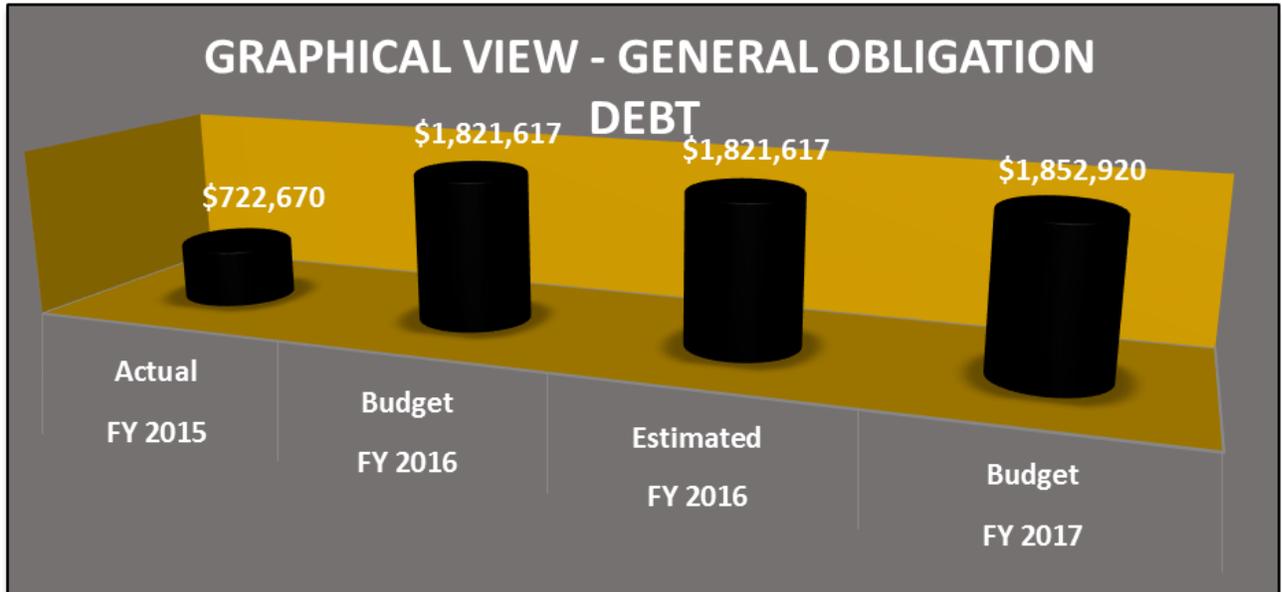
Principal – 2007 Roads	\$ 350,000	
Principal – 2010 Roads	200,000	
Principal – 2014 Pension	670,000	
Interest – 2007 Roads	43,188	
Interest – 2010 Roads	105,875	
Interest – 2014 Pension	482,372	
Bond Fees	<u>          1,485</u>	
 Total Budgeted Expenditures		 <b><u>\$ 1,852,920</u></b>
 Budgeted Net Revenue (Expenditures)		 <b>\$ -0-</b>

**Estimated Fund Balance**

Fund Balance at June 30, 2015 (Audited)	\$ 163	
Estimated Change in Fund Balance at June 30, 2016	<u>                  -</u>	
Fund Balance at June 30, 2016	\$ 163	
Estimated Change in Fund Balance at June 30, 2017	<u>                  -</u>	
Estimated Fund Balance at June 30, 2017		<b>\$ 163</b>

## General Obligation Debt Fund

FUND/FUNCTION: GENERAL OBLIGATION DEBT/PAYMENT OF DEBT  
 STAFF RESPONSIBLE: FINANCE DIRECTOR/TREASURER



### FINANCIAL & PERSONNEL SUMMARY

	FY 2015	FY 2016	FY 2016	FY 2017
<b>Financial Summary</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>
Operating Costs	\$ 722,670	\$ 1,821,617	\$ 1,821,617	\$ 1,852,920
Total	\$ 722,670	\$ 1,821,617	\$ 1,821,617	\$ 1,852,920

### General Obligation Debt Fund

- ↻ This Fund accounts for the yearly debt principal and interest payments on road bonds
- ↻ 2007 Road Bonds
  - 2017 principal and interest \$393,188
  - 2018-2019 total principal and interest outstanding \$936,000
- ↻ 2010 Road Bonds
  - 2017 principal and interest \$305,875
  - 2018-2025 total principal and interest outstanding \$3,990,813
- ↻ 2014 Pension Liability Bonds
  - 2017 principal and interest \$1,152,372
  - 2018-2034 total principal and interest outstanding \$19,550,318

### Changes in Budget

- 1.72% increase over the 2016 budget
- This Fund's budget will vary year to year due to debt schedules; which are shown on the following pages

# 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

Debt Schedules continued on next page

**2014 Pension Bonds**

Fiscal Year	Principal	Rate	Interest	Total
2014/15	-	0.00%	138,185.07	138,185.07
2015/16	665,000	0.40%	486,382.00	1,151,382.00
2016/17	670,000	0.80%	482,372.00	1,152,372.00
2017/18	675,000	1.27%	475,405.75	1,150,405.75
2018/19	685,000	1.70%	465,297.00	1,150,297.00
2019/20	695,000	2.02%	452,455.00	1,147,455.00
2020/21	715,000	2.37%	436,962.75	1,151,962.75
2021/22	730,000	2.60%	419,000.00	1,149,000.00
2022/23	750,000	2.83%	398,897.50	1,148,897.50
2023/24	775,000	3.03%	376,543.75	1,151,543.75
2024/25	800,000	3.20%	352,002.50	1,152,002.50
2025/26	825,000	3.40%	325,177.50	1,150,177.50
2026/27	855,000	3.55%	295,976.25	1,150,976.25
2027/28	885,000	4.00%	263,100.00	1,148,100.00
2028/29	925,000	4.00%	226,900.00	1,151,900.00
2029/30	960,000	4.00%	189,200.00	1,149,200.00
2030/31	1,000,000	4.00%	150,000.00	1,150,000.00
2031/32	1,040,000	4.00%	109,200.00	1,149,200.00
2032/33	1,085,000	4.00%	66,700.00	1,151,700.00
2033-34	1,125,000	4.00%	22,500.00	1,147,500.00
	15,860,000		6,132,257.07	21,992,257.07

# CAPITAL IMPROVEMENT FUND



**CAPITAL IMPROVEMENT FUND**  
**2016-2017 FINANCIAL SUMMARY**

**Estimated Revenue Sources**

Transfer from General Fund	\$ 200,000	
Total Budgeted Revenue Sources		<b>\$ 200,000</b>

**Estimated Expenditures**

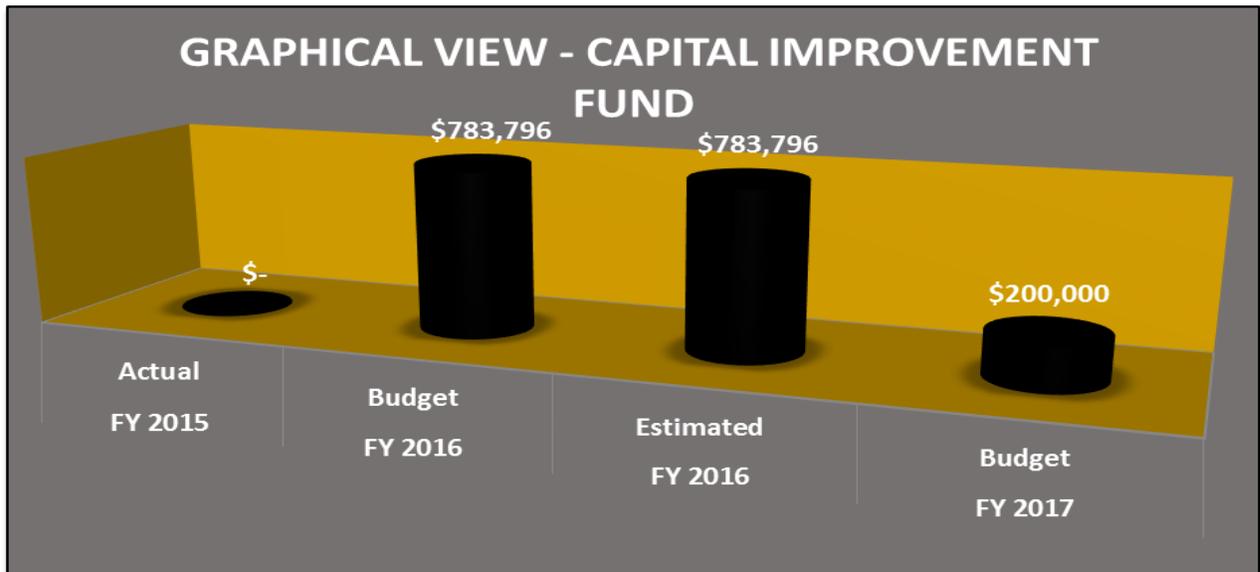
Capital Improvements	\$ 200,000	
Other Financing Uses – Fund Balance	<u>                  -</u>	
Total Budgeted Expenditures		<b>\$ <u>200,000</u></b>
Budgeted Net Revenue (Expenditures)		<b>\$ -0-</b>

**Estimated Fund Balance**

Fund Balance at June 30, 2015 (Audited)	\$ 135
Estimated Change in Fund Balance at June 30, 2016	<u>                  -</u>
Fund Balance at June 30, 2016	\$ 135
Estimated Change in Fund Balance at June 30, 2017	<u>                  -</u>
Estimated Fund Balance at June 30, 2017	<b>\$ 135</b>

# Capital Improvement Fund

FUND/FUNCTION: CAPITAL IMPROVEMENTS/CAPITAL IMPROVEMENTS  
 STAFF RESPONSIBLE: CITY MANAGER



## FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Budget
Operating Costs	\$ -	\$ 783,796	\$ 783,796	\$ 200,000
Total	\$ -	\$ 783,796	\$ 783,796	\$ 200,000

### Capital Improvement Fund

- ⚡ This Fund was established in 2016 to account for purchase of capital building improvements, equipment, furniture, computers and vehicles
- ⚡ A \$200,000 transfer is slated to be made yearly to this fund in an attempt to save now for future large expenditures such as fire equipment
- ⚡ The yearly transfer is not considered restricted funds and any fund balance can be transferred back to the General Fund with approval of the City Commission
- ⚡ 2017 capital purchases are as follows:
  - Leasehold Improvements - \$0-
  - Equipment/Furniture - \$58,780
  - Computers - \$61,220
  - Vehicles - \$80,000

### Changes in Budget

- 74% decrease from the 2016 budget
- 2016 expenses were higher than normal due to the following:
  - Storage tank replacement as required by OSHA audit
  - New fire truck expense which was purchased with insurance money
  - New salt truck which will be paid via an installment purchase over five years. However in 2016 the loan proceeds and the entire cost must be accounted for. These two amounts net to zero

# ROAD CONSTRUCTION FUND



**ROAD CONSTRUCTION FUND**  
**2016-2017 FINANCIAL SUMMARY**

**Estimated Revenue Sources**

Property Taxes	\$ 865,427	
Transfer In-General Fund	217,000	
Use of Fund Balance	<u>100,573</u>	
Total Budgeted Revenue Sources		<b>\$ 1,183,000</b>

**Estimated Expenditures**

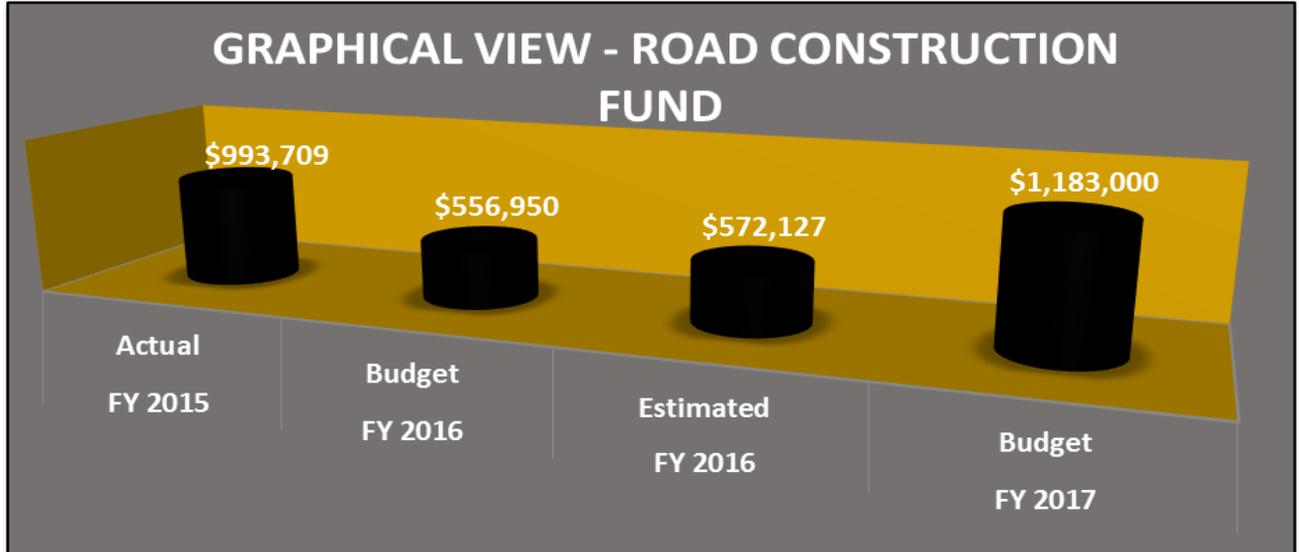
Construction/Engineering	\$ 1,183,000	
Other Financing Uses – Fund Balance	<u>-0-</u>	
Total Budgeted Expenditures		<b><u>\$ 1,183,000</u></b>
Budgeted Net Revenue (Expenditures)		<b>\$ -0-</b>

**Estimated Fund Balance**

Fund Balance at June 30, 2015 (Audited)	\$ 24,279
Estimated Change in Fund Balance at June 30, 2016	<u>102,147</u>
Fund Balance at June 30, 2016	\$ 126,426
Estimated Change in Fund Balance at June 30, 2017	<u>(100,573)</u>
Estimated Fund Balance at June 30, 2017	<b>\$ 25,853</b>

# Road Construction Fund

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



## FINANCIAL & PERSONNEL SUMMARY

Financial Summary	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Budget
Operating Costs	\$ 993,709	\$ 556,950	\$ 572,127	\$ 1,183,000
Total	\$ 993,709	\$ 556,950	\$ 572,127	\$ 1,183,000

### 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 designated for road construction projects
  - 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.

### Changes in Budget

- 112% increase over the 2016 budget
- In 2017 the budget includes road resurfacing for Manorwood Dr., Renton Ct., Chestnut Dr., and Woodwind Dr.
- The 2016 budget included improvements to S. Cranbrook Road which was part of a two road project including Vaughan road and replacement of sewer and water infrastructure
- The City increased the tax millage in 2015 by .75 mills for three years to cover the cost of the construction. 2017 will be the final year of the increase unless the Commission authorizes the millage to continue into future years

# ENTERPRISE FUND



**SEWER AND WATER FUND**  
**2016-2017 FINANCIAL SUMMARY**

**Estimated Revenue Sources**

Sale of Water	\$ 2,016,963	
Sewage disposal Charges	1,102,064	
Investment Income	17,000	
Capital/Connection Revenue	1,378,430	
Other Revenue	<u>92,000</u>	
 Total Budgeted Revenue Sources		 <b>\$ 4,606,456</b>

**Estimated Expenditures**

Cost of Water	\$ 1,297,224	
Cost of Sewage Treatment	753,052	
Billing & Administrative	188,754	
Operation & Maintenance	660,994	
Interest Expense	70,455	
Depreciation	<u>487,000</u>	
 Total Budgeted Expenditures		 <b><u>\$ 3,457,479</u></b>
 Budgeted Net Revenue (Expenditures)		 <b>\$ 1,148,977</b>

**Estimated Fund Balance**

Unrestricted Net Position at June 30, 2015 (Audited)	\$ 6,980,363
Est Change in Unrestricted Net Position at June 30, 2016	<u>139,030</u>
Unrestricted Net Position at June 30, 2016	\$ 7,119,393
Est Change in Unrestricted Net Position at June 30, 2017	<u>1,148,977</u>
Est Unrestricted Net Position at June 30, 2017	<b>\$ 8,268,370</b>

DEPARTMENT APPROPRIATIONS  
Sewer and Water Fund

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



**FINANCIAL & PERSONNEL SUMMARY**

	FY 2015	FY 2016	FY 2016	FY 2017
<b>Financial Summary</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>
Personnel Services	\$ 22,934	\$ 23,357	\$ 22,746	\$ 29,474
Operating Costs	3,170,143	3,813,781	4,388,822	3,428,005
<b>Total</b>	<b>\$ 3,193,077</b>	<b>\$ 3,837,138</b>	<b>\$ 4,411,568</b>	<b>\$ 3,457,479</b>

**Sewer and Water 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**

- 10% decrease from 2016 budget
- Decreases in the 2016 budget include:
  - Decreased cost of short term corrective action engineering due to scope of necessary work
  - Lower long-term debt interest as some debt was paid in full in prior year

This Page Left Intentionally Blank