Executive Staff

Mark D. Vanderpool	City Manager
Jeffrey A. Bahorski	Assistant City Manager
Michael Viazanko	Building Official
Marcia Magyar-Smith	City Assessor
Marc D. Kaszubski	City Attorney
Melanie D. Ryska	City Clerk
Jason Castor	City Development Director
Brent S. Bashaw	City Engineer
Chris McLeod	City Planner/City Development Manager
Mary Jaganjac	City Treasurer
Bridget Kozlowski	Community Relations Director
Nick Makie	Controller
Jennifer L. Varney	Finance & Budget Director
Christopher Martin	Fire Chief
Kate Baldwin	Human Resources & Benefits Manager
Steve Deon	Information Technology Director
Kyle Langlois	Parks & Recreation Director
Dale Dwojakowski	Police Chief
Tammy L. Turgeon	Public Library Director
Michael Moore	Public Works Director
Jared Beaudoin	Purchasing/Facilities Maintenance Manager

City Seal

Sterling Heights' "Coat of Arms" was officially adopted by the City Council in December, 1968. The words "City of Sterling Heights" encompass the circular seal beginning and ending with five-pointed stars, which represent Quality. Above the crest is the eagle representing Courage. The eagle's talons hold a bundle of arrows, symbolizing Achievement. There are two types of branches beneath the eagle. On the right is an olive branch, representing Peace, while a religious symbol, the palm branch, curves upward on the left. A triskelion, representing Progress radiates above the symbolic City Hall and residents. At the base of the seal is an unrolled scroll with the words, "To Strive on Behalf of All", representing the government's commitment to its residents.■

Note: A copy of this publication is available within five (5) business days in an alternate format, such as Braille or audio tape, for persons with visual impairments.

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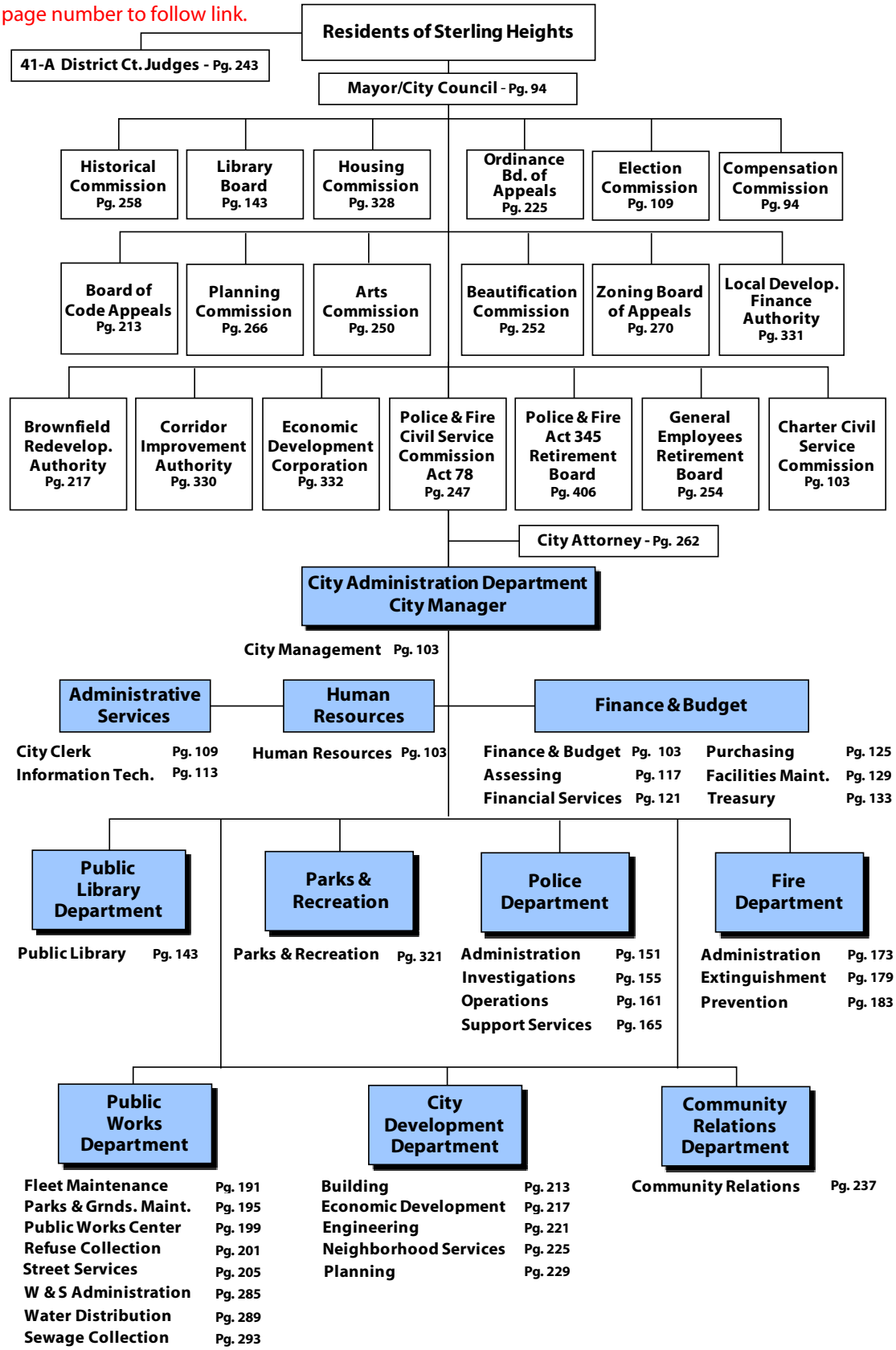
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City Organization Chart

*Click on page number to follow link.



NOTE: Offices are cross-referenced by budget page number.

INTRODUCTION

As you review the City's Budget document, note that it is organized by fund type. In the printed copy of the document, these fund types are distinguished by the grey laminated tabs and include:

- General Fund
- Water & Sewer Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds

The General Fund is further divided into major divisions or departments. These departments are comprised of several offices. For example, within the City Administration Department, there are seven offices including City Management, City Clerk, Information Technology, Assessing, Financial Services, Purchasing, and Treasury.

Each office in a department contains a:

- Service & Mission Statement
- Performance Objectives and Indicators
- Staffing and Organization Chart
- Summary of Budget Changes

The Service & Mission Statement highlights the types of services each activity provides and annual Key Goals they strive for each year. The Performance Objectives give specific objectives that the activity hopes to achieve in the current year, while the Performance Indicators provide a listing of key measurements of the activity's service, efforts and accomplishments. Each office's objectives are referenced and linked to the City-wide goals. The Staffing and Organization Chart illustrates the number of budgeted positions and the internal office structure. Finally, the Summary of Budget Changes provides a detailed look at the office's expenditure history and explains the funding level changes that have taken place.

The Functional Organization Charts, Department At A Glance summaries, and Key Departmental Trends provide a quick overview of the entire department.

Q: ***Your budget contains a lot of information! How can I quickly find summary information?***

A: *The information with the* ***All Funds Summary*** *tab provides a quick overview of the City's total budget. It explains how the funds are organized as well as total revenue and expenditure trends. The* ***Executive Summary*** *provides a general overview explaining how the City plans to utilize its resources and highlights some of the more significant changes to the City's budget. The information within the* ***Trends & Summaries*** *tab also contains a multitude of useful information about the City's largest fund – the General Fund.*

Q: ***I noticed that each office has a Funding Level Summary. How can I get more detailed expenditure information by account within each office?***

A: *The Office of City Management produces a separate line-item budget booklet, which details each office's expenditure accounts. These line-items are not included in the City budget document. The City budget document is more focused on total City-wide costs and in the results achieved with the dollars spent. Regardless, each fund and office budget includes a detailed Summary of Budget Changes which provides expenditure account information.*

Q: ***How can I find out information about your Capital Budget?***

A: *The Capital Budget is incorporated in the annual budget document. It details the funds appropriated for specific facilities, equipment, vehicles, and improvement projects. A listing, description, and City map geographically depicting the location of all projects can be found within the* ***Capital Projects*** *tab.*

Q: ***How can I quickly find the location of certain offices within the budget document?***

A: *The* ***Table of Contents*** *at the beginning of the budget lists all offices in the order in which they appear in the document. The* ***Index*** *at the end of the document alphabetically lists each office and the corresponding page number. The City's* ***Organizational Chart*** *is also cross-referenced to the office's corresponding page number within the document.*

Q: ***Where can I find out how many employees are within each department?***

A: *There is a schedule within the* ***Personnel Summary*** *tab that lists all position titles and number of employees within each office.*

Q: ***How much do you spend in the General Fund on salaries for full-time employees?***

A: *Within the* ***Trends & Summaries*** *tab, there is both an Expenditure and Revenue by Account History, which provides the reader with the total dollars spent in each account.*

UNIFORM BUDGETING ACT

The City is legally subject to the budgetary control requirements of State of Michigan P.A. 621 of 1978 (the Uniform Budgeting Act). The following statements represent a brief synopsis of the major provision of this Act.

1. Budgets must be adopted for the General Fund and Special Revenue Funds.
2. The budgets must be balanced.
3. The budgets must be amended when necessary.
4. Debt cannot be entered into unless permitted by law.
5. Expenditures cannot exceed the budget appropriations.
6. Expenditures cannot be made unless authorized in the budget.
7. Public hearings must be held before budget adoptions.

BUDGET PROCESS

In establishing the budgetary information within the budget document, the City follows steps and deadlines outlined in the City Charter.

A. Prior to April 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The annual operating budget includes proposed expenditures and the means of financing them for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and the Enterprise Fund.

B. After the City Manager has submitted the proposed budget to the City Council, public hearings are conducted to obtain City Council input and taxpayer comments.

C. Prior to May 10, the budget is legally adopted through the passage of an Appropriations Ordinance for each fund which takes effect the following July 1.

D. The Appropriations Ordinance is the legislative vehicle, which allows for the expenditure of funds throughout the City. The Ordinance is based on the approved and adopted budget and is the final product of the budget cycle.

E. The City Manager is authorized to transfer budgeted amounts within budgetary centers (major activity or department); however, any revisions that alter the total expenditures of any budgetary center must be approved by the City Council.

In addition to the Charter requirements, the Administrators of all City offices have made budget requests to the City Manager, which he has reviewed before arriving at his proposed budget recommendations. The Budget Calendar outlines the entire budget process by month.

The Proposed vs. Approved Budget: The terminology "Proposed Budget" is utilized throughout the document to indicate the budgetary totals and concepts as presented by the City Manager to the City Council on or before April 1. The terminology "Adopted Budget" refers to the official budgetary totals adopted by the City Council after the City Manager's submission and required public hearings are held.

The City adopts its budget by budgetary center, which is in accordance with the State's legal requirement and is the level of classification detail at which expenditures may not legally exceed appropriations.

BASIS OF BUDGETING

The adopted Budget is prepared on a basis consistent with Generally Accepted Accounting Principles (GAAP) except that; operating transfers are treated as revenues and expenditures, certain expenditures such as compensated absences are not recognized for budgetary purposes but are accrued, and capital outlay in the Water & Sewer Fund is recorded as an expense for budgetary purposes as opposed to an adjustment of the balance sheet account. The modified accrual basis of accounting is utilized in the preparation of budgets for all governmental fund types, which are contained within this document. Expenditures, other than accrued interest on long-term debt are recorded at the time liabilities are incurred, and revenues are recorded when received in cash, except for material and/or available revenues which should be accrued to properly reflect the tax levied and revenues earned. The accrual basis of accounting is utilized in developing the Water & Sewer Fund Budget.

Budgets are monitored carefully with the use of an encumbrance system. In addition, budgets are monitored monthly by City Management and necessary amendments approved by City Council periodically throughout the year to ensure fiscal responsibility, accountability, and financial planning.

The budget document for the City also includes additional information summaries for debt and other non-budgetary funds.■

Budget Calendar

October	• Quarterly Budget Report Prepared • Capital budget manual and forms distributed to all offices • Offices submit Capital requests
November	• Revenue and Expenditure forecast prepared • Updated Revenue Study of rates and fees prepared • Preparation of Municipal Improvement Plan and Multi-year Financial Plan • City Management prepares current year Budget Amendment • Capital Coordinating Unit (C.C.U.) reviews capital requests
December	• Prior year Audit released and Comprehensive Annual Financial Report completed • City Management prepares personnel costs for Proposed Budget • Preparation of the Water & Sewer Fund Rate Study • City Management presents the C.C.U.'s Capital Improvements Report to City Manager • City Manager's final capital recommendations are reported to all offices • City Council approves current year Budget Amendment • Distribute Operating Budget Manual and Revenue Worksheets
January	• City Council Strategic Planning Workshop • Operating Budget Worksheets due from all departments • Revenue Worksheets due from all departments • City Management analyzes Department's budget requests
February	• Revenue Forecast prepared by City Management • Budget Meetings held with all City Departments • City Manager makes final proposed Budget recommendations • City Management prepares Proposed Budget document
March	• Proposed Budget printed and distributed to City Council • Budget Video Produced
April	• City Council Workshops – Budget Review, Questions & Adjustments • Budget Notice published in local newspaper
May	• Public Hearing for Budget • City Council adopts Appropriations Ordinance • City Management prepares final current year Budget Amendment
June - July	• City Management prepares Approved Budget document incorporating City Council adjustments • Approved Budget document distributed at first City Council meeting in July • Preparation of Capital Improvement Status Report • Begin Monitoring Budget Performance

Community Profile

The City of Sterling Heights is a vibrant and progressive community with a strong sense of civic pride and determination by its leaders. Its balanced environment is rich with cultural diversity, community wellness, and economic vitality. Sterling Heights is a family community known for its youthful residents, exceptional neighborhoods, scenic parks, and blue-ribbon schools.

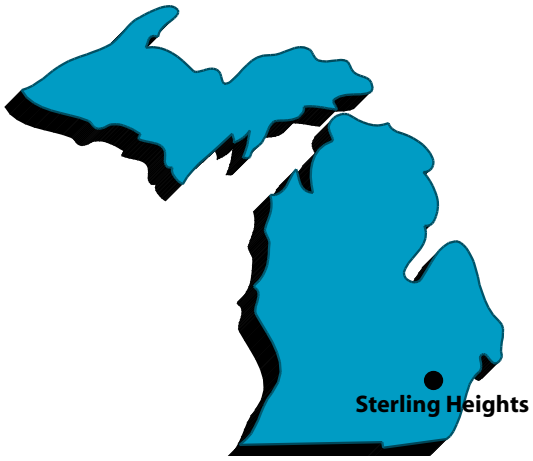
A northeast suburb of Detroit, Sterling Heights is located six miles west of Lake St. Clair and 24 miles from the Detroit Metropolitan Airport.

The area now known as Sterling Heights was first incorporated as Jefferson Township on March 17, 1835. In 1838, its name was changed to Sterling Township, and in July of 1968, the City of Sterling Heights was incorporated. Since incorporation, a seven-member City Council, including the Mayor, who serves two-year terms, has governed the City. Under the Council-Manager form of government, the Mayor and City Council appoint two officials: the City Manager and the City Attorney. In turn, the City Manager appoints all department heads and employees.

Geographically, Sterling Heights is the third largest city in the state, occupying 36.8 square miles. Although much of its land is developed, approximately 5% remains vacant and available for development. The 2018 estimated population of Sterling Heights is 131,750. In terms of population, the City is the fourth largest city in Michigan.

Sterling Heights has primarily developed into a residential community. There are approximately 52,190 households in the City and a 41-year old median age. The City's median household income is $60,492. Of all communities with a population of 100,000 or more, Sterling Heights is one of the top ten safest.

The City is a full-service community with the exception of a public transportation system, which is provided by a regional public transit authority. Sterling Heights offers a wide variety of restaurants, movie theaters, churches, and retail shops. Currently, the City maintains 29 developed park sites, four of which are major parks, and several other undeveloped park properties. City parks provide a variety of recreational



opportunities from baseball diamond complexes, children's tot lots, canoeing and kayaking, to miles of developed walking, jogging, and bicycle riding pathways. The Clinton River flows in a southeast direction through the northeast section of the City.

Sterling Heights takes pride in providing various community events throughout the year to its residents. The grand event highlighted each year is the City's "Sterlingfest", which provides the community with the opportunity to take pleasure in the summer festivity of fun, food, arts and crafts, carnival rides, and music.

The City has enjoyed a solid reputation for municipal planning and growth management. The comprehensive Master Land Use Plan has foreseen the Van Dyke corridor and the Lakeside Mall shopping district area as the most significant focal points of the community in terms of industrial and retail development. The commercial and industrial business environment is a mix of services, products, and technological employers. This impressive mix of business opportunities has allowed the City to maintain a relatively low unemployment rate. Principal employers in the City include: Ford Motor Company, Fiat Chrysler Automobiles, Utica Community Schools, General Dynamics, and Lakeside Associates.

Sterling Heights has received many awards from various professional associations and municipal service organizations for its innovative approaches to service delivery and quality improvements.■

Responsible government is the recognized duty and charge of all City employees and elected officials. The following City-wide goals have been identified to continue serving the residents of Sterling Heights in the most professional, courteous, and efficient manner possible. **Each City office also prepares performance objectives, which are located in the departmental sections of this document, and are directly tied and referenced to at least one of the City's overall goals and objectives.**

ORGANIZATIONAL OPERATIONS

1. Provide quality and innovative services desired by the majority of the community, while maintaining the City's low cost and efficient government operations.
2. Provide managers and employees with the tools, resources and training to properly serve the community.
3. Offer an efficient, progressive, and high quality service delivery system that manages costs, maximizes revenues, empowers managers and employees, rewards success, and encourages accountability and creativity.
4. Stay up to date on the latest trends to meet the changing needs of the community and to continually update the City's long-range plans for land use, roads, parks, technology, capital, financial forecasting, long-term liabilities, debt, and employee succession.
5. Review department structures and staffing levels to achieve continued efficient and effective desired service levels and review the sharing of services and avoiding duplication of services with other units of government and the private sector where feasible.
6. Create high performance organization that adds value and continues to innovatively provide services and solve problems using an interdepartmental collaborative approach and where department goals are directed toward achieving City-wide goals.
7. Facilitate efficient management of City operations and services by keeping abreast of legislation, legal issues, and through regular communication with legislators.
8. Provide a system for financial and performance reporting that complies with accounting standards, ensures the City's long-term financial stability, regularly reports the City's financial condition, controls risk, increases investments returns, and achieves the high City bond rating.

PUBLIC SAFETY

9. Provide for a safe peaceful community by offering first rate emergency response capabilities that ensure a rapid response and which seek to lower the City's crime rate and minimize the effects of medical emergencies and property loss from fire.
10. Stay current with crime and fire prevention efforts, provide public education, and encourage citizen volunteers for neighborhood watch activities.
11. Maintain and improve the City's ability to respond to civil, natural and medical emergencies by partnering and coordinating with other public safety agencies.

PROPERTY VALUES

12. Develop a clear and visual image of the community, which reflects the highest standards of design quality for both the public and private sectors.
13. Protect a property owner's investment by equitably assessing property, monitoring environmental and blighting conditions and land uses which may adversely affect housing values, and encourage and administer property maintenance, enhancement and redevelopment programs in both residential and commercial areas.
14. Emphasize existing programs and develop additional programs and services which reinforce Sterling Heights as a safe, attractive residential community with well-maintained and desirable neighborhoods.
15. Strive for a balance of housing options which is available to meet the needs of all members of the community regardless of age, income or background.

CITY INFRASTRUCTURE & ENVIRONMENT

16. Develop a comprehensive system to maintain and improve City infrastructure including

major and local roads, bridges, parks, sidewalks, City facilities, signage, rivers, and water, storm and sewer mains to serve the needs of Sterling Heights residents.

17. Provide an orderly, balanced, well-maintained and safe transportation plan for vehicular, bike, and pedestrian traffic throughout the City, which is integrated with the regional transit system.

18. Ensure the safety and the physical beauty of the community with well-maintained, groomed, and attractive green spaces, a healthy urban forest, and an effective storm water runoff system.

RECREATIONAL, CULTURAL, AND LEISURE OPPORTUNITIES

19. Offer high quality and diverse educational, recreational, cultural, and leisure opportunities for City residents of all ages.

ECONOMIC DEVELOPMENT

20. Aggressively maintain and improve the City's financial base by emphasizing the importance of economic development, redevelopment, and marketing the City as a distinctive and welcoming place to do business.

21. Refine economic development and marketing policies and work with local partnerships to focus on business retention and attraction efforts including high tech and emerging industries and entrepreneurs, through economic gardening, retail business development, VELOCITY and business incubation, the defense corridor, Blue Water Economy, and tax increments financing which can further diversify and expand the City's tax base and create local jobs.

22. Facilitate strong identifiable City regional centers and successful vibrant and attractive commercial centers with unique offerings and focal points, which offer alternatives to the traditional downtown by providing clusters of community commercial facilities that serve as destinations for residents and visitors.

TECHNOLOGY & INNOVATION

23. Seek and maintain state-of-the-art innovation and technology hardware and software upgrades in City government through automating systems and the City's website, thereby enhancing customer service while reducing costs, leading to increases in efficiency and improves services to residents and businesses.

COMMUNICATIONS

24. Maintain an open line of communication with all stakeholders, inform and promote City services, seek opinions, ideas, and feedback from all and promote cultural understanding in our diverse community.

25. Promote City services and events through a coordinated multi-media strategy incorporating the use of the City Magazine and website, press releases, brochures, social media, SHTV, and radio station AM 1700.

26. Encourage and promote volunteerism within the City to assist at City-wide events and with general operations where feasible.■

2030 VISION STATEMENT:

A vibrant, inclusive community for residents and businesses that is safe, active, progressive and distinctive. Sterling Heights - a bold vision for an exceptional quality of life.

2030 GUIDING PRINCIPLES:

- ***Safe, well maintained and desirable neighborhoods enhanced by great schools.***
- ***Plentiful leisure and recreation opportunities featuring fully utilized parks.***
- ***Abundant pathways for biking and walking.***
- ***Focal points that are both public and private to serve as destinations for residents and visitors.***
- ***Well maintained and aesthetically pleasing roads and green spaces.***
- ***Successful, vibrant and attractive commercial centers with unique offerings.***
- ***Destination for high-tech and emerging industries and entrepreneurs.***

In recent years, changing fiscal conditions and the demand for increased services has forced a reassessment of the roles of local government units. As public officials, we are charged with the responsibility to ensure that all services are provided within acceptable levels of cost, and when required, to seek alternative methods of financing. The budgetary process provides the opportunity to analyze and debate the merits of each service as well as to make decisions about its level and cost.

The budget continues the conservative spending approach that the residents of Sterling Heights have come to expect from City government. The document also assists our efforts to make the operations of the City more efficient, less costly, and more importantly, to target available resources to specific needs of the community.

FINANCIAL POLICIES

The City of Sterling Heights' financial policies set forth basic tenets for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, these policies provide a framework to assist the decision-making process of the City Council and Administration.

These policies provide guidelines for evaluating both current activities as well as proposals for future programs.

1. The budget will first determine how much money is available, it will then allocate the resources among the highest priority results based on analyses, which determine which programs can best achieve the desired results, and it will use a performance measurement process to annually evaluate the results.

2. Emphasis will be increased on those personnel and management areas of long-term importance: employee relations, work simpler but more effectively, implementation of new technologies, long-term work force planning, and management incentives.

3. Expanding an existing service program or adding a new service program will only be considered when a new revenue source can support all of the ongoing costs; or when the requesting department can identify an existing service which can be reduced or eliminated. Programs financed with grant money shall be budgeted in special funds, and when grant revenues are reduced or eliminated, the service program shall be adjusted accordingly.

4. The budget is balanced and the City will maintain a balanced budget in which estimated revenues and fund balance reserves are equal to or greater than estimated expenditures.

5. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.

6. The City will monitor departmental expenditures on a monthly basis to ensure conformity to budgets and decide on actions to bring the budget into balance, if necessary.

7. The City will integrate performance measurement and productivity indicators within the budget.

8. The City will attempt to avoid layoffs in all actions to balance the budget. Any personnel reductions will be scheduled to come from attrition and where necessary, through bumping actions. Any reductions in positions will be proportionately distributed among various levels of employees.

9. The City will avoid budgetary practices or procedures that balance current period expenditures at the expense of future years' revenues.

10. The budget will provide for the adequate maintenance and orderly replacement of capital facilities and equipment.

11. The budget will provide for adequate levels of funding for all retirement systems.

12. The City will develop and maintain accounting and budgetary control systems to adequately safeguard the assets held in public trust.

13. The Operating and Capital Budgets will describe the major goals to be achieved and the services to be delivered, based upon the levels of funding anticipated or provided.

14. The City will finance essential City services, which have a City-wide benefit from revenue sources, which are generated from a broad base, i.e., property taxes, State revenue sharing, assessments, and fees.

15. The impact on the use of property tax financing will be minimized by seeking alternative financing for City services including user fees and upgrading and/or enhancement of the property tax base.

16. Financing formulas and user fee rate structures will be reassessed to accurately charge the cost of service provided to the benefiting property owners and customers while considering the needs of low-income residents.

17. Federal and State legislation will be supported that provides property tax relief and direct aid to cities. Any legislation which forces local service mandates without matching Federal, State, or regional funding will be opposed.

18. In conjunction with the Municipal Improvement Plan (MIP), the City will prepare a three-year projection of operating revenues and expenditures for all major funds. The projection shall be monitored on an ongoing basis and major changes shall be incorporated into the document as they occur.

REVENUE POLICIES

1. The City will attempt to maintain a diversified and stable revenue base to shelter it from short or long-term fluctuations in any one revenue source.

2. Annual City revenues will be projected by an objective and thorough analytical process.

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

4. The City will establish user charges and set fees for services for its Water & Sewer Fund at a level that fully supports both the operational and capital outlay costs of the activity.

5. The City will follow an aggressive policy of collecting revenues.

6. The City will annually review fees and charges and will design or modify revenue systems to allow charges to increase at a rate that keeps pace with the cost of providing the service.

RESERVE POLICIES

1. The City will strive to maintain a minimum General Fund and Self-Insurance Fund reserve of 10% or in an amount equal to 1.2 months of operational expenditures.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

1. An independent audit will be performed annually.

2. The City will produce comprehensive annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP), the body of accounting and financial reporting standards, conventions, and practices that have authoritative support from standard setting bodies such as the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

INVESTMENT POLICIES

1. The City will conduct a cash-flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled to insure maximum investment capabilities.

2. When permitted by law, the City will pool cash from several different funds for investment purposes to maximize potential earnings.

3. The City will analyze market conditions and potential investments to maximize its yield,

while maintaining the integrity, diversification, and safety of the principal.

4. The City's accounting system will provide monthly information concerning cash position and investment performance.

5. The City's Investment Officer will quarterly report the portfolio holdings by type, the average maturity, earnings and any other information necessary to allow the City Council and Investment Committee to confirm compliance with the adopted investment policy.

DEBT POLICIES

1. The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. All bonds will be amortized over a period not to exceed the expected useful life of the project.

2. The City will attempt to keep the average maturity of general obligation and all types of revenue bonds at or below 20 years.

3. When possible, the City will use special assessment, revenue, tax increment, or other self-supporting bonds. These bonds may be backed by the limited full faith and credit of the City to achieve a lower interest cost.

4. The City will not incur long-term debt to support current operations.

5. The City will maintain a sound relationship with all bond-rating agencies and will keep them informed about our current capital projects.

6. The City will only use water and/or sewer revenue bonds to finance capital improvements and projects for enterprise activities.

7. The City will annually review all outstanding debt for potential refunding. Outstanding debt will be refunded only when a net savings greater than 1.5% can be achieved.

8. The City will not issue general obligation debt in excess of 10% of the current state equalized value of real and personal property. Additionally, the City will attempt to maintain the per capita debt, for all types of debt, at or below $2,500.

CAPITAL IMPROVEMENT BUDGET POLICIES

1. The fiscal integrity of the City's operating debt service and capital improvement budgets will be maintained in order to provide services, construct and maintain public facilities, streets, and utilities.

2. The City shall make all capital improvements in accordance with an adopted capital acquisition program.

3. The City will annually update its multi-year capital improvements plan including proposed funding sources.

4. The City will coordinate decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities.

5. The City will attempt to maintain all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.

6. The City will use intergovernmental assistance to finance only those capital improvements that are consistent with the adopted capital improvement plan, City priorities, and for which operating and maintenance costs have been included in the operating budget.

7. Capital investments will foster Sterling Heights' goal of preserving its infrastructure.

8. The City will minimize long-term interest expense when financing capital improvements by maintaining an ongoing systematic bonding program, which spreads the costs of the improvements to the benefiting residents.■

Not everything that is faced can be changed,
but nothing can be changed until it is faced.

~ James Baldwin ~



City Policy Benchmarks

Policy Benchmark	Status
Financial Policy	
• Emphasis on areas of long-term importance such as efficiency, effectiveness, employee relations, automation, and technology improvements	• Update of the City's Information Technology Plan and funding to: replace personal computers, storage and controlling servers, electronic medical reporting, and on line business registration • Creation of detailed five-year financial plan
• Maintain a budgetary control system to ensure adherence to the budget	• Received the GFOA's "Outstanding" budget award in all categories; "Distinguished" budget award for the past 31 years
• Integrate performance measurement and productivity indicators in the budget	• Earned GFOA's "Special Recognition" award for use of performance measurements • Benchmarking included in the Citizen's Guide to Finances, Performance Scorecard and Dashboard • Participation in ICMA's Center for Performance Measurement – one of 16 cities nationally to receive an Award of Distinction • Department objectives linked to City goals
• To avoid practices that balance current expenditures at the expense of future years' revenues	• No short-term borrowing for operations • Lowest government debt of ten comparable MI cities • Lowest City staffing since 1970's (reduced 172 FT) • Achieved $30.0 million in operational savings
• To provide adequate maintenance and orderly replacement of capital facilities and equipment	• Facilities repair $6.9 million • Vehicle expenditures $2.0 million • Equipment & technology $3.8 million
• Maintain adequate level of funding for all retirement systems	• General Employees System 79.1% funded • Police & Fire Pension System 66.7% funded • Retiree Medical System 49.1% funded • 401(a) Plan for all new general employees; reduced fixed pensions for all existing employees • Eliminated Police & Fire DROP program • Eliminated retiree medical for new hires • Pre-funding retiree medical past 23 years • Updated actuarial assumptions
• Seek property tax relief	• City tax rate lower than 63% of all cities in the State and one of lowest of any Macomb County city • City tax rate is 6.4 mills below the average tax rate of all Macomb cities • Lowest taxes per resident of ten comparable MI cities
• Enhancement of the property tax base	• City total taxable value has decreased by 20.7% since 2008 • Property values increased 5.7% in 2017 • Over 220% increase in code enforcement properties cleaned up since 2006 • Defense Corridor and economic development initiatives • SmartZone and North Van Dyke Corridor Improvements

City Policy Benchmarks

Policy Benchmark	Status
Revenue Policy	
• Maintain a diversified and stable taxable revenue base	• City's Taxable Value: Residential 70% Commercial & Industrial 30% • 5th highest property values in State • 1st in industry property values
• Maintain sound appraisal procedures and practices to reflect accurate property values	• Equalization Factor = 1.0 • Use of one and two-year sales studies
• Review fees and charges to assure the cost of providing the service is appropriately charged	• Annual review of rates and fees • Higher non-resident fees • Average $102 monthly City tax bill and $77 water & sewer bill
Reserve Policy	
• 10% minimum/25% target unreserved/undesignated General Fund Balance (excluding Self-Insurance Fund)	• 21.0% of 2018 budgeted expenditures • Lowest General Fund reserves of ten comparable Michigan cities; adding to reserves for five consecutive years
• 37 days of General Fund operations	• 75 days of General Fund operations
Accounting, Auditing, Financial Reporting Policy	
• Produce comprehensive annual reports in accordance with GAAP	• Certificate of Achievement for Excellence in Financial Reporting Award for 30 years • One of first in State to implement GASB 34, earned recognition award from Governmental Accounting Standards Board
Investment Policy	
• Analyze market conditions to maximize yields while maintaining the integrity and safety of principal	• Maximized Interest on Investment earnings • Retiree Health Care Fund Investments maximized
Debt Policy	
• Keep average maturity of general obligation bonds at or below 20 years	• 2018 Facilities Improvement Bond 20 yrs. • 2018 MTF Road Bond 15 yrs. • 2017 *Re*creating Recreation Capital Bond 20 yrs. • 2017 MTF Road Bond 15 yrs. • 60% of City debt paid off within ten years • Refinanced bonds saving $1.5 million
• Maintain a sound relationship with all bond rating agencies	• 3rd highest bond rating of ten comparable MI cities • Fitch's rating AA • Moody's rating Aa2 • Standard & Poors' rating AA
Capital Improvement Policy	
• Make all capital improvements in accordance with an adopted capital acquisition program	• $49.1 million in total Capital Improvement Projects • $4.2 million in neighborhood street repairs • $14.5 million in Major road improvements • $20.8 million in Park improvements
• Continue to implement a multi-year plan for capital improvements	• Municipal Improvement Plan incorporated in the Sterling Vision and budget documents

Comparable City Benchmarks

City Revenues

Total Revenue Per Resident

1.	Ann Arbor	$2,613
2.	Grand Rapids	2,394
3.	Southfield	2,379
4.	Dearborn	2,221
5.	Lansing	1,937
6.	Troy	1,712
7.	Farmington Hills	1,557
8.	Warren	1,524
9.	Livonia	1,522
10.	**Sterling Heights**	**1,367**

Tax Revenue Per Resident

1.	Southfield	$892
2.	Dearborn	874
3.	Grand Rapids	757
4.	Warren	733
5.	Ann Arbor	697
6.	Lansing	677
7.	Troy	612
8.	Farmington Hills	588
9.	Livonia	570
10.	**Sterling Heights**	**499**

State Revenue Sharing Per Resident

1.	Lansing	$122
2.	Grand Rapids	105
3.	Warren	99
4.	Dearborn	92
5.	Ann Arbor	90
6.	Livonia	89
7.	Southfield	89
8.	Farmington Hills	85
9.	**Sterling Heights**	**82**
10.	Troy	82

Gas Tax (Act 51) Revenue Per Resident

1.	Lansing	$96
2.	Farmington Hills	87
3.	Dearborn	85
4.	Ann Arbor	83
5.	Troy	79
6.	Grand Rapids	78
7.	Livonia	76
8.	Southfield	76
9.	Warren	68
10.	**Sterling Heights**	**62**

Comparable City Benchmarks

City Expenditures

Total Expenditures Per Resident

1.	Southfield	$2,465
2.	Ann Arbor	2,395
3.	Dearborn	2,292
4.	Grand Rapids	2,266
5.	Lansing	1,778
6.	Troy	1,706
7.	Farmington Hills	1,574
8.	Warren	1,552
9.	Livonia	1,454
10.	**Sterling Heights**	**1,322**

Police Expenditures Per Resident

1.	Dearborn	$370
2.	Southfield	352
3.	Lansing	326
4.	Warren	296
5.	Grand Rapids	293
6.	Troy	270
7.	**Sterling Heights**	**255**
8.	Farmington Hills	240
9.	Ann Arbor	234
10.	Livonia	214

Fire Expenditures Per Resident

1.	Lansing	$290
2.	Dearborn	229
3.	Southfield	215
4.	Warren	165
5.	Grand Rapids	151
6.	Ann Arbor	139
7.	Livonia	139
8.	**Sterling Heights**	**128**
9.	Farmington Hills	119
10.	Troy	58

Public Works Expenditures Per Resident

1.	Farmington Hills	$200
2.	Lansing	197
3.	Livonia	175
4.	Ann Arbor	166
5.	Dearborn	141
6.	Warren	135
7.	Grand Rapids	115
8.	**Sterling Heights**	**94**
9.	Southfield	89
10.	Troy	66

Comparable City Benchmarks

City Expenditures (continued)

Refuse Expenditures Per Resident

1.	Troy	$197
2.	Ann Arbor	167
3.	Livonia	116
4.	Dearborn	65
5.	Warren	54
6.	Grand Rapids	52
7.	Lansing	51
8.	Farmington Hills	47
9.	Southfield	43
10.	**Sterling Heights**	**37**

Library Expenditures Per Resident

1.	Southfield	$66
2.	Dearborn	50
3.	Grand Rapids	45
4.	Troy	34
5.	Livonia	33
6.	Warren	27
7.	**Sterling Heights**	**19**
8.	Ann Arbor*	0
9.	Farmington Hills*	0
10.	Lansing*	0

**District Library*

Parks & Recreation Expenditures Per Resident

1.	Dearborn	$214
2.	Troy	115
3.	Ann Arbor	106
4.	Farmington Hills	98
5.	Southfield	83
6.	Lansing	68
7.	Livonia	68
8.	Grand Rapids	59
9.	Warren	51
10.	**Sterling Heights**	**14**

2016 Revenues Over (Under) Expenditures Per Resident

1.	Ann Arbor	$218
2.	Lansing	159
3.	Grand Rapids	128
4.	Livonia	68
5.	**Sterling Heights**	**45**
6.	Troy	6
7.	Farmington Hills	(17)
8.	Warren	(28)
9.	Dearborn	(71)
10.	Southfield	(86)

Comparable City Benchmarks

Financial Benchmarks

2016 State Equalized Value (Billions)

1.	Ann Arbor	$7.1
2.	Troy	5.9
3.	Grand Rapids	5.6
4.	**Sterling Heights**	**5.3**
5.	Livonia	4.7
6.	Warren	4.1
7.	Farmington Hills	4.0
8.	Dearborn	3.7
9.	Southfield	3.0
10.	Lansing	2.3

Standard & Poor's Bond Ratings

1.	Farmington Hills	AAA
2.	Troy	AAA
3.	Ann Arbor	AA+
4.	Grand Rapids	AA
5.	Livonia	AA
6.	Southfield	AA
7.	**Sterling Heights**	**AA**
8.	Warren	AA
9.	Lansing	AA-
10.	Dearborn	A+

General Fund Reserves Per Resident

1.	Southfield	$465
2.	Warren	412
3.	Troy	403
4.	Farmington Hills	387
5.	Dearborn	330
6.	Grand Rapids	259
7.	Ann Arbor	221
8.	Livonia	118
9.	Lansing	117
10.	**Sterling Heights**	**88**

2016 Fiscal Health Scores 0 = Best; 10 = Worst

1.	Ann Arbor	0
2.	Farmington Hills	0
3.	Grand Rapids	0
4.	Southfield	0
5.	Troy	0
6.	Livonia	1
7.	**Sterling Heights**	**1**
8.	Warren	1
9.	Dearborn	2
10.	Lansing (2015)	3

Comparable City Benchmarks

City Pension Plans

Annual Required Contribution Per Resident

1.	Lansing	$184
2.	Warren	148
3.	Dearborn	130
4.	Southfield	119
5.	Ann Arbor	117
6.	Grand Rapids	90
7.	**Sterling Heights**	**83**
8.	Farmington Hills	59
9.	Livonia	8
10.	Troy	4

Police & Fire Plan Percent Funded (GASB Valuation)

1.	Troy*	108.4
2.	Livonia*	101.4
3.	Ann Arbor*	83.8
4.	Grand Rapids	81.4
5.	Farmington Hills*	77.5
6.	Dearborn	75.1
7.	Southfield	74.2
8.	Lansing	65.3
9.	**Sterling Heights**	**63.8**
10.	Warren	58.2

**Includes general employees*

General Employees Plan Percent Funded (GASB Valuation)

1.	Troy*	108.4
2.	Livonia*	101.4
3.	Ann Arbor*	83.8
4.	Grand Rapids	82.9
5.	**Sterling Heights**	**78.1**
6.	Farmington Hills*	77.5
7.	Dearborn	75.8
8.	Southfield	68.9
9.	Warren	59.4
10.	Lansing	50.5

**Includes police & fire employees*

Unfunded Pension Liability Per Resident

1.	Southfield	$2,681
2.	Lansing	2,191
3.	Warren	1,239
4.	Grand Rapids	921
5.	**Sterling Heights**	**917**
6.	Dearborn	761
7.	Ann Arbor	647
8.	Farmington Hills	339
9.	Livonia	37
10.	Troy	(168)

Comparable City Benchmarks

Retiree Health Benefit Plans

Annual Required Contribution Per Resident

1.	Southfield	$241
2.	Lansing	234
3.	Dearborn	191
4.	Warren	190
5.	Ann Arbor	98
6.	**Sterling Heights**	**89**
7.	Grand Rapids	82
8.	Troy	59
9.	Livonia	53
10.	Farmington Hills	23

Retiree Health Plan Percent Funded

1.	Farmington Hills	88.1
2.	Troy	59.8
3.	Livonia	56.3
4.	**Sterling Heights**	**49.1**
5.	Ann Arbor	47.9
6.	Grand Rapids	26.8
7.	Dearborn	24.8
8.	Southfield	23.8
9.	Warren	16.9
10.	Lansing	14.8

Unfunded Health Liability Per Resident

1.	Southfield	$3,041
2.	Lansing	2,747
3.	Warren	2,019
4.	Dearborn	1,665
5.	Ann Arbor	1,262
6.	**Sterling Heights**	**746**
7.	Livonia	734
8.	Grand Rapids	597
9.	Troy	568
10.	Farmington Hills	(3)

Retirement Health Benefit Recipients Per 1,000 Residents

1.	Lansing	13.4
2.	Ann Arbor	12.3
3.	Warren	11.7
4.	Dearborn	8.6
5.	Southfield	7.3
6.	Livonia	6.7
7.	**Sterling Heights**	**4.4**
8.	Troy	4.1
9.	Farmington Hills	2.7
10.	Grand Rapids	2.3

Comparable City Benchmarks

Miscellaneous Benchmarks

Full-Time Employees Per 1,000 Residents

1.	Grand Rapids	8.1
2.	Southfield	7.8
3.	Dearborn	7.6
4.	Lansing	7.6
5.	Ann Arbor	6.5
6.	Livonia	6.0
7.	Warren	5.2
8.	Farmington Hills	4.4
9.	Troy	4.3
10.	**Sterling Heights**	**3.6**

Government Debt Per Resident

1.	Ann Arbor	$2,760
2.	Dearborn	1,968
3.	Lansing	1,936
4.	Southfield	1,201
5.	Warren	1,154
6.	Livonia	663
7.	Grand Rapids	614
8.	Farmington Hills	415
9.	Troy	367
10.	**Sterling Heights**	**183**

Pension & Retiree Health Care
Annual Req'd Contribution Per Resident

1.	Lansing	$418
2.	Southfield	360
3.	Warren	338
4.	Dearborn	321
5.	Ann Arbor	215
6.	Grand Rapids	172
7.	**Sterling Heights**	**172**
8.	Farmington Hills	82
9.	Troy	63
10.	Livonia	61

Average Residential Monthly Water & Sewer Bill

1.	Lansing	$118
2.	Southfield	101
3.	Dearborn	81
4.	Grand Rapids	78
5.	Ann Arbor	76
6.	Farmington Hills	75
7.	**Sterling Heights**	**74**
8.	Livonia	73
9.	Warren	70
10.	Troy	66

All Funds Summary

The All Funds Summary provides the reader with a quick overview of the entire financial plan of the city for the upcoming fiscal year. This section includes an Executive Summary which explains the services each city fund provides and the budget adjustments from the previous year. Several schedules, charts and graphs are also included which highlight the revenue, expenditure, and fund balance history and trends for all of the city's funds and helps to better illustrate the city's overall fund structure.

Financial Organization Chart

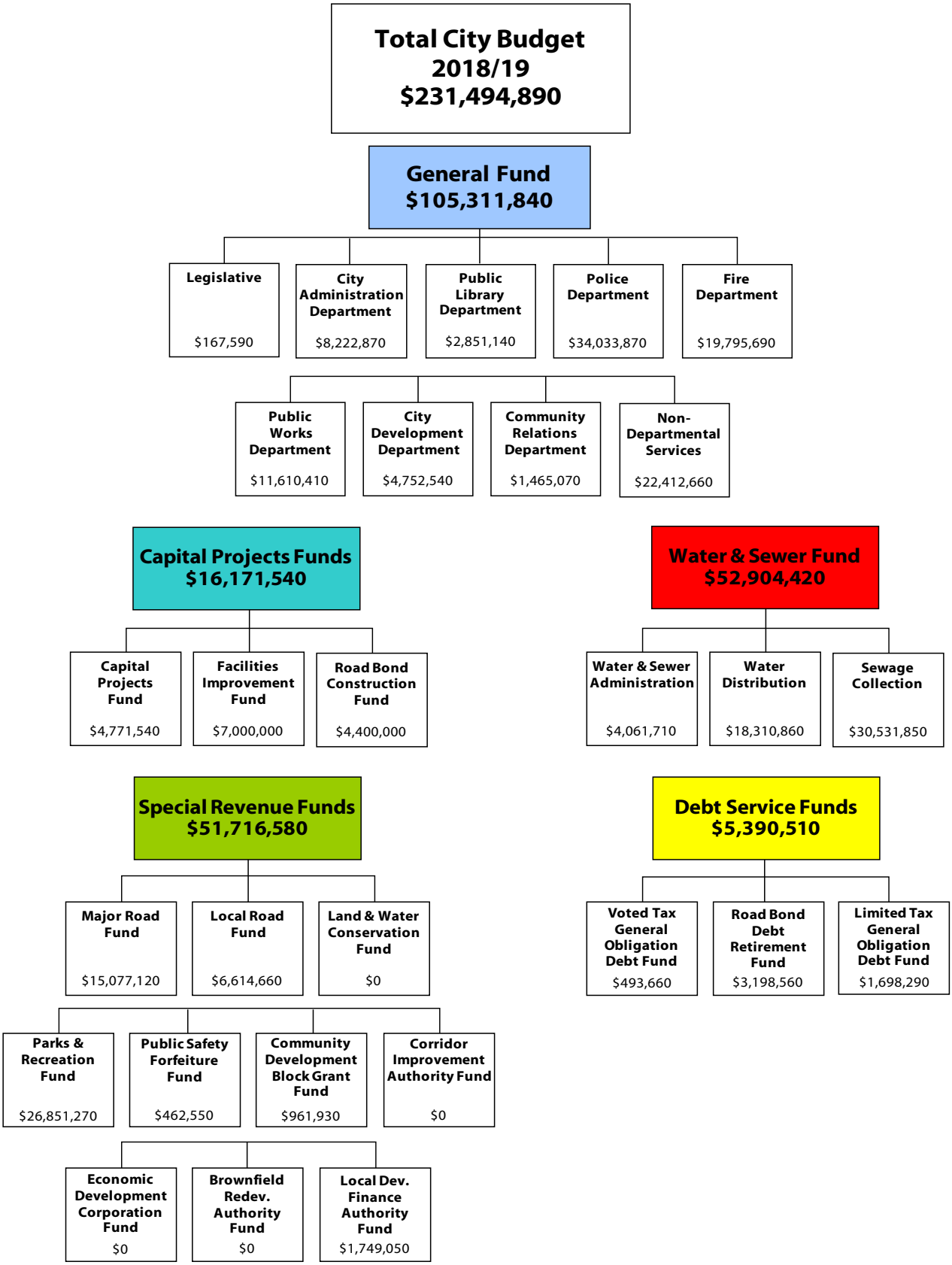


Chart figures correspond to budget tabs and include all transfers.

Budget Message & Executive Summary

July 1, 2018

Honorable Mayor and
Members of the City Council

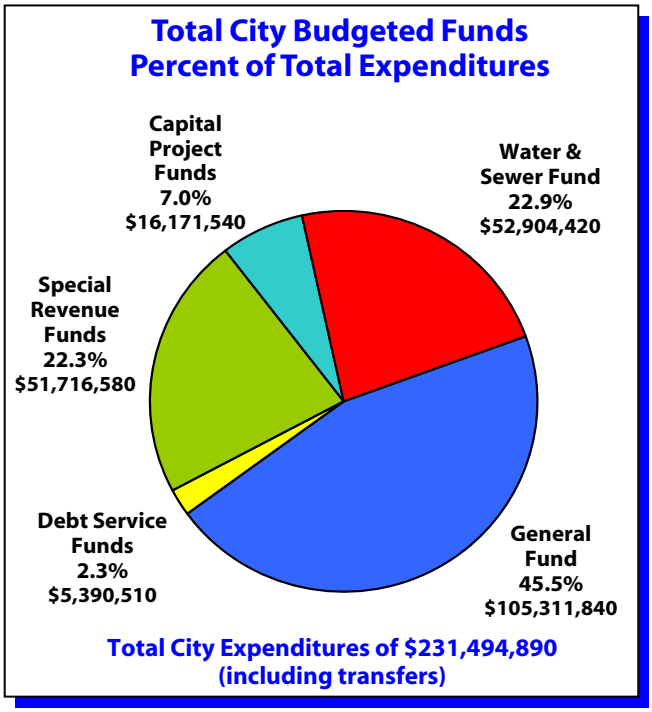
INTRODUCTION

Over the course of the City's history, this document has been integral to the City's ability to remain financially strong and resilient, regardless of the economic times. Although the process is not always smooth or easy, the commitment of City Administration and the City Council to good stewardship of the City's finances has always been reflected in a fiscally sound budget. This commitment, as set forth in annual budgets, has garnered state and national awards. Even more important than these accolades is the positive impact the budgetary process has on the Sterling Heights community in terms of the assured delivery of quality, efficient, and essential public services.

It is also true the budget is more than numbers on paper. It is a living document that reflects what this community strives to be – a safe, vibrant, and welcoming place to live and work. It is in this spirit that City Administration submits the proposed fiscal year 2018/19 Annual Budget.

YEAR IN REVIEW

The City continues to evolve with the transformational changes seen in *Re*creating Recreation, massive commercial and industrial redevelopment and continued population growth creating strong demand for multi-family and single-family housing. Property values in Sterling Heights ranked among the highest in the State making Sterling Heights a good place to invest in a home. As expected, the Southeastern Metropolitan Council of Governments (SEMCOG), in their updated population forecast, projects that Sterling Heights will soon become the 3rd largest City in the State. The recent citizen survey confirmed that residents are pleased with the direction of the City and provided high marks in almost all categories, with police and fire services ranking particularly high. As the City is celebrating its 50th Anniversary with a solid track record of success, the City's Visioning 2030 Plan is preparing the City for continued success over the next 50 years.



While the City's successes are far too numerous to mention in this message, there are areas in which we need continuous improvement. First, we must continue doing everything possible to ensure neighborhoods remain aesthetically pleasing and homes and businesses comply with property maintenance standards. As the City ages, this objective will become more and more challenging. As such, the proposed budget includes additional resources for Property Maintenance enforcement.

A significant challenge for the entire State, including Southeastern Michigan, is the critical need for more road funding. According to numerous studies, a $3 billion increase is needed to adequately fund road repair. However, the new road funding plan only allocates $1.2 billion more. Not only is this amount far short of what is needed, the new funding is not fully realized until 2021. This means Cities and Counties will need to find additional money to improve roads, that in many cases, are in deplorable condition.

Thankfully, in Sterling Heights, the Safe Streets Millage approved in 2013 is generating $20 million over six years to improve neighborhood roads. However, additional one-time funding is needed to catch up on County roads, requiring a City match, and other major roads.

PROPOSED BUDGET

The 2018/2019 Budget for all City Funds totals $231.5 million – an increase of $25.1 million or 12.1% from the prior year. The increase can be broken down as follows:

- $6.5 million due to a significant investment in road repairs and improvements, partially funded through a one-year 1 mill increase to the City Operating millage
- $7.5 million due to the second year of Parks & Recreation capital improvements funded through the *Re*creating Recreation millage – major improvements this year include the completion of the Dodge Park renovation and the groundbreaking on the Community Center
- $7.0 million due to the first year of a three-year plan to repair and replace infrastructure and upgrade technology across all City buildings – funded through a $20 million Facilities Improvement Bond issued in May 2018
- $2.2 million in increased debt service for additional payments on the $20 million Facilities Improvement Bond and an $8.2 million Road Construction Bond, both issued in May 2018
- An increase of $2.9 million in personnel costs to fund a $1.1 million increase in long-term retirement liabilities, as well as contractual employee wage increases and eight additional full-time positions, primarily funded through non-General Fund sources
  - o Health insurance rates increased by an average of 4.5%; however, this increase was offset by an increase in the number of single person contracts due to staff turnover
- Offsets include a reduction due to the Clinton River Restoration project that was budgeted in the prior year and a reduction in Local Road funding due to an increase of $1.2 million in Local Road funding in the prior year

The City establishes a budget for 18 separate funds or accounting divisions. These 18 funds can be further grouped into five major fund categories as the accompanying graph illustrates. The largest is the General Fund, which provides $105.3 million in funding towards the majority of services available to City residents through the City's eight departments. The second largest fund is the Water & Sewer Operating Fund, which provides $52.9 million in funding for the water distribution and sewage disposal services purchased from the Great Lakes Water Authority and Macomb County. Both the General and Water & Sewer Funds will be discussed in depth later in this Executive Summary.

CITY MILLAGE RATES	2017/18 Actual	2018/19 Proposed	Increase/ (Decrease)
City Operating	9.4940	10.4940	1.0000
Safe Streets	2.4853	2.4678	(0.0175)
Re creating Recreation	0.9700	0.9516	(0.0184)
Refuse Collection	1.0827	1.0420	(0.0407)
Police & Fire Retirement System	2.0124	2.1279	0.1155
Fire Station Improvements	0.1114	0.0971	(0.0143)
Total City Millage	**16.1558**	**17.1804**	**1.0246**

GENERAL FUND

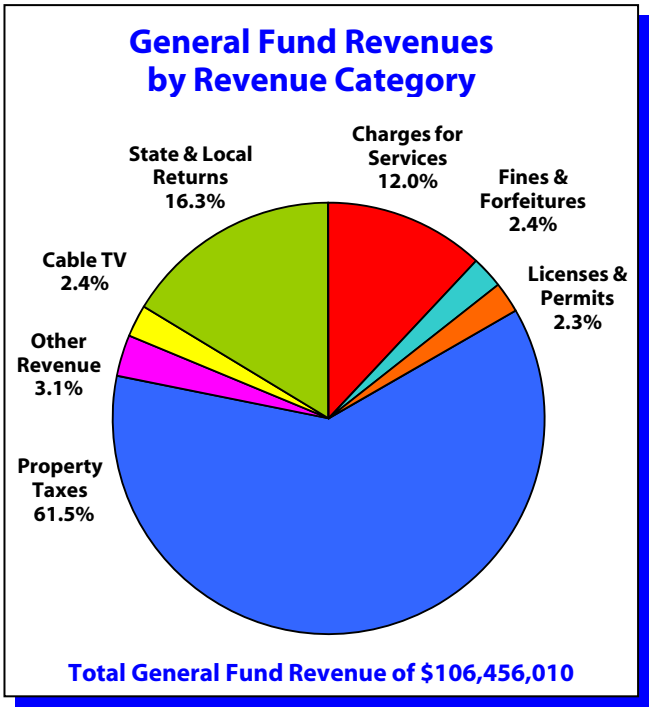
The General Fund revenues of $106.4 million in the proposed budget exceed the proposed General Fund expenditures of $105.3 million by $1.1 million. This marks the fifth consecutive year the City has added to reserves and is estimated to increase the total reserves to 22.2% of General Fund expenditures, continuing to make progress toward the goal of maintaining fund balance reserves of 25% of General Fund expenditures.

Revenues by Category

General Fund revenues are budgeted at $106.4 million, which is an increase of $10.0 million from the prior year.

The General Fund derives its revenue from a variety of sources as the graph on the following page illustrates. The largest source is from property taxes. The City's tax rate of 17.1804 mills will provide $65.5 million or 61.5% of the total General Fund budget. Taxes are levied for General Operations, Safe Streets, *Re*creating Recreation, Refuse Collection, Police & Fire Pensions, and Public Improvement Proposal F debt.

The City's total millage rate of 17.1804 mills represents an increase of 1.0246 mills over the prior year. This is primarily due to a proposed one-time increase to the City Operating millage to increase funding for desperately needed additional road repairs this fiscal year. This increase will cost the average home owner approximately $92 and raise nearly $4.2 million to be transferred to the Major



Road Fund for reconstruction projects on Utica Road, Metro Parkway, Schoenherr, 15 Mile, 17 Mile and 19 Mile Roads. This one-time increase will be rolled back the following year.

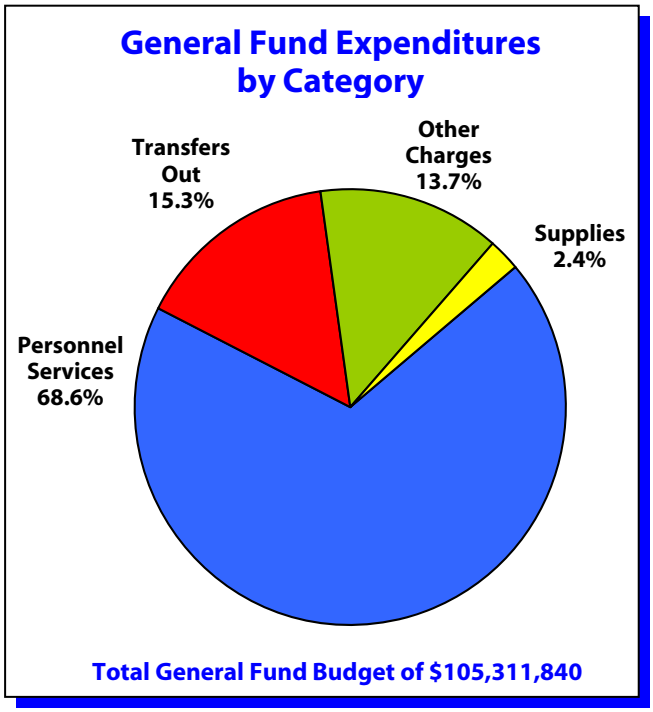
Despite the increase, the City's tax rate continues to be lower than most cities in the State and is one of the lowest of any city in Macomb County. For the 2017 tax year, the City's tax rate was 6.4 mills lower than the average tax rate of all Macomb County cities.

The City's total taxable value in 2018 increased by 3.6%. Although Proposal A allowed only a 2.1% inflationary adjustment, due to increased investment in our community, Real Property taxable value increased 4.6%. However, this was offset by an 8.9% decrease in Personal Property value. The Personal Property taxable value decrease next year is a result of the elimination of certain manufacturing personal property taxes due to a change in State law. The State will be reimbursing the City for the lost personal property tax revenue. The City's total taxable value has fallen by 20.7% since 2008. As a result, the City has now lost $130 million since 2008 in lower property tax revenues compared to receipts in a normal housing market. While total Property Tax revenue has been increasing in recent years and now exceeds 2008 levels, this has been primarily accomplished through additional millages such as Safe Streets and *Re*creating Recreation. As noted above, current year taxable values are still significantly below their peak in 2008.

To lessen the burden and reliance on property taxes, the General Fund also realizes revenue from a variety of smaller revenue sources, as detailed in the Chart to the left.

Significant changes from the prior year budget in other revenue sources include:

- An increase of $917,000 in State Revenue Sharing due to projections provided by the State of Michigan, which include an expected sales tax growth rate of 3.1%
- An increase of $922,000 in Federal Grant Revenue due to the expected receipt of funds from the SAFER (Staffing for Adequate Fire and Emergency Response) Grant, which funds 75% of the cost of the 15 firefighters hired for EMS Transport in 2018
- An increase of $559,000 in ALS Transport revenue, which began in November 2017, to account for a full year of revenue from transport services



Due to revenue increases and continued efficiency efforts, $1.1 million is budgeted to increase depleted General Fund reserves which had dropped to their lowest level since 1987. Reserves are estimated to total $23.4 million or 22.2% of General Fund expenditures next year.

Expenditures by Category

The $105.3 million General Fund budget represents an $11.3 million or 12.0% increase over the prior year. The General Fund is comprised of four separate categories as the graph illustrates. The largest is for Personnel costs, which is made up of wages and fringe benefits and comprises 68.6% of the total budget. Supplies, which is primarily made up of operating supplies, fuel, parts for the repair and maintenance of City vehicles, and the purchase of Library books, totals 2.4% of the budget. Other Charges totals 13.7% of the budget and is primarily for refuse, dispatch, detention facility and custodial contract costs, utility bills, and legal costs. Transfers to other City funds total 15.3% of the General Fund budget.

The total $11.3 million increase in General Fund expenditures can be explained by the following illustration showing where the expenditure changes have occurred:

	Dollar Change	Percentage Change
Personnel Services	$2,549,750	3.7%
Supplies	(405,260)	-13.9%
Other Charges	574,600	4.1%
Transfers Out	8,584,630	114.8%
Total	**$11,303,720**	**12.0%**

Personnel Services increased by $2,549,750 or 3.7%. Wages for full-time employees increased $1,116,060 or 3.7% primarily due to contractual wage increases for all employees ranging from 1.5% - 2.5% annually and employee wage-step increases for those not at the top of the wage scale. A net of four full-time positions were also added to the General Fund.

Health insurance costs increased by an average of 4.5%; however, these increases were offset by a higher than expected number of single coverage (as opposed to family) plans for new hires. Part-time wages increased $126,580 or 6.4% due to a net increase of two part-time positions.

The City will again fully fund its actuarially required contribution for current and future pension and retiree medical liabilities. The total amount the City is required to contribute to fund these liabilities has increased by $1.1 million or 9.9% next year.

The budget (across all funds) includes funding for 479 full-time positions – a net increase of eight positions, as detailed in the table below:

Full-Time Position	Cost Center	Headcount
Management Services Specialist	Facilities Maintenance	1
Facilities Maintenance Mechanic	Facilities Maintenance	1
Librarian (converted from part-time)	Public Library	1
Police Officer	Police Investigations	2
Planning Coordinator	Planning	1
Recreation Specialist	Parks & Recreation	2
Laborer	Parks & Grounds	1
Laborer	Sewer	2
City Assessor	Assessing	-1
Purchasing Manager	Purchasing	-1
City Development Manager	Neighborhood Services	-1
	Net Increase	**8**

In total, the City has reduced funding for 170 full-time positions or 26% of its workforce since 2002, saving $13.0 million annually. The City's employee per resident ratio has decreased by 39%. The City has worked hard to reduce the staffing impact to the Police and Fire Departments. As a result, in the past 16 years public safety staffing is down only 20% compared to more than a 35% reduction in other City departments.

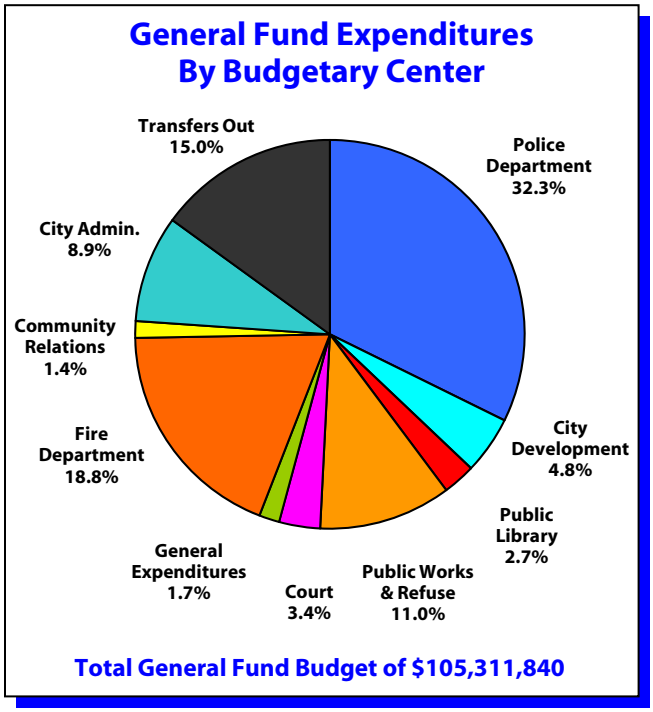
The budget also reflects a net increase of two part-time positions. The number of part-time staff has increased by 55 positions or 69% since 2004.

Supplies decreased $405,260 or 13.9%. The decrease is primarily due to reductions in four departments:

- Police Department – $71,650 reduction due to the purchase of replacement bullet proof vests in the prior year
- Fire Department - $35,140 reduction due to start-up costs for EMS transport services in the prior year
- Public Works – $50,000 reduction due to lower fuel costs
- Community Relations - $225,000 reduction in supplies, due to the transfer of the costs for Public Art, which are now funded in the Capital Projects Fund

Other Charges increased $574,600 or 4.1%. Contracted Services increased $207,000 due to higher costs for the Macomb County Dispatch Center, the detention facility, network maintenance and Accumed billing fees. Water utility costs increased $117,000 due to the higher cost of irrigation for City parks, athletic fields and rights-of way. Sterlingfest costs of $247,500 increased this line item due to a change in the budgeting method. General fund revenues are also budgeted to offset these costs.

Capital Outlay is budgeted in the Capital Projects Fund. All capital equipment and vehicles used by General Fund departments, with the exception of drug forfeiture purchases, are expensed in the Capital Projects Fund and are funded through a Transfer Out from the General Fund. ***A complete list of all capital equipment, vehicles, and projects is located in the Capital Projects section of this document.***



General Fund ***Transfers Out*** to other City Funds increased by $8,584,630 or 114.8% primarily due to a transfer of $7.0 million to the Major Roads fund to fund, in part, emergency road work on several roads in need of immediate repair. The transfer will also fund additional road improvement projects added to this list of already scheduled road projects. ***These projects are detailed in the Special Revenues section as well as the Capital Projects section of this document.*** In addition, a transfer of $1.4 million to the Limited Tax General Obligation Debt Service Fund is budgeted to fund the estimated payment on the $20 million Facilities Improvement bonds issued in the Spring of 2018. Increased funds continue to be budgeted for the necessary replacement of capital equipment, vehicles, and repairs to City facilities and to set aside funding for future capital needs.

Expenditures by Budgetary Center

The General Fund can be further broken down into the departmental or budgetary center level. These centers are comprised of the eight City operating departments as well as other ancillary expenditure cost centers. As you will note on the graph, over 62% of the budget is used to fund the three largest City departments – Police, Fire and Public Works.

Detailed information regarding changes in expenditures by department can be found in each department's specific section of this document.

The Special Revenue Funds provide a total of $51.7 million for major and local road maintenance and construction, park development, public safety drug forfeiture purchases, the Local Development Finance Authority, the Corridor Improvement Authority, and for the federally subsidized Community Development Block Grant. Due to the passing of the *Re*creating Recreation millage, the 2018 budget established a new special revenue fund for the Parks and Recreation department.

Several notable items in the Special Revenue Funds Budget include:

- CDBG funding to expand the Senior Center parking lot, reconstruct Newell Drive, and to assist low and moderate-income families in making minor home repairs, for property maintenance code enforcement efforts, funding for not-for-profit service organizations, and funding for the Special Recreation program
- Funding for continued operation of the business incubator, concrete replacement and joint sealing on Sterling Drive, and for SmartZone district signage
- Increased investment in major and local road maintenance including additional asphalt repairs, right of way mowing, and street sweeping
- The continuation of Parks and Recreation improvements funded through the *Re*creating Recreation millage including the completion of the Dodge Park renovations and the Community Center groundbreaking

Extensive road improvement projects are budgeted next year including:

Fiscal Year 2018/19 Road Improvement Projects

- Dodge Park Road from 15 Mile to Metro Parkway
- North Van Dyke from 18 ½ Mile to M-59
- Stadler Drive
- Merrill Road from 19 Mile to M-59
- Mound Road from 14 Mile to 18 Mile
- Various Neighborhood Road Improvements, totaling $4.2 million

Additional Road Projects Funded by millage generating $4.2 million

- Schoenherr Road from Plumbrook to 19 Mile Road
- 15 Mile Road from Maple Lane to Schoenherr
- 17 Mile Road from Van Dyke to Utica Road
- 19 Mile Road from Hayes to Schoenherr
- Utica Road from Schoenherr to Van Dyke Avenue
- Metro Parkway repairs

Note: Some of the listed projects are budgeted in the Road Bond Construction Fund.

The Capital Project Funds total $16.2 million. These funds are used for the road construction projects financed by the sale of bonds, the purchase of capital equipment and vehicles, and the repairs to municipal facilities, sidewalks, and storm drains.

A total of $7,000,000 is budgeted this year for facilities infrastructure improvements and information technology improvements to be funded through a $20 million Facilities Improvement Bond issued in May 2018. A wide range of facilities improvements, which were identified as part of a Facilities Condition Assessment, will be made at City Hall, 41-A District Court, the Police Department and the Public Library. Projected expenditures by category are listed below. It is anticipated that the entire project will be completed over a three-year period.

- Heating & Cooling - $4,800,000
- Information Technology - $3,000,000
- Furniture - $2,800,000
- Structural Components - $2,600,000
- Electrical Systems - $1,500,000
- Lighting - $1,250,000
- Fire & Security Alarm Systems - $950,000
- Roofing Systems - $950,000
- Plumbing Systems - $850,000
- Elevators - $800,000
- Flooring - $500,000

Other notable capital projects include:

- $1.2 million for replacement vehicles, including nine police vehicles and six fleet vehicles, a fire engine and a tandem axle dump truck with plow
- $1.6 million for replacement equipment including over 381 portable and mobile radios for police and fire personnel, an emergency vehicle pre-emption system, a Story Walk picture book display for the Library and continued investment in Public Art
- $1.0 million for technology upgrades including a new city-wide phone system, disaster recovery equipment, timekeeping software and replacement computers for Building, Finance, Information Technology, Parks & Recreation, the Police Department and Purchasing
- Replacement of the final six emergency warning sirens, roofs for the DPW salt barn and pole barn and a replacement generator for Fire Station #3
- Funds are also budgeted for the Pedestrian Bridge Maintenance Program and Sterling Relief Drain Improvements.

Finally, the ***Debt Service Funds*** total $5.4 million and provide funding for the debt payments on road construction projects, the City Center Commons, and the debt resulting from the voter approved Proposal F. Total debt service increased $2.2 million

or 2.3% over last year primarily due to new debt service on the Facilities Improvement Bond and additional Road Bonds issued in May 2018. Even with this additional debt, the City's debt levels are far below what is authorized by charter and among the lowest of our comparable communities.

WATER & SEWER FUND

The Water & Sewer Fund is a completely self-supporting activity that does not receive funding from property taxes. It is not designed to make a profit; however, reserves may be built up for future infrastructure improvements. The fund is solely for the purpose of providing water distribution and sewage disposal services to the City of Sterling Heights' residents.

Sterling Heights purchases its water and sewage services from the Great Lakes Water Authority (GLWA) and the Macomb County Public Works office, which directly influences the rates we must charge. Effective July 1, 2018, the GLWA rates to the City of Sterling Heights will decrease by 7.4% primarily due to a renegotiation of contract terms that was approved by the City Council on December 19, 2017. This renegotiation involved reducing the max day and peak hour usage which resulted in a savings on the cost of water purchased. This savings, however, is offset by an estimated 5.1% increase in Macomb County sewer charges and debt service. City costs also increased 4.9%, as detailed in the next paragraph. To cover these costs and begin to build up the Water & Sewer fund balance that has been depleted by nearly $17 million in the past five years, a net 3.9% increase will be passed on to Water & Sewer customers. This is the lowest increase in ten years.

The City continues to control its discretionary costs within this fund. Personnel costs increased by $197,070 or 4.7%, due to contractual wage adjustments and an increase to the required funding for long-term liabilities of $64,000. Other Charges also increased to fund additional work on a city-wide valve repair program, which is required by the MDEQ. Capital Outlay includes the purchase of a Sanitary Sewer Camera truck necessary for televising sewer lines. $895,000 is budgeted to be added to fund balance to begin to build up reserves for future infrastructure improvements. The average Sterling Heights residential customer will pay $77 per month for water & sewer services, a $3/month increase over last year. According to a 2016 Black & Veatch rate survey, the average monthly water & sewer bill for the City of Sterling Heights is 29% below the average rates and 23% below the median rates of the 50 largest cities in the United States.

FUTURE

Sterling Heights is on an exciting path forward making major progress on place making initiatives, increasing public safety services, and creating an even higher quality of life for existing and future residents. By fostering an environment where businesses can not only survive, but thrive, high paying jobs continue to be created across a variety of business sectors. The City continues a proactive approach by emphasizing financial stability and investing in infrastructure. The Sterling Heights model of success continues to be taking care of today's needs in the most cost effective manner while planning for the future in a progressive way. Continuous improvement is the guiding light in preserving Sterling Heights' long standing tradition of excellence.

CONCLUSION

In closing, I would like to acknowledge the efforts of the Finance & Budget staff: Jennifer Varney, Janice Schoenrath, and Sharon Wennerstrom for their hard work and effort during the budget process. The City's department directors and managers are also commended for their team effort and continued commitment to service excellence. I am especially grateful to the City employees who remain dedicated to this great organization and work tirelessly on behalf of our customers, delivering exemplary services.

I would also like to thank the Mayor and City Council for their continued leadership and support throughout the year, especially during the months required to prepare and present the annual budget. Thanks to the entire Sterling Heights Team, the City's future is promising.

Respectfully submitted,

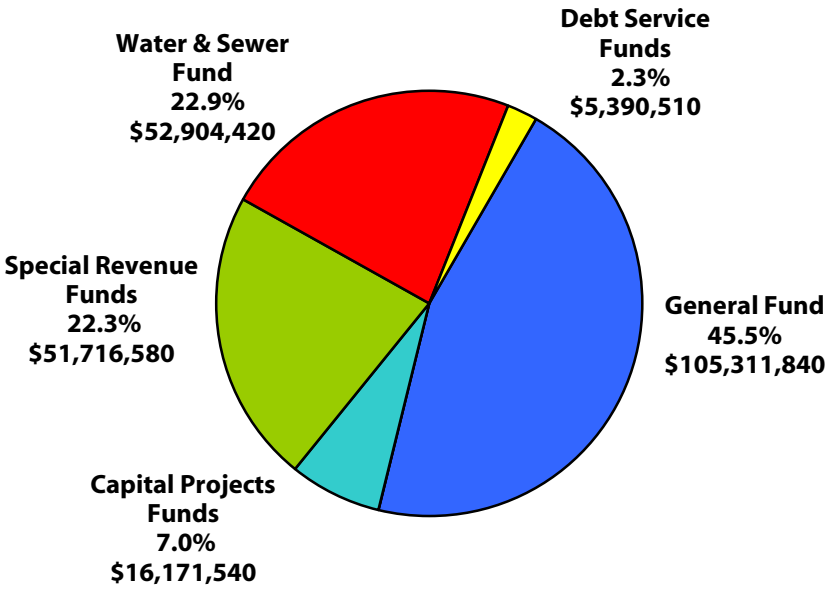


Mark D. Vanderpool
City Manager

We are what we repeatedly do.
Excellence, then, is not an act, but a habit.

~ Aristotle ~

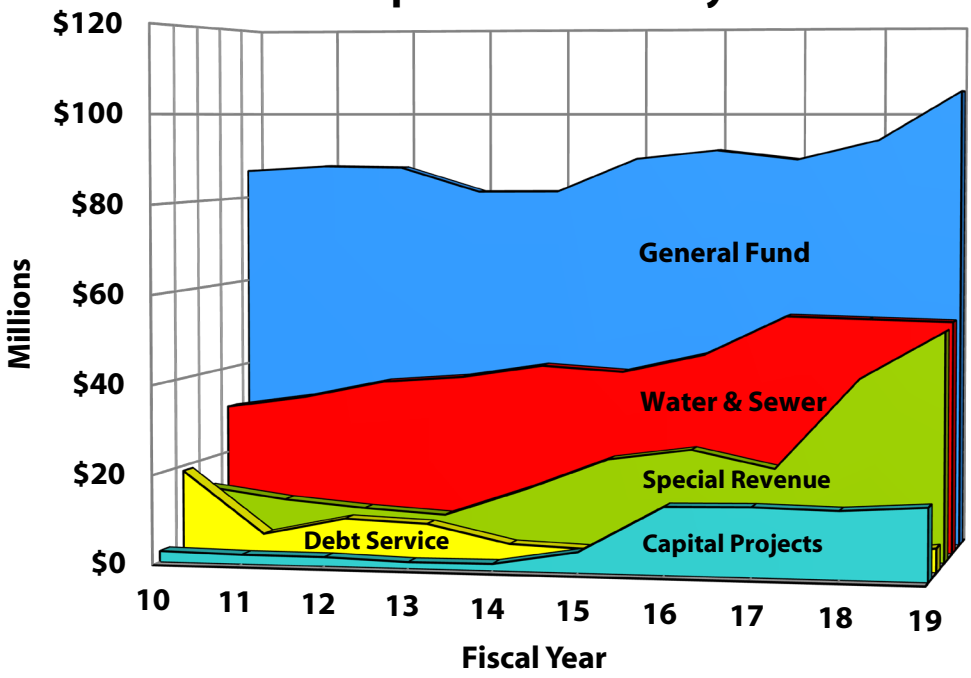
Total City Budgeted Funds
Percent of Total Expenditures



Total City Expenditures of $231,494,890 (including transfers)

This graph illustrates total fund expenditures as a percent of all City Funds.

Total City Budgeted Funds
Expenditure History



This graph illustrates the expenditure history of all City budgeted funds.

2018/19 ALL FUNDS - COMBINED BUDGET SUMMARY
OF REVENUES, EXPENDITURES AND FUND BALANCE

	General	Water & Sewer	Special Revenue	Debt Service	Capital Projects	Total Budget
REVENUES BY SOURCE						
City Property Taxes	$65,485,250	$0	$7,415,960	$416,600	$0	**$73,317,810**
Water & Sewer Service	0	50,378,500	0	0	0	**50,378,500**
Interfund Transfers In	0	0	8,347,410	4,198,060	5,716,040	**18,261,510**
Charges for Services	12,776,670	2,221,130	628,310	0	0	**15,626,110**
State Revenue Sharing	11,917,890	0	0	0	0	**11,917,890**
Highway & Street Grants	0	0	11,198,230	0	0	**11,198,230**
Federal, State & Local Grants	5,403,490	758,340	1,881,730	58,680	0	**8,102,240**
Miscellaneous Revenue	2,648,710	181,710	346,860	215,020	141,570	**3,533,870**
Cable Revenue	2,575,000	0	0	0	0	**2,575,000**
Fines & Forfeitures	2,534,500	0	0	0	0	**2,534,500**
Licenses & Permits	2,414,500	0	0	0	0	**2,414,500**
Interest on Investments	700,000	260,000	440,180	12,780	50,050	**1,463,010**
TIF/LDFA - SmartZone Capture	0	0	1,155,830	0	0	**1,155,830**
Proceeds - Long-Term Debt	0	0	0	0	0	**0**
Total Revenues	**106,456,010**	**53,799,680**	**31,414,510**	**4,901,140**	**5,907,660**	**202,479,000**
EXPENDITURES BY OBJECT						
Personnel Services	72,253,860	4,390,130	2,071,490	0	0	**78,715,480**
Other Charges	10,224,070	39,603,830	2,344,760	3,060	0	**52,175,720**
Capital Improvement Projects	0	0	36,497,180	0	11,288,500	**47,785,680**
Interfund Transfers Out	16,061,510	0	2,500,000	0	0	**18,561,510**
Principal Payments	0	2,872,220	1,390,000	3,890,550	0	**8,152,770**
Interest Payments	0	2,754,250	1,611,090	1,496,900	0	**5,862,240**
Other Services	0	0	4,603,500	0	0	**4,603,500**
Refuse Collection	4,185,000	0	0	0	0	**4,185,000**
Capital Equipment	0	68,800	140,370	0	3,633,540	**3,842,710**
Supplies	2,518,300	392,500	131,850	0	0	**3,042,650**
Interfund Services	69,100	2,349,690	139,230	0	0	**2,558,020**
Capital Vehicles	0	473,000	287,110	0	1,249,500	**2,009,610**
Total Expenditures	**105,311,840**	**52,904,420**	**51,716,580**	**5,390,510**	**16,171,540**	**231,494,890**
Excess of Revenues Over (Under) Expenditures	1,144,170	*	(20,302,070)	(489,370)	(10,263,880)	**(29,911,150)**
Beginning Fund Balance	22,218,340	*	35,502,330	879,490	26,558,790	**85,158,950**
Ending Fund Balance	**$23,362,510**	*	**$15,200,260**	**$390,120**	**$16,294,910**	**$55,247,800**

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

ALL FUNDS - COMBINED HISTORICAL SUMMARY
OF REVENUES, EXPENDITURES AND FUND BALANCE

	2016/17 Actual	2017/18 Estimate	2018/19 Budget
REVENUES BY SOURCE			
City Property Taxes	$60,946,930	$66,232,430	**$73,317,810**
Water & Sewer Service	43,005,120	48,394,310	**50,378,500**
Interfund Transfers In	11,080,730	10,396,880	**18,261,510**
Charges for Services	12,060,130	14,214,480	**15,626,110**
State Revenue Sharing	11,259,950	11,560,000	**11,917,890**
Highway & Street Grants	9,260,080	11,519,400	**11,198,230**
Federal, State & Local Grants	13,882,600	13,398,470	**8,102,240**
Miscellaneous Revenue	3,320,830	3,557,930	**3,533,870**
Cable Revenue	2,579,600	2,550,000	**2,575,000**
Fines & Forfeitures	2,944,500	2,540,000	**2,534,500**
Licenses & Permits	2,568,910	2,349,000	**2,414,500**
Interest on Investments	800,560	1,561,130	**1,463,010**
TIF/LDFA - SmartZone Capture	968,160	1,050,020	**1,155,830**
Proceeds - Long-Term Debt	50,377,580	28,000,000	**0**
Total Revenues	**225,055,680**	**217,324,050**	**202,479,000**
EXPENDITURES BY OBJECT			
Personnel Services	71,581,230	75,008,530	**78,715,480**
Other Charges	54,719,910	51,235,720	**52,175,720**
Capital Improvement Projects	21,997,410	40,683,840	**47,785,680**
Interfund Transfers Out	11,380,740	10,696,880	**18,561,510**
Principal Payments	5,353,870	7,057,180	**8,152,770**
Interest Payments	2,945,350	4,642,430	**5,862,240**
Other Services	3,823,320	4,584,660	**4,603,500**
Refuse Collection	4,179,920	4,285,000	**4,185,000**
Capital Equipment	1,516,780	2,320,640	**3,842,710**
Supplies	2,697,470	3,357,030	**3,042,650**
Interfund Services	2,205,620	2,164,400	**2,558,020**
Capital Vehicles	2,498,010	1,322,660	**2,009,610**
Total Expenditures	**184,899,630**	**207,358,970**	**231,494,890**
Excess of Revenues Over (Under) Expenditures*	47,819,190	9,513,970	**(29,911,150)**
Beginning Fund Balance	27,825,790	75,644,980	**85,158,950**
Ending Fund Balance	**$75,644,980**	**$85,158,950**	**$55,247,800**

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

REVENUE COMPARISON
CITY BUDGETED FUNDS

Fund No.	Fund Name	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget	% Change from 17/18
	GENERAL FUND						
1010	General Fund	$93,741,720	$95,322,440	$96,480,920	$99,668,050	**$106,456,010**	10.3%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	40,739,280	45,931,040	52,984,540	52,344,180	**53,799,680**	1.5%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	7,461,430	8,061,740	8,525,500	9,867,150	**15,635,710**	83.4%
2030	Local Road Fund	6,831,410	7,297,890	6,744,490	7,081,800	**6,579,570**	-2.4%
2440	Land & Water Conservation Fund	745,220	325,230	4,500	5,960	**4,000**	-11.1%
2760	Parks & Recreation Fund	0	45,040,970	6,289,140	6,807,380	**6,576,990**	4.6%
2770	Public Safety Forfeiture Fund	248,440	415,360	110,730	496,470	**34,680**	-68.7%
2780	Comm. Develop. Block Grant Fund	645,060	606,780	1,375,020	1,121,390	**961,930**	-30.0%
2890	Neighborhood Stabilization Fund	2,350	11,260	0	0	**0**	0.0%
8510	Corridor Improvement Auth. Fund	20,750	182,480	191,950	203,270	**81,950**	-57.3%
8550	Economic Develop. Corp. Fund	302,590	305,800	140,700	142,000	**302,000**	114.6%
8560	Brownfield Redevelopment Fund	107,430	91,440	91,570	87,170	**0**	-100.0%
8670	Local Dev. Finance Authority Fund	723,850	1,930,030	969,500	1,084,000	**1,237,680**	27.7%
	Total Special Revenue Funds	**17,088,530**	**64,268,980**	**24,443,100**	**26,896,590**	**31,414,510**	**28.5%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	164,560	20,980	980	980	**980**	0.0%
3050	Voted Gen. Obligation Debt Fund	473,400	3,615,520	489,810	514,960	**449,310**	-8.3%
3270	Road Bond Debt Retirement Fund	1,410,950	2,229,930	2,253,380	2,266,460	**2,752,790**	22.2%
3690	Ltd. Tax Gen. Obligation Debt Fund	322,380	356,080	337,480	337,480	**1,698,060**	403.2%
	Total Debt Service Funds	**2,371,290**	**6,222,510**	**3,081,650**	**3,119,880**	**4,901,140**	**59.0%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	6,560,770	5,871,680	5,006,080	5,624,010	**5,877,660**	17.4%
4040	Facilities Improvement Fund	0	0	0	20,000,000	**0**	0.0%
4050	Clinton River Restoration Fund	634,830	2,223,630	1,641,540	1,641,540	**0**	-100.0%
4280	Road Bond Construction Fund	10,435,270	5,215,400	3,619,500	8,029,800	**30,000**	-99.2%
	Total Capital Project Funds	**17,630,870**	**13,310,710**	**10,267,120**	**35,295,350**	**5,907,660**	**-42.5%**
	Total Revenue	**171,571,690**	**225,055,680**	**187,257,330**	**217,324,050**	**202,479,000**	**8.1%**
	Duplicating Transfers	**(11,097,380)**	**(11,380,740)**	**(9,476,880)**	**(10,696,880)**	**(18,561,510)**	95.9%
	Total All Funds	**$160,474,310**	**$213,674,940**	**$177,780,450**	**$206,627,170**	**$183,917,490**	**3.5%**

Note: Figures do not include use of, or contribution to Fund Balance.

EXPENDITURE COMPARISON
CITY BUDGETED FUNDS

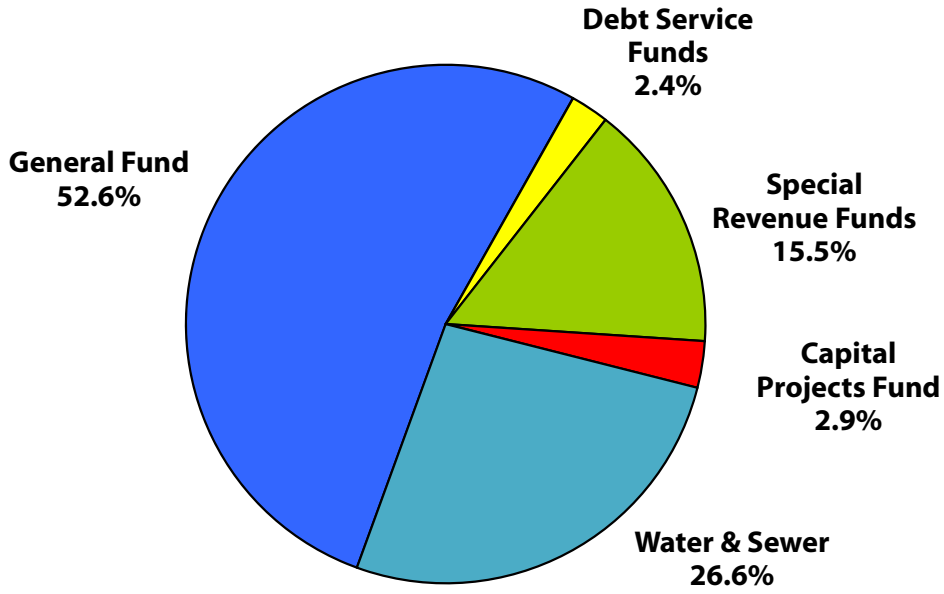
Fund No.	Fund Name	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget	% Change from 17/18
	GENERAL FUND						
1010	General Fund	$89,886,580	$89,450,700	$94,008,120	$94,716,320	**$105,311,840**	12.0%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	49,160,090	53,594,180	53,333,190	51,893,070	**52,904,420**	-0.8%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	7,847,180	8,248,050	8,392,870	10,278,620	**15,077,120**	79.6%
2030	Local Road Fund	5,967,050	4,946,870	9,818,530	9,532,440	**6,614,660**	-32.6%
2440	Land & Water Conservation Fund	207,370	574,250	77,000	80,000	**0**	-100.0%
2760	Parks & Recreation Fund	0	3,123,600	19,308,260	19,160,410	**26,851,270**	39.1%
2770	Public Safety Forfeiture Fund	430,550	181,010	453,160	465,260	**462,550**	2.1%
2780	Comm. Develop. Block Grant Fund	645,060	606,780	1,375,020	1,121,390	**961,930**	-30.0%
2890	Neighborhood Stabilization Fund	2,350	11,260	0	0	**0**	0.0%
8510	Corridor Improvement Auth. Fund	0	950	185,000	197,220	**0**	-100.0%
8550	Economic Develop. Corp. Fund	0	900,000	0	45,000	**0**	0.0%
8560	Brownfield Redevelopment Fund	(332,620)	536,830	84,670	86,170	**0**	-100.0%
8670	Local Dev. Finance Authority Fund	626,880	1,229,790	1,221,850	1,687,430	**1,749,050**	43.1%
	Total Special Revenue Funds	**15,393,820**	**20,359,390**	**40,916,360**	**42,653,940**	**51,716,580**	**26.4%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	157,050	0	0	0	**0**	0.0%
3050	Voted Gen. Obligation Debt Fund	470,850	3,601,420	487,670	487,030	**493,660**	1.2%
3270	Road Bond Debt Retirement Fund	1,322,530	2,143,100	2,325,820	2,299,500	**3,198,560**	37.5%
3690	Ltd. Tax Gen. Obligation Debt Fund	322,380	356,080	337,480	337,480	**1,698,290**	403.2%
	Total Debt Service Funds	**2,272,810**	**6,100,600**	**3,150,970**	**3,124,010**	**5,390,510**	**71.1%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	6,458,870	6,104,950	5,034,100	4,937,550	**4,771,540**	-5.2%
4040	Facilities Improvement Fund	0	0	0	0	**7,000,000**	100.0%
4050	Clinton River Restoration Fund	634,830	2,223,630	1,641,540	1,641,540	**0**	-100.0%
4280	Road Bond Construction Fund	3,920,470	7,066,180	8,352,540	8,392,540	**4,400,000**	-47.3%
	Total Capital Project Funds	**11,014,170**	**15,394,760**	**15,028,180**	**14,971,630**	**16,171,540**	**7.6%**
	Total Expenditures	**167,727,470**	**184,899,630**	**206,436,820**	**207,358,970**	**231,494,890**	**12.1%**
	Duplicating Transfers	**(9,747,310)**	**(11,380,740)**	**(9,476,880)**	**(10,696,880)**	**(18,561,510)**	95.9%
	Total All Funds	**$157,980,160**	**$173,518,890**	**$196,959,940**	**$196,662,090**	**$212,933,380**	**8.1%**

Note: Figures do not include use of, or contribution to Fund Balance.

YEAR-END UNAPPROPRIATED
FUND BALANCE COMPARISON
GOVERNMENTAL FUNDS

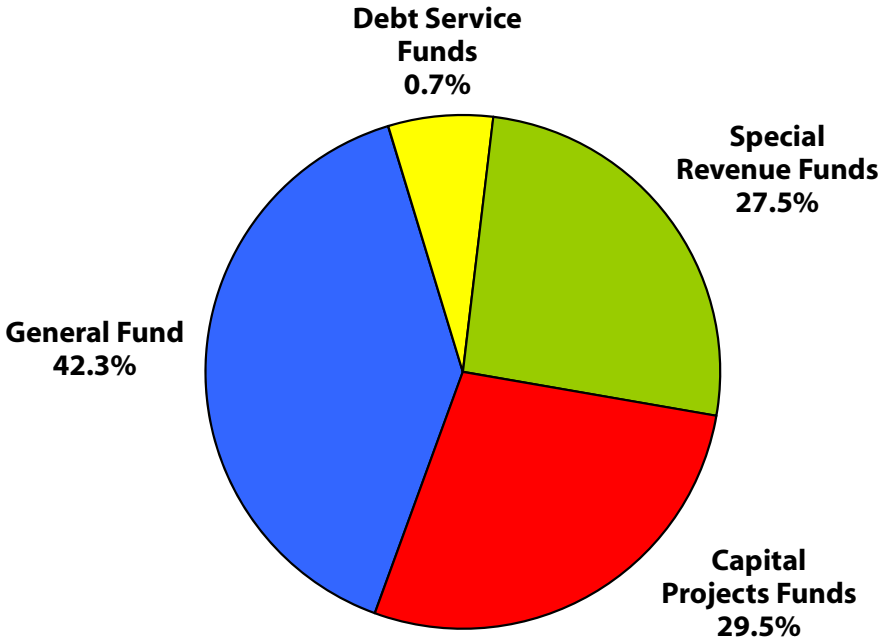
Fund No.	Fund Name	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget	% Change from 17/18
	GENERAL FUND						
1010	General Fund	$11,394,870	$17,266,610	$19,739,410	$22,218,340	**$23,362,510**	18.4%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	3,731,640	3,545,330	3,677,960	3,133,860	**3,692,450**	0.4%
2030	Local Road Fund	1,111,140	3,462,160	388,120	1,011,520	**976,430**	151.6%
2440	Land & Water Conservation Fund	623,440	374,420	301,920	300,380	**304,380**	0.8%
2760	Parks & Recreation Fund	0	41,917,370	28,898,250	29,564,340	**9,290,060**	-67.9%
2770	Public Safety Forfeiture Fund	333,100	567,450	225,020	598,660	**170,790**	-24.1%
2780	Comm.Development Block Grant Fund	0	0	0	0	**0**	0.0%
2890	Neighborhood Stabilization Fund	0	0	0	0	**0**	0.0%
8510	Corridor Improvement Auth. Fund	64,310	245,840	252,790	251,890	**333,840**	32.1%
8550	Economic Development Corp. Fund	615,680	21,480	162,180	118,480	**420,480**	159.3%
8560	Brownfield Redevelopment Fund	445,390	0	6,900	1,000	**1,000**	-85.5%
8670	Local Dev. Finance Authority Fund	425,390	1,125,630	873,280	522,200	**10,830**	-98.8%
	Total Special Revenue Funds	**7,350,090**	**51,259,680**	**34,786,420**	**35,502,330**	**15,200,260**	**-56.3%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	18,690	39,670	40,650	40,650	**41,630**	2.4%
3050	Voted General Obligation Debt Fund	9,230	23,330	25,470	51,260	**6,910**	-72.9%
3270	Road Bond Debt Retirement Fund	733,450	820,280	747,840	787,240	**341,470**	-54.3%
3690	Limited Tax Gen. Obligation Debt Fund	340	340	340	340	**110**	-67.6%
	Total Debt Service Funds	**761,710**	**883,620**	**814,300**	**879,490**	**390,120**	**-52.1%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	1,732,330	1,499,060	1,471,040	2,185,520	**3,291,640**	123.8%
4040	Facilities Improvement Fund	0	0	0	20,000,000	**13,000,000**	100.0%
4050	Clinton River Restoration Fund	0	0	0	0	**0**	0.0%
4280	Road Bond Construction Fund	6,586,790	4,736,010	2,970	4,373,270	**3,270**	10.1%
	Total Capital Project Funds	**8,319,120**	**6,235,070**	**1,474,010**	**26,558,790**	**16,294,910**	**1005.5%**
	Unappropriated Total - All Funds	**$27,825,790**	**$75,644,980**	**$56,814,140**	**$85,158,950**	**$55,247,800**	**-2.8%**

Total City Budgeted Funds
Percent of Total Revenues



Total City Revenues (including transfers) $202,479,000

Total City Government Funds
Percent of Total Reserves



Total Government Fund Reserves of $55,247,800

TOTAL CITY BUDGETED FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	CITY TAXES						
404000	City Operating Tax	$37,908,263	16.84	$38,918,890	20.78	**$44,694,320**	**22.07**
404001	Property Tax Refunds	65,658	0.03	(60,200)	-0.03	**(62,200)**	**-0.03**
405000	City Refuse Tax	4,418,198	1.96	4,464,060	2.38	**4,451,730**	**2.20**
406000	Police & Fire Pension Tax	7,914,369	3.52	8,297,370	4.43	**9,036,050**	**4.46**
407000	Safe Streets Tax	9,972,682	4.43	10,202,410	5.45	**10,505,640**	**5.19**
408000	*Re* creating Recreation Tax	0	0.00	3,981,900	2.13	**4,050,770**	**2.00**
415000	Delinquent Personal Property Tax	47,483	0.02	60,500	0.03	**60,500**	**0.03**
417000	Proposal R Debt Levy	220	0.00	0	0.00	**0**	**0.00**
419000	Proposal F Debt Levy	462,280	0.21	459,310	0.25	**415,000**	**0.20**
445000	Penalties & Interest	157,777	0.07	171,100	0.09	**166,000**	**0.08**
	Total City Taxes	**60,946,929**	**27.08**	**66,495,340**	**35.51**	**73,317,810**	**36.20**
	IMPROVEMENT TAXES						
420000	Property Taxes - TIF	22,102	0.01	31,700	0.02	**81,150**	**0.04**
420010	Property Taxes - TIF - BAE	87,094	0.04	87,300	0.05	**0**	**0.00**
422000	LDFA - Smartzone Capture	858,967	0.38	825,000	0.44	**1,074,680**	**0.53**
	Total Improvement Taxes	**968,163**	**0.43**	**944,000**	**0.51**	**1,155,830**	**0.57**
	LICENSES & PERMITS						
451000	Business Operating License	29,613	0.01	15,000	0.01	**25,000**	**0.01**
452000	Mobile / Temporary Vendor	3,602	0.00	6,000	0.00	**4,000**	**0.00**
453000	Liquor License	97,777	0.04	100,000	0.05	**100,000**	**0.05**
454000	Vending/Amusement Device Fee	10,386	0.00	15,000	0.01	**10,500**	**0.01**
461000	Electrical Registration & Permits	374,717	0.17	260,000	0.14	**280,000**	**0.14**
462000	Heating Registration & Permits	284,598	0.13	278,000	0.15	**285,000**	**0.14**
463000	Plumbing Registration & Permits	237,610	0.11	190,000	0.10	**200,000**	**0.10**
464000	Sign Registration & Permits	47,997	0.02	45,000	0.02	**45,000**	**0.02**
470000	Building Registration & Permits	1,164,855	0.52	1,150,000	0.61	**1,200,000**	**0.59**
471000	Fence Permits	15,907	0.01	13,500	0.01	**15,000**	**0.01**
477000	Fire Suppression Permits	95,932	0.04	70,000	0.04	**90,000**	**0.04**
478000	Animal Permits	58,114	0.03	55,000	0.03	**55,000**	**0.03**
479401	Non-Homestead Resident Insp. Fee	107,790	0.05	65,000	0.03	**65,000**	**0.03**
479402	Re-Inspection Code Enforcement Fee	40,007	0.02	35,000	0.02	**40,000**	**0.02**
	Total Licenses & Permits	**2,568,905**	**1.15**	**2,297,500**	**1.22**	**2,414,500**	**1.19**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	5,977,224	2.66	3,571,380	1.91	**1,961,930**	**0.97**
529002	Federal Program Income	4,843	0.00	0	0.00	**0**	**0.00**
529003	Revenue Direct Loans	83,774	0.04	25,000	0.01	**25,000**	**0.01**
529004	Federal - Interest Rebates	31,323	0.01	30,370	0.02	**28,970**	**0.01**
529100	Federal Forfeiture Grant	193,015	0.09	49,960	0.03	**0**	**0.00**
529200	Treasury Forfeiture	24,354	0.01	0	0.00	**0**	**0.00**
539002	State Grants	492,871	0.22	1,135,000	0.61	**758,340**	**0.37**
539200	State Forfeiture Grant	147,956	0.07	20,920	0.01	**0**	**0.00**
539201	State Forfeiture Program Income	2,711	0.00	2,090	0.00	**2,000**	**0.00**
539300	Gambling Forfeitures	919	0.00	2,920	0.00	**0**	**0.00**
539348	Act 48 Public Right of Way	391,892	0.17	340,000	0.18	**375,000**	**0.19**
539400	OWI Forfeitures	14,657	0.01	900	0.00	**0**	**0.00**
539500	Act 302 Training Funds	27,833	0.01	30,800	0.02	**27,800**	**0.01**
544000	Drunk Driving Case Flow Assistance	9,226	0.00	12,000	0.01	**9,200**	**0.00**
546000	Highway & Street Grants	9,260,081	4.11	10,408,900	5.56	**11,198,230**	**5.53**

TOTAL CITY BUDGETED FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
549000	County & Other Local Grants	0	0.00	0	0.00	**0**	**0.00**
549101	Funding from General Government	300,000	0.13	300,000	0.16	**300,000**	**0.15**
567001	State Aid - Library	84,813	0.04	85,600	0.05	**94,420**	**0.05**
569001	Judges Salary Stand Payments	137,172	0.06	137,170	0.07	**137,170**	**0.07**
573386	Personal Prop. Tax Reimbursement	5,577,081	2.48	4,028,000	2.15	**3,979,710**	**1.97**
574000	State Revenue Sharing	11,259,947	5.00	11,000,000	5.87	**11,917,890**	**5.90**
581001	Municipal Credit Transportation	198,376	0.09	496,860	0.27	**215,000**	**0.11**
583000	Macomb Auto Theft Squad - Grant	60,843	0.03	65,000	0.03	**62,700**	**0.03**
585000	Drug Enforce. Admin. - Federal	17,487	0.01	18,000	0.01	**20,000**	**0.01**
587001	County Contrib. - Library Penal Fines	104,232	0.05	115,000	0.06	**105,000**	**0.05**
	Total State & Local Returns	**34,402,632**	**15.29**	**31,875,870**	**17.03**	**31,218,360**	**15.43**
	OTHER FINANCING SOURCES						
699101	Transfer from General Fund	7,255,495	3.22	7,176,880	3.83	**15,761,510**	**7.78**
699202	Transfer from Major Road Fund	2,925,240	1.30	2,000,000	1.07	**2,500,000**	**1.23**
699255	Transfer from EDS	900,000	0.40	0	0.00	**0**	**0.00**
	Total Other Financing Sources	**11,080,735**	**4.92**	**9,176,880**	**4.90**	**18,261,510**	**9.01**
	FINES & FORFEITURES						
656003	Contempt Court Fines	48,055	0.02	40,000	0.02	**45,000**	**0.02**
656004	Ordinance Fines & Costs	2,455,250	1.09	2,200,000	1.17	**2,100,000**	**1.04**
656005	Municipal Civil Infractions	5,300	0.00	6,500	0.00	**6,500**	**0.00**
657001	Library Fines	46,640	0.02	50,000	0.03	**45,000**	**0.02**
658001	Bond Forfeitures	133,269	0.06	100,000	0.05	**110,000**	**0.05**
659001	Driver Reinstatement Fee	39,787	0.02	32,000	0.02	**35,000**	**0.02**
659002	Default Judgment Fee	199,301	0.09	185,000	0.10	**180,000**	**0.09**
659003	Crime Victim Rights Admin. Fee	16,551	0.01	13,000	0.01	**13,000**	**0.01**
659004	Forensic Admin. Fee	120	0.00	150	0.00	**0**	**0.00**
659005	DNA Assessment Fee	226	0.00	0	0.00	**0**	**0.00**
	Total Fines & Forfeitures	**2,944,499**	**1.31**	**2,626,650**	**1.40**	**2,534,500**	**1.25**
	CHARGES FOR SERVICES						
603000	Court Filing Fee	118,051	0.05	115,000	0.06	**120,000**	**0.06**
603001	Jury Demand Fee	4,570	0.00	4,500	0.00	**2,000**	**0.00**
604000	Probation Oversight	261,359	0.12	240,000	0.13	**250,000**	**0.12**
605000	Garnishments - Filing Fee	124,080	0.06	130,000	0.07	**125,000**	**0.06**
606000	Split/Combination Fee	10,650	0.00	8,000	0.00	**8,000**	**0.00**
607000	Fire Permits, Fees, & Inspections	22,075	0.01	22,000	0.01	**23,000**	**0.01**
608000	Recording Fees	1,990	0.00	1,500	0.00	**3,000**	**0.00**
609000	Mobile Home Tax	9,583	0.00	9,600	0.01	**9,600**	**0.00**
610000	Vital Statistics	68,432	0.03	70,000	0.04	**70,000**	**0.03**
611000	Attorney Fee Reimbursement	46,015	0.02	35,000	0.02	**40,000**	**0.02**
612000	Alcohol Assessment Fee	48,215	0.02	50,000	0.03	**45,000**	**0.02**
626000	Services - PTAF	1,721,608	0.76	1,754,180	0.94	**1,835,250**	**0.91**
627000	Water & Sewer Activity	1,717,860	0.76	1,679,460	0.90	**1,911,810**	**0.94**
627276	Administrative Services - RR	0	0.00	0	0.00	**120,230**	**0.06**
627444	Administrative Services - Roads	253,967	0.11	275,000	0.15	**250,000**	**0.12**
627531	Admin Services-Refuse	69,100	0.03	69,100	0.04	**69,100**	**0.03**
627556	Admin Services-Water Distribution	353,970	0.16	349,230	0.19	**383,880**	**0.19**
627574	Admin Services-W&S Improvements	147,360	0.07	150,300	0.08	**153,300**	**0.08**
627677	Administrative Services-Self Insurance	287,130	0.13	289,050	0.15	**313,350**	**0.15**
627732	Administrative Services-P&F Pension	6,625	0.00	6,000	0.00	**7,000**	**0.00**

TOTAL CITY BUDGETED FUNDS
REVENUE SUMMARY BY ACCOUNT

Account		2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
Number	Account Name	Dollars	%	Dollars	%	Dollars	%
628001	Voter Lists	670	0.00	800	0.00	**700**	**0.00**
629001	Labor Services - Roads	917,311	0.41	1,110,000	0.59	**1,007,500**	**0.50**
629002	Labor Services - Cross Charges	27,893	0.01	40,000	0.02	**30,000**	**0.01**
629003	Labor Services - Fleet Maintenance	83,249	0.04	60,000	0.03	**85,000**	**0.04**
631001	Police & Fire Services	152,401	0.07	125,000	0.07	**320,000**	**0.16**
631002	Towed Vehicle Impound Fee	124,350	0.06	120,000	0.06	**120,000**	**0.06**
632001	Inspection Services-Projects-Other	266,777	0.12	225,000	0.12	**200,000**	**0.10**
632002	Inspection Services-City Projects	188,292	0.08	375,000	0.20	**350,000**	**0.17**
632003	Engineering Review Fee	134,594	0.06	150,000	0.08	**100,000**	**0.05**
632004	Engineering & Design - Project	1,024,268	0.46	710,000	0.38	**750,000**	**0.37**
632005	Building Number Assignments	379	0.00	800	0.00	**500**	**0.00**
632006	SESC Review Fee	(13,752)	-0.01	25,000	0.01	**25,000**	**0.01**
632007	SESC Inspection Fee	73,543	0.03	60,000	0.03	**60,000**	**0.03**
632008	Easement Vacation	1,626	0.00	1,700	0.00	**1,000**	**0.00**
632009	ROW Permit Fees	5,201	0.00	4,000	0.00	**3,000**	**0.00**
633001	Water Tap Fees	134,342	0.06	170,000	0.09	**175,000**	**0.09**
633002	Sewer Tap Fees	24,130	0.01	30,000	0.02	**40,000**	**0.02**
633003	Meter Charges	384,480	0.17	350,000	0.19	**385,000**	**0.19**
633004	Inspection	17,069	0.01	14,000	0.01	**15,000**	**0.01**
633005	Water & Sewer Services	72,655	0.03	60,000	0.03	**70,000**	**0.03**
633006	Hydrant Rental	166,210	0.07	162,950	0.09	**169,530**	**0.08**
633009	Turn-On Charge	15,355	0.01	18,000	0.01	**15,000**	**0.01**
634003	Supplies & Gasoline Revenue	36,489	0.02	40,000	0.02	**45,000**	**0.02**
634004	Parts-Vehicle Maintenance	42,799	0.02	25,000	0.01	**40,000**	**0.02**
635535	Refuse Collection Fees	11,395	0.01	12,000	0.01	**14,700**	**0.01**
636000	Plan Review Fee	96,689	0.04	70,000	0.04	**80,000**	**0.04**
636001	Building Department Plan Review	466,940	0.21	375,000	0.20	**375,000**	**0.19**
637001	Copies & Forms	15,540	0.01	15,000	0.01	**15,200**	**0.01**
637002	Maps	355	0.00	400	0.00	**400**	**0.00**
637003	Police Reports	107,305	0.05	104,000	0.06	**100,000**	**0.05**
637005	Fire Reports	1,610	0.00	1,450	0.00	**2,000**	**0.00**
637006	PBT User Fee	250	0.00	250	0.00	**250**	**0.00**
637007	False Alarm Fees	102,987	0.05	100,000	0.05	**100,000**	**0.05**
637009	Transport Fees	0	0.00	2,491,000	1.33	**3,050,000**	**1.51**
637301	Notary Fee	1,220	0.00	1,500	0.00	**1,200**	**0.00**
638000	Application Fees	23,840	0.01	15,000	0.01	**15,000**	**0.01**
639001	Parks & Recreation Fees	531,961	0.24	538,570	0.29	**578,110**	**0.29**
639253	Treasury Transfer & Late Fees	46,854	0.02	63,000	0.03	**60,000**	**0.03**
640001	5% Cash Deposit	3,511	0.00	2,500	0.00	**2,500**	**0.00**
640002	Weed Cutting	77,614	0.03	80,000	0.04	**75,000**	**0.04**
640003	Board of Zoning Appeals Fees	26,867	0.01	17,000	0.01	**20,000**	**0.01**
640004	Tree Sales & Planting	37,948	0.02	50,000	0.03	**45,000**	**0.02**
640005	Ordinance Board of Appeals Fees	57,450	0.03	65,000	0.03	**65,000**	**0.03**
640010	Chipping Fee	5,200	0.00	6,000	0.00	**5,000**	**0.00**
643000	Water Services	16,666,299	7.41	18,405,000	9.83	**19,588,000**	**9.69**
644000	Collections - Sewer	26,338,819	11.70	30,103,650	16.06	**30,790,500**	**15.23**
645000	Penalties - Water & Sewer	676,676	0.30	650,000	0.35	**650,000**	**0.32**
646000	Industrial & Pollution Surcharge	614,952	0.27	645,000	0.34	**625,000**	**0.31**
	Total Charges for Services	**55,065,252**	**24.47**	**62,946,490**	**33.60**	**66,004,610**	**32.61**

TOTAL CITY BUDGETED FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	OTHER REVENUE						
656006	Interpreter Fees	14,195	0.01	12,000	0.01	**17,000**	**0.01**
665000	Interest on Investments	789,259	0.35	787,490	0.42	**1,452,960**	**0.73**
665445	Interest & Penalties - Tax Roll	11,301	0.01	10,000	0.01	**10,050**	**0.00**
667002	Rental Income - Utica Road	45,690	0.02	47,610	0.03	**54,000**	**0.03**
667003	Rental Income - DPS	117,750	0.05	82,950	0.04	**114,060**	**0.06**
667005	Rental - DPW - Impound Lot	52,000	0.02	47,610	0.03	**48,000**	**0.02**
667007	Rental - Universal Ambulance	6,000	0.00	1,500	0.00	**0**	**0.00**
667009	Rental - Towers	181,402	0.08	183,000	0.10	**187,650**	**0.09**
667716	Rental Income Smart Incubator	144,669	0.06	140,000	0.07	**150,000**	**0.07**
669001	Rental - Road Equipment	1,055,153	0.47	1,200,000	0.64	**1,100,000**	**0.54**
669002	Rental - Equipment - Cross Charges	26,855	0.01	25,000	0.01	**30,000**	**0.01**
672000	Special Assessment Revenue	199,093	0.09	143,200	0.08	**146,050**	**0.07**
672445	Special Assessment Delinq. Int.	267	0.00	700	0.00	**200**	**0.00**
672665	Special Assessment Interest	91,621	0.04	81,750	0.04	**75,700**	**0.04**
673000	Sale of Fixed Assets	107,106	0.05	20,000	0.01	**20,000**	**0.01**
675000	Contributions & Donations	19,386	0.01	10,000	0.01	**10,000**	**0.00**
675001	Donations - Parks & Recreation	61,717	0.03	20,000	0.01	**15,000**	**0.01**
675003	Art Fair Revenue	79,651	0.04	70,000	0.04	**277,000**	**0.14**
676000	Reimbursements	1,326,565	0.59	1,343,790	0.72	**870,710**	**0.44**
676001	Reimbursements - Legal	2,921	0.00	2,000	0.00	**2,000**	**0.00**
677008	Unrealized Gain/Loss	(655,667)	-0.29	0	0.00	**0**	**0.00**
679752	Parks & Recreation Retail Sales	3,594	0.00	500	0.00	**1,000**	**0.00**
679792	Library Book Sales	0	0.00	500	0.00	**2,000**	**0.00**
685000	Miscellaneous Revenue	212,194	0.09	197,000	0.11	**206,000**	**0.10**
685015	Misc. Revenue - MCPWC	87,429	0.04	60,000	0.03	**80,500**	**0.04**
685292	Misc Revenue - Comm Relations	0	0.00	21,000	0.01	**11,000**	**0.01**
685792	Miscellaneous Revenue - Library	79,321	0.04	80,000	0.04	**80,000**	**0.04**
690000	O.U.I.L. Recovery	31,247	0.01	41,000	0.02	**30,000**	**0.01**
690002	Warrant Arrest Processing Fee	5,727	0.00	6,000	0.00	**6,000**	**0.00**
695000	Insurance Recovery & Subrogation	24,944	0.01	10,000	0.01	**0**	**0.00**
698000	Proceeds - Long Term Debt	44,370,000	19.70	3,600,000	1.92	**0**	**0.00**
698001	Bond Premiums	2,902,577	1.29	0	0.00	**0**	**0.00**
698100	Bond Proceeds - Refunding	3,105,000	1.38	0	0.00	**0**	**0.00**
	Total Other Revenue	**54,498,967**	**24.20**	**8,244,600**	**4.41**	**4,996,880**	**2.47**
680000	Cable TV Revenue	2,579,599	1.15	2,650,000	1.42	**2,575,000**	**1.27**
	Total City Budgeted Funds	**$225,055,680**	**100.00**	**$187,257,330**	**100.00**	**$202,479,000**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

TOTAL CITY BUDGETED FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
	PERSONNEL SERVICES						
703000	Wages-Elected & Appointed	$131,390	0.07	$139,450	0.07	**$143,040**	**0.06**
704000	Wages & Salaries-Permanent	30,298,655	16.39	32,790,120	15.88	**34,087,170**	**14.72**
704001	Sick Time Buy Back	416,453	0.23	386,450	0.19	**422,800**	**0.18**
704721	Health Insurance Allowance	126,750	0.07	126,000	0.06	**151,000**	**0.07**
705000	Wages-Salaries - Temp/Part Time	2,525,759	1.37	2,867,830	1.39	**2,978,840**	**1.29**
706000	Wages-Salaries - Occasional	137,288	0.07	92,000	0.04	**120,000**	**0.05**
708000	Overtime	2,635,511	1.43	3,130,070	1.52	**2,933,000**	**1.27**
708001	Compensatory Time Buy Back	1,703,966	0.92	1,653,950	0.80	**1,760,820**	**0.76**
708795	Overtime - F.L.S.A.	15,896	0.01	30,000	0.01	**25,000**	**0.01**
709000	Other Benefits/Reimbursements	41,291	0.02	45,250	0.02	**55,360**	**0.02**
710000	Longevity	782,039	0.42	786,170	0.38	**740,280**	**0.32**
711000	Holiday Pay	930,184	0.50	1,027,470	0.50	**1,096,900**	**0.47**
713500	Car Allowance	4,333	0.00	4,000	0.00	**4,000**	**0.00**
714000	Food Allowance	74,167	0.04	90,000	0.04	**89,000**	**0.04**
715000	Clothing Allowance	319,367	0.17	340,330	0.16	**344,200**	**0.15**
717000	FICA	1,609,893	0.87	1,742,990	0.84	**1,843,060**	**0.80**
718000	Worker's Compensation	317,376	0.17	352,300	0.17	**340,600**	**0.15**
719000	Unemployment Compensation	14,509	0.01	20,000	0.01	**20,000**	**0.01**
720000	Pension-General Emp Retirement	3,840,018	2.08	3,265,820	1.58	**3,612,060**	**1.56**
720001	Pension-Police and Fire Retirement	7,994,747	4.32	8,297,370	4.02	**9,091,400**	**3.93**
720002	Defined Contribution - Employer	263,897	0.14	298,490	0.14	**339,290**	**0.15**
721000	Health Insurance	4,983,733	2.70	5,842,460	2.83	**5,887,440**	**2.54**
721001	Health Insurance - Retirees	11,453,500	6.19	11,452,950	5.55	**11,452,950**	**4.96**
721003	Retiree Health Savings - City	196,830	0.11	240,200	0.12	**313,510**	**0.14**
722000	Dental Insurance	426,460	0.23	451,320	0.22	**488,580**	**0.21**
723000	Life Insurance	67,061	0.04	70,450	0.03	**75,410**	**0.03**
724000	Eye Care Insurance	28,504	0.02	31,170	0.02	**30,740**	**0.01**
725000	Disability Insurance - Long Term	68,069	0.04	73,270	0.04	**75,440**	**0.03**
725355	Disability Insurance - Short Term	173,586	0.09	185,760	0.09	**193,590**	**0.08**
	Total Personnel Services	**71,581,230**	**38.72**	**75,833,640**	**36.72**	**78,715,480**	**34.01**
	SUPPLIES						
729000	Postage	228,484	0.12	258,220	0.13	**263,220**	**0.11**
730000	Publications	23,710	0.01	24,120	0.01	**24,770**	**0.01**
741000	Ammunition	67,412	0.04	68,930	0.03	**70,250**	**0.03**
741302	Ammunition - Act 302 Grant	0	0.00	0	0.00	**0**	**0.00**
742000	Dog Care Supplies	5,883	0.00	2,000	0.00	**3,000**	**0.00**
750000	Fuels & Lubricants	477,424	0.26	572,780	0.28	**528,970**	**0.23**
750001	Fuel & Lubricant Inventory	27,680	0.01	24,000	0.01	**24,500**	**0.01**
751000	Operating Supplies	564,196	0.31	819,420	0.40	**674,710**	**0.29**
751001	Operating Supplies - Federal Funds	297	0.00	34,770	0.02	**0**	**0.00**
758000	Computer Software	400	0.00	500	0.00	**1,500**	**0.00**
759000	Parts & Sublet Services	767,793	0.42	825,000	0.40	**825,000**	**0.36**
760000	Playground & Athletic Supplies	22,791	0.01	36,540	0.02	**35,000**	**0.02**
761000	Program Activity Supplies	50,795	0.03	56,940	0.03	**63,950**	**0.03**
762000	Seniors Program Supplies	14,011	0.01	17,690	0.01	**17,980**	**0.01**
763000	Public Art	0	0.00	225,000	0.11	**0**	**0.00**

TOTAL CITY BUDGETED FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
769000	Audio Visual Media	30,009	0.02	31,100	0.02	**36,000**	**0.02**
770000	Water Meters - Assembled	100,773	0.05	140,000	0.07	**155,000**	**0.07**
771000	Fire Hydrant Parts	12,447	0.01	15,000	0.01	**23,000**	**0.01**
772000	Tap-In Materials - Water	34,806	0.02	50,000	0.02	**50,000**	**0.02**
774000	Water Meter Parts	104,005	0.06	90,000	0.04	**75,000**	**0.03**
783000	Seeding & Planting Supplies	6,542	0.00	10,000	0.00	**10,000**	**0.00**
785000	Books	158,015	0.09	161,130	0.08	**160,800**	**0.07**
	Total Supplies	**2,697,474**	**1.47**	**3,463,140**	**1.69**	**3,042,650**	**1.32**
	OTHER CHARGES						
802000	Audit & Accounting Services	93,510	0.05	95,330	0.05	**97,240**	**0.04**
803000	Computer Consultant Services	9,000	0.00	8,000	0.00	**6,600**	**0.00**
805000	Administrative Services	465,399	0.25	507,890	0.25	**506,910**	**0.22**
805100	Management Services	215,116	0.12	200,000	0.10	**210,000**	**0.09**
806000	Legal Services - Other	271,905	0.15	83,100	0.04	**139,000**	**0.06**
806001	Legal Services - City Attorney	750,575	0.41	804,100	0.39	**804,600**	**0.35**
807000	Medical Services	47,527	0.03	43,270	0.02	**44,850**	**0.02**
807001	Medical Services - Grant	69,268	0.04	0	0.00	**0**	**0.00**
808000	Reporting Services	24,386	0.01	24,580	0.01	**21,880**	**0.01**
810000	Other Fees	259,126	0.14	227,360	0.11	**242,000**	**0.10**
820000	Tree/Weed Cutting	48,557	0.03	60,000	0.03	**45,000**	**0.02**
821000	Spraying Services	17,551	0.01	30,000	0.01	**30,600**	**0.01**
822000	Rubbish Removal	4,179,924	2.26	4,180,500	2.03	**4,185,000**	**1.81**
824000	Water Tap Install - Contractor	41,745	0.02	45,000	0.02	**45,000**	**0.02**
825000	Animal Collection	16,626	0.01	25,500	0.01	**25,500**	**0.01**
826000	Other Contracted Services	4,121,567	2.23	6,541,470	3.17	**6,663,270**	**2.88**
826412	Nuisance Abatements	(14,028)	-0.01	30,000	0.01	**30,000**	**0.01**
826900	Subrecipient Funding	76,765	0.04	88,400	0.04	**84,540**	**0.04**
827000	Interfund Services	2,205,620	1.19	2,164,400	1.05	**2,558,020**	**1.11**
829000	Hazardous Waste Disposal	1,918	0.00	2,500	0.00	**2,500**	**0.00**
832000	Building Maintenance	263,565	0.14	322,130	0.16	**283,200**	**0.12**
833000	Equipment Maintenance	435,601	0.24	660,270	0.32	**622,420**	**0.27**
833001	Personal Computer Maintenance	5,984	0.00	6,000	0.00	**6,120**	**0.00**
835000	Vehicle Maintenance	142,302	0.08	169,000	0.08	**189,000**	**0.08**
836000	Radio Maintenance	5,984	0.00	12,150	0.01	**17,700**	**0.01**
837000	Retention Pond Maintenance	65,261	0.04	70,000	0.03	**55,000**	**0.02**
838000	Parks & Grounds Maintenance	12,281	0.01	25,000	0.01	**20,000**	**0.01**
840000	Water Main Repair	2,004,901	1.08	300,000	0.15	**200,000**	**0.09**
841000	Distribution Line Repair	232,229	0.13	245,000	0.12	**270,000**	**0.12**
842000	Sewer Main Repair	196,809	0.11	100,000	0.05	**100,000**	**0.04**
880000	Community Promotion	0	0.00	1,000	0.00	**1,000**	**0.00**
902000	Publishing	19,253	0.01	22,440	0.01	**24,280**	**0.01**
903000	Printing	75,702	0.04	98,960	0.05	**90,530**	**0.04**
913000	Liability Insurance	17,377	0.01	652,410	0.32	**652,900**	**0.28**
915000	Other Insurance	21,920	0.01	21,920	0.01	**21,420**	**0.01**
921000	Electric	630,414	0.34	676,000	0.33	**673,000**	**0.29**
922000	Telephone	118,026	0.06	141,240	0.07	**144,090**	**0.06**
922001	Fiber Optic Lease Charges	55,747	0.03	57,420	0.03	**59,150**	**0.03**

TOTAL CITY BUDGETED FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
923000	Gas - Fuel - Oil	208,526	0.11	254,450	0.12	**243,250**	**0.11**
924000	Street Lighting	895,163	0.48	965,000	0.47	**965,000**	**0.42**
925000	Water	317,694	0.17	293,900	0.14	**413,500**	**0.18**
931000	Water Purchased	15,480,008	8.37	16,305,600	7.90	**15,100,000**	**6.52**
932000	Sewage Disposal	18,351,189	9.92	20,201,000	9.79	**20,756,160**	**8.97**
934000	Industrial & Pollution Surcharge	557,843	0.30	645,000	0.31	**625,000**	**0.27**
942000	Building Rental	15,811	0.01	20,000	0.01	**20,000**	**0.01**
944000	Hydrant Rental	166,210	0.09	166,210	0.08	**169,530**	**0.07**
945000	Other Rental	399,465	0.22	409,170	0.20	**499,590**	**0.22**
949000	Interpreter Fees	59,153	0.03	53,500	0.03	**70,000**	**0.03**
950000	Witness Fees	1,331	0.00	5,000	0.00	**4,000**	**0.00**
951000	Juror Fees	4,480	0.00	4,000	0.00	**5,000**	**0.00**
954000	Mileage	570	0.00	1,200	0.00	**1,200**	**0.00**
956000	Local Meetings	8,764	0.00	8,060	0.00	**9,840**	**0.00**
956002	Special Events	31	0.00	39,770	0.02	**350**	**0.00**
956003	Sterlingfest	0	0.00	0	0.00	**247,500**	**0.11**
957000	Memberships & Dues	123,690	0.07	133,460	0.06	**148,920**	**0.06**
959000	Education & Training	178,691	0.10	208,740	0.10	**279,330**	**0.12**
959001	Education & Training - Grant	2,944	0.00	0	0.00	**0**	**0.00**
959302	Education & Training Act 302	0	0.00	0	0.00	**0**	**0.00**
959332	Education & Training Act 32	0	0.00	0	0.00	**0**	**0.00**
960000	Donation Expense Non-Capital	5,947	0.00	4,000	0.00	**4,000**	**0.00**
961000	Athletic Entry Fees	0	0.00	200	0.00	**200**	**0.00**
962000	Miscellaneous Expense	524,671	0.28	94,170	0.05	**104,050**	**0.04**
962001	Misc Exp - Cash - Short/Over	(146)	0.00	0	0.00	**0**	**0.00**
962010	Miscellaneous Expense	536,828	0.29	84,670	0.04	**0**	**0.00**
962200	Misc. Expense - Inventory	236	0.00	25,000	0.01	**25,000**	**0.01**
963900	Misc. - Capital Program	3,937	0.00	40,000	0.02	**40,000**	**0.02**
964000	Refunds & Rebates	12,598	0.01	18,000	0.01	**15,000**	**0.01**
968000	Depreciation	5,906,917	3.19	0	0.00	**0**	**0.00**
969000	Contingency	0	0.00	14,410	0.01	**0**	**0.00**
	Total Other Charges	**61,105,445**	**33.02**	**58,736,850**	**28.46**	**58,918,740**	**25.45**
	OTHER SERVICES						
886162	Access road Maintenance	32,816	0.02	40,000	0.02	**50,000**	**0.02**
887000	Bridge Maintenance	46,044	0.02	20,000	0.01	**0**	**0.00**
888000	Surface Maintenance	828,789	0.45	1,000,000	0.48	**1,050,000**	**0.45**
888001	Surface Maintenance - County	620	0.00	0	0.00	**1,000**	**0.00**
888272	2015 Joint Sealing Program	0	0.00	150,000	0.07	**150,000**	**0.06**
889000	Shoulder Maintenance	13,650	0.01	40,000	0.02	**25,000**	**0.01**
890000	Sweeping & Flushing	258,600	0.14	275,000	0.13	**300,000**	**0.13**
890001	Sweeping & Flushing - County	54,814	0.03	50,000	0.02	**55,000**	**0.02**
890002	Sweeping & Flushing - State	0	0.00	6,000	0.00	**6,000**	**0.00**
891000	Grass & Weed Control	364,628	0.20	340,000	0.16	**335,000**	**0.14**
891001	Grass & Weed Control - County	87,054	0.05	175,000	0.08	**175,000**	**0.08**
891002	Grass & Weed Control - State	125,375	0.07	125,000	0.06	**175,000**	**0.08**
892000	Roadside Cleanup	16,867	0.01	9,500	0.00	**12,500**	**0.01**
892001	Roadside Cleanup - County	19,739	0.01	8,000	0.00	**8,000**	**0.00**

TOTAL CITY BUDGETED FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
892002	Roadside Cleanup - State	5,240	0.00	5,000	0.00	**5,000**	**0.00**
893000	Curb & Gutter Maintenance	2,981	0.00	5,500	0.00	**5,000**	**0.00**
894000	Storm Drain Maintenance	250,133	0.14	200,000	0.10	**305,000**	**0.13**
895000	Tree & Shrub Maintenance	550,514	0.30	565,000	0.27	**590,000**	**0.25**
895001	Tree & Shrub Maint. - County	44,563	0.02	6,000	0.00	**6,000**	**0.00**
895002	Tree & Shrub Maintenance - State	2,600	0.00	3,000	0.00	**5,000**	**0.00**
897000	Snow & Ice Removal	765,518	0.41	900,000	0.44	**1,000,000**	**0.43**
897001	Snow & Ice Removal -County	2,825	0.00	0	0.00	**2,000**	**0.00**
898000	Traffic Signs/Signals	287,699	0.16	275,000	0.13	**275,000**	**0.12**
898001	Traffic Signs/Signals - County	1,609	0.00	1,500	0.00	**3,000**	**0.00**
899000	Pavement Markings	60,644	0.03	75,000	0.04	**65,000**	**0.03**
	Total Other Services	**3,823,324**	**2.07**	**4,274,500**	**2.03**	**4,603,500**	**1.96**
	CAPITAL OUTLAY						
971000	Land Acquistion	355,594	0.19	206,670	0.10	**0**	**0.00**
972000	Land Improvements	41,949	0.02	10,000	0.00	**10,000**	**0.00**
972350	Dodge Park Improvements	16	0.00	9,000,000	4.36	**0**	**0.00**
972351	Community Center	163,524	0.09	325,940	0.16	**10,000,000**	**4.32**
972352	Skate Park	0	0.00	450,000	0.22	**0**	**0.00**
972795	Park Improvements	2,630,825	1.42	3,460,300	1.68	**10,756,090**	**4.65**
975000	Buildings & Improvements	284,498	0.15	371,580	0.18	**6,211,500**	**2.68**
975010	Muni Bldg Modernization	179,559	0.10	135,350	0.07	**18,000**	**0.01**
975020	Library Renovations	0	0.00	47,150	0.02	**0**	**0.00**
975130	Civic Center Concrete Replace.	923,645	0.50	0	0.00	**0**	**0.00**
975140	Misc. DPW Improvements	0	0.00	100,000	0.05	**100,000**	**0.04**
975210	Fire Station Renovations	131,500	0.07	143,400	0.07	**0**	**0.00**
975220	Misc. Fire Station Improvements	390	0.00	155,800	0.08	**93,000**	**0.04**
977000	Furniture	2,229	0.00	0	0.00	**0**	**0.00**
979000	Computer Equipment	249,604	0.13	573,360	0.28	**1,760,580**	**0.76**
979080	Microsoft Office	30,710	0.02	43,600	0.02	**0**	**0.00**
979100	Financial System - Software	0	0.00	0	0.00	**136,000**	**0.06**
979150	Financial System - Hardware	44,687	0.02	37,400	0.02	**64,800**	**0.03**
979800	Fire Department - Software	35,034	0.02	35,290	0.02	**0**	**0.00**
979850	Fire Department - Hardware	0	0.00	0	0.00	**85,400**	**0.04**
981000	Electronic Equipment	558,748	0.30	89,510	0.04	**64,800**	**0.03**
982000	Machinery & Equipment	368,825	0.20	1,439,000	0.70	**1,506,130**	**0.65**
982001	Machinery & Equipment - Grant	3,804	0.00	148,500	0.07	**0**	**0.00**
983000	Fire Equipment	223,135	0.12	17,590	0.01	**0**	**0.00**
984000	Vehicles	0	0.00	466,980	0.23	**760,110**	**0.33**
984310	Vehicles - Police Investigations	46,482	0.03	0	0.00	**0**	**0.00**
984315	Vehicles - Police Operations	277,861	0.15	330,940	0.16	**309,500**	**0.13**
984337	Vehicles - Fire Administration	0	0.00	0	0.00	**17,500**	**0.01**
984338	Vehicles - Fire Transport	807,706	0.44	0	0.00	**0**	**0.00**
984339	Vehicles - Fire Extinguishment	825,000	0.45	0	0.00	**500,000**	**0.22**
984412	Vehicles - Building	0	0.00	20,000	0.01	**0**	**0.00**
984417	Vehicles - Neighborhood Serv.	0	0.00	0	0.00	**52,500**	**0.02**
984444	Vehicles - DPW Street	533,027	0.29	490,000	0.24	**260,000**	**0.11**
984535	Vehicles - Refuse	0	0.00	0	0.00	**40,000**	**0.02**
984752	Vehicles - Parks & Recreation	7,938	0.00	0	0.00	**0**	**0.00**

TOTAL CITY BUDGETED FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
984770	Vehicles - Parks & Grounds	0	0.00	101,400	0.05	**70,000**	**0.03**
986000	Major Drain Improvement	87,429	0.05	60,000	0.03	**125,000**	**0.05**
987000	Public Art	0	0.00	0	0.00	**225,000**	**0.10**
988000	Construction	1,126,875	0.61	6,241,750	3.02	**14,967,000**	**6.46**
988233	15 Mile Turn Lanes Dodge/Maple	14	0.00	0	0.00	**0**	**0.00**
988235	17 Mile Bridge Replacment	33,398	0.02	50,000	0.02	**0**	**0.00**
988246	Van Dyke Streetscape	941,299	0.51	50,000	0.02	**0**	**0.00**
988254	Dodge Park - Metro to Utica	4,503,400	2.44	672,540	0.33	**0**	**0.00**
988255	RRR 19 1/2 - Merrill to Utica	6,637	0.00	0	0.00	**0**	**0.00**
988259	15 Mile - Schoenherr to Morn.	1,194,855	0.65	0	0.00	**0**	**0.00**
988266	2015 Concrete Reconstruction	72	0.00	0	0.00	**0**	**0.00**
988270	Senior Center Parking Lot Recon.	232,311	0.13	0	0.00	**275,000**	**0.12**
988271	15 Mile Road Resurfacing	148,805	0.08	0	0.00	**0**	**0.00**
988275	Replacement Fuel Disp. System	570,167	0.31	0	0.00	**0**	**0.00**
988276	2017 Bridge Repair Program	80,436	0.04	391,570	0.19	**0**	**0.00**
988277	Dodge Park Trail Bridge	503,561	0.27	77,000	0.04	**0**	**0.00**
988278	Clinton River Restoration	2,223,630	1.20	1,641,540	0.80	**0**	**0.00**
988280	Smartzone District Improve.	2,140	0.00	597,860	0.29	**1,000,000**	**0.43**
988281	2016 Concrete Replacement	1,248,492	0.68	0	0.00	**0**	**0.00**
988283	2016 Concrete Reconstruct.	2,134,133	1.15	465,870	0.23	**0**	**0.00**
988284	Canal Resurfacing Schoen to V/D	0	0.00	3,600,000	1.74	**0**	**0.00**
988285	15 Mile Resurf. - Cavant to Mound	9,540	0.01	1,500,000	0.73	**0**	**0.00**
988286	Ryan Road - 15 to Metro	664,122	0.36	0	0.00	**0**	**0.00**
988288	Schoenherr - 17 Mile to C/R	349,332	0.19	40,670	0.02	**0**	**0.00**
988289	Riverland Pedestrian Bridge	422,794	0.23	0	0.00	**0**	**0.00**
988290	Arlingdale Drive	13,827	0.01	373,180	0.18	**0**	**0.00**
988291	M-59 Regional Median Imp.	552,296	0.30	800,000	0.39	**0**	**0.00**
988293	2017 Concrete Reconstruction	8,149	0.00	4,875,000	2.36	**0**	**0.00**
988294	2017 Concrete Replacement	2,440	0.00	1,825,000	0.88	**0**	**0.00**
988295	LDFA Improvements-Phase I	218,074	0.12	36,930	0.02	**0**	**0.00**
988296	Clinton River Resurfacing	30	0.00	690,000	0.33	**0**	**0.00**
988297	2017 Sidewalk Replacement	60	0.00	520,000	0.25	**0**	**0.00**
988306	2018 Concrete Replacement	0	0.00	0	0.00	**900,000**	**0.39**
988307	2018 Concrete Reconstruction	0	0.00	0	0.00	**3,330,090**	**1.44**
988700	Dequindre Rd - 18 to M-59	7,600	0.00	428,770	0.21	**0**	**0.00**
	Total Capital Outlay	**26,012,204**	**14.07**	**43,137,440**	**20.92**	**53,638,000**	**23.17**
	DEBT SERVICE						
992000	Principal	2,280,000	1.23	7,986,970	3.87	**8,152,770**	**3.52**
992100	Principal - Paid to Ref Escrow	3,073,865	1.66	0	0.00	**0**	**0.00**
993000	Interest	700,971	0.38	1,425,990	0.69	**3,107,990**	**1.34**
993001	Interest - OMID	568,913	0.31	557,060	0.27	**530,920**	**0.23**
993002	Interest - MID	1,192,539	0.64	1,072,730	0.52	**1,775,610**	**0.77**
993003	Interest - N. Gration	99,891	0.05	101,790	0.05	**97,110**	**0.04**
993005	Interest - Clintondale Pump	383,035	0.21	369,830	0.18	**350,610**	**0.15**
	Total Debt Service	**8,299,213**	**4.48**	**11,514,370**	**5.58**	**14,015,010**	**6.05**
	TRANSFERS OUT						
999202	Transfer to Major Road Fund	500,000	0.27	500,000	0.24	**7,000,000**	**3.02**

TOTAL CITY BUDGETED FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
999203	Transfer to Local Road Fund	1,400,000	0.76	500,000	0.24	**0**	**0.00**
999244	Transfer to L&W Conservation Fund	240,000	0.13	0	0.00	**0**	**0.00**
999276	Transfer to P&R Fund	0	0.00	1,251,310	0.61	**1,347,410**	**0.58**
999327	Transfer to Road Bond Debt	1,925,240	1.04	2,000,000	0.97	**2,500,000**	**1.08**
999369	Transfer to LTGO Debt Fund	356,080	0.19	337,480	0.16	**1,698,060**	**0.73**
999403	Transfer to Capital Projects Fund	5,759,420	3.13	4,588,090	2.23	**5,716,040**	**2.50**
999851	Transfer to CIA Fund	0	0.00	160,000	0.08	**0**	**0.00**
999855	Transfer to EDC Fund	300,000	0.16	140,000	0.07	**300,000**	**0.13**
999867	Transfer to LDFA Fund	900,000	0.49	0	0.00	**0**	**0.00**
	Total Transfers Out	**11,380,740**	**6.17**	**9,476,880**	**4.60**	**18,561,510**	**8.04**
	Total City Budgeted Funds	**$184,899,630**	**100.00**	**$206,436,820**	**100.00**	**$231,494,890**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

YEAR-END
NET ASSET COMPARISON
NON-BUDGETARY FUNDS

Fund No.	Fund Name	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual
	PROPRIETARY FUNDS					
	ENTERPRISE FUND					
5740	Water & Sewer Improvement Fund	$29,613,073	$23,960,199	$19,873,205	$14,617,172	$12,974,017
	INTERNAL SERVICE FUND					
6770	Self-Insurance Fund	21,465,741	20,028,461	16,013,770	12,757,301	9,979,915
	Total Proprietary Funds	**51,078,814**	**43,988,660**	**35,886,975**	**27,374,473**	**22,953,932**
	FIDUCIARY FUNDS					
	TRUST FUNDS					
7010	Retiree Medical Benefits Fund	57,608,594	74,626,106	83,072,213	86,860,837	101,249,866
7370	General Employees Retirement System	107,385,692	118,470,102	114,783,962	106,683,028	110,237,925
7380	Police & Fire Retirement System	175,705,787	203,771,027	203,358,526	192,115,761	201,782,195
	Total Fiduciary Funds	**340,700,073**	**396,867,235**	**401,214,701**	**385,659,626**	**413,269,986**
	Total All Non-Budgetary Funds	**$391,778,887**	**$440,855,895**	**$437,101,676**	**$413,034,099**	**$436,223,918**

This informational schedule is included in the budget document to illustrate fund balance reserves or "net assets" of the City's non-budgeted funds. The net assets shown are recorded in the City's audited financial statements as of June 30th for each fiscal year end. By listing these net assets as supplementary information, all City Funds' reserves or net assets are now reflected in the City's budget document.

In accordance with the State's Uniform Budgeting Act and the City Charter, the City produces a budget for the required governmental fund types including the General Fund and Special Revenue Funds. Though not required, we also produce a budget for the Debt Service Funds, Capital Project Funds, Water & Sewer Operating Fund, and Component Units.

The Funds listed on this informational page do not require a budget. However, many of their revenues and expenditures are directly budgeted in other City Funds. For example, the Self-Insurance Fund, Retiree Medical Benefits Fund, and the General Employees and Police & Fire Retirement Systems derive most of their revenue from budgeted cross-charges from the General Fund and Water & Sewer Operating Fund. The Trust Funds are managed based on actuarial methods and assumptions approved by their fiduciary boards and by approved labor contracts. The Trust Funds' net assets, however, have not been netted against long-term actuarial determined liabilities. Trust Fund net assets are restricted for future benefit payments. The net assets in the Retiree Medical Benefits Fund exclude the provision for uninsured liabilities in order to reflect the amount of funds available to pay benefits as calculated in the retiree health actuarial study. The Water & Sewer Improvement Fund is used to record water & sewer main improvements as adopted by the City Council and found in the City's Capital Improvement Plan. The net assets shown for the Water & Sewer Improvement Fund exclude investments in capital assets and amounts restricted for county drain improvements. Unrestricted net assets are available to fund the completion of the City's water & sewer main system and for future infrastructure replacement needs as the City matures.

General Fund

The General Fund is the city's major operating fund, providing the majority of the services available to our residents.

The services provided include City Administration, Public Library, Police, Fire, Public Works, City Development, Community Relations and the 41-A District Court.

Local property taxes and state shared revenues are the primary sources of revenue used to fund these services.

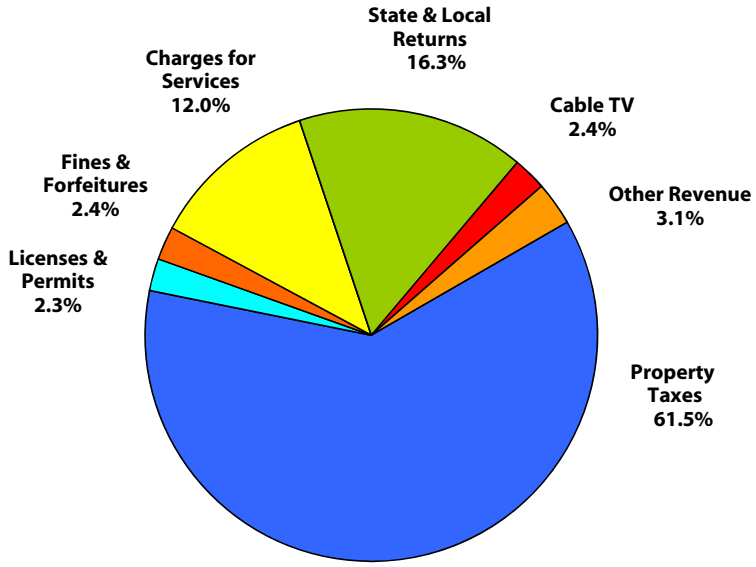
The General Fund also provides for Refuse Collection and Police and Fire Pensions. Revenues to cover these specific expenditures are generated by taxes levied exclusively for these purposes.

How the City Allocates Its Money

2018/19 General Fund Budget: $105.3 million $799 per resident

The financial information presented here is intended to provide City residents with general information about how the City's revenue is utilized. Detailed information can be found in the City's award winning budget document. As you will note, over 62% of the dollars spent are for Public Safety and Public Works. The City's General Fund Budget of $105.3 million equates to $799 spent per resident.

Where The City Gets Its Revenue



$34.0 million	$19.8 million	$15.8 million	$11.6 million	$4.5 million Refuse Collection	$9.4 million	$5.1 million	$3.5 million	$2.8 million	$1.8 million	$1.5 million
$258 per resident	$150 per resident	$120 per resident	$88 per resident		$71 per resident	$38 per resident	$27 per resident	$22 per resident	$14 per resident	$11 per resident
Police Department	Fire Department	Transfers Out	Public Works Department		City Admin. Department	City Development Department	41-A District Court	Public Library Department	General Expenditures	Community Relations Department

Trends & Summaries

The Trends & Summaries section presents a concise synopsis of the General Fund's historical trends. Included is a wealth of useful information, both financial and demographic in nature, which should answer any questions the reader may have regarding the history behind the numbers. This history allows the reader to develop an idea of where Sterling Heights has come from and in what direction the community intends to go.

Graphs, tables and schedules numerically depict the relationship between revenues and expenditures. Historical data are presented by budgetary center, activity, and account.

Property Tax Benefit Statement

Have you ever wondered how much of your total property tax bill goes to pay for City services and what you receive in City services for your tax dollar?

The average residential property tax bill is $2,703 for those in the Utica Community School district and $3,239 for those in the Warren Consolidated School district. Of this amount, the City receives 43%, or $1,228, to fund all local City services such as police and fire protection, refuse collection, and snow plowing services. The average homeowner pays $102 per month in City taxes.

	Utica Schools	Warren Schools
Average Residential Total Property Tax Bill: *(based on home with a market value of $183,160 and taxable value of $71,460)*	**$2,703**	**$3,239**
Average Residential Property Tax (City Portion Only):	**$1,228**	**$1,228**



City of Sterling Heights 43% | **County & Community College 18%** | **Local Schools 39%**

The City of Sterling Heights spends an average of $2,722 per parcel on the following general public programs and services. The funds are distributed as follows:

Cost of City Services

Service	City Average Cost	% of Total	Average Residential Tax Paid Toward Service
Police Department	$814	30%	$367
Fire Department	$474	17%	$214
General Expenditures & Transfers	$348	13%	$157
Public Works	$278	10%	$125
City Administration Department	$223	8%	$101
Parks & Recreation	$144	5%	$65
City Development Department	$123	5%	$55
41-A District Court	$84	3%	$38
Local Roads	$79	3%	$36
Public Library Department	$68	3%	$31
Debt Service	$52	2%	$23
Community Relations Department	$35	1%	$16
Total Per Parcel	**$2,722**	**100%**	**$1,228**

Because the average amount of residential property tax the City receives is only $1,228, you will see that property taxes for most households are not enough to support the services rendered. To make up the difference, the City relies on property taxes from businesses and other revenue sources such as state revenue sharing, grants, engineering and building permits and fees, court fines, and interest on investments.

RESIDENTIAL TAX RATES

(UTICA COMMUNITY SCHOOLS)

Taxing Entity	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Tax Rate Shown in Mills							
Utica Community Schools	9.850	9.850	9.850	9.850	9.850	**9.850**	**9.850**
Macomb County	4.574	4.574	4.574	4.574	4.560	**4.529**	**4.529**
Macomb Community College	1.571	1.531	1.526	1.530	1.420	**1.403**	**1.403**
Macomb Intermediate School District	2.943	2.943	2.943	2.943	2.940	**2.915**	**2.915**
Huron Clinton Metro Authority	0.215	0.215	0.215	0.215	0.215	**0.214**	**0.214**
S.M.A.R.T.	0.590	0.590	1.000	1.000	0.997	**0.990**	**0.990**
County Zoo/Veterans/DIA	0.340	0.340	0.340	0.340	0.339	**0.365**	**0.365**
Property Tax Administration Fee	0.328	0.327	0.356	0.356	0.353	**0.364**	**0.374**
STERLING HEIGHTS	12.686	12.686	15.186	15.186	15.186	**16.156**	**17.180**
Total Millage Rates	**33.096**	**33.055**	**35.989**	**35.993**	**35.860**	**36.786**	**37.820**
Average Residential Taxable Value	**$61,400**	**$62,800**	**$63,800**	**$64,820**	**$65,010**	**$65,600**	**$71,460**
Average Tax Rates Shown in Dollars							
Utica Community Schools	$605	$619	$628	$638	$640	**$646**	**$704**
Macomb County Government	281	287	292	296	296	**297**	**324**
Macomb Community College	96	96	97	99	92	**92**	**100**
Macomb Intermediate School District	181	185	188	191	191	**191**	**208**
Huron Clinton Metro Authority	13	13	14	14	14	**14**	**15**
S.M.A.R.T.	36	37	64	65	65	**65**	**71**
County Zoo/Veterans/DIA	21	21	22	22	22	**24**	**26**
Property Tax Administration Fee	20	21	23	23	23	**24**	**27**
STERLING HEIGHTS	779	797	969	984	987	**1,060**	**1,228**
Total Tax Bill	**$2,032**	**$2,076**	**$2,296**	**$2,333**	**$2,330**	**$2,413**	**$2,703**

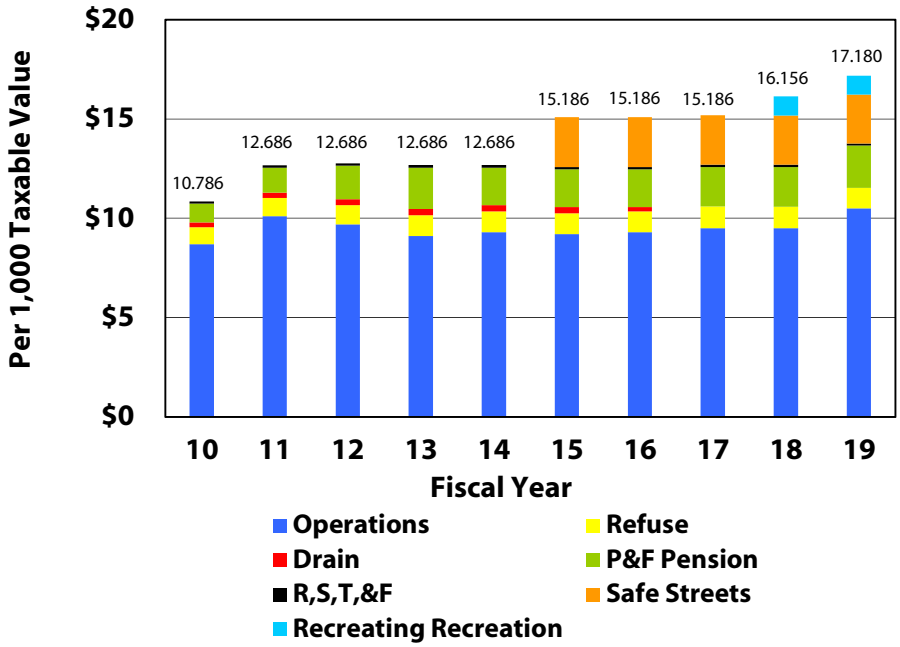
(WARREN CONSOLIDATED SCHOOLS)

Taxing Entity	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Tax Rate Shown in Mills							
Warren Consolidated Schools	17.362	17.383	16.760	16.697	17.661	**17.289**	**17.289**
Macomb County	4.574	4.574	4.574	4.574	4.560	**4.529**	**4.529**
Macomb Community College	1.571	1.531	1.526	1.530	1.420	**1.403**	**1.403**
Macomb Intermediate School District	2.943	2.943	2.943	2.943	2.940	**2.915**	**2.915**
Huron Clinton Metro Authority	0.215	0.215	0.215	0.215	0.215	**0.214**	**0.214**
S.M.A.R.T.	0.590	0.590	1.000	1.000	0.997	**0.990**	**0.990**
County Zoo/Veterans/DIA	0.340	0.340	0.340	0.340	0.339	**0.365**	**0.365**
Property Tax Administration Fee	0.403	0.403	0.425	0.425	0.432	**0.439**	**0.449**
STERLING HEIGHTS	12.686	12.686	15.186	15.186	15.186	**16.156**	**17.180**
Total Millage Rates	**40.683**	**40.664**	**42.969**	**42.909**	**43.750**	**44.300**	**45.334**
Average Residential Taxable Value	**$61,400**	**$62,800**	**$63,800**	**$64,820**	**$65,010**	**$65,600**	**$71,460**
Average Tax Rates Shown in Dollars							
Warren Consolidated Schools	$1,066	$1,092	$1,069	$1,082	$1,148	**$1,134**	**$1,235**
Macomb County Government	281	287	292	296	296	**297**	**324**
Macomb Community College	96	96	97	99	92	**92**	**100**
Macomb Intermediate School District	181	185	188	191	191	**191**	**208**
Huron Clinton Metro Authority	13	13	14	14	14	**14**	**15**
S.M.A.R.T.	36	37	64	65	65	**65**	**71**
County Zoo/Veterans/DIA	21	21	22	22	22	**24**	**26**
Property Tax Administration Fee	25	25	27	28	28	**29**	**32**
STERLING HEIGHTS	779	797	969	984	987	**1,060**	**1,228**
Total Tax Bill	**$2,498**	**$2,552**	**$2,741**	**$2,781**	**$2,843**	**$2,906**	**$3,239**

Average Total Tax Bill	**$2,265**	**$2,315**	**$2,519**	**$2,557**	**$2,587**	**$2,660**	**$2,971**

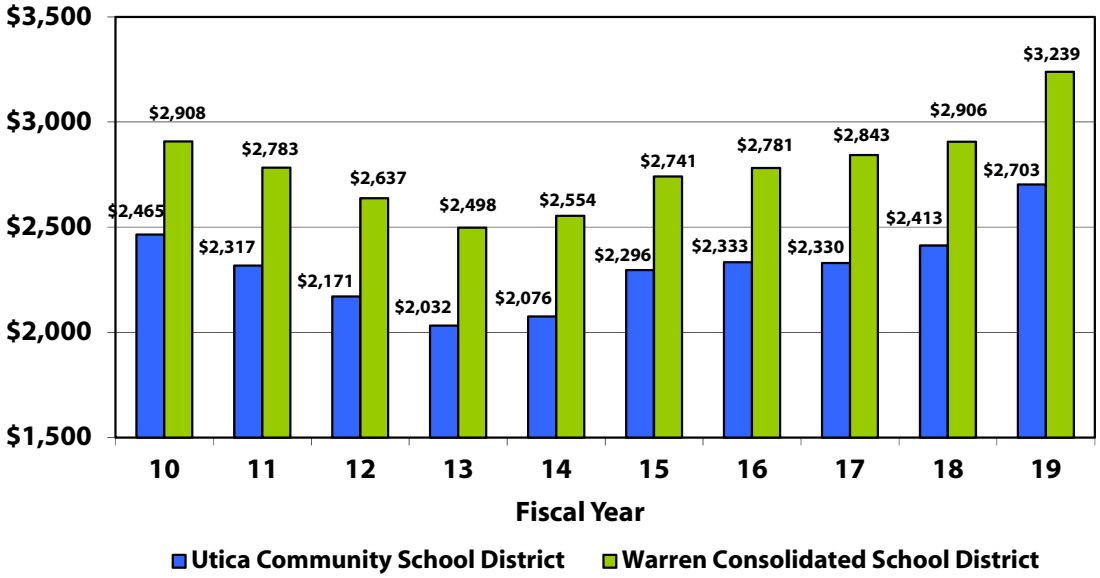
Non-City tax rates are estimated. School rates are for principal residences. Totals may not foot due to rounding.

City of Sterling Heights Millage Rates



This graph illustrates the millage rates for the various City millage levies.

Total Property Tax Bill Average Resident

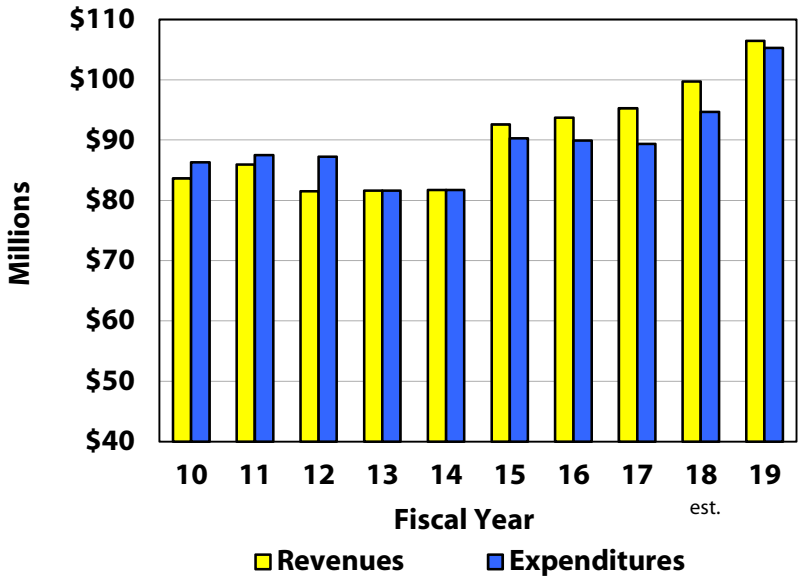


This graph shows the total property tax bill for the average City resident residing in either the Utica Community School District (UCS) or the Warren Consolidated School District (WCS) for the past 10 years.

GENERAL FUND REVENUES, EXPENDITURES & FUND BALANCE

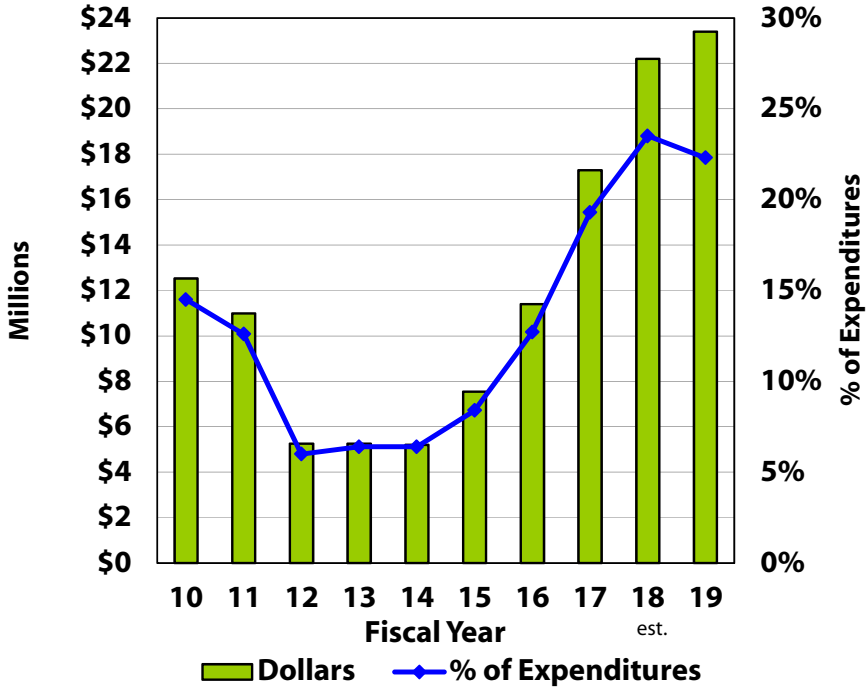
Budgetary Centers	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
REVENUES						
City Operating Taxes	$40,154,340	$38,159,790	$39,083,290	$38,961,090	$44,848,720	**$44,848,720**
Refuse Tax	4,786,970	4,418,200	4,464,060	4,451,720	4,451,730	**4,451,730**
Police & Fire Pension Tax	7,992,150	7,914,370	8,297,370	8,226,750	9,036,050	**9,036,050**
Safe Streets Tax	7,121,200	6,786,370	6,942,620	6,913,760	7,148,750	**7,148,750**
Licenses & Permits	2,149,070	2,568,900	2,297,500	2,349,000	2,414,500	**2,414,500**
Federal/State/Local Returns	11,772,080	17,503,110	15,535,040	19,227,550	17,321,380	**17,321,380**
Fines & Forfeitures	3,057,420	2,944,500	2,626,650	2,540,000	2,534,500	**2,534,500**
Charges For Services	9,719,470	9,842,020	11,664,220	11,398,630	12,606,670	**12,776,670**
Other Revenue	3,043,560	2,605,580	2,920,170	3,049,550	3,348,710	**3,348,710**
Cable Revenue	2,595,400	2,579,600	2,650,000	2,550,000	2,575,000	**2,575,000**
Total Revenues	**92,391,660**	**95,322,440**	**96,480,920**	**99,668,050**	**106,286,010**	**106,456,010**
Other Financing Sources						
Transfers In	1,350,060	0	0	0	0	**0**
Total Revenues & Sources	**$93,741,720**	**$95,322,440**	**$96,480,920**	**$99,668,050**	**$106,286,010**	**$106,456,010**
EXPENDITURES						
City Administration Dept.	$6,810,640	$7,204,710	$7,660,460	$7,779,160	$9,374,690	**$9,374,690**
Public Library Department	2,493,100	2,524,650	2,728,220	2,672,900	2,855,740	**2,855,740**
Parks & Recreation Dept.	1,900,650	2,016,840	0	0	0	**0**
Police Department	32,935,260	31,614,920	33,075,220	32,846,150	33,801,270	**34,033,870**
Fire Department	16,585,310	16,870,390	19,393,800	18,940,640	19,795,690	**19,795,690**
Public Works Department	6,279,890	6,381,360	6,859,540	6,942,470	7,158,760	**7,158,760**
Refuse Collection	4,767,020	4,437,520	4,473,220	4,548,830	4,451,650	**4,451,650**
City Development Dept.	5,625,780	5,687,710	6,056,700	5,980,360	5,070,650	**5,070,650**
Community Relations Dept.	1,022,790	1,095,330	1,450,360	1,468,340	1,465,840	**1,465,840**
41-A District Court	3,223,740	3,242,870	3,366,950	3,375,070	3,545,610	**3,545,610**
General Expenditures	1,025,080	1,118,900	1,766,770	1,765,520	1,797,830	**1,797,830**
Total Expenditures	**82,669,260**	**82,195,200**	**86,831,240**	**86,319,440**	**89,317,730**	**89,550,330**
Other Financing Uses						
Transfers Out	7,217,320	7,255,500	7,176,880	8,396,880	15,761,510	**15,761,510**
Total Expenditures & Uses	**$89,886,580**	**$89,450,700**	**$94,008,120**	**$94,716,320**	**$105,079,240**	**$105,311,840**
Excess of Revenues Over (Under) Expenditures	**3,855,140**	**5,871,740**	**2,472,800**	**4,951,730**	**1,206,770**	**1,144,170**
Beginning Fund Balance	**7,539,730**	**11,394,870**	**17,266,610**	**17,266,610**	**22,218,340**	**22,218,340**
Ending Fund Balance	**$11,394,870**	**$17,266,610**	**$19,739,410**	**$22,218,340**	**$23,425,110**	**$23,362,510**

General Fund
Revenues vs. Expenditures



The data presented plots revenues vs. expenditures in the General Fund.

General Fund
Fund Balance



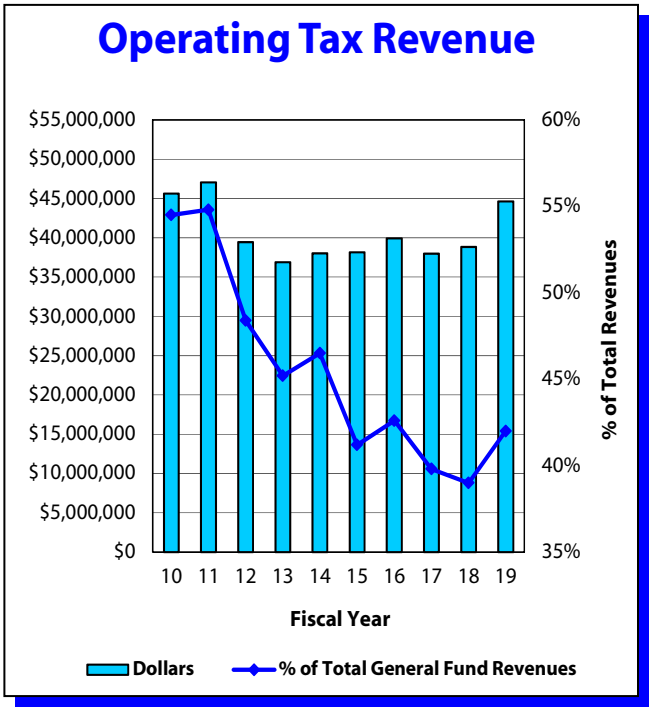
This graph illustrates the cumulative result of excess General Fund revenues over expenditures and total fund balance as a percent of General Fund expenditures.

CITY OPERATING TAX

The City's largest source of revenue is from property taxes. Tax revenues are based on two variables. The first is the assessed taxable property valuation of industrial, commercial, and residential parcels, both real and personal property. This valuation is called the TV or Taxable Valuation. The second variable is the application of a specific tax millage levy. Changes in either of these two variables directly correlate to changes in City tax revenue.

The City has six individual tax levies – the largest is for Operations. Over the past ten years, changes in Operating Tax revenues have varied. Since 2008, due to overall decreases in taxable values and a declining Operations tax rate, the Operating revenues as a percent of total General Fund revenues has declined. Amounts collected have increased in four of the past five years due to an increasing Operating tax rate and stabilizing taxable values.

In the 2018/19 Budget, Operating tax revenue represents 42.1% of total General Fund revenues, a $5.9 million, or 15.1% increase from the amount to be collected in 2018. The increase is a result of a 3.6% overall rise in the City's taxable value and a 1 mill increase in the Operating Millage rate. This one-time increase will raise $4.2 million and will exclusively be used to fund desperately needed additional road repairs. Even including this temporary increase, the City's Operating tax revenues are $5.3 million lower than what was collected in 2008.



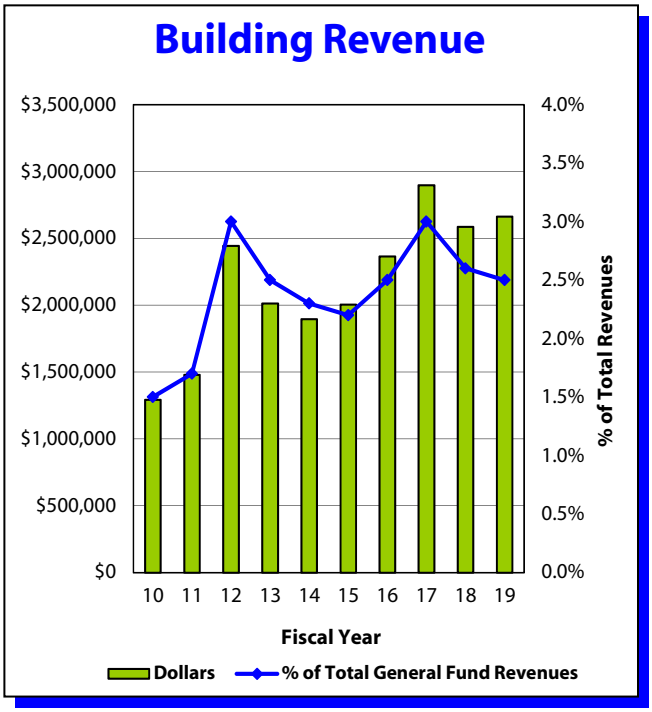
For the second year in a row, the City's Headlee rollback maximum allowable tax levy has been reduced and is now equal to 10.70. The proposed Operations tax rate for 2018/19 is 10.494 mills per $1,000 Taxable Value which remains below the 12.0 millage rate limit established by the City Charter and is 0.206 mills below the newly reduced maximum levy. The City's millage rate continues to be lower than 63% of cities in the State and is one of the lowest of any city in Macomb County.

The City's total taxable value for 2018/19 increased by 3.6%. Real property increased by 4.6% due to new construction, property turnover leading to the uncapping of assessments, and a 2.1% inflationary factor on all existing properties. These increases are offset by an additional 8.9% decline in personal property assessments. The State legislated phased-in exemption of eligible manufacturing personal property continues and property purchased prior to 2007 and after 2012 is exempt from personal property taxes. The City also continues to experience the loss of personal property taxes due to the State law that exempts personal property under $40,000 in taxable value. As a result, the City's total taxable value has now fallen by 21.0% since 2008.

LICENSES AND PERMITS

The revenue source of Licenses and Permits represents fees charged by City offices to individuals and businesses for the building of new structures as well as improvements made to existing structures. New structures that require permits include garages, sheds, decks, porches, and buildings. Improvements such as central air conditioning, furnace replacement, electrical and plumbing modifications, fences, and pools also require permits.

License and Permit revenues are primarily comprised of building revenues. With the State's economic downturn, building revenues fell to a ten-year low in 2009. Fewer new subdivisions, renovations or new commercial sites were



developed. In 2012, revenues increased due to one-time large new development projects from BAE and Chrysler. In 2017, revenues peaked again due to significant development activity including a 200,000 square foot automotive manufacturing facility built by Mitchell Plastics. Significant development activity is expected to continue in the next five years. Several large projects are on the horizon, such as The Verandas, an 807 unit community to be built around the redesigned golf course at Maple Lane.

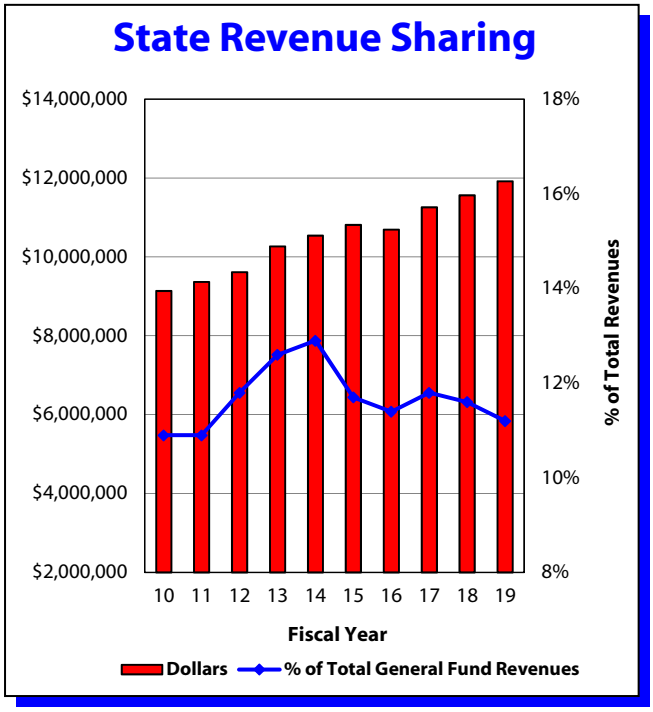
In the 2018/19 Budget, License and Permit revenues represent 2.3% of total General Fund revenue sources, a $65,000 or 2.8% increase from 2018 estimated collections. The budget assumes a continuation of upward residential and commercial permits. To continue to strengthen and enforce property maintenance standards, the budget includes the revenues from the non-homestead residential property inspection program.

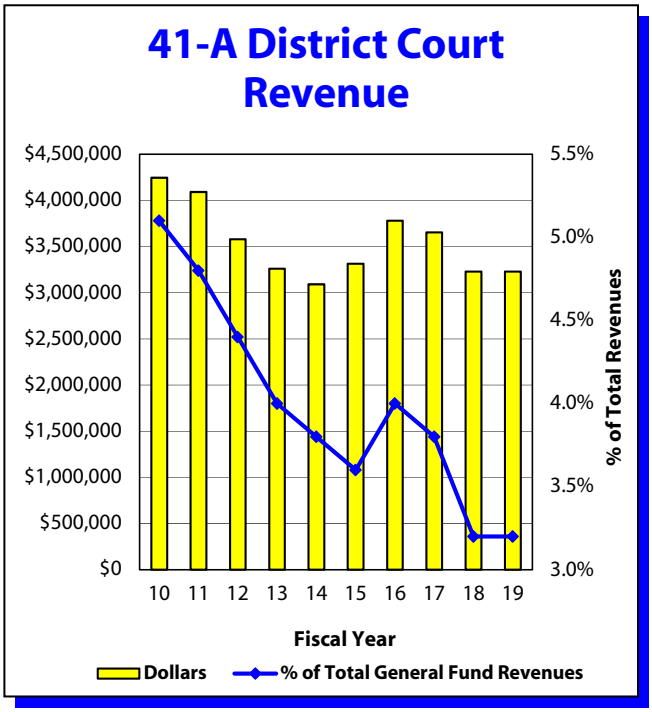
STATE AND LOCAL RETURNS

The second largest source of revenue to the General Fund is State & Local returns. This revenue is comprised of grants from the Federal, State, and County levels of government. The major revenue source is from State Revenue Sharing. Revenue sharing payments, made by the State to communities in Michigan from sales tax receipts, are distributed based on formulas that take into consideration population, government type, and taxable values per capita.

In 2019, it is estimated the City will receive $11.9 million, an increase of $358,000 or 3.0% over what is estimated to be received in 2018. Since 2002, the amount of Revenue Sharing the City has received has fallen dramatically. In 2002, the City received $13.3 million from the State. While the State has increased revenue sharing payments since 2011, the City has lost $43.2 million cumulatively since 2002. As a percent of General Fund revenues, State revenue sharing has fallen from 20% in 2002 to only 11.2% today.

Another significant source of revenue in this category is payments received from the State of Michigan for reimbursement of property tax losses on exempt personal property. The State reimbursement for losses is based on comparisons to 2013 taxable values and only includes millages in existence prior to 2013. As a result, the City will never see reimbursements for exempt personal property added after 2013 or for new millages, such as Safe Streets or the *Re*creating Recreation millage. In 2018/19, State reimbursement for lost personal property tax is expected to be $3.9 million which is





a $2.5 million decrease from the amount received in 2017/18. The actual personal property tax losses for the entire State of Michigan were lower than estimated; however, the State is required to distribute all of the revenue reserved for the reimbursement. Reimbursements for all eligible municipalities were prorated at 292%. This higher rate of reimbursement is not expected to continue.

In the 2018/19 Budget, total State & Local Return revenues represent 16.3% of General Fund revenue sources, a decrease of $1.9 million or 9.9% below 2018 estimated receipts. Most of the decrease is due to the additional proration received on the personal property tax loss reimbursement, offset by expected increases in Federal Grant Revenue due to the SAFER Grant (which partially funds 15 firefighter positions for three years) and a 3.1% increase in expected State Revenue Sharing due to expected sales tax growth.

FINES & FORFEITURES

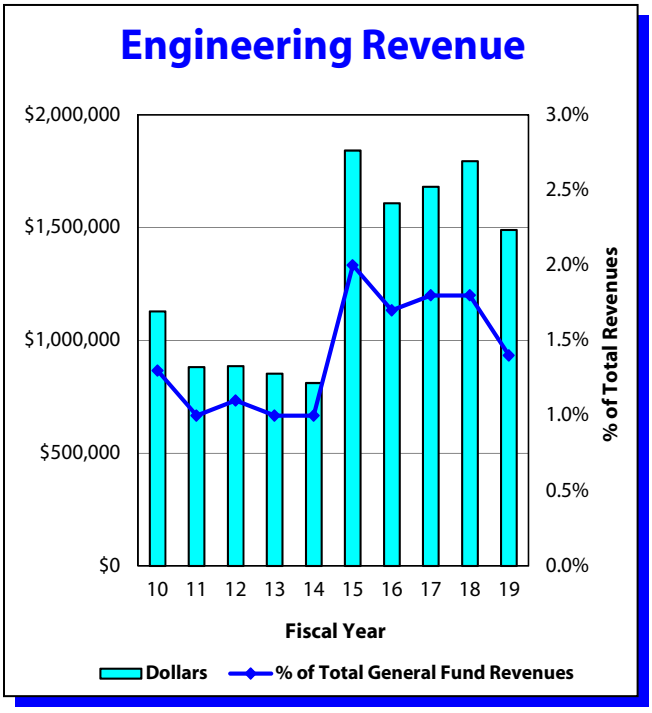
Fines and Forfeiture revenues are comprised of payments made by individuals or businesses that have violated various statutes, ordinances, or laws.

Included in this revenue center are library fines, court costs, parking fines, bond forfeitures, and default judgment fees. Over 95% of these revenues are generated and collected by the judicial branch of our municipal government, the City's 41-A District Court, working in conjunction with the Police Department.

Historical trends show 41-A District Court revenue decreasing since its peak in 2010, largely due to a decrease in the number of tickets issued. Over the past several years, Court revenues had begun to slightly rebound; however, recent Michigan Supreme Court rulings requiring an ability-to-pay hearing prior to the enforcement of fines may further decrease overall Court revenues. Court revenues have declined from 5.1% of total General Fund revenues in 2010 to 3.0% in 2019. In the 2018/19 Budget, Fines & Forfeiture revenues represent 2.4% of General Fund revenues. Fines are conservatively estimated to remain consistent with 2018 expected levels. Court revenues have now declined by $1.02 million or 23.9% since 2010.

CHARGES FOR SERVICES

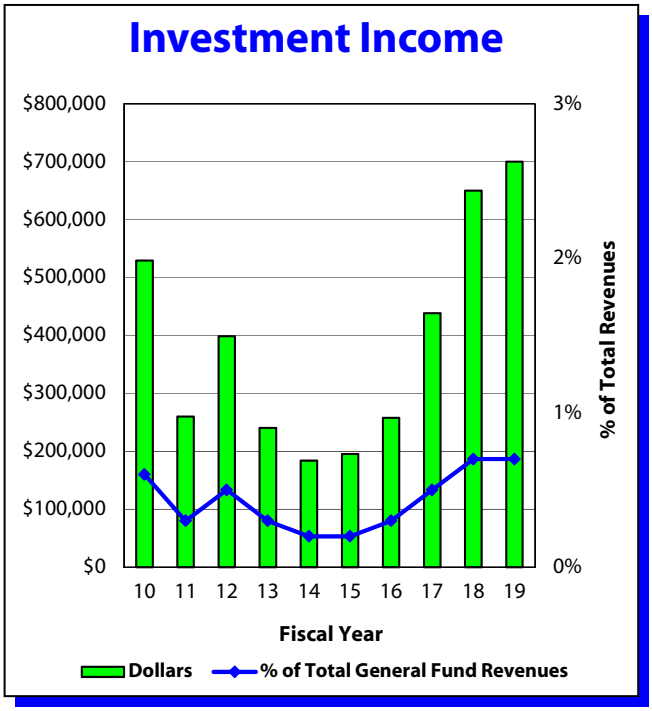
Charges for Services consist of revenues received from individuals, businesses, and cross-charges from other City Funds. These monies reimburse the

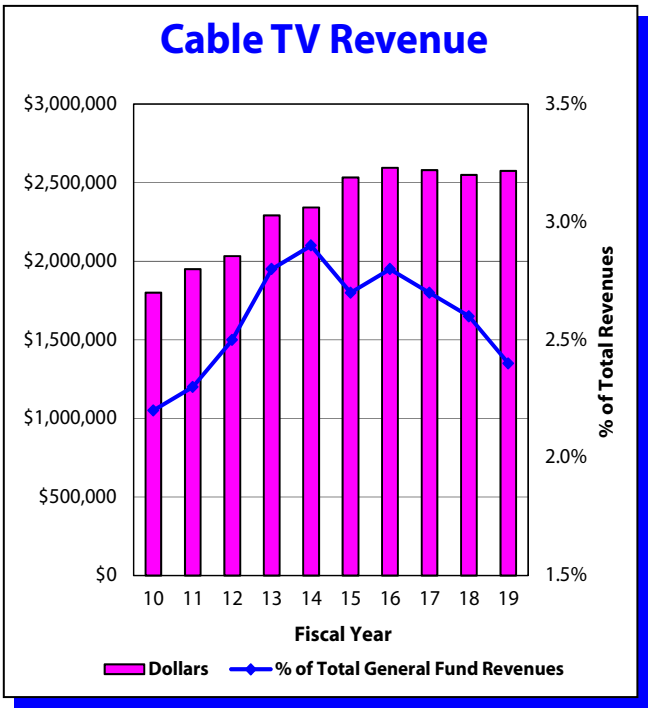


General Fund for services provided by General Fund employees. The revenue accounts within this revenue center include Property Tax Administration fees, revenue from EMS transport services, Water & Sewer and Road Fund cross-charges, False Alarm fees, Engineering inspection and design charges, and Building review fees.

Revenue from the newly implemented EMS Transport services is one of the largest sources of Charges for Services revenues. The Sterling Heights Fire Department assumed responsibility for EMS Transport in November 2017 and through the use of an outside medical services billing company, began billing Medicare, Medicaid, other insurance companies, commercial businesses and uninsured individuals for EMS Transport services. As of February 2018, $668,000 of the estimated $2.0 million in Transport Fees expected for 2017/18 had been received. This revenue is expected to increase by 52%, to $3.05 million in 2018/19, primarily due to a full year of operations.

Engineering revenues make up another large source of Charges for Services revenues. Engineering revenues declined from nearly $1.2 million in 2008 to $811,000 in 2014 due to the State's overall economic downturn. However, due to the passage of the Safe Streets proposal, Engineering revenues began to increase starting in 2015, as the General Fund receives a cross-charge from the Local Road Fund for the reimbursement of administration, design and inspection costs of neighborhood road repairs. For 2018/19, Engineering Revenue is expected to fall by $300,000 or 17%, due to the completion of several large road projects in the 2017/18 budget year.





In the 2018/19 Budget, Charges for Services revenues represent 12.0% of General Fund revenue sources, an increase of $1.4 million or 12.1% above 2018 estimated receipts. This increase is primarily due to the increase in EMS Transport revenue of $1.05 million and the reimbursement from Utica Community Schools for the cost sharing of two School Resource Officers.

OTHER REVENUE

Other Revenue includes revenues that cannot be easily classified in another revenue center. Included in this revenue center is Interest on Investments, Rental Income from different sources, sales of fixed assets, Reimbursements, and OUIL cost recovery fees.

Due to interest rate cuts by the Federal Reserve starting in 2008 and declining fund balance

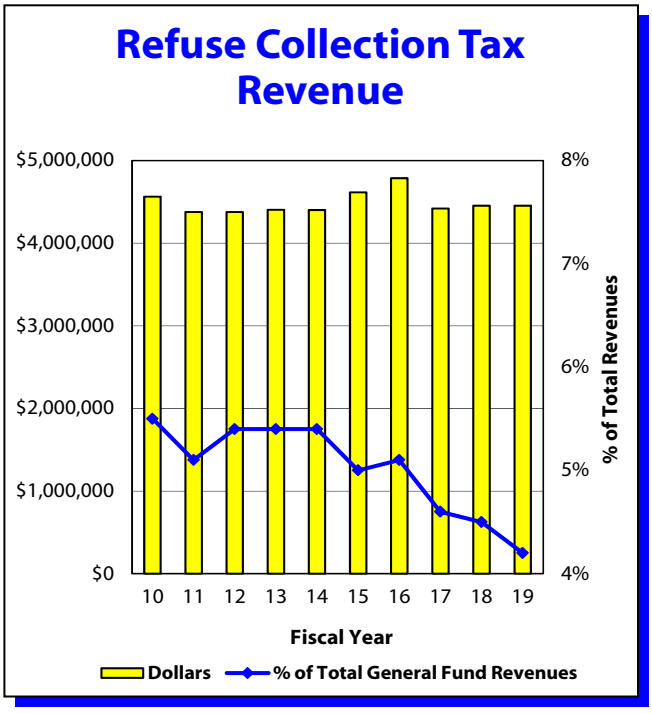
reserves, Interest on Investments has fallen for many years. In calendar year 2017, the Federal Reserve increased interest rates three times and is expected to increase rates multiple times in 2018. These increases in interest rates, coupled with higher General Fund Reserves, have increased expected Interest Revenue to $650,000 for 2017/18. A further increase in revenue of $50,000, or 7.7% is expected for 2018/19.

In the 2018/19 Budget, Other Revenue represents 3.1% of General Fund revenue sources, an increase of $299,000 from 2018 estimates. Most of the increase is due to revenues from the Sterlingfest Art and Music Fair, which are included here for the first time due to a change in accounting methodology.

CABLE TV REVENUE

Cable Television Revenues are received from Comcast, AT&T, and Wide Open West (WOW!) as franchise fees between these companies and either the City or the State of Michigan. 83.3% of these fees repay the City for the use of our rights-of-way, while 16.7% of the fees reimburse the City for its cost of public access programming.

Cable Revenue started to decrease for the first time in 2016/17. The rise in the phenomenon of "cord cutting", using the internet for television viewing as opposed to cable, is no doubt responsible for this decline. In 2018/19, Cable Revenue is estimated to decrease by $75,000 or 2.8% to total $2.57 million, or 2.4% of General Fund revenue sources.



REFUSE TAX

Another significant source of revenue to the City of Sterling Heights is the tax to pay the City's Refuse Collection costs. The refuse collection expenditures and the City's taxable valuation are used to determine the ad-valorem tax to levy on all properties in the City.

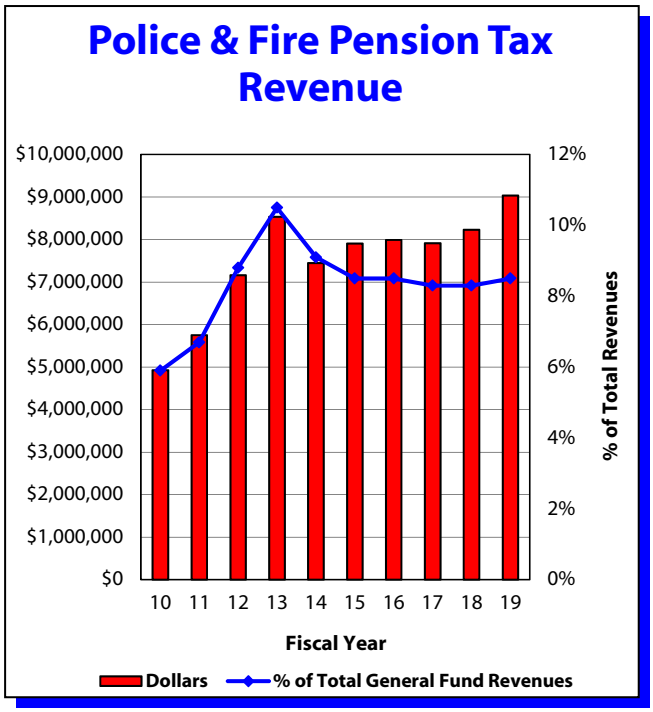
Revenues generated by the refuse collection levy are used to pay for the collection, removal, and drop-off center recycling of all garbage in the City. The voluntary curbside recycling program costs are billed directly to the homeowner. The refuse collection millage rate is adjusted annually to cover the projected cost of the Refuse activity, less any refuse collection fees paid by apartments, mobile home parks and school districts.

The historical trend experienced over the past ten years is a direct reflection of the refuse collection contract costs. In the 2018/19 Budget, the Refuse Tax represents 4.2% of General Fund total revenue sources. Due to the eight-year refuse contract that took effect on May 1, 2016, total refuse costs remain the same as the prior year. Due to the 3.6% increase in taxable values, the Refuse millage rate declined by 0.0407 mills, or 3.8%, from 1.0827 to 1.042 mills in order to generate sufficient funds to cover the estimated refuse contract costs.

POLICE & FIRE PENSION TAX

The Police & Fire Pension Tax is another substantial source of revenue to the City. The calculation of this revenue source is much like that of the Refuse Tax. Revenues are generated in an amount sufficient to cover the City's actuarially required contribution to fund Police & Fire pensions. By dividing these projected expenditures by the City's taxable property valuation, an ad-valorem tax levy is calculated. The Police & Fire Tax millage rate is adjusted annually to cover the pension expenditures for which this revenue is restricted.

The pension tax revenue increased to match a higher required pension contribution of $9.1 million. The



overall pension liability increased primarily due to revised actuarial assumptions which decreased the assumed rate of return and the number of years over which the liability is spread. The required contribution to the pension system for 2018/19 has increased to its highest level and is now $4.1 million higher than in 2010.

In the 2018/19 Budget, the Police & Fire Pension Tax represents 8.5% of General Fund revenue sources, an increase of $809,000 or 9.8%. The Police & Fire Pension Tax levy for 2018/19 is 2.1279 mills per $1,000 Taxable Value, an increase of 0.1155 mills. The millage increase is due to the higher required contribution offset by the 3.6% increase in taxable value.

SAFE STREETS TAX

In November 2013, City residents approved a six-year 2.5 mill tax levy starting July 1, 2014. Due to the second consecutive Headlee rollback, this millage will be further reduced to 2.4678 for 2018. 1.6781 of the 2.4678 mills will generate $7.1 million in the General Fund to prevent further staffing cuts to Police and Fire positions. The remaining 0.7897 mills will generate $3.4 million in the Local Road Fund to cover the cost of asphalt and concrete repairs to neighborhood streets.

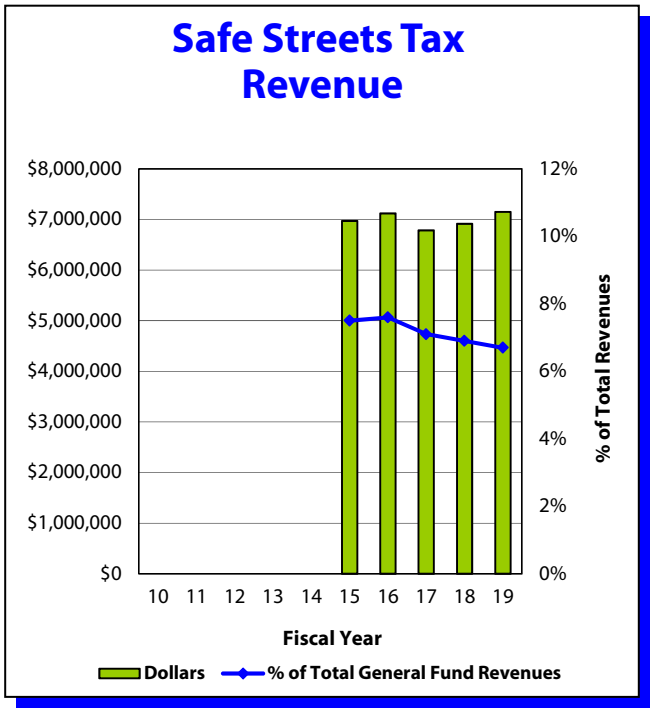
In the 2018/19 Budget, General Fund revenue from the Safe Streets Tax increased by $235,000 or 3.4% from amounts collected in 2018 due to the increase in City taxable values. Safe Streets Tax revenue represents 6.7% of General Fund revenue sources. The millage has allowed the City the funding to restore capital purchases and infrastructure repairs that had been reduced during the economic downturn. It has also allowed the City to avoid having to continue to reduce City staffing levels to pay for these needed repairs, and to begin restoring General Fund reserves back to adequate levels.

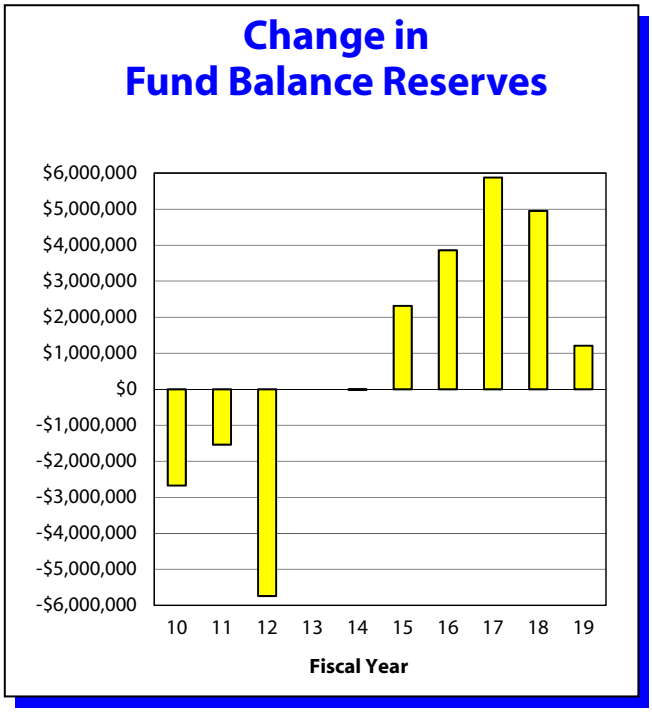
OTHER FINANCING SOURCES

Other Financing Sources include the proceeds received from long-term debt and the transfers into the General Fund from other City funds. There is no revenue from Other Financing Sources in the current or prior year budget.

USE OF FUND BALANCE

A budgeted Use of, or Contribution to, Fund Balance exists when there is an inequality between budgeted revenues and expenditures. If expenditures exceed revenues, a Use of Fund Balance is needed to balance the budget. If





revenues exceed expenditures, then a Contribution to Fund Balance exists.

Due to the economic downturn, the City was forced to use General Fund Balance to support operations from 2008 – 2012.

In 2013 and 2014, while little or no use of General Fund reserves occurred, the City used Self-Insurance Funds to balance the General Fund budget due to a fifth and sixth consecutive year of declining taxable values. General Fund Balance reserves totaled only $5.2 million or 6.5% of General Fund expenditures – the lowest reserve level in 27 years or since 1987.

Beginning in 2015, the City was once again able to contribute to Fund Balance. Largely due to the increased Property Tax reimbursements received from the State of Michigan and the continued impact of the Safe Streets millage, we estimate contributing an additional $4.9 million to General Fund Balance reserves in 2017/2018. The 2018/19 budget will contribute an additional $1.1 million to General Fund reserves, bringing the total reserves to $23.4 million or 22.2% of expenditures at year-end.

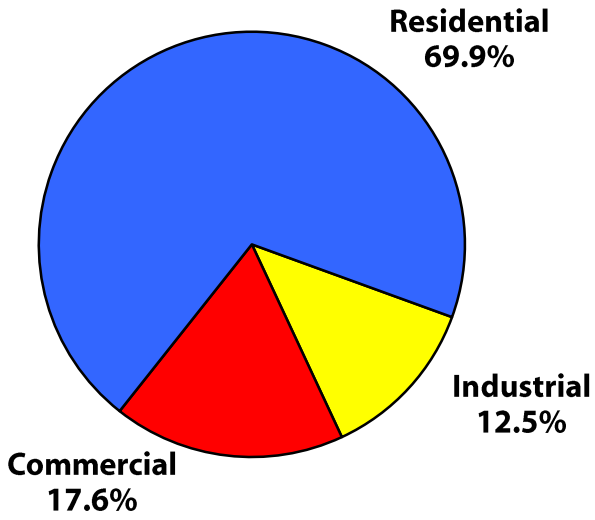
OTHER CITY TAXES

There are two additional property tax millages levied by the City that are not recorded in the General Fund.

The Public Improvements (Proposal F – Fire Station Improvements) millage is recorded in the Debt Service fund and decreased by 0.0143 mills to 0.0971 mills. The Proposal F millage rate is lower due to a 3.6% increase in the City's taxable values. The Fire Station Debt will be paid off in 2022, after which this millage will no longer be collected.

The *Re*creating Recreation millage was approved by voters in November 2016 and is recorded in the newly established Parks and Recreation Special Revenue Fund. This millage was approved at 0.97 mills, however due to two years of consecutive Headlee rollbacks, the millage is reduced by 0.0184 mills to .9516 mills for 2018/19 and will generate $4.1 million. More detail can be found in the Special Revenues section of this document.■

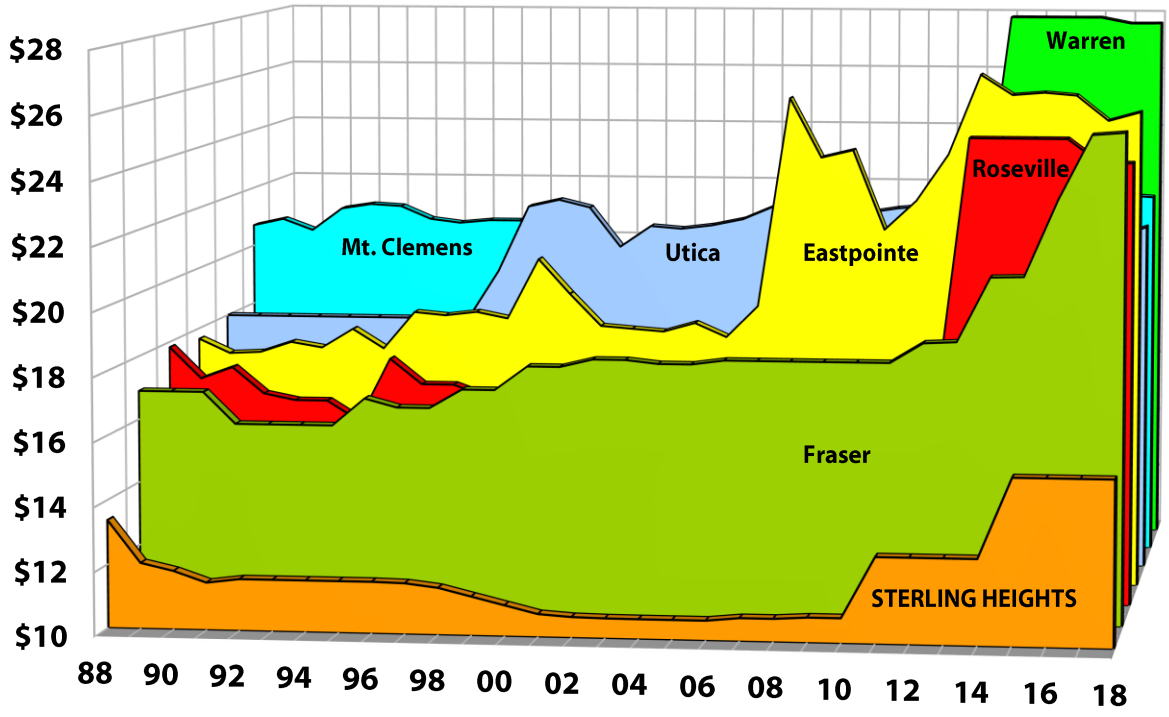
City of Sterling Heights
Share of Taxes



This graph illustrates the taxable value of property in the City as a percent by customer class.

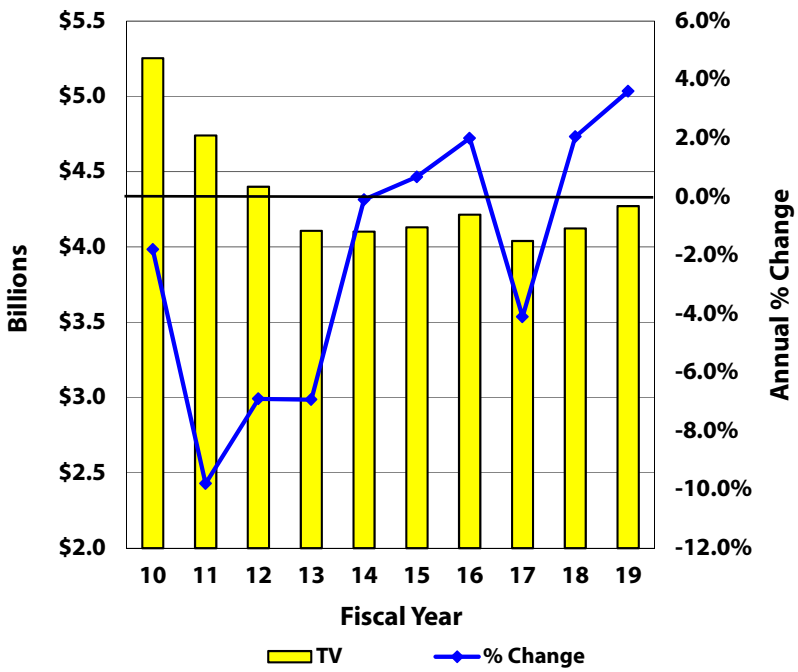
Comparable Tax Rates of Surrounding Macomb County Cities

Per $1,000 TV



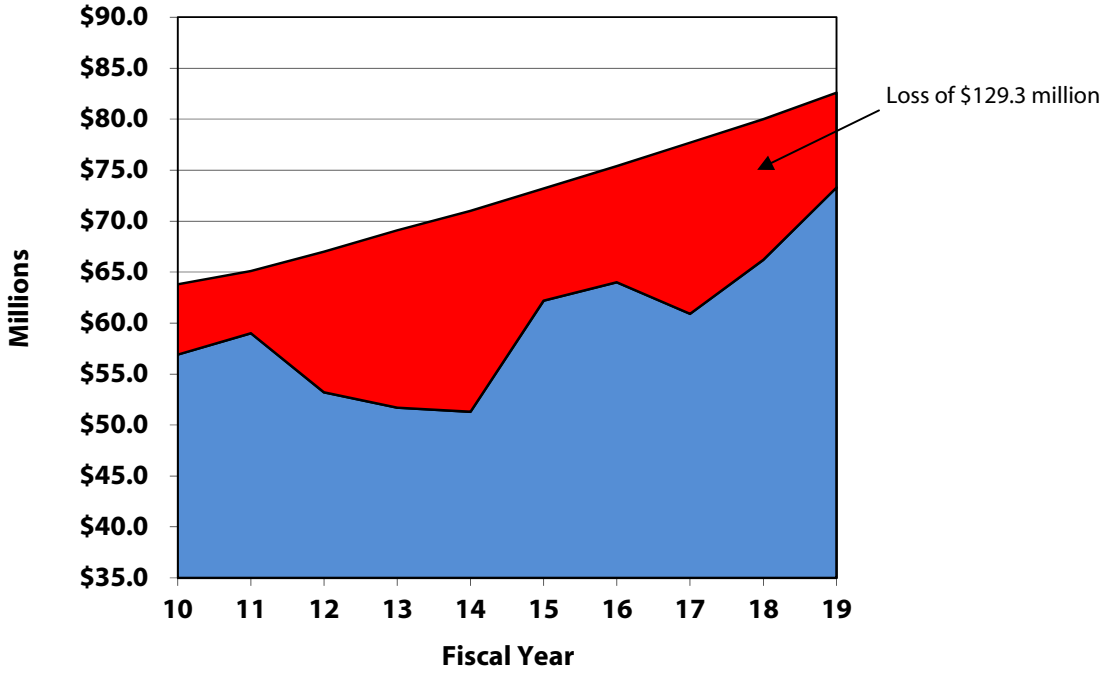
This graph illustrates the taxes levied by Macomb County cities for the past 30 years.

City Taxable Values (TV)



This graph illustrates the property value assessments for real and personal property in the City. The TV, along with the millage rate, determines the total property tax collected.

Property Tax Revenues



This graph illustrates that City property tax revenues historically increased, despite a declining City tax rate, due to inflationary property assessment increases and new development. Starting in 2009, revenues declined due to falling assessments, partially offset by a millage adjustment in 2011, 2015, 2018 and 2019.

GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	CITY OPERATING TAXES						
404000	City Operating Tax	$37,906,599	39.77	$38,918,290	40.34	**$44,693,720**	**41.98**
404001	Property Tax Refunds	61,426	0.06	(50,000)	-0.05	**(55,000)**	**-0.05**
415000	Delinquent Personal Property Tax	39,417	0.04	50,000	0.05	**50,000**	**0.05**
445000	Penalties & Interest	152,351	0.16	165,000	0.17	**160,000**	**0.15**
	Total Taxes	**38,159,793**	**40.03**	**39,083,290**	**40.51**	**44,848,720**	**42.13**
	LICENSES & PERMITS						
451000	Business Operating License	29,613	0.03	15,000	0.02	**25,000**	**0.02**
452000	Mobile / Temporary Vendor	3,602	0.00	6,000	0.01	**4,000**	**0.00**
453000	Liquor License	97,777	0.10	100,000	0.10	**100,000**	**0.09**
454000	Vending/Amusement Device Fee	10,386	0.01	15,000	0.02	**10,500**	**0.01**
461000	Electrical Registration & Permits	374,717	0.39	260,000	0.27	**280,000**	**0.26**
462000	Heating Registration & Permits	284,598	0.30	278,000	0.29	**285,000**	**0.27**
463000	Plumbing Registration & Permits	237,610	0.25	190,000	0.20	**200,000**	**0.19**
464000	Sign Registration & Permits	47,997	0.05	45,000	0.05	**45,000**	**0.04**
470000	Building Registration & Permits	1,164,855	1.22	1,150,000	1.19	**1,200,000**	**1.13**
471000	Fence Permits	15,907	0.02	13,500	0.01	**15,000**	**0.01**
477000	Fire Suppression Permits	95,932	0.10	70,000	0.07	**90,000**	**0.08**
478000	Animal Permits	58,114	0.06	55,000	0.06	**55,000**	**0.05**
479401	Non-Homestead Resident Insp. Fee	107,790	0.11	65,000	0.07	**65,000**	**0.06**
479402	Re-Inspection Code Enforcement Fee	40,007	0.04	35,000	0.04	**40,000**	**0.04**
	Total Licenses & Permits	**2,568,905**	**2.69**	**2,297,500**	**2.40**	**2,414,500**	**2.25**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	111,267	0.12	102,270	0.11	**1,025,000**	**0.96**
539002	State Grants	5,274	0.01	0	0.00	**0**	**0.00**
544000	Drunk Driving Case Flow Assistance	9,226	0.01	12,000	0.01	**9,200**	**0.01**
567001	State Aid - Library	84,813	0.09	85,600	0.09	**94,420**	**0.09**
569001	Judges Salary Stand Payments	137,172	0.14	137,170	0.14	**137,170**	**0.13**
573386	Personal Prop. Tax Reimbursement	5,514,474	5.79	4,000,000	4.15	**3,950,000**	**3.71**
574000	State Revenue Sharing	11,259,946	11.81	11,000,000	11.40	**11,917,890**	**11.20**
581001	Municipal Credit Transportation	198,376	0.21	0	0.00	**0**	**0.00**
583000	Macomb Auto Theft Squad - Grant	60,843	0.06	65,000	0.07	**62,700**	**0.06**
585000	Drug Enforce. Admin. - Federal	17,487	0.02	18,000	0.02	**20,000**	**0.02**
587001	County Contrib. - Library Penal Fines	104,232	0.11	115,000	0.12	**105,000**	**0.10**
	Total State & Local Returns	**17,503,110**	**18.36**	**15,535,040**	**16.10**	**17,321,380**	**16.27**
	FINES & FORFEITURES						
656003	Contempt Court Fines	48,055	0.05	40,000	0.04	**45,000**	**0.04**
656004	Ordinance Fines & Costs	2,455,250	2.58	2,200,000	2.28	**2,100,000**	**1.97**
656005	Municipal Civil Infractions	5,300	0.01	6,500	0.01	**6,500**	**0.01**
657001	Library Fines	46,640	0.05	50,000	0.05	**45,000**	**0.04**
658001	Bond Forfeitures	133,269	0.14	100,000	0.10	**110,000**	**0.10**
659001	Driver Reinstatement Fee	39,787	0.04	32,000	0.03	**35,000**	**0.03**
659002	Default Judgment Fee	199,301	0.21	185,000	0.19	**180,000**	**0.17**
659003	Crime Victim Rights Admin. Fee	16,551	0.02	13,000	0.01	**13,000**	**0.01**
659004	Forensic Admin. Fee	120	0.00	150	0.00	**0**	**0.00**
659005	DNA Assessment Fee	226	0.00	0	0.00	**0**	**0.00**
	Total Fines & Forfeitures	**2,944,499**	**3.09**	**2,626,650**	**2.72**	**2,534,500**	**2.38**

GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

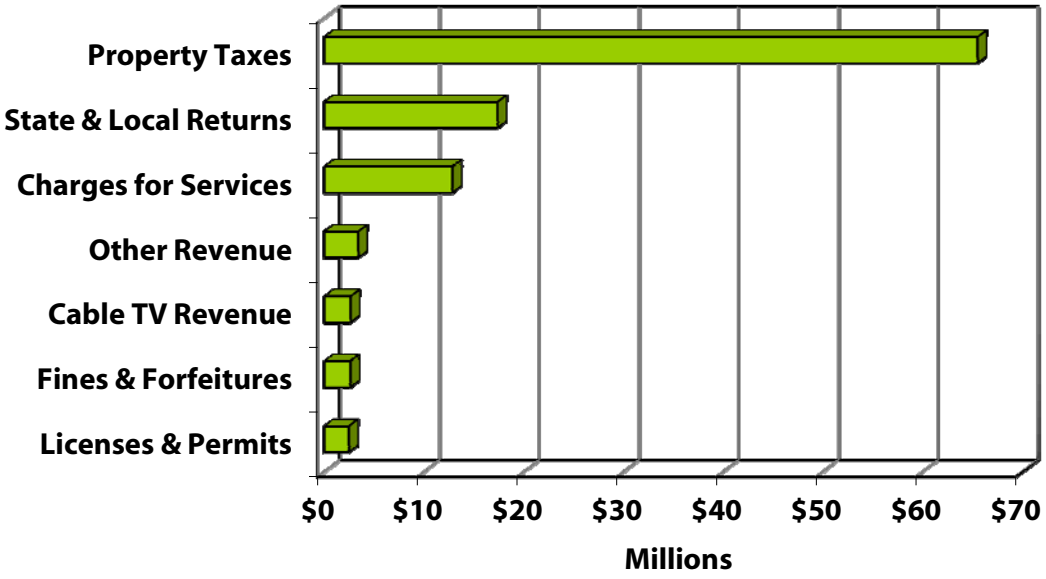
Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	CHARGES FOR SERVICES						
603000	Court Filing Fee	118,051	0.12	115,000	0.12	**120,000**	**0.11**
603001	Jury Demand Fee	4,570	0.00	4,500	0.00	**2,000**	**0.00**
604000	Probation Oversight	261,359	0.27	240,000	0.25	**250,000**	**0.23**
605000	Garnishments - Filing Fee	124,080	0.13	130,000	0.13	**125,000**	**0.12**
606000	Split/Combination Fee	10,650	0.01	8,000	0.01	**8,000**	**0.01**
607000	Fire Permits, Fees, & Inspections	22,075	0.02	22,000	0.02	**23,000**	**0.02**
608000	Recording Fees	1,990	0.00	1,500	0.00	**3,000**	**0.00**
609000	Mobile Home Tax	9,583	0.01	9,600	0.01	**9,600**	**0.01**
610000	Vital Statistics	68,432	0.07	70,000	0.07	**70,000**	**0.07**
611000	Attorney Fee Reimbursement	46,015	0.05	35,000	0.04	**40,000**	**0.04**
612000	Alcohol Assessment Fee	48,215	0.05	50,000	0.05	**45,000**	**0.04**
626000	Services - PTAF	1,721,608	1.81	1,754,180	1.82	**1,835,250**	**1.72**
627000	Water & Sewer Activity	1,717,860	1.80	1,679,460	1.74	**1,911,810**	**1.80**
627276	Administrative Services - RR	0	0.00	0	0.00	**120,230**	**0.11**
627444	Administrative Services - Roads	253,967	0.27	275,000	0.29	**250,000**	**0.23**
627556	Admin Services-Water Distribution	353,970	0.37	349,230	0.36	**383,880**	**0.36**
627574	Admin Services-W&S Improvements	147,360	0.15	150,300	0.16	**153,300**	**0.14**
627677	Administrative Services-Self Insurance	287,130	0.30	289,050	0.30	**313,350**	**0.29**
627732	Administrative Services-P&F Pension	6,625	0.01	6,000	0.01	**7,000**	**0.01**
628001	Voter Lists	670	0.00	800	0.00	**700**	**0.00**
629001	Labor Services - Roads	917,311	0.96	1,100,000	1.14	**1,000,000**	**0.94**
629002	Labor Services - Cross Charges	27,893	0.03	40,000	0.04	**30,000**	**0.03**
629003	Labor Services - Fleet Maintenance	83,249	0.09	60,000	0.06	**85,000**	**0.08**
631001	Police & Fire Services	152,401	0.16	125,000	0.13	**320,000**	**0.30**
631002	Towed Vehicle Impound Fee	124,350	0.13	120,000	0.12	**120,000**	**0.11**
632001	Inspection Services-Projects-Other	266,777	0.28	225,000	0.23	**200,000**	**0.19**
632002	Inspection Services-City Projects	188,292	0.20	375,000	0.39	**350,000**	**0.33**
632003	Engineering Review Fee	134,594	0.14	150,000	0.16	**100,000**	**0.09**
632004	Engineering & Design - Project	1,024,268	1.07	710,000	0.74	**750,000**	**0.70**
632005	Building Number Assignments	379	0.00	800	0.00	**500**	**0.00**
632006	SESC Review Fee	(13,752)	-0.01	25,000	0.03	**25,000**	**0.02**
632007	SESC Inspection Fee	73,543	0.08	60,000	0.06	**60,000**	**0.06**
632008	Easement Vacation	1,626	0.00	1,700	0.00	**1,000**	**0.00**
632009	ROW Permit Fees	5,201	0.01	4,000	0.00	**3,000**	**0.00**
634003	Supplies & Gasoline Revenue	36,489	0.04	40,000	0.04	**45,000**	**0.04**
634004	Parts-Vehicle Maintenance	42,799	0.04	25,000	0.03	**40,000**	**0.04**
635535	Refuse Collection Fees	11,395	0.01	12,000	0.01	**14,700**	**0.01**
636000	Plan Review Fee	96,689	0.10	70,000	0.07	**80,000**	**0.08**
636001	Building Department Plan Review	466,940	0.49	375,000	0.39	**375,000**	**0.35**
637001	Copies & Forms	15,540	0.02	15,000	0.02	**15,000**	**0.01**
637002	Maps	355	0.00	400	0.00	**400**	**0.00**
637003	Police Reports	107,305	0.11	104,000	0.11	**100,000**	**0.09**
637005	Fire Reports	1,610	0.00	1,450	0.00	**2,000**	**0.00**
637006	PBT User Fee	250	0.00	250	0.00	**250**	**0.00**
637007	False Alarm Fees	102,987	0.11	100,000	0.10	**100,000**	**0.09**
637009	Transport Fees	0	0.00	2,491,000	2.58	**3,050,000**	**2.87**

GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
637301	Notary Fee	1,220	0.00	1,500	0.00	**1,200**	**0.00**
638000	Application Fees	23,840	0.03	15,000	0.02	**15,000**	**0.01**
639001	Parks & Recreation Fees	531,961	0.56	0	0.00	**0**	**0.00**
639253	Treasury Transfer & Late Fees	46,854	0.05	63,000	0.07	**60,000**	**0.06**
640001	5% Cash Deposit	3,511	0.00	2,500	0.00	**2,500**	**0.00**
640002	Weed Cutting	77,614	0.08	80,000	0.08	**75,000**	**0.07**
640003	Board of Zoning Appeals Fees	26,867	0.03	17,000	0.02	**20,000**	**0.02**
640005	Ordinance Board of Appeals Fees	57,450	0.06	65,000	0.07	**65,000**	**0.06**
	Total Charges for Services	**9,842,018**	**10.33**	**11,664,220**	**12.08**	**12,776,670**	**12.00**
	OTHER REVENUE						
656006	Interpreter Fees	14,195	0.01	12,000	0.01	**17,000**	**0.02**
665000	Interest on Investments	438,507	0.46	400,000	0.41	**700,000**	**0.66**
667002	Rental Income - Utica Road	45,690	0.05	47,610	0.05	**54,000**	**0.05**
667003	Rental Income - DPS	117,750	0.12	82,950	0.09	**114,060**	**0.11**
667005	Rental - DPW - Impound Lot	52,000	0.05	47,610	0.05	**48,000**	**0.05**
667007	Rental - Universal Ambulance	6,000	0.01	1,500	0.00	**0**	**0.00**
667009	Rental - Towers	181,402	0.19	183,000	0.19	**187,650**	**0.18**
669001	Rental - Road Equipment	1,055,153	1.11	1,200,000	1.24	**1,100,000**	**1.03**
669002	Rental - Equipment - Cross Charges	26,855	0.03	25,000	0.03	**30,000**	**0.03**
673000	Sale of Fixed Assets	26,744	0.03	20,000	0.02	**20,000**	**0.02**
675000	Contributions & Donations	19,386	0.02	10,000	0.01	**10,000**	**0.01**
675001	Donations - Parks & Recreation	11,717	0.01	0	0.00	**0**	**0.00**
675003	Art Fair Revenue	79,651	0.08	70,000	0.07	**277,000**	**0.26**
676000	Reimbursements	739,232	0.78	600,000	0.62	**600,000**	**0.56**
676001	Reimbursements - Legal	2,921	0.00	2,000	0.00	**2,000**	**0.00**
677008	Unrealized Gain/Loss	(414,455)	-0.43	0	0.00	**0**	**0.00**
679752	Parks & Recreation Retail Sales	3,594	0.00	0	0.00	**0**	**0.00**
679792	Library Book Sales	0	0.00	500	0.00	**2,000**	**0.00**
685000	Miscellaneous Revenue	61,899	0.06	70,000	0.07	**60,000**	**0.06**
685292	Misc Revenue - Comm Relations	0	0.00	21,000	0.02	**11,000**	**0.01**
685792	Miscellaneous Revenue - Library	79,321	0.08	80,000	0.08	**80,000**	**0.08**
690000	O.U.I.L. Recovery	31,247	0.03	41,000	0.04	**30,000**	**0.03**
690002	Warrant Arrest Processing Fee	5,727	0.01	6,000	0.01	**6,000**	**0.01**
695000	Insurance Recovery & Subrogation	21,042	0.02	0	0.00	**0**	**0.00**
	Total Other Revenue	**2,605,578**	**2.73**	**2,920,170**	**3.01**	**3,348,710**	**3.16**
405000	City Refuse Tax	4,418,198	4.64	4,464,060	4.63	**4,451,730**	**4.18**
406000	P&F Pension Tax	7,914,369	8.30	8,297,370	8.60	**9,036,050**	**8.49**
407000	Safe Streets Tax	6,786,371	7.12	6,942,620	7.20	**7,148,750**	**6.72**
680000	Cable TV Revenue	2,579,599	2.71	2,650,000	2.75	**2,575,000**	**2.42**
	Total General Fund Revenue	**$95,322,440**	**100.00**	**$96,480,920**	**100.00**	**$106,456,010**	**100.00**

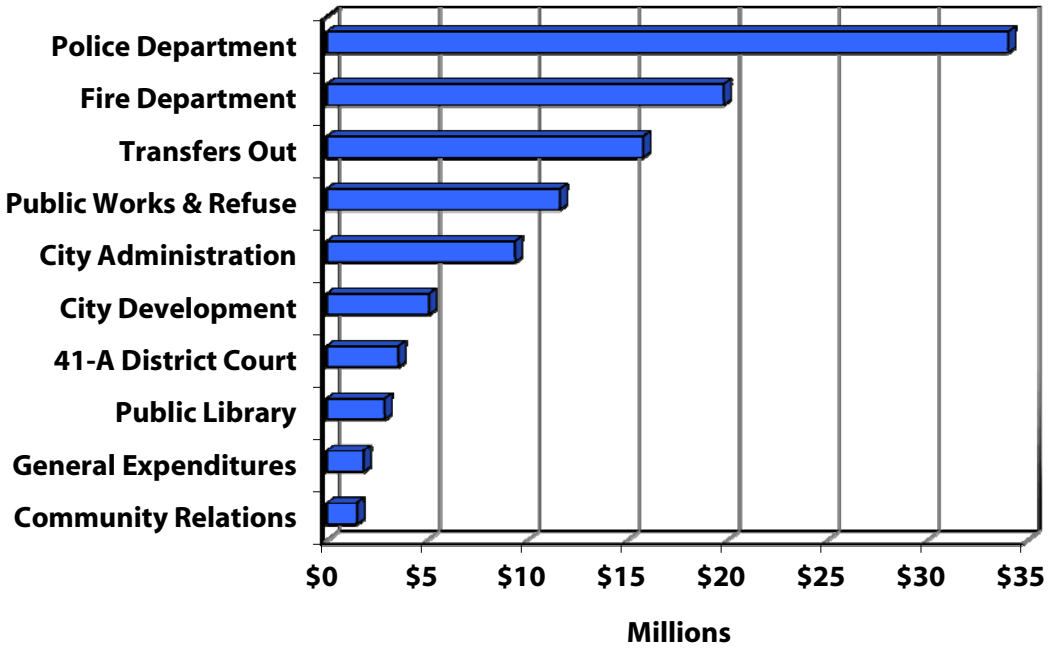
Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

General Fund Revenues by Revenue Category



This graph illustrates the amount budgeted for each of the revenue categories.

General Fund Expenditures by Budgetary Center



This graph illustrates the amount budgeted for each budgetary center.

GENERAL FUND EXPENDITURES
BY BUDGETARY CENTER

Activity Name	Activity No.	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
LEGISLATIVE					
1. City Council	1010	$146,460	$149,750	**$167,590**	11.9%
CITY ADMINISTRATION DEPARTMENT					
1. City Management	1720	1,225,850	1,347,340	**1,411,260**	4.7%
2. City Clerk	2160	894,110	854,020	**903,830**	5.8%
3. Information Technology	2580	944,480	987,110	**1,105,450**	12.0%
4. Assessing	2090	910,020	996,340	**974,520**	-2.2%
5. Financial Services	2010	755,550	787,430	**834,800**	6.0%
6. Purchasing	2330	319,150	392,530	**416,440**	6.1%
7. Facilities Maintenance	2650	0	0	**1,365,690**	100.0%
8. Treasury	2530	1,085,910	1,171,180	**1,210,880**	3.4%
9. Act 78 - Civil Service Commission	2200	37,620	43,970	**45,000**	2.3%
10. General Employees Pension Board	2390	63,610	55,790	**59,230**	6.2%
11. Legal	2100	821,950	875,000	**880,000**	0.6%
Total City Administration Department		**7,204,710**	**7,660,460**	**9,374,690**	**22.4%**
PUBLIC LIBRARY DEPARTMENT					
1. Library	7920	2,524,450	2,723,630	**2,851,140**	4.7%
2. Historical Commission	8030	200	4,590	**4,600**	0.2%
Total Public Library Department		**2,524,650**	**2,728,220**	**2,855,740**	**4.7%**
PARKS & RECREATION DEPARTMENT					
1. Parks & Recreation	7520	2,016,840	0	**0**	0.0%
Total Parks & Recreation Department		**2,016,840**	**0**	**0**	**0.0%**
POLICE DEPARTMENT					
1. Police Administration	3050	5,033,940	5,227,910	**5,306,230**	1.5%
2. Police Investigations	3100	6,347,830	6,538,970	**6,915,050**	5.8%
3. Police Operations	3150	18,701,540	19,656,310	**20,004,530**	1.8%
4. Police Support Services	3260	1,531,610	1,652,030	**1,808,060**	9.4%
Total Police Department		**31,614,920**	**33,075,220**	**34,033,870**	**2.9%**
FIRE DEPARTMENT					
1. Fire Administration	3370	1,487,740	1,446,260	**1,496,710**	3.5%
2. Fire Extinguishment	3390	14,347,690	16,879,110	**17,173,070**	1.7%
3. Fire Prevention	3410	1,034,960	1,068,430	**1,125,910**	5.4%
Total Fire Department		**16,870,390**	**19,393,800**	**19,795,690**	**2.1%**

GENERAL FUND EXPENDITURES
BY BUDGETARY CENTER

Activity Name	Activity No.	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
PUBLIC WORKS DEPARTMENT					
1. Fleet Maintenance	5530	2,593,770	2,866,030	**2,876,990**	0.4%
2. Parks & Grounds Maintenance	7700	1,429,620	1,442,180	**1,608,770**	11.6%
3. Public Works Center	4420	206,670	226,500	**174,400**	-23.0%
4. Street Services	4440	2,151,300	2,324,830	**2,498,600**	7.5%
Total Public Works Department		**6,381,360**	**6,859,540**	**7,158,760**	**4.4%**
REFUSE COLLECTION					
1. Refuse Collection	5350	4,437,520	4,473,220	**4,451,650**	-0.5%
Total Refuse Collection		**4,437,520**	**4,473,220**	**4,451,650**	**-0.5%**
CITY DEVELOPMENT DEPARTMENT					
1. Building	4120	2,011,310	2,210,010	**1,099,820**	-50.2%
2. Economic Development	4150	372,460	329,900	**333,870**	1.2%
3. Engineering	4470	1,260,990	1,371,630	**1,376,370**	0.3%
4. Neighborhood Services	4170	1,535,800	1,661,050	**1,665,960**	0.3%
5. Planning	4020	193,630	166,740	**276,520**	65.8%
6. Planning Commission	4030	7,640	10,090	**10,360**	2.7%
7. Zoning Board of Appeals	4130	5,880	7,280	**7,750**	6.5%
8. Component Unit Funding	9670	300,000	300,000	**300,000**	0.0%
Total City Development Department		**5,687,710**	**6,056,700**	**5,070,650**	**-16.3%**
COMMUNITY RELATIONS DEPARTMENT					
1. Community Relations	2920	1,094,230	1,449,590	**1,465,070**	1.1%
2. Arts Commission	7930	0	50	**50**	0.0%
3. Beautification Commission	8060	1,100	720	**720**	0.0%
Total Community Relations Department		**1,095,330**	**1,450,360**	**1,465,840**	**1.1%**
41-A DISTRICT COURT	1360	3,242,870	3,366,950	**3,545,610**	5.3%
GENERAL EXPENDITURES	8950	1,118,900	1,766,770	**1,797,830**	1.8%
TRANSFERS OUT	9660	7,255,500	7,176,880	**15,761,510**	119.6%
Total General Fund Expenditures		**$89,450,700**	**$94,008,120**	**$105,311,840**	**12.0%**

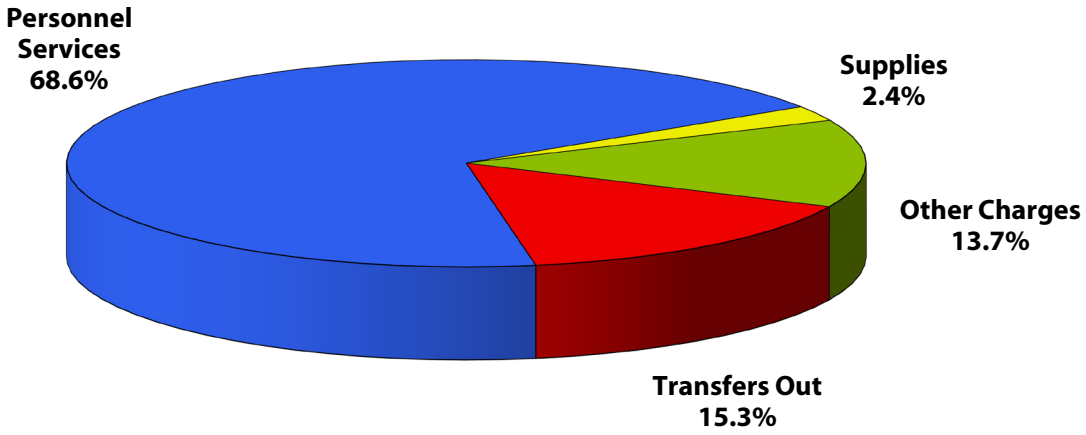
GENERAL FUND BUDGETARY CENTERS
EXPENDITURES BY CATEGORY

Budgetary Center	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget
CITY ADMINISTRATION DEPARTMENT					
Personnel Services	$4,991,419	$5,098,708	$5,503,944	$5,743,440	**$6,574,520**
Supplies	189,434	204,605	189,450	207,940	**246,240**
Other Charges	1,396,990	1,507,329	1,511,312	1,709,080	**2,553,930**
Total	**6,577,843**	**6,810,642**	**7,204,706**	**7,660,460**	**9,374,690**
PUBLIC LIBRARY DEPARTMENT					
Personnel Services	1,946,129	2,033,376	2,041,175	2,219,370	**2,339,850**
Supplies	208,266	208,956	216,176	226,290	**225,450**
Other Charges	254,600	250,770	267,304	282,560	**290,440**
Total	**2,408,995**	**2,493,102**	**2,524,655**	**2,728,220**	**2,855,740**
PARKS & RECREATION DEPARTMENT					
Personnel Services	1,417,210	1,514,235	1,588,111	0	**0**
Supplies	64,099	67,009	78,446	0	**0**
Other Charges	299,163	319,406	350,281	0	**0**
Total	**1,780,472**	**1,900,650**	**2,016,838**	**0**	**0**
POLICE DEPARTMENT					
Personnel Services	30,483,904	30,074,132	28,683,778	29,978,090	**30,962,720**
Supplies	79,532	161,831	161,594	245,470	**156,750**
Other Charges	1,592,300	2,699,298	2,769,550	2,851,660	**2,914,400**
Total	**32,155,736**	**32,935,261**	**31,614,922**	**33,075,220**	**34,033,870**
FIRE DEPARTMENT					
Personnel Services	16,835,642	15,872,444	16,240,073	18,367,970	**18,772,370**
Supplies	132,312	178,321	160,217	363,240	**313,910**
Other Charges	401,480	534,544	470,095	662,590	**709,410**
Total	**17,369,434**	**16,585,309**	**16,870,385**	**19,393,800**	**19,795,690**
PUBLIC WORKS DEPARTMENT					
Personnel Services	4,391,242	4,206,217	4,118,526	4,502,200	**4,767,060**
Supplies	1,524,102	1,380,836	1,364,829	1,485,890	**1,438,050**
Other Charges	773,088	692,838	898,008	871,450	**953,650**
Total	**6,688,432**	**6,279,891**	**6,381,363**	**6,859,540**	**7,158,760**
REFUSE					
Personnel Services	135,702	129,333	116,403	144,760	**124,400**
Supplies	3,163	3,352	154	3,000	**2,000**
Other Charges	4,605,496	4,634,339	4,320,968	4,325,460	**4,325,250**
Total	**4,744,361**	**4,767,024**	**4,437,525**	**4,473,220**	**4,451,650**
CITY DEVELOPMENT DEPARTMENT					
Personnel Services	4,127,504	4,393,326	4,413,314	4,704,480	**4,431,800**
Supplies	42,531	47,120	44,139	61,980	**24,120**
Other Charges	812,460	885,325	930,261	990,240	**314,730**
Transfers Out	300,000	300,000	300,000	300,000	**300,000**
Total	**5,282,495**	**5,625,771**	**5,687,714**	**6,056,700**	**5,070,650**

GENERAL FUND BUDGETARY CENTERS
EXPENDITURES BY CATEGORY

Budgetary Center	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget
COMMUNITY RELATIONS DEPARTMENT					
Personnel Services	817,941	863,762	940,382	988,470	**1,042,260**
Supplies	33,902	41,989	47,253	270,450	**49,080**
Other Charges	81,962	117,043	107,692	191,440	**374,500**
Total	**933,805**	**1,022,794**	**1,095,327**	**1,450,360**	**1,465,840**
41-A DISTRICT COURT					
Personnel Services	2,798,930	2,924,965	2,931,087	3,035,330	**3,218,880**
Supplies	39,558	42,327	41,820	41,800	**42,700**
Other Charges	248,772	256,448	269,965	289,820	**284,030**
Total	**3,087,260**	**3,223,740**	**3,242,872**	**3,366,950**	**3,545,610**
GENERAL EXPENDITURES					
Personnel Services	8,974	26,857	14,509	20,000	**20,000**
Supplies	20,020	15,814	18,818	17,500	**20,000**
Other Charges	1,087,143	982,408	1,085,570	1,729,270	**1,757,830**
Total	**1,116,137**	**1,025,079**	**1,118,897**	**1,766,770**	**1,797,830**
TRANSFERS OUT					
Transfers Out	8,144,435	7,217,315	7,255,495	7,176,880	**15,761,510**
TOTAL EXPENDITURES BY CATEGORY					
Personnel Services	67,954,597	67,137,355	66,591,302	69,704,110	**72,253,860**
Supplies	2,336,919	2,352,160	2,322,896	2,923,560	**2,518,300**
Other Charges	11,553,454	12,879,748	12,981,006	13,903,570	**14,478,170**
Transfers Out	8,444,435	7,517,315	7,555,495	7,476,880	**16,061,510**
Total General Fund	**$90,289,405**	**$89,886,578**	**$89,450,699**	**$94,008,120**	**$105,311,840**

General Fund Expenditures by Expenditure Category



Total General Fund Budget of $105,311,840

This graph illustrates expenditures by category as a percent of the General Fund. Personnel Services, for example, comprises 68.6% of total General Fund expenditures.

GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	PERSONNEL SERVICES						
703000	Wages-Elected & Appointed	$131,390	0.15	$139,450	0.15	**$143,040**	**0.14**
704000	Wages & Salaries-Permanent	28,673,682	32.06	30,361,580	32.30	**31,477,640**	**29.89**
704001	Sick Time Buy Back	411,262	0.46	373,450	0.40	**402,230**	**0.38**
704721	Health Insurance Allowance	120,000	0.13	111,000	0.12	**127,000**	**0.12**
705000	Wages-Salaries - Temp/Part Time	2,371,262	2.65	1,967,400	2.09	**2,093,980**	**1.99**
706000	Wages-Salaries - Occasional	137,288	0.15	92,000	0.10	**120,000**	**0.11**
708000	Overtime	2,304,431	2.58	2,833,750	3.01	**2,635,500**	**2.50**
708001	Compensatory Time Buy Back	1,696,742	1.90	1,632,150	1.74	**1,736,050**	**1.65**
708795	Overtime - F.L.S.A.	15,896	0.02	30,000	0.03	**25,000**	**0.02**
709000	Other Benefits/Reimbursements	33,966	0.04	34,000	0.04	**41,860**	**0.04**
710000	Longevity	740,900	0.83	733,820	0.78	**685,780**	**0.65**
711000	Holiday Pay	930,184	1.04	1,027,470	1.09	**1,096,900**	**1.04**
713500	Car Allowance	4,333	0.00	4,000	0.00	**4,000**	**0.00**
714000	Food Allowance	74,167	0.08	90,000	0.10	**89,000**	**0.08**
715000	Clothing Allowance	312,347	0.35	333,530	0.35	**337,200**	**0.32**
717000	FICA	1,440,758	1.61	1,458,300	1.55	**1,539,750**	**1.46**
718000	Worker's Compensation	298,207	0.33	324,420	0.35	**313,430**	**0.30**
719000	Unemployment Compensation	14,509	0.02	20,000	0.02	**20,000**	**0.02**
720000	Pension - General Emp Retirement	2,160,770	2.42	2,532,150	2.69	**2,800,600**	**2.66**
720001	Pension - Police and Fire Retirement	7,994,747	8.94	8,297,370	8.83	**9,091,400**	**8.63**
720002	Defined Contribution - Employer	254,753	0.28	264,120	0.28	**298,680**	**0.28**
721000	Health Insurance	4,698,120	5.25	5,393,720	5.74	**5,409,710**	**5.14**
721001	Health Insurance - Retirees	10,861,790	12.14	10,678,360	11.36	**10,678,360**	**10.14**
721003	Retiree Health Savings - City	192,791	0.22	228,000	0.24	**298,310**	**0.28**
722000	Dental Insurance	401,442	0.45	415,340	0.44	**447,260**	**0.42**
723000	Life Insurance	62,750	0.07	63,820	0.07	**68,270**	**0.06**
724000	Eye Care Insurance	26,210	0.03	27,620	0.03	**27,000**	**0.03**
725000	Disability Insurance - Long Term	64,298	0.07	67,800	0.07	**69,580**	**0.07**
725355	Disability Insurance - Short Term	162,307	0.18	169,490	0.18	**176,330**	**0.17**
	Total Personnel Services	**66,591,302**	**74.44**	**69,704,110**	**74.15**	**72,253,860**	**68.61**
	SUPPLIES						
729000	Postage	226,568	0.25	250,100	0.27	**254,670**	**0.24**
730000	Publications	23,710	0.03	24,120	0.03	**24,770**	**0.02**
741000	Ammunition	64,611	0.07	66,130	0.07	**67,450**	**0.06**
742000	Dog Care Supplies	5,883	0.01	2,000	0.00	**3,000**	**0.00**
750000	Fuels & Lubricants	440,935	0.49	534,380	0.57	**486,470**	**0.46**
750001	Fuel & Lube Inventory	27,680	0.03	24,000	0.03	**24,500**	**0.02**
751000	Operating Supplies	488,857	0.55	704,920	0.75	**596,140**	**0.57**
751001	Operating Supplies - Federal Funds	297	0.00	34,770	0.04	**0**	**0.00**
758000	Computer Software	400	0.00	500	0.00	**1,500**	**0.00**
759000	Parts & Sublet Services	767,795	0.86	825,000	0.88	**825,000**	**0.78**
760000	Playground & Athletic Supplies	22,791	0.03	36,540	0.04	**35,000**	**0.03**
761000	Program Activity Supplies	50,795	0.06	0	0.00	**0**	**0.00**

GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

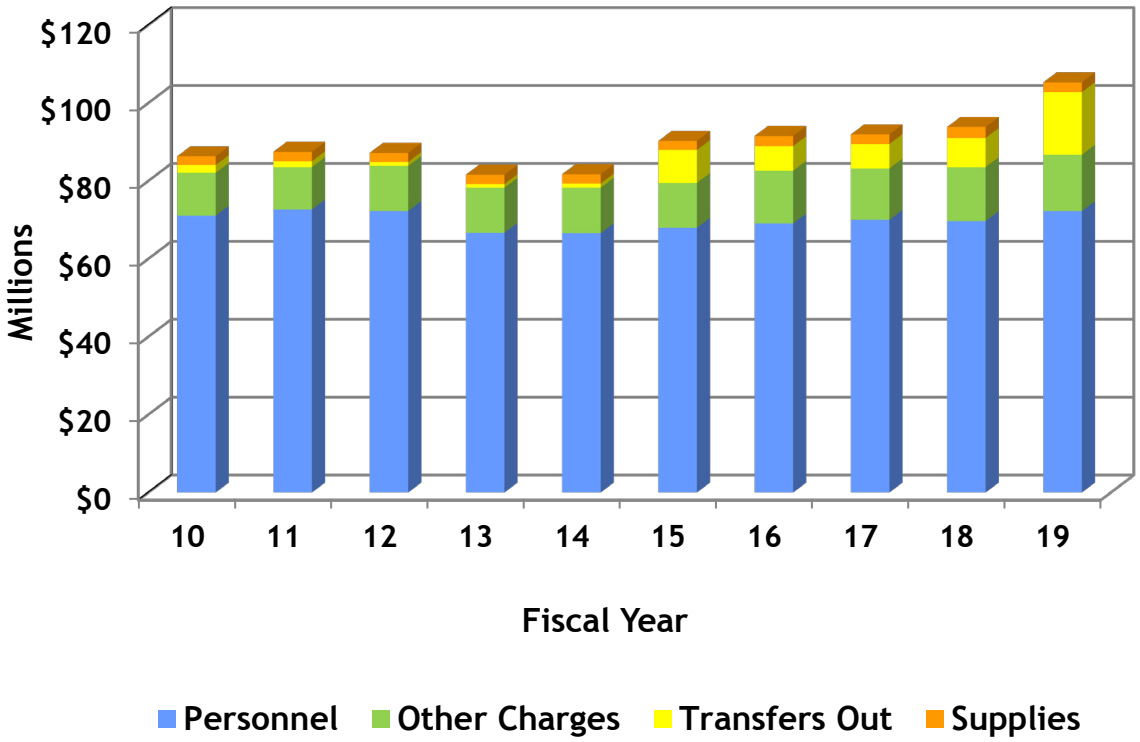
Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
762000	Seniors Program Supplies	14,011	0.02	0	0.00	**0**	**0.00**
763000	Public Art	0	0.00	225,000	0.24	**0**	**0.00**
769000	Audio Visual Media	30,009	0.03	31,100	0.03	**36,000**	**0.03**
783000	Seeding & Planting Supplies	6,542	0.01	10,000	0.01	**10,000**	**0.01**
785000	Books	152,012	0.17	155,000	0.16	**153,800**	**0.15**
	Total Supplies	**2,322,896**	**2.60**	**2,923,560**	**3.11**	**2,518,300**	**2.39**
	OTHER CHARGES						
802000	Audit & Accounting Services	55,190	0.06	56,250	0.06	**57,380**	**0.05**
803000	Computer Consultant Services	9,000	0.01	8,000	0.01	**6,600**	**0.01**
806000	Legal Services - Other	80,005	0.09	80,000	0.09	**86,000**	**0.08**
806001	Legal Services - City Attorney	747,760	0.84	800,600	0.85	**800,600**	**0.76**
807000	Medical Services	45,923	0.05	41,000	0.04	**42,580**	**0.04**
807001	Medical Services - Grant	69,268	0.08	0	0.00	**0**	**0.00**
808000	Reporting Services	24,386	0.03	24,580	0.03	**21,880**	**0.02**
810000	Other Fees	77,109	0.09	71,230	0.08	**73,590**	**0.07**
820000	Tree/Weed Cutting	48,557	0.05	60,000	0.06	**45,000**	**0.04**
821000	Spraying Services	17,551	0.02	30,000	0.03	**30,600**	**0.03**
822000	Rubbish Removal	4,179,924	4.67	4,180,500	4.45	**4,185,000**	**3.97**
825000	Animal Collection	16,626	0.02	25,500	0.03	**25,500**	**0.02**
826000	Other Contracted Services	3,921,327	4.38	4,024,390	4.28	**4,231,460**	**4.02**
826412	Nuisance Abatements	(14,028)	-0.02	30,000	0.03	**30,000**	**0.03**
827000	Interfund Services	69,100	0.08	69,100	0.07	**69,100**	**0.07**
829000	Hazardous Waste Disposal	1,918	0.00	2,500	0.00	**2,500**	**0.00**
832000	Building Maintenance	235,764	0.26	285,910	0.30	**247,000**	**0.23**
833000	Equipment Maintenance	339,375	0.38	434,740	0.46	**414,320**	**0.39**
833001	Personal Computer Maintenance	5,984	0.01	6,000	0.01	**6,120**	**0.01**
835000	Vehicle Maintenance	0	0.00	45,000	0.05	**60,000**	**0.06**
836000	Radio Maintenance	5,985	0.01	12,150	0.01	**17,700**	**0.02**
837000	Retention Pond Maintenance	65,261	0.07	70,000	0.07	**55,000**	**0.05**
838000	Parks & Grounds Maintenance	12,281	0.01	25,000	0.03	**20,000**	**0.02**
902000	Publishing	17,521	0.02	14,640	0.02	**14,730**	**0.01**
903000	Printing	75,219	0.08	93,170	0.10	**84,610**	**0.08**
913000	Liability Insurance	5,068	0.01	505,100	0.54	**505,100**	**0.48**
915000	Other Insurance	19,460	0.02	18,960	0.02	**18,960**	**0.02**
921000	Electric	525,996	0.59	473,000	0.50	**468,000**	**0.44**
922000	Telephone	55,973	0.06	56,140	0.06	**63,290**	**0.06**
922001	Fiber Optic Lease Charges	55,747	0.06	57,420	0.06	**59,150**	**0.06**
923000	Gas - Fuel - Oil	170,956	0.19	180,000	0.19	**171,000**	**0.16**
924000	Street Lighting	895,163	1.00	965,000	1.03	**965,000**	**0.92**
925000	Water	311,458	0.35	247,500	0.26	**364,500**	**0.35**
944000	Hydrant Rental	166,210	0.19	166,210	0.18	**169,530**	**0.16**
945000	Other Rental	271,278	0.30	242,770	0.26	**247,040**	**0.23**
949000	Interpreter Fees	59,153	0.07	53,500	0.06	**70,000**	**0.07**
950000	Witness Fees	1,331	0.00	5,000	0.01	**4,000**	**0.00**
951000	Juror Fees	4,480	0.01	4,000	0.00	**5,000**	**0.00**

GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
954000	Mileage	570	0.00	1,200	0.00	**1,200**	**0.00**
956000	Local Meetings	8,785	0.01	7,850	0.01	**9,530**	**0.01**
956002	Special Events	31	0.00	39,770	0.04	**350**	**0.00**
956003	Sterlingfest	0	0.00	0	0.00	**247,500**	**0.24**
957000	Memberships & Dues	120,170	0.13	123,330	0.13	**138,690**	**0.13**
959000	Education & Training	149,624	0.17	165,450	0.18	**243,360**	**0.23**
959001	Education & Training - Grant	2,944	0.00	0	0.00	**0**	**0.00**
960000	Donation Expense Non-Capital	5,947	0.01	4,000	0.00	**4,000**	**0.00**
962000	Miscellaneous Expense	43,802	0.05	82,700	0.09	**95,700**	**0.09**
962001	Misc Exp - Cash - Short/Over	(146)	0.00	0	0.00	**0**	**0.00**
969000	Contingency	0	0.00	14,410	0.02	**0**	**0.00**
	Total Other Charges	**12,981,006**	**14.51**	**13,903,570**	**14.79**	**14,478,170**	**13.75**
	TRANSFERS OUT						
999202	Transfer to Major Road Fund	500,000	0.56	500,000	0.53	**7,000,000**	**6.65**
999203	Transfer to Local Road Fund	400,000	0.45	500,000	0.53	**0**	**0.00**
999244	Transfer to L&W Conservation Fund	240,000	0.27	0	0.00	**0**	**0.00**
999276	Transfer to P&R Fund	0	0.00	1,251,310	1.33	**1,347,410**	**1.28**
999369	Transfer to LTGO Debt Fund	356,075	0.40	337,480	0.36	**1,698,060**	**1.61**
999403	Transfer to Capital Projects Fund	5,759,420	6.44	4,588,090	4.88	**5,716,040**	**5.43**
999851	Transfer to CIA Fund	0	0.00	160,000	0.17	**0**	**0.00**
999855	Transfer to EDC Fund	300,000	0.34	140,000	0.15	**300,000**	**0.28**
	Total Transfers Out	**7,555,495**	**8.45**	**7,476,880**	**7.95**	**16,061,510**	**15.25**
	Total General Fund	**$89,450,699**	**100.00**	**$94,008,120**	**100.00**	**$105,311,840**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

General Fund Expenditure History



This graph illustrates the expenditure category history for the General Fund.

Personnel Summary

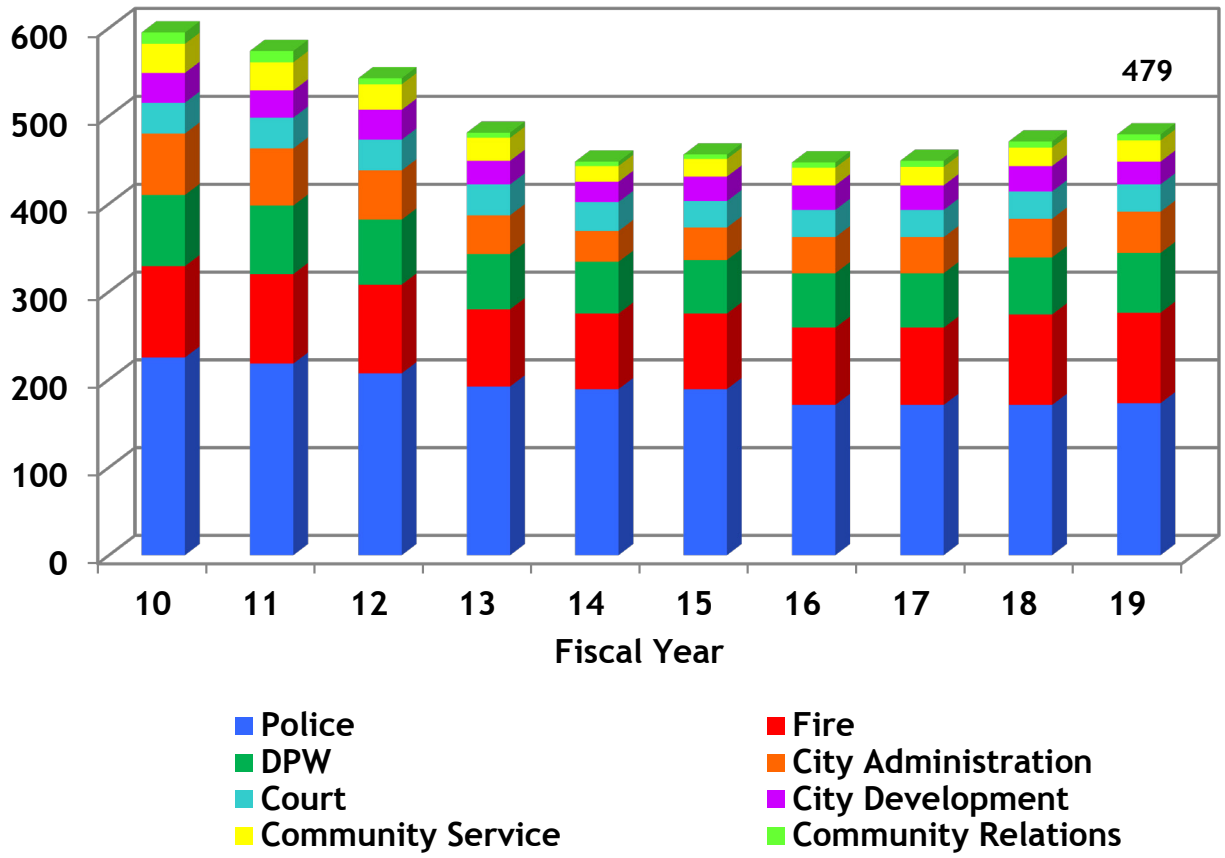






The Personnel Summary portion of the city budget represents a historical summary of all personnel related information. This information includes graphs showing the number of full-time personnel employed by the city, along with fringe benefit expenses. Also presented is a breakdown of the personnel assigned within each activity and the budgeted wages for each position.

Full-time Personnel History by Department



This graph illustrates the number of full-time employees by department for the past 10 years.

PERSONNEL SUMMARY

Current Pay Range	OFFICE	Budget 2016/17 Full Time	Budget 2016/17 Part Time	Budget 2017/18 Full Time	Budget 2017/18 Part Time	Budget 2018/19 Full Time	Budget 2018/19 Part Time
	CITY ADMINISTRATION DEPARTMENT						
	CITY MANAGEMENT						
165,000	City Manager	1		1		1	
135,000	Assistant City Manager	1		1		1	
	Human Resources Director/Assistant City Manager	1		0		0	
98,228 - 123,605	Finance & Budget Director	1		1		1	
76,061 - 104,781	Human Resources & Benefits Manager	0		1		1	
63,958 - 71,587	Budget Management Coordinator	1		1		1	
52,101 - 64,704	Risk Management Coordinator	0		1		1	
46,336 - 57,543	Management Services Specialist	1		1		1	
41,464 - 53,822	Management Assistant	1		1		1	
44,516 - 52,002	Administrative Assistant	1		1		1	
	Clerk Typist (P.T.)		1		0		0
	Total	**8**	**1**	**9**	**0**	**9**	**0**
	CITY CLERK						
	City Clerk/Risk Manager	1		0		0	
88,405 - 123,605	City Clerk	0		1		1	
	Deputy City Clerk	1		0		0	
51,924 - 64,475	Clerk Coordinator	0		0		1	
41,464 - 53,822	Management Assistant	2		2		1	
36,291 - 47,131	Senior Clerk	1		1		1	
27,095 - 44,202	Clerk Typist	1		1		1	
20,507 - 27,201	Clerk Typist (P.T.)		1		1		1
	Total	**6**	**1**	**5**	**1**	**5**	**1**
	INFORMATION TECHNOLOGY						
95,233 - 118,072	Information Technology Director	1		1		1	
71,265 - 83,262	GIS/CAD Coordinator	0		0		1	
63,254 - 70,699	Senior Systems Analyst	2		2		2	
54,194 - 67,964	Information Technology Specialist	2		2		1	
	Total	**5**	**0**	**5**	**0**	**5**	**0**
	ASSESSING						
88,740 - 110,020	City Assessor	1		2		1	
67,739 - 77,220	Appraiser III	2		2		2	
53,880 - 68,247	Appraiser II	2		2		2	
47,142 - 59,711	Appraiser I	1		1		1	
43,024 - 55,849	Appraiser Aide	1		1		1	
20,507 - 27,201	Clerk Typist (P.T)		1		1		1
	Total	**7**	**1**	**8**	**1**	**7**	**1**
	FINANCIAL SERVICES						
88,740 - 110,020	Controller	1		1		1	
63,958 - 71,587	Payroll Accountant	1		1		1	
55,689 - 69,506	Accountant	0		1		1	
	Accountant (P.T.)		2		0		0
40,064 - 52,002	Senior Account Clerk	2		2		2	
22,937 - 29,004	Account Clerk (P.T.)		2		2		2
	Total	**4**	**4**	**5**	**2**	**5**	**2**
	PURCHASING						
84,514 - 104,781	Purchasing/Facilities Maintenance Manager	0		1		1	
	Purchasing Manager	1		1		0	
57,980 - 64,704	Purchasing Specialist	1		1		1	
44,516 - 52,002	Administrative Assistant	1		1		1	
	Total	**3**	**0**	**4**	**0**	**3**	**0**

PERSONNEL SUMMARY

	OFFICE	Budget 2016/17 Full Time	Budget 2016/17 Part Time	Budget 2017/18 Full Time	Budget 2017/18 Part Time	Budget 2018/19 Full Time	Budget 2018/19 Part Time
	FACIILITIES MAINTENANCE						
58,559 - 65,442	Building Maintenance Coordinator	0		0		1	
52,049 - 55,263	Lead Facilities Maintenance Mechanic	0		0		1	
42,875 - 55,263	Facilities Maintenance Mechanic	0		0		2	
27,485 - 31,883	Facilities Maintenance Mechanic (P.T.)		0	0	0		1
46,336 - 57,543	Management Services Specialist	0		0		1	
	Total	**0**	**0**	**0**	**0**	**5**	**1**
	TREASURY						
88,740 - 110,020	City Treasurer	1		1		1	
60,835 - 76,478	Treasury Services Coordinator	0		0		1	
	Pension Administrator/Utility Billing Accountant	1		1		0	
55,689 - 69,506	Accountant	1		1		1	
46,071 - 53,822	Management Assistant	1		1		1	
44,516 - 52,002	Senior Account Clerk	2		2		2	
33,544 - 47,131	Account Clerk	2		2		2	
22,937 - 29,004	Account Clerk (P.T.)		3		3		3
	Total	**8**	**3**	**8**	**3**	**8**	**3**
	Total City Administration Department	**41**	**10**	**44**	**7**	**47**	**8**
	PUBLIC LIBRARY DEPARTMENT						
95,233 - 118,072	Public Library Director	1		1		1	
61,877 - 70,194	Library Service Area Coordinator	2		2		2	
60,215 - 67,964	Public Relations & Programs Coordinator	1		1		1	
52,034 - 64,935	Librarian	2		2		3	
35,578 - 45,083	Librarian (P.T.)		10		10		9
52,380 - 59,711	Circulation Supervisor	1		1		1	
47,805 - 55,849	Library Services Specialist	1		1		1	
44,516 - 52,002	Library Assistant II	3		3		3	
41,346 - 48,302	Library Assistant I	1		1		1	
19,766 - 27,201	Library Clerk (P.T.)		6		6		6
2,100 - 10,640	Library Page (P.T.)		10		10		10
9,000	Summer Intern (P.T.)		0		0		1
	Total Public Library Department	**12**	**26**	**12**	**26**	**13**	**26**
	POLICE DEPARTMENT						
	POLICE ADMINISTRATION						
102,374 - 128,501	Chief of Police	1		1		1	
113,087 - 115,224	Captain	1		1		1	
103,324 - 107,210	Lieutenant	1		1		1	
93,447 - 97,495	Sergeant	2		2		2	
46,968 - 81,454	Police Officer	2		2		2	
39,101 - 54,284	Secretary to Chief	1		1		1	
38,060 - 53,243	Administrative Secretary	4		4		4	
27,020 - 46,454	Technical Secretary	1		1		1	
	Total	**13**	**0**	**13**	**0**	**13**	**0**
	POLICE INVESTIGATIONS						
113,337 - 115,474	Captain	1		1		1	
103,324 - 107,460	Lieutenant	2		2		2	
93,447 - 97,745	Sergeant	4		4		4	
46,968 - 81,454	Police Officer	25		26		28	
38,060 - 53,243	Administrative Secretary	2		2		1	
27,020 - 46,454	Technical Secretary	2		2		2	
	Total	**36**	**0**	**37**	**0**	**38**	**0**

PERSONNEL SUMMARY

Current Pay Range	OFFICE	Budget 2016/17 Full Time	Budget 2016/17 Part Time	Budget 2017/18 Full Time	Budget 2017/18 Part Time	Budget 2018/19 Full Time	Budget 2018/19 Part Time
	POLICE OPERATIONS						
113,337 - 115,474	Captain	1		1		1	
103,574 - 107,460	Lieutenant	4		4		4	
93,097 - 97,895	Sergeant	16		16		16	
46,968 - 81,454	Police Officer	88		87		87	
38,060 - 53,243	Administrative Secretary	2		2		2	
25,745 - 46,454	Technical Secretary	1		1		1	
5,000	Crossing Guards (P.T.)		30		30		30
	Total	**112**	**30**	**111**	**30**	**111**	**30**
	POLICE SUPPORT SERVICES						
93,447 - 97,495	Sergeant	1		1		1	
26,853 - 31,358	Laboratory Technician (P.T.)		1		1		1
39,101 - 54,284	Evidence Clerk	1		1		1	
38,060 - 53,243	Administrative Secretary	1		1		2	
38,060 - 53,243	Data Analyst	1		1		1	
40,616 - 51,196	Animal Control Officer	2		2		2	
26,036 - 29,536	Animal Control Officer (P.T.)		0		0		1
34,183 - 48,181	Terminal Agency Coordinator	1		1		1	
25,745 - 46,454	Technical Secretary	3		3		3	
19,447 - 28,165	Technical Secretary (P.T.)		0		2		2
	Co-op (P.T.)		0		1		0
	Total	**10**	**1**	**10**	**4**	**11**	**4**
	Total Police Department	**171**	**31**	**171**	**34**	**173**	**34**
	FIRE DEPARTMENT						
	FIRE ADMINISTRATION						
82,547	Fire Chief	1		1		1	
106,180 - 115,188	Division Chief/Assistant Fire Chief	1		1		1	
97,413 - 106,164	Chief of Training	1		1		1	
95,620 - 99,269	EMS Coordinator	1		1		1	
91,112 - 94,674	Training Officer	1		1		1	
47,805 - 55,849	Fire Services Specialist	1		1		1	
46,071 - 53,822	Management Assistant	1		1		1	
44,516 - 52,002	Administrative Assistant	1		1		1	
20,507 - 27,202	Clerk Typist (P.T.)		0		1		1
	Co-op (P.T.)		1		0		0
	Total	**8**	**1**	**8**	**1**	**8**	**1**
	FIRE EXTINGUISHMENT						
95,505 - 97,886	Battalion Chief	3		3		3	
92,031 - 97,433	Captain-Advanced Life Support	5		5		5	
83,600 - 89,388	Lieutenant-Advanced Life Support	13		14		14	
78,870 - 84,329	Lieutenant	3		2		2	
75,529 - 76,994	Sergeant - Fire Engine Operator	9		9		9	
43,708 - 77,728	Fire Fighter-Advanced Life Support	30		45		45	
42,883 - 76,261	Fire Fighter-Fire Engine Operator	12		12		12	
	Total	**75**	**0**	**90**	**0**	**90**	**0**
	FIRE PREVENTION						
97,413 - 106,164	Fire Marshal	1		1		1	
91,112 - 94,674	Fire Inspector	3		3		3	
83,592 - 86,859	Fire Prevention Specialist	1		1		1	
	Total	**5**	**0**	**5**	**0**	**5**	**0**
	Total Fire Department	**88**	**1**	**103**	**1**	**103**	**1**

PERSONNEL SUMMARY

	OFFICE	Budget 2016/17 Full Time	Budget 2016/17 Part Time	Budget 2017/18 Full Time	Budget 2017/18 Part Time	Budget 2018/19 Full Time	Budget 2018/19 Part Time
	PUBLIC WORKS DEPARTMENT						
	FLEET MAINTENANCE						
65,092 - 85,802	Division Supervisor	1		1		1	
51,358 - 66,482	Mechanic	9		10		10	
48,234 - 60,549	Storekeeper	1		1		1	
23,920	Seasonal Laborer (P.T.)		1		1		1
	Total	**11**	**1**	**12**	**1**	**12**	**1**
	PARKS & GROUNDS MAINTENANCE						
65,092 - 85,802	Division Supervisor	1		1		1	
43,410 - 60,549	Parks & Grounds Maintenance Worker	3		3		3	
31,039 - 58,808	Laborer	1		1		2	
4,392 - 26,000	Seasonal Laborer (P.T.)		12		12		13
	Total	**5**	**12**	**5**	**12**	**6**	**13**
	REFUSE COLLECTION						
33,544 - 47,131	Account Clerk (P.T.)		1		1		1
24,040 - 26,040	Seasonal Laborer (P.T.)		4		4		3
	Total	**0**	**5**	**0**	**5**	**0**	**4**
	STREET SERVICES						
65,092 - 85,802	Division Supervisor	1		1		1	
52,694 - 65,178	Equipment Operator A	1		1		1	
44,594 - 61,841	Equipment Operator B	7		7		7	
49,549 - 61,841	Traffic Sign Worker	2		2		2	
49,549 - 61,841	Street Services Inspector	1		1		1	
42,559 - 59,362	Equipment Operator C	2		2		2	
31,039 - 58,808	Laborer	4		4		4	
4,680 - 23,400	Seasonal Laborer (P.T.)		6		6		6
	Total	**18**	**6**	**18**	**6**	**18**	**6**
	Total Public Works Department	**34**	**24**	**35**	**24**	**36**	**24**
	CITY DEVELOPMENT DEPARTMENT						
	BUILDING						
94,772 - 117,498	Building Official	0		1		1	
	Building Official/Facilities Maintenance Manager	1		0		0	
69,109 - 80,747	Building Plan Review Coordinator	1		1		1	
63,611 - 78,596	Building Inspector	1		2		2	
26,200	Building Inspector (P.T.)		1		0		1
63,611 - 78,596	Electrical Inspector	1		1		1	
63,611 - 78,596	Mechanical Inspector	1		1		1	
63,611 - 78,596	Plumbing Inspector	1		1		1	
	Lead Facilities Maintenance Mechanic	1		1		0	
	Facilities Maintenance Mechanic	2		2		0	
	Total	**9**	**1**	**10**	**0**	**7**	**1**
	ECONOMIC DEVELOPMENT						
52,380 - 59,711	Building Services Specialist - Velocity	1		1		1	
	Total	**1**	**0**	**1**	**0**	**1**	**0**

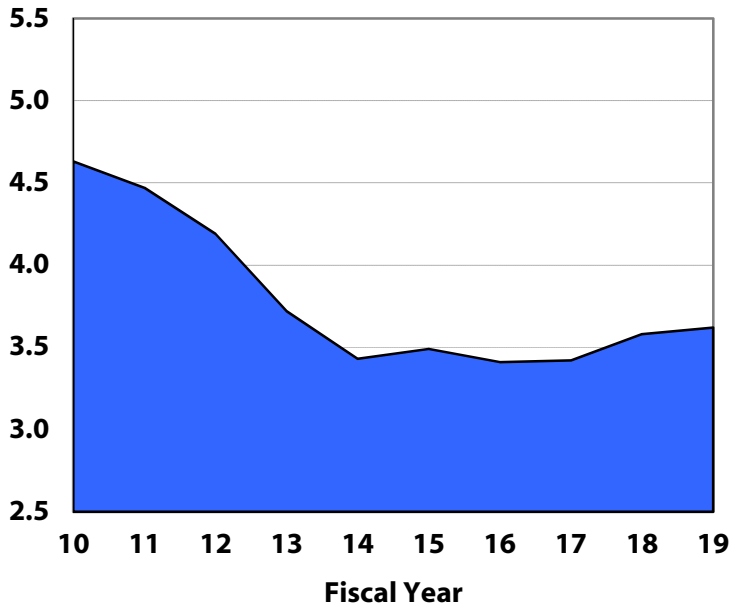
PERSONNEL SUMMARY

Current Pay Range	OFFICE	Budget 2016/17 Full Time	Budget 2016/17 Part Time	Budget 2017/18 Full Time	Budget 2017/18 Part Time	Budget 2018/19 Full Time	Budget 2018/19 Part Time
	ENGINEERING						
94,772 - 117,498	City Engineer	1		1		1	
64,138 - 83,262	Civil Engineer II	2		2		2	
52,463 - 68,099	Civil Engineer I	0		0		1	
	GIS/CAD Coordinator	1		1		0	
68,283 - 75,057	Construction Coordinator	1		1		1	
44,590 - 65,513	Engineering Aide	3		3		3	
	Engineering Aide (P.T.)		1		0		0
10,900	Intern (P.T.)		0		0		1
5,150	Co-op (P.T.)		1		1		1
	Total	**8**	**2**	**8**	**1**	**8**	**2**
	NEIGHBORHOOD SERVICES						
98,228 - 123,605	City Development Director	1		1		1	
	City Development Manager	1		1		0	
69,109 - 81,281	Code Enforcement Coordinator	1		1		1	
63,254 - 70,699	HUD Program Coordinator	1		1		1	
58,721 - 66,933	Neighborhood Property Maintenance Code Officer	1		1		1	
41,464 - 53,822	Management Assistant	2		2		2	
40,064 - 52,002	Administrative Assistant	1		1		1	
36,291 - 47,131	Senior Clerk	1		1		1	
31,921 - 36,385	Code Enforcement Officer (P.T.)		8		8		9
20,507 - 27,202	Clerk Typist (P.T.)		2		2		2
1,025	CDBG Intern (P.T.)		1		1		1
	Total	**9**	**11**	**9**	**11**	**8**	**12**
	PLANNING						
79,865 - 110,020	City Planner /City Development Manager	0		0		1	
	City Planner	1		1		0	
56,929 - 70,699	Planning Coordinator	0		0		1	
	Total	**1**	**0**	**1**	**0**	**2**	**0**
	Total City Development Department	**28**	**14**	**29**	**12**	**26**	**15**
	COMMUNITY RELATIONS DEPARTMENT						
88,403 - 117,966	Community Relations Director	1		1		1	
65,020 - 73,565	Broadcast Services Coordinator	1		1		1	
55,234 - 62,350	Broadcast Programming Specialist	1		1		1	
49,710 - 62,350	Digital Content Coordinator	1		1		1	
51,484 - 58,694	Community Relations Services Specialist	1		1		1	
50,476 - 56,415	Citizen Services Specialist	1		1		1	
45,868 - 53,598	Printing Technician II	1		1		1	
30,000	Graphic Specialist (P.T.)		1		1		1
9,000	Intern (P.T.)		0		1		1
	Total Community Relations Department	**7**	**1**	**7**	**2**	**7**	**2**
	41-A DISTRICT COURT						
45,724	Judge	3		3		3	
123,018	Court Administrator/Magistrate	1		1		1	
71,761	Chief Probation Officer	1		1		1	
66,635	Chief Deputy Clerk	1		1		1	
59,873	Court Recorder	3		3		3	
55,702	Court Officer	3		3		3	
46,132 - 48,695	Probation Officer	1		1		1	
30,976 - 45,309	Deputy Clerk	18		18		18	
16,971 - 21,749	Deputy Clerk (P.T.)		7		7		7
11,900 - 13,175	Security Guards (P.T.)		3		3		4
	Total 41-A District Court	**31**	**10**	**31**	**10**	**31**	**11**
	Total General Fund	**412**	**117**	**432**	**116**	**436**	**121**

PERSONNEL SUMMARY

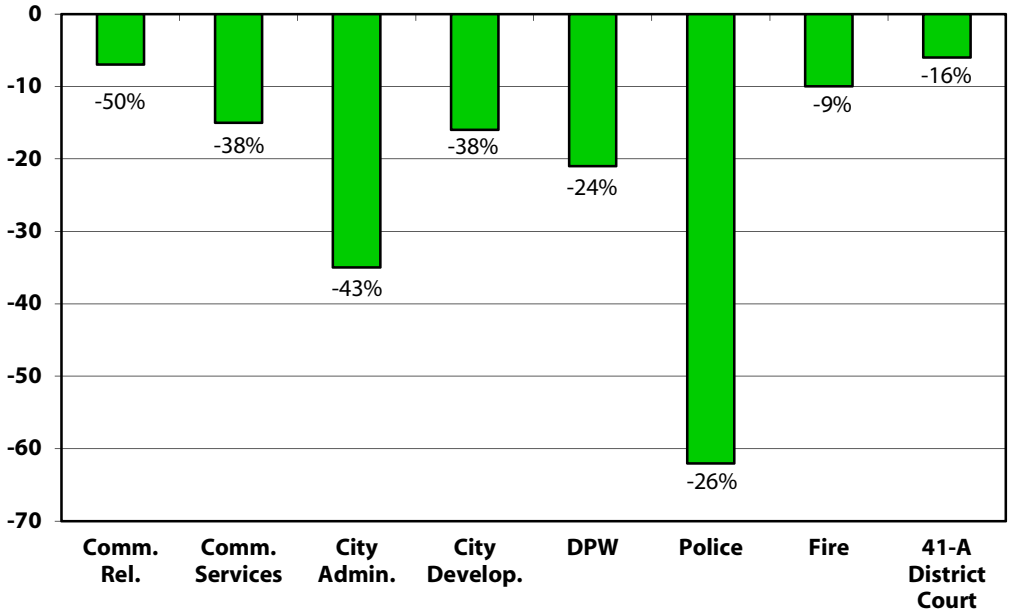
Current Pay Range	OFFICE	Budget 2016/17 Full Time	Budget 2016/17 Part Time	Budget 2017/18 Full Time	Budget 2017/18 Part Time	Budget 2018/19 Full Time	Budget 2018/19 Part Time
	PARKS & RECREATION FUND						
88,740 - 110,020	Parks & Recreation Director	1		1		1	
58,518 - 73,565	Recreation Superintendent	0		0		1	
60,215 - 67,964	Recreation Supervisor	4		4		3	
	Recreation Supervisor (P.T.)		0		1		0
48,124 - 53,785	Recreation Specialist	0		0		2	
29,615 - 33,099	Recreation Specialist (P.T.)		0		3		2
44,516 - 52,002	Administrative Assistant	1		1		1	
36,291 - 47,131	Program & Services Assistant	2		2		2	
24,815 - 29,004	Program & Services Assistant (P.T.)		1		1		1
36,291 - 47,131	Senior Clerk	1		1		1	
20,507 - 27,202	Clerk Typist (P.T.)	0		0			1
	Total Parks & Recreation Fund	**9**	**1**	**9**	**5**	**11**	**4**
	WATER & SEWER FUND						
	WATER & SEWER ADMINISTRATION						
102,374 - 128,501	Public Works Director	1		1		1	
73,719 - 97,230	Operations Manager	1		1		1	
68,259 - 89,995	General Supervisor	1		1		1	
	Clerk Dispatcher	1		1		0	
44,516 - 52,002	Senior Account Clerk	1		1		1	
30,105 - 44,202	Clerk Typist	1		1		1	
21,000	Seasonal Laborer (P.T.)		3		3		1
	Total	**6**	**3**	**6**	**3**	**5**	**1**
	WATER DISTRIBUTION						
65,092 - 85,802	Division Supervisor	0		0		1	
	Maintenance Supervisor	1		1		0	
49,549 - 61,841	Water Inspector	2		2		2	
49,549 - 61,841	Water Service Worker	4		5		5	
47,288 - 59,362	Meter Repair/Installer	2		2		2	
31,039 - 58,808	Laborer	0		0		1	
11,500 - 15,600	Seasonal Laborer (P.T.)		4		4		4
	Total	**9**	**4**	**10**	**4**	**11**	**4**
	SEWAGE COLLECTION						
65,092 - 85,802	Division Supervisor	0		0		1	
	Maintenance Supervisor	1		1		0	
50,351 - 62,608	Plant Operator/Mechanic	2		2		2	
44,594 - 61,841	Sewer Service Worker (Clean)	2		2		2	
49,549 - 61,841	Water/Sewage Inspector	2		3		3	
42,559 - 60,528	Sewer Service Worker (Maint.)	1		1		1	
31,039 - 58,808	Laborer	5		5		7	
2,220 - 25,975	Seasonal Laborer (P.T.)		5		5		5
	Total	**13**	**5**	**14**	**5**	**16**	**5**
	Total Water & Sewer Fund	**28**	**12**	**30**	**12**	**32**	**10**
	Total All Funds	**449**	**130**	**471**	**133**	**479**	**135**

Full-time Employees per 1,000 Population



This graph illustrates the number of City employees per 1,000 residents.

Full-time Staffing Reductions By Department Since 2002



The City's full time staffing has decreased by 170 positions or 26% since 2002.

Winston Churchill once said:
"The pessimist sees difficulty in every opportunity.
The optimist sees the opportunity in every difficulty."

Legislative



The Sterling Heights City Council (L-R)
Councilman Michael V. Radtke Jr., Councilwoman Maria G. Schmidt, Mayor Pro Tem Liz Sierawski, Mayor Michael C. Taylor, Councilwoman Deanna Koski, Councilwoman Barbara A. Ziarko, Councilman Nate Shannon.

City Council

MISSION STATEMENT: ***To represent the residents of the City of Sterling Heights in a responsible and judicious manner ensuring their health, safety and well-being.***

The Sterling Heights City Council assumes many duties and responsibilities. Unlike the Mayor/Council form of government, separation of powers between the elected Mayor and Council does not exist in Sterling Heights. The legislative powers of the Council are shared equally among all members. The Mayor and Council members are collectively responsible for establishing policy and adopting a budget, as well as hiring, directing, and evaluating the City Manager, the chief administrator responsible for the City's administrative operations. The City Council also appoints, directs and evaluates the City Attorney.

One of the main duties of the City Council is to establish policies. Priorities include the adoption of goals and objectives, the establishment of priorities for public services, and the approval of programs throughout the City. This also includes the approval and amendment of the operating and capital budgets, approval of expenditures and payments, and grant applications. The City Council also ratifies contracts, adopts zoning ordinances and changes, and resolves appeals.

The City Council acts indirectly in a supervisory role as part of its duties and responsibilities. Direction is given to City Administration through the City Council regarding the implementation and evaluation of various programs. Residents' concerns are forwarded to City Administration by the City Council.

The Sterling Heights City Council represents the City in various local, regional, state, and national boards, commissions and committees, provides public leadership, and communicates with constituents about various issues. Public leadership is provided by the City Council through verbal and written communications with constituents. The wishes of the constituents are brought forth and addressed at the City Council meetings. Ultimately, the City Council is responsible for the arbitration of conflicting interests that arise during the course of City business.

KEY GOALS

- ***To provide policy direction to City Administration in the implementation and evaluation of various City programs.***
- ***To ensure the City's long-term financial stability by seeking alternative revenue sources.***
- ***To preserve and improve the City's infrastructure and economic base.***
- ***To enhance communications between the residents and City government through cable programming, focus groups, surveys, and other written material.***
- ***To promote a legislative agenda dedicated to neighborhood safety, economic development, environmental issues, and traffic enforcement.***

The final category of responsibility, which falls upon the City Council, is the decision-making duty. City Council studies the issues, reviews alternatives, and determines the best course of public policy.■

Did you know…
…the City Council was named the 2017 mParks Local Elected Official of the Year for efforts in enhancing resident quality of life through the promotion of parks and recreation?

City Council

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Regular City Council Meetings	24	24	24	24	24	24
	Special City Council Meetings	3	4	4	4	4	4
	Public Hearings Held	5	6	21	10	12	12
	Ordinances and Amendments Adopted	14	9	15	15	20	18
	Agenda Items Reviewed and Acted Upon	279	320	396	350	364	350
	City Council Members Attending Training Sessions	4	6	19	10	14	12
	"Nice Neighbor" Awards Presented	11	6	5	10	5	10
Effectiveness	City Council Member Attendance at Council Mtgs.	98%	98%	98%	100%	99%	100%
	% Legislative Items Acted on within 1 Month	95%	95%	95%	100%	100%	100%
	% Diff. from Proposed to Adopted Budget (G.F.)	0.02%	0.35%	0.01%	0.00%	0.00%	0.00%
	Activity Expenditures as % of General Fund	0.14%	0.16%	0.16%	0.16%	0.16%	0.16%

City Council

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

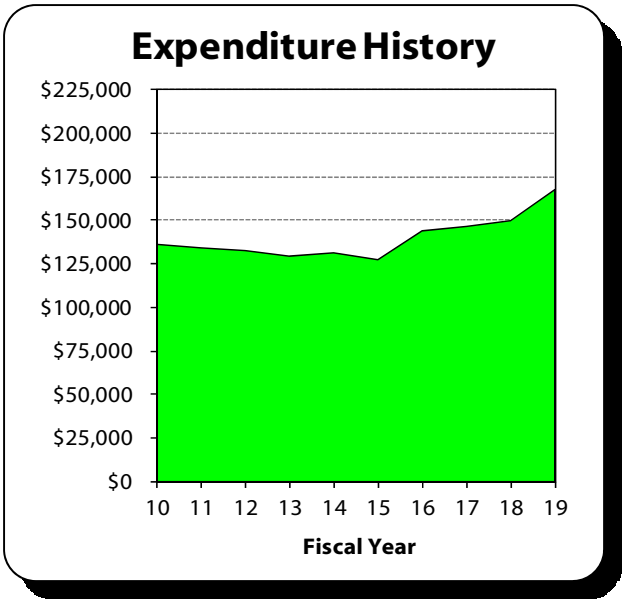
The total budget increased by 11.9%.

Personnel Services – Total Increase $4,790 or 3.5% due to wage increases as determined at the meeting of the Elected Officials Compensation Commission held on February 22, 2017.

Supplies – Total Supplies decreased $820 or 40.2%. $800 was saved in operating supplies, as less funding for new Council members is needed since next year is not an election year. Postage costs can be reduced slightly, as fewer mailings are required.

Other Charges – Total Other Charges increased $13,870 or 127.8% primarily to include funding for the Mayor's membership to the United States Conference of Mayors organization and attendance at the Conference's annual meetings. Local meeting costs also increased slightly for City ribbon cuttings and 50th anniversary events.

Capital – There is no Capital proposed for this activity.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$131,062	$136,860	$136,770	$141,650	$141,650
Supplies	533	2,040	1,040	1,220	1,220
Other Charges	14,863	10,850	9,020	24,720	24,720
Total	$146,458	$149,750	$146,830	$167,590	$167,590

City Administration Department



FUNCTIONAL ORGANIZATION CHART

City Administration Department

Office of City Management

City Management

- Municipal corporation operation
- Organizational management
- Fiscal management
- Physical plant management
- Program development & follow through
- Long range planning
- Council and resident relations

Human Resources Division

- Acts as City Manager in his absence
- Contract negotiations and labor & employee relations
- Human Resource planning
- Equal opportunity reporting
- Classification plan maintenance
- Candidate selection for vacant positions
- Bureau of Labor Statistics reports
- Oversees short-term and long-term disability, life insurance, and worker's compensation programs and claims
- Provides for adequate Excess Insurance to cover catastrophic losses
- Oversees property and liability claims against the City

Office of City Clerk

- Clerk of the City Council
- Keeper of all City records
- Administers all elections
- Records property variances, deeds, birth and death certificates
- Coordinates Freedom of Information Act requests
- Issues licenses

Office of Information Technology

- Provides support for automated applications
- Coordinates future systems development
- Conducts software and hardware review and procurement
- Maintains computer and telephone systems and personal computers

FUNCTIONAL ORGANIZATION CHART

City Administration Department (continued)

Office of City Management

Finance & Budget Division

- Manages and administers the activities of the Finance & Budget division
- Prepares annual operating and capital budgets
- Responsible for expenditure cost control & revenue monitoring
- Prepares Water & Sewer rate analysis
- Performs City rates & fees studies
- Manages the City's Performance Measurement Program
- Performs position & salary analysis
- Prepares financial analysis, Strategic Plan, Forecasts & Budget Reports
- Conducts management studies
- Coordinates MIP program development
- Conducts internal audits

Office of Financial Services

- Responsible for the proper recording of all City activities in the General Ledger and subsidiary ledgers
- Produces the Comprehensive Annual Financial Report (CAFR)
- Processes all City payroll and related fringe benefit payments
- Processes all payments for goods and services purchased by the City
- Responsible for debt management including the coordination of bond sales
- Implements and coordinates all Government Accounting Standards Board (GASB) financial reporting changes

Office of Treasury

- Administers revenue collection, tax and special assessment programs
- Issues all water and sewer bills and maintains related account balances
- Administers cash management and banking programs
- Coordinates and records the activities of both City pension funds
- Treasurer – P & F and GERS retirement systems
- Administers investment policy

Office of Assessing

- Ensures equitable assessments
- Maintains assessment roll with current data
- Assesses residential, real and personal commercial, and industrial properties
- Represents City in tribunals
- Maintains field sheets for residents' review
- Conducts Board of Review hearings
- Processes tax abatements

Office of Purchasing & Facilities Maintenance

- Procures goods and services at lowest reasonable cost
- Responsible for encumbrance system
- Maintains vendor files
- Coordinates and monitors all City purchase requisitions
- Maintains 19 City-owned facilities
- Plans & directs outside vendors
- Performs indoor and outdoor building maintenance
- Coordinates furniture and office layouts
- Maintains shipping & receiving services

DEPARTMENT AT A GLANCE

City Administration Department

BUDGET SUMMARY

City Administration costs increased by $1,686,920 or 25.8%. Personnel costs increased $826,290 or 14.7% primarily due the transfer of three Facilities Maintenance positions to City Administration. Contractual wage adjustments, the addition of a full-time Management Services Specialist and a full time Facilities Maintenance Mechanic also contributed to the increase. Additionally, required funding for long-term liabilities increased by a total of $56,400. Supplies increased $39,100 or 19% and Other Charges increased $821,530 or 113.5%, both primarily due to the transfer of the Facility Maintenance activity. Maintenance and licensing fees for Information Technology also increased $73,820.



FUNDING LEVEL SUMMARY

	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
City Management	$914,600	$1,225,850	$1,347,340	$1,411,260	4.7%
City Clerk	756,590	894,110	854,020	903,830	5.8%
Information Technology	879,010	944,480	987,110	1,105,450	12.0%
Assessing	878,950	910,020	996,340	974,520	-2.2%
Financial Services	882,250	755,550	787,430	834,800	6.0%
Purchasing	316,990	319,150	392,530	416,440	6.1%
Facilities Maintenance	0	0	0	1,365,690	100.0%
Treasury	1,078,660	1,085,910	1,171,180	1,210,880	3.4%
Total Department	$5,707,050	$6,135,070	$6,535,950	$8,222,870	25.8%
Personnel Services	$4,968,360	$5,372,880	$5,606,580	$6,432,870	14.7%
Supplies	200,740	188,740	205,480	244,580	19.0%
Other Charges	537,950	573,450	723,890	1,545,420	113.5%
Total Department	$5,707,050	$6,135,070	$6,535,950	$8,222,870	25.8%

Note: In 2018/19 the Facilities Maintenance budget was moved to City Administration from City Development.

PERSONNEL SUMMARY

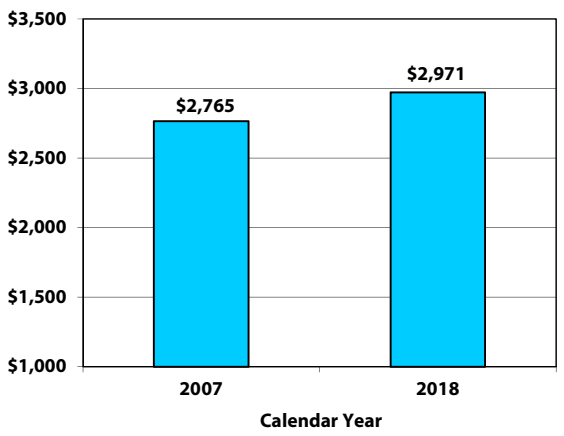
	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
City Management	8	1	8	1	9	0	9	0
City Clerk	6	0	6	1	5	1	5	1
Information Technology	5	0	5	0	5	0	5	0
Assessing	6	2	7	1	8	1	7	1
Financial Services	5	4	4	4	5	2	5	2
Purchasing	3	0	3	0	4	0	3	0
Facilities Maintenance	0	0	0	0	0	0	5	1
Treasury	8	2	8	3	8	3	8	3
Total Department	41	9	41	10	44	7	47	8

Excludes Legal Activity and Boards and Commissions.

KEY DEPARTMENTAL TRENDS

City Administration Department

Average Homeowner's Property Tax Bill



Despite an increase in the City's millage rate in 2014 due to the voter approved Safe Streets Proposal, in 2017 due to the Recreating Recreation Proposal, and in 2018 due to a one year temporary increase in General Operating to increase road funding, the average homeowner's tax bill is only 7.6% higher than it was eleven years ago due to lower property assessments.

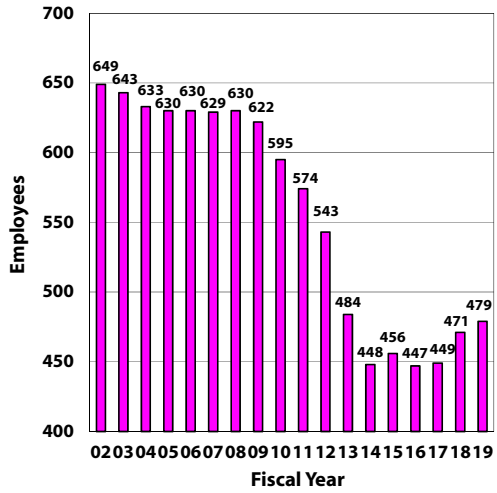
Macomb City Tax Rates (2017)

1. Centerline	38.98
2. Warren	27.68
3. Eastpointe	25.44
4. Fraser	25.36
5. Roseville	24.10
6. St. Clair Shores	22.05
7. Mount Clemens	22.00
8. Utica	21.35
9. Richmond	16.44
10. STERLING HEIGHTS	**16.16**

Macomb Average: 22.51 mills

The City's property tax rate is lower than 63% Michigan cities. It is also one of the lowest of any city in Macomb County. The tax rate in Sterling Heights is 6.4 mills below the average of all cities in Macomb County. The tax rate in Warren, for example, is over 11.5 mills or 71% higher than in Sterling Heights.

City's Full-time Staffing



City staffing has declined by 26%, or 170 positions between 2002 and 2019, saving $13.4 million annually.

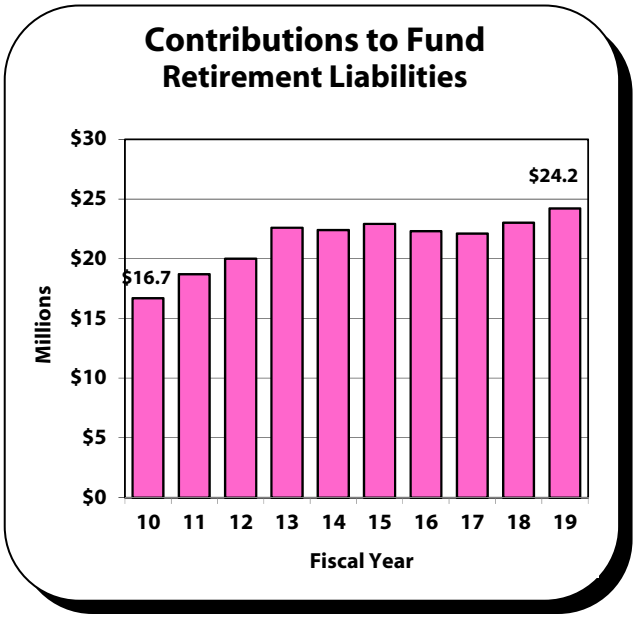
Full-Time Employees Per 1,000 Residents

1. Grand Rapids	8.1
2. Southfield	7.8
3. Dearborn	7.6
4. Lansing	7.6
5. Ann Arbor	6.5
6. Livonia	6.0
7. Warren	5.2
8. Farmington Hills	4.4
9. Troy	4.3
10. STERLING HEIGHTS	**3.6**

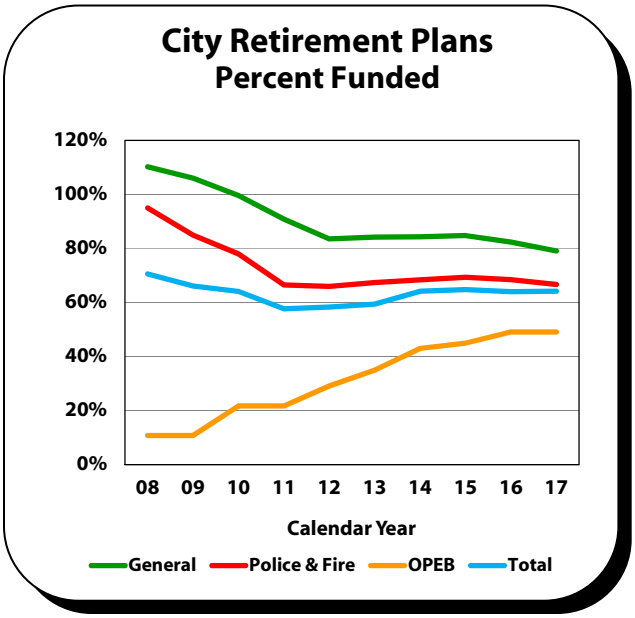
Based on current staffing data and the 2010 census, Sterling Heights has 3.6 full-time employees per 1,000 residents – the lowest of our benchmark communities. Despite having the third largest population, Sterling Heights has the fewest employees. Based on a 2010 study of over 140 cities, 89% of communities had a higher number of full-time employees per 1,000 residents.

KEY DEPARTMENTAL TRENDS

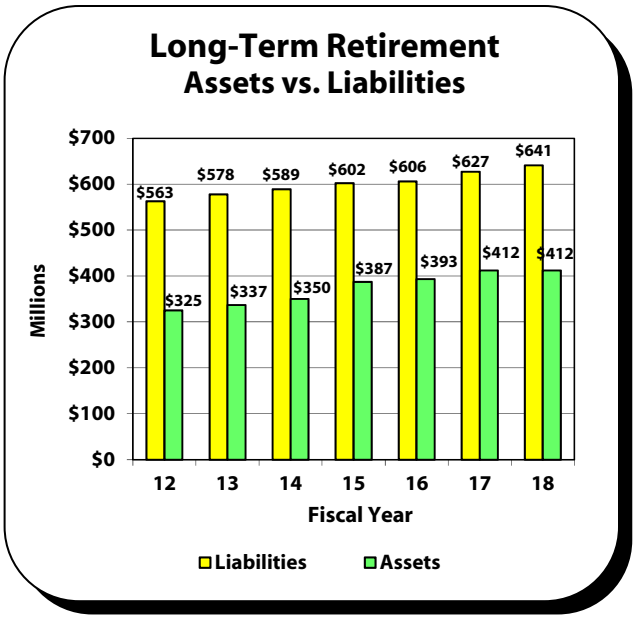
City Administration Department (continued)



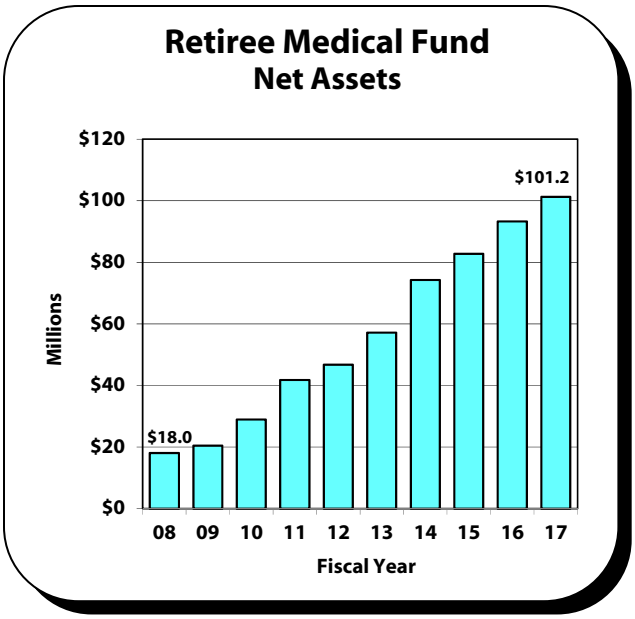
The City annually contributes 100% of the actuarially required funding for all long-term retiree liabilities including police & fire pensions, general employee pensions, and retiree medical. The amounts contributed have increased from $13.9 million in 2009 to $24.2 million in 2018. 63% of the increase is to fund police & fire pensions.



Both the General Employees and Police & Fire pension systems have seen a decrease in funding levels due to prior year declines in the stock market and revised actuarial assumption. The General Employees pension system and retiree medical plans are closed to new members. In addition, all employee pensions and medical benefits have been reduced with new labor contracts.



$412 million has been set aside to fund future long-term retirement liabilities. The City has closed its General Employees pension plan, which will begin to reduce long-term liabilities. Nearly 50% of the gap between assets and liabilities is a result of medical inflation, which has increased retiree medical liabilities. The City has worked hard to reduce the growth of the liabilities by changing future retiree benefits and eliminating benefits for new hires.



The City has dramatically increased the assets being set aside to pay for future retiree medical benefit costs. We now have nearly seven times the assets we had only nine years ago, and we continue to fully fund these liabilities each year, unlike many communities. In addition, the City has reduced the cost of the benefits for all employees, and benefits have been completely eliminated for new hires.

City Management

MISSION STATEMENT: ***To effectively and efficiently manage the delivery of City services in accordance with the guidelines and policies established by the Mayor and City Council.***

As the City's Chief Administrative Officer, the City Manager is ultimately responsible for all operations of the municipal corporation.

The Manager's work can be summarized into five distinct categories including organizational, fiscal, physical plant management, program development and follow-through, and long-range planning. Each requires daily planning and organizing of ongoing programs and services.

The City Manager is responsible for creating new and innovative City programs and services. Public policy issues are researched and analyzed in anticipation of future needs and problems.

Maintaining good relations with the Mayor and City Council is an important aspect of this office. This involves maintaining effective communications, and being available to the City Council. This office must present an image that conveys vitality, professionalism, and quality service to private agencies, organizations, groups, and residents.

The Finance & Budget Director oversees the Assessing, Financial Services, Purchasing and Treasury offices. The City's budget is prepared in accordance with the State Budgeting Act. This office monitors the City's financial and service performance through budget amendments, forecasts, quarterly budget reports, and the management of the City's performance measurement program. In addition, salary wage spreads, personnel costs, labor contract analyses, telephone and Internet monitoring reports, travel requests, and insufficient funds purchase orders are processed. The Municipal Improvement Plan (MIP), Citizen's Guide to Finances, water and sewer rate studies, benchmarking and performance reports, financial & demographic trend reviews, department audits, and revenue studies are also prepared.

The Human Resources function administers programs including employee education and development, labor and employee relations, human resource planning, and equal opportunity reporting. This office also administers all short-term disability, long-term disability, worker's compensation, and Family & Medical Leave Act requests.

KEY GOALS

- ***To identify key priorities and establish management procedures that develop and effectively utilize City resources.***
- ***To create a results-oriented budget for City operations and capital improvements that encourages accountability, flexibility, and creativity in response to community needs.***
- ***To provide leadership, coordination and administrative support to City departments.***
- ***To hire the most qualified employees using selection methods based on merit and equal opportunity.***
- ***To work in partnership with the City Council to achieve the City's mission and goals.***
- ***To provide risk management activities which will safeguard all City assets in the most cost effective manner.***

A Human Resource Plan is developed annually to determine staffing levels for full-time, part-time, seasonal employees, and contractual services. Labor negotiations and grievance processing are conducted with 12 different bargaining units representing over 99% of the City's workforce.

This office assures that the City meets equal employment requirements by monitoring employment practices and completing annual State and Federal reports.

Loss control and risk management functions are also performed by this office. Management of risks include general liability, property, and automobile. Procuring appropriate insurance certificates and performance bonds are also duties of this office.■

Did you know…
…the City recently completed a five-year financial plan that emphasizes investments in roads, vehicles and equipment, information technology, facilities and employees?

City Management

2018/19 INTENTION STATEMENTS *(City Management)*

1. To oversee and complete Phase II of the Lakeside Sustainability Plan required to facilitate major redevelopment of the mall. (City Goal 1, 4, 6, 12, 20, 21, 22)

2. To continue providing leadership ensuring various components of the City's Five-Year Plan are consistent with the Visioning 2030 Plan, including;
   - Five-Year Financial Plan
   - Five-Year Road Plan
   - Five-Year IT Plan
   - Implementation of the Facility Plan
   - Completion of the DPW Facility Plan

   (City Goal 1, 2, 4, 6, 16, 19, 23)

3. To ensure departments are addressing concerns set forth in the Community Survey completed in 2017 with a re-emphasis on Code Enforcement. (City Goal 2, 13, 14)

4. To provide continued leadership assisting with the City's overall diversity objectives consistent with Visioning 2030. *(City Goal 1, 2, 3, 4, 6, 16, 19, 23)*

5. To continue collaborating with groups including the MML, MACRO, SEMCOG, INNOVATE MOUND and others to pursue and advance causes favorable to the City. (City Goal 7, 24)

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Admin. Policy & Procedure Orders Reviewed/Updated	1	16	21	10	45	10
	False Alarm Appeals Processed	45	44	35	30	15	12
	Special Reports Researched & Written	20	21	20	20	18	19
	Special Projects Researched & Developed	15	15	15	15	18	16
	Policy Resolutions Presented to Council	9	9	9	10	7	8
	Legislative Issues Monitored	8	10	10	10	8	10
	Neighborhood/Business Meetings Facilitated	6	10	10	10	11	10
	Intergovernmental Membership Meetings	54	62	78	75	71	75
	New Programs & Policies Developed	6	6	6	5	6	5
Efficiency	Council Requests Responded to within 30 minutes	98%	98%	98%	100%	100%	100%
	% Correspondences Responded to within 7 days	100%	100%	100%	100%	100%	100%
	% Council Requested Items on Agenda w/i 28 days	100%	100%	100%	100%	100%	100%
	% of Meetings Attended within 7 days of Request	100%	100%	100%	100%	100%	100%
	% of Resident Inquiries Responded to w/i 48 hours	90%	95%	100%	100%	100%	100%
	Activity Expenditures as % of General Fund	1.03%	1.02%	1.37%	1.43%	1.42%	1.34%

City Management

2018/19 PERFORMANCE OBJECTIVES *(Finance & Budget)*

1. To implement a user friendly, graphical view of the City Budget and Forecast on the website. *(City Goal 4, 8, 24)*

2. To work with Finance to reevaluate current interfund cross-charges to ensure accuracy and compliance with current administrative policy. *(City Goal 3, 8)*

3. To investigate budgeting software to streamline and improve the budgeting process. *(City Goal 6, 8, 23)*

4. To study alternatives to the current water rate structure. (*City Goal 3, 8)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	City Budgeted Funds Monitored (Millions)	$161.1	$167.7	$184.9	$206.4	$207.4	$231.5
	Budget Amendments Prepared	2	2	2	2	2	2
	Internal Budget Adjustments Analyzed	22	24	17	25	20	25
	City Council Agenda Statements Reviewed	279	320	396	350	364	350
	Travel Requests Reviewed for Policy Compliance	128	138	163	160	160	180
Efficiency & Effectiveness	City Bond Rating (Moody's, Fitch, S & P)	Aa1,AA+,AA+	Aa2,AA+,AA	Aa2,AA,AA	Aa2,AA,AA	Aa2,AA,AA	Aa2,AA,AA
	City's Fiscal Indicator Score	3	2	1	1	1	1
	General Fund Expenditures Per Capita	$691	$686	$682	$715	$720	$799
	Government Debt Per Capita	$135	$115	$175	$516	$494	$676
	OPEB Ann'l Required Contribution Funded (Millions)	$12.3	$11.6	$11.5	$11.5	$11.5	$11.5
	OPEB Trust Funding Status	43.0%	43.0%	49.1%	49.1%	49.1%	55.0%
	Accuracy Forecasting Expenditures - General Fund	98.8%	99.1%	98.8%	100.0%	100.8%	100.0%
	Accuracy Forecasting Revenues - General Fund	99.4%	100.1%	100.3%	100.0%	103.3%	100.0%
	Years Rec'd. G.F.O.A. Distinguished Budget Award	28	29	30	31	31	32
	Savings from Reviewing Travel Requests	$1,565	$1,128	$852	$1,200	$1,000	$1,200
	Average Cost to Review a Travel Request	$6.42	$6.30	$6.65	*	*	*

**Cost is calculated for "Actual" columns only.*

City Management

2018/19 PERFORMANCE OBJECTIVES *(Human Resources)*

1. To negotiate two new collective bargaining agreements. *(City Goal 1, 2, 6)*

2. To develop a city-wide internship program to increase diversity and promote public sector careers to the next generation of the workforce. *(City Goal 1, 2, 6)*

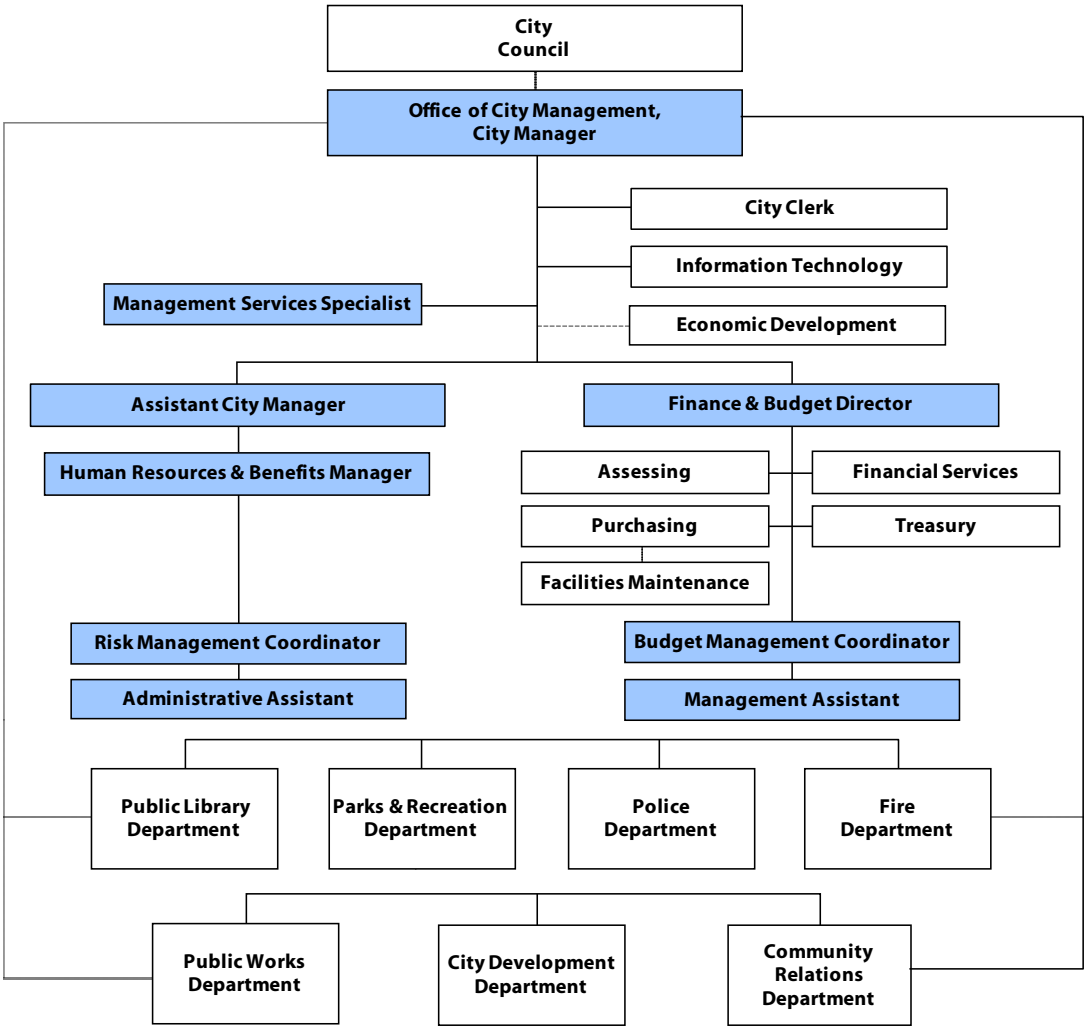
3. To successfully implement an on-site employee health and wellness center. *(City Goal 1, 4, 6)*

4. To implement a robust talent acquisition program inclusive of candidate recruitment, testing, selection and onboarding to create a diverse and dynamic workforce. *(City Goal 2, 4, 6)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Promotional Job Postings	28	29	51	33	40	46
	Open Competitive Job Postings	10	14	14	12	21	23
	Applications Reviewed & Processed	564	1,108	893	480	656	675
	Employees Hired (Full-time/Part-time)	27/91	42/133	18/85	22/94	25/95	27/100
	Police/Fire Promotional Tests	1	3	1	2	2	2
	Labor Contracts Settled (Incl. Re-opened Contracts)	4	3	3	5	5	2
	Worker's Compensation Incident Reports	29	23	13	22	21	21
	New Short-Term Disability Claims Opened	9	22	18	22	17	17
	Life Insurance Claims	0	2	5	2	2	3
	New Worker's Compensation Claims	63	67	52	66	60	58
	Liability/Property Claims	210	141	125	150	200	175
	Liability/Property Incident Reports	87	75	70	100	110	116
	New Lawsuits/Lawsuits Closed	10/10	7/6	8/7	9/9	6/6	7/8
Efficiency & Effectiveness	Avg. # Work Days to Complete External Recruitment	30	30	30	30	60	60
	# Labor Grievances Per 100 F.T. Union Employees	2.4	2.1	2.1	2.1	2.1	2.1
	Avg. # Work Days to Complete Internal Recruitment	23	23	23	23	30	30
	% of Grievances Resolved Before Arbitration	90%	90%	95%	95%	95%	95%
	Total FTE's Per 1,000 Residents	4.3	4.2	4.2	4.4	4.4	4.4
	Full-time Employee Turnover Rate (Excl. Retirements)	0.5%	1.3%	0.5%	1.0%	1.0%	1.0%
	% Minorities in Work Force	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	# of Employees Not Completing Probation	1	1	0	1	1	1
	Cost to Recruit & Hire a Full-time General Employee	$847	$708	$921	*	*	*
	# Worker's Comp Claims Per 100 FTE's	12.0	12.8	10.2	12.0	13.8	12.0
	% Worker's Comp Claims Paying Compensation	7.0%	6.0%	19.6%	6.0%	10.0%	10.0%
	W/C Lost Work Days Due to Injury Per 100 FTE's	62	45	48	60	75	77
	# of Accidents Per 100,000 Miles Driven	1.77	2.12	1.50	1.75	2.00	2.50

**Cost is calculated for "Actual" columns only.*

City Management



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
City Manager	1	1	1
Assistant City Manager	1	1	1
Human Resources Director/Asst. City Mgr.	1	0	0
Finance & Budget Director	1	1	1
Human Resources & Benefits Manager	0	1	1
Budget Management Coordinator	1	1	1
Risk Management Coordinator	0	1	1
Management Services Specialist	1	1	1
Management Assistant	1	1	1
Administrative Assistant	1	1	1
Clerk Typist (P.T.)	1	0	0
Total	9	9	9

City Management

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

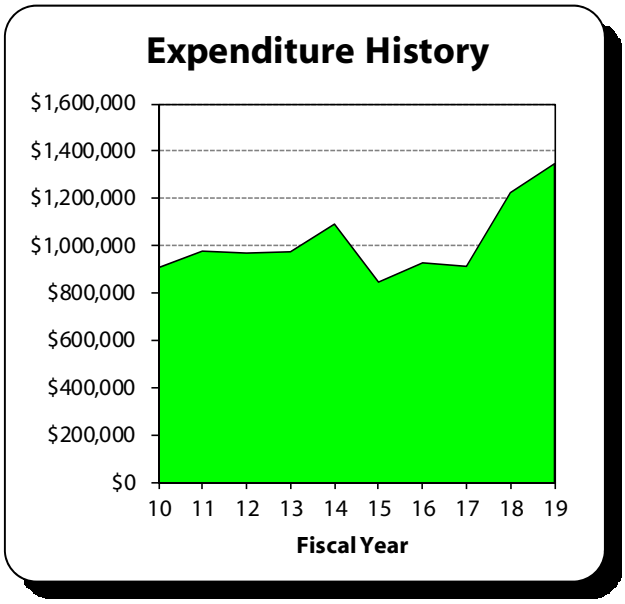
The total budget increased by 4.7%.

Personnel Services – Total Increase $57,280 or 4.5%

- $32,000 due to contractual wage adjustments
- $20,000 due to changes in insurance coverages
- $5,400 due to required funding for pension liabilities

Supplies – Total Supplies increased $5,240 or 203.1% primarily to fund promotional and marketing materials for the City's New Hire Orientation and Wellness programs. Postage costs decreased $100 based on historic expenditure trends.

Other Charges – Total Other Charges increased $1,400 or 2.0%. Contracted services increased $3,070 to outsource recruitment and background testing for new employees, as well as COBRA health insurance administration. The increase was partially offset by a decrease due to the prior year one-time funding of financial forecasting software upgrades. $760 was added for higher training costs at the annual MGFOA and MPELRA conferences and for staff to attend additional educational programs and one-day seminars. Telephone costs decreased $1,400 based on recent actual expenditure usage, a reallocation of citywide telephone costs to the Information Technology office, and the elimination of one smartphone in the prior year. $200 was saved based on a more accurate estimate of per-page copier print fees.



Capital – There is no Capital proposed for this office.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,174,101	$1,273,030	$1,272,900	$1,330,310	$1,330,310
Supplies	4,871	2,580	2,490	7,820	7,820
Other Charges	46,875	71,730	69,490	73,130	73,130
Total	$1,225,847	$1,347,340	$1,344,880	$1,411,260	$1,411,260

City Clerk

MISSION STATEMENT: ***To serve the public, City departments, and City Council by efficiently providing relevant information regarding the many diverse functions that fall under the direction of this office.***

The City Clerk's Office is responsible for many diverse functions of the City acting as both an internal and external office. All City offices, residents, community associations, businesses, and industries benefit from the services offered by this Office.

The City Clerk attends and records all City Council meetings. A summary report of Council's actions is prepared and distributed. The City Clerk also prepares the tentative and final agendas with the assistance of the City Manager. All public hearing notices are posted and submitted for publishing by the City Clerk's Office.

As Keeper of the Records, the Clerk maintains and/or records the following City documents: Boards and Commissions meeting minutes; bids, summonses, lawsuits, and legal documents, property variances and deeds; and birth and death certificates. The City Clerk also processes requests filed under the Freedom of Information Act.

The City Clerk receives and processes all Boards and Commissions applications. The business registry is annually updated to ensure that information utilized by various City offices is accurate. The dog license program ensures that dogs receive their mandatory vaccinations in order to protect the health and welfare of City residents.

The Elections staff registers potential new voters, processes absentee ballot applications, hires and supervises precinct workers, tabulates election results, verifies nominating petitions, and conducts tests on the election program to detect errors prior to an election.

License applications for amusement devices, cigarette vending machines, solicitors, temporary-use vendors, auctions, carnivals/festivals, going out of business sales, mobile vendors, and house moving are filed with the City Clerk.

In addition to these services, the City Clerk also serves as administrative liaison to several City boards and commissions. These include the Act 78 Civil Service Commission, Local Officials Compensation Commission, and the Election Commission.■

KEY GOALS

- ***To provide accurate and efficient recordkeeping by incorporating the use of modern technology to streamline programs whenever possible.***
- ***To assist City Council by expediting information to them that will aid in establishing policy and by communicating Council's actions regarding items on the agenda.***
- ***To facilitate efficient management of the election process by keeping abreast of proposed and current legislation and any new technological developments relating to the election field.***
- ***To oversee and monitor the license application process to ensure that appropriate inspections and/or investigations are completed thus protecting the public's safety.***

Did you know…
…that Michigan law requires that all dogs six months or older be licensed, and one-, two-, or three-year dog licenses are available through PetData.com?

City Clerk

2018/19 PERFORMANCE OBJECTIVES

1. To continue to streamline internal procedures promoting efficiency and reducing costs. *(City Goal 1, 2, 3, 5, 6)*

2. To begin implementing record retention policies and promote electronic record storage to improve retrieval times and reduce inventory of paper documents. *(City Goal 1, 2, 3, 18)*

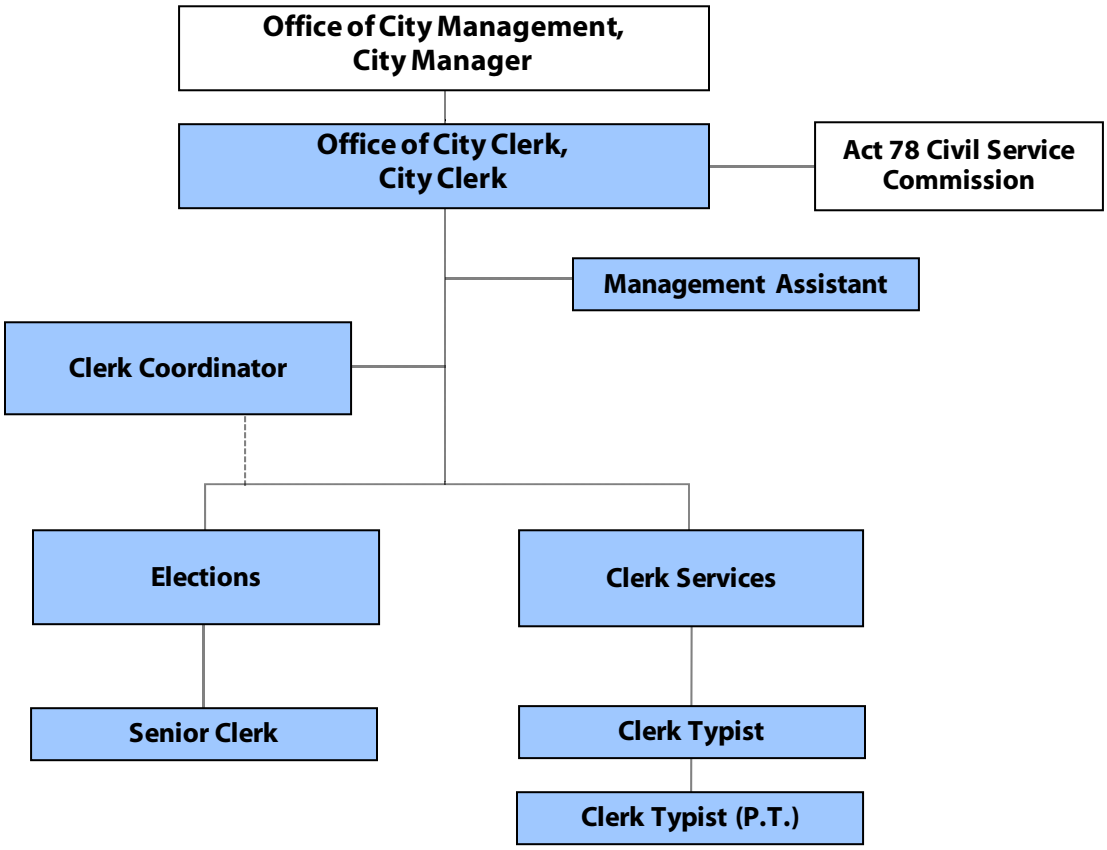
3. To register as a passport acceptance agency, providing an additional service for the public. *(City Goal 1, 2, 3, 25)*

4. To evaluate precinct lines to accommodate new residential developments, ensuring compliance with State law regarding the number of registered voters per precinct. *(City Goal 4, 7)*

5. To perform precinct evaluations, including ADA compliance, in preparation of the 2018 Gubernatorial Elections. *(City Goal 4, 7)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Council Agenda Items Processed	333	380	441	400	400	400
	Council Actions Correspondence E-mailed & Mailed	417	284	217	300	350	350
	Number of Registered Voters (November)	87,576	86,465	88,520	89,000	86,000	87,000
	Voter Reg. Processed - New & Status Changes	19,827	23,542	27,885	22,000	20,000	20,000
	Absent Voter Applications Mailed	23,073	20,325	20,405	20,000	24,000	20,000
	Absent Voter Ballots Mailed	29,049	20,465	27,917	18,000	18,000	18,000
	Elections Conducted	3	3	3	2	2	3
	# of Voters Voting at Polls (November)	26,444	8,178	41,578	8,000	8,130	25,000
	# of Voters Voting Absentee (November)	11,862	8,475	16,443	8,000	8,221	12,000
	Business Registrations - New	86	153	114	325	325	300
	Business Registrations - Renewals	1,617	1,496	1,804	1,800	1,800	2,100
	Class C Liquor Licenses Approved (New/Transferred)	6	10	4	7	2	3
	Licenses Issued (Specialty Licenses)	67	62	70	55	55	60
	Dog Licenses Issued	7,873	6,458	6,538	7,500	7,500	8,000
	Freedom of Information Requests Processed	139	154	194	150	180	175
	Documents Recorded	77	78	118	100	100	100
	Birth & Death Certificates Processed	734	807	704	700	700	700
	Pieces of Outgoing Mail Processed	149,983	83,822	98,069	125,000	125,000	125,000
	Board/Commission Applications on File	140	152	158	150	165	165
Efficiency	% of Registered Voters Voting (November)	43.74%	19.00%	65.55%	19.00%	19.29%	43.00%
	% of License Applications Reviewed within 48 Hours	100%	100%	100%	100%	100%	100%
	% of FOI Requests Responded to within Legal Limits	100%	100%	100%	100%	100%	100%
	Activity Expenditures as % of General Fund	0.78%	0.84%	1.00%	0.91%	0.83%	0.86%

City Clerk



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
City Clerk/Risk Manager	1	0	0
City Clerk	0	1	1
Deputy City Clerk	1	0	0
Clerk Coordinator	0	0	1
Management Assistant	2	2	1
Senior Clerk	1	1	1
Clerk Typist	1	1	1
Clerk Typist (P.T.)	1	1	1
Total	7	6	6

City Clerk

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

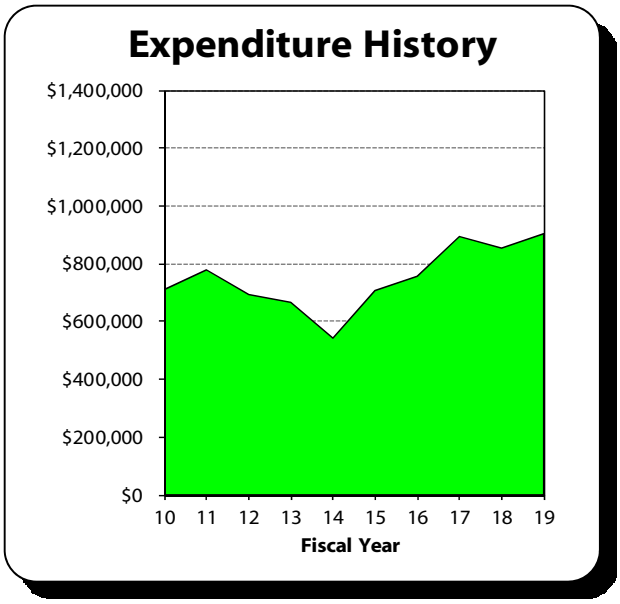
The total budget increased by 5.8%.

Personnel Services – Total Increase $49,810 or 7.5%

- $10,000 due to contractual wage adjustments
- $28,000 due to the gubernatorial election
- $5,000 due to changes in insurance coverages
- $7,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $3,260 or 7.3%. Funding for operating supplies increased $2,800 for the one-time cost of a camera and high volume photo printer needed to begin processing passports in the City Clerk's office, and also to replace six QVF Scanners used to process absent voter applications and ballots. The budget also includes funding for postage and supply costs for one additional election next year.

Other Charges – Total Other Charges decreased $3,260 or 2.3%. Printing costs decreased $7,340 as the County Clerk will supply the ballots for all three non-City elections next year. The decrease was partially offset by an increase for the printing of voter applications for one additional election. Contracted services decreased $7,250, as outside testing of the new election equipment is not required. $1,400 was saved, as programming costs are lower for the new election equipment. $9,500 was added for the Content Management software annual maintenance and support agreement. Local meeting costs increased $1,200 as the Absentee Counting Board will be meeting for one additional budgeted election. Building rental costs also increased $800 for the additional election next year. $1,020 was added for staff to attend Passport Agent training.



Capital – Total Capital of $32,000 is proposed to replace 135 voting booths that are over 20-years old and require frequent repairs. This is part of a three-year plan to replace all voting booths.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$778,463	$668,290	$620,200	$718,100	$718,100
Supplies	38,277	44,840	40,300	48,100	48,100
Other Charges	77,369	140,890	128,080	137,630	137,630
Total	$894,109	$854,020	$788,580	$903,830	$903,830

Information Technology

MISSION STATEMENT: ***The Office of Information Technology is committed to excellence, and ensuring the business of government is efficient by providing an information technology infrastructure and applications that are reliable, long-term, financially viable and secure.***

The goals and objectives of the Information Technology (I.T.) Office are approved by the City Manager and established by prioritizing the technology needs of the City's operating departments. I.T. continually strives to improve the dissemination of City information using expanded communications, computing technology, and effective telecommunications oversight.

The three major areas of responsibility within the Information Technology activity are: Network Administration, Maintenance, and Operations. The Network Administration section is responsible for the development and maintenance of the Wide Area Network (WAN). This WAN supports the voice and data communication needs of the City. I.T. provides stable and reliable network and enterprise technology systems to support the effective and efficient operation of City business. This section also assumes the responsibility for all security, configuration and back up of permanent data files.

The second area of responsibility is the Maintenance section. This section is responsible to support all City offices in the implementation and support of enterprise applications. This section is responsible for enhancements to current application and operating software which resides on various hardware platforms throughout the City. The responsibility of troubleshooting hardware and software issues falls within this area. Hardware support is provided on Windows, Macintosh, and AS400 platforms. The emphasis of this section is to standardize workstations hardware and software wherever possible. The trend has been to acquire third party packaged software rather than develop applications in-house. All communication devices, with the exception of the 800MHz radio system, are also maintained by the Office of Information Technology.

The third area of Information Technology is Operations. The Operations area provides support to all workstations, printers, telephone desk sets, telephone wall units and all wireless communication devices such as cellular telephones and smartphones.■

KEY GOALS

- ***To respond to the needs of end-users in a timely and pleasant manner.***
- ***To share query solutions with end-users to encourage self-reliance whenever possible.***
- ***To collaborate with user departments to ensure state-of-the-art status on all computer systems.***
- ***To standardize computer workstations throughout the City.***

Did you know…
…that Information Technology is currently upgrading the storage area network, which will allow the wide area network to support future capital investments that align with the five-year technology plan and will increase speed, storage, and strengthen the disaster recovery plan?

Information Technology

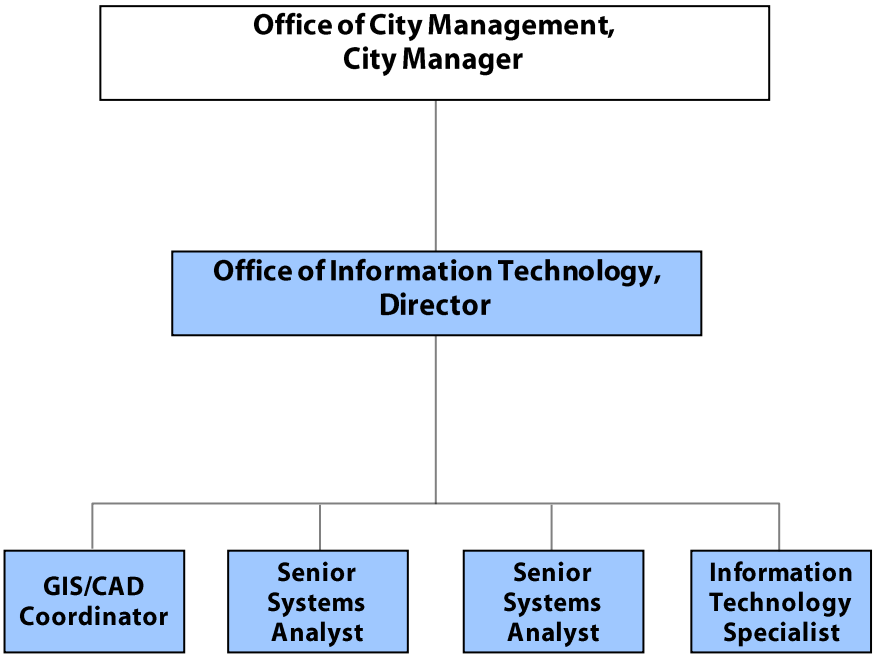
2018/19 PERFORMANCE OBJECTIVES

1. To successfully implement workstation replacements in the offices of Building, Finance, Information Technology, Parks & Recreation, Police and Purchasing. *(City Goal 6, 17, 18)*
2. To replace the current phone system that is over 20 years old and has limited features. This project also includes replacement of voicemail, paging, wiring, handsets, and switching equipment. *(City Goal 6, 17, 18)*
3. To implement Uninterruptible Power Supply (UPS) systems in data closets for all facilities, which is critical to protect the investment in IT hardware. (City Goal 6, 17, 18)
4. To successfully implement the technology for the new Community Center. *(City Goal 6, 17, 18)*
5. To replace security firewalls and strengthen the disaster recovery plan at the primary and backup data centers. *(City Goal 6, 17,18)*
6. To research and prepare for the replacement of the existing Financial Management System. This project will address software concerns for Accounts Receivable, Accounts Payable, Payroll, Human Resources, and Utility Billing. *(City Goal 6, 17, 18)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Hardware Platforms Supported-(Windows, Unix, etc.)	5	5	5	5	5	5
	Applications/Database Systems Supported	33	34	34	34	36	36
	"Help Desk" Communications Received	8,100	8,150	8,150	8,200	8,200	8,200
	Computers Supported (Desk/Laptops)	475	457	460	463	464	464
	MDC's and Tablets Supported	116	127	145	145	152	166
	Printers Supported	46	68	68	68	68	68
	Land Line Telephones Supported	556	556	558	557	558	558
	Mobile Telephones Supported	157	159	159	159	161	140
	E-Mail Accounts Supported	650	650	655	675	659	665
	Servers Maintained	39	44	56	54	72	72
	Network Equipment Maintained (Routers/Switches)	35	35	38	40	44	45
	Wireless Access Point/Infrastructure Maintained	29	36	40	44	35	35
	Hours Spent on Computer Support/Repair	9,000	9,100	9,100	9,100	9,100	9,100
Efficiency & Effectiveness	% of "Help Desk" Issues Resolved w/i 8 hrs.	91%	90%	90%	90%	90%	90%
	# of Computers/Tablets/MDC's per FTE	1.06	1.06	1.10	1.06	1.08	1.10
	Telephone Problems Resolved within 1 day	90%	90%	90%	90%	90%	90%
	% of Revolving 5-yr. Technology Plan Implemented	90%	90%	15%	20%	40%	60%
	% of Time Computer Network Down	0.8%	0.8%	0.4%	0.8%	0.8%	0.8%
	Overtime/Comp Hours Required to Meet Demand	350	310	311	295	330	350
	Average Annual Cost to Support a PC	$245	$248	$239	*	*	*
	Cost to Support User Systems	$318,077	$315,463	$316,073	*	*	*
	Activity Expenditures as % of General Fund	0.97%	0.98%	1.06%	1.05%	1.07%	1.05%

**Cost is calculated for "Actual" columns only.*

Information Technology



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Information Technology Director	1	1	1
GIS/CAD Coordinator	0	0	1
Senior Systems Analyst	2	2	2
Information Technology Specialist	2	2	1
Total	5	5	5

Information Technology

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 12.0%.

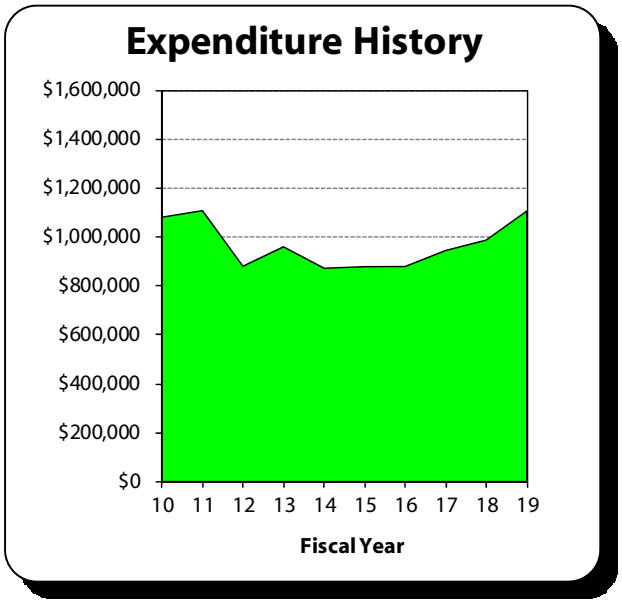
Personnel Services – Total Increase $43,540 or 6.0%

- $31,000 due to contractual wage adjustments
- $9,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $980 or 46.0% as more software applications and updates are required.

Other Charges – Total Other Charges increased $73,820 or 28.3%. Contracted services increased $81,670 primarily due to higher maintenance and licensing fees for the new storage area network system and servers purchased in the prior year. Funding is also included for consultant services to aid in the building of new applications for the Geographical Information System (GIS). $10,900 was added as citywide telephone costs that were previously allocated to each office are now being expensed to this activity. $3,900 is budgeted for two staff members to attend educational conferences next year. $1,730 was added due to increased fiber optic network system lease fees. $24,500 was saved, as maintenance is still covered under recent equipment purchases and several multiple-year maintenance agreements do not expire this year.

Capital – Total Capital of $2,035,080 is proposed. $570,380 is for a new citywide phone system to replace the current 19-year old system that is obsolete and no longer supported. Internet Security Firewalls are budgeted for $68,000. $110,500 is budgeted for Disaster Recovery Site Equipment for the primary and backup data centers. $85,400 is for an Uninterruptible Power Supply (UPS) System. $64,800 is budgeted for 50 personal computers, 15 iPads, and 7 laptop computers to replace the existing 5-year old units in various City departments. $136,000 is for a Payroll/Timekeeping Software System to further automate the City's timekeeping process and reduce duplicated efforts. $1,000,000 is budgeted in the Facilities Improvement Fund for information technology improvements throughout all City buildings. The proceeds of a Capital Improvement bond will be used to finance the improvements.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$719,162	$723,740	$738,700	$767,280	$767,280
Supplies	1,582	2,130	2,080	3,110	3,110
Other Charges	223,734	261,240	274,640	335,060	335,060
Total	$944,478	$987,110	$1,015,420	$1,105,450	$1,105,450

Assessing

MISSION STATEMENT: ***To promote and foster positive interaction between the Office of Assessing and the taxpayers of the City of Sterling Heights by ensuring that all assessments are accurate, fair, equitable, and lawful.***

The primary and continuing goal of the Assessing activity is to achieve fair and equitable assessments in all classes of property.

Assessments are most importantly used in conjunction with the millage rates adopted by the various legislative bodies to generate property taxes guaranteeing revenues for the operation of all local governing units.

This activity continues to introduce new technology, update existing programs, and develop cost-saving practices to allow for the efficient operation of equipment and personnel. To achieve this goal, extensive research in all phases of residential, commercial, industrial, and personal property must be conducted. These include: 1) gathering sales data on vacant property and homes, 2) compiling rental and lease information for apartments, 3) assembling commercial and industrial information, and 4) auditing personal property accounts. This research process must be done annually to maintain equitable valuations in all classes of property.

At the conclusion of this research, a computerized listing, or assessment roll, containing the property identification number, property address and legal description, school district, property classification and tentative state equalized and taxable values for all properties in the City is generated. The assessment roll is the only record in the City that ties the property owner of record with the legal description and/or property address. It is in constant use by taxpayers, appraisers, and real estate personnel.

Assessing information is available on-line via the City's website at www.sterling-heights.net. This allows those with access to the Internet the ability to search by parcel number, property address, or comparable building attribute, in order to obtain general assessment, building appraisal and tax information 24 hours a day.

KEY GOALS

- ***To provide an accurate and equitable assessment annually for residential, commercial, industrial, and personal property.***
- ***To provide accurate and timely implementation of Primary Residence Exemption requests.***
- ***To inform taxpayers, residents, and potential investors of new or pertinent assessment information.***
- ***To ensure that recipients of Industrial Facilities Tax Exemptions comply with all program requirements.***
- ***To meet and/or exceed all State Tax Commission and Macomb County Equalization Department requirements.***

Today's economic conditions warrant up-to-date data from the sale and development of both vacant and occupied land. The assessment roll provides the information required to ensure proper growth in our community.

With tax reform a reality now and in the future, the staff continues to keep informed of all new regulations. The Assessing Office is monitored closely by higher taxing authorities (e.g. Macomb County Equalization Department and State Tax Commission) to make sure all necessary guidelines are followed. It is a difficult task, but the end result will benefit the taxpayers of Sterling Heights.■

Did you know…
…the average selling price for a single-family residential home in Sterling Heights in 2017 was $188,900 and the median sale price was $185,000 representing a 5.7% positive change from 2016 levels?

Assessing

2018/19 PERFORMANCE OBJECTIVES

1. To continue to create digital sketches of the 33,922 houses and 6,691 condominiums in the City and have them accessible on the City's website. *(City Goal 14,18)*

2. To facilitate and complete integration of Geographic Information System (GIS) components to the City's assessment database. *(City Goal 3, 6)*

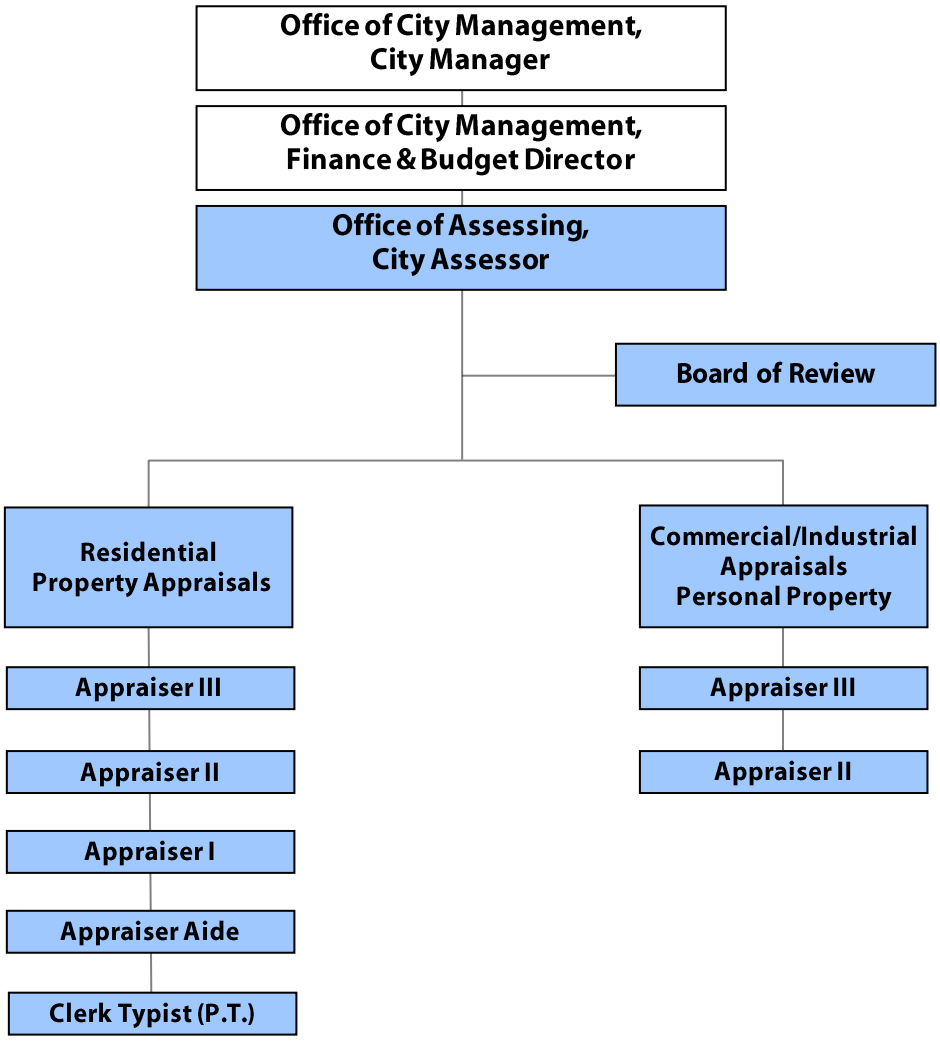
3. To implement Personal Property Tax (PPT) changes as promulgated by the State of Michigan. (*City Goal 3, 7)*

4. To continue to incorporate field laptop computers to increase personnel efficiency. *(City Goal 2, 4, 23)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Assessment Notices Processed - Real/Personal	48,262	48,762	47,636	48,400	47,800	48,000
	Residential Property Appraisals (including Partials)	111	113	110	200	150	200
	Commercial/Industrial Property Appraisals - Real	83	80	80	85	80	80
	Full Tax Tribunal Applications - Businesses	75	66	19	60	30	30
	Board of Review Appeals	734	589	581	600	600	600
	Land Divisions/Combinations Processed	21	17	22	10	15	15
	Resident Assessing Online Retrievals	149,066	134,070	134,934	130,000	130,000	135,000
	Deeds & Property Owner Updates	4,607	4,950	4,563	4,800	4,700	4,800
	Property Transfer Affidavits Processed	3,516	3,591	3,721	3,800	3,720	3,800
	Homestead Exemption Affidavits Processed	3,423	3,614	3,784	3,800	3,800	3,800
	Residential Digital Sketches Created	61	99	100	500	100	150
	IFEC's/328's Personal Property Exemptions Approved	3	0	6	10	6	5
	Total Invest. Resulting from IFEC's/328's (millions)	$28	$4	$82	$30	$25	$30
Efficiency & Effectiveness	I.F.T. Roll & Certif. Status Reported by Deadline	100%	100%	100%	100%	100%	100%
	Total I.F.T. Valuation as a % of City Tax Base (TV)	2.8%	5.6%	2.9%	7.0%	4.0%	4.0%
	% Change in City Tax Base (TV)	0.68%	2.00%	2.20%	2.00%	2.00%	2.00%
	% Site Plans Reviewed within 2 days	95%	95%	95%	95%	95%	95%
	% Land Divisions/Comb. Processed w/i 3 days	90%	90%	90%	90%	90%	90%
	Equalization Factor	1.000	1.000	1.000	1.000	1.000	1.000
	Average Cost to Appraise a Residential Parcel	$2.41	$2.99	$3.00	*	*	*
	Activity Expenditures as % of General Fund	0.94%	0.98%	1.02%	1.06%	1.06%	0.93%

**Cost is calculated for "Actual" columns only.*

Assessing



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
City Assessor	1	2	1
Appraiser III	2	2	2
Appraiser II	2	2	2
Appraiser I	1	1	1
Appraiser Aide	1	1	1
Clerk Typist (P.T.)	1	1	1
Total	8	9	8

Assessing

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 2.2%.

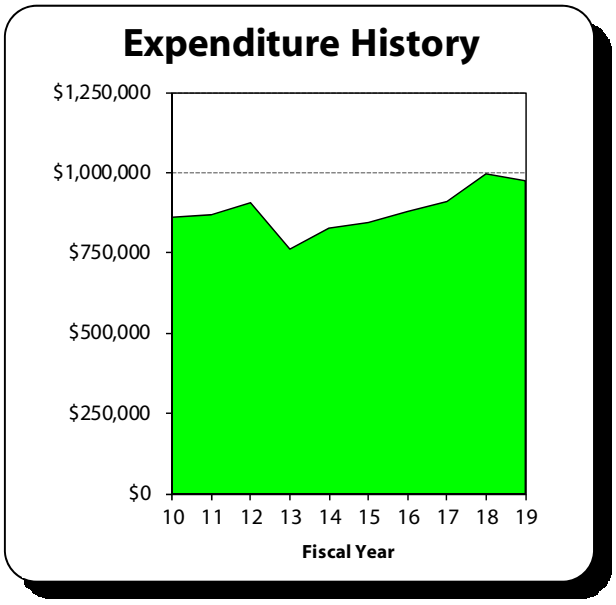
Personnel Services – Total Decrease $20,310 or 2.2%

- $34,000 savings due to staff turnover resulting in new hires at a lower wage rate; Offset by:
- $3,000 increase due to changes in insurance coverages
- $10,000 increase due to required funding for pension liabilities

Supplies – Total Supplies decreased $1,230 or 4.3% primarily due to the one-time prior year purchase of tablet computers for field personnel. The decrease was partially offset by an increase in postage costs based on the recent year's estimated expenditure usage and a postal rate increase.

Other Charges – Total Other Charges decreased $280 or 1.0%. Printing costs decreased $870 as the budget can be reduced and brought more in line with the current year's estimated expenditure usage. $330 was saved, as two memberships can be eliminated. Telephone costs decreased $200 based on a reallocation of citywide telephone expenditures. $700 was added due to an increase in the CoStar contract. Equipment maintenance costs rose $120 due to a slight increase in BS&A software support fees. $150 was added for the new Assessor's increased attendance at local meetings.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$859,103	$939,030	$945,440	$918,720	$918,720
Supplies	26,573	28,330	29,830	27,100	27,100
Other Charges	24,348	28,980	27,810	28,700	28,700
Total	$910,024	$996,340	$1,003,080	$974,520	$974,520

Financial Services

MISSION STATEMENT: ***To provide competent and comprehensive financial services to the City and its residents.***

The Financial Services activity is directly responsible for all financial records, payroll, accounts payable, bond sale activity, benefit plan activities and annual audit completion and reporting.

Financial Services develops and maintains tracking systems for funds, projects, grants, capital assets and other financial needs. This office prepares required work papers, schedules and financial statements to complete the annual external audit and the award winning Comprehensive Annual Financial Report (CAFR), as well as annual reports to the State of Michigan and compliance reports for state and federal granting agencies. This office also prepares monthly reports for City Council, City management and City departments, as well as other specifically required periodic reports.

Payroll processing and record keeping for all City employees is executed in Financial Services. This processing includes data input and coordination of insurance benefits, withholding and reporting of income taxes, maintenance of records and payment of all other deductions. Payroll processing and record keeping functions are performed for 11 bargaining units and two (2) employee groups, all with unique benefits.

Financial Services processes all accounts payable including data entry, reconciliation, and filing of vendor invoices. Related bill listings are generated for approval at each regularly scheduled City Council meeting.

Project and grant cost records are maintained by Financial Services. Unlike most financial reporting, which occurs within a fiscal year framework, specific project ledgers are kept for the duration of road, water and sewer, capital projects and grant programs ensuring that the City fulfills bond and grant covenants.■

KEY GOALS

- ***To meet all payroll and related reporting deadlines on a timely basis with a tolerance of zero defects.***
- ***To provide timely payments to vendors after appropriate internal approvals have been granted.***
- ***To ensure an annual audit is performed and that a comprehensive annual financial report is distributed to City Council and is available to all residents.***

Did you know…
…the City has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the City's Comprehensive Annual Financial Report for 29 consecutive years?

Financial Services

2018/19 PERFORMANCE OBJECTIVES

1. To implement Governmental Accounting Standards Board numbers 75 and 83 into the audited financial statements. *(City Goal 7, 8)*

2. To analyze, select and implement a payroll time-keeping solution to improve payroll capabilities, efficiency and accuracy. *(City Goal 1, 2, 5, 23)*

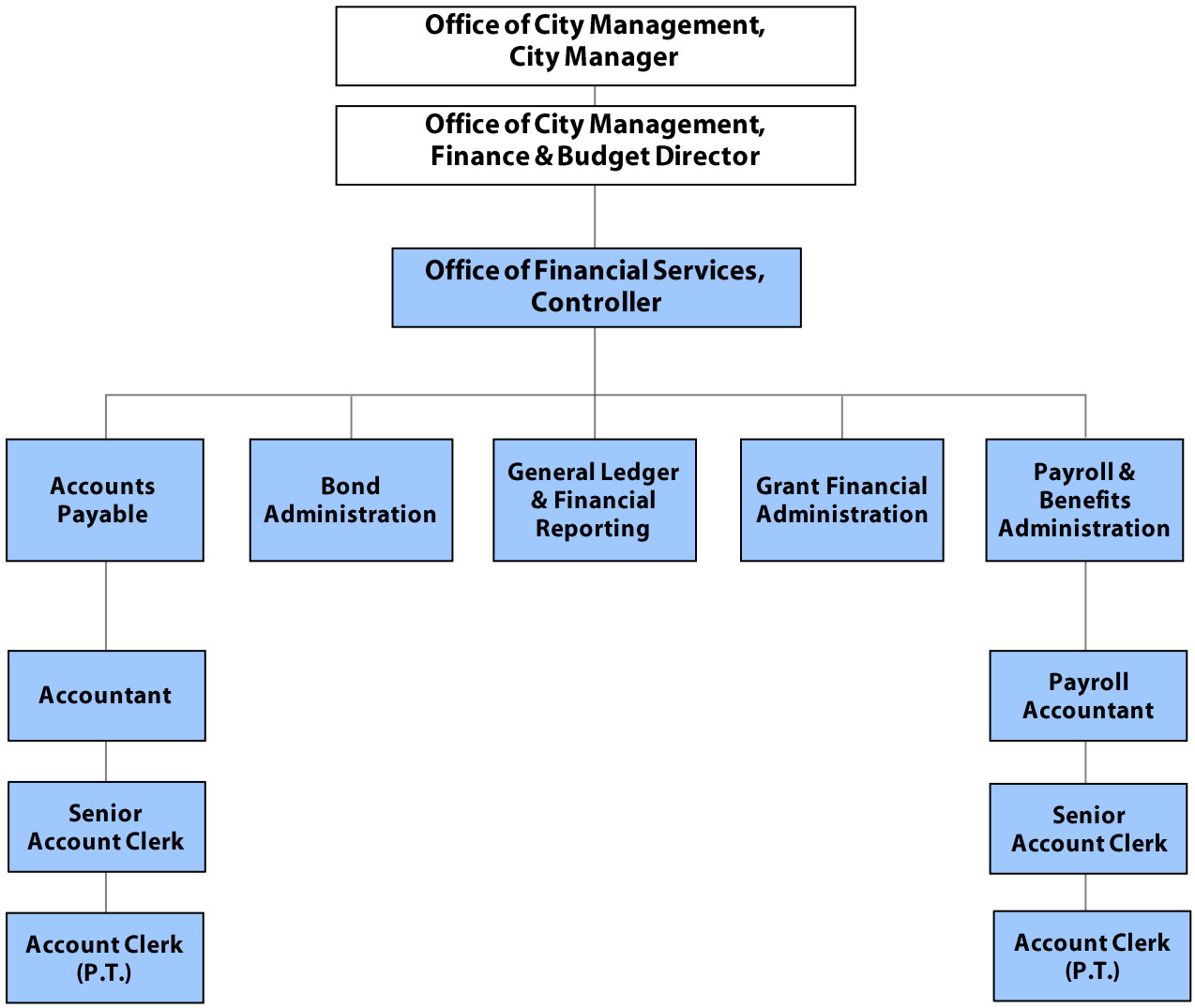
3. To reevaluate current monthly accounting report distribution to ensure timeliness, relevance and appropriate use of available technology. *(City Goal 2, 3, 8)*

4. To reevaluate current interfund cross-charges to ensure accuracy and compliance with current administrative policy. *(City Goal 1, 3)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Bank Statements Reconciled	252	240	240	240	216	216
	General Journal Entries Processed	1,603	1,641	1,601	1,700	1,650	1,700
	Accounts Payable Invoices Processed	14,353	15,073	13,919	14,800	14,600	14,600
	Accounts Payable Checks Issued	6,437	7,046	6,169	6,700	6,400	6,400
	Payroll Checks & Deposit Notices Generated	17,996	18,334	17,998	18,200	17,665	17,000
	Accounting Funds Maintained	27	28	29	30	29	29
	Retirees/Beneficiaries Receiving Medical Benefits	626	635	669	670	685	690
	Federal Grants Tracked	29	29	28	27	27	27
	Audit Workpapers Prepared	400	400	375	380	380	380
	Active Assets Tracked	5,272	5,684	5,857	5,900	5,900	5,900
	Vendor Files Maintained	3,899	3,682	2,956	3,500	3,100	3,200
Efficiency & Effectiveness	Avg. Days to Compile Monthly Financial Statements	14.0	14.0	14.0	14.0	14.0	14.0
	% of A/P Checks Issued Without Error	99.3%	99.5%	99.7%	99.0%	99.5%	99.0%
	% of Payroll Checks Issued Without Error	99.5%	99.6%	99.6%	99.0%	99.0%	99.2%
	Active Employees Receiving Compensation/Benefits	1,347	1,410	1,613	1,450	1,650	1,550
	Financial Statement Correcting Entries by Auditors	0	0	0	0	0	0
	Financial Admin. of Federal Grant Expenditures	$5,716,090	$2,329,798	$6,176,102	$3,000,000	$3,570,000	$3,000,000
	Cost for an Independent Auditor to Perform Audit	$95,750	$97,700	$99,600	$101,600	$101,600	$103,650
	Years Received G.F.O.A. CAFR Award	27	28	29	30	30	31
	Cost to Process an Accounts Payable Invoice	$9.44	$9.25	$9.69	*	*	*
	Cost of Payroll Service Per Employee	$305	$308	$316	*	*	*
	Activity Expenditures as % of General Fund	0.96%	0.98%	0.84%	0.84%	0.83%	0.79%

**Cost is calculated for "Actual" columns only.*

Financial Services



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Controller	1	1	1
Payroll Accountant	1	1	1
Accountant	0	1	1
Accountant (P.T.)	2	0	0
Senior Account Clerk	2	2	2
Account Clerk (P.T.)	2	2	2
Total	8	7	7

Financial Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 6.0%.

Personnel Services – Total Increase $39,020 or 5.7%

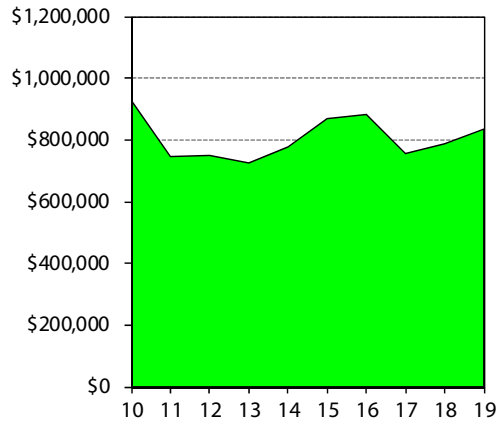
- $26,000 due to contractual wage adjustments
- $3,000 due to insurance costs
- $10,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $70 or 1.1% due to inflationary cost increases in office supply costs and financial publications.

Other Charges – Total Other Charges increased $8,280 or 8.7%. Software maintenance costs increased $8,620 due to an anticipated 5% increase in MUNIS licensing and support fees. Telephone costs decreased $220 based on a revised allocation of citywide telephone costs to the Information Technology office. $200 was saved based on a more accurate estimate of per-page copier print fees.

Capital – Total Capital of $136,900 is budgeted in the Capital Projects Fund. $136,000 is for a Payroll/Timekeeping Software System to further automate the City's timekeeping process and reduce duplicated efforts. This office is also scheduled to receive a replacement personal computer totaling $900.

Expenditure History



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$655,124	$686,270	$677,190	$725,290	$725,290
Supplies	5,618	6,410	6,040	6,480	6,480
Other Charges	94,805	94,750	99,250	103,030	103,030
Total	$755,547	$787,430	$782,480	$834,800	$834,800

Purchasing

MISSION STATEMENT: ***To procure goods and services at the lowest competitive price and to maintain efficiency, quality and ethical standards while acting in the City's best interest.***

The procurement of goods and services is an integral part of the quality control procedures currently being applied to all levels of the organization. Several policies and procedures are in place to ensure that all purchase requisitions are screened for compliance.

The use of several different purchasing methods allows for the purchase of goods and services at the lowest competitive price. Examples include: on-line requisitioning, cooperative purchasing, quantity purchases, Requests for Proposals, purchasing cards and an on-line e-procurement program that allows registered vendors instant access to bids and quotes. Having these alternatives available allows for a more expedient method of procuring goods and services.

Surplus items such as vehicles, furniture, computer equipment, police related items, etc. are disposed of through GovDeals.com, an online liquidity service marketplace.

The issues involving ethical standards of purchasing are continually monitored to maintain the highest level of standards. These issues include establishing policies and procedures, preparing specifications, and the testing and inspecting of materials and supplies purchased by and for the City.

Purchasing is also responsible for encumbering and monitoring all purchase requisitions through the MUNIS system, which coordinates with the modules used by the City's other financial and management offices. The encumbrance module strengthens the control and reporting procedures of the City.

Additional Purchasing responsibilities include training personnel on the use of online requisitioning, purchasing cards, Internet purchases of office supplies, and coordinating all office, cable television, fitness equipment and Print Shop equipment maintenance. Determination is made for equipment replacement, service contracts, and/or vendor performance. This office also coordinates digitalization services for most City departments.■

KEY GOALS

- ***To ensure that the maximum number of vendors are contacted in order to obtain the best possible price and quality.***
- ***To research products and services to ensure quality, particularly in large purchases.***
- ***To participate in statewide and local cooperatives to broaden purchasing operations and to obtain better pricing by combining orders with multiple communities.***
- ***To monitor purchasing histories and activities identifying areas where purchases can be consolidated to allow for further cost reduction.***
- ***To provide guidance to departments and vendors regarding purchasing practices.***

Did you know…
…the City of Sterling Heights accepts electronic bid submissions for all Invitations to Bid (ITB's) thereby saving time and money for the bidders as well as the City?

Purchasing

2018/19 PERFORMANCE OBJECTIVES

1. To work with Finance to increase the use of the Purchasing 'Ghost' Card for processing accounts payable payments, thereby increasing the City's rebate. *(City Goal 1, 4, 8, 23)*

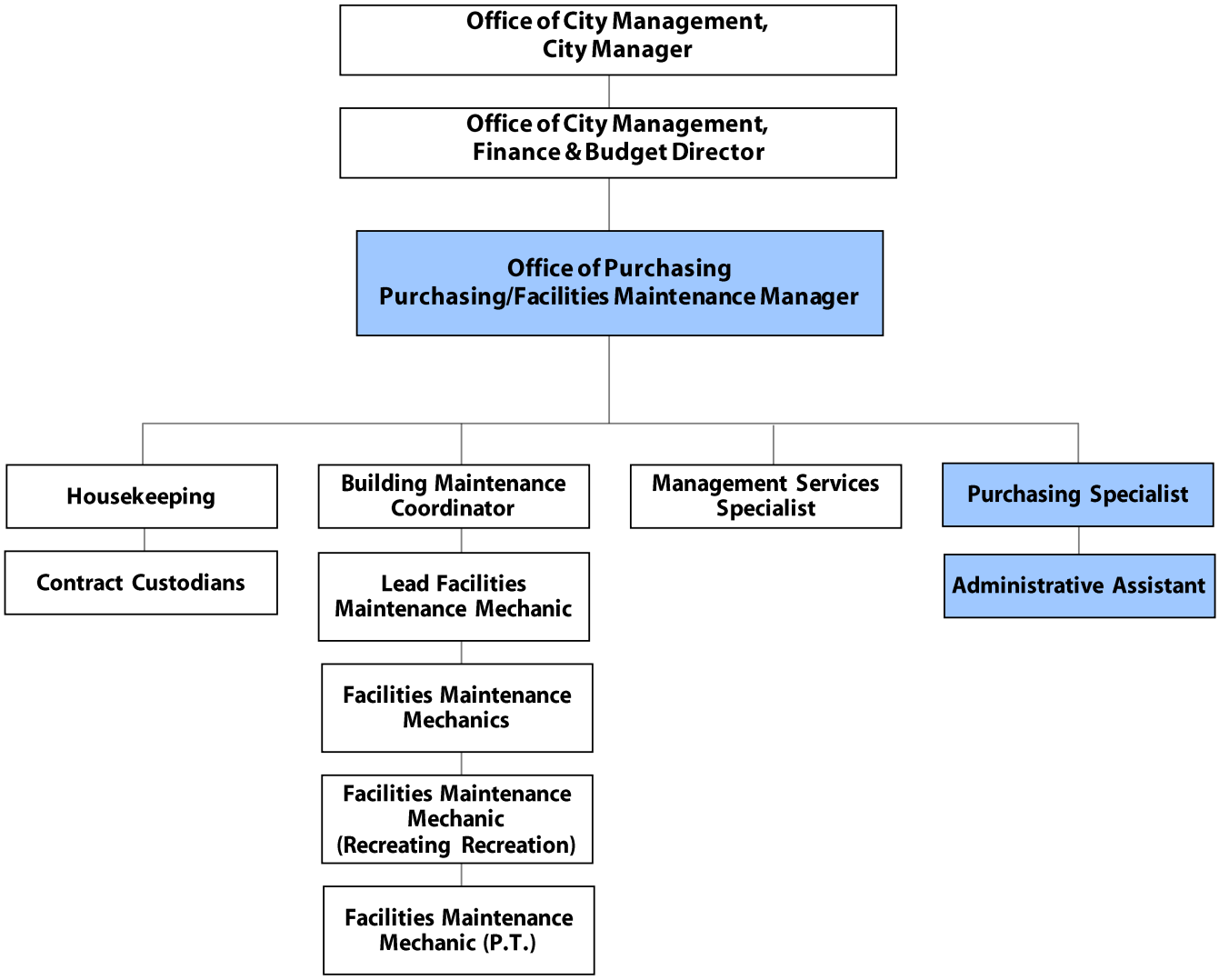
2. To investigate and determine the viability of using Amazon.com for the purchase of favorably priced commodities. *(City Goal 1, 2, 3, 4, 6, 23)*

3. To serve the role of 'Pilot Program' and maximize the functionality of the City Clerk's OnBase agenda management system. *(City Goal 1, 2, 3, 4, 6, 23)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Purchase Orders Processed	1,055	1,091	1,189	1,200	1,300	1,300
	Bid Solicitation Occurrences	34	50	50	50	50	50
	Total # of Bid Responses Reviewed	191	164	181	180	180	180
	Electronic Bids Reviewed	0	4	60	40	40	40
	Surplus Item Auctions Conducted	63	71	206	150	60	70
	Agenda Items Presented to City Council	90	86	108	115	118	120
	Written Quotation Solicitation Occurrences	2	3	1	5	3	4
	Written Quotation Responses Reviewed	18	18	5	25	10	16
	# of Employees Assigned a Purchasing Card	58	56	64	60	72	78
	Purchasing Card Transactions	1,682	1,708	1,845	1,700	1,800	2,000
Efficiency & Effectiveness	% of P.O.'s Processed within 5 days	95%	95%	95%	95%	95%	95%
	Avg. Days to Process a P.O. (informal/formal pricing)	7/30	7/30	7/30	7/30	7/30	7/30
	Online Procurement System - Registered Vendors	8,298	8,238	9,854	12,500	12,000	12,500
	Revenue from Sale of Surplus Property	$26,259	$61,500	$26,744	$20,000	$30,000	$30,000
	Dollar Value of Purchasing Card Transactions	$256,349	$274,515	$405,077	$1,750,000	$1,400,000	$1,500,000
	Cost to Issue a Purchase Order	$83	$80	$75	*	*	*
	Average Cost to Go Out to Bid	$1,425	$1,278	$1,301	*	*	*
	Total Dollar Value of Purchase Orders	$17.1M	$16.9M	$21.7M	$18.0M	$33.1M	$30.0M
	Revenue from Purchasing Card Rebate Program	$727	$1,854	$3,256	$4,500	$4,800	$5,000
	Activity Expenditures as % of General Fund	0.34%	0.35%	0.36%	0.42%	0.53%	0.40%

**Cost is calculated for "Actual" columns only.*

Purchasing



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Purchasing/Facilities Maintenance Manager	0	1	1
Purchasing Manager	1	1	0
Purchasing Specialist	1	1	1
Administrative Assistant	1	1	1
Total	3	4	3

Purchasing

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 6.1%.

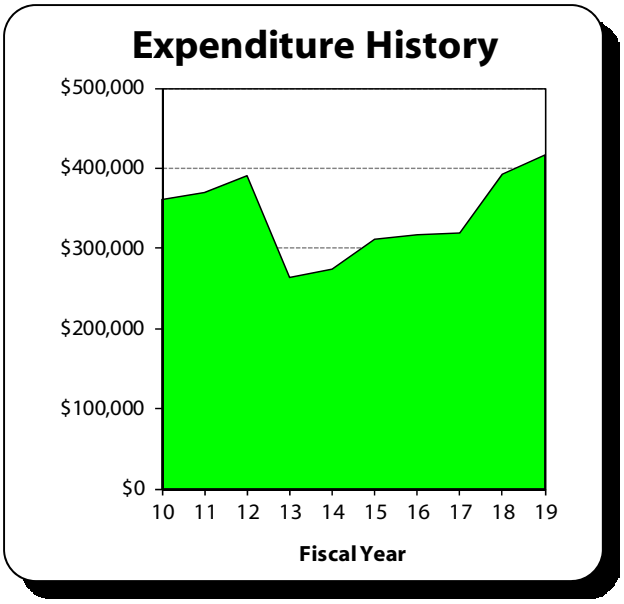
Personnel Services – Total Increase $30,380 or 8.4%

- $15,000 due to contractual wage adjustments
- $11,000 due to changes in insurance coverages
- $4,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $20 or 1.6% due to an inflationary increase in supply costs.

Other Charges – Total Other Charges decreased $6,490 or 20.6%. Funding for equipment maintenance decreased $6,850 due to a prior year reappropriated encumbrance. Telephone costs fell $130 based on a reallocation of citywide telephone expenditures to the Information Technology office. Funding increased $540 for the increased digitizing of City records for retention purposes.

Capital – This office is scheduled to receive a personal computer totaling $900 to replace an existing five-year old unit.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$298,475	$359,780	$466,090	$390,160	$390,160
Supplies	1,642	1,240	1,220	1,260	1,260
Other Charges	19,029	31,510	31,280	25,020	25,020
Total	$319,146	$392,530	$498,590	$416,440	$416,440

Facilities Maintenance

MISSION STATEMENT: ***To maintain all City facilities in a safe, clean and economical manner for the benefit of the residents and staff of the City of Sterling Heights.***

The primary goal of Facilities Maintenance is to maintain all City facilities in a safe, clean, and economical manner for the benefit of the residents and staff of the City of Sterling Heights.

The Facilities Maintenance contractors and staff pride themselves on their ability to operate efficiently, reduce unnecessary spending, and effectively deliver the services needed to maintain the City's facilities.

The Building Maintenance Coordinator plans and directs the operations of the maintenance staff as well as all outside contracted work and vendors. The overseeing of outside contractors and vendors ensures the quality of workmanship and materials on projects and the adherence of all applicable State and City codes, while meeting all safety standards prescribed by State and federal regulations. The maintenance staff is the "nuts and bolts" component of a wide range of projects that have been constructed and completed in-house.

The maintenance staff also ensures that through preventative maintenance programs, all mechanical, electrical, and plumbing equipment operates at safe and optimum efficiency. The staff maintains all interior and exterior surfaces that require painting throughout the year to ensure that facilities stay attractive year round.

Facilities Maintenance is responsible for housekeeping services at ten City facilities on a daily basis. This service ensures that residents and employees of Sterling Heights have clean and safe facilities to carry on their day-to-day business as well as maintaining the high level Board of Health standards at a 24-cell detention facility.

The staff assists all departments with furniture transfers and office furniture and equipment layout to help ensure that personnel and equipment are properly and ergonomically situated. Facilities Maintenance is an integral part in the planning, programming, and implementation phases of building modernization and efficiency. ■

KEY GOALS

- ***To operate efficiently, reduce unnecessary spending and effectively maintain the City's facilities.***
- ***To oversee outside contractors/ vendors to ensure the quality of materials and workmanship on projects and adherence to all applicable State and City codes.***
- ***To meet all safety standards prescribed by State and federal regulations.***
- ***To conduct preventative maintenance programs on all mechanical, electrical, and plumbing equipment, ensuring it operates at safe and optimum efficiency.***
- ***To guarantee that residents and employees of Sterling Heights have clean and safe facilities to carry on their day-to-day business.***

Did you know…
…that Facilities Maintenance receives over 100 service requests per month?

Facilities Maintenance

2018/19 PERFORMANCE OBJECTIVES

1. To ensure the efficiency and readiness of all City emergency generators by conducting bank load testing and creating action plans from the results. *(City Goal 1, 3)*

2. To ensure health and safety standards are met in every City facility through cleaning schedule improvements and proactive maintenance of filtering systems. *(City Goal 1, 3)*

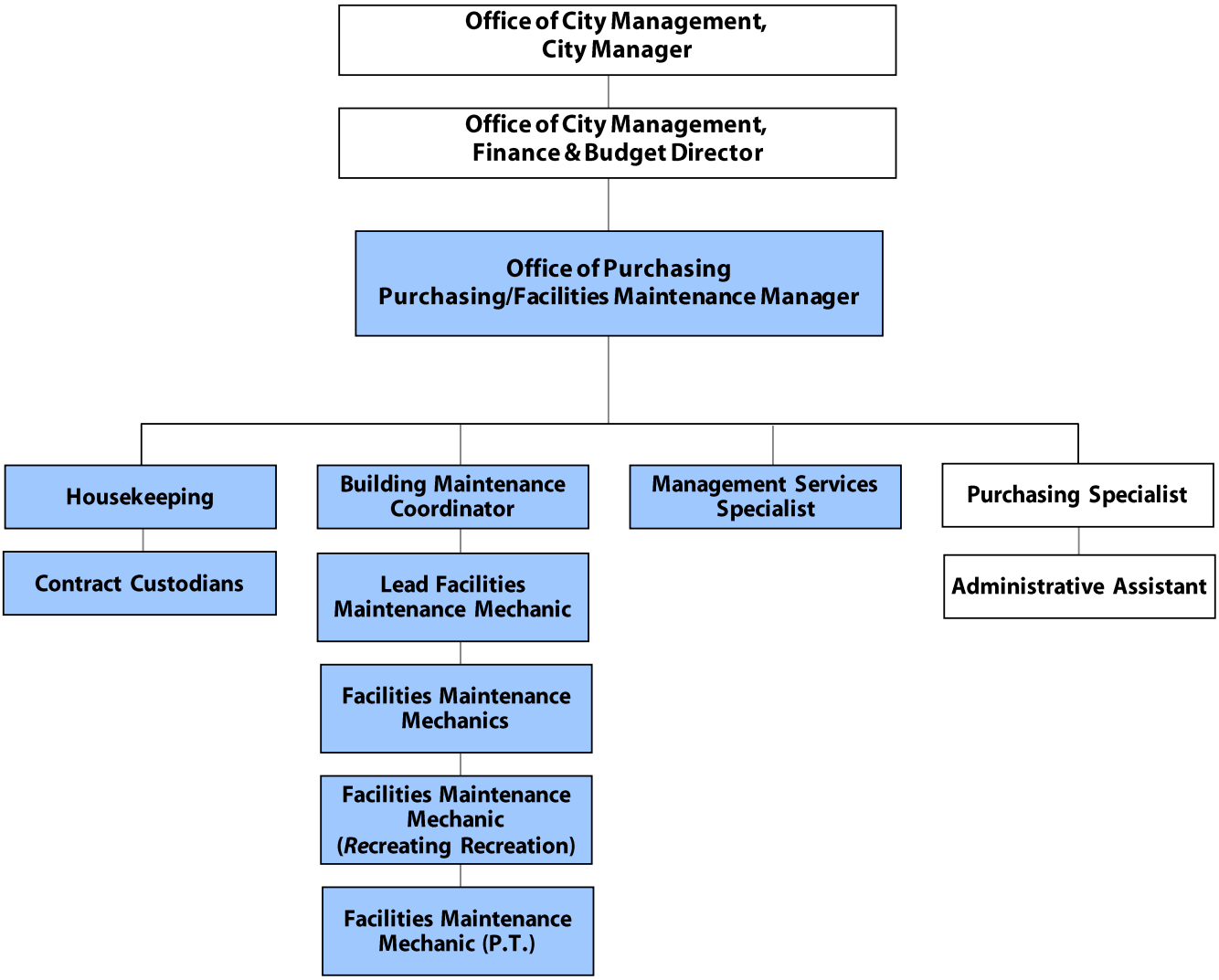
3. To manage proceeds from the $20 million Facilities Improvement Bond, addressing critical infrastructure needs and asset management. *(City Goal 1, 2, 65)*

4. To establish an asset management and workflow system that provides assessment, financial, and maintenance data, which will allow preventative and predictive maintenance to be planned and executed. *(City Goal 1, 3, 4,16)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	City Facilities Supported - Square Feet	360,823	360,823	360,823	360,823	360,823	347,897
	City Facilities Receiving Daily Housekeeping - Sq. Ft.	246,434	246,434	246,434	246,434	246,434	233,508
	Renovations/Projects Supervised/Coordinated	$149,630	$260,000	$514,700	$500,000	$500,000	$6,018,000
	Interior Preventive Maintenance Cycles	4	6	6	6	6	12
	Exterior Preventive Maintenance Cycles	4	4	5	5	5	6
	Maintenance/Custodial Service Requests Processed	1,300	1,400	1,410	1,400	1,500	1,500
	FedEx/UPS Packages Processed	1,611	1,713	1,946	2,000	2,300	2,300
	Deliveries to City Council Members	55	55	55	10	10	10
	Car Pool Vehicles Supervised	36	2	2	2	2	2
	Voting Precincts (Assembled & Delivered)	135	94	107	60	64	122
Efficiency & Effectiveness	% of Emg. Call-Ins Reported to w/i 30 minutes	98%	98%	98%	98%	98%	100%
	% of Service Requests Met Within 15 Days	95%	98%	98%	98%	95%	98%
	Hrs. Spent for Building Maintenance Per 1,000 s.f.	19.0	19.0	19.0	19.0	21.4	23.9
	Overtime/Comp Hours Worked	140	260	265	230	280	280
	Cost to Complete In-House Maint. Service Requests	$389,420	$369,571	$362,600	*	*	*
	Activity Expenditures as % of General Fund	N/A	N/A	N/A	N/A	N/A	1.30%

**Cost is calculated for "Actual" columns only.*

Facilities Maintenance



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Building Maintenance Coordinator	0	0	1
Lead Facilities Maintenance Mechanic	0	0	1
Facilities Maintenance Mechanic	0	0	2
Facilities Maintenance Mechanic (P.T.)	0	0	1
Management Services Specialist	0	0	1
Total	0	0	6

Facilities Maintenance

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

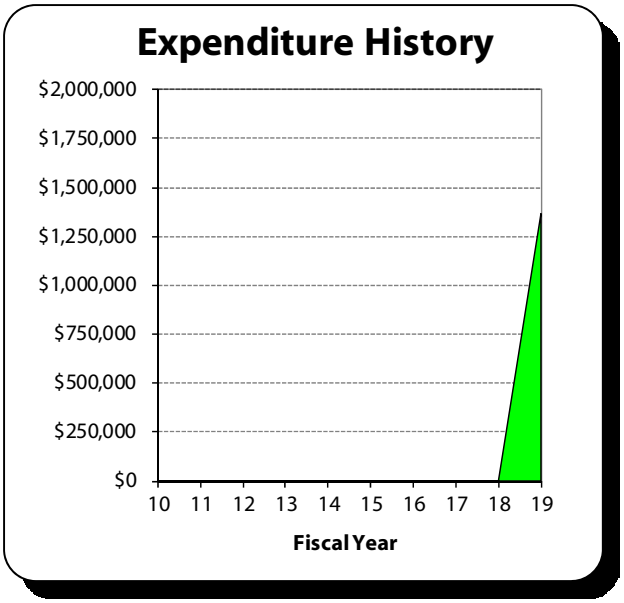
The total budget increased by 100%.

Personnel Services – Total Increase $592,370

- $390,000 due to the transfer of Facilities Maintenance employees from the Building activity
- $80,000 due to the addition of the Management Services Specialist position
- $7,000 due to the upgraded Building Maintenance Coordinator position
- $59,000 due to the addition of a full-time Facilities Maintenance Mechanic position to be funded through the *Re*creating Recreation activity
- $32,000 due to the addition of a part-time Facilities Maintenance Mechanic position
- $6,000 due to contractual wage adjustments
- $11,000 due to changes in insurance coverages
- $4,000 due to required funding for pension liabilities

Supplies – $30,250 is budgeted for paper products, lighting equipment, small hand tools, and other supplies used to maintain City facilities, all previously budgeted in the Building activity.

Other Charges – $743,070 is budgeted for Other Charges. $384,050 will now be expensed in this office for the custodial service contract and the delivery and pick-up of election equipment at voter precincts. $215,000 for building maintenance, $30,800 for equipment maintenance, and $99,200 for utilities and telephone costs has also been transferred to this cost center. $13,840 is budgeted for the rental of floor mats and security alarm monitoring fees for all City facilities.



Capital – Total Capital of $6,018,000 is proposed. $18,000 is budgeted for the installation of a City Hall Island Irrigation System. $6,000,000 is budgeted in the Facilities Improvement Fund for facilities infrastructure improvements at City Hall, the 41-A District Court, Public Library and Police Department. The proceeds of a Capital Improvement bond sold in the spring of 2018 will be used to finance the improvements.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$592,370	$592,370
Supplies	0	0	0	30,250	30,250
Other Charges	0	0	0	743,070	743,070
Total	$0	$0	$0	$1,365,690	$1,365,690

Treasury

MISSION STATEMENT: ***To accurately bill and collect all City revenues on a timely basis and invest idle funds prudently while establishing and accomplishing strategic financial objectives of the City.***

Treasury is responsible for the receipt, deposit, control, and distribution of all receipts (taxes, water and sewer, and all other revenues) of the City on a daily basis.

A major function of Treasury is the investment of available City funds. The City utilizes Internet technology to provide current market information to allow timely purchases and trades, thus decreasing costs and increasing earnings.

Treasury also bills, collects, and maintains all special assessments for water, sewer, pavement, sidewalks, and drains.

Monthly water and sewer bills are prepared for residential, industrial and commercial customers. Delinquent account reports are generated and transferred to tax rolls after approval by the City Manager on a semi-annual basis.

Other responsibilities involve acting as Treasurer and trustee for both the Police & Fire and the General Employees Retirement Systems. Through prudent investment strategies, both systems continue to maximize investment earnings.

The Treasurer provides administrative support to the Corridor Improvement Authority (CIA), the Brownfield Redevelopment Authority, and the Local Development Finance Authority (LDFA). The Brownfield Redevelopment Authority reviews and processes applications for potential development on contaminated sites while the CIA and LDFA work to enhance commercial districts in the City by offering development incentives in order to increase economic vitality within these districts. Administrative support is also provided to the Economic Development Corporation (EDC).

Treasury is also responsible for the various defined contribution plans (401(A) and 457 plans) and the defined benefit plan (General Employee's Retirement System or GERS) sponsored by the City. For the defined contribution plans, duties include the day-to-day administration and working with various service providers relative to investment options, coordination of employee education and general employee assistance. Duties related to the GERS include day-to-day administration of the system, preparing agendas and packets for monthly meetings, coordinating with money managers and service providers for quarterly performance meetings, assisting the system's legal actuary and custodial bank to ensure timely and proper benefit payments to retired employees.

The office also compiles and provides all required data to complete the annual actuarial valuation for both defined benefit pension plans and the bi-annual actuarial valuation of the retiree health and other post employment benefits trust fund.■

KEY GOALS

- ***To effectively administer tax programs in accordance with all applicable laws.***
- ***To serve all water and sewer customers with accurate and timely billing and collections.***
- ***To administer cash management programs with the goal of decreasing costs and increasing earnings.***
- ***To assist in administering the City's two pension funds: Police & Fire and General Employees.***
- ***To assist in developing and implementing programs to reduce costs, increase revenues, and add efficiencies.***

Did you know…
…that you can receive a text message notification when you pay your property taxes online?

Treasury

2018/19 PERFORMANCE OBJECTIVES

1. To review the fee structure of the City's 457 providers to consider consolidating to one provider, to reduce maintenance fees. *(City Goal 6)*

2. To investigate on-line payment options for snow emergency tickets. *(City Goal 1, 3)*

3. To streamline the process of refunding duplicate payments in BS&A making it more efficient with less paperwork and staff time. *(City Goal 6)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Tax Bill Payments Processed - Manually (incl. partials)	21,913	23,020	22,943	22,000	23,394	23,400
	Tax Bill Payments Processed - Electronically (escrows)	32,659	33,177	33,317	33,200	34,014	34,000
	Tax Bill Payments Processed - Lock Box	29,034	28,285	27,770	27,600	26,807	27,000
	Tax Bill Payments Processed - Online	4,499	4,330	4,649	4,750	5,110	5,270
	Special Assessment Parcels Billed	81	75	65	80	38	80
	Invoices Billed	3,206	2,432	2,815	2,300	2,700	2,700
	Investments Bought/Sold - Number of Transactions	414	353	319	300	200	300
	Tax Adjustments Processed	1,032	1,061	825	800	822	800
	Resident Tax Online Retrievals	82,576	67,931	70,787	69,500	69,000	70,000
	Cash Receipts Processed by Treasury Personnel	57,358	57,761	60,169	57,000	64,000	66,000
	City-Wide Credit Card Payments Received	41,630	48,636	54,217	58,000	51,006	53,000
	Dollar Value of All Credit Card Transactions (Millions)	$6.6	$8.4	$11.2	$9.7	$10.9	$11.2
	Defined Contribution Active Employees	84	96	109	114	120	130
	Defined Benefit Active GERS Employees	110	109	99	94	90	80
	GERS Retirements Processed	13	4	7	6	6	10
	GERS Retirees/Beneficiaries Receiving Benefits	358	359	364	366	364	370
	Pension Calculations Prepared (P&F and GERS)	30	18	30	20	20	30
	Water and Sewer Bills Issued	190,284	190,812	191,180	192,000	193,000	193,000
	Final Water Bills Prepared	1,149	1,143	1,238	1,500	1,500	1,500
	Water & Sewer Customer Bill Online Retrievals	36,784	41,007	46,360	45,000	50,500	55,000
	Water & Sewer Auto Pay Customers	2,261	2,281	2,281	2,300	2,300	2,300
	Water & Sewer Budget Billing Customers	104	88	83	80	80	70
	Service Orders Processed by Utility Billing	2,937	3,193	2,975	3,200	2,800	2,900
	Water Bill Adjustments	2,151	2,264	2,048	1,800	2,500	2,700

Treasury

2018/19 PERFORMANCE OBJECTIVES

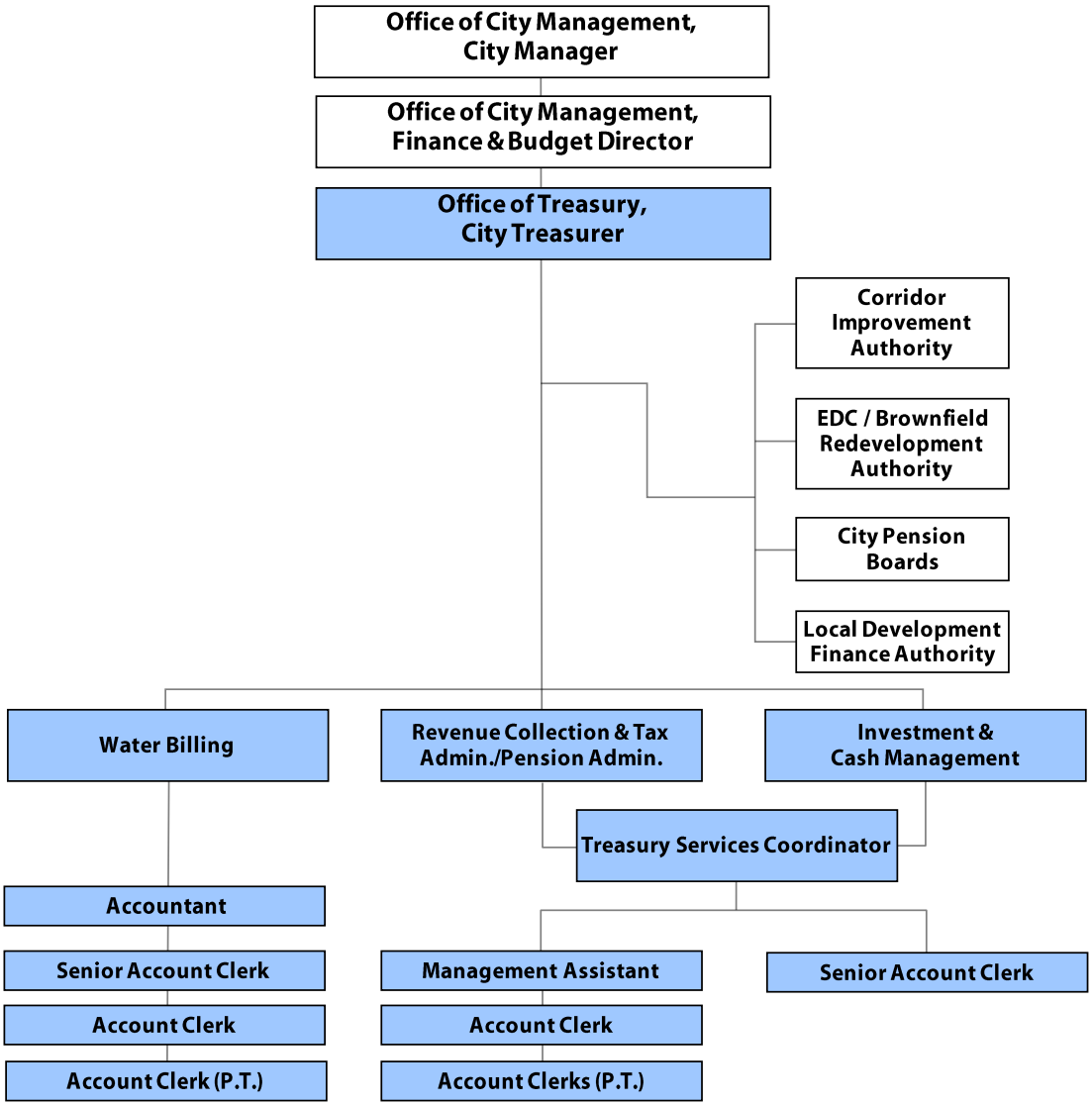
4. To complete a request for proposal for merchant card services to ensure the City is receiving optimal pricing. *(City Goal 1)*

5. To investigate the use of an Electronic Lockbox (ELB), in order for residents to submit their property tax payment electronically using their personal online banking system. *(City Goal 1)*

6. To investigate accepting credit cards (other than Discover) over the counter for property taxes. *(City Goal 1)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Efficiency & Effectiveness	% of Real & Personal City Prop. Tax Levy Collected	97%	97%	97%	97%	97%	97%
	% of Prop. Tax Parcels Turned Delinquent to County	5.79%	5.67%	5.18%	6.00%	6.00%	6.00%
	Average Rate of Return on Investments	1.27%	1.40%	1.32%	1.75%	1.60%	1.70%
	Average 2-Year T-Note Rate	0.47%	0.68%	0.93%	0.95%	1.10%	1.12%
	City's Return as a % of 2-Year T-Note	270%	206%	142%	184%	145%	152%
	% of Portfolio Invested in Active Market	83.7%	84.1%	81.9%	85.0%	80.0%	85.0%
	Total Interest Earnings - Budgeted Funds (Millions)	$0.6	$0.6	$0.8	$0.8	$0.8	$0.8
	Police & Fire Pension System - % Funded	68.4%	69.3%	69.5%	69.0%	67.0%	68.0%
	General Employees Pension System - % Funded	84.3%	84.8%	82.5%	82.5%	80.0%	81.0%
	Ratio of Active GERS Employees to GERS Retirees	1:3.25	1:3.29	1:3.68	1:3.89	1:4.04	1:4.63
	Annual % Change in GERS Market Value - Fiscal Year	3.4%	-2.8%	11.5%	7.5%	14.0%	7.5%
	Annual % Change in P&F Market Value - Fiscal Year	4.5%	-2.4%	12.5%	8.0%	14.0%	7.5%
	Ratio of Active P&F Employees to P&F Retirees	1:1.92	1:1.56	1:1.78	1:1.66	1:1.61	1:1.59
	% of Water & Sewer Bills Adjusted	1.13%	1.19%	1.07%	1.00%	1.50%	1.50%
	Activity Expenditures as % of General Fund	1.16%	1.20%	1.21%	1.25%	1.28%	1.15%

Treasury



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
City Treasurer	1	1	1
Treasury Services Coordinator	0	0	1
Pension Admin./Utility Bill. Accountant	1	1	0
Accountant	1	1	1
Management Assistant	1	1	1
Senior Account Clerk	2	2	2
Account Clerk	2	2	2
Account Clerk (P.T.)	3	3	3
Total	11	11	11

Treasury

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 3.4%

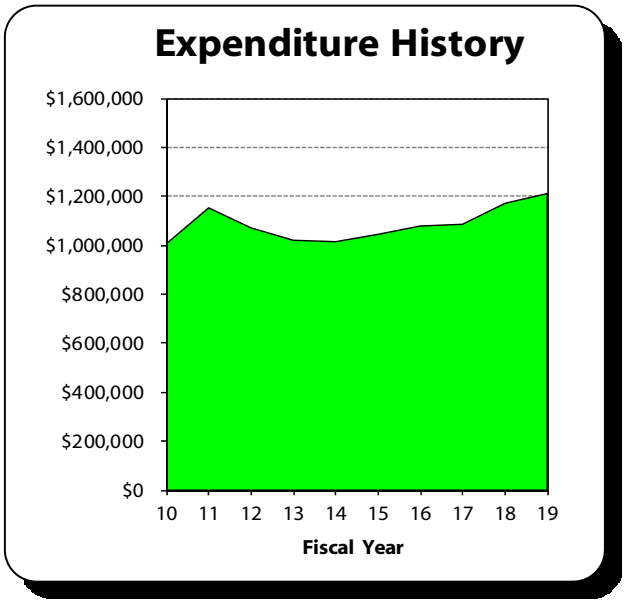
Personnel Services – Total Increase $34,200 or 3.6%

- $31,000 due to contractual wage adjustments
- $10,000 due to required funding for pension liabilities, Offset by
- $7,000 savings in insurance costs due to coverage changes

Supplies – Total Supplies increased $510 or 0.4%. Postage costs increased $2,320 due to an increase in the cost of tax and water bill mailings. Operating supply costs fell $1,810 due to the one-time funding of a currency scanner and counterfeit detector in the prior year.

Other Charges – Total Other Charges increased $4,990 or 5.3%. $3,100 was added due to higher credit card service fees. Contracted service costs increased $1,070 due to higher costs for printing tax and water bills. An additional $380 was added for the Treasurer's attendance at a Michigan Municipal Treasurers Association (MMTA) 3-year certification class. BS&A software support fees increased slightly by $180. Rental costs increased $160 due to higher lease costs for the investment tracking software.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$888,454	$956,440	$993,300	$990,640	$990,640
Supplies	110,174	119,950	118,620	120,460	120,460
Other Charges	87,288	94,790	96,720	99,780	99,780
Total	$1,085,916	$1,171,180	$1,208,640	$1,210,880	$1,210,880

The greatest mistake you can make in life
is to be continually fearing that you will make one.

~ Ellen Hubbard ~



Public Library Department







FUNCTIONAL ORGANIZATION CHART

Public Library Department

Library Administration

- Directs the Public Library Department
- Prepares and administers library's budget
- Recommends and implements policies
- Coordinates and evaluates activities of staff
- Formulates and develops service programs and priorities; assesses long-range needs
- Coordinates and administers grants
- Compiles and maintains statistical records
- Guides and directs activities of the Library Board of Trustees
- Guides and directs activities of the Historical Commission
- Represents and promotes the library to the community
- Serves as liaison to the Suburban Library Cooperative
- Provides administrative support for activities of Friends

Library Programming & Community Services

- Plans and coordinates publicity and public relations activities
- Creates and maintains library's Internet site
- Conducts technical training for patrons and staff
- Coordinates adult, teen and youth programming and volunteer activities
- Coordinates memorial/gift book and exhibit case programs
- Plans and schedules cable channel programs

Circulation Services

- Check-out and check-in of library materials
- Registers eligible borrowers
- Processes claim-returned items
- Processes inter-library loans, renewals and holds
- Maintains patron database
- Provides materials notification through voice, email and text
- Collects overdue fines and fees for lost materials
- Coordinates with collection agency for resolution of delinquent accounts
- Coordinates material delivery

Public Services

- Reference/information retrieval
- Provides bibliographic instruction
- Collection development and evaluation
- Provides outreach service to senior citizen residences & the homebound
- Processes deposit collections and extension loans
- Shelves materials for user access
- Maintains periodical and newspaper collections
- Provides Readers' Advisory Services
- Selects online reference sources
- Coordinates Internet access and instruction
- Coordinates Young Adult Services
- Conducts Youth programming and seasonal activities
- Creates exhibits, displays and information packets
- Coordinates MeLCat access to materials

Technical Services

- Coordinates the acquisition and processing of materials
- Catalogs and classifies materials
- Administers online catalog and Internet systems
- Processes and routes donations
- Maintains online catalogs and equipment
- Maintains ongoing collection inventory and statistical analysis
- Processes items and donations for Upton House Historical Collection
- Installs and maintains software and hardware for staff and public workstations

DEPARTMENT AT A GLANCE

Public Library Department

BUDGET SUMMARY

Note that the 2015/16 and 2016/17 Actuals include the Parks and Recreation Department which has been moved to the Special Revenue section beginning in 2017/18.

The Public Library budget increased $127,510 or 4.7%. Personnel costs increased $120,480 or 5.4%, due to the conversion of one part-time librarian to full-time, contractual wage increases, and an increase in the funding for long-term retirement liabilities. Other Charges increased $7,880 or 2.8% primarily due to increased fees from the Suburban Library Cooperative.



FUNDING LEVEL SUMMARY

	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Public Library	$2,492,550	$2,524,450	$2,723,630	$2,851,140	4.7%
Parks & Recreation	$1,900,650	$2,016,840	$0	$0	N/A
Total Department	$4,393,200	$4,541,290	$2,723,630	$2,851,140	4.7%
Personnel Services	$3,547,610	$3,629,290	$2,219,370	$2,339,850	5.4%
Supplies	275,800	294,560	222,150	221,300	-0.4%
Other Charges	569,790	617,440	282,110	289,990	2.8%
Total Department	$4,393,200	$4,541,290	$2,723,630	$2,851,140	4.7%

In 2017/18, the Parks & Recreation budget was moved to the Special Revenue Section.

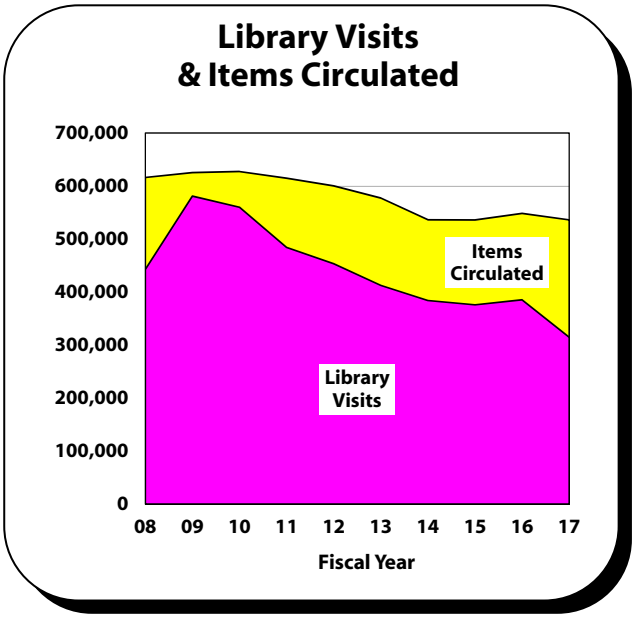
PERSONNEL SUMMARY

	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Public Library	12	26	12	26	12	26	13	26
Total Department	12	26	12	26	12	26	13	26

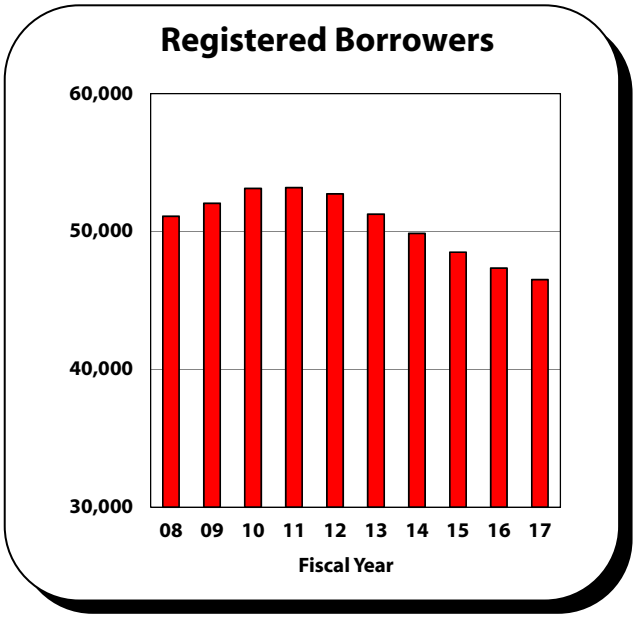
Excludes Historical Commission.

KEY DEPARTMENTAL TRENDS

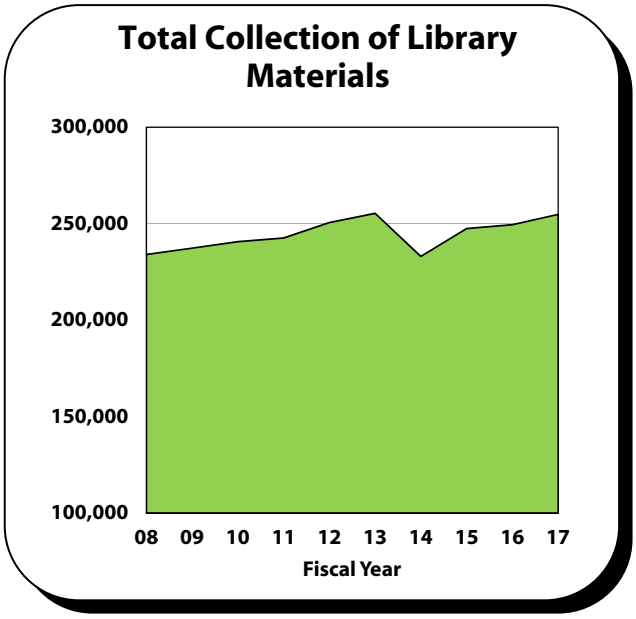
Public Library Department



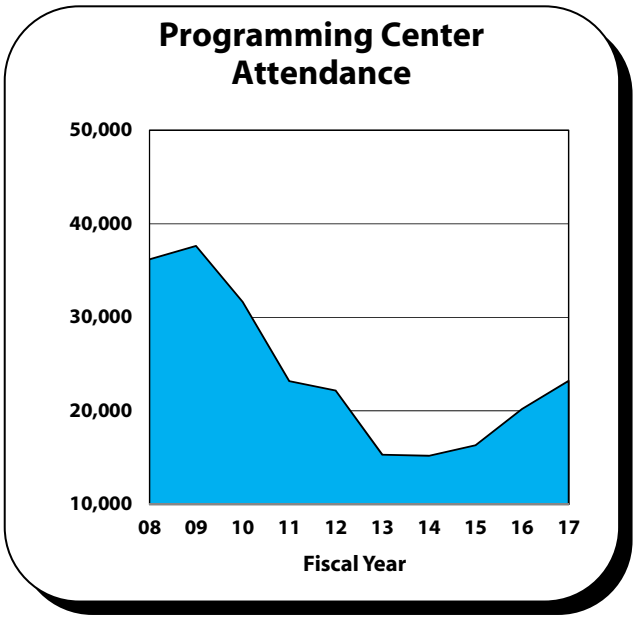
Over the past ten years, the number of Library items circulated has declined. Attendance has also declined with the exception of an increase during the recession. In 2017, 315,000 visits were recorded or an average of 125 visits per hour open. 536,000 items (or an average of 1.7 items per visit) were circulated. Library Sunday hours were restored effective September, 2015.



The number of registered borrowers in the City has generally ranged around 50,000 residents over the past ten years as the City regularly updates its registered borrower database.



The size of the Library's collections, including books, audiovisual, and software materials, has generally grown over the past ten years. There are currently 254,804 materials on hand, or an average of 2.0 items per resident. A total of 1.0 million online and electronic database uses were recorded in 2017.



Attendance at the Library's Programing Center had generally decreased since reaching a high of 37,639 participants in 2009. Attendance started to increase again in 2015 and totaled 23,208 participants in 2017 due to an increased number of programs held.

MISSION STATEMENT: ***To serve as an information center for our community, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment.***

The Sterling Heights Public Library offers a full range of services for all community residents. Activities such as preschool story times, adult, teen and youth summer reading programs, computer and Internet assistance, film festivals, book talks, author visits, consumer interest programs, reference and readers' advisory services, educational cable programming, an oral history collection, and a wide selection of books, online reference sources, digital collections and audiovisual materials provide residents with excellent educational opportunities.

Computerized information retrieval is offered with the online catalog of 21 libraries in the Suburban Library Cooperative. The Digital Media Archives section of the online catalog includes hundreds of digital photographs of Sterling Township farms and families from the 1860's. The Library also participates in the MeLCat statewide catalog and delivery system, allowing City residents to borrow materials from hundreds of public, school and academic libraries throughout Michigan. Other services include full-text online magazine and newspaper reference sources, Internet access at public workstations, wireless Internet access, area newspapers on microfilm, and a Tech for Tots area with educational software applications and games.

The Library's web site, www.shpl.net, serves as an effective guide to the wealth of resources provided by the Library in addition to an introduction to the vast resources of the Internet providing access to thousands of full-text electronic books, downloadable audiobooks, digital magazines, and downloadable music. Technology training sessions are regularly offered to allow residents to make optimal use of the Library's online resources. A van delivers a wide selection of materials, including large print books, directly to the homebound and senior citizen housing units.

The Library has an international language collection of popular fiction and magazines in 22 languages, and a unique collection of English as a second language materials designed to improve English language skills. For patrons with visual disabilities, the Library provides large print and audio books.

Additionally, the City's cable channel broadcasts quality educational programs daily on behalf of the Library. These programs feature topics in literacy, arts and history, science, cultural enrichment, and youth and teen issues.

The Library is committed to quality service that satisfies the individual and enriches the community.■

KEY GOALS

- ***To provide up-to-date information for residents in their pursuit of educational, job-related, and personal goals.***
- ***To provide access to information and resources beyond the Library's in-house collection through interlibrary cooperation, online databases, digital collections, programming, and outreach services.***
- ***To maintain a high standard of friendly and professional assistance in providing reference, information, referral, and circulation services.***
- ***To provide high demand, high interest popular materials in a variety of formats and in a timely manner for residents of all ages.***
- ***To provide materials and services which promote learning and reading for children.***

Did you know…
…the Sterling Heights Public Library has ten Wi-Fi Hotspots to loan to residents?

Library

2018/19 PERFORMANCE OBJECTIVES

1. To complete the planning and implementation of the City's 50th anniversary celebration in conjunction with Community Relations, Parks & Recreation and the Historical Commission. (*City Goal 1, 19, 26)*

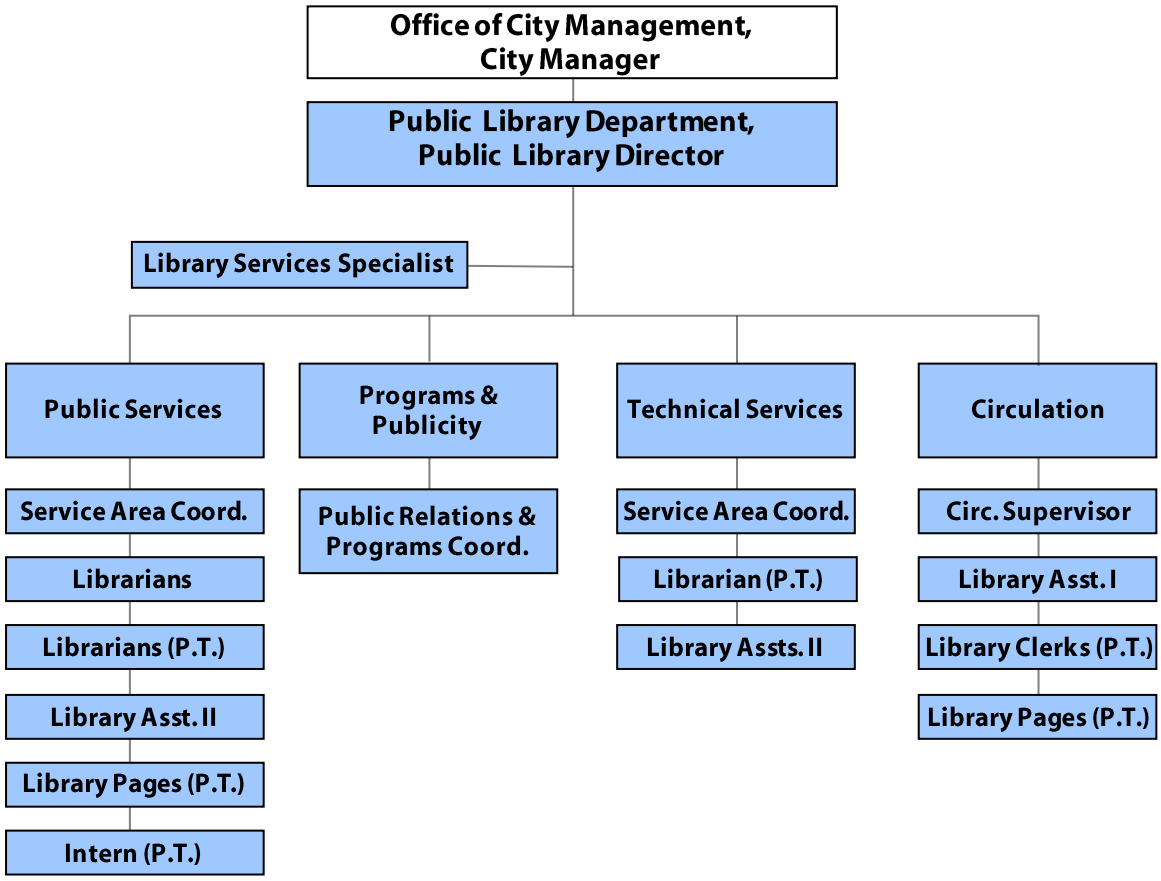
2. To continue to foster an environment of creativity to preserve and expand quality of life services in cooperation with the Parks & Recreation Department. *(City Goal 1, 19)*

3. To develop a five-year plan for the Library that focuses on service delivery and programming. *(City Goal 1, 2, 6, 19)*

4. To seek grants, community partnerships, and other sources of revenue to improve core library services. *(City Goal 1, 19)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Library Registered Borrowers	48,490	47,334	46,498	46,500	58,000	58,000
	Annual Library Attendance	376,007	385,398	314,813	275,000	250,000	250,000
	Total Collection of Lib. Materials (Excl. magazines)	247,485	249,466	254,804	257,000	257,000	260,000
	Items Circulated	536,038	548,414	536,321	540,000	540,000	540,000
	Program Attendance	16,322	20,209	23,208	20,000	23,000	23,000
	Reference & General Information Requests	65,368	65,587	64,893	64,000	64,000	64,000
	Hours of Library Operation Weekly	57.5	61.5	61.5	61.5	61.5	61.5
	Materials Added to Collection	21,257	19,011	17,628	19,000	17,500	17,000
	In-Library Use of Materials	60,279	54,742	39,714	40,000	40,000	40,000
	Items Processed for Loan to Other Libraries	72,109	70,606	62,818	64,000	64,000	64,000
	Items Processed for Receipt from Other Libraries	80,545	78,015	71,796	71,000	70,000	70,000
	Online & Electronic Database Usage	1,216,053	921,671	998,803	950,000	930,000	930,000
	Wireless Computer Users	92,285	114,533	131,721	120,000	140,000	150,000
	Outreach Loans by Library Van	3,259	2,833	2,797	2,900	2,800	2,800
Efficiency & Effectiveness	Registered Borrowers as a % of Population	37%	36%	35%	35%	44%	44%
	Library Materials per Capita	1.89	1.90	1.94	1.95	1.95	1.97
	Circulation of Materials per 1,000 Population	4,100	4,186	4,086	4,106	4,106	4,100
	% of Hold Material Requests Filled within 30 days	79%	81%	80%	82%	80%	80%
	% of Material Reshelved within 24 hours	98%	98%	98%	98%	98%	98%
	Full-time Equivalent Staff Per 1,000 Population	0.19	0.19	0.19	0.19	0.19	0.20
	Library Material Acquisition Costs Per Resident	$1.47	$1.48	$1.48	$1.51	$1.51	$1.54
	Library Cost Per Capita	$18.42	$19.03	$19.23	$20.71	$20.29	$21.64
	Total Cost Per Library Registered Borrower	$49.67	$52.66	$54.29	$58.57	$46.01	$49.16
	Activity Expenditures as % of General Fund	2.67%	2.77%	2.82%	2.90%	2.82%	2.71%

Library



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Public Library Director	1	1	1
Library Service Area Coordinator	2	2	2
Public Relations & Programs Coordinator	1	1	1
Librarian	2	2	3
Librarian (P.T.)	10	10	9
Circulation Supervisor	1	1	1
Library Services Specialist	1	1	1
Library Assistant II	3	3	3
Library Assistant I	1	1	1
Library Clerk (P.T.)	6	6	6
Library Page (P.T.)	10	10	10
Intern (P.T.)	0	0	1
Total	38	38	39

Library

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

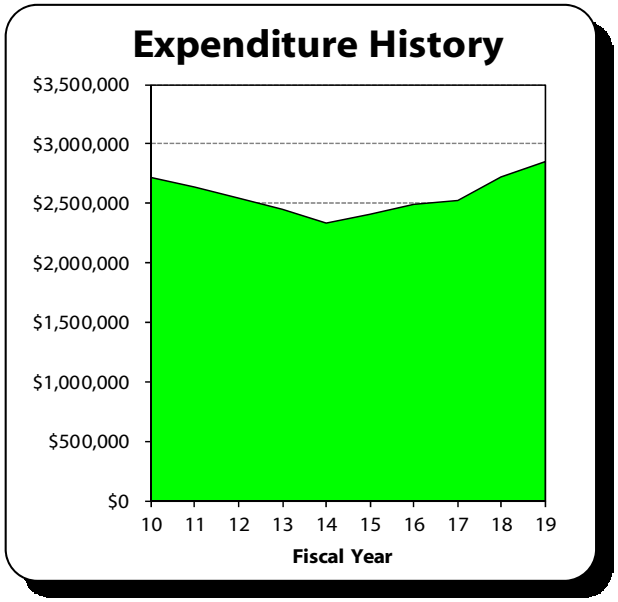
The total budget increased by 4.7%.

Personnel Services – Total Increase $120,480 or 5.4%

- $50,000 due to the conversion of one part-time Librarian to full time
- $50,000 due to contractual wage adjustments
- $21,000 due to required funding for pension liabilities

Supplies – Total Supplies decreased $850 or 0.4%. Operating supply costs decreased $4,750 primarily due to the one-time purchase of grant-funded iPads and replacement patron chairs in the prior year, and as fewer material processing supplies will need to be replenished. Increased funding to expand the Library's audiovisual collection is included for $4,900, while $1,200 in fewer books will be purchased.

Other Charges – Total Other Charges increased $7,880 or 2.8%. $4,440 was added due to an increase in the Library Cooperative membership fee, which is tied to higher state aid. Rental costs increased $2,370 due to rate increases from the Cooperative for the Library's computer system and maintenance fees. Funding increased $1,840 for existing online subscription services and to upgrade the wireless Internet service for five mobile Internet access devices. Telephone costs decreased $1,000 based on a reallocation of citywide telephone expenditures to the Information Technology office.



Capital – Total Capital of $14,000 is budgeted in the Capital Projects Fund for two StoryWalk Picture Book Displays that are used to display pages from a children's story along an outdoor path.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$2,041,175	$2,219,370	$2,161,320	$2,339,850	$2,339,850
Supplies	216,118	222,150	226,700	221,300	221,300
Other Charges	267,158	282,110	280,290	289,990	289,990
Total	$2,524,451	$2,723,630	$2,668,310	$2,851,140	$2,851,140

Police Department







FUNCTIONAL ORGANIZATION CHART

Police Department

Police Administration

- Administration of department's divisions
- Provides public information and responses to citizen complaints
- Coordinates departmental responses to litigation
- Coordinates all Police administrative and personnel activities as they relate to City business
- Monitors and processes all expenditures, including payroll
- Oversees budgeting and auditing for the department
- ***Community Services Bureau –*** provides crime prevention and public safety information
- ***Training Bureau –*** coordinates training, monitors changes in law, responds to lawsuits
- ***Special Investigations Bureau –*** conducts background investigations
- Investigates allegations of misconduct by department members
- Regulates the sale of alcoholic beverages
- ***Detention -*** responsible for the processing, housing and release of prisoners

Police Investigations

- ***Detective Bureau –***handles cases involving adults, case law, conducts follow-ups
- Investigates check fraud, serves warrants and performs technical polygraph examinations
- ***Youth Bureau –*** handles cases involving juveniles, case law, conducts follow-ups
- ***Crime Suppression Unit -*** enforces all controlled substance violations, gambling, prostitution and other vice crimes
- Conducts surveillances, apprehends people committing criminal acts

Police Operations

- ***Traffic Safety Bureau –*** investigates vehicle accidents, assists the injured, enforces traffic codes
- Coordinates all Crossing Guard activity with Warren Consolidated and Utica Community Schools
- ***Patrol Bureau –*** suppresses criminal wrong-doing, first response to emergencies, enforces State and City laws, maintains the peace, collects evidence, maintains canine program and oversees the Citizens on Patrol (COP) program.

Police Support Services

- ***Records Bureau –*** collects, analyzes and reports performance data, processes handgun permits, maintains evidence and property
- Inputs source documents into the department computer system and generates reports as required by various agencies
- Maintains files of active warrants for wanted persons and file jackets on all arrested persons
- ***Animal Control Unit –*** responds to and investigates animal nuisance complaints and violations

DEPARTMENT AT A GLANCE

Police Department

BUDGET SUMMARY

The Police Department budget increased $958,650 or 2.9%. Personnel costs increased $984,630 or 3.3% primarily due to the addition of two School Resource Officers, contractual wage adjustments, and an increase to the required funding for pension liabilities of $500,000. These increases were partially offset by savings due to staff turnover resulting in new hires at a lower wage rate. Supplies decreased $88,720 or 36.1% primarily due to the purchase of bullet proof vests and new officer uniforms in the prior year. Other Charges increased $62,740 or 2.2% primarily due to increased contracted costs for Macomb County Dispatch and the detention center. The training budget also increased $30,000 due to officer turnover.



FUNDING LEVEL SUMMARY

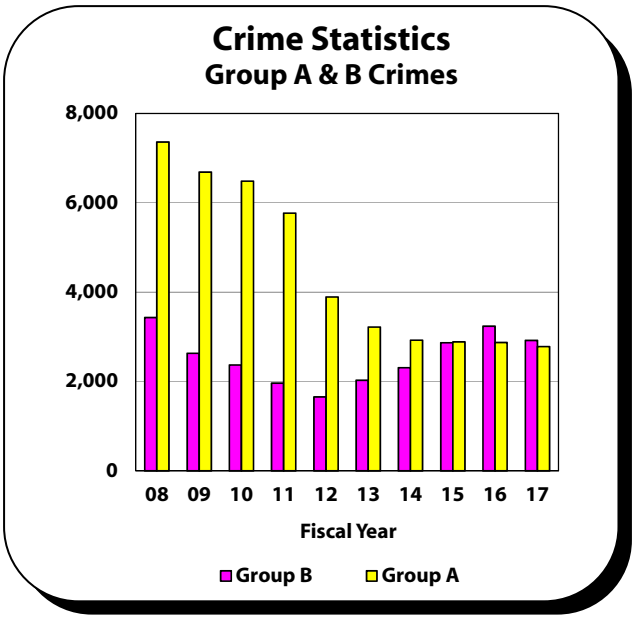
	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Police Administration	$4,905,920	$5,033,940	$5,227,910	$5,306,230	1.5%
Police Investigations	6,225,590	6,347,830	6,538,970	6,915,050	5.8%
Police Operations	20,276,870	18,701,540	19,656,310	20,004,530	1.8%
Police Support Services	1,526,880	1,531,610	1,652,030	1,808,060	9.4%
Total Department	$32,935,260	$31,614,920	$33,075,220	$34,033,870	2.9%
Personnel Services	$30,074,130	$28,683,780	$29,978,090	$30,962,720	3.3%
Supplies	161,830	161,590	245,470	156,750	-36.1%
Other Charges	2,699,300	2,769,550	2,851,660	2,914,400	2.2%
Total Department	$32,935,260	$31,614,920	$33,075,220	$34,033,870	2.9%

PERSONNEL SUMMARY

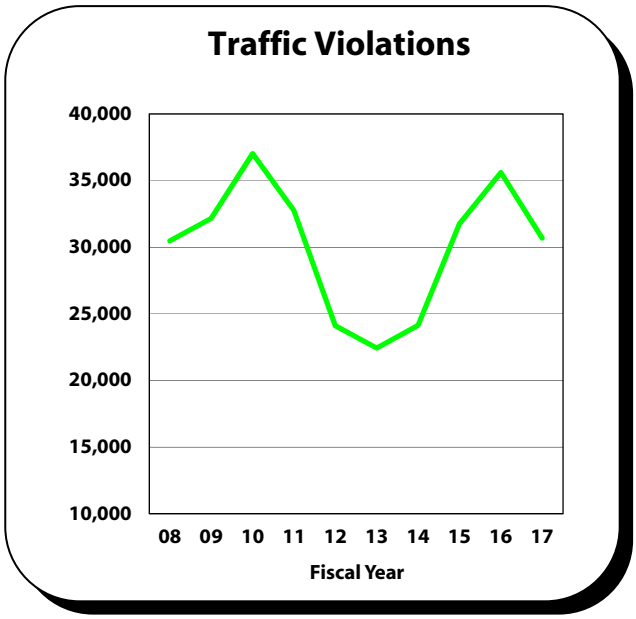
	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Police Administration	13	0	13	0	13	0	13	0
Police Investigations	35	0	36	0	37	0	38	0
Police Operations	113	30	112	30	111	30	111	30
Police Support Services	10	1	10	1	10	4	11	4
Total Department	171	31	171	31	171	34	173	34

KEY DEPARTMENTAL TRENDS

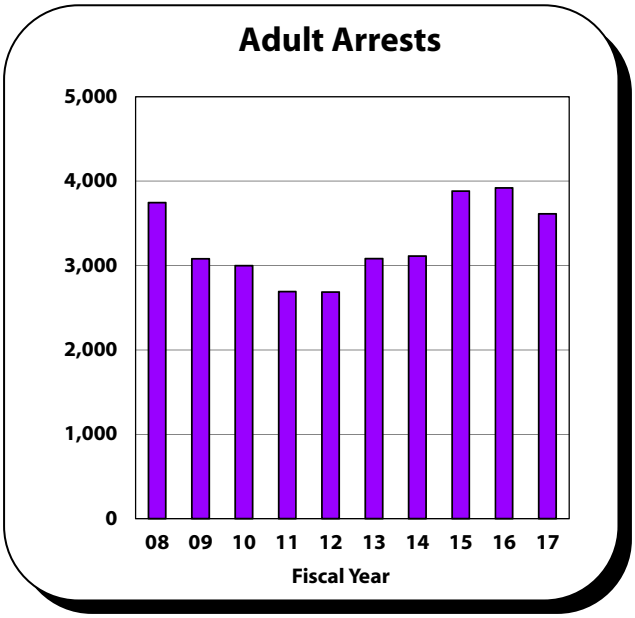
Police Department



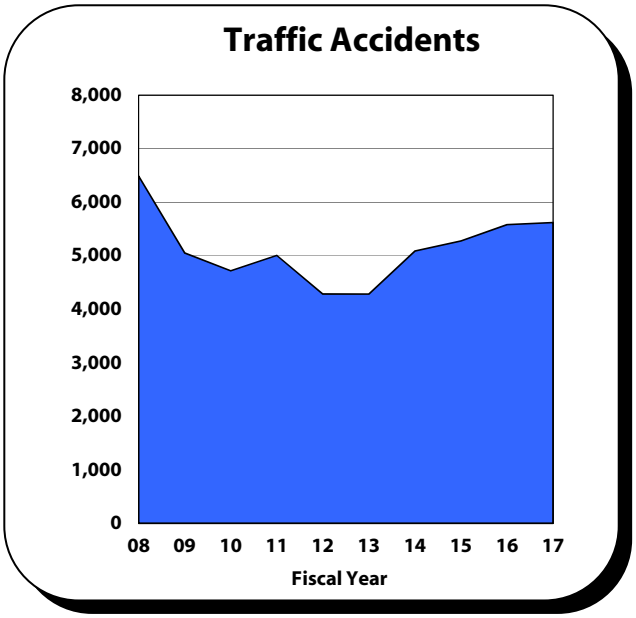
Group A and Group B crimes have decreased over the past ten years. As a result, the City's total crime statistics are lower than levels ten years ago. Group A crimes include murder, robbery, burglary, car theft, damage to property, larceny, and retail fraud. Group B crimes include assault, family trouble, OUIL and disorderly conduct.



Traffic violations rose as the department initiated a multi-faceted strategy to increase traffic enforcement by concentrating on high accident areas and those locations where residents expressed a concern. Additional officers also became radar certified.



This graph reflects the number of arrests in the City. After increasing for the prior four years, the number of arrests decreased this year to slightly below 2008 levels.



Despite an increase in traffic over the past ten years due to the growth in the City and in the surrounding northern communities, traffic accidents fell in 2012 to a 10-year low. The number of accidents has increased slightly in over the past four years due in part to increased distracted drivers from cell phone usage.

Police Administration

MISSION STATEMENT: ***To provide effective, efficient and ethical police services through the management of allocated human and physical resources.***

The Chief of Police is responsible for the overall management of police services in the community. Reporting to the City Manager, the Chief and his staff plan, organize and direct all Police Department operations to provide a safe and orderly environment for residents and visitors.

The Chief is assisted by three Captains who serve as commanders of the Department's divisions and report directly to him. The Chief is responsible for media relations and manages responses to citizen complaints and inquiries.

Under the direction of the Chief, the Special Investigations Bureau (S.I.B.) investigates allegations of serious misconduct by Police Department members, and incidents that may result in civil litigation. This Bureau also conducts background investigations of various applicants for employment and licensing. The Bureau also enforces laws regulating the sale of alcoholic beverages and prepares the Department's response to litigation.

Through a variety of training and educational mediums, the Training Bureau identifies training needs and provides officers with the necessary equipment to effectively perform their jobs. The training unit also organizes and oversees the Community Emergency Response Team (CERT).

The Administrative Captain and the Police Administration staff prepare the annual budget, monitor and process all expenditures, oversee audits and are responsible for the Department's inventory. This Division also administers personnel matters and processes the Department's payroll.■

KEY GOALS

- ***To provide leadership, coordination and support to the Department's four divisions.***
- ***To conduct thorough investigations on prospective City employees, liquor license applicants, and any internal allegations of serious misconduct.***
- ***To provide staff training in various areas of law enforcement to reduce liability and improve services.***
- ***To provide public education in areas of crime prevention, personal safety, and child protection.***
- ***To coordinate special projects that will provide for a more effective and efficient service to the public.***
- ***To coordinate crime fighting efforts with other law enforcement agencies, utilizing the latest in crime analysis software and technology.***
- ***To coordinate the citywide Emergency Response Program.***

Did you know…
…the Police Department has recently reinstated the Citizen's Police Academy and will run two sessions per year, where participants will get hands-on training and knowledge of all bureaus within the Police Department?

Police Administration

2018/19 PERFORMANCE OBJECTIVES

1. To train contract jail personnel in self-defense and prisoner search. *(City Goal 9, 11)*

2. To create a Facebook page for the Police Department instead of posting on the City's Facebook site. *(City Goal 24, 25)*

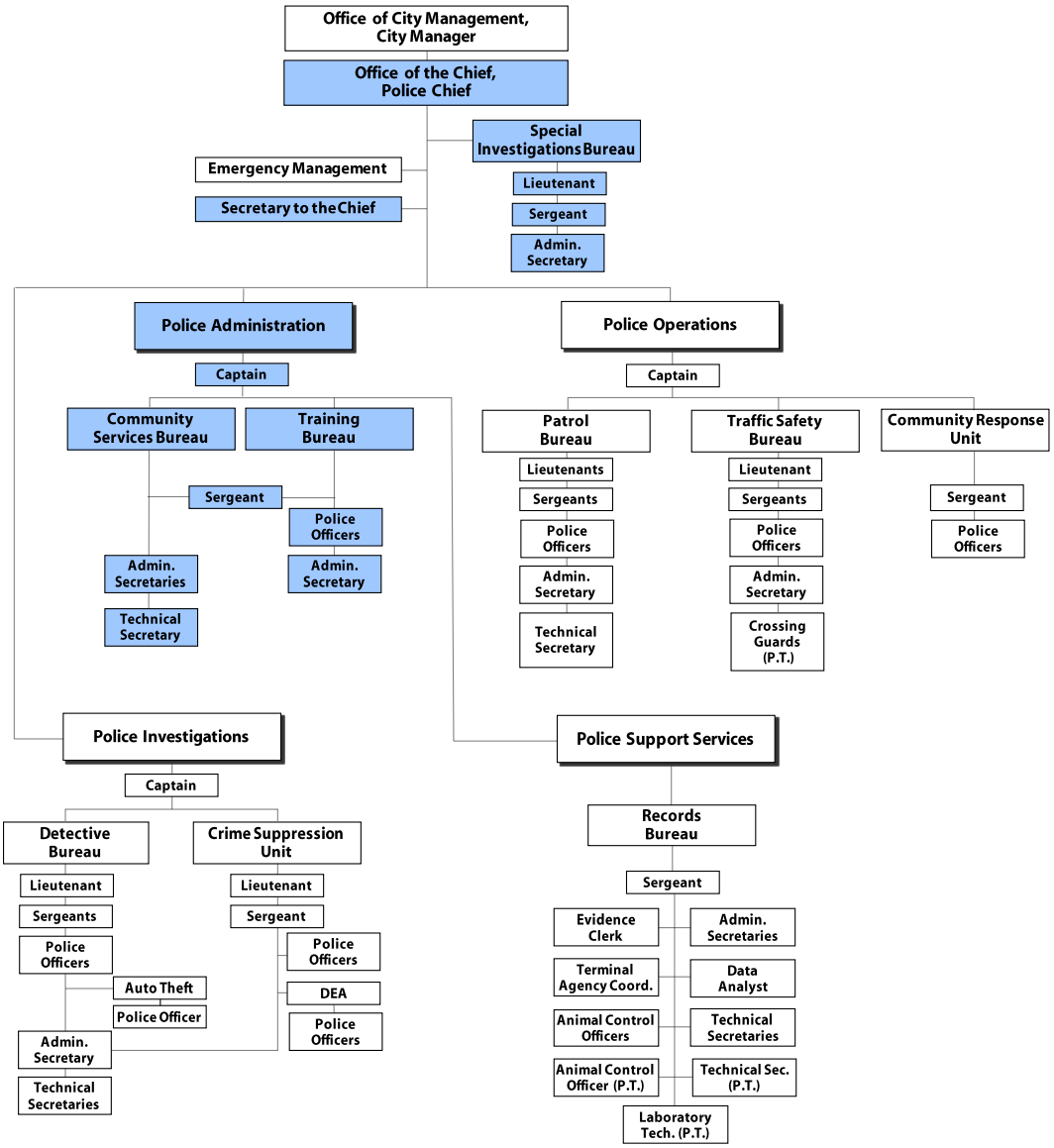
3. To better organize the Community Emergency Response Team (CERT) program and develop and implement an annual training schedule for CERT volunteers. *(City Goal 10, 11)*

4. To increase community safety presentations for citizen groups, businesses, and churches addressing any specific needs they may have. *(City Goal 10, 24)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Public Education Programs Presented	9	3	2	3	7	112
	Security/Safety Presentations	4	3	2	2	3	10
	Neighborhood Watch Programs	1	0	0	0	0	0
	Elementary and Middle School Programs	4	0	5	0	2	100
	Citizen's Police Academy Programs	N/A	N/A	N/A	1	2	2
	General Orders Issued or Amended	7	11	9	18	10	10
	School Safety Program - Students Impacted	850	0	0	0	350	1,000
	Training Seminars Attended - Department-wide	201	279	389	350	400	450
	Employment Background Investigations	109	89	107	100	91	60
	Internal Affairs Investigations	51	32	28	40	21	30
	Liquor License Background Investigations	11	25	9	10	11	10
	Other Special Investigations Bureau Investigations	1,270	1,261	1,124	1,200	1,150	1,200
	Liquor & Tobacco Inspections/Observations	123	134	132	140	129	130
	Liquor License Violations	1	0	0	5	0	5
	Citizen's Police Academy Participants	N/A	N/A	N/A	20	40	40
Efficiency & Effectiveness	FT Staff to Workers Comp./Disability Claims Ratio	4.0:1	7.9:1	7.4:1	5.0:1	5.0:1	5.0:1
	Employment Background Investigations - % Hired	61%	83%	88%	85%	76%	75%
	# of Complaints per Officer	0.3	0.2	0.2	0.0	0.0	0.0
	Average Cost of an Administrative Investigation	$497	$509	$535	*	*	*
	Average Liquor License or Tobacco Inspection Cost	$96	$93	$89	*	*	*
	Department Cost per Capita	$246	$251	$241	$252	$250	$258
	Division Expenditures as % of General Fund	4.00%	5.46%	5.63%	5.56%	5.58%	5.04%

** Cost is calculated for "Actual" columns only.*

Police Administration



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Chief	1	1	1
Captain	1	1	1
Lieutenant	1	1	1
Sergeant	2	2	2
Police Officer	2	2	2
Secretary to the Chief	1	1	1
Administrative Secretary	4	4	4
Technical Secretary	1	1	1
Total	13	13	13

Police Administration

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

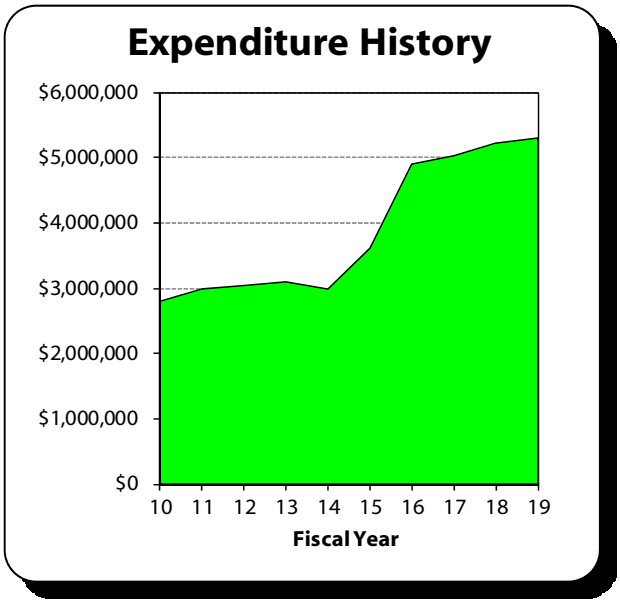
The total budget increased by 1.5%.

Personnel Services – Total Increase $104,500 or 4.9%

- $45,000 due to contractual wage adjustments
- $35,000 due to increased required overtime
- $31,000 due to required funding for pension liabilities

Supplies - Total Supplies decreased $88,720 or 36.1%, primarily for the one-time purchase of bullet proof vests and uniforms needed for new hires and existing officers, and grant-funded Special Response Team (SRT) equipment all funded in the prior year. $10,000 is funded for the purchase of t-shirts for participants attending the new SMART Moves school program. $1,320 was added for ammunition due to increased firearms training. Funding for dog care supplies increased $1,000 due to the addition of a Police K9 dog.

Other Charges – Total Other Charges increased $62,540 or 2.2%. Contracted services increased $49,950 primarily due to higher Macomb County Dispatch and detention facility contract costs. The training budget increased $30,000 for additional Command Officer and other specialized training that will be needed due to staff turnover. Funding for radio maintenance increased $5,500 to install a power line from the generator at Fire Station #5 to the CERT tower to ensure radio communication at all times. Telephone costs decreased $7,000 primarily due to a revised allocation of citywide telephone expenditures and the transfer of satellite phone charges for the Incident Command Vehicle to the Fire Department. $6,010 was saved due to lower maintenance costs for the new emergency warning sirens and the security camera system. Electric costs decreased $5,000 and heating costs fell $2,000, as both can be reduced and brought more in line with the recent year's estimated expenditure levels.



Capital – Total Capital of $43,600 is proposed. The Police Department is scheduled to receive 21 personal computers and three laptop computers totaling $21,600 to replace the existing five-year old units. $22,000 is budgeted in the Public Safety Forfeiture Fund to upgrade the Elevator Security Systems.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$2,104,322	$2,132,780	$2,212,000	$2,237,280	$2,237,280
Supplies	161,594	245,470	244,470	156,750	156,750
Other Charges	2,768,026	2,849,660	2,824,270	2,912,200	2,912,200
Total	$5,033,942	$5,227,910	$5,280,740	$5,306,230	$5,306,230

Police Investigations

MISSION STATEMENT: ***To deliver professional, effective and efficient investigative services to the community.***

The primary responsibility of the Investigations Division is the investigation and prosecution of criminal activity occurring within the City.

The Investigations Division consists of three squads of detectives. The Detective Bureau consists of two adult squads that investigate criminal activity involving persons 17 years of age or older. This includes the processing of arrest warrants, and the presentation of evidence in court as the prosecution moves forward. The Detective Bureau has one detective assigned to the Macomb Auto Theft Squad (MATS) full time and one detective assigned to the United States Marshals on a part-time, as-needed basis.

The Youth Bureau examines all law violations involving persons 16 years of age and younger, and works closely with the students, teachers and administrators of the secondary schools. The Youth Bureau is also responsible for the investigation and subsequent prosecution of all cases involving child abuse and neglect. The Youth Bureau also has a school resource officer assigned to Sterling Heights High School and the community resource officer is responsible for providing crime prevention education and serving as liaison for the Neighborhood Watch, Child Watch, and other community groups.

The Crime Suppression Unit is a group of detectives that enforces all controlled substance violations, gambling, prostitution and other vice crimes. Additionally, this unit coordinates with federal, state and local task forces to address organized drug trafficking issues, conduct surveillances, and apprehend persons actively committing criminal acts. This Unit also has personnel assigned to Drug Enforcement Administration and the medical marijuana task force.

The investigators assigned to this Division continually pursue training in all aspects of criminal investigation including: interviewing, legal update, violent crimes and the utilization of computers as investigative tools. This training is necessary to maintain and enhance the skills of the investigators. Victim assistance and citizen satisfaction are key objectives to our approach toward lessening the effects of crime on our community. Detectives work in close partnership with social response agencies, such as Turning Point, Macomb County Victims Assistance Unit, Forensics Nurses Examiner Program, and Crime Stoppers.■

KEY GOALS

- ***To quickly respond to complainants and/or victims.***
- ***To create a safer community through the vigorous enforcement of controlled substance laws and other vice crimes.***
- ***To assist school administrators in the creation of a safe and secure learning environment within the City's schools.***
- ***To foster close working relationships with other law enforcement professionals to accomplish the Division's mission.***
- ***To conduct timely and thorough investigations of criminal activity and process these cases through the appropriate criminal justice system.***
- ***To efficiently and effectively provide accurate and timely information to various entities in accordance with State statutes.***

Did you know…
…the Criminal Investigations Division assigned over 4,000 cases last year to be investigated and in the course of those investigations, over 26,000 interviews were conducted with citizens, victims and witnesses?

Police Investigations

2018/19 PERFORMANCE OBJECTIVES

1. To consolidate and purge stored documents and streamline document retention to improve workspace usage. *(City Goal 6)*

2. To develop a cooperative relationship involving Police, Fire, City Attorney, Court and City Departments to administer guidelines for medical marijuana enforcement and compliance. *(City Goal 2, 3, 6, 9)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Detective Bureau Cases Assigned	3,719	3,690	3,802	4,130	4,050	4,200
	Adult Investigative Cases	2,703	2,693	2,811	3,100	3,000	3,100
	Juvenile Investigative Cases	694	692	622	700	690	700
	In-Custody Cases	322	305	369	330	360	400
	Total Crime Suppression Unit Cases Assigned	702	654	675	750	665	715
	Auto Theft Investigative Cases	148	113	110	170	110	115
	Theft from Auto Invest. Cases (Incl. Parts/Access.)	141	126	155	140	165	180
	Narcotic/Vice Investigative Cases	413	415	410	440	390	420
	Total Interviews Conducted	26,430	24,887	24,095	26,700	23,900	24,800
	Suspect Interviews	5,174	4,323	4,436	5,000	4,900	5,000
	Witness & Informant Interviews	12,542	11,721	11,230	12,600	11,000	11,500
	Victim Interviews	8,714	8,843	8,429	9,100	8,000	8,300
	Arrest Warrants Obtained	1,241	1,525	1,486	1,550	1,300	1,400
	Search Warrants Obtained/Executed	551	605	621	645	700	720
	Criminal Surveillances	2,779	2,491	2,662	2,775	2,700	2,750
	Federal Forfeiture Cases Processed	5	90	51	45	45	50
	State Forfeiture Cases Processed	60	51	55	65	70	85
	School Resource Officers - # of Hours at Schools	1,450	1,450	1,450	1,450	2,378	4,350
	# of Students Served by School Resource Officers	1,650	1,650	1,600	1,600	5,330	5,330
	COPS Program Participants	25	25	25	25	25	25

Police Investigations

2018/19 PERFORMANCE OBJECTIVES

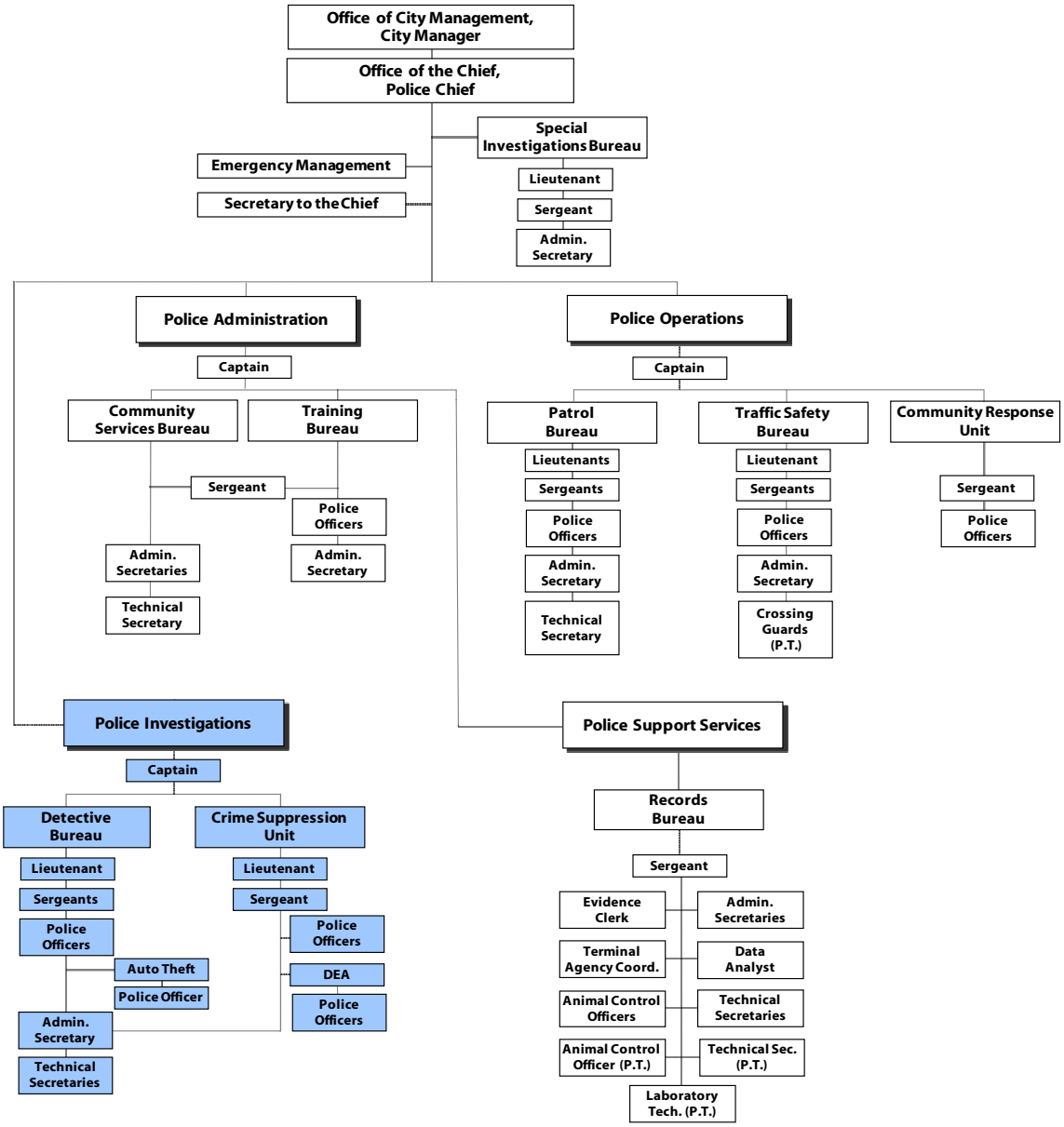
3. To redesign, remodel and improve the department's physical structure and layout in conjunction with the Facilities Improvement Plan. *(City Goal 1, 5, 6, 9, 10, 11)*

4. To bring interrogation rooms into compliance with legislative requirements. *(City Goa 1, 2, 5, 7, 10)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Efficiency & Effectiveness	% of Petitions Obtained vs. Requested	96%	97%	93%	95%	94%	95%
	% of Arrest Warrants Obtained vs. Requested	84%	86%	88%	87%	84%	85%
	Detective Bureau Cases per Investigator	248	246	253	242	238	247
	Crime Suppression Unit Cases per Investigator	117	109	113	125	111	119
	% of Part I Violent Crimes Cleared	59.0%	52.0%	60.0%	58.0%	55.0%	58.0%
	Part I Violent Crimes Cleared Per Sworn Dept. FTE	0.8	0.7	0.8	0.8	0.4	0.4
	Juvenile Arrests Violent Crimes - % of Total Arrests	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
	% of Part I Property Crimes Cleared	60.0%	40.0%	33.0%	50.0%	40.0%	40.0%
	Part I Property Crimes Cleared Per Sworn Dept. FTE	5.3	5.8	5.5	5.0	5.5	5.5
	Juvenile Arrests Property Crimes - % of Total Arrests	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
	Auto Theft Ratio Per 1,000 Population	0.9	0.8	0.8	1.3	1.0	1.0
	Average Cost to Conduct a Polygraph Examination	$436	$0	$0	*	*	*
	Average Cost to Investigate a Case	$559	$563	$546	*	*	*
	Division Expenditures as % of General Fund	6.49%	6.93%	7.10%	6.96%	6.88%	6.57%

**Cost is calculated for "Actual" columns only.*

Police Investigations



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Captain	1	1	1
Lieutenant	2	2	2
Sergeant	4	4	4
Police Officer	25	26	28
Administrative Secretary	2	2	1
Technical Secretary	2	2	2
Total	36	37	38

Police Investigations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.8%.

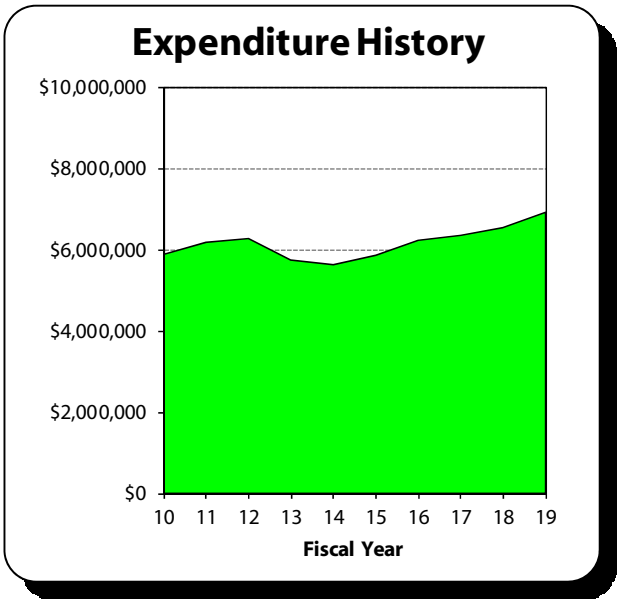
Personnel Services – Total Increase $143,280 or 2.2%

- $95,000 due to contractual wage adjustments
- $7,000 due to an increase in the annual contribution to the Retiree Health Savings Plan, as result of the recently settled labor contract
- $100,000 due to required funding for pension liabilities, Offset by:
- $71,000 savings due to the transfer of an Administrative Secretary to Police Support Services

Supplies – All Supplies for the Police Department are budgeted in Police Administration.

Other Charges – All Other Charges for the Police Department are budgeted in Police Administration, except miscellaneous expenses. Funding increased $200 due to an inflationary cost increase for investigative materials.

Capital – Total Capital of $212,660 is proposed. Twelve Tactical Vest Plate Carrier Systems are budgeted for $22,660 to replace worn protective gear that is over 10-years old. $50,000 is funded for Video Camera replacement and Software Upgrades in four police interview rooms. $140,000 is budgeted in the Public Safety Forfeiture Fund to replace five high-mileage investigative vehicles.



CITY COUNCIL'S ADJUSTMENTS TO THE PROPOSED BUDGET

Personnel Services – The budget increased $232,600 to fund the personnel costs of hiring two additional Police Officers to replace the two Officers assigned as School Resource Officers at Henry Ford II High School and Stevenson High School. Utica Community Schools will bear 50%, or approximately $170,000 of the total cost of the two School Resource Officers.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$6,346,903	$6,537,970	$6,516,590	$6,681,250	$6,913,850
Supplies	0	0	0	0	0
Other Charges	927	1,000	1,000	1,200	1,200
Total	$6,347,830	$6,538,970	$6,517,590	$6,682,450	$6,915,050

Only in American banks
can you find the pens chained to the counter
and the doors wide open.

~ Branden Kerr ~



Police Operations

MISSION STATEMENT: ***To function as the primary first responder to scenes requiring police assistance and enforcing laws in an effort to maintain a safe community.***

Police Operations is divided into two Bureaus: Patrol and Traffic Safety. The Division commander is a Captain who reports directly to the Chief of Police.

The Patrol Bureau is responsible for the suppression of all criminal wrongdoing. Patrol personnel are the first responders to most emergency situations. They conduct the initial investigation of all reported incidents of crime. The Evidence Technicians from within this Bureau locate and collect forensic evidence in support of criminal cases. Other responsibilities include maintaining peace, ensuring order at public gatherings, enforcing State and City laws and ordinances, and mediating disputes.

Two officers are assigned to the K-9 program. Two dogs are trained in narcotics and tracking. These officers and their partners are not only involved in criminal apprehension, but in the identification of illegal contraband. They have been recognized with national awards and honors.

The Traffic Safety Bureau investigates motor vehicle collisions, assists the injured, and impounds disabled vehicles at accident scenes. They enforce motor carrier laws, investigate abandoned autos, and are the primary traffic enforcement agency for state and local traffic codes.

This Bureau trains and maintains a cadre of part-time adult school crossing guards. These crossing guards ensure direct street safety for elementary and junior high students in grades K-9.

The Special Response Team (SRT) is a unit of Police Operations which reports to the Police Operations Captain. The SRT is responsible for special operations where appropriate, such as crisis negotiations, active shooter situations, hostage situations, barricade situations, sniper situations, high-risk apprehension, high-risk warrant service, and other highly tactical situations.

A Community Response Unit (CRU) is a unit of Police Operations which reports to the Police Operations Capitan. The CRU conducts focused directed patrols in both uniform and plain clothes in the areas of surveillance, gathering intelligence, and taking appropriate enforcement action in order to identify, arrest, successfully prosecute and otherwise deter criminal activity. The volunteer program, Citizens on Patrol (COP), also reports to the Police Operations Captain.■

KEY GOALS

- ***To suppress criminal activity; respond to crimes and emergencies; conduct preliminary investigations; and collect forensic evidence.***
- ***To enforce compliance with State laws, traffic laws, and local ordinances; and to arrest or cite violators as necessary.***
- ***To provide prompt and efficient service to the public.***
- ***To provide a safe environment for vehicular and pedestrian traffic by implementing effective traffic safety strategies and providing traffic and pedestrian safety information.***

Did you know…
…that seven officers of the Operations Division are a part of the Community Outreach Engagement Program (CORE), and help assist residents with concerns in their assigned patrol area?

Police Operations

2018/19 PERFORMANCE OBJECTIVES

1. To proactively patrol neighborhoods to deter crime using law enforcement officers and volunteers to keep the City of Sterling Heights one of the safest cities in the nation. *(City Goal 9, 10, 14, 26)*

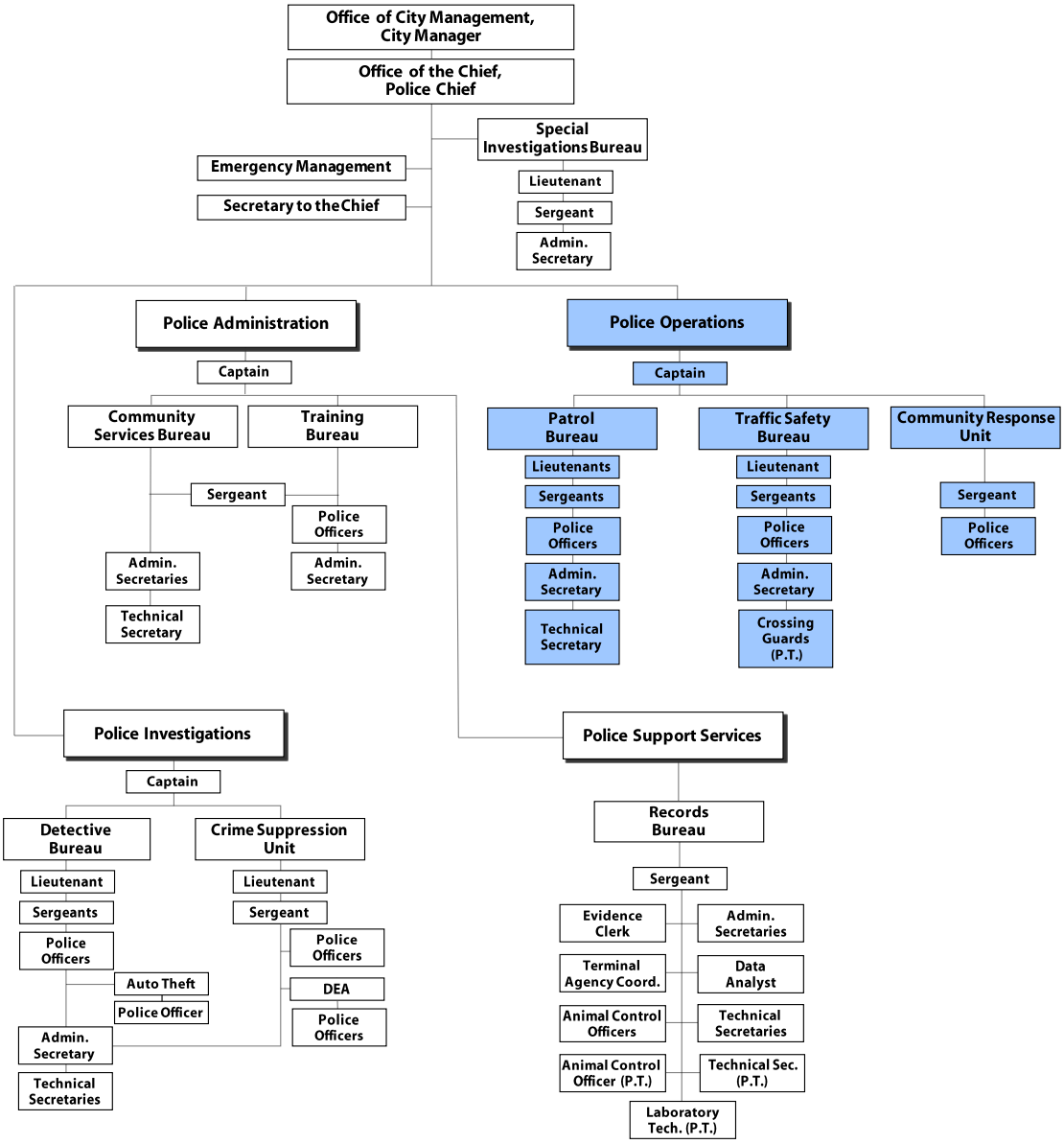
2. To stay current with law enforcement trends, including technology involving a drone, and methods of policing through training. *(City Goal 2, 7, 10, 23)*

3. To maintain a relationship of trust with the community and law enforcement officers by providing quality and innovative services, such as working with the Chaldean Foundation, and the Community Outreach Engagement Program (CORE). *(City Goal 1, 9, 11, 24)*

4. To provide an excellent level of service to the community using the best resources available including partnering with other public safety agencies such as Metro Macomb SWAT. *(City Goal 1, 6, 9, 11)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Police Incident Reports Completed	51,796	53,917	51,931	54,585	49,690	50,685
	Group A Crime Reports	2,885	2,871	2,782	2,875	3,058	3,119
	Group B Crime Reports	2,867	3,235	2,917	3,210	3,091	3,153
	Vehicular Accident Reports	4,577	4,644	4,793	4,900	5,029	5,130
	All Other Rpts. (incl. cases prev. not given case #)	41,467	43,167	41,439	43,600	38,513	39,283
	Adults/Juveniles Arrested	3,882/219	3,919/212	3,612/116	4,100/120	3,291/108	3,357/110
	Total Traffic Violations Issued	31,777	35,610	30,678	35,500	25,779	26,295
	Motor Carrier Violations Issued	640	274	135	250	47	48
	Residential Traffic Enforcement Violations	2,060	1,857	1,791	2,300	1,444	1,473
	SMART Radar Trailer Deployments	333	605	385	650	352	359
	K-9 Unit Deployments	257	167	113	140	131	134
	OUIL Arrests	204	169	138	180	155	158
	SWAT/SRT Call-outs	8	6	9	8	4	5
Efficiency & Effectiveness	Group A Crimes per 1,000 Population	22.1	21.9	21.2	21.9	23.3	23.7
	Group B Crimes per 1,000 Population	21.9	24.7	22.2	24.4	23.5	23.9
	% of Productive K-9 Deployments	98%	98%	98%	98%	98%	98%
	# of Incident Reports per Sworn Division Personnel	471	490	476	505	460	470
	# of Injury Traffic Accidents per 100,000 Pop.	728	992	964	810	741	756
	# of Traffic Fatalities Per 100,000 Population	5.0	9.0	5.0	8.0	5.0	5.0
	% of Total Sworn Personnel in Traffic & Patrol	74%	74%	74%	72%	70%	72%
	OUIL Arrests Per 1,000 Residents	1.6	1.3	1.1	1.4	1.2	1.2
	Division Expenditures as % of General Fund	21.87%	22.56%	20.91%	20.91%	20.44%	19.04%

Police Operations



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Captain	1	1	1
Lieutenant	4	4	4
Sergeant	16	16	16
Police Officer	88	87	87
Administrative Secretary	2	2	2
Technical Secretary	1	1	1
Crossing Guard	30	30	30
Total	142	141	141

Police Operations

SUMMARY OF BUDGET CHANGES

IGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 1.8%.

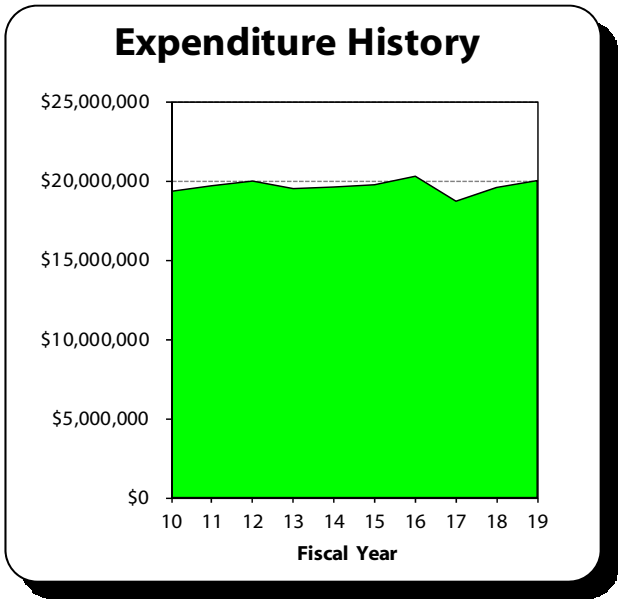
Personnel Services – Total Increase $348,220 or 1.8%

- $436,000 due to contractual wage adjustments
- $327,000 due to required funding for pension liabilities
- $50,000 due to an increase in the annual contribution to the Retiree Health Savings Plan, as a result of the recently settled labor contract.
- $50,000 increased overtime due to training requirements for new Police Officers; Offset by:
- $532,000 savings due to staff turnover resulting in new hires at a lower wage rate

Supplies – All Supplies for the Police Department are budgeted in Police Administration.

Other Charges – All Other Charges for the Police Department are budgeted in Police Administration, except miscellaneous expenses. Funding will remain the same at $1,000.

Capital – Total Capital of $1,130,820 is proposed. $750,000 is for the replacement of 265 portable and mobile 800 MHz radios to replace the current 11-year old radios for which repair service and parts are no longer available. $269,500 is budgeted to replace nine high-mileage traffic and patrol vehicles. $40,000 is for new vehicle light bars and equipment mounts to equip the new SUV patrol vehicles. $71,320 is budgeted in the Public Safety Forfeiture Fund and includes $25,250 for two replacement Motorcycles, $21,570 for one additional and one replacement dog for the K-9 unit, $20,760 for an Unmanned Aircraft System and related Software, $2,840 for a Traffic Data Collector, and $900 for the rental of Night Vision & Thermal Imaging Goggles.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$18,700,940	$19,655,310	$19,361,830	$20,003,530	$20,003,530
Supplies	0	0	0	0	0
Other Charges	597	1,000	1,000	1,000	1,000
Total	$18,701,537	$19,656,310	$19,362,830	$20,004,530	$20,004,530

Police Support Services

MISSION STATEMENT: ***To function as the Police Department's main information center.***

The Support Services Division is one of four divisions within the Police Department. The Division commander is a Sergeant who reports to a Captain. The Captain oversees the Records Bureau and the Animal Control Unit.

The Records Bureau serves as the information center for businesses, attorneys and the public. The Records Bureau collects, maintains, and distributes reports of crimes, incidents, vehicular accidents and other matters of interest to the public and those needed for police operations. Records personnel respond to all police-related document requests filed under the Freedom of Information Act. They receive, process and monitor file jackets pertaining to arrested persons. Records personnel input source documents into the Department's computer system and generate reports as required by the State of Michigan, the Federal Bureau of Investigations (FBI) and other Police Department personnel.

The Records Bureau also maintains the inventory of all recovered or confiscated property, items of evidence, impounded motor vehicles and property in conjunction with other City departments. Personnel process all applications for the purchase of handguns and concealed weapon permits.

The Computer Services function of the Records Bureau provides for the capture and retrieval of information designated by statute and/or the needs of the Department. The Lab Technician is responsible for processing all photographic evidence. This area assists other City departments in processing photographs and serves as a resource to the Department's Evidence Technicians.

The Animal Control Unit patrols, responds to and investigates reported violations of the City's Animal Control Regulatory Ordinance and other animal nuisance complaints.■

KEY GOALS

- ***To collect, maintain and disseminate information to the public as needed.***
- ***To input report information into the computer database in compliance with State and federal guidelines.***
- ***To properly receive, record and store property and criminal evidence.***
- ***To monitor, enforce and educate the public regarding the City's Animal Control Regulatory Ordinance and to impound stray or neglected animals as necessary.***
- ***To provide prompt, efficient service when public requests for service are received.***

Did you know…
…the Police Department's Animal Control Unit provides emergency care and service to domestic animals and wildlife affected by incidents in our community, and assists with the fostering of animals so they can find a new home?

Police Support Services

2018/19 PERFORMANCE OBJECTIVES

1. To reduce the backlog of 18,000 open investigative files that have accumulated in order to offer an efficient, progressive and high quality service delivery system that manages costs, maximizes revenues, empowers managers and employees, rewards success and encourages accountability and creativity. *(City Goal 3)*

2. To provide division training with Tyler Technology software, to ensure managers and employees have the tools and training needed to properly serve the community. *(City Goal 2)*

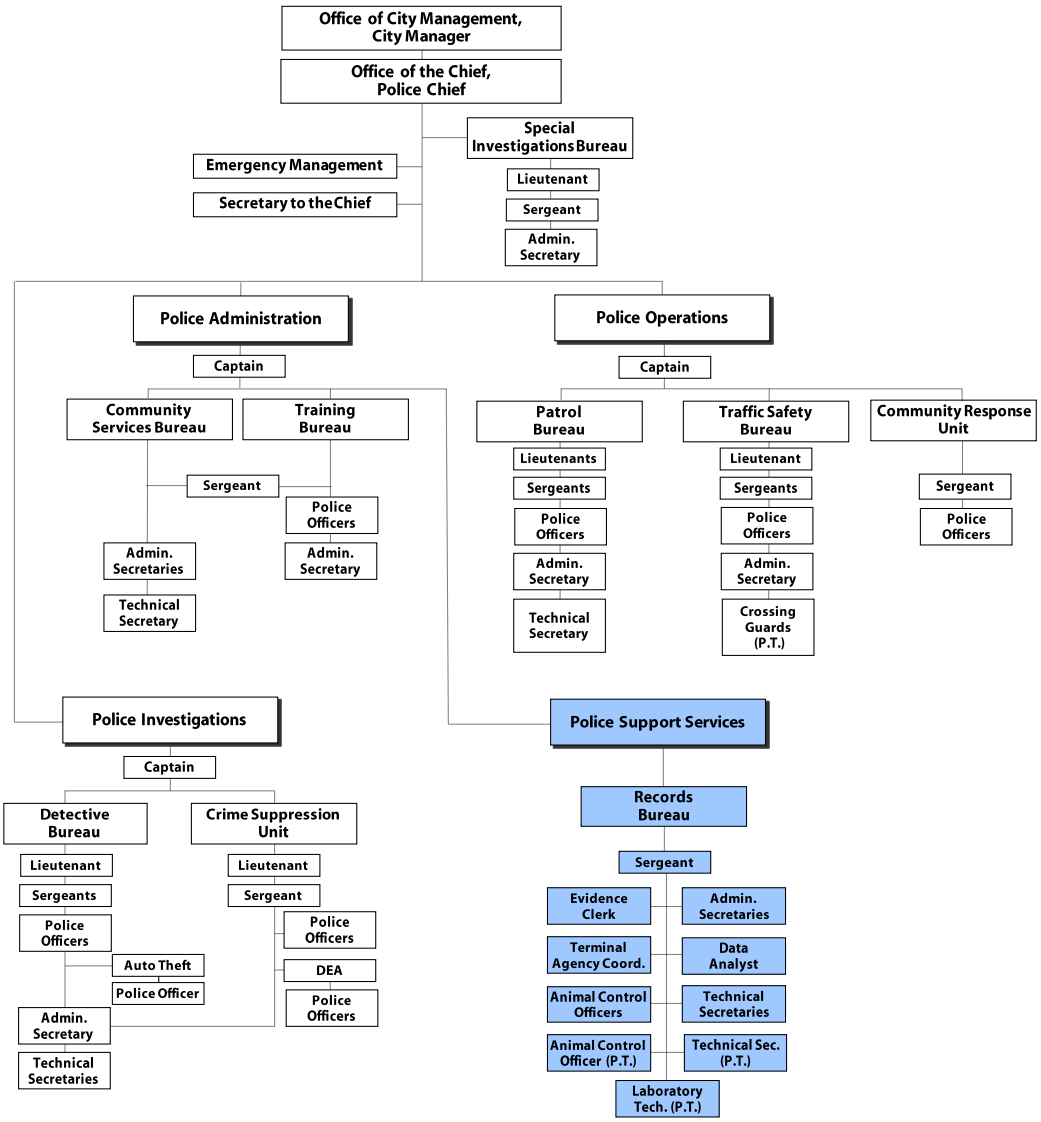
3. To decrease the quantity of paper reports stored on site by creating a high performance organization that adds value and continues to innovatively provide service and solve problems to achieve City goals. *(City Goal 6)*

4. To develop a community wide animal awareness group to assist in identifying and controlling the wildlife population within the City which will help to maintain property values and desirable neighborhoods. *(City Goal 14)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Incidents Processed into Computer	51,796	53,917	51,931	54,585	49,690	50,685
	Police Reports Provided on Request	7,537	7,097	6,625	8,000	6,400	7,000
	Gun Permits Obtained	3,333	4,094	3,703	3,600	3,500	3,600
	Responses by Animal Control	1,974	2,389	2,639	2,600	2,772	2,900
	Freedom of Information Act Requests	789	1,634	1,628	1,600	1,680	1,750
	Arrests Processed	4,101	4,131	3,728	4,220	3,399	3,470
	Pieces of Evidence Collected	2,880	3,025	3,004	2,900	3,100	3,300
Efficiency & Effectiveness	% of FOI Requests Responded to within Legal Limits	100%	100%	100%	100%	100%	100%
	Average Animal Control Response Time (Minutes)	35	35	35	35	35	35
	Average Cost of an Animal Control Response	$32.44	$31.88	$30.34	*	*	*
	Average Cost to Process a FOIA Request	$32	$36	$38	*	*	*
	Outsourced Dispatch Operations Cost	$0.5M	$1.7M	$1.7M	$1.7M	$1.7M	$1.8M
	Testing & Maintenance of Warning Systems (Hours)	20	20	20	20	20	20
	Division Expenditures as % of General Fund	3.26%	1.70%	1.71%	1.76%	1.78%	1.72%

** Cost is calculated for "Actual" columns only.*

Police Support Services



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Sergeant	1	1	1
Laboratory Technician (P.T.)	1	1	1
Evidence Clerk	1	1	1
Administrative Secretary	1	1	2
Data Analyst	1	1	1
Animal Control Officer	2	2	2
Animal Control Officer (P.T.)	0	0	1
Terminal Agency Coordinator	1	1	1
Technical Secretary	3	3	3
Technical Secretary (P.T.)	0	2	2
Co-op (P.T.)	0	1	0
Total	11	14	15

Police Support Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 9.4%.

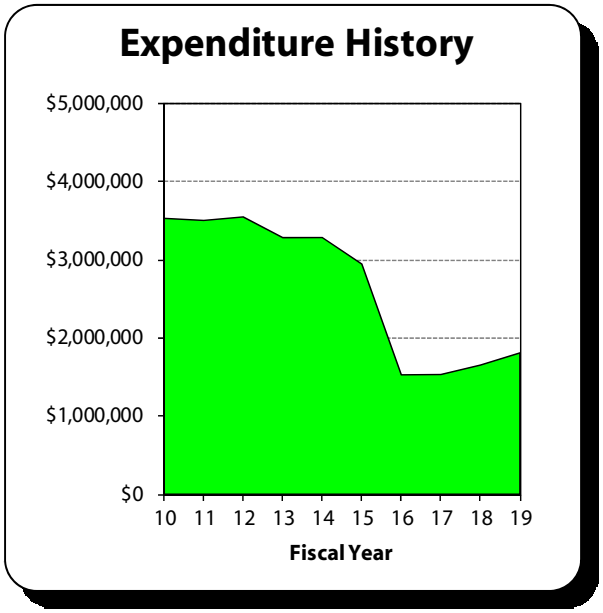
Personnel Services – Total Increase $156,030 or 9.4%

- $30,000 due to contractual wage adjustments
- $71,000 due to the transfer of an Administrative Secretary from Police Investigations
- $13,000 due to the addition of a part-time Animal Control Officer
- $15,000 due to changes in insurance coverages
- $41,000 due to required funding for pension liabilities; Offset by:
- $16,000 savings due to staff turnover resulting in new hires at a lower wage rate

Supplies – All Supplies for the Police Department are budgeted in Police Administration.

Other Charges – All Other Charges for the Police Department are budgeted in Police Administration.

Capital – Total Capital of $232,500 is proposed. $202,500 is budgeted to replace the final six Emergency Warning Sirens that require frequent repairs and are no longer dependable. $30,000 is budgeted in the Public Safety Forfeiture Fund for an Animal Control Van to be utilized by the new part-time Animal Control Officer.



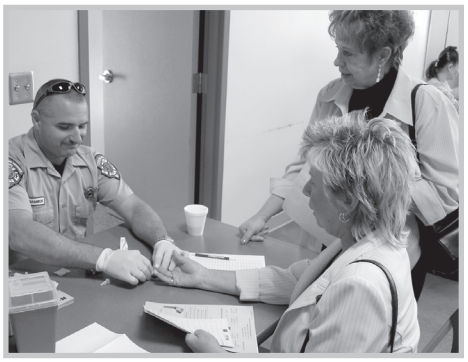
FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,531,613	$1,652,030	$1,684,990	$1,808,060	$1,808,060
Supplies	0	0	0	0	0
Other Charges	0	0	0	0	0
Total	$1,531,613	$1,652,030	$1,684,990	$1,808,060	$1,808,060

Fire Department







FUNCTIONAL ORGANIZATION CHART

Fire Department

Fire Administration

Administration Division

- Administration of department
- Plans and develops all fire programs
- Maintains knowledge of latest Fire Department management techniques
- Responsible for resource management
- Coordinates Safety Committee
- Serves as liaison to Fire Prevention Board of Appeals
- Coordinates all special assignments and duties
- Coordinates emergency management activities with Macomb County and City Departments

Training Division

- Studies and monitors all mandated training requirements
- Develops, coordinates and facilitates all fire personnel training
- Coordinates special public education training programs
- Monitors and maintains all training documentation, certifications and licenses
- Manages the department's training resources and teaching aids

Fire Extinguishment Division

- Saves lives and property from fire destruction
- Provides advanced and basic emergency medical technician care including transportation to the hospital
- Responds to hazardous material incidents, gas leaks, wires down, cave-ins, floods, vehicle accidents, etc.
- Responsible for pre-fire survey information
- Inspects and maintains fire apparatus

Fire Prevention Division

- Performs inspections of existing and new buildings
- Reviews building and site plans
- Performs fire investigations and complaint inspections
- Facilitates sprinkler system and fire alarm acceptance tests
- Performs inspections for the Michigan Department of Consumer and Industrial Services
- Enforces all fire codes and ordinances
- Coordinates public education training programs
- Maintains records of hazardous materials

DEPARTMENT AT A GLANCE

Fire Department

BUDGET SUMMARY

The Fire Department budget increased $401,890, or 2.1%. Personnel costs rose $404,400 or 2.2% primarily due to contractual wage adjustments, and an increase to the required funding for pension liabilities of $340,000. These increases were partially offset by a decrease in required overtime and insurance costs. Supplies decreased $49,330 or 13.6% primarily due to prior year funding of replacement SCBA air packs and EMS transport start-up costs. Other Charges increased by $46,820 or 7.1% due to an increase in expected medical billing volume as a result of higher transport revenue.



FUNDING LEVEL SUMMARY

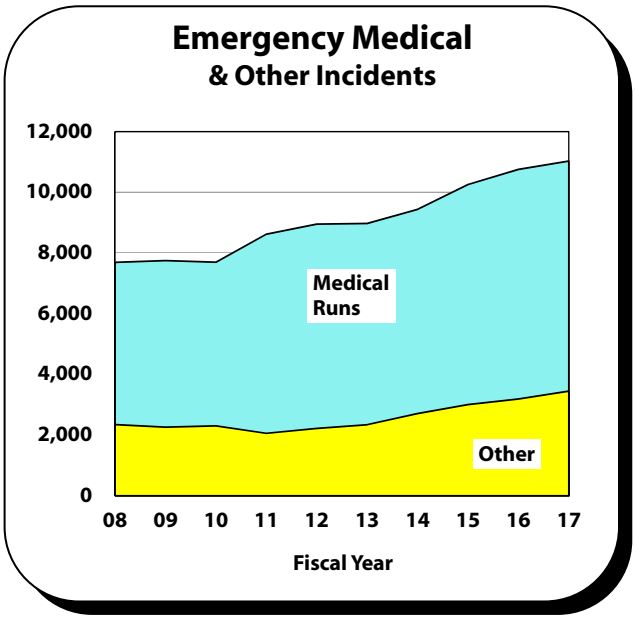
	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Fire Administration	$1,504,920	$1,487,740	$1,446,260	$1,496,710	3.5%
Fire Extinguishment	14,031,400	14,347,690	16,879,110	17,173,070	1.7%
Fire Prevention	1,048,990	1,034,960	1,068,430	1,125,910	5.4%
Total Department	$16,585,310	$16,870,390	$19,393,800	$19,795,690	2.1%
Personnel Services	$15,872,450	$16,240,070	$18,367,970	$18,772,370	2.2%
Supplies	178,320	160,220	363,240	313,910	-13.6%
Other Charges	534,540	470,100	662,590	709,410	7.1%
Total Department	$16,585,310	$16,870,390	$19,393,800	$19,795,690	2.1%

PERSONNEL SUMMARY

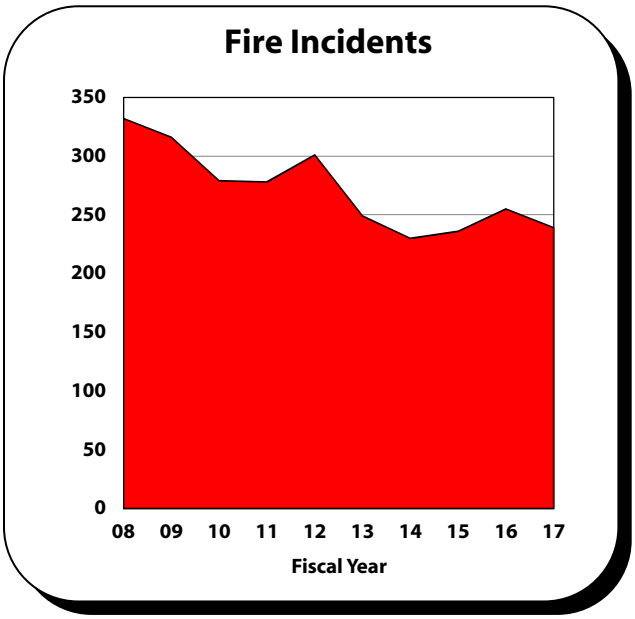
	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Fire Administration	8	0	8	1	8	1	8	1
Fire Extinguishment	75	0	75	0	90	0	90	0
Fire Prevention	5	0	5	0	5	0	5	0
Total Department	88	0	88	1	103	1	103	1

KEY DEPARTMENTAL TRENDS

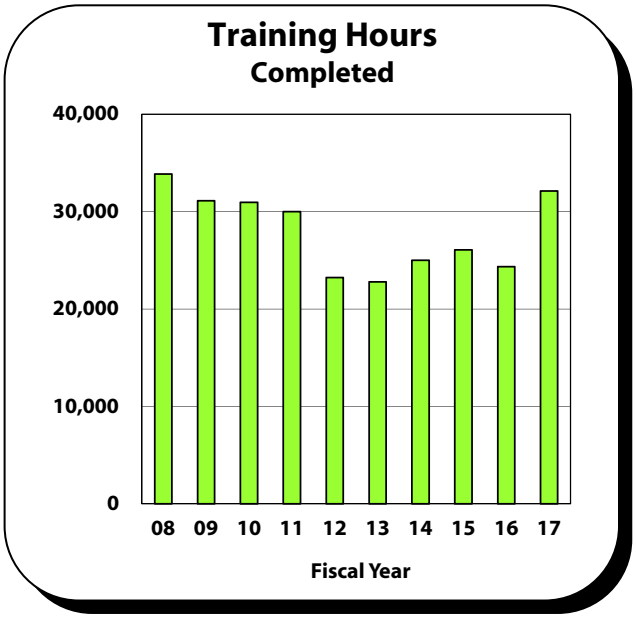
Fire Department



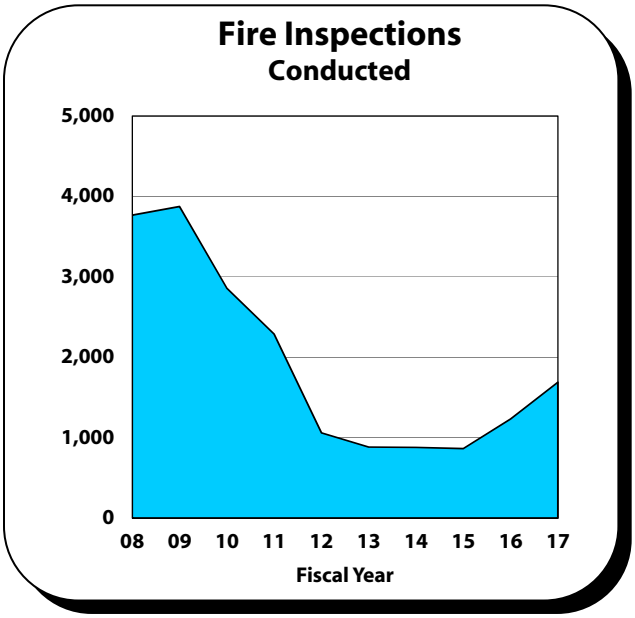
There has been an overall increase in the number of emergency medical runs and other incidents over the past ten years. The City's medical rescue services continue to receive high marks from patients and the survival rate of heart attack victims is one of the best in the nation.



Over the past 10 years, the number of fires has declined by 28%, reaching a low of 230 in 2014. The value of non-residential fire losses is $0.8 million, which is below national, state, and county averages. The City currently averages fewer than one fire incident per week at each of the City's five fire stations.



The City's firefighters devote many hours during the year toward in-house formalized training provided by the Fire Training division. In recent years, training has been necessary for Advance Life Support, Hazardous Materials, Building Collapse Rescue, Peer Fitness, and Weapons of Mass Destruction education. In 2017 training hours increased due to ISO requirements.



Fire inspections declined due to a decrease in the number of Fire Inspectors. In 2016, two additional Fire Inspectors were budgeted which increased inspections by 43%. The Department continues to annually inspect the high-risk structures, while routine inspections were changed to a biennial cycle. The Department also began limited in-company inspections performed by firefighters during their shift.

Fire Administration

MISSION STATEMENT: ***To reduce deaths, injuries, and property loss from fire, hazardous material incidents, emergency medical situations, and other disasters/emergencies.***

Fire Administration is responsible for supervising the prevention and extinguishment of fires and the protection of life and property against the hazards of fire in the City of Sterling Heights.

The Fire Chief directs the planning and development of all Fire Department programs.

In addition, the Fire Chief must keep informed of the latest fire techniques to develop policies that improve and enhance the operations of the Department. This will ensure that the Fire Department is providing the finest fire extinguishment and emergency medical service available to the City's residents.

The Fire Chief also serves as a liaison to the Board of Code Appeals. Within the Department, the Chief conducts weekly briefing sessions with divisional managers, holds monthly meetings with staff, and conducts semi-annual meetings with all Department officers. Maintaining discipline and adherence to Fire Department policies rests with the Fire Chief. The Fire Chief stays active with other agencies in the County and throughout the State to foster professional working relationships to ensure that mutual aid is efficient during times of need.

Resource management is another part of administration. Preparing the annual Fire Department budget is a large part as well as the ongoing process of revenue and expenditure monitoring. Administrative support for the entire Department lies within Fire Administration. The support staff maintains all records, files, and employee time records, coordinates public relations and educational activities, and performs word processing and mail distribution functions.

This activity includes the funding support of the Fire Training Division, which is headed by the Chief of Training, and is responsible for all firefighter training.

The Training Division develops, coordinates, facilitates, and conducts training to ensure that all personnel are proficient in the operation of all departmental equipment and technical skills. The State and federal governments, and the fire fighters' collective bargaining agreement have mandated new programs and standards. With these new standards, there are certain training packages that must be delivered, certification processes that must be met, standards that must be adhered to, and accurate documentation that must be prepared for all aspects of these programs.■

KEY GOALS

- ***To develop, deliver, evaluate, and document training of Fire Department members.***
- ***To ensure that training meets all federal, state and locally mandated requirements.***
- ***To develop, deliver, evaluate, and document public fire safety education.***
- ***To research and implement new equipment and procedures.***
- ***To budget for training facilities, supplies, training aids, and training staff.***

Did you know…
…that Ford Motor Company donates several brand new vehicles for firefighter training, which are then cut apart using the Jaws of Life to examine new vehicle construction methods and determine the most efficient way to rescue trapped victims?

Fire Administration

2018/19 PERFORMANCE OBJECTIVES *(Administration)*

1. To continually analyze all revenues and expenses associated with Advanced Life Support Transport to ensure a cost effective model is maintained. *(City Goal 1, 2, 3, 5, 6, 7, 8, 9, 11)*

2. To bring Hands Only CPR Training to as many residents as possible. *(City Goal 1, 3, 4, 6, 7, 8, 11)*

3. To work with the Macomb County Department of Roads to institute a traffic preemption program, coordinating all major intersection traffic lights with all fire apparatus to increase safety for all stakeholders. *(City Goal 1, 3, 6, 9, 11, 17)*

4. To transition the Safe Sleep Program to the Safe Baby/Safe Child Program. *(City Goal 1, 2, 4, 6, 9,10, 24)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Incident Reports Reviewed for Quality	13,588	14,293	14,805	14,600	15,600	15,800
	Employee Evaluations Conducted/Tracked	82	87	86	101	310	150
	APPO's and Standard Operating Guidelines Reviewed	172	193	204	250	260	250
	Freedom of Information Act Requests	42	60	54	55	62	60
	Staff/Battalion Meetings Conducted	12	14	12	14	14	14
	Presentations to Civic Groups/Organizations	14	12	14	10	10	20
	Students Receiving Fire Safety Tours	3,572	2,616	2,441	2,800	2,816	2,800
	Employee/Civilian Citations Processed	18	37	44	40	122	100
	Service Complaints Processed	14	19	15	15	17	20
	Safety Recommendations Implemented	7	8	10	12	12	12
	Residents Receiving Safe Sleep Education/Information	N/A	N/A	N/A	50	25	50
	Emerg. Responses/EOC Activations/Train. Exercises	2	2	2	2	3	3
Efficiency	% of Incident Reports Reviewed for Quality	100%	100%	100%	100%	100%	100%
	% Employee Evaluations Conducted on Time	100%	100%	100%	100%	100%	100%
	% of Safety Suggestions Acted Upon within 90 Days	100%	100%	100%	100%	100%	100%
	Department Cost per Capita	$133	$127	$129	$147	$144	$150
	Division Expenditures as % of General Fund	1.54%	1.67%	1.68%	1.54%	1.60%	1.42%

Fire Administration

2018/19 PERFORMANCE OBJECTIVES *(Training)*

1. To train personnel on EMS/ESO medical claims to improve efficiency, minimize expenses, maximize net billing revenue and ensure full compliance with regulatory agencies related to ALS transport. *(City Goal 1, 2, 3, 6, 8, 9, 11)*

2. To provide training to Fire Department personnel and residents to transition the Safe Sleep Program to the Safe Baby/Safe Child Program. *(City Goal 1, 2, 6, 9,10, 24)*

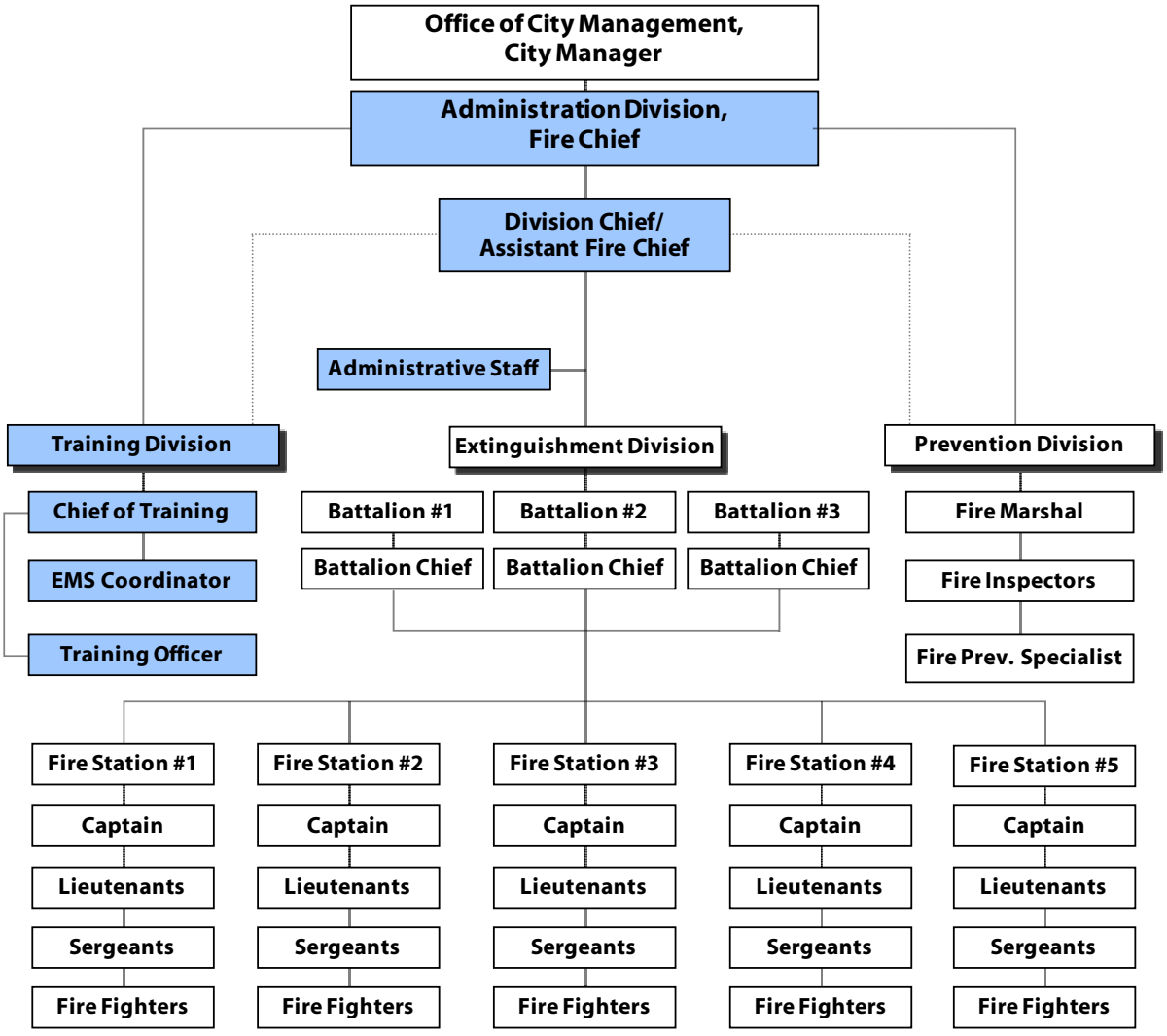
3. To train personnel in medical equipment asset tracking, whereby increasing inventory accuracy and reducing supply costs will eliminate problems with overstock and waste. *(City Goal 1, 2, 3, 6, 9)*

4. To provide Fire Department personnel with continued hands-on training, particularly live-fire training/strategy and tactics due to the increase in new firefighters with limited experience to better serve the community. *(City Goal 1, 2, 9, 11)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Formal Training Hours Coordinated	26,086	24,359	32,116	37,000	36,400	32,000
	Hours of Fire Officer Training	1,622	2,234	1,909	2,200	2,000	2,640
	Hours of EMS Training	4,656	2,360	3,930	2,900	3,300	3,100
	Hours of Fire Suppression Training	4,762	4,587	6,840	6,550	5,800	8,350
	Hours of Hazardous Materials Training	964	880	1,207	1,200	1,115	1,080
	Hours of Professional Development Training	1,436	1,210	1,609	1,050	1,349	1,100
	Hours of Physical Training	8,760	9,855	8,600	10,500	10,410	12,200
	Hours of Technical Rescue Training	1,794	1,379	1,634	1,300	1,400	1,400
	Hours of All Other Training	2,092	1,854	6,387	11,300	11,026	2,130
	Residents Receiving Formal Public Education	515	565	530	500	500	500
	Individuals Receiving CPR Instruction	127	257	476	200	210	500
	Paramedic/EMT License Applications Processed	32	28	27	31	31	35
	Procedures Developed and Updated	47	38	25	50	30	30
Efficiency	Days of Work Lost Due to Injury	60	61	4	50	100	50
	% of Right-to-Know Training Completed	100%	100%	100%	100%	100%	100%
	Avg. Training Hrs. Received per Sworn Personnel	314	287	378	370	364	320
	Training Division Cost per Fire Fighter	$2,960	$2,925	$3,028	*	*	*

**Cost is calculated for "Actual" columns only.*

Fire Administration



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Fire Chief	1	1	1
Division Chief/Assistant Fire Chief	1	1	1
Chief of Training	1	1	1
EMS Coordinator	1	1	1
Training Officer	1	1	1
Fire Services Specialist	1	1	1
Management Assistant	1	1	1
Administrative Assistant	1	1	1
Clerk Typist (P.T.)	0	1	1
Co-op (P.T.)	1	0	0
Total	9	9	9

Fire Administration

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

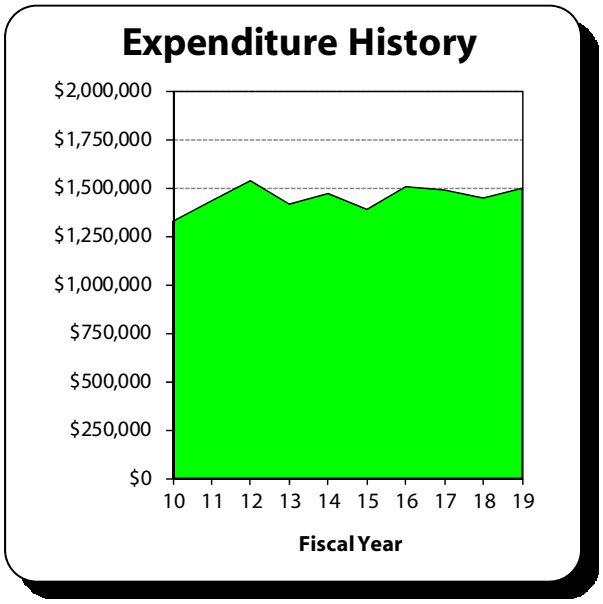
The total budget increased by 3.5%.

Personnel Services – Total Increase $59,850 or 4.5%

- $28,000 due to contractual wage adjustments
- $10,000 due to an increase in required overtime
- $22,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $4,490 or 17.9%. Operating supply costs increased $4,490 for the purchase of shirts and coveralls for the Civilian Fire Academy and for additional supplies to expand the Safe Sleep Program to include infants as well as older children. The increase was slightly offset due to the one-time funding of start-up materials and educational supplies for the Safe Sleep Program in the prior year.

Other Charges – Total Other Charges decreased $13,890 or 15.2%. Contracted services decreased $12,150 due to prior year reappropriated encumbrances and a partial reallocation of State radio user fees to Fire Extinguishment for the EMS transport radios. The decrease was offset by an increase for the potential cost of contracting two interns through an outside internship program, a slight increase in Internet access fees for field tablets, and the transfer of budgeted funds for Direct TV and Internet fees for the Incident Command Vehicle, which has been reassigned to the Fire Department. The training budget decreased $1,670 due to a prior year reappropriated encumbrance, offset by a slight increase for higher training costs. Printing costs decreased $960 as fewer updated department forms are needed. $630 was added for increased membership costs.



Capital – Total Capital of $478,000 is proposed. $410,000 is for the replacement of 116 portable and mobile 800 MHz radios to replace the current 11-year old radios for which repair service and parts are no longer available. $68,000 is for a replacement back-up Generator at Station #3.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,350,655	$1,329,730	$1,405,080	$1,389,580	$1,389,580
Supplies	16,472	25,020	24,950	29,510	29,510
Other Charges	120,611	91,510	84,940	77,620	77,620
Total	$1,487,738	$1,446,260	$1,514,970	$1,496,710	$1,496,710

You miss 100 percent of the shots you never take.

~ Wayne Gretzky ~

Fire Extinguishment

MISSION STATEMENT: ***To reduce deaths and limit pain and suffering through proper emergency medical services while preserving, protecting, and minimizing loss of property from fire.***

The primary function of the Fire Extinguishment Division is to save lives, minimize property from loss, and reduce the time needed to recover from medical emergencies, fires, and man-made or natural disasters in the City of Sterling Heights.

Fire Extinguishment Division personnel follow regulations, recommended practices, and guidelines of the Superfund Amendment Reauthorization Act (SARA), National Fire Academy's Incident Command System (NFA-IC), and the National Fire Protection Association (NFPA), to efficiently manage a wide spectrum of emergency events safely with the proper techniques and needed equipment.

The Division's three battalions respond to a wide variety of incidents including medical issues, hazardous material leaks and spills, down wires, vehicle accidents, cave-ins, floods, technical rescue, and much more in addition to providing fire protection service. Fire Extinguishment Division personnel also provide public education and fire safety programs to the residents of our community.

The Fire Department is transitioning into providing the transportation services for all emergency medical patients who need to be taken to the hospital. A cost effective program was developed to provide a significant increase in the service delivery of emergency medical services to our residents, with no increase in funding to the department. This should reduce response times to all incidents throughout the City.

This Division also performs pre-incident surveys of major buildings in the City to develop plans to reduce risk to personnel and damage to the facility in the event of fire or other destructive events.

Division personnel are responsible for the daily maintenance of all emergency response apparatus and the corresponding equipment. This also holds true for emergency medical equipment, as well as maintaining the five fire stations.

To maintain proficiency in multiple skills, firefighters attend daily training in emergency medicine, fire ground tactics and operations, vehicle accident victim extrication, search & rescue, hazardous materials, and emergency situation management. In addition to their training, firefighters receive the continuing education required to maintain their various levels of licensure and certification.

KEY GOALS

- ***To provide the highest quality fire protection possible thereby saving lives and property from the ravages of fire.***
- ***To provide the highest quality advanced life support delivery system possible thereby saving lives and minimizing the effects of medical emergencies and injuries.***
- ***To provide for community betterment through Fire Department sponsored public education.***

The Fire Extinguishment Division works diligently to provide skilled professionals to successfully mitigate emergencies and raise public awareness of safety, in a cost effective manner.■

Did you know…
…that it takes a firefighter less than 60 seconds to get dressed in protective turnout gear, which can weigh from 80 to 120 pounds?

Fire Extinguishment

2018/19 PERFORMANCE OBJECTIVES

1. To continue to work with AccuMed, the medical claims management provider, to improve efficiency, minimize expenses, maximize net billing revenue and ensure full compliance with regulatory agencies related to ALS transport. *(City Goal 1, 2, 3, 6, 8, 9, 11)*

2. To work with the community to provide education on proper infant safe sleep steps so that preventable infant deaths can be avoided. *(City Goal 1, 2, 6, 9, 11)*

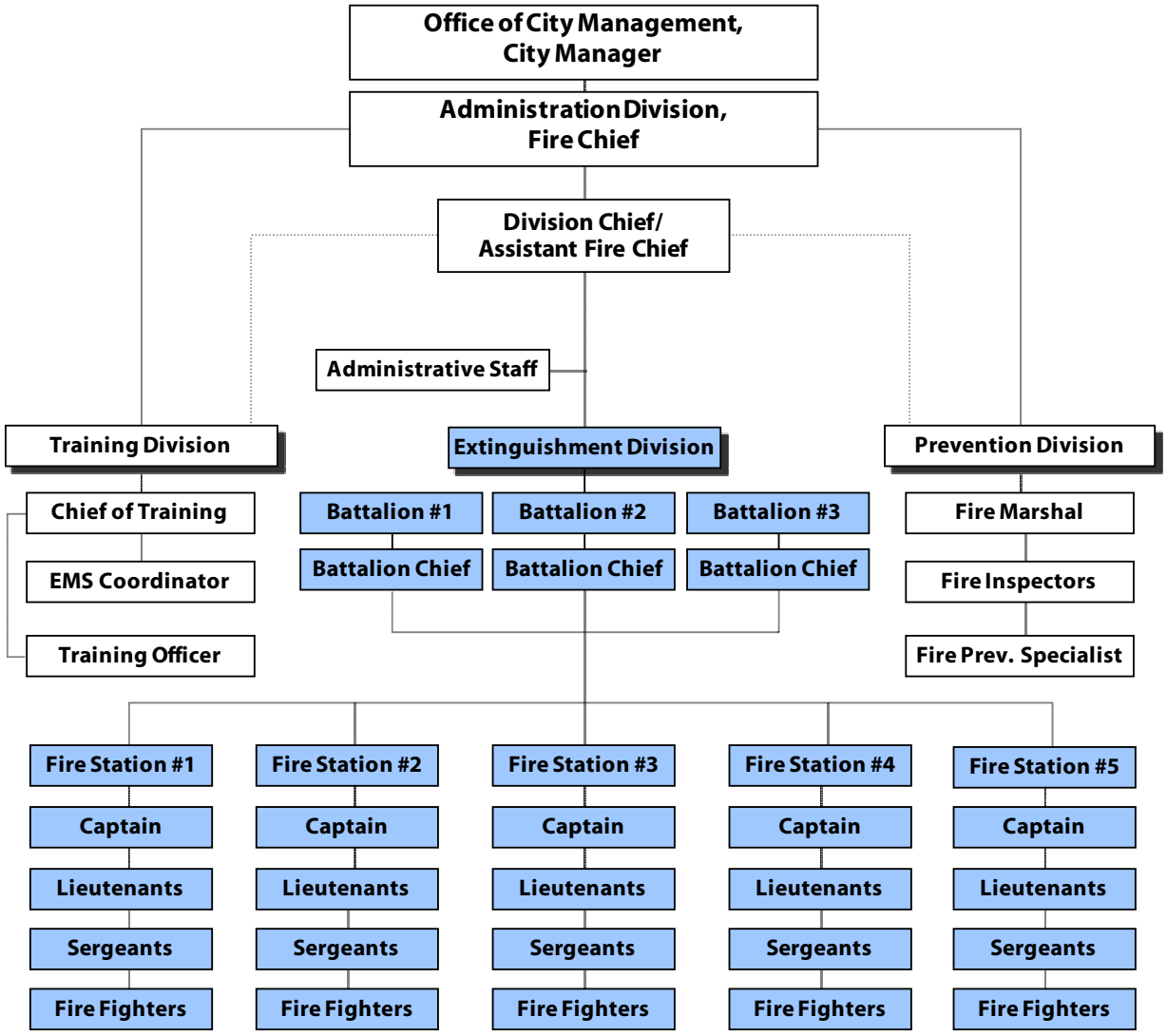
3. To streamline and implement medical equipment asset tracking, whereby increasing inventory accuracy and reducing supply costs will eliminate problems with overstock and waste. *(City Goal 1, 2, 3, 6, 9)*

4. To provide training to Fire Department personnel in the area of strategy/tactics in order to enhance overall emergency response due to the significant changes in employees and operations with the implementation of transport. *(City Goal 1, 2, 9, 11)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Fire Department Incidents	13,588	14,293	14,805	14,600	15,600	15,800
	Fire Incidents	236	255	239	275	256	275
	Hazardous Material Incidents	98	99	96	85	85	85
	All Other Incidents	3,001	3,186	3,445	3,250	3,659	3,740
	EMS-Related Incidents	10,253	10,753	11,025	10,990	11,600	11,700
	Total Patients Transported to Hospitals	N/A	N/A	N/A	7,050	7,050	10,700
	Priority 1 Patients	N/A	N/A	N/A	720	720	1,100
	Priority 2 Patients	N/A	N/A	N/A	3,650	3,650	5,600
	Priority 3 Patients	N/A	N/A	N/A	2,680	2,680	4,000
	Collection Recovery Rate/Avg. recovery per incident	N/A	N/A	N/A	70%/$300	70%/$300	70%/$310
	Transports handled by another agency	N/A	N/A	N/A	133	133	200
	Mutual Aid Provided/Received (Man Hours)	172/15	96/30	25/80	120/40	75/200	120/120
Efficiency & Effectiveness	Average Scene Time (Hours) per Fire/ALS Incident	.85/.30	.60/.30	.63/.30	.70/.30	.70/.28	.70/.30
	Fire Fighter Injuries/Deaths	44/0	43/0	31/0	0/0	26/0	0/0
	Civilian Fire Related Injuries/Deaths	11/1	7/0	7/3	0/0	5/0	0/0
	% of Emg. Incidents Responded w/i 5 Min. Fire/EMS	80%/76%	80%/74%	81%/70%	75%/75%	75%/75%	75%/75%
	Average EMS Response Time - Minutes	4.8	5.1	5.2	4.7	5.1	4.9
	Average Cost of an EMS Incident	$139	$135	$131	*	*	*
	Average Cost of a Fire Extinguishment Incident	$2,552	$2,463	$2,587	*	*	*
	Division Expenditures as % of General Fund	16.81%	15.61%	16.02%	17.95%	17.22%	16.31%

**Cost is calculated for "Actual" columns only.*

Fire Extinguishment



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Battalion Chief	3	3	3
Captain - ALS	5	5	5
Lieutenant - ALS	13	14	14
Lieutenant	3	2	2
Sergeant - FEO	9	9	9
Fire Fighter - ALS	30	45	45
Fire Fighter - FEO	12	12	12
Total	75	90	90

Fire Extinguishment

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

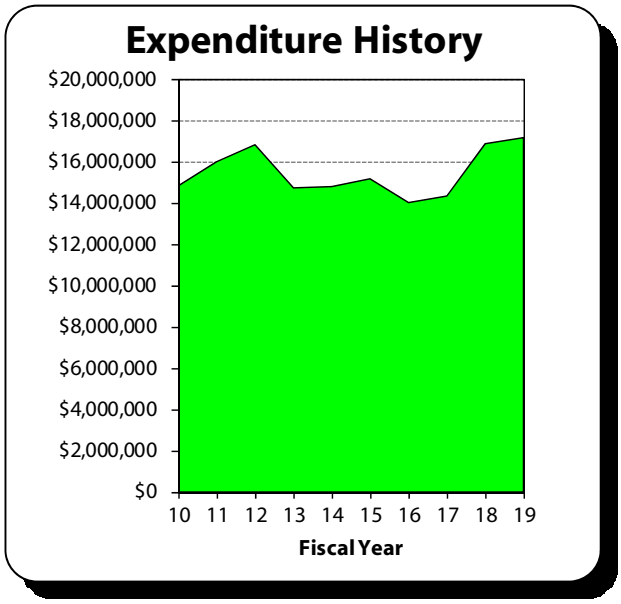
The total budget increased by 1.7%.

Personnel Services – Total Increase $287,070 or 1.8%

- $336,000 due to contractual wage adjustments
- $296,000 due to required funding for pension liabilities; Offset by:
- $140,000 savings due to changes in insurance from Family to Single coverage
- $200,000 savings due to reduced overtime needs

Supplies – Total Supplies decreased $53,820 or 15.9%, primarily due to the prior year funding of replacement SCBA air packs and cylinders, and EMS transport start-up costs. The decrease was partially offset by an increase for swift water rescue equipment and three firefighter protective body armor/ballistic vests. Fuel costs increased $2,090 based on a more accurate 12-month estimate for EMS transport services.

Other Charges – Total Other Charges increased $60,710 or 10.6%. Contracted services increased $43,460 primarily due to increased medical billing costs resulting from higher expected transport revenue. Funds are also included for higher internet access fees for ambulance radios and LifePak Monitors, State radio fees now allocated to Transport, higher medical waste disposal fees, and MDC modem charges previously budgeted in the Police Department. Rental costs increased $3,760 for the lease of five multifunction copiers to replace the existing printers at all five stations. The increase was partially offset as alarm monitoring is now budgeted in Facilities Maintenance and new washers and dryers will eliminate the need for a linen cleaning vendor.



Capital – Total Capital of $589,800 is proposed. $64,800 is for 18 Emergency Vehicle Traffic Preemption Devices to coordinate all major intersection traffic lights with all emergency fire apparatus. $500,000 is proposed to replace a 20-year old Fire Engine. $25,000 is for Commercial Washers/Dryers for all five stations.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$13,854,457	$15,969,810	$15,442,480	$16,256,880	$16,256,880
Supplies	143,746	338,220	345,190	284,400	284,400
Other Charges	349,483	571,080	526,710	631,790	631,790
Total	$14,347,686	$16,879,110	$16,314,380	$17,173,070	$17,173,070

Fire Prevention

MISSION STATEMENT: ***To ensure structures are built and maintained in accordance with the adopted fire prevention code and to reduce and ultimately, eliminate fire and life safety hazards through diligent code enforcement and public fire education.***

The Fire Prevention Division is responsible for the following duties and activities:

Inspections:
1. Existing buildings
2. New buildings
3. Fire systems

Plan Reviews:
1. Site
2. Buildings
3. Fire systems

Fire Investigations:
1. Photography
2. State/Federal Reporting
3. Arson Follow-up
4. Evidence Preservation

D.S.S. Fire System Acceptance Test Inspections:
1. Adult Foster Care
2. Child Day Care
3. Child Foster Care

State Inspections:
1. Clinics
2. Cooperative Inspections
3. Health Care Facilities
4. Schools

Public Fire Education:
1. Health Care Facilities
2. Senior Citizens
3. Industrial Personnel
4. Commercial & Mercantile Personnel
5. Child Fire Safety Programs in all schools
6. Juvenile Firesetter Intervention

This Division is also responsible for capacity inspections, complaint inspections and investigations, environmental hazard mitigation, fire emergency preparedness, and referrals to other City departments.

Fire Prevention personnel are actively involved in legislative improvements. The staff is active in the Oakland Macomb Fire Prevention Society, attends required certification training, schedules and attends meetings with Building, Planning, Engineering, Public Works, Police, and the Macomb County Health Department. Meetings are also held as necessary with architects and contractors.

KEY GOALS

- ***To reduce fire incident rates to the lowest achievable level in inspectable buildings.***
- ***To remove and ultimately eliminate fire hazards through diligent code enforcement efforts.***
- ***To educate the commercial/ business/industrial community in fire and life safety methodology.***
- ***To educate residents in fire safety practices thereby reducing residential fire incidents and ultimately eliminating fatal and large loss residential fires.***

The Fire Prevention Division prepares an annual report based on the files that are maintained throughout the year. This Division maintains files on all buildings located in the City.

The Fire Prevention Division is the lead division on all fire code enforcement and related issues and the coordination of efforts between the Fire Department and other City departments responsible for code and ordinance enforcement. The Fire Prevention Division uses a third party reporting company to ensure compliance to the fire code.■

Did you know…
…the Fire Department has an Insurance Services Office (ISO) rating of 2 out of 10, ranking in the top 3% of fire departments throughout the country, and this excellent rating may also reduce fire insurance premiums to residents?

Fire Prevention

2018/19 PERFORMANCE OBJECTIVES

1. To review, improve, and update all Fire Prevention regulations, utilizing the Fire Department website for business owner and contractor access. *(City Goal 1, 2, 9, 10, 14, 23, 25)*

2. To work in conjunction with the offices of Assessing and City Clerk to update the business and building registration process for owner and occupant contact information. *(City Goal 1, 2, 6, 10, 11, 12, 13)*

3. To review, improve, and update pre-fire plans for commercial businesses to help responders effectively manage emergencies to maximize protection for occupants, responding personnel and property. *(City Goal 1, 2, 9, 10, 11)*

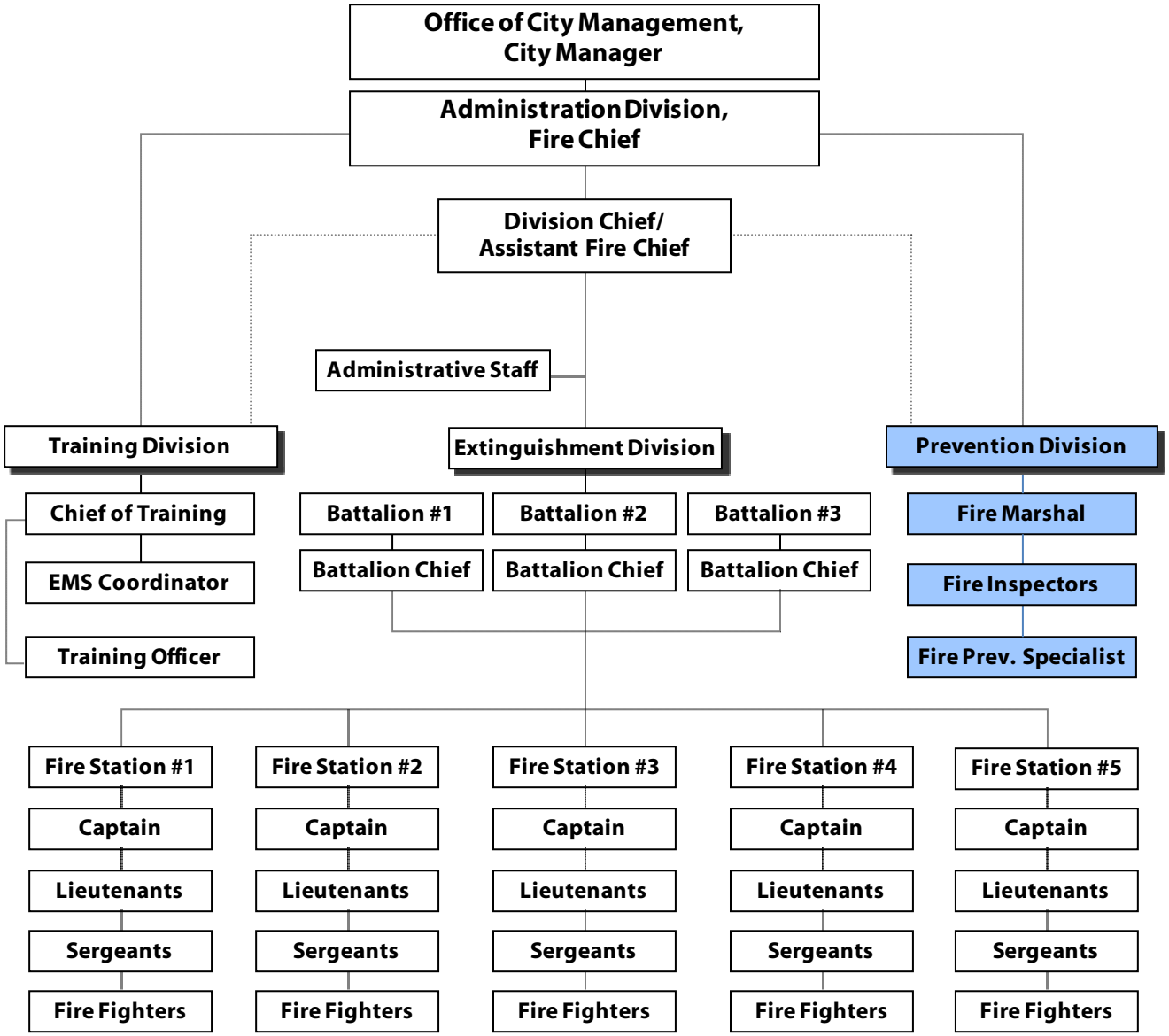
4. To update and maintain a registration process with requirements for fire protection contractors providing services to local businesses. *(City Goal 1, 2, 6, 9, 10, 25)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Inspections Conducted	863	1,232	1,688	1,810	1,690	1,680
	Use Permit, Bldg. Permit & General Inspections	345	508	708	800	808	800
	Specialty License & Hazardous Bldg. Inspections	94	138	118	100	132	130
	Witnessed Acceptance Test Inspections	99	100	108	110	80	80
	Reinspections of Violations	194	240	453	400	352	350
	Citizen Assistance Inspections	47	90	92	100	18	20
	In-Service Company Inspections	84	156	209	300	300	300
	High Risk & Complex Code Enf. Issues/Total Hours	N/A	N/A	12/960	14/112	18/144	18/144
	IROL's Submitted & Reviewed	290	380	400	900	900	1,000
	Violations Discovered and Issued	1,215	2,433	2,472	2,500	2,516	2,500
	Investigations (Fire and Other)/Total Hours	29/261	27/243	28/252	25/225	30/270	30/270
	Plan Reviews (sites, buildings, alarms)	106	100	161	120	28	100
Efficiency & Effectiveness	% Bus. Receiving Violations during Inspections	99%	99%	99%	99%	99%	99%
	Value of Non-Residential Fire Loss	$753,000	$1,066,725	$799,100	$500,000	$17,000,000	$500,000
	% of Solicited Inspections Performed w/i 1 Day	80%	80%	80%	80%	80%	80%
	% of Inspectable Occupancies Experiencing Fires	0.32%	0.27%	0.32%	0.50%	0.31%	0.30%
	Inspections Conducted Per Inspector/Marshal**	390	307	423	430	400	400
	% of Site Plans Reviewed within 20 Days	90%	90%	100%	100%	100%	100%
	Average Plan Review Cost	$225	$227	$220	*	*	*
	Division Expenditures as % of General Fund	0.89%	1.17%	1.16%	1.14%	1.17%	1.07%

**Cost is calculated for "Actual" columns only.*

***Excludes In-Service Company Inspections.*

Fire Prevention



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Fire Marshall	1	1	1
Fire Inspector	3	3	3
Fire Prevention Specialist	1	1	1
Total	5	5	5

Fire Prevention

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.4%.

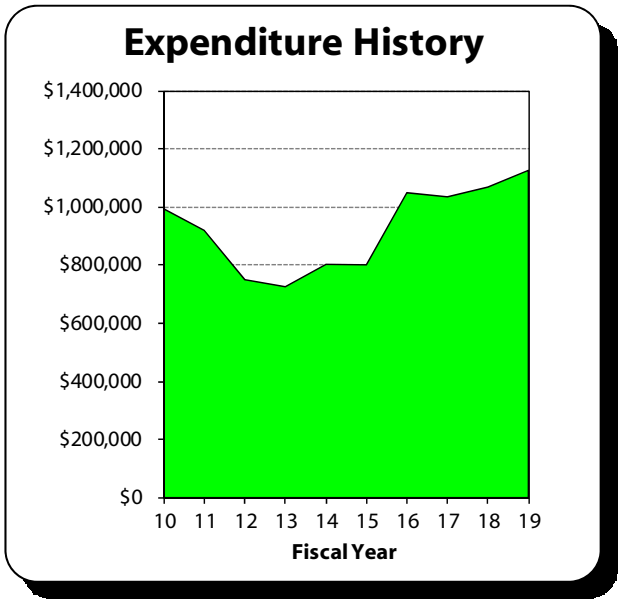
Personnel Services – Total Increase $57,480 or 5.4%

- $23,000 due to contractual wage adjustments
- $9,000 due to an increase in the amount of personal time bought back
- $22,000 due to required funding for pension liabilities

Supplies – All Supplies for this division are budgeted in the Fire Administration division.

Other Charges – All Other Charges for this division are budgeted in the Fire Administration division.

Capital – There is no Capital proposed for this division.



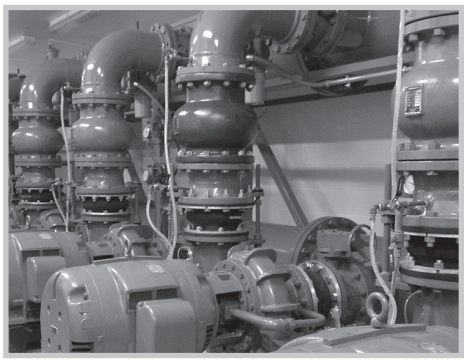
FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,034,961	$1,068,430	$1,111,290	$1,125,910	$1,125,910
Supplies	0	0	0	0	0
Other Charges	0	0	0	0	0
Total	$1,034,961	$1,068,430	$1,111,290	$1,125,910	$1,125,910

Public Works Department

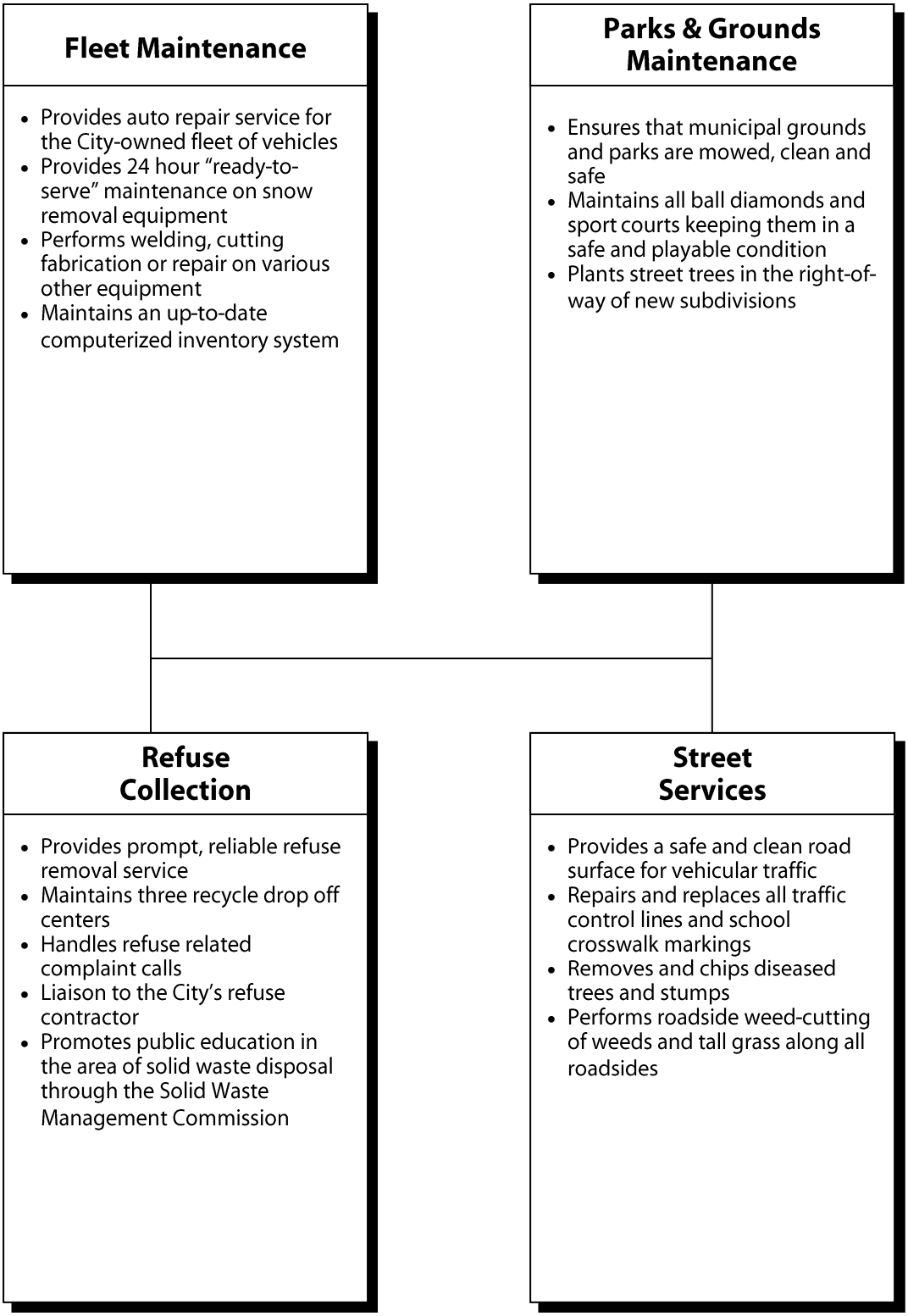






FUNCTIONAL ORGANIZATION CHART

Public Works Department



DEPARTMENT AT A GLANCE

Public Works Department

BUDGET SUMMARY

The Public Works budget increased by $299,220 or 4.4%. Personnel costs increased $264,860 or 5.9% primarily due to contractual wage adjustments and the addition of a full-time Parks & Grounds Laborer. Required funding for long-term pension liabilities increased $50,000. Supplies decreased $47,840 or 3.2% due to a decrease in fuel costs. Other Charges increased $82,200 or 9.4% due to higher irrigation costs for City parks, athletic fields, and rights-of way. This increase was partially offset by the transfer of the noxious weed cutting program to City Development.



FUNDING LEVEL SUMMARY

	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Fleet Maintenance	$2,648,400	$2,593,770	$2,866,030	$2,876,990	0.4%
Parks & Grounds Maint.	1,373,600	1,429,620	1,442,180	1,608,770	11.6%
Public Works Center	187,440	206,670	226,500	174,400	-23.0%
Street Services	2,070,450	2,151,300	2,324,830	2,498,600	7.5%
Total Department	$6,279,890	$6,381,360	$6,859,540	$7,158,760	4.4%
Personnel Services	$4,206,220	$4,118,520	$4,502,200	$4,767,060	5.9%
Supplies	1,380,830	1,364,830	1,485,890	1,438,050	-3.2%
Other Charges	692,840	898,010	871,450	953,650	9.4%
Total Department	$6,279,890	$6,381,360	$6,859,540	$7,158,760	4.4%

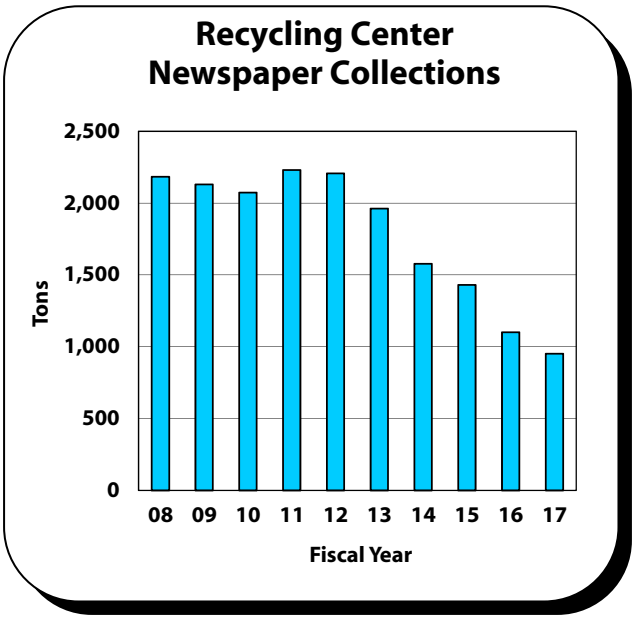
Excludes Refuse Collection.

PERSONNEL SUMMARY

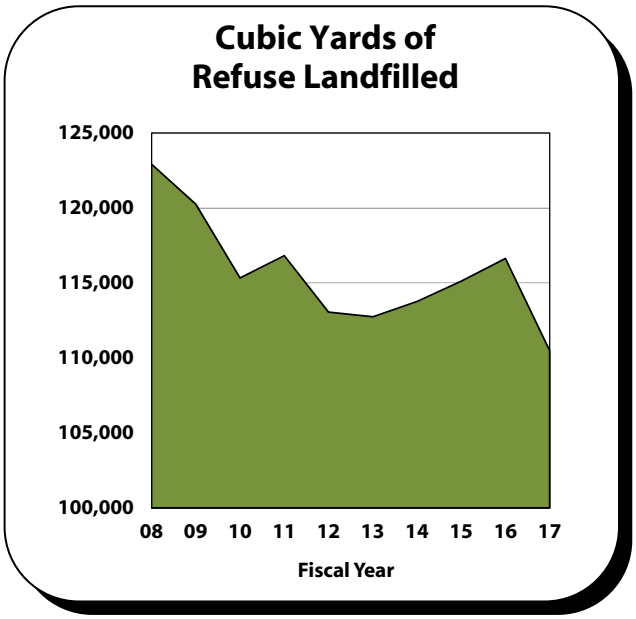
	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Fleet Maintenance	11	1	11	1	12	1	12	1
Parks & Grounds Maint.	5	12	5	12	5	12	6	13
Refuse Collection	0	5	0	5	0	5	0	4
Street Services	19	6	18	6	18	6	18	6
Total Department	35	24	34	24	35	24	36	24

KEY DEPARTMENTAL TRENDS

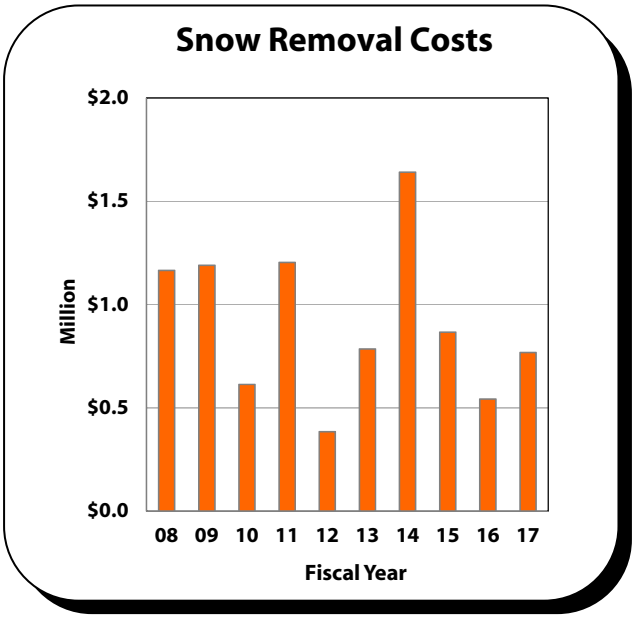
Public Works Department



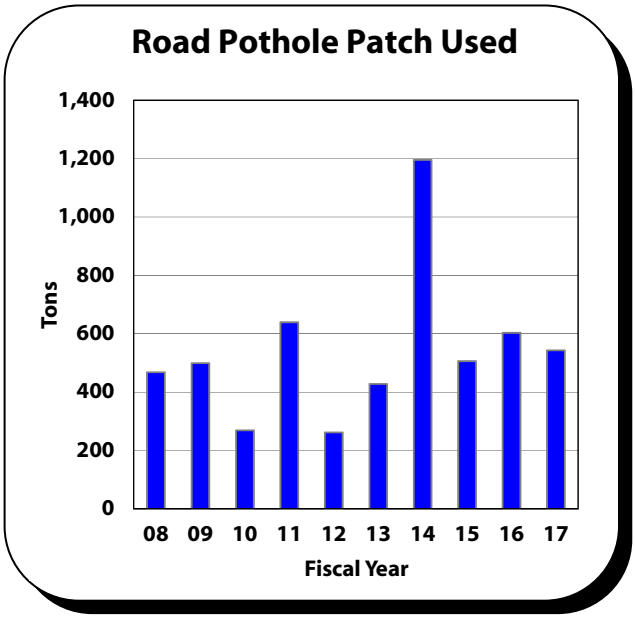
The amount of newspaper recycled at the three drop-off recycling centers has declined due to the growth in the number of non-city newspaper recycling sites and the subscription based curbside recycling program initiated in 2013. The average homeowner pays only $72 per year for trash pickup, which is much lower than most communities. Only five cities in a national study had a lower recycling cost per ton recycled.



The number of cubic yards of refuse landfilled declined to 110,490 in 2017, its lowest in more than 10 years. Fewer apartment complexes and mobile home parks elected to receive City refuse service. The separate collection of yard waste, which is now composted, and additional Recycling Center and curbside recycling collections have also contributed to the decline in the amount of garbage annually landfilled.



The City's snow removal costs have generally increased over ten years. Expenditures decreased in some years due to warmer winters or reduced snowfalls. Snow removal costs reached a ten-year high of $1.64 million in 2014, while costs fell in 2012 to a low of $384,000.



The City has had to increase the amount of road patch needed since 2007 in order to repair City roads due to the loss of State gas tax revenues, which has limited the City's ability to reconstruct major roads.

Fleet Maintenance

MISSION STATEMENT: ***To efficiently and economically maintain the City-owned fleet of vehicles and equipment in a safe and properly functioning condition.***

The Fleet Maintenance Division is responsible for maintaining the City-owned fleet of vehicles and equipment in a safe and properly functioning condition. An adequate parts inventory is maintained in order to complete repairs in a timely manner to minimize down time.

The Division is "ready to serve". Twenty-four (24) hour service is available for repairs required on snow removal equipment during a snow emergency, pumps during flood control operations, or Fire Department equipment at a fire scene.

This Division handles the maintenance and repair of the City-owned fleet of vehicles and equipment on an as-needed basis. Approximately 53 pieces of heavy equipment, 421 pieces of various equipment ranging from chainsaws to tractors, and 253 cars and trucks are repaired. Preventative maintenance is performed on approximately 767 vehicles or pieces of equipment. Also included is the repair and preventative maintenance on 29 Fire Department emergency vehicles, and 11 buses for the Parks & Recreation Department. Fleet Maintenance provides road call service to vehicles in the field to minimize down time. Fleet Maintenance performs welding, cutting, fabrication, repair of park gates, play apparatus, bike racks, bleachers, retention pond gates, pumping stations, and many other repair projects. This Division repairs heating-cooling and exhaust systems, bridges, and guardrails. This involves the planning and designing of modifications performed on various pieces of equipment.

Another responsibility of Fleet Maintenance is to maintain an up-to-date inventory of frequently used parts and a computerized inventory system. This inventory system ensures that a sufficient quantity of proper parts, tools, and materials are stocked. This Division also distributes parts and tools as necessary.

Fleet Maintenance maintains its own records and files. On a daily basis, a record of fuel being dispensed from the pumping facilities is maintained to ensure sufficient availability.

KEY GOALS

- ***To provide an effective vehicle/equipment repair program in order to maintain a full complement of vehicles/equipment in service.***
- ***To maintain an adequate parts inventory to minimize downtime.***
- ***To provide a preventative maintenance program on a scheduled basis consistent with manufacturer's recommendations and professional standards.***
- ***To provide preseason maintenance and winterization programs for spring/winter equipment.***
- ***To recommend specifications for the purchase of vehicles/equipment and the economical replacement of the City fleet.***

This Division also performs an annual physical inventory to count and record each stock item by identifying quantity, location, and price.■

Did you know…
…the Fleet Maintenance Division keeps an inventory of over 5,400 parts necessary to keep the City's fleet of vehicles and equipment up and running and also works with an elaborate network of vendors to ensure that specialty items are available when needed?

Fleet Maintenance

2018/19 PERFORMANCE OBJECTIVES

1. To continue streamlining the City's fleet of vehicles and equipment by removing from service and liquidating the older, non-utilized items and reutilizing the resulting funds where deemed necessary. *(City Goal 1, 2)*

2. To send Fleet personnel to training and seminars regarding new technology and components on City owned equipment. *(City Goal 2, 23)*

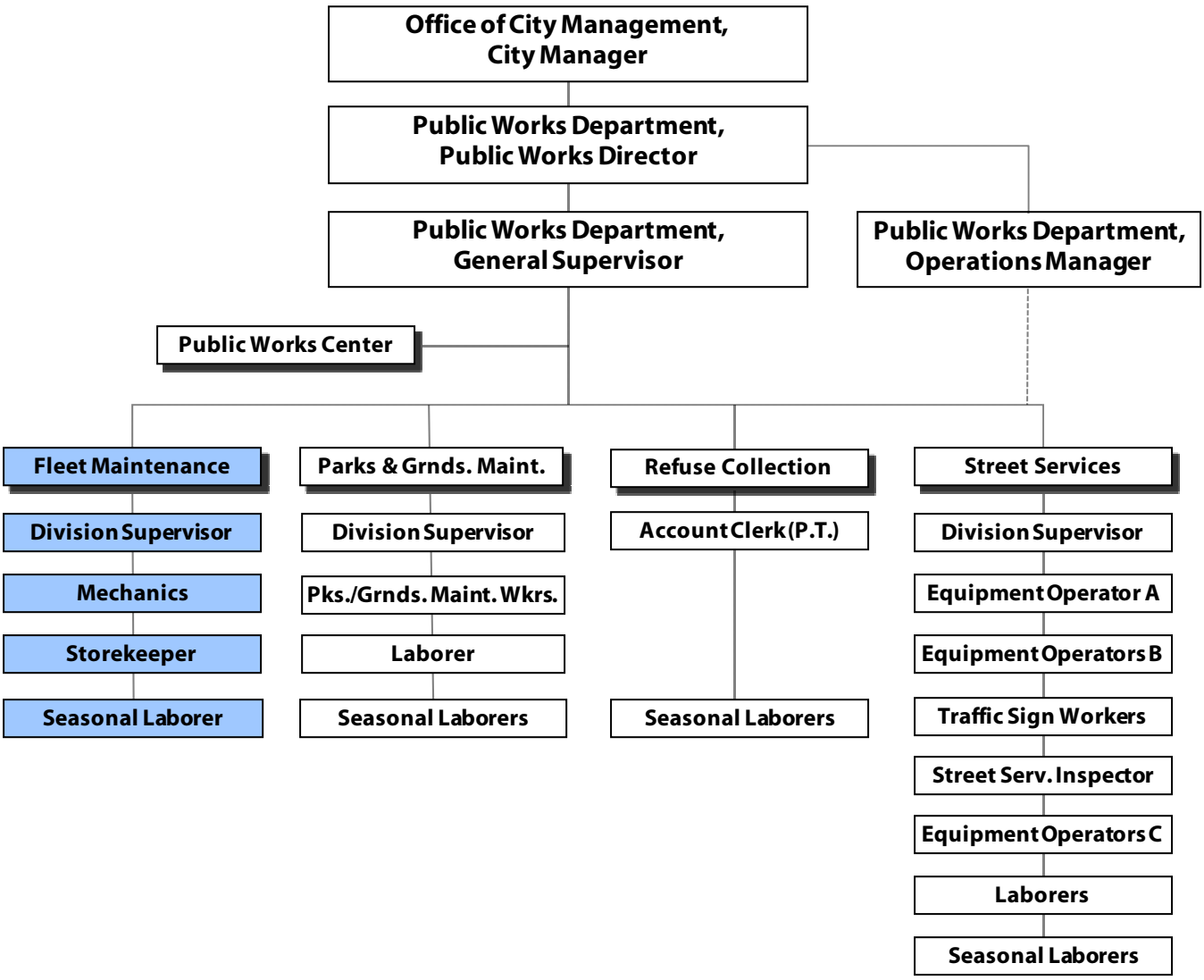
3. To acquire new diagnostic tools so mechanics can quickly diagnose vehicle issues, allowing fast and effective repair and reducing equipment down- time, thus increasing productivity throughout City departments. *(City Goal 1, 2, 6)*

4. To enhance skills and develop new methods to prepare equipment as quickly as possible without sacrificing quality and equipment longevity. *(City Goal 1, 2)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Full Service Preventive Maintenances Performed	397	405	395	400	405	410
	Preseason Maintenance - Trucks with Plows	44	41	48	50	50	50
	Preseason Maintenance - Snow Plows	44	41	48	50	50	50
	Preseason Maintenance - Salt Spreaders	21	21	21	21	21	21
	Preseason Maintenance - Street Sweepers	3	3	4	4	4	4
	Preseason Maintenance - Lawn Equipment	50	50	50	50	50	50
	Fire Trucks Prepared & Pump Tested	10	10	10	10	10	10
	Vehicle Tires Replaced	476	484	488	488	500	510
	Safety Inspections Conducted on Hoists	10	10	16	16	16	16
	Material Safety Data Sheets Maintained	400	400	400	400	400	400
Efficiency & Effectiveness	% of Preventive Maint. Performed on Schedule	85%	85%	85%	85%	85%	85%
	Avg. Time to Perform Maintenance on a Car (Mins.)	50	50	50	50	50	50
	Avg. # of Vehicles/Equip. Maintained Per Mechanic	88	84	88	88	86	86
	Average Age of Police Vehicles (Years)	4.0	4.3	4.0	4.0	4.0	4.0
	Average Age of Fire Engines (Years)	14.0	12.0	13.0	14.0	15.0	15.0
	% of Snow Removal Vehicles & Equipment Available	95%	95%	95%	95%	95%	95%
	% of Snow Vehicles & Equip. Prepared by Nov. 15	100%	100%	100%	100%	100%	100%
	% of Front Line Fire Pumper Trucks Avail. for Service	99%	99%	99%	99%	99%	99%
	% of Actual Inventory to Inventory Ledger	91%	95%	95%	95%	95%	95%
	Cost of a Passenger Car Oil Change	$25.46	$25.99	$26.94	*	*	*
	Preventive Maintenance Cost of a Passenger Car	$60.35	$60.03	$60.42	*	*	*
	Activity Expenditures as % of General Fund	3.08%	2.95%	2.90%	3.05%	2.97%	2.73%

**Cost is calculated for "Actual" columns only.*

Fleet Maintenance



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Division Supervisor	1	1	1
Mechanic	9	10	10
Storekeeper	1	1	1
Seasonal Laborer	1	1	1
Total	12	13	13

Fleet Maintenance

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 0.4%.

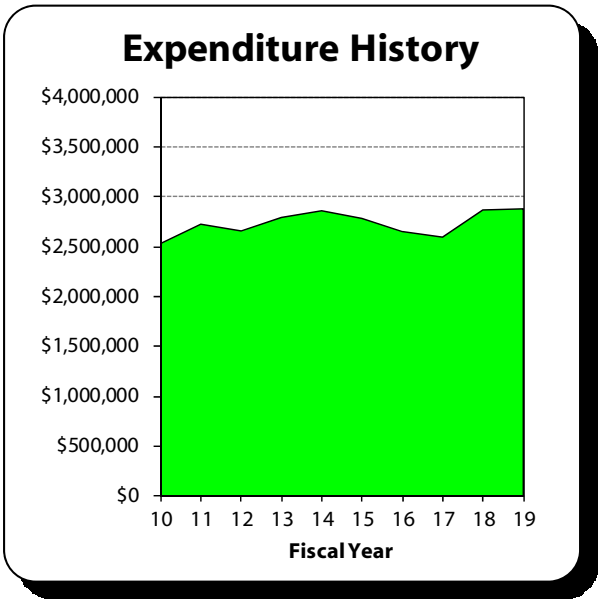
Personnel Services – Total Increase $58,810 or 4.1%

- $63,000 due to contractual wage adjustments
- $23,000 due to buybacks related to potential retirements
- $15,000 due to required funding for pension liabilities; Offset by:
- $42,000 savings due to staff turnover resulting in new hires at a lower wage rate

Supplies – Total Supplies decreased $48,100 or 3.4%. Fuel costs decreased $50,000 based on recent expenditure levels. Operating supply costs increased $1,500, as more small hand tools and fasteners need to be replenished. $500 was added for the higher cost of vehicle fluids and lubricants.

Other Charges – Total Other Charges increased $250 or 1.2% due to the increased cost of equipment maintenance and software support. The increase was partially offset by a slight decrease in educational funding for the Supervisor's attendance at computer training workshops next year.

Capital – Total Capital of $165,500 is proposed. $150,000 is for six replacement general motor pool vehicles. $15,500 is for a Wheel Balancer to replace an existing balancer that is over 15-years old and is not compatible with the wheels on the new patrol and general motor pool vehicle.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,293,200	$1,447,680	$1,442,150	$1,506,490	$1,506,490
Supplies	1,281,581	1,397,850	1,350,240	1,349,750	1,349,750
Other Charges	18,992	20,500	19,200	20,750	20,750
Total	$2,593,773	$2,866,030	$2,811,590	$2,876,990	$2,876,990

Parks & Grounds Maintenance

MISSION STATEMENT: ***To maintain all municipal grounds, and parks and recreational facilities in a clean, safe, and aesthetically pleasing manner.***

The Parks & Grounds Maintenance Division is responsible for ensuring that all municipal grounds, parks, and recreational facilities are maintained in a clean, safe, and aesthetically pleasing manner.

The beauty of our City is enhanced by the planting of trees, flowers, and shrubs and preserving the health of our existing urban forest.

This Division maintains baseball, football, and soccer fields and also keeps tennis, volleyball and basketball courts in a safe, playable condition at City parks and school sites.

To ensure that all municipal grounds and parks are well maintained, the following activities are undertaken: grass cutting and trimming, turf maintenance, tree and shrub trimming, planting and replacement of flowers/plants/trees, and fertilizer/herbicide application at all municipal sites. When conditions warrant, snow and ice are removed at all municipal sites, 46 school walkways, and seven bridge sidewalks. This activity also maintains the Parks & Grounds garage. The funds for retention pond maintenance cross charges, such as inspection, weed and grass cutting, and pump facility repairs, are included in this program.

Football and soccer fields are set up and lines are repainted once a week during the fall and spring seasons. Parks & Grounds Maintenance upgrades and maintains over 50 ball diamonds, including lighting systems, benches and bleachers.■

KEY GOALS

- ***To ensure that the turf and landscaping at municipal building sites and parks are cut, trimmed, and upgraded in accordance with maintenance schedules.***
- ***To provide seasonal maintenance of athletic fields and playground apparatus.***
- ***To enhance the City's beauty by planting and trimming parks and street trees.***
- ***To provide snow and ice control at municipal building sites, school walkways and park sites.***
- ***To clean all park restrooms daily, empty trash barrels, and pick up litter as necessary.***

Did you know…
…that a new boom flail was purchased in 2017 that will be utilized to remove tree branches and vegetation from the Dodge Park trail system which will allow sunlight to enter the pathway?

Parks & Grounds Maintenance

2018/19 PERFORMANCE OBJECTIVES

1. To use newly purchased equipment to trim trees and vegetation along the Dodge Park Trail System. *(City Goal 12, 16, 18)*

2. To clear vegetation at Avis Park to improve safety and aesthetics. (City Goal 12, 16, 18)

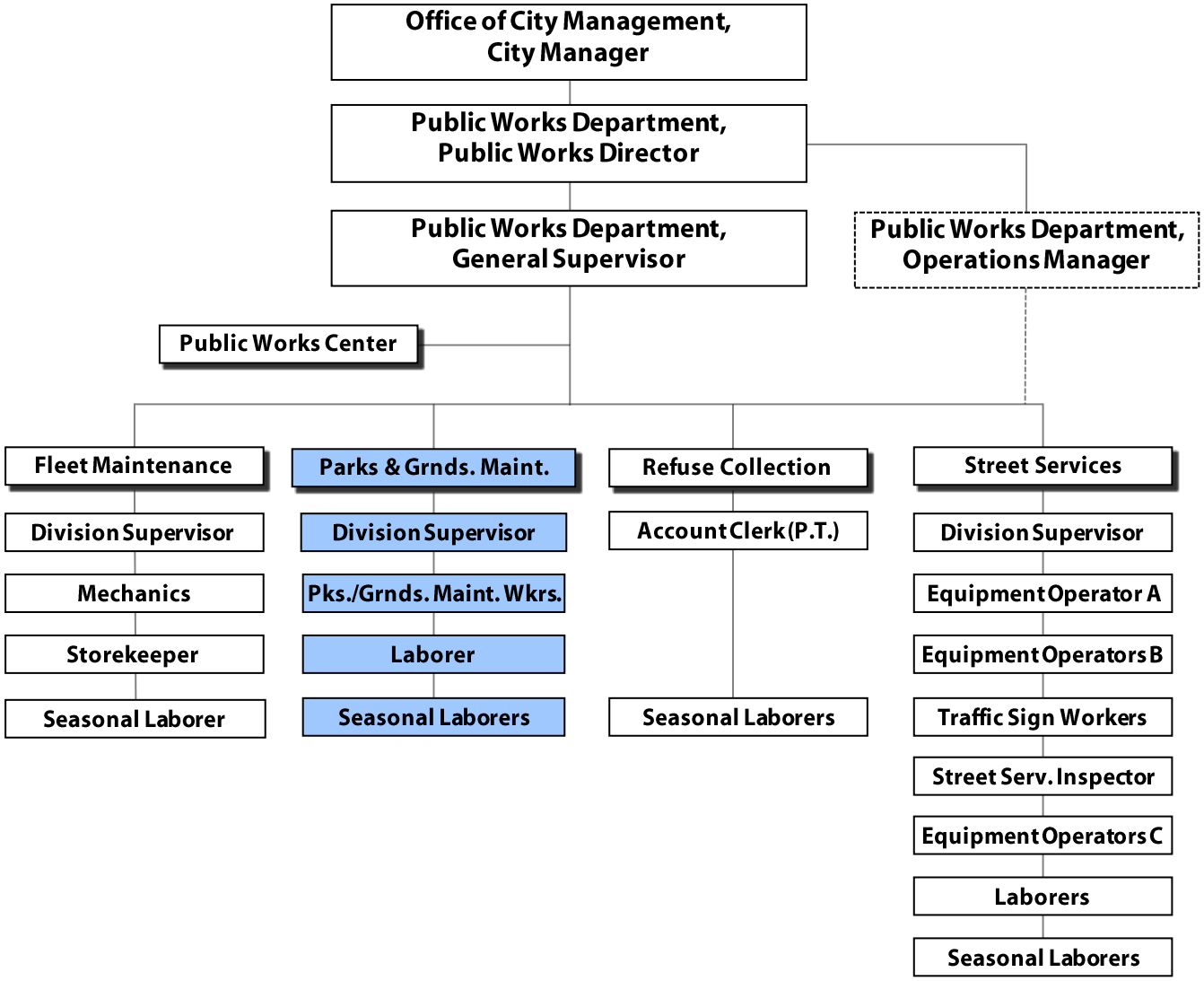
3. To review snow plowing procedures in order to prioritize completion of parks vs. City streets. *(City Goal 1, 4, 16)*

4. To apply red infield conditioner to Delia, Baumgartner, and Jaycee Park's baseball diamond infields to create safer and more appealing playing surfaces. *(City Goal 18*)

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Cuttings/Trimmings - 31 Parks (559 of the 826 Acres)	23	24	26	28	32	30
	Cuttings/Trimmings - 9 Mun. Sites (Subcontracted)	30	30	27	30	34	32
	Ball Diamond Maint. Performed (Incl. UCS & WCS)	1,241	1,259	1,247	1,200	1,252	1,250
	Soccer/Football Fields Relined	417	555	480	450	493	485
	Snow/Ice Control Call-Ins	18	16	20	20	25	25
	Times Sprayed for Mosquitos (Dodge Park)	30	30	30	30	30	30
	Park Apparatus Maintenance/Repairs Made	121	195	238	170	153	150
	Cleaning of Restroom Facilities (Subcontracted)	751	910	1,141	1,100	1,449	1,300
	Trash Collection Days-Parks & Municipal Sites	231	242	258	250	256	255
Efficiency & Effectiveness	Injuries Claimed to be Fault of Grounds or Equip.	0	0	0	0	0	0
	% of Hazardous Apparatus Responded to w/i 24 hrs.	100%	100%	100%	100%	100%	100%
	% of Total Easement Trees Insp. due to Complaints	10%	10%	10%	10%	10%	10%
	Cost to Mow an Acre of Parkland	$33.22	$32.07	$31.12	*	*	*
	Activity Expenditures as % of General Fund	1.50%	1.53%	1.60%	1.53%	1.59%	1.53%

**Cost is calculated for "Actual" columns only.*

Parks & Grounds Maintenance



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Division Supervisor	1	1	1
Parks & Grounds Maintenance Worker	3	3	3
Laborer	1	1	2
Seasonal Laborer	12	12	13
Total	17	17	19

Parks & Grounds Maintenance

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR BUDGET

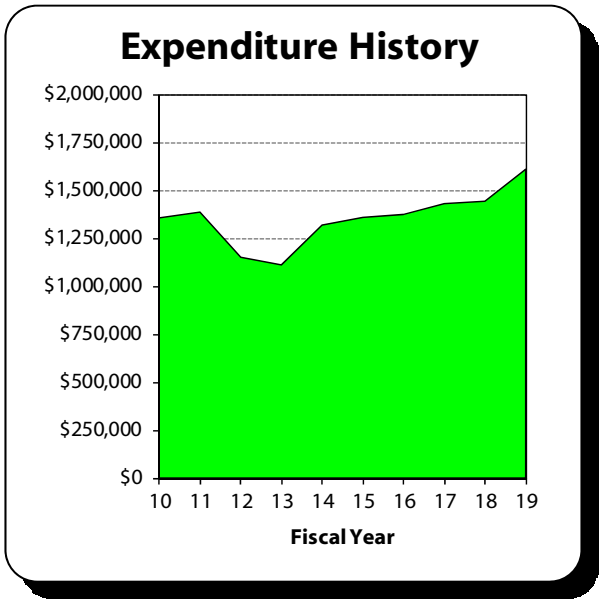
The total budget increased by 11.6%.

Personnel Services – Total Increase $91,950 or 11.1%

- $25,000 due to contractual wage adjustments
- $61,000 due to the addition of a full-time laborer to be funded through the *Re*creating Recreation activity
- $18,000 due to the transfer of a Seasonal Laborer from Refuse Collection
- $12,000 due to required funding for pension liabilities; Offset by:
- $21,000 savings due to staff turnover resulting in new hires at a lower wage rate

Supplies – Total Supplies decreased $1,040 or 1.5%. Funding for playground and athletic supplies decreased $1,540 due to a prior year reappropriated encumbrance. An additional $500 is budgeted for small hand tools and materials needed to maintain the City's parks and municipal sites.

Other Charges – Total Other Charges increased $75,680 or 13.8%. Water costs rose $65,000 based on higher rates and increased irrigation demand at City parks and athletic fields, and for the proposed island landscape irrigation system at City Hall. The budget decreased $15,000 due to a reallocation of storm water pump repair costs to the Sewage Collection division, where the work is performed. Rental costs fell $9,500, primarily due to the prior year one-time rental of a utility vehicle to assist with snow and ice removal operations at municipal sites. Less budgeted funding is needed for parks and grounds maintenance materials, saving $5,000.



Capital – Total Capital of $62,000 is proposed. $28,000 is for a Kubota 4x4 Utility Vehicle with Plow and Salt Spreader to replace a 2003 Gator that is used to plow snow, line athletic fields, and clean park trails. $4,000 is for a replacement 26' Landscape Trailer used to transport equipment and haul materials to job sites. $30,000 is to replace a 2003 4x4 Pickup Truck that is utilized in daily park operations.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$801,548	$827,690	$831,370	$919,640	$919,640
Supplies	58,805	68,040	66,000	67,000	67,000
Other Charges	569,262	546,450	612,520	622,130	622,130
Total	$1,429,615	$1,442,180	$1,509,890	$1,608,770	$1,608,770

Public Works Center

MISSION STATEMENT: ***To budget and account for expenditures that are incurred for the maintenance and operation of the Public Works Department that are not reflected in any other Public Works activity.***

The Public Works Center is used to budget and account for expenditures that are incurred throughout the fiscal year for the operations and maintenance of the Public Works facility (including required repairs and preventative maintenance). There are no department staff members assigned to this activity. The Public Works Director and the Operations Manager oversee the administrative functions of this activity, which are necessary to ensure the efficient and effective delivery of services in the areas of street maintenance, parks and grounds maintenance, and fleet maintenance.

Examples of the types of expenditures that are charged to this activity include water, heating, and electric costs for the operation of the Public Works facility, office supplies, building maintenance and custodial supplies, licensing fees for the 800 MHz radio communication system, and office telephone charges. In addition, the contracted service cost for preventative maintenance on the facility's heating and cooling system is also included in this activity.

Costs associated with the Facility Maintenance and Repair Program are accounted for in the Public Works Center and include the facilitation of required repairs and maintenance of the Public Works facility including general cleaning, internal and external electrical and lighting repairs, minor plumbing repairs, vehicle door repair, and maintenance of facility equipment. This program also includes the preventive maintenance contract on the furnaces and air conditioning equipment at the Public Works facility.■

KEY GOALS

- ***To provide a means of accounting for facility maintenance and repair expenditures which benefit all offices of the Public Works Department.***
- ***To provide a means of accounting for certain operational expenditures for the Public Works facility.***

Did you know…
…the Public Works building is 42 years old and is in the process of being evaluated for a complete reconstruction?

Public Works Center

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

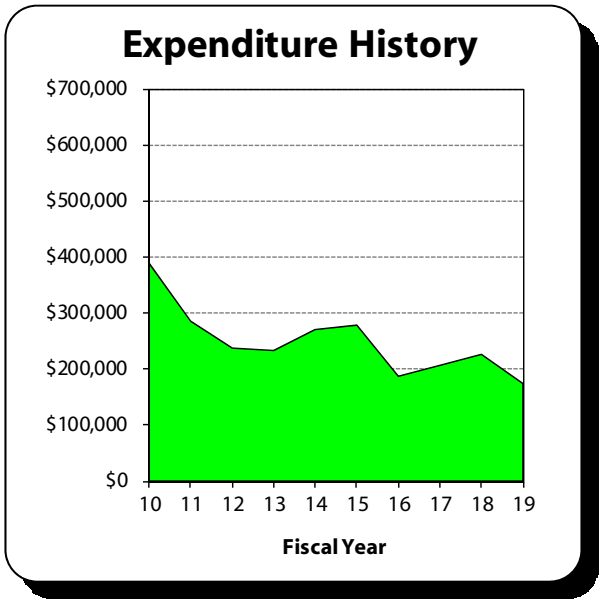
The total budget decreased by 23.0%.

Personnel Services – There is no staff assigned to this division.

Supplies – Total Supplies increased $1,000 or 20.0% due to an increase in the cost of small hand tools and supplies needed to maintain the Public Works facility.

Other Charges – Total Other Charges decreased $53,100 or 24.0%. Funding for the noxious weed cutting program has been moved to the Neighborhood Services division, reducing cost in Public Work's by $60,000. Electric and water utility costs rose $4,000 and $1,000 respectively, both based on recent expenditure trends. Telephone costs increased $1,700 due to higher contractual rates necessary for improved cellular service. $200 was added to the budget for the printing of forms and flyers.

Capital – Total Capital of $100,000 is budgeted in the Capital Projects Fund. $75,000 is proposed for the replacement of the Salt Barn Roof and $25,000 is for the replacement of the Pole Barn Roof, as both are leaking and in poor shape.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	7,742	5,000	6,000	6,000	6,000
Other Charges	198,931	221,500	201,350	168,400	168,400
Total	$206,673	$226,500	$207,350	$174,400	$174,400

Refuse Collection

MISSION STATEMENT: ***To provide prompt, reliable and efficient refuse collection for each household in the City and ensure that all waste generated in the City is properly collected, transported, and disposed of in accordance with State and federal laws and professional standards.***

Refuse Collection provides prompt, reliable, and efficient refuse collection by a private contractor weekly from residential homes, condominiums, commercial curbsides, and City dumpster pick- ups. A voluntary subscription-based curbside recycling program is also provided by the City's contractor.

Through the cost recovery program, apartment complexes are eligible for City-provided collection if they pay for the cost of collection, plus an administrative fee.

A separate collection of yard waste is made from early April through late November from all curbside collection stops. Yard waste is composted and diverted from landfill disposal. A separate collection of Christmas trees for composting is also provided.

Three voluntary Recycling Drop-Off Centers are maintained in order to provide residents with the opportunity to recycle in a cost effective manner.

Refuse Collection includes pick up of bulky items on regularly scheduled collection days as well as the separate collection of "white" goods, i.e. stoves, refrigerators, etc. These white goods are delivered to a scrap metal recycler for reuse. All refuse related files and correspondences are maintained in this activity.

The General Supervisor serves as the City's liaison with the refuse contractor to ensure the contractor is performing in accordance with the contract and City ordinance. The handling and resolution of more difficult complaints and the provision of information and reports is accomplished through this area. The clerical support staff verifies the contractor's monthly invoices, prepares requests for payment and monthly reports, maintains all refuse files, and types all related correspondence.

The Solid Waste Management Commission is funded in the Refuse activity. The Operations Manager serves as the liaison to the Commission. The Commission serves in an advisory capacity to the City Council and Administration. The Commission's responsibility is to continually review and update the City's position regarding solid waste disposal activities.

Clerical support is also provided for tree planting, tree removal, trimming, as well as general information requests.■

KEY GOALS

- ***To ensure that all properly placed refuse is collected on a weekly basis by the City's private contractor and transported and disposed of at an approved facility.***
- ***To provide recycling and composting opportunities in a cost-effective manner.***
- ***To assist the Solid Waste Management Commission in its review of the City's solid waste collection, recycling, composting and waste reduction efforts.***
- ***To maintain and supervise the City's three recycling centers.***
- ***To continually review the status of various solid waste management legislation.***

Did you know…
…that weekly curbside recycling is now available as a subscription based service?

Refuse Collection

2018/19 PERFORMANCE OBJECTIVES

1. To monitor the daily operation of the voluntary curbside recycling program to ensure customer service expectations are met. *(City Goal 1,14)*

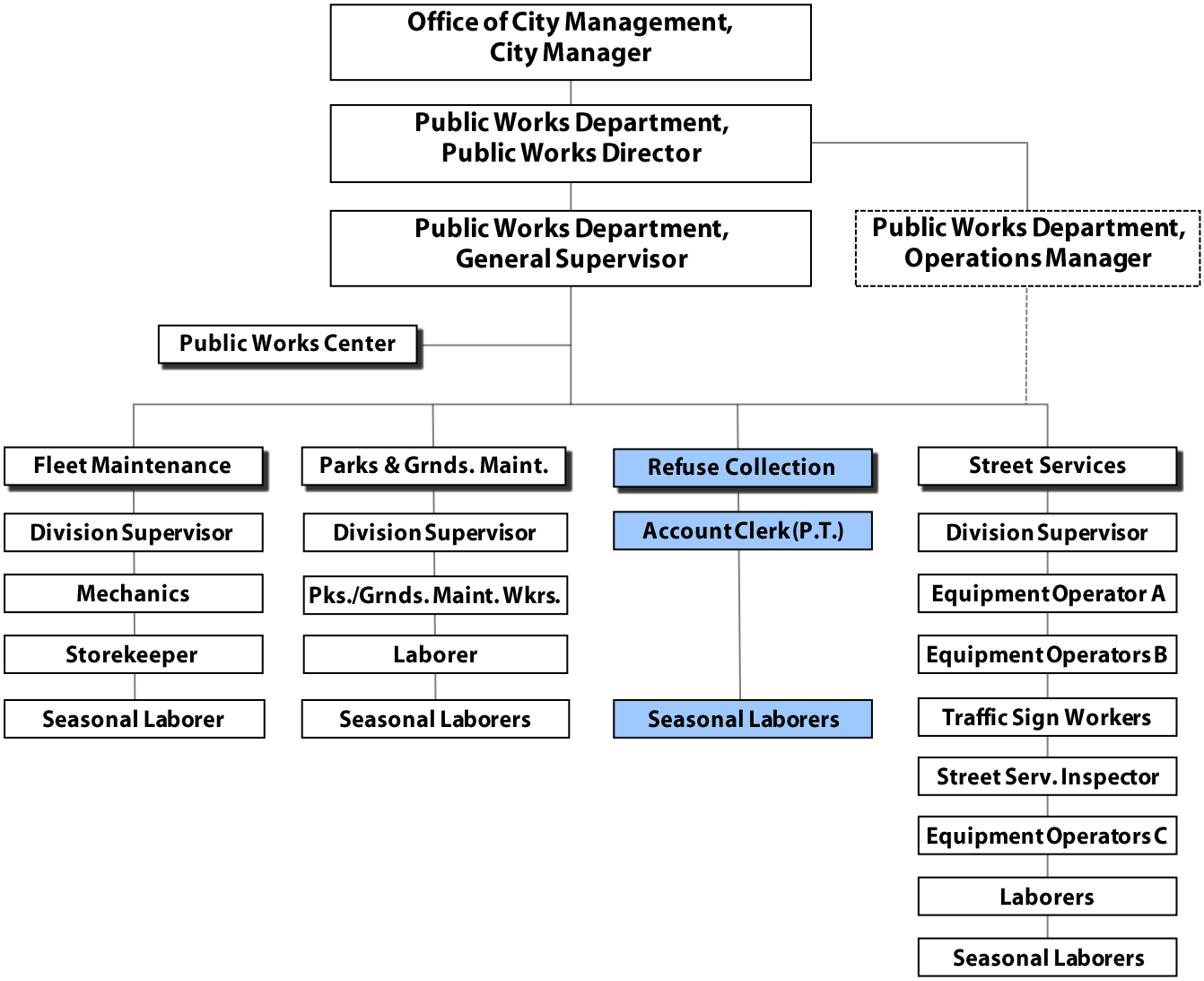
2. To aggressively monitor, tag and educate residents of improper refuse set-outs at the curb. *(City Goal 1,14)*

3. To work with apartment complexes that currently do not have dumpsters for refuse collection, and convert them to dumpster collection. *(City Goal 1,14)*

4. To improve the appearance of the three current recycle centers. *(City Goal 1,14)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Curbside Refuse Collection Points (Per Week)	39,598	39,800	39,835	39,750	39,835	39,900
	Cubic Yards of Refuse Landfilled	115,122	116,640	110,490	115,000	115,000	115,000
	Tons of Yard Waste Composted/Diverted	9,018	10,366	12,489	10,000	11,500	12,000
	Christmas Trees Chipped and Composted	3,012	1,193	1,683	1,250	1,700	1,300
	Cubic Yards of Plastics Recycled (Recycling Center)	315	125	347	325	300	300
	Tons of Paper Recycled (Recycling Center)	1,430	1,100	952	1,300	1,300	1,300
	Curbside Recycling Subscribers	5,372	5,400	4,500	5,500	5,500	6,000
	Curbside Recycling Volume (tons)	1,572	1,550	1,520	1,500	1,500	1,500
Efficiency & Effectiveness	Refuse Violations Tagged by Contractor	19	19	19	20	100	100
	% of Refuse Collection Stops Making Complaints	0.17%	0.20%	0.20%	0.10%	0.10%	0.10%
	% of Trouble Calls Remedied within 24 Hours	96%	99%	100%	100%	100%	100%
	Reduction in Landfill Volume vs. 1989/1990	47.9%	47.6%	48.0%	48.0%	48.0%	48.0%
	Refuse Collection Costs per Capita	$36.29	$36.39	$33.81	$34.02	$34.59	$33.79
	Refuse Collection Millage Rate	1.13	1.14	1.11	1.08	1.08	1.04
	Refuse Cost for Average Homeowner	$72	$74	$72	$70	$70	$70
	Net Cost to Operate Three Recycling Centers	$123,900	$171,670	$125,170	$170,000	$170,000	$170,000
	Recycling Costs Per Ton Recycled	$34.08	$37.05	$37.25	$37.50	$37.75	$38.00
	Cost to Collect/Dispose of Refuse (1 cubic yard)	$41.21	$40.87	$40.16	$38.90	$39.56	$38.71
	Activity Expenditures as % of General Fund	5.25%	5.30%	4.96%	4.76%	4.80%	4.23%

Refuse Collection



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Account Clerk (P.T.)	1	1	1
Seasonal Laborer	4	4	3
Total	5	5	4

Refuse Collection

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 0.5%.

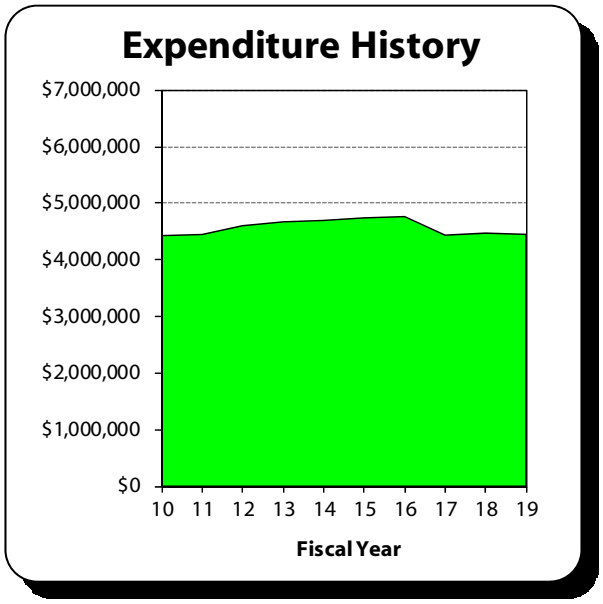
Personnel Services – Total Decrease $20,360 or 14.1%

- $18,000 savings due to the transfer of a year-round Seasonal Laborer to the Parks & Grounds division
- $2,000 savings due to changes in insurance coverages

Supplies – Total Supplies decreased $1,000 or 33.3%, as fewer supplies and small tools need to be replenished.

Other Charges – Total Other Charges decreased $210. Contracted services decreased $4,160 due to a prior year reappropriated encumbrance partially offset by an increase for higher contractual costs associated with the City's special collection days due to increased participation. Less budgeted funding is needed for recycling equipment repairs, saving $500. The rubbish removal budget increased slightly by $4,500 due to the higher cost of hauling street sweepings. The budget assumes the continuation of the voluntary subscription-based curbside recycling program.

Capital – There is no Capital proposed for this division.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$116,403	$144,760	$126,830	$124,400	$124,400
Supplies	154	3,000	1,800	2,000	2,000
Other Charges	4,320,968	4,325,460	4,420,200	4,325,250	4,325,250
Total	$4,437,525	$4,473,220	$4,548,830	$4,451,650	$4,451,650

Street Services

MISSION STATEMENT: ***To maintain the City's streets and rights-of-way in such a manner as to ensure safety for vehicular and pedestrian traffic as well as presenting a clean, well-groomed, attractive roadside environment.***

Three specific programs set up within this Public Works division detail the mission of the Street Services activity. Roads and Streets Maintenance, Supplementary Roadside Maintenance, and Snow and Ice Control programs provide excellent care to the City's streets. Street Services provides a safe and clean road surface for vehicular traffic, adequate visual direction and a safe, maintained, and unobstructed roadside environment on more than 349 miles of City roads.

The Roads and Streets Maintenance program strives to maintain safe road surfaces for vehicular and pedestrian traffic by ensuring adequate pavement markings. One-third of all school crosswalks and stop bar pavement markings are repaired or replaced every year. Traffic control lines are painted and athletic courts are taped throughout the City.

Street sweeping of all paved road surfaces occurs at least four times per year on 395 miles of major, local, and county roads. This activity is responsible for road patching and shoulder grading to maintain safe roads.

The Supplementary Roadside Maintenance program provides a safe, well-maintained roadside environment. Cutting of weeds and tall grass along all roadsides, ditches, and medians is done five times per year. Dead leaves are removed from along curbsides throughout the leaf drop season.

Support activities include the installation of new street signs, maintenance and repair of existing signs, and the installation of informational signs for the municipal sites and 29 developed parks.

Another support activity is the maintenance of Sterling Heights' urban forest. Approximately 29,000 right-of-way trees are maintained, including inspection, trimming, removal of trees and stumps, and replanting of trees.

Catch basin cleaning is another important function. Catch basins are routinely cleaned allowing for the rapid disposal of storm water runoff and drainage. Drainage ditches are cleaned and the culverts are maintained to ensure adequate capacity for storm runoff.

During a declared Snow Emergency, the Snow and Ice Control program ensures an organized procedure for snow removal of all City roads within 48 hours after snowfall ceases. This objective is achieved on 60 miles of major roads and 289 miles of local roads.■

KEY GOALS

- ***To provide a safe and clean road surface for vehicular traffic.***
- ***To provide adequate visual direction to regulate, warn, or guide vehicular and pedestrian traffic through proper signage and pavement markings.***
- ***To provide a safe, well-maintained and unobstructed roadside environment.***
- ***To provide effective storm water runoff without damaging our stream ecology.***
- ***To provide an organized snow and ice control program based on designated priorities in order to maintain safe, passable streets.***

Did you know…
…the Street Services division planted over 200 trees this past year and is scheduled to increase that to almost 500 trees next year thanks to a grant received from the U.S. Forest Service?

Street Services

2018/19 PERFORMANCE OBJECTIVES

1. To utilize current and rental equipment to increase citywide revolutions of street sweepings. *(City Goal 1, 2, 12, 16, 17)*

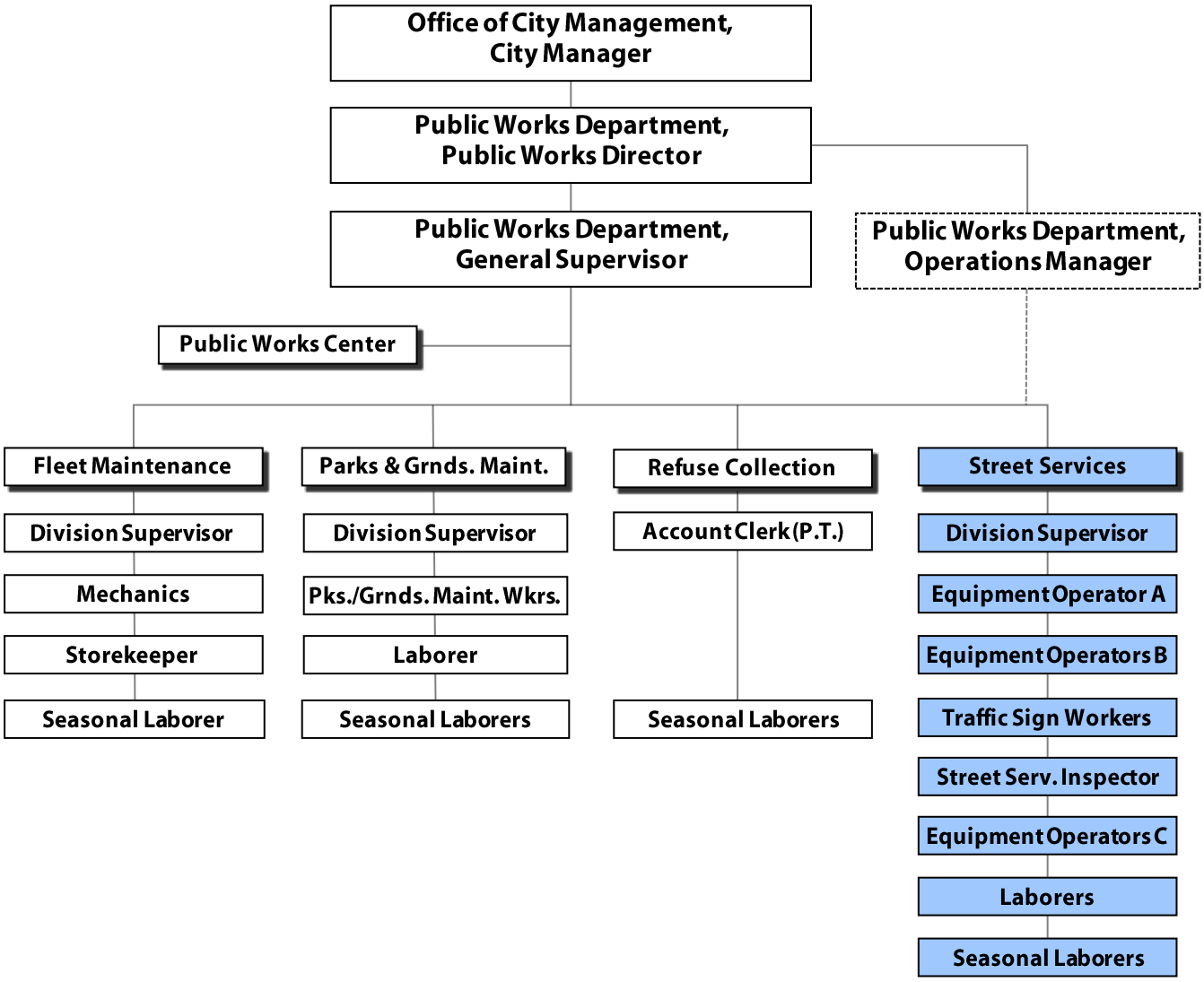
2. To more effectively remove snow and ice from over 350 miles of major and local roads by the use of brine and new snow removal equipment. *(City Goal 1, 16)*

3. To plant over 500 trees on major roadways and throughout subdivisions. *(City Goal 13, 14, 18)*

4. To increase dirt road grading with the use of new technology and rented equipment. *(City Goal 1, 2, 12, 16, 17)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Miles of Roads in City (Major & Local)	349	349	349	349	349	350
	After Hours Snow Removal Occurrences	31	27	28	30	30	30
	Tons of Road Salt Used	7,503	5,221	5,328	8,000	9,500	9,000
	Miles of Snow Fence Installation or Removal	2.1	2.1	2.1	2.0	2.1	2.1
	Pothole Patching - Tons of Patch Used	506	603	543	500	500	500
	Sidewalk Patching - Number of Locations	91	180	182	225	350	300
	Street Sweeping - Rotation (395 miles)	3	3	3	5	3	5
	Roadside Clean-Up Major Rds.-Revol. (107 miles)	9	8	8	10	9	9
	Storm Catch Basin Cleaning-Number of Locations	635	1,087	1,348	1,100	1,000	1,100
	Street Trees Removed (In-House/Contractor)	137/254	137/297	134/150	150/300	100/250	150/300
	Street Trees Planted (Subcontracted)	175	157	404	300	500	700
	Street Trees Pruned (Subcontracted)	4,903	4,980	3,964	4,500	4,500	4,500
	Street Trees Trimmed (In-House)	992	212	1,164	300	1,000	700
	Homeowner Tree Inquiries/Inspection Responses	1,946	1,512	1,759	1,500	1,000	1,000
	Res. Tree/Branch Chipping Req. Filled (Incl. ROW's)	945	477	317	500	300	300
	Traffic Sign Repairs or Replacements	366	426	401	500	450	500
	Gravel Roads - Lane Miles Graded	28	54	53	50	50	50
	Dust Control - Gallons Calcium Chloride Applied	26,200	33,900	14,000	45,000	28,000	45,000
	Signs Installed for Adopt-A-Road	0	0	0	1	0	1
	Refuse Pick-Ups Made from Adopt-A-Road	15	21	20	40	20	15
Efficiency	% of Tree Chipping Requests Completed w/i 1 week	99%	99%	99%	99%	99%	99%
	% of Emergency Calls Responded to w/i 1 hour	100%	100%	100%	100%	100%	100%
	Property Damage Due to Snow Removal Operation	$700	$381	$525	$750	$1,000	$1,000
	Street Services Cost Per Capita	$17.37	$15.80	$16.39	$17.68	$18.35	$18.96
	Activity Expenditures as % of General Fund	2.52%	2.30%	2.41%	2.47%	2.55%	2.37%

Street Services



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Division Supervisor	1	1	1
Equipment Operator A	1	1	1
Equipment Operator B	7	7	7
Traffic Sign Worker	2	2	2
Street Services Inspector	1	1	1
Equipment Operator C	2	2	2
Laborer	4	4	4
Seasonal Laborer	6	6	6
Total	24	24	24

Street Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 7.5%.

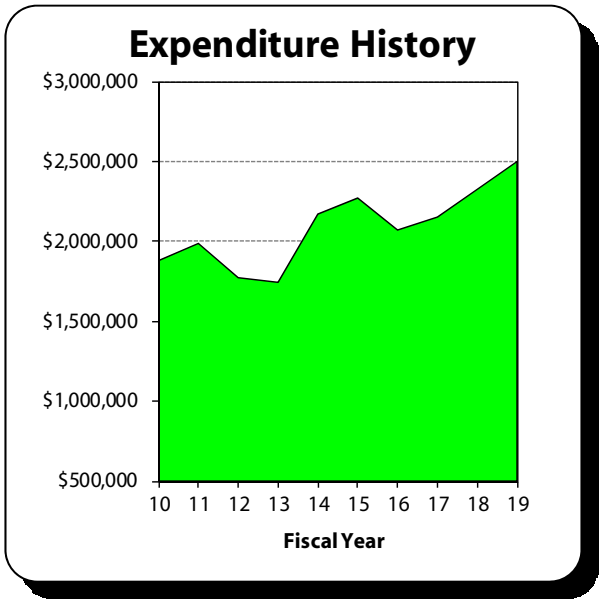
Personnel Services – Total Increase $114,100 or 5.1%

- $78,000 due to contractual wage adjustments
- $11,000 due to changes in insurance coverages
- $8,000 due to buybacks related to potential retirements
- $21,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $300 or 2.0% due to the greater need for signage materials and traffic control supplies.

Other Charges – Total Other Charges increased $59,370 or 71.5%. Water costs increased $55,000 and electric costs rose $6,000, both based on more accurate estimates for new irrigation and system controls recently installed in City medians and rights-of way. Rental costs decreased $2,000 due to the one-time rental of an excavator in the prior year. The decrease was offset by an increase to fund the rental of a street sweeper to assist in daily street cleaning operations and road clean-up emergencies. Training costs fell $330 due to the one-time funding of a Road Salt and Brining class in the prior year. Additional funding is included for safety classes for tree trimming and removal next year.

Capital – Total Capital of $266,000 is proposed. $220,000 is for a Tandem Axle Dump Truck with Plow to replace a 22-year old truck used for snow and tree removal, road grading and paving projects, and other road maintenance duties. $40,000 is to replace a 4x4 Pickup with Plow with over 100,000 miles that is utilized in daily operations and snow emergencies. $6,000 is for a Traffic Arrow Board used by road crews to divert traffic.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$2,023,777	$2,226,830	$2,257,940	$2,340,930	$2,340,930
Supplies	16,701	15,000	15,000	15,300	15,300
Other Charges	110,823	83,000	140,700	142,370	142,370
Total	$2,151,301	$2,324,830	$2,413,640	$2,498,600	$2,498,600

City Development Department



FUNCTIONAL ORGANIZATION CHART

City Development Department

Building

- Monitors building and development
- Inspects construction
- Processes permits
- Performs trade inspections
- Performs electrical inspections
- Serves as liaison to Board of Code Appeals (BOCA)
- Work with Fire Department to assure compliance to adopted code including any fire prevention code amendments
- Assist City Clerk, Fire, & Police Departments with enforcement of licenses issued by the Clerk's office to assure compliance with City's ordinances

Economic Development

- Initiates personal contact with new business prospects
- Maintains active business retention and expansion program for existing businesses
- Provides referrals and other assistance to small businesses
- Tracks and monitors economic development activities receiving City financial support
- Maintains external relationships with the business community and real estate development practitioners
- Processes/Approves Brownfield Redevelopment plans
- Serves as liaison to Economic Development Corporation, Corridor Improvement Authority, LDFA, Brownfield Redevelopment Authority, and the business community
- Provides support for VELOCITY and Macomb OU-INCubator

Engineering

- Oversees all Engineering services
- Maintains and updates all records on City utilities, streets, etc.
- Provides information to builders and developers regarding City utilities
- Prepares and supervises construction projects
- Reviews all public improvement plans
- Coordinates and supervises capital projects
- Serves as liaison to county, state and federal agencies
- Applies for and administers grants for capital improvements
- Coordinates water meter connection and use monitoring
- Coordinates City-wide street lighting

Neighborhood Services

- Administers the Sterling Heights Initiative for Neighborhood Excellence (SHINE) program
- Performs property maintenance code enforcement inspections
- Serves as liaison to Board of Ordinance Appeals
- Manages City-owned real estate assets
- Provides oversight of the noxious weed cutting program

Planning

- Prepares the Master Land Use Plan
- Amends ordinances to effect goals of the Master Plan
- Conducts zoning studies to fully implement the Master Plan
- Interprets and enforces zoning ordinances
- Reviews site plans for zoning
- Serves as liaison to Planning Commission and Zoning Board of Appeals

DEPARTMENT AT A GLANCE

City Development Department

BUDGET SUMMARY

The City Development Department budget decreased $986,790 or 17.2%. Personnel costs decreased $272,870 or 5.8% primarily due to the transfer of Facilities Maintenance to City Administration and the elimination of the City Development Manager position. These decreases were partially offset by contractual wage adjustments, the addition of a full-time Planning Coordinator and an increase in the required funding for long-term retirement liabilities of $43,600. Supplies decreased $39,970 or 63.4% and Other Charges decreased by $675,950 or 68.9% primarily due to the transfer of Facilities Maintenance. This was partially offset by the transfer of the noxious weed program to City Development.



FUNDING LEVEL SUMMARY

	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Building	$1,968,060	$2,011,310	$2,210,010	$1,099,820	-50.2%
Economic Development	320,630	372,460	329,900	333,870	1.2%
Engineering	1,288,080	1,260,990	1,371,630	1,376,370	0.3%
Neighborhood Services	1,508,510	1,535,800	1,661,050	1,665,960	0.3%
Planning	226,800	193,630	166,740	276,520	65.8%
Total Department	$5,312,080	$5,374,190	$5,739,330	$4,752,540	-17.2%
Personnel Services	$4,388,480	$4,408,470	$4,699,030	$4,426,160	-5.8%
Supplies	45,690	42,140	59,870	21,900	-63.4%
Other Charges	877,910	923,580	980,430	304,480	-68.9%
Total Department	$5,312,080	$5,374,190	$5,739,330	$4,752,540	-17.2%

Note: In 2018/19 the Facilities Maintenance budget moved to City Administration from City Development.

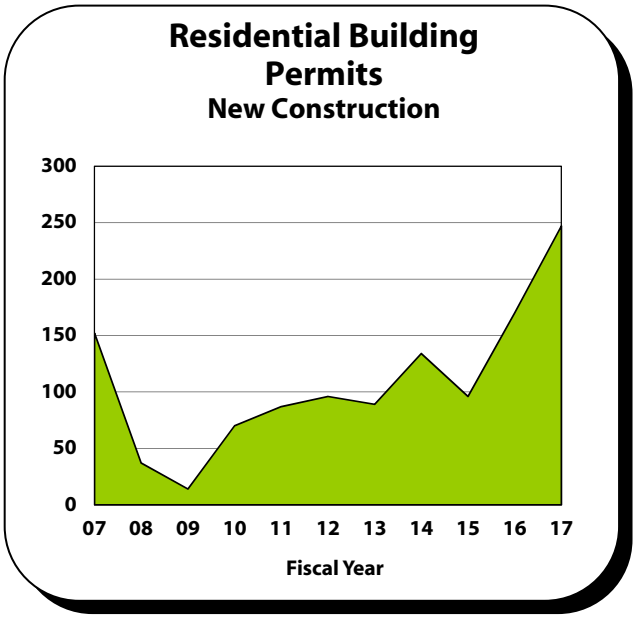
PERSONNEL SUMMARY

	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Building	9	1	9	1	10	0	7	1
Economic Development	1	0	1	0	1	0	1	0
Engineering	8	2	8	2	8	1	8	2
Neighborhood Services	9	9	9	11	9	11	8	12
Planning	1	1	1	0	1	0	2	0
Total Department	28	13	28	14	29	12	26	15

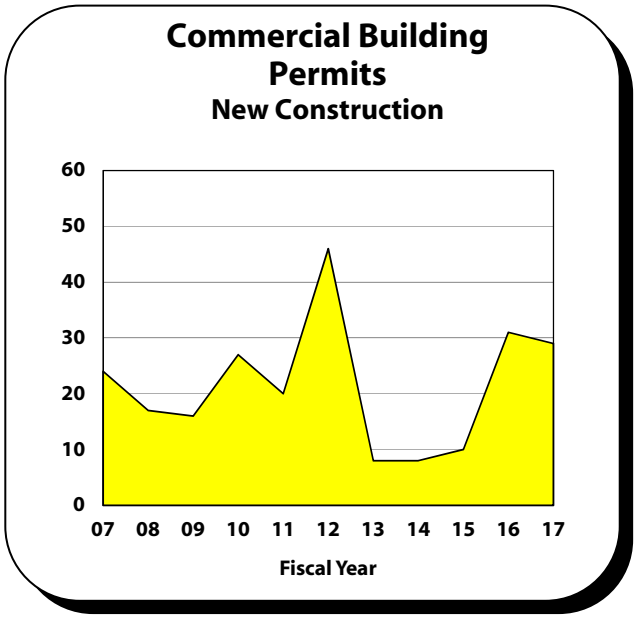
Excludes Boards and Commissions.

KEY DEPARTMENTAL TRENDS

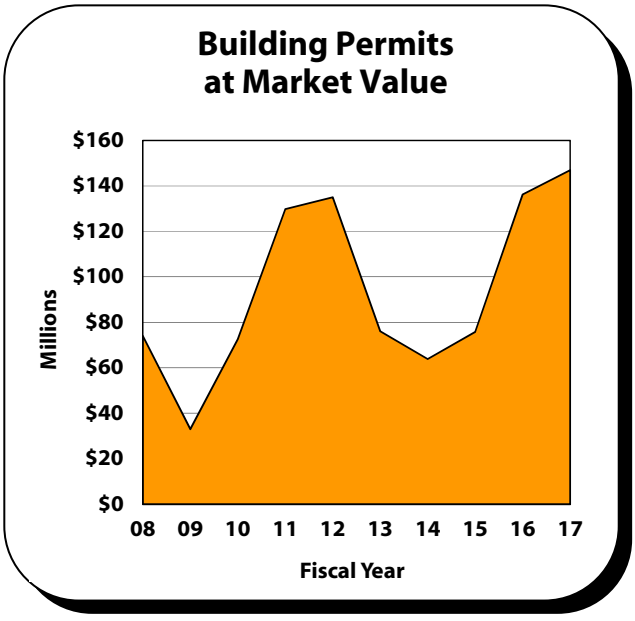
City Development Department



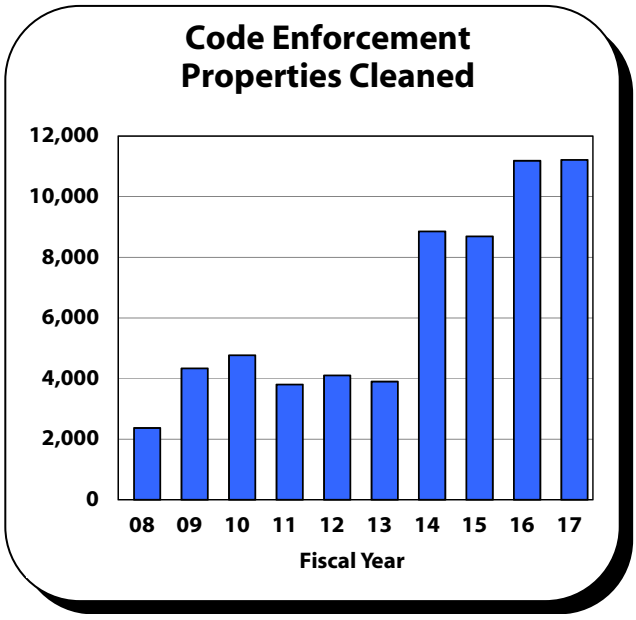
The number of residential building permits declined to a ten year low in 2009 as only 14 permits were issued. The number of permits issued has increased over the past seven years and is now approaching 2006 numbers.



The number of new commercial building permits decreased in 2013 and 2014 to reach a ten-year low. Permits increased in 2016 to their highest level since 2012 and maintained that level for 2017.



The dollars invested in new building construction and improvements fell from $113 million in 2007 to a low of $33 million in 2009. The number of residential permits dramatically declined. The market value of commercial permits rose in 2011, 2012, and 2015 due to several large projects, including BAE and FCA. Additional residential permits accounted for the market value increase in 2016 and 2017.



The number of code enforcement cases have dramatically increased since 2008. The City has made a concerted effort to strengthen and vigorously maintain property values by eliminating blighting influences. In 2009 the City's building inspectors began to assist code enforcement officers with code inspections, and in 2011 the SHINE program began. Three additional part-time code inspectors were hired in both 2014 and 2016. 95% of inspections were performed within 48 hours of complaint and 98% of violations were corrected prior to City action.

MISSION STATEMENT: ***To maintain a well-balanced program of monitoring building construction, so that the community may enjoy a safe environment and to maintain all City facilities in a safe, clean and economical manner.***

The Building office monitors the building and development activities in the City. The objective of the staff is to inspect projects for compliance to the State adopted construction codes to ensure the health, safety and welfare of the public. This is achieved through an aggressive inspection program in all types of construction – residential, commercial, and industrial. Daily inspections are performed throughout the City to assure compliance to State and local building codes and ordinances.

The wellness of the community is looked after from the ground up when it comes to the construction of buildings that are open to the general public. The community is safeguarded against improperly constructed structures by numerous inspections performed by the inspection staff from the beginning through the completion of a project.

To best serve the interests of the taxpayers, developers and investors in the community, the Building activity is operated in a very efficient manner to ensure that inspections are conducted in a timely manner. The established plan review process provides for the efficient administration of the permitting process.

The inspectors employed within the Building office are highly qualified and trained professionals who are monitored not only by the City, but also by the State. They have obtained nationally recognized certifications and participate in continuing education to stay informed of all new construction techniques and code changes. A highly competent clerical staff supports the inspectors and assists customers visiting the Building office.

The Building Official is responsible for proper enforcement of code requirements throughout the construction process. He oversees the daily responsibilities of the department and provides assistance to the inspection staff as needed. The Building Official has the authority to render interpretations of the codes and to adopt policies and procedures in order to clarify the provisions.■

KEY GOALS

- ***To aggressively inspect all new residential construction to ensure a safe living environment for our residents.***
- ***To process permits in an expedient and efficient manner.***
- ***To review plans and construction drawings in a manner that will reduce the time necessary to issue permits.***
- ***To protect public safety, health, and welfare and preserve property values by strictly enforcing property maintenance standards.***
- ***To oversee outside contractors/vendors to ensure the quality of materials and workmanship on projects and adherence to all applicable State and City codes.***

Did you know…
…the Building office completed over 18,000 inspections last fiscal year?

Building

2018/19 PERFORMANCE OBJECTIVES

1. To revise the handouts for the necessary required inspections and department requirements, so contractors and homeowners are informed on City processes in order to complete their projects. *(City Goal 24, 25)*

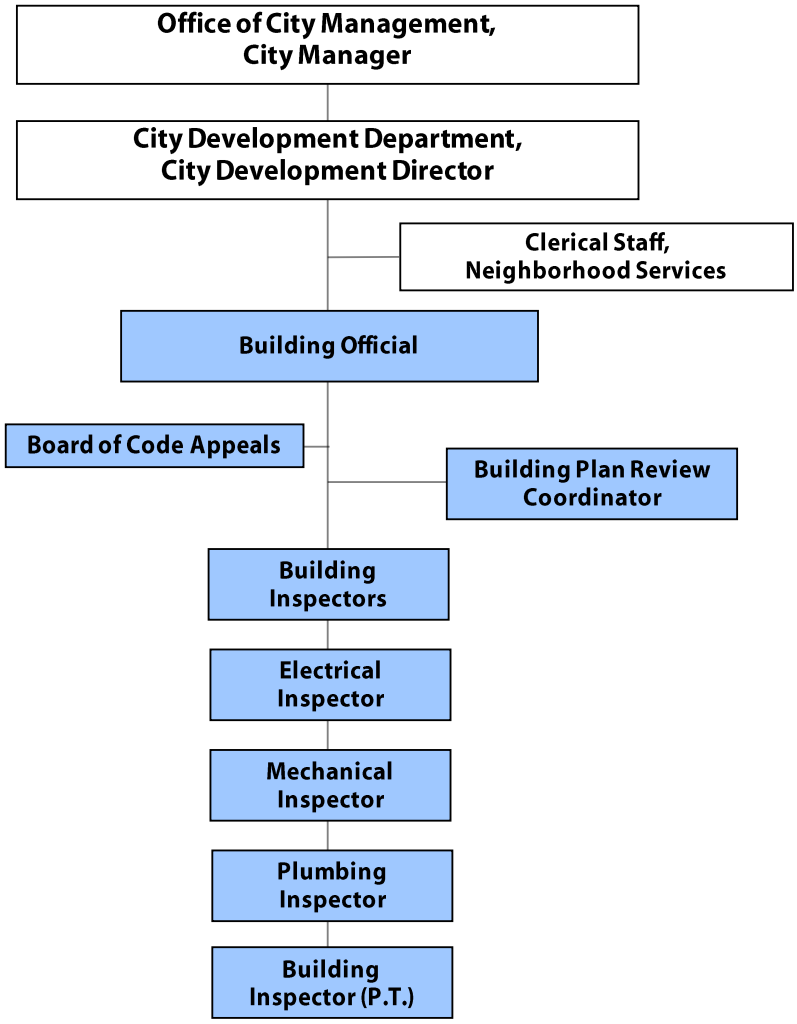
2. To create a quarterly "Building Department" newsletter that can be distributed by email to contractors and homeowners. *(City Goal 1, 3, 4)*

3. To update the plan review checklist for BS&A commercial plan review to include 2015 Michigan Building code requirements for commercial/industrial construction. *(City Goal 2, 4)*

4. To implement a permit process for various residential projects where applicants can review plans with staff and be issued a permit the same day. *(City Goal 1, 3, 24, 25)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Permits Issued	5,852	6,579	9,946	9,175	7,860	9,415
	Building Permits Issued	1,844	2,119	3,654	3,400	2,600	3,400
	Mechanical Permits Issued	1,534	1,877	2,727	2,500	2,200	2,500
	Plumbing Permits Issued	890	913	1,617	1,400	1,300	1,600
	Electrical Permits Issued	1,123	1,220	1,464	1,450	1,350	1,500
	Fence Permits Issued	344	344	399	300	275	275
	Fire Alarm Permits Issued	44	35	50	55	60	65
	Fire Suppression Permits Issued	73	71	65	70	75	75
	Total Inspections Performed	14,373	16,424	20,823	19,500	19,700	19,800
	Building Inspections	6,187	7,965	9,420	9,000	9,800	9,500
	Mechanical Inspections	3,070	3,208	4,494	4,200	4,000	4,100
	Plumbing Inspections	2,538	2,583	3,618	3,300	2,700	3,100
	Electrical Inspections	2,578	2,668	3,291	3,000	3,200	3,100
	Ordinance Complaint Tickets Issued	2	3	1	0	2	0
	Board of Code Appeals Applications	4	6	4	4	4	4
Efficiency & Effectiveness	Insurance Service Office (ISO) Rating	3	3	3	3	3	3
	% of Inspections Performed on Schedule	95%	95%	98%	98%	98%	98%
	% of Commercial Plans Reviewed w/i 20 days	95%	100%	100%	100%	100%	100%
	% of Residential Plans Reviewed w/i 10 days	95%	95%	100%	100%	100%	100%
	Average No. of Inspections per Budgeted Inspector	2,875	2,986	3,786	3,250	3,283	3,046
	Market Value of Building Permits (Millions)	$75.8	$136.2	$146.9	$130.0	$131.7	$130.0
	Permits Issued via City's Website	297	299	362	350	590	650
	Activity Expenditures as % of General Fund	2.10%	2.19%	2.25%	2.35%	2.34%	1.04%

Building



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Building Official	0	1	1
Building Official/Facilities Maintenance Manager	1	0	0
Building Plan Review Coordinator	1	1	1
Building Inspector	1	2	2
Building Inspector (P.T.)	1	0	1
Electrical Inspector	1	1	1
Mechanical Inspector	1	1	1
Plumbing Inspector	1	1	1
Lead Facilities Maintenance Mechanic	1	1	0
Facilities Maintenance Mechanic	2	2	0
Total	10	10	8

Building

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

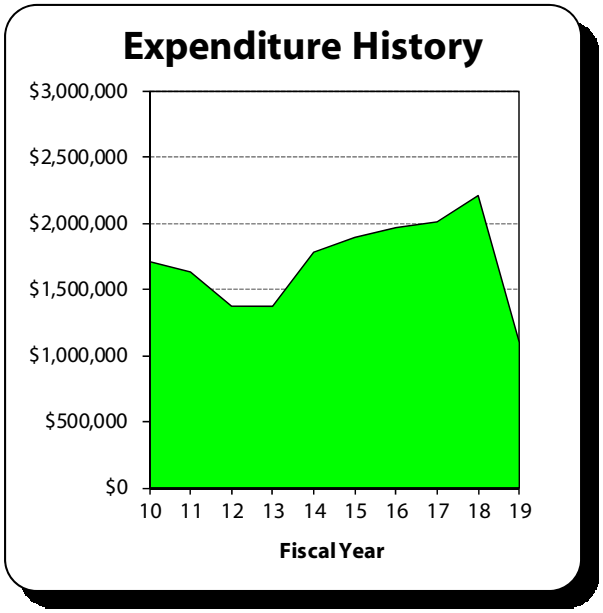
The total budget decreased by 50.2%.

Personnel Services – Total Decrease $332,710 or 23.7%

- $390,000 savings due to transfer of Facilities Maintenance employees to the Facilities Maintenance activity; Offset by:
- $23,000 increase due to contractual wage adjustments
- $26,000 increase for a substitute inspector on an as needed basis
- $9,000 increase due to required funding for pension liabilities

Supplies – Total Supplies decreased $38,300 or 85.7%. The decrease is primarily due to the prior year one-time funding of office chairs and City-logo shirts for field personnel, and the transferring of supply costs to maintain City facilities to the Facilities Maintenance office, as part of a reorganization. Publication costs decreased $480 for the one-time purchase of updated commercial code books and reference books last year.

Other Charges – Total Other Charges decreased $739,720 or 97.0%. Contracted services decreased $334,290, as the custodial service contract will now be expensed in the Facilities Maintenance office, as well as the delivery and pick-up of election equipment at voter precincts. $253,910 for building maintenance, $30,030 for equipment maintenance, $105,000 for City Hall utility costs, and $4,400 for the rental of floor mats and equipment has also been transferred to Facilities Maintenance. Membership costs increased $1,460 for inspector recertification, which is required every three years, and a slight increase in existing membership fees. Telephone costs rose $1,300 due to higher contractual rates necessary for improved cellular service, offset by a decrease based on a reallocation of citywide telephone expenditures and two fewer wireless phones.



Capital – This office is scheduled to receive four personal computers and 15 iPads totaling $17,100 to replace the existing five-year old units.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,310,704	$1,402,420	$1,413,340	$1,070,250	$1,070,250
Supplies	28,727	44,700	49,780	6,400	6,400
Other Charges	671,877	762,890	754,520	23,170	23,170
Total	$2,011,308	$2,210,010	$2,217,640	$1,099,820	$1,099,820

Economic Development

MISSION STATEMENT: ***To implement and maintain a progressive and proactive economic development program designed to sustain and expand the City's economic and employment base. Sterling Heights Economic Development will seek to retain Sterling Heights' ranking as one of the nation's premier communities to live, work, play and prosper.***

Sterling Heights Economic Development is the key point of contact for business support and needs. Sterling Heights Economic Development implements policies, programs, and activities that seek to improve the economic well-being of the community by supporting the creation or retention of jobs, and facilitating investment and growth in the City. Fiscal oversight and management of all economic development projects is handled in a responsible manner. Proposing and implementing economic development programs and functions that address the goals of the City are also primary objectives.

This office maintains an active program that encourages the retention and expansion of existing businesses providing quality jobs, a diverse workforce and expanded tax base. The Business Attraction program fosters an economic development climate that attracts and encourages the recruitment of businesses in targeted industries to Sterling Heights. The office also works with a variety of partners to promote workforce development in the City.

The partnership between the City of Sterling Heights, Macomb County, and Oakland University at VELOCITY is fostered by this office to promote business incubation and collaboration in advanced manufacturing, defense, and homeland security.

This office offers a professional image that demonstrates a strong customer focus and a positive image of the City as a great place to do business.

KEY GOALS

- ***To maintain a solid foundation for a competitive economic development program that is high performing, targeted, and efficient.***
- ***To implement and maintain a business retention strategy focused on existing employers, particularly in targeted clusters that represent growth opportunities for Sterling Heights.***
- ***To establish a targeted business attraction strategy for Sterling Heights by being "set up for success" and focused on target-rich mediums.***
- ***To establish a marketing and outreach plan that provides relevant and timely information to the business community.***
- ***To work in partnership with the local communities, Macomb County, MEDC, and other key stakeholders to identify and develop a Defense Corridor strategy.***
- ***To implement a meaningful retail business development strategy that achieves a high return for the public investment.***
- ***To work in partnership with Macomb County and Oakland University to support the VELOCITY collaborative center that serves as a hub for business incubation and collaboration***
- ***To maintain and develop "green" economic development opportunities that can stimulate business activity and create jobs.***

Did you know…
…the City has contracted with the Bonner Advisory Group for economic development services since 2015?

Economic Development

2018/19 PERFORMANCE OBJECTIVES

1. To assist with the future vision and plan for Lakeside Shopping Center and the surrounding area to become a more vibrant mixed-use destination. *(City Goal 12, 20, 22)*

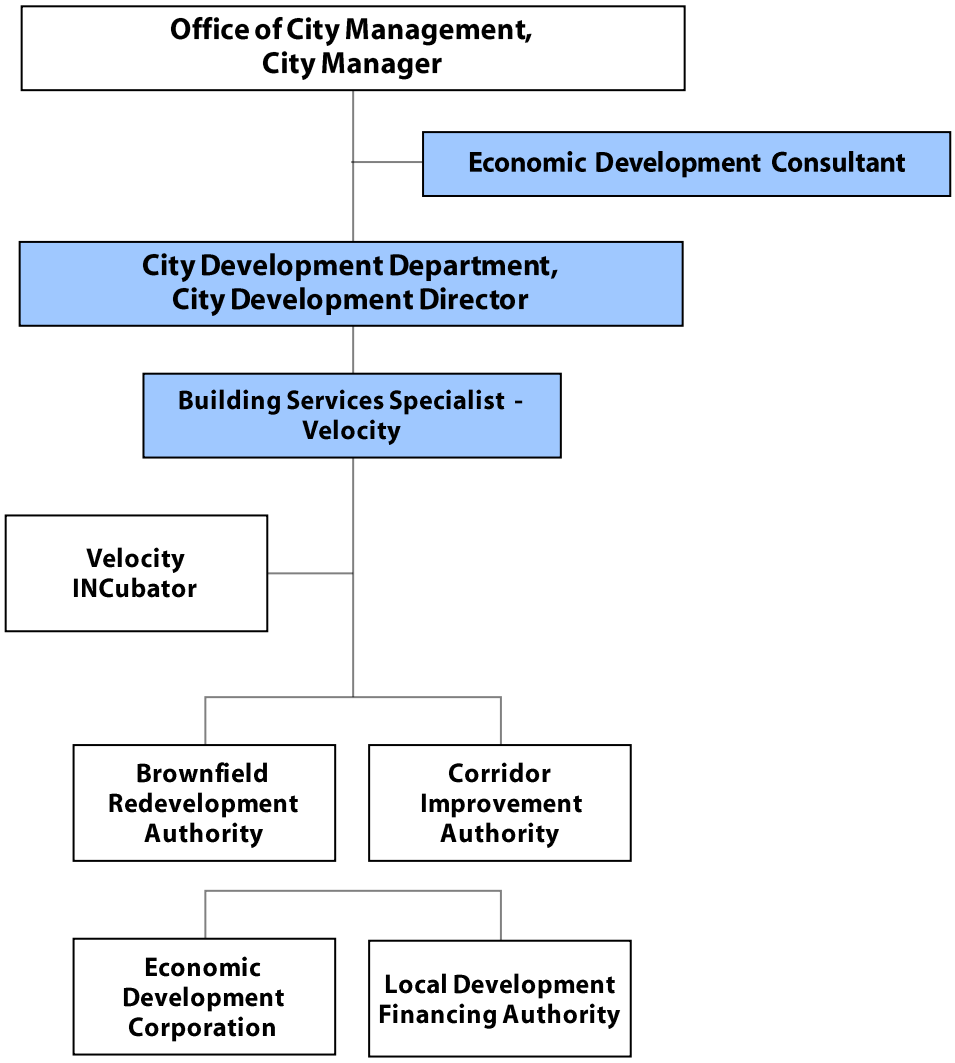
2. To work together with Sterling Heights business leaders to develop an aggressive and proactive strategy for the Sterling Innovation District. *(City Goal 12,16, 20, 21)*

3. To create a mixed-use development with private sector and non-profit partners for the Corridor Improvement Authority. *(City Goal 20, 22)*

4. To collaborate with partners engaged at the Velocity Center to develop a long-term strategy that maintains viability and value to the business community. *(City Goal 20, 21)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Business Retention/Attraction Contacts Made	41	40	40	75	96	80
	Redevelop. Projects (Comm. >20K s.f. & Ind. >$500K)	0	3	3	5	5	5
	State & Federal Legislative Contacts Made	2	3	3	5	8	5
	Banking & Real Estate Contacts Made	32	53	75	100	50	100
	LDFA Meetings Held	8	9	4	9	9	9
	Meetings with Chambers of Commerce	4	6	8	5	10	4
	Targeted Industry Events Attended	1	2	3	2	6	4
	Velocity Partner Meetings Held	10	3	3	3	5	3
	Economic Development Partner Meetings	26	20	24	25	20	8
	Velocity Events & Meetings Held	147	122	132	125	110	120
	Business Awards Presented	5	6	5	5	5	5
	Hits on City's Econ. Develop. Website (Home Page)	2,550	2,908	2,449	3,000	2,200	3,000
Effectiveness	Velocity Center Number of Businesses	21	21	20	20	21	21
	Velocity Center Occupancy Rate	95%	95%	91%	90%	95%	95%
	Businesses and/or Participants at Velocity Events	3,265	2,854	2,984	3,000	1,800	2,800
	Value of Redevelop. Projects & New Investments	$48M	$49M	$91M	$70M	$50M	$50M
	Grant Dollars Provided to Small Businesses	$103,505	$81,731	$97,000	$100,000	$82,000	$100,000
	Industrial Vacancy Rate	2.30%	0.50%	1.00%	2.00%	0.60%	1.00%
	Retail Vacancy Rate	7.70%	9.30%	6.70%	7.50%	5.00%	8.00%
	City Unemployment Rate (April)	4.7%	4.3%	3.7%	5.0%	4.0%	5.0%
	Activity Expenditures as % of General Fund	0.32%	0.36%	0.42%	0.35%	0.35%	0.32%

Economic Development



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Building Services Specialist - Velocity	1	1	1
Total	1	1	1

Economic Development

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 1.2%.

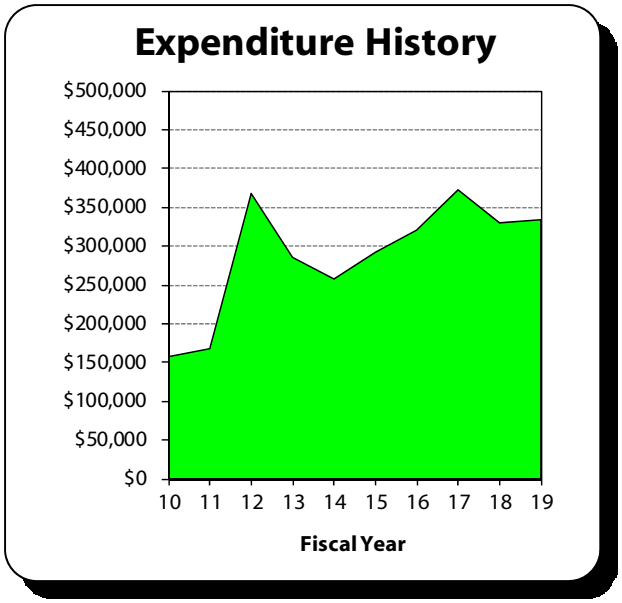
Personnel Services – Total Increase $3,970 or 2.5%

- $1,500 due to contractual wage adjustments
- $2,100 due to required funding for pension liabilities

Supplies – Total Supplies is proposed to remain the same at $200. There are no proposed changes to the postage and operating supply accounts.

Other Charges – Total Other Charges is proposed to remain the same at $168,200. There are no proposed funding changes within the Other Charges accounts.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$155,643	$161,500	$161,780	$165,470	$165,470
Supplies	54	200	160	200	200
Other Charges	216,764	168,200	168,100	168,200	168,200
Total	$372,461	$329,900	$330,040	$333,870	$333,870

Engineering

MISSION STATEMENT: ***To develop and implement master plans and programs and to supervise and inspect all public improvements constructed by or for the City.***

Major responsibilities of the Engineering office include the supervision and performance of all engineering services of the City. Engineering is responsible for the development of master plans and programs for public improvements, supervision, and inspection of all improvements constructed by or for the City.

Engineering maintains and updates, on a regular basis, all records of City utilities, streets, properties including parks, zoning changes, rights-of-way and addresses. Updating of Engineering records is necessary when changes are made or become available through other City departments.

Information is provided to prospective developers, builders, and consulting engineers on the availability, size, and location of all City utilities. Information is provided to residents and other interested parties on scheduled or future public improvements. In addition, information is provided to residents regarding water and sanitary sewer connection fees and traffic signs and signals. Other activities include the review of site plans and building plans for appropriate water and sewer connections, the issuance of culvert permits, common area irrigation permits, and monitoring well permits.

Engineering reviews all planned public improvements, City projects, City awarded contracts, and subdivision sites which generate revenues to the City each year.

Engineering prepares the plans and specifications and supervises construction of all projects authorized by City Council. This office prepares ordinance variance agreements and coordinates activities and decisions involving the City and other agencies such as the Road Commission of Macomb County and the City of Detroit. Multi-jurisdictional contracts are often required with road construction projects. The City Engineer serves as liaison to County, State and federal agencies to synchronize the approval process for orderly and organized project development.

KEY GOALS

- ***To maintain and regularly update all records of City utilities, streets, properties, parks, zoning changes, rights-of-way, and addresses.***
- ***To provide current information to prospective developers, builders, consulting engineers, residents and other interested parties on City utilities and scheduled or future public improvements.***
- ***To review plans for consideration of public and private improvements.***
- ***To prepare plans and specifications and supervise construction of all authorized projects.***
- ***To administer the Soil Erosion and Sedimentation Control Program.***

The Soil Erosion and Sedimentation Control Program is administered by the Engineering Office as required by the State of Michigan and the National Pollutant Discharge Elimination System Program. Plans for private development are submitted to Engineering to review for conformance to City standards and specifications. After plans are approved and implemented by the private developer, inspections are conducted to ensure conformance with City ordinance and the State of Michigan Soil Erosion and Sedimentation Control Act.■

Did you know…
…the Dodge Park Road reconstruction project received the American Public Works Association's Metro Detroit project of the year award as well as the Statewide project of the year, beating out nearly 100 applicants?

Engineering

2018/19 PERFORMANCE OBJECTIVES

1. To implement the five-year road plan and continue to look for ways to improve and build on the current plan. *(City Goal 16, 17, 18)*

2. To improve development plan review time, while continuing to provide a high quality review, to aid in improving our development friendly community. *(City Goal 6, 20)*

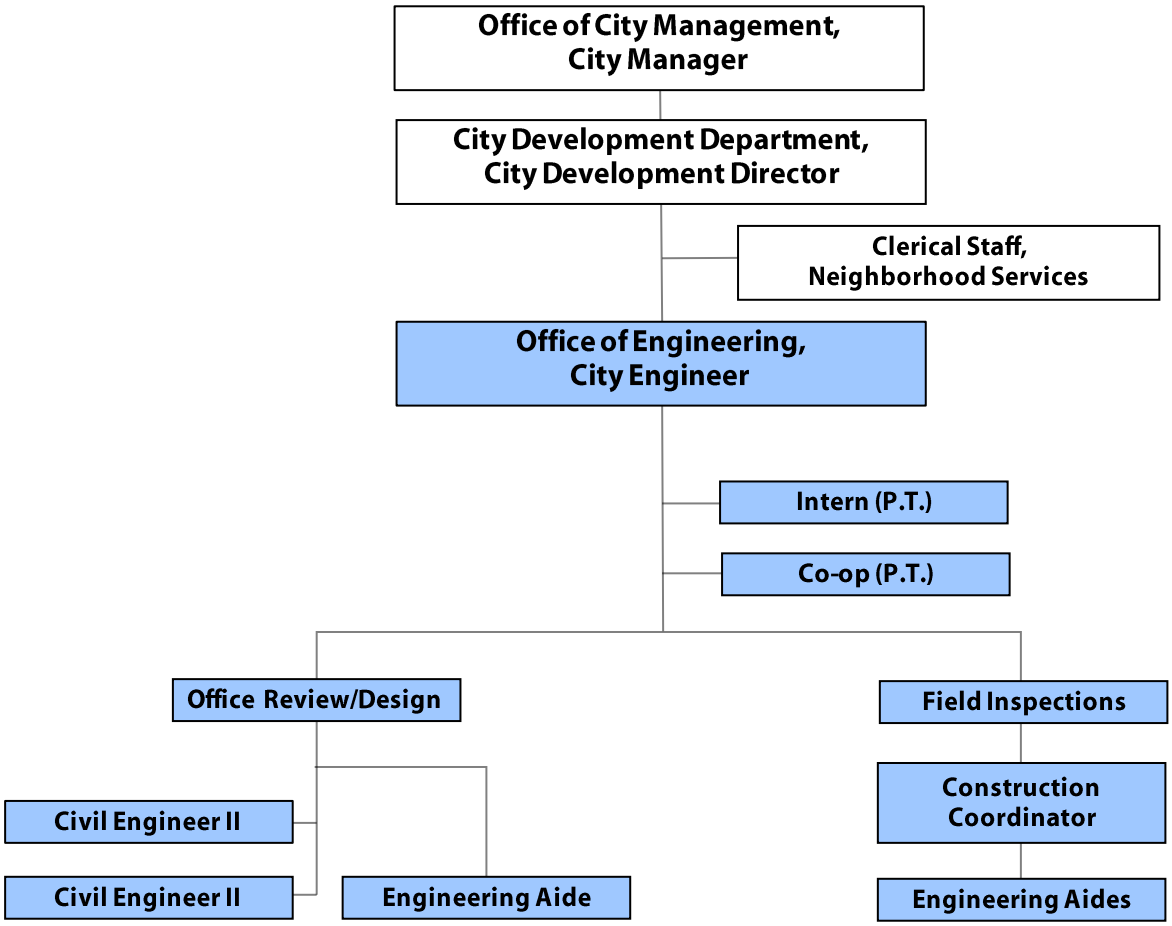
3. To continue to enhance the City Development process to further integrate all applicable departments including Planning, Engineering, Building, Code Enforcement, Police and Fire. *(City Goal 1, 3, 5, 6, 7)*

4. To create plans and specifications and administer contracts for various capital improvement projects including water main, sanitary sewer, drain, road and sidewalk projects. *(City Goal 6, 22)*

5. To optimally utilize local road funding and improve the overall condition of local road infrastructure to promote well-maintained and desirable neighborhoods. *(City Goal 5, 13, 23)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Site Plans Approved	42	34	36	30	36	36
	Land Divisions Reviewed	13	16	24	16	15	15
	Plot Plans/Grading Plans Approved	79	113	106	70	40	20
	Utility Company Permits Issued	50	48	46	60	50	50
	SESC Permits Issued	104	126	138	110	105	125
	Value of Const. Contracts Awarded & Supervised	$7.5M	$15.3M	$7.9M	$10.0M	$9.4M	$14.8M
	Miles of Sidewalks in City	615	619	621	621	621	623
	Service Requests Processed	430	375	350	500	500	450
Efficiency & Effectiveness	% of First Site Plans Reviewed w/i 4-6 weeks	58%	64%	72%	80%	80%	85%
	% of Utility Company Permits Reviewed w/i 15 days	85%	90%	90%	90%	90%	90%
	% of Plot or Grading Plans Reviewed w/i 10 days	85%	85%	85%	85%	90%	90%
	% of Capital Projects Completed w/i 5% of Bid Costs	100%	100%	100%	95%	90%	90%
	% of Initial Traffic Requests Resp. to w/i 35 Days	100%	100%	100%	100%	100%	100%
	Visual Road Surface (PASER) Rating - Good, Fair, Poor	9%,81%,10%	11%,81%,8%	12%,79%,9%	12%,79%,9%	13%,78%,9%	14%,78%,8%
	Eng. Inspection Hrs. Required to Meet Demand	7,236	7,945	7,200	7,500	7,500	7,300
	Activity Expenditures as % of General Fund	1.43%	1.43%	1.41%	1.46%	1.40%	1.31%

Engineering



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
City Engineer	1	1	1
Civil Engineer II	2	2	2
Civil Engineer I	0	0	1
CAD/GIS Coordinator	1	1	0
Construction Coordinator	1	1	1
Engineering Aide	3	3	3
Engineering Aide (P.T.)	1	0	0
Intern (P.T.)	0	0	1
Co-op (P.T.)	1	1	1
Total	10	9	10

Engineering

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 0.3%.

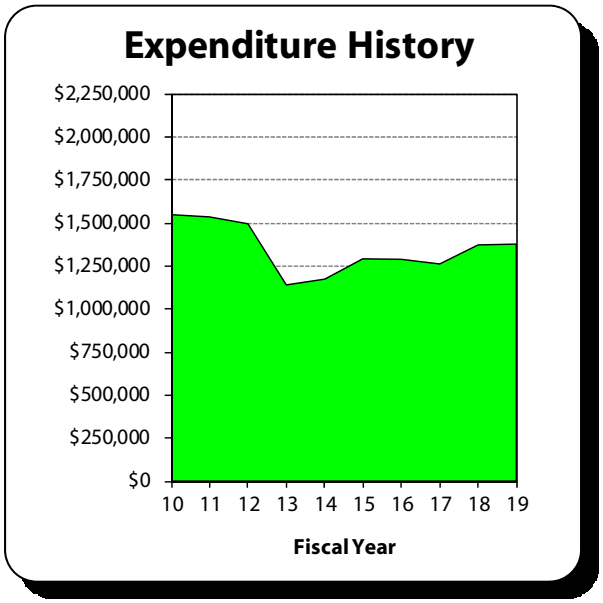
Personnel Services – Total Increase $3,840 or 0.3%

- $21,000 due to contractual wage adjustments
- $4,000 due to health insurance costs
- $16,000 due to required funding for pension liabilities; Offset by:
- $22,000 savings due to staff turnover resulting in new hires at a lower wage rate
- $15,000 savings due to less required overtime

Supplies – Total Supplies increased $30 or 0.5%. Postage costs rose slightly due to a postal rate increase.

Other Charges – Total Other Charges increased $870 or 13.5%. $620 was added for higher contractual rates necessary for improved cellular service. Training costs increased $250 for three licensed Engineers to maintain certifications.

Capital – Total Capital of $23,000 is proposed for a one-man Robotic Survey Instrument to replace the existing survey gun that requires a two-man crew, and will also eliminate the need to pay high rental fees for this equipment.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,250,921	$1,358,720	$1,309,690	$1,362,560	$1,362,560
Supplies	5,006	6,470	6,540	6,500	6,500
Other Charges	5,069	6,440	12,040	7,310	7,310
Total	$1,260,996	$1,371,630	$1,328,270	$1,376,370	$1,376,370

Neighborhood Services

MISSION STATEMENT: To protect a property owner's investment by enhancing the quality of life in our neighborhoods, educating residents, and performing neighborhood outreach as well as encouraging economic development through the promotion of energy efficiency, water-related tourism, and Science, Technology, Engineering, and Mathematics (STEM) workforce development initiatives.

Neighborhood Services is an office in the City Development Department responsible for code enforcement as well as economic development programs related to energy efficiency and technology, the Blue Economy (promotion of water resources) and Science, Technology, Engineering, and Mathematics (STEM) workforce development initiatives.

This office works closely with the office of Community Relations to implement and administer the principals of SHINE - Sterling Heights Initiative for Neighborhood Excellence. Those principals include working closely with community groups to advise property owners on maintenance issues; using multi-lingual resources to communicate in neighborhoods where there may have been a significant influx of refugees; coordinating clean-ups to assist residents who may have challenges that prevent them from maintaining their property.

Neighborhood Services' Code Enforcement Officers strive to preserve residential and commercial property values through strict enforcement of property maintenance standards. Property owners who do not voluntarily comply are sent to the Ordinance Board of Appeals (OBA) and a nuisance abatement public hearing is held. The mission of the Ordinance Board of Appeals is to consider appeals and requests for variances from City ordinances as authorized by the City Council. The Ordinance Board of Appeals also reviews dangerous and potentially dangerous dog cases. The City Development Director is the staff liaison to the Ordinance Board of Appeals.

To support efficient and sustainable energy-related policies and practices, the City is a member of the Southeast Michigan Regional Energy Office (SEMREO), a unique collaboration of nonprofits and local governments encouraging greener communities to attract talent and consequently help revive Michigan's economy.

KEY GOALS

- ***To protect a property owner's investment by administering property maintenance ordinances and the City's Noxious Weed Program.***
- ***To implement the principals of SHINE – Sterling Heights Initiative for Neighborhood Excellence – to encourage long-term property maintenance.***
- ***To support policies and practices that will attract talent to the area and consequently help revive the economy.***
- ***To develop STEM (science, technology, engineering and math) educational initiatives that will encourage the growth of a diverse, talented and educated local workforce that will attract businesses to Sterling Heights.***

The City Development Director also works to encourage the development of STEM initiatives, such as Velocity Jr., the STEM educational partnership with Utica Community Schools that encourages the growth of a diverse, talented and educated workforce that will attract businesses to Sterling Heights.■

Did you know…
…that Code Enforcement Officers posted almost 450 shine tickets on properties approaching a violation, resulting in compliance, prior to receiving a notice of violation?

Neighborhood Services

2018/19 PERFORMANCE OBJECTIVES

1. To coordinate construction and installation of the Sterling Heights Community Center. *(City Goal 1,18,19)*

2. To coordinate woody debris management and trash cleanups along the Clinton River to keep the river open and clean for recreational opportunities. *(City Goal 18, 19)*

3. To continue to enhance the City Development process to further integrate all applicable departments including Planning, Engineering, Building, Code Enforcement, Police and Fire. *(City Goal 1, 3, 5, 6, 7)*

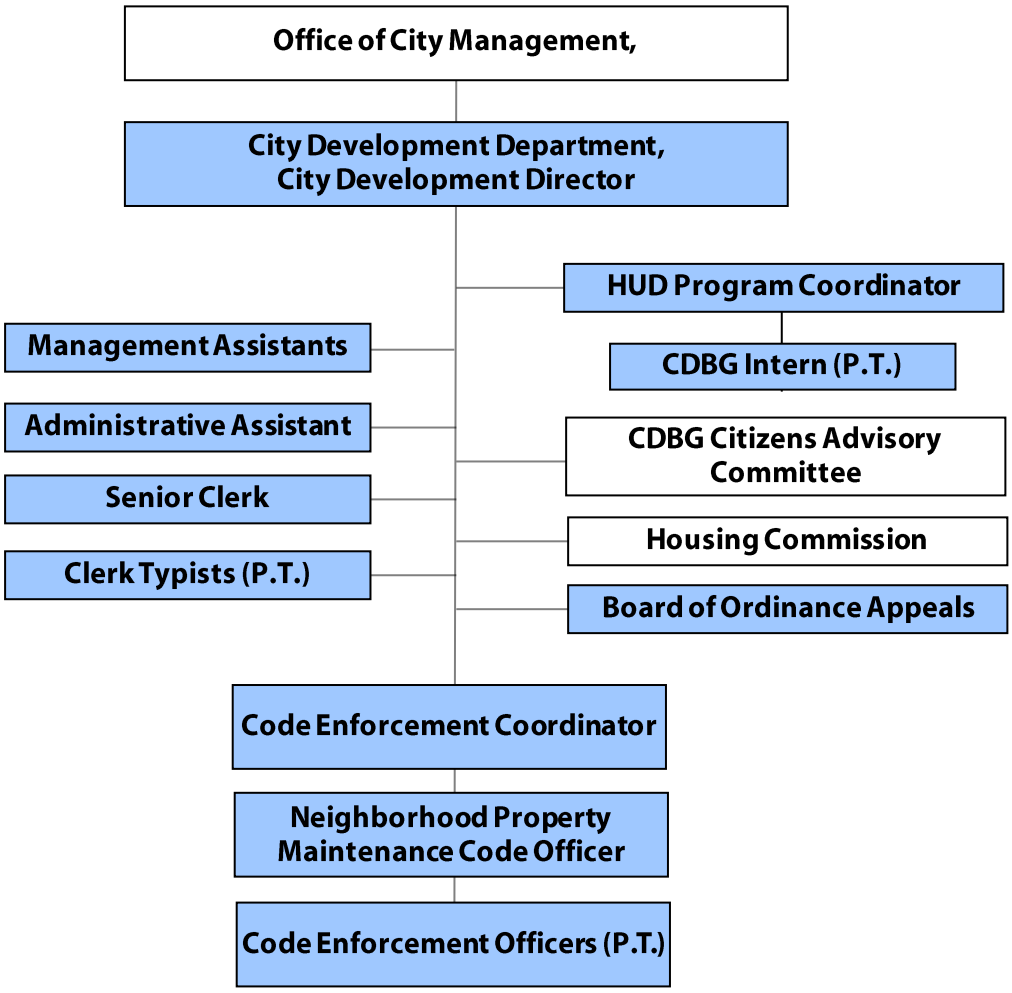
4. To contract with BS&A to utilize the Planning, Zoning, and Engineering module in order to track and share plan review information with residents, developers and staff. *(City Goal 1, 6, 23)*

5. To complete a Redevelopment Ready Communities workshop and receive RRC designation. *(City Goal 20)*

6. To continue interdepartmental coordination for Code Enforcement with Building, Planning, Police, and Fire. *(City Goal 6, 13, 14)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Inspections Performed	16,935	22,038	20,631	18,000	18,000	18,000
	Total Code Enforcement Cases/Properties Cleaned	8,684	11,185	11,209	10,800	10,600	10,800
	# of Proactive Code Enforcements (City Observed)	5,941	8,523	8,434	8,000	7,800	8,000
	# of Code Complaints Received	2,743	2,662	2,775	2,800	2,800	2,800
	Tall Grass/Weed Cutting Revolutions (317 acres)	6	6	6	6	6	6
	Vacant Parcels Cut - Tall Grass/Weed Program	416	256	243	250	276	250
	Parcels Cut - Occupied Res. Homes/Businesses	457	156	334	150	385	350
	Board of Ordinance Appeals Hearings	26	23	22	22	22	22
	Ordinance Board Cases Prepared - Nuisances	360	316	304	290	300	290
	Civil Infraction & Misdemeanor Tickets Issued	362	27	37	200	50	150
	# of Illegal Signs Removed from ROW	2,352	3,387	2,887	3,200	2,900	3,000
	# of Dangerous Dog Cases Reviewed	2	2	0	1	0	1
	# of SHINE Tags Issued	35	333	595	425	425	450
	# of CDBG Home Rehab Applications Received	15	17	14	15	15	15
	Contractor Assisted Canoe/Kayak thru City	N/A	N/A	N/A	80	100	120
Efficiency & Effectiveness	% of Insp. Performed w/i 48 Hours of Complaints	95%	95%	95%	95%	95%	95%
	Avg. Days Between Violation Notice & 1st Inspection	8	8	8	8	8	8
	% of Violations Corrected Prior to City Action	98%	98%	98%	98%	98%	98%
	Inspections Performed Per Inspector (FTE's)	2,646	2,938	2,751	2,400	2,400	2,250
	Code Enforcement Cases Per Inspector (FTE's)	1,357	1,491	1,495	1,440	1,413	1,350
	Code Enforcement Cases Per 1,000 Residents	66.4	85.4	85.4	82.1	80.6	82.0
	Activity Expenditures as % of General Fund	1.46%	1.68%	1.72%	1.77%	1.69%	1.58%

Neighborhood Services



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
City Development Director	1	1	1
City Development Manager	1	1	0
Code Enforcement Coordinator	1	1	1
HUD Program Coordinator	1	1	1
Neighborhood Prop. Maint. Code Officer	1	1	1
Management Assistant	2	2	2
Administrative Assistant	1	1	1
Senior Clerk	1	1	1
Code Enforcement Officer (P.T.)	8	8	9
Clerk Typist (P.T.)	2	2	2
CDBG Intern (P.T.)	1	1	1
Total	20	20	20

Neighborhood Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 0.3%.

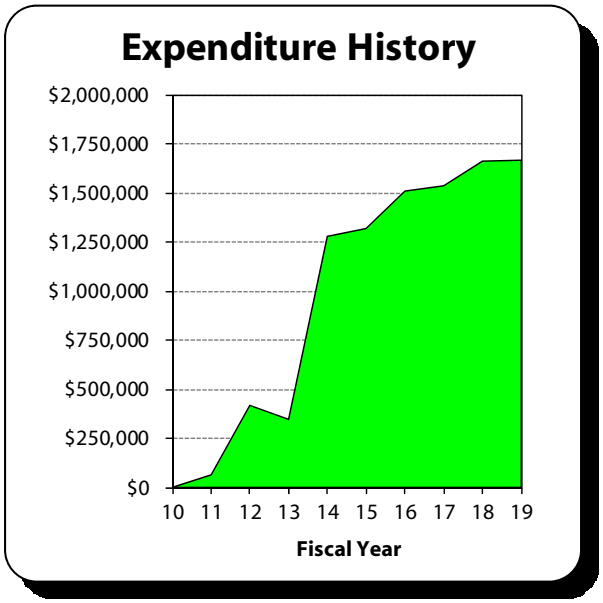
Personnel Services – Total Decrease $58,360 or 3.6%

- $132,000 savings due to the elimination of the City Development Manager position (combined with City Planner)
- $21,000 savings due to staff turnover resulting in new hires at a lower wage rate; Offset by:
- $45,000 increase due to contractual wage adjustments
- $40,000 increase due to the addition of a part-time code enforcement officer to handle the noxious weed program
- $15,000 increase due to required funding for pension liabilities

Supplies – Total Supplies increased $300 or 3.8% as more code enforcement related supplies need to be replenished.

Other Charges – Total Other Charges increased $62,970 or 151.0%. $45,000 is due to the transfer of the noxious weed cutting program from the Public Works Center. Educational funding increased $12,200 as additional funds are included for staff to attend BS&A training to implement the Planning, Zoning and Engineering module. Telephone costs rose $5,800 to fund higher contractual rates necessary for improved cellular service.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,532,315	$1,611,450	$1,552,520	$1,553,090	$1,553,090
Supplies	7,777	7,900	7,700	8,200	8,200
Other Charges	-4,295	41,700	40,160	104,670	104,670
Total	$1,535,797	$1,661,050	$1,600,380	$1,665,960	$1,665,960

MISSION STATEMENT: ***To act as the principal technical source of assistance to the Planning Commission and Zoning Board of Appeals in carrying out their duties in accordance with State enabling legislation.***

It is the responsibility of the Office of Planning to coordinate site plan reviews, and interpret and enforce the Zoning and other general ordinances of the City. This is done in accordance with its duty of providing administrative and technical assistance to both the Planning Commission and Zoning Board of Appeals (ZBA).

The City Planner serves as the administrative liaison to the Planning Commission. The Commission is required, by State enabling legislation, to prepare and adopt a Master Land Use Plan as set forth in the Michigan Planning Enabling Act, Public Act 33 of 2008. Planning provides the technical and professional assistance necessary for the creation of the plan, including any successive amendments.

As master land use plans generally entail a long range planning projection of between 15 to 20 years, continual review and maintenance is required by both the Planning Commission and Office of Planning. The Master Land Use Plan guides the physical development of the City as it relates to uses of land, public and quasi-public facilities, transportation systems, and utilities.

Planning is also responsible for the interpretation and enforcement of the Zoning, Tree Preservation, and other ordinances. Certain annual inspections such as review of liquor license establishments are also conducted by this office. In addition, this office provides information to residents regarding street lighting.

This office reviews plans for compliance with community standards that have been implemented in the Code of Ordinances. Development plans for industrial, commercial, and residential units are reviewed for height limitations, building setback, site density, parking accommodations, and floodplain violations.

The ZBA has specific powers and duties as provided in Act 110 of the Public Acts of 2006, as amended. The ZBA is a quasi-judicial body, and serves as the only body at the municipal level to hear appeals on various zoning matters. These duties include ordinance interpretations, appeals of administrative decisions, modification, and variance of ordinance requirements, and use variances. The City Planner also serves as liaison to this Board.■

KEY GOALS

- ***To provide technical support to the Planning Commission to prepare and adopt a Master Land Use Plan.***
- ***To provide technical support to the Planning Commission to prepare and adopt Zoning and Subdivision Regulation Ordinances.***
- ***To provide technical review and assistance on all phases of planning responsibilities.***
- ***To protect public safety, health, welfare, and property values by administering regulations, zoning ordinances, and other general codes.***
- ***To provide referral and supportive services to residents, businesses, developers, and builders.***

Did you know…
…the Office of Planning processed 53 new site plan applications, 11 rezoning applications and 19 special approval land use applications?

Planning

2018/19 PERFORMANCE OBJECTIVES

1. To assist the Planning Commission with the review and updating of the Zoning Ordinance to help implement the City's Master Land Use Plan. *(City Goal 13, 20)*

2. To continue to rewrite all planning and zoning application forms. *(City Goal 2, 5, 6)*

3. To continue to enhance the City Development process to further integrate all applicable departments including Planning, Engineering, Building, Code Enforcement, Police and Fire. *(City Goal 1, 3, 5, 6, 7)*

4. To develop an enhanced procedure manual to outline the development process. *(City Goal 2, 5, 6)*

5. To digitize and attach all new applications, site plans, and planning information to the appropriate parcels in the BS&A software system as well as continue the same for older files. *(City Goal 2, 5, 6)*

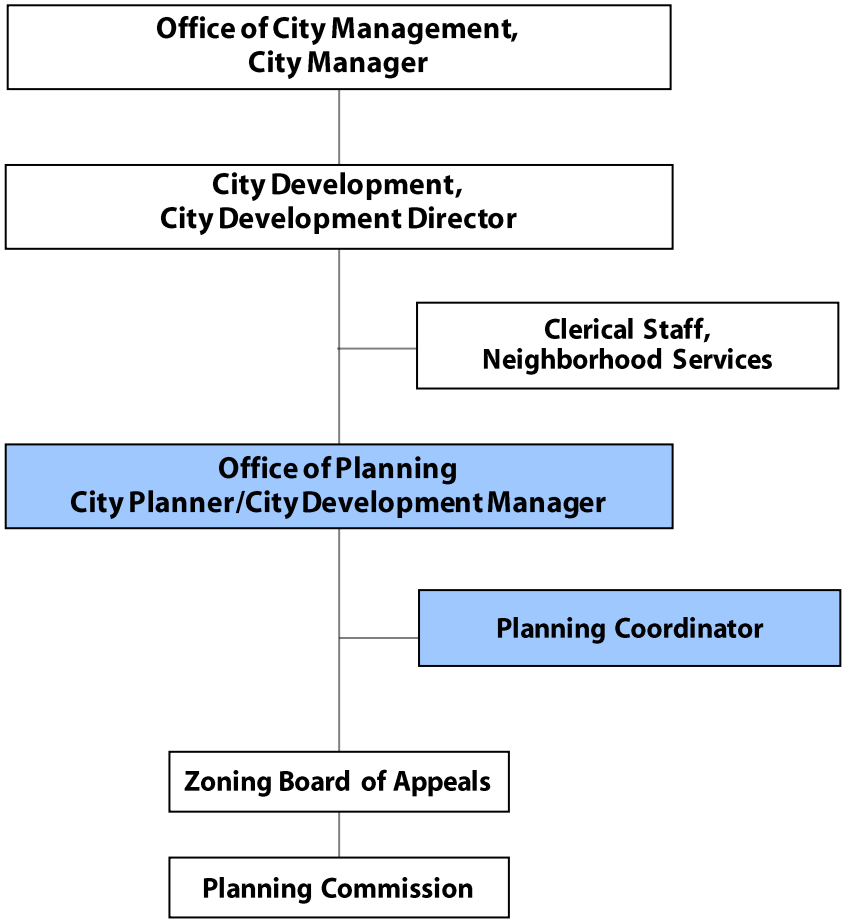
6. To move the City towards becoming a Redevelopment Ready Community. *(City Goal 1, 3, 5, 6, 7, 12, 13, 14)*

7. To continue to increase educational and training opportunities for members of the Planning Commission and Zoning Board of Appeals. *(City Goal 1, 2, 4, 6)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Site Plans Reviewed	96	96	101	80	106	100
	Rezoning Petitions Processed	8	8	13	7	8	8
	Residential Developments	13	5	8	5	5	5
	Special Approval Land Uses Processed	6	6	21	12	20	20
	Site Inspections Conducted	265	277	261	250	250	250
	Planning Commission Cases Prepared	17	19	41	30	36	36
	Planning Commission Meetings Attended	8	9	12	11	12	12
	Temporary Uses, Variances, & Vacations Reviewed	38	54	60	55	80	80
	Zoning Board of Appeals Cases Prepared	25	33	34	30	30	30
	Zoning Board of Appeals Meetings Held	10	11	11	11	12	12
	Council Agenda Items Prepared	9	8	26	30	30	24
	Zoning Compliance, Use Permits Reviewed	296	251	235	250	250	225
Efficiency	% of Preliminary Site Plans Reviewed w/i 10 days	92%	90%	90%	90%	90%	90%
	% of Final Site Plans Reviewed w/i 3 days	90%	90%	90%	90%	90%	90%
	% of Property Splits Reviewed w/i 2 days	90%	90%	90%	90%	90%	90%
	Average Cost to Review a Site Plan	$950	$1,010	$987	*	*	*
	Activity Expenditures as % of General Fund	0.20%	0.25%	0.22%	0.18%	0.20%	0.26%

**Cost is calculated for "Actual" columns only.*

Planning



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
City Planner/City Develop. Manager	0	0	1
City Planner	1	1	0
Planning Coordinator	0	0	1
Total	1	1	2

Planning

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 65.8%.

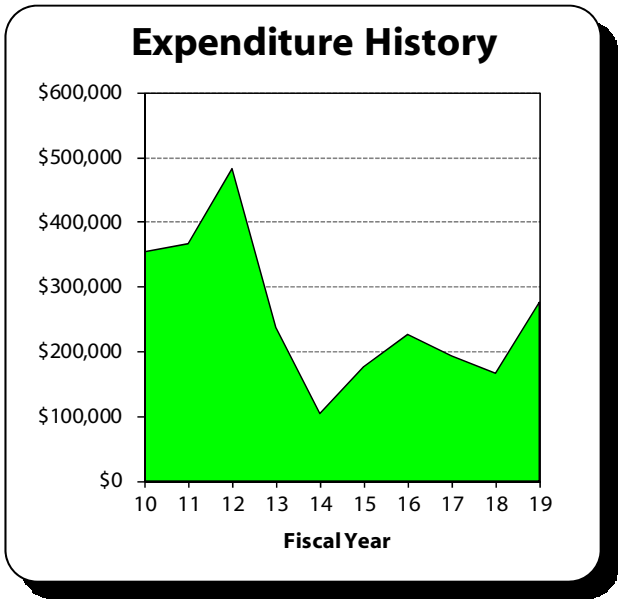
Personnel Services – Total Increase $109,850 or 66.6%

- $90,000 due to the addition of the Planning Coordinator position
- $15,000 due to contractual wage adjustments
- $1,500 due to required funding for pension liabilities

Supplies – Total Supplies is proposed to remain the same at $600. There are no proposed funding changes to the postage and operating supply accounts.

Other Charges – Total Other Charges decreased $70 or 5.8%. Telephone costs decreased $180 due to a revised allocation of citywide telephone expenditures to the Information Technology office. $50 was added due to a slight increase in existing membership fees. Educational funding increased slightly for the higher cost to attend the annual State Planning Conference next year.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$158,884	$164,940	$186,380	$274,790	$274,790
Supplies	577	600	550	600	600
Other Charges	34,167	1,200	990	1,130	1,130
Total	$193,628	$166,740	$187,920	$276,520	$276,520

Community Relations Department







FUNCTIONAL ORGANIZATION CHART

Community Relations Department

Office of Community Relations

- Administration of department
- Implements policies and procedures
- Serves as public information officer in emergency disaster situations
- Coordinates all media contacts on behalf of the City Council and City Manager
- Coordinates all City special events, such as Sterlingfest, Memorial Day Parade, and Cultural Exchange
- Coordinates staff assignments and responsibilities
- Coordinates events for members of City Council and City Manager
- Handles miscellaneous correspondence for members of City Council and City Manager
- Produces information and publicity for all City departments
- Administers the SH Film Office to attract film makers to the City and to coordinate City service in the event of a production
- Serves as liaison to Cultural, Telecommunications, and Beautification Commissions, Ethnic Community Committee, and Community Foundation
- Prepares and manages the department budget
- Publishes website and intranet
- Coordinates focus groups
- Coordinates City surveys
- Assists with implementation and coordination of volunteers

Communication Services

- Staffs and maintains the "Citizen Contact Center"
- Prepares all official City press releases & publications and media kits
- Serves as City liaison for a variety of homeowners' groups, civic organizations, church groups, and municipal focus groups
- Coordinates and produces City's social media websites
- Provides material for and manages City's website and Employee Intranet
- Provides high quality, efficient in-house printing services

Broadcast Services

- Operates Sterling Heights Television (SHTV) and Sterling Heights Informational Radio
- Produces and directs several television series
- Develops web and social media productions
- Provides standby videotaping service to Emergency Operations Center, Police, Fire and Public Works Departments
- Provides video production service for informational programs and in-house training for all City departments
- Researches, writes, tapes and edits all material for original SHTV programs and Web videos
- Broadcasts City Council, Zoning Board of Appeals, Planning, and Ordinance Board of Appeals meetings

DEPARTMENT AT A GLANCE

Community Relations Department

BUDGET SUMMARY

The Community Relations Department budget increased $15,480 or 1.1%. The Personnel budget rose $53,790 or 5.4% primarily due to contractual wage increases and an increase in the required funding for long-term retirement liabilities. Supplies decreased $221,370 due to the transfer of the Public Art budget to Capital Projects. Other Charges increased $183,060 or 95.7% due to a change in accounting for the Sterlingfest budget, offset by the prior year funding of a citizen survey and 50th anniversary activities.



FUNDING LEVEL SUMMARY

	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Community Relations	$1,022,090	$1,094,230	$1,449,590	$1,465,070	1.1%
Total Department	$1,022,090	$1,094,230	$1,449,590	$1,465,070	1.1%
Personnel Services	$863,760	$940,380	$988,470	$1,042,260	5.4%
Supplies	41,440	46,280	269,820	48,450	-82.0%
Other Charges	116,890	107,570	191,300	374,360	95.7%
Total Department	$1,022,090	$1,094,230	$1,449,590	$1,465,070	1.1%

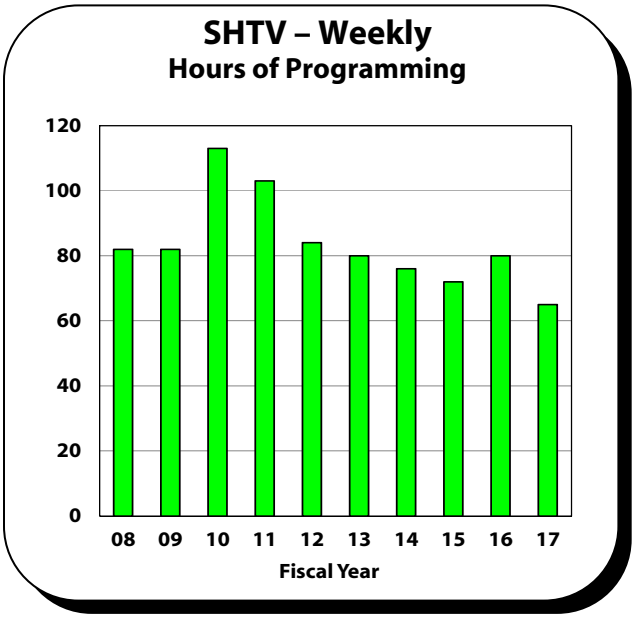
PERSONNEL SUMMARY

	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Community Relations	6	1	7	1	7	2	7	2
Total Department	6	1	7	1	7	2	7	2

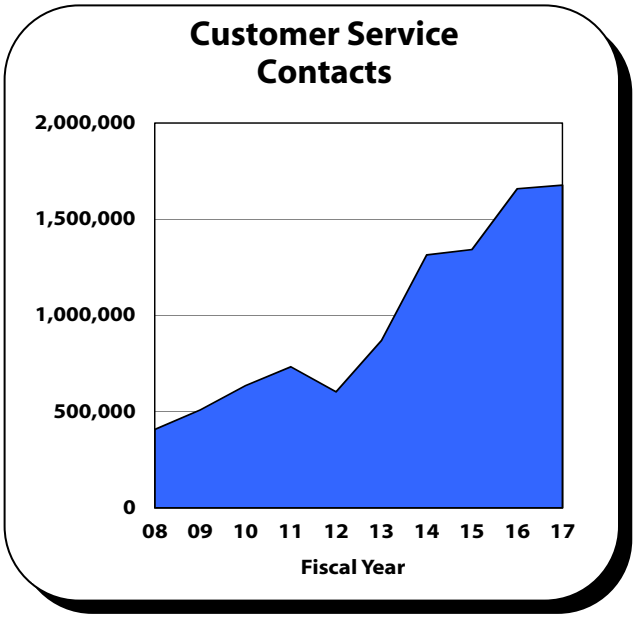
Excludes Boards & Commissions.

KEY DEPARTMENTAL TRENDS

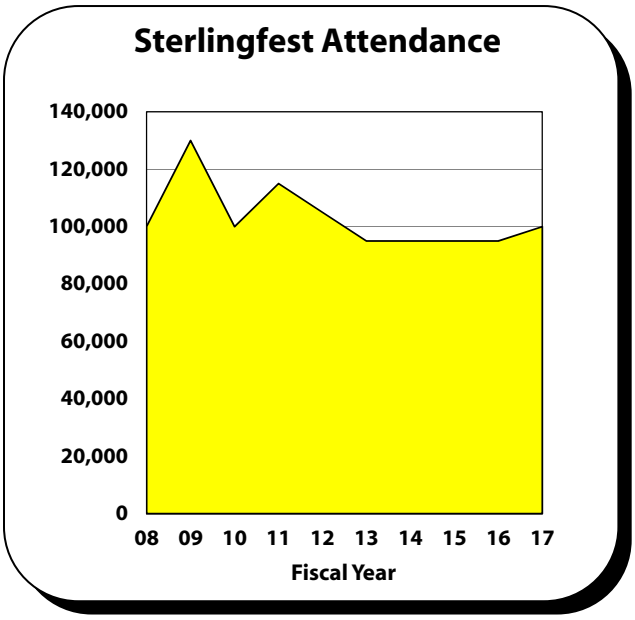
Community Relations Department



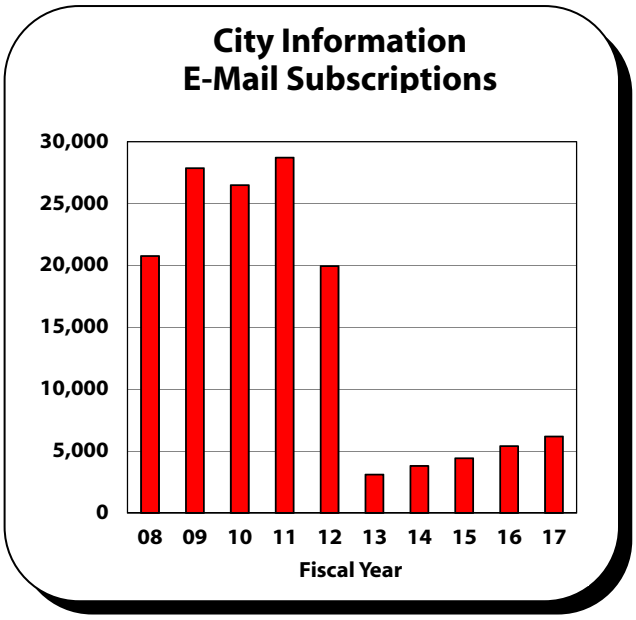
Sterling Heights Television programming hours decreased in 2017 due to the change to highly crafted short pieces in lieu of longer studio style programs.



City Website visits account for 99% of total service contacts. Community Relations has increased its customer service contacts through Citizen Contact Center calls received from residents, e-mails, social media, and additional electronic feedback programs.



The Sterlingfest Art and Jazz Fair now includes a carnival midway, additional restaurant vendors, a beer tent, concerts with local headliners, and art and jazzfest areas during the three-day event. Attendance declines in several years is attributed to inclement weather.



The City offers a free e-mail subscription service where residents can sign up to receive information about City meetings, events, job postings, garage sales, public safety updates, SHTV programming, the SHARP economic newsletter, and the latest City news and information. A new subscription e-mail service in 2013 required all existing e-mail addresses to be purged.

Community Relations

MISSION STATEMENT: ***To coordinate and prepare all communication efforts for the City of Sterling Heights in accordance with the goals, objectives, and policies adopted by the City Council and City Manager.***

Under the leadership of the Community Relations Director, the Community Relations Department provides accurate information to the public through all means of communication. The Community Relations Office is subdivided into two divisions: Communications and Broadcast Services. Each division has separate and distinct duties and responsibilities.

The Communications Division prepares publications such as the City Magazine, press releases, advertisements, brochures, pamphlets and service directories. This division also maintains and updates information on the City's website at www.sterling-heights.net, Facebook, Twitter, Radio Station AM 1700, and employee news and information on the City's Intranet. The City's Print Shop is responsible for printing all City publications.

Community Relations serves as the public information contact in the event of Emergency Operation Center activation. It is responsible for emergency press releases, speeches, press conferences, and coordination of a rumor control hotline.

One of the City's most unique programs is the "Citizen Contact Center." A Citizen Services Specialist is available for residents to contact regarding any concern or need for City information. These referrals are documented and followed up with a telephone call. Residents are also welcome to voice their input on the City's website or by phone at (586) 446-CITY.

The Broadcast Services, or Sterling Heights Television Division, is responsible for the City Hall and Library public access channels. Each station offers residents an alternative to keep informed of the workings of Sterling Heights government. This division also compiles multi-media productions for broadcast on the Internet and YouTube Channel SHTV1.

The Community Relations Director assists the Economic Development Manager with activities to promote general development in the City and proposes policies that produce a better community in which to live, work, and play.■

KEY GOALS

- ***To keep the lines of communication open among residents, businesses and municipal government.***
- ***To promote City government services and events through various media in order to inform the public of what is available to them.***
- ***To listen to the needs and concerns of the community and process its desires to the City Council and administration.***
- ***To maintain a cost effective in-house printing center.***
- ***To promote and showcase City meetings, events, programs and services in a televised manner so that residents stay informed.***
- ***To preserve and enhance the City's physical and economic development.***

Did you know…
…the City of Sterling Heights was incorporated on July 1, 1968 and is celebrating its 50th Anniversary in 2018?

Community Relations

2018/19 PERFORMANCE OBJECTIVES

1. To develop more streamlined media relations by working with internal staff to prioritize media responsiveness and to kickoff an annual reporter open house roundtable. *(City Goal 25)*

2. To increase resident subscriptions to email listservs by at least 25% through cross-media marketing campaigns. *(City Goal 24)*

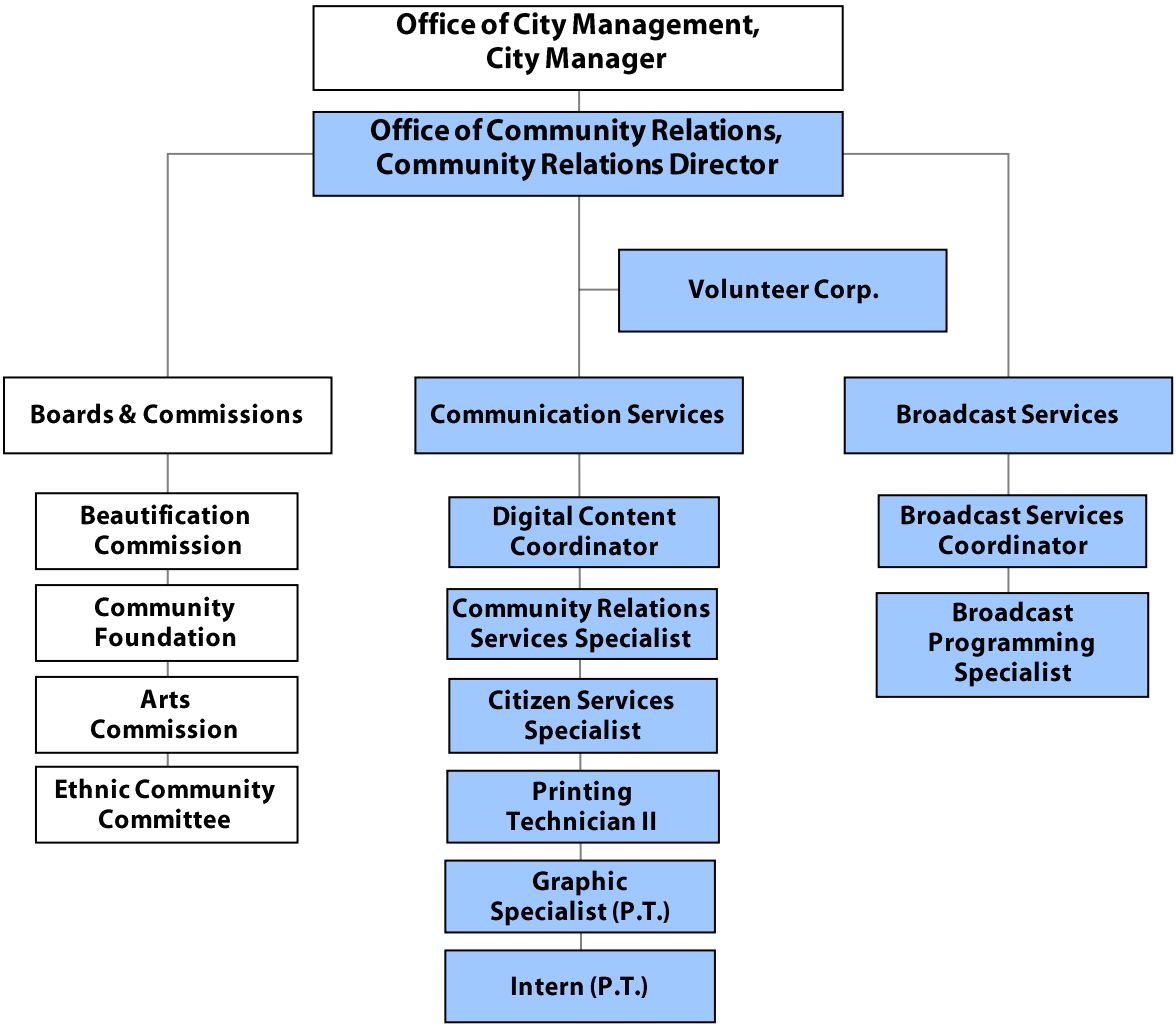
3. To increase city communication available in non-English languages, including Arabic and Spanish. (*City Goal 24)*

4. To redesign the Sterlingfest Art & Music Fair layout for better traffic flow and optimal sponsorship opportunities. *(City Goal 19)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Customer Service Contacts	1,342,810	1,658,815	1,677,382	1,442,800	1,512,850	1,512,875
	Citizen Action Center Calls/Walk-ins	10,000	9,080	9,500	10,000	10,000	10,000
	E-Mail Requests	2,810	2,924	2,818	2,800	2,850	2,875
	Sterling Heights Website Home Page Views	1,330,000	1,646,811	1,665,064	1,430,000	1,500,000	1,550,000
	Total Tapings & Programs Aired	216	202	215	230	235	215
	SHTV Hours of Programming (Weekly)	72	80	65	70	70	70
	City Council, Board & Commission Live Broadcasts	73	73	75	85	80	75
	Press Releases Produced	173	80	76	75	70	75
	Employee Newsletters	32	19	14	24	15	20
	City Magazine/Brochures Produced	21	28	29	50	45	45
	Typesetting/Graphic Design Projects	470	285	301	400	300	350
	City Information E-mail Subscription Recipients	4,432	5,409	6,195	6,300	7,500	8,500
	Average Reach Per Facebook Post	N/A	6,976	11,154	10,500	11,000	11,000
	Facebook Followers	4,470	10,213	11,601	12,500	12,400	13,000
	Twitter Followers	1,145	2,614	3,200	4,500	3,500	4,000
	Sterlingfest & Memorial Day Parade Attendance	100,000	100,000	100,000	102,000	105,000	105,000
	Neighborhood Clean Up Events Scheduled (SHINE)	6	11	8	8	7	7
	# of Homes Cleaned-Up through SHINE	83	88	85	85	85	90
	Volunteer Corps Membership	300	480	460	500	700	750
	Beautification Awards Presented	55	61	42	60	50	50
	Print Requests Completed	285	194	255	285	280	280
	Stockroom Requests Completed	140	183	155	185	180	180
Efficiency	% of Citizen Inquiries Resolved w/i 48 hrs.	89%	90%	90%	90%	90%	90%
	Cost per Citizen Contact Center Call Received	$2.96	$2.90	$2.84	*	*	*
	Average Cost to Televise a Public Meeting	$976	$960	$945	*	*	*
	Activity Expenditures as % of General Fund	1.03%	1.14%	1.22%	1.54%	1.55%	1.39%

**Cost is calculated for "Actual" columns only.*

Community Relations



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Community Relations Director	1	1	1
Broadcast Services Coordinator	1	1	1
Broadcast Programming Specialist	1	1	1
Digital Content Coordinator	1	1	1
Community Relations Services Specialist	1	1	1
Citizens Services Specialist	1	1	1
Printing Technician II	1	1	1
Graphics Specialist (P.T.)	1	1	1
Intern (P.T.)	0	1	1
Total	8	9	9

Community Relations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

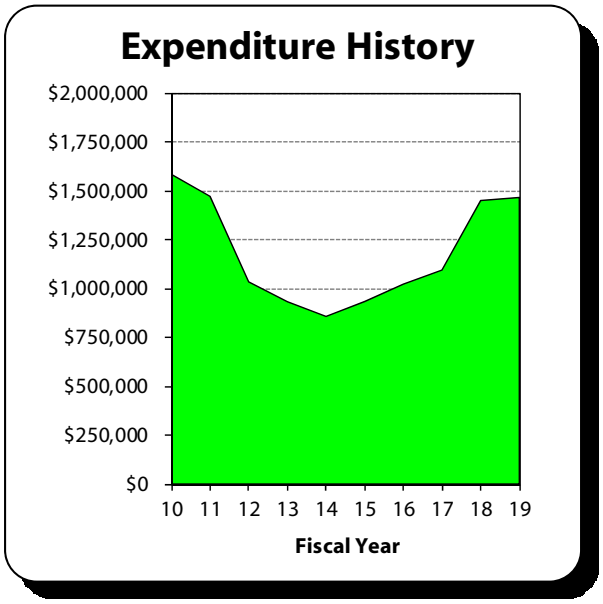
The total budget increased by 1.1%.

Personnel Services – Total Increase $53,790 or 5.4%

- $25,000 due to contractual wage adjustments
- $11,000 due to changes in insurance coverages
- $15,000 due to required funding for pension liabilities

Supplies – Total Supplies decreased $221,370 or 82.0%. $225,000 was reallocated to the Capital Projects Fund for the City's public art program. Operating supply costs increased $2,630 to fund the purchase of a drone and additional camera batteries for SHTV.

Other Charges – Total Other Charges increased $183,060 or 95.7%. The increase is primarily due to a process change in the budgeting of Sterlingfest expenditures to provide a better means of monitoring and controlling costs. Revenues from Sterlingfest are budgeted in the general fund and offset most of these costs. $1,210 was added due to an increase in annual software support costs and video equipment maintenance fees. Additional funding was added for Drone Operator training and licensing, and for City employees to attend an appreciation event. Contracted services decreased $40,060 due to the prior year one-time funding of a citywide survey to evaluate and prioritize City services, and a reappropriated encumbrance. Funding for special events decreased $39,420, primarily due to the one-time funding of the City's 50th anniversary activities, in the prior year.



Capital – Total Capital of $228,500 is budgeted in the Capital Projects Fund. $225,000 is for the maintenance, cleaning, and commissioning of public art. $3,500 is for a replacement LED Light Kit used for SHTV video tapings.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$940,382	$988,470	$999,970	$1,042,260	$1,042,260
Supplies	46,275	269,820	269,820	48,450	48,450
Other Charges	107,572	191,300	197,780	374,360	374,360
Total	$1,094,229	$1,449,590	$1,467,570	$1,465,070	$1,465,070

Non-Departmental Services







Your most unhappy customers are your greatest source of learning.

~ Bill Gates ~



41-A District Court

MISSION STATEMENT: ***To provide a forum of equitable, peaceful, and timely legal dispute resolution, based on the principles of due process, while instilling public confidence in the Court system.***

The Judicial branch of the City of Sterling Heights is the 41-A District Court. The Kenneth J. Kosnic 41-A District Court and Probation offices are located in the Judicial Services Center on the grounds of City Center Commons.

The Court staff consists of three judges and a full-time magistrate who hears small claims cases, signs warrants, sets bonds, etc. The District Court Administrator oversees the court operations and supervises the support staff. The court is subdivided into six divisions and one Probation division. The six court divisions include Civil, Criminal, Traffic and Ordinance, Landlord/Tenant, Small Claims, and the Violations Bureau.

The Civil Division handles the jurisdiction of all civil litigation up to $25,000.

The Criminal Division handles all felony and misdemeanor complaints filed by law enforcement agencies.

The Traffic and Ordinance Division handles complaints filed by law enforcement agencies regarding traffic and city ordinances.

The Landlord/Tenant Division processes claims filed involving the eviction of tenants and land contract forfeitures.

The Small Claims Division hears civil cases, which are below $5,500 and require no attorney.

The Violations Bureau handles all non-court traffic and ordinance violations. These infractions can be resolved without a court appearance by the involved parties.

The Probation Division is responsible for providing services to judges and probationary clients. The Probation Officer provides special reports and analyses to the judges for assistance on sentencing decisions. The Court's "Alternatives to Incarceration Program" is one example of how the community may benefit from cost savings and community service work when this option is appropriate. The services provided to probationary clients include securing employment, school, or training and referrals to rehabilitation programs to assist those with drug, alcohol, or emotional problems.■

KEY GOALS

- ***To provide a safe and secure environment for the people involved in all dispute resolutions within our jurisdiction.***
- ***To provide an unbiased climate for resolving disputes in the areas of Civil, Criminal, Traffic and Ordinance, Landlord/Tenant, Small Claims, and non-court traffic and ordinance violations.***
- ***To assist sentencing decisions through the use of a Probation Division by providing personalized analysis, special reports, and rehabilitation programs.***

Did you know…
…the Probation Department works with over 50 local volunteer organizations to help probationers meet their community service requirements?

41-A District Court

2018/19 PERFORMANCE OBJECTIVES

1. To work with the City to implement the Facility Improvement Plan. *(City Goal 1)*

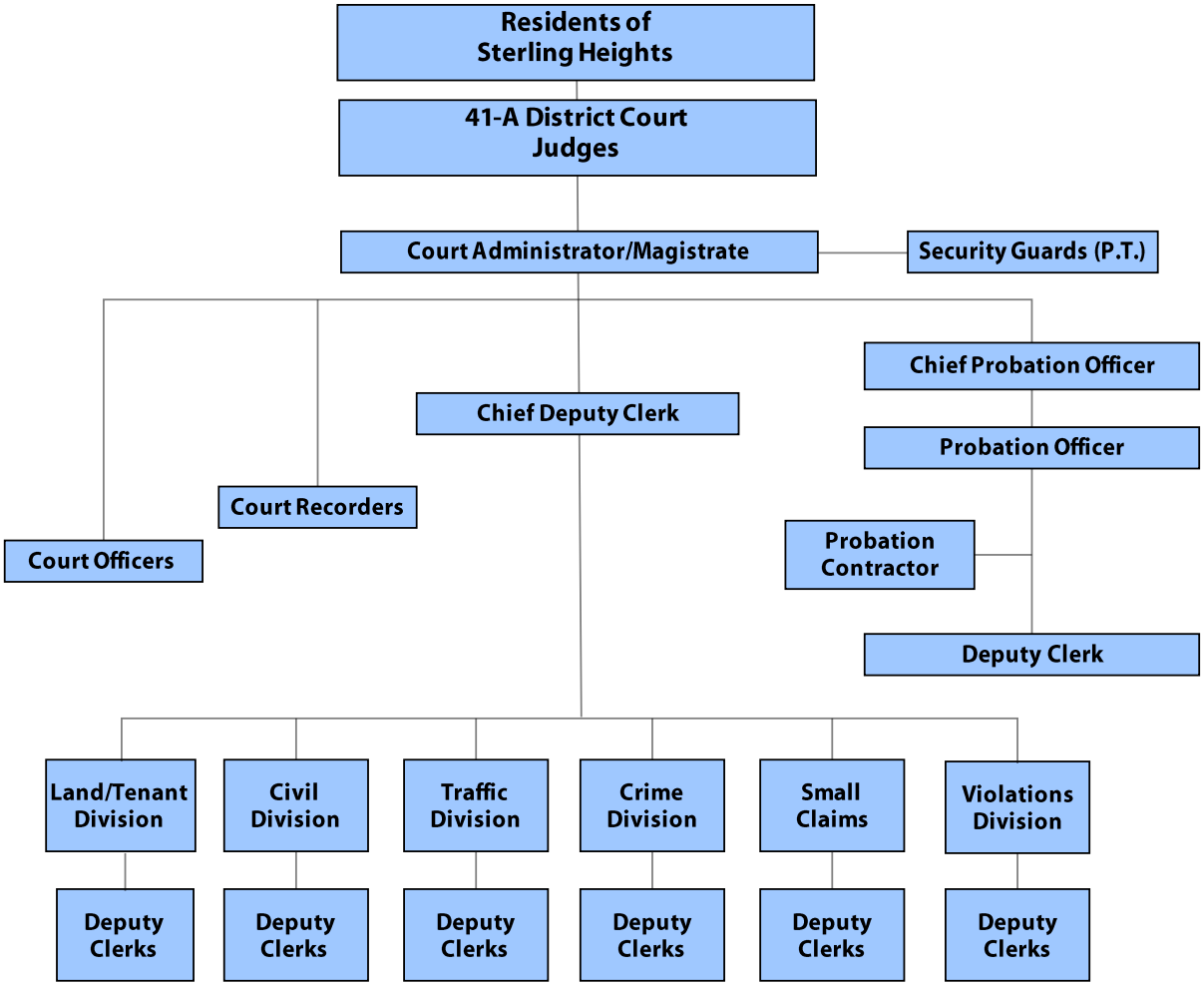
2. To consider relocating the Scheduling Clerk to the lobby area, which will allow for more direct access to litigants, lawyers, and law enforcement. *(City Goal 1)*

3. To implement changes required by the new Michigan Indigent Defense Commission Minimum Standards (MIDC). *(City Goal 1)*

4. To research the cost effectiveness of electronic court schedule boards. *(City Goal 1)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Total Active Caseload	44,709	48,968	39,528	49,000	40,000	40,000
	Total New Cases	35,374	40,341	36,294	40,000	36,340	36,340
	Traffic Cases	24,565	29,809	25,641	29,900	26,000	26,000
	Parking Cases	1,322	1,775	1,293	2,500	1,300	1,300
	Misdemeanor Cases	3,652	3,143	3,864	3,100	3,500	3,500
	Felony Cases	627	501	556	700	600	600
	General Civil Cases	2,652	2,566	2,613	2,500	2,600	2,600
	Small Claims Cases	333	386	393	400	390	390
	Landlord/Tenant Cases	2,223	2,161	1,932	2,200	1,950	1,950
	Magistrate Dispositions	8,188	11,042	13,117	11,000	13,000	11,000
	Jury/Bench Verdicts	9,058	10,403	10,454	10,500	10,500	10,500
	Guilty/Admissions/Default - By Party	18,673	14,646	15,580	15,000	15,000	15,000
	Dismissals - By Court or Party	7,218	5,908	8,868	5,900	6,500	5,900
	Probation Caseload (includes Shelby)	1,354	1,335	1,310	1,350	1,300	1,300
Efficiency	Court Revenue Collected by Collection Agency	$2,811	$2,305	$900	$2,000	$500	$300
	Total Court Expenditures Per Capita	$23.61	$24.61	$24.71	$25.60	$25.67	$26.91
	Cost per Active Case	$69	$66	$82	$69	$84	$89
	# of Active Cases per FT Employee	1,490	1,580	1,275	1,580	1,290	1,290
	Activity Expenditures as % of General Fund	3.42%	3.59%	3.63%	3.58%	3.56%	3.37%

41-A District Court



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Judge	3	3	3
Court Administrator/Magistrate	1	1	1
Chief Probation Officer	1	1	1
Chief Deputy Clerk	1	1	1
Court Recorder	3	3	3
Court Officer	3	3	3
Probation Officer	1	1	1
Deputy Clerk	18	18	18
Deputy Clerk (P.T.)	7	7	7
Security Guard (P.T.)	3	3	4
Total	41	41	42

41-A District Court

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.3%.

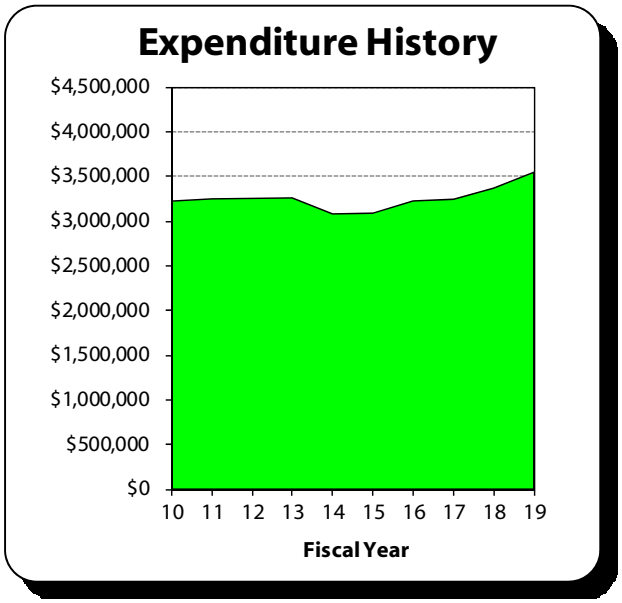
Personnel Services – Total Increase $183,550 or 6.0%

- $66,000 due to contractual wage adjustments
- $15,000 due to the addition of a part-time security guard
- $60,000 due to changes in insurance coverages and an increase in the cost for the Community Blue plan
- $29,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $900 or 2.2% for the increased cost of legal publications and an inflationary increase in supply costs.

Other Charges – Total Other Charges decreased $5,790 or 2.0%. Utility costs decreased $10,000 as water and electric both can be reduced based on a more accurate estimate of usage. Equipment maintenance costs decreased $5,000 based on lower State computer software maintenance and support fees for the new dedicated server that replaced the Court's mainframe computer. Funding for replacement court reporting services decreased $3,000. Telephone costs decreased $2,500 due to a reallocation of citywide telephone expenditures. The Court is saving $1,500 in postage meter rental costs by utilizing the machine at City Hall. $16,500 was added for the increased use of interpreters.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$2,931,087	$3,035,330	$3,039,680	$3,218,880	$3,218,880
Supplies	41,820	41,800	41,600	42,700	42,700
Other Charges	269,965	289,820	293,790	284,030	284,030
Total	$3,242,872	$3,366,950	$3,375,070	$3,545,610	$3,545,610

Act 78 – Civil Service Commission

MISSION STATEMENT: ***To govern the testing for appointment, employment, and promotion of Police and Fire personnel.***

The Act 78 Civil Service Commission is a General Fund activity and is budgeted and accounted in a manner similar to other General Fund activities. The plan of Civil Service as established by Act No. 78 of the Public Acts of 1935, as amended, is incorporated in the Charter of the City and can be changed only by a formal amendment to the City Charter.

The City Clerk acts as ex officio liaison to the Commission and provides the necessary administrative and clerical support.

The Commission governs all aspects of the testing procedures for Police and Fire personnel. From the physical and agility aptitude exams to the written, oral, physiological, and psychological examinations, the Commission has a hands-on interface with the selection of examiners, criteria for examination, and selection of final evaluators. This important role of the Act 78 Civil Service Commission ensures the best candidates are selected for employment. The three members of the Commission serve without compensation during their term.■

KEY GOALS

- ***To set requirements for Police Officer and Firefighter applicants that will best serve the interest and well-being of the residents of Sterling Heights.***
- ***To keep Police Officer and Firefighter eligibility lists current by initiating the application process in a timely fashion.***
- ***To monitor the testing process for new hires and personnel who have applied for certain promotions within the Police and Fire Departments.***

Did you know…
…the Civil Service Commission establishes minimum requirements and certifies eligibility lists for the hiring of police officers and firefighters?

Act 78 - Civil Service Commission

2018/19 PERFORMANCE OBJECTIVES

1. To establish a new two-year eligibility list for the Police Department. *(City Goal 1, 2, 3)*

2. To establish an eligibility list for the Fire Department. *(City Goal 1, 2, 3)*

3. To hire 10 new Firefighters and eight new Police Officers. *(City Goal 1, 5, 9)*

4. To maintain high eligibility requirements for Police and Fire, ensuring new hires can perform to the City's exceptional standards. *(City Goal 1, 2, 3, 9)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Minutes of Act 78 Meetings Recorded	4	4	3	3	5	3
	Police Officer Eligibility List Applications	95	399	422	50	120	50
	Fire Fighter Eligibility List Applications	125	0	61	100	39	50
	Written Tests - Police Officer Eligibility List	95	399	422	50	120	50
	Written Tests - Fire Fighter Eligibility List	125	125	61	100	39	50
	Oral Interviews - Police Officer Eligibility List	87	69	81	30	63	25
	Oral Interviews - Fire Fighter Eligibility List	50	0	54	50	17	25
	Physical/Psychological Test - Police/Fire Candidates	36	58	67	20	25	20
Effectiveness	# of Appeals by Candidates/ Terminated Employees	1	1	0	0	1	0
	Activity Expenditures as % of General Fund	0.03%	0.05%	0.04%	0.05%	0.05%	0.04%

Act 78 – Civil Service Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

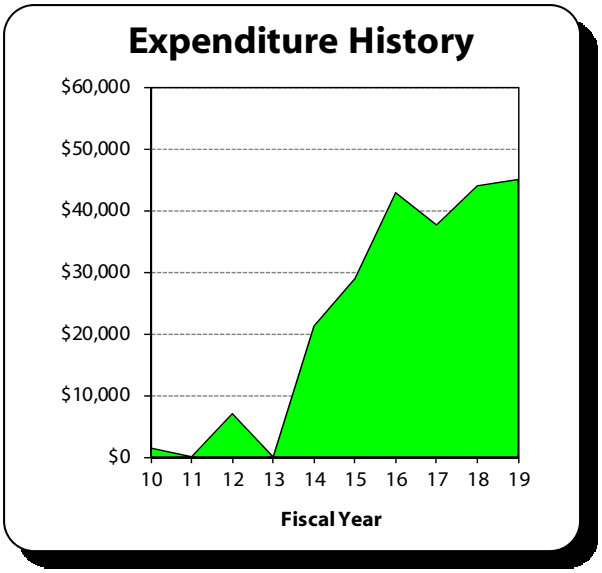
The total budget increased by 2.3%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – Total Supplies is proposed to remain the same at $170. There are no proposed funding changes to the postage and operating supply accounts.

Other Charges – Total Other Charges increased $1,030 or 2.4%. $600 was added due to higher pre-employment physical and psychological exam fees. Funding for written and oral exams for police and fire candidates increased slightly by $430.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	170	50	170	170
Other Charges	37,620	43,800	43,800	44,830	44,830
Total	$37,620	$43,970	$43,850	$45,000	$45,000

Arts Commission

MISSION STATEMENT: ***To serve in an advisory capacity to the City Council for the development of City-wide art programs.***

Programs and projects sponsored by the Arts Commission are developed in accordance with the goals and objectives set by the City Council and administration.

The Arts Commission's primary responsibility is to consider, study and recommend City-wide art programs. Culture reflects the act of developing social, moral, and intellectual faculties through education. The Commission promotes, coordinates and develops the performing and creative arts by recommending art programs and opportunities.

The "Featured Artist" program reinforces the attitude expressed by the Commission that culture should be appreciated. Throughout the year, local artists are chosen to professionally display their art in a public forum.

The "Sterlingfest Art & Music Fair" and the accompanying food festival held in Dodge Park brings thousands of area residents together. This festive and family-friendly atmosphere is conducive to good times and the appreciation of the performing, visual and culinary arts.

The annual "Memorial Day Ceremony & Parade" honors those men and women who gave their lives for our American freedom. The Arts Commission sponsors this event as well as Best Float and Band awards for those groups who best display their creativity during the parade event.

The 12 members of the Arts Commission are appointed by the City Council and serve without compensation. The Community Relations Director serves as the liaison.■

KEY GOALS

- ***To sponsor City events, such as "Sterlingfest", that showcase various forms of the performing and visual arts and encourages family entertainment.***
- ***To develop an art appreciation program targeted at the City's youth, including programs that encourage creative painting and the visual arts at City events such as Sterlingfest and Teenfest.***
- ***To maintain the City's outdoor publicly-owned sculptures to preserve them for future generations.***

Did you know…
…the Arts Commission unveiled its largest piece of public art in city history – "The Seed" – in 2017? "The Seed" is 26 feet high and located in the Dodge Park /Utica Road roundabout.

Arts Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

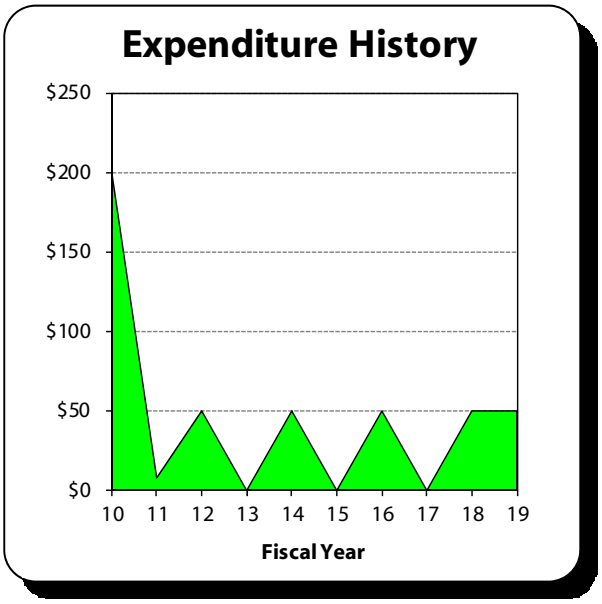
The total budget increased by 0.0%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – There is no Supplies budget for this commission.

Other Charges – Total Other Charges is proposed to remain the same at $50. There is no proposed funding change to the membership account.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	0	0	0	0
Other Charges	0	50	50	50	50
Total	$0	$50	$50	$50	$50

Beautification Commission

MISSION STATEMENT: ***To promote public interest in the general improvement of the City's appearance.***

Residents and owners of all property within the City of Sterling Heights are encouraged to accept basic responsibilities in preserving and enhancing the beauty of public and private properties. An annual awards program assists the Beautification Commission in promoting its mission throughout the City. Nominations are submitted annually for properties in Sterling Heights that exemplify the enhancement of both public and private properties. The Commission reviews these nominations and those that are worthy of the award receive City-wide recognition.

Special projects are organized and coordinated to lead the way for residents to follow suit. Environmental awareness education for residents tops the list of priorities. The Beautification Commission initially proposed the City's recycling centers. This landmark project has gained City-wide acceptance and resident participation.

The Beautification Commission recommends the planting and preservation of trees, flowers, plants, and shrubbery, as well as the placing of other ornamentation throughout the City. The Beautification Commission also promotes public education for the disposal of litter in our community through its contacts with schools, scouting troops and businesses. This is accomplished through programs such as "Adopt a City Road".

The 12 member Commission includes a variety of City residents appointed by the City Council. The Community Relations Director serves as staff liaison to the Beautification Commission, coordinating its activities within City guidelines. The Commission was established pursuant to Ordinance No. 145. The Commission sets a specific budget for purposes of funding programs and projects.■

KEY GOALS

- ***To recognize and honor those individuals who take the initiative to beautify their properties.***
- ***To sponsor educational programs to teach students how to beautify their City.***
- ***To partner with other communities to inform residents of ways to beautify their communities.***

Did you know…
…the Beautification Commission recently partnered with the Library to clean up and beautify the Children's Garden each spring?

Beautification Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

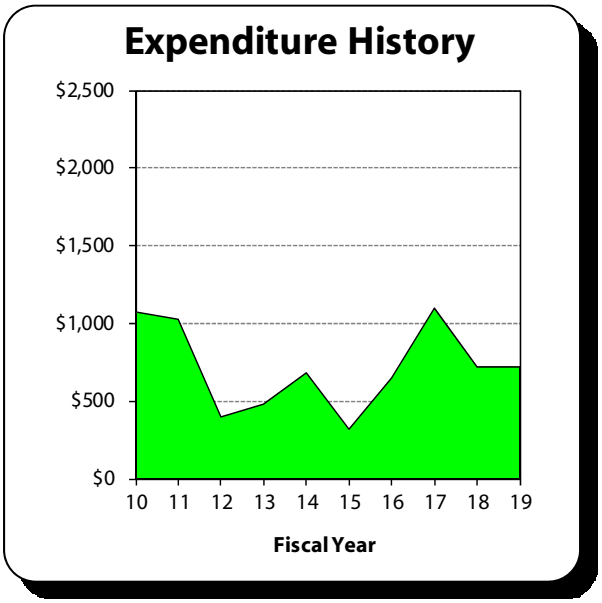
The total budget increased by 0.0%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – Total Supplies is proposed to remain the same at $630. There are no proposed funding changes to the operating supplies account.

Other Charges – Total Other Charges is proposed to remain the same at $90. There are no proposed funding changes to the local meetings and membership accounts.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	978	630	630	630	630
Other Charges	120	90	90	90	90
Total	$1,098	$720	$720	$720	$720

General Employees Retirement Board

MISSION STATEMENT: ***To invest plan assets prudently while meeting or exceeding actuarial liabilities, while insuring timely and proper distribution of benefits to which plan participants are entitled.***

The General Employees Retirement Board activity was established with the authority to administer, manage, and operate the retirement system following the provisions established by the retirement ordinance referenced in the City Charter and Code of Ordinances. The mission of the General Employees Retirement Board is to ensure that the assets of the retirement fund are invested in a safe and prudent manner, yielding the highest possible return on the investment of the funds. The Board is also responsible for calculation of retiree benefits. Board meetings are held on the third Thursday of every month at 1:30 p.m. in City Hall. These are public meetings with the agenda posted by the end of the week prior to each meeting.

Assets in the fund as of June 30, 2017 total a market value of $110,237,923 while the City's contribution for the 2018/19 fiscal year will be $3,612,059. The fund is now 79.1% funded.

The Board has established the following asset allocation guidelines:

Equities:	
Large cap	22%
Small Midcap	10%
International	27%
Fixed Income	32%
Real Estate Investment Trust	4%
Master Limited Partnerships	5%
Cash	0%

There are currently 361 retirees receiving benefits from the fund and 99 active members of the system who pay into the system. Retirement benefits vest after five or ten years of service depending on the participant's labor agreement. As of June 30, 2017, 99 active members were vested.

Five members serve on the General Employees Retirement Board. The officers include the Finance & Budget Director as the Board Secretary and the City Treasurer as the Treasurer of the retirement system and asset custodian. A resident is appointed by City Council to serve on the Board while two employee representatives are elected for staggered three-year terms by members of the General Employees Retirement System. An attorney designated by the Board acts as legal advisor while the Pension Administrator serves as the pension board liaison.■

KEY GOALS

- ***To monitor investments and liabilities to ensure proper matching while making necessary adjustments to maintain proper balance and long-term funding levels.***
- ***To develop and follow procedures whereby plan participants receive the benefits to which they are entitled by contract and/or ordinance.***
- ***To provide adequate communication to members of the retirement system so that they know how their funds are managed and what to expect at retirement.***

Did you know…
…that there are currently 361 retirees receiving benefits from the General Employee's Retirement System?

General Employees Retirement Board

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

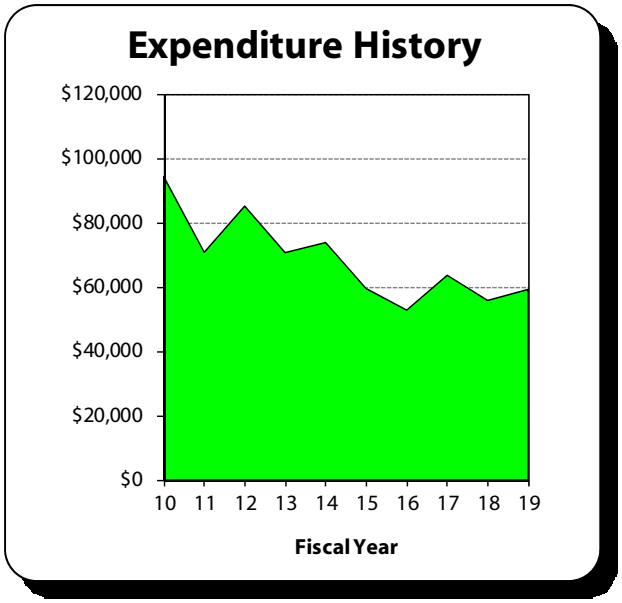
The total budget increased by 6.2%.

Personnel Services – There is no Personnel budget for this board.

Supplies – Total Supplies increased $20 or 8.0%, as postage funding rose slightly due to a postal rate increase.

Other Charges – Total Other Charges increased $3,420 or 6.2%. Contracted services increased $2,200 due to higher actuarial costs. $1,000 was added for legal services provided to the Board based on the current year's billings. Educational funding increased $220 due to higher costs for the annual spring and fall MAPERS conferences.

Capital – There is no Capital proposed for this board.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	181	250	270	270	270
Other Charges	63,432	55,540	56,540	58,960	58,960
Total	$63,613	$55,790	$56,810	$59,230	$59,230

General Expenditures

MISSION STATEMENT: ***To budget and account for general expenditures not assigned to specific users within the City due to their non-specific nature.***

The General Expenditures activity of the General Fund is used to budget and account for all general expenditures that are incurred throughout the fiscal year. This activity is a budgetary center within the General Fund. Expenditures are charged to this activity because of the inability to properly reflect the expenditures in any other activity. This situation exists when an expenditure is incurred by the City in which benefit is realized by more than one activity. Rather than allocate the expense over the many activities in the City, it is much simpler and more auditable to charge it to an activity specifically set up for this type of expenditure – the General Expenditures activity.

Examples of these types of expenditures include employee unemployment compensation costs, postage for City publications and miscellaneous bulk mailings, and operating supplies for the copiers used throughout the City.

Other Charges, such as audit and accounting services for the annual year-end financial report, and contracted services for potential studies and reports are included in this activity. City street lighting, all liability and property insurance for the City, and citywide memberships and dues are other items of interest found in this activity.

The General Expenditures activity is its own budgetary center. If, and when, amendments are necessary to this activity, approval must be received from City Council before the adjustment is made. This budgetary center rarely requires any formal budget amendment.■

KEY GOALS

- ***To provide a means of accounting for certain unallocable citywide expenditures which benefit all City departments or the public at large.***
- ***To provide a means of accounting for certain benefits to residents such as street lighting, auditing costs, and citywide memberships.***
- ***To provide a means of budgeting and accounting for citywide liability insurance coverage.***

Did you know…
…the average monthly cost of $83,000 for the operation of over 3,900 street lights contributes to the City's reputation as a safe city?

General Expenditures

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

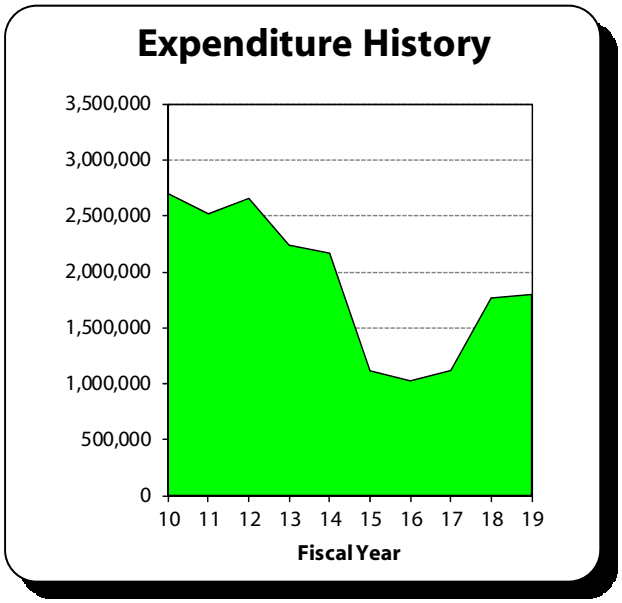
The total budget increased by 1.8%.

Personnel Services – The total Personnel budget remains the same as the prior year. There are no changes in unemployment compensation costs anticipated.

Supplies – Total Supplies increased $2,500 or 14.3% for the increased cost and use of citywide copy paper and for the purchase of supplies for the Clinton River kayak events.

Other Charges – Total Other Charges increased $28,560 or 1.7%. Educational funding increased $25,000 for additional organization-wide training opportunities. Rental costs rose $1,750 as per-page print fees are higher than anticipated. $1,090 was added due to a slight increase in the cost of the annual audit of City financial statements and $720 was added for increased membership costs.

Capital – There is no Capital proposed for this cost center.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$14,509	$20,000	$16,000	$20,000	$20,000
Supplies	18,817	17,500	18,500	20,000	20,000
Other Charges	1,085,570	1,729,270	1,731,020	1,757,830	1,757,830
Total	$1,118,896	$1,766,770	$1,765,520	$1,797,830	$1,797,830

Historical Commission

MISSION STATEMENT: ***To foster an understanding and appreciation of local history and to identify the heritage of our City.***

The Historical Commission strives to promote an awareness of the community's heritage; to identify local preservation concerns; to attend workshops and seminars relating to preservation management; to study public policies designed to protect and preserve local history; and to provide opportunities for residents to share and shape their historical legacy.

Through membership in the American Association of State and Local History, the National Council on Public History, and the Historical Society of Michigan, the Commission works to expand its perceptions and knowledge of current practices in the field of local history. It keeps informed of state and federal legislation, as well as identifies sources of funding such as grants and endowments.

The Historical Commission has the responsibility to identify structures and sites of historic significance; to study the value of their preservation, and to make recommendations for future use. The Residential Date Plaque Award Program, established in 1992, has recognized 33 homes of historic value in Sterling Heights as identified by age and architectural significance.

To encourage an appreciation of local history, the Sterling Heights Historical Commission is also responsible for the development of the Sterling Historical Collection in the Upton House and its new expansion in the Library. The Commission collects and exhibits items reflecting life and times in our community since its inception as a township in 1835.

The Commission, in partnership with the Friends of the Library, produced a book on local history entitled, *Seven Miles from Home: An Oral History of Sterling Township, a Michigan Farm Community*. In addition, in partnership with the Public Library, the Commission authored *Sterling Township: 1875 – 1968*, a pictorial history.

As Sterling Heights continues to change, it is important to remember that learning about our history creates a bridge from the past to the present. What is happening here today will be tomorrow's history.

KEY GOALS

- ***To increase public knowledge about local history and historic preservation.***
- ***To collect and archive historic photographs.***
- ***To collect, maintain, and promote a Sterling Historical Collection in the Upton House and the Library.***
- ***To promote cooperation and resource sharing with local, state, and national preservation organizations.***

The Commission most recently published the book, *Sterling Heights* in Arcadia's Images of America series. The book is authored by Debra Vercellone, a Librarian at the Sterling Heights Public Library, and is a tribute to the City's 50th Anniversary. The people and places that impacted the City of Sterling Heights throughout its first 50 years are highlighted.

The seven members Historical Commission acts in an advisory capacity to the City Council. Members serve uncompensated terms of three years. The Commission, established in 1970, meets quarterly. The Community Services Director is the staff liaison, relating the activities of the Commission to City Administration.■

Did you know…
…the Historical Commission recently published a book about Sterling Heights that coincided with the City's 50th Anniversary?

Historical Commission

2018/19 PERFORMANCE OBJECTIVES

1. To provide a regular schedule of open hours for tours of the Upton House, in addition to Sterlingfest and A Sterling Christmas. *(City Goal 19)*

2. To renovate the outside of the Upton House, as funds permit. *(City Goal 19)*

3. To transform the inside of the Upton House into a local historical museum that reflects the history of Sterling Heights and the surrounding area, as funds permit. *(City Goal 19)*

4. To host a historical program of interest to residents at the Sterling Heights Public Library. *(City Goal 19)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Meetings Held	4	4	3	4	4	4
	Local History Exhibits and Displays	2	2	3	2	10	8
	Programs/Lectures on Local History Topics	1	1	1	1	1	1
	Professional Memberships	3	3	3	3	3	3
	Historic Photographs and Memorabilia Collected	15	115	20	5	15	10
	Program/Exhibit Attendance	1,194	1,109	1,042	1,500	1,500	1,300

Historical Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

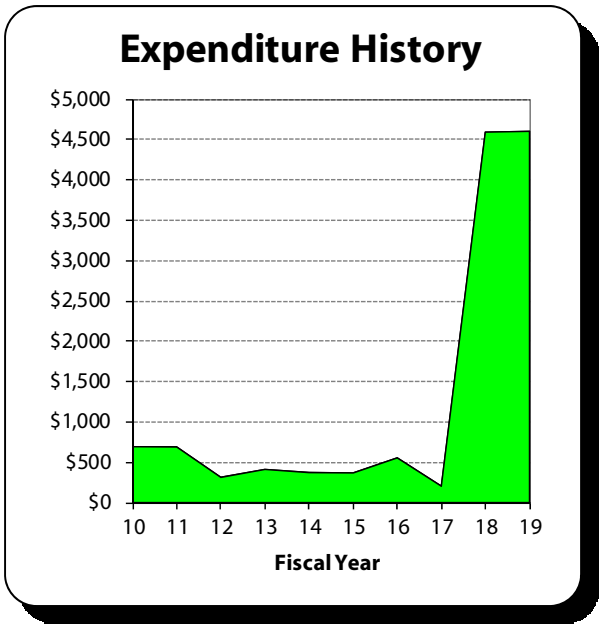
The total budget increased by 0.2%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – Total Supplies increased $10 or 0.2%, as postage funding increased to bring the budget more in line with recent expenditure levels.

Other Charges – Total Other Charges is proposed to remain the same at $450. There are no proposed funding changes to the contracted services and membership accounts.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	58	4,140	3,880	4,150	4,150
Other Charges	145	450	710	450	450
Total	$203	$4,590	$4,590	$4,600	$4,600

If two men on the same job agree all the time, then one is useless.
If they disagree all the time, then both are useless.

~ Darryl F. Zanuck ~

CITY OF Sterling Heights
InnovatingLiving

MISSION STATEMENT: ***To provide all legal services, legal support, and advice to the City Council, City Manager, and City employees in a prompt professional manner.***

The Legal activity is used to account for all legal services charged to the General Fund.

The City Attorney is appointed by the City Council and serves as legal advisor and counsel for the City Council and City Manager. When requested, he advises City department directors and administrators on legal matters.

The City Attorney prosecutes District Court ordinance and traffic violations and represents the City in court cases and other legally constituted tribunals as the City Council may request. The City Clerk keeps copies of all written legal opinions, records, and files relating to City matters.

The City Attorney prepares and reviews all ordinances, contracts, bonds, and other written instruments that are submitted by either the City Council or City Manager. All new and modified matters of law and changes in the developments affecting the City are called to the attention of the City Council and City Manager after review by the City Attorney's office.

The City Attorney bills the City on a monthly basis for services rendered. These itemized billings are distributed to those activities that received benefit from the legal services. Administrators review the bills for accuracy and seek clarification from the Financial Services office if discrepancies arise. The General Fund charges will be ultimately expended to the Legal activity in the Legal Services – City Attorney account. This method of accounting for legal services has been determined to be superior to the past practice of recording expenditures in each specific activity. Centralized monitoring is more practical using the current method.

Anticipated payment for outside legal services is also budgeted in this activity. These services include court appointed attorneys, services provided by the public defender, a labor attorney, and fees paid to visiting judges.■

KEY GOALS

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

Did you know…
…the City Attorney represents the City of Sterling Heights in over cases 8,000 cases per year?

Legal

2018/19 PERFORMANCE OBJECTIVES

1. To identify, research, and prepare new ordinances that will serve to update the City Code and improve the effectiveness and efficiency of the affected City department. *(City Goal 6, 7)*

2. To update legal procedures, guidelines, and standards in support of the City Council and City Administration's missions and goals. *(City Goal 6, 7)*

3. To provide legal counsel in connection with the development of a comprehensive business license ordinance to improve effectiveness and efficiency of the City Clerk's office in conjunction with departments performing inspections. *(City Goal 7, 20)*

4. To provide legal counsel in connection with the study, evaluation, and potential implementation of medical marijuana facilities under new State law guidelines. *(City Goal 4, 7)*

5. To provide legal counsel and aggressively pursue litigation against operations, businesses, and individuals causing nuisance conditions to exist within the City that affect the health, safety and welfare of residents and the surrounding community. *(City Goal 4, 7, 21)*

6. To mitigate and aggressively defend all liability claims alleged against the City and its personnel in order to minimize exposure to damages and costs of litigation. *(City Goal 7)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	District Court Cases	5,574	7,080	8,528	6,900	8,000	7,500
	Legal Opinions Rendered	5	12	8	10	12	12
	Ordinances and Amendments Prepared	13	14	12	12	12	12
	Commission Meetings Attended	34	34	30	30	30	30
	Council Meetings Attended	26	26	24	26	26	26
	Number of Open Lawsuits	17	17	18	15	15	17
	Number of Closed Lawsuits	11	14	7	12	12	12
	Number of Files Opened	58	37	54	25	35	30
	Number of Files Closed	53	106	27	30	35	30
	Legislative Issues Reviewed	70	70	70	75	75	75
	Hours Spent on City Business	6,800	7,015	7,629	7,000	7,200	7,200
Efficiency & Effectiveness	% Opinions Replied to on Agreed Schedule	100%	100%	100%	100%	100%	100%
	% Resolutions Drafted on Agreed Schedule	100%	100%	100%	100%	100%	100%
	% Contracts Drafted on Agreed Schedule	100%	100%	100%	100%	100%	100%
	Activity Expenditures as % of General Fund	0.86%	0.96%	0.92%	0.93%	0.94%	0.84%

Legal

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

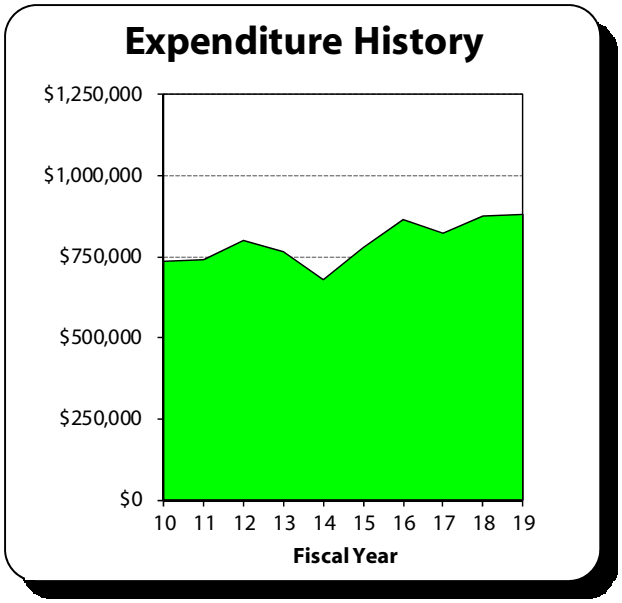
The total budget increased by 0.6%.

Personnel Services – There is no Personnel budget for this cost center.

Supplies – There is no Supplies budget for this cost center.

Other Charges – Total Other Charges increased $5,000 or 0.6%, as funding for the City's labor attorney increased due to a greater number of expiring collective bargaining agreements next year. Funding for City Attorney legal services is proposed to remain the same. No hourly rate change is proposed.

Capital – There is no Capital proposed for this cost center.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	0	0	0	0
Other Charges	821,951	875,000	890,000	880,000	880,000
Total	$821,951	$875,000	$890,000	$880,000	$880,000

There are those who look at things the way they are, and ask why…
I dream of things that never were, and ask why not?

~ Robert Francis Kennedy ~



Planning Commission

MISSION STATEMENT: ***To develop and adopt a Master Land Use Plan for the physical growth and development of the City, review and approve public development proposals and develop and implement zoning and subdivision regulations.***

Ordinance No. 113 adopted in August of 1968 established the Planning Commission. The City Council appointed Commission consists of nine members who serve terms not exceeding three years without reappointment. The Commission is an activity within the General Fund charged with several key responsibilities. The mission of the Planning Commission involves the preparation of a Master Land Use Plan for the physical development of the City. In furthering the policies and objectives of the adopted Master Land Use Plan, the Planning Commission is also empowered to review and approve a comprehensive Municipal Improvement Program (MIP) for public structures and improvements.

Similarly, the Planning Commission reviews and approves the development plans on all parks in accordance with the City's adopted Recreation Plan and Municipal Improvement Program.

The Planning Commission reviews and approves subdivision plats of land for conformity with various elements of the Master Land Use Plan and adopted City ordinances. The Commission also provides recommendations to the City Council on amendments to the Zoning and Subdivision Regulation Ordinances. The Commission reviews and recommends plans related to municipal facilities.

The review and approval of special land uses, temporary uses, and temporary buildings are also included among the key responsibilities of the Planning Commission. Recommendations are provided to the City Council relative to proposed projects under the federal Community Development Block Grant (CDBG) Program.

The members of the Planning Commission are compensated as appointed officials. Much of its budgeted expenditures are related to the recording services for the meetings; the publishing of notices or minutes; education and training; and other related matters.

KEY GOALS

- ***To prepare and maintain the City's Master Land Use Plan.***
- ***To prepare and implement zoning regulations affecting the use of land to protect the public's health, safety, and welfare.***
- ***To prepare and implement subdivision regulations related to the subdividing or platting of land.***
- ***To provide technical review and recommendations on rezonings, site plans, special approval land uses, temporary uses, special development options, and subdivision plats.***

The City Planning Commission adopted a new Master Land Use Plan in February 2017 after nearly two (2) years of development and input. The previous Master Land Use Plan was adopted in May 2005 with amendments in 2007 and 2009.■

Did you know…
…that on February 9, 2017 the Planning Commission adopted the 2017-2040 Sterling Heights Master Land Use Plan?

Planning Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

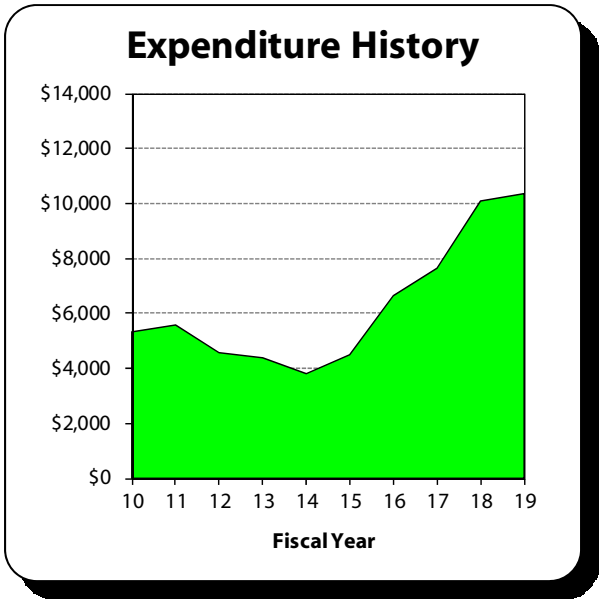
The total budget increased by 2.7%.

Personnel Services – Total Increase $190 or 5.8%

Supplies – Total Supplies increased $60 or 4.6%. Postage funding increased $50 due to a postal rate increase and a greater number of certified letters and legal notification mailings required in recent years. Operating supply costs also increased slightly by $10.

Other Charges – Total Other Charges increased $20 or 0.4% due to a slight increase in the Michigan Association of Planning membership fee. The budget continues to include additional training and educational funding for Planning Commission members to attend a joint educational session with Zoning Board members next year.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$2,876	$3,300	$3,340	$3,490	$3,490
Supplies	1,229	1,310	1,010	1,370	1,370
Other Charges	3,536	5,480	4,530	5,500	5,500
Total	$7,641	$10,090	$8,880	$10,360	$10,360

Transfers Out

MISSION STATEMENT: ***To facilitate the accountability of revenues and expenditures by providing a means of tracing the transfer of monies from one fund to another.***

The Transfers Out activity in the General Fund is used to account for the outgoing transfers of funds to support other City funds. The expenditure in this activity is offset in its entirety by a revenue source in the fund receiving the transfer.

This fiscal year, four transfers are budgeted from the General Fund totaling $15,761,040. They include a transfer to the Capital Projects Fund, the Limited Tax General Obligation Debt Service Fund, the Parks & Recreation Fund, and the Major Road Fund

The $5,716,040 Transfer Out to the Capital Projects Fund will be used for the funding of budgeted equipment, vehicles, information technology capital items, and capital projects.

The $1,698,060 General Fund transfer to the Limited Tax General Obligation Debt Service Fund will be used for the debt payments on the City Center Commons bond, and the new 2018 Facilities Improvement bond.

The $1,347,410 General Fund transfer to the Parks & Recreation Fund will fund the pre-existing expenses of the Parks & Recreation Department prior to the passing of the *Re*creating Recreation millage. This transfer ensures that the revenue generated from the millage will only be used to fund the new services and amenities in the *Re*creating Recreation Plan.

The Transfer Out to the Major Road Fund totals $7,000,000, and allows for additional investments in emergency major road repair.■

KEY GOALS

- ***To provide a system to track monies out of one fund and into another.***
- ***To accurately transfer out monies in order to provide the appropriate level of funding to allow the receiver fund to pay its obligations.***

Did you know…
…the General Fund Transfer to the Major Roads Fund will allow for a significant increase in the number of roads improved in 2018/19?

Transfers Out

SUMMARY OF BUDGET CHANGES

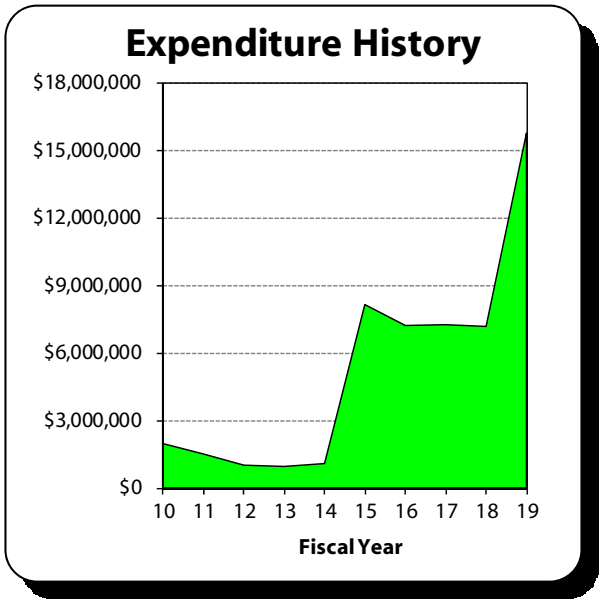
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 119.6%.

Personnel Services – There is no Personnel budget for this cost center.

Other Charges – There is no Other Charges budget for this cost center.

Transfers Out – Transfers Out to other City funds totals $15,761,510. Transfers to the Capital Projects Fund total $5,716,040 for the funding of equipment, vehicles, information technology capital items, and capital projects. Additional funding is also being set aside in reserves to fund future capital needs. ***A listing of all proposed equipment, vehicles, and projects can be found in the Capital schedules within the Capital Projects section of this budget document.*** Transfers to the Limited Tax General Obligation Debt Service Fund total $1,698,060. This transfer will fund the principal and interest payments on the City Center Commons bond and the new 2018 Facilities Improvement bond. Transfers to the Parks & Recreation Fund total $1,347,410 to fund the pre-existing expenses of the department prior to the passing of the *Re*creating Recreation millage. A transfer to the Major Road Fund is budgeted for $7,000,000 for additional funding that will be utilized for major road projects.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Transfer Out	7,255,495	7,176,880	7,896,880	15,761,510	15,761,510
Total	$7,255,495	$7,176,880	$7,896,880	$15,761,510	$15,761,510

Zoning Board of Appeals

MISSION STATEMENT: ***To hear and act upon appeals on various zoning matters related to the development and use of land in the City and to provide ordinance interpretation.***

The Zoning Board of Appeals was established in accordance with Zoning Ordinance No. 278. The Board performs its duties and exercises its powers as provided in Act 110 of the Public Acts of 2006, as amended. Execution of its duties are performed in such a way that the objectives of the Zoning Ordinance shall be observed and met, public safety secured, and substantial justice done. The Zoning Board of Appeals consists of seven members appointed by City Council for a term of three years.

The Zoning Board of Appeals enjoys all the powers granted to it by both State law and Ordinance No. 278, which includes certain specific powers. Ordinance and map interpretations, modification of height, wall, buffering, screening and landscape requirements, modification of vehicle parking stalls, loading area and placement regulations, and the granting of use variances are specific examples of power granted to this Board.

The members of the Board are compensated as appointed officials. Much of its budgeted expenditures are related to the recording services for the meetings; the publishing of notices or minutes; education and training; and other related matters.

Zoning Board of Appeals meetings are open to the public except those authorized to be conducted in closed session pursuant to the Open Meetings Act. The public is afforded the opportunity to speak at any public hearing in accordance with the Rules of Procedure and Bylaws of the Board. No business is conducted unless a majority of the members are present.

If the Board approves a variance, it shall remain in effect only as long as the facts and circumstances, as presented, continue to exist and conditions attached to the approval are satisfied and maintained. If the variance is not exercised within 12 months from the date it was granted, the variance shall lapse.

The appeal process begins by filing a notice of appeal accompanied by an application fee. The notice of appeal must specify the requirement from which a variance is sought and the nature and extent of such variance. An official record is prepared for each appeal upon which the Board has based a decision.■

KEY GOALS

- ***To review and act upon use and dimensional variances to the City's Zoning Ordinance.***
- ***To hear appeals in regard to special land uses and planned unit developments.***
- ***To hear and act upon appeals made from a review, order, requirement, decision or determination made by a public body or official administering the Zoning Ordinance.***
- ***To hear and act upon questions referred to the Board that may arise from the administration of the Zoning Ordinance including ordinance interpretation, standards review and the zoning district map.***

Did you know…
…that a total of 30 new variance applications were submitted to the Zoning Board of Appeals?

Zoning Board of Appeals

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

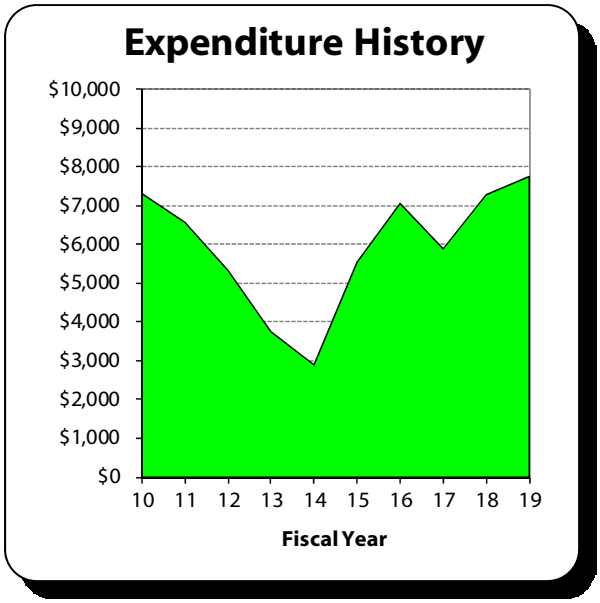
The total budget increased by 6.5%.

Personnel Services – The total Personnel budget is proposed to remain the same at $2,150.

Supplies – Total Supplies increased $50 or 6.3%. Postage funding increased $50 based on a greater number of legal notification mailings required in recent years and a postal rate increase.

Other Charges – Total Other Charges increased $420 or 9.7%. The budget increased $300 for Zoning Board members to attend a joint educational session with Planning Commission members next year. $100 was added for reporting services to bring the budget more in line with recent expenditure trends. $20 was added due to a slight increase in the Michigan Association of Planning membership fee.

Capital – There is no Capital proposed for this board.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,971	$2,150	$2,150	$2,150	$2,150
Supplies	769	800	850	850	850
Other Charges	3,144	4,330	4,230	4,750	4,750
Total	$5,884	$7,280	$7,230	$7,750	$7,750

Component Unit Funding

SUMMARY OF BUDGET CHANGES

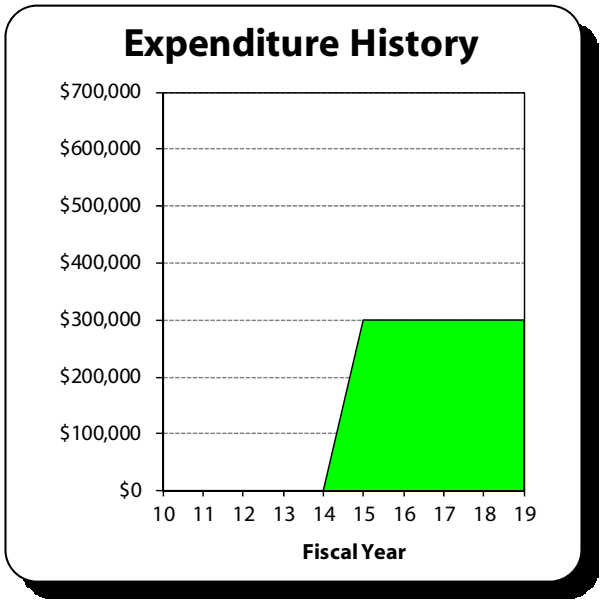
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 0.0%.

Personnel Services – There is no Personnel budget for this cost center.

Other Charges – There is no Other Charges budget for this cost center.

Transfers Out – Total Transfers Out is proposed to remain the same at $300,000. A transfer is budgeted to the Economic Development Corporation Fund to be utilized for future property acquisitions, brownfield redevelopments, and other economic development activities for which costs can be later recaptured. A transfer of funds was made in the prior year to the Corridor Improvement Authority Fund for the acquisition of property on Van Dyke for future development.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Transfer Out	300,000	300,000	300,000	300,000	300,000
Total	$300,000	$300,000	$300,000	$300,000	$300,000

Water & Sewer Fund







The Water & Sewer Fund is an Enterprise Fund responsible for operation of the city's combined water supply and sewage disposal system. The fund is used to finance the cost of providing services to residents through user fees. Activities that make up the Water & Sewer Fund include Water & Sewer Administration, Water Distribution, and Sewage Collection.

The Enterprise Fund of the City of Sterling Heights is the Water & Sewer Fund. It is used to provide water and sewer services to residential, industrial, and commercial customers. It is self-supporting and is designed to meet its obligations free of taxation. An annual independent audit is prepared on prior year financial results and administrative staff projects a forecast of the next year. Together they are used to help determine what, if any, adjustments need to be made so the fund will remain financially sound.

The City's water and sewer rates are calculated based on the proposed expenditures for capital and operational expenses for the budget year. The use of, or replenishment of financial reserves during a given fiscal year may also influence rates. The City has made several adjustments to its rate structure as a direct result of changes in the way the City is billed for water and sewage disposal costs.

For example, in 2004/05, Detroit implemented a new computerized meter reading system to accurately obtain the maximum peak usage of water, resulting in a 16.5% water and 4.4% sewage rate increase. The City passed on an 11.9% water and sewage rate increase to its customers. Then in 2005/06, Sterling Heights changed from a single-tier to an inclining two-tier water rate structure to help reduce maximum day and peak hour usage and lessen future water cost increases.

In 2010/11, the Detroit water rate increased by 8.6%. Detroit also implemented a new fixed rate structure, which included an annual $1.3 million fixed cost. Detroit's sewage rate also increased by 10.0%. The City passed along a 9.9% water and sewer rate increase to its customers.

In 2012/13, Detroit increased its water rate by 8.9%. Detroit's sewage fees increased 9.2%, while fixed sewage charges rose 13.5% and the City's share of sewer rehabilitation debt increased by 23.9%. The City passed along an 8.9% water and 13.9% sewer rate increase and implemented a fixed charge as a result of Detroit's increasingly fixed charges. To lessen the impact to the average residential customer, the first tier water rate and consumption amount for the minimum bill user also decreased.

In 2014/15, water charges from Detroit increased by 6.2%, while sewage disposal fees were estimated to increase by 4.0% and sewage fixed charges increased by 5.8%. Also, treated sewage volumes rose 4.0% and the City's share of the District's debt increased 11.2%. Sterling Heights passed along a 7.9% water and 11.9% sewer rate adjustment to its customers. Fixed fees per billing period increased by $1 for residential users and $2 for commercial users to become more in-line with Detroit's increasing fixed rate structure.

In 2016/17, the cost of water from the Great Lakes Water Authority (GLWA) increased by 6.7%, while Macomb's sewage costs were estimated to increase by 10.4%. Debt payments on the District's sewer rehabilitation projects were also increasing by 3.7% and a charge for unpaid Highland Park debt was now factored into the City's sewer rate. The City passed along a 9.9% water and 14.9% sewer rate adjustment to its customers. Fixed fees per bill were adjusted by $2.75 for residential customers and $4.00 for commercial users. The consumption amount for the minimum bill also increased from 800 to 900 cubic feet.

In 2017/18, the GLWA increased its water rate by 5.0% and Macomb's sewer cost was projected to increase by 11.5%, which included an anticipated new debt payment for a portion of the 15 Mile Interceptor Repair. Due to increased investment in water and sewer infrastructure, the City's costs also rose 21.2%. As a result, an overall combined 14.3% water and sewer rate adjustment was made.

In 2018/19, the GLWA water cost is decreasing by 7.4% primarily due to renegotiated contract terms that reduced the City's maximum day and peak hour usage. The savings is offset by an estimated 2.7% increase in Macomb's sewer charge and a 7.1% increase in debt service costs. In addition, City costs have risen by 4.9%. As a result, the City will pass along a net 3.9% water and sewer rate increase to cover costs and begin to build up reserves.■

Did you know…
…that this year's water and sewer rate increase is the lowest increase in ten years?

WATER & SEWER SYSTEM
OPERATING FUND REVENUES & EXPENSES

Budgetary Centers	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
REVENUES						
Water & Sewer Service	$37,323,030	$43,005,120	$48,508,650	$48,394,310	$50,378,500	**$50,378,500**
Penalties & Interest	635,040	676,680	650,000	650,000	650,000	**650,000**
Hydrant Rental	162,950	166,210	162,950	162,950	169,530	**169,530**
Interfund Service	69,100	69,100	69,100	69,100	69,100	**69,100**
Tap and Meter Revenue	520,850	542,950	550,000	625,000	600,000	**600,000**
Repair and Service	99,130	72,650	70,000	77,530	77,500	**77,500**
Inspection Fees	13,480	17,070	14,000	14,000	15,000	**15,000**
Turn-On Charge	18,130	15,360	18,000	15,000	15,000	**15,000**
Ind./Pollution Surcharge	625,760	614,950	645,000	610,000	625,000	**625,000**
Miscellaneous	855,760	328,160	533,790	430,480	181,710	**181,710**
Interest on Investments	319,340	236,940	295,000	240,000	260,000	**260,000**
Federal/State Grants	96,710	185,850	1,468,050	1,055,810	758,340	**758,340**
Total Revenues	**$40,739,280**	**$45,931,040**	**$52,984,540**	**$52,344,180**	**$53,799,680**	**$53,799,680**
EXPENDITURES						
WATER & SEWER ADMIN.						
Personnel Services	$1,212,070	$1,307,750	$1,059,700	$992,630	$1,017,980	**$1,017,980**
Supplies	7,610	11,170	7,580	8,800	9,100	**9,100**
Other Charges	8,172,090	8,633,630	2,637,220	2,924,000	3,034,630	**3,034,630**
Capital Outlay	0	92,750	473,140	472,170	0	**0**
Total Expenses	**9,391,770**	**10,045,300**	**4,177,640**	**4,397,600**	**4,061,710**	**4,061,710**
WATER DISTRIBUTION						
Personnel Services	1,514,870	1,712,280	1,434,140	1,441,860	1,558,530	**1,558,530**
Supplies	306,370	285,260	327,000	280,000	338,000	**338,000**
Other Charges	15,283,880	17,714,760	17,139,780	17,053,390	16,351,330	**16,351,330**
Capital Outlay	0	68,150	223,820	223,820	63,000	**63,000**
Total Expenses	**17,105,120**	**19,780,450**	**19,124,740**	**18,999,070**	**18,310,860**	**18,310,860**
SEWAGE COLLECTION						
Personnel Services	1,817,710	1,969,900	1,699,220	1,631,290	1,813,620	**1,813,620**
Supplies	39,760	35,580	45,000	45,000	45,400	**45,400**
Other Charges	18,159,160	19,518,570	22,760,210	21,105,660	22,567,560	**22,567,560**
Capital Outlay	0	0	273,000	296,400	478,800	**478,800**
Debt Service	2,646,570	2,244,380	5,253,380	5,418,050	5,626,470	**5,626,470**
Total Expenses	**22,663,200**	**23,768,430**	**30,030,810**	**28,496,400**	**30,531,850**	**30,531,850**
Total Operating Expenses	**$49,160,090**	**$53,594,180**	**$53,333,190**	**$51,893,070**	**$52,904,420**	**$52,904,420**

Note: Miscellaneous Revenue excludes Water & Sewer Special Assessment Revenue and Capital and Frontage charges.

CHARGES FOR SERVICES

Charges for Services consists of revenue received from individuals, businesses, and other City funds. These monies are used to reimburse the Water & Sewer Fund for services provided to other entities, funds, or departments. The primary revenue accounts within this revenue center include Water Services and Sewage Collections.

In the 2018/19 Budget, Charges for Services revenue represents 97.8% of total revenue sources, an increase of $1,911,930.

The 2018/19 Budget recommends a combined 3.9% rate adjustment on water and sewage rates charged to our resident and corporate customers. This increase is the lowest in ten years and is the result of an estimated 5.1% increase in Macomb County sewer charges and debt service costs. City costs also increased 4.9%. These increases were partially offset by a decrease, as the Great Lakes Water Authority's (GLWA) water rates will decrease by 7.4%, mainly due to renegotiated contract terms. The average residential customer will pay approximately $77 per month for water and sewer services.

The average residential customer will pay approximately $77 per month for water & sewer services.

In 2012/13, due to Detroit's increasingly higher fixed charges, the City began passing along a portion of fixed costs to its users as part of the overall rate increase. A modest $30 annual fixed residential fee and a $120 commercial fixed fee was implemented. The fixed fee allowed the City to reduce its first tier water rate, where most residential consumption is billed, thereby lowering the water bill increase. The consumption amount for the minimum bill user also decreased to lessen the fixed fee impact to very low users. In 2014/15, the residential fixed fee increased by $1 per quarterly bill, while commercial accounts increased by $2 per bill to begin to become more in-line with Detroit's increasing fixed rate structure.

In 2016/17, fixed fees per bill were adjusted by $2.75 for residential customers and $4.00 for commercial users, to further reflect the increased fixed costs billed to the City. As system users reduce consumption and the GLWA's fixed charges continue to increase, this billing method will better prevent revenue shortfalls and help avoid higher rate increases that can lead to further decreases in usage. Fixed fees reduce revenue volatility and avoid overcharging customers in years where usage increases. The consumption amount for the minimum bill also increased from 800 to 900 cubic feet. For 2018/19, the City's residential and commercial fixed fees and the minimum consumption amount remain the same.

OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Reimbursements, State Grants, and Miscellaneous Revenue.

In the 2018/19 Budget, Other Revenues represents 2.2% of total revenue sources, a decrease of $1,096,790. This decrease is primarily due to a decrease in grant funding and lower recovery reimbursements on sewer rehabilitation project bonds.

In the 2018/19 Budget, Other Revenues represents 2.2% of total revenue sources, a decrease of $1,096,790.

CONTRIBUTION TO (USE OF) NET ASSETS

In the 2018/19 Budget, revenues exceed expenses by $895,260, allowing for a contribution to net assets to begin to build up water and sewer reserves.■

WATER & SEWER FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	0	0.00	340,050	0.74	**0**	**0.00**
539002	State Grants	185,847	0.40	1,128,000	2.46	**758,340**	**1.41**
	Total State & Local Returns	**185,847**	**0.40**	**1,468,050**	**2.77**	**758,340**	**1.41**
	CHARGES FOR SERVICES						
627531	Administrative Services - Refuse	$69,100	0.15	$69,100	0.13	**$69,100**	**0.13**
629001	Labor Services - Roads	0	0.00	10,000	0.02	**7,500**	**0.01**
633001	Water Tap Fees	134,342	0.29	170,000	0.32	**175,000**	**0.33**
633002	Sewer Tap Fees	24,130	0.05	30,000	0.06	**40,000**	**0.07**
633003	Meter Charges	384,480	0.84	350,000	0.66	**385,000**	**0.72**
633004	Inspection	17,069	0.04	14,000	0.03	**15,000**	**0.03**
633005	Water & Sewer Services	72,655	0.16	60,000	0.11	**70,000**	**0.13**
633006	Hydrant Rental - Fire Department	166,210	0.36	162,950	0.31	**169,530**	**0.32**
633009	Turn-On Charge	15,355	0.03	18,000	0.03	**15,000**	**0.03**
643000	Water Services	16,666,299	36.29	18,405,000	34.74	**19,588,000**	**36.41**
644000	Collections - Sewer	26,338,819	57.34	30,103,650	56.82	**30,790,500**	**57.23**
645000	Penalties - Water & Sewer	676,677	1.47	650,000	1.23	**650,000**	**1.21**
646000	Industrial & Pollution Surcharge	614,952	1.34	645,000	1.22	**625,000**	**1.16**
	Total Charges for Services	**45,180,088**	**98.37**	**50,687,700**	**95.67**	**52,599,630**	**97.77**
	OTHER REVENUE						
665000	Interest on Investments	225,692	0.49	285,000	0.54	**250,000**	**0.46**
665445	Interest & Penalties - Tax Roll	11,251	0.02	10,000	0.02	**10,000**	**0.02**
676000	Reimbursements	407,070	0.89	403,790	0.76	**41,710**	**0.08**
677008	Unrealized Gain/Loss	(223,203)	-0.49	0	0.00	**0**	**0.00**
685000	Miscellaneous Revenue	144,297	0.31	120,000	0.23	**140,000**	**0.26**
695000	Insurance Recovery	0	0.00	10,000	0.02	**0**	**0.00**
	Total Other Revenue	**565,107**	**1.23**	**828,790**	**1.56**	**441,710**	**0.82**
	Total Water & Sewer Fund	**$45,931,042**	**100.00**	**$52,984,540**	**100.00**	**$53,799,680**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

WATER & SEWER FUND
EXPENDITURE SUMMARY BY ACCOUNT

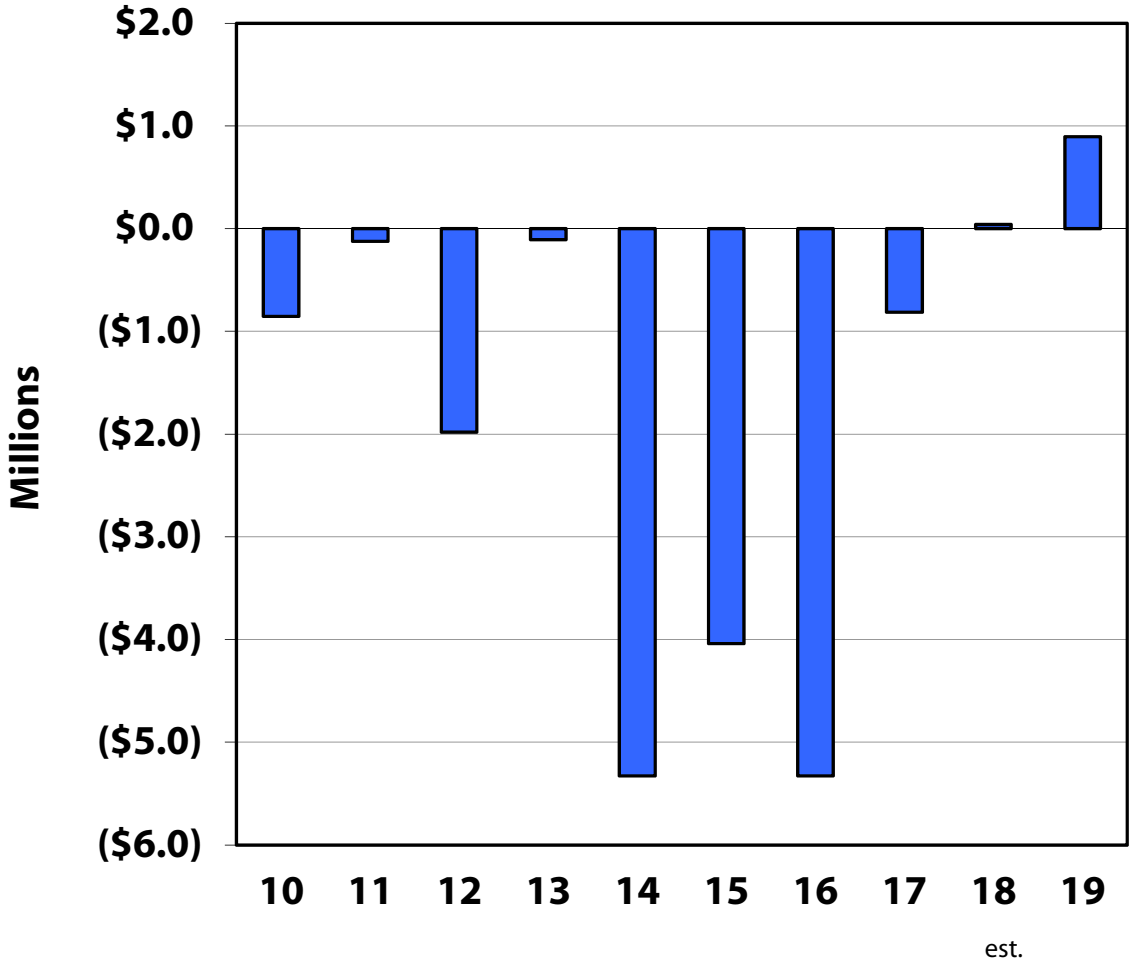
Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	PERSONNEL SERVICES						
704000	Wages & Salaries - Permanent	$1,624,973	3.03	$1,878,490	3.52	**$1,946,510**	**3.68**
704001	Sick Time Buy Back	5,191	0.01	9,000	0.02	**16,130**	**0.03**
704721	Health Insurance Allowance	6,750	0.01	9,000	0.02	**18,000**	**0.03**
705000	Wages-Salaries - Temp/Part-Time	154,497	0.29	132,940	0.25	**152,920**	**0.29**
708000	Overtime	331,080	0.62	280,000	0.53	**280,000**	**0.53**
708001	Compensation Time Buy Back	7,223	0.01	7,530	0.01	**9,270**	**0.02**
709000	Union Contract Reimbursements	7,325	0.01	8,850	0.02	**8,700**	**0.02**
710000	Longevity	41,138	0.08	44,680	0.08	**44,090**	**0.08**
715000	Clothing Allowance	7,020	0.01	6,800	0.01	**7,000**	**0.01**
717000	FICA	169,135	0.32	180,100	0.34	**191,170**	**0.36**
718000	Worker's Compensation	19,170	0.04	20,390	0.04	**19,650**	**0.04**
720000	Pension - General Emp Retirement	1,679,248	3.13	601,900	1.13	**665,720**	**1.26**
720002	Defined Contribution - Employer	9,142	0.02	16,810	0.03	**18,470**	**0.03**
721000	Health Insurance	285,612	0.53	346,730	0.65	**355,440**	**0.67**
721001	Health Insurance - Retirees	591,710	1.10	591,160	1.11	**591,160**	**1.12**
721003	Retiree Health Savings - City	4,039	0.01	7,000	0.01	**10,000**	**0.02**
722000	Dental Insurance	25,018	0.05	27,160	0.05	**30,890**	**0.06**
723000	Life Insurance	4,311	0.01	4,830	0.01	**4,940**	**0.01**
724000	Eye Care Insurance	2,294	0.00	2,650	0.00	**2,700**	**0.01**
725000	Disability Insurance - Long Term	3,772	0.01	4,240	0.01	**4,350**	**0.01**
725355	Disability Insurance - Short Term	11,278	0.02	12,800	0.02	**13,020**	**0.02**
	Total Personnel Services	**4,989,926**	**9.31**	**4,193,060**	**7.86**	**4,390,130**	**8.30**
	SUPPLIES						
729000	Postage	1,766	0.00	2,100	0.00	**2,100**	**0.00**
750000	Fuels & Lubricants	36,489	0.07	38,400	0.07	**42,500**	**0.08**
751000	Operating Supplies	41,736	0.08	44,080	0.08	**44,900**	**0.08**
770000	Water Meters - Assembled	100,773	0.19	140,000	0.26	**155,000**	**0.29**
771000	Fire Hydrant Parts	12,447	0.02	15,000	0.03	**23,000**	**0.04**
772000	Tap-In Materials - Water	34,806	0.06	50,000	0.09	**50,000**	**0.09**
774000	Water Meter Parts	104,005	0.19	90,000	0.17	**75,000**	**0.14**
	Total Supplies	**332,022**	**0.62**	**379,580**	**0.71**	**392,500**	**0.74**
	OTHER CHARGES						
802000	Audit & Accounting Services	37,180	0.07	37,910	0.07	**38,670**	**0.07**
806000	Legal Services - Other	191,901	0.36	100	0.00	**50,000**	**0.09**
806001	Legal Services - City Attorney	2,401	0.00	2,000	0.00	**2,500**	**0.00**
807000	Medical Services	1,604	0.00	1,500	0.00	**1,500**	**0.00**
810000	Other Fees	135,756	0.25	115,800	0.22	**150,500**	**0.28**
810100	Other Fees - Paid Ref Escrow	137,483	0.26	0	0.00	**0**	**0.00**
824000	Water Tap Installation - Contractor	41,745	0.08	45,000	0.08	**45,000**	**0.09**
826000	Other Contracted Services	54,293	0.10	1,853,630	3.48	**1,634,000**	**3.09**
827000	Interfund Services	2,117,520	3.95	2,076,300	3.89	**2,349,690**	**4.44**
832000	Building Maintenance	678	0.00	1,220	0.00	**1,200**	**0.00**
833000	Equipment Maintenance	84,973	0.16	187,000	0.35	**177,000**	**0.33**

WATER & SEWER FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
835000	Vehicle Maintenance	142,302	0.27	124,000	0.23	**129,000**	**0.24**
840000	Water Main Repair	2,004,901	3.74	300,000	0.56	**200,000**	**0.38**
841000	Distribution Line Repair	232,229	0.43	245,000	0.46	**270,000**	**0.51**
842000	Sewer Main Repair	196,809	0.37	100,000	0.19	**100,000**	**0.19**
903000	Printing	483	0.00	250	0.00	**380**	**0.00**
913000	Liability Insurance	0	0.00	135,000	0.25	**135,000**	**0.26**
915000	Other Insurance	2,460	0.00	2,460	0.00	**2,460**	**0.00**
921000	Electric	25,959	0.05	28,000	0.05	**26,000**	**0.05**
922000	Telephone	4,218	0.01	4,700	0.01	**8,000**	**0.02**
923000	Gas - Fuel - Oil	7,273	0.01	8,250	0.02	**8,250**	**0.02**
931000	Water Purchased	15,480,008	28.88	16,305,600	30.57	**15,100,000**	**28.54**
932000	Sewage Disposal Services	18,351,189	34.24	20,201,000	37.88	**20,756,160**	**39.23**
934000	Industrial & Pollution Surcharge	557,843	1.04	645,000	1.21	**625,000**	**1.18**
945000	Other Rental	128,185	0.24	86,710	0.16	**117,860**	**0.22**
956000	Local Meetings	(21)	0.00	50	0.00	**150**	**0.00**
957000	Memberships & Dues	770	0.00	780	0.00	**1,000**	**0.00**
959000	Education & Training	7,297	0.01	11,950	0.02	**9,200**	**0.02**
964000	Refunds & Rebates	12,598	0.02	18,000	0.03	**15,000**	**0.03**
968000	Depreciation	5,906,917	11.02	0	0.00	**0**	**0.00**
	Total Other Charges	**45,866,954**	**85.58**	**42,537,210**	**79.76**	**41,953,520**	**79.30**
	CAPITAL OUTLAY						
979000	Computer Equipment	0	0.00	11,050	0.02	**0**	**0.00**
981000	Electronic Equipment	87,967	0.16	37,030	0.07	**0**	**0.00**
982000	Machinery & Equipment	72,935	0.14	921,880	1.73	**68,800**	**0.13**
984000	Vehicles	0	0.00	0	0.00	**473,000**	**0.89**
	Total Capital Outlay	**160,902**	**0.30**	**969,960**	**1.82**	**541,800**	**1.02**
	DEBT SERVICE						
992000	Principal	0	0.00	3,151,970	5.91	**2,872,220**	**5.43**
993001	Interest - Oakland-Macomb Intcpt.	568,912	1.06	557,060	1.04	**530,920**	**1.00**
993002	Interest - Macomb Interceptor	1,192,539	2.23	1,072,730	2.01	**1,775,610**	**3.36**
993003	Interest - North Gratiot Interceptor	99,891	0.19	101,790	0.19	**97,110**	**0.18**
993005	Interest - Clintondale Pump Station	383,034	0.71	369,830	0.69	**350,610**	**0.66**
	Total Debt Service	**2,244,376**	**4.19**	**5,253,380**	**9.85**	**5,626,470**	**10.64**
	Total Water & Sewer Fund	**$53,594,180**	**100.00**	**$53,333,190**	**100.00**	**$52,904,420**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

Water & Sewer Net Income from Operations



This graph illustrates the net income from operations in the Water & Sewer fund. These numbers reflect the truest picture of the results of Water & Sewer fund operating performance upon which the City's water & sewer rates are established.

Revenue includes interest on investments for both the Water & Sewer Operating and Receiving funds. Expenses exclude depreciation costs and include capital outlay and principal payments.

FUNCTIONAL ORGANIZATION CHART

Water & Sewer Fund
(Public Works Department)

Water & Sewer Administration

- Administration of the department
- Provides radio contact with field crews, transmitting and receiving all radio calls through the base station
- Provides clerical support to the department
- Reviews and approves the budget submissions from all divisions of the department
- Provides security to the Public Works Facility
- Determines personnel policy in accordance with union contracts and administrative rules and regulations

Water Distribution

- Provides accurate and continuous readings of all water meters
- Maintains fire hydrants keeping them in proper functioning condition
- Responds to service request calls relating to the water distribution system
- Inspects, assists and supervises subcontractors in the repair of watermain breaks

Sewage Collection

- Maintains and inspects retention ponds
- Cleans and inspects sanitary sewers
- Responds to emergency flood conditions 24 hours a day, seven days a week
- Maintains and repairs cracks and obstructions which affect the design and flow of the sanitary sewer system

DEPARTMENT AT A GLANCE

Water & Sewer Fund

BUDGET SUMMARY

The Water & Sewer Fund decreased $428,770 or 0.8%. The overall decrease is primarily due to Capital Project costs of $685,910 that were carried forward into the prior year budget from fiscal year 2016/17. Excluding this adjustment, total Water & Sewer costs increased $257,140 from the prior year. Due to a contract reopener, water charges from the GLWA are projected to decrease by 7.4% this year; however this decrease is offset by an expected 2.7% increase on sewer charges from Macomb County and a 7.1% increase in debt service. Personnel costs increased by $197,070 or 4.7%, due to contractual wage adjustments and an increase to the required funding for long-term liabilities of $64,000. Other Charges also increased to fund additional work on a city-wide valve repair program, which is required by the MDEQ. Capital Outlay includes the purchase of a Sanitary Sewer Camera truck necessary for televising sewer lines.



FUNDING LEVEL SUMMARY

	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Water & Sewer Admin.	$9,391,770	$10,045,300	$4,177,640	$4,061,710	-2.8%
Water Distribution	17,105,120	19,780,450	19,124,740	18,310,860	-4.3%
Sewage Collection	22,663,200	23,768,430	30,030,810	30,531,850	1.7%
Total Department	$49,160,090	$53,594,180	$53,333,190	$52,904,420	-0.8%
Personnel Services	$4,544,650	$4,989,930	$4,193,060	$4,390,130	4.7%
Supplies	353,740	332,020	379,580	392,500	3.4%
Other Charges	41,615,130	45,866,950	42,537,210	41,953,520	-1.4%
Capital Outlay	0	160,900	969,960	541,800	-44.1%
Debt Service	2,646,570	2,244,380	5,253,380	5,626,470	7.1%
Total Department	$49,160,090	$53,594,180	$53,333,190	$52,904,420	-0.8%

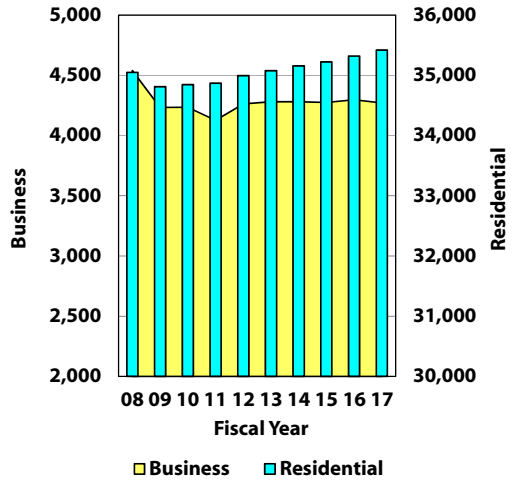
PERSONNEL SUMMARY

	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Water & Sewer Admin.	6	3	6	3	6	3	5	1
Water Distribution	9	4	9	4	10	4	11	4
Sewage Collection	12	5	13	5	14	5	16	5
Total Department	27	12	28	12	30	12	32	10

KEY FUND TRENDS

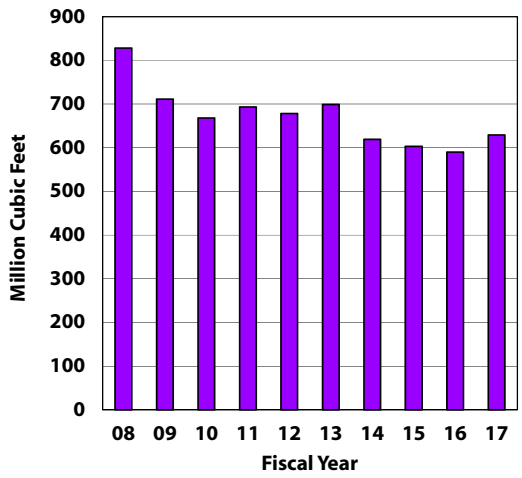
Water & Sewer Fund

Water & Sewer Customers



The number of business and residential Water & Sewer customers has increased over the past ten years due to growth and development in the City, though the rate of growth has slowed in the past several years.

Water Sold to Residents



The City has sold a fluctuating amount of water to our residents and businesses. The decrease in some years is largely a result of increased rainfall or economic conditions, which lowers the demand and use for irrigation purposes. 2017 saw an increase due to a historically dry summer. Water usage has declined since 2008.

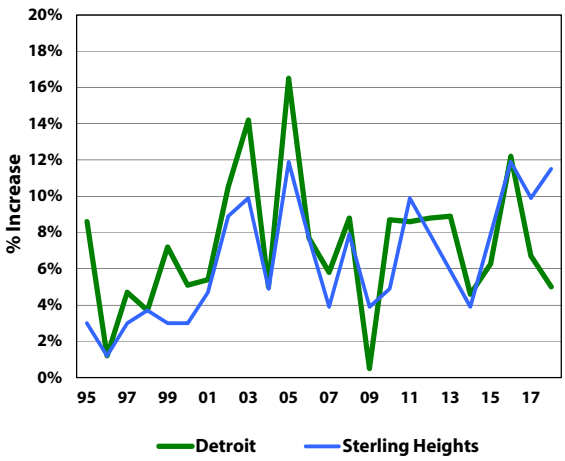
Average Residential Monthly Water & Sewer Bill

1.	Lansing	$118
2.	Southfield	$101
3.	Dearborn	$81
4.	Grand Rapids	$78
5.	Ann Arbor	$76
6.	Farmington Hills	$75
7.	**STERLING HEIGHTS**	**$74**
8.	Livonia	$73
9.	Warren	$70
10.	Troy	$66

Rates as of 10/16 using 12,000 cf.

The City purchases its water and sewer services through the Great Likes Water Authority. The average resident pays $74 per month for such services. This amount compares favorably to all communities.

Annual Water Rate Increases



Historically, Sterling Heights has not passed on the full City of Detroit water and sewer rate increases to our customers. For example, in 1995 Detroit increased its rates to us by 8.6%, we passed on only a 3% increase. In 1999, Detroit increased our rates 7.2%, we passed on only 3%. In 2003, Detroit increased our rates by 14.2%, we passed on only 9.9%. However, due to decreasing demand and the shift toward a fixed cost structure, the City has been forced to increase rates at a higher percentage in recent years while still keeping rates lower than most of our comparable communities.

Beware of little expenses. A small leak will sink a great ship.

~ Benjamin Franklin ~

Water & Sewer Administration

MISSION STATEMENT: ***To plan, direct and coordinate the operations of the Public Works Department and provide the administrative functions appropriate and necessary to ensure the efficient and effective delivery of the best in public services to the community.***

The Water & Sewer Administration activity plans, directs, and coordinates the Water & Sewer Operations, Refuse Collection and the tall grass/weed cutting program of the Public Works Department.

The staff of the Public Works Department responds to resident inquiries and service requests pertaining to all Public Works operations such as: refuse collection, tree branch chipping, snow removal, road maintenance, recycling, water and sewer maintenance and park maintenance. Services provided by the entire Public Works Department are continually monitored and analyzed in an effort to not only provide the best possible service but also to provide these services in the most cost efficient manner. Reports, correspondence, and responses to residents and users concerning activities of the various divisions are provided through this activity. Specifications are developed, analyzed and prepared for the timely bidding of capital equipment, vehicles, materials, supplies, and subcontracted services.

This Division provides clerical support to the Public Works operation including preparation of specialized reports and correspondence, assistance in budget preparation, and response to resident inquiries and service requests over the telephone, via e-mail and at the counter. Staff schedules water and sewer inspections, Miss Dig stake-outs for City water and sewer lines, tree branch chipping, and tree removal and planting.

Staff has constant and immediate radio contact with field crews during regular duty hours, by transmitting and receiving all radio calls to the base station. The communication system also provides immediate 24 hours, seven days a week communication between administration, supervisors, and staff. Internal calls are evaluated and relayed to the appropriate division.

In the case of emergencies during off-duty hours, a tape-recorded message advises callers to contact the Macomb County Dispatch Center. The DPW provides the County Dispatch Center with a list of emergency scenarios and a list of supervisors to contact for each type of emergency. In an emergency situation, appropriate personnel are contacted to respond. Examples of such emergencies include flood conditions, snow removal, tree damage due to storms, water main breaks, and other emergency conditions, which require personnel to report to work on other than regular duty hours. Radio contact is maintained with field crews, messages are received and relayed, and specific field operations are recorded.■

KEY GOALS

- ***To preserve the investment made in the City's infrastructure through a continual proactive maintenance program.***
- ***To provide continual high levels of safety, convenience and health protection to the public in the use of roads, water, sewers, parks, grounds, vehicles, equipment and refuse collection.***
- ***To establish priorities and monitor the department's performance plan and standards.***
- ***To create, develop and maintain a positive, competent, service-oriented public image.***

Did you know…
…the City of Sterling Heights has 39,550 Water and Sewer customers, equating to almost 1,100 customers per square mile?

Water & Sewer Administration

2018/19 PERFORMANCE OBJECTIVES

1. To continue to utilize Stormwater, Asset Management, and Wastewater (SAW) Grant funding in order to acquire complete and accurate knowledge of infrastructure condition. *(City Goal 1, 2, 16)*

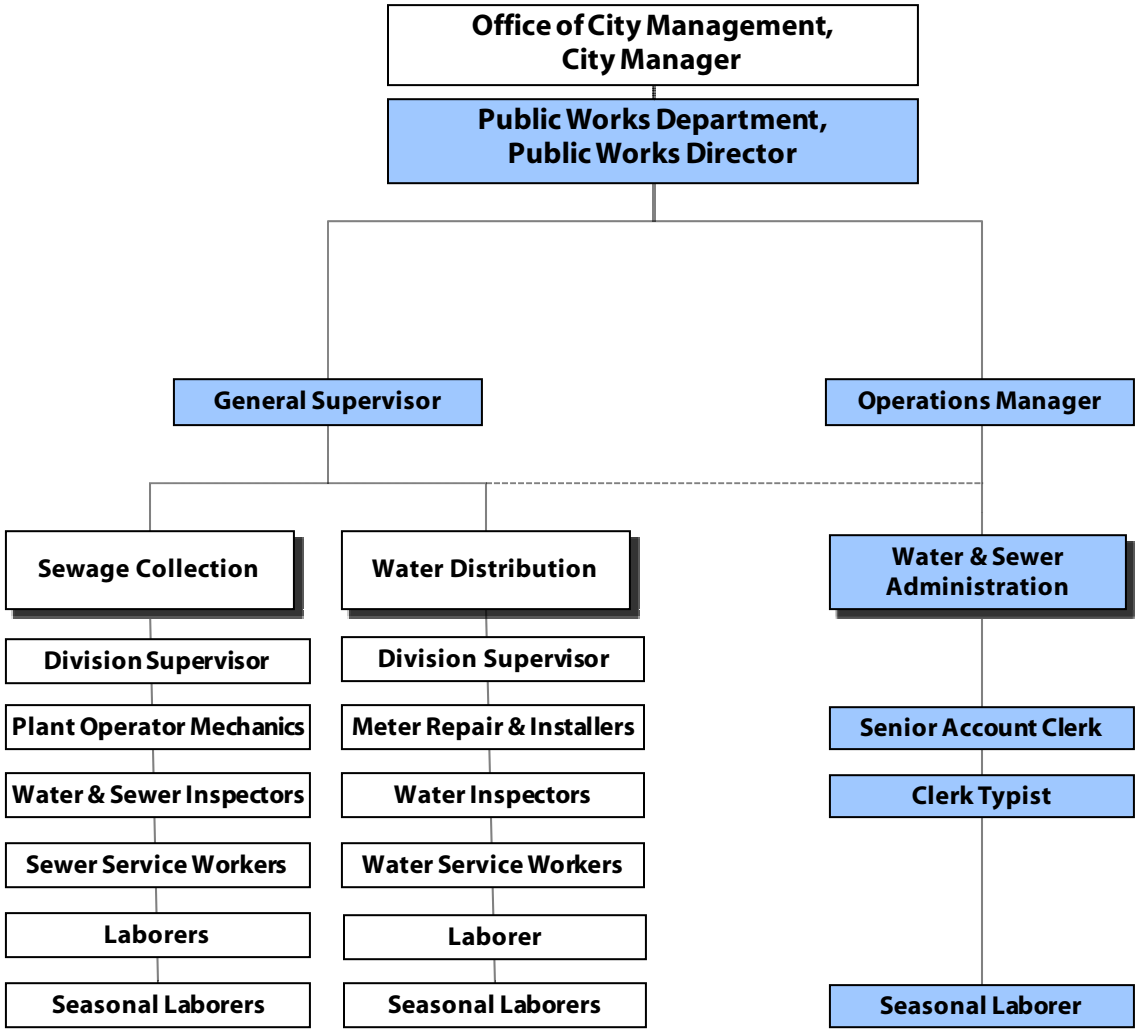
2. To build the Cityworks software user interface and database, to keep up-to-date information regarding inventory, hours worked, and costs associated with all aspects of services provided by the City. *(City Goal 1, 2, 3, 4, 6, 8, 23)*

3. To utilize See Click Fix as an effective tool to create an open line of communication with the public, educating them on departmental procedures, and recognizing trending needs throughout the community. *(City Goal 1, 2, 6,14, 24)*

4. To involve community interaction with public services through events that allow residents to beautify their properties. *(City Goal 1, 3, 14, 25)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Water & Sewer Customers	39,497	39,604	39,720	39,550	39,500	39,500
	Customer Service Requests (Cityworks, See Click Fix)	6,936	5,088	7,199	5,500	5,500	6,500
	Res. /Commercial Sanitary Sewer Tap Connections	94	112	96	110	80	90
	Residential/Commercial Water Taps	91	129	73	150	130	130
	Res./Comm. Water Meter Installations (new & repl.)	636	698	615	800	730	730
	Backflow Preventer Testing Compliance Letters	1,161	1,357	1,467	1,400	1,200	1,300
	Site Plans Reviewed	42	34	37	35	35	35
	Vehicles/Equipment Specifications Prepared	10	14	11	12	18	15
	Materials/Supplies/Services Specifications Prepared	25	26	32	40	25	30
	Hours of Safety Training	450	586	290	900	500	500
	Monthly Act 51 Reports Generated	12	12	12	12	12	12
	Monthly Public Works Cross-Charge Reports	12	12	12	12	12	12
	Billings Prepared for State Highway Maintenance	4	4	4	4	4	4
	Outfalls Insp./Sampled for Stormwater Discharge	67/0	38/0	60/0	60/3	60/2	60/2
	Landscape Median Mowing - Revolutions	26	25	28	25	26	26
Efficiency	Ratio of FT Employees to Workers Comp. Claims	5:1	4:1	5:1	8:1	4:1	4:1
	% Water Samples Meeting Federal/State Standards	100%	100%	100%	100%	100%	100%
	Annual Residential Water & Sewer Bill (12,000 cfs)	$599	$683	$781	$893	$893	$930
	Monthly Residential Water & Sewer Bill (12,000 cfs)	$50	$57	$65	$74	$74	$77
	City's Fixed Charge as a % of Total W&S Bill	5.5%	4.9%	5.5%	4.9%	6.9%	4.7%
	% of Outfalls Sampled with no Water Discharge	N/A	N/A		95%	N/A	N/A

Water & Sewer Administration



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Public Works Director	1	1	1
Operations Manager	1	1	1
General Supervisor	1	1	1
Clerk Dispatcher	1	1	0
Senior Account Clerk	1	1	1
Clerk Typist	1	1	1
Seasonal Laborer	3	3	1
Total	9	9	6

Water & Sewer Administration

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

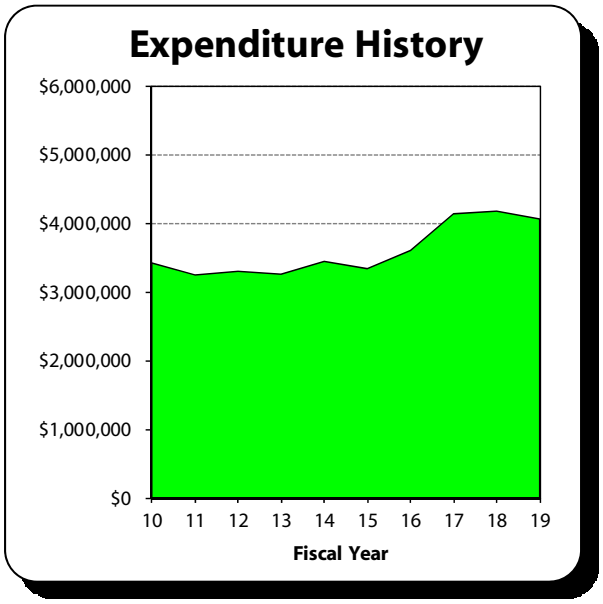
The total budget decreased by 2.8%.

Personnel Services – Total Decrease $41,720 or 3.9%

- $23,000 savings due to staff turnover resulting in new hires at a lower wage rate
- $65,000 savings due to the transfer of a position to Water Distribution; Offset by:
- $20,000 increase due to contractual wage adjustments
- $7,000 increase in seasonal wages
- $18,000 increase due to required funding for pension liabilities

Supplies – Total Supplies increased $1,520 or 20.1%. Funding for fuel and lubricants increased $1,100 to bring the budget more in line with recent actual expenditure levels. $420 was added for an inflationary increase in supply costs.

Other Charges – Total Other Charges increased $397,410 or 15.1%. Interfund service costs rose $273,390 due to higher General Fund administrative costs for time spent on water and sewer related functions. Funding for legal services increased $50,400 based on greater activity in recent years. Credit card fees increased $35,000 based on higher usage. $30,880 was added for facility rental cross-charges due to higher General Fund operational costs. Equipment maintenance costs increased $7,000 for the Cityworks and CADD annual software support agreements. Telephone costs rose $3,300 due to higher contractual rates necessary for improved cellular service. Funding for refunds and rebates can be reduced by $3,000 due to fewer hydrant permit deposit refunds.



Capital – There is no Capital proposed for this division.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,307,747	$1,059,700	$992,630	$1,017,980	$1,017,980
Supplies	11,174	7,580	8,800	9,100	9,100
Other Charges	8,633,629	2,637,220	2,924,000	3,034,630	3,034,630
Capital Outlay	92,750	473,140	472,170	0	0
Total	$10,045,300	$4,177,640	$4,397,600	$4,061,710	$4,061,710

Water Distribution

MISSION STATEMENT: ***To provide a clean, reliable and reasonably priced water supply to our residents and corporate customers.***

The Water Distribution Division ensures the accurate and continuous reading of residential, commercial, and industrial water meters, and the maintenance and service of water meters.

Personnel respond promptly to numerous service request calls regarding the water distribution system in order to assist the residential and business community.

Fire hydrants are maintained to ensure that they are properly functioning. The economical and efficient maintenance and repair of the water distribution system is of utmost concern. Approximately 6,000 service request calls are responded to annually.

Inspections and reinspections are conducted at approximately 600 commercial and industrial establishments. Citations are issued to those in violation of City ordinance and/or State rules and regulations. Residents' water shut-off boxes are checked and repaired if necessary. City-owned gatewells, valves, and meter pits are inspected for repairs, cleaning, and electrical functioning. This Division also inspects and repairs water services, damaged water shut-offs, leaking curb stop boxes as well as supervises and assists subcontractors in water main break repairs.

An inventory is maintained of all materials used in the operation of the Water Distribution program. The upkeep of the divisional garage area, storage area, and meter shop, as well as the operator/driver maintenance of vehicles and equipment is performed.

Assistance is provided in the Tall Grass/Weed Cutting Program through inspection of lots or acreage cut by the subcontractor. This Division prepares all necessary paperwork, work orders, and reports; assists in responding to complaints; and participates in the snow emergency program when required.

Residential water meters for approximately 35,000 customers are read quarterly. Commercial and industrial water meters for nearly 4,500 customers are all read on a monthly basis via a fixed network radio meter reading system, which is able to pick up the transmission of water meter readings and transmit the readings to a central computer. Personnel read and perform rechecks as requested by homeowners and customers to check for high, low, or questionable reads. All new or replacement water meters are tested for accuracy prior to installation to ensure that high volume users are billed correctly. One-half of all compound water meters are tested and repaired annually.■

KEY GOALS

- ***To provide efficient and economical maintenance and repair of the water distribution system.***
- ***To ensure accurate and continuous reading of residential, commercial and industrial water meters.***
- ***To maintain all fire hydrants in a properly functioning condition to support fire fighting throughout the City.***
- ***To inspect commercial/industrial establishments for cross connections and proper backflow prevention in order to protect the water system from contamination.***
- ***To review construction plans for future development of the water system and inspect new connections for proper installation.***

Did you know…
…the City of Sterling Heights has 667 miles of water main?

Water Distribution

2018/19 PERFORMANCE OBJECTIVES

1. To utilize Cityworks Software to streamline day to day operations of the water department by digitizing work orders and increasing asset management. *(City Goal 1, 2, 16, 23)*

2. To utilize the new Supervisory Control and Data Acquisition (SCADA) System at the Dobry Drive Pump Station to better monitor pressures and flows in the north/west sections of the City. *(City Goal 16)*

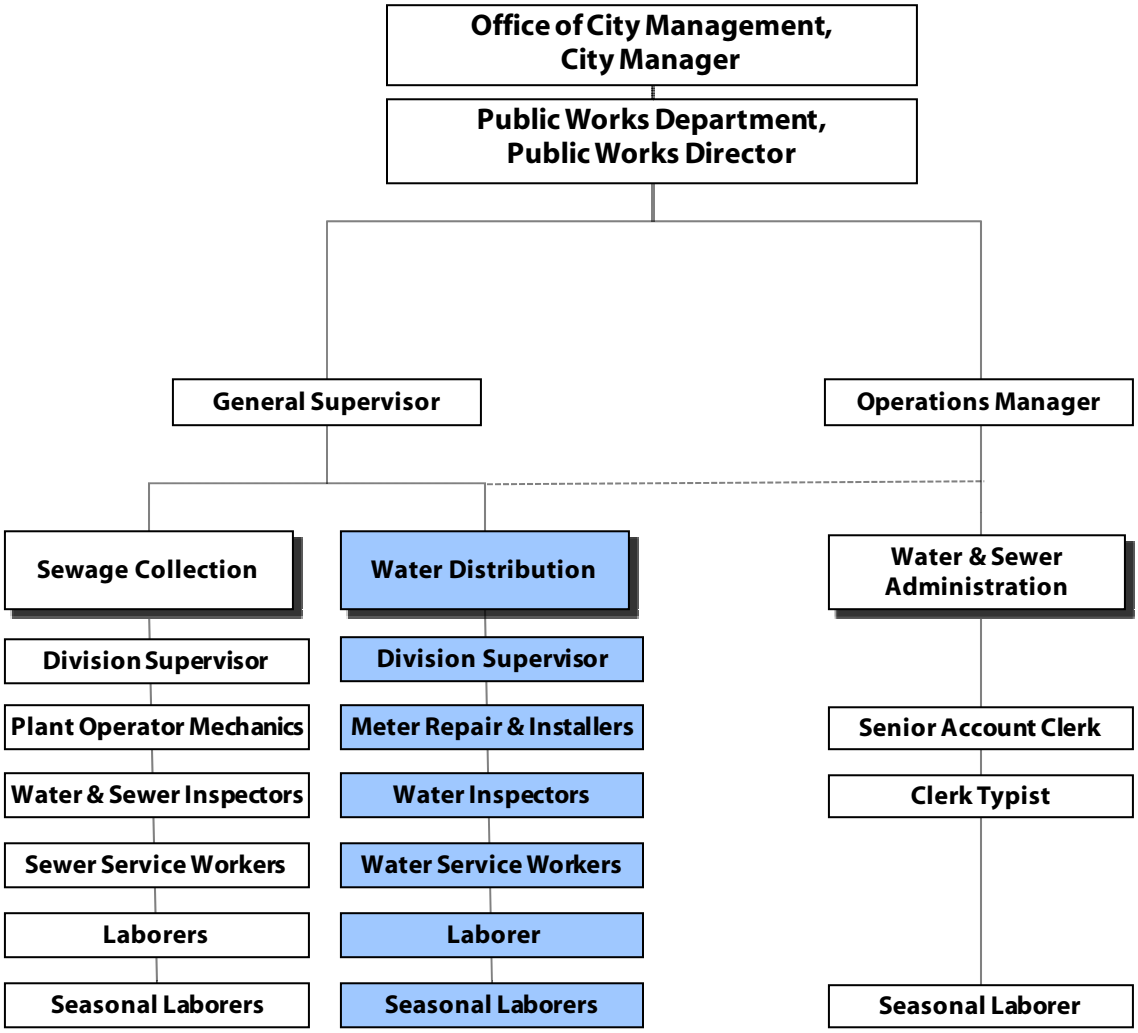
3. To inspect and service the 24 cone and butterfly 36-inch valves on the largest transmission mains in the City. *(City Goal 16)*

4. To flush all dead end and stagnant sections of water main to ensure fresh, quality water reaches all services. *(City Goals 16)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Miles of Water Mains in City	667	667	667	667	667	667
	Citizen Inquiries/Service Requests Responded To	4,937	4,672	4,311	5,000	4,100	5,000
	Water Meter Manual Reads - Residential & Comm.	135,550	133,164	130,992	130,000	128,000	125,000
	Water Meter Automated Reads - Res. & Comm.	67,182	69,615	71,381	75,000	78,000	80,000
	Water Main Breaks	100	100	108	125	130	135
	Miss Dig Stakeouts of Utilities Performed	7,452	8,459	7,021	7,500	9,500	9,000
	Water Meters Installed - Residential/Comm. (new)	69/27	80/34	78/23	120/30	100/30	100/30
	Water Meters Replaced	540	584	514	650	600	600
	Water Taps Installed - Residential/Commercial	72/19	90/39	49/24	120/30	110/20	110/20
	Cross Connection Inspections/Reinspections	521	300	196	500	200	300
	Compound Meters Tested	174	75	49	150	100	150
	Gatewells Inspected	256	275	318	280	250	250
	Businesses Monitored - Backflow Compliance	1,161	1,357	1,467	1,400	1,200	1,300
	Fire Hydrants Replaced	2	6	9	5	14	20
	Fire Hydrants Painted	547	150	558	500	700	700
Efficiency & Effectiveness	% of Emergency Calls Responded to w/i 1 Hour	99%	99%	99%	99%	99%	99%
	% of Miss Dig Stakeouts Completed w/i 48 hours	99%	99%	99%	99%	99%	99%
	Avg. Time to Complete Emg. Main Repairs (Hours)	3.8	3.8	3.8	4.0	4.0	4.0
	Miles of Water Main Maintained per FT Employee	74.1	74.1	74.0	66.7	66.7	60.6
	Water Meter Manual Reads per Reader	54,220	53,266	52,397	52,000	51,200	50,000
	Water Purchased from GLWA (1,000 cubic feet)	603,378	636,215	615,045	620,000	630,600	620,000
	Cost of 1,000 Cubic Feet of Water from GLWA	$10.54*	$9.45*	$10.05*	$10.56*	$10.35*	$9.86*
	GLWA Water Fixed Charge	$6,291,168	$8,648,200	$9,298,800	$9,758,400	$9,567,600	$8,983,200
	Water Fixed Charge as a % of Total Costs	49.7%	58.9%	60.1%	59.8%	59.4%	59.5%

**Does not include fixed water costs.*

Water Distribution



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Division Supervisor	0	0	1
Maintenance Supervisor	1	1	0
Water Inspector	2	2	2
Water Service Worker	4	5	5
Meter Repair & Installer	2	2	2
Laborer	0	0	1
Seasonal Laborer	4	4	4
Total	13	14	15

Water Distribution

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

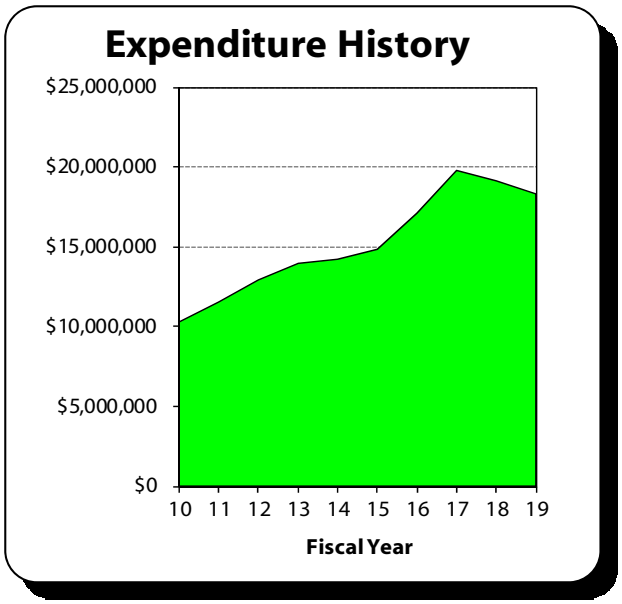
The total budget decreased by 4.3%.

Personnel Services – Total Increase $124,390 or 8.7%

- $44,000 due to contractual wage adjustments
- $56,000 due to the transfer of a position from Water & Sewer Administration
- $21,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $11,000 or 3.4%. $15,000 was added for additional water meters and a base station necessary for the trial of a new fixed base meter reading system. The increase was partially offset by a decrease as funding for new water meters and replacement parts can be reduced and brought more in line with recent actual expenditure levels. $8,000 is needed for additional hydrant replacement parts.

Other Charges – Total Other Charges decreased $788,450 or 4.6%. The cost of water purchased from the GLWA decreased $1,205,600 due to the renegotiation of contract terms that resulted in a reduction in the water volumes used to distribute fixed charges. Water main repair costs fell $100,000, as fewer repairs have been needed. Equipment maintenance costs decreased $39,000 due to the prior year one-time funding of needed maintenance and network upgrades to the MTU water meter reading system. $552,000 was added for the contractual cost of developing a Water Asset Management Plan to coincide with the grant-funded Storm and Wastewater Asset Management Plan for maintenance and repair of the City's infrastructure, and for the increased contractual cost of the hydrant and valve inspection program required by the DEQ. Vehicle maintenance costs increased $5,000, as a greater number of repairs have been needed.



Capital – Total Capital of $63,000 is proposed for a one-ton 4x4 Utility Truck to replace a 2003 100,000-mile vehicle that is used by a water service worker when maintaining and repairing the water distribution system.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,712,279	$1,434,140	$1,441,860	$1,558,530	$1,558,530
Supplies	285,263	327,000	280,000	338,000	338,000
Other Charges	17,714,758	17,139,780	17,053,390	16,351,330	16,351,330
Capital Outlay	68,153	223,820	223,820	63,000	63,000
Total	$19,780,453	$19,124,740	$18,999,070	$18,310,860	$18,310,860

Sewage Collection

MISSION STATEMENT: ***To maintain the sanitary and storm sewer systems to ensure that they are properly functioning in accordance with designed capacities.***

The Sewage Collection Division is responsible for maintaining designed sewerage flows through maintenance of the City-owned sanitary and storm sewer systems to ensure proper functioning.

Staff conducts thorough and responsible sewer and utility inspections. Crews of this Division continually repair and restore damaged utility structures, sewer lines, and replace the concrete required by these repairs. Included among the duties of this Division is the maintenance of retention ponds to assure proper functioning for the temporary retention of storm water drainage.

A three-year preventative maintenance program cleans a third of the sanitary system each year. Specific trouble spots in the sanitary sewer system are cleaned on a quarterly basis to avoid unnecessary problems. Debris is removed from the system to prevent blockages. Cracked or broken pipes, roots or other problems are located and resolved.

This Division responds to calls regarding sewer back-ups and/or blockages. Blockages are investigated, located, and relieved through sewer cleaning. If internal plumbing problems or sump pump malfunction is the cause, advice and assistance is provided. Residential and commercial sewer tap installations and utility structures (sanitary manholes, storm manholes, and gatewells) are inspected prior to the issuance of final occupancy permits.

Sanitary, water, and storm structures are rebuilt or repaired on a priority basis. Repairs to sanitary and storm sewers are initiated as required. Sewage Collection personnel also resod or reseed areas due to utility structure repair, water main breaks, and snow/ice control activities.

Emergency flooding conditions are responded to 24 hours a day, seven days a week. Known sanitary sewer system and lift station problem areas are checked for surcharging and proper operation during heavy rainfall.

KEY GOALS

- ***To provide a systematic preventative maintenance sanitary sewer cleaning program to prevent sewer blockages.***
- ***To provide efficient and economical maintenance, repair and restoration of the City's sanitary and storm sewer systems.***
- ***To provide an efficient, competent and responsible sewer connection and utility inspection program.***
- ***To ensure safe, well maintained, functioning storm water retention basins for temporary detention of storm water run-off without damaging our stream ecology while preventing street and basement flooding.***
- ***To minimize infiltration into the sanitary sewer system through inspection and an ongoing rehabilitation program.***

Sanitary sewer pumping stations are inspected three times per week. All retention pond sites both privately and City-owned are inspected monthly for proper operation, hazardous conditions and appearance. Grass and weeds in retention ponds are cut and trimmed on a scheduled basis. The City's retention pond wet wells are cleaned annually by removing sand and sediment. This Division also performs bank stabilization, erosion, and fence repairs.■

Did you know…
…that flushable wipes do not break down and cause blockage and damage to the sanitary sewer system?

Sewage Collection

2018/19 PERFORMANCE OBJECTIVES

1. To restore retention ponds to maximum flows and capacities by means of vegetation removal. *(City Goal 1, 16, 18)*

2. To continue televising the sanitary sewer system and establish a repair list and a plan to make the repairs. *(City Goal 1, 16, 18)*

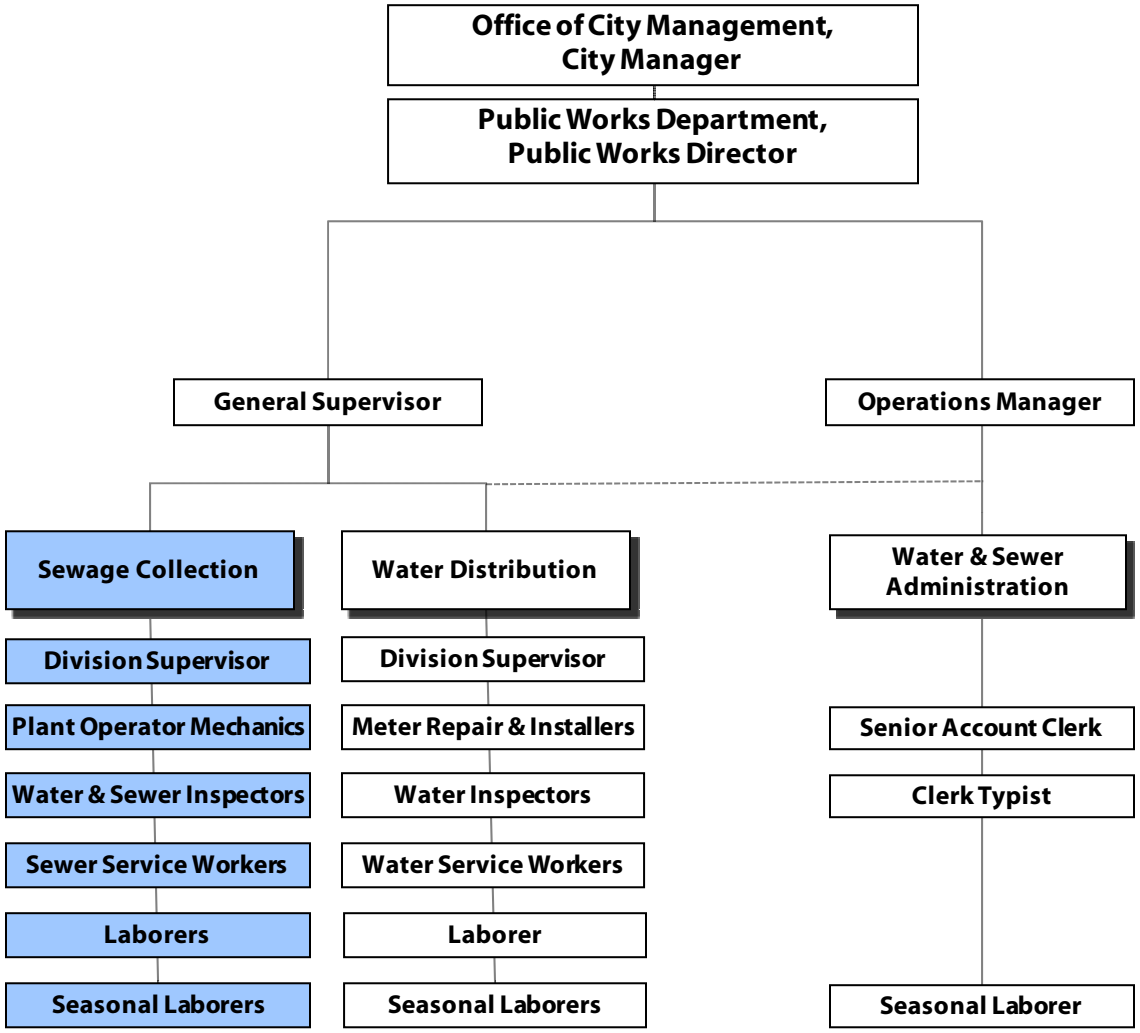
3. To institute a more aggressive grease trap program and inspect repeat violators with the intentions of slowing down sanitary backups caused by grease. (City Goal 16)

4. To establish a more aggressive cleaning program for trouble spots within the city sanitary sewer system. (City Goal 16, 18)

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Miles of Sanitary Sewers in City	475	476	477	477	477	478
	Sewer Inquiries Received & Resolved	1,578	1,481	2,466	1,700	2,000	2,000
	Sewer Inspections	292	324	295	300	290	300
	Water Inspections	77	105	96	80	72	80
	Certificate of Occupancy Inspections	59	99	80	100	130	100
	Sanitary Sewer Cleaned - Feet	299,450	621,886	666,617	1,000,000	600,000	600,000
	Utility Structures Restored	205	130	159	200	250	200
	Flags of Sidewalk Replaced	41	40	65	50	80	50
	Sections of Street/Approaches Replaced	182/23	105/12	118/39	150/25	363/63	150/50
	Sod Replaced - Yards	315	389	0	0	0	0
	Retention Basin Inspections Performed	450	450	450	450	450	450
	Retention Basin Wet Wells Cleaned	8	2	1	15	5	15
	Grease Trap Program Inspections	82	166	24	300	50	100
Efficiency & Effectiveness	Sewer Main Blockages	14	24	56	15	15	15
	% of Emergencies Responded to within 45 Minutes	100%	100%	100%	100%	100%	100%
	% of Trouble Mains Cleaned a Minimum of 4 Times	100%	100%	100%	100%	100%	100%
	Miles of Sanitary Sewer Maintained per FT Employee	36.5	39.7	36.7	34.1	34.1	34.1
	Sewage Fixed Charge as a % of Total Costs	100%	100%	100%	100%	100%	100%
	Bad Debt True-Up (Highland Park)*	$737,641	$737,579	$190,400	$160,000	$133,360	$143,360

**Prior to fiscal year 2016/17, this was a sewage disposal system look-back adjustment charge.*

Sewage Collection



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Division Supervisor	0	0	1
Maintenance Supervisor	1	1	0
Plant Operator Mechanic	2	2	2
Sewer Worker (Clean)	2	2	2
Water & Sewer Inspector	2	3	3
Sewer Worker (Maintenance)	1	1	1
Laborer	5	5	7
Seasonal Laborer	5	5	5
Total	18	19	21

Sewage Collection

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 1.7%.

Personnel Services – Total Increase $114,400 or 6.7%

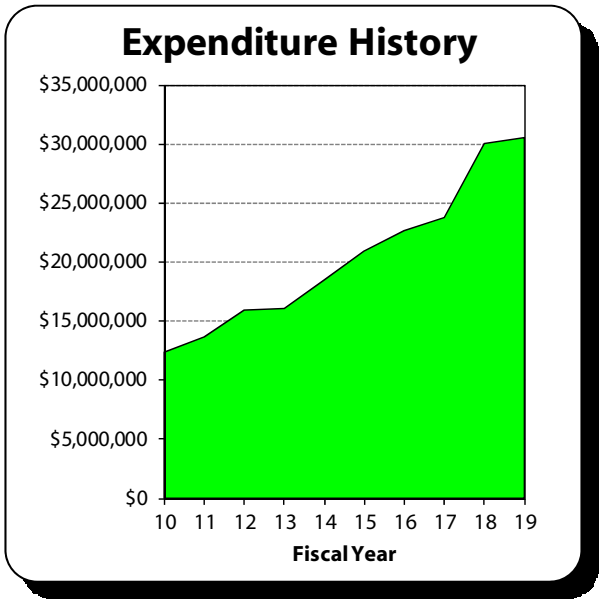
- $68,000 due to contractual wage adjustments
- $121,000 due to the addition of two Laborer positions (offset by $150,000 savings in Contractual Services in Water Distribution)
- $25,000 due to required funding for pension liabilities; Offset by:
- $102,000 savings due to turnover resulting in new hires at a lower wage rate

Supplies – Total Supplies increased $400 or 0.9% for additional personal protective gear and small hand tools that need to be replenished.

Other Charges – Total Other Charges decreased $192,650 or 0.8%. Sewage disposal costs from Macomb are estimated to increase $555,160 or 2.7%. The City's share of the District's debt increased $373,090 or 7.1%. $25,000 was added for the higher material costs for utility structure repairs and to purchase hoses, nozzles and other needed parts for the four Sewer Jet Trucks. Equipment maintenance costs rose $22,000 due to the reallocation of storm water pump repair costs from the Parks & Grounds Maintenance division, and for additional sanitary sewer camera maintenance and repair costs. The budget for sewer line cleaning and televising, funded by the federal SAW grant, decreased $772,630.

Capital – Total Capital of $478,800 is proposed. $50,000 is for a Backup Generator for the Riverland Lift Station. $9,800 is for a Wireless Communication System that will provide hearing protection, and allow hands-free communication for maintenance crews. $9,000 is for two Concrete Mixers to replace a 1998 and a 2001 concrete mixer with excessive breakdowns. $410,000 is for a Sanitary Sewer Camera Truck necessary for televising sewer lines.

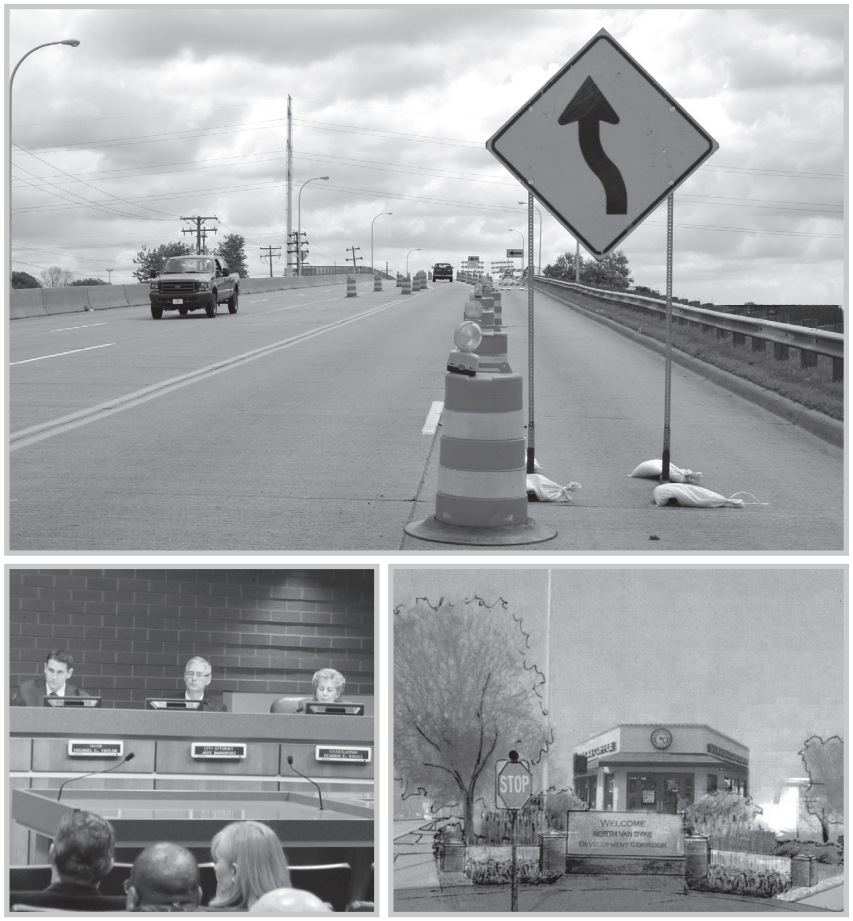
Debt Service – Total Debt Service increased $373,090 or 7.1% to cover the City's share of the District's sewer rehabilitation payments.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,969,901	$1,699,220	$1,631,290	$1,813,620	$1,813,620
Supplies	35,585	45,000	45,000	45,400	45,400
Other Charges	19,518,568	22,760,210	21,105,660	22,567,560	22,567,560
Capital Outlay	0	273,000	296,400	478,800	478,800
Debt Service	2,244,376	5,253,380	5,418,050	5,626,470	5,626,470
Total	$23,768,430	$30,030,810	$28,496,400	$30,531,850	$30,531,850

Special Revenue Funds



Special Revenue Funds are used to detail transactions in which the funding source is legally restricted to be spent for specific purposes. Included in this section are Major and Local Roads, Economic Development Corporation, Community Development Block Grant, Parks & Recreation, Brownfield Redevelopment Authority, Local Development Finance Authority, Corridor Improvement Authority, Land & Water Conservation Fund and Public Safety Forfeiture Fund.

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
MAJOR ROAD FUND						
REVENUES						
Federal & State Grants	$1,072,670	$340,420	$0	$0	$0	**$0**
Gas & Weight Tax	5,874,540	6,755,600	7,598,500	8,406,150	8,174,710	**8,174,710**
Metro Act	292,960	286,080	250,000	275,000	275,000	**275,000**
Other Revenue	221,260	179,640	177,000	186,000	186,000	**186,000**
Transfer from General Fund	0	500,000	500,000	1,000,000	7,000,000	**7,000,000**
Total Revenues	**7,461,430**	**8,061,740**	**8,525,500**	**9,867,150**	**15,635,710**	**15,635,710**
EXPENDITURES						
Administration	117,080	107,730	131,100	131,100	131,120	**131,120**
Major Street Maintenance	2,192,140	2,068,710	2,233,000	2,402,160	2,371,000	**2,371,000**
Major Street Improvements	3,437,960	3,146,370	4,028,770	5,745,360	10,075,000	**10,075,000**
Transfer to Local Road Fund	1,100,000	1,000,000	0	0	0	**0**
Tfr. to Road Bond Debt Fund	1,000,000	1,925,240	2,000,000	2,000,000	2,500,000	**2,500,000**
Total Expenditures	**7,847,180**	**8,248,050**	**8,392,870**	**10,278,620**	**15,077,120**	**15,077,120**
Excess of Revenues Over (Under) Expenditures	**(385,750)**	**(186,310)**	**132,630**	**(411,470)**	**558,590**	**558,590**
Beginning Fund Balance	**4,117,390**	**3,731,640**	**3,545,330**	**3,545,330**	**3,133,860**	**3,133,860**
Ending Fund Balance	**$3,731,640**	**$3,545,330**	**$3,677,960**	**$3,133,860**	**$3,692,450**	**$3,692,450**
LOCAL ROAD FUND						
REVENUES						
Property Taxes	$3,344,950	$3,201,820	$3,265,090	$3,254,090	$3,365,190	**$3,365,190**
Federal Grants	0	0	0	22,280	0	**0**
Gas & Weight Tax	2,175,880	2,504,480	2,810,400	3,113,250	3,023,520	**3,023,520**
Metro Act	108,360	105,810	90,000	100,000	100,000	**100,000**
Charges for Services	53,630	43,150	56,000	50,000	50,000	**50,000**
Other Revenue	48,590	42,630	23,000	42,180	40,860	**40,860**
Transfer from General Fund	0	400,000	500,000	500,000	0	**0**
Transfer from Major Road Fund	1,100,000	1,000,000	0	0	0	**0**
Total Revenues	**6,831,410**	**7,297,890**	**6,744,490**	**7,081,800**	**6,579,570**	**6,579,570**
EXPENDITURES						
Administration	142,140	131,130	140,070	152,070	152,070	**152,070**
Local Street Maintenance	1,823,560	1,754,610	2,041,500	2,182,500	2,232,500	**2,232,500**
Local Street Improvements	4,001,350	3,061,130	7,636,960	7,197,870	4,230,090	**4,230,090**
Total Expenditures	**5,967,050**	**4,946,870**	**9,818,530**	**9,532,440**	**6,614,660**	**6,614,660**
Excess of Revenues Over (Under) Expenditures	**864,360**	**2,351,020**	**(3,074,040)**	**(2,450,640)**	**(35,090)**	**(35,090)**
Beginning Fund Balance	**246,780**	**1,111,140**	**3,462,160**	**3,462,160**	**1,011,520**	**1,011,520**
Ending Fund Balance	**$1,111,140**	**$3,462,160**	**$388,120**	**$1,011,520**	**$976,430**	**$976,430**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
LAND & WATER FUND						
REVENUES						
Other Revenue	$6,520	$85,230	$4,500	$5,960	$4,000	**$4,000**
Transfer from General Fund	738,700	240,000	0	0	0	**0**
Total Revenues	**745,220**	**325,230**	**4,500**	**5,960**	**4,000**	**4,000**
EXPENDITURES						
Land Acquisition & Improve.	207,370	574,250	77,000	80,000	0	**0**
Total Expenditures	**207,370**	**574,250**	**77,000**	**80,000**	**0**	**0**
Rev. Over (Under) Expend.	**537,850**	**(249,020)**	**(72,500)**	**(74,040)**	**4,000**	**4,000**
Beginning Fund Balance	**85,590**	**623,440**	**374,420**	**374,420**	**300,380**	**300,380**
Ending Fund Balance	**$623,440**	**$374,420**	**$301,920**	**$300,380**	**$304,380**	**$304,380**
PARKS & RECREATION FUND						
REVENUES						
Property Taxes	$0	$0	$3,981,900	$3,965,380	$4,050,770	**$4,050,770**
Federal/State/Local Returns	0	0	496,860	496,920	215,000	**215,000**
Charges for Services	0	0	538,570	542,270	578,310	**578,310**
Other Revenue	0	42,100	20,500	551,500	385,500	**385,500**
Transfer from General Fund	0	44,998,870	1,251,310	1,251,310	1,347,410	**1,347,410**
Total Revenues	**0**	**45,040,970**	**6,289,140**	**6,807,380**	**6,576,990**	**6,576,990**
EXPENDITURES						
Personnel Services	0	0	1,936,470	1,853,440	2,071,490	**2,071,490**
Supplies	0	0	105,150	101,320	107,250	**107,250**
Other Charges	0	500	613,380	550,480	801,190	**801,190**
Capital Outlay	0	3,123,100	13,540,760	13,651,650	20,870,250	**20,870,250**
Debt Service	0	0	3,112,500	3,003,520	3,001,090	**3,001,090**
Total Expenditures	**0**	**3,123,600**	**19,308,260**	**19,160,410**	**26,851,270**	**26,851,270**
Rev. Over (Under) Expend.	**0**	**41,917,370**	**(13,019,120)**	**(12,353,030)**	**(20,274,280)**	**(20,274,280)**
Beginning Fund Balance	**0**	**0**	**41,917,370**	**41,917,370**	**29,564,340**	**29,564,340**
Ending Fund Balance	**$0**	**$41,917,370**	**$28,898,250**	**$29,564,340**	**$9,290,060**	**$9,290,060**
PUBLIC SAFETY FORF. FUND						
REVENUES						
Federal Forfeitures & Income	$30,330	$193,010	$49,960	$419,790	$0	**$0**
Treasury Forfeitures & Income	23,410	24,350	0	0	0	**0**
State Forfeitures & Income	134,590	150,670	23,010	39,680	2,000	**2,000**
OWI Forfeitures	15,300	14,660	900	900	0	**0**
Gambling Forfeitures	0	920	2,920	2,920	0	**0**
Act 302 Training Funds	43,810	27,830	30,800	27,800	27,800	**27,800**
Other Revenue	1,000	3,920	3,140	5,380	4,880	**4,880**
Total Revenues	**248,440**	**415,360**	**110,730**	**496,470**	**34,680**	**34,680**
EXPENDITURES						
Federal Forfeiture Expenditure	295,460	97,990	336,770	349,720	352,240	**352,240**
Treasury Forf. Expenditures	0	26,930	20,890	20,890	0	**0**
State Forfeiture Expenditures	60,370	19,330	52,000	49,800	65,670	**65,670**
Gambling Forf. Expenditures	17,320	2,840	420	420	0	**0**
OWI Forfeiture Expenditures	32,780	6,320	12,280	13,630	13,840	**13,840**
Act 302 Training Funds	24,620	27,600	30,800	30,800	30,800	**30,800**
Total Expenditures	**430,550**	**181,010**	**453,160**	**465,260**	**462,550**	**462,550**
Rev. Over (Under) Expend.	**(182,110)**	**234,350**	**(342,430)**	**31,210**	**(427,870)**	**(427,870)**
Beginning Fund Balance	**515,210**	**333,100**	**567,450**	**567,450**	**598,660**	**598,660**
Ending Fund Balance	**$333,100**	**$567,450**	**$225,020**	**$598,660**	**$170,790**	**$170,790**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
COMMUNITY DEVELOPMENT BLOCK GRANT FUND						
REVENUES						
Federal Grants	$572,920	$523,010	$1,350,020	$1,096,390	$936,930	**$936,930**
Revenue Direct Loans	72,140	83,770	25,000	25,000	25,000	**25,000**
Total Revenues	**645,060**	**606,780**	**1,375,020**	**1,121,390**	**961,930**	**961,930**
EXPENDITURES						
Community Development	645,060	606,780	1,375,020	1,121,390	961,930	**961,930**
Total Expenditures	**645,060**	**606,780**	**1,375,020**	**1,121,390**	**961,930**	**961,930**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**0**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
NEIGHBORHOOD STABILIZATION FUND						
REVENUES						
Federal Grants	$2,350	$11,260	$0	$0	$0	**$0**
Total Revenues	**2,350**	**11,260**	**0**	**0**	**0**	**0**
EXPENDITURES						
Administration Costs	2,350	11,260	0	0	0	**0**
Total Expenditures	**2,350**	**11,260**	**0**	**0**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**0**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
CORRIDOR IMPROVEMENT AUTHORITY FUND						
REVENUES						
Property Taxes	$20,640	$22,100	$31,700	$42,770	$81,150	**$81,150**
Federal/State/Local Returns	0	0	160,000	160,000	0	**0**
Other Revenue	110	380	250	500	800	**800**
Proceeds Long-Term Debt	0	160,000	0	0	0	**0**
Total Revenues	**20,750**	**182,480**	**191,950**	**203,270**	**81,950**	**81,950**
EXPENDITURES						
Other Charges	0	950	25,000	28,700	0	**0**
Capital Outlay	0	0	160,000	11,660	0	**0**
Debt Service	0	0	0	156,860	0	**0**
Total Expenditures	**0**	**950**	**185,000**	**197,220**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**20,750**	**181,530**	**6,950**	**6,050**	**81,950**	**81,950**
Beginning Fund Balance	**43,560**	**64,310**	**245,840**	**245,840**	**251,890**	**251,890**
Ending Fund Balance	**$64,310**	**$245,840**	**$252,790**	**$251,890**	**$333,840**	**$333,840**

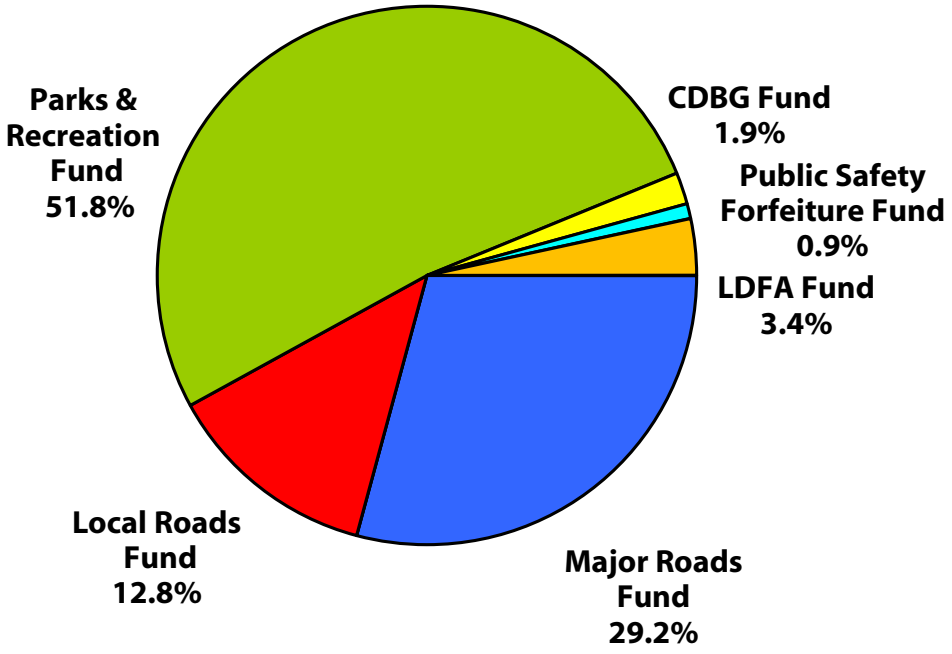
SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
ECONOMIC DEVELOPMENT CORPORATION FUND						
REVENUES						
Funding from General Gov't	$300,000	$300,000	$140,000	$140,000	$300,000	**$300,000**
Other Revenue	2,590	5,800	700	2,000	2,000	**2,000**
Total Revenues	**302,590**	**305,800**	**140,700**	**142,000**	**302,000**	**302,000**
EXPENDITURES						
Other Charges	0	0	0	45,000	0	**0**
Transfer to LDFA Fund	0	900,000	0	0	0	**0**
Total Expenditures	**0**	**900,000**	**0**	**45,000**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**302,590**	**(594,200)**	**140,700**	**97,000**	**302,000**	**302,000**
Beginning Fund Balance	**313,090**	**615,680**	**21,480**	**21,480**	**118,480**	**118,480**
Ending Fund Balance	**$615,680**	**$21,480**	**$162,180**	**$118,480**	**$420,480**	**$420,480**
BROWNFIELD REDEVELOP. AUTHORITY FUND						
REVENUES						
Property Taxes - TIF	$106,060	$87,090	$87,300	$84,250	$0	**$0**
Other Revenue	1,370	4,350	4,270	2,920	0	**0**
Total Revenues	**107,430**	**91,440**	**91,570**	**87,170**	**0**	**0**
EXPENDITURES						
Other Charges	(332,620)	536,830	84,670	86,170	0	**0**
Total Expenditures	**(332,620)**	**536,830**	**84,670**	**86,170**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**440,050**	**(445,390)**	**6,900**	**1,000**	**0**	**0**
Beginning Fund Balance	**5,340**	**445,390**	**0**	**0**	**1,000**	**1,000**
Ending Fund Balance	**$445,390**	**$0**	**$6,900**	**$1,000**	**$1,000**	**$1,000**
LOCAL DEVELOPMENT FINANCE AUTHORITY FUND						
REVENUES						
Property Taxes - TIF	($67,350)	$0	$0	$0	$0	**$0**
LDFA SmartZone Capture	616,950	858,970	825,000	923,000	1,074,680	**1,074,680**
Other Revenue	174,250	171,060	144,500	161,000	163,000	**163,000**
Transfer from EDC Fund	0	900,000	0	0	0	**0**
Total Revenues	**723,850**	**1,930,030**	**969,500**	**1,084,000**	**1,237,680**	**1,237,680**
EXPENDITURES						
Incubator Operations	919,680	764,330	622,990	796,450	597,050	**597,050**
Miscellaneous Expense	(327,880)	461,820	0	438,190	0	**0**
SmartZone Improvements	35,080	3,640	598,860	452,790	1,152,000	**1,152,000**
Total Expenditures	**626,880**	**1,229,790**	**1,221,850**	**1,687,430**	**1,749,050**	**1,749,050**
Excess of Revenues Over (Under) Expenditures	**96,970**	**700,240**	**(252,350)**	**(603,430)**	**(511,370)**	**(511,370)**
Beginning Fund Balance	**328,420**	**425,390**	**1,125,630**	**1,125,630**	**522,200**	**522,200**
Ending Fund Balance	**$425,390**	**$1,125,630**	**$873,280**	**$522,200**	**$10,830**	**$10,830**

In the middle of difficulty lies opportunity.

~ Albert Einstein ~

Special Revenue Funds
Percent of Total Expenditures



This graph illustrates expenditures for each Special Revenue Fund as a percent of the total $51,716,580 Special Revenue Funds budget.

Special Revenue Funds Revenues

TAXES

This revenue source is largely generated by the Safe Streets millage approved by the voters in November 2013 and the *Re*creating Recreation millage approved by the voters in November 2016, as well as from tax increment financing (TIF) revenues resulting from the Local Development Authority. A total of $8,571,790 is anticipated next fiscal year.

STATE & LOCAL RETURNS

The major source of revenue to the Special Revenue Funds is State & Local Returns. This source of revenue is comprised of grants from the Federal, State, and County levels of government. The major sources of revenue in this revenue center are Federal and State Grants, including Highway & Street Grants or more commonly known as Act 51 Funds. The Act 51 Funds are distributed to communities based on predetermined Michigan Department of Transportation formulas.

In the 2018/19 Budget, State and Local Return revenues represent 41.6% of total Special Revenue sources, an increase of $51,590. Higher gas taxes and vehicle registration fees implemented by the State of Michigan resulted in an increase in ACT 51 funding, which is split between the Major and Local Road Funds. A decrease in Federal Grants for the Community Development Block Grant Fund and the prior year one-time receipt of Municipal Transportation credits for the purchase of additional SMART vehicles offset this increase.

OTHER FINANCING SOURCES

Other Financing Sources in the Special Revenue Funds include Transfers In from other funds. This revenue center will receive a transfer from the General Fund next year.

In 2018/19, revenues generated from Other Financing Sources represent 26.6% of total Special Revenue sources, an increase of $6,096,100. The increase is primarily due to a significant investment from the General Fund to fund emergency road improvements throughout the City. A transfer from the General Fund to the Parks & Recreation Fund is budgeted for $1,347,410 to fund the pre-existing expenses of the Parks & Recreation Department prior to the passing of the *Re*creating Recreation millage.

CHARGES FOR SERVICES

Charges for Services consists primarily of revenue from Parks & Recreation Fees, Tree Sales & Planting and Chipping Fees. In the 2018/19 Budget, Charges for Services represents 2.0% of total Special Revenue sources, an increase of $33,740. This increase is primarily due to an increase in the Parks & Recreation fees that are expected from the new *Re*creating Recreation amenities.

OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Special Assessment Revenue, Rental Income, Contributions & Donations, Miscellaneous Revenue, and Reimbursements. These reimbursements are from the Macomb County Road Commission for the sweeping & mowing of County roads by the City.

In 2018/19, Other Revenues represent 2.5% of total Special Revenue sources, an increase of $409,180. The increase is primarily due to higher interest on investments resulting from the short-term investment of bond proceeds from the *Re*creating Recreation bond.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A Use of Fund Balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2018/19 Budget, expenditures exceed revenues by $20,302,070. A draw down of funds is planned primarily in the Parks & Recreation Fund, as debt proceeds are needed to fund *Re*creating Recreation improvements next year. Also, funding for the Public Safety Forfeiture Fund does not take into consideration the revenue from future anticipated receipts.■

SPECIAL REVENUE FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	TAXES						
404001	Property Tax Refunds	$3,493	0.01	($10,000)	-0.04	**($7,000)**	**-0.02**
407000	Safe Streets Tax	3,191,258	4.97	3,264,790	13.36	**3,361,890**	**10.70**
408000	*Re* creating Recreation Tax	0	0.00	3,981,900	16.29	**4,050,770**	**12.89**
415000	Delinquent Personal Property Tax	2,328	0.00	5,000	0.02	**5,000**	**0.02**
420000	Property Taxes - TIF - CIA	22,102	0.03	31,700	0.13	**81,150**	**0.26**
420010	Property Taxes - TIF - BAE	87,094	0.14	87,300	0.36	**0**	**0.00**
422000	LDFA - SmartZone Capture	858,967	1.34	825,000	3.38	**1,074,680**	**3.42**
445000	Penalties and Interest	4,739	0.01	5,300	0.02	**5,300**	**0.02**
	Total Taxes	**4,169,981**	**6.49**	**8,190,990**	**33.51**	**8,571,790**	**27.29**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	568,099	0.88	1,350,020	5.52	**936,930**	**2.98**
529002	Federal Program Income	4,843	0.01	0	0.00	**0**	**0.00**
529003	Revenue Direct Loans	83,774	0.13	25,000	0.10	**25,000**	**0.08**
529100	Federal Forfeiture Grants	193,015	0.30	49,960	0.20	**0**	**0.00**
529200	Treasury Forfeiture Grants	24,354	0.04	0	0.00	**0**	**0.00**
539002	State Grants	301,750	0.47	0	0.00	**0**	**0.00**
539200	State Forfeiture Grants	147,956	0.23	20,920	0.09	**0**	**0.00**
539201	State Forfeiture Program Income	2,711	0.00	2,090	0.01	**2,000**	**0.01**
539300	Gambling Forfeitures	919	0.00	2,920	0.01	**0**	**0.00**
539348	Metro Act	391,891	0.61	340,000	1.39	**375,000**	**1.19**
539400	OWI Forfeitures	14,657	0.02	900	0.00	**0**	**0.00**
539500	Act 302 Training Funds	27,833	0.04	30,800	0.13	**27,800**	**0.09**
546000	Highway & Street Grants	9,260,081	14.41	10,408,900	42.58	**11,198,230**	**35.65**
549101	Funding from General Gov't	300,000	0.47	300,000	1.23	**300,000**	**0.95**
581001	Municipal Credit Transportation	0	0.00	496,860	2.03	**215,000**	**0.68**
	Total State & Local Returns	**11,321,883**	**17.61**	**13,028,370**	**53.30**	**13,079,960**	**41.64**
	OTHER FINANCING SOURCES						
699101	Transfer from General Fund	1,140,000	1.77	2,251,310	9.21	**8,347,410**	**26.57**
699202	Transfer from Major Road Fund	1,000,000	1.56	0	0.00	**0**	**0.00**
699255	Transfer from EDC Fund	900,000	1.40	0	0.00	**0**	**0.00**
	Total Other Financing Sources	**3,040,000**	**4.73**	**2,251,310**	**9.21**	**8,347,410**	**26.57**
	CHARGES FOR SERVICES						
637001	Copies & Forms	0	0.00	0	0.00	**200**	**0.00**
639001	Parks & Recreation Fees	0	0.00	538,570	2.20	**578,110**	**1.84**
640004	Tree Sales & Planting	37,948	0.06	50,000	0.20	**45,000**	**0.14**
640010	Chipping Fee	5,200	0.01	6,000	0.02	**5,000**	**0.02**
	Total Charges for Services	**43,148**	**0.07**	**594,570**	**2.43**	**628,310**	**2.00**
	OTHER REVENUE						
665000	Interest on Investments	68,843	0.11	50,720	0.21	**435,300**	**1.39**
665100	Interest Income - Federal Forfeiture	2,051	0.00	1,800	0.01	**2,000**	**0.01**
665130	Interest Income - Treas. Forfeiture	122	0.00	100	0.00	**300**	**0.00**
665200	Interest Income - State Forfeiture	1,283	0.00	870	0.00	**2,000**	**0.01**
665300	Interest Income - Gamble Forf.	33	0.00	90	0.00	**80**	**0.00**
665400	Interest Income - OWI Forfeiture	252	0.00	180	0.00	**300**	**0.00**
665500	Interest Income - Act 302 Training	173	0.00	100	0.00	**200**	**0.00**
667716	Rental Income Smart Incubator	144,668	0.23	140,000	0.57	**150,000**	**0.48**
672000	Special Assessment Revenue	17,605	0.03	3,360	0.01	**3,090**	**0.01**
672445	SA Delinquent Interest & Penalties	215	0.00	150	0.00	**150**	**0.00**

SPECIAL REVENUE FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
672665	Special Assessment Interest	3,222	0.01	2,990	0.01	**2,620**	**0.01**
673000	Sale of Fixed Assets	80,363	0.13	0	0.00	**0**	**0.00**
675001	Donations - Parks & Recreation	50,000	0.08	20,000	0.08	**15,000**	**0.05**
676000	Reimbursements	174,015	0.27	150,000	0.61	**169,000**	**0.54**
677008	Unrealized Gain/Loss	(17,638)	-0.03	0	0.00	**0**	**0.00**
679752	Parks & Recreation Retail Sale	0	0.00	500	0.00	**1,000**	**0.00**
685000	Miscellaneous Revenue	5,998	0.01	7,000	0.03	**6,000**	**0.02**
695000	Insurance Recovery	3,902	0.01	0	0.00	**0**	**0.00**
698000	Proceeds Long-term Debt	42,295,000	65.81	0	0.00	**0**	**0.00**
698001	Bond Premiums	2,863,866	4.46	0	0.00	**0**	**0.00**
	Total Other Revenue	**45,693,973**	**71.10**	**377,860**	**1.55**	**787,040**	**2.50**
	Total Special Revenue Funds	**$64,268,985**	**100.00**	**$24,443,100**	**100.00**	**$31,414,510**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	PERSONNEL SERVICES						
704000	Wages - Salaries - Permanent	$0	0.00	$550,050	1.34	**$663,020**	**1.28**
704001	Sick/Personal Buy Back	0	0.00	4,000	0.01	**4,440**	**0.01**
704721	Health Insurance Allowance	0	0.00	6,000	0.01	**6,000**	**0.01**
705000	Wages - Salaries - Temp/Part-time	0	0.00	767,490	1.88	**731,940**	**1.42**
708000	Overtime	0	0.00	16,320	0.04	**17,500**	**0.03**
708001	Comp Time Buy Back	0	0.00	14,270	0.03	**15,500**	**0.03**
709000	Other Benefits/Reimbursements	0	0.00	2,400	0.01	**4,800**	**0.01**
710000	Longevity	0	0.00	7,670	0.02	**10,410**	**0.02**
717000	FICA	0	0.00	104,590	0.26	**112,140**	**0.22**
718000	Worker's Compensation	0	0.00	7,490	0.02	**7,520**	**0.01**
720000	Pension - General Employees	0	0.00	131,770	0.32	**145,740**	**0.28**
720002	Defined Contribution	0	0.00	17,560	0.04	**22,140**	**0.04**
721000	Health Insurance	0	0.00	102,010	0.25	**122,290**	**0.24**
721001	Health Insurance - Retirees	0	0.00	183,430	0.45	**183,430**	**0.35**
721003	Retiree Health Savings	0	0.00	5,200	0.01	**5,200**	**0.01**
722000	Dental Insurance	0	0.00	8,820	0.02	**10,430**	**0.02**
723000	Life Insurance	0	0.00	1,800	0.00	**2,200**	**0.00**
724000	Eye Care Insurance	0	0.00	900	0.00	**1,040**	**0.00**
725000	Disability Insurance - Long-term	0	0.00	1,230	0.00	**1,510**	**0.00**
725355	Disability Insurance - Short-term	0	0.00	3,470	0.01	**4,240**	**0.01**
	Total Personnel Services	**0**	**0.00**	**1,936,470**	**4.73**	**2,071,490**	**4.01**
	SUPPLIES						
729000	Postage	150	0.00	6,020	0.01	**6,450**	**0.01**
741000	Ammunition	2,800	0.01	2,800	0.01	**2,800**	**0.01**
751000	Operating Supplies	33,603	0.17	70,420	0.17	**33,670**	**0.07**
761000	Program Activity Supplies	0	0.00	56,940	0.14	**63,950**	**0.12**
762000	Seniors Program Supplies	0	0.00	17,690	0.04	**17,980**	**0.03**
785000	Books	6,003	0.03	6,130	0.01	**7,000**	**0.01**
	Total Supplies	**42,556**	**0.21**	**160,000**	**0.39**	**131,850**	**0.25**
	OTHER CHARGES						
802000	Audit & Accounting Services	1,140	0.01	1,170	0.00	**1,190**	**0.00**
805000	Administrative Services	465,399	2.29	507,890	1.24	**506,910**	**0.98**
805100	Management Services	215,116	1.06	200,000	0.49	**210,000**	**0.41**
806000	Legal Services - Other	0	0.00	3,000	0.01	**3,000**	**0.01**
806001	Legal Services - City Attorney	414	0.00	1,500	0.00	**1,500**	**0.00**
807000	Medical Services	0	0.00	770	0.00	**770**	**0.00**
810000	Other Fees	500	0.00	37,850	0.09	**14,850**	**0.03**
826000	Other Contracted Services	145,948	0.72	663,450	1.62	**797,810**	**1.54**
826900	Subrecipient Funding	76,765	0.38	88,400	0.22	**84,540**	**0.16**
827000	Interfund Services	19,000	0.09	19,000	0.05	**139,230**	**0.27**
832000	Building Maintenance	27,122	0.13	35,000	0.09	**35,000**	**0.07**
833000	Equipment Maintenance	11,253	0.06	38,530	0.09	**31,100**	**0.06**

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
880000	Community Promotion	0	0.00	1,000	0.00	**1,000**	**0.00**
902000	Publishing	1,732	0.01	7,800	0.02	**9,550**	**0.02**
903000	Printing	0	0.00	5,540	0.01	**5,540**	**0.01**
913000	Liability Insurance	12,309	0.06	12,310	0.03	**12,800**	**0.02**
915000	Other Insurance	0	0.00	500	0.00	**0**	**0.00**
921000	Electric	78,459	0.39	175,000	0.43	**179,000**	**0.35**
922000	Telephone	57,834	0.28	80,400	0.20	**72,800**	**0.14**
923000	Gas - Fuel - Oil	30,298	0.15	66,200	0.16	**64,000**	**0.12**
925000	Water	6,236	0.03	46,400	0.11	**49,000**	**0.09**
942000	Building Rent	15,811	0.08	20,000	0.05	**20,000**	**0.04**
945000	Other Rental	0	0.00	79,690	0.19	**134,690**	**0.26**
956000	Local Meetings	0	0.00	160	0.00	**160**	**0.00**
957000	Memberships & Dues	2,750	0.01	9,350	0.02	**9,230**	**0.02**
959000	Education & Training	21,769	0.11	31,340	0.08	**26,770**	**0.05**
961000	Athletic Entry Fees	0	0.00	200	0.00	**200**	**0.00**
962000	Miscellaneous Expense	480,869	2.36	11,470	0.03	**8,350**	**0.02**
962010	Miscellaneous Expense - BAE	536,828	2.64	84,670	0.21	**0**	**0.00**
962200	Miscellaneous Expense - Investigations	236	0.00	25,000	0.06	**25,000**	**0.05**
963900	Miscellaneous - Capital Program	3,937	0.02	40,000	0.10	**40,000**	**0.08**
	Total Other Charges	**2,211,725**	**10.86**	**2,293,590**	**5.61**	**2,483,990**	**4.80**
	OTHER SERVICES						
886162	Access Road Maintenance	32,816	0.16	40,000	0.10	**50,000**	**0.10**
887000	Bridge Maintenance	46,044	0.23	20,000	0.05	**0**	**0.00**
888000	Surface Maintenance	828,789	4.07	1,000,000	2.44	**1,050,000**	**2.03**
888001	Surface Maintenance - County	620	0.00	0	0.00	**1,000**	**0.00**
888272	2015 Joint Sealing Program	0	0.00	150,000	0.37	**150,000**	**0.29**
889000	Shoulder Maintenance	13,650	0.07	40,000	0.10	**25,000**	**0.05**
890000	Sweeping & Flushing	258,600	1.27	275,000	0.67	**300,000**	**0.58**
890001	Sweeping & Flushing - County	54,814	0.27	50,000	0.12	**55,000**	**0.11**
890002	Sweeping & Flushing - State	0	0.00	6,000	0.01	**6,000**	**0.01**
891000	Grass & Weed Control	364,628	1.79	340,000	0.83	**335,000**	**0.65**
891001	Grass & Weed Control - County	87,054	0.43	175,000	0.43	**175,000**	**0.34**
891002	Grass & Weed Control - State	125,375	0.62	125,000	0.31	**175,000**	**0.34**
892000	Roadside Cleanup	16,867	0.08	9,500	0.02	**12,500**	**0.02**
892001	Roadside Cleanup - County	19,739	0.10	8,000	0.02	**8,000**	**0.02**
892002	Roadside Cleanup - State	5,240	0.03	5,000	0.01	**5,000**	**0.01**
893000	Curb & Gutter Maintenance	2,981	0.01	5,500	0.01	**5,000**	**0.01**
894000	Storm Drain Maintenance	250,133	1.23	200,000	0.49	**305,000**	**0.59**
895000	Tree & Shrub Maintenance	550,514	2.70	565,000	1.38	**590,000**	**1.14**
895001	Tree & Shrub Maintenance - County	44,563	0.22	6,000	0.01	**6,000**	**0.01**
895002	Tree & Shrub Maintenance - State	2,600	0.01	3,000	0.01	**5,000**	**0.01**
897000	Snow & Ice Removal	765,518	3.76	900,000	2.20	**1,000,000**	**1.93**

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
897001	Snow & Ice Removal - County	2,825	0.01	0	0.00	**2,000**	**0.00**
898000	Traffic Signs & Signals	287,699	1.41	275,000	0.67	**275,000**	**0.53**
898001	Traffic Signs & Signals - County	1,609	0.01	1,500	0.00	**3,000**	**0.01**
899000	Pavement Markings	60,644	0.30	75,000	0.18	**65,000**	**0.13**
	Total Other Services	**3,823,322**	**18.78**	**4,274,500**	**10.45**	**4,603,500**	**8.90**
	CAPITAL OUTLAY						
971000	Land Acquisition	355,594	1.75	206,670	0.51	**0**	**0.00**
972000	Land Improvements	41,949	0.21	10,000	0.02	**10,000**	**0.02**
972350	Dodge Park Improvements	16	0.00	9,000,000	22.00	**0**	**0.00**
972351	Community Center	163,524	0.80	325,940	0.80	**10,000,000**	**19.34**
972352	Skate Park	0	0.00	450,000	1.10	**0**	**0.00**
972795	Park Improvements	2,630,825	12.92	3,460,300	8.46	**10,756,090**	**20.80**
975000	Buildings & Improvements	81,249	0.40	64,290	0.16	**9,000**	**0.02**
977000	Furniture	2,229	0.01	0	0.00	**0**	**0.00**
979000	Computer Equipment	0	0.00	3,810	0.01	**11,700**	**0.02**
981000	Electronic Equipment	0	0.00	3,050	0.01	**0**	**0.00**
982000	Machinery & Equipment	3,735	0.02	10,620	0.03	**128,670**	**0.25**
984000	Vehicles	0	0.00	466,980	1.14	**287,110**	**0.56**
988000	Construction	965,488	4.74	3,235,790	7.91	**10,217,000**	**19.76**
988233	15 Mile Turn Lanes - Dodge/Maple	14	0.00	0	0.00	**0**	**0.00**
988235	17 Mile Bridge Replace - Conrail	33,398	0.16	50,000	0.12	**0**	**0.00**
988246	Van Dyke Streetscape Design	941,299	4.62	50,000	0.12	**0**	**0.00**
988254	Dodge Park - Metro to Utica Reconstr	7,196	0.04	0	0.00	**0**	**0.00**
988255	RRR 19-1/2 Mile - Merrill to Utica	6,637	0.03	0	0.00	**0**	**0.00**
988266	2015 Concrete Reconstruction	72	0.00	0	0.00	**0**	**0.00**
988270	Sr Center Parking Lot Reconstruct	232,311	1.14	0	0.00	**275,000**	**0.53**
988276	2017 Bridge Repair Program	80,436	0.40	391,570	0.96	**0**	**0.00**
988277	Dodge Park Trail Bridge	503,561	2.47	77,000	0.19	**0**	**0.00**
988280	Smartzone District Improvements	2,140	0.01	597,860	1.46	**1,000,000**	**1.93**
988281	2016 Concrete Replacement Pgrm	1,248,492	6.13	0	0.00	**0**	**0.00**
988283	2016 Concrete Reconstruction	2,134,132	10.48	465,870	1.14	**0**	**0.00**
988288	Schoenherr - 17 Mile to Clinton Rvr	349,332	1.72	40,670	0.10	**0**	**0.00**
988289	Riverland Pedestrian Bridge	422,794	2.08	0	0.00	**0**	**0.00**
988290	Arlingdale Drive	13,827	0.07	373,180	0.91	**0**	**0.00**
988293	2017 Concrete Reconstruction	8,149	0.04	4,875,000	11.91	**0**	**0.00**
988294	2017 Concrete Replacement Pgrm	2,440	0.01	1,825,000	4.46	**0**	**0.00**
988295	LDFA Improvements - Phase I	218,074	1.07	36,930	0.09	**0**	**0.00**
988296	Clinton River Resurfacing	30	0.00	690,000	1.69	**0**	**0.00**
988306	2018 Concrete Replacement Pgrm	0	0.00	0	0.00	**900,000**	**1.74**
988307	2018 Concrete Reconstruction	0	0.00	0	0.00	**3,330,090**	**6.44**
988700	Dequindre Road - 18 Mile to M-59	7,600	0.04	428,770	1.05	**0**	**0.00**
	Total Capital Outlay	**10,456,543**	**51.36**	**27,139,300**	**66.33**	**36,924,660**	**71.41**

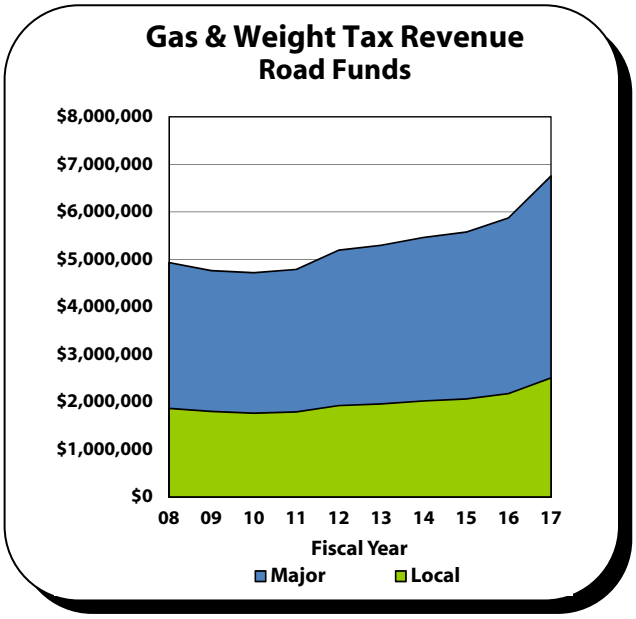
SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	DEBT SERVICE						
992000	Principal	0	0.00	2,325,000	5.68	**1,390,000**	**2.69**
993000	Interest	0	0.00	787,500	1.92	**1,611,090**	**3.12**
	Total Debt Service	**0**	**0.00**	**3,112,500**	**7.61**	**3,001,090**	**5.80**
	TRANSFERS OUT						
999203	Transfer to Local Road Fund	1,000,000	4.91	0	0.00	**0**	**0.00**
999327	Transfer to Road Bond Debt Fund	1,925,240	9.46	2,000,000	4.89	**2,500,000**	**4.83**
999867	Transfer to LDFA Fund	900,000	4.42	0	0.00	**0**	**0.00**
	Total Transfers Out	**3,825,240**	**18.79**	**2,000,000**	**4.89**	**2,500,000**	**4.83**
	Total Special Revenue Funds	**$20,359,386**	**100.00**	**$40,916,360**	**100.00**	**$51,716,580**	**100.00**

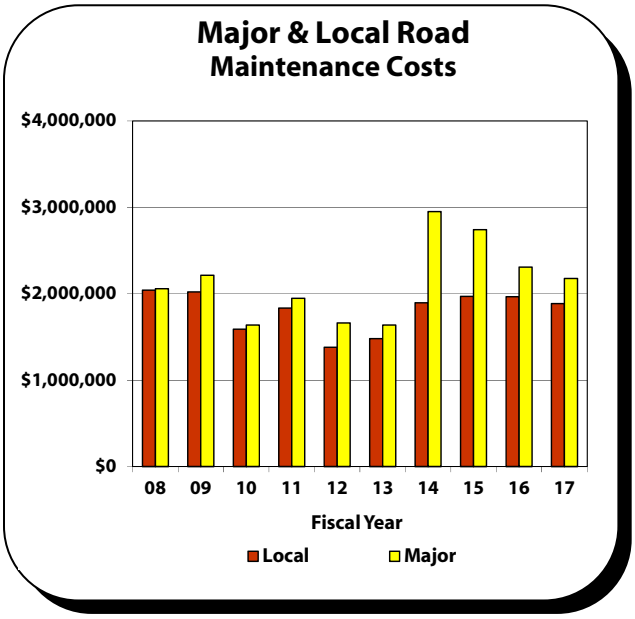
Note: The 2016-17 Actual Column is rounded to the nearest dollar.

KEY FUND TRENDS

Special Revenue Funds



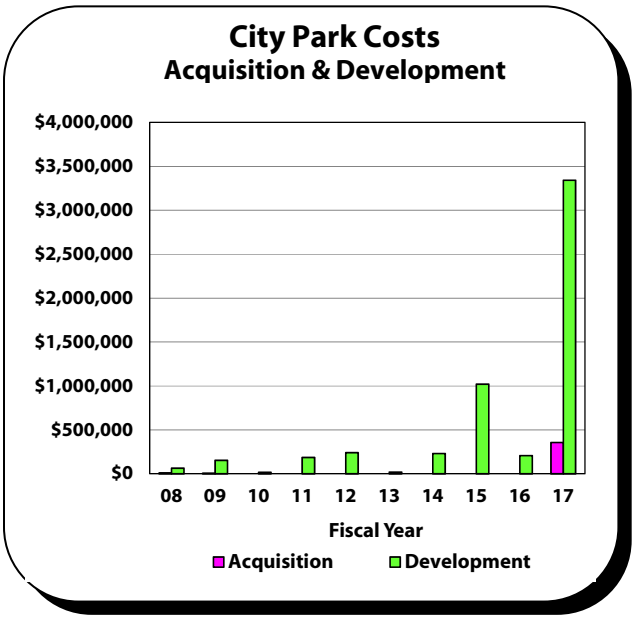
Gas tax revenues fell from 2008 to 2010 due to the economy, higher gas prices and the use of more fuel-efficient vehicles, which lessened gas consumption. Gas tax revenue increased in 2017 due to an increase in the gas tax and vehicle registration fees that was effective January 1, 2017. Since 2004, the City cumulatively lost $18.7 million in State gas tax revenues when adjusted for inflation.



The cost of major and local road maintenance has increased over the past ten years as a result of the increased number of roads, the removal of street trees due to the emerald ash borer, and fluctuating snow removal costs.



Costs totaled $5.1 million in 2009, largely due to road improvements to the Lakeside Shopping District. Costs fell for several years due to declining City revenues, offset by the one-time use of federal stimulus funds. Costs rose starting in 2015 for the resurfacing of several neighborhood major roads, the resurfacing of 15 Mile Road, and the reconstruction of Van Dyke and Dodge Park Roads.



The City was only able to spend limited funds to improve City parks until 2017 when the *Re*creating Recreation millage was passed. This millage will result in a $45 million investment into our parks and recreation system over the next three years.

Major Road Fund

The Major Road Fund is a Special Revenue Fund of the City of Sterling Heights and is used to control the expenditure of motor fuel taxes. The motor fuel taxes are earmarked, by law and the State Constitution, for street and highway purposes that are described in detail by the Michigan Department of Transportation.

This Fund receives Act 51 revenues paid to Sterling Heights by the State and accounts for the construction, maintenance, and other authorized operations pertaining to all streets classified as major streets within the City. In addition, this Fund receives monies paid to Sterling Heights for trunk line contracts and accounts for monies transferred to other City funds. This Fund has been established to make it possible to show that all legal provisions are in compliance with Act 51.

The City's share of the construction of State and County road improvements and the cost of City major road capital improvements, including the payment of debt, are paid through the Major Road Fund.

$131,120 is included for Other Charges, which is funded primarily for the cost of administrative time spent on Major Road Fund projects.

Total Other Services is budgeted in the amount of $2,371,000, which is primarily used for major road maintenance, snow removal, and grass and weed control.

The 2018/19 Capital Outlay budget includes:

- Resurfacing of Dodge Park Road from 15 Mile to Metro Parkway ($1,300,000)
- Resurfacing of Utica Road from Van Dyke to Schoenherr Road ($1,600,000)
- Resurfacing of Schoenherr Road from Plumbrook Drain to 19 Mile ($750,000)
- Pavement rehabilitation of Merrill Road from 19 Mile to M-59 ($1,200,000)
- Resurfacing of Stadler Drive ($550,000)
- Resurfacing of 19 Mile Road from Hayes to Schoenherr Road ($1,100,000)
- Resurfacing of 15 Mile Road from Maple Lane to Schoenherr Road ($1,300,000)
- Pavement rehabilitation of 17 Mile Road from Dodge Park to Utica Road ($1,800,000)
- Redecking of the 17 Mile Road bridge over Plumbrook Road ($125,000)

In fiscal year 2018/19, $2,500,000 is programmed for transfer to the Road Bond Debt Retirement Fund to pay the debt from the sale of Michigan Transportation Fund bonds.

Additional information on projects in the Major Road Fund can be found in the Capital Projects section of this document.■

Did you know…
…with the help from a variety of funding sources, 2018/19 will see over $20 million in major road work?

Major Road Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

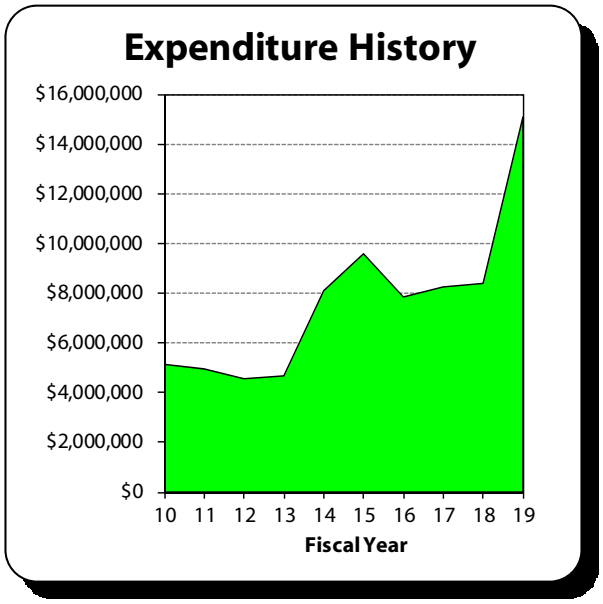
The total budget increased by 79.6%.

Other Charges – Total Other Charges increased slightly by $20 due to a revised allocation of audit costs.

Other Services – Total Other Services increased $138,000 or 6.2%. $75,000 was added for grass and weed cutting, $51,000 for asphalt road repairs, and $30,000 for street sweeping, all due to higher costs and greater service demands. The budget decreased $20,000 for bridge maintenance and $8,000 for tree and shrub maintenance, as less funding is needed.

Capital – Proposed projects of $10,075,000 include:

- Resurfacing of Dodge Park Road from 15 Mile to Metro Parkway ($1,300,000)
- Resurfacing of Utica Road from Van Dyke to Schoenherr Road ($1,600,000)
- Resurfacing of Schoenherr Road from Plumbrook Drain to 19 Mile ($750,000)
- Pavement rehabilitation of Merrill Road from 19 Mile to M-59 ($1,200,000)
- Resurfacing of Stadler Drive ($550,000)
- Resurfacing of 19 Mile Road from Hayes to Schoenherr Road ($1,100,000)
- Resurfacing of 15 Mile Road from Maple Lane to Schoenherr Road ($1,300,000)
- Pavement rehabilitation of 17 Mile Road from Dodge Park to Utica Road ($1,800,000)
- Redecking of the 17 Mile Road bridge over Plumbrook Road ($125,000)



For a complete list of all Major Road projects, refer to the Capital Improvements schedule and maps on the following pages.

Transfers Out – Transfers to the Road Bond Debt Retirement Fund increased $500,000 or 25.0% as a result of the $8.2 million road bond anticipated to be sold in the spring of 2018 and higher debt payments on existing road bonds.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Other Charges	$107,725	$131,100	$131,100	$131,120	$131,120
Other Services	2,068,714	2,233,000	2,402,160	2,371,000	2,371,000
Capital Outlay	3,146,375	4,028,770	5,745,360	10,075,000	10,075,000
Transfers Out	2,925,240	2,000,000	2,000,000	2,500,000	2,500,000
Total	$8,248,054	$8,392,870	$10,278,620	$15,077,120	$15,077,120

The Local Road Fund is a Special Revenue Fund of the City of Sterling Heights and is used to control the expenditure of motor fuel taxes. These taxes are earmarked, by law and the State Constitution for street and highway purposes that are described in detail by the Michigan Department of Transportation.

The Local Road Fund receives all local road revenue paid to Sterling Heights by the State, and accounts for the construction, maintenance, traffic services, and snow and ice control on all streets classified as local roads within the City. This Fund also accounts for the money raised through special assessments to property owners for street improvements as provided by Act 51 of the Public Acts of 1951, as amended, and for the transfers into this Fund from other City funds.

This Fund has been established to make it possible to show that all legal provisions are in compliance with Act 51 of the Public Acts of 1951, as amended.

The Local Road Fund receives all local road revenue paid to Sterling Heights by the State, and accounts for the construction, maintenance, traffic services, and snow & ice control on all streets classified as local roads within the City.

$152,070 is budgeted for Other Charges, primarily to fund the cross-charged administrative time spent on local road projects and contracted snow removal services to assist the City's snow plowing efforts.

Total Other Services in this fund total $2,232,500 and are allocated primarily for local road maintenance, snow removal, and tree and shrub maintenance.

In fiscal year 2018/19, $4,230,090 is budgeted for capital outlay. $3,330,090 is funded for local road repairs, which includes $430,000 for Sectional Concrete Replacement and $2,900,090 for the concrete reconstruction of Angus Circle, Sussex Park, Whitby, Tessmer, Chippendale, Groves, Chevelle, Monaco, Thomas, Owendale, Jasper, Sherwood Forest, Anna Lisa, Mario, Hartwell, Monterey, and Warwick Drives. These neighborhood road repair projects are funded by the 0.8 mill Safe Streets millage approved by the voters in November, 2013. An additional $900,000 is budgeted for the citywide Sectional Concrete Replacement Program.

For fiscal year 2018/19, there are no Transfers Out proposed for this fund. The road bond debt from past Local Road projects was retired in the 2005/06 fiscal year.

Specific capital projects in the Local Road Fund are detailed in the Capital Projects section of this document.■

Did you know…
…that over five miles of local road pavement received long-term capital improvements in 2017, and over four miles are scheduled for 2018?

Local Road Fund

SUMMARY OF BUDGET CHANGES

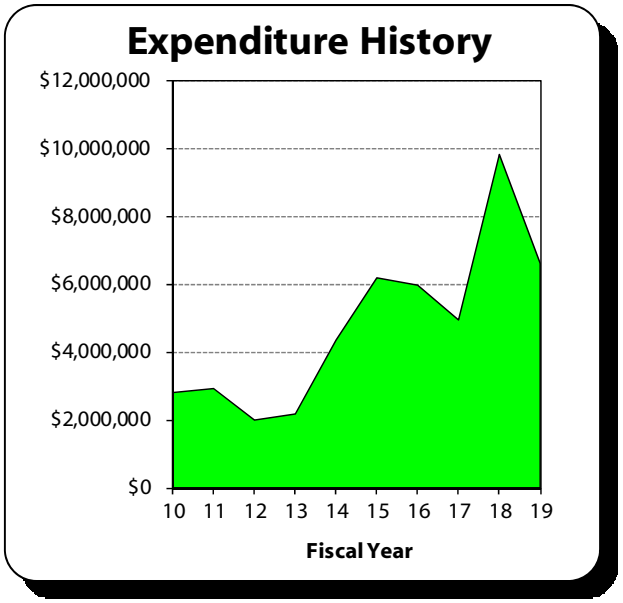
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 32.6%.

Other Charges – Total Other Charges increased $12,000 or 8.6% for contracted snow removal services to assist the City's plowing efforts during snow emergencies.

Other Services – Total Other Services increased $191,000 or 9.4%. $110,000 was added for storm drain maintenance and $100,000 for snow and ice removal, both due to higher costs and greater demands. $35,000 was added for the cost of a vendor to grind and remove large piles of debris at the DPW facilities. $30,000 was saved, as less funding is needed for grass and weed control. Funding decreased $15,000 for shoulder maintenance to reflect more recent actual expenditure levels.

Capital – Total Capital of $4,230,090 is proposed. $3,330,090 is budgeted for local road repairs, which includes $430,000 for the citywide Sectional Concrete Replacement Program and $2,900,090 for the concrete reconstruction of Angus Circle, Sussex Park, Whitby, Tessmer, Chippendale, Groves, Chevelle, Monaco, Thomas, Owendale, Jasper, Sherwood Forest, Anna Lisa, Mario, Hartwell, Monterey, and Warwick Drives. These neighborhood repair projects are funded by the 0.8 mill Safe Streets millage, which was approved by the voters in November 2013. An additional $900,000 is funded for the citywide Sectional Concrete Replacement Program.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Other Charges	$131,128	$140,070	$152,070	$152,070	$152,070
Other Services	1,754,610	2,041,500	2,182,500	2,232,500	2,232,500
Capital Outlay	3,061,134	7,636,960	7,197,870	4,230,090	4,230,090
Total	$4,946,872	$9,818,530	$9,532,440	$6,614,660	$6,614,660

Land & Water Conservation Fund

The Land & Water Conservation Fund of the City of Sterling Heights is a Special Revenue Fund and is used to record the receipts and expenditures for the construction, development, and acquisition of land for the City's park system.

The use of the Land & Water Conservation Fund is limited to the length of time required to construct, develop, or acquire any parkland or park system. The balance is normally transferred to the Debt Service Fund if and when a bond issue is involved. Money for the operation of the Fund is usually supplied by the sale of General Obligation Bonds, State or Federal grants, a special voted tax, proceeds from the sale of excess City property and/or other restricted contributions.

The Land & Water Conservation Fund of the City of Sterling Heights is a Special Revenue Fund and is used to record the receipts and expenditures for the construction, development, and acquisition of land for the City's park system.

In fiscal year 2018/19, there are no Capital Projects budgeted for this Fund.

For a complete list of all park improvement projects, please refer to the Capital Improvement schedule in the Capital Improvement section of this document.■

Did you know…
…that Sterling Heights is home to 31 parks and green spaces throughout the City?

Land & Water Conservation Fund

SUMMARY OF BUDGET CHANGES

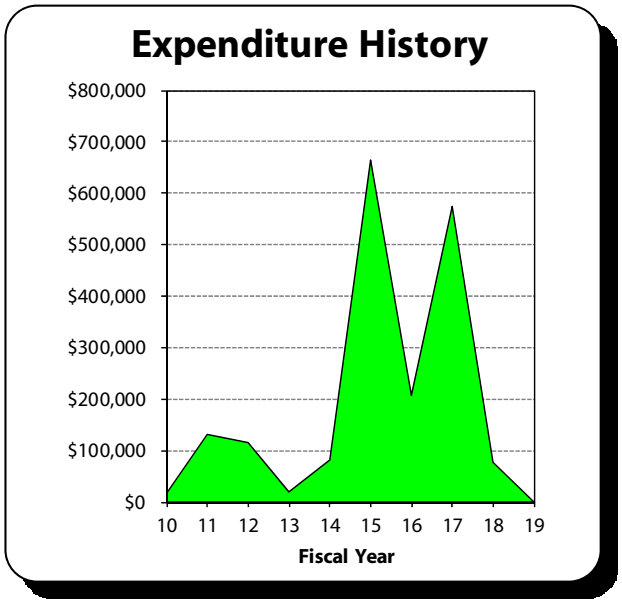
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 100%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – There is no Capital budget for this fund next year as all Land & Water projects are now budgeted in the newly established Parks & Recreation Fund. The prior year budget was amended to include $77,000 for the cost of electrical service and lighting for the Dodge Park pedestrian bridge.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Capital Outlay	574,249	77,000	80,000	0	0
Total	$574,249	$77,000	$80,000	$0	$0

FUNCTIONAL ORGANIZATION CHART

Parks & Recreation Fund

Parks & Recreation Administration

- Oversees office activities
- Implements policies and procedures
- Prepares and manages budget
- Coordinates staff assignments and responsibilities
- Coordinates capital improvement requests
- Seeks sponsorship for departmental activities
- Coordinates park and facility planning and development
- Oversees program development
- Partners with city businesses and neighboring communities

Athletic Programs

- Assists with adult athletic programs and leagues
- Assists with youth athletic programs and leagues
- Liaison to various youth athletic clubs

Instructional Classes

- Offers adult self-improvement and special interest classes
- Offers youth recreational and performing arts classes
- Offers adult and youth athletic classes

Nature Interpretive Programs

- Maintains Nature Center and provides visitor service
- Conducts field trips for schools and scout groups
- Presents family nature programs
- Hosts unique birthday party experiences

Park Operations

- Inspects park facilities
- Provides park supervision
- Augments staff at City events
- Recommends maintenance needs to Department of Public Works
- Participates in park and facility development

Senior Citizen Programs

- Offers social, recreational and athletic activities for seniors
- Coordinates athletic events for seniors
- Provides transportation services
- Coordinates a variety of senior citizen services
- Coordinates programs in the Senior Center gymnasium

Special Recreation Programs

- Offers programs for individuals with cognitive or physical impairments
- Conducts recreational activities in athletics, social recreation, day camps, fitness events, and trips
- Acts as a resource/referral service for individuals

Summer Playground Program

- Coordinates an extensive Summer Playground Program at neighborhood schools
- Coordinates Teen Volunteer Program

Athletic Special Events

- Plans and executes athletic special events for adult competitors
- Provides competitive athletic events for youngsters
- Provides assistance to other groups and agencies sponsoring athletic special events
- Provides the opportunity for State and National competition

Special Events

- Develops and implements seasonal and holiday events
- Develops and implements family oriented events
- Develops and implements cultural events and community activities
- Coordinates assistance for community events

DEPARTMENT AT A GLANCE

Parks & Recreation Fund

BUDGET SUMMARY

*The Parks and Recreation budget increased $7,543,010 or 39.1%. The overall increase is primarily due to an expected Capital Outlay to fund the Community Center and park improvements as part of the R*ecreating Recreation *initiative. Personnel costs increased $135,020 or 7.0% due to contractual wage adjustments and the addition of two full-time Recreation Specialist positions. Required funding for long-term retirement liabilities also increased $14,000. Other Charges increased $187,810 or 30.6% primarily to fund a Facility Maintenance and a Parks & Grounds position through R*ecreating Recreation. *Rental costs for the temporary Fillmore location are also included.*



FUNDING LEVEL SUMMARY

	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget	% Change from 17/18
Parks & Recreation	$0	$3,123,600	$19,308,260	$26,851,270	39.1%
Total Department	$0	$3,123,600	$19,308,260	$26,851,270	39.1%
Personnel Services	$0	$0	$1,936,470	$2,071,490	7.0%
Supplies	0	0	105,150	107,250	2.0%
Other Charges	0	500	613,380	801,190	30.6%
Capital Outlay	0	3,123,100	13,540,760	20,870,250	54.1%
Debt Service	0	0	3,112,500	3,001,090	-3.6%
Total Department	$0	$3,123,600	$19,308,260	$26,851,270	39.1%

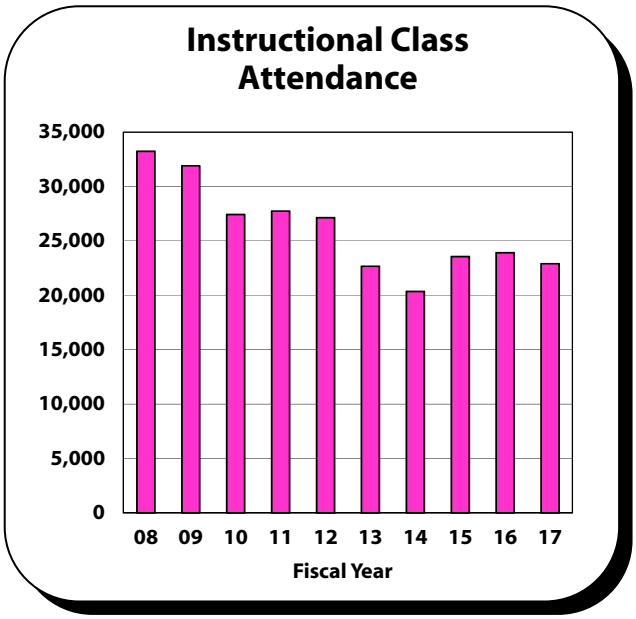
Prior to 2017/18, the Parks & Recreation Department was budgeted as part of the Community Services Department in the General Fund.

PERSONNEL SUMMARY

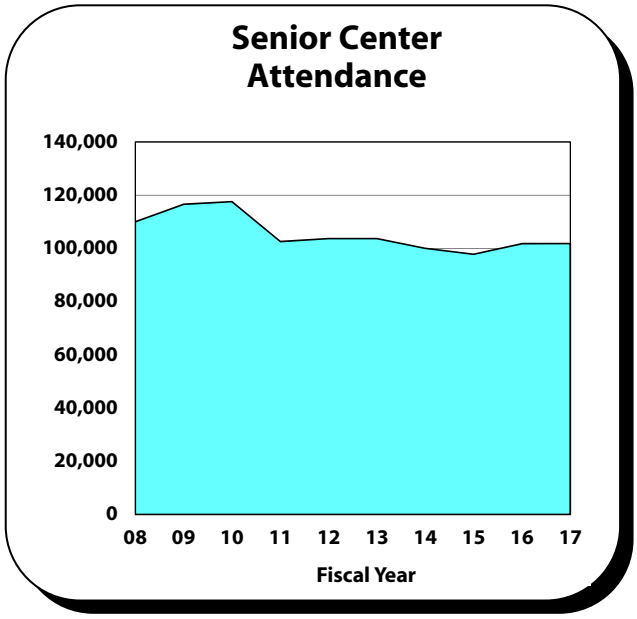
	2015/16		2016/17		2017/18		2018/19	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Parks & Recreation	8	2	9	1	9	5	11	4
Total Department	8	2	9	1	9	5	11	4

KEY DEPARTMENTAL TRENDS

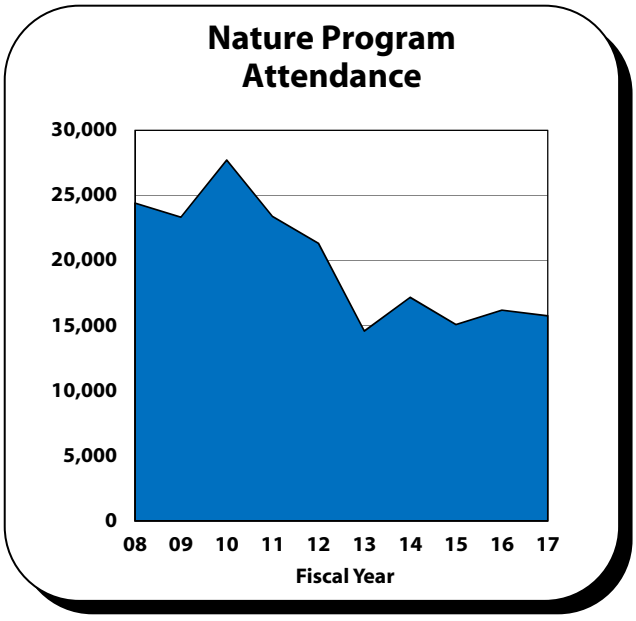
Parks & Recreation Fund



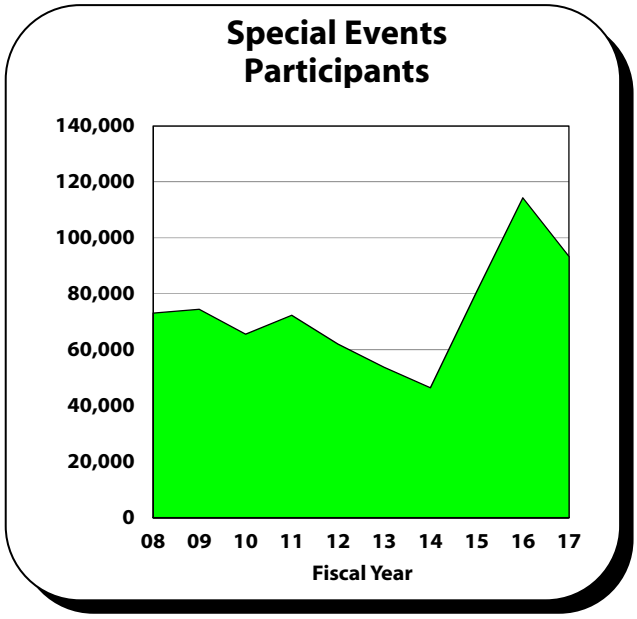
Instructional class attendance has declined over the past ten years due in part to less available pools for aquatic classes.



Senior program attendance has been fairly constant, exceeding 100,000 participants each year over the past ten years. In 2007, the City completed a 14,000 sq. ft. gymnasium addition to the Senior Center that was paid with federal CDBG dollars.



Attendance at the City's Nature Center has decreased slightly over the past ten years due in part to fewer school field trips as a result of state testing requirements.



The number of participants of the City's various special events declined for several years until recently due to attendance at the Farmer's Market and increased Music in the Park concerts. Farmer's Market attendance has decreased slightly after the first year.

Parks & Recreation Fund

MISSION STATEMENT: ***To provide the best in Parks and Recreation services for all Sterling Heights' residents as efficiently and effectively as possible.***

The Parks & Recreation Fund is a Special Revenue Fund of the City of Sterling Heights. It was created in Fiscal Year 2017/18 after voter approval of the *Re*creating Recreation millage in November 2016. The Fund will receive a dedicated 0.97 mills for 20 years. The *Re*creating Recreation initiative will deliver a diverse mix of recreational opportunities and facilities including:

- Construction of a 97,000 square foot Community Center
- A permanent pavilion for the Dodge Park Farmer's Market
- A refrigerated ice-rink, an outdoor splash park, a skate park and a dog park
- Facilities for canoe and kayak enthusiasts along the Clinton River
- Development of a hike/bike trail linking Delia Park with the City Nature Preserve
- Capital improvements to nearly every neighborhood and major park

The Fund also receives revenue from Parks & Recreation fees, SMART credits and a transfer from the General Fund for the pre-existing expenses of the department prior to the passing of the millage. In addition to providing the new amenities listed above, Parks & Recreation administers a variety of programs for residents of all ages.

The Instructional Program offers a variety of fitness, dance, athletic, and special interest classes. The Special Events Program includes the Sterling Halloween Party, A Sterling Christmas, Music in the Park, Sterlingfest, Daddy/Daughter Dance, Dance Recital, and Farmers Market.

In Athletic Services, adults and youth are provided the opportunity to compete in organized leagues and tournaments. A Summer Playground Program is conducted at schools throughout the City for children ages 5 to 14. This program offers activities such as games, crafts, field trips, sports and more.

Teens have their chance to shine in the Teenage Rockfest Battle of the Bands. The Nature Services Program offers individuals, families, and groups an opportunity to learn more about our environment.

KEY GOALS

- ***To offer high quality recreation services and programs to our residents to benefit their overall health and well-being.***
- ***To continue the vision of park and facility development providing new and/or improved recreation opportunities for our residents of various ages, interests and abilities as per the Department's Master Plan.***
- ***To provide positive play opportunities to the youth and teens of our community through wholesome and well-rounded programs and recreational venues.***
- ***To closely monitor our parks and facilities to ensure a safe and clean environment for the resident users.***

Park Operations monitors over 610 acres of large urban parks, community parks and sport complexes, as well as over 236 acres of neighborhood parks. It is estimated that over 700,000 people frequent the park system annually.

The Senior Citizens Program provides a variety of recreational activities such as trips, seasonal events, athletics, etc. Some of the special services available to our senior residents include transportation, medical services, and a healthy dining program.

The National Gold Medal Award Winning Special Recreation Program offers a variety of recreation activities to the mentally and emotionally impaired, physically challenged, learning disabled, hearing impaired, visually impaired, persons with closed head injuries, and autistic children and young adults. Activities include summer day camps, athletics, social recreation and special activities.■

Did you know…
…the newly built Skate Park was named the 2018 winner for Special Innovation by the Michigan Concrete Association in the Michigan Awards of Excellence competition?

Parks & Recreation Fund

2018/19 PERFORMANCE OBJECTIVES

1. To implement the *Re*creating Recreation plan phases three through five, including the construction of planned amenities and park improvements. *(City Goal 12, 18)*

2. To evaluate and finalize a staffing plan for the splash park and ice rink. *(City Goal 5)*

3. To enhance the awareness and utilization of the Clinton River through marketing and diverse programming. *(City Goal 19, 25)*

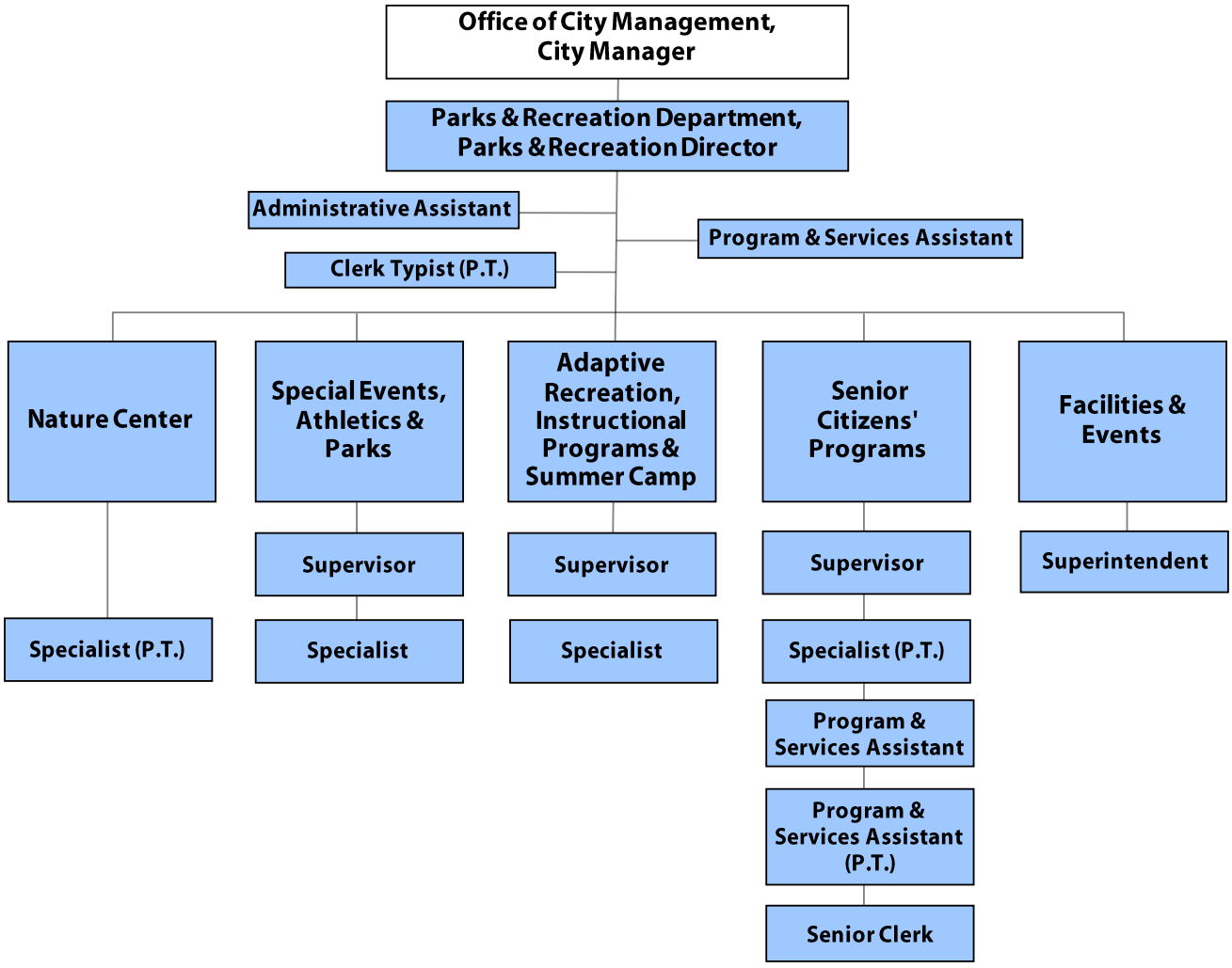
4. To better utilize the Senior Center through the coordination of regular evening programs and services. *(City Goal 19)*

5. To connect City residents and visitors with our Parks and Recreation facilities through an interactive phone application. *(City Goal 23, 25)*

	Performance Indicators	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Budget
Output	Instructional Class Attendance	23,566	23,916	22,903	23,680	27,124	26,000
	Spec. Event Participants (Incl. Sterlingfest/Farm. Mkt.)	80,680	114,295	93,327	110,000	107,111	110,000
	Special Recreation Program Attendance	8,847	8,460	7,568	9,000	8,092	8,800
	Adult & Youth Athletic Attendance	23,578	21,586	24,916	28,000	26,585	28,000
	Nature Program Participants	15,079	16,187	15,753	17,200	16,567	17,200
	Pavilion Rentals	263	229	164	170	100	170
	Number of Internet Registrations	2,969	1,311	2,675	2,800	2,976	2,900
	Summer Playground Registrations	691	675	702	690	690	690
	Park Playground Equipment Replaced	1	0	9	9	5	0
	Senior Center Activities Attendance (Incl. Transport.)	97,769	101,770	101,825	100,400	102,144	102,000
	Senior & Special Recreation Transportation Riders	19,281	19,732	20,306	21,400	20,778	21,400
Efficiency & Effectiveness	P & R Revenue Earned per Capita	$3.77	$4.00	$4.17	$4.10	$4.12	$4.39
	% of Refunds Due to Dissatisfaction	1.0%	1.0%	1.0%	1.0%	1.2%	1.0%
	Developed Park Acres per 1,000 Residents	5.4	5.4	5.4	5.5	5.5	5.5
	% of Park Acres Developed	85.4%	85.4%	85.4%	87.5%	87.5%	87.8%
	FTE's per 100,000 Pop. (Incl. Parks & Grounds Maint.)	30	31	32	33	33	35
	Nature Center Cost per Visitor	$8.39	$7.97	$8.22	*	*	*
	Senior & Special Rec. Transportation Cost per Rider	$14.27	$14.09	$13.94	*	*	*

**Cost is calculated for "Actual" columns only.*

Parks & Recreation Fund



STAFFING SUMMARY

Position	Budget 2016/17	Budget 2017/18	Budget 2018/19
Parks & Recreation Director	1	1	1
Parks & Recreation Superintendent	0	0	1
Recreation Supervisor	4	4	3
Recreation Supervisor (P.T.)	0	1	0
Recreation Specialist	0	0	2
Recreation Specialist (P.T.)	0	3	2
Administrative Assistant	1	1	1
Program & Services Assistant	2	2	2
Program & Services Assistant (P.T.)	1	1	1
Senior Clerk	1	1	1
Clerk Typist (P.T.)	0	0	1
Total	10	14	15

Parks & Recreation Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 39.1%.

Note: *Comparison for informational purposes only; expenditures prior to fiscal year 2017/18 were appropriated in the General Fund Budget.*

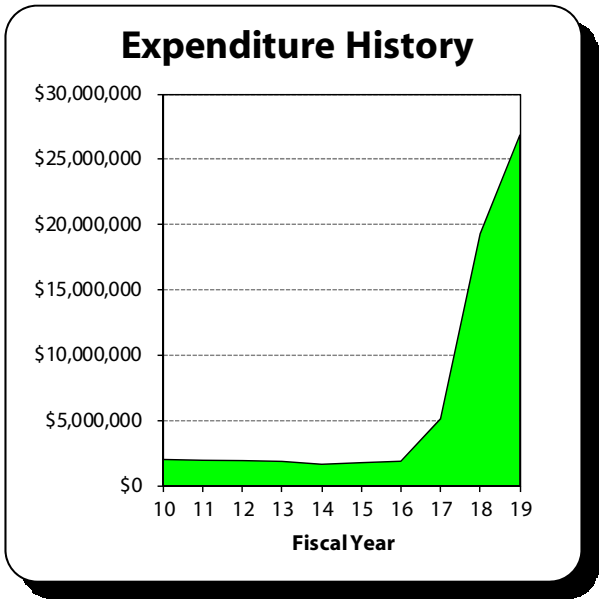
Personnel Services – Total Increase $135,020 or 7.0%

- $32,000 due to contractual wage adjustments
- $87,000 due to the addition of two full-time Recreation Specialist positions
- $14,000 due to required funding for pension liabilities

Supplies – Total Supplies increased $2,100 or 2.0%, primarily to fund additional supplies and equipment for archery classes and campouts at the Nature Center.

Other Charges – Total Other Charges increased $187,810 or 30.6%. $120,230 funds a Facility Maintenance and a Parks & Grounds position through *Re*creating Recreation. Rental costs rose $55,000 for the lease of the Recreation Center's temporary location for a full year, offset by savings in other City offices for discontinued services at the old building. Increased funding is also included for special event attractions and higher bus rental costs. Contracted services increased $19,550 for the increased costs of fitness classes, a Chair Yoga Instructor, and higher umpire fees. $2,700 was saved, as the Senior News publication will now be published in-house.

Capital – Total Capital of $20,890,950 is proposed. $10,756,090 is for park improvements and $10,000,000 is for Community Center construction costs funded through the *Re*creating Recreation millage. $72,500 is for a Zamboni and other equipment for the new ice rink in Dodge Park. $31,860 is for three John Deere Gator vehicles for ball field and general park maintenance. $9,800 is for an Aerial Work Platform. Parks & Recreation is scheduled to receive 23 replacement personal computers totaling $20,700.



Debt Service – Total Debt Service of $3,001,090 is budgeted for the debt payments on the 2017 Limited Tax General Obligation bond to fund the Parks & Recreation improvements as part of the voter approved *Re*creating Recreation millage.

FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$1,588,111	$1,936,470	$1,853,440	$2,071,490	$2,071,490
Supplies	78,446	105,150	101,320	107,250	107,250
Other Charges	350,781	613,380	550,480	801,190	801,190
Capital Outlay	3,123,099	13,540,760	13,651,650	20,870,250	20,870,250
Debt Service	0	3,112,500	3,003,520	3,001,090	3,001,090
Total	$5,140,437	$19,308,260	$19,160,410	$26,851,270	$26,851,270

The safest way to double your money
is to fold it over once and put it in your pocket.

~ Kin Hubbard ~



Public Safety Forfeiture Fund

The Public Safety Forfeiture Fund is a Special Revenue Fund of the City of Sterling Heights that was established to provide centralized management of seized monies and the sale proceeds from forfeited property. Prior to the creation of this fund, the City recorded all forfeiture related activity in two different funds: the General Fund and the Capital Projects Fund. By creating one centralized fund, the City has met the proper federal auditing requirements of a Single Audit, and has enhanced its ability to track, monitor, and report on forfeiture revenues and expenditures. There are four divisions in the Public Safety Forfeiture Fund: State Narcotics, Federal Narcotics, Gambling, and Operating While Intoxicated (O.W.I.) Forfeitures.

Revenue in the State Narcotics Forfeiture division is generated when an investigation conducted by the City's Police Department, either alone or in conjunction with other local or state authorities, leads to the seizure of money or real property that is later sold at auction or sold back to the person from whom it was seized. State law dictates that authorities can seize any money or property that can be shown to have been the proceeds from criminal activity or that was used in committing a crime.

State Forfeiture revenue is limited by statute as to its permitted uses. Some examples of permitted uses include the enhancement of law enforcement efforts pertaining to narcotics enforcement, establishment of a "Buy Fund" for the purchase of evidence or to pay informants, and the operation and maintenance costs for vehicles used by narcotics enforcement officers.

Revenue in the Federal Narcotics Forfeiture division is generated when the federal government electronically deposits funds into a designated City account for our equitable share of money or property that was seized during a federal investigation in which a Sterling Heights police officer took part. The City currently has two police officers assigned to Drug Enforcement Administration (D.E.A.) task forces. Therefore, the Department is entitled to a percentage, relative to these Officers' involvement in an investigation. The federal guidelines allow for the proceeds to be used to enhance overall law enforcement efforts. Some examples of Federal Forfeiture permitted uses include the purchase of new equipment, improvements to police facilities, and law enforcement training.

Gambling Forfeiture revenue is generated from seized money or property that is directly related to illegal gambling. Seized property is sold at auction and the proceeds along with any forfeited cash are used to enhance the future enforcement of gambling statutes.

Persons involved in serious Operating While Intoxicated (O.W.I.) arrests or those with a prior O.W.I. conviction are subject to having their vehicles seized. Upon arrest, an offender's vehicle is impounded and either a settlement is paid or the vehicle is forfeited. Forfeited vehicles are then sold at auction and the proceeds are used to enhance traffic enforcement and education.

In fiscal year 2018/19, a total of $462,550 is budgeted for this fund. $352,240 is included for Federal Forfeiture related expenditures, $65,670 is allocated for State Forfeiture permitted uses, and $13,840 is budgeted for O.W.I. Forfeiture related purchases. In addition, $30,800 is included for grant-funded training-related costs. Following State guidelines, the budget for this fund is based on existing year-to-date revenue and does not take into consideration the revenue from future anticipated receipts.

For additional information regarding the City's use of Federal and State forfeiture revenue, refer to the Summary of Budget Changes on the following page. ■

Did you know…
…that all of the Police Department's forfeiture funds go towards a variety of projects, training, equipment and building improvements?

Public Safety Forfeiture Fund

SUMMARY OF BUDGET CHANGES

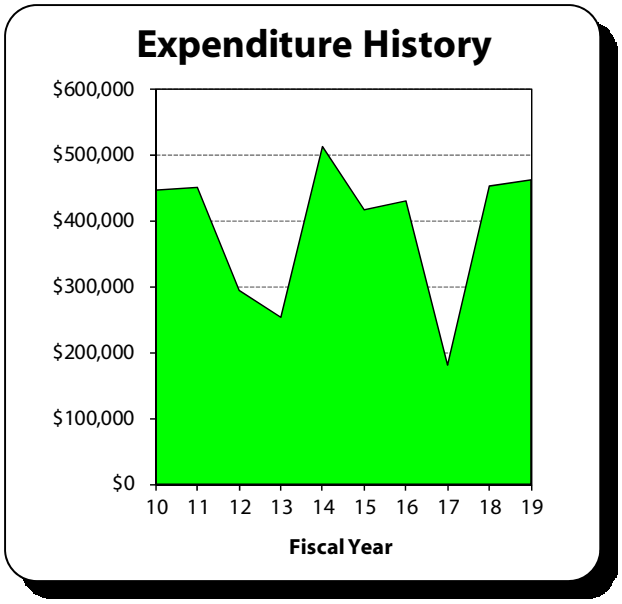
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 2.1%.

Supplies – Total Supplies decreased $31,120 or 78.0%, primarily due to the one-time funding of paint, emergency lights, and mechanical parts for the recently acquired Special Response Team (SRT) rescue vehicle, and the one-time costs of bicycle parts and motorcycle supplies in the prior year.

Other Charges – Total Other Charges decreased $33,910 or 19.5%. Contracted service costs decreased $23,190 due to a one-time prior year accounting adjustment for the SRT rescue vehicle improvement costs, and a lower prepaid maintenance plan for an investigative software application. Less funding is budgeted for narcotics training, saving $5,000. Equipment maintenance costs fell $2,400 due to the elimination of a forensics software subscription that is no longer needed. Wireless telephone costs decreased $2,100.

Capital – Total Capital of $313,320 is proposed. $140,000 is budgeted to replace five high-mileage investigative vehicles. $50,000 is funded for Video Camera replacement and Software Upgrades in four police interview rooms. $30,000 is for an Animal Control Van to be utilized by the new part-time Animal Control Officer. $25,250 is budgeted for two replacement Motorcycles. $21,570 is for one additional and one replacement dog for the K-9 unit. Upgrades to the Police Department Elevator Security Systems are budgeted for $22,000. $20,760 is for an Unmanned Aircraft System and related Software. A Traffic Data Collector is funded for $2,840. $900 is for the rental of Night Vision and Thermal Imaging Goggles.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Supplies	$32,535	$39,920	$26,270	$8,800	$8,800
Other Charges	128,723	174,340	185,690	140,430	140,430
Capital Outlay	19,752	238,900	253,300	313,320	313,320
Total	$181,010	$453,160	$465,260	$462,550	$462,550

Community Development Block Grant Fund

The Community Development Block Grant Fund serves many facets of the Sterling Heights community. In 1974, the Congress of the United States initiated the C.D.B.G. program. This program was designed to replace existing categorical programs identified with city development or redevelopment, namely: Urban Renewal and Neighborhood Development Programs, Model Cities Program, Neighborhood Facilities Programs, Open Space Acquisition, and Rehabilitation Loans.

One of the primary functions of the Community Development Act is to allow local communities the opportunity to structure the program to their own specific needs. This concept was unique at the time and offered local communities far greater flexibility than was present in the categorical programs.

Monies under this program may be spent on activities which are directed to fulfilling specific objectives: elimination of slums and blight, elimination of conditions which are detrimental to health, safety, and public welfare through code enforcement, conservation and expansion of the nation's housing stock in order to provide a decent home for all persons, expansion and improvement of community services principally for persons of low and moderate income, provide a more rational use of land, develop and improve neighborhoods, restore and preserve properties with historical value, and economically develop activities which aid in the revitalization of the community.

Block Grant funds also provide library books for low and moderate-income seniors at senior housing units. These book collections include large-print and "talking books" (books on tape).

When funding allows, the City of Sterling Heights uses Block Grant funds to defer 100% of the special assessments that would be levied against a property within the neighborhood where these improvements occur. Households meeting the low and moderate income criteria may qualify for a total relief of the special assessments because program rules require that when capital improvements are made to a neighborhood, low and moderate income families may not be negatively impacted. The Housing Commission administers this program on behalf of the City Council.

Examples of activities undertaken in past years include the Upton House purchase and renovation, improvements to Nelson and Beaver Creek Parks, SMART Bus Stop Improvements along north Van Dyke, housing rehabilitation, Minor Home Repair Program, Adapted Recreation Program, the Home Chore Program, and meeting the federally mandated Americans With Disabilities Act requirements.

In fiscal year 2006/07, $400,000 was budgeted toward the construction of the $2.2 million Senior Active Life Center addition. The proceeds from a bond sale in the spring of 2007 were used to fund the remaining $1.8 million construction cost. Block Grant capital funds were used to fund the debt payments on the Senior gymnasium bond, which was retired in the 2012/13 fiscal year.

For fiscal year 2018/19, $275,000 is budgeted for the expansion of the Senior Center parking lot. $142,000 is budgeted for concrete reconstruction on Newell Drive. Replacement flooring at the Senior Center is funded for $9,000.■

Did you know…
…that since 1995, CDBG funding has been provided to Macomb Community College's Single Parent/Displaced Homemaker Program, which helps residents access the education and training needed to compete for jobs and foster economic improvement?

Community Development Block Grant Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

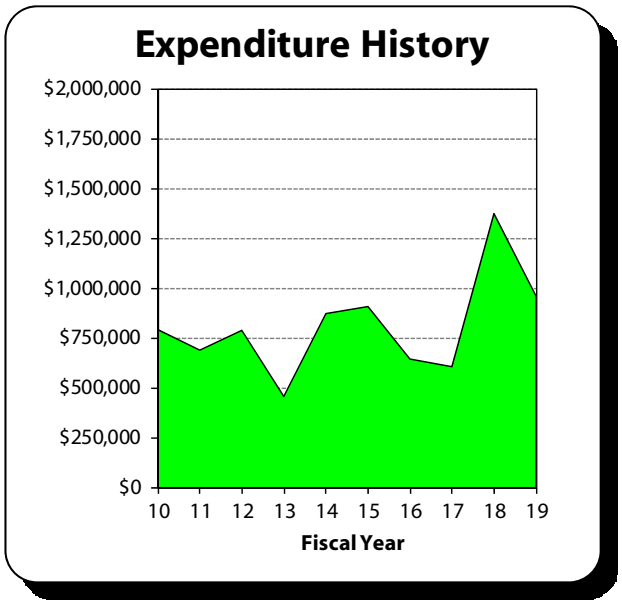
The total budget decreased by 30.0%.

Personnel Services – There is no Personnel budget for this cost center.

Supplies – Total Supplies increased by $870 or 10.3%, as more funding is allocated for audio books and special large print books to service the needs of the homebound senior and physically challenged residents.

Other Charges – Total Other Charges decreased $27,840 or 5.1%. The budget decreased $23,000 due to the one-time funding of consultant services to assist the City in meeting a new requirement of the Fair Housing Act in the prior year. Donations to service organizations decreased slightly, by $3,860. There is no change in funding for housing rehabilitation, as unspent carryover funding from the prior year remains sufficient to maintain the current year's level of activity. $133,660 is budgeted to reimburse the costs of City personnel administering the CDBG program, an increase of $19,020. Code enforcement funding decreased $20,000 due to a larger use of unspent carryover funding in the prior year. $30,000 is allocated for Minor Home Repair and $19,000 is included for the Special Recreation Program.

Capital – Total Capital of $436,000 is proposed for this fund. $275,000 is budgeted for the Senior Center parking lot expansion. Concrete reconstruction on Newell Drive is budgeted for $142,000. $10,000 is included for DPW tree plantings as part of the City's reforestation effort. Flooring for one room at the Senior Center is funded for $9,000.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	6,312	8,430	8,430	9,300	9,300
Other Charges	288,752	544,470	324,470	516,630	516,630
Capital Outlay	311,719	822,120	788,490	436,000	436,000
Total	$606,783	$1,375,020	$1,121,390	$961,930	$961,930

Corridor Improvement Authority Fund

The Corridor Improvement Authority (CIA) Fund is a Special Revenue Fund of the City of Sterling Heights. Established in 2006, the Authority allows the City to identify commercial districts in the City and utilize tax incrementing financing to make public improvements and offer development incentives in order to increase economic vitality within these districts.

The CIA currently includes one District located in the north central portion of Sterling Heights. The District consists of properties bordering Van Dyke Avenue between 18½ Mile Road to the north City limit and along Utica Road between Van Dyke Avenue and Triangle Drive.

The Primary Goals for the District are (1) to enhance the public spaces within the District; (2) to delineate the District by developing a consistent beautification and landscape style along its rights-of-way; (3) to provide a unified building style through the development and redevelopment of properties within the District; and (4) to spur economic growth and increase property values within the District's borders.

As a necessary prerequisite to achieve these goals, both a Development Plan and a Tax Increment Finance Plan have been prepared. The Development Plan outlines the improvements proposed within the District, while the Tax Increment Finance Plan identifies the funding mechanism that will be utilized to finance the proposed improvements.

The Streetscape Design Guidelines prepared for the District include select specifications for paving, decorative lighting, site furnishings, and landscaping. These amenities are intended to be constructed within the Van Dyke Avenue and Utica Road rights-of-way as well as on private property as part of future development and redevelopment within the District.

The Development Plan also includes potential façade improvements with selected styles and material specifications, access management improvements, property acquisition, floodplain/wetland mitigation, park space improvements, general infrastructure improvements, and a business recruitment and retention program. The CIA Master Plan provides for approximately $20 million worth of improvements in the District over a 20-year period.

The Economic Development Consultant serves as the City's liaison to the Corridor Improvement Authority Board.

For fiscal year 2018/19 there was no Capital Projects budgeted for the Fund. In 2017/18, $160,000 was budgeted as a transfer from the General Fund for the acquisition of property located on Van Dyke and $25,000 was funded for the demolition of the vacant building on the property.■

Did you know…
…that Universal Tool Equipment Controls (UTEC) has built their new 116,000 square foot corporate headquarters and manufacturing facility in the Corridor Improvement Authority District, bringing 84 new jobs and $5.7 million in investment into the District?

Corridor Improvement Authority Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

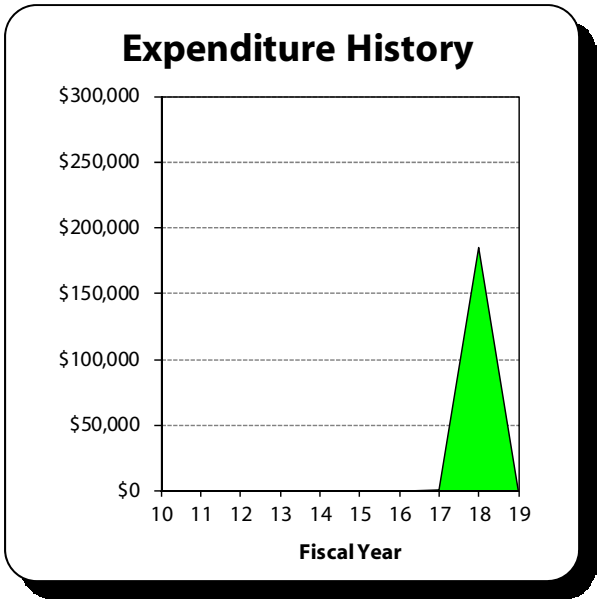
The total budget decreased by 100.0%.

Supplies – There is no Supplies budget for this fund.

Other Charges – There is no Other Charges budget for this fund. $25,000 was budgeted in fiscal year 2017/18 for the demolition of a vacant building on city-owned property on Van Dyke.

Capital – There is no Capital proposed for this fund. A transfer from the General Fund was budgeted in the current year to acquire the property located on Van Dyke for future development.

Debt Service – There is no Debt Service budget for this fund. Funding transferred from the General Fund has been utilized for the debt payments on the land contract for the Van Dyke property.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Supplies	$0	$0	$0	$0	$0
Other Charges	948	25,000	28,700	0	0
Capital Outlay	0	160,000	11,660	0	0
Debt Service	0	0	156,860	0	0
Total	$948	$185,000	$197,220	$0	$0

Economic Development Corporation Fund

The Economic Development Corporation Fund of the City of Sterling Heights has been established and organized, pursuant to Act 388 of the Public Acts of 1974, to achieve essential public objectives of the City. Its objectives are to alleviate and prevent conditions of unemployment, and to assist and retain local industries and commercial enterprise in order to strengthen and revitalize the economy of the City. The Economic Development Corporation also provides the means for encouragement and assistance of industrial and research enterprises, and provides needed services or facilities to the City by constructing, acquiring through gift or purchase, improving, reconstructing, repairing, maintaining, and acquiring land for planned improvements suitable for use by any industrial or research enterprise.

The Economic Development Corporation provides the means and methods for encouragement and assistance of industrial and research enterprises…

To accomplish these objectives, the Economic Development Corporation is allowed to borrow money and issue its revenue bonds or revenue notes to finance all or part of the cost of the acquisition, purchase, construction, reconstruction, or improvements of any project or any part of that project. Additionally, the Economic Development Corporation may enter into leases, lease purchase agreements, or installment sales contracts with any person, firm, or corporation for the use or sale of projects.

The Economic Development Corporation functions as a nine member appointed Board and generates revenues by assessing fees on a particular bond and project improvement program.

Using web-based marketing services, promotional ads, marketing brochures, and television advertising, the Economic Development Corporation seeks to identify industries and research enterprises that may be considering expansion or relocation to the Detroit Metropolitan area. City Administration assists interested parties in locating properties, securing financing and obtaining information about the City of Sterling Heights. The Economic Development Manager is the City's liaison to the Economic Development Corporation.

The Economic Development Corporation has been given the additional responsibility of the Brownfield Redevelopment Authority. Their tasks include making recommendations to the City Council on Brownfield plans. Brownfield Redevelopment has a positive impact on the community by providing a cleaner and safer environment.■

Did you know…

…the Economic Development Corporation (EDC) and Michigan Economic Development Corporation (MEDC) entered into a 10-year interlocal agreement in 2017 allowing the MEDC to carry out economic development activities statewide?

Economic Development Corporation Fund

SUMMARY OF BUDGET CHANGES

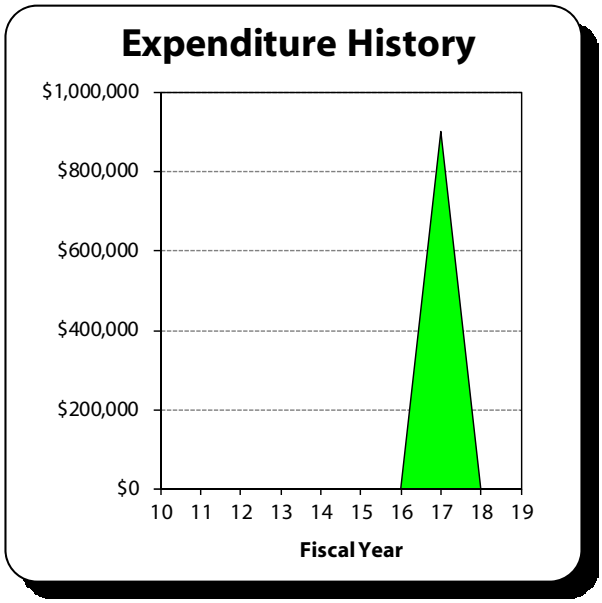
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 0.0%.

Personnel Services – There is no Personnel budget for this fund. The Economic Development Corporation members serve as volunteers without compensation.

Other Charges – There is no Other Charges budget for this fund.

Transfers Out – There are no Transfers Out to other City funds proposed for the 2018/19 fiscal year.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	45,000	0	0
Transfers Out	900,000	0	0	0	0
Total	$900,000	$0	$45,000	$0	$0

Local Development Finance Authority Fund

Public Act No. 281 of 1986, entitled The Local Development Financing Act, is intended to encourage local development to prevent unemployment and promote economic growth. These objectives are achieved under the Act by establishing local development finance authorities that create and implement development plans through tax increment financing.

The Act establishes the process for forming a Local Development Finance Authority (LDFA). This process is initiated by the municipality's governing body declaring by resolution its intention to create and provide for the operation of an authority.

The LDFA provides development incentives to companies that fall in the following categories: defense, high technology, alternative energy, agricultural processing, and automotive. The development incentives include reimbursing eligible entities for costs such as roads, water, sanitary and storm sewer, environmental remediation, demolition, and utilities.

As a prerequisite to achieving these goals, a Development Plan and Tax Increment Finance Plan are prepared. The Development Plan outlines the improvements proposed within the District, and the Tax Increment Finance Plan identifies the funding mechanism utilized to finance the proposed improvements.

The impetus for establishing the City's LDFA was the redevelopment of the former TRW site by BAE Systems located on the west side of Van Dyke Avenue, between 14 Mile Road and 15 Mile Road. This parcel was the first authority district in which the LDFA board is exercising its powers.

BAE Systems constructed a 230,000 square foot, state of the art business development and technology center based on the requirements of the United States Department of Defense and its worldwide allies. This new technology center focuses on and facilitates the integration of the technical, business and program management teams dedicated to the design and development of tactical wheeled and combat vehicles in support of the next generation of combat systems, while enhancing the capabilities of the current combat systems of the United States and its allies. The capital investment by BAE Systems in real and personal property is an estimated $33 million.

The State of Michigan designated the City's LDFA as a SmartZone. This designation allows the LDFA to operate a business incubator. A SmartZone plan is required to describe the operation of the business incubator and how tax dollars will be used to fund its activities.

In fiscal year 2018/19, $597,050 is budgeted for the operational costs associated with the Macomb-OU INCubator, which will be funded by LDFA increment financing revenues. $152,000 is also funded for marketing programs throughout the SmartZone district. $600,000 is budgeted for sectional concrete replacement and joint sealing on Sterling Drive. $400,000 is for SmartZone district signage on Center Drive and Sterling Ponds Boulevard.■

Did you know…
…the City launched a branding effort for the LDFA, now known as the Sterling Innovation District, and commemorated this concept with the grand opening of Mitchell Plastics?

Local Development Finance Authority Fund

SUMMARY OF BUDGET CHANGES

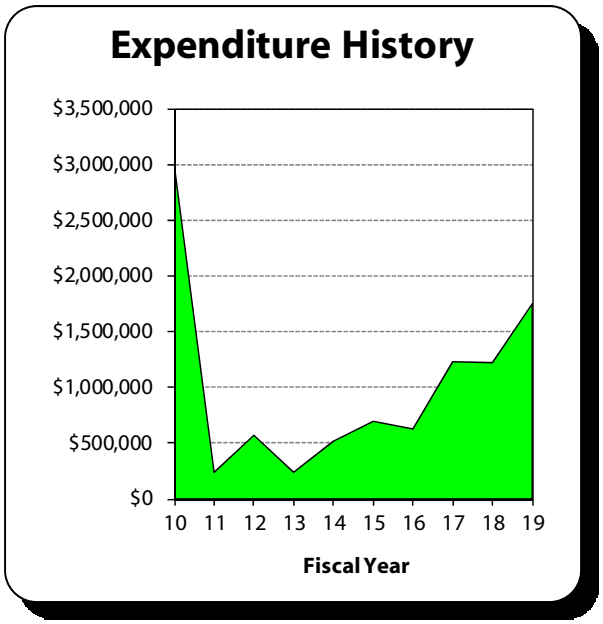
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 43.1%.

Supplies – Total Supplies is proposed to remain the same at $6,500. There are no proposed funding changes to the operating supplies account.

Other Charges – Total Other Charges increased $161,990 or 27.9% largely due to the funding of marketing programs throughout the SmartZone district. $597,050 is budgeted for operational costs associated with the business incubator, an increase of $10,990. $83,250 is for the reimbursement of the City's administrative costs. $124,500 is for utility costs including heat, electricity, and water. $210,000 is budgeted for the payment to Oakland University for their management of the incubator and program development, which includes the pass through of incubator rental payments, and for a contractor to coordinate facilities maintenance repairs. $42,000 is for contracted service costs including landscape and snow removal fees, building alarm and fire system costs, cleaning services, engineering consultant fees, and dumpster rental fees. Business incubator repairs and improvements are funded for $40,000. The budget includes $41,000 for telephone costs and $35,000 in building maintenance costs.

Capital – Total Capital of $1,000,000 is proposed. $600,000 is for sectional concrete replacement and joint sealing on Sterling Drive. $400,000 is for SmartZone district signage on Center Drive and Sterling Ponds Boulevard.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Supplies	$3,710	$6,500	$3,900	$6,500	$6,500
Other Charges	1,005,860	580,560	1,048,740	742,550	742,550
Capital Outlay	220,213	634,790	634,790	1,000,000	1,000,000
Total	$1,229,783	$1,221,850	$1,687,430	$1,749,050	$1,749,050

Every day I get up and look through the Forbes list of the richest people in America. If I'm not there, I go to work.

~ Robert Orben ~

Debt Service Funds







The city's Debt Service Funds are used to account for the accumulation of resources and payments of general long-term debt principal and interest. Debt Service Funds are required when legally mandated. Debt Service Funds include the General Drain Fund, Limited Tax General Obligation (LTGO) Debt Fund, Road Bond Debt Retirement Fund, and the Voted General Obligation Debt Fund.

GENERAL OBLIGATION

Section 11.01 of the Sterling Heights City Charter outlines the City's general borrowing power. It states that Council, by ordinance or resolution, may authorize the borrowing of money, the issuance of bonds, or other evidences of indebtedness, subject to State law and Charter provisions. The City may pledge its full faith credit and resources for the payment of the obligation created.

The Charter further states that the City may borrow money, within provisions stipulated by State law, in anticipation of the payment of special assessments made for defraying any public improvement costs and can issue revenue or other types of bonds. This borrowing authority is limited, however. The net bonded indebtedness incurred for all public purposes cannot exceed 10% of the assessed value of all real and personal property in the City subject to taxation. In the case of fire, flood or other disaster requiring an emergency fund for the relief of City inhabitants, or for the repair or rebuilding of municipal buildings, infrastructure, bridges, or streets, the City's legislative body may borrow money for up to five years and in the amount not exceeding three-eighths of one percent of the assessed valuation of all property in the City, notwithstanding such loan may increase the indebtedness beyond the limitation fixed in the Charter.

Some bonds are not included in the computation of net bond indebtedness including bonds issued in anticipation of the payment of special assessments, mortgage bonds that are secured only by a mortgage on the property or franchise of a public utility, Michigan Transportation Fund (MTF) road construction bonds, and bonds issued to refund monies advanced or paid on special assessments for water main extensions. The resources of the sinking fund pledged for the retirement of any outstanding bonds shall also be deducted from the amount of the bonded indebtedness. The City's portion of the sewer district's debt service is also excluded from this calculation.

The City's 2018 State Equalized Valuation plus the assessed value of abated property is $5,513,850,065. Therefore, the City's debt limit is $551,385,007 or 10% of total valuation. The City's population estimate is 131,750. The outstanding Net Direct Bonded Debt for the City as of June 30, 2018 is shown here as a ratio to debt to state equalized value and debt per capita.

	Debt Outstanding 6/30/18	Debt to Assessed Value	Debt Per Capita
Net Direct Bonded Debt	$63,800,000	1.16%	$484

The City's Debt Management Program is the product of over 45 years of deliberate decision-making by our community's leaders. Even after the anticipated issuance of the $20 million Facilities Improvement Bond, the City's Total Government Debt per capita will remain among the lowest of our comparable Michigan Cities. The City has made judicious use of its authorities to sell bonds or otherwise incur debt. Our current bond ratings are indicated below. The City's favorable credit rating results from low debt levels, as well as a history of conservative budgeting, maintaining adequate reserves, and financial flexibility based on an operating tax rate margin. The City anticipates maintaining its low debt position, due to a modest debt burden and a rapid debt amortization. 60.0% of the City's total non-sewer debt is scheduled to be repaid within ten years. Favorable credit ratings and low debt service will better position the City to finance debt in the future.

Total Debt Maturity within 10 Years = 60.0%

BOND RATINGS

Standard & Poors	Moody's Investor Service	Fitch
AAA	Aaa	AAA
AA+	Aa1	AA+
→ **AA**	→ **Aa2**	→ **AA**
AA-	Aa3	AA-
A+	A1	A+
A	A2	A
A-	A3	A-
BBB+	Baa1	BBB+
BBB	Baa2	BBB
BBB-	Baa3	BBB-
BB+	Ba1	BB+
BB	Ba2	BB
BB-	Ba3	BB-
B+	B1	B+
B	B2	B
B-	B3	B-
CCC+	Caa1	CCC+
CCC	Caa2	CCC
CCC-	Caa3	CCC-
	Ca	CC
	C	C
		DDD
		DD
		D

In compliance with the Uniform Budget Act of 1978, a summary of the City's total indebtedness as of June 30, 2018, the principal and interest payments required for fiscal 2018/19, and the funding source is included within this Debt Service section. Total indebtedness is $165,552,330. Total principal payment is $8,152,770 and the interest payment is $5,862,240. Brief descriptions of each type of debt incurred by the City are stated below followed by debt summary schedules.

LIMITED TAX GENERAL OBLIGATION DEBT FUND

Some of the City's debt service was financed indirectly through lease with the City's Building Authority, which was created for the purpose of acquiring and leasing City property.

In 1999/00, a $3.7 million bond was sold for the City Center Commons development. The debt was refunded in 2004/05, saving $118,500. Total outstanding debt is $595,000. Total principal payment is $300,000 and interest is $22,250.

In 2007, a $3.25 million Improvement Bond was issued for the new Senior Active Life Center and public safety Radio System. In 2012/13, the final debt payment was made on the Radio System bonds. The final debt payment on the Senior Active Life Center bond, which was budgeted in the Community Development Block Grant Fund, was also made in fiscal year 2012/13.

In the spring of 2018, a $20 million Facilities Improvement Bond will be issued to finance facility infrastructure and information technology improvements. Total principal payment for 2018/19 is $725,580 and the interest payment is $650,000.

VOTED TAX GENERAL OBLIGATION DEBT FUND

In the spring of 2008, a $5.0 million General Obligation bond was issued for improvements at three of the City's fire stations (Public Improvement F), which was approved by the voters in November, 2006. $493,160 is budgeted for the debt payments on the Fire Station Improvement bonds. The debt was refinanced in 2016/17 at a net savings of $190,000 over the remaining six-year life of the bond.

MAJOR ROAD IMPROVEMENTS

The City uses Gas and Weight tax revenues to finance various road improvements. Indebtedness is $23,180,000. The Principal payment is $2,264,970 and interest is $695,890.

SPECIAL ASSESSMENTS

In 2008, a $3.26 million Special Assessment bond was issued to finance improvements within the Lakeside Shopping Center District. Total principal payment of $150,000 and interest of $85,600 is funded through special assessments.

WATER & SEWER FUND

In 2018/19, total principal of $2,872,220 and interest of $2,754,250 is budgeted for the City's portion of the District's debt for the Interceptor Rehabilitation project and the debt payment for a portion of the 15 Mile Interceptor Repair. Total indebtedness is $76,472,330.

PARKS & RECREATION FUND

In the spring of 2017, a $42.1 million Limited Tax General Obligation Bond was issued to fund the *Re*creating Recreation improvements. Total principal payment for 2018/19 is $1,390,000 and interest is $1,611,090.■

DEBT SUMMARY

Description of Debt	Funding Sources	Debt Outstanding 6/30/18	2018/19 Principal	2018/19 Interest	2018/19 Total
LIMITED TAX GENERAL OBLIGATION DEBT FUND					
Facilities Improvement Bonds	Gen Fund	$20,000,000	$725,580	$650,000	**$1,375,580**
Bldg. Auth./LTGO Bonds - City Center Commons	Gen Fund	595,000	300,000	22,250	**322,250**
Total General Fund Debt Service		**20,595,000**	**1,025,580**	**672,250**	**1,697,830**
VOTED TAX GENERAL OBLIGATION DEBT FUND					
2008 Fire Station Improvement Bonds (F)	VTGO Fund	2,660,000	450,000	43,160	**493,160**
Total Debt Fund Direct Debt Service		**23,255,000**	**1,475,580**	**715,410**	**2,190,990**
ROAD BOND DEBT RETIREMENT FUND					
2010 Build America Bonds	Major Rds	1,275,000	100,000	68,940	**168,940**
2012 MI Transportation Refunding Bonds	Major Rds	1,150,000	565,000	46,000	**611,000**
2013 MI Transportation Refunding Bonds	Major Rds	2,015,000	515,000	36,030	**551,030**
2016 MI Transportation Bonds	Major Rds	8,575,000	550,000	204,970	**754,970**
2017 MI Transportation Bonds	Major Rds	1,965,000	110,000	52,950	**162,950**
2018 MI Transportation Bonds	Major Rds	8,200,000	424,970	287,000	**711,970**
Special Assessment Bonds	S/A - RBDF	2,100,000	150,000	85,600	**235,600**
Total Road Bond Debt Service		**25,280,000**	**2,414,970**	**781,490**	**3,196,460**
WATER & SEWER FUND					
Sewer District Rehabilitation Bonds	W&S Fund	76,472,330	2,872,220	2,754,250	**5,626,470**
PARKS & RECREATION FUND					
Parks & Recreation Improvement Bonds	P&R Fund	40,545,000	1,390,000	1,611,090	**3,001,090**
Total Debt Service		**$165,552,330**	**$8,152,770**	**$5,862,240**	**$14,015,010**

GENERAL FUND & TAX SUPPORTED DEBT SERVICE

Debt Service	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
Facilities Improvement Bonds	$0	$0	$0	$0	$1,375,580	**$1,375,580**
City Center Commons	322,150	355,850	337,250	337,250	322,250	**322,250**
Total General Fund Debt Service	**322,150**	**355,850**	**337,250**	**337,250**	**1,697,830**	**1,697,830**
VOTED TAX GENERAL OBLIGATION DEBT FUND						
Fire Station Improvements (F)	470,500	3,557,980	487,320	486,530	493,160	**493,160**
Total VTGO Fund Debt Service	**470,500**	**3,557,980**	**487,320**	**486,530**	**493,160**	**493,160**
GENERAL DRAIN FUND	156,750	0	0	0	0	**0**
PARKS & RECREATION FUND	0	0	3,112,500	3,003,520	3,001,090	**3,001,090**
Total Tax Supported Debt Service	**$949,400**	**$3,913,830**	**$3,937,070**	**$3,827,300**	**$5,192,080**	**$5,192,080**

SCHEDULE OF PRINCIPAL & INTEREST
ROAD BOND DEBT RETIREMENT FUND

Fiscal Year	2010 B.A. Bonds	2012 M.T.F. Refunding	2013 M.T.F. Refunding	2016 M.T.F. Bonds	2017 M.T.F. Bonds	2018 M.T.F. Bonds	2008 S.A.D. Bonds	Total
2018/19	168,940	611,000	551,030	754,970	162,950	711,970	235,600	3,196,460
2019/20	163,980	608,400	535,520	758,980	165,750	711,970	229,600	3,174,200
2020/21	183,220		515,170	762,670	168,450	711,970	272,600	2,614,080
2021/22	200,950		495,020	771,080	171,050	711,970	264,550	2,614,620
2022/23	241,300			779,070	173,550	711,970	256,450	2,162,340
2023/24	229,850			781,680	170,950	711,970	248,150	2,142,600
2024/25	218,050			788,970	172,050	711,970	239,650	2,130,690
2025/26	206,050			795,880	173,000	711,970	231,050	2,117,950
2026/27				802,370	173,800	711,960	222,350	1,910,480
2027/28				805,000	174,450	711,960	213,500	1,904,910
2028/29				808,550	174,950	711,960	204,500	1,899,960
2029/30				806,350	180,300	711,960		1,698,610
2030/31				808,550	180,350	711,960		1,700,860
2031/32					180,250	711,960		892,210
2032/33						711,960		711,960
Total	**$1,612,340**	**$1,219,400**	**$2,096,740**	**$10,224,120**	**$2,421,850**	**$10,679,480**	**$2,618,000**	**$30,871,930**

GENERAL FUND AND VOTED TAX GENERAL OBLIGATION DEBT SERVICE

Fiscal Year	2005 City Center Refunding G.F. Bonds	2008 Proposal F V.T.G.O. Bonds	2017 P&R Improve. Bonds	2018 Facilities Improvement Bonds				Total
2018/19	322,250	493,160	3,001,090	1,375,580				5,192,080
2019/20	302,380	552,760	3,001,590	1,375,580				5,232,310
2020/21		585,550	2,998,590	1,375,580				4,959,720
2021/22		586,670	3,002,090	1,375,580				4,964,340
2022/23		586,500	3,001,590	1,375,580				4,963,670
2023/24			3,002,090	1,375,580				4,377,670
2024/25			2,998,340	1,375,580				4,373,920
2025/26			3,000,340	1,375,580				4,375,920
2026/27			3,002,590	1,375,580				4,378,170
2027/28			2,999,840	1,375,580				4,375,420
2028/29			2,998,640	1,375,580				4,374,220
2029/30			2,999,030	1,375,580				4,374,610
2030/31			2,999,130	1,375,580				4,374,710
2031/32			3,002,130	1,375,580				4,377,710
2032/33			2,999,790	1,375,580				4,375,370
2033/34			3,001,920	1,375,570				4,377,490
2034/35			3,001,280	1,375,570				4,376,850
2035/36			3,002,880	1,375,570				4,378,450
2036/37			3,003,040	1,375,570				4,378,610
2037/38				1,375,570				1,375,570
Total	**$624,630**	**$2,804,640**	**$57,015,990**	**$27,511,550**				**$87,956,810**

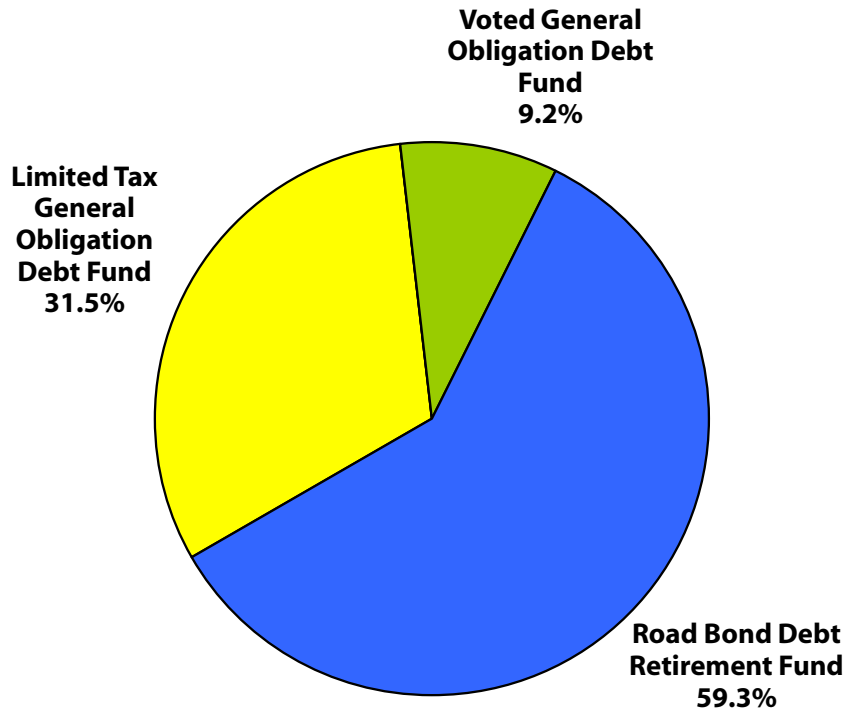
DEBT SERVICE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
GENERAL DRAIN FUND						
REVENUES						
Property Taxes	$164,290	$2,300	$500	$500	$500	**$500**
State/Local Returns	0	18,440	0	0	0	**0**
Interest Income	270	240	480	480	480	**480**
Total Revenues	**164,560**	**20,980**	**980**	**980**	**980**	**980**
EXPENDITURES						
Principal	150,000	0	0	0	0	**0**
Interest	6,750	0	0	0	0	**0**
Other Charges	300	0	0	0	0	**0**
Total Expenditures	**157,050**	**0**	**0**	**0**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**7,510**	**20,980**	**980**	**980**	**980**	**980**
Beginning Fund Balance	**11,180**	**18,690**	**39,670**	**39,670**	**40,650**	**40,650**
Ending Fund Balance	**$18,690**	**$39,670**	**$40,650**	**$40,650**	**$41,630**	**$41,630**
VOTED TAX GENERAL OBLIGATION DEBT FUND						
REVENUES						
Property Taxes	$472,830	$464,080	$460,510	$459,140	$416,100	**$416,100**
State/Local Returns	0	44,170	28,000	52,320	29,710	**29,710**
Interest Income	570	2,270	1,300	3,500	3,500	**3,500**
Bond Proceeds	0	3,105,000	0	0	0	**0**
Total Revenues	**473,400**	**3,615,520**	**489,810**	**514,960**	**449,310**	**449,310**
EXPENDITURES						
Principal	325,000	350,000	445,000	445,000	450,000	**450,000**
Principal - Paid to Ref Escrow	0	3,073,860	0	0	0	**0**
Interest	145,500	134,120	42,320	41,530	43,160	**43,160**
Other Charges	350	43,440	350	500	500	**500**
Total Expenditures	**470,850**	**3,601,420**	**487,670**	**487,030**	**493,660**	**493,660**
Excess of Revenues Over (Under) Expenditures	**2,550**	**14,100**	**2,140**	**27,930**	**(44,350)**	**(44,350)**
Beginning Fund Balance	**6,680**	**9,230**	**23,330**	**23,330**	**51,260**	**51,260**
Ending Fund Balance	**$9,230**	**$23,330**	**$25,470**	**$51,260**	**$6,910**	**$6,910**

DEBT SERVICE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
ROAD BOND DEBT RETIREMENT FUND						
REVENUES						
Special Assessment Revenue	$148,870	$179,650	$139,000	$147,730	$142,030	**$142,030**
Federal Interest Rebates	32,080	31,320	30,370	30,070	28,970	**28,970**
Interest Income	100,000	93,720	84,010	88,660	81,790	**81,790**
Trfr. from Major Roads Fund	1,000,000	1,925,240	2,000,000	2,000,000	2,500,000	**2,500,000**
Trfr. from Rd Bond Const Fund	130,000	0	0	0	0	**0**
Total Revenues	**1,410,950**	**2,229,930**	**2,253,380**	**2,266,460**	**2,752,790**	**2,752,790**
EXPENDITURES						
Principal	990,000	1,625,000	1,765,000	1,765,000	2,414,970	**2,414,970**
Interest	330,930	516,000	558,920	532,400	781,490	**781,490**
Other Charges	1,600	2,100	1,900	2,100	2,100	**2,100**
Total Expenditures	**1,322,530**	**2,143,100**	**2,325,820**	**2,299,500**	**3,198,560**	**3,198,560**
Excess of Revenues Over (Under) Expenditures	**88,420**	**86,830**	**(72,440)**	**(33,040)**	**(445,770)**	**(445,770)**
Beginning Fund Balance	**645,030**	**733,450**	**820,280**	**820,280**	**787,240**	**787,240**
Ending Fund Balance	**$733,450**	**$820,280**	**$747,840**	**$787,240**	**$341,470**	**$341,470**
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
REVENUES						
Transfer from General Fund	$322,380	$356,080	$337,480	$337,480	$1,698,060	**$1,698,060**
Total Revenues	**322,380**	**356,080**	**337,480**	**337,480**	**1,698,060**	**1,698,060**
EXPENDITURES						
Principal	260,000	305,000	300,000	300,000	1,025,580	**1,025,580**
Interest	62,150	50,850	37,250	37,250	672,250	**672,250**
Other Charges	230	230	230	230	460	**460**
Total Expenditures	**322,380**	**356,080**	**337,480**	**337,480**	**1,698,290**	**1,698,290**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**0**	**(230)**	**(230)**
Beginning Fund Balance	**340**	**340**	**340**	**340**	**340**	**340**
Ending Fund Balance	**$340**	**$340**	**$340**	**$340**	**$110**	**$110**

Debt Service Funds
Percent of Total Expenditures



This graph reflects budgeted Debt Service Funds expenditures as a percent of the total $5,390,510 Debt Service Funds budget.

GENERAL DRAIN TAXES

Although all City issued drain debt has been paid in full, small amounts of revenue are still realized primarily due to the collection of delinquent property taxes.

In 2018/19, General Drain Tax revenue decreased $100 primarily due to a decrease in penalties and interest.

OTHER FINANCING SOURCES

Other Financing Sources in the Debt Service Funds represent the Transfers In from other funds. The General Fund and Major Road Fund provide revenue to the Debt Service Funds through this revenue center.

In 2018/19, revenues generated from Other Financing Sources represent 85.7% of total Debt Service revenues, an increase of $1,860,580. The transfer from the Major Road Fund to the Road Bond Debt Retirement Fund increased as a result of the $8.2 million road bond anticipated to be sold in the spring of 2018 and higher debt payments on existing road bonds. Transfers from the General Fund to the Limited Tax General Obligation Debt Fund increased due to the anticipated issuance of a $20 million Facilities Improvement bond, also in the spring of 2018.

STATE & LOCAL RETURNS

This source of revenue consists of federal refundable credits for Recovery Zone Economic Development bonds that are issued for authorized purposes to promote economic recovery and job creation. A total of $28,970 is anticipated to be refunded next fiscal year for the 2010 Michigan Transportation Fund (MTF) Build America Bond. A reimbursement from the State to offset the elimination of property taxes on eligible manufacturing personal property is also budgeted for $29,710.

OTHER REVENUE

Other Revenue consists of revenue from Interest on Investments and Special Assessment revenue. In the 2018/19 Budget, Other Revenues represent 4.7% of total Debt Service revenues, an increase of $3,010. This increase is primarily due to higher interest on investments, offset by a decrease in special assessment interest from the Lakeside Mall improvement project.

PUBLIC IMPROVEMENTS TAX

The Voted Tax General Obligation Debt Fund has been established to isolate the revenues and expenditures for the voter approved debt to finance various public improvements. This fund is used to account for the payment of principal and interest on the current debt portion of the public improvements. A specific millage is levied to retire the debt incurred and the necessary paying agent fees. For 2018/19, the millage rate is 0.0971 mills, a decrease of 0.0143 mills.

In 2018/19, Public Improvement Tax revenue represents 8.5% of total Debt Service revenues, a decrease of $44,310. Less property taxes were needed to fund the current debt service payment due to additional revenue that was recovered from the Personal Property Tax reimbursement through the State of Michigan.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A budgeted use of fund balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2018/19 Budget, expenditures exceed revenue sources by $489,370. A drawdown of funds is planned for debt payments for which revenue was received in prior years.■

DEBT SERVICE FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	TAXES						
404000	City Operating Tax	$1,664	0.03	$600	0.02	**$600**	**0.01**
404001	Property Tax Refunds	739	0.01	(200)	-0.01	**(200)**	**0.00**
415000	Delinquent Personal Property Tax	791	0.01	500	0.02	**500**	**0.01**
445000	Penalties & Interest	687	0.01	800	0.03	**700**	**0.01**
	Total Taxes	**3,881**	**0.06**	**1,700**	**0.06**	**1,600**	**0.03**
	OTHER FINANCING SOURCES						
698100	Bond Proceeds - Refunding Issue	3,105,000	49.90	0	0.00	**0**	**0.00**
699101	Transfer From General Fund	356,075	5.72	337,480	10.95	**1,698,060**	**34.65**
699202	Transfer From Major Road Fund	1,925,240	30.94	2,000,000	64.90	**2,500,000**	**51.01**
	Total Other Financing Sources	**5,386,315**	**86.56**	**2,337,480**	**75.85**	**4,198,060**	**85.65**
	STATE & LOCAL RETURNS						
573386	Act 86 LCSA	62,608	1.01	28,000	0.91	**29,710**	**0.61**
529004	Federal - Interest Rebates	31,323	0.50	30,370	0.99	**28,970**	**0.59**
	Total State & Local Returns	**93,931**	**1.51**	**58,370**	**1.90**	**58,680**	**1.20**
	OTHER REVENUE						
665000	Interest on Investments	8,452	0.14	7,130	0.23	**12,780**	**0.26**
672000	Special Assessment Revenue	179,647	2.89	139,000	4.51	**142,030**	**2.90**
672445	S.A. Delinquent Interest & Penalties	23	0.00	100	0.00	**20**	**0.00**
672665	Special Assessment Interest	88,134	1.42	78,560	2.55	**72,970**	**1.49**
677008	Unrealized Gain/Loss	(378)	-0.01	0	0.00	**0**	**0.00**
	Total Other Revenue	**275,878**	**4.44**	**224,790**	**7.29**	**227,800**	**4.65**
	PUBLIC IMPROVEMENTS TAX						
417000	Proposal R Debt Levy	220	0.00	0	0.00	**0**	**0.00**
419000	Proposal F Debt Levy	462,280	7.43	459,310	14.90	**415,000**	**8.47**
	Total Public Improvements Tax	**462,500**	**7.43**	**459,310**	**14.90**	**415,000**	**8.47**
	Total Debt Service Funds	**$6,222,505**	**100.00**	**$3,081,650**	**100.00**	**$4,901,140**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

DEBT SERVICE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	OTHER CHARGES						
810000	Other Fees	$45,761	0.75	$2,480	0.08	**$3,060**	**0.06**
	Total Other Charges	**45,761**	**0.75**	**2,480**	**0.08**	**3,060**	**0.06**
	DEBT SERVICE						
992000	Principal	2,280,000	37.37	2,510,000	79.66	**3,890,550**	**72.17**
992100	Principal-Paid to Refund Escrow	3,073,865					
993000	Interest	700,971	11.49	638,490	20.26	**1,496,900**	**27.77**
	Total Debt Service	**6,054,836**	**99.25**	**3,148,490**	**99.92**	**5,387,450**	**99.94**
	Total Debt Service Funds	**$6,100,597**	**100.00**	**$3,150,970**	**100.00**	**$5,390,510**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

KEY FUND TRENDS

Debt Service Funds

City Bond Ratings

1.	Farmington Hills	AAA
2.	Troy	AAA
3.	Ann Arbor	AA+
4.	**STERLING HEIGHTS**	**AA**
5.	Grand Rapids	AA
6.	Livonia	AA
7.	Southfield	AA
8.	Warren	AA
9.	Lansing	AA-
10.	Dearborn	A+

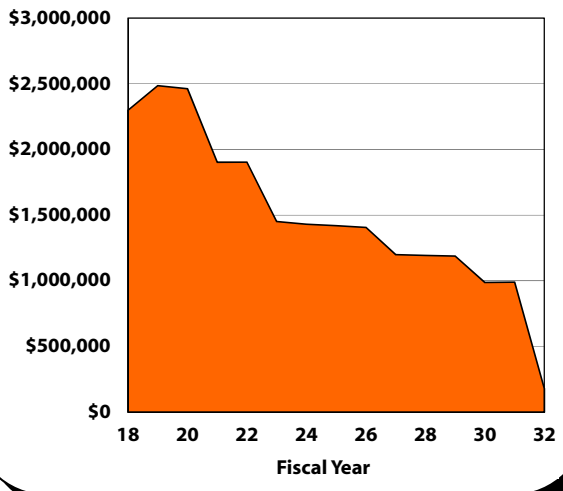
The City's AA bond rating from Standard & Poor's Rating Service ranks in the middle of other comparable communities' rankings. Sterling Heights maintains a high Aa2 rating from Moody's and an AA rating from Fitch Investor's Rating Service due to the City's low costs and proactive response to changing economic conditions.

Government Debt Per Capita

1.	Ann Arbor	$2,760
2.	Dearborn	$1,968
3.	Lansing	$1,936
4.	Southfield	$1,201
5.	Warren	$1,154
6.	Livonia	$663
7.	Grand Rapids	$614
8.	Farmington Hills	$415
9.	Troy	$367
10.	**STERLING HEIGHTS**	**$183**

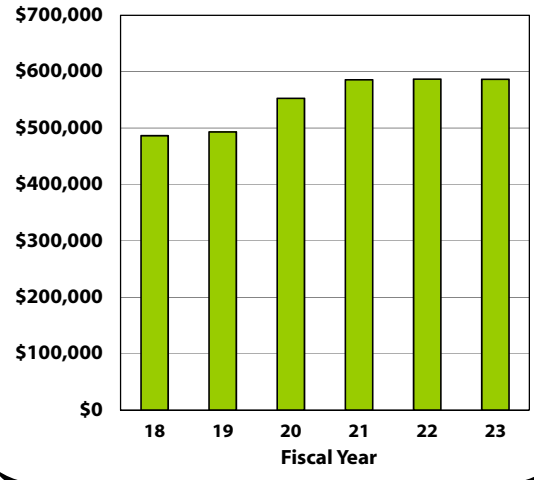
The City has the lowest direct government debt per resident of the nine comparable Michigan cities.

Annual Debt Payments Road Bonds



Road Bond Debt payments will decrease significantly in 2021, 2023, and 2027 as three Michigan Transportation Funds (MTF) bonds are retired. The 2017 MTF bond is scheduled to be retired in 2032.

Annual Debt Payments Proposal F – Fire Stations



Voted Tax General Obligation Debt from the Fire Station Improvements (Proposal F) continues through 2023. These bonds were refunded in 2017 for a net savings of $190,000.

Voted Tax General Obligation Debt Fund

The voter approved General Obligation Debt Fund was created to provide a formal mechanism of accounting for tax millage revenue and expenditures dedicated and used for the repayment of voter approved debt to finance various public improvements. A specific millage, as approved by the voters, is levied each year to retire the annual principal, interest and paying agent fee associated with each bond issued.

Each public improvement debt has its own activity and its own budgetary center within the fund. Thus, no budget adjustment can be made between budgetary centers without City Council authorization.

Proposal R authorized $21 million of bonds to finance various road improvements. All road improvements have been completed and include Ryan Road from 14 Mile Road to M-59 Highway, Dodge Park Road from 15 Mile to 16 Mile Road, 15 Mile Road from Maple Lane to Schoenherr Road, 19 Mile Road from Saal to Canal Road, and 17 Mile Road from east of Mound Road to Dequindre Road. The bonds were issued in a series starting in 1990 and ending in 1999. The debt for "R" was retired in fiscal year 2008/09.

Proposal S authorized $3,000,000 for the construction of the City's fifth fire station located in the northwest quadrant of the City. This station houses the Fire Department's administrative offices, classrooms for training and the fire garage. The debt for "S" was retired in fiscal year 2000/01.

Proposal T authorized $900,000 for the purchase of a new ladder truck and related equipment. This capital was used to make the fifth fire station serviceable. The debt was retired in fiscal year 1996/97.

In November 2006, the voters approved Proposal F authorizing $5 million for improvements to three of the City's fire stations. The improvements began in the spring of 2008 and included the modernization of the work areas, updating of the heating and cooling systems, and expansion of the facilities for both equipment storage and personnel quarters. In conjunction with the start of the project, a bond was issued to provide financing for the public improvements. In the spring of fiscal year 2016/17, the debt was refinanced resulting in the issuance of the 2017 refunding bond, which saved the City $190,000 in future debt payments.

For 2018/19, principal and interest payments for Proposal F total $493,160.■

Did you know…
…the 2008 Proposal F bond, used to remodel three City Fire Stations, was refunded in 2017 at a savings to taxpayers of $190,000 over the remaining life of the bond?

Voted Tax General Obligation Debt Fund

SUMMARY OF BUDGET CHANGES

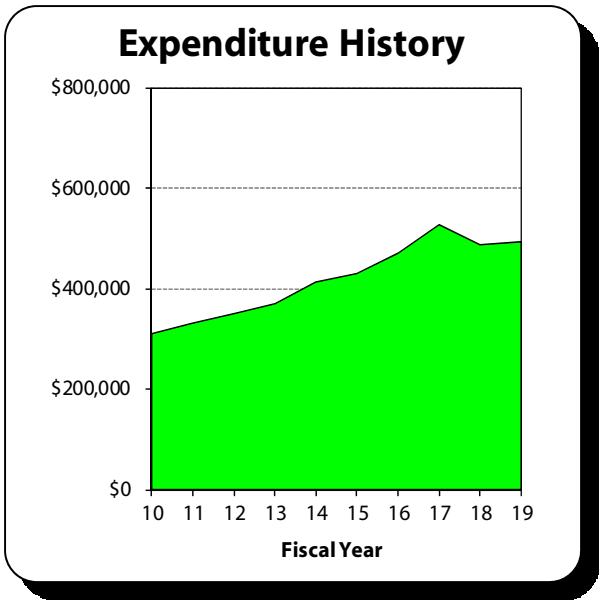
IGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 1.2%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – Total Other Charges increased $150 or 42.9% as bond paying agent fees have increased with the issuance of the 2017 Fire Station Improvements (Proposal F) refunding bond.

Debt Service – Total Debt Service increased $5,840 or 1.2% due to a slight increase in the principal and interest payments on the 2017 Fire Station Improvements refunding bond. There is no outstanding debt for Proposals R, S, & T as the debt was retired in prior years. The debt from Proposal F is scheduled to be retired in 2023.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	43,436	350	500	500	500
Debt Service	3,557,990	487,320	486,530	493,160	493,160
Total	$3,601,426	$487,670	$487,030	$493,660	$493,660

Road Bond Debt Retirement Fund

The Road Bond Debt Retirement Fund is a Debt Service Fund. It is used exclusively for the retirement of debt incurred by the City for various road improvements.

The most significant revenue source of this fund is through a transfer from the Major Road Fund. In 2018/19, the Major Road Fund transfer represents 91% of total Road Bond Debt Retirement Fund revenues. Most of the bonded road construction projects are considered major roads and Public Act 51 guidelines allow for such transfer payments for major road construction and debt payments. Other sources of revenue include Interest on Investments, Reimbursements and Special Assessment revenue.

The most significant revenue source of this fund is through a transfer from the Major Road Fund.

This Fund's debt budgeted to be paid in fiscal year 2018/19 totals $3,196,460, which is comprised of $2,414,970 toward principal and $781,490 in interest payments on Michigan Transportation Fund (MTF) bonds and the Lakeside Special Assessment bond that was issued in the spring of 2008. The Special Assessment bond was issued to finance various improvements within the Lakeside Shopping Center district. The improvements included road repairs, landscape improvements, brick paver crosswalks, decorative street lighting, banners, and other aesthetic improvements to the area surrounding the shopping center. The debt repayment for this project is being funded through assessments on the affected property owners. An $8.2 million MTF bond is scheduled to be sold in the spring of 2018. The debt for this bond will come online in the 2018/19 fiscal year.

The principal and interest payments for road bond projects are amortized based on the estimated total cost of the project times the interest rate for a fixed period of time – usually 10-15 years.

Road bond projects to be retired through this fund are specified on the Road Bond Construction Fund schedule located in the Capital Projects section of this document.■

Did you know…
…that debt service on the City's Michigan Transportation Fund (MTF) Road Bonds is less than 60% of the amount allowed under Michigan law?

Road Bond Debt Retirement Fund

SUMMARY OF BUDGET CHANGES

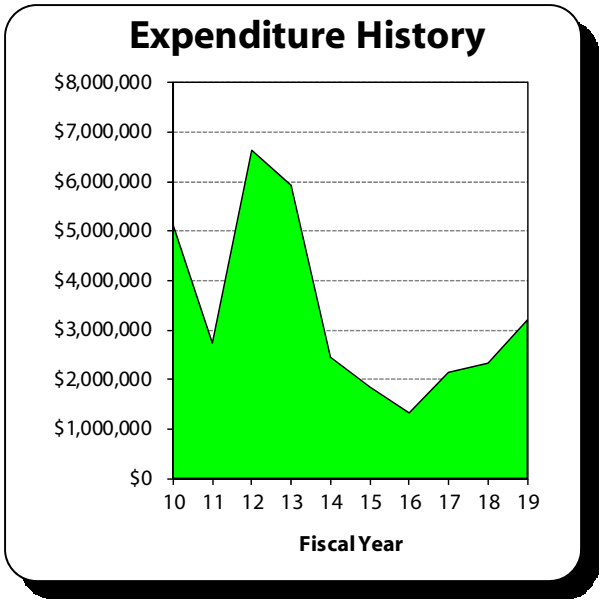
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 37.5%.

Supplies – There is no Supplies budget for this fund.

Other Charges – Total Other Charges increased $200 or 10.5% as bond paying agent fees increased due to the anticipated issuance of an $8.2 million 2018 MTF bond in the spring of 2018.

Debt Service – Total Debt Service is proposed to increase $872,540 or 37.5%. Total principal payments increased $649,970 as a result of the new 2018 MTF Bond and higher principal payments on four existing MTF bond issues. Total interest payments increased $222,570 also due to the new 2018 MTF bond issue. The increase was partially offset by lower interest payments on most existing bonds.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Supplies	$0	$0	$0	$0	$0
Other Charges	2,100	1,900	2,100	2,100	2,100
Debt Service	2,140,996	2,323,920	2,297,400	3,196,460	3,196,460
Total	$2,143,096	$2,325,820	$2,299,500	$3,198,560	$3,198,560

Limited Tax General Obligation Fund

The Limited Tax General Obligation (LTGO) Fund is a Debt Service Fund that is used to account for the bond payments related to the construction and financing of City buildings and equipment.

The construction of the Judicial Services Center was financed with limited tax general obligation bonds issued in 1990. This debt was retired in fiscal year 2009/10.

In 2007, $3.25 million of Limited Tax General Obligation Improvement bonds were issued to help finance the Senior Active Life Center addition and the new public safety 800 MHz radio system. This debt was retired in fiscal year 2012/13.

The City is currently paying off debt for the expansion and remodeling of the buildings in the City Center Commons. This Fund also accounts for the leasing of the buildings to the City.

The Limited Tax General Obligation Fund receives revenue for operations as a result of receiving cash rental payments transferred from the General Fund for the City Center Commons project.

The City Center Commons project was financed with Building Authority limited tax general obligation bonds originally issued in 2000 and refunded in 2005. This debt is scheduled to be retired in fiscal year 2019/20. The transfer necessary for debt repayment in 2018/19 totals $322,250. Principal payments total $300,000 and interest payments amount to $22,250.

A $20 million Facilities Improvement Bond is scheduled to be issued in the spring of 2018 to finance the facility infrastructure and information technology improvements identified as part of the facilities condition assessment completed in 2017 and the five-year information technology plan. Debt payments will begin in the 2018/19 fiscal year totaling $1,375,580.■

Did you know…
… that a limited tax general obligation bond is considered a general obligation of the City and because of the limited taxing authority, this type of bond typically has a slightly higher interest rate than a voted general obligation bond that is secured by full taxing power?

Limited Tax General Obligation Fund

SUMMARY OF BUDGET CHANGES

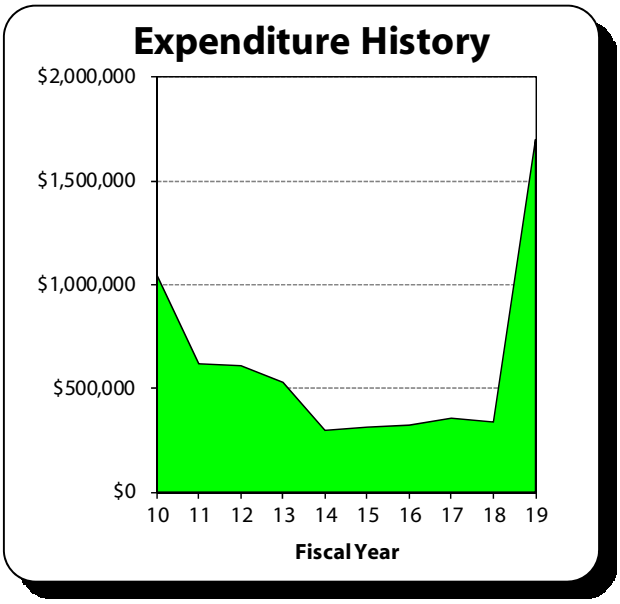
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 403.2%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – Total Other Charges increased $230 or 100% as bond paying agent fees increased due to the anticipated issuance of a $20 million Facilities Improvement Bond in the spring of 2018.

Debt Service – Total Debt Service increased $1,360,580 or 403.4%. Total principal payments increased $725,580 as a result of the new 2018 Facilities Improvement Bond. Total interest payments increased $635,000 also due to the new 2018 bond issue. The increase was offset slightly by lower interest payments on the exiting 2005 City Center Commons refunding bond.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	225	230	230	460	460
Debt Service	355,850	337,250	337,250	1,697,830	1,697,830
Total	$356,075	$337,480	$337,480	$1,698,290	$1,698,290

A dollar saved is a quarter earned.

~ John Ciardi ~

Capital Projects







Capital Projects Funds are used to account for resources to be used for the acquisition or construction of major capital facilities, and for the purchase of capital equipment and vehicles. The city maintains two capital projects funds, the Capital Projects Fund and the Road Bond Construction Fund. The city's Capital Improvement Program is a multi-year planning instrument used to coordinate the financing and timing of improvements in a way that maximizes the return to residents.

CAPITAL PROJECTS FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Capital Projects	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Budget
CAPITAL PROJECTS FUND						
REVENUES						
Other Revenue	$404,530	$112,260	$417,990	$315,920	$161,620	**$161,620**
Transfer from General Fund	6,156,240	5,759,420	4,588,090	5,308,090	5,716,040	**5,716,040**
Total Revenues	**6,560,770**	**5,871,680**	**5,006,080**	**5,624,010**	**5,877,660**	**5,877,660**
EXPENDITURES						
Capital Equipment	364,210	1,349,910	1,396,810	1,296,370	2,633,540	**2,633,540**
Capital Vehicles	1,732,400	2,498,010	942,340	857,430	1,249,500	**1,249,500**
Capital Projects	4,362,260	2,257,030	2,694,950	2,783,750	888,500	**888,500**
Total Expenditures	**6,458,870**	**6,104,950**	**5,034,100**	**4,937,550**	**4,771,540**	**4,771,540**
Excess of Revenues Over (Under) Expenditures	**101,900**	**(233,270)**	**(28,020)**	**686,460**	**1,106,120**	**1,106,120**
Beginning Fund Balance	**1,630,430**	**1,732,330**	**1,499,060**	**1,499,060**	**2,185,520**	**2,185,520**
Ending Fund Balance	**$1,732,330**	**$1,499,060**	**$1,471,040**	**$2,185,520**	**$3,291,640**	**$3,291,640**
FACILITIES IMPROVE. FUND						
REVENUES						
Proceeds - Long-term Debt	$0	$0	$0	$20,000,000	$0	**$0**
Total Revenues	**0**	**0**	**0**	**20,000,000**	**0**	**0**
EXPENDITURES						
Capital Equip. & Improvements	0	0	0	0	7,000,000	**7,000,000**
Total Expenditures	**0**	**0**	**0**	**0**	**7,000,000**	**7,000,000**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**20,000,000**	**(7,000,000)**	**(7,000,000)**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**20,000,000**	**20,000,000**
Ending Fund Balance	**$0**	**$0**	**$0**	**$20,000,000**	**$13,000,000**	**$13,000,000**
CLINTON RIVER REST. FUND						
REVENUES						
Federal Grants	$634,830	$2,223,630	$1,641,540	$1,641,540	$0	**$0**
Total Revenues	**634,830**	**2,223,630**	**1,641,540**	**1,641,540**	**0**	**0**
EXPENDITURES						
Capital Projects	634,830	2,223,630	1,641,540	1,641,540	0	**0**
Total Expenditures	**634,830**	**2,223,630**	**1,641,540**	**1,641,540**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**0**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
ROAD BOND CONSTR. FUND						
REVENUES						
Federal Grants	$401,050	$3,070,810	$0	$0	$0	**$0**
Other Revenue	149,660	30,880	19,500	29,800	30,000	**30,000**
Proceeds Long-Term Debt	9,630,000	2,075,000	3,600,000	8,000,000	0	**0**
Bond Premiums	254,560	38,710	0	0	0	**0**
Total Revenues	**10,435,270**	**5,215,400**	**3,619,500**	**8,029,800**	**30,000**	**30,000**
EXPENDITURES						
Capital Improvements	3,790,470	7,066,180	8,352,540	8,392,540	4,400,000	**4,400,000**
Tfr. to Road Bond Debt Fund	130,000	0	0	0	0	**0**
Total Expenditures	**3,920,470**	**7,066,180**	**8,352,540**	**8,392,540**	**4,400,000**	**4,400,000**
Excess of Revenues Over (Under) Expenditures	**6,514,800**	**(1,850,780)**	**(4,733,040)**	**(362,740)**	**(4,370,000)**	**(4,370,000)**
Beginning Fund Balance	**71,990**	**6,586,790**	**4,736,010**	**4,736,010**	**4,373,270**	**4,373,270**
Ending Fund Balance	**$6,586,790**	**$4,736,010**	**$2,970**	**$4,373,270**	**$3,270**	**$3,270**

STATE & LOCAL RETURNS

Revenue from Federal, State, and/or County grants is included in State and Local Returns. There is no grant revenue budgeted in fiscal year 2018/19.

OTHER FINANCING SOURCES

Other Financing Sources include all proceeds received from long-term debt as a result of planned Capital Project construction and/or acquisition by the City. Also included in this revenue center are transfers into the Capital Project Funds from other funds.

In the 2018/19 Budget, revenues generated from Other Financing Sources represent 96.8% of total revenue sources, a decrease of $2,472,050. This decrease is due to a decrease in proceeds from long-term debt, partially offset by a larger transfer from the General Fund to the Capital Projects Fund for the replacement of capital vehicles, equipment, and needed facility repairs.

OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Special Assessment Revenue, Reimbursements, Sale of Fixed Assets, Miscellaneous Revenue, and Interest and Penalties.

In the 2018/19 Budget, Other Revenues represent 3.2% of total revenue sources, a decrease of $101,370. This decrease is primarily due to a decrease in reimbursements from the City's Sidewalk Gap and Replacement Programs.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A budgeted Use of Fund Balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2018/19 Budget, use of fund balance as a revenue source totals $10,263,880. This is primarily due to a planned drawdown of reserves to fund Road Bond Construction Projects and City Facility Improvements for which bond proceeds were received in the current year.■

CAPITAL PROJECTS FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual Dollars	%	2017-2018 Budget Dollars	%	2018-2019 Budget Dollars	%
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	$5,297,860	39.80	$1,779,040	17.33	**$0**	**0.00**
539002	State Grants	0	0.00	7,000	0.07	**0**	**0.00**
	Total State & Local Returns	**5,297,860**	**39.80**	**1,786,040**	**17.40**	**0**	**0.00**
	OTHER FINANCING SOURCES						
698000	Proceeds Long-Term Debt	2,075,000	15.59	3,600,000	35.06	**0**	**0.00**
698001	Bond Premiums	38,711	0.29	0	0.00	**0**	**0.00**
699101	Transfer from General Fund	5,759,420	43.27	4,588,090	44.69	**5,716,040**	**96.76**
	Total Other Financing Sources	**7,873,131**	**59.15**	**8,188,090**	**79.75**	**5,716,040**	**96.76**
	OTHER REVENUE						
665000	Interest on Investments	43,850	0.33	41,500	0.40	**50,000**	**0.85**
665445	Interest & Penalties - Tax Roll	50	0.00	0	0.00	**50**	**0.00**
672000	Special Assessment Revenue	1,840	0.01	840	0.01	**930**	**0.02**
672445	SA Delinquent Interest & Penalties	29	0.00	450	0.00	**30**	**0.00**
672665	Special Assessment Interest	266	0.00	200	0.00	**110**	**0.00**
673000	Sale of Fixed Assets	0	0.00	0	0.00	**0**	**0.00**
675000	Contributions & Donations	0	0.00	0	0.00	**0**	**0.00**
676000	Reimbursements	6,249	0.05	190,000	1.85	**60,000**	**1.02**
677008	Unrealized Gain/Loss	8	0.00	0	0.00	**0**	**0.00**
685015	Miscellaneous Revenue - MCPWC	87,429	0.66	60,000	0.58	**80,500**	**1.36**
	Total Other Revenue	**139,721**	**1.05**	**292,990**	**2.85**	**191,620**	**3.24**
	Total Capital Projects Funds	**$13,310,712**	**100.00**	**$10,267,120**	**100.00**	**$5,907,660**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

CAPITAL PROJECT FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2016-2017 Actual		2017-2018 Budget		2018-2019 Budget	
		Dollars	%	Dollars	%	Dollars	%
	CAPITAL OUTLAY						
975000	Building & Improvements	$203,249	1.32	$307,290	2.04	**$6,202,500**	**38.35**
975010	Municipal Building Modernization	179,559	1.17	135,350	0.90	**18,000**	**0.11**
975020	Library Renovations	0	0.00	47,150	0.31	**0**	**0.00**
975130	Civic Center Concrete Replacement	923,645	6.00	0	0.00	**0**	**0.00**
975140	Miscellaneous DPW Improvements	0	0.00	100,000	0.67	**100,000**	**0.62**
975210	Fire Station Renovations	131,500	0.85	143,400	0.95	**0**	**0.00**
975220	Misc. Fire Station Improvements	390	0.00	155,800	1.04	**93,000**	**0.58**
979000	Computer Equipment	249,604	1.62	558,500	3.72	**1,748,880**	**10.81**
979080	Microsoft Office - Software	30,710	0.20	43,600	0.29	**0**	**0.00**
979100	Financial System - Software	0	0.00	0	0.00	**136,000**	**0.84**
979150	Financial System - Hardware	44,687	0.29	37,400	0.25	**64,800**	**0.40**
979800	Fire Department - Software	35,034	0.23	35,290	0.23	**0**	**0.00**
979850	Fire Department - Hardware	0	0.00	0	0.00	**85,400**	**0.53**
981000	Electronic Equipment	470,781	3.06	49,430	0.33	**64,800**	**0.40**
982000	Machinery & Equipment	292,155	1.90	506,500	3.37	**1,308,660**	**8.09**
982001	Machinery & Equipment - Grant	3,804	0.02	148,500	0.99	**0**	**0.00**
983000	Fire Equipment	223,135	1.45	17,590	0.12	**0**	**0.00**
984310	Vehicles - Police Investigations	46,482	0.30	0	0.00	**0**	**0.00**
984315	Vehicles - Police Operations	277,861	1.80	330,940	2.20	**309,500**	**1.91**
984337	Vehicles - Fire Administration	0	0.00	0	0.00	**17,500**	**0.11**
984338	Vehicles - Fire Transport	807,706	5.25	0	0.00	**0**	**0.00**
984339	Vehicles - Fire Extinguishment	825,000	5.36	0	0.00	**500,000**	**3.09**
984412	Vehicles - Building	0	0.00	20,000	0.13	**0**	**0.00**
984417	Vehicles - Neighborhood Services	0	0.00	0	0.00	**52,500**	**0.32**
984444	Vehicles - Street Services	533,027	3.46	490,000	3.26	**260,000**	**1.61**
984535	Vehicles - Refuse	0	0.00	0	0.00	**40,000**	**0.25**
984752	Vehicles - Parks & Recreation	7,938	0.05	0	0.00	**0**	**0.00**
984770	Vehicles - Parks & Grounds Maint	0	0.00	101,400	0.67	**70,000**	**0.43**
986000	Major Drain Improvements	87,429	0.57	60,000	0.40	**125,000**	**0.77**
987000	Public Art	0	0.00	0	0.00	**225,000**	**1.39**
988000	Construction	161,387	1.05	3,005,960	20.00	**4,750,000**	**29.37**
988254	Dodge Park - Metro Parkway to Utica	4,496,204	29.21	672,540	4.48	**0**	**0.00**
988259	15 Mile - Schoenherr to Morningdale	1,194,855	7.76	0	0.00	**0**	**0.00**
988271	15 Mile Resurfacing - Dequindre/Ryan	148,805	0.97	0	0.00	**0**	**0.00**
988275	Replacement Fuel Dispensing System	570,167	3.70	0	0.00	**0**	**0.00**
988278	Clinton River Restoration	2,223,629	14.44	1,641,540	10.92	**0**	**0.00**
988284	Canal Resurf - Schoenherr to Van Dyke	0	0.00	3,600,000	23.95	**0**	**0.00**
988285	15 Mile Resurf - Cavant to Mound	9,540	0.06	1,500,000	9.98	**0**	**0.00**
988286	Ryan Rd - 15 Mile to Metro Parkway	664,122	4.32	0	0.00	**0**	**0.00**
988291	M59 Regional Median Improvements	552,296	3.59	800,000	5.32	**0**	**0.00**
988297	2017 Sidewalk Replacement Program	60	0.00	520,000	3.46	**0**	**0.00**
	Total Capital Projects Funds	**$15,394,761**	**100.00**	**$15,028,180**	**100.00**	**$16,171,540**	**100.00**

Note: The 2016-2017 Actual Column is rounded to the nearest dollar.

Capital Projects Fund

The City of Sterling Heights uses a Capital Projects Fund to account for the development, improvement, and repair of capital facilities, and the purchase of capital vehicles and equipment, not financed by other funds. The receipt and disbursement of resources to be utilized for the construction or acquisition of capital facilities, and the performance of activities financed by governmental funds, is accounted for by capital funds. Receipts for such purposes arise from the sale of general obligation bonds, grants from other governmental units, transfers from other funds, or gifts from individuals or organizations.

The reason for creating a fund to account for capital projects, vehicles and equipment, is to provide a formal mechanism that enables administrators to ensure that revenues dedicated to a certain purpose are used for that purpose. This fund enables administrators to report to creditors and other grantors of capital projects fund resources that their requirements regarding the use of the resources were met.

As with all governmental funds, the Capital Projects Fund concentrates on inflows and outflows of available, spendable resources. Therefore, the Capital Projects Fund uses the modified accrual basis of accounting. The Capital Projects Fund has the authority to continue expenditures within prescribed limits until a project is completed.

Funding for Capital in 2018/19 totals $4,771,540. Of the total, $888,500 is to fund eight improvement projects for facilities and/or infrastructure:

- Pedestrian Bridge Maintenance Program ($350,000)
- Sterling Relief Drain Improvements ($125,000)
- Six Emergency Warning Sirens ($202,500)
- DPW Salt Barn Roof Replacement ($75,000)
- DPW Pole Barn Roof Replacement ($25,000)
- Replacement Generator at Fire Station #3 ($68,000)
- Washer and Dryer for each Fire Station ($25,000)
- City Hall Island Irrigation System ($18,000)

Capital equipment and information technology improvements total $2,633,540 and are detailed in the General Fund activity in which the capital will be utilized. Capital vehicles total $1,249,500 and are detailed in the General Fund activity in which the vehicle will be utilized.

For a complete list of all equipment, vehicles and projects, please refer to the Capital schedules on the following pages.■

Did you know…
…there are 617 miles of sidewalk and 2,535 street lights in the City?

Capital Projects Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

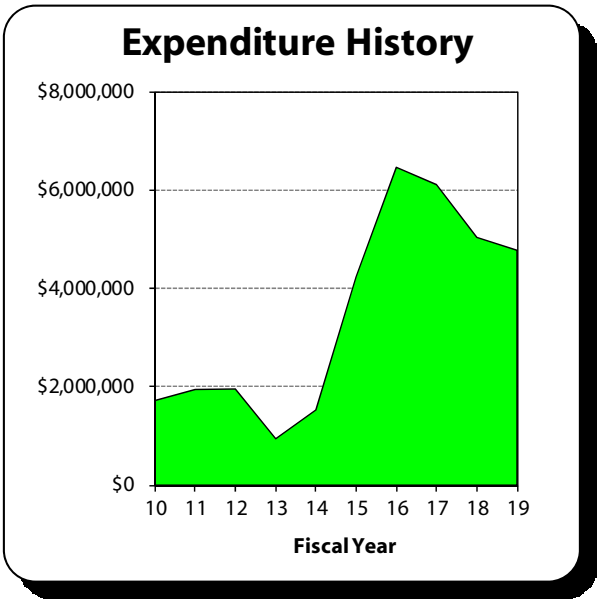
The total budget decreased by 5.2%.

Capital – Total Capital of $4,771,540 is proposed for next fiscal year. $1,598,460 is for capital equipment, $1,249,500 for capital vehicles, and $1,035,080 for the Information Technology Capital Program. ***The significant notes for equipment, vehicles, and Information Technology Capital can be found in the General Fund activity in which the Capital will be utilized***

Eight additional Capital Projects totaling $888,500 are also proposed:

- Pedestrian Bridge Maintenance Program ($350,000)
- Sterling Relief Drain Improvements ($125,000)
- Six Emergency Warning Sirens ($202,500)
- DPW Salt Barn Roof Replacement ($75,000)
- DPW Pole Barn Roof Replacement ($25,000)
- Replacement Generator at Fire Station #3 ($68,000)
- Washer and Dryer for each Fire Station ($25,000)
- City Hall Island Irrigation System ($18,000)

For a list of all Capital Equipment, Vehicles, and Projects, please refer to the schedules on the following pages.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Other Charges	$0	$0	$0	$0	$0
Capital Outlay	6,104,955	5,034,100	4,937,550	4,771,540	4,771,540
Transfers Out	0	0	0	0	0
Total	$6,104,955	$5,034,100	$4,937,550	$4,771,540	$4,771,540

Facilities Improvement Fund

The Facilities Improvement Fund is a temporary fund to account for the proceeds and expenditures of a $20 million Capital Improvement Bond issued in the Spring of 2018 to finance facilities infrastructure improvements for City Hall, the 41-A District Court, the Public Library and the Police Department.

The bond will finance improvements and maintenance identified as a result of the Facilities Condition Assessment commission in the Fall of 2017.

A wide range of improvements will be made across all four buildings. Projected expenditures by category are as follows:

- Heating & Cooling - $4,800,000
- Information Technology - $3,000,000
- Furniture - $2,800,000
- Structural Components - $2,600,000
- Electrical Systems - $1,500,000
- Lighting - $1,250,000
- Fire & Security Alarm Systems - $950,000
- Roofing Systems - $950,000
- Plumbing Systems - $850,000
- Elevators - $800,000
- Flooring - $500,000

It is anticipated that these improvements will be implemented over the next three years. After which, this fund will be closed.



In fiscal year 2018/19, $7,000,000 of the $20,000,000 bond proceeds are budgeted to be spent. ■







Did you know…
…the four buildings scheduled for facilities improvements are all at least 27 years old? The oldest being the City Hall, which was originally constructed in 1969?

Facilities Improvement Fund

SUMMARY OF BUDGET CHANGES

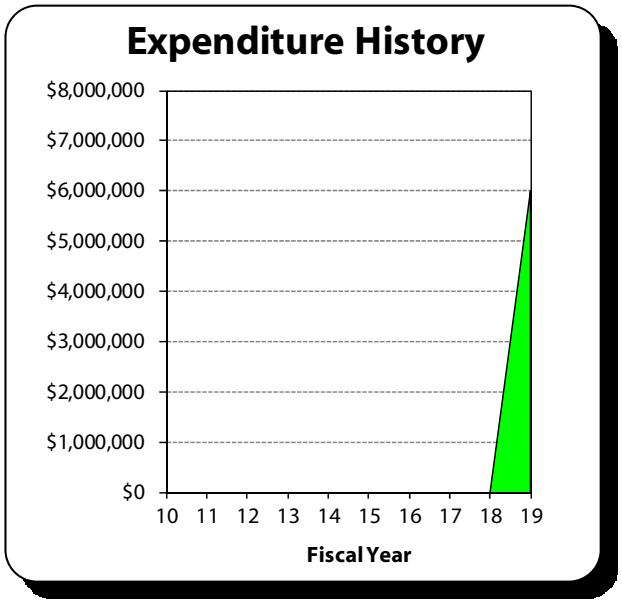
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 100%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – Total Capital of $7,000,000 is budgeted in the Facilities Improvement Fund. $6,000,000 is for facilities infrastructure improvements at City Hall, the 41-A District Court, Public Library and Police Department and $1,000,000 is for information technology improvements throughout all City buildings. These improvements were identified as part of the facilities condition assessment completed in 2017 and as part of the five-year information technology plan. The proceeds of a $20 million Capital Improvement bond sold in the spring of 2018 will be used to finance the improvements, which are anticipated to be implemented over the next three years.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Capital Outlay	0	0	0	7,000,000	7,000,000
Total	$0	$0	$0	$7,000,000	$7,000,000

Clinton River Restoration Fund

The Clinton River Restoration Fund is a temporary fund which provides for payment of construction activities related to the restoration of the Clinton River.

In fiscal year 2016/17, the City of Sterling Heights received a $4.5 million dollar grant from the Environmental Protection Agency (EPA) to administer the project along a nine mile stretch of the Clinton River from Hayes Road to the north city limits of the City of Utica. The EPA grant provides 100% reimbursement for all project related costs.

This ongoing project will make dramatic improvements along the designated nine-mile section of the Clinton River including:

- Creating new habitat and improving habitat diversity
- Accommodating a wide range of flows
- Reducing sedimentation and incision issues
- Alleviating bank erosion
- Managing woody debris blockages
- Controlling invasive species

The stream improvements will enhance recreation along the Clinton River and allow opportunities for canoeing and kayaking, hike and bike trails, fishing, and other leisure activities.

In fiscal year 2017/18, the budget was amended to reappropriate $1,641,540 of Federal Grant funding to complete the Clinton River Bank Restoration Project. There are no Capital Projects budgeted for this fund in 2018/19. ■



Did you know…
…that Clinton River Restoration made it possible to canoe and fish a section of the river that was previously very difficult to navigate due to river blockages?

Clinton River Restoration Fund

SUMMARY OF BUDGET CHANGES

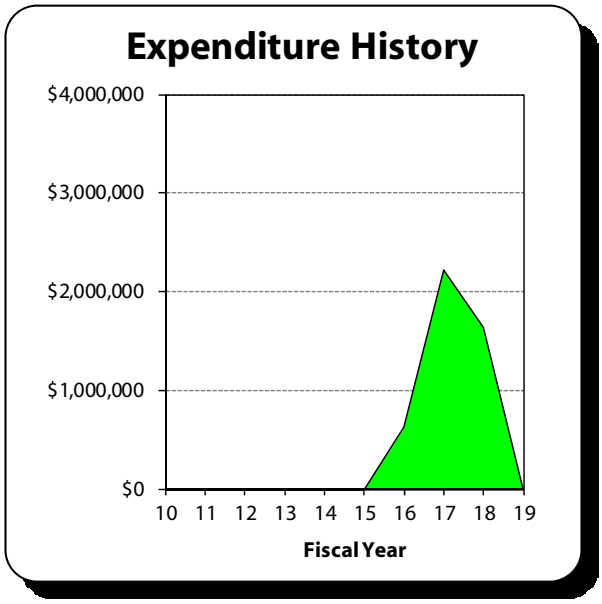
SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 100%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Transfers Out – There is no Capital proposed for this fund. The prior year budget was amended to reappropriate $1,641,540 of unspent federal grant funding to complete the Clinton River bank restoration project.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Capital Outlay	2,223,629	1,641,540	1,641,540	0	0
Total	$2,223,629	$1,641,540	$1,641,540	$0	$0

Road Bond Construction Fund

The Road Bond Construction Fund is a Capital Projects Fund that was established in compliance with Government Accounting Standards Board (GASB) No. 6. Proceeds from the Long-Term Debt account are the most significant revenue source for this Fund.

The Road Bond Construction Fund is used to account for transactions relating to road construction costs, paving, or storm drain activities financed by special assessments or long-term bonds. Other transactions, which are accounted for in this Fund, are associated road construction costs such as engineering costs, legal fees, advertising costs for bids, and rights-of-way acquisition costs.

The Road Bond Construction Fund is a self-balancing group of accounts used for recording bond proceeds received from the sale of bonds. The offsetting expenditures are for the construction of capital projects.

The Road Bond Construction Fund is a self-balancing group of accounts used for recording bond proceeds received from the sale of bonds. The offsetting expenditures are for the construction of capital projects as described below.

Proposal R, Michigan Transportation Fund, Build America Bonds, and Special Assessment Bonds are sold to finance the cost of the road construction projects within this Fund.

In fiscal year 2018/19, funding for capital projects totals $4,400,000. Of the total, $1,800,000 is for the resurfacing of Van Dyke from 18½ Mile Road to M-59. $2,100,000 is for the City's share of the emergency resurfacing of Mound Road from 14½ Mile to 18 Mile Road. The asphalt resurfacing of 14 Mile Road from Dequindre to Ryan Road is funded for $500,000. Proceeds from the sale of a road bond sold in the spring of 2018 will help fund the cost of these projects.

Additional information regarding the projects undertaken in the Road Bond Construction Fund can be found in the Capital Projects section of this document. ■

Did you know…
…with the help from a variety of funding sources, 2018/19 will see over $20 million in major road work?

Road Bond Construction Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2018/19 BUDGET COMPARED TO PRIOR YEAR BUDGET

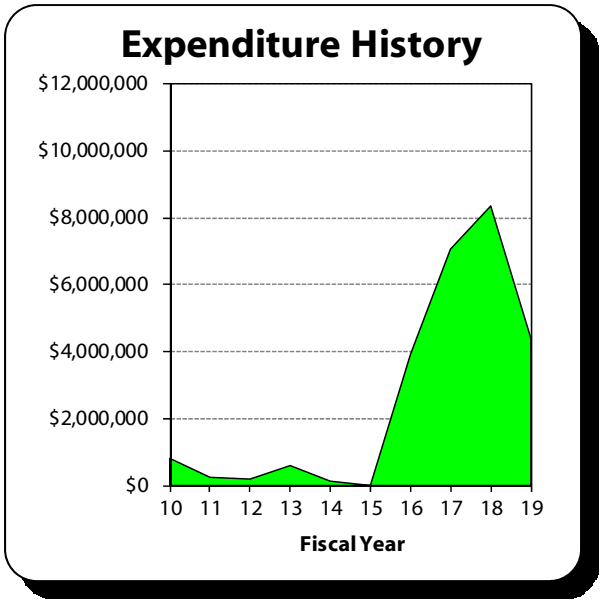
The total budget decreased by 47.3%.

Supplies – There is no Supplies budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – Total capital of $4,400,000 is proposed for the 2018/19 fiscal year. $1,800,000 is funded for the resurfacing of Van Dyke from 18½ Mile Road to M-59. $2,100,000 is budgeted for the city share of the emergency resurfacing of Mound Road from 14½ Mile to 18 Mile Road. $500,000 is for the asphalt resurfacing of 14 Mile Road from Dequindre to Ryan Road. A bond sold in the spring of 2018 will help fund the cost of these projects.

Transfers Out – There are no Transfers Out proposed for this fund.



FUNDING LEVEL SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Estimate	2018/19 Proposed	2018/19 Approved
Supplies	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Capital Outlay	7,066,176	8,352,540	8,392,540	4,400,000	4,400,000
Transfers Out	0	0	0	0	0
Total	$7,066,176	$8,352,540	$8,392,540	$4,400,000	$4,400,000

Capital Improvements Program

Since Sterling Heights was incorporated as a city on July 1, 1968, it has proudly followed its motto "To Strive on Behalf of All". Its 36.8 square miles makes Sterling Heights the third largest city in Michigan geographically. Fifty (50) years after its incorporation, the City has matured into a community serving approximately 131,750 residents. Coupled with the City's rapid growth has been a desire to provide top quality city services with an emphasis on roads, beautiful parks and safe neighborhoods.

Along with the desire to provide for quality service is the realization that needs always exceed resources. In order to ensure that all facets of a Capital Improvements Program were addressed, City Council in 1987 approved the creation of a Citizen's Executive Committee to consider and prioritize hundreds of proposed projects to be undertaken over the next ten (10) years. The results of this effort by the Executive Committee have been used in concert with updated information to provide the backbone for the Municipal Improvement Program (MIP), a five-year capital planning program.

The development of this program document marks the continuation of a capital improvement planning process for the City. The need for establishing a multi-year municipal improvement program and a planning process became increasingly evident as the City continued to grow into the new millennium. The goal in developing a municipal improvement program is to plan for and guide needed capital improvements and expenditures in a fiscally sound manner and to ensure that these improvements are consistent with the goals and policies of the City Council and the residents of Sterling Heights.

The multi-year Municipal Improvement Program alternatives and financing options are not intended to preclude other combinations or initiatives, but rather may provide a framework within which beneficial solutions may be forged.

The development of a comprehensive MIP is a vital and essential tool for planning and development of the social, physical, and economic well being of the City of Sterling Heights. This program is a necessary step in an organized effort to strengthen the quality of public facilities and services and will provide a framework for the realization of community goals and objectives and a sound basis on which to build a healthy and vibrant community.

The Municipal Improvement Program relies heavily upon the established groundwork already set in motion. Master Plans specific to unique areas have completed the preliminary stages necessary for a municipal improvement program to be successful. An introduction and brief overview to these master plans will establish a foundation upon which the Municipal Improvement Program will expound.

The complexity of each master plan demands thorough investigation for precise answers to specific questions. Information has been extracted from all of the original master plans and compiled into one document for enhanced readability. The improvements are justified when reviewed in concert with the specific master plans of the City.

The continuous relationship exists between the Municipal Improvement Program and the Budget Document. As mentioned above, the MIP entails a five (5) year overview of capital needs of the City. 2017/18 is the first year of the MIP. The second year (2018/19) of the MIP represents the capital projects that are funded in this budget document. Therefore, a direct link can be seen between the two documents, as there should be in a strategic planning environment.

In fiscal year 2018/19, the City's total capital funding is $53,968,000. Of the total, $49,115,680 is budgeted for improvements, $1,807,630 is for equipment, $2,009,610 is for vehicles, and $1,035,080 is for the Information Technology Capital Program.

The following schedules detail specific projects to be undertaken by major category. The first three sets of schedules in the Capital Improvement Program detail the equipment, technology improvements, and vehicles that are budgeted. These categories of capital are usually funded utilizing General Fund Tax Revenue. Capital equipment and vehicles are budgeted in the Capital Projects Fund with the exception of drug forfeiture purchases and Parks & Recreation purchases, which are budgeted and expensed in their respective funds. The Water & Sewer Fund equipment, vehicles, and technology improvements are budgeted within the respective Water & Sewer division. The fourth and last set of schedules detail capital improvement costs, future years operating costs, including debt costs for each project and the proposed method of funding these costs.

The Capital Projects Fund is also used to account for the development of capital facilities other than those financed by the Enterprise Fund. The budget for facility improvements in the Capital Projects Fund for fiscal year 2018/19 is $888,500.

The Facilities Improvement Fund is a temporary fund created to account for the proceeds and expenditures of a $20 million Capital Improvement Bond issued in the Spring of 2018 to finance facilities infrastructure improvements for City Hall, the 41-A District Court, the Public Library and the Police Department. In 2018/19 $7,000,000 is budgeted for facility improvements.

The Road Bond Construction Fund is used to account for transactions relating to road construction, paving, or storm drain activities financed by special assessments. Road construction projects financed wholly or in part by bond issues are also accounted for in this fund. In fiscal year 2018/19, the budgeted expenditures for the Road Bond Construction Fund total $4,400,000.

Gas & Weight tax revenue received in the Major Road Fund is used for construction, maintenance and other operations pertaining to all streets classified as "major" within the City. These revenues are generated by the tax on gasoline & vehicle sales. Funds are distributed to each community based on population, miles, and classification of road types and are commonly referred to as Act 51 Funds. Major Road Fund street improvements totaling $10,075,000 are budgeted for fiscal year 2018/19.

Transportation projects scheduled in 2018/19 are categorized as County road improvements, pavement rehabilitation and resurfacing projects, traffic controls & intersection improvements, and bridge rehabilitation.

The Local Road Fund provides for the construction, maintenance, traffic services, and snow & ice control for streets classified as "local" within the City. Local Road Fund street improvements totaling $4,230,090 are budgeted for fiscal year 2018/19.

The General Drain Fund services debt that was created by the sale of bonds by Macomb County under Chapter 20. The proceeds from these bond sales are realized in the Capital Projects Fund and are used to construct drains within the City. In 2018/19, there are no new drains programmed.

The Community Development Block Grant Fund has been used in constructive ways in prior years for the development of the community. In 2018/19, $436,000 is budgeted for parking lot expansion and replacement flooring at the Senior Center, concrete reconstruction on Newell Drive, and DPW tree planting.

The Local Development Finance Authority Fund is utilized for the improvements and operational costs associated with the business incubator and redevelopment in the City's commercial corridor district. In 2018/19, $1,000,000 is budgeted for SmartZone District Improvements including signage and concrete replacement on Sterling Drive.

The Land & Water Conservation Fund is used to reflect all activities related to the acquisition and development of parks. These activities are mostly financed through Land & Water Conservation and Michigan Land Trust Fund grants and the sale of excess City property. The grants have been provided to the City on a matching basis with the General Fund typically providing the match. This year there are no capital projects funded in the Land & Water Conservation Fund.

The Clinton River Restoration Fund is a temporary fund that is utilized for construction activities related to the restoration of the Clinton River. In 2017/18, the budget was amended to reappopriate $1,641,540 of unspent Federal grant funding from the prior year to complete the project. In 2018/19, there are no capital projects budgeted.

The Parks & Recreation Fund was created after voter approval of the *Re*creating Recreation millage in November 2016. In 2018/19, $20,756,090 is budgeted for Parks & Recreation improvements.

The Corridor Improvement Authority Fund is used to account for public improvements that are made utilizing tax increment financing. For 2018/19, there are no public improvements planned.

The primary funding sources for Water & Sewer Fund improvements and replacement projects are fees charged for connections into the existing system and funding from special assessments. Water main expenditures of $330,000 are programmed. ■

It doesn't matter who scores the points,
it's who can get the ball to the scorer.

~ Larry Bird ~



CAPITAL EQUIPMENT

Activity Name	Acct.	Account Name	CURRENT CAPITAL BUDGET							FUTURE CAPITAL REQUESTS		
			Qty.	Budget 2017/18	Estimate 2017/18	Qty.	Proposed Budget 2018/19	Qty.	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
City Administration Department												
City Clerk												
Election Tabulators & ADA Equipment	982	Machinery & Equip.	55	162,500	13,050							
High Speed Ballot Counters	982	Machinery & Equip.	2	70,000	36,420							
Agenda Management Software	982	Machinery & Equip.	1		108,530							
Voting Booths	982	Machinery & Equip.				135	32,000	135	32,000	32,000	32,000	
Replacement Election Laptops	982	Machinery & Equip.								45,000		
Express Vote Machines	982	Machinery & Equip.								90,000	90,000	
Records Retention Storage	982	Machinery & Equip.										50,000
Total City Administration			**58**	**$232,500**	**$158,000**	**135**	**$32,000**	**135**	**$32,000**	**$167,000**	**$122,000**	**$50,000**
Public Library Department												
Alarm System	982	Machinery & Equip.	1	15,710	16,500							
Story Walk Picture Book Display	982	Machinery & Equip.				2	14,000	2	14,000			
Total Public Library			**1**	**$15,710**	**$16,500**	**2**	**$14,000**	**2**	**$14,000**	**$0**	**$0**	**$0**
City Development												
Engineering												
Robotic Survey Instrument	982	Machinery & Equip.				**1**	23,000	**1**	23,000			
Total City Development			**0**	**$0**	**$0**	**1**	**$23,000**	**1**	**$23,000**	**$0**	**$0**	**$0**
Police Department												
Police Administration												
Washer/Dryer for Kennel (Grant)	982	Machinery & Equip.	1	7,000	7,010							
Total Police Administration			***1***	***$7,000***	***$7,010***	***0***	***$0***	***0***	***$0***	***$0***	***$0***	***$0***
Police Operations												
Vehicle Crash Reconstruction System	982	Machinery & Equip.	1	26,500	26,500							
Portable Vehicle Scales	982	Machinery & Equip.	2	9,790	9,790							
Throw Phone System (Grant)	982	Machinery & Equip.	1	21,500	21,500							
800 mhz Radios	982	Machinery & Equip.				265	750,000	265	750,000			
Total Police Operations			***4***	***$57,790***	***$57,790***	***265***	***$750,000***	***265***	***$750,000***	***$0***	***$0***	***$0***

CAPITAL EQUIPMENT

Activity Name	Acct.	Account Name	CURRENT CAPITAL BUDGET							FUTURE CAPITAL REQUESTS		
			Qty.	Budget 2017/18	Estimate 2017/18	Qty.	Proposed Budget 2018/19	Qty.	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
Police Investigations												
Tactical Vest Plate Carrier System	982	Machinery & Equip.				12	22,660	12	22,660			
Total Police Investigations			***0***	***$0***	***$0***	***12***	***$22,660***	***12***	***$22,660***	***$0***	***$0***	***$0***
Total Police Department			**5**	**$64,790**	**$64,800**	**277**	**$772,660**	**277**	**$772,660**	**$0**	**$0**	**$0**
Fire Department												
Fire Extinguishment												
Air Compressor - Grant	982	Machinery & Equip.	1	110,000	110,000							
Air Monitoring Equipment - Grant	982	Machinery & Equip.	1	17,000	0							
Rapid Intervention Team Air Pack	983	Fire Equipment	3	12,390	11,680							
Fire Hose Tester	983	Fire Equipment	2	5,200	5,200							
Emergency Vehicle Preemption System	981	Electronic Equip.				18	64,800	18	64,800			
Total Fire Extinguishment			***7***	***$144,590***	***$126,880***	***18***	***$64,800***	***18***	***$64,800***	***$0***	***$0***	***$0***
Fire Administration												
800 mhz Radios	982	Machinery & Equip.				116	410,000	116	410,000			
EKG Monitor/Defibrillator	982	Machinery & Equip.								76,000	41,000	43,000
SCBA Air Packs	982	Machinery & Equip.								72,000	72,000	72,000
Total Fire Administration			***0***	***$0***	***$0***	***116***	***$410,000***	***116***	***$410,000***	***$148,000***	***$113,000***	***$115,000***
Total Fire Department			**7**	**$144,590**	**$126,880**	**134**	**$474,800**	**134**	**$474,800**	**$148,000**	**$113,000**	**$115,000**
Public Works Department												
Fleet Maintenance												
Fork Lift	982	Machinery & Equip.	1	50,000	50,000							
Tire Changer	982	Machinery & Equip.	1	9,000	9,000							
Wheel Balancer	982	Machinery & Equip.				1	15,500	1	15,500			
Total Fleet Maintenance			***2***	***$59,000***	***$59,000***	***1***	***$15,500***	***1***	***$15,500***	***$0***	***$0***	***$0***
Parks & Grounds Maintenance												
Brush Flail	982	Machinery & Equip.	1	60,000	60,170							
Irrigation Monitoring System	981	Electronic Equip.	12	9,500	7,800							
Kubota 4x4 Utility Vehicle	982	Machinery & Equip.				1	28,000	1	28,000	28,000		
26' Landscape Trailer	982	Machinery & Equip.				1	4,000	1	4,000	4,000		
Total Parks & Grounds Maintenance			***13***	***$69,500***	***$67,970***	***2***	***$32,000***	***2***	***$32,000***	***$32,000***	***$0***	***$0***

CAPITAL EQUIPMENT

Activity Name	Acct.	Account Name	CURRENT CAPITAL BUDGET							FUTURE CAPITAL REQUESTS		
			Qty.	Budget 2017/18	Estimate 2017/18	Qty.	Proposed Budget 2018/19	Qty.	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
Street Services												
Roller	982	Machinery & Equip.	1	60,000	53,050							
Brine Tank	982	Machinery & Equip.	1	5,000	7,500							
Arrow Boards	982	Machinery & Equip.				1	6,000	1	6,000	6,000		
Rollover Graphic Applicator	982	Machinery & Equip.								25,000		
Backhoe Tractor	982	Machinery & Equip.										215,000
Branch Chipper	982	Machinery & Equip.								60,000		
Mobile Column Lifts	982	Machinery & Equip.									60,000	
Stump Grinder	982	Machinery & Equip.									75,000	
Trailer	982	Machinery & Equip.								8,000		8,000
End Loader	982	Machinery & Equip.										275,000
Patch Oven	982	Machinery & Equip.									50,000	
Spray Patcher	982	Machinery & Equip.									80,000	
Lazer Grader	982	Machinery & Equip.								20,000		
Total Street Services			***2***	***$65,000***	***$60,550***	***1***	***$6,000***	***1***	***$6,000***	***$119,000***	***$265,000***	***$498,000***
Total Public Works Department			**17**	**$193,500**	**$187,520**	**4**	**$53,500**	**4**	**$53,500**	**$151,000**	**$265,000**	**$498,000**
Community Relations Department												
Community Relations												
Council Chambers TV Production Equipment	981	Electronic Equip.	1	39,930	39,930							
Printing Press	982	Machinery & Equip.	1	12,500	12,190							
Booklet Maker	982	Machinery & Equip.	1	15,000	12,670							
Envelope Feeder	982	Machinery & Equip.	1	3,500	3,090							
Ikan Lyra Bi-Color Light Kit	982	Machinery & Equip.				1	3,500	1	3,500			
Public Art	987	Public Art					225,000		225,000	225,000	225,000	225,000
Total Community Relations Department			**4**	**$70,930**	**$67,880**	**1**	**$228,500**	**1**	**$228,500**	**$225,000**	**$225,000**	**$225,000**
Total Capital Projects Fund			**92**	**$722,020**	**$621,580**	**554**	**$1,598,460**	**554**	**$1,598,460**	**$691,000**	**$725,000**	**$888,000**

CAPITAL EQUIPMENT

Activity Name	Acct.	Account Name	CURRENT CAPITAL BUDGET							FUTURE CAPITAL REQUESTS		
			Qty.	Budget 2017/18	Estimate 2017/18	Qty.	Proposed Budget 2018/19	Qty.	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
Parks & Recreation Fund												
Sound System Equipment	982	Machinery & Equip.	1	3,050	3,050							
Genie Aerial Work Platform	982	Machinery & Equip.				1	9,800	1	9,800			
Ice Edger and Flooding Hose	982	Machinery & Equip.				1	7,000	1	7,000			
Blademaster Portable Skate Sharpener	982	Machinery & Equip.				1	5,500	1	5,500			
Total Parks & Recreation Fund			**1**	**$3,050**	**$3,050**	**3**	**$22,300**	**3**	**$22,300**	**$0**	**$0**	**$0**
Public Safety Forfeiture Fund												
Federal Justice Forfeitures												
Laptops	979	Computer Equip.	2	3,810	7,620							
Pix 4D Software & Desktop Computer	979	Computer Equip.				1	11,700	1	11,700			
Camera System for Transport Van	981	Electronic Equip.			5,880							
Handheld Radar/Laser Gun	982	Machinery & Equip.	4	10,620	11,520							
Navy Night Vision & Thermal Imaging Goggles	982	Machinery & Equip.				1	900	1	900			
Unmanned Aircraft System (Drone)	982	Machinery & Equip.				1	9,060	1	9,060			
BLK360 Laser Scanner w/GPS Ant.	982	Machinery & Equip.				0	0	0	0			
PD Elevator Security & Camera	982	Machinery & Equip.				1	22,000	1	22,000			
PD Interview Rooms Video Replacement	982	Machinery & Equip.				1	50,000	1	50,000			
Total Federal Justice Forfeitures			***6***	***$14,430***	***$25,020***	***5***	***$93,660***	***5***	***$93,660***	***$0***	***$0***	***$0***
OWI Forfeitures												
Traffic Data Collector	982	Machinery & Equip.				1	2,840	1	2,840			
Total OWI Forfeitures			***0***	***$0***	***$0***	***1***	***$2,840***	***1***	***$2,840***	***$0***	***$0***	***$0***
State Forfeitures												
K9 & K9 Insert	982	Machinery & Equip.				2	21,570	2	21,570			
Total State Forfeitures			***0***	***$0***	***$0***	***2***	***$21,570***	***2***	***$21,570***	***$0***	***$0***	***$0***
Total Public Safety Forfeiture Fund			**6**	**$14,430**	**$25,020**	**8**	**$118,070**	**8**	**$118,070**	**$0**	**$0**	**$0**

CAPITAL EQUIPMENT

Activity Name	Acct.	Account Name	CURRENT CAPITAL BUDGET							FUTURE CAPITAL REQUESTS		
			Qty.	Budget 2017/18	Estimate 2017/18	Qty.	Proposed Budget 2018/19	Qty.	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
Water & Sewer Fund												
Water & Sewer Administration												
City Works Asset Management Program	981	Electronic Equip.	1	37,030	37,030							
GIS Utility Integration - (80% Grant)	982	Machinery & Equip.	1	425,060	425,060							
Backhoe Tractor	982	Machinery & Equip.										215,000
Jet Rodder Hose	982	Machinery & Equip.								5,000		5,000
Sanitary Lift Station Digester	982	Machinery & Equip.									50,000	50,000
6" Submersible Lift Station Pump	982	Machinery & Equip.									35,000	
Total Water & Sewer Administration			***2***	***$462,090***	***$462,090***	***0***	***$0***	***0***	***$0***	***$5,000***	***$85,000***	***$270,000***
Water Distribution												
Booster Station Upgrade	982	Machinery & Equip.	1	223,820	223,820							
Total Water Distribution			***1***	***$223,820***	***$223,820***	***0***	***$0***	***0***	***$0***	***$0***	***$0***	***$0***
Sewer Collection												
Sewer Televising Camera	982	Machinery & Equip.	1	45,000	51,490							
Cement Saw	982	Machinery & Equip.	1	18,000	25,310							
Backhoe Loader	982	Machinery & Equip.	1	210,000	182,150							
Net Asset Inspection Software (SAW Grant)	982	Machinery & Equip.	1		37,450							
Sonetics Wireless Communication System	982	Machinery & Equip.				1	9,800	1	9,800			
Concrete Mixer	982	Machinery & Equip.				2	9,000	2	9,000			
Riverland Lift Station Backup Generator	982	Machinery & Equip.				1	50,000	1	50,000			
KISM Scata Sanitary Lift Stations	982	Machinery & Equip.								25,000		
Total Sewer Collection			***4***	***$273,000***	***$296,400***	***4***	***$68,800***	***4***	***$68,800***	***$25,000***	***$0***	***$0***
Total Water & Sewer Fund Equipment			**7**	**$958,910**	**$982,310**	**4**	**$68,800**	**4**	**$68,800**	**$30,000**	**$85,000**	**$270,000**
Total City Equipment			**106**	**$1,698,410**	**$1,631,960**	**569**	**$1,807,630**	**569**	**$1,807,630**	**$721,000**	**$810,000**	**$1,158,000**

INFORMATION TECHNOLOGY CAPITAL PROGRAM

Activity Name	Account	Account Name	Qty.	Item Description	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS		
					Budget 2017/18	Estimated Budget 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
CAPITAL PROJECTS FUND											
Information Technology											
Information Technology	979.000	Computer Equipment	4	Repl. Storage & Controlling Servers	558,500	558,500					
Information Technology	979.080	Computer Equipment	1	Updated Email Exchange License	43,600	43,600					
Assessing	979.150	Computer Equipment	7	Replacement Personal Computer	5,950	5,950					
City Clerk	979.150	Computer Equipment	6	Replacement Personal Computer	5,100	5,100					
City Development	979.150	Computer Equipment	1	Replacement Personal Computer	850	850					
41-A District Court	979.150	Computer Equipment	3	Replacement Personal Computer	2,550	2,550					
Engineering	979.150	Computer Equipment	9	Replacement Personal Computer	7,650	7,650					
Building & Facility Maintenance	979.150	Computer Equipment	1	Replacement Personal Computer	850	850					
Library	979.150	Computer Equipment	2	Replacement Personal Computer	1,700	1,700					
Public Works	979.150	Computer Equipment	15	Replacement Personal Computer	12,750	12,750					
Fire Department	979.800	Computer Equipment	8	Electronic Medical Reporting System	35,290	35,290					
Information Technology	979.000	Computer Equipment	1	Phone System/Voicemail			570,380	570,380			
Information Technology	979.000	Computer Equipment	1	Internet HA/Internet Security Firewalls			68,000	68,000			
Information Technology	979.000	Computer Equipment	1	Disaster Recovery Site Equipment			110,500	110,500			
Information Technology	979.850	Computer Equipment	1	UPS System			85,400	85,400			
Building	979.150	Computer Equipment	19	Replacement Personal Computer			17,100	17,100			
Finance	979.150	Computer Equipment	1	Replacement Personal Computer			900	900			
Information Technology	979.150	Computer Equipment	4	Replacement Personal Computer			3,600	3,600			
Parks & Recreation	979.150	Computer Equipment	8	Replacement Personal Computer			7,200	7,200			
Nature Center	979.150	Computer Equipment	3	Replacement Personal Computer			2,700	2,700			
Senior Center	979.150	Computer Equipment	12	Replacement Personal Computer			10,800	10,800			
Police Department	979.150	Computer Equipment	24	Replacement Personal Computer			21,600	21,600			
Purchasing	979.150	Computer Equipment	1	Replacement Personal Computer			900	900			
Financial Services	979.100	Financial System-Softw	1	Timekeeping/Software System			136,000	136,000	56,000	56,000	56,000
Information Technology	979.000	Computer Equipment	1	Video Surveillance					390,580		
Information Technology	979.000	Computer Equipment	1	Wired Network							270,750
Information Technology	979.000	Computer Equipment	1	Presentation Equipment					307,550		
Various	979.150	Computer Equipment		Desktops/Laptops					73,780	73,780	73,780
Information Technology	979.000	Computer Equipment	1	Wireless Network					321,060		
Information Technology	979.000	Computer Equipment	1	Document Imaging						256,250	
Information Technology	979.000	Computer Equipment	1	Door Access Security System							449,010
Information Technology	979.000	Computer Equipment	1	Copiers / Printers						285,900	
Information Technology	979.000	Computer Equipment	1	Software / Licensing					83,980	93,830	88,500
Information Technology	979.000	Computer Equipment	1	Disaster Recovery							160,500
Total Capital Projects Fund			**145**		**$ 674,790**	**$ 674,790**	**$ 1,035,080**	**$1,035,080**	**$ 1,232,950**	**$ 765,760**	**$ 1,098,540**
Water & Sewer Fund											
Water & Sewer Administration	979.000	Computer Equipment	13	Replacement Personal Computer	11,050	11,050					
Total Water & Sewer Fund			**13**		**11,050**	**11,050**	**-**	**-**	**-**	**-**	**-**
Total City Information Technology			**158**		**$ 685,840**	**$ 685,840**	**$ 1,035,080**	**$1,035,080**	**$ 1,232,950**	**$ 765,760**	**$ 1,098,540**

Today's average consumers
wear more computing power on their wrists
than existed in the entire world before 1961.



CAPITAL VEHICLES

Vehicle Description	Acct. No.	Responsible Activity	CURRENT CAPITAL BUDGET							FUTURE CAPITAL REQUESTS		
			Qty	Budget 2017/18	Estimate 2017/18	Qty	Proposed Budget 2018/19	Qty	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
CAPITAL PROJECTS FUND												
Full-Size V8 4-Door Patrol & Traffic SUV	984315	Police Operations	9	260,940	260,940							
Police Vehicle Mounts, Light Bars, Push Bumpers	984315	Police Operations	9	70,000	70,000							
Tandem Axle Dump Truck	984444	DPW Street Services	1	270,000	265,730							
Aerial Sign Truck	984444	DPW Street Services	1	220,000	139,280							
Mini Dump Truck	984770	DPW Parks & Grounds	1	65,480	65,480							
4 x 4 Pickup Truck w/Plow	984770	DPW Parks & Grounds	1	35,920	35,920							
Mid-Size Vehicle	984412	Facilities Maintenance	1	20,000	20,080							
Vehicle Replacement Plan	984315	Police Operations				9	269,500	9	269,500	270,000	275,000	280,000
Police Vehicle Accessory Equipment	984315	Police Operations				1	40,000	1	40,000	41,000	42,000	43,000
Fire Engine	984339	Fire Extinguishment				1	500,000	1	500,000	670,000		752,000
Vehicle Replacement Plan	984000	DPW Fleet				6	150,000	6	150,000	155,000	160,000	165,000
Ford Ranger 4x4 Pickup	984770	DPW Parks & Grounds				1	30,000	1	30,000			
Tandem-Axle Dump Truck w/Plow	984444	DPW Street Services				1	220,000	1	220,000	260,000	260,000	260,000
4x4 Pickup w/Snow Plow	984444	DPW Street Services				1	40,000	1	40,000	40,000	40,000	40,000
Battalion Chief Vehicle	984337	Fire Administration										62,000
Staff Vehicle	984337	Fire Administration								30,000	32,000	34,000
Ambulance Chassis	984338	Fire Extinguishment										700,000
Fire Utility Vehicle	984339	Fire Extinguishment								309,000		
Ambulances	984339	Fire Extinguishment									515,000	546,000
Single Axle Dump Truck w/Plow	984444	DPW Street Services								250,000		250,000
Street Sweeper	984444	DPW Street Services								280,000		280,000
Dump Truck w/ Plow	984770	DPW Parks & Grounds								190,000		
Total Capital Projects Fund Vehicles			**23**	**$942,340**	**$857,430**	**20**	**$1,249,500**	**20**	**$1,249,500**	**$2,495,000**	**$1,324,000**	**$3,412,000**
PARKS & RECREATION FUND												
28 Passenger Vehicle	984000	Parks & Recreation (SMART Credits)	1	98,400	98,400							
Ford Transit Vans	984000	Parks & Recreation (SMART Credits)	2	99,400	99,400							
GPS Units	984000	Parks & Recreation (SMART Credits)	10	3,000	3,000							
SUV	984000	Parks & Recreation	1	30,000	30,000							
Four Wheel Drive Vehicle	984000	Parks & Recreation	1	24,000	24,000							
John Deere Gator	984000	Parks & Recreation				2	21,860	2	21,860			
John Deere Gator TX	984000	Parks & Recreation				1	10,000	1	10,000			
Zamboni Model 446	984000	Parks & Recreation				1	60,000	1	60,000			
Cub Cadet Challenger 400 LX UV	984000	Parks & Recreation								7,000		
Chevy Colorado PickUp 4x4	984000	Parks & Recreation								27,000		
Ford Fusion (Replacement #1509)	984000	Parks & Recreation									20,000	
Ford Fusion (Replacement #1507)	984000	Parks & Recreation										21,000
Ford 150 4x4 Extended Cab	984000	Parks & Recreation										30,000
Total Parks & Recreation Fund Vehicles			**15**	**$254,800**	**$254,800**	**4**	**$91,860**	**4**	**$91,860**	**$34,000**	**$20,000**	**$51,000**

CAPITAL VEHICLES

Vehicle Description	Acct. No.	Responsible Activity	CURRENT CAPITAL BUDGET							FUTURE CAPITAL REQUESTS		
			Qty	Budget 2017/18	Estimate 2017/18	Qty	Proposed Budget 2018/19	Qty	Approved Budget 2018/19	Dept. Request 2019/20	Dept. Request 2020/21	Dept. Request 2021/22
PUBLIC SAFETY FORFEITURE FUND												
Mid-Size Vehicle-Investigations	984000	Police Investigations	3	72,680	72,680							
Transit Wagon	984000	Police Investigations	1	46,350	46,350							
Mid-Size Vehicle-Criminal Response Unit	984000	Police Operations	2	47,100	47,100							
Prisoner Transport Van	984000	Police Operations	1	46,050	46,050							
Vehicle Replacement Plan	984000	Police Investigations				5	140,000	5	140,000	142,000	144,000	146,000
Motorcycles	984000	Police Operations				2	25,250	2	25,250			
Animal Control Van	984000	Police Support Services				1	30,000	1	30,000			
Total Public Safety Forfeiture Fund Vehicles			**7**	**$212,180**	**$212,180**	**8**	**$195,250**	**8**	**$195,250**	**$142,000**	**$144,000**	**$146,000**
WATER & SEWER FUND												
Sanitary Sewer Camera Truck	984000	Sewage Collection				1	410,000	1	410,000			
One Ton 4x4 Truck and Service Box	984000	Water Distribution				1	63,000	1	63,000			
Meter Installer Van (3214)	984000	Water Distribution								25,000		
Service Worker Vehicle (4213)	984000	Water Distribution								65,000		
4x4 Pickup w/snow plow (3238)	984000	Sewage Collection								40,000	40,000	40,000
Flat Bed Dump Truck (6231)	984000	Sewage Collection									145,000	
Flat Bed Dump Truck (6204)	984000	Sewage Collection										145,000
Flat Bed Dump Truck (6205)	984000	Sewage Collection										
Combination Jet/Vactor (9200)	984000	Sewage Collection								500,000		
Crane Maintenance Truck (6241)	984000	Sewage Collection									135,000	
Combination Jet/Vactor (99-022)	984000	Sewage Collection										
Tandem Axle Dump Truck w/plow (99-003)	984000	Sewage Collection								260,000		
Total Water & Sewer Fund Vehicles			**-**	**$0**	**$0**	**2**	**$473,000**	**2**	**$473,000**	**$890,000**	**$320,000**	**$185,000**
Total City Vehicles			**45**	**$1,409,320**	**$1,324,410**	**34**	**$2,009,610**	**34**	**$2,009,610**	**$3,561,000**	**$1,808,000**	**$3,794,000**

CAPITAL IMPROVEMENTS

Account	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS			Funding Source	Estimated Annual Operating Costs (Including Debt Repayment)				
			Budget 2017/18	Estimate 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Department Requests 2019/20	Department Requests 2020/21	Department Requests 2021/22		Estimated Current Yr. 2017/18	Budget Year 2018/19	Future Years		
													2019/20	2020/21	2021/22
	CAPITAL PROJECTS FUND														
975000	(4) Replacement Emergency Warning Sirens	124,000	124,000	123,760						GF	0	0	0	0	0
975000	Police Station Basement Air Conditioning	129,000	129,000	129,000						GF	600	600	600	600	600
975000	Repairs to Leaking Outdoor Pond - City Hall/Police Station	40,000	40,000	40,000						GF	0	0	0	0	0
975000	41A District Court Basement Waterproofing	8,200	8,200	8,200						GF	0	0	0	0	0
975000	Glass Walls for Employee Lounge	6,090	6,090	6,090						GF	0	0	0	0	0
975000	(6) Replacement Emergency Warning Sirens	202,500			202,500	202,500				GF	0	0	0	0	0
975010	Replacement Workstations, Carpeting, Painting - Police Investigation Offices	132,850	132,850	132,850						GF	0	0	0	0	0
975010	Gazebo Roof Replacement - Upton House	2,500	2,500	2,500						GF	0	0	0	0	0
975010	City Hall Island Irrigation System	18,000			18,000	18,000				GF	0	500	500	500	500
975020	Library Restroom Upgrades	35,000	35,000	34,930						GF	0	0	0	0	0
975020	Replacement Carpeting - Library Programming Center	7,500	7,500	7,500						GF	0	0	0	0	0
975020	Library Book Drop	4,650	4,650	4,650						GF	0	0	0	0	0
975130	City Hall & Court Parking Lot Reconstruction	4,500,000	0	26,660						GF	0	0	0	0	0
975140	Exhaust Fans - Public Works Facility Garage	100,000	100,000	100,000						GF	0	0	0	0	0
975140	DPW - Salt Barn Roof Replacement	75,000			75,000	75,000				GF	0	0	0	0	0
975140	DPW - Pole Barn Roof Replacement	25,000			25,000	25,000				GF	0	0	0	0	0
975210	Fire Station #1 - Roof Replacement	143,400	143,400	143,400						GF	0	0	0	0	0
975210	Fire Station #1 - Carpet Replacement	69,000					69,000			GF	0	0	0	0	0
975210	Fire Stations 2, 3, & 4 - Carpet Replacement	170,000					170,000			GF	0	0	0	0	0
975210	Fire Administration - Carpet Replacement	90,000						90,000		GF	0	0	0	0	0
975220	Fire Station #1 - Backup Generator	139,800	139,800	139,800						GF	500	500	500	500	500
975220	Fire Station #5 - Replacement Doorwall/Carpet	16,000	16,000	16,000						GF	500	500	500	500	500
975220	Washer & Dryer for each Fire Station	25,000			25,000	25,000				GF	0	(3,860)	(3,860)	(3,860)	(3,860)
975220	Fire Station #3 - Replacement Generator	68,000			68,000	68,000				GF	0	500	500	500	500
975220	Fire Station #5 - Locker Replacement	17,000					17,000			GF	0	0	0	0	0
975220	Fire Station #1 - Apparatus Bay Speaker Replacement	150,000					150,000			GF	0	0	0	0	0
986000	County Drain Maintenance	120,000	60,000	60,000						GF	0	0	0	0	0

CAPITAL IMPROVEMENTS

Account	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS			Funding Source	Estimated Annual Operating Costs (Including Debt Repayment)				
			Budget 2017/18	Estimate 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Department Requests 2019/20	Department Requests 2020/21	Department Requests 2021/22		Estimated Current Yr. 2017/18	Budget Year 2018/19	Future Years		
													2019/20	2020/21	2021/22
988000	Sterling Drive South Retention Pond Improvements	50,000	35,960	35,960						GF	0	0	0	0	0
988000	East Hampton Retention Pond Repairs	100,000	100,000	100,000						GF	0	0	0	0	0
988000	Retention Pond Upgrades	300,000					100,000	100,000	100,000	GF	0	0	0	0	0
988000	Landscaping Improvements - Van Dyke/SHAP	70,000	70,000	62,450						GF	0	0	0	0	0
988000	Sidewalk Gap Program including: Canal Road - E. of Schoenherr, Clinton River - East of Schoenherr to Hayes, 2018 Project TBD	570,000	220,000 350,000	220,000 350,000						GF SAD	1,000	1,000	1,000	1,000	1,000
988297	Miscellaneous City Sidewalk Repair Program: 2017-Section 14	500,000	200,000 320,000	180,000 320,000						GF SAD	1,000	1,000	1,000	1,000	1,000
988305	Miscellaneous City Sidewalk Repair Program: 2018 - Section 23	490,000	150,000 250,000	120,000 370,000						GF SAD	1,000	1,000	1,000	1,000	1,000
988000	Miscellaneous City Sidewalk Repair Program: 2019 - Section 26	650,000					160,000 490,000			GF SAD	0	0	1,000	1,000	1,000
988000	Storm Water Plan Update	30,000	30,000	30,000						GF	0	0	0	0	0
988000	Gibson Drain Erosion/Sediment Study	20,000	20,000	20,000						GF	0	0	0	0	0
986000	Sterling Relief Drain Improvements	125,000			125,000	125,000				GF	0	0	0	0	0
988000	Pedestrian Bridge Maintenance Program (Harwood et. al.)	350,000			350,000	350,000				GF	0	0	0	0	0
	Total Capital Improvements	**$9,673,490**	**$2,694,950**	**$2,783,750**	**$888,500**	**$888,500**	**$1,156,000**	**$190,000**	**$100,000**		**$4,600**	**$1,740**	**$2,740**	**$2,740**	**$2,740**
	Total Information Technology Projects	**N/A**	**$674,790**	**$674,790**	**$1,035,080**	**$1,035,080**	**$1,232,950**	**$765,760**	**$1,098,540**						
	Total Vehicles	**N/A**	**$942,340**	**$857,430**	**$1,249,500**	**$1,249,500**	**$2,495,000**	**$1,324,000**	**$3,412,000**						
	Total Equipment	**N/A**	**$722,020**	**$621,580**	**$1,598,460**	**$1,598,460**	**$691,000**	**$725,000**	**$888,000**						
	Total Capital Projects Fund	**$9,673,490**	**$5,034,100**	**$4,937,550**	**$4,771,540**	**$4,771,540**	**$5,574,950**	**$3,004,760**	**$5,498,540**		**$4,600**	**$1,740**	**$2,740**	**$2,740**	**$2,740**
	FACILITIES IMPROVEMENT FUND														
975000	Buildings & Improvements	17,000,000	0	0	6,000,000	6,000,000	6,000,000	5,000,000		GF	0	0	0	0	0
979000	Computer Equipment	3,000,000	0	0	1,000,000	1,000,000	1,000,000	1,000,000		GF	0	0	0	0	0
	Total Facilities Improvement Fund	**$20,000,000**	**$0**	**$0**	**$7,000,000**	**$7,000,000**	**$7,000,000**	**$6,000,000**	**$0**		**$0**	**$0**	**$0**	**$0**	**$0**
	ROAD BOND CONSTRUCTION FUND														
988000	M59 Reconstruction - M53 to Hayes Road (MTF16)	980,000	980,000	980,000						MRF	85,000	85,000	85,000	85,000	85,000
988000	Dequindre Road Widening - 18 Mile Road to M59 (MTF17)	800,000	800,000	800,000						MRF	70,000	70,000	70,000	70,000	70,000
988000	Van Dyke 18 1/2 to M59 Asphalt Resurfacing (MTF18)	1,800,000			1,800,000	1,800,000				MRF	0	156,300	156,300	156,300	156,300
988000	Mound Road Emergency Resurfacing - 14 1/2 to Metro Parkway (MTF18)	700,000			700,000	700,000				MRF	0	60,800	60,800	60,800	60,800
988000	Mound Road Emergency Resurfacing - 16 to 17 Mile (MTF18)	800,000			800,000	800,000				MRF	0	69,500	69,500	69,500	69,500
988000	Mound Road Emergency Resurfacing - 17 to 18 Mile (MTF18)	600,000			600,000	600,000				MRF	0	52,100	52,100	52,100	52,100
988000	14 Mile Road Asphalt Resurfacing - Dequindre to Ryan (MTF18)	500,000			500,000	500,000				MRF	0	43,400	43,400	43,400	43,400

CAPITAL IMPROVEMENTS

Account	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS			Funding Source	Estimated Annual Operating Costs (Including Debt Repayment)				
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													2019/20	2020/21	2021/22
988000	Mound Road Total Reconstruction (MTF21)	29,000,000					29,000,000			MRF	0	0	0	2,040,000	2,040,000
988254	Dodge Park Road Reconstruction - Metro to Utica (MTF16)	6,770,000	672,540	672,540						MRF	300,000	300,000	300,000	300,000	300,000
988284	Canal Road Rehabilitation - Van Dyke to Schoenherr Road (MTF18)	3,600,000	3,600,000	3,600,000						MRF	0	312,600	312,600	312,600	312,600
988285	15 Mile Road Resurfacing - Ryan to Mound Road (MTF16)	1,500,000	1,500,000	1,540,000						MRF	140,000	140,000	140,000	140,000	140,000
988291	M59 Regional Median Improvements (MTF17)	1,200,000	800,000	800,000						MRF	35,000	35,000	35,000	35,000	35,000
	Total Road Bond Construction Fund	**$48,250,000**	**$8,352,540**	**$8,392,540**	**$4,400,000**	**$4,400,000**	**$29,000,000**	**$0**	**$0**		**$630,000**	**$1,324,700**	**$1,324,700**	**$3,364,700**	**$3,364,700**
	MAJOR ROAD FUND														
	STATE/COUNTY ROADS														
988000	Traffic Signals - Misc. Locations	50,000	25,000	0						MRF	500	500	500	500	500
988000	Mound Road Repairs - 18 Mile Road to M-59	228,000	228,000	228,000						MRF	0	0	0	0	0
988000	Mound Road Repairs - 15 Mile to Metro Parkway	312,000	312,000	0						MRF	0	0	0	0	0
988000	Schoenherr Road Pavement Repairs - 14 to 15 Mile Road	509,240	7,270	0						MRF	0	0	0	0	0
988000	14 Mile Road Resurfacing- Ryan to Mound Road	881,400	0	0						MRF	0	0	0	0	0
988000	M-59 Reconstruction	129,000	129,000	129,000						MRF	0	0	0	0	0
988000	Mound Road Reconstruction-Grant Application	50,000	13,690	13,690						MRF	0	0	0	0	0
988000	Schoenherr Road Resurfacing - 15 Mile to Metro Parkway	390,000	390,000	450,000						MRF	0	0	0	0	0
988000	Metro Parkway Service Drive Rehabilitation - North side	290,000	290,000	290,000						MRF	0	0	0	0	0
988000	16 Mile Concrete Repairs - Dequindre To Ryan	350,000	350,000	350,000						MRF	0	0	0	0	0
988000	Metro Parkway Concrete Repairs, East of Van Dyke	500,000		500,000						MRF	0	0	0	0	0
988000	Utica Road Resurfacing - Dodge Park to Schoenherr	800,000			800,000	800,000				MRF	0	0	0	0	0
988000	Utica Road Resurfacing - Van Dyke to Dodge Park	800,000			800,000	800,000				GF	0	0	0	0	0
988000	Schoenherr Road Resurfacing - Plumbrook Drain to 19 Mile	800,000			750,000	750,000				GF	0	0	0	0	0
988000	18 Mile Asphalt Resurfacing - Mound to Dequindre	1,500,000					1,500,000			MRF	0	0	0	0	0
988000	Hayes Road - 14 to 15 Mile	400,000					400,000			MRF	0	0	0	0	0
988000	Schoenherr Road - Metro Parkway to 18 Mile	800,000					800,000			MRF	0	0	0	0	0
988000	Metro Parkway Rehab - Dequindre to Mound Road	750,000						750,000		MRF	0	0	0	0	0
988000	Metro Parkway Rehab - Van Dyke to Schoenherr	425,000							425,000	MRF	0	0	0	0	0
988246	Van Dyke Reconstruction - 15 to 18 Mile Including Monuments	3,341,200	50,000	50,000						MRF	30,000	30,000	30,000	30,000	30,000
988281	2016 Concrete Replacement	334,550		2,450						MRF	0	0	0	0	0

CAPITAL IMPROVEMENTS

Account	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS			Funding Source	Estimated Annual Operating Costs (Including Debt Repayment)				
			Budget 2017/18	Estimate 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Department Requests 2019/20	Department Requests 2020/21	Department Requests 2021/22		Estimated Current Yr. 2017/18	Budget Year 2018/19	Future Years		
													2019/20	2020/21	2021/22
988288	Schoenherr Road Sidewalk/Bridge Retrofit - Clinton River to 17 Mile	360,000	40,670	40,670						MRF	0	0	0	0	0
988294	2017 Concrete Replacement	63,310	0	63,260						MRF	0	0	0	0	0
988700	Dequindre Road - 18 Mile Road to M59 Prelim Eng. & ROW	450,000	428,770	428,770						MRF	0	0	0	0	0
	Total State/County Roads	**$3,689,640**	**$2,264,400**	**$2,545,840**	**$2,350,000**	**$2,350,000**	**$2,700,000**	**$750,000**	**$425,000**		**$30,500**	**$30,500**	**$30,500**	**$30,500**	**$30,500**
	CITY ROADS														
988000	15 Mile Road Repair at Dodge Park Road	200,000	200,000	200,000						MRF	0	0	0	0	0
988000	Ryan Road Concrete Replacement - 17 Mile to 18 1/2 Mile	570,000		570,000						MRF	0	0	0	0	0
988000	17 Mile Concrete Replacement - Van Dyke to Plumbrook Drain	358,000		358,000						MRF	0	0	0	0	0
988000	18 1/2 Mile Concrete Replacement - W. of Van Dyke	347,000		347,000						MRF	0	0	0	0	0
988000	19 Mile Repairs - Hayes to Saal	160,000		160,000						MRF	0	0	0	0	0
988296	Clinton River Road Resurfacing - Schoenherr to Saal	690,000	690,000	690,000						MRF	0	0	0	0	0
988235	17 Mile Road Bridge Over Conrail Reconstruction	1,400,000	50,000	50,000						MRF	0	0	0	0	0
988276	Bridge Rehab Eng./Repairs-Riverland, 15 Mile, Maple Ln	350,000	266,570	266,570						MRF	0	0	0	0	0
988276	Maple Lane Bridge over Red Run -Sidewalk Modifications	125,000	125,000	125,000						MRF	0	0	0	0	0
988289	Riverland Drive Pedestrian Bridge Replacement	400,000	0	150						MRF	0	0	0	0	0
988000	Misc Concrete Sectional Repair	1,075,000			250,000	250,000	275,000	275,000	275,000	MRF	0	0	0	0	0
988000	17 Mile Road Bridge over Plumbrook redecking	125,000			125,000	125,000				MRF	0	0	0	0	0
988000	Dodge Park Road Asphalt Resurfacing - 15 Mile to Metro Parkway	1,300,000			1,300,000	1,300,000				MRF	0	0	0	0	0
988000	Merrill Road Rehabilitation - 19 Mile to M59	1,200,000			1,200,000	1,200,000				MRF	0	0	0	0	0
988000	Stadler Road Asphalt Resurfacing	550,000			550,000	550,000				MRF	0	0	0	0	0
988000	19 Mile Asphalt Resurfacing - Hayes to Schoenherr	1,100,000			1,100,000	1,100,000				GF	0	0	0	0	0
988000	15 Mile Road Asphalt Resurfacing - Maple Lane to Schoenherr	1,300,000			1,300,000	1,300,000				GF	0	0	0	0	0
988000	17 Mile Asphalt Resurfacing - Van Dyke to Utica Road	1,800,000			1,800,000	1,800,000				GF	0	0	0	0	0
988000	Pond View - 18 to 19 Mile	900,000					900,000			MRF	0	0	0	0	0
988000	Merrill Road - 18 1/2 to 19 Mile	1,300,000					1,300,000			MRF	0	0	0	0	0
988000	19 Mile Road - Saal to Hayes	500,000					500,000			MRF	0	0	0	0	0
988000	Hacker Drive - Metro Parkway to Fox Hill Drive	600,000					600,000			MRF	0	0	0	0	0
988000	Maple Lane Widening - 14 Mile Road to Volpe Drive	840,000						840,000		MRF	0	0	0	0	0

CAPITAL IMPROVEMENTS

Account	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS			Funding Source	Estimated Annual Operating Costs (Including Debt Repayment)				
			Budget 2017/18	Estimate 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Department Requests 2019/20	Department Requests 2020/21	Department Requests 2021/22		Estimated Current Yr. 2017/18	Budget Year 2018/19	Future Years 2019/20	Future Years 2020/21	Future Years 2021/22
988000	19 Mile - Schoenherr to Clinton River Road	2,000,000						2,000,000		MRF	0	0	0	0	0
988000	Dequindre Road Repairs - 15 to 17 Mile	600,000						600,000		MRF	0	0	0	0	0
988000	17 Mile - Van Dyke to Dodge Park Road	2,400,000							2,400,000	MRF	0	0	0	0	0
	TRAFFIC CONTROLS														
988000	a) Miscellaneous Locations	405,000	24,800	24,800	100,000	100,000	100,000	100,000	100,000	MRF	300	300	300	300	300
988000	b) LED Lighting City-wide Bulb Replacement Project	60,000	60,000	60,000						MRF	0	(5,000)	(5,000)	(5,000)	(5,000)
988000	c) Moravian/Schoenherr Signal	60,000	60,000	60,000						MRF	300	300	300	300	300
988000	d) 17 Mile Rd./Mitchell Drive (50% reimbursed)	288,000	288,000	288,000						MRF	300	300	300	300	300
	Total City Major Road	**$23,003,000**	**$1,764,370**	**$3,199,520**	**$7,725,000**	**$7,725,000**	**$3,675,000**	**$3,815,000**	**$2,775,000**		**$900**	**($4,100)**	**($4,100)**	**($4,100)**	**($4,100)**
	Total Major Road Fund	**$26,692,640**	**$4,028,770**	**$5,745,360**	**$10,075,000**	**$10,075,000**	**$6,375,000**	**$4,565,000**	**$3,200,000**		**$31,400**	**$26,400**	**$26,400**	**$26,400**	**$26,400**
	LOCAL ROAD FUND														
988000	City Roadway Asset Management Plan	32,000	32,000	32,000						LRF	0	0	0	0	0
988000	Concrete Replacement	439,090	439,090	0						LRF	0	0	0	0	0
988257	Gardner Street East - Paving	415,000	40,000 335,000	40,000 335,000						LRF SAD	1,000	1,000	1,000	1,000	1,000
988293	Concrete Reconstruction	1,300,000	1,300,000	1,300,000						LRF	0	0	0	0	0
988294	City-wide Sectional Concrete Replacement	1,575,000	1,575,000	1,575,000			1,000,000	1,250,000	1,300,000	LRF	0	0	0	0	0
988306	City-wide Sectional Concrete Replacement - 2018 Program	900,000			900,000	900,000				LRF	0	0	0	0	0
	Neighborhood Road Repairs - Safe Streets														
988283	Concrete Reconstruction - 2016: Balsam, Adele, Idaho, Dryden, Locust, Holmes, Linsdale, Clifton, King Richard, Greendale, Hemlock, Salem, Waltham	2,600,000	465,870	465,870						LRF (SS)	0	0	0	0	0
988293	2017: Mulberry Court, Larch, Bluejack, Hornbeam, Allspice, New Bradford, Grindley, Electra, Vito, Chatsworth, Crestview, Kara Lane, Stonecrest, Monterra, Mill Creek	3,200,000	3,200,000	3,200,000						LRF (SS)	0	0	0	0	0
988307	2018: Angus Circle, Sussex Park, Whitby, Tessmer, Chippendale, Groves, Chevelle, Monaco, Thomas, Owendale, Jasper, Sherwood Forest, Anna Lisa, Mario, Hartwell, Monterey, Warwick	2,900,090			2,900,090	2,900,090				LRF (SS)	0	0	0	0	0
988306	City-wide Sectional Concrete Replacement - 2018 Program	430,000			430,000	430,000				LRF (SS)	0	0	0	0	0
988000	Concrete Reconstruction	10,395,220					3,396,690	3,464,620	3,533,910	LRF (SS)	0	0	0	0	0
988294	Sectional Concrete Replacement - Misc. Locations	250,000	250,000	250,000						LRF (SS)	0	0	0	0	0
	Total Local Road Fund	**$24,436,400**	**$7,636,960**	**$7,197,870**	**$4,230,090**	**$4,230,090**	**$4,396,690**	**$4,714,620**	**$4,833,910**		**$1,000**	**$1,000**	**$1,000**	**$1,000**	**$1,000**

CAPITAL IMPROVEMENTS

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			Budget 2017/18	Estimate 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Department Requests 2019/20	Department Requests 2020/21	Department Requests 2021/22		Estimated Current Yr. 2017/18	Budget Year 2018/19	Future Years 2019/20	Future Years 2020/21	Future Years 2021/22
	COMMUNITY DEVELOPMENT BLOCK GRANT														
972000	Tree Planting	10,000	10,000	9,990	10,000	10,000				CDBG	0	0	0	0	0
975000	Upton House Repairs	52,000	52,000	52,000						CDBG	0	0	0	0	0
975000	Senior Center Flooring	9,000			9,000	9,000				CDBG	0	0	0	0	0
988000	Fairway & Barnum Drive - Concrete Replacement	386,940	386,940	349,000						CDBG	0	0	0	0	0
988000	Newell Drive - Concrete Replacement	142,000			142,000	142,000				CDBG	0	0	0	0	0
988247	Indigo Drive & West Elmcrest - Concrete Replacement	396,460								CDBG	0	0	0	0	0
988270	Sr Center Parking Lot Resurf, Sidewalk & Entrance Concrete Repairs	715,000		4,320	275,000	275,000				CDBG	0	0	0	0	0
988290	Arlingdale Drive - Concrete Replacement	386,940	373,180	373,180						CDBG	0	0	0	0	0
	Total C.D.B.G. Fund	**$2,098,340**	**$822,120**	**$788,490**	**$436,000**	**$436,000**	**$0**	**$0**	**$0**		**$0**	**$0**	**$0**	**$0**	**$0**
	LOCAL DEVELOPMENT FINANCING AUTH.														
988295	Velocity Entrance Improvements/ Sidewalk Repairs	255,000	36,930	185,000						LDFA	0	0	0	0	0
988280	Smartzone District Improvements - Signage, Streetscapes	600,000	597,860	449,790						LDFA	0	0	0	0	0
988280	Smartzone District Improvements - Signage-Center Drive/Sterling Ponds Blvd.	400,000			400,000	400,000				LDFA	0	0	0	0	0
988280	Smartzone District Improvements - Sectional Concrete Replacement-Sterling Drive	600,000			600,000	600,000				LDFA	0	0	0	0	0
	Total L.D.F.A. Fund	**$1,855,000**	**$634,790**	**$634,790**	**$1,000,000**	**$1,000,000**	**$0**	**$0**	**$0**		**$0**	**$0**	**$0**	**$0**	**$0**
	LAND & WATER CONSERVATION FUND														
988277	Dodge Park Trail - Bridge Replace & Enhance (Grant Match)	667,160	77,000	77,000						GF	500	500	500	500	500
	Total Land & Water Conserv. Fund	**$667,160**	**$77,000**	**$77,000**	**$0**	**$0**	**$0**	**$0**	**$0**		**$500**	**$500**	**$500**	**$500**	**$500**
	CLINTON RIVER RESTORATION FUND														
988278	Clinton River Bank Restoration	4,500,000	1,641,540	1,641,540	0	0				GRANT	0	0	0	0	0
	Total Clinton River Fund	**$4,500,000**	**$1,641,540**	**$1,641,540**	**$0**	**$0**	**$0**	**$0**	**$0**		**$0**	**$0**	**$0**	**$0**	**$0**
	PARKS & RECREATION FUND - *RE* CREATING RECREATION														
971000	Land Acquisition	377,540	46,670	48,810	0	0	0			RR	0	0	0	0	0
972795	Park Improvements	16,847,210	3,460,300	3,460,300	10,756,090	10,756,090	0			RR	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
972352	Skate Park	560,500	450,000	560,500	0	0	0			RR	0	0	0	0	0
972350	Dodge Park Improvements	9,000,000	9,000,000	9,000,000	0	0	0			RR	0	0	0	0	0
972351	Community Center	22,000,000	325,940	325,940	10,000,000	10,000,000	11,510,540			RR	0	0	0	0	0

CAPITAL IMPROVEMENTS

Account	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS			Funding Source	Estimated Annual Operating Costs (Including Debt Repayment)				
			Budget 2017/18	Estimate 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Department Requests 2019/20	Department Requests 2020/21	Department Requests 2021/22		Estimated Current Yr. 2017/18	Budget Year 2018/19	Future Years 2019/20	Future Years 2020/21	Future Years 2021/22
975000	Senior Center Fitness Room Flooring Replacement	8,000					8,000			GF	0	0	0	0	0
975000	Senior Center Office Carpet Replacement	8,000						8,000		GF	0	0	0	0	0
	Total Parks & Recreation Improvements	**$48,801,250**	**$13,282,910**	**$13,395,550**	**$20,756,090**	**$20,756,090**	**$11,518,540**	**$8,000**	**$0**		**$3,000,000**	**$3,000,000**	**$3,000,000**	**$3,000,000**	**$3,000,000**
	Total Vehicles		**$254,800**	**$254,800**	**$91,860**	**$91,860**	**$34,000**	**$20,000**	**$51,000**						
	Total Equipment		**$3,050**	**$3,050**	**$22,300**	**$22,300**	**$0**	**$0**	**$0**						
	Total Parks & Recreation Fund	**$48,801,250**	**$13,540,760**	**$13,653,400**	**$20,870,250**	**$20,870,250**	**$11,552,540**	**$28,000**	**$51,000**		**$3,000,000**	**$3,000,000**	**$3,000,000**	**$3,000,000**	**$3,000,000**
	CORIDOR IMPROVEMENT AUTHORITY FUND														
971000	Land Acquisition	250,000	160,000	167,260						CIA	0	0	0	0	0
	Total C.I.A Fund	**$250,000**	**$160,000**	**$167,260**	**$0**	**$0**	**$0**	**$0**	**$0**		**$0**	**$0**	**$0**	**$0**	**$0**
	PUBLIC SAFETY FORFEITURE FUND														
	Total Building & Improvements	**N/A**		**$12,290**											
	Total Vehicles	**N/A**	**$212,180**	**$212,180**	**$195,250**	**$195,250**	**$142,000**	**$144,000**	**$146,000**						
	Total Equipment	**N/A**	**$14,430**	**$25,020**	**$118,070**	**$118,070**	**$0**	**$0**	**$0**						
	Total Public Safety Forfeiture Fund	**$0**	**$226,610**	**$249,490**	**$313,320**	**$313,320**	**$142,000**	**$144,000**	**$146,000**		**$0**	**$0**	**$0**	**$0**	**$0**
	WATER & SEWER FUND														
	Total Water & Sewer Fund Improvements	**N/A**	**$0**		**$0**	**$0**	**$17,000**	**$0**	**$0**						
	Total Information Technology Projects	**N/A**	**$11,050**	**$11,050**	**$0**	**$0**	**$0**	**$0**	**$0**						
	Total Vehicles	**N/A**	**$0**	**$0**	**$473,000**	**$473,000**	**$890,000**	**$320,000**	**$185,000**						
	Total Equipment	**N/A**	**$958,910**	**$982,310**	**$68,800**	**$68,800**	**$30,000**	**$85,000**	**$270,000**						
	Total Water & Sewer Fund (Budgeted)	**$0**	**$969,960**	**$993,360**	**$541,800**	**$541,800**	**$937,000**	**$405,000**	**$455,000**		**$0**	**$0**	**$0**	**$0**	**$0**
	Total Capital Improvements	**$187,224,280**	**$39,331,580**	**$40,824,150**	**$48,785,680**	**$48,785,680**	**$59,446,230**	**$15,477,620**	**$8,133,910**		**$3,667,500**	**$4,354,340**	**$4,355,340**	**$6,395,340**	**$6,395,340**
	Total Information Technology Projects	**N/A**	**$685,840**	**$685,840**	**$1,035,080**	**$1,035,080**	**$1,232,950**	**$765,760**	**$1,098,540**		**$0**	**$0**	**$0**	**$0**	**$0**
	Total Vehicles	**N/A**	**$1,409,320**	**$1,324,410**	**$2,009,610**	**$2,009,610**	**$3,561,000**	**$1,808,000**	**$3,794,000**		**$0**	**$0**	**$0**	**$0**	**$0**
	Total Equipment	**N/A**	**$1,698,410**	**$1,631,960**	**$1,807,630**	**$1,807,630**	**$721,000**	**$810,000**	**$1,158,000**		**$0**	**$0**	**$0**	**$0**	**$0**
	Total Budgeted Capital Expenditures	**$187,224,280**	**$43,125,150**	**$44,466,360**	**$53,638,000**	**$53,638,000**	**$64,961,180**	**$18,861,380**	**$14,184,450**		**$3,667,500**	**$4,354,340**	**$4,355,340**	**$6,395,340**	**$6,395,340**
	WATER & SEWER IMPROVEMENT FUND														
	SANITARY SEWERS														
	Clinton River Road - South of Canal & Kidley to Essen	325,000	325,000	325,000						W&S	1,000	1,000	1,000	1,000	1,000
	Saal Road - North of Longview	58,000	58,000	0						W&S	0	0	0	0	0
	Sewer Infiltration Program - 19 Mile East of Clinton River	190,000	190,000	0						W&S	0	0	0	0	0
	Miscellaneous Sanitary Sewer Repairs														
	14 Mile Road - West of Maple Lane Road Sewer Rehab.	800,000	800,000	0						W&S	0	0	0	0	0
	Irval Drive - Sanitary Lead Replacement	20,000	20,000	0						W&S	0	0	0	0	0
	Clinton River Road - East of Saal Road	60,000	60,000	140,000						W&S	0	0	0	0	0

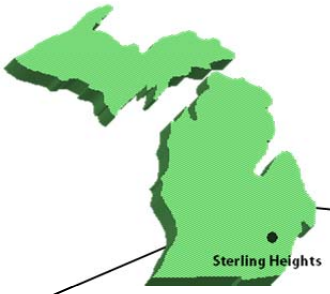
CAPITAL IMPROVEMENTS

Account	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS			Funding Source	Estimated Annual Operating Costs (Including Debt Repayment)				
			Budget 2017/18	Estimate 2017/18	Proposed Budget 2018/19	Approved Budget 2018/19	Department Requests 2019/20	Department Requests 2020/21	Department Requests 2021/22		Estimated Current Yr. 2017/18	Budget Year 2018/19	Future Years		
													2019/20	2020/21	2021/22
	Canal Road Sanitary Sewer Extension	60,000		60,000											
	Total Sanitary Sewer	**$1,513,000**	**$1,453,000**	**$525,000**	**$0**	**$0**	**$0**	**$0**	**$0**		**$1,000**	**$1,000**	**$1,000**	**$1,000**	**$1,000**
	WATER MAINS														
	Section 4 along Mound, Catalpa, Merrill & Arrow; Under Conrail Railroad	900,000	900,000	0						W&S	0	2,000	2,000	2,000	2,000
	18 Mile Road - South Side, East of Dequindre - Water Main Repair	100,000	6,000	0						W&S	0	300	300	300	300
	Water Reliability Study	30,000		30,000						W&S	0	200	200	200	200
	Wilshire Court - Water Main Repair	105,000	105,000	105,000						W&S	0	0	0	0	0
	Clinton River Road - East of Saal Road	95,000	95,000	95,000						W&S	0	0	0	0	0
	Canal Road Water Main Replacement	600,000		600,000						W&S	0	0	0	0	0
	Medville Drive Water Main Replacement	330,000			330,000	330,000				W&S	0	0	0	0	0
	Water Main Replacements	450,000					150,000	150,000	150,000	W&S	0	0	0	0	0
	Total Water Mains	**2,610,000**	**$1,106,000**	**$830,000**	**$330,000**	**$330,000**	**$150,000**	**$150,000**	**$150,000**		**$0**	**$2,500**	**$2,500**	**$2,500**	**$2,500**
	WATER & SEWER REPLACEMENT														
	Fire Hydrant Replacement/Gatewell Valve Maintenance Program	20,000	10,000	10,000						W&S	500	500	500	500	500
	Total Replacement Items	**$20,000**	**$10,000**	**$10,000**	**$0**	**$0**	**$0**	**$0**	**$0**		**$500**	**$500**	**$500**	**$500**	**$500**
	Total Water & Sewer Fund Improvements	**$4,143,000**	**$2,569,000**	**$1,365,000**	**$330,000**	**$330,000**	**$150,000**	**$150,000**	**$150,000**		**$1,500**	**$4,000**	**$4,000**	**$4,000**	**$4,000**
	Total Capital Improvements	**$191,367,280**	**$41,900,580**	**$42,189,150**	**$49,115,680**	**$49,115,680**	**$59,596,230**	**$15,627,620**	**$8,283,910**		**$3,669,000**	**$4,358,340**	**$4,359,340**	**$6,399,340**	**$6,399,340**
	Total Information Technology Projects	**N/A**	**$685,840**	**$685,840**	**$1,035,080**	**$1,035,080**	**$1,232,950**	**$765,760**	**$1,098,540**		**$0**	**$0**	**$0**	**$0**	**$0**
	Total Vehicles	**N/A**	**$1,409,320**	**$1,324,410**	**$2,009,610**	**$2,009,610**	**$3,561,000**	**$1,808,000**	**$3,794,000**		**$0**	**$0**	**$0**	**$0**	**$0**
	Total Equipment	**N/A**	**$1,698,410**	**$1,631,960**	**$1,807,630**	**$1,807,630**	**$721,000**	**$810,000**	**$1,158,000**		**$0**	**$0**	**$0**	**$0**	**$0**
	Total Planned Capital Expenditures	**$191,367,280**	**$45,694,150**	**$45,831,360**	**$53,968,000**	**$53,968,000**	**$65,111,180**	**$19,011,380**	**$14,334,450**		**$3,669,000**	**$4,358,340**	**$4,359,340**	**$6,399,340**	**$6,399,340**

The way to get started is to quit talking and begin doing.

~ Walt Disney ~

2018/19 MUNICIPAL FACILITIES



City Sidewalk
Gap Completion Program

Washer & Dryer –
Fire Stations

Replace (6)
Emergency Warning
Sirens

Public Works Facility –
Salt Barn and Pole Barn Roof
Replacements

Senior Center –
Flooring,
Parking Lot Expansion

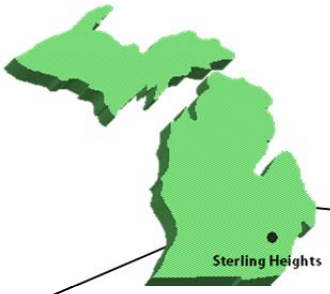
City Hall –
Island Irrigation System &
Facilities Improvements

Section 23

City Sidewalk Repair Program –
Section 23

Fire Station #3 –
Replacement Generator

2018/19 MAJOR ROADS



Miscellaneous Traffic Signals

Merrill Road Rehabilitation – 19 Mile Road to M59

City wide Sectional Concrete Replacement Program

19 Mile Road Asphalt Resurfacing– Hayes to Schoenherr

Stadler Road Asphalt Resurfacing – Saal to Hayes Road

17 Mile Road Asphalt Resurfacing – Van Dyke to Utica Road

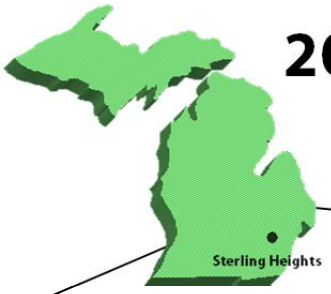
17 Mile Road Bridge (over Plumbrook) – Redecking

Dodge Park Road Asphalt Resurfacing – 15 Mile Road to Metroparkway

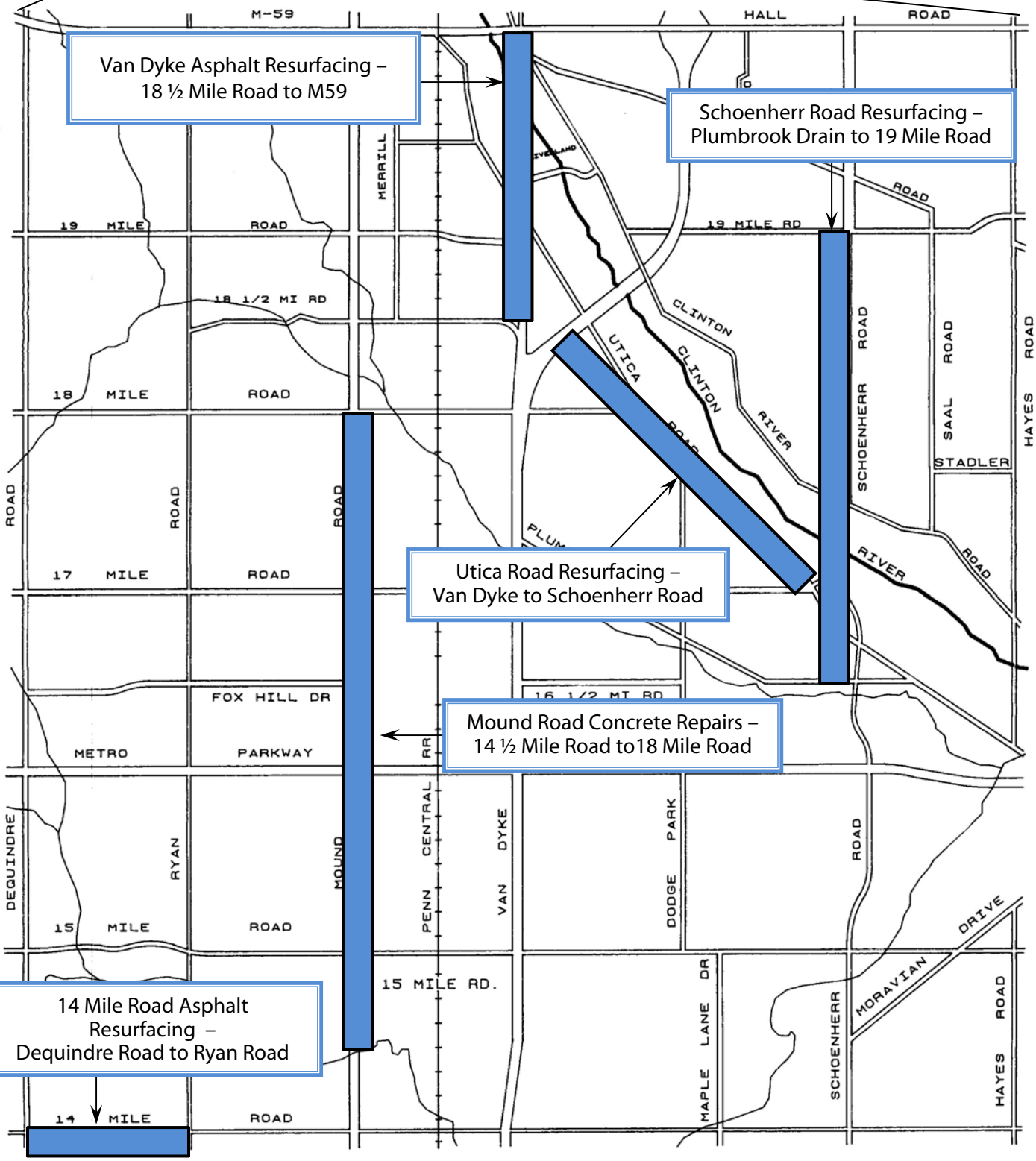
Pedestrian Bridge – Maintenance Program (Harwood)

15 Mile Road Asphalt Resurfacing – Maple Lane to Schoenherr

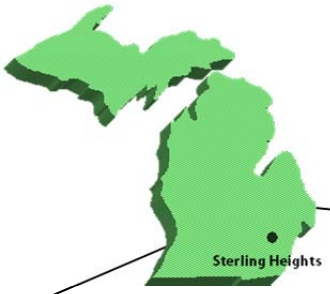
2018/19 COUNTY & STATE ROAD PLANS



Miscellaneous Traffic Signals



2018/19 LOCAL ROADS



Neighborhood Road Repairs – (Safe Streets Proposal) including: Concrete Reconstruction and Miscellaneous Sectional Concrete Repairs

City Roadway Asset Management Plan

City wide Sectional Concrete Replacement Program

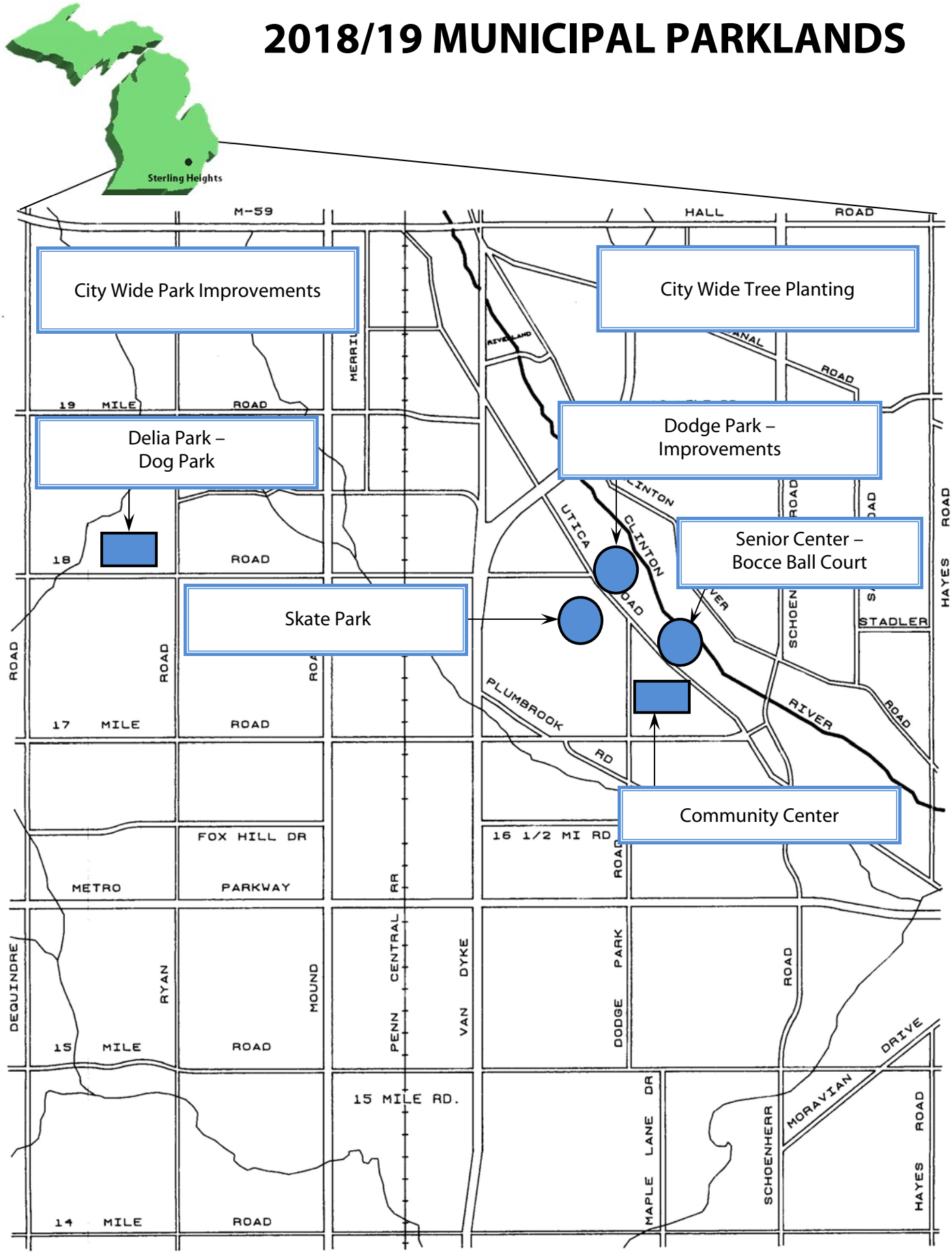
Newell Drive – Concrete Replacement

Signage – Center Drive

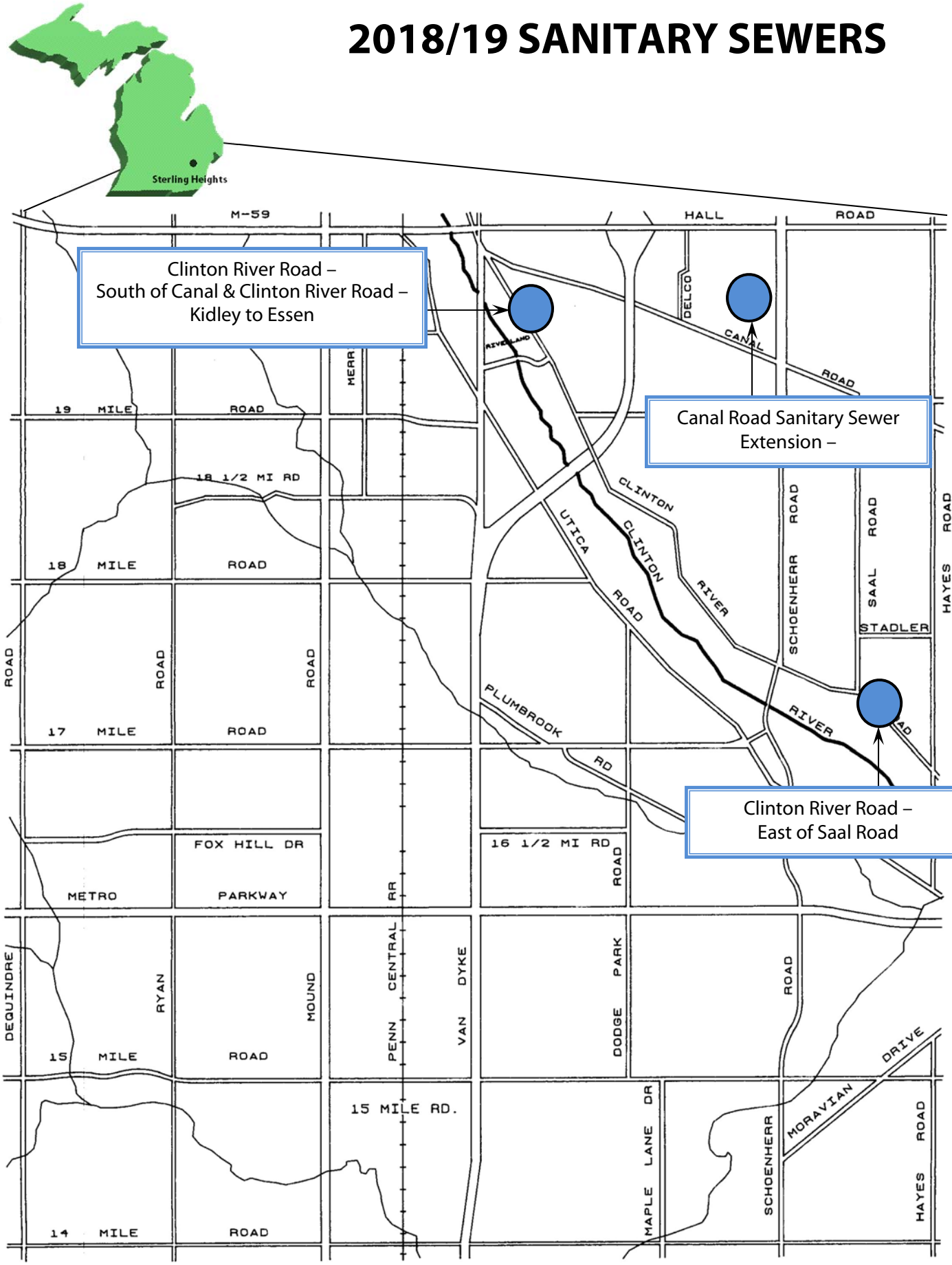
Sterling Drive – Sectional Concrete Replacement

Signage – Sterling Ponds Blvd.

2018/19 MUNICIPAL PARKLANDS

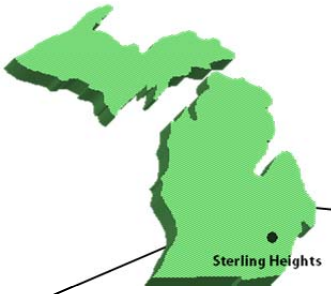


2018/19 SANITARY SEWERS



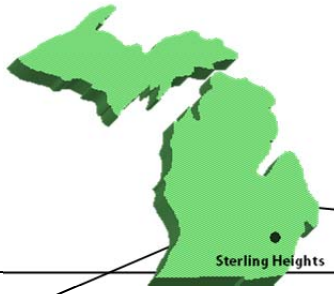
2018/19 WATER MAINS

Fire Hydrant Replacement/
Gatewell Valve Maintenance Program

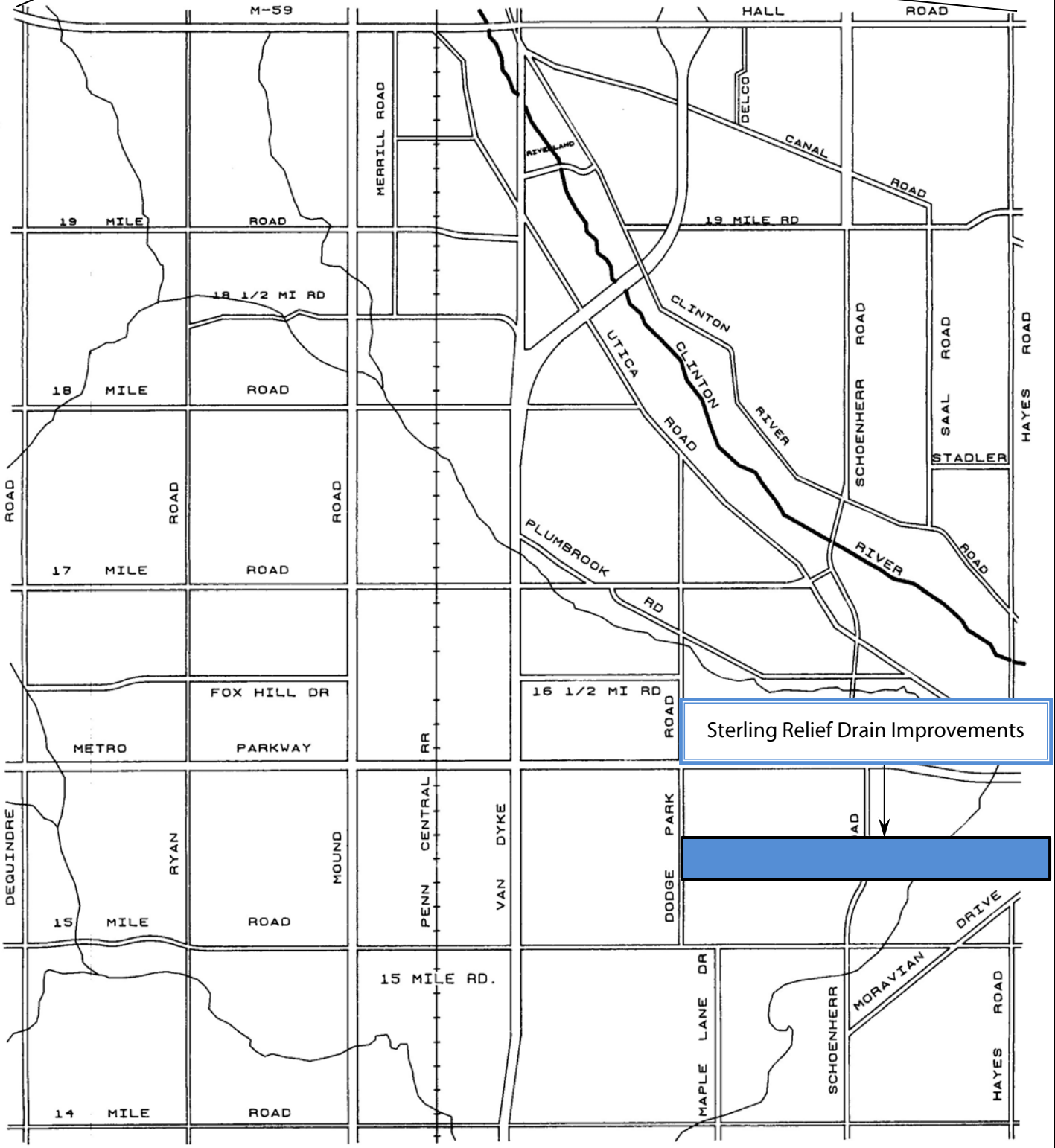




2018/19 STORM DRAINS



Storm Drain Maintenance – County



Sterling Relief Drain Improvements

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Fiscal Year Ended June 30	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenue										
Property Taxes	$58,331,682	$57,875,942	$56,801,306	$59,045,208	$53,149,713	$51,665,928	$51,344,025	$62,231,352	$64,036,721	$60,946,929
Fees & Permits	1,352,594	960,683	1,194,707	1,438,197	2,271,967	1,789,803	1,735,413	1,800,968	2,149,069	2,568,909
Federal Sources	1,001,641	1,419,052	2,789,569	3,085,016	2,661,338	1,126,423	1,921,050	1,456,596	1,990,255	6,300,698
State & Local Sources	18,939,977	18,505,491	17,114,177	17,184,734	18,065,838	18,825,672	19,920,337	21,054,148	21,279,925	27,584,764
Fines & Forfeitures	2,755,701	2,836,556	3,618,574	3,353,875	2,770,160	2,489,252	2,326,870	2,567,229	3,057,417	2,944,500
Charges For Services	7,988,183	7,896,549	8,598,054	8,583,882	8,443,205	8,306,458	9,048,012	10,085,731	9,719,467	9,842,019
Investment Income	2,316,653	1,580,754	582,435	308,422	672,239	58,534	257,632	247,437	426,998	120,346
Special Assessments	92,745	243,123	215,118	203,298	254,977	206,501	314,871	212,828	201,579	199,092
Rental Income	1,727,929	1,798,484	1,429,222	1,685,041	1,508,954	1,536,939	1,951,540	1,829,381	1,578,977	1,488,753
Cable Revenue	1,671,094	1,771,978	1,799,495	1,950,435	2,033,751	2,292,537	2,342,953	2,533,069	2,595,396	2,579,599
Reimb of Advance Rd Const	2,440,414	0	0	0	0	0	0	0	0	0
Other	1,755,645	2,007,807	1,898,739	1,526,205	2,044,415	1,700,076	1,619,427	1,414,282	1,960,041	1,568,519
Total Revenue	**100,374,258**	**96,896,419**	**96,041,396**	**98,364,313**	**93,876,557**	**89,998,123**	**92,782,130**	**105,433,021**	**108,995,845**	**116,144,128**
Expenditures										
General Government	11,244,018	9,534,712	9,000,797	8,613,941	8,571,928	7,700,466	7,175,604	7,803,567	8,154,052	8,300,238
41A District Court	2,974,001	3,150,155	3,221,815	3,246,811	3,252,852	3,258,362	3,078,766	3,087,262	3,223,740	3,242,874
Public Safety	44,435,670	46,327,145	49,130,527	50,929,421	52,297,573	48,644,125	48,807,450	49,752,772	49,704,157	48,646,567
Public Works	20,134,496	21,273,705	20,321,669	21,034,821	18,680,870	18,062,177	20,790,973	21,450,688	20,929,934	20,869,103
Recreation & Culture	5,358,825	5,321,281	4,747,596	4,603,108	4,489,169	4,339,952	4,002,476	4,189,468	4,393,760	7,672,784
General Expenditures	2,945,761	2,793,240	2,814,058	2,540,873	2,766,125	2,294,184	2,171,473	1,119,452	1,027,555	1,164,656
Capital Outlay	7,402,019	13,212,947	4,694,663	4,867,162	4,275,883	3,115,621	7,026,982	14,388,416	19,122,277	22,513,996
Debt Service - Principal	5,685,000	5,730,000	15,235,000	3,970,000	3,940,000	3,895,000	3,235,000	2,620,000	1,725,000	2,280,000
Debt Service - Interest	1,938,403	1,987,533	1,628,030	1,221,055	1,098,474	1,114,056	744,170	628,563	545,331	700,971
Total Expenditures	**102,118,193**	**109,330,718**	**110,794,155**	**101,027,192**	**99,372,874**	**92,423,943**	**97,032,894**	**105,040,188**	**108,825,806**	**115,391,189**
Other Financing Sources										
Long-term Financing	5,000,000	3,260,000	3,810,000	0	3,780,000	3,275,000	0	198,633	9,630,000	47,315,000
Proceeds-Sale of Fixed Assets	0	149,466	115,724	0	0	0	0	0	0	80,363
Bond Premium	50,143	0	33,935	0	274,196	9,311	0	0	254,555	2,902,577
Payments to Escrow Agents	0	0	(2,200,000)	0	(3,950,000)	(3,100,000)	0	0	0	(3,073,865)
Transfers In	9,716,170	11,319,369	16,194,395	3,953,940	3,526,740	6,158,405	5,639,290	13,594,435	10,797,379	10,180,735
Transfers Out	(8,197,830)	(8,412,389)	(5,056,810)	(3,953,940)	(3,526,740)	(3,500,200)	(4,266,460)	(10,494,435)	(9,447,315)	(10,180,735)
Total Other Fin. Sources	**6,568,483**	**6,316,446**	**12,897,244**	**0**	**104,196**	**2,842,516**	**1,372,830**	**3,298,633**	**11,234,619**	**47,224,075**
Net Change in Fund Balance	**$4,824,548**	**($6,117,853)**	**($1,855,515)**	**($2,662,879)**	**($5,392,121)**	**$416,696**	**($2,877,934)**	**$3,691,466**	**$11,404,658**	**$47,977,014**

GENERAL FUND
EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget
City Council	$129,410	$131,330	$127,360	$143,940	$146,460	$149,750	**$167,590**
City Management	1,092,740	848,150	929,190	914,600	1,225,850	1,347,340	**1,411,260**
City Clerk	666,050	542,500	707,340	756,590	894,110	854,020	**903,830**
Information Technology	959,460	871,860	878,360	879,010	944,480	987,110	**1,105,450**
Assessing	761,840	827,390	844,860	878,950	910,020	996,340	**974,520**
Financial Services	725,110	776,950	868,810	882,250	755,550	787,430	**834,800**
Purchasing	263,640	274,060	311,350	316,990	319,150	392,530	**416,440**
Facilities Maintenance	987,750	0	0	0	0	0	**1,365,690**
Treasury	1,020,450	1,014,380	1,044,510	1,078,660	1,085,910	1,171,180	**1,210,880**
Act 78 - Civil Service Commission	0	21,230	28,890	42,840	37,620	43,970	**45,000**
General Employees Pension Board	70,670	73,800	59,490	52,790	63,610	55,790	**59,230**
Legal	765,090	678,690	777,680	864,020	821,950	875,000	**880,000**
Total City Administration Dept.	**7,442,210**	**6,060,340**	**6,577,840**	**6,810,640**	**7,204,710**	**7,660,460**	**9,374,690**
Library	2,450,830	2,335,380	2,408,630	2,492,550	2,524,450	2,723,630	**2,851,140**
Historical Commission	410	370	370	550	200	4,590	**4,600**
Total Library Department	**2,451,240**	**2,335,750**	**2,409,000**	**2,493,100**	**2,524,650**	**2,728,220**	**2,855,740**
Parks & Recreation	1,888,710	1,666,740	1,780,470	1,900,650	2,016,840	0	**0**
Total Parks & Recreation Dept.	**1,888,710**	**1,666,740**	**1,780,470**	**1,900,650**	**2,016,840**	**0**	**0**
Police Administration	3,099,570	2,988,410	3,611,950	4,905,920	5,033,940	5,227,910	**5,306,230**
Police Investigations	5,738,130	5,624,610	5,857,000	6,225,590	6,347,830	6,538,970	**6,915,050**
Police Operations	19,501,000	19,602,490	19,741,950	20,276,870	18,701,540	19,656,310	**20,004,530**
Police Support Services	3,282,000	3,283,070	2,944,840	1,526,880	1,531,610	1,652,030	**1,808,060**
Total Police Department	**31,620,700**	**31,498,580**	**32,155,740**	**32,935,260**	**31,614,920**	**33,075,220**	**34,033,870**
Fire Administration	1,414,940	1,469,690	1,387,650	1,504,920	1,487,740	1,446,260	**1,496,710**
Fire Extinguishment	14,742,310	14,806,220	15,180,830	14,031,400	14,347,690	16,879,110	**17,173,070**
Fire Prevention	725,770	802,540	800,950	1,048,990	1,034,960	1,068,430	**1,125,910**
Total Fire Department	**16,883,020**	**17,078,450**	**17,369,430**	**16,585,310**	**16,870,390**	**19,393,800**	**19,795,690**

GENERAL FUND
EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2018/19 Budget
Fleet Maintenance	2,790,250	2,857,030	2,780,650	2,648,400	2,593,770	2,866,030	**2,876,990**
Parks & Grounds Maintenance	1,110,640	1,318,490	1,358,400	1,373,600	1,429,620	1,442,180	**1,608,770**
Public Works Center	233,330	270,850	278,640	187,440	206,670	226,500	**174,400**
Street Services	1,743,280	2,170,820	2,270,740	2,070,450	2,151,300	2,324,830	**2,498,600**
Total Public Works Department	**5,877,500**	**6,617,190**	**6,688,430**	**6,279,890**	**6,381,360**	**6,859,540**	**7,158,760**
Refuse Collection	4,672,020	4,697,630	4,744,360	4,767,020	4,437,520	4,473,220	**4,451,650**
Total Refuse Collection	**4,672,020**	**4,697,630**	**4,744,360**	**4,767,020**	**4,437,520**	**4,473,220**	**4,451,650**
Building	1,373,140	1,781,940	1,893,630	1,968,060	2,011,310	2,210,010	**1,099,820**
Economic Development	285,330	257,590	291,910	320,630	372,460	329,900	**333,870**
Engineering	1,139,250	1,172,660	1,291,350	1,288,080	1,260,990	1,371,630	**1,376,370**
Foreclosure Relief	4,410	0	0	0	0	0	**0**
Neighborhood Services	346,260	1,278,550	1,318,560	1,508,510	1,535,800	1,661,050	**1,665,960**
Planning	237,210	104,560	177,000	226,800	193,630	166,740	**276,520**
Planning Commission	4,390	3,810	4,500	6,650	7,640	10,090	**10,360**
Zoning Board of Appeals	3,750	2,900	5,540	7,050	5,880	7,280	**7,750**
Component Unit Funding	0	0	300,000	300,000	300,000	300,000	**300,000**
Total City Development Dept.	**3,393,740**	**4,602,010**	**5,282,490**	**5,625,780**	**5,687,710**	**6,056,700**	**5,070,650**
Community Relations	931,910	856,950	933,490	1,022,090	1,094,230	1,449,590	**1,465,070**
Arts Commission	0	50	0	50	0	50	**50**
Beautification Commission	480	680	320	650	1,100	720	**720**
Total Community Relations Dept.	**932,390**	**857,680**	**933,810**	**1,022,790**	**1,095,330**	**1,450,360**	**1,465,840**
41-A District Court	3,258,360	3,078,770	3,087,260	3,223,740	3,242,870	3,366,950	**3,545,610**
General Expenditures	2,238,910	2,167,780	1,116,140	1,025,080	1,118,900	1,766,770	**1,797,830**
Transfers Out	954,090	1,081,460	8,144,440	7,217,320	7,255,500	7,176,880	**15,761,510**
Total General Fund	**$81,612,890**	**$81,742,380**	**$90,289,410**	**$89,886,580**	**$89,450,700**	**$94,008,120**	**$105,311,840**

GENERAL FUND BALANCE COMPARED TO ANNUAL EXPENDITURES AND OTHER FINANCING USES LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Fund Balance	Annual Expenditures & Other Uses	General Fund Balance as % of Expenditures & Other Uses
2008	15,292,910	86,516,140	17.68%
2009	15,207,061	87,146,732	17.45%
2010	12,528,923	86,337,844	14.51%
2011	10,991,216 (1)	87,480,425	12.56%
2012	5,248,480	87,236,539	6.02%
2013	5,248,480	81,612,889	6.43%
2014	5,229,392	81,742,384	6.40%
2015	7,539,734	90,289,405	8.35%
2016	11,394,869	89,866,581	12.68%
2017	17,266,609	89,450,707	19.30%

(1) GASB 54 was implemented with the fiscal year ended June 30, 2011.

ASSESSED & ESTIMATED ACTUAL VALUATION OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Assessed Valuation (1)	Personal Assessed Valuation (1)	Total Valuation	Percent of True Value (2)
2008	4,645,291,550	1,053,774,300	5,699,065,850	50%
2009	4,599,077,850	1,007,788,550	5,606,866,400	50%
2010	4,508,088,655	986,259,050	5,494,347,705	50%
2011	4,046,809,230	917,612,350	4,964,421,580	50%
2012	3,743,670,800	874,496,200	4,618,167,000	50%
2013	3,503,196,250	755,514,350	4,258,710,600	50%
2014	3,526,557,005	724,659,700	4,251,216,705	50%
2015	3,564,635,642	714,092,150	4,278,727,792	50%
2016	3,665,393,466	670,143,500	4,335,536,966	50%
2017	3,737,558,043	366,173,450	4,103,731,493	50%

(1) All taxable values reflect the year in which tax revenue streams were generated. For example, the 2007 TVs (stated above in the 2008 row) were used to generate tax revenue for the year ended June 30, 2008.

(2) In accordance with the 1970 State of Michigan Constitution, the assessed value is 50 percent of appraised or estimated value.

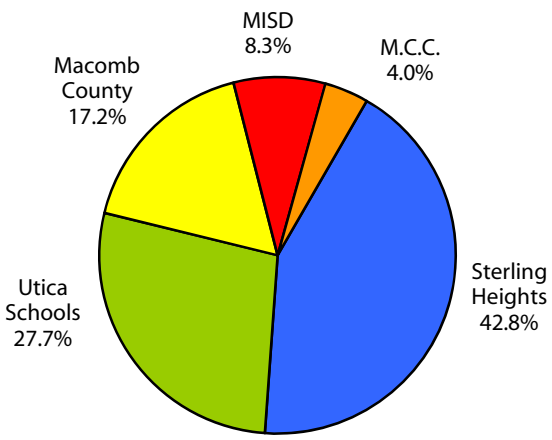
HOMESTEAD PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER $1,000 OF TAXABLE VALUATION)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
City of Sterling Heights										
Operating (1)	9.22560	9.17770	8.71800	10.18110	9.66170	9.14280	9.47030	9.37010	9.49090	**9.48560**
Refuse	0.80570	0.83810	0.87170	0.94740	0.99990	1.08380	1.08790	1.12670	1.14240	**1.10620**
Police & Fire Pension	0.31470	0.48530	0.93720	1.23880	1.66940	2.06690	1.82250	1.92380	1.90260	**1.97880**
Public Improvements	0.17920	0.06670	0.03460	0.06840	0.08130	0.09030	0.10180	0.10470	0.11220	**0.11520**
Drain	0.19980	0.21800	0.22430	0.25010	0.27350	0.30200	0.20330	0.16050	0.03770	**0.00000**
Safe Streets	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	2.50000	2.50000	**2.50000**
Total	**10.72500**	**10.78580**	**10.78580**	**12.68580**	**12.68580**	**12.68580**	**12.68580**	**15.18580**	**15.18580**	**15.18580**
Overlapping Governments										
Macomb County	4.20550	4.20550	4.57350	4.57350	4.57350	4.57350	4.57350	4.57350	4.57350	**4.56160**
Utica Comm. Schools	3.50000	3.50000	3.50000	3.75000	3.85000	3.85000	3.85000	3.85000	3.85000	**3.85000**
Warren Consol. Schools	9.23580	8.41520	8.92780	10.25900	10.84210	11.36240	11.38290	10.76030	10.69660	**11.66140**
State Education	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	**6.00000**
Macomb Comm. College	1.42120	1.42120	1.42120	1.42120	1.57120	1.57120	1.53120	1.52620	1.53020	**1.42120**
M.I.S.D.	2.94300	2.94300	2.94300	2.94300	2.94300	2.94300	2.94300	2.94300	2.94300	**2.93550**
Huron/Clinton Metro Auth.	0.21460	0.21460	0.21460	0.21460	0.21460	0.21460	0.21460	0.21460	0.21460	**0.21460**
S.M.A.R.T.	0.59000	0.59000	0.59000	0.59000	0.59000	0.59000	0.59000	1.00000	1.00000	**0.99740**
County Zoo Authority	0.00000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	**0.09970**
D.I.A.	0.00000	0.00000	0.00000	0.00000	0.00000	0.20000	0.20000	0.20000	0.20000	**0.19940**
Veterans Operations	0.00000	0.04000	0.04000	0.04000	0.04000	0.04000	0.04000	0.04000	0.04000	**0.03980**
Total Utica Schools (2)	**29.59930**	**29.80010**	**30.16810**	**32.31810**	**32.56810**	**32.76810**	**32.72810**	**35.63310**	**35.63710**	**35.50500**
Total Warren Schools (2)	**35.33510**	**34.71530**	**35.59590**	**38.82710**	**39.56020**	**40.28050**	**40.26100**	**42.54340**	**42.48370**	**43.31640**

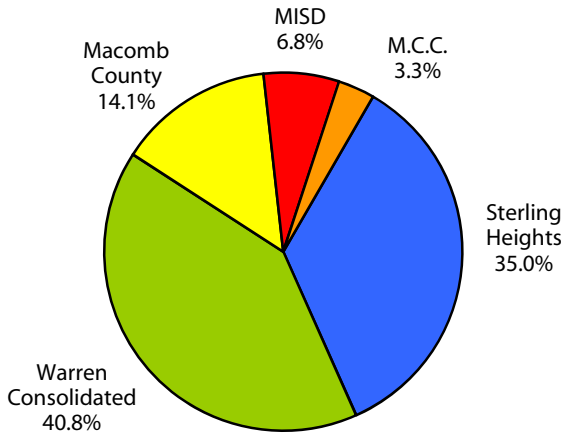
(1) City general operating tax rate charter limit equals 12.0 mills.

(2) Sterling Heights taxable valuation is based on 62% for Utica Schools and 38% for Warren Consolidated Schools for the year ended June 30, 2017.

City of Sterling Heights
2016/17 Distribution of Homestead Taxes



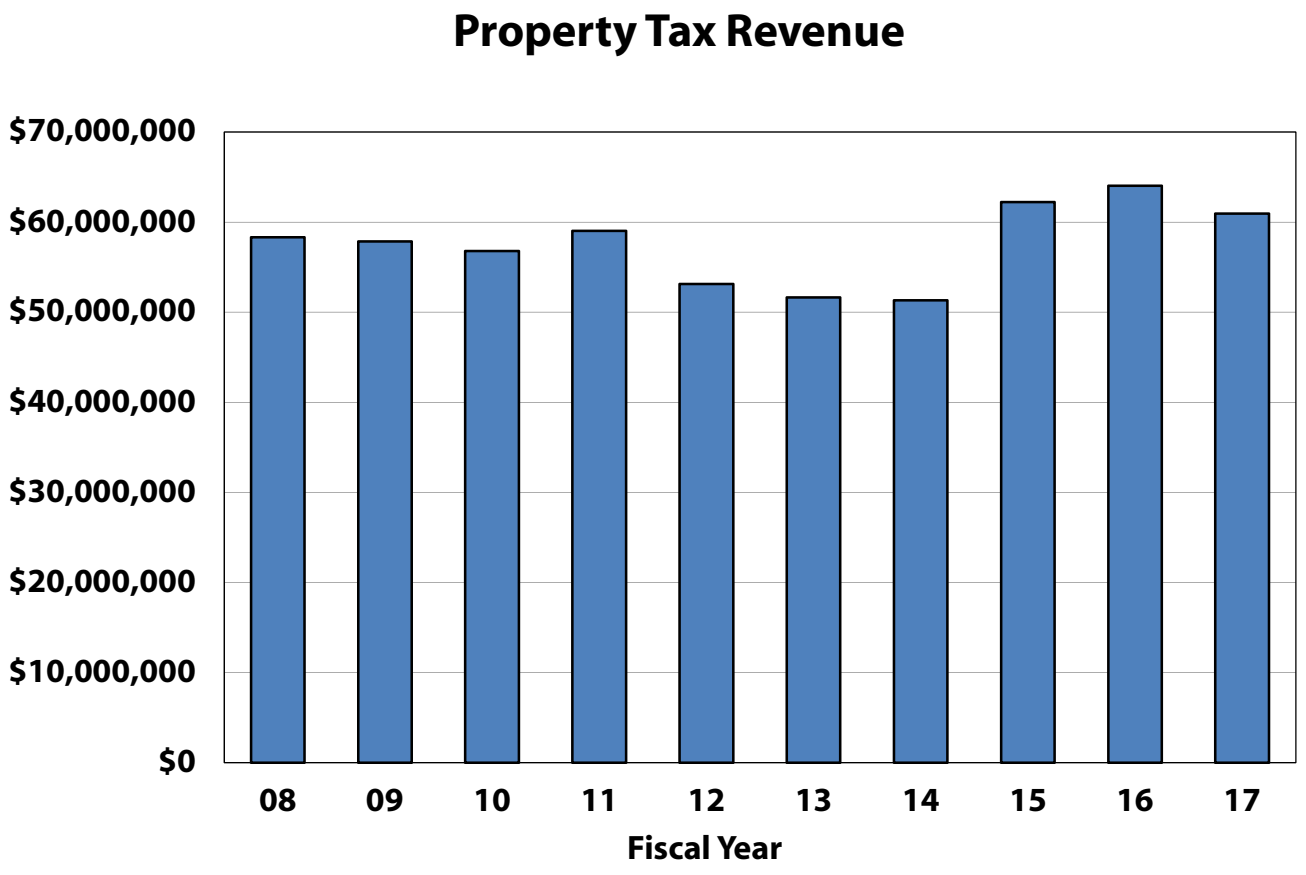
Utica Community Schools



Warren Consolidated Schools

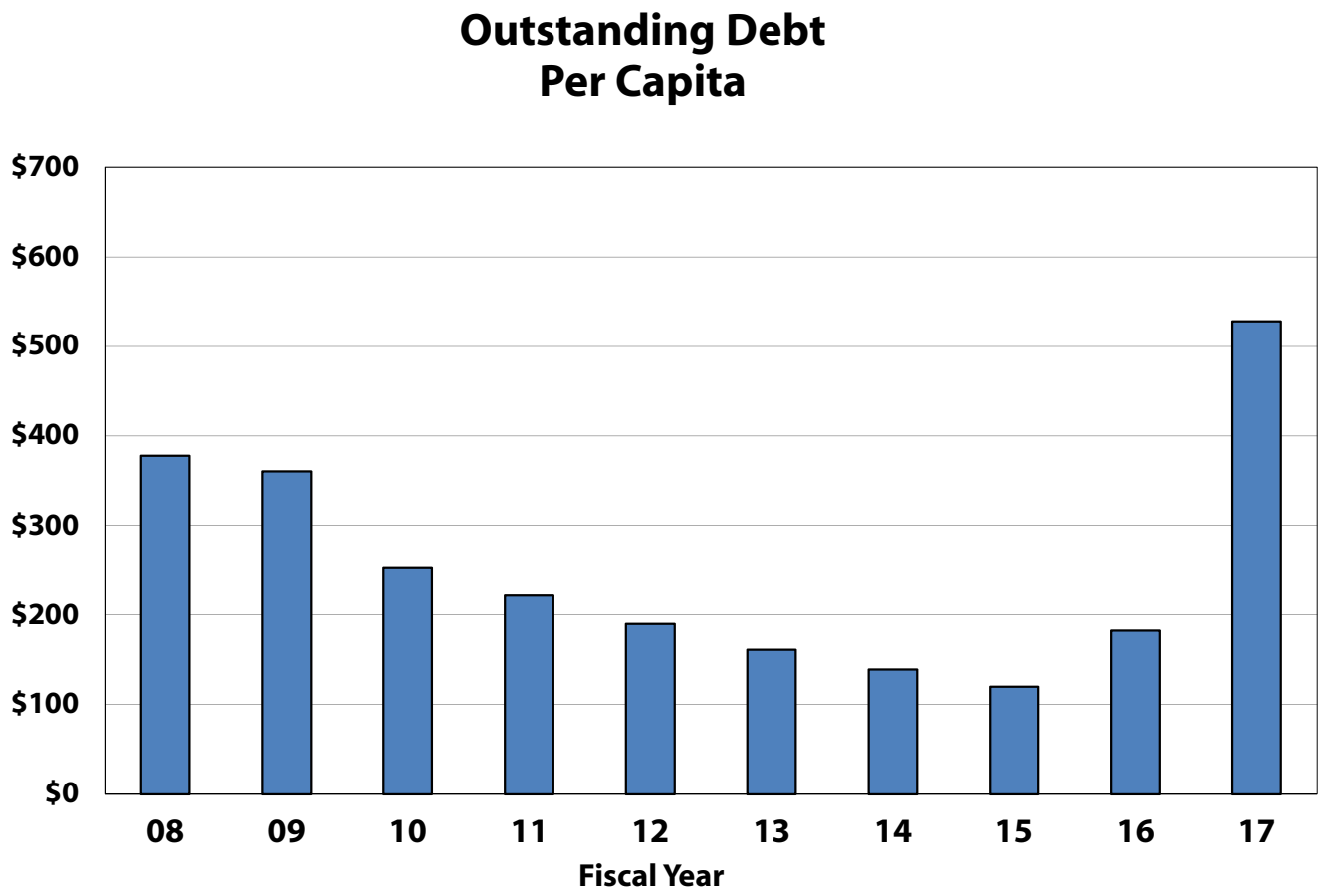
GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Fund Property Taxes					Local Rds Prop Taxes	Debt Service Funds Prop Taxes			Total All Property Taxes
	Operating	Refuse	Police & Fire Retirement System	Safe Streets	Total	Safe Streets	General Drain	Voted Tax General Obligation	Total	
2008	50,198,476	4,359,680	1,707,910	0	56,266,066	0	1,089,261	976,355	2,065,616	**58,331,682**
2009	49,275,429	4,476,793	2,594,194	0	56,346,416	0	1,169,602	359,924	1,529,526	**57,875,942**
2010	45,954,154	4,561,110	4,925,570	0	55,440,834	0	1,178,018	182,454	1,360,472	**56,801,306**
2011	47,431,652	4,377,125	5,753,668	0	57,562,445	0	1,164,592	318,171	1,482,763	**59,045,208**
2012	40,120,585	4,376,626	7,157,201	0	51,654,412	0	1,150,140	345,161	1,495,301	**53,149,713**
2013	37,142,292	4,403,288	8,529,892	0	50,075,472	0	1,224,522	365,934	1,590,456	**51,665,928**
2014	38,262,436	4,400,850	7,444,408	0	50,107,694	0	823,757	412,574	1,236,331	**51,344,025**
2015	38,380,857	4,615,657	7,905,424	6,969,239	57,871,177	3,271,161	658,448	430,566	1,089,014	**62,231,352**
2016	40,154,336	4,786,968	7,992,154	7,121,201	60,054,659	3,344,947	164,288	472,828	637,116	**64,036,722**
2017	38,159,793	4,418,198	7,914,369	6,786,371	57,278,731	3,201,818	2,297	464,084	466,381	**60,946,930**



RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

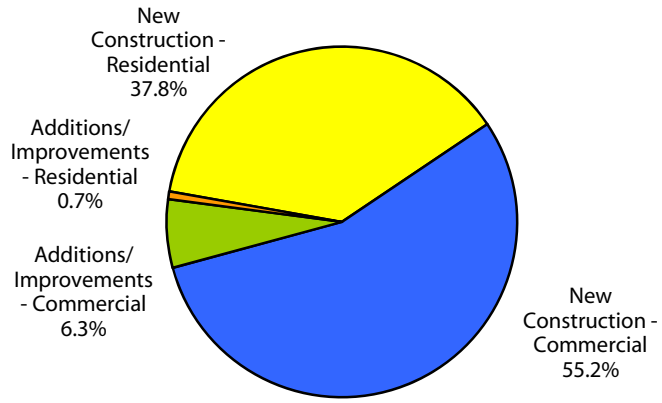
Fiscal Year Ended June 30	Governmental Activities					Business-Type Activities County Issued				Primary Govt.	%		Govt.
	General Obligation Bonds	Michigan Transp. Bonds	Special Assess. Bonds	County Issued Bonds	Capital Leases	General Obligation Bonds	Special Assess. Bonds	Revolv. Loan Funds	Capital Leases	Outstand. Debt Total	of Personal Income	Pop.	Debt Per Capita
2008	23,635,000	18,710,000	-	6,495,000	-	-	-	-	-	48,840,000	1.30%	129,200	**378.02**
2009	20,985,000	16,535,000	3,260,000	5,590,000	-	-	-	-	-	46,370,000	1.26%	128,500	**360.86**
2010	8,820,000	16,130,000	3,160,000	4,635,000	-	3,702,531	-	-	-	36,447,531	0.96%	129,699	**252.47**
2011	7,880,000	14,180,000	3,060,000	3,655,000	-	30,584,068	-	3,314,862	-	62,673,930	2.00%	129,699	**221.86**
2012	6,905,000	12,170,000	2,960,000	2,630,000	-	36,565,773	2,716,185	4,931,838	-	68,878,796	2.19%	129,699	**190.17**
2013	6,165,000	10,405,000	2,850,000	1,525,000	-	35,428,997	2,647,602	6,825,826	-	65,847,425	2.10%	129,699	**161.49**
2014	5,777,683	8,811,416	2,700,000	775,000	-	34,264,780	2,548,452	11,703,389	-	66,580,720	2.12%	129,699	**139.28**
2015	5,253,950	7,465,086	2,550,000	150,000	186,769	33,071,724	4,098,344	17,592,684	8,789	70,377,346	2.24%	129,699	**120.32**
2016	4,667,114	16,480,393	2,400,000	-	150,062	31,831,025	4,054,112	20,725,947	7,063	80,315,716	2.56%	129,699	**182.71**
2017	49,055,194	17,080,252	2,250,000	-	111,621	53,263,196	3,884,347	22,126,394	5,253	147,776,257	4.71%	129,699	**528.12**



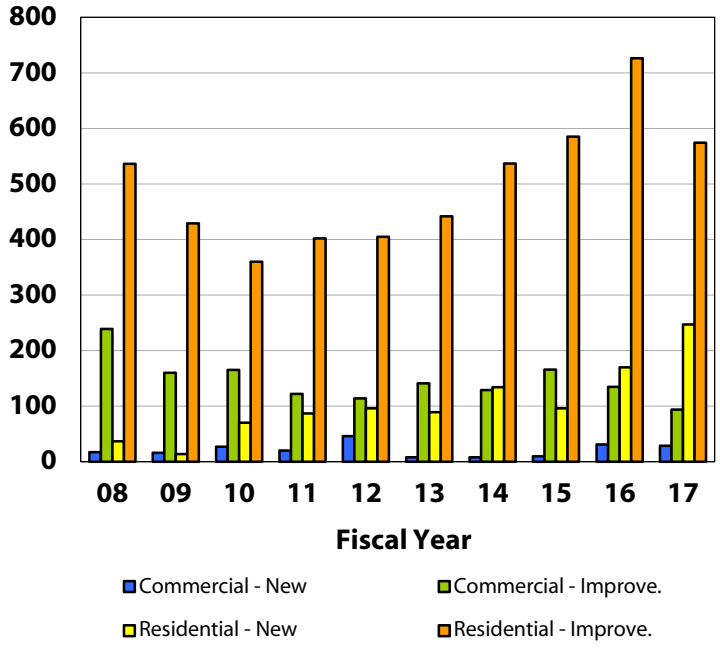
BUILDING PERMITS AT MARKET VALUE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Residential					Commercial				
	New Construction		Additions/Improve.		Total Residential	New Construction		Additions/Improve.		Total Commercial
	No.	Value	No.	Value		No.	Value	No.	Value	
2008	37	8,034,365	536	1,503,824	9,538,189	17	38,153,479	239	26,322,149	64,475,628
2009	14	3,481,198	429	1,261,884	4,743,082	16	5,148,379	160	23,119,046	28,267,425
2010	70	12,386,830	360	839,587	13,226,417	27	31,115,804	165	28,194,133	59,309,937
2011	87	15,494,221	402	1,147,729	16,641,950	20	91,661,691	122	21,444,771	113,106,462
2012	96	19,872,576	405	1,291,986	21,164,562	46	97,795,253	114	16,137,512	113,932,765
2013	89	20,919,441	442	2,528,899	23,448,340	8	15,546,849	141	37,063,864	52,610,713
2014	134	31,286,101	537	1,191,570	32,477,671	8	6,077,060	129	25,288,174	31,365,234
2015	96	22,656,130	585	1,126,895	23,783,025	10	25,455,891	166	26,570,017	52,025,908
2016	170	87,099,668	726	1,528,732	88,628,400	31	31,932,939	135	15,628,005	47,560,944
2017	247	55,558,146	574	958,155	56,516,301	29	81,070,698	94	9,340,587	90,411,285

Market Value of 2017 Building Permits



Building Permits



DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Estimated Population	Median Age (2)	Age 25 or Older (2)		Per Capita Income (4)/(1)	Income In Thousands (4)	Number of Households (2)	Median Household Income (1)	Sterling Heights Unemployment Rate (3)/(4)
			High School Graduate or Higher	Bachelor's Degree or Higher					
2008	128,500 (1)	35-39	84.0%	22.9%	29,308	3,766,078	50,375	60,494	8.8%
2009	128,500 (1)	35-39	84.0%	22.9%	28,546	3,668,161	49,735	60,494	14.1%
2010	128,500 (1)	35-39	84.0%	22.9%	29,430	3,781,755	49,339	60,494	13.6%
2011	129,699 (1)	40-44	84.0%	22.9%	24,213	3,140,402	49,508	53,390	9.8%
2012	129,699 (1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	9.0%
2013	129,699 (1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	9.0%
2014	129,699 (1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	9.0%
2015	129,699 (1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	7.0%
2016	129,699 (1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	4.6%
2017	129,699 (1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	3.4%

Sources:

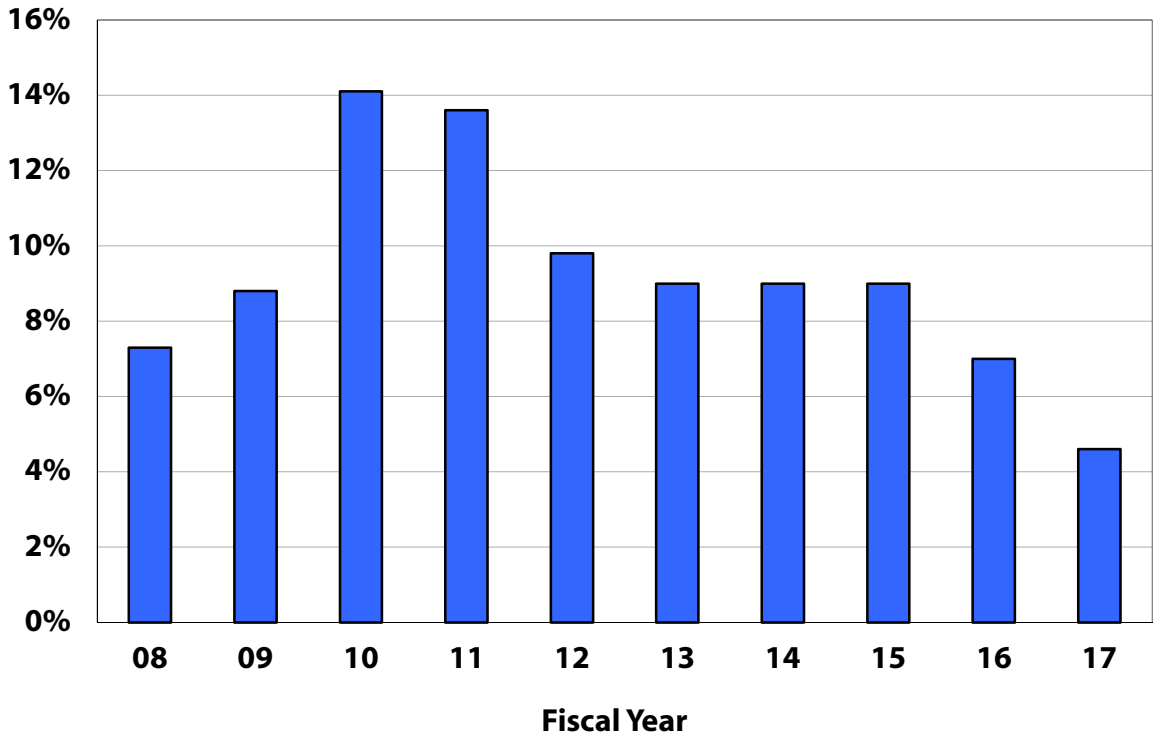
(1) United States Census Bureau - 2000/2010 Census and 2010 American Community Survey One Year Estimates

(2) Southeast Michigan Council of Governments (SEMCOG)

(3) Michigan Department of Career Development, Employment Security Agency, Office of Labor Market Information

(4) Michigan Department of Technology, Management & Budget

City of Sterling Heights Unemployment Rate



2018/19 BUDGET

Activity Name
Police & Fire Pension Board

Activity
2380

Account Number	Account Name	2016/17 Actual	2017/18 Budget	2017/18 To 12/31	2017/18 Estimate	2018/19 Budget
	Supplies					
729.000	Postage	$697	$670	$253	$670	$600
751.000	Operating Supplies	597	280	0	280	280
	Total Supplies	1,294	950	253	950	880
	Other Charges					
802.000	Audit & Accounting Services	25,724	25,000	23,982	25,000	25,000
806.000	Legal Services	3,960	11,000	0	11,000	11,000
807.000	Medical Services	2,375	4,000	5,642	5,640	5,000
826.000	Other Contracted Services	1,300,025	1,462,650	598,897	1,462,650	1,462,650
903.000	Printing	533	200	0	200	200
922.000	Telephone	422	480	249	480	100
957.000	Memberships & Dues	100	100	0	100	100
959.000	Education & Training	9,016	8,000	2,917	8,000	8,000
	Total Other Charges	1,342,155	1,511,430	631,687	1,513,070	1,512,050
	Capital Outlay					
979.000	Computer Equipment	0	0	0	0	0
	Total Capital Outlay	0	0	0	0	0
	Total Activity	**$1,343,449**	**$1,512,380**	**$631,940**	**$1,514,020**	**$1,512,930**

NOTE: The "2016/17 Actual" & "2017/18 To 12/31" columns are rounded to the nearest dollar.

Labor Agreements

NAME	CONTRACT EXPIRATION	BUDGETED EMPLOYEES	
		FULL-TIME	PART-TIME
Union Employees			
Police Officers - MAP	6/30/2021	117	
Fire Fighters - IAFF Local 1557	6/30/2018	99	
Technical/Office - MAPE	6/30/2018	61	30*
DPW Field - Teamsters Local 214	6/30/2021	58	
Police Command Officers - COA	6/30/2018	33	
Professional & Technical - MAPE	6/30/2019	33	13
Court Clerical - AFSCME Local 1884	6/30/2018	18	7
Police Clerical - MAP	6/30/2019	20	2
Supervisory - MAPE	6/30/2018	11	
Executive Group - SHEG	6/30/2022	7	
DPW Supervisors - AFSCME Local 1917	6/30/2020	7	
Total Union Employees		464	52
Non-Union Employees			
41-A District Court Administration	N/A	10	
41-A District Court Judges	N/A	3	
Ordinance Employees	N/A	2	
Other Employees (Seasonal/Part-time)			83
Total Non-Union Employees		15	83
Total All Employees		**479**	**135**

* Includes nine part-time employees that are excluded from the part-time limit.

Population [1]

Total Population	129,699
Gender	
Male	62,862
Female	66,837
Age	
Under 5 years	7,126
5 to 9 years	7,529
10 to 14 years	8,104
15 to 19 years	8,636
20 to 24 years	8,132
25 to 34 years	16,151
35 to 44 years	17,346
45 to 54 years	19,835
55 to 59 years	9,015
60 to 64 years	8,124
65 to 74 years	10,730
75 to 84 years	5,944
85 years and older	3,027
Racial Makeup	
White	110,426
African American	6,697
American Indian & Alaska Native	281
Asian	8,742
Native Hawaiian & Other Pacific Islander	19
Other Race	654
Two or more races	2,880

Housing

Median Housing Value	$184,540
Total Housing Units	52,794
Houses	34,442
Condominiums	6,894
Apartments	9,767
Mobile Homes	1,691

Principal Property Taxpayers

Company/Taxable Value	
FCA US, LLC	$122,098,342
Ford Motor Company	103,190,753
DTE Energy	40,211,107
GGP LP	22,192,395
General Dynamics	17,158,396
Consumers Energy.	15,583,462
ITC Transmissions	10,063,026
PC Sterling Heights, LLC	9,762,881
Laguna Associates LTD Partners	9,573,156
TV-MICH, LP	9,544,700

Major Employers

Company/Employees	
FCA US, LLC	9,507
Ford Motor Company	3,910
Administrative Employer Services, Inc.	2,800
General Dynamics Land Systems	2,670
Lakeside Associates	1,800
Utica Community Schools	1,637
Mayco International/Stonebridge Industries	1,324
Detroit Newspaper Partnership, LP.	1,000
Walmart Stores	850
Key Safety Systems	800

Employment Status [2]

Population 16 years & over	107,877
In labor force	65,782
Civilian labor force	65,782
Employed	63,692
Unemployed	2,090
Percent of civilian labor force	3.2
Armed Forces	0
Not in labor force	42,095

Occupation [2]

Employed civilian population 16 yrs. & over	63,692
Management, business, science & arts occupations	23,054
Service occupations	10,615
Sales & office occupations	16,116
Natural resources, construction, & maintenance occupations	3,291
Production, transportation & material moving occupations	10,616

Industry [2]

Agriculture, forestry, fishing and hunting, & mining	144
Construction	2,639
Manufacturing	14,756
Wholesale trade	1,735
Retail trade	8,360
Transportation and warehousing & utilities	2,367
Information	979
Finance, insurance, real estate & rental and leasing	3,309
Professional, scientific, management, administrative & waste management	6,054
Educational, health & social assistance	12,189
Arts, entertainment, recreation, accommodation & food services	5,373
Other services (except public administration)	3,480
Public administration	2,307

School Enrollment [2]

Population 3 yrs. & over enrolled in school	33,848
Nursery school, preschool	1,839
Kindergarten	1,656
Elementary (grades 1-8)	11,865
High School (grades 9-12)	7,350
College or graduate school	11,138

Streets & Sidewalks

Miles of City Streets:	
Primary	63
Secondary	286
Estimated Sidewalks in Miles	617
Bridges	11
Street Lights	2,535

Police Protection

Group A offenses [3]	2,782
Group B offenses [4]	2,917
Injury Accidents	1,265
Property Damage	3,825
Private Property Damage	531
Total Traffic Violations	30,678
Civil Infractions	26,088
Parking Violations	1,468
Adult Arrests	3,612
Juvenile Arrests	116
OUIL Arrests	138

Fire Protection

Stations	5
Emergency Alarms Answered	14,805
Medical Emergencies	11,025
Fire Inspections Conducted	1,688
Inspection Violations Issued	2,472
Training Hours Completed	32,116

41-A District Court

Cases Handled:	
Civil	2,612
Criminal	3,321
Traffic	31,445
Landlord & Tenant	1,932
Small Claims	393

Election Data

Registered Voters	88,520
Voters at Polls	41,578
Absentee Ballots	16,443
Percent Voting	65.55%

Parks & Recreation

Acres	820
Developed Parks	28
Adult Athletics Attendance	21,291
Instructional Rec. Attendance	22,903
Nature Program Attendance	15,753
Senior Program Attendance	112,279
Special Event Attendance	93,327
Summer Playground Attendance	12,182
Special Rec. Program Attendance	7,568

Library

Registered Borrowers	46,498
In-House Materials Usage	39,714
Items Circulated	536,321
Reference Transactions	64,893
Program Attendance	23,208
Library Visits	314,813
Interlibrary Loan Requests	71,796
Interlibrary Loan Requests - Lent	62,818
Book Van Deliveries	2,797
Online Computer Users	998,803

Water & Sewer Services

Customers:	
Residential	35,419
Commercial/Industrial	4,270
Miles of Water Mains	667
Miles of Sanitary Sewers	430
Fire Hydrants	7,305
Water (in thousand cubic feet):	
Purchased from Detroit	615,045
Sold to Residents	629,333
Rates:	
1,000 Cubic Feet (water and sewer)	$71.79
Sewer Only – Per Billing	$85.00

[1] Source: U.S. Census Bureau, Census 2010

[2] Source: 2016 American Community Survey 1-year estimates

[3] Murder, criminal sexual conduct, robbery, aggravated assault, burglary, larceny, arson, motor vehicle theft, damage to property, retail fraud, etc.

[4] Disorderly conduct, assault, family trouble, negligent homicide, obstructing justice, OUIL, etc.

CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN
ORDINANCE NO. 456

AN ORDINANCE TO PROVIDE FOR THE GENERAL APPROPRIATIONS OF THE CITY, AND SETTING FORTH THE AMOUNTS APPROPRIATED TO DEFRAY THE EXPENDITURES AND SETTING FORTH A STATEMENT OF ESTIMATED REVENUES, BY SOURCE, IN EACH FUND; TO ADOPT THE CITY'S BUDGETS FOR THE FISCAL YEAR 2018/19; TO ADOPT THE FEE SCHEDULE FOR PUBLIC RECORDS AND SERVICES FOR THE FISCAL YEAR 2018/19; AND TO ADOPT WATER AND SEWAGE DISPOSAL RATES FOR THE FISCAL YEAR 2018/19.

THE CITY OF STERLING HEIGHTS ORDAINS:

ARTICLE I

TITLE

This ordinance shall constitute the "ANNUAL APPROPRIATIONS ORDINANCE" in accordance with Section 9.14 of the City Charter, the "GENERAL APPROPRIATIONS ACT" in accordance with the Michigan Uniform Budgeting and Accounting Act, MCL 141.436 and the "SPECIAL APPROPRIATIONS ACT" pursuant to Public Act 493 of 2000.

ARTICLE II

The following is an estimate of revenues, by source, in each fund and an appropriation of monies as authorized by law, as may be needed or deemed necessary to defray all expenses and liabilities of the City as specified for the corporate purposes and objects of the City for the fiscal year July 1, 2018 through June 30, 2019. The City Council does hereby adopt, by budgetary center, the following General Fund and Special Revenue Funds budgets for 2018/19.

Sec. 2.01

GENERAL FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES			
Net General Tax Revenue	$44,848,720		
Licenses and Permits	2,414,500		
State and Local Returns	17,321,380		
Fines and Forfeitures	2,534,500		
Charges for Services	~~12,606,670~~	12,776,670	
Other Revenue	3,348,710		
Cable Revenue	2,575,000		
Use of Fund Balance	0		
Total General Revenue		~~85,649,480~~	85,819,480
Refuse Tax Revenue	4,451,730		
Police & Fire Pension Tax Revenue	9,036,050		
Safe Streets Tax Revenue	7,148,750		
Total Other Tax Revenue		20,636,530	
Total Revenues		~~106,286,010~~	106,456,010
OTHER FINANCING SOURCES			
Transfers In	0		
Total Other Financing Sources		0	
Total Revenues & Other Financing Sources		**~~$106,286,010~~**	**$106,456,010**

and does hereby designate $44,693,720 to be raised by 10.4940 mills tax levied for General Purposes on the assessed valuation of all real and personal property subject to taxation in the City,

and does hereby designate $9,036,050 to be raised by ~~2.1208~~ 2.1279 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for fire and police pension purposes, as authorized by MCL 38.551, et. seq.,

and does hereby designate $4,451,730 to be raised by ~~1.0385~~ 1.0420 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of the collection and removal of garbage and trash of the City as authorized by MCL 123.261, et. seq.,

and does hereby designate $7,148,750 to be raised by ~~1.6772~~ 1.6781 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for police and fire protection as authorized by the electors of the City in approving the Safe Streets Proposal in 2013, et. seq.,

and directs the Treasurer to add a collection fee of one-half (1/2) percent per month to all taxes, charges and assessments paid after September 1, and further, upon all taxes, charges and assessments returned to the County Treasurer upon any delinquent tax roll, a charge of three percent (3%) shall be added and the same shall be collected by the County Treasurer in like manner as and together with the taxes, charges and assessments so returned.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES			
City Administration Department	$9,374,690		
Public Library Department	2,855,740		
Parks & Recreation Department	0		
Police Department	~~33,801,270~~	34,033,870	
Fire Department	19,795,690		
Public Works Department	7,158,760		
Refuse Collection	4,451,650		
City Development Department	5,070,650		
Community Relations Department	1,465,840		
41-A District Court	3,545,610		
General Expenditures	1,797,830		
Contribution to Fund Balance	~~1,206,770~~	1,144,170	
Total Expenditures		~~90,524,500~~	90,694,500
OTHER FINANCING USES			
Transfers Out	15,761,510		
Total Other Financing Uses		15,761,510	
Total General Fund		**~~$106,286,010~~**	**$106,456,010**

Sec. 2.02

WATER & SEWER OPERATING FUND:

OPERATING REVENUES		
Operating Revenues	$53,799,680	
Total Operating Revenues		**$53,799,680**
OPERATING EXPENSES		
Administration	$4,061,710	
Water Distribution	18,310,860	
Sewage Collection	30,531,850	
Contribution to Retained Earnings	895,260	
Total Water & Sewer Operating Fund		**$53,799,680**

and does hereby designate the rates to be charged for water and sewage disposal services to be as follows for all bills rendered on or after July 1, 2018.

WATER RATES

Consumption Charges Per Billing Period:	Rate Per Thousand Cubic Ft.
First 3,000 cubic feet or less	$27.05
All over 3,000 cubic feet	33.81

Fixed GLWA fee (single-family residential customers)	$5.00
Fixed GLWA fee (all other customers)	7.00

Meter Charges Per Billing Period

1 ½"	5.39
2"	13.96
3"	25.61
4"	33.59
6"	53.15
8"	84.65
10"	111.18
12"	127.05

SEWER RATES

This charge shall be based on the amount of water used per billing period:	Rate Per Thousand Cubic Ft.
Per 1,000 cubic feet	$47.70

Fixed Macomb Public Works fee (single-family residential customers)	$6.25
Fixed Macomb Public Works fee (all other customers)	9.00

BILLING

Bills for water and sewer service shall be rendered periodically as set forth in this article. The billing period for single-family residential customers is quarterly, all other customers are billed monthly. All bills shall be due and payable twenty (20) days from the date thereon. A penalty of six percent (6%) of the amount of the unpaid portion of each current bill shall be added to each bill not paid on or before the due date. An additional penalty of seventeen percent (17%) of the total of the unpaid balance and the six percent (6%) penalty shall be added at the time the delinquent bill is entered upon the tax roll, pursuant to section 35-6 (a) of the Sterling Heights City Code. The City shall establish a minimum water and sewer bill, which shall be based on 900 cubic feet of water usage per billing cycle. There will be an $87.00 charge per bill for sewer only customers.

For all single-family residential customers of both water and sewer services from the City, the charges billed during the months of September, October, and November shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than $26.00 during the quarterly period billed during the months of September, October, and November.

For all customers who are not single-family residential customers and have both water and sewer services from the City, the charges billed during the months of July, August, and September shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than $8.67 during the monthly period billed during the month of July, $8.67 during the month of August, and $8.66 during the month of September.

Sec. 2.03

MAJOR ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$0	
Federal Grants	0	
State Sources	8,449,710	
Other Revenue	186,000	
Total Revenues		8,635,710
OTHER FINANCING SOURCES		
Transfer from General Fund	7,000,000	
Total Other Financing Sources		7,000,000
Total Revenues & Other Financing Sources		**$15,635,710**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Administration Expenses	$131,120	
Major Street Maintenance	2,371,000	
Major Street Improvements	10,075,000	
Contribution to Fund Balance	558,590	
Total Expenditures		13,135,710
OTHER FINANCING USES		
Transfer to Road Bond Debt Retirement Fund	2,500,000	
Transfer to Local Road Fund	0	
Total Other Financing Uses		2,500,000
Total Major Road Fund		**$15,635,710**

Sec. 2.04

LOCAL ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$35,090	
Net Property Taxes	3,365,190	
State Sources	3,123,520	
Charges for Services	50,000	
Other Revenue	40,860	
Total Revenues		6,614,660
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Transfer from Major Road Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$6,614,660**

and does hereby designate $3,361,890 to be raised by ~~0.7893~~ 0.7897 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for local street improvements as authorized by the electors of the City in approving the Safe Streets Proposal in 2013.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Administration Expenses	$152,070	
Local Street Maintenance	2,232,500	
Local Street Improvements	4,230,090	
Contribution to Fund Balance	0	
Total Expenditures		6,614,660
OTHER FINANCING USES		
Transfer to Road Bond Debt Retirement Fund	0	
Total Other Financing Uses		0
Total Local Road Fund		**$6,614,660**

Sec. 2.05

LAND & WATER CONSERVATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$0	
Federal & State Sources	0	
Other Revenue	4,000	
Total Revenues		4,000
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$4,000**
EXPENDITURES		
Land Acquisition	$0	
Land Improvements	0	
Contribution to Fund Balance	4,000	
Total Land & Water Conservation Fund		**$4,000**

Sec. 2.06

PARKS & RECREATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$20,274,280	
Property Taxes	4,050,770	
State Sources	215,000	
Other Revenue	963,810	
Total Revenues		25,503,860
OTHER FINANCING SOURCES		
Transfer from General Fund	1,347,410	
Total Other Financing Sources		1,347,410
Total Revenues & Other Financing Sources		**$26,851,270**

and does hereby designate $4,050,770 to be raised by ~~0.9511~~ 0.9516 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue to acquire, construct, furnish, equip and operate parks and recreation improvements, including a new community center, as authorized by the electors of the City in approving the *Re*creating Recreation Proposal in 2016.

EXPENDITURES		
Personnel Services	$2,071,490	
Supplies	107,250	
Other Charges	801,190	
Capital Outlay	20,870,250	
Debt Service	3,001,090	
Total Parks & Recreation Fund		**$26,851,270**

Sec. 2.07

PUBLIC SAFETY FORFEITURE FUND BUDGET:

REVENUES		
Fund Balance	$427,870	
Federal Forfeitures	0	
Treasury Forfeitures	0	
State Forfeitures	2,000	
Gambling Forfeitures	0	
Operating While Intoxicated Forfeitures	0	
Act 302 Training Funds	27,800	
Interest Income	4,880	
Total Revenues		**$462,550**
EXPENDITURES		
Federal Forfeitures	$352,240	
Treasury Forfeitures	0	
State Forfeitures	65,670	
Gambling Forfeitures	0	
Operating While Intoxicated Forfeitures	13,840	
Act 302 Training Funds	30,800	
Total Public Safety Forfeiture Fund		**$462,550**

Sec. 2.08

COMMUNITY DEVELOPMENT BLOCK GRANT FUND BUDGET:

REVENUES		
Community Development Block Grant	$961,930	
Total Revenues		**$961,930**
EXPENDITURES		
Administrative Expenses	$160,390	
Books	7,000	
Senior Citizens Home Chore Program	27,200	
Single Parent Education Program	13,000	
Minor Home Repair	30,000	
Handicapped Recreation Program	19,000	
Housing Rehabilitation Program	225,000	
Contributions to Non-Profit Organizations	44,340	
Capital & Other Improvements	436,000	
Total Community Development Block Grant Fund		**$961,930**

Sec. 2.09

CORRIDOR IMPROVEMENT AUTHORITY FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Property Taxes	$81,150	
Funding from General Government	0	
Other Revenue	800	
Total Revenues		81,950
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$81,950**
EXPENDITURES		
Miscellaneous	$0	
Contribution to Fund Balance	81,950	
Total Corridor Improvement Authority Fund		**$81,950**

Sec. 2.10

ECONOMIC DEVELOPMENT CORPORATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$0	
Funding from General Government	300,000	
Other Revenue	2,000	
Total Revenues		302,000
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$302,000**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Miscellaneous	$0	
Contribution to Fund Balance	302,000	
Total Expenditures		302,000
OTHER FINANCING USES		
Transfer to LDFA Fund	0	
Total Other Financing Uses		0
Total Economic Development Corporation Fund		**$302,000**

Sec. 2.11

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$511,370	
Federal Grants	0	
Property Taxes	1,074,680	
Other Revenue	163,000	
Total Revenues		1,749,050
OTHER FINANCING SOURCES		
Transfer from Economic Development Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$1,749,050**
EXPENDITURES		
Incubator Renovations	$0	
Incubator Operations	597,050	
FCA Reimbursement	0	
SmartZone Improvements	1,152,000	
Contribution to Fund Balance	0	
Total Local Development Finance Authority Fund		**$1,749,050**

Sec. 2.12

GENERAL DRAIN FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Net Drain Tax Revenue	$500	
Delinquents & Penalties	0	
Other Revenue	480	
Total Revenues		980
OTHER FINANCING SOURCES		
Bond Proceeds – Refunding	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$980**
EXPENDITURES		
Other Charges	$0	
Principal	0	
Interest	0	
Contribution to Fund Balance	980	
Total Drain Fund		**$980**

Sec. 2.13

VOTED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$44,350	
Delinquents & Penalties	1,200	
Other Revenue	3,500	
Federal & State Sources	29,710	
Net Proposal F Tax Revenue	414,900	
Total Revenues		493,660
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$493,660**

and does hereby designate $415,000 to be raised by ~~0.0968~~ 0.0971 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for public improvement debt service as authorized by the electors of the City in approving Proposal F in 2006.

EXPENDITURES		
Proposal F Expenditures	$493,660	
Contribution to Fund Balance	0	
Total Voted Tax General Obligation Debt Fund		**$493,660**

Sec. 2.14

ROAD BOND DEBT RETIREMENT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$445,770	
Special Assessment Revenue	142,030	
Interest Income	81,790	
Federal Interest Rebates	28,970	
Total Revenues		698,560
OTHER FINANCING SOURCES		
Transfer from Major Road Fund	2,500,000	
Transfer from Road Bond Construction Fund	0	
Total Other Financing Sources		2,500,000
Total Revenues & Other Financing Sources		**$3,198,560**
EXPENDITURES		
Principal	$2,414,970	
Interest	781,490	
Other Fees	2,100	
Contribution to Fund Balance	0	
Total Road Bond Debt Retirement Fund		**$3,198,560**

Sec. 2.15

LIMITED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$230	
Other Revenue	0	
Total Revenues		230
OTHER FINANCING SOURCES		
Transfer from General Fund	1,698,060	
Total Other Financing Sources		1,698,060
Total Revenues & Other Financing Sources		**$1,698,290**
EXPENDITURES		
Principal	$1,025,580	
Interest	672,250	
Other Fees	460	
Total Limited Tax General Obligation Debt Fund		**$1,698,290**

Sec. 2.16

CAPITAL PROJECTS FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$0	
State & Local Returns	0	
Other Revenue	161,620	
Total Revenues		161,620
OTHER FINANCING SOURCES		
Transfer from General Fund	5,716,040	
Total Other Financing Sources		5,716,040
Total Revenues & Other Financing Sources		**$5,877,660**
EXPENDITURES		
Capital Equipment	$2,633,540	
Capital Vehicles	1,249,500	
Capital Projects	888,500	
Contribution to Fund Balance	1,106,120	
Total Capital Projects Fund		**$5,877,660**

Sec. 2.17

FACILITIES IMPROVEMENT FUND:

REVENUES		
Fund Balance	$7,000,000	
Proceeds from Long-Term Debt	0	
Total Revenues		**$7,000,000**
EXPENDITURES		
Capital Improvements	$7,000,000	
Total Facilities Improvement Fund		**$7,000,000**

Sec. 2.18

CLINTON RIVER RESTORATION FUND:

REVENUES		
Federal Grants	$0	
Total Revenues		**$0**
EXPENDITURES		
Capital Projects	$0	
Total Clinton River Restoration Fund		**$0**

Sec. 2.19

ROAD BOND CONSTRUCTION FUND:

REVENUES & OTHER FINANCING SOURCES		
REVENUES		
Fund Balance	$4,370,000	
Other Revenue	30,000	
Federal Grants	0	
Total Revenues		4,400,000
OTHER FINANCING SOURCES		
Proceeds from Long-Term Debt	0	
Transfer from Major Road Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$4,400,000**
EXPENDITURES & OTHER FINANCING USES		
EXPENDITURES		
Construction	$4,400,000	
Total Expenditures		4,400,000
OTHER FINANCING USES		
Transfer to Major Road Fund	0	
Total Other Financing Uses		0
Total Road Bond Construction Fund		**$4,400,000**

ARTICLE III

The City Council adopts the following fee schedule for public records and services provided by the City of Sterling Heights for the fiscal year July 1, 2018 through June 30, 2019. Any parts of resolutions and ordinances in conflict with this article are repealed. This article is intended to preserve all existing charges and fees set forth in any resolution, ordinance, or law which are not in conflict with this article and to fulfill the requirements of any ordinance authorizing the City Council to establish fees by resolution.

Fees for public records not set forth in this article, or in any other resolution, ordinance, or law, shall be set by the City Manager in accordance with Act 442 of the Public Acts of 1976, as amended. Fees for public services not specifically set forth in this article or in any other resolution, ordinance, or law may be established by the City Manager, who shall promptly notify the City Council in writing of each of them. The City Manager shall establish fees for public services based upon the cost of providing the public service.

Sec. 3.01

ASSESSING OFFICE:

Lot Splits	580.00
Lot Combinations	480.00
Processing Labels (per page)	1.45
Resident Field Sheet Fee	2.05
Apartment Listing (Names/Sidwells/Assessments)	67.00
Shopping Center List	67.00
Section or Subdivision Listing (per page)	1.00
Assessing, Board of Review, & Sales Information (first page):	2.05
Additional Pages	0.30
Plat Map	140.00
Custom Assessment Information Report	75.00
IFEC Extension Application Fee	605.00
IFEC Request for Extension to Complete Project Application Fee	605.00
IFEC Request for Revision of Final Project Cost Application Fee	605.00
Application to Establish a Speculative Building Designation Fee	605.00
Tax Hardship Income Limits:	
1 Person	14,450.00
2 Person	16,500.00
3 Person	20,420.00
4 Person	24,600.00
5 Person	28,780.00
6 Person	32,960.00
7 Person	37,140.00
8 Person	41,320.00
Each Additional Person	4,180.00

Sec. 3.02

BUILDING OFFICE:

Fence Permit	41.00
Fence Permit – Masonry, Separation	122.00
Board of Code Appeals	241.00
Reestablish Expired Permit Fee	70.00
Overtime Inspections, Each Hour (4 hour minimum)	95.00
Special Inspections, Each Trade (Residential)	54.00
Special Inspections, Each Trade (Commercial)	76.00
Building Code Publication	Cost + 15.00 Administration fee
Building Moving Permit	315.00
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third or Subsequent Repeat Offenses	1,500.00

Electrical Work

Application Fee (Non-refundable)	50.00
Permit fee (minimum)	50.00
Electrical Contractor's Registration	29.00
Fire Alarm Contractor's Registration	29.00
Sign Contractor's Registration	29.00
Furnace Wiring	30.00
Air Conditioner Reconnect	30.00
Circuits: Each (new or extended)	24.00
Fixtures: Each 25	24.00
Motors, Power, Heating Units, Furnaces, Transformers:	
Each ¼ to 10 HP	30.00
Each 11 to 30 HP	35.00
Each 31 to 50 HP	40.00

Each 51 to 60 HP 46.00
Each 61 and over 60.00
Feeders (Conduit, Wireways, Bus Ducts, Cables):
Each 100 ft. (or less) 53.00
Refrigeration Units:
Air Conditioning (residential) 30.00
Interruptible Service 30.00
Air Conditioning (commercial):
Up to 5 Tons 35.00
5 to 40 Tons 53.00
Over 40 Tons 79.00
Electric Ranges, Ovens, Dryers, Water Heaters, X-Ray Equipment:
Each unit of type 30.00
Swimming Pools/Hot Tubs (all) 59.00
Service (Lights, Heat, and Power):
100 Ampere or less 30.00
101 to 500 Ampere 40.00
501 to 900 Ampere 53.00
900 Ampere or more 65.00
Signs: Sign Circuit 46.00
Sign Tag Inspection 68.00
Sign Connection 73.00
General Repair & Alterations (per hour or fraction thereof) 61.00
Generator Connection 53.00
Motion Picture Apparatus 53.00
Special Inspections not specifically covered:
Festivals 140.00
Carnivals 140.00
Circuses 140.00
Shop Inspection 77.00
Theatrical Road Show 77.00
Christmas Tree Lot 77.00
Temporary Wiring:
Display Area (Sq. Ft.):
Up to 100,000 sq. ft. 70.00
Over 100,000 to 200,000 sq. ft. 130.00
Over 200,000 to 300,000 sq. ft. 157.00
Over 300,000 to 400,000 sq. ft. 232.00
Over 400,000 sq. ft. 310.00
Outline Tubing – Connection or Tag Inspection:
Each 100 feet 77.00
Mobile Home and Trailer Park Inspections (minimum) 54.00
Fire Alarm Inspection (minimum): 74.00
Plan Review Fee 103.00
Manual Pull Station 14.00
A/V, Strobe, Voice Speaker 14.00
Water Flow/Tamper Switch 14.00
Heat or Smoke Detector 14.00
Flame, Duct Detector 14.00
Auxiliary Panel 14.00
Electric Door Release 14.00
Elevator Recall Status 14.00
Fire Alarm Circuit 23.00
Alterations to existing system 61.00
Reinspection Fee 61.00
Miscellaneous Fire Alarm Fee 61.00

Plumbing Work
Application Fee (Non-refundable) 50.00
Permit Fee (minimum) 50.00
Plumber's Registration 1.00
Journeyman Plumber's Registration 0.50

Fixture Inspection: (New and Replacement)

- New Installation (minimum) 51.00
- New Stack or Stack Alteration 21.00
- Air Admittance Valve 21.00
- Roof conductor 21.00
- Sump or interceptor 21.00
- Backflow preventor 21.00
- Pump or Water Lift 21.00
- Hose connection (sillcocks) 21.00
- Water treatment device 21.00
- Water closets 21.00
- Shower traps 21.00
- Baths 21.00
- Water heater 35.00
- Tankless water heater 35.00
- Basement Waterproofing 51.00
- Sinks (any description) 21.00
- Lavatories 21.00
- Laundry trays 21.00
- Floor drains 21.00
- Ice Maker 21.00
- Back Water Valve 21.00
- Thermal Expansion Tank 21.00
- Bidet 21.00
- Dental Chair 21.00
- Grease or Oil Interceptor 21.00
- Drinking fountains 21.00
- Soda fountains/bars 21.00
- Waste opening 21.00
- Humidifiers 21.00
- Food waste grinders 21.00
- Dishwashers 21.00
- Urinals 21.00
- Whirlpools 40.00
- Lawn Sprinkler Systems 46.00
- All other fixtures not mentioned 21.00

Reinspection Fee 61.00

Special Equipment (automatic laundry, humidifier, beverage vending machine, vacuum systems, nitrous oxide, oxygen, nitrogen, medical air):

- Automatic Machines (minimum) 35.00
- Each additional 21.00

Building Sewer Connection – sump connection 53.00

Drains:

- Storm drains to catch basin for main storm sewer 310.00
- Lines less than 4″ in diameter 31.00
- Lines less than 6″ in diameter 36.00
- Lines less than 8″ in diameter 47.00
- Lines less than 10″ in diameter 61.00
- Lines less than 12″ in diameter 77.00
- Lines less than 14″ in diameter 92.00
- Lines less than 16″ in diameter 109.00
- Lines less than 18″ in diameter 124.00
- Lines exceeding 18″ in diameter (per inch) 19.00

Water Distribution System:

- ¾″ 25.00
- 1″ 36.00
- 1 ¼″ 41.00
- 1 ½″ 54.00
- 2″ 70.00
- 2 ½″ 102.00
- 3″ 116.00
- 4″ 130.00

Exceeding 4" 156.00
Replace piping, no increase in size 41.00

Mechanical Work

Application Fee (Non-refundable) 50.00
Permit Fee (minimum) 50.00
License/Registration 15.00
Gas-Fired Equipment; Oil Burners; New or Replacement –
Burners with input:
up to 75,000 ..... 53.00
75,001 to 500,000 ..... 60.00
500,001 – 1,000,000 ..... 106.00
1,000,001 – 2,000,000 ..... 120.00
2,000,001 – 3,000,000 ..... 151.00
over 3,000,000 ..... 181.00
Air Handlers:
Up to 2,000 CFM 53.00
Over 2,000 CFM 106.00
Duct Work 53.00
Hydronic Piping 61.00
Gas Piping:
Mains up to 2" 46.00
Mains 2 ½" to 4" 60.00
Mains over 4" 74.00
Each Opening off of Main 18.00
Factory Built Chimneys:
Up to 8" 24.00
9" to 12" 35.00
Over 12" 46.00
Pre-Fab Fireplace 60.00
Flue Liner 40.00
Exhaust Fans:
Up to 400 cfm 19.00
401 cfm to 1,000 cfm 24.00
1,001 cfm to 4,000 cfm 35.00
Over 4,000 cfm 46.00
Dryer Vents 24.00
Kitchen Hood and Duct (UL300/FM200) 54.00
Spray Booth Hood and Duct 54.00
Alterations to existing installations 61.00
Alterations to existing boilers 61.00
Reinspection Fee 61.00
Refrigeration Systems –
Self-Contained:
2 Tons or Less, each 46.00
Over 2 to 5 Tons, each 53.00
Alterations to each system 61.00
Remote Systems:
5 Tons or Less, each 53.00
Over 5 to 50 Tons, each 74.00
Over 50 Tons, each 120.00
Alterations to each system 61.00
Cooling Towers 74.00
Stand Pipes and Fire Suppression:
Riser pipe up to 4" diameter 47.00
Riser pipe up to 6" diameter 77.00
Riser pipe up to 8" diameter 109.00
Riser pipe 8" or more diameter 231.00
Each suppression opening (each head of the system) 6.50
Alteration to existing system 61.00
Flammable and Bulk Storage Tanks:
Tanks under 500 Gallons 53.00

Tanks under 5,000 Gallons 68.00
Tanks under 20,000 Gallons 91.00
Tanks under 50,000 Gallons 106.00
Tanks under 200,000 Gallons 120.00
Tanks over 200,000 Gallons 225.00

Buildings

Application Fee (Non-refundable) 50.00
Plan Review Deposits (Non-refundable):
Single Family Residential 580.00
Commercial Alteration 231.00
New Commercial/Industrial Building 1,155.00
Commercial/Industrial Addition 580.00
Building Permit Fees (all use groups):
Valuation to $1,000 ..... 57.00
Valuation $1,001 to $10,000 ..... 57.00 + 15.00 per 1,000.00 over 1,000.00
Valuation $10,001 to $100,000 ..... 226.00 + 6.00 per 1,000.00 over 10,000.00
Valuation $100,001 to $500,000 ..... 952.00 + 6.00 per 1,000.00 over 100,000.00
Valuation $500,001 and over ..... 4,130.00 + 6.00 per 1,000.00 over 500,000.00
Residential Bond (5% Retained) 540.00
Temporary C/O Refundable Bond 560.00
Multi-Family Bond (5% Retained) 805.00
Commercial Bond (5% Retained) 1,640.00
Industrial Bond (5% Retained) 3,260.00
Mobile Homes 158.00
Plan Review Fee:
Valuation $0 - $500,000 ..... 0.0040 of valuation but not less than 100.00
Valuation over $500,000 ..... 2,420.00 + 0.0015 of valuation over 500,000.00
Residential Plan Review: If Plan Number is on File 116.00
Additional Expedited Commercial Interior Alteration Plan Review Fee 212.00
Miscellaneous Plan Review 70.00
Misc. Items (concrete, antennas, awnings, sheds, canopies, tents, gazebos, decks, porches, reroofs) 70.00
Pigeon Loft Inspection 70.00
Replacement of Public Sidewalk Section(s) by Abutting Property Owner 39.00
Use Permit (tenant space) 102.00
Fire Repair/Water Repair 246.00
Fire Inspection Fee (New City Businesses) 96.00
Reinspection Fee 61.00
Demolition:.
Plan review and administration base fee ..... 70.00 + 0.10 per square ft.
Swimming Pools:
Above Ground 74.00
Below Ground 151.00
Signs:
Application Fee (non-refundable) 50.00
Plan Review Fee 70.00
Permanent 156.00
Temporary 70.00
Contractor Registration Fee 29.00
Residential Basement Finish 246.00
Residential Interior Finish 246.00
Minor Commercial Alterations under 400 sq. ft. 232.00

Sec. 3.03

CITY ADMINISTRATION:

Amusement Device License (2-year) 765.00
Amusement Device Distributor License (2-year) 255.00
Attorney Services ..... Attorney fees & costs
Auction Sales License (per day) 25.00
Auctioneer License 60.00

Banquet & Event Facility License 500.00
Renewal Fee 250.00
Business Registry License 50.00
Carnival/Festival License ..... 78.00 + 6.00 each booth, ride, etc.
Cigarette Vending Machine License ..... 69.00 + 6.00 each additional machine
Commercial Outdoor Patio Space License: 500.00
Renewal Fee 250.00
Renewal Fee with Major Material Modifications 500.00
Death and Birth Certificate (Non-FOIA): 25.00
Additional Copies (Non-FOIA) 9.25
Dog License:
Newly Acquired Dog - Jan. 1 to Oct. 31 OR License Renewal - Jan. 1 to Mar. 31:
Spayed/Neutered Dog:
1-Year License 9.00
2-Year License 15.00
3-Year License 21.00
Unaltered Dog:
1-Year License 22.00
2-Year License 42.00
3-Year License 62.00
Newly Acquired Dog - Nov. 1 to Dec. 31
Spayed/Neutered Dog:
1-Year License 4.50
Unaltered Dog:
1-Year License 11.00
Newly Acquired Dog - Registering later than 30 days after acquisition:
Additional Late Fee 10.50
License Renewal - After Mar. 31:
Additional Late Fee 10.50
Senior (60+) Owner ..... No charge
Service Dog ..... No charge
Potentially Dangerous Dog Annual License Fee 59.00
Replacement Dog Tag 5.00
Fire Inspection Fee (new City businesses – charged by Building) 96.00
Going Out of Business Sales License 50.00
Renewal Fee 50.00
House Moving License 78.00
Industrial Development District Filing Fee 1,020.00
Industrial Facilities Exemption Certificate Filing Fee 2,200.00
Industrial Facilities Exemption Certificate Application Amendment Fee 1,020.00
Industrial Facilities Exemption Certificate Transfer Fee 1,020.00
New Personal Property Exemption Fee 2,200.00
Junk Yard License 290.00
Medical Marijuana Location Registration Fee 600.00
Mobile Vending License 200.00
Pawnbroker License 500.00
Refuse Collection License ..... 105.00 + 7.00 each truck
Secondhand Goods Merchant Registration Fee 110.00
Snow Removal License 205.00
Solicitor/Peddler License 130.00
Tattoo Permit 600.00
Taxi License (annual fee) ..... 103.00 + 12.00 per vehicle
Massage Establishment License: 685.00
Renewal Fee Massage Establishment License 349.00
Precinct Map 5.25
City Street Map 6.25
Zoning Map 5.25
City Budget 55.00
Municipal Improvement Program 35.00
City Financial Audit 35.00
Collective Bargaining Agreement 6.50
Election Results 10.00

Voter and Business Registry Labels (per page) 1.45
Voter and Business Registry Lists (per computer hour) ..... Payroll + 0.05/page
Voter Data CD 32.00
Liquor License: Class C 2,200.00
- Tavern 2,200.00
- SDD & SDM 2,200.00
- Entertainment and/or Dance Permit 2,200.00
- Extended Hours Permit 2,200.00
- Shareholder Partial Transfer 1,090.00

Hotel/Motel License: 2,200.00
- Renewal Fee Hotel/Motel License 1,090.00

Certifications 6.00
Photo Copies – Black & White (Non-FOIA): 2.05
- Additional Pages – Black & White (Non-FOIA) 0.30

Photo Copies – Color (Non-FOIA): 2.05
- Additional Pages – Color (Non-FOIA) 0.85

Microfilm Copies (per page) (Non-FOIA) 5.70
Recording Fee (formerly Encroachment Fee) 50.00
Notary Fee 10.00
Audio Tape Recordings - prepay minimum (Non-FOIA) 20.00
Fireworks Display Permit 750.00
Close Proximity Pyrotechnic Display Permit 750.00
Sterlingfest Art Fair Applications: 230.00
- Double Booth Fee 410.00
- Corner Booth Additional Charge 30.00

Sterlingfest Art Fair Vendor Jury Fee (Non-Refundable) 17.00
"Taste of the Town" Sterlingfest Booth – Food Cart Vendors 665.00
"Taste of the Town" Sterlingfest Booth - Restaurateurs 1,515.00
DVD Dubs:
- Resident (Non-FOIA) 29.00
- Non-Resident (Non-FOIA) 39.00

Gazebo Rental (per event):
- Resident 62.00
- Non-Resident 96.00

Gazebo Rental for Photographs Only (per 1 hour rental):
- Resident 35.00
- Non-Resident 48.00

Upton House Rental – (per 4 hour rental):
- Resident 61.00
- Non-Resident 93.00

Sterling Heights Magazine Advertisement Fees:
- Full Page Ad (Full Color) 1,600.00
- Full Page Ad (Two Color) 1,371.00
- One-Half Page Ad (Full Color) 915.00
- One-Half Page Ad (Two Color) 800.00
- One-Fourth Page Ad (Full Color) 516.00
- One-Fourth Page Ad (Two Color) 457.00
- Business Card Ad (Full Color) 343.00
- Business Card Ad (Two Color) 285.00
- Name & Phone Number Ad 114.00
- Three-Edition Ad Commitment (Minimum) ..... 20% Discount

Environmental Recovery Fee ..... Cost + 25% Administrative Fee
Municipal Civil Infraction:
- Each Violation 150.00
- First Repeat Offense 375.00
- Second Repeat Offense 750.00
- Third and Subsequent Repeat Offenses 1,500.00

Municipal Civil Infraction (Failure to Obtain Amusement Device/Amusement Device Distributor License):
- First Violation 500.00
- First Repeat Offense 500.00
- Reduced Fee if License Obtained Prior to Court Appearance 150.00
- Second Repeat Offense 750.00

Third and Subsequent Repeat Offenses 1,500.00

Municipal Civil Infraction (Failure to Comply with Owner/Keeper of a Potentially Dangerous Dog Requirements):

First Violation 500.00
First Repeat Offense 750.00
Second and Subsequent Repeat Offenses 1,000.00

Municipal Civil Infraction (Failure to License a Dog with the City Clerk):

First Violation 500.00
First Repeat Offense 750.00
Reduced Fee if Licensed Prior to Court Appearance 150.00
Second and Subsequent Repeat Offenses 1,000.00

Sec. 3.04

ECONOMIC DEVELOPMENT OFFICE:

Brownfield Redevelopment Auth./Local Dev. Finance Auth./Corridor Improvement Auth. Fees:

Application Fee (one-time up front) 520.00
Tax Increment Plan Annual Administrative Fee 2,600.00

Sec. 3.05

ENGINEERING OFFICE:

Review Fees:

Site Plan ..... 452.00 + 74.00 per acre + 1.3% of site improvement costs
Multiple Developments ..... 452.00 + 74.00 per acre + 1.3% of site improvement costs
Cluster Developments ..... 452.00 + 74.00 per acre + 1.3% of site improvement costs
Site Condominiums ..... 452.00 + 74.00 per acre + 1.3% of site improvement costs
Subdivisions ..... 1.3% of estimated site improvement costs

Plan Revision Review Fee 96.00

Design Fees:

Construction plans and specifications - *Class 1 ..... 7.0% of construction costs
**Class 2 ..... 8.7% of construction costs
Field engineering and contract administration - *Class 1 ..... 2.4% of construction costs
**Class 2 ..... 2.7% of construction costs

Engineering Bid Packet Fee 50.00

R.O.W. Permits:

Review Fees – Public Improvements ..... 1.3% of construction cost ($50 minimum)
Review Fees – Privately Owned Facility ..... $0.05/linear foot ($50 minimum)
Inspection ..... Payroll +180%

Telecommunications ROW Application Fee 681.00
Major Road Residential Drive Approach (Review & Inspection) 250.00
Staking Fees ..... Payroll + 180%

Inspection Fees:

Site Plan ..... Payroll +180%
Multiple Development ..... Payroll +180%
Cluster Development ..... Payroll +180%
Site Condominiums ..... Payroll +180%
City Construction Projects ..... Payroll +180%
Subdivisions ..... Payroll +180%
Inspections by Consultants ..... Consultant Fee +10%

Private Development Engineering Consultant Fee ..... Consultant Fee +10%
Sidewalk Repair and Gap Programs ..... Cost +20%
Easement Vacations ..... Attorney fee+ 255.00
Easement Encroachments 275.00
Building Number Assignments (per address) 25.00

S.E.S.C. Review Fee for:

Commercial, Industrial, Multi-Family, Subdivision ..... ¼ of 1% of first $500,000.00 ..... +⅛ of 1% over $500,000.00 (50.00 minimum)
Single-Family Residential House 73.00
Underground Private Utility ..... 0.05 linear foot (50.00 minimum)

S.E.S.C. Inspection Fee (per inspection) 48.00

S.E.S.C. Inspection by Consultant ..... Consultant fee +10%
S.E.S.C. Permit Renewal Fee ($50 min.) ..... 10% of Permit Fee
Water & Sewer Permit Revision Review Fee 109.00
Public Services Agreement Execution Fee 36.00
Recording Fee 40.00
Water & Sewer Debt Service Agreement Finance Charge 20%
Document Copying for:
- 24" x 36" Prints (Xerox 2510 or blueline) ..... 8.50 each
- 34" x 34" Prints (Xerox 2510 or blueline) ..... 8.50 each
- Larger than 34" x 34" (Xerox 2510 or blueline) ..... 8.50 each
- Detail Sheets (Mylar) ..... 11.00 each
- Topographic Map 36" x 36" (blueline) ..... 45.00 each
- Planimetric Map 36" x 36" (blueline) ..... 28.00 each
- Overall Watermain Map (blueline) ..... 10.00 each
- Overall Sanitary Sewer Map (blueline) ..... 10.00 each
- Overall Storm Sewer Map (blueline) ..... 10.00 each
- Master Storm Sewer Plan (book form) ..... 52.00 each
- Master Watermain Plan (book form) ..... 40.00 each
- Master Sanitary Sewer Plan (book form) ..... 40.00 each
- Master Road Plan (book form) 1998 HRC ..... 52.00 each

Municipal Civil Infraction for Various Soil Erosion and Sedimentation Control Regulations:
- First and Subsequent Repeat Offenses 750.00

Municipal Civil Infraction for Unabated Knowing Violations of City Code Chapter 17:
- Each Violation 5,000.00
- First Repeat Offense 7,500.00
- Second and Subsequent Repeat Offenses 10,000.00

Municipal Civil Infraction for Unabated Knowing Violations After a Notice of Determination:
- Each Violation 10,000.00
- First Repeat Offense 15,000.00
- Second and Subsequent Repeat Offenses 20,000.00

* Class 1 projects include drain enclosures, channel improvements, sanitary sewer, water main, and pavement overlay.

** Class 2 projects include new road construction or reconstruction, bridges, pumping stations, etc.

Sec. 3.06

FIRE DEPARTMENT:

Fire Reports: First Page (Non-FOIA) 13.00
- Additional Pages (Non-FOIA) 1.00

Digital Photographs:
- 5" x 7" Color Print (Non-FOIA) 35.00
- 8" x 10" Color Print (Non-FOIA) 35.00
- 8" x 10" Contact Sheet (Non-FOIA) 35.00
- Compact Disc (Non-FOIA) 28.00

Burning Permit 215.00
Fireworks Sales Permit 750.00
Fireworks Display Permit 750.00
Close Proximity Pyrotechnic Display Permit 750.00
Board of Code Appeals 241.00
Witnessed Acceptance Test Fee 179.00
Off-Hour Witnessed Acceptance Test Fee (3 hour minimum) 829.00
Each additional hour 276.00
Reinspection Fee for Witnessed Acceptance Test 179.00
Phase I Site Inspection (1 hour minimum) ..... 63.00 + 38.00 per hour
Special Fire Prevention Inspection (festivals, craft shows, carnivals, haunted houses, flea markets):
- Each Inspection 196.00
- Each Re-Inspection 196.00
- Off-Hour Inspection (3 hour minimum) 276.00
  - Each Additional Hour 82.00
- Off-Hour Re-Inspection (3 hour minimum) 276.00
  - Each Additional Hour 82.00

Plan Review Fee 169.00

Resubmitted Plan Review Fee 56.00
Explosive Materials Permit Fee 210.00
Requested Fire Services (Schools, Businesses, Hazmat Incidents, etc.) ..... Cost + 30%
Reinspection Fees:
- First Reinspection ..... No Fee
- Second and Subsequent Reinspections 120.00

Medical Fees:
- BLS Non-Emergency 450.00
  - Resident Discounted Fee 400.00
- BLS Emergency 550.00
  - Resident Discounted Fee 500.00
- ALS Non-Emergency 600.00
  - Resident Discounted Fee 550.00
- ALS Level I Emergency 650.00
  - Resident Discounted Fee 600.00
- ALS Level II Emergency 800.00
  - Resident Discounted Fee 750.00
- Advanced Life Support Treat No Transport (subject to insurance) 400.00
- Oxygen 45.00
- Mileage (per patient mile) 14.00

False Alarm Fees: (within a 12 month period)
- First Response ..... No Fee
- Second Response 165.00
- Third Response 335.00
- Fourth and Subsequent Responses 675.00

Municipal Civil Infraction:
- First Offense Each Violation 150.00
- First Repeat Offense 375.00
- Second Repeat Offense 750.00
- Third and Subsequent Repeat Offenses 1,500.00

Municipal Civil Infraction for Violation of a Stop Work Order:
- First Offense Each Violation 150.00
- First Repeat Offense 375.00
- Second Repeat Offense 750.00
- Third and Subsequent Repeat Offenses 1,500.00

Sec. 3.07

NEIGHBORHOOD SERVICES:

Administrative Warrant 125.00
Board of Ordinance Nuisance Abatement Appeals 225.00
Board of Ordinance Noxious Weed Appeals 50.00
Cutting of noxious weeds ..... Contract costs + 60% administrative fee + 36.00 fine
Single Family Res. Non-Homestead Inspection Fee (biennial) 130.00
Nuisance Abatement Administrative Fee 25%
Nuisance Abatement Agreement Execution Fee ..... Attorney Fee + 25%
Sidewalk Snow Removal Fee ..... Cost + 25% +60.00
Claimed Signs:
- 16 sq. ft. or less ..... 5.00 each
- 17 – 31 sq. ft. ..... 25.00 each
- 32 sq. ft. and over ..... 120.00 each

Reinspection Fee 61.00
Real Estate Sign Removal Fee ..... Contract Costs + 25% Administration Fee
Municipal Civil Infraction (Residential Parking and Signs):
- Each Violation 100.00
- First Repeat Offense 250.00
- Second and Subsequent Repeat Offenses 500.00

Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:
- Each Violation 25.00
- First Repeat Offense 100.00
- Second and Subsequent Repeat Offenses 125.00

Sec. 3.08

PARKS & RECREATION:

Pavilion Rental:
- Weekday (Resident) 70.00
  - (Non-Resident) 105.00
- Weekend (Resident) 95.00
  - (Non-Resident) 143.00
- Pavilion Electricity 10.00

Picnic Kits:
- Weekday (Resident) 12.00
  - (Non-Resident) 17.00
- Weekend (Resident) 32.00
  - (Non-Resident) 48.00

Nature Center Classes:
- School Field Trips (WCS/UCS Schools) 33.00
  - (All Other Districts per class) 49.00
- Children's Nature Classes (3 wk) (Resident) 20.00
  - (Non-Resident) 30.00
- Adult Nature Classes (6 wk) (Resident) 48.00
  - (Non-Resident) 72.00
- Nature Center Archery (Resident) 10.00
  - (Non-Resident) 13.00
- Scout Badge Classes 9.00
- Birthday Parties (Resident) 120.00
  - (Non-Resident) 156.00

Parent & Tot Classes:
- 1 Child Per Family (Resident) 53.00
  - (Non-Resident) 80.00
- 2 Children Per Family (Resident) 59.00
  - (Non-Resident) 89.00

Summer Playground:
- Resident 110.00
- Non-Resident 165.00
- Field Trip Bus Fee (Per Person) 8.00

Special Recreation Dances:
- Pre-Registered (Resident) 7.75
  - (Non-Resident) 10.75
- Registration at the Door (Resident) 10.00
  - (Non-Resident) 14.00
- Staff Registration 1.00
- Prom Dance – Individual (Resident) 18.00
  - (Non-Resident) 27.00

Special Recreation Playgrounds:
- Physically or Otherwise Health Impaired (P.O.H.I.) – Individual (Resident) 165.00
  - (Non-Resident) 248.00
- Physically or Otherwise Health Impaired (P.O.H.I.) – Family (Resident) 278.00
  - (Non-Resident) 417.00
- Mentally Impaired (M.I.) – Individual (Resident) 165.00
  - (Non-Resident) 248.00
- Mentally Impaired (M.I.) – Family (Resident) 278.00
  - (Non-Resident) 417.00

Special Recreation:
- Creative Cooking (Resident) 8.50
  - (Non-Resident) 12.75
- Line Dance Exercise (Resident) 46.00
  - (Non-Resident) 69.00
- Softball – Individual (Resident) 51.00
  - (Non-Resident) 66.00
- Softball – 2nd player - Same Family (Resident) 41.00
  - (Non-Resident) 56.00
- Softball – 3rd player - Same Family (Resident) 31.00

(Non-Resident) 46.00
Basketball (Resident) 40.00
(Non-Resident) 52.00
Bowling (Resident) 30.00
(Non-Resident) 39.00
Farmers Market:
Advanced Pay-Full Season 332.00
Per-Day Rate 23.00
Electricity (Additional Fee Per Day) 5.00
Vendor Alcohol Permit Per Day 5.00
Vendor Alcohol Permit Full Season 51.00
Splash Park:
Resident 0.00
Non-Resident 5.00
Ice Rink:
Resident 0.00
Non-Resident 5.00
Skate Rental 3.00
Dog Park Annual Membership:
Resident 12.00
Non-Resident 24.00
Senior Resident 10.00
Senior Non-Resident 20.00
Drop-in Gym Fee:
Resident 0.00
Non-Resident 3.00
Coffeehouse Tickets:
Advance Tickets (Resident) 16.00
(Non-Resident) 20.00
Subscription (Resident) 26.00
(Non-Resident) 34.00
At the Door Sales (Resident) 16.00
(Non-Resident) 22.00
Karate:
Resident 51.00
Non-Resident 66.00
Yoga/Fitness Classes:
Resident 43.00
Non-Resident 56.00
Zumba:
Resident 61.00
Non-Resident 79.00
Men's Gym:
Resident 48.00
Non-Resident 62.00
Double Header Softball 922.00
Single Header Softball 600.00
Co-ed Kickball 330.00
Ball Field Rental Fees – Seasonal:
Delia or LWB Park (per field per day):
MABF Teams/Church Teams 414.00
All Other Users 440.00
All Users – Lighted Fields Additional Fee (per day) 64.00
Additional Teams on Permit (per team) 50.00
Jaycee Park (per field per day):
MABF Teams/Church Teams 285.00
All Other Users 310.00
All Users – Lighted Fields Additional Fee (per day) 44.00
Ball Field Rental Fees – Daily:
Delia or LWB Park (per field per day):
MABF Teams/Church Teams 71.00
All Other Users 81.00

All Users – Lighted Fields Additional Fee (per day) 64.00
Jaycee Park (per field per day):
MABF Teams/Church Teams 49.00
All Other Users 59.00
Ball Field Request to Groom/Stripe Additional Fee ..... Cost + 25%
Soccer Field Rental Fees (per field per season):
Travel Clubs:
Seasonal 1-3 days/week 590.00
Seasonal 4-7 days/week 890.00
Camp/Other:
Weekly (one week only) 209.00
Daily 87.00
Sand Volleyball League 243.00
Daddy/Daughter Dance:
Resident per person 23.00
Non-Resident per person 30.00
Mother/Son Cookout:
Resident Couple 19.00
Non-Resident Couple 25.00
Gymnastics:
One-half Hour Class (Resident) 48.00
(Non-Resident) 72.00
One Hour Class (Resident) 59.00
(Non-Resident) 89.00
Dance:
Fall Session (Resident) 55.00
(Non-Resident) 72.00
Winter/Spring Session (Resident) 88.00
(Non-Resident) 114.00
30 Minute Dance Classes:
Fall Session (Resident) 44.00
(Non-Resident) 57.00
Winter/Spring Session (Resident) 56.00
(Non-Resident) 73.00
Senior Center Activities:
Arthritis Exercise (Resident) 4.00
(Non-Resident) 6.00
Bowling League (Resident) 15.00
(Non-Resident) 23.00
Exercise (Resident) 4.00
(Non-Resident) 6.00
Line Dance (Resident) 4.00
(Non-Resident) 6.00
Senior News Subscription per year (Resident) 16.00
(Non-Resident) 24.00
Stained Glass Class (Resident) 5.00
(Non-Resident) 7.00
Tai Chi (Resident) 5.00
(Non-Resident) 7.00
Zumba Gold (Resident) 4.00
(Non-Resident) 6.00
Senior Bus Trip:
1 day……(Resident) 8.00
(Non-Resident) 12.00
2-4 days....(Resident) 16.00
(Non-Resident) 24.00
Extended..(Resident) 35.00
(Non-Resident) 52.00
SMART Bus Day Trips: (Resident) 4.00
(Non-Resident) 6.00
Senior Activity Fee - per day: (Resident) 0.25
(Non-Resident) 0.50

Senior Center Gymnasium Activities:
- Track Usage Fee – After Hours (Resident) 1.00
  - (Non-Resident) 1.50
- Gymnasium Usage Fee – After Hours (Resident) 2.00
  - (Non-Resident) 3.00

Parks and Recreation Plan 9.50

Sec. 3.09

PLANNING:

Special Approval Land Use/Planned Unit Development 604.00
Temporary Use Planning Commission 441.00
Temporary Use Administrative Review 270.00
Temporary Use Vendor License 52.00
Variances to Subdivision Regulations 450.00
Right-of-Way Vacations 665.00
Rezoning Petition:
- First Acre 1,875.00
- Additional Acre 72.00

Public Hearing Postponements (Petitioner Requested) 49.00
Ordinance Text Amendment 1,875.00
Subdivision Plat/Site Condominium 1,465.00
- Each lot over 100 lots 9.90

Subdivision Open Space and One-Family Cluster Development 820.00
Tree Preservation – Site Plans and Plats 925.00
Tree Preservation – Single Family Lot (less than one acre) 205.00
Tree Preservation Administrative Fee ..... 25% of landscape plan inspection fees
Tree Preservation Inspection Fee (per inspection/re-inspection) ..... Payroll + 175%
No Tree Affidavit 130.00
Site Plan Review:
- First Acre 450.00
- Additional Acre 74.00

Site Plan Review by Planning Commission:
- First Acre 605.00
- Additional Acre 74.00

As Built Revisions 266.00
Master Land Use Report 42.00
Master Land Use Map 13.25
Subdivision Plat Print (per sheet) 13.25
Subordination of Lien 150.00
Zoning Board of Appeals:
- Variance (Regular Meeting) 450.00
- Variance (Special Meeting) 885.00

Landscape Plan Inspection ..... 25% of site plan fees
Municipal Civil Infraction:
- Each Violation 150.00
- First Repeat Offense 375.00
- Second Repeat Offense 750.00
- Third or Subsequent Repeat Offenses 1,500.00

Sec. 3.10

POLICE DEPARTMENT:

Police Reports:
- First Page (Non-FOIA) 13.00
- Additional Pages (Non-FOIA) 2.00

Clearance Letter 18.00
Noncriminal Fingerprint Card 28.00
Photos: 8″ x 10″ Color (Non-FOIA) 35.00
- 5″ x 7″ Color (Non-FOIA) 33.00
- 8″ x 10″ Contact Sheet (Non-FOIA) 33.00
- Compact Disc (Non-FOIA) 48.00

Administrative Towing Fees: (Charged to Towing Company)
- Inspection of VIN 26.00
- Reports on TR-52 Tracking 31.00
- Administration and Presence at Auction 620.00

Audio Tape Duplication Fee (Non-FOIA) 44.00
Video Tape, DVD, CD Duplication Fee (Non-FOIA) 48.00
Animal Give-up Fee:
- No Euthanasia 50.00
- Euthanasia 90.00

Animal Impoundment Fee (Released from Station) 30.00
Macomb County Daily Animal Care Fee 30.00
Animal Trap Rental Fee (per 5 days) 50.00
Animal 10-Day Quarantine Fee 300.00
Rabies Testing:
- Euthanasia Not Required 85.00
- Euthanasia Required 175.00

Treatment Rendered to an Animal ..... Cost
Use of Tranquilizer Equipment 161.00
County Animal Control Officer Fee ..... Cost
Personal Breathalyzer Test (PBT) 27.00
Booking Photo (Non-FOIA) 12.00
Notary Fee for Gun Permits 10.00
Park Alcohol Permit Fee 37.00
Temporary Liquor License Application Fee: 37.00
- Outdoor Service Permit 273.00

Requested Police Services (Schools, Businesses, Hazmat Incidents, etc.) ..... Cost + 30%
Towed Vehicle Impound Fee 31.00
Correctable Traffic Violation 10.00
Warrant Fee (All Warrants) 10.00
False Alarm Fees: (within a 12 month period)
- First Response ..... No fee
- Second Response ..... No fee
- Third Response (Residential) 38.00
- Third Response (Non-Residential) 105.00
- Fourth Response (Residential) 70.00
- Fourth Response (Non-Residential) 213.00
- Fifth and Subsequent Responses (Residential) 141.00
- Fifth and Subsequent Responses (Non-Residential) 421.00

Municipal Civil Infraction (including Animal Control Regulations):
- Each Violation 150.00
- First Repeat Offense 375.00
- Second Repeat Offense 750.00
- Third and Subsequent Repeat Offenses 1,500.00

Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:
- Each Violation 25.00
- First Repeat Offense 100.00
- Second and Subsequent Repeat Offenses 125.00

Municipal Civil Infraction for Youth Curfew Violations:
- Each Violation 25.00
- First Repeat Offense 50.00
- Second and Subsequent Repeat Offenses 100.00

Municipal Civil Infraction for Violation of Bicycle Regulations (City Parks):
- Each Violation 10.00
- First Repeat Offense 25.00
- Second and Subsequent Repeat Offenses 50.00

Sec. 3.11

PUBLIC LIBRARY:

Overdue fines (per day):
- Hardcover Books (maximum $16.00) 0.25
- Paperback Books (maximum $6.00) 0.25

Magazines (maximum $6.00) 0.25
Audios (maximum $16.00) 0.25
Compact Discs (maximum $16.00) 0.25
DVD's (maximum $16.00) 0.25
Replacement Library Card 3.00
Suburban Library Cooperative Non-Resident Library Card 200.00
Black & White Copy/Computer Print 0.10
Color Copy/Computer Print 1.00
Microfilm/Microfiche Print (per copy) 0.20
Internet Use Without Library Card (per day) 4.00
Municipal Civil Infraction:
Each Violation 75.00
First Repeat Offense 150.00
Second or Subsequent Repeat Offenses 300.00

Sec. 3.12

PUBLIC WORKS DEPARTMENT:

Sewer Inspection 109.00
Sewer Tap 1,190.00
Sewer Capital/Unit:
Residential 885.00
Commercial/Industrial (per 1,000 sq. ft.) 460.00
Sewer Frontage (per front ft.) 73.00
Sewage Disposal Service Only (per billing) 87.00
Residential and Commercial Water Meters:
¾" Remote 405.00
1" Remote 470.00
1 ½" Remote 800.00
2" Compound Remote 2,080.00
3" Compound Remote 3,670.00
4" Compound Remote 5,150.00
6" Compound Remote 7,640.00
Double Check Detector Assembly with Meter:
3" 2,050.00
4" 2,150.00
6" 3,090.00
8" 5,600.00
10" 8,150.00
Water Inspection 109.00
Water Tap:
1" 1,130.00
1 ½" 1,550.00
2" 1,800.00
3" 3,630.00
4" 3,970.00
6" 4,490.00
Additional Charge for 86 ft. wide street:
1" 370.00
1 ½" 420.00
2" 560.00
Additional Charge for 120 ft. wide street:
1" 710.00
1 ½" 930.00
2" 1,190.00
Additional Charge for 204 ft. wide street:
1" 1,700.00
1 ½" 2,170.00
2" 3,100.00
Water Capital/Unit:
Residential 690.00
Commercial/Industrial (per 1,000 sq. ft.) 380.00

Water Frontage (per front ft.) 42.00
Monitor Surcharge..... per City of Detroit Industrial Waste Control Rate Structure
Water Turn On Fee..... 95.00
Water Service Fee (avoidable & repeat visits)..... 105.00
Water Service Abandonment Fee:
- Residential..... 490.00
- Commercial ..... Contract Costs + 980.00

Sewer Service Abandonment Fee..... 109.00
Water Service Re-Use Fee:
- Residential..... 490.00
- Commercial ..... Contract Costs + 980.00

Sewer Service Re-Use Fee 109.00
Water Meter Testing Fee 108.00
Water Meter Rescheduling Fee..... 95.00
Non-Compliance with Back Flow Fee..... 222.00
Automatic Fixed Network Meter Read Permit 180.00
Final Water Meter Read..... 37.00
Final Water & Sewer Bill Preparation Fee 15.00
Citizen Water Service Request – after hours 95.00
Public Works Services Provided..... Cost + 25%
Water Meter Removal/Reinstallation for common area irrigation system 204.00
Landlord/Tenant Affidavit Filing Fee..... 200.00
Fire Hydrant Rental – Payable by City 27.50
Private Use of Fire Hydrant:
- Per Hydrant..... 110.00 per month + 350.00 water usage deposit

Bypass Inspection Fee ..... Back bill + 150.00
Common Area Irrigation System Permit 410.00
Planting of tree in right-of-way 300.00
Culvert installation permit..... 98.00
Ditch enclosure permit 98.00
Monitoring well installation permit 470.00
Sewer connection to discharge treated ground water..... 470.00
Special Pickup/Additional Refuse Collection..... Contract costs + 25% administrative fee
Refuse Collection Fees (Schools)..... Contract costs
Refuse Collection Fees (Mobile Home Parks and Apartment Complexes)..... Contract costs ..... + 5% administrative fee – refuse taxes paid
Curbside Recycling License (min. $1,500/year) ..... 1% of program revenue based upon previous year
Debris Removal Fee..... Contract Costs + 25% administrative fee
Tree Branch Chipping Fee 110.00
Fleet Services Requested by Other Cities..... Cost + 30%
Municipal Civil Infraction:
- Each Violation 150.00
- First Repeat Offense 375.00
- Second Repeat Offense..... 750.00
- Third and Subsequent Repeat Offenses 1,500.00

Municipal Civil Infraction for Trash Placed at Curb Outside of Permitted Hours:
- Each Violation 25.00
- First Repeat Offense 50.00
- Second and Subsequent Repeat Offenses..... 100.00

Municipal Civil Infraction for Violation of a Mandatory Water Restriction:
- Each Violation 25.00
- First Repeat Offense 50.00
- Second and Subsequent Repeat Offenses..... 100.00

Municipal Civil Infraction for Raking Leaves Into Street:
- Each Violation 25.00
- First Repeat Offense 50.00
- Second and Subsequent Repeat Offenses..... 100.00

Sec. 3.13

TREASURY OFFICE:

Bounced Check Fee..... 30.00

Delinquent Bill to Tax Roll Penalty (excluding Water & Sewer) 17%
Late Payment Penalty 6%
Penalty Assessment on Delinquent Taxes 3%
Attorney Review Fee for Liens or Discharges 81.00
Subordination of Lien 530.00
Annual Lien Penalty ..... 6% + lien filing costs
O.U.I.L./O.U.I.D. ..... 335.00 + additional reimbursements
Property Tax Administration Fee (P.T.A.F.) 1%
Municipal Civil Infraction for Failure to Pay Police or Fire False Alarm Invoices:
- Each Violation 150.00
- First Repeat Offense 375.00
- Second Repeat Offense 750.00
- Third and Subsequent Repeat Offenses 1,500.00

ARTICLE IV

The City Manager is hereby authorized to make transfers within the budgetary centers established in this ordinance but all transfers between budgetary centers, contingencies, reserves, and fund balances shall be made only by further action of the City Council pursuant to law; the City Manager is hereby authorized to sign letters of severance after notifying the City Council and establish City programs which are a de minimis, but necessary expenditure for the benefit of the recipient employee and funded through appropriations in this ordinance; the City Manager is hereby authorized to release bidding documents for those capital items and recurring commodities expressly authorized within appropriations in this ordinance for public review by the City Council following receipt of bids.

ARTICLE V

SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance, or the application thereof to any person or circumstance, shall for any reason be adjudged by any Court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair, or invalidate the remainder of this ordinance and the application of such provision to other persons or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person or circumstances involved. It is hereby declared to be the legislative intent of this body that the ordinance would have been adopted had such invalid provision not been included.

ARTICLE VI

EFFECTIVE DATE

This ordinance shall become effective July 1, 2018.

BY ORDER OF CITY COUNCIL

ADOPTED:
PUBLISHED:
EFFECTIVE:

A

ACCRUAL BASIS – Accrual basis accounting recognizes transactions when they occur, regardless of the timing of related cash flows. The application of accrual accounting techniques prevents distortions in financial statement representations due to shifts in the timing of cash flows and related underlying economic events near the end of a fiscal period.

ACT 51 – Highway and street funds derived from gas and weight taxes, distributed to communities by the Michigan Department of Transportation based on a municipality's population and number of street miles.

ACT 78 CIVIL SERVICE COMMISSION – Established by Act No. 78 of the Michigan Public Acts of 1935 and incorporated into the City Charter. A General Fund Activity which governs the testing for appointment, employment, promotion, transfer, suspension, reinstatement, and discharge of all Police and Fire personnel.

ACTIVITY – An office within a department to which specific expenses are to be allocated.

AMORTIZATION – The process of reducing, or accounting for, an amount (usually a financial debt) over a period according to a plan.

APPROPRIATION – An authorization granted by a legislative body to incur obligations and to expend public funds for a stated purpose.

APPROPRIATIONS ORDINANCE – The official enactment by the City Council establishing the legal authority for the City to incur obligations and to expend public funds for a stated purpose.

APPO – Administrative Policies & Procedures Order. Promulgation of orders to help ensure efficiency, effectiveness or fiscal responsibility in municipal operations.

ASSET – Anything owned by an individual or a business, which has commercial exchange value. Assets may consist of specific property or claims against others, in contrast to obligations due others.

B

BALANCED BUDGET – A budget in which estimated revenues and use of reserves are equal to or greater than estimated expenditures.

BUDGET – An estimate of income and expenditure for a set period of time.

BUDGET MESSAGE – A written policy and financial overview of the City as presented by the City Manager.

BUDGETARY CENTER – A grouping of offices' or activities' budgets that are combined to create a cost center in which actual expenditures cannot exceed budgeted appropriations.

C

CAPITAL OUTLAY – A disbursement of money which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than $2,500 to be a capital item.

CAPITAL PROJECTS FUND – A fund to account for the development of municipal capital facilities other than those financed by the Enterprise Fund.

COMPENSATED ABSENCE – An absence for which an employee is paid, such as vacation, holiday, or sick leave.

CONTINGENCY – An estimated amount of funds needed for deficiency, contingent or emergency purposes.

D

DEBT SERVICE FUND – A fund to account for the accumulation of resources for and the payment of general long-term debt principal and interest.

DEFERMENT – A form filed by qualifying residents allowing a postponement of the summer homestead tax, without levying interest or penalty, unless payment is made after the deferment date.

DEFICIT – An excess of liabilities and reserves of a fund over its assets.

DEPARTMENTAL MISSION STATEMENT – A mission statement provides the full range of activities that will be used in the results oriented budget format to link the municipal purpose with the financial resources of the department.

DEPRECIATION – The amount of expense charged against earnings by a company to write off the cost of an asset over its useful life, giving consideration to wear and tear, obsolescence, and salvage value.

E

EFFICIENCY PERFORMANCE INDICATOR – The quantifying of the relationship between input and output.

EFFECTIVENESS PERFORMANCE INDICATOR – The measure of results, accomplishments, or quality of the item or service provided.

ENCUMBRANCE – An anticipated expenditure, or funds restricted for anticipated expenditures, such as for outstanding purchase orders.

ENTERPRISE FUND – A fund established to account for operations that are financed and operated in a manner similar to a private business, i.e., the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. (Water & Sewer is an example of an enterprise fund.)

EQUALIZATION FACTOR – A multiplier that is applied to the Assessed Value of a class of property by the County Equalization Department or State Tax Commission that will produce a sum that represents 50% of the true cash value of that class.

EXPENDITURE – The cost of goods delivered and services rendered, whether paid or unpaid, including expenses, debt retirement not reported as liability of the fund from which retired, or capital outlay.

EXPENDITURE OBJECT – An expenditure object is a specific classification of expenditure accounts which includes a number of related accounts determined by the type of goods and services to be purchased. For example, the personnel services expenditure object includes the wages account as well as all fringe benefit accounts. Expenditure objects include personnel services, supplies, other charges, capital outlay, debt service, and transfers out.

F

FTE – The amount of funding for full-time positions and part-time positions converted to the decimal equivalent of a full-time position (based on 2,080 hours per year, as set by the ICMA Center for Performance Measurement).

FISCAL YEAR – An accounting period of twelve months. The City's fiscal year begins July 1st and ends June 30th.

FIXED ASSETS – Fixed assets are equipment and other capital items used in governmental fund type operations and are accounted for in the governmental full accrual statements and recorded as expenditures at the time of purchase.

FUND – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities.

FUND ACCOUNTING – The accounts of the City are organized on the basis of funds and account groups in order to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

FUND BALANCE – The excess of a fund entity's accumulated assets over its liabilities. Typically, excess revenues over expenditures at year-end will increase a fund's fund balance.

G

GAAP – Generally Accepted Accounting Principles. The guiding conventions, rules, and procedures that define accepted accounting practice at a particular time in the United States.

GENERAL FUND **–** The City's major operating fund to account for all financial resources except those required to be accounted for in another fund.

GROUP A CRIME OFFENSE **–** A more serious group of crimes such as larceny, robbery, murder, or gambling.

GROUP B CRIME OFFENSE **–** A less serious group of crimes such as solicitation, trespassing, or disorderly conduct.

I

ICMA CENTER FOR PERFORMANCE MEASUREMENT **–** Center created to help communities obtain fair, accurate and comparable data about the quality and efficiency of service delivery to their residents.

INTERNAL SERVICE FUNDS **–** Funds used to finance and account for services furnished by a designated department to another department within a single governmental unit. Included in this category is the Self-Insurance Fund. This Fund was established in 1986 when the City became a participant in the Michigan Municipal Risk Management Authority. Expenses in this Fund include reinsurance charges, administration fees, and claims expenses and reserves for both reported and unreported claims.

L

LIABILITY **–** A loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honored by that entity.

LINE ITEM BUDGET **–** A budget which emphasizes allocations of resources to given organizational units for particular expenditures, such as salaries, supplies, services, and equipment. Line item budgets may be organized to provide accountability at varying levels, such as department, division, or agency levels.

M

MIP **–** A multi-year *Municipal Improvement Program* that is developed to plan and guide the needed capital improvements and expenditures in a fiscally sound manner, and to ensure that these improvements are consistent with the goals and policies of the City Council and the City's residents.

MILLAGE RATE **–** A rate used to determine the amount of annual property tax a property owner must pay. This rate is expressed in mills per dollar or 1/10 cent. Each governing body that levies property taxes sets its own millage rate annually. Property taxes may generally be calculated by multiplying the millage rate by the amount of, or a percentage of, the assessed value. (A mill represents $1 of tax per $1,000 of assessed valuation.)

MODIFIED ACCRUAL BASIS **–** The basis of accounting under which revenues are recognized in the period they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority. Exceptions to the general rule of expenditure recognition occur in debt service.

O

OPERATING BUDGET **–** The operating budget is the authorized revenues and expenditures for on-going municipal services and is the primary means by which government is controlled. The life span of an operating budget typically is one year or less. Personnel costs, supplies, and other charges are found in an operating budget. A capital budget typically has a long term outlook where a project can span a several year period.

OPERATING TRANSFERS **–** Transfers from a fund receiving revenue to the fund through which the resources are to be expended.

ORDINANCE EMPLOYEE **–** An employee position which is called for and whose duties are described in the City Charter and who is not a member of a collective bargaining agreement.

OTHER CHARGES **–** An expenditure object within an activity which includes professional services, utilities, rents, and training for example.

OUIL **–** Operating Under the Influence of Liquor. The detainment of an individual who is operating, authorizing or knowingly permitting another

person to operate a motor vehicle while under the influence of intoxicating liquor or controlled substance, or combination thereof, or with blood alcohol level content of .10% or more.

OUTPUT PERFORMANCE INDICATOR – The measure of quantity or volume of products or service provided.

P

PERFORMANCE INDICATOR – A measurement of how a program is accomplishing its mission through the delivery of products or service. See Output Performance Indicator, Effectiveness Performance Indicator, or Efficiency Performance Indicator.

PERFORMANCE OBJECTIVES – Desired output oriented accomplishments which can be measured within a given time period.

PERSONNEL SERVICES – An expenditure object within an activity, which includes payroll and all fringe benefits.

R

RESULTS ORIENTED BUDGETING – A management concept which links the annual line item budget to departmental results of operations.

REVENUE – An addition to the assets of a fund, which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital in enterprise or in intra-governmental service funds.

S

SAD – Special Assessment District. A geographic area over which a governing authority has power to levy taxes for specific public uses.

SERVICE STATEMENT – A statement of general and specific service deliveries rendered by an activity for the community.

SINKING FUND – A special reserve account created by a bond issuer. The issuer promises to put money into the account at regular intervals and to use the cash that accumulates to redeem the bonds.

SPECIAL ASSESSMENT – A tax or levy imposed against specific parcels of real estate that will benefit from a proposed public improvement like a street or sewer.

SPECIAL REVENUE FUND – A fund to account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or the major capital projects) that are legally restricted to expenditures for specified purposes.

SUPPLIES – An expenditure object within an activity which includes all supplies that have a useful life of less than one year and/or a purchase price of less than $1,000.

SURPLUS – An excess of the assets of a fund over its liabilities and reserves.

T

TRANSFERS-IN/OUT – A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

TRUST & AGENCY FUND – Trust & Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments, or other funds. These include the Retirement Systems and the Agency Funds. The Retirement Systems are accounted for in the same manner as a proprietary fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations.

W

WATER & SEWER FUND – This enterprise fund accounts for the operation of a combined water and sewer system. The revenues consist of charges for services from City businesses and residences which are used to pay for all water and sewer related expense

Listing of Acronyms

ALS – Advanced Life Support

APPO – Administrative Policies & Procedures Order

BLS – Basic Life Support

BS & A – Tax and Assessing software suite

CAFR – Comprehensive Annual Financial Report

CCU – Capital Coordinating Unit

CCW – Concealed Carry Weapon

CDBG – Community Development Block Grant

CERT – Community Emergency Response Team

CIA – Corridor Improvement Authority

COBRA – Consolidated Omnibus Budget Reconciliation Act (Continuation of Health Coverage)

CORE – Community Outreach and Engagement

COPS – Citizens on Patrol

CRU – Community Response Unit

DEA – Drug Enforcement Agency

DEQ – Department of Environmental Quality

DPW – Department of Public Works

EDC – Economic Development Corporation

EMS – Emergency Medical Services

EPA – Environmental Protection Agency

FASB – Financial Accounting Standards Board

FOI – Freedom of Information

FTE – Full-time Equivalent

GAAP – Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board

GERS – General Employees' Retirement System

GFOA – Government Finance Officers Association

GIS – Geographic Information System

GLWA – Great Lakes Water Authority

ICMA – International City/County Management Association

IFEC – Industrial Facilities Exemption Certificate

LDFA – Local Development Finance Authority

LTGO – Limited Tax General Obligation

MACRO – Macomb Area Communities for Regional Opportunities

MDEQ – Michigan Department of Environmental Quality

MDOT – Michigan Department of Transportation

MEDC – Michigan Economic Development Corporation

MGFOA – Michigan Government Finance Officers Association

MIP – Municipal Improvement Program

MISD – Macomb Intermediate School District

MITN – Michigan Inter-Governmental Trade Network

MML – Michigan Municipal League

MMTA – Michigan Municipal Treasurer's Association

MPELRA – Michigan Public Employer Labor Relations Association

MUNIS – Financial Software

MTF – Michigan Transportation Fund

MTU – Meter Transmission Unit (Water measurement)

NFIRS – National Fire Incident Reporting System

NFPA – National Fire Protection Association

NIMS – National Incident Management System

NLC – National League of Cities

NPDES – National Pollution Discharge Elimination System

OBA – Ordinance Board of Appeals

OUIL – Operating Under the Influence of Liquor

OWI – Operating While Intoxicated

QVF – Qualified Voter File

PFRS – Police & Fire Retirement System

PTAF – Property Tax Administration Fee

SAD – Special Assessment District

SAFER Grant- Staffing for Adequate Fire and Emergency Response

SCBA – Self-Contained Breathing Apparatus

SEMCOG – Southeastern Michigan Council of Governments

SESC – Soil Erosion and Sediment Control

SHINE – Sterling Heights Initiative for Neighborhood Excellence.

SHPD – Sterling Heights Police Department

SHTV – Sterling Heights Television

SMART – Suburban Mobility Authority for Regional Transportation

SMART Moves – Skills Master and Resilience Training

SRT – Special Response Team

STEM – Science, Technology, Engineering, and Mathematics

UPS – Uninterruptible Power Supply

VTGO – Voted Tax General Obligation

WAN – Wide Area Network

ZBA – Zoning Board of Appeals

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