

# City of Royal Oak Recommended Budget

FY2017-2018





**Royal Oak  
Recommended Budget for  
Fiscal Year 2017-2018**

**Mayor**  
Michael Fournier



**City Commissioners**

Sharlan Douglas  
Marie Donigan  
Kyle DuBuc  
Jeremy Mahrle  
Patricia Paruch  
David Poulton

**City Manager**

Donald E. Johnson

**Director of Finance**

Julie J. Rudd

**Assistant Finance Director / Controller**

Anthony C. DeCamp



## The City of Royal Oak's 48th Commission and City Manager

---



Michael Fournier  
mayor  
ccfournier@romi.gov



Kyle DuBuc  
city commissioner  
ccdubuc@romi.gov



David J Poulton  
city commissioner  
ccpoulton@romi.gov



Marie Donigan  
city commissioner  
ccdonigan@romi.gov



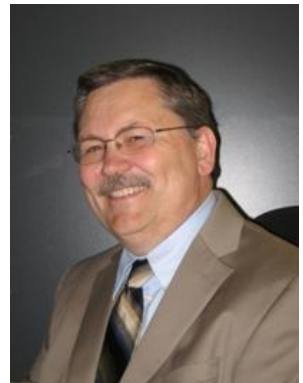
Pat Paruch  
city commissioner  
ccparuch@romi.gov



Jeremy Mahrle  
city commissioner  
ccmahrle@romi.gov



Sharlan Douglas  
city commissioner  
ccdouglas@romi.gov



Donald E Johnson  
city manager  
donj@romi.gov

## **City of Royal Oak**

211 S Williams Street  
Royal Oak MI 48067  
<http://www.romi.gov>

### **Executive Directors**

Director of Finance – Julie Jenuwine Rudd  
City Clerk – Melanie Halas  
Director of Human Resource – Dennis Van de Laar  
Director of Recreation & Public Service - Greg Rassel  
Fire Chief – David Cummins  
Assistant City Manager / Chief of Police – Corrigan O'Donohue  
Treasurer – Sekar Bawa  
Assessor - James Geiermann  
Assistant Finance Director / Controller - Anthony C. DeCamp  
Director of Community Development - Tim Thwing  
City Attorney – David Gillam

### **Department Heads**

City Engineer – Matt Callahan  
Assistant Director of Community Development / Building Official - Jason Craig  
Information Technology Manager – Mike Kirby  
Library Director - Mary Karshner  
Recreation Supervisor - Tod Gazetti  
Director of Planning – Joseph Murphy  
Deputy Chief of Police – Michael Frazier  
Deputy Chief of Police – Robert Reilly  
Deputy Chief of Fire – James Cook  
Deputy City Clerk – Deanna Braswell

### **44th District Court**

District Court Judge – Derek Meinecke  
District Court Judge – James Wittenberg  
Court Administrator – Gary Dodge



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Royal Oak  
Michigan**

For the Fiscal Year Beginning

**July 1, 2016**

GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Jeffrey R. Enos*

Executive Director

*Budget Presentation*

*For the Fiscal Year Beginning*

*July 1, 2016*

*City of Royal Oak*

*Michigan*

*For the Fiscal Year Beginning*

*July 1, 2016*

*Jeffrey R. Enos*

|  |            |
|--|------------|
| <b>Principle Officials .....</b>           | <b>3</b>   |
| <b>Budget Highlights .....</b>             | <b>11</b>  |
| Vision and Mission Statements.....         | 16         |
| Goals and Objectives .....                 | 17         |
| Budget Resolutions .....                   | 19         |
| Budget Procedures.....                     | 23         |
| Budget Calendar.....                       | 24         |
| Basis of Accounting .....                  | 25         |
| Financial Policies.....                    | 26         |
| Organizational Chart.....                  | 34         |
| <b>Financial Trends.....</b>               | <b>41</b>  |
| Taxable Value.....                         | 42         |
| City Millage Rate Comparison .....         | 47         |
| Tax Allocation .....                       | 48         |
| State Shared Revenue .....                 | 49         |
| Interest Income.....                       | 51         |
| Debt Projections .....                     | 52         |
| <b>General Fund .....</b>                  | <b>57</b>  |
| Mayor/Commission 101.101 .....             | 62         |
| 44th District Court 101.136.....           | 64         |
| City Manager 101.172 .....                 | 70         |
| Elections 101.191 .....                    | 74         |
| Finance 101.201 .....                      | 78         |
| Assessing 101.209 .....                    | 82         |
| City Attorney 101.210 .....                | 87         |
| City Clerk 101.215.....                    | 90         |
| Human Resources 101.226.....               | 94         |
| General Administration 101.248 .....       | 98         |
| City Treasurer 101.253.....                | 99         |
| City Office Building 101.265 .....         | 104        |
| Parks & Forestry 101.266.....              | 106        |
| Building Maintenance 101.267 .....         | 109        |
| Ordinance Enforcement 101.372.....         | 111        |
| Community Development 101.400 .....        | 116        |
| Animal Protection Services 101.430.....    | 121        |
| Electrical 101.443.....                    | 123        |
| Engineering 101.447 .....                  | 125        |
| Street Lighting 101.448 .....              | 128        |
| Economic Development 101.728.....          | 130        |
| Community Engagement 101.747 .....         | 132        |
| Cable Communications 101.834.....          | 134        |
| Community Promotion 101.835 .....          | 137        |
| Woodward Dream Cruise 101.836 .....        | 138        |
| Arts, Beats, & Eats Festival 101.837 ..... | 140        |
| Transfers Out 101.965.....                 | 141        |
| <b>Special Revenue Funds .....</b>         | <b>143</b> |

|  |            |
|--|------------|
| Major Street Fund 202.....                               | 144        |
| Streets Maintenance 202.467.....                         | 144        |
| Streets Parkway Maintenance 202.469.....                 | 146        |
| Streets Winter Maintenance 202.472.....                  | 147        |
| Streets Traffic Control 202.473.....                     | 148        |
| Streets Signal Services 202.474.....                     | 150        |
| Streets Administration 202.515.....                      | 152        |
| Streets Construction 202.901.....                        | 155        |
| Local Streets Fund 203.....                              | 157        |
| Streets Maintenance 203.467.....                         | 157        |
| Streets Parkway Maintenance 203.469.....                 | 159        |
| Streets Winter Maintenance 203.472.....                  | 161        |
| Streets Traffic Control 203.473.....                     | 162        |
| Streets Administration 203.515.....                      | 164        |
| Streets Construction 203.901.....                        | 167        |
| Public Safety Fund 207.....                              | 169        |
| Police 207.301.....                                      | 171        |
| Fire 207.336.....  | 176        |
| Ambulance 207.344.....                                   | 182        |
| Publicity Fund 211.835.....                              | 185        |
| Solid Waste Fund 226.528.....                            | 187        |
| Library Fund 271.790.....                                | 191        |
| Community Development Block Grant Fund 274.....          | 197        |
| Housing Rehabilitation Program 274.692.....              | 198        |
| Block Grant Administration 274.712.....                  | 201        |
| State Construction Code Fund 282.371.....                | 204        |
| Roots Fund 295.....                                      | 209        |
| Senior Citizens Services Fund 296.....                   | 211        |
| Animal Shelter Fund 297.....                             | 219        |
| Police Grants Fund 298.....                              | 222        |
| Miscellaneous Grants Fund 299.....                       | 224        |
| <b>Special Revenue Funds – Component Units.....</b>      | <b>227</b> |
| Brownfield Redevelopment Authority Fund 243.....         | 227        |
| DDA Development Fund 247 and DDA Operating Fund 248..... | 230        |
| <b>Debt Service Funds.....</b>                           | <b>237</b> |
| Description of Long Term Debt.....                       | 238        |
| General Obligation Debt 301.....                         | 241        |
| Court Building Debt Service 303.....                     | 243        |
| Debt Service Fund 360.....                               | 244        |
| <b>Capital Improvement Plan.....</b>                     | <b>247</b> |
| Capital Project Summary.....                             | 248        |
| <b>Enterprise Funds.....</b>                             | <b>291</b> |
| Arts, Beats, & Eats Festival 506.....                    | 292        |
| Recreation Fund 508.....                                 | 294        |
| Auto Parking Fund 516.....                               | 299        |
| Parking Enforcement 516.316.....                         | 301        |



|   |            |
|---|------------|
| Parking Operation 516.570.....                        | 303        |
| Construction 516.901 .....                            | 305        |
| Farmers Market Fund 551 .....                         | 306        |
| Water and Sewer Fund 592.....                         | 310        |
| Engineering 592.447 .....                             | 312        |
| Administration 592.536.....                           | 314        |
| Water Billing 592.537 .....                           | 316        |
| Water Maintenance 592.538.....                        | 318        |
| Meter Services 592.539.....                           | 320        |
| Sewer Maintenance 592.540 .....                       | 322        |
| Construction 592.901 .....                            | 324        |
| Ice Arena Fund 598 .....                              | 326        |
| <b>Internal Service Funds.....</b>                    | <b>329</b> |
| Information Systems Fund 636.....                     | 330        |
| Motor Pool Fund 661 .....                             | 336        |
| Workers Compensation Fund 677 .....                   | 341        |
| Health Care Fund 678 .....                            | 344        |
| General Liability & Property Insurance Fund 679 ..... | 346        |
| <b>Fiduciary Funds.....</b>                           | <b>349</b> |
| Retirement (Pension) Fund 731.....                    | 350        |
| Retiree Health Care Fund 736.....                     | 352        |
| <b>Supplemental Information .....</b>                 | <b>355</b> |
| Building Authorities.....                             | 356        |
| Biographies.....                                      | 358        |
| City Owned Property .....                             | 363        |
| Principal Employers and Taxpayers .....               | 364        |
| Glossary .....  | 365        |



# **BUDGET HIGHLIGHTS**

Budget Summary

Introduction

Vision and Mission Statements

Goals and Objectives

Budget Procedures

Budget Calendar

Basis of Accounting Chart

Financial Policies

Organizational Chart

The fiscal year 2017-18 recommended budget provides for the resources that are needed to help accomplish the city objectives established prior to the administration's budget process. This recommended budget calls for a total city millage rate of 17.6389 (excluding DDA levy), a decrease of 0.2372 from a slight reduction of the fire debt millage and publicity millage and a Headlee rollback on the balance of the millage levies. *See page 45 for millage rate details.* The millage rate of 17.6389 would put the city below the average millage rate of Oakland County cities, but above the median. This rate puts the city below nine bordering cities with higher millage rates and above three bordering cities with lower millage rates. This claim is based upon fiscal year 16-17 city/village millage rates as cities/villages have not been adopted/reported as of the publication of the recommended budget. *See page 47 for the chart of the 31 Oakland County city/village 16-17 millage rates.* The Headlee rollback on Royal Oak's millage rates this year is 0.9881. The DDA does not have a Headlee rollback this year.

Total city **taxable value** increased by 4.66%. Residential values increased 5%, industrial values decreased 0.5%, personal property increased 6% and commercial increased 2.8%. *See pages 42-44 for taxable value details.* These increases are notable, especially considering the recently enacted personal property exemption. The spread between 2017 SEV and taxable value increased to \$533 million, growing \$115 million from the prior year. *See page 44 for value details.*

Across all funds, the city is budgeted to receive \$47,436,430 in **tax revenue** for fiscal year 17-18, an increase from the projected tax collection for fiscal year 16-17 of \$45,717,250. The increase is due to the increase in taxable value that was not offset by the Headlee reduction of 0.9881 on the general city, public safety, roads and library millages. In other words, new property on the roll and a small allowable inflationary increase.

Total grants are budgeted at \$12,019,740 across all funds, an increase from \$11.8 million from the prior year. **State shared revenue** is budgeted to increase 2% / \$100,000 based upon the State of Michigan Treasury Department's published projections. Act 51 monies are budgeted at \$5,315,000, an increase of 5.6% /

\$284,000 relative to fiscal year 16-17 estimated year-end.

Due to low interest rates, **interest income revenue** city-wide (excluding trust funds) is budgeted at \$650,110, up from \$291,580 in the prior years original budget however down nearly \$2 million from its peak in 06-07. This once valuable source of income has significantly declined and is no longer relied upon as a significant resource to help off-set city operating costs. *See page 51 for funds interest revenue history graph.*

**Personnel costs** are decreasing 20% / \$10.3 million relative to the fiscal year 16-17 original budget, mostly due to a decrease of annual required contribution (ARC) for OPEB and pension benefits as a result of OPEB and pension bond issuance in February 2017. However, the savings is offset significantly with new OPEB and pension bond principal and interest payments of \$9 million annually. Total full-time employees are budgeted to increase from 320 to 329 positions. However this total is down 37 positions relative to recent peak in fiscal year 05-06. The city managers department has an increase of 0.8 in order to move the administrative assistant from the city attorney department. The HR department has added an engagement specialist. The building department has added three new inspector positions. Highway maintenance and solid waste functions each have one position added. And sewer maintenance has two positions added. *See page 35 for personnel summary recent history.* Wage related costs are increasing 11% / \$2.8 million mostly due to contractual wage increases and additional positions being filled. The defined benefit and defined contributions budget is decreasing from \$21.8 million to \$7.2 million mostly due to the legacy cost for general employee pension and all employee OPEB paid through debt service accounts. The budget provides for the contributions of 100% of the normal costs and the annual unfunded actuarial accrued liability (UAAL) for the police and fire pension. The ARC contribution for pension is required by law to be met. A graph in the "Financial Trends" section illustrates the magnitude of the combined pension /OPEB contributions and pension/OPEB bonds debt service that the city is funding in fiscal year 17-18. For the first time, the required contributions made toward paying the current year obligations do not exceed the general fund's millage

revenue. *See graph on page 55.* The forecast in the budget is considered to be optimistic; providing the continuation of only the normal costs (and the current annual UAAL contribution for police and fire pension). In the event investment income in the pension and OPEB trusts do not meet the assumed rate of return of 7.75% the trusts that bonded for pension and OPEB will be underfunded again and need additional contributions made toward.

The budget includes nearly \$43.4 million in **capital improvements**; an increase of 26% / \$9 million over fiscal year 16-17 original capital budget. Typically the first year of the recently adopted capital improvement plan (CIP) is incorporated into the recommended budget when funding is available however there are numerous exceptions for fiscal year 17-18 due to project timing changes. The city's capital improvement budget calls for \$1.157 million for major road capital improvements, \$5.739 million for local road capital improvements, \$1.25 million for solid waste system improvements plus \$334,000 ongoing annual payment for the SOCCRA recycling facility upgrade, \$10.565 million for water/sewage system improvements including \$6 million for meter/radio read project, \$200,000 for 4<sup>th</sup> Street bio-swales, \$2.028 million for replacement motor fleet, \$321,000 for information technology infrastructure, \$21.9 million for the completion of the Center Street parking garage and the ROCC parking garage, \$150,000 (carry-over) for replacement election equipment, \$404,000 for various city building improvements and, \$182,000 for various park projects. Detailed listings of all capital improvements are included in each fund/cost center significant notes section (orange box) in this document. The capital projects and the descriptions that are reported in the adopted FY2017-18 to FY2022-23 Capital Improvement Plan can be found behind the "Capital Improvement" tab in this budget document. With the exception of park projects, the forecasted years in this document include capital projects that are in the CIP causing an occasional fund forecast to illustrate fund balance levels below

policy and even negative balances. *See budget summary tables within each fund section.* Adopting a budget with a negative fund balance is not permitted by law, therefore the need to bond is assumed in some circumstances.

New **debt** issuances for the city are included in this budget, as not all project costs are to be paid with current funds. The water meter replacement/radio read program is budgeted to receive \$6 million in bond proceeds. The budget provides for \$12.7 million in bond proceeds for the ROCC parking garage project and assumes \$35.8 million for the balance of the ROCC project. \$8.1 million for local roads is assumed to be received at the end of fiscal year 16-17 however it may carry-over into the beginning of fiscal year 17-18. *See page 54 for existing outstanding debt summary.*

The water commodity rate will increase 1% and the sewer commodity rate will increase 1.5% based upon passing along the dollar amount of the increase for water from SOCWA (2%) and sewer disposal from Oakland County Water Resources (3%). The city's quarterly billing flat fee will remain at \$11.25 to recoup billing costs.

The **unassigned fund balance** for the general and public safety funds (combined) is budgeted to decline from the current year's projected 37% of expenditures to 15%. These funds' fund balances are now reviewed as combined since the public safety function continues to be a significant cost of the general fund due to the sizeable transfer (\$18.7 million) made to the public safety fund. By fiscal year 21-22, the fund balance is projected to be 9%, which is below the city's policy fund balance. Each fund has an estimated/forecasted fund balance through fiscal year 2021-22 in the budget summary table. *See page 54 for unassigned fund balance history and page 60 for future projected balances.*

Please reference the significant notes section (orange boxes) within each fund/cost center for details and noteworthy program information for fiscal year 17-18.



**THIS PAGE IS INTENTIONALLY LEFT BLANK**

## City of Royal Oak

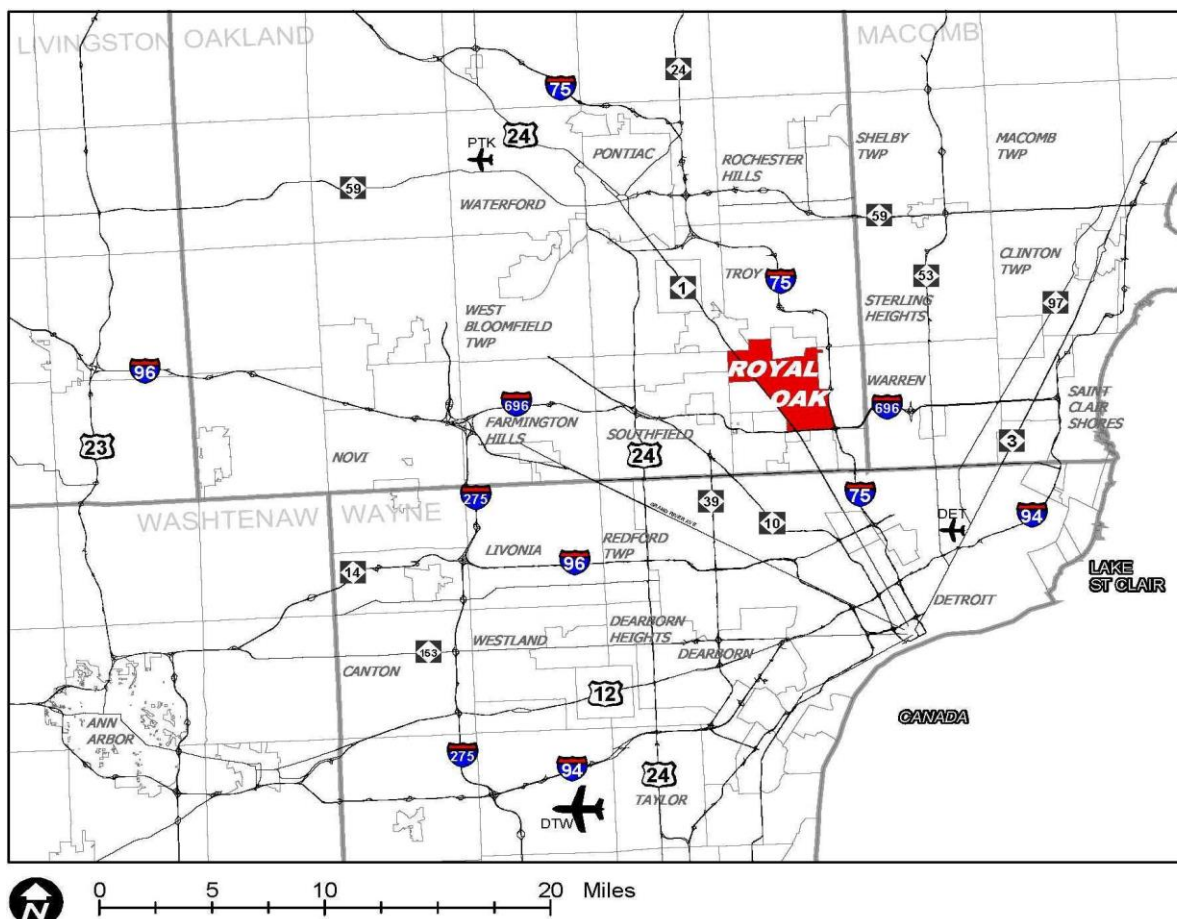
The City of Royal Oak is located in southeast Oakland County, Michigan. The city's 11.83 square miles has a population of approximately 57,236 according to the 2010 US census. Flanked by I-75 on the east border, I-696 on the south and Woodward Avenue (M-1) on the west side, the city has excellent highway access for residents and visitors alike. Approximately 15 to 20 miles northwest of downtown Detroit, businesses and residents have easy access to the Ambassador Bridge and the Detroit-Windsor tunnel, the busiest international crossings between the United States and Canada.

The City of Royal Oak has operated under the "council manager" form of government since its incorporation on November 8, 1921. This form of government provides that the city commission act as the legislative or policy making body. The city commission is composed of six commissioners and

a mayor elected by the city-at-large on a nonpartisan ballot. Three commissioners are elected to four-year terms every two years to ensure experienced legislators at all times. The mayor is elected for a two-year term.

The city commission enacts ordinances, resolutions and regulations governing the city. City commission also appoints members of various statutory and advisory boards and commissions, and the city manager.

The city manager is the city's chief administrative officer and, as such, is held accountable for planning, coordinating, directing and executing all of the city's operations in a manner prescribed by law and conforming to the general policies and specific directives of the commission. The city manager also appoints and supervises the heads of departments of the city. *See statistical section for additional city information.*





## *VISION STATEMENT*

**To be a dynamic balance of progressive vision and traditional values offering an inviting, premier and diverse community for all.**

## *MISSION STATEMENT*

**Our mission is to provide a safe, healthy and sustainable community.**

**Goal: Operations – To perform all city operations as efficiently and effectively as possible. This includes, but is not limited to internal communications, technology, innovation and financial management.**

**Attract, retain, and develop effective and efficient staff**

**Objectives:**

- Update the compensation survey and establish a regular process for doing so
- Evaluate employee benefits to insure competitiveness
- Evaluate organizational structures in each department to identify staff needs, succession planning, possible service delivery improvements and potential cross training opportunities
- Examine the potential for technology improvements to enhance service delivery

**Insure city financial sustainability**

**Objectives:**

- Work with the MML and state legislators to amend a broken municipal financing model
- Lobby Lansing to allow a liquor excise tax
- Take advantage of a DNR grant for development of Normandy Oaks Park
- Aggressively pursue grant opportunities, employing a cost-benefit analysis to insure that grants are financially appropriate
- Review and update service fees every two years to insure costs are covered
- Continue process for establishing ROOTS as a 501(c)3 entity

**Goal: Economic Development – To establish policy and procedures that facilitate the development of Royal Oak as a place to live, work and play**

**Facilitate Private Sector Development**

**Objectives:**

- Provide incentives for housing developments that meet gaps identified in the target market analysis
- Institute, where appropriate, form-based zoning requirements on a temporary basis
- Provide regular updates to the commission on the status of development projects

**Goal: Infrastructure/Environment – To maintain, replace and enhance city infrastructure in an environmentally and fiscally sustainable manner**

**Maintain and improve city infrastructure**

**Objectives:**

- Implement the “wayfinding” recommendations of the DDA in the downtown and consider similar approaches to wayfinding across the city
- Complete the development of city hall, the police department and central park
- Design and complete the Normandy Oak Park plan
- Review and update the stormwater plan and ordinance
- Develop a new master plan
- Develop and implement a more aggressive schedule to revamp city parks
- Examine ways to strengthen digital infrastructure to move toward a smart cities initiative
- Develop and begin the implementation of a city-wide environmental sustainability plan
- Consider a sidewalk millage program to place before voters
- Investigate options for preserving or increasing the number of trees in Royal Oak including tree replacement requirements for developers and citywide tree replacement fund

**Goal: Community Health and Safety – To preserve Royal Oak as a safe and healthy community through sound fiscal policy, strategic planning, prompt decisive actions and effective management of taxpayer’s assets.**

**Improve mobility in and around the city**

**Objectives:**

- Develop and implement a north-south bike route
- Create a public transportation plan for the city
- Explore development of a bike share program for the city
- Investigate options for a snow removal ordinance



**GENERAL APPROPRIATIONS ACT**

**BE IT RESOLVED**, this and the following nine resolutions constitute the City of Royal Oak's General Appropriations Act for the fiscal year beginning on July 1, 2017 and ending on June 30, 2018.

**RESOLUTION 1: BUDGET RESOLUTION**

**BE IT RESOLVED**, the 2017-2018 City of Royal Oak budget for each fund is hereby appropriated as follows:

**General Fund**

|                                    |            |
|------------------------------------|------------|
| General Government                 | 18,154,950 |
| Community and Economic Development | 530,570    |
| Health and Welfare                 | 0          |
| Public Safety                      | 452,410    |
| Public Works                       | 1,320,800  |
| Recreation and Culture             | 1,309,690  |
| Transfers Out                      | 20,328,500 |

|                           |                   |
|---------------------------|-------------------|
| <b>Expenditures Total</b> | <b>42,096,920</b> |
|---------------------------|-------------------|

|                             |            |
|-----------------------------|------------|
| Taxes                       | 18,585,500 |
| Licenses and Permits        | 2,007,300  |
| Grants                      | 5,258,500  |
| Charges for Services        | 2,691,620  |
| Fines and Forfeitures       | 5,058,000  |
| Interest and Rentals        | 653,200    |
| Contributions and Donations | 0          |
| Reimbursements              | 222,000    |
| Other Revenues              | 65,000     |
| Transfers In                | 0          |
| Use of Fund Balance         | 7,555,800  |

|  |                   |
|--|-------------------|
| <b>Revenues, Transfers and Use of Fund Balance</b> | <b>42,096,920</b> |
|--|-------------------|

**Major Streets Fund**

|   |           |
|---|-----------|
| Expenditures Total                          | 4,321,500 |
| Revenues, Transfers and Use of Fund Balance | 4,321,500 |

**Local Streets Fund**

|   |           |
|---|-----------|
| Expenditures Total                          | 9,478,960 |
| Revenues, Transfers and Use of Fund Balance | 9,478,960 |

**Public Safety Fund**

|   |            |
|---|------------|
| Expenditures Total                          | 29,957,920 |
| Revenues, Transfers and Use of Fund Balance | 29,957,920 |

**Publicity Tax Fund**

|   |        |
|---|--------|
| Expenditures Total                          | 68,860 |
| Revenues, Transfers and Use of Fund Balance | 68,860 |

|   |           |
|---|-----------|
| <b>Solid Waste Fund</b>                       |           |
| Expenditures and Contribution to Fund Balance | 8,521,390 |
| Revenues and Transfers                        | 8,521,390 |
| <b>Brownfield Redevelopment Authority</b>     |           |
| Expenditures Total                            | 359,230   |
| Revenues Total                                | 359,230   |
| <b>DDA - Development Fund</b>                 |           |
| Expenditures Total                            | 3,525,000 |
| Revenues, Transfers and Use of Fund Balance   | 3,525,000 |
| <b>DDA - Operating Fund</b>                   |           |
| Expenditures Total                            | 57,500    |
| Revenues, Transfers and Use of Fund Balance   | 57,500    |
| <b>Library Millage Fund</b>                   |           |
| Expenditures Total                            | 2,500,010 |
| Revenues, Transfers and Use of Fund Balance   | 2,500,010 |
| <b>CDBG Fund</b>                              |           |
| Expenditures Total                            | 1,550,000 |
| Revenues, Transfers and Use of Fund Balance   | 1,550,000 |
| <b>State Construction Code Fund</b>           |           |
| Expenditures Total                            | 1,910,000 |
| Revenues, Transfers and Use of Fund Balance   | 1,910,000 |
| <b>ROOTS Fund</b>                             |           |
| Expenditures Total                            | 63,600    |
| Revenues, Transfers and Use of Fund Balance   | 63,600    |
| <b>Senior Citizen Services Fund</b>           |           |
| Expenditures Total                            | 873,290   |
| Revenues, Transfers and Use of Fund Balance   | 873,290   |
| <b>Animal Shelter Fund</b>                    |           |
| Expenditures Total                            | 104,280   |
| Revenues, Transfers and Use of Fund Balance   | 104,280   |
| <b>Police Grants Fund</b>                     |           |
| Expenditures Total                            | 274,000   |
| Revenues, Transfers and Use of Fund Balance   | 274,000   |
| <b>Miscellaneous Grants Fund</b>              |           |
| Expenditures Total                            | 72,070    |
| Revenues, Transfers and Use of Fund Balance   | 72,070    |

**RESOLUTION 2: SET TAX RATE**

**RESOLVED**, the general operating levy for the 2017-2018 fiscal year for operations is established at 7.2031, and

**BE IT FURTHER RESOLVED**, the property tax rate for the 2017-2018 fiscal year for the publicity tax is established at 0.0195 mill. and

**BE IT FURTHER RESOLVED**, the property tax rate for the 2017-2018 fiscal year for the library operations is established at 0.9347 mill. and

**BE IT FURTHER RESOLVED**, the property tax rate for the 2017-2018 fiscal year for the solid waste disposal operation is established at 2.9346 mills, which consists of 1.9640 mills authorized by state law and 0.9706 mill authorized by the voters of the City of Royal Oak, and

**BE IT FURTHER RESOLVED**, the property tax rate for the 2017-2018 fiscal year for the fire bonded debt be established at 0.2400 mill, and

**BE IT FURTHER RESOLVED**, the property tax rate for the 2017-2018 budget recommended by the Downtown Development Authority for the area designated by ordinance as the downtown district is established at 1.6146 mills, and

**BE IT FURTHER RESOLVED**, the 1.6146 mills levy for the downtown district is in addition to the millage applicable to properties outside of the downtown district and

**BE IT FURTHER RESOLVED**, the property tax rate for the 2017-2018 fiscal year for the road millage be established at 2.4351 and

**BE IT FURTHER RESOLVED**, the property tax rate for the 2017-2018 fiscal year for the public safety operations is established at 3.8719 mills and

**BE IT FINALLY RESOLVED**, the public safety millage and road millage are to be levied on the winter tax bill.

**RESOLUTION 3: AUTHORIZE TAX ADMINISTRATION FEE**

**BE IT RESOLVED** the City of Royal Oak approves the imposition of a 1% administration fee on property tax levied in 2017, and

**BE IT FURTHER RESOLVED** the City of Royal Oak approves the imposition of late interest penalty charges as follows: On summer taxes at the rate of one-half of one per cent per month, or fraction thereof, after July 31 until February 28; on December taxes at the rate of 3% after February 14 until February 28, 2018.

**RESOLUTION 4: WATER AND SEWAGE DISPOSAL RATES**

**BE IT RESOLVED** that the water and sewage disposal rates for the City of Royal Oak as of July 1, 2017 are established as follows:

|  |  |
|--|--|
| Billing administrative flat fee          | \$11.25 per billing period                             |
| Water & sewer commodity charge           | \$123.06 per mcf for first 2 mcf per billing period    |
|  | \$141.13 for additional mcf per billing period         |
| Outside city water only commodity charge | \$53.09 per mcf for the first 2 mcf per billing period |
|  | \$60.39 for additional mcf per billing period          |
| Sewer only charge                        | \$225.56 per quarter                                   |

**BE IT FURTHER RESOLVED** industrial surcharge and industrial waste control charges will be passed along to customers as a pass-through.

**RESOLUTION 5: PURCHASES**

**WHEREAS**, the City of Royal Oak finds it necessary to incur utility, postage, and other expenses provided by natural or regulated monopolies, and other sole source providers in order to operate the city, and

**WHEREAS**, it is impossible to estimate the charges to be incurred for each succeeding month, and

**WHEREAS**, these charges can and do exceed one thousand dollars for each billing period;

**NOW, THEREFORE, BE IT RESOLVED**, the city administration is authorized to place orders for and make payment of these expenses, and such authorization forgoes the requirement of presenting these bills to the commission prior to authorization for purchase and/or payment;

**FURTHER RESOLVED**, this resolution shall apply to electric, telephone, water, natural gas utility, postage charges, and other goods/services provided by natural or regulated monopolies or sole source providers.

**RESOLUTION 6: PURCHASING**

**WHEREAS**, pursuant to chapter three, section 34 of the Royal Oak city charter, the city commission shall set a purchasing limitation by resolution, adopted at the same time the annual city budget is approved.

**NOW, THEREFORE, BE IT RESOLVED**, the city establishes that no purchase in excess of \$10,500 be made without the approval of the city commission and pursuant to chapter fourteen, section 2. Public work or improvement costing more than \$25,000 and executed by contract, shall be awarded to a responsible bidder in competition for fiscal year 2017-2018.

**RESOLUTION 7: TRANSFERS**

**NOW, THEREFORE, BE IT RESOLVED**, the finance director is hereby authorized to transfer up to 25% of the major street fund monies to the local street fund during the 2017-2018 fiscal year. The finance director is also authorized to make transfers within appropriation centers. All other transfers between funds may be made only by further action by the city commission.

**RESOLUTION 8: PEG FEES**

**NOW, THEREFORE, BE IT RESOLVED**, the city commission hereby grants Community Media Network 1/2 of the 1% P.E.G. fee received during the 2017-2018 fiscal year.

**RESOLUTION 9: FINANCIAL POLICIES**

**WHEREAS**, the City of Royal Oak has established a set of financial policies

**AND WHEREAS**, it is prudent to regularly review and update those policies and to add new ones as needed.

**NOW, THEREFORE, BE IT RESOLVED**, the city reaffirms its existing financial policies on attrition, investments, retirement contributions, debt management, fund balance, capital assets and capital improvements projects, and fund self-supporting.

## CITY OF ROYAL OAK FY 2017 – 2018 Budget Procedures

The City of Royal Oak's budget process is governed by the city charter and state statutes of Michigan. Chapter eight, "general finances, section 1" of the city charter establishes July 1 through June 30 as the city's fiscal year.

### **Budget Document**

The city charter, as approved by the voters on November 8, 1921 and last amended November 8, 2016, and the State of Michigan Uniform Budgeting Act (Public Act 621 of 1978), which amended the Uniform Accounting Act (Public Act 2 of 1968), mandate that the budget document present a complete financial plan for the ensuing fiscal year and shall present the following:

(a) An itemized statement of the appropriation recommended by the manager for current expenses and for permanent improvements for each department and each division thereof, for the ensuing fiscal year, with comparative statement, in parallel columns, of the appropriation and expenditures for the current and next preceding fiscal year and the increases and decreases in the appropriation recommended;

(b) An itemized statement of the taxes required and of the estimated revenue of the city, from all other sources, for the ensuing fiscal year, with comparative statements of the taxes and revenues for the current and next preceding fiscal year;

(c) A statement of the financial condition of the city and an inventory of all property owned by the city; and

(d) Such other information as may be required by the commission.

### **Budget**

As required by the city manager, each department head must submit to the city manager an itemized estimate of expenditures for the next fiscal year for the department or activities under their direction.

The city manager then prepares a complete itemized budget proposal for the next fiscal year and must present a balanced budget to the city commission not later than 30 days before the end of each fiscal year. Prior to the adoption of the budget, a public hearing on the budget must be held to inform the public and solicit input and comments from residents. A public notice, published in a newspaper of general circulation in the community, announces the time and place of the meeting and the availability of the budget document for review.

### **Budget Appropriation and Amendments**

The city budget is adopted by the city commission on a functional basis. The finance director is authorized by budget resolution to transfer up to 25% of major street fund monies to the local street fund during the fiscal year and to make transfers within appropriation centers. All other transfers between funds may be made only by further action by the city commission.

The commission may make additional appropriations during the fiscal year for unanticipated expenditures required of the city. The city commission may also re-appropriate funds among appropriation centers. By way of an annual budget resolution, the city commission authorizes the finance director to administratively adjust line-item budgets within a fund and appropriation centers.

### **Basis for Budgeting**

The modified accrual basis of budgeting is utilized in the preparation of the *governmental* fund types. Expenditures, with the exception of debt service expenditures, compensated absences, claims and judgments, are recorded at the time the liability is incurred. Revenues are recorded when received as cash, with the exception for material or available revenues that are accrued to properly show revenues earned and/or levied taxes. The accrual basis of accounting is utilized for the internal service and enterprise funds budgets which are not officially adopted, but included in this document.

The budget is prepared in accordance with Generally Accepted Accounting Principles (GAAP).

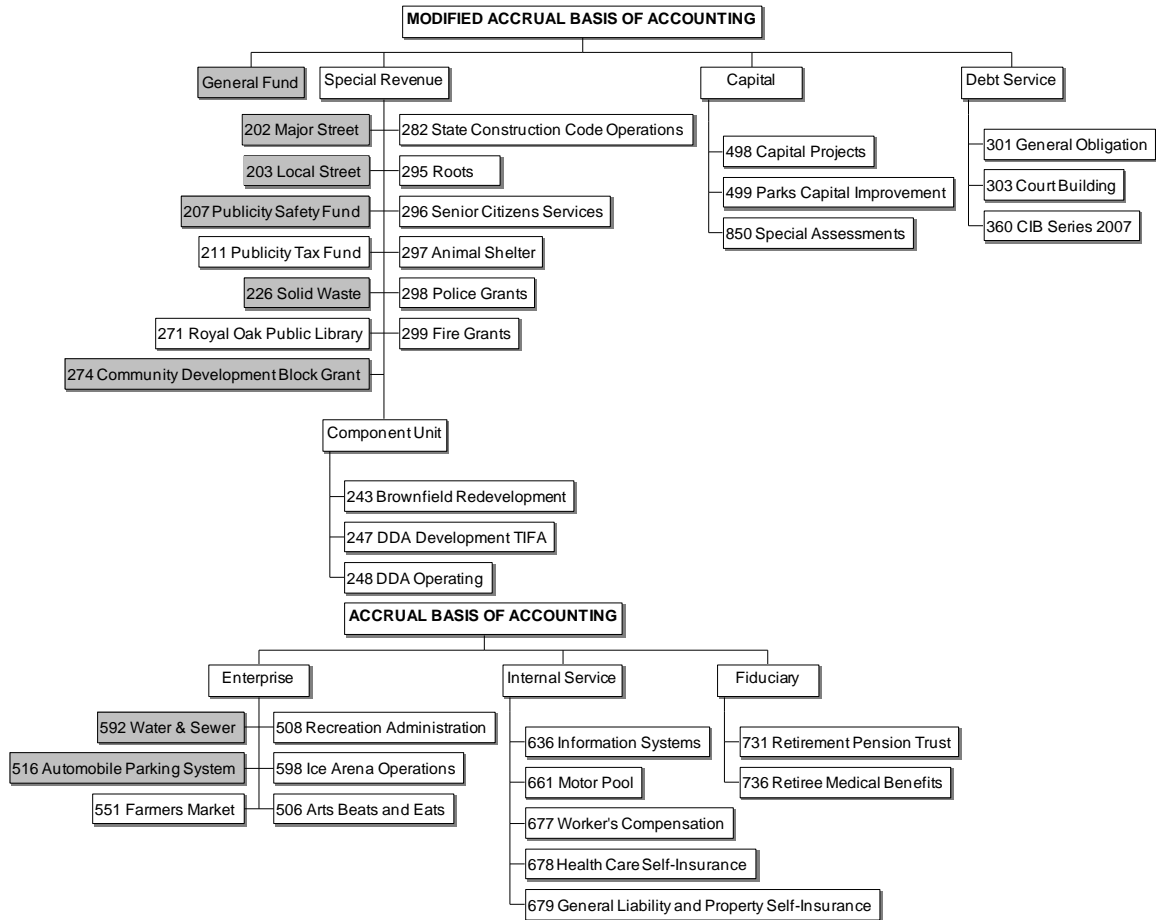


## FY 2017-2018 BUDGET CALENDAR

|                     |  |
|---------------------|--|
| November            | Finance department requests capital improvement plan submittals  |
| December            | Finance department develops initial personnel costing and finalizes the draft capital improvement plan   |
| January - mid       | Special city commissions strategic planning (goals & objectives) session   |
| January - late      | City commission adopts their goals & objectives at city commission meeting   |
| February            | Finance sends personnel costing detail to departments for their review/approval  |
| February - mid      | Motor pool, IT, insurance budgets due to the finance department  |
| February - late     | Finance spreads internal service department costs to user department budgets.  |
| March - early       | Department requested budgets due to finance dept. – includes final departmental narratives, personnel sign-offs, goals, objectives, org charts, significant notes, performance measures and fiscal requests. |
| March               | Capital improvement plan adopted by planning commission  |
| March               | Finance reviews and compiles departmental budget requests presentation for city manager  |
| April - early       | Departments meet with city manager to discuss their requested budgets  |
| April – mid to late | City manager relays final budget recommendations to finance department   |
| April - late        | Finance department compiles recommended budget document  |
| May - early         | Recommended budget document is distributed to mayor and city commissioners and is posted to city webpage   |
| May 15, 17, 24      | Special meetings – city commission conducts public budget meetings   |
| May 25 +            | Finance department makes any city commission changes and prepares final budget document  |
| June 12             | City commission conducts public hearing* and adopts budget (with any revisions to the city manager's recommended budget)   |
| June 13 - 28        | Finance department prepares adopted budget document  |
| June 30             | Final adopted budget document is distributed and posted to the city's website  |
| July 1 – June 30    | Finance department monitors budget and performs budget amendments when appropriate   |

\*if changes are not significant

## Financial Organization Chart



Shaded funds are major funds. Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount

for all governmental and enterprise funds. Any other fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

## Attrition Policy

### Policy on Attrition

**Purpose:**

The City of Royal Oak is facing revenues that are not sufficient to necessarily meet operating and capital needs and needs to further reduce its staffing levels in order to maintain a balanced budget.

**Policy:**

All City of Royal Oak full-time positions except sworn police and fire positions that become vacant, for any reason, may only be filled with specific approval from the city commission. Such approval shall only be granted when it can be clearly established that it will cost more to not fill a position than it will cost to fill a position or when the position is unique and no other employee can perform a critical function.

[Adopted 06/02/2008]

[Reaffirmed 06/13/2016]

## Capital Asset Policy

### Capital Asset Policy

Capital assets are assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized once projects are placed in service. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>             | <u>Years</u> |
|---------------------------|--------------|
| Buildings and renovations | 25 to 50     |
| Improvements              | 10 to 20     |
| Infrastructure            | 15 to 50     |
| Vehicles                  | 5 to 8       |
| Equipment                 | 5 to 15      |
| Intangibles               | 10           |

[Adopted 04/06/2009]  
[Reaffirmed 06/13/2016]

## Capital Improvement Project Policy

### Capital Improvement Project Definition

Capital improvement projects are any project or physical improvement that results in a permanent addition to the city's capital assets or revitalization/improvement that extends a capital asset's useful life or increases its usefulness or capacity. Qualifying projects must have an estimated cost of \$10,000 or more and an estimated useful life in excess of three years. Examples include:

1. New and expanded physical facilities for the community
2. Renovation, reconstruction, repair or major maintenance to existing facilities
3. Equipment for any public facility or improvement when first erected or acquired
4. Major landscape improvement
5. Utility modification
6. New construction project
7. Public improvement projects (road and park improvements, curbs and gutters, drainage improvements, sidewalks/bikeway/path projects, etc.)

A capital improvement is not a recurring capital outlay item (such as a motor vehicle) or a maintenance expense (such as fixing a leaking roof or painting park benches). Acquisition of equipment is not a capital project unless it is an integral part of the capital project.

Explanations of the option **type of project** are as follows:

**Replacement:** Existing improvements that are deteriorated and need to be replaced and/or upgraded to continue to provide service and to meet current codes and regulations.

**Expansion:** New improvements that are growth-related and/or based on projected development.

**Economic vitality and diversity:** This includes construction of improvements for promotion of economic vitality and diversity and to eliminate and prevent the spread of blight and deterioration to the city.

Explanation of the options for **project priority** are as follows:

**Emergency:** The project is urgent and must be completed as soon as possible. This could be a temporary or permanent repair to major equipment, facilities or infrastructure. The project must be complete to protect the health, safety or welfare of the community.

**Regulatory requirement:** The project is required by new legislation, federal guidelines, codes or regulations. The city may be fined if the project is not implemented.

**Correct existing deficiencies:** The project corrects an existing deficiency to keep the facilities or infrastructure from becoming an emergency situation. If the project is not implemented, the health, safety and welfare of the community may be endangered in the near future.

**Near-term capacity need:** The project expands the capacity of equipment, facilities or infrastructure to accommodate increasing demand. Failure to address the project may create public inconvenience or an emergency situation.

**Long-term capacity need/master plan:** The project is identified in the city's master plan(s).

**Availability of funds:** The project is addressed if there is enough outside funding.

[Adopted 04/06/2009]  
[Reaffirmed 06/13/2016]

## Debt Management Policy

**Background:** Debt management policies are written guidelines and restrictions that affect the amount and type of debt issued, the issuance process, and the management of the city's debt portfolio. A debt management policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a debt management policy signals to rating agencies and the capital markets that a government is well managed and should meet its obligations in a timely manner.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. An effective debt management policy provides guidelines to manage its debt program in line with those resources.

**Objective:** To manage the debt portfolio to finance all necessary capital improvements while being fiscally responsible with the taxpayer's money in a conservative and prudent manner.

**Debt manager and disclosure agent:** The director of finance is the debt manager for all items involving debt management. The debt manager is the disclosure agent responsible to develop and conduct an investor relations program and is the person authorized to speak externally on behalf of the city concerning debt. His/her duties include the filing of all

public records to meet federal and state legislation. He or she may appoint a member(s) of staff or consultant to assist in carrying out this mission.

The debt manager shall review this policy at least annually and recommend revisions as necessary.

### Policy:

1. The city shall exhibit purposeful restraint in incurring debt.
2. The city shall refrain from issuing short-term debt which requires repeated annual appropriation.
3. Long-term debt will not be used for operations with the exception of legacy costs.
4. Long-term debt will be confined to capital improvements and legacy costs that cannot be financed from current revenue.
5. The payback period of the debt will not exceed the expected useful life of the project.
6. Total city debt, including loans and contractual obligations (e.g. George W. Kuhn Drain debt), will not exceed ten percent (10%) of the total taxable valuation of taxable property.
7. The city will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure on every financial report and bond prospectus.
8. The city will strive to have a minimum bond rating of AA-, or the equivalent, with at least two (2) qualified bond rating agencies.

[Adopted 6/2/2008]  
[Reaffirmed 06/13/2016]



## Fund Balance Policies

### Fund Balance Policy – General Fund

#### Purpose:

To ensure proper stewardship of the City of Royal Oak's financial resources, by maintaining the city's ability to:

1. Meet liquidity requirements for current and long-term obligations
2. Manage unexpected revenue shortfalls
3. Accept reasonable uninsured risks, where advantageous
4. Provide for unanticipated contingencies and emergencies
5. Provide for long-term budget and tax stabilization
6. Borrow funds at reasonable interest rates, when needed

#### Policy:

BE IT RESOLVED, that it shall be the policy of the City of Royal Oak to maintain an unassigned fund balance in the general fund at least equal to ten percent of budgeted expenditures but not more than twenty five percent of budgeted expenditures.

[Adopted 2/06/2006; Reaffirmed 06/13/2016]

BE IT RESOLVED, that it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the general fund shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 03/06/2006; Reaffirmed 06/13/2016]

### Fund Balance Policy – Non-Major Enterprise Funds

Any transfers from any of the city's non-major enterprise funds (farmer's market, ice arena, and recreation administration) to the city's general fund be limited so as not to reduce the net non-capital assets of the non-major enterprise funds by more than twenty percent in any given fiscal year.

BE IT RESOLVED, that it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the non-major enterprise funds shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 03/06/2006; Reaffirmed 06/13/2016]

### Fund Balance Policy – Auto Parking Enterprise Fund

WHEREAS, on February 6, 2006, in order to ensure proper stewardship of the city's financial resources, the city commission unanimously established a policy regarding the maintenance of a minimum unassigned fund balance in the general fund;

WHEREAS, after additional consideration, the city commission has determined that in order to further ensure proper stewardship of the city's financial resources, a policy should also be established to restrict the level of transfers from the city's parking fund to the city's general fund in any given fiscal year. Such a policy will ensure that the city will be able to

properly maintain the assets associated with the parking fund without having to draw upon the city's general fund.

THEREFORE, BE IT RESOLVED, that it shall be the policy of the City of Royal Oak that any transfers from the city's parking fund to the city's general fund be limited so as not to reduce the net non-capital assets of the parking fund by more than twenty percent in any given fiscal year.

[Adopted 12/04/2006; Reaffirmed 06/13/2016]

## Fund Balance Policy – State Construction Code Fund

### Purpose:

To help ensure the proper stewardship of the City of Royal Oak's financial resources and in an effort to stabilize the volatility of state construction code fund (as it is a public safety function) through economic downturns, a fund balance policy has been established.

### Policy:

That it shall be the policy of the City of Royal Oak to maintain an unassigned fund balance in the state construction code fund not less than fifty percent of

budgeted expenditures but not more than one hundred and fifty percent of budgeted expenditures.

That it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the state construction fund shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 06/02/2013]  
[Reaffirmed 06/13/2016]

## Investment Policy

### Policy:

It is the policy of the City of Royal Oak to invest its funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the city and complying with all state statutes governing the investment of public funds.

### Scope:

This investment policy applies to all financial assets of the City of Royal Oak, except the financial assets of the retirement funds. The city's financial assets are accounted in the city's annual report and include:

- general fund
- special revenue funds
- debt service funds
- capital project funds
- enterprise funds
- internal service funds
- agency funds

Any new fund type established by the city, unless specifically exempted by the legislative body.

This investment policy applies to all transactions involving the financial assets and related activity of all the foregoing funds.

### Objectives:

The primary objectives of the city's investment activities, in priority order, are:

*Safety*—Ensuring the safety of principal is the foremost objective of the investment

program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio and will employ mechanisms to control risks and diversify investments regarding specific types of individual financial institutions.

*Liquidity*—The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Investment maturities shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures (payroll, accounts payable, etc.).

*Return on investment*—The investment portfolio shall be designed with the objective of attaining a market rate of return commensurate with the portfolio's level of investment risk and cash flow characteristics.

*Diversification*—The investment portfolio will be diversified by security type and institution so that potential losses on individual securities do not exceed the gains generated from the remainder of the portfolio.

### Delegation of Authority to Make Investments:

Authority to manage the city's investment program is granted to the city finance director, hereinafter referred to as investment officer. This authority is derived from city charter Chap. 3, Sec. 24. No person may engage in an investment transaction except as provided under the terms of this policy and any procedures established by the investment officer. The investment officer may designate an employee to be

responsible for the day-to-day management of the portfolio, under the leadership of the investment officer, and to act on the investment officer's behalf in the absence of the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of any subordinate official.

**Authorized Investments:**

The City of Royal Oak, as a public corporation operating under the laws of the State of Michigan, is limited to investments authorized by Act 20 of the Public Acts of 1943, as amended (MCL 129.91 to 129.96). The city has approved investment in the following authorized investment instruments:

Bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a rule or law of this state or the United States.

Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than two hundred seventy days after the date of purchase.

Repurchase agreements consisting of bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

Bankers' acceptances of United States banks.

Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

Mutual funds registered under the Investment Company Act of 1940, title I of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. This mutual fund authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share. A mutual fund is not disqualified as a

permissible investment solely by reason of any of the following:

The purchase of securities on a when-issued or delayed delivery basis.

The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned.

The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary and emergency purposes.

Obligations described in subsections 5.1 through 5.7 if purchased through an inter-local agreement under the Urban Cooperation Act, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118.

The investment pools organized under the Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.

It is further understood that investments of certain bond proceeds may be restricted by covenants in the bond ordinances.

**Authorized Financial Institutions and Brokers/Dealers:**

Investments shall be made only through approved financial institutions and approved security broker/dealers and shall be selected to attain a market rate of return commensurate with the portfolio's level of investment risk and cash flow characteristics. The investment officer, or his/her delegate, shall be responsible for reviewing financial institutions' and broker/dealers' qualifications and deciding who is approved to conduct investment business with the city. The investment officer, or his/her delegate, shall maintain a list of the approved financial institutions and broker/dealers. All financial institutions and broker/dealers who desire to obtain approval for conducting investment business with the city must provide the investment officer or his/her delegate, with evidence of their creditworthiness and qualifications for doing business in this State. This evidence includes

audited financial statements, proof of National Association of Securities Dealers (NASD) certification (if applicable), proof of qualifications for doing business in Michigan, a signed agreement to comply with this investment policy (see Attachment A), and any other documents required by the investment officer or his/her delegate.

The investment officer or his/her delegate, shall conduct an annual review of the financial condition and qualifications of approved financial institutions and broker/dealers to determine if they should remain on the aforementioned list of approved institutions. Financial institutions and broker/dealers shall provide the investment officer or his/her delegate, with documents necessary for the review.

### **Safekeeping & Custody:**

All trades, where applicable, will be executed on a cash basis or a delivery vs. payment (DVP) basis, as determined by the investment officer or his/her delegate. It shall be the responsibility of the investment officer, or his/her delegate, to determine which securities a third party custodian shall hold. A safekeeping receipt must evidence any securities held in safekeeping by a third party custodian.

All securities shall be properly designated as assets of the City of Royal Oak. Securities shall be in the name of the City of Royal Oak and shall name the specific fund from which the instrument was purchased.

### **Prudence:**

In keeping with the investment officer's and his/her delegate's fiduciary responsibilities, investments shall be made with judgment and care, under circumstances then prevailing, in a manner consistent with that which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments shall be made for investment purposes, not for speculative purposes, considering the probable safety of the capital as well as the probable income to be derived.

The investment officer, or his/her delegate, acting in accordance with this policy and written procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely manner and

appropriate action is taken to control adverse developments.

### **Ethics & Conflicts of Interest:**

Officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their abilities to make impartial investment decisions. Officials and employees involved in the investment process shall disclose to the city manager, or confirm the absence thereof, any material financial interests in financial institutions or broker/dealers that conduct business within this jurisdiction. They shall further disclose, or confirm the absence thereof, any large personal financial/investment positions that could be related to the performance of this jurisdiction's portfolio. Officials and employees shall subordinate their personal investment interests to those of this city.

### **Internal Controls**

The investment officer shall establish and maintain written procedures and internal controls for the operation of the investment program that are consistent with this investment policy. The internal control structure shall be designed to provide reasonable assurance that public funds are protected from loss, theft, or misuse and that the city complies with laws governing investment of public funds. These internal controls shall be reviewed annually by the independent auditor.

### **Reporting**

The investment officer, or his/her delegate, shall prepare a monthly report of investment activity. The report shall be designed to provide a clear picture of the status of the current investment portfolio and to allow the city to ascertain if the investment activities during the reporting period conform to this investment policy. The monthly reports shall be maintained in the finance department and shall be available for review by the general public or by city officials. On an annual basis, the investment officer shall provide an annual report of investment activity to the city commission.

### **Adoption by City Commission**

The city commission has adopted this investment policy by resolution on 11/16/98.

[Reaffirmed 06/13/2016]

Retirement (Pension) Contributions Policy

BE IT RESOLVED, the City of Royal Oak shall make pension contributions to the City of Royal Oak retirement system or its successor in accordance with the recommendation of an independent actuarial valuation which shall be conducted on an annual basis.

BE IT FURTHER RESOLVED, should the weighted average percentage contribution for unfunded actuarial accrued liability recommended by the actuary fall below 2%, the amortization period shall be reduced and the contribution recalculated until a further reduction would result in a percentage in

excess of 2% or until the amortization period is reduced to 20 years. This reduction in the amortization period shall be permanent.

BE IT FURTHER RESOLVED, should the unfunded actuarial accrued liability fall below zero, the overfunding credit shall be calculated using an amortization period of not less than 30 years

[Adopted 04/07/2008]  
[Reaffirmed 06/13/2016]

Fund Self-Supporting Policy

Policy on funds being self-supportive

Purpose:

To acknowledge and document the expectation of which funds are sole supportive and which funds will accept and / or give fiscal transfers (gifts).

Policy:

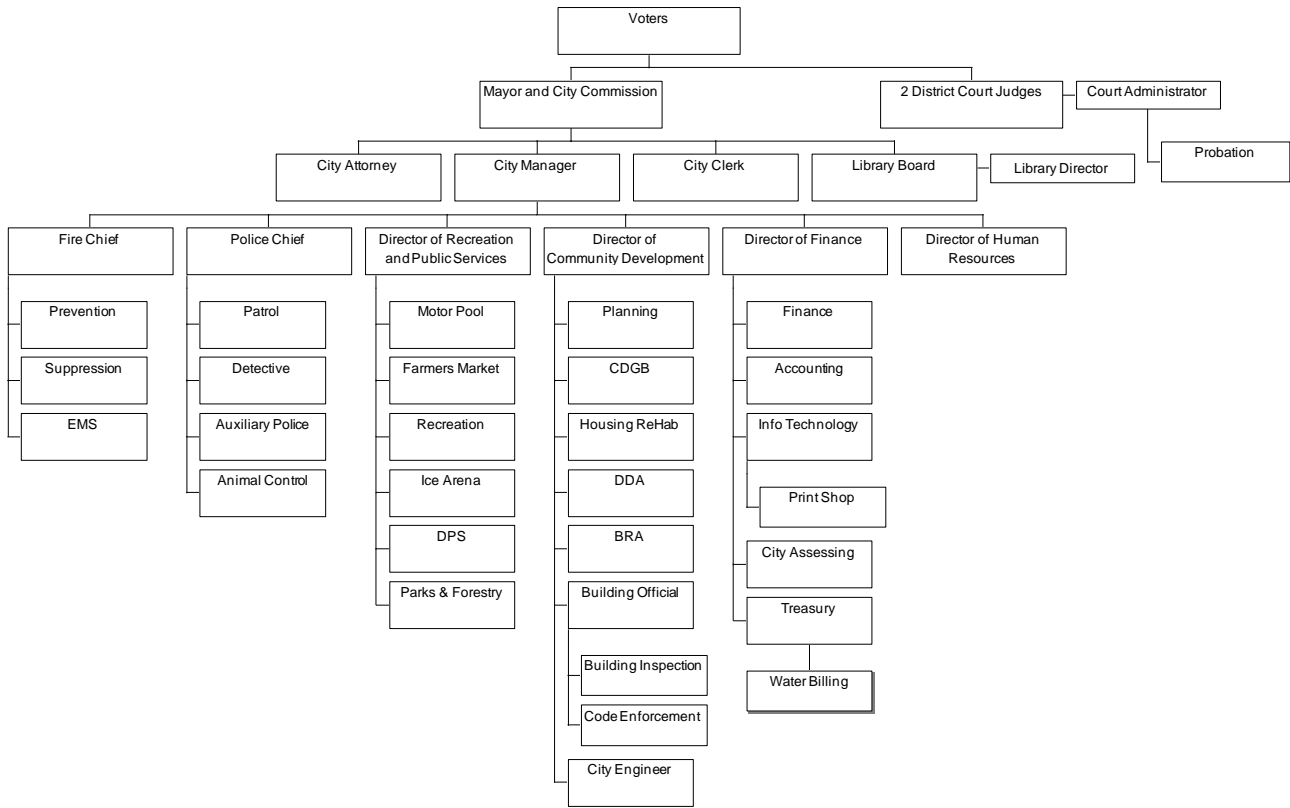
Based on the type of fund and expectations the following list provides whether a city fund can accept or provide a fiscal transfer (gifts) between funds.

[Adopted 06/2014]  
[Reaffirmed 06/13/2016]

General Fund  
Major Road Fund  
Local Road Fund  
Public Safety Fund  
Publicity Fund  
Solid Waste Fund  
Library Fund  
Community Development Block Grant Fund  
State Construction Fund  
ROOTS Fund  
Animal Shelter Fund  
Police Grants Fund  
Miscellaneous Grants Fund  
Brownfield Fund  
DDA Funds

Receive / Provide  
Receive / Provide (Local Street Fund only)  
Receive  
Receive  
Receive  
Self-supporting  
Receive  
Self-supporting  
Self-supporting  
Receive / Provide  
Receive  
Self-supporting  
Self-supporting  
Self-supporting  
Provide

Organizational Chart  
City of Royal Oak



### Authorized Full-time Employees by Function/Program\*

| Function/Program                        | 2010-11    | 2011-12    | 2012-13    | 2013-14    | 2014-15    | 2015-16    | 2016-17    | 2017-18    |
|---|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>44th District Court/Probation</b>    | 21         | 20         | 20         | 22         | 22         | 28         | 28         | 28         |
| <b>Administrative Services</b>          |            |            |            |            |            |            |            |            |
| Manager                                 | 1.5        | 1.5        | 2.5        | 2.5        | 4.5        | 4.2        | 4.2        | 5.0        |
| Attorney                                | 2.5        | 2.5        | 2.5        | 3.5        | 3.5        | 3.8        | 3.8        | 4.0        |
| City Clerk                              | 4          | 4          | 4          | 5          | 5          | 5          | 5          | 5          |
| Human Resources                         | 2          | 2          | 2          | 2          | 3          | 3          | 3          | 4          |
| State Construction Code                 | 5          | 5          | 5          | 6          | 11         | 10.5       | 10.5       | 13.5       |
| Ordinance Enforcement                   | 4          | 2          | 2          | 5          | 5          | 5          | 5          | 5          |
| Engineering                             | 9          | 9          | 7          | 7          | 8          | 13         | 13         | 13         |
| Community Development                   | 4          | 4          | 3          | 3          | 3          | 3.5        | 3.5        | 3.5        |
| Planning-Block Grant                    | 2          | 2          | 1          | 1          | 0          | 0          | 0          | 0          |
| Planning-Housing                        | 2          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Finance / Purchasing                    | 5.6        | 5          | 5          | 5          | 6          | 7          | 7          | 7          |
| Assessing                               | 4          | 4          | 3          | 3          | 4          | 4          | 4          | 4          |
| Treasurer / Water Billing               | 5          | 5          | 5          | 4          | 4          | 5          | 5          | 5          |
| Information Systems                     | 4          | 4          | 4          | 4          | 4          | 4          | 5          | 5          |
| Economic Development                    | 0          | 0          | 0          | 0          | 1          | 1          | 1          | 1          |
| Subtotal                                | 75         | 70         | 66         | 74         | 85         | 98         | 99         | 104        |
| <b>Library</b>                          | 12         | 11         | 10         | 10         | 9          | 8          | 8          | 8          |
| <b>Public Safety</b>                    |            |            |            |            |            |            |            |            |
| Police                                  | 77         | 77         | 81         | 96         | 97         | 98         | 98         | 98         |
| Fire                                    | 46         | 56         | 56         | 56         | 56         | 56         | 56         | 56         |
| Subtotal                                | 123        | 133        | 137        | 152        | 153        | 154        | 154        | 154        |
| <b>Recreation &amp; Public Services</b> |            |            |            |            |            |            |            |            |
| Public Service                          |            |            |            |            |            |            |            |            |
| Parks & Forestry                        | 2          | 8          | 7          | 7          | 7          | 7          | 7          | 7          |
| Building Maintenance                    | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          |
| Highway                                 | 0          | 0          | 0          | 0          | 0          | 1.5        | 1.5        | 2.5        |
| Motor Pool                              | 10         | 9          | 9          | 9          | 9          | 9          | 9          | 9          |
| Electrical                              | 0          | 0          | 0          | 0          | 0          | 1          | 1          | 1          |
| Solid Waste                             | 15         | 13         | 14         | 14         | 14         | 14         | 14         | 15         |
| Water Maintenance                       | 12         | 8          | 7          | 7          | 7          | 7.5        | 7.5        | 7.5        |
| Water Services                          | 5          | 5          | 4          | 4          | 4          | 4          | 4          | 4          |
| Sewer Maintenance                       | 9          | 8          | 7          | 7          | 7          | 7          | 7          | 9          |
| Auto Parking                            | 3          | 3          | 3          | 3          | 3          | 3          | 3          | 3          |
| Recreation                              | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          |
| Ice Arena                               | 1          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| Senior Services                         | 2          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Subtotal                                | 63         | 59         | 56         | 56         | 56         | 59         | 59         | 63         |
| <b>Total</b>                            | <b>273</b> | <b>273</b> | <b>269</b> | <b>292</b> | <b>303</b> | <b>319</b> | <b>320</b> | <b>329</b> |

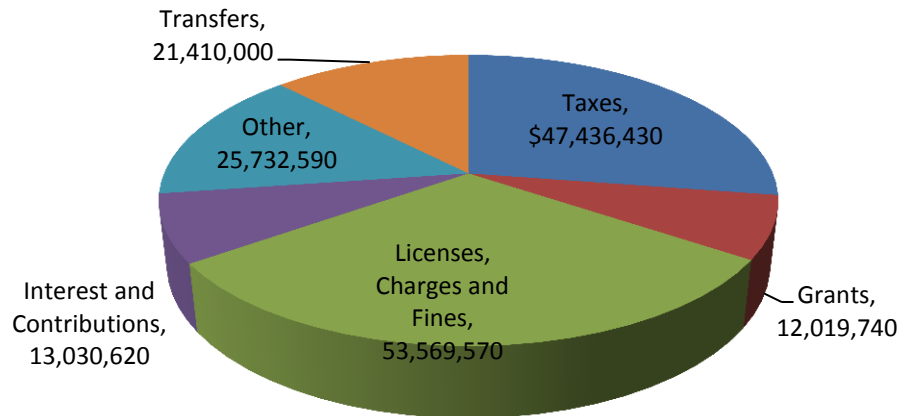
\*Report based on home-base allocations not FTE



## All Funds Revenue Summary

| Revenues                    | General           | Special Revenue   | Debt Service     | Enterprise        | Internal Service  | Component Unit   | Grand Total        |
|-----------------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|--------------------|
| Taxes                       | 18,585,500        | 24,458,700        | 573,000          | -                 | -                 | 3,819,230        | 47,436,430         |
| Grants                      | 5,258,500         | 6,761,240         | -                | -                 | -                 | -                | 12,019,740         |
| Licenses, Charges and Fines | 9,756,920         | 3,986,400         | -                | 39,446,250        | 380,000           | -                | 53,569,570         |
| Interest and Contributions  | 478,200           | 533,400           | 400              | 11,000            | 11,985,120        | 22,500           | 13,030,620         |
| Other                       | 462,000           | 236,530           | -                | 18,830,500        | 6,203,560         | -                | 25,732,590         |
| Transfers                   | -                 | 20,010,000        | 463,500          | 803,000           | 33,500            | 100,000          | 21,410,000         |
| <b>Total</b>                | <b>34,541,120</b> | <b>55,986,270</b> | <b>1,036,900</b> | <b>59,090,750</b> | <b>18,602,180</b> | <b>3,941,730</b> | <b>173,198,950</b> |

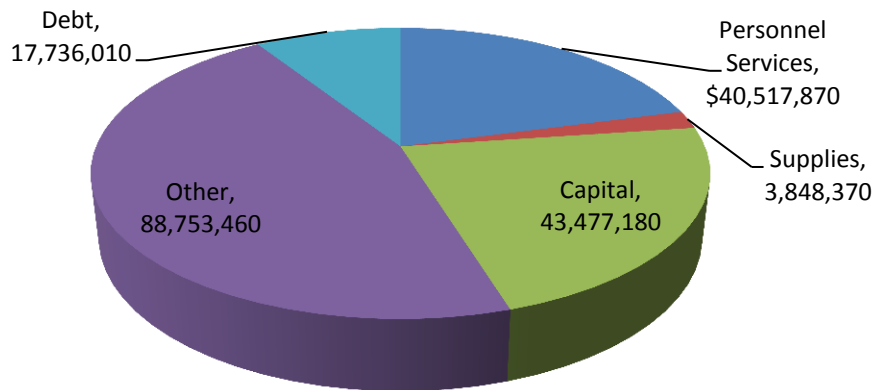
## City-Wide Revenue



## All Funds Expenditure Summary

| Expenses           | General           | Special Revenue   | Debt Service     | Enterprise        | Internal Service  | Component Unit   | Grand Total        |
|--------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|--------------------|
| Personnel Services | 7,940,960         | 27,637,830        | -                | 3,111,190         | 1,705,180         | 122,710          | 40,517,870         |
| Supplies           | 383,280           | 1,414,660         | -                | 921,230           | 1,126,700         | 2,500            | 3,848,370          |
| Capital            | 332,000           | 8,241,790         | -                | 32,554,390        | 2,349,000         | -                | 43,477,180         |
| Other              | 31,000,860        | 14,267,790        | 462,720          | 25,969,270        | 14,562,940        | 2,489,880        | 88,753,460         |
| Debt               | 2,439,820         | 10,432,740        | 630,780          | 3,618,220         | 614,450           | -                | 17,736,010         |
| <b>Total</b>       | <b>42,096,920</b> | <b>61,994,810</b> | <b>1,093,500</b> | <b>66,174,300</b> | <b>20,358,270</b> | <b>2,615,090</b> | <b>194,332,890</b> |

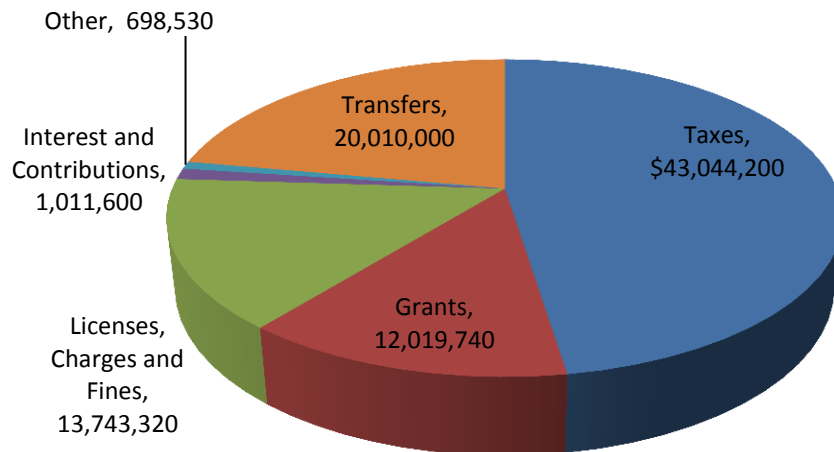
## City-Wide Expenditures



## General & Special Revenue Funds Summary

| Revenues                    | General              | Special Revenue      | Grand Total          |
|-----------------------------|----------------------|----------------------|----------------------|
| Taxes                       | \$ 18,585,500        | \$ 24,458,700        | \$ 43,044,200        |
| Grants                      | 5,258,500            | 6,761,240            | 12,019,740           |
| Licenses, Charges and Fines | 9,756,920            | 3,986,400            | 13,743,320           |
| Interest and Contributions  | 478,200              | 533,400              | 1,011,600            |
| Other                       | 462,000              | 236,530              | 698,530              |
| Transfers                   | -                    | 20,010,000           | 20,010,000           |
| <b>Total</b>                | <b>\$ 34,541,120</b> | <b>\$ 55,986,270</b> | <b>\$ 90,527,390</b> |

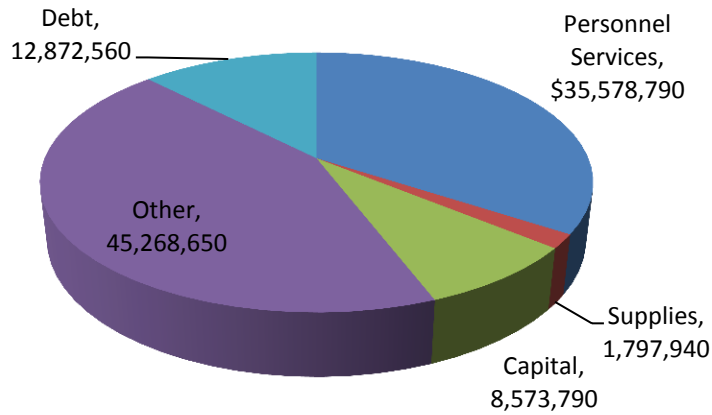
## General and Special Revenue Funds Revenue



## General & Special Revenue Funds Expenditures Summary

| Expenses           | General              | Special Revenue      | Grand Total           |
|--------------------|----------------------|----------------------|-----------------------|
| Personnel Services | \$ 7,940,960         | \$ 27,637,830        | \$ 35,578,790         |
| Supplies           | 383,280              | 1,414,660            | 1,797,940             |
| Capital            | 332,000              | 8,241,790            | 8,573,790             |
| Other              | 31,000,860           | 14,267,790           | 45,268,650            |
| Debt               | 2,439,820            | 10,432,740           | 12,872,560            |
| <b>Total</b>       | <b>\$ 42,096,920</b> | <b>\$ 61,994,810</b> | <b>\$ 104,091,730</b> |

## General and Special Revenue Funds Expenditures



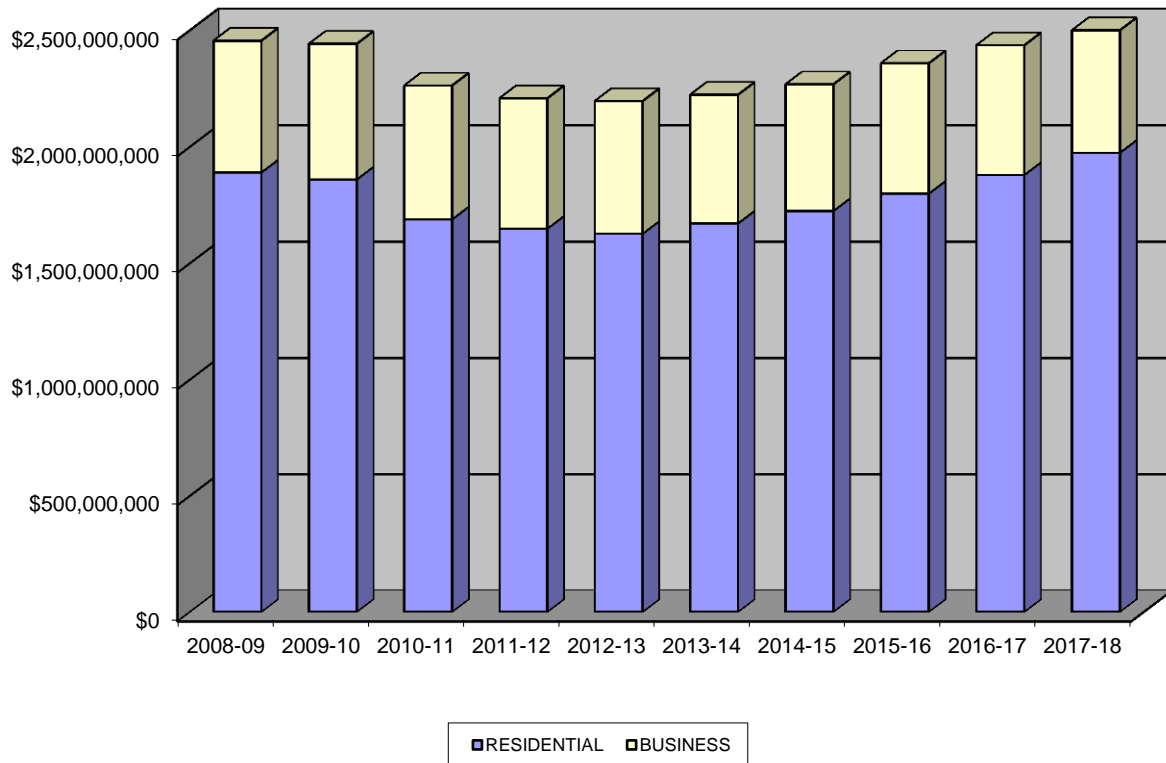


# FINANCIAL TRENDS

The financial trends in this section of the budget report show year-to-year comparisons and projections in the following categories.

|                         |                      |
|-------------------------|----------------------|
| Taxable Value           | Tax Allocation       |
| City Millage Rates      | State Shared Revenue |
| Millage Summary         | Interest Income      |
| Millage Rate Comparison | Debt Projections     |

### Taxable Value: Residential + Business Ten Years Actual & Two Years Projected



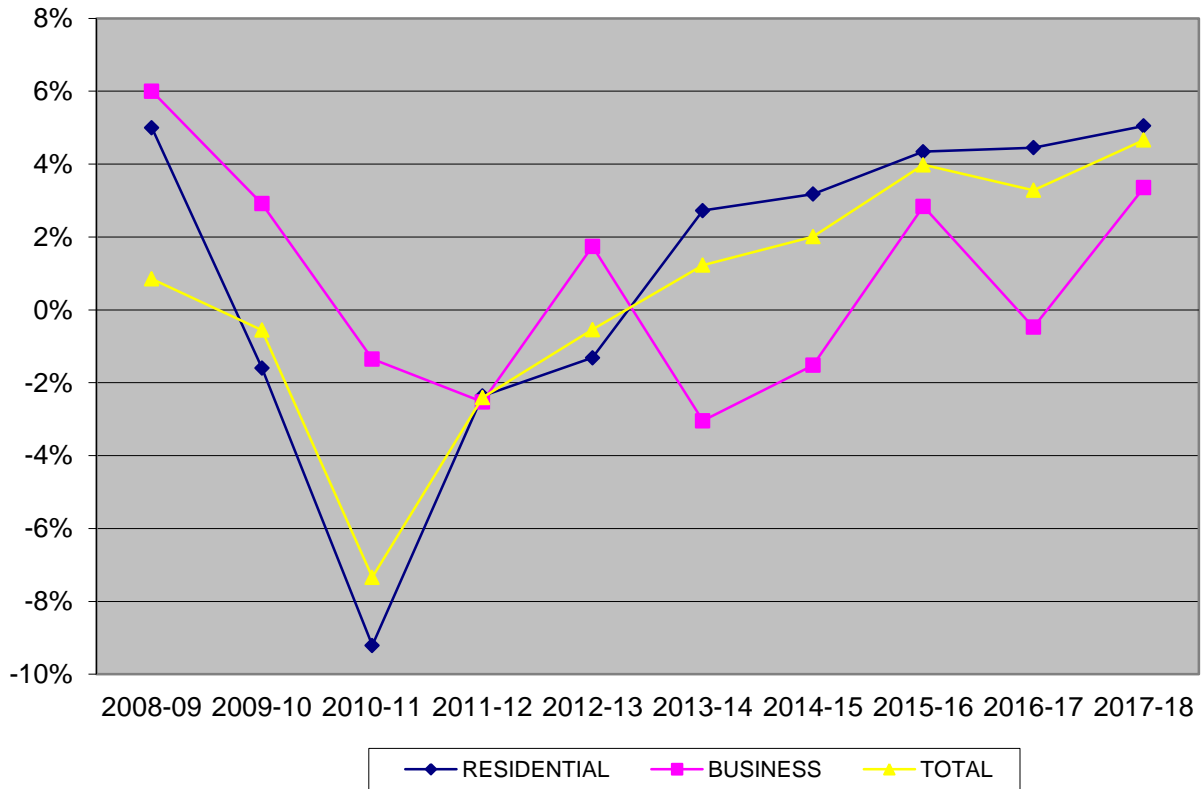
Taxable value, the basis for tax revenue, increased 4.66% based on valuations after the March board of review process. All property tax classes increased except industrial property. Although, there is new personal property tax legislation allowing exemptions, the city's

personal property tax value increased for fiscal year 2017-18. For the forecasted years in the budget, Royal Oak's taxable values are projected to increase an average of 2.5% each year.

| Fiscal Year | By Class      |             |            |             |               | CHANGE |
|-------------|---------------|-------------|------------|-------------|---------------|--------|
|             | RESIDENTIAL   | COMMERCIAL  | INDUSTRIAL | PERSONAL    | TOTAL         |        |
| 2008-09     | 1,889,916,570 | 393,623,270 | 58,732,400 | 113,121,190 | 2,455,393,430 | 0.85%  |
| 2009-10     | 1,859,817,935 | 413,633,900 | 57,320,450 | 111,014,890 | 2,441,787,175 | -0.55% |
| 2010-11     | 1,688,549,090 | 403,781,590 | 54,329,690 | 116,007,990 | 2,262,668,360 | -7.34% |
| 2011-12     | 1,648,632,770 | 396,588,890 | 43,977,480 | 119,051,890 | 2,208,251,030 | -2.41% |
| 2012-13     | 1,626,988,850 | 391,226,770 | 41,045,340 | 137,095,330 | 2,196,356,290 | -0.54% |
| 2013-14     | 1,671,311,400 | 379,835,840 | 36,914,920 | 135,277,840 | 2,223,340,000 | 1.23%  |
| 2014-15     | 1,724,404,970 | 375,365,660 | 36,935,510 | 131,328,570 | 2,268,034,710 | 2.01%  |
| 2015-16     | 1,799,260,920 | 378,983,060 | 37,730,500 | 142,368,610 | 2,358,343,090 | 3.98%  |
| 2016-17     | 1,879,373,700 | 393,810,370 | 39,070,030 | 123,548,190 | 2,435,802,290 | 3.28%  |
| 2017-18     | 1,974,284,140 | 405,165,090 | 38,888,620 | 131,044,220 | 2,549,382,070 | 4.66%  |



## Taxable Value Percent Change By Year



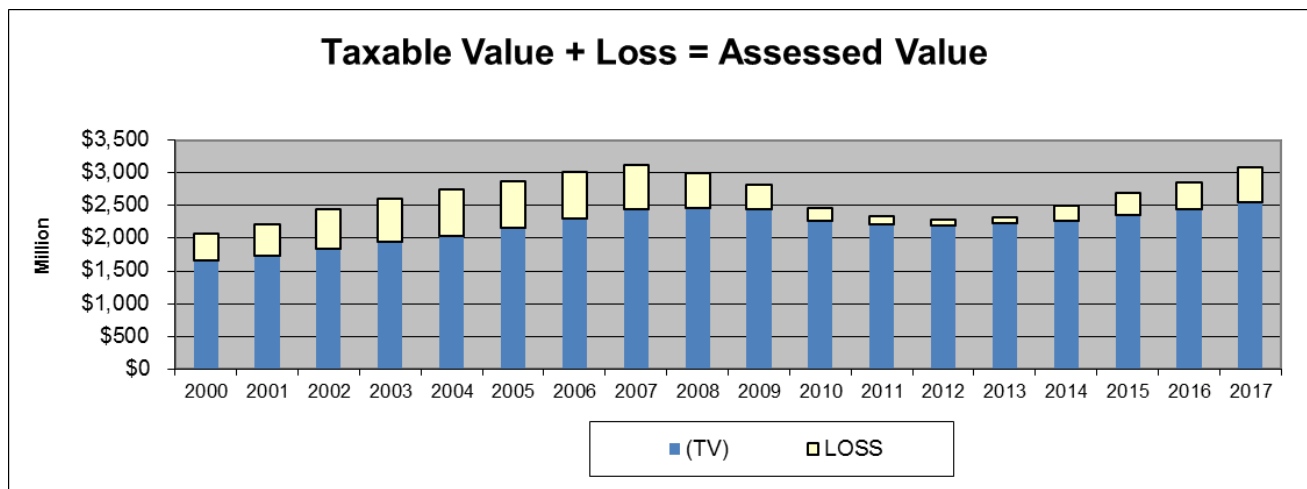
| Year    | RESIDENTIAL   |       | BUSINESS    |        |
|---------|---------------|-------|-------------|--------|
|         | \$            | %     | \$          | %      |
| 2008-09 | 1,889,916,570 | 5.0%  | 565,476,860 | 6.0%   |
| 2009-10 | 1,859,817,935 | -1.6% | 581,969,240 | 2.9%   |
| 2010-11 | 1,688,549,090 | -9.2% | 574,119,270 | -1.3%  |
| 2011-12 | 1,648,632,770 | -2.4% | 559,618,260 | -2.5%  |
| 2012-13 | 1,626,988,850 | -1.3% | 569,367,440 | 1.7%   |
| 2013-14 | 1,671,311,400 | 2.7%  | 552,028,600 | -3.0%  |
| 2014-15 | 1,724,404,970 | 3.2%  | 543,629,740 | -1.5%  |
| 2015-16 | 1,799,260,920 | 4.3%  | 559,082,170 | 2.8%   |
| 2016-17 | 1,879,373,700 | 4.45% | 556,428,590 | -0.47% |
| 2017-18 | 1,974,284,140 | 5.1%  | 575,097,930 | 3.4%   |

**Proposal A Effect in Royal Oak**  
**Taxable Value v. Assessed Valuation**  
 (Values are in Millions)

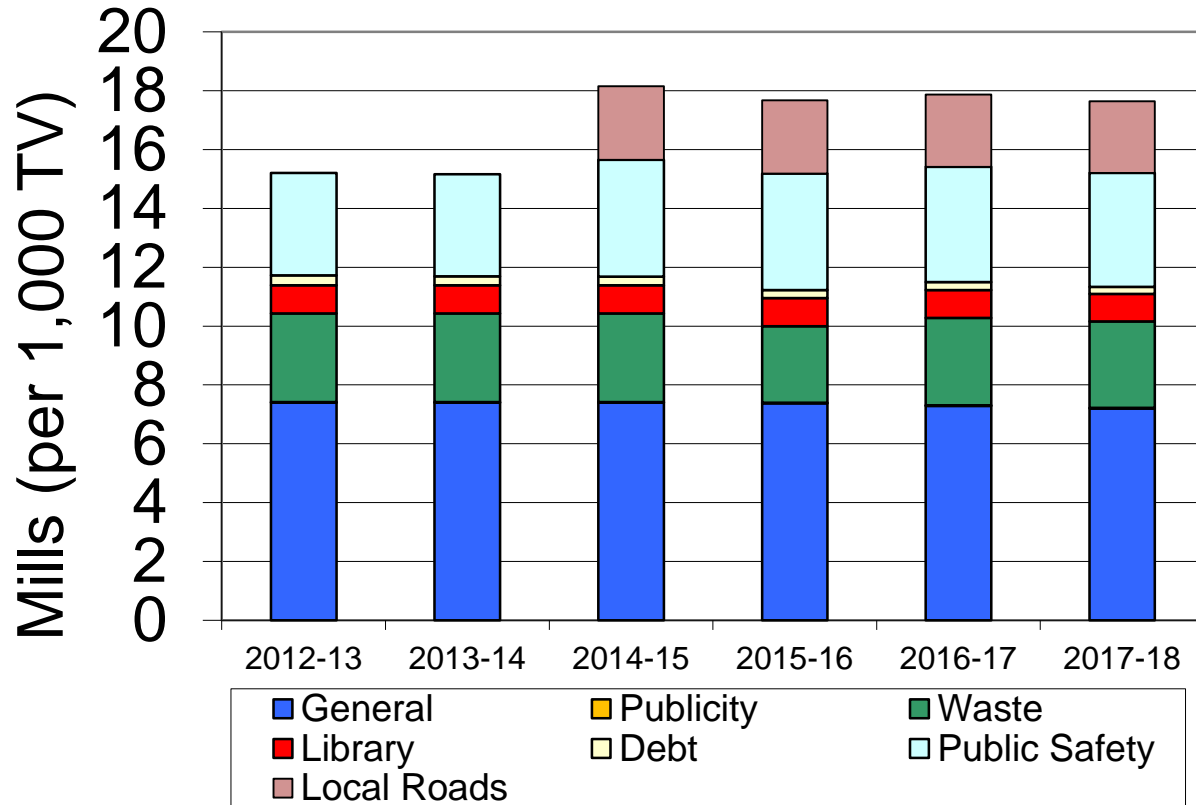
| <b>July 1</b> | <b>ASSESSED<br/>VALUE<br/>(SEV)</b> | <b>TAXABLE<br/>VALUE<br/>(TV)</b> | <b>LOSS</b> | <b>LOSS<br/>INCREASE<br/>(DECREASE)</b> |
|---------------|-------------------------------------|-----------------------------------|-------------|---|
| 2000          | 2,075                               | 1,652                             | 423         | 79                                      |
| 2001          | 2,209                               | 1,739                             | 470         | 47                                      |
| 2002          | 2,439                               | 1,841                             | 598         | 128                                     |
| 2003          | 2,603                               | 1,938                             | 665         | 67                                      |
| 2004          | 2,746                               | 2,038                             | 708         | 43                                      |
| 2005          | 2,872                               | 2,157                             | 715         | 7                                       |
| 2006          | 3,013                               | 2,300                             | 713         | (2)                                     |
| 2007          | 3,114                               | 2,435                             | 679         | (34)                                    |
| 2008          | 2,986                               | 2,455                             | 531         | (148)                                   |
| 2009          | 2,808                               | 2,442                             | 366         | (165)                                   |
| 2010          | 2,462                               | 2,263                             | 199         | (167)                                   |
| 2011          | 2,335                               | 2,208                             | 127         | (72)                                    |
| 2012          | 2,279                               | 2,196                             | 83          | (44)                                    |
| 2013          | 2,320                               | 2,223                             | 97          | 14                                      |
| 2014          | 2,497                               | 2,268                             | 229         | 132                                     |
| 2015          | 2,694                               | 2,358                             | 336         | 107                                     |
| 2016          | 2,853                               | 2,435                             | 418         | 82                                      |
| 2017          | 3,082                               | 2,549                             | 533         | 115                                     |

Proposal A of 1994 amended the State constitution changing the property taxation base from state equalized value (SEV) to taxable value (TV). The annual increase in taxable value to each parcel is limited by the parcel's SEV or to the rate of inflation (CPI) or 5% whichever is less. The city's allowable inflation rate multiplier

for fiscal year 17-18 is only 0.9%. The chart and graph show the widening result of this through 2005 when the gap reached a high of \$715 million. After 2005, the trend reversed and the gap began to close until 2014. In 2014, the loss gap had begun to widen again and continues to expand significantly in 2017.



## City Tax Rate



| Millage Rate         | 2011-12        | 2012-13        | 2013-14        | 2014-15        | 2015-16        | 2016-17        | 2017-18        |
|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| General Operations   | 7.3947         | 7.3947         | 7.3947         | 7.3947         | 7.3695         | 7.2899         | 7.2031         |
| Publicity            | 0.0239         | 0.0225         | 0.0223         | 0.0218         | 0.0212         | 0.0206         | 0.0195         |
| Solid Waste          | 3.0129         | 3.0129         | 3.0129         | 3.0129         | 2.6026         | 2.9700         | 2.9346         |
| Library              | 0.9597         | 0.9597         | 0.9597         | 0.9597         | 0.9564         | 0.9460         | 0.9347         |
| Fire Debt Retirement | 0.3338         | 0.3363         | 0.3006         | 0.2910         | 0.2770         | 0.2665         | 0.2400         |
| Public Safety        | 0.0000         | 3.4750         | 3.4750         | 3.9750         | 3.9614         | 3.9186         | 3.8719         |
| Local Roads          | 0.0000         | 0.0000         | 0.0000         | 2.5000         | 2.4915         | 2.4645         | 2.4351         |
| <b>TOTAL</b>         | <b>11.7250</b> | <b>15.2011</b> | <b>15.1652</b> | <b>18.1551</b> | <b>17.6796</b> | <b>17.8761</b> | <b>17.6389</b> |

### Downtown Development Authority - Specific Tax Rate - Operations

|                       |         |         |         |         |         |         |         |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|
| DDA Operating Levy    | 1.6477  | 1.6477  | 1.6477  | 1.6477  | 1.6477  | 1.6146  | 1.6146  |
| City & DDA Operations | 13.3608 | 16.8488 | 16.8129 | 19.8028 | 19.3273 | 19.4907 | 19.2535 |

**General Operating Levy**

**City Charter amendment 04/01/1957**

Up to 11.0000 mills authorized by the charter (limited to 7.2031 mills by Headlee rollback) for any governmental purpose. A 7.2031 mills levy is budgeted for fiscal year 2017-18.

**Publicity Levy**

**Public Act 359 of 1925 - MCL 123.881 Publicity tax; limit. Sec. 1. [Excerpt]**

The common council of any city ... in this state, shall have the power to levy a special tax not to exceed in any 1 year 4 mills on the dollar of the assessed valuation of all taxable property within the said city or village, to be used for advertising, exploiting and making known the industrial, commercial, educational or recreational advantages of the said city ..., and to establish recreational and educational projects for the purpose of encouraging immigration to, and increasing the trade, business and industries of the said city or village: Provided, however, that such tax levy shall not exceed 50,000 dollars in any 1 year. A levy of 0.0195 mill is budgeted.

**Refuse Levy**

**Public Act 298 of 1917 as amended-MCL 123.261 Garbage disposal plants or systems in cities [Excerpt, underlining added] Sec. 1.**

(1) The city council of a city, whether organized under the general law or special charter, ... may establish and maintain garbage systems or plants for the collection and disposal of garbage in the city or village, and may levy a tax not to exceed 3 mills on the taxable value of all taxable property in the city or village according to the valuation of the property, as made for the purpose of state and county taxation by the last assessment in the city or village for these purposes ..... (2) As used in this act, "garbage" means any putrescible and non-putrescible solid wastes, except body wastes, and includes ashes, incinerator ash, incinerator residue, street cleanings, solid market wastes, solid industrial wastes, and also rubbish including such items as paper, cardboard, tin cans, yard clippings, wood, glass, bedding, crockery, and litter of any kind. The Headlee millage limitation and the levy is 1.9640 mills.

**Refuse Levy**

**City Charter amendment 08/02/2016**

As authorized in a city charter amendment this millage was first levied in the summer of 2007. Therefore, it expired after the 2011 levy. It was renewed in November 2011 and again in August 2016 for five years. The renewal allows the city to levy up to 1.000 mill, to defray the costs of refuse collection, disposal and curbside recycling. The

Headlee millage limitation is 0.9706 mill. This millage is budgeted for 0.9706 in fiscal year 2017-18.

**Library Operations Levy**

**Public Act 164 of 1877 as amended-MCL 297.210a Free Public Library in the city.**

**Voter approved millage 11/04/2003**

Up to 1.0000 mill is authorized for reconstructing, furnishing, equipping and operating the city's existing library for 20 years. The millage expires after 2023. The Headlee limitation and levy is 0.9347 mill for fiscal year 2017-18.

**Fire Bond Debt Service Levy**

**P.A. 31 of 1948 (1<sup>st</sup> Ex. Session) as amended Voter approved bond issue 05/15/2001**

A full faith and credit tax millage authorized to pay debt service of building authority series 2001A bonds. This issuance was advance refunded in 2012 and is now called series 2012. This millage expires after 2021. A reduced millage rate due in part to refunding is budgeted at 0.2400 mill for fiscal year 2017-18.

**Public Safety Levy**

**City Charter Amendment 11/08/2016**

Authorized in chapter 8, section 11 (as amended) in the city charter, this language allows the city to levy a millage for a period not to exceed five (5) years of up to 3.975 mills, to defray the costs for police, fire and emergency medical services. On November 8, 2016 the voters of Royal Oak approved the renewal of this millage and it is on the winter tax bill. The fiscal year 2017-18 budget provides for a levy of 3.8719 mills.

**CITY OF ROYAL OAK DOWNTOWN DEVELOPMENT AUTHORITY**

**DDA General Operations Levy**

**P.A. 197 of 1975 DDA Act-MCL 125.1662 Ad valorem tax--Commission adopted 11/02/1976**

Sec. 12. (1) An authority with the approval of the municipal governing body may levy an ad valorem tax .... in the downtown district. The tax shall be ..... not more than 2 mills if the downtown district is in a municipality having a population of less than 1,000,000. This is only for the purposes provided by Act 197 beginning with the duty to correct and prevent deterioration in business districts. The levy is budgeted at 1.6146 mills for fiscal year 2017-18 and is also the maximum due to the Headlee limitation. This millage is not reduced by Headlee this year.

### Road Levy

#### City Charter amendment 11/04/2014

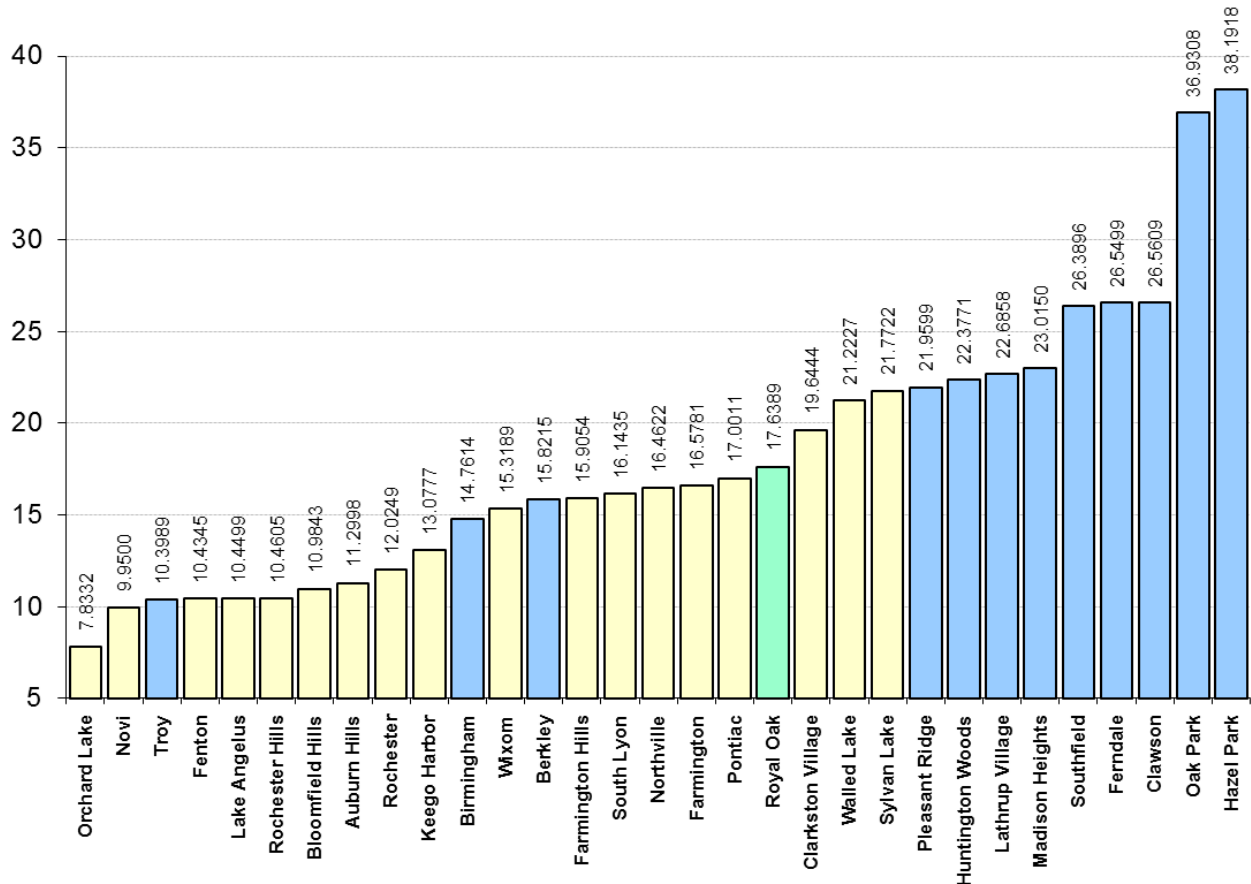
As authorized in a city charter amendment this millage was first levied in the winter of 2014, this language allows the city to levy up to 2.5 mills for a period not to exceed ten (10) years beginning on

December 1, 2014, to defray costs for maintaining, repairing, and reconstructing roads and right of ways in the City of Royal Oak. Voters approved this millage on November 4, 2014 and it was immediately placed on the winter tax bill in the amount of 2.5 mills. The fiscal year 2017-18 budget provides for a levy of 2.4351 mills.

## FY 2016-2017 Millage Rate Comparison

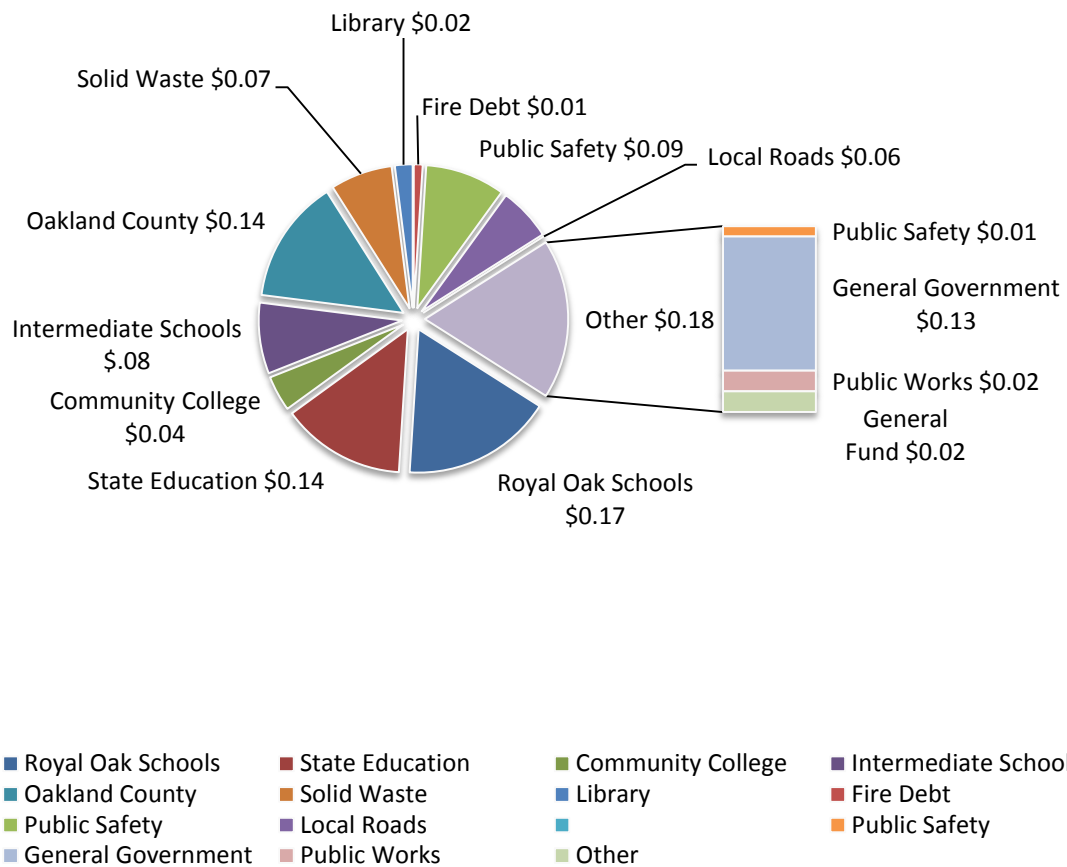
(Average Millage Rate = 18.40)

Blue bar represents a bordering neighbor



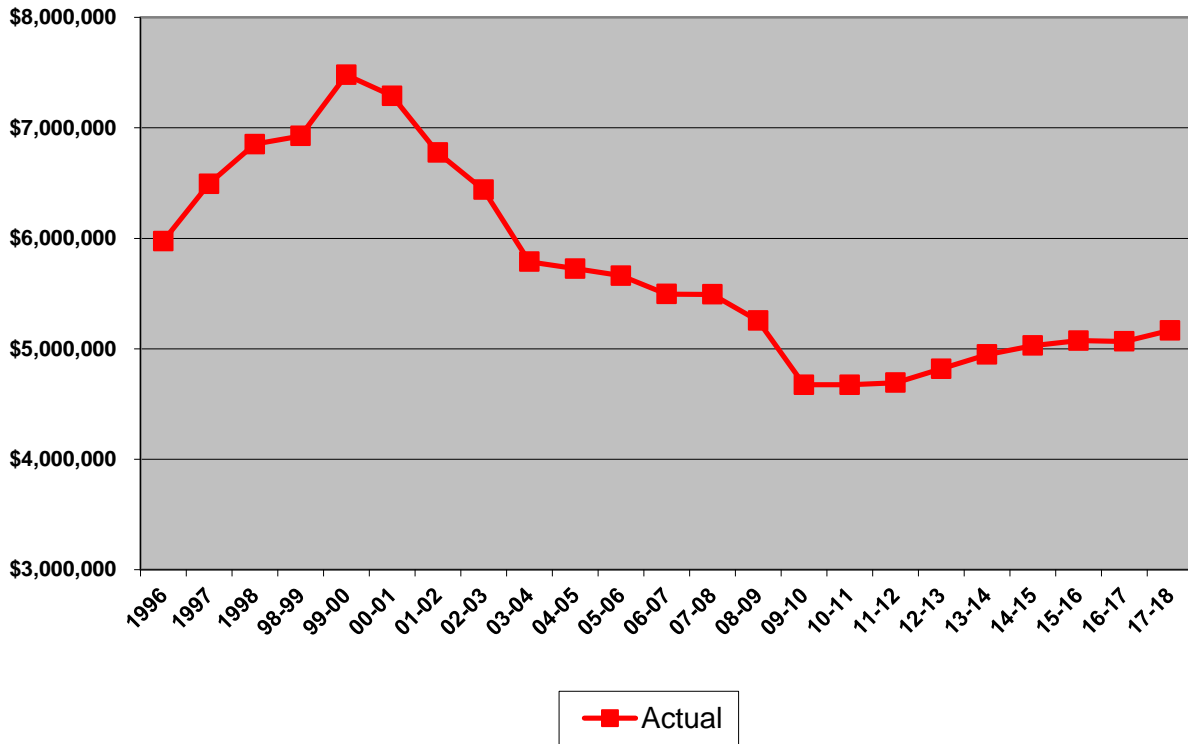
City of Royal Oak millage rate is for fiscal year 17-18. Updated rates for the balance of Oakland county communities are not available until October.

## Where Your Tax Dollar Goes



43% of taxes support city services in Royal Oak. 57% of real tax revenue supports the county and schools.

## General Fund State Shared Revenue



The Michigan legislature has dramatically reduced distributions of state shared revenue of sales tax receipts since fiscal year 1999-2000. The formula was fully funded in 2001 but population dropped in the 2010 census. The constitutional formula is set by the voters and cannot be affected by the legislature. Statutory/CVTRS payments to the city have been lower each year than its peak since 2000. First there were challenges to the Headlee tax rate limits, and then by Proposal A to taxable value. The past seventeen years, local governments have had to contend with the dilemma that state

shared revenue is drastically reduced. This leaves the local unit of government with the position of having to reduce services or find some creative way to raise new revenue (which has its restrictions), such as new voter approved millages. The full CVTRS (formerly EVIP) funding has been budgeted for fiscal year 2016-17 and a slight increase is budgeted for fiscal year 2017-18, based on the State of Michigan's projection. However, as the graph illustrates, funding is down \$2.129 million since the high in 1999-2000 (not adjusted for inflation).



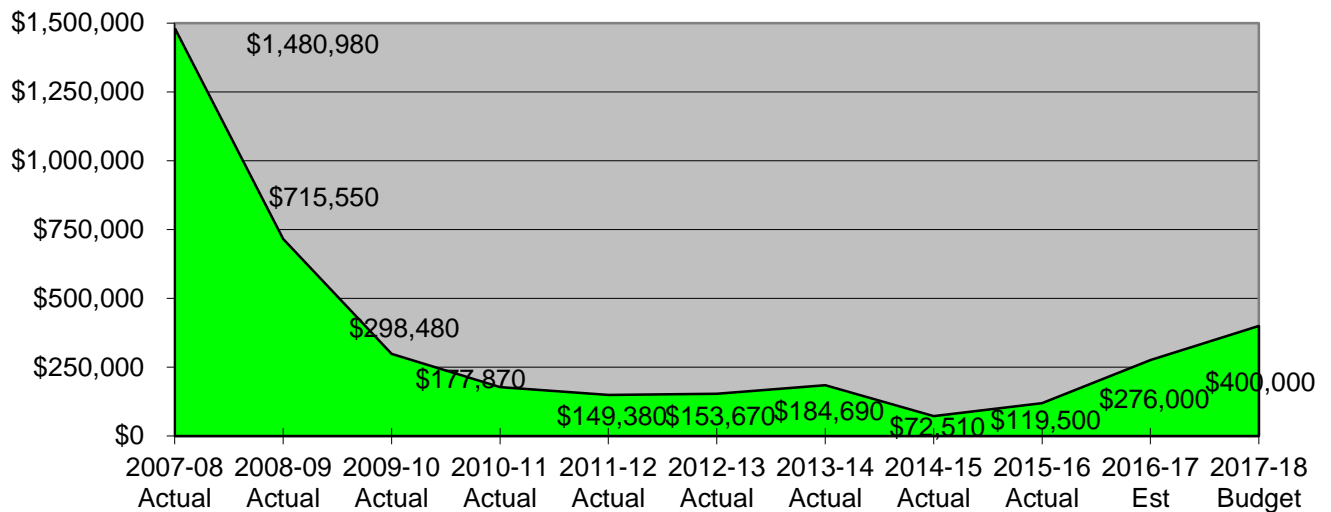
## Financial Trends – State Shared Revenue

### State Shared Revenue

| <u>Fiscal</u><br><u>Year</u> | <u>Constitutional</u> | <u>Statutory</u> | <u>Actual</u> |                                |
|------------------------------|-----------------------|------------------|---------------|--------------------------------|
| 1996                         |                       |                  | 5,975,120     |                                |
| 1997                         | 3,914,919             | 2,578,011        | 6,492,930     |                                |
| 1998                         | 3,978,040             | 2,874,568        | 6,852,608     |                                |
| 98-99                        | 4,094,535             | 2,831,659        | 6,926,194     |                                |
| 99-00                        | 4,433,959             | 3,046,331        | 7,480,290     | Formula revised                |
| 00-01                        | 3,897,555             | 3,393,244        | 7,290,799     |                                |
| 01-02                        | 3,937,256             | 2,838,283        | 6,775,539     | Uses 2000 census; fully funded |
| 02-03                        | 4,003,913             | 2,436,424        | 6,440,337     | Reductions begin anew          |
| 03-04                        | 3,960,423             | 1,827,848        | 5,788,271     |                                |
| 04-05                        | 4,054,936             | 1,670,243        | 5,725,179     |                                |
| 05-06                        | 4,123,971             | 1,537,506        | 5,661,477     |                                |
| 06-07                        | 4,038,279             | 1,456,481        | 5,494,760     |                                |
| 07-08                        | 4,173,107             | 1,319,767        | 5,492,874     |                                |
| 08-09                        | 3,935,742             | 1,319,775        | 5,255,517     |                                |
| 09-10                        | 3,815,174             | 859,079          | 4,674,253     |                                |
| 10-11                        | 3,861,430             | 812,823          | 4,674,253     |                                |
| 11-12                        | 4,110,082             | 582,777          | 4,692,859     | EVIP Implemented               |
| 12-13                        | 4,195,175             | 624,402          | 4,819,577     |                                |
| 13-14                        | 4,293,557             | 654,486          | 4,948,043     |                                |
| 14-15                        | 4,416,029             | 612,393          | 5,028,420     | CVTRS Implemented              |
| 15-16                        | 4,369,203             | 674,467          | 5,073,238     |                                |
| Projected 16-17              | 4,393,000             | 674,000          | 5,067,000     |                                |
| Projected 17-18              | 4,493,000             | 674,000          | 5,167,000     |                                |

\*Does not include projected personal property tax reimbursement, as this is recorded in property tax line item in each fund with a millage.

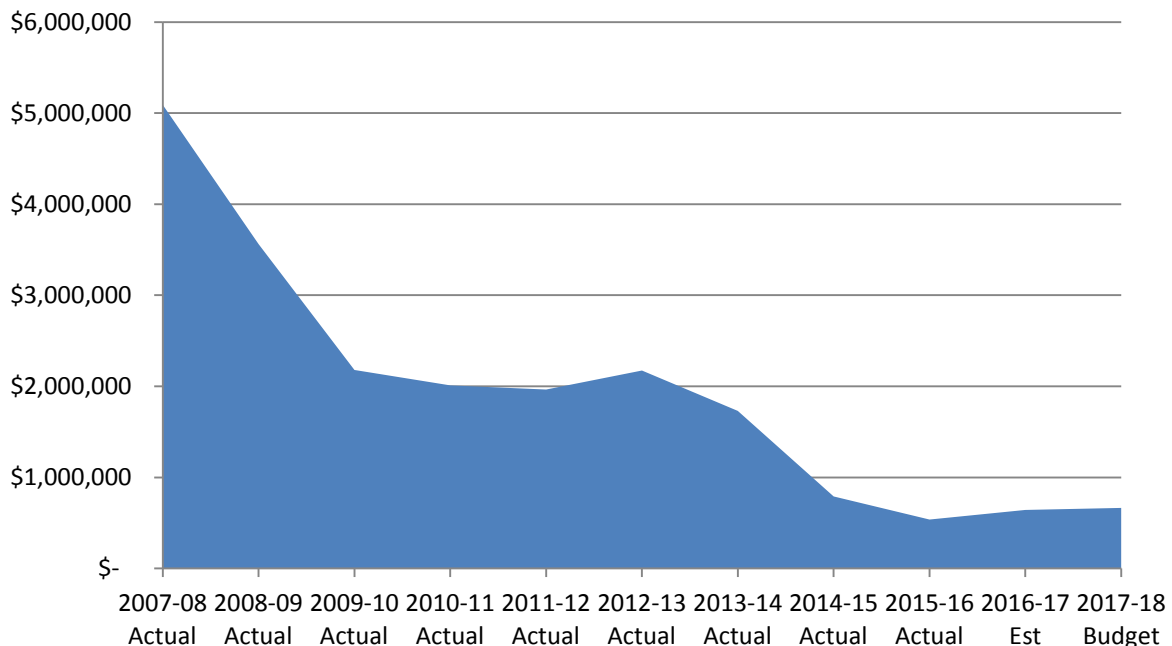
## General Fund Interest Revenue



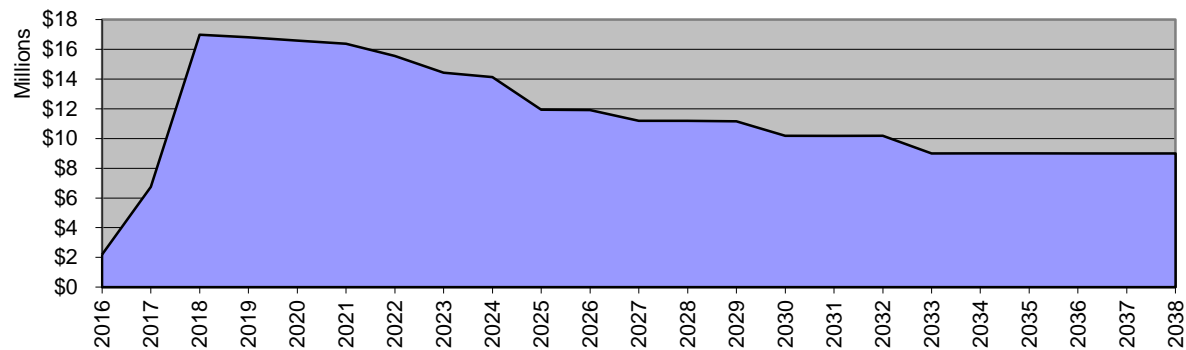
As recent as seven years ago, funds were able to significantly supplement operations with interest income earned on cash balances. Unfortunately, this has changed. Interest rates earned on the city's cash have fallen drastically as well as certain cash levels from which interest rates are calculated. In fiscal year 2007-08, the general fund earned nearly \$1.5 million to help

offset its operating expenditures. The general fund fiscal year 2017-18 interest income is budgeted at \$400,000 due to rising interest rates. However, it is nearly \$1.362 million less than the peak in fiscal year 2007-08. The all funds interest revenue includes trust and agency funds.

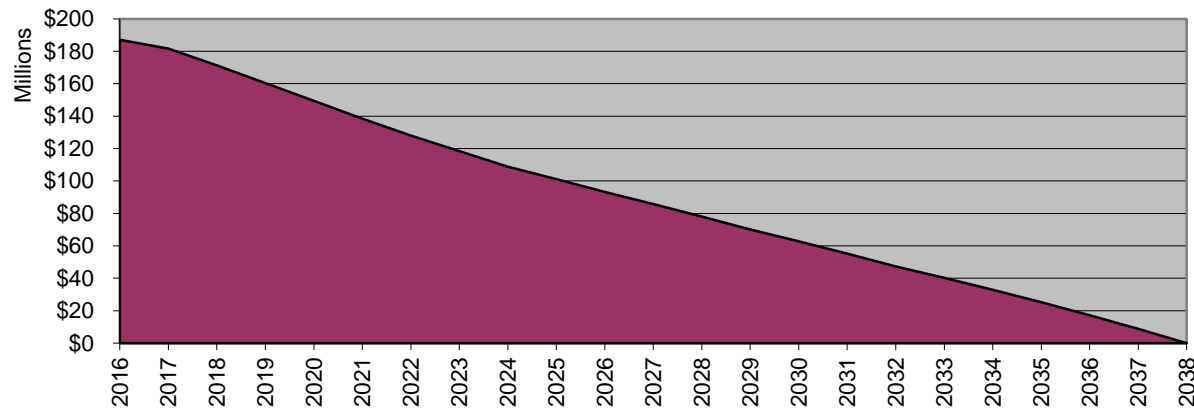
## All Funds Combined Interest Revenue



Annual Debt Service - Principal & Interest



Debt Principal Outstanding



\*Charts do not include debt issuance in the adopted budget

## Debt Schedule

| Fiscal<br>Year<br>Ending | Annual<br>Debt<br>Service | Principal<br>Outstanding |
|--------------------------|---------------------------|--------------------------|
| 6/30/2016                | 2,190,144                 | 187,036,861              |
| 6/30/2017                | 6,744,917                 | 181,605,265              |
| 6/30/2018                | 16,980,479                | 171,262,917              |
| 6/30/2019                | 16,808,117                | 160,347,931              |
| 6/30/2020                | 16,585,496                | 149,407,685              |
| 6/30/2021                | 16,373,625                | 138,424,766              |
| 6/30/2022                | 15,551,754                | 127,990,583              |
| 6/30/2023                | 14,425,343                | 118,398,719              |
| 6/30/2024                | 14,130,633                | 108,817,980              |
| 6/30/2025                | 11,937,265                | 101,140,639              |
| 6/30/2026                | 11,912,086                | 93,228,496               |
| 6/30/2027                | 11,189,278                | 85,773,802               |
| 6/30/2028                | 11,188,557                | 78,051,167               |
| 6/30/2029                | 11,155,316                | 70,075,000               |
| 6/30/2030                | 10,181,152                | 62,780,000               |
| 6/30/2031                | 10,176,600                | 55,195,000               |
| 6/30/2032                | 10,183,358                | 47,290,000               |
| 6/30/2033                | 8,994,219                 | 40,265,000               |
| 6/30/2034                | 9,000,445                 | 32,920,000               |
| 6/30/2035                | 9,000,466                 | 25,235,000               |
| 6/30/2036                | 8,994,880                 | 17,200,000               |
| 6/30/2037                | 8,993,007                 | 8,795,000                |
| 6/30/2038                | 8,993,943                 | 0                        |

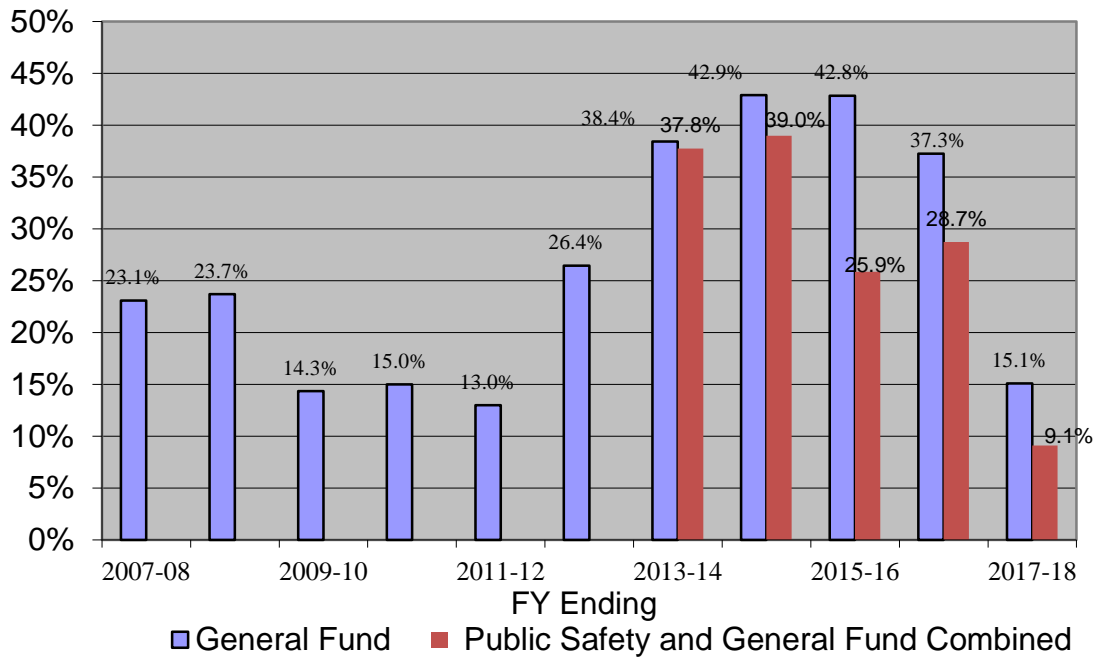
### General Fund

Unassigned fund balance as a percentage of expenditures  
Fiscal Year 2007-08 to 2017-18

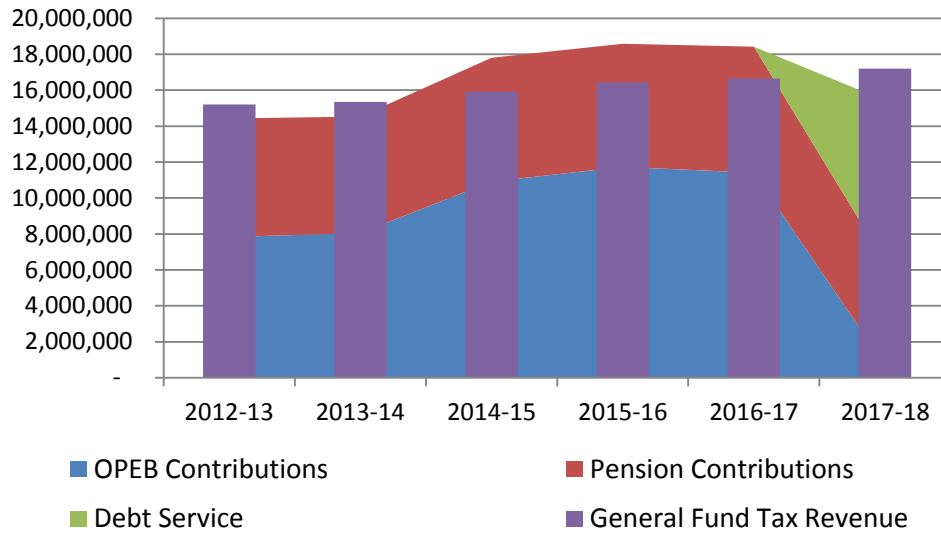
| <u>Fiscal Year</u> |           | <u>Expenditures</u> | <u>Unassigned<br/>Fund Balance</u> | <u>Percent</u> |
|--------------------|-----------|---------------------|------------------------------------|----------------|
| 2007-08            |           | 34,344,518          | 7,928,121                          | 23.1%          |
| 2008-09            |           | 35,133,900          | 8,323,551                          | 23.7%          |
| 2009-10            |           | 36,469,831          | 5,233,096                          | 14.3%          |
| 2010-11            |           | 34,800,450          | 5,221,748                          | 15.0%          |
| 2011-12            |           | 33,696,290          | 4,374,352                          | 13.0%          |
| 2012-13            |           | 27,949,060          | 7,391,788                          | 26.4%          |
| 2013-14            |           | 29,019,450          | 11,149,200                         | 38.4%          |
| 2014-15            |           | 30,512,890          | 13,085,091                         | 42.9%          |
| 2015-16            |           | 33,808,180          | 14,481,359                         | 42.8%          |
| 2016-17            | Estimated | 40,123,140          | 14,949,419                         | 37.3%          |
| 2017-18            | Estimated | 42,096,920          | 6,356,619                          | 15.1%          |

The Royal Oak City Commission has set the goal for the general fund to maintain unassigned fund balance of not less than 10% and not more than 25% of expenditures. The general fund is combined with the public safety fund unassigned fund balance since it significantly funds police, fire, and EMS operations. The budgeted unassigned fund balance for fiscal year 2017-18 is estimated at \$6,356,619 or 15.1%.

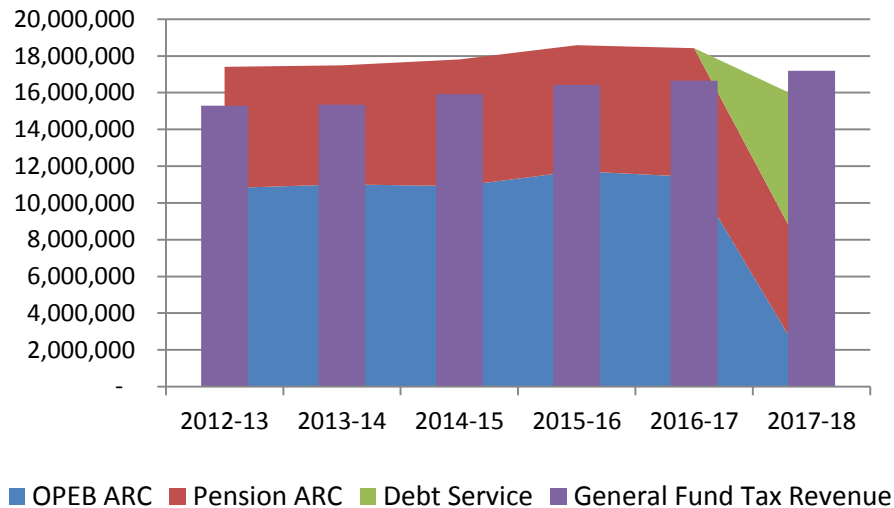
### Unassigned Fund Balance as a % of Expenditures



**General Fund Tax Revenue vs Actual/Budgeted Defined Benefit Pension/OPEB Contributions and Debt Service Payments**



**General Fund Tax Revenue vs. Defined Benefit Pension/OPEB Actuarially Derived Annual Required Contributions and Debt Service**



The graphs illustrate that the city's combined pension and OPEB actuarially derived ARC exceeds the general fund millage revenue in the past five years. In accordance with state requirements the city has contributed the full pension ARC however the city hasn't contributed the full OPEB ARC in some of these years.

OPEB ARC is not a required annual contribution as pension. The top graph illustrate that for fiscal year 2017-18 the city is budgeting to contribute the full pension and OPEB ARCs and pension/OPEB debt service. The contribution is not in excess of the total general fund tax revenue for fiscal year 2017-18.





## **GENERAL FUND**

The general fund is the city's major operating fund accounting for all financial resources of the city except those required to be accounted for in another fund. Property taxes from the city's general tax millage/levy and state shared revenue are recorded in this fund. General administration and some public works functions are services provided from this fund.

Mayor/Commission - 101.101

Building Maintenance – 101.267

Court – 101.136

Ordinance Enforcement 101-372

Probation – 101.151

Community Development – 101.400

Manager – 101.172

Animal Protection Services –101.430

Elections – 101.191

Electrical – 101.443

Finance – 101.201

Engineering – 101.447

Assessor – 101.209

Street Lighting – 101.448

Attorney – 101.210

Economic Development – 101.728

Clerk – 101.215

Community Engagement – 101.747

Human Resources – 101.226

Cable Communications – 101.834

Administration – 101.248

Community Promotion – 101.835

Treasurer – 101.253

Dream Cruise – 101.836

City Office Building – 101.265

Arts, Beats and Eats – 101.837

Parks & Forestry – 101.266

Transfers-Out – 101.965

***The mission of the general fund is to record all revenue not required by state statute or local law to be reported separately, and to show the legal expenditure of those monies.***

The general fund is typically the largest operating fund of any municipality. The City of Royal Oak is no exception; its revenue exceeds \$33.3 million (including transfers-in from other funds).

Approximately 78% of general fund revenue is from property taxes, state grants, fines and

forfeitures, licenses and permits, and charges for services. Property tax revenue alone makes up over half of revenue. The base operating millage is authorized by the city charter in chapter 8 section 4.11(a).

A secondary source of general fund revenue includes interest and rentals, contributions and donations, other revenue.

---

### GOALS

1. Provide for the proper collection of revenue to defray the cost of service delivery for the general purpose operations of the City of Royal Oak.

### OBJECTIVES

- Review fees and charges for services to ensure that they cover the full cost, or a pre-determined percentage thereof, of providing the service. <sup>GOAL 1</sup>

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

**REVENUES** - Total general fund revenue (not including transfers-in) is budgeted to increase 2.4% / \$803,000 relative to fiscal year 16-17 estimated year-end revenue. Tax revenue for the city is budgeted to increase \$650,000 for fiscal year 17-18. The forecast assumes a 2.5% increase in tax revenue after fiscal year 17-18. State shared revenue, another significant revenue source, is budgeted to increase 2%/ \$100,000 based upon the State of Michigan's published projection. Indirect cost revenue (fee charged to other city funds for general fund central services) is increasing 13.6%/ \$252,480 due to increased central services costs. Landlord licenses are budgeted to increase 30.9%/\$85,000 based upon the cyclical billing nature of this fee. Interest income is budgeted to increase approximately 44.9%/\$124,000 due to increased interest rates. Tower lease revenue is budgeted to decrease 54.4%/\$57,600 due to one-time tower revenues received in fiscal year 16-17. Reimbursements are budgeted to decrease by \$222,270 to \$0, due to one-time insurance reimbursement in fiscal year 16-17.

**TRANSFERS-IN** Total transfers-in are decreasing by \$6,853,390 relative to fiscal year 16-17 estimated year-end. This is due to one-time lookbacks from the workers compensation (\$1,613,350), medical (\$3,585,950) and general liability (\$1,654,090) self-insurances funds that will be requested in the final budget amendment for fiscal year 16-17. The lookbacks are recommended due to the over accumulation of monies in the self-insurance funds as the lookback provides for the distribution to be returned proportionately to the fund that paid. (It is recommended that the self-insurance funds distribute any monies beyond the amount of the funds' liability plus 60 days of operating expenses.) The forecast includes \$1,347,500 transfer-in from the DDA TIF fund as reimbursement for the Royal Oak City Center (ROCC) project. Of the \$1,347,500, \$610,000 is budgeted to be transferred in each year for *only* ten years as reimbursement for the developer fee (a plan for years eleven through twenty-five of the bond will need to be determined still) and \$737,500 reimbursement each year for 25 years (assuming the term of the bond is 25 years) to cover the central park related portion of the project.

**EXPENDITURES** – Total general fund expenditures (excluding transfers-out and one-time developer payment of \$6.1 million) are budgeted to increase 5.7% / \$843,621 relative to fiscal year 16-17 estimated year end expenditures, mostly due to increases in wages. The specific expenditure details are noted in the significant notes section within each cost centers. For fiscal year 17-18, pension and OPEB unfunded actuarial accrued liability (UAAL) contributions are not existent therefore not in personnel costs (with the exception of police and fire pension UAAL) due to the recent bond issuances. Instead, there is a debt payment in the city administration cost center. The forecast assumes that there is not a future UAAL contribution for the legacy costs that were bonded.

**TRANSFERS-OUT** Transfer- out to the public safety fund is budgeted at \$18.7 million, the same as the fiscal year 16-17 estimated year-end transfer. The forecast estimates that the transfer will be as high as \$19.6 million by fiscal year 21-22. \$350,000 transfer-out to senior center fund is budgeted to continue and it is estimated that the transfer will need to increase to \$450,000 in fiscal year 21-22. The 17-18 budget has a transfer to ROOTs in the amount of \$15,000 for the commission for the arts. The fiscal year 16-17 estimated year-end provides for a \$5,750,000 transfer to the capital fund for the ROCC project. The 17-18 budget provides for an \$800,000 interest payment on the ROCC project, and the forecast provides for \$2.4 million transfer annually for the ROCC debt payment.

**FUND BALANCE** – The fiscal year 17-18 budget provides for the use of \$7,555,800 from fund balance as a revenue source to fund expenditures and transfers-out and the ending fund balance level is projected at 17.5% which is within the fund balance policy (fund balance policy is 10% to 25% of expenditures). The forecast shows the continued structural deficit with use of fund balance of approximately \$700,000 annually and the last year of the forecast ending with a fund balance of \$4.7 million / 12%. A combined general fund and public safety fund of 9.3% is forecasted by fiscal year 21-22.

**The balance of noteworthy program information can be found in the significant note section (an orange box) within each of the budget document cost centers.**

## Budget Summary

| <b>General Fund Summary</b>  | <b>2016-2017<br/>Estimated<br/>Year End</b> | <b>2017-2018<br/>Adopted<br/>Budget</b> | <b>2018-2019<br/>Projected<br/>Budget</b> | <b>2019-2020<br/>Projected<br/>Budget</b> | <b>2020-2021<br/>Projected<br/>Budget</b> | <b>2021-2022<br/>Projected<br/>Budget</b> |
|--|---|---|---|---|---|---|
| Beginning Fund Balance   | 14,481,359                                  | 14,949,419                              | 7,393,619                                 | 6,683,049                                 | 5,984,329                                 | 5,389,469                                 |
| Revenues   | 33,737,810                                  | 34,541,120                              | 35,233,330                                | 35,861,500                                | 36,586,040                                | 37,247,350                                |
| Expenditures   | 40,123,140                                  | 42,096,920                              | 37,291,400                                | 37,907,720                                | 38,528,400                                | 39,258,890                                |
| Net  | (6,385,330)                                 | (7,555,800)                             | (2,058,070)                               | (2,046,220)                               | (1,942,360)                               | (2,011,540)                               |
| Transfers from other funds   | 6,853,390                                   | -                                       | 1,347,500                                 | 1,347,500                                 | 1,347,500                                 | 1,347,500                                 |
| Net Change in Fund Balance   | 468,060                                     | (7,555,800)                             | (710,570)                                 | (698,720)                                 | (594,860)                                 | (664,040)                                 |
| Ending Fund Balance  | 14,949,419                                  | 7,393,619                               | 6,683,049                                 | 5,984,329                                 | 5,389,469                                 | 4,725,429                                 |
| Fund Balance as a percentage of Expenditures   | 37.26%                                      | 17.56%                                  | 17.92%                                    | 15.79%                                    | 13.99%                                    | 12.04%                                    |
| Public Safety Beginning Fund Balance   | 2,046,139                                   | 216,839                                 | 233,039                                   | 299,279                                   | 307,339                                   | 243,509                                   |
| Public Safety Revenues   | 10,368,420                                  | 10,717,920                              | 10,951,800                                | 11,191,520                                | 11,437,240                                | 11,689,100                                |
| Public Safety Expenditures   | 31,437,720                                  | 29,941,720                              | 30,125,560                                | 30,723,460                                | 31,341,070                                | 31,979,080                                |
| Net  | (21,069,300)                                | (19,223,800)                            | (19,173,760)                              | (19,531,940)                              | (19,903,830)                              | (20,289,980)                              |
| Transfers from other funds   | 19,240,000                                  | 19,240,000                              | 19,240,000                                | 19,540,000                                | 19,840,000                                | 20,140,000                                |
| Net Change in fund balance   | (1,829,300)                                 | 16,200                                  | 66,240                                    | 8,060                                     | (63,830)                                  | (149,980)                                 |
| Public Safety Ending Fund Balance  | 216,839                                     | 233,039                                 | 299,279                                   | 307,339                                   | 243,509                                   | 93,529                                    |
| General Fund and Public Safety combined Fund Balance as a percentage of Expenditures | 28.69%                                      | 14.30%                                  | 14.33%                                    | 12.68%                                    | 11.14%                                    | 9.33%                                     |

**Note: Ending fund balance includes assigned fund balance for general fund and public safety employee bank payouts.**

## Revenues

| <b>101-000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and Fines</b> | <b>Interest<br/>and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---|--------------|------------------|--------------|
| 2013-2014 Actual                | 16,748,700   | 5,054,140     | 8,813,980                                  | 235,520                                   | 872,850      | 1,034,490        | 32,759,680   |
| 2014-2015 Actual                | 17,226,150   | 5,101,040     | 8,807,460                                  | 131,320                                   | 496,750      | 1,057,820        | 32,820,540   |
| 2015-2016 Actual                | 17,848,720   | 5,412,470     | 9,802,790                                  | 171,450                                   | 528,370      | 1,367,380        | 35,131,180   |
| 2016-2017 Original Budget       | 17,955,000   | 5,508,500     | 9,373,640                                  | 151,900                                   | 521,000      | 0                | 33,510,040   |
| 2016-2017 Adjusted Budget (Dec) | 17,880,000   | 5,508,500     | 9,373,640                                  | 228,900                                   | 779,000      | 0                | 33,770,040   |
| 2016-2017 Six Month Actual      | 17,392,750   | 1,806,010     | 4,885,620                                  | 139,920                                   | 402,240      | 0                | 24,626,540   |
| 2016-2017 Estimated Year End    | 17,935,500   | 5,158,500     | 9,510,700                                  | 411,800                                   | 721,310      | 6,853,390        | 40,591,200   |
| 2017-2018 Dept Request          | 18,585,500   | 5,258,500     | 9,756,920                                  | 478,200                                   | 462,000      | 0                | 34,541,120   |
| 2017-2018 Manager's Budget      | 18,585,500   | 5,258,500     | 9,756,920                                  | 478,200                                   | 462,000      | 0                | 34,541,120   |
| 2018-2019 Projected Budget      | 19,044,130   | 5,361,840     | 9,887,160                                  | 478,200                                   | 462,000      | 1,347,500        | 36,580,830   |
| 2019-2020 Projected Budget      | 19,514,220   | 5,467,250     | 9,939,830                                  | 478,200                                   | 462,000      | 1,347,500        | 37,209,000   |
| 2020-2021 Projected Budget      | 19,996,060   | 5,574,770     | 10,075,010                                 | 478,200                                   | 462,000      | 1,347,500        | 37,933,540   |
| 2021-2022 Projected Budget      | 20,489,950   | 5,684,440     | 10,132,760                                 | 478,200                                   | 462,000      | 1,347,500        | 38,594,850   |

## Expenditures

| <b>General Fund</b>             | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 27,827,490                    | 491,440         | 78,520         | 22,509,138   | 0           | 50,906,588   |
| 2014-2015 Actual                | 8,124,030                     | 321,330         | 136,830        | 21,925,140   | 0           | 30,507,330   |
| 2015-2016 Actual                | 9,093,950                     | 590,580         | 299,460        | 23,816,900   | 0           | 33,800,890   |
| 2016-2017 Original Budget       | 9,704,030                     | 378,000         | 838,000        | 25,132,480   | 0           | 36,052,510   |
| 2016-2017 Adjusted Budget (Dec) | 9,749,780                     | 406,250         | 689,000        | 25,544,980   | 0           | 36,390,010   |
| 2016-2017 Six Month Actual      | 4,513,520                     | 195,410         | 77,170         | 12,728,920   | 0           | 17,515,020   |
| 2016-2017 Estimated Year End    | 9,537,410                     | 408,460         | 397,310        | 29,779,960   | 0           | 40,123,140   |
| 2017-2018 Dept Request          | 7,940,960                     | 383,280         | 332,000        | 31,000,860   | 2,439,820   | 42,096,920   |
| 2017-2018 Manager's Budget      | 7,940,960                     | 383,280         | 332,000        | 31,000,860   | 2,439,820   | 42,096,920   |
| 2018-2019 Projected Budget      | 8,180,800                     | 383,280         | 0              | 26,288,100   | 2,439,820   | 37,292,000   |
| 2019-2020 Projected Budget      | 8,428,760                     | 383,280         | 0              | 26,657,080   | 2,439,820   | 37,908,940   |
| 2020-2021 Projected Budget      | 8,685,240                     | 383,280         | 0              | 27,021,910   | 2,439,820   | 38,530,250   |
| 2021-2022 Projected Budget      | 8,950,420                     | 383,280         | 0              | 27,487,870   | 2,439,820   | 39,261,390   |

***The mission of the mayor and commission is to govern the City of Royal Oak in such a manner as to provide a safe, healthy and sustainable community.***

As provided for in the city charter, Royal Oak has a commission-manager form of government. A commission consisting of a mayor and six commissioners has full power and authority, except as herein otherwise provided, to exercise all the powers conferred upon the city.

The commission appoints the manager as the chief administrative officer of the city. The commission selects the city manager on the basis of his executive and administrative qualifications.

The commission constitutes the legislative and governing body of the city, possessing all the powers herein provided for, with power and authority to pass ordinances and adopt resolutions as they shall deem proper in order to exercise any or all of these powers possessed by the city.

The members of the commission are elected on a non-partisan ballot by the city at large. Any person to be eligible for the office of mayor or commissioner shall have been a resident of the

territory included in the City of Royal Oak at least one year immediately preceding election.

The commission is composed of six commissioners and a mayor elected by the city-at-large on a nonpartisan ballot. Three commissioners are elected to four-year terms every two years to ensure experienced legislators at all times. The mayor is elected for a two-year term.

The mayor is the presiding officer of the commission. In the absence of the mayor, the mayor pro-tem is the presiding officer.

Each elected official has one vote that can be cast on each motion. Appointed officials do not have a vote. Four members of the commission constitute a quorum and may conduct city business. Ordinance and resolutions require four affirmative votes to be approved.

City commission meetings are held every second and fourth Monday of the month (with some exceptions) at 7:30 p.m. in the commission chambers of city hall at 211 Williams. Meetings are open to the public and are broadcast on WROK channels 55/10.

---

## GOALS

1. Perform all city operations as efficiently and effectively as possible.
2. Insure the financial sustainability of the city.

## OBJECTIVES

- Provide additional budgetary resources for staff and commissioner training.<sup>GOAL 1</sup>
- Lobby Lansing to allow a liquor excise tax.<sup>GOAL 2</sup>
- Work with state legislators to amend a broken municipal financing model.<sup>GOAL 2</sup>
- Complete the development of city hall, the police department and central park.<sup>GOAL 1</sup>

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Training is increasing \$3,000 relative to fiscal year 16-17 projected due to more commission training events. Meeting and conference charges are increasing relative to the fiscal year 16-17 original budget due to the cost of the strategic planning coordinator and an increased amount of public meetings requiring food.

**Budget Summary**

**Expenditures**

| 101-101 MAYOR/COMMISSION        | Personnel Services | Supplies | Capital | Other  | Debt | Total  |
|---------------------------------|--------------------|----------|---------|--------|------|--------|
| 2013-2014 Actual                | 4,650              | 950      | 4,280   | 18,480 | 0    | 28,360 |
| 2014-2015 Actual                | 5,720              | 130      | 0       | 18,630 | 0    | 24,480 |
| 2015-2016 Actual                | 4,440              | 190      | 0       | 26,730 | 0    | 31,360 |
| 2016-2017 Original Budget       | 4,660              | 600      | 0       | 29,100 | 0    | 34,360 |
| 2016-2017 Adjusted Budget (Dec) | 4,660              | 600      | 0       | 29,100 | 0    | 34,360 |
| 2016-2017 Six Month Actual      | 2,150              | 70       | 0       | 23,470 | 0    | 25,690 |
| 2016-2017 Estimated Year End    | 4,660              | 600      | 0       | 29,600 | 0    | 34,860 |
| 2017-2018 Dept Request          | 4,640              | 600      | 0       | 32,100 | 0    | 37,340 |
| 2017-2018 Manager's Budget      | 4,640              | 600      | 0       | 32,100 | 0    | 37,340 |
| 2018-2019 Projected Budget      | 4,640              | 600      | 0       | 32,100 | 0    | 37,340 |
| 2019-2020 Projected Budget      | 4,640              | 600      | 0       | 32,100 | 0    | 37,340 |
| 2020-2021 Projected Budget      | 4,640              | 600      | 0       | 32,100 | 0    | 37,340 |
| 2021-2022 Projected Budget      | 4,640              | 600      | 0       | 32,100 | 0    | 37,340 |

**Cost Center Position Detail – Home Base**

Full & Part-time Employees

| Mayor/Commission                  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b>Part-Time Positions (FTEs)</b> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               | n/a         | 0.1   | 0.1   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Part-time Total                   | 0.0         | 0.1   | 0.1   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |

***The mission of the 44<sup>th</sup> District Court is to provide a neutral environment for objective legal dispute resolution.***

In January 2015, pursuant to law, the 45A District Court (Berkley) merged with and into the 44th District Court, creating one court to serve both the Royal Oak and Berkley communities.

The 44<sup>th</sup> District Court, a judicial court of the State of Michigan, is comprised of three divisions: the judicial, court clerks and court services.

The court is responsible for all civil, traffic and criminal cases that transpire within the boundaries of the cities of Royal Oak and Berkley.

The 44<sup>th</sup> District Court has two judges elected by the citizens of Royal Oak and Berkley. A portion of the judge's salaries are paid by the State of Michigan. The judges are responsible to handle all civil and criminal trials, preliminary hearings, formal hearings, appeals, arraignments, bench warrants, etc. The court also has one part-time magistrate who hears over 9,000 informal hearings and small claims cases.

Both judges conduct programs that promote youth-awareness. The Justice 101 program educates younger children on the role of the court and includes visiting the court to observe and tour the facility. Teen court is for young adults and involves teens involved in minor infractions being heard and judged by a court of their peers.

Under general supervision of the chief judge, the court administrator serves as the executive officer for the 44th District Court. The court administrator is responsible for the administrative management of all non-judicial functions of the court. This includes personnel management, financial administration, facility management, scheduling and case management, records management, jury utilization and other administrative duties.

The criminal section maintains records on all misdemeanor and felony offenses and is responsible for the processing, scheduling and noticing of all criminal cases in the court.

The traffic section is responsible for maintaining records and processing all traffic civil infractions, parking violations, and code enforcement proceedings.

The civil section maintains records on general civil, landlord/tenant and small claims cases and is responsible for the scheduling, processing and noticing of these cases.

The 44<sup>th</sup> District Court became the first court in the tri-county area to implement e-citations and e-commerce. This enables police officers to print the tickets in their police car and download the information directly into court computers saving time and money. At the same time e-commerce allows people receiving traffic tickets to pay their tickets directly on-line via the web. Because of this and other innovative measures that the court has taken in recent years we have been able to reduce costs.

The court services division is responsible to administer several programs; jury administration, comprehensive collections efforts and the supervision, counseling, and referral of defendants placed on probation.

Probation officers assist persons sentenced to probation with supervision and rehabilitation with a goal to eliminate re-offending. The probation component of the division performs alcohol screening assessments and pre-sentence investigations. Other services provided include assisting with securing training, schooling and employment. Due to jail overcrowding at the Oakland County Jail, the 44<sup>th</sup> District Court has developed several alternative programs through the probation division. Prisoners who would ordinarily be sent to jail but are not a threat to the community are placed in TROOP, an alternative work program.

The TROOP participants are ordered to perform hours of community service in the City of Royal Oak such as picking up leaves in our parks, planting flowers in city flower beds, cleaning the Salter Center, and other civic and charitable deeds within the Community.

The 44<sup>th</sup> District Court's two judges each preside over a sobriety court caseload. Sobriety court is a two-year intensive supervision and rehabilitation program for individuals who have been convicted of drug offenses or two or more



offenses of drunk driving. Participants are monitored closely to insure there is no alcohol or drug use. They participate in therapy and support group meetings, and meet with a specially trained probation officer twice per month. The program consists of three phases and presently averages 90 participants. Participants appear before their judge twice per month in phase I to once per month in phases II and III. Since 2013, the 44<sup>th</sup> District Court's Sobriety Court has shown significant success in rehabilitating participants graduating 63 people from the program.

Jury administration encompasses all aspects of the process of summoning eligible citizens from the Royal Oak and Berkley communities when they are needed for jury trials. This includes notices, payments, responding to inquiries, and seeing to their needs while serving as a juror. The court is mindful that jury service, while

essential to our system of law, does sometimes present an inconvenience to those summoned.

The court is responsible for collection of monies owed for all traffic tickets, parking tickets, misdemeanors, and code violations. Due to the court's continued aggressive collections program, the 44<sup>th</sup> District Court enjoys one of the highest collection rates and case closure rates in the State of Michigan.

There is a maxim that a fine is not a punishment until it is collected. This court believes that. Failure to aggressively pursue those who owe fines and costs can result in diminished respect for the rule of law and possible re-offending. The court utilizes a number of proven strategies to compel compliance.

## GOALS

1. To provide a fair venue for resolving traffic and ordinance, civil, criminal, small claims and landlord/tenant legal disputes.
2. To provide efficient, effective and safe resolution services for legal disputes.
3. To reinforce respect for the rule of law by ensuring that fines and costs assessed by the court are paid.
4. To provide efficient courteous service to citizens summoned to jury duty, remaining mindful that we are taking people from their daily routines.
5. To utilize innovative strategies to compel compliance from persons who owe fines and costs.
6. To assist judges with sentencing by providing thorough reports and professional analysis.
7. To provide persons sentenced to probation with a range of rehabilitation services designed to minimize re-offending.

## OBJECTIVES

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

The court has initiated several new programs to strengthen our collection effort, notably structured payment plans and a tax garnishment program. The court initiatives to collect outstanding fines and costs continue to produce positive results. In 2014, the annual collections were \$5.5 million. In 2016, the annual collections were \$7 million.

The Michigan Indigent Defense Commission was recently created to insure that an accused person has benefit of counsel at critical points in their case. The Michigan Supreme Court and governor's office have promulgated standards to insure an individual facing the possibility of jail time is afforded competent legal counsel early in the criminal process. The 44<sup>th</sup> District Court was already utilizing many of the standards before the criteria were released. Insuring adequate representation has required a large increase the expense for court appointed counsel. As additional criteria are adopted and implemented, the expense is sure to increase even more.

Part-time wages are increasing \$85,000 relative to fiscal year 16-17 projected due to hiring lags that delayed getting to full staffing. The full-time building superintendent position is changing to part-time and a part-time clerk is changing to full-time, so the total number of full-time employees will remain the same. Uniform and gear is decreasing \$12,500 due to the one-time purchase of tasers in fiscal year 16-17. Computer equipment is decreasing \$18,000 due to upgrading the court room mixer / PA system in fiscal year 16-17. Training is decreasing \$5,000 relative to the fiscal year 16-17 original budget because actual costs have been below budget without compromising training initiatives. Heating and cooling repairs are decreasing \$3,000 due to extensive HVAC repairs done in fiscal year 16-17. Office supplies, contracted worker services, and miscellaneous operating supplies are increasing slightly due to expenses being less than expected in fiscal year 16-17.

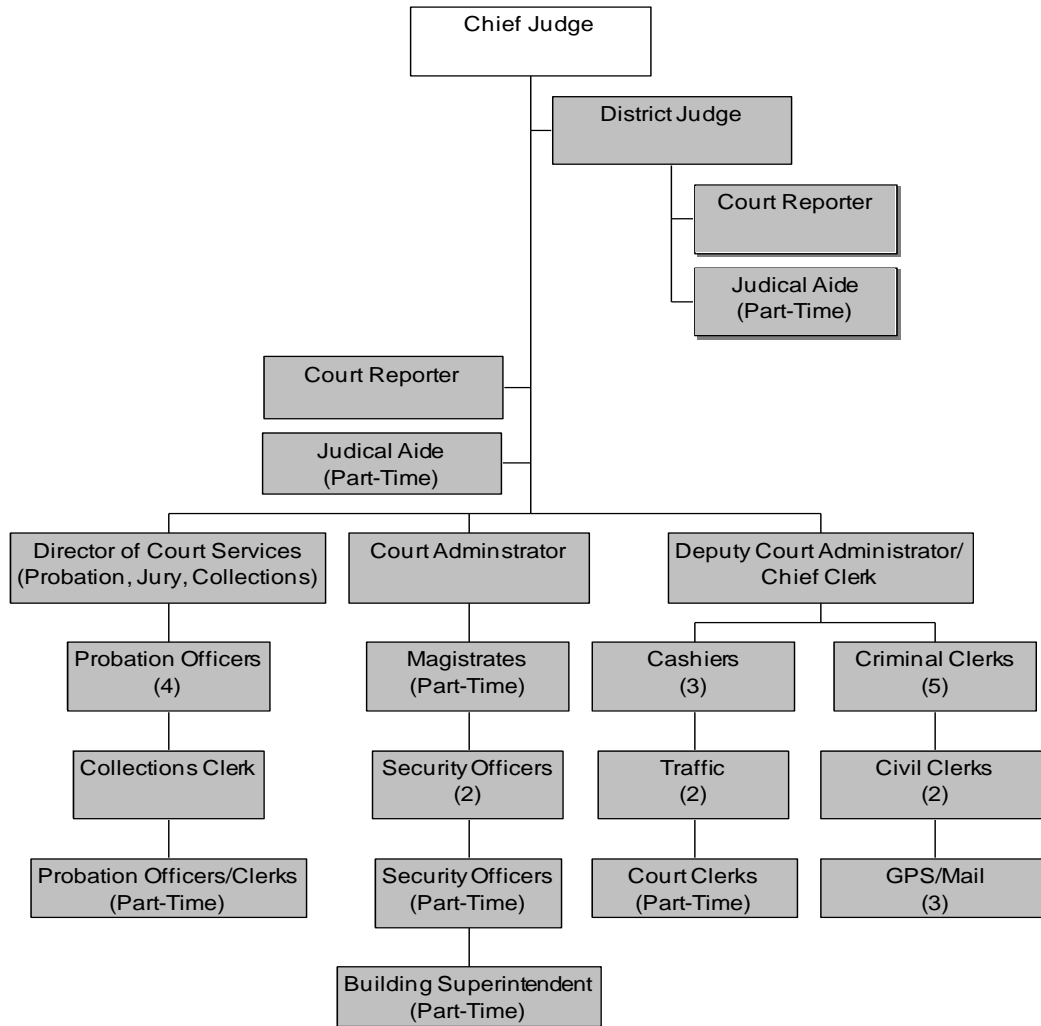
## Budget Summary

### Expenditures

| <b>101.136 DISTRICT COURT</b>   | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 2,374,590                 | 57,650          | 0              | 255,960      | 0           | 2,688,200    |
| 2014-2015 Actual                | 2,435,890                 | 76,120          | 75,030         | 263,030      | 0           | 2,850,070    |
| 2015-2016 Actual                | 2,778,610                 | 74,790          | 0              | 359,890      | 0           | 3,213,290    |
| 2016-2017 Original Budget       | 3,570,770                 | 90,000          | 0              | 420,380      | 0           | 4,081,150    |
| 2016-2017 Adjusted Budget (Dec) | 3,567,770                 | 90,000          | 0              | 423,380      | 0           | 4,081,150    |
| 2016-2017 Six Month Actual      | 1,604,840                 | 36,470          | 0              | 187,750      | 0           | 1,829,060    |
| 2016-2017 Estimated Year End    | 3,466,190                 | 89,820          | 0              | 463,880      | 0           | 4,019,890    |
| 2017-2018 Dept Request          | 2,874,900                 | 82,500          | 0              | 452,880      | 0           | 3,410,280    |
| 2017-2018 Manager's Budget      | 2,874,900                 | 82,500          | 0              | 452,880      | 0           | 3,410,280    |
| 2018-2019 Projected Budget      | 2,959,440                 | 82,500          | 0              | 452,880      | 0           | 3,494,820    |
| 2019-2020 Projected Budget      | 3,046,800                 | 82,500          | 0              | 452,880      | 0           | 3,582,180    |
| 2020-2021 Projected Budget      | 3,137,100                 | 82,500          | 0              | 452,880      | 0           | 3,672,480    |
| 2021-2022 Projected Budget      | 3,230,440                 | 82,500          | 0              | 452,880      | 0           | 3,765,820    |

| <b>101.151 PROBATION</b>        | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 429,510                   | 2,580           | 0              | 950          | 0           | 433,040      |
| 2014-2015 Actual                | 455,500                   | 8,740           | 0              | 1,460        | 0           | 465,700      |
| 2015-2016 Actual                | 628,540                   | 6,760           | 0              | 3,500        | 0           | 638,800      |
| 2016-2017 Original Budget       | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Adjusted Budget (Dec) | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Six Month Actual      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Estimated Year End    | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2017-2018 Dept Request          | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2017-2018 Manager's Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2018-2019 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2019-2020 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| District Court                           |       | Fiscal Year |       |       |       |       |       |       |       |
|--|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10 | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>        |       |             |       |       |       |       |       |       |       |
| District Court Judge                     | 2.0   | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Court Administrator                      | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Deputy Court Administrator               | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Judicial Secretary/Recorder              | 2.0   | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Court Supervisor - Criminal              | 1.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Administrative Assistant                 | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   |
| Court Officer                            | 2.0   | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| District Court Clerk                     | 8.0   | 7.0         | 8.0   | 8.0   | 8.0   | 9.0   | 13.0  | 13.0  | 15.0  |
| Collections Clerk                        | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   |
| Court Bailiff Law Clerk                  | 1.0   | 2.0         | 2.0   | 1.0   | 1.0   | 1.0   | 0.0   | 0.0   | 0.0   |
| Director of Court Services               | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   |
| Probation Officer                        | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 2.0   | 4.0   | 4.0   | 4.0   |
| Pre-Sentence Director                    | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   | 0.0   | 0.0   |
| Building Superintendent                  | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 0.0   |
| Full-Time Total                          | 21.0  | 20.0        | 21.0  | 20.0  | 20.0  | 22.0  | 29.0  | 29.0  | 29.0  |
| <b><u>Part-Time Positions (FTEs)</u></b> |       |             |       |       |       |       |       |       |       |
| Part-Time Positions                      | n/a   | 9.6         | 5.4   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                        | 21.0  | 29.6        | 26.4  | 20.0  | 20.0  | 22.0  | 29.0  | 29.0  | 29.0  |

***The mission of the city manager is to efficiently and effectively manage the delivery of the city's services as established by the mayor and the city commission's goals, objectives and policies and as prescribed by the city charter.***

The city manager is the chief administrative officer of the city. The manager is chosen by the commission on the basis of his/her executive and administrative qualifications, in addition to other criteria described in the city charter.

The city manager is responsible to the commission for the proper administration of the affairs of the city and makes most appointments, including the heads of departments.

Another important duty involves maintaining effective communications and being available for the city commission. The city manager is required to be present at all meetings of the commission and be present at meetings of its committees and to take part in discussions, but has no vote.

The city manager's office oversees, administers and supervises all departments within the city with the exception of those that are separated by charter. These include the city attorney, city clerk, library director and the 44<sup>th</sup> District Court. The city manager's office acts as the chief operating office for the local government.

The office sets the commission agendas, negotiates with the city's nine (9) bargaining units, coordinates all special projects, works with all neighborhood associations and nonprofit and business groups, and has general control of all operational, financial, support and maintenance functions of the city government.

According to city charter, not later than 30 days before the end of each fiscal year, the city manager must prepare and submit to the commission an annual budget for the ensuing fiscal year, based upon detailed estimates furnished by the finance department and numerous other divisions of the city government.

## GOALS

1. To provide leadership and coordination between the city commission, the administration, Royal Oak residents and Royal Oak business owners.
2. To prioritize and address the city's administrative matters.
3. To establish administrative policies and procedures to efficiently and effectively manage the city's limited resources.

## OBJECTIVES

- Develop and begin the implementation of a citywide environmental sustainability plan.<sup>GOAL2</sup>
- Update and communicate emergency preparedness plan.<sup>GOAL3</sup>
- Evaluate organizational structures in each department to identify staff needs, succession planning, possible service delivery improvements and potential cross training opportunities.<sup>GOAL2</sup>
- Consider a sidewalk millage program to place before voters.<sup>GOAL1</sup>
- Work with the MML and state legislators to amend a broken municipal financing model.<sup>GOAL1</sup>

## GOALS

## OBJECTIVES

- Aggressively pursue grant opportunities, employing a cost-benefit analysis to ensure grants are appropriate.<sup>GOAL3</sup>
- Explore development of a bike share program for the city.<sup>GOAL1</sup>
- Complete the development of city hall, the police department and central park.<sup>GOAL1</sup>
- Review and update the stormwater plan and ordinance.<sup>GOAL1</sup>
- Examine the potential for technology improvements to enhance service delivery.<sup>GOAL1</sup>
- Review and update service fees every two years to insure costs are covered.<sup>GOAL3</sup>
- Examine ways to strengthen digital infrastructure to move toward a smart cities.<sup>GOAL1</sup>

### Performance Indicators / Outcome Measures

|   | <u>Actual<br/>2012</u> | <u>Actual<br/>2013</u> | <u>Actual<br/>2014</u> | <u>Actual<br/>2015</u> | <u>Projected<br/>2016</u> | <u>Projected<br/>2017</u> |
|---|------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| The City of Royal Oak's overall "American Customer Satisfaction Index" Rating (scale 1-100) | N/A                    | 70                     | N/A                    | 72                     | N/A                       | 74                        |

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

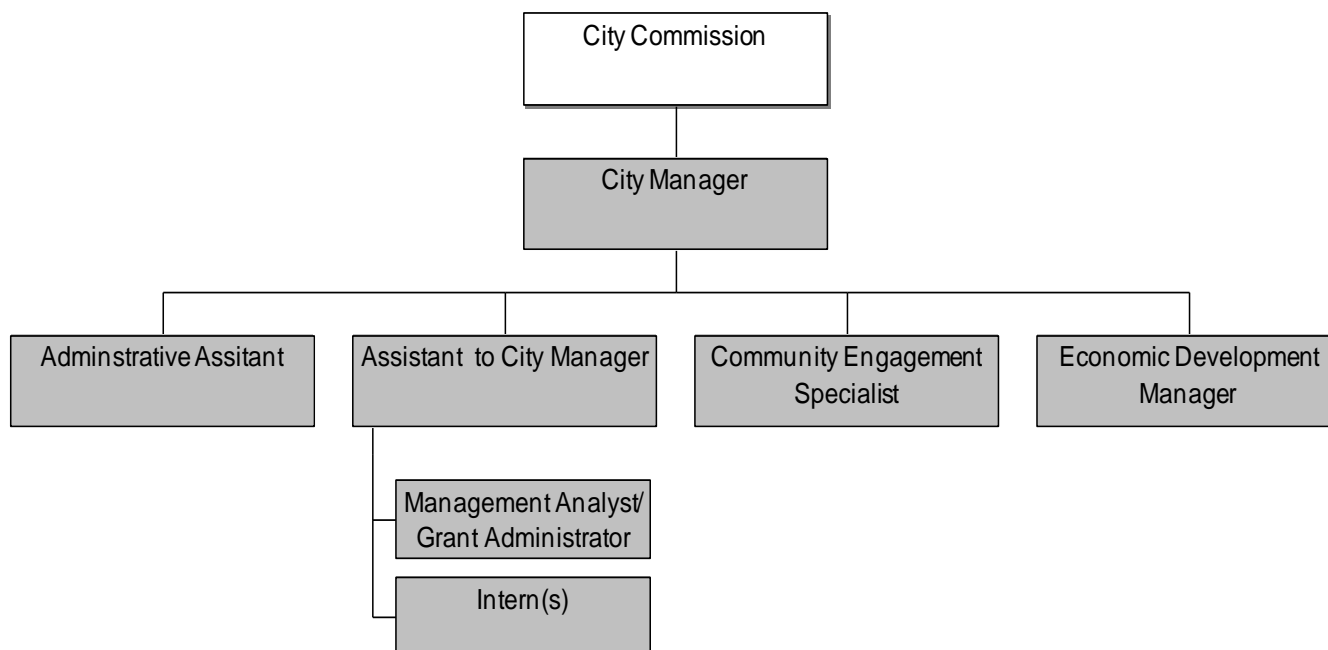
Full-time personnel costs are increasing due to having an administrative position allocated 100% to this department rather than being split with the city attorney department, the potential for newer employees (who are not at the top of their pay range) to receive wage increases as well as a contractual increase in defined contribution benefits. Part-time wages will increase due to an overlap period where there will be four interns instead of the usual two as well as a 50% increase in the hourly rate for interns. Miscellaneous contracted services will increase \$85,000 for an organizational study as identified in the city commission goals and objectives to evaluate staff needs, succession planning, possible service delivery improvements and potential training opportunities. Training is increasing \$2,500 due to employees attending fewer conferences than usual in fiscal year 16-17.

**Budget Summary**

| <b>101.172 MANAGER</b>          | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 434,940                   | 1,390           | 0              | 5,780        | 0           | 442,110      |
| 2014-2015 Actual                | 505,070                   | 1,860           | 0              | 10,130       | 0           | 517,060      |
| 2015-2016 Actual                | 530,070                   | 5,080           | 0              | 8,620        | 0           | 543,770      |
| 2016-2017 Original Budget       | 518,800                   | 9,700           | 0              | 13,250       | 0           | 541,750      |
| 2016-2017 Adjusted Budget (Dec) | 604,990                   | 9,700           | 0              | 13,250       | 0           | 627,940      |
| 2016-2017 Six Month Actual      | 272,840                   | 1,710           | 0              | 4,270        | 0           | 278,820      |
| 2016-2017 Estimated Year End    | 616,840                   | 3,400           | 0              | 10,350       | 0           | 630,590      |
| 2017-2018 Dept Request          | 473,780                   | 3,500           | 0              | 97,850       | 0           | 575,130      |
| 2017-2018 Manager's Budget      | 473,780                   | 3,500           | 0              | 97,850       | 0           | 575,130      |
| 2018-2019 Projected Budget      | 488,170                   | 3,500           | 0              | 12,850       | 0           | 504,520      |
| 2019-2020 Projected Budget      | 503,030                   | 3,500           | 0              | 12,850       | 0           | 519,380      |
| 2020-2021 Projected Budget      | 518,410                   | 3,500           | 0              | 12,850       | 0           | 534,760      |
| 2021-2022 Projected Budget      | 534,310                   | 3,500           | 0              | 12,850       | 0           | 550,660      |



## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Manager                                  | Fiscal Year |       |       |       |       |       |       |       |       |
|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>        |             |       |       |       |       |       |       |       |       |
| City Manager                             | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Assistant to City Manager                | 0.0         | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Community Engagement Specialist*         | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Grant Administrator / Management Analyst | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Economic Development Manager*            | 0.0         | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Administrative Assistant                 | 1.0         | 0.5   | 0.5   | 0.5   | 0.5   | 0.5   | 0.2   | 0.2   | 1.0   |
| Full-Time Total                          | 2.0         | 1.5   | 1.5   | 2.5   | 3.5   | 5.5   | 5.2   | 5.2   | 6.0   |
| <b><u>Part-Time Positions (FTEs)</u></b> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions                      | n/a         | 0.0   | 1.0   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                        | 2.0         | 1.5   | 2.5   | 2.5   | 3.5   | 5.5   | 5.2   | 5.2   | 6.0   |

\*expended in other cost centers.

***The mission of the elections division is to conduct elections in an effective and ethical manner meeting the requirements of the federal and state election law and the city charter.***

The elections division of the city clerk's office maintains the city's qualified voter file (QVF) for the State of Michigan and is responsible for the conduct of elections in the city.

This division provides service to the community by maintaining a permanent absentee voter list and automatically mailing absentee applications to those voters, as requested.

For an election cycle, the division sends ID cards to new voters, mails absentee applications to those who have requested to be on the permanent absentee voter list and mails ballots; orders election supplies including ballots, test ballots and the election program. Prior to every election we participate with the county for a mock election to verify the accuracy of test results. We prepare election tabulators, ADA equipment, ballot boxes, supply boxes and laptops for each precinct.

The city's clerk's office prepares precinct lists to be used on election day. Staff verifies candidate

and ordinance petitions to be placed on the ballots. Voter lists are prepared as requested by candidates including specific election data and daily lists that are sent to them electronically. Training is conducted for all elections prior to every election to assure compliance with all applicable election laws.

The clerk oversees all election day activities to make sure elections run smoothly. Election results are processed and sent via modem to the county. Once election results have been tabulated, voter history is uploaded into the QVF software system. Costs for the election are identified including postage, supplies, payroll, legal notices and ballots.

Voter registration drives are conducted with cooperation of the Royal Oak High School (ROHS). The same is done with the nursing homes located within the city.

This office also helps ROHS with their mock elections by providing voting booths for students. Students are also hired for higher turnout elections, such as the presidential election. This gives them a better understanding of the election process.

## GOALS

1. To effectively administer the election program by keeping informed of relevant legislation and improvements in technology and efficient process.
2. Streamline election process at the polls.
3. Provide timely and accurate election results.

## OBJECTIVES

- Administer one election for the calendar year 2017.<sup>GOAL1</sup>
- Training election workers with new equipment beginning November 2017.<sup>GOAL2</sup>
- Continue utilizing electronic poll books in every election to move lines faster during elections.<sup>GOAL2</sup>
- First pilot community in Oakland County to utilize dual electronic poll books in various precincts. Would like to add additional laptops to larger precincts to minimize voter wait time.
- Utilizing modems for faster election results.<sup>GOAL3</sup>

## Performance Indicators / Outcome Measures

|   | Actual<br><u>2013</u> | Actual<br><u>2014</u> | Actual<br><u>2015</u> | Actual<br><u>2016</u> | Projected<br><u>2017</u> | Projected<br><u>2018</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|--------------------------|
| GOAL <sup>1</sup> Elections                           | 1                     | 2                     | 2                     | 3                     | 1                        | 2                        |
| GOAL <sup>1</sup> Number of Registered Voters         | 49,090                | 47,595                | 48,014                | 49,806                | 49,000                   | 49,000                   |
| GOAL <sup>2</sup> Registration Applications Submitted | 5,389                 | 4,875                 | 5,238                 | 9,411                 | 7,000                    | 7,000                    |
| GOAL <sup>1</sup> New Valid Registrations             | 3,586                 | 4,873                 | 3,461                 | 6,208                 | 6,000                    | 6,000                    |
| GOAL <sup>1</sup> Verified Voters                     | 81                    | 76                    | 61                    | 47                    | 80                       | 80                       |
| GOAL <sup>1</sup> Active New Voters                   | 4,527                 | 3,559                 | 4,679                 | 6,267                 | 5,000                    | 5,000                    |
| GOAL <sup>1</sup> Active Voters Cancelled             | 1,158                 | 3,508                 | 1,894                 | 4,945                 | 3,000                    | 3,000                    |

**Note:** Elections performance Indicators are reported on a calendar year basis as opposed to a fiscal year basis

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The personnel budget is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases as well as a contractual increase in defined contribution benefits.

The following capital improvement projects in FY2017-18 are as follows:

- Election equipment (carry-over from FY2016-17) \$150,000

**FY2017-18 Total:** \$150,000

## Budget Summary

### Expenditures

| <b>101.191 ELECTIONS</b>        | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 169,400                       | 20,500          | 0              | 6,470        | 0           | 196,370      |
| 2014-2015 Actual                | 235,210                       | 14,760          | 0              | 9,950        | 0           | 259,920      |
| 2015-2016 Actual                | 242,720                       | 40,260          | 0              | 14,250       | 0           | 297,230      |
| 2016-2017 Original Budget       | 306,050                       | 70,000          | 337,500        | 24,400       | 0           | 737,950      |
| 2016-2017 Adjusted Budget (Dec) | 306,050                       | 70,000          | 347,500        | 24,400       | 0           | 747,950      |
| 2016-2017 Six Month Actual      | 189,750                       | 39,580          | 0              | 4,960        | 0           | 234,290      |
| 2016-2017 Estimated Year End    | 299,990                       | 70,000          | 47,500         | 17,000       | 0           | 434,490      |
| 2017-2018 Dept Request          | 245,230                       | 70,000          | 150,000        | 17,000       | 0           | 482,230      |
| 2017-2018 Manager's Budget      | 245,230                       | 70,000          | 150,000        | 17,000       | 0           | 482,230      |
|                                 |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 252,150                       | 70,000          | 0              | 17,000       | 0           | 339,150      |
| 2019-2020 Projected Budget      | 259,300                       | 70,000          | 0              | 17,000       | 0           | 346,300      |
| 2020-2021 Projected Budget      | 266,670                       | 70,000          | 0              | 17,000       | 0           | 353,670      |
| 2021-2022 Projected Budget      | 274,300                       | 70,000          | 0              | 17,000       | 0           | 361,300      |

## ROYAL OAK ELECTION HISTORY

| Type of Election                     | Date      | Total Voting | Voters Registered | Percent Voting | AV's counted | AV's Processed |
|--------------------------------------|-----------|--------------|-------------------|----------------|--------------|----------------|
| Presidential Election                | 11/8/2016 | 35,344       | 48,898            | 72.28%         | 8,787        | 9,024          |
| Primary Election                     | 8/2/16    | 9,591        | 48,618            | 19.73%         | 3,299        | 3,810          |
| Primary Election                     | 3/8/16    | 20,230       | 48,230            | 41.94%         | 3,550        | 3,793          |
| City General Election                | 11/3/15   | 6,779        | 48,159            | 14.08%         | 3,054        | 3,578          |
| Special Election                     | 5/5/15    | 12,305       | 48,202            | 25.53%         | 3,621        | 3,879          |
| November General                     | 11/4/2014 | 23,734       | 49,164            | 48.28%         | 5,711        | 5,997          |
| August Primary                       | 8/15/2014 | 8,030        | 49,094            | 16.36%         | 3,121        | 3,383          |
| City General Election                | 11/5/2013 | 12,555       | 49,105            | 25.57%         | 3,605        | 3,808          |
| General Election                     | 11/6/2012 | 34,607       | 49,034            | 70.58%         | 9071         | 9375           |
| Primary Election                     | 8/7/2012  | 12,356       | 48,641            | 25.40%         | 3450         | 3801           |
| Presidential Primary                 | 2/28/2012 | 8,119        | 48,309            | 16.81%         | 2849         | 3187           |
| City General/School                  | 11/8/2011 | 7,456        | 48,167            | 15.48%         | 3,142        | 3,617          |
| General                              | 11/2/2010 | 23,685       | 47,539            | 49.82%         | 5,587        | 5,966          |
| August Primary                       | 8/3/2010  | 12,406       | 47,539            | 26.10%         | 3,530        | 3,911          |
| Berkley School Bond                  | 2/23/2010 | 70           | 287               | 24.39%         | 18           | 21             |
| City General & School                | 11/3/2009 | 8,375        | 47,374            | 17.68%         | 3,457        | 4,112          |
| General & School                     | 11/4/2008 | 36,669       | 48,187            | 76.10%         | 9,935        | 10,019         |
| Primary                              | 8/5/2008  | 11,426       | 46,724            | 24.45%         | 3,356        | 3,771          |
| Presidential Primary                 | 1/15/2008 | 11,677       | 46,279            | 25.22%         | 3,254        | 3,508          |
| City General & School                | 11/6/2007 | 8,222        | 46,111            | 17.83%         | 3,455        | 3,958          |
| General                              | 11/7/2006 | 27,746       | 46,047            | 60.26%         | 6,340        | 6,619          |
| Primary                              | 8/8/2006  | 8,847        | 46,022            | 19.22%         | 3,827        | 4,215          |
| School Board & Bond - Royal Oak only | 5/2/2006  | 6,671        | 46,538            | 22.29%         | 3,675        | 4,675          |
| City General/School                  | 11/8/2005 | 16,645       | 47,098            | 35.34%         | 4,611        | 4,894          |
| School Board                         | 5/3/2005  | 9,627        | 50,125            | 19.24%         | 3,559        | 4,095          |
| School Bond Millage                  | 2/22/2005 | 11,026       | 49,217            | 22.40%         | 3,980        | 4,273          |
| Presidential                         | 11/2/2004 | 35,203       | 49,605            | 70.97%         | 8,642        | 8,986          |
| Primary                              | 8/3/2004  | 7,134        | 48,576            | 14.69%         | 3,343        | 3,798          |
| School                               | 6/14/2004 | 2,388        | 48,448            | 4.93%          | 1,946        | 3,124          |
| City General                         | 11/4/2003 | 10,808       | 48,700            | 22.19%         | 3,737        | 3,989          |
| School                               | 6/9/2003  | 5,200        | 48,377            | 10.75%         | 3,130        | 3,768          |
| General                              | 11/5/2002 | 24,575       | 48,849            | 50.31%         | 5,735        | 6,079          |
| Primary                              | 8/6/2002  | 13,204       | 49,930            | 26.45%         | 4,554        | 4,935          |
| School                               | 6/10/2002 | 13,040       | 49,644            | 26.27%         | 4,035        | 4,354          |
| City General                         | 11/6/2001 | 11,455       | 51,714            | 22.15%         | 4,227        | 4,488          |

***The mission of the finance department is to provide accurate and timely financial services for the City of Royal Oak in the most efficient manner possible.***

The director of finance has the responsibility of the administration of the financial affairs of the city insofar as they relate to the keeping of accounts and financial records and the disbursement of city funds.

The short-term and long-term financial planning, cost allocation, labor contract costing, budget preparation and capital improvement plan coordination (of finances) are performed by the finance department. The budget is prepared in accordance with the city charter and the state's Uniform Budgeting Act. The budget function includes all the personnel costing, cost allocation, monitoring, amendments, forecasts and various financial reports.

The department accounts for approximately 50 funds and 150 cost centers, utilizing 5 different banking institutions. All account records are kept by the finance department showing all the financial transactions of the city including cash receipts, cash disbursements, revenues accrued and liabilities incurred and all transactions affecting the acquisition, custody, and disposition of city property and make such reports of the financial transactions and conditions of the city as required by law, ordinance, or resolution. The CAFR (Comprehensive Annual Financial Report) and compliance (financial) reports for state and federal purposes are prepared by the department as well.

Centralized accounts payable and (most of) payroll functions are performed within the department.

The department supports other city departments with their purchases by providing assistance with bid and quotation solicitation and review of responses for the procurement of goods and services and purchase order processing. The procurement process recently has become more centralized due to the re-establishment of one purchasing agent within the finance department.

In accordance with the city ordinance, the director of finance serves as the secretary, treasurer and chief administrative officer for the retirement system and the custodian of its assets. The department is responsible for the preparation of estimated and final pension benefit calculations, monthly pension benefit payments, day-to-day administration of the system and provides all of the data for the actuarial valuations. The director of finance also serves as the administrator to other retiree benefit plans.

The sale of municipal bonds and the maintenance of bond service payments are administered within the department along with the development of utility (water and sewage disposal) rates, various financial reports, certain aspects of risk management and assistance with grant reporting.

The director of finance is responsible for the other fiscal related functions such as treasury, assessing, and information technology departments.

## GOALS

1. To accurately and timely record all financial transactions as to provide the best financial information to the city commission, city manager, residents and other users; continue to earn the GFOA Certificate of Achievement for Excellence in Financial Reporting.
2. To properly administer the purchasing, payroll, payables, pension functions and

## OBJECTIVES

- Comprehensive review certain city cost allocation methodologies and internal service fund charges to verify that they are relevant and reasonable. <sup>GOAL 1</sup>
- Provide, review, adopt and publish various city retirement system policies to provide

## GOALS

accomplish the numerous financial reporting requirements accurately and timely.

3. To facilitate the city's (fiscal) strategic planning and adoption of sound financial policies in an effort to effectively and efficiently manage the city's assets.
4. To develop reports including a budget plan document that excels as an operational guide, financial plan, policy document and communication device.

## OBJECTIVES

for the improved administration of the city's retirement system.<sup>GOAL3</sup>

- Work closely with departments to prepare more comprehensive goals, objectives and performance measures for all city functions to improve upon the ability to benchmark.<sup>GOAL4</sup>
- Implement the new GASB accounting standards numbers 74, 75 and 77.<sup>GOAL1</sup>

## Performance Indicators / Outcome Measures

|  | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|--|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| <sup>GOAL2</sup> Bank Statements Reconciled                          | 288                       | 264                       | 132                    | 270                          | 270                          | 270                          |
| <sup>GOAL2</sup> Accounts Payable Invoices Processed                 | 14,226                    | 15,458                    | 6,989                  | 15,000                       | 15,000                       | 15,000                       |
| <sup>GOAL2</sup> General Payroll Checks/NODs Generated               | 12,186                    | 12,699                    | 5,505                  | 13,000                       | 13,000                       | 13,000                       |
| <sup>GOAL1</sup> Auditors Correcting Entries to Financial Statements | 0                         | 0                         | 0                      | 0                            | 0                            | 0                            |
| <sup>GOAL2</sup> Estimate/Final Pension Calculations                 | 23/18                     | 15/17                     | 13/0                   | 40/20                        | 40/20                        | 40/20                        |
| <sup>GOAL4</sup> GFOA Distinguished Budget Awarded                   | yes                       | yes                       | yes                    | yes                          | yes                          | yes                          |
| <sup>GOAL4</sup> GFOA CAFR Awarded                                   | yes                       | yes                       | yes                    | yes                          | yes                          | yes                          |
| <sup>GOAL2</sup> Bids Prepared                                       | 65                        | 35                        | 15                     | 40                           | 50                           | 50                           |

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

The personnel budget is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases, a request to promote the accountant II to an accountant III, a contractual increase in defined contribution benefits and due to having the administrative assistant allocation increase by 15% to assist with the risk management function that was recently moved to the finance department. Contracted services are budgeted to increase by \$20,000 for ongoing municipal (debt) services as prior to this the cost was strictly expended in the cost to issue bonds.

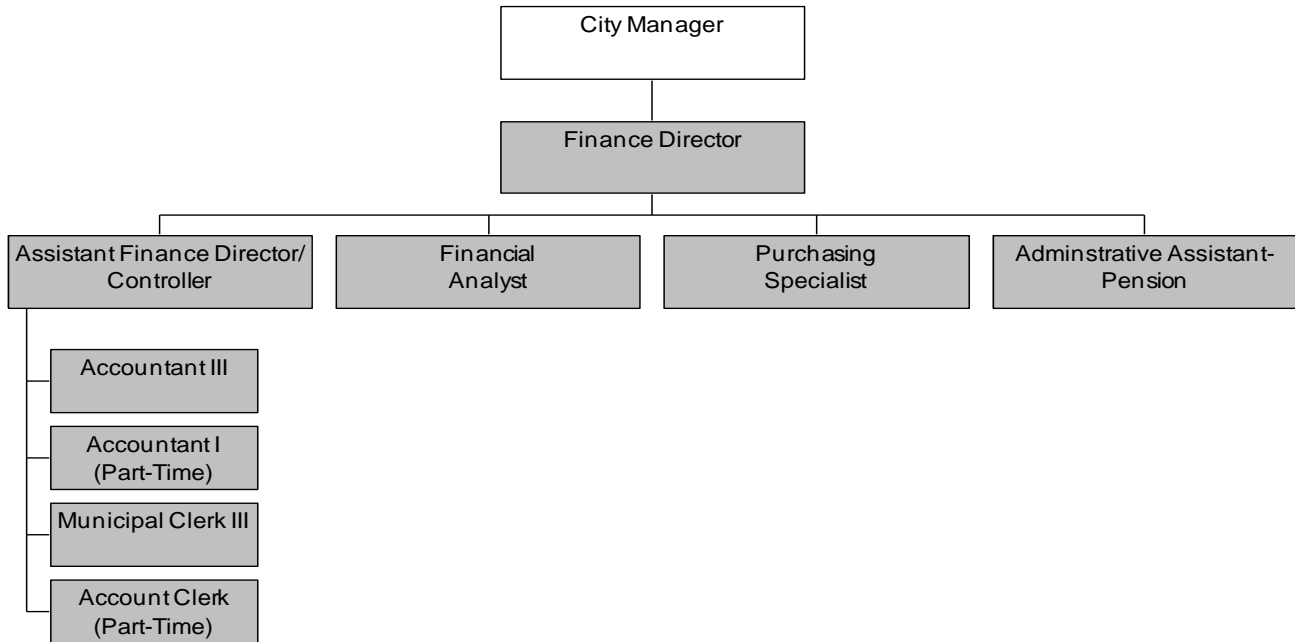
**Budget Summary**

**Expenditures**

| <b>101.201 FINANCE</b>          | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 588,740                   | 3,060           | 0              | 7,950        | 0           | 599,750      |
| 2014-2015 Actual                | 716,080                   | 3,120           | 0              | 8,500        | 0           | 727,700      |
| 2015-2016 Actual                | 766,030                   | 2,740           | 0              | 8,000        | 0           | 776,770      |
| 2016-2017 Original Budget       | 774,510                   | 3,500           | 0              | 13,200       | 0           | 791,210      |
| 2016-2017 Adjusted Budget (Dec) | 774,510                   | 3,500           | 0              | 13,200       | 0           | 791,210      |
| 2016-2017 Six Month Actual      | 353,440                   | 920             | 0              | 4,860        | 0           | 359,220      |
| 2016-2017 Estimated Year End    | 775,040                   | 3,000           | 0              | 11,200       | 0           | 789,240      |
| 2017-2018 Dept Request          | 688,400                   | 3,000           | 0              | 31,200       | 0           | 722,600      |
| 2017-2018 Manager's Budget      | 688,400                   | 3,000           | 0              | 31,200       | 0           | 722,600      |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 710,730                   | 3,000           | 0              | 32,230       | 0           | 745,960      |
| 2019-2020 Projected Budget      | 733,830                   | 3,000           | 0              | 33,310       | 0           | 770,140      |
| 2020-2021 Projected Budget      | 757,740                   | 3,000           | 0              | 34,440       | 0           | 795,180      |
| 2021-2022 Projected Budget      | 782,460                   | 3,000           | 0              | 35,630       | 0           | 821,090      |



## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Finance                                  |       | Fiscal Year |       |       |       |       |       |       |       |
|--|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10 | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>        |       |             |       |       |       |       |       |       |       |
| Director of Finance                      | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Asst. Finance Director / Controller      | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Accountant III                           | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   |
| Financial Analyst                        | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Accountant II                            | 0.0   | 0.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   |
| Purchasing Specialist                    | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Secretary I - Finance                    | 1.0   | 0.6         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Payroll Clerk III                        | 1.0   | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Finance - MC III                         | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Administrative Assistant - Pension       | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   |
| Full-Time Total                          | 6.0   | 5.6         | 5.0   | 5.0   | 5.0   | 6.0   | 7.0   | 7.0   | 7.0   |
| <b><u>Part-Time Positions (FTEs)</u></b> |       |             |       |       |       |       |       |       |       |
| Part-Time Positions                      | n/a   | 2.0         | 2.0   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                        | 6.0   | 7.6         | 7.0   | 5.0   | 5.0   | 6.0   | 7.0   | 7.0   | 7.0   |

\*2008-2010 Contracted analyst not shown.

***The mission of the assessor's office is to annually provide the residents and property owners of Royal Oak with fair and equitable assessments; provide information to the general public that is accurate and reliable and mindful; provide information to other city departments efficiently and allowing them to better perform their duties; provide all of these services in a professional and courteous manner which complies with the Charter of the City of Royal Oak and the constitution and laws of the State of Michigan.***

The assessor's office uniformly and accurately values all taxable property in the City of Royal Oak. The office is responsible for preparing the assessment rolls and tax rolls of the city for all classes of property subject to taxation. The state constitution and statutes require that, notwithstanding any other provision of law, the assessed values placed upon the assessment roll shall be at fifty percent (50%) of true cash value.

Passed by the voters in March of 1994, Proposal A placed additional limits on values used to compute property taxes. Starting in 1995, property taxes were calculated using "taxable value". This value is capped by the inflation rate multiplier until a property transfers ownership. Prior to Proposal A, taxes were calculated on the "State Equalized Value" (SEV). This value represents market or true cash value and changed annually regardless of changes in ownership.

The office is a valuable source of information for the public, maintaining data on each parcel of property in the city. This includes plat maps and record cards for over 25,000 real property parcels. Additionally, an outside vendor, by contract, maintains approximately 2,000 personal property parcels. The total parcels include these ad valorem parcels, Industrial Facilities Tax (IFT), Tax Increment Financing Authority (TIFA), Downtown Development Authority (DDA) and Brownfield Redevelopment Authority properties.

Another function of the assessor's office is to record, maintain and edit the status of each parcel of property in the city to determine whether it qualifies for a "principal residence exemption" for a portion of school tax. The

office also analyzes deeds and affidavits on every transferred property within the city that would trigger an "uncapping" of taxable value in accordance with Proposal A.

The administration of land divisions and combinations is the responsibility of the city assessor while coordinating review efforts with planning, building, engineering and treasury through completion with the Oakland County Land Division and the Land and Address Management System. The assessor assists and guides the property owner through the process. This procedure includes plat and condominium developments.

Change of assessment notices are mailed in February of each year and taxpayers are given the opportunity to protest their assessment before the city's board of review in March. The board of review is composed of six city residents, forming two boards working as one, appointed by the commission for two year terms. The board has the discretion and authority to make adjustments to an individual's assessment if warranted.

General property tax law also provides for a special meeting of the board of review to be held on specific days in July and December for the purpose of correcting clerical errors or mutual mistakes of fact.

With the legal assistance of quality, professional outside counsel, the assessor's office is able to settle, dismiss, and defend the tax tribunal appeals that are brought against the city.

On or before the first day of July of each year, the city assessor delivers a certified copy of the assessment roll on which the city tax has been apportioned and spread, with the warrant annexed to the city treasurer.

The assessments are utilized with the millage rates adopted by the various taxing authorities (Oakland County Operating, Oakland County Parks & Recreation, Zoological Authority, Art Institute Authority, Public Transportation Authority, Huron-Clinton Metropolitan Authority, Berkley, Clawson and Royal Oak Schools, Oakland Community College, Oakland Schools ISD) to generate tax revenues for the authorities within the city's boundaries.

## GOALS

1. To maintain fair assessments for all classes of property.
2. To improve the quality of service and information available to the public.
3. To keep accurate sale valuation, name, address and principal residence exemption files.
4. Compliment a quality board of review for March, July and December.
5. To review cost measures associated with the assessment function.
6. Defend assessments at the Michigan Tax Tribunal.
7. Meet STC guidelines regarding the annual review of properties.
8. Prepare all mandatory reports to insure proper collection of taxes.
9. Create and administer the process for all lot splits/combinations.
10. Prepare special assessment rolls.
11. Creation of new land value maps.

## OBJECTIVES

- Provide a smooth transition between Oakland County and new contractor for personal property.<sup>GOAL1</sup>
- Provide information availability through improved internet access.<sup>GOAL2</sup>
- Comprehensively update photos of properties in the assessment files.<sup>GOAL7</sup>
- Review all sales to verify transfer information, proper uncapping and property record information.<sup>GOAL7</sup>
- Provide an updated land division process to increase revenue and streamline our business practices.<sup>GOAL9</sup>
- Develop new land values and land value maps for commercial and industrial properties.<sup>GOAL11</sup>

## Performance Indicators / Outcome Measures

|  | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|--|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL1 Assessment Notices Processed     | 27,437                    | 27,536                    | 0                      | 27,579                       | 27,600                       | 27,650                       |
| GOAL7 Residential Property Appraisals  | 1,107                     | 1,602                     | 1,063                  | 1,400                        | 1,400                        | 1,400                        |
| GOAL7 Commercial/Industrial Appraisals | 175                       | 175                       | 30                     | 300                          | 300                          | 300                          |
| GOAL6 Small Claims Tribunal Appeals    | 11                        | 3                         | 11                     | 15                           | 12                           | 10                           |
| GOAL6 Full Tax Tribunal Appeals        | 29                        | 10                        | 49                     | 49                           | 20                           | 20                           |
| GOAL3 Homestead Affidavits Processed   | 7,984                     | 7,628                     | 4,494                  | 8,000                        | 8,000                        | 8,000                        |
| GOAL3 Transfer Affidavits Processed    | 2,462                     | 2,337                     | 1,274                  | 2,500                        | 2,500                        | 2,500                        |
| GOAL1 Board of Review Appeals          | 231                       | 390                       | 143                    | 380                          | 370                          | 360                          |
| GOAL1 Board of Review Adjustments      | -3,173,580                | -3,173,580                | -1,792,310             | -3,700,000                   | -3,500,000                   | -3,400,000                   |
| GOAL6 Tax Tribunal Decisions           | 14                        | 30                        | 5                      | 60                           | 50                           | 40                           |
| GOAL6 Tax Tribunal Adjustments         | -1,222,560                | -3,059,565                | -204,320               | -1,200,000                   | -1,100,000                   | -1,000,000                   |
| GOAL1, GOAL3 Property Sales Reviewed   | 2,969                     | 2,969                     | 1,524                  | 3,000                        | 3,000                        | 3,000                        |
| GOAL1 Property Transfers Uncapped      | 1,837                     | 1,884                     | 1,141                  | 2,000                        | 2,000                        | 2,000                        |
| GOAL1 Equalization Factor              | 1.0000                    | 1.0000                    | 1.0000                 | 1.0000                       | 1.0000                       | 1.0000                       |
| GOAL9 Lot Splits/Combinations          | 19                        | 19                        | 17                     | 20                           | 20                           | 20                           |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

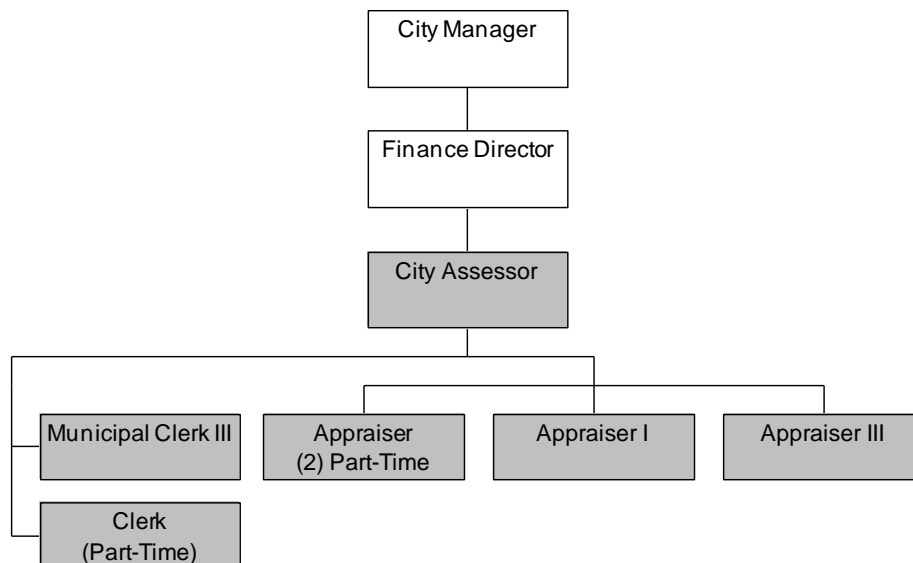
The personnel budget is increasing due to the potential for employees (who are not at the top of their pay range) to receive wage increases as well as both part-time appraiser positions being filled for the entire year and a contractual increase in defined contribution benefits. Motor pool costs are increasing due to collection of depreciation on two newer vehicles recently put in service. A contracted service is budgeted to increase \$2,300 due to an increase in the cost of the personal property tax contractor and the appraiser fee for the Michigan tax tribunal. Contracted legal service is budgeted to increase relative to fiscal year 16-17 projected due to a contingency for a possible litigation for a tribunal matter.

## Budget Summary

### Expenditures

| 101.209 ASSESSOR                | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|---------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                | 492,140            | 13,500   | 0       | 99,160  | 0    | 604,800 |
| 2014-2015 Actual                | 572,800            | 14,610   | 0       | 97,750  | 0    | 685,160 |
| 2015-2016 Actual                | 634,350            | 14,360   | 0       | 90,620  | 0    | 739,330 |
| 2016-2017 Original Budget       | 675,930            | 16,050   | 0       | 145,870 | 0    | 837,850 |
| 2016-2017 Adjusted Budget (Dec) | 675,930            | 16,050   | 0       | 145,870 | 0    | 837,850 |
| 2016-2017 Six Month Actual      | 291,680            | 7,790    | 0       | 29,960  | 0    | 329,430 |
| 2016-2017 Estimated Year End    | 649,720            | 15,590   | 0       | 122,580 | 0    | 787,890 |
| 2017-2018 Dept Request          | 491,060            | 16,050   | 0       | 158,330 | 0    | 665,440 |
| 2017-2018 Manager's Budget      | 491,060            | 16,050   | 0       | 158,330 | 0    | 665,440 |
| 2018-2019 Projected Budget      | 505,530            | 16,050   | 0       | 158,860 | 0    | 680,440 |
| 2019-2020 Projected Budget      | 520,470            | 16,050   | 0       | 159,400 | 0    | 695,920 |
| 2020-2021 Projected Budget      | 535,910            | 16,050   | 0       | 159,950 | 0    | 711,910 |
| 2021-2022 Projected Budget      | 551,860            | 16,050   | 0       | 160,510 | 0    | 728,420 |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Assessing                                |       | Fiscal Year |       |       |       |       |       |       |       |
|--|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10 | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>        |       |             |       |       |       |       |       |       |       |
| City Assessor                            | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Deputy City Assessor                     | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Appraiser III                            | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Appraiser I                              | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Assessing - MC III                       | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Assessing - MC II                        | 1.0   | 1.0         | 1.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Assessing - MC I                         | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                          | 4.0   | 4.0         | 4.0   | 3.0   | 3.0   | 4.0   | 4.0   | 4.0   | 4.0   |
| <b><u>Part-Time Positions (FTEs)</u></b> |       |             |       |       |       |       |       |       |       |
| Part-Time Positions                      | n/a   | 0.6         | 1.3   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                        | 4.0   | 4.6         | 5.3   | 3.0   | 3.0   | 4.0   | 4.0   | 4.0   | 4.0   |

***The mission of the City of Royal Oak attorney's office is to promote responsible government by providing highly professional legal counsel to the city commission, city departments, boards and committees, and city employees in all matters relating to any official duties.***

The city attorney's office is established by the Royal Oak Charter (chapter III, section 22). The city attorney is appointed by, and is directly responsible to the city commission. The attorney serves as the legal adviser and counsel for the city and for all officers and departments in all matters relating to their official duties, and performs such other duties as may be imposed by the commission, either by ordinance or resolution.

The city attorney's office is an integral part of the criminal justice system, working with the police and code enforcement departments in the prosecution of misdemeanors and civil infractions in the district court.

The city attorney also prepares and reviews contracts and development agreements, reviews bonds and insurance policies, prepares ordinances, and manages all civil litigation for the city.

## GOALS

1. General counsel - to provide sound legal advice in a timely manner.
2. Civil litigation – to provide the city with effective representation in all cases in which the city is a party.
3. Ordinance prosecution – to effectively prosecute city ordinance violations.
4. To advocate on behalf of the people of the City of Royal Oak in the best interests of justice.
5. To courteously handle inquiries from the general public regarding the city code and/or established city policies and procedures.
6. To provide on-going review of the city code to comply with the current state of the law and further the city commission's goals and objectives.<sup>GOAL3</sup>

## OBJECTIVES

- To assist in development projects that have received city commission approval.<sup>GOAL1</sup>
- Continue process for establishing ROOTS as a 501(c)3.<sup>GOAL1</sup>
- Investigate options for a snow removal ordinance.<sup>GOAL6</sup>

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

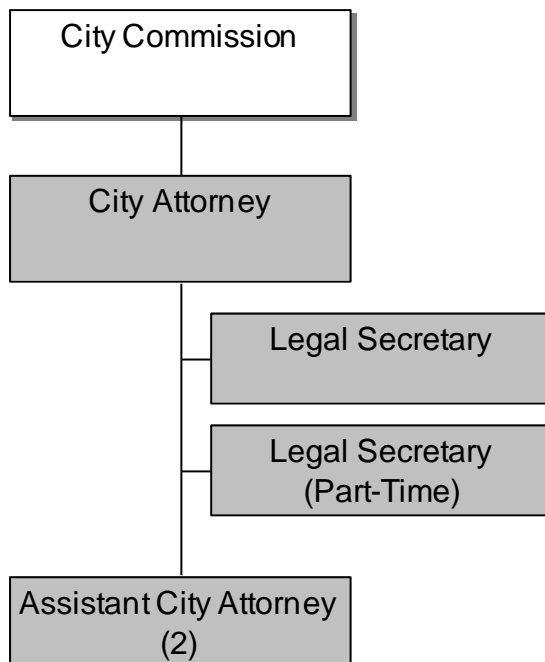
Full-time personnel costs will increase due to the position of city attorney being filled, the legal secretary position, which was previously shared with the city manager's office, will again be charged to the city attorney's office and a contractual increase in defined contribution benefits. Contracted legal services are projected and budgeted to be \$60,000 higher than the 16-17 original budget due to several large development projects. Filing fees and miscellaneous expenditures are decreasing relative to the fiscal year 16-17 original budget since there is no pending arbitration and all labor contracts are settled through 2019. Books and subscriptions are increasing \$1,500 to purchase updated legal books. Training is increasing \$500 as attorneys were unable to attend training in fiscal year 16-17 due to staffing issues.

**Budget Summary****Expenditures**

| <b>101.210 ATTORNEY</b>         | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 615,160                   | 11,980          | 0              | 106,310      | 0           | 733,450      |
| 2014-2015 Actual                | 643,270                   | 12,110          | 0              | 149,760      | 0           | 805,140      |
| 2015-2016 Actual                | 570,570                   | 11,920          | 0              | 166,280      | 0           | 748,770      |
| 2016-2017 Original Budget       | 710,660                   | 13,830          | 0              | 69,020       | 0           | 793,510      |
| 2016-2017 Adjusted Budget (Dec) | 624,470                   | 13,830          | 0              | 119,020      | 0           | 757,320      |
| 2016-2017 Six Month Actual      | 196,390                   | 5,400           | 0              | 79,380       | 0           | 281,170      |
| 2016-2017 Estimated Year End    | 517,830                   | 13,860          | 0              | 123,640      | 0           | 655,330      |
| 2017-2018 Dept Request          | 528,040                   | 15,360          | 0              | 125,870      | 0           | 669,270      |
| 2017-2018 Manager's Budget      | 528,040                   | 15,360          | 0              | 125,870      | 0           | 669,270      |
| 2018-2019 Projected Budget      | 545,310                   | 15,360          | 0              | 125,870      | 0           | 686,540      |
| 2019-2020 Projected Budget      | 563,170                   | 15,360          | 0              | 125,870      | 0           | 704,400      |
| 2020-2021 Projected Budget      | 581,650                   | 15,360          | 0              | 125,870      | 0           | 722,880      |
| 2021-2022 Projected Budget      | 600,780                   | 15,360          | 0              | 125,870      | 0           | 742,010      |



## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Attorney                          | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b> |             |       |       |       |       |       |       |       |       |
| City Attorney                     | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Assistant City Attorney           | 2.0         | 1.0   | 1.0   | 1.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Legal Secretary                   | 1.0         | 0.5   | 0.5   | 0.5   | 0.5   | 0.5   | 0.8   | 0.8   | 1.0   |
| Full-Time Total                   | 4.0         | 2.5   | 2.5   | 2.5   | 3.5   | 3.5   | 3.8   | 3.8   | 4.0   |

***The mission of the city's clerk's office is to successfully serve the public and city commission as prescribed by federal and state law and the city charter, in addition to providing high quality customer service to city departments.***

Pursuant to the city charter, the city clerk is the clerk of the city commission and with the mayor, signs and attests all ordinances; and keeps a journal of record of the city commission's proceedings. In addition, the city clerk performs such other duties as are prescribed by the charter, the general laws of the state, or by the city commission.

Such duties include the posting of all meeting notices, records and transcribe minutes for official city commission meetings and workshops in accordance with the Open Meetings Act. The clerk's office prepares all agenda items for city commission meetings via paperless e-mail packets, scanned into document imaging and put onto the city's website. The office prepares minutes for the following meetings: city commission, charter review, civil service, fire civil service commission and rules committee. The clerk's office is the keeper of official city records, processes freedom of information requests and serves as a notary public for city business.

The clerk's office provides birth and death certificates dog licenses, dog park passes, bike licenses, valet licenses, special event permits, parking station permits, solicitation/peddler permits, dream cruise permits; parking permits; processes SDD/SDM and class C liquor license renewals, liquor transfers and bistro licenses; publishes legal notices, issues proclamations, sends updates of all ordinances to general code for codification; processes applications from residents who want to serve on city boards and committees maintaining a list of qualified candidates.

A do not knock List was established in December of 2012 in which the city clerk's office now keeps track of.

Since 2014 the office has been utilizing the electronic death registry system through the State of Michigan in which death certificates may now be e-filed.

In 2016, we successfully had all city commission minutes scanned and are now word searchable on the city's website for anyone to be able to search and view.

## GOALS

1. To be in compliance with all acts / laws related to the duties of the clerk's office.
2. To effectively administer the clerk office's license and permit process while providing excellent customer service to license and permit holders.
3. To provide excellent and efficient official record keeping by use of technology, while keeping records safe and accessible.

## OBJECTIVES

- Stay active in statewide clerk's associations to have our concerns addressed and to be informed of new acts/laws being implemented.<sup>GOAL1</sup>
- Continue utilizing document imaging for all birth/death certificates as well as contracts for easy accessibility.<sup>GOAL2</sup>
- Currently serving on the Oakland County Clerk's Legislative Committee.<sup>GOAL1</sup>

## Performance Indicators / Outcome Measures

|                                       | <u>Actual<br/>2014</u> | <u>Actual<br/>2015</u> | <u>Actual<br/>2016</u> | <u>Projected<br/>2017</u> | <u>Projected<br/>2018</u> | <u>Projected<br/>2019</u> |
|---------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|---------------------------|
| <b>Documents Processed/Issued:</b>    |                        |                        |                        |                           |                           |                           |
| GOAL2 Birth Certificates              | 5,205                  | 6,184                  | 6,701                  | 6,000                     | 6,000                     | 6,000                     |
| GOAL2 Business Licenses (Annual)      | 129                    | 183                    | 16                     | 20                        | 20                        | 20                        |
| GOAL2 Death Certificates              | 1,648                  | 1,763                  | 1,693                  | 1,700                     | 1,700                     | 1,700                     |
| GOAL2 Dog Licenses                    | 2,432                  | 2,488                  | 2,519                  | 2,600                     | 2,600                     | 2,600                     |
| GOAL2 Dog Park Passes                 | 243                    | 235                    | 237                    | 250                       | 250                       | 250                       |
| GOAL1 Freedom of Information Act      | 87                     | 116                    | 129                    | 120                       | 120                       | 120                       |
| GOAL2 Initial Merchants Licenses      | 30                     | 11                     | 0                      | 0                         | 0                         | 0                         |
| GOAL2 Liquor License Renewals         | 52                     | 52                     | 55                     | 55                        | 55                        | 55                        |
| GOAL2 Miscellaneous Business Licenses | 130                    | 99                     | 72                     | 100                       | 100                       | 100                       |
| GOAL2 Peddler Permits                 | 67                     | 37                     | 56                     | 50                        | 50                        | 50                        |
| GOAL2 SDD/SDM Renewals                | 38                     | 37                     | 36                     | 40                        | 40                        | 40                        |
| GOAL2 Solicitation Permits            | 22                     | 19                     | 20                     | 20                        | 20                        | 20                        |
| GOAL2 Special Event Permits           | 39                     | 55                     | 55                     | 50                        | 50                        | 50                        |
| GOAL2 Woodward Dream Cruise Permits   | 56                     | 67                     | 75                     | 80                        | 85                        | 90                        |

**Note: City clerk's department performance measures are reported on a calendar year basis as opposed to a fiscal year basis**

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

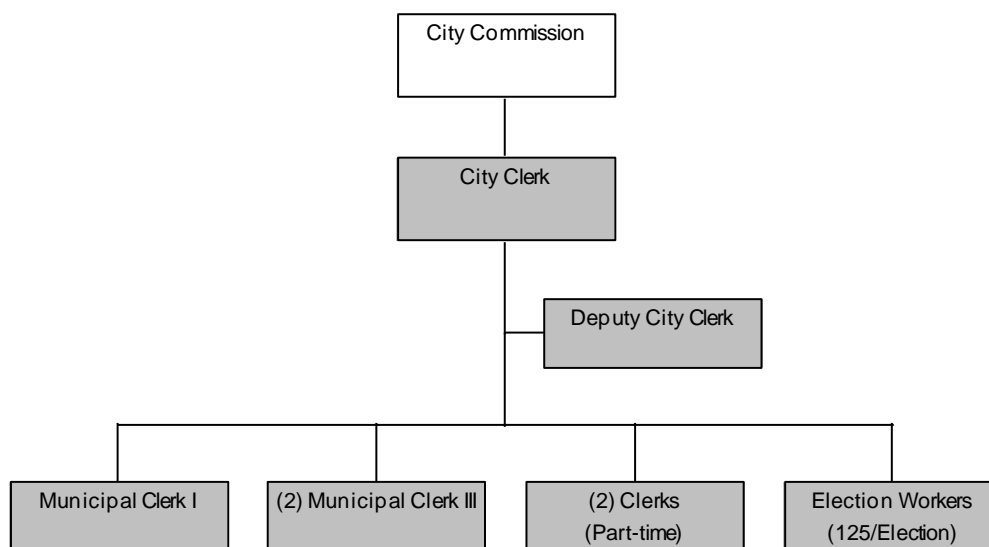
The personnel budget is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases, having two part-time employees for the full year, as well as a contractual increase in defined contribution benefits.

## Budget Summary

### Expenditures

| 101.215 CLERK                   | Personnel Services | Supplies | Capital | Other  | Debt | Total   |
|---------------------------------|--------------------|----------|---------|--------|------|---------|
| 2013-2014 Actual                | 359,470            | 9,280    | 0       | 19,760 | 0    | 388,510 |
| 2014-2015 Actual                | 374,890            | 12,160   | 0       | 16,630 | 0    | 403,680 |
| 2015-2016 Actual                | 403,400            | 14,900   | 0       | 31,930 | 0    | 450,230 |
| 2016-2017 Original Budget       | 421,900            | 17,500   | 0       | 44,500 | 0    | 483,900 |
| 2016-2017 Adjusted Budget (Dec) | 421,900            | 17,500   | 0       | 44,500 | 0    | 483,900 |
| 2016-2017 Six Month Actual      | 187,910            | 2,160    | 0       | 5,750  | 0    | 195,820 |
| 2016-2017 Estimated Year End    | 409,480            | 17,500   | 0       | 44,500 | 0    | 471,480 |
| 2017-2018 Dept Request          | 300,460            | 17,500   | 0       | 44,500 | 0    | 362,460 |
| 2017-2018 Manager's Budget      | 300,460            | 17,500   | 0       | 44,500 | 0    | 362,460 |
| 2018-2019 Projected Budget      | 309,980            | 17,500   | 0       | 44,500 | 0    | 371,980 |
| 2019-2020 Projected Budget      | 319,840            | 17,500   | 0       | 44,500 | 0    | 381,840 |
| 2020-2021 Projected Budget      | 330,040            | 17,500   | 0       | 44,500 | 0    | 392,040 |
| 2021-2022 Projected Budget      | 340,580            | 17,500   | 0       | 44,500 | 0    | 402,580 |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| City Clerk                               |       | Fiscal Year |       |       |       |       |       |       |       |
|--|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10 | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>        |       |             |       |       |       |       |       |       |       |
| City Clerk                               | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Deputy City Clerk                        | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| CS III - Purchasing                      | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| City Clerk - MC III                      | 2.0   | 1.0         | 2.0   | 2.0   | 3.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| City Clerk - MC I                        | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Cashier II                               | 1.0   | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                          | 5.0   | 4.0         | 4.0   | 4.0   | 5.0   | 5.0   | 5.0   | 5.0   | 5.0   |
| <b><u>Part-Time Positions (FTEs)</u></b> |       |             |       |       |       |       |       |       |       |
| Part-Time Positions                      | n/a   | 0.3         | 0.7   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                        | 5.0   | 4.3         | 4.7   | 4.0   | 5.0   | 5.0   | 5.0   | 5.0   | 5.0   |

***The mission of the human resources department (HR) is to provide our customers – management, employees, retirees, applicants and the general public – with efficient, effective and courteous human resources services within legal, professional and ethical parameters.***

The department coordinates and administers the recruitment, screening, selection, and on-boarding of new employees, consistent with federal and state laws and local civil service ordinance. It manages the classification, promotion, transfer and evaluation of employees consistent with union contract provisions, civil service rules and city goals and objectives.

HR administers compensation and benefit plans for employees consistent with contract provisions and applicable laws, including leave benefits, tuition reimbursement, deferred compensation, and special pays. This includes 72 different health plans that provide health, dental, vision, life and supplemental insurance for all employees and retirees including monthly billings, liaison duties with providers, and processing of employee/retiree status changes, including Medicare A, B & D (dependents and beneficiaries, etc.). The office maintains applicant, employee and retiree records.

HR assists in negotiating, interpreting and administering nine (9) union contracts, resolving grievances and participating in Act 312 and grievance arbitration.

HR provides counseling and assistance to department heads and employees relevant to personnel issues and coordinates/facilitates training to meet department and city needs.

The department reports and/or monitors workers' compensation and unemployment compensation claims with third party administrators; ensures compliance with the Affordable Care Act, MIOSHA, accident/injury policies and procedures, and collective bargaining agreements; performs liaison duties with workers' compensation clinics for employee injuries, new hire physicals and DOT drug testing program and requirements.

HR develops, distributes and monitors city policies such as sexual harassment, EEO, ADA, Family and Medical Leave Act, workplace violence, employee assistance, drug free workplace, nepotism, etc.

The human resources department staffs the civil service board and fire civil service commission. It also provides representation to safety committees and the city-sponsored health and wellness center.

---

### GOALS:

1. To promote lawful, nondiscriminatory, and ethical personnel actions and policy decisions.
2. To facilitate the culture of a qualified, productive and diverse workforce.
3. To provide equitable and cost-effective benefit packages for the city's workforce.

### OBJECTIVES:

- Provide human resources staff with the required training to ensure each is knowledgeable regarding city policies and applicable ordinances, employment and other laws, including the Patient Protection and Affordable Care Act.<sup>GOAL1</sup>
- Provide complete, executed labor contracts and post them on the city website.<sup>GOAL1</sup>
- Provide employees with job-specific training as required, within budget parameters.<sup>GOAL2</sup>
- Provide employees with workplace violence and policy training.

**GOALS:**

**OBJECTIVES:**

- Update the compensation survey and establish a regular process for doing so.<sup>GOAL1</sup>
- Evaluate employee benefits to insure competitiveness.<sup>GOAL1</sup>
- Review the city's hiring process and explore options for improvement.<sup>GOAL3</sup>

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Personnel costs will increase due to the addition of a full-time recruitment coordinator to replace one of the part-time positions and a contractual increase in defined contribution benefits. Training is increasing \$3,000 for new hires. Contracted services are increasing \$30,000 relative to fiscal year 16-17 projected to include a \$40,000 wage study and \$10,000 for FMLA administration. Civil service exam expenses are increasing \$27,000 due to an expected increase in police and fire promotions and entry level hires across all departments which will require exams. Medical services are increasing \$16,000 due to anticipated hiring and Department of Transportation exams. Employment advertising expense is increasing \$2,000 due to anticipated hiring.

## Performance Indicators / Outcome Measures

|  | Actual         | Actual         | Dec 31      | Projected      | Projected      | Projected      |
|--|----------------|----------------|-------------|----------------|----------------|----------------|
|  | <u>FY14-15</u> | <u>FY15-16</u> | <u>2016</u> | <u>FY16-17</u> | <u>FY17-18</u> | <u>FY18-19</u> |
| GOAL <sup>2</sup> Labor Contracts Negotiated   | 6              | 6              | 3           | 4              | 1              | 1              |
| GOAL <sup>2</sup> % of Labor Contracts Settled   | 100            | 100            | 70          | 100            | 90             | 100            |
| GOAL <sup>1</sup> Employees Hired (FT/PT)  | 157            | 92             | 236*        | 130            | 130            | 130            |
| GOAL <sup>2</sup> Applications Processed (FT/PT)   | 1,391          | 688            | 1,482       | 2,000          | 2,000          | 2,000          |
| GOAL <sup>2</sup> Promotions/Transfers/Terminations Processed                                | 128            | 84             | 139         | 170            | 170            | 170            |
| GOAL <sup>3</sup> Worker's Comp Claims Processed   | 49             | 44             | 23          | 55             | 55             | 55             |
| GOAL <sup>3</sup> Administration/Processing of Benefits for Insurance Enrollees (Employees & | 725            | 771            | 764         | 770            | 770            | 770            |
| GOAL <sup>3</sup> FT HR Staff to FT Workforce Ratio  | 1:99           | 1:100          | 1:103       | 1:103          | 1:103          | 1:103          |
| Residents rated friendly   | n/a            | n/a            | n/a         | n/a            | n/a            | n/a            |
| Residents rated helpful  | n/a            | n/a            | n/a         | n/a            | n/a            | n/a            |
| Residents rated efficient  | n/a            | n/a            | n/a         | n/a            | n/a            | n/a            |

*\*includes election workers for presidential election*



## Budget Summary

### Expenditures

| 101.226 HUMAN RESOURCES         | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|---------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                | 294,910            | 660      | 0       | 88,860  | 0    | 384,430 |
| 2014-2015 Actual                | 334,440            | 1,070    | 0       | 110,210 | 0    | 445,720 |
| 2015-2016 Actual                | 407,470            | 2,790    | 0       | 194,970 | 0    | 605,230 |
| 2016-2017 Original Budget       | 428,030            | 2,600    | 0       | 298,690 | 0    | 729,320 |
| 2016-2017 Adjusted Budget (Dec) | 428,030            | 2,600    | 0       | 298,690 | 0    | 729,320 |
| 2016-2017 Six Month Actual      | 184,110            | 920      | 0       | 88,420  | 0    | 273,450 |
| 2016-2017 Estimated Year End    | 414,800            | 2,600    | 0       | 248,750 | 0    | 666,150 |
| 2017-2018 Dept Request          | 384,370            | 2,100    | 0       | 351,350 | 0    | 737,820 |
| 2017-2018 Manager's Budget      | 384,370            | 2,100    | 0       | 351,350 | 0    | 737,820 |
| 2018-2019 Projected Budget      | 397,200            | 2,100    | 0       | 316,350 | 0    | 715,650 |
| 2019-2020 Projected Budget      | 410,460            | 2,100    | 0       | 316,350 | 0    | 728,910 |
| 2020-2021 Projected Budget      | 424,190            | 2,100    | 0       | 316,350 | 0    | 742,640 |
| 2021-2022 Projected Budget      | 438,410            | 2,100    | 0       | 316,350 | 0    | 756,860 |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Human Resources                   |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |  |             |       |       |       |       |       |       |       |       |
| Human Resource Director           |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Human Resource Specialist         |  | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   |
| Benefits Specialist               |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Recruitment Coordinator           |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   |
| Secretary I - HR                  |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   | 0.0   | 0.0   |
| H/R - MC III                      |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| H/R - MC II                       |  | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                   |  | 4.0         | 2.0   | 2.0   | 2.0   | 2.0   | 3.0   | 3.0   | 3.0   | 4.0   |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 0.9   | 0.6   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 4.0         | 2.9   | 2.6   | 2.0   | 2.0   | 3.0   | 3.0   | 3.0   | 4.0   |

***The general administration cost center records charges that are general fund responsibilities but are not specifically assigned to any user due to their subjective nature.***

Administrative charges for non-specific items are recorded here to monitor total cost. There are numerous general costs expensed in this cost center such as property and general liability insurance costs, information technology service charges, audit services, a portion of bank

services charges, tax correction/adjustments. In fiscal year 2016-17 the Royal Oak City Center consulting costs were expensed in this cost center. Beginning in fiscal year 2017-18, the principal and interest payments for the general fund's portion of the OPEB and pension bonds are expensed in this cost center.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Property and casualty coverage is decreasing based upon utilizing anticipated net asset distribution to offset costs. IT charge is flat. The significant increase is due to the first year of interest and principal payments for the new OPEB/pension bonds.

## Budget Summary

### Expenditures

| 101.248 ADMINISTRATION          | Personnel Services | Supplies | Capital | Other     | Debt      | Total     |
|---------------------------------|--------------------|----------|---------|-----------|-----------|-----------|
| 2013-2014 Actual                | (410)              | 0        | 0       | 712,830   | 0         | 712,420   |
| 2014-2015 Actual                | 1,930              | 0        | 0       | 760,270   | 0         | 762,200   |
| 2015-2016 Actual                | (1,750)            | 0        | 0       | 1,057,460 | 0         | 1,055,710 |
| 2016-2017 Original Budget       | 0                  | 0        | 0       | 1,122,930 | 0         | 1,122,930 |
| 2016-2017 Adjusted Budget (Dec) | 0                  | 0        | 0       | 1,397,930 | 0         | 1,397,930 |
| 2016-2017 Six Month Actual      | 0                  | 0        | 0       | 762,510   | 0         | 762,510   |
| 2016-2017 Estimated Year End    | 0                  | 0        | 0       | 1,392,930 | 0         | 1,392,930 |
| 2017-2018 Dept Request          | 0                  | 0        | 0       | 7,085,650 | 2,439,820 | 9,525,470 |
| 2017-2018 Manager's Budget      | 0                  | 0        | 0       | 7,085,650 | 2,439,820 | 9,525,470 |
| 2018-2019 Projected Budget      | 0                  | 0        | 0       | 1,054,630 | 2,439,820 | 3,494,450 |
| 2019-2020 Projected Budget      | 0                  | 0        | 0       | 1,084,480 | 2,439,820 | 3,524,300 |
| 2020-2021 Projected Budget      | 0                  | 0        | 0       | 1,115,230 | 2,439,820 | 3,555,050 |
| 2021-2022 Projected Budget      | 0                  | 0        | 0       | 1,146,900 | 2,439,820 | 3,586,720 |

***The mission of the treasurer's office is to effectively and efficiently collect, secure, invest, and disburse all city monies; which includes tax billing, water billing, accounts receivables, special assessments, parking funds, and numerous miscellaneous receivables and disbursements.***

All taxes, special assessments, and license fees, accruing to the city, are collected by the city treasurer. All money received by any officer or employees of the city for or in connection with the business of the city is paid to the city treasurer, and deposited to one of the approved banking institutions. The treasury office collects and redistributes property taxes for all of the various taxing authorities within the city including: Oakland County, Oakland County Parks & Recreation, the Zoological Authority, the Public Transportation Authority, the Huron-Clinton the Metropolitan Authority, Berkley, Clawson and Royal Oak Schools, Oakland Community College, Oakland Schools ISD.

In addition, the office handles all accounts receivable billing, water/sewer utility receipts, rehab loan accounting, parking permits, collection, balancing and accounting for city revenues collected by the cashier and the reconciliation and posting of all revenues collected at off-site locations.

The treasurer is responsible for cash management: investing and tracking investments of city funds, the strategic planning

of investments to cover regular monthly planned expenditures, such as accounts payable, payroll and retirement, as well as, cash flow planning for less-regular expenditures, such as large construction contract or semi-annual bond payments.

The office has continued to add value to the city's investment portfolio through diversification and has worked diligently to improve the yield of the investments while maintaining the safety of principal. This department consistently looks for ways to offer better services and a more effective use of funds through a greater use of bank products and services and improved technology.

Beginning December 2015, Royal Oak property owners have the option of paying tax bills and water bills on-line with a credit card, debit card or e-check from the city website through "Official Payments". In addition, the city is offering direct debit payments for water bills. These electronic payment programs have been tremendously popular, with over 6,600 residents, or 27% of our total customer base.

For improved customer service, treasury has worked to expand the acceptance of credit cards to other departments. For convenience, customers can now pay for various city services, permits and certificates at the building department, clerk's office, treasurer's office, DPS, the library, and parks and recreation.

## GOALS

1. To develop and implement treasury related processes to improve efficiencies and reduce costs.
2. To manage the tax administration and receivables programs in compliance with all applicable laws and internal controls.
3. To administer the cash management program with the effect of increasing returns and decreasing cost.
4. To train and educate employees to keep them up to date on all relevant laws.

## OBJECTIVES

- To expand and improve upon 24/7 online access to information needed by residents and title/mortgage servicing companies by providing property tax, water and special assessment information, along with reducing incoming phone calls to the department.<sup>GOAL1</sup>
- Provide opportunity for residents to pay special assessments, fees, and charges online.<sup>GOAL1</sup>
- To increase the level of direct debit customers in an effort to reduce manual processes.<sup>GOAL1</sup>
- To eliminate unnecessary manual process, and move towards paperless environment with the use of the advanced functionalities in the tax, water billing, cash receipting and miscellaneous receivable systems.<sup>GOAL1</sup>
- Review and implement alternative methods to receive donations.<sup>GOAL3</sup>

## Performance Indicators / Outcome Measures

|  | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|--|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| <sup>GOAL2</sup> Tax bills generated                   | 60,820                    | 61,032                    | 61,310                 | 61,310                       | 61,500                       | 61,500                       |
| <sup>GOAL2</sup> Water bills generated                 | 89,118                    | 91,045                    | 48,871                 | 92,500                       | 92,500                       | 92,500                       |
| <sup>GOAL2</sup> Phone calls received                  | 32,660                    | 32,985                    | 21,206                 | 35,143                       | 35,000                       | 35,000                       |
| <sup>GOAL1</sup> Direct Debit Customers (W & S)        | 2,520                     | 2,657                     | 3,109                  | 3,200                        | 3,200                        | 3,200                        |
| <sup>GOAL1</sup> % Participation in Automatic Bill Pay | 11%                       | 11%                       | 14%                    | 15%                          | 16%                          | 16%                          |
| <sup>GOAL2</sup> Invoices Billed                       | 900                       | 716                       | 538                    | 1,050                        | 1,050                        | 1,050                        |
| <sup>GOAL2</sup> Special Assessments Billed            | 6,549                     | 4,511                     | 7,146                  | 7,146                        | 5,000                        | 5,000                        |
| <sup>GOAL3</sup> FTE's per Resident Ratio              | 1:18,350                  | 1:18,350                  | 1:18,350               | 1:13,750                     | 1:13,750                     | 1:13,750                     |

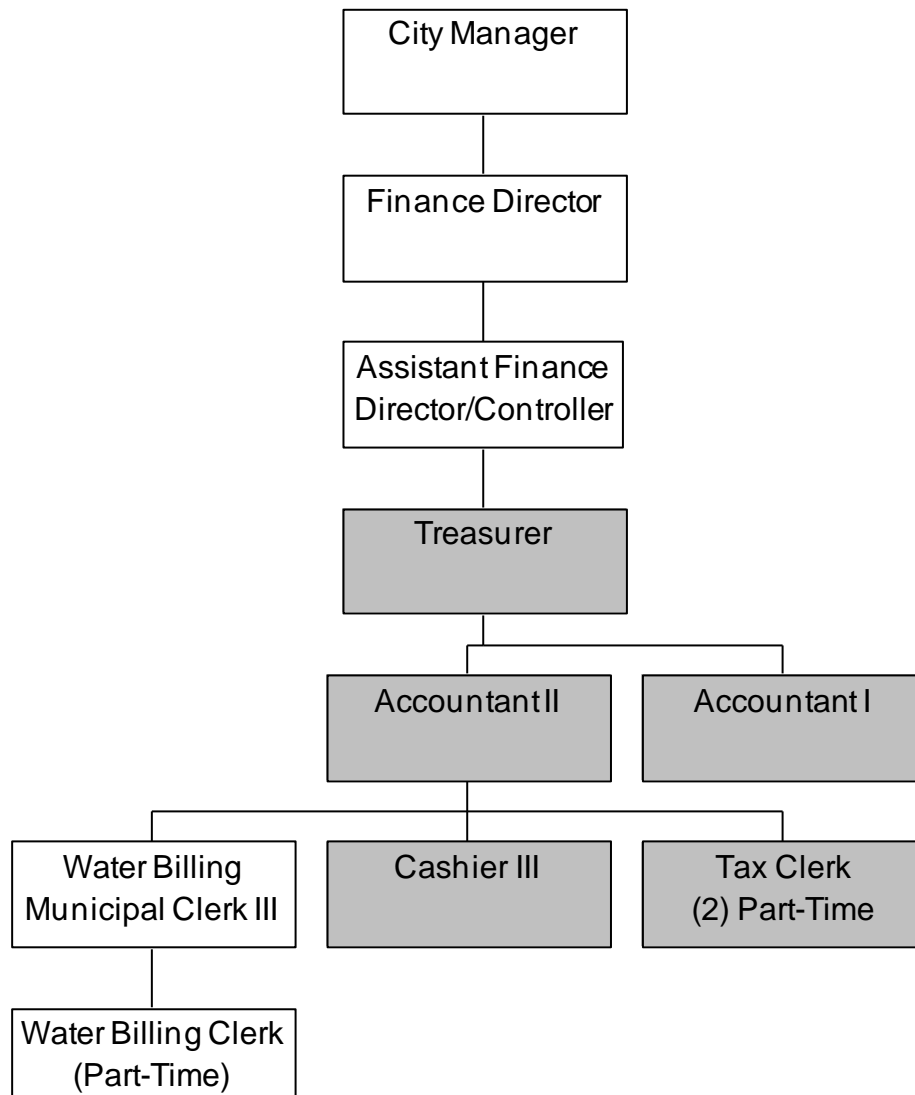
**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Full-time wages are decreasing due to a one time retirement payout in fiscal year 16-17. Part-time wages are budgeted to increase \$8,000 compared to 16-17 projected due to not being at full staffing for part of 16-17 and an increase in the hourly rate. Defined contribution benefits are increasing due to new labor contracts. Training and education is increasing \$4,200 to allow staff to attend additional training. Printing and postage are budgeted to increase in order to mail tax bills to residents who are on record to have tax escrows with mortgage companies, in the event the city records were not updated. In addition, the cost is moving from the "city office building" cost center to "treasury."

**Budget Summary****Expenditures**

| <b>101.253 TREASURER</b>        | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 241,580                   | 1,460           | 0              | 18,060       | 0           | 261,100      |
| 2014-2015 Actual                | 197,800                   | 1,220           | 0              | 11,960       | 0           | 210,980      |
| 2015-2016 Actual                | 199,000                   | 1,490           | 0              | 10,810       | 0           | 211,300      |
| 2016-2017 Original Budget       | 237,220                   | 4,500           | 0              | 19,160       | 0           | 260,880      |
| 2016-2017 Adjusted Budget (Dec) | 237,220                   | 4,500           | 0              | 19,160       | 0           | 260,880      |
| 2016-2017 Six Month Actual      | 100,710                   | 2,400           | 0              | 4,290        | 0           | 107,400      |
| 2016-2017 Estimated Year End    | 228,010                   | 5,650           | 0              | 18,160       | 0           | 251,820      |
| 2017-2018 Dept Request          | 235,370                   | 4,500           | 0              | 48,000       | 0           | 287,870      |
| 2017-2018 Manager's Budget      | 235,370                   | 4,500           | 0              | 48,000       | 0           | 287,870      |
| 2018-2019 Projected Budget      | 242,960                   | 4,500           | 0              | 48,000       | 0           | 295,460      |
| 2019-2020 Projected Budget      | 250,820                   | 4,500           | 0              | 48,000       | 0           | 303,320      |
| 2020-2021 Projected Budget      | 258,960                   | 4,500           | 0              | 48,000       | 0           | 311,460      |
| 2021-2022 Projected Budget      | 267,370                   | 4,500           | 0              | 48,000       | 0           | 319,870      |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| <b>Treasurer</b>                         |  | <b>Fiscal Year</b> |              |              |              |              |              |              |              |              |
|--|--|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  |  | <b>09-10</b>       | <b>10-11</b> | <b>11-12</b> | <b>12-13</b> | <b>13-14</b> | <b>14-15</b> | <b>15-16</b> | <b>16-17</b> | <b>17-18</b> |
| <b><u>Full-Time Positions</u></b>        |  |                    |              |              |              |              |              |              |              |              |
| City Treasurer                           |  | 1.0                | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Deputy City Treasurer                    |  | 1.0                | 1.0          | 1.0          | 1.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Accountant II                            |  | 0.0                | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Cashier II                               |  | 1.0                | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 0.0          | 0.0          | 0.0          |
| Cashier III                              |  | 0.0                | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          | 1.0          |
| Treasurer - MC II                        |  | 1.0                | 1.0          | 1.0          | 1.0          | 1.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Accountant I                             |  | 0.0                | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          | 1.0          |
| Full-time Total                          |  | 4.0                | 4.0          | 4.0          | 4.0          | 3.0          | 3.0          | 4.0          | 4.0          | 4.0          |
| <b><u>Part-Time Positions (FTEs)</u></b> |  |                    |              |              |              |              |              |              |              |              |
| Part-Time Positions                      |  | n/a                | 0.9          | 0.6          | n/a          | n/a          | n/a          | n/a          | n/a          | n/a          |
| Cost Center Total                        |  | 4.0                | 4.9          | 4.6          | 4.0          | 3.0          | 3.0          | 4.0          | 4.0          | 4.0          |

**Note:** Water billing municipal clerk III is in the water and sewage billing section.

The city office building cost center records the operating, repair and maintenance charges for the city hall.

The city office building budget includes city hall building costs, under the city engineer for all departments.

Building costs primarily involve external vendors. The largest operating costs are utilities (electric, gas, water and telephone), postage, janitorial service and supplies. Repairs and maintenance costs include building trades (HVAC, plumbing, electrical, elevator).

## GOALS

## OBJECTIVES

- Help to develop a plan for the future of city hall and the police department buildings.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The personnel budget is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases as well as a contractual increase in the employer portion of defined contribution benefits. Cleaning and janitorial services are requested to increase \$10,000 for additional cleaning of bathrooms, and other surfaces such as doorknobs, drinking fountains and light switch plates. Postage is decreasing \$15,000 as the cost for tax mailings will be expended out of the treasury cost center.

## Expenditures

| 101.265 CITY OFFICE BUILDING    | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|---------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                | 3,730              | 6,390    | 0       | 464,520 | 0    | 474,640 |
| 2014-2015 Actual                | 3,710              | 7,620    | 0       | 344,180 | 0    | 355,510 |
| 2015-2016 Actual                | 4,430              | 5,960    | 0       | 388,820 | 0    | 399,210 |
| 2016-2017 Original Budget       | 67,960             | 13,520   | 0       | 392,040 | 0    | 473,520 |
| 2016-2017 Adjusted Budget (Dec) | 67,960             | 13,520   | 0       | 392,040 | 0    | 473,520 |
| 2016-2017 Six Month Actual      | 25,680             | 9,900    | 0       | 194,150 | 0    | 229,730 |
| 2016-2017 Estimated Year End    | 55,920             | 13,560   | 0       | 316,230 | 0    | 385,710 |
| 2017-2018 Dept Request          | 63,440             | 13,520   | 0       | 314,860 | 0    | 391,820 |
| 2017-2018 Manager's Budget      | 63,440             | 13,520   | 0       | 314,860 | 0    | 391,820 |
| 2018-2019 Projected Budget      | 65,400             | 13,520   | 0       | 316,400 | 0    | 395,320 |
| 2019-2020 Projected Budget      | 67,420             | 13,520   | 0       | 317,980 | 0    | 398,920 |
| 2020-2021 Projected Budget      | 69,510             | 13,520   | 0       | 319,620 | 0    | 402,650 |
| 2021-2022 Projected Budget      | 71,680             | 13,520   | 0       | 321,320 | 0    | 406,520 |



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| City Office Building       |       |       |       | Fiscal Year |       |       |       |       |       |  |
|----------------------------|-------|-------|-------|-------------|-------|-------|-------|-------|-------|--|
|                            | 09-10 | 10-11 | 11-12 | 12-13       | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |  |
| <u>Full-Time Positions</u> |       |       |       |             |       |       |       |       |       |  |
| Day Porter                 | n/a   | n/a   | n/a   | n/a         | n/a   | n/a   | n/a   | 1.0   | 1.0   |  |
| Full-Time Total            | n/a   | n/a   | n/a   | n/a         | n/a   | n/a   | n/a   | 1.0   | 1.0   |  |

***The mission of the parks and forestry division is to build and maintain all city owned parks, playgrounds, athletic fields and open spaces and the public trees; maintaining the urban forest, so that they are a source of pride and enjoyment for residents and visitors alike.***

The parks and forestry division of the department of public service are responsible for the 50 parks and playgrounds throughout the City of Royal Oak with a combined acreage exceeding 310 acres. This includes a dog park on the east side. The city's recreation division puts on all programs in the parks.

The division maintains baseball, volleyball, football and soccer venues; basketball and tennis courts; picnic areas; and walking trails, signs, lighting and parking.

Although the city's namesake, the original Royal Oak, no longer lives, the forestry section is responsible for over 23,000 trees. These include trees in the parks, central business district,

parkways and easement areas of roads, golf courses, cemetery and city owned open spaces (e.g. around the library).

Every fall, this crew and the highway division make two or more passes to remove fallen leaves from the city's streets; this service is paid for by the solid waste fund.

During the winter, they perform snow and ice maintenance. Winter maintenance on city roads is charged to the major or local road fund as is appropriate; to the DDA development fund for the central business district; and to the auto parking fund for parking lots and decks.

During the growing season, duties include removing dangerous or fallen branches and debris, cutting grass, controlling park weeds, and tending streetscapes and banners. Charges for these services are distributed to the proper funds as well.

## GOALS

1. To maintain the city's park grounds in accordance with maintenance schedules.
2. To provide quality facilities for recreation programs and support the use by all citizens of Royal Oak.
3. Support the community youth athletic organizations.
4. Improve the urban forest.
5. To minimize the city liability in city parks.

## OBJECTIVES

- Identify a sustainable revenue source for parks and recreation improvements and maintenance.<sup>GOAL1</sup>
- Improve maintenance of park facilities including appropriately addressing peaks in maintenance needs during spring and summer months.<sup>GOAL2</sup>
- Review ways to renovate/update city parks.<sup>GOAL1,2</sup>
- To increase tree diversity in the urban forest.<sup>GOAL4</sup>
- Design and complete the Normandy Oaks Park plan.<sup>GOAL2</sup>
- Take advantage of a DNR grant for development of Normandy Oaks Park.<sup>GOAL2</sup>
- Investigate the incorporation of a community aquatic feature in the development of the Normandy Oaks park site.<sup>GOAL2</sup>

**GOALS****OBJECTIVES**

- Increase investment in neighborhood park improvements.<sup>GOAL2</sup>
- Develop and implement a more aggressive schedule to revamp city parks.<sup>GOAL1</sup>

**Performance Indicators / Outcome Measures**

|  | <b>Actual</b>         | <b>Actual</b>         | <b>Dec 31</b>      | <b>Projected</b>      | <b>Projected</b>      | <b>Projected</b>      |
|--|-----------------------|-----------------------|--------------------|-----------------------|-----------------------|-----------------------|
|  | <b><u>FY14-15</u></b> | <b><u>FY15-16</u></b> | <b><u>2016</u></b> | <b><u>FY16-17</u></b> | <b><u>FY17-18</u></b> | <b><u>FY17-18</u></b> |
| <sup>GOAL1</sup> Hours Ball Diamonds Maintained                  | 1,906                 | 1,610                 | 552                | 1,100                 | 1,100                 | 1,100                 |
| <sup>GOAL1</sup> Hours Soccer / Football Fields Maintained/Lined | 453                   | 544                   | 357.5              | 700                   | 700                   | 700                   |
| Trees Planted  | 88                    | 119                   | 5                  | 100                   | 100                   | 100                   |

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Full-time personnel costs are increasing due to using full-time employees to perform grass cutting, a portion of a new full-time parks maintenance worker being allocated to this cost center and a contractual increase in the employer portion of defined contribution benefits. The water budget is increasing \$15,000 relative to the fiscal year 16-17 original budget as this account varies greatly and has been increasing due to dry summers. Tools and hardware is increasing \$1,500 to replace chain saws.

The following capital improvement projects for parks and forestry for fiscal year 17-18 are as follows (Deviates from CIP):

- |   |          |
|---|----------|
| • CAP1301 Tennis court resurfacing Dickinson Park | \$17,000 |
| • CAP1402 Park pavilions                          | 75,000   |
| • CAP1626 Park signs (carryover)                  | 45,000   |
| • CAP1828 Kenwood Park play equipment upgrade     | 45,000   |

**FY2017-18 Total:****\$182,000**

## Budget Summary

### Expenditures

| 101.266 PARKS & FORESTRY        | Personnel Services | Supplies | Capital | Other   | Debt | Total     |
|---------------------------------|--------------------|----------|---------|---------|------|-----------|
| 2013-2014 Actual                | 193,540            | 77,140   | 74,240  | 266,110 | 0    | 611,030   |
| 2014-2015 Actual                | 239,040            | 67,780   | 61,800  | 336,080 | 0    | 704,700   |
| 2015-2016 Actual                | 231,310            | 81,820   | 64,100  | 282,400 | 0    | 659,630   |
| 2016-2017 Original Budget       | 232,650            | 76,250   | 463,000 | 313,980 | 0    | 1,085,880 |
| 2016-2017 Adjusted Budget (Dec) | 267,650            | 76,250   | 293,000 | 313,980 | 0    | 950,880   |
| 2016-2017 Six Month Actual      | 179,670            | 17,040   | 77,170  | 163,090 | 0    | 436,970   |
| 2016-2017 Estimated Year End    | 282,820            | 82,750   | 301,310 | 328,980 | 0    | 995,860   |
| 2017-2018 Dept Request          | 256,460            | 79,000   | 182,000 | 336,160 | 0    | 853,620   |
| 2017-2018 Manager's Budget      | 256,460            | 79,000   | 182,000 | 336,160 | 0    | 853,620   |
| 2018-2019 Projected Budget      | 263,180            | 79,000   | 0       | 342,220 | 0    | 684,400   |
| 2019-2020 Projected Budget      | 270,120            | 79,000   | 0       | 348,450 | 0    | 697,570   |
| 2020-2021 Projected Budget      | 277,290            | 79,000   | 0       | 354,840 | 0    | 711,130   |
| 2021-2022 Projected Budget      | 284,690            | 79,000   | 0       | 361,420 | 0    | 725,110   |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Parks & Forestry                  |       | Fiscal Year |       |       |       |       |       |       |       |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
|                                   | 09-10 | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b>Full-Time Positions</b>        |       |             |       |       |       |       |       |       |       |
| Supervisor of Parks & Forestry    | 1.0   | 1.0         | 1.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Equipment Repair worker           | 1.0   | 0.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Parks Maint Worker II             | 5.0   | 1.0         | 5.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   |
| Parks Maint Worker                | 0.0   | 0.0         | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Parks/Forestry MC III             | 1.0   | 0.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Full-Time Total                   | 8.0   | 2.0         | 8.0   | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   |
| <b>Part-Time Positions (FTEs)</b> |       |             |       |       |       |       |       |       |       |
| Part-Time Positions               | n/a   | 5.0         | 5.0   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 | 8.0   | 7.0         | 13.0  | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   |

***The building maintenance cost center records the DPS personnel and vehicle charges for city hall repair and maintenance.***

See also the general fund's city hall building (265) cost center for other charges for city hall operations, repairs and maintenance.

The building maintenance budget is under the director of public services. Personnel costs are for full-time DPS workers.

## GOALS

1. Provide quality building repairs in timely manner.
2. Support other divisions as necessary during weather emergencies.

## OBJECTIVES

- Provide a response to all work requests within 48 hours.<sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Equipment maintenance is increasing due to expanding shop equipment. Tools and operating supplies are decreasing relative to fiscal year 16-17 projected as these accounts are cyclical and required more in fiscal year 16-17 due to a higher work load.

## Budget Summary

### Expenditures

| 101.267 BUILDING MAINTENANCE    | Personnel Services | Supplies | Capital | Other  | Debt | Total   |
|---------------------------------|--------------------|----------|---------|--------|------|---------|
| 2013-2014 Actual                | 179,420            | 4,750    | 0       | 14,390 | 0    | 198,560 |
| 2014-2015 Actual                | 195,070            | 5,770    | 0       | 13,740 | 0    | 214,580 |
| 2015-2016 Actual                | 226,390            | 227,750  | 0       | 18,760 | 0    | 472,900 |
| 2016-2017 Original Budget       | 228,760            | 7,560    | 0       | 16,020 | 0    | 252,340 |
| 2016-2017 Adjusted Budget (Dec) | 228,760            | 7,560    | 0       | 16,020 | 0    | 252,340 |
| 2016-2017 Six Month Actual      | 111,810            | 3,300    | 0       | 8,010  | 0    | 123,120 |
| 2016-2017 Estimated Year End    | 231,690            | 11,650   | 0       | 16,020 | 0    | 259,360 |
| 2017-2018 Dept Request          | 144,120            | 8,560    | 0       | 17,770 | 0    | 170,450 |
| 2017-2018 Manager's Budget      | 144,120            | 8,560    | 0       | 17,770 | 0    | 170,450 |
| 2018-2019 Projected Budget      | 148,260            | 8,560    | 0       | 18,130 | 0    | 174,950 |
| 2019-2020 Projected Budget      | 152,540            | 8,560    | 0       | 18,490 | 0    | 179,590 |
| 2020-2021 Projected Budget      | 156,970            | 8,560    | 0       | 18,860 | 0    | 184,390 |
| 2021-2022 Projected Budget      | 161,560            | 8,560    | 0       | 19,240 | 0    | 189,360 |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| DPS                               | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b> |             |       |       |       |       |       |       |       |       |
| Bldg Maint Repair Worker II       | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Bldg Maint Repair Worker I        | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Full-Time Total                   | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |

***The mission of the ordinance enforcement division of the building department is to enforce City of Royal Oak ordinances that address commercial and residential property maintenance, merchant licensing, and public health and safety issues; and to perform regular checks of all apartments, hotels, motels and houses offered for rent within the city.***

The ordinance enforcement division inspects commercial and residential buildings for property

maintenance violations. Inspectors enforce local ordinances addressing problems such as blight, weeds, unlicensed/inoperable vehicles and other issues that may have a negative effect on property values. The ordinance enforcement division learns of these issues by responding to complaints in addition to proactively seeking violations.

The building department consists of two divisions: building inspection and ordinance enforcement.

---

## GOALS

1. To protect the public safety, welfare and property values by enforcing regulations, nuisance abatements and other codes.
2. Apply a common sense approach to enforcement while maintaining the intent of city ordinances.
3. Respond to complaints within one business day.
4. Treat each resident and business owner with respect and understanding.
5. Enforce city ordinances in a fair and consistent manner.

## OBJECTIVES

- Adopt a vacant property registration ordinance with no registration fee to identify owners of vacant property and deal with blight.<sup>GOAL2</sup>

## Performance Indicators / Outcome Measures

|   | Actual         | Actual         | Dec 31      | Projected      | Projected      | Projected      |
|---|----------------|----------------|-------------|----------------|----------------|----------------|
|   | <u>FY14-15</u> | <u>FY15-16</u> | <u>2016</u> | <u>FY16-17</u> | <u>FY17-18</u> | <u>FY18-19</u> |
| GOAL1 Percent of Non-homestead Properties Reviewed for Unlicensed Rental Activity | 10             | 10             | 10          | 15             | 50             | 50             |
| GOAL1 Percent of Complaints Responded to Within One Business Day                  | 90             | 90             | 90          | 92             | 95             | 95             |
| GOAL1 Percent of Questions Responded to Within Two Business Days                  | 90             | 90             | 90          | 92             | 95             | 95             |
| GOAL2 Rental Licenses Issued  | 1,623          | 1,940          | 778         | 1,600          | 2,000          | 1,800          |
| GOAL1 Responses to Complaints   | 4,796          | 6,248          | 2,783       | 4,900          | 5,000          | 5,000          |
| GOAL2 Scheduled Inspections Conducted   | 15,416         | 16,616         | 7,731       | 10,000         | 16,500         | 16,500         |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

There are no significant notes for this cost center.

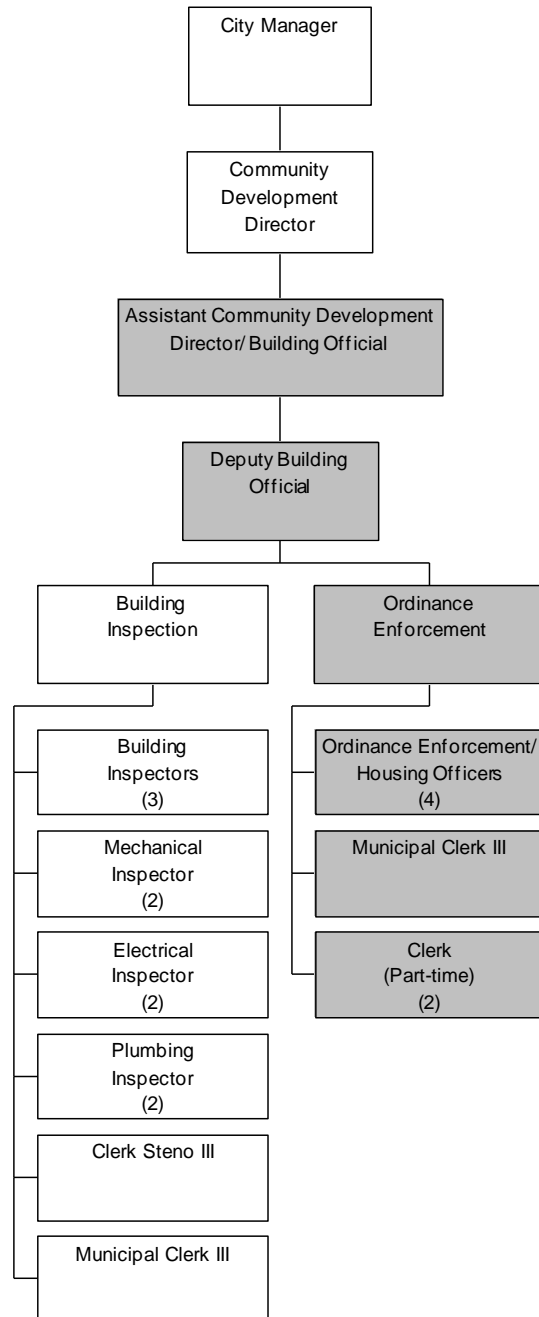


## Budget Summary

### Expenditures

| <b>101.372 ORDINANCE ENFORCEMENT</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                     | 427,870                   | 80              | 0              | 21,810       | 0           | 449,760      |
| 2014-2015 Actual                     | 395,920                   | 450             | 0              | 23,150       | 0           | 419,520      |
| 2015-2016 Actual                     | 602,450                   | 370             | 0              | 23,480       | 0           | 626,300      |
| 2016-2017 Original Budget            | 569,030                   | 600             | 0              | 33,730       | 0           | 603,360      |
| 2016-2017 Adjusted Budget (Dec)      | 569,030                   | 600             | 0              | 33,730       | 0           | 603,360      |
| 2016-2017 Six Month Actual           | 271,590                   | 490             | 0              | 15,330       | 0           | 287,410      |
| 2016-2017 Estimated Year End         | 567,780                   | 500             | 0              | 32,080       | 0           | 600,360      |
| 2017-2018 Dept Request               | 372,670                   | 950             | 0              | 33,790       | 0           | 407,410      |
| 2017-2018 Manager's Budget           | 372,670                   | 950             | 0              | 33,790       | 0           | 407,410      |
|                                      |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget           | 384,210                   | 950             | 0              | 34,400       | 0           | 419,560      |
| 2019-2020 Projected Budget           | 396,150                   | 950             | 0              | 35,030       | 0           | 432,130      |
| 2020-2021 Projected Budget           | 408,510                   | 950             | 0              | 35,670       | 0           | 445,130      |
| 2021-2022 Projected Budget           | 421,280                   | 950             | 0              | 36,320       | 0           | 458,550      |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Code Enforcement                 |  | Fiscal Year |       |       |       |       |       |       |       |       |
|----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                  |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>       |  |             |       |       |       |       |       |       |       |       |
| Code Enforcement/Housing Officer |  | 5.0         | 3.0   | 2.0   | 2.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   |
| CS III - Inspection              |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Housing Rehabilitation Officer   |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Code Enforcement - MC II         |  | 1.0         | 1.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Code Enforcement - MC I          |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                  |  | 6.0         | 4.0   | 2.0   | 2.0   | 5.0   | 5.0   | 5.0   | 5.0   | 5.0   |

***The mission of the planning division of community development department is to pro-actively oversee the physical and economic development of the city, in particular those areas under private ownership.***

In fulfilling this mission, the planning division provides administrative support to the city commission and various advisory boards, most notably, the planning commission, zoning board of appeals, downtown development authority, Brownfield Redevelopment Authority, and the community development block grant program. The planning division also works closely with the business community and city residents, answering questions and addressing concerns in an effort to meet the needs of each within the context of the city's plans and ordinances.

The traditional role of the planning division, in the context of municipal government, involves foreseeing the various physical and economic development needs of a community and then providing for those needs through the preparation of various plans and ordinances, which may be considered for approval by elected and appointed officials.

In Royal Oak, this traditional role has been supplemented by the planning division's pro-active role and participation in the actual implementation of many physical and economic development plans or projects. This pro-active role has changed the nature of the division from a more passive one, concerned primarily with the preparation of plans, to one actively involved in every aspect of the city's physical and economic development.

A planning commission for the City of Royal Oak has been created and organized under the provisions of the Michigan Planning Enabling Act (PA No. 33 of 2008, as amended), and has the powers and duties therein specified. The planning commission meets monthly and is responsible for adopting and updating the city's master plan, reviewing and recommending changes to the zoning ordinance (including the rezoning of property), granting special land use permits, reviewing appeals to the city's sign ordinance, and reviewing site plans for all development except one-family and two-family dwellings. Interested parties are advised that the planning commission requires submission of

applications a minimum of 6 weeks prior to the meeting at which they are to be considered. This is to allow for the publication of public hearing notices required by state law and to provide ample time for staff to review applications and prepare written reports and recommendations for the planning commission.

All site plan applications are reviewed by a planner, as well as representatives from the building inspection, fire, engineering, and police departments. The petitioner is invited to make changes to the site plan based upon staff comments. Following any such changes, the site plan, along with written recommendations, are provided to the planning commission for formal review.

Special land use applications are reviewed by a planner and a written report is submitted to the planning commission describing the proposed use and how it may meet the requirements for granting a special land use permit in the city's zoning ordinance and state law. Applications for a special land use permit require a public hearing with notification published in a local newspaper and mailed to property owners within 300 feet of the site.

Applications for rezoning property are reviewed by a planner and a report is submitted to the planning commission describing the requested zoning district, how it may meet the requirements for a rezoning in the city's zoning ordinance and state law, and whether it is consistent with the future land use map of the city's master plan. Proposed text amendments to the city's zoning ordinance are typically prepared by staff in response to changes in state law, generally accepted planning and zoning principles, or by the specific direction of the planning commission, city commission, or city attorney. For each proposed amendment, staff prepares draft language for review by the planning commission, whose recommendation is then forwarded to the city commission. Rezoning and text amendments require a public hearing and public notification as previously noted.

A zoning board of appeals has been created and organized under the Michigan Zoning Enabling Act (PA 110 of 2006, as amended) and is charged with hearing requests for variances and interpretations to specific zoning ordinance provisions. It meets monthly and all appeals

require a public hearing and public notification as previously noted. Staff prepares a written report of findings on all appeals detailing the city's zoning ordinance standards for which variances are being sought and how the request may meet required standards for granting a variance in the zoning ordinance and state law. Considerable staff time is spent to ensure that all information is accurate and the appellant's intent is clear.

In addition to serving the above referenced duties, the planning division spends a great deal of time assisting both residents and businesses on questions regarding land use, zoning, and economic development. Many if not most of these inquiries and contacts do not result in items which appear on an agenda, but permit citizens and business owners to better understand city ordinances and policies.

The planning division also reviews plans submitted to the building inspection department for construction permits to ensure they comply with approved site plans. For major projects, this review can take as much time to complete as the original site plan review. If such building plans are found to comply with an approved site plan, then the division marks them as "approved" and returns them to the applicant or the building inspection department. If they are

not, the petitioner is advised what is needed to bring the plans into compliance. No additional application or fee is required by the planning division to complete this type of review.

Other tasks or issues involve a great deal of planning division staff time, such as new and renewed sidewalk café applications, license agreements for occupying a right-of-way and a variety of other purposes, right-of-way vacations, land divisions, liquor license requests, downtown newspaper boxes and bicycle racks, staff traffic committee meetings, zoning compliance inquiries, processing and reviewing Brownfield redevelopment plans, etc.

The planning division also maintains the city's Geographic Information System (GIS) as well as community development updates for the city's website.

### Other Related Areas

See the budgets for the Downtown Development Authority (DDA) operating fund, DDA (TIF) development fund, the Community Block Grant fund, the housing assistance program, the Brownfield Redevelopment Authority (BRA) fund, engineering, and ordinance/state construction code.

---

## GOALS

1. Provide professional / technical reviews and assistance on all phases of planning and zoning responsibilities for businesses and residents.
2. Provide technical support and expertise to the planning commission and zoning board of appeals, as well as the city commission.
3. Develop and propose policies which facilitate consistency with the city's master plan, as well as compatibility and harmony between land uses in the city, mitigating any potential adverse effects.

## OBJECTIVES

- Prepare concise and informative reports that accurately describe the proposed activity and its consistency with the zoning ordinance, master plan, other city ordinances and policies, and state law.<sup>GOAL2</sup>
- Work with all city departments and finance to develop a comprehensive capital improvement plan for adoption by the planning commission, and inclusion in the city's fiscal year budget by the city commission.<sup>GOAL2</sup>
- Increase focus on commercial development of 11 Mile Road and Fourth Street.<sup>GOAL4</sup>

## GOALS

4. Assist businesses and homeowners to the greatest extent possible with new business proposals or expansions, building or home additions, etc., by directing them to the proper review body or application procedure.
5. When necessary, provide recommendations on whether the proposed activity is consistent with the zoning ordinance, master plan, other city ordinances and policies, and state law, and what, if any, contingencies of approval should be adopted.
6. Work with the city attorney and others to prepare such needed amendments to the zoning ordinance, zoning map, and master plan, and report on them to the planning commission and other necessary advisory boards and commissions.
7. Assist petitioners with their applications to the greatest extent possible without actually preparing the information and documents they need to provide.

## OBJECTIVES

- Develop a new master plan.<sup>GOAL2</sup>
- Review zoning ordinance parking requirements.<sup>GOAL1</sup>
- Ensure continued availability of adequate parking in the downtown area.<sup>GOAL3</sup>
- Analyze and provide recommendation on the use of form based codes in the downtown area.<sup>GOAL2</sup>
- Pilot pedestrian and bike friendly traffic calming for 11 Mile and Main.<sup>GOAL3</sup>
- Develop and implement a north-south bike route.<sup>GOAL3</sup>
- Implement the DDA downtown wayfinding plan.<sup>GOAL3</sup>
- Ensure non-motorized transportation plan is implemented as part of road improvements.<sup>GOAL3</sup>
- Implement strict enforcement of the construction site ordinance and require/issue right-of-way permits for use and obstruction of the public right-of-way.<sup>GOAL3</sup>
- Investigate options for preserving or increasing the number of trees in Royal Oak including tree replacement requirements for developers and citywide tree replacement fund.<sup>GOAL3</sup>
- Explore options for reducing the amount of water entering our storm drains and sewer system.<sup>GOAL3</sup>
- Encourage developers to include green infrastructure in their construction proposals.<sup>GOAL3</sup>
- Develop a downtown plan which enumerates our collective vision for downtown Royal Oak and addresses business development, liquor license policy, special events, land use, office space, hotels and downtown parks.<sup>GOAL2</sup>
- Provide incentives for housing developments that meet gaps identified in the target market analysis.<sup>GOAL4</sup>

**GOALS****OBJECTIVES**

- Institute, where appropriate, form-based zoning requirements on a temporary basis.<sup>GOAL1</sup>
- Provide regular updates to the commission on the status of development projects.<sup>GOAL2</sup>
- Create a public transportation plan for the city.<sup>GOAL3</sup>

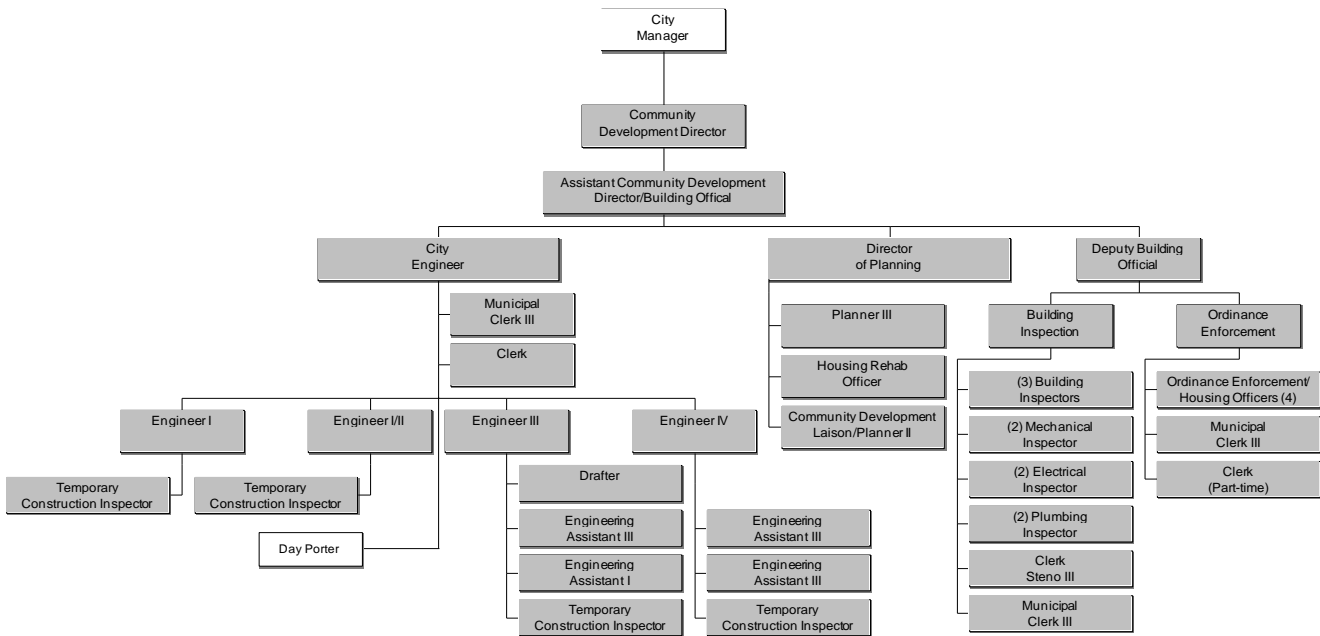
**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Personnel costs are increasing due to the request to promote a planner II to a planner III and the housing rehabilitation officer recently receiving a wage increase. Contracted worker services include \$150,000 for a master plan update. Miscellaneous expenditures are decreasing due to paying delinquent taxes and water bills in fiscal year 16-17 for a property that was acquired and sold by the city.

**Budget Summary****Expenditures**

| <b>101.400 PLANNING &amp; ZONING</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                     | 222,930                   | 3,580           | 0              | 14,990       | 0           | 241,500      |
| 2014-2015 Actual                     | 269,690                   | 2,210           | 0              | 13,810       | 0           | 285,710      |
| 2015-2016 Actual                     | 292,210                   | 1,730           | 0              | 51,450       | 0           | 345,390      |
| 2016-2017 Original Budget            | 292,360                   | 1,900           | 0              | 13,780       | 0           | 308,040      |
| 2016-2017 Adjusted Budget (Dec)      | 292,360                   | 1,900           | 0              | 67,280       | 0           | 361,540      |
| 2016-2017 Six Month Actual           | 175,640                   | 740             | 0              | 26,710       | 0           | 203,090      |
| 2016-2017 Estimated Year End         | 327,230                   | 1,900           | 0              | 68,640       | 0           | 397,770      |
| 2017-2018 Dept Request               | 201,390                   | 1,900           | 0              | 164,280      | 0           | 367,570      |
| 2017-2018 Manager's Budget           | 201,390                   | 1,900           | 0              | 164,280      | 0           | 367,570      |
| 2018-2019 Projected Budget           | 207,690                   | 1,900           | 0              | 14,280       | 0           | 223,870      |
| 2019-2020 Projected Budget           | 214,220                   | 1,900           | 0              | 14,280       | 0           | 230,400      |
| 2020-2021 Projected Budget           | 220,980                   | 1,900           | 0              | 14,280       | 0           | 237,160      |
| 2021-2022 Projected Budget           | 227,970                   | 1,900           | 0              | 14,280       | 0           | 244,150      |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Community Development                      |  | Fiscal Year |       |       |       |       |       |       |       |       |
|--|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|  |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| Full-Time Positions                        |  |             |       |       |       |       |       |       |       |       |
| Community Development Director             |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Director of Planning                       |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   |
| Planner III                                |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   | 0.0   | 1.0   |
| Planner II                                 |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   |
| Community Development Liaison / Planner II |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.5   | 0.5   | 0.5   |
| CS III - Planning                          |  | 1.0         | 1.0   | 1.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                            |  | 4.0         | 4.0   | 4.0   | 3.0   | 3.0   | 3.0   | 3.5   | 3.5   | 3.5   |

Note: Planning division staff costs are allocated to numerous other funds outside the general fund



***The mission of animal protection services is to capture dangerous, rabid and stray animals humanely and safely transport them to the animal shelter for safe keeping.***

Animal protection services are supervised by the police department in the general fund. The city contracts with our neighbor for the shared services of the City of Berkley animal control officer and truck.

That officer captures dangerous or rabid animals for observation and/or treatment. They also pick up stray dogs and cats and transport them to the Royal Oak Animal Shelter for feeding and care (see fund 297).

The officer also picks dead animals from major streets with speeds over 35 mph. Residents and businesses are asked to pick up all other dead animals.

## GOALS

1. To provide prompt animal control services as to keep the community safe from incidents.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Animal control services are expected to increase slightly from fiscal year 16-17 due to an anticipated contract increase.

## Budget Summary

### Expenditures

| <b>101.430 ANIMAL PROTECTION SERVICES</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                          | 0                         | 0               | 0              | 43,460       | 0           | 43,460       |
| 2014-2015 Actual                          | 0                         | 0               | 0              | 43,890       | 0           | 43,890       |
| 2015-2016 Actual                          | 0                         | 0               | 0              | 39,160       | 0           | 39,160       |
| 2016-2017 Original Budget                 | 0                         | 0               | 0              | 50,000       | 0           | 50,000       |
| 2016-2017 Adjusted Budget (Dec)           | 0                         | 0               | 0              | 50,000       | 0           | 50,000       |
| 2016-2017 Six Month Actual                | 0                         | 0               | 0              | 17,790       | 0           | 17,790       |
| 2016-2017 Estimated Year End              | 0                         | 0               | 0              | 43,000       | 0           | 43,000       |
| 2017-2018 Dept Request                    | 0                         | 0               | 0              | 45,000       | 0           | 45,000       |
| 2017-2018 Manager's Budget                | 0                         | 0               | 0              | 45,000       | 0           | 45,000       |
| 2018-2019 Projected Budget                | 0                         | 0               | 0              | 46,350       | 0           | 46,350       |
| 2019-2020 Projected Budget                | 0                         | 0               | 0              | 47,740       | 0           | 47,740       |
| 2020-2021 Projected Budget                | 0                         | 0               | 0              | 49,170       | 0           | 49,170       |
| 2021-2022 Projected Budget                | 0                         | 0               | 0              | 50,650       | 0           | 50,650       |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Animal Protection Services        |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 1.3   | 1.3   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Part-Time Total                   |  | 0.0         | 1.3   | 1.3   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |

***The mission of the electrical division of the department of public service is to provide effective electrical service to the city hall.***

The electrical cost center is under the director of public services and records the electrician's

personnel costs when servicing the city hall, his certification and tool costs. His other personnel time, cost, and electric materials and supplies are charged directly to the requesting department when used elsewhere.

### **Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

There are no significant notes for this cost center.

## **Budget Summary**

### **Expenditures**

| <b>101.443 ELECTRICAL</b>       | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 3,140                     | 660             | 0              | 27,970       | 0           | 31,770       |
| 2014-2015 Actual                | 3,150                     | 570             | 0              | 24,410       | 0           | 28,130       |
| 2015-2016 Actual                | 14,910                    | 4,200           | 0              | 20,640       | 0           | 39,750       |
| 2016-2017 Original Budget       | 23,610                    | 2,190           | 0              | 21,430       | 0           | 47,230       |
| 2016-2017 Adjusted Budget (Dec) | 35,610                    | 12,440          | 0              | 21,430       | 0           | 69,480       |
| 2016-2017 Six Month Actual      | 16,050                    | 9,190           | 0              | 10,720       | 0           | 35,960       |
| 2016-2017 Estimated Year End    | 31,630                    | 12,480          | 0              | 21,430       | 0           | 65,540       |
| 2017-2018 Dept Request          | 31,480                    | 12,440          | 0              | 20,490       | 0           | 64,410       |
| 2017-2018 Manager's Budget      | 31,480                    | 12,440          | 0              | 20,490       | 0           | 64,410       |
| 2018-2019 Projected Budget      | 32,460                    | 12,440          | 0              | 20,900       | 0           | 65,800       |
| 2019-2020 Projected Budget      | 33,480                    | 12,440          | 0              | 21,320       | 0           | 67,240       |
| 2020-2021 Projected Budget      | 34,540                    | 12,440          | 0              | 21,750       | 0           | 68,730       |
| 2021-2022 Projected Budget      | 35,620                    | 12,440          | 0              | 22,190       | 0           | 70,250       |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Electrical                        |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |  |             |       |       |       |       |       |       |       |       |
| Electrician II                    |  | 1.0         | 1.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Electrician I                     |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.5   | 0.5   | 0.5   |
| Full-Time Total                   |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.5   | 0.5   | 0.5   |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 1.2   | 0.3   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 1.0         | 1.2   | 0.3   | 0.0   | 0.0   | 0.0   | 0.5   | 0.5   | 0.5   |

***The mission of the engineering division is to develop and implement master plans and programs and to service and inspect public improvement in the city.***

The Royal Oak engineering division is committed to providing sound, efficient and proactive engineering practices and techniques to maintain and improve the city's transportation, water and sewer and building assets. Working closely with Royal Oak's other departments; the engineering staff strives to partner the needs of the various departments with those of our residents and property owners for overall commitment to a high quality of life that can be attributed to our community's infrastructure.

The division's fiscal year 2017-18 budget targets the management of available resources to meet departmental goals and responsibilities. Current budget resources are comprised primarily of dedicated non-general funding sources and fees. The engineers, engineering assistants, draftspersons and clerical staff recognize their responsibility to the community they serve. The division employees are dedicated to efficiently managing community development requirements by assisting developers, contractors, residents and other city personnel, which results in timely and accurate resolutions of construction and development requirements.

The Royal Oak engineering division reaffirms its commitment and looks forward to serving the Royal Oak community.

The engineering cost center in the general fund covers the costs of communicating with the public and city staff, training and administration, and performing community development duties. The engineering division contributes fees from permits and plan reviews to the general fund to cover this cost center. The engineering staff charges the majority of their time to numerous budgets. Those charges can be direct or through capital projects, mostly affecting other funds such as the major street, local street, and the water and sewer funds.

For city infrastructure projects, engineering provides or contracts for the evaluation, planning and design skills to handle our many systems. Those systems include alleys, streets and parkways, on and off street parking including lots and decks, streetscapes, sidewalks, bike paths, traffic signs and signals, city buildings and parks, water and sewer mains and connections.

The engineering division also oversees the traffic committee which actively reviews traffic safety, pedestrian safety, parking issues and recommends and implements approved actions.

## GOALS

1. Effectively and efficiently review plans for consideration of public and private improvements and supervise construction.
2. Provide useful information to developers, builders, consulting engineers and residents regarding city utilities by maintaining and updating the city website for engineering involvement in community development.
3. Perform all city operations as efficiently and effectively as possible.

## OBJECTIVES

- Continue implementation of non-motorized plan requirements included in the city's master plan on road projects.<sup>GOAL1,2</sup>
- Develop sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.<sup>GOAL2</sup>

**GOALS****OBJECTIVES**

- Review and update the stormwater plan and ordinance.<sup>GOAL3</sup>
- Develop and implement a north-south bike route.<sup>GOAL3</sup>

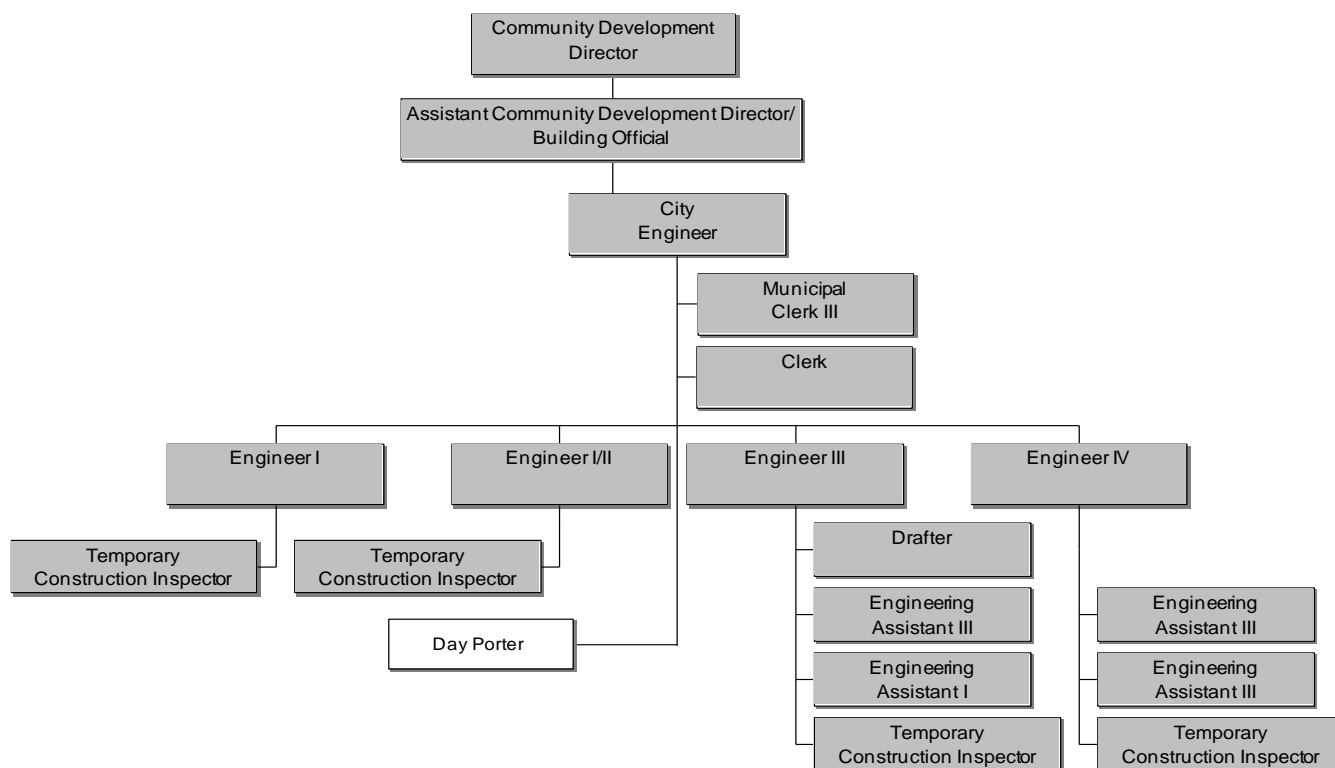
**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Training and education are increasing \$600 as engineers need to complete continuing education credits and other employees need recertification. Personnel costs are increasing relative to fiscal year 16-17 due to the estimated allocation of engineering personnel's time due to review of expenditure plans and permits as well as a contractual increase in the employer portion of defined contribution benefits.

**Budget Summary****Expenditures**

| <b>101.447 ENGINEERING</b>      | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 185,950                   | 4,200           | 0              | 29,380       | 0           | 219,530      |
| 2014-2015 Actual                | 338,920                   | 6,560           | 0              | 1,960        | 0           | 347,440      |
| 2015-2016 Actual                | 348,840                   | 6,040           | 0              | 3,600        | 0           | 358,480      |
| 2016-2017 Original Budget       | 318,730                   | 9,100           | 0              | 2,450        | 0           | 330,280      |
| 2016-2017 Adjusted Budget (Dec) | 318,730                   | 9,100           | 0              | 2,450        | 0           | 330,280      |
| 2016-2017 Six Month Actual      | 168,350                   | 1,070           | 0              | 4,090        | 0           | 173,510      |
| 2016-2017 Estimated Year End    | 359,810                   | 8,800           | 0              | 7,150        | 0           | 375,760      |
| 2017-2018 Dept Request          | 324,470                   | 8,800           | 0              | 7,150        | 0           | 340,420      |
| 2017-2018 Manager's Budget      | 324,470                   | 8,800           | 0              | 7,150        | 0           | 340,420      |
| 2018-2019 Projected Budget      | 334,710                   | 8,800           | 0              | 7,250        | 0           | 350,760      |
| 2019-2020 Projected Budget      | 345,300                   | 8,800           | 0              | 7,350        | 0           | 361,450      |
| 2020-2021 Projected Budget      | 356,280                   | 8,800           | 0              | 7,450        | 0           | 372,530      |
| 2021-2022 Projected Budget      | 367,620                   | 8,800           | 0              | 7,560        | 0           | 383,980      |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Engineering                       |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b>Full-Time Positions</b>        |  |             |       |       |       |       |       |       |       |       |
| City Engineer                     |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Civil Engineer IV                 |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   |
| Civil Engineer III                |  | 2.0         | 2.0   | 2.0   | 1.0   | 1.0   | 2.0   | 2.0   | 1.0   | 1.0   |
| Civil Engineer II                 |  | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   |
| Civil Engineer I                  |  | 0.0         | 0.0   | 0.0   | 1.0   | 1.0   | 0.0   | 2.0   | 1.0   | 1.0   |
| Engineering Assistant IV          |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Engineering Assistant III         |  | 1.0         | 1.0   | 1.0   | 0.0   | 0.0   | 0.0   | 2.0   | 2.0   | 2.0   |
| Engineering Assistant II          |  | 1.0         | 1.0   | 1.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Engineering Drafter               |  | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 1.0   | 1.0   |
| CS III - Engineering              |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Engineering - MC III              |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   |
| Full-Time Total                   |  | 10.0        | 9.0   | 9.0   | 7.0   | 7.0   | 8.0   | 13.0  | 12.0  | 12.0  |
| <b>Part-Time Positions (FTEs)</b> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  |             | 2.9   | 2.9   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 10.0        | 11.9  | 11.9  | 7.0   | 7.0   | 8.0   | 13.0  | 12.0  | 12.0  |

***The mission of the street lighting cost center of the department of public service is to provide street lighting that is safe, effective and economical and that attracts residents, business and visitors to the City of Royal Oak.***

The city pays Detroit Edison electrical charges for our street lighting. The DDA pays for street lighting electricity in the downtown; this budget pays for the balance. Electricity normally makes up over 95% of operating costs in this budget.

Detroit Edison owns certain street light poles and fixtures throughout Royal Oak; the city owns the majority. At this time, nothing is scheduled to replace the city's portion of the system.

When individual light poles and fixtures are damaged and destroyed, repair or replacement costs are charged to this cost center.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Electrical and lighting supplies are decreasing \$15,000 due to two large projects in fiscal year 16-17 requiring more supplies than usual.

## Budget Summary

### Expenditures

| 101.448 STREET LIGHTING         | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|---------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                | 3,310              | 13,510   | 0       | 836,730 | 0    | 853,550 |
| 2014-2015 Actual                | 2,150              | 7,560    | 0       | 812,620 | 0    | 822,330 |
| 2015-2016 Actual                | 5,380              | 48,500   | 0       | 815,560 | 0    | 869,440 |
| 2016-2017 Original Budget       | 6,810              | 11,000   | 0       | 880,000 | 0    | 897,810 |
| 2016-2017 Adjusted Budget (Dec) | 8,560              | 29,000   | 0       | 883,000 | 0    | 920,560 |
| 2016-2017 Six Month Actual      | 3,740              | 24,500   | 0       | 363,890 | 0    | 392,130 |
| 2016-2017 Estimated Year End    | 8,460              | 30,000   | 0       | 893,000 | 0    | 931,460 |
| 2017-2018 Dept Request          | 7,970              | 15,000   | 0       | 893,000 | 0    | 915,970 |
| 2017-2018 Manager's Budget      | 7,970              | 15,000   | 0       | 893,000 | 0    | 915,970 |
| 2018-2019 Projected Budget      | 8,190              | 15,000   | 0       | 910,800 | 0    | 933,990 |
| 2019-2020 Projected Budget      | 8,420              | 15,000   | 0       | 928,960 | 0    | 952,380 |
| 2020-2021 Projected Budget      | 8,670              | 15,000   | 0       | 947,480 | 0    | 971,150 |
| 2021-2022 Projected Budget      | 8,930              | 15,000   | 0       | 966,370 | 0    | 990,300 |



**Cost Center Position Detail - Home Base**  
Full & Part-time Employees

| Street Lighting                          | Fiscal Year |       |       |       |       |       |       |       |       |
|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Part-Time Positions (FTEs)</u></b> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions                      | 0.0         | 0.0   | 0.0   | n/a   | n/a   | n/a   | 0.5   | 0.5   | 0.5   |
| Part-Time Total                          | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.5   | 0.5   | 0.5   |

***The chief role of the office of economic development is to position Royal Oak as a destination for new business opportunities, while providing strategic guidance and resources to existing businesses to facilitate growth and expansion.***

This department seeks to remain independent of regulatory processes and focused on business growth, retention and recruitment. It works in concert with community development to shepherd new business proposals and expansions, and coordinates with the city attorney to draft and review all contracts and development agreements related to the same. This office cultivates and maintains proactive relationships with private and non-profit business development partners, academic institutions, and regional economic development officials.

As Royal Oak seeks to increase the city's office base, this department remains involved in supporting the current proposed developments underway – to date, four projects comprising more than 250,000 s.f. of class A space - while marketing city-owned sites with the national business and development communities. Continuing the city's relationships with organizations focused upon business and real estate development is critical to providing access to these networks.

The city's investment in economic development has reinforced to the business, real estate and retail communities Royal Oak's commitment to attracting new business opportunities and fostering programs and initiatives designed to encourage growth for those who already call this city their home.

---

### GOALS

1. Encourage and support diverse investment to maximize property values and facilitate employment opportunities.
2. Represent Royal Oak as a vibrant business destination locally and nationally.
3. Assist businesses with new proposals or expansions by guiding them through the entitlement process.
4. When necessary, provide recommendations to the city commission and other bodies on matters of economic development policy designed to facilitate new or maintain current investments within Royal Oak.
5. Serve as Royal Oak's representative for the economic development departments of the State of Michigan, Oakland County, local municipalities, etc.

### OBJECTIVES

- Develop and implement a citywide plan to attract and maintain retail establishments.<sup>GOAL1</sup>
- Serve as the lead point of contact on special Royal Oak development projects (city hall; Normandy Oaks).<sup>GOAL3</sup>
- Cultivate and maintain proactive relationships with private and non-profit business development partners and academic institutions.<sup>GOAL5</sup>
- Maintain a list of resources available at all levels for businesses to grow and expand.<sup>GOAL2</sup>
- Promote Royal Oak by hosting multiple economic development events throughout the year and/or sponsoring such events.<sup>GOAL2</sup>
- Pursue the development of additional class A office space in downtown Royal Oak.<sup>GOAL1</sup>
- Maintain contact with the business community through retention visits.<sup>GOAL3</sup>
- Increase focus on commercial development of 11 Mile Road and Fourth Street.<sup>GOAL1</sup>
- Complete the development of city hall, the police department and central park.

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Personnel costs increased due to a recent step increase for the employee expended in this cost center as well as a contractual increase in the employer portion of defined contribution benefits. Dues/memberships are budgeted to increase \$4,000 for a licensing agreement with Costar Realty Information Inc. for database access to obtain information such as vacancy information.

**Budget Summary****Expenditures**

| <b>101.728 ECONOMIC DEVELOPMENT</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|-------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                    | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                    | 106,340                   | 0               | 0              | 38,370       | 0           | 144,710      |
| 2015-2016 Actual                    | 108,500                   | 0               | 0              | 54,170       | 0           | 162,670      |
| 2016-2017 Original Budget           | 116,680                   | 0               | 0              | 59,620       | 0           | 176,300      |
| 2016-2017 Adjusted Budget (Dec)     | 116,680                   | 0               | 0              | 59,620       | 0           | 176,300      |
| 2016-2017 Six Month Actual          | 50,260                    | 0               | 0              | 8,900        | 0           | 59,160       |
| 2016-2017 Estimated Year End        | 115,040                   | 0               | 0              | 37,250       | 0           | 152,290      |
| 2017-2018 Dept Request              | 123,150                   | 0               | 0              | 39,850       | 0           | 163,000      |
| 2017-2018 Manager's Budget          | 123,150                   | 0               | 0              | 39,850       | 0           | 163,000      |
| 2018-2019 Projected Budget          | 127,280                   | 0               | 0              | 39,850       | 0           | 167,130      |
| 2019-2020 Projected Budget          | 131,560                   | 0               | 0              | 39,850       | 0           | 171,410      |
| 2020-2021 Projected Budget          | 135,990                   | 0               | 0              | 39,850       | 0           | 175,840      |
| 2021-2022 Projected Budget          | 140,580                   | 0               | 0              | 39,850       | 0           | 180,430      |

**Cost Center Position Detail - Home Base**

Full &amp; Part-time Employees

| Economic Development         |       |       |       | Fiscal Year |       |       |       |       |       |
|------------------------------|-------|-------|-------|-------------|-------|-------|-------|-------|-------|
|                              | 09-10 | 10-11 | 11-12 | 12-13       | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| Full-Time Positions          |       |       |       |             |       |       |       |       |       |
| Economic Development Manager | 0.0   | 0.0   | 0.0   | 0.0         | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Full-time Total              | 0.0   | 0.0   | 0.0   | 0.0         | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |

***The role of the community engagement division is to proactively promote meaningful, open and respectful dialogue that ensures effective decision making and also fosters the city's image as a safe and vibrant place to live, work and play.***

The guiding principles of community engagement are to be clear and direct, proactive, transparent and to recognize that communication is two-way. When the city

engages and receives feedback from its residents it builds trust and credibility.

The city recognizes the need to have a variety of tools to present clear and helpful information to Royal Oak residents and visitors. As such, the community engagement division manages multiple communication assets to increase citizen awareness, including website content, city-wide email blasts, social media, public relations, direct mail, Insight magazine and more.

---

## GOALS

1. Generate enhanced awareness of our community's priorities and the actions of the city commission.
2. Increase engagement by proactively promoting meaningful, open and respectful dialogue that ensures effective decision making and increases awareness of beneficial services, goals and programs.
3. Reach the broadest audience by protecting, fostering and growing key community relationships and partnerships and increasing engagement with all residents and businesses to generate high levels of interest and participation for city programs and events.
4. Establish transparency by providing transparency via the city's website, social media and public forums to make information regarding city policies user-friendly and available to all.
5. Reinforce credibility by exploring, obtaining and coordinating information via internal and external surveys in an effort to obtain resident/business feedback and promote that feedback on a continuous basis to reinforce credibility.

## OBJECTIVES

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

The personnel budget is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases as well as a contractual increase in the employer portion of defined contribution benefits. \$12,000 is budgeted for a community satisfaction survey. Miscellaneous expenditures includes \$1,200 for WIFI at the Eagle Plaza kiosk to promote community events and \$10,000 to send a letter to every resident regarding changes to the charter on an upcoming election.

**Budget Summary****Expenditures**

| <b>101.747 ECONOMIC DEVELOPMENT</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|-------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                    | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                    | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2015-2016 Actual                    | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Original Budget           | 86,210                    | 0               | 0              | 26,100       | 0           | 112,310      |
| 2016-2017 Adjusted Budget (Dec)     | 86,210                    | 0               | 0              | 26,100       | 0           | 112,310      |
| 2016-2017 Six Month Actual          | 37,770                    | 0               | 0              | 50           | 0           | 37,820       |
| 2016-2017 Estimated Year End        | 80,790                    | 0               | 0              | 400          | 0           | 81,190       |
| 2017-2018 Dept Request              | 93,440                    | 0               | 0              | 23,330       | 0           | 116,770      |
| 2017-2018 Manager's Budget          | 93,440                    | 0               | 0              | 23,330       | 0           | 116,770      |
| 2018-2019 Projected Budget          | 96,560                    | 0               | 0              | 23,330       | 0           | 119,890      |
| 2019-2020 Projected Budget          | 99,780                    | 0               | 0              | 23,330       | 0           | 123,110      |
| 2020-2021 Projected Budget          | 103,110                   | 0               | 0              | 23,330       | 0           | 126,440      |
| 2021-2022 Projected Budget          | 106,570                   | 0               | 0              | 23,330       | 0           | 129,900      |

**Cost Center Position Detail - Home Base**

Full &amp; Part-time Employees

| Community Engagement            |  | Fiscal Year |       |       |       |       |       |       |       |       |
|---------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                 |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| Full-Time Positions             |  |             |       |       |       |       |       |       |       |       |
| Community Engagement Specialist |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Full-time Total                 |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |

***The mission of the cable communications department is to provide the residents of Royal Oak a clear view of the city's commission, main committees and departments, to enhance transparency and to increase residents' understanding of their government's processes, goals, objectives and accomplishments.***

WROK is the City of Royal Oak's government access channel. WROK is available to subscribers of W.O.W. on channel 10 and Comcast on channel 17. AT&T subscribers can access the real time live stream of WROK programming that is available on the city website. By law, cable TV providers must provide public, government and educational access channels on their systems. To support this, each company pays a franchise fee to the city.

Residents can watch live coverage of the city commission, planning commission, ZBA and DDA meetings as well as youth sports and summer concerts. In addition to the many live programs that WROK produces throughout the year, they also provide taped coverage of the many special events and meetings that dot the Royal Oak calendar.

WROK programming can be seen 7 days a week. Programming runs 10 am – 2pm, 4pm – 8pm and meetings are re-run at midnight. For the night owls, WROK also offers expanded playback on weekends starting at midnight. The programming runs on an automated MP-3 video server. We do not anticipate being able to offer high definition cable casts at any time in the near future.

In between program hours, residents can view a computer-generated bulletin board. It features our program schedule and provides information regarding a wide variety of city news and events. It is updated daily.

WROK supports internet web casting of city meetings and other programming.

The video needs of many city departments are supplied regularly by WROK, with special projects on request. The city clerk's office and the community development department rely on copies of each meeting that WROK produces for their record keeping. WROK also provides video support for Royal Oak's many safe community projects.

WROK and the City of Royal Oak do not regulate the cable companies that serve Royal Oak. That job is handled by the Michigan Public Service Commission in Lansing. You may contact the MPSC at [www.Michigan.gov/mpsc](http://www.Michigan.gov/mpsc).

To pay for WROK activities, the City of Royal Oak receives a franchise fee from the cable companies.

WROK, working under the information technology department, has a contract staff of one full-time cable coordinator and part-time production assistants. WROK also relies heavily on a crew of volunteers to fill assorted positions during productions. The staff of WROK are employees of cable access management, not employees of the City of Royal Oak. CAMCO pays all employee related expenses out of the contractual management fee in the cable TV budget.

---

## GOALS

1. Communication: Provide 30 hours of programming weekly, showing key board and committee meetings and special events at three time slots: 7am – 2 pm; 4pm – 8pm; and midnight to 2am.
2. Community: Use electronic media to inform the community of city services and promote community dialog.

## OBJECTIVES

- Present regular public meetings of city commission, planning commission, zoning board of appeals and Downtown Development Authority and Brownfield Redevelopment Authority.<sup>GOAL1</sup>
- Present live events like city manager selection committee interviews and rerun and webcast them later.<sup>GOAL2</sup>

## GOALS

3. Community: Promote recreational and cultural activities for all ages.
4. Infrastructure: To sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
5. Public safety: To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner.

## OBJECTIVES

- Broadcast the League of Women Voters candidate night forums for Royal Oak City Commission & present live updates of Royal Oak general election results.<sup>GOAL2</sup>
- Maintain a live 24hour web stream to the CRO website.<sup>GOAL2</sup>
- Use the WROK bulletin board to feature activities of the senior center(s) and the library; special notices of the police department and other Royal Oak municipal institutions; and agendas of all meetings covered by Royal Oak.<sup>GOAL3</sup>
- Maintain YouTube channel and Facebook pages as an outreach to the world outside of traditional channels of communication.<sup>GOAL2</sup>
- Provide the city clerk's office and community development department with timely copies of meetings recorded by WROK to prepare meeting minutes quickly and economically without incurring overtime cost.<sup>GOAL4</sup>
- Present activities of the Royal Oak recreation department, the annual ice show and the annual dance recital.<sup>GOAL1</sup>
- Present the annual summer concert series, as presented by the Royal Oak Arts Commission.<sup>GOAL3</sup>
- Encourage youth activities by showing weekly hockey games from the Lindell Arena.<sup>GOAL2</sup>
- Advertise and broadcast events like Memorial Day and Holiday Magic parades; and the Veteran's Day and holiday tree lighting ceremonies.<sup>GOAL2</sup>
- Assist the IT department in preparing meetings for video on demand and live webcasting.<sup>GOAL2</sup>

**Significant Revenue, Expenditure, Staff & Program Notes -Fiscal Years 2017-2018:**

Miscellaneous operating supplies will increase \$13,000 to purchase new network attached storage for video files, replace cables, replace batteries and surge protectors, upgrade Telvue equipment, and to upgrade bulletin software. Capital outlay is decreasing \$48,500 due to the construction of a storage garage in fiscal year 16-17.

**Budget Summary****Expenditures**

| <b>101.834 CABLE COMMUNICATIONS</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|-------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                    | 0                         | 0               | 0              | 79,980       | 0           | 79,980       |
| 2014-2015 Actual                    | 0                         | 50,170          | 0              | 80,020       | 0           | 130,190      |
| 2015-2016 Actual                    | 0                         | 1,550           | 235,360        | 88,830       | 0           | 325,740      |
| 2016-2017 Original Budget           | 0                         | 400             | 37,500         | 98,620       | 0           | 136,520      |
| 2016-2017 Adjusted Budget (Dec)     | 0                         | 400             | 48,500         | 98,620       | 0           | 147,520      |
| 2016-2017 Six Month Actual          | 0                         | 0               | 0              | 42,890       | 0           | 42,890       |
| 2016-2017 Estimated Year End        | 0                         | 400             | 48,500         | 98,620       | 0           | 147,520      |
| 2017-2018 Dept Request              | 0                         | 400             | 0              | 111,430      | 0           | 111,830      |
| 2017-2018 Manager's Budget          | 0                         | 400             | 0              | 111,430      | 0           | 111,830      |
|                                     |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget          | 0                         | 400             | 0              | 113,630      | 0           | 114,030      |
| 2019-2020 Projected Budget          | 0                         | 400             | 0              | 115,880      | 0           | 116,280      |
| 2020-2021 Projected Budget          | 0                         | 400             | 0              | 118,180      | 0           | 118,580      |
| 2021-2022 Projected Budget          | 0                         | 400             | 0              | 120,540      | 0           | 120,940      |



***The mission of the community promotion cost center is to provide support to non-governmental organizations focused on serving our residents whose missions further the goals and objectives of the City of Royal Oak.***

There is a very small amount of personnel costs allocated here in addition to some overtime. This cost center also records payment to eligible organizations.

As an example, the city commission assisted various not-for-profit groups (which benefit the city) who serve disadvantaged persons in the city.

City contributions are on a year-to-year, case-to-case basis, depending on availability of funds.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Royal Oak Youth Services continues to be budgeted at \$20,000 as in prior years. Starr house costs decreased due to one-time only maintenance projects performed in 16-17. \$5,000 is budgeted for building wayfinding, \$8,000 for an electronic sign in front of the DPS building to advertise events, \$3,500 for employee bike pool program, \$2,000 for orientation materials, \$2,000 for professional development series and \$1,000 for recruitment materials. \$90,000 is budgeted for fire museum roof replacement.

## Budget Summary

### Expenditures

| 101.835 COMMUNITY PROMOTION     | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|---------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                | 10,780             | 140      | 0       | 57,868  | 0    | 68,788  |
| 2014-2015 Actual                | 12,710             | 620      | 0       | 40,890  | 0    | 54,220  |
| 2015-2016 Actual                | 14,000             | 1,650    | 0       | 57,720  | 0    | 73,370  |
| 2016-2017 Original Budget       | 8,950              | 0        | 0       | 113,820 | 0    | 122,770 |
| 2016-2017 Adjusted Budget (Dec) | 8,950              | 0        | 0       | 113,820 | 0    | 122,770 |
| 2016-2017 Six Month Actual      | 13,460             | 640      | 0       | 52,780  | 0    | 66,880  |
| 2016-2017 Estimated Year End    | 17,000             | 700      | 0       | 113,980 | 0    | 131,680 |
| 2017-2018 Dept Request          | 16,760             | 600      | 0       | 190,680 | 0    | 208,040 |
| 2017-2018 Manager's Budget      | 16,760             | 600      | 0       | 190,680 | 0    | 208,040 |
| 2018-2019 Projected Budget      | 16,900             | 600      | 0       | 98,730  | 0    | 116,230 |
| 2019-2020 Projected Budget      | 17,050             | 600      | 0       | 98,780  | 0    | 116,430 |
| 2020-2021 Projected Budget      | 17,200             | 600      | 0       | 98,840  | 0    | 116,640 |
| 2021-2022 Projected Budget      | 17,350             | 600      | 0       | 98,900  | 0    | 116,850 |

***The mission for the Woodward Dream Cruise is to provide a safe family event for the thousands of visitors and residents of Royal Oak and to advertise the City of Royal Oak and attract people from around North America to it as a place to live and do business.***

The Woodward Dream Cruise (WDC) is a “one-day” classic car event held annually on the third Saturday of August. The WDC event spans down Woodward Avenue from Pontiac through Royal Oak in Oakland County, Michigan, all the way to 8 Mile Road.

The Woodward Dream Cruise is the world’s largest one-day automotive event, drawing up to 1.5 million people and 40,000 classic cars each year from around the globe. The Woodward Dream Cruise also welcomes vehicles of all models whose owners have either scrupulously maintained or customized their car to create a unique vehicle or statement.

The WDC was inaugurated in 1995. It is now the largest single day classic car event in the world, and brings in over \$56 million annually for the Metro Detroit economy.

Each year, the celebration starts early in the week with these classic vehicles brought out onto the streets in preparation, and ancillary events are scheduled in the sponsoring communities of Ferndale, Pleasant Ridge, Royal Oak, Huntington Woods, Berkley, Bloomfield Township, Bloomfield Hills, and Pontiac.

An interdisciplinary committee of the eight communities meets, at least monthly, to coordinate the event. This involves representatives of police, fire, public service, communications and recreation departments at a minimum.

Traffic and crowd control require regular and overtime services for up to seven days of Dream Cruise week. Woodward Avenue, a state highway, is closed all day Saturday for 18 miles.

This budget records the city’s additional expenses for overtime, auxiliary staff, volunteers, events and other cruise specific costs. Advertising revenue from sponsoring organizations offsets part of that cost.

---

## GOALS

1. To provide a safe event.
2. To maintain facilities after the event.
3. Utilize resources to raise funds to support the event.

## OBJECTIVES

- Work with community groups and sponsors for revenue opportunities. <sup>GOAL1,2,3</sup>

---

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Overtime is increasing \$8,000 due to a small contingency for this cost center. Miscellaneous operating supplies and miscellaneous contracted services are increasing due to fiscal year 16-17 being unusually low which is not expected in fiscal year 17-18.

## Budget Summary

### Expenditures

| 101.836 DREAM CRUISE            | Personnel<br>Services | Supplies | Capital | Other  | Debt | Total  |
|---------------------------------|-----------------------|----------|---------|--------|------|--------|
| 2013-2014 Actual                | 40,170                | 28,900   | 0       | 4,240  | 0    | 73,310 |
| 2014-2015 Actual                | 34,920                | 24,970   | 0       | 4,180  | 0    | 64,070 |
| 2015-2016 Actual                | 39,400                | 35,110   | 0       | 6,100  | 0    | 80,610 |
| 2016-2017 Original Budget       | 45,420                | 26,000   | 0       | 9,800  | 0    | 81,220 |
| 2016-2017 Adjusted Budget (Dec) | 45,420                | 26,000   | 0       | 9,800  | 0    | 81,220 |
| 2016-2017 Six Month Actual      | 27,870                | 20,840   | 0       | 17,000 | 0    | 65,710 |
| 2016-2017 Estimated Year End    | 28,880                | 23,000   | 0       | 12,650 | 0    | 64,530 |
| 2017-2018 Dept Request          | 38,150                | 26,000   | 0       | 13,500 | 0    | 77,650 |
| 2017-2018 Manager's Budget      | 38,150                | 26,000   | 0       | 13,500 | 0    | 77,650 |
| 2018-2019 Projected Budget      | 38,150                | 26,000   | 0       | 13,550 | 0    | 77,700 |
| 2019-2020 Projected Budget      | 38,150                | 26,000   | 0       | 13,600 | 0    | 77,750 |
| 2020-2021 Projected Budget      | 38,150                | 26,000   | 0       | 13,650 | 0    | 77,800 |
| 2021-2022 Projected Budget      | 38,150                | 26,000   | 0       | 13,700 | 0    | 77,850 |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Dream Cruise                      |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 0.1   | 0.1   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Part-time Total                   |  | n/a         | 0.1   | 0.1   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |

*The purpose of the Arts Beats & Eats cost center is to account for the costs related to the permit parking zone the weekend of the event. The balance of the Arts Beats & Eats fiscal activity is recorded in its own enterprise fund.*

Arts, Beats & Eats is held in downtown Royal Oak over the Labor Day Weekend. The event was formerly held in downtown Pontiac.

Over one-quarter of a million visitors are expected to enjoy the 150 musical acts, 150 fine artists, and nearly 50 restaurants at this 15th annual event.

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

There is a \$4,000 increase in contracted services for message board rental. \$5,340 is budgeted for motor pool rentals based on estimated vehicle usage for the festival.

## Budget Summary

### Expenditures

| 101.837 AB&E                    | Personnel Services | Supplies | Capital | Other  | Debt | Total  |
|---------------------------------|--------------------|----------|---------|--------|------|--------|
| 2013-2014 Actual                | 2,590              | 3,310    | 0       | 5,060  | 0    | 10,960 |
| 2014-2015 Actual                | 43,810             | 1,150    | 0       | 13,310 | 0    | 58,270 |
| 2015-2016 Actual                | 42,680             | 620      | 0       | 10,660 | 0    | 53,960 |
| 2016-2017 Original Budget       | 58,330             | 1,200    | 0       | 17,340 | 0    | 76,870 |
| 2016-2017 Adjusted Budget (Dec) | 58,330             | 1,200    | 0       | 17,340 | 0    | 76,870 |
| 2016-2017 Six Month Actual      | 47,810             | 10,280   | 0       | 9,120  | 0    | 67,210 |
| 2016-2017 Estimated Year End    | 47,800             | 700      | 0       | 9,560  | 0    | 58,060 |
| 2017-2018 Dept Request          | 41,210             | 1,000    | 0       | 16,340 | 0    | 58,550 |
| 2017-2018 Manager's Budget      | 41,210             | 1,000    | 0       | 16,340 | 0    | 58,550 |
| 2018-2019 Projected Budget      | 41,700             | 1,000    | 0       | 16,450 | 0    | 59,150 |
| 2019-2020 Projected Budget      | 42,210             | 1,000    | 0       | 16,560 | 0    | 59,770 |
| 2020-2021 Projected Budget      | 42,730             | 1,000    | 0       | 16,670 | 0    | 60,400 |
| 2021-2022 Projected Budget      | 43,270             | 1,000    | 0       | 16,780 | 0    | 61,050 |

*The purpose of the transfers out cost center is to provide a means of tracking the transfer of monies from the general fund to other city funds.*

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

There are no significant changes in this cost center. \$18.7 million is budgeted to be transferred to the public safety fund again. This is a reduction from the original fiscal year 2016-17 budget of \$20 million due to the potential savings from the issuance of OPEB/pension bonds. \$350,000 is budgeted to be transferred to the senior citizen services fund in accordance with the public safety millage plan. \$463,500 is budgeted to be transferred to the court debt fund; this is a reduction of approximately \$55,000 relative to last year's original budget due to the refunding of the bond recently. \$15,000 is budgeted to be transferred to ROOTS for the commission for the arts.

## Budget Summary

### Expenditures

| 101.965 TRANSFERS TO<br>OTHER FUNDS | Personnel<br>Services | Supplies | Capital | Other      | Debt | Total      |
|-------------------------------------|-----------------------|----------|---------|------------|------|------------|
| 2013-2014 Actual                    | 0                     | 0        | 0       | 18,150,060 | 0    | 18,150,060 |
| 2014-2015 Actual                    | 0                     | 0        | 0       | 18,676,250 | 0    | 18,676,250 |
| 2015-2016 Actual                    | 0                     | 0        | 0       | 19,982,490 | 0    | 19,982,490 |
| 2016-2017 Original Budget           | 0                     | 0        | 0       | 20,883,250 | 0    | 20,883,250 |
| 2016-2017 Adjusted Budget (Dec)     | 0                     | 0        | 0       | 20,911,250 | 0    | 20,911,250 |
| 2016-2017 Six Month Actual          | 0                     | 0        | 0       | 10,598,780 | 0    | 10,598,780 |
| 2016-2017 Estimated Year End        | 0                     | 0        | 0       | 25,298,380 | 0    | 25,298,380 |
| 2017-2018 Dept Request              | 0                     | 0        | 0       | 20,328,500 | 0    | 20,328,500 |
| 2017-2018 Manager's Budget          | 0                     | 0        | 0       | 20,328,500 | 0    | 20,328,500 |
| 2018-2019 Projected Budget          | 0                     | 0        | 0       | 21,976,560 | 0    | 21,976,560 |
| 2019-2020 Projected Budget          | 0                     | 0        | 0       | 22,282,740 | 0    | 22,282,740 |
| 2020-2021 Projected Budget          | 0                     | 0        | 0       | 22,583,100 | 0    | 22,583,100 |
| 2021-2022 Projected Budget          | 0                     | 0        | 0       | 22,982,830 | 0    | 22,982,830 |



## **SPECIAL REVENUE FUNDS**

Special revenue funds are funds that are used to record transactions in which a funding source is legally restricted for specific expenditures.

|  |                                    |
|--|------------------------------------|
| Major Streets Fund – 202                     | State Construction Code Fund – 282 |
| Local Streets Fund – 203                     | ROOTS Fund – 295                   |
| Public Safety Fund – 207                     | Senior Citizen Services Fund – 296 |
| Publicity Tax Fund – 211                     | Animal Shelter Fund – 297          |
| Solid Waste Fund – 226                       | Police Grants – 298                |
| Library Millage Fund – 271                   | Miscellaneous Grants – 299         |
| Community Development Block Grant Fund – 274 |                                    |

## **SPECIAL REVENUE FUNDS– Component Units**

|   |                            |
|---|----------------------------|
| Brownfield Redevelopment<br>Authority – 243 | DDA Development Fund – 247 |
|   | DDA Operation Fund – 248   |

## Major Street Fund – Routine Maintenance

The highway division of the department of public service (DPS) is responsible for routine maintenance of the city's 64.9 miles of the major street system. Routine maintenance includes

joint/crack repairs, concrete slab replacement, curb replacement, asphalt overlays/repairs, street sweeping, catch basin repair, and storm sewer/catch basin cleaning.

### GOALS

1. To provide a safe and adequate major road system, preserving the quality of life in the city; which enhances the attraction and retention of residents and businesses.
2. To provide proactive planning and programming of maintenance activities to maximize the use of available resources dedicated for road maintenance activities.
3. Maintain a long term major road improvement program that maximizes funds to extend and enhance the life of the city's major road system.

### OBJECTIVES

- Create an inventory of locations of major street repairs to incorporate in the annual major street repair program.<sup>GOAL1</sup>
- Maintain an active role in regional public transportation initiatives.<sup>GOAL2</sup>
- Develop sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.<sup>GOAL3</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Personnel costs are increasing due to a portion of a new full-time truck driver position and a new full-time parks maintenance position being allocated to this cost center. Asphalt supplies are increasing \$7,000 due to expected price increases. Motor pool costs are increasing based on estimated usage and rates. Miscellaneous operating supplies will decrease \$10,000 due to expenses related to the Ferndale bike route in fiscal year 16-17. Construction engineering services will decrease \$9,000 due to spending more than usual on engineering services not tied to a contract in fiscal year 16-17. Miscellaneous contracted services are decreasing \$7,000 due to a traffic study being done in fiscal year 16-17. Other expenses will decrease due to new capital projects being charged to the construction cost center as opposed to a transfer to the capital improvement fund from this cost center.

The following capital projects for this fund for fiscal year 17-18 are as follows:

- CAP1535 Concrete Reconstruction \$207,000

**FY2017-18 Total:** **\$207,000**



## Budget Summary

### Expenditures

| <b>202.467 STREETS MAINTENANCE</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfer</b> | <b>Debt</b> | <b>Total</b> |
|------------------------------------|---------------------------|-----------------|----------------|--------------|-----------------|-------------|--------------|
| 2013-2014 Actual                   | 244,310                   | 85,990          | 0              | 1,018,740    | 0               | 0           | 1,349,040    |
| 2014-2015 Actual                   | 242,280                   | 65,550          | 0              | 1,718,350    | 0               | 0           | 2,026,180    |
| 2015-2016 Actual                   | 239,580                   | 79,130          | 0              | 2,145,320    | 25,000          | 0           | 2,489,030    |
| 2016-2017 Original Budget          | 269,480                   | 66,800          | 0              | 84,130       | 0               | 0           | 420,410      |
| 2016-2017 Adjusted Budget (Dec)    | 269,480                   | 66,800          | 0              | 2,219,130    | 0               | 0           | 2,555,410    |
| 2016-2017 Six Month Actual         | 90,590                    | 20,810          | 0              | 1,481,520    | 0               | 0           | 1,592,920    |
| 2016-2017 Estimated Year End       | 249,000                   | 76,800          | 0              | 2,374,930    | 0               | 0           | 2,700,730    |
| 2017-2018 Dept Request             | 220,550                   | 71,800          | 0              | 285,410      | 0               | 0           | 577,760      |
| 2017-2018 Manager's Budget         | 220,550                   | 71,800          | 0              | 285,410      | 0               | 0           | 577,760      |
|                                    |                           |                 |                |              |                 |             |              |
| 2018-2019 Projected Budget         | 227,360                   | 71,800          | 0              | 79,470       | 0               | 0           | 378,630      |
| 2019-2020 Projected Budget         | 234,400                   | 71,800          | 0              | 80,560       | 0               | 0           | 386,760      |
| 2020-2021 Projected Budget         | 241,700                   | 71,800          | 0              | 81,670       | 0               | 0           | 395,170      |
| 2021-2022 Projected Budget         | 249,270                   | 71,800          | 0              | 82,800       | 0               | 0           | 403,870      |

## Major Streets Fund – Parkway Maintenance

The parks & forestry division of the department of public service (DPS) maintains parkways in the city's major street system.

Parkways or boulevards are the grassy areas between opposing lanes of roads. DPS crews weed, mow the grass, and trim trees and bushes.

### GOALS

1. To facilitate the growth of hardy tree and vegetation that will enhance the major road system while providing schemes and maintenance programs that enhance traffic safety, especially lines of sight.

### OBJECTIVES

- To respond to all street tree requests within one year of date of request.<sup>GOAL1</sup>

#### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Personnel costs are increasing relative to the fiscal year 16-17 original budget due to an increased workload. Contracted services will decrease relative to fiscal year 16-17 due to the one time installation of new median signs. Motor pool costs are increasing based on estimated usage and rates.

## Budget Summary

### Expenditures

| 202.469 STREETS PARKWAY MAINTENANCE | Personnel Services | Supplies | Capital | Other  | Debt | Total   |
|-------------------------------------|--------------------|----------|---------|--------|------|---------|
| 2013-2014 Actual                    | 201,590            | 0        | 0       | 21,640 | 0    | 223,230 |
| 2014-2015 Actual                    | 195,390            | 0        | 0       | 25,680 | 0    | 221,070 |
| 2015-2016 Actual                    | 226,700            | 0        | 0       | 33,240 | 0    | 259,940 |
| 2016-2017 Original Budget           | 211,110            | 0        | 0       | 82,030 | 0    | 293,140 |
| 2016-2017 Adjusted Budget (Dec)     | 211,110            | 0        | 0       | 82,030 | 0    | 293,140 |
| 2016-2017 Six Month Actual          | 96,260             | 0        | 0       | 11,650 | 0    | 107,910 |
| 2016-2017 Estimated Year End        | 217,310            | 0        | 0       | 71,200 | 0    | 288,510 |
| 2017-2018 Dept Request              | 138,320            | 0        | 0       | 57,500 | 0    | 195,820 |
| 2017-2018 Manager's Budget          | 138,320            | 0        | 0       | 57,500 | 0    | 195,820 |
| 2018-2019 Projected Budget          | 142,630            | 0        | 0       | 58,710 | 0    | 201,340 |
| 2019-2020 Projected Budget          | 147,090            | 0        | 0       | 59,960 | 0    | 207,050 |
| 2020-2021 Projected Budget          | 151,710            | 0        | 0       | 61,240 | 0    | 212,950 |
| 2021-2022 Projected Budget          | 156,480            | 0        | 0       | 62,560 | 0    | 219,040 |

The highway division of the department of public service (DPS) is responsible for winter

maintenance, such as snow and ice control, of the city's 64.4 mile major street system.

## GOALS

1. To provide safe and passable major road system by performing prompt and efficient snow removal and ice control.
2. To clear major roads within 24 hours of a major snow event.

## OBJECTIVES

- Reduce salt usage by improving de-icing techniques resulting in cost savings.<sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Winter maintenance expenses are increasing due to a light winter in fiscal year 16-17.

## Budget Summary

### Expenditures

| 202.472 STREETS WINTER MAINTENANCE | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|------------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                   | 179,840            | 328,070  | 0       | 291,290 | 0    | 799,200 |
| 2014-2015 Actual                   | 80,980             | 196,840  | 0       | 131,370 | 0    | 409,190 |
| 2015-2016 Actual                   | 69,060             | 201,480  | 0       | 81,210  | 0    | 351,750 |
| 2016-2017 Original Budget          | 108,760            | 301,000  | 0       | 127,000 | 0    | 536,760 |
| 2016-2017 Adjusted Budget (Dec)    | 108,760            | 301,000  | 0       | 127,000 | 0    | 536,760 |
| 2016-2017 Six Month Actual         | 28,690             | 4,990    | 0       | 27,200  | 0    | 60,880  |
| 2016-2017 Estimated Year End       | 74,160             | 150,750  | 0       | 75,000  | 0    | 299,910 |
| 2017-2018 Dept Request             | 64,790             | 301,000  | 0       | 88,090  | 0    | 453,880 |
| 2017-2018 Manager's Budget         | 64,790             | 301,000  | 0       | 88,090  | 0    | 453,880 |
| 2018-2019 Projected Budget         | 65,890             | 301,000  | 0       | 89,850  | 0    | 456,740 |
| 2019-2020 Projected Budget         | 67,030             | 301,000  | 0       | 91,650  | 0    | 459,680 |
| 2020-2021 Projected Budget         | 68,210             | 301,000  | 0       | 93,480  | 0    | 462,690 |
| 2021-2022 Projected Budget         | 69,430             | 301,000  | 0       | 95,350  | 0    | 465,780 |

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's major street system. This cost center focuses on traffic signage, pavement markings and traffic risk management. See also street signal services.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly to discuss traffic control issues. A

volunteer resident's committee reviews the staff recommendations and makes recommendations to the city commission.

Traffic control signage means street, stop, parking, turn/no-turn, speed, school zone, pedestrian walk signs, etc. The DPS's sign shop provides replacement signs promptly and reduces the cost of carrying an extensive sign inventory.

Additional services performed include pavement markings, intersection and pedestrian markings, guard rails, and bridge inspections.

## GOALS

1. To promote effective traffic control in order to provide safety on the city's major roads.

## OBJECTIVES

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Pavement paint will increase \$4,000 due to Oakland County cooperative bid pricing increasing. Sign materials are decreasing relative to fiscal year 16-17 projected due to large expenses for new school zone signs. However, they are increasing relative to the fiscal year 16-17 original budget due to an increase in pricing. Miscellaneous operating supplies are increasing \$1,000 due to spending less than expected in fiscal year 16-17.

## Budget Summary

### Expenditures

| <b>202.473 STREETS TRAFFIC CONTROL</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                       | 83,950                    | 42,780          | 0              | 70,030       | 0           | 196,760      |
| 2014-2015 Actual                       | 111,320                   | 46,110          | 0              | 79,700       | 0           | 237,130      |
| 2015-2016 Actual                       | 102,720                   | 40,920          | 0              | 86,010       | 0           | 229,650      |
| 2016-2017 Original Budget              | 131,880                   | 39,500          | 0              | 78,150       | 0           | 249,530      |
| 2016-2017 Adjusted Budget (Dec)        | 131,880                   | 63,300          | 0              | 78,150       | 0           | 273,330      |
| 2016-2017 Six Month Actual             | 47,380                    | 31,810          | 0              | 67,950       | 0           | 147,140      |
| 2016-2017 Estimated Year End           | 131,030                   | 67,000          | 0              | 78,530       | 0           | 276,560      |
| 2017-2018 Dept Request                 | 74,310                    | 48,000          | 0              | 81,180       | 0           | 203,490      |
| 2017-2018 Manager's Budget             | 74,310                    | 48,000          | 0              | 81,180       | 0           | 203,490      |
| 2018-2019 Projected Budget             | 76,630                    | 48,000          | 0              | 81,620       | 0           | 206,250      |
| 2019-2020 Projected Budget             | 79,030                    | 48,000          | 0              | 82,070       | 0           | 209,100      |
| 2020-2021 Projected Budget             | 81,500                    | 48,000          | 0              | 82,530       | 0           | 212,030      |
| 2021-2022 Projected Budget             | 84,060                    | 48,000          | 0              | 82,990       | 0           | 215,050      |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Streets Traffic Control           |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | n/a   | n/a   | n/a   | 0.5   | n/a   | n/a   | n/a   | n/a   |
| Part-Time Total                   |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.5   | 0.0   | 0.0   |

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's major street system. This cost center focuses on signal services.

The major street system owns 78 signals, each with its own controller and wiring plus possible pedestrian crossing signals. A DPS electrician handles signal maintenance.

This cost center pays the city's share of maintenance cost for signals on state and county roads.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly. A volunteer citizen's committee reviews the staff recommendations and makes recommendations to the city commission.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Part-time wages are increasing relative to fiscal year 16-17 projected due to wide swings in historical activity. Overtime is increasing compared to the fiscal year 16-17 original budget due to an increased workload. Traffic signal maintenance and repair services are budgeted \$10,000 higher than fiscal year 16-17 projected as this account varies greatly from year to year. Electrical and lighting supplies are increasing \$1,000 relative to fiscal year 16-17 projected due to spending less than expected in fiscal year 16-17.

## Budget Summary

### Expenditures

| 202.474 STREETS SIGNAL SERVICES | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|---------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                | 20,870             | 9,940    | 0       | 125,000 | 0    | 155,810 |
| 2014-2015 Actual                | 23,970             | 10,050   | 0       | 74,170  | 0    | 108,190 |
| 2015-2016 Actual                | 21,580             | 9,300    | 0       | 131,440 | 0    | 162,320 |
| 2016-2017 Original Budget       | 31,400             | 12,000   | 0       | 109,700 | 0    | 153,100 |
| 2016-2017 Adjusted Budget (Dec) | 31,400             | 12,000   | 0       | 109,700 | 0    | 153,100 |
| 2016-2017 Six Month Actual      | 15,260             | 4,530    | 0       | 36,380  | 0    | 56,170  |
| 2016-2017 Estimated Year End    | 31,590             | 11,000   | 0       | 85,000  | 0    | 127,590 |
| 2017-2018 Dept Request          | 37,820             | 12,000   | 0       | 96,000  | 0    | 145,820 |
| 2017-2018 Manager's Budget      | 37,820             | 12,000   | 0       | 96,000  | 0    | 145,820 |
| 2018-2019 Projected Budget      | 38,640             | 12,000   | 0       | 96,190  | 0    | 146,830 |
| 2019-2020 Projected Budget      | 39,490             | 12,000   | 0       | 96,380  | 0    | 147,870 |
| 2020-2021 Projected Budget      | 40,370             | 12,000   | 0       | 96,570  | 0    | 148,940 |
| 2021-2022 Projected Budget      | 41,280             | 12,000   | 0       | 96,770  | 0    | 150,050 |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Signal Servicese                         | Fiscal Year |       |       |       |       |       |       |       |       |
|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Part-Time Positions (FTEs)</u></b> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions                      | n/a         | n/a   | 3.8   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Part-Time Total                          | 0.0         | 0.0   | 3.8   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |

***The mission of the major street fund is to maintain the major streets system and rights-of-way in a manner to ensure safe vehicle and pedestrian traffic as well as to present an attractive roadside environment in accordance with Michigan Act 51 of Public Acts of 1951 as amended.***

The City of Royal Oak owns over 64 miles of major streets. These are the main arteries that move residents to and from local or neighborhood streets to larger, faster roads that are maintained by Oakland County or the State of Michigan. (See street map)

The city engineer, as the street administrator, is responsible for evaluating, planning, designing and constructing the road system and its traffic safety. This includes original construction, major replacement or resurfacing, traffic signs and signals.

The engineer coordinates regularly with the Oakland County Road Commission, surrounding communities and the State Department of Transportation regarding the roads in the city for which the city is responsible. It also means

meeting with subdivision and homeowner groups or associations, and other concerned citizens as situations warrant.

The department of public service maintains the system of roadways. Their responsibilities include patching roads, maintaining parkways, rights-of way, signs and signals, and controlling snow and ice.

\* \* \* \* \*

The major street fund / administration cost center accounts for the cost of the overall planning, administration and oversight of all activities that affect traffic conditions on the city's major street network.

Audit and debt expenditures are included. This cost center also accounts for any city commission authorized transfer-out to support the local street fund, as allowed by Act 51. At this time, a transfer-out to the local street fund is not budgeted as 100% of the road millage is receipted into the local street fund.

---

## GOALS

1. Coordinate all aspects of major street construction, maintenance and permitting practices.
2. Construct and rehabilitate failing segments of the city's major street system by implementing safety improvements as presented in the annual capital improvement plan (CIP) while balancing the sometimes-conflicting interests of safety, mobility and environmental impacts.
3. Maintain an active role in regional public transportation initiatives.

## OBJECTIVES



**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Using the State of Michigan's distribution formula projections based on the new road funding law, revenues from the gasoline/vehicle registration (Act 51) tax are budgeted to increase by approximately \$200,000. Costs increased due to allocating the OPEB and pension bonds principle and interest to the administrative cost center rather than the other cost centers within this fund. The transfer out decreased to zero as the energy conservation bond payments ended in fiscal year 16-17. Monies may get transferred to the local road fund in order to decrease the local road bond amount. This will be determined after the engineering department determines whether no projected need to be added.

**Budget Summary**

| <b>Major Street Fund Summary</b>          | <b>2016-2017</b> | <b>2017-2018</b> | <b>2018-2019</b> | <b>2019-2020</b> | <b>2020-2021</b> | <b>2021-2022</b> |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance                    | 3,391,243        | 1,416,333        | 2,814,913        | 2,962,423        | 3,205,813        | 3,506,413        |
| Revenues and transfers from other funds   | 4,280,140        | 4,321,500        | 4,321,500        | 4,321,500        | 4,321,500        | 4,321,500        |
| Expenditures and transfers to other funds | 6,255,050        | 2,922,920        | 4,173,990        | 4,078,110        | 4,020,900        | 3,495,390        |
| Net Change in Fund Balance                | (1,974,910)      | 1,398,580        | 147,510          | 243,390          | 300,600          | 826,110          |
| Ending Fund Balance                       | 1,416,333        | 2,814,913        | 2,962,423        | 3,205,813        | 3,506,413        | 4,332,523        |

**Revenues**

| <b>202-000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses, Charges and Fines</b> | <b>Interest and Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|------------------------------------|-----------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 3,049,270     | 171,950                            | 174,530                           | 49,100       | 0                | 3,444,850    |
| 2014-2015 Actual                | 0            | 3,306,640     | 152,800                            | 36,440                            | 29,700       | 0                | 3,525,580    |
| 2015-2016 Actual                | 0            | 3,585,730     | 207,150                            | 30,180                            | 35,730       | 0                | 3,858,790    |
| 2016-2017 Original Budget       | 0            | 3,786,000     | 153,000                            | 16,000                            | 20,000       | 900,000          | 4,875,000    |
| 2016-2017 Adjusted Budget (Dec) | 0            | 3,786,000     | 153,000                            | 16,000                            | 31,900       | 900,000          | 4,886,900    |
| 2016-2017 Six Month Actual      | 0            | 1,033,120     | 0                                  | 4,360                             | 7,290        | 0                | 1,044,770    |
| 2016-2017 Estimated Year End    | 0            | 3,800,000     | 207,000                            | 94,730                            | 16,000       | 162,410          | 4,280,140    |
| 2017-2018 Dept Request          | 0            | 4,010,000     | 207,000                            | 18,500                            | 16,000       | 70,000           | 4,321,500    |
| 2017-2018 Manager's Budget      | 0            | 4,010,000     | 207,000                            | 18,500                            | 16,000       | 70,000           | 4,321,500    |
| 2018-2019 Projected Budget      | 0            | 4,010,000     | 207,000                            | 18,500                            | 16,000       | 70,000           | 4,321,500    |
| 2019-2020 Projected Budget      | 0            | 4,010,000     | 207,000                            | 18,500                            | 16,000       | 70,000           | 4,321,500    |
| 2020-2021 Projected Budget      | 0            | 4,010,000     | 207,000                            | 18,500                            | 16,000       | 70,000           | 4,321,500    |
| 2021-2022 Projected Budget      | 0            | 4,010,000     | 207,000                            | 18,500                            | 16,000       | 70,000           | 4,321,500    |

## Expenditures

| <b>202.515 STREETS ADMINISTRATION</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                       |                           |                 |                |              |             |              |
| 2013-2014 Actual                      | 0                         | 0               | 0              | 495,770      | 0           | 495,770      |
| 2014-2015 Actual                      | 0                         | 0               | 0              | 150,490      | 0           | 150,490      |
| 2015-2016 Actual                      | 0                         | 0               | 0              | 149,270      | 0           | 149,270      |
| 2016-2017 Original Budget             | 250                       | 0               | 0              | 124,080      | 0           | 124,330      |
| 2016-2017 Adjusted Budget (Dec)       | 250                       | 0               | 0              | 124,080      | 0           | 124,330      |
| 2016-2017 Six Month Actual            | 0                         | 0               | 0              | 92,690       | 0           | 92,690       |
| 2016-2017 Estimated Year End          | 0                         | 0               | 0              | 124,250      | 0           | 124,250      |
| 2017-2018 Dept Request                | 0                         | 0               | 0              | 95,320       | 93,840      | 189,160      |
| 2017-2018 Manager's Budget            | 0                         | 0               | 0              | 95,320       | 93,840      | 189,160      |
|                                       |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget            | 0                         | 0               | 0              | 95,760       | 93,840      | 189,600      |
| 2019-2020 Projected Budget            | 0                         | 0               | 0              | 96,210       | 93,840      | 190,050      |
| 2020-2021 Projected Budget            | 0                         | 0               | 0              | 96,680       | 93,840      | 190,520      |
| 2021-2022 Projected Budget            | 0                         | 0               | 0              | 97,160       | 93,840      | 191,000      |

*The mission of the major street construction cost center is to track and fund major street projects.*

## GOALS

1. Maintain a long term major road improvement program that maximizes funds to extend and enhance the life of the city's major road system.

## OBJECTIVES

- Develop sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.<sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The requested budget calls for over \$1.1 million for major street improvements (see capital improvement tab).

The following capital projects for this fund for fiscal year 17-18 are as follows:

- |  |          |
|--|----------|
| • CAP1101 Surveying Services             | \$30,000 |
| • CAP1718 North-South Bike Route Phase I | 490,000  |
| • CAP1719 South End Traffic Study        | 20,000   |
| • CAP1806 Campbell Road Resurfacing      | 317,000  |
| • CAP1817 Traffic Signal Upgrade Study   | 150,000  |
| • CAP1825 Joint Sealing                  | 70,000   |
| • CAP1831 Traffic Calming Project        | 80,000   |

**FY2017-18 Total:**

**\$1,156,990**

## Budget Summary

### Expenditures

| <b>202.901 CONSTRUCTION</b>     | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                           |                 |                |              |             |              |
| 2013-2014 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2015-2016 Actual                | 155,680                   | 5,030           | 0              | 224,180      | 0           | 384,890      |
| 2016-2017 Original Budget       | 127,760                   | 0               | 3,162,240      | 10,000       | 0           | 3,300,000    |
| 2016-2017 Adjusted Budget (Dec) | 127,760                   | 0               | 1,094,240      | 10,000       | 0           | 1,232,000    |
| 2016-2017 Six Month Actual      | 45,230                    | 180             | 21,510         | 1,499,930    | 0           | 1,566,850    |
| 2016-2017 Estimated Year End    | 0                         | 0               | 2,437,500      | 0            | 0           | 2,437,500    |
| 2017-2018 Dept Request          | 205,600                   | 0               | 951,390        | 0            | 0           | 1,156,990    |
| 2017-2018 Manager's Budget      | 205,600                   | 0               | 951,390        | 0            | 0           | 1,156,990    |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 205,600                   | 0               | 2,389,000      | 0            | 0           | 2,594,600    |
| 2019-2020 Projected Budget      | 205,600                   | 0               | 2,272,000      | 0            | 0           | 2,477,600    |
| 2020-2021 Projected Budget      | 205,600                   | 0               | 2,193,000      | 0            | 0           | 2,398,600    |
| 2021-2022 Projected Budget      | 205,600                   | 0               | 1,645,000      | 0            | 0           | 1,850,600    |

***The highway division of the department of public service (DPS) is responsible for daily routine maintenance of the city's 148-mile local street system.***

Routine maintenance includes joint and crack sealing, concrete slab replacement, some limited asphalt overlays/repairs that are

implemented through CIP's managed by the engineering department, street sweeping and storm sewer/catch basin cleaning. Dust control is applied when paid by residents and is performed by the highway division.

## GOALS

1. To provide a safe and adequate local/neighborhood system, preserving the quality of life in the city; which enhances the attraction and retention of residents and businesses.
2. To provide proactive planning and programming of maintenance activities to maximize the use of available resources dedicated for local/neighborhood maintenance activities.
3. To maintain a long term local street improvement program that maximizes funding to extend and enhance the life of the city's local street system.

## OBJECTIVES

- Complete pavement cut list by October 1st.<sup>GOAL2</sup>
- Develop a sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.<sup>GOAL3</sup>
- Maintain an active role in regional public transportation initiatives.<sup>GOAL3</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Personnel costs are increasing due to a portion of a new truck driver position being allocated here. \$20,000 is budgeted for contracted tree removal services. Contracted services are increasing \$10,000 to complete the south end traffic study. Other expenses will decrease due to new capital projects being charged to the construction cost center as opposed to a transfer to the capital improvement fund from this cost center. Motor pool expenses are budgeted to increase significantly based on estimated usage and rates.

The following capital projects for this fund for fiscal year 17-18 are as follows:

- |                                   |           |
|-----------------------------------|-----------|
| • CAP1505 Concrete Street Repairs | \$558,000 |
| • CAP1535 Concrete Reconstruction | 120,000   |

|                                |                         |
|--------------------------------|-------------------------|
| <b><u>FY2017-18 Total:</u></b> | <b><u>\$678,000</u></b> |
|--------------------------------|-------------------------|

## Budget Summary

### Expenditures

| 203.467 STREETS MAINTENANCE     | Personnel<br>Services | Supplies | Capital | Other     | Transfer | Debt | Total     |
|---------------------------------|-----------------------|----------|---------|-----------|----------|------|-----------|
| 2013-2014 Actual                | 504,650               | 46,720   | 0       | 571,510   | 0        | 0    | 1,122,880 |
| 2014-2015 Actual                | 644,570               | 42,700   | 0       | 2,201,180 | 0        | 0    | 2,888,450 |
| 2015-2016 Actual                | 691,870               | 42,620   | 0       | 6,590,100 | 25,000   | 0    | 7,349,590 |
| 2016-2017 Original Budget       | 689,210               | 51,350   | 0       | 297,090   | 0        | 0    | 1,037,650 |
| 2016-2017 Adjusted Budget (Dec) | 689,210               | 51,350   | 0       | 3,962,090 | 13,000   | 0    | 4,715,650 |
| 2016-2017 Six Month Actual      | 295,950               | 15,220   | 0       | 2,771,690 | 0        | 0    | 3,082,860 |
| 2016-2017 Estimated Year End    | 643,400               | 53,330   | 0       | 4,593,040 | 0        | 0    | 5,289,770 |
| 2017-2018 Dept Request          | 488,660               | 52,500   | 0       | 676,560   | 0        | 0    | 1,217,720 |
| 2017-2018 Manager's Budget      | 488,660               | 52,500   | 0       | 676,560   | 0        | 0    | 1,217,720 |
|                                 |                       |          |         |           |          |      |           |
| 2018-2019 Projected Budget      | 501,850               | 52,500   | 0       | 354,930   | 0        | 0    | 909,280   |
| 2019-2020 Projected Budget      | 515,510               | 52,500   | 0       | 361,430   | 0        | 0    | 929,440   |
| 2020-2021 Projected Budget      | 529,650               | 52,500   | 0       | 368,060   | 0        | 0    | 950,210   |
| 2021-2022 Projected Budget      | 544,290               | 52,500   | 0       | 374,820   | 0        | 0    | 971,610   |

*This division of the department of public service (DPS) maintains parkways in the city's local street system. Parkway or boulevards are the grassy areas between opposing lanes of roads.*

DPS crews weed, mow the grass, and trim trees and bushes.

## GOALS

1. To facilitate the growth of hardy tree and vegetation that will enhance the neighborhood while providing schemes and maintenance programs that enhance traffic safety, especially lines of sight.

## OBJECTIVES

- To provide effective weed control on prominent medians (dandelion control).<sup>GOAL1</sup>
- Respond to all tree requests for service within one year of request.<sup>GOAL1</sup>
- Explore increasing staff at DPS and recreation.<sup>GOAL1</sup>

## Performance Indicators / Outcome Measures

|  | Actual<br>FY14-15 | Actual<br>FY15-16 | Dec 31<br>2016 | Projected<br>FY16-17 | Projected<br>FY17-18 | Projected<br>FY17-18 |
|--|-------------------|-------------------|----------------|----------------------|----------------------|----------------------|
| <sup>GOAL1</sup> Boulevards mowed (hours)  | 1,541             | 1,484             | 1,019          | 1,500                | 1,500                | 1,500                |
| <sup>GOAL1</sup> Street tree work requests | 1,114             | 1,396             | 628            | 1,400                | 1,400                | 1,400                |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Overtime is decreasing as it was unusually high in fiscal year 16-17 due to a shortfall of personnel. Contracted services are increasing \$5,000 for tree removal. Motor pool costs are decreasing relative to fiscal year 16-17 projected based on estimated usage and rates.

## Budget Summary

### Expenditures

| <b>203.469 STREETS PARKWAY MAINTENANCE</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|  |                           |                 |                |              |             |              |
| 2013-2014 Actual                           | 311,080                   | 0               | 0              | 143,790      | 0           | 454,870      |
| 2014-2015 Actual                           | 368,380                   | 0               | 0              | 197,250      | 0           | 565,630      |
| 2015-2016 Actual                           | 375,820                   | 0               | 0              | 163,410      | 0           | 539,230      |
| 2016-2017 Original Budget                  | 405,010                   | 0               | 0              | 212,970      | 0           | 617,980      |
| 2016-2017 Adjusted Budget (Dec)            | 405,010                   | 0               | 0              | 212,970      | 0           | 617,980      |
| 2016-2017 Six Month Actual                 | 141,030                   | 0               | 0              | 75,710       | 0           | 216,740      |
| 2016-2017 Estimated Year End               | 422,480                   | 0               | 0              | 173,000      | 0           | 595,480      |
| 2017-2018 Dept Request                     | 282,870                   | 0               | 0              | 167,770      | 0           | 450,640      |
| 2017-2018 Manager's Budget                 | 282,870                   | 0               | 0              | 167,770      | 0           | 450,640      |
|  |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget                 | 291,030                   | 0               | 0              | 170,730      | 0           | 461,760      |
| 2019-2020 Projected Budget                 | 299,480                   | 0               | 0              | 173,740      | 0           | 473,220      |
| 2020-2021 Projected Budget                 | 308,220                   | 0               | 0              | 176,810      | 0           | 485,030      |
| 2021-2022 Projected Budget                 | 317,260                   | 0               | 0              | 179,950      | 0           | 497,210      |



The highway division of the department of public service (DPS) is responsible for winter

maintenance, such as snow and ice control, of the city's 148 mile local street system.

## GOALS

1. To provide safe and passable local road system by performing prompt and efficient snow removal and ice control.
2. To continue to introduce de-icing as a cost saving measure.

## OBJECTIVES

- To provide prompt and efficient snow removal and de-icing within 24 hours of a major snow event.<sup>GOAL1,2</sup>
- Investigate options for a snow removal ordinance.<sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Road salt costs will increase relative to fiscal year 16-17 projected due to a light winter in fiscal year 16-17. Motor pool costs are decreasing significantly based on estimated usage and rates.

## Budget Summary

### Expenditures

| 203.472 STREETS WINTER MAINTENANCE | Personnel Services | Supplies | Capital | Other   | Debt | Total   |
|------------------------------------|--------------------|----------|---------|---------|------|---------|
| 2013-2014 Actual                   | 186,550            | 36,410   | 0       | 195,370 | 0    | 418,330 |
| 2014-2015 Actual                   | 107,680            | 21,840   | 0       | 120,910 | 0    | 250,430 |
| 2015-2016 Actual                   | 63,090             | 23,050   | 0       | 31,080  | 0    | 117,220 |
| 2016-2017 Original Budget          | 131,750            | 72,000   | 0       | 116,750 | 0    | 320,500 |
| 2016-2017 Adjusted Budget (Dec)    | 131,750            | 72,000   | 0       | 116,750 | 0    | 320,500 |
| 2016-2017 Six Month Actual         | 50,550             | 730      | 0       | 64,700  | 0    | 115,980 |
| 2016-2017 Estimated Year End       | 101,800            | 23,000   | 0       | 90,000  | 0    | 214,800 |
| 2017-2018 Dept Request             | 91,480             | 72,000   | 0       | 59,820  | 0    | 223,300 |
| 2017-2018 Manager's Budget         | 91,480             | 72,000   | 0       | 59,820  | 0    | 223,300 |
| 2018-2019 Projected Budget         | 93,220             | 72,000   | 0       | 61,020  | 0    | 226,240 |
| 2019-2020 Projected Budget         | 95,020             | 72,000   | 0       | 62,240  | 0    | 229,260 |
| 2020-2021 Projected Budget         | 96,880             | 72,000   | 0       | 63,480  | 0    | 232,360 |
| 2021-2022 Projected Budget         | 98,800             | 72,000   | 0       | 64,750  | 0    | 235,550 |

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's local street system. This cost center focuses on traffic signage, pavement markings and traffic risk management.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly.

A volunteer citizen's committee reviews the staff recommendations and makes recommendations to the city commission.

Traffic control signage means street, stop, parking, turn/no-turn, speed, school zone, pedestrian walk signs, etc. DPS's own sign shop provides replacement signs promptly and reduces the cost of carrying an extensive sign inventory. Additional services performed include pavement markings, intersection and pedestrian markings.

## GOALS

1. To promote effective traffic control in order to provide safety on the city's local streets.
2. To maintain all street pavement markings.
3. To replace all down signs within 24 hours of notification.

## OBJECTIVES

- Convert all street markings from paint to thermoplastic within 7 years. <sup>GOAL1</sup>
- Inspect <sup>GOAL2</sup> all pavement markings annually.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Signs and materials will increase \$1,000 due to increases in unit pricing. Motor pool costs are increasing based on estimated usage and rates.

## Budget Summary

### Expenditures

| <b>203.473 STREETS TRAFFIC CONTROL</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
|  |                               |                 |                |              |             |              |
| 2013-2014 Actual                       | 173,860                       | 10,110          | 0              | 35,480       | 0           | 219,450      |
| 2014-2015 Actual                       | 220,100                       | 8,020           | 0              | 38,560       | 0           | 266,680      |
| 2015-2016 Actual                       | 228,160                       | 11,160          | 0              | 75,960       | 0           | 315,280      |
| 2016-2017 Original Budget              | 204,990                       | 10,000          | 0              | 36,460       | 0           | 251,450      |
| 2016-2017 Adjusted Budget (Dec)        | 204,990                       | 10,000          | 0              | 36,460       | 0           | 251,450      |
| 2016-2017 Six Month Actual             | 96,630                        | 3,340           | 0              | 18,110       | 0           | 118,080      |
| 2016-2017 Estimated Year End           | 207,880                       | 10,000          | 0              | 30,000       | 0           | 247,880      |
| 2017-2018 Dept Request                 | 136,540                       | 11,000          | 0              | 35,920       | 0           | 183,460      |
| 2017-2018 Manager's Budget             | 136,540                       | 11,000          | 0              | 35,920       | 0           | 183,460      |
|  |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget             | 140,710                       | 11,000          | 0              | 36,640       | 0           | 188,350      |
| 2019-2020 Projected Budget             | 145,030                       | 11,000          | 0              | 37,370       | 0           | 193,400      |
| 2020-2021 Projected Budget             | 149,490                       | 11,000          | 0              | 38,120       | 0           | 198,610      |
| 2021-2022 Projected Budget             | 154,110                       | 11,000          | 0              | 38,880       | 0           | 203,990      |

***The mission of the local street fund is to maintain the local streets system and rights-of-way in a manner to ensure safe vehicle and pedestrian traffic as well as to present an attractive roadside environment in accordance with Michigan Act 51 of Public Acts of 1951 as amended.***

The City of Royal Oak owns over 148 miles of local streets. These are the neighborhood roads that move residents to and from their residences to major streets or other larger, faster roads that are maintained by Oakland County or the State of Michigan.

The city engineer, as the street administrator, is responsible for evaluating, planning, designing and constructing the road system and its traffic safety. This includes original construction, major replacement or resurfacing, and traffic signs.

The engineer meets with neighborhood groups wishing to upgrade their streets to inform them and guide them in obtaining special assessment funding.

The department of public service maintains the system of roadways. Their responsibilities include patching roads, maintaining parkways, rights-of way, signs, and controlling snow and ice on the roads.

\* \* \* \* \*

The local street fund / administration cost center accounts for the cost of the overall planning, administration and oversight of all activities that affect traffic conditions on the city's local street network. Audit expenditures are included.

---

## GOALS

1. To effectively plan and coordinate the construction, maintenance and permitting for the city's local street system in a manner that maximizes the use of resources.
  2. Maintain an active role in regional public transportation initiatives.
- 

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Using the State of Michigan's distribution formula projections based on the new road funding law, revenues from the gasoline/vehicle registration (Act 51) tax are budgeted to increase by nearly \$74,000. \$1.6 million in revenue is budgeted from sidewalk special assessments. The full levy of 2.4351 mills is budgeted to generate approximately \$5.8 million. This budget assumes the city will issue bonds in the amount of \$8.1 million in order to advance road projects. Costs increased due to allocating the OPEB/pension bonds principal and interest costs to the administrative cost center rather than the other cost centers within this fund.

## Budget Summary

| Local Street Fund Summary                 | 2016-2017  | 2017-2018   | 2018-2019   | 2019-2020 | 2020-2021 | 2021-2022 |
|---|------------|-------------|-------------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 562,299    | 6,042,319   | 3,924,359   | 1,580,219 | 618,379   | 1,475,659 |
| Revenues and transfers from other funds   | 15,579,330 | 7,361,000   | 7,429,380   | 7,578,390 | 7,731,120 | 7,887,670 |
| Expenditures and transfers to other funds | 10,099,310 | 9,478,960   | 9,773,520   | 8,540,230 | 6,873,840 | 6,791,090 |
| Net Change in Fund Balance                | 5,480,020  | (2,117,960) | (2,344,140) | (961,840) | 857,280   | 1,096,580 |
| Ending Fund Balance                       | 6,042,319  | 3,924,359   | 1,580,219   | 618,379   | 1,475,659 | 2,572,239 |

## Revenues

| 203.000 REVENUE                 | Taxes     | Grants    | Interest and Contributions | Other     | Transfers | Total      |
|---------------------------------|-----------|-----------|----------------------------|-----------|-----------|------------|
| 2013-2014 Actual                | 0         | 1,100,780 | 2,020                      | 570       | 94,280    | 1,197,650  |
| 2014-2015 Actual                | 5,360,570 | 962,420   | 15,410                     | 5,050     | 50,740    | 6,394,190  |
| 2015-2016 Actual                | 5,541,620 | 1,014,760 | 2,400                      | 159,810   | 44,220    | 6,762,810  |
| 2016-2017 Original Budget       | 5,618,000 | 1,231,000 | 5,000                      | 7,200,000 | 0         | 14,054,000 |
| 2016-2017 Adjusted Budget (Dec) | 5,618,000 | 1,231,000 | 5,000                      | 7,200,000 | 0         | 14,054,000 |
| 2016-2017 Six Month Actual      | 848,340   | 336,010   | (20)                       | 2,450     | 0         | 1,186,780  |
| 2016-2017 Estimated Year End    | 5,645,000 | 1,231,000 | 5,700                      | 8,400,000 | 297,630   | 15,579,330 |
| 2017-2018 Dept Request          | 5,815,000 | 1,305,000 | 1,000                      | 0         | 240,000   | 7,361,000  |
| 2017-2018 Manager's Budget      | 5,815,000 | 1,305,000 | 1,000                      | 0         | 240,000   | 7,361,000  |
| 2018-2019 Projected Budget      | 5,960,380 | 1,305,000 | 1,000                      | 70,000    | 93,000    | 7,429,380  |
| 2019-2020 Projected Budget      | 6,109,390 | 1,305,000 | 1,000                      | 70,000    | 93,000    | 7,578,390  |
| 2020-2021 Projected Budget      | 6,262,120 | 1,305,000 | 1,000                      | 70,000    | 93,000    | 7,731,120  |
| 2021-2022 Projected Budget      | 6,418,670 | 1,305,000 | 1,000                      | 70,000    | 93,000    | 7,887,670  |

## Expenditures

| 203.515 STREETS ADMINISTRATION  | Personnel Services | Supplies | Capital | Other  | Transfers | Debt      | Total     |
|---------------------------------|--------------------|----------|---------|--------|-----------|-----------|-----------|
|                                 |                    |          |         |        |           |           |           |
| 2013-2014 Actual                | 0                  | 0        | 0       | 44,240 | 0         | 0         | 44,240    |
| 2014-2015 Actual                | 0                  | 0        | 0       | 36,130 | 730       | 0         | 36,860    |
| 2015-2016 Actual                | 0                  | 0        | 0       | 49,070 | 710       | 0         | 49,780    |
| 2016-2017 Original Budget       | 250                | 0        | 0       | 52,120 | 600       | 0         | 52,970    |
| 2016-2017 Adjusted Budget (Dec) | 250                | 0        | 0       | 52,120 | 600       | 0         | 52,970    |
| 2016-2017 Six Month Actual      | 0                  | 0        | 0       | 26,230 | 0         | 0         | 26,230    |
| 2016-2017 Estimated Year End    | 0                  | 0        | 0       | 52,120 | 720       | 0         | 52,840    |
| 2017-2018 Dept Request          | 0                  | 0        | 0       | 70,210 | 720       | 1,593,910 | 1,664,840 |
| 2017-2018 Manager's Budget      | 0                  | 0        | 0       | 70,210 | 720       | 1,593,910 | 1,664,840 |
|                                 |                    |          |         |        |           |           |           |
| 2018-2019 Projected Budget      | 0                  | 0        | 0       | 70,650 | 720       | 1,593,910 | 1,665,280 |
| 2019-2020 Projected Budget      | 0                  | 0        | 0       | 71,100 | 720       | 1,593,910 | 1,665,730 |
| 2020-2021 Projected Budget      | 0                  | 0        | 0       | 71,570 | 720       | 1,593,910 | 1,666,200 |
| 2021-2022 Projected Budget      | 0                  | 0        | 0       | 72,050 | 720       | 1,593,910 | 1,666,680 |

*The mission of the local street construction cost center is to track and fund local street projects.*

## GOALS

## OBJECTIVES

1. To maintain a long term local street improvement program that maximizes funding to extend and enhance the life of the city's local street system.
- Develop a sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.<sup>GOAL 1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The capital improvement plan calls for \$6,069,000 in local street improvements (see capital improvement plan), however, the requested budget is \$5,739,000 as estimated timing and cost of completing projects has changed since the completion of the capital improvement plan.

The following capital projects for this fund for fiscal year 17-18 are as follows:

|   |           |
|---|-----------|
| • CAP1639 Special Assessment Paving Orchard Grove | \$122,000 |
| • CAP1701 DPS Pavement Patch and Prepaid Sidewalk | 12,000    |
| • CAP1710 Water Main Improvements (Road Portion)  | 15,000    |
| • CAP1715 Asphalt Resurfacing                     | 1,300,000 |
| • CAP1735 Concrete Reconstruction                 | 815,000   |
| • CAP1805 Concrete Street Repairs                 | 1,200,000 |
| • CAP1815 Asphalt Resurfacing                     | 1,400,000 |
| • CAP1825 Joint Sealing                           | 90,000    |
| • CAP1835 Concrete Reconstruction                 | 785,000   |

**FY2017-18 Total:      \$5,739,000**

## Budget Summary

### Expenditures

| <b>203.901 CONSTRUCTION</b>     | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                               |                 |                |              |             |              |
| 2013-2014 Actual                | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2015-2016 Actual                | 72,310                        | 530             | 0              | 556,370      | 0           | 629,210      |
| 2016-2017 Original Budget       | 319,110                       | 1,000           | 7,352,000      | 37,990       | 0           | 7,710,100    |
| 2016-2017 Adjusted Budget (Dec) | 319,110                       | 1,000           | 3,687,000      | 37,990       | 0           | 4,045,100    |
| 2016-2017 Six Month Actual      | 70,410                        | 680             | 0              | 704,480      | 0           | 775,570      |
| 2016-2017 Estimated Year End    | 0                             | 0               | 3,698,540      | 0            | 0           | 3,698,540    |
| 2017-2018 Dept Request          | 128,600                       | 0               | 5,610,400      | 0            | 0           | 5,739,000    |
| 2017-2018 Manager's Budget      | 128,600                       | 0               | 5,610,400      | 0            | 0           | 5,739,000    |
|                                 |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 128,610                       | 0               | 6,194,000      | 0            | 0           | 6,322,610    |
| 2019-2020 Projected Budget      | 128,620                       | 0               | 5,850,000      | 0            | 0           | 5,978,620    |
| 2020-2021 Projected Budget      | 128,640                       | 0               | 4,163,000      | 0            | 0           | 4,291,640    |
| 2021-2022 Projected Budget      | 128,660                       | 0               | 4,059,000      | 0            | 0           | 4,187,660    |



The public safety fund collects the public safety millage, authorized by voters in November 2012. The city budgets to levy 3.8719 mills of the 3.975 (reduced by Headlee to 3.8719) authorized levy for FY2017-18. This will be the first year of the renewal. The millage is approved for five years. Revenues generated by the police,

fire and ambulance functions are accounted for in this fund. At a minimum, a renewal will be needed. The future years' projections assume a renewal is approved.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The public safety millage is budgeted to generate approximately \$9.36 million based upon the millage rate of 3.8719 mills (the maximum authorized levy reduced by Headlee). Fiscal year 2017-18 will be the first year of the five year millage renewal. The forecast assumes the maximum authorized millage will be levied. A transfer of \$18.7 million from the general fund to offset the police, fire and ambulance functions' expenditures for fiscal year 17-18 is budgeted. By the last year of the forecast, the general fund transfers-out is estimated at \$19.6 million to the public safety fund (see general fund forecast to review the growing use of general fund fund balance). The transfer from the DDA to this fund is budgeted at \$540,000 for policing services in the downtown area.

## Budget Summary

| PUBLIC SAFETY FUND                        | 2016-2017   | 2017-2018  | 2018-2019  | 2019-2020  | 2020-2021  | 2021-2022  |
|---|-------------|------------|------------|------------|------------|------------|
| Beginning Fund Balance                    | 2,046,139   | 216,839    | 233,039    | 299,279    | 307,339    | 243,509    |
| Revenues and transfers from other funds   | 29,608,420  | 29,957,920 | 30,191,800 | 30,731,520 | 31,277,240 | 31,829,100 |
| Expenditures and transfers to other funds | 31,437,720  | 29,941,720 | 30,125,560 | 30,723,460 | 31,341,070 | 31,979,080 |
| Net Change in Fund Balance                | (1,829,300) | 16,200     | 66,240     | 8,060      | (63,830)   | (149,980)  |
| Ending Fund Balance                       | 216,839     | 233,039    | 299,279    | 307,339    | 243,509    | 93,529     |

## Revenues

| 207-000 REVENUE                 | Taxes      | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other   | Transfers  | Total      |
|---------------------------------|------------|--------|--------------------------------------|-------------------------------|---------|------------|------------|
| 2013-2014 Actual                | 0          | 0      | 0                                    | 0                             | 0       | 0          | 0          |
| 2014-2015 Actual                | 8,527,310  | 0      | 1,099,330                            | 13,550                        | 185,670 | 18,375,000 | 28,200,860 |
| 2015-2016 Actual                | 8,811,470  | 0      | 1,322,880                            | 7,970                         | 170,950 | 19,540,000 | 29,853,270 |
| 2016-2017 Original Budget       | 8,933,000  | 0      | 1,067,800                            | 5,000                         | 121,820 | 20,540,000 | 30,667,620 |
| 2016-2017 Adjusted Budget (Dec) | 8,933,000  | 0      | 1,067,800                            | 5,000                         | 121,820 | 20,540,000 | 30,667,620 |
| 2016-2017 Six Month Actual      | 1,348,920  | 0      | 466,650                              | (840)                         | 64,600  | 10,270,000 | 12,149,330 |
| 2016-2017 Estimated Year End    | 8,970,000  | 0      | 1,229,400                            | 30,200                        | 138,820 | 19,240,000 | 29,608,420 |
| 2017-2018 Dept Request          | 9,355,000  | 0      | 1,234,400                            | 10,000                        | 118,520 | 19,240,000 | 29,957,920 |
| 2017-2018 Manager's Budget      | 9,355,000  | 0      | 1,234,400                            | 10,000                        | 118,520 | 19,240,000 | 29,957,920 |
| 2018-2019 Projected Budget      | 9,588,880  | 0      | 1,234,400                            | 10,000                        | 118,520 | 19,240,000 | 30,191,800 |
| 2019-2020 Projected Budget      | 9,828,600  | 0      | 1,234,400                            | 10,000                        | 118,520 | 19,540,000 | 30,731,520 |
| 2020-2021 Projected Budget      | 10,074,320 | 0      | 1,234,400                            | 10,000                        | 118,520 | 19,840,000 | 31,277,240 |
| 2021-2022 Projected Budget      | 10,326,180 | 0      | 1,234,400                            | 10,000                        | 118,520 | 20,140,000 | 31,829,100 |

***The Royal Oak Police Department's mission is to keep the City of Royal Oak a safe community.***

ROPD is organized into two divisions, staff services division and patrol operations division. Additionally, there is a professional standards unit that reports directly to the chief. A complete 911-emergency police and fire dispatch function is housed and supervised within the police department. Services include responding to calls for service, traffic education and enforcement, emergency management, investigation and prosecution of criminal offenses, school liaison program, crime prevention, school crossing and maintaining a detention facility.

The patrol division has three eight-hour shifts: day, afternoon and midnight. Each patrol shift is led by a lieutenant and is staffed by patrol sergeants, and patrol officers, two K-9 officers, and police service aides. Part-time police desk assistants (PDA) staff the front desk on day shift and afternoon shift, which allows for an additional police officer on the road.

The Criminal Investigation Division (CID) is headed by a lieutenant, who supervises a sergeant, detectives, and officers assigned to various task forces.

Royal Oak participates in the following task forces; Narcotic Enforcement Team, FBI Violent Crimes Task Force, Troy Special Investigations Unit, Oakland County Auto Theft, and Secret Service Fraud Task Force. Royal Oak Police Department also has a school liaison officer assigned to Royal Oak High School

The records section collects, analyzes, and reports performance data, processes handgun permits and maintains evidence. The records section reports to the deputy chief of staff services.

Twenty volunteer auxiliary police "officers" assist the department in a variety of ways, including acting as extra "eyes and ears" while patrolling on Thursday, Friday and Saturday evenings, performing home vacation checks, and working special events such as the Woodward Dream Cruise, Arts, Beats and Eats and the Clay and Glass Festival. Additionally, auxiliary officers are available to assist patrol operations on an emergency call-out basis for downed wires, flooding, etc.

The police chief is the city's emergency manager. In separate cost centers, the chief is responsible for the animal control division, Royal Oak Animal Shelter, parking enforcement division and grant activity in the police grants fund.

## GOALS

1. To keep Royal Oak safe.
2. To maintain a visible presence in the community.
3. To provide quality police service in the most efficient and cost effective manner possible.
4. To provide exceptional public safety for major events, such as Woodward Dream Cruise and Arts, Beats and Eats.
5. Utilize a data-driven approach to crime prevention and enforcement.

## OBJECTIVES

- Complete and maintain police staffing.<sup>GOAL1</sup>
- Complete the hiring of part-time police desk assistants on day shift and afternoon shift.<sup>GOAL1</sup>
- Develop and mentor new supervisors.<sup>GOAL1</sup>
- Continue to monitor the performance of the police personnel and maintain a high level of accountability.<sup>GOAL3</sup>
- Continually review operations and procedures to ensure the agency innovative and operating under industry best practices.<sup>GOAL4</sup>

## GOALS

6. To establish or maintain partnerships with community groups to make the most of proactive police efforts.
7. Fully implement organizational changes.

## OBJECTIVES

- Develop and implement a DDACTS operational model detail.<sup>GOAL5</sup>
- Work closely with the crime prevention council to revive the neighborhood watch program and work with neighborhood associations.<sup>GOAL6</sup>
- Empower all employees within the police department to maximize participation and input in law enforcement, as well as, cost cutting and efficiency improvements.<sup>GOAL3</sup>
- Continue to work closely with citizen and business groups throughout Royal Oak.<sup>GOAL6</sup>
- Continue to host a citizen police academy.<sup>GOAL2</sup>
- Continue to explore consolidation/shared service options with neighboring communities.<sup>GOAL6</sup>
- Explore additional police grant opportunities.<sup>GOAL3</sup>
- Update and communicate emergency preparedness plan.<sup>GOAL7</sup>

## Performance Indicators / Outcome Measures

|   | Actual<br>2013 | Actual<br>2014 | Actual<br>2015 | Actual<br>2016 | Projected<br>2017 | Projected<br>2018 |
|---|----------------|----------------|----------------|----------------|-------------------|-------------------|
| GOAL <sup>1</sup> Calls for Service             | 40,744         | 44,616         | 49,696         | 48,147         | 51,000            | 51,000            |
| GOAL <sup>1</sup> CID Cases Assigned            | 766            | 837            | 823            | 733            | 850               | 850               |
| GOAL <sup>1</sup> Warrants Obtained             | 310            | 395            | 401            | 409            | 430               | 430               |
| GOAL <sup>1</sup> Traffic Violations Issued     | 13,983         | 14,147         | 14,656         | 14,244         | 17,000            | 17,000            |
| GOAL <sup>1</sup> Accidents reported-Non Injury | 2,030          | 2,075          | 2,037          | 2,143          | 1,900             | 1,900             |
| GOAL <sup>1</sup> Accidents- Injury             | 241            | 241            | 242            | 227            | 250               | 250               |
| GOAL <sup>1</sup> Accidents- Fatal              | 0              | 2              | 1              | 1              | 1                 | 1                 |
| GOAL <sup>1</sup> Part A Crimes                 | 2,305          | 2,205          | 2,320          | 2,350          | 2,500             | 2,500             |
| GOAL <sup>1</sup> Part B Crimes                 | 1,271          | 1,228          | 1,296          | 1,344          | 1,600             | 1,600             |

Note: Police performance measures are reported on a calendar year basis as opposed to a fiscal year basis

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

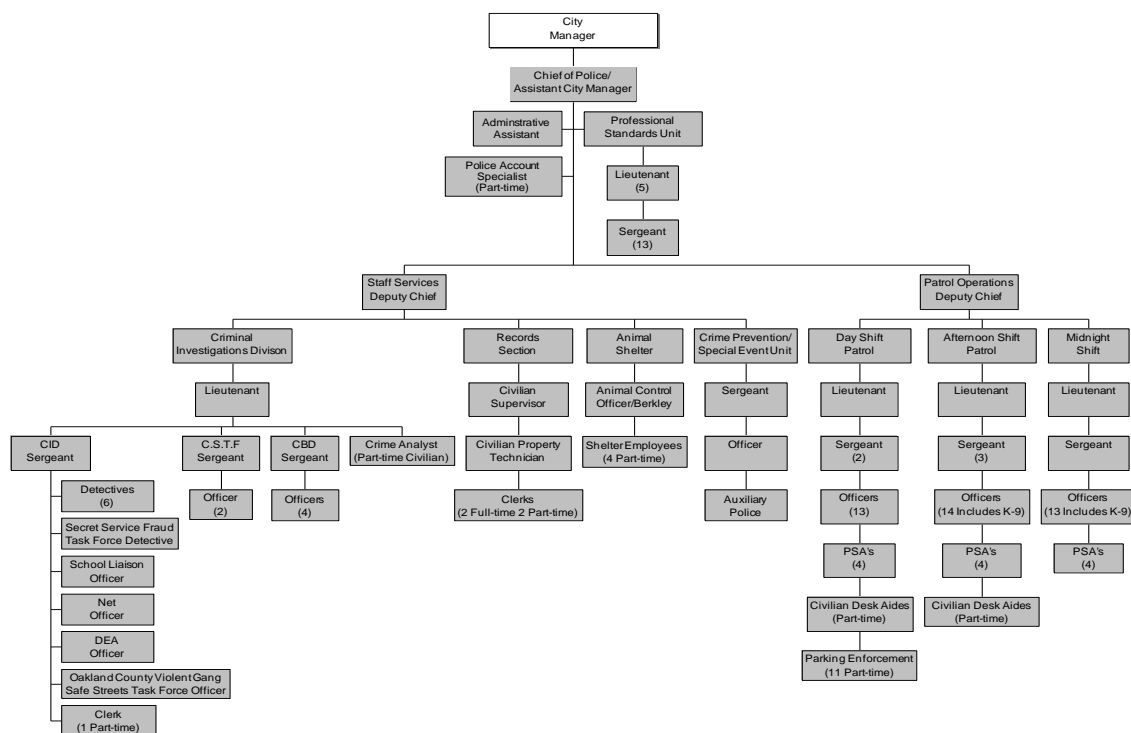
Personnel costs will increase significantly due to filling vacancies to be at full staffing for fiscal year 17-18, a contractual increase in defined contribution benefits, and an increase in medical insurance rates. Tuition reimbursement is increasing due to new labor contracts with the increased benefit. Weapons and ammunition will decrease \$40,000 due to the rifle buyback program occurring in fiscal year 16-17. Books and subscriptions are increasing \$1,500 to create a leadership library. Safety clothing and gear is increasing \$5,000 due to spending less than expected in fiscal year 16-17. Telephone service is decreasing \$130,000 relative to the fiscal year 16-17 original budget due to eliminating obsolete circuits. Building repairs are increasing \$5,000 as it is likely the aging building will have more issues. Cleaning services are increasing \$6,000 relative to fiscal year 16-17 projected to perform additional cleaning. Gas is increasing \$15,000 compared to fiscal year 16-17 projected due to an unusually warm winter in 16-17. Clemis fees are increasing \$10,000 due to an anticipated increase in rates. \$180,000 is being carried over from fiscal year 16-17 for architectural services to design a new police department. Debt is increasing to pay the sworn officers' and dispatchers' portion of the recently issued OPEB bonds.

## Budget Summary

### Expenditures

| <b>207.301 POLICE</b>           | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                           |                 |                |              |             |              |
| 2013-2014 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                | 15,006,200                | 80,420          | 0              | 2,028,130    | 0           | 17,114,750   |
| 2015-2016 Actual                | 15,157,710                | 88,610          | 12,550         | 2,275,480    | 0           | 17,534,350   |
| 2016-2017 Original Budget       | 15,883,580                | 105,400         | 155,000        | 2,584,690    | 0           | 18,728,670   |
| 2016-2017 Adjusted Budget (Dec) | 15,883,580                | 105,400         | 130,000        | 3,440,410    | 0           | 19,559,390   |
| 2016-2017 Six Month Actual      | 7,289,130                 | 16,730          | 0              | 1,230,810    | 0           | 8,536,670    |
| 2016-2017 Estimated Year End    | 15,583,580                | 93,500          | 130,000        | 3,161,550    | 0           | 18,968,630   |
| 2017-2018 Dept Request          | 13,125,660                | 111,000         | 0              | 2,453,900    | 2,166,590   | 17,857,150   |
| 2017-2018 Manager's Budget      | 13,125,660                | 111,000         | 0              | 2,453,900    | 2,166,590   | 17,857,150   |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 13,442,390                | 111,000         | 0              | 2,303,490    | 2,166,590   | 18,023,470   |
| 2019-2020 Projected Budget      | 13,770,080                | 111,000         | 0              | 2,349,310    | 2,166,590   | 18,396,980   |
| 2020-2021 Projected Budget      | 14,109,100                | 111,000         | 0              | 2,396,380    | 2,166,590   | 18,783,070   |
| 2021-2022 Projected Budget      | 14,459,850                | 111,000         | 0              | 2,444,760    | 2,166,590   | 19,182,200   |

## Departmental Organization Chart



## Center Position Detail- Home Base

Full & Part-time Employees

| Police                            | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |             |       |       |       |       |       |       |       |       |
| Police Chief                      | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Deputy Chief of Police            | 1.0         | 1.0   | 1.0   | 1.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Police Lieutenant                 | 4.0         | 4.0   | 4.0   | 4.0   | 5.0   | 5.0   | 5.0   | 5.0   | 5.0   |
| Police Sergeant                   | 11.0        | 11.0  | 10.0  | 10.0  | 13.0  | 13.0  | 13.0  | 13.0  | 13.0  |
| Detective                         | 8.0         | 7.0   | 5.0   | 5.0   | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   |
| Police Officer                    | 57.0        | 40.0  | 44.0  | 48.0  | 51.0  | 51.0  | 51.0  | 51.0  | 51.0  |
| Police Service Aide               | 10.0        | 9.0   | 9.0   | 9.0   | 12.0  | 12.0  | 12.0  | 12.0  | 12.0  |
| Police Records Supervisor         | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Secretary I - Police              | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| CS III - Detective Bureau         | 1.0         | 1.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   |
| Police Records - MC III           | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   |
| Detective Bureau - MC II          | 1.0         | 1.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   |
| Police Records - MC II            | 1.0         | 0.0   | 1.0   | 1.0   | 1.0   | 2.0   | 2.0   | 2.0   | 4.0   |
| Full-time Total                   | 98.0        | 77.0  | 77.0  | 81.0  | 96.0  | 97.0  | 98.0  | 98.0  | 98.0  |
| <u>Part-Time Positions (FTEs)</u> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               | n/a         | 7.0   | 7.0   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 | 98.0        | 84.0  | 84.0  | 81.0  | 96.0  | 97.0  | 98.0  | 98.0  | 98.0  |

***The mission of the Royal Oak Fire Department is to protect and preserve life, property and the environment through a dedicated and highly trained professional team.***

The fire department cross-staffs three strategically located fire stations to provide the shortest possible response time to all areas of the city. Operations are funded primarily through general fund tax revenue along with a public safety millage.

Fire operations are organized into two divisions, fire prevention and fire suppression in this one cost center.

The fire prevention division provides public education for the prevention of fires and risk management service. They lead inspections, investigations, plan reviews, and fire code enforcement. They work with several other departments in the City of Royal Oak on the plan reviews and annual business license renewals.

The fire suppression division currently responds to city fire protection and medical emergencies as well as special tactical operations for haz-mat and tech rescue.

The department currently provides Advanced Life Support (ALS) ambulances to the City of Royal Oak and its immediate Oak-Way neighbors for medical care and transport to area hospitals. Costs of ambulance rescue services are tracked in the ambulance service cost center so they can be evaluated against ambulance service revenue.

As part of the Oak-Way mutual aid pact, the suppression firefighters are first responders to our city and back-up responders to eight mutual aid communities.

The department responds to hazardous material incidents with an in-house initial response. If additional resources are needed the city activates the Oak-Way Haz-Mat Team.

The department provides technical rescue response to the City of Royal Oak via the Oak-Way Technical Rescue Team. The city also coordinates with Birmingham, Madison Heights and Ferndale to form "Squad 4 of the Oakland County Technical Rescue Regional Response Team."

The city's insurance service office fire protection rating which is based on manpower, stations, equipment, training and water supply is currently at three.

All fire department calls are dispatched by the 911 public safety answering point (PSAP) at the police department's dispatch center.

The department is responsible for the daily maintenance of all emergency response vehicles and equipment. The shift personnel maintain the stations' buildings and grounds.

Daily training is conducted to keep the quality of our service high and employee injuries low.

Grants are recorded in the grants fund.

A separate fire debt tax millage is collected and budgeted separately in the general obligation debt fund to pay the debt service on Series 2001A bonds that built or improved fire stations. The millage is to be levied at 0.2910 mills.

Fire apparatus are purchased by the motor pool and rented to the fire department. Those rental rates in this budget include charges for debt and/or capital replacement plus repair and maintenance costs.

The fire department currently has a CPR program for the public. This function is performed by the firefighters to the public for a nominal fee.

The fire department has a lockbox program for its residents, which provides firefighters easy access into homes in case of fires or medical runs.



## GOALS

1. Provide the highest quality fire protection, possibly saving lives and property from the ravages of fire.
2. Seek a stable revenue stream to protect the delivery of essential public safety services.
3. Utilize technology to maximize the efficiency, effectiveness, and safety of fire operations.
4. Limit fire loss through increased comprehensive fire safety inspections.
5. Promote physical fitness for all personnel especially those who perform fire-fighting activities.
6. Evaluate the level of service the department provides by monitoring response times.
7. Maintain safe working conditions and equipment to reduce the number and length of time employees are on injury leave.
8. Explore additional fire grant opportunities.
9. Have employees, the city and workman's compensation work together to rehabilitate employees in a safe manner to ensure a quick return to work.
10. Improve turn out times for EMS runs.
11. Provide the ICMA study recommended levels of fire personnel.<sup>GOAL1</sup>

## OBJECTIVES

- Enhance mutual aid agreements with neighboring communities.<sup>GOAL1</sup>
- Continue to seek advanced training with our mutual aid departments to increase fire protection services.<sup>GOAL1</sup>
- Inform the public through public service announcements, the proper use of the 911 system.<sup>GOAL3</sup>
- Create software with vital information from fire prevention, building department, engineering and Oakland County to be pushed to computers on fire apparatus.<sup>GOAL3</sup>
- Reduce the number of on-duty injuries by targeted training sessions including mandatory physical fitness and following strict safety requirements on the emergency scene.<sup>GOAL5</sup>
- Organize specialized training programs such as firefighter survival, mayday drills, rapid intervention team (RIT), tech rescue, and haz-mat drills.<sup>GOAL5</sup>
- Make minimal changes to staffing to maintain response times and city's ISO rating.<sup>GOAL6</sup>
- Continually update our training to identify any potential unsafe working conditions.<sup>GOAL7</sup>
- Update and communicate emergency preparedness plan.<sup>GOAL1</sup>
- Reconfigure the current running orders for the ambulances.<sup>GOAL10</sup>

## Performance Indicators / Outcome Measures

|   | Actual          | Actual          | Dec 31      | Projected      | Projected      | Projected      |
|---|-----------------|-----------------|-------------|----------------|----------------|----------------|
|   | <u>FY 14-15</u> | <u>FY 15-16</u> | <u>2016</u> | <u>FY16-17</u> | <u>FY17-18</u> | <u>FY18-19</u> |
| GOAL4 Structure Fires                             | 50              | 65              | 35          | 70             | 68             | 68             |
| GOAL4 Vehicle Fires                               | 31              | 33              | 14          | 25             | 25             | 25             |
| GOAL4 Other Fires                                 | 37              | 48              | 24          | 50             | 50             | 50             |
| GOAL4 Total Fires                                 | 118             | 146             | 73          | 145            | 143            | 143            |
| GOAL4 Property Loss in Millions \$                | 1.868           | .765            | .414        | .590           | .590           | .590           |
| GOAL4 Loss as a % of Property Value               | 18%             | 12.6%           | 8.75%       | 8.00%          | 8.00%          | 8.00%          |
| GOAL6 Total EMS Incidents                         | 3,898           | 3,976           | 1,958       | 4,180          | 4,180          | 4,180          |
| GOAL3 False Alarms including detector activations | 310             | 359             | 180         | 290            | 290            | 290            |
| GOAL3 Hazardous Conditions                        | 421             | 274             | 177         | 380            | 380            | 380            |
| GOAL1 Public Service Calls                        | 435             | 430             | 211         | 530            | 530            | 530            |
| GOAL1 Good Intent including Smoke Scares          | 786             | 663             | 330         | 780            | 780            | 780            |
| GOAL1 Other Alarms                                | 87              | 92              | 32          | 70             | 70             | 70             |
| GOAL1 Incidents by Fire Station                   |                 |                 |             |                |                |                |
| Station #1  | 2,525           | 2,498           | 1,265       | 2,510          | 2,510          | 2,510          |
| Station #2  | 2,407           | 2,281           | 1,096       | 2,320          | 2,320          | 2,320          |
| Station #3  | 1,118           | 1,161           | 607         | 1,400          | 1,400          | 1,400          |
| Total Incidents                                   | 6,055           | 6,055           | 2,971       | 6,230          | 6,230          | 6,230          |
| ISO Rating  | 3               | 3               | 3           | 3              | 3              | 3              |
| GOAL6 Average Fire Response Time                  | 05:50           | 05:49           | 05:16       | 05:00          | 05:00          | 05:00          |
| GOAL4 # of Businesses available to inspect        | 2,100           | 2,100           | 2,100       | 2,100          | 2,100          | 2,100          |
| GOAL4 # of Fire Prevention Inspections annually   | 590             | 611             | 295         | 600            | 610            | 610            |
| GOAL4 # of those Re-Inspected due to violations   | 339             | 318             | 175         | 350            | 300            | 300            |
| GOAL4 % of Businesses requiring Re-Inspection     | 57              | 52              | 80          | 80             | 80             | 80             |
| GOAL4 # of Plan Reviews conducted annually        | 109             | 133             | 45          | 90             | 90             | 90             |
| GOAL4 % of Businesses inspected annually          | 28              | 29              | 25          | 25             | 25             | 25             |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The personnel budget is increasing due to newer employees (who are not at the top of their pay range) receiving wage increases, vacancies being filled, and an increase in medical insurance rates. Uniform and gear expenses are increasing \$5,000 to outfit an estimated six new hires. Communication supplies are increasing nearly \$4,000 to repair or replace aging radios. Fire supplies are increasing \$2,000 to replace less durable equipment. Contracted services are increasing \$6,000 and heating and cooling repairs are increasing \$3,000 due to an anticipated increase in maintenance for aging equipment. Hazardous materials contributions are increasing \$10,000 due to comprehensive physicals that need to be done every other year. IT charges are decreasing significantly due to the purchase of training laptops last year. Motor pool rates are decreasing due to lower fuel and maintenance costs in recent years. Debt is increasing to pay the fire employees' portion of debt service on the recently issued OPEB bonds.

The following capital improvement projects are budgeted for fire for FY2017-18:

- ◆ Station alerting systems \$200,000

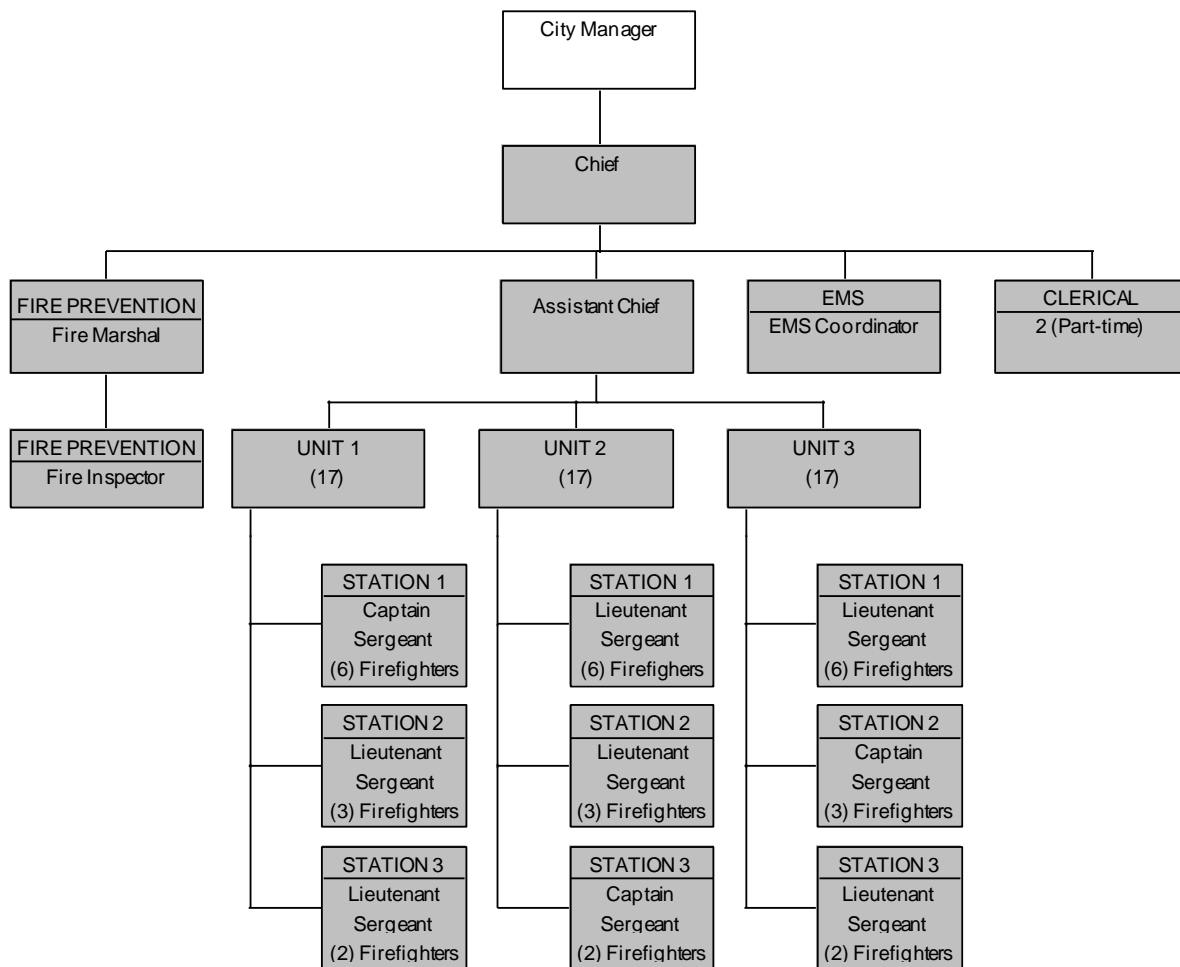
**FY2017-18 Total:** **\$200,000**

## Budget Summary

### Expenditures

| 207.336 FIRE                    | Personnel Services | Supplies | Capital | Other     | Debt      | Total      |
|---------------------------------|--------------------|----------|---------|-----------|-----------|------------|
| 2013-2014 Actual                | 0                  | 0        | 0       | 0         | 0         | 0          |
| 2014-2015 Actual                | 9,472,810          | 100,490  | 126,370 | 1,312,290 | 0         | 11,011,960 |
| 2015-2016 Actual                | 10,366,370         | 96,180   | 25,190  | 1,367,160 | 0         | 11,854,900 |
| 2016-2017 Original Budget       | 10,374,540         | 110,630  | 190,000 | 1,439,430 | 0         | 12,114,600 |
| 2016-2017 Adjusted Budget (Dec) | 10,374,540         | 110,630  | 45,000  | 1,439,430 | 0         | 11,969,600 |
| 2016-2017 Six Month Actual      | 5,044,970          | 30,610   | 0       | 787,050   | 0         | 5,862,630  |
| 2016-2017 Estimated Year End    | 10,088,860         | 101,900  | 45,000  | 1,406,280 | 0         | 11,642,040 |
| 2017-2018 Dept Request          | 8,197,400          | 120,540  | 200,000 | 1,284,580 | 1,591,510 | 11,394,030 |
| 2017-2018 Manager's Budget      | 8,197,400          | 120,540  | 200,000 | 1,284,580 | 1,591,510 | 11,394,030 |
| 2018-2019 Projected Budget      | 8,375,190          | 120,540  | 0       | 1,310,690 | 1,591,510 | 11,397,930 |
| 2019-2020 Projected Budget      | 8,558,750          | 120,540  | 0       | 1,337,470 | 1,591,510 | 11,608,270 |
| 2020-2021 Projected Budget      | 8,748,300          | 120,540  | 0       | 1,364,940 | 1,591,510 | 11,825,290 |
| 2021-2022 Projected Budget      | 8,944,020          | 120,540  | 0       | 1,393,130 | 1,591,510 | 12,049,200 |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Fire                                     | Fiscal Year |       |       |       |       |       |       |       |       |
|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>        |             |       |       |       |       |       |       |       |       |
| Fire Chief                               | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Assistant Fire Chief                     | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Fire Marshal                             | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Fire Prevention Inspector Act            | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Fire Captain                             | 3.0         | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |
| Fire Lieutenant                          | 6.0         | 6.0   | 6.0   | 6.0   | 6.0   | 6.0   | 6.0   | 6.0   | 6.0   |
| Fire Sergeant                            | 9.0         | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   |
| Firefighter                              | 38.0        | 24.0  | 33.0  | 33.0  | 33.0  | 33.0  | 33.0  | 33.0  | 33.0  |
| Fire Dept - MC III                       | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                          | 61.0        | 46.0  | 55.0  | 55.0  | 55.0  | 55.0  | 55.0  | 55.0  | 55.0  |
| <b><u>Part-Time Positions (FTEs)</u></b> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions                      | n/a         | 0.7   | 1.0   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                        | 61.0        | 46.7  | 56.0  | 55.0  | 55.0  | 55.0  | 55.0  | 55.0  | 55.0  |

***The mission of the ambulance service is to provide quality emergency transport and medical services within Royal Oak.***

The fire department currently provides two Advanced Life Support (ALS) ambulances and one ALS engine to the City of Royal Oak and its immediate Oak-Way neighbors for medical care and transport to area hospitals. Costs of ambulance rescue services are tracked in this ambulance service cost center so they can be evaluated against ambulance service revenue.

Costs of billing and collecting ambulance services are included in this fund.

The fire departments EMS calls are dispatched by the 911 public safety answering point (PSAP) at the police department's dispatch center.

Ambulances are purchased by the motor pool and rented to the fire department. Those rental rates in this budget include charges for debt and/or capital replacement plus repair and maintenance costs.

---

### GOALS

1. Maintain good working relationships with area hospitals and neighboring EMS agencies and continue to work with area hospitals and our mutual aid departments to provide the most efficient service and care for our patients.
2. Provide quality Advanced Life Support (ALS) with proper oversight and compliance with Oakland County Medical Control Authority protocols.
3. Provide a high level of EMS service through technology and a commitment to excellent customer service.
4. Look at ways to improve our service to our residents.

### OBJECTIVES

- Update our protocols to current county standards.<sup>GOAL2</sup>
- Continue to upgrade medical training for EMS personnel by bringing in instructors who specialize in specific areas.<sup>GOAL3</sup>
- Maximize the use of Accumed Web for patient care and billable revenue.<sup>GOAL3</sup>

## Performance Indicators / Outcome Measures

|  | <u>Actual<br/>FY 14-15</u> | <u>Actual<br/>FY 15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|--|----------------------------|----------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL <sup>3</sup> Gross Collection Rate            | 80%                        | 92%                        | 85.93%                 | 86%                          | 86%                          | 86%                          |
| GOAL <sup>1</sup> National Average Collection Rate | 55.7%                      | 55.7%                      | 55.7%                  | 55.7%                        | 55.7%                        | 55.7%                        |
| GOAL <sup>1</sup> Total EMS Runs                   | 3,893                      | 3,976                      | 1,958                  | 4,200                        | 4,300                        | 4,300                        |
| GOAL <sup>1</sup> Average EMS Response Time        | 3.56                       | 3.54                       | 5.46                   | 5.00                         | 5.00                         | 5.00                         |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The personnel budget is increasing due to newer employees (who are not at the top of their pay range) receiving wage increases. Motor pool costs are increasing significantly due to collecting depreciation on replacement ambulances. Capital outlay is decreasing due to the purchase of power stretchers and chest compression systems in fiscal year 16-17.

## Budget Summary

### Expenditures

| 207.344 AMBULANCE               | Personnel Services | Supplies | Capital | Other   | Debt | Total     |
|---------------------------------|--------------------|----------|---------|---------|------|-----------|
| 2013-2014 Actual                | 0                  | 0        | 0       | 0       | 0    | 0         |
| 2014-2015 Actual                | 618,090            | 161,390  | 0       | 79,030  | 0    | 858,510   |
| 2015-2016 Actual                | 411,560            | 170,270  | 78,420  | 75,050  | 0    | 735,300   |
| 2016-2017 Original Budget       | 632,190            | 195,170  | 131,250 | 68,280  | 0    | 1,026,890 |
| 2016-2017 Adjusted Budget (Dec) | 632,190            | 195,170  | 131,250 | 68,280  | 0    | 1,026,890 |
| 2016-2017 Six Month Actual      | 278,020            | 72,780   | 0       | 34,140  | 0    | 384,940   |
| 2016-2017 Estimated Year End    | 436,450            | 191,070  | 131,250 | 68,280  | 0    | 827,050   |
| 2017-2018 Dept Request          | 346,730            | 193,220  | 0       | 150,590 | 0    | 690,540   |
| 2017-2018 Manager's Budget      | 346,730            | 193,220  | 0       | 150,590 | 0    | 690,540   |
| 2018-2019 Projected Budget      | 357,260            | 193,300  | 0       | 153,600 | 0    | 704,160   |
| 2019-2020 Projected Budget      | 368,160            | 193,380  | 0       | 156,670 | 0    | 718,210   |
| 2020-2021 Projected Budget      | 379,440            | 193,470  | 0       | 159,800 | 0    | 732,710   |
| 2021-2022 Projected Budget      | 391,120            | 193,560  | 0       | 163,000 | 0    | 747,680   |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Ambulance Service (Fire)   |  | Fiscal Year |       |       |       |       |       |       |       |       |
|----------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                            |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u> |  |             |       |       |       |       |       |       |       |       |
| Fire ALS Coordinator       |  | 1.0         | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Full-Time Total            |  | 1.0         | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |



***The mission of the publicity tax fund is to inform prospective and existing residents and businesses about the advantages, programs and services that the City of Royal Oak City offers.***

This fund collects the ad valorem publicity tax, authorized by Act 59 of 1925, plus contributions from other city funds. The city is budgeting to levy 0.0195 mill for fiscal year 2017-18.

The City of Royal Oak's departments publish the *Insight* magazine quarterly. It focuses on the recreational and cultural activities available for the next season.

Additionally, *Insight* highlights many varied, on-going and special events and services. For

instance: library seminars, assessment notices and snow emergency procedures in the winter; yard waste procedures and the ice show in the spring; tax bills, the art fair and kids park programs in the summer; and senior trips, elections, leaf pickup and the holiday hockey tournament in the fall.

Copy preparation, editing and final makeup are coordinated by the superintendent of recreation and his staff. A local printer assists and completes the final document.

Magazines are mailed to all residents and businesses. Copies are displayed prominently in city hall and given out to attract new home buyers. Planners distribute copies to entice prospective developers and business persons.

#### **Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

The millage is budgeted to decrease slightly to 0.0195 mill and transfers in from other funds will decrease from \$4,500 to \$4,000. Printing duplication is budgeted to increase \$1,200 as the publication size is anticipated to increase.

## **Budget Summary**

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 22,290    | 23,470    | 27,560    | 29,740    | 29,900    | 27,920    |
| Revenues and transfers from other funds   | 75,030    | 68,860    | 69,830    | 70,820    | 71,830    | 72,860    |
| Expenditures and transfers to other funds | 73,850    | 64,770    | 67,650    | 70,660    | 73,810    | 77,110    |
| Net Change in Fund Balance                | 1,180     | 4,090     | 2,180     | 160       | (1,980)   | (4,250)   |
| Ending Fund Balance                       | 23,470    | 27,560    | 29,740    | 29,900    | 27,920    | 23,670    |

## Revenues

| <b>211.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 46,710       | 0             | 0  | 0                                     | 30           | 25,000           | 71,740       |
| 2014-2015 Actual                | 46,750       | 0             | 0  | 0                                     | 190          | 25,000           | 71,940       |
| 2015-2016 Actual                | 47,190       | 0             | 0  | 0                                     | 160          | 20,000           | 67,350       |
| 2016-2017 Original Budget       | 46,500       | 0             | 0  | 0                                     | 150          | 22,500           | 69,150       |
| 2016-2017 Adjusted Budget (Dec) | 46,500       | 0             | 0  | 0                                     | 150          | 22,500           | 69,150       |
| 2016-2017 Six Month Actual      | 46,360       | 0             | 0  | 0                                     | 10           | 0                | 46,370       |
| 2016-2017 Estimated Year End    | 47,150       | 0             | 0  | 0                                     | 150          | 27,730           | 75,030       |
| 2017-2018 Dept Request          | 48,700       | 0             | 0  | 0                                     | 160          | 20,000           | 68,860       |
| 2017-2018 Manager's Budget      | 48,700       | 0             | 0  | 0                                     | 160          | 20,000           | 68,860       |
| 2018-2019 Projected Budget      | 49,670       | 0             | 0  | 0                                     | 160          | 20,000           | 69,830       |
| 2019-2020 Projected Budget      | 50,660       | 0             | 0  | 0                                     | 160          | 20,000           | 70,820       |
| 2020-2021 Projected Budget      | 51,670       | 0             | 0  | 0                                     | 160          | 20,000           | 71,830       |
| 2021-2022 Projected Budget      | 52,700       | 0             | 0  | 0                                     | 160          | 20,000           | 72,860       |

## Expenditures

| <b>211.835 COMMUNITY PROMOTION</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                   | 23,820                        | 25,990          | 0              | 4,020        | 0           | 53,830       |
| 2014-2015 Actual                   | 27,440                        | 35,990          | 0              | 10,710       | 0           | 74,140       |
| 2015-2016 Actual                   | 28,450                        | 36,060          | 0              | 11,100       | 0           | 75,610       |
| 2016-2017 Original Budget          | 26,980                        | 34,800          | 0              | 11,290       | 0           | 73,070       |
| 2016-2017 Adjusted Budget (Dec)    | 26,980                        | 34,800          | 0              | 11,290       | 0           | 73,070       |
| 2016-2017 Six Month Actual         | 12,610                        | 17,190          | 0              | 8,490        | 0           | 38,290       |
| 2016-2017 Estimated Year End       | 26,760                        | 34,800          | 0              | 12,290       | 0           | 73,850       |
| 2017-2018 Dept Request             | 16,480                        | 36,000          | 0              | 12,290       | 0           | 64,770       |
| 2017-2018 Manager's Budget         | 16,480                        | 36,000          | 0              | 12,290       | 0           | 64,770       |
| 2018-2019 Projected Budget         | 16,960                        | 37,800          | 0              | 12,890       | 0           | 67,650       |
| 2019-2020 Projected Budget         | 17,450                        | 39,690          | 0              | 13,520       | 0           | 70,660       |
| 2020-2021 Projected Budget         | 17,960                        | 41,670          | 0              | 14,180       | 0           | 73,810       |
| 2021-2022 Projected Budget         | 18,490                        | 43,750          | 0              | 14,870       | 0           | 77,110       |

***The mission of the solid waste function is to keep the city appealing by providing residents and businesses with desirable curbside refuse collection and disposal, recycling and yard waste services.***

Curbside refuse, recycling and yard waste services to homes and businesses are administered by the department of public services.

To provide economical service, the city partners with the South Oakland County Resource Recovery Authority. SOCRRRA is a multi-community, public enterprise delivering outstanding services for Royal Oak's recycling, yard waste and composting needs.

SOCRRRA privatizes collection with a third-party waste hauler on a ten year contract ending in 2027. Household refuse and recycling material is picked-up weekly. Yard waste is collected seasonally April through mid-December.

Recycling and certain construction and household hazardous materials may be dropped off at the SOCRRRA drop-off site on Coolidge Highway north of 14 Mile Road by appointment.

Recycling is encouraged, as it reuses valuable raw resources, reduces landfill needs, and saves residents money. The city has implemented a business recycling program.

The DPS leaf pickup program vacuums up leaves raked onto city streets. Pickup begins at the end of October after leaves start dropping. Solid waste funding is also used for the removal and disposal of dead trees from public property.

A total millage rate of 2.9346 mills is budgeted. This is the maximum authorized amount which is made up of a voted local millage of 0.9706 and 1.9640 mills levied under authority of PA 298 of 1917 (MCL 123.261).

The solid waste function is a division of the department of public service.

---

## GOALS

1. To provide refuse collection and disposal, recycling and yard waste services in both an efficient and effective manner in accordance with federal and state laws.
2. Provide street sweeping 4 times per year.
3. Increase percentage of recycled material.
4. Convert to single stream recycling.

## OBJECTIVES

- Complete leaf collection in 6 weeks.<sup>GOAL1</sup>
- Sweep streets in timely manner to support all residents.<sup>GOAL2</sup>
- Increase commercial recycling.<sup>GOAL3</sup>
- Effectively implement the single stream recycling program.<sup>GOAL4</sup>

## Performance Indicators / Outcome Measures

|   | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY17-18</u> |
|---|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL <sup>2</sup> Tons of Yard Waste Diverted from Landfill | 11,152                    | 10,551                    | 8,712                  | 11,500                       | 12,600                       | 13,000                       |
| GOAL <sup>3</sup> Recycle tons                              | 3,907                     | 4,292                     | 2,196                  | 4,300                        | 4,700                        | 4,800                        |
| GOAL <sup>1</sup> Hazardous Material Collected – Drop off   | 3,550                     | 5,462                     | 3,709                  | 5,000                        | 5,000                        | 5,000                        |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The solid waste millage was renewed for five years at the August 2016 election. The full authorized millages are budgeted to be levied.

Personnel costs are increasing due to 50% of a new full-time parks maintenance position and 50% of a new full-time truck driver position being charged here as well as 25% of the motor pool financial analyst. Medical insurance is increasing due to an increase in rates and defined contribution benefits are increasing due to new labor contracts. Miscellaneous expenditures are increasing \$7,500 to rent a loader during leaf season. Contracted worker services are increasing \$10,000 as a small contingency for storm damage. Hauling services are increasing \$5,000 due to spending less than usual in fiscal year 16-17.

SOCRRA has renewed the contract with GFL for 10 years through 2027. Solid waste collection services are budgeted to increase 2% in fiscal year 17-18. SOCRRA is in the process of converting to single stream recycling. It should be operational in September of 2017. This will require the city to pay its share of the recycling facility conversion and an expenditure of funds for new larger recycle carts for residents (see below). The facility conversion surcharge is \$334,000 annually for 5.5 years.

The following capital improvement project is budgeted for solid waste for FY2017-18 (Not in CIP):

- Recycle carts (26,000) for single stream conversion (carryover) \$1,250,000

**FY2017-18 Total:** **\$1,250,000**

## Budget Summary

|   | <b>2016-2017</b> | <b>2017-2018</b> | <b>2018-2019</b> | <b>2019-2020</b> | <b>2020-2021</b> | <b>2021-2022</b> |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance                    | 6,168,627        | 6,350,367        | 4,945,977        | 4,740,917        | 4,480,967        | 4,161,647        |
| Revenues and transfers from other funds   | 7,317,850        | 7,117,000        | 7,292,250        | 7,471,880        | 7,656,000        | 7,844,730        |
| Expenditures and transfers to other funds | 7,136,110        | 8,521,390        | 7,497,310        | 7,731,830        | 7,975,320        | 8,228,080        |
| Net Change in Fund Balance                | 181,740          | (1,404,390)      | (205,060)        | (259,950)        | (319,320)        | (383,350)        |
| Ending Fund Balance                       | 6,350,367        | 4,945,977        | 4,740,917        | 4,480,967        | 4,161,647        | 3,778,297        |

## Revenues

| <b>226.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 6,327,640    | 0             | 2,070  | 29,270                                | 44,610       | 0                | 6,403,590    |
| 2014-2015 Actual                | 6,477,600    | 0             | 1,210  | 28,300                                | 57,860       | 0                | 6,564,970    |
| 2015-2016 Actual                | 5,810,170    | 0             | 2,340  | 43,160                                | 31,360       | 0                | 5,887,030    |
| 2016-2017 Original Budget       | 6,770,000    | 0             | 2,000  | 28,000                                | 45,000       | 0                | 6,845,000    |
| 2016-2017 Adjusted Budget (Dec) | 6,770,000    | 0             | 2,000  | 28,000                                | 45,000       | 0                | 6,845,000    |
| 2016-2017 Six Month Actual      | 6,701,640    | 0             | 260  | (1,750)                               | 42,190       | 0                | 6,742,340    |
| 2016-2017 Estimated Year End    | 6,810,000    | 0             | 2,000  | 50,000                                | 50,000       | 405,850          | 7,317,850    |
| 2017-2018 Dept Request          | 7,010,000    | 0             | 2,000  | 60,000                                | 45,000       | 0                | 7,117,000    |
| 2017-2018 Manager's Budget      | 7,010,000    | 0             | 2,000  | 60,000                                | 45,000       | 0                | 7,117,000    |
| 2018-2019 Projected Budget      | 7,185,250    | 0             | 2,000  | 60,000                                | 45,000       | 0                | 7,292,250    |
| 2019-2020 Projected Budget      | 7,364,880    | 0             | 2,000  | 60,000                                | 45,000       | 0                | 7,471,880    |
| 2020-2021 Projected Budget      | 7,549,000    | 0             | 2,000  | 60,000                                | 45,000       | 0                | 7,656,000    |
| 2021-2022 Projected Budget      | 7,737,730    | 0             | 2,000  | 60,000                                | 45,000       | 0                | 7,844,730    |

## Expenditures

| <b>226.528 SOLID WASTE</b>      | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2013-2014 Actual                | 958,760                       | 30,680          | 0              | 5,236,290    | 5,000            | 0           | 6,230,730    |
| 2014-2015 Actual                | 1,093,230                     | 29,860          | 0              | 6,246,630    | 5,000            | 0           | 7,374,720    |
| 2015-2016 Actual                | 1,090,630                     | 32,660          | 0              | 5,199,680    | 4,000            | 0           | 6,326,970    |
| 2016-2017 Original Budget       | 1,109,420                     | 31,000          | 1,250,000      | 5,969,520    | 4,500            | 0           | 8,364,440    |
| 2016-2017 Adjusted Budget (Dec) | 1,109,420                     | 31,000          | 1,250,000      | 5,969,520    | 4,500            | 0           | 8,364,440    |
| 2016-2017 Six Month Actual      | 617,980                       | 18,530          | 0              | 2,966,490    | 0                | 0           | 3,603,000    |
| 2016-2017 Estimated Year End    | 1,079,630                     | 34,300          | 0              | 6,017,680    | 4,500            | 0           | 7,136,110    |
| 2017-2018 Dept Request          | 897,870                       | 34,300          | 1,250,000      | 6,110,010    | 4,000            | 225,210     | 8,521,390    |
| 2017-2018 Manager's Budget      | 897,870                       | 34,300          | 1,250,000      | 6,110,010    | 4,000            | 225,210     | 8,521,390    |
| 2018-2019 Projected Budget      | 921,830                       | 34,300          | 0              | 6,311,970    | 4,000            | 225,210     | 7,497,310    |
| 2019-2020 Projected Budget      | 946,640                       | 34,300          | 0              | 6,521,680    | 4,000            | 225,210     | 7,731,830    |
| 2020-2021 Projected Budget      | 972,350                       | 34,300          | 0              | 6,739,460    | 4,000            | 225,210     | 7,975,320    |
| 2021-2022 Projected Budget      | 998,950                       | 34,300          | 0              | 6,965,620    | 4,000            | 225,210     | 8,228,080    |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Solid Waste                              | Fiscal Year |       |       |       |       |       |       |       |       |
|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|  | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>        |             |       |       |       |       |       |       |       |       |
| Director of Rec & Public Srvc            | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Dps Supervisor - Highway                 | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Sign Technician                          | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Equipment Operator II                    | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Equipment Operator I                     | 3.0         | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |
| Painting Machine Operator                | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Truck Driver                             | 5.0         | 5.0   | 6.0   | 6.0   | 6.0   | 6.0   | 6.0   | 6.0   | 6.0   |
| Dps/Hwy - MC III                         | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Equipment Repair-worker                  | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Solid Waste Employee                     | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   |
| Full-Time Total                          | 15.0        | 13.0  | 14.0  | 14.0  | 14.0  | 14.0  | 14.0  | 14.0  | 15.0  |
| <b><u>Part-Time Positions (FTEs)</u></b> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions                      |             | 0.5   | 0.5   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                        | 2.0         | 15.5  | 13.5  | 14.0  | 14.0  | 14.0  | 14.0  | 14.0  | 15.0  |

***The mission of the Royal Oak Public Library is to be an informational, intellectual, cultural and recreational resource for all people; to inspire the spirit, educate the mind, and be a center of community pride.***

The Public Library of the City of Royal Oak is administered by a library board of nine members whose duties are fixed by ordinance and whose members are appointed for fixed terms by the mayor with city commission approval. The board appoints the librarian and subordinate employees of the library and determines their compensation. The board can make purchases for the library without the requisition chapter; however, the total amount expended by the board in any one year for compensation of employees, purchase, and other expenses cannot exceed the appropriation allowed for library purposes in the annual budget.

The Royal Oak Public Library provides informational and recreational resources to the community in many forms: books, e-books, audio books in several formats including downloadable ones, computer internet access, music CDs, DVDs, online databases with remote access, online courses, and local history materials. The library presents many programs for all ages and interests. The Royal Oak Public Library is a major information source for the community and a great place to access entertaining and informative books and media in both traditional and electronic formats.

The number of people coming to the library has more than doubled since 2006-2007, the first full year after its major renovation. The size of the library's collection, the numbers of library card holders and the number of lending transactions have all increased significantly. Over half of the residents of Royal Oak have a library card.

A growing number of programs attracted both adults and children in the last fiscal year. The library presents programs on a huge variety of topics; an average of 10 programs weekly. The summer reading program provides an entertaining way for children to maintain and improve their literacy skills during the summer vacation.

The Royal Oak Public Library is a great destination for residents seeking information and recreational reading, viewing, and listening. The number of card holders, persons making visits, and users checking out items in the last fiscal year are strong indications of the community's high regard for the services the library provides.

A dedicated 1 mill secures the operating funds restricted for Royal Oak Public Library purposes through the year 2023. The maximum allowable rate is now 0.9347 mills due to Headlee reductions over the years. The full allowable rate is budgeted to be levied for this fiscal year.

## GOALS

1. To provide the best possible library service to the Royal Oak community through its lending collections and online access to databases and learning opportunities.
2. To provide a high standard of professional assistance in providing reference, information, and referral services.
3. To provide quality programs which encourage all forms of literacy, literature discussions, and self-improvement; spark interest in local history, the environment, and other topics of interest to the community including personal finance, health, and technology topics.

## OBJECTIVES

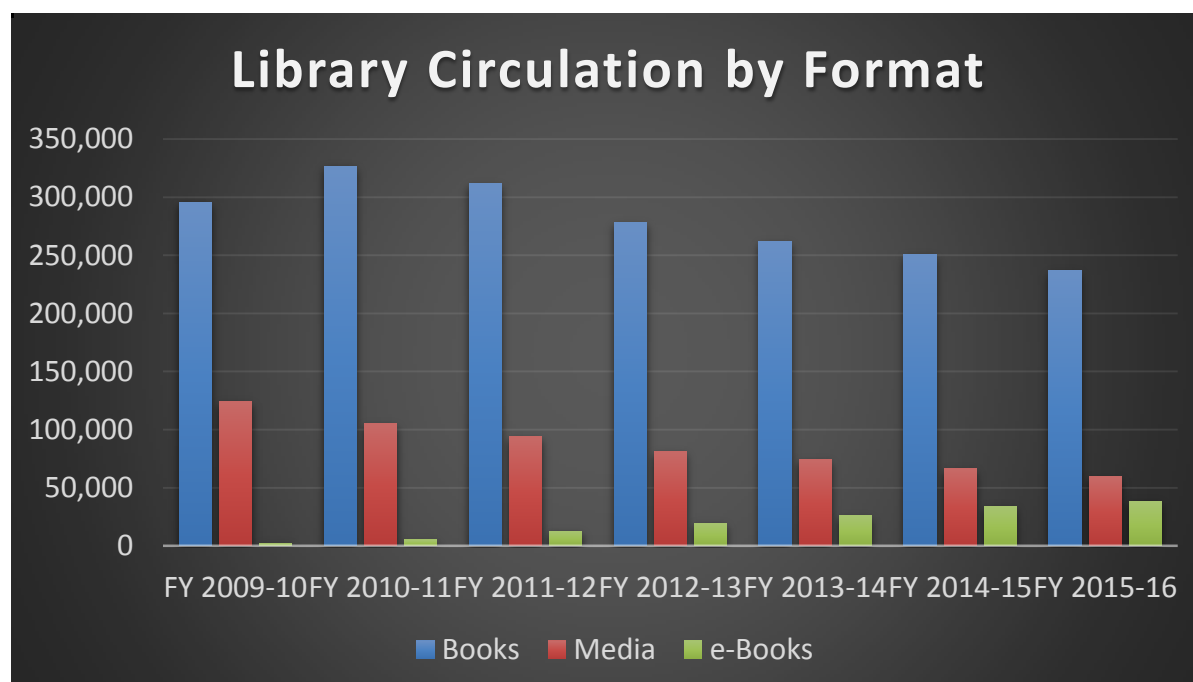
- Continue to improve the book and media collections by purchasing new circulating and downloadable materials. <sup>GOAL1</sup>
- Maximizing scheduling of staff to cover times of high volume circulation in order to minimize lines at the circulation desk and re-shelving time of returned materials. <sup>GOAL1</sup>
- Encourage staff development opportunities and sharing of staff expertise so that all staff members are conversant in the library's many resources and formats. <sup>GOAL2</sup>
- Continue to publicize to the community the information and referral services that are available from the library. <sup>GOAL2</sup>

4. To provide highly efficient stewardship of the tax revenue provided so generously by this city.
  5. To maximize opportunities to obtain grants and charitable giving.
  6. Carefully review expenditures.
- Seek creative partnerships to sponsor programs.<sup>GOAL3</sup>
  - Continue to work closely with the Friends of the Library who provide funds for the library's programs through their Friend's Book Shop, online sales, and annual book sale.<sup>GOAL3,4</sup>
  - Use cooperative purchasing agreements and volume discounts available through all sources.<sup>GOAL4</sup>
  - Continue annual donation appeals to the community and to seek grants and other support for youth and adult programs and materials.<sup>GOAL5</sup>

## Performance Indicators / Outcome Measures

|  | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|--|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| <sup>GOAL1</sup> Registered Card Holders         | 33,233                    | 33,140                    | 32,281                 | 35,000                       | 35,000                       | 35,000                       |
| <sup>GOAL1</sup> Annual Library Visitors         | 213,784                   | 347,223                   | 212,535                | 400,000                      | 400,000                      | 400,000                      |
| <sup>GOAL1</sup> Collection Size                 | 188,253                   | 179,393                   | 175,851                | 185,000                      | 185,000                      | 185,000                      |
| <sup>GOAL1</sup> Lending Transactions            | 378,252                   | 372,934                   | 200,703                | 400,000                      | 400,000                      | 400,000                      |
| <sup>GOAL2</sup> Reference Question Responses    | 31,048                    | 28,736                    | 13,711                 | 32,000                       | 32,000                       | 32,000                       |
| <sup>GOAL3</sup> Programs Offered                | 438                       | 425                       | 234                    | 510                          | 510                          | 510                          |
| <sup>GOAL3</sup> Program Attendance              | 10,885                    | 13,518                    | 6,838                  | 14,000                       | 14,000                       | 14,000                       |
| <sup>GOAL3</sup> Summer Youth Reading Enrollment | 1,127                     | 1,003                     | 985                    | 1,500                        | 1,500                        | 1,500                        |
| Residents rated friendly                         | n/a                       | n/a                       | n/a                    | n/a                          | n/a                          | n/a                          |
| Residents rated helpful                          | n/a                       | n/a                       | n/a                    | n/a                          | n/a                          | n/a                          |
| Residents rated efficient                        | n/a                       | n/a                       | n/a                    | n/a                          | n/a                          | n/a                          |





#### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

DVD rental revenue is budgeted at \$0 as the library is discontinuing the program since the format is in decline. Service charges and fines are decreasing \$12,000 compared to the 16-17 budget due fewer physical rentals resulting in less late fees.

The personnel budget is increasing due to vacancies in fiscal year 16-17, the potential for newer employees (who are not at the top of their pay range) to receive wage increases, as well as a contractual increase in defined contribution benefits. Computer supplies are budgeted at \$25,000 to replace the youth public computers, several old printers, all public monitors, the early literacy station and to purchase equipment to enable a mobile circulation system. Office supplies and miscellaneous operating supplies are each increasing \$1,000 due to offering more programs which requires more materials. Books are budgeted to increase \$10,000. Downloadables are budgeted to increase \$15,000 due to high demand and potential new offerings. Video/audio resources are decreasing \$10,000 as they are dying formats. Janitorial services are budgeted to increase \$5,000 for special services such as tile cleaning and bathroom deep cleaning. Contracted services are increasing \$10,000 for TLN to work on online services. Data processing services are increasing \$2,000 to implement a new integrated library system. Administrative charges are increasing due to an increase in allowable expenses to be spread due to increased costs for central service departments. The IT charge is increasing due to the library receiving a discount in fiscal year 16-17 for not being on the city network.

The library board is considering starting Sunday hours. A budget amendment may be requested should they decide to expand hours.

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 1,144,471 | 1,479,481 | 1,449,471 | 1,430,011 | 1,434,151 | 1,462,241 |
| Revenues and transfers from other funds   | 2,674,680 | 2,470,000 | 2,512,750 | 2,569,570 | 2,627,810 | 2,687,510 |
| Expenditures and transfers to other funds | 2,339,670 | 2,500,010 | 2,532,210 | 2,565,430 | 2,599,720 | 2,635,100 |
| Net Change in Fund Balance                | 335,010   | (30,010)  | (19,460)  | 4,140     | 28,090    | 52,410    |
| Ending Fund Balance                       | 1,479,481 | 1,449,471 | 1,430,011 | 1,434,151 | 1,462,241 | 1,514,651 |

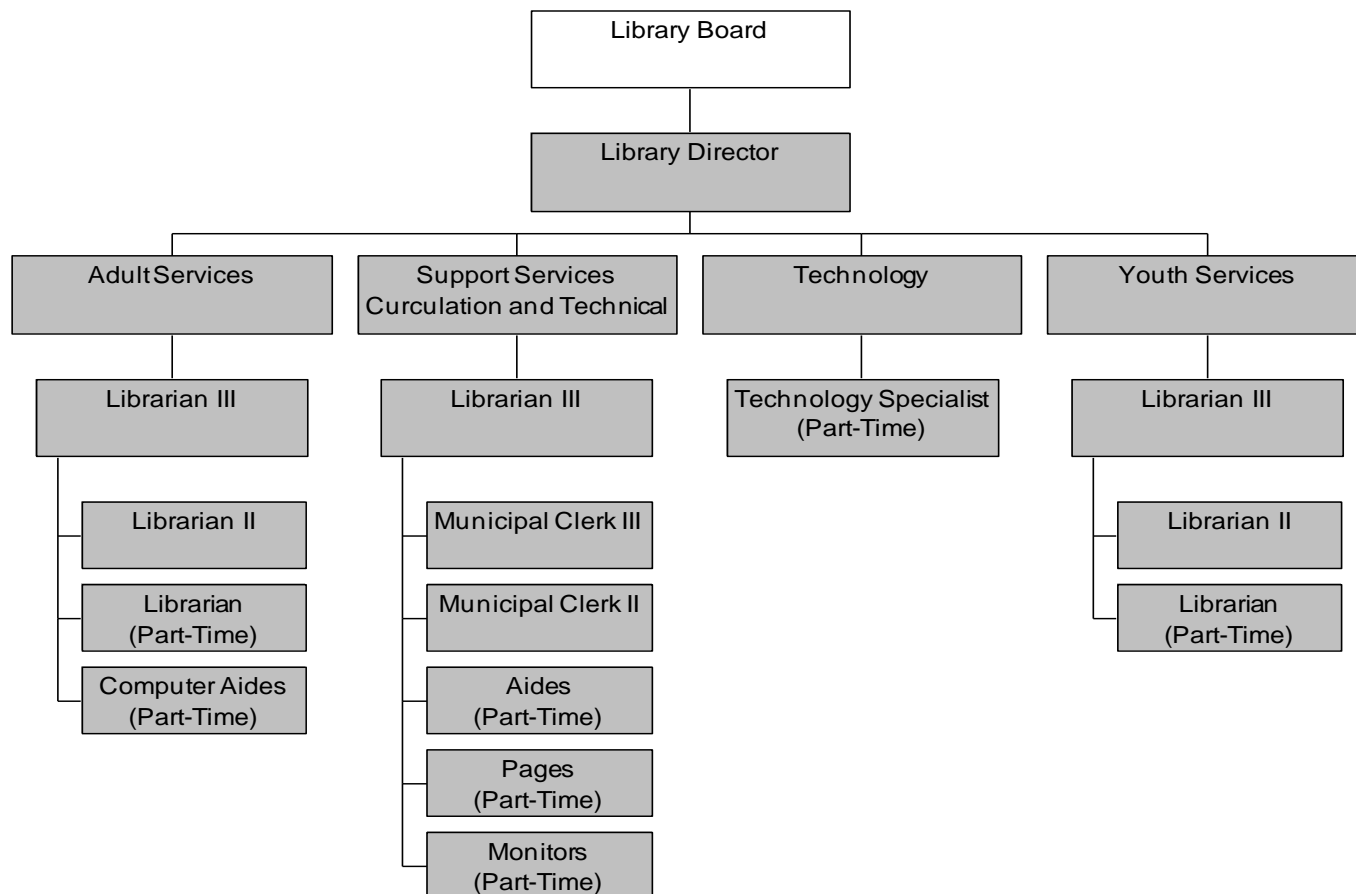
## Revenues

| 271.000 REVENUE                 | Taxes     | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other  | Transfers | Total     |
|---------------------------------|-----------|--------|--------------------------------------|-------------------------------|--------|-----------|-----------|
| 2013-2014 Actual                | 2,015,850 | 31,010 | 147,730                              | 9,130                         | 23,070 | 30,000    | 2,256,790 |
| 2014-2015 Actual                | 2,063,680 | 33,710 | 156,980                              | 14,070                        | 7,180  | 30,000    | 2,305,620 |
| 2015-2016 Actual                | 2,134,660 | 35,600 | 178,230                              | 19,590                        | 5,220  | 20,000    | 2,393,300 |
| 2016-2017 Original Budget       | 2,156,000 | 33,000 | 164,500                              | 14,700                        | 6,500  | 20,000    | 2,394,700 |
| 2016-2017 Adjusted Budget (Dec) | 2,156,000 | 33,000 | 164,500                              | 14,700                        | 6,500  | 20,000    | 2,394,700 |
| 2016-2017 Six Month Actual      | 2,134,580 | 18,840 | 150,040                              | 5,910                         | 3,160  | 750       | 2,313,280 |
| 2016-2017 Estimated Year End    | 2,175,000 | 33,000 | 173,810                              | 24,000                        | 5,400  | 263,470   | 2,674,680 |
| 2017-2018 Dept Request          | 2,230,000 | 33,000 | 149,000                              | 26,500                        | 6,500  | 25,000    | 2,470,000 |
| 2017-2018 Manager's Budget      | 2,230,000 | 33,000 | 149,000                              | 26,500                        | 6,500  | 25,000    | 2,470,000 |
|                                 |           |        |                                      |                               |        |           |           |
| 2018-2019 Projected Budget      | 2,272,750 | 33,000 | 149,000                              | 26,500                        | 6,500  | 25,000    | 2,512,750 |
| 2019-2020 Projected Budget      | 2,329,570 | 33,000 | 149,000                              | 26,500                        | 6,500  | 25,000    | 2,569,570 |
| 2020-2021 Projected Budget      | 2,387,810 | 33,000 | 149,000                              | 26,500                        | 6,500  | 25,000    | 2,627,810 |
| 2021-2022 Projected Budget      | 2,447,510 | 33,000 | 149,000                              | 26,500                        | 6,500  | 25,000    | 2,687,510 |

## Expenditures

| <b>271.790 LIBRARY</b>          | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
|                                 |                           |                 |                |              |                  |             |              |
| 2013-2014 Actual                | 1,344,530                 | 170,830         | 0              | 382,680      | 0                | 292,190     | 2,190,230    |
| 2014-2015 Actual                | 1,400,410                 | 179,690         | 0              | 392,620      | 0                | 311,280     | 2,284,000    |
| 2015-2016 Actual                | 1,391,690                 | 254,960         | 0              | 361,830      | 0                | 279,220     | 2,287,700    |
| 2016-2017 Original Budget       | 1,410,060                 | 273,600         | 0              | 471,180      | 0                | 281,000     | 2,435,840    |
| 2016-2017 Adjusted Budget (Dec) | 1,410,060                 | 273,600         | 0              | 471,180      | 0                | 281,000     | 2,435,840    |
| 2016-2017 Six Month Actual      | 641,920                   | 137,840         | 0              | 211,680      | 0                | 20,940      | 1,012,380    |
| 2016-2017 Estimated Year End    | 1,381,800                 | 268,420         | 0              | 408,450      | 0                | 281,000     | 2,339,670    |
| 2017-2018 Dept Request          | 1,092,020                 | 314,400         | 0              | 454,510      | 0                | 639,080     | 2,500,010    |
| 2017-2018 Manager's Budget      | 1,092,020                 | 314,400         | 0              | 454,510      | 0                | 639,080     | 2,500,010    |
|                                 |                           |                 |                |              |                  |             |              |
| 2018-2019 Projected Budget      | 1,122,890                 | 314,400         | 0              | 455,840      | 0                | 639,080     | 2,532,210    |
| 2019-2020 Projected Budget      | 1,154,740                 | 314,400         | 0              | 457,210      | 0                | 639,080     | 2,565,430    |
| 2020-2021 Projected Budget      | 1,187,620                 | 314,400         | 0              | 458,620      | 0                | 639,080     | 2,599,720    |
| 2021-2022 Projected Budget      | 1,221,550                 | 314,400         | 0              | 460,070      | 0                | 639,080     | 2,635,100    |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Library                           | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |             |       |       |       |       |       |       |       |       |
| Library Director                  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Librarian                         | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Librarian III                     | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 3.0   | 3.0   |
| Librarian II                      | 3.0         | 3.0   | 3.0   | 3.0   | 3.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Library Technology Specialist     | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 0.0   | 0.0   |
| Librarian I                       | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Library - MC III                  | 2.0         | 2.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Library - MC II                   | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 1.0   | 1.0   | 1.0   |
| Full-time Total                   | 12.0        | 12.0  | 11.0  | 10.0  | 10.0  | 9.0   | 8.0   | 8.0   | 8.0   |
| <u>Part-Time Positions (FTEs)</u> |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               | n/a         | 11.0  | 11.0  | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 | 12.0        | 23.0  | 22.0  | 10.0  | 10.0  | 9.0   | 8.0   | 8.0   | 8.0   |

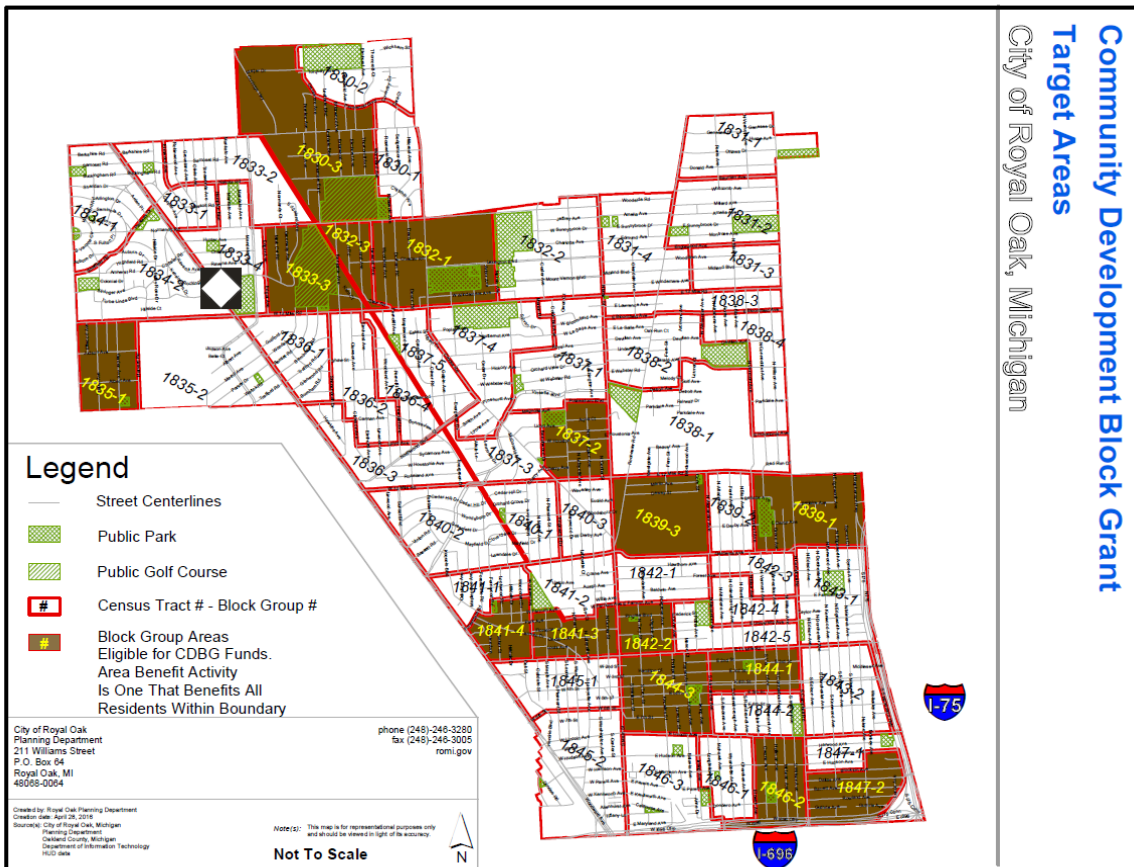
***The mission of the community development block grant program is to develop viable urban communities by providing the following, principally for persons of low and moderate income: decent housing, a suitable living environment; and expanded economic opportunities.***

Funding for CDBG fund operations comes from Federal Housing and Urban Development grants.

The city commission appoints a rehabilitation board of appeals to review community development matters including applications of

CDBG funded projects. The board makes recommendations to the city commission. The planning department staff oversees implementation of the grant and compliance with all associated federal requirements.

Historically, the city housing rehabilitation and senior center service programs are the recipients of the largest share of the CDBG program's annual grant amount. Large-scale capital projects, such as road improvements and the renovation of historic structures, have also received significant CDBG funds.



***The mission of the housing rehabilitation program is to upgrade and conserve the existing housing stock of the City of Royal Oak meeting federal H.U.D. regulations for eligibility.***

The housing rehabilitation loan program provides low-interest financing for necessary home repairs to eligible low and moderate income home owners.

The City of Royal Oak has operated a successful housing rehabilitation program since 1976, upgrading and conserving the existing single family housing stock in the city.

It is funded by Community Development Block Grant Program (CDBG) through the U.S. Dept. of Housing and Urban Development (HUD). Annually this revolving loan program makes new loans using new CDBG grants and repayments on existing loans.

Two kinds of loan are available: monthly installment loans at 3% interest for homeowners with incomes no greater than 80% of the Detroit area median income, and deferred loans for homeowners at 40% of the median income. Loans are required to address local property maintenance standards, HUD's minimum

Housing Quality Standards, and any identified lead-based paint hazards.

As a full service program, the city provides housing and credit counseling, loan underwriting, property inspections, contractor solicitation, and construction management.

Planning staff coordinates funding requests and provides reports and information on these Community Development Block Grant programs. The department also prepares documents such as the Impediments to Fair Housing, the Five Year Consolidated Plan, the Annual Action Plan, Comprehensive Annual Performance Evaluation Report, and other interim reports required by HUD for the rehab program.

**Rehabilitation Board of Appeals:** The Rehabilitation board of appeal is comprised of seven citizen members, empowered to grant or deny appeals from the eligibility requirements of the housing assistance program or actions of the administration of the rehabilitation loan committee. The decision of the board of appeals is final. Action to set aside guidelines and eligibility is on the basis of demonstrated hardship. Board members are appointed by the commission to three-year terms and meet the fourth Tuesday of each month.

---

## GOALS

1. Increase the availability of decent, safe, and affordable housing.
2. Reduce the health risks of lead-based paint.
3. Continue the financial viability of the revolving loan program.

## OBJECTIVES

- Conserve the City of Royal Oak's supply of existing housing by financing needed home improvements and upgrades which correct obsolete and dangerous conditions. Low interest financing allows homeowners, including many seniors, to remain in affordable housing.<sup>GOAL1</sup>
- Identify lead-based paint hazards in homes to be renovated.<sup>GOAL2</sup>
- Perform abatement or interim controls designed to last up to 20 years to address all identified hazards.<sup>GOAL2</sup>

**GOALS****OBJECTIVES**

- Increase the amount of installment loans processed to increase monthly repayment income.<sup>GOAL3</sup>
- Identify and limit the number of foreclosed loans.<sup>GOAL3</sup>

**Performance Indicators / Outcome Measures**

|  | <u>Actual<br/>FY13-14</u> | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> |
|--|---------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|
| <sup>GOAL3</sup> <b>Rehabilitation Loans</b>     |                           |                           |                           |                        |                              |                              |
| Loan Applications Received                       | 35                        | 34                        | 34                        | 23                     | 35                           | 35                           |
| Loan Applicants on Waiting List                  | 0                         | 0                         | 0                         | 8                      | 0                            | 0                            |
| Number of Loans Approved                         | 22                        | 24                        | 24                        | 24                     | 26                           | 32                           |
| Funds Available for Loans                        | \$315k                    | \$315k                    | \$315k                    | \$428k                 | \$432k                       | \$500                        |
| Amount of Loans Approved                         | \$185k                    | \$353k                    | \$353k                    | \$403k                 | \$432k                       | \$500                        |
| <sup>GOAL2</sup> <b>Lead-based Paint Hazards</b> |                           |                           |                           |                        |                              |                              |
| Homes with Hazards Identified                    | 7                         | 21                        | 21                        | 10                     | 19                           | 15                           |
| Homes with Hazards Addressed                     | 4                         | 12                        | 12                        | 8                      | 10                           | 8                            |
| Repairs Made on Eligible Properties              | 22                        | 24                        | 24                        | 8                      | 26                           | 32                           |

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Personnel costs are increasing due to the planner II being promoted to a planner III and the housing rehabilitation officer recently receiving an increase. Residential rehab revenue is decreasing \$100,000 as land sales are not anticipated. Housing rehabilitation loans are increasing \$282,000 as interest is expected to remain high due to the current waiting list. The contribution to South Oakland Shelter is doubling to \$20,000.

The following capital projects are budgeted for FY2017-18 (Deviates from CIP):

- Marks Park senior recreation equipment \$50,000
- Tree planting program 150,000
- Bioswales 4<sup>th</sup> Street 200,000

**FY2017-18 Total: \$400,000**

### Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 0         | 0         | 0         | 0         | 0         | 0         |
| Revenues and transfers from other funds   | 1,595,570 | 1,550,000 | 1,237,860 | 1,280,420 | 1,187,650 | 1,184,550 |
| Expenditures and transfers to other funds | 1,595,570 | 1,550,000 | 1,237,860 | 1,280,420 | 1,187,650 | 1,184,550 |
| Net Change in Fund Balance                | 0         | 0         | 0         | 0         | 0         | 0         |
| Ending Fund Balance                       | 0         | 0         | 0         | 0         | 0         | 0         |

### Revenues

| 274.000 REVENUE                 | Grants    | Licenses,<br>Charges and<br>Fines | Interest and<br>Contributions | Other   | Transfers | Total     |
|---------------------------------|-----------|-----------------------------------|-------------------------------|---------|-----------|-----------|
| 2013-2014 Actual                | ,900,140  | 516,730                           | -                             | 14,970  | -         | 2,431,840 |
| 2014-2015 Actual                | 972,300   | 380,260                           | -                             | 12,320  | -         | 1,364,880 |
| 2015-2016 Actual                | 1,601,450 | 478,680                           | -                             | 204,520 | -         | 2,284,650 |
| 2016-2017 Original Budget       | 1,085,570 | 350,000                           | -                             | -       | -         | 1,435,570 |
| 2016-2017 Adjusted Budget (Dec) | 1,085,570 | 350,000                           | 206,730                       | -       | -         | 1,642,300 |
| 2016-2017 Six Month Actual      | 340,350   | 242,910                           | -                             | 120,150 | -         | 703,410   |
| 2016-2017 Estimated Year End    | 1,085,570 | 350,000                           | -                             | 121,400 | 38,600    | 1,595,570 |
| 2017-2018 Dept Request          | 1,000,000 | 250,000                           | 300,000                       | -       | -         | 1,550,000 |
| 2017-2018 Manager's Budget      | ,000,000  | 250,000                           | 300,000                       | -       | -         | 1,550,000 |
|                                 |           |                                   |                               |         |           |           |
| 2018-2019 Projected Budget      | 87,860    | 250,000                           | 300,000                       | -       | -         | 1,237,860 |
| 2019-2020 Projected Budget      | 730,420   | 250,000                           | 300,000                       | -       | -         | 1,280,420 |
| 2020-2021 Projected Budget      | 37,650    | 250,000                           | 300,000                       | -       | -         | 1,187,650 |
| 2021-2022 Projected Budget      | 634,550   | 250,000                           | 300,000                       | -       | -         | 1,184,550 |



## Expenditures

| <b>274.692 HOUSING ASSISTANCE PROGRAM</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                          | 144,970                   | 260             | 0              | 771,400      | 0           | 916,630      |
| 2014-2015 Actual                          | 147,710                   | 120             | 0              | 443,990      | 0           | 591,820      |
| 2015-2016 Actual                          | 152,740                   | 120             | 0              | 259,930      | 0           | 412,790      |
| 2016-2017 Original Budget                 | 129,920                   | 200             | 0              | 597,330      | 0           | 727,450      |
| 2016-2017 Adjusted Budget (Dec)           | 129,920                   | 200             | 0              | 682,330      | 0           | 812,450      |
| 2016-2017 Six Month Actual                | 34,310                    | 130             | 0              | 234,110      | 0           | 268,550      |
| 2016-2017 Estimated Year End              | 131,980                   | 200             | 0              | 443,020      | 0           | 575,200      |
| 2017-2018 Dept Request                    | 82,680                    | 200             | 0              | 715,040      | 18,760      | 816,680      |
| 2017-2018 Manager's Budget                | 82,680                    | 200             | 0              | 715,040      | 18,760      | 816,680      |
| 2018-2019 Projected Budget                | 84,900                    | 200             | 0              | 715,040      | 18,760      | 818,900      |
| 2019-2020 Projected Budget                | 87,210                    | 200             | 0              | 715,040      | 18,760      | 821,210      |
| 2020-2021 Projected Budget                | 89,600                    | 200             | 0              | 715,040      | 18,760      | 823,600      |
| 2021-2022 Projected Budget                | 92,070                    | 200             | 0              | 715,040      | 18,760      | 826,070      |

| <b>274.712 BLOCK GRANT ADMINISTRATION</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                          | 220,620                   | 0               | 0              | 33,180       | 0           | 253,800      |
| 2014-2015 Actual                          | 269,130                   | 610             | 0              | 25,190       | 0           | 294,930      |
| 2015-2016 Actual                          | 253,610                   | 230             | 0              | 33,940       | 0           | 287,780      |
| 2016-2017 Original Budget                 | 242,050                   | 480             | 0              | 44,590       | 0           | 287,120      |
| 2016-2017 Adjusted Budget (Dec)           | 242,050                   | 480             | 0              | 44,590       | 0           | 287,120      |
| 2016-2017 Six Month Actual                | 99,240                    | 0               | 0              | 13,550       | 0           | 112,790      |
| 2016-2017 Estimated Year End              | 242,440                   | 300             | 0              | 16,810       | 0           | 259,550      |
| 2017-2018 Dept Request                    | 153,630                   | 500             | 0              | 30,650       | 0           | 184,780      |
| 2017-2018 Manager's Budget                | 153,630                   | 500             | 0              | 30,650       | 0           | 184,780      |
| 2018-2019 Projected Budget                | 157,780                   | 500             | 0              | 30,650       | 0           | 188,930      |
| 2019-2020 Projected Budget                | 162,060                   | 500             | 0              | 30,650       | 0           | 193,210      |
| 2020-2021 Projected Budget                | 166,500                   | 500             | 0              | 30,650       | 0           | 197,650      |
| 2021-2022 Projected Budget                | 171,080                   | 500             | 0              | 30,650       | 0           | 202,230      |

## CDBG Fund – Housing Rehabilitation Program

| <b>274.759 SENIOR CENTER</b>    | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 0                         | 0               | 0              | (40)         | 0           | (40)         |
| 2014-2015 Actual                | 0                         | 0               | 0              | 19,940       | 0           | 19,940       |
| 2015-2016 Actual                | 0                         | 0               | 0              | 28,000       | 0           | 28,000       |
| 2016-2017 Original Budget       | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2016-2017 Adjusted Budget (Dec) | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2016-2017 Six Month Actual      | 0                         | 0               | 0              | 13,230       | 0           | 13,230       |
| 2016-2017 Estimated Year End    | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2017-2018 Dept Request          | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2017-2018 Manager's Budget      | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2018-2019 Projected Budget      | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2019-2020 Projected Budget      | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 33,000       | 0           | 33,000       |

| <b>274. OTHER COST CENTERS</b>  | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2013-2014 Actual                | 0                         | 0               | 0              | 1,261,450    | 0                | 0           | 1,261,450    |
| 2014-2015 Actual                | 37,080                    | 0               | 288,510        | 92,690       | 0                | 0           | 418,280      |
| 2015-2016 Actual                | 21,970                    | 0               | 0              | 1,449,980    | 0                | 0           | 1,471,950    |
| 2016-2017 Original Budget       | 0                         | 0               | 0              | 238,000      | 0                | 0           | 238,000      |
| 2016-2017 Adjusted Budget (Dec) | 0                         | 0               | 0              | 238,000      | 0                | 0           | 238,000      |
| 2016-2017 Six Month Actual      | 0                         | 0               | 0              | 520          | 0                | 0           | 520          |
| 2016-2017 Estimated Year End    | 0                         | 0               | 0              | 208,000      | 0                | 0           | 208,000      |
| 2017-2018 Dept Request          | 0                         | 0               | 0              | 230,000      | 0                | 0           | 230,000      |
| 2017-2018 Manager's Budget      | 0                         | 0               | 0              | 230,000      | 0                | 0           | 230,000      |
| 2018-2019 Projected Budget      | 0                         | 0               | 0              | 30,000       | 0                | 0           | 30,000       |
| 2019-2020 Projected Budget      | 0                         | 0               | 0              | 30,000       | 0                | 0           | 30,000       |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 30,000       | 0                | 0           | 30,000       |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 30,000       | 0                | 0           | 30,000       |

## CDBG Fund – Housing Rehabilitation Program

| <b>274.901 CONSTRUCTION</b>     | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2013-2014 Actual                | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2014-2015 Actual                | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2015-2016 Actual                | 0                         | 0               | 720            | 0            | 0                | 0           | 720          |
| 2016-2017 Original Budget       | 0                         | 0               | 150,000        | 0            | 0                | 0           | 150,000      |
| 2016-2017 Adjusted Budget (Dec) | 0                         | 0               | 271,730        | 0            | 0                | 0           | 271,730      |
| 2016-2017 Six Month Actual      | 0                         | 0               | 950            | 260          | 0                | 0           | 1,210        |
| 2016-2017 Estimated Year End    | 0                         | 0               | 295,000        | 0            | 0                | 0           | 295,000      |
| 2017-2018 Dept Request          | 0                         | 0               | 200,000        | 0            | 0                | 0           | 200,000      |
| 2017-2018 Manager's Budget      | 0                         | 0               | 200,000        | 0            | 0                | 0           | 200,000      |
| 2018-2019 Projected Budget      | 0                         | 0               | 45,000         | 0            | 0                | 0           | 45,000       |
| 2019-2020 Projected Budget      | 0                         | 0               | 90,000         | 0            | 0                | 0           | 90,000       |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |

### Cost Center Position Detail - Home Base

Full & Part-time Employees

| <b>Housing Assistance</b>                |  | <b>Fiscal Year</b> |              |              |              |              |              |              |              |
|--|--|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  |  | <b>10-11</b>       | <b>11-12</b> | <b>12-13</b> | <b>13-14</b> | <b>14-15</b> | <b>15-16</b> | <b>16-17</b> | <b>17-18</b> |
| <b><u>Full-Time Positions</u></b>        |  |                    |              |              |              |              |              |              |              |
| Housing Program Supervisor               |  | 1.0                | 1.0          | 1.0          | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          |
| Housing Rehabilitation Officer           |  | 1.0                | 0.0          | 0.0          | 1.0          | 1.0          | 1.0          | 1.0          | 0.0          |
| CS III - Housing                         |  | 0.0                | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Full-time Total                          |  | 2.0                | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| <b><u>Part-Time Positions (FTEs)</u></b> |  |                    |              |              |              |              |              |              |              |
| Part-Time Positions                      |  | n/a                | n/a          | n/a          | n/a          | n/a          | n/a          | n/a          | n/a          |
| Cost Center Total                        |  | 2.0                | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |

***The mission of the inspection division of the building division is to effectively administer the Michigan construction codes and local ordinances to ensure public health, safety and welfare.***

Pursuant to the provisions of Section 9 of Act No. 230 of the Michigan Public Act of 1972 (MCLA § 125.1509), the Royal Oak building official is designated as the enforcing agency to discharge the responsibilities of the act. The city's building division assumes responsibility for the administration and enforcement of the act within our corporate limits.

The building inspection division issues permits for commercial and residential construction projects and performs related building, mechanical, electrical and plumbing inspections throughout the construction process to insure compliance with state construction codes and local ordinances. Fees are intended to cover the costs of this special revenue fund.

The building division of community development department consists of two areas: building inspection and code enforcement.

---

## GOALS

1. To inspect all new construction to help ensure a safe environment for city residents, businesses, and visitors.
2. To provide professional services to our customers that will encourage development and growth within the city
3. To encourage and support diverse investment to maximize property values and facilitate employment opportunities.
4. Provide accurate and thorough plan reviews within 14 days.
5. Provide requested inspections by the next business day.

## OBJECTIVES

- Adopt a commercial re-occupancy ordinance to promptly and effectively identify and assist businesses operating in a new space.<sup>GOAL3</sup>

## Performance Indicators / Outcome Measures

|   | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|---|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL <sup>1</sup> Percent of Required Code Training Received                    | 100                       | 100                       | 100                    | 100                          | 100                          | 100                          |
| GOAL <sup>2</sup> Percent of Inspections Performed Within the Next Business Day | 95                        | 95                        | 95                     | 95                           | 95                           | 95                           |
| GOAL <sup>1</sup> Percent of Plans Reviewed for Permit Within 14 Business Days  | 85                        | 85                        | 85                     | 90                           | 95                           | 95                           |
| <b><u>Permits Issued</u></b>  |                           |                           |                        |                              |                              |                              |
| Building  | 2,375                     | 2,194                     | 1,366                  | 2,300                        | 2,200                        | 2,200                        |
| Electrical  | 2,148                     | 1,763                     | 908                    | 1,550                        | 1,500                        | 1,500                        |
| Mechanical  | 1,820                     | 1,550                     | 663                    | 1,200                        | 1,300                        | 1,300                        |
| Plumbing Sewer  | 1,845                     | 11,456                    | 668                    | 1,300                        | 1,300                        | 1,300                        |
| <b>Construction Value (in 1000's)</b>   | <b>\$141,000</b>          | <b>\$168,000</b>          | <b>\$47,000</b>        | <b>\$130,000</b>             | <b>\$140,000</b>             | <b>\$140,000</b>             |
| Residents rated friendly  | n/a                       | n/a                       | n/a                    | n/a                          | n/a                          | n/a                          |
| Residents rated helpful   | n/a                       | n/a                       | n/a                    | n/a                          | n/a                          | n/a                          |
| Residents rated efficient   | n/a                       | n/a                       | n/a                    | n/a                          | n/a                          | n/a                          |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Revenues are decreasing relative to fiscal year 16-17 due to decreasing rates for permits and eliminating registration fees. Personnel costs are increasing due to filling vacancies, adding new full-time mechanical, electrical, and plumbing inspectors to improve upon customer service and succession planning, an increase in medical rates, and a contractual increase in defined contribution benefits. Training and dues/memberships are expected to increase due to adding the new employees. Administrative charges are increasing due to an increase in allowable expenses being spread due to increased expenses for central service departments and an increase in the state construction funds expenditures due to increased staffing. The fiscal year 2016-17 estimated year-end includes a \$316,400 transfer for the Royal Oak City Center as this fund will pay cash for the building department's space in the new city hall.

## Budget Summary

|   | <b>2016-2017</b> | <b>2017-2018</b> | <b>2018-2019</b> | <b>2019-2020</b> | <b>2020-2021</b> | <b>2021-2022</b> |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance                    | 7,610,994        | 5,000,794        | 5,233,834        | 5,423,654        | 5,568,764        | 5,667,604        |
| Revenues and transfers from other funds   | 2,841,600        | 1,910,000        | 1,910,000        | 1,910,000        | 1,910,000        | 1,910,000        |
| Expenditures and transfers to other funds | 5,451,800        | 1,676,960        | 1,720,180        | 1,764,890        | 1,811,160        | 1,859,040        |
| Net Change in Fund Balance                | (2,610,200)      | 233,040          | 189,820          | 145,110          | 98,840           | 50,960           |
| Ending Fund Balance                       | 5,000,794        | 5,233,834        | 5,423,654        | 5,568,764        | 5,667,604        | 5,718,564        |

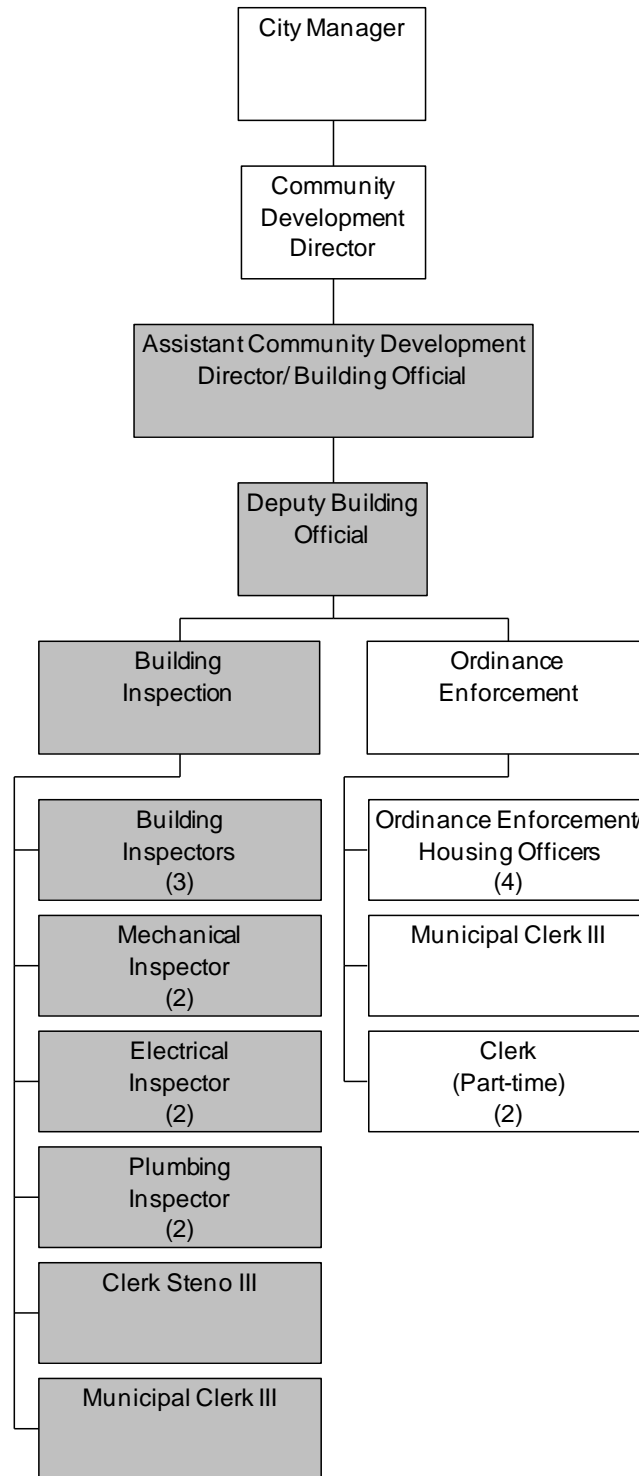
## Revenues

| <b>282.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 0             | 2,574,980                                      | 0                                     | 2,980        | 50,620           | 2,628,580    |
| 2014-2015 Actual                | 0            | 0             | 3,130,200                                      | 0                                     | 21,730       | 80,120           | 3,232,050    |
| 2015-2016 Actual                | 0            | 0             | 4,307,480                                      | 0                                     | 39,650       | 68,320           | 4,415,450    |
| 2016-2017 Original Budget       | 0            | 0             | 1,794,000                                      | 0                                     | 10,000       | 40,000           | 1,844,000    |
| 2016-2017 Adjusted Budget (Dec) | 0            | 0             | 1,794,000                                      | 0                                     | 10,000       | 40,000           | 1,844,000    |
| 2016-2017 Six Month Actual      | 0            | 0             | 1,329,640                                      | 0                                     | (8,720)      | 35,780           | 1,356,700    |
| 2016-2017 Estimated Year End    | 0            | 0             | 2,584,520                                      | 0                                     | 23,600       | 233,480          | 2,841,600    |
| 2017-2018 Dept Request          | 0            | 0             | 1,840,000                                      | 0                                     | 20,000       | 50,000           | 1,910,000    |
| 2017-2018 Manager's Budget      | 0            | 0             | 1,840,000                                      | 0                                     | 20,000       | 50,000           | 1,910,000    |
| 2018-2019 Projected Budget      | 0            | 0             | 1,840,000                                      | 0                                     | 20,000       | 50,000           | 1,910,000    |
| 2019-2020 Projected Budget      | 0            | 0             | 1,840,000                                      | 0                                     | 20,000       | 50,000           | 1,910,000    |
| 2020-2021 Projected Budget      | 0            | 0             | 1,840,000                                      | 0                                     | 20,000       | 50,000           | 1,910,000    |
| 2021-2022 Projected Budget      | 0            | 0             | 1,840,000                                      | 0                                     | 20,000       | 50,000           | 1,910,000    |

## Expenditures

| <b>282.371 INSPECTION</b>       | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2013-2014 Actual                | 790,110                       | 15,200          | 0              | 327,020      | 55,400           | 0           | 1,187,730    |
| 2014-2015 Actual                | 1,209,190                     | 3,820           | 0              | 322,390      | 5,000            | 0           | 1,540,400    |
| 2015-2016 Actual                | 1,180,430                     | 6,290           | 0              | 383,390      | 34,000           | 0           | 1,604,110    |
| 2016-2017 Original Budget       | 1,447,810                     | 10,000          | 0              | 413,280      | 4,500            | 0           | 1,875,590    |
| 2016-2017 Adjusted Budget (Dec) | 1,446,110                     | 11,700          | 0              | 413,280      | 4,500            | 0           | 1,875,590    |
| 2016-2017 Six Month Actual      | 548,040                       | 2,020           | 0              | 207,190      | 0                | 0           | 757,250      |
| 2016-2017 Estimated Year End    | 4,713,620                     | 7,000           | 0              | 410,280      | 320,900          | 0           | 5,451,800    |
| 2017-2018 Dept Request          | 1,217,000                     | 12,500          | 0              | 443,460      | 4,000            | 0           | 1,676,960    |
| 2017-2018 Manager's Budget      | 1,217,000                     | 12,500          | 0              | 443,460      | 4,000            | 0           | 1,676,960    |
| 2018-2019 Projected Budget      | 1,256,750                     | 12,500          | 0              | 446,930      | 4,000            | 0           | 1,720,180    |
| 2019-2020 Projected Budget      | 1,297,890                     | 12,500          | 0              | 450,500      | 4,000            | 0           | 1,764,890    |
| 2020-2021 Projected Budget      | 1,340,500                     | 12,500          | 0              | 454,160      | 4,000            | 0           | 1,811,160    |
| 2021-2022 Projected Budget      | 1,384,630                     | 12,500          | 0              | 457,910      | 4,000            | 0           | 1,859,040    |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Building                                    | Fiscal Year |       |       |       |       |       |       |       |       |
|---|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|   | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Full-Time Positions</u></b>           |             |       |       |       |       |       |       |       |       |
| Assistant C.D. Director / Building Official | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Deputy Building Official                    | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Community Development Liaison / Planner II  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 0.5   | 0.5   | 0.5   |
| CS III Inspection                           | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Inspection - MC III                         | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Building Inspectors                         | 2.0         | 2.0   | 2.0   | 2.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |
| Electrical Inspector                        | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 2.0   |
| Housing Inspector                           | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Mechanical Inspector                        | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 2.0   |
| Plumbing Inspector                          | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 2.0   |
| Full-Time Total                             | 8.0         | 5.0   | 5.0   | 5.0   | 6.0   | 11.0  | 10.5  | 10.5  | 13.5  |
| <b><u>Part-Time Positions (FTEs)</u></b>    |             |       |       |       |       |       |       |       |       |
| Part-Time Positions                         | n/a         | 1.1   | 0.6   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                           | 8.0         | 6.1   | 5.6   | 5.0   | 6.0   | 11.0  | 10.5  | 10.5  | 13.5  |



The Roots (Royal Oak Opportunity to Serve) Foundation is a committee established by the city charter. Its purpose is to promote charitable contributions through the city for disbursement

to various organizations or projects whose work constitutes a public purpose within the city. This fund records the receipt and disbursements of the monies/property.

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 503,836   | 503,466   | 509,456   | 514,696   | 519,146   | 522,766   |
| Revenues and transfers from other funds   | 67,020    | 63,600    | 63,600    | 63,600    | 63,600    | 63,600    |
| Expenditures and transfers to other funds | 67,390    | 57,610    | 58,360    | 59,150    | 59,980    | 60,850    |
| Net Change in Fund Balance                | (370)     | 5,990     | 5,240     | 4,450     | 3,620     | 2,750     |
| Ending Fund Balance                       | 503,466   | 509,456   | 514,696   | 519,146   | 522,766   | 525,516   |

## Revenues

| 295.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other | Transfers | Total   |
|---------------------------------|-------|--------|--------------------------------------|-------------------------------|-------|-----------|---------|
| 2013-2014 Actual                | 0     | 0      | 0                                    | 205,410                       | 0     | 0         | 205,410 |
| 2014-2015 Actual                | 0     | 0      | 0                                    | 136,670                       | 0     | 0         | 136,670 |
| 2015-2016 Actual                | 0     | 0      | 0                                    | 101,540                       | 0     | 0         | 101,540 |
| 2016-2017 Original Budget       | 0     | 0      | 0                                    | 119,300                       | 0     | 0         | 119,300 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                                    | 120,420                       | 0     | 0         | 120,420 |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                                    | 28,530                        | 0     | 0         | 28,530  |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                                    | 67,020                        | 0     | 0         | 67,020  |
| 2017-2018 Dept Request          | 0     | 0      | 0                                    | 63,600                        | 0     | 0         | 63,600  |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                                    | 63,600                        | 0     | 0         | 63,600  |
| 2018-2019 Projected Budget      | 0     | 0      | 0                                    | 63,600                        | 0     | 0         | 63,600  |
| 2019-2020 Projected Budget      | 0     | 0      | 0                                    | 63,600                        | 0     | 0         | 63,600  |
| 2020-2021 Projected Budget      | 0     | 0      | 0                                    | 63,600                        | 0     | 0         | 63,600  |
| 2021-2022 Projected Budget      | 0     | 0      | 0                                    | 63,600                        | 0     | 0         | 63,600  |

## Expenditures

| <b>295. MULTIPLE COST CENTERS</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|-----------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2013-2014 Actual                  | 0                             | 38,190          | 1,000          | 14,600       | 129,700          | 0           | 183,490      |
| 2014-2015 Actual                  | 0                             | 34,970          | 800            | 10,900       | 61,330           | 0           | 108,000      |
| 2015-2016 Actual                  | 0                             | 38,360          | 0              | 20,470       | 55,970           | 0           | 114,800      |
| 2016-2017 Original Budget         | 0                             | 134,900         | 0              | 13,610       | 40,000           | 0           | 188,510      |
| 2016-2017 Adjusted Budget (Dec)   | 0                             | 139,710         | 0              | 21,010       | 50,720           | 0           | 211,440      |
| 2016-2017 Six Month Actual        | 0                             | 4,630           | 0              | 12,020       | 17,720           | 0           | 34,370       |
| 2016-2017 Estimated Year End      | 0                             | 24,880          | 0              | 17,540       | 24,970           | 0           | 67,390       |
| 2017-2018 Dept Request            | 0                             | 2,500           | 0              | 10,110       | 45,000           | 0           | 57,610       |
| 2017-2018 Manager's Budget        | 0                             | 2,500           | 0              | 10,110       | 45,000           | 0           | 57,610       |
|                                   |                               |                 |                |              |                  |             |              |
| 2018-2019 Projected Budget        | 0                             | 2,500           | 0              | 10,110       | 45,750           | 0           | 58,360       |
| 2019-2020 Projected Budget        | 0                             | 2,500           | 0              | 10,110       | 46,540           | 0           | 59,150       |
| 2020-2021 Projected Budget        | 0                             | 2,500           | 0              | 10,110       | 47,370           | 0           | 59,980       |
| 2021-2022 Projected Budget        | 0                             | 2,500           | 0              | 10,110       | 48,240           | 0           | 60,850       |

***The City of Royal Oak offers mature adults opportunities for lifelong education, fitness, nutrition, and leisure activities. Supportive services that promote independence and quality of life are available for residents who are 62 and over or permanently disabled adults.***

***The City of Royal Oak's recreation department does not discriminate against any program participant or applicant for participation because of race, color, creed, religion, ancestry, national origin, gender, disability or other handicap, age, marital/familial status, or status with regard to public assistance or for any other reason(s) prohibited by law. The City of Royal Oak will take affirmative action to insure that all practices are free from such discrimination.***

Senior administrative offices and the bulk of its programs are located at the Mahany/Meininger Center (the M/M or Senior Center). Additional activities are held at the Salter Center and other sites.

The coordinator of senior citizen activity is responsible for all cost centers and reports to the superintendent of recreation. Senior programs include a wide range of activities supported by an equally diverse group of fees, donations and grants.

Center Operations CDBG (274.759) - A significant portion of costs were covered by federal reimbursement and recorded in the Block Grant Fund (274.759). Former CDBG budgets covered wages for one full-time and various part-time employees providing services to seniors at the Mahany/Meininger (M/M) and Salter Centers. It also pays a subsidy for R.O.S.E.S. personnel serving low-income residents. CDBG funds were used for the replacement of front building windows at the Mahany/Meininger Senior Community Center.

In previous years, this budget covered janitorial services, heating/cooling contract, building repair and maintenance, office furniture, and capital outlay items. With reductions in block grant funding and the 15% cap for community services, this budget has been reduced by approximately \$140,000 since FY 2005-06.

Janitorial, repair, maintenance, heating, cooling and other miscellaneous items are charged to the senior citizen services fund. Senior building

maintenance, taps into fund balance for the balance of its budget. At this time, due to eligibility concerns, CDBG will not be supporting any senior center costs.

The Mahany/Meininger Senior Center has a senior's resource center that provides brochures for seniors from businesses with products and services for older adults. The fees to display brochures are \$10 monthly or \$100 yearly.

Health and wellness programs are offered at the Salter Center for individual's 62 years of age and over. Pickle ball, while easy for beginners, can also develop an intense competition for high-level players; is played one evening and two days a week. Bounce volleyball numbers are increasing daily. Walking on a daily basis is very popular. This fund pays the recreation fund for the rental of the Salter Center.

The recreation specialist plans, publicizes and schedules activities, classes, plus one day and extended trips tailored to senior citizens' interests. Three trips per month are scheduled on average.

At the M & M center, new programs include: Art of Basket Making, Charming Charcoal Drawing, Delightful Drawing Primer Classes, Find Your Way to Writing, Portraits in Pencil, Watercolor Painting, Grief Support Group and Silversneakers Class.

Tim's Kitchen, a senior congregate meal program, began in June 2007. About 10,417 tasty and nutritious meals were served from July 2015 – June 2016. The program proves very popular with new people attending each month.

Senior building maintenance (296.750) - This budget covers utilities, janitorial, heating & cooling, and other building maintenance and repair items of the M/M Center. Funding of approximately \$50,000 from M/M rentals partially funds this budget. The remainder is covered by other receipts.

R.O.S.E.S. (296.686) - Royal Oak Senior Essential Services is a local program hiring contract workers to provide home chores, minor home repairs and personal care to senior citizens, age 62 and over, and permanently handicapped adults. R.O.S.E.S. enables older adults who reside in Royal Oak to remain independent in their own homes, shorten hospital stays, lower health care costs and reduce the need for institutionalization.

R.O.S.E.S. workers are independent contractors with this agency and have agreed to work at an affordable per-hour or per-job rate dependent upon the service rendered. The client is responsible for interviewing the worker, hiring and paying the worker directly. Special arrangements may be made for low-income clients, reducing the per-hour rate.

The ROSES budget pays half of the wages for two part-time ROSES aides, paid by client administrative fees and donations. The remainder of the ROSES aides' wages is paid by the CDBG budget.

A.G.E. (296.687) – The Adjacent Generational Exchange volunteer program, funded by a Beaumont Health grant, pays a volunteer coordinator to recruit, train and place volunteers to serve senior citizen needs. In the community, volunteers provide senior citizens with meals and assistance delivered to homes, and transportation.

One A.G.E. staff member is trained to counsel seniors in Medicare D prescription drug coverage. 55 seniors received assistance in plan eligibility, benefit comparisons, low income assistance and enrollment assistance. This program runs from November 15th to December 31st annually, by appointment only.

Eighteen volunteers assisted 409 seniors with free tax help and free e-filing. Royal Oak's volunteer program was awarded the 904th Point of Light by former President George Bush in 1992.

Non-senior volunteers assist staff with programming. Sources include care management professionals providing mentally impaired adults with a job coach, students from

Judson Center and Berkley Schools provide a cleaning and nutrition program.

Transportation (296.688) – The senior transportation program continues to provide high quality van service for 12,225 one-way trips to doctor appointments, grocery shopping, and programs at the senior center. This service promotes independence for residents aged 62 or older, and adults who are permanently handicapped. Door-to-door service is available to those with mobility problems who need to be personally escorted to the buses.

We are partnering with the City of Pleasant Ridge to provide bus transportation to senior residents of Pleasant Ridge once a week and one trip per month. The City of Royal Oak receives PR Municipal and Community Credits to provide this service.

Another partnership is with the Royal Oak Middle School to provide transportation every Friday for mentally and physically challenged student's social outings.

The city currently operates six community transit vehicles purchased in collaboration with SMART. This budget provides for part-time (8 drivers, 2 dispatchers), maintenance and insurance for vans. This budget is funded by Beaumont Health, SMART municipal and community credit funds, and rider donations. The center received one 2015 Champion 23' buses with lift/wheelchair equipped replacement vehicle and one 2015 Champion van with lift/wheelchair equipped replacement vehicle.

The ROOTS fund (295.759 cost center) records ad hoc grant receipts and related expenditures.

---

## GOALS

1. Continue exploring opportunities to partner with other senior centers to increase opportunities and maintain the current ones.
2. Continue partnering with the private sector and neighboring communities.

## OBJECTIVES

- Institute a staff member as a liaison.<sup>GOAL1</sup>
- Explore what South Oakland Centers are providing in programs and travel.<sup>GOAL2</sup>

## GOALS

3. Investigate innovative ways to fund and reduce the cost of programs.
4. Continue meeting the transportation needs of the senior citizens.
5. Continue providing good customer service.

## OBJECTIVES

- Explore sponsorships of programs and activities.<sup>GOAL3</sup>
- Explore other rental opportunities.<sup>GOAL3</sup>
- Explore other private sector and neighboring communities options.<sup>GOAL4</sup>
- To assess and compile information of ten categories.<sup>GOAL5</sup>
- Train senior center volunteers using the Disney Way Codes of Conduct.<sup>GOAL5</sup>

## Performance Indicators / Outcome Measures

|  | Actual      | Actual      | Actual      | Projected   | Projected   | Projected   |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
|  | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
| <sup>GOAL1</sup> <b>Supportive Services</b>              |             |             |             |             |             |             |
| Congregate Meals Served                                  | 11,601      | 10,839      | 10,048      | 11,300      | 11,300      | 11,300      |
| Homebound Meals Served *                                 | 0           | 0           | 0           | 0           | 0           | 0           |
| Information & Referral                                   | 75,600      | 74,700      | 74,700      | 58,900      | 58,900      | 58,900      |
| ROSES Jobs   | 2,394       | 2,066       | 2,168       | 3,900       | 3,900       | 3,900       |
| Senior Bus Rides   | 12,988      | 12,863      | 12,580      | 14,200      | 14,200      | 14,200      |
| Frail Elderly Escort                                     | 0           | 0           | 0           | 10          | 10          | 10          |
| Outreach Assessments                                     | 43          | 18          | 44          | 20          | 20          | 20          |
| <sup>GOAL3</sup> <b>Mahany/Meininger Center Programs</b> |             |             |             |             |             |             |
| Programs Offered   | 80          | 91          | 102         | 95          | 95          | 95          |
| Sessions Held  | 2,856       | 2,736       | 2,626       | 3,100       | 3,100       | 3,100       |
| Participants   | 63,359      | 58,400      | 58,322      | 79,500      | 79,500      | 79,500      |
| <sup>GOAL3</sup> <b>Salter Community Center Programs</b> |             |             |             |             |             |             |
| Programs Offered   | 11          | 11          | 11          | 15          | 15          | 15          |
| Sessions Held  | 1,060       | 1,099       | 1,116       | 1,143       | 1,143       | 1,143       |
| Participants   | 14,727      | 12,292      | 15,150      | 16,500      | 16,500      | 16,500      |
| <sup>GOAL3</sup> <b>Combined Senior Programs</b>         |             |             |             |             |             |             |
| Programs Offered   | 91          | 102         | 113         | 110         | 110         | 110         |
| Sessions Held  | 3,916       | 3,835       | 3,742       | 4,243       | 4,243       | 4,243       |
| Participants   | 78,086      | 70,692      | 73,472      | 96,000      | 96,000      | 96,000      |

**Note: Senior center performance indicators are on a calendar year as opposed to fiscal year.**

\*Please note that as of September 30, 2012 Oakland County Mobile Meals disbanded homebound meals. Emerald Foods now provides all volunteers and deliveries through the Troy Community Center.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Revenue includes a continuation of a transfer-in from the general fund of \$350,000. The final year of the forecast assumes a transfer-in of \$450,000 due to projected use of fund balance each year of the forecast. Heating and cooling repairs are decreasing \$12,500 due to emergency repairs in fiscal year 16-17. Building repairs are decreasing \$19,500 due to painting and installing a dividing wall in fiscal year 16-17.

The following capital improvement project is budgeted for the senior center for FY2017-18 (Deviates from CIP):

- New carpet flooring \$30,000

**FY2017-18 Total:                \$30,000**

### Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 570,655   | 569,665   | 469,615   | 358,715   | 236,615   | 102,995   |
| Revenues and transfers from other funds   | 820,630   | 773,240   | 773,240   | 773,240   | 773,240   | 873,240   |
| Expenditures and transfers to other funds | 821,620   | 873,290   | 884,140   | 895,340   | 906,860   | 918,720   |
| Net Change in Fund Balance                | (990)     | (100,050) | (110,900) | (122,100) | (133,620) | (45,480)  |
| Ending Fund Balance                       | 569,665   | 469,615   | 358,715   | 236,615   | 102,995   | 57,515    |

### Revenues

| 296.000 REVENUE                 | Taxes | Grants  | Licenses, Charges and Fines | Interest and Contributions | Other  | Transfers | Total   |
|---------------------------------|-------|---------|-----------------------------|----------------------------|--------|-----------|---------|
| 2013-2014 Actual                | 0     | 170,910 | 257,740                     | 3,930                      | 30,000 | 250,000   | 712,580 |
| 2014-2015 Actual                | 0     | 178,160 | 226,600                     | 4,690                      | 30,000 | 350,000   | 789,450 |
| 2015-2016 Actual                | 0     | 118,150 | 238,590                     | 5,910                      | 30,000 | 350,000   | 742,650 |
| 2016-2017 Original Budget       | 0     | 153,240 | 236,500                     | 4,400                      | 30,000 | 350,000   | 774,140 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 153,240 | 236,500                     | 4,400                      | 30,000 | 350,000   | 774,140 |
| 2016-2017 Six Month Actual      | 0     | 73,660  | 115,010                     | 230                        | 0      | 175,000   | 363,900 |
| 2016-2017 Estimated Year End    | 0     | 153,240 | 234,920                     | 4,600                      | 30,000 | 397,870   | 820,630 |
| 2017-2018 Dept Request          | 0     | 153,240 | 235,000                     | 5,000                      | 30,000 | 350,000   | 773,240 |
| 2017-2018 Manager's Budget      | 0     | 153,240 | 235,000                     | 5,000                      | 30,000 | 350,000   | 773,240 |
| 2018-2019 Projected Budget      | 0     | 153,240 | 235,000                     | 5,000                      | 30,000 | 350,000   | 773,240 |
| 2019-2020 Projected Budget      | 0     | 153,240 | 235,000                     | 5,000                      | 30,000 | 350,000   | 773,240 |
| 2020-2021 Projected Budget      | 0     | 153,240 | 235,000                     | 5,000                      | 30,000 | 350,000   | 773,240 |
| 2021-2022 Projected Budget      | 0     | 153,240 | 235,000                     | 5,000                      | 30,000 | 450,000   | 873,240 |

## Expenditures

| <b>296.686 R.O.S.E.S.</b>       | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 10,590                    | 0               | 0              | 0            | 0           | 10,590       |
| 2014-2015 Actual                | 8,780                     | 0               | 0              | 0            | 0           | 8,780        |
| 2015-2016 Actual                | 12,910                    | 0               | 0              | 0            | 0           | 12,910       |
| 2016-2017 Original Budget       | 15,300                    | 0               | 0              | 0            | 0           | 15,300       |
| 2016-2017 Adjusted Budget (Dec) | 15,300                    | 0               | 0              | 0            | 0           | 15,300       |
| 2016-2017 Six Month Actual      | 7,460                     | 0               | 0              | 0            | 0           | 7,460        |
| 2016-2017 Estimated Year End    | 15,270                    | 0               | 0              | 0            | 0           | 15,270       |
| 2017-2018 Dept Request          | 16,140                    | 0               | 0              | 0            | 0           | 16,140       |
| 2017-2018 Manager's Budget      | 16,140                    | 0               | 0              | 0            | 0           | 16,140       |
| 2018-2019 Projected Budget      | 16,510                    | 0               | 0              | 0            | 0           | 16,510       |
| 2019-2020 Projected Budget      | 16,890                    | 0               | 0              | 0            | 0           | 16,890       |
| 2020-2021 Projected Budget      | 17,280                    | 0               | 0              | 0            | 0           | 17,280       |
| 2021-2022 Projected Budget      | 17,680                    | 0               | 0              | 0            | 0           | 17,680       |

| <b>296.687 A.G.E. PROGRAM</b>   | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 8,260                     | 610             | 0              | 200          | 0           | 9,070        |
| 2014-2015 Actual                | 11,970                    | 260             | 0              | 470          | 0           | 12,700       |
| 2015-2016 Actual                | 11,930                    | 160             | 0              | 0            | 0           | 12,090       |
| 2016-2017 Original Budget       | 13,530                    | 1,000           | 0              | 500          | 0           | 15,030       |
| 2016-2017 Adjusted Budget (Dec) | 13,530                    | 1,000           | 0              | 500          | 0           | 15,030       |
| 2016-2017 Six Month Actual      | 5,350                     | 150             | 0              | 0            | 0           | 5,500        |
| 2016-2017 Estimated Year End    | 12,400                    | 1,000           | 0              | 500          | 0           | 13,900       |
| 2017-2018 Dept Request          | 13,820                    | 1,000           | 0              | 500          | 0           | 15,320       |
| 2017-2018 Manager's Budget      | 13,820                    | 1,000           | 0              | 500          | 0           | 15,320       |
| 2018-2019 Projected Budget      | 14,140                    | 1,000           | 0              | 500          | 0           | 15,640       |
| 2019-2020 Projected Budget      | 14,470                    | 1,000           | 0              | 500          | 0           | 15,970       |
| 2020-2021 Projected Budget      | 14,810                    | 1,000           | 0              | 500          | 0           | 16,310       |
| 2021-2022 Projected Budget      | 15,150                    | 1,000           | 0              | 500          | 0           | 16,650       |

## Senior Citizen Services Fund

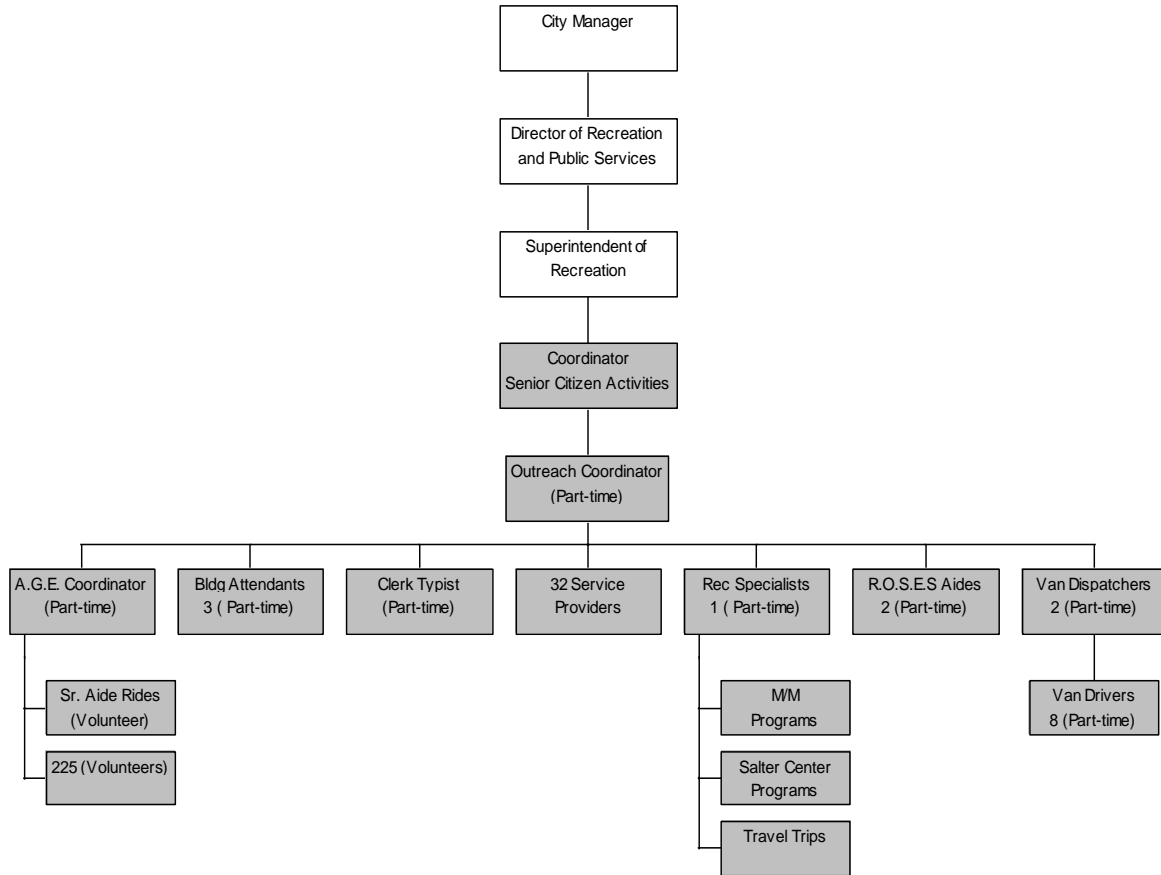
| <b>296.688 SENIOR VAN</b>       | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 162,970                   | 420             | 0              | 79,320       | 0           | 242,710      |
| 2014-2015 Actual                | 157,490                   | 140             | 0              | 66,870       | 0           | 224,500      |
| 2015-2016 Actual                | 152,330                   | 90              | 0              | 50,960       | 0           | 203,380      |
| 2016-2017 Original Budget       | 161,980                   | 200             | 4,000          | 42,010       | 0           | 208,190      |
| 2016-2017 Adjusted Budget (Dec) | 161,980                   | 200             | 4,000          | 42,010       | 0           | 208,190      |
| 2016-2017 Six Month Actual      | 68,820                    | 0               | 0              | 24,400       | 0           | 93,220       |
| 2016-2017 Estimated Year End    | 153,640                   | 200             | 4,000          | 42,010       | 0           | 199,850      |
| 2017-2018 Dept Request          | 155,890                   | 200             | 0              | 34,680       | 0           | 190,770      |
| 2017-2018 Manager's Budget      | 155,890                   | 200             | 0              | 34,680       | 0           | 190,770      |
| 2018-2019 Projected Budget      | 159,610                   | 200             | 0              | 35,400       | 0           | 195,210      |
| 2019-2020 Projected Budget      | 163,440                   | 200             | 0              | 36,140       | 0           | 199,780      |
| 2020-2021 Projected Budget      | 167,370                   | 200             | 0              | 36,890       | 0           | 204,460      |
| 2021-2022 Projected Budget      | 171,400                   | 200             | 0              | 37,660       | 0           | 209,260      |

| <b>296.750 SENIOR BUILDING MAINTENANCE</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                           | 0                         | 1,410           | 0              | 80,560       | 0           | 81,970       |
| 2014-2015 Actual                           | 0                         | 3,080           | 0              | 82,370       | 0           | 85,450       |
| 2015-2016 Actual                           | 0                         | 1,460           | 0              | 111,920      | 0           | 113,380      |
| 2016-2017 Original Budget                  | 0                         | 4,500           | 0              | 121,510      | 0           | 126,010      |
| 2016-2017 Adjusted Budget (Dec)            | 0                         | 4,500           | 8,800          | 134,010      | 0           | 147,310      |
| 2016-2017 Six Month Actual                 | 0                         | 1,240           | 8,770          | 43,060       | 0           | 53,070       |
| 2016-2017 Estimated Year End               | 0                         | 4,500           | 8,770          | 122,340      | 0           | 135,610      |
| 2017-2018 Dept Request                     | 0                         | 4,500           | 30,000         | 91,040       | 0           | 125,540      |
| 2017-2018 Manager's Budget                 | 0                         | 4,500           | 30,000         | 91,040       | 0           | 125,540      |
| 2018-2019 Projected Budget                 | 0                         | 4,500           | 30,000         | 91,040       | 0           | 125,540      |
| 2019-2020 Projected Budget                 | 0                         | 4,500           | 30,000         | 91,040       | 0           | 125,540      |
| 2020-2021 Projected Budget                 | 0                         | 4,500           | 30,000         | 91,040       | 0           | 125,540      |
| 2021-2022 Projected Budget                 | 0                         | 4,500           | 30,000         | 91,040       | 0           | 125,540      |



| <b>296.759 SENIOR CENTER</b>    | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                           |                 |                |              |             |              |
| 2013-2014 Actual                | 154,640                   | 2,920           | 0              | 275,030      | 0           | 432,590      |
| 2014-2015 Actual                | 195,140                   | 4,110           | 0              | 268,760      | 0           | 468,010      |
| 2015-2016 Actual                | 190,150                   | 5,630           | 0              | 241,930      | 0           | 437,710      |
| 2016-2017 Original Budget       | 197,420                   | 9,500           | 0              | 262,420      | 0           | 469,340      |
| 2016-2017 Adjusted Budget (Dec) | 197,420                   | 9,500           | 0              | 262,420      | 0           | 469,340      |
| 2016-2017 Six Month Actual      | 83,970                    | 3,520           | 0              | 129,370      | 0           | 216,860      |
| 2016-2017 Estimated Year End    | 184,810                   | 10,560          | 0              | 261,620      | 0           | 456,990      |
| 2017-2018 Dept Request          | 196,650                   | 10,500          | 0              | 262,060      | 56,310      | 525,520      |
| 2017-2018 Manager's Budget      | 196,650                   | 10,500          | 0              | 262,060      | 56,310      | 525,520      |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 200,170                   | 10,500          | 0              | 264,260      | 56,310      | 531,240      |
| 2019-2020 Projected Budget      | 203,820                   | 10,500          | 0              | 266,530      | 56,310      | 537,160      |
| 2020-2021 Projected Budget      | 207,600                   | 10,500          | 0              | 268,860      | 56,310      | 543,270      |
| 2021-2022 Projected Budget      | 211,520                   | 10,500          | 0              | 271,260      | 56,310      | 549,590      |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Senior Center                     |       | Fiscal Year |       |       |       |       |       |       |       |  |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|--|
|                                   | 09-10 | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |  |
| <u>Full-Time Positions</u>        |       |             |       |       |       |       |       |       |       |  |
| Coordinator of Sr Citzn Actvty    | 1.0   | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |  |
| Sr Citizen Program Technician     | 1.0   | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |  |
| Full-time Total                   | 2.0   | 2.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |  |
| <u>Part-Time Positions (FTEs)</u> |       |             |       |       |       |       |       |       |       |  |
| Part-Time Positions               | n/a   | 3.8         | 3.8   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |  |
| Cost Center Total                 | 2.0   | 5.8         | 4.8   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |  |

***The mission of the animal shelter is to provide a safe haven for animals lost or given up by their owners; to reunite lost animals with their human companions; and to provide the best possible adoptions of available animals into the home best suited to their personalities.***

The Royal Oak Animal Shelter is operated as a city service under management of the Royal Oak Police Department.

The shelter charges fees for its services including rent and spay/neutering costs. This

covers some of the cost of operation. Donations both direct and through the ROOTS foundation make up any difference.

The shelter pays for limited part-time help and trains volunteers to work with and care for all animals throughout their stay. The shelter uses its own internet website as an excellent way to seek situations for animals considered suitable for pets.

### **Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Estimated forecast demonstrates negative fund balances each year of the forecast should revenues and expenditures remain constant.

## **Budget Summary**

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 75,528    | 65,858    | 33,228    | 598       | (32,032)  | (64,662)  |
| Revenues and transfers from other funds   | 82,330    | 71,650    | 71,650    | 71,650    | 71,650    | 71,650    |
| Expenditures and transfers to other funds | 92,000    | 104,280   | 104,280   | 104,280   | 104,280   | 104,280   |
| Net Change in Fund Balance                | (9,670)   | (32,630)  | (32,630)  | (32,630)  | (32,630)  | (32,630)  |
| Ending Fund Balance                       | 65,858    | 33,228    | 598       | (32,032)  | (64,662)  | (97,292)  |

## Revenues

| <b>297.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 0             | 25,890                                     | 26,910                                | 100          | 116,100          | 169,000      |
| 2014-2015 Actual                | 0            | 0             | 17,040                                     | 42,340                                | 13,490       | 15,130           | 88,000       |
| 2015-2016 Actual                | 0            | 0             | 15,830                                     | 44,140                                | 840          | 12,580           | 73,390       |
| 2016-2017 Original Budget       | 0            | 0             | 17,000                                     | 38,300                                | 0            | 10,000           | 65,300       |
| 2016-2017 Adjusted Budget (Dec) | 0            | 0             | 17,000                                     | 38,300                                | 0            | 20,720           | 76,020       |
| 2016-2017 Six Month Actual      | 0            | 0             | 7,150                                      | 23,290                                | 150          | 13,470           | 44,060       |
| 2016-2017 Estimated Year End    | 0            | 0             | 16,000                                     | 42,900                                | 350          | 23,080           | 82,330       |
| 2017-2018 Dept Request          | 0            | 0             | 16,000                                     | 40,300                                | 350          | 15,000           | 71,650       |
| 2017-2018 Manager's Budget      | 0            | 0             | 16,000                                     | 40,300                                | 350          | 15,000           | 71,650       |
| 2018-2019 Projected Budget      | 0            | 0             | 16,000                                     | 40,300                                | 350          | 15,000           | 71,650       |
| 2019-2020 Projected Budget      | 0            | 0             | 16,000                                     | 40,300                                | 350          | 15,000           | 71,650       |
| 2020-2021 Projected Budget      | 0            | 0             | 16,000                                     | 40,300                                | 350          | 15,000           | 71,650       |
| 2021-2022 Projected Budget      | 0            | 0             | 16,000                                     | 40,300                                | 350          | 15,000           | 71,650       |

## Expenditures

| <b>297.430 ANIMAL SHELTER</b>   | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 46,550                        | 3,940           | 0              | 48,660       | 0           | 99,150       |
| 2014-2015 Actual                | 45,830                        | 2,210           | 680            | 45,270       | 0           | 93,990       |
| 2015-2016 Actual                | 41,080                        | 2,680           | 0              | 45,310       | 0           | 89,070       |
| 2016-2017 Original Budget       | 46,450                        | 6,000           | 0              | 54,300       | 0           | 106,750      |
| 2016-2017 Adjusted Budget (Dec) | 46,450                        | 6,000           | 0              | 54,300       | 0           | 106,750      |
| 2016-2017 Six Month Actual      | 17,980                        | 1,390           | 0              | 14,840       | 0           | 34,210       |
| 2016-2017 Estimated Year End    | 39,980                        | 5,000           | 0              | 47,020       | 0           | 92,000       |
| 2017-2018 Dept Request          | 47,960                        | 5,000           | 0              | 51,320       | 0           | 104,280      |
| 2018-2019 Projected Budget      | 47,960                        | 5,000           | 0              | 51,320       | 0           | 104,280      |
| 2019-2020 Projected Budget      | 47,960                        | 5,000           | 0              | 51,320       | 0           | 104,280      |
| 2020-2021 Projected Budget      | 47,960                        | 5,000           | 0              | 51,320       | 0           | 104,280      |
| 2021-2022 Projected Budget      | 47,960                        | 5,000           | 0              | 51,320       | 0           | 104,280      |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Animal Protection Services        |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 1.3   | 1.3   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Part-Time Total                   |  | 0.0         | 0.0   | 0.0   | 1.3   | 1.3   | 0.0   | 0.0   | 0.0   | 0.0   |

*The police grants fund accounts for the receipt and disbursement of all police grants and forfeitures.*

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Expenditures are decreasing \$100,000 due to a one time transfer to the motor pool fund for a k-9 vehicle in fiscal year 16-17. A transfer-out to the motor pool fund is budgeted for \$33,500 to purchase a new undercover vehicle using forfeiture funds.

### Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 850,334   | 878,004   | 883,164   | 838,984   | 790,294   | 736,944   |
| Revenues and transfers from other funds   | 332,070   | 274,000   | 229,000   | 229,000   | 229,000   | 229,000   |
| Expenditures and transfers to other funds | 304,400   | 268,840   | 273,180   | 277,690   | 282,350   | 287,190   |
| Net Change in Fund Balance                | 27,670    | 5,160     | (44,180)  | (48,690)  | (53,350)  | (58,190)  |
| Ending Fund Balance                       | 878,004   | 883,164   | 838,984   | 790,294   | 736,944   | 678,754   |

### Revenues

| 298.000 REVENUE                 | Taxes | Grants  | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total   |
|---------------------------------|-------|---------|-----------------------------|----------------------------|-------|-----------|---------|
| 2013-2014 Actual                | 0     | 186,830 | 0                           | 5,790                      | 0     | 0         | 192,620 |
| 2014-2015 Actual                | 0     | 234,160 | 0                           | 9,980                      | 2,420 | 0         | 246,560 |
| 2015-2016 Actual                | 0     | 240,560 | 0                           | 10,550                     | 2,670 | 0         | 253,780 |
| 2016-2017 Original Budget       | 0     | 257,000 | 0                           | 8,000                      | 1,550 | 0         | 266,550 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 257,000 | 41,000                      | 8,000                      | 1,550 | 0         | 307,550 |
| 2016-2017 Six Month Actual      | 0     | 219,270 | 1,030                       | 6,930                      | 0     | 0         | 227,230 |
| 2016-2017 Estimated Year End    | 0     | 266,670 | 41,000                      | 13,290                     | 0     | 11,110    | 332,070 |
| 2017-2018 Dept Request          | 0     | 213,000 | 53,000                      | 8,000                      | 0     | 0         | 274,000 |
| 2017-2018 Manager's Budget      | 0     | 213,000 | 53,000                      | 8,000                      | 0     | 0         | 274,000 |
| 2018-2019 Projected Budget      | 0     | 168,000 | 53,000                      | 8,000                      | 0     | 0         | 229,000 |
| 2019-2020 Projected Budget      | 0     | 168,000 | 53,000                      | 8,000                      | 0     | 0         | 229,000 |
| 2020-2021 Projected Budget      | 0     | 168,000 | 53,000                      | 8,000                      | 0     | 0         | 229,000 |
| 2021-2022 Projected Budget      | 0     | 168,000 | 53,000                      | 8,000                      | 0     | 0         | 229,000 |

## Expenditures

| <b>298.301 POLICE GRANTS/RESTRICTED MONIES</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                               | 141,660                   | 1,510           | 18,980         | 79,640       | 0           | 241,790      |
| 2014-2015 Actual                               | 53,420                    | 5,040           | 0              | 61,400       | 0           | 119,860      |
| 2015-2016 Actual                               | 66,010                    | 11,950          | 15,490         | 49,110       | 0           | 142,560      |
| 2016-2017 Original Budget                      | 85,230                    | 9,000           | 0              | 81,810       | 0           | 176,040      |
| 2016-2017 Adjusted Budget (Dec)                | 167,230                   | 9,000           | 0              | 182,660      | 0           | 358,890      |
| 2016-2017 Six Month Actual                     | 51,420                    | 0               | 0              | 130,890      | 0           | 182,310      |
| 2016-2017 Estimated Year End                   | 129,610                   | 0               | 0              | 174,790      | 0           | 304,400      |
| 2017-2018 Dept Request                         | 136,310                   | 0               | 0              | 132,530      | 0           | 268,840      |
| 2017-2018 Manager's Budget                     | 136,310                   | 0               | 0              | 132,530      | 0           | 268,840      |
| 2018-2019 Projected Budget                     | 140,650                   | 0               | 0              | 132,530      | 0           | 273,180      |
| 2019-2020 Projected Budget                     | 145,160                   | 0               | 0              | 132,530      | 0           | 277,690      |
| 2020-2021 Projected Budget                     | 149,820                   | 0               | 0              | 132,530      | 0           | 282,350      |
| 2021-2022 Projected Budget                     | 154,660                   | 0               | 0              | 132,530      | 0           | 287,190      |

*The miscellaneous grants fund accounts for city grants, receipts and disbursements (except for grants that are recorded in a fund that is already dedicated).*

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 233,043   | 70,293    | 45,723    | 46,223    | 46,723    | 47,223    |
| Revenues and transfers from other funds   | 475,250   | 47,500    | 500       | 500       | 500       | 500       |
| Expenditures and transfers to other funds | 638,000   | 72,070    | 0         | 0         | 0         | 0         |
| Net Change in Fund Balance                | (162,750) | (24,570)  | 500       | 500       | 500       | 500       |
| Ending Fund Balance                       | 70,293    | 45,723    | 46,223    | 46,723    | 47,223    | 47,723    |

## Revenues

| 299.000 REVENUE                 | Taxes | Grants  | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total   |
|---------------------------------|-------|---------|-----------------------------|----------------------------|-------|-----------|---------|
| 2013-2014 Actual                | 0     | 122,230 | 0                           | 50                         | 0     | 0         | 122,280 |
| 2014-2015 Actual                | 0     | 7,420   | 0                           | 11,080                     | 0     | 0         | 18,500  |
| 2015-2016 Actual                | 0     | 71,130  | 0                           | 42,310                     | 0     | 130,000   | 243,440 |
| 2016-2017 Original Budget       | 0     | 7,800   | 0                           | 300                        | 0     | 0         | 8,100   |
| 2016-2017 Adjusted Budget (Dec) | 0     | 129,000 | 0                           | 300                        | 0     | 297,940   | 427,240 |
| 2016-2017 Six Month Actual      | 0     | 7,420   | 0                           | (480)                      | 0     | 0         | 6,940   |
| 2016-2017 Estimated Year End    | 0     | 82,000  | 0                           | 0                          | 0     | 393,250   | 475,250 |
| 2017-2018 Dept Request          | 0     | 47,000  | 0                           | 500                        | 0     | 0         | 47,500  |
| 2017-2018 Manager's Budget      | 0     | 47,000  | 0                           | 500                        | 0     | 0         | 47,500  |
| 2018-2019 Projected Budget      | 0     | 0       | 0                           | 500                        | 0     | 0         | 500     |
| 2019-2020 Projected Budget      | 0     | 0       | 0                           | 500                        | 0     | 0         | 500     |
| 2020-2021 Projected Budget      | 0     | 0       | 0                           | 500                        | 0     | 0         | 500     |
| 2021-2022 Projected Budget      | 0     | 0       | 0                           | 500                        | 0     | 0         | 500     |



## Expenditures

| <b>299.336 FIRE GRANTS/RESTRICTED FUNDS</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                            | 2,230                     | 106,680         | 50,000         | 0            | 0           | 158,910      |
| 2014-2015 Actual                            | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2015-2016 Actual                            | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Original Budget                   | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Adjusted Budget (Dec)             | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Six Month Actual                  | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Estimated Year End                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2017-2018 Dept Request                      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2017-2018 Manager's Budget                  | 0                         | 0               | 0              | 0            | 0           | 0            |
|   |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget                  | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2019-2020 Projected Budget                  | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2020-2021 Projected Budget                  | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2021-2022 Projected Budget                  | 0                         | 0               | 0              | 0            | 0           | 0            |

| <b>299.620 Mosquito Control</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 0                         | 0               | 0              | 7,420        | 0           | 7,420        |
| 2014-2015 Actual                | 0                         | 0               | 0              | 7,420        | 0           | 7,420        |
| 2015-2016 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Original Budget       | 0                         | 0               | 0              | 7,800        | 0           | 7,800        |
| 2016-2017 Adjusted Budget (Dec) | 0                         | 0               | 0              | 7,800        | 0           | 7,800        |
| 2016-2017 Six Month Actual      | 0                         | 0               | 0              | 7,420        | 0           | 7,420        |
| 2016-2017 Estimated Year End    | 0                         | 0               | 0              | 7,800        | 0           | 7,800        |
| 2017-2018 Dept Request          | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2017-2018 Manager's Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2019-2020 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |

## Miscellaneous Grants/Restricted Funds

| <b>299.301</b>                  | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                           |                 |                |              |             |              |
| 2013-2014 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2015-2016 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Original Budget       | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2016-2017 Adjusted Budget (Dec) | 171,140                   | 0               | 0              | 0            | 0           | 171,140      |
| 2016-2017 Six Month Actual      | 0                         | 0               | 0              | 10           | 0           | 10           |
| 2016-2017 Estimated Year End    | 99,200                    | 0               | 0              | 0            | 0           | 99,200       |
| 2017-2018 Dept Request          | 72,050                    | 0               | 0              | 20           | 0           | 72,070       |
| 2017-2018 Manager's Budget      | 72,050                    | 0               | 0              | 20           | 0           | 72,070       |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2019-2020 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |

| <b>299.901 Capital Projects</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                           |                 |                |              |             |              |
| 2013-2014 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2015-2016 Actual                | 0                         | 0               | 36,570         | 0            | 0           | 36,570       |
| 2016-2017 Original Budget       | 0                         | 0               | 100,000        | 0            | 0           | 100,000      |
| 2016-2017 Adjusted Budget (Dec) | 0                         | 0               | 481,000        | 0            | 0           | 481,000      |
| 2016-2017 Six Month Actual      | 0                         | 0               | 79,480         | 0            | 0           | 79,480       |
| 2016-2017 Estimated Year End    | 0                         | 0               | 531,000        | 0            | 0           | 531,000      |
| 2017-2018 Dept Request          | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2017-2018 Manager's Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2019-2020 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 0            | 0           | 0            |

***The mission of the Royal Oak Brownfield Redevelopment Authority (BRA) is to encourage the redevelopment of eligible “brownfield” properties by providing financial assistance for remediation of environmental contamination at such properties.***

The Brownfield Redevelopment Act 381 of 1996, (as amended) provides for creative financing with economic and environmental benefit. The Act allows for a municipality to adopt plans, capture incremental local and school property taxes from redeveloped contaminated properties to pay for the environmental clean-up costs associated with those properties.

The BRA meets on an as-needed basis to review applications for new brownfield plans. Once an application is received by the planning department, a meeting of the BRA is scheduled as soon as possible, pending publication of required public hearing notices required by state law. The BRA then meets to review each plan, and submits a recommendation to the city commission.

The City of Royal Oak currently has ten (10) active brownfield plans: 802 S. Main St., 3213 Rochester Rd., 3380 Greenfield Rd, 426 E. Lincoln Ave., 528 S Main St., 25766 Woodward Ave., 1210-1232 Morse Ave., 30712-30734 Woodward Ave. 2200 E 12 Mile Road and 1210 Diamond Court.

---

## GOALS

- Encourage the redevelopment of blighted and contaminated property.
- Process applications for new brownfield plans and reimbursement requests for existing plans in a timely fashion.
- Work with the city treasurer and finance departments to ensure tax increment revenues for each brownfield plan are correctly accounted for and properly credited.
- Continue capture of tax increment revenues until each brownfield plan expires to create revolving loan fund.

## OBJECTIVES

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 92,428    | 171,748   | 480,398   | 189,048   | 104,698   | 20,348    |
| Revenues and transfers from other funds   | 116,050   | 359,230   | 359,230   | 359,230   | 359,230   | 359,230   |
| Expenditures and transfers to other funds | 36,730    | 50,580    | 650,580   | 443,580   | 443,580   | 378,580   |
| Net Change in Fund Balance                | 79,320    | 308,650   | (291,350) | (84,350)  | (84,350)  | (19,350)  |
| Ending Fund Balance                       | 171,748   | 480,398   | 189,048   | 104,698   | 20,348    | 998       |

## Revenues

| 243.000 REVENUE                 | Taxes   | Grants | Licenses,<br>Charges<br>and Fines | Interest and<br>Contributions | Other | Transfers | Total   |
|---------------------------------|---------|--------|-----------------------------------|-------------------------------|-------|-----------|---------|
| 2013-2014 Actual                | 8,940   | 0      | 0                                 | 130                           | 0     | 0         | 9,070   |
| 2014-2015 Actual                | 15,110  | 0      | 0                                 | 620                           | 0     | 0         | 15,730  |
| 2015-2016 Actual                | 33,740  | 0      | 0                                 | 490                           | 0     | 0         | 34,230  |
| 2016-2017 Original Budget       | 25,620  | 0      | 0                                 | 500                           | 0     | 0         | 26,120  |
| 2016-2017 Adjusted Budget (Dec) | 118,630 | 0      | 0                                 | 500                           | 0     | 0         | 119,130 |
| 2016-2017 Six Month Actual      | 88,070  | 0      | 0                                 | 0                             | 0     | 0         | 88,070  |
| 2016-2017 Estimated Year End    | 114,800 | 0      | 0                                 | 1,250                         | 0     | 0         | 116,050 |
| 2017-2018 Dept Request          | 357,230 | 0      | 0                                 | 2,000                         | 0     | 0         | 359,230 |
| 2017-2018 Manages Budget        | 357,230 | 0      | 0                                 | 2,000                         | 0     | 0         | 359,230 |
|                                 |         |        |                                   |                               |       |           |         |
| 2018-2019 Projected Budget      | 357,230 | 0      | 0                                 | 2,000                         | 0     | 0         | 359,230 |
| 2019-2020 Projected Budget      | 357,230 | 0      | 0                                 | 2,000                         | 0     | 0         | 359,230 |
| 2020-2021 Projected Budget      | 357,230 | 0      | 0                                 | 2,000                         | 0     | 0         | 359,230 |
| 2021-2022 Projected Budget      | 357,230 | 0      | 0                                 | 2,000                         | 0     | 0         | 359,230 |

## Expenditures

| <b>243.729 BROWNFIELD<br/>REDEVELOPMENT AUTH</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
|  |                               |                 |                |              |             |              |
| 2013-2014 Actual                                 | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                                 | 0                             | 0               | 0              | 44,230       | 0           | 44,230       |
| 2015-2016 Actual                                 | 0                             | 0               | 0              | 26,750       | 0           | 26,750       |
| 2016-2017 Original Budget                        | 0                             | 0               | 0              | 26,120       | 0           | 26,120       |
| 2016-2017 Adjusted Budget (Dec)                  | 0                             | 0               | 0              | 119,130      | 0           | 119,130      |
| 2016-2017 Six Month Actual                       | 0                             | 0               | 0              | 20           | 0           | 20           |
| 2016-2017 Estimated Year End                     | 0                             | 0               | 0              | 36,730       | 0           | 36,730       |
| 2017-2018 Dept Request                           | 0                             | 0               | 0              | 50,580       | 0           | 50,580       |
| 2017-2018 Manager's Budget                       | 0                             | 0               | 0              | 50,580       | 0           | 50,580       |
|  |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget                       | 0                             | 0               | 0              | 650,580      | 0           | 650,580      |
| 2019-2020 Projected Budget                       | 0                             | 0               | 0              | 443,580      | 0           | 443,580      |
| 2020-2021 Projected Budget                       | 0                             | 0               | 0              | 443,580      | 0           | 443,580      |
| 2021-2022 Projected Budget                       | 0                             | 0               | 0              | 378,580      | 0           | 378,580      |

***The DDA's mission is to promote economic growth and revitalization in downtown Royal Oak. The DDA will accomplish this mission by (1) improving and maintaining a solid and user-friendly infrastructure; (2) marketing downtown Royal Oak to consumers and businesses and; (3) encouraging preservation of Royal Oak's downtown. By fulfilling its mission, the DDA will enhance the viability of not only the downtown, but the entire City of Royal Oak.***

The authority is authorized by the city to impose an ad valorem tax on all taxable property in the downtown district for the purposes provided by Act 197 of 1975. The tax cannot exceed two mills on the value of taxable property in the downtown district. The levy is proposed at 1.6146 mills, its authorized Headlee maximum.

Tax incremental financing (TIF) allows an authority like the DDA, to "capture" incremental tax revenues that result from growth in the district.

The City of Royal Oak Downtown Development Authority is under the supervision and control of a board consisting of the city manager and eight or 10 members as determined by the city commission. Members are appointed by the city manager, subject to approval by the city commission.

The authorities goals are to pay into the debt retirement fund, for all outstanding series of bonds issued pursuant to the plan; establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan; to provide the initial stage and second stage public improvements costs that are not financed from the proceeds of bonds; pay administrative and operating costs of the DDA; to acquire property, clear land, make preliminary plans, and improvements necessary for the development of the development area.

The development plan, created by the downtown development authority, prioritizes needed physical improvements like façade improvements, buildings, parking lots and decks, streetscapes, and infrastructure.

Additionally, marketing themes have been developed to enhance the renewed physical appearance. These include advertising, signage and banners, street lighting, tree and floral arrangements. This fund provides extra police officers for the district to enhance existing public safety efforts.

Additional funding for improvements can come from the block grant program, and other state and federal programs.

---

## GOALS

1. Downtown safety goal: To protect the residents, businesses and visitors of downtown Royal Oak.
2. Downtown promotion goal: To promote downtown Royal Oak as a premier destination for shopping, dining, entertainment, living and working.
3. Downtown infrastructure goal: To provide a downtown that is clean and well maintained.
4. Downtown development goal: To encourage development in downtown

---

## OBJECTIVES

- Develop a downtown plan which enumerates our collective vision for Downtown Royal Oak and addresses business development, liquor license policy, special events, land use, office space, hotels and downtown parks.<sup>GOAL1</sup>
- Continue the funding of three downtown police officers.<sup>GOAL1</sup>
- Continue a marketing plan that includes major events and image campaign components.<sup>GOAL2</sup>
- Create event management strategy.<sup>GOAL2</sup>

## GOALS

- through programs and TIF reimbursement.
5. Downtown parking goal: To provide adequate and safe parking for downtown residents, employees and visitors.
  6. Downtown public goal: To keep the public informed of the DDA's activities.

## OBJECTIVES

- Maintain website with current events, business listings, parking information and images of downtown Royal Oak. <sup>GOAL2</sup>
- Support and encourage downtown events that measurably contribute to the improvement of business through both financial commitments and direct participation. <sup>GOAL1</sup>
- Healthy people – 20/20 program. <sup>GOAL6</sup>
- Continue the façade program for downtown property owners. <sup>GOAL1</sup>
- Establish “Architectural Contest” program. <sup>GOAL2</sup>
- Continue to provide downtown maintenance/enhancement services. <sup>GOAL3</sup>
- Create downtown city park. <sup>GOAL2</sup>
- Improve/enhance 696/Main St. appearance. <sup>GOAL3</sup>
- Continue to complete streetscape improvements and repairs. <sup>GOAL3</sup>
- Investigate and improve streetscape design elements and components, including light fixtures, tree grates and other technology improvements. <sup>GOAL2</sup>
- Implement the “wayfinding” recommendations of the DDA in the downtown and consider similar approaches to wayfinding across the city. <sup>GOAL2</sup>
- Fund the purchase and installation of holiday lights downtown. <sup>GOAL2</sup>
- Reimburse TIF revenue to approved development projects. <sup>GOAL4</sup>
- Identify and improve targeted business base. <sup>GOAL4</sup>
- Identify ways to improve customer base; such as “cohesive business hours”. <sup>GOAL4</sup>

### GOALS

### OBJECTIVES

- Continue to provide funding to cover the Lafayette and 5<sup>th</sup> Street parking structure annual debt service.<sup>GOAL5</sup>
- Evaluate parking supply verses demand to determine if all areas of downtown are adequately served by convenient/sufficient parking.<sup>GOAL5</sup>
- Investigate and monitor technology enhancements that could improve the downtown parking system.<sup>GOAL5</sup>
- Purchase revenue producing property.<sup>GOAL4</sup>
- Hold monthly DDA board meetings.<sup>GOAL6</sup>
- Continue to communicate with stakeholders of the downtown.<sup>GOAL6</sup>
- Pilot temporary street closings for special events downtown.<sup>GOAL2</sup>

#### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Personnel costs are being allocated more to the operating fund and less to the development fund. The transfer to the auto parking fund is increasing to \$803,000 for 50% of two parking structure debt payments. Contracted worker services are increasing due to potentially hiring a downtown manager. Miscellaneous contracted services are increasing due to the DDA adding additional service area to the maintenance and landscaping contract with Worry Free and to do Star Dream repairs. Main Street committee design expenses are increasing \$100,000 due to there being no façade activity in fiscal year 16-17. Main Street committee promotion expenses are decreasing \$50,000 as the DDA is allocating less funding to promotions/events. \$540,000 is budgeted to be transferred out to fund extra police services in the downtown.

The forecast provides for an additional \$1,347,500 to be transferred to the general fund to support the annual debt service for the Royal Oak City Center project (specifically the central park and developer fee). However, the developer fee (\$610,000 of \$1,347,500) reimbursement will only occur for 10 years as opposed to the 25 year term of the bonds.



## Budget Summary

### DDA Development Fund

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 965,671   | 1,268,801 | 2,284,881 | 1,985,411 | 2,154,881 | 2,361,191 |
| Revenues and transfers from other funds   | 3,648,360 | 3,525,000 | 3,559,050 | 4,030,170 | 4,069,270 | 4,069,270 |
| Expenditures and transfers to other funds | 3,345,230 | 2,508,920 | 3,858,520 | 3,860,700 | 3,862,960 | 3,865,290 |
| Net Change in Fund Balance                | 303,130   | 1,016,080 | (299,470) | 169,470   | 206,310   | 203,980   |
| Ending Fund Balance                       | 1,268,801 | 2,284,881 | 1,985,411 | 2,154,881 | 2,361,191 | 2,565,171 |

### Development Revenues

| 247.000 REVENUE                 | Taxes     | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other  | Transfers | Total     |
|---------------------------------|-----------|--------|--------------------------------------|-------------------------------|--------|-----------|-----------|
| 2013-2014 Actual                | 2,749,600 | 0      | 0                                    | 26,680                        | 4,250  | 106,280   | 2,886,810 |
| 2014-2015 Actual                | 3,145,080 | 0      | 0                                    | 47,890                        | 8,530  | 102,380   | 3,303,880 |
| 2015-2016 Actual                | 3,191,760 | 0      | 0                                    | 44,980                        | 21,310 | 100,000   | 3,358,050 |
| 2016-2017 Original Budget       | 3,140,000 | 0      | 0                                    | 26,000                        | 0      | 100,000   | 3,266,000 |
| 2016-2017 Adjusted Budget (Dec) | 3,140,000 | 0      | 0                                    | 26,000                        | 0      | 100,000   | 3,266,000 |
| 2016-2017 Six Month Actual      | 2,334,650 | 0      | 0                                    | 22,220                        | 85,350 | 0         | 2,442,220 |
| 2016-2017 Estimated Year End    | 3,350,000 | 0      | 0                                    | 39,500                        | 92,000 | 166,860   | 3,648,360 |
| 2017-2018 Dept Request          | 3,405,000 | 0      | 0                                    | 20,000                        | 0      | 100,000   | 3,525,000 |
| 2017-2018 Manager's Budget      | 3,405,000 | 0      | 0                                    | 20,000                        | 0      | 100,000   | 3,525,000 |
| 2018-2019 Projected Budget      | 3,439,050 | 0      | 0                                    | 20,000                        | 0      | 100,000   | 3,559,050 |
| 2019-2020 Projected Budget      | 3,673,440 | 0      | 0                                    | 20,000                        | 0      | 100,000   | 3,793,440 |
| 2020-2021 Projected Budget      | 3,910,170 | 0      | 0                                    | 20,000                        | 0      | 100,000   | 4,030,170 |
| 2021-2022 Projected Budget      | 3,949,270 | 0      | 0                                    | 20,000                        | 0      | 100,000   | 4,069,270 |

## Development Expenditures

| <b>247.729 DDA/TIFA</b>         | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2013-2014 Actual                | 160,770                   | 0               | 0              | 960,050      | 2,001,430        | 0           | 3,122,250    |
| 2014-2015 Actual                | 149,570                   | 0               | 0              | 850,380      | 1,406,160        | 0           | 2,406,110    |
| 2015-2016 Actual                | 121,900                   | 0               | 0              | 1,192,150    | 2,137,600        | 0           | 3,451,650    |
| 2016-2017 Original Budget       | 147,220                   | 0               | 0              | 1,166,130    | 786,500          | 0           | 2,099,850    |
| 2016-2017 Adjusted Budget (Dec) | 147,220                   | 0               | 0              | 1,166,130    | 1,795,190        | 0           | 3,108,540    |
| 2016-2017 Six Month Actual      | 64,880                    | 0               | 0              | 692,970      | 471,490          | 0           | 1,229,340    |
| 2016-2017 Estimated Year End    | 158,410                   | 0               | 0              | 985,820      | 1,117,000        | 0           | 2,261,230    |
| 2017-2018 Dept Request          | 83,870                    | 0               | 0              | 1,082,050    | 1,343,000        | 0           | 2,508,920    |
| 2017-2018 Manager's Budget      | 83,870                    | 0               | 0              | 1,082,050    | 1,343,000        | 0           | 2,508,920    |
| 2018-2019 Projected Budget      | 85,970                    | 0               | 0              | 1,082,050    | 2,690,500        | 0           | 3,858,520    |
| 2019-2020 Projected Budget      | 88,150                    | 0               | 0              | 1,082,050    | 2,690,500        | 0           | 3,860,700    |
| 2020-2021 Projected Budget      | 90,410                    | 0               | 0              | 1,082,050    | 2,690,500        | 0           | 3,862,960    |
| 2021-2022 Projected Budget      | 92,740                    | 0               | 0              | 1,082,050    | 2,690,500        | 0           | 3,865,290    |

| <b>247.729 DDA/TIFA</b>         | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Transfers</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2013-2014 Actual                | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2014-2015 Actual                | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2015-2016 Actual                | 5,770                     | 0               | 0              | 561,130      | 0                | 0           | 566,900      |
| 2016-2017 Original Budget       | 0                         | 0               | 0              | 1,584,000    | 0                | 0           | 1,584,000    |
| 2016-2017 Adjusted Budget (Dec) | 0                         | 0               | 0              | 644,000      | 0                | 0           | 644,000      |
| 2016-2017 Six Month Actual      | 2,620                     | 0               | 0              | 224,840      | 0                | 0           | 227,460      |
| 2016-2017 Estimated Year End    | 0                         | 0               | 0              | 1,084,000    | 0                | 0           | 1,084,000    |
| 2017-2018 Dept Request          | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2017-2018 Manager's Budget      | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2018-2019 Projected Budget      | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2019-2020 Projected Budget      | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2020-2021 Projected Budget      | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |
| 2021-2022 Projected Budget      | 0                         | 0               | 0              | 0            | 0                | 0           | 0            |

## Budget Summary

### DDA Operating Fund

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 116,829   | 133,029   | 134,939   | 137,049   | 140,849   | 144,869   |
| Revenues and transfers from other funds   | 59,840    | 57,500    | 58,930    | 61,890    | 63,420    | 63,420    |
| Expenditures and transfers to other funds | 43,640    | 55,590    | 56,820    | 58,090    | 59,400    | 60,770    |
| Net Change in Fund Balance                | 16,200    | 1,910     | 2,110     | 3,800     | 4,020     | 2,650     |
| Ending Fund Balance                       | 133,029   | 134,939   | 137,049   | 140,849   | 144,869   | 147,519   |

### DDA Operating Revenues

| 248.000 REVENUE                 | Taxes  | Grants | Licenses,<br>Charges<br>and Fines | Interest and<br>Contributions | Other | Transfers | Total  |
|---------------------------------|--------|--------|-----------------------------------|-------------------------------|-------|-----------|--------|
| 2013-2014 Actual                | 50,490 | 0      | 0                                 | 120                           | 0     | 0         | 50,610 |
| 2014-2015 Actual                | 51,030 | 0      | 0                                 | 550                           | 0     | 0         | 51,580 |
| 2015-2016 Actual                | 50,560 | 0      | 0                                 | 670                           | 0     | 0         | 51,230 |
| 2016-2017 Original Budget       | 50,000 | 0      | 0                                 | 500                           | 0     | 0         | 50,500 |
| 2016-2017 Adjusted Budget (Dec) | 50,000 | 0      | 0                                 | 500                           | 0     | 0         | 50,500 |
| 2016-2017 Six Month Actual      | 40,520 | 0      | 0                                 | (100)                         | 0     | 0         | 40,420 |
| 2016-2017 Estimated Year End    | 56,000 | 0      | 0                                 | 800                           | 0     | 3,040     | 59,840 |
| 2017-2018 Dept Request          | 57,000 | 0      | 0                                 | 500                           | 0     | 0         | 57,500 |
| 2017-2018 Manager's Budget      | 57,000 | 0      | 0                                 | 500                           | 0     | 0         | 57,500 |
| 2018-2019 Projected Budget      | 58,430 | 0      | 0                                 | 500                           | 0     | 0         | 58,930 |
| 2019-2020 Projected Budget      | 59,890 | 0      | 0                                 | 500                           | 0     | 0         | 60,390 |
| 2020-2021 Projected Budget      | 61,390 | 0      | 0                                 | 500                           | 0     | 0         | 61,890 |
| 2021-2022 Projected Budget      | 62,920 | 0      | 0                                 | 500                           | 0     | 0         | 63,420 |

## DDA Operating Expenditures

| 248.729 DDA/TIFA                | Personnel Services | Supplies | Capital | Other  | Debt | Total  |
|---------------------------------|--------------------|----------|---------|--------|------|--------|
| 2013-2014 Actual                | 25,020             | 4,560    | 0       | 5,920  | 0    | 35,500 |
| 2014-2015 Actual                | 26,950             | 4,830    | 0       | 6,640  | 0    | 38,420 |
| 2015-2016 Actual                | 30,290             | 210      | 0       | 8,410  | 0    | 38,910 |
| 2016-2017 Original Budget       | 29,750             | 2,000    | 0       | 8,000  | 0    | 39,750 |
| 2016-2017 Adjusted Budget (Dec) | 29,750             | 2,000    | 0       | 8,000  | 0    | 39,750 |
| 2016-2017 Six Month Actual      | 13,150             | 1,560    | 0       | 930    | 0    | 15,640 |
| 2016-2017 Estimated Year End    | 29,790             | 2,100    | 0       | 11,750 | 0    | 43,640 |
| 2017-2018 Dept Request          | 38,840             | 2,500    | 0       | 14,250 | 0    | 55,590 |
| 2017-2018 Manager's Budget      | 38,840             | 2,500    | 0       | 14,250 | 0    | 55,590 |
| 2018-2019 Projected Budget      | 40,070             | 2,500    | 0       | 14,250 | 0    | 56,820 |
| 2019-2020 Projected Budget      | 41,340             | 2,500    | 0       | 14,250 | 0    | 58,090 |
| 2020-2021 Projected Budget      | 42,650             | 2,500    | 0       | 14,250 | 0    | 59,400 |
| 2021-2022 Projected Budget      | 44,020             | 2,500    | 0       | 14,250 | 0    | 60,770 |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| DDA/TIFA                                 |  | Fiscal Year |       |       |       |       |       |       |       |       |
|--|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|  |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b><u>Part-Time Positions (FTEs)</u></b> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions                      |  | n/a         | n/a   | n/a   | 0.1   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Part-time Total                          |  | 0.0         | 0.1   | 0.1   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |

## **DEBT SERVICE FUNDS**

Debt service funds are funds established to finance and account for the payment of interest and principal on all tax supported debt, serial and term, including that payable for special assessments.

Description of Long Term Debt

General Obligation Debt Fund - 301

Court Building Debt Service - 303

Debt Service Fund – 360

Legal Debt Margin

## Description of Long-Term Debt

As of May 2017, the City of Royal Oak has 20 outstanding bonded debt issues and contracts totaling \$168,676,558. Michigan statute limits general obligation debt to ten percent (10%)((\$308,761,534) of state equalized value and a five percent (5%) limit for capital improvement bonds. Our non-exempt debt of \$23,001,000 is 0.74% of the 5% limit leaving approximately \$131 million of additional capital improvement bond debt that can be incurred. These bonds and contract terms are summarized as follows:

### Primary Government

#### **Building Authority – Public Act 31 of 1948 (First Extra Session)**

Act 31 provides for an authority to issue bonds to build and equip various public buildings, which are then leased to the city. Proceeds from these leases are used to repay the bonds. The collection of lease payments, payment of interest and retirement of debt is reflected in the respective Debt Service or Proprietary fund.

On October 11, 2001, the City of Royal Oak Building Authority issued \$9,000,000 of Bonds, Series 2001A (Unlimited Tax General Obligation), pursuant to a special election on May 15, 2001. The proceeds were used to construct and equip a new fire station, and remodel and equip existing fire stations. These 20-year bonds have interest rates that range from 3.750 percent to 5.000 percent. The city was obligated to pay interest commencing March 1, 2002 and semiannually thereafter. The first principal payment was due September 1, 2002 and due annually September 1 through 2021. In August 2012, the city performed an advanced refunding of the Series 2001A, now Series 2012. This refunding created a net present value savings of \$614,000. The term of the payments did not change.

On June 2, 2005, the City of Royal Oak Building Authority issued \$3,700,000 of Bonds, Series 2005 (General Obligation Limited Tax). The proceeds were used to remodel, renovate, equip and furnish the city library building. These 18-year bonds have interest rates that range from 3.000 percent to 4.250 percent. Library fund revenue is used to pay the debt service. The city is obligated to pay interest commencing December 1, 2005 and semiannually thereafter. The first principal payment was due June 1, 2006 and due annually June 1 through 2023. In November 2014, the city

performed an advanced refunding, issuing capital improvement refunding bonds, series 2014 with a 2.3% interest rate. This refunding created a net present value savings of \$104,000. The term of the payments did not change.

#### **Capital Improvement Bonds – Revised Municipal Finance Act, Public Act 34 of 2001, Part V**

Act 34 permits the issuance of bonds for the purpose of paying the cost of capital improvements.

On March 15, 2006, the City of Royal Oak issued \$4,325,000 of Capital Improvement Bonds, Series 2006A (General Obligation Limited Tax) to finance capital improvements to the city's water and sewer systems and other items. The city used the net proceeds exclusively to finance improvements to the water and sewer system, which is responsible for all debt service payments. These 20-year bonds have interest rates ranging from 3.500 percent to 4.300 percent. The city is obligated to pay interest commencing November 1, 2006 and semiannually thereafter. The first principal payment was due May 1, 2007 and was due through May 1 2026. In March 2016, these bonds were refunded at 1.9% true interest cost providing a net present value savings of \$295,028. And now part of the Capital Improvement Refunding Bonds, Series 2016.

On April 26, 2006, the City of Royal Oak Building Authority issued \$11,100,000 of capital improvement refunding bonds, series 2006B (General Obligation Limited Tax), with interest rates that range from 4.000 percent to 4.375 %. The net proceeds were used to advance refund 1999 prior (44<sup>th</sup> District Court building) Bonds for the years 2010 through 2024 in the amount of \$5,475,000, and the 2001 prior (parking structure) bonds for the years 2012 through 2026 in the amount of \$8,185,000. The proceeds were used to purchase U.S. Certificates of Indebtedness – State and Local Government Securities (SLGS). Those securities were deposited into an irrevocable trust with an escrow agent and subsequently used to pay off the bonds, including call premiums on June 1, 2009 and May 1, 2011 respectively. Accordingly, the refunded bonds are no longer reported on the city's financial statements. The advance refunding reduced the

total debt payments over the next 20 years by approximately \$310,090 which represents and economic gain of \$198,175. The new bonds will bear interest payable commencing November 1, 2006 and semiannually thereafter. The first principal payment was due May 1, 2008 and was due annually May 1 through 2026. In March 2016, these bonds were refunded at 1.8% true interest cost, providing a net present value savings of \$871,950. And now part of the Capital Improvement Refunding Bonds, Series 2016.

On January 9, 2007, the City of Royal Oak issued \$825,000 of capital improvement bonds, series 2007 (General Obligation Limited Tax) to finance an energy conservation project. These 10-year bonds have interest at 4.0 percent. The city is obligated to pay interest commencing August 1, 2007 and semiannually thereafter. The first principal payment was due February 1, 2008 and continued to be due February 1 until 2017.

On November 15, 2007, the City of Royal Oak issued \$2,645,000 of capital improvement bonds, series 2007A (General Obligation Limited Tax) to finance a vehicle purchase project. The city used approximately \$1,970,000 to acquire five fire trucks, \$500,000 for two ambulance rescue vehicles and \$175,000 for two dump truck bodies. These 12-year serial bonds have interest at 4.0 percent. The city is obligated to pay interest commencing May 1, 2008 and semiannually thereafter. The first principal payment was due October 1, 2008 and will continue to be due October 1 until 2019.

In September 1997, the City of Royal Oak and the Oakland County Drain Commission (currently Water Resources Commission) entered into an agreement whereby the city contracted to pay \$1,710,691 of Garfield drain refunding revenue bonds, series 1997, with interest rates that range from 5.000 percent to 5.125 percent. Repayment is made from net revenues of the water and sewer fund. These bonds bear interest payable commencing April 1, 1998 and semiannually thereafter. The first principal payment was due October 1, 1998 and due annually October 1 through 2017.

On December 11, 2008, the City of Royal Oak sold \$11,825,000 of capital improvement bonds, series 2008 (General Obligation Limited Tax) with interest rates that range from 4.000% to 6.250%. The bonds finance projects in three funds: auto parking \$7,250,000 (\$5,481,000 to purchase &

develop the 600-700 S. Main Street property and to improve other decks and lots, plus \$1,550,000 to acquire the 225 S. Troy Street property); water and sewer \$3,270,000 for infrastructure improvements; and motor pool \$1,305,000 (\$650,000 to purchase vehicles and \$620,000 to repave the DPS yard); plus related costs. These bonds bear interest payable commencing May 1, 2009 and semiannually thereafter. The first principal payment is due annually October 1, 2009 through 2028. In March 2016, these bonds were advance refunded at a true interest cost of 2.32% providing a net present value savings of \$1,086,758. And now a part of the Capital Improvement Refunding Bonds, Series 2016.

### **Michigan Municipal Bond Authority Bonds – Public Act 227 of 1985**

The MMBA has a variety of financing tools including the broad authority to purchase municipal notes or bonds and bundle them for resale. Among those tools, the MMBA and Michigan Department of Environmental Quality (MDEQ) jointly administer State revolving fund (SRF) and drinking water revolving fund (DWRf) low interest loan programs. The following bonds are paid from net revenues of the Water and Sewer fund.

On September 29, 1998, the City of Royal Oak and the Michigan Municipal Bond Authority entered into an agreement whereby the city of Royal Oak would issue revenue bonds, and the Michigan Municipal Bond Authority would purchase, up to \$15,800,000 of North Arm Relief Drain Bonds, Series 1998A (General Obligation Limited Tax). The project built enclosed pipes, expanding and improving the North Relief Arm of the Twelve Towns Drainage District, to abate flooding primarily affecting the City of Royal Oak, plus seven other communities and highways therein, controlled by the State of Michigan and Oakland County. The State and County paid cash up front. Based on the interlocal agreement between the City of Royal Oak (the city) and the seven other communities, the city pledges its net water and sewer revenue and pays approximately 49% of the debt service. The city bills approximately 51% to the other communities and collects their payments to pay the debt service. The city is obligated if payments received on contracts with benefiting municipalities are insufficient to meet principal and interest requirements of this debt, when due. The city is obligated to pay interest at 2.25 percent commencing on April 1, 1999 and semiannually

thereafter. The first principal payment was due October 1, 2001 and will continue to be due October 1 through 2020.

Since 2000, the Oakland County Drain Commission, predominantly with the MMBA, has initiated multiple financings for the George W. Kuhn Drainage District (GWKDD) to abate combined sewer overflows from its communities, which includes the City of Royal Oak. The whole retention/treatment facility was estimated to cost \$144 million in 2001. Construction was staged in several contracts. MMBA borrowing draw-downs occur over months or years during construction. The principal payback period is 20 years. The various communities share in GWKDD debt based on the percentage of their contract flow capacity that is about 29% for the city. The following eight paragraphs discuss the city's GWKDD contract debt obligations.

On September 30, 2000, the city's share of GWKDD bonds, series A, was issued for \$5,176,386 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2001 and semiannually thereafter. The first principal payment was due April 1, 2003 and will continue to be due April 1 until 2022.

On September 28, 2001, the city's share of GWKDD bonds, series C, was issued for \$23,797,479 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2002 and semiannually thereafter. The first principal payment was due April 1, 2005 and will continue to be due April 1 until 2024.

On December 20, 2001, the city's share of GWKDD bonds, series D, was issued for up to \$3,170,000 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2002 and semiannually thereafter. The first principal payment was due April 1, 2005 and will continue to be due April 1 until 2024.

On January 2, 2002, the city's share of GWKDD bonds, series E, was issued originally for \$2,857,431 bearing market interest rates from 4.00 percent to 5.25 percent. The city is obligated to pay interest commencing April 1, 2001 and semiannually thereafter. The first principal payment was due April 1, 2002 and originally continued to be due April 1 until 2024. On August

1, 2007, bonds maturing 2012 through 2024 were advanced refunded and no longer are shown as debt. Remaining unrefunded bonds were due through April 1, 2012.

On September 22, 2005, the city's share of GWKDD bonds, series 2005 (F), was issued for \$469,002 to the MMBA bearing interest at 1.625 percent. To date, \$390,953 has been drawn as the city's share. The city is obligated to pay interest commencing October 1, 2006 and semiannually thereafter. The first principal payment was due April 1, 2007 and will continue to be due April 1 until 2026.

On August 1, 2007, the city's share of GWKDD Drain (partial B & E) refunding bonds, series 2007 (R), was issued for \$3,607,258, bearing market interest rates from 4.250 percent to 4.375 percent. The refunding bonds advance refunded part of series B and E bonds above. The city is obligated to pay interest commencing October 1, 2007 and semiannually thereafter. The first principal payment was due April 1, 2008 and will continue to be due April 1 until 2024. The city realized a net savings in cash flow of \$176,280 over the life of the bonds for a net economic gain (present value savings) of \$117,311. In February 2016, drain refunding bonds were reissued saving the city \$158,000.

On September 22, 2007, the city's share of GWKDD bonds, series 2007 (G) was issued for up to \$1,765,000 in total to the MMBA, bearing interest at 1.625 percent. Based on \$1,754,260 drawn down by February 9, 2009, the city's share was approximately \$515,923. The city is obligated to pay interest commencing April 1, 2009 and semiannually thereafter. The first principal payment was due April 1, 2009 and will continue to be due April 1 until 2026.

On September 22, 2008, the city's share of 5 GWKDD bonds, Series 2008 (H) was issued for up to \$2,260,136 in total to the MMBA, bearing interest at 2.500 percent. Based on \$4,057,179 drawn down by April 2, 2009, the city's share was approximately \$1,183,205. The city is obligated to pay interest commencing April 1, 2009 and semiannually thereafter. The first principal payment was due April 1, 2010 and will continue to be due April 1 until 2029. This is expected to be the final funding for the GWKDD project.

On December 22, 2016 the City of Royal Oak issued \$13,500,000 of Parking System Revenue



## Debt Service Funds – Description of Long Term Debt

Bonds, Series 2016. The bond proceeds were used to construct a new parking garage on the land of the former Second Street surface lot. The new structure will be attached to the existing Center Street parking garage. The term of the bonds is 15 years with the last maturity due on October 1, 2031. The bonds have a true interest rate of 3.45%. The city is obligated to pay interest commencing on April 1, 2017 and semiannually thereafter. The first principal payment is due on October 1, 2017. Parking fee revenue and monies from the Downtown Development Authority are pledged to pay the debt service.

On January 31, 2017 the City of Royal Oak sold \$106,040,000 of Taxable Limited Tax General Obligation Bonds, Series 2017-A (OPEB). The sale closed on February 21, 2017. The bond proceeds were used to fund the entire unfunded actuarial accrued liability of the city's defined benefit retiree healthcare plan as of June 30, 2016. The term of the bonds is 21 years with the last maturity due on October 1, 2037. The bonds bear interest rates between 1.163 percent to 4.524 percent, with a true interest rate of 4.082 percent. The city is obligated to pay interest commencing on October 1, 2017 and

semiannually thereafter. The first principal payment is due on October 1, 2017. It is intended that numerous funds will contribute toward the debt service payments based upon the fund in which the legacy cost was incurred.

On January 31, 2017 the City of Royal Oak sold \$20,570,000 of Taxable Limited Tax General Obligation Bonds, Series 2017-A (pension). The sale closed on February 21, 2017. The bond proceeds were used to fund the entire general employees' unfunded actuarial accrued liability of the city's defined benefit pension plan as of June 30, 2016. The term of the bonds is 21 years with the last maturity due on October 1, 2037. The bonds bear interest rates between 1.163 percent to 4.524 percent, with a true interest rate of 4.082 percent. The city is obligated to pay interest commencing on October 1, 2017 and semiannually thereafter. The first principal payment is due on October 1, 2017. It is intended that numerous funds will contribute toward the debt service payments based upon the fund in which the legacy cost was incurred.

## Budget Summary

|   | 2016-<br>2017 | 2017-<br>2018 | 2018-<br>2019 | 2019-<br>2020 | 2020-<br>2021 | 2021-<br>2022 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Beginning Fund Balance                    | 101,732       | 84,932        | 28,332        | 28,737        | 29,142        | 29,542        |
| Revenues and transfers from other funds   | 614,200       | 573,400       | 626,930       | 631,180       | 629,900       | 628,180       |
| Expenditures and transfers to other funds | 631,000       | 630,000       | 626,525       | 630,775       | 629,500       | 627,775       |
| Net Change in Fund Balance                | (16,800)      | (56,600)      | 405           | 405           | 400           | 405           |
| Ending Fund Balance                       | 84,932        | 28,332        | 28,737        | 29,142        | 29,542        | 29,947        |

## Debt Service Funds – General Obligation Debt

### Revenues

| <b>301.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 631,430      | 0             | 0  | 120                                   | 20           | 0                | 631,570      |
| 2014-2015 Actual                | 625,840      | 0             | 0  | 510                                   | 60           | 0                | 626,410      |
| 2015-2016 Actual                | 618,470      | 0             | 0  | 540                                   | 160          | 0                | 619,170      |
| 2016-2017 Original Budget       | 607,000      | 0             | 0  | 200                                   | 0            | 0                | 607,200      |
| 2016-2017 Adjusted Budget (Dec) | 607,000      | 0             | 0  | 200                                   | 0            | 0                | 607,200      |
| 2016-2017 Six Month Actual      | 602,090      | 0             | 0  | (100)                                 | 10           | 0                | 602,000      |
| 2016-2017 Estimated Year End    | 613,800      | 0             | 0  | 400                                   | 0            | 0                | 614,200      |
| 2017-2018 Dept Request          | 573,000      | 0             | 0  | 400                                   | 0            | 0                | 573,400      |
| 2017-2018 Manager's Budget      | 573,000      | 0             | 0  | 400                                   | 0            | 0                | 573,400      |
| 2018-2019 Projected Budget      | 626,525      | 0             | 0  | 400                                   | 0            | 0                | 626,925      |
| 2019-2020 Projected Budget      | 630,775      | 0             | 0  | 400                                   | 0            | 0                | 631,175      |
| 2020-2021 Projected Budget      | 629,500      | 0             | 0  | 400                                   | 0            | 0                | 629,900      |
| 2021-2022 Projected Budget      | 627,775      | 0             | 0  | 400                                   | 0            | 0                | 628,175      |

### Expenditures

| <b>301.905 GENERAL<br/>OBLIGATION DEBT</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                           | 0                             | 0               | 0              | 1,050        | 624,250     | 625,300      |
| 2014-2015 Actual                           | 0                             | 0               | 0              | 1,500        | 624,350     | 625,850      |
| 2015-2016 Actual                           | 0                             | 0               | 0              | 240          | 626,620     | 626,860      |
| 2016-2017 Original Budget                  | 0                             | 0               | 0              | 1,500        | 630,780     | 632,280      |
| 2016-2017 Adjusted Budget (Dec)            | 0                             | 0               | 0              | 1,500        | 630,780     | 632,280      |
| 2016-2017 Six Month Actual                 | 0                             | 0               | 0              | -            | 587,000     | 587,000      |
| 2016-2017 Estimated Year End               | 0                             | 0               | 0              | -            | 631,000     | 631,000      |
| 2017-2018 Dept Request                     | 0                             | 0               | 0              | -            | 630,000     | 630,000      |
| 2017-2018 Manager's Budget                 | 0                             | 0               | 0              | -            | 630,000     | 630,000      |
| 2018-2019 Projected Budget                 | 0                             | 0               | 0              | -            | 626,525     | 626,525      |
| 2019-2020 Projected Budget                 | 0                             | 0               | 0              | -            | 630,775     | 630,775      |
| 2020-2021 Projected Budget                 | 0                             | 0               | 0              | -            | 629,500     | 629,500      |
| 2021-2022 Projected Budget                 | 0                             | 0               | 0              | -            | 627,775     | 627,775      |

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 0         | 0         | 0         | 0         | 0         | 0         |
| Revenues and transfers from other funds   | 483,380   | 463,500   | 517,490   | 517,850   | 517,590   | 511,220   |
| Expenditures and transfers to other funds | 483,380   | 463,500   | 517,490   | 517,850   | 517,590   | 511,220   |
| Net Change in Fund Balance                | 0         | 0         | 0         | 0         | 0         | 0         |
| Ending Fund Balance                       | 0         | 0         | 0         | 0         | 0         | 0         |

## Revenues

| 303.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and Fines | Interest and<br>Contributions | Transfers | Total   |
|---------------------------------|-------|--------|-----------------------------------|-------------------------------|-----------|---------|
| 2013-2014 Actual                | 0     | 0      | 0                                 | 0                             | 514,930   | 514,930 |
| 2014-2015 Actual                | 0     | 0      | 0                                 | 0                             | 88,150    | 88,150  |
| 2015-2016 Actual                | 0     | 0      | 0                                 | 0                             | 517,490   | 517,490 |
| 2016-2017 Original Budget       | 0     | 0      | 0                                 | 0                             | 518,250   | 518,250 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                                 | 0                             | 518,250   | 518,250 |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                                 | 0                             | 423,780   | 423,780 |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                                 | 0                             | 463,500   | 463,500 |
| 2017-2018 Dept Request          | 0     | 0      | 0                                 | 0                             | 463,500   | 463,500 |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                                 | 0                             | 463,500   | 463,500 |
|                                 |       |        |                                   |                               |           |         |
| 2018-2019 Projected Budget      | 0     | 0      | 0                                 | 0                             | 517,490   | 517,490 |
| 2019-2020 Projected Budget      | 0     | 0      | 0                                 | 0                             | 517,850   | 517,850 |
| 2020-2021 Projected Budget      | 0     | 0      | 0                                 | 0                             | 517,590   | 517,590 |
| 2021-2022 Projected Budget      | 0     | 0      | 0                                 | 0                             | 511,220   | 511,220 |

## Debt Service Funds – Court Building Debt Service

### Expenditures

| <b>303.905 COURT BUILDING<br/>DEBT SERVICE</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                               | -              | -            | 514,930     | 514,930      |
| 2014-2015 Actual                               | -              | -            | 511,530     | 511,530      |
| 2015-2016 Actual                               | -              | 58,410       | 517,490     | 575,900      |
| 2016-2017 Original Budget                      | -              | -            | 518,250     | 518,250      |
| 2016-2017 Adjusted Budget (Dec)                | -              | -            | 518,250     | 518,250      |
| 2016-2017 Six Month Actual                     | -              | 423,780      | -           | 423,780      |
| 2016-2017 Estimated Year End                   | -              | 483,380      | -           | 483,380      |
| 2017-2018 Dept Request                         | -              | 462,720      | 780         | 463,500      |
| 2017-2018 Manager's Budget                     | -              | 462,720      | 780         | 463,500      |
| 2018-2019 Projected Budget                     | -              | -            | 517,490     | 517,490      |
| 2019-2020 Projected Budget                     | -              | -            | 517,850     | 517,850      |
| 2020-2021 Projected Budget                     | -              | -            | 517,590     | 517,590      |
| 2021-2022 Projected Budget                     | -              | -            | 511,220     | 511,220      |

### Budget Summary

|   | <b>2016-<br/>2017</b> | <b>2017-<br/>2018</b> | <b>2018-<br/>2019</b> | <b>2019-<br/>2020</b> | <b>2020-<br/>2021</b> | <b>2021-<br/>2022</b> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Beginning Fund Balance                    | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| Revenues and transfers from other funds   | 104,000               | 0                     | 0                     | 0                     | 0                     | 0                     |
| Expenditures and transfers to other funds | 104,000               | 0                     | 0                     | 0                     | 0                     | 0                     |
| Net Change in Fund Balance                | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| Ending Fund Balance                       | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |

\*Last debt payment was December 2016.

## Revenues

| <b>360.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 0             | 0  | 0                                     | 0            | 100,290          | 100,290      |
| 2014-2015 Actual                | 0            | 0             | 0  | 0                                     | 0            | 101,900          | 101,900      |
| 2015-2016 Actual                | 0            | 0             | 0  | 0                                     | 0            | 103,290          | 103,290      |
| 2016-2017 Original Budget       | 0            | 0             | 0  | 0                                     | 0            | 104,510          | 104,510      |
| 2016-2017 Adjusted Budget (Dec) | 0            | 0             | 0  | 0                                     | 0            | 104,510          | 104,510      |
| 2016-2017 Six Month Actual      | 0            | 0             | 0  | 0                                     | 0            | 104,000          | 104,000      |
| 2016-2017 Estimated Year End    | 0            | 0             | 0  | 0                                     | 0            | 104,000          | 104,000      |
| 2017-2018 Dept Request          | 0            | 0             | 0  | 0                                     | 0            | 0                | 0            |
| 2017-2018 Manager's Budget      | 0            | 0             | 0  | 0                                     | 0            | 0                | 0            |
| 2018-2019 Projected Budget      | 0            | 0             | 0  | 0                                     | 0            | 0                | 0            |
| 2019-2020 Projected Budget      | 0            | 0             | 0  | 0                                     | 0            | 0                | 0            |
| 2020-2021 Projected Budget      | 0            | 0             | 0  | 0                                     | 0            | 0                | 0            |
| 2021-2022 Projected Budget      | 0            | 0             | 0  | 0                                     | 0            | 0                | 0            |

## Expenditures

| <b>360.905 DEBT SERVICE FUND</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                 | 0                             | 0               | 0              | 500          | 99,800      | 100,300      |
| 2014-2015 Actual                 | 0                             | 0               | 0              | 500          | 101,400     | 101,900      |
| 2015-2016 Actual                 | 0                             | 0               | 0              | 500          | 102,800     | 103,300      |
| 2016-2017 Original Budget        | 0                             | 0               | 0              | 510          | 104,000     | 104,510      |
| 2016-2017 Adjusted Budget (Dec)  | 0                             | 0               | 0              | 510          | 104,000     | 104,510      |
| 2016-2017 Six Month Actual       | 0                             | 0               | 0              | 0            | 104,000     | 104,000      |
| 2016-2017 Estimated Year End     | 0                             | 0               | 0              | 0            | 104,000     | 104,000      |
| 2017-2018 Dept Request           | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2017-2018 Manager's Budget       | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2018-2019 Projected Budget       | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2019-2020 Projected Budget       | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2020-2021 Projected Budget       | 0                             | 0               | 0              | 0            | 0           | 0            |
| 2021-2022 Projected Budget       | 0                             | 0               | 0              | 0            | 0           | 0            |

\*Debt paid off in fiscal year 2016-17.

### City's Legal Debt Limit

Section 21 of Article VII of the Michigan Constitution authorizes the enactment of laws for the incorporation of cities and grants cities the power to levy taxes for public purposes, subject to statutory and constitutional limitation:

"The legislature shall provide by general laws for the incorporation of cities and villages. Such laws shall limit their range of ad valorem property taxation for municipal purposes, and restrict the powers of cities and villages to borrow money and contract debts. Each city and village is granted power to levy other taxes for public purposes, subject to limitations and prohibitions provided by the constitution or by law."

In accordance with the foregoing, the Home Rule City Act, Act 279, Michigan Public Acts, 1909, as amended, limits the amount of debt a home rule city may have outstanding at any time. Section 4-a of the Home Rule City Act provides, in pertinent part:

"Notwithstanding a charter provision to the contrary the net indebtedness incurred for all public purposes shall not exceed the greater of the following:

- (a) Ten percent of the assessed value of all the real and personal property in the city.
- (b) Fifteen percent of the assessed value of all the real and personal property in the city if that portion of the total amount of indebtedness

incurred which exceeds 10% is or has been used solely for the construction or renovation of hospital facilities."

The provision of the Home Rule City Act cited above overrides the city's charter provision which limits city indebtedness to five percent of the "assessed valuation" (SEV) of all real and personal property in the city. Other limitations may apply, however, if specifically set forth in a statute authorizing a particular kind of borrowing.

Certain types of indebtedness are not subject to the 10% limitation of the Home Rule City Act, including: special assessment bonds, Michigan transportation fund bonds and revenue bonds, whether secured by a mortgage or not; bonds issued or contract obligations or assessment incurred to comply with an order of the Water Resources Commission of the State or a court of competent jurisdiction; obligations incurred for water supply, sewage, drainage, or refuse disposal or resource recovery projects necessary to protect the public health by abating pollution; and bonds issued for construction, improvements and replacement of a combined sewer overflow abatement facility. The resources of a sinking fund pledged for the retirement of outstanding bonds shall also be excluded in computing the debt limitation.

Pursuant to the statutory and constitutional debt provisions set forth above, the following table reflects the amount of additional debt the city may legally incur as of May 2017.

|   | <u>10% SEV</u>   | <u>5% SEV</u>    |
|---|------------------|------------------|
| 2017 State Equalized Value (SEV)                      | \$ 3,087,615,340 | \$ 3,087,615,340 |
| Debt Limit  | \$ 308,761,534   | \$ 154,380,767   |
| Debt Outstanding                                      | \$ 168,676,558   | \$ 168,676,558   |
| Less: Exempt Obligations                              | \$ 19,065,558    | \$ 145,675,558   |
| Debt Subject to SEV Limitation                        | \$ 149,611,000   | \$ 23,001,000    |
| Additional Debt which can be legally incurred         | \$ 159,150,534   | \$ 131,379,767   |
| Non-exempt debt outstanding as percentage of 2017 SEV | 4.85%            | 0.74%            |

# **CAPITAL IMPROVEMENT PLAN**

**Street Improvements**

**Water & Sewer  
Improvements**

**Parks & Facilities**

**Information Technology**

**Vehicles, Equipment,  
and Others**

## Capital Project Summary

### What is a Capital Improvement Program?

Capital improvement programming is a long-range study of non-operating wants, needs, expected revenue and policy intentions. It is not a budget, but provides the necessary information for prudent budget recommendations. It compares various departments' needs over a period of years with anticipated revenue and puts them in a single focus for analytical purposes.

It is not a law such as an annual budget, but a collection of facts, trends, and suggestions available for the guidance of the budget people and the legislative body when budget time arrives. After it is adopted by the legislative body, it is a non-binding assertion of future intent only. For each year, however, when an appropriation for an annual capital budget is adopted as part of the regular budget, it represents that amount which will be used to implement a part of the capital improvement program in the coming year.

One-year or two-year budget studies do not always yield the best long-term policy. Accordingly they have added five, six or even ten-year capital improvement planning to their program, wherein the larger and longer-term picture can be anticipated and studied. This kind of capital improvement planning is nothing more than business common sense applied to public monies. Recent capital outlay projects include construction of the G.W.K. Drainage District facilities, the district court building and the 6<sup>th</sup> & Lafayette parking deck plus major renovations to fire stations and the library.

Typically, the function of studying long-term capital improvement trends and needs is done with a single agency or team of agencies. A commonly used team is that of budget, which best knows the details of the annual financial "facts of life," and engineering which is the closest to the many problems of providing space and facilities for the ever changing departments and their equipment. In initiating such a program, a master list of needed improvements is first compiled by the various operating departments to cover, usually, the next five years. The list is studied in the light of the comprehensive plan, comparative needs, and replacement urgencies. The trend of tax rates, revenues from other sources, various financing possibilities, bond retirement and future available funds are considered. Finally, a recommended priority listing emerges from combined study of these proposed revenues and expenditures.

By providing this planning and programming of capital improvements, all of the preliminary engineering or architectural design can be completed timely. Financing is planned well in advance and the effect on the annual budget is determined. This eliminates hasty decisions brought on by crash programs and provides for well designed, orderly growth or renewal of the city's capital. Good management requires greater physical and financial planning than ever before.

The planning commission adopted the capital improvement plan in March and many of the CIP projects are provided for in this section of the budget document. The CIP projects that the city manager is recommending to move forward are listed in the budget narrative for each of the funding source's. (ie. water & sewer fund, major road fund, local road fund, auto parking fund, IT, motor pool, etc).



## WATER & SEWER IMPROVEMENTS

| CAP1630  | 2017 Special Assessments                    |
|--|---|
| <b>Project Length:</b> 2017-2018   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$223,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.   |   |
| <b>Description:</b> Water mains on special assessment streets that are 6" or smaller will be upgraded to 8" diameter water main. |   |

| CAP1710  | 2017 Water Main Improvements                |
|--|---|
| <b>Project Length:</b> 2017-2018   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$1,782,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.   |   |
| <b>Description:</b> Replace existing 6" water main with a new 8" water main along Bellaire Avenue (Campbell Road-Edgeworth Avenue), Ferris Avenue (Donald Avenue-14 Mile Road), and Vermont Avenue (Donald Avenue-14 Mile Road). Replace existing 8" water main with a new 12" water main along Rochester Road (Donald Avenue-14 Mile Road). |   |

| CAP1712  | Fourth Street Rain Gardens                               |
|--|--|
| <b>Project Length:</b> 2017-2018   | <b>City Share:</b> 24%                                   |
| <b>Estimated City Cost:</b> \$55,000   | <b>Funding Source:</b> water and sewer fund / MDEQ grant |
| <b>Impact on the Operating Budget:</b> Unknown   |  |
| <b>Description:</b> Installation of rain gardens on the East Fourth Street median between Connecticut Avenue and Blair Avenue. Project will only proceed if MDEQ grant is awarded in May 2017. |  |

| CAP1713   | Green Infrastructure Feasibility Study      |
|---|---|
| <b>Project Length:</b> 2017-2018  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$150,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Unknown  |   |
| <b>Description:</b> Evaluate the feasibility of green infrastructure and its affects throughout the city. |   |

| CAP1810   | 2018 Water Main Improvements                |
|---|---|
| <b>Project Length:</b> 2018-2019  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$2,814,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.  |   |
| <b>Description:</b> Replace existing 6" water main with a new 12" water main along Lexington Boulevard (Marais Avenue-Washington Avenue). Install a new 8" water main for looping along North Alexander Avenue (13 Mile Road-Woodlawn Avenue), North Blair Avenue (13 Mile Road-Woodlawn Avenue) and Glendale Avenue (13 Mile Road-Englewood Avenue). Replace existing 4" water main with a new 8" water main along Ardmore Avenue (12 Mile Road-Beaver Avenue), Clifton Avenue (12 Mile Road-Beaver Avenue), Fern Street (12 Mile Road-Beaver Avenue), and South Blair Avenue (Lincoln Avenue-6 <sup>th</sup> Street). |   |

| CAP1835   | 2018 Millage Road Reconstruction            |
|---|---|
| <b>Project Length:</b> 2018   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$500,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.  |   |
| <b>Description:</b> Replace existing water main with a new 8" water main along Woodland Avenue (Webster Road-Glenwood Road) and Lockwood Road (Crane Avenue-Catalpa Drive). |   |

| CAP1908  | 14 Mile Road Water Main Improvements        |
|--|---|
| <b>Project Length:</b> 2019-2020   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$1,138,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.   |   |
| <b>Description:</b> Replace existing water main with a new 12" water main along 14 Mile Road (Woodward Avenue-Cooper Avenue) and (Mankato Avenue-CN Railroad). |   |

| CAP1910   | 2019 Water Main Improvements                |
|---|---|
| <b>Project Length:</b> 2019-2020  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$2,768,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.  |   |
| <b>Description:</b> Replace existing 4" water main with a new 12" water main along Rockingham Road (Woodward Avenue-Kensington Drive), E Harrison Avenue (Main Street-Batavia Avenue), and West Houstonia Avenue (Northwood Boulevard-Evergreen Drive). Replace existing 8" water main with a new 12" water main along Normandy Road (Woodward Avenue- Normandy Court). Replace existing 6" water main with a new 8" water main along Judson Avenue (Elmwood Avenue-Cummings Avenue), |   |

| CAP1935  | 2019 Millage Road Reconstruction            |
|--|---|
| <b>Project Length:</b> 2019  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$404,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.   |   |
| <b>Description:</b> Replace existing water main with a new 8" water main along Massoit Road (Cresthill Avenue-Hillcrest Avenue) and Nakota Road (Elmhurst Avenue-Rosewold Avenue). |   |

| CAP2010   | 2020 Water Main Improvements                |
|---|---|
| <b>Project Length:</b> 2020-2021  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$3,174,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.  |   |
| <b>Description:</b> Replace existing 6" water main with a new 12" water main along 5 <sup>th</sup> Street (Knowles Street-Kayser Avenue) and (Irving Avenue-Alexander Avenue). Replace existing 6" water main with a new 8" water main along Farnum Avenue (Dorchester Avenue-Kenwood Avenue). Replace existing 4" water main with a new 8" water main along 7 <sup>th</sup> Street (Troy Street-Knowles Street), Longfellow Avenue (Harrison Avenue-Lincoln Avenue), Altadena Avenue (Lincoln Avenue-6 <sup>th</sup> Street), Rembrandt Avenue (Lincoln Avenue-6 <sup>th</sup> Street), Vermont Avenue (Lincoln Avenue-5 <sup>th</sup> Street) and 11 Mile Road (Dorchester Avenue-Kenwood Avenue). Install a new 8" water main for looping along Forest Avenue (Symes Avenue-Dallas Avenue) and Helene Avenue (Barrett Avenue-Dallas Avenue). |   |

| CAP2035  | 2020 Millage Road Reconstruction            |
|--|---|
| <b>Project Length:</b> 2020  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$300,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.   |   |
| <b>Description:</b> Replace existing water main with a new 8" water main along Yorba Linda Boulevard (pavement change-Fairmont Road) and North Wilson Avenue (East Farnum Avenue-Forest Avenue). |   |

| CAP2110  | 2021 Water Main Improvements                |
|--|---|
| <b>Project Length:</b> 2021-2022   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$3,022,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.   |   |
| <b>Description:</b> Install a new 8" water main for looping along DeVillen Avenue (Ferris Avenue-Campbell Road), Parkdale Avenue (North Vermont Avenue-North Wilson Avenue) and East Houstonia Avenue (Vermont Avenue-Campbell Road). Replace existing 6" water main with a new 8" water main along Girard Avenue (Vermont Avenue-Lauren Court) and North Vermont Avenue (12 Mile Road-Girard Avenue). |   |

| CAP2111   | 2021 Crooks Road Resurfacing                |
|---|---|
| <b>Project Length:</b> 2021-2022  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$347,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.  |   |
| <b>Description:</b> Replace existing 8" water main with a new 12" water main along Crooks Road (Webster Road-Royal Avenue). |   |

| CAP2210  | 2022 Water Main Improvements                |
|--|---|
| <b>Project Length:</b> 2022-2023   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$3,000,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.   |   |
| <b>Description:</b> Replace existing 6" water main with a new 8" water main along East 6 <sup>th</sup> Street (Knowles Street-South Alexander Avenue), Vinsetta Boulevard (12 Mile Road-Crooks Road), and Northwood Boulevard (Maplewood Avenue-Crooks Road). Replace existing 4" water main with a new 8" water main along Sycamore Avenue (Maplewood Avenue-Bonnie View Drive). Replace existing 14" asbestos-cement water main with a new 12" water main along West Houstonia Avenue (Beechwood Drive-Main Street). |   |

| CAP2310   | 2023 Water Main Improvements                |
|---|---|
| <b>Project Length:</b> 2023-2024  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$2,908,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.  |   |
| <b>Description:</b> Replace existing 8" water main with a new 12" water main along 14 Mile Road (Rochester Road-Campbell Road) and Stephenson Highway (4 <sup>th</sup> Street-Gardenia Avenue). Replace existing 4" water main with a new 8" water main along Forest Avenue (Main Street-Rosedale Avenue) and Virginia Avenue (Pingree Boulevard-dead end). |   |

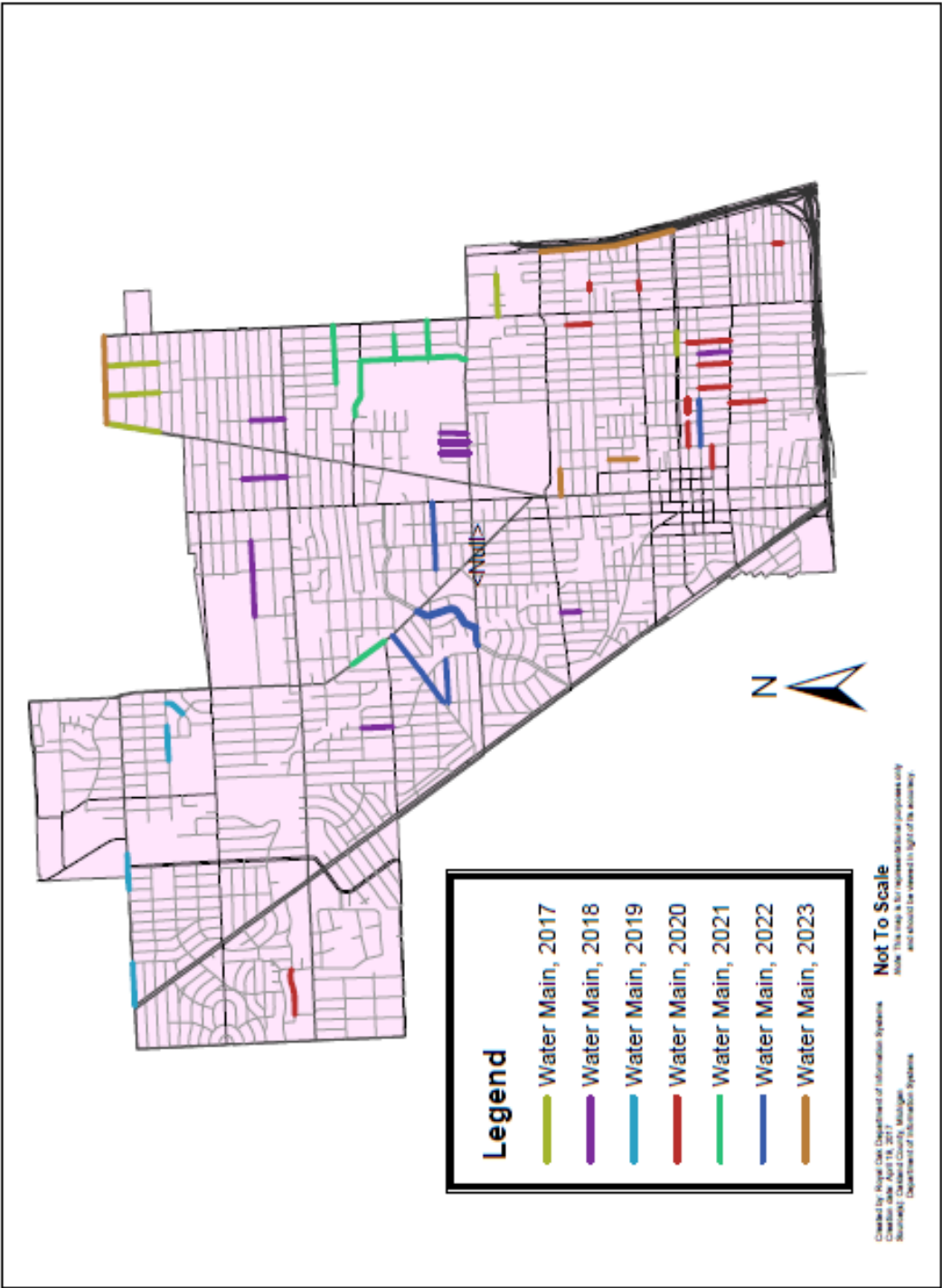
| CAP2055-CAP2555  | Special Assessment Street Paving            |
|--|---|
| <b>Project Length:</b> 2020-2025   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$1,000,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.                                   |   |
| <b>Description:</b> Replace existing 6" water mains with new 8" water mains in special assessment roads. |   |

| CAP1875-CAP2375  | Sewer Televising and Root Control           |
|--|---|
| <b>Project Length:</b> 2018-2023   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$3,190,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs and general liability costs. |   |
| <b>Description:</b> Sewer televising, cleaning, and invasive root removal city wide.               |   |

| CAP1885-CAP2385  | Sewer Lining (City Wide)                    |
|--|---|
| <b>Project Length:</b> 2018-2023   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$4,237,000  | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.           |   |
| <b>Description:</b> Lining the sewers to prevent sewer pipe failure or collapse. |   |

| CAP1895-CAP2395   | Spot Sewer Repairs (City Wide)              |
|---|---|
| <b>Project Length:</b> 2018-2023  | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$3,195,000   | <b>Funding Source:</b> water and sewer fund |
| <b>Impact on the Operating Budget:</b> Lower system maintenance costs.  |   |
| <b>Description:</b> Spot sewer repair of broken sanitary sewer of different sizes in various locations city wide. |   |

**Capital Improvement Projects - Water & Sewer**



## SIDEWALK IMPROVEMENTS

| CAP1801-CAP2301   | Concrete Pavement and Prepaid Sidewalk Program Improvements                                     |
|---|---|
| <b>Project Length:</b> 2018-2023<br><b>Estimated City Cost:</b> \$2,820,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> water and sewer fund / rates / direct billing |
| <b>Impact on the Operating Budget:</b> Improve safety thus reducing liability expenses due to fewer trip and fall claims.                                 |   |
| <b>Description:</b> Repair of road/sidewalk concrete patches of the concrete roadway in a dedicated section of the city and based upon field inspections. |   |

| CAP1802-CAP2302   | Sidewalk Improvements Program                                      |
|---|--|
| <b>Project Length:</b> 2018-2023<br><b>Estimated City Cost:</b> \$3,850,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> sidewalk millage |
| <b>Impact on the Operating Budget:</b> Improve safety thus reducing liability expenses due to fewer trip and fall claims. |  |
| <b>Description:</b> Repair of deficient sidewalks city-wide using millage funds from a proposed sidewalk millage.         |  |



## LOCAL STREET IMPROVEMENTS

| CAP1630   | 2017 Special Assessments  |
|---|---|
| <b>Project Length:</b> 2017-2018<br><b>Estimated City Cost:</b> \$668,000   | <b>City Share:</b> 52%<br><b>Funding Source:</b> special assessment, local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.  |   |
| <b>Description:</b> Special Assessment paving of the following unimproved streets: Wrenford Road, Massoit Road, Bassett Road, Park Avenue, Girard Avenue, alleys, Orchard Grove Drive, and South Edison Avenue. |   |

| CAP1710  | 2017 Road Improvements   |
|--|--|
| <b>Project Length:</b> 2017-2018<br><b>Estimated City Cost:</b> \$76,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.   |  |
| <b>Description:</b> Repair of the following local roads: Bellaire Avenue, Ferris Avenue, Vermont Avenue and Rochester Road in coordination with water main improvements. |  |

| CAP1735   | 2017 Millage Road Reconstruction                                     |
|---|--|
| <b>Project Length:</b> 2017-2018<br><b>Estimated City Cost:</b> \$1,550,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.  |  |
| <b>Description:</b> Removal and replacement of failed concrete slab sections within the local street network, as identified through the city's pavement management system and based upon field inspections. The slab replacement program will replace/patch deteriorated concrete on the following local streets: Batavia Avenue (East Harrison Avenue-Lincoln Avenue), Brinkey Avenue (Kalama Avenue-Harwood Avenue), Kalama Avenue (Brinkey Avenue-Stephenson Highway), and Dallas Avenue (Helene Avenue-Stephenson Highway). |  |



| CAP1810  | 2018 Road Improvements                    |
|--|---|
| <b>Project Length:</b> 2018-2019   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$306,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.   |   |
| <b>Description:</b> Repair of the following local roads: Lexington Boulevard (Marais Avenue-Washington Avenue), Alexander Avenue (13 Mile-Woodlawn Avenue), Blair Avenue (13 Mile-Woodlawn Avenue), Glendale Avenue (13 Mile-Englewood Avenue), Ardmore Avenue (12 Mile Road-Beaver Avenue), Clifton Avenue (12 Mile Road-Beaver Avenue), Fern Street (12 Mile Road-Beaver Avenue), and Blair Avenue (Lincoln Avenue-6 <sup>th</sup> Street) in coordination with water main improvements. |   |

| CAP1835  | 2018 Millage Road Reconstruction          |
|--|---|
| <b>Project Length:</b> 2018-2019   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$1,570,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.   |   |
| <b>Description:</b> Removal and replacement of failed concrete slab sections within the local street network, as identified through the city's pavement management system and based upon field inspections. The slab replacement program will replace/patch deteriorated concrete on the following local streets: Woodland Avenue (Webster Road-Glenwood Road), Fairview Avenue (Crooks Road-dead end), Lockwood Road (Crane Avenue-Catalpa Drive), Linwood Avenue (Webster Road-Glenwood Road), and Bonnie View Drive (Lloyd Avenue-Northwood Boulevard). |   |

| CAP1910   | 2019 Road Improvements                    |
|---|---|
| <b>Project Length:</b> 2019-2020  | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$662,000   | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.  |   |
| <b>Description:</b> Repair of the following local roads: Rockingham Road (Woodward Avenue-Kensington Drive), East Harrison Avenue (Main Street-Batavia Avenue), Normandy Road (Woodward Avenue-Normandy Court), Judson Avenue (Elmwood Avenue-Cummings Avenue), and West Houstonia Avenue (Northwood Boulevard-Evergreen Drive) in coordination with water main improvements. |   |

| CAP1935  | 2019 Millage Road Reconstruction          |
|--|---|
| <b>Project Length:</b> 2019-2020   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$1,326,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.   |   |
| <b>Description:</b> Removal and replacement of failed concrete slab sections within the local street network, as identified through the city's pavement management system and based upon field inspections. The slab replacement program will replace/patch deteriorated concrete on the following local streets: Massoit Road (Cresthill Avenue-Hillcrest Avenue), Nakota Road (Elmhurst Avenue-Rosewold Avenue), and Benjamin Avenue (13 Mile Road-past railroad). |   |

| CAP2010  | 2020 Road Improvements                    |
|--|---|
| <b>Project Length:</b> 2020-2021   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$408,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.   |   |
| <b>Description:</b> Repair of the following local roads: 5 <sup>th</sup> Street (Knowles Street-Kayser Avenue) and (Irving Avenue-Alexander Avenue), 7 <sup>th</sup> Street (Troy Street-Knowles Street), Farnum Avenue (Dorchester Avenue-Kenwood Avenue), Forest Avenue (Symes Avenue-Dallas Avenue), Helene Avenue (Barrett Avenue-Dallas Avenue), Longfellow Avenue (Harrison Avenue-Lincoln Avenue), Altadena Avenue (Lincoln Avenue-6 <sup>th</sup> Street), Rembrandt Avenue (Lincoln Avenue-6 <sup>th</sup> Street), Vermont Avenue (Lincoln Avenue-5 <sup>th</sup> Street), and 11 Mile Road (Dorchester Avenue-Kenwood Avenue) in coordination with water main improvements. |   |

| CAP2035  | 2020 Millage Road Reconstruction          |
|--|---|
| <b>Project Length:</b> 2020-2021   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$1,406,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.   |   |
| <b>Description:</b> Removal and replacement of failed concrete slab sections within the local street network, as identified through the city's pavement management system and based upon field inspections. The slab replacement program will replace/patch deteriorated concrete on the following local streets: Chester Road (Dukeshire Highway-Woodward Avenue), Ravenna Avenue (Chester Road-dead end), Parkway Avenue (Arden Place-Woodward Avenue), Lenox Avenue (Barrett Avenue-Dallas Avenue), 6 <sup>th</sup> Street (West Street-Lafayette Avenue), Yorba Linda Boulevard (pavement change-Fairmont Road), and North Wilson Avenue (East Farnum Avenue-Forest Avenue). |   |

| CAP2110   | 2021 Road Improvements                    |
|---|---|
| <b>Project Length:</b> 2021-2022  | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$214,000   | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.  |   |
| <b>Description:</b> Repair of the following local roads: DeVillen Avenue (Ferris Avenue-Campbell Road), Girard Avenue (Vermont Avenue-Lauren Court), Parkdale Avenue (Vermont Avenue-Wilson Avenue), Houstonia Avenue (Vermont Avenue-Campbell Road), and Vermont Avenue (12 Mile Road-Girard Avenue) in coordination with water main improvements. |   |

| CAP2210   | 2022 Road Improvements                    |
|---|---|
| <b>Project Length:</b> 2022-2023  | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$634,000   | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.  |   |
| <b>Description:</b> Repair of the following local roads: 6 <sup>th</sup> Street (Knowles Street-Alexander Avenue), Sycamore Avenue (Maplewood Avenue-Bonnie View Drive), Vinsetta Boulevard (12 Mile Road-Crooks Road), Northwood Boulevard (Maplewood Avenue-Crooks Road), and Houstonia Avenue (Beechwood Drive-Main) in coordination with water main improvements. |   |

| CAP2310   | 2023 Road Improvements                    |
|---|---|
| <b>Project Length:</b> 2023-2024  | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$168,000   | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.  |   |
| <b>Description:</b> Repair of the following local roads: Forest Avenue (Main Street-Rosedale Avenue), Virginia Avenue (Pingree Boulevard-dead end), and Stephenson Highway (4 <sup>th</sup> Street-Gardenia Avenue) in coordination with water main improvements. |   |

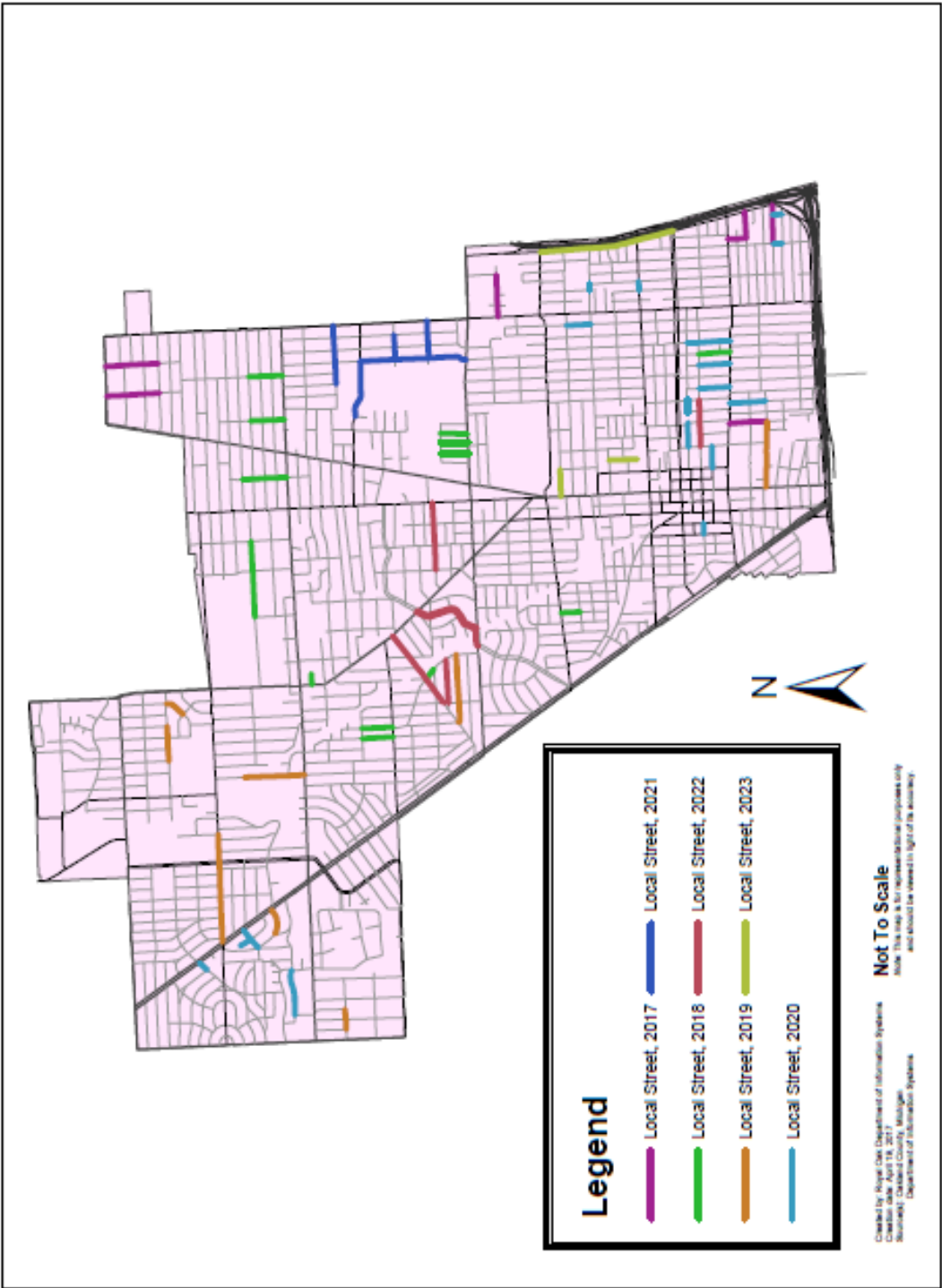
| CAP1505-CAP2505   | Millage Concrete Street Repairs           |
|---|---|
| <b>Project Length:</b> 2015-2025  | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$12,368,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.  |   |
| <b>Description:</b> Removal and replacement of failed concrete slab sections within the local street network, as identified through the city's pavement management system and based upon field inspections. The slab replacement program will replace/patch deteriorated concrete on local streets. |   |

| CAP1515-CAP2515   | Millage Asphalt Street Resurfacing        |
|---|---|
| <b>Project Length:</b> 2015-2025  | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$20,266,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.                      |   |
| <b>Description:</b> Resurfacing of local roads with an asphalt top layer. This program is meant to address locations where the road is deteriorating. |   |

| CAP1525-CAP2525  | Millage and Major Street Joint Sealing    |
|--|---|
| <b>Project Length:</b> 2015-2025   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$654,000  | <b>Funding Source:</b> local streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads. |   |
| <b>Description:</b> Perform joint sealing maintenance on local streets for streets paved in previous year.                       |   |

| CAP2055-CAP2555  | Special Assessment Paving   |
|--|---|
| <b>Project Length:</b> 2020-2025<br><b>Estimated City Cost:</b> \$4,300,000  | <b>City Share:</b> 61%<br><b>Funding Source:</b> local streets fund, special assessment |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to local roads.<br><br><b>Description:</b> Special assessment paving of unimproved local roads. The city is covering a portion of costs due to these roads going from gravel to pavement. |   |

**Capital Improvement Projects - Local Roads**



## MAJOR STREET IMPROVEMENTS

|   |   |
|---|---|
| CAP1101   | <b>Surveying Services</b>   |
| <b>Project Length:</b> 2016-2023<br><b>Estimated City Cost:</b> \$230,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund /<br>local streets fund / water and sewer fund |
| <b>Impact on the Operating Budget:</b> Improve efficiency and access to information.  |   |
| <b>Description:</b> This program serves as a guide by providing surveying consulting services for preparing construction plans for street paving. |   |

|  |  |
|--|--|
| CAP1716  | <b>West Lincoln Avenue Resurfacing</b>                               |
| <b>Project Length:</b> 2017-2018<br><b>Estimated City Cost:</b> \$475,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |  |
| <b>Description:</b> Resurface Lincoln Avenue from Woodward Avenue to Main Street.  |  |

|   |  |
|---|--|
| CAP1717   | <b>Traffic Signal Survey and Optimization Plan</b>         |
| <b>Project Length:</b> 2017-2018<br><b>Estimated City Cost:</b> \$0   | <b>City Share:</b> 0%<br><b>Funding Source:</b> CMAQ grant |
| <b>Impact on the Operating Budget:</b> Unknown  |  |
| <b>Description:</b> Study of traffic signals along Main Street, 13 Mile Road and Crooks Road. Develop an optimization plan, including prioritizing maintenance and construction projects and developing cost estimates. |  |

|  |  |
|--|--|
| CAP1718  | <b>North-South Bike Route Project</b>                                |
| <b>Project Length:</b> 2017-2018<br><b>Estimated City Cost:</b> \$500,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will increase road maintenance for bike lane stripping over time.   |  |
| <b>Description:</b> Perform a road diet on Washington Avenue (Woodward Avenue-Euclid Avenue) and on Main Street (Euclid Avenue-Chippewa Avenue). Install on-street bike lanes, signage and install pedestrian crossing islands at various locations. |  |

|   |   |
|---|---|
| CAP1719   | <b>South End Traffic Study</b>  |
| <b>Project Length:</b> 2017-2018<br><b>Estimated City Cost:</b> \$30,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund / local streets fund |
| <b>Impact on the Operating Budget:</b> Unknown  |   |
| <b>Description:</b> Perform a traffic study in south Royal Oak to determine the need for neighborhood street separating diverters between neighborhood streets east of Irving Avenue which is no longer a designated truck route. |   |

|  |   |
|--|---|
| CAP1806  | <b>Campbell Road Resurfacing</b>  |
| <b>Project Length:</b> 2018-2019<br><b>Estimated City Cost:</b> \$982,000  | <b>City Share:</b> 49%<br><b>Funding Source:</b> major streets fund / federal funds |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of Campbell Road from 10 Mile Road to 11 Mile Road.  |   |

|   |  |
|---|--|
| CAP1807   | <b>I-75 Widening</b>   |
| <b>Project Length:</b> 2019-2021<br><b>Estimated City Cost:</b> \$100,000   | <b>City Share:</b> 0.1%<br><b>Funding Source:</b> major streets fund / State of Michigan |
| <b>Impact on the Operating Budget:</b> Staffing costs for time dedicated to the MDOT project.                             |  |
| <b>Description:</b> Staff efforts to review, manage, and meet minor repairs as part of the I-75 widening project by MDOT. |  |

|  |  |
|--|--|
| CAP1817  | <b>Traffic Signal Upgrade Project</b>  |
| <b>Project Length:</b> 2018-2019<br><b>Estimated City Cost:</b> \$300,000  | <b>City Share:</b> 20%<br><b>Funding Source:</b> major streets fund / CMAQ grant |
| <b>Impact on the Operating Budget:</b> Unknown   |  |
| <b>Description:</b> Replace or upgrade existing traffic signals along Main Street, 13 Mile Road and Crooks Road. |  |



| CAP1831   | Traffic Calming Project   |
|---|---|
| <b>Project Length:</b> 2018-2019<br><b>Estimated City Cost:</b> \$380,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund / grants |
| <b>Impact on the Operating Budget:</b> Unknown  |   |
| <b>Description:</b> Construct traffic calming measures on various major roads. Would consist of roadway center islands, enhanced crosswalks, and pedestrian refuge areas. |   |

| CAP1908  | 14 Mile Road Resurfacing   |
|--|--|
| <b>Project Length:</b> 2019-2020<br><b>Estimated City Cost:</b> \$1,581,000  | <b>City Share:</b> 39%<br><b>Funding Source:</b> major streets fund / federal funds / City of Birmingham |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |  |
| <b>Description:</b> Resurfacing of 14 Mile Road from Greenfield Road to Crooks Road.   |  |

| CAP2012   | Gardenia Avenue Reconstruction And Resurfacing                       |
|---|--|
| <b>Project Length:</b> 2020-2021<br><b>Estimated City Cost:</b> \$2,000,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads.                          |  |
| <b>Description:</b> Reconstruction of Gardenia Avenue from Main Street to Altadena Avenue and resurfacing between Altadena Avenue and Stephenson Highway. |  |

| CAP2013   | West 4 <sup>th</sup> Street and Lafayette Avenue Resurfacing         |
|---|--|
| <b>Project Length:</b> 2020-2021<br><b>Estimated City Cost:</b> \$425,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads.  |  |
| <b>Description:</b> Resurfacing of West 4 <sup>th</sup> Street (West Street-Washington Avenue) and Lafayette Avenue (Woodward Avenue-Lincoln Avenue) and (4 <sup>th</sup> Street-11 Mile Road). |  |

| CAP2014  | North Main Street Resurfacing   |
|--|---|
| <b>Project Length:</b> 2020<br><b>Estimated City Cost:</b> \$484,000   | <b>City Share:</b> 39%<br><b>Funding Source:</b> major streets fund / federal funds |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of North Main Street from 11 Mile Road to Gardenia Avenue.                                       |   |

| CAP2016  | Crooks Road Resurfacing   |
|--|---|
| <b>Project Length:</b> 2020<br><b>Estimated City Cost:</b> \$1,093,000   | <b>City Share:</b> 39%<br><b>Funding Source:</b> major streets fund / City of Clawson / federal funds |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of Crooks Road from Webster Road to 13 Mile Road and Normandy Road to 14 Mile Road.              |   |

| CAP2017  | Rochester Road Resurfacing  |
|--|---|
| <b>Project Length:</b> 2020<br><b>Estimated City Cost:</b> \$1,520,000   | <b>City Share:</b> 39%<br><b>Funding Source:</b> major streets fund / City of Clawson / federal funds |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of Rochester Road from Main Street to 14 Mile Road.  |   |

| CAP2110  | 2021 Major Road Improvements   |
|--|--|
| <b>Project Length:</b> 2021-2022<br><b>Estimated City Cost:</b> \$351,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |  |
| <b>Description:</b> Repair of Crooks Road between Webster Road and Royal Avenue in coordination with water main improvements.    |  |

| CAP2211  | Northbound Stephenson Highway Resurfacing A |
|--|---|
| <b>Project Length:</b> 2022-2023   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$530,000  | <b>Funding Source:</b> major streets fund   |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of northbound Stephenson Highway from Lincoln Avenue to 11 Mile Road.                            |   |

| CAP2212  | Normandy Road Resurfacing                 |
|--|---|
| <b>Project Length:</b> 2021-2023   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$1,008,000  | <b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of Normandy Road from Coolidge Highway to Crooks Road.   |   |

| CAP2303   | Central Business District Street Resurfacing |
|---|--|
| <b>Project Length:</b> 2022-2023  | <b>City Share:</b> 100%                      |
| <b>Estimated City Cost:</b> \$375,000   | <b>Funding Source:</b> DDA fund              |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads.  |  |
| <b>Description:</b> Central Business District (CBD) resurfacing of 6 <sup>th</sup> Street and 7 <sup>th</sup> Street between Washington Avenue and Lafayette Avenue. This program is intended to address the deteriorating surface condition and install new gutter and curb to match the streetscape layout. |  |

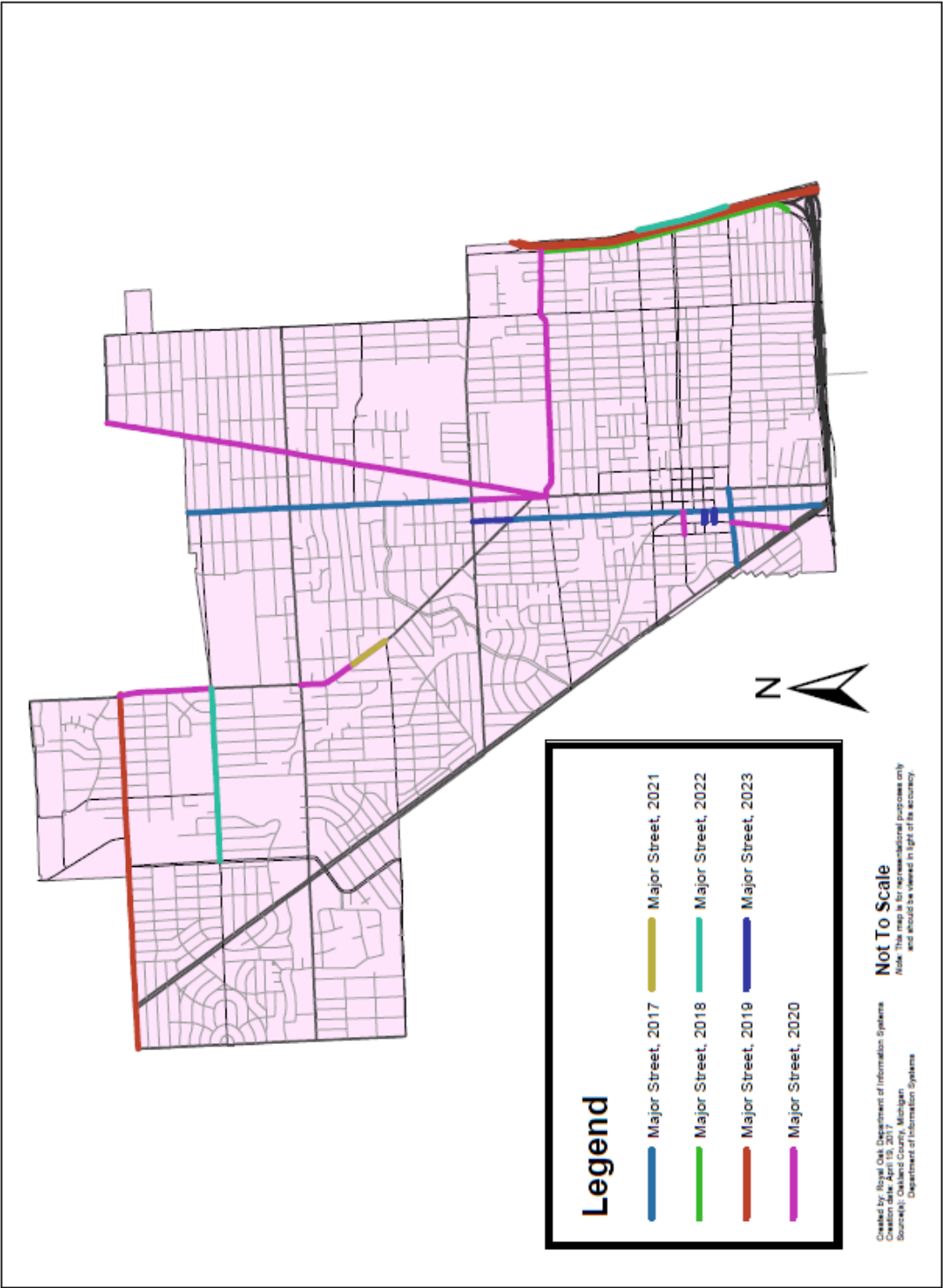
| CAP2311  | Northbound Stephenson Highway Resurfacing B |
|--|---|
| <b>Project Length:</b> 2022-2023   | <b>City Share:</b> 100%                     |
| <b>Estimated City Cost:</b> \$514,000  | <b>Funding Source:</b> major streets fund   |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of northbound Stephenson Highway from 11 Mile Road to Gardenia Avenue.                           |   |

| CAP2312  | Washington Avenue Resurfacing             |
|--|---|
| <b>Project Length:</b> 2023-2024   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$301,000  | <b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of Washington Avenue from Crooks Road to 12 Mile Road.   |   |

| CAP2412  | 11 Mile Road Resurfacing                  |
|--|---|
| <b>Project Length:</b> 2023-2025   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$1,252,000  | <b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Resurfacing of 11 Mile Road from CN Railroad to Campbell Road.   |   |

| CAP1525-CAP2525  | Millage and Major Street Joint Sealing    |
|--|---|
| <b>Project Length:</b> 2015-2025   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$525,000  | <b>Funding Source:</b> major streets fund |
| <b>Impact on the Operating Budget:</b> Will reduce road maintenance costs over time by making structural repairs to major roads. |   |
| <b>Description:</b> Perform joint sealing maintenance on major streets paved in the previous year.                               |   |

**Capital Improvement Projects - Major Roads**



## PARKS AND FACILITIES

|  |  |
|--|--|
| CAP1102  | <b>Parking Meters</b>                      |
| <b>Project Length:</b> 2014-2023   | <b>City Share:</b> 100%                    |
| <b>Estimated City Cost:</b> \$700,000  | <b>Funding Source:</b> parking fund / fees |
| <b>Impact on the Operating Budget:</b> Lower costs for coin collection and possibly increase costs for finance department.   |  |
| <b>Description:</b> Replacement of the city parking meters with improved meter technology, as they are aging and becoming obsolete. Technology will provide additional methods of payment which will provide improved service to the visitors. |  |

|   |  |
|---|--|
| CAP1808   | <b>Motor Pool HVAC</b>                 |
| <b>Project Length:</b> 2018   | <b>City Share:</b> 100%                |
| <b>Estimated City Cost:</b> \$25,000  | <b>Funding Source:</b> motor pool fund |
| <b>Impact on the Operating Budget:</b> Reduce labor and maintenance costs by \$250 and utility costs by \$500 annually. |  |
| <b>Description:</b> Replacement of makeup air unit as part of maintenance of motor pool HVAC system.                    |  |

|  |   |
|--|---|
| CAP1812  | <b>Center Street and Catalpa Drive Parking Lot Wall</b> |
| <b>Project Length:</b> 2018  | <b>City Share:</b> 100%                                 |
| <b>Estimated City Cost:</b> \$45,000   | <b>Funding Source:</b> parking fund / fees              |
| <b>Impact on the Operating Budget:</b> Unknown   |   |
| <b>Description:</b> Repair of a wall at the Center Street and Catalpa Drive parking lot. |   |

|   |                                   |
|---|-----------------------------------|
| CAP1813   | <b>Police Department Building</b> |
| <b>Project Length:</b> 2018   | <b>City Share:</b> 100%           |
| <b>Estimated City Cost:</b> \$19,200,000                              | <b>Funding Source:</b> unknown    |
| <b>Impact on the Operating Budget:</b> Unknown                        |                                   |
| <b>Description:</b> Construction of a new police department building. |                                   |

| CAP1814   | City Hall Building             |
|---|--------------------------------|
| <b>Project Length:</b> 2018                                   | <b>City Share:</b> 100%        |
| <b>Estimated City Cost:</b> \$7,000,000                       | <b>Funding Source:</b> unknown |
| <b>Impact on the Operating Budget:</b> Unknown                |                                |
| <b>Description:</b> Construction of a new city hall building. |                                |

| CAP1816  | Motor Pool Lighting                    |
|--|--|
| <b>Project Length:</b> 2018  | <b>City Share:</b> 100%                |
| <b>Estimated City Cost:</b> \$17,000   | <b>Funding Source:</b> motor pool fund |
| <b>Impact on the Operating Budget:</b> Reduce operating costs by \$8,000 annually due to energy efficiency.                  |  |
| <b>Description:</b> Retrofit existing lighting for LED lighting. 244 overhead lights will be replaced throughout the garage. |  |

| CAP1818  | DPS Building Roof                                     |
|--|---|
| <b>Project Length:</b> 2018-2020   | <b>City Share:</b> 100%                               |
| <b>Estimated City Cost:</b> \$320,000  | <b>Funding Source:</b> motor pool fund / general fund |
| <b>Impact on the Operating Budget:</b> Reduce costs by \$2,000 annually due to lower maintenance costs and improved energy efficiency. |   |
| <b>Description:</b> Replacement of the roof at the DPS building.   |   |

| CAP1819   | Senior Center Carpet and Tile Flooring    |
|---|---|
| <b>Project Length:</b> 2018   | <b>City Share:</b> 100%                   |
| <b>Estimated City Cost:</b> \$29,000  | <b>Funding Source:</b> senior center fund |
| <b>Impact on the Operating Budget:</b> Unknown  |   |
| <b>Description:</b> Removal and replacement of existing carpet and tiles. New carpet and tiles will be installed in corridors, preschool rooms one, two and six, two offices, two entries, and the kitchen hallway. |   |

|  |   |
|--|---|
| CAP1820  | <b>Farmer's Market Concrete Restoration</b>                                   |
| <b>Project Length:</b> 2018<br><b>Estimated City Cost:</b> \$25,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> farmer's market fund / fees |
| <b>Impact on the Operating Budget:</b> Unknown   |   |
| <b>Description:</b> Repair the concrete window sills and building slabs at the south end of the farmer's market. |   |

|   |   |
|---|---|
| CAP1821   | <b>Farmer's Market Canopy Rebuild</b>   |
| <b>Project Length:</b> 2018<br><b>Estimated City Cost:</b> \$15,000                 | <b>City Share:</b> 100%<br><b>Funding Source:</b> farmer's market fund / fees |
| <b>Impact on the Operating Budget:</b> Unknown                                      |   |
| <b>Description:</b> Rebuild the south entrance canopy with wind resistant material. |   |

|   |   |
|---|---|
| CAP1822   | <b>Ice Arena Lighting</b>   |
| <b>Project Length:</b> 2018<br><b>Estimated City Cost:</b> \$29,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> ice arena fund / fees |
| <b>Impact on the Operating Budget:</b> Reduce labor and materials cost by \$4,000 annually and operating costs by \$8,400 due to energy efficiency. |   |
| <b>Description:</b> Retrofit current lighting with LED lighting. 240 lights will be replaced over the ice rinks.                                    |   |

|  |   |
|--|---|
| CAP1823  | <b>Ice Arena Door Repairs</b>   |
| <b>Project Length:</b> 2018<br><b>Estimated City Cost:</b> \$15,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> ice arena fund / fees |
| <b>Impact on the Operating Budget:</b> Reduce the amount of service/repair calls to door companies.  |   |
| <b>Description:</b> Repair and/or replace the doors, or doors and frames, or just door hardware on locker room doors, office doors, and any exterior doors that need it. |   |



| CAP1824   | Ice Arena Condenser Tower                    |
|---|--|
| <b>Project Length:</b> 2018   | <b>City Share:</b> 100%                      |
| <b>Estimated City Cost:</b> \$70,000  | <b>Funding Source:</b> ice arena fund / fees |
| <b>Impact on the Operating Budget:</b> New condenser towers use less energy and water. The new unit will also improve the overall operation of the ice plant (compressors and pumps) over the existing unit. Newer equipment also has fewer service calls for repairs than older equipment. |  |
| <b>Description:</b> A replacement condenser tower. The condenser tower is an integral part of the refrigeration system in an ice arena. The existing unit is more than 20 years old and is at the end of its useful life.   |  |

| CAP1826  | Lindell Ice Arena Roof Repair                |
|--|--|
| <b>Project Length:</b> 2018  | <b>City Share:</b> 100%                      |
| <b>Estimated City Cost:</b> \$50,000   | <b>Funding Source:</b> ice arena fund / fees |
| <b>Impact on the Operating Budget:</b> Reduce the amount of service/repair calls made to roofing companies. Will also reduce maintenance time to clean up from roof leaks. Ensures pro shop space is clean and will help to renew their lease when it comes due.                       |  |
| <b>Description:</b> The roof between the two pitched roofs where the mechanical equipment is located is leaking into the West Rink locker rooms, pro shop, and officials' room. Repair ice arena roof and replace most/all of the roof decking and wall flashing needs to be replaced. |  |

| CAP1832  | Amtrak Improvements                        |
|--|--|
| <b>Project Length:</b> 2018  | <b>City Share:</b> 10%                     |
| <b>Estimated City Cost:</b> \$7,000  | <b>Funding Source:</b> parking fund / fees |
| <b>Impact on the Operating Budget:</b> Unknown   |  |
| <b>Description:</b> Reconstruct handicap spaces in the Sherman Drive parking lot, install a crosswalk through the lot, and remove and replace detectable panels on platform. |  |

| CAP1903   | Williams Street Parking Lot                |
|---|--|
| <b>Project Length:</b> 2019   | <b>City Share:</b> 100%                    |
| <b>Estimated City Cost:</b> \$55,000  | <b>Funding Source:</b> parking fund / fees |
| <b>Impact on the Operating Budget:</b> Reduce maintenance costs by \$400 annually.      |  |
| <b>Description:</b> Repave the parking lot surface to reduce maintenance and liability. |  |

| CAP1907  | Animal Shelter Drive           |
|--|--------------------------------|
| <b>Project Length:</b> 2019  | <b>City Share:</b> 100%        |
| <b>Estimated City Cost:</b> \$45,000   | <b>Funding Source:</b> unknown |
| <b>Impact on the Operating Budget:</b> Will reduce annual cold patch maintenance by \$250. |                                |
| <b>Description:</b> Pave the access drive to the animal shelter and DPS off Edgar Avenue.  |                                |

| CAP1909  | Library Improvements / Splash Pad / Radio Tower |
|--|---|
| <b>Project Length:</b> 2019  | <b>City Share:</b> 100%                         |
| <b>Estimated City Cost:</b> \$3,100,000  | <b>Funding Source:</b> unknown                  |
| <b>Impact on the Operating Budget:</b> Unknown   |   |
| <b>Description:</b> Improvements to the exterior of the library, construction of a splash pad and relocation of the radio tower in the event a downtown park is developed. |   |

| CAP1917   | Sherman Drive Parking Lot                  |
|---|--|
| <b>Project Length:</b> 2019   | <b>City Share:</b> 100%                    |
| <b>Estimated City Cost:</b> \$125,000   | <b>Funding Source:</b> parking fund / fees |
| <b>Impact on the Operating Budget:</b> Reduce maintenance costs by \$500 annually.      |  |
| <b>Description:</b> Repave the parking lot surface to reduce maintenance and liability. |  |

| CAP1918  | Downtown Park Development      |
|--|--------------------------------|
| <b>Project Length:</b> 2019  | <b>City Share:</b> 100%        |
| <b>Estimated City Cost:</b> \$4,500,000  | <b>Funding Source:</b> unknown |
| <b>Impact on the Operating Budget:</b> Unknown   |                                |
| <b>Description:</b> Construction of a new downtown park where the existing city hall and police buildings are located. |                                |

| CAP1301  | Tennis Court Surfacing              |
|--|-------------------------------------|
| <b>Project Length:</b> 2013-2018   | <b>City Share:</b> 100%             |
| <b>Estimated City Cost:</b> \$52,000   | <b>Funding Source:</b> general fund |
| <b>Impact on the Operating Budget:</b> Extends life of tennis court structures in city.            |                                     |
| <b>Description:</b> Planned resurfacing of tennis courts at Waterworks, Meininger, Dickinson Park. |                                     |

| CAP1402   | Park Pavilions   |
|---|--|
| <b>Project Length:</b> 2015-2018<br><b>Estimated City Cost:</b> \$300,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> General Fund (Rental Fees) |
| <b>Impact on the Operating Budget:</b> Rentals will generate future revenue of \$26,700 over the next 5 years.  |  |
| <b>Description:</b> Provide rental pavilions for family and group gatherings at four highly used parks Kenwood Avenue, Memorial, Exchange, and Red Run. |  |

| CAP1511   | Normandy Oaks Park  |
|---|---|
| <b>Project Length:</b> 2016-2018<br><b>Estimated City Cost:</b> \$3,000,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> Normandy Oaks asset sales |
| <b>Impact on the Operating Budget:</b> \$55,000 annual operating cost   |   |
| <b>Description:</b> Redevelopment of Normandy Oaks Golf Course into a city park with wide range of recreational activities. Details have not been determined. |   |

| CAP1626   | Park Signs   |
|---|--|
| <b>Project Length:</b> 2016-18<br><b>Estimated City Cost:</b> \$125,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> general fund |
| <b>Impact on the Operating Budget:</b> Installation cost of \$200 per sign for a total of \$5,000.                    |  |
| <b>Description:</b> Replace park signs within block grant areas. New signs are desired to move city branding forward. |  |

| CAP1828   | Wagner Park Upgrade of Play Equipment                       |
|---|---|
| <b>Project Length:</b> 2018<br><b>Estimated City Cost:</b> \$45,000 | <b>City Share:</b> 100%<br><b>Funding Source:</b> CDBG Fund |
| <b>Impact on the Operating Budget:</b> \$300 annual savings         |   |
| <b>Description:</b> Upgrade of play equipment Wagner Park.          |   |

| CAP1829  | Royal Oak Golf Course Improvements  |
|--|---|
| <b>Project Length:</b> 2018<br><b>Estimated City Cost:</b> \$421,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> Normandy Oaks asset sales |
| <b>Impact on the Operating Budget:</b> Unknown   |   |
| <b>Description:</b> Install a golf cart path, clubhouse deck, and repave the parking lot at the Royal Oak golf course. |   |

| CAP1904  | Upton Park Soccer Field Development                            |
|--|--|
| <b>Project Length:</b> 2019<br><b>Estimated City Cost:</b> \$75,000                  | <b>City Share:</b> 100%<br><b>Funding Source:</b> general fund |
| <b>Impact on the Operating Budget:</b> Unknown                                       |  |
| <b>Description:</b> Improve open grass area at Upton Park to develop a soccer field. |  |

| CAP1906   | Worden Park Lighting Replacement   |
|---|--|
| <b>Project Length:</b> 2019<br><b>Estimated City Cost:</b> \$250,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> general fund / CDBG fund |
| <b>Impact on the Operating Budget:</b> Reduction in number of light poles will reduce lighting costs and improve field use.     |  |
| <b>Description:</b> New lighting to replace the entire system, reducing the number of poles and increasing lighting efficiency. |  |

| CAP1911  | Westwood & Worden East Parks Play Equipment                 |
|--|---|
| <b>Project Length:</b> 2019<br><b>Estimated City Cost:</b> \$90,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> CDBG fund |
| <b>Impact on the Operating Budget:</b> Annual maintenance will decrease by \$300 per structure.  |   |
| <b>Description:</b> Update play equipment at Westwood and Worden East Parks. Worden East Park is heavily used by the city preschool program. |   |

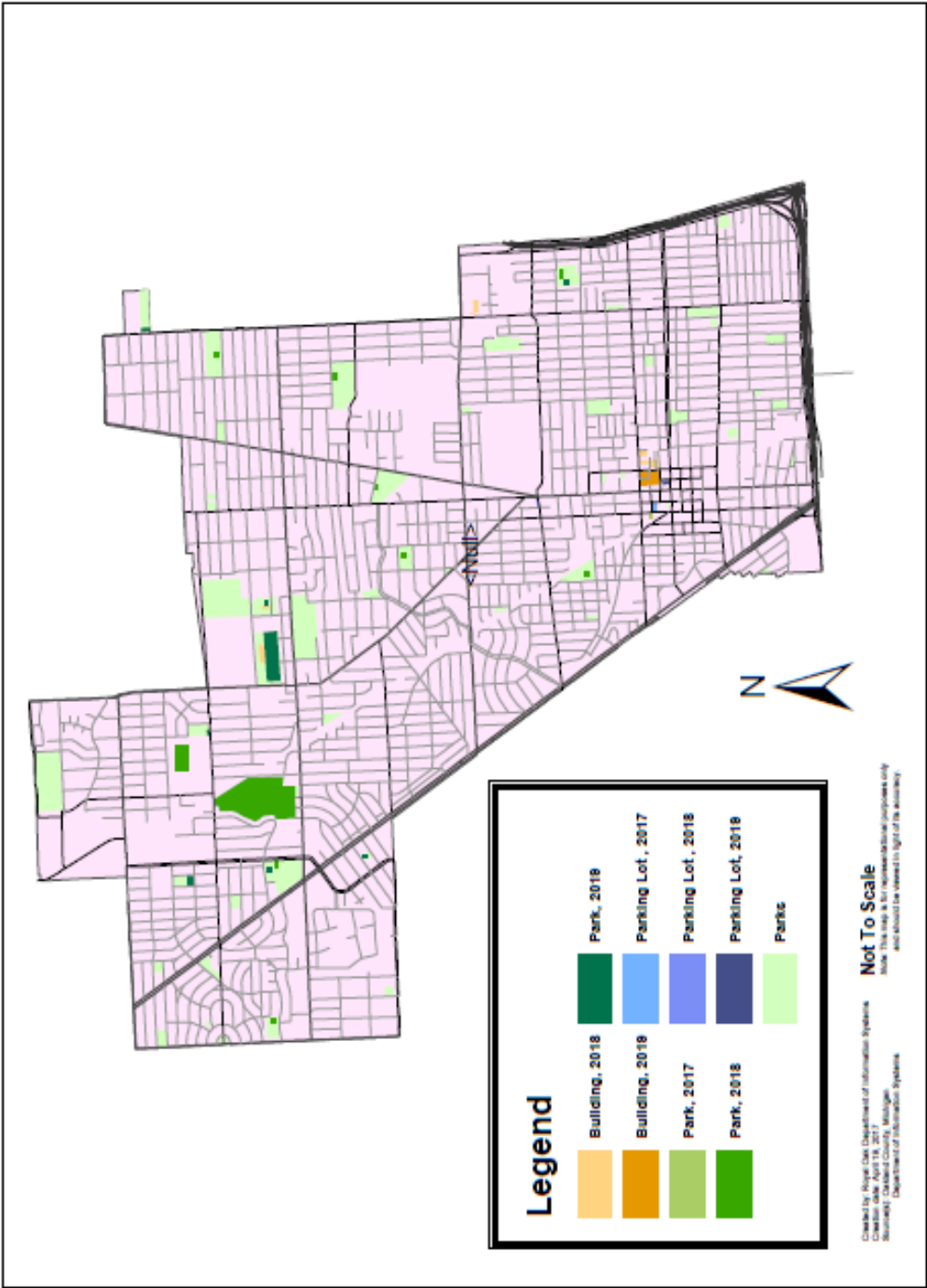
| CAP1912  | Mark Twain and Elks Parks Parking Pavement                                 |
|--|--|
| <b>Project Length:</b> 2019<br><b>Estimated City Cost:</b> \$130,000               | <b>City Share:</b> 100%<br><b>Funding Source:</b> general fund / CDBG fund |
| <b>Impact on the Operating Budget:</b> Reduce maintenance costs by \$500 annually. |  |
| <b>Description:</b> Pave two unimproved parking lots.                              |  |

| CAP1913   | Wendland Park Play Equipment   |
|---|--|
| <b>Project Length:</b> 2017<br><b>Estimated City Cost:</b> \$45,000                             | <b>City Share:</b> 100%<br><b>Funding Source:</b> general fund / grant |
| <b>Impact on the Operating Budget:</b> Annual maintenance will decrease by \$300 per structure. |  |
| <b>Description:</b> Renovation of Wendland Park play equipment.                                 |  |

| CAP1914  | Kenwood / Fulton Play Equipment Upgrades                       |
|--|--|
| <b>Project Length:</b> 2019<br><b>Estimated City Cost:</b> \$90,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> general fund |
| <b>Impact on the Operating Budget:</b> Operating costs decrease \$600 annually due to decreased maintenance costs. |  |
| <b>Description:</b> Upgrade of play equipment at Fulton & Kenwood Parks.   |  |

| CAP1916   | Memorial Park Parking Lot Repaving  |
|---|---|
| <b>Project Length:</b> 2019<br><b>Estimated City Cost:</b> \$125,000                        | <b>City Share:</b> 100%<br><b>Funding Source:</b> general fund / parking fund |
| <b>Impact on the Operating Budget:</b> Reduce maintenance costs due to ongoing maintenance. |   |
| <b>Description:</b> Repaving of parking lot (performed last in the 1990's).                 |   |

**Capital Improvement Projects - Parks & Facilities**



## INFORMATION TECHNOLOGY

| CAP1103  | Computer Replacement Program  |
|--|---|
| <b>Project Length:</b> 2016-2023<br><b>Estimated City Cost:</b> \$600,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> IT fund / retained earnings |
| <b>Impact on the Operating Budget:</b> Costs are anticipated to remain consistent for the proposed replacement, before more extensive service is required to keep older equipment operational. |   |
| <b>Description:</b> Scheduled replacement of desktop computers when they have reached the end of their useful service life. Useful service life is generally 5 years.                          |   |

| CAP1104   | Office Software and Training Program  |
|---|---|
| <b>Project Length:</b> 2016-2023<br><b>Estimated City Cost:</b> \$358,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> IT fund / retained earnings |
| <b>Impact on the Operating Budget:</b> Unknown  |   |
| <b>Description:</b> New office software and training program to replace the Office 97 & 2003 versions. A stop gap conversion program is used to open Office 2007 & Office 2010 files from outside contacts and vendors. Uses of cloud based apps are also being reviewed as an additional application. This program is ongoing. |   |

| CAP1105   | Server-Network-Cabling Infrastructure   |
|---|---|
| <b>Project Length:</b> 2012-2023<br><b>Estimated City Cost:</b> \$423,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> IT fund / retained earnings |
| <b>Impact on the Operating Budget:</b> Unknown  |   |
| <b>Description:</b> Upgrade and replace key areas of the City's network, cabling, server hardware, and intrusion protection improvements when appropriate. This program is ongoing. |   |

| CAP1302  | GIS Integration   |
|--|---|
| <b>Project Length:</b> 2013-2023<br><b>Estimated City Cost:</b> \$495,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> IT fund / retained earnings |
| <b>Impact on the Operating Budget:</b> Costs will increase due to license renewals. Reporting capabilities could potentially save time and assist with decision making processes.  |   |
| <b>Description:</b> Consulting services to integrate geographical information systems (GIS) applications and development into planning, fire, clerk, and engineering and various departments and Oakland County CAMS. This program is ongoing. |   |

| CAP1403   | Mobile Workforce  |
|---|---|
| <b>Project Length:</b> 2014-2023<br><b>Estimated City Cost:</b> \$144,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> IT fund / retained earnings |
| <b>Impact on the Operating Budget:</b> Costs are anticipated to remain consistent, until more extensive service levels are required to keep older equipment operational.  |   |
| <b>Description:</b> This project would address the aging laptop computers for remote and mobile workforce equipment. Consideration and utilization of other electronic devices similar to PDA/smart phones and iPads can be addressed. Accessibility of wireless access points to be implemented. This is an ongoing program. |   |

| CAP1723  | Desktop Virtualization  |
|--|---|
| <b>Project Length:</b> 2017-2023<br><b>Estimated City Cost:</b> \$450,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> IT fund / retained earnings |
| <b>Impact on the Operating Budget:</b> Annual software licensing and maintenance costs will increase. Desktop replacement, maintenance, and labor requirements will decrease.  |   |
| <b>Description:</b> Software technology that separates the desktop environment and associated application software from the principal client device that is used to access it will be used to create a virtual environment for city employee's computer desktops. This project will provide four benefits: cost savings, simplified management, enhanced security, and increased productivity. |   |



| CAP1726   | Disaster Recovery Solution  |
|---|---|
| <b>Project Length:</b> 2017-2023<br><b>Estimated City Cost:</b> \$650,000   | <b>City Share:</b> 100%<br><b>Funding Source:</b> IT fund / retained earnings |
| <p><b>Impact on the Operating Budget:</b> There will be ongoing operating expenses to provide data and telephony redundancy as well as rental costs for an offsite recovery location.</p> <p><b>Description:</b> Implement a disaster recovery solution to ensure city technology and systems can be quickly recovered in case of a disaster. This could include rental costs for a recovery location, hardware, and cloud computing.</p> |   |

VEHICLES, EQUIPMENT, LARGE STUDIES, AND OTHERS

| CAP1623   | Motor Pool Vehicle Replacement Plan  |
|---|--|
| <b>Project Length:</b> 2018-2023<br><b>Estimated City Cost:</b> \$11,022,000  | <b>City Share:</b> 100%<br><b>Funding Source:</b> motor pool fund / user charges |
| <b>Impact on the Operating Budget:</b> Lower maintenance costs<br><br><b>Description:</b> Vehicle replacement plan for fiscal years 2017-18 to 2022-23; Plan is modified due to operational review modifications and year 2023 is being added to maintain six year period. Detailed schedules begin on the next page. |  |

## VEHICLE REPLACEMENT FY2017-2018

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE &amp; MODEL</u>     | <u>ESTIMATED<br/>REPLACEMENT<br/>COSTS</u> |
|--------------|-------------|-----------------------------|--|
|              |             | <b>AUTO PARKING</b>         |  |
| 636          | 00          | GMC Safari                  | \$ 31,000                                  |
|              |             | <b>ENGINEERING</b>          |  |
| 103          | 10          | GMC Sierra                  | \$ 36,537                                  |
|              |             | <b>FIRE</b>                 |  |
| 993          | 08          | Freightliner Ambulance      | \$ 212,960                                 |
|              |             | <b>HIGHWAY</b>              |  |
| 249          | 06          | Sterling L8513 - Single     | \$ 205,460                                 |
| 250          | 03          | Sterling L8513 - Single     | \$ 205,460                                 |
| 285          | 07          | Elgin Sweeper               | \$ 200,000                                 |
|              |             | <b>ICE ARENA</b>            |  |
| 791          | 05          | Zamboni                     | \$ 130,000                                 |
|              |             | <b>MOTOR POOL</b>           |  |
| GM061        | 06          | Torro Groundsmaster 345     | \$ 56,680                                  |
|              |             | <b>PARKS &amp; FORESTRY</b> |  |
| 713          | 02          | GMC Sierra                  | \$ 45,687                                  |
| 716          | 05          | GMC Sierra                  | \$ 45,687                                  |
| 717          | 09          | GMC Sierra                  | \$ 45,687                                  |
| 719          | 05          | GMC Sierra                  | \$ 45,687                                  |
| 764          | 94          | Ford Chipper Truck          | \$ 207,896                                 |
| 1761         | 98          | Brush Bandit Chipper        | \$ 43,400                                  |
|              |             | <b>POLICE</b>               |  |
| 803          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 806          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 810          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 829          | 10          | Ford Escape                 | \$ 35,700                                  |
| 831          | 03          | Chevy 3500 Van              | \$ 38,800                                  |
| 842          | 10          | Ford Taurus                 | \$ 32,920                                  |
|              |             | <b>SEWER</b>                |  |
| 1461         | 97          | Muller Mixer                | \$ 20,000                                  |
|              |             | <b>WATER MAINTENANCE</b>    |  |
| 465          | 99          | GMC C7500/Crane             | \$ 207,896                                 |
| 1280         | 2           | Target Arrow                | \$ 10,000                                  |
| <b>Total</b> |             |                             | <b>\$ 1,981,663</b>                        |

## VEHICLE REPLACEMENT FY2018-2019

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE &amp; MODEL</u>     | <u>ESTIMATED<br/>REPLACEMENT<br/>COSTS</u> |
|--------------|-------------|-----------------------------|--|
|              |             | <b>ELECTRICAL</b>           |  |
| 362          | 05          | Ford F-550 Aerial Truck     | \$ 207,896                                 |
|              |             | <b>HIGHWAY</b>              |  |
| 232          | 03          | GMC Sierra                  | \$ 34,780                                  |
| 257          | 08          | <b>Ford F-450</b>           | \$ 67,260                                  |
| 261          | 15          | Ford F-250                  | \$ 37,300                                  |
| 268          | 09          | GMC Sierra                  | \$ 34,780                                  |
| 259          | 10          | Sterling LT9500 - Tandem    | \$ 205,460                                 |
| 1243         | 98          | American Leaf Vacuum        | \$ 40,260                                  |
| 1264         | 01          | Ingersoll Air Compressor    | \$ 19,200                                  |
|              |             | <b>INSPECTION</b>           |  |
| 181          | 09          | Ford Escape                 | \$ 29,700                                  |
|              |             | <b>MOTOR POOL</b>           |  |
| 670          | 02          | Yale Forklift               | \$ 58,500                                  |
| GM051        | 05          | Torro Groundsmaster 345     | \$ 56,680                                  |
|              |             | <b>PARKS &amp; FORESTRY</b> |  |
| 776          | 96          | Ford 4630 Ldr. Tractor      | \$ 39,600                                  |
| 1762         | 03          | Brush Bandit Chipper        | \$ 43,400                                  |
|              |             | <b>POLICE</b>               |  |
| 817          | 13          | Ford Explorer               | \$ 42,383                                  |
| 819          | 13          | BMW Motorcycle              | \$ 26,400                                  |
| 820          | 13          | BMW Motorcycle              | \$ 26,400                                  |
| 821          | 13          | BMW Motorcycle              | \$ 26,400                                  |
| 822          | 13          | BMW Motorcycle              | \$ 26,400                                  |
| 823          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 828          | 10          | Chevy Tahoe                 | \$ 35,700                                  |
| 862          | 13          | Ford Taurus                 | \$ 30,500                                  |
| 8901         | 97          | Ford Cutaway Van            | \$ 36,800                                  |
|              |             | <b>SEWER</b>                |  |
| 414          | 04          | Ford F-450                  | \$ 58,212                                  |
| 415          | 04          | Ford F-450                  | \$ 58,212                                  |
| 443          | 01          | Sterling L8513 - Single     | \$ 201,447                                 |
| 474          | 98          | Ford TLB                    | \$ 124,150                                 |
| <b>Total</b> |             |                             | <b>\$ 1,609,222</b>                        |

## VEHICLE REPLACEMENT FY2019-2020

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE &amp; MODEL</u>    | <u>ESTIMATED<br/>REPLACEMENT<br/>COSTS</u> |
|--------------|-------------|----------------------------|--|
|              |             | <b>FIRE</b>                |  |
| 907          | 14          | Ford Explorer              | \$ 32,700                                  |
|              |             | <b>HIGHWAY</b>             |  |
| 247          | 10          | Sterling L8513 - Single    | \$ 205,460                                 |
| 267          | 02          | GMC Sign Truck             | \$ 207,896                                 |
| 1241         | 98          | American Leaf Vacuum       | \$ 40,260                                  |
| 1245         | 02          | American Leaf Vacuum       | \$ 40,260                                  |
| 1469         | 00          | Magnum Cement Saw          | \$ 18,600                                  |
|              |             | <b>MOTOR POOL</b>          |  |
| GM071        | 07          | Torro Groundsmaster 328D   | \$ 56,680                                  |
|              |             | <b>PARK &amp; FORESTRY</b> |  |
| 766          | 96          | Sterling L8513 - Single    | \$ 207,896                                 |
| 765          | 03          | Sterling/Prentice Log Ldr  | \$ 205,460                                 |
| 774          | 01          | NH TN-65 Tractor           | \$ 33,000                                  |
| 777          | 96          | Ford 4630 Tractor          | \$ 33,000                                  |
|              |             | <b>POLICE</b>              |  |
| 802          | 14          | Ford Explorer              | \$ 39,755                                  |
| 807          | 14          | Ford Explorer              | \$ 39,755                                  |
| 813          | 14          | Ford Explorer              | \$ 39,755                                  |
| 832          | 13          | Ford Taurus                | \$ 41,402                                  |
| 843          | 13          | Ford Edge                  | \$ 37,450                                  |
| 858          | 13          | Ford Taurus                | \$ 30,500                                  |
| 859          | 13          | Ford Explorer              | \$ 37,450                                  |
| 863          | 13          | Ford Edge                  | \$ 37,450                                  |
|              |             | <b>SEWER</b>               |  |
| 413          | 09          | GMC Savana                 | \$ 33,320                                  |
|              |             | <b>WATER MAINTENANCE</b>   |  |
| 1460         | 97          | Ingersoll Light Tower      | \$ 19,800                                  |
| 1466         | 01          | Ingersoll Air Compressor   | \$ 19,200                                  |
| <b>Total</b> |             |                            | <b>\$ 1,457,049</b>                        |

## VEHICLE REPLACEMENT FY2020-2021

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE &amp; MODEL</u>     | <u>ESTIMATED<br/>REPLACEMENT<br/>COSTS</u> |
|--------------|-------------|-----------------------------|--|
|              |             | <b>ASSESSING</b>            |  |
| 104          | 15          | Ford Escape                 | \$ 29,700                                  |
|              |             | <b>AUTO PARKING</b>         |  |
| 683          | 15          | Tennant Sweeper             | \$ 47,520                                  |
|              |             | <b>CABLE</b>                |  |
| 1055         | 01          | Ford F550 Van               | \$ 640,000                                 |
|              |             | <b>FIRE</b>                 |  |
| 906          | 17          | Ford Explorer               | \$ 32,700                                  |
| 908          | 14          | Ford Explorer               | \$ 32,700                                  |
|              |             | <b>HIGHWAY</b>              |  |
| 233          | 05          | GMC Sierra                  | \$ 34,780                                  |
| 235          | 05          | GMC Sierra                  | \$ 34,780                                  |
| 252          | 16          | Freightliner 108SD          | \$ 205,460                                 |
| 295          | 93          | Hypac Roller                | \$ 58,500                                  |
| 1247         | 02          | American Leaf Vacuum        | \$ 40,260                                  |
| 1280         | 02          | Target Arrow                | \$ 6,700                                   |
|              |             | <b>INSPECTION</b>           |  |
| 163          | 14          | Ford Escape                 | \$ 29,700                                  |
| 182          | 14          | Ford Escape                 | \$ 29,700                                  |
|              |             | <b>MOTOR POOL</b>           |  |
| 1601         | 92          | Ajax Trailer                | \$ 21,000                                  |
| 1602         | 94          | Special Events Trailer      | \$ 16,800                                  |
|              |             | <b>PARKS &amp; FORESTRY</b> |  |
| 771          | 04          | NH TN-60A2 Tractor          | \$ 33,000                                  |
| 778          | 96          | Ford 4630 Tractor           | \$ 33,000                                  |
| 2716         | 92          | Ajax Trailer                | \$ 16,800                                  |
| 2717         | 92          | Ajax Trailer                | \$ 16,800                                  |
|              |             | <b>POLICE</b>               |  |
| 804          | 15          | Ford Explorer               | \$ 40,348                                  |
| 805          | 15          | Ford Explorer               | \$ 40,348                                  |
| 816          | 17          | Ford Explorer               | \$ 36,141                                  |
| 824          | 16          | Ford Explorer               | \$ 39,223                                  |
| 826          | 16          | Ford Explorer               | \$ 39,223                                  |
| 830          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 840          | 15          | Ford Explorer               | \$ 37,450                                  |
| 851          | 15          | Ford Taurus                 | \$ 31,832                                  |
| 854          | 14          | Ford F-150                  | \$ 34,800                                  |
|              |             | <b>SEWER</b>                |  |
| 1467         | 01          | Ingersoll Air Compressor    | \$ 19,200                                  |
|              |             | <b>WATER MAINTENANCE</b>    |  |
| 491          | 04          | Arrow Hammer                | \$ 117,000                                 |
| <b>Total</b> |             |                             | <b>\$ 1,836,867</b>                        |

## VEHICLE REPLACEMENT FY2021-2022

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE &amp; MODEL</u>     | <u>ESTIMATED<br/>REPLACEMENT<br/>COSTS</u> |
|--------------|-------------|-----------------------------|--|
|              |             | <b>BUILDING MAINTENANCE</b> |  |
| 737          | 15          | Ford F-250                  | \$ 34,984                                  |
|              |             | <b>FIRE</b>                 |  |
| 967          | 15          | Ford F-350                  | \$ 43,138                                  |
| 911          | 08          | E-1 Pumper                  | \$ 782,334                                 |
|              |             | <b>HIGHWAY</b>              |  |
| 283          | 02          | Bobcat L 873                | \$ 78,000                                  |
| 416          | 03          | GMC Sierra                  | \$ 34,780                                  |
| 1248         | 98          | American Leaf Vacuum        | \$ 40,260                                  |
|              |             | <b>INSPECTION</b>           |  |
| 164          | 14          | Ford Escape                 | \$ 29,700                                  |
| 165          | 15          | Ford Escape                 | \$ 29,700                                  |
| 184          | 15          | Ford Escape                 | \$ 29,700                                  |
| 185          | 15          | Ford Escape                 | \$ 29,700                                  |
|              |             | <b>MOTOR POOL</b>           |  |
| GM131        | 13          | Torro Groundsmaster 360     | \$ 56,680                                  |
|              |             | <b>PARKS &amp; FORESTRY</b> |  |
| 775          | 04          | NH D65C82 Tractor           | \$ 33,000                                  |
| 779          | 96          | Ford 4630 Tractor           | \$ 33,000                                  |
| 1763         | 96          | Altec Chipper               | \$ 43,400                                  |
| 1765         | 95          | Altec Chipper               | \$ 43,400                                  |
| 1768         | 01          | Bandit Tree Stumper         | \$ 32,500                                  |
|              |             | <b>POLICE</b>               |  |
| 801          | 17          | Ford Explorer               | \$ 41,402                                  |
| 808          | 15          | Ford Explorer               | \$ 37,812                                  |
| 809          | 17          | Ford Explorer               | \$ 40,846                                  |
| 811          | 15          | Ford Explorer               | \$ 38,450                                  |
| 812          | 15          | Chevy Tahoe                 | \$ 50,876                                  |
| 814          | 16          | Chevy Tahoe                 | \$ 54,610                                  |
| 815          | 16          | Ford Escape                 | \$ 40,822                                  |
| 841          | 16          | Chevy Tahoe                 | \$ 40,430                                  |
|              |             | <b>SEWER</b>                |  |
| 1481         | 08          | Target Arrow                | \$ 6,700                                   |
| 1482         | 89          | Target Arrow                | \$ 6,700                                   |
|              |             | <b>WATER MAINTENANCE</b>    |  |
| 1483         | 08          | Target Arrow                | \$ 6,700                                   |
|              |             | <b>Total</b>                | <b>\$ 1,739,624</b>                        |

## VEHICLE REPLACEMENT FY2022-2023

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE &amp; MODEL</u>     | <u>ESTIMATED<br/>REPLACEMENT<br/>COSTS</u> |
|--------------|-------------|-----------------------------|--|
|              |             | <b>ASSESSOR</b>             |  |
| 102          | 17          | Ford Escape                 | \$ 29,700                                  |
|              |             | <b>ENGINEERING</b>          |  |
| 630          | 17          | Ford Explorer               | \$ 36,537                                  |
| 631          | 17          | Ford Explorer               | \$ 35,839                                  |
| 632          | 12          | Ford Transit Connect        | \$ 31,000                                  |
| 633          | 16          | Ford Explorer               | \$ 35,200                                  |
| 637          | 16          | Ford F-250                  | \$ 31,530                                  |
|              |             | <b>FIRE</b>                 |  |
| 905          | 16          | Ford Explorer               | \$ 36,832                                  |
| 912          | 03          | E-1 Aerial                  | \$ 1,290,800                               |
| 993          | 16          | Ford Horton Ambulance       | \$ 212,960                                 |
|              |             | <b>HIGHWAY</b>              |  |
| 234          | 15          | Ford F-250                  | \$ 37,437                                  |
| 261          | 15          | Ford F-250                  | \$ 37,300                                  |
| 1249         | 04          | American Leaf Vacuum        | \$ 40,260                                  |
|              |             | <b>INSPECTION</b>           |  |
| 180          | 16          | Ford Escape                 | \$ 29,700                                  |
|              |             | <b>MOTOR POOL</b>           |  |
| GM061        | 06          | Torro Groundsmaster 345     | \$ 56,680                                  |
|              |             | <b>PARKS &amp; FORESTRY</b> |  |
| 703          | 02          | Bobcat L 773                | \$ 58,500                                  |
|              |             | <b>POLICE</b>               |  |
| 803          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 806          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 810          | 13          | Ford Taurus                 | \$ 41,402                                  |
| 818          | 16          | Chevy Tahoe                 | \$ 45,687                                  |
| 829          | 10          | Ford Escape                 | \$ 35,700                                  |
| 842          | 10          | Ford Taurus                 | \$ 32,920                                  |
| 860          | 15          | Ford Taurus                 | \$ 34,175                                  |
|              |             | <b>SEWER</b>                |  |
| 141          | 15          | Ford F-250                  | \$ 36,164                                  |
| 1465         | 04          | Sewer Rodder                | \$ 58,500                                  |
| 2441         | 01          | Hudson Bros. Trailer        | \$ 28,000                                  |
| <b>Total</b> |             |                             | <b>\$ 2,395,627</b>                        |



## PROJECTS UNDER REVIEW

**Projects Under Review** are projects that may be deemed as worthy and viable; however they are not included as part of the active 2018-2023 Capital Improvement Plan as additional research or review is ongoing. Projects under review may require additional information, studies or city commission policies to be in place before more accurate timelines and/or funding levels can be identified. It is possible that projects under review may not fall under the city's jurisdiction and will require other agencies to move the project forward; while some projects may not fall within the 2018-2023 timeframe.

|   | Fire Station #1 and #2 Construction/Strategic Relocation     |
|---|--|
| <b>Project Length:</b> N/A  | <b>City Share:</b> 100%                                      |
| <b>Estimated City Cost:</b> \$12,000,000  | <b>Funding Source:</b> public safety fund / sale of stations |
| <b>Impact on the Operating Budget:</b> Unknown  |  |
| <b>Description:</b> Strategically relocate two fire stations, eliminating the three current stations. Position one fire station near Gardenia Avenue & Main Street and the other station near 13 Mile Road & Crooks Road. |  |

|  | Downtown Park Parking Structure |
|--|---------------------------------|
| <b>Project Length:</b> N/A   | <b>City Share:</b> 100%         |
| <b>Estimated City Cost:</b> \$15,000,000                                 | <b>Funding Source:</b> n/a      |
| <b>Impact on the Operating Budget:</b> Unknown                           |                                 |
| <b>Description:</b> Construction of a city center public parking garage. |                                 |

|   | Swimming Pool  |
|---|--|
| <b>Project Length:</b> N/A  | <b>City Share:</b> 100%  |
| <b>Estimated City Cost:</b> \$4,000,000   | <b>Funding Source:</b> parks capital improvement fund / CDBG fund / grants / special millage |
| <b>Impact on the Operating Budget:</b> Sanitizing, maintenance, and operation cost of \$150,000 annually. |  |
| <b>Description:</b> Construction of a city swimming pool.   |  |



## **ENTERPRISE FUNDS**

Enterprise funds are established to finance and account for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supporting by user charges; or where the governing body has decided periodic determination of revenue earned, expenses incurred and/or net income is appropriate.

Arts, Beats, and Eats Fund – 506

Farmers Market Fund - 551

Recreation Fund - 508

Water & Sewer Funds – 592

Auto Parking Fund - 516

Ice Arena Fund – 598

***The purpose of the Arts, Beats & Eats cost center is to account for the city's personnel, contracted and supply costs of the festival. Personnel costs consist of police, fire and DPS employees.***

Over one-quarter of a million visitors are expected to enjoy the 150 musical acts, 150 fine artists, and nearly 50 restaurants at this 15th annual event.

Arts, Beats & Eats is held in downtown Royal Oak over the Labor Day Weekend. The event was formerly held in downtown Pontiac.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Parking revenues are budgeted to decrease \$17,000 due two parking areas the city has previously utilized becoming unavailable this year due to those lots being developed. The transfer to the parks improvement fund is decreasing \$104,000 due to available fund balance being transferred for the Smart Park project in FY16-17.

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets         | 145,888   | 58,618    | 59,518    | 60,398    | 61,258    | 62,088    |
| Revenues and transfers from other funds   | 373,690   | 360,750   | 360,750   | 360,750   | 360,750   | 360,750   |
| Expenditures and transfers to other funds | 460,960   | 359,850   | 359,870   | 359,890   | 359,920   | 359,950   |
| Net Change in Net Assets                  | (87,270)  | 900       | 880       | 860       | 830       | 800       |
| Ending Unrestricted Net Assets            | 58,618    | 59,518    | 60,398    | 61,258    | 62,088    | 62,888    |

## Revenues

| 506.000 REVENUE                 | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other  | Transfers | Total   |
|---------------------------------|-------|--------|-----------------------------|----------------------------|--------|-----------|---------|
| 2013-2014 Actual                | 0     | 0      | 366,910                     | 0                          | 11,140 | 0         | 378,050 |
| 2014-2015 Actual                | 0     | 0      | 326,000                     | 0                          | 12,640 | 0         | 338,640 |
| 2015-2016 Actual                | 0     | 0      | 333,620                     | 0                          | 9,920  | 0         | 343,540 |
| 2016-2017 Original Budget       | 0     | 0      | 350,750                     | 0                          | 15,000 | 0         | 365,750 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 350,750                     | 0                          | 15,000 | 0         | 365,750 |
| 2016-2017 Six Month Actual      | 0     | 0      | 363,820                     | 0                          | 0      | 0         | 363,820 |
| 2016-2017 Estimated Year End    | 0     | 0      | 365,970                     | 0                          | 0      | 7,720     | 373,690 |
| 2017-2018 Dept Request          | 0     | 0      | 345,750                     | 0                          | 15,000 | 0         | 360,750 |
| 2017-2018 Manager's Budget      | 0     | 0      | 345,750                     | 0                          | 15,000 | 0         | 360,750 |
| 2018-2019 Projected Budget      | 0     | 0      | 345,750                     | 0                          | 15,000 | 0         | 360,750 |
| 2019-2020 Projected Budget      | 0     | 0      | 345,750                     | 0                          | 15,000 | 0         | 360,750 |
| 2020-2021 Projected Budget      | 0     | 0      | 345,750                     | 0                          | 15,000 | 0         | 360,750 |
| 2021-2022 Projected Budget      | 0     | 0      | 345,750                     | 0                          | 15,000 | 0         | 360,750 |

## Expenditures

| <b>506.837 ARTS, BEATS, &amp; EATS</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                       | 82,550                    | 176,730         | 0              | 71,520       | 0           | 330,800      |
| 2014-2015 Actual                       | 80,420                    | 137,420         | 0              | 78,660       | 0           | 296,500      |
| 2015-2016 Actual                       | 67,090                    | 188,030         | 0              | 81,940       | 0           | 337,060      |
| 2016-2017 Original Budget              | 86,800                    | 192,330         | 0              | 120,040      | 0           | 399,170      |
| 2016-2017 Adjusted Budget (Dec)        | 86,800                    | 253,330         | 0              | 120,040      | 0           | 460,170      |
| 2016-2017 Six Month Actual             | 67,590                    | 15,290          | 0              | 14,960       | 0           | 97,840       |
| 2016-2017 Estimated Year End           | 67,540                    | 319,260         | 0              | 74,160       | 0           | 460,960      |
| 2017-2018 Dept Request                 | 78,430                    | 206,330         | 0              | 75,090       | 0           | 359,850      |
| 2017-2018 Manager's Budget             | 78,430                    | 206,330         | 0              | 75,090       | 0           | 359,850      |
|  |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget             | 78,430                    | 206,350         | 0              | 75,090       | 0           | 359,870      |
| 2019-2020 Projected Budget             | 78,430                    | 206,370         | 0              | 75,090       | 0           | 359,890      |
| 2020-2021 Projected Budget             | 78,430                    | 206,400         | 0              | 75,090       | 0           | 359,920      |
| 2021-2022 Projected Budget             | 78,430                    | 206,430         | 0              | 75,090       | 0           | 359,950      |

***The mission of the recreation department is to provide residents a variety of year-round recreation opportunities that are responsive to their needs, are enjoyable to their families and contribute to their physical and mental well-being.***

The department is challenged to provide excellent leisure programs that stimulate the bodies and minds of the city residents and business persons of all ages, including toddlers, youth, adults, and seniors.

The recreation staff is responsible for marketing, registration, equipment, supplies, facilities, budget and evaluation. All other staffing is part-time and/or contract personnel.

Programs are operated in the city's two community centers and throughout our fifty parks and playgrounds. Separately, the ice arena and senior citizen services programs are two companion activities that operate from their own individual funds.

Working with all city departments, the superintendent also produces the city's quarterly newsletter "The Insight".

The school district of the City of Royal Oak and the City of Royal Oak joined in the creation of a parks and recreation department in accordance with the provisions of Section 3 of Act 156, Public Acts for 1917.

Recreation is guided with the assistance of the parks and recreation advisory board to formulate an annual recreation program. The department of recreation and public service sponsor games, contests, exhibitions and other recreational events, and charges admission to any such events when deemed necessary and advisable in order to defray the expenses of the recreational program. In connection with all such events, the department rents concessions for the accommodation of patrons of such events.

The major responsibility of the recreation department is to offer a variety of leisure programs for toddlers, youth, adults, and seniors. The superintendent of recreation is the liaison between the city and school district for the implementation of the in-kind service agreement as it relates to recreational facility usage. The department also works with and

oversees the contracts between the City of Royal Oak and Suburban Management Group at the Lindell Ice Arena, Royal Oak Golf Course, Royal Oak Golf Center, Grand Slam Batting Cages and Total Soccer.

*Infant and Toddlers:* Our Four Seasons Preschool is a state licensed preschool program; children participate in a 33-week curriculum at the Senior Community Center. Recently the department began to offer a seven week summer program for returning and new students. (79 Participants)

*Youth Sports and Enrichment:* Children can sign up for a 30 week dance program, sport camps, t-ball, golf, basketball, soccer and tennis. Recently we have added art classes, young engineers and story time with crafts. (1009 participants)

*Summer Day Camp:* A nine week, fifty hour camp. Children participate in sports, arts and crafts, swimming, special events and field trips. The camp will be held at Royal Oak High School with a camper to counselor ratio of 1 to 10. (430 participants)

*Adult Sports Leagues/Programs:* Softball 96 teams, women's soccer 10 teams, basketball 9 teams, volleyball 36 teams. Pickle ball 850 and Tennis 105. (est. 3145 participants)

*Adult Enrichment:* Programs include tai-chi, yoga, ballroom dance. In 2016, the department began offering cooking classes; Ravioli's, Cannoli's, Pierogies. (est. 450 participants)

*Adult Fitness:* Classes include aerobics, kickboxing, pilates, abs, glutes, and thighs. (1152 participants)

*Cultural Events:* The 47<sup>th</sup> Annual Royal Oak Art Fair will be held July 8<sup>th</sup> and 9<sup>th</sup> at Memorial Park. One hundred artists from all over the United States participate in this annual event.

In 2017, the City of Royal Oak is considered the pickleball mecca of Michigan with 21 newer pickleball courts; 8 Whittier Park, 7 at Upton Park and 6 indoor courts at the Salter Community Center. The department will continue to offer the adopt-a-park program that offer a private-public partnership with residents, community

organizations, and businesses. The goal is to improve our parks system through beautification projects and donations for trees, benches and park supplies. Park It; Family Movie Night Under the Stars will take place at Memorial Park. Gates open at 6:00 p.m. for a night of entertainment, ice cream, music and much more.

The recreation department works with community youth athletic organizations to coordinate hundreds of games, practices and the maintenance schedules for all soccer fields

(14 fields spring and fall), baseball (20), softball (12), and a football field. Coordinates all pavilion rentals at VFW and Starr/J.C. parks.

The recreation department oversees the contracts and works with the staff of the following recreational entities in the City of Royal Oak: Royal Oak and Normandy Oaks Golf Courses, Royal Oak Golf Center, the Grand Slam Batting Training Center, The Lindell Ice Arena and Total Soccer.

GOALS

- 1. Enhance the quality of life for residents by offering desirable leisure and social activities.
- 2. Make the execution of the parks & recreation master plan a top priority.

OBJECTIVES

- Identify community recreational needs through surveys and regional meetings.<sup>GOAL1</sup>
- Investigate the feasibility and potential features of a downtown park utilizing city land, including city hall parking lots.<sup>GOAL1</sup>
- Investigate alternative funding sources, sponsorships and donations from federal, state and community organizations to update parks.<sup>GOAL1</sup>
- Identify a sustainable revenue source for parks and recreation improvements and maintenance.<sup>GOAL1</sup>
- Partner with volunteers to offer additional recreation opportunities that might not have existed prior.<sup>GOAL1</sup>
- Investigate the opportunities to partner with other recreation departments to maximize opportunities.<sup>GOAL2</sup>
- Generate advertising revenue for INSIGHT to offset the expenses of production and distribution.<sup>GOAL2</sup>
- Explore the sale of city owned property, potentially including underutilized parks, and dedicate proceeds to the park improvement plan.<sup>GOAL2</sup>
- Explore increasing staff at DPS and recreation.

## Performance Indicators / Outcome Measures

|   | Actual<br>FY14-15 | Actual<br>FY15-16 | Dec 31<br>2016 | Projected<br>FY16-17 | Projected<br>FY17-18 | Projected<br>FY18-19 |
|---|-------------------|-------------------|----------------|----------------------|----------------------|----------------------|
| <b>GOAL1 Participants</b>                 |                   |                   |                |                      |                      |                      |
| Preschool – Senior Center                 | 57                | 58                | n/a            | 79                   | 79                   | 79                   |
| Youth Sports & Enrichment                 | 960               | 918               | n/a            | 1,009                | 1,009                | 1,009                |
| Summer Day Camp                           | 450               | 432               | n/a            | 430                  | 400                  | 400                  |
| Adult Sports Leagues                      | 2,645             | 2,720             | n/a            | 3,145                | 3,145                | 3,145                |
| Adult Enrichment                          | 395               | 390               | n/a            | 450                  | 450                  | 450                  |
| Adult Fitness                             | 1,152             | 1,081             | n/a            | 1,052                | 1,050                | 1,050                |
| Cultural Events - Artists                 | 103               | 105               | n/a            | 105                  | 105                  | 105                  |
| <b>GOAL1 Adult Sports League Teams</b>    |                   |                   |                |                      |                      |                      |
| Softball                                  | 96                | 99                | n/a            | 96                   | 96                   | 96                   |
| Soccer - Women                            | 10                | 10                | n/a            | 10                   | 10                   | 10                   |
| Basketball                                | 9                 | 0                 | n/a            | 0                    | 0                    | 0                    |
| Volleyball                                | 36                | 36                | n/a            | 36                   | 36                   | 36                   |
| Pickle Ball registrations                 | 3,200             | 3,200             | n/a            | 3,700                | 3,700                | 3,700                |
| <b>GOAL2 Venues Scheduled</b>             |                   |                   |                |                      |                      |                      |
| Soccer Fields (spring & fall)             | 14                | 16                | n/a            | 16                   | 16                   | 16                   |
| Baseball Fields                           | 20                | 20                | n/a            | 20                   | 20                   | 20                   |
| Softball Fields                           | 12                | 12                | n/a            | 12                   | 12                   | 12                   |
| Football Fields                           | 1                 | 1                 | n/a            | 1                    | 1                    | 1                    |
| <b>GOAL2 Indoor Rentals (in hours)</b>    |                   |                   |                |                      |                      |                      |
| Indoor Rentals (in hours)                 | 725               | 705               | n/a            | 750                  | 750                  | 750                  |
| Outdoor Field Rentals                     | 335               | 350               | n/a            | 345                  | 345                  | 345                  |
| Pavilion Rentals – VFW and Starr/JC parks | 202               | 229               | n/a            | 269                  | 275                  | 275                  |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Day camp revenues are decreasing relative to the fiscal year 16-17 original budget due to participation being lower as there is additional competition. Cell tower lease revenue is decreasing due to receiving a large payment in fiscal year 16-17 as part of a new lease agreement. Adult sports league revenues are increasing due to an increase in the price of programs. Administrative charges are increasing due to an increase in allowable expenses to be spread due to an increase in expenses for central service departments. The forecast shows a use of fund balance/assets, however, this is due to the depreciation expense of the Salter Center.

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets         | 436,672   | 471,852   | 412,912   | 347,092   | 274,162   | 193,902   |
| Revenues and transfers from other funds   | 666,610   | 595,600   | 595,600   | 595,600   | 595,600   | 595,600   |
| Expenditures and transfers to other funds | 631,430   | 654,540   | 661,420   | 668,530   | 675,860   | 683,420   |
| Net Change in Net Assets                  | 35,180    | (58,940)  | (65,820)  | (72,930)  | (80,260)  | (87,820)  |
| Ending Unrestricted Net Assets            | 471,852   | 412,912   | 347,092   | 274,162   | 193,902   | 106,082   |

\*Adjusted for net pension and OPEB liability



## Revenues

| 508.000 REVENUE                 | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total   |
|---------------------------------|-------|--------|-----------------------------|----------------------------|-------|-----------|---------|
| 2013-2014 Actual                | 0     | 0      | 589,070                     | 170                        | 0     | 0         | 589,240 |
| 2014-2015 Actual                | 0     | 0      | 586,470                     | 1,280                      | 0     | 0         | 587,750 |
| 2015-2016 Actual                | 0     | 0      | 580,650                     | 1,580                      | 0     | 0         | 582,230 |
| 2016-2017 Original Budget       | 0     | 0      | 591,040                     | 800                        | 0     | 0         | 591,840 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 591,040                     | 800                        | 0     | 0         | 591,840 |
| 2016-2017 Six Month Actual      | 0     | 0      | 239,070                     | (400)                      | 0     | 0         | 238,670 |
| 2016-2017 Estimated Year End    | 0     | 0      | 601,080                     | 1,600                      | 0     | 63,930    | 666,610 |
| 2017-2018 Dept Request          | 0     | 0      | 594,600                     | 1,000                      | 0     | 0         | 595,600 |
| 2017-2018 Manager's Budget      | 0     | 0      | 594,600                     | 1,000                      | 0     | 0         | 595,600 |
| 2018-2019 Projected Budget      | 0     | 0      | 594,600                     | 1,000                      | 0     | 0         | 595,600 |
| 2019-2020 Projected Budget      | 0     | 0      | 594,600                     | 1,000                      | 0     | 0         | 595,600 |
| 2020-2021 Projected Budget      | 0     | 0      | 594,600                     | 1,000                      | 0     | 0         | 595,600 |
| 2021-2022 Projected Budget      | 0     | 0      | 594,600                     | 1,000                      | 0     | 0         | 595,600 |

## Expenditures

| 508.751 RECREATION              | Personnel Services | Supplies | Capital | Other   | Debt   | Total   |
|---------------------------------|--------------------|----------|---------|---------|--------|---------|
| 2013-2014 Actual                | 300,250            | 21,660   | 0       | 228,720 | 0      | 550,630 |
| 2014-2015 Actual                | 302,150            | 19,340   | 0       | 232,520 | 0      | 554,010 |
| 2015-2016 Actual                | 323,870            | 17,730   | 0       | 212,150 | 0      | 553,750 |
| 2016-2017 Original Budget       | 294,490            | 23,000   | 0       | 224,140 | 0      | 541,630 |
| 2016-2017 Adjusted Budget (Dec) | 294,490            | 23,000   | 0       | 224,140 | 0      | 541,630 |
| 2016-2017 Six Month Actual      | 141,310            | 7,910    | 0       | 116,170 | 0      | 265,390 |
| 2016-2017 Estimated Year End    | 295,070            | 23,000   | 0       | 225,360 | 0      | 543,430 |
| 2017-2018 Dept Request          | 218,730            | 23,000   | 0       | 230,980 | 93,830 | 566,540 |
| 2017-2018 Manager's Budget      | 218,730            | 23,000   | 0       | 230,980 | 93,830 | 566,540 |
| 2018-2019 Projected Budget      | 224,950            | 23,000   | 0       | 231,640 | 93,830 | 573,420 |
| 2019-2020 Projected Budget      | 231,380            | 23,000   | 0       | 232,320 | 93,830 | 580,530 |
| 2020-2021 Projected Budget      | 238,010            | 23,000   | 0       | 233,020 | 93,830 | 587,860 |
| 2021-2022 Projected Budget      | 244,850            | 23,000   | 0       | 233,740 | 93,830 | 595,420 |

| 508.752 SALTER COMMUNITY CENTER | Personnel Services | Supplies | Capital | Other  | Debt | Total  |
|---------------------------------|--------------------|----------|---------|--------|------|--------|
| 2013-2014 Actual                | 0                  | 0        | 0       | 87,340 | 0    | 87,340 |
| 2014-2015 Actual                | 0                  | 0        | 0       | 90,580 | 0    | 90,580 |
| 2015-2016 Actual                | 0                  | 0        | 0       | 87,010 | 0    | 87,010 |
| 2016-2017 Original Budget       | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2016-2017 Adjusted Budget (Dec) | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2016-2017 Six Month Actual      | 0                  | 0        | 0       | 42,010 | 0    | 42,010 |
| 2016-2017 Estimated Year End    | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2017-2018 Dept Request          | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2017-2018 Manager's Budget      | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2018-2019 Projected Budget      | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2019-2020 Projected Budget      | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2020-2021 Projected Budget      | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |
| 2021-2022 Projected Budget      | 0                  | 0        | 0       | 88,000 | 0    | 88,000 |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Recreation                        |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |  |             |       |       |       |       |       |       |       |       |
| Director of Rec & Public Srv      |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Superintendent - Recreation       |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| CS III - Recreation               |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Recreation - MC III               |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Full-time Total                   |  | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 2.2   | 2.2   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 2.0         | 4.2   | 4.2   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |

***The mission of the auto parking fund is to provide ample auto parking opportunity in the business and entertainment areas to support the demands.***

The auto parking system builds and maintains the on and off street paid parking throughout the business area of the city, primarily in the central business district. The system's goal is to provide ample auto parking to encourage development. Parking must be easily accessible to our wide range of commercial establishments like offices, retail business, restaurants and entertainment venues from morning to night. This enterprise fund charges parking fees in order to be self-supporting.

The city commission decides rates and the number of parking spots to allow based on

recommendations from the Downtown Development Authority. There are approximately 3500 spaces managed overall: 750 on street and 2,750 off street. The city utilizes a private contractor to operate the parking garages in an effort to improve service and reduce costs.

Parking rates were increased in late 2010 and multi-rate meters were installed. Spaces are metered on the street and in lots, and metered or attended in parking decks. Drivers are able to pay rates based on time spent or purchase monthly permits from the treasurer.

Operations have two divisions: parking operations and enforcement.

### **Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

The construction of a new parking deck is underway at Center and 2<sup>nd</sup> streets. Revenue will be impacted by the loss of this surface lot as well as the South Center Street lot where a new office building is being constructed. The budget includes bond proceeds for the ROCC parking garage in the amount of \$12.7 million (\$2 million in cash will be utilized). Forecasted revenue is also impacted due to the ROCC construction on Williams Street lots in fiscal year 2018-19. The transfer in from the DDA TIFA fund is budgeted to increase to \$803,000 for the contribution to 50% of two parking structures' debt payments.

## **Budget Summary**

|   | 2016-2017  | 2017-2018   | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|------------|-------------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets*        | 5,944,724  | 13,082,044  | 4,961,994 | 5,504,394 | 6,370,044 | 7,181,424 |
| Revenues and transfers from other funds   | 18,037,920 | 17,370,500  | 4,812,500 | 5,522,500 | 5,522,500 | 5,522,500 |
| Expenditures and transfers to other funds | 10,900,600 | 25,490,550  | 4,270,100 | 4,656,850 | 4,711,120 | 4,768,130 |
| Net Change in Net Assets                  | 7,137,320  | (8,120,050) | 542,400   | 865,650   | 811,380   | 754,370   |
| Ending Unrestricted Net Assets*           | 13,082,044 | 4,961,994   | 5,504,394 | 6,370,044 | 7,181,424 | 7,935,794 |

\*Adjusted for net pension and OPEB liability

## Revenues

| <b>516.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 0             | 3,534,420                                      | 3,400                                 | 46,970       | 494,340          | 4,079,130    |
| 2014-2015 Actual                | 0            | 0             | 3,825,450                                      | 3,650                                 | 31,860       | 492,580          | 4,353,540    |
| 2015-2016 Actual                | 0            | 0             | 3,951,280                                      | 2,700                                 | 30,190       | 247,600          | 4,231,770    |
| 2016-2017 Original Budget       | 0            | 0             | 3,619,000                                      | 4,000                                 | 12,033,000   | 246,500          | 15,902,500   |
| 2016-2017 Adjusted Budget (Dec) | 0            | 0             | 3,619,000                                      | 4,000                                 | 13,533,000   | 315,190          | 17,471,190   |
| 2016-2017 Six Month Actual      | 0            | 0             | 1,888,000                                      | 2,950                                 | 25,550       | 201,490          | 2,117,990    |
| 2016-2017 Estimated Year End    | 0            | 0             | 3,746,830                                      | 4,000                                 | 13,779,120   | 290,000          | 18,037,920   |
| 2017-2018 Dept Request          | 0            | 0             | 3,836,500                                      | 4,000                                 | 12,727,000   | 803,000          | 17,370,500   |
| 2017-2018 Manager's Budget      | 0            | 0             | 3,836,500                                      | 4,000                                 | 12,727,000   | 803,000          | 17,370,500   |
| 2018-2019 Projected Budget      | 0            | 0             | 3,978,500                                      | 4,000                                 | 27,000       | 803,000          | 4,812,500    |
| 2019-2020 Projected Budget      | 0            | 0             | 4,688,500                                      | 4,000                                 | 27,000       | 803,000          | 5,522,500    |
| 2020-2021 Projected Budget      | 0            | 0             | 4,688,500                                      | 4,000                                 | 27,000       | 803,000          | 5,522,500    |
| 2021-2022 Projected Budget      | 0            | 0             | 4,688,500                                      | 4,000                                 | 27,000       | 803,000          | 5,522,500    |

***The mission of the parking enforcement division is to encourage auto parking opportunity in the central business district by enforcing parking regulations.***

In the parking fund, the police department budgets for its parking enforcement

division of twelve parking enforcement officers. These employees write tickets for expired meters and other parking violations.

In the general fund, the district court adjudicates the violations and collects the fines.

---

## GOALS

1. Encourage compliance with all parking regulations to continue to enforce parking regulations.

## OBJECTIVES

---

### Performance Indicators / Outcome Measures

|                   | <b>Actual<br/>2014</b> | <b>Actual<br/>2015</b> | <b>Actual<br/>2016</b> | <b>Projected<br/>2017</b> | <b>Projected<br/>2018</b> | <b>Projected<br/>2019</b> |
|-------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|---------------------------|
| Violations Issued | 92,454                 | 86,955                 | 91,667                 | 88,000                    | 88,000                    | 88,000                    |

Note: Performance indicators are reported on a calendar year basis as opposed to a fiscal year

---

#### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Part-time wages are increasing due to a contractual increase in wages for parking enforcement officers.

## Budget Summary

### Expenditures

| 516.316 PARKING ENFORCEMENT     | Personnel Services | Supplies | Capital | Other  | Debt | Total   |
|---------------------------------|--------------------|----------|---------|--------|------|---------|
| 2013-2014 Actual                | 137,650            | 1,370    | 0       | 31,730 | 0    | 170,750 |
| 2014-2015 Actual                | 199,530            | 1,970    | 0       | 29,570 | 0    | 231,070 |
| 2015-2016 Actual                | 202,730            | 910      | 0       | 25,870 | 0    | 229,510 |
| 2016-2017 Original Budget       | 233,470            | 3,500    | 0       | 44,470 | 0    | 281,440 |
| 2016-2017 Adjusted Budget (Dec) | 236,400            | 3,500    | 0       | 41,540 | 0    | 281,440 |
| 2016-2017 Six Month Actual      | 114,260            | 0        | 0       | 2,310  | 0    | 116,570 |
| 2016-2017 Estimated Year End    | 234,300            | 2,000    | 0       | 34,470 | 0    | 270,770 |
| 2017-2018 Dept Request          | 215,270            | 3,500    | 0       | 35,890 | 0    | 254,660 |
| 2017-2018 Manager's Budget      | 215,270            | 3,500    | 0       | 35,890 | 0    | 254,660 |
| 2018-2019 Projected Budget      | 220,840            | 3,500    | 0       | 36,010 | 0    | 260,350 |
| 2019-2020 Projected Budget      | 226,580            | 3,500    | 0       | 36,130 | 0    | 266,210 |
| 2020-2021 Projected Budget      | 232,480            | 3,500    | 0       | 36,250 | 0    | 272,230 |
| 2021-2022 Projected Budget      | 238,540            | 3,500    | 0       | 36,380 | 0    | 278,420 |

## Cost Center Position Detail- Home Base

Full & Part-time Employees

| Parking Enforcement               |       |       |       | Fiscal Year |       |       |       |       |       |  |
|-----------------------------------|-------|-------|-------|-------------|-------|-------|-------|-------|-------|--|
|                                   | 09-10 | 10-11 | 11-12 | 12-13       | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |  |
| <u>Part-Time Positions (FTEs)</u> |       |       |       |             |       |       |       |       |       |  |
| Part-Time Positions               | n/a   | 5.8   | 5.8   | n/a         | n/a   | n/a   | n/a   | n/a   | n/a   |  |
| Part-Time Total                   | 0.0   | 5.8   | 5.8   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |  |

*The mission of the parking operation cost center is to create and maintain auto parking spaces and meters and to collect the fees paid.*

The department of public services (DPS) parking division builds and maintains all spaces and collects parking fees. DPS employs three full-time staff and various part-time staff. A parking contractor operates the three parking decks.

**GOALS**

- 1. To insure that all meters are properly operating.
- 2. To promote the use of parking garages.
- 3. To integrate new parking technology where it makes business sense

**OBJECTIVES**

- Work with contractor to improve parking garage marketing.<sup>GOAL2</sup>
- Implement new technology.<sup>GOAL3</sup>
- Investigate the feasibility and potential features of a downtown park utilizing city land including city hall parking lots.<sup>GOAL3</sup>

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Personnel costs are increasing based on estimated allocation of DPS staff, a contractual increase in defined contribution benefits, and an increase in medical insurance rates. Contracted services are budgeted to increase \$10,000 relative to fiscal year 16-17 projections due to an escalator in the parking management contract. Building repairs and maintenance are budgeted to increase \$29,000 relative to fiscal year 16-17 projections due to \$16,000 for surface coating and tuck pointing at the 4<sup>th</sup> Street parking garage and \$13,000 for concrete at the Center Street parking garage. Meter replacement is budgeted at \$75,000 and \$65,000 is budgeted for parking meter parts for repairs. \$45,000 is requested to repair a wall at the Center Street and Catalpa parking lot. \$7,000 is requested for improvements to the Amtrak train station parking lot and platform to maintain ADA compliance.

## Budget Summary

### Expenditures

| 516.570 AUTO PARKING            | Personnel Services | Supplies | Capital | Other     | Debt      | Total     |
|---------------------------------|--------------------|----------|---------|-----------|-----------|-----------|
| 2013-2014 Actual                | 705,150            | 44,640   | 169,920 | 2,016,350 | 1,020,270 | 3,956,330 |
| 2014-2015 Actual                | 593,900            | 51,710   | 572,120 | 1,963,420 | 1,007,560 | 4,188,710 |
| 2015-2016 Actual                | 712,050            | 36,700   | 541,470 | 1,728,510 | 900,280   | 3,919,010 |
| 2016-2017 Original Budget       | 660,770            | 66,000   | 100,000 | 1,292,790 | 1,001,500 | 3,121,060 |
| 2016-2017 Adjusted Budget (Dec) | 660,770            | 66,000   | 486,000 | 988,470   | 1,070,190 | 3,271,430 |
| 2016-2017 Six Month Actual      | 250,660            | 14,420   | 181,910 | 328,990   | 741,090   | 1,517,070 |
| 2016-2017 Estimated Year End    | 527,940            | 40,430   | 198,610 | 824,960   | 1,537,890 | 3,129,830 |
| 2017-2018 Dept Request          | 379,500            | 65,800   | 75,000  | 899,280   | 1,916,310 | 3,335,890 |
| 2017-2018 Manager's Budget      | 379,500            | 65,800   | 75,000  | 899,280   | 1,916,310 | 3,335,890 |
| 2018-2019 Projected Budget      | 390,160            | 65,800   | 75,000  | 1,037,480 | 2,266,310 | 3,834,750 |
| 2019-2020 Projected Budget      | 401,210            | 65,800   | 75,000  | 1,182,320 | 2,616,310 | 4,340,640 |
| 2020-2021 Projected Budget      | 412,630            | 65,800   | 75,000  | 1,219,150 | 2,616,310 | 4,388,890 |
| 2021-2022 Projected Budget      | 424,480            | 65,800   | 75,000  | 1,258,120 | 2,616,310 | 4,439,710 |

## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Auto Parking                      |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |  |             |       |       |       |       |       |       |       |       |
| Traffic Service Supervisor        |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Parking Meter Technician          |  | 2.0         | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Full-time Total                   |  | 3.0         | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 0.7   | 0.7   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 3.0         | 3.7   | 3.7   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |



*The mission of the auto parking construction cost center is to track and fund parking*

*projects included in the capital improvement plan.*

## GOALS

1. Maintain a long term auto parking program that maximizes funds to extend and enhance the life of the city's parking system.

## OBJECTIVES

- Develop sustainable plan to maintain and enhance Royal Oak's parking infrastructure. <sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The following capital project for this fund for fiscal year 17-18 is as follows (Deviates from CIP):

- Second Street Parking Garage Construction (carryover from FY16-17) \$7,200,000
- Williams Street / ROCC Parking Garage Construction 14,700,000

**FY2017-18 Total:** **\$21,900,000**

## Budget Summary

### Expenditures

| 516.901 CONSTRUCTION            | Personnel Services | Supplies | Capital | Other      | Debt | Total      |
|---------------------------------|--------------------|----------|---------|------------|------|------------|
| 2013-2014 Actual                | 0                  | 0        | 0       | 0          | 0    | 0          |
| 2014-2015 Actual                | 0                  | 0        | 0       | 0          | 0    | 0          |
| 2015-2016 Actual                | 0                  | 0        | 0       | 0          | 0    | 0          |
| 2016-2017 Original Budget       | 0                  | 0        | 0       | 12,500,000 | 0    | 12,500,000 |
| 2016-2017 Adjusted Budget (Dec) | 0                  | 0        | 0       | 15,500,000 | 0    | 15,500,000 |
| 2016-2017 Six Month Actual      | 0                  | 0        | 0       | (420)      | 0    | (420)      |
| 2016-2017 Estimated Year End    | 0                  | 0        | 0       | 7,500,000  | 0    | 7,500,000  |
| 2017-2018 Dept Request          | 0                  | 0        | 0       | 21,900,000 | 0    | 21,900,000 |
| 2017-2018 Manager's Budget      | 0                  | 0        | 0       | 21,900,000 | 0    | 21,900,000 |
| 2018-2019 Projected Budget      | 0                  | 0        | 0       | 175,000    | 0    | 175,000    |
| 2019-2020 Projected Budget      | 0                  | 0        | 0       | 50,000     | 0    | 50,000     |
| 2020-2021 Projected Budget      | 0                  | 0        | 0       | 50,000     | 0    | 50,000     |
| 2021-2022 Projected Budget      | 0                  | 0        | 0       | 50,000     | 0    | 50,000     |

***The mission of the Royal Oak Farmers Market is to provide an excellent and economical facility providing a sustainable place to attract local merchants, shoppers, public and private rental events and showcase the Royal Oak downtown.***

The Royal Oak Farmers Market sells locally grown produce and wares in a family oriented venue. The farmers market is located in the civic center at the corner of 11 Mile Road and Troy Street, across from the library and adjacent to the 44th District Court.

The farmers market is one of southeast Michigan's premium farm market venues. Farm producers sell on Friday during the farm season (May through Christmas) and Saturday all year around. During growing season farmers are only allowed to sell what they grow.

Residents of the City of Royal Oak and surrounding communities are attracted downtown to a first class venue with ample parking. Beside its well-rounded farmers market, offering the best of the state's harvest, the building hosts a weekly, highly rated, long running antiques and collectibles show.

The enclosed building provides a great gathering place, in any weather conditions, for large group events such as the Memorial Day pancake breakfast and the city's holiday tree lighting ceremony.

Designed to make a profit (meaning generating enough revenue to exceed expenses to be self-sustaining), the market uses an enterprise fund with one cost center named market operations. Funds necessary to operate the farmers market are derived solely from revenues collected. Operation of the market does not put any burden on the general fund.

The farmers market is run by a contracted market manager company, under direction of the director of recreation and public services.

Its operating costs include limited DPS personnel cost, depreciation for the building and equipment, advertising, general administration, utilities, supplies, repairs and maintenance.

Greater rental availability has generated additional funds that allow continued updates to the building. A concessionaire leases the kitchen, eliminating the concession cost center.

## GOALS

1. Provide an exciting center piece for local economic activity.
2. Fully integrate with city planning to create a facility reflecting the needs and interests of the community.
3. Support community based events.

## OBJECTIVES

- Increase events and activities which draw patronage of current users and expand to new users.<sup>GOAL1</sup>
- Continue to address the long term improvements for the market.<sup>GOAL2</sup>
- Expand rental opportunities.<sup>GOAL3</sup>

## Performance Indicators / Outcome Measures

|   | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|---|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| <sup>GOAL</sup> <sup>1</sup> Customer Attendance Rate<br>Saturday and Sunday Combined | 4,100                     | 4,100                     | 4,000                  | 6,000                        | 6,000                        | 6,000                        |
| <sup>GOAL</sup> <sup>1</sup> Facility Rentals   | 73                        | 73                        | 82                     | 100                          | 100                          | 100                          |
| <sup>GOAL</sup> Average Vendor Occupancy Rate   |                           |                           |                        |                              |                              |                              |
| Saturday Farm Market  | 95%                       | 95%                       | 95%                    | 100%                         | 100%                         | 100%                         |
| Average Sunday Antique Market   | 95%                       | 95%                       | 95%                    | 100%                         | 100%                         | 100%                         |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Revenues from daily rentals are decreasing relative to the fiscal year 16-17 original budget due to many changes in events over the past few years. Special event revenues are decreasing \$20,000 and facility rentals are increasing \$10,000 relative to the fiscal year 16-17 original budget. Due to limited staff and resources, the market will be doing fewer in house events and focus on renting the building as it is more cost efficient. Contracted services are increasing \$15,000 to bring in additional staff to help with the setup and tear down of rental events. Gas is increasing \$2,000 based on historical activity. The markets revenues are meeting expenses when subtracting depreciation expense of \$73,000 and \$40,000 in capital improvements in fiscal year 2017-18. However, the forecast illustrates expenses exceeding revenues after depreciation expense is removed from expenses.

The following capital improvement project(s) are budgeted for the farmer's market for fiscal year 17-18:

- Concrete Restoration \$25,000
- Canopy Rebuild 15,000

**FY2017-18 Total:** **\$40,000**

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets         | 659,914   | 553,414   | 444,924   | 368,874   | 285,014   | 193,164   |
| Revenues and transfers from other funds   | 492,480   | 483,000   | 483,000   | 483,000   | 483,000   | 483,000   |
| Expenditures and transfers to other funds | 598,980   | 591,490   | 559,050   | 566,860   | 574,850   | 583,030   |
| Net Change in Net Assets                  | (106,500) | (108,490) | (76,050)  | (83,860)  | (91,850)  | (100,030) |
| Ending Unrestricted Net Assets            | 553,414   | 444,924   | 368,874   | 285,014   | 193,164   | 93,134    |

## Revenues

| 551.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other | Transfers | Total   |
|---------------------------------|-------|--------|--------------------------------------|-------------------------------|-------|-----------|---------|
| 2013-2014 Actual                | 0     | 0      | 482,490                              | 960                           | 2,660 | 0         | 486,110 |
| 2014-2015 Actual                | 0     | 0      | 497,770                              | 2,420                         | 2,650 | 0         | 502,840 |
| 2015-2016 Actual                | 0     | 0      | 491,740                              | 3,600                         | 4,000 | 0         | 499,340 |
| 2016-2017 Original Budget       | 0     | 0      | 517,000                              | 1,500                         | 3,000 | 0         | 521,500 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 517,000                              | 1,500                         | 3,000 | 0         | 521,500 |
| 2016-2017 Six Month Actual      | 0     | 0      | 267,080                              | (820)                         | 1,800 | 0         | 268,060 |
| 2016-2017 Estimated Year End    | 0     | 0      | 480,000                              | 2,100                         | 3,000 | 7,380     | 492,480 |
| 2017-2018 Dept Request          | 0     | 0      | 477,000                              | 3,000                         | 3,000 | 0         | 483,000 |
| 2017-2018 Manager's Budget      | 0     | 0      | 477,000                              | 3,000                         | 3,000 | 0         | 483,000 |
| 2018-2019 Projected Budget      | 0     | 0      | 477,000                              | 3,000                         | 3,000 | 0         | 483,000 |
| 2019-2020 Projected Budget      | 0     | 0      | 477,000                              | 3,000                         | 3,000 | 0         | 483,000 |
| 2020-2021 Projected Budget      | 0     | 0      | 477,000                              | 3,000                         | 3,000 | 0         | 483,000 |
| 2021-2022 Projected Budget      | 0     | 0      | 477,000                              | 3,000                         | 3,000 | 0         | 483,000 |

## Expenditures

| <b>551.545 FARMERS MARKET</b>   | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                           |                 |                |              |             |              |
| 2013-2014 Actual                | 9,230                     | 5,340           | 0              | 413,000      | 0           | 427,570      |
| 2014-2015 Actual                | 8,440                     | 7,600           | 0              | 454,970      | 0           | 471,010      |
| 2015-2016 Actual                | 11,660                    | 6,570           | 15,400         | 493,200      | 0           | 526,830      |
| 2016-2017 Original Budget       | 8,790                     | 9,500           | 52,500         | 520,910      | 0           | 591,700      |
| 2016-2017 Adjusted Budget (Dec) | 8,790                     | 9,500           | 58,500         | 520,910      | 0           | 597,700      |
| 2016-2017 Six Month Actual      | 4,750                     | 3,280           | 58,460         | 244,750      | 0           | 311,240      |
| 2016-2017 Estimated Year End    | 7,290                     | 9,500           | 58,460         | 523,730      | 0           | 598,980      |
| 2017-2018 Dept Request          | 6,090                     | 9,500           | 40,000         | 535,900      | 0           | 591,490      |
| 2017-2018 Manager's Budget      | 6,090                     | 9,500           | 40,000         | 535,900      | 0           | 591,490      |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 6,180                     | 9,500           | 0              | 543,370      | 0           | 559,050      |
| 2019-2020 Projected Budget      | 6,350                     | 9,500           | 0              | 551,010      | 0           | 566,860      |
| 2020-2021 Projected Budget      | 6,530                     | 9,500           | 0              | 558,820      | 0           | 574,850      |
| 2021-2022 Projected Budget      | 6,720                     | 9,500           | 0              | 566,810      | 0           | 583,030      |

***The mission of the water & sewer function is to provide the City of Royal Oak residents and businesses with water supply and sewage disposal services that support a high quality of life.***

The City of Royal Oak purchases water from the Southeastern Oakland County Water Authority (SOCWA) and pays the Oakland County Water Resources Commission for the treatment of sewage. Both in turn, contract with the Great Lakes Water Authority (GLWA) which first provides treated water from the Great Lakes and later treats our sewerage before returning it downstream.

The water and sewer fund uses seven cost centers to categorize its activities: engineering, administration, water billing, water maintenance,

meter services, sewer maintenance and construction.

Revenues for these operations are generated based on the amount of water used by Royal Oak's residential and commercial customers.

Revenue is generated through two-tiered user charges. The water commodity rate is budgeted to increase 1% and the sewer commodity rate is budgeted to increase 1.5% based on passing along a 2% increase from SOCWA for water and a 3% increase from Oakland County Water Resources Commission for disposal. Flat rate billing is budgeted to remain constant at \$11.25 per quarter for the purpose of recouping the city's water billing costs. The flat rate billing will need to increase substantially beginning in fiscal year 18-19 to pay the bonds issued for the water meter/radio read project.

## Budget Summary

|   | 2016-2017  | 2017-2018  | 2018-2019  | 2019-2020  | 2020-2021  | 2021-2022  |
|---|------------|------------|------------|------------|------------|------------|
| Beginning Unrestricted Net Assets         | 9,630,351  | 9,965,091  | 11,286,661 | 12,251,571 | 11,732,581 | 13,963,001 |
| Revenues and transfers from other funds   | 34,100,650 | 38,843,400 | 34,946,520 | 36,624,550 | 38,386,480 | 40,236,500 |
| Expenditures and transfers to other funds | 33,765,910 | 37,521,830 | 33,981,610 | 37,143,540 | 36,156,060 | 37,625,730 |
| Net Change in Net Assets                  | 334,740    | 1,321,570  | 964,910    | (518,990)  | 2,230,420  | 2,610,770  |
| Ending Unrestricted Net Assets            | 9,965,091  | 11,286,661 | 12,251,571 | 11,732,581 | 13,963,001 | 16,573,771 |

## Revenues

| <b>592.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 0             | 25,283,130                                 | 30,190                                | 89,490       | 68,950           | 25,471,760   |
| 2014-2015 Actual                | 0            | 0             | 25,726,430                                 | 12,780                                | 99,900       | 66,490           | 25,905,600   |
| 2015-2016 Actual                | 0            | 0             | 30,647,200                                 | 14,110                                | 100,000      | 57,650           | 30,818,960   |
| 2016-2017 Original Budget       | 0            | 0             | 32,825,000                                 | 6,000                                 | 6,080,000    | 0                | 38,911,000   |
| 2016-2017 Adjusted Budget (Dec) | 0            | 0             | 32,825,000                                 | 6,000                                 | 6,080,000    | 0                | 38,911,000   |
| 2016-2017 Six Month Actual      | 0            | 0             | 18,081,760                                 | (400)                                 | 50,130       | 0                | 18,131,490   |
| 2016-2017 Estimated Year End    | 0            | 0             | 32,935,000                                 | 3,300                                 | 92,000       | 1,070,350        | 34,100,650   |
| 2017-2018 Dept Request          | 0            | 0             | 32,762,400                                 | 1,000                                 | 6,080,000    | 0                | 38,843,400   |
| 2017-2018 Manager's Budget      | 0            | 0             | 32,762,400                                 | 1,000                                 | 6,080,000    | 0                | 38,843,400   |
| 2018-2019 Projected Budget      | 0            | 0             | 34,865,520                                 | 1,000                                 | 80,000       | 0                | 34,946,520   |
| 2019-2020 Projected Budget      | 0            | 0             | 36,543,550                                 | 1,000                                 | 80,000       | 0                | 36,624,550   |
| 2020-2021 Projected Budget      | 0            | 0             | 38,305,480                                 | 1,000                                 | 80,000       | 0                | 38,386,480   |
| 2021-2022 Projected Budget      | 0            | 0             | 40,155,500                                 | 1,000                                 | 80,000       | 0                | 40,236,500   |

***The mission of the engineering cost center of the water & sewer fund is to provide for general water and sewer engineering services that are related to projects.***

The engineering department evaluates problem sewers throughout the year then coordinates major replacements for those sewers where

failures are threatened or occurring, or where street repairs are planned. These costs usually are charged to specific projects and capitalized. Any non-project costs for engineering services are charged here. This would include attending meetings that are not project specific.

### **Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Personnel costs (permanent wages) increased due to estimated allocation of engineering personnel's time.

The following capital improvement projects for FY2017-18 are as follows:

|                                   |                        |
|-----------------------------------|------------------------|
| • CAP1535 Concrete Reconstruction | \$82,100               |
| <b><u>FY17-18 Total:</u></b>      | <b><u>\$82,100</u></b> |

## **GOALS**

1. Develop a sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.
2. Ramp up the expenditure on water main improvements to complete the CIP public water system master plan improvements by 2020.

## **OBJECTIVES**

- Complete the budgeted capital improvement projects. <sup>GOAL 1,2</sup>
- Hire a consultant to complete a comprehensive storm-water system analysis to inform decision making regarding changes in the storm-water detention ordinance (green infrastructure study). <sup>GOAL 1</sup>



## Budget Summary

### Expenditures

| <b>592.447 ENGINEERING</b>      | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 44,430                    | 0               | 0              | 2,335,240    | 0           | 2,379,670    |
| 2014-2015 Actual                | 96,340                    | 0               | 0              | 4,358,030    | 0           | 4,454,370    |
| 2015-2016 Actual                | 38,270                    | 0               | 0              | 4,347,690    | 0           | 4,385,960    |
| 2016-2017 Original Budget       | 141,290                   | 0               | 0              | 75,500       | 0           | 216,790      |
| 2016-2017 Adjusted Budget (Dec) | 141,290                   | 0               | 0              | 1,029,500    | 0           | 1,170,790    |
| 2016-2017 Six Month Actual      | 14,880                    | 0               | 0              | 1,010,040    | 0           | 1,024,920    |
| 2016-2017 Estimated Year End    | 41,320                    | 0               | 0              | 1,476,750    | 0           | 1,518,070    |
| 2017-2018 Dept Request          | 40,470                    | 0               | 0              | 82,900       | 0           | 123,370      |
| 2017-2018 Manager's Budget      | 40,470                    | 0               | 0              | 82,900       | 0           | 123,370      |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 41,830                    | 0               | 0              | 82,900       | 0           | 124,730      |
| 2019-2020 Projected Budget      | 43,240                    | 0               | 0              | 800          | 0           | 44,040       |
| 2020-2021 Projected Budget      | 44,700                    | 0               | 0              | 800          | 0           | 45,500       |
| 2021-2022 Projected Budget      | 46,200                    | 0               | 0              | 800          | 0           | 47,000       |

***The function of the administration cost center of the water & sewer fund is to pay all administrative costs including debt service and purchases of potable water.***

The director of public services is responsible for the overall direction of this fund. The administration budget pays a portion of personnel services for the DPS director and the front office staff, purchased water, debt service and related administrative expenses.

Potable water is our largest single water expense. The city is a member of S.O.C.W.A., the Southeast Oakland County Water Authority. SOCWA is the regional intergovernmental agency that transports clean water from the Detroit Water and Sewerage Department system to its member cities.

Debt service is nearly as large a component of the budget. Depreciation expense must provide sufficient cash flow to pay debt principal. Other costs include general administration, information service, insurance and auditing cost.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

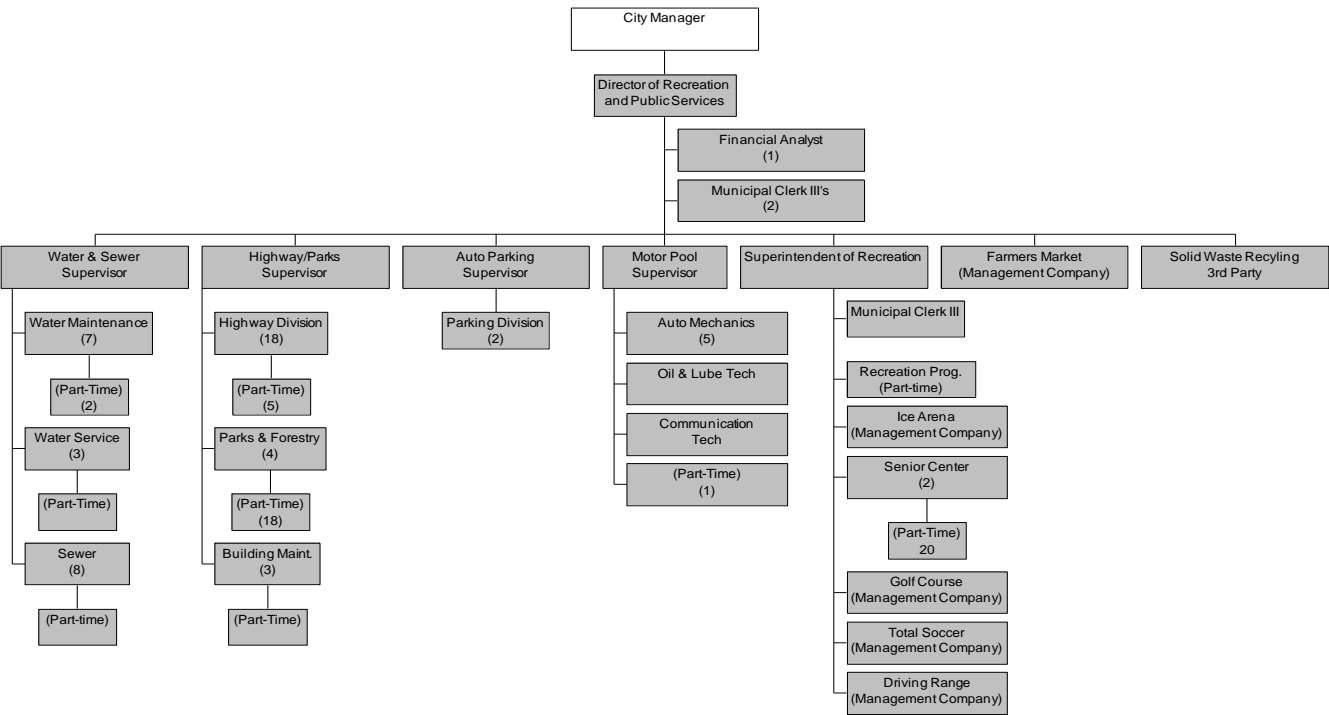
The water and sewage commodity rates are budgeted to increase slightly due to passing along the commodity rate increases from SOCWA and Oakland County Water Resources Commission. The increase is based on a 2% increase from SOCWA and an estimated 3% increase from the Water Resources Commission. Flat rate billing is budgeted to remain constant at \$11.25 for the purpose of recouping the city's water billing costs. Miscellaneous expenses are decreasing by nearly \$2 million for the one-time litigation settlement in fiscal year 2016-17. Debt service increased for the new debt payment on the OPFR/pension bonds.

## Budget Summary

### Expenditures

| 592.536 WATER & SEWER ADMINISTRATION | Personnel Services | Supplies | Capital | Other     | Debt      | Total      |
|--------------------------------------|--------------------|----------|---------|-----------|-----------|------------|
| 2013-2014 Actual                     | 0                  | 0        | 0       | 6,966,570 | 859,020   | 7,825,590  |
| 2014-2015 Actual                     | 0                  | 0        | 0       | 7,275,560 | 789,330   | 8,064,890  |
| 2015-2016 Actual                     | 0                  | 0        | 0       | 7,758,550 | 766,670   | 8,525,220  |
| 2016-2017 Original Budget            | 0                  | 0        | 0       | 7,915,950 | 1,497,470 | 9,413,420  |
| 2016-2017 Adjusted Budget (Dec)      | 0                  | 0        | 0       | 7,915,950 | 1,484,880 | 9,400,830  |
| 2016-2017 Six Month Actual           | 0                  | 0        | 0       | 3,702,040 | 147,550   | 3,849,590  |
| 2016-2017 Estimated Year End         | 0                  | 0        | 0       | 9,687,940 | 535,100   | 10,223,040 |
| 2017-2018 Dept Request               | 0                  | 0        | 0       | 7,906,720 | 1,589,320 | 9,496,040  |
| 2017-2018 Manager's Budget           | 0                  | 0        | 0       | 7,906,720 | 1,589,320 | 9,496,040  |
| 2018-2019 Projected Budget           | 0                  | 0        | 0       | 8,280,720 | 1,589,320 | 9,870,040  |
| 2019-2020 Projected Budget           | 0                  | 0        | 0       | 8,673,030 | 1,589,320 | 10,262,350 |
| 2020-2021 Projected Budget           | 0                  | 0        | 0       | 9,084,550 | 1,589,320 | 10,673,870 |
| 2021-2022 Projected Budget           | 0                  | 0        | 0       | 9,516,230 | 1,589,320 | 11,105,550 |

Department of Public Service Organizational Chart



***The mission of the water billing cost center in the Water & Sewer Fund is to provide quality customer service along with efficient billing and collection services.***

The water billing function is housed in the treasury department in city hall. This assists customers when they personally pay bills, by keeping the collection point in one place.

Billing staff solve water and sewer problems for customers by answering their questions and taking customer requests for service. They work daily with the department of public works (DPS) staff at the public service building to resolve these issues.

The treasury billing staff is the primary answer point to deal with setting up new accounts; meter reading, billing and collecting process; setting up “final” meter reads and preparing courtesy bills; and investigating water leaks and basement backups.

Utility accounts are billed four times annually. There are thirteen billing cycles and 1,500 to 2,000 bills are mailed out weekly. Payment on bills is typically due on Monday; three weeks after the bills are mailed.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Years 2017-2018:

The personnel budget is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases, a contractual increase in defined contribution benefits, and an increase in medical insurance rates. Postage and mailing services are budgeted to increase \$2,000 due to an anticipated increase in the cost of postage and new mailings to send residents promotional materials regarding online water billing.

## Budget Summary

### Expenditures

| 592.537 WATER BILLING           | Personnel Services | Supplies | Capital | Other  | Debt | Total   |
|---------------------------------|--------------------|----------|---------|--------|------|---------|
| 2013-2014 Actual                | 119,970            | 80       | 0       | 42,890 | 0    | 162,940 |
| 2014-2015 Actual                | 108,820            | 0        | 0       | 47,930 | 0    | 156,750 |
| 2015-2016 Actual                | 129,780            | 0        | 0       | 52,740 | 0    | 182,520 |
| 2016-2017 Original Budget       | 166,910            | 700      | 0       | 57,500 | 0    | 225,110 |
| 2016-2017 Adjusted Budget (Dec) | 166,910            | 700      | 0       | 57,500 | 0    | 225,110 |
| 2016-2017 Six Month Actual      | 76,170             | 0        | 0       | 17,190 | 0    | 93,360  |
| 2016-2017 Estimated Year End    | 163,490            | 700      | 0       | 57,000 | 0    | 221,190 |
| 2017-2018 Dept Request          | 177,560            | 200      | 0       | 58,750 | 0    | 236,510 |
| 2017-2018 Manager's Budget      | 177,560            | 200      | 0       | 58,750 | 0    | 236,510 |
| 2018-2019 Projected Budget      | 183,060            | 200      | 0       | 60,510 | 0    | 243,770 |
| 2019-2020 Projected Budget      | 188,740            | 200      | 0       | 62,320 | 0    | 251,260 |
| 2020-2021 Projected Budget      | 194,630            | 200      | 0       | 64,180 | 0    | 259,010 |
| 2021-2022 Projected Budget      | 200,730            | 200      | 0       | 66,100 | 0    | 267,030 |

## Cost Center Position FTE Detail

Full & Part-time Employees

| Water Billing                     |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |  |             |       |       |       |       |       |       |       |       |
| Water Service - MCIII             |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Water Billing MC I                |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                   |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 0.7   | 0.7   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 1.0         | 1.7   | 1.7   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |

***The mission of the water maintenance division of the water & sewer fund is to provide a clean, constant supply of water to homes and businesses, and to provide a sufficient pressure supply of water for fire protection.***

The water service division of the department of public services has three full-time employees and one supervisor, who oversee both the water service, water maintenance and sewer activities.

The water maintenance activity is responsible for the maintenance of approximately 200 miles of water main throughout the community. There are many water conveyances it must maintain.

Water mains are the pressurized pipes that transmit water to the user. They are made of several materials, the most common being cast iron. They are subject to leaks and breaks due to stress, corrosion, and changes in water pressure because of seasonal demand. These breaks and leaks have to be pinpointed, dug up, and repaired. A new material, ductile iron, shows great promise in eliminating such problems.

Valves (or gates) are strategically located in various points throughout the transmission system. Usually spaced one or two blocks apart, they are used to isolate certain areas for repair or construction. These are subject to corrosion of bolts and packing, and must be periodically dug up and repaired.

Water services are the private lines that supply water from the city's water main to a house or business. Service lines also are made of different materials with copper being far superior. Copper services require little, if any, maintenance. Galvanized iron services eventually rust out and must be replaced. Services made of lead are a health hazard and should be replaced.

Royal Oak has over 1,400 hydrants of different ages and brands located strategically throughout the city. These suffer from vandalism, automobile accidents, and aging and must be repaired or dug up and replaced. The fire department also monitors their condition; malfunctions they find are reported to water maintenance division.

---

## GOALS

## OBJECTIVES

- Prepare an analysis and recommendation for moving to a fixed water meter reading system.
- Explore increasing staff at DPS and recreation.

---

### **Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Tools and hardware are increasing \$8,000 to purchase a chainsaw and a locator. Concrete supplies, sand, gravel, slag, clamps, and couplings are all budgeted to increase due to an increased work load. Motor pool costs are increasing significantly based on estimated usage and rates. Hauling services are decreasing \$2,000 due to being unusually high in fiscal year 16-17. Uniform, clothing and gear are increasing \$1,200 due to spending less than expected in fiscal year 16-17.

## Budget Summary

### Expenditures

| 592.538 WATER MAINTENANCE       | Personnel Services | Supplies | Capital | Other   | Debt | Total     |
|---------------------------------|--------------------|----------|---------|---------|------|-----------|
| 2013-2014 Actual                | 1,245,310          | 92,110   | 0       | 644,030 | 0    | 1,981,450 |
| 2014-2015 Actual                | 1,216,300          | 76,670   | 0       | 593,810 | 0    | 1,886,780 |
| 2015-2016 Actual                | 1,335,220          | 113,030  | 0       | 602,140 | 0    | 2,050,390 |
| 2016-2017 Original Budget       | 1,218,000          | 116,900  | 0       | 641,050 | 0    | 1,975,950 |
| 2016-2017 Adjusted Budget (Dec) | 1,218,000          | 119,900  | 0       | 638,050 | 0    | 1,975,950 |
| 2016-2017 Six Month Actual      | 568,670            | 61,150   | 0       | 279,240 | 0    | 909,060   |
| 2016-2017 Estimated Year End    | 1,234,620          | 120,500  | 0       | 633,200 | 0    | 1,988,320 |
| 2017-2018 Dept Request          | 814,630            | 132,900  | 0       | 707,060 | 0    | 1,654,590 |
| 2017-2018 Manager's Budget      | 814,630            | 132,900  | 0       | 707,060 | 0    | 1,654,590 |
| 2018-2019 Projected Budget      | 833,520            | 132,900  | 0       | 720,050 | 0    | 1,686,470 |
| 2019-2020 Projected Budget      | 853,090            | 132,900  | 0       | 733,300 | 0    | 1,719,290 |
| 2020-2021 Projected Budget      | 873,370            | 132,900  | 0       | 746,820 | 0    | 1,753,090 |
| 2021-2022 Projected Budget      | 894,360            | 132,900  | 0       | 760,610 | 0    | 1,787,870 |

## Cost Center Position FTE Detail

Full & Part-time Employees

| Water Maintenance                 |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |  |             |       |       |       |       |       |       |       |       |
| Water Service MC III              |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Water Maintenance Worker II       |  | 4.0         | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   |
| Maintenance Worker II             |  | 0.0         | 4.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Water Maintenance Worker          |  | 3.0         | 3.0   | 3.0   | 2.0   | 2.0   | 2.0   | 2.5   | 2.5   | 2.5   |
| Full-Time Total                   |  | 8.0         | 12.0  | 8.0   | 7.0   | 7.0   | 7.0   | 7.5   | 7.5   | 7.5   |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 1.0   | 1.0   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 8.0         | 13.0  | 9.0   | 7.0   | 7.0   | 7.0   | 7.5   | 7.5   | 7.5   |

***The mission of the water service division of the water & sewer fund is to maintain the water connection and meters between the customer and the system to insure safety and fairness for both.***

The water service division of the department of public services oversees the water service, water maintenance and sewer divisions.

There are approximately 23,500 water meters within the Royal Oak water system for which this division is responsible.

The water service division is responsible for reading of water meters for billing, performing investigations on high water bills, 24-hour

emergency call-out for leaking water meters, installing new water meters, investigating possible water service leaks, cross connection inspections.

The water service division also has a meter testing and replacement program. The division is presently in the process of installing the radio reading devices where possible. There is no additional direct cost to the homeowner for the installation of these meters.

The water service division is also presently converting older style remote readers over to a newer type.

---

## GOALS

1. Maintain meters that are up to date to keep billing rates low.
  2. Proactively locate potential water leaks to minimize loss and/or large customer bills.
  3. Locate and eliminate cross connections to the system to protect all users.
- Help the customer understand how his equipment and the system work so he does not end up with unnecessarily high water bills.<sup>GOAL2</sup>

---

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Personnel costs are increasing due to an increase in medical insurance rates.



## Budget Summary

### Expenditures

| 592.539 METER SERVICES          | Personnel Services | Supplies  | Capital | Other   | Debt | Total     |
|---------------------------------|--------------------|-----------|---------|---------|------|-----------|
| 2013-2014 Actual                | 562,960            | 151,410   | 0       | 118,160 | 0    | 832,530   |
| 2014-2015 Actual                | 561,330            | 291,170   | 0       | 112,940 | 0    | 965,440   |
| 2015-2016 Actual                | 631,900            | 289,290   | 0       | 97,960  | 0    | 1,019,150 |
| 2016-2017 Original Budget       | 544,140            | 6,329,250 | 0       | 114,420 | 0    | 6,987,810 |
| 2016-2017 Adjusted Budget (Dec) | 544,140            | 6,329,250 | 0       | 114,420 | 0    | 6,987,810 |
| 2016-2017 Six Month Actual      | 260,660            | 203,190   | 0       | 33,260  | 0    | 497,110   |
| 2016-2017 Estimated Year End    | 548,130            | 314,300   | 0       | 112,420 | 0    | 974,850   |
| 2017-2018 Dept Request          | 364,690            | 314,250   | 0       | 117,980 | 0    | 796,920   |
| 2017-2018 Manager's Budget      | 364,690            | 314,250   | 0       | 117,980 | 0    | 796,920   |
| 2018-2019 Projected Budget      | 373,840            | 314,250   | 0       | 118,650 | 0    | 806,740   |
| 2019-2020 Projected Budget      | 383,300            | 314,250   | 0       | 119,330 | 0    | 816,880   |
| 2020-2021 Projected Budget      | 393,110            | 314,250   | 0       | 120,030 | 0    | 827,390   |
| 2021-2022 Projected Budget      | 403,260            | 314,250   | 0       | 120,740 | 0    | 838,250   |

## Cost Center Position FTE Detail

Full & Part-time Employees

| Meter Services                 |  | Fiscal Year |       |       |       |       |       |       |       |       |
|--------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>     |  |             |       |       |       |       |       |       |       |       |
| DPS Supervisor - Water         |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Water Service Worker           |  | 5.0         | 4.0   | 4.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |
| Superintendent - Water & Sewer |  | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-time Total                |  | 6.0         | 5.0   | 5.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   |

***The mission of the sewer maintenance cost center of the water & sewer fund is to keep sewer lines in top repair to minimize basement water conditions, and to respond quickly to calls for service if backups do occur.***

The sewer maintenance division of the department of public service is responsible for the maintenance of approximately 300 miles of sewers throughout the City of Royal Oak. The city has a combined sanitary and storm system.

Over 85% of the amounts budgeted here are for contractual sewage disposal charges from the Oakland County Water Resources Commissioner. Our sewage passes through the George W. Kuhn Sewage Disposal System (GWKSDS). Next it gets transported by the City of Detroit system then treated and returned to the Great Lakes system. The other 15% of costs are local costs.

Sanitary sewer cleaning is designed to clean all sanitary sewers within the city by sewer jetting and eliminating most of the sewer back-up problems in the city's lines.

The city provides a 24 hours a day, 7 days a week, response to any basement water calls.

Maintenance and normal repairs are scheduled starting in the spring on catch basins, manholes and any sewer lines that have had problems. This work continues as long as weather permits. During the winter, the sewer personnel clean the tops of catch basins and inspect all of the sewer structures for repair. From this program, a repair list is made up for the construction repair season.

During severe snow storms the sewer division supports the highway division with equipment and manpower for the plowing of city streets. Also, during the winter months, the sewer division uses a power-rodding machine to rod or clean city sewer lines that have root growth problems. This power rod is in operation until our construction season begins.

The sewer division also handles all Miss Dig requests. This is a program set up by all utilities for the staking of utility lines before any digging occurs. This division stakes or paints all City of Royal Oak sewer mains and laterals, water mains, sewer service tie-in locations, and water curb shut-offs.

---

### **Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Personnel costs are increasing due to two new sewer maintenance workers. The sewer maintenance workers are added in an effort to improve upon the sewer maintenance program; hoping to result in fewer sewer backups in Royal Oak. Personnel costs are also increasing due to an increase in medical insurance rates and a contractual increase in defined contribution benefits. Part-time wage costs will increase due to a higher utilization of part-time help as there is an increased workload. Tools and hardware will increase \$4,000 to purchase a locator. Pipes, sand, gravel, and slag and hauling services are increasing relative to the fiscal year 16-17 original budget due to a higher work load. Miscellaneous contracted services includes \$633,000 for sewer televising and root control, \$150,000 for catch basin cleaning, and \$52,500 for sewer treatment. Motor pool costs are increasing significantly based on estimated usage and rates. Oakland County Water Resources Commission's sewage disposal services are increasing 3%.

## Budget Summary

### Expenditures

| 592.540 SEWER MAINTENANCE       | Personnel Services | Supplies | Capital | Other      | Debt | Total      |
|---------------------------------|--------------------|----------|---------|------------|------|------------|
| 2013-2014 Actual                | 606,240            | 29,680   | 0       | 11,532,290 | 0    | 12,168,210 |
| 2014-2015 Actual                | 692,640            | 39,180   | 0       | 12,098,200 | 0    | 12,830,020 |
| 2015-2016 Actual                | 854,250            | 52,360   | 0       | 12,891,540 | 0    | 13,798,150 |
| 2016-2017 Original Budget       | 708,050            | 49,000   | 0       | 13,398,870 | 0    | 14,155,920 |
| 2016-2017 Adjusted Budget (Dec) | 708,050            | 49,000   | 0       | 13,398,870 | 0    | 14,155,920 |
| 2016-2017 Six Month Actual      | 335,470            | 22,390   | 0       | 5,525,630  | 0    | 5,883,490  |
| 2016-2017 Estimated Year End    | 710,880            | 51,200   | 0       | 13,308,150 | 0    | 14,070,230 |
| 2017-2018 Dept Request          | 613,280            | 57,000   | 0       | 13,979,120 | 0    | 14,649,400 |
| 2017-2018 Manager's Budget      | 613,280            | 57,000   | 0       | 13,979,120 | 0    | 14,649,400 |
| 2018-2019 Projected Budget      | 631,050            | 57,000   | 0       | 14,624,810 | 0    | 15,312,860 |
| 2019-2020 Projected Budget      | 649,460            | 57,000   | 0       | 15,302,580 | 0    | 16,009,040 |
| 2020-2021 Projected Budget      | 668,510            | 57,000   | 0       | 16,014,030 | 0    | 16,739,540 |
| 2021-2022 Projected Budget      | 688,240            | 57,000   | 0       | 16,760,860 | 0    | 17,506,100 |

## Cost Center Position FTE Detail

Full & Part-time Employees

| Sewer Maintenance                 |       | Fiscal Year |       |       |       |       |       |       |       |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
|                                   | 09-10 | 10-11       | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <b>Full-Time Positions</b>        |       |             |       |       |       |       |       |       |       |
| DPS Supervisor - Sewer            | 1.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Sewer Maintenance Worker II       | 4.0   | 4.0         | 4.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   |
| Sewer Maintenance Worker          | 3.0   | 5.0         | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 6.0   |
| Sewer Maintenance Worker (Temp)   | 0.0   | 0.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-time Total                   | 8.0   | 9.0         | 8.0   | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   | 9.0   |
| <b>Part-Time Positions (FTEs)</b> |       |             |       |       |       |       |       |       |       |
| Part-Time Positions               | n/a   | 0.8         | 0.8   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 | 8.0   | 9.8         | 8.8   | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   | 7.0   |

*The mission of the water and sewer construction cost center is to track and fund*

*water and sewer related projects.*

## GOALS

1. Develop a sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.
2. Ramp up the expenditure on water main improvements to complete the CIP public water system master plan improvements by 2020.

## OBJECTIVES

- Complete the budgeted capital improvement projects. <sup>GOAL 1,2</sup>
- Hire a consultant to complete a comprehensive storm-water system analysis to inform decision making regarding changes in the storm-water detention ordinance. <sup>GOAL 1</sup>
- Invest in green infrastructure. <sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The capital improvement plan calls for nearly \$4.7 million for water and sewer improvements (see capital improvement tab), however, the requested budget includes \$10,565,000 for capital as estimated timing and cost of completing projects has changed since the completion of the capital improvement plan.

The following capital improvement projects for FY2017-18 are as follows:

|   |           |
|---|-----------|
| • CAP1634 Special Assessment Paving W. Park       | \$14,000  |
| • CAP1639 Special Assessment Orchard Grove        | 113,000   |
| • CAP1642 Special Assessment S. Edison            | 67,000    |
| • CAP1701 DPS Pavement Patch and Prepaid Sidewalk | 150,000   |
| • CAP1710 Water Main Improvements                 | 320,000   |
| • CAP1712 4 <sup>th</sup> Street Rain Gardens     | 44,000    |
| • CAP1713 Green Infrastructure Study              | 148,000   |
| • CAP1735 Concrete Reconstruction                 | 350,000   |
| • CAP1736 Sewer Lining                            | 630,000   |
| • CAP1737 Spot Sewer Repairs                      | 452,000   |
| • CAP1801 DPS Pavement Patch and Prepaid Sidewalk | 470,000   |
| • CAP1810 Water Main Improvements                 | 1,407,000 |
| • CAP1835 Road Reconstruction                     | 400,000   |
| • Water meters and radio reads                    | 6,000,000 |

**FY17-18 Total:                      \$10,565,000**

## Budget Summary

### Expenditures

| <b>592.901 CONSTRUCTION</b>     | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                 |                           |                 |                |              |             |              |
| 2013-2014 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2014-2015 Actual                | 0                         | 0               | 0              | 0            | 0           | 0            |
| 2015-2016 Actual                | 14,370                    | 60              | 0              | 2,610        | 0           | 17,040       |
| 2016-2017 Original Budget       | 221,490                   | 0               | 5,714,510      | 0            | 0           | 5,936,000    |
| 2016-2017 Adjusted Budget (Dec) | 221,490                   | 0               | 4,760,510      | 0            | 0           | 4,982,000    |
| 2016-2017 Six Month Actual      | 144,790                   | 780             | 0              | 1,656,350    | 0           | 1,801,920    |
| 2016-2017 Estimated Year End    | 0                         | 0               | 4,770,210      | 0            | 0           | 4,770,210    |
| 2017-2018 Dept Request          | 189,610                   | 0               | 10,375,390     | 0            | 0           | 10,565,000   |
| 2017-2018 Manager's Budget      | 189,610                   | 0               | 10,375,390     | 0            | 0           | 10,565,000   |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 194,500                   | 0               | 5,639,000      | 0            | 0           | 5,833,500    |
| 2019-2020 Projected Budget      | 199,560                   | 0               | 7,734,000      | 0            | 0           | 7,933,560    |
| 2020-2021 Projected Budget      | 204,790                   | 0               | 5,542,000      | 0            | 0           | 5,746,790    |
| 2021-2022 Projected Budget      | 210,180                   | 0               | 5,749,000      | 0            | 0           | 5,959,180    |

***The mission of the ice arena is to provide to both resident and regional skaters of all ages outstanding recreation programs on ice that are financially self-supporting.***

A full menu of programs for ice skating and hockey are provided at the John Lindell Ice Arena. Skaters can enjoy open skating times, drop-in hockey, and freestyle sessions.

Whether you are a beginner looking for open public skating or an advanced figure skater or hockey player, programs are available for all ages. Programs are offered all year long.

A skating instructor might be a current Olympic-class athlete or coach because of the strength of skating training the Metro Detroit region.

The annual ice show is a crowd pleaser, providing friends and families a chance to see young skaters show off their skill.

Lindell Arena is the home arena for many teams and clubs: Royal Oak Hockey Club, Eagles Travel Hockey, New Edge Figure Skating Club, Royal Oak High School Figure Skating Club, Royal Oak Ravens High School Hockey, Shrine Knights High School Hockey, Far Flyers Hockey Team, TOT<sup>2</sup> Women's Hockey Team Division 5, TOT Women's Hockey Team Division 6, Detroit Women's Hockey League, Royal Oak Senior Hockey League.

Program offerings include:

Open public skating: times are available daily throughout the year for skaters of all ages.

Learn to skate program: the learn to skate program offers a wide range of classes to suit everyone's needs from ages 3 to adult. The program is a place to learn basic skating skills and is a stepping-stone for hockey as well as

freestyle, synchronized, and recreational skating.

Freestyle program: skaters must be members of the New Edge Figure Skating Club or a USFS member. Sessions are limited to the first 24 skaters signed in and paid.

Drop-in hockey: players are required to be at least 18 years of age and wear full equipment with a helmet.

High school varsity hockey: home to two varsity hockey programs, Royal Oak High School Ravens and Shrine Catholic High School Knights. Both are pay-to-play programs.

Royal Oak adult hockey league: the fall/winter league has 32 teams in 3 divisions and spring/summer league has 30 teams in 3 divisions.

Tournaments: The ice arena hosts multiple tournaments each year. Two Computware-Honeybaked AAA tournaments are hosted in September and October, The Warrior AAA tournament is in mid-October, The Bauer World Invite Girls Tier I tournament is in mid-November, and a Selects Hockey Tier II boy's tournament is held over Thanksgiving weekend.

Ice show: the annual ice show showcases the talents of New Edge Figure Skating Club skaters.

The ice arena operations are now contracted out to Suburban Ice Management. The \$1.4 million budget also pays all operational and building maintenance costs.

Most revenue to fund programs comes from rink rental fees. The bulk of the remaining receipts come from other fees: e.g. lessons, open freestyle and open skating fees.

## GOALS

1. To provide excellent customer service.
2. To provide quality ice surfaces.
3. To provide and run programming to utilize ice available time.

## OBJECTIVES

- Edge/shave surfaces regularly to provide quality ice at proper thickness. <sup>GOAL1,2</sup>
- Programming that appeals to a broad spectrum of customers. <sup>GOAL3</sup>

## Performance Indicators / Outcome Measures

|   | <u>Actual<br/>FY14-15</u> | <u>Actual<br/>FY15-16</u> | <u>Dec 31<br/>2016</u> | <u>Projected<br/>FY16-17</u> | <u>Projected<br/>FY17-18</u> | <u>Projected<br/>FY18-19</u> |
|---|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| Learn to Skate Participants                                     | 1,284                     | 1,593                     | 380                    | 1,600                        | 1,600                        | 1,600                        |
| Number of Scheduled Hours<br>Used Weekly<br>(September – March) | 236                       | 237                       | 240                    | 250                          | 250                          | 250                          |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

Revenues are increasing due to more travel teams using the rink, running more leagues, and an increase in the hourly ice rate. Advertising expense is increasing \$2,000 to promote youth hockey, learn to skate, and off-season programming. Building repairs are decreasing \$10,000 due to a wall repair and \$122,000 for painting of the arena performed in fiscal year 16-17. Replacement of the second ice resurfacing machine is in the motor pool fund in the amount of \$130,000. This fund is budgeted to operate with revenues nearly matching expenses when depreciation expense is removed. There are no capital improvements in the forecast expenditures.

The following capital improvement project is budgeted for solid waste for FY2017-18:

- Replacement lighting w/ LED \$29,000
- Door repairs 15,000
- Condenser tower 70,000
- Roof repairs (portion of) 50,000

**FY2017-18 Total:** **\$164,000**

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets         | 559,447   | 479,697   | 361,157   | 391,217   | 405,557   | 403,847   |
| Revenues and transfers from other funds   | 1,453,860 | 1,437,500 | 1,437,500 | 1,437,500 | 1,437,500 | 1,437,500 |
| Expenditures and transfers to other funds | 1,533,610 | 1,556,040 | 1,407,440 | 1,423,160 | 1,439,210 | 1,455,630 |
| Net Change in Net Assets                  | (79,750)  | (118,540) | 30,060    | 14,340    | (1,710)   | (18,130)  |
| Ending Unrestricted Net Assets            | 479,697   | 361,157   | 391,217   | 405,557   | 403,847   | 385,717   |

## Revenues

| <b>598.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 0             | 1,223,720                                      | 3,550                                 | 6,720        | 0                | 1,233,990    |
| 2014-2015 Actual                | 0            | 0             | 1,357,060                                      | 2,210                                 | 5,980        | 0                | 1,365,250    |
| 2015-2016 Actual                | 0            | 0             | 1,456,710                                      | 2,000                                 | 18,740       | 0                | 1,477,450    |
| 2016-2017 Original Budget       | 0            | 0             | 1,387,400                                      | 2,000                                 | 5,500        | 0                | 1,394,900    |
| 2016-2017 Adjusted Budget (Dec) | 0            | 0             | 1,387,400                                      | 2,000                                 | 5,500        | 0                | 1,394,900    |
| 2016-2017 Six Month Actual      | 0            | 0             | 794,010  | 0                                     | 6,110        | 0                | 800,120      |
| 2016-2017 Estimated Year End    | 0            | 0             | 1,421,150                                      | 2,000                                 | 7,940        | 22,770           | 1,453,860    |
| 2017-2018 Dept Request          | 0            | 0             | 1,430,000                                      | 2,000                                 | 5,500        | 0                | 1,437,500    |
| 2017-2018 Manager's Budget      | 0            | 0             | 1,430,000                                      | 2,000                                 | 5,500        | 0                | 1,437,500    |
|                                 |              |               |  |                                       |              |                  |              |
| 2018-2019 Projected Budget      | 0            | 0             | 1,430,000                                      | 2,000                                 | 5,500        | 0                | 1,437,500    |
| 2019-2020 Projected Budget      | 0            | 0             | 1,430,000                                      | 2,000                                 | 5,500        | 0                | 1,437,500    |
| 2020-2021 Projected Budget      | 0            | 0             | 1,430,000                                      | 2,000                                 | 5,500        | 0                | 1,437,500    |
| 2021-2022 Projected Budget      | 0            | 0             | 1,430,000                                      | 2,000                                 | 5,500        | 0                | 1,437,500    |

## Expenditures

| <b>598.758 ICE ARENA</b>        | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 14,750                        | 87,330          | 0              | 1,212,100    | 0           | 1,314,180    |
| 2014-2015 Actual                | 20,610                        | 68,780          | 0              | 1,250,850    | 0           | 1,340,240    |
| 2015-2016 Actual                | 23,390                        | 88,120          | 0              | 1,232,490    | 0           | 1,344,000    |
| 2016-2017 Original Budget       | 20,500                        | 113,750         | 0              | 1,388,190    | 0           | 1,522,440    |
| 2016-2017 Adjusted Budget (Dec) | 20,500                        | 118,900         | 0              | 1,396,190    | 0           | 1,535,590    |
| 2016-2017 Six Month Actual      | 8,980                         | 47,020          | 0              | 605,080      | 0           | 661,080      |
| 2016-2017 Estimated Year End    | 19,570                        | 118,750         | 0              | 1,395,290    | 0           | 1,533,610    |
| 2017-2018 Dept Request          | 12,930                        | 108,750         | 164,000        | 1,251,600    | 18,760      | 1,556,040    |
| 2017-2018 Manager's Budget      | 12,930                        | 108,750         | 164,000        | 1,251,600    | 18,760      | 1,556,040    |
|                                 |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 13,310                        | 108,750         | 0              | 1,266,620    | 18,760      | 1,407,440    |
| 2019-2020 Projected Budget      | 13,700                        | 108,750         | 0              | 1,281,950    | 18,760      | 1,423,160    |
| 2020-2021 Projected Budget      | 14,100                        | 108,750         | 0              | 1,297,600    | 18,760      | 1,439,210    |
| 2021-2022 Projected Budget      | 14,530                        | 108,750         | 0              | 1,313,590    | 18,760      | 1,455,630    |



## **INTERNAL SERVICE FUNDS**

Internal service funds are established to finance and account for services and commodities furnished by a designated department or agency to other departments within a single government unit or to other governmental units.

Information Systems Fund - 636

Workers Compensation Insurance  
Fund – 677

Motor Pool Fund – 661

Health Care Fund – 678

General Liability and Property  
Insurance Fund - 679

***The mission of the information technology department is to provide computer, telecommunications, software, security and other technology tools and services in support of the city's operational goals in the most efficient manner possible.***

The information technology (IT) department researches, supports and coordinates technological solutions to keep the city's information technology functioning and performing consistently at expected levels. The IT staff continually strives to meet productivity gains and address the city's technology challenges.

Technology plays a critical support role in the city's ability to provide government services. The IT department is the city's central control center where proactively securing and managing the city's technology and data is a top priority. The job gets more complicated daily as new threats to security emerge and as information technology become more integrated across multiple platforms and networks. The department oversees application integration between the city and county, state and federal organizations and is responsible for the infrastructure that ties it all together.

The department manages a nearly \$2 million technology budget and is responsible for servicing all city departments and the 44th District Court. The department is responsible for procurement and maintenance of more than 800 devices including networking switches and routers, servers, computers, printers, telephones, smart/cell phones, pagers, faxes, scanners, cameras, and other computer equipment and communication devices. Email, document storage and retrieval systems are maintained for approximately 400 user accounts and over 120 computer software applications at 14 different municipal locations, most of which are connected via the city's wide area network. The IT staff provides daily support in the following areas: help desk, hardware and network issues, data and document management, project management, data and voice communications, and specialized application software.

The city's website annually serves over 2 million page requests with over 500 megabytes of data transferred on a daily basis. The most frequently

accessed areas of the city's website are: community events and event calendar, Royal Oak restaurants, meeting documents, general information, job openings, parks and recreation programs, the residents portal page, parking permits and parking tickets. The most frequently accessed departments are the farmers market, assessor's office, ice arena, 44th district court, police, animal shelter, recreation, treasurer's office, water billing, building, city clerk, senior center, city attorney, planning, and human resources. The most popular meeting documents are those from the city commission, LCC, DDA, farmers market, planning commission, and the ZBA.

Information technology is an internal service fund that uses cost allocation to expense all computer applications, licensing, software and hardware support and maintenance, and print shop costs to each user department/cost center.

The information technology plan is an ongoing and evolving strategy. It is a challenge to develop a technology plan that has enough foresight to envision the future. The plan needs to anticipate what new technology will be available and applicable to the city's needs, and to provide an adequate outline that presents an overview for decision making and allocation of funding for these improvements. It is important to review the plan periodically and to make it flexible enough to adapt to changes along the way. The plan is designed to address the levels of technology support for city-wide efficiency and assignment of priority to the targeted projects over a 3-5 year period.

## GOALS

1. To provide the city with cost-effective, dependable and accurate information services, which support both current and future business needs.
2. To provide city departments with strategic project planning and assistance as it relates to technology.
3. To maintain appropriate levels of network security to protect the city's critical business systems from security threats and respond to security threats in a prompt and effective manner.
4. To utilize the community engagement specialist position for improved communication between staff and residents.
5. To encourage professionalism, the development of skills and ownership of information technology both at the staff level and the end-user level.
6. To proactively find ways to promote meaningful, open and respectful dialogue that ensures effective decision making.
7. To develop and maintain an effective communications network for city operations.

## OBJECTIVES

- Deliver a new website for the residents, visitors, current and prospective employees and local businesses of the city with focus on a responsive design available on all devices.  
Goals 1,2,4,5
- Increase the city's GIS capabilities and integrate select functionalities with the new city website.  
Goals 1,2,4,6
- Expand the city network infrastructure to enable wireless connectivity to city employees as well as strategic public areas.  
Goals 1,7
- Build a better understanding of information technology through continued IT security awareness and user policy training.  
Goals 3,7
- Continue to replace/update employee computers which are outdated.  
Goals 1,5,6
- Provide a consistent software suite to employees including upgrading to the latest versions of Microsoft Office products.  
Goals 1,3,5,6
- Virtualize stand-alone servers and upgrade to supported operating systems.  
Goals 2,3,5,7
- Update and test disaster recovery plan.  
Goal 7
- Explore contracting for the creation of a Royal Oak app.  
GOAL2
- Examine ways to strengthen digital infrastructure to move toward a smart cities initiative.  
GOAL2

## Performance Indicators / Outcome Measures

|  | <u>Actual</u><br><u>FY14-15</u> | <u>Actual</u><br><u>FY15-16</u> | <u>Dec 31</u><br><u>2016</u> | <u>Projected</u><br><u>FY16-17</u> | <u>Projected</u><br><u>FY17-18</u> | <u>Projected</u><br><u>FY18-19</u> |
|--|---------------------------------|---------------------------------|------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Network Connections</b>             |                                 |                                 |                              |                                    |                                    |                                    |
| Building Locations                     | 13                              | 13                              | 13                           | 13                                 | 13                                 | 13                                 |
| PC's                                   | 416                             | 418                             | 420                          | 420                                | 420                                | 420                                |
| LAN Services                           | 14                              | 14                              | 14                           | 15                                 | 16                                 | 16                                 |
| <b>AD, Email, Social Media Service</b> |                                 |                                 |                              |                                    |                                    |                                    |
| User & Email accounts                  | 476                             | 494                             | 497                          | 500                                | 500                                | 500                                |
| Group accounts                         | 93                              | 93                              | 93                           | 93                                 | 93                                 | 93                                 |
| Social Media Accounts                  | 13                              | 13                              | 18                           | 18                                 | 18                                 | 18                                 |
| <b>Device Installs and upgrades</b>    |                                 |                                 |                              |                                    |                                    |                                    |
| PC's                                   | 68                              | 45                              | 25                           | 83                                 | 60                                 | 60                                 |
| Printers                               | 10                              | 52                              | 57                           | 80                                 | 4                                  | 4                                  |
| Other                                  | 15                              | 18                              | 18                           | 10                                 | 5                                  | 5                                  |
| <b>Telecommunications</b>              |                                 |                                 |                              |                                    |                                    |                                    |
| Telephones – VOiP                      | 363                             | 392                             | 361                          | 375                                | 375                                | 375                                |
| SIP/Channels                           | 140                             | 140                             | 140                          | 140                                | 140                                | 140                                |
| TDM Pri/Channels                       | 1/23                            | 1/23                            | 1/23                         | 1/23                               | 1/23                               | 1/23                               |
| Point to Point T1's/Channels           | 3/69                            | 3/69                            | 3/69                         | 3/69                               | 3/69                               | 3/69                               |
| Adds, moves, changes                   | 98                              | 392                             | 55                           | 100-200                            | 100-200                            | 100-200                            |
| Voicemail accounts                     | 691                             | 268                             | 277                          | 616                                | 616                                | 616                                |
| Cell Phone Accounts                    | 91                              | 91                              | 98                           | 98                                 | 99                                 | 99                                 |
| <b>General</b>                         |                                 |                                 |                              |                                    |                                    |                                    |
| # of PC Virus outbreaks                | 1                               | 1                               | 0                            | 1                                  | 1                                  | 1                                  |

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The budget includes a full-time GIS coordinator position for the entire fiscal year and six months funding of a second network administrator position for succession planning purposes in the event the current network administrator retires. Personnel costs are also increasing due to increased medical insurance rates and a contractual increase in defined contribution benefits. \$75,000 is budgeted for the computer replacement program. Computer supplies are increasing due to server and infrastructure upgrades. Contracted services are increasing due to new ESRI software and Microsoft Office upgrades.

The following capital improvement projects for FY2017-18 are as follows (Deviates from CIP):

|                                       |          |
|---------------------------------------|----------|
| Office Software and Training Program  | \$85,000 |
| Server-Network-Cabling Infrastructure | 50,000   |
| Mobile Workforce                      | 16,000   |
| Wireless Infrastructure               | 35,000   |
| GIS Integration                       | 60,000   |
| Disaster Recovery                     | 75,000   |

**FY2017-18 Total:      \$321,000**

## Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets         | 1,371,250 | 1,471,130 | 1,291,980 | 1,158,200 | 1,054,860 | 999,060   |
| Revenues and transfers from other funds   | 1,862,890 | 1,755,230 | 1,807,590 | 1,861,520 | 1,917,070 | 1,974,280 |
| Expenditures and transfers to other funds | 1,555,490 | 1,934,380 | 1,941,370 | 1,964,860 | 1,972,870 | 1,989,410 |
| Net Change in Net Assets                  | 307,400   | (179,150) | (133,780) | (103,340) | (55,800)  | (15,130)  |
| Ending Unrestricted Net Assets            | 1,471,130 | 1,291,980 | 1,158,200 | 1,054,860 | 999,060   | 983,930   |

\*Adjusted for net pension and OPEB liability

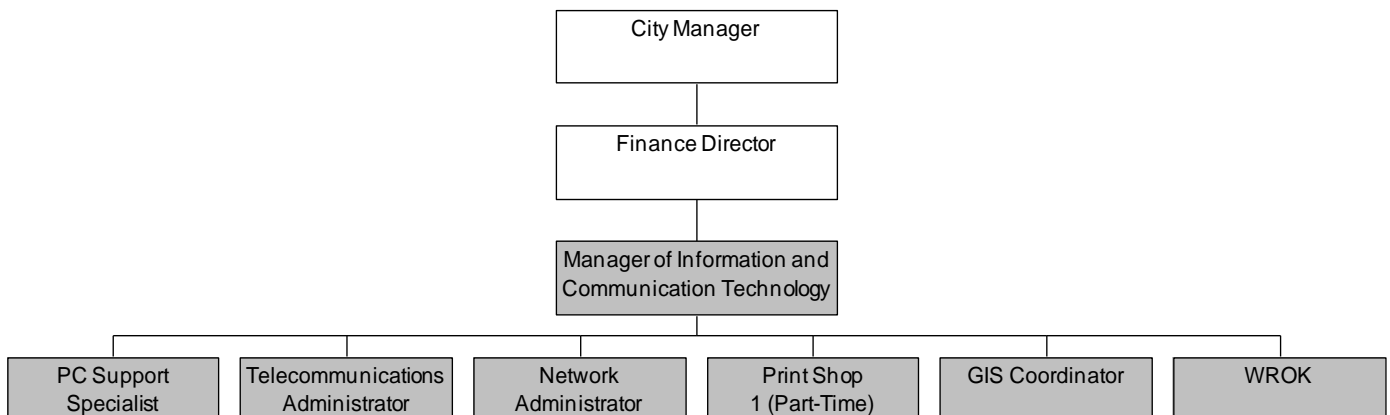
## Revenues

| 636.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other     | Transfers | Total     |
|---------------------------------|-------|--------|--------------------------------------|-------------------------------|-----------|-----------|-----------|
| 2013-2014 Actual                | 0     | 0      | 0                                    | 1,640                         | 1,038,660 | 0         | 1,040,300 |
| 2014-2015 Actual                | 0     | 0      | 0                                    | 6,200                         | 1,146,900 | 0         | 1,153,100 |
| 2015-2016 Actual                | 0     | 0      | 0                                    | 7,520                         | 1,436,950 | 0         | 1,444,470 |
| 2016-2017 Original Budget       | 0     | 0      | 0                                    | 4,800                         | 1,777,000 | 0         | 1,781,800 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                                    | 4,800                         | 1,777,000 | 0         | 1,781,800 |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                                    | (1,600)                       | 888,680   | 0         | 887,080   |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                                    | 9,500                         | 1,747,760 | 105,630   | 1,862,890 |
| 2017-2018 Dept Request          | 0     | 0      | 0                                    | 10,000                        | 1,745,230 | 0         | 1,755,230 |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                                    | 10,000                        | 1,745,230 | 0         | 1,755,230 |
|                                 |       |        |                                      |                               |           |           |           |
| 2018-2019 Projected Budget      | 0     | 0      | 0                                    | 10,000                        | 1,797,590 | 0         | 1,807,590 |
| 2019-2020 Projected Budget      | 0     | 0      | 0                                    | 10,000                        | 1,851,520 | 0         | 1,861,520 |
| 2020-2021 Projected Budget      | 0     | 0      | 0                                    | 10,000                        | 1,907,070 | 0         | 1,917,070 |
| 2021-2022 Projected Budget      | 0     | 0      | 0                                    | 10,000                        | 1,964,280 | 0         | 1,974,280 |

## Expenditures

| <b>636.258 INFO SYSTEMS</b>     | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 667,830                   | 87,110          | 40,400         | 406,380      | 0           | 1,201,720    |
| 2014-2015 Actual                | 565,420                   | 112,030         | 0              | 539,590      | 0           | 1,217,040    |
| 2015-2016 Actual                | 239,210                   | 49,800          | 0              | 564,780      | 0           | 853,790      |
| 2016-2017 Original Budget       | 633,430                   | 168,500         | 521,000        | 742,740      | 0           | 2,065,670    |
| 2016-2017 Adjusted Budget (Dec) | 633,430                   | 130,500         | 521,000        | 780,740      | 0           | 2,065,670    |
| 2016-2017 Six Month Actual      | 220,740                   | 20,710          | 10,660         | 358,980      | 0           | 611,090      |
| 2016-2017 Estimated Year End    | 521,500                   | 100,500         | 150,000        | 783,490      | 0           | 1,555,490    |
| 2017-2018 Dept Request          | 532,790                   | 154,500         | 321,000        | 851,020      | 75,070      | 1,934,380    |
| 2017-2018 Manager's Budget      | 532,790                   | 154,500         | 321,000        | 851,020      | 75,070      | 1,934,380    |
| 2018-2019 Projected Budget      | 547,780                   | 154,500         | 366,000        | 798,020      | 75,070      | 1,941,370    |
| 2019-2020 Projected Budget      | 563,270                   | 154,500         | 374,000        | 798,020      | 75,070      | 1,964,860    |
| 2020-2021 Projected Budget      | 579,280                   | 154,500         | 366,000        | 798,020      | 75,070      | 1,972,870    |
| 2021-2022 Projected Budget      | 595,820                   | 154,500         | 366,000        | 798,020      | 75,070      | 1,989,410    |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| <b>Info Tech</b>                                    |              |              |              |              |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|   | <b>09-10</b> | <b>10-11</b> | <b>11-12</b> | <b>12-13</b> | <b>13-14</b> | <b>14-15</b> | <b>15-16</b> | <b>16-17</b> | <b>17-18</b> |
| <b><u>Full-Time Positions</u></b>                   |              |              |              |              |              |              |              |              |              |
| Manager of Information and Communication Technology | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Data Base Administrator                             | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Network Administrator                               | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Pc Support Specialist                               | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| GIS Coordinator                                     | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          |
| Telecommunications Administrator                    | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Info Tech - MC II                                   | 1.0          | 1.0          | 1.0          | 1.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Full-Time Total                                     | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 5.0          | 5.0          |
| <b><u>Part-Time Positions (FTEs)</u></b>            |              |              |              |              |              |              |              |              |              |
| Part-Time Positions                                 | n/a          | n/a          | n/a          | n/a          | n/a          | n/a          | n/a          | n/a          | n/a          |
| Cost Center Total                                   | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 5.0          | 5.0          |

***The mission of the motor pool is to provide a central location of accountability for the acquisition and maintenance of safe and efficient machinery, equipment and vehicles for city operations.***

The motor pool division of the department of public service (DPS) is an internal citywide service unit responsible for fleet maintenance, repairs, fueling and vehicle / equipment acquisition, to keep citywide departments operational. The motor pool division insures that the city-owned fleet of machinery, equipment and vehicles remain in a safe and proper functioning condition. Scheduled preventative maintenance is performed.

Vehicle condition and criteria for replacement are also closely monitored to optimize long-term cost. The motor pool maintains its own computerized records and inventory. Gasoline, diesel fuel, auto and truck parts are inventoried and charged to the various departments when used.

Internal city departments are charged monthly or hourly user fees that include a replacement charge ensuring that funds will be available when replacement is due.

The motor pool manages over \$15 million in machinery, equipment and vehicles, consisting of 8 fire trucks, 4 ambulance units, 132 cars, vans and pickup trucks, 15 dump-trucks, 28 heavy construction vehicles and 7 trailers and specialty vehicles.

The division continually analyzes city-wide vehicle and equipment utilization; recommends, develops and refines specifications maximizing vehicle life cycle; and analyzes fleet composition in order to “right size” the fleet with a focus on reducing the total number of vehicles and equipment to the number that would provide the lowest overall fleet cost.

---

## GOALS

1. Provide each department quality service.
2. Complete repairs in a timely manner by prioritizing each repair according to need and importance.
3. To maintain the fleet in a safe and proper functioning condition by providing a preventive maintenance program consistent with manufacturing recommendations.
4. To maintain an adequate level of parts and supplies while minimizing inventory costs.

## OBJECTIVES

- Increase utilization of vehicle maintenance software to identify vehicles for replacement.<sup>GOAL1</sup>
- Schedule appropriate training for changes in vehicle emissions.<sup>GOAL3</sup>



**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:**

Vehicle rental charges are increasing nearly \$200,000 to collect additional variable charges based on recent years' actual activity. Full-time wages are decreasing due to a portion of the financial analyst now being allocated to the solid waste fund. Part-time wages are increasing as there is now a year-round part-time employee. Overtime is decreasing \$9,000 as it was unusually high in fiscal year 16-17 due to injury leave causing a staffing shortfall. Other personnel costs are increasing due to an increase in medical insurance rates and a contractual increase in defined contribution benefits. Gasoline is increasing \$240,000 from fiscal year 16-17 projections due to the uncertainty of fuel prices next year. Vehicle repairs and maintenance are increasing relative to fiscal year 16-17 due to an unusually low year. Vehicle tires and blades are increasing as these accounts are cyclical and spending was low in fiscal year 16-17. Collision and damages repair services are decreasing due to several large repairs in fiscal year 16-17. Grounds repair is increasing \$1,000 to replace trees. Cleaning and janitorial services are increasing \$6,000 to get additional services. Equipment repair and maintenance is increasing \$2,000 relative to fiscal year 16-17 projected to be prepared in the event that repairs are required in-house. Heating and cooling repairs are decreasing \$55,000 due to the replacement of the boiler in fiscal year 16-17. Motor pool HVAC upgrades are requested for \$25,000, \$17,000 for new lighting, and \$41,000 for the DPS building roof. A transfer-in from the police grants fund of \$33,500 in forfeiture funds is budgeted for an undercover police vehicle that is new to the fleet. Administrative charges are increasing \$13,000 due to an increase in allowable expenses being spread due to an increase in expenses for central service departments. Communication systems repairs are increasing \$8,000 based on historical spending. "Other" expense is increasing for the new OPEB/pension debt service payment.

The following replacement vehicles for fiscal year 17-18 will be funded with the cash on-hand in the motor pool fund that accumulated by way of depreciation:

|  |          |
|--|----------|
| Auto parking van                           | \$31,000 |
| Engineering pick-up                        | 37,000   |
| Fire ambulance                             | 213,000  |
| Two highway dump trucks                    | 412,000  |
| Highway sweeper                            | 200,000  |
| Ice arena ice resurfacing machine          | 130,000  |
| Parks Groundmaster mower                   | 57,000   |
| Four parks pick-ups                        | 184,000  |
| Parks chipper dump truck                   | 208,000  |
| Brush Chipper                              | 43,500   |
| Arrow board                                | 10,000   |
| Sewer cement mixer                         | 20,000   |
| Water maintenance dump truck with crane    | 208,000  |
| Three police department patrol vehicles    | 125,000  |
| Police department unmarked vehicle         | 33,000   |
| Police department undercover vehicle (NEW) | 33,500   |

**FY2017-18 Total: \$1,945,000**

## Budget Summary

|   | 2016-2017 | 2017-2018   | 2018-2019   | 2019-2020   | 2020-2021   | 2021-2022   |
|---|-----------|-------------|-------------|-------------|-------------|-------------|
| Beginning Unrestricted Net Assets         | 9,167,506 | 7,849,472   | 6,308,032   | 5,051,640   | 3,952,278   | 2,681,959   |
| Revenues and transfers from other funds   | 4,944,440 | 4,531,830   | 4,629,950   | 4,765,520   | 4,905,160   | 5,048,980   |
| Expenditures and transfers to other funds | 5,728,640 | 6,073,270   | 5,886,342   | 5,864,882   | 6,175,479   | 6,176,463   |
| Net Change in Net Assets                  | (784,200) | (1,541,440) | (1,256,392) | (1,099,362) | (1,270,319) | (1,127,483) |
| Ending Unrestricted Net Assets            | 7,849,472 | 6,308,032   | 5,051,640   | 3,952,278   | 2,681,959   | 1,554,476   |

\*Adjusted for net pension and OPEB liability

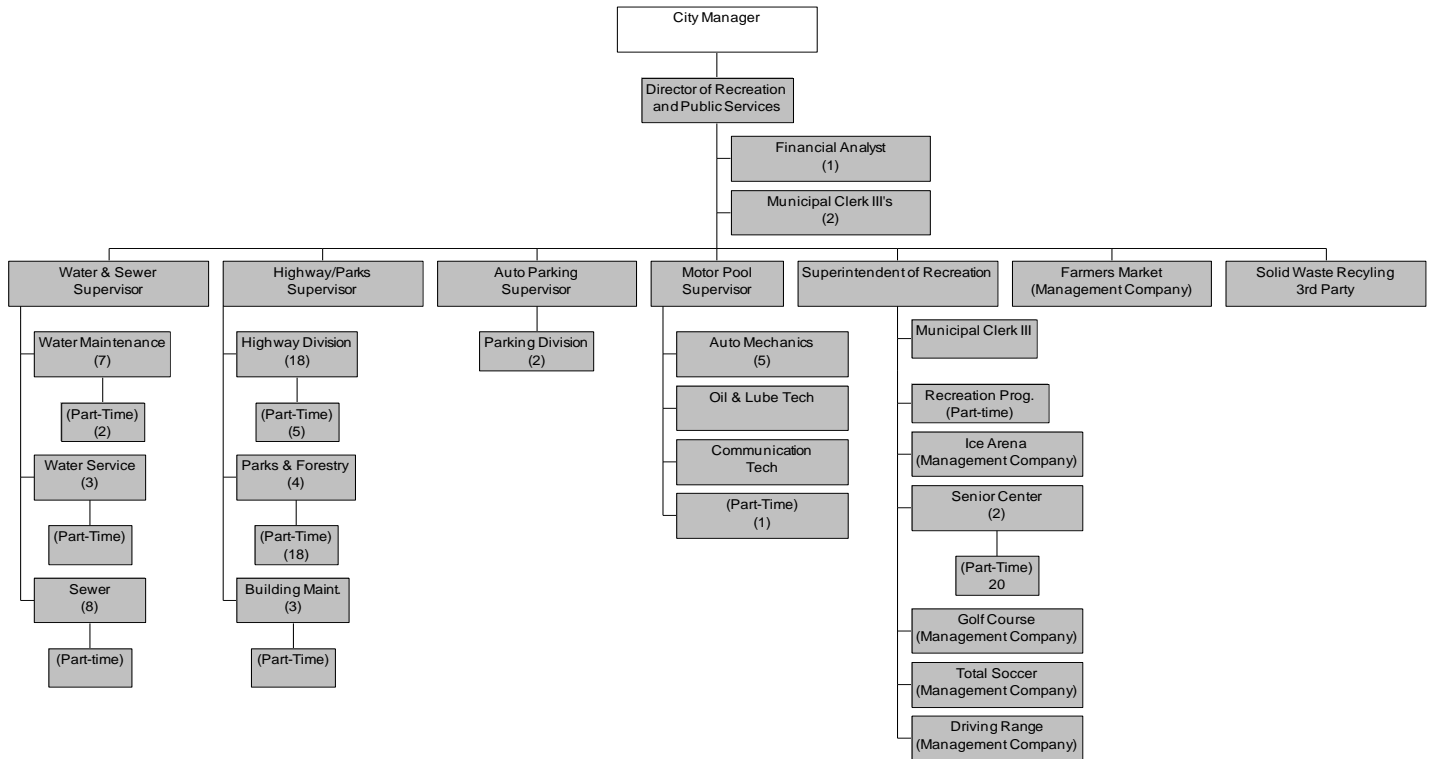
## Revenues

| 661.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other     | Transfers | Total     |
|---------------------------------|-------|--------|--------------------------------------|-------------------------------|-----------|-----------|-----------|
| 2013-2014 Actual                | 0     | 0      | 0                                    | 9,190                         | 4,521,970 | 272,400   | 4,803,560 |
| 2014-2015 Actual                | 0     | 0      | 0                                    | 42,420                        | 4,382,150 | 35,000    | 4,459,570 |
| 2015-2016 Actual                | 0     | 0      | 0                                    | 47,060                        | 4,385,470 | 80,000    | 4,512,530 |
| 2016-2017 Original Budget       | 0     | 0      | 0                                    | 28,000                        | 4,403,650 | 105,000   | 4,536,650 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                                    | 28,000                        | 4,423,000 | 252,630   | 4,703,630 |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                                    | (11,040)                      | 2,344,940 | 100,840   | 2,434,740 |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                                    | 42,100                        | 4,304,870 | 597,470   | 4,944,440 |
| 2017-2018 Dept Request          | 0     | 0      | 0                                    | 40,000                        | 4,458,330 | 33,500    | 4,531,830 |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                                    | 40,000                        | 4,458,330 | 33,500    | 4,531,830 |
| 2018-2019 Projected Budget      | 0     | 0      | 0                                    | 40,000                        | 4,589,950 | 0         | 4,629,950 |
| 2019-2020 Projected Budget      | 0     | 0      | 0                                    | 40,000                        | 4,725,520 | 0         | 4,765,520 |
| 2020-2021 Projected Budget      | 0     | 0      | 0                                    | 40,000                        | 4,865,160 | 0         | 4,905,160 |
| 2021-2022 Projected Budget      | 0     | 0      | 0                                    | 40,000                        | 5,008,980 | 0         | 5,048,980 |

## Expenditures

| <b>661.442 MOTOR POOL</b>       | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 1,202,820                 | 969,500         | 92,330         | 1,235,740    | 94,530      | 3,594,920    |
| 2014-2015 Actual                | 1,177,190                 | 822,970         | 87,170         | 1,250,830    | 78,060      | 3,416,220    |
| 2015-2016 Actual                | 1,262,800                 | 692,790         | 125,390        | 1,469,380    | 69,420      | 3,619,780    |
| 2016-2017 Original Budget       | 1,179,600                 | 972,450         | 2,191,000      | 1,676,550    | 54,600      | 6,074,200    |
| 2016-2017 Adjusted Budget (Dec) | 1,179,600                 | 970,950         | 2,718,860      | 1,678,050    | 54,600      | 6,602,060    |
| 2016-2017 Six Month Actual      | 575,030                   | 282,270         | 975,360        | 828,230      | 12,090      | 2,672,980    |
| 2016-2017 Estimated Year End    | 1,207,070                 | 704,760         | 2,070,480      | 1,704,450    | 41,880      | 5,728,640    |
| 2017-2018 Dept Request          | 882,390                   | 972,200         | 2,028,000      | 1,651,300    | 539,380     | 6,073,270    |
| 2017-2018 Manager's Budget      | 882,390                   | 972,200         | 2,028,000      | 1,651,300    | 539,380     | 6,073,270    |
|                                 |                           |                 |                |              |             |              |
| 2018-2019 Projected Budget      | 903,570                   | 1,001,670       | 1,728,000      | 1,691,160    | 561,942     | 5,886,342    |
| 2019-2020 Projected Budget      | 925,470                   | 1,032,050       | 1,619,000      | 1,732,220    | 556,142     | 5,864,882    |
| 2020-2021 Projected Budget      | 948,100                   | 1,063,400       | 1,837,000      | 1,774,500    | 552,479     | 6,175,479    |
| 2021-2022 Projected Budget      | 971,480                   | 1,095,720       | 1,740,000      | 1,818,050    | 551,213     | 6,176,463    |

## Departmental Organization Chart



## Cost Center Position Detail - Home Base

Full & Part-time Employees

| Motor Pool                        |  | Fiscal Year |       |       |       |       |       |       |       |       |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                   |  | 09-10       | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 |
| <u>Full-Time Positions</u>        |  |             |       |       |       |       |       |       |       |       |
| Superintendent - Motor Pool       |  | 1.0         | 1.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Motor Pool Supervisor             |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Budget Analyst                    |  | 0.0         | 0.0   | 0.0   | 0.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Automotive Mechanic               |  | 4.0         | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   | 4.0   |
| Communications Maintenance Tech   |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Stock Clerk                       |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Oil and Lube Tech                 |  | 1.0         | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   | 1.0   |
| Public Service Facility Custodian |  | 1.0         | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Motor Pool - MC III               |  | 1.0         | 1.0   | 1.0   | 1.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   |
| Full-Time Total                   |  | 11.0        | 10.0  | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   |
| <u>Part-Time Positions (FTEs)</u> |  |             |       |       |       |       |       |       |       |       |
| Part-Time Positions               |  | n/a         | 1.3   | 1.3   | n/a   | n/a   | n/a   | n/a   | n/a   | n/a   |
| Cost Center Total                 |  | 11.0        | 11.3  | 10.3  | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   | 9.0   |

***The mission of the worker's compensation fund is to account for all costs of worker's compensation claims.***

The city is responsible for paying the costs of eligible worker's compensation claims from employees. It has elected to be "self-insured," bearing the burden of normal costs.

Reinsurance is purchased to limit losses by individual case and, annually, in the aggregate.

The human resources department receives and forwards employee claims from departments to

an independent claims processor for professional case management.

This fund pays the eligible costs of training, lost time, medical and indemnity, claims processor, reinsurance and legal fees, if any.

Funds and departments are charged a user charge based on worker's compensation insurance principals to fund this activity.

The city currently has a self-insured specific retention of \$600,000 with a minimum aggregate retention of \$2,253,517. Policy limit is \$5 million.

## GOALS

1. Minimize worker's compensation claims through proper hiring, screening and employee safety training.
2. Provide supervisors with safety training so that, when accidents occur they protect the injured employee and record all pertinent circumstances regarding any potential claim.
3. Vigorously oppose lawsuits arising from ineligible worker's compensation claims.
4. Create equitable worker's compensation charge rates to other funds to maintain a proper fund balance.

## OBJECTIVES

- Review and potentially recommend a policy for reserve levels. <sup>GOAL3</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

There are no significant changes for this fund with the exception of reducing contributions from other funds as accumulated funds are sufficient at this time. In fiscal year 2016-17, it is estimated that over \$2.1 million will be refunded to the various city funds that paid in to the accumulation of cash into this fund.

## Budget Summary

|   | 2016-2017   | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-------------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets         | 2,985,612   | 1,150,832 | 1,142,832 | 1,131,832 | 1,117,772 | 1,100,592 |
| Revenues and transfers from other funds   | 738,660     | 387,000   | 387,000   | 387,000   | 387,000   | 387,000   |
| Expenditures and transfers to other funds | 2,573,440   | 395,000   | 398,000   | 401,060   | 404,180   | 407,360   |
| Net Change in Net Assets                  | (1,834,780) | (8,000)   | (11,000)  | (14,060)  | (17,180)  | (20,360)  |
| Ending Unrestricted Net Assets            | 1,150,832   | 1,142,832 | 1,131,832 | 1,117,772 | 1,100,592 | 1,080,232 |

## Revenues

| 677.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other   | Transfers | Total     |
|---------------------------------|-------|--------|--------------------------------------|-------------------------------|---------|-----------|-----------|
| 2013-2014 Actual                | 0     | 0      | 1,066,000                            | 3,040                         | 9,380   | 0         | 1,078,420 |
| 2014-2015 Actual                | 0     | 0      | 1,016,910                            | 15,940                        | 3,350   | 0         | 1,036,200 |
| 2015-2016 Actual                | 0     | 0      | 626,390                              | 20,620                        | 220,040 | 0         | 867,050   |
| 2016-2017 Original Budget       | 0     | 0      | 470,000                              | 14,000                        | 0       | 0         | 484,000   |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 470,000                              | 14,000                        | 0       | 0         | 484,000   |
| 2016-2017 Six Month Actual      | 0     | 0      | 533,360                              | (4,370)                       | 590     | 0         | 529,580   |
| 2016-2017 Estimated Year End    | 0     | 0      | 717,270                              | 20,800                        | 590     | 0         | 738,660   |
| 2017-2018 Dept Request          | 0     | 0      | 380,000                              | 7,000                         | 0       | 0         | 387,000   |
| 2017-2018 Manager's Budget      | 0     | 0      | 380,000                              | 7,000                         | 0       | 0         | 387,000   |
| 2018-2019 Projected Budget      | 0     | 0      | 380,000                              | 7,000                         | 0       | 0         | 387,000   |
| 2019-2020 Projected Budget      | 0     | 0      | 380,000                              | 7,000                         | 0       | 0         | 387,000   |
| 2020-2021 Projected Budget      | 0     | 0      | 380,000                              | 7,000                         | 0       | 0         | 387,000   |
| 2021-2022 Projected Budget      | 0     | 0      | 380,000                              | 7,000                         | 0       | 0         | 387,000   |

## Expenditures

| <b>677.871 WORKERS COMPENSATION</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|-------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
|                                     |                               |                 |                |              |             |              |
| 2013-2014 Actual                    | 426,540                       | 0               | 0              | 126,890      | 0           | 553,430      |
| 2014-2015 Actual                    | 716,220                       | 0               | 0              | 152,360      | 0           | 868,580      |
| 2015-2016 Actual                    | 217,640                       | 0               | 0              | 120,860      | 0           | 338,500      |
| 2016-2017 Original Budget           | 460,000                       | 0               | 0              | 134,680      | 0           | 594,680      |
| 2016-2017 Adjusted Budget (Dec)     | 460,000                       | 0               | 0              | 134,680      | 0           | 594,680      |
| 2016-2017 Six Month Actual          | 204,550                       | 0               | 0              | 30,400       | 0           | 234,950      |
| 2016-2017 Estimated Year End        | 340,000                       | 0               | 0              | 2,233,440    | 0           | 2,573,440    |
| 2017-2018 Dept Request              | 290,000                       | 0               | 0              | 105,000      | 0           | 395,000      |
| 2017-2018 Manager's Budget          | 290,000                       | 0               | 0              | 105,000      | 0           | 395,000      |
|                                     |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget          | 293,000                       | 0               | 0              | 105,000      | 0           | 398,000      |
| 2019-2020 Projected Budget          | 296,060                       | 0               | 0              | 105,000      | 0           | 401,060      |
| 2020-2021 Projected Budget          | 299,180                       | 0               | 0              | 105,000      | 0           | 404,180      |
| 2021-2022 Projected Budget          | 302,360                       | 0               | 0              | 105,000      | 0           | 407,360      |

***The mission of the health care fund is to account for all employee and retiree health care costs.***

Effective April 2010, the city transitioned from an experienced rated contract to an administrative services contract (ASC) with Blue Cross Blue Shield (BCBS) of Michigan for healthcare for its employees and retirees. Under an ASC the city operates under a self-insured funded

arrangement making the city responsible for claims, fixed administrative fees and stop loss insurance. The city carries \$150,000 stop loss protection, administered on a per contract basis, rather than per family member. For certain retirees, the city continues to pay HAP insurance premiums as opposed to being self-insured. Currently, employees pay 20% of the illustrative rates into this fund.

## GOALS

1. Manage city health related risks as efficiently and effectively as possible.

## OBJECTIVES

- To provide a modest budget to support the Royal Oak Health and Wellness Committee ultimately in an effort to reduce costs.<sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

BCBS illustrative *rates* for fiscal year 17-18 are budgeted to increase 9% for active employees and 11% for retirees with BCBS. In addition, costs are budgeted to increase due to the addition of positions and a 5% increase for HAP premiums. The stop loss rate is increasing 17.6%. A majority of the costs in this fund are for retiree coverage. \$10,000 is budgeted for the health & wellness committee's future initiatives and \$180,000 is budgeted for the collaborative health center. Fund balance has grown in the years since the inception of this self-insurance fund. In fiscal year 2016-17, it is estimated that over \$5.3 million will be refunded to the various city funds that paid into the accumulation of cash in this fund.

## Budget Summary

|   | 2016-2017   | 2017-2018  | 2018-2019  | 2019-2020  | 2020-2021  | 2021-2022  |
|---|-------------|------------|------------|------------|------------|------------|
| Beginning Unrestricted Net Assets         | 8,913,007   | 3,171,507  | 3,149,507  | 3,091,387  | 2,980,707  | 2,855,357  |
| Revenues and transfers from other funds   | 9,545,500   | 10,636,120 | 11,051,200 | 11,482,880 | 11,931,830 | 12,398,730 |
| Expenditures and transfers to other funds | 15,287,000  | 10,658,120 | 11,109,320 | 11,593,560 | 12,057,180 | 12,539,340 |
| Net Change in Net Assets                  | (5,741,500) | (22,000)   | (58,120)   | (110,680)  | (125,350)  | (140,610)  |
| Ending Unrestricted Net Assets            | 3,171,507   | 3,149,507  | 3,091,387  | 2,980,707  | 2,855,357  | 2,714,747  |



## Revenues

| 678.000 REVENUE                 | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total      |
|---------------------------------|-------|--------|-----------------------------|----------------------------|-------|-----------|------------|
| 2013-2014 Actual                | 0     | 0      | 0                           | 9,736,620                  | 0     | 0         | 9,736,620  |
| 2014-2015 Actual                | 0     | 0      | 0                           | 9,957,430                  | 0     | 0         | 9,957,430  |
| 2015-2016 Actual                | 0     | 0      | 0                           | 9,687,920                  | 0     | 0         | 9,687,920  |
| 2016-2017 Original Budget       | 0     | 0      | 0                           | 9,892,950                  | 0     | 0         | 9,892,950  |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                           | 9,892,950                  | 0     | 0         | 9,892,950  |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                           | 4,532,700                  | 0     | 0         | 4,532,700  |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                           | 9,545,500                  | 0     | 0         | 9,545,500  |
| 2017-2018 Dept Request          | 0     | 0      | 0                           | 10,636,120                 | 0     | 0         | 10,636,120 |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                           | 10,636,120                 | 0     | 0         | 10,636,120 |
| 2018-2019 Projected Budget      | 0     | 0      | 0                           | 11,051,200                 | 0     | 0         | 11,051,200 |
| 2019-2020 Projected Budget      | 0     | 0      | 0                           | 11,482,880                 | 0     | 0         | 11,482,880 |
| 2020-2021 Projected Budget      | 0     | 0      | 0                           | 11,931,830                 | 0     | 0         | 11,931,830 |
| 2021-2022 Projected Budget      | 0     | 0      | 0                           | 12,398,730                 | 0     | 0         | 12,398,730 |

## Expenditures

| 678.851 Medical                 | Personnel Services | Supplies | Capital | Other      | Debt | Total      |
|---------------------------------|--------------------|----------|---------|------------|------|------------|
| 2013-2014 Actual                | 0                  | 0        | 0       | 8,095,030  | 0    | 8,095,030  |
| 2014-2015 Actual                | 0                  | 0        | 0       | 8,455,850  | 0    | 8,455,850  |
| 2015-2016 Actual                | 0                  | 0        | 0       | 9,063,660  | 0    | 9,063,660  |
| 2016-2017 Original Budget       | 0                  | 0        | 0       | 9,892,950  | 0    | 9,892,950  |
| 2016-2017 Adjusted Budget (Dec) | 0                  | 0        | 0       | 9,892,950  | 0    | 9,892,950  |
| 2016-2017 Six Month Actual      | 0                  | 0        | 0       | 5,721,300  | 0    | 5,721,300  |
| 2016-2017 Estimated Year End    | 0                  | 0        | 0       | 15,287,000 | 0    | 15,287,000 |
| 2017-2018 Dept Request          | 0                  | 0        | 0       | 10,658,120 | 0    | 10,658,120 |
| 2017-2018 Manager's Budget      | 0                  | 0        | 0       | 10,658,120 | 0    | 10,658,120 |
| 2018-2019 Projected Budget      | 0                  | 0        | 0       | 11,109,320 | 0    | 11,109,320 |
| 2019-2020 Projected Budget      | 0                  | 0        | 0       | 11,593,560 | 0    | 11,593,560 |
| 2020-2021 Projected Budget      | 0                  | 0        | 0       | 12,057,180 | 0    | 12,057,180 |
| 2021-2022 Projected Budget      | 0                  | 0        | 0       | 12,539,340 | 0    | 12,539,340 |

***The mission of the general liability & property insurance fund is to account for all of the city's general liability and property insurance coverage activity.***

In a collaborative effort, the city is a member of the Michigan Municipal Risk Management Authority (MMRMA), a pooled organization under the laws of the State of Michigan to assist with risk management services and self-insurance protection from general liability, property coverage and crime loss.

The city has been a member of the pool since 1985. The city is bound by all of the provisions of the MMRMA's joint powers agreement, coverage documents, MMRMA rules, regulations, and administrative procedures.

The city currently has a self-insured retention (SIR) of \$250,000 for general liability, \$15,000 for vehicle damage, 10% for property and crime up to \$100,000 and \$250,000 for limited sewage system overflow. Vehicle physical damage and

property /crime and EMS/Fire replacement have a \$1,000 deductible.

The city has a stop loss of \$885,000. This limits the city's payments during the year for those costs falling within the city's SIR. The stop loss only responds to cumulative city SIR payments, including damages, indemnification, and allocated loss adjustment expenses within one year (June 1 to May 31).

Over the past seven years, the city has received nearly \$3 million in net asset distributions from the MMRMA. Of the \$4.7 million, \$799,291 was received in 2016, which was utilized to supplement the retention fund and pay claims.

## GOALS

1. To minimize general liability and property losses.

## OBJECTIVES

- To continue to focus on the implementation of a sidewalk replacement program as to minimize city losses and provide safer infrastructure.<sup>GOAL1</sup>

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

The budget and forecast assumes a net asset distribution is received from the MMRMA of \$700,000 based upon historical actual distributions. Contributions from user funds are budgeted to be reduced since net asset distribution will be assumed as this revenue will help to lower fees charged. In fiscal years 2016-17, it is estimated that over \$2.8 million will be refunded to various city funds that paid into the accumulation of cash in this fund.

## Budget Summary

|   | 2016-2017   | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-------------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets         | 3,501,958   | 1,083,738 | 1,078,238 | 1,051,528 | 1,002,968 | 931,908   |
| Revenues and transfers from other funds   | 1,651,900   | 1,292,000 | 1,309,700 | 1,327,930 | 1,346,710 | 1,366,050 |
| Expenditures and transfers to other funds | 4,070,120   | 1,297,500 | 1,336,410 | 1,376,490 | 1,417,770 | 1,460,290 |
| Net Change in Net Assets                  | (2,418,220) | (5,500)   | (26,710)  | (48,560)  | (71,060)  | (94,240)  |
| Ending Unrestricted Net Assets            | 1,083,738   | 1,078,238 | 1,051,528 | 1,002,968 | 931,908   | 837,668   |

## Revenues

| 679.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other | Transfers | Total     |
|---------------------------------|-------|--------|--------------------------------------|-------------------------------|-------|-----------|-----------|
| 2013-2014 Actual                | 0     | 0      | 0                                    | 1,822,050                     | 0     | 0         | 1,822,050 |
| 2014-2015 Actual                | 0     | 0      | 0                                    | 1,213,200                     | 0     | 0         | 1,213,200 |
| 2015-2016 Actual                | 0     | 0      | 0                                    | 3,089,990                     | 0     | 0         | 3,089,990 |
| 2016-2017 Original Budget       | 0     | 0      | 0                                    | 948,000                       | 0     | 0         | 948,000   |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                                    | 948,000                       | 0     | 0         | 948,000   |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                                    | 1,150,880                     | 0     | 0         | 1,150,880 |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                                    | 1,651,900                     | 0     | 0         | 1,651,900 |
| 2017-2018 Dept Request          | 0     | 0      | 0                                    | 1,292,000                     | 0     | 0         | 1,292,000 |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                                    | 1,292,000                     | 0     | 0         | 1,292,000 |
|                                 |       |        |                                      |                               |       |           |           |
| 2018-2019 Projected Budget      | 0     | 0      | 0                                    | 1,309,700                     | 0     | 0         | 1,309,700 |
| 2019-2020 Projected Budget      | 0     | 0      | 0                                    | 1,327,930                     | 0     | 0         | 1,327,930 |
| 2020-2021 Projected Budget      | 0     | 0      | 0                                    | 1,346,710                     | 0     | 0         | 1,346,710 |
| 2021-2022 Projected Budget      | 0     | 0      | 0                                    | 1,366,050                     | 0     | 0         | 1,366,050 |

## General Liability & Property Insurance Fund

### Expenditures

| <b>679.881 General Liability and Property</b> | <b>Personnel Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                              | 0                         | 0               | 0              | 1,073,930    | 0           | 1,073,930    |
| 2014-2015 Actual                              | 0                         | 0               | 0              | 1,300,950    | 0           | 1,300,950    |
| 2015-2016 Actual                              | 0                         | 0               | 0              | 1,226,290    | 0           | 1,226,290    |
| 2016-2017 Original Budget                     | 0                         | 0               | 0              | 1,194,400    | 0           | 1,194,400    |
| 2016-2017 Adjusted Budget (Dec)               | 0                         | 0               | 0              | 1,194,400    | 0           | 1,194,400    |
| 2016-2017 Six Month Actual                    | 0                         | 0               | 0              | 1,153,040    | 0           | 1,153,040    |
| 2016-2017 Estimated Year End                  | 0                         | 0               | 0              | 4,070,120    | 0           | 4,070,120    |
| 2017-2018 Dept Request                        | 0                         | 0               | 0              | 1,297,500    | 0           | 1,297,500    |
| 2017-2018 Manager's Budget                    | 0                         | 0               | 0              | 1,297,500    | 0           | 1,297,500    |
| 2018-2019 Projected Budget                    | 0                         | 0               | 0              | 1,336,410    | 0           | 1,336,410    |
| 2019-2020 Projected Budget                    | 0                         | 0               | 0              | 1,376,490    | 0           | 1,376,490    |
| 2020-2021 Projected Budget                    | 0                         | 0               | 0              | 1,417,770    | 0           | 1,417,770    |
| 2021-2022 Projected Budget                    | 0                         | 0               | 0              | 1,460,290    | 0           | 1,460,290    |

## **FIDUCIARY FUNDS**

A fiduciary fund is any fund held by a governmental unit in a fiduciary capacity.

Retirement (Pension) Fund - 731

Retiree Health Care Fund - 736

The funding objective of the retirement (pension trust) fund is to actuarially determine and receive contributions which will accumulate as assets during members' time of employment that will be sufficient to finance retirement pension benefits

throughout the members (and beneficiaries) retirement years. In February 2017, the city closed on a \$20.57 million pension bond deal. This eliminated the current general employee unfunded actuarial accrued liability.

### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

As of the last actuarial valuation report dated June 30, 2016 the required employer contribution is approximately \$5.4 million. However, funds are budgeted to contribute \$5.5 million, as the full normal costs and the police and fire unfunded accrued liability will be contributed. The full contribution is budgeted as required by law. The retirement system has a ratio of over two retirees/beneficiaries to one employee member. The complete actuarial report is on the city's website.

## Budget Summary

|   | 2016-2017   | 2017-2018   | 2018-2019   | 2019-2020   | 2020-2021   | 2021-2022   |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Beginning Unrestricted Net Assets         | 124,994,829 | 129,783,799 | 133,000,309 | 136,966,449 | 141,746,989 | 147,411,769 |
| Revenues and transfers from other funds   | 21,671,770  | 20,496,880  | 21,617,100  | 22,812,530  | 24,088,660  | 25,451,360  |
| Expenditures and transfers to other funds | 16,882,800  | 17,280,370  | 17,650,960  | 18,031,990  | 18,423,880  | 18,827,120  |
| Net Change in Net Assets                  | 4,788,970   | 3,216,510   | 3,966,140   | 4,780,540   | 5,664,780   | 6,624,240   |
| Ending Unrestricted Net Assets            | 129,783,799 | 133,000,309 | 136,966,449 | 141,746,989 | 147,411,769 | 154,036,009 |

## Revenues

| 731.000 REVENUE                 | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other  | Transfers | Total      |
|---------------------------------|-------|--------|-----------------------------|----------------------------|--------|-----------|------------|
| 2013-2014 Actual                | 0     | 0      | 0                           | 30,791,600                 | 21,100 | 0         | 30,812,700 |
| 2014-2015 Actual                | 0     | 0      | 0                           | 13,133,740                 | 32,530 | 0         | 13,166,270 |
| 2015-2016 Actual                | 0     | 0      | 0                           | 5,192,880                  | 5,530  | 0         | 5,198,410  |
| 2016-2017 Original Budget       | 0     | 0      | 0                           | 20,723,150                 | 0      | 0         | 20,723,150 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                           | 20,723,150                 | 0      | 0         | 20,723,150 |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                           | 10,242,630                 | 2,780  | 0         | 10,245,410 |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                           | 21,652,760                 | 19,010 | 0         | 21,671,770 |
| 2017-2018 Dept Request          | 0     | 0      | 0                           | 20,496,880                 | 0      | 0         | 20,496,880 |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                           | 20,496,880                 | 0      | 0         | 20,496,880 |
| 2018-2019 Projected Budget      | 0     | 0      | 0                           | 21,617,100                 | 0      | 0         | 21,617,100 |
| 2019-2020 Projected Budget      | 0     | 0      | 0                           | 22,812,530                 | 0      | 0         | 22,812,530 |
| 2020-2021 Projected Budget      | 0     | 0      | 0                           | 24,088,660                 | 0      | 0         | 24,088,660 |
| 2021-2022 Projected Budget      | 0     | 0      | 0                           | 25,451,360                 | 0      | 0         | 25,451,360 |

## Expenditures

| <b>731.237 RETIREMENT</b>       | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                | 1,160                         | 0               | 0              | 15,573,880   | 0           | 15,575,040   |
| 2014-2015 Actual                | 1,180                         | 0               | 0              | 16,152,710   | 0           | 16,153,890   |
| 2015-2016 Actual                | 36,150                        | 0               | 0              | 16,492,620   | 0           | 16,528,770   |
| 2016-2017 Original Budget       | 50,620                        | 0               | 0              | 16,804,300   | 0           | 16,854,920   |
| 2016-2017 Adjusted Budget (Dec) | 50,620                        | 0               | 0              | 16,804,300   | 0           | 16,854,920   |
| 2016-2017 Six Month Actual      | 23,470                        | 0               | 0              | 8,390,920    | 0           | 8,414,390    |
| 2016-2017 Estimated Year End    | 51,990                        | 0               | 0              | 16,830,810   | 0           | 16,882,800   |
| 2017-2018 Dept Request          | 44,460                        | 0               | 0              | 17,235,910   | 0           | 17,280,370   |
| 2017-2018 Manager's Budget      | 44,460                        | 0               | 0              | 17,235,910   | 0           | 17,280,370   |
| 2018-2019 Projected Budget      | 45,670                        | 0               | 0              | 17,605,290   | 0           | 17,650,960   |
| 2019-2020 Projected Budget      | 46,920                        | 0               | 0              | 17,985,070   | 0           | 18,031,990   |
| 2020-2021 Projected Budget      | 48,200                        | 0               | 0              | 18,375,680   | 0           | 18,423,880   |
| 2021-2022 Projected Budget      | 49,530                        | 0               | 0              | 18,777,590   | 0           | 18,827,120   |

The funding objective of the retiree healthcare trust fund is to actuarially determine and receive contributions which will accumulate as assets during members' time of employment that will be sufficient to finance retirement healthcare benefits throughout the members (and beneficiaries) retirement years. The city

currently is making the entire annual contribution. In February 2017, the city closed on a \$106.04 million OPEB bond deal. This eliminated the general, police and fire employees' current unfunded actuarial accrued liability.

#### Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2017-2018:

As of the last complete actuarial valuation report dated June 30, 2016, the annual recommended contribution (ARC) for fiscal year beginning July 1, 2017 is \$389,082. This is reduced approximately \$11 million due to the recent OPEB bond issuance of \$106.04 million. The UAAL after bonding is -\$3.331 million, put another way, it's overfunded. This causes a negative amortized UAAL of \$308,464 that nets against positive normal costs of \$697,546. The full normal cost is contributed in the budget.

### Budget Summary

|   | 2016-2017  | 2017-2018  | 2018-2019  | 2019-2020  | 2020-2021  | 2021-2022  |
|---|------------|------------|------------|------------|------------|------------|
| Beginning Unrestricted Net Assets         | 16,868,442 | 25,014,902 | 27,666,792 | 30,857,462 | 34,642,352 | 39,041,322 |
| Revenues and transfers from other funds   | 15,647,670 | 11,266,740 | 12,094,420 | 12,985,450 | 13,944,720 | 14,977,500 |
| Expenditures and transfers to other funds | 7,501,210  | 8,614,850  | 8,903,750  | 9,200,560  | 9,545,750  | 9,867,810  |
| Net Change in Net Assets                  | 8,146,460  | 2,651,890  | 3,190,670  | 3,784,890  | 4,398,970  | 5,109,690  |
| Ending Unrestricted Net Assets            | 25,014,902 | 27,666,792 | 30,857,462 | 34,642,352 | 39,041,322 | 44,151,012 |



## Revenues

| <b>736.000 REVENUE</b>          | <b>Taxes</b> | <b>Grants</b> | <b>Licenses,<br/>Charges<br/>and<br/>Fines</b> | <b>Interest and<br/>Contributions</b> | <b>Other</b> | <b>Transfers</b> | <b>Total</b> |
|---------------------------------|--------------|---------------|--|---------------------------------------|--------------|------------------|--------------|
| 2013-2014 Actual                | 0            | 0             | 0  | 1,253,770                             | 7,398,920    | 0                | 8,652,690    |
| 2014-2015 Actual                | 0            | 0             | 0  | 136,300                               | 10,912,560   | 0                | 11,048,860   |
| 2015-2016 Actual                | 0            | 0             | 0  | 479,070                               | 11,677,120   | 0                | 12,156,190   |
| 2016-2017 Original Budget       | 0            | 0             | 0  | 1,163,560                             | 11,413,060   | 0                | 12,576,620   |
| 2016-2017 Adjusted Budget (Dec) | 0            | 0             | 0  | 1,163,560                             | 11,413,060   | 0                | 12,576,620   |
| 2016-2017 Six Month Actual      | 0            | 0             | 0  | 1,122,540                             | 5,601,630    | 0                | 6,724,170    |
| 2016-2017 Estimated Year End    | 0            | 0             | 0  | 2,090,000                             | 13,557,670   | 0                | 15,647,670   |
| 2017-2018 Dept Request          | 0            | 0             | 0  | 10,570,000                            | 696,740      | 0                | 11,266,740   |
| 2017-2018 Manager's Budget      | 0            | 0             | 0  | 10,570,000                            | 696,740      | 0                | 11,266,740   |
|                                 |              |               |  |                                       |              |                  |              |
| 2018-2019 Projected Budget      | 0            | 0             | 0  | 11,383,750                            | 710,670      | 0                | 12,094,420   |
| 2019-2020 Projected Budget      | 0            | 0             | 0  | 12,260,570                            | 724,880      | 0                | 12,985,450   |
| 2020-2021 Projected Budget      | 0            | 0             | 0  | 13,205,340                            | 739,380      | 0                | 13,944,720   |
| 2021-2022 Projected Budget      | 0            | 0             | 0  | 14,223,330                            | 754,170      | 0                | 14,977,500   |

## Expenditures

| <b>736.860 RETIREE INSURANCE BENEFITS</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|---|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                          | 0                             | 0               | 0              | 7,623,670    | 0           | 7,623,670    |
| 2014-2015 Actual                          | 0                             | 0               | 0              | 7,706,390    | 0           | 7,706,390    |
| 2015-2016 Actual                          | 0                             | 0               | 0              | 7,298,350    | 0           | 7,298,350    |
| 2016-2017 Original Budget                 | 0                             | 0               | 0              | 7,654,700    | 0           | 7,654,700    |
| 2016-2017 Adjusted Budget (Dec)           | 0                             | 0               | 0              | 7,654,700    | 0           | 7,654,700    |
| 2016-2017 Six Month Actual                | 0                             | 0               | 0              | 3,606,880    | 0           | 3,606,880    |
| 2016-2017 Estimated Year End              | 0                             | 0               | 0              | 7,501,210    | 0           | 7,501,210    |
| 2017-2018 Dept Request                    | 0                             | 0               | 0              | 8,614,850    | 0           | 8,614,850    |
| 2017-2018 Manager's Budget                | 0                             | 0               | 0              | 8,614,850    | 0           | 8,614,850    |
|   |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget                | 0                             | 0               | 0              | 8,903,750    | 0           | 8,903,750    |
| 2019-2020 Projected Budget                | 0                             | 0               | 0              | 9,200,560    | 0           | 9,200,560    |
| 2020-2021 Projected Budget                | 0                             | 0               | 0              | 9,545,750    | 0           | 9,545,750    |
| 2021-2022 Projected Budget                | 0                             | 0               | 0              | 9,867,810    | 0           | 9,867,810    |



# **SUPPLEMENTAL INFORMATION**

Building Authorities  
– Fire

City Property

Biographies  
– Elected Officials  
– Management

Glossary

SEMOG Community Profile

Principal Employers and  
Taxpayers

## Fire Building Authority Budget Summary

|   | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance                    | 0         | 0         | 0         | 0         | 0         | 0         |
| Revenues and transfers from other funds   | 631,000   | 630,000   | 624,350   | 626,625   | 630,875   | 629,600   |
| Expenditures and transfers to other funds | 631,000   | 630,000   | 624,350   | 626,625   | 630,875   | 629,600   |
| Net Change in Fund Balance                | 0         | 0         | 0         | 0         | 0         | 0         |
| Ending Fund Balance                       | 0         | 0         | 0         | 0         | 0         | 0         |

## Fire Building Authority Revenues

| 573.000 REVENUE                 | Taxes | Grants | Licenses,<br>Charges<br>and<br>Fines | Interest and<br>Contributions | Other   | Transfers | Total   |
|---------------------------------|-------|--------|--------------------------------------|-------------------------------|---------|-----------|---------|
| 2013-2014 Actual                | 0     | 0      | 0                                    | 0                             | 624,250 | 0         | 624,250 |
| 2014-2015 Actual                | 0     | 0      | 0                                    | 0                             | 624,350 | 0         | 624,350 |
| 2015-2016 Actual                | 0     | 0      | 0                                    | 0                             | 626,620 | 0         | 626,620 |
| 2016-2017 Original Budget       | 0     | 0      | 0                                    | 0                             | 631,100 | 0         | 631,100 |
| 2016-2017 Adjusted Budget (Dec) | 0     | 0      | 0                                    | 0                             | 631,100 | 0         | 631,100 |
| 2016-2017 Six Month Actual      | 0     | 0      | 0                                    | 0                             | 587,000 | 0         | 587,000 |
| 2016-2017 Estimated Year End    | 0     | 0      | 0                                    | 0                             | 631,000 | 0         | 631,000 |
| 2017-2018 Dept Request          | 0     | 0      | 0                                    | 0                             | 630,000 | 0         | 630,000 |
| 2017-2018 Manager's Budget      | 0     | 0      | 0                                    | 0                             | 630,000 | 0         | 630,000 |
|                                 |       |        |                                      |                               |         |           |         |
| 2018-2019 Projected Budget      | 0     | 0      | 0                                    | 0                             | 624,350 | 0         | 624,350 |
| 2019-2020 Projected Budget      | 0     | 0      | 0                                    | 0                             | 626,625 | 0         | 626,625 |
| 2020-2021 Projected Budget      | 0     | 0      | 0                                    | 0                             | 630,875 | 0         | 630,875 |
| 2021-2022 Projected Budget      | 0     | 0      | 0                                    | 0                             | 629,600 | 0         | 629,600 |

## Fire Building Authority Expenditures

| <b>573.336 FIRE BUILDING<br/>AUTHORITY</b> | <b>Personnel<br/>Services</b> | <b>Supplies</b> | <b>Capital</b> | <b>Other</b> | <b>Debt</b> | <b>Total</b> |
|--|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2013-2014 Actual                           | 0                             | 0               | 0              | 0            | 624,250     | 624,250      |
| 2014-2015 Actual                           | 0                             | 0               | 0              | 0            | 624,350     | 624,350      |
| 2015-2016 Actual                           | 0                             | 0               | 0              | 0            | 626,620     | 626,620      |
| 2016-2017 Original Budget                  | 0                             | 0               | 0              | 0            | 631,100     | 631,100      |
| 2016-2017 Adjusted Budget (Dec)            | 0                             | 0               | 0              | 0            | 631,100     | 631,100      |
| 2016-2017 Six Month Actual                 | 0                             | 0               | 0              | 0            | 587,000     | 587,000      |
| 2016-2017 Estimated Year End               | 0                             | 0               | 0              | 0            | 631,000     | 631,000      |
| 2017-2018 Dept Request                     | 0                             | 0               | 0              | 0            | 630,000     | 630,000      |
| 2017-2018 Manager's Budget                 | 0                             | 0               | 0              | 0            | 630,000     | 630,000      |
|  |                               |                 |                |              |             |              |
| 2018-2019 Projected Budget                 | 0                             | 0               | 0              | 0            | 624,350     | 624,350      |
| 2019-2020 Projected Budget                 | 0                             | 0               | 0              | 0            | 626,625     | 626,625      |
| 2020-2021 Projected Budget                 | 0                             | 0               | 0              | 0            | 630,875     | 630,875      |
| 2021-2022 Projected Budget                 | 0                             | 0               | 0              | 0            | 629,600     | 629,600      |

**Elected Officials**

**Mayor Michael Fournier**

Mr. Fournier became Royal Oak's 24th Mayor in December 2016. Mr. Fournier was first elected to the city commission in November of 2011. He holds a BA from Michigan State University and a MBA from the University of Notre Dame. He has spent most of his professional career in financial and operational leadership roles.

**Commissioner Kyle DuBuc**

Mr. DuBuc was first elected to the city commission in November of 2011 and has lived in the city since 2007. He has extensive public policy experience and currently works as the Director of Public Policy & Advocacy at United Way of Southeast Michigan. Kyle earned a BA in community relations from Michigan State University.

**Commissioner Marie Donigan**

Ms. Donigan was sworn into office on Jan. 9, 2017, appointed to fill a vacant seat. A 7-year veteran of the city commission, Ms. Donigan served from 1997 – 2004 before resigning to serve three terms in the Michigan House of Representatives. Ms. Donigan graduated from the University of Pennsylvania with a Master's Degree in Landscape Architecture. Marie worked in private practice designing landscapes for residential and municipal clients before joining the Department of Planning and Community Development in the city of Farmington Hills where she worked for 15 years. Most recently Ms. Donigan worked as a community organizer and transit advocate with the Detroit-based Harriet Tubman Center.

**Commissioner Sharlan Douglas**

Ms. Douglas was elected to the city commission in 2013. She holds a BA in journalism from Michigan State University. She currently owns Douglas Communications Group, a public relations and social marketing firm.

**Commissioner Pat Paruch**

Ms. Paruch was sworn into office on Nov. 10, 2014. A 14-year veteran of the city commission, Ms. Paruch was previously the Mayor of the City of Royal Oak (1989-1993), a city commissioner (1979-1989) and mayor pro-tem for two years. Ms. Paruch graduated with a Bachelor's Degree from the University of Detroit (1972) and a Juris Doctor from Wayne State University (1992). A shareholder at the Kemp Klein Law Firm in Troy, her practice areas include municipal and environmental law.

**Commissioner David Poulton**

Mr. Poulton was first elected to the city commission in November 2009. Mr. Poulton holds a bachelor's degree from the University of Michigan and a juris doctorate from Michigan State University. He operates his own law firm and is involved in numerous community organizations.

**Commissioner Jeremy Mahrle**

Mr. Mahrle was first elected to the city commission in November, 2013. He is currently serving on the charter review committee, downtown plan task force, employee relations & suggestion committee, retirement board and rules committee.

**44<sup>th</sup> District Court Judge Derek Meinecke**

The honorable Judge Meinecke was elected 44<sup>th</sup> District Court Judge in November 2012 with his term beginning in January 2013. In May 2013, Judge Meinecke was awarded the Public Service Leadership Award by the area agency on Aging 1-B. Prior to taking the bench, he spent over a decade as an assistant prosecuting attorney with the Oakland County Prosecutor's Office. Judge Meinecke served on the special victim's unit, prosecuting sexual assault, domestic violence, elder abuse and child abuse cases. Before joining the prosecutor's office, Judge Meinecke served as the law clerk to long-time 44<sup>th</sup> District Court Judge, Daniel Sawicki while completing his law degree at Wayne State University, where he graduated with honors. Judge Meinecke completed his undergraduate studies at Northwestern University where he majored in political science and history.

**44<sup>th</sup> District Court Judge Jamie Wittenberg**

The honorable Judge Jamie Wittenberg was first elected to the bench in November of 2008 and re-elected in November of 2014. Judge Wittenberg has spent his entire legal career as a public servant. After law school he worked as an Assistant Wayne County Prosecutor under both Mike Duggan and Kym Worthy, and most recently as an Assistant Macomb County Prosecutor under Eric Smith. As a prosecutor, he handled a number of high profile homicide cases. Prior to attending law school, Judge Wittenberg opened his own retail/wholesale bakery business and later worked as a district manager for Elaine's Bagels. Judge Wittenberg received his undergraduate degree in public affairs from Indiana University and his law degree from Wayne State University.

**Management**

**City Manager Donald E. Johnson**

Mr. Johnson was officially appointed the city manager in July 2009. Prior to becoming city manager he was appointed as the Royal Oak Director of Finance in September 2005. Don

started his career as a research analyst for the City of Southfield. He later served as finance director and treasurer for the City of Wayne and director of finance for the City of Birmingham. He earned his master's degree in public administration from Cornell University after completing his bachelor of arts degree at Oakland University. In the 15 years directly before starting with Royal Oak, Don owned and managed a software firm which specialized in municipal applications.

**Director of Finance Julie Jenuwine Rudd**

Ms. Rudd was hired in December 2009 as the director of finance. She has over twenty years of municipal finance and operational experience. She was with the City of Sterling Heights for over ten years in numerous fiscal related positions and eight years with the City of Rochester Hills, including five years as director of finance. She earned a bachelor's of science degree in accounting from Oakland University and a master's of science in taxation from Walsh College.

**Assistant Finance Director / Controller**

Anthony DeCamp

Mr. DeCamp was selected to be the controller for the Royal Oak Finance Department in January 2008. He previously worked as a senior auditor for the Rehmann Group, where his assignments included auditing the City of Royal Oak. Tony is a C.P.A. and holds a bachelor's degree in professional accounting from Saginaw Valley State University.

**City Treasurer Sekar Bawa**

Mr. Bawa was appointed city treasurer in December 2013. Sekar has 17 years of finance experience at the City of Flint and 1 year of experience at the City of East Lansing. He possesses 7 years of prior public sector experience as the deputy accounts manager for the transportation company in India. Sekar is a Certified Public Accountant, Certified Internal Auditor and a Certified Management Accountant. He earned his bachelor of arts in economics degree from the Madras University, India.

**City Assessor James Geiermann**

The City of Royal Oak appointed Mr. Geiermann in June 2002. He came on board with a Level IV Certification in assessment administration and an associate degree in applied science from Monroe County Community College. Jim had six years as the commercial/industrial appraiser for the City of Novi, and another 11 ½ years for the Monroe County Equalization Department. Additionally, he provided many years of consultancy on assessments for Whiteford Township in Monroe County.

**44<sup>th</sup> District Court Administrator**

Gary W. Dodge

Mr. Dodge was selected as the court administrator for the 44th District Court in December of 2014. He has worked as the court administrator at district and circuit courts in Michigan and Illinois from 1994 to 2014. Prior to that, he was a legal administrator with the US Army Judge Advocate General's Corp serving from 1972 to 1994.

**Assistant Director of Planning / Building**

**Official Jason Craig**

Appointed in July 2006, Mr. Craig came to the City of Royal Oak after serving for four years as the deputy building official for the Township of Canton. Jason possesses a bachelor of Science degree in construction engineering from Eastern Michigan University.

**City Attorney David Gillam**

Mr. Gillam was named city attorney in November 2016. He previously served as city attorney from October 2006 to November 2014. Dave received his juris doctorate from Wayne State University Law School in June of 1986. He then served as an assistant prosecuting attorney in the Oakland County Prosecutor's Office for nearly five years. In June of 1991, he began his City of Royal Oak career as deputy city attorney. He served in that position through December of 1998, when he moved into private practice with the

Royal Oak law firm of Cooper, Shifman, Gabe, Quinn & Seymour. While in private practice, he served as prosecuting attorney for the City of Novi, assistant city attorney for Pleasant Ridge, Hazel Park, and Lathrup Village, and assistant township attorney for Lyon Township. In December of 2003, he joined the municipal practice group at the Farmington Hills Office of Secrest Wardle, where he served as legal counsel for several communities in Oakland County, including Walled Lake, Novi, and Bloomfield Township. Following the former city attorney's retirement, Royal Oak retained Secrest Wardle as interim city attorney in November of 2005. Mr. Gillam was assigned day-to-day responsibility for the city's legal affairs at that time, and he served the city in that capacity until he formally rejoined the city.

**City Clerk Melanie Halas**

Ms. Halas is a Royal Oak native who was hired as a clerk in August of 1995. Her dedication and hard work earned her a promotion to deputy city clerk in February 2000. In March of 2005 she obtained her Municipal Clerk Certification (CMC); in April of 2012 she received her Master Municipal Clerk Certification (MMC); and in April of 2014 she received her Certified Michigan Municipal Clerk Certification (CMMC). She is currently serving as President of the Oakland County Clerk's Association; In May of 2008 Ms. Halas was appointed to the city clerk's position with the full consensus of the city commission.

**City Engineer Matt Callahan PE**

Mr. Callahan was hired by the City of Royal Oak as a civil engineer III in 1996. He holds a bachelor of science degree in civil engineering from Michigan Tech and a master's degree in civil engineering from Wayne State University. He has a Professional Engineers (P.E.) license and is a member of the American Society of Civil Engineers.



### **Director of Community Development**

Timothy Thwing

Mr. Thwing was promoted to director of planning in August 2001 after serving as deputy director of planning since October of 1996. He was first employed by the City of Royal Oak in October 1991 as a planner III. He earned his bachelor of science degree in urban planning from Michigan State University. Tim's previous experience with the City of Monroe, Monroe County and the City of Jackson ranged from assistant planner, associate planner, planner, and principal planner to acting director of planning

### **Director of Recreation and Public Service**

Gregory Rassel

Mr. Rassel was promoted to the director of recreation and public service in August 2004 after serving in an "acting" position since March 2004. He had been selected from Florida originally, to be the superintendent of public works effective October 1997. Greg entered service with the City of Royal Oak possessing a bachelor of arts degree in economics from the University of Florida, master's in organizational management from University of Phoenix, has served thirty years (active and reserve) in the U.S. Marine Corps, a retired colonel in the reserves, and two years as the superintendent of fleet management for the City of Hollywood, Florida.

### **Fire Chief David Cummins**

Mr. Cummins has been serving as fire chief since March 2017. He was hired by the fire department in August of 1992 and has held the positions of firefighter/paramedic, sergeant, and lieutenant. He was the president of the Royal Oak Professional Firefighters Association from November 2005 through January 2009. He received a B.A. in philosophy from the University of Michigan-Dearborn.

### **Human Resource Director Dennis Van de Laar**

Mr. Van de Laar was promoted to Human Resources Director in April of 2017. He was hired as a City Management Graduate Intern in the summer of 2012 and was also assigned to a role of part-time specialist in 2013, before moving into a full-time position with Human Resources later that year. Prior to arriving in Royal Oak, he worked for the Southern Illinois Airport Authority and was assigned to a variety of operational and capital funding projects. He also worked as a Manager of Regulatory Affairs for the National Air Transport Association in Washington DC. Dennis holds a Bachelor of Science degree in Aviation Management, with a minor in Organizational Psychology, and a Master's degree in Public Administration with a concentration in HR and International Relations from Southern Illinois University.

### **Library Director Mary Karshner**

Ms. Karshner became library director in 2010. She started at Royal Oak Public Library in 2002 and was promoted to head of youth and teen services in 2006. She received her master's degree in library science from Wayne State University. Her bachelor's degree is in economics from Michigan State University. Previous employment includes research positions at archeological excavations in England, Iran, Italy, and Spain; museum curator/local historian at St. Clair Shores Public Library; and Manuscripts Curator at the Burton Historical Collection, Detroit Public Library.

**Manager of Information & Communications Technology** Mike Kirby

Mr. Kirby was hired as the manager of information and communication technology in July 2015. He earned his bachelor of science degree in electrical engineering and computer science from the University of Michigan. Mike has over 20 years of experience in the technology field including software development, enterprise system and application architecture, data-center and infrastructure administration, project management and program management.

**Superintendent of Recreation.** Tod Gazetti

Mr. Gazetti was appointed the superintendent of recreation in October of 1998. Tod's bachelor's degree is in recreation and park administration from Wayne State University. Previously Tod was the assistant director of recreation for the cities of Rochester/Rochester Hills and held various positions in the cities of Clawson, Troy and Walled Lake Community Education.

**Assistant City Manager / Police Chief**

Corrigan O'Donohue  
Chief O'Donohue was named the interim police chief in March 2011. He has also served as a deputy chief, lieutenant, sergeant, and patrol officer with the Royal Oak Police Department. He is a graduate of Eastern Michigan University's Staff and Command School, the FBI National Academy and has a bachelor's degree in criminal justice from Eastern Michigan University. He is currently pursuing a master's degree in public administration from Eastern Michigan University. Prior to joining the Royal Oak Police Department, he served in the United States Marine Corps.

## Supplemental Information – City Owned Property

|                                   |                                |                                 |
|-----------------------------------|--------------------------------|---------------------------------|
| Ice Arena Building - E Rink       | Parking Deck – 5th & Lafayette | Park - Woodsboro                |
| Ice Arena Building - W Rink       | Lot - Woodward At Harrison     | Park - Worden                   |
| Center St Parking Structure       | Lot - Woodward S Of Harrison   | Starr House - 3123 Main         |
| 4th & Lafayette Pkg Structure     | Land Under Roadways            | Library/City Hall-211 Williams  |
| Normandy Oaks Clubhouse           | Park - 13&Main (Not Dedicated) | Vacant/Closed Street - Batavia  |
| Normandy Oaks Maintenance Bldg    | Park - Barton North            | Vacant - Woodward & Hunter      |
| Golf Course Clubhouse             | Park - Barton South            | 1302 S Washington               |
| Golf Course Pump House #1         | Park - Bassett                 | 319 W Kenilworth                |
| Golf Course Pump House #2         | Park - Beachwood               | 1306 S Washington               |
| City Buildings                    | Park - Clawson                 | 1312 S Washington               |
| Soccer Dome                       | Park - Cummingston             | 1316 S Washington               |
| Dept Of Public Service Bldg       | Park - Dickinson               | 1402 S Washington               |
| Barricade Storage Building        | Park - Dondero                 | Mdot Option Parcels             |
| Animal Shelter                    | Park - Elks                    | 5th & Williams Properties       |
| Police Station                    | Park - Exchange                | Park-Memorial                   |
| Fire Station #1 (Troy St)         | Park - Fernwood                | Ice Arena Land                  |
| Fire Station #1 (Renovations)     | Park - Franklin                | Normandy Golf Course            |
| Fire Station #2 (Webster)         | Park - Fred Pieper Optimist    | Farmers Mkt - Land              |
| Fire Station #4-Storage Bldg      | Park - Fulton                  | Farmers Mkt - Prkng Lot         |
| Mahany/Meininger Center           | Park - Grant                   | S. Washington Twp               |
| Orson Starr House                 | Park - Gunn Dyer               | 1332 S. Washington              |
| Orson Starr House Garage          | Park - Hudson                  | Courthouse Land                 |
| Memorial Prk-Storage Bldg         | Park - Huntington Woods        | Land - 600 Fernwood             |
| Memorial Park-Restroom Bldg       | Park - Kenwood                 | Lot – 600 S. Main & 700 S. Main |
| Memorial Park-Press Box           | Park - Lawson                  | Salt Shed                       |
| Memorial Park-Press Box           | Park - Lockman                 | Lot – 3rd & Williams            |
| Memorial Park-Concession Bldg     | Park - Maddock                 |                                 |
| Memorial Park-Restroom Bldg       | Park - Marais-Dickie Putman    |                                 |
| Memorial Park-Press Box           | Park - Mark Twain              |                                 |
| Ro Club Maintenance Bldg          | Park - Marks                   |                                 |
| Salter Community Center           | Park - Maudlin                 |                                 |
| Farmers Mkt - Bldg                | Park - Meininger               |                                 |
| 6 & Lafayette Parking Deck        | Park - Miller                  |                                 |
| Fire Station #3 (Rochester)       | Park - Pioneer                 |                                 |
| Fire Station #4 (Woodward)        | Park - Quickstad               |                                 |
| Library                           | Park - Reactor                 |                                 |
| Golf Course Cart Storage Facility | Park - Red Run                 |                                 |
| Courthouse                        | Park - Rotary                  |                                 |
| Land (For 606 Lloyd Property)     | Park - Starr Jc                |                                 |
| Rr R/W Forestdale & Cedar Hill    | Park - Sullivan                |                                 |
| Rr R/W Woodsboro Park             | Park - Upton                   |                                 |
| Lot - Crooks & Main               | Park - Vfw                     |                                 |
| Lot - 11 Mile & Troy              | Park - Wagner                  |                                 |
| Lot - Farmers Mkt                 | Park - Waterworks              |                                 |
| Lot - Post Office                 | Park - Wendland                |                                 |
| Lot – Troy St.                    | Park - Westwood                |                                 |
| Parking Deck – 4th & Lafayette    | Park - Whittier                |                                 |

## Principal Employers

| Company Name               | Product/Service        | 2007      |      |            | 2016      |      |            |
|----------------------------|------------------------|-----------|------|------------|-----------|------|------------|
|                            |                        | Employees | Rank | Percentage | Employees | Rank | Percentage |
|                            |                        |           |      | of Total   |           |      | of Total   |
| William Beaumont Hospital  | Hospital               | 12,227    | 1    | 34.60%     | 10,514    | 1    | 28.46%     |
| Royal Oak School District  | Education              | 605       | 2    | 1.71%      | 500       | 2    | 1.35%      |
| City of Royal Oak          | Municipality           | 380       | 5    | 1.08%      | 486       | 3    | 1.32%      |
| Flex-N-Gate Royal Oak      | Automotive supplier    | 260       | 8    |            | 369       | 4    | 1.00%      |
| Consumers Energy           | Utility                | 308       | 6    | 0.87%      | 357       | 5    | 0.97%      |
| Oakland Community College  | Education              | 530       | 3    |            | 318       | 6    | 0.86%      |
| Meijer, Inc.               | Retailer/grocery store | 450       | 4    | 1.27%      | 316       | 7    | 0.86%      |
| Holiday Market             | Grocery store          | 220       | 10   |            | 300       | 8    | 0.81%      |
| Detroit Zoological Society | Zoo                    | 250       | 9    | 0.71%      | 220       | 9    | 0.60%      |
| Hollywood Markets          | Grocery store          |           |      | 0.00%      | 100       | 10   | 0.27%      |
| Kroger                     | Grocery store          | 260       | 7    | 0.74%      |           |      | -          |
| Total                      |                        | 15,490    |      | 43.83%     | 13,480    |      | 36.49%     |

## Principal Taxpayers

| Taxpayer                                     | Assessment Year  |      |            | Assessment Year  |      |            |
|--|------------------|------|------------|------------------|------|------------|
|  | 2007             |      |            | 2016             |      |            |
|  | Taxable Value    | Rank | Percentage | Taxable Value    | Rank | Percentage |
|  |                  |      | of Total   |                  |      | of Total   |
| DTE Electric Company                         | \$ 17,671,340    | 2    | 0.72%      | \$ 20,688,360    | 1    | 0.87%      |
| HHI Formtech LLC                             | 23,119,110       | 1    | 0.94%      | 14,451,810       | 2    | 0.61%      |
| Consumers Energy Company                     | 9,673,320        | 7    | 0.39%      | 13,594,680       | 3    | 0.57%      |
| WM Beaumont Hospital                         | 16,120,760       | 3    | 0.66%      | 13,117,480       | 4    | 0.55%      |
| Sears Holding                                |                  |      | 0.00%      | 6,505,040        | 5    | 0.27%      |
| MacLean-Fogg                                 |                  |      | 0.00%      | 6,299,490        | 6    | 0.27%      |
| H2 Royal Oak LLC                             |                  |      | 0.00%      | 6,119,270        | 7    | 0.26%      |
| Washington Square Plaza llc                  |                  |      | 0.00%      | 4,973,880        | 8    | 0.21%      |
| National Retail Properties LP                |                  |      | 0.00%      | 4,781,590        | 9    | 0.20%      |
| Flex-N-Gate                                  | 10,885,110       | 5    | 0.44%      | 4,583,490        | 10   | 0.19%      |
| Amber Equities                               | 15,731,310       | 4    | 0.64%      |                  |      |            |
| Co-op Services                               | 10,143,660       | 6    | 0.41%      |                  |      |            |
| Main Eleven Royal Oak                        | 9,462,220        | 8    | 0.38%      |                  |      |            |
| National City Bank                           | 8,840,540        | 9    | 0.36%      |                  |      |            |
| Meijer, Inc.                                 | 8,363,670        | 10   | 0.34%      |                  |      |            |
| Total taxable value of ten largest taxpayers | 130,011,040      |      | 5.28%      | 95,115,090       |      | 4.02%      |
| Total taxable value of all other taxpayers   | 2,330,276,350    |      | 94.72%     | 2,271,084,290    |      | 95.98%     |
| Total taxable value of all taxpayers         | \$ 2,460,287,390 |      | 100.00%    | \$ 2,366,199,380 |      | 100.00%    |

## Glossary

**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.

**ACORN:** The ACORN fund accounts for the receipt and use of donations to the City to be used for a public purpose. Name changed to ROOTS.

**Activity:** Specific and distinguishable service performed by one or more organizational components of the City to accomplish a function for which the City is responsible.

**Adjacent Generational Exchange (A.G.E.):** The A.G.E. budget, using a Beaumont Hospital grant, funds a Volunteer Coordinator to recruit, train and place volunteers to serve senior citizen needs. The volunteers assist City staff with programming at both Community Centers. In the community, volunteers provide senior citizens with meals, assistance and transportation.

**Americans with Disabilities Act (ADA):** A law to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities, to ensure the facilities, policies, and programs of public entities and their accommodations are equally accessible to the disabled.

**Agency fund:** A fund used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

**Appropriation:** An authorization granted by a legislative body to incur obligations and to expend public funds for a stated purpose.

**Appropriation budget:** The official resolution by the City Commission establishing the legal authority for the City to incur obligations and to expend public funds for a stated purpose.

**Annual Required Contribution (ARC):** Term used in connection with defined benefit pension and other postemployment benefit plans to describe the amount an independent actuary has

determined the employer should contribute in a given year.

**Assessed Value (AV):** The basic value of property assigned by an assessor. It is used for an individual parcel and in the aggregate for the City as whole. Pursuant to Michigan's laws and regulations, assessed value is 50% of market value at December 31st.

**Balanced budget:** A budget in which estimated revenues, transfers-in and use of fund balance are equal to or greater than estimated expenditures and transfers-out.

**Bargaining Units for Full-Time Employees:**

*Executive Department Heads* (City Assessor, City Treasurer, City Clerk, Police Chief, Fire Chief, plus Directors of Finance, Recreation & Public Service, Human Resource, and Arena Operations) are not represented.

The *Department Head and Deputy Department Head Association* is the local bargaining association including Department Heads not included above, Deputy Department Heads, Managers and Superintendents.

The *Professional and Technical Employees Association* (Pro-Tech) is the local bargaining association representing certain professional, specialist and supervisory employees.

The *American Federation of State, County and Municipal Employees* (AFSCME) Local #2396 of Michigan Council #25 is the union representing certain inspectors, officers, librarians, and all clerical employees except confidential secretaries.

The *Professional Fire Fighters Local #431*, affiliated with the Michigan Professional Firefighters Union and the International Association of Fire Fighters AFL-CIO, includes all uniformed firefighting and fire prevention personnel.

The *Royal Oak Police Command Officers Association* (ROCOA) is the local bargaining association, represented by the Police Officer's Labor Council, including Sergeant and Lieutenant ranks.

The *Royal Oak Police Officers Association* (ROPOA) is the local bargaining association representing Police Officers, Police Service Aides and part-time Parking Enforcement Officers.

The *Royal Oak Detectives' Association*, represented by the Labor Council Michigan Fraternal Order of Police, includes all employees with the rank of Detective.

The *Foreman and Supervisors' Association* is the local bargain association representing Public Works Supervisors.

The *Service Employees' International Union* AFL-CIO Local 517M (SEIU) is the union representing hourly employees of the Department of Recreation and Public Service.

**Brownfield:** The site(s) or legally defined area(s) meeting the eligibility requirements of the Brownfield Development Act as environmentally contaminated, functionally obsolete or blighted areas.

**Brownfield Development Authority (BRA):** The board to investigate potential brownfield sites and plan and finance their redevelopment. BRAs may use tax increment financing (TIF), per Public Act 381 of 196 as amended, to capture local property taxes and school taxes if approved.

**Business-type activity:** Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. These activities are usually reported in enterprise funds which follow essentially the same accounting rules as a private enterprise.

**Capital assets:** Capital assets are tangible and intangible assets that will be of use for three or more years and have a cost greater than \$10,000. Typical examples are land, buildings, building improvements, streets, water and sewer lines, vehicles, machinery, equipment, and easements.

**Capital projects fund:** A fund to account for the development of municipal capital facilities.

**Capital improvement budget:** A capital improvement budget plans and prioritizes acquisition of or major repair to long-lived assets, such as infrastructure. This budget typically has a long-term outlook where a project can span a several year period. (see Operating Budget)

**Community Development Block Grant (CDBG):** This is a federally funded program to assist communities in the expansion and improvement of community services, to develop and improve neighborhoods, and to restore and preserve property values. In Royal Oak, CDBG money pays for most of our senior citizen programs.

**Contingency:** An estimated amount of funds needed for contingent or emergency purposes.

**Debt service fund:** A fund to account for the accumulation of resources for and the payment of, general long-term debt principal and interest.

**Defeasance:** In financial reporting, the netting of outstanding liabilities and related assets on the statement of position. Defeased debt is no longer reported as a liability on the face of the statement of position. Most refundings result in the defeasance of the refunded debt.

**Deficit:** An excess of liabilities and reserves of a fund over its assets.

**Depreciation:** Depreciation is the accrual accounting concept using various methods to expense the capitalized cost of an asset over its estimated useful life.

**Downtown Development Authority (DDA):** The City Commission created the Downtown Development District and the DDA board (also the Authority) to administer it on November 1, 1976. The DDA Act (P.A. 175 of 1975 as amended) is designed to resist blight and be a catalyst in the development of a downtown.

DDAs have a variety of funding options. Royal Oak's DDA primarily uses development bonds and tax increment financing (TIF) to fund its development plan. It levies a district tax millage for its staffing operations. Projects to date include downtown marketing, streetscape improvements, public parking, the district court building, and other public infrastructure improvements.

**Downtown Development District (DDD):** The legal area created on November 1, 1976 by the City Commission, originally bounded by Eleven Mile Road and Troy, Lincoln and West Streets. The district has been amended three times.



**Emergency Medical Service (EMS):** The Fire Department provides advanced and basic emergency medical services typically with a rescue unit or ambulance.

**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 cost 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.

**Expenditure:** The cost of goods delivered and services rendered whether paid or unpaid.

**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 outlays, debt service, and transfers out.

**Final Average Compensation (FAC):** An average of an employee's annual wages used in the calculation of their retirement benefit.

**Fiscal Year (FY):** The 12 month period, July 1 to June 30, to which the annual operating budget applies and, at the end of which, financial position and the results of operations are determined.

**Full-Time Equivalent (FTE):** A method to convert part-time hours worked to that of a full-time worker in a like position based on 2080 hours per year.

**Function:** Groups of related activities aimed at accomplishing a major service or regulatory program for which the City is responsible.

**Fund:** Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions, activities or objectives with special regulations, restrictions, or limitations. (e.g. Major Street Fund). A fund is a self-balancing set of accounts recording financial resources with all related liabilities resulting in equities or balances. 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 balance:** The difference between assets and liabilities reported in a governmental fund.

**Generally Accepted Accounting Principals (GAAP):** Conventions, rules and procedures that serve as the norm for the fair presentation of financial statements.

**General Fund:** The city's major operating fund to account for all financial resources except those accounted for in another fund.

**Government-type activities:** Activities typically supported by taxes, intergovernmental revenues or other non-exchange revenue. The general, special revenue, debt service, capital project, internal service and permanent funds are governmental activities.

**Government Finance Officers Association (GFOA):** The GFOA of the United States and Canada is a professional organization of public officials united to enhance and promote the professional management of governmental financial resources by identifying, developing and advancing fiscal strategies, policies and practices for public benefit.

**Industrial Facilities Tax (IFT):** An exemption from property tax allowed to eligible industrial facilities in Michigan.

**Infrastructure:** Long-lived capital assets that normally are stationary in nature and normally can be preserved for significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, and lighting systems.

**Interfund transfers:** Flows of assets (such as cash or goods) between funds and blended components of the primary government without equivalent flows of assets in return or without a requirement for payment.

**Internal service funds:** Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis. These funds use the flow of economic resources for measurement purposes and the full accrual basis of accounting. Included in this category are

the Information Services, Motor Pool and Worker's Compensation Funds.

**Industrial Waste Charge (IWC):** A surcharge placed by the City of Detroit on certain non-residential sewer accounts to pay to remove the level of waste (e.g. grease from restaurants) above normal residential use.

**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 on department, division, or agency levels. The City of Royal Oak adopts budgets on a "function" level.

**Modified accrual accounting:** This basis of accounting recognizes revenues in the accounting period in which they are both measurable and available to finance expenditures. Expenditures are generally recognized in the accounting period in which they are both measurable and incurred.

**Michigan Municipal Risk Management Authority (MMRMA):** A risk pool program providing a risk-sharing management program for local units of government in Michigan. Member premiums are used to purchase excess property/casualty insurance coverage and to establish a member's loss fund. The loss fund is used to pay self-insured retention portion of the member's claims.

**Net assets:** The difference between assets and liabilities of assets and liabilities of proprietary funds. Net assets may be further divided into unrestricted and restricted amounts like constraints of legislation or external parties, trust amounts for pensions or pools, or other purposes like invested in capital assets, net of related debt.

**Object (of expenditure):** In the context of the classification of expenditures, the article purchased or the service obtained, rather than the purpose for which the article or service was purchased or obtained (e.g., personal services, contractual services, materials and supplies).

**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. 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.

**Occupational Safety and Health Administration (OSHA):** The agencies in state and federal government that oversee the workplace environment to ensure it is safe for workers.

**Other Postemployment Benefits (OPEB):** Other postemployment benefits (OPEB) include postemployment benefits provided separately from a pension plan, especially retiree healthcare benefits.

**Other charges:** An expenditure object within an activity which includes professional services, utilities, rents, and training for example.

**Personnel services:** An expenditure object within an activity which includes payroll and all fringe benefits.

**Revenue:** The income of the City used to fund operations. Typical revenue examples are taxation, licenses and permits, inter-governmental (e.g. state grants), charges for goods and services, fines and forfeitures, contributions and donations, reimbursements, interest and rents, and gains on the sale of investments or disposal of capital assets.

**Refunding:** Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

**Royal Oak Opportunity to Serve (ROOTS):** A City committee formed to receive any money or property deemed by donor for city use.

**Royal Oak Senior Essential Services (R.O.S.E.S.):** R.O.S.E.S. is a local program providing contract workers to provide home chores, minor home repairs and personal care to senior citizens, age 60 and over, and permanently handicapped adults. Low income senior citizens may be able to qualify for a CDBG subsidy. Administrative fees from clients, donations and CDBG grants pay for R.O.S.E.S. aides.



**State Equalized Value (SEV):** It is the function of the Michigan State Tax Commission to establish and maintain uniformity between counties by establishing the value of the total of each classification in each county. The State Equalized Valuation of an individual parcel of real property is that parcel's final value in the assessment process. Normally SEV equals Assessed Value (AV) when measurement and professional standards are properly applied. (see AV, TV)

**Southeastern Oakland County Resource Recovery Authority (SOCRRA):** The intergovernmental organization, serving 12 municipalities in the southeastern region of Oakland County, that provides for collection and disposal of solid waste as well as the handling of yard waste, compost and recyclables.

**Southeastern Oakland County Water Authority (SOCWA):** The intergovernmental organization, serving 11 communities in the southeastern region of Oakland County, that purchases water from the Detroit Water and Sewerage Department and stores and/or pumps it to each member unit.

**Special assessment:** Amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**Special revenue fund:** A fund to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library Fund, the Major Street Fund and the Local Street Fund are examples of special revenue funds.

**Supplies:** An expenditure object within an activity which includes all goods that have a useful life of less than three years and cost less than \$2,500.

**Surplus:** An excess of the assets of a fund over its liabilities and reserves.

**Transmittal letter:** A concise written policy and financial overview of the City as presented by the City Manager. It notes the major changes in priorities or service levels from the current year and the factors leading to those changes. It articulates the priorities and key issues for the new budget period. It identifies and summarizes major financial factors and trends affecting the

budget, such as economic factors; long-range outlook; significant changes in revenue collections, tax rates, or other changes; current and future debt obligations; and significant use of or increase in fund balance or retained earnings.

**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 Employees' Retirement System and the agency funds.

**Tax Increment Financing (TIF):** Financing secured by the anticipated incremental increase in tax revenue, resulting from the redevelopment of an area, or the funding on a current basis of pay-as-you-go improvements or operations. The TIF Authority (TIFA) board creates the TIF plan, carries out the projects and collects the incremental taxes to pay its costs. TIFAs may capture local taxes but not school taxes.

**Tax millage rate:** Tax millage rates are expressed in dollars per thousand dollars of taxable value. A tax rate of 10 mills means \$10/1,000 or \$0.010 x Taxable Value. (see TV)

**Taxable Value (TV):** Taxable Value is the base for calculating a taxable parcel's property tax in Michigan. Property tax equals Taxable Value multiplied by the tax millage rate. Taxable Value is calculated to limit growth in property taxes to a parcel's State Equalized Value or to 5% a year or less depending on inflation. Michigan's 1994 Proposal A Constitutional amendment and related legislation govern its application. (see AV and SEV)

**Unreserved fund balance:** The balance of net financial resources that is spendable or available for appropriation, or the portion of funds balance that is not legally restricted.

**Water & Sewer fund:** This enterprise fund accounts for the operation of a combined water & 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 expenses.

