



# **City of Pleasant Ridge 2019-2020 Annual Budget**

Adopted: June 11, 2019

**Mayor**

Kurt Metzger

**City Commissioners**

Jason Krzysiak

Ann Perry

Bret Scott

Amanda Wahl

**City Manager**

James Breuckman



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## A. Introduction

### 1. City Manager's Letter



May 10, 2019

**RE: Proposed Fiscal Year 2019-2020 Operating Budget**

Honorable Mayor Metzger and members of the Pleasant Ridge City Commission:

Please accept this letter as my transmittal of the City budget for the fiscal year 2019-2020 for your review and consideration. A public hearing to solicit public comment on this document is scheduled for June 9, 2019 at 7:30pm.

#### Revenue

Financial projections for Fiscal Year 2019-2020 are stable. Assessed property values continue to rise at a modest pace – 3.2% this year. Our total taxable value grew 4.7% due to home sales causing the taxable value on many properties to be uncapped. When a home sale occurs, the taxable value is uncapped and is reset to equal the assessed value of the property.

The State inflation rate multiplier for FY 19-20 is 2.4%, so our local tax rate has been again adjusted downward to ensure that total property tax revenues only increase 2.4% compared to last year. Even with the police pension millage starting to phase in this year and adding 0.70 mills to our local tax rate, the total City property tax rate will modestly decrease from 21.4388 mills in 2018 to 21.4120 mills in 2019.

#### Accomplishments

We have continued to invest in capital improvements. This year we completed the following major projects:

- Reconstructed Ridge, Indiana, and Bermuda, meaning all City streets have been reconstructed as part of the infrastructure improvement program.
- Purchased a new police patrol vehicle. We purchased a Tahoe this year due to reliability issues with the Explorers.
- Continued street tree plantings – we have now planted 326 new street trees over the past four years.
- We completed the renovation of the Big Room at the Community Center. This space, combined with the new patio area, is a great new event and gathering space.

## A. Introduction

### 1. City Manager's Letter

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- We have begun to address our unfunded pension liability. Starting in FY18-19 and continuing for the next 14 years we will be making additional contributions to eliminate that unfunded liability. We can do this because of the police pension millage that was approved by the voters in November, 2017.

These efforts are bringing tangible benefits to our residents by: allowing our Police to continue to provide reliable service; investing in the most significant recreation project since the construction of the pool and fitness center in 2003; completing necessary maintenance and upkeep at our Community Center; and making our streets a nicer, safer place to be by ensuring that we have smooth sidewalks, slow traffic, and a mature tree canopy.

### **Upcoming Projects**

This year we will focus on maintenance of existing assets. We will be replacing defective sidewalks on the east side, and possibly also on the west side.

In partnership with the PR Foundation we will be installing pedestrian-scale lighting along the pathway in Gainsboro Park. The lighting will be unobtrusive but will provide illumination along the pathway to improve safety and comfort for users of the park during the evening hours.

Finally, we are developing a plan to refresh the City Commission chambers. The existing materials and equipment are worn and approaching end of life. The refresh will include a significant technology upgrade to embed audio/visual technology in the room to make broadcast of meetings and the use of presentations more seamless and of higher quality. We also will have the ability to livestream meetings over the internet in addition to broadcasting over cable TV.

### **Challenges**

We have made great progress in addressing challenges to the City in recent years, and the City is on a stable and sustainable footing. This is due to a combination of the voters supporting numerous millages over the past five years to provide funding to replace the revenue that was lost after the recession that began in 2008 and the nearly \$300,000 annual reduction in support we receive from the State. We have also implemented measures to reduce operating and employee benefit costs which put us on a sustainable path into the future.

However, there will always be challenges facing the City:

- The largest challenge facing the City is our underfunded pension system. The City's pension system is currently 53% funded, with the police group, which accounts for about two-thirds of the overall pension system, being 48% funded. The pension system became underfunded over the course of multiple decades, and it will take us a decade or more to restore the pension system to a fully-funded state.

The overall funding level has been stable at 53% for the past four years, so we have managed to arrest the decline in funding levels. The good news is that the passage of the police pension millage by the voters in November of 2017 will provide new funding over the next 15 years that will be dedicated solely to increasing the funding level of the police pension group. This additional funding, along with the changes we have made in benefits provided to recent and future hires, has placed us on a sustainable path towards eliminating our unfunded liability in the pension system over time.

- Our sewers are also in good shape, and we have implemented a program over the past few years to inspect and clean all sewers every 10 years, and to make any necessary repairs identified during the inspection. This past year, we cleaned and inspected the sewers on Maywood, Sylvan, Fairwood, and Woodward Heights. All sewers on the east side have been cleaned and inspected. Generally, the sewers are in good shape. There were a few defects identified that we have or are in the process of repairing. In the coming year we will clean and inspect the north portion of Maplefield, the north half of Oakdale, Woodside Park, Kenberton, Elm Park Ave, Millington, Poplar Park, and Elm Park Blvd. The remaining west side streets will be cleaned and inspected in 2020.
- The water distribution system is functioning well with very few breaks or service issues. Our water testing continues to show that the quality of water in our system meets all State requirements for purity, including lead and copper levels.

However, the water distribution system is nearing 100 years old and will require inspection and possibly some replacements in the coming years. Most of our water mains are over 80 years old, and while we have no evidence of issues with them, they are reaching the limits of their design life. It would cost many millions of dollars to replace all our aging water mains, so we will have to prioritize our preventative maintenance/replacement work based on our available resources. This will be an ongoing process over the coming years.

- Perhaps the greatest infrastructure challenge facing the City is the new State-imposed requirement that we replace all lead lines in the water system over the next 30 years. The State is mandating that the City replace private water service leads as part of this work, so not only do we have to replace the public portion, we have to also replace the service line from the water stop box all the way to the meter inside of each house.

The majority of Pleasant Ridge was developed before 1940, so nearly all of our private service lines are lead. Replacing these will be a significant cost, likely over \$10 million. Given that our water fund has a total annual budget of about \$1.3 million, with annual capital expenditures of about \$150,000, we do not have the capacity to cover the cost to replace lead service lines under business as usual. Ultimately, the City Water fund must pay for the replacement of lead service lines, but property owners and water customers will have to bear the cost of these replacements.

We will be working to identify ways of funding these improvements in a fair and equitable manner. This will be a project that we work on for decades into the future, so the City Commission and residents will be hearing more about this issue over the next few years as we work out how we will meet this new unfunded State mandate.

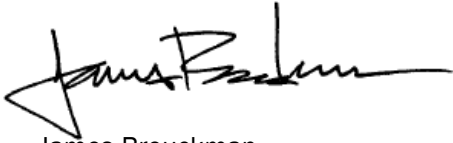
### Projections

We continue to present a three-year budget. The budget now shows FY19-20 budget numbers to be adopted, alongside projections for FY20-21 and 21-22 (only the 19-20 budget is adopted, the two following years are for planning purposes only). The presentation of three budget years helps the City to plan for future expenses, and to ensure that budgetary decisions for the coming year consider future events and expenditures to ensure that we are making sound budget decisions. Examples include setting aside money each year in the capital improvement fund to support the purchase of a police car every other year. In this way, we can plan to fund large, non-annual capital expenditures over multiple budget years rather than bearing the full cost in one budget year. The three-year projection is also used to set utility rates for the coming year, smoothing out large capital expenditures over three years to avoid large increases in utility rates in any given year.

**Conclusion**

I thank the Commission and our residents for the trust and support that you provide to City Staff, and I thank all our talented City employees for their dedicated efforts. We have a small group of City employees who wear many hats, and I am proud that they always go above and beyond to provide excellent service to our residents. Most of all, we acknowledge that the community-mindedness and support of our residents is the primary reason that Pleasant Ridge is such a great City.

Respectfully,

A handwritten signature in black ink, appearing to read "James Breuckman". The signature is stylized with a large, sweeping initial "J" and a long, horizontal flourish extending to the right.

James Breuckman  
City Manager



## 2. Public Hearing Notice – Proposed 2019-20 Annual Budget

City of Pleasant Ridge  
23925 Woodward Avenue  
Pleasant Ridge, Michigan 48069

### NOTICE OF A PUBLIC HEARING ON THE PROPOSED FY2019-2020 CITY BUDGET AND 2019 MILLAGE RATES

NOTICE IS HEREBY GIVEN in accordance with Section 4.03 of the Pleasant Ridge City Charter that a public hearing will be held on Tuesday, June 9, 2019, at 7:30 p.m. in the City Commission Chambers, 23925 Woodward Avenue, Pleasant Ridge, Michigan, to solicit public comments on the following:

THE PROPOSED 2019-2020 COMBINED CITY BUDGET AND MILLAGE RATES.

The last fiscal year (July 1, 2018 through June 30, 2019) and the proposed FY2019-2020 (July 1, 2019 through June 30, 2020) millage rates are as follows:

	<b>18-19</b>	<b>19-20</b>
General Operating - Charter	10.3714	10.2085
General Operating (2015)	2.6593	2.6175
General Operating – Police Pension	0.3500	0.7000
Infrastructure Improvement (2015)	2.7232	2.6804
Community Promotion	0.3200	0.3100
Parks Improvement (2015)	0.6877	0.6769
Rubbish	1.5551	1.5306
Pool Operations	1.1546	1.1364
Library	0.3675	0.3617
Debt	1.2500	1.1900
Total Millage:	21.4388	21.4120

The City may not adopt its proposed FY 2019-2020 budget until after the public hearing. A copy of the proposed FY 2019-2020 budget and the proposed 2019 property tax millage rates are available for public inspection during normal business hours in the office of the City Clerk, at 23925 Woodward Avenue, Pleasant Ridge, Michigan. Public comments, oral or written, are welcome at the hearing on the proposed budget for Fiscal Year 2019-2020 and the proposed property tax millage rate. All interested citizens are encouraged to attend and to submit comments.

Amy M. Drealan  
City Clerk

Published: The Daily Tribune  
May 26, 2019  
AFFIDAVIT REQUESTED

### 3. Budget Resolution

**City of Pleasant Ridge  
Budget Resolution  
General Appropriations Act  
Fiscal Year 2019-2020**

**WHEREAS**, the City Manager has prepared and submitted to the City Commission the proposed budget for fiscal year 2019-2020; and

**WHEREAS**, the City Commission has advertised the tentative millage rates in the Daily Tribune on May 26, 2019, and held the public hearing on the budget and the tentative millage rates pursuant to Section 16 of the Uniform Budgeting and Accounting Act (Truth in Budgeting) on Tuesday, June 9, 2019; and

**WHEREAS**, the City Commission has reviewed the proposed property tax rates and budget.

**NOW, THEREFORE LET IT BE RESOLVED**, that the budget for the fiscal year commencing July 1, 2019 and ending June 30, 2020 be adopted; and

**BE IT FURTHER RESOLVED**, that the revenue and transfers-in, and expenditures and transfers-out for the fiscal year 2019-2020 are estimated as follows and hereby appropriated by the City Commission to meet the liabilities of the City of Pleasant Ridge in the ensuing fiscal year as follows:

**REVENUES**

101	GENERAL FUND	
	Taxes and special assessments	\$2,248,477
	Licenses and Permits	\$72,280
	Federal and State Grants	\$22,500
	State Shared Revenue	\$252,650
	Charges for Services	\$214,071
	Fines and Forfeits	\$70,000
	Interest and Rents	\$10,500
	Other revenue	\$98,800
	Transfers-In	\$0
	Total General Fund Revenue:	\$2,989,278
202	MAJOR STREETS	\$192,433
203	LOCAL STREETS	\$118,171
218	INFRASTRUCTURE IMPROVEMENTS	\$427,995
226	SOLID WASTE	\$394,357
251	POOL/FITNESS FACILITY	\$221,084
258	SCAF PARKS SPECIAL REVENUE FUND	\$70,000
259	SCAF REMAINDER FUND	\$107,064
260	DOWNTOWN DEVELOPMENT AUTHORITY	\$105,255
266	DRUG FORFEITURE FUND	\$0
271	LIBRARY SERVICES	\$56,695
297	HISTORICAL FUND	\$6,360
301	DEBT SERVICE - VOTED	\$190,651
401	CAPITAL IMPROVEMENTS	\$110,000
592	WATER and SEWER	\$1,414,340

**EXPENDITURES**

101	GENERAL FUND	
	Mayor and Commission	\$22,550
	City Manager	\$185,388
	Elections	\$9,010
	City Attorney	\$38,000
	City Clerk	\$108,600
	Information Technology	\$74,000
	General Government	\$157,100
	Cable TV	\$5,110
	City Treasurer	\$115,819
	Assessment	\$22,155
	Police Services	\$1,157,371
	Fire/Rescue	\$256,581
	Building Department	\$69,818
	Planning Commission	\$0
	Public Works	\$235,675
	Street Lighting	\$36,500
	Recreation	\$402,174
	Retirement Services	\$5,000
	Transfers Out	\$60,000
	Total General Fund Expenditures:	\$2,960,851
	Increase in General Fund Fund Balance:	\$28,427
202	MAJOR STREETS	\$188,000
203	LOCAL STREETS	\$136,700
218	INFRASTRUCTURE IMPROVEMENTS	\$873,175
226	SOLID WASTE	\$397,189
251	POOL/FITNESS FACILITY	\$207,181
258	SCAF PARKS SPECIAL REVENUE FUND	\$20,000
259	SCAF REMAINDER FUND	\$100
260	DOWNTOWN DEVELOPMENT AUTHORITY	\$82,730
266	DRUG FORFEITURE FUND	\$0
271	LIBRARY SERVICES	\$57,290
297	HISTORICAL FUND	\$6,780
301	DEBT SERVICE - VOTED	\$189,462
401	CAPITAL IMPROVEMENTS	\$275,100
592	WATER and SEWER	\$1,314,466

**BE IT FURTHER RESOLVED**, the following property tax rates be authorized and that the City Treasurer is ordered to levy such funds and rates and collect and deposit the various specific uses and funds as required by ordinance and resolution:

General Operating - Charter	10.2085
General Operating (2015)	2.6175
General Operating – Police Pension	0.7000
Infrastructure Improvement (2015)	2.6804
Community Promotion	0.3100
Parks Improvement (2015)	0.6769
Rubbish	1.5306
Pool Operations	1.1364
Library	0.3617
Debt	1.1900
<hr/>	
Total Millage:	21.4120

**BE IT FURTHER RESOLVED**, that the City Commission recognizes that the City of Pleasant Ridge Downtown Development Authority will capture taxes levied from all millages,

**BE IT FURTHER RESOLVED**, that the City Treasurer shall levy a 1% Tax Administration Fee on all property taxes collected by the City of Pleasant Ridge from all taxing jurisdictions, as permitted by State Law.

**AND, BE IT FINALLY RESOLVED**, that the legal budgetary level be at the departmental level in the General Fund and at the fund level for all other funds as indicated above.

I, Amy M. Drealan, duly certified clerk of the City of Pleasant Ridge, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the City Commission of the City of Pleasant Ridge, County of Oakland, Michigan at the Regular City Commission Meeting held Tuesday, June 9, 2019.



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Amy M. Drealan, City Clerk

## B. Budget Summary

### 1. Key Budget Information

#### All Funds Budget Summary

The following table presents key information and a summary of revenues and expenditures for all funds for the preceding five years, the proposed 2019-2020 budget year, and the projected budget for the next two years. Note that the budget projections for 2020-21 and 2021-2022 are for planning purposes only and are not adopted budgets.

	Actual 2015-16	Actual 2016-17	Actual 2017-18	Budget 2018-19	Budget 2019-20	Projected Budget 2019-20	Projected Budget 2020-21
<b>Assessed Valuation</b>							
Real	171,421,930	189,097,190	199,597,430	203,876,640	210,406,390	216,718,582	223,220,139
Personal	3,420,020	2,867,430	1,976,670	2,052,320	2,157,500	2,222,225	2,288,892
<b>Total</b>	<b>174,841,950</b>	<b>191,964,620</b>	<b>201,572,100</b>	<b>205,928,960</b>	<b>212,563,890</b>	<b>218,940,807</b>	<b>225,509,031</b>
	9.7%	9.8%	5.0%	2.2%	3.2%		
<b>Taxable Valuation</b>							
Real	133,845,550	138,859,980	143,747,780	150,913,980	158,053,770	160,424,577	162,830,945
Personal	3,420,020	2,867,430	1,974,670	2,052,320	2,157,500	2,189,863	2,222,710
<b>Total</b>	<b>137,265,570</b>	<b>141,727,410</b>	<b>145,722,450</b>	<b>152,966,300</b>	<b>160,211,270</b>	<b>162,614,439</b>	<b>165,053,656</b>
	3.7%	3.3%	2.8%	5.0%	4.7%		
<b>Millage Rate</b>							
General Operating - Charter	11.1364	10.8434	10.6232	10.3714	10.2085	10.0452	9.8844
General Operating - 2015	2.8556	2.7804	2.7239	2.6593	2.6175	2.5756	2.5344
General Operating - Police Pension				0.3500	0.7000	0.6888	0.6778
Community Promotion	0.2704	0.3481	0.3375	0.3200	0.3100	0.3050	0.3002
Infrastructure - 2015	2.9242	2.8472	2.7894	2.7232	2.6804	2.6375	2.5953
Parks Improvement - 2015	0.7385	0.7190	0.7044	0.6877	0.6769	0.6661	0.6554
Rubbish	1.6700	1.6260	1.5929	1.5551	1.5306	1.5061	1.4820
Pool Operations	1.2400	1.2073	1.1827	1.1546	1.1364	1.1182	1.1003
Library - 2015	0.3865	0.3763	0.3687	0.3675	0.3617	0.3559	0.3502
Pool Debt	1.3380	1.2123	1.2450	1.2500	1.1900	1.1710	1.1522
<b>Total</b>	<b>22.5596</b>	<b>21.9600</b>	<b>21.5677</b>	<b>21.4388</b>	<b>21.4120</b>	<b>21.0694</b>	<b>20.7323</b>
<b>Total Revenues</b>							
101 General Fund	2,773,167	2,830,862	2,935,429	3,042,034	2,989,278	3,091,153	3,193,949
202 Major Streets	148,492	141,834	169,066	170,050	192,433	197,050	201,778
203 Local Streets	104,944	132,030	127,857	112,040	118,171	119,746	121,359
218 Infrastructure Improvements	594,568	3,611,867	496,853	429,831	427,995	438,074	528,396
226 Solid Waste	336,137	358,077	390,173	385,517	394,357	403,766	413,400
251 Pool/Fitness Facility	220,257	281,366	232,940	218,496	221,084	225,357	229,733
258 SCAF Parks Special Revenue Fund	10,246	210,262	156,270	65,000	70,000	72,500	75,000
259 SCAF Remainder Fund	7,189	99,594	126,196	107,036	107,064	109,610	112,216
260 Downtown Development Authority	103,522	93,525	95,449	103,041	105,255	107,712	110,291
266 Drug Forfeiture Fund	0	0	0	0	0	0	0
271 Library Services	51,850	51,517	54,455	54,949	56,695	58,055	59,448
297 Historical Fund	6,710	10,772	9,155	7,110	6,360	6,360	6,360
301 Debt Service - Voted	179,453	165,835	182,614	191,208	190,651	184,000	204,000
401 Capital Improvements	70,080	107,098	336,005	245,000	110,000	80,000	80,000
592 Water and Sewer	1,234,474	1,275,721	1,353,044	1,367,565	1,414,340	1,451,397	1,480,015
<b>Total</b>	<b>5,841,089</b>	<b>9,370,360</b>	<b>6,665,506</b>	<b>6,498,877</b>	<b>6,403,683</b>	<b>6,544,781</b>	<b>6,815,947</b>

## B. Budget Summary

### 1. Key Budget Information

	Actual 2015-16	Actual 2016-17	Actual 2017-18	Budget 2018-19	Budget 2019-20	Projected Budget 2019-20	Projected Budget 2020-21
<b>Total Expenditures</b>							
101 General Fund	2,719,248	2,762,429	2,821,199	2,952,678	2,960,851	3,061,375	3,163,803
202 Major Streets	110,471	182,488	139,886	156,000	188,000	158,000	158,000
203 Local Streets	148,210	148,212	91,437	102,200	136,700	104,200	104,200
218 Infrastructure Improvements	705,890	1,096,687	751,830	1,037,750	873,175	363,450	348,500
226 Solid Waste	350,198	370,681	393,045	378,479	397,189	403,986	410,853
251 Pool/Fitness Facility	219,291	277,492	216,438	216,205	207,181	207,684	207,202
258 SCAF Parks Special Revenue Fund	0	0	100,000	20,000	20,000	20,000	20,000
259 SCAF Remainder Fund	409	725,793	75,707	25,100	100	100	100
260 Downtown Development Authority	145,324	60,119	86,022	70,730	82,730	210,230	110,230
266 Drug Forfeiture Fund	0	0	0	0	0	0	0
271 Library Services	53,719	53,864	54,557	55,940	57,290	58,660	60,062
297 Historical Fund	4,025	5,222	18,759	6,780	6,780	6,780	6,780
301 Debt Service - Voted	183,756	176,525	173,275	194,750	189,462	184,149	203,837
401 Capital Improvements	622	65,389	164,361	213,000	275,100	50,100	90,100
592 Water and Sewer	1,063,001	1,147,719	1,243,355	1,290,328	1,314,466	1,506,730	1,379,408
<b>Total</b>	<b>5,704,164</b>	<b>7,072,620</b>	<b>6,329,871</b>	<b>6,719,940</b>	<b>6,709,024</b>	<b>6,335,445</b>	<b>6,263,075</b>
<b>End of Year Fund Balance</b>							
101 General Fund	586,172	654,601	768,833	858,193	886,620	916,398	946,544
202 Major Street Fund	85,322	44,667	73,847	87,897	92,330	131,380	175,158
203 Local Street Fund	45,427	29,246	65,666	75,506	56,977	72,523	89,682
218 Infrastructure Improvements	(483,433)	2,031,748	1,776,771	1,168,852	723,672	798,296	978,192
226 Solid Waste Fund	32,161	19,558	16,686	23,724	20,892	20,671	23,219
251 Pool/Fitness Facility Fund	966	4,839	21,340	23,631	37,534	55,207	77,738
258 SCAF Parks Special Revenue Fund	1,982,484	2,192,745	2,249,015	2,294,015	2,344,015	2,396,515	2,451,515
259 SCAF Remainder Fund	1,277,415	475,643	526,132	608,068	715,032	824,542	936,658
260 Downtown Development Authority	31,740	65,146	74,572	106,883	129,408	26,890	26,951
266 Drug Forfeiture Fund	425	429	429	429	429	429	429
271 Library Fund	13,127	10,779	10,677	9,686	9,091	8,486	7,872
297 Historical Fund	11,399	16,949	7,345	7,675	7,255	6,835	6,415
301 Debt Service Fund	16,228	5,538	14,877	11,335	12,524	12,375	12,538
401 Capital Improvements	69,458	111,167	282,812	314,812	149,712	179,612	169,512
592 Water and Sewer	1,978,642	737,393	847,082	924,319	1,024,193	968,859	1,069,466
<b>Total</b>	<b>5,647,533</b>	<b>6,400,448</b>	<b>6,736,084</b>	<b>6,515,025</b>	<b>6,209,684</b>	<b>6,419,020</b>	<b>6,971,892</b>

### Grant Summary

Following is a summary of grants awarded to the City of Pleasant Ridge from 2015 to-date.

Year	Grant	Amount
2015	Tree Planting (DTE Energy Foundation/MDNR)	\$4,000
2015	Woodward Corridor Neighborhood Bicycle Network (MDOT Transportation Alternatives Program)	\$2,200
2015	Woodward Streetscape Tree Plantings (MDOT)	\$2,580
2016	Community Energy Management (Michigan Energy Office)	\$5,825
2016	Gainsboro Park Project (CN EcoConnexions From the Ground Up/America In Bloom)	\$25,000
2017	Oakland County Local Road Improvement Program	\$5,627
2017	Filmer Trust Community Center Park Grant	\$10,000
2018	Tree Planting (DTE Energy Foundation/MDNR)	\$3,000
2018	Oakland County Local Road Improvement Program	\$8,865
2018	Filmer Trust Community Center Big Room Grant	\$10,000
2019	SEMOG Multi-Community Planning Grant – Woodward Bike & Pedestrian Audit (joint grant with Ferndale)	\$50,000
2019	EGLE (Michigan Department of Environment, Great Lakes, and Energy) 319 Nonpoint Source Pollution Control Grant – Woodward Avenue Streetscape	\$608,498

## 2. Summary Graphs and Tables

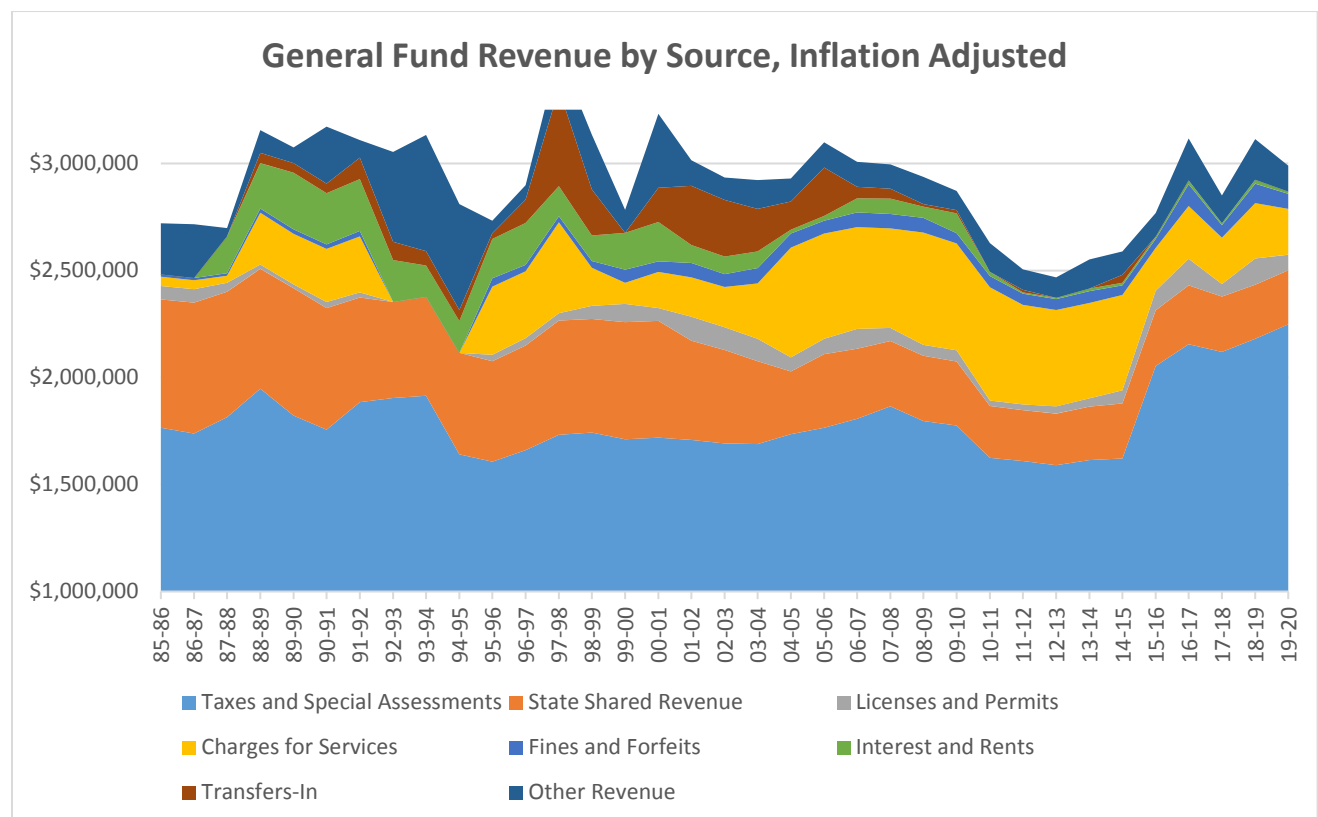
**General Fund Revenue Trends.** The following Figure 1 shows general fund revenue trends for the 1985-2019 period. All dollar values are adjusted into 2019 equivalent dollars to provide a consistent point of comparison. The figure shows that revenues generated by property taxes remained consistent at about \$1,600,000 per year until 2010, when they dropped to about \$1,500,000 per year. The voter-approved millages enacted since 2014 have increased total City property tax revenue to about \$2.1 million per year.

The figure also shows that state revenue sharing as a source of general fund revenue has dropped precipitously over the years. In 1985 it provided the equivalent of nearly \$600,000 in today's dollars, while it is projected to provide less than half of that - \$252,000 - in budget year 2019-20. Thus, other sources of revenue have had to be found over the years and service cutbacks have been made to compensate for revenue sharing reductions.

Total inflation-adjusted general fund revenue held in a steady range between \$2.7 and \$2.9 million per year between 1988 and 2010. From budget year 2010-11 until 2014-15, general fund revenue dropped to about \$2.4 million per year. With the voter-approved passage of the general operating millage in November 2014, general fund revenue was restored to close to its long-term average at about \$2,900,000 starting in budget year 2015-16.

While the City will be able to again operate and provide the level of service that has come to be expected by our residents, the reality is that we have had to tax ourselves at a higher rate to do so. Whatever tax reductions have been implemented at the State level have been offset by our need to increase local property tax rates.

Figure 1. General Fund Revenues by Source, Adjusted for inflation in 2019 equivalent dollars, 1985-Present

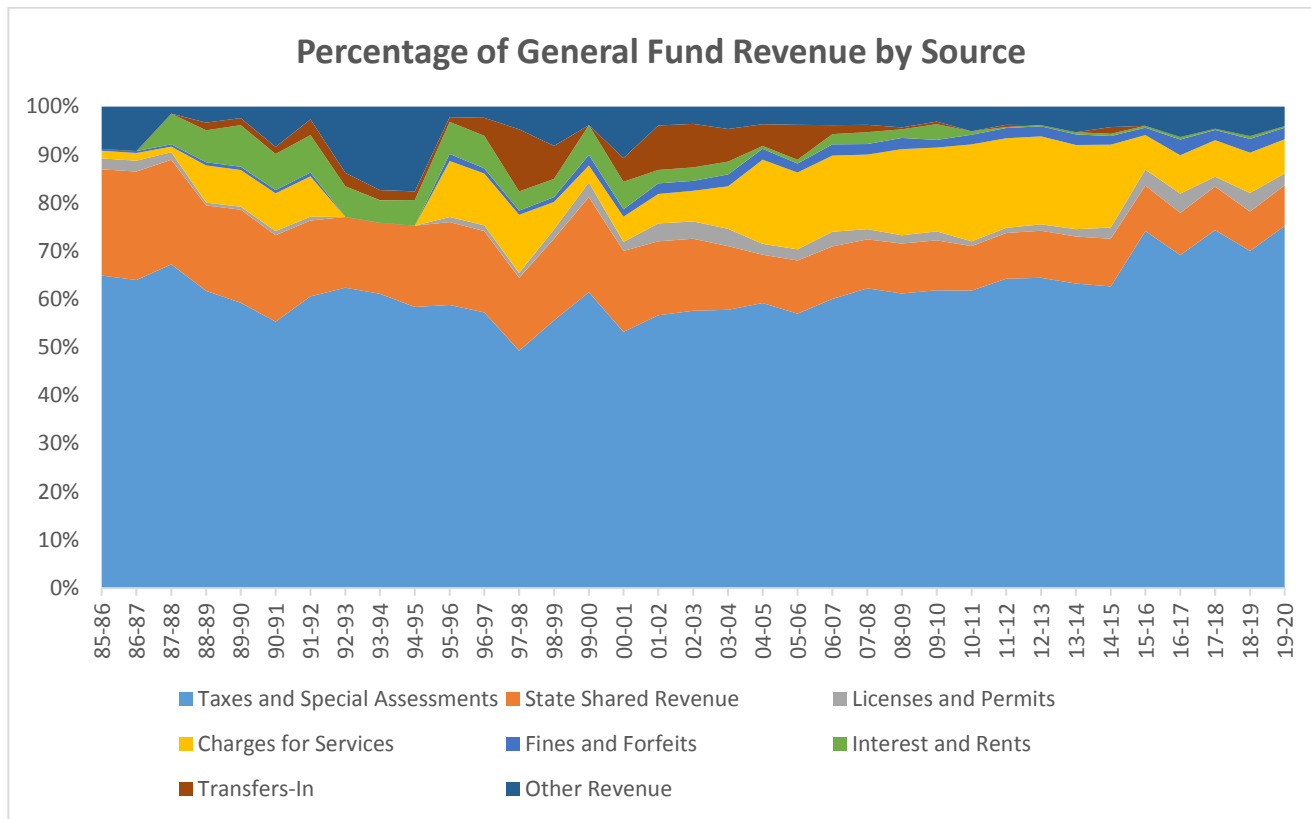


Source: Pleasant Ridge Budget Documents and BLS CPI-U data for the Detroit-Ann Arbor-Flint MSA

The following Figure 2 presents the same data as Figure 1, except that each revenue source is presented as a percentage of the whole. This figure demonstrates that as other funding sources have decreased the general fund has become more reliant on locally-generated property tax revenue. Today, property taxes provide nearly 75% of general fund revenue, compared to an average of 59% of revenue over the 1985-2014 period.

The primary and most significant cause of property taxes representing a higher share of all City revenue is state shared revenue to the City has been decreasing as a percentage of overall City funding since the beginning of the 00s, highlighting the long-standing disinvestment in local government by Michigan's State government.

Figure 2. Percentage of General Fund Revenue by Source, 1985-Present



Source: Pleasant Ridge Budget Documents and BLS CPI-U data for the Detroit-Ann Arbor-Flint MSA

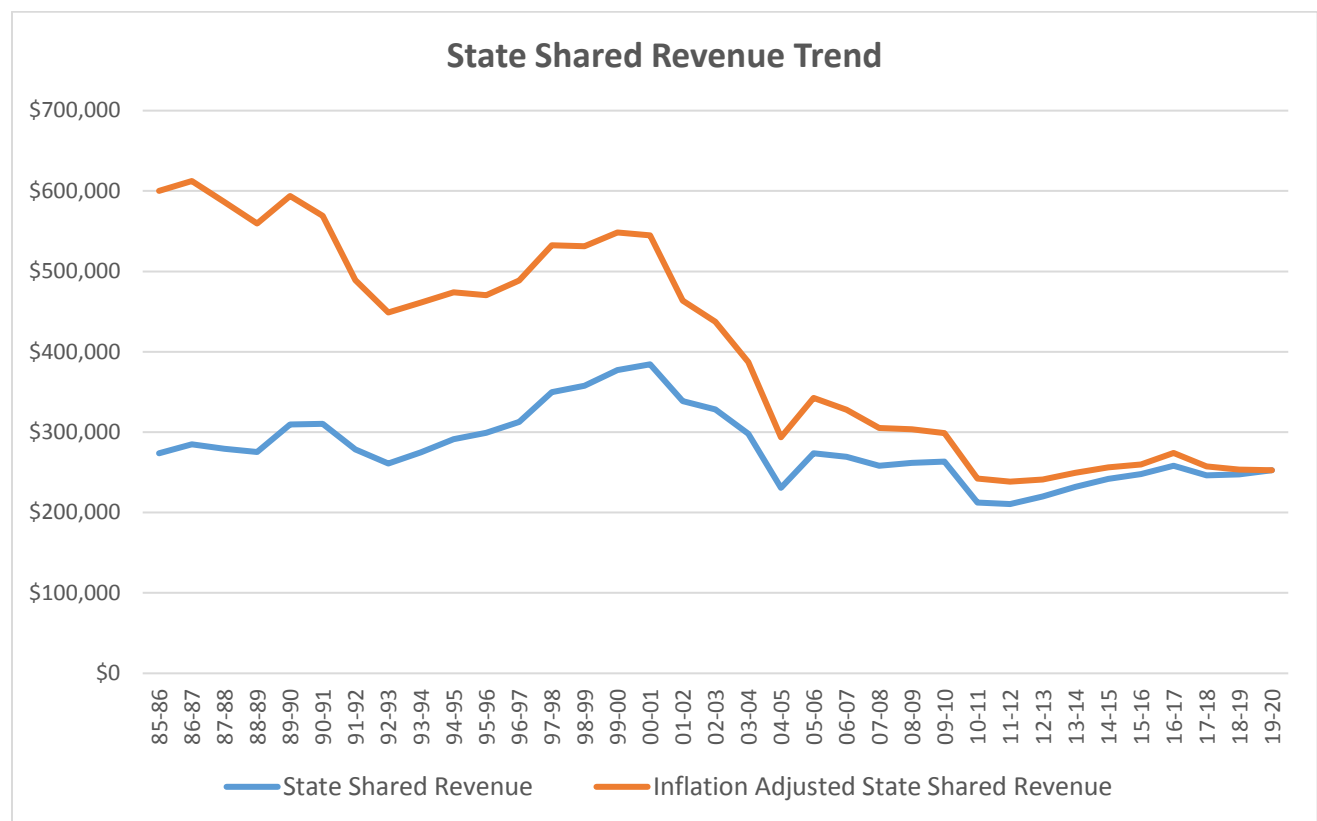


**State Shared Revenue Trend.** One of the main drivers impacting Pleasant Ridge's general fund budget over the past 15 years has been the decline in state shared revenues. Figure 3 shows that, on an inflation adjusted basis, State revenue sharing has declined from the equivalent of nearly \$600,000 per year in the late 1980s to about \$250,000 today. Shared revenues represented 23% of the City's general fund revenues in 1985, while today they represent just 8.4%.

Even on a non-inflation adjusted basis, the City received over \$300,000 from the state in the early 1990s, while this budget year we expect to receive about \$252,000.

Much of the financial stress under which local units of government operate today is explainable by this figure. It is an unfortunate fact that local municipalities have had to tax themselves at higher rates to make up for losses in shared revenues coming from the State. Had the State fulfilled its constitutional and statutory obligation to continue to fund local governments, Pleasant Ridge would be able to reduce local property taxes by 2.5 mills a year; to invest in pressing issues such as our underfunded pension, public infrastructure; or some combination thereof.

Figure 3. Pleasant Ridge Total Taxable Property Value, 1985-Present



Source: Pleasant Ridge Budget Documents and BLS CPI-U data for the Detroit-Ann Arbor-Flint MSA

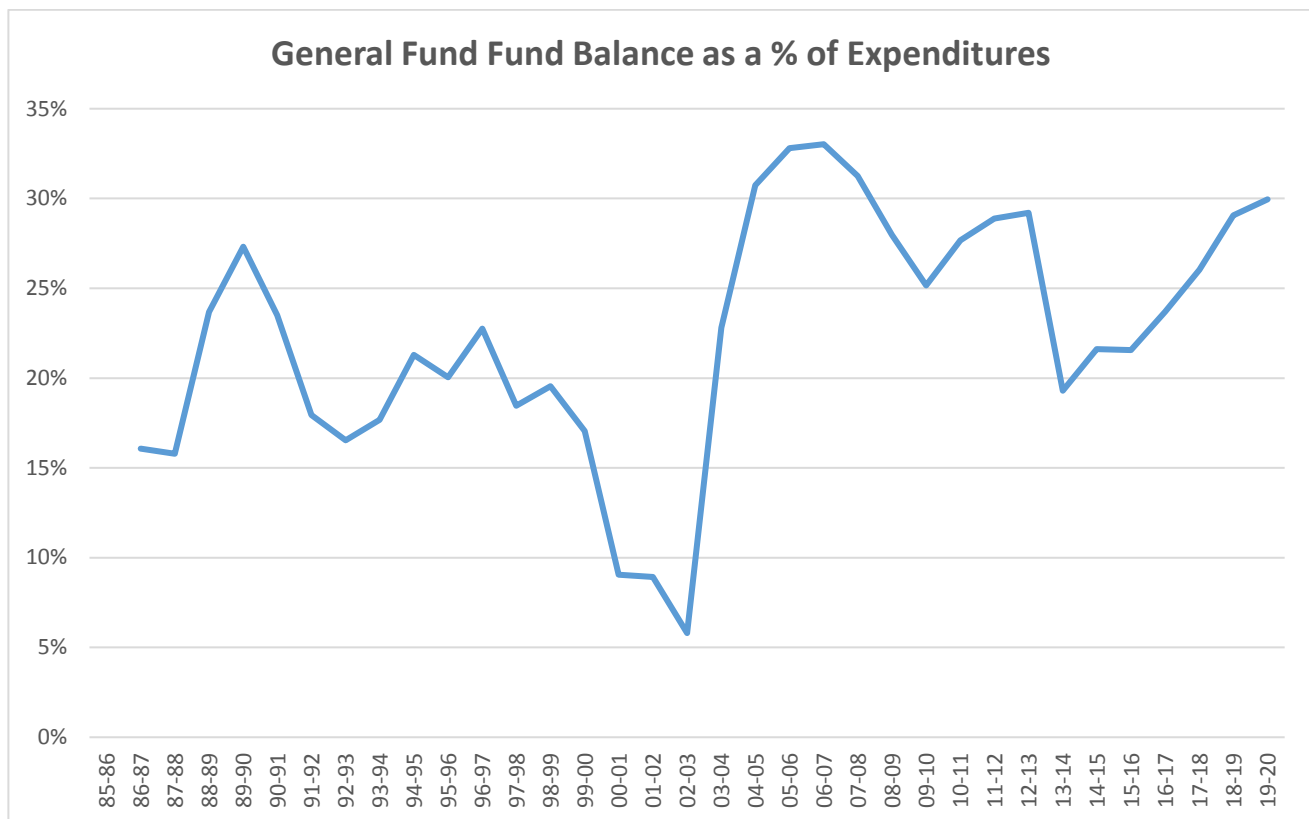
**General Fund Fund Balance Trends.** The Government Finance Officers Association (GFOA) recommends that local governments maintain a minimum of two-months' worth of expenses, or 16.66%, in unrestricted fund balance. It is further recommended that a small unit of government like Pleasant Ridge maintain a higher fund balance due to the small size of our budget and the ability for relatively small unexpected expenses to dramatically impact our fund balance. Accordingly, it is the stated policy goal of the City to maintain a general fund balance equal to 25-30% of general fund expenditures.

Figure 4 shows the long-term trend for Pleasant Ridge's fund balance as a percentage of general fund expenditures. The figure shows that the City has generally maintained a fund balance percentage of about 20%, until the mid-00s when the sale of the 24000 Woodward property increased fund balance to about 30%. The recession and drop in revenues required fund balance draws to maintain services, which drew fund balance down to about 20%. Since FY13-14, due to focused efforts to grow fund balance it has been steadily increasing and is projected to be nearly 30% at the end of FY19-20.

The proposed 2019-20 budget proposes a modest increase in fund balance. As in previous years, there is little margin as the City continues to reinvest in maintenance items that were deferred during the recession when revenues declined. Outside pressures such as increasing annual required pension contributions continue to pressure our bottom line, although the police pension millage approved by the voters in November 2017 will provide significant relief from increasing costs related to our underfunded pension plan.

We have maintained a 25% fund balance over the past few years and will work to keep ourselves in the 25-30% range in future years.

Figure 4. General Fund Fund Balance as a Percentage of Expenditures, 1985-Present

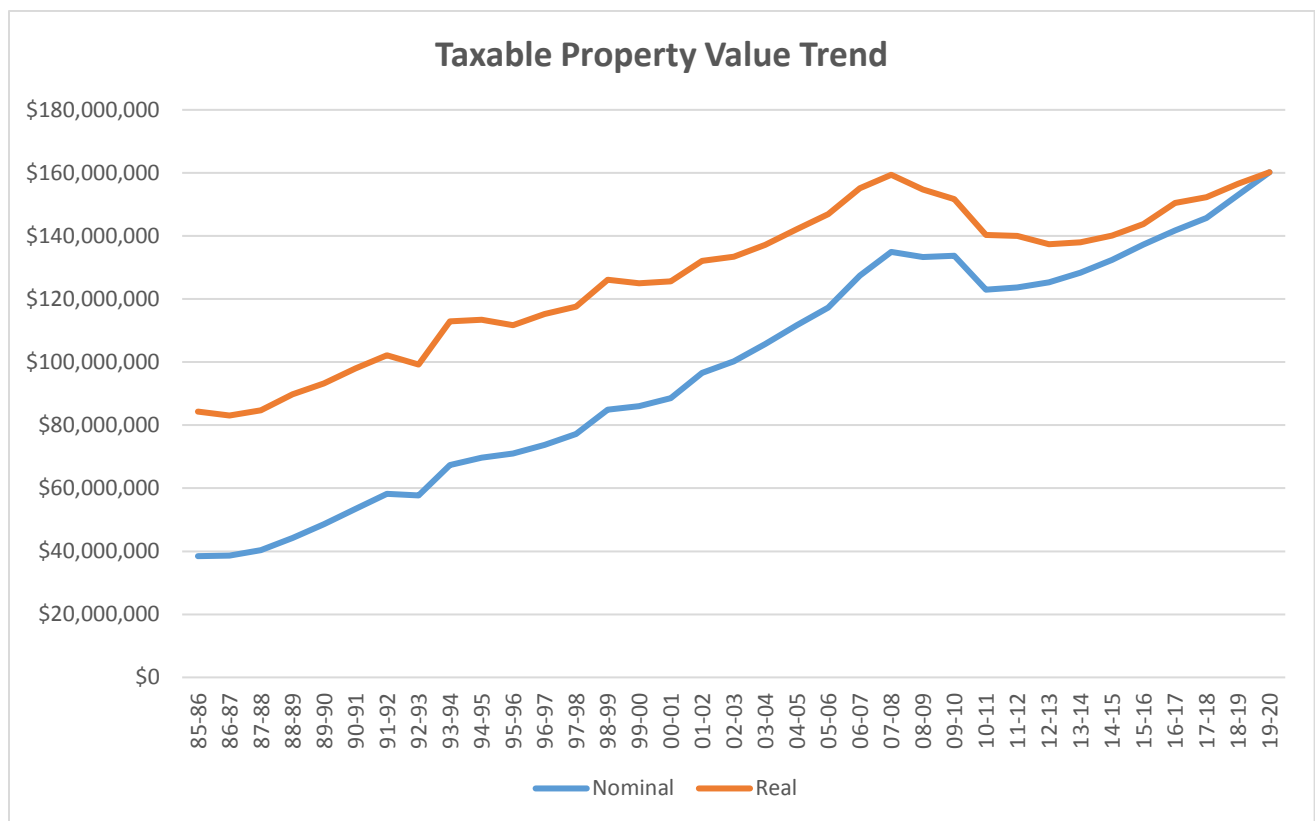


**Property Value Trends.** The following Figure 5 shows total (real + personal) taxable property value trends in the City of Pleasant Ridge. The inflation adjusted taxable property value has increased at a rate of about 1.8% per year. This small increase over the inflation rate is the result of certain development activities that are exempt from Headlee rollback, most notably new construction.

The figure also shows the impact of the recent recession on taxable property values. In nominal terms, it took until 2015 for the City's tax base to again equal the peak pre-recession value from 2007.

However, on an inflation-adjusted basis the City has finally reached real taxable value levels last seen in 2007. This chart shows that in real terms, the City's tax base has finally recovered from the 2008-2009 economic downturn.

Figure 5. Pleasant Ridge Total Taxable Property Value, 1985-Present

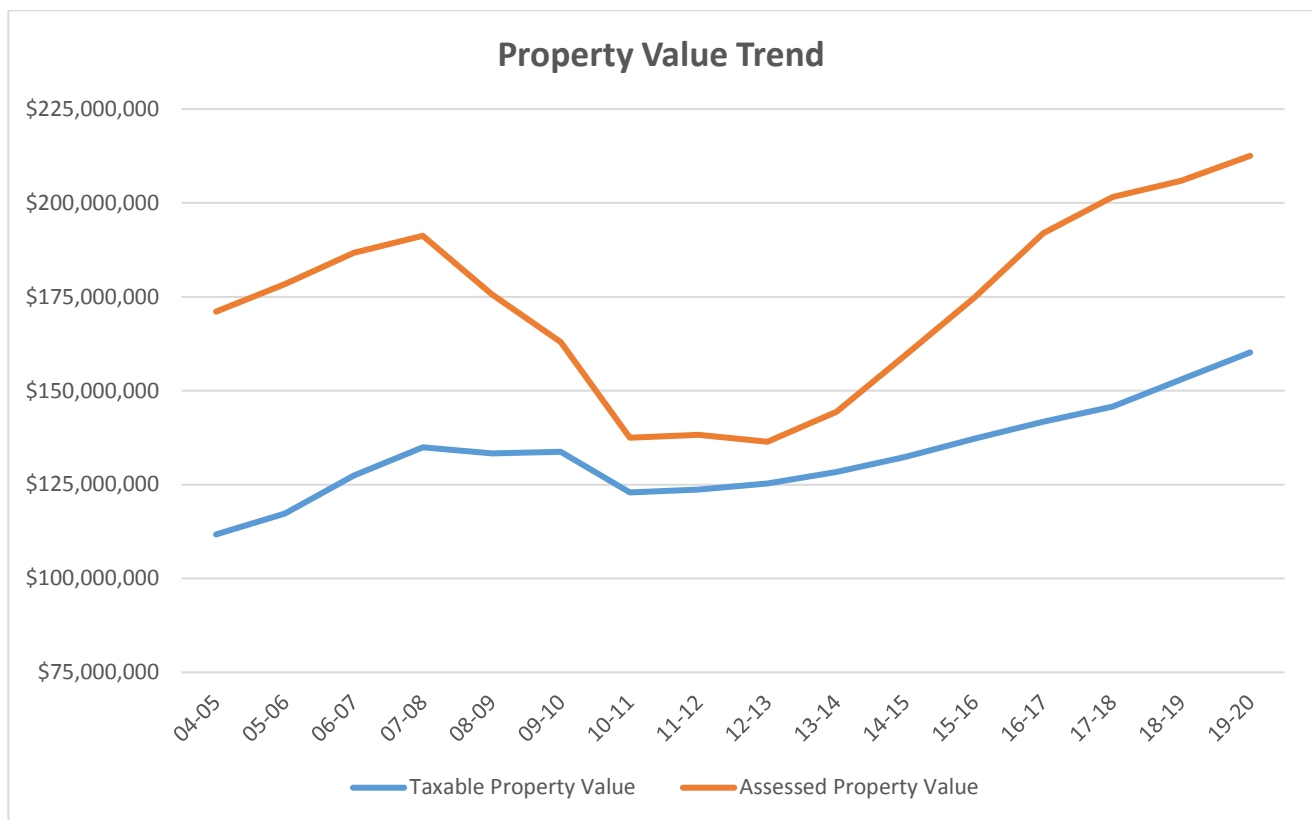


The following Figure 6 shows how Pleasant Ridge’s total assessed and taxable property values have changed over time since 2004. Assessed value is the true market value of all property in the City as determined by Oakland County Equalization (the City’s assessor). Taxable value is the value of property against which property taxes are levied.

The taxable value of a property may not increase more than 5% or the rate of inflation in any given year, whichever is lower. Over time, assessed property values tend to rise faster than taxable property values. The cap on taxable property value is removed when a property is sold, and the taxable value for that property becomes equal to the assessed value in the year following the sale.

When properties become uncapped, they usually cause the City’s total taxable property value to increase at a rate higher than inflation. To compensate for this, the Headlee Amendment then adjusts the City’s millage rate down to ensure that the total tax revenue collected by the City does not increase at a rate higher than inflation.

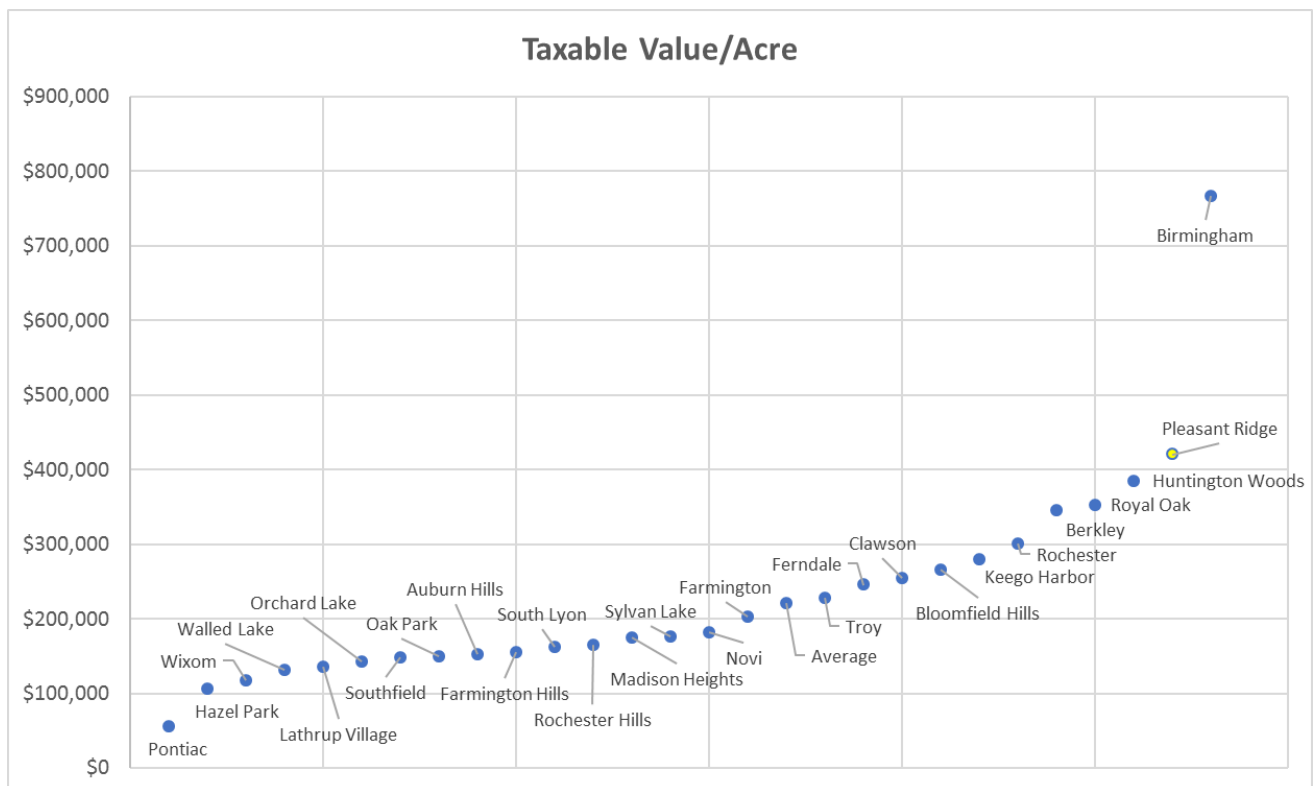
Figure 6. Taxable and Assessed Property Value, 2004-Present



**Taxable Value per Acre.** Property tax revenue is generated by multiplying the value of land by a property tax millage rate. While we tend to think about taxable value in terms of an entire City, or for individual parcels, a way of comparing how productively land is used in different communities is by looking at taxable value per acre of land. A community with a higher taxable value per acre has a stronger base from which to sustain itself. A standard residential street costs about the same to maintain regardless of where it is, but a community that has a higher value per acre has greater intrinsic resources to be able to pay for maintenance of that infrastructure.

The following Figure 7 shows that Pleasant Ridge has the second highest taxable value per acre in the County. This attests that 1) Pleasant Ridge is a desirable place to live, and 2) that our development pattern is inherently more sustainable than many newer communities. Older communities, particularly ones that have downtowns, have higher value per acre across the county than newer automobile-oriented communities. In the long run, more compact, walkable places generate more value per acre of land and have a stronger base from which to sustain themselves and their infrastructure into the future.

Figure 7. Taxable Value per Acre, Oakland County Cities, 2019



### 3. City Commission Goals and Objectives

Following are the City Commission's 2019-2020 goals and objectives. These goals and objectives form the basis for evaluating and prioritizing budgeting decisions.

Note that the order in which these goals are presented is not intended to convey importance.

a. **Goal: Maintain a Safe and Secure Community**

**Objectives:**

- (1) Preserve effective levels of police staffing and equipment to ensure high quality public safety service delivery.
- (2) Maintain or improve existing fire/EMS service delivery.
- (3) Review any strategies possible to improve police, fire/EMS, and dispatch service.
- (4) Implement traffic calming measures where necessary to ensure appropriate vehicle travel speeds.
- (5) Preserve and enhance Neighborhood Watch program.
- (6) Seek methods to promote school safety.

b. **Goal: Ensure Good Stewardship of Municipal Infrastructure**

**Objectives:**

- (1) Continue the City's ongoing street reconstruction program.
- (2) Implement a continuing maintenance program for previously reconstructed streets and alleys to extend their useful life.
- (3) Implement continuing maintenance and monitoring program for previously rehabilitated combined sewers to extend their useful life.
- (4) Improve bike and pedestrian infrastructure (sidewalks) throughout the City.
- (5) Complete capital projects identified in the Capital Improvements Plan.
- (6) Work with local transit authorities to improve existing bus stops.

c. **Goal: Maintain Financial Sustainability**

**Objectives:**

- (1) Maintain a competitive property tax rate position relative to other cities in the region.
- (2) Achieve and maintain an unrestricted fund balance of 20-25% and a total fund balance of 25-30% of annual general fund expenses.
- (3) Maintain a capital outlay reserve of 75% to 100% of expenditures in the Water and Sewer Enterprise Fund.
- (4) Continue to explore other revenue sources. Aggressively identify and pursue grant opportunities.
- (5) Increase funding for the defined benefit pension to reduce the City's unfunded liability.

d. **Goal: Maintain Excellent Parks and Recreation Program**

**Objectives:**

- (1) Improve utilization of the Community Center.
- (2) Complete necessary maintenance tasks at the community center, pool, and parks.
- (3) Achieve excellence in the offering and delivery of recreation services to residents of all ages.
- (4) Encourage active, healthy lifestyles for City residents.
- (5) Continue incremental facility upgrades at the community center and wellness center.

e. **Goal: Preserve and Enhance Community & Neighborhood Character**

**Objectives:**

- (1) Improve City code enforcement efforts to effectively preserve the character of the City's neighborhoods.
- (2) Protect the City's established historic character from destruction or erosion by inappropriate additions or modifications to existing buildings, or inappropriate construction of new buildings.
- (3) Work to influence future changes and enhancements to Woodward Avenue to reflect Pleasant Ridge's preferred plan.
- (4) Ensure that planning, development, and infrastructure projects enhance Pleasant Ridge as a walkable, bikeable community.
- (5) Continue to foster a welcoming community to all people.

f. **Goal: Foster Community Trust & Participation**

**Objectives:**

- (1) Use a variety of outlets, including the City's website, traditional media, social media, town hall meetings, and the Ridger to inform and engage residents.
- (2) When more than one feasible choice exists for issues of major consequence, consult or collaborate with residents prior to making decisions.
- (3) Encourage, support, and recognize volunteers and community members who do good work in the community.
- (4) Conduct a statistically valid community survey at least bi-annually to measure City performance in delivering services and public sentiment on important issues facing the community.
- (5) Support resident-driven and managed initiatives.

g. **Goal: Strive for Excellence in Governance**

**Objectives:**

- (1) Develop and maintain a first-rate workforce by supporting the continued training and professional development for City employees.
- (2) Continue to pursue excellence in customer service by exploring alternative methods for improving delivery of services.
- (3) Facilitate increased use of technology during City meetings.
- (4) Continue to look for new ways to partner with nearby communities or private partners to improve the delivery of City services.
- (5) Continually evaluate and adjust the City's goals and objectives, Master Plan, Recreation Master Plan, and Capital Improvements Plan to ensure that policy decisions are being made that further the long-term interest of the City.

h. **Goal: Protect the Environment**

**Objectives:**

- (1) Reduce the City's carbon footprint through energy conservation, efficiency, and renewable generation measures.
- (2) Invest in maintaining the City's tree canopy by maintaining existing trees and planting new trees to fill gaps.
- (3) Explore ways to incorporate green infrastructure to infiltrate stormwater in place and reduce the amount of runoff that enters the City's sewer system.

## 4. Budget Policies and Procedures

### a. Role of the Budget

The budget provides the annual financial plan for the management of the City's affairs. The document compiles the financial data needed to support Pleasant Ridge's comprehensive decision making/policy development process. This Budget is based on the City Commission's Goals and Objectives, the Capital Improvements Plan, the City's financial policies, and City Manager and departmental review of operations.

### b. Budget Strategy

The current financial plan is based upon Commission direction and current revenue constraints. These factors govern the stewardship of public funds and reflect the following principles:

- (1) Basic services will be maintained at least at current levels and will be funded adequately
- (2) Program costs will reflect the true picture of the cost of operations. Depreciation will not be included in program costs (except in the enterprise fund), and some City-wide expenses will be separated from program expenditures for ease of administration.
- (3) Program services will be provided in the most efficient method while meeting the needs of the public.
- (4) Necessary infrastructure improvements will be completed to meet needs.
- (5) Revenue will be estimated at realistic levels.
- (6) Reserves will be programmed at appropriate levels to protect the City from future uncertainties. It is the City's goal to maintain unappropriated general fund reserves of at least 25% of general fund expenditures.
- (7) The budget will comply with provisions of the State Constitution, City Charter, Municipal Code, and sound fiscal policy.

### c. Balanced Operating Budget

A balanced budget is a basic budgetary constraint intended to ensure that the City does not spend beyond its means. The City must function within the limits of the financial resources available and under normal circumstances requires commitment to a balanced budget. The appropriated budget cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years. Any deviation from a balanced operating budget requires disclosure when it occurs.

### d. Impact of Capital Budget on the Operating Budget

As new policies and programs are approved, both the operating and capital budgets are impacted. For example, an increase in service levels approved as part of the operating budget would have long-term effects on the Capital Improvements Program. Conversely, a restrictive change to the use of long-term debt would slow capital programs.

Regardless of the difference between the operating and capital budgets, the two are interdependent. Budgetary policy states that all foreseeable operating costs related to capital projects be estimated and provided for as part of the review process associated with the Capital Improvements Program. In addition, departments are required to include costs associated with operating and maintaining capital projects that are requested for the upcoming year.

### e. Budgeting Controls

- (1) Internal Controls. The annual adopted budget provides a basis of control over financial operations. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the approved budget. Activities of the General Fund and Special Revenue



Funds are included in the annual approved budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established by function and category (Personnel Services, Supplies, Other Services and Charges, Capital Outlay and Debt Service) within each individual fund.

- (2) Independent Audit. State statutes and the City Charter require an annual audit of all accounts of the City by certified public accountants selected by the City Commission. Stevens, Kirinovic & Tucker P.C. have fulfilled this requirement. The auditor's report is included in the City's Comprehensive Annual Financial Report (CAFR) and is available to the public on the City's website and through the State of Michigan Department of Treasury local audit and finance division website.<sup>1</sup>

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<sup>1</sup> See: <https://treas-secure.state.mi.us/LAFDocSearch/> for CAFR files for units of local government from 2003 to present

## 5. Fund Structure

The accounts of the City are organized by funds and account groups, each of which is considered a separate accounting entity. Funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions, or limitations. The various funds are grouped into generic fund types in two broad categories as follows:

a. *Governmental Funds*

- (1) General Fund: The general fund contains the records of the ordinary activities of the City that are not accounted for in another fund. General fund activities are financed by revenue from general property taxes, state shared revenue and other sources.
- (2) Special Revenue Funds: Special revenue funds are used to account for the proceeds of earmarked special revenue from financing activities requiring separate accounting because of legal or regulatory provisions. Special revenue funds include Major Streets, Local Streets, Infrastructure, Solid Waste, Pool/Community Center Operations, Segregated Capital Asset Fund (SCAF), Library Services, and Parks Capital Improvement Fund.
- (3) Debt Service Funds: Debt service funds are used to account for the annual payment of principal and interest concerning certain long-term debt other than debt payable from the operations of an enterprise fund. The Pool/Community Center debt service fund is the City's only debt service fund.
- (4) Capital Projects Funds: Capital projects funds are used to account for the development of capital facilities other than those financed by the operations of the enterprise fund.

b. *Proprietary Funds*

- (1) Enterprise Fund: The water and sewer fund is used to account for the results of operations that provide a service to citizens financed by a user charge for the provision of that service.

## 6. Millage Rate Information

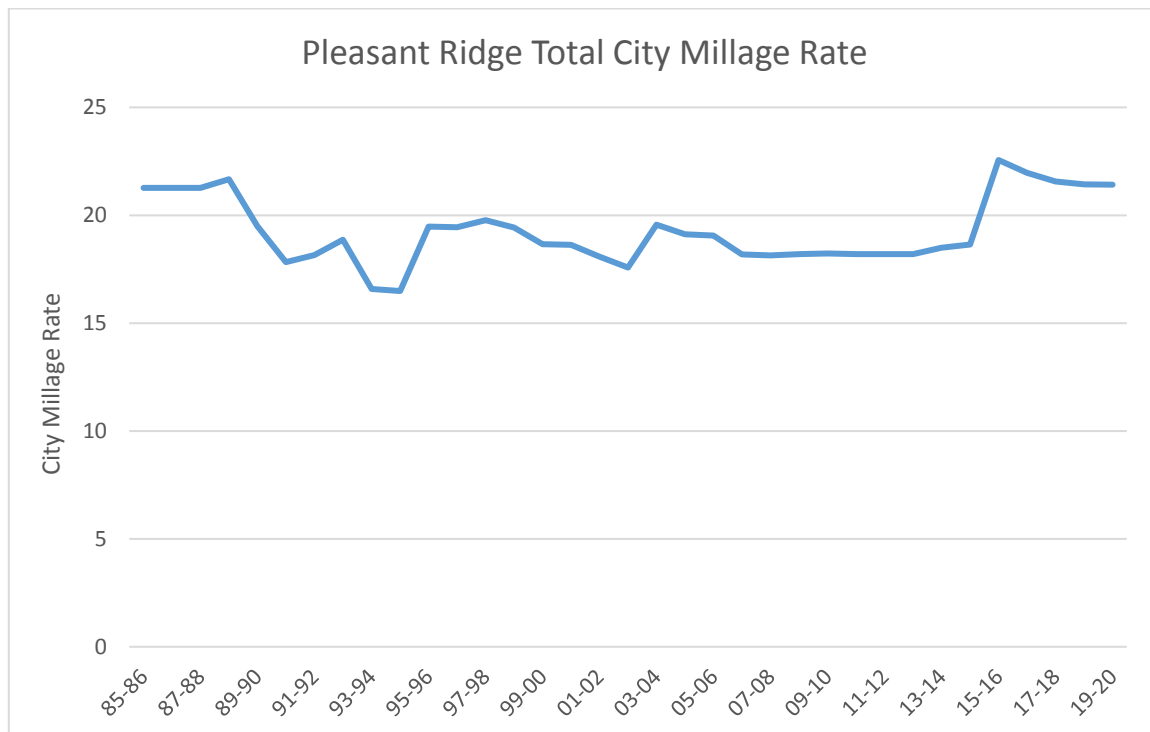
**Millage Rate Information.** The following Table 1 shows the breakdown of Pleasant Ridge millage rates from 2010 to present.

Table 1. Pleasant Ridge Property Tax Millage Components, 2009 to Present

	Original Amount	Expiration	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20
General Operating - Charter	20.0000	--	11.4248	11.4248	11.4248	11.4248	11.3094	11.1363	10.8434	10.6232	10.3714	10.2085
General Operating (2015)	2.9000	--						2.8556	2.7804	2.7239	2.6593	2.6175
Police Pension (2018)	1.400	2032									0.3500	0.7000
Infrastructure (2015)	3.0000	2034	2.4124	2.4124	2.4124	2.4124	2.3880	2.9242	2.8472	2.7894	2.7232	2.6804
Community Promotion	0.3431	--						0.2704	0.3481	0.3375	0.3200	0.3100
Parks Improvement (2015)	0.7500	2024						0.7385	0.7190	0.7044	0.6877	0.6769
Rubbish	3.0000	--	1.7134	1.7134	1.7134	1.7134	1.6960	1.6700	1.6260	1.5929	1.5551	1.5306
Pool Operations (2003)	1.4000	2028	1.2722	1.2722	1.2722	1.2722	1.2593	1.2400	1.2073	1.1827	1.1546	1.1364
Library (2015)	0.5000	2019	0.3700	0.3700	0.3700	0.3700	0.4949	0.3865	0.3763	0.3687	0.3675	0.3617
Pool Debt (2003)	unlimited	2028	1.0000	1.0000	1.0000	1.3000	1.5000	1.3380	1.2123	1.2450	1.2500	1.1900
<b>Total Millage</b>			<b>18.1928</b>	<b>18.1928</b>	<b>18.1928</b>	<b>18.4928</b>	<b>18.6476</b>	<b>22.5595</b>	<b>21.9600</b>	<b>21.5677</b>	<b>21.4388</b>	<b>21.4120</b>

The following Figure 8 shows the long term total Pleasant Ridge city millage rate trend from 1985 to present.

Figure 8. Total City Millage Rate (Homestead), 1985-Present

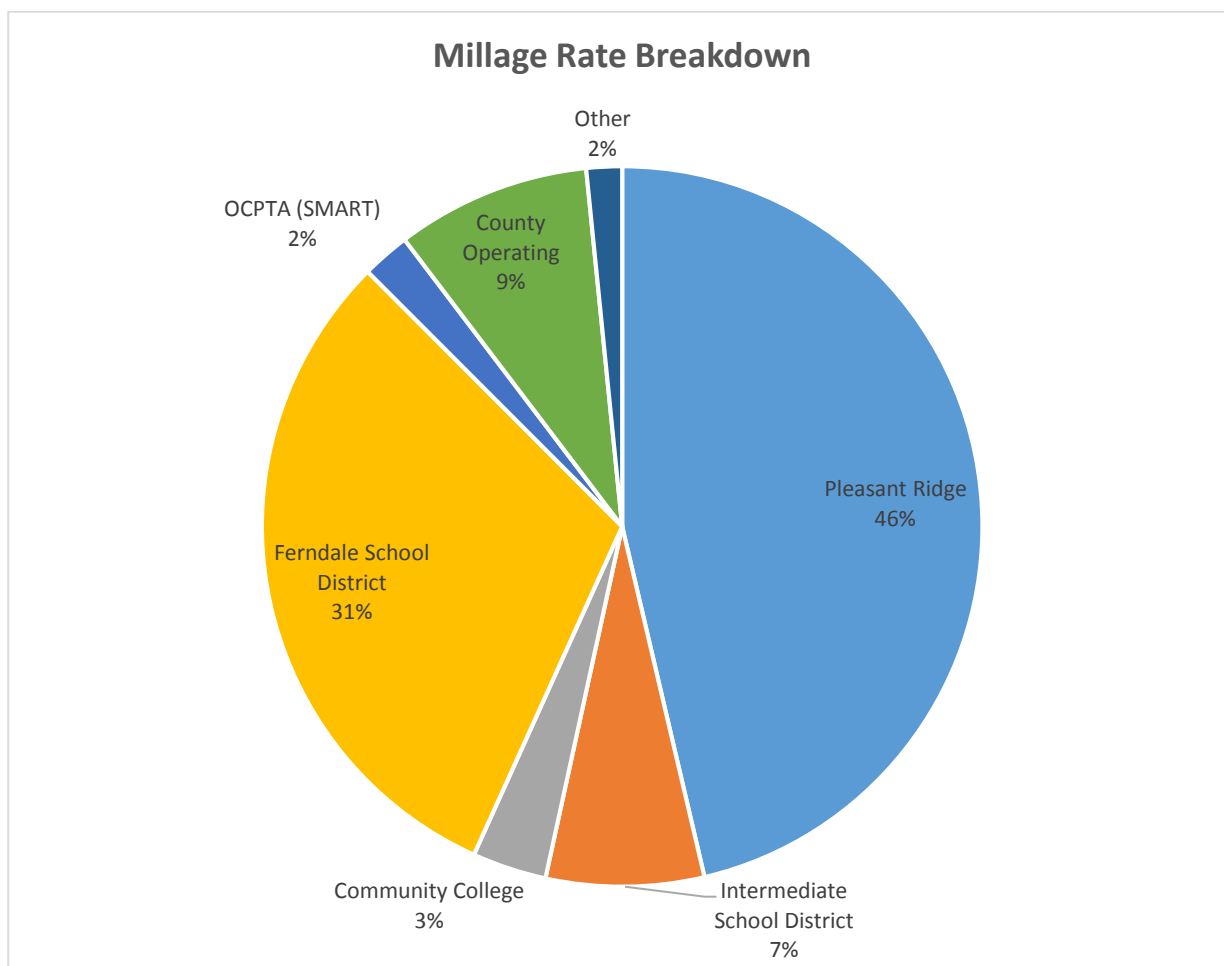


The 2019-2020 total City millage rates are reduced by 0.0268 mills compared to last year due to Headlee rollback. While the City experienced robust home sales and strong growth in sales prices, Headlee limits the City to a total tax revenue growth rate of 2.4%, requiring a rollback in local tax rates.

The community promotion millage authorized by PA 359 of 1925 (MCL 123.881) may generate up to \$50,000 annually. The 0.3100 mill levy will generate about \$48,000 for the City. The revenues are used to pay for community publications such as the Ridger, website maintenance, and the development of a new City website to replace our current one which is functionally obsolete.

**Total Homestead Millage Rate Breakdown.** The total homestead property tax rate for a property owner in Pleasant Ridge in 2018 is expected to be about 46.2482 mills.<sup>2</sup> Of every tax dollar paid by residents, 46% goes to the City, 31% goes to the Ferndale school district, and the remaining 23% goes to the County and other regional entities including SMART, the intermediate school district, community college, and “other” entities that include Oakland County Parks (0.2349 mills), the Detroit Zoo (0.0982 mills), the Art Institute Authority (0.1945 mills), and the Huron Clinton Metro Parks (0.2129 mills).

*Figure 9. Total Pleasant Ridge Homestead Millage Rate Breakdown, 2017*



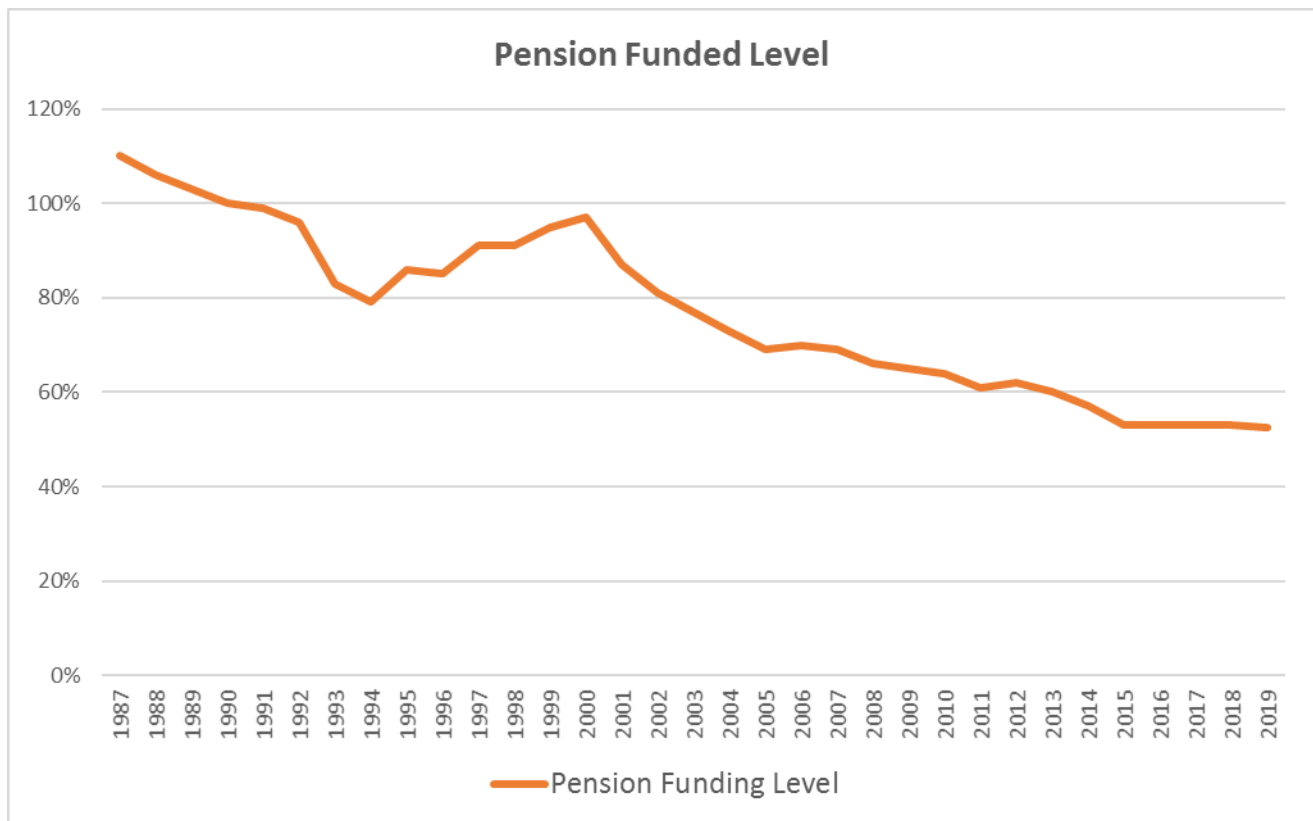
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<sup>2</sup> As of the date of adoption of this budget, final tax rates for outside, non-Pleasant Ridge jurisdictions is not known. Those outside jurisdictions are also subject to Headlee Rollbacks, and their adopted tax rates have not yet been published. For the purposes of this document, the total millage rate uses estimated millage rates for non-Pleasant Ridge property taxes.

## 7. Pension Unfunded Liability

The City has had an underfunded pension fund since the early 2000s. The problem has grown steadily year over year since the early 2000s and has become an acute financial problem in recent years. The following Figure 10 summarizes the funding level of the City's pension funds (left scale).

Figure 10. City Pension Funding Level



The above Figure 10 shows that the City has experienced a decline from being close to 100% funded in the year 2000, to being just over 50% funded in 2019. Over the same 2000 – 2019 time period, pension costs have gone from 1.8% of general fund expenditures to 12.2% of general fund expenditures.

Passage of the police pension millage in November 2017 has allowed the City to increase our annual contribution to the pension fund and has helped stem the decline in funding level. However, MERS changed their actuarial assumptions again in 2019, reducing the expected rate of return on assets, which again has lowered the actuarial funded level of the pension fund.

### Actions Taken to Address Unfunded Liability

The 01, 02, 10, and 11 divisions are now closed to new hires. These represent the large majority of the fund's assets and liabilities. These groups include retired police officers and administrators, and employees hired before 2011.

Employees hired after 2011 are in different pension divisions with lower benefit levels and higher employee contribution amounts. The pension divisions for employees hired after 2011 – groups 12, 20, and HA are fully funded or nearly so. Divisions 12 and 20 are overfunded due to departure of employees before they vested, leaving excess funds in those groups. However, the total amount of valuation assets in divisions 12, 20 and HA are small, representing only 1.5% of the City's overall pension fund actuarial liability.

In short, the unfunded liability issue is one that we are on a path to resolving, but it will take time to unwind the underfunding status of older pension divisions.

The following table is reproduced from the City's most recent Annual Actuarial Valuation Report published by MERS shows accrued liabilities, assets, and funding levels for all the City's employee groups.<sup>3</sup>

**Table 6: Actuarial Accrued Liabilities and Valuation Assets  
as of December 31, 2018**

Division	Actuarial Accrued Liability					Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
	Active Employees	Vested Former Employees	Retirees and Beneficiaries	Pending Refunds	Total			
01 - Gnr/Oth	\$ 0	\$ 272,296	\$ 222,572	\$ 0	\$ 494,868	\$ 310,967	62.8%	\$ 183,901
02 - Police	783,567	4,279	2,621,315	0	3,409,161	1,530,863	44.9%	1,878,298
10 - NonUnion	875,847	60,856	727,080	0	1,663,783	941,992	56.6%	721,791
11 - City Mgr	0	0	691,210	0	691,210	430,448	62.3%	260,762
12 - Non-Union after 7/1/2011	14,980	0	0	9,685	24,665	43,228	175.3%	(18,563)
20 - Police as of 7/1/2011	59,445	0	0	5,103	64,548	77,521	120.1%	(12,973)
HA - Police hired after 7/1/17	2,972	0	0	0	2,972	2,666	89.7%	306
<b>Total</b>	<b>\$ 1,736,811</b>	<b>\$ 337,431</b>	<b>\$ 4,262,177</b>	<b>\$ 14,788</b>	<b>\$ 6,351,207</b>	<b>\$ 3,337,685</b>	<b>52.6%</b>	<b>\$ 3,013,522</b>

The above table shows that the City's total unfunded liability is \$3,013,522, with nearly two-thirds of that unfunded liability being in the 02 – Police division. Given that the police group is the largest single source of the unfunded liability, the City has closed division 20 (which was created in 2011) and creating a new hybrid plan division HA for new police officers hired after July 1, 2017. The hybrid plan combines a defined benefit with a 401k-style defined contribution component as a way of further controlling the City's future pension liabilities.

### Summary of Actions Taken

Following is a summary of actions taken by the City to address the unfunded liability issue:

- Police and Administrative divisions 02 and 10 were closed to new hires in 2011, replaced by divisions 12, 20, and HA with lower benefit levels. The new divisions are fully or nearly fully funded.
- City Manager division 11 closed in 2014. Current City Manager does not receive a defined benefit pension.
- Police employee contribution increased from 0% to 2.5% in 2011.
- New police hires will receive a hybrid plan that has a small pension that is combined with a defined contribution, 401k-style plan.

<sup>3</sup> AAV reports are available on the City's website at: [https://cityofpleasantridge.org/lsvr\\_document/pension-fund-annual-actuarial-valuation-reports/](https://cityofpleasantridge.org/lsvr_document/pension-fund-annual-actuarial-valuation-reports/)

- No retirement health care benefit for any administrative employees hired after 2011 and police hired after 2017. Instead, employees have access to a Health Care Savings Plan that allows them to save for retirement health care costs with a small City match.

### **Police Pension Millage**

The voters approved a 1.4 mill police pension millage in November of 2017, with the first levy of 0.35 mills beginning July 1, 2018 and phasing in at an additional 0.35 mills per year until the maximum levy is reached. The millage will continue through FY2032-33.

In FY2019-20, the 0.7000 mill levy is expected to generate \$109,684. The amount budgeted for police pension expenses for active and retired officers is \$255,000.

## 8. Personnel

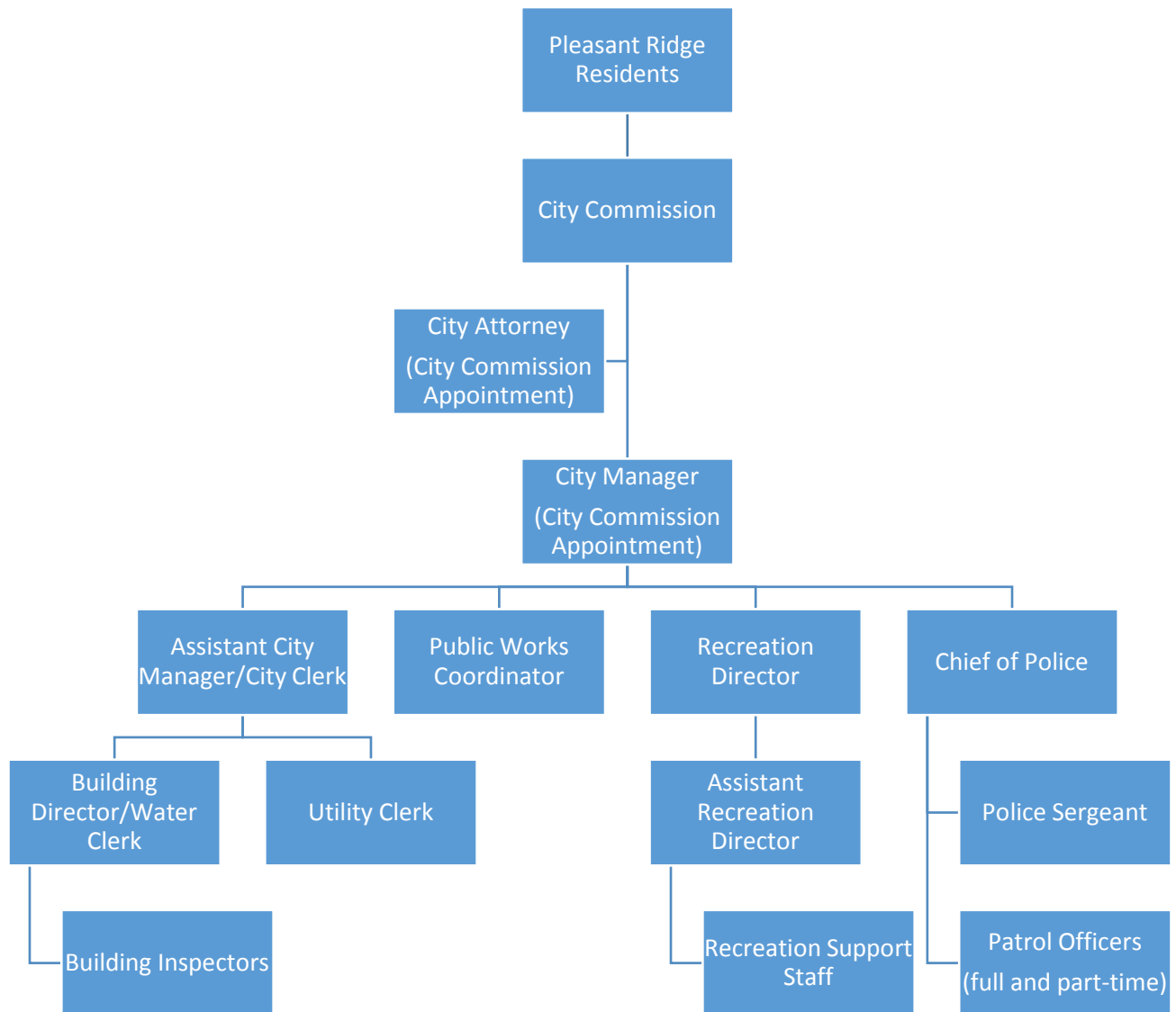
The City of Pleasant Ridge is a service-oriented organization with a large percentage of expenditures associated with staff salaries and related costs. In addition to part-time and full-time non-union employees, there is one bargaining unit - the Pleasant Ridge Police Officers Association, represented by the Fraternal Order of Police Labor Council.

The City outsources its Fire/EMS, Public Works, Treasury, Assessing, Police and Fire Dispatch, and City Attorney positions.

Position	Status	FY16-17	FY17-18	FY18-19
City Hall				
City Manager	Full-Time	1.00	1.00	1.00
City Clerk	Full-Time	1.00	1.00	1.00
City Treasurer	Part-Time	0.00	0.00	0.00
Public Works Manager	Full-Time	0.00	1.00	1.00
Utility/Building Clerk	Full-Time	1.00	1.00	1.00
Solid Waste Clerk	Part-Time	0.33	0.33	0.33
City Hall Total		3.33	4.33	4.33
Police Department				
Chief	Full-Time	1.00	1.00	1.00
Sergeant	Full-Time	1.00	1.00	1.00
Patrol Officer	Full-Time	4.00	4.00	4.00
Patrol Officer (2)	Part-Time	0.48	0.48	0.48
Office Clerk	Part-Time	0.00	0.00	0.25
Crossing Guard	Part-Time	0.33	0.33	0.33
Police Total		6.81	6.81	7.06
Recreation Department				
Director	Full-Time	1.00	1.00	1.00
Recreation Assistant	Full-Time	1.00	1.00	1.00
Building Supervisor	Part-Time	1.00	1.00	1.00
Playground Supervisor	Seasonal	0.44	0.44	0.44
Life Guard (senior)	Seasonal	0.44	0.44	0.44
Life Guard	Seasonal	1.75	1.75	1.75
Pool Instructors	Seasonal	0.10	0.10	0.10
Recreation Total		5.73	5.73	5.73
Full Time Positions		11.00	12.00	12.00
Part Time Positions (FTE)		4.87	4.87	5.12
All Departments		15.87	16.87	17.12



## Organization Chart



Not shown in the organization chart are the Charter-established positions of City Treasurer and City Assessor. These positions are outsourced by the City to Plante Moran (City Treasurer) and Oakland County Equalization (Assessor).



## C. General Fund

### 101. Summary

The General Fund functions as the City's operating fund and accounts for taxes and other general revenues and expenditures that are not restricted for other specific purposes. It is the City's policy goal to maintain a minimum 25-30% undesignated General Fund fund balance to maintain cash flow, solvency, and to set aside for unforeseen emergencies or cash shortfalls caused by revenue declines or delays. The FY2019-20 budget includes revenues of \$2,987,878 and expenditures of \$2,966,691 with a projected end of year fund balance percentage of 28.3%.

#### REVENUES

SOURCE	Actual 2015-16	Actual 2016-17	Actual 2017-18	Budget 2018-19	Requested 2019-20	Projected 2020-21	Projected 2021-22
Taxes and special assessments	1,998,594	2,000,312	2,030,066	2,130,414	2,248,477	2,347,027	2,446,417
Licenses and Permits	85,577	84,902	117,153	118,730	72,280	72,280	72,280
Federal and State Grants	17,332	23,111	56,818	26,000	22,500	22,500	22,500
State Shared Revenue	235,011	249,415	258,266	247,650	252,650	252,650	252,650
Charges for Services	196,409	242,542	232,688	253,340	214,071	217,397	220,802
Fines and Forfeits	33,088	56,409	95,648	88,300	70,000	70,000	70,000
Interest and Rents	13,804	12,235	16,720	17,800	10,500	10,500	10,500
Other revenue	193,334	161,927	128,070	159,800	98,800	98,800	98,800
Transfers-In	18	9	0	0	0	0	0
<b>REVENUE TOTAL</b>	<b>2,773,167</b>	<b>2,830,862</b>	<b>2,935,429</b>	<b>3,042,034</b>	<b>2,989,278</b>	<b>3,091,153</b>	<b>3,193,949</b>

#### EXPENDITURES

DEPARTMENT							
Mayor and Commission	15,631	14,234	29,313	22,300	22,550	22,550	22,550
City Manager	133,499	153,544	157,713	172,286	185,388	191,161	196,935
Elections	8,318	7,100	5,446	8,910	9,010	9,010	9,010
City Attorney	38,304	31,137	33,794	40,300	38,000	38,000	38,000
City Clerk	110,733	103,474	100,231	102,975	108,600	112,037	114,828
Information Technology	67,748	58,094	68,654	76,600	74,000	74,000	74,000
General Government	136,283	152,687	144,312	155,500	157,100	157,100	157,100
Cable TV	1,222	3,069	3,799	5,110	5,110	5,110	5,110
City Treasurer	82,606	108,756	117,249	113,920	115,819	119,888	123,905
Assessment	21,023	21,064	21,495	21,845	22,155	22,355	22,555
Police Services	777,024	1,027,663	978,006	1,054,687	1,157,371	1,225,211	1,305,542
Fire/Rescue	256,581	256,581	256,581	256,581	256,581	256,581	256,581
Building Department	60,349	70,059	55,721	82,559	69,818	70,082	70,353
Planning Commission	650	0	0	0	0	0	0
Public Works	196,132	206,075	245,125	220,875	235,675	249,715	252,779
Street Lighting	37,249	30,015	34,605	36,500	36,500	36,500	36,500
Recreation	425,808	406,877	402,155	396,730	402,174	407,075	413,054
Retirement Services	272,588	5,000	5,000	5,000	5,000	5,000	5,000
Transfers Out	77,500	107,000	162,000	180,000	60,000	60,000	60,000
<b>EXPENDITURES TOTAL</b>	<b>2,719,248</b>	<b>2,762,429</b>	<b>2,821,199</b>	<b>2,952,678</b>	<b>2,960,851</b>	<b>3,061,375</b>	<b>3,163,803</b>
Revenue over (under) expenditures	53,919	68,433	114,230	89,356	28,427	29,778	30,146
Fund Balance, beginning of the year	532,253	586,168	654,603	768,837	858,193	886,620	916,398
Fund Balance adjustments							
Fund Balance, end of the year	586,172	654,601	768,833	858,193	886,620	916,398	946,544
General Fund Balance %	21.56%	23.70%	27.25%	29.06%	29.94%	29.93%	29.92%

## 101. General Fund Revenues

The General Fund revenues provide funding for City services that have a city-wide benefit. General Fund revenues are categorized as taxes and special assessments, community development permit fees and charges, intergovernmental transfers (state revenue sharing), and other revenues.

Total property tax revenue is projected to grow modestly vs. fiscal year 2018-19. This modest increase is due to an allowed growth in tax revenue of 2.4% by the Headlee amendment, and as calculated by the state. Projected property tax revenue growth in future years is estimated at 2.4% annually.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>GENERAL FUND REVENUE DETAIL</b>							
<b>Taxes and Special Assessments</b>							
101-000-401.000	Property Taxes - Operating	1,900,093	1,947,670	1,948,178	2,009,719	2,057,952	2,107,343
101-000-401.001	Chargebacks from County	(4,183)	0	(1,154)	0	0	0
101-000-401.400	Property Taxes - Police Pension Millage	0	52,314	53,533	109,684	160,000	210,000
101-000-401.500	Property Taxes - Community Promo	48,042	47,830	47,836	48,574	48,574	48,574
101-000-410.000	Personal Property Taxes	0	0	0	0	0	0
101-000-410.500	Delinquent Tax Collection	361	0	24	0	0	0
101-000-445.000	Interest on Taxes	15,489	10,000	15,895	10,000	10,000	10,000
101-000-447.000	Property Tax Admin Fee	70,264	72,600	73,541	70,500	70,500	70,500
	<i>Total taxes and special assessments</i>	<i>2,030,066</i>	<i>2,130,414</i>	<i>2,137,853</i>	<i>2,248,477</i>	<i>2,347,027</i>	<i>2,446,417</i>
<b>Licenses and Permits</b>							
101-000-476.000	Landlord Licenses	200	1,800	2,140	500	500	500
101-000-477.000	Electrical Permits	11,450	9,600	10,200	8,500	8,500	8,500
101-000-478.000	Building Permits	87,539	87,700	92,157	50,000	50,000	50,000
101-000-479.000	Plumbing and Mechanical Permits	16,665	17,850	19,388	12,000	12,000	12,000
101-000-480.000	Liquor License Fee Revenue	784	780	839	780	780	780
101-000-485.000	Dog Licenses	515	1,000	1,210	500	500	500
	<i>Total licenses and permits</i>	<i>117,153</i>	<i>118,730</i>	<i>125,934</i>	<i>72,280</i>	<i>72,280</i>	<i>72,280</i>
<b>Federal and State Grants</b>							
101-000-522.000	CDBG	0	5,000	2,980	5,000	5,000	5,000
101-000-530.000	CDBG	7,345	0	0	0	0	0
101-000-540.000	State Grant	3,000	0	0	0	0	0
101-000-544.000	302 Training Funds	1,074	1,000	1,033	1,000	1,000	1,000
101-000-573.000	Local Community Stabilization	45,399	20,000	16,533	16,500	16,500	16,500
	<i>Total federal and state grants</i>	<i>56,818</i>	<i>26,000</i>	<i>20,546</i>	<i>22,500</i>	<i>22,500</i>	<i>22,500</i>
<b>State Shared Revenue</b>							
101-000-576.500	Sales Taxes - Statutory	46,232	46,250	30,820	46,250	46,250	46,250
101-000-576.750	Sales Taxes - Constitutional	209,983	200,000	146,289	205,000	205,000	205,000
101-000-576.751	Sales Taxes - Supplemental	2,051	1,400	1,360	1,400	1,400	1,400
	<i>Total state shared revenue</i>	<i>258,266</i>	<i>247,650</i>	<i>178,469</i>	<i>252,650</i>	<i>252,650</i>	<i>252,650</i>
<b>Charges for Services</b>							
101-000-607.000	NSF Fees	180	400	416	400	400	400

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
101-000-608.000	Registration Fees	3,850	5,000	5,055	3,000	3,000	3,000
101-000-609.000	Administrative Fees	10,390	9,000	10,180	7,500	7,500	7,500
101-000-627.000	Administrative Charges	101,384	102,308	102,307	103,619	105,396	107,215
101-000-627.100	Charges for Services - Personnel	11,860	12,555	11,860	12,555	12,856	13,165
101-000-627.200	Charges for Services - IT	50,027	50,777	50,777	51,997	53,245	54,522
101-000-635.000	Copying Charges	272	50	377	50	50	50
101-000-641.100	Election Reimbursement	0	0	0	0	0	0
101-000-641.200	Spraying Reimbursement	0	0	0	0	0	0
101-000-641.300	Tree Planting Reimbursement	1,375	2,150	2,030	750	750	750
101-000-642.000	Sales	210	0	0	0	0	0
101-000-651.000	Use & Admission Fees	4,846	2,400	2,238	1,000	1,000	1,000
101-000-651.208	Admission - Dog Park	3,388	3,200	4,260	3,200	3,200	3,200
101-000-653.000	Registration Program Fees	44,906	65,500	87,223	30,000	30,000	30,000
<i>Total charges for services:</i>		<i>232,688</i>	<i>253,340</i>	<i>276,723</i>	<i>214,071</i>	<i>217,397</i>	<i>220,802</i>
<b>Fines and Forfeits</b>							
101-000-656.000	Municipal Fines	52,731	53,300	58,408	35,000	35,000	35,000
101-000-657.000	District Court Fines	42,917	35,000	33,822	35,000	35,000	35,000
<i>Total fines and forfeits:</i>		<i>95,648</i>	<i>88,300</i>	<i>92,230</i>	<i>70,000</i>	<i>70,000</i>	<i>70,000</i>
<b>Interest and Rents</b>							
101-000-665.000	Interest & Dividend Income	11,030	12,000	15,881	5,000	5,000	5,000
101-000-667.000	4 Ridge Rental	5,690	4,500	4,080	5,500	5,500	5,500
101-000-669.000	Property Rental	0	1,300	2,063	0	0	0
<i>Total interest and rents:</i>		<i>16,720</i>	<i>17,800</i>	<i>22,024</i>	<i>10,500</i>	<i>10,500</i>	<i>10,500</i>
<b>Other Revenue</b>							
101-000-670.000	Cable Franchise and PEG Fees	66,296	60,000	47,373	60,000	60,000	60,000
101-000-671.000	Miscellaneous Other Revenues	11,762	21,500	21,744	5,000	5,000	5,000
101-000-674.000	Zoning Board of Appeal Fees	200	0	0	0	0	0
101-000-675.000	Contributions & Donations	5,000	40,000	40,000	5,000	5,000	5,000
101-000-679.000	Refunds & Rebates	36,519	24,500	12,692	24,500	24,500	24,500
101-000-679.300	Refunds & Rebates - Public Safety	7,931	4,000	2,702	4,000	4,000	4,000
101-000-681.000	Sidewalk Replacement/residents	0	0	0	0	0	0
101-000-696.000	Bond & Insurance Recoveries	362	9,800	9,644	300	300	300
<i>Total other revenue:</i>		<i>128,070</i>	<i>159,800</i>	<i>134,155</i>	<i>98,800</i>	<i>98,800</i>	<i>98,800</i>
<b>Transfers-In</b>							
101-000-699.208	Transfer In - Dog Park	0	0	0	0	0	0
101-000-699.212	Transfers In - Tree Planting	0	0	0	0	0	0
101-000-699.351	Transfers In - Debt Service	0	0	0	0	0	0
<i>Total transfers-in:</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>TOTAL REVENUES</b>		<b>2,935,429</b>	<b>3,042,034</b>	<b>2,987,934</b>	<b>2,989,278</b>	<b>3,091,153</b>	<b>3,193,949</b>

## 101. General Fund Expenditures

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>GENERAL FUND APPROPRIATIONS</b>							
<b>Department 101 - Mayor and Commission</b>							
101-101-715.000	Worker's Compensation	47	50	46	50	50	50
101-101-955.000	Miscellaneous Expenses	22,322	15,000	11,520	15,000	15,000	15,000
101-101-956.000	Conferences and Workshops	95	750	0	1,000	1,000	1,000
101-101-958.000	Memberships and Dues	6,849	6,500	2,874	6,500	6,500	6,500
<i>Totals for Department 101 - Mayor and Commission</i>		<i>29,313</i>	<i>22,300</i>	<i>14,440</i>	<i>22,550</i>	<i>22,550</i>	<i>22,550</i>
<b>Department 172 - City Manager</b>							
101-172-702.000	Administration Wages	95,301	97,350	92,640	105,020	107,540	110,121
101-172-702.250	Comptime Payout	0	0	0	0	0	0
101-172-711.000	Social Security & Medicare	8,146	7,500	7,855	7,500	7,680	7,864
101-172-712.000	Medical Insurance	5,144	6,150	4,743	6,150	6,150	6,150
101-172-712.001	Medical Insurance - Employee Cont.	0	0	0	0	0	0
101-172-712.003	Medical Insurance - Retirees	8,235	14,000	5,995	14,000	14,500	15,000
101-172-712.004	Medical Insurance - Retiree Cont.	(806)	(600)	(566)	(600)	(600)	(600)
101-172-712.006	Medical Insurance - HSA (Retirees)	0	950	0	950	950	950
101-172-713.000	Life Insurance	1,004	1,050	672	750	750	750
101-172-714.000	Retirement - DB (Active Employees)	0	0	0	0	0	0
101-172-714.003	Retirement - DB (Retirees)	13,212	16,596	15,213	20,124	22,167	24,134
101-172-714.500	Retirement - DC (Active Employees)	20,557	19,500	19,510	22,054	22,584	23,126
101-172-715.000	Worker's Compensation	58	50	57	50	50	50
101-172-716.000	Unemployment Compensation	22	40	20	40	40	40
101-172-720.000	Tuition, Training and Education	0	100	0	100	100	100
101-172-727.000	Office Supplies	0	0	0	0	0	0
101-172-728.000	Postage	0	0	0	0	0	0
101-172-731.000	Operating Supplies	24	100	79	100	100	100
101-172-790.000	Books & Periodicals	99	500	198	400	400	400
101-172-862.000	Automobile Allowance	6,000	6,000	6,000	6,000	6,000	6,000
101-172-956.000	Conferences and Workshops	0	2,000	0	2,000	2,000	2,000
101-172-958.000	Memberships and Dues	717	1,000	587	750	750	750
<i>Totals for Department 172 - City Manager</i>		<i>157,713</i>	<i>172,286</i>	<i>153,003</i>	<i>185,388</i>	<i>191,161</i>	<i>196,935</i>
<b>Department 191 - Elections</b>							
101-191-704.000	Part-Time Wages	2,008	4,100	4,075	4,500	4,500	4,500
101-191-711.000	Social Security & Medicare	0	0	0	0	0	0
101-191-715.000	Worker's Compensation	12	10	12	10	10	10
101-191-728.000	Postage	0	400	0	250	250	250
101-191-731.000	Operating Supplies	2,460	3,000	2,298	3,000	3,000	3,000
101-191-809.000	Contractual Services	966	1,400	1,057	1,250	1,250	1,250
<i>Totals for Department 191 - Elections</i>		<i>5,446</i>	<i>8,910</i>	<i>7,442</i>	<i>9,010</i>	<i>9,010</i>	<i>9,010</i>
<b>Department 210 - City Attorney</b>							
101-210-815.000	City Attorney Services	28,077	31,040	8,570	30,000	30,000	30,000
101-210-815.250	Court Prosecutions	5,593	7,500	5,366	7,500	7,500	7,500
101-210-815.500	Labor Relations Attorney	124	1,760	1,756	500	500	500
<i>Totals for Department 210 - City Attorney</i>		<i>33,794</i>	<i>40,300</i>	<i>15,692</i>	<i>38,000</i>	<i>38,000</i>	<i>38,000</i>

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Department 215 - City Clerk</b>							
101-215-702.000	Administration Wages	72,620	73,350	66,078	78,825	80,717	82,654
101-215-711.000	Social Security & Medicare	5,450	5,650	5,017	5,650	5,786	5,924
101-215-712.000	Medical Insurance	6,566	7,425	6,443	7,750	7,983	8,222
101-215-712.001	Medical Insurance - Employee Cont.	(444)	(775)	(435)	(775)	(798)	(822)
101-215-712.005	Medical Insurance - HSA	475	950	975	950	1,900	1,900
101-215-713.000	Life Insurance	156	520	566	195	195	195
101-215-714.000	Retirement - DB (Active Employees)	13,046	13,100	11,691	13,250	13,500	14,000
101-215-715.000	Worker's Compensation	135	125	133	125	125	125
101-215-716.000	Unemployment Compensation	15	30	13	30	30	30
101-215-728.000	Postage	0	0	0	0	0	0
101-215-731.000	Operating Supplies	941	1,137	874	1,250	1,250	1,250
101-215-861.000	Mileage Allowance	305	313	313	200	200	200
101-215-955.000	Miscellaneous Expenses	12	100	0	100	100	100
101-215-956.000	Conferences and Workshops	709	750	929	750	750	750
101-215-958.000	Memberships and Dues	245	300	230	300	300	300
101-215-970.000	Capital Outlay	0	0	0	0	0	0
<i>Totals for Department 215 - City Clerk</i>		<i>100,231</i>	<i>102,975</i>	<i>92,827</i>	<i>108,600</i>	<i>112,037</i>	<i>114,828</i>
<b>Department 228 - Information Technology</b>							
101-228-809.000	Contractual Services	14,534	19,700	22,052	20,000	20,000	20,000
101-228-851.000	Communications	34,329	38,170	31,631	35,000	35,000	35,000
101-228-928.000	Software Maintenance	8,237	7,130	8,784	8,000	8,000	8,000
101-228-970.000	Capital Outlay	6,781	5,500	3,065	5,500	5,500	5,500
101-228-983.000	Leased Assets	4,773	6,100	5,319	5,500	5,500	5,500
<i>Totals for Department 228 - Information Technology</i>		<i>68,654</i>	<i>76,600</i>	<i>70,851</i>	<i>74,000</i>	<i>74,000</i>	<i>74,000</i>
<b>Department 248 - General Government</b>							
101-248-727.000	Office Supplies	7,723	6,000	2,385	6,000	6,000	6,000
101-248-728.000	Postage	2,577	3,780	4,208	3,500	3,500	3,500
101-248-731.000	Operating Supplies	5,198	12,501	13,035	7,500	7,500	7,500
101-248-734.000	Building Maintenance Supplies	0	200	0	200	200	200
101-248-803.000	Janitorial Contract	2,338	3,000	2,338	2,500	2,500	2,500
101-248-809.000	Contractual Services	7,177	6,500	6,133	6,500	6,500	6,500
101-248-809.002	Payroll Administration	9,108	10,500	9,172	9,700	9,700	9,700
101-248-809.600	Contractual Services (Flag)	0	300	0	0	0	0
101-248-814.000	Engineering Services	0	0	0	0	0	0
101-248-851.000	Communications	0	0	0	0	0	0
101-248-880.000	Community Promotion	12,219	17,670	19,277	17,700	17,700	17,700
101-248-900.000	Printing & Publishing	4,092	8,130	10,864	12,000	12,000	12,000
101-248-910.000	Insurance & Bonds	60,437	60,000	58,324	60,000	60,000	60,000
101-248-920.000	Public Utilities	15,327	16,000	9,255	16,000	16,000	16,000
101-248-929.000	Equipment Maintenance	39	500	72	500	500	500
101-248-931.000	Building Maintenance	15,721	4,919	5,426	12,500	12,500	12,500
101-248-955.000	Miscellaneous Expenses	2,356	5,000	3,971	2,500	2,500	2,500
101-248-970.000	Capital Outlay	0	500	0	0	0	0
101-248-983.000	Leased Assets	0	0	0	0	0	0
<i>Totals for Department 248 - General Government</i>		<i>144,312</i>	<i>155,500</i>	<i>144,460</i>	<i>157,100</i>	<i>157,100</i>	<i>157,100</i>
<b>Department 249 - Cable TV</b>							

## C. General Fund

### 101. General Fund Expenditures

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
101-249-715.000	Worker's Compensation	9	10	0	10	10	10
101-249-731.000	Operating Supplies	0	1,500	0	1,500	1,500	1,500
101-249-809.000	Contractual Services	2,600	2,400	2,000	2,400	2,400	2,400
101-249-958.000	Memberships and Dues	1,190	1,200	0	1,200	1,200	1,200
<i>Totals for Department 249 - Cable TV</i>		<i>3,799</i>	<i>5,110</i>	<i>2,000</i>	<i>5,110</i>	<i>5,110</i>	<i>5,110</i>
<b>Department 253 - City Treasurer</b>							
101-253-714.003	Retirement - DB (Retirees)	26,093	24,000	23,382	24,000	26,436	28,782
101-253-715.000	Worker's Compensation	0	0	0	0	0	0
101-253-728.000	Postage	0	0	0	0	0	0
101-253-801.000	Audit Contract	23,700	18,500	18,400	19,000	19,000	19,000
101-253-809.001	Accounting Services	64,836	66,620	66,204	68,019	69,651	71,323
101-253-890.000	Service Charges	2,242	4,500	1,939	4,500	4,500	4,500
101-253-905.000	Printing Checks	253	0	0	0	0	0
101-253-928.000	Software Maintenance	0	0	0	0	0	0
101-253-954.000	Overage/shortage	0	50	0	50	50	50
101-253-955.000	Miscellaneous Expenses	115	200	78	200	200	200
101-253-960.100	Credit Card Service Charge	10	50	80	50	50	50
<i>Totals for Department 253 - City Treasurer</i>		<i>117,249</i>	<i>113,920</i>	<i>110,083</i>	<i>115,819</i>	<i>119,888</i>	<i>123,905</i>
<b>Department 254 - Assessing</b>							
101-254-702.000	Administration Wages	480	810	810	810	810	810
101-254-711.000	Social Security & Medicare	37	65	62	25	25	25
101-254-804.000	County Assessor Fees	19,432	19,500	0	19,700	19,900	20,100
101-254-901.000	Printing Tax Bills	1,503	1,450	900	1,600	1,600	1,600
101-254-956.000	Conferences and Workshops	43	20	20	20	20	20
<i>Totals for Department 254 - Assessment</i>		<i>21,495</i>	<i>21,845</i>	<i>1,792</i>	<i>22,155</i>	<i>22,355</i>	<i>22,555</i>
<b>Department 301 - Police Services</b>							
101-301-702.000	Administration Wages	76,035	80,300	71,773	83,505	85,509	87,561
101-301-702.250	Comptime Payout	0	0	0	0	0	0
101-301-703.000	Overtime	13,449	17,500	14,711	17,500	17,500	17,500
101-301-704.000	Part-Time Wages	60,382	52,305	62,217	55,000	55,000	55,000
101-301-705.000	Full Time Wages	274,892	330,500	291,173	340,000	346,800	353,736
101-301-708.000	Crossing Guard Wages	3,540	3,600	4,180	3,800	3,891	3,985
101-301-711.000	Social Security & Medicare	24,260	22,400	25,663	26,000	26,000	26,000
101-301-712.000	Medical Insurance	72,660	81,500	61,069	85,000	88,400	91,936
101-301-712.001	Medical Insurance - Employee Cont.	(3,900)	(8,150)	(4,394)	(8,500)	(8,840)	(9,194)
101-301-712.002	Retirement - HCSP	2,925	4,060	5,001	4,500	4,608	4,719
101-301-712.003	Medical Insurance - Retirees	131,496	130,000	115,860	130,000	135,850	141,963
101-301-712.004	Medical Insurance - Retiree Cont.	(16,119)	(10,400)	(11,541)	(10,400)	(10,868)	(11,357)
101-301-712.005	Medical Insurance - HSA	5,225	10,450	8,038	10,450	8,550	8,550
101-301-712.006	Medical Insurance - HSA (Retirees)	713	8,550	3,925	6,000	6,000	6,000
101-301-713.000	Life Insurance	819	7,200	3,277	5,000	5,000	5,000
101-301-714.000	Retirement - DB (Active Employees)	49,135	67,500	55,878	80,000	90,000	100,000
101-301-714.001	Retirement - Employee Contribution	0	0	0	0	0	0
101-301-714.003	Retirement - DB (Retirees)	136,197	117,500	142,028	175,000	215,000	265,000
101-301-714.500	Retirement - DC (Active Employees)	111	3,100	0	0	0	0
101-301-715.000	Worker's Compensation	6,423	6,330	6,326	6,000	6,000	6,000
101-301-716.000	Unemployment Compensation	80	200	72	200	200	200
101-301-717.000	Longevity	0	0	0	0	0	0



Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
101-301-718.000	Uniform Allowance	4,955	4,605	4,691	4,750	4,750	4,750
101-301-718.100	Uniform Cleaning Allowance	3,950	4,000	3,750	4,000	4,000	4,000
101-301-718.200	Firearm Allowance	0	0	0	0	0	0
101-301-720.000	Tuition, Training and Education	8,020	5,000	2,364	5,000	5,000	5,000
101-301-720.500	302 Training Funds	0	650	787	650	650	650
101-301-727.000	Office Supplies	3,913	2,265	2,521	1,500	1,500	1,500
101-301-728.000	Postage	0	0	0	0	0	0
101-301-731.000	Operating Supplies	16,338	21,600	23,646	16,000	16,000	16,000
101-301-751.000	Gas & Oil	17,579	16,500	16,045	17,500	17,920	18,350
101-301-790.000	Books & Periodicals	13	0	0	0	0	0
101-301-803.000	Janitorial Contract	3,506	3,500	3,506	3,500	3,500	3,500
101-301-809.000	Contractual Services	900	1,500	0	12,000	12,000	12,000
101-301-809.200	Clemis/LEIN Services	12,538	12,000	8,706	12,000	12,500	13,000
101-301-809.911	Dispatch Contract	39,000	40,185	39,000	41,350	42,342	43,359
101-301-827.200	Charges for Services - IT	5,307	5,387	5,387	5,516	5,649	5,784
101-301-851.000	Communications	0	0	0	0	0	0
101-301-852.000	Radio Maintenance	0	0	0	0	0	0
101-301-929.000	Equipment Maintenance	1,528	1,500	739	1,500	1,500	1,500
101-301-930.000	Vehicle Maintenance	17,036	8,500	9,140	10,000	10,000	10,000
101-301-955.000	Miscellaneous Expenses	338	500	240	500	500	500
101-301-956.000	Conferences and Workshops	248	1,250	927	1,250	1,250	1,250
101-301-958.000	Memberships and Dues	964	300	365	300	300	300
101-301-970.000	Capital Outlay	3,312	1,000	995	11,000	11,250	11,500
101-301-995.100	Interest: Governmental Debt	238	0	0	0	0	0
<i>Totals for Department 301 - Police Services</i>		<i>978,006</i>	<i>1,054,687</i>	<i>978,065</i>	<i>1,157,371</i>	<i>1,225,211</i>	<i>1,305,542</i>
<b>Department 339 - Fire/Rescue</b>							
101-339-802.000	Fire Services Contract	256,581	256,581	256,581	256,581	256,581	256,581
<i>Totals for Department 339 - Fire/Rescue</i>		<i>256,581</i>	<i>256,581</i>	<i>256,581</i>	<i>256,581</i>	<i>256,581</i>	<i>256,581</i>
<b>Department 371 - Community Development</b>							
101-371-715.000	Worker's Compensation	17	25	17	25	25	25
101-371-727.000	Office Supplies	0	0	0	0	0	0
101-371-728.000	Postage	0	0	0	0	0	0
101-371-731.000	Operating Supplies	67	0	108	0	0	0
101-371-809.000	Contractual Services	8,925	37,500	37,949	22,500	22,500	22,500
101-371-811.000	Electrical Inspector Fees	1,800	2,000	1,650	2,000	2,000	2,000
101-371-812.000	Mechanical Inspector Fees	8,019	7,470	8,659	7,250	7,250	7,250
101-371-813.000	Building Inspector Fees	14,400	12,180	13,200	14,400	14,400	14,400
101-371-827.100	Charges for Services - Personnel	11,860	11,860	11,860	11,860	11,860	11,860
101-371-827.200	Charges for Services - IT	10,615	10,774	10,774	11,033	11,297	11,568
101-371-955.000	Miscellaneous Expenses	18	750	2,487	750	750	750
101-371-970.000	Capital Outlay	0	0	0	0	0	0
<i>Totals for Department 371 - Community Development</i>		<i>55,721</i>	<i>82,559</i>	<i>86,704</i>	<i>69,818</i>	<i>70,082</i>	<i>70,353</i>
<b>Department 400 - Planning Commission</b>							
101-400-809.000	Contractual Services	0	0	0	0	0	0
101-400-958.000	Memberships and Dues	0	0	0	0	0	0
<i>Totals for Department 400 - Planning Commission</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Department 440 - Public Works</b>							

## C. General Fund

### 101. General Fund Expenditures

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
101-440-702.000	Administration Wages	23,734	25,500	21,127	27,200	27,853	28,521
101-440-711.000	Social Security & Medicare	1,764	1,775	1,542	1,775	1,818	1,861
101-440-712.000	Medical Insurance	11,745	12,100	11,871	12,100	12,584	13,087
101-440-712.001	Medical Insurance - Employee Cont.	(1,172)	(1,210)	(970)	(1,210)	(1,258)	(1,309)
101-440-712.002	Retirement - HCSP	0	0	0	0	0	0
101-440-712.003	Medical Insurance - Retirees	3,363	6,000	3,001	3,500	3,605	3,713
101-440-712.004	Medical Insurance - Retiree Cont.	(112)	0	(283)	0	0	0
101-440-712.005	Medical Insurance - HSA	475	950	975	950	1,900	1,900
101-440-713.000	Life Insurance	77	60	243	60	60	60
101-440-714.000	Retirement - DB (Active Employees)	0	0	0	0	0	0
101-440-714.003	Retirement - DB (Retirees)	19,292	22,701	11,341	17,500	19,276	20,987
101-440-714.500	Retirement - DC (Active Employees)	3,729	3,250	3,144	3,250	3,328	3,408
101-440-715.000	Worker's Compensation	0	9	9	0	0	0
101-440-716.000	Unemployment Compensation	0	0	0	0	0	0
101-440-731.000	Operating Supplies	5,088	4,940	5,973	5,000	5,000	5,000
101-440-809.000	Contractual Services	0	0	0	0	0	0
101-440-809.110	Contractual Services - General	0	0	0	0	0	0
101-440-809.130	Contractual Services - Parks	0	0	0	0	0	0
101-440-809.140	Contractual Services - Facilities	0	0	0	0	0	0
101-440-810.000	Public Works Contract	173,029	127,500	96,884	145,000	155,000	155,000
101-440-920.000	Public Utilities	2,748	3,600	4,494	3,500	3,500	3,500
101-440-955.000	Miscellaneous Expenses	1,345	500	429	2,000	2,000	2,000
101-440-958.000	Memberships and Dues	20	700	695	50	50	50
101-440-970.000	Capital Outlay	0	12,500	13,695	15,000	15,000	15,000
<i>Totals for Department 440 - Public Works</i>		<i>245,125</i>	<i>220,875</i>	<i>174,170</i>	<i>235,675</i>	<i>249,715</i>	<i>252,779</i>
<b>Department 448 - Street Lighting</b>							
101-448-921.000	Streetlighting	34,605	36,500	34,081	36,500	36,500	36,500
<i>Totals for Department 448 - Street Lighting</i>		<i>34,605</i>	<i>36,500</i>	<i>34,081</i>	<i>36,500</i>	<i>36,500</i>	<i>36,500</i>
<b>Department 750 - Recreation</b>							
101-750-702.000	Administration Wages	113,956	125,000	107,329	125,000	128,000	131,072
101-750-704.000	Part-Time Wages	28,214	30,000	26,709	30,000	30,000	30,000
101-750-711.000	Social Security & Medicare	9,952	11,000	10,714	11,000	11,000	11,000
101-750-712.000	Medical Insurance	21,757	23,500	19,517	23,500	24,440	25,418
101-750-712.001	Medical Insurance - Employee Cont.	(1,805)	(2,350)	(1,473)	(2,350)	(2,444)	(2,542)
101-750-712.002	Retirement - HCSP	932	1,000	1,278	1,000	0	0
101-750-712.003	Medical Insurance - Retirees	0	0	0	0	0	0
101-750-712.004	Medical Insurance - Retiree Cont.	0	0	0	0	0	0
101-750-712.005	Medical Insurance - HSA	1,900	3,800	3,900	3,800	3,800	3,800
101-750-713.000	Life Insurance	312	970	1,010	350	350	350
101-750-714.000	Retirement - DB (Active Employees)	14,605	15,000	13,866	12,500	13,769	14,991
101-750-714.001	Retirement - Employee Contribution	0	0	0	0	0	0
101-750-714.003	Retirement - DB (Retirees)	0	0	0	0	0	0
101-750-714.500	Retirement - DC (Active Employees)	0	0	0	0	0	0
101-750-715.000	Worker's Compensation	2,294	2,260	2,259	2,100	2,100	2,100
101-750-716.000	Unemployment Compensation	20	50	18	50	50	50
101-750-720.000	Tuition, Training and Education	600	750	0	750	750	750
101-750-727.000	Office Supplies	3,955	3,500	1,622	3,500	3,500	3,500
101-750-728.000	Postage	900	0	0	0	0	0
101-750-728.500	Newsletter Delivery	(295)	750	301	750	750	750

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
101-750-729.000	Recreation Program Supplies	13,532	11,210	11,258	12,500	12,500	12,500
101-750-730.000	Special Program Supplies	43,796	37,500	39,496	32,500	32,500	32,500
101-750-731.000	Operating Supplies	25,851	21,000	21,585	7,500	7,500	7,500
101-750-736.000	Computer Supplies	0	0	0	0	0	0
101-750-790.000	Books & Periodicals	0	0	0	0	0	0
101-750-803.000	Janitorial Contract	12,053	12,100	12,054	12,100	12,100	12,100
101-750-803.700	Exterminator Service	674	600	633	600	600	600
101-750-809.000	Contractual Services	37,383	24,000	20,479	32,000	32,000	32,000
101-750-809.700	Alarm System	0	0	0	0	0	0
101-750-827.200	Charges for Services - IT	7,961	8,080	8,080	8,274	8,472	8,676
101-750-851.000	Communications	0	0	0	0	0	0
101-750-861.000	Mileage Allowance	443	500	274	500	500	500
101-750-883.000	Sports	12,776	7,500	4,391	7,500	7,500	7,500
101-750-884.000	Spring & Summer Sports	0	0	0	0	0	0
101-750-890.000	Service Charges	241	270	330	0	0	0
101-750-904.000	Printing Newsletter	0	0	0	0	0	0
101-750-920.000	Public Utilities	29,200	24,500	23,483	24,500	25,088	25,690
101-750-929.000	Equipment Maintenance	1,651	2,500	2,505	2,500	2,500	2,500
101-750-931.000	Building Maintenance	12,980	10,000	7,947	15,000	15,000	15,000
101-750-934.000	Parks Maintenance	3,161	6,300	6,315	7,500	7,500	7,500
101-750-955.000	Miscellaneous Expenses	0	0	0	0	0	0
101-750-955.300	Transportation	0	0	0	0	0	0
101-750-956.000	Conferences and Workshops	561	1,500	2,104	1,500	1,500	1,500
101-750-958.000	Memberships and Dues	603	610	610	750	750	750
101-750-961.000	Misc Program Supplies	0	0	0	0	0	0
101-750-970.000	Capital Outlay	1,992	13,330	9,156	25,000	25,000	25,000
<i>Totals for Department 750 - Recreation</i>		<i>402,155</i>	<i>396,730</i>	<i>357,750</i>	<i>402,174</i>	<i>407,075</i>	<i>413,054</i>
<b>Department 863 - Retirement Services</b>							
101-863-712.000	Medical Insurance	0	0	0	0	0	0
101-863-712.001	Medical Insurance - Employee Cont.	0	0	0	0	0	0
101-863-714.000	Retirement - DB (Active Employees)	0	0	0	0	0	0
101-863-714.002	OPEB Trust Contributions	5,000	5,000	5,000	5,000	5,000	5,000
<i>Totals for Department 863 - Retirement Services</i>		<i>5,000</i>	<i>5,000</i>	<i>5,000</i>	<i>5,000</i>	<i>5,000</i>	<i>5,000</i>
<b>Department 966 - Transfers Out</b>							
101-966-999.218	Transfers Out - Infrastructure	0	0	0	0	0	0
101-966-999.251	Transfers Out - Pool Operating	15,000	0	0	0	0	0
101-966-999.259	Transfers Out - SCAF-RF	0	0	0	0	0	0
101-966-999.351	Transfers Out - Debt Service	0	0	0	0	0	0
101-966-999.401	Transfers Out - Capital Improvement	147,000	180,000	180,000	60,000	60,000	60,000
<i>Totals for Department 966 - Transfers Out</i>		<i>162,000</i>	<i>180,000</i>	<i>180,000</i>	<i>60,000</i>	<i>60,000</i>	<i>60,000</i>
<b>TOTAL APPROPRIATIONS</b>		<b>2,821,199</b>	<b>2,952,678</b>	<b>2,684,941</b>	<b>2,960,851</b>	<b>3,061,375</b>	<b>3,163,803</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 101</b>		114,230	89,356	302,993	28,427	29,778	30,146
<b>BEGINNING FUND BALANCE</b>		654,603	768,837	768,837	858,193	886,620	916,398
<b>FUND BALANCE ADJUSTMENTS</b>		0	0	0	0	0	0
<b>ENDING FUND BALANCE</b>		<b>768,833</b>	<b>858,193</b>	<b>1,071,830</b>	<b>886,620</b>	<b>916,398</b>	<b>946,544</b>
		27.3%	29.1%	39.9%	29.9%	29.9%	29.9%

## D. Special Revenue Funds

### 202. Major Street Fund

Fund 202 provides for the maintenance of major streets. Major activities include the maintenance and repair of traffic directional signage, pothole patching and other ongoing maintenance, street sweeping, and winter snow and ice removal.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>FUND 202 - MAJOR STREET FUND</b>							
<b>REVENUES</b>							
202-000-579.000	Act 51 Gas Tax Funding	168,997	170,000	134,608	192,383	197,000	201,728
202-000-579.750	Extra Public Act Funding	0	0	0	0	0	0
202-000-665.000	Interest & Dividend Income	69	50	69	50	50	50
<b>TOTAL REVENUES</b>		<b>169,066</b>	<b>170,050</b>	<b>134,677</b>	<b>192,433</b>	<b>197,050</b>	<b>201,778</b>
<b>APPROPRIATIONS</b>							
<b>Department 463 - Street Maintenance</b>							
202-463-731.000	Operating Supplies	502	4,000	0	1,000	1,000	1,000
202-463-810.000	Public Works Contract	24,135	20,000	21,846	20,000	20,000	20,000
202-463-827.000	Administrative Service Charge	0	0	0	0	0	0
202-463-890.000	Service Charges	0	0	0	0	0	0
202-463-955.000	Miscellaneous Expenses	0	0	0	0	0	0
<i>Totals for Department 463 - Street Maintenance</i>		<i>24,637</i>	<i>24,000</i>	<i>21,846</i>	<i>21,000</i>	<i>21,000</i>	<i>21,000</i>
<b>Department 474 - Traffic Services</b>							
202-474-731.000	Operating Supplies	2,608	3,500	2,596	2,500	2,500	2,500
202-474-810.000	Public Works Contract	0	5,000	0	1,500	1,500	1,500
202-474-935.000	Traffic Control	3,638	4,500	8,948	6,500	6,500	6,500
<i>Totals for Department 474 - Traffic Services</i>		<i>6,246</i>	<i>13,000</i>	<i>11,544</i>	<i>10,500</i>	<i>10,500</i>	<i>10,500</i>
<b>Department 478 - Winter Services</b>							
202-478-731.000	Operating Supplies	10,610	10,000	16,667	12,500	12,500	12,500
202-478-810.000	Public Works Contract	37,212	20,000	13,021	25,000	25,000	25,000
<i>Totals for Department 478 - Winter Services</i>		<i>47,822</i>	<i>30,000</i>	<i>29,688</i>	<i>37,500</i>	<i>37,500</i>	<i>37,500</i>
<b>Department 910 - Capital Assets</b>							
202-910-970.446	Capital Outlay - Streets & Alleys	4,681	30,000	10,438	60,000	30,000	30,000
<i>Totals for Department 910 - Capital Assets</i>		<i>4,681</i>	<i>30,000</i>	<i>10,438</i>	<i>60,000</i>	<i>30,000</i>	<i>30,000</i>
<b>Department 920 - Administration</b>							
202-920-827.000	Administrative Service Charges	11,500	11,500	11,500	11,500	11,500	11,500
202-920-890.000	Service Charges	0	500	0	500	500	500
202-920-955.000	Miscellaneous Expenses	0	2,000	0	2,000	2,000	2,000
<i>Totals for Department 920 - Administration</i>		<i>11,500</i>	<i>14,000</i>	<i>11,500</i>	<i>14,000</i>	<i>14,000</i>	<i>14,000</i>
<b>Department 966 - Transfers Out</b>							
202-966-999.203	Transfers Out - Local Streets	45,000	45,000	45,000	45,000	45,000	45,000

D. Special Revenue Funds  
202. Major Street Fund

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
202-966-999.401	Transfers Out - Capital Improvement	0	0	0	0	0	0
	<i>Totals for Department 966 - Transfers Out</i>	<i>45,000</i>	<i>45,000</i>	<i>45,000</i>	<i>45,000</i>	<i>45,000</i>	<i>45,000</i>
<b>TOTAL APPROPRIATIONS</b>		<b>139,886</b>	<b>156,000</b>	<b>130,016</b>	<b>188,000</b>	<b>158,000</b>	<b>158,000</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 202</b>		29,180	14,050	4,661	4,433	39,050	43,778
<b>BEGINNING FUND BALANCE</b>		44,667	73,847	73,847	87,897	92,330	131,380
<b>ENDING FUND BALANCE</b>		73,847	87,897	78,508	92,330	131,380	175,158

## D. Special Revenue Funds

### 203. Local Street Fund

#### 203. Local Street Fund

Fund 203 provides for the maintenance of local streets. Major activities include the maintenance and repair of traffic directional signage, pothole patching and other ongoing maintenance, street sweeping, and winter snow and ice removal.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 203 - LOCAL STREET FUND</b>							
<b>REVENUES</b>							
203-000-569.000	State Grants - Other	16,564	0	28,395	0	0	0
203-000-574.048	METRO Act	8,565	7,500	500	7,500	7,500	7,500
203-000-579.000	Act 51 Gas Tax Funding	57,642	59,500	45,893	65,631	67,206	68,819
203-000-665.000	Interest & Dividend Income	86	40	255	40	40	40
203-000-679.000	Refunds & Rebates	0	0	0	0	0	0
203-000-699.202	Transfers In - Major Streets	45,000	45,000	45,000	45,000	45,000	45,000
<b>TOTAL REVENUES</b>		<b>127,857</b>	<b>112,040</b>	<b>120,043</b>	<b>118,171</b>	<b>119,746</b>	<b>121,359</b>
<b>APPROPRIATIONS</b>							
<b>Department 463 - Street Maintenance</b>							
203-463-731.000	Operating Supplies	377	1,000	0	1,000	1,000	1,000
203-463-810.000	Public Works Contract	19,528	17,500	41,204	20,000	17,500	17,500
203-463-814.000	Engineering Services	0	0	0	0	0	0
203-463-827.000	Administrative Service Charge	0	0	0	0	0	0
203-463-890.000	Service Charges	0	0	0	0	0	0
203-463-955.000	Miscellaneous Expenses	0	0	0	0	0	0
<i>Totals for Department 463 - Street Maintenance</i>		<b>19,905</b>	<b>18,500</b>	<b>41,204</b>	<b>21,000</b>	<b>18,500</b>	<b>18,500</b>
<b>Department 474 - Traffic Services</b>							
203-474-731.000	Operating Supplies	4,318	3,000	6,751	4,000	4,000	4,000
203-474-810.000	Public Works Contract	3,000	4,000	503	3,000	3,000	3,000
<i>Totals for Department 474 - Traffic Services</i>		<b>7,318</b>	<b>7,000</b>	<b>7,254</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>
<b>Department 478 - Winter Services</b>							
203-478-731.000	Operating Supplies	8,124	12,000	22,732	12,500	12,500	12,500
203-478-810.000	Public Works Contract	49,069	27,500	19,531	30,000	30,000	30,000
<i>Totals for Department 478 - Winter Services</i>		<b>57,193</b>	<b>39,500</b>	<b>42,263</b>	<b>42,500</b>	<b>42,500</b>	<b>42,500</b>
<b>Department 910 - Capital Assets</b>							
203-910-970.446	Capital Outlay - Streets & Alleys	3,121	30,000	0	60,000	30,000	30,000
<i>Totals for Department 910 - Capital Assets</i>		<b>3,121</b>	<b>30,000</b>	<b>0</b>	<b>60,000</b>	<b>30,000</b>	<b>30,000</b>
<b>Department 920 - Administration</b>							
203-920-814.000	Engineering Services	0	2,000	0	1,000	1,000	1,000
203-920-827.000	Administrative Service Charges	3,900	3,900	3,900	3,900	3,900	3,900
203-920-890.000	Service Charges	0	300	16	300	300	300
203-920-955.000	Miscellaneous Expenses	0	1,000	0	1,000	1,000	1,000
<i>Totals for Department 920 - Administration</i>		<b>3,900</b>	<b>7,200</b>	<b>3,916</b>	<b>6,200</b>	<b>6,200</b>	<b>6,200</b>
<b>Department 966 - Transfers Out</b>							

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
203-966-999.218	Transfers Out - Infrastructure	0	0	0	0	0	0
	<i>Totals for Department 910 - Transfers Out</i>	0	0	0	0	0	0
<b>TOTAL APPROPRIATIONS</b>		<b>91,437</b>	<b>102,200</b>	<b>94,637</b>	<b>136,700</b>	<b>104,200</b>	<b>104,200</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 203</b>		36,420	9,840	25,406	(18,529)	15,546	17,159
<b>BEGINNING FUND BALANCE</b>		29,246	65,666	65,666	75,506	56,977	72,523
<b>ENDING FUND BALANCE</b>		65,666	75,506	91,072	56,977	72,523	89,682

## 218. Infrastructure Improvements

Fund 218 provides for the City's infrastructure improvement program, consisting primarily of road reconstruction projects. The program is funded by a 20-year infrastructure improvement approved by the voters in 2014 as a renewal of an earlier 20-year millage. The City sold bonds with a face value of \$3,000,000 in April of 2017 to provide funding for the completion of the street reconstruction program in 2017 and 2018. The term of the bond is 15 years and it is being repaid using the annual infrastructure millage funds.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 218 - INFRASTRUCTURE IMPROVEMENTS</b>							
<b>ESTIMATED REVENUES</b>							
218-000-406.000	Infrastructure Taxes	397,104	407,031	407,131	419,995	430,074	440,396
218-000-406.500	Parks Improvement Taxes	0	0	0	0	0	0
218-000-532.000	Local Grants	5,627	8,900	8,865	0	0	0
218-000-573.000	Local Community Stabilization	12,515	0	3,303	3,000	3,000	3,000
218-000-665.000	Interest & Dividend Income	7,907	13,900	19,954	5,000	5,000	5,000
218-000-675.000	Contributions & Donations	33,700	0	0	0	0	0
218-000-679.000	Refunds & Rebates	0	0	0	0	0	0
218-000-698.000	Bond/Note Issuance @ Face Value	0	0	0	0	0	0
218-000-699.101	Transfers In - General Fund	0	0	0	0	0	0
218-000-699.203	Transfers In - Local Roads	0	0	0	0	0	0
218-000-699.259	Transfers In - SCAF	0	0	0	0	0	0
218-000-699.260	Transfers In - DDA	40,000	0	0	0	0	80,000
<b>TOTAL REVENUES</b>		<b>496,853</b>	<b>429,831</b>	<b>439,253</b>	<b>427,995</b>	<b>438,074</b>	<b>528,396</b>
<b>APPROPRIATIONS</b>							
<b>Department 905 - Long-Term Debt Retirement</b>							
218-905-816.000	Paying Agent Fees	500	0	0	0	0	0
218-905-816.001	Bond Issuance Costs	1,535	0	0	0	0	0
218-905-991.044	Principal: 2017 Street Bonds	0	150,000	150,000	155,000	160,000	170,000
218-905-995.044	Interest: 2017 Street Bonds	82,250	87,750	87,750	83,175	78,450	73,500
<i>Totals for department 910 - Long-Term Debt Retirement</i>		<i>84,285</i>	<i>237,750</i>	<i>237,750</i>	<i>238,175</i>	<i>238,450</i>	<i>243,500</i>
<b>Department 910 - Capital Outlay</b>							
218-910-970.003	Capital Outlay - Facilities	0	0	0	50,000	10,000	10,000
218-910-970.446	Capital Outlay - Streets & Alleys	520,441	601,000	545,206	525,000	75,000	75,000
218-910-970.750	Capital Outlay - Recreation	146,932	199,000	211,560	60,000	40,000	20,000
<i>Totals for department 910 - Capital Outlay</i>		<i>667,373</i>	<i>800,000</i>	<i>756,766</i>	<i>635,000</i>	<i>125,000</i>	<i>105,000</i>
<b>Department 920 - Service Charges</b>							
218-920-890.000	Service Charges	172	0	477	0	0	0
<i>Totals for department 910 - Capital Outlay</i>		<i>172</i>	<i>0</i>	<i>477</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Department 966 - Transfers Out</b>							
218-966-999.259	Transfers Out - SCAF-RF	0	0	0	0	0	0
218-966-999.401	Transfers Out - Capital Improvement	0	0	0	0	0	0
<i>Totals for department 966 - Transfers Out</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>TOTAL APPROPRIATIONS</b>		<b>751,830</b>	<b>1,037,750</b>	<b>994,993</b>	<b>873,175</b>	<b>363,450</b>	<b>348,500</b>



D. Special Revenue Funds  
218. Infrastructure Improvements

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
NET OF REVENUES/APPROPRIATIONS - FUND 218		(254,977)	(607,919)	(555,740)	(445,180)	74,624	179,896
BEGINNING FUND BALANCE		2,031,748	1,776,771	1,776,771	1,168,852	723,672	798,296
ENDING FUND BALANCE		1,776,771	1,168,852	1,221,031	723,672	798,296	978,192

## D. Special Revenue Funds

### 226. Solid Waste Fund

#### 226. Solid Waste Fund

Fund 226 provides for the collection and disposal of all solid waste, recycling services, and brush pickup/removal.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 226 - SOLID WASTE FUND</b>							
<b>ESTIMATED REVENUES</b>							
226-000-403.000	Refuse Collection Taxes	226,765	230,537	232,492	239,831	245,587	251,481
226-000-531.000	Federal Grants	0	0	0	0	0	0
226-000-573.000	Local Community Stabilization	8,591	1,900	1,886	0	0	0
226-000-630.000	Service Charges	152,286	150,750	158,083	152,196	155,849	159,589
226-000-642.000	Sales	(8)	300	180	300	300	300
226-000-662.000	Utility Bill Penalties	2,479	2,000	2,283	2,000	2,000	2,000
226-000-665.000	Interest & Dividend Income	60	30	180	30	30	30
<b>TOTAL REVENUES</b>		<b>390,173</b>	<b>385,517</b>	<b>395,104</b>	<b>394,357</b>	<b>403,766</b>	<b>413,400</b>
<b>APPROPRIATIONS</b>							
<b>Department 248 - General Government</b>							
226-248-702.000	Administration Wages	30,049	24,500	22,800	27,800	28,467	29,150
226-248-704.000	Part-Time Wages	1,079	3,200	0	3,200	3,277	3,355
226-248-711.000	Social Security & Medicare	1,279	2,400	1,688	2,400	2,458	2,517
226-248-712.000	Medical Insurance	5,840	5,750	6,074	5,750	5,865	5,982
226-248-712.001	Medical Insurance - Employee Cont.	(456)	0	(535)	0	0	0
226-248-712.002	Retirement - HCSP	1,127	500	496	500	500	500
226-248-712.003	Medical Insurance - Retirees	1,009	1,500	900	1,500	1,500	1,500
226-248-712.004	Medical Insurance - Retiree Cont.	(208)	0	(85)	0	0	0
226-248-712.005	Medical Insurance - HSA	380	100	780	100	100	100
226-248-713.000	Life Insurance	102	100	250	100	100	100
226-248-714.000	Retirement - DB (Active Employees)	620	750	630	750	841	841
226-248-714.001	Retirement - Employee Contribution	0	0	0	0	0	0
226-248-714.003	Retirement - DB (Retirees)	0	1,050	0	1,050	1,050	1,050
226-248-714.500	Retirement - DC (Active Employees)	1,039	1,050	1,023	1,050	1,050	1,050
226-248-715.000	Worker's Compensation	199	250	196	250	250	250
226-248-716.000	Unemployment Compensation	8	25	7	25	25	25
226-248-890.000	Service Charges	0	500	0	500	500	500
<i>Totals for department 248 - General Government</i>		<i>42,067</i>	<i>41,675</i>	<i>34,224</i>	<i>44,975</i>	<i>45,983</i>	<i>46,921</i>
<b>Department 528 - Refuse Collection &amp; Disposal</b>							
226-528-805.000	Refuse Collections Contract	200,124	210,105	189,189	217,459	222,678	228,022
226-528-806.250	Special Household Waste Prog	2,694	3,000	2,369	3,000	3,000	3,000
226-528-810.000	Public Works Contract	50,339	32,500	25,827	35,000	35,000	35,000
226-528-810.001	Leaf Collection	67,315	55,000	63,286	60,000	60,000	60,000
226-528-810.100	Street Sweeping	7,650	13,000	5,860	13,000	13,000	13,000
226-528-827.000	Administrative Service Charge	15,288	15,517	15,517	15,889	16,271	16,661
226-528-827.200	Charges for Services - IT	7,568	7,682	7,681	7,866	8,055	8,248
<i>Totals for department 528 - Refuse Collection &amp; Disposal</i>		<i>350,978</i>	<i>336,804</i>	<i>309,729</i>	<i>352,214</i>	<i>358,004</i>	<i>363,932</i>
<b>TOTAL APPROPRIATIONS</b>		<b>393,045</b>	<b>378,479</b>	<b>343,953</b>	<b>397,189</b>	<b>403,986</b>	<b>410,853</b>

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>NET OF REVENUES/APPROPRIATIONS - FUND 226</b>		(2,872)	7,038	51,151	(2,832)	(221)	2,548
<b>BEGINNING FUND BALANCE</b>		19,558	16,686	16,686	23,724	20,892	20,671
<b>ENDING FUND BALANCE</b>		16,686	23,724	67,837	20,892	20,671	23,219

## D. Special Revenue Funds

### 251. Pool/Fitness Facility

#### 251. Pool/Fitness Facility

Fund 251 provides for the operation and maintenance of the community pool and wellness center. Most revenues are provided by a 25-year operating millage approved by the voters in 2003.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 251 - POOL/FITNESS FACILITY</b>							
<b>ESTIMATED REVENUES</b>							
251-000-408.000	Pool Operating Taxes	168,368	171,166	172,614	178,064	182,337	186,713
251-000-573.000	Local Community Stabilization	6,379	1,410	1,401	1,000	1,000	1,000
251-000-636.100	Pool Visitor Fees	1,040	500	0	500	500	500
251-000-636.200	Swimming Lesson Fees	4,413	5,000	3,688	4,000	4,000	4,000
251-000-636.300	Swim Team Fees	37,684	40,000	32,298	37,500	37,500	37,500
251-000-636.400	Synchronized Swimming Fees	0	400	0	0	0	0
251-000-665.000	Interest & Dividend Income	56	20	139	20	20	20
251-000-698.000	Bond/Note Issuance @ Face Value	0	0	0	0	0	0
251-000-699.101	Transfers In - General Fund	15,000	0	0	0	0	0
251-000-699.258	Transfers In - SCAF-PSRF	0	0	0	0	0	0
251-000-699.259	Transfers In - SCAF	0	0	0	0	0	0
<b>TOTAL REVENUES</b>		<b>232,940</b>	<b>218,496</b>	<b>210,140</b>	<b>221,084</b>	<b>225,357</b>	<b>229,733</b>
<b>APPROPRIATIONS</b>							
<b>Department 750 - Recreation</b>							
251-750-970.000	Capital Outlay	0	0	0	0	0	0
251-750-983.000	Leased Assets	21,757	22,957	22,843	21,757	21,757	21,757
<i>Totals for department 750 - Recreation</i>		<i>21,757</i>	<i>22,957</i>	<i>22,843</i>	<i>21,757</i>	<i>21,757</i>	<i>21,757</i>
<b>Department 759 - Pool/Fitness Facility Operations</b>							
251-759-702.000	Administration Wages	14,172	13,500	10,280	0	0	0
251-759-704.000	Part-Time Wages	45,448	42,000	34,748	42,000	42,000	42,000
251-759-711.000	Social Security & Medicare	6,550	5,200	3,790	5,200	5,200	5,200
251-759-712.000	Medical Insurance	44	3,325	0	3,325	3,458	3,596
251-759-712.001	Medical Insurance - Employee Cont.	0	(333)	0	(333)	(346)	(360)
251-759-712.002	Retirement - HCSP	379	330	250	330	330	330
251-759-713.000	Life Insurance	0	0	0	0	0	0
251-759-714.000	Retirement - DB (Active Employees)	0	0	0	0	0	0
251-759-714.001	Retirement - Employee Contribution	0	0	0	0	0	0
251-759-715.000	Worker's Compensation	931	1,050	917	1,050	1,050	1,050
251-759-716.000	Unemployment Compensation	0	0	0	0	0	0
251-759-727.000	Office Supplies	888	750	0	750	750	750
251-759-728.000	Postage	0	0	0	0	0	0
251-759-731.000	Operating Supplies	9,089	9,500	11,200	8,500	8,500	8,500
251-759-731.500	Pool Chemicals	7,606	7,000	3,381	7,500	7,500	7,500
251-759-738.000	Licenses & Permits	136	300	153	150	150	150
251-759-803.000	Janitorial Contract	8,035	8,046	8,034	9,000	9,000	9,000
251-759-809.000	Contractual Services	0	0	0	0	0	0
251-759-827.000	Administrative Service Charge	12,741	12,932	12,932	13,242	13,560	13,886
251-759-827.200	Charges for Services - IT	2,654	2,694	2,694	2,759	2,825	2,893
251-759-851.000	Communications	0	0	0	0	0	0

## D. Special Revenue Funds

## 251. Pool/Fitness Facility

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
251-759-880.200	Swim Team	37,930	40,000	28,819	40,000	40,000	40,000
251-759-880.300	Suits & Sweats/uniforms	1,208	2,000	3,344	2,000	2,000	2,000
251-759-880.400	Synchronized Swimming	0	500	58	250	250	250
251-759-890.000	Service Charges	0	200	3	200	200	200
251-759-920.000	Public Utilities	12,632	12,000	12,409	12,500	12,500	12,500
251-759-920.300	Utilities - Water	16,130	16,800	4,819	16,000	16,000	16,000
251-759-929.000	Equipment Maintenance	3,930	5,000	946	6,000	6,000	5,000
251-759-929.500	Pool Maintenance	8,437	5,000	19,326	8,000	8,000	8,000
251-759-931.000	Building Maintenance	5,741	5,454	6,957	7,000	7,000	7,000
251-759-970.000	Capital Outlay	0	0	0	0	0	0
<i>Totals for dept 759 - Pool/Fitness Facility Operations</i>		<i>194,681</i>	<i>193,248</i>	<i>165,060</i>	<i>185,424</i>	<i>185,927</i>	<i>185,445</i>
<b>TOTAL APPROPRIATIONS</b>		<b>216,438</b>	<b>216,205</b>	<b>187,903</b>	<b>207,181</b>	<b>207,684</b>	<b>207,202</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 251</b>		16,502	2,291	22,237	13,903	17,673	22,531
<b>BEGINNING FUND BALANCE</b>		4,838	21,340	21,340	23,631	37,534	55,207
<b>ENDING FUND BALANCE</b>		21,340	23,631	43,577	37,534	55,207	77,738

## D. Special Revenue Funds

### 258. Segregated Capital Assets Fund – Parks Special Revenue Fund (SCAF-PSRF)

#### 258. Segregated Capital Assets Fund – Parks Special Revenue Fund (SCAF-PSRF)

The Segregated Capital Assets Fund (SCAF) includes settlement funds that are invested in various accounts. SCAF consists of two constituent parts – a Parks Special Revenue Fund invested under the terms of Section 7a of Public Act 20 of 1943 (MCL 129.97a), and a Remainder Fund invested under the terms of Section 1 of Public Act 20 of 1943 (MCL 129.91).

As restricted by Sections 2-255 through 2-263 of the City's Code of Ordinances, the City may use interest and investment returns for purposes specified in the Ordinance. The principal balance of the funds ("corpus") may not be used, spent, or diverted without a supermajority vote of the Commission following the procedures set forth in Section 2-261 of the Code of Ordinances.

The restricted corpus (principal) amount of the SCAF is \$3,242,872, which was the settlement amount received by the City during fiscal year 1995. On January 13, 2015 the City Commission passed ordinance 408 which created the SCAF Parks Special Revenue Fund (SCAF-PSRF) and allocated \$2,000,000 of the total SCAF principal balance to that newly-created fund, and by ordinance established that that protected corpus (principal) balance be indexed for inflation. This left \$1,242,872 as the restricted corpus (principal) balance of the SCAF Remainder Fund (SCAF-RF). The SCAF-RF principal balance is not indexed for inflation.

The SCAF-PSRF was invested in March of 2015. For the purposes of inflation indexing, the City uses the Consumer Price Index for All Urban Consumers (CPI-U) for the Detroit-Ann Arbor-Flint, MI region as calculated by the United States Bureau of Labor Statistics.<sup>4</sup> The baseline CPI-U value for the SCAF-PSRF is 221.784, the annual value for 2014 which was the most recent available annual published value when the SCAF-PSRF was invested. The SCAF-PSRF restricted corpus (principal) balance is updated each year using the annual CPI-U value for the year preceding for budgeting purposes.

The following table summarizes the yearly performance of the parks special revenue fund, the CPI-U value, and preceding year cash returns. The funds available for spending are the greater of the market value of the fund minus the inflation-indexed corpus value, or the preceding year cash returns. The SCAF-PSRF fund is projected to return \$45,000 in cash returns over the July 1, 2018 through June 30, 2019 period. A \$20,000 annual cash expenditure from the SCAF-PSRF for recreation capital projects is planned annually the next three budget years.

**SCAF-PSRF Summary Table**

Date	Market Value	CPI-U Value	Inflation-Indexed Corpus Value	Preceding Year Cash Returns	Available Funds
March 31, 2015	\$2,000,000	221.784	\$2,000,000	--	--
March 31, 2016	\$1,947,373	218.706	\$1,972,243	\$17,547	\$17,547
March 31, 2017	\$2,132,749	222.167	\$2,003,454	\$49,386	\$129,295
March 31, 2018	\$2,196,323	226.896	\$2,046,099	\$52,867	\$150,224
March 31, 2019	\$2,309,551	232.250	\$2,094,380	\$43,738*	\$215,171

\* Cash returns (dividends + capital gains) are for partial FY18-19 as of 3/31/19

<sup>4</sup> [https://www.bls.gov/regions/midwest/data/consumerpriceindexhistorical\\_detroit\\_table.pdf](https://www.bls.gov/regions/midwest/data/consumerpriceindexhistorical_detroit_table.pdf)

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 258 - SCAF PARKS SPECIAL REVENUE FUND</b>							
<b>ESTIMATED REVENUES</b>							
258-000-665.000	Interest & Dividend Income	52,867	45,000	45,654	50,000	52,500	55,000
258-000-665.100	Unrealized/Realized Gain/Loss	103,403	20,000	61,810	20,000	20,000	20,000
<b>TOTAL REVENUES</b>		<b>156,270</b>	<b>65,000</b>	<b>107,464</b>	<b>70,000</b>	<b>72,500</b>	<b>75,000</b>
<b>APPROPRIATIONS</b>							
<b>Department 966 - Transfers Out</b>							
258-966-999.101	Transfers Out - General Fund	0	0	0	0	0	0
258-966-999.251	Transfers Out - Pool Operating	0	0	0	0	0	0
258-966-999.401	Transfers Out - Capital Improvement	100,000	20,000	0	20,000	20,000	20,000
<i>Totals for department 966 - Transfers Out</i>		<i>100,000</i>	<i>20,000</i>	<i>0</i>	<i>20,000</i>	<i>20,000</i>	<i>20,000</i>
<b>TOTAL APPROPRIATIONS</b>		<b>100,000</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 258</b>							
		56,270	45,000	107,464	50,000	52,500	55,000
<b>BEGINNING FUND BALANCE</b>		2,192,745	2,249,015	2,249,015	2,294,015	2,344,015	2,396,515
<b>ENDING FUND BALANCE</b>		2,249,015	2,294,015	2,356,479	2,344,015	2,396,515	2,451,515

## D. Special Revenue Funds

### 259. Segregated Capital Assets Fund Remainder Fund (SCAF-RF)

#### 259. Segregated Capital Assets Fund Remainder Fund (SCAF-RF)

\$1,242,872 is the restricted corpus (principal) balance of the SCAF Remainder Fund (SCAF-RF). The SCAF-RF principal balance is not indexed for inflation. The SCAF-RF has been used to finance the construction of Gainsboro Park. The recreation expenditures will be repaid using the park improvement millage which runs through FY24-25.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 259 - SCAF REMAINDER FUND</b>							
<b>ESTIMATED REVENUES</b>							
259-000-406.500	Parks Improvement Taxes	100,275	101,789	102,810	106,064	108,610	111,216
259-000-540.000	State Grant	25,000	0	0	0	0	0
259-000-573.000	Local Community Stabilization	0	1,000	910	0	0	0
259-000-665.000	Interest & Dividend Income	921	4,247	950	1,000	1,000	1,000
259-000-665.100	Unrealized/Realized Gain/Loss	0	0	0	0	0	0
259-000-665.260	Interest Income - DDA	0	0	0	0	0	0
259-000-699.218	Transfers In - Infrastructure	0	0	0	0	0	0
259-000-699.101	Transfers In - General Fund	0	0	0	0	0	0
<b>TOTAL REVENUES</b>		<b>126,196</b>	<b>107,036</b>	<b>104,670</b>	<b>107,064</b>	<b>109,610</b>	<b>112,216</b>
<b>APPROPRIATIONS</b>							
<b>Department 248 - General Government</b>							
259-248-890.000	Service Charges	18	100	17	100	100	100
<i>Totals for department 248 - General Government</i>		<i>18</i>	<i>100</i>	<i>17</i>	<i>100</i>	<i>100</i>	<i>100</i>
<b>Department 910 - Capital Assets</b>							
259-910-970.750	Capital Outlay - Recreation	75,689	25,000	23,649	0	0	0
<i>Totals for department 248 - General Government</i>		<i>75,689</i>	<i>25,000</i>	<i>23,649</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Department 966 - Transfers Out</b>							
259-966-999.218	Transfers Out - Infrastructure	0	0	0	0	0	0
259-966-999.251	Transfers Out - Pool Operating	0	0	0	0	0	0
259-966-999.351	Transfers Out - Debt Service	0	0	0	0	0	0
<i>Totals for department 966 - Transfers Out</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>TOTAL APPROPRIATIONS</b>		<b>75,707</b>	<b>25,100</b>	<b>23,666</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 259</b>		50,489	81,936	81,004	106,964	109,510	112,116
<b>BEGINNING FUND BALANCE</b>		475,643	526,132	526,132	608,068	715,032	824,542
<b>FUND BALANCE ADJUSTMENTS</b>							
<b>ENDING FUND BALANCE</b>		526,132	608,068	607,136	715,032	824,542	936,658



## 260. Downtown Development Authority

Fund 260 provides for the collection of TIFA taxes and the expenditure of funds on activities in support of the Downtown Development Authority's Development Plan. The DDA paid for the alley reconstruction from 10 Mile to Devonshire during the 2015-16 through 2017-18 budget years. Other notable DDA activities include maintenance and capital improvements to the Woodward Avenue streetscape and beginning in 2016-17 the reinstatement of a development grant program to assist property owners in the DDA in making façade or property beautification improvements. In 2019-20 the DDA will continue to refine the development plans for a future project to comprehensively refresh the Woodward Avenue streetscape.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 260 - DOWNTOWN DEVELOPMENT AUTHORITY</b>							
<b>ESTIMATED REVENUES</b>							
260-000-405.000	T.I.F.A. Taxes	92,710	99,416	93,102	102,380	104,837	107,353
260-000-410.500	Delinquent Tax Collection	856	100	348	100	100	102
260-000-540.000	State Grant	1,233	0	0	0	0	0
260-000-573.000	Local Community Stabilization	0	2,500	2,453	2,500	2,500	2,560
260-000-665.000	Interest & Dividend Income	150	25	234	25	25	26
260-000-671.000	Miscellaneous Other Revenues	500	1,000	120	250	250	250
260-000-675.000	Contributions & Donations	0	0	0	0	0	0
<b>TOTAL REVENUES</b>		<b>95,449</b>	<b>103,041</b>	<b>96,257</b>	<b>105,255</b>	<b>107,712</b>	<b>110,291</b>
<b>APPROPRIATIONS</b>							
<b>Department 730 - Development Activities</b>							
260-730-731.000	Operating Supplies	0	0	110	0	0	0
260-730-740.200	Sales Tax Expense	1	30	1	30	30	30
260-730-809.000	Contractual Services	10,000	35,000	8,365	50,000	7,500	7,500
260-730-827.000	Administrative Service Charge	14,200	14,200	14,200	14,200	14,200	14,200
260-730-880.000	Community Promotion	1,766	4,500	790	4,500	4,500	4,500
260-730-890.000	Service Charges	0	500	12	500	500	500
260-730-955.000	Miscellaneous Expenses	55	1,000	0	500	500	500
260-730-955.200	Concerts in the Park	0	0	0	0	0	0
260-730-955.400	Brick Paver Program	0	0	190	0	0	0
260-730-955.500	Development Grant	0	5,500	0	3,000	3,000	3,000
260-730-970.000	Capital Outlay	20,000	10,000	1,679	10,000	180,000	0
260-730-991.100	Principal: Governmental Debt	0	0	0	0	0	0
260-730-995.100	Interest: Governmental Debt	0	0	0	0	0	0
260-730-999.218	Transfers Out - Infrastructure	40,000	0	0	0	0	80,000
<i>Totals for department 730 - Development Activities</i>		<i>86,022</i>	<i>70,730</i>	<i>25,347</i>	<i>82,730</i>	<i>210,230</i>	<i>110,230</i>
<b>TOTAL APPROPRIATIONS</b>		<b>86,022</b>	<b>70,730</b>	<b>25,347</b>	<b>82,730</b>	<b>210,230</b>	<b>110,230</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 260</b>							
		9,427	32,311	70,910	22,525	(102,518)	61
<b>BEGINNING FUND BALANCE</b>							
		65,145	74,572	74,572	106,883	129,408	26,890
<b>ENDING FUND BALANCE</b>							
		74,572	106,883	145,482	129,408	26,890	26,951

## D. Special Revenue Funds

### 271. Library Fund

#### 271. Library Fund

Fund 271 provides for the collection of library services taxes and the annual payment of Pleasant Ridge's contract with the Huntington Woods library. Library services are funded by a 0.5 mill property tax adopted by the voters in 2014 for tax years 2015-16 through 2019-20. The City levies 0.3675 mills to generate the required revenue.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 271 - LIBRARY FUND</b>							
<b>ESTIMATED REVENUES</b>							
271-000-407.000	Library Taxes	52,483	54,438	54,938	56,675	58,035	59,428
271-000-573.000	Local Community Stabilization	1,939	440	437	0	0	0
271-000-665.000	Interest & Dividend Income	33	71	70	20	20	20
<b>TOTAL REVENUES</b>		<b>54,455</b>	<b>54,949</b>	<b>55,445</b>	<b>56,695</b>	<b>58,055</b>	<b>59,448</b>
<b>APPROPRIATIONS</b>							
<b>Department 299 - Library</b>							
271-299-800.000	Library Services Contract	41,409	42,370	42,236	43,400	44,442	45,508
271-299-827.000	Administrative Service Charge	13,148	13,345	13,345	13,665	13,993	14,329
271-299-890.000	Service Charges	0	225	1	225	225	225
<i>Totals for department 299 - Library</i>		<i>54,557</i>	<i>55,940</i>	<i>55,582</i>	<i>57,290</i>	<i>58,660</i>	<i>60,062</i>
<b>TOTAL APPROPRIATIONS</b>		<b>54,557</b>	<b>55,940</b>	<b>55,582</b>	<b>57,290</b>	<b>58,660</b>	<b>60,062</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 271</b>		<b>(102)</b>	<b>(991)</b>	<b>(137)</b>	<b>(595)</b>	<b>(604)</b>	<b>(614)</b>
<b>BEGINNING FUND BALANCE</b>		10,779	10,677	10,677	9,686	9,091	8,486
<b>ENDING FUND BALANCE</b>		10,677	9,686	10,540	9,091	8,486	7,872

**297. Historical Fund**

Fund 297 provides for the funding of projects and activities undertaken by the Historical Commission. These activities are funded by the Commission's annual Home and Garden tour.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 297 - HISTORICAL FUND</b>							
<b>ESTIMATED REVENUES</b>							
297-000-642.000	Sales	1,728	1,850	2,790	250	250	250
297-000-651.000	Use & Admission Fees	5,295	4,900	0	5,750	5,750	5,750
297-000-654.000	Ticket Sales & Field Trips	50	0	0	0	0	0
297-000-665.000	Interest & Dividend Income	15	10	17	10	10	10
297-000-675.000	Contributions & Donations	2,067	350	148	350	350	350
<b>TOTAL REVENUES</b>		<b>9,155</b>	<b>7,110</b>	<b>2,955</b>	<b>6,360</b>	<b>6,360</b>	<b>6,360</b>
<b>APPROPRIATIONS</b>							
<b>Department 803 - Historic Activities</b>							
297-803-727.000	Office Supplies	0	0	0	0	0	0
297-803-728.500	Newsletter Delivery	0	0	0	0	0	0
297-803-731.000	Operating Supplies	5,876	5,500	2,800	5,500	5,500	5,500
297-803-740.200	Sales Tax Expense	23	30	60	30	30	30
297-803-827.000	Administrative Service Charge	0	0	0	0	0	0
297-803-890.000	Service Charges	0	100	0	100	100	100
297-803-931.000	Building Maintenance	625	650	395	650	650	650
297-803-955.000	Miscellaneous Expenses	385	500	40	500	500	500
297-803-970.000	Capital Outlay	11,850	0	0	0	0	0
<i>Totals for department 803 - Historic Activities</i>		<i>18,759</i>	<i>6,780</i>	<i>3,295</i>	<i>6,780</i>	<i>6,780</i>	<i>6,780</i>
<b>TOTAL APPROPRIATIONS</b>		<b>18,759</b>	<b>6,780</b>	<b>3,295</b>	<b>6,780</b>	<b>6,780</b>	<b>6,780</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 297</b>		<b>(9,604)</b>	<b>330</b>	<b>(340)</b>	<b>(420)</b>	<b>(420)</b>	<b>(420)</b>
<b>BEGINNING FUND BALANCE</b>		<b>16,949</b>	<b>7,345</b>	<b>7,345</b>	<b>7,675</b>	<b>7,255</b>	<b>6,835</b>
<b>ENDING FUND BALANCE</b>		<b>7,345</b>	<b>7,675</b>	<b>7,005</b>	<b>7,255</b>	<b>6,835</b>	<b>6,415</b>

### 301. Debt Service (Voted Bonds)

This fund accounts for the repayment of the current portion of debt principal and interest due during the current fiscal year on general obligation unlimited tax debt, as approved by the electors. The debt was used to construct the pool and wellness center and was issued in 2003, and the final payment will be in 2029.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 301 - Debt Service (Voted Bonds)</b>							
<b>ESTIMATED REVENUES</b>							
301-000-404.000	Debt Service Property Taxes	177,237	189,598	191,205	190,651	184,000	204,000
301-000-573.000	Local Community Stabilization	5,377	1,610	1,608	0	0	0
301-000-665.000	Interest & Dividend Income	0	0	0	0	0	0
<b>TOTAL REVENUES</b>		<b>182,614</b>	<b>191,208</b>	<b>192,813</b>	<b>190,651</b>	<b>184,000</b>	<b>204,000</b>
<b>APPROPRIATIONS</b>							
<b>Department 905 - Long-Term Debt Retirement</b>							
301-905-809.000	Contractual Services	1,000	1,500	1,000	1,500	1,500	1,500
301-905-816.000	Paying Agent Fees	750	750	750	750	750	750
301-905-991.047	Principal: Community Center Debt	100,000	125,000	125,000	125,000	125,000	150,000
301-905-995.047	Interest: Community Center Debt	71,525	67,500	67,525	62,212	56,899	51,587
<i>Totals for department 905 - Long-Term Debt Retirement</i>		<i>173,275</i>	<i>194,750</i>	<i>194,275</i>	<i>189,462</i>	<i>184,149</i>	<i>203,837</i>
<b>TOTAL APPROPRIATIONS</b>		<b>173,275</b>	<b>194,750</b>	<b>194,275</b>	<b>189,462</b>	<b>184,149</b>	<b>203,837</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 301</b>		9,339	(3,542)	(1,462)	1,189	(149)	163
<b>BEGINNING FUND BALANCE</b>		5,538	14,877	14,877	11,335	12,524	12,375
<b>ENDING FUND BALANCE</b>		14,877	11,335	13,415	12,524	12,375	12,538

## 401. Capital Improvement Fund

The Capital Improvement Fund is being re-established to provide for non-infrastructure capital projects over \$5,000 in cost. The Capital Improvement Fund will allow the City to save for large purchases over multiple budget years to ensure that the City can maintain investment in its facilities and equipment. The Capital Improvement Fund has/will pay for new police vehicles in 2016 and 2018 and will be used to handle necessary buildings and facilities maintenance and improvements as necessary. The major project planned for 2019 is the renovation of the City Commission chambers at City Hall and Gainsboro Park pathway lighting.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 401 - Capital Improvement Fund</b>							
<b>ESTIMATED REVENUES</b>							
401-000-665.000	Interest & Dividend Income	368	0	2,315	0	0	0
401-000-675.000	Contributions & Donations	88,637	45,000	45,000	30,000	0	0
401-000-699.101	Transfers In - General Fund	147,000	180,000	180,000	60,000	60,000	60,000
401-000-699.202	Transfers In - Major Streets	0	0	0	0	0	0
401-000-699.218	Transfers In - Infrastructure	0	0	0	0	0	0
401-000-699.258	Transfers In - SCAF-PSRF	100,000	20,000	0	20,000	20,000	20,000
<b>TOTAL REVENUES</b>		<b>336,005</b>	<b>245,000</b>	<b>227,315</b>	<b>110,000</b>	<b>80,000</b>	<b>80,000</b>
<b>APPROPRIATIONS</b>							
<b>Department 901 - Capital Outlay</b>							
401-901-970.440	Capital Outlay - Public Works	0	0	0	0	0	0
	<i>Totals for department 910 - Capital Assets</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Department 910 - Capital Assets</b>							
401-910-970.003	Capital Outlay - Facilities	2,400	150,500	151,103	175,000	10,000	10,000
401-910-970.300	Capital Outlay - Police	0	58,500	58,447	60,000	0	50,000
401-910-970.446	Capital Outlay - Streets & Alleys	0	0	0	0	0	0
401-910-970.750	Capital Outlay - Recreation	161,957	4,000	4,038	40,000	40,000	30,000
	<i>Totals for department 910 - Capital Assets</i>	<i>164,357</i>	<i>213,000</i>	<i>213,588</i>	<i>275,000</i>	<i>50,000</i>	<i>90,000</i>
<b>Department 910 - Capital Assets</b>							
401-920-890.000	Service Charges	4	0	69	100	100	100
	<i>Totals for department 910 - Capital Assets</i>	<i>4</i>	<i>0</i>	<i>69</i>	<i>100</i>	<i>100</i>	<i>100</i>
<b>TOTAL APPROPRIATIONS</b>		<b>164,361</b>	<b>213,000</b>	<b>213,657</b>	<b>275,100</b>	<b>50,100</b>	<b>90,100</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 401</b>							
		171,644	32,000	13,658	(165,100)	29,900	(10,100)
<b>BEGINNING FUND BALANCE</b>							
		111,168	282,812	282,812	314,812	149,712	179,612
<b>ENDING FUND BALANCE</b>							
		282,812	314,812	296,470	149,712	179,612	169,512

### **Revolving Energy Fund**

The Capital Improvement Fund also serves as the City's revolving energy fund. The intent is to establish a self-sustaining fund that finances energy efficiency and renewable energy projects that captures a set portion of the cost savings generated by completed energy projects.

The revolving loan fund supports the previous and ongoing community energy management work undertaken by the City of Pleasant Ridge with support from EcoWorks and the Southeast Michigan Energy Office (SEMREO) and funded by the Michigan Energy Office. This fund provides a financing mechanism for the Pleasant Ridge Strategic Energy Plan, which was adopted in 2017.

The City has committed to allocating at least 50% of the savings achieved through energy efficiency and renewable energy projects to the Capital Improvement Fund, which will provide funding for future energy efficiency and renewable energy projects. The savings achieved from energy projects are calculated using calendar year 2016 as the baseline year. Each year, the metered energy use from all City facilities for the preceding calendar year is compiled and compared to the 2016 baseline year. The reduction in energy usage is calculated and converted into a dollar amount using the most recent years' average utility rates. 50% of this savings is then included in the General Fund transfer to the Capital Improvement Fund to serve as seed funding for additional energy efficiency and renewable energy projects.

The City Manager serves as the City's Energy Manager and has responsibility for management and oversight of the revolving energy fund, energy project implementation, and implementation of the Strategic Energy Plan.

Specific energy fund policies are as follows:

- The purpose of the energy fund is to support the implementation of the City's Strategic Energy Plan.
- 50% of energy project savings are reinvested into the energy fund on an ongoing basis until the capital cost of all energy projects has been repaid. If all projects have been repaid, then the aggregate savings amount will be contributed to the energy fund for a minimum of 5 additional years.
- Savings are evaluated using metered energy usage when available. If metered payback is not available or measurable, an estimated payback may be used. If weather-adjusted energy usage is available, it can be used as a metric if appropriate.
- Energy projects will be prioritized based on 1) expected payback period, 2) recommendations of the Strategic Energy Plan, 3) total capital cost of project, and 4) discretion of the energy manager and City Commission.
- The use and funding of the revolving energy fund may be evaluated and adjusted from time to time by the energy manager and the City Commission.

### Baseline City Facility Energy Use – 2015-2016 Two-Year Average

Utility	City Hall Usage	Community Center Usage	Total Usage	Cost per Unit
Electricity	44,594 kWh	182,360 kWh	226,954 kWh	\$0.121
Natural Gas	250 kcf	997.5 kcf	1,247.5 kcf	\$6.069

### Annual Energy Usage Comparison

Year	Electricity			Natural Gas			Total Savings*
	Total kWh Used	Total Cost	Cost per kWh	Total MCF Used	Total Cost	Cost per MCF	
2016 Baseline	226,954	\$27,461	\$0.121	1,248	\$7,571	\$6.07	
2017	185,152	\$22,072	\$0.119	1,318	\$8,320	\$6.31	\$4,983
2018	162,655	\$19,474	\$0.120	1,208	\$8,012	\$6.64	\$7,698
					<b>TOTAL</b>		\$12,681

\* total savings is calculated by multiplying the current year cost per energy unit times the reduction/increase in usage for the current year compared to the baseline year

### Completed Energy Project List

The following table lists energy projects completed since the creation of the revolving energy fund.

Project	Date Completed	Project Cost
City Hall LED Lighting Conversion	December 2016	\$800
Community Center LED Lighting Conversion	February 2017	\$8,900
Community Center 26 kWh Solar Energy System	September 2017	\$56,000
	<b>TOTAL</b>	\$65,700





## E. Enterprise Funds

### 592. Water and Sewer Fund

The water and sewer fund is responsible for the distribution of water and maintenance and repair of water mains, valves, hydrants, meters and other appurtenant parts of the system. This department is also responsible for the removal of sanitary sewerage and storm water, and maintenance of catch basins and other parts of the combined sewer system. Finally, the department also handles billing, record maintenance, and other customer-related activities associated with the utility.

The 2018-19 budget includes \$70,000 for sewer cleaning and inspection in the maintenance and repair line. A capital outlay project line of \$75,000 is also included. No specific projects are planned, but these capital outlay funds are budgeted to handle any sewer maintenance issues that are identified as part of the ongoing sewer cleaning and inspection project or as become necessary during the year.

The 2020-2021 projected budget includes a capital outlay of \$200,000 for water meter transponder head replacements. The transponder heads will be reaching their end of life in the next few years, and the City plans to begin a wholesale replacement project in 2020 or after.

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
<b>Fund 592 - WATER AND SEWER FUND</b>							
<b>ESTIMATED REVENUES</b>							
592-000-642.000	Sales	973,849	997,565	936,048	1,044,340	1,065,227	1,086,531
592-000-645.000	Storm Water Runoff Fees	341,505	349,500	354,497	349,500	365,670	372,983
592-000-650.000	IWC Charges	4,534	6,000	6,465	6,000	6,000	6,000
592-000-662.000	Utility Bill Penalties	18,674	10,000	17,227	10,000	10,000	10,000
592-000-665.000	Interest & Dividend Income	9,189	2,500	12,747	2,500	2,500	2,500
592-000-671.000	Miscellaneous Other Revenues	293	0	1,855	0	0	0
592-000-678.000	Res. Sewer Lead Reimbursement	0	0	0	0	0	0
592-000-679.000	Refunds & Rebates	5,000	2,000	0	2,000	2,000	2,000
<b>TOTAL REVENUES</b>		<b>1,353,044</b>	<b>1,367,565</b>	<b>1,328,839</b>	<b>1,414,340</b>	<b>1,451,397</b>	<b>1,480,015</b>

#### APPROPRIATIONS

##### Department 536 - Water & Sewer Systems

592-536-702.000	Administration Wages	37,073	35,000	32,341	38,200	39,117	40,056
592-536-704.000	Part-Time Wages	5,642	9,659	0	7,500	7,500	7,500
592-536-711.000	Social Security & Medicare	4,105	3,600	2,391	3,600	3,600	3,600
592-536-712.000	Medical Insurance	10,509	8,200	10,814	8,200	8,200	8,200
592-536-712.001	Medical Insurance - Employee Cont.	(848)	0	(948)	0	0	0
592-536-712.002	Retirement - HCSP	248	500	487	500	500	500
592-536-712.003	Medical Insurance - Retirees	2,351	1,900	2,101	800	800	800
592-536-712.004	Medical Insurance - Retiree Cont.	(89)	0	(198)	0	0	0
592-536-712.005	Medical Insurance - HSA	570	870	1,170	500	500	500
592-536-713.000	Life Insurance	133	350	339	150	150	150
592-536-714.000	Retirement - DB (Active Employees)	620	500	630	0	0	0
592-536-714.001	Retirement - Employee Contribution	0	0	0	0	0	0
592-536-714.003	Retirement - DB (Retirees)	15,164	22,900	3,780	18,000	19,827	21,586
592-536-714.500	Retirement - DC (Active Employees)	2,424	2,450	2,388	2,450	2,450	2,450

E. Enterprise Funds  
592. Water and Sewer Fund

Account Number	Description	Actual 2017-18	Budget 2018-19	Activity to 06/06/19	Requested 2019-20	Projected 2020-21	Projected 2021-22
592-536-715.000	Worker's Compensation	199	225	196	225	225	225
592-536-716.000	Unemployment Compensation	6	20	6	20	20	20
592-536-728.000	Postage	3,082	3,000	2,293	3,000	3,000	3,000
592-536-736.000	Computer Supplies	0	1,000	0	0	0	0
592-536-809.000	Contractual Services	11,675	22,500	975	15,000	15,000	15,000
592-536-810.000	Public Works Contract	45,970	40,000	17,249	45,000	45,000	45,000
592-536-814.000	Engineering Services	6,925	5,000	810	5,000	5,000	5,000
592-536-818.000	Water Purchases	204,982	213,700	160,129	213,700	220,111	226,714
592-536-819.000	Sewage Treatment	234,151	236,700	197,157	239,650	244,443	249,332
592-536-819.500	Storm Water Treatment	341,828	348,750	290,590	358,500	365,670	372,983
592-536-820.000	IWC Charges	4,677	5,100	2,738	6,200	6,200	6,200
592-536-827.000	Administrative Service Charge	30,607	30,913	30,913	31,222	31,971	32,739
592-536-827.200	Charges for Services - IT	15,922	16,161	16,161	16,549	16,946	17,353
592-536-890.000	Service Charges	235	2,000	227	2,000	2,000	2,000
592-536-906.000	Printing Water Bills	2,684	3,900	1,301	3,900	3,900	3,900
592-536-910.000	Insurance & Bonds	10,000	10,000	20,000	10,000	10,000	10,000
592-536-929.000	Equipment Maintenance	1,630	2,000	1,980	2,000	2,000	2,000
592-536-937.000	Water Meter Maintenance	5,925	1,300	1,268	1,000	1,000	1,000
592-536-939.000	Sewer Maintenance	82,277	70,000	56,590	85,000	85,000	85,000
592-536-955.000	Miscellaneous Expenses	(160)	1,900	1,886	1,000	1,000	1,000
592-536-956.000	Conferences and Workshops	0	3,600	3,600	350	350	350
592-536-958.000	Memberships and Dues	1,792	2,000	1,838	2,000	2,000	2,000
592-536-964.000	Refunds	0	0	0	2,000	2,000	2,000
592-536-968.000	Depreciation & Depletion	0	0	0	0	0	0
592-536-970.000	Capital Outlay	3,862	20,280	0	30,000	200,000	50,000
592-536-970.594	Capital Outlay - Sewer Projects	141,387	50,000	39,463	50,000	50,000	50,000
592-536-991.000	Principal: GWK Drain Debt	(1)	97,100	97,055	94,000	94,000	94,000
592-536-995.000	Interest: GWK Drain Debt	15,795	17,000	13,806	17,000	17,000	17,000
592-536-996.001	Paying Agent Fees	3	250	7	250	250	250
<i>Totals for department 536 - Water &amp; Sewer Systems</i>		<i>1,243,355</i>	<i>1,290,328</i>	<i>1,013,533</i>	<i>1,314,466</i>	<i>1,506,730</i>	<i>1,379,408</i>
<b>TOTAL APPROPRIATIONS</b>		<b>1,243,355</b>	<b>1,290,328</b>	<b>1,013,533</b>	<b>1,314,466</b>	<b>1,506,730</b>	<b>1,379,408</b>
<b>NET OF REVENUES/APPROPRIATIONS - FUND 592</b>		109,689	77,237	315,306	99,874	(55,334)	100,607
<b>BEGINNING FUND BALANCE</b>		737,393	847,082	847,082	924,319	1,024,193	968,859
<b>ENDING FUND BALANCE</b>		847,082	924,319	1,162,388	1,024,193	968,859	1,069,466

### Water and Sewer Enterprise Fund Fund Balance Notes

- Reported Fund Balance. In prior budgets, the fund balance for the water and sewer fund has been based on the net position in the City's annual financial statements. However, the net position includes noncurrent (i.e. non-liquid) assets such as capital assets that are being depreciated (mostly the pipes in the ground), along with noncurrent liabilities such as the noncurrent portion of long-term debt. Neither capital assets nor noncurrent debt has any impact on the ability of the water fund to handle the day to day operations of the water and sewer department. Similarly, they have no bearing on the ability of the water and sewer fund to fix a water main break or to repair a sewer.

For the above reasons, beginning with the 2017-18 budget, working capital is the water and sewer enterprise fund balance that is reported for budgetary purposes. Working capital is defined as cash and cash equivalents plus liquid investments minus current liabilities. Refer to the water and sewer enterprise fund statement of net position in the City's most recent financial statements for a detailed accounting of all current and noncurrent assets and liabilities.

- Water and Sewer Enterprise Fund Fund Balance Policy. The City's policy is to maintain a minimum fund balance of \$640,000 in the Water and Sewer Enterprise Fund. This is to provide sufficient liquidity to meet current, future, and emergency spending needs. The minimum fund balance target is derived as follows:
  - 90 days of operations ( $\$1,315,000/4 = \$328,600$ ); plus
  - Annual debt service (\$111,000); plus
  - Emergency capital replacement, or 5% of net book value of assets ( $\$962,699 * 0.05 = \$48,135$ ); plus
  - Planned capital replacement (average of \$150,000 annually)

The target minimum fund balance is therefore  $\$328,600 + \$111,000 + \$48,135 + \$150,000 = \$637,735$ , which rounds up to \$640,000.

Projected fund balance at the end of FY19-20 is \$1,024,193. For budgetary purposes, we are building fund balance in excess of our target reserve to save in advance for the expense to replace all water meter heads in the City and for future water main and lead service line replacement projects.