

City of Northville, Michigan FY2019 Annual Budget and Five Year Plan (2018 – 2022)



Kenneth Roth, Mayor

Nancy Darga, Mayor Pro Tem

Council Members

Sam Ekong
Patrick Giesa
Marilyn Price

CITY OF NORTHVILLE, MICHIGAN

FISCAL YEAR 2019 ANNUAL BUDGET and FIVE YEAR PLAN (2018 - 2022)

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Patrick Giesa

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City Administration

Patrick Sullivan, City Manager

Cassandra Wiktorowski, Finance Director/Treasurer

Dianne Massa, City Clerk

Michael Carlson, Police Chief

Stephen Ott, Fire Chief

Loyd Cureton, Director of Public Works

Tracey Emmanuel, Housing Director

Lori Ward, Downtown Development Authority Director

Robert A. Marzano, City Attorney

City of Northville, Michigan FY2019 Budget at a Glance

The proposed budget is part of a five year plan which projects the current year budget and forecasts future revenues and expenditures three years beyond the proposed fiscal year. Key aspects of the budget are noted below.

In January 2018, City Council developed their goals, objectives, and project priorities. Many of those items are addressed in this budget document. Those items include long-term fiscal and financial stability, communications, water and sewer improvements, implementation of downtown strategic plan, street improvements, cemetery development, green initiatives, among many others. One of the City Council's high priority goals is long-term fiscal and financial stability. The budget has been prepared with this goal as a priority.

Property Taxes - The Taxable Value of the City increased 5%, net of DDA. The 2018 Taxable Value, confirmed by the March Board of Review, is \$370,678,271 (net of \$25,660,811 in DDA tax capture).

The General Fund operating millage will decrease from 13.5864 to 13.4845 mills and will provide additional \$202,000 in general operating tax revenue. The decrease in millage rate is due to a Headlee rollback.

State Shared Revenue – Constitutional revenue sharing is projected to increase 3.1%, or an additional \$14,987. The City, Village, Township Revenue Sharing Program (CVTRS) revenue is expected to be \$64,960. Municipalities must qualify each year to be eligible for this revenue source. To qualify this year, eligible municipalities must meet best practices in the category of accountability and transparency. This includes preparing a Citizen's Guide to City Finances, Performance Dashboard, Budget Report, and Debt Service Report all of which are available on the City's website.

Healthcare Costs - One of the largest components of personnel costs is providing healthcare for both active employees and retirees. All employees continue to pay 20% of their medical cost.

Retiree Healthcare - Addressing the liability for retiree health care is a major concern for municipalities. As of December 2016, the unfunded retiree healthcare liability was \$10.6 million and the plan was 43% funded.

A new valuation is expected in April 2018.

Pension Costs - In 1997, the City began closing the defined benefit pension plans and new employees participate in a defined contribution plan. As of December 2016, the unfunded pension liability was \$8 million and the plan was 61% funded.

Residential Refuse - The goal of this program is to have the current rates cover the entire cost of the residential program. The current contract with the vendor was extended to May 2022. The current rate to the users of the system is proposed to increase from \$38.00 to \$38.20 bi-monthly.

Water & Sewer System – The rate structure is set up to cover the Great Lakes Water Authority water costs, Wayne County sewage disposal costs, capital improvements, and increased operational and maintenance costs.

The charge for water from the Great Lakes Water Authority is proposed to increase by 3.6%. The City estimates that Wayne County will increase the sewage disposal rate by 10%. The City is proposing an increase to the users of the system, from \$9.01 to \$9.27 per unit for water and from \$5.98 to \$6.25 per unit for sewer. The service charge is proposed to remain unchanged at \$3.37 bi-monthly to cover the meter reading and billing processes. The meter replacement charge is proposed to increase from \$3.70 to \$5.57 bi-monthly. This fee generates revenue to begin a program to replace aging water meters.

The average household utility bill will increase 3.8%, or approximately \$3.68 per month for water, sewer, service charge, and residential refuse.

The Housing Commission Fund proposes to increase the rent at Allen Terrace, an independent senior citizen apartment community, by 1.4% from \$705 to \$715 for one-bedroom apartments and \$1,090 to \$1,105 for two-bedroom apartments.

Capital Improvement Program - The budget includes approximately \$1.7 million in funding for physical improvements. The projects are discussed in detail in Appendix A.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

City of Northville
 Fiscal Year 2019 Annual Budget
 And Five Year Plan – 2018 through 2022

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SECTION I

OVERVIEW

The section provides the reader with details of the process by which the fiscal year 2019 budget for the City of Northville is created and adopted. This section includes the City Manager's budget message, a description of the budget process, a schedule of key dates in the preparation and presentation of the budget, notices of availability and public hearing, and the resolution by City Council to adopt the budget.

City of Northville
Fiscal Year 2019 Budget Message

April 2, 2018

Honorable Mayor and City Council Members:

Transmitted herewith is the proposed FY2019 City of Northville Annual Budget. The proposed budget is part of a five-year plan which projects the current year budget and forecasts future revenues and expenditures three years beyond the proposed fiscal year. By utilizing the five-year model, the City is able to effectively manage resources to balance operations and capital needs. A tradition has been established to submit a balanced and realistic budget within the goals, objectives and priorities established by the City Council. This year is no exception.

In January 2018, City Council developed their goals, objectives, and project priorities. Many of those items are addressed in this budget document. Those items include long-term fiscal and financial stability, communications, water and sewer improvements, implementation of downtown strategic plan, street improvements, cemetery development, and green initiatives, among many others. One of the City Council's high priority goals is long-term fiscal and financial stability. The budget has been prepared with this goal as a priority. These items are discussed in greater detail beginning on page I-17 and throughout the various funds in this document.

The City hired the team of Vettrano Consulting and Municipal Analytics to analyze and present a comprehensive financial analysis. A draft of their report was presented on March 22, 2018. The project had four goals: 1) identify and analyze significant future capital costs, liabilities and other expenditures, 2) identify revenue options, 3) develop a model that integrates identified expenditures and revenue data, and 4) provide an analysis to assist the City in its consideration of investment and revenue generating options. This budget has been prepared without integration of any of their recommendations due to the timing.

FY2019 Budget Highlights

The "Summary – All City Funds – Expenditures" graph on page I-14 shows the level of activity of the City's 17 funds in relation to each other. The three largest funds are the General Fund (43.5%), Water & Sewer Fund (18.9%) and the Housing Commission Fund (5.1%).

City of Northville
Fiscal Year 2019 Budget Message – continued

Personnel Costs:

Active Employee Healthcare Costs: A City is a service-oriented organization. Personnel costs are, therefore, the largest category of expenditure. One of the largest components of personnel costs is providing healthcare for active employees.

All four labor contracts are set to expire on December 31, 2020. Employee's cost-sharing of the medical premiums and health savings accounts (HSA) continues to be 20% to comply with the State of Michigan Publicly Funded Health Insurance Contribution Act. Dental and vision remain 100% City-paid. Staff reviews policies annually to determine if a change is warranted. For calendar year 2018, the premium cost of the active's health insurance decreased 4.6%.

Legacy Costs:

Pension Plan: The City of Northville, like many local governments, is facing a significant underfunding of its pension obligations. The City has closed all of its pension funds, which means new hires are no longer added to the system; but the City is obligated to continue to fund the pension system for active or retired employees who were promised benefits. At the time of the most recent actuarial valuation (12/31/16), the pension was underfunded by close to \$8 million. This represents a funded ratio of 61%. This level is sufficient to avoid additional reporting and potential oversight from the State, which now requires a funded ratio of 60% for public pensions, but it is still well below the level desired by the City.

Currently, there are 7 active members, 10 vested former members, and 65 retirees and beneficiaries. The 12/31/17 valuation is expected in May or June 2018.

OPEB: Other Post-Employment Benefits (OPEB) often refers to retiree healthcare benefits. The City no longer offers this benefit to new employees, but it is obligated to fund the benefits promised to employees hired over many years. The 2016 actuarial valuation of the OPEB plan identified an unfunded accrued liability of \$10.6 million. The funded ratio as of 12/31/16 was 43.3%, which is just above the State mandated level of 40% for OPEB plans. The lower funding requirement reflects the generally accepted belief that

City of Northville
Fiscal Year 2019 Budget Message – continued

OPEB liabilities are secondary to pension liabilities. This is also reflected in the State mandate that pension contributions be no less than the annual required contribution (ARC). There is no minimum annual contribution requirement by the State for OPEB benefits.

There are currently 73 retirees and spouses and 21 eligible actives in the retiree healthcare plan. An updated valuation is expected in April 2018.

Over the past four years, the City contributed an average of over \$300,000 per year above the annual required contributions for both plans in an attempt to reduce these unfunded liabilities. The consultant's report contains several options to consider to further increase the funded levels for both plans.

General Fund: The FY2019 General Fund budget has been balanced without the use of fund balance and is summarized as follows:

Property Taxes: The primary source of General Fund revenue is property taxes at 69% of total revenue. Property tax revenue is impacted most significantly by the annual inflation rate used in determining Taxable Value. Each October, the Michigan Department of Treasury announces the Inflation Rate Multiplier (IRM) that is applied by each municipality. For 2018, the IRM was an increase of 2.1%. For comparison, the IRM for 2017 was an increase of 0.9%.

As shown on page X-10, the taxable value of the City, net of DDA, increased 5% from March 2017 to March 2018. The 2018 taxable value, confirmed by the March Board of Review, is 370,678,271 (net of \$25,660,811 in DDA tax capture). Of the \$17.6 million taxable value increase, \$7.9 million was due to new construction. Assessed value of the City increased 3.49% from the prior year. The taxable value increase will provide an additional \$202,000 in general operating tax revenue.

The City Charter of Northville provides for a maximum property tax levy of 20 mills. This millage limitation has been split between a general operating levy maximum of 18.0800 mills and a dedicated levy of 1.9200 mills for streets, drainage and sidewalk improvements. Due to the limitations imposed by the Headlee Amendment to the Michigan Constitution, the maximum general operating levy currently permitted is 13.4845. In 2017, the City levied 13.5864 mills. For the first time, the City will be required to reduce its levy, which will constrict the property tax revenues received in the General Fund. The forecasted trend for the general

City of Northville
Fiscal Year 2019 Budget Message – continued

operating levy is negative, and could decline further over the next several years. Based on current estimates of taxable value in the City, the five-year cumulative Headlee reductions could result in a loss of \$1.4 million to the General Fund.

The City needs to develop a timeline and plan to place a Headlee override question on the ballot. The City does not have an immediate need to consider a Headlee override, so a thoughtful and measured approach can be taken. Consideration should be given to the millage maximum that would be requested, remembering that any override would be subject to Headlee reductions over time.

State Shared Revenue: Historically, State Shared Revenue was comprised of two components: Constitutional and Statutory. Constitutional State Shared Revenue is budgeted based upon 2010 Census data and distribution rates received from the State of Michigan in March 2017. The State of Michigan Legislature enacted the current formula for allocating state shared sales tax revenue in December 1998. Total FY2019 constitutional revenue sharing is budgeted at \$504,342, an increase of 3.1% from the prior year. This portion continues to be a stable revenue source for the City.

Over \$8 billion has been diverted from local Michigan communities. The City has lost more than \$2 million in revenue sharing due to the dramatic disinvestment by the State of Michigan since 2003. According to the U.S. Census bureau, from 2002 through 2012 revenues from the State of Michigan increased 29%, but revenues the State provided to local governments decreased by more than 56%.

The City also receives City, Village, Township Revenue Sharing (CVTRS). To qualify, eligible municipalities must meet best practices in the category of accountability and transparency which includes publishing a Citizen's Guide, a Performance Dashboard, a Debt Service Report, and a Projected Budget Report. All four of these reports are available on the City's website. Total FY2019 budgeted revenue sharing CVTRS is unchanged at \$64,960.

Fire Services: Since January 1, 2012, the City of Northville has been providing professional fire prevention, fire suppression and emergency medical services to the City of Plymouth. Costs are reimbursed by the City of Plymouth based upon a pro-rata share of runs in the prior calendar year. For FY2019, Northville's share is 42% which is down two percent from the prior year.

City of Northville
Fiscal Year 2019 Budget Message – continued

Parks, Recreation, and Senior Services: As of January 1, 2018, the administration of this department transferred from the City to Northville Township. The City’s share of the costs for these shared services is 16.2% and is recalculated annually based upon taxable values and populations of both communities.

Communications: The completion of the website redesign is will occur in FY2019. Staff will be exploring additional online registration and payments options to serve the residents and visitors of Northville. Both of these are high priority goals set by City Council.

Police Services: The proposed budget assumes the continuation of twelve-hour shifts which began in 2017. The department will integrate more social media posts to improve community outreach.

Planning, Zoning & Inspection Services: The Historic District Survey will be completed in the fall of 2018. The project is funded by a grant from the Michigan Historic Preservation Office and will perform an intensive level survey of the Historic District.

Special Revenue Funds: The City budgets for transactions in which the funding source is legally restricted to be spent for specific purposes as Special Revenue Funds.

The Street, Drainage & Sidewalk Improvement Fund records revenue received from a dedicated millage approved by voters in 1997. The approved millage rate of 1.9200 mills has been permanently reduced by Headlee roll backs to 1.6798 mills for FY2019. The revenue generated by this millage will help fund the City Council medium-priority goals of street, sidewalk, and non-motorized improvements throughout the City. The proposed levy will generate \$623,000 in tax revenues.

Spalding DeDecker recently completed a comprehensive pavement management system report. The report included a field evaluation of every street, a ten-year work plan and ten-year funding plan. An important concept presented in the report is the overall condition of the pavement network represented by a weighted average “Overall Condition Index” (OCI) rating. As of May of 2017, the City’s OCI rating was a 4.57, on a 10-point scale. Spalding DeDecker has expressed an opinion that an OCI score of higher than 5.70 (approximate “critical point on the deterioration curve”) produces a pavement network that has satisfactory driving conditions and

City of Northville
Fiscal Year 2019 Budget Message – continued

allows for efficient use of resources to maintain the pavement. The data shows that only 10% of the roads are in good condition, 33% are in fair condition, and 57% are in poor condition.

In order to achieve the engineer's recommended 5.70 OCI rating, the City will need additional funding. Several funding scenarios will be presented by the financial consultants for City Council to analyze.

For FY2019, the following projects are planned. Engineering and design for W. Cady Street

- Beal Avenue Reconstruction
- Hill Street Improvements
- West Street Improvements
- Sidewalk Replacement Program
- Joint and Crack Sealing Program

More details on these projects can be found in Appendix A, pages 13 through 18.

The Major and Local Street Funds records revenue received from gasoline tax through the State of Michigan under Act 51. The State has earmarked the first \$150 million in income tax in the State's General Fund to be distributed to local governments for transportation. An additional \$25,000 in revenue is expected from this source.

The Parking Fund now consolidates all parking system costs into one fund. Previously these were spread among three funds. This will provide a comprehensive view of the maintenance and capital costs in one place. There are no planned projects for FY2019. However, the DDA Director has been tasked with preparing an RFP for the evaluation of the two City parking decks to determine the scope of improvements needed. Funding options will then need to be explored.

City of Northville
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The Arts Commission Fund continues to be self-sustaining. The success of their programs and the Art House is very dependent upon an aggressive approach to fundraising, sponsorships, and grants. They are exploring the option of moving to a 501(c)(3) in the future to expand classes and activities.

The Public Improvement Fund is planning for several projects in FY2019:

- The replacement of five City entrance signs intended to match the DDA wayfinding signage. More details are on page A-19.
- The City has been notified by the Randolph Drain Commission that there the Mill Pond Court Culvert project is planned for 2019.
- Parks & Recreation is coordinating the Johnson Creek Improvements at Fish Hatchery Park. Project costs will not exceed the Wayne County Parks Millage Funds awarded to the City of Northville and Northville Township.

The Housing Commission Fund proposes to increase the rent at Allen Terrace, an independent senior citizen apartment community, by 1.4% from \$705 to \$715 per month for one-bedroom apartments and \$1,090 to \$1,105 for the two-bedroom apartments. \$152,000 is proposed to be transferred to the Housing Capital Outlay Fund for building improvements identified in its Capital Needs Assessment report. Allen Terrace does not rely on property taxes for its operations.

Enterprise Fund Services: The City accounts for its Refuse & Recycling Fund and Water & Sewer Fund as enterprise funds. Enterprise funds should be supported by independent rate structures and not by taxes. Although operational summaries are reviewed when necessary to determine the adequacy of rates, formal budgets are not required under the State of Michigan's Uniform Accounting and Budgeting Act and are, therefore, not contained in the Budget Resolution.

The Refuse & Recycling Fund has been self-supporting for many years. This activity provides curbside residential pick-up, commercial pick-up in the downtown, curbside leaf pickup, curbside brush chipping, and Household Hazardous Waste Days. Both contracts for commercial and residential services have been extended to May 2022.

City of Northville
Fiscal Year 2019 Budget Message – continued

The goal of this program is to have the current rates cover the entire cost of the residential and commercial programs. The residential program rate is proposed to increase from \$38.00 to \$38.20 bi-monthly. No rate changes are proposed for the commercial program. Those rates are shown below.

<u>Business Classification</u>	<u>Bi-Monthly Rate</u>	<u>Business Classification</u>	<u>Bi-Monthly Rate</u>
Restaurants	\$406	Retail Sales	\$131
Retail Food	\$174	Professional Services – Large Office	\$104
Churches & Halls	\$174	Professional Services – Small Office	\$48
		Downtown Residential	\$43

The Water & Sewer Fund is the City’s second largest fund. The City of Northville’s water supplier is the Great Lakes Water Authority (GLWA). A few years ago, GLWA shifted from strictly a commodity-based cost structure to combination of a fixed (60%) and commodity-based (40%) rate structure. This means that the City is required to pay that fixed portion and it is not dependent on consumption.

For FY2019, the charge for water from GLWA is proposed to increase by 3.6%. It is proposed that the City increase the water rate from \$9.01 to \$9.27 per unit effective July 1, 2018. This rate structure is set up to cover the GLWA water cost increases, capital improvements, and operational and maintenance costs. The primary driver for this increase is to establish a reserve for future water main replacements to be completed in conjunction with the related street improvements. Utilization of a reserve will smooth out the volatility of rates from year-to-year due to timing of capital projects. The updated Water Reliability Report specifies that when roads are improved, the City should replace the water main at the same time if it is determined to be old. This will increase the need for additional funding for water improvements as streets are improved.

City of Northville
Fiscal Year 2019 Budget Message – continued

Wayne County is the provider of sanitary sewer service for the City of Northville. The City of Northville, along with 14 other jurisdictions, is included in the “Rouge Valley Sewage Disposal System”. City Staff estimates that Wayne County will increase the rate by 10% for sewage disposal. Over the last two years, the County proposed a rate increase, but it was never approved. It is proposed that the City increase the sewer rate from \$5.98 to \$6.25 per unit effective July 1, 2018.

Neither the water charge from GLWA nor the sewer charge from Wayne County were approved at the time this budget was published. Therefore, the rates passed onto the users of the systems are subject to change.

The fixed service charge is proposed to remain at \$3.37 bi-monthly. This charge is set to cover the costs of the meter reading and billing process. The meter replacement charge established two years will increase from \$3.70 to \$5.57 bi-monthly. This program will replace aging water meters City-wide.

The average household utility bill will increase approximately 3.8%, or \$3.68 per month, with adjustments to the water, sewer, service charge, meter replacement charge, and residential refuse charge.

In 2007, the City of Northville signed an Administrative Consent Order with the Michigan Department of Environmental Quality (MDEQ). To comply with this order, the City has a time table in which to bring its sanitary sewer flow within contract limits. The City is not alone in this effort. The City’s efforts are part of a combined effort with surrounding communities under Wayne County’s leadership. The City’s sanitary sewer system has been evaluated under wet weather flows and for design issues. This multi-year project will take on pilot projects aimed at eliminating excess flow in Northville’s sanitary sewer system. Depending on the success of these pilot projects, the City may be required to share in the construction of a wastewater capacity control system. Preliminary estimates of Northville’s share of this long-term solution to peak flows are in the \$2 million range. It is likely that Wayne County will issue debt on behalf of itself and all the communities impacted by this wastewater capacity project. Since the timing of this project is unknown, this project is not included in the proposed budget.

Downtown Development Authority (DDA): The DDA budget is presented in Appendix B. It is a component unit of the City of Northville. The activity in this fund fluctuates year-to-year as specific projects are identified. The DDA has continued to actively

City of Northville
Fiscal Year 2019 Budget Message – continued

utilize a committee structure to implement the Downtown Strategic Plan which was adopted by the Northville City Council in July 2006. The budget continues to provide funding for the Design, Marketing Mix, Parking, and Organizational activities. Beginning with FY2019, the economic development committee will be established.

The taxable value subject to DDA capture increased 4.1% from last year, generating an additional \$22,599 in captured taxes. The DDA is anticipating \$36,000 to be reimbursed by the State for the small taxpayer exemption from personal property with taxable values of less than \$40,000. The 2-mill levy has been permanently rolled back to 1.7931 mills due to a Headlee rollback. This will provide for \$58,221 in revenue in fiscal year 2019. No new capital projects are planned for FY2019.

Debt: The City currently has two outstanding bond issues and one installment purchase contract. One bond issue is repaid through captured taxes by the DDA with a final payment due in FY2025. The other bond issue is repaid from tenant rents at Allen Terrace with a final payment due in FY2023. The installment purchase contract was to finance the purchase of an aerial truck for the Fire Department. A portion of the annual payment is paid by the City of Plymouth per the terms of the cost sharing agreement between the two communities.

Capital Improvement Program: The City's Six Year Capital Improvement Plan (CIP) is essential to the planning process of the City of Northville. This plan complies with the Planning Enabling Act which requires local governments to prepare an annual capital improvement plan. This law assigns the responsibility for the annual capital improvements to the Planning Commission. The Planning Commission adopted a resolution on October 7, 2008 which placed that responsibility with the City Council. A similar resolution was adopted by City Council on November 17, 2008. A copy of this resolution is shown on page A-3.

In its desire to provide quality service and facilities to its residents, the City of Northville realizes that needs and wants always exceed resources. This multi-year plan provides a framework in which desired acquisitions and projects are prioritized and matched with finite resources. The goal in developing the six-year program is to plan for and guide needed capital improvements and expenditures in a fiscally sound manner. This ensures that these improvements are consistent with the goals and policies of the City Council and the residents of the City of Northville.

City of Northville
Fiscal Year 2019 Budget Message – continued

The Capital Improvement Program for FY2019 provides for \$1,738,800 in physical improvements. Below is a list of key capital improvements. Further detail may be found in Appendix A.

- Beal, Hill and West Streets Improvements, \$304,000
- Pumper truck for the Fire Department, \$550,000
- Tractor Backhoe, \$110,000
- Mobile data computers for Police Department, \$48,000
- Two police cars, \$80,000
- City entrance signs, \$75,000
- Roof and atrium replacement at Allen Terrace, \$382,600
- Water main replacements, \$145,000

Proposed 2018 Millage Rates: The following statements are provided, as required by State statute, concerning the 2018 proposed millage levies for the City of Northville.

The 2018 tax levy for the City Operating Millage is proposed to be 13.4845 mills, compared to 13.5864 mills in 2017, resulting in a decrease of 0.75%. The City Council has authority under the City Charter to set the Operating Millage rate within the maximum allowed rate of 13.4845 mills, as adjusted by the Headlee roll-back formula.

The 2018 levy for the Improvement Program for Streets, Drainage and Sidewalks, approved by the voters on March 4, 1997, is proposed to be 1.6798 mills, compared to 1.7087 mills in 2017, resulting in a 1.75% decrease.

The total City millage for operating, debt, and improvements is proposed to be 15.1643 mills in 2018. Compared to the 15.2961 mills levied in 2017, the decrease is 0.1318 mills, or 0.86%.

City of Northville
Fiscal Year 2019 Budget Message – continued

Budget Process: The City Charter requires that a public hearing be held and the budget be adopted at the second regular meeting in May, which has been scheduled for Monday, May 21, 2018. City Council budget review sessions are scheduled for Thursday, April 5, 2018 and Thursday, April 12, 2018.

In presenting this budget, every effort has been made to reflect the stated policies, goals and objectives of the City Council within the financial means available. Your careful consideration of this budget proposal is requested.

The City was honored to receive the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the twelfth consecutive year. This budget document will again be submitted to the GFOA to determine its eligibility for another award.

The preparation of the budget document requires the cooperation of all City Department Heads. Their efforts and contributions are greatly appreciated. An especially intensive job was performed by the Finance Department. In particular, Finance Director/Treasurer Sandi Wiktorowski and Accountant Nancy Piwowar, whose expertise and high professional standards guide the ongoing budget process. Without their hard work, attention to detail, and persistence, the budget would be far less accurate, orderly, and concise.

Respectfully submitted,

Patrick Sullivan
City Manager

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

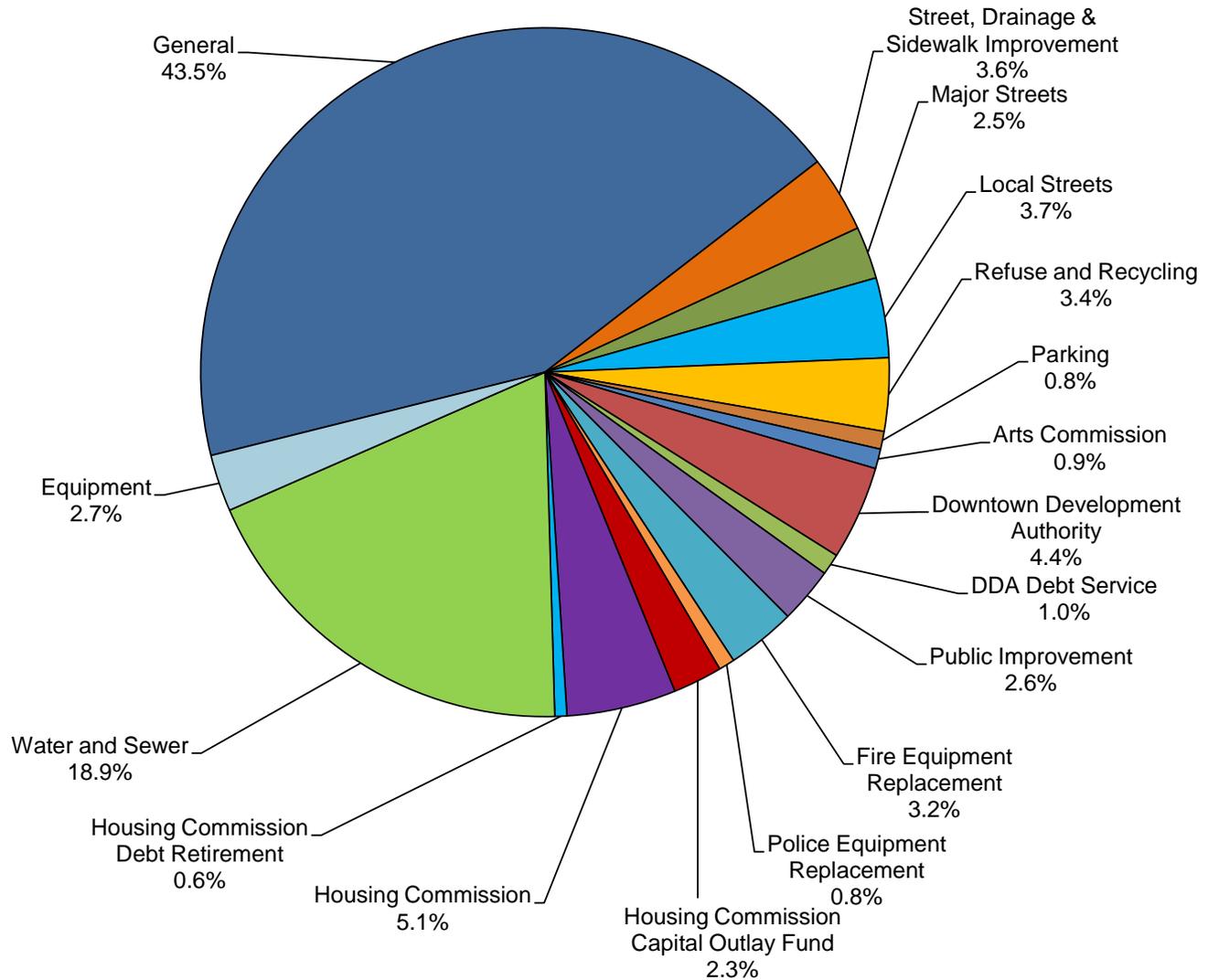
Total Expenditures All Funds

In this summary, the total proposed FY2018-19 budget for all funds is compared with the projected totals for FY2017-18. All budget totals in this summary include interfund transfers out and, if any, increase to fund balance.

Fund	2017-18 Projected	2018-19 Proposed	Net Change	Percent Change
General	\$ 7,361,795	\$ 7,577,281	\$ 215,486	2.93%
Street, Drainage & Sidewalk Improvement	\$ 608,480	\$ 627,595	\$ 19,115	3.14%
Major Streets	\$ 518,645	\$ 428,105	\$ (90,540)	-17.46%
Local Streets	\$ 574,475	\$ 654,095	\$ 79,620	13.86%
Refuse and Recycling	\$ 594,953	\$ 597,415	\$ 2,462	0.41%
Parking	\$ 144,895	\$ 145,798	\$ 903	0.62%
Arts Commission	\$ 155,110	\$ 161,180	\$ 6,070	3.91%
Downtown Development Authority	\$ 821,532	\$ 770,855	\$ (50,677)	-6.17%
DDA Debt Service	\$ 172,355	\$ 173,170	\$ 815	0.47%
Public Improvement	\$ 261,911	\$ 456,955	\$ 195,044	74.47%
Fire Equipment Replacement	\$ 294,824	\$ 564,200	\$ 269,376	91.37%
Police Equipment Replacement	\$ 82,825	\$ 131,000	\$ 48,175	58.16%
Housing Commission Capital Outlay Fund	\$ 154,803	\$ 404,300	\$ 249,497	161.17%
Housing Commission	\$ 888,587	\$ 897,010	\$ 8,423	0.95%
Housing Commission Debt Retirement	\$ 95,647	\$ 98,775	\$ 3,128	3.27%
Water and Sewer	\$ 3,345,065	\$ 3,296,711	\$ (48,354)	-1.45%
Equipment	\$ 399,206	\$ 466,000	\$ 66,794	16.73%
Total All City Funds	\$ 16,475,108	\$ 17,450,445	\$ 975,337	5.92%

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

Summary - All City Funds - Expenditures



City of Northville
Fiscal Year 2019 Annual budget
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City Council Goals, Objectives, and Project Priorities

High Priority/Short Term

Long-Term Financial Stability:

- Continuation of the long-term fiscal and financial stability efforts outlined in the City Manager's report dated January 11, 2018.
- Complete the consultant's financial review and implement plan for long-term funding of highest priority needs.
- Determine and implement the Cemetery Maintenance Fund investment plan.

Communications:

- Continue to improve and expand city-wide communications.
- Complete the website redesign project and implement more self-serve options (fillable forms, online payments, etc.) and implement a searchable zoning ordinance.
- New website rollout should include the development of a process for Department Heads to create and maintain communications for their areas. Content should be current.
- Explore having a YouTube channel on the website to show snippets of parades and other City events. This might generate interest in the community and increase attendance at events.

Boards and Commission Training

- Implement regular training for City Council, and all Boards and Commissions, with emphasis on Freedom of Information Act (FOIA), Open Meetings Act (OMA), and Board standards and conflicts.
- Implement operational detail training for specific boards, such as Historic District Commission training on standards, Planning Commission training on new urban planning and design.

City of Northville
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City Council Goals, Objectives, and Project Priorities – Continued

Medium Priority/Medium Term

Manager/Department Evaluations:

- Implementation of evaluation/annual review of the City Manager based on progress toward accomplishment of goals identified by City Council and Departments.

Water and Sewer System Improvements:

- Continue efforts to detect water loss and continue to monitor the City's water control to meet City Council established goal of 15% or less water loss.
- Include a water meter replacement program as part of the City's capital improvement plan as aging meters are likely contributing to the reasons water loss remains at 20%.
- Continue to remain current with the commitments to Michigan Department of Environmental Quality (MDEQ) to clean 20% of the City's sanitary sewer system each year to comply with Abatement Order No. 2096. To minimize the possibility of sanitary sewer backups in the City, efforts to clean 50% of the City's sanitary sewers should continue.
- Continue to partner with Wayne County and several other neighboring communities to design a Long Term Corrective Action Plan for sanitary sewer excess flow as required under Final Order of Abatement 2096 with MDEQ. Construction of sewer system improvements should occur in 2019/20.

Downtown Strategic Plan/Preservation of Downtown Funding:

- Implement the 2017 Strategic Plan recommendations.
- Complete installation of Phase II of the Wayfinding project.
- Continue to monitor efforts in Lansing that would reduce or eliminate the DDA and TIFA funding mechanisms and work with our legislators to mitigate any negative impact on downtown Northville.

City of Northville
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City Council Goals, Objectives, and Project Priorities – continued

Medium Priority/Medium Term - continued

- Review Cady Street density with the Planning Commission.
- Develop a plan for Wing Street property next to the Post Office, and issue a Request for Proposal if appropriate.

Street, Sidewalk, and Bike Path Improvements:

- Continue with street improvements.
- Continue with non-motorized pathway opportunities.

Future City Hall and Fire Station Repairs/Renovations:

- The City is working with a local architect on plans for future repairs and renovations to City Hall. The plans and cost estimates will be included in the City's comprehensive financial analysis.
- Evaluate the long-term needs of the Fire Department. The evaluation would address the location of the Fire Station building, sufficient space to store the ladder truck, parking for paid on-call firefighters when responding to emergency calls for service, etc. The Fire Chief or consultant should do an analysis to determine the Fire Department needs, and to determine if the Fire Station location needs to be addressed. The evaluation should be done before issuing Requests for Proposals for City-owned property.)

Community Groups:

- Work with the Chamber of Commerce, DDA, and non-profits to develop more robust relationships with the entities that impact the City.
- Schedule short presentations from various community groups to improve the understanding of the contributions these groups make to the City (i.e. Northville Historical Society, Art House, and Beautification Commission). This could be done under "presentations" at a Council meeting.

Development and Redevelopment Issues:

- Continue to reduce steps to make application processes less burdensome on developers.
- Amend the Master Plan to allow for first-floor residential for redeveloped properties adjacent to the downtown.
- Work on revisions to the Cady Street Overlay zoning district and rezoning the McDonald Ford property to be consistent with the Master Plan.
- Review Cady Street density with the Planning Commission.
- Develop a plan for Wing Street property next to the Post Office, and issue a Request for Proposal, if appropriate.

City of Northville
Fiscal Year 2019 Annual budget
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City Council Goals, Objectives, and Project Priorities – continued

Medium Priority/Medium Term – continued

Ford Field Improvements

- Develop a plan with Parks and Recreation for Ford Field improvements, such as the play structure and other infrastructure, including restrooms.

Cemetery Build-Out:

- Complete the Phase 2 expansion of Rural Hill Cemetery.

Energy Efficiencies and Green Initiatives

- Improve the City's energy efficiencies. Consider retaining a consultant or establishing a committee to analyze the City's current carbon footprint. The report would include recommendations on short-term/long-term goals to meet a set target date for all City Departments to be 100% carbon neutral. Objectives would include: purchase electric vehicles, turn off computers and office lights, LED office lighting, purchase wind systems, purchase solar systems, and have Department Heads identify carbon-neutral opportunities.

Lower Priority/Long Term

Retaining the Retail Operation of the Northville Post Office within the Central Business District:

- The Post Office building's current lease expired in 2017. Continue to work with the United States Postal Service to express support for keeping the Post Office in the downtown.
- Future land use of the City-owned property was addressed in the Community Master Plan update. Move forward with intent to issue an RFP for the City-owned land south of the Post Office.

Projects on Hold

Mill Pond Improvements/Watershed Enhancements

- On hold due to lack of available funding sources. Staff will continue to monitor funding opportunities.

**City of Northville
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ENTITY-WIDE NON-FINANCIAL GOALS AND OBJECTIVES

The City of Northville establishes long-term, entity-wide, non-financial policies that provide the context for decisions within the annual budget. Long-term policies include the mission statement and strategic goals and objectives.

Since the City must operate within the constraints of available resources, it naturally focuses on financial matters. However, concerns about available resources do not inhibit the City's long-term vision. To that end, the City has established entity-wide non-financial goals and objectives to ultimately ensure the safety of its residents and to serve those residents in the most professional, courteous and efficient manner possible. The City's mission will be accomplished through responsiveness, integrity, innovation and teamwork. Each department identifies long-term goals and objectives, which are located in the departmental sections of this document that are directly tied to the City's overall goals and objectives.

MISSION STATEMENT

<p>The mission of the elected officials, volunteers, and staff of the City of Northville is to provide quality public services in partnership with its citizens, businesses, schools, and other governmental agencies.</p>
--

Organizational Operations

1. Avoid duplication of services with other units of government. Seek and maintain joint use opportunities when effective service delivery can be improved and/or provided at less cost to the City.
2. Review department organization to achieve more efficient service levels at a lower cost to taxpayers. Contain personnel costs without reducing services.

**City of Northville
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ENTITY-WIDE, NON-FINANCIAL GOALS AND OBJECTIVES – continued

Organizational Operations - continued

3. Utilize a consistent and future oriented Capital Improvement Program and maintain public facilities and infrastructure to meet the needs of the community.
4. Provide decision makers with up-to-date information on expenditures, revenues and other performance measures to more effectively and efficiently manage municipal operations.

Economic Development

1. Maintain and improve the City's financial base by emphasizing the importance of economic development and redevelopment of mixed use opportunities while minimizing the impact of traffic and aesthetics on established neighborhoods.
2. Develop policies which focus on physical and economic revitalization of the downtown for the purpose of promoting a viable downtown and enhancing property values throughout the community.

Communications and Technology

1. Improve efficiencies by investing in technological improvements and automating City systems to improve access to information.
2. Ensure high performance and morale through staff development, training and education.
3. Seek opinions and ideas from individuals, appointed boards and committees, and citizen groups to provide direction as to how the City's resources can and should be used.

**City of Northville
Fiscal Year 2019 Annual Budget
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BUDGET PROCESS

The City of Northville Charter designates the City Manager as the Chief Budget Officer. Preparation of the City budget is in accordance with the schedule set by Charter and City Council.

The budget represents a complete financial plan for all activities of the City for the ensuing fiscal year. All estimated income and proposed expenditures are detailed and presented in a form prescribed by law. In addition, this document presents the proposed budget as part of a five year plan to improve the decision-making process.

The budget process begins with goals and objectives meetings in January with the City Council, City Manager and administrative staff. These are public meetings. Based upon presentations by the City Staff and discussion between the Mayor and City Council, goals and objectives are prioritized by City Council for the next fiscal year.

Each February, department heads receive workpapers to prepare their individual line item budgets. Upon completion, the departmental budgets are returned to the Finance Department in February where the budget data is compiled and verified. The City Manager and Finance Director then analyze these amounts. Further discussions occur with department heads and the budget adjusted accordingly.

A proposed, balanced budget is then developed to support the direction and focus established for the community by City Council. Specific issues are identified which are vital to continued quality services within the means available. This method of budgeting serves to improve the level of organizational accountability. City Council meetings, held in April and May, provide all interested citizens an open forum where they can be heard. Upon review, and a subsequent public hearing, the City Council adopts the budget by resolution.

The budget is scheduled for adoption at the second regular City Council meeting in May in accordance with the City Charter. The operating millage rate is established as part of the budget adoption resolution.

**City of Northville
Fiscal Year 2019 Annual Budget
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Budget Schedule

The City Charter requires that the City Budget be adopted not earlier than April 15 and not later than the third Monday in May of each year. The following schedule is proposed for study sessions and regular meetings related to the adoption of the 2018-19 City Budget.

Thursday, January 11	Special City Council Meeting – Goals and Objectives
Monday, January 29	Finance Department distributes worksheets to Department Heads
Wednesday, January 31	Departmental worksheets and supporting documentation due to Finance Department from the Fire Department, Housing Commission, and Arts Commission
Friday, February 9	Departmental worksheets and supporting documentation due to Finance Department
Monday, April 2	Regular Meeting - Budget document presented to City Council
Thursday, April 5	Special Meeting – Budget Review Session #1
Thursday, April 12	Special Meeting – Budget Review Session #2
Thursday, May 10	Notice of Availability of Budget and Hearing on Budget (at least one week in advance of the hearing)
Monday, May 21	Regular Meeting - Hearing on Budget Adoption, subsequent Budget Adoption, and establishment of 2018 Operating Millage Rate

**City of Northville
Fiscal Year 2019 Annual Budget
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Budget Discussion Schedule

All meetings are held at 7:00 PM in the City Council Chambers, 215 W. Main Street, Northville, Michigan 48167.

<u>Session # 1 Thursday, April 5, 2018</u>	<u>Session #2 Thursday, April 12, 2018</u>
General Fund Revenues City Council City Manager Communications City Attorney City Clerk Elections Buildings & Grounds Department of Public Works Finance Tax & Assessing Police Department Fire Department Technology Planning, Zoning & Inspection Services Shared Services Contributions to Other Funds Debt Service Insurance, Central Supplies and Unallocated Reserve Police Equipment Replacement Fund Fire Equipment Replacement Fund Downtown Development Authority DDA Debt Service Fund	Arts Commission Housing Commission Housing Commission Capital Outlay Fund Housing Debt Retirement Fund Street, Drainage & Sidewalk Improvement Fund Major Streets Fund Local Streets Fund Parking Fund Public Improvement Fund Refuse & Recycling Fund Water & Sewer Fund Equipment Fund

City of Northville
NOTICE OF AVAILABILITY OF BUDGET (continued)

PUBLIC HEARING A public hearing will be held on Monday, May 21, 2018, at 7:00 P.M. in the City Council Chambers of the Northville City Hall, 215 W. Main Street, for the purpose of receiving testimony and discussing the proposed 2018-19 Annual City Budget. **The property tax millage rate proposed to be levied to support the proposed budget will be the subject of this hearing.**

TRANSFERS BETWEEN APPROPRIATIONS As provided in State statute, the general appropriations resolution is proposed to allow the City Manager to transfer up to ten percent (10%) of each appropriation to any other appropriation within each fund and up to ten percent (10%) of the total salary and fringe appropriations for distributed Public Works Labor and Equipment Rental between the General, Major Street, Local Street, Equipment, Refuse and Recycling and Water and Sewer Funds. All other interfund transfers require approval of the City Council.

CAPITAL IMPROVEMENT PLAN The six year capital improvement plan has been prepared and is a part of the annual 2018-19 City budget document.

COPIES OF PROPOSED BUDGET AVAILABLE A complete copy of the 2018-19 Annual City Budget document will be available for public inspection beginning May 3, 2018 at the City Clerk's office during regular business hours and on the City's website at www.ci.northville.mi.us.

Dianne Massa
City Clerk

Northville Record:
Please Publish Thursday, May 3, 2018.
"Public Hearing" paragraph, last sentence must be in 11 point boldfaced type.

City of Northville
NOTICE OF PUBLIC HEARING
2018-19 PROPOSED ANNUAL CITY BUDGET

Notice is hereby given that a public hearing will be held on Monday, May 21, 2018, at 7:00 P.M. in the City Council Chambers of the Northville City Hall, 215 W. Main Street, for the purpose of receiving testimony and discussing the proposed 2018-19 Annual City Budget.

The property tax millage rate proposed to be levied to support the proposed budget will be the subject of this hearing.

PROPOSED 2018 MILLAGE RATES The following statements are provided, as required by State statute, concerning the 2018 proposed millage levies for the City of Northville.

The 2018 tax levy for the City Operating Millage is proposed to be 13.4845 mills, compared to 13.5864 mills in 2017, resulting in a decrease of 0.75%. The City Council has authority under the City Charter to set the Operating Millage rate within the maximum allowed rate of 13.4845 mills, as adjusted by the Headlee roll-back formula.

The 2018 levy for the Improvement Program for Streets, Drainage and Sidewalks, approved by the voters on March 4, 1997, is proposed to be 1.6798 mills, compared to 1.7087 mills in 2017, resulting in a 1.75% decrease.

The total City millage for operating, debt, and improvements is proposed to be 15.1643 mills in 2018. Compared to the 15.2961 mills levied in 2017, the decrease is 0.1318 mills, or 0.86%

ANTICIPATED EQUALIZATION FACTORS The 2018 equalization factors for both Wayne and Oakland County are expected to be 1.00 for all classes of property.

Northville Record: Please publish Thursday, May 3, 2018.
Paragraph #2 must be in 11 point boldfaced type.

BE IT FURTHER RESOLVED that:

1. An operating millage rate of 13.4845 mills for the 2018-19 fiscal year is hereby adopted pursuant to the provisions of Section 211.24(e) of the General Property Tax Law.
2. A street, drainage, and sidewalk improvement program millage rate of 1.6798 mills for the 2018-19 fiscal year is hereby adopted in order to meet the objectives of that improvement program.
3. The six year capital improvement plan that supports the 2018-19 Budget has been received and is hereby adopted.

BE IT FURTHER RESOLVED that, as provided in State statute, the general appropriations resolution is proposed to allow the City Manager to transfer up to ten percent (10%) of each appropriation to any other appropriation within each fund and up to ten percent (10%) of the total salary and fringe appropriations for distributed Public Works Labor and Equipment Rental between the General, Street, Drainage, and Sidewalk Improvement, Major Street, Local Street, Equipment, Refuse and Recycling and Water and Sewer Funds. All other interfund transfers require approval of the City Council.

Approved and adopted by the Northville City Council on this, the 21st day of May, 2018.

Kenneth Roth, Mayor

Attest: _____
Dianne Massa, City Clerk

SECTION II

STATISTICAL

The statistical portion of the budget provides general information about the City of Northville. This includes economic information, including data on the largest taxpayers and employers in the City. Aside from demographic information on the community, this section also includes a City organizational chart, a list of the City's partnerships, and inventory of contracted services.

City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan – 2018 through 2022

GENERAL INFORMATION

The City of Northville was incorporated as a village in 1867 and became a city in 1955. It is a distinctive community of approximately 6,000 residents in an area of 2.2 square miles almost equally divided between Wayne and Oakland Counties. Northville is only 25 minutes driving time from downtown Detroit and 20 minutes from downtown Ann Arbor.

Northville is a home rule Charter city with the Council/Manager form of government. The City Council is comprised of a Mayor, who is elected for a two-year term, and four Council members, who are elected at large with four-year staggered terms. The City Manager, appointed by the City Council, is the chief administrative officer of the City.

The City offers a small town atmosphere with many restored historic Victorian-era homes and a downtown within walking distance. Specialty stores, restaurants, theaters, professional offices, service shops, old-fashioned street lights, benches, and a town square all lend a charming ambiance to the downtown area. Annual celebrations include the Victorian Festival, Arts and Acts Festival, Memorial and Fourth of July parades, Christmas Walk, and a weekly Farmers' Market from May through October.

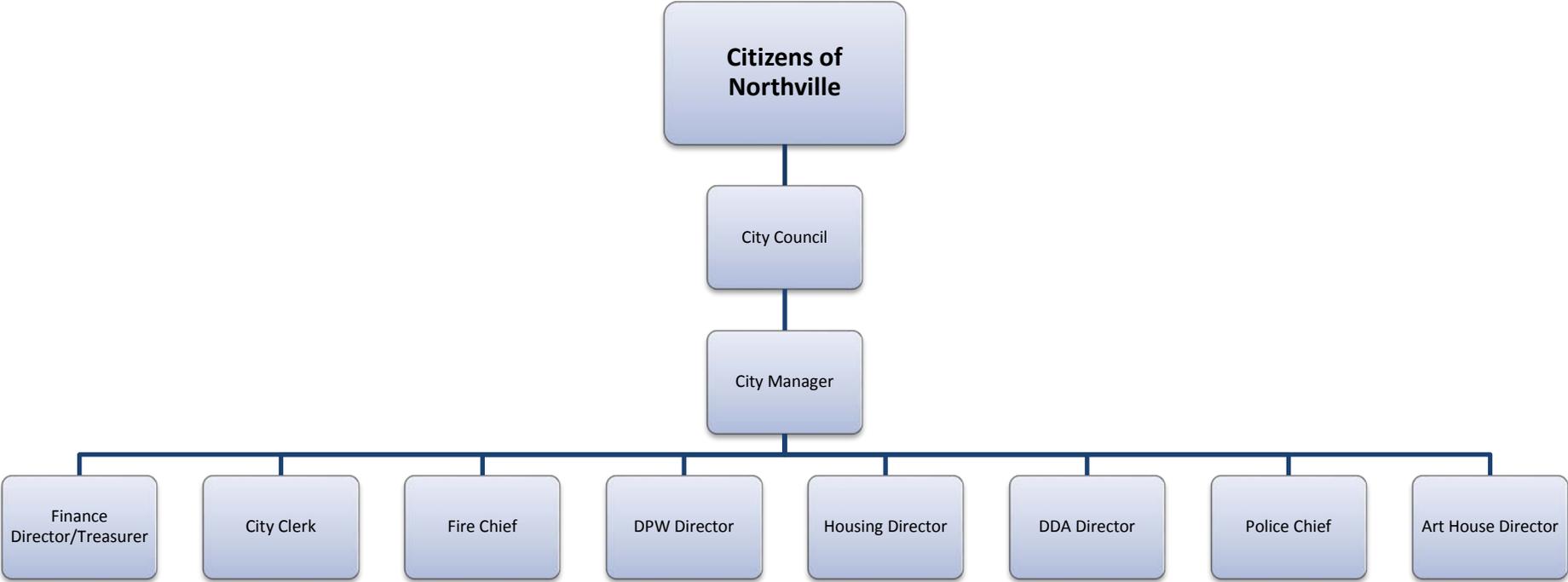
The City of Northville offers the following services: full time Police Department, paid on-call Fire Department, and senior citizen housing. Amenities include a District Library, eleven churches, weekly newspaper, racetrack, and cider mill. The City is part of the award winning Northville School District consisting of six elementary, two middle, two special education, and one high school. Further information can be found on the City's award-winning website, www.ci.northville.mi.us or the downtown Northville website, www.downtownnorthville.com.

**City of Northville
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and Five Year Plan - 2018 through 2022**

DEMOGRAPHIC INFORMATION

Date of Incorporation	1955	Fire Protection	
Form of Government	Council-Manager	Number of On-call Firefighters	50-60
Population (2010 Census)	5,970	Number of Fire Hydrants	350
Total Housing Units (2010 Census)	2,767	I.S.O. Rating	6
Per Capita Income (2010 Census)	\$47,496	Municipal Services & Facilities	
Recreation Facilities		Miles of Major Streets	6.34
Number of Parks & Playgrounds	9	Miles of Local Streets	18.55
Park Area in Acres	32	Miles of Sewers	30
Police Protection		Number of Parking Lots	12
Number of Full Time Police Officers	13	Number of Parking Structures	2
Number of School Crossing Guards	4	Number of Parking Spaces	1,529

City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan – 2018 through 2022



**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)
FULL TIME EQUIVALENT PERSONNEL**

		Full Time Equivalent (FTE)				
		FY18	FY19	FY20	FY21	FY22
<u>City Manager Department</u>						
	City Manager	1.00	1.00	1.00	1.00	1.00
	Communications Manager	0.50	0.50	0.50	0.50	0.50
	Administrative Assistant	1.00	1.00	1.00	1.00	1.00
	Total	2.50	2.50	2.50	2.50	2.50
<u>Finance, Tax, & Assessing Departments</u>						
	Finance Director/Treasurer	1.00	1.00	1.00	1.00	1.00
	Accounting Supervisor/HR Specialist	1.00	1.00	1.00	1.00	1.00
	Clerk III	1.00	1.00	1.00	1.00	1.00
	Accountant	0.62	0.62	0.62	0.62	0.62
	Total	3.62	3.62	3.62	3.62	3.62
<u>City Clerk Department</u>						
	City Clerk	1.00	1.00	1.00	1.00	1.00
	Total	1.00	1.00	1.00	1.00	1.00
<u>Fire Department</u>						
	Fire Chief	1.00	1.00	1.00	1.00	1.00
	Station Coverage	1.60	1.60	1.60	1.60	1.60
	On-Call Firefighters	13.05	13.05	13.05	13.05	13.05
	Total	15.65	15.65	15.65	15.65	15.65
<u>Building & Inspections</u>						
	Clerk III	1.00	1.00	1.00	1.00	1.00
	Total	1.00	1.00	1.00	1.00	1.00
<u>Police Department</u>						
	Chief	1.00	1.00	1.00	1.00	1.00
	Captain	1.00	1.00	1.00	1.00	1.00
	Records Clerk	0.88	0.73	0.73	0.73	0.73
	Sergeant	3.00	3.00	3.00	3.00	3.00
	Officer - Full Time	8.00	8.00	8.00	8.00	8.00
	Officer - Part Time	0.00	0.00	0.00	0.00	0.00
	Records	0.00	0.00	0.00	0.00	0.00
	Crossing Guard	1.74	1.74	1.74	1.74	1.74
	Total	15.62	15.47	15.47	15.47	15.47

- continued -

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)
FULL TIME EQUIVALENT PERSONNEL**

		Full Time Equivalent (FTE)				
		FY18	FY19	FY20	FY21	FY22
<u>Department of Public Works</u>						
	Director	1.00	1.00	1.00	1.00	1.00
	Assistant Director	1.00	1.00	1.00	1.00	1.00
	Clerk I	1.00	1.00	1.00	1.00	1.00
	Foreman	1.00	1.00	1.00	1.00	1.00
	Senior Equipment Operator	2.00	2.00	2.00	2.00	2.00
	Equipment Operator	2.00	2.00	2.00	2.00	2.00
	Laborer	2.25	3.00	3.00	3.00	3.00
	Part Time	0.25	0.00	0.00	0.00	0.00
	Total	10.50	11.00	11.00	11.00	11.00
<u>Art House</u>						
	Director	0.58	0.58	0.58	0.58	0.58
	Operations Manager	0.58	0.58	0.58	0.58	0.58
	Exhibit Director	0.23	0.23	0.23	0.23	0.23
	Instructors	0.23	0.23	0.23	0.23	0.23
	Special Events Coordinator	0.19	0.19	0.19	0.19	0.19
	Store Attendant	0.18	0.18	0.18	0.18	0.18
	Total	1.99	1.99	1.99	1.99	1.99
<u>Downtown Development Authority</u>						
	Director	1.00	1.00	1.00	1.00	1.00
	Seasonal	0.77	0.77	0.77	0.77	0.77
	Planning Coordinator	0.48	0.73	0.73	0.73	0.73
	Total	2.25	2.50	2.50	2.50	2.50
<u>Housing Commission</u>						
	Director	1.00	1.00	1.00	1.00	1.00
	Administrative Assistant	0.75	0.75	0.75	0.75	0.75
	Maintenance	1.00	1.00	1.00	1.00	1.00
	Housekeeping/Groundskeeper	0.76	0.76	0.76	0.76	0.76
	Total	3.51	3.51	3.51	3.51	3.51
Total All Employees		57.64	58.24	58.24	58.24	58.24
% Change in FTE's			1.0%	0.0%	0.0%	0.0%

City of Northville
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Top Ten Taxpayers - (Based on the Taxable Value for 2017 Roll)

Taxpayer Name	Product/Service	Taxable Value	Percentage of Total Taxable Value
DTE Electric Company	Utility	6,968,749	1.84%
Northville Driving Club	Harness Racing	\$ 5,635,023	1.49%
Singh Development Corp.	Apts, Office & Retail	4,155,177	1.10%
Kroger Co. of Michigan	Grocery	2,452,974	0.65%
Prose, Dr. Thomas & Marie	Residential	1,925,536	0.51%
Northville 133 Main LLC	Office & Retail	1,442,282	0.38%
Beneickie & Krue Properties	Apartments	1,421,119	0.38%
S4Cady, LLC	Retail	1,375,000	0.36%
R&D Land LLC	Office	1,176,865	0.31%
120 W. Main, LLC	Office	1,163,100	0.31%
Total Top Ten Taxpayers		<u>\$ 15,112,053</u>	<u>3.99%</u>

Total 2017 Taxable Value: \$ 378,613,512

Top Ten Employers - (Based on approximate number of employees per business as of 12/31/17)

Firm Name	Product/Service	Approximate # of employees
Northville Public Schools	Education	825
Kroger	Supermarket	140
Jack Doheny Supplies	Truck Sales/Service	90
Garage Restaurant	Restaurant	65
Center Street Grill	Restaurant	65
Northville Downs	Pari-mutuel Racing	50
Star Manor of Northville	Health Facility	50
Long Plumbing & Mechanical	Plumbing/Retail	45
City of Northville	Municipality	40
HKS Architects	Architect	40

**City of Northville
Fiscal Year 2019 Annual Budget and
Five Year Plan 2018 through 2022**

ECONOMIC INFORMATION

The following statistics were obtained from the Southeast Michigan Council of Governments' (SEMCOG) website. SEMCOG is the premier resource for economic data in Southeast Michigan. As shown by the population statistics and development change statistics, the City of Northville is a stable, fully developed community. Consistent age demographics and a moderately increasing employment rate further reflect the stability that Northville enjoys. While fully developed and stable, the City is also vibrant, experiencing substantial gains in overall educational attainment and the corresponding economic benefits that this brings. The City of Northville continues to compare favorably with the Southeast Michigan region.

**Southeast Michigan Council of Governments
Profile of Northville
<http://www.semco.org/>**

Population and Households Overview				
Component	2000 Census	2010 Census	July 2017 SEMCOG	2040 Forecast
Household Population	6,421	5,936	5,801	5,592
Group Quarters Population	38	34	34	27
Total Population	6,459	5,970	5,835	5,619
Households	2,720	2,596	2,495	2,483
Housing Units	2,801	2,767	2,648	n/a
Household Size	2.36	2.29	2.33	2.25

**City of Northville
Fiscal Year 2019 Annual Budget and
Five Year Plan 2018 through 2022**

Age Groups	Population by Age		
	2000 Census	2010 Census	2040 Forecast
Age 0-4	384 (6%)	285 (5%)	280 (3%)
Age 5-17	1,154 (18%)	1,026 (17%)	908 (17%)
Age 18-34	1,033 (16%)	845 (14%)	966 (18%)
Age 35-64	3,077 (47%)	2,850 (48%)	2,062 (37%)
Age 65+	811 (13%)	964 (16%)	1,403 (25%)
Total Population	6,459	5,970	5,619

Race	Population by Race and Hispanic Origin		
	2000 Census	2010 Census	2000 Census Alone or Combined
White	6,145 (95.1%)	5,498 (92.1%)	6,255 (96%)
Black	24 (.4%)	98 (1.6%)	31 (1%)
Asian or Pacific Islander	118 (1.9%)	157 (2.6%)	148 (2%)
Multi-Racial	47 (.7%)	75 (1.3%)	n/a
Other Race	19 (.3%)	9 (.2%)	75 (1%)
Hispanic	106 (1.6%)	133 (2.2%)	n/a
Total Population	6,459	5,970	6,509 ¹
Hispanic Origin	106 (1.6%)	133 (2.2%)	n/a
Not of Hispanic Origin	6,353 (98.4%)	5,837 (97.8%)	n/a

1 – 2000 totals will exceed total population as those persons marking more than one race are counted in each race category they marked.

**City of Northville
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Population Age 25 or Older by Education		
Highest Level of Educational Attainment	2000 Census	2010 Census
Did Not Graduate High School	276 (6%)	312 (7%)
Graduated High School	656 (14%)	701 (16%)
Some College, No Degree	920 (20%)	602 (14%)
Associate Degree	269 (6%)	160 (4%)
Bachelor's Degree	1,336 (29%)	1,463 (34%)
Graduate or Professional Degree	1,148 (25%)	1,090 (25%)
Total Population Age 25 or Older ²	4,617	4,328

2 - The 100% count of total population age 25 or older shown here may not equal the sum of the sample data.

Household Income		
Income Categories as Reported in Each Census	2000 Census	2010 Census
Less than \$10,000	75 (3%)	67 (2%)
\$10,000 to \$14,999	92 (3%)	63 (2%)
\$15,000 to \$24,999	170 (6%)	202 (8%)
\$25,000 to \$34,999	240 (9%)	179 (7%)
\$35,000 to \$49,999	301 (11%)	172 (7%)
\$50,000 to \$74,999	376 (14%)	304 (12%)
\$75,000 to \$99,999	398 (15%)	255 (10%)
\$100,000 to \$149,999	530 (20%)	820 (31%)
\$150,000 or more	508 (19%)	537 (21%)
Total Households ⁴	2,690	2,599

Median Household Income (In 2010 Dollars)	\$ 83,961	\$ 101,943
Households in Poverty	56 (2.1%)	67 (2.6%)
Persons in Poverty	104 (1.6%)	110 (1.8%)

4 - The 100% count of total households shown here may not equal the sum of the sample data.

**City of Northville
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Housing Tenure		
Tenure	2000 Census	2010 Census
Owner Occupied Units	2061 (74%)	1,950 (70%)
Median Housing Value (In 2010 Dollars)	\$ 237,000	\$ 272,300
Renter Occupied Units	659 (23%)	646 (23%)
Median Contract Rent (In 2010 Dollars)	\$ 713	\$ 738
Vacant Units	81(3%)	171 (6%)
Total Housing Units	2,801	2,767

Structure Type	2000 Census	2010 Census
One-Family Detached	1,761 (63%)	1,826 (64%)
One-Family Attached	412 (15%)	304 (11%)
Two-Family / Duplex	87 (3%)	80 (3%)
Multi-Unit Apartments	526 (19%)	642 (22%)
Mobile Homes	0 (0%)	6 (0%)
Other Units	0 (0%)	0 (0%)
Total Housing Units	2,786 ⁵	2,858 ⁵

5 - The 100% count total housing units shown here may not equal the sum of the sample data.

**City of Northville
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Current Job Estimates by Industrial Class			
Industrial Class	2010	2040	Change
Natural Resources, Mining, Construction	50	40	-10
Manufacturing	83	66	-17
Transportation, Warehousing, and Utility	C	C	C
Retail Trade	C	C	C
Knowledge –based Services	525	646	121
Services to Households & Firms	586	C	C
Leisure & Hospitality	C	C	C
Government	C	C	C
Total Employment	3,024	3,342	318
"C" indicates data blocked due to confidentiality concerns of ES – 202 files. (per SEMCOG)			

Commuting to Work		
Means of Transportation to Work	2000 Census	2010 Census
Drove Alone	2,984 (86%)	2,664 (82%)
Carpool or Vanpool	190 (6%)	108 (3%)
Public Transportation	7 (0%)	0 (0%)
Walked to Work	75 (2%)	215 (7%)
Other Means	18 (1%)	38 (1%)
Worked at Home	161 (5%)	233 (7%)
Total Workers Age 16 or Older	3,435	3,258
Mean Travel Time to Work (In Minutes)	23.7	21.4

**City of Northville
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Land Use / Land Cover		
Land Use Type	2008 Land Use	Percent
Single-Family ⁹	651	50.3%
Multiple-Family	35	2.7%
Commercial and Office	117	9%
Institutional	96	7.4%
Industrial	23	1.8%
Transportation, Communication, and Utility	284	22%
Park, recreation, and open space	73	5.6%
Active Agriculture	0	0%
Water	15	1.2%
Total Acres	1,293	

Note: SEMCOG's 2008 Land Use data set represents land use only and not land cover. Due to this difference, change analysis using this data set and previous SEMCOG land use/land cover data sets is not possible. Noticeable differences in map appearance and classification acreage totals are the result of this land use data originating from digital parcel files assigned land use codes based on their assessed property class and the lack of any land cover data.

**City of Northville
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Intergovernmental Cooperation and Partnerships

In order for local government to operate in the most cost effective manner, the City Council and Staff continually monitor opportunities for partnerships and intergovernmental cooperation agreements. This collaboration may be with other units of government or non-profit entities as shown below.

Multiple Jurisdiction Partnerships and Agreements

Department of Public Works

Household Hazardous Waste Collection
Middle One Watershed Protection Group
North Huron Valley/Rouge Valley (NHV/RV)
Sanitary Sewer System
Alliance for Rouge Communities (ARC)
Southeast Michigan Street Lighting Coalition

Recreation

Northville/Plymouth Mobile Skate Park
State of Michigan & Wayne County Parks - Recreation
Program Partners
Outdoor Movie Equipment
Multi-use Path Connections
Novi/Northville Dog Parks

Public Safety

Michigan Emergency Management Assistance Compact (MEMAC)
Western Wayne Mutual Aid Task Force
Western Wayne County Fire Department Mutual Aid Assoc.
Western Wayne Mobile Field Force
Western Wayne County Special Operations Team
Western Wayne Criminal Investigations Unit
Wayne County Emergency Operation Plan
WWCFDMAA Hazardous Material Response Team
WWCFDMAA Urban Search & Rescue Team
HEMS, Inc. Medical Control

Other

35th District Court
MITN Purchasing Cooperative

**City of Northville
Fiscal Year 2019 Annual Budget
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Intergovernmental Cooperation and Partnerships

Northville Township and Northville Public Schools

Parks and Recreation
Senior Adult Services
Youth Assistance

City of Novi

Joint Materials and Services Bidding
Fire Department Automatic Mutual Aid Agreement

City of Farmington

Police Department Firing Range

City of Plymouth

Water System Backup and Support
RecTrac & MainTrac Registration Software
Fire Department & EMS Services
Storm Clean-up Assistance
Water Service Thawing Assistance

Charter Township of Northville

Emergency Dispatch
Police Lockup Operation
Johnson Creek Day
SMART Municipal Credits Program
IT services and support

Oakland County

Ballot Layout and Programming Services
Law Enforcement Mutual Aid Agreement
Court and Law Enforcement Management Information System
Emergency Operation Plan

Wayne County

Emergency Operation Plan

Private and Nonprofit Organizations

Chamber of Commerce
Conference of Western Wayne
Northville Central Business Association
Northville Historical Society
Northville Community Foundation

City of Northville
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Inventory of Contracted Services

In addition to contracting services with other governmental entities, the City also contracts for services with private vendors that might otherwise be provided in-house on an at least annual basis. Evaluating the cost-benefit of public versus private service delivery continues to be a high priority. Contracted services include the following:

<u>Category</u>	<u>Since</u>	<u>Category</u>	<u>Since</u>
City Administration		Public Works	
Planning Services	1980's	Curbside Refuse, Recycling, and Compost Pickup	1980's
City Hall Custodial Services	1995	Water & Sewer Taps, placements & replacements	1980's
Computer Network Support	1996	Downtown Parking Lot Snow Removal	2009
Computer Hardware Repair	1996	Lawn Mowing and Fertilization	2010
Website Development & Maintenance	1997	Building Inspection	2014
Document Shredding	2008	HVAC Maintenance	1997
Historic District Commission Support	2009	Project Engineering	1980
Code Enforcement	2010	Road Maintenance	1995
Planning, Zoning and HDC Minutes	2011	Sidewalk and Street Reconstruction	1950's
Board of Zoning Appeals Support	2010	Water System Leak detection surveys	1997
Assessing Services	2017	Landscaping Enhancements and Tree Maintenance	1995
Election Inspector Training	2012	Pavement Marking	1995
		Roadway Crack Sealing	1995
Downtown Development Authority		Sidewalk Repairs/Replacement	1998
Marketing & Public Relations	2006	Sewer Video Inspections	2002
		Electrical Repair & Maintenance	1970s
Public Safety		Asphalt/Concrete Utility Cut Replacement	1995
Police Dispatch & Lockup Services	2004	Brush Collection	2015

SECTION III

TRENDS & SUMMARIES

The trends and summaries section provides the reader with an overview of the entire fiscal year 2019 financial plan for the City of Northville. Charts and graphs highlight revenue, expenditures and fund balance activity. The combined analysis illustrates the City's overall fund structure and resource allocations. Details on other revenue sources, such as grants and racetrack breakage, are also covered in this section.

**City of Northville
Fiscal Year 2019 Annual Budget
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Financial Summary

A financial overview is provided on the next nine pages, summarizing the City of Northville's budget as a whole. The commentary below demonstrates how the City's policies apply to the proposed budget.

- ✓ The City's largest fund is the General Fund with approximately \$7.58 million in expenditures. The second largest fund category is the Enterprise Funds at \$3.89 million. The next largest fund category is the Special Revenue Funds at \$3.37 million.
- ✓ The largest source of revenue overall is property taxes, which is 37.8% of total revenue. Although State Shared revenue is a significant source of revenue in the General Fund, it represents only 3.3% of total revenue sources.
- ✓ Other revenues account for 4.1% of the total revenues. The most significant external revenue source in this category is cell tower revenue. This category also includes investment earnings, which provides an alternative revenue source to taxes and fees. The City's investments program is active and is done in accordance with state statute and the City's investment policy.
- ✓ Customer Charges (24.1% of total revenues) in the City's enterprise funds pay entirely for the services provided.
- ✓ Entity wide, expenditures increased 5.9%. This is related to more capital expenditures proposed in FY2019.
- ✓ Debt service city-wide is approximately 1.9% of expenditures, which is considered low. It is the City's policy to minimize debt issuance by utilizing a pay as you go system. One example of this is the utilization of a Street, Drainage, and Sidewalk Improvement millage. Another example is building up funds for future capital outlay in advance (Fire Department, Police Department, and Housing Commission). This way, the allocation of the cost is spread out over several years, as it would be with a debt issue.

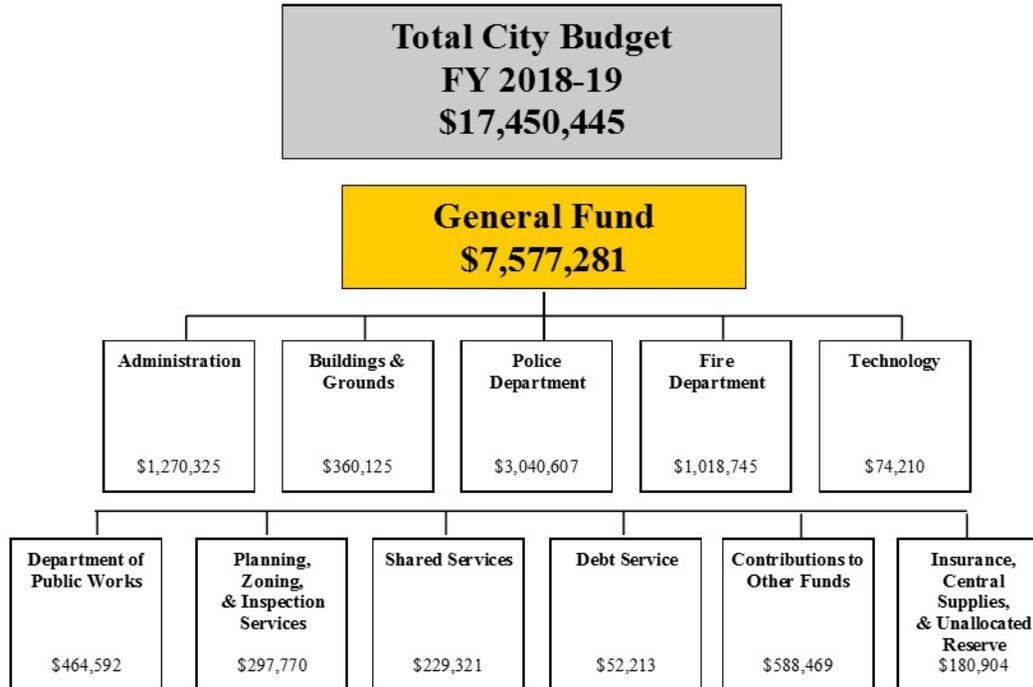
City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan (2018-2022)

Financial Summary - continued

- ✓ General Operations and Maintenance is the single largest category of expenditures at \$4 million. This includes the Water and Sewer Fund operations. The Police Department is the second largest category of expenditures at \$3 million. This is followed by Administration at \$2.2 million.
- ✓ For many years the City has made a concentrated effort to build fund balance to pay for capital expenditures rather than issue debt. Overall fund balance entity-wide is proposed to decrease by 1% for FY 2019. This is partly due to the City's investment in capital improvements of \$1.6 million, all of which will be paid with funds accumulated for that purpose.

**City of Northville
Fiscal Year 2019 Annual Budget
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**Financial Organizational Chart
(including operating transfers in and out)**

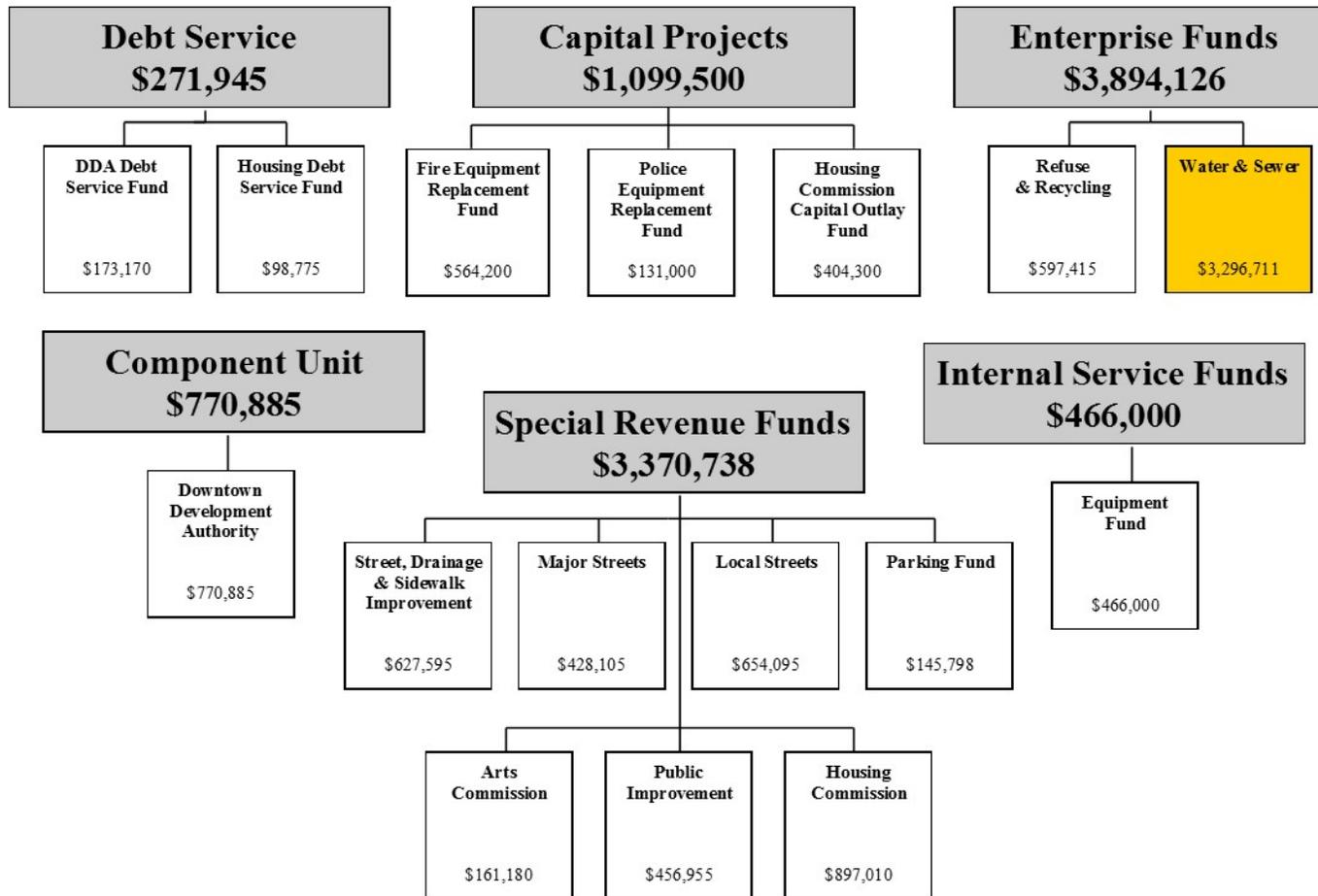


- continued -

Note: Major Funds are highlighted in yellow

**City of Northville
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**Financial Organizational Chart - continued
(including operating transfers in and out)**



Note: Major Funds are highlighted in yellow

**City of Northville
Fiscal Year 2019 Annual Budget
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BUDGET SUMMARY

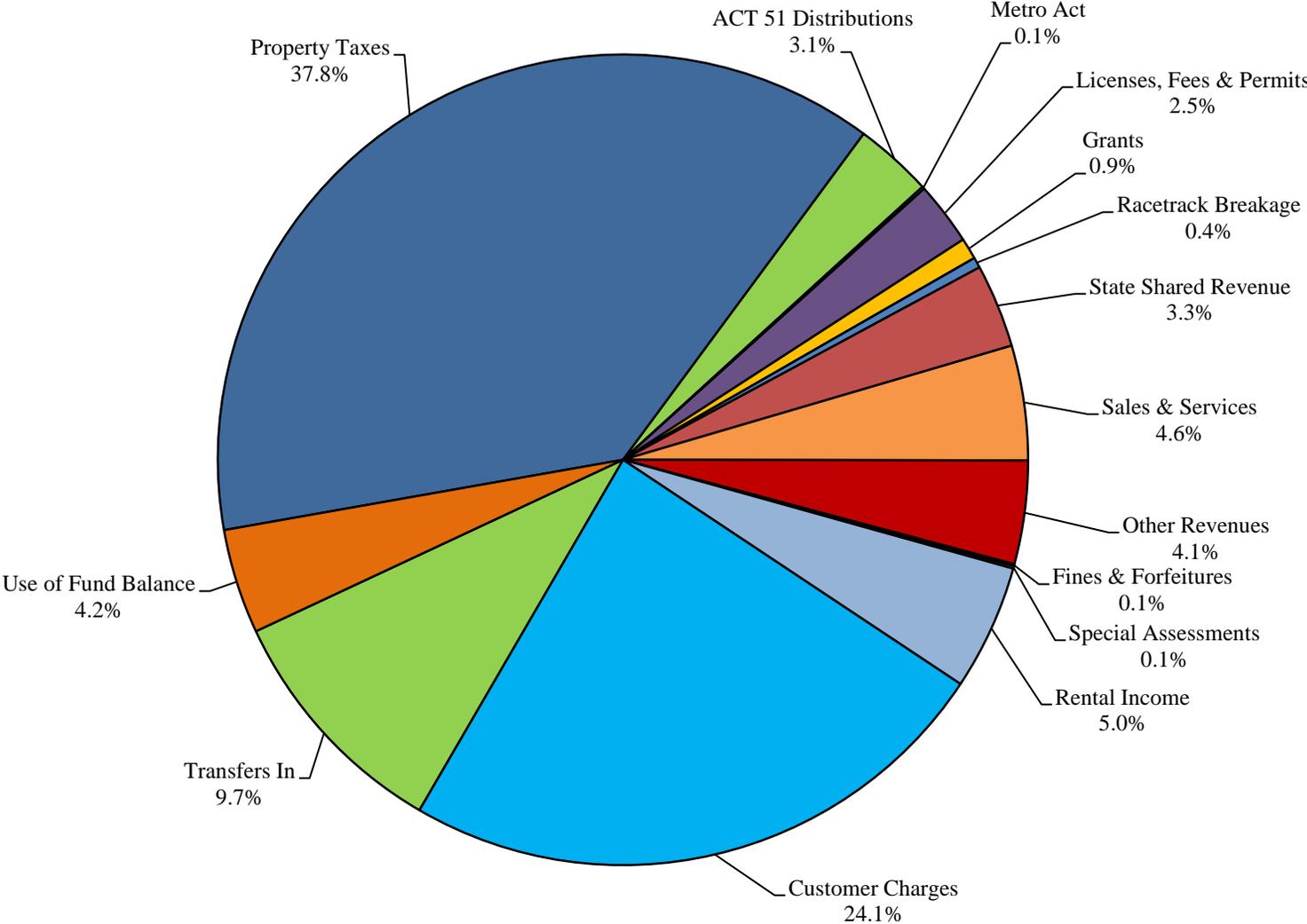
	Modified Accrual Basis					Full Accrual Basis		FY2019 City Total	FY2018 Projected	FY2017 Actual
	General Fund	Special Revenue	Debt Service	Capital Projects	Component Unit	Enterprise Funds	Internal Service			
Revenue										
Property Taxes	5,233,272	622,665	-	-	758,655	-	-	6,614,592	6,366,346	6,158,671
ACT 51 Distributions		543,114	-	-	-	-	-	543,114	548,707	437,969
Metro Act		17,500	-	-	-	-	-	17,500	17,500	18,535
Licenses, Fees & Permits	439,390	-	-	-	-	-	-	439,390	471,900	443,951
Grants	29,300	100,000	-	19,103	-	-	-	148,403	57,547	24,480
Financing Proceeds		-	-	-	-	-	-	-	-	-
Racetrack Breakage	12,560	60,000	-	-	-	-	-	72,560	73,390	119,089
State Shared Revenue	581,302	-	-	-	-	-	-	581,302	571,708	558,082
Sales & Services	783,327	14,130	-	-	-	-	-	797,457	731,329	757,421
Other Revenues	418,010	205,835	-	87,943	12,050	(6,075)	1,565	719,328	724,588	596,085
Fines & Forfeitures	14,500	-	-	-	-	-	-	14,500	15,765	53,920
Special Assessments	-	16,918	-	-	-	-	-	16,918	17,715	22,367
Rental Income	-	873,160	-	-	150	-	-	873,310	861,190	852,305
Customer Charges	-	-	-	-	-	3,900,201	296,925	4,197,126	4,067,178	3,799,516
Total Revenue	7,511,661	2,453,322	-	107,046	770,855	3,894,126	298,490	15,035,500	14,524,863	13,842,391
Expenditures										
Administration	1,270,325	378,045	-	-	67,573	370,994	140,255	2,227,192	2,330,816	2,031,835
Buildings & Grounds	360,125	-	-	-	-	-	-	360,125	328,395	316,801
Police Department	3,040,607	-	-	-	-	-	-	3,040,607	2,908,282	2,708,294
Fire Department	1,018,745	-	-	-	-	-	-	1,018,745	955,155	915,053
Technology	74,210	-	-	-	-	-	-	74,210	80,260	67,730
Department of Public Works	464,592	-	-	-	-	-	-	464,592	522,466	525,229
Planning, Zoning & Inspection	297,770	-	-	-	-	-	-	297,770	323,560	264,405
Shared Services	229,321	-	-	-	-	-	-	229,321	224,720	218,905
Debt Service	52,213	-	271,945	-	-	-	-	324,158	320,308	315,760
Insurance & Supplies & Unallocated Reserve	176,285	-	-	-	-	-	-	176,285	100,435	27,141
Street & Lot Maintenance & Improvements	-	1,025,600	-	-	-	-	-	1,025,600	1,040,325	1,415,277
General Operations & Maintenance	-	203,980	-	-	-	3,480,781	325,745	4,010,506	3,918,074	3,454,500
Other Expenditures	85,000	641,642	-	1,099,500	366,779	-	-	2,192,921	947,908	1,599,321
Total Expenditures	7,069,193	2,249,267	271,945	1,099,500	434,352	3,851,775	466,000	15,442,032	14,000,704	13,860,251
Transfers In	65,620	904,946	271,945	443,689	-	-	-	1,686,200	1,668,795	2,025,847
Transfers Out	(503,469)	(846,461)	-	-	(336,270)	-	-	(1,686,200)	(1,668,795)	(2,025,847)
Addition to Fund Balance	4,619	275,010	-	-	233	42,351	-	322,213	812,880	805,200
Reduction of Fund Balance	-	(12,470)	-	(548,765)	-	-	(167,510)	(728,745)	(288,721)	(823,060)
Beginning Fund Balance	2,525,229	5,404,665	5,334	2,443,655	238,265	6,742,102	565,030	17,924,280	17,400,121	17,417,981
Ending Fund Balance	2,529,848	5,667,205	5,334	1,894,890	238,498	6,784,453	397,520	17,517,748	17,924,280	17,400,121

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

BUDGET SUMMARY - REVENUES AND EXPENDITURES - ALL FUNDS

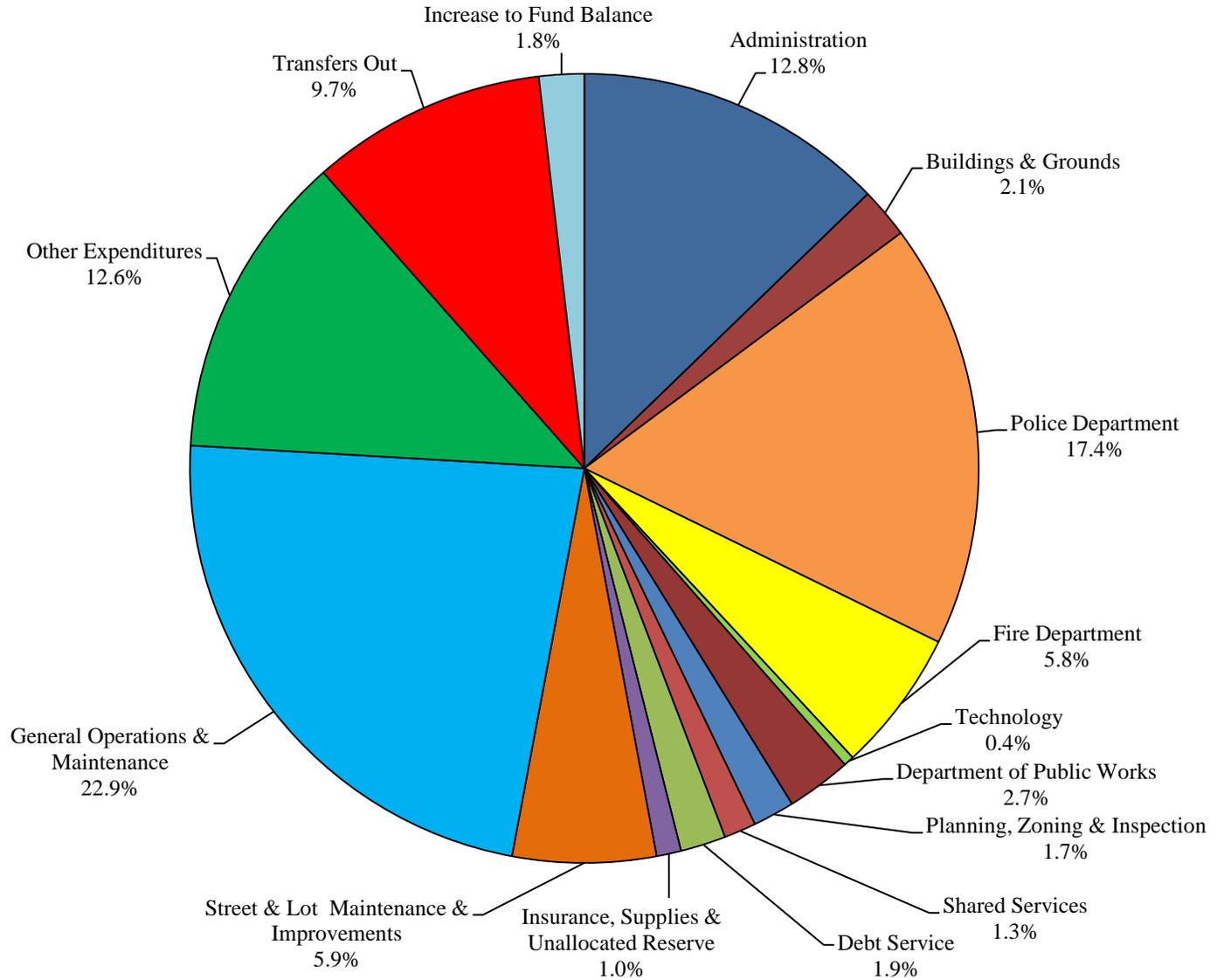
Revenue Sources			Expenditures By Area		
Property Taxes	\$ 6,614,592	37.8%	Administration	\$ 2,227,192	12.8%
ACT 51 Distributions	543,114	3.1%	Buildings & Grounds	360,125	2.1%
Metro Act	17,500	0.1%	Police Department	3,040,607	17.4%
Licenses, Fees & Permits	439,390	2.5%	Fire Department	1,018,745	5.8%
Grants	148,403	0.9%	Technology	74,210	0.4%
Financing Proceeds	-	0.0%	Department of Public Works	464,592	2.7%
Racetrack Breakage	72,560	0.4%	Planning, Zoning & Inspection	297,770	1.7%
State Shared Revenue	581,302	3.3%	Shared Services	229,321	1.3%
Sales & Services	797,457	4.6%	Debt Service	324,158	1.9%
Other Revenues	719,328	4.1%	Insurance, Supplies & Unallocated Reserve	176,285	1.0%
Fines & Forfeitures	14,500	0.1%	Street & Lot Maintenance & Improvements	1,025,600	5.9%
Special Assessments	16,918	0.1%	General Operations & Maintenance	4,010,506	22.9%
Rental Income	873,310	5.0%	Other Expenditures	2,192,921	12.6%
Customer Charges	4,197,126	24.1%	Subtotal Expenditures	\$ 15,442,032	
Subtotal Revenues	\$ 15,035,500		Transfers Out	1,686,200	9.7%
Transfers In	1,686,200	9.7%	Increase to Fund Balance	322,213	1.8%
Use of Fund Balance	728,745	4.2%	Total	\$ 17,450,445	100.0%
Total	\$ 17,450,445	100.0%			

City of Northville
 Fiscal Year 2019 Annual Budget
 and Five Year Plan (2018-2022)
Revenue Sources - All City Funds



City of Northville
 Fiscal Year 2019 Annual Budget
 and Five Year Plan (2018-2022)

Expenditures by Area - All City Funds



City of Northville
Comparison of Revenue for Budgeted Funds
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)

	2016-17 Actual	2017-18 Projected Budget	2018-19 Proposed Budget	% Change
General Fund	\$ 7,051,600	\$ 7,286,435	\$ 7,511,661	3.1%
Special Revenue Funds				
Street, Drainage & Sidewalk Improvement Fund	592,295	608,480	627,595	3.1%
Major Streets Fund	312,037	373,712	386,534	3.4%
Local Streets Fund	144,730	194,880	176,085	-9.6%
Parking Fund	27,977	25,035	24,538	-2.0%
Arts Commission	125,744	153,305	161,180	5.1%
Public Improvement Fund	126,854	87,000	196,000	125.3%
Housing Commission	859,096	873,117	881,390	0.9%
Debt Service Funds				
DDA Debt Service Fund	-	-	-	0.0%
2002 General Obligation Debt Service Fund	-	-	-	0.0%
Capital Projects Funds				
Fire Equipment Replacement Fund	52,426	87,588	84,748	-3.2%
Police Equipment Replacement Fund	2,047	5,825	495	0.0%
Housing Commission Capital Outlay Fund	19,590	21,803	21,803	0.0%
Component Unit				
Downtown Development Authority	732,086	743,884	770,855	3.6%
Enterprise Funds				
Refuse & Recycling	615,167	594,953	597,415	0.4%
Water & Sewer	2,919,362	3,166,220	3,296,711	4.1%
Internal Service Funds				
Equipment	261,380	302,626	298,490	-1.4%
Total Revenue	13,842,391	14,524,863	15,035,500	3.5%
Plus Transfers-In	2,025,847	1,668,795	1,686,200	1.0%
Plus Appropriation of Prior Year Surplus	823,060	288,721	728,745	152.4%
Total Revenues All Funds	<u>\$ 16,691,298</u>	<u>\$ 16,482,379</u>	<u>\$ 17,450,445</u>	<u>5.9%</u>

City of Northville
Comparison of Expenditures for Budgeted Funds
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)

	2016-17 Actual	2017-18 Projected Budget	2018-19 Proposed Budget	% Change
General Fund	\$ 6,619,340	\$ 6,859,034	\$ 7,069,193	3.1%
Special Revenue Funds				
Street, Drainage & Sidewalk Improvement Fund	-	-	-	0.0%
Major Streets Fund	673,155	384,050	289,095	-24.7%
Local Streets Fund	758,237	574,475	654,095	13.9%
Parking Fund	25,667	125,298	126,978	1.3%
Arts Commission	134,476	153,054	156,914	2.5%
Public Improvement Fund	255,395	184,750	396,955	114.9%
Housing Commission	583,479	639,926	625,230	-2.3%
Debt Service Funds				
DDA Debt Service Fund	171,385	172,355	173,170	0.5%
2002 General Obligation Debt Service Fund	92,412	95,647	98,775	3.3%
Capital Projects Funds				
Fire Equipment Replacement Fund	29,142	42,390	564,200	1231.0%
Police Equipment Replacement Fund	100,189	76,000	131,000	72.4%
Housing Commission Capital Outlay Fund	406,051	92,000	404,300	339.5%
Component Unit				
Downtown Development Authority	440,001	488,527	434,352	-11.1%
Enterprise Funds				
Refuse & Recycling	542,253	586,487	594,065	1.3%
Water & Sewer	2,710,340	3,127,505	3,257,710	4.2%
Internal Service Funds				
Equipment	318,729	399,206	466,000	16.7%
Total Expenditures	13,860,251	14,000,704	15,442,032	10.3%
Plus Transfers Out	2,025,847	1,668,795	1,686,200	1.0%
Plus Addition to Fund Balance	805,200	812,880	322,213	-60.4%
Total Expenditures All Funds	<u>\$ 16,691,298</u>	<u>\$ 16,482,379</u>	<u>\$ 17,450,445</u>	<u>5.9%</u>

City of Northville
Comparison of Fund Balance for Budgeted Funds
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)

	2016-17 Actual	2017-18 Projected Budget	2018-19 Proposed Budget	% Change	Notes
General Fund	2,517,958	2,525,229	2,529,848	0%	
Special Revenue Funds					
Street, Drainage & Sidewalk Improvement Fund	779,952	1,013,332	1,261,927	25%	(A)
Major Streets Fund	573,310	558,477	556,906	0%	
Local Streets Fund	108,845	108,845	108,845	0%	
Parking Fund	688,455	708,052	726,872	3%	
Arts Commission	65,644	63,839	66,049	3%	
Public Improvement Fund	2,691,672	2,593,817	2,582,918	0%	
Housing Commission	353,759	358,303	363,688	2%	
Total Special Revenue Funds	<u>5,261,637</u>	<u>5,404,665</u>	<u>5,667,205</u>	5%	
Debt Service Funds					
DDA Debt Service Fund	2,554	2,554	2,554	0%	
2002 General Obligation Debt Service Fund	2,780	2,780	2,780	0%	
Total Debt Service Funds	<u>5,334</u>	<u>5,334</u>	<u>5,334</u>	0%	
Capital Projects Funds					
Fire Equipment Replacement Fund	1,066,973	1,319,407	1,037,644	-21%	(B)
Police Equipment Replacement Fund	180,392	187,217	150,712	-19%	(B)
Housing Commission Capital Outlay Fund	874,228	937,031	937,031	0%	
	<u>2,121,593</u>	<u>2,443,655</u>	<u>2,125,387</u>	-13%	
Component Unit					
Downtown Development Authority	315,913	238,265	238,498	0%	
Enterprise Funds					
Refuse & Recycling	256,099	264,565	267,915	1%	
Water & Sewer	6,259,977	6,477,537	6,477,537	0%	
Total Enterprise Funds	<u>6,516,076</u>	<u>6,742,102</u>	<u>6,745,452</u>	0%	
Internal Service Funds					
Equipment	661,610	565,030	397,520	-30%	(C)
Total All Funds	<u><u>17,400,121</u></u>	<u><u>17,924,280</u></u>	<u><u>17,709,244</u></u>	-1%	

(A) Planned accumulation of funds for future street improvements to be incorporated into updated 20 year plan upon completion of comprehensive financial analysis by consultants.

(B) Planned use of funds for equipment purchases in accordance with 20 year plans.

(C) Planned use of fund balance for a tractor backhoe.

**City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan – 2018 through 2022**

**Trend Analysis:
General Governmental Revenues and Expenditures**

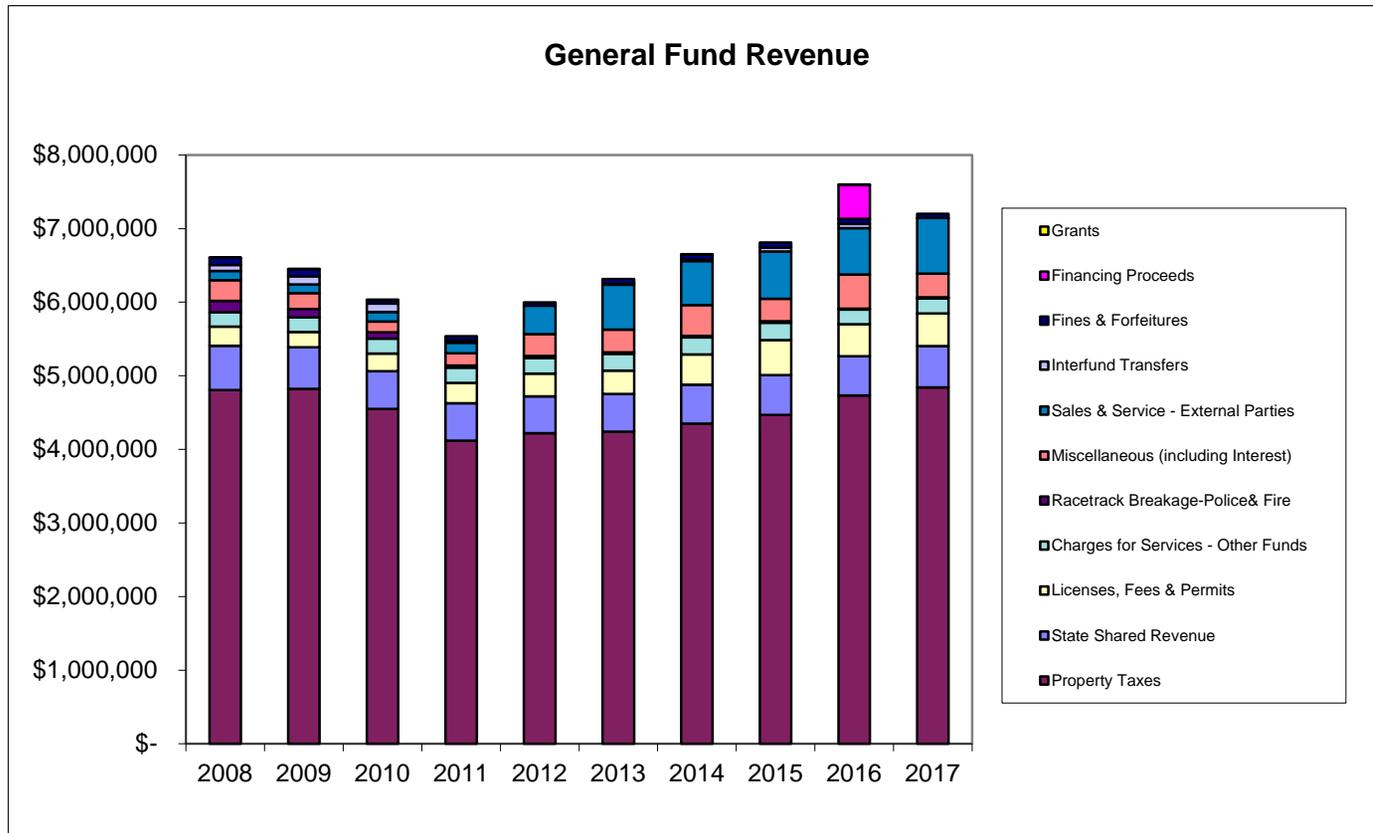
The following pages depict the trends of key areas in municipal budgeting and management.

The subsequent analysis highlights some of the long-term revenue concerns faced by all municipalities in the State of Michigan. A further analysis of the Michigan municipal tax structure is in Section X – Tax Base Analysis.

Most municipal expenditures fall into two categories: capital improvement (including streets and sidewalks) and personnel costs. Since municipalities are a service organization, it is not unusual for a significant portion of the budget to be utilized for wages, salaries and fringe benefits. While increases in health insurance and retiree benefits continue to be a concern, the City of Northville and its employee groups continue to actively address these costs.

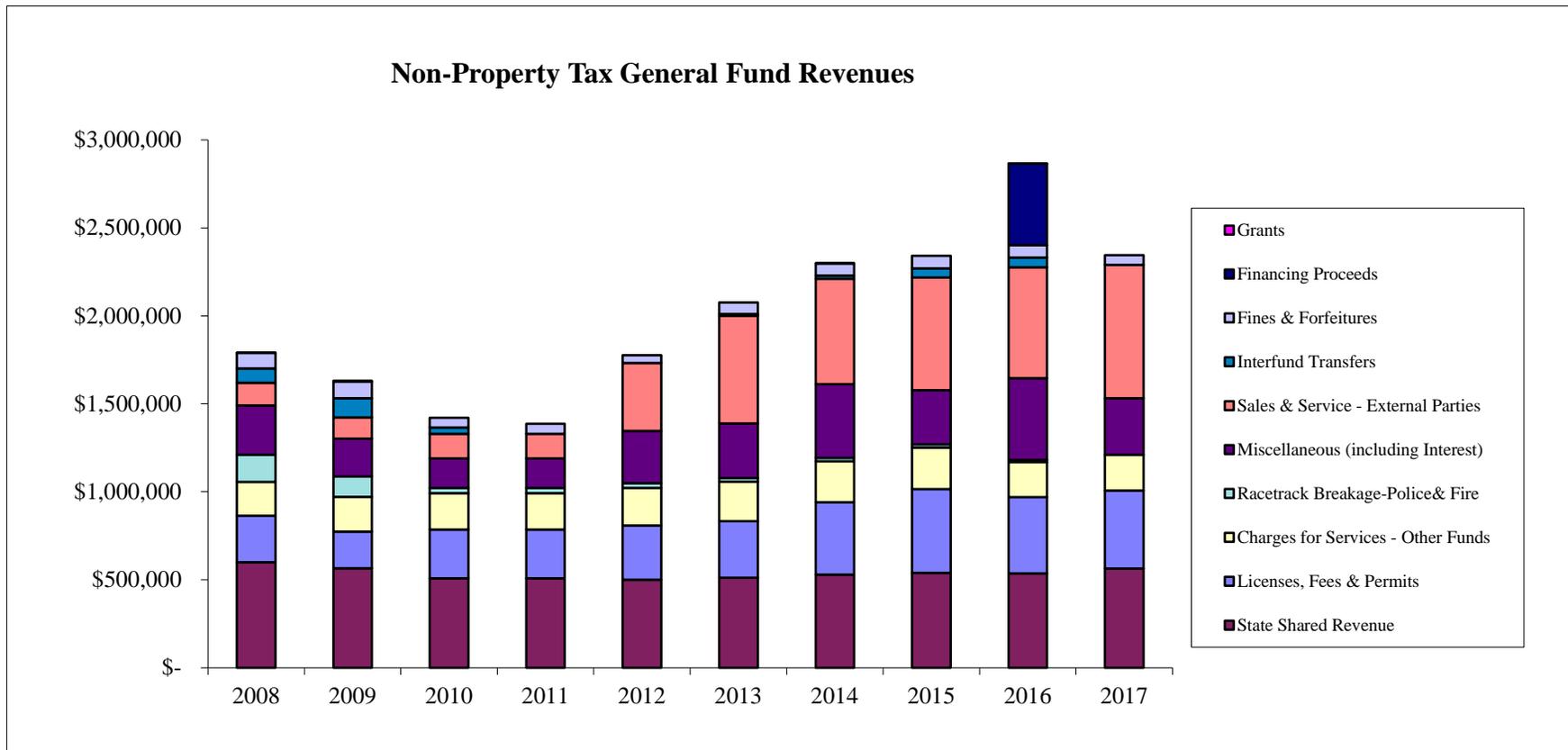
**City of Northville
General Fund Revenues
Ten Year Trend - 2008 through 2017**

The graph below shows the total revenues of the General Fund in the last ten years. Property Tax revenue continues to be the largest portion of General Fund revenue. It has averaged approximately 70% of total General Fund revenues in the ten years through 2017. Revenue from Sales & Service is the second largest source of funding in FY 2017 primarily due to \$599,000 charged to the City of Plymouth for fire protection. State Shared Revenue is approximately 8% of General Fund Revenue. Property tax revenue has stabilized with an increase of 2.3%. The decline in total revenues in 2017 was related to an installment purchase contract entered into in 2016 for a fire vehicle.



**City of Northville
General Fund Revenues Other Than Property Tax
Ten Year Trend - 2008 through 2017**

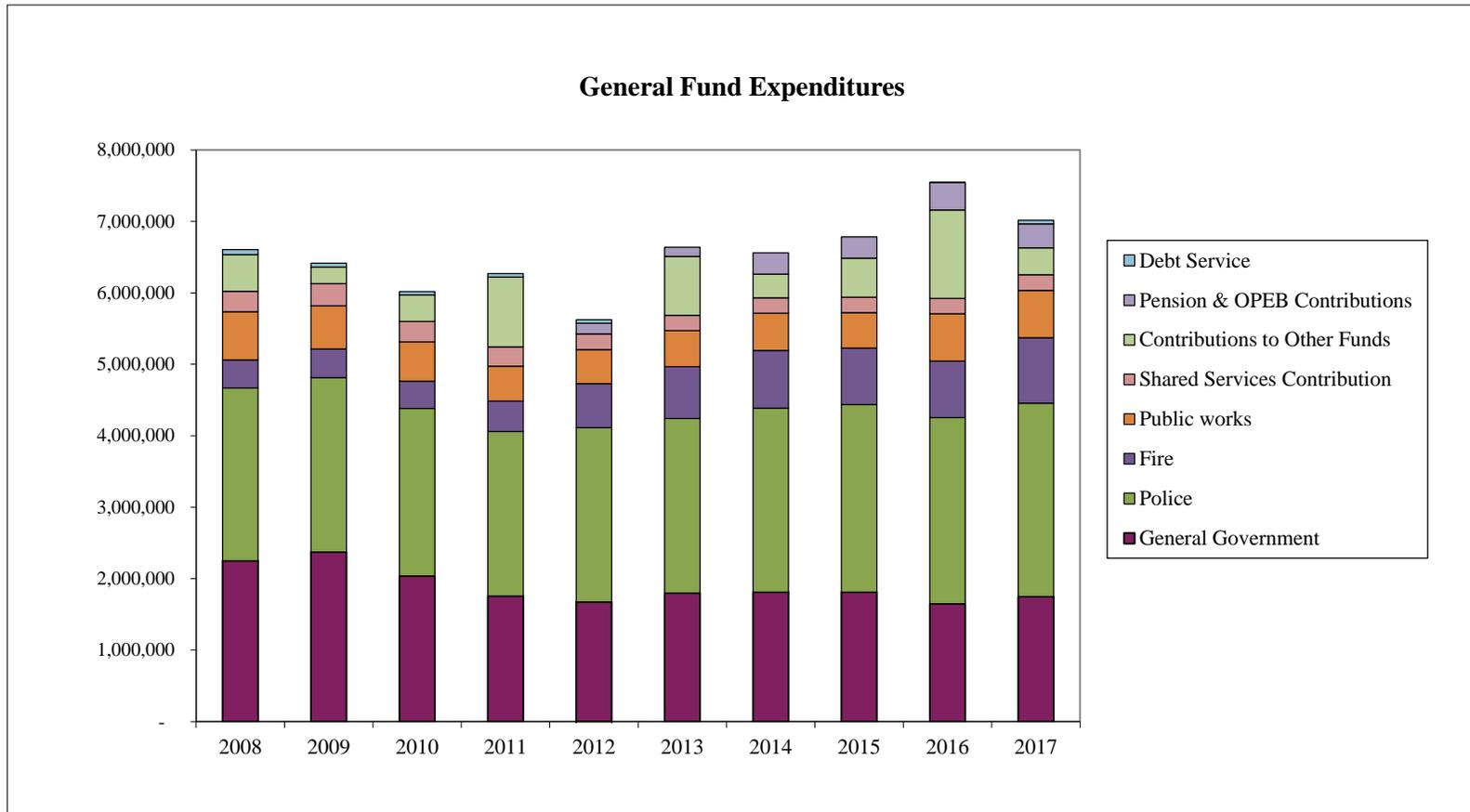
Property tax revenue continues to be the largest portion of General Fund revenue, making up approximately 67% of the total. The graph below shows the other revenues of the General Fund in the last ten years. Sales & Service revenue to external parties has become the largest source of non-property tax revenue due to fire service being provided to the City of Plymouth. State Shared revenue is the second highest source of non-tax revenue. Since 2008 it has decreased approximately \$36,000, or roughly 6% of the 2008 levels, due to cuts made by the State legislature. Over the ten year period, Breakage declined from 8.6% of non-tax revenue to 0.6% in FY17 due to changes in the activity of the racetrack. Non-tax revenue has remained consistent with past three years with the exception of 2016 which had financing proceeds to finance the purchase of a new fire truck.



**City of Northville
General Fund Expenditures
Ten Year Trend - 2008 through 2017**

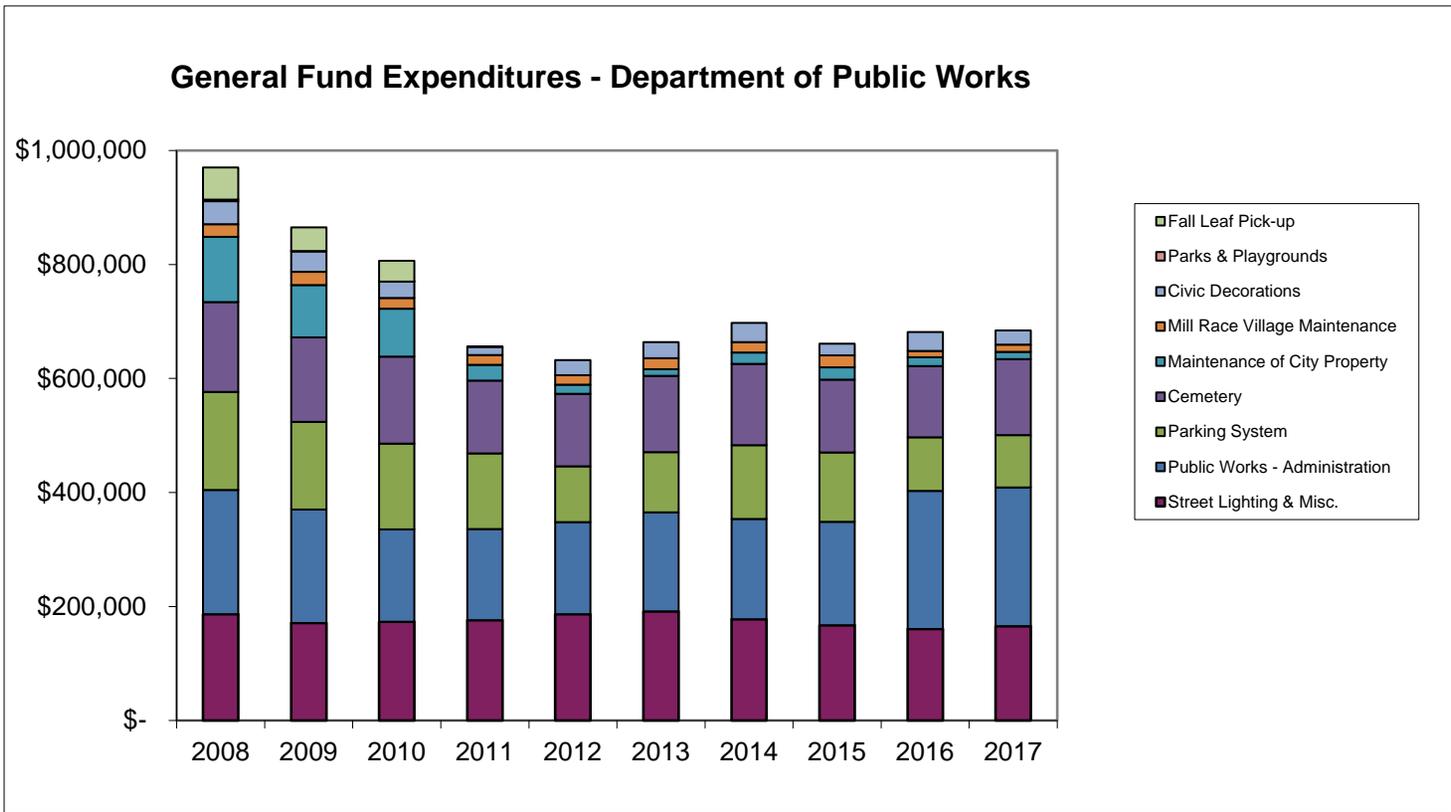
The graph below shows the total expenditures of the General Fund in the last ten years. The Police activities account for about 34% of the General Fund expenditures, down from 37% ten years ago. The Fire Department accounts for 12% of General Fund expenditures. Public works expenditures remain consistent at 8-10% of total expenditures.

General Government (previously Administration) accounts for 22% of the total. General Government includes the following departments: City Council, City Manager, City Attorney, City Clerk & Elections, Finance & Administration, Tax & Assessing, Building & Grounds, Planning & Zoning and Technology.



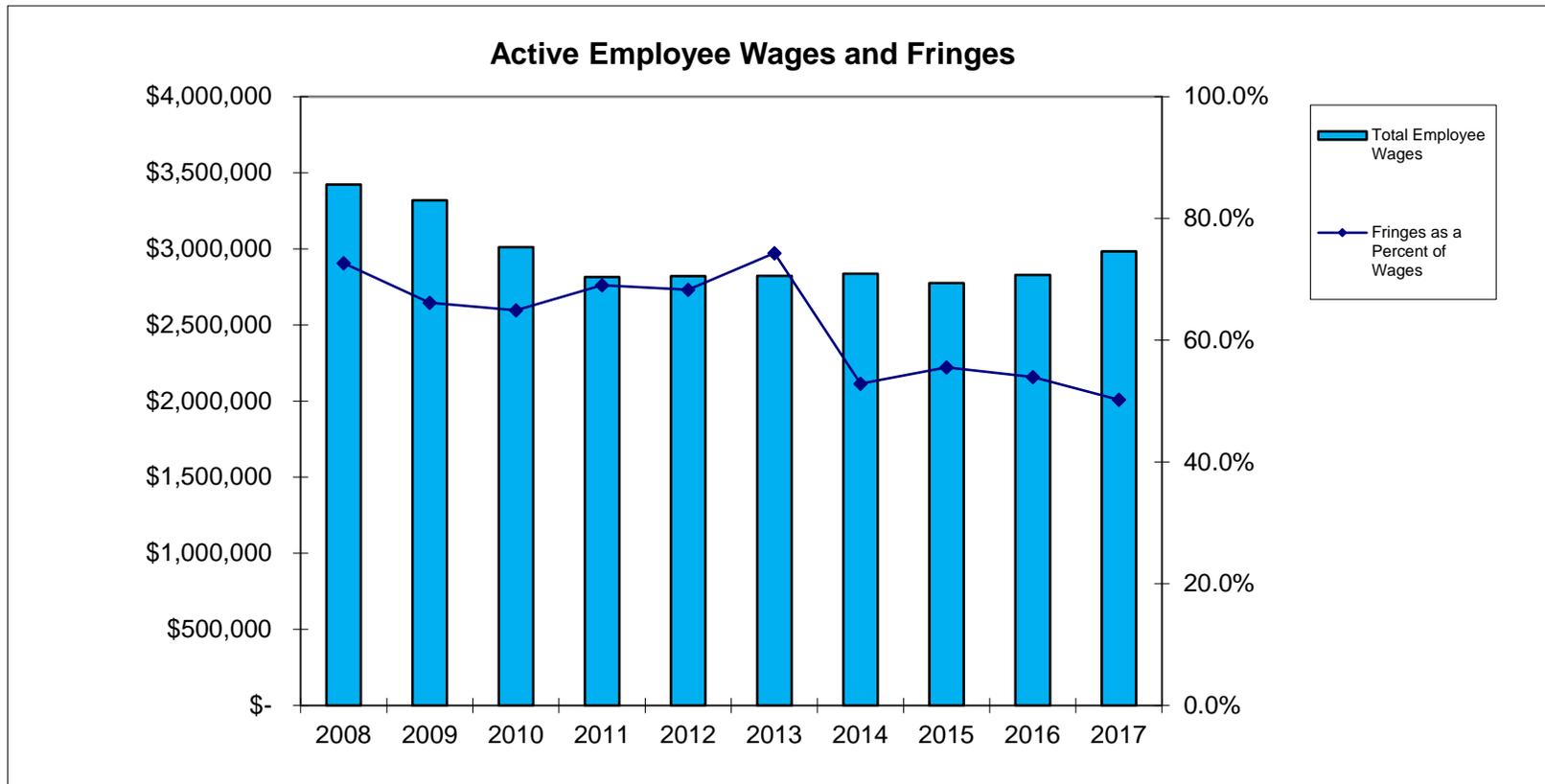
City of Northville
General Fund Expenditures - Department of Public Works
Ten Year Trend - 2008 through 2017

The graph below shows the expenditures of significant Public Works activities in the General Fund for the last ten years. FY 2011 begins to show the effect of the City's cost cutting and cost shifting programs. Fall leaf pick up was shifted to the Refuse & Recycling Fund where it is charged to the residents. Since then, costs have remained relatively consistent. FY 2017 had a minimal increase of .4% from 2016.



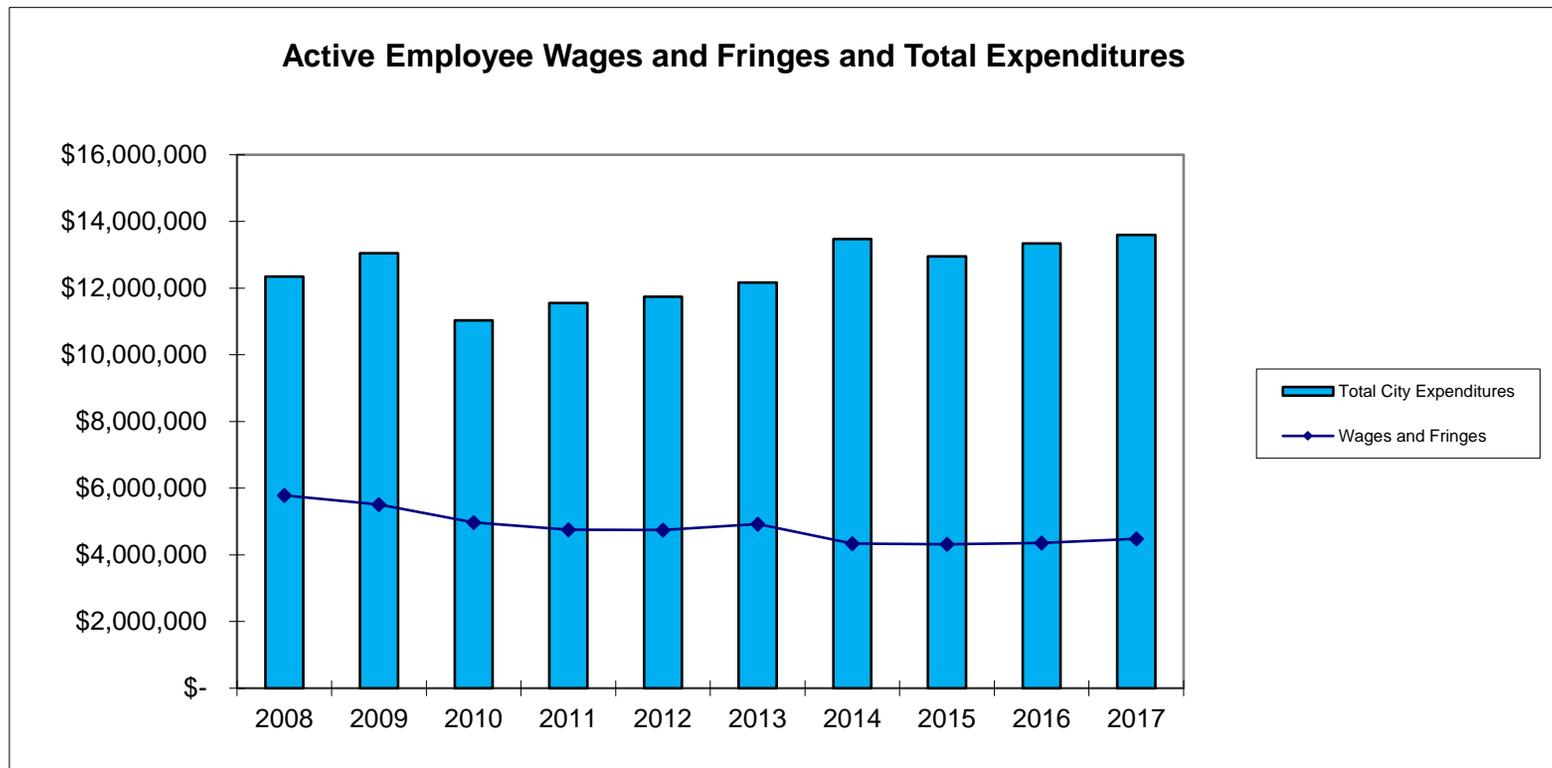
**City of Northville
Active Employee Wages and Fringes
Ten Year Trend - 2008 through 2017**

The graph below shows the total wages paid to City employees (including seasonal and part-time, but excluding Parks & Recreation and DDA employees) compared to the fringe benefits paid. Fringes are shown as a percentage of wages and are for active employees. Fringes were 73% of wages in FY2008 and have averaged 62% of wages from FY 2008 thru FY 2017. In 2008, fringes were impacted by funding post-retirement benefits and the condensed amortization period of the defined benefit pension. The 7% decrease in wages beginning in FY 2011 reflect cost containment measures implemented to address the City's structural deficit. As wages decreased that year, fringes as a percent of wages increased 9%. In 2014, the methodology of the distribution of retiree healthcare was changed, directly charging the department where the retiree originally worked and no longer including it in fringe benefit numbers. In FY17, fringes averaged 50% of wages. There is only a weak correlation between the two factors.



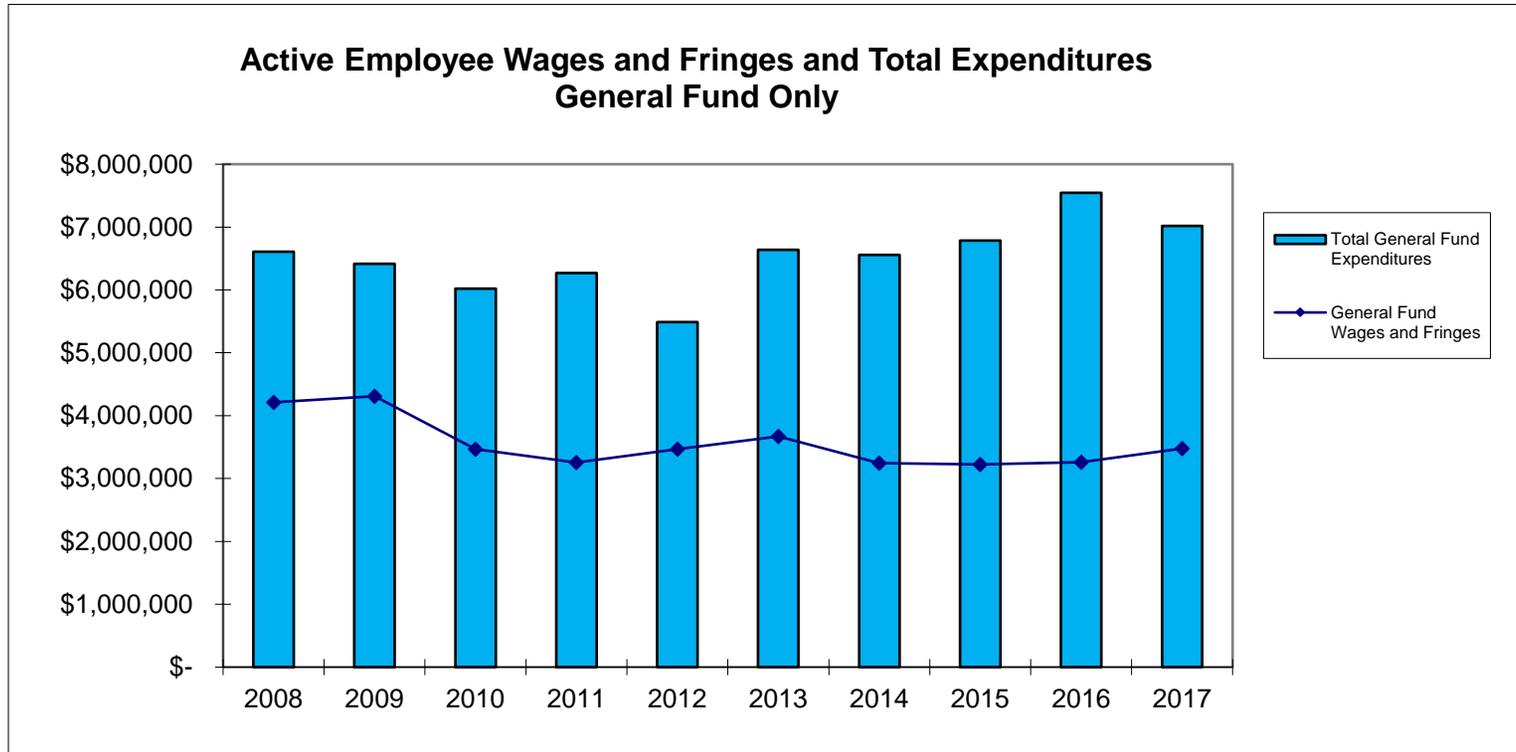
City of Northville
Active Employee Wages and Fringes and Total Expenditures
Ten Year Trend - 2008 through 2017

The graph below shows the total wages and fringes paid to City employees (including seasonal and part-time) compared to the total expenditures of all City funds, which include the General Fund, Special Revenue Funds, Internal Service Funds, and Enterprise Funds. Through FY 2009, wages and fringes increased an average of 5.5% each year, while total expenditures increased an average of 3% each year. Beginning in FY 2010 the City implemented a cost containment plan to deal with a looming structural deficit. Overall expenditures were reduced 16% while wages and fringes were reduced primarily through layoffs and attrition. Since FY 2010, wages and fringes have averaged 37% of total expenditures. Statistically, wages and fringes are strongly correlated to total expenditures.



City of Northville
Active Employee Wages and Fringes and Total Expenditures - General Fund Only
Ten Year Trend - 2008 through 2017

The graph below shows the total wages and fringes paid to City employees (including seasonal and part-time) in the General Fund compared to the total expenditures of the General Fund. Fringes are for active employees. Through FY 2009 wages and fringes have increased an average of 10% each year, while total expenditures have increased an average of 3% each year. Beginning in FY 2010 the City implemented a cost containment plan to deal with a looming structural deficit. Overall expenditures decreased 7% while wages and fringes were decreased by 19%. Since that time, General Fund expenditures increased by 1% primarily due to the expansion of the Fire Department to cover the City of Plymouth and health care costs, and capital improvements. Wages and fringes decreased an average of 3% over the 8 year period of time and average approximately 55% of General Fund expenditures. Statistically, the two expenditures are strongly correlated.



City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan – 2018 through 2022

Trend Analysis: Property Tax

The City operating millage was 13.5864 in FY2018 and is proposed to decline to 13.4845 in FY2019. The City's millage for Streets, Drainage and Sidewalk Improvements will decrease from 1.7097 to 1.6798 mills. Both reductions are due to a Headlee rollback. The total City millage rate decreases from 15.2961 mills down to 15.1643 mills, or 0.86%.

Further Headlee rollbacks are expected in each of the coming future years.

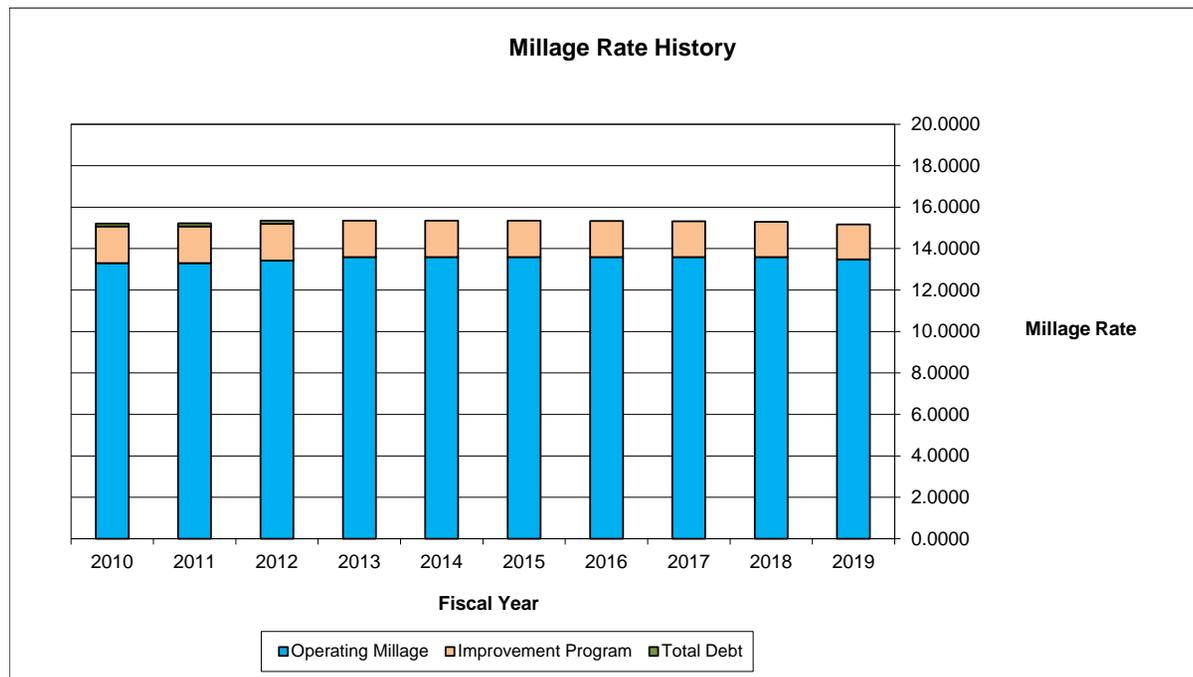
See page X-15 for the calculation of the millage reduction formula. A further discussion of the City's tax base is at Section X – Tax Base Analysis.

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

History of Millage Rates and Tax Base

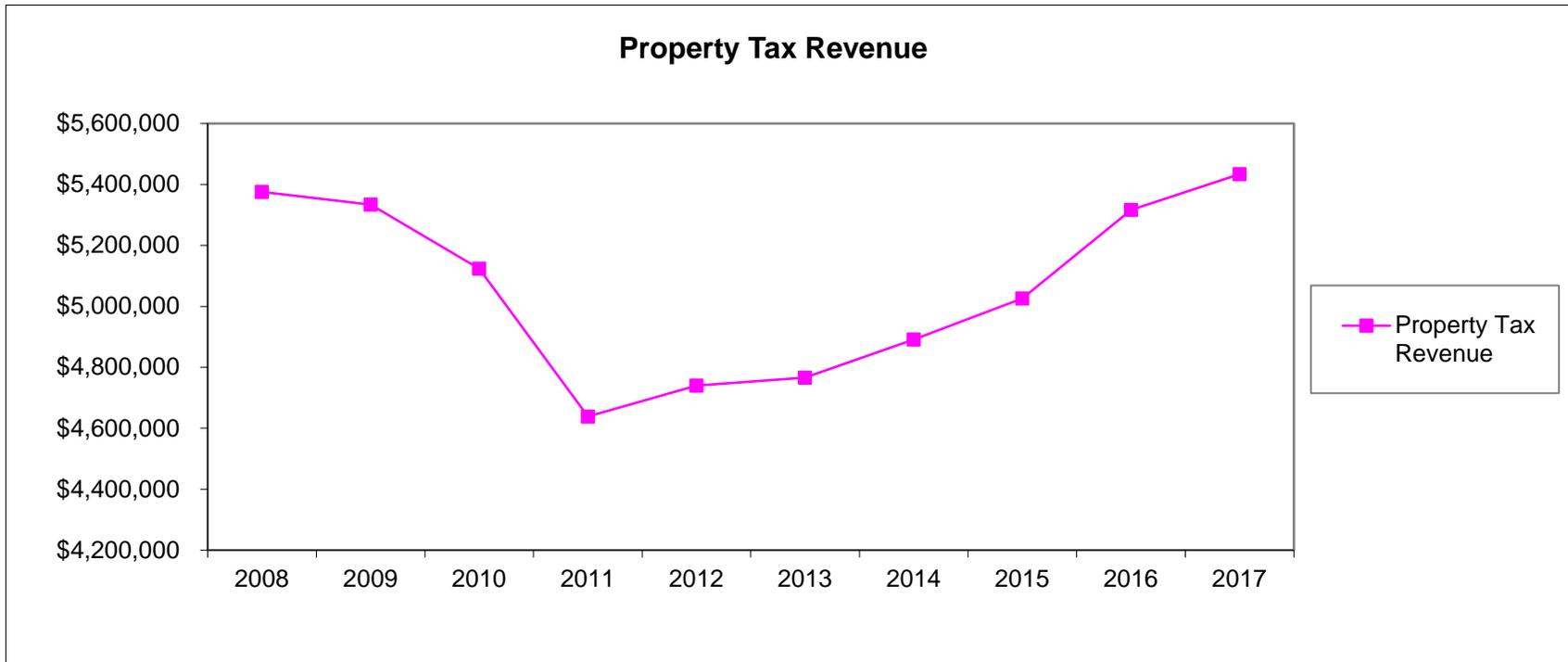
Actual from FY's 2010 through 2018 and Proposed 2019

Fiscal Year	City Operating Millage	Street, Drainage & Sidewalk Program	Debt		Total Debt	Total	Taxable Value
			Street Repair Debt	Public Safety Debt			
2019	13.4845	1.6798	0.0000	0.0000	0.0000	15.1643	\$370,678,271
2018	13.5864	1.7097	0.0000	0.0000	0.0000	15.2961	\$353,023,223
2017	13.5864	1.7329	0.0000	0.0000	0.0000	15.3193	\$339,530,795
2016	13.5864	1.7542	0.0000	0.0000	0.0000	15.3406	\$329,075,198
2015	13.5864	1.7620	0.0000	0.0000	0.0000	15.3484	\$314,831,212
2014	13.5864	1.7670	0.0000	0.0000	0.0000	15.3534	\$306,849,376
2013	13.5864	1.7670	0.0000	0.0000	0.0000	15.3534	\$298,234,636
2012	13.4289	1.7670	0.0000	0.1575	0.1575	15.3534	\$294,512,546
2011	13.3000	1.7670	0.0000	0.1626	0.1626	15.2296	\$295,589,965
2010	13.3000	1.7670	0.0000	0.1418	0.1418	15.2088	\$328,491,101



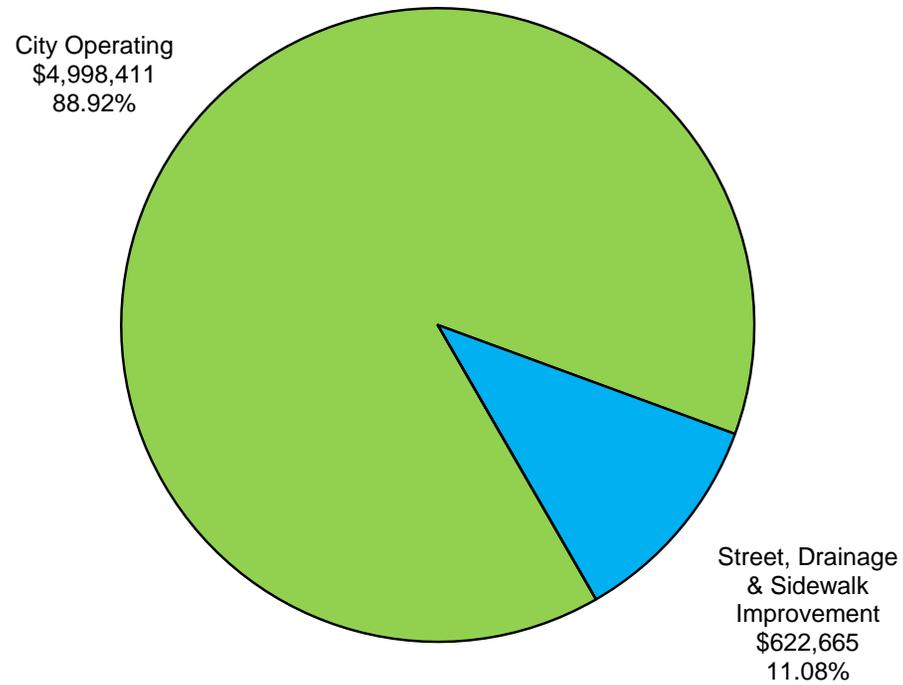
**City of Northville
Property Tax Revenue
Ten Year Trend - 2008 through 2017**

The graph below shows the amount of property tax revenue received by the City of Northville (excluding the DDA Fund). This revenue includes the general city operations millage and the street drainage and sidewalk program millage. The average annual increase was 5% through FY 2008 which was typically driven by increases in the taxable value of property in the City. Beginning in FY 2009, tax revenue begins to decline as the taxable value of property begins to fall in response to the national and state economic crisis. Since the highpoint of FY 2008, property tax revenue has declined by 5% per year on average until FY 2011. Since the low point of 2011, tax revenues have increased an average of 2.8% per year. It has taken 10 years for Property Tax Revenues to return to the levels that existed in 2008.



**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

FY2019 Proposed Property Tax Levy Allocation (City Only)



**City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan – 2018 through 2022**

STATE AND FEDERAL REVENUE

The following pages show the computation of the revenues listed below.

<u>Type of Revenue</u>	<u>Fund</u>
State Shared Revenue (Sales Tax)	General Fund
Act 51 Program Revenue	Major and Local Street Funds
Breakage Revenue	General & Public Improvement Funds
Community Development Block Grants	Housing Commission & Senior Adult Services
Federal and State Transportation Grants	Various Funds

State Shared Revenue (Sales Tax)

The State of Michigan has a 6% sales tax. Cities, villages and townships in the State of Michigan receive a share of that revenue. The revenue sharing to those local governments previously consisted of both constitutional and statutory payments. The constitutional formula is fixed; in other words the legislature must appropriate whatever is calculated. It cannot arbitrarily alter the constitutional formula. The amount projected for FY2019 increases \$14,987, or 3.1%, from the prior year.

The statutory portion of revenue sharing, however, was replaced with the City, Village, Township Revenue Sharing (CVTRS). Eligible local units must meet the requirements of Accountability and Transparency in order to receive full payment. These requirements include producing a citizen’s guide to the community’s finances, a “dashboard” to measure performance, a debt service report, and a projected budget report. Based on the current information provided by the State of Michigan, the City is anticipating that State Shared Revenues will remain unchanged for FY2019 at \$64,960. There was a supplemental distribution of \$4,848 in FY18 however that is not anticipated to continue.

- continued-

**City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan – 2018 through 2022**

STATE AND FEDERAL REVENUE - continued

Act 51 Program Revenue

The rates for the Act 51 program are based upon distribution formulas received from the State of Michigan. These revenues are for maintenance on major and local streets including patching, sealing, grading of gravel shoulders, pavement marking, repair of stop signs and signals, winter snow and ice control, as well as construction/reconstruction of roadways, and debt. The distribution rates used in these calculations have remained steady over the past few years and is anticipated to continue to remain stable.

On May 5, 2015, State of Michigan voters approved Proposal 1 which will provide funding needed to fix roads and bridges. It requires that all state taxes paid on gas go to transportation. In addition to helping fix the roads, Proposal 1 generates much-needed additional dollars for our schools and communities. For FY2018, there was a one-time distribution of \$9,778. Excluding this distribution, an additional \$22,890 in revenue is expected in FY2019.

Breakage Revenue

Breakage represents the amount of cents rounded down when a winning ticket is paid. Up until the early 1990's, the City received state shared revenue under the "Cities with Racetracks" program. Changes in the distribution of these funds in the early 1990s from the State level caused this to become an unstable revenue source. In its place, as of January 1, 1996, the City receives breakage revenue from Northville Downs' activity from live and simulcast racing. This legislation allows for the racetrack to be open year-round with simulcast racing in addition to live racing during a portion of the year. Consistent with City Council policy, breakage revenue received will first be used to reimburse the General Fund for the cost of providing additional police and fire service at the racetrack. It is the City's understanding that the racetrack will reimburse the City for the cost of the police and fire service if it exceeds the breakage revenue received. During the FY11 budget process, it was proposed that the City modify its policy on the utilization of Racetrack Breakage Revenue. To the extent that breakage revenue exceeds the cost of providing police and fire service at the track, the next \$60,000 will be allocated to Police and Fire equipment reserves. Any excess will be recorded as revenue in the Public Improvement Fund and used to finance public improvement projects.

- continued-

**City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan – 2018 through 2022**

STATE AND FEDERAL REVENUE - continued

Community Development Block Grant Revenue

The City of Northville receives funds from both the Wayne County and Oakland County Community Development Block Grant (CDBG) programs. Each county has a Community Development Block Grant Board that oversees the distribution of these federal pass-through funds. These funds may only be utilized to service low to moderate income residents, eliminate slums or blight, or to provide an urgent community need. The City is required to hold public hearings to obtain public input on the proposed uses.

Eligible funding activities in the City of Northville include senior citizen programs, senior housing rehabilitation and handicapped accessibility. CDBG funds are subject to Congressional appropriations, which change annually. Therefore, the City does not rely upon this source of funds as a long-term revenue source. The City is able to annually budget this revenue with relative certainty because the county boards appropriate the funds a year in advance. Once funding has been secured each year, a public hearing is held. Afterwards, City Council adopts a resolution authorizing the use of the funds.

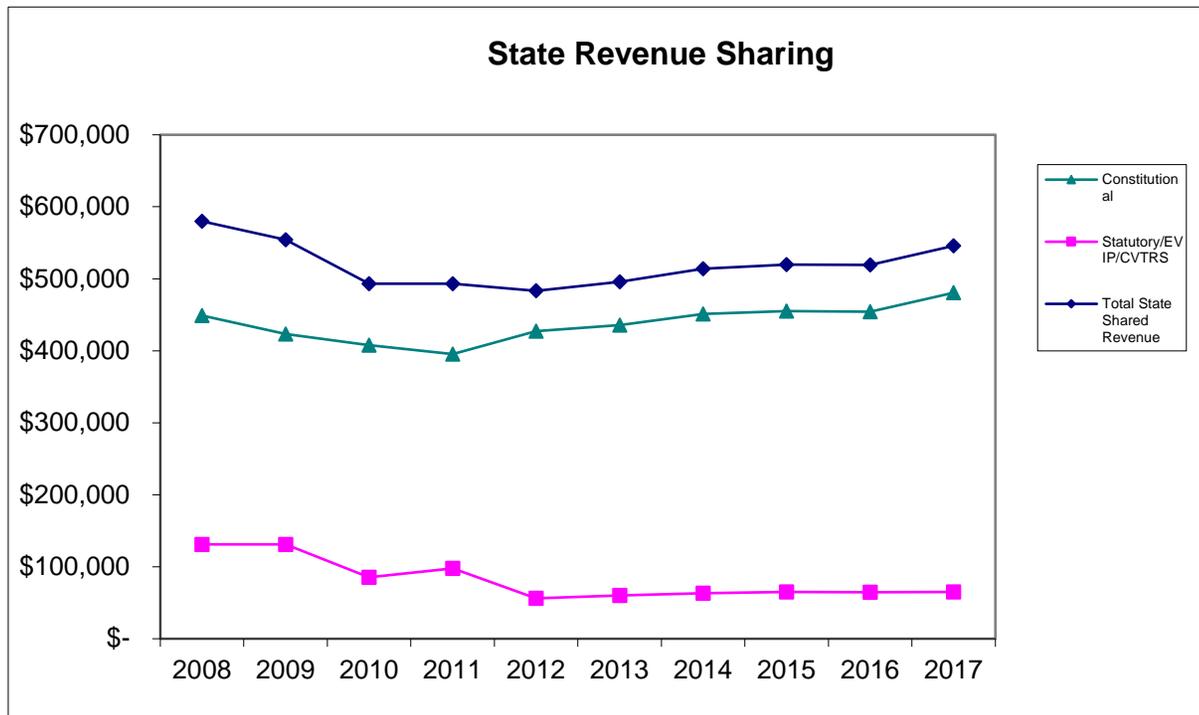
The City is expecting to receive an allocation from Wayne County and Oakland County for FY2019 in the amount of \$19,103. This will be used for improvements at Allen Terrace Senior Housing Facility.

Federal Grant Revenue

The City of Northville periodically receives Federal and State transportation grants to aid in funding road reconstruction projects. There is no funding included in the budget for fiscal years 2018 thru 2021 for federal grants, other than CDBG described above.

**City of Northville
State Revenue Sharing
Ten Year Trend - 2008 through 2017**

The graph below shows the amount of annual State Revenue Sharing distributed to the City of Northville. It has decreased over the past ten years. The State Revenue Sharing program distributes sales tax collected by the State of Michigan to local governments. Prior to FY 2012, it was comprised of two revenues that were formula based: constitutional and statutory. In FY 2012 the State replaced the statutory portion with a new incentivized component called EVIP. Since 2004, the City's constitutional portion has remained steady averaging \$437,000 per year, while the statutory and EVIP portions have decreased, on average, 10% per year though they have been relatively stable for the past 4 years. Beginning with FY2015 EVIP has been replaced by City, Village, Township Revenue Sharing (CVTRS). In FY 2017, the CVTRS revenues were 12% of the total. In FY 2017, State Shared Revenue was approximately \$34,000 below FY 2008 levels.



**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan - 2018 through 2022**

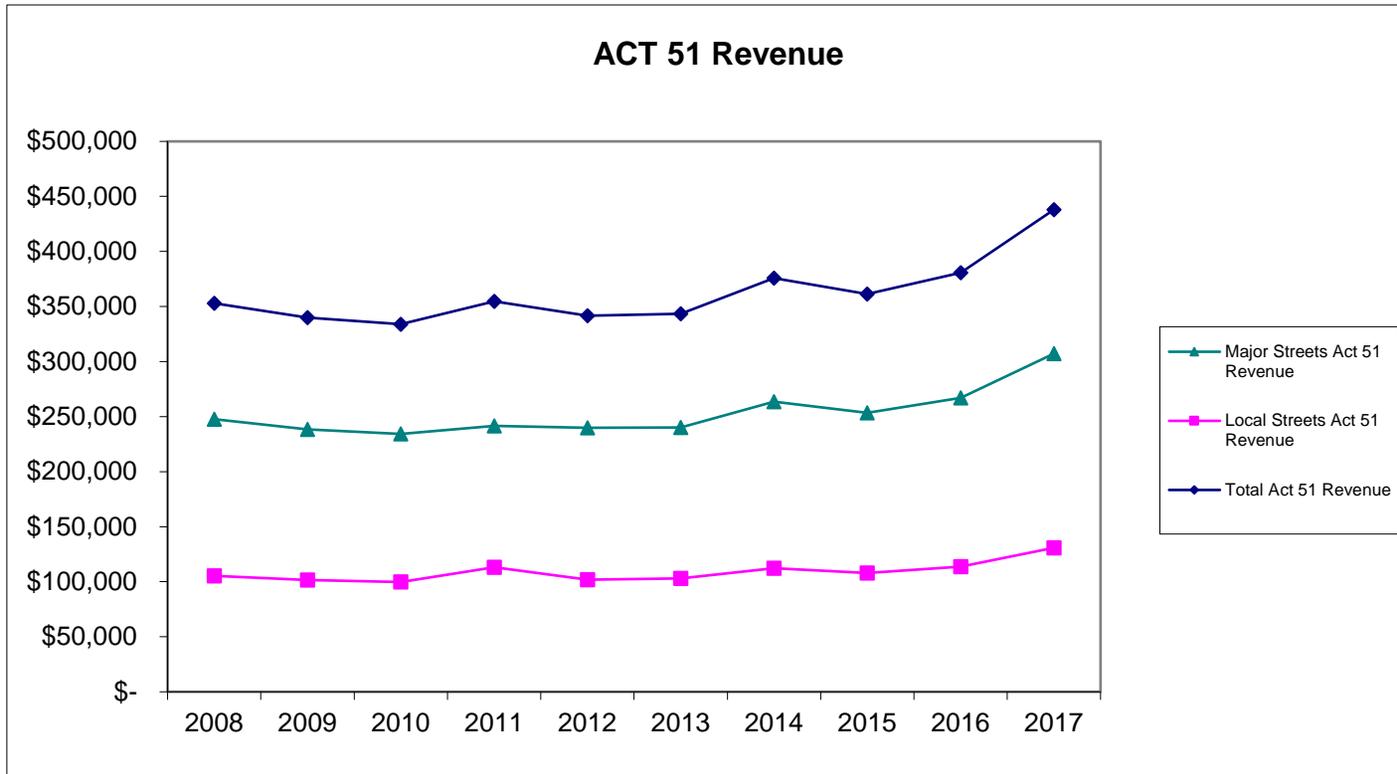
State Shared Revenue Projections

	Projected FY 2017-18	Proposed FY 2018-19	Estimated FY 2019-20	Estimated FY 2020-21	Estimated FY 2021-22
Constitutional					
Oakland County	264,842	272,953	278,410	283,980	289,660
Wayne County	224,513	231,389	236,020	240,740	245,550
Total Constitutional	489,355	504,342	514,430	524,720	535,210
City, Village, Township Revenue Sharing (CVTRS)	69,808	64,960	64,960	64,960	64,960
101-000-574.02	559,163	569,302	579,390	589,680	600,170
Constitutional % Change		3.1%	2.0%	2.0%	2.0%
CVTRS % Change		-6.9%	0.0%	0.0%	0.0%

Note: Amounts are derived from the Michigan Department of Treasury's website, March 2018.

**City of Northville
Act 51 Revenue
Ten Year Trend - 2008 through 2017**

The graph below shows the amount of Act 51 revenue received by the City of Northville. Act 51 revenue is distributed from the State of Michigan to local governments for repairs and maintenance to local and major streets. The amounts are based on formulas and are distributed between the Major and Local Streets Funds based on the number of miles of each type of street in the City of Northville. The 2017 distribution was approximately 15% higher than 2016 due to the availability of additional funding provided by new legislation enacted in 2015.



City of Northville
For the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

Estimation of Act 51 Revenue - MAJOR STREETS

MAJOR STREETS	Thru 9/17	Thru 9/18	Thru 9/19	Thru 9/20	Thru 9/21	Per Capita Portion = (A) x (B) x (C) Per Mile Portion = (A) x (B) x (C) x (D) Rates through 9/19 - from State of Michigan
Per Capita Portion	\$43.96	\$45.17	\$48.61	\$52.53	\$57.83	
Per Mile Portion	\$12,661	\$12,998	\$13,989	\$15,116	\$16,641	

Per Capita Portion

	2000 Census (A)	Per Capita Portion (B)	# of Months Ratio (C)	FY18 Projected	FY19 Estimated	FY20 Estimated	FY21 Estimated	FY22 Estimated
FY 2017-18	5,970	\$43.96	25%	\$65,610				
	5,970	\$45.17	75%	\$202,249				
One-time distribution				\$9,778				
FY 2018-19	5,970	\$45.17	25%		\$67,416			
	5,970	\$48.61	75%		\$217,651			
FY 2019-20	5,970	\$48.61	25%			\$72,550		
	5,970	\$52.53	75%			\$235,203		
FY 2020-21	5,970	\$52.53	25%				\$78,401	
	5,970	\$57.83	75%				\$258,934	
FY 2021-22	5,970	\$57.83	25%					\$86,311
	5,970	\$57.83	75%					\$258,934
				<u>\$277,637</u>	<u>\$285,068</u>	<u>\$307,754</u>	<u>\$337,335</u>	<u>\$345,245</u>

Per Mile Portion

	Street Mileage (A)	Population Factor* (B)	Per Mile Portion (C)	# of Months Ratio (D)	FY18 Projected	FY19 Estimated	FY20 Estimated	FY21 Estimated	FY22 Estimated
FY 2017-18	6.34	1.1	\$12,661	25%	\$22,074				
	6.34	1.1	\$12,998	75%	\$67,986				
FY 2018-19	6.34	1.1	\$12,998	25%		\$22,662			
	6.34	1.1	\$13,989	75%		\$73,169			
FY 2019-20	6.34	1.1	\$13,989	25%			\$24,390		
	6.34	1.1	\$15,116	75%			\$79,064		
FY 2020-21	6.34	1.1	\$15,116	25%				\$26,355	
	6.34	1.1	\$16,641	75%				\$87,041	
FY 2021-22	6.34	1.1	\$16,641	25%					\$29,014
	6.34	1.1	\$16,641	75%					\$87,041

* For cities with a population of 2,001 to 10,000 this factor is 1.1.

	<u>\$90,060</u>	<u>\$95,831</u>	<u>\$103,454</u>	<u>\$113,396</u>	<u>\$116,055</u>
202-000-546.01	<u>\$367,697</u>	<u>\$380,899</u>	<u>\$411,208</u>	<u>\$450,731</u>	<u>\$461,300</u>

City of Northville
For the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

Estimation of Act 51 Revenue - LOCAL STREETS

LOCAL STREETS	Thru 9/17	Thru 9/18	Thru 9/19	Thru 9/20	Thru 9/21	Per Capita Portion = (A) x (B) x (C) Per Mile Portion = (A) x (B) x (C) Rates through 9/19 - from State of Michigan
Per Capita Portion	\$14.65	\$15.06	\$16.20	\$17.51	\$19.28	
Per Mile Portion	\$3,335	\$3,427	\$3,688	\$3,985	\$4,387	

Per Capita Portion

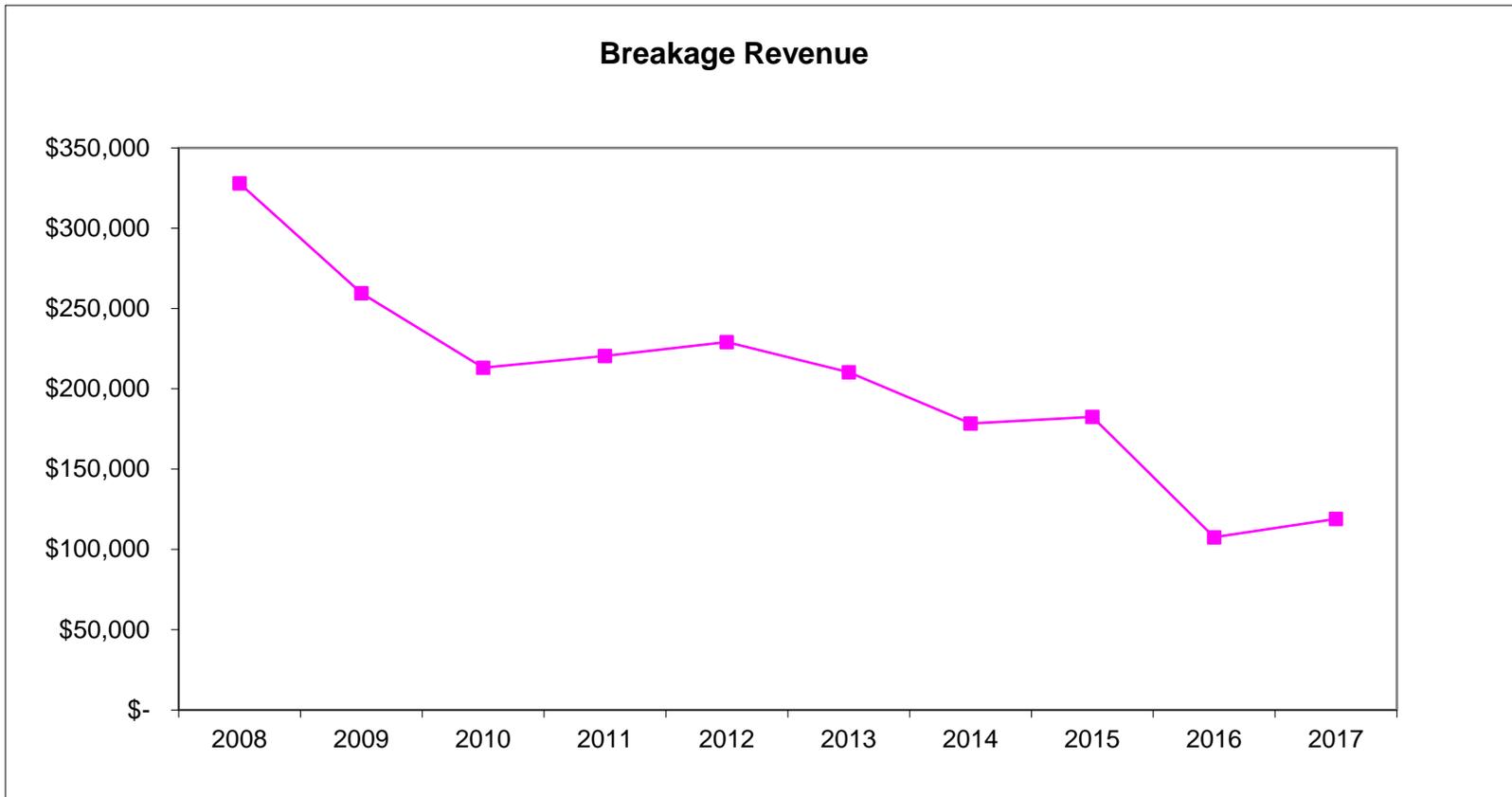
	2000 Census (A)	Per Capita Portion (B)	# of Months Ratio (C)		FY18 Projected	FY19 Estimated	FY20 Estimated	FY21 Estimated	FY22 Estimated
FY 2017-18	5,970	\$14.65	25%		\$21,865				
	5,970	\$15.06	75%		\$67,431				
One-time distribution					\$28,570				
FY 2018-19	5,970	\$15.06	25%			\$22,477			
	5,970	\$16.20	75%			\$72,536			
FY 2019-20	5,970	\$16.20	25%				\$24,179		
	5,970	\$17.51	75%				\$78,401		
FY 2020-21	5,970	\$17.51	25%					\$26,134	
	5,970	\$19.28	75%					\$86,326	
FY 2021-22	5,970	\$19.28	25%						\$28,775
	5,970	\$19.28	75%						\$86,326
					\$117,866	\$95,013	\$102,580	\$112,460	\$115,101

Per Mile Portion

	Major Street Mileage	Per Mile Portion	# of Months Ratio		FY18 Projected	FY19 Estimated	FY20 Estimated	FY21 Estimated	FY22 Estimated
FY 2017-18	18.55	\$3,335	25%		\$15,466				
	18.55	\$3,427	75%		\$47,678				
FY 2018-19	18.55	\$3,427	25%			\$15,893			
	18.55	\$3,688	75%			\$51,309			
FY 2019-20	18.55	\$3,688	25%				\$17,103		
	18.55	\$3,985	75%				\$55,441		
FY 2020-21	18.55	\$3,985	25%					\$18,480	
	18.55	\$4,387	75%					\$61,034	
FY 2021-22	18.55	\$4,387	25%						\$20,345
	18.55	\$4,387	75%						\$61,034
					\$63,144	\$67,202	\$72,544	\$79,515	\$81,379
203-000-546.01					\$181,010	\$162,215	\$175,124	\$191,975	\$196,480

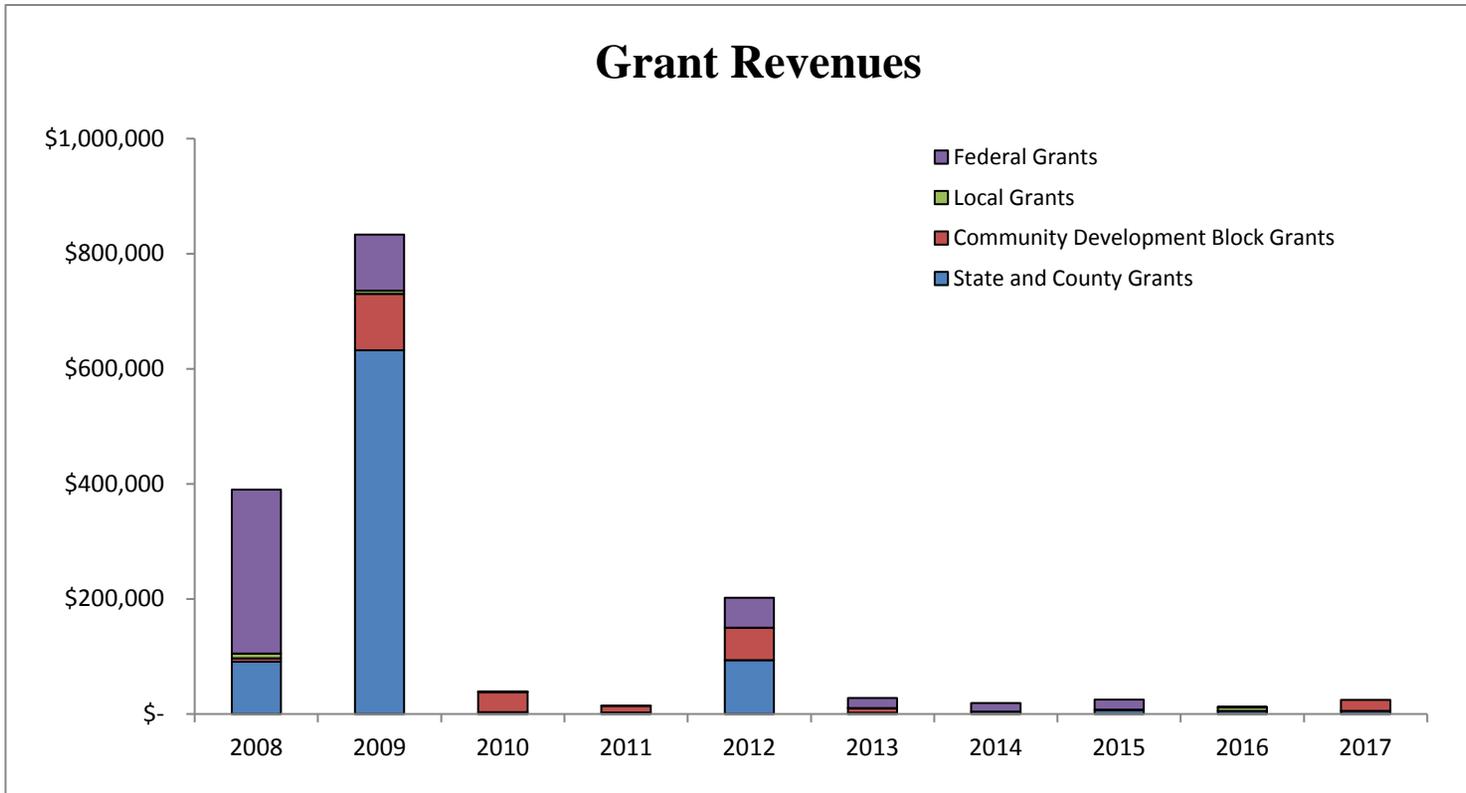
**City of Northville
Breakage Revenue
Ten Year Trend - 2008 through 2017**

The graph below shows the amount of breakage revenue received by the City of Northville. The peak year for this revenue was FY 2008, when the City received \$641,754. Since that time the City has had to adjust to steep declines in this revenue source. Annual revenue decreased by an average of 16% per year from 2007 through 2010. Breakage revenue decreased approximately an average of 11% per year from 2011 through 2016. Breakage is the amount of cents rounded down when a winning ticket is paid at the Northville Downs racetrack. The City receives this money directly from the racetrack operators as required by state law.



**City of Northville
Grant Revenues
Ten Year Trend - 2008 through 2017**

The graph below shows the various grant revenues received by the City of Northville in the past ten years. The City has averaged approximately \$158,700 in grant revenue for that period. Federal grants include infrastructure grants, Federal Emergency Management Administration reimbursements, federal public safety grants, and federal election grants. These grants average nearly \$48,000 per year. Community Development Block Grants average nearly \$23,300 per year. State and County grants include storm water grants, state public safety grants, and state infrastructure grants. State grant revenues average \$85,000 per year. FY 2009 was a significant grant year due to State Critical Bridge funds received for the Beal Street Bridge Reconstruction project. Without that project, the average is only \$24,000.



SECTION IV

GENERAL FUND BUDGET

The General Fund is the City's major operating fund, providing the majority of services to the City's residents, taxpayers and customers. By showing actual revenues and expenditures from the previous fiscal year, current year projected revenues and expenditures, and proposed budget amounts for the next four fiscal years, the reader is provided with a better view the City's financial picture.

Graphs, tables and spreadsheets depict the relationships between revenues and expenditures in the various departments of the General Fund. Each department has an overview and line item budget included here.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: General Fund

FUND NUMBER: 101

SUPERVISOR: All City Departments

General Description of Activity

The General Fund accounts for all police, fire, public works, planning & zoning and administrative functions of city government.

Proposed Fiscal Year Overview

The proposed General Fund budget is balanced. Overall, the proposed General Fund budget reflects an increase of approximately \$208,000, or 2.83% from last year which is primarily attributable to wage and fringe benefit adjustments, and increases in the unfunded pension contributions and retiree healthcare costs. Taxable values for the City are continuing an upward trend. It provides for approximately \$202,000 of additional tax revenues for fiscal year 2019. The proposed budget reflects a decrease to the general operating millage rate from 13.5864 to 13.4845 mills due to a Headlee rollback expected for 2018.

Total expenditures for fiscal year 2018 are \$7.57 million. The Police Department represents approximately 40% of expenditures, followed by Administration at 17%, and Fire at 13% as shown on page IV-3. This is fairly consistent with the prior year.

For the past three fiscal years, the cell tower revenue received in the General Fund has been transferred to the Water and Sewer Fund to replenish cash reserves. Beginning with FY2019, that revenue is expected to be \$191,000 and will remain in this fund.

The contribution towards the Fire Department's operating costs decreased from 44% to 42% for the proposed year. The share between the City of Northville and the City of Plymouth is calculated each year based upon run volumes. That change results in a savings to the General Fund of approximately \$18,000.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

General Fund Summary – continued

Parks & Recreation is a shared service between the City of Northville and the Township of Northville. Although the administration of the department was transferred to Northville Township as of January 1, 2018, the contribution for shared services is proposed to remain the same. The City's share is 16% and is recalculated annually based upon taxable values and populations of both communities.

In addition to funding normal operating costs, the proposed budget includes operating transfers to other funds for the following purposes:

- Legacy Costs - \$85,000 for an additional contribution to the pension plan.
- Equipment - \$232,000 to fund future police and fire equipment purchases.
- Technology - \$50,000 for technology upgrades needed in the Public Works department.
- Randolph Drain Improvements – The Randolph Drain Commission has a project planned for fiscal year 2019, the Mill Pond Court Culvert. \$98,000 will be contributed towards that project.
- City Entrance Signs – Replacement of the five existing City entrance signs will cost approximately \$75,000. They are intended to match the DDA wayfinding signage.

Goals & Objectives

City Councils highest priority goal is financial sustainability. The City strives to continue to provide a high level of service to the Northville community. The departmental goals for the General Fund are presented within each individual department's budget section.

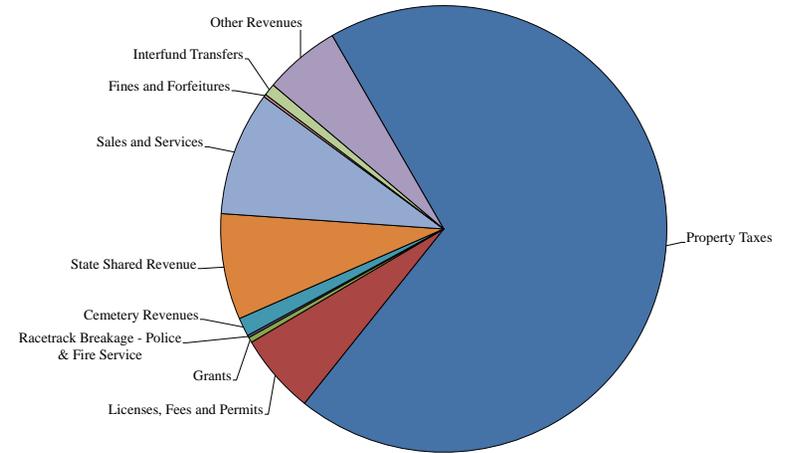
Long Term Plan

The current millage rate of 13.5864 is expected to be reduced down to 13.4845 due to a Headlee rollback. The City is expecting further rollbacks in future years. General Fund operations are expected to be maintained at the lower millage rates for the next few years without a Headlee override. However, lower revenues may reduce funds available for unanticipated capital or operational needs. In FY2023, the millage rate is expected to erode to 12.7888 mills and will be insufficient to meet the operational needs of the General Fund. City Council will need to decide when to bring forward a Headlee override ballot question to the voters as the allowable millage levy is expected to decrease each year.

City of Northville
Proposed 2018-19 General Fund Budget
(with historical comparative data)

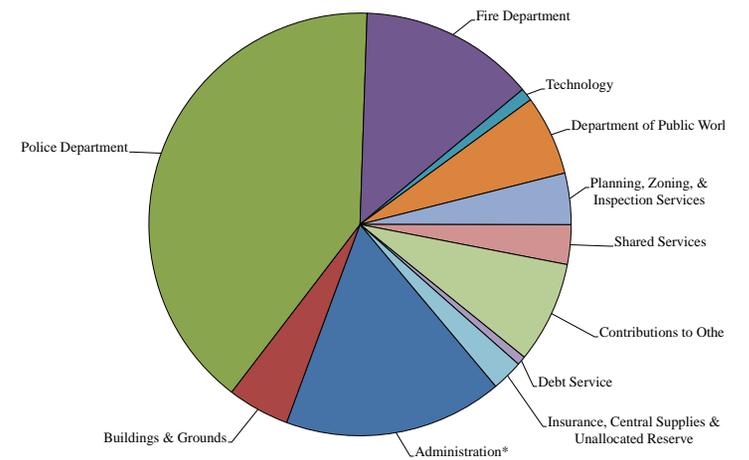
2018-19 Budgeted Revenues

Revenues	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Property Taxes	\$ 4,841,882	\$ 5,027,662	\$ 5,233,272	69.0%
Licenses, Fees and Permits	443,951	471,900	439,390	5.8%
Grants	5,376	35,897	29,300	0.4%
Racetrack Breakage - Police & Fire Service	14,205	13,390	12,560	0.2%
Cemetery Revenues	113,511	92,000	102,000	1.3%
State Shared Revenue	558,082	571,708	581,302	7.7%
Sales and Services	629,991	624,099	681,327	9.0%
Fines and Forfeitures	53,920	15,765	14,500	0.2%
Interfund Transfers	156,215	82,631	65,620	0.9%
Other Revenues	390,682	434,014	418,010	5.5%
Total Revenues	\$ 7,207,815	\$ 7,369,066	\$ 7,577,281	100.0%



Expenditures	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Administration*	1,188,819	1,338,455	\$ 1,270,325	16.8%
Buildings & Grounds	316,801	328,395	360,125	4.8%
Police Department	2,708,294	2,908,282	3,040,607	40.1%
Fire Department	915,053	955,155	1,018,745	13.4%
Technology	67,730	80,260	74,210	1.0%
Department of Public Works	525,229	522,466	464,592	6.1%
Planning, Zoning, & Inspection Services	264,405	323,560	297,770	3.9%
Shared Services	218,905	224,720	229,321	3.0%
Contributions to Other Funds	732,515	527,761	588,469	7.8%
Debt Service	51,963	52,306	52,213	0.7%
Insurance, Central Supplies & Unallocated Reserve	218,101	107,706	180,904	2.4%
Total Expenditures	\$ 7,207,815	\$ 7,369,066	\$ 7,577,281	100.0%

2018-19 Budgeted Expenditures



*Administration expenditures include: City Council, City Manager, Elections, Communications, City Attorney, City Clerk, Finance & Administrative Services, and Tax Department.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	FY 2019 % Increase (Decrease)
Revenues								
Property Taxes	4,730,961	4,841,882	5,027,662	5,233,272	5,273,079	5,336,935	5,401,598	4.09%
Licenses, Fees and Permits	433,619	443,951	471,900	439,390	444,170	449,050	454,020	(6.89%)
Grants	5,315	5,376	35,897	29,300	5,300	5,300	5,300	(18.38%)
Racetrack Breakage - Police & Fire Services	13,630	14,205	13,390	12,560	12,543	12,543	12,543	(6.20%)
State Shared Revenue	531,475	558,082	571,708	581,302	591,390	601,680	612,170	1.68%
Sales and Services	528,664	629,991	624,099	681,327	693,133	710,582	728,967	9.17%
Cemetery Revenues	87,213	113,511	92,000	102,000	102,000	102,000	102,000	10.87%
Financing Proceeds	462,596	-	-	-	-	-	-	0.00%
Fines and Forfeitures	70,804	53,920	15,765	14,500	14,500	14,500	14,500	(8.02%)
Other Revenues	530,375	390,682	434,014	418,010	432,602	427,546	447,616	(3.69%)
Interfund Transfers	201,087	156,215	82,631	65,620	193,780	65,940	66,100	(20.59%)
Total Revenues	<u>7,595,739</u>	<u>7,207,815</u>	<u>7,369,066</u>	<u>7,577,281</u>	<u>7,762,497</u>	<u>7,726,076</u>	<u>7,844,814</u>	<u>2.83%</u>
Appropriation of Prior Year Surplus	-	-	-	-	-	-	-	0.00%
Total Budget	<u><u>7,595,739</u></u>	<u><u>7,207,815</u></u>	<u><u>7,369,066</u></u>	<u><u>7,577,281</u></u>	<u><u>7,762,497</u></u>	<u><u>7,726,076</u></u>	<u><u>7,844,814</u></u>	<u><u>2.83%</u></u>

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	FY 2019 % Increase (Decrease)
Expenditures								
Administration								
City Council	13,401	12,302	14,450	13,910	13,970	14,030	14,090	(3.74%)
City Manager's Office	322,703	324,413	336,130	344,280	359,260	369,575	378,315	2.42%
Communications	-	56,631	73,820	60,830	46,620	47,065	47,065	(17.60%)
Elections	46,330	42,400	71,970	48,860	47,445	49,150	45,175	(32.11%)
City Attorney's Office	95,649	134,361	157,525	116,000	110,000	135,000	135,000	(26.36%)
City Clerk's Office	116,292	136,815	151,690	156,600	164,045	170,440	175,740	3.24%
Finance & Administrative Services	296,208	322,028	350,235	342,115	354,935	362,835	368,405	(2.32%)
Tax & Assessing Department	175,562	159,869	182,635	187,730	194,585	200,170	205,355	2.79%
Total Administration	1,066,145	1,188,819	1,338,455	1,270,325	1,290,860	1,348,265	1,369,145	(5.09%)
Buildings and Grounds	283,887	316,801	328,395	360,125	363,575	371,040	374,660	9.66%
Police Department	2,604,999	2,708,294	2,908,282	3,040,607	3,167,695	3,279,765	3,378,730	4.55%
Fire Department	792,391	915,053	955,155	1,018,745	1,038,130	1,065,605	1,096,225	6.66%
Technology	134,358	67,730	80,260	74,210	204,685	75,625	94,795	(7.54%)
Department of Public Works	530,034	525,229	522,466	464,592	479,690	494,400	504,040	(11.08%)
Planning, Zoning and Inspection Svcs	259,181	264,405	323,560	297,770	307,265	291,300	295,385	(7.97%)
Shared Services	218,325	218,905	224,720	229,321	230,871	232,091	233,391	2.05%
Contributions to Other Funds	1,615,914	732,515	527,761	588,469	444,936	275,096	290,121	11.50%
Debt Service	6,242	51,963	52,306	52,213	52,096	52,939	52,744	0.00%
Insurance, Central Supplies and Unallocated Reserve	33,669	27,141	100,435	176,285	177,165	234,815	356,675	75.52%
Total Expenditures	7,545,145	7,016,855	7,361,795	7,572,662	7,756,968	7,720,941	8,045,911	2.86%
Fund Balance Reserve	50,594	190,960	7,271	4,619	5,529	5,135	(201,097)	(36.47%)
Total Budget	7,595,739	7,207,815	7,369,066	7,577,281	7,762,497	7,726,076	7,844,814	2.83%
Analysis of Fund Balance - Unassigned								
Beginning of Year			2,652,749	2,660,020	2,664,639	2,670,168	2,675,303	
Revenues			7,369,066	7,577,281	7,762,497	7,726,076	7,844,814	
Expenditures			(7,361,795)	(7,572,662)	(7,756,968)	(7,720,941)	(8,045,911)	
End of Year			2,660,020	2,664,639	2,670,168	2,675,303	2,474,206	
Fund Balance as a % of Expenditures			36%	35%	34%	35%	31%	

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: General Fund Revenues

FUND NUMBER: 101

SUPERVISOR: All City Departments

General Description of Activity

General Fund revenues are received from a variety of sources. The City of Northville has divided these into ten categories as described below.

Proposed Fiscal Year Overview

Property Tax

The primary source of General Fund revenue is property tax at 69% of total revenue. The combined taxable value of the City, net of DDA, increased by 5%. This increase generates an additional \$202,000 in property tax revenue. The increase in taxable value was \$17.7 million. Approximately \$7.9 million of that increase was due to new construction. That accounts for why the taxable value increase of 5% is greater than the CPI of 2.1%.

Due to a Headlee rollback, the City is unable to levy the current millage of 13.5864. The maximum allowable levy is now 13.4845 resulting in a loss of tax revenues in the General Fund in the amount of approximately \$43,000. A complete, detailed analysis of property tax is in Section X of the budget. A ten-year history of property tax revenues is shown on page III-22.

Public Act 86 of 2014 requires the Local Community Stabilization Authority to reimburse cities for personal property tax losses due to the new Small Taxpayer Personal Property Tax Exemption. The amount estimated for fiscal year 2019 is \$25,000.

Licenses, Fees, and Permits

Overall, licenses, fees, and permit revenues are projected to decrease from the prior year. That decrease is primarily related to higher building permit revenue projected in the prior year. The major revenue source in this category is cable television franchise fees. Many of the revenues are projected based upon a three year average of actual fees. Using this method has proven to be reasonably conservative in predicting revenue.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

General Fund Revenues – continued

Grants

The Act 302 Training Grant represents revenue related to police department training activity reimbursed by the State. A small amount is received annually from the 35th District Court related to drunk driver case flow. The City has been awarded a \$24,000 grant from the Michigan State Historic Preservation Office (SHPO) to perform an intensive level survey of the Historic District. This project will be completed in FY2019.

Racetrack Breakage - Police & Fire Service

Due to legislation that became effective on January 1, 1996, the City receives “breakage” directly from Northville Downs’s racetrack operators. Breakage represents the amount of cents rounded down when a winning ticket is paid. This legislation also allows for the racetrack to be open year-round with simulcast racing in addition to live racing during a portion of the year.

Consistent with City Council policy, breakage revenue received will first be used to reimburse the General Fund for the cost of providing police and fire service at the racetrack. It is the City’s understanding that the racetrack will reimburse the City for the cost of the police and fire service provided, if it exceeds the breakage revenue received. The amount projected is relatively consistent with the prior year.

State Shared Revenue

Constitutional: State Shared Revenue is budgeted based upon distribution rates received from the State of Michigan released in February 2018 by the Department of Treasury. The State of Michigan legislature enacted the current formula for allocating state shared sales tax revenue in December 1998. The amount projected for FY2019 increases \$15,987, or 3.1%, from the prior year.

City, Village, Township Revenue Sharing (CVTRS): Two years ago, the legislature established the City, Village, and Township Revenue Sharing (CVTRS) program which is a simplified version of the Economic Vitality Incentive Program (EVIP). Each eligible local unit must meet all of the requirements of Accountability and Transparency in order to receive the full CVTRS payments. The State projects the amount for FY2019 to be the lower than the prior year (\$64,960) due to a one-time supplemental payment in FY2018.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

General Fund Revenues – continued

Sales and Services

There are two primary sources of revenue in this category: fire service to City of Plymouth and crossing guard reimbursement. Beginning January 1, 2012, the City of Northville began providing professional fire prevention, fire suppression and emergency medical services to the City of Plymouth. 58% of the costs will be reimbursed by the City of Plymouth for the proposed year. That is up two percent from the prior year. The percentage is based upon a pro-rata share of runs in the prior calendar year. The overall increase is directly related to the change in Plymouth's share allocation and debt services requirements for the aerial truck purchased via an installment purchase loan. Crossing Guard Reimbursement covers 50% of the cost of public school crossing guards paid by Northville Public Schools.

Cemetery Sales & Services

The City owns and operates two cemeteries: Rural Hill and Oakwood. Rural Hill Cemetery is the only one still active. Cemetery revenue is derived from the sale of grave sites and burial services which fluctuate from year to year. Revenue is typically projected based upon a five year average of actual sales and burial activity. Using the five year average has proven to be reasonably conservative in predicting revenue. Phase II of the cemetery expansion will be completed during FY2019. There is currently a list of people waiting to purchase grave sites until the expansion is complete. Therefore, sales are projected a little higher than the average for FY2019.

Fines & Forfeits

The majority of activity in this category is revenue from parking tickets. The City of Northville is one of five communities that supports the 35th District Court. The communities previously shared in the net revenue of the Court based upon caseload. Beginning with 2017 all excess revenue for the Court will be used to fund the Court's unfunded pension and OPEB liabilities.

Other Revenues

Cell Tower Revenue: The most significant external revenue source in this category is cell tower revenue. The City has leases with several cellular providers which allows placement of their equipment at the City DPW yard and atop the water tower. The leases automatically renew every five years with inflationary increases. Previously that revenue was recorded in the Water & Sewer Fund

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

General Fund Revenues – continued

and the Equipment Fund. Per the Citizen’s Budget Committee recommendation in 2010, and approval by City Council, those funds are have been recorded in the General Fund. This revenue source is at risk as cellular providers are finding less expensive locations to place their equipment.

Interest from Investments: The City utilizes an active rather than passive investment strategy which has increased the overall yield in recent years. The yield on the City’s investment portfolio has been slowly rising. However the amount of revenue generated is still down significantly from the high in FY2008 when the General Fund generated approximately \$206,000 in interest revenue, net of bank fees. For FY2018, only \$12,500 in investment earnings is projected. This is a conservative estimate due to the unpredictability of the unrealized market change which must be recorded each year.

Overhead Reimbursement: This category also accounts for reimbursements from other funds for overhead and administrative expenditures which are expended in the General Fund. Inflationary increases are projected annually in the other funds. The amount for FY2019 decreases due to the transfer of Parks & Recreation administration from the City to the Township.

Interfund Transfers

The operating transfer from the DDA is for downtown street lighting. The operating transfer from the Public Improvement Fund is utilization of grant match reserves for the Historic District Survey project.

Long Term Plan

The long term plan reflects an overall consistent level of revenues for future years in most categories. However, municipalities have little, if any, control over their main categories of revenue. The taxable values for FY2020 through FY2022 are projected to increase 3% each year. However, the City’s maximum allowable millage rate in is expected to decline each year due to Headlee rollbacks. The loss of revenue projected in FY20 is \$128,000, in FY21 is \$223,000, and in FY22 is \$322,000 unless a Headlee override is requested of and approved by the voters.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND REVENUES

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Property Taxes	Original Millage Authorized			18.0800	18.0800	18.0800	18.0800	18.0800
	Permanent Reduction Reduced by Headlee			13.9112	13.7247	13.4845	13.2485	13.0166
	x Headlee Millage Reduction Fraction			0.9866	0.9825	0.9825	0.9825	0.9825
	=Maximum Allowable Millage Levy			13.7247	13.4845	13.2485	13.0166	12.7888
	Millage Rate			13.5864	13.4845	13.2485	13.0166	12.7888
	Revenue per Mill Levied			353,023	370,678	380,021	391,422	403,165
101-000-403.00	Current Property Taxes	4,467,783	4,607,235	4,796,302	4,998,411	5,034,708	5,094,984	5,155,997
101-000-403.04	Local Community Stabilization Share	70,022	24,685	24,935	25,000	25,000	25,000	25,000
101-000-417.00	Delinquent Personal Prop Taxes	1,203	3,957	500	500	500	500	500
101-000-417.01	Delinquent Personal Prop Taxes - Administration Fee	50	158	50	50	50	50	50
101-000-417.03	Delinquent Personal Property Tax Accrued	(2,200)	(984)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
101-000-418.00	MTT Refunds - Previous Years	(8,940)	2,426	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
101-000-441.00	Collection Fee	157,666	166,499	171,894	175,330	178,840	182,420	186,070
101-000-441.01	Collection Fee - Schools	9,504	9,942	9,681	9,681	9,681	9,681	9,681
101-000-445.00	Penalty & Interest on Taxes	35,550	27,244	30,000	30,000	30,000	30,000	30,000
101-000-445.01	Penalty & Interest on Delinquent Personal Property Taxes	323	720	300	300	300	300	300
		4,730,961	4,841,882	5,027,662	5,233,272	5,273,079	5,336,935	5,401,598

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND REVENUES (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Licenses, Fees & Permits								
101-000-451.01	Business & Registration Fees	7,146	7,275	7,700	7,700	7,700	7,700	7,700
101-000-476.01	Building Permits	154,324	133,672	195,000	161,000	164,220	167,500	170,850
101-000-476.02	Electrical Permits	16,486	17,795	18,000	18,100	18,460	18,830	19,210
101-000-476.03	Heating Permits	21,491	20,992	19,000	20,500	20,910	21,330	21,760
101-000-476.04	Plumbing Permits	12,716	17,287	15,000	15,000	15,300	15,610	15,920
101-000-476.06	Bond Forfeits	8,994	14,050	-	-	-	-	-
101-000-476.07	Contractor Licenses	6,655	7,077	6,000	6,000	6,000	6,000	6,000
101-000-476.20	Dog Licenses	4,078	4,130	4,000	4,000	4,000	4,000	4,000
101-000-476.21	Planning and Zoning Fees	11,417	18,076	-	-	-	-	-
101-000-476.24	Tree Removal Permit	370	7,570	1,030	320	320	320	320
101-000-476.27	Planning Comm. Application Fee	-	1,570	10,000	10,000	10,000	10,000	10,000
101-000-476.28	HDC Application Fee	-	768	6,620	5,500	5,500	5,500	5,500
101-000-476.29	BZA Application Fee	-	-	2,550	2,500	2,500	2,500	2,500
101-000-476.40	Cable TV Franchise	173,429	175,733	176,500	178,270	178,760	179,260	179,760
101-000-476.50	Liquor License Application	1,054	1,270	500	500	500	500	500
101-000-476.99	Miscellaneous	15,459	16,686	10,000	10,000	10,000	10,000	10,000
		433,619	443,951	471,900	439,390	444,170	449,050	454,020
Grants & Other Local Sources								
101-000-505.01	Act 302 Training	2,443	2,242	2,300	2,300	2,300	2,300	2,300
101-000-505.03	Drunk Driver Caseflow	2,795	3,134	3,000	3,000	3,000	3,000	3,000
101-000-660.05	Other Grants	-	-	30,185	24,000	-	-	-
101-000-660.06	Federal Grants - Public Safety	77	-	412	-	-	-	-
		5,315	5,376	35,897	29,300	5,300	5,300	5,300

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND REVENUES (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Racetrack Breakage-Police & Fire Service								
101-000-573.00	Racetrack Breakage	13,630	14,205	13,390	12,560	12,543	12,543	12,543
State Shared Revenue								
101-000-574.02	Constitutional Revenue Sharing	454,435	480,627	489,355	504,342	514,430	524,720	535,210
101-000-574.04	CVTRS Revenue Sharing	64,960	64,960	69,808	64,960	64,960	64,960	64,960
101-000-574.05	State Liquor License	12,080	12,495	12,545	12,000	12,000	12,000	12,000
		531,475	558,082	571,708	581,302	591,390	601,680	612,170
Sales and Services								
101-000-626.01	Impounded Vehicle Fees	1,305	856	750	750	750	750	750
101-000-626.02	Police Protection Services	17,249	3,754	4,000	4,000	4,000	4,000	4,000
101-000-626.04	DPW/Bldg Service Reimbursement	439	1,116	2,590	600	600	600	600
101-000-626.05	Crossing Guard Reimbursement	18,729	20,606	22,990	23,550	24,140	24,745	25,050
101-000-626.08	Fire Department Services	3,061	4,284	2,410	3,300	3,300	3,300	3,300
101-000-642.02	Other Miscellaneous Sales	48	27	25	25	25	25	25
101-000-642.03	FOIA Requests	119	473	150	150	150	150	150
101-000-642.05	Fire Service to Plymouth	487,707	598,875	591,184	648,952	660,168	677,012	695,092
101-000-642.07	Sale of Bricks	7	-	-	-	-	-	-
		528,664	629,991	624,099	681,327	693,133	710,582	728,967
Cemetery Revenue								
101-000-642.01	Cemetery Sales	19,455	32,685	20,000	30,000	30,000	30,000	30,000
101-000-642.04	Cemetery Foundation Sales	11,062	12,436	7,000	7,000	7,000	7,000	7,000
101-000-642.08	Cemetery Services - open/close	56,696	68,390	65,000	65,000	65,000	65,000	65,000
		87,213	113,511	92,000	102,000	102,000	102,000	102,000

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND REVENUES (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Financing Proceeds								
101-000-592.02	Proceeds - Installment Purchase	462,596	-	-	-	-	-	-
Fines and Forfeitures								
101-000-655.01	District Court Fines/Inmate Lodging	48,611	34,199	2,000	2,000	2,000	2,000	2,000
101-000-655.02	Parking Fines	21,091	17,742	12,000	12,000	12,000	12,000	12,000
101-000-655.03	Misc Ordinance Violations (Police)	401	756	865	500	500	500	500
101-000-656.00	Drug Forfeitures	176	56	-	-	-	-	-
101-000-656.01	Criminal Forfeitures	525	1,167	900	-	-	-	-
		70,804	53,920	15,765	14,500	14,500	14,500	14,500
Other Revenues								
101-000-586.11	Donations - Beautification Comm.	-	-	990	-	-	-	-
101-000-664.xx	Net Investment Income	39,475	765	12,500	12,500	12,500	12,500	12,500
101-000-664.15	Interest - Equipment Acquisition	183	-	-	-	-	-	-
101-000-666.00	Other Misc. Revenue	1,146	1,614	1,800	1,200	1,200	1,200	1,200
101-000-666.15	911 Wireless - Statewide	6,267	3,725	5,000	5,000	5,000	5,000	5,000
101-000-666.16	911 Wireline - Local	9,210	4,971	10,000	10,000	10,000	10,000	10,000
101-000-666.26	Election Reimbursements	7,704	8,126	-	-	9,895	-	-
101-000-668.00	Rents	-	1,124	-	-	-	-	-
101-000-668.01	Rent - Use of Vacant Land	2,812	2,837	2,897	2,955	3,014	3,074	3,135
101-000-668.09	Cell Tower Revenue	265,508	163,720	200,432	190,995	192,003	193,042	194,111
101-000-673.00	Gain on Sale of Assets	-	340	-	-	-	-	-
101-000-688.00	Overhead Reimbursement	198,070	203,460	200,395	195,360	198,990	202,730	221,670
		530,375	390,682	434,014	418,010	432,602	427,546	447,616

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND REVENUES (continued)

Account		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Number	Description	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Interfund Transfers								
101-000-689.00	PILOT-Allen Terrace Operating Transfers from	15,090	15,330	15,470	15,620	15,780	15,940	16,100
101-000-699.03	Public Improvement Fund	55,037	7,615	17,161	-	128,000	-	-
101-000-699.07	Downtown Development Authority	130,960	133,270	50,000	50,000	50,000	50,000	50,000
		201,087	156,215	82,631	65,620	193,780	65,940	66,100
Fund Balance Reserve								
101-000-699.00	Appropriation of Prior Year Surplus	-	-	-	-	-	-	-
Total General Fund Revenue		7,595,739	7,207,815	7,369,066	7,577,281	7,762,497	7,726,076	7,844,814

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: City Council

FUND NUMBER: 101-101

SUPERVISOR: Mayor and City Council



General Description of Activity

The City Council is the legislative and policy making body of the City of Northville. The Council establishes policy, approves contracts, enacts ordinances, and approves rules and regulations which supplement the ordinances and policies of the City.

The City Council holds public hearings on various subjects such as zoning changes, the annual budget, and special assessment rolls; receives and acts upon petitions; and makes appointments to various boards and commissions of the City. Regular meetings are set prior to the beginning of each year and are normally held on the first and third Mondays of each month at 7:00 p.m.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

City Council - continued

The City Council is comprised of a Mayor and four Council members, all elected at large. Council members are elected in non-partisan elections for overlapping four-year terms. The Mayor, elected to two-year term(s), serves as the presiding officer of the City Council and is the Chief Executive Officer of the City.

Proposed Fiscal Year Overview

The proposed fiscal year 2019 budget decreases by 3.7% primarily in the ceremonial line item. The budget continues important City memberships, including the Michigan Municipal League, the Conference of Western Wayne, and the Southeast Michigan Council of Governments.

City Council Goals

The following goals, objectives, and priorities of the City Council are detailed in more depth beginning on page I – 10.

- High Priority
 - Long-Term Fiscal and Financial Stability
 - Communications
 - Boards & Commission Training
- Medium Priority
 - Manager/Department Evaluation
 - Water and Sewer Improvements
 - Downtown Strategic Plan/Preservation of Downtown Funding
 - Street, Sidewalk, and Bike Path Improvements
 - Future City Hall and Fire Station Repairs/Renovations
 - Community Groups
 - Development and Redevelopment Issues
 - Ford Field Improvements
 - Cemetery Build-Out
 - Energy Efficiencies and Green Initiatives
- Lower Priority
 - Retaining the retail operation of the Northville Post Office within the Central Business District

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

City Council - continued

Performance Measures

Measure	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Regular City Council Meetings	23	24	24	24	24
Special City Council Meetings	3	4	3	3	3
Number of Ordinances Adopted	9	9	8	7	8
Number of Resolutions Adopted	11	5	2	3	3
Efficiency & Effectiveness Measures					
Departmental Costs per Capita	\$2.12	\$2.24	\$2.06	\$2.42	\$2.33
City Operating Millage Rate (mills)	13.5864	13.5864	13.5864	13.5864	13.4817
Bond Rating (Standard & Poors)	AA+	AA+	AA+	AA+	AA+

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

City Council

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-101-703.00	Salaries - Elected	2,600	2,600	2,600	2,600	2,600	2,600	2,600
101-101-726.00	Supplies	390	53	300	300	300	300	300
101-101-864.00	Conferences & Meetings	1,381	334	1,850	1,650	1,650	1,650	1,650
101-101-880.00	Ceremonial	17	299	625	200	200	200	200
101-101-958.00	Membership & Dues	8,813	8,816	8,875	8,960	9,020	9,080	9,140
101-101-967.00	Fringe Benefits	200	200	200	200	200	200	200
	Total Expenditures	13,401	12,302	14,450	13,910	13,970	14,030	14,090

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: City Manager's Office

FUND NUMBER: 101-172

SUPERVISOR: City Manager



General Description of Activity

The City Manager's Office provides general administrative services for the management of the City to ensure that all Council policies and directives are carried out. Further, the City Manager coordinates the work of all City departments and employees. In addition, the City Manager is responsible for the human resources function. Activities include providing liaison between the City Council, advisory boards/commissions, and City staff; preparing the City Council agenda and materials for Council meetings; preparing regular and special management reports; processing citizens' inquiries and service requests; working with citizens and the media for public relations and information purposes; working with other agencies of government including the DDA, Michigan Municipal League, State and County governments, representing the City at meetings and conferences, and serving on committees as directed.

The City Manager is responsible for the enforcement of all ordinances and expenditure of funds in accordance with the budget and the City Charter. It is also the responsibility of the Manager's Office to make recommendations to the City Council on legislation, financial programs, capital improvements, and other administrative matters. The office is directly responsible for the City's personnel program including recruitment, employee safety and training, and labor relations.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

City Manager’s Office – continued

Proposed Fiscal Year Overview

The proposed fiscal year 2019 budget increases 2.4%. The increase is due to proposed wage and fringe benefit adjustments, unfunded pension contributions, and retiree healthcare.

Action Steps Related to City Council Goals & Objectives

It is the responsibility of the City Manager’s office to coordinate, follow-up, and manage the goals and objectives of the City Council. These goals and objectives are listed in the City Council section of the budget and explained in further detail in Section I.

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Number of Agenda Packets Prepared	26	28	27	28	28
Labor Contracts Negotiated	0	0	2	2	0
Efficiency & Effectiveness					
Departmental Cost Per Capita	\$52	\$54	\$54	\$56	\$58

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

City Manager's Office

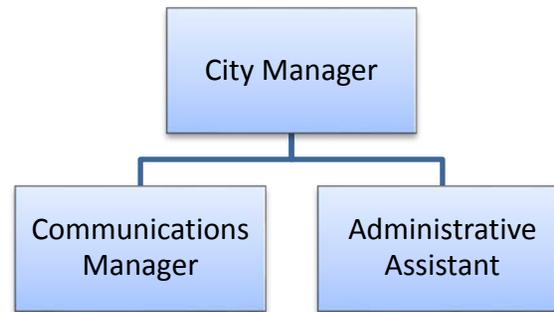
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-172-706.00	Salaries	148,588	148,278	152,410	156,275	160,255	162,310	162,405
101-172-710.00	Salaries - Communications	1,632	-	-	-	-	-	-
101-172-726.00	Supplies	211	361	200	200	200	200	200
101-172-731.00	Publications	156	124	155	65	160	65	165
101-172-853.00	Telephone	900	900	900	900	900	900	900
101-172-861.00	Vehicle Allowance	5,400	5,400	5,400	5,400	5,400	5,400	5,400
101-172-864.00	Conference & Meetings	1,533	1,476	1,765	1,765	1,765	1,765	1,765
101-172-958.00	Membership & Dues	1,081	1,090	1,135	1,145	1,175	1,185	1,195
101-172-967.00	Fringe Benefits	80,125	79,151	78,350	80,810	83,735	85,650	87,365
101-172-967.04	Unfunded Pension Contributions	68,849	73,458	82,565	83,850	91,140	96,880	102,980
101-172-967.09	Retiree Healthcare Costs	14,228	14,175	13,250	13,870	14,530	15,220	15,940
	Total Expenditures	322,703	324,413	336,130	344,280	359,260	369,575	378,315

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Communications

FUND NUMBER: 101-175

SUPERVISOR: City Manager



General Description of Activity

The Communications Department was established as a result of implementing a high priority goal of City Council in 2016. A part-time Communications Manager was hired in June 2016. This department is responsible for updating and maintaining the City’s website, publishing the weekly online “City News”, publishing the quarterly “Northville Matters” newsletter, maintaining the City’s social media accounts, reporting on the City Council meetings, and issuing press releases.

Proposed Fiscal Year Overview

The proposed fiscal year 2019 budget decreases 17%. The decrease is primarily due to anticipated lower costs to maintain the City website and bringing the design layout of the Northville Matters newsletter in-house.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Communications – continued

Action Steps Related to City Council Goals & Objectives

Communications (High Priority Goal)

- Complete the website redesign by July 31, 2018 which includes process for departments to create and maintain their areas.
- Implement more self-serve options on the website.
- Continue to improve and expand city-wide communications.
- Explore the option of having a YouTube channel on the website to highlight community events.

Departmental Goals & Objectives

- Refine and improve City News.
- Increase number of followers on social media accounts by 20%.

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
# of Facebook followers	n/a	n/a	211	350	420
# of subscribers to City News	n/a	1,444	1,506	1,560	1,870
# of Twitter followers	n/a	n/a	52	150	180
# of Instagram followers	n/a	n/a	n/a	n/a	100

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

Communications

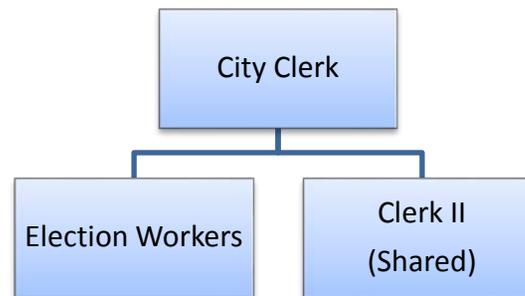
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-175-710.00	Salaries - Part Time	-	31,672	32,380	33,195	34,020	34,435	34,435
101-175-726.00	Supplies	-	697	270	100	100	100	100
101-175-801.00	Contractual Services	-	2,405	-	-	-	-	-
101-175-801.25	Northville Matters	-	2,807	9,330	6,260	6,260	6,260	6,260
101-175-801.34	City Web Site	-	16,562	29,330	18,700	3,600	3,600	3,600
101-175-967.00	Fringe Benefits	-	2,488	2,510	2,575	2,640	2,670	2,670
	Total Expenditures	-	56,631	73,820	60,830	46,620	47,065	47,065

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Elections

FUND NUMBER: 101-192

SUPERVISOR: City Clerk



General Description of Activity

This activity accounts for all direct expenditures related to Elections including a portion of the City Clerk’s wages, a portion of clerical wages, overtime, election inspector wages, ballots, publications, precinct supplies, equipment upgrades, programming services, absentee ballot costs, and software/hardware licenses and agreements.

The election process includes maintaining voter registration information using the Qualified Voter File (QVF) and preparing for elections. Election preparation begins at least 15 weeks prior to Election Day and includes: petition submissions, Election Commission meetings, preparation and mailing of permanent absent voter applications, processing absentee ballot requests, Military and Overseas Voter Empowerment Act (MOVE) ballot tracking, assigning election inspectors for the precincts and absent voter counting board, ordering precinct supplies, preparing precinct kits, ballot proofing, ordering ballots, chart of pre-determined results and test deck preparation, preliminary equipment testing, public accuracy test, publication of legal notices, updating the City’s website with pertinent election information, scheduling

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Elections – continued

election inspector training, preparing Electronic Poll Books, updating Election Day manuals, and post-election reporting requirements. In accordance with State Law, election inspectors are trained by the Novi City Clerk, and/or Oakland County Elections. It is mandatory that election inspectors receive training during the even-year election cycle.

Proposed Fiscal Year Overview

The proposed fiscal year 2019 budget provides for the administration of the August primary, November General, and part of the November odd-year election. The Elections budget fluctuates each fiscal year depending on the number and type of elections to be administered. The laptop for the electronic poll book is planned for replacement.

Action Steps Related to City Council Goals & Objectives

Communications (High Priority Goal)

- Continue to promote civic engagement through the electoral process by providing election information using the City’s website, Northville Matters, City News, Facebook, and Twitter to provide voters with up-to-date election information.

Departmental Goals & Objectives

- Remain accredited to administer City of Northville Elections by attending and/or completing educational sessions/classes as assigned by the Secretary of State/Bureau of Elections.
- Monitor changes to Election Law and update election procedures to ensure compliance.
- Review and update practices and procedures as necessary in response to post-election audits.
- Implementation of state-wide voting equipment upgrades in accordance with the Help America Vote Act.
- Partner with the City of Novi and Oakland County Elections for mandatory election inspector training sessions during the even-year election cycle.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Elections – continued

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Estimated
Inputs & Outputs					
Number of Registered Voters	4,969	4,910	5,007	4,950	4,950
Number of Elections Conducted	3	3	2	1	2
Absent Voter Ballots Prepared	2,144	1,867	2,133	500	1,800
Efficiency & Effectiveness Measures					
Cost of Elections per Capita	\$8	\$8	\$7	\$12	\$8
% of Registered Voters Voting – November	58%	31%	80%	31%	80%
% of Registered Voters Voting – August	25%	23%	21%	n/a	30%
% of Registered Voters Voting – May	35%	n/a	n/a	n/a	n/a
% of Registered Voters Voting – March	n/a	49%	n/a	n/a	n/a

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

Elections

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-192-704.00	Salaries - Election Workers	6,758	10,595	3,650	12,180	3,815	12,180	3,815
101-192-706.00	Salaries - Regular Full Time	10,779	12,005	12,615	13,310	13,410	14,025	13,695
101-192-707.00	Salaries - Regular Overtime	392	703	175	690	200	720	230
101-192-740.00	Operating Supplies	3,079	2,582	3,660	3,725	2,840	3,725	6,340
101-192-741.00	Maintenance	853	667	285	300	300	300	3,200
101-192-801.19	Technology Support & Services	3,372	3,333	3,000	3,650	3,000	3,650	3,000
101-192-863.00	Mileage Reimbursement	150	282	100	100	60	100	100
101-192-900.00	Printing & Publishing	3,319	1,561	2,960	2,180	2,910	2,180	2,910
101-192-942.01	Rental - Facilities	700	700	350	700	700	700	350
101-192-967.00	Fringe Benefits	6,825	7,624	7,410	7,965	8,250	8,450	8,245
101-192-967.04	Unfunded Pension Contributions	778	949	1,130	1,240	1,350	1,440	1,530
101-192-967.09	Retiree Healthcare Costs	1,336	1,399	1,450	1,520	1,600	1,680	1,760
101-192-973.00	Capital Outlay - Equip <\$5,000	-	-	10,185	1,300	-	-	-
101-192-977.00	Capital Outlay - Equip >\$5,000	-	-	25,000	-	-	-	-
	Subtotal	38,341	42,400	71,970	48,860	38,435	49,150	45,175
Reimbursable Expenditures								
101-192-704.99	Salaries - Election Workers	3,565	-	-	-	4,000	-	-
101-192-706.99	Salaries - Regular Full Time	364	-	-	-	340	-	-
101-192-707.99	Salaries - Regular Overtime	-	-	-	-	200	-	-
101-192-712.99	Contracted Labor	175	-	-	-	-	-	-
101-192-740.99	Operating Supplies	1,456	-	-	-	1,400	-	-
101-192-801.85	Contracted Services	-	-	-	-	175	-	-
101-192-801.86	Technology Support & Services	1,476	-	-	-	1,900	-	-
101-192-863.99	Mileage Reimbursement	-	-	-	-	40	-	-
101-192-900.99	Printing & Publishing	953	-	-	-	955	-	-
	Subtotal	7,989	-	-	-	9,010	-	-
	Total Expenditures	46,330	42,400	71,970	48,860	47,445	49,150	45,175

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: City Attorney

FUND NUMBER: 101-203

SUPERVISOR: City Council

General Description of Activity

This activity accounts for the legal and prosecuting services performed by the City Attorney. The City Attorney serves as legal advisor for the City Council, City Manager, and all City Departments. The City Attorney represents the City in most lawsuits by or against the City and reviews the form and content of ordinances, resolutions, agreements, and other official documents of the City.

Traditionally, the City has retained separate legal firms for specialty assistance such as when the City needs legal counsel for labor relations assistance or long-term financing projects.

Proposed Fiscal Year Overview

The budget decreases by 26% due to labor contract settled in the prior year. General and prosecution costs are unpredictable and budgeted using a five-year average of actual costs.

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Efficiency & Effectiveness					
Departmental Costs per Capita	\$18	\$16	\$23	\$26	\$19

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

City Attorney's Office

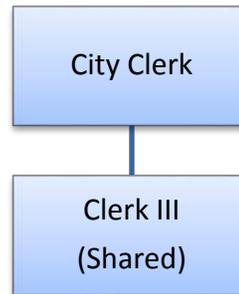
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-203-802.01	Legal Service - General	20,690	17,512	40,000	26,000	20,000	20,000	20,000
101-203-802.02	Legal Service - Prosecution	68,082	76,635	100,000	80,000	80,000	80,000	80,000
101-203-802.03	Legal Service - Labor	6,877	40,214	17,525	10,000	10,000	35,000	35,000
	Total Expenditures	<u>95,649</u>	<u>134,361</u>	<u>157,525</u>	<u>116,000</u>	<u>110,000</u>	<u>135,000</u>	<u>135,000</u>

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: City Clerk's Office

FUND NUMBER: 101-215

SUPERVISOR: City Clerk



General Description of Activity

The City Clerk provides administrative service to all city operations including records management, risk management, ordinances, publishing bid opening notices and results, publishing legal notices, preparing and mailing public hearing notices, issuing various licenses and permits, department website updates, Freedom of Information Act Coordinator, duties assigned to the City Clerk by statute, and other assignments as directed by the City Manager. As the Secretary to the City Council, the City Clerk records and transcribes minutes, certifies resolutions, and performs other clerical duties as warranted by Council action. The City Clerk serves as the recording secretary for the Liquor License Review Committee. In addition, the City Clerk serves as the administrative supervisor for the Building Department and Planning and Zoning Services.

The Front Office is located in the City Clerk's office. In addition to clerical staff's individual position responsibilities, clerical staff provides customer service, including but not limited to main telephone and customer reception; responding to miscellaneous in-person questions/inquiries, receiving various payments (such as utility bills, taxes, license fees, parking tickets, miscellaneous receivables), daily deposit and cash receipts summary, parking ticket data maintenance and collection efforts, dog licensing, issuing miscellaneous licenses, and notary services.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

City Clerk’s Office – continued

Proposed Fiscal Year Overview

The FY2019 budget increases approximately 3% over the previous year due to wages, fringe benefits, unfunded pension contributions, and retiree healthcare costs increases.

Action Steps Related to City Council Goals & Objectives

Communications (High Priority Goal) - Explore additional online registration and payment options.

Departmental Goals & Objectives

- Pursue unpaid parking tickets through correspondence, use of collection agency, and the 35th District Court.
- Conducting periodic walking tours of the Central Business District to collect data on new and unlicensed businesses. Request code enforcement for non-compliance.

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Proposed	FY2019 Estimated
Inputs & Outputs					
Number of Business Licenses Issued	266	262	257	266	266
Number of Dog Licenses Issued	432	424	412	432	435
Number of FOIA Requests Processed	65	65	60	65	65
Efficiency & Effectiveness Measures					
Departmental Cost Per Capita	\$17	\$19	\$23	\$25	\$26
% of FOIA Requests Responded to Within Legal Limits	100%	100%	100%	100%	100%

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

City Clerk's Office

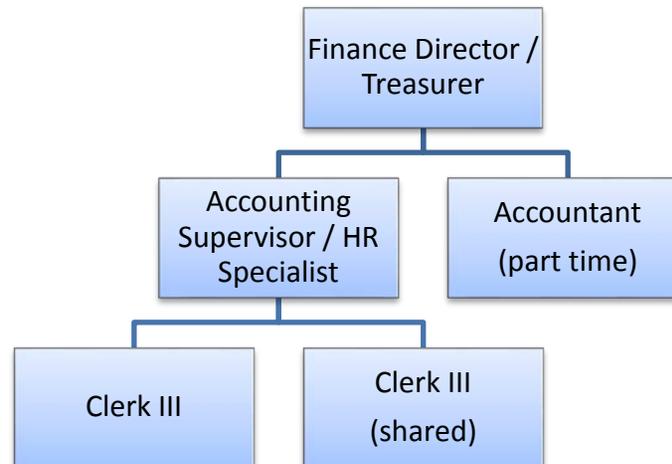
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-215-706.00	Wages/Salaries	36,738	46,130	47,840	49,440	51,380	52,780	52,810
101-215-707.00	Wages/Salaries Overtime	38	-	320	325	335	340	340
101-215-726.00	Supplies	925	595	1,195	885	1,040	845	1,040
101-215-801.00	Contractual Services	61	-	1,030	1,030	30	30	30
101-215-853.00	Telephone	900	900	900	900	900	900	900
101-215-863.00	Mileage	14	93	75	75	75	75	75
101-215-900.00	Printing & Publishing	3,265	1,931	4,565	4,495	4,495	4,495	4,495
101-215-958.00	Membership & Dues	290	295	315	335	315	315	315
101-215-960.00	Education & Training	26	-	1,500	1,500	1,500	1,500	1,500
101-215-967.00	Fringe Benefits	21,601	28,967	29,105	30,020	31,185	32,110	32,665
101-215-967.04	Unfunded Pension Contributions	39,234	44,089	50,605	52,765	57,350	60,960	64,800
101-215-967.09	Retiree Healthcare Costs	13,200	13,815	14,240	14,830	15,440	16,090	16,770
	Total Expenditures	116,292	136,815	151,690	156,600	164,045	170,440	175,740

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Finance and Administrative Services

FUND NUMBER: 101-230

SUPERVISOR: Finance Director/Treasurer



General Description of Activity

This activity is responsible for the budgeting, accounting, reporting and management of the City's financial activities. This includes responding to public inquiries and requests of other City departments and Shared Services. Daily activities include accounts receivable, accounts payable, payroll, utility billing, general ledger, cash management, account analysis, and budgetary and accounting control. Special projects include analysis of the City's rate structures, capital programming, purchasing procedures, annual audit, employee benefits issues, and the identification and development of cost saving opportunities. Time is also spent meeting with representatives from other municipalities to exchange ideas and information.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Finance and Administrative Services – continued

This Department also assists the City Manager’s office with a wide range of general and administrative issues. Such issues include long-term planning, financial and operational analysis, labor negotiations and personnel administration. In addition, the Director in this department oversees the City’s Technology program, the Tax & Assessing Department, and the Public Works Clerk. Lastly, the Accounting Supervisor of this Department, in coordination with the Finance Director and City Clerk, has the responsibility of the Office Manager. These responsibilities include oversight of workflow for the clerical staff and related operational matters.

Proposed Fiscal Year Overview

The proposed fiscal year 2019 budget decreases 2.3% which is primarily related to the comprehensive financial analysis performed by the team of Vettraino Consulting and Municipal Analytics in the prior year.

Action Steps Related to City Council Goals & Objectives

- Long-term financial stability (High Priority Goal)
 - Implement strategies identified by City Council after the comprehensive financial analysis is completed by consultants as it relates to the current millage levy, infrastructure improvements, and legacy costs.
 - Determine and implement the cemetery maintenance investment plan.
- Communications (High Priority Goal)
 - Promote and encourage use of technology by residents (online payments and email) to improve staff efficiency and provide convenience to customers.

Departmental Goals & Objectives

- Obtain the Distinguished Budget Presentation Award for the thirteenth year in a row.
- Assist other departments with creating, revising, or updating long-term capital improvement programs.
- Analyze the overhead charge from the General Fund to other funds.
- Develop financial policies manual.
- Fully implement the human resources system.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Finance and Administrative Services – continued

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Efficiency & Effectiveness Measures					
Departmental Cost Per Capita	\$47	\$50	\$54	\$56	\$57
Bond Rating (Standard & Poor's)	AA+	AA+	AA+	AA+	AA+
Years Received GFOA Distinguished Budget Award	9	10	11	12	13

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

Finance and Administrative Services

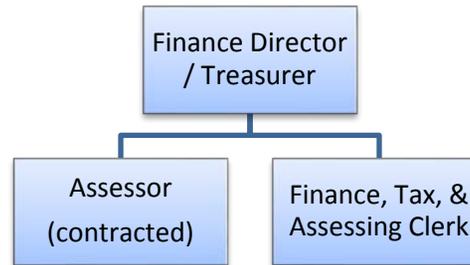
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-230-706.00	Wages/Salaries	113,535	128,616	137,320	140,925	144,715	147,205	146,915
101-230-707.00	Wages/Salaries - Regular OT	496	433	320	325	335	340	340
101-230-710.00	Wages/Salaries - Part-time	36,616	37,129	37,995	38,365	39,920	40,415	40,415
101-230-726.00	Supplies	1,480	1,096	1,175	1,175	1,175	1,185	1,185
101-230-731.00	Publications	621	631	750	750	810	810	810
101-230-801.00	Contractual Services	1,345	1,295	18,470	1,280	1,280	280	280
101-230-805.00	Auditing Fees - General Fund	10,965	11,614	13,720	13,430	13,680	13,930	14,190
101-230-853.00	Telephone	900	900	900	900	900	900	900
101-230-958.00	Memberships & Dues	1,015	1,115	1,440	1,450	1,480	1,495	1,510
101-230-960.00	Education & Training	4,269	1,252	2,800	3,950	3,950	3,950	3,950
101-230-967.00	Fringe Benefits	66,534	76,039	78,675	80,985	83,780	85,615	87,160
101-230-967.04	Unfunded Pension Contributions	24,593	27,861	31,110	33,660	36,580	38,880	41,330
101-230-967.09	Retiree Healthcare Costs	33,839	34,047	25,560	24,920	26,330	27,830	29,420
	Total Expenditures	296,208	322,028	350,235	342,115	354,935	362,835	368,405

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Tax & Assessing Department

FUND NUMBER: 101-252

SUPERVISOR: Finance Director/Treasurer



General Description of Activity

This department includes the offices of the City Assessor and City Treasurer. The Treasurer’s Office is responsible for the billing, collection, and disbursement of all taxes due the City as well as all other taxing jurisdictions. The property tax is the principal funding source for General Fund operations. The other jurisdictions include State Education Tax, Wayne County, Oakland County, Northville Public Schools, Wayne Intermediate School District, Schoolcraft Community College, Huron Clinton Metropark Authority, Northville District Library, and other special taxing authorities. This department is also responsible for the collection of delinquent personal property taxes.

The City offers various options for taxpayers to make payments: credit cards online or in office, mail to lockbox, ACH (auto payment from taxpayer bank account), walk-in, and 24/7 drop box.

The City Assessor is a contracted position, working approximately twelve hours per week. There is a clerical employee assigned to this department. However, that employee also has duties in the Finance Department. This Department keeps records on all properties including land and buildings. The assessed value is required by law to be established at 50% of true cash value. The State Constitution requires the assessed value to be uniform with the assessments of other similar properties. The 2018 tax and assessment detail are shown in Section X of this budget document.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Tax & Assessing Department – continued

Proposed Fiscal Year Overview

The proposed fiscal year 2018 budget shows an increase of 2.8% primarily related to wage and fringe benefit adjustments and unfunded pension contributions. The goals are included in the Finance Department’s section of the budget.

Performance Measures

Measure	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Assessment Roll Year	2014	2015	2016	2017	2018
Parcel Count - Real Property	2,623	2,614	2,622	2,620	2,621
Parcel Count – Personal Property	513	554	570	585	532
March Board of Review Appeals - Residential Real	21	23	25	16	20
March Board of Review Appeals - Commercial & Industrial Real	2	4	3	0	1
March Board of Review Appeals - Personal Property	1	5	0	4	17
Tax Tribunal - Small Claims Appeals Filed	2	0	0	3	0
Tax Tribunal - Full Tribunal Appeals Filed	8	2	1	1	0
Number of Parcels with a Principal Residence Exemption (PRE)	2,014	2,018	2,056	2,075	2,078
Number of Parcels with a Michigan Business Tax Exemption (MBT)	562	553	564	590	684
Number of Parcels exempt from personal property taxes (under 40,000 TV)	308	290	329	304	343
Efficiency & Effectiveness Measures					
Departmental Cost per Capita (fiscal year)	\$32	\$29	\$27	\$31	\$31
Equalization Factor	1.00	1.00	1.00	1.00	1.00

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

Tax & Assessing Department

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-252-703.00	Wages - Board of Review	1,120	1,400	1,400	1,400	1,400	1,400	1,400
101-252-706.00	Wages - Full Time	54,605	40,431	41,390	42,445	43,525	44,090	44,120
101-252-707.00	Wages - Clerical Overtime	835	951	320	325	335	340	340
101-252-710.00	Wages - Part Time	23,987	11,499	-	-	-	-	-
101-252-740.00	Operating Supplies	282	125	250	250	300	250	250
101-252-801.00	Contractual Services	1,240	680	540	570	570	570	570
101-252-802.00	Collection Services	69	175	-	-	-	-	-
101-252-802.04	Legal Services	5,404	9,416	10,000	10,000	10,000	10,000	10,000
101-252-806.00	Contracted Assessing Services	-	19,000	48,380	49,340	49,930	50,925	51,945
101-252-863.00	Mileage	922	127	250	250	250	250	250
101-252-900.00	Printing & Publishing	4,622	6,222	6,550	6,590	6,590	6,685	6,685
101-252-958.00	Membership & Dues	345	530	560	565	565	575	575
101-252-960.00	Education & Training	3,698	1,353	1,325	1,655	1,655	1,655	1,655
101-252-967.00	Fringe Benefits	35,026	24,163	22,560	23,230	24,015	24,530	24,995
101-252-967.04	Unfunded Pension Contributions	35,988	40,319	46,210	48,085	52,270	55,560	59,060
101-252-967.09	Retiree Healthcare Costs	4,339	3,478	2,900	3,025	3,180	3,340	3,510
101-252-984.00	GIS Assistance	3,080	-	-	-	-	-	-
	Total Expenditures	175,562	159,869	182,635	187,730	194,585	200,170	205,355

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Buildings and Grounds

FUND NUMBER: 101-261
through 101-276

SUPERVISOR: Director, Department of Public Works

General Description of Activity

The organizational chart for Public Works is displayed in section 101-441. This activity encompasses operations and maintenance of the Rural Hill and Oakwood Cemeteries. Also included is the maintenance and utilities for the City Hall building and grounds, as well as Mill Race Village and a number of City-owned buildings and properties. Mowing and maintenance of boulevards, and public rights-of-way, are included in this section of the budget. In addition, an annual tree planting and maintenance program is undertaken.

Proposed Fiscal Year Overview

An increase of 9.7% is being proposed in this area for FY 2019 primarily related to filling the vacant Assistant Public Works Director position whose wages and fringes are partially allocated to the Cemetery as its Sexton.

Departmental Goals & Objectives

- Convert cemetery paper documents and maps into an electronic database system.
- Oversee phase II of the cemetery expansion.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Buildings and Grounds – continued

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Estimate
Inputs & Outputs					
Number of Cemetery Lots Sold	31	35	41	25	40
Number of Open/Close Events	51	64	55	50	50
Number of Trees Replaced	0	12	11	11	11
Number of Trees Removed	5	9	27	15	10
Number of Developed Cemetery Acres	23	23	23	23	24
Number of Undeveloped Cemetery Acres	3	3	3	3	2
Efficiency & Effectiveness					
Cost of Cemetery Operations per Capita	\$21	\$21	\$14	\$15	\$16
Cost per Acre for Cemetery Maintenance	n/a	n/a	\$3,677	\$3,787	\$4,082

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Buildings and Grounds

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Cemetery Services - Open/Close								
101-261-706.00	Wages/Salaries (DPW)	-	7,647	6,525	7,680	8,070	8,600	8,600
101-261-706.14	Wages/Salaries (Admin)	-	8,928	9,620	20,100	21,005	22,130	22,135
101-261-707.00	Overtime (DPW)	-	1,123	2,965	1,500	1,535	1,635	1,635
101-261-710.00	Wages (Part Time)	-	2,956	-	5,000	-	-	-
101-261-775.00	Materials	-	351	200	200	200	200	200
101-261-853.00	Telephone/Communications	-	90	-	-	-	-	-
101-261-943.00	Equipment Rental	-	10,452	9,090	9,180	9,270	9,360	9,450
101-261-967.00	Fringe Benefits	-	17,068	17,140	27,840	28,590	30,180	30,510
		-	48,615	45,540	71,500	68,670	72,105	72,530
Cemetery Maintenance								
101-262-706.00	Wages/Salaries (DPW)	21,863	19,888	18,405	21,940	23,055	24,615	24,615
101-262-706.14	Wages/Salaries (Clerical)	4,517	-	-	-	-	-	-
101-262-707.00	Overtime (DPW)	1,921	872	600	1,500	1,535	1,675	1,675
101-262-710.00	Wages (Sexton)	17,330	-	-	-	-	-	-
101-262-775.00	Materials	1,068	656	700	700	700	700	700
101-262-775.01	Foundations	2,314	3,443	3,000	3,000	3,000	3,000	3,000
101-262-801.00	Contractual Services	20,778	21,139	27,500	28,980	29,490	30,010	30,540
101-262-853.00	Telephone/Communications	360	-	-	-	-	-	-
101-262-920.03	Water & Sewer Services	184	305	300	330	360	390	410
101-262-943.00	Equipment Rental	20,611	12,485	12,000	12,120	12,240	12,360	12,480
101-262-967.00	Fringe Benefits	31,761	23,282	21,750	26,470	27,775	29,510	29,955
101-262-967.04	Unfunded Pension Contributions	2,253	2,496	2,850	2,940	3,200	3,400	3,610
		124,960	84,566	87,105	97,980	101,355	105,660	106,985

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Buildings and Grounds (continued)

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
City Hall Building and Grounds								
101-263-706.00	Wages/Salaries	4,411	6,141	6,230	6,580	6,920	7,400	7,400
101-263-707.00	Overtime	146	154	150	150	155	160	160
101-263-740.00	Supplies	-	471	-	-	-	-	-
101-263-741.00	Maintenance - Generator & Siren	11,273	3,047	4,170	4,175	4,175	4,175	4,175
101-263-775.00	Materials	629	2,665	2,000	2,000	2,000	2,000	2,000
101-263-776.00	Maintenance Supplies	4,324	2,408	2,500	2,500	2,500	2,500	2,500
101-263-801.00	Contractual Services	13,163	5,737	22,360	18,760	18,840	18,920	19,000
101-263-801.01	Janitorial Services	10,800	10,800	10,800	12,000	12,000	12,000	12,000
101-263-801.06	Elevator Maintenance	4,407	5,762	4,480	4,630	4,790	4,950	5,120
101-263-853.00	Telephone	15,348	18,483	18,840	18,720	18,720	15,000	15,000
101-263-920.00	Solid Waste Collection	459	459	500	515	530	545	560
101-263-920.01	Electrical Service	37,183	35,649	37,200	37,940	38,690	39,460	40,250
101-263-920.02	Natural Gas Service	8,016	7,595	8,500	8,670	8,840	9,020	9,200
101-263-920.03	Water & Sewer Service	3,983	3,121	4,000	4,080	4,160	4,240	4,320
101-263-943.00	Equipment Rental	1,873	1,606	1,900	1,920	1,940	1,960	1,980
101-263-967.00	Fringe Benefits	5,042	6,606	6,120	6,675	7,020	7,465	7,540
		121,057	110,704	129,750	129,315	131,280	129,795	131,205
Beautification Commission								
101-269-706.00	Wages-Regular Full Time	80	46	120	110	110	115	115
101-269-775.00	Materials	1,955	1,613	2,990	2,000	2,000	2,000	2,000
101-269-880.00	Ceremonial	1,292	1,508	1,575	1,575	1,575	1,575	1,575
101-269-910.00	Liability Insurance	1,093	698	2,295	2,360	2,430	2,500	2,580
101-269-943.00	Equipment Rental - City	31	65	65	65	65	65	65
101-269-958.00	Memberships & Dues	45	20	20	20	20	20	20
101-269-967.00	Fringe Benefits	89	48	120	110	110	115	115
		4,585	3,998	7,185	6,240	6,310	6,390	6,470

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Buildings and Grounds (continued)

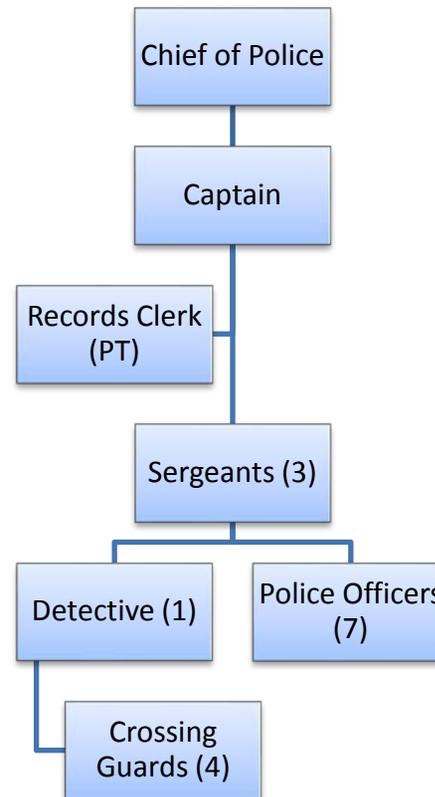
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
Mill Race Village								
101-270-706.00	Wages/Salaries	644	723	475	815	875	985	985
101-270-707.00	Wages/Salaries - OT	-	-	150	155	165	180	180
101-270-775.00	Materials	-	1,294	200	200	200	200	200
101-270-801.00	Contractual Services	4,915	5,403	7,320	7,460	7,600	7,740	7,890
101-270-910.00	Insurance	1,348	856	2,605	2,680	2,760	2,840	2,930
101-270-920.00	Utilities	993	993	1,050	1,080	1,110	1,140	1,170
101-270-920.03	Water & Sewer Service	2,103	2,423	5,000	5,000	5,000	5,000	5,000
101-270-943.00	Equipment Rental	529	468	600	610	620	630	640
101-270-967.00	Fringe Benefits	727	709	470	965	1,035	1,150	1,165
		11,259	12,869	17,870	18,965	19,365	19,865	20,160
Maintenance of Other City Property								
101-272-706.00	Wages/Salaries	4,571	4,387	3,165	4,390	4,610	4,925	4,925
101-272-707.00	Overtime	-	-	60	-	-	-	-
101-272-775.00	Materials	-	22	250	250	250	250	250
101-272-801.00	Contractual Services	1,239	1,233	1,500	1,500	1,500	1,500	1,500
101-272-943.00	Equipment Rental	4,006	2,418	2,600	2,630	2,660	2,690	2,720
101-272-967.00	Fringe Benefits	5,299	4,709	3,170	4,355	4,575	4,860	4,915
		15,115	12,769	10,745	13,125	13,595	14,225	14,310
Tree Maintenance								
101-276-783.00	New Trees	3,285	3,300	5,200	3,000	3,000	3,000	3,000
101-276-801.10	Tree Maintenance	3,626	39,980	25,000	20,000	20,000	20,000	20,000
		6,911	43,280	30,200	23,000	23,000	23,000	23,000
Total Expenditures - Buildings and Grounds		283,887	316,801	328,395	360,125	363,575	371,040	374,660

City of Northville
Line Item Budget for the Year Ended June 30 2019 and
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ACTIVITY: Police Department

FUND NUMBER: 101-304 through 101-315

SUPERVISOR: Chief of Police



City of Northville
Line Item Budget for the Year Ended June 30 2019 and
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General Description of Activity

The Police Department provides a twenty-four hour a day patrol, using a minimum of two, one-officer patrol units. The Department is currently staffed by the Chief of Police, a Captain, three Sergeants, and eight Police Officers, all of whom are licensed by the Michigan Commission on Law Enforcement Standard (MCOLES). The Department is also staffed by one part-time records clerk. Every member of the department performs a multitude of tasks including records, training, investigations, and responding to calls for service. The police department activity is allocated among several categories for budgeting and accounting purposes. The following is a brief explanation on each of the budget categories.

Police Racetrack Services - The Police Department provides police presence at Northville Downs. This patrol includes the interior of the building, stable area and parking lots. Essentially, this function has been reduced to “walk through” periodic patrols with no significant increase in criminal activity.

During 2017, the Department responded to 150 calls for service (CFS) from the racetrack. This represented about two percent of all the Department’s calls for service during 2017. This number is more than the 133 CFS the Department responded to in 2016. Included in this number are the 76 details to safeguard the collection of money, the same as in 2016. This category of costs is reimbursed by breakage revenue.

Police Patrol - Officers assigned to patrol respond to calls for service, assist citizens and motorists, patrol the City in an effort to prevent crime, enforce traffic laws, and enforce criminal laws and City ordinances. The patrol function operates 24 hours a day, seven days a week. A minimum of two officers are scheduled at all times. In 2017, officers on patrol handled 5610 calls for service (CFS), a decrease of 370 from 2016.

Investigations – It is Department policy that patrol officers investigate each complaint as completely as they can before passing it to the Detective for further investigation. This category represents the investigation of criminal cases beyond the preliminary investigation done by the patrol officers. The duties include follow-up interviews, crime scene processing, delivery and pick-up of evidence at the crime lab, and presenting cases to the prosecuting attorney for the issuance of a warrant. Also, the detective collects information to determine crime patterns or develop the method of operation of specific criminals. The detective must coordinate

City of Northville
Line Item Budget for the Year Ended June 30 2019 and
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Police Department – continued

witnesses, deliver subpoenas and track evidence for court cases. The detective is also called upon to fill in on patrol, coordinate court cases, and assist with records functions.

Court Appearances - This activity represents the salaries and fringes for time officers spend in court and other costs related to processing and housing of prisoners. The City must pay the housing costs of those sentenced to serve time for a local ordinance conviction.

In total, there were 112 adult arrests made by the department in 2017. Of these arrests, 28 were drinking and driving offenses or operating under the influence of drugs. Of the 28 arrests, 5 were charged with operating with a BAC of .17% or above, 2 were charged with operating under the influence of drugs, 17 were charged with operating under the influence of alcohol, 2 were charged with second offense operating under the influence of alcohol, 1 was charged with ability impaired by alcohol, 1 was charged with being under 21 years of age with a BAC not less than .02% or more than .07%. There were no felony drunk driving arrests in 2017.

Training – This category is for the training of officers. In today’s litigious society, it is essential that the Department train its personnel to reduce liability and to provide the best level of service possible to the community. Department staff conducts a portion of this training and employees are sent to various academies and colleges for seminars.

Critical training topics include firearm and use of force qualification, Taser, legal update, supervisory classes, active shooter, CPR, administering Narcan, AED use, self-defense, pathogens, and control tactics. Where possible, this training is conducted with our own instructors. In recent years training has been limited due to personnel shortages. It is the immediate goal of the department to continue recoup our core curriculum and advance our training. It is also important that we continue to train our supervisory personnel by sending them to leadership seminars and schools.

Civic Events - This represents use of Police services for special events in the City such as the Memorial Day Parade, the Independence Day Parade, the Victorian Festival, Halloween, and the Holiday Lighted Parade. The proposed budget provides the same level of service as recent years for these events. These services are not reimbursed by the sponsoring organization.

City of Northville
Line Item Budget for the Year Ended June 30 2019 and
Five Year Plan – 2018 through 2022

Police Department – continued

Dispatch & Lockup - The City contracts with Northville Township for lockup service and 24-hour dispatch service to answer incoming calls for police, fire, and medical emergencies.

Administration & Records - This activity includes the salary of the Chief of Police, the Captain, the Records Clerk, a portion of the Sergeants, and paid leave time, such as vacation and sick time. The cost of police retiree pension contributions and healthcare premiums are recorded in this activity. Other general costs such as uniforms, operational and office supplies and payment to other agencies and firms are charged in this section.

The department is only open to the public from 8 am to 4 pm Monday through Friday. The public is assisted by dayshift personnel including the Chief, Captain, Detective, Patrol Officers, and the Records Clerk. Citizens coming to the department during closed hours are able to contact Dispatch through the lower level lobby phone for a patrol vehicle to respond. Emergency calls for service are routed through the 911 system to Northville Township who dispatches the patrol units.

Contracted Police Service - This activity includes wages and fringe benefits that are reimbursable by those who request special police services. This would include school events, races, festivals, and traffic control for commercial filming. Expenditures in this category are offset by a revenue line item.

Proposed Fiscal Year Overview

The proposed budget increases by 4.6%. The increase is related to several factors: wage and fringe benefit adjustments, inflationary increases for insurance and contracted Township services, and rising retiree pension and healthcare costs. It is proposed that one Sergeant attend Staff and Command school.

City of Northville
Line Item Budget for the Year Ended June 30 2019 and
Five Year Plan – 2018 through 2022

Police Department – continued

The proposed budget assumes the continuation of twelve-hour shifts which began in 2017. All three Sergeant positions are filled and full staffing will be achieved before the new fiscal year begins.

Department Action Steps Directly Related to City Council Goals & Objectives

Communications

- Explore integrating existing City-run social media sites (Facebook, Twitter, etc.) for the dissemination of public alerts and other relevant community information from the Police Department.
- Improve community outreach and investigative techniques using social media as a means of investigating as well as informing the residents of current crime patterns and community events.

Departmental Goals & Objectives

- Dispose of equipment that is unused or outdated.
- Destruction of records that have reached or are beyond our retention schedule and after adjudication.
- Improve professionalism and reduce liability by updating and training to policies and procedures, focusing on critical aspect of job, and reassignment of department responsibilities.
- Enhance service levels and improve community relations by adhering to contractual obligations and enhancing relations with the community by creating more positive contacts and increasing traffic/parking enforcement.

City of Northville
Line Item Budget for the Year Ended June 30 2019 and
Five Year Plan – 2018 through 2022

Police Department – continued

Performance Measures (by Calendar Year)

	CY2015 Actual	CY2016 Actual	CY2017 Actual	CY2018 Estimate	CY2019 Estimate
Inputs & Outputs					
Total Calls for Service (CFS)	5,301	5,980	5,610	5800	5800
Traffic Crashes Investigated	233	283	272	263	265
Total Number of Arrests – Adult	188	168	112	156	156
Total Number of Arrests - Juvenile	4	6	2	4	4
Number of Operating While Intoxicated Arrests	41	53	28	41	40
Number of Traffic Related Charges	976	1,076	834	962	960
Number of Parking Violations	1,756	1,765	1,213	1578	1575
Liquor Inspections	37	69	62	62	62
Referrals to Youth Assistance	0	6	1	3	3
Violent Crime	4	2	4	4	4
Property Crime	65	56	44	55	55
Part I Offenses	69	51	43	54	50
Efficiency & Effectiveness Measures					
Average Response Time (minutes)	3.40	3.84	3.22	3.22	3.22
Department Cost per Capita (fiscal year)	\$440	\$436	\$453	\$487	\$509

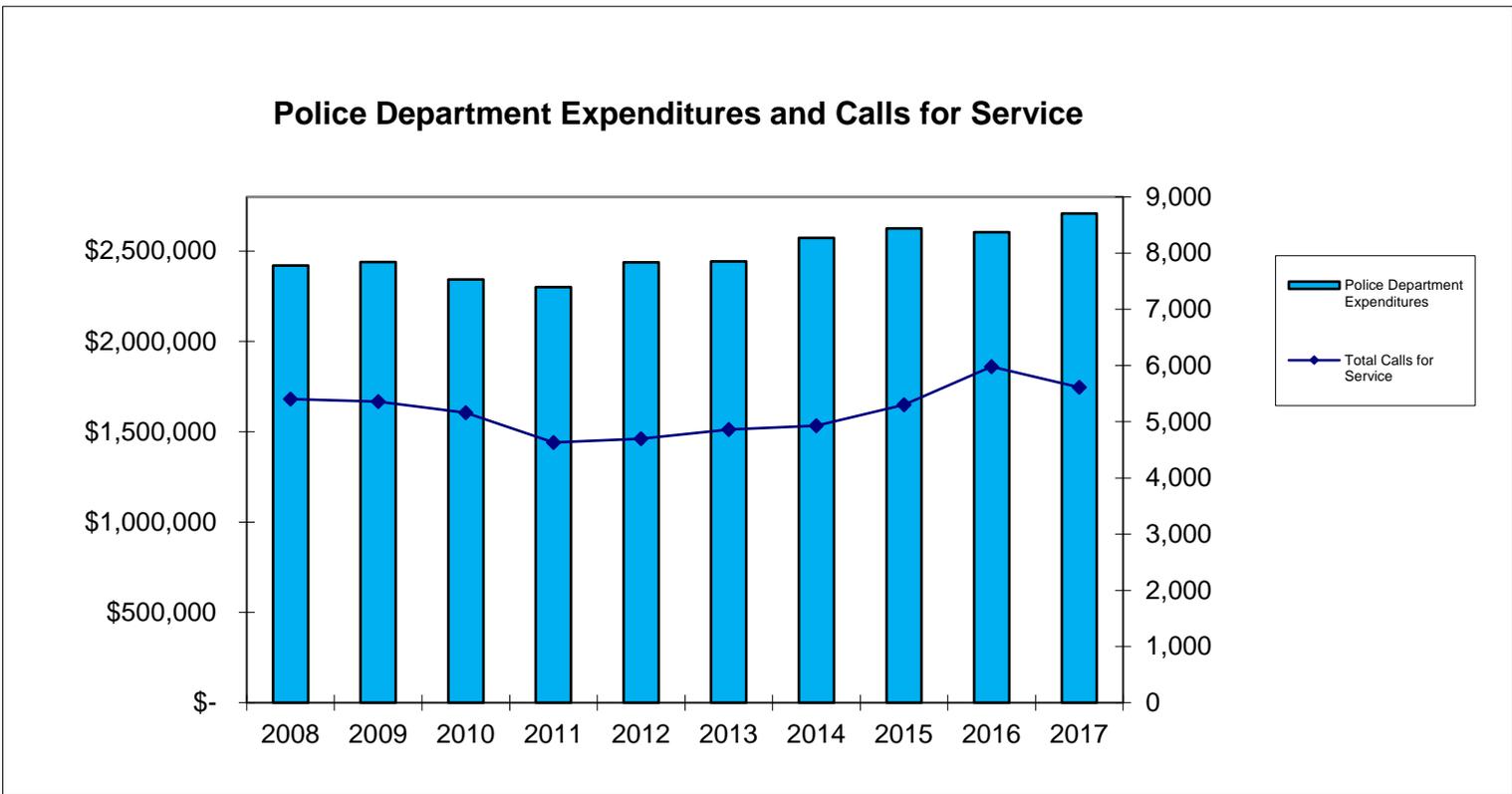
- **Violent Crime** - murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault.

- **Property Crime** – Burglary, Larceny-theft, Arson, and Motor Vehicle Theft

- **Part I Offenses** - The Uniform Crime Reports (UCR) Part I Offenses (murder and manslaughter homicide, forcible rape, robbery, aggravated assault, burglary, motor vehicle theft, larceny- theft, and arson) occur with regularity in all areas of the country, and they are likely to be reported to police.

City of Northville
Police Department Expenditures and Calls for Service
Ten Year Trend - 2008 through 2017

The graph below shows the total number of incidents, not including traffic stops, that police officers responded to compared to the annual spending for all police department activities. During the past ten years, the number of calls for police services have averaged approximately 5,193 and have increased by 3.6% over the last five years. Prior to FY 2010, the annual increase in expenditures has been approximately 4% each year and primarily due to fringe benefit costs. A cost reduction plan began in July 2009 and resulted in a 3% decrease in department expenditures. The increase in expenditures since then reflects the cost of retirement payouts and an increase in health premiums for both active employees and retirees.



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Police Department

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Police Racetrack Services								
101-304-705.00	Wages - Overtime OIC	884	792	1,000	500	500	500	500
101-304-705.10	Wages - Regular OIC	1,906	2,895	500	500	500	500	500
101-304-706.00	Wages/Salaries	4,291	2,941	4,500	4,500	4,500	4,500	4,500
101-304-707.00	Wages/Salaries - Overtime	14	170	200	200	200	210	220
101-304-967.00	Fringe Benefits	3,834	3,897	3,145	2,915	2,915	2,915	2,930
		10,929	10,695	9,345	8,615	8,615	8,625	8,650
Police Patrol								
101-305-705.00	Wages - Regular OIC	157,274	127,548	75,265	66,610	68,465	69,395	69,395
101-305-705.10	Wages - Overtime OIC	5,739	13,985	7,500	5,000	5,000	5,500	5,500
101-305-706.12	Wages - Crossing Guards Reg	66	68	30	-	-	-	-
101-305-706.13	Wages - Crossing Guards OT	-	27	-	-	-	-	-
101-305-706.00	Wages/Salaries	381,083	415,375	475,000	519,000	535,700	553,645	564,685
101-305-707.00	Wages/Salaries - Overtime	12,860	32,192	57,345	36,640	38,580	40,160	41,240
101-305-707.04	Crossing Guard - Overtime	-	230	100	-	-	-	-
101-305-710.01	Crossing Guards	35,338	36,949	41,770	42,820	43,890	44,990	45,550
101-305-740.00	Operating Supplies	3,596	2,182	3,150	3,150	3,150	3,150	3,150
101-305-751.00	Fuel & Oil	14,134	9,948	10,000	10,250	10,500	10,750	11,000
101-305-801.04	Auto/Equipment Service	10,892	14,492	13,500	13,500	13,500	13,500	13,500
101-305-801.19	Computer Program Services	4,478	5,108	5,500	6,000	6,500	6,900	6,900
101-305-913.00	Vehicle Insurance	3,026	1,491	5,520	5,680	5,850	6,030	6,210
101-305-967.00	Fringe Benefits	332,548	336,423	332,780	342,355	351,700	362,075	371,805
		961,034	996,018	1,027,460	1,051,005	1,082,835	1,116,095	1,138,935
Investigation								
101-306-705.00	Wages/Salaries - OIC	667	-	300	500	500	500	500
101-306-705.10	Wages/Salaries - OIC Overtime	-	161	-	-	-	-	-
101-306-706.00	Wages/Salaries	41,416	22,360	14,000	30,000	32,000	34,000	35,000
101-306-707.00	Wages/Salaries - Overtime	301	355	600	600	650	660	670
101-306-830.00	Investigation Expenses	368	615	500	500	500	500	500
101-306-967.00	Fringe Benefits	25,126	13,072	7,550	15,890	16,860	17,850	18,530
		67,878	36,563	22,950	47,490	50,510	53,510	55,200

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Police Department (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Court Appearances								
101-307-706.00	Wages/Salaries	1,156	1,177	1,760	2,000	2,000	2,100	2,150
101-307-707.00	Wages/Salaries - Overtime	6,467	3,727	7,300	4,000	4,200	4,300	4,325
101-307-761.01	Prisoners - Housing	2,967	3,385	3,000	3,000	3,000	3,000	3,000
101-307-761.03	Prisoners - Miscellaneous	736	2,394	1,000	2,000	2,000	2,000	2,000
101-307-967.00	Fringe Benefits	3,795	2,542	4,590	3,070	3,155	3,250	3,320
		15,121	13,225	17,650	14,070	14,355	14,650	14,795
Training								
101-308-705.00	Wages/Salaries OIC	-	-	35	-	-	-	-
101-308-706.00	Wages/Salaries	46,924	45,062	30,000	45,000	50,000	53,000	55,000
101-308-707.00	Wages/Salaries - Overtime	575	421	1,500	3,000	3,100	3,150	3,175
101-308-740.00	Operating Supplies	1,045	1,791	1,200	1,200	1,200	1,200	1,200
101-308-940.00	Facility Rent-Firearms Range	1,150	500	1,800	1,800	1,800	1,800	1,800
101-308-960.00	Education & Training	4,859	6,881	9,150	13,825	13,175	9,175	9,175
101-308-961.00	Act 302 Expenses	1,874	1,765	2,000	2,000	2,000	2,000	2,000
101-308-967.00	Fringe Benefits	27,676	25,794	15,960	24,525	27,005	28,510	29,800
		84,103	82,214	61,645	91,350	98,280	98,835	102,150
Civic Events								
101-309-706.01	Wages/Salaries - OIC overtime	51	-	-	-	-	-	-
101-309-706.00	Wages/Salaries	826	578	1,000	1,500	1,600	1,700	1,800
101-309-707.00	Wages/Salaries - Overtime	6,094	5,486	8,540	8,600	8,800	8,900	9,000
101-309-740.00	Operating Supplies	403	327	400	400	400	400	400
101-309-967.00	Fringe Benefits	3,643	3,366	4,835	5,160	5,290	5,385	5,535
		11,017	9,757	14,775	15,660	16,090	16,385	16,735
Dispatch & Lockup Services								
101-310-801.00	Contractual Services	234,760	243,560	252,700	262,180	272,000	282,200	292,790
101-310-801.19	Computer Program Services	13,586	13,299	13,890	14,390	14,890	15,390	15,890
101-310-802.40	Lockup Services	13,600	14,080	14,580	15,100	15,620	16,160	16,730
101-310-851.00	Radio Maintenance	2,435	2,662	1,500	1,302	500	500	500
		264,381	273,601	282,670	292,972	303,010	314,250	325,910

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Police Department (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Administration & Records								
101-311-705.11	Wages/Salaries - OIC Holiday	3,684	2,671	1,500	1,000	1,000	1,000	1,000
101-311-706.00	Wages/Salaries	135,272	134,428	158,885	200,000	208,000	212,000	215,000
101-311-706.04	Longevity Pay	6,740	7,494	7,580	8,350	8,870	9,400	9,940
101-311-706.05	Vacation Pay	75,459	78,475	87,400	90,000	95,000	98,000	98,000
101-311-706.06	Sick Time Pay	17,468	31,708	40,000	32,000	34,000	35,000	35,000
101-311-706.07	Holiday Pay	44,748	48,373	65,500	65,500	67,000	68,000	68,000
101-311-706.08	Compensation Time Pay	9,178	10,191	8,300	8,500	8,800	9,000	9,000
101-311-706.09	Bereavement Pay	1,274	-	3,500	3,000	3,000	3,000	3,000
101-311-706.50	Wages - Workers Comp	-	9,905	-	-	-	-	-
101-311-707.00	Wages/Salaries - Overtime	-	-	1,300	500	500	510	520
101-311-710.00	Wages/Salaries - Part Time	480	34,923	45,340	42,510	39,475	39,965	39,965
101-311-728.00	Office Supplies	2,610	3,277	3,280	4,280	4,280	4,280	4,280
101-311-740.07	DARE Supplies	869	560	64	-	-	-	-
101-311-744.00	Uniforms & Clothing	7,376	2,351	10,000	13,000	10,000	10,000	10,000
101-311-747.00	Phone Allowance	2,160	1,963	2,520	2,520	2,520	2,520	2,520
101-311-768.00	Laundry & Cleaning	7,975	6,875	6,800	7,350	7,350	7,350	7,350
101-311-802.00	Collection Services	1,276	1,713	1,500	1,500	1,500	1,500	1,500
101-311-804.01	Hiring/Promotion Exams/Eval	364	3,022	6,035	100	100	100	100
101-311-804.04	Veterinary Services	504	-	200	200	200	200	200
101-311-853.00	Telephone	-	568	600	770	770	770	770
101-311-879.00	Impounded Vehicles	1,125	1,086	1,125	1,125	1,125	1,125	1,125
101-311-900.00	Printing & Publishing	1,192	989	1,025	1,025	1,025	1,025	1,025
101-311-914.00	Professional Insurance	18,765	12,408	38,435	39,580	40,770	41,990	43,250
101-311-950.20	W. Wayne Narcotic Enforce.	5,202	5,202	5,300	5,300	5,400	5,400	5,400
101-311-950.30	Oakland Traffic Improvement	1,800	1,800	1,800	1,825	1,825	1,825	1,850
101-311-950.40	W. Wayne Special Ops Team	6,000	7,000	7,000	7,000	7,000	7,000	7,000
101-311-955.10	Drug Forfeiture Expense	-	13,020	-	-	-	-	-
101-311-958.00	Membership & Dues	530	475	7,200	8,210	8,235	8,260	8,285
101-311-967.00	Fringe Benefits	157,586	171,127	214,085	232,325	240,520	245,325	249,335
101-311-967.04	Unfunded Pension Contributions	352,172	373,207	436,810	414,290	450,340	478,710	508,870
101-311-967.09	Retiree Healthcare Premiums	314,281	317,490	296,248	314,840	332,420	351,040	370,760
101-311-984.00	GIS Services	162	-	-	-	-	-	-
		1,176,252	1,282,301	1,459,332	1,506,600	1,581,025	1,644,295	1,703,045

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Police Department (continued)

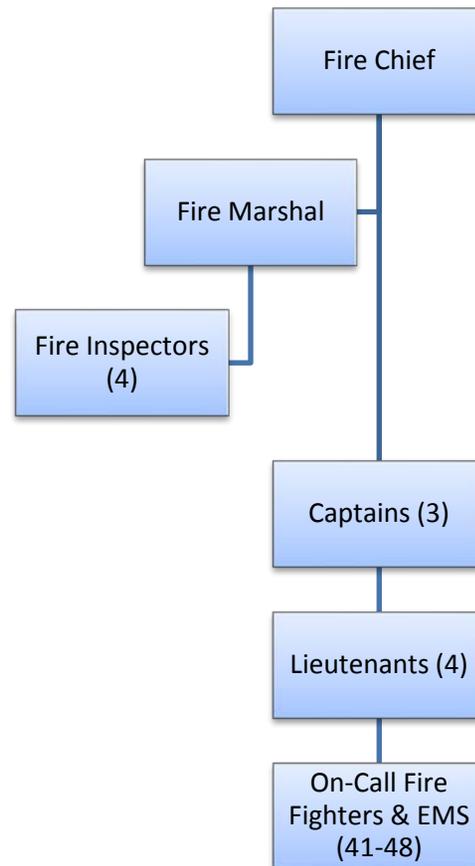
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Contracted Police Service								
101-315-705.00	Wages - OIC Regular	-	-	20	-	-	-	-
101-315-705.10	Wages - OIC Overtime	914	-	500	500	500	500	500
101-315-706.00	Wages/Salaries	208	36	320	500	500	500	500
101-315-707.00	Wages/Salaries - Overtime	7,888	2,310	7,425	7,500	7,600	7,700	7,800
101-315-967.00	Fringe Benefits	5,274	1,324	4,190	4,345	4,375	4,420	4,510
		14,284	3,670	12,455	12,845	12,975	13,120	13,310
Patrol Car Maintenance - DPW								
101-316-706.00	Wages/Salaries	-	106	-	-	-	-	-
101-316-943.00	Equipment Rental	-	33	-	-	-	-	-
101-316-967.00	Fringe Benefits	-	111	-	-	-	-	-
		-	250	-	-	-	-	-
Total Expenditures - Police Department		2,604,999	2,708,294	2,908,282	3,040,607	3,167,695	3,279,765	3,378,730

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Fire Department

FUND NUMBER: 101-340
through 101-345

SUPERVISOR: Fire Chief



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Fire Department - continued

General Description of Activity

The Fire Department's Mission is to provide professional fire prevention, fire suppression, public education and emergency medical services to the residents of and visitors to the Cities of Northville and Plymouth, to participate fully in intergovernmental organizations dedicated to the same or related missions, and to do so in a safe, prompt, efficient and cost-effective manner.

Proposed Fiscal Year Overview

The City has been providing fire service to the City of Plymouth since January 1, 2012. The proposed budget increases 6.7% primarily due to proposed wage and fringe benefit adjustments, insurance premiums, funding for new initiatives and a contingency for unforeseen items. Costs will be reimbursed by the City of Plymouth based upon a pro-rata share of runs in the prior calendar year. The ratio for FY2019 is set at 58% for Plymouth and 42% for Northville, reflecting a two percentage point difference from the prior year.

Action Steps Related to City Council Goals & Objectives

Long-Term Financial Stability (High Priority Goal)

- Search for grants for the replacement of equipment & training.

Future City Hall and Fire Station Repairs/Renovations (High Priority Goal)

- Evaluate long-term needs of the fire station in terms of location, apparatus storage capabilities, administrative space needs, and staff parking.

Energy Efficiencies and Green Initiatives (High Priority Goal)

- Consideration of energy efficiency options into the fire station's long-term needs analysis.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Fire Department - continued

Departmental Goals & Objectives

- Development and implementation of a comprehensive strategic plan; Implement a Rescue Risk Force capability.
- Promote effective leadership through a robust promotional process and the training of current and future leaders.
- Promote an effective training program through support of the Training Committee, promoting attendance at advanced training opportunities and the development of a formal field training program.
- Promote an effective Fire Prevention Division through support for plan review, inspections, pre-plan development and home fire safety evaluations.

Performance Measures

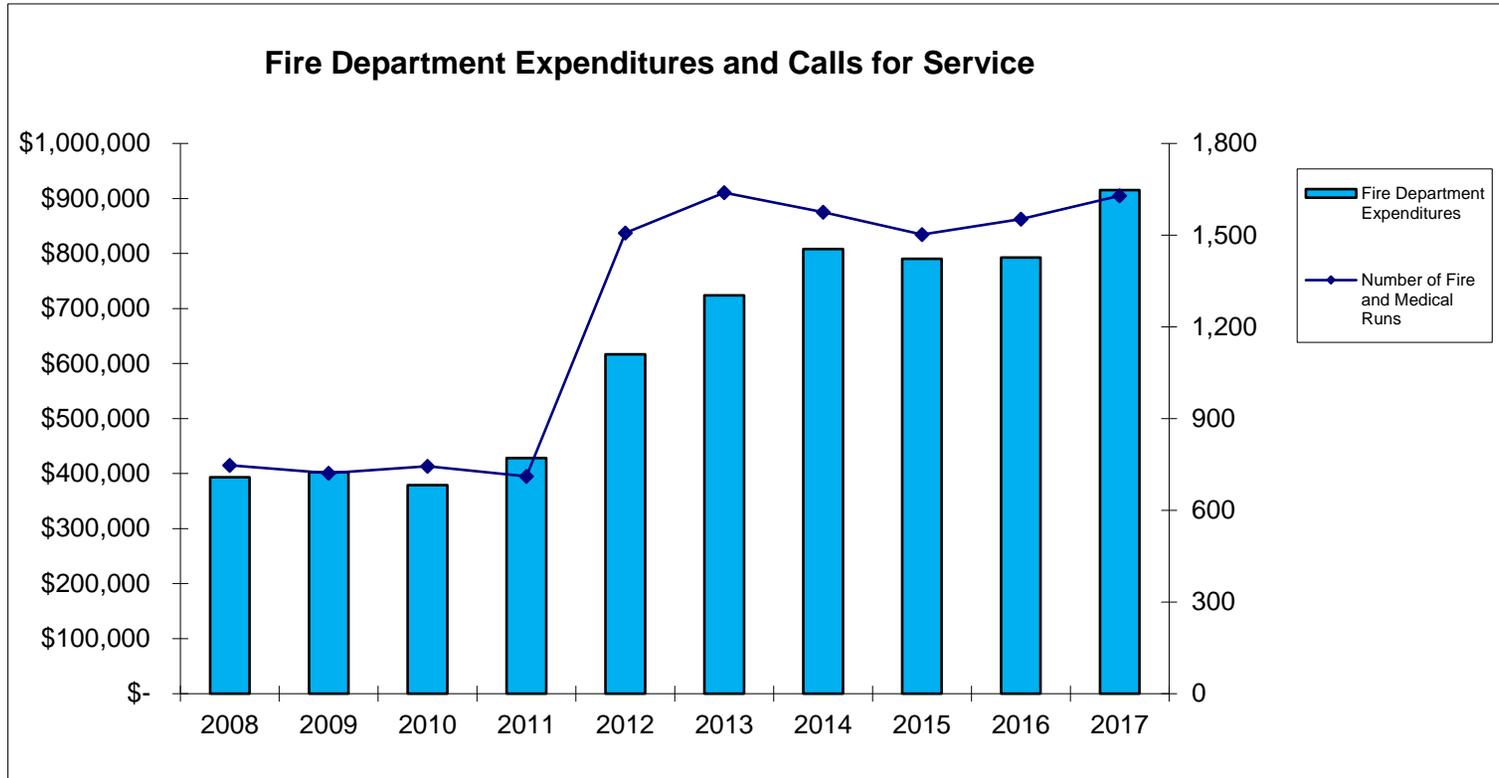
Measure	CY2015 Actual	CY2016 Actual	CY2017 Actual	CY2018 Projected	CY2019 Estimated
Outputs					
Number of Runs – Northville	611 (41%)	685 (44%)	690 (42%)	700 (42%)	700 (42%)
Number of Runs – Plymouth	891 (59%)	868 (56%)	939 (58%)	950 (58%)	950 (58%)
Efficiency & Effectiveness Measures					
ISO Rating – Northville / Plymouth	6 / 4	6 / 4	6 / 4	6 / 4	6 / 4
Average Response Time – Northville (Note 1)	6.1	6.2	6.3	6.2	6.2
Average Response Time - Plymouth (Note 2)	7.9	7.6	7.9	7.7	7.7
% of Runs that are Fire-related	30%	32%	30%	30%	30%
Department Cost per Capita (fiscal year) - combined population (15,102)	\$52	\$61	\$63	\$67	\$69

Note 1 – minutes measured from time of dispatch

Note 2 – minutes measured from time call answered in dispatch center

**City of Northville
Fire Department Expenditures and Calls for Service
Ten Year Trend - 2008 through 2017**

The graph below shows the total number of fire and medical runs made by the fire department compared to the annual spending for all fire department activities. Prior to FY 2012 when the department was expanded to provide fire service to the City of Plymouth, the number of calls for fire services increased an average of 2% while the expenditures increased an average of 4%. In FY 2012, expenditures increased 44% to cover the full expansion of the department. Expenditures are only somewhat correlated with number of calls for service. Because the City's Department is primarily staffed by paid-on-call personnel, a significant portion of the Department's expenditures (27%) are fixed costs such as training, equipment maintenance, and administration. A paid-on-call department structure allows the operating costs (73%) to be more cost effective because of the direct correlation between calls for service and operating wages.



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Fire Department

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Fire Administration								
101-340-706.14	Wages - Clerical Regular	13,080	13,474	13,865	14,220	14,585	14,780	14,800
101-340-707.00	Wages - Clerical Overtime	37	65	70	70	75	75	75
101-340-708.01	Wages - Admin & Officers	67,416	71,456	74,840	76,720	78,635	79,595	79,595
101-340-708.03	Wages - Training/Other	58,269	63,771	62,150	63,690	65,285	66,110	66,110
101-340-716.00	Disability Income Insurance	5,951	5,951	5,955	6,500	6,500	6,500	6,500
101-340-744.00	Uniforms & Clothing	6,273	4,735	5,000	9,000	9,000	9,000	9,000
101-340-768.00	Laundry & Cleaning	550	550	550	550	550	550	550
101-340-801.00	Contractual Services	7,353	-	-	-	-	-	-
101-340-801.19	IT Support & Improvements	5,318	6,155	6,165	6,180	6,195	6,210	6,295
101-340-802.01	Legal Services - General & Labor	278	88	200	200	200	200	200
101-340-804.01	Employee Physicals & Tests	7,316	3,004	5,000	20,000	20,000	20,000	20,000
101-340-828.00	Medical Certificate Renewals	200	350	200	350	200	350	200
101-340-853.00	Telephone & Internet Service	-	-	260	520	520	520	520
101-340-861.00	Vehicle Allowance	6,000	6,000	6,000	6,000	6,000	6,000	6,000
101-340-864.00	Conferences & Meetings	51	502	250	550	250	550	250
101-340-910.00	Liability & Property Insurance	884	462	1,570	1,620	1,670	1,720	1,770
101-340-958.00	Memberships & Dues	1,100	945	845	1,115	1,115	1,115	1,115
101-340-960.00	Education & Training	6,273	10,003	6,650	8,030	9,200	9,200	9,200
101-340-967.00	Fringe Benefits	58,474	60,740	56,360	57,690	59,865	60,865	61,645
		244,823	248,251	245,930	273,005	279,845	283,340	283,825

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Fire Department (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Fire Operations								
101-341-708.00	Wages - On Call Runs	304,412	388,250	419,500	430,475	441,750	447,485	447,485
101-341-708.02	Wages - Mutual Aid	24,741	25,791	20,000	20,000	20,000	20,000	20,000
101-341-708.04	Wages - Station Coverage/Insp	40,819	42,580	46,975	48,160	49,355	49,955	49,955
101-341-740.00	Operating Supplies	43,120	50,872	44,010	54,660	50,160	50,410	50,410
101-341-751.00	Fuel & Oil for Equipment	153	244	200	200	200	200	200
101-341-781.00	Automotive Parts	3,358	3,694	3,500	3,500	3,500	3,500	3,500
101-341-851.00	Radio Maintenance	4,554	5,464	3,700	3,700	3,700	3,700	3,700
101-341-939.00	Automotive Service	16,794	23,176	20,000	20,000	20,000	20,000	20,000
101-341-967.00	Fringe Benefits	44,397	54,891	59,025	60,500	62,015	62,785	62,785
		482,348	594,962	616,910	641,195	650,680	658,035	658,035

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Fire Department (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Northville Station Admin & Operations								
101-344-708.08	Wages - Special Event Coverage	2,973	4,435	4,590	4,705	4,820	4,880	4,880
101-344-751.00	Fuel & Oil	1,870	1,929	2,075	2,100	2,125	2,150	2,175
101-344-829.00	Mutual Aid/EMS Participation	2,657	2,657	2,660	2,660	2,660	2,660	2,660
101-344-900.00	Printing & Publishing	-	-	120	-	-	-	-
101-344-913.00	Vehicle Insurance	6,448	5,967	18,540	19,090	19,660	20,250	20,860
101-344-943.08	Hydrant Rental	10,144	10,144	10,145	10,145	10,145	10,145	10,145
101-344-967.00	Fringe Benefits	381	536	560	570	585	595	595
101-344-967.04	Unfunded Pension Contribution	7,839	8,738	9,965	10,290	11,190	11,890	12,640
101-344-967.09	Retiree Healthcare Costs	10,285	12,553	12,715	13,290	13,880	14,500	15,160
		42,597	46,959	61,370	62,850	65,065	67,070	69,115
Plymouth Station Admin & Operations								
101-345-708.08	Wages - Special Event Coverage	15,202	17,027	21,880	22,430	22,990	23,265	23,265
101-345-829.00	Mutual Aid/EMS Participation	3,005	3,005	3,005	3,005	3,005	3,005	3,005
101-345-910.00	Liability & Property Ins.	-	-	75	75	75	75	75
101-345-967.00	Fringe Benefits	1,771	2,046	2,655	2,725	2,790	2,825	2,825
101-345-967.04	Unfunded Pension Contribution	1,171	1,248	1,425	1,470	1,600	1,700	1,810
101-345-967.09	Retiree Healthcare Costs	1,474	1,555	1,905	1,990	2,080	2,170	2,270
		22,623	24,881	30,945	31,695	32,540	33,040	33,250
Fire Department Contingency								
101-340-956.00	Contingency	-	-	-	10,000	10,000	24,120	52,000
		-	-	-	10,000	10,000	24,120	52,000
Total Expenditures - Fire Department								
		792,391	915,053	955,155	1,018,745	1,038,130	1,065,605	1,096,225

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Technology

FUND NUMBER: 101-350

SUPERVISOR: Finance Director/Treasurer

General Description of Activity

This department is responsible for oversight of the City’s investment in technology, information system administration, and the telecommunication system. Staff time is devoted toward technology planning, hardware and software maintenance, as well as support and training to other City departments. This range of support includes a wide area network with one virtual server and 35+ personal computer workstations connected to four City buildings. The City contracts with Northville Township for IT support and technology planning.

Proposed Fiscal Year Overview

The overall decrease of 7.5% is due to the purchase of the postage machine in the prior year. Total expenditures fluctuate year to year due to timing of technology improvements.

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Estimated
Efficiency & Effectiveness Measures					
Departmental Cost per Capita	\$21	\$23	\$11	\$13	\$12

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Administration

Technology

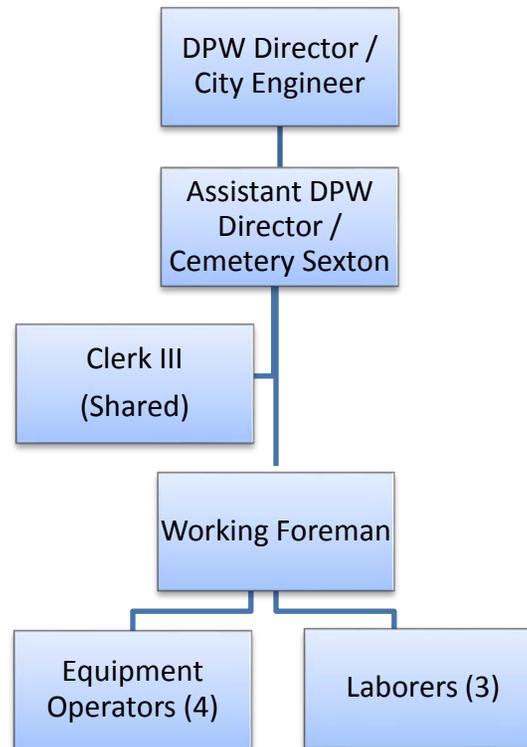
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-350-706.00	Wages - Regular Full Time	4,938	5,023	5,145	5,275	5,410	5,480	5,480
101-350-707.00	Wages - Regular Overtime	179	995	-	-	-	-	-
101-350-710.00	Wages - Part time	-	-	3,000	2,000	-	-	-
101-350-726.00	Supplies	100	229	250	250	250	250	250
101-350-801.00	Contractual Services	17,669	18,179	17,105	18,935	20,435	18,935	17,435
101-350-801.19	Computer Program Services	24,886	21,724	30,325	30,540	31,345	31,560	32,085
101-350-801.34	Web Site Maintenance	10,856	-	-	-	-	-	-
101-350-801.35	Internet Access	1,523	1,227	1,675	1,685	1,695	1,695	1,695
101-350-853.00	Telephone/Communications	360	360	360	360	360	360	360
101-350-960.00	Education & Training	-	4,465	200	200	200	200	200
101-350-967.00	Fringe Benefits	2,570	3,184	3,030	2,635	2,570	2,635	2,690
101-350-982.00	Computers & Related Accessories	30,702	3,110	3,000	3,000	31,000	5,000	3,000
101-350-982.01	Computer Software	6,941	3,399	3,000	3,000	5,000	3,000	3,000
101-350-982.02	Major Hardware Replacements	21,857	-	6,920	-	100,000	-	22,000
101-350-983.00	Document Imaging	11,770	4,160	4,240	4,320	4,410	4,500	4,590
101-350-984.00	GIS Assistance	7	1,675	2,010	2,010	2,010	2,010	2,010
	Total Expenditures	134,358	67,730	80,260	74,210	204,685	75,625	94,795

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Department of Public Works

FUND NUMBER: 101-441
through 101-546

SUPERVISOR: Director, Department of Public Works



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Department of Public Works – continued

General Description of Activity

This activity provides for the administrative direction along with the traditional operational functions of Public Works services including civic events, street lighting, and parking system maintenance.

Proposed Fiscal Year Overview

The proposed budget decreases 11% over the prior year. This is primarily related to moving the parking system maintenance costs over to the Parking Fund.

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Number of Civic Events Worked	7	7	8	7	7
Number of Parking Spaces	1,529	1,529	1,529	1,529	1,529
Efficiency & Effectiveness Measures					
Departmental Cost per Capita	\$82	\$89	\$88	\$88	\$78

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Department of Public Works

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Administration								
101-441-706.00	Wages - Full Time	-	100	-	-	-	-	-
101-441-706.14	Wages-Administration	99,328	105,987	138,070	99,970	103,155	105,165	105,165
101-441-707.00	Wages-Regular Overtime	-	250	-	-	-	-	-
101-441-712.00	Contracted Labor	-	-	19,215	1,605	-	-	-
101-441-726.00	Supplies	260	327	350	350	350	350	350
101-441-744.00	Uniforms & Clothing	3,178	3,822	3,500	3,500	3,500	3,500	3,500
101-441-746.00	Meal Allowance	(7)	84	300	300	300	300	300
101-441-801.00	Contractual Services	7,017	1,714	2,000	300	300	300	300
101-441-801.25	Northville Matters Newsletter	3,160	-	-	-	-	-	-
101-441-803.00	Engineering Services	2,125	1,379	1,000	300	300	300	300
101-441-828.00	Medical Certificate Renewals	1,128	437	1,350	905	905	905	905
101-441-861.00	Vehicle Allowance	3,000	3,000	2,590	3,000	3,000	3,000	3,000
101-441-942.00	Land Rental	140	83	150	155	160	160	160
101-441-958.00	Memberships & Dues	3,165	1,143	2,781	2,570	2,580	2,590	2,600
101-441-960.00	Education & Training	949	604	1,000	1,000	1,000	1,000	1,000
101-441-967.00	Fringe Benefits	47,146	51,944	67,015	54,980	57,110	58,715	59,760
101-441-967.04	Unfunded Pension Contributions	26,012	28,938	31,875	41,395	45,000	47,840	50,850
101-441-967.09	Retiree Healthcare Premiums	44,890	43,637	43,300	36,617	38,575	40,640	42,820
101-441-984.00	GIS Services	730	-	-	-	-	-	-
		242,221	243,449	314,496	246,947	256,235	264,765	271,010

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Department of Public Works (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Civic Events								
101-444-706.00	Wages/Salaries	9,584	7,555	10,830	12,065	12,935	13,940	13,940
101-444-707.00	Wages/Salaries - Overtime	2,827	2,048	5,290	3,750	3,965	4,420	4,420
101-444-775.00	Materials	613	1,644	1,700	1,700	1,700	1,700	1,700
101-444-943.00	Equipment Rental	6,626	3,286	6,050	6,110	6,170	6,230	6,290
101-444-967.00	Fringe Benefits	13,418	9,824	15,840	15,680	16,760	18,120	18,310
		33,068	24,357	39,710	39,305	41,530	44,410	44,660
Public Works Miscellaneous								
101-445-706.00	Wages/Salaries	663	2,458	100	290	315	355	355
101-445-706.01	DPW Standby Pay	11,932	9,029	9,250	12,645	12,965	13,125	13,125
101-445-707.00	Wages - Regular Overtime	197	-	-	-	-	-	-
101-445-775.00	Materials	597	161	200	200	200	200	200
101-445-943.00	Equipment Rental	380	18	400	400	400	400	400
101-445-967.00	Fringe Benefits	12,535	11,057	9,090	12,825	13,165	13,305	13,440
		26,304	22,723	19,040	26,360	27,045	27,385	27,520

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Department of Public Works (continued)

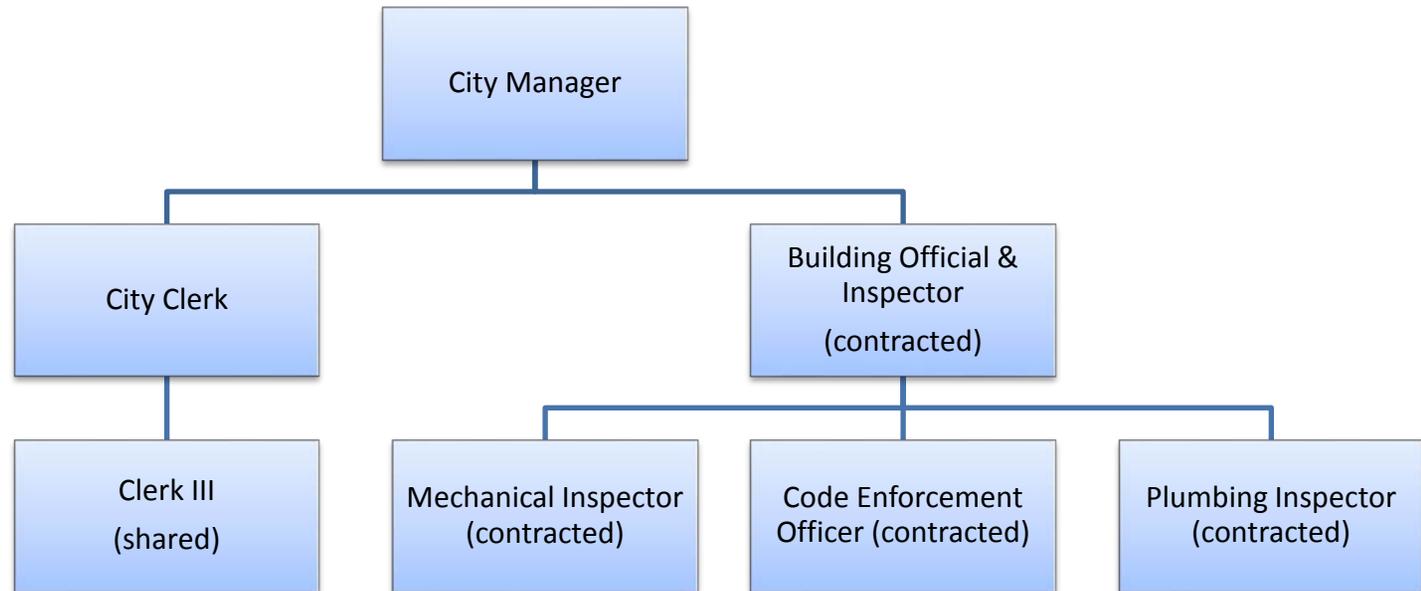
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Street Lighting								
101-450-920.01	Street lighting	116,673	125,086	121,250	123,680	126,150	128,670	131,240
101-450-920.11	Electric Power - 126 N. Wing	-	-	190	190	190	190	190
101-450-920.12	Electric Power - 127 N. Hutton	-	-	1,580	1,610	1,640	1,670	1,700
101-450-920.13	Electric Power - 118 N. Center	-	-	2,500	2,550	2,600	2,650	2,700
101-450-920.14	Electric Power - 21400 Taft	-	-	600	610	620	630	640
101-450-920.15	Electric Power - 200 Griswold	-	-	2,100	2,140	2,180	2,220	2,260
101-450-920.16	Electric Power - 112 N. Wing	-	-	1,900	1,940	1,980	2,020	2,060
101-450-920.17	Electric Power - 127 Mary Alexander	-	-	1,100	1,120	1,140	1,160	1,180
101-450-920.02	Natural Gas	17,610	17,647	18,000	18,140	18,380	18,630	18,880
		134,283	142,733	149,220	151,980	154,880	157,840	160,850
Parking System Maintenance								
101-546-706.00	Wages/Salaries	11,740	8,407	-	-	-	-	-
101-546-707.00	Wages/Salaries - Overtime	709	361	-	-	-	-	-
101-546-775.00	Materials	5,014	14,945	-	-	-	-	-
101-546-801.00	Contractual Services	30,376	21,349	-	-	-	-	-
101-546-853.00	Telephone	330	395	-	-	-	-	-
101-546-910.00	Insurance	2,928	1,851	-	-	-	-	-
101-546-920.01	Electric Power	20,371	28,067	-	-	-	-	-
101-546-920.03	Water & Sewer Service	18	19	-	-	-	-	-
101-546-943.00	Equipment Rental	9,193	7,395	-	-	-	-	-
101-546-967.00	Fringe Benefits	13,479	9,178	-	-	-	-	-
		94,158	91,967	-	-	-	-	-
Total Expenditures - Department of Public Works					464,592	479,690	494,400	504,040

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Planning, Zoning, and Inspection Services

FUND NUMBER: 101-560
through 101-562

SUPERVISOR: City Manager



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

General Description of Activity

Planning, Zoning, and Inspection Services – continued

The mission of the Building Department is to effectively administer the State of Michigan Construction Codes and local ordinances to ensure public health, safety, and welfare in the City of Northville. The department is divided into three division described below.

Planning & Zoning: This division includes expenditures for the Planning Commission, Board of Zoning Appeals, and Historic District Commission. These expenditures are paid to the Planning Consultant. Agendas and meeting packets are prepared by the Building Department.

Building Department: This division includes expenditures for permits, inspections, and monitoring state construction code and ordinance compliance for building, electrical, mechanical, and plumbing for commercial, industrial, and residential properties in the City. Electrical, plumbing, and mechanical inspections are performed by three independent contractors, under the supervision of the Building Official. This Department is also responsible for the retaining, reviewing, and storage of the required site plans and construction documentation.

Code Enforcement: The contracted Code Enforcement Officer is responsible for enforcing the City of Northville Code of Ordinances and Zoning Ordinances.

Proposed Fiscal Year Overview

The overall FY2019 budget is 8% lower than the prior year, primarily due to the Historic District Survey project which was started in fiscal year 2018.

The FY2019 budget provides for the expenditures pertaining to the Planning Commission, Historic District Commission, and Board of Zoning Appeals. The budget also includes funds for contracted services with Carlisle/Wortman for the Planning Consultant and for assistance with the Historic District Commission, and Board of Zoning Appeals. The Historic District Survey project will continue into this fiscal year and be completed by September 30, 2018.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Planning, Zoning, and Inspection Services – continued

The FY2019 budget provides for the continuation of contracting Building Official services, Building Inspections, Tree Preservation Administration, and Zoning Ordinance Administration with Carlisle/Wortman – Code Enforcement Services Division. Code Enforcement services will continue to be contracted with Northville Township. Plumbing, mechanical, and electrical inspection services are separately sub-contracted.

Action Steps Related to City Council Goals & Objectives

Communications (High Priority Goal)

- Promote use of online inspection services for resident and contractor inspection scheduling.
- Expand self-serve options; ensure those are visible and easily accessible.
- Expand the number of documents and information available for resident and contractor access and use.

Board and Commission Training (High Priority Goal)

- Implement training for FOIA, OMA, and operational detail training specific to the BZA, PC, and HDC.

Development and Redevelopment Issues (Medium Priority Goal)

- Make application processes less burdensome on developers.
- Amend Master Plan to allow for first floor residential for properties adjacent to the downtown.
- Revize the Cady Street overlay zoning district and rezoning the McDonald Ford property to be consistent with Master Plan.
- Review Cady Street density with the Planning Commission.
- Develop a plan for Wing Street property next to the Post Office, and issue an RFP, if appropriate.

Departmental Goals & Objectives

- Determine if City should continue to contract for code enforcement and building official services or if full-time staff is wa
- Monitor construction sites for compliance. Improve oversight for construction projects to eliminate trash, extensive dumpster placement, etc. Amend ordinances to provide for compliance standards if warranted

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Planning, Zoning, and Inspection Services – continued

Departmental Goals & Objectives - continued

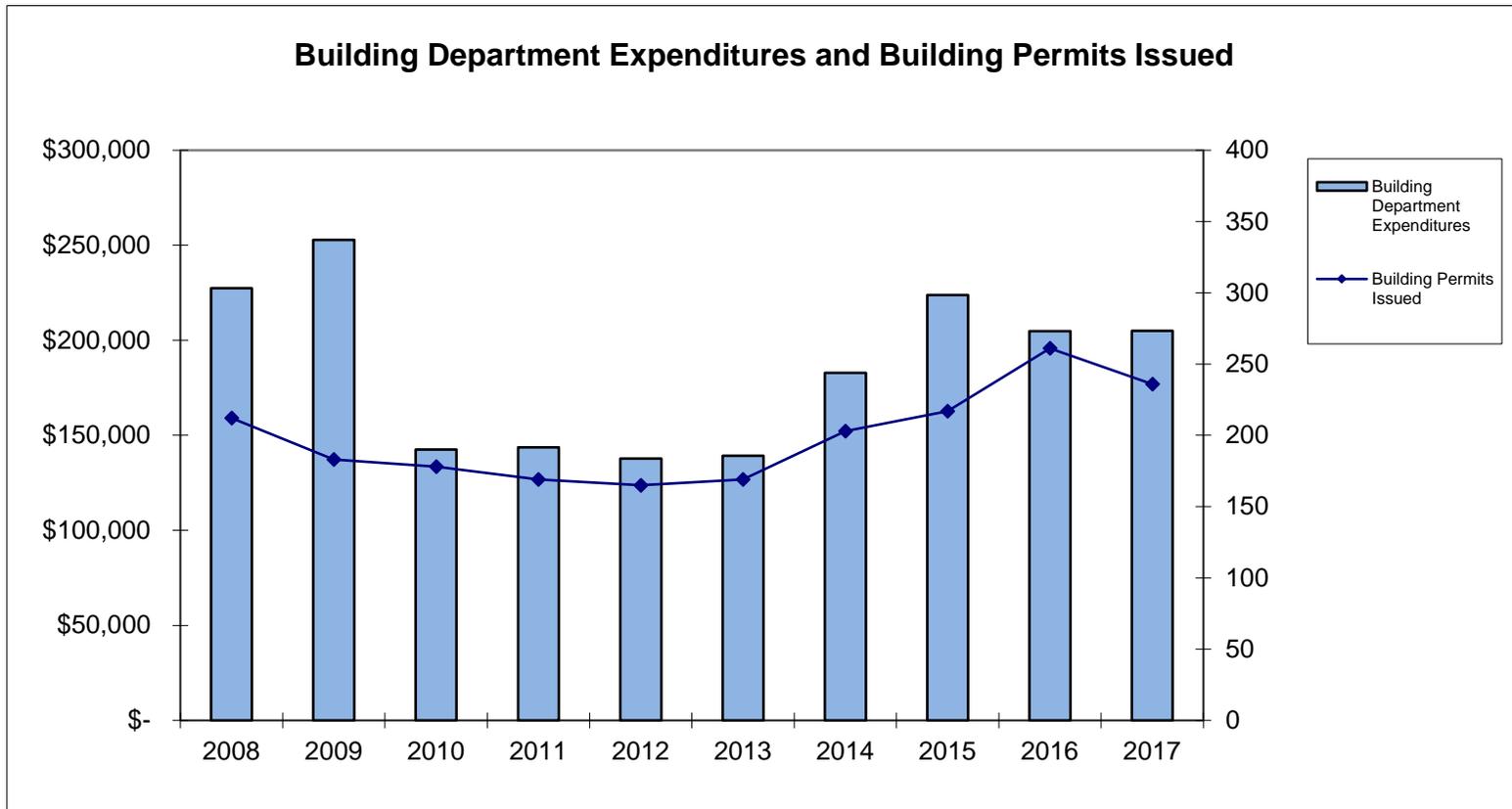
- Revise permit applications for uniformity and clarity.
- Inspect Historic District projects to ensure that those projects within the Historic District are being completed in accordance with the approvals granted by the Historic District Commission.

Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Estimated
Inputs & Outputs					
Permits Issued	217	261	236	250	200
Certificates of Occupancy Issued	5	21	5	10	8
Building Inspections	464	463	373	350	350
Electrical Inspections	237	201	178	150	150
Mechanical Inspections	247	231	233	175	175
Plumbing Inspections	201	187	180	180	180
New Site Plan Applications	3	2	4	3	3
New Rezoning Applications	0	0	0	1	1
Zoning Cases Processed	4	4	13	5	5
Tree Permit Inspections	29	25	26	20	20
Sign Reviews	14	17	17	10	10
HDC Applications Processed	53	42	49	25	30
New Business Walk Thru Inspections	6	15	17	5	10
Demolition Inspections	8	4	7	5	3
Efficiency & Effectiveness Measures					
Departmental Cost per Capita	\$48	\$43	\$44	\$54	\$50

City of Northville
Building Department Expenditures and Building Permits Issued
Ten Year Trend - 2008 through 2017

The graph below shows the total number of building permits issued by the City of Northville compared to the annual expenditures for building and code enforcement activities. During the past ten years, the number of building permits issued has increased approximately 1.5% per year. At the same time, expenditures steadily increased until FY 2010 when the department was reorganized. The City no longer employs a full time building inspector but rather contracts out for these services. 2017 experienced a 10% decrease in building permit activity from the prior year while expenditures remained consistent.



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Planning, Zoning and Inspection

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Planning and Zoning Division								
101-560-706.00	Wages/Salaries	-	-	18,485	18,955	19,440	19,695	19,710
101-560-707.00	Wages OT - Board/Comm Minutes	218	255	320	325	335	340	340
101-560-740.00	Operating Supplies	95	214	330	330	330	330	330
101-560-802.11	Contracted Transcription Services	6,325	7,875	9,800	10,750	11,250	11,250	11,250
101-560-807.02	Historic District Services	7,050	9,037	16,000	10,000	11,000	11,000	11,000
101-560-807.03	Board of Zoning Appeals Services	2,058	5,813	6,000	6,000	6,000	6,000	6,000
101-560-807.05	Zoning Ordinance Amendments	7,028	942	4,000	4,000	2,500	2,500	2,500
101-560-807.06	Development Reviews	8,657	9,395	17,000	12,000	12,000	12,000	12,000
101-560-807.07	Planning Commission Meetings	3,275	3,940	5,000	5,000	5,000	5,000	5,000
101-560-807.08	Planning Comm. Consultation	11,082	15,897	16,000	16,000	16,000	16,000	16,000
101-560-807.10	Master Plan Update	-	-	2,500	-	20,000	-	-
101-560-807.11	Historic District Survey	3,860	3,230	28,340	11,800	-	-	-
101-560-863.00	Mileage	-	3	150	150	150	150	150
101-560-900.00	Printing & Publishing	3,747	2,692	5,270	4,750	4,450	4,450	4,450
101-560-958.00	Memberships & Dues	150	-	465	480	480	480	480
101-560-960.00	Education & Training	-	-	250	6,000	3,000	3,000	3,000
101-560-967.00	Fringe Benefits	179	182	10,710	10,955	11,270	11,485	11,695
101-560-984.00	GIS Services	715	-	-	-	-	-	-
		54,439	59,475	140,620	117,495	123,205	103,680	103,905

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Planning, Zoning and Inspection (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Building and Code Enforcement Division								
101-562-706.00	Wages/Salaries	45,815	46,464	33,505	34,360	35,245	35,705	35,745
101-562-707.00	Wages/Salaries - Overtime	326	135	635	650	670	675	675
101-562-740.00	Operating Supplies	313	546	500	535	500	500	500
101-562-801.00	Contracted Electrical Inspector	6,624	6,048	8,000	8,000	8,000	8,000	8,000
101-562-802.08	Building Official & Inspector	59,872	61,010	68,880	64,755	65,270	65,795	66,330
101-562-802.09	Contracted Code Enforcement	394	-	500	500	500	500	500
101-562-802.10	Mechanical Inspector	13,120	12,608	10,000	10,000	10,000	10,000	10,000
101-562-802.13	Plumbing Inspector	-	-	8,000	8,000	8,000	8,000	8,000
101-562-863.00	Mileage Reimbursement	97	142	75	75	75	75	75
101-562-900.00	Printing & Publishing	-	89	100	600	100	100	600
101-562-917.00	Worker's Comp Insurance	99	-	-	-	-	-	-
101-562-960.00	Education & Training	-	154	200	200	200	200	200
101-562-967.00	Fringe Benefits	30,422	28,859	20,980	21,265	21,720	22,040	22,425
101-562-967.04	Unfunded Pension Contributions	26,415	29,709	14,235	14,700	15,980	16,990	18,060
101-562-967.09	Retiree Healthcare Premiums	21,245	19,166	17,330	16,635	17,800	19,040	20,370
		204,742	204,930	182,940	180,275	184,060	187,620	191,480
	Total Expenditures	259,181	264,405	323,560	297,770	307,265	291,300	295,385

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Shared Services

FUND NUMBER: 101-690

SUPERVISOR: Finance Director/Treasurer

General Description of Activity

This activity accounts for the contributions per the shared service agreement that the City has entered into with the Charter Township of Northville as a financial partner. Shared services include Parks & Recreation, Senior Adult Services, and Northville Youth Assistance. Northville Public Schools is a third partner to these agreements as they provide facility space for the activities.

The agreement was updated in 2017 which transferred administration of shared services to Northville Township. The cost-sharing formula portion of the agreement did not change and was last updated in 1999.

This fund also records the unfunded portion of pension costs related to a library retiree from when it was a department of the City.

Proposed Fiscal Year Overview

The City's share remains at 16.2% for shared services.

Long Term Plan

Contribution levels for shared services in future years are expected to remain consistent with FY19.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Shared Services

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Shared Services								
101-690-947.00	P&R and Seniors Contributions	192,883	193,481	194,035	193,521	193,521	193,521	193,521
101-690-950.10	NYA Contributions	17,750	18,010	18,010	18,010	18,010	18,010	18,010
101-690-967.04	Unfunded Pension Contributions	7,692	7,414	12,675	17,790	19,340	20,560	21,860
Total Expenditures - Shared Services		218,325	218,905	224,720	229,321	230,871	232,091	233,391

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Contributions to Other Funds

FUND NUMBER: 101-775

SUPERVISOR: Finance Director/Treasurer

General Description of Activity

This activity represents transfers to other funds for operating activities, debt service, and capital equipment and/or project needs.

Proposed Fiscal Year Overview

Current year activity consists of operating transfers to add to the reserves for future police, fire and technology equipment purchases. An additional contribution into the pension plan for \$85,000 is proposed.

Long Term Goals & Objectives

It is anticipated that the contributions to the Police and Fire Equipment Replacement Funds for capital equipment will increase once racetrack breakage is no longer available to cover a portion of these costs.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Contributions to Other Funds

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
101-775-725.00	Payroll Fund	380,000	335,000	25,000	85,000	125,000	-	-
101-775-950.20	DDA	-	21,000	-	-	-	-	-
101-775-950.25	Allen Terrace Operating Fund	15,090	15,330	15,470	15,620	15,780	15,940	16,100
101-775-520.26	Parking Fund	-	-	9,210	8,160	8,780	10,060	8,925
101-775-950.29	Water & Sewer Fund	239,106	163,719	178,845	-	-	-	-
101-775-950.31	Fire Equipment Replacement	596,718	122,466	177,236	167,689	151,376	136,096	136,096
101-775-950.36	Police Equipment Replacement	38,000	39,000	47,000	64,000	63,000	63,000	79,000
101-775-950.46	Public Improvement Fund	347,000	36,000	75,000	248,000	81,000	50,000	50,000
Total Expenditures - Contributions to Other Funds		1,615,914	732,515	527,761	588,469	444,936	275,096	290,121

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Debt Service

FUND NUMBER: 101-921

SUPERVISOR: Finance Director/Treasurer

General Description of Activity

This activity represents payment of principal and interest related to bonds and installment purchase contracts.

Proposed Fiscal Year Overview

In September 2015, the City financed the purchase of an aerial truck for the Fire Department in the amount of \$462,896. This installment purchase contract is for a term of ten years at a rate of 2.57%. The debt service payment for FY2019 is \$52,213. 58% of that amount will be paid by the City of Plymouth per the cost sharing agreement between the two communities.

Long Term Plan

The City attempts to purchase capital items on a pay-as-you-go basis whenever possible. There are no plans to issue any additional debt at this time.

The final payment of the installment purchase contract is due on October 1, 2025. The percentage payable by the City of Plymouth will be determined each year according to the run volumes each calendar year.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Debt Service

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Debt Service - 2015 Installment Purchase Contract								
101-921-990.02	Bond Interest	6,242	11,367	10,306	9,213	8,096	6,939	5,744
101-921-990.04	Bond Principal	-	40,596	42,000	43,000	44,000	46,000	47,000
Total Expenditures - Debt Service		6,242	51,963	52,306	52,213	52,096	52,939	52,744

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Insurance, Central Supplies and Unallocated Reserve

FUND NUMBER: 101-925
through 101-997

SUPERVISOR: City Manager

General Description of Activity

Insurance

This activity includes the cost of participating in a risk management pool through the Michigan Municipal Risk Management Authority (MMRMA). In addition, a loss reserve has been established to cover deductibles and uninsured losses.

Central Supplies

Central Supplies encompasses office supplies, copy machine supplies and maintenance, postage, office equipment maintenance, computer supplies, office equipment purchase, and coffee service. These items deal with use, for the most part, by Municipal Building Departments. Office supplies used exclusively by individual departments are charged to that department's supplies budget. Departments that handle all of their office supplies in their respective budgets are the Public Works Department, Police Department, Allen Terrace, and the Downtown Development Authority.

Reserves

The Unallocated Reserve is intended to provide for wage adjustment contingencies and for unusual and/or unforeseen expenditures.

Proposed Fiscal Year Overview

Insurance: The City's contribution is estimated to increase by 3% for FY 2019. This is due to external market factors in the insurance industry which causes MMRMA's rates to increase. The City contribution to MMRMA is allocated to the various funds based upon factors which include real and personal property values, quantity and type of vehicles, and prior year expenditure levels. Therefore, increases in some funds may vary from 3%.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Insurance, Central Supplies and Unallocated Reserve – continued

Central Supplies: FY 2019 is expected to remain fairly consistent with the prior year.

Unallocated Reserve: The FY 2019 unallocated reserve is budgeted at \$125,000 for unforeseen expenditures. This amount represents approximately 1.7% of the proposed General Fund expenditures.

Long Term Plan

In preparing a five year plan, it is acceptable practice to include a larger reserve for factors unknown at this time. The unallocated reserve will remain between \$125,000 and \$175,000 per year in addition to a contingency for wage adjustments in FY2021 and FY2022 as labor contracts expire in December 2020.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

GENERAL FUND EXPENDITURES - Insurance,
Central Supplies and Unallocated Reserve

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Insurance								
101-925-910.00	Liability Insurance	13,063	7,713	26,410	27,200	28,020	28,860	29,730
Central Supplies								
101-946-728.00	Office Supplies	1,663	1,450	2,000	2,000	2,000	2,000	2,000
101-946-730.00	Postage	10,128	10,101	10,675	10,675	10,675	10,675	10,675
101-946-739.02	Computer Supplies	2,644	2,807	3,030	3,090	3,150	3,210	3,270
101-946-739.03	Copiers-Maintenance	2,542	2,074	3,865	3,865	3,865	3,865	3,865
101-946-739.04	Copiers-Supplies	2,021	1,734	2,050	2,050	2,050	2,050	2,050
101-946-750.00	Coffee Service	142	14	200	200	200	200	200
101-946-801.11	Office Equipment Maintenance	1,466	1,248	2,205	2,205	2,205	2,205	2,205
		20,606	19,428	24,025	24,085	24,145	24,205	24,265
Reserves								
101-997-999.00	Unallocated Reserve	-	-	50,000	125,000	125,000	181,750	302,680
		-	-	50,000	125,000	125,000	181,750	302,680
Total Expenditures - Insurance, Central Supplies and Unallocated Reserve								
		33,669	27,141	100,435	176,285	177,165	234,815	356,675

SECTION V
SPECIAL REVENUE FUNDS

Special Revenue Funds are used to detail transactions in which the funding source is legally restricted to be spent for specific purposes. Each Fund has an overview section, graphs demonstrating revenues and expenditures, and a five year line item budget.

The City of Northville's Special Revenue Funds are the Street, Drainage & Sidewalk Improvement Fund, Major Streets Fund, Local Streets Fund, Parking Fund, Arts Commission Fund, Public Improvement Fund, and Housing Commission Fund.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Street, Drainage & Sidewalk Improvement Fund

FUND NUMBER: 201

SUPERVISOR: Director, Department of Public Works

General Description of Activity

This activity records revenue received from a dedicated millage approved by the voters on March 4, 1997. The dedicated millage of 1.92 mills approved by the voters (adjusted annually for Headlee limitation) is for a comprehensive maintenance and improvement program for streets, drainage and sidewalks. Property tax collections are recorded in this fund as well as transfers to the funds where the expenditures for a given project are recorded.

Proposed Fiscal Year Overview

Funding, primarily from the millage described above, is collected in this account. The approved millage rate of 1.9200 mills has been permanently reduced to 1.6798 due to Headlee rollbacks. This will generate almost \$623,000 in tax revenues.

The funds are transferred to Major and Local Street Funds for capital improvements as needed. The proposed fiscal year includes the following projects.

- Sidewalk Program (\$35,000)
- Crack Sealing Program (\$25,000)
- W. Cady Street (Major) (\$15,000)
- Beal Avenue (Local) (\$104,000)
- Hill Street (Local) (\$120,000)
- West Street (Local) (\$80,000)

The above projects are subject to change due to implementation of strategies identified by City Council after a comprehensive financial analysis has been reviewed. Current tax revenues are not sufficient to improve the overall road conditions in the City.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Street, Drainage & Sidewalk Improvement Fund - continued

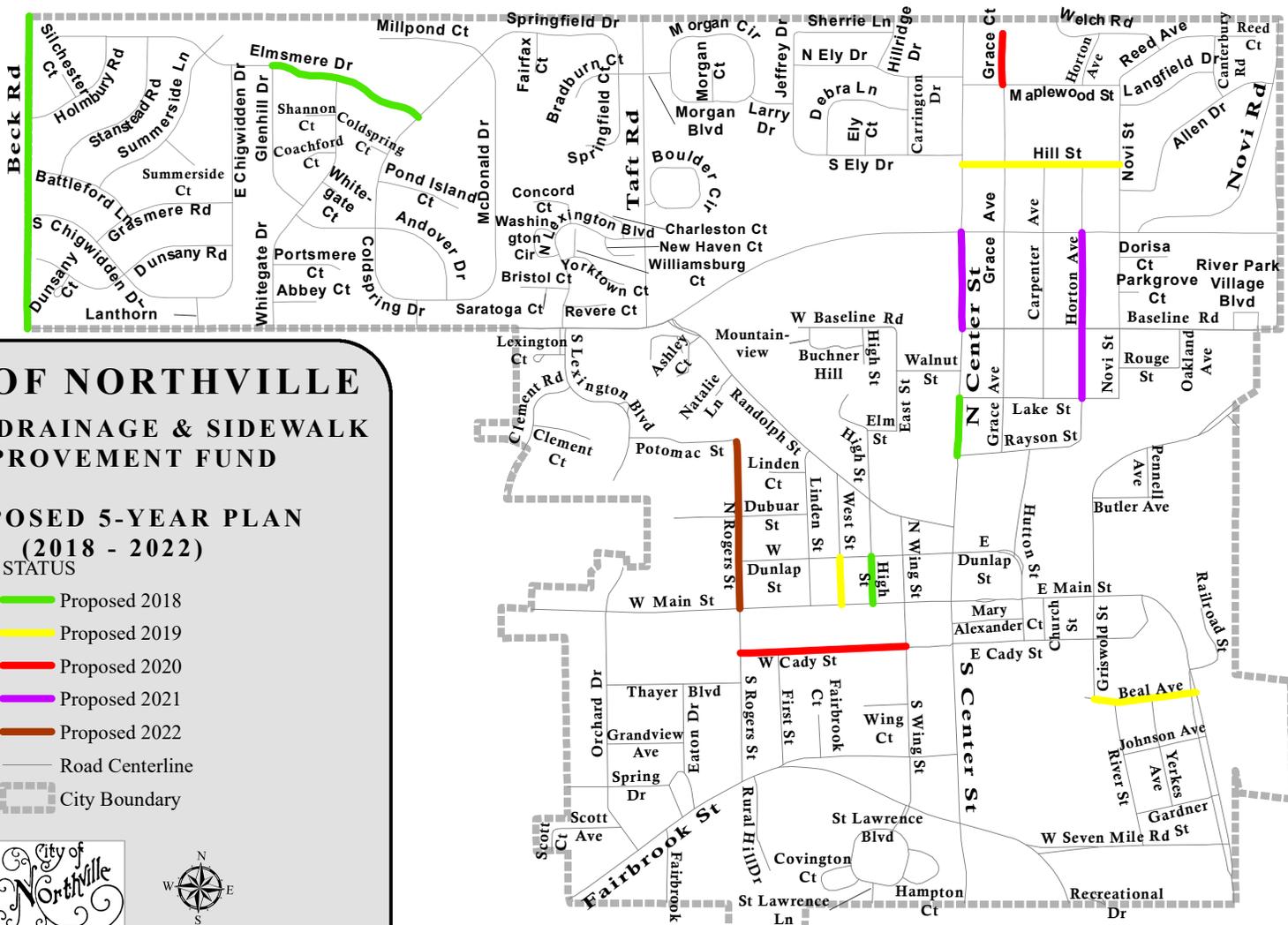
Action Steps Related to City Council Goals & Objectives

- Long-Term Financial Stability (High Priority Goal)
 - Implement strategies identified by City Council after the comprehensive financial analysis is completed by consultants as it pertains to street improvements.

- Street, Sidewalk, and Bike Path Improvements (Medium Priority Goal)
 - Continue the annual street and sidewalk program approved in 1997.
 - Present multi-year street improvement program with funding options to City Council
 - Enhance bike path/non-motorized connectivity where possible to create cohesiveness between neighboring communities.

Long Term Plan

The long-term plan focuses on executing capital street improvement projects as approved by City Council in the City of Northville. Street improvements are to be coordinated with water main improvements in the Water & Sewer Fund.



CITY OF NORTHVILLE
STREET, DRAINAGE & SIDEWALK
IMPROVEMENT FUND

PROPOSED 5-YEAR PLAN
(2018 - 2022)

STATUS

- Proposed 2018
- Proposed 2019
- Proposed 2020
- Proposed 2021
- Proposed 2022
- Road Centerline
- City Boundary




PUBLICATION DATE: MARCH 14, 2018

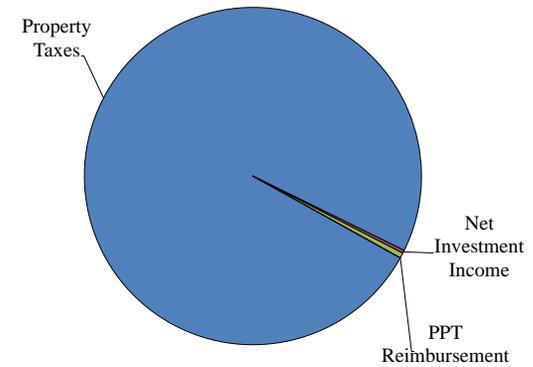
Geographical data provides a spatial representation only. The City of Northville and/or Ritter GIS do not assume any damages or liabilities due to the accuracy, availability, use or misuse of the information provided.

City of Northville
Proposed 2018-19 Street, Drainage & Sidewalk Improvement Fund Budget
(with historical comparative data)

Revenues

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Property Taxes	\$ 588,748	\$ 603,550	\$ 622,665	99.2%
Net Investment Income	398	1,780	1,780	0.3%
PPT Reimbursement	3,149	3,150	3,150	0.5%
Approp. of Prior Year Surplus	279,123	-	-	0.0%
Total Revenues	\$ 871,418	\$ 608,480	\$ 627,595	100.0%

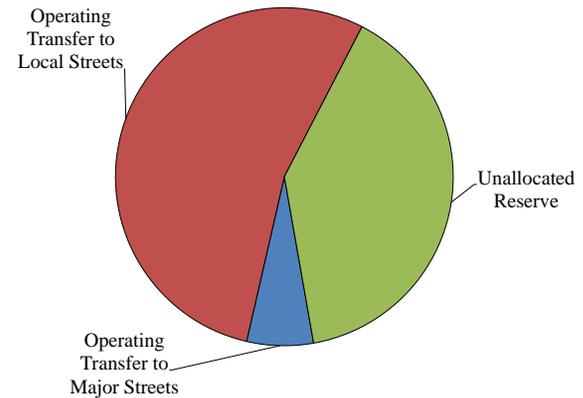
2018-19 Budgeted Revenues



Expenditures

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Operating Transfer to Major Streets	\$ 476,577	\$ 130,100	\$ 40,000	6.4%
Operating Transfer to Local Streets	394,841	245,000	339,000	54.0%
Unallocated Reserve	-	233,380	248,595	39.6%
Total Expenditures	\$ 871,418	\$ 608,480	\$ 627,595	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

STREET, DRAINAGE & SIDEWALK IMPROVEMENT FUND

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
	Previous Years' Maximum Millage Allowed and/or Levied			1.7331	1.7098	1.6798	1.6504	1.6215
	x Millage Reduction Fraction			0.9866	0.9825	0.9825	0.9825	0.9825
	= Allowable Levy			1.7097	1.6798	1.6504	1.6215	1.5931
	x Taxable Value per Mill			353,023	370,678	381,798	393,252	405,050
201-000-403.00	= Current Property Tax	576,844	587,626	603,550	622,665	630,119	637,658	645,285
201-000-403.04	PPT Reimbursement from State	9,092	3,149	3,150	3,150	3,150	3,150	3,150
201-000-417.00	Delinquent Personal Property Taxes	147	477	-	-	-	-	-
201-000-418.00	Property Taxes - Other	(953)	645	-	-	-	-	-
201-000-664.xx	Net Investment Income	9,190	398	1,780	1,780	1,780	1,780	1,780
	Total Revenues	594,320	592,295	608,480	627,595	635,049	642,588	650,215
Fund Balance Reserve								
201-000-699.00	Appropriation of Prior Year Surplus	-	279,123	-	-	-	-	59,785
	Total Budget	594,320	871,418	608,480	627,595	635,049	642,588	710,000

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

STREET, DRAINAGE & SIDEWALK IMPROVEMENT FUND (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES								
Operating transfer to:								
201-775-950.22	Major Street Fund	87,707	476,577	130,100	40,000	345,000	460,000	675,000
201-775-950.23	Local Street Fund	121,286	394,841	245,000	339,000	185,000	35,000	35,000
		<u>208,993</u>	<u>871,418</u>	<u>375,100</u>	<u>379,000</u>	<u>530,000</u>	<u>495,000</u>	<u>710,000</u>
	Total Expenditures	208,993	871,418	375,100	379,000	530,000	495,000	710,000
Fund Balance Reserve								
201-999-999.00	Unallocated Reserve	385,327	-	233,380	248,595	105,049	147,588	-
	Total Budget	<u>594,320</u>	<u>871,418</u>	<u>608,480</u>	<u>627,595</u>	<u>635,049</u>	<u>642,588</u>	<u>710,000</u>
Analysis of Fund Balance:								
	Beginning of Year			779,952	1,013,332	1,261,927	1,366,976	1,514,564
	Revenues			608,480	627,595	635,049	642,588	650,215
	Expenditures			(375,100)	(379,000)	(530,000)	(495,000)	(710,000)
	End of Year			<u>1,013,332</u>	<u>1,261,927</u>	<u>1,366,976</u>	<u>1,514,564</u>	<u>1,454,779</u>

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Major Streets Fund

FUND NUMBER: 202

SUPERVISOR: Director, Department of Public Works

General Description of Activity

This activity records revenue received from gasoline tax through the State of Michigan under Act 51. These revenues are for maintenance of major streets. This includes patching, sealing, pavement marking, repair of traffic signs and signals, winter snow and ice control, as well as construction/reconstruction of roadways. Per statute, the administration and records costs cannot exceed 10% of the combined Act 51 revenues.

The fund also receives revenue pursuant to PA 48 of 2002 (METRO Act) to offset the costs of the use of public rights-of-way by telecom providers.

Proposed Fiscal Year Overview

The State of Michigan has earmarked the first \$150 million in income tax in the State's General Fund to be distributed to the locals for transportation. These funds are to be distributed in accordance with Act 51. This will provide for an additional \$17,287 in the Major Street Fund. Additional income tax in future years is also projected.

There is one major street construction project planned for FY2019. This is the engineering portion of the reconstruction project on W. Cady. The majority of the project will take place in FY2020.

An annual operating transfer to Local Streets is proposed, pursuant to Public Act 338 of 2006, which allows transferring up to 50% of Major Street funds to Local Street funds with no local match. This continues to be proposed to cover the costs of maintaining the more extensive local street system.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Action Steps Related to City Council Goals & Objectives

- Long-Term Financial Stability (High Priority Goal)
 - Implement strategies identified by City Council after the comprehensive financial analysis is completed by consultants as it pertains to street improvements.

- Street, Sidewalk, and Bike Path Improvements (Medium Priority Goal)
 - Continue the annual street and sidewalk program approved in 1997.
 - Present multi-year street improvement program with funding options to City Council
 - Enhance bike path/non-motorized connectivity where possible to create cohesiveness between neighboring communities.
 -

Departmental Goals & Objectives

- Seek proposals and award engineering professional services contract each Fall and advertise for bids early Spring to ensure street improvement projects begin at the beginning of each construction season.
- Provide snow and ice removal in accordance with City policies and procedures.
- Continue proper maintenance of streets, sidewalks, trees and signs along the City’s 6.34 miles of major streets.
- Offer clear and concise direction in the administration of capital improvement projects.
- Sweep downtown streets on a weekly basis during nine months out of the year.

Performance Measures

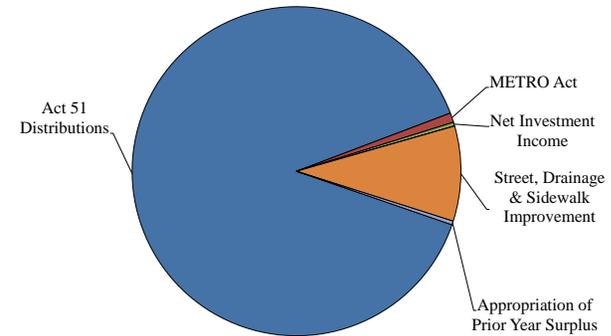
	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Federal, State & Local Grant Revenue	\$0	\$0	\$0	\$0	\$0
Miles of Major Roads	6.34	6.34	6.34	6.34	6.34
Efficiency & Effectiveness Measures					
Cost of Winter Maintenance per Mile	\$8,188	\$9,146	\$8,260	\$13,833	\$9,890

City of Northville
Proposed 2018-19 Major Streets Fund Budget
(with historical comparative data)

Revenues

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Act 51 Distributions	\$ 307,169	\$ 367,697	\$ 380,899	89.0%
METRO Act	4,634	4,000	4,000	0.9%
Net Investment Income	234	1,635	1,635	0.4%
Insurance Proceeds	-	380	-	0.0%
Operating Transfers from Street, Drainage & Sidewalk Improvement	476,577	130,100	40,000	9.3%
Appropriation of Prior Year Surplus	3,207	14,833	1,571	0.4%
Total Revenues	\$ 791,821	\$ 518,645	\$ 428,105	100.0%

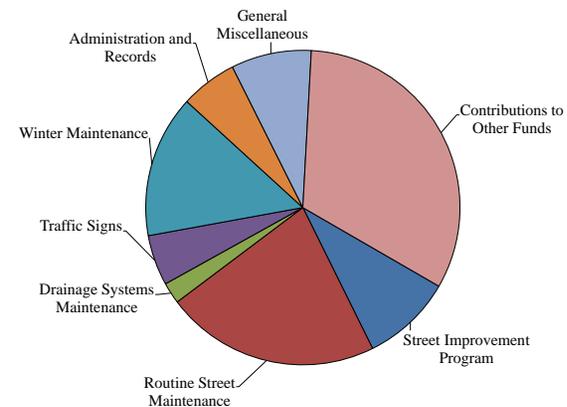
2018-19 Budgeted Revenues



Expenditures

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Street Improvement Program	\$ 476,577	\$ 130,100	\$ 40,000	9.3%
Routine Street Maintenance	85,798	77,485	94,510	22.1%
Drainage Systems Maintenance	11,685	8,200	9,360	2.2%
Traffic Signs	22,475	20,640	22,235	5.2%
Winter Maintenance	52,368	87,700	62,700	14.6%
Administration and Records	24,252	24,495	24,945	5.8%
General Miscellaneous	-	35,430	35,345	8.3%
Contributions to Other Funds	118,666	134,595	139,010	32.5%
Total Expenditures	\$ 791,821	\$ 518,645	\$ 428,105	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

MAJOR STREETS FUND

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
202-000-546.01	Act 51 Distributions	267,106	307,169	367,697	380,899	411,208	450,731	461,300
202-000-574.06	METRO Act	4,746	4,634	4,000	4,000	4,000	4,000	4,000
202-000-664.xx	Net Investment Income	3,824	234	1,635	1,635	1,635	1,635	1,635
202-000-667.00	Insurance Proceeds	-	-	380	-	-	-	-
Operating Transfer from:								
202-000-699.02	Street, Drainage, and Sidewalk Improvement Fund	87,707	476,577	130,100	40,000	345,000	460,000	675,000
Total Revenues		363,383	788,614	503,812	426,534	761,843	916,366	1,141,935
Fund Balance Reserve								
202-000-699.00	Approp of Prior Years' Surplus	-	3,207	14,833	1,571	-	-	-
Total Budget		363,383	791,821	518,645	428,105	761,843	916,366	1,141,935

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

MAJOR STREETS FUND (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES (continued)								
Street Improvement Program								
202-452-801.00	Contractual Services	-	-	-	-	-	-	-
202-452-801.47	Joint & Crack Sealing	16,658	16,970	25,000	25,000	25,000	25,000	25,000
202-452-803.60	Beck Road	-	-	70,000	-	-	-	-
202-452-803.79	S. Center Street Improvements	-	-	-	-	-	-	-
202-452-803.83	8 Mile/Center St to Meadowbrook	505	-	-	-	-	-	-
202-452-803.86	7 Mile Road Improvements	6,191	-	-	-	-	-	-
202-452-803.94	Rayson Street Reconstruction	462	105,002	-	-	-	-	-
202-452-803.96	Horton Street Improvements	315	78,788	-	-	-	-	-
202-452-803.98	S. Wing - Cady to 7 Mile	3,588	265,373	-	-	-	-	-
202-452-815.03	E. Cady Street	-	6,511	15,000	-	-	-	400,000
202-452-815.04	Center Street Crosswalk	-	3,933	20,100	-	-	-	-
202-452-815.TBD	W. Cady Street	-	-	-	15,000	320,000	-	-
202-452-815.TBD	Horton Street	-	-	-	-	-	300,000	-
202-452-815.TBD	N Center Street	-	-	-	-	-	135,000	-
202-452-815.TBD	N. Rogers Street	-	-	-	-	-	-	250,000
		27,719	476,577	130,100	40,000	345,000	460,000	675,000

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

MAJOR STREETS FUND (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES (continued)								
Routine Street Maintenance								
202-463-706.00	Wages/Salaries	22,881	12,408	12,000	21,935	23,055	24,620	24,620
202-463-707.00	Wages/Salaries - Overtime	375	302	375	390	410	460	460
202-463-775.00	Materials	7,957	11,471	7,800	8,000	8,200	8,400	8,600
202-463-801.00	Contractual Services	11,479	12,929	12,250	12,500	12,775	13,000	13,250
202-463-801.18	Pavement Marking Program	12,752	12,079	13,000	13,000	13,000	13,000	13,000
202-463-803.00	Engineering Services	7,044	3,948	4,000	500	1,500	-	1,500
202-463-910.00	Liability and Property Insurance Pool	293	202	-	-	-	-	-
202-463-920.03	Water and Sewer Service	658	445	600	600	600	600	600
202-463-943.00	Equipment Rental	17,842	4,989	15,300	15,450	15,600	15,760	15,920
202-463-967.00	Fringe Benefits	24,337	13,210	12,160	22,135	23,270	24,755	25,010
202-463-967.04	Unfunded Pension Contributions	6,169	6,142	-	-	-	-	-
202-463-967.09	Retiree Healthcare Costs	8,190	7,673	-	-	-	-	-
		119,977	85,798	77,485	94,510	98,410	100,595	102,960
Drainage Systems Maintenance								
202-469-706.00	Wages/Salaries	1,573	2,883	1,640	2,195	2,305	2,465	2,465
202-469-707.00	Wages/Salaries - Overtime	-	-	175	180	190	215	215
202-469-775.00	Materials	-	522	500	500	500	500	500
202-469-801.00	Contractual Services	-	-	-	-	-	-	-
202-469-910.00	Liability and Property Insurance Pool	16	28	-	-	-	-	-
202-469-943.00	Equipment Rental	2,495	2,507	3,100	3,130	3,160	3,190	3,220
202-469-967.00	Fringe Benefits	1,745	2,999	1,785	2,355	2,475	2,645	2,675
202-469-967.04	Unfunded Pension Contributions	341	836	-	-	-	-	-
202-469-967.09	Retiree Healthcare Costs	443	1,045	-	-	-	-	-
202-469-984.00	GIS Services	-	865	1,000	1,000	1,000	1,000	1,000
		6,613	11,685	8,200	9,360	9,630	10,015	10,075

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

MAJOR STREETS FUND (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES (continued)								
Traffic Signs								
202-474-706.00	Wages/Salaries	3,588	1,411	1,695	2,415	2,535	2,715	2,715
202-474-707.00	Wages/Salaries - Overtime	448	608	645	600	615	650	650
202-474-775.00	Materials	1,697	1,372	2,000	2,000	2,000	2,000	2,000
202-474-801.00	Contractual Services	12,158	12,435	12,400	12,610	12,830	13,050	13,280
202-474-910.00	Liability and Property Insurance Pool	67	52	-	-	-	-	-
202-474-943.00	Equipment Rental	2,127	1,025	1,600	1,620	1,640	1,660	1,680
202-474-967.00	Fringe Benefits	4,234	1,953	2,300	2,990	3,125	3,325	3,355
202-474.967.04	Unfunded Pension Contributions	1,420	1,609	-	-	-	-	-
202-474-967.09	Retiree Healthcare Costs	1,847	2,010	-	-	-	-	-
		27,586	22,475	20,640	22,235	22,745	23,400	23,680
Winter Maintenance								
202-478-706.00	Wages/Salaries	3,655	2,255	7,000	4,390	4,610	4,925	4,925
202-478-707.00	Wages/Salaries - Overtime	4,722	4,736	12,000	5,000	5,125	5,410	5,410
202-478-775.00	Materials	24,271	21,892	28,000	29,000	30,000	31,000	32,000
202-478-910.00	Liability and Property Insurance Pool	142	123	-	-	-	-	-
202-478-943.00	Equipment Rental	10,439	8,543	21,000	15,000	15,150	15,300	15,450
202-478-967.00	Fringe Benefits	7,886	6,386	19,700	9,310	9,640	10,200	10,305
202-478.967.04	Unfunded Pension Contributions	2,985	3,749	-	-	-	-	-
202-478-967.09	Retiree Healthcare Costs	3,883	4,684	-	-	-	-	-
		57,983	52,368	87,700	62,700	64,525	66,835	68,090
Administration and Records								
202-483-805.00	Auditing Services	2,193	2,322	2,345	2,575	2,630	2,680	2,730
202-483-967.02	Overhead-Administration & Records	21,500	21,930	22,150	22,370	22,590	22,820	23,050
		23,693	24,252	24,495	24,945	25,220	25,500	25,780

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

MAJOR STREETS FUND (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES (continued)								
General Miscellaneous								
202-920-910.00	Liability and Property Insurance Pool	-	-	510	530	550	570	590
202-920-956.00	Contingencies	-	-	-	-	-	1,240	2,520
202-920-967.04	Unfunded Pension Contributions	-	-	18,565	17,385	18,900	20,090	21,350
202-920-967.09	Retiree Healthcare Costs	-	-	16,355	17,430	18,585	19,840	21,170
		-	-	35,430	35,345	38,035	41,740	45,630
Contributions to Other Funds								
202-775-950.23	Oper Tsfr to Local Streets Fund	-	118,666	134,595	139,010	136,696	136,405	140,350
		-	118,666	134,595	139,010	136,696	136,405	140,350
	Total Expenditures	263,571	791,821	518,645	428,105	740,261	864,490	1,091,565
Fund Balance Reserve								
202-999-999.00	Unallocated Reserve	99,812	-	-	-	21,582	51,876	50,370
	Total Budget	363,383	791,821	518,645	428,105	761,843	916,366	1,141,935
Analysis of Fund Balance:								
	Beginning of Year			573,310	558,477	556,906	578,488	630,364
	Revenues			503,812	426,534	761,843	916,366	1,141,935
	Expenditures			(518,645)	(428,105)	(740,261)	(864,490)	(1,091,565)
	End of Year			558,477	556,906	578,488	630,364	680,734

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Local Streets Fund

FUND NUMBER: 203

SUPERVISOR: Director, Department of Public Works

The organizational chart for the Local Streets Fund is the same as that of the Department of Public Works (Department 101-441).

General Description of Activity

This activity records revenue received from gasoline tax through the State of Michigan under Act 51. Those funds may be used for routine maintenance of local streets. This includes patching, sealing, grading of gravel roads, repair of storm sewer, sweeping, traffic signs, winter snow and ice control, as well as debt service. The Act 51 funds, however, are insufficient to cover required maintenance needs of the local street system. To cover this shortfall, an operating transfer from the Major Streets Fund is necessary.

The fund also receives revenue pursuant to PA 48 of 2002 (METRO Act) to offset the costs of the use of public rights-of-way by telecom providers.

Proposed Fiscal Year Overview

The State of Michigan has earmarked the first \$150 million in income tax in the State's General Fund to be distributed to the locals for transportation. These funds are to be distributed in accordance with Act 51. This will provide for an additional \$7,346 in the Local Street Fund. Additional income tax in future years is also projected.

There are three major street construction projects planned for FY2019 which are Beal Avenue, Hill Street and West Street.

An annual operating transfer is proposed from the Major Streets pursuant to Public Act 338 of 2006 which allows transferring up to 50% of Major Street funds to Local Street funds with no local match.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Local Streets Fund – continued

Action Steps Related to City Council Goals & Objectives

- Long-Term Financial Stability (High Priority Goal)
 - Implement strategies identified by City Council after the comprehensive financial analysis is completed by consultants as it pertains to street improvements.

- Street, Sidewalk, and Bike Path Improvements (Medium Priority Goal)
 - Continue the annual street and sidewalk program approved in 1997.
 - Present multi-year street improvement program with funding options to City Council
 - Enhance bike path/non-motorized connectivity where possible to create cohesiveness between neighboring communities.

Departmental Goals & Objectives

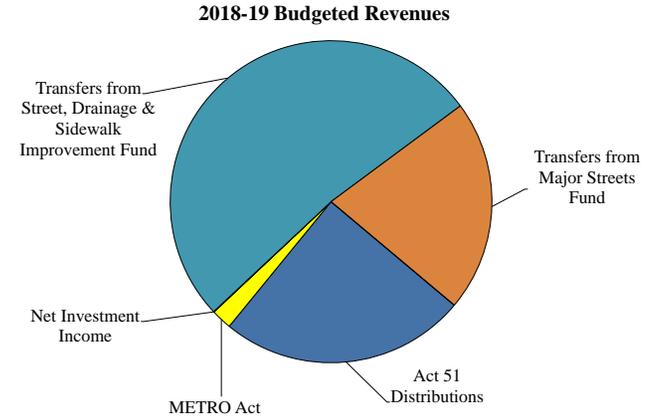
- Seek proposals and award engineering professional services contract each Fall and advertise for bids early Spring to ensure street improvement projects begin at the beginning of each construction season.
- Provide snow and ice removal in accordance with City policies and procedures.
- Continued proper maintenance of streets, sidewalks, trees and signs along the City’s 18.55 miles of local streets.
- Offer clear and concise direction in the administration of capital improvement projects.
- Sweep neighborhood streets monthly during nine months of the year.

Performance Measures

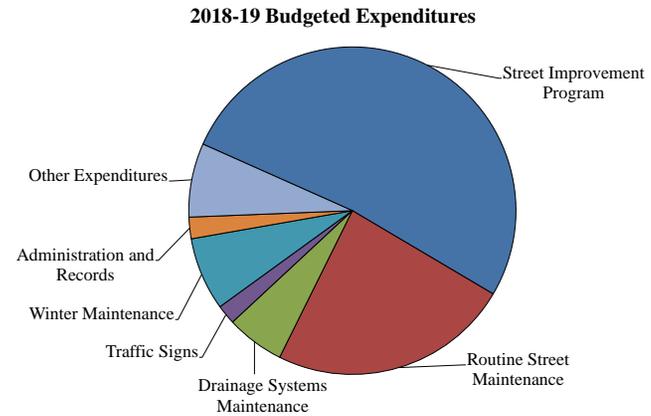
	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Miles of Local Roads	18.55	18.55	18.55	18.55	18.55
Efficiency & Effectiveness Measures					
Cost of Winter Maintenance per Mile	\$2,255	\$2,643	\$2,515	\$3,538	\$2,548

City of Northville
Proposed 2018-19 Local Streets Fund Budget
(with historical comparative data)

Revenues	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Act 51 Distributions	\$ 130,800	\$ 181,010	\$ 162,215	24.8%
METRO Act	13,901	13,500	13,500	2.1%
Net Investment Income	29	370	370	0.1%
Operating Transfers from				
Street, Drainage & Sidewalk Improvement	394,841	245,000	339,000	51.8%
Major Streets Fund	118,666	134,595	139,010	21.3%
Approp. of Prior Year Surplus	100,000	-	-	0.0%
Total Revenues	\$ 758,237	\$ 574,475	\$ 654,095	100.1%



Expenditures	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Street Improvement Program	\$ 494,841	\$ 245,000	\$ 339,000	51.8%
Routine Street Maintenance	164,410	144,315	155,930	23.8%
Drainage Systems Maintenance	28,926	47,385	37,645	5.8%
Traffic Signs	11,260	11,560	12,625	1.9%
Winter Maintenance	46,658	65,625	47,270	7.2%
Administration and Records	12,142	13,565	13,905	2.1%
Other Expenditures	-	47,025	47,720	7.3%
Total Expenditures	\$ 758,237	\$ 574,475	\$ 654,095	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

LOCAL STREETS

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
203-000-546.01	Act 51 Distributions	113,724	130,800	181,010	162,215	175,124	191,975	196,480
203-000-574.06	METRO Act	14,239	13,901	13,500	13,500	13,500	13,500	13,500
203-000-626.04	DPW/BLDG Service Reimbursement	142	-	-	-	-	-	-
203-000-664.xx	Net Investment Income	1,438	29	370	370	370	370	370
203-000-660.05	Other Grants	57,098	-	-	-	-	-	-
	Operating Transfer from:							
203-000-699.02	Street, Drainage, and Sidewalk Improvement Fund	121,286	394,841	245,000	339,000	185,000	35,000	35,000
203-000-699.12	Major Streets Fund	-	118,666	134,595	139,010	136,696	136,405	140,350
	Total Revenues	307,927	658,237	574,475	654,095	510,690	377,250	385,700
Fund Balance Reserve								
203-000-699.00	Appropriation of Prior Year Surplus	100	100,000	-	-	-	-	-
	Total Budget	308,027	758,237	574,475	654,095	510,690	377,250	385,700

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

LOCAL STREETS (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Street Improvement Program								
203-452-801.00	Contractual Services	1,872	1,824	-	-	-	-	-
203-452-801.81	Sidewalk Repair & Replacement	33,141	21,777	35,000	35,000	35,000	35,000	35,000
203-452-803.00	Engineering Services	-	-	-	-	-	-	-
203-452-803.91	Summerside Cr. Improvements	-	-	-	-	-	-	-
203-452-803.92	Silchester Ct. Improvements	-	-	-	-	-	-	-
203-452-803.94	Rayson Street Reconstruction	483	118,140	-	-	-	-	-
203-452-803.95	Elmsmere Drive Improvements	890	179,125	-	-	-	-	-
203-452-803.97	Walnut Street	2,563	132,226	-	-	-	-	-
203-452-815.01	Elmsmere Drive Improvements	-	21,386	60,000	-	-	-	-
203-452-815.02	High Street Improvements	-	20,363	74,000	-	-	-	-
203-452-815.TBD	Beal Avenue Street Reconstruction	-	-	26,000	104,000	-	-	-
203-452-815.TBD	Hill Street Improvements	-	-	30,000	120,000	-	-	-
203-452-815.TBD	West Street Improvements	-	-	20,000	80,000	-	-	-
203-452-815.TBD	Grace Court Improvements	-	-	-	-	150,000	-	-
		38,949	494,841	245,000	339,000	185,000	35,000	35,000
Routine Street Maintenance								
203-463-706.00	Wages/Salaries	42,128	40,141	30,000	46,070	48,420	51,845	51,845
203-463-707.00	Wages/Salaries - Overtime	364	969	2,000	1,000	1,025	1,080	1,080
203-463-712.00	Contracted Labor	-	-	17,615	1,600	-	-	-
203-463-775.00	Materials	7,819	1,177	5,850	5,850	5,850	5,850	5,850
203-463-801.00	Contractual Services	-	6,010	700	200	200	200	200
203-463-910.00	Liability and Property Insurance Pool	315	173	-	-	-	-	-
203-463-943.00	Equipment Rental	43,885	46,584	54,000	54,540	55,090	55,640	56,200
203-463-967.00	Fringe Benefits	46,142	43,074	34,150	46,670	49,035	52,235	52,775
203-463-967.04	Unfunded Pension Contributions	9,785	11,231	-	-	-	-	-
203-463-967.09	Retiree Healthcare Costs	14,238	15,051	-	-	-	-	-
		164,676	164,410	144,315	155,930	159,620	166,850	167,950

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

LOCAL STREETS (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Drainage Systems Maintenance								
203-469-706.00	Wages/Salaries	3,804	4,872	12,185	7,420	7,795	8,305	8,305
203-469-707.00	Wages/Salaries - Overtime	150	262	250	200	200	215	215
203-469-775.00	Materials	1,098	960	1,300	1,000	1,000	1,000	1,000
203-469-801.00	Contractual Services	-	-	2,000	2,000	2,000	2,000	2,000
203-469-802.05	Legal Fees - Storm Water Permit	1,339	35	2,500	2,500	2,500	2,500	2,500
203-469-825.00	Storm Water Program	7,378	3,680	8,770	8,770	8,770	8,770	8,770
203-469-826.00	Randolph Drain Annual Maintenance	3,109	3,110	3,110	3,110	3,110	3,110	3,110
203-469-910.00	Liability and Property Insurance Pool	58	30	-	-	-	-	-
203-469-943.00	Equipment Rental	4,632	5,058	4,050	4,090	4,130	4,170	4,210
203-469-967.00	Fringe Benefits	4,353	5,430	12,220	7,555	7,930	8,410	8,495
203-469-967.04	Unfunded Pension Contributions	1,790	1,976	-	-	-	-	-
203-469-967.09	Retiree Healthcare Costs	2,542	2,648	-	-	-	-	-
203-469-984.00	GIS Services	-	865	1,000	1,000	1,000	1,000	1,000
		30,253	28,926	47,385	37,645	38,435	39,480	39,605
Traffic Signs								
203-474-706.00	Wages/Salaries	3,865	2,866	3,435	3,840	4,030	4,320	4,320
203-474-707.00	Wages/Salaries - Overtime	346	308	100	200	310	225	225
203-474-775.00	Materials	1,295	1,696	2,000	2,000	2,000	2,000	2,000
203-474-910.00	Liability and Property Insurance Pool	28	12	-	-	-	-	-
203-474-943.00	Equipment Rental	2,244	1,190	2,550	2,580	2,610	2,640	2,670
203-474-967.00	Fringe Benefits	4,608	3,388	3,475	4,005	4,305	4,485	4,535
203-474-967.04	Unfunded Pension Contributions	861	769	-	-	-	-	-
203-474-967.09	Retiree Healthcare Costs	1,223	1,031	-	-	-	-	-
		14,470	11,260	11,560	12,625	13,255	13,670	13,750

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

LOCAL STREETS (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Winter Maintenance								
203-478-706.00	Wages/Salaries	6,925	5,732	9,000	6,470	6,800	7,280	7,280
203-478-707.00	Wages/Salaries - Overtime	1,303	1,225	9,000	2,000	2,050	2,185	2,185
203-478-775.00	Road Salt	17,523	18,385	19,800	20,300	20,800	21,300	21,800
203-478-910.00	Liability and Property Insurance Pool	94	49	-	-	-	-	-
203-478-943.00	Equipment Rental	6,869	7,264	10,000	10,100	10,200	10,300	10,400
203-478-967.00	Fringe Benefits	9,260	6,545	17,825	8,400	8,780	9,345	9,440
203-478-967.04	Unfunded Pension Contributions	2,918	3,187	-	-	-	-	-
203-478-967.09	Retiree Healthcare Costs	4,144	4,271	-	-	-	-	-
		49,036	46,658	65,625	47,270	48,630	50,410	51,105
Administration and Records								
203-483-805.00	Auditing Services	2,193	2,322	2,345	2,575	2,630	2,680	2,730
203-483-967.02	Overhead - Administration & Records	8,450	9,820	11,220	11,330	11,440	11,550	11,670
		10,643	12,142	13,565	13,905	14,070	14,230	14,400
Other Expenditures								
203-920-910.00	Liability and Property Insurance Pool	-	-	605	620	640	660	680
203-920-956.00	Contingencies	-	-	-	-	-	2,230	4,530
203-920-967.04	Unfunded Pension Contributions	-	-	24,000	22,900	24,890	26,450	28,110
203-920-967.09	Retiree Healthcare Costs	-	-	22,420	24,200	26,150	28,270	30,570
		-	-	47,025	47,720	51,680	57,610	63,890
	Total Expenditures	308,027	758,237	574,475	654,095	510,690	377,250	385,700
Fund Balance Reserve								
203-999-999.00	Unallocated Reserve	-	-	-	-	-	-	-
	Total Budget	308,027	758,237	574,475	654,095	510,690	377,250	385,700
Analysis of Fund Balance:								
	Beginning of Year			108,845	108,845	108,845	108,845	108,845
	Revenues			574,475	654,095	510,690	377,250	385,700
	Expenditures			(574,475)	(654,095)	(510,690)	(377,250)	(385,700)
	End of Year			108,845	108,845	108,845	108,845	108,845

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Parking Fund

FUND NUMBER: 230

SUPERVISOR: Director, Department of Public Works

General Description of Activity

The Parking Fund was used primarily to receive special assessment (“parking credit”) revenue and pay related bond principal and interest from a 1990 project. Since that debt was paid off on December 1, 2000, the revenues received from parking credits are used to pay for lease payments of land used by the City as public parking lots and to earmark funds for future parking expansion or maintenance projects.

During FY2002, the City Council reviewed the parking permit policy for the downtown area. As a result, the policy decision was made to record the parking permit fees for overnight parking in this fund, rather than the General Fund. The cost for a permit is \$10 monthly.

Beginning with FY2018, all parking costs are recorded in this Fund. Previously, they were split between this fund, the General Fund, and the DDA Fund.

Proposed Fiscal Year Overview

There are no planned parking lot improvement projects for FY2019. The DDA Director is in the process of preparing an RFP for the evaluation of the two City parking decks to determine scope of improvements recommended. Funding options will then be explored.

Long Term Plan

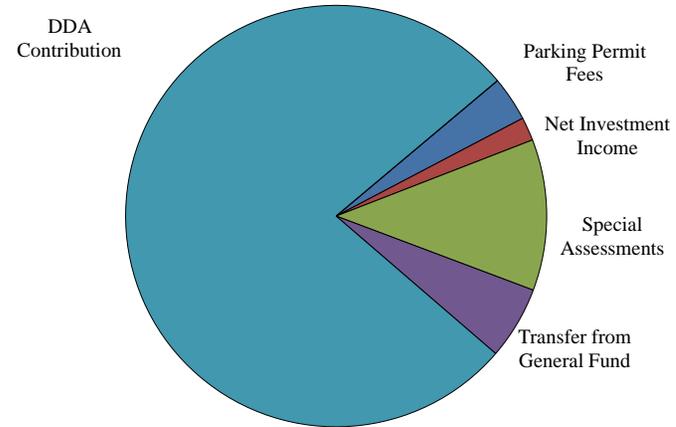
Since this fund collects the revenue for parking credit special assessments and parking permit fees, it is appropriate that these funds continued to be used for parking lot improvements or heavy maintenance, as well as, parking expansion projects in the future.

City of Northville
Proposed 2018-19 Parking Fund Budget
(with historical comparative data)

Revenues

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Parking Permit Fees	\$ 5,237	\$ 5,000	\$ 5,000	3.4%
Net Investment Income	373	2,320	2,620	1.8%
Special Assessments	22,367	17,715	16,918	11.6%
Transfer from General Fund	-	9,210	8,160	5.6%
DDA Contribution	-	110,650	113,100	77.6%
Approp of Prior Year Surplus	-	-	-	0.0%
Total Revenues	\$ 27,977	\$ 144,895	\$ 145,798	100.0%

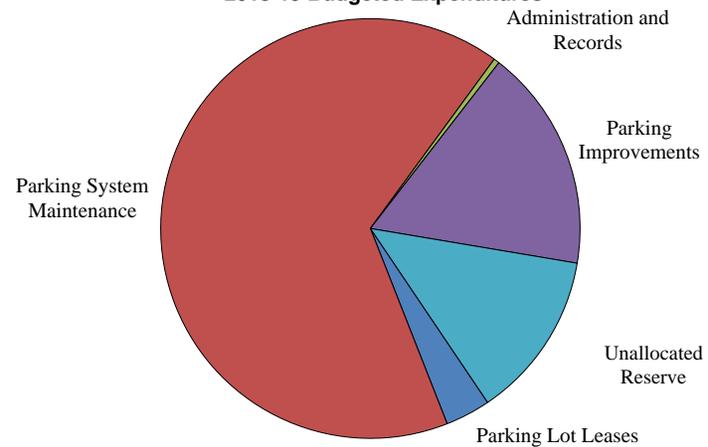
2018-19 Budgeted Revenues



Expenditures

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Parking Lot Leases	\$ 4,924	\$ 4,968	\$ 5,073	3.5%
Parking System Maintenance	\$ -	\$ 94,860	\$ 96,260	66.0%
Administration and Records	464	470	645	0.4%
Parking Improvements	20,279	25,000	25,000	17.1%
Unallocated Reserve	2,310	19,597	18,820	12.9%
Total Expenditures	\$ 27,977	\$ 144,895	\$ 145,798	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

PARKING FUND

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
230-000-476.30	Parking Permit Fees	5,111	5,237	5,000	5,000	5,000	5,000	5,000
230-000-664.xx	Net Investment Income	5,161	373	2,320	2,620	2,620	2,620	2,620
230-000-672.15	Special Assessments	133,919	22,367	17,715	16,918	14,757	13,272	12,604
230-000-699.06	Transfer from General Fund	-	-	9,210	8,160	8,780	10,060	8,925
230-000-699.07	Contribution from DDA Fund	-	-	110,650	113,100	115,620	118,220	120,900
	Total Revenues	144,191	27,977	144,895	145,798	146,777	149,172	150,049
Fund Balance Reserve								
230-000-699.00	Use of Fund Balance	-	-	-	-	-	-	-
	Total Budget	144,191	27,977	144,895	145,798	146,777	149,172	150,049
EXPENDITURES								
Parking Lot Leases								
230-545-987.00	Lease Payment-Long Property	2,410	2,449	2,470	2,522	2,572	2,624	2,676
230-545-988.00	Northville Downs Taxes	2,435	2,475	2,498	2,551	2,602	2,653	2,706
		4,845	4,924	4,968	5,073	5,174	5,277	5,382
Parking System Maintenance								
230-546-706.00	Wages - Regular	-	-	8,255	9,350	10,050	11,255	11,255
230-546-707.00	Wages - Overtime	-	-	2,050	1,000	1,050	1,120	1,120
230-546-775.00	Materials / Salt	-	-	10,500	10,650	10,800	10,950	11,110
230-546-801.00	Contractual Services	-	-	17,785	17,885	18,380	18,610	18,840
230-546-801.06	Elevator Maintenance	-	-	6,650	6,650	6,650	6,650	6,650
230-546-853.00	Telephone	-	-	400	400	400	400	400
230-546-910.00	Liability & Property Insurance	-	-	5,605	5,770	5,940	6,120	6,300
230-546-920.01	Electric Power	-	-	22,890	23,580	24,300	25,030	25,770
230-546-920.03	Water & Sewer Service	-	-	100	100	100	100	100
230-546-943.00	Equipment Rental	-	-	10,500	10,610	10,720	10,830	10,940
230-546-967.00	Fringe Benefits	-	-	10,125	10,265	11,010	12,215	12,340
		-	-	94,860	96,260	99,400	103,280	104,825

continued

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

PARKING FUND

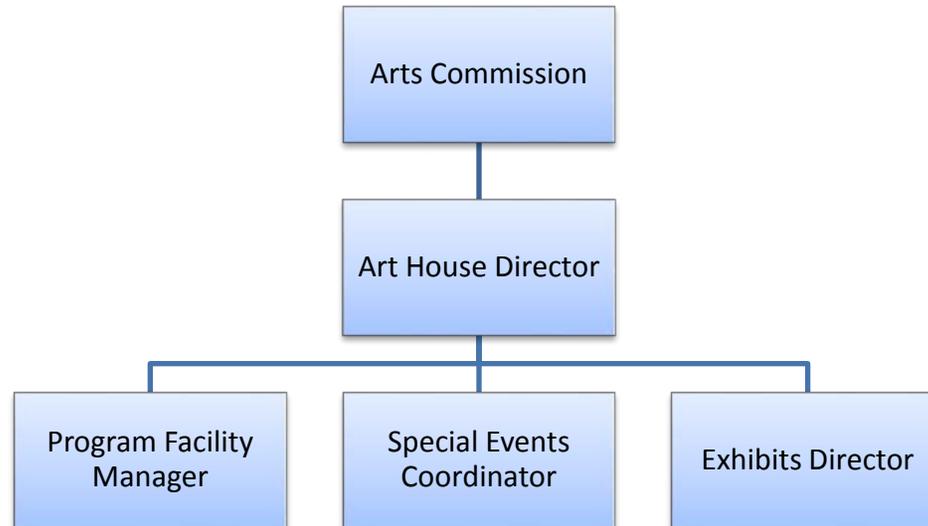
Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES - continued								
Administration and Records								
230-923-805.00	Auditing Service	439	464	470	645	660	670	680
		439	464	470	645	660	670	680
Parking Improvements								
230-546-977.00	Deck Structural Improvements	-	-	25,000	25,000	25,000	25,000	25,000
230-902-801.00	Contractual Services	5,500	-	-	-	-	-	-
230-902-977.18	E Cady Street Lot	-	20,279	-	-	-	-	-
		5,500	20,279	25,000	25,000	25,000	25,000	25,000
	Total Expenditures	10,784	25,667	125,298	126,978	130,234	134,227	135,887
Fund Balance Reserve								
230-999-999.00	Unallocated Reserve	133,407	2,310	19,597	18,820	16,543	14,945	14,162
	Total Budget	144,191	27,977	144,895	145,798	146,777	149,172	150,049
Fund Balance Analysis								
	Beginning of Year			688,455	708,052	726,872	743,415	758,360
	Revenues			144,895	145,798	146,777	149,172	150,049
	Expenditures			(125,298)	(126,978)	(130,234)	(134,227)	(135,887)
	End of Year			708,052	726,872	743,415	758,360	772,522

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Arts Commission

FUND NUMBER: 255

SUPERVISOR: Arts Commission



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Arts Commission – continued

General Description of Activity

The Northville Art House promotes and facilitates a variety of art activities throughout the year. A major monthly activity includes regular participation in Northville’s First Friday Experience with an exhibit opening reception hosted by Art House volunteers. Special annual exhibits include several student art shows which are coordinated with Northville Public Schools, a member show featuring the work of over 60 current members, and two juried shows entered by artists all over the world.

A small retail store showcases the work of local artists. Art workshops and classes are held on a year-round basis for children, teens, adults, and artists. In addition to onsite classes, the Art House provides outreach programming through Northville Public Schools and other community partners. The major fundraiser is Arts and Acts, which is partnered with local vendors and brings in artists from around the country. This citywide event showcases the arts diversity that is unique to Northville. Arts and Acts is taking place in Millennium Park as of June 2018 to expand the event and increase audience attendance.

A Director manages the growing administrative activity of the Art House and coordinates the various activities while the building is open to the public. A Program and Facility Manager manages the store, facility, rentals, and birthday parties. An Exhibits Director manages the exhibits, call for show entries, and lectures. A Special Events Coordinator manages Arts & Acts and develops other fundraising events. With regular open hours staffed by part-time employees and a dedicated volunteer group, the Art House continues to experience growth and acclaim throughout the metropolitan area. Publicity by the media for Art House activities is frequent and the Art House is proud that it is contributing favorably to Northville’s viability as a destination city. The Art House is a member of the Northville Central Business Association and the Chamber of Commerce. The Director regularly attends their meetings to network and share information. The Art House also communicates and participates with the Downtown Development Authority activities to promote downtown Northville.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Arts Commission – continued

The following are the programs and activities the Northville Arts Commission budget supports:

Art House Exhibitions: Monthly exhibitions are organized by a volunteer Exhibit Committee with the assistance of the Exhibits Director to promote local and regional artists and bring art and education to the community. These exhibits are specifically coordinated with downtown Northville's First Friday event. Two annual juried shows attract artists internationally. Occasionally, outside groups ask to exhibit work and are allowed, dependent upon gallery availability, and appropriateness of the exhibit.

Student Art Shows: Several student art shows are coordinated with Northville Public Schools which showcase student work in two-dimensional art, functional and decorative ceramics, photography and metals. This program promotes art to youth and provides a public exhibiting venue and recognition of youth artists in the community.

Arts and Acts: Started in 2010, this City-wide event incorporates art, music, film, literature and theater in order to showcase the artistic diversity within the Northville community. This celebration of the arts in southeast Michigan is the result of collaboration with various downtown merchants and businesses. Beginning in June 2018, Arts and Acts has moved to Millennium Park and continues to bring diverse art forms to the community. The annual juried fine arts festival, Art in the Sun, is the visual arts component of Arts and Acts and is the primary fundraising event for the Art House.

Arts Programming: Art classes, workshops, forums, demonstrations and performances intended to promote art and education in the community and raise revenue for the Art House are an on-going, ever-evolving activity. Four Northville elementary schools participate in the Young Artists after school art program, which was started in the spring of 2016.

Proposed Fiscal Year Overview

Three potential new revenue programs are currently being developed by the Commission: A film and literary arts festival to showcase performance and written art forms in the community, a membership drive to increase the number of annual memberships, and increasing the number of scholarships to local Northville High School seniors from one to two students through the sale of Art House t-shirt drive. The t-shirt drive will generate funding for the Art House Scholarship, as well as the organization.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Arts Commission – continued

Long Term Plan

The sustainability of the Arts Commission is very dependent upon the success of the new proposed programs as well as an aggressive approach to fundraising, sponsors, and grants. Staff will be exploring the option of moving to a 501(c)(3) in the future to expand classes and activities.

Departmental Goals & Objectives

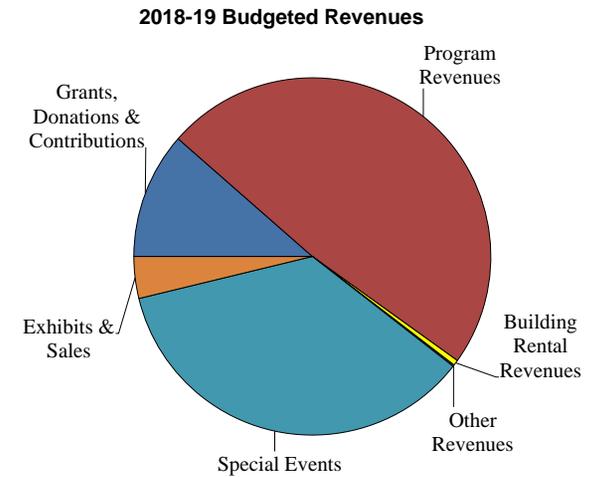
- Continue to promote the retail store at the Art House to generate additional patronage and exhibit functional artwork.
- Increase programming and activity at the Art House.
- Continue participation and promotion of the First Friday event through monthly exhibits and opening receptions in coordination with downtown merchants.
- Increase participation in Art in the Sun and coordinate Arts and Acts activities.
- Generate sponsorship for major programs (exhibitions and special events).
- Hold additional fundraisers to support the Art House.

Performance Measures

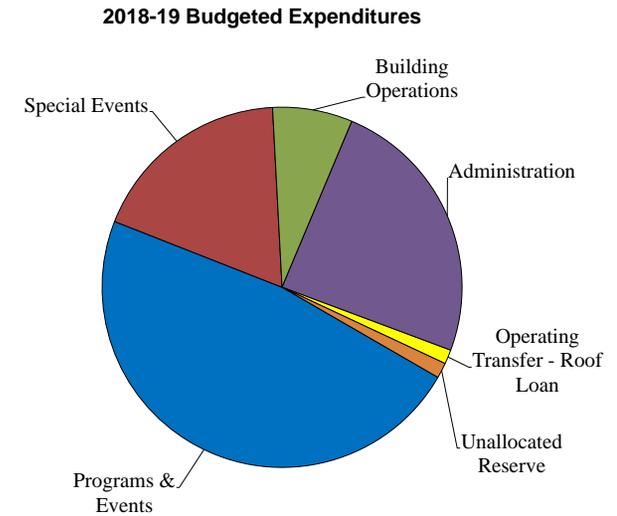
	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Number of Commission Members	8	8	7	8	9
Number of Class Participants	469	688	585	640	700
Number of Memberships	157	175	142	160	175
Number of Fundraising Events	4	3	1	3	4
Number of Gallery Exhibits	12	10	9	10	10
Number of Gallery Visitors	3,960	4,015	2,980	3300	3600

City of Northville
Proposed 2018-19 Arts Commission Budget
(with historical comparative data)

Revenues	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Grants, Donations & Contributions	13,077	17,385	18,460	11.5%
Program Revenues	69,036	75,200	78,100	48.4%
Building Rental Revenues	1,077	800	800	0.5%
Other Revenues	97	220	220	0.1%
Special Events	36,178	53,800	57,500	35.7%
Exhibits & Sales	6,279	5,900	6,100	3.8%
Approp of Prior Year Surplus	10,788	1,805	-	0.0%
Total Revenues	\$ 136,532	\$ 155,110	\$ 161,180	100.0%



Expenditures	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Programs & Events	\$64,228	\$74,440	\$76,750	47.6%
Special Events	20,261	28,250	29,340	18.2%
Building Operations	13,437	10,994	11,584	7.2%
Administration	36,550	39,370	39,240	24.3%
Operating Transfer - Roof Loan	2,056	2,056	2,056	1.3%
Unallocated Reserve	-	-	2,210	1.4%
Total Expenditures	\$ 136,532	\$ 155,110	\$ 161,180	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

ARTS COMMISSION

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Revenues								
Grants, Donations & Contributions								
255-000-586.00	Private Contributions	1,010	1,260	2,600	1,500	1,500	1,500	1,500
255-000-586.04	Membership Program		-	6,000	7,800	8,000	8,300	8,500
255-000-586.08	Donations - Exhibits	5,644	4,125	5,160	6,160	6,160	6,160	6,160
255-000-586.12	Donations - Friends of the Art House	6,511	6,692	1,125	-	-	-	-
255-000-660.05	Grant Revenue	400	1,000	2,500	3,000	3,000	3,000	3,000
		13,565	13,077	17,385	18,460	18,660	18,960	19,160
Program Revenues								
255-000-651.50	Youth Programs	26,208	32,050	31,500	34,800	35,000	35,500	36,000
255-000-651.52	Adult Programs	32,691	33,797	34,500	35,000	35,000	35,000	35,000
255-000-651.53	Birthday Parties	3,296	2,005	3,500	3,500	3,500	3,500	3,500
255-000-651.54	Scout Badge Program	360	1,184	700	800	800	800	800
255-000-651.56	After School Art Program	-		5,000	4,000	4,000	4,000	4,000
		62,555	69,036	75,200	78,100	78,300	78,800	79,300
Building Rental Revenues								
255-000-659.51	Building Rental Revenue	540	897	800	800	800	800	800
255-000-666.18	Camera Club	180	180	-	-	-	-	-
		720	1,077	800	800	800	800	800

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

ARTS COMMISSION

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Revenues - continued								
Other Revenues								
255-000-664.xx	Net Investment Income	449	30	155	155	155	155	155
255-000-666.00	Miscellaneous Revenue	48	67	65	65	65	65	65
		497	97	220	220	220	220	220
Special Events								
255-000-666.14	Winter Fundraiser	(20)	-	8,300	8,700	8,700	8,700	8,700
255-000-666.22	Holiday Fundraiser	1,727	-	1,600	1,700	1,800	1,900	1,900
255-000-666.27	Arts & Acts	41,555	36,178	40,000	41,000	41,000	41,000	41,000
255-000-666.30	Art from the Attic	-	-	1,000	1,000	1,000	1,000	1,000
255-000-666.32	Chalk Festival	-	-	800	800	800	800	800
255-000-666.36	Young Artist Art Fair	-	-	900	900	900	900	900
255-000-666.37	T-shirt Campaign	-	-	1,200	1,400	1,400	1,400	1,400
255-000-666.38	Film & Literature Festival	-	-	-	2,000	2,000	2,000	2,000
		43,262	36,178	53,800	57,500	57,600	57,700	57,700
Exhibits & Sales								
255-000-666.13	Exhibits	3,049	4,429	3,400	3,600	3,600	3,600	3,600
255-000-666.20	Art House Store Sales	2,536	1,850	2,500	2,500	2,500	2,500	2,500
		5,585	6,279	5,900	6,100	6,100	6,100	6,100
Total Revenues		126,184	125,744	153,305	161,180	161,680	162,580	163,280
Fund Balance Reserve								
255-000-699.00	Appropriation of Prior Year Surplus	-	10,788	1,805	-	-	-	-
Total Budget		126,184	136,532	155,110	161,180	161,680	162,580	163,280

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

ARTS COMMISSION (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Programs & Events								
255-290-710.00	Wages - Program Administration	16,724	19,817	29,485	32,905	32,905	32,905	32,905
255-290-710.06	Wages - Youth Program Instructors	1,337	422	1,490	1,490	1,490	1,490	1,490
255-290-710.07	Wages - Adult Program Instructors	5,332	7,374	7,275	7,275	7,275	7,275	7,275
255-290-801.00	Contracted Store Attendant	1,028	4,022	1,340	-	-	-	-
255-290-951.40	Contracted Youth Program Instructors	3,137	6,758	6,000	6,000	6,000	6,000	6,000
255-290-951.41	Contracted Adult Programs Instructors	18,242	16,947	15,000	15,000	15,000	15,000	15,000
255-290-951.50	Youth Programs Supplies/Materials	1,535	2,393	1,500	1,500	1,500	1,500	1,500
255-290-951.52	Adult Programs Supplies/Materials	1,098	842	1,000	1,000	1,000	1,000	1,000
255-290-951.53	Birthday Parties	519	408	600	600	600	600	600
255-290-951.54	Scout Badge Program	84	305	300	300	300	300	300
255-290-951.56	After School Art Program	-	-	2,800	2,800	2,800	2,800	2,800
255-290-951.57	Teacher Appreciation	-	-	150	150	150	150	150
255-290-951.58	Northville High School Scholarship	-	-	700	700	700	700	700
255-290-963.13	Exhibits	2,241	2,820	3,800	3,800	3,800	3,800	4,000
255-290-967.00	Fringe Benefits	1,796	2,120	3,000	3,230	3,230	3,230	3,230
		53,073	64,228	74,440	76,750	76,750	76,750	76,950
Special Events								
255-702-706.00	Wages - Regular Full Time	-	547	-	-	-	-	-
255-702-707.00	Wages - Regular Overtime	-	458	-	-	-	-	-
255-702-710.00	Wages - Arts & Acts Coordinator	7,272	4,315	7,080	7,080	7,080	7,080	7,080
255-702-943.00	Equipment Rental - Part time	-	187	-	-	-	-	-
255-702-963.14	Winter Fundraiser/Art Crush Gala	-	215	5,215	5,215	5,215	5,215	5,215
255-702-963.15	Girls Night Out	7	-	-	-	-	-	-
255-702-963.21	Holiday Invitational - Raffle Baskets	2,821	-	-	-	-	-	-
255-702-963.27	Arts & Acts	10,928	13,167	14,905	14,995	15,045	15,105	15,175
255-702-963.32	Chalk Festival	-	-	400	400	400	400	400
255-702-963.34	Young Artist Art Fair	-	-	100	100	100	100	100
255-702-963.35	Pinot & Paintbrushes	719	-	-	-	-	-	-
255-702-963.38	Film & Literature Festival	-	-	-	1,000	1,000	1,000	1,000
255-702-967.00	Fringe Benefits	565	1,372	550	550	550	550	550
		22,312	20,261	28,250	29,340	29,390	29,450	29,520

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

ARTS COMMISSION (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Expenditures								
Transfers								
255-775-950.46	O/T to Public Improvement Fund - Loan	2,056	2,056	2,056	2,056	2,056	2,052	-
		2,056	2,056	2,056	2,056	2,056	2,052	-
Building Operations								
255-792-706.00	Wages-Maintenance	206	87	-	-	-	-	-
255-792-710.00	Wages - Part Time Cleaning	1,189	80	-	-	-	-	-
255-792-740.00	Building Supplies	796	954	550	575	625	625	725
255-792-801.04	Maintenance & Repair Service	1,156	5,404	2,834	2,914	2,914	2,914	3,214
255-792-853.00	Telephone & Internet Access	1,386	1,660	1,660	1,660	1,660	1,660	1,660
255-792-910.00	Liability & Property Insurance	200	126	390	400	410	420	430
255-792-920.01	Electrical Service	2,187	1,944	2,410	2,460	2,510	2,560	2,610
255-792-920.02	Natural Gas Service	1,141	1,482	1,850	1,875	1,900	1,925	1,950
255-792-920.03	Water & Sewer Service	736	1,638	1,300	1,700	1,730	1,760	1,800
255-792-967.00	Fringe Benefits	188	62	-	-	-	-	-
255-792-974.23	Building Improvements	1,028	-	-	-	-	-	-
		10,213	13,437	10,994	11,584	11,749	11,864	12,389

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

ARTS COMMISSION (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Administration								
255-923-710.00	Wages - Admin	19,242	18,979	20,520	20,520	20,520	20,520	20,520
255-923-726.00	Store Supplies	650	1,159	835	800	800	800	1,000
255-923-727.00	Credit Card Fees	3,863	5,601	5,400	5,400	5,400	5,400	5,400
255-923-730.00	Postage	1,825	608	700	700	700	700	800
255-923-732.00	Public Relations	2,054	2,683	1,775	1,425	1,425	1,425	1,425
255-923-801.19	Technology Support	81	-	140	140	140	140	140
255-923-801.34	Web Site Maintenance	-	-	100	100	100	100	100
255-923-802.010	Legal Services - General	248	-	-	-	-	-	-
255-923-900.00	Printing and Publishing	946	1,261	1,245	1,245	1,245	1,245	1,245
255-923-910.00	Liability & Property Insurance	1,049	636	2,095	2,160	2,220	2,290	2,360
255-923-958.00	Memberships & Dues	-	-	910	910	910	910	910
255-923-960.00	Education & Training	62	235	100	100	100	100	100
255-923-963.20	Art House Store Merchandise	993	267	200	200	200	200	200
255-923-967.00	Fringe Benefits	1,485	1,471	1,590	1,590	1,590	1,590	1,590
255-923-967.02	Overhead Reimbursement	3,480	3,650	3,760	3,950	4,150	4,360	4,580
		35,978	36,550	39,370	39,240	39,500	39,780	40,370
	Total Expenditures	123,632	136,532	155,110	158,970	159,445	159,896	159,229
Fund Balance Reserve								
255-999-999.00	Unallocated Reserve	2,552	-	-	2,210	2,235	2,684	4,051
	Total Budget	126,184	136,532	155,110	161,180	161,680	162,580	163,280
Fund Balance Analysis								
	Beginning of Year			65,644	63,839	66,049	68,284	70,968
	Revenues			153,305	161,180	161,680	162,580	163,280
	Expenditures			(155,110)	(158,970)	(159,445)	(159,896)	(159,229)
	Total Fund Balance, End of Year			63,839	66,049	68,284	70,968	75,019

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Public Improvement Fund

FUND NUMBER: 401

SUPERVISOR: City Manager

General Description of Activity

This fund was originally created to receive state shared revenue under the Cities with Racetracks program. Changes in the distribution of these funds in the early 1990's from the State level, however, caused this to become an unstable revenue source. Further changes in legislation eliminated the Cities with Racetracks program. In its place, as of January 1, 1996, the City receives breakage revenue from Northville Downs' activity from live and simulcast racing. Racetrack breakage revenue is recorded in the Public Improvement Fund when received to the extent that it exceeds the cost of providing police service at the racetrack. The breakage revenue in this fund is used to finance public improvement projects. This fund is also used to record various capital improvement projects, grant activity, and property maintenance.

Proposed Fiscal Year Overview

It has been the City's policy to not budget for the receipt of racetrack breakage revenue. However, beginning with FY 2011, once police and fire service costs at the racetrack have been met, the next \$60,000 will be allocated equally to the Police and Fire Equipment Replacement Funds. This additional funding will decrease the transfer from, and lessen the burden on, the General Fund. Any additional funds received for a given fiscal year will be brought to City Council to be designated after that year's annual audit is complete.

Several projects are planned for FY2019:

- Rural Hill Cemetery Phase II - The development of the southeast corner of the Rural Hill Cemetery is scheduled for development which will provide an additional 650 grave sites on one acre. This expansion is expected to provide available sites for fifteen years. The improvement are estimated to cost \$105,000. After this expansion, two acres will remain for future expansion. The expansion will begin in FY18 and may not be complete until FY19. Completion of this project is a medium priority goal set by City Council in January 2018.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

- City Entrance Sign Replacement – The replacement of the five City entrance signs is proposed at an estimated cost of \$75,000. They are intended to match the DDA wayfinding signage.
- Randolph Drain Improvements – The City has been notified by the Randolph Drain Commission that there are two projects planned for fiscal years 2019 and 2020 totaling \$179,000. They include the Mill Pond Court Culvert and Right of Way Acquisition.
- Johnson Creek Improvements at Fish Hatchery Park – Parks & Recreation is coordinating this projects which will be fully fund by the Wayne County Parks Millage Funds awarded to Northville Township and the City of Northville. Project costs are not expected to exceed the grant allocation.
- DPW Technology Improvements – The Public Works Department will be upgrading or implementing new technology. Specific needs initially identified include a work order system, GPS on vehicles, smart phones, etc. \$50,000 has been allocated in FY2019 for these needs.

Long Term Goals & Objectives

There is currently almost \$1.4 million set aside for future City Hall and Fire Station renovations. High-level design work has been completed and cost estimates received. City Council has requested that a needs assessment for the Fire Department be undertaken before this project is taken under consideration. This is a medium priority goal established by City Council during the goal setting session in January 2018. A secondary goal to be included in the renovation plan is to incorporate energy efficiencies where possible.

Two project that are currently unfunded. Therefore, these projects are not included in the five-year plan.

- Rural Hill Cemetery Paving - The roadway within Rural Hill Cemetery is desired to be paved. The cost of this project is estimated at \$195,000. Only \$74,000 is currently reserved for this project.
- Ford Field Improvements – A medium priority goal established by City Council is to develop a plan with Parks & Recreation for improvements to Ford Field which include replacement of the play structure and addition of restrooms.

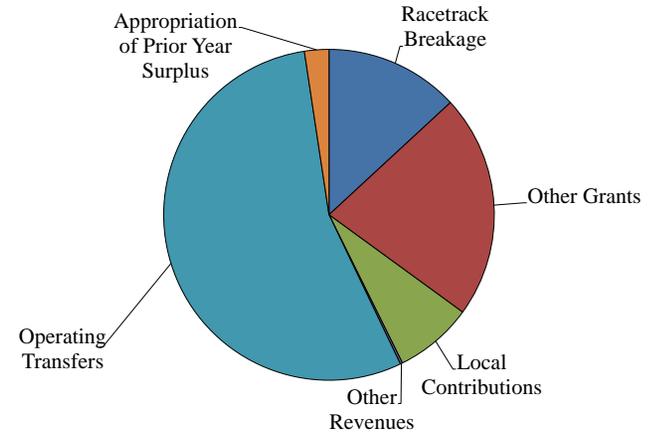
Over the years, breakage revenue has been the source for these special projects. This revenue source has been declining and is unreliable.

City of Northville
Proposed 2018-19 Public Improvement Fund Budget
(with historical comparative data)

Revenues

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Racetrack Breakage	\$ 104,884	\$ 60,000	\$ 60,000	13.1%
Other Grants	-	-	100,000	21.9%
Local Contributions	-	26,000	35,000	7.7%
Other Revenues	21,970	1,000	1,000	0.2%
Operating Transfers	38,056	77,056	250,056	54.7%
Appropriation of Prior Year Surplus	158,100	97,855	10,899	2.4%
Total Revenues	\$ 323,010	\$ 261,911	\$ 456,955	100.0%

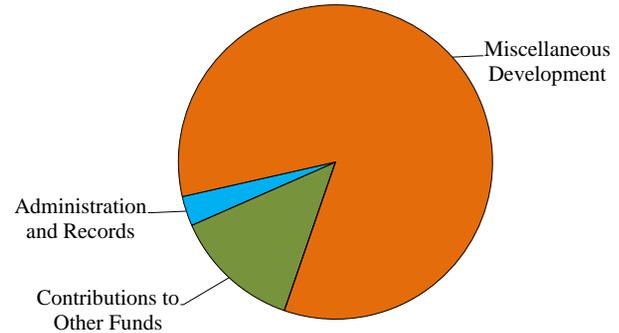
2018-19 Budgeted Revenues



Expenditures

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Contributions to Other Funds	\$ 67,615	\$ 77,161	\$ 60,000	13.1%
City Owned Property	22,270	10,075	0	0.0%
Administration and Records	13,876	13,615	13,955	3.1%
Miscellaneous Development	219,249	161,060	383,000	83.8%
Unallocated Reserve	-	-	-	0.0%
Total Expenditures	\$ 323,010	\$ 261,911	\$ 456,955	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

PUBLIC IMPROVEMENT FUND

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
Racetrack Breakage								
401-000-573.00	Racetrack Breakage	93,961	104,884	60,000	60,000	60,000	60,000	60,000
401-000-660.05	Other Grants	-	-	-	100,000	-	-	-
Other								
401-000-642.01	Cemetery Sales	11,010	20,550	-	-	-	-	-
401-000-664.xx	Net Investment Income	18,838	1,420	1,000	1,000	1,000	1,000	1,000
		29,848	21,970	1,000	1,000	1,000	1,000	1,000
Local Contributions								
401-000-592.00	Northville Township Contribution	25,204		26,000	35,000	-	-	-
		25,204	-	26,000	35,000	-	-	-
Operating Transfers								
401-000-699.06	General Fund	347,000	36,000	75,000	248,000	81,000	50,000	50,000
401-000-699.18	Operating Transfers from Art Comm.	2,056	2,056	2,056	2,056	2,056	2,052	
401-000-699-23	Police Equipment Replacement Fund	60,000		-	-	-	-	-
		409,056	38,056	77,056	250,056	83,056	52,052	50,000
	Total Revenue	558,069	164,910	164,056	446,056	144,056	113,052	111,000
Fund Balance Reserve								
401-000-699.00	Appropriation of Prior Year Surplus	-	158,100	97,855	10,899	114,064	-	-
	Total Budget	558,069	323,010	261,911	456,955	258,120	113,052	111,000

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

PUBLIC IMPROVEMENT FUND (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES								
Contributions to Other Funds								
401-775-950.05	Parks & Recreation	8,450	-	-	-	-	-	-
401-775-950.21	General Fund	55,037	7,615	17,161	-	128,000	-	-
401-775-950.31	Fire Equipment Replacement Fund	30,000	30,000	30,000	30,000	30,000	30,000	30,000
401-775-950.36	Police Equipment Replacement Fund	30,000	30,000	30,000	30,000	30,000	30,000	30,000
		123,487	67,615	77,161	60,000	188,000	60,000	60,000
City Owned Property								
401-904-706.00	Wages/Salaries	149	127	285	-	-	-	-
401-904-801.00	Contractual Services	1,200	1,200	-	-	-	-	-
401-904-910.00	Liability & Property Insurance	50	-	-	-	-	-	-
401-904-943.00	Equipment Rental - City	81	-	100	-	-	-	-
401-904-967.00	Fringe Benefits	186	125	285	-	-	-	-
401-904-979.00	Municipal Building Projects	8,119	13,045	9,405	-	-	-	-
401-904-979.02	Audio Visual Project	-	7,773	-	-	-	-	-
		9,785	22,270	10,075	-	-	-	-
Administration and Records								
401-923-805.00	Auditing Service	2,193	2,322	2,345	2,575	2,630	2,680	2,730
401-923-910.00	Insurance	218	424	30	30	30	30	30
401-923-967.02	Overhead-Admin & Records	11,020	11,130	11,240	11,350	11,460	11,570	11,690
		13,431	13,876	13,615	13,955	14,120	14,280	14,450

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

PUBLIC IMPROVEMENT FUND (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Expenditures (continued)								
Miscellaneous Development								
401-930-706.00	Wages - Regular Full Time	-	-	30	-	-	-	-
401-960-803.32	Randolph Drain	-	219,249	-	123,000	56,000	-	-
401-930-803.33	Mill Pond Dam Repairs	11,000	-	-	-	-	-	-
401-930-803.99	Fish Hatchery Pond Improvements	16,693	-	26,000	135,000	-	-	-
401-930-967.00	Fringe Benefits	-	-	30	-	-	-	-
401-930-977.03	City Entrance Sign Project	-	-	5,000	75,000	-	-	-
401-930-982.04	DPW Technology Projects	-	-	25,000	50,000	-	-	-
401-930-986.00	Cemetery Development	-	-	105,000	-	-	-	-
		27,693	219,249	161,060	383,000	56,000	-	-
	Total Expenditures	174,396	323,010	261,911	456,955	258,120	74,280	74,450
Fund Balance Reserve								
401-999-999.00	Unallocated Reserve	383,673	-	-	-	-	38,772	36,550
	Total Budget	558,069	323,010	261,911	456,955	258,120	113,052	111,000
Analysis of Fund Balance								
	Beginning of Year			2,691,673	2,593,818	2,582,919	2,468,855	2,507,627
	Revenues			164,056	446,056	144,056	113,052	111,000
	Expenditures			(261,911)	(456,955)	(258,120)	(74,280)	(74,450)
	End of Year			2,593,818	2,582,919	2,468,855	2,507,627	2,544,177

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

PUBLIC IMPROVEMENT FUND (continued)

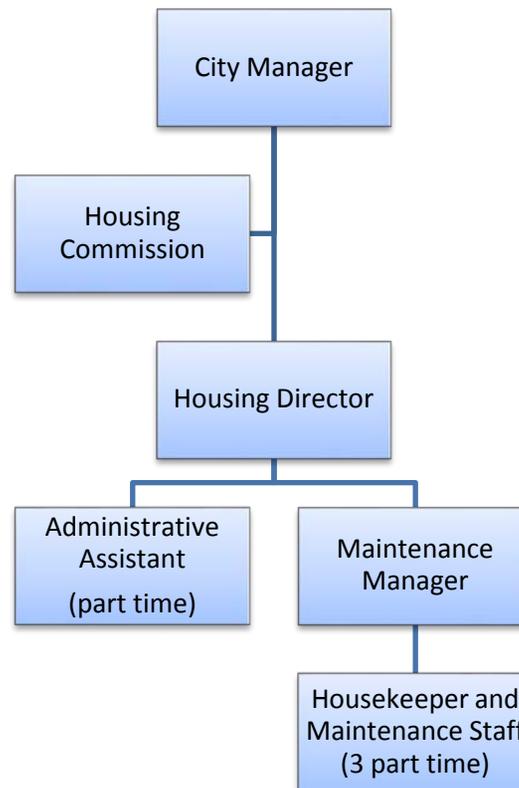
Account Number	Description	2015-16 Budget	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
	Less Fund Balance Designations/Reserves:							
	Reserved - Investment in Land (at cost)			225,000	225,000	225,000	225,000	225,000
	Reserved - Cemetery			74,137	74,137	74,137	74,137	74,137
	Committed for Internal Loan Program			18,836	20,892	22,948	25,000	25,000
	Committed Breakage Funds:							
	Prior Year Breakage Yet to be Designated			132,780	132,780	132,780	132,780	132,780
	Police & Fire Equipment Reserves			60,000	60,000	60,000	60,000	60,000
	Contingency/Grant Match			44,141	44,141	44,141	44,141	44,141
	Non-motorized Improvements			53,230	53,230	53,230	53,230	53,230
	Randolph Drain			6,129	6,129	6,129	6,129	6,129
	Fire Station 1/Municipal Building Improvement Reserve			571,816	571,816	571,816	571,816	571,816
	Total Designated Breakage Funds			<u>868,096</u>	<u>868,096</u>	<u>868,096</u>	<u>868,096</u>	<u>868,096</u>
	Committed for Special Projects (Non-Breakage Funds)							
	Technology Reserve			140,993	165,993	62,993	87,993	112,993
	Non-motorized Improvements			34,000	34,000	34,000	34,000	34,000
	A/V Upgrades in Council Chambers			6,227	6,227	6,227	6,227	6,227
	Fire Station 1/Municipal Building Improvement Reserve			817,551	817,551	817,551	817,551	817,551
	City Hall Generator			60,000	60,000	60,000	60,000	60,000
	Election Equipment			1,000	-	-	-	-
	Randolph Drain			25,000	-	-	25,000	50,000
	Unallocated to a Specific Project			125,000	125,000	125,000	125,000	125,000
	Contingency/Grant Match			128,810	128,810	128,810	128,810	128,810
	Total Designated Fund Balance for Special Projects			<u>1,338,581</u>	<u>1,337,581</u>	<u>1,234,581</u>	<u>1,284,581</u>	<u>1,334,581</u>
	Unreserved/Undesignated Fund Balance, End of Year			69,168	57,213	44,093	30,813	17,363

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Housing Commission

FUND NUMBER: 538

SUPERVISOR: Housing Director



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Housing Commission – continued

General Description of Activity

The primary function of the Housing Commission is to manage Allen Terrace, a senior citizen apartment community for senior citizens 55 years or older. Allen Terrace has 100 apartments and 105 residents. Revenue for Allen Terrace is generated primarily from rent and rent subsidies. Allen Terrace does not rely on property taxes for its operations.

The main goal of our five-year plan is to continue modernization of Allen Terrace, which was built nearly 40 years ago. The Commission maintains efficiency in managing finances, recognizing the limited resources of the Allen Terrace residents and the maximum rent allowed by Federal rent subsidy programs. The rental rate, which includes heat, electricity, and water, remains below market rents for this area. Approximately 12% of the residents receive rent assistance. Allen Terrace retains an average annual 1% vacancy rate.

Proposed Fiscal Year Overview

The rent is proposed to increase 1.4% percent from \$705 to \$715 for one-bedroom units and \$1,090 to \$1,105 for the two-bedroom units. This will increase revenue \$12,120. The rent increase is necessary to augment the replacement reserve in support of future capital improvements and inflationary increases in operational expenditures. For those residents that receive rent assistance, the increase remains within the maximum allowable rent and the increase will be covered by the rent assistance program.

The Allen Terrace Trust Fund provides a rent subsidy for City residents with a minimum of five year's residency at the time of application to Allen Terrace and an income level below \$18,500 per year. Subsidy is also available for Allen Terrace residents with three years residency at Allen Terrace, to cover the amount of the rent increase above one percent. Currently, four residents participate in this program.

The debt service payment for the renovation bond is \$98,775. The final payment is due in October 2022.

\$152,000 is proposed to be transferred to the Housing Capital Outlay Fund for building improvements. The fund balance in this fund will remain between 30% to 40% of expenditures for unforeseen expenditures.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Housing Commission – continued

Departmental Goals & Objectives

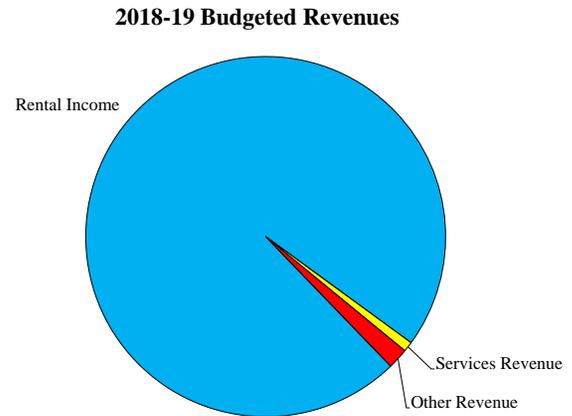
- Assess and update the capital needs assessment report.
- Increase participation in programs and services.
- Explore additional activities and fundraising opportunities with Allen Terrace Resident Council.
- Promote Allen Terrace via various social media outlets.
- Reassess goals within four to five months and update the Housing Commission and City Council.

Performance Measures

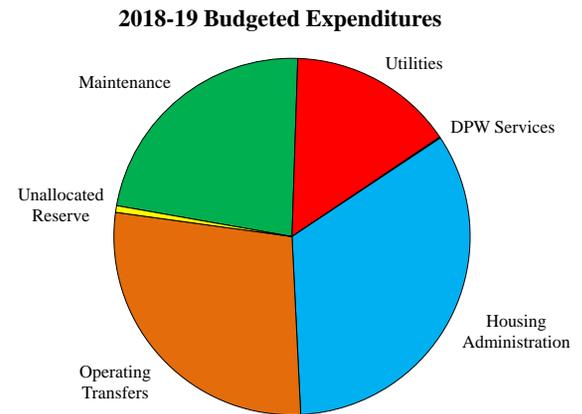
	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Move-Outs	26	15	14	25	20
Maintenance Service Requests	558	550	465	524	531
Nutrition Program - On Site Meals	3,207	3,914	3,619	3,580	3,580
Nutrition Program - Home Delivered Meals	4,210	4,324	3,549	4,028	4,028
# of Residents Receiving Rent Subsidies	14	13	12	14	14
Efficiency & Effectiveness Measures					
% of Occupied Apartments	99%	99%	99%	99%	99%
Average Annual Cost of Utilities per Apartment	\$1,175	\$1,245	\$1,286	\$1,351	\$1,481

City of Northville
Proposed 2018-19 Housing Commission Budget
(with historical comparative data)

Revenues	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Rental Income	\$ 851,228	\$ 860,240	\$ 872,360	97.3%
Grant Revenue	-	2,547	-	0.0%
Services Revenue	7,640	9,330	8,030	0.9%
Other Revenue	15,558	16,470	16,620	1.9%
Total Revenues	\$ 874,426	\$ 888,587	\$ 897,010	100.0%



Expenditures	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Maintenance	\$ 184,049	\$ 199,506	\$ 203,980	22.7%
Utilities	124,468	128,630	135,060	15.1%
DPW Services	431	795	835	0.1%
Housing Administration	289,861	326,465	300,975	33.6%
Operating Transfers	248,592	228,647	250,775	28.0%
Unallocated Reserve	27,025	4,544	5,385	0.6%
Total Expenditures	\$ 874,426	\$ 888,587	\$ 897,010	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

HOUSING COMMISSION

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
Rental Income								
538-000-669.00	Tenant Rents	799,299	810,309	819,740	831,666	842,955	854,245	865,534
538-000-669.01	Rent Subsidies	29,635	32,271	34,500	34,694	35,165	35,635	36,106
538-000-669.02	City Trust Fund Contributions	2,787	900	1,000	1,000	1,000	1,000	1,000
538-000-669.03	Entry Fees	9,446	8,750	7,500	7,500	7,500	7,500	7,500
538-000-669.04	Vacancy Loss	(2,275)	(1,002)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
		838,892	851,228	860,240	872,360	884,120	895,880	907,640
Services Revenue								
538-000-642.00	Charges for Service & Sales	1,094	455	1,200	550	550	550	550
538-000-651.40	Laundromat Sales	6,509	6,705	7,650	7,000	7,350	7,720	8,110
538-000-651.41	Beauty Shop Revenue	480	480	480	480	480	480	480
		8,083	7,640	9,330	8,030	8,380	8,750	9,140
Grant Revenue								
538-000-587.14	CDBG - Administration	-	-	2,547	-	-	-	-
		-	-	2,547	-	-	-	-
Other Revenue								
538-000-590.00	Contributions from City	15,090	15,330	15,470	15,620	15,780	15,940	16,100
538-000-664.xx	Net Investment Income	3,139	228	1,000	1,000	1,000	1,000	1,000
538-000-667.00	Insurance Proceeds	5,168	-	-	-	-	-	-
		23,397	15,558	16,470	16,620	16,780	16,940	17,100
	Total Revenue	870,372	874,426	888,587	897,010	909,280	921,570	933,880
Fund Balance Reserve								
538-000-699.00	Use of Fund Balance	-	-	-	-	-	-	-
	Total Budget	870,372	874,426	888,587	897,010	909,280	921,570	933,880

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

HOUSING COMMISSION (continued)

Account		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Number	Description	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
EXPENDITURES								
Allen Terrace Maintenance								
538-266-706.00	Wage/Salary - Perm FT ST	38,527	42,209	43,865	46,355	47,510	48,090	48,090
538-266-710.00	Wage/Salary - Part Time	22,428	20,551	22,280	23,600	23,600	23,600	23,600
538-266-712.00	Contracted Labor	13,630	2,665	-	-	-	-	-
538-266-726.01	Supplies - Maintenance\Repair	14,124	11,612	17,349	14,361	15,080	15,830	16,620
538-266-801.00	Contractual Services	19,704	6,943	8,142	12,789	13,430	14,100	14,810
538-266-801.04	Services - Maintenance\Repair	41,282	29,003	32,080	32,325	33,930	35,640	37,430
538-266-801.05	Painting & Decorating Supplies	1,591	1,010	2,000	1,534	1,610	1,690	1,770
538-266-801.06	Elevator Maintenance Services	6,314	10,598	9,077	9,156	9,640	10,150	10,690
538-266-801.07	Alarm System Maintenance	10,885	3,467	11,988	8,519	8,960	9,400	9,870
538-266-801.48	Landscaping	7,684	5,810	5,335	6,276	6,590	6,920	7,260
538-266-801.49	Heat and Air Conditioning	8,196	15,545	13,910	14,330	15,050	15,800	16,590
538-266-804.01	Employee Physicals & Drug Testing	-	-	100	-	-	-	-
538-266-956.00	Contingencies	-	-	-	-	-	960	2,430
538-266-967.00	Fringe Benefits	34,240	34,636	33,380	34,735	36,620	36,190	36,685
		218,605	184,049	199,506	203,980	212,020	218,370	225,845
Allen Terrace Utilities								
538-267-920.01	Electric Power	67,400	74,079	77,180	81,040	85,090	89,340	93,810
538-267-920.02	Natural Gas	23,020	22,532	25,200	26,460	27,780	29,170	30,630
538-267-920.03	Water & Sewer Service	19,661	27,857	26,250	27,560	28,940	30,930	30,930
		110,081	124,468	128,630	135,060	141,810	149,440	155,370
Allen Terrace DPW Services								
538-268-706.00	Wages - DPW Regular	-	134	250	270	280	295	295
538-268-707.00	Wages - DPW OT	-	-	100	100	100	100	100
538-268-943.00	Equipment Rental - City	54	154	100	100	100	100	100
538-268-967.00	Fringe Benefits	-	143	345	365	380	390	395
		54	431	795	835	860	885	890

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

HOUSING COMMISSION (continued)

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
EXPENDITURES (continued)								
Housing Administration								
538-292-706.00	Wage/Salary-Perm FT ST	59,706	61,935	81,190	60,760	62,275	63,045	63,045
538-292-710.00	Wage/Salary-Part Time	30,050	29,273	29,575	30,345	31,130	31,540	31,580
538-292-726.02	Supplies - Resident Services	4,409	4,654	4,350	4,500	4,740	4,990	4,340
538-292-728.00	Office Supplies	614	823	1,130	880	920	970	880
538-292-730.00	Postage	57	86	50	65	70	70	70
538-292-732.00	Public Relations	564	728	760	760	770	780	780
538-292-801.19	Technology Support & Services	385	220	470	360	380	400	420
538-292-801.32	Payment In Lieu of Taxes	15,090	15,330	15,470	15,620	15,780	15,940	16,100
538-292-801.34	Web Site	222	88	170	100	100	100	100
538-292-802.01	Legal Services	3,838	5,124	2,865	3,000	3,000	3,000	3,000
538-292-804.01	New Hire Costs	-	-	815	-	-	-	-
538-292-805.00	Auditing Services	2,193	2,322	2,345	2,575	2,630	2,680	2,730
538-292-853.00	Telephone	10,230	10,018	11,035	11,400	11,430	11,460	11,470
538-292-910.00	Liability & Property Insurance	6,068	3,762	11,350	11,690	12,040	12,400	12,770
538-292-956.00	Contingencies	-	-	-	-	-	1,890	4,790
538-292-958.00	Membership & Dues	215	170	145	175	175	200	200
538-292-960.00	Education & Training	57	-	195	195	300	300	300
538-292-967.00	Fringe Benefits	62,591	60,584	63,665	59,690	63,250	62,270	63,260
538-292-967.02	Overhead-Admin. & Records	6,080	6,380	6,700	7,040	7,390	7,760	8,150
538-292-967.04	Unfunded Pension Contributions	33,787	37,447	42,705	44,100	47,940	50,960	54,170
538-292-967.09	Retiree Healthcare Costs	49,208	50,544	45,845	47,220	49,165	51,215	53,395
538-292-972.35	CDBG-Program Administration	236	373	500	500	500	500	500
538-292-982.00	Computer Upgrades	-	-	5,135	-	-	-	-
		285,600	289,861	326,465	300,975	313,985	322,470	332,050

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

HOUSING COMMISSION (continued)

Account Number	Description	2015-16 Budget	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Operating Transfers								
538-775-950.11	Oper Tsfr to Capital Outlay Fund	135,000	156,180	133,000	152,000	138,000	129,000	122,000
538-775-950.32	Oper Tsfr to Debt Retirement Fund	94,124	92,412	95,647	98,775	96,849	94,923	92,996
		<u>229,124</u>	<u>248,592</u>	<u>228,647</u>	250,775	234,849	223,923	214,996
	Total Expenditures	843,464	847,401	884,043	891,625	903,524	915,088	929,151
Reserve Fund								
538-999-999.00	Unallocated Reserve	26,908	27,025	4,544	5,385	5,756	6,482	4,729
		<u>26,908</u>	<u>27,025</u>	<u>4,544</u>	5,385	5,756	6,482	4,729
	Total Budget	<u>870,372</u>	<u>874,426</u>	<u>888,587</u>	897,010	909,280	921,570	933,880
Analysis of Fund Balance								
	Beginning of Year			353,759	358,303	363,688	369,444	375,926
	Revenues			888,587	897,010	909,280	921,570	933,880
	Expenditures			(884,043)	(891,625)	(903,524)	(915,088)	(929,151)
	End of Year			<u>358,303</u>	363,688	369,444	375,926	380,655

SECTION VI

ENTERPRISE FUNDS

Enterprise Funds account for operations that are financed and operated in a manner similar to private business. The cost of providing these services to the public is financed primarily through user fees and charges.

The City of Northville has two enterprise funds: the Refuse and Recycling Fund and the Water and Sewer Fund. Each fund has an overview section, graphs demonstrating revenues and expenses, and a five year line item budget. Additional analytical information on operating results and rate calculations is also provided.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Refuse and Recycling Fund

FUND NUMBER: 226

SUPERVISOR: Director, Department of Public Works

General Description of Activity

The objective of the Refuse & Recycling program is to provide an economical, safe, quality solid waste collection program for the residents and business owners of the community. The Refuse and Recycling Fund is divided into two basic categories: Residential and Commercial. A five year contract extension was negotiated with Waste Management extending their contract through May 2022 for both the residential and commercial programs.

Proposed Fiscal Year Overview

Commercial Refuse Program

The commercial program is a six day per week service funded by a bi-monthly charge to downtown residential and commercial business entities. The following existing rates will continue for FY2019.

<u>Business Classification</u>	<u>Bi-Monthly Rate</u>	<u>Business Classification</u>	<u>Bi-Monthly Rate</u>
Restaurants	\$406	Retail Sales	\$131
Retail Food	\$174	Professional Services – Large Office	\$104
Churches & Halls	\$174	Professional Services – Small Office	\$48
		Downtown Residential	\$43

Residential Program

The residential program is a weekly service funded by a bi-monthly charge billed to each participating household. The program includes household trash, recycling, composting, fall leaf pickup, and brush chipping.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Refuse & Recycling Fund - continued

The brush chipping program provides weekly chipping of branches and tree limbs left by residents at the curb for removal. The purpose of this program is to allow residents to clean up and clear out their backyards by offering an environmentally friendly way to dispose of branches and tree limbs up to a size of 6” in diameter and 6 feet in length. It is estimated that the cost to the City will be approximately \$65,000 for FY2019.

Each fall the City of Northville collects leaves which residents have raked into the street gutter. This is the only time during the year that residents are allowed to deposit material into the street. This popular program begins in late October and is completed in mid-December. The cost of this program will be approximately \$43,000 in FY2019.

The rate to the users of the system is proposed to increase from \$38.00 to \$38.20 bi-monthly, an increase of 0.53%.

It is proposed that the City continue to partner with the Charter Township of Northville and the City of Livonia to provide Household Hazardous Waste Days. This partnership allows Northville residents the opportunity to go to Livonia’s Household Hazardous Waste Day in May and Livonia residents to come to Northville’s Household Hazardous Waste Day in September. The cost for this event varies each year, as the cost is dependent on the number of vehicles entering the site from each community. Estimates for future years are based on experience in the most recent years.

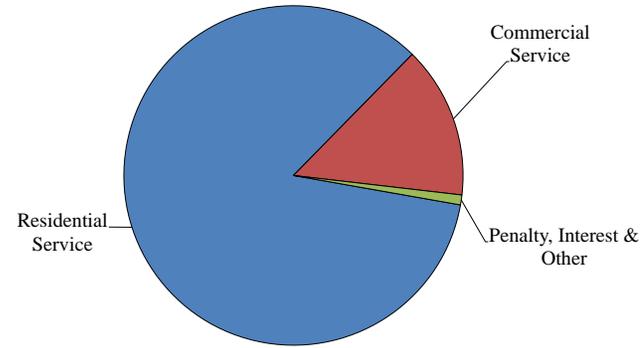
Performance Measures

Measure	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
# of vehicles participating in the Fall Household Hazardous Waste Day					
- City of Northville	81	147	100	251	200
- Charter Township of Northville	643	672	580	757	675
- City of Livonia	367	476	346	382	375
# of City of Northville vehicles participating in the Spring Household Hazardous Waste Day in Livonia	70	115	55	80	80

City of Northville
Proposed 2018-19 Refuse & Recycling Fund Budget
(with historical comparative data)

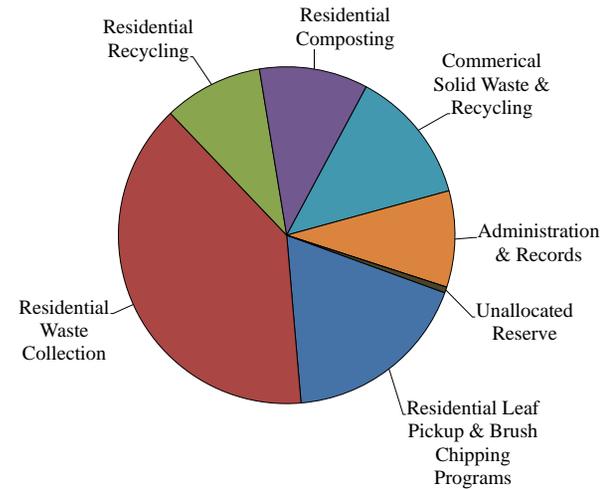
Revenues	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Residential Service	\$ 529,856	\$ 502,620	\$ 505,260	84.6%
Commercial Service	\$ 78,398	\$ 86,718	\$ 86,540	14.5%
Penalty, Interest & Other	6,913	5,615	5,615	0.9%
Total Revenues	\$ 615,167	\$ 594,953	\$ 597,415	100.0%

2018-19 Budgeted Revenues



Expenditures	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Residential Leaf Pickup & Brush Chipping Programs	\$ 103,839	\$ 101,810	\$ 108,040	18.1%
Residential Waste Collection	205,220	231,369	234,358	39.2%
Residential Recycling	56,208	55,680	56,949	9.5%
Residential Composting	59,268	60,755	62,367	10.4%
Commerical Solid Waste & Recycli	70,475	73,958	77,112	12.9%
Administration & Records	47,243	62,915	55,239	9.2%
Operating Transfers	36,500	-	-	0.0%
Unallocated Reserve	36,414	8,466	3,350	0.6%
Total Expenditures	\$ 615,167	\$ 594,953	\$ 597,415	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

REFUSE AND RECYCLING FUND

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
REVENUES							
226-000-626.07 DPW Yard Refuse Collection	-	23	25	25	25	25	25
226-000-626.12 Residential Service	478,001	528,764	501,600	504,240	514,800	525,360	535,920
226-000-626.13 Individual Dumpster Service	4,138	4,138	3,946	3,768	3,779	3,791	3,803
226-000-626.14 Residential Other	570	327	495	495	495	495	495
226-000-626.16 Commercial Service	63,824	74,260	82,772	82,772	84,770	86,102	87,434
226-000-627.08 Penalty	8,606	9,569	7,200	7,200	7,200	7,200	7,200
226-000-664.xx Net Investment Income	784	(2,656)	(1,585)	(1,585)	(1,585)	(1,585)	(1,585)
226-000-666.00 Recycling Bin & Lid Sales	608	742	500	500	500	500	500
Total Revenues	556,531	615,167	594,953	597,415	609,984	621,888	633,792
Fund Balance Reserve							
226-000-699.00 Approp of Prior Year Surplus	118,520	-	-	-	-	-	-
Total Budget	675,051	615,167	594,953	597,415	609,984	621,888	633,792
EXPENDITURES							
Residential Leaf Pickup & Brush Chipping Programs							
226-442-706.00 Wages/Salaries	13,813	11,408	10,000	12,000	12,300	12,500	12,500
226-442-707.00 Wages/Salaries - Overtime	882	-	310	500	500	500	500
226-442-775.00 Materials	792	-	100	500	500	500	500
226-442-801.00 Contractual Services	44,244	63,500	65,200	66,480	67,795	69,135	70,495
226-442-943.00 Equipment Rental	27,769	18,189	15,700	15,860	16,020	16,180	16,340
226-442-967.00 Fringe Benefits	17,550	10,742	10,500	12,700	13,000	13,200	13,300
	105,050	103,839	101,810	108,040	110,115	112,015	113,635
Residential Waste Collection							
226-531-706.00 Wages/Salaries	-	98	205	230	250	275	275
226-531-707.00 Wages/Salaries - Overtime	143	370	800	805	850	945	945
226-531-801.00 Contractual Services	213,243	194,257	216,992	221,493	225,786	230,323	234,880
226-531-810.00 Household Hazardous Waste	4,496	9,928	11,787	10,600	10,600	10,600	10,600
226-531-943.00 Equipment Rental	-	111	200	200	200	200	200
226-531-967.00 Fringe Benefits	312	456	1,385	1,030	1,090	1,205	1,220
	218,193	205,220	231,369	234,358	238,776	243,548	248,120

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

REFUSE AND RECYCLING FUND (continued)

EXPENDITURES (continued)	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed	Estimated	Estimated	Estimated
				Budget	Budget	Budget	Budget
Residential Recycling							
226-532-706.00 Wages/Salaries	21	8	-	100	100	100	100
226-532-707.00 Wages/Salaries - Overtime	-	32	-	-	-	-	-
226-532-775.00 Materials	21	-	50	50	50	50	50
226-532-801.00 Contractual Services	56,597	56,096	55,630	56,649	57,717	58,785	59,863
226-532-943.00 Equipment Rental	-	-	-	50	50	50	50
226-532-967.00 Fringe Benefits	-	72	-	100	100	100	100
	56,639	56,208	55,680	56,949	58,017	59,085	60,163
Residential Composting							
226-533-706.00 Wages/Salaries	71	(13)	-	100	100	100	100
226-533-801.00 Contractual Services	64,385	59,281	60,755	61,917	63,083	64,273	65,487
226-533-943.00 Equipment Rental	54	-	-	250	250	250	250
226-533-967.00 Fringe Benefits	155	-	-	100	100	100	100
	64,664	59,268	60,755	62,367	63,533	64,723	65,937
Commercial Solid Waste & Recycling Collection							
226-537-706.00 Wages/Salaries	11,021	8,828	8,385	10,805	11,615	12,000	12,000
226-537-707.00 Wages/Salaries - Overtime	953	334	2,150	1,275	1,350	1,505	1,505
226-537-775.00 Materials	-	31	800	800	800	800	800
226-537-801.00 Contractual Services	2,500	-	-	-	-	-	-
226-537-801.37 Downtown Solid Waste Program	49,917	40,090	39,426	39,294	40,075	40,880	41,697
226-537-801.38 Individual Dumpster Service	3,405	3,170	3,560	3,621	3,683	3,747	3,812
226-537-943.00 Equipment Rental	5,354	3,454	5,300	5,350	5,400	5,450	5,500
226-537-967.00 Fringe Benefits	13,531	10,581	10,350	11,980	12,860	13,315	13,465
226-537-968.00 Depreciation Expense	3,537	3,987	3,987	3,987	3,987	3,987	3,987
	90,218	70,475	73,958	77,112	79,770	81,684	82,766
Operating Transfers							
226-775-95027 O/T to Equipment Fund	-	36,500	-	-	-	-	-
	-	36,500	-	-	-	-	-

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

REFUSE AND RECYCLING FUND (continued)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget	
Administration & Records								
226-923-706.00	Wages/Salaries	3,101	2,188	2,240	2,300	2,355	2,390	2,390
226-923-712.00	Contracted Labor	-	-	8,900	800	-	-	-
226-923-730.00	Postage	85	44	75	75	75	75	75
226-923-801.00	Contractual Services	3,784	3,599	3,690	3,760	3,840	3,920	4,000
226-923-801.19	Computer Program Services	506	507	515	530	540	550	560
226-923-801.25	Northville Matters Publication	3,160	2,807	-	-	-	-	-
226-923-805.00	Auditing Services	2,193	2,322	2,345	2,575	2,630	2,680	2,730
226-923-910.00	Insurance	670	400	1,075	1,110	1,140	1,170	1,210
226-923-956.00	Contingencies	-	-	-	-	-	750	1,500
226-923-967.00	Fringe Benefits	2,036	1,522	1,515	1,555	1,595	1,625	1,650
226-923-967.02	Overhead	24,330	24,820	25,320	25,830	26,350	26,880	27,420
226-923-967.04	Unfunded Pension Contribution	5,132	5,671	7,770	6,655	7,240	7,700	8,180
226-923-967.07	OBEB Liability - CY Expense	33,838	(2,868)	-	-	-	-	-
226-923-967.09	Retiree Healthcare Premiums	7,629	9,281	9,470	10,049	10,680	11,360	12,100
226-923-967.12	Pension Expense	53,823	(3,050)	-	-	-	-	-
		140,287	47,243	62,915	55,239	56,445	59,100	61,815
	Total Expenditures	675,051	578,753	586,487	594,065	606,656	620,155	632,436
Retained Earnings								
226-999-999.00	Unallocated Reserve	-	36,414	8,466	3,350	3,328	1,733	1,356
	Total Budget	675,051	615,167	594,953	597,415	609,984	621,888	633,792
Analysis of Net Assets								
	Beginning of Year			137,578	146,044	149,394	152,722	154,455
	Revenues			594,953	597,415	609,984	621,888	633,792
	Expenses			(586,487)	(594,065)	(606,656)	(620,155)	(632,436)
	End of Year			146,044	149,394	152,722	154,455	155,811

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022
Profit (Loss) by Program - Residential and Commercial

Refuse & Recycling Fund

Program

Collection Contract in Effect?

REVENUES

Residential Service

Commercial Service

Penalty, Interest, & Other

Total Revenues

% Increase (Decrease)

EXPENDITURES

Residential Leaf Pickup

Residential Waste Collection

Residential Recycling

Residential Composting

Commercial Solid Waste &

Recycling Collection

Operating Transfer Out

Administration & Records

Total Expenditures

% Increase (Decrease)

Profit (Loss) by program

Profit (Loss) in total

Combined Revenues

Combined Expenditures

Net Profit/(Loss)

Net Assets, Beginning of Year

Revenues

Expenditures

Net Assets, End of Year

Net Assets, combined

	2016-17 Actual		2017-18 Projected		2018-19 Proposed		2019-20 Estimated		2020-21 Estimated		2021-22 Estimated	
	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial
Program	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
REVENUES												
Residential Service	529,856		502,620		505,260	-	515,820	-	526,380	-	536,940	-
Commercial Service		78,398	-	86,718	-	86,540	-	88,549	-	89,893	-	91,237
Penalty, Interest, & Other	6,022	891	4,789	826	4,794	821	4,792	823	4,796	819	4,799	816
Total Revenues	535,878	79,289	507,409	87,544	510,054	87,361	520,612	89,372	531,176	90,712	541,739	92,053
% Increase (Decrease)			-5%	10%	1%	0%	2%	2%	2%	1%	2%	1%
EXPENDITURES												
Residential Leaf Pickup	103,839	-	101,810	-	108,040	-	110,115	-	112,015	-	113,635	-
Residential Waste Collection	205,220	-	231,369	-	234,358	-	238,776	-	243,548	-	248,120	-
Residential Recycling	56,208	-	55,680	-	56,949	-	58,017	-	59,085	-	60,163	-
Residential Composting	59,268	-	60,755	-	62,367	-	63,533	-	64,723	-	65,937	-
Commercial Solid Waste &												
Recycling Collection	-	70,475	-	73,958	-	77,112	-	79,770	-	81,684	-	82,766
Operating Transfer Out	36,500	-	-	-	-	-	-	-	-	-	-	-
Administration & Records	35,432	11,811	53,478	9,437	46,953	8,286	47,978	8,467	50,235	8,865	52,543	9,272
Total Expenditures	496,467	82,286	503,092	83,395	508,667	85,398	518,419	88,237	529,606	90,549	540,398	92,038
% Increase (Decrease)			1%	1%	1%	2%	2%	3%	2%	3%	2%	2%
Profit (Loss) by program	39,411	(2,997)	4,317	4,149	1,387	1,963	2,193	1,135	1,570	163	1,342	14
Profit (Loss) in total	<u>36,414</u>		<u>8,466</u>		<u>3,350</u>		<u>3,328</u>		<u>1,733</u>		<u>1,356</u>	
Combined Revenues	615,167		594,953		597,415		609,984		621,888		633,792	
Combined Expenditures	<u>(578,753)</u>		<u>(586,487)</u>		<u>(594,065)</u>		<u>(606,656)</u>		<u>(620,155)</u>		<u>(632,436)</u>	
Net Profit/(Loss)	<u>36,414</u>		<u>8,466</u>		<u>3,350</u>		<u>3,328</u>		<u>1,733</u>		<u>1,356</u>	
Net Assets, Beginning of Year	79,640	21,524	119,051	18,527	123,368	22,676	124,755	24,639	126,948	25,774	128,518	25,937
Revenues	535,878	79,289	507,409	87,544	510,054	87,361	520,612	89,372	531,176	90,712	541,739	92,053
Expenditures	(496,467)	(82,286)	(503,092)	(83,395)	(508,667)	(85,398)	(518,419)	(88,237)	(529,606)	(90,549)	(540,398)	(92,038)
Net Assets, End of Year	119,051	18,527	123,368	22,676	124,755	24,639	126,948	25,774	128,518	25,937	129,859	25,952
Net Assets, combined	<u>137,578</u>		<u>146,044</u>		<u>149,394</u>		<u>152,722</u>		<u>154,455</u>		<u>155,811</u>	

**City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022**

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Water and Sewer Fund

FUND NUMBER: 592

SUPERVISOR: Director, Department of Public Works

General Description of Activity

This fund accounts for the operations and maintenance of the City of Northville's water and sewer system. The water and sewer fund is an enterprise fund. This means that the water and sewer fund activities are supported by user fees. On an annual basis, the rates are reviewed and established by City Council.

Proposed Fiscal Year Overview

Water System Operations

The City of Northville's water supplier is the Great Lakes Water Authority (GLWA). For FY 2019 the charge for water from the City of Detroit is proposed to increase by 3.6%. Sixty percent of the water cost is fixed, which means the City is required to pay that portion and it is not dependent on consumption.

It is proposed that the City increase the water rate from \$9.01 to \$9.27 per unit, or 2.9%, effective July 1, 2018. This rate structure is set up to cover the GLWA water cost increases, capital improvements, and operational and maintenance costs. The primary driver for this increase is to establish a reserve for future water main replacements to be completed in conjunction with the related street improvements. Utilization of a reserve will smooth out the volatility of rates from year to year due to timing of capital projects.

The fixed service charge is \$3.37 bi-monthly and is not proposed to change. This revenue is generated to offset the cost of reading the meters and the billing process. The meter replacement charge established last fiscal year to replace aging water meters will increase from \$3.70 to \$5.57 bi-monthly.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Water and Sewer Fund - continued

Sewer System Operations

Wayne County is the provider of sanitary sewer service for the City of Northville. The City of Northville, along with 14 other jurisdictions, is included in what is known as the “Rouge Valley Sewage Disposal System”. The cost is 100% fixed. Wayne County has not provided any estimates for the cost of sewage disposal. The City is estimating a 10% cost increase by Wayne County since there has not been an increase since October 2015.

The rate structure is reviewed annually to cover the Wayne County sewage disposal costs, capital improvements, increased operational costs, and to increase the reserves. The City is proposing a 4.5% rate increase to the users of the system for FY2019 from 5.98 per unit to \$6.25 per unit. There was not an increase to the users in the prior year.

Customer charges for the dual sewer rate per unit will remain increase from \$4.01 to \$4.13 per unit. This represents an overall reduced sewer rate for water users, which would otherwise be charged the proposed rate of \$6.25 per unit.

Overall, the average household using ten units of water bi-monthly will see an increase of approximately \$3.58 per month, with the combined water and sewer rate adjustments.

Action Steps Related to City Council Goals & Objectives

Long-Term Financial Stability (High Priority Goal)

- Implement strategies identified by City Council after the comprehensive financial analysis is completed by consultants.

Water & Sewer System Improvements (Medium Priority Goal)

- Continue efforts to detect water loss to achieve a goal of 15% or less.
- Implement a water meter replacement program.
- Clean 20% to 50% of sanitary sewer system each year in compliance with Abatement Order 2096 with MDEQ.
- Partner with Wayne County and neighboring communities to design long-term corrective action plan for sanitary sewer excess flow as required under Abatement Order 2096 with MDEQ.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Water and Sewer Fund - continued

Departmental Goals & Objectives

- Perform bi-annual leak detection surveys and make corrective repairs.
- Reduce the number of annual running water accounts.
- Perform annual water main flushing and valve and hydrant repair/replacement program.
- Quantify amount of water loss attributable to use by fire department for runs and trainings.
- Control peak hour demand for water as negotiated with Great Lakes Water Authority.
- Implement fixed rate system for water and sewer charges.
- Update departmental goal list and present to City Council in September 2018.

Long Term Plan

The utility is primarily a fixed cost, therefore there has been a shift from strictly commodity-based costs to combined rate of fixed and commodity-based rates by the Great Lakes Water Authority and Wayne County. City Staff will be exploring the option of establishing all or a portion of the fixed costs as a fixed component on the City’s utility bill.

Performance Measures

Measure	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Number of Water Main Breaks	21	12	14	15	10
Efficiency & Effectiveness Measures					
Water Loss %	22%	20%	18%	18%	15%

CITY OF NORTHVILLE

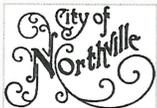
WATER AND SEWER FUND CAPITAL IMPROVEMENTS

PROPOSED 5-YEAR PLAN (2018 - 2022)

STATUS

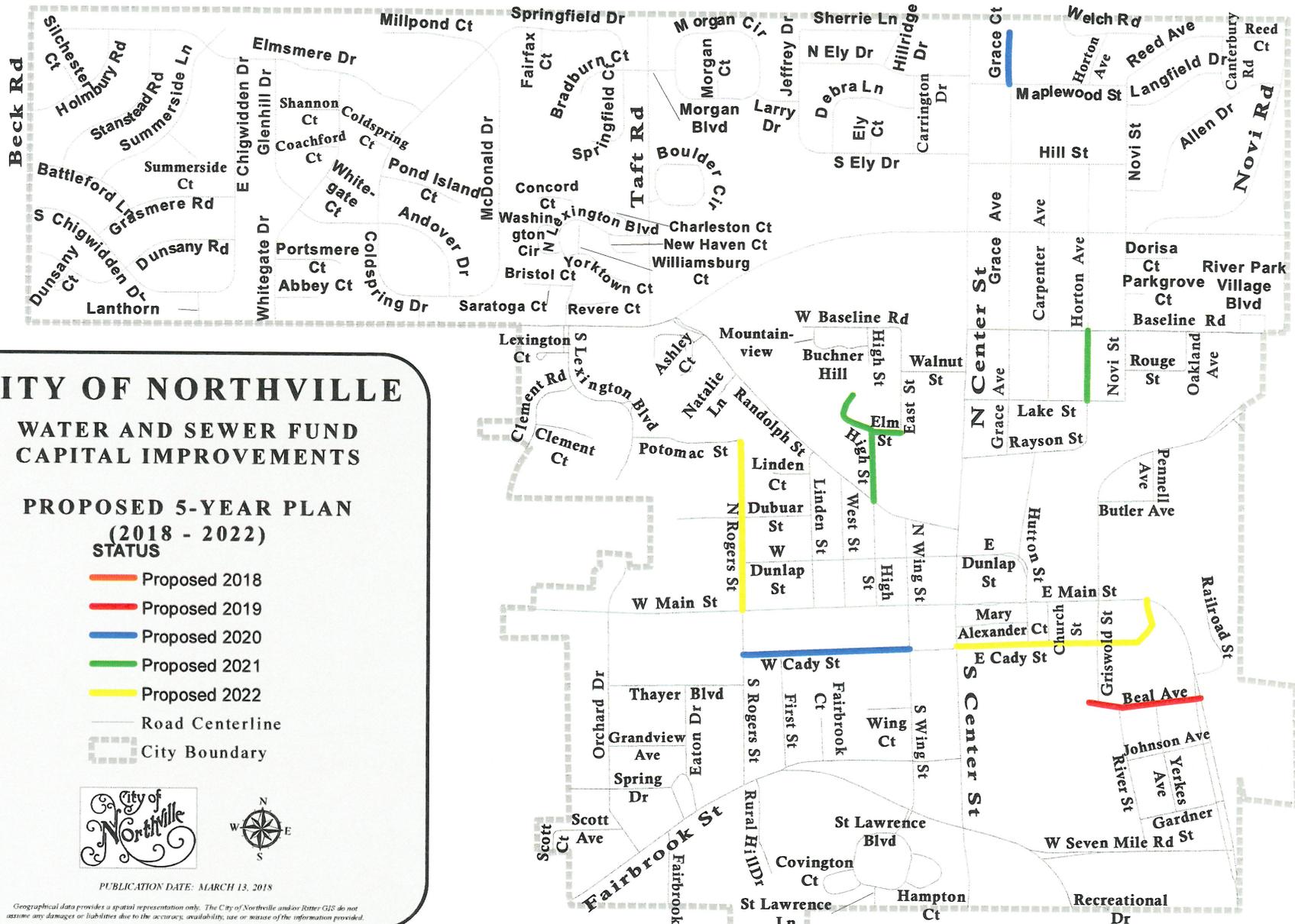
- Proposed 2018
- Proposed 2019
- Proposed 2020
- Proposed 2021
- Proposed 2022

- Road Centerline
- City Boundary



PUBLICATION DATE: MARCH 13, 2018

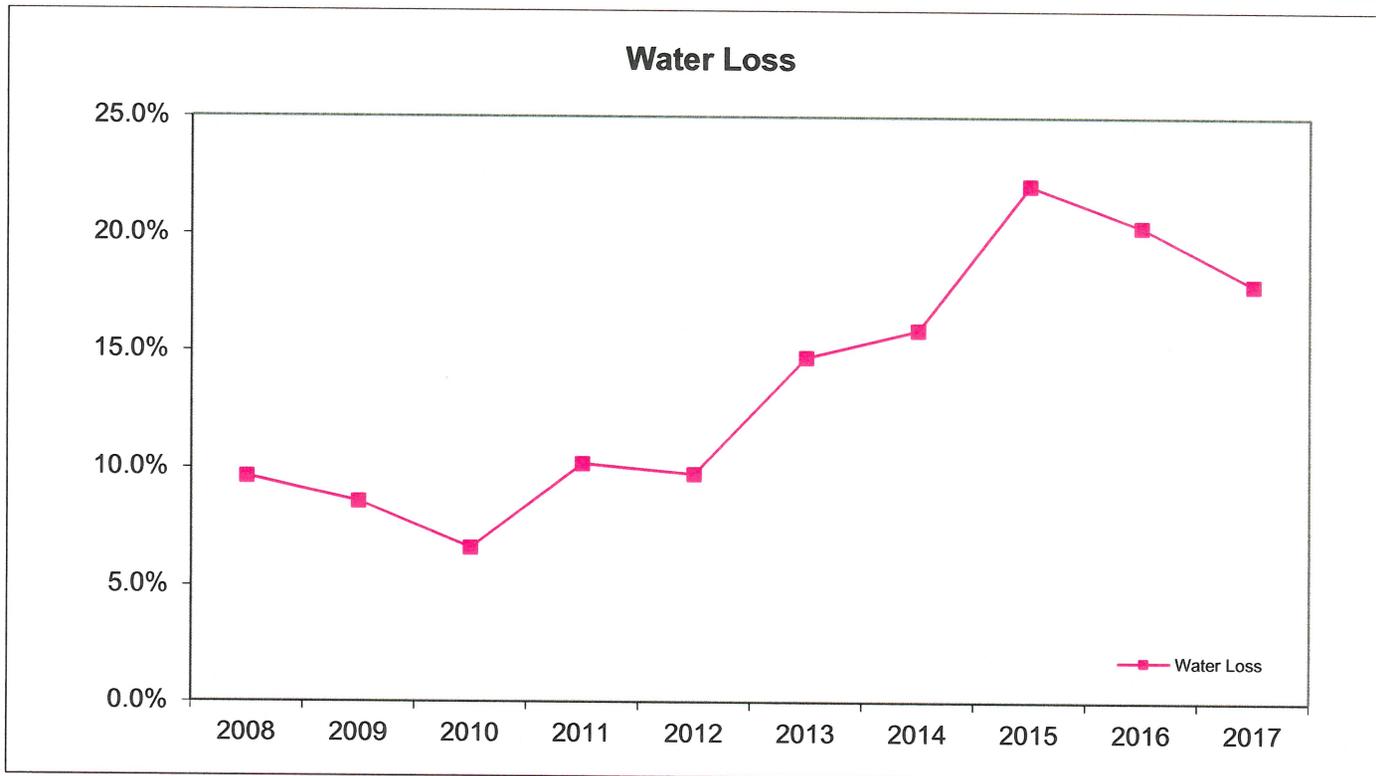
Geographical data provides a spatial representation only. The City of Northville and/or RITR GIS do not assume any damages or liabilities due to the accuracy, availability, use or misuse of the information provided.



**City of Northville
Water Loss
Ten Year Trend - 2008 through 2017**

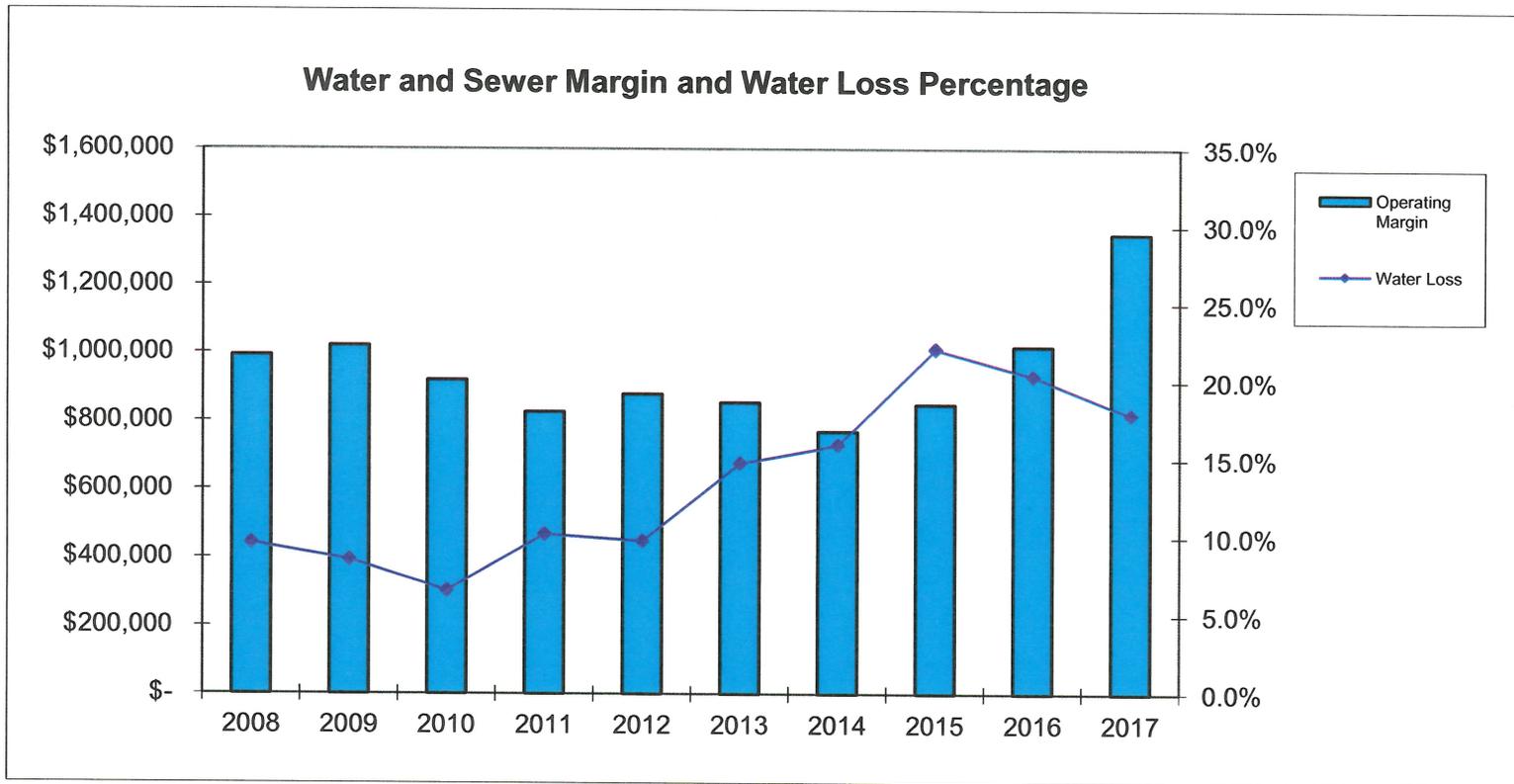
The graph below shows the percentage of water loss from the City water system. The amount is determined based on the amount of water purchased from Great Lakes Water Authority, compared to the amount of water billed to City of Northville users. The City's ten-year average is 13.6%. Nationally, the annual average is 16%*. The City has made a concerted effort to keep the water loss under control. The City contracts to have an annual leak detection survey done to identify leaks in the system to prevent higher losses. The City also monitors its water purchases. The loss rate has been increasing the past few years due to water line breaks, aging meters, and the age of the system. 2017 did experience a water loss of 17.9% Staff will closely monitor the loss ratio on a bi-monthly basis.

* Based on a 2004 Georgia Water Planning and Policy Center working paper



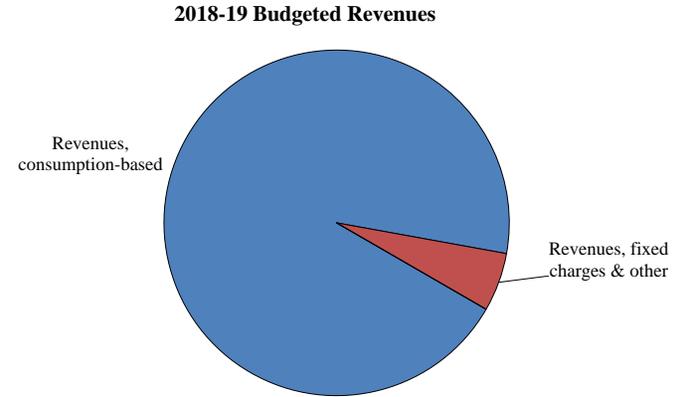
City of Northville
Water and Sewer Operating Margin and Water Loss Percentage
Ten Year Trend - 2008 through 2017

The graph below shows the Water and Sewer Fund operating margin compared to the water loss percentage. The water and sewer margin is expressed as the customer charges for water and sewer less the direct water and sewer costs paid to Great Lakes Water Authority and Wayne and Oakland Counties. In past years, when water loss was high, the operating margin was dramatically reduced and there was a strong negative correlation between the values. When the City began to control its water loss, the operating margin has fluctuated less significantly and is primarily affected by the costs of water and sewage charges to the City and rates charged to customers.

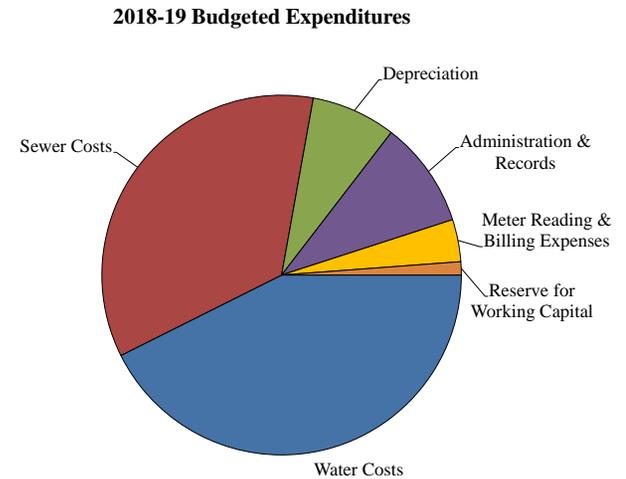


City of Northville
Proposed 2018-19 Water & Sewer Fund Budget (Accrual Basis)
(with historical comparative data)

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Revenues				
Revenues, consumption-based	\$ 2,715,573	\$ 3,013,040	\$ 3,115,906	94.5%
Revenues, fixed charges & other	367,508	332,025	180,805	5.5%
Use of Working Capital	-	-	-	0.0%
Total Revenues	\$ 3,083,081	\$ 3,345,065	\$ 3,296,711	100.0%



	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Expenses				
Water Costs	\$ 1,144,687	\$ 1,183,590	\$ 1,405,153	42.6%
Sewer Costs	1,003,360	1,265,280	1,160,602	35.2%
Depreciation	250,222	251,000	251,000	7.6%
Administration & Records	254,141	329,670	315,755	9.6%
Meter Reading & Billing Expenses	57,930	97,965	125,200	3.8%
Reserve for Working Capital	372,741	217,560	39,001	1.2%
Total Expenses	\$ 3,083,081	\$ 3,345,065	\$ 3,296,711	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Revenues							
592-000-627.00 Water Sales	1,258,461	1,555,153	1,765,960	1,816,181	1,869,520	1,939,253	1,996,373
592-000-627.04 Sewer Sales	1,036,708	1,073,986	1,172,080	1,224,725	1,285,911	1,353,803	1,419,428
592-000-627.05 Sewer Sales - Dual Meters	64,387	86,434	75,000	75,000	75,000	75,000	75,000
Subtotal - revenue based on per unit charges	2,359,556	2,715,573	3,013,040	3,115,906	3,230,431	3,368,056	3,490,801
592-000-626.04 Service Reimbursement	70	-	-	-	-	-	-
592-000-627.01 Other Water Sales	3,710	2,120	3,000	3,000	3,000	3,000	3,000
592-000-627.02 Hydrant Rental	12,074	12,114	12,095	12,095	12,095	12,095	12,095
592-000-627.03 Service Charge	81,710	49,473	45,535	50,200	51,875	54,180	55,560
592-000-627.06 Meter Replacement Charge	-	34,722	50,000	75,000	100,000	100,000	100,000
592-000-627.07 Sewer - Township	-	14,792	-	-	-	-	-
592-000-627.08 Penalty	30,435	35,796	32,000	32,000	32,000	32,000	32,000
592-000-628.00 Wastewater Surcharge (IWC)	31,334	33,832	-	-	-	-	-
592-000-629.00 Sewer Tap Fee	6,800	10,200	5,000	5,000	5,000	5,000	5,000
592-000-630.00 Water Tap Fee	8,500	14,275	6,900	5,000	5,000	5,000	5,000
592-000-631.00 Water Meter Sales	4,300	4,170	3,140	3,000	3,000	3,000	3,000
592-000-664.xx Investment Income, Net of fees	6,017	(7,705)	(4,490)	(4,490)	(4,490)	(4,490)	(4,490)
592-000-699. Transfer from General Fund	239,106	163,719	178,845	-	-	-	-
Subtotal - revenue from other sources	424,056	367,508	332,025	180,805	207,480	209,785	211,165
Total Revenues	2,783,612	3,083,081	3,345,065	3,296,711	3,437,911	3,577,841	3,701,966
592-000-699.00 Appropriation/(Use) of Prior Year Retained Earnings & Working Capital	106,219	-	-	-	251,000	150,999	565,999
Total Budget	2,889,831	3,083,081	3,345,065	3,296,711	3,688,911	3,728,840	4,267,965

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)

Expenditures	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed	Estimated	Estimated	Estimated
				Budget	Budget	Budget	Budget
Water Operations							
592-556-706.00 Wages/Salaries	80,504	84,584	70,000	104,205	109,475	117,265	117,265
592-556-706.01 Standby Pay	5,965	4,514	4,625	6,325	6,480	6,560	6,560
592-556-707.00 Wages/Salaries - Overtime	8,931	11,030	15,400	10,050	10,650	11,130	11,130
592-556-768.00 Laundry & Cleaning	3,161	3,530	3,500	3,500	3,500	3,500	3,500
592-556-775.00 Materials	28,157	33,440	31,280	31,660	32,040	32,430	32,830
592-556-801.00 Contractual Services	44,830	30,234	37,520	37,540	37,570	37,590	37,610
592-556-801.15 Contracted Security	450	338	-	-	-	-	-
592-556-801.68 Permanent Utility Cut Repair	29,599	21,685	25,000	25,000	25,000	25,000	25,000
592-556-802.01 Legal Services	338	1,050	500	500	500	500	500
592-556-803.00 Engineering Service	-	-	1,500	1,500	1,500	1,500	1,500
592-556-910.00 Liability & Property Insurance Pool	1,979	929	2,735	2,820	2,900	2,990	3,080
592-556-920.00 Utilities - Phone & Internet	1,482	980	1,045	1,045	1,045	1,045	1,045
592-556-920.01 Electric Power	28,531	34,971	35,900	36,610	37,340	38,080	38,840
592-556-943.00 Equipment Rental	65,460	67,713	72,000	72,720	73,450	74,180	74,920
592-556-956.00 Contingencies	-	-	-	-	-	4,050	8,220
592-556-967.00 Fringe Benefits	101,006	102,582	89,530	119,570	125,575	133,230	134,580
	400,393	397,580	390,535	453,045	467,025	489,050	496,580

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)

	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Water Cost - City of Detroit							
592-553-801.20 Cross Connection Control	5,976	4,161	7,600	7,600	7,935	8,400	8,400
592-553-801.21 Water Supply - City of Detroit	693,261	742,524	757,510	784,508	815,890	855,140	896,360
	699,237	746,685	765,110	792,108	823,825	863,540	904,760
Water - Capital Improvements							
592-557-801.xx Watermain Replacement Projects	-	-	15,000	145,000	450,000	350,000	765,000
592-557-801.99 Water Tower Improvements	2,820	-	12,945	15,000	-	-	-
592-557-803.80 Water Pump House Equip & Oper Imp	7,623	422	-	-	-	-	-
	10,443	422	27,945	160,000	450,000	350,000	765,000
Water - Depreciation							
592-558-968.00 Depreciation Expense	50,561	60,141	60,000	60,000	60,000	60,000	60,000
Total Water	1,160,634	1,204,828	1,243,590	1,465,153	1,800,850	1,762,590	2,226,340

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed	Estimated	Estimated	Estimated
				Budget	Budget	Budget	Budget
Sewer Operations							
592-548-706.00 Wages/Salaries	27,725	26,472	19,465	27,420	28,820	31,845	31,845
592-548-706.01 Standby Pay	5,967	4,515	4,625	6,325	6,480	6,560	6,560
592-548-707.00 Wages/Salaries - Overtime	1,729	2,919	350	2,000	2,050	2,235	2,235
592-548-768.00 Laundry & Cleaning	3,044	3,530	3,500	3,500	3,500	3,500	3,500
592-548-775.00 Materials	1,365	1,742	1,500	1,500	1,500	1,500	1,500
592-548-799.00 Sewer Backup Reimbursement	14,820	1,057	10,000	10,000	10,000	10,000	10,000
592-548-801.00 Contractual Services	11,919	9,358	25,000	25,000	25,000	25,000	25,000
592-548-802.01 Legal Services	2,025	1,825	2,000	2,000	2,000	2,000	2,000
592-548-910.00 Liability & Property Insurance	4,567	2,556	7,845	8,080	8,320	8,570	8,830
592-548-943.00 Equipment Rental	56,020	44,749	46,000	46,460	46,920	47,390	47,860
592-548-956.00 Contingencies	-	-	-	-	-	680	2,070
592-548-967.00 Fringe Benefits	37,961	34,381	23,940	35,440	37,040	40,125	40,530
	167,142	133,104	144,225	167,725	171,630	179,405	181,930

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)

	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Sewer Charges - Wayne County							
592-549-790.00 IWC	32,175	34,073	-	-	-	-	-
592-549-801.22 Sewage Disposal - Wayne County	826,941	815,443	815,443	986,987	1,036,336	1,088,150	1,142,560
592-549-804.02 Sewage Disposal - Oakland County	-	4,940	5,612	5,890	6,180	6,490	6,810
592-549-804.03 Sewage Disposal - Northville Township	-	15,800	-	-	-	-	-
	859,116	870,256	821,055	992,877	1,042,516	1,094,640	1,149,370
Sewer - Depreciation							
592-550-968.00 Depreciation Expense	190,081	190,081	191,000	191,000	191,000	191,000	191,000
Sewer - Capital Improvements							
592-551-976.07 E. Main Street Sewer Lining	-	-	100,000	-	-	-	-
592-551-976.08 Allen Drive Sewer Modifications	-	-	200,000	-	-	-	-
	-	-	300,000	-	-	-	-
Total Sewer	1,216,339	1,193,441	1,456,280	1,351,602	1,405,146	1,465,045	1,522,300

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City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Administration - Water & Sewer							
592-923-706.14 Wages/Salaries - Admin	72,052	57,911	60,685	54,910	56,650	57,680	57,695
592-923-707.14 Wages - Admin OT	87	6	-	-	-	-	-
592-923-712.00 Contracted Labor	-	-	17,620	1,600	-	-	-
592-923-801.00 Contractual Service	-	118	100	100	100	100	100
592-923-801.19 Computer Program Services	165	-	500	300	220	220	220
592-923-801.25 Consumer Confidence Report	5,190	4,346	2,000	2,000	2,000	2,000	2,000
592-923-805.00 Auditing Service	8,772	9,289	9,375	9,860	10,060	10,260	10,470
592-923-861.00 Auto Allowance	600	600	720	1,200	1,200	1,200	1,200
592-923-956.00 Contingencies	-	-	-	-	-	1,150	3,500
592-923-958.00 Memberships & Dues	300	693	725	725	725	725	725
592-923-960.00 Education & Training	2,248	268	1,000	1,000	1,000	1,000	1,000
592-923-967.00 Fringe Benefits	35,703	24,732	27,505	25,940	26,985	27,760	28,295
592-923-967.02 Overhead	50,000	51,000	52,020	53,060	54,120	55,200	56,300
592-923-967.04 Unfunded Pension Contribution	56,677	64,323	81,420	83,810	91,110	96,850	102,950
592-923-967.07 OPEB Liability - CY Expense	80,612	(25,793)	-	-	-	-	-
592-923-967.09 Retiree Healthcare Costs	77,558	83,470	75,000	80,250	85,870	91,880	98,310
592-923-967.12 Pension Revenue/Expense	74,042	(18,497)	-	-	-	-	-
592-923-984.00 GIS Services	-	1,675	1,000	1,000	1,000	1,000	1,000
Total Administration - Water & Sewer	464,006	254,141	329,670	315,755	331,040	347,025	363,765

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Meter Reading & Billing Expenses - Service Charge								
592-926-706.00	Wages - Meter Readings	5,562	7,924	8,580	9,325	9,795	10,490	10,490
592-926-706.14	Wages - Billings & Maintenance	16,632	19,011	14,100	14,460	14,830	15,025	15,035
592-926-707.00	Wages - Regular Overtime	176	256	250	260	270	285	285
592-926-707.14	Wages - Admin OT	-	286	-	-	-	-	-
592-926-728.00	Office Supplies	344	-	100	100	100	100	100
592-926-730.00	Postage	85	44	40	40	40	40	40
592-926-801.00	Contractual Services	3,833	3,599	3,825	3,850	3,875	3,900	3,925
592-926-801.19	Computer Program Services	506	508	515	520	525	530	535
592-926-NEW	Meter Replacement Program	-	-	50,000	75,000	100,000	100,000	100,000
592-926-943.00	Equipment Rental	3,103	3,020	3,100	3,130	3,160	3,190	3,220
592-926-956.00	Contingencies	-	-	-	-	-	510	1,550
592-926-967.00	Fringe Benefits	18,611	23,282	17,455	18,515	19,280	20,110	20,380
		48,852	57,930	97,965	125,200	151,875	154,180	155,560

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)

	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Total Expenses	2,889,831	2,710,340	3,127,505	3,257,710	3,688,911	3,728,840	4,267,965
Working Capital Reserve/Rate Stabilization							
592-999-999.00 Unallocated Reserve	-	372,741	217,560	39,001	-	-	-
	-	372,741	217,560	39,001	-	-	-
Total Budget	2,889,831	3,083,081	3,345,065	3,296,711	3,688,911	3,728,840	4,267,965

Analysis of Undesignated Cash Flow*

(*Assumes minimal changes in net current assets)

Cash, beginning of year			925,045	1,393,605	1,683,606	1,683,606	1,783,607
Revenues			3,345,065	3,296,711	3,437,911	3,577,841	3,701,966
Less: expenditures			(3,127,505)	(3,257,710)	(3,688,911)	(3,728,840)	(4,267,965)
plus: non-cash expenditure (depreciation)			251,000	251,000	251,000	251,000	251,000
Net Increase (Decrease)			468,560	290,001	0	100,001	(314,999)
Cash, end of year			1,393,605	1,683,606	1,683,606	1,783,607	1,468,608
Cash, reserved for water meter replacements			34,722	34,722	34,722	34,722	34,722
Cash, reserved for water main replacements			422,055	712,055	712,055	812,055	497,055
Cash, unreserved			936,828	936,829	936,829	936,830	936,831
Cash, end of year			1,393,605	1,683,606	1,683,606	1,783,607	1,468,608

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)	Current	2017-18	2018-19	2019-20	2020-21	2021-22
Evaluation of Water Rate	Rate	Projected	Proposed	Estimated	Estimated	Estimated
			Budget	Budget	Budget	Budget
Water System Expenses		1,408,425	1,623,031	1,966,370	1,936,103	2,408,223
Source/(Use) Working Capital Reserve		422,055	290,000	-	100,000	(315,000)
Less: Depreciation (non-cash)		(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
Less: Other Revenue		(38,890)	(36,850)	(36,850)	(36,850)	(36,850)
Net Revenue Required		1,731,590	1,816,181	1,869,520	1,939,253	1,996,373
Estimated Number of Billing Units		196,000	196,000	196,000	196,000	196,000
Rate Per Unit Required		8.83	9.27	9.54	9.89	10.19
Water Rate Per Unit Proposed	9.01		9.27	9.54	9.89	10.19
Increase/(Decrease) as a %			2.9%	2.9%	3.7%	3.0%
Evaluation of Sewer Rate						
Sewer System Expenses		1,621,115	1,509,480	1,570,666	1,638,558	1,704,183
Source/(Use) Working Capital Reserve		(300,000)	-	-	-	-
Less: Depreciation (non-cash)		(191,000)	(191,000)	(191,000)	(191,000)	(191,000)
Less: Other Revenue		(93,755)	(93,755)	(93,755)	(93,755)	(93,755)
Net Revenue Required		1,036,360	1,224,725	1,285,911	1,353,803	1,419,428
Estimated Number of Billing Units		196,000	196,000	196,000	196,000	196,000
Rate Per Unit Required		5.29	6.25	6.56	6.91	7.24
Sewer Rate Per Unit Proposed	5.98		6.25	6.56	6.91	7.24
Increase/(Decrease) as a %			4.5%	5.0%	5.3%	4.8%
Evaluation of Dual Meter Rate						
Wayne County Sewer Charges as a % of Total Sewer Charges		51%	66%	66%	67%	67%
Rate Calculated for Dual Meter Sewer Charges		2.70	4.13	4.33	4.63	4.85
Dual Meter Sewer Rate Per Unit Proposed	4.01		4.13	4.33	4.63	4.85
Increase/(Decrease) as a %			3.0%	4.8%	6.9%	4.8%

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

WATER AND SEWER FUND (continued)	Current Rate	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Evaluation of Service Charge						
Expenses (from above)		47,965	50,200	51,875	54,180	55,560
Number of Customers		2,500	2,500	2,500	2,500	2,500
Number of Billings		6	6	6	6	6
= Service Charge		3.20	3.35	3.46	3.61	3.70
Bi-monthly Service Charge Rate	3.37		3.37	3.46	3.61	3.70
Increase/(Decrease) as a %			0.0%	2.7%	4.3%	2.5%
Evaluation of Meter Replacement Charge						
Expenses (from above)		50,000	75,000	100,000	100,000	100,000
Number of Customers		2,245	2,245	2,245	2,245	2,245
Number of Billings		6	6	6	6	6
= Meter Replacement Charge		3.71	5.57	7.42	7.42	7.42
Bi-monthly Meter Replacement Rate	3.70		5.57	7.42	7.42	7.42
Increase/(Decrease) as a %			50.5%	33.2%	0.0%	0.0%

City of Northville Water & Sewer Fund
Five Year Plan - 2018 through 2022
FY 2019 Water & Sewer Rate Calculation (Cash Flow Basis)

Expense Category	Water Budget	Percent of Budget	Sewer Budget	Percent of Budget	Total Budget	Percent of Budget
Water Operations	\$ 453,045	27.9%			\$ 453,045	14.5%
Great Lakes Water Authority Water Cost	792,108	48.8%			\$792,108	25.3%
Sewer Operations			\$ 167,725	11.1%	\$167,725	5.4%
Wayne County Sewer Charges			992,877	65.7%	\$992,877	31.6%
Capital Improvements	160,000	9.9%	-	0.0%	\$160,000	5.1%
Administration	157,878	9.7%	157,878	10.5%	\$315,756	10.1%
Depreciation	60,000	3.7%	191,000	12.7%	\$251,000	8.0%
Total Proposed Expenses	\$ 1,623,031	100.0%	\$ 1,509,480	100.0%	\$ 3,132,511	100.0%
Adjustments						
Source/(Use) of Working Capital	\$ 290,000		\$ -			
Less non-cash expense (depreciation)	(60,000)		(191,000)			
Less other revenue sources	(36,850)		(93,755)			
Total Revenue Required from User Fees	\$ 1,816,181		\$ 1,224,725			
Divided by # of Units Billed, Estimated	196,000		196,000			
Equals Rate Per Unit (per 1,000 gallons)	\$ 9.27		\$ 6.25			
Dual Meter Sewer Rate Per Unit (per 1,000 gallons)			\$ 4.13			
Bi-monthly Flat Service Charge	\$ 3.37					
Bi-monthly Flat Meter Replacement Charge	\$ 5.57					

NOTES

"Water Operations" includes the cost of maintaining and repairing the water system within the City of Northville. Such expenses would include labor, materials and equipment for repairing water main breaks and leak detection surveys.

"Sewer Operations" includes the labor, materials and equipment for the required periodic cleaning and maintenance of the sewer system.

"Capital Improvements" proposed for the year ended June 30, 2019 includes \$160,000 for capital improvements, and reserving \$290,000 for future projects.

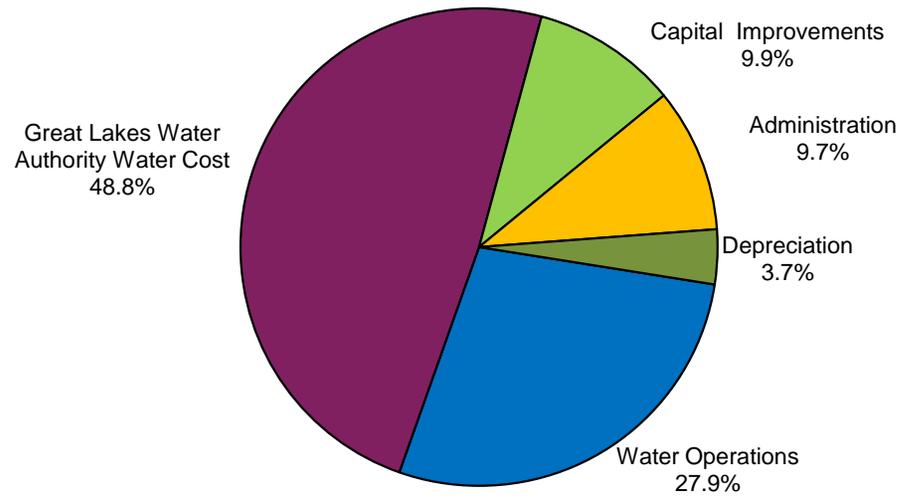
"Administration" includes the use of professional engineers, administrative salaries, annual audit fees, legal fees, and other expenses related to managing the water and sewer service.

"Service Charge" includes salaries and expenses related to the meter reading, billing & collections cycle.

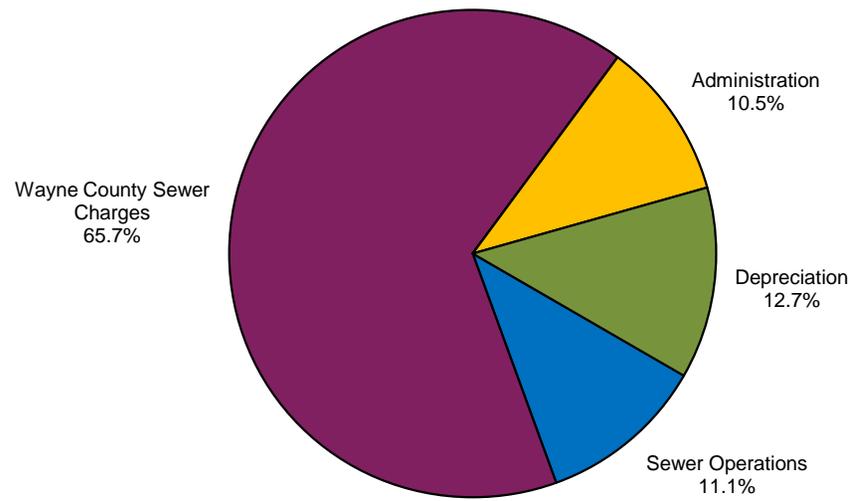
"Meter Replacement Charge" includes the cost to replace meters which are 20 years old and at risk of failure.

City of Northville Water & Sewer Fund
Five Year Plan - 2018 through 2022
FY 2019 Water & Sewer Rate Calculation (Cash Flow Basis)

Water Rate Analysis



Sewer Rate Analysis



SECTION VII

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal and interest. Debt Service Funds are required when revenues are accumulated for interest and principal payments of general obligation long-term debt maturing in future years. Each Fund has an overview section, graphs demonstrating revenues and expenditures, and a five year line item budget. Also included in this section is a summary of outstanding debt, the legal debt margin, and graphs demonstrating debt related trends.

The City of Northville's Debt Service Funds are the Downtown Development Authority Debt Service Fund and the Housing Debt Retirement Fund.

**City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan – 2018 thru 2022**

FINANCING ACTIVITY

As of July 1, 2018, the City of Northville will have two outstanding bond issues and one installment purchase contract.

Both of the bond issues are in Debt Service Funds, which uses a modified accrual basis of accounting. For these bonds, principal and interest payments are treated as expenditures in the year the payment is made. One receives funds from captured taxes from the Downtown Development Authority and the other from the Housing Commission's tenant rents at Allen Terrace.

In September 2015, the City financed the purchase of an aerial truck for the Fire Department in the amount of \$462,896. This installment purchase contract is for a term of ten years. A portion of the annual debt service payments will be paid for by the City of Plymouth per the terms of the cost sharing agreement between the two communities.

Act 279, Public Acts of Michigan, 1909, as amended, and the City Charter, provide that the net indebtedness of the City shall not exceed 10% of all assessed real and personal property in the City, plus assessed value equivalent of Act 198 specific tax levies.

The total debt applicable to the debt limit as of December 31, 2017 is \$1,683,400. The available debt limit for future debt is \$49,539,156. Existing debt will not cause any burden to current operations. The following page is a summary of outstanding debt as of December 31, 2017.

Act 99 of 1933 provides that acquisition of any real or personal property through the use of contract or installments shall not exceed 1 ¼% of the taxable value of real and personal property of the City. The total debt applicable to the limit as of December 31, 2017 is \$380,000. The available debt limit for future installment purchases is \$4,352,669

- continued -

**City of Northville
Fiscal Year 2019 Annual Budget
And Five Year Plan – 2018 thru 2022**

FINANCING ACTIVITY

<u>Description</u>	<u>Amount</u>	<u>Funding Source</u>
2012 General Obligation Bonds, Refunding	455,000	Tenant Rents
2013 General Obligation Bonds, Refunding	<u>1,205,000</u>	DDA Captured Taxes
Total City Debt	1,660,000	
Share of 35 th District Building Authority Bonds *	<u>23,400</u>	District Court Revenues
(A) Debt Applicable to Limit (excludes Installment Purchase Contracts)	<u>\$ 1,683,400</u>	

LEGAL DEBT MARGIN

Debt Limit	
2017 State Equalized Value (SEV)	\$512,225,564
Debt Limit (10% of SEV)	\$ 51,222,556
Debt Applicable to Debt Limit (A)	\$ 1,683,400
Legal Debt Margin Available	\$ 49,539,156

Description

Installment Purchase contract	<u>\$ 380,000</u>
(B) Debt Applicable to Limit for Installment Purchases	<u>\$ 380,000</u>

INSTALLMENT DEBT MARGIN

Debt Limit	
2017 Taxable Value	\$378,613,512
Debt Limit (1.25% of Taxable Value)	\$ 4,732,669
Debt Applicable to Debt Limit (B)	\$ 380,000
Legal Limit Available	\$ 4,352,669

* The City's proportionate share of this liability as of December 31, 2017 is 3.27%. The proportionate share is based upon the caseload of each of the five municipalities that participates in the 35th District Court. That percentage is reallocated annually.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

Bond Principal and Interest Requirements

BOND DESCRIPTION	FUND	ACCOUNT NUMBER	2017-18	2018-19	2019-20	2020-21	2021-22
2012 UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS							
General Obligation Unlimited	539	945-990.04 P	\$85,000	\$90,000	\$90,000	\$90,000	\$90,000
Tax Bonds, Series 2012		945-990.02 I	5,778	4,869	3,906	2,943	1,980
Capital One Public Funding (12/12) \$855,000		945-990.02 I	4,869	3,906	2,943	1,980	1,017
Funding: Allen Terrace Rents (Fund 538)			\$95,647	\$98,774	\$96,848	\$94,922	\$92,996
Last Payment, October 1, 2022							
DOWNTOWN DEVELOPMENT AUTHORITY DEBT RETIREMENT FUND							
2013 Limited Tax General Obligation	371	945-990.04 P	\$ 135,000	\$ 140,000	\$ 145,000	\$ 150,000	\$ 155,000
Refunding Bonds		945-990.02 I	18,677	16,585	14,415	12,167	9,842
Capital One Public Funding (10/13) \$1,705,000		945-990.02 I	18,678	16,585	14,415	12,168	9,843
Last payment, April 1, 2025			\$ 172,355	\$ 173,170	\$ 173,830	\$ 174,335	\$ 174,685
Total Principal			\$220,000	\$230,000	\$235,000	\$240,000	\$245,000
Total Interest			48,002	41,944	35,678	29,257	22,681
Total Debt Requirement			\$268,002	\$271,944	\$270,678	\$269,257	\$267,681
Number of Issues Outstanding			2	2	2	2	2

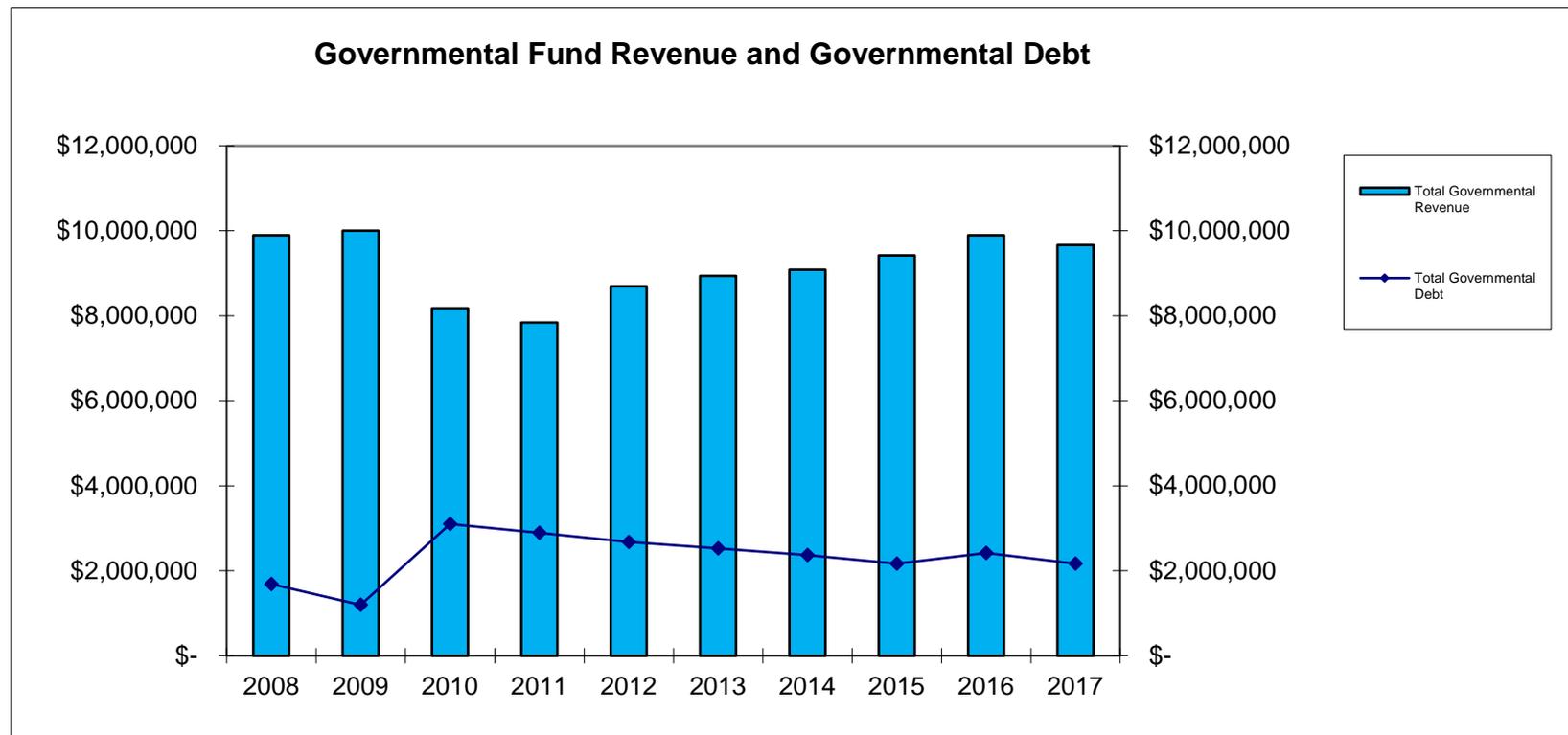
City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

Installment Purchases, Loans, & Other Commitments

Account Number	2017-18	2018-19	2019-20	2020-21	2021-22
INSTALLMENT PURCHASES					
Fire Truck - General Fund	101-921-990.04 P \$ 42,000	\$ 43,000	\$ 44,000	\$ 46,000	\$ 47,000
Financed 9/22/15; Comerica Bank (\$462,596)	101-921-990.02 I \$ 10,306	\$ 9,213	\$ 8,096	\$ 6,939	\$ 5,744
Interest Rate: 2.57% for 10 years	\$ 52,306	\$ 52,213	\$ 52,096	\$ 52,939	\$ 52,744
INTERNAL LOANS					
Internal Loan to Arts Commission from Public Improvement Fund for Roof Replacment	255-775-950.46 P \$ 2,056	\$ 2,056	\$ 2,056	\$ 2,052	
Interest Waived; Final payment due 6/30/2021					
REAL PROPERTY LEASES					
149 & 151 E. CADY, leased from the Long Development Co., effective 11/20/90, for the amount equal to annual property taxes, payments due 12/30 and 6/30 each year.	230-545-987.00 \$ 2,470	\$ 2,522	\$ 2,572	\$ 2,624	\$ 2,676
Lot 176 and Lot 177 leased from Northville Downs in an amount equal to a pro-rata share of the property taxes on leased property for parking.	230-545-988.00 \$ 2,498	\$ 2,551	\$ 2,602	\$ 2,653	\$ 2,706
Total Installment Purchase Principal	\$ 42,000	\$ 43,000	\$ 44,000	\$ 46,000	\$ 47,000
Total Installment Purchase Interest	\$ 10,306	\$ 9,213	\$ 8,096	\$ 6,939	\$ 5,744
Total Installment Purchase Debt	\$ 52,306	\$ 52,213	\$ 52,096	\$ 52,939	\$ 52,744
Total Internal Loans	\$ 2,056	\$ 2,056	\$ 2,056	\$ 2,052	-
Total Real Property Leases	4,968	5,073	5,174	5,277	5,382
Total of Installment Purchase Debt, Loans & Other Commitments	\$ 59,330	\$ 59,342	\$ 59,326	\$ 60,268	\$ 58,126
Number of Installment Purchase Contracts Outstanding	1	1	1	1	1

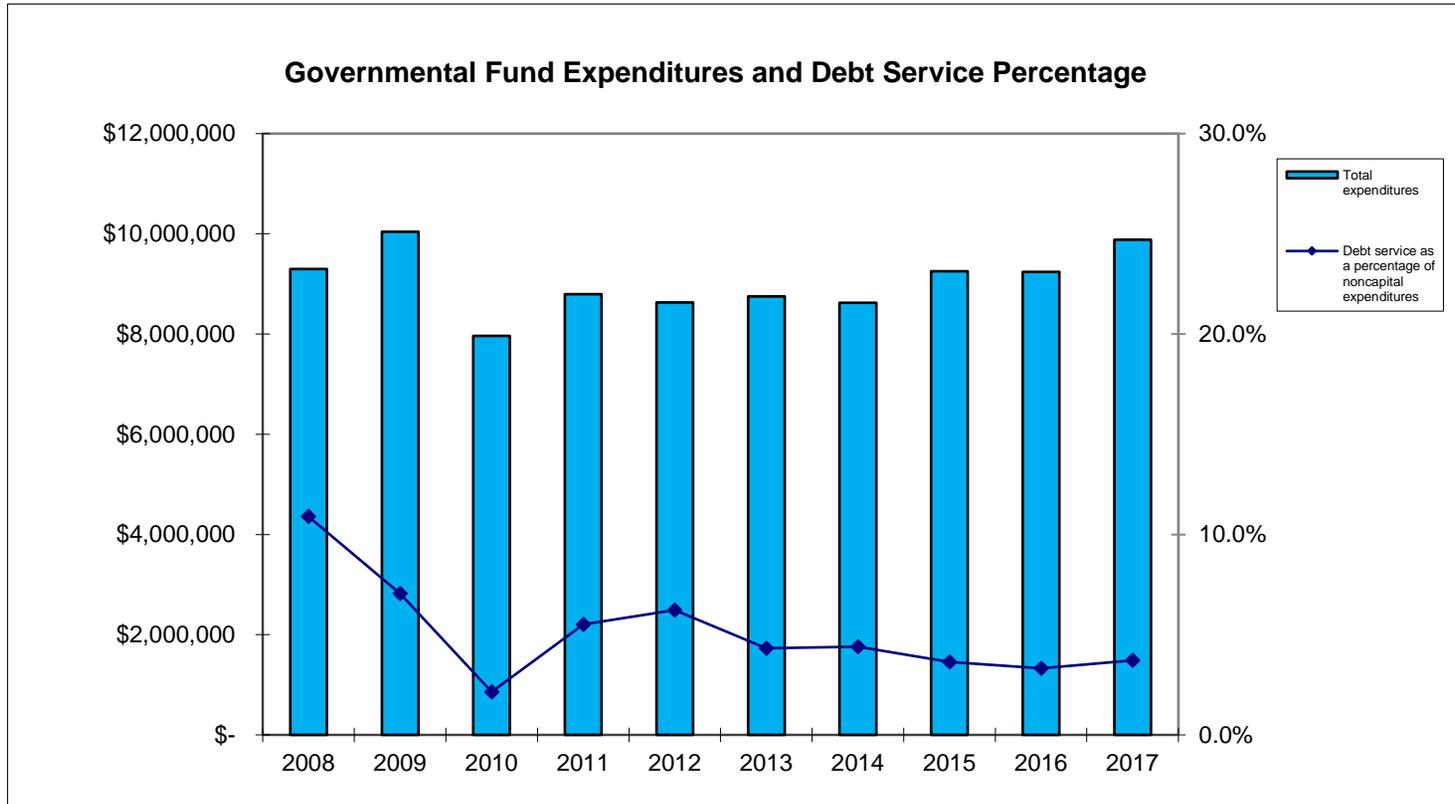
City of Northville
Governmental Fund Revenues and Governmental Debt
Ten Year Trend - 2008 through 2017

The graph below shows the total revenues of governmental funds, less debt issuance revenue and operating transfers, compared to the total debt carried by governmental funds. Governmental debt includes general obligation bonds, special assessment bonds, installment purchase agreements, and capital leases. Through FY 2009, total debt decreased by approximately 16% per year while governmental revenues showed increases of approximately 4% per year. In FY 2010, governmental revenue fell 18% due to falling property values, low interest rates, and less grant revenue. At the same time, the City issued \$2,000,000 of new bonds for the downtown streetscape enhancement project. In 2016, new debt was issued for \$462,597 to finance the purchase of a new fire truck. There was no new debt issued in FY 2017.



**City of Northville
Governmental Fund Expenditures and Debt Service Percentage
Ten Year Trend - 2008 through 2017**

The graph below shows the total expenditures of governmental funds compared to the debt service percentage. Debt service percentage is expressed as the principal and interest divided by total expenditures less additions to capital assets. From 2008 to 2010, the debt service percentage has decreased significantly, while total governmental expenditures have average annual increases of one percent. In 2010, expenditures decreased approximately 21% due to significant cost cutting measures. Although these measures are still in place, debt increased in FY 11 and FY12 primarily for the downtown streetscape project. The debt service percentage for FY 17 was 3.7%, a 12% increase from the prior year.



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Downtown Development Authority Debt Service Fund

FUND NUMBER: 371

SUPERVISOR: Downtown Development Authority

General Description of Activity

The Downtown Development Authority (DDA) Debt Service Fund was created during the 1994-95 fiscal year. This was done in connection with a DDA plan to provide for continuing tax capture to finance the construction of two new parking decks and a surface parking lot (see Downtown Development Authority Fund #370). Final payment on that debt service was made in the 2008-09 fiscal year.

On February 9, 2010, the City issued federally taxable Build America Bonds in the amount of \$2,000,000 over 15 years to finance the construction of downtown streetscape enhancements. On October 22, 2013, the City issued Limited Tax General Obligation Refunding Bonds to refinance the 2010 issue. These bonds will be repaid through the collection of captured taxes by the DDA.

Proposed Fiscal Year Overview

Debt service requirements for FY19 are \$173,170. The contribution from the DDA is equal to that amount to cover the debt service expenditures.

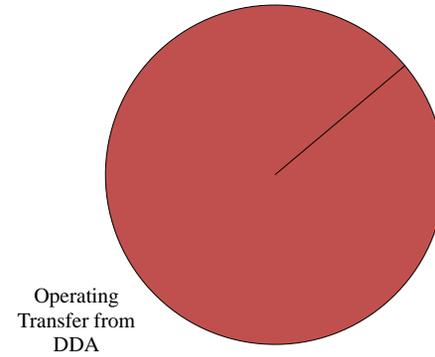
Long Term Goals & Objectives

The bonds will continue to be repaid through fiscal year 2025. No additional debt issuances are planned.

City of Northville
Proposed 2018-19 DDA Debt Service Fund Budget
(with historical comparative data)

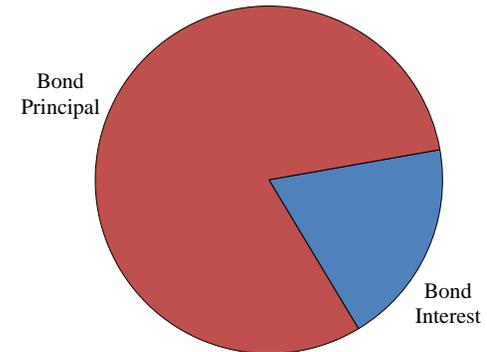
Revenues	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Operating Transfer from DDA	171,385	172,355	173,170	100.0%
Total Revenues	\$ 171,385	\$ 172,355	\$ 173,170	100.0%

2018-19 Budgeted Revenues



Expenditures	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Bond Interest	\$ 41,385	\$ 37,355	\$ 33,170	19.2%
Bond Principal	130,000	135,000	140,000	80.8%
Total Expenditures	\$ 171,385	\$ 172,355	\$ 173,170	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

DOWNTOWN DEVELOPMENT AUTHORITY
DEBT SERVICE FUND

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed	Estimated	Estimated	Estimated
					Budget	Budget	Budget	Budget
Revenue								
371-000-699.07	Contribution - DDA Fund	175,415	171,385	172,355	173,170	173,830	174,335	174,685
Total Revenue		175,415	171,385	172,355	173,170	173,830	174,335	174,685
Fund Balance Reserve								
371-000-699.01	Appropriation of Prior Year Surplus	-	-	-	-	-	-	-
Total Budget		175,415	171,385	172,355	173,170	173,830	174,335	174,685
Expenditures								
Debt Service								
371-945-990.02	Bond Interest Expense	45,415	41,385	37,355	33,170	28,830	24,335	19,685
371-945-990.04	Bond Principal Expense	130,000	130,000	135,000	140,000	145,000	150,000	155,000
Total Expenditures		175,415	171,385	172,355	173,170	173,830	174,335	174,685
Fund Balance Reserve								
371-999-999.00	Unallocated Reserve	-	-	-	-	-	-	-
Total Budget		175,415	171,385	172,355	173,170	173,830	174,335	174,685
Analysis of Fund Balance:								
	Beginning of Year			2,554	2,554	2,554	2,554	2,554
	Revenues			172,355	173,170	173,830	174,335	174,685
	Expenditures			(172,355)	(173,170)	(173,830)	(174,335)	(174,685)
	End of Year			2,554	2,554	2,554	2,554	2,554

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Housing Debt Retirement Fund

FUND NUMBER: 539

SUPERVISOR: Finance Director

General Description of Activity

On November 5, 2002 voters approved the issuance of \$1,375,000 of General Obligation Unlimited Tax Bonds to fund Allen Terrace improvements. This twenty-year debt issue is to be repaid from tenant rents at Allen Terrace. On December 19, 2012, the City issued Unlimited Tax General Obligation Refunding Bonds to refinance the 2002 issue.

Proposed Fiscal Year Overview

Debt service requirements for FY19 are \$98,775. The amount transferred from the Housing Commission is equal to that amount to cover the debt service expenditures.

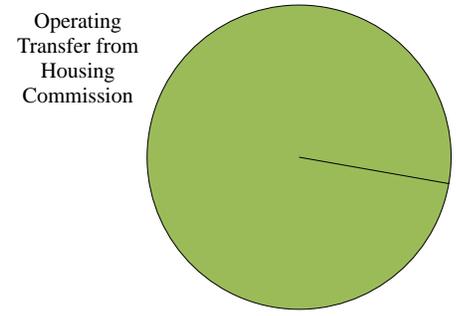
Long Term Plan

This fund will continue in existence until the debt is retired. The final payment on the bonds is due October 1, 2022. No additional debt issuances are planned.

City of Northville
Proposed 2018-19 Housing Debt Retirement Fund Budget
(with historical comparative data)

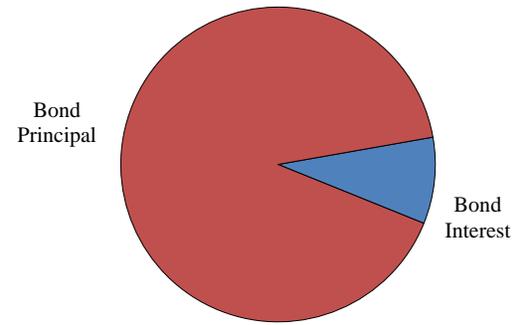
Revenues	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Operating Transfer from Housing Commission	92,412	\$ 95,647	98,775	100.0%
Total Revenues	<u>\$ 92,412</u>	<u>\$ 95,647</u>	<u>\$ 98,775</u>	<u>100.0%</u>

2018-19 Budgeted Revenues



Expenditures	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Bond Interest	\$ 12,412	\$ 10,647	\$ 8,775	8.9%
Bond Principal	80,000	85,000	90,000	91.1%
Total Expenditures	<u>\$ 92,412</u>	<u>\$ 95,647</u>	<u>\$ 98,775</u>	<u>100.0%</u>

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

Housing Debt Retirement Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
539-000-699.15	Operating Transfer from Housing Commission	94,124	92,412	95,647	98,775	96,849	94,923	92,996
		94,124	92,412	95,647	98,775	96,849	94,923	92,996
	Total Revenues	94,124	92,412	95,647	98,775	96,849	94,923	92,996
Fund Balance Reserve								
539-000-699.00	Approp of Prior Year's Surplus	-	-	-	-	-	-	-
	Total Budget	94,124	92,412	95,647	98,775	96,849	94,923	92,996
EXPENDITURES								
Debt Service								
539-945-990.02	Bond Interest	14,124	12,412	10,647	8,775	6,849	4,923	2,996
539-945-990.04	Bond Principal	80,000	80,000	85,000	90,000	90,000	90,000	90,000
		94,124	92,412	95,647	98,775	96,849	94,923	92,996
	Total Expenditures	94,124	92,412	95,647	98,775	96,849	94,923	92,996
Fund Balance Reserve								
539-999-999.00	Unallocated Reserve	-	-	-	-	-	-	-
	Total Budget	94,124	92,412	95,647	98,775	96,849	94,923	92,996
Fund Balance Analysis								
	Beginning of Year			2,780	2,780	2,780	2,780	2,780
	Revenues			95,647	98,775	96,849	94,923	92,996
	Expenditures			95,647	98,775	96,849	94,923	92,996
	End of Year			2,780	2,780	2,780	2,780	2,780

SECTION VIII

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for resources to be used in the construction of major capital facilities and the acquisition of capital equipment that benefits that general public. The City of Northville has three Capital Project Funds: the Housing Commission Capital Outlay Fund, the Fire Equipment Replacement Fund, and the Police Equipment Replacement Fund. Each has an overview section, graphs demonstrating revenues and expenditures, and a five year line item budget.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Fire Equipment Replacement Fund

FUND NUMBER: 402

SUPERVISOR: Fire Chief

General Description of Activity

This fund was set up to meet the needs for replacement of capital equipment over the next 20 years to keep the equipment up to current standards. The fund allows for the replacement funds to be set aside over a period of time. The Department will continue to search for grant opportunities for equipment purchases.

Proposed Fiscal Year Overview

The City continues providing fire service to the City of Plymouth. Other than vehicles, which each City purchases separately, this budget includes the revenues and expenditures for future equipment needs based upon that continued partnership with the City of Plymouth. In FY19, projected purchases include a fire engine and a set of hydraulic rescue tools.

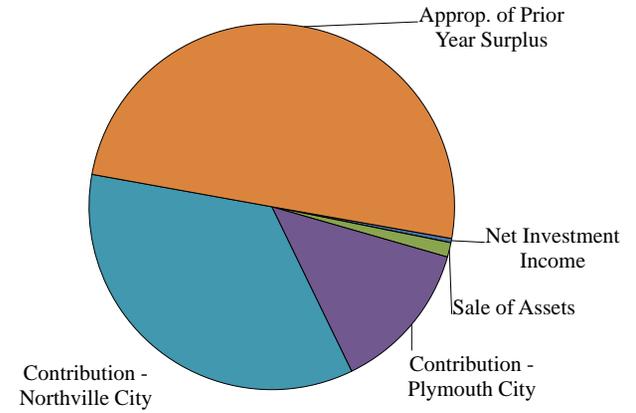
Departmental Goals & Objectives

The equipment fund will continue to be used for the replacement of equipment as scheduled in the 20 year plan. The department's 20 year plan is detailed in Appendix A.

City of Northville
Proposed 2018-19 Fire Equipment Replacement Fund Budget
(with historical comparative data)

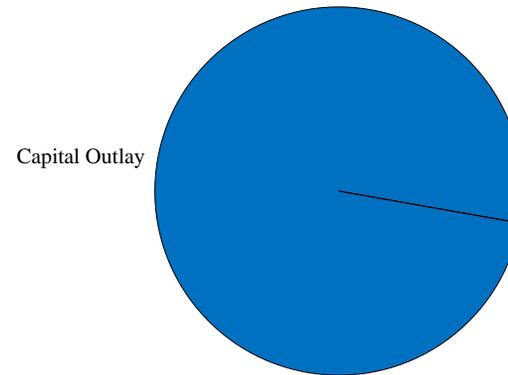
Revenues	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Net Investment Income	503	2,150	2,150	0.4%
Private Donations	1,500	-	-	0.0%
Sale of Assets	-	3,800	7,200	1.3%
Contribution - Plymouth City	50,423	81,638	75,398	13.4%
Contribution - Northville City	152,466	207,236	197,689	35.0%
Approp. of Prior Year Surplus	-	-	281,763	49.9%
Total Revenues	\$ 204,892	\$ 294,824	\$ 564,200	100.0%

2018-19 Budgeted Revenues



Expenditures	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Capital Outlay	\$ 29,142	\$ 42,390	\$ 564,200	100.0%
Equipment Reserve	175,750	252,434	-	0.0%
Total Expenditures	\$ 204,892	\$ 294,824	\$ 564,200	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

FIRE EQUIPMENT REPLACEMENT FUND

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
REVENUES							
402-000-586.00 Private Contributions/Donations	-	1,500	-	-	-	-	-
402-000-592.08 Contribution - Plymouth City	262,593	50,423	81,638	75,398	71,860	66,105	66,105
402-000-664.xx Net Investment Income	3,397	503	2,150	2,150	2,150	2,150	2,150
402-000-673.00 Sale of Assets	-	-	3,800	7,200	-	-	-
Operating Transfers							
402-000-699.03 Public Improvement Fund	30,000	30,000	30,000	30,000	30,000	30,000	30,000
402-000-699.06 General Fund	596,718	122,466	177,236	167,689	151,376	136,096	136,096
Total Revenues	892,708	204,892	294,824	282,437	255,386	234,351	234,351
Fund Balance Reserve							
402-000-699.00 Approp of Prior Year's Surplus	219,158	-	-	281,763	350,614	-	-
Total Budget	1,111,866	204,892	294,824	564,200	606,000	234,351	234,351
EXPENDITURES							
Capital Purchases							
402-902-948.00 Contribution Refund	304,443	-	-	-	-	-	-
402-902-973.00 Capital Outlay < \$5,000	-	13,142	-	-	186,000	-	-
402-902-977.00 Capital Outlay > \$5,000	807,423	16,000	42,390	564,200	420,000	-	14,000
Total Expenditures	1,111,866	29,142	42,390	564,200	606,000	-	14,000
Fund Balance Reserve							
402-999-999.00 Unallocated Reserve	-	175,750	252,434	-	-	234,351	220,351
Total Budget	1,111,866	204,892	294,824	564,200	606,000	234,351	234,351
Fund Balance Analysis							
Beginning of Year			1,066,973	1,319,407	1,037,644	687,030	921,381
Revenues			294,824	282,437	255,386	234,351	234,351
Expenditures			(42,390)	(564,200)	(606,000)	-	(14,000)
End of Year			1,319,407	1,037,644	687,030	921,381	1,141,732

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Police Equipment Replacement Fund

FUND NUMBER: 403

SUPERVISOR: Police Chief

General Description of Activity

The purpose of this activity is to reserve funds to meet the needs of a 20 year capital outlay plan for Police Department equipment. By reserving funds over time 1) the City can ensure that its equipment meets current standards, 2) the cost to taxpayers is spread evenly over the useful life of the equipment and, 3) the cost to taxpayers is minimized because the fund has interest earnings to offset expenditures rather than paying debt issuance costs and interest expense for relatively small financing proposals.

Proposed Fiscal Year Overview

Proposed is the replacement of two patrol vehicles, in-car computers (MDC), and one bullet proof shield

Long Term Goals & Objectives

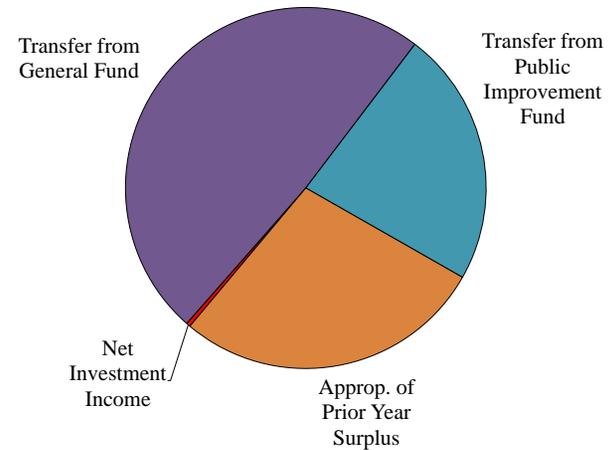
The long term goal of this fund is to continue modernizing the Police Department's equipment. With careful planning, and proper maintenance of existing equipment, it is anticipated that the taxpayers will not be burdened with additional debt millages to replace existing equipment. The department's twenty year plan is detailed in Appendix A.

City of Northville
Proposed 2018-19 Police Equipment Replacement Fund Budget
(with historical comparative data)

Revenues

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Net Investment Income	97	495	495	0.4%
Gain on Sale of Assets	1,950	5,330	-	0.0%
Operating Transfers from General Fund	39,000	47,000	64,000	48.9%
Public Improvement Fund	30,000	30,000	30,000	22.9%
Approp. of Prior Year Surplus	29,142	-	36,505	27.8%
Total Revenues	\$ 100,189	\$ 82,825	\$ 131,000	100.0%

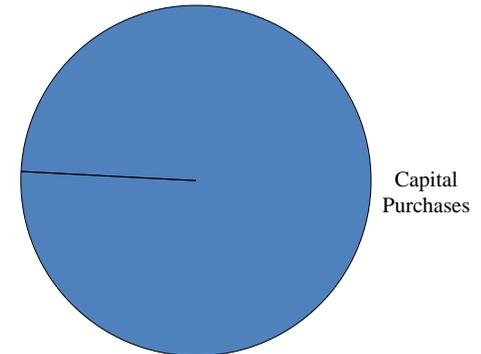
2018-19 Budgeted Revenues



Expenditures

	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Capital Purchases	100,189	76,000	131,000	100.0%
Equipment Reserve	-	6,825	-	0.0%
Total Expenditures	\$ 100,189	\$ 82,825	\$ 131,000	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

POLICE EQUIPMENT REPLACEMENT FUND

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
REVENUES							
403-000-661.00 MMRMA RAP Grant	6,500	-	-	-	-	-	-
403-000-664.xx Net Investment Income	1,894	97	495	495	495	495	495
403-000-673.00 Gain on Sale of Assets	-	1,950	5,330	-	-	-	-
Operating Transfers							
403-000-699.03 Public Improvement Fund	30,000	30,000	30,000	30,000	30,000	30,000	30,000
403-000-699.06 General Fund	38,000	39,000	47,000	64,000	63,000	63,000	79,000
Total Revenues	76,394	71,047	82,825	94,495	93,495	93,495	109,495
Fund Balance Reserve							
403-000-699.00 Approp of Prior Year's Surplus	43,481	29,142	-	36,505	-	50,505	-
Total Budget	119,875	100,189	82,825	131,000	93,495	144,000	109,495
EXPENDITURES							
Capital Purchases							
403-902-973.00 Equipment < \$5,000	17,334	28,111	15,000	3,000	-	19,500	5,100
403-902-977.00 Capital Outlay > \$5,000	42,541	-	61,000	48,000	-	42,500	30,000
403-902-985.00 Capital Outlay - Vehicles	-	72,078	-	80,000	41,000	82,000	41,000
	59,875	100,189	76,000	131,000	41,000	144,000	76,100
Operating Transfer to							
403-775-950.46 Public Improvement Fund	60,000	-	-	-	-	-	-
Total Expenditures	119,875	100,189	76,000	131,000	41,000	144,000	76,100
Fund Balance Reserve							
403-999-999.00 Unallocated Reserve	-	-	6,825	-	52,495	-	33,395
Total Budget	119,875	100,189	82,825	131,000	93,495	144,000	109,495
Fund Balance Analysis							
Beginning of Year			180,392	187,217	150,712	203,207	152,702
Revenues			82,825	94,495	93,495	93,495	109,495
Expenditures			(76,000)	(131,000)	(41,000)	(144,000)	(76,100)
End of Year			187,217	150,712	203,207	152,702	186,097

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Housing Commission Capital Outlay Fund

FUND NUMBER: 404

SUPERVISOR: Housing Director

General Description of Activity

The purpose of this activity is to reserve funds to meet the capital needs for Allen Terrace, an apartment community for senior citizens 55 years or older. Allen Terrace has 100 apartments. By reserving funds over time 1) the City can ensure that the building meets current standards, 2) the cost to tenants is spread evenly over the useful life of the improvements, and, 3) the cost to tenants is minimized because the fund has interest earnings to offset expenditures rather than paying debt issuance costs and interest expense for relatively small financing proposals.

The Allen Terrace capital improvements are partially funded with Community Development Block Grant (CDBG) funds.

Proposed Fiscal Year Overview

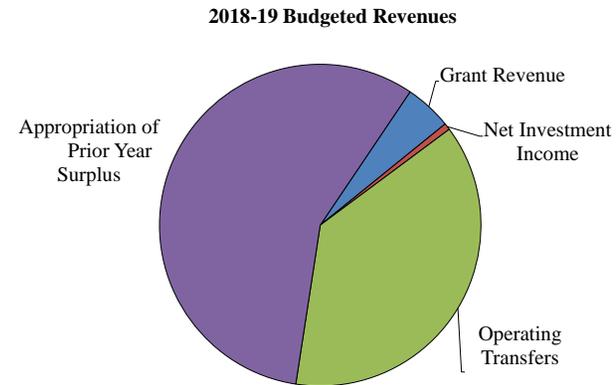
Proposed for fiscal year 2019 is the roof replacement to include professional architectural and construction management services. Replacement of the activity room skylight atrium, downspout relocation and concrete replacement is proposed. The individual packaged terminal air conditioning (PTAC) units continue to be replaced primarily through CDBG funds. Replacing the refrigerators and heating/cooling units should provide for improved energy efficiency and a reduction in electrical costs.

Long Term Goals & Objectives

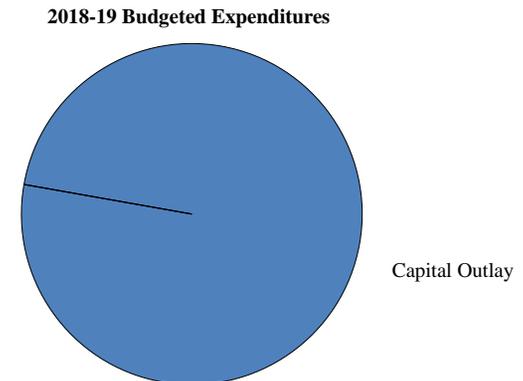
The long term goal of this fund is to continue modernizing Allen Terrace. With careful planning and proper maintenance it is anticipated that the tenants will not be burdened with debt issuances to fund improvements. Improvements for fiscal years 2020 through 2022 for the building include phased replacement of the apartment refrigerators, retrofitting exterior lighting in parking lot and on building, and replacing windows and patio doors. Additional details for these projects can be found in Appendix A.

City of Northville
Proposed 2018-19 Housing Commission Capital Outlay Fund Budget
(with historical comparative data)

Revenues	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Grant Revenue	19,104	19,103	19,103	4.7%
Net Investment Income	486	2,700	2,700	0.7%
Operating Transfers	156,180	133,000	152,000	37.6%
Appropriation of Prior Year Surplus	230,281	-	230,497	57.0%
Total Revenues	\$ 406,051	\$ 154,803	\$ 404,300	100.0%



Expenditures	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Capital Outlay	406,051	92,000	404,300	100.0%
Increase to Fund Balance	-	62,803	-	0.0%
Total Expenditures	\$ 406,051	\$ 154,803	\$ 404,300	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

HOUSING COMMISSION CAPITAL OUTLAY FUND

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
REVENUES								
Grant Revenue								
404-000-587.02	CDBG - Wayne County	-	19,104	19,103	19,103	19,103	19,103	19,103
		-	19,104	19,103	19,103	19,103	19,103	19,103
Interest Income								
404-000-664.xx	Net Investment Income	8,484	486	2,700	2,700	2,700	2,700	2,700
		8,484	486	2,700	2,700	2,700	2,700	2,700
Operating Transfers								
404-000-699.15	Operating Transfer from Housing Commission Fund	135,000	156,180	133,000	152,000	138,000	129,000	122,000
		135,000	156,180	133,000	152,000	138,000	129,000	122,000
Total Revenue		143,484	175,770	154,803	173,803	159,803	150,803	143,803
Fund Balance Reserve								
404-000-699.00	Use of Fund Balance	-	230,281	-	230,497	-	-	214,047
Total Budget		143,484	406,051	154,803	404,300	159,803	150,803	357,850
EXPENDITURES								
Capital Outlay								
404-901-973.00	Building & Grounds Improvements	105,864	104,800	92,000	21,700	95,100	57,100	58,400
404-901-977.00	Capital Improvements > \$5,000	4,200	301,251	-	382,600	-	-	299,450
Total Expenditures		110,064	406,051	92,000	404,300	95,100	57,100	357,850
Reserve Fund								
404-999-999.00	Unallocated Reserve	33,420	-	62,803	-	64,703	93,703	-
		33,420	-	62,803	-	64,703	93,703	-
Total Budget		143,484	406,051	154,803	404,300	159,803	150,803	357,850
Analysis of Fund Balance								
	Beginning of Year			874,228	937,031	706,534	771,237	864,940
	Revenues			154,803	173,803	159,803	150,803	143,803
	Expenditures			(92,000)	(404,300)	(95,100)	(57,100)	(357,850)
	End of Year			937,031	706,534	771,237	864,940	650,893

SECTION IX

INTERFUND ACTIVITY

Interfund transactions are activities that occur between the different funds of the City. They include loans, reimbursements, transfers, and charges for services provided and used. This section includes schedules detailing the various interfund activities of the City. The City's only budgeted internal service fund is the Equipment Fund. It has an overview, graphs demonstrating revenues and expenditures, and a five year line item budget.

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan – 2018 through 2022**

INTERFUND ACTIVITY

Unlike the private sector, the focus of government is providing services and not generating profits. Governments enter into transactions with outside parties on a daily basis and account for those transactions similarly to how they would be recorded in the private sector. However, government also enters into transactions that cannot be explained solely on the basis of economic self-interest. Thus, the accounting and financial reporting for governments is very specialized and includes features unique to government. One of the unique features is the use of interfund transactions.

Interfund transactions are activities that occur between the different funds of the City. They include loans, reimbursements, transfers, and charges for services provided and used.

- Overhead Reimbursements are repayments from the fund responsible for the expenditure to the fund that initially paid for the expenditure. In the City of Northville, several expenditures that are overhead in nature and apply to more than one fund are initially recorded as expenditures in the General Fund. The City allocates these overhead charges to applicable funds and reduces the expenditure in the General Fund. A schedule of the overhead reimbursements is on page IX-3. Similarly, the cost of the Department of Public Works personnel and related fringe benefits are allocated to various funds when used is shown on page IX-4
- Interfund Loans are amounts provided from one fund to another fund with requirements for repayment. The City utilizes an internal loan program in the Public Improvement Fund. This practice minimizes the cost of debt issuance.
- Interfund Operating Transfers are transfers of funds from one fund to another with no expectation or requirement that the funds be repaid. The City transfers such funds to aid in funding operations of several other funds. A schedule of the operating transfers begins on page IX-6. Typically this is done when revenues (resources) are required to be recorded in one fund due to a legal policy restriction. The actual use of these funds however, may be best recorded in another fund.

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan – 2018 through 2022**

INTERFUND ACTIVITY - continued

- Internal Service Funds account for the sale and purchase of goods and services between funds for a price approximating external exchange value. The fund receiving the service records the expenditure while the fund providing the service records the revenue. The City utilizes this concept to account for maintenance and use of equipment managed by the Department of Public Works. The City's only internal service fund, the Equipment Fund, begins on page IX-8.

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan - 2018 through 2022**

INTERFUND REIMBURSEMENTS - GENERAL FUND OVERHEAD

Fund	Account Number	Proposed 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21	Estimated 2021-22
Revenue						
General Fund	101-000-688.00	\$200,395	\$195,350	\$198,990	\$202,730	\$206,590
Expenditures						
Major Streets Fund	202-483-967.02	22,150	22,370	22,590	22,820	23,050
Local Street Fund	203-483-967.02	11,220	11,330	11,440	11,550	11,670
Refuse & Recycling Fund	226-923-967.02	25,320	25,830	26,350	26,880	27,420
Arts Commission	255-923-967.02	3,760	3,950	4,150	4,360	4,580
Recreation Commission	260-692-801.31	6,695	-	-	-	-
Senior Adult Services Fund	265-292-967.02	2,380	-	-	-	-
Downtown Development Authority	370-864-967.02	10,970	11,520	12,100	12,710	13,350
Public Improvement Fund	401-923-967.02	11,240	11,350	11,460	11,570	11,690
Housing Commission	538-292-967.02	6,700	7,040	7,390	7,760	8,150
Water and Sewer Fund	592-923-967.02	52,020	53,060	54,120	55,200	56,300
Equipment Fund	641-923-967.02	47,940	48,900	49,390	49,880	50,380
Total Expenditures		\$200,395	\$195,350	\$198,990	\$202,730	\$206,590

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

**Interfund Reimbursements
Allocation of Department of Public Works - Direct Labor, Equipment Rental and Fringe Benefits**

	PROJECTED			PROPOSED		
	2017-18	2017-18	2017-18	2018-19	2018-19	2018-19
	Labor	Fringe Benefits	Equipment Rental	Labor	Fringe Benefits	Equipment Rental
101 General Fund						
261 Cemetery Services (Open/Close)	19,110	17,140	9,090	27,780	27,840	9,180
262 Cemetery	19,005	21,750	12,000	21,940	26,470	12,120
263 City Hall Building and Grounds	6,380	6,120	1,900	6,730	6,675	1,920
269 Beautification Commission	120	120	65	110	110	65
270 Mill Race Village	625	470	600	970	965	610
272 Other City Property	3,225	3,170	2,600	4,390	4,355	2,630
444 Civic Events	16,120	15,840	6,050	15,815	15,680	6,110
445 Miscellaneous	9,350	9,090	400	12,935	12,825	400
	<u>73,935</u>	<u>73,700</u>	<u>32,705</u>	<u>90,670</u>	<u>94,920</u>	<u>33,035</u>
202 Major Streets						
463 Routine Street Maintenance	12,375	12,160	15,300	22,325	22,135	15,450
469 Drainage Systems Maintenance	1,815	1,785	3,100	2,375	2,355	3,130
474 Traffic Signs	2,340	2,300	1,600	3,015	2,990	1,620
478 Winter Maintenance	19,000	19,700	21,000	9,390	9,310	15,000
	<u>35,530</u>	<u>35,945</u>	<u>41,000</u>	<u>37,105</u>	<u>36,790</u>	<u>35,200</u>
203 Local Streets						
463 Routine Street Maintenance	32,000	34,150	54,000	47,070	46,670	54,540
469 Drainage Maintenance	12,435	12,220	4,050	7,620	7,555	4,090
474 Traffic Signs	3,535	3,475	2,550	4,040	4,005	2,580
478 Winter Maintenance	18,000	17,825	10,000	8,470	8,400	10,100
	<u>65,970</u>	<u>67,670</u>	<u>70,600</u>	<u>67,200</u>	<u>66,630</u>	<u>71,310</u>

- continued -

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

**Interfund Reimbursements
Allocation of Department of Public Works - Direct Labor, Equipment Rental and Fringe Benefits**

	PROJECTED			PROPOSED		
	2017-18	2017-18	2017-18	2018-19	2018-19	2018-19
	Labor	Fringe Benefits	Equipment Rental	Labor	Fringe Benefits	Equipment Rental
226 Refuse/Recycling						
442 Fall Leaf Pick-Up	10,310	10,500	15,700	12,500	12,700	15,860
531 Residential Collection	1,005	1,385	200	1,035	1,030	200
532 Residential Recycling	-	-	-	100	100	50
533 Residential Composting	-	-	-	100	100	250
537 Commercial Collection	10,535	10,350	5,300	12,080	11,980	5,350
	<u>21,850</u>	<u>22,235</u>	<u>21,200</u>	<u>25,815</u>	<u>25,910</u>	<u>21,710</u>
230-546 Parking System Fund	10,305	10,125	10,500	10,350	10,265	10,610
370-753 Downtown Development Authority	7,885	7,750	2,625	6,055	6,005	2,650
401-904 Public Improvement City Property	285	285	100	-	-	-
538-268 Housing Commission	350	345	100	370	365	100
592 Water & Sewer						
548 Sewer Maintenance	24,440	23,940	46,000	35,745	35,440	46,460
556 Water Operations	90,025	89,530	72,000	120,580	119,570	72,720
926 Meter Reading & Billings	8,830	8,675	3,100	9,585	9,505	3,130
	<u>123,295</u>	<u>122,145</u>	<u>121,100</u>	<u>165,910</u>	<u>164,515</u>	<u>122,310</u>
641 Equipment						
271 Grounds Maintenance	9,135	9,320	-	18,305	18,150	-
932 Operations	24,825	24,405	-	28,035	27,795	-
	<u>33,960</u>	<u>33,725</u>	<u>-</u>	<u>46,340</u>	<u>45,945</u>	<u>-</u>
Total	<u>373,365</u>	<u>373,925</u>	<u>299,930</u>	<u>449,815</u>	<u>451,345</u>	<u>296,925</u>

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

INTERFUND OPERATING TRANSFERS AND LOANS

Contribution From (Expenditure)	Account Number	Contribution To (Revenue)	Account Number	Description	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
General		Parking Fund	230-000-699.06	General Operations	9,210	8,160	8,780	10,060	8,925
General Fund	101-775-950.25	Housing	538-000-590.00	Payment in Lieu of Taxes	15,470	15,620	15,780	15,940	16,100
General Fund	101-775-950.31	Fire Equipment Replacement	402-000-699.06	Fire Equipment Reserves	177,236	167,689	151,376	136,096	136,096
General Fund	101-775-950.36	Police Equipment Replacement	403-000-699.06	Police Equipment Reserves	47,000	64,000	63,000	63,000	79,000
				Technology Needs	50,000	75,000	25,000	25,000	25,000
				Randolph Drain Assessment	25,000	98,000	56,000	25,000	25,000
				City Entrance Signs	-	75,000	-	-	-
General Fund	101-775-950.46	Public Improvement	401-000-699.06	Total	75,000	248,000	81,000	50,000	50,000
General Fund	101-775-950.29	Water & Sewer Fund	592-000-669.06	Cell Tower Rent	178,845	-	-	-	-
Street, Drainage, & Sidewalk Improvement	201-775-950.22	Major Streets	202-000-699.02	Street Improvements & Maintenance	130,100	40,000	345,000	460,000	675,000
Street, Drainage, & Sidewalk Improvement	201-775-950.23	Local Streets	203-000-699.02	Street Improvements & Maintenance	245,000	339,000	185,000	35,000	35,000
Major Streets	202-775-950.23	Local Streets	203-000-699.12	General Operations	134,595	139,010	136,696	136,405	140,350
Art Commission	255-775-950.46	Public Improvement	401-000-699.18	Repayment of Roof Loan	2,056	2,056	2,056	2,052	-
Downtown Development Authority	370-863-950.21	General Fund	101-000-699.07	Street Lighting & Parking Lot Electrical	50,000	50,000	50,000	50,000	50,000
				Parking Deck Maintenance	81,650	84,100	86,620	89,220	91,900
				Snow Removal	4,000	4,000	4,000	4,000	4,000
				Parking Deck Repair	25,000	25,000	25,000	25,000	25,000
Downtown Development Authority	370-863-950.21	Parking Fund	230-000-699.07	Total	110,650	113,100	115,620	118,220	120,900
Downtown Development Authority	370-945-950.49	DDA Debt Service Fund	371-000-699.07	2010 Development Bond Debt	172,355	173,170	173,830	174,335	174,685
Public Improvement	401-775-950.21	General Fund	101-000-699.03	Technology Needs	17,161	-	128,000	-	-
Public Improvement	401-775-950.31	Fire Equipment Replacement	402-000-699.03	Fire Equipment Reserves	30,000	30,000	30,000	30,000	30,000
Public Improvement	401-775-950.36	Police Equipment Replacement	403-000-699.03	Police Equipment Reserves	30,000	30,000	30,000	30,000	30,000
Housing Commission	538-292-801.32	General Fund	101-000-689.00	Payment in Lieu of Taxes	15,470	15,620	15,780	15,940	16,100
Housing Commission	538-775-950.11	Housing Capital Outlay Fund	404-000-699.00	Housing Capital Reserves	133,000	152,000	138,000	129,000	122,000
Housing Commission	538-775-950.32	Housing Debt Retirement Fund	539-000-699.15	Debt Service - Allen Terrace	95,647	98,775	96,849	94,923	92,996
					1,668,795	1,686,200	1,766,767	1,550,971	1,777,152

**City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022**

ACTIVITY: Internal Service Fund: Equipment Fund

FUND NUMBER: 641

SUPERVISOR: Director, Department of Public Works

General Description of Activity

This fund provides for the maintenance, repair and replacement of City-owned equipment. The major source of revenue for this fund comes from internal equipment rental charges. These charges are determined using published Michigan Department of Transportation equipment rates. The Equipment Fund is intended to be a self-sustaining internal service fund.

Proposed Fiscal Year Overview

Proposed is the replacement of the 2002 tractor backhoe estimated at \$110,000.

Long Term Plan

No future equipment purchases are planned at this time. The newly hired DPW Director will need to determine the capital needs of the department with the goal of developing a 20-year equipment replacement plan.

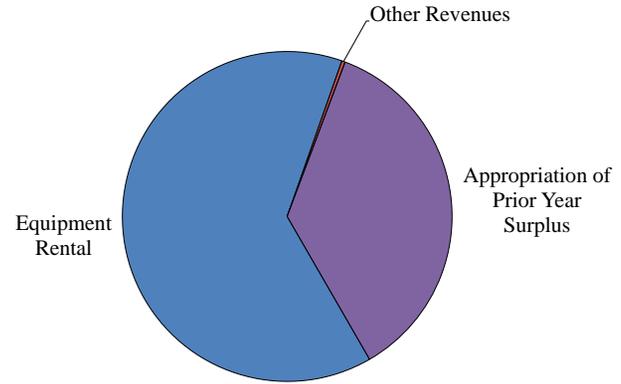
Performance Measures

	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Projected	FY2019 Target
Efficiency & Effectiveness Measures					
Average Time to Perform Maintenance on Vehicles (in hours)	1.67	1.50	1.50	1.50	1.50
Cost of a Vehicle Oil Change	\$40	\$40	\$41	\$41	\$41
Preventative Maintenance Cost of a Vehicle	\$70	\$80	\$80	\$80	\$80

City of Northville
Proposed 2018-19 Equipment Fund Budget
(with historical comparative data)

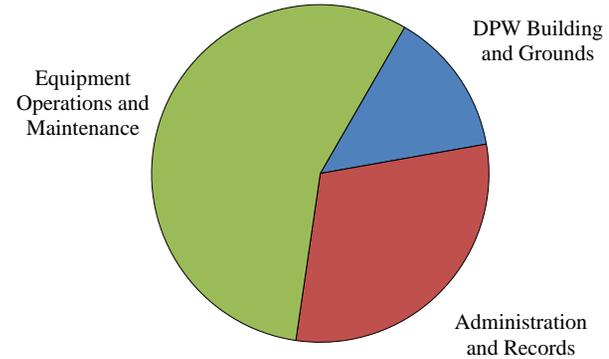
Revenues	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
Equipment Rental	\$ 254,626	\$ 299,930	\$ 296,925	63.8%
Other Revenues	6,754	2,696	1,565	0.3%
Operating Transfers	36,500	-	-	0.0%
Appropriation of Prior Year Surplus	20,849	96,580	167,510	35.9%
Total Revenues	\$ 318,729	\$ 399,206	\$ 466,000	100.0%

2018-19 Budgeted Revenues



Expenditures	FY17	FY18	FY19	FY19
	Actual	Projected	Proposed	% Total
DPW Building and Grounds	\$ 51,614	\$ 56,381	\$ 64,695	13.9%
Administration and Records	134,461	145,385	140,255	30.1%
Equipment Operations and Maintenance	132,654	197,440	261,050	56.0%
Total Expenditures	\$ 318,729	\$ 399,206	\$ 466,000	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

EQUIPMENT FUND

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed	Estimated	Estimated	Estimated
					Budget	Budget	Budget	Budget
Revenues								
641-000-664.xx	Net Investment Income	3,589	239	65	65	65	65	65
641-000-667.00	Insurance Proceeds	-	-	1,131	-	-	-	-
641-000-668.10	Fuel Surcharge	1,706	1,515	1,500	1,500	1,500	1,500	1,500
641-000-670.00	Equipment Rental	295,738	254,626	299,930	296,925	299,890	302,890	305,920
641-000-673.00	Sale of Fixed Assets	1,430	5,000	-	-	-	-	-
	Total Revenues	302,463	261,380	302,626	298,490	301,455	304,455	307,485
Operating Transfers								
641-000-699.28	Refuse and Recycling	-	36,500	-	-	-	-	-
	Total Revenues	302,463	297,880	302,626	298,490	301,455	304,455	307,485
Retained Earnings								
641-000-699.00	Approp. of Prior Year Surplus	51,296	20,849	96,580	167,510	65,105	79,280	80,290
	Total Budget	353,759	318,729	399,206	466,000	366,560	383,735	387,775

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

EQUIPMENT FUND (continued)

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Expenses								
DPW Building and Grounds								
641-271-706.00	Wages/Salaries	18,646	14,783	9,040	17,785	19,120	21,410	18,045
641-271-707.00	Wages/Salaries - Overtime	461	-	95	520	550	615	590
641-271-776.00	Maintenance Supplies	6,696	1,713	3,000	3,000	3,000	3,000	3,000
641-271-801.00	Contractual Service	9,245	3,170	17,571	7,600	7,650	7,700	7,750
641-271-910.00	Liability/Pool Insurance	525	338	1,025	1,060	1,090	1,120	1,150
641-271-910.01	Insurance - Underground Storage	4,556	-	2,500	2,500	2,580	2,580	2,660
641-271-920.00	Utilities	1,890	1,890	1,890	1,940	1,990	2,040	2,090
641-271-920.01	Electrical Service	5,912	8,672	6,440	6,570	6,700	6,830	6,970
641-271-920.02	Natural Gas Service	3,118	3,027	3,500	3,570	3,640	3,710	3,780
641-271-920.03	Water & Sewer Service	2,423	1,798	2,000	2,000	2,000	2,000	2,000
641-271-943.00	Equipment Rental	-	-	-	-	-	-	-
641-271-956.00	Contingencies	-	-	-	-	-	440	1,200
641-271-967.00	Fringe Benefits	20,980	16,223	9,320	18,150	19,510	21,740	21,965
		74,452	51,614	56,381	64,695	67,830	73,185	71,200
Administration and Records								
641-923-712.00	Contracted Labor	-	-	7,500	1,000	-	-	-
641-923-728.00	Office Supplies	33	45	50	50	50	50	50
641-923-801.19	Computer Program Services	566	204	205	300	300	300	300
641-923-805.00	Auditing Service	1,754	1,858	1,875	2,145	2,190	2,230	2,270
641-923-853.00	Telephone	6,171	5,820	7,050	7,080	7,110	7,110	7,110
641-923-900.00	Printing & Publishing	-	-	100	100	100	100	100
641-923-910.00	Insurance	439	256	665	680	700	720	740
641-923-917.00	Workers Comp Insurance	62	-	-	-	-	-	-
641-923-967.02	Overhead	46,810	47,000	47,940	48,900	49,390	49,880	50,380
641-923-968.00	Depreciation Expense	73,552	79,278	80,000	80,000	80,000	80,000	80,000
		129,387	134,461	145,385	140,255	139,840	140,390	140,950

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2018 through 2022

EQUIPMENT FUND (continued)

		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Equipment Operations and Maintenance								
641-932-706.00	Wages/Salaries	35,226	25,187	24,805	28,035	30,130	33,730	33,730
641-932-707.00	Wages/Salaries - Overtime	148	-	20	-	-	-	-
641-932-751.00	Fuel and Oil	19,053	15,626	20,630	21,000	22,000	23,000	24,000
641-932-781.00	Automotive Parts	12,919	25,114	25,000	25,500	26,010	26,530	27,060
641-932-801.04	Maintenance & Repair Service	10,180	9,966	22,215	10,000	10,000	10,000	10,000
641-932-913.00	Vehicle Insurance	3,460	2,037	6,670	6,870	7,080	7,290	7,510
641-932-956.00	Contingencies	-	-	-	-	-	670	2,050
641-932-959.00	Underground Tank Registration	1,199	200	1,200	1,200	1,200	1,200	1,200
641-932-967.00	Fringe Benefits	37,331	29,177	24,405	27,795	29,880	33,290	33,635
641-932-967.04	Unfunded Pension Contributions	10,269	6,492	13,345	8,370	9,100	9,670	10,280
641-932-967.09	Retiree Medical/Dental Premiums	12,100	15,475	16,150	17,280	18,490	19,780	21,160
641-932-971.00	Small Tools & Misc Equipment	8,035	3,380	5,000	5,000	5,000	5,000	5,000
641-932-977.00	Capital Outlay - Equipment	-	-	38,000	110,000	-	-	-
		149,920	132,654	197,440	261,050	158,890	170,160	175,625
	Total Expenses	353,759	318,729	399,206	466,000	366,560	383,735	387,775
Retained Earnings								
641-999-999.04	Reserve for Maint & Repair	-	-	-	-	-	-	-
	Total Budget	353,759	318,729	399,206	466,000	366,560	383,735	387,775
Analysis of Cash Flow*								
(*Assumes minimal changes in net current assets.)								
	Beginning of Year			444,117	427,537	340,027	354,922	355,642
	Revenues			302,626	298,490	301,455	304,455	307,485
	Expenses			(399,206)	(466,000)	(366,560)	(383,735)	(387,775)
	Add back: non-cash expense (depreciation)			80,000	80,000	80,000	80,000	80,000
	End of Year			427,537	340,027	354,922	355,642	355,352

SECTION X

TAX BASE ANALYSIS

Property taxes are the City's single largest source of revenue. This section of the budget provides an overview of property tax collection in Michigan as well as a discussion of two constitutional amendments that are unique to Michigan that place restraints on the amount of value which is subject to a tax levy. Those are 1) the Headlee Amendment and 2) Proposal A. Lastly, this section provides an analysis of how these laws are applied to the City of Northville and the proposed budget.

**City of Northville
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And Five Year Plan (2018-2022)**

Property Tax Analysis

Below is a brief explanation of Michigan property tax laws, followed by analysis of how those laws affect the City of Northville.

Headlee Amendment

The Headlee Amendment, ratified in 1978, accomplished limiting the growth of property tax revenue by controlling how a local government's maximum authorized millage rate is calculated, particularly as it relates to growth on existing property. The Headlee Amendment requires that when growth on existing property community wide is greater than inflation, the local government must "roll back" its maximum authorized millage rate so that the increase in property tax revenue caused by growth on existing property does not exceed inflation (commonly referred to as the "Headlee roll back"). **For Northville, this means that the City Charter authorized limit has been rolled back from 20 mills to 13.4845 mills for the 2018 tax year.** This was a reduction from 13.7247 mills in the prior year.

The Headlee Amendment also allowed "roll ups". This would occur when growth on existing property was less than the rate of inflation. "Roll-ups" meant that Headlee was self correcting. A municipality would be able to regain lost millage levy authority from roll backs in prior years. This self balancing mechanism was lost with the enactment of Proposal A.

Proposal "A"

Until March 1994, property tax was calculated as the millage rate multiplied by the State Equalized Value (which approximated 50% of true cash value). Beginning in March 1994, Proposal A created a new methodology to determine property values for tax purposes with the introduction of "taxable value". Taxable value on each individual real property cannot increase by more than the lesser of inflation or five percent annually until a property is sold or transferred unless improvements are added. This is regardless of property value changes due to the market. Taxable Value can never exceed the Assessed Value. **For Northville, the inflation rate multiplier is 2.1%.**

When a property is sold or transferred, the taxable value is reset to equal the state equalized value. This is known as an "uncapping".

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Property Tax Analysis - continued

Impact of Proposal A and Headlee Amendment

On the surface, it may appear that a community with large amounts of uncapped property values would benefit from this addition of property value to the tax base. However, although not taxed previously, these “uncapped values” were not included in the definition of exempt property for the purpose of Headlee roll back calculation when the legislature amended the General Property Tax Act in 1994. The effect of this change to the General Property Tax Act has been to penalize communities that have substantial market growth in existing property values by rolling back their millage rates.

Even though roll ups of a local government’s maximum authorized millage rate (limited to the original authorized millage rate) were allowed following the Headlee Amendment in 1978, the implementing legislation after Proposal A eliminated Headlee roll ups. The Headlee maximum authorized millage rate for local governments continues to move farther away from the original authorized millage rate. The elimination of this self-correcting mechanism which allowed for roll-ups creates an almost permanent reduction of the millage authority of local governments. The result is downward pressure on millage rates without allowing for true inflationary adjustments. The City will be levying the maximum allowed millage rate in 2018. A Headlee override will be necessary in the near future as the maximum allowed millage rates is expected to decline each year.

Principal Residence Exemption (P.R.E.)

In general, PRE property is a taxpayer’s principal residence that is owned and occupied by the taxpayer. Non-PRE property is commercial, non-owner occupied residential, and personal property.

Michigan Business Tax (M.B.T.)

Beginning in tax year 2008, Commercial and Industrial Businesses pay a reduced millage rate for School Operating and the State Education Tax on their personal property. This reduction was made as part of the new Michigan Business Tax program. Personal property is all of the business items and equipment utilized for business operations.

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Personal Property Taxes – Small Business Exemption

The budget includes the effects of Public Act 48 of 2012. Businesses with less than \$40,000 of combined industrial and commercial personal property taxable value (\$80,000 cash value) will not have to pay personal property taxes. Additionally, “Eligible Manufacturing “ property as defined in the Act is exempt from personal property tax on a phase in basis. The City is expecting approximately \$25,000 to be reimbursed from the State for this loss.

Property Tax Collection in Michigan – Local Unit Responsibilities

The City of Northville bills property taxes twice a year (in July and December). In addition to its own City taxes, Northville collects property taxes for other units of governments. The City acts as a custodian and remits collected funds to the appropriate governmental units on scheduled interval dates. The other units of governments for whom the City collects are listed below.

- Wayne County
- Oakland County
- State of Michigan (State Education Tax)
- Northville Public Schools
- Schoolcraft Community College
- RESA (Special Education)
- Northville District Library
- Huron Clinton Metro Park Authority
- Wayne/Oakland Zoological Authority
- Detroit Institute of Arts

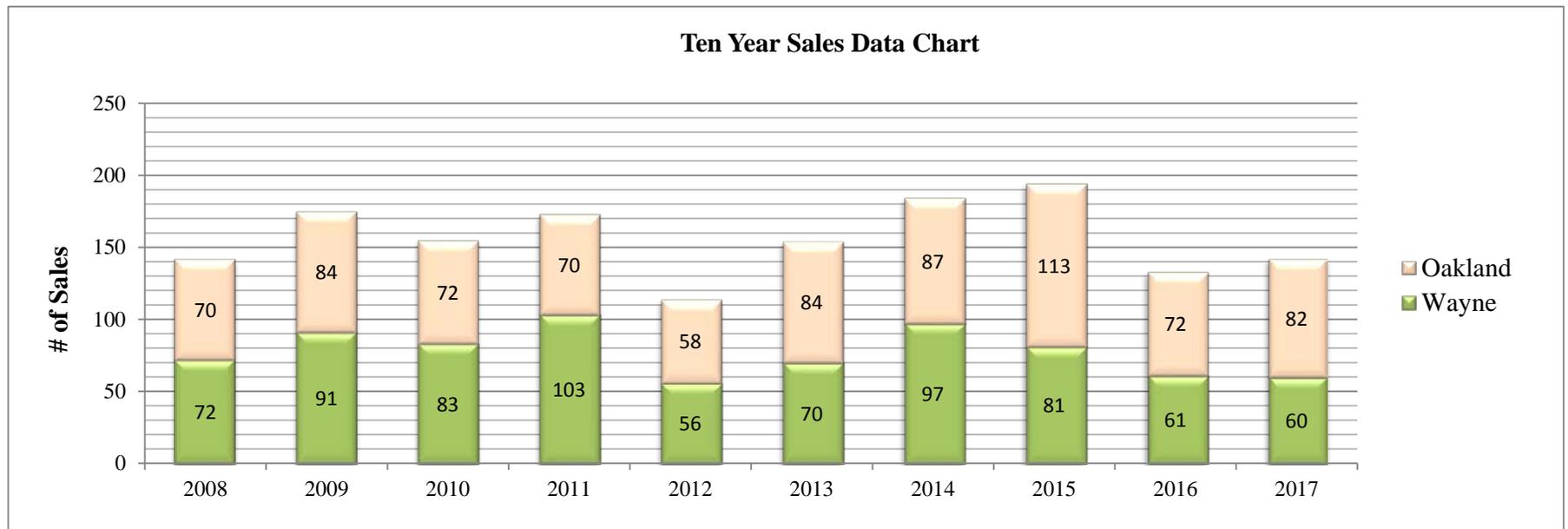
**City of Northville
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Summary of the Assessment Cycle

The 2018 March Board of Review concluded their final meeting on Wednesday, March 14, 2018. The Board of Review received a total of 38 appeals. This was up by 18 appeals from last year. Of these appeals, 20 were for residential real property, 1 was for commercial real property, and 17 were for commercial personal property. Based on the number of March Board of Review appeals in neighboring communities, this number of appeals seems typical given the City’s size and current economic times.

In the year 2017, there were 60 residential transfers of ownership for Wayne County and 82 transfers of ownership in Oakland County. Out of the combined total of 142 transfers of ownership, none were related to a foreclosure.

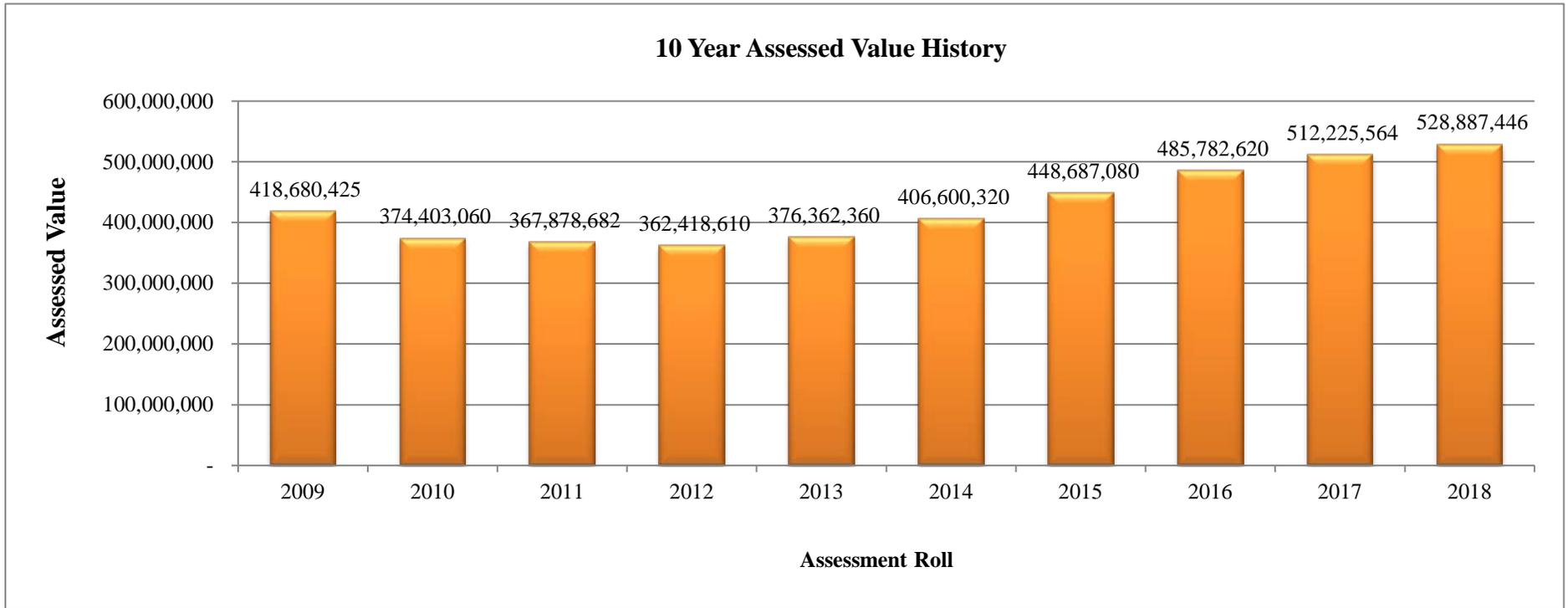
Based on arms length residential home sales in Northville, the average sale price for a home in 2017 in Wayne County was \$350,462 (down from \$385,156 in 2016). Arms length residential home sales in 2017 for Oakland County indicated an average sale price of \$329,437 (up from \$269,904 in 2016).



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Summary of the Assessment Cycle

The assessed value for the City increased 3.25% from 512,225,564 in March 2017 to 528,887,446 in March 2018.



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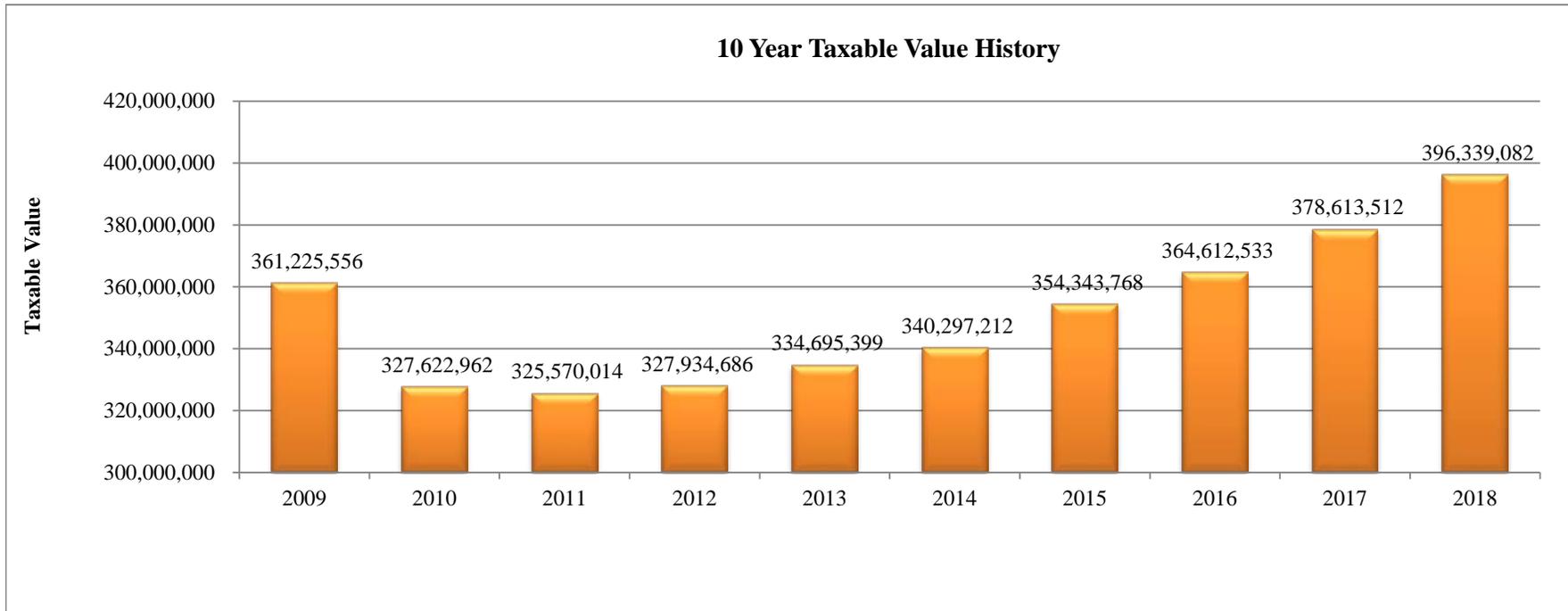
2017 Tax Base Analysis - SEV

<u>WAYNE COUNTY</u>	2018 Parcel Count	2017 Post MBOR	Loss	Net Adjustments	New	2018 Post MBOR	% Change
Real							
Commercial	177	69,838,700	440,562	1,570,162	91,900	71,060,200	1.75%
Industrial	21	3,029,900	-	42,400	-	3,072,300	1.40%
Residential	1,086	222,565,140	1,613,299	3,618,005	5,078,300	229,648,146	3.18%
Total Real	1,284	295,433,740	2,053,861	5,230,567	5,170,200	303,780,646	2.83%
Personal							
Commercial	472	5,559,200	1,256,800	0	994,000	5,296,400	-4.73%
Industrial	1	55,500	39,000	0	-	16,500	-70.27%
Utility	4	6,441,300	461,700	0	147,100	6,126,700	-4.88%
Total Personal	477	12,056,000	1,757,500	0	1,141,100	11,439,600	-5.11%
Exempt	87	-	-	0	-	-	0.00%
Total Wayne County	1,848	307,489,740	3,811,361	5,230,567	6,311,300	315,220,246	2.51%
<u>OAKLAND COUNTY</u>							
Real							
Commercial	20	4,498,110	-	238,990	31,300	4,768,400	6.01%
Industrial	-	-	-	0	-	-	0.00%
Residential	1,317	198,172,284	664,124	7,693,560	1,683,580	206,885,300	4.40%
Total Real	1,337	202,670,394	664,124	7,932,550	1,714,880	211,653,700	4.43%
Personal							
Commercial	53	718,090	334,590	0	298,000	681,500	-5.10%
Industrial	-	-	-	0	-	-	0.00%
Utility	2	1,347,340	20,030	0	4,690	1,332,000	-1.14%
Total Personal	55	2,065,430	354,620	0	302,690	2,013,500	-2.51%
Exempt	38	-	-	0	-	-	0.00%
Total Oakland County	1,430	204,735,824	1,018,744	7,932,550	2,017,570	213,667,200	4.36%
City Grand Total	3,278	512,225,564	4,830,105	13,163,117	8,328,870	528,887,446	3.25%

**City of Northville
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Summary of the Assessment Cycle

The taxable value for the community increased from 378,613,512 in March 2017 to 396,339,082 in March 2018, or 4.68%. It has increased 10% from ten years ago.



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**Determining Taxable Value
Assessed Value / Capped Value**

Under proposal A, Taxable Value increases or decreases independent of the Assessed Value.

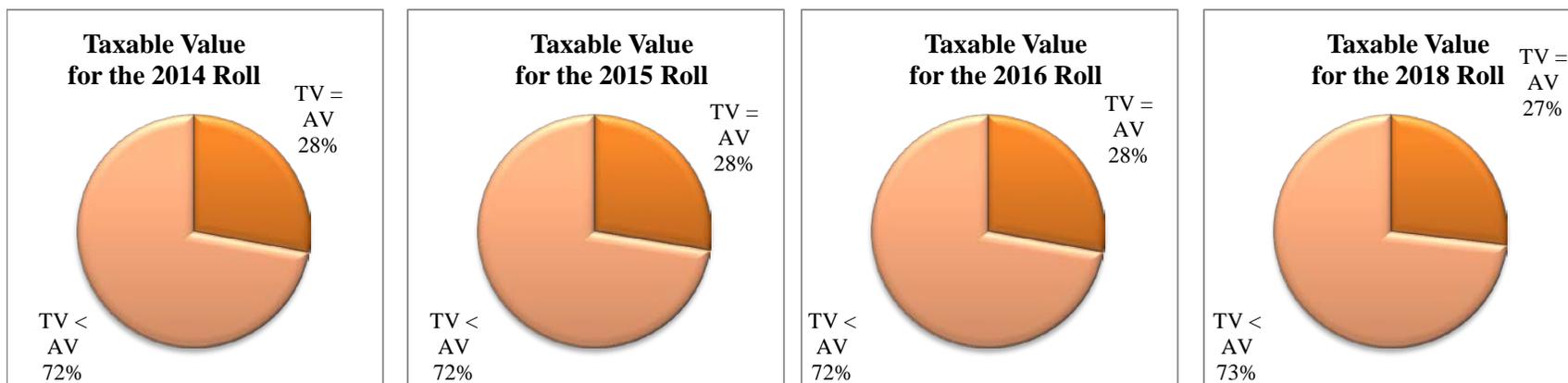
First a Capped Value is determined under the following formula :

$$\text{Capped Value} = \text{Previous Year's Taxable Value} - \text{Losses} \times \text{the Inflation Rate Multiplier} + \text{Additions}$$

Then the Capped Value is compared to the **Assessed Value (AV)**. The lower of the two becomes the **Taxable Value (TV)**.

In a solid real estate market the Taxable Value would increase relative to inflation rate and the addition of new construction minus any loss. However in a declining real estate market, a decrease in Assessed Value will limit the Taxable Value increase.

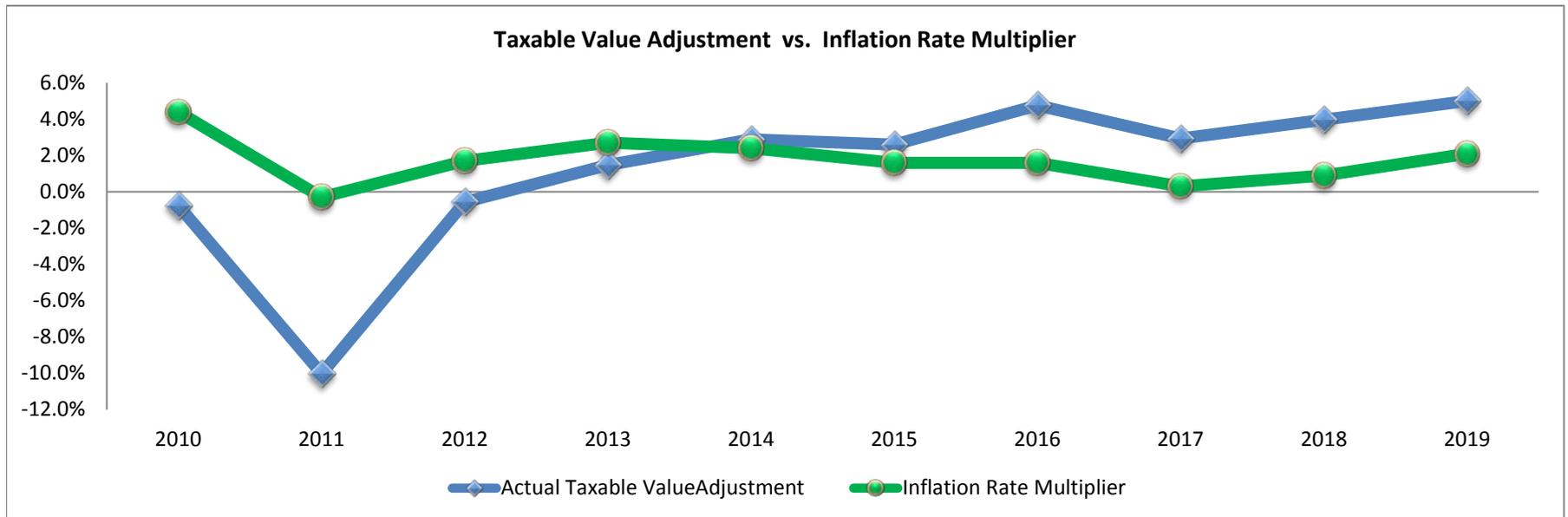
The four pie charts below were designed to demonstrate the shift occurring in the City due to the upswing of the real estate market, of Taxable Value (TV) from Assessed Value (AV) to Capped Value (CV).



**City of Northville
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Taxable Value History - Actual from FY's 2010 through 2018 and Proposed FY 2019

Fiscal Year	Tax Year	Taxable Base (net of DDA)	Taxable Value Adjustment	State Inflation Rate Multiplier
2019	2018	\$ 370,678,271	5.00%	2.1%
2018	2017	\$ 353,023,223	3.97%	0.9%
2017	2016	\$ 339,530,795	2.94%	0.3%
2016	2015	\$ 329,837,138	4.77%	1.6%
2015	2014	\$ 314,831,212	2.60%	1.6%
2014	2013	\$ 306,849,376	2.89%	2.4%
2013	2012	\$ 298,234,636	1.47%	2.7%
2012	2011	\$ 293,922,376	-0.56%	1.7%
2011	2010	\$ 295,589,695	-10.02%	-0.3%
2010	2009	\$ 328,491,101	-0.76%	4.4%
Ten Year Average			<u>1.23%</u>	<u>1.7%</u>



**City of Northville
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2018 Tax Base Comparative Analysis

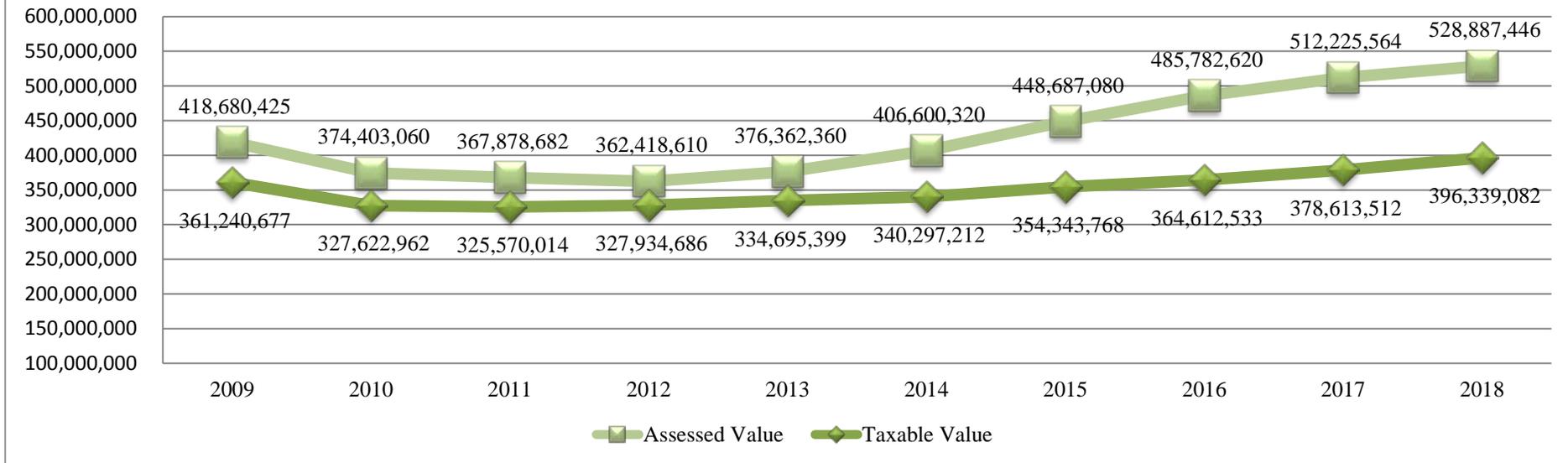
	2017 Parcel Count	2018 Parcel Count	Increase / Decrease	2017 SEV Post MBOR	2018 SEV Post MBOR	% Change	2017 Taxable Post MBOR	2018 Taxable Post MBOR	% Change
WAYNE COUNTY									
Real									
Commercial	175	177	2	69,431,574	71,060,200	2.35%	46,687,754	48,119,488	3.07%
Industrial	21	21	0	3,029,900	3,072,300	1.40%	2,512,841	2,564,763	2.07%
Residential	1,087	1,086	(1)	222,320,040	229,648,146	3.30%	159,434,913	169,593,019	6.37%
Total Real	1,283	1,284	1	294,781,514	303,780,646	3.05%	208,635,508	220,277,270	5.58%
Personal									
Commercial	516	472	(44)	5,550,800	5,296,400	-4.58%	5,550,800	5,296,400	-4.58%
Industrial	2	1	(1)	55,500	16,500	-70.27%	55,500	16,500	-70.27%
Utility	4	4	0	6,441,300	6,126,700	-4.88%	6,441,300	6,126,700	-4.88%
Total Personal	522	477	(45)	12,047,600	11,439,600	-5.05%	12,047,600	11,439,600	-5.05%
Exempt	83	87	4	-	-	-	-	-	-
Total Wayne County	1,888	1,848	(40)	306,829,114	315,220,246	2.73%	220,683,108	231,716,870	5.00%
OAKLAND COUNTY									
Real									
Commercial	19	20	1	4,498,110	4,768,400	6.01%	4,230,370	4,379,226	3.52%
Industrial	-	-	0	-	-	0.00%	-	-	0.00%
Residential	1,318	1,317	(1)	197,817,529	206,885,300	4.58%	150,707,799	158,229,486	4.99%
Total Real	1,337	1,337	0	202,315,639	211,653,700	4.62%	154,938,169	162,608,712	4.95%
Personal									
Commercial	64	53	(11)	703,720	681,500	-3.16%	703,720	681,500	-3.16%
Industrial	-	-	0	-	-	-	-	-	-
Utility	2	2	0	1,347,340	1,332,000	-1.14%	1,347,340	1,332,000	-1.14%
Total Personal	66	55	(11)	2,051,060	2,013,500	-1.83%	2,051,060	2,013,500	-1.83%
Exempt	38	38	0	-	-	-	-	-	-
Total Oakland County	1,441	1,430	(11)	204,366,699	213,667,200	4.55%	156,989,229	164,622,212	4.86%
City Grand Total	3,329	3,278	(51)	511,195,813	528,887,446	3.46%	377,672,337	396,339,082	4.94%
Less DDA Capture	464	428	(36)	38,152,812	39,322,812	3.07%	24,649,114	25,660,811	4.10%
Net City Grand Total	2,865	2,850	(15)	473,043,001	489,564,634	3.49%	353,023,223	370,678,271	5.00%

MBOR=March Board of Review

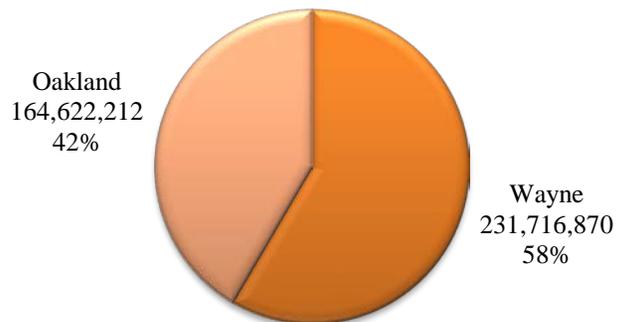
Variance between SEV and Taxable Value 24.28%

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Assessed Value vs. Taxable Value



**Breakdown of Taxable Value
by County**



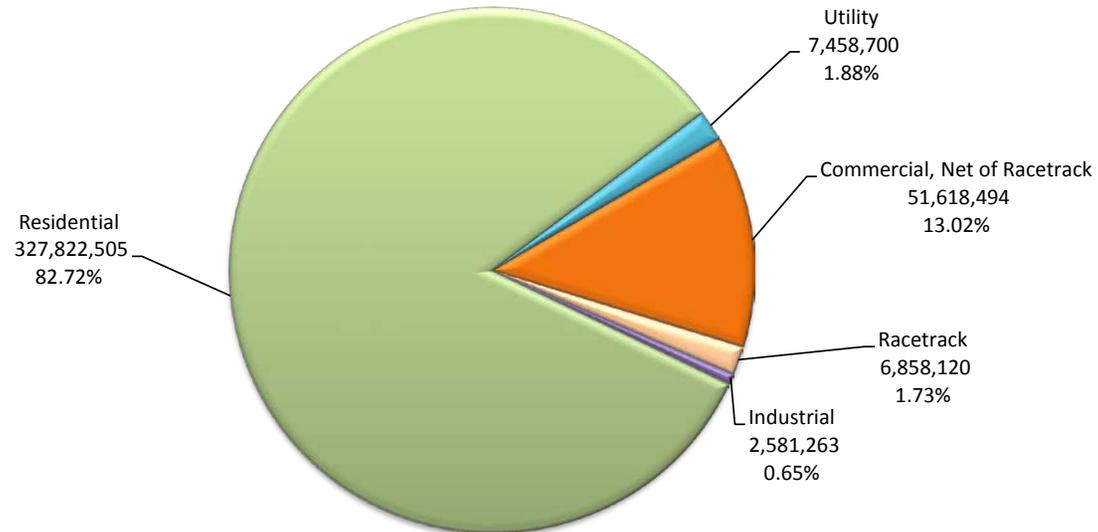
The chart above illustrates the widening of the gap between Taxable Value and Assessed Value due to the upswing in market value over the past few years. Assessed value has increased 3.25% from 2017 while taxable value has increased 4.68%.

The City of Northville sits in two counties. Of the 396,339,082 in taxable value, 58.46% or 231,716,870 is Wayne County and 41.54% or 164,622,212 is Oakland County.

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Summary of the Assessment Cycle

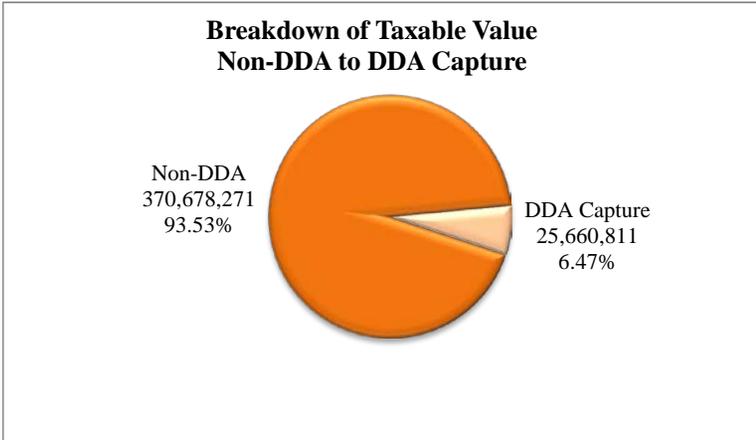
**Breakdown of Taxable Value
by Property Class**



The majority of the City's tax base continues to come from the Residential class at 82.72%. The next largest class is Commercial at 14.75%, including the racetrack (13.02% net of the racetrack). The racetrack accounts for 1.73%.

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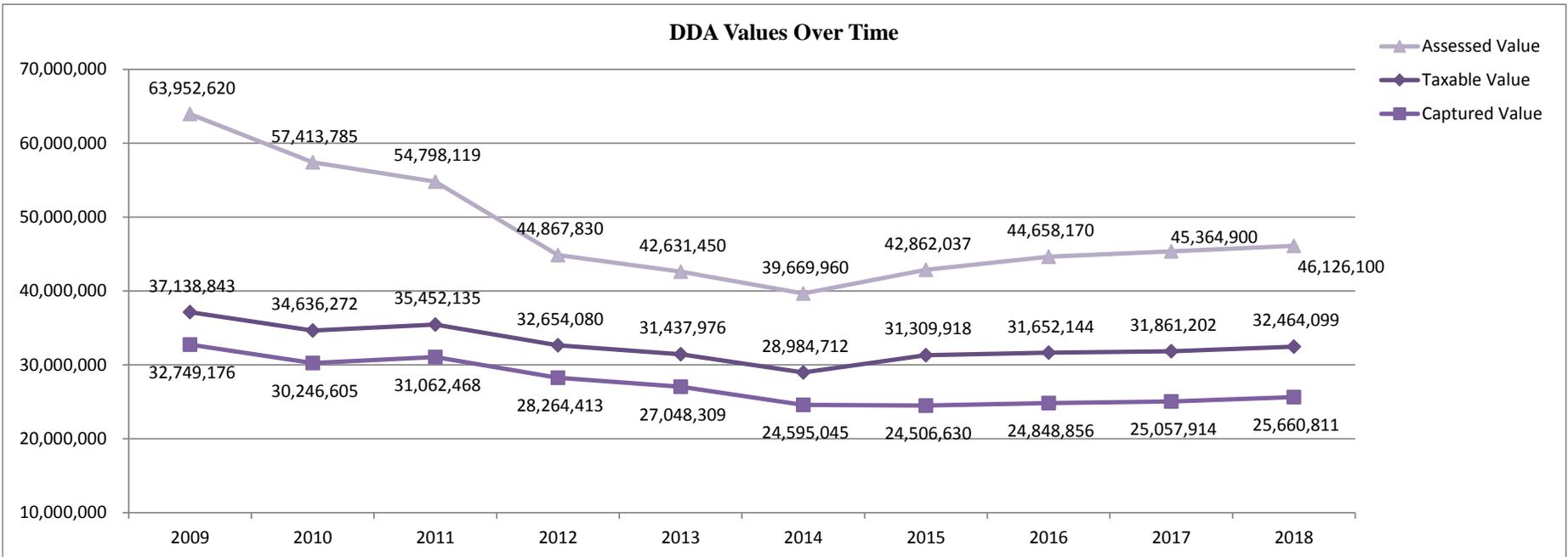
Summary of the Assessment Cycle



The Downtown Development Authority (DDA) captures 6.47% or 25,660,811 of the City's Taxable Value. Previously, revenue was not captured in District 3. However, In February 2015, City Council approved the 2014 DDA Amended and Restated Redevelopment Plan which allowed capture of District 3 beginning with the 2015 tax year. The addition of District 3 increased the Base Value from 4,389,667 to 6,803,288. This value is subtracted from Taxable Value to arrive at Captured Value.

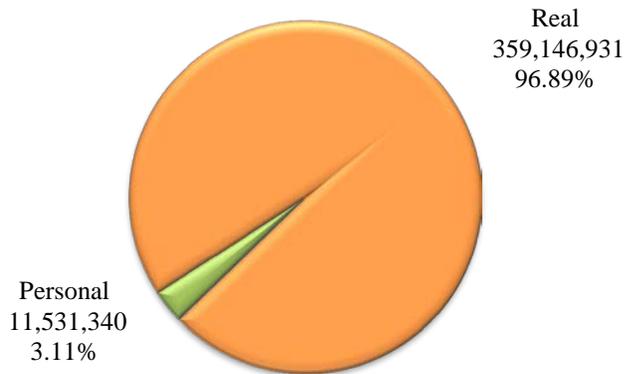
The City maintains the philosophy that reinvestment in the Downtown will result in increased Assessed Value for the DDA. The chart below illustrates that prior to the real estate crash of 2008 this was indeed true. From 2009 to 2014, Taxable Value of the DDA declined.

The increase in assessed value is 1.68% and the increase in taxable value is 1.89% from March 2017 to March 2018. The captured value increases 2.41% from the prior year.



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Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

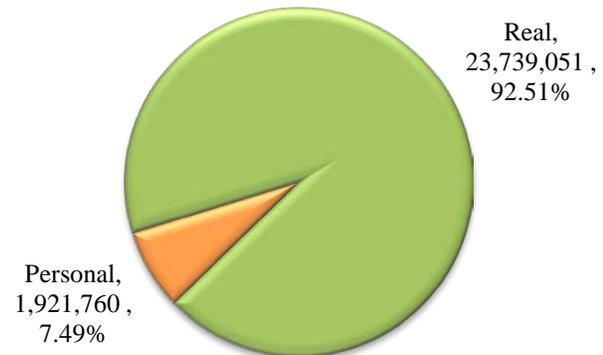
**Taxable Value for the City
Real Property to Personal Property**



Personal Property, net of the DDA capture, accounts for 3.11% of the City's Taxable Value. It decreased from the prior year which was 3.48%

Personal Property accounts for 7.49% of the DDA's taxable value. For comparison, it was 7.24% in the prior year.

**Captured Value for the DDA
Real Property to Personal Property**



**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

2018 Millage Reduction Fraction Calculations

The calculations below are prepared as an estimate for Budget. The format is based on the Michigan Department of Treasury L-4034 Form. Under Section 211.34d (3), MCL, the official Reduction Fraction Computations are completed by the County Equalization Director on or before the first Monday in June.

2017 Total Taxable Value	378,613,512
Losses	3,875,447
Additions	7,912,253
2018 Total Taxable Value Based on SEV	396,339,082
2018 Total Taxable Value Based on Assessed Value (A.V.)	396,339,082
2018 Total Taxable Value Based on CEV	396,339,082

Headlee Maximum Millage Roll-Back Formula - 2018
Section 211.34d, MCL, "Headlee" (for each unit of government)

$$\frac{(2017 \text{ Total Taxable Value} - \text{Losses}) \times \text{Inflation Rate of 1.021}}{(2018 \text{ Total Taxable Value Based on SEV} - \text{Additions})} =$$

MRF

**2018 Rollback Fraction
(Truth in Assessing)**

Round to 4 decimal places in the conventional manner. If number exceeds 1.0000, enter 1.0000

$$\frac{(378,613,512 - 3,875,447) \times \text{Inflation Rate of 1.021}}{(396,339,082 - 7,912,253)} =$$

0.98502

= 0.9850

See State Tax Commission Bulletins No. 3 of 1995 and 19 of 2002 regarding the calculation of losses and additions. See also the Supplements to STC Bulletin No. 3 of 1995 contained in STC Bulletin No. 3 of 1997.

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

2018 Millage Reduction Fraction Calculation - DDA

The calculations below are prepared as an estimate for Budget. The format is based on the Michigan Department of Treasury L-4034 Form. Under Section 211.34d (3), MCL, the official Reduction Fraction Computations are completed by the County Equalization Director on or before the first Monday in June.

2017 Total Taxable Value	31,861,202
Losses	715,399
Additions	683,000
2018 Total Taxable Value Based on SEV	32,464,099
2018 Total Taxable Value Based on Assessed Value (A.V.)	32,464,099
2018 Total Taxable Value Based on CEV	32,464,099

Headlee Maximum Millage Roll-Back Formula - 2018

Section 211.34d, MCL, "Headlee" (for each unit of government)

$$\frac{\text{(2017 Total Taxable Value - Losses) X Inflation Rate of 1.021}}{\text{(2018 Total Taxable Value Based on SEV - Additions)}} =$$

MRF

**2018 Rollback Fraction
(Truth in Assessing)**

Round to 4 decimal places in the conventional manner. If number exceeds 1.0000, enter 1.0000

$$\frac{\text{(31,861,202 - 715,399) X Inflation Rate of 1.021}}{\text{(32,462,099 - 683,000)}} =$$

1.00059

= **1.0000**

See State Tax Commission Bulletins No. 3 of 1995 and 19 of 2002 regarding the calculation of losses and additions. See also the Supplements to STC Bulletin No. 3 of 1995 contained in STC Bulletin No. 3 of 1997.

City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)

2018 Millage Rate Calculations

The calculations below are prepared as an estimate for Budget. The format is based on the Michigan Department of Treasury L-4029 Tax Rate Request Form. The City Treasurer completes the L-4029 Form prior to the July 1st billing once the official "Headlee" Millage Reduction Fraction and "Truth in Taxation" Millage Reduction Fractions are published by the County Equalization Director.

2018 Total Taxable Value Based on SEV : 396,339,082

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Source	Purpose of Millage	Date of Election	Original Millage Authorized by Charter, ect.	2017 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	2018 Current Year "Headlee" Millage Reduction Fraction	2018 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	Sec. 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	Maximum Allowable Millage Levy *	Millage Requested to be Levied July 1	Millage Requested to be Levied Dec. 1	Expiration Date of Millage Authorized
Charter Voted	Operating Street Improv.	N/A 1997	18.0800 1.9200	13.7247 1.7098	.9825 .9825	13.4845 1.6798	1.0000 1.0000	13.4845 1.6798	13.4845 1.6798	-----	N/A N/A

* Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

- (1) The source of each millage.
- (2) The purpose of each millage. See State Tax Commission Bulletin No. 4 of 2006 for further explanation.
- (3) The year of the election for each millage authorized by direct voter approval.
- (4) The allocated rate, charter aggregate rate, debt service rate, etc. (This rate is the original rate before any reductions.)
- (5) Starting with taxes levied in 1994, the "Headlee" Rollback permanently reduces the maximum rate or rates authorized by law or charter. The 2018 permanently reduced millage rate is found in column 7 of the 2018 L-4029 Form.
- (6) This typically refers to the Millage Reduction Fraction as commuted by the County Equalization Director and Certified by the County Treasurer on 2018 Millage Reduction Fraction Calculations Worksheet, Form L-4034. For budget purposes this is the estimated "Headlee" Millage Reduction Fraction computed by the City Assessor. The millage reduction fraction shall be rounded to four (4) decimal places. The current year millage reduction fraction shall not exceed 1.0000 for 2018 and future years. This prevents any increase of "roll up" of millage rates. For debt service or special assessments not subject to a millage reduction fraction, enter 1.0000.
- (7) The number in column 7 is found by multiplying column 5 by column 6. This rate must be rounded down to four (4) decimal places. Please refer to State Tax Commission Bulletin No. 11 of 1999 for further detail. For debt millages or special assessments not subject to a millage reduction fraction, "NA" signifying "Not Applicable" has been input.
- (8) "Truth in Assessing or Equalization" applies when the County Equalization Director has computed a Factor for the Local Unit because assessments do not fall between the state mandated 49 to 50 percent in comparison to the values formulated by the County Sales Study. The City of Northville has never received such a factor therefore this multiplier is expected to be 1.0000.
- (9) The number in column 9 is found by multiplying column 7 by column 8. This rate must be rounded down to four (4) decimal places. For further detail please refer to State Tax Commission Bulletin No. 11 of 1999. For debt service millages or special assessments not subject to a millage reduction fraction, the millage from column 4 has been used.
- (10) The Tax rate anticipated to be levied for the July 1st tax billing. This rate can not exceed the maximum allowable millage levy (column 9). A millage rate that exceeds the base tax rate (Truth in Taxation) cannot be requested unless the requirements of MCL 211.24e have been met. For further information, see State Tax Commission Bulletin No. 4 of 2007.
- (11) The City of Northville does not levy a tax on the December 1st billing.
- (12) The month and year each millage will expire.

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

**Unlevied Operating Millage History and Projected Headlee Maximum
Actual from Fiscal Years 2010 through 2018 and Proposed 2019**

Fiscal Year	Current Maximum Operating Millage Rate	Operating Millage Rate Levied	Unlevied Operating Millage	Unlevied Operating Millage		Decrease Annual Headlee Maximum	<i>"Lost" Rollup of Headlee due to Conflict With Proposal A</i>		
				Annual Decrease Due to Headlee Rollback			Headlee Factor Per Formula	Headlee Max Would be	Unlevied Millage Would be
				%	Millage				
2019	13.4845	13.4845	0.0000	100.00%	0.1369	1.74%	0.9827	18.0276	4.5431
2018	13.7233	13.5864	0.1369	57.67%	0.1865	1.34%	0.9866	18.3450	4.7586
2017	13.9098	13.5864	0.3234	35.81%	0.1804	1.28%	0.9872	18.5942	5.0078
2016	14.0902	13.5864	0.5038	9.42%	0.0524	0.37%	0.9956	18.8353	5.2489
2015	14.1426	13.5864	0.5562	6.68%	0.0398	0.28%	0.9972	18.9185	5.3321
2014	14.1824	13.5864	0.5960	0.00%	0.0000	0.00%	1.0147	18.9716	5.3852
2013	14.1824	13.5864	0.5960	0.00%	0.0000	0.00%	1.0266	18.6968	5.1104
2012	14.1824	13.4289	0.7535	14.61%	0.1289	0.00%	1.0305	18.2123	4.7834
2011	14.1824	13.3000	0.8824	0.00%	0.0000	0.00%	1.0970	17.6733	4.3733
2010	14.1824	13.3000	0.8824	0.00%	0.0000	0.00%	1.1246	16.1106	2.8106
Annual Decrease as a Ten Year Average				22.42%	0.0725	0.50%			

As further explained on pages X-1 and X-2, the Headlee Amendment allowed “roll ups” to the Maximum Operating Millage Rate. This occurs when the rate of inflation is higher than the growth on existing property values. “Roll-ups” meant that Headlee was self balancing. A municipality would be able to regain lost millage levy authority from roll backs in prior years during an economy like the one that we are currently experiencing. The result in a consistent level of revenue. This self balancing mechanism was lost with the enactment of Proposal A. As a result, communities throughout Michigan are dedicating resources to evaluate Headlee Override proposals when Headlee, if left unaltered by Proposal A, would have likely provided sufficient flexibility for many local governments. **The City is unable to levy its current operating millage in FY2019.**

**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

Calculation of City Charter 9.1 - Tax Limitation

City Charter Section 9.1: The City shall have the power to assess taxes and levy and collect rents, tolls, and excises. Exclusive of any levies authorized by statute to be made beyond charter tax rate limitations, the annual ad valorem tax levy shall not exceed two percent of the assessed value of all real and personal property subject to taxation in the City.

(Annual Ad Valorem Tax Levy (\$)) < (2% x Taxable Property (\$))
--

Proposed FY 2019 Tax Levies Subject to Charter Limitation:

	Millage Rate per \$1,000	times	Taxable Value	equals	Tax Levy
Operating Millage Levy	13.4845	x	396,339,082	=	\$ 5,344,434
Street, Drainage and Sidewalk Improvement Millage	1.6798	x	396,339,082	=	665,771
Total					\$ 6,010,206 (A)

Calculation of Tax Levy Limit for FY 2019:

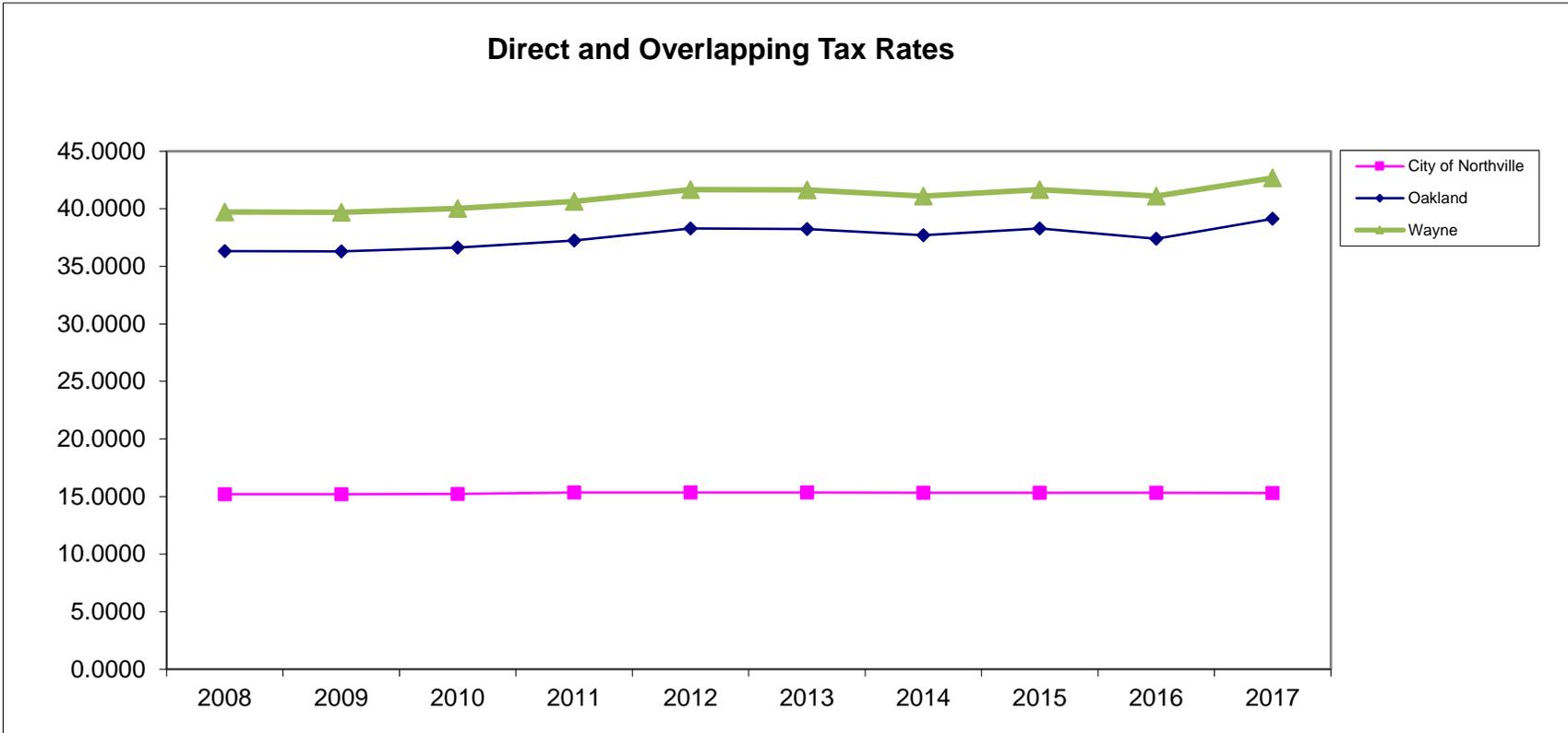
	Limitation Rate	times	Total Value	equals	Limitation
State Equalized Value	2.0%	x	528,887,446	=	\$ 10,577,749 (B)

The proposed FY2019 Total Tax Levy (A) is below the Charter Tax Levy Limit (B).

**City of Northville
Direct and Overlapping Tax Rates
Ten Year Trend - 2008 through 2017**

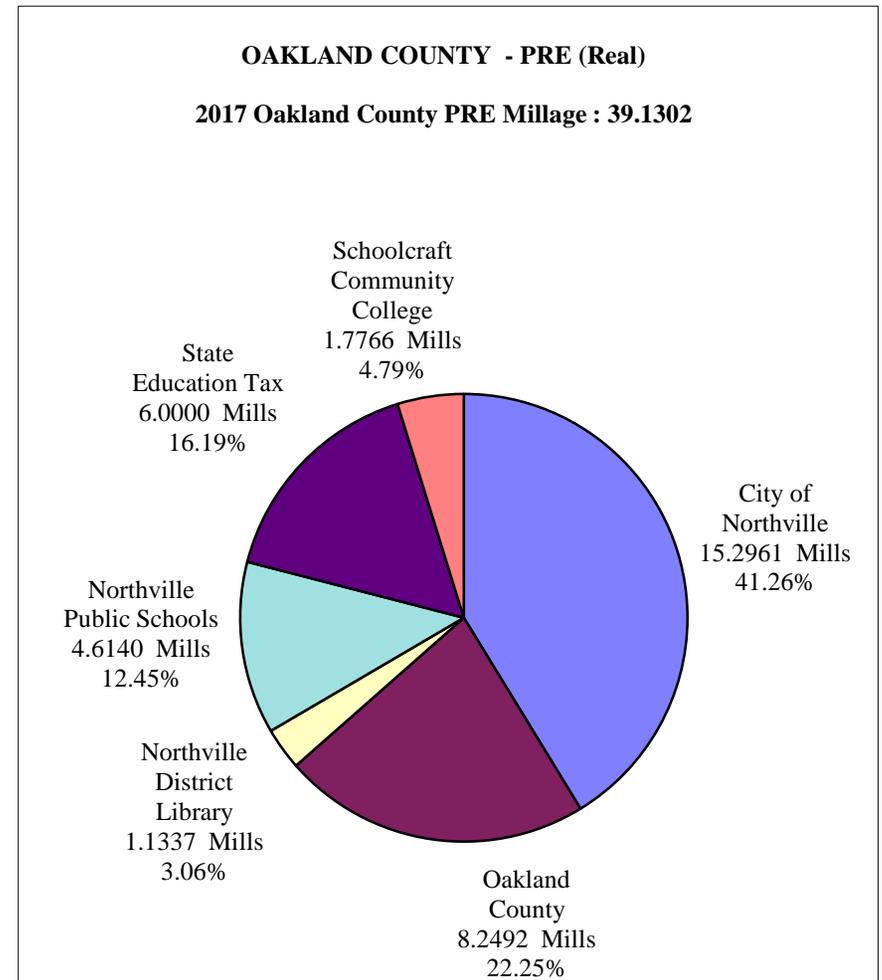
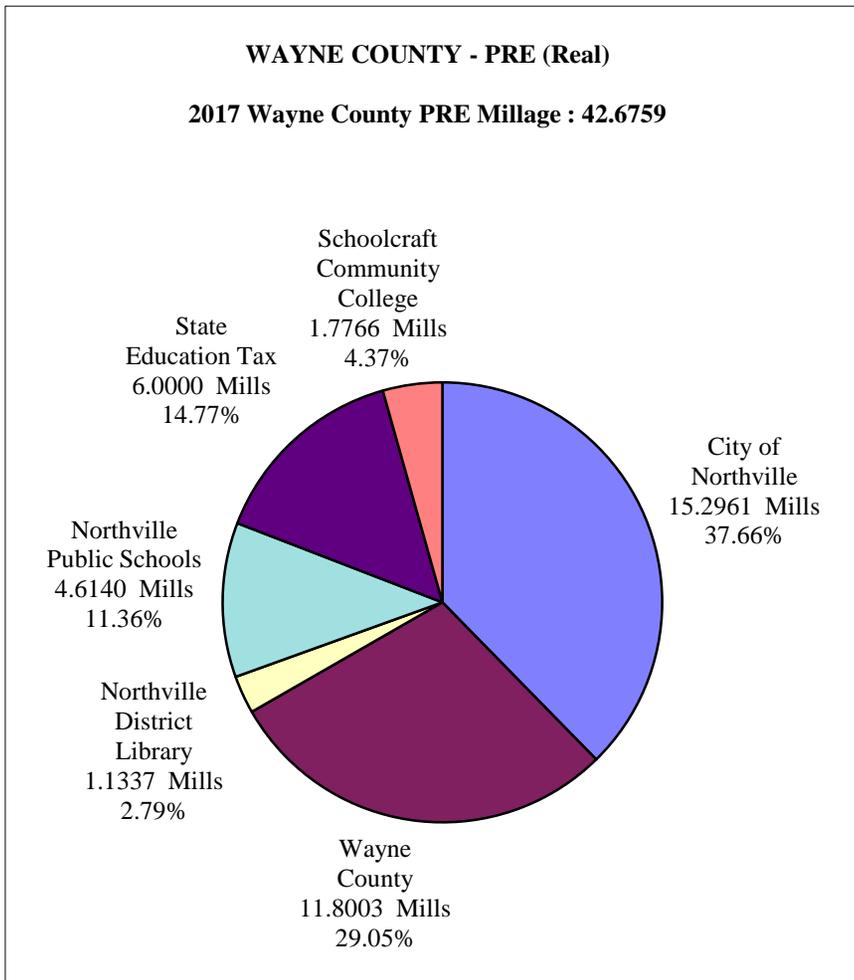
The graph below shows the direct and overlapping residential property tax rates in mills. During the past ten years, the City tax rates have been very stable, averaging 15.3 mills per year. The City tax rate, or direct rate, includes the general operating millage, applicable debt millages, and the street improvement millage.

Overlapping rates include all other taxing authorities to whom property taxes are payable. The rates shown for each county below are the total tax rates for a City of Northville taxpayer in that county. The rates include the City rates plus millages for various County activities, the Northville District Library, Schoolcraft Community College, State Education, Wayne County Intermediate School District, Northville Public Schools, Zoological Society, and the DIA. The Downtown Development Authority operating millage rate is not included in this graph.



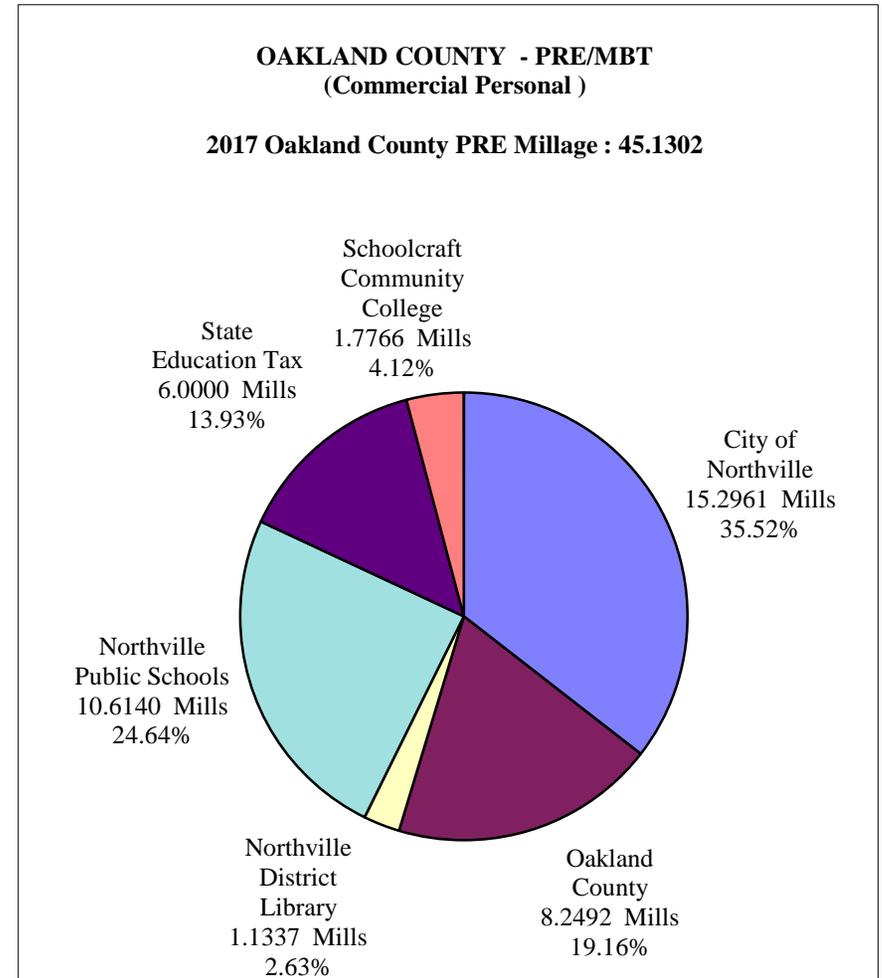
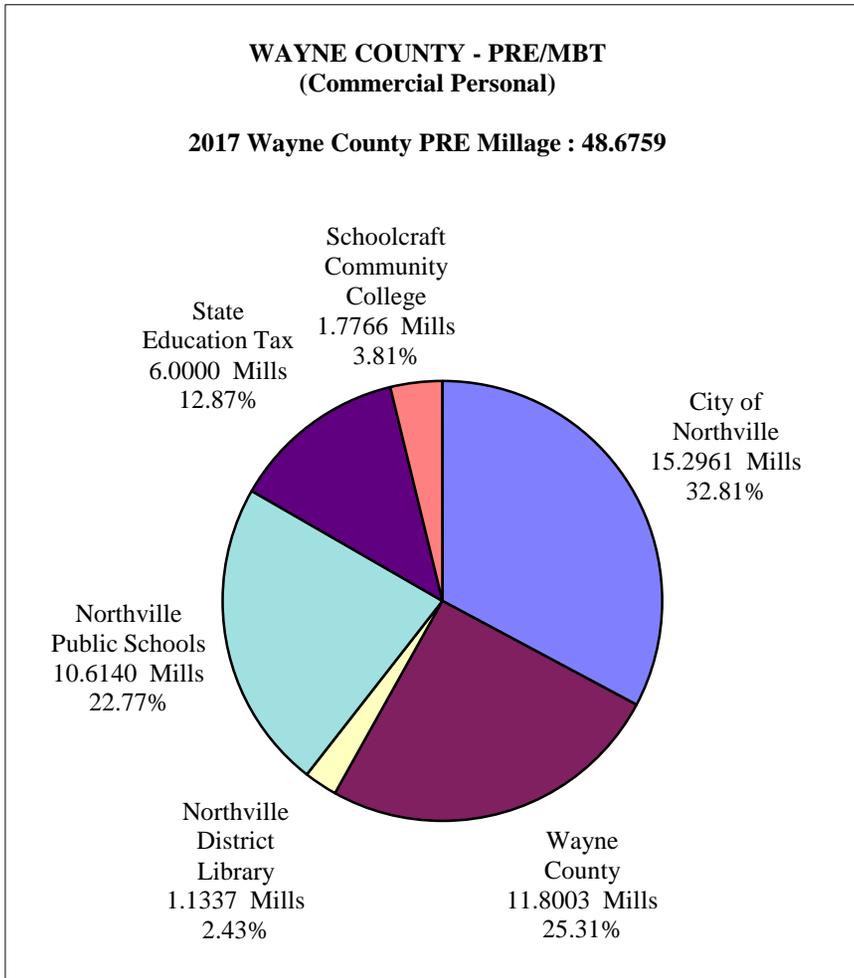
**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

2016 PRE Millage Rate Breakdowns



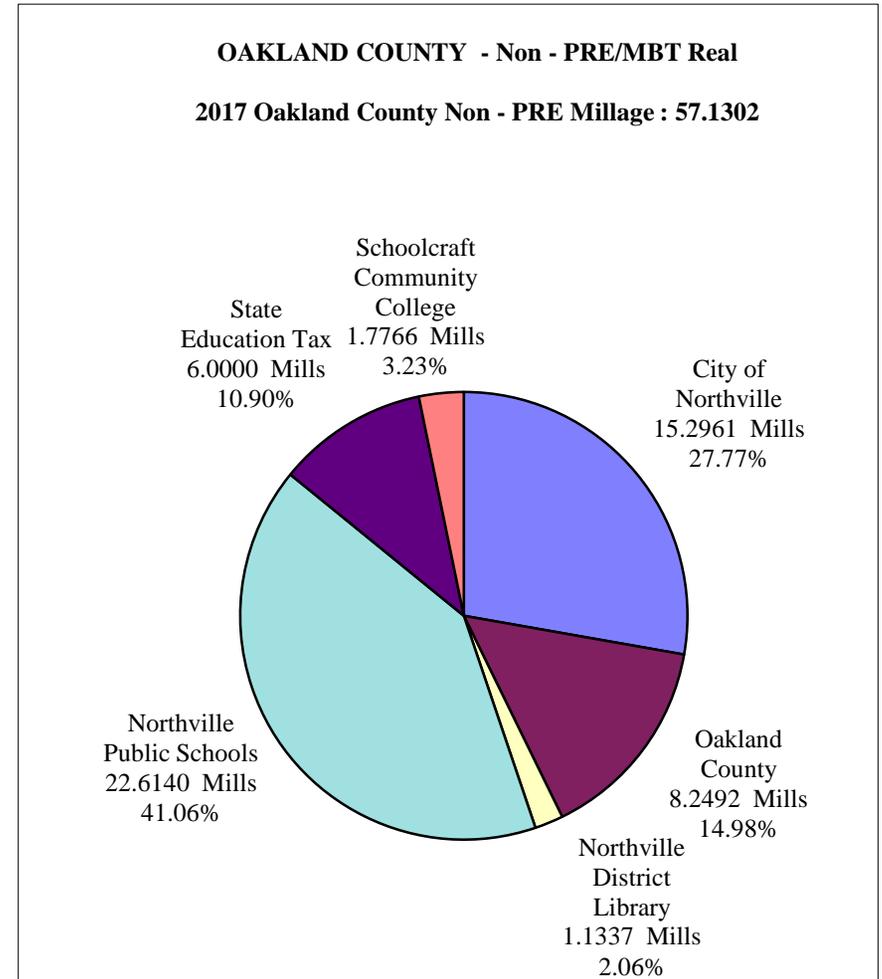
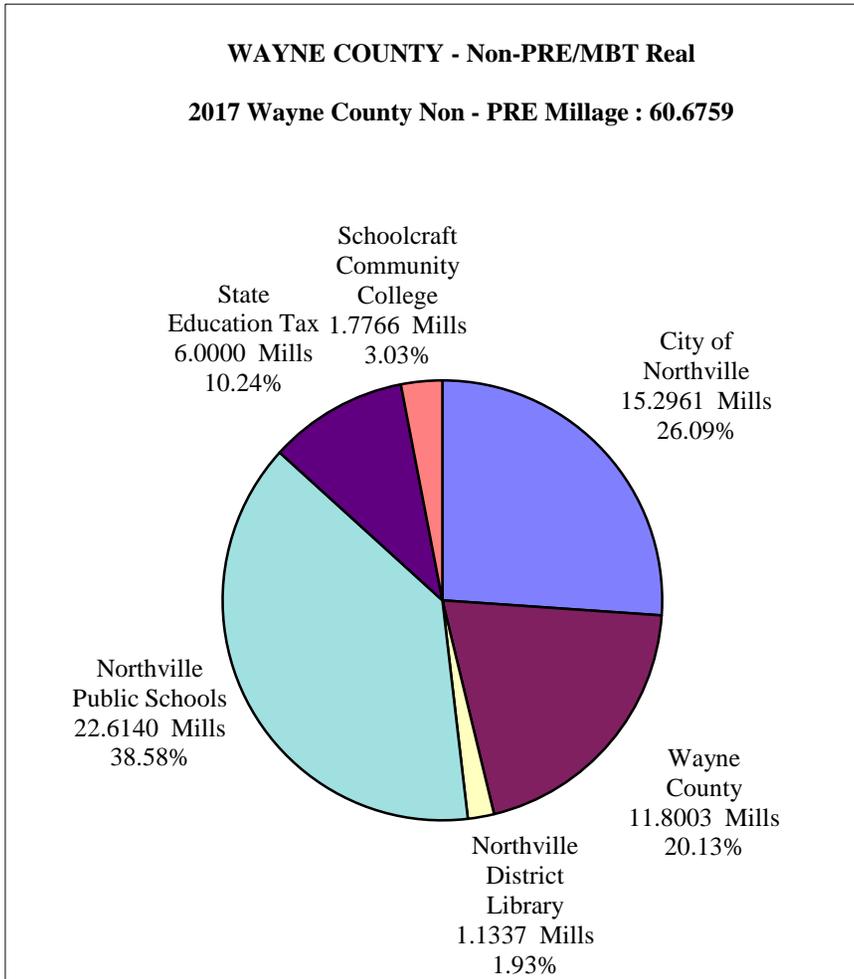
**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

2016 PRE Millage Rate Breakdowns



**City of Northville
Fiscal Year 2019 Annual Budget
and Five Year Plan (2018-2022)**

2017 Non-PRE Millage Rate Breakdowns



APPENDIX A

CAPITAL IMPROVEMENT PROGRAM

This section provides detailed descriptions and operational impacts of the projected and proposed capital improvement expenditures. They are summarized and shown by Fund.

**City of Northville
Fiscal Year 2019 Annual Budget
And Six Year Plan – 2018 through 2023**

SIX YEAR CAPITAL IMPROVEMENT PLAN

The following document is the City's Six Year Capital Improvement Plan (CIP) which is essential to the planning process of the City of Northville. This plan complies with the Planning Enabling Act which is further explained on page A - 3. In its desire to provide quality service and facilities to its residents, the City of Northville realizes that needs and wants always exceed resources. This multi-year plan provides a framework in which desired acquisitions and projects are prioritized and matched with finite resources. The goal in developing the six year program is to plan for and guide needed capital improvements and expenditures in a fiscally sound manner. This ensures that these improvements are consistent with the goals and policies of the City Council and the residents of the City of Northville.

The Six Year Capital Improvement Plan is directly related to the budget document. As mentioned, the plan entails a six year overview of the capital needs of the City. However, the second column of the schedule entitled 2018-19 Proposed Budget includes the capital expenditures that are programmed in the actual budget document. Therefore, a direct link can be seen between the two documents just as a strategic planning environment necessitates.

The Six Year CIP details capital expenditures, funding sources and the operational impact of equipment, technology improvements, vehicles, furniture and fixtures, building improvements and infrastructure improvements. Capital expenditures are defined as large capital purchases and construction projects costing more than \$5,000. The City also maintains Twenty Year Capital Improvement Plans for the Street, Drainage and Sidewalk Improvement (SDSI) Program, the Water system, the Fire Equipment Replacement Fund and the Police Equipment Replacement Fund. Capital expenditures can be either routine or nonroutine. Routine capital expenditures are those that are included in almost every budget. Their impact on the operating budget is to reduce repairs and maintenance expense. The greater benefit is being able to provide a consistent, reliable high level of service to Northville residents and businesses.

The FY19 budget includes approximately \$1,738,800 of capital expenditures. A few of the significant expenditures for FY19 include three street improvements. The projects include Beal Avenue Reconstruction (\$104,000), Hill Street Improvements (\$120,000) and West Street Improvements (\$80,000). Equipment purchases include a pumper truck for the fire department (\$550,000) and a tractor backhoe for the department of public works (\$110,000). A new roof is scheduled for replacement at Allen Terrace (\$350,000) and 5 replacement city entrance signs throughout the community (\$75,000).

City of Northville
Capital Improvement Program
Six Year Plan – 2018 through 2023

Public Act 33 of 2008 (MCL 125.3865), commonly known as the “Planning Enabling Act”, requires local governments to prepare an annual capital improvements plan. This law assigns the responsibility for the annual capital improvements plan to the Planning Commission. This Act also allows the Planning Commission to exempt itself from that requirement. In that situation, the legislative body shall then be responsible for reviewing and adopting the plan.

For many years, the City Council has included a long-term capital improvements plan as part of its annual budget process. This plan exceeds the requirements of the Planning Enabling Act. Accordingly, the Planning Commission adopted a resolution on October 7, 2008 which continues to place that responsibility with the City Council. A similar resolution was adopted by the City Council on November, 17, 2008 (see right).

#08-24

City of Northville
City Council Resolution
Capital Improvements Plan

WHEREAS, the City of Northville Planning Commission is required by PA 33 of 2008, the Michigan Planning Enabling Act, to annually prepare a Capital Improvements Plan.

WHEREAS, Section 65 of PA 33 allows the Planning Commission to be exempted from the requirements of developing the Capital Improvements Plan.

WHEREAS, the City Council for the City of Northville is responsible for overseeing the City budget, and the scheduling of capital investment or expenditures as authorized in the City Code of Ordinances.

WHEREAS, the Planning Commission for the City of Northville passed a resolution on October 7, 2008 which exempts the Planning Commission from the responsibilities of preparing a Capital Improvements Plan and has deferred this responsibility to the City of Northville City Council.

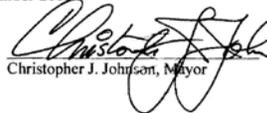
NOW THEREFORE BE IT RESOLVED, that the City of Northville City Council accepts this responsibility of developing an annual Capital Improvements Plan.

BE IT FURTHER RESOLVED that the City of Northville, Wayne County, and Oakland County, Michigan, do hereby certify the foregoing is a true and complete copy of a resolution offered and adopted by the Northville City Council at a regular meeting held on November 17, 2008.

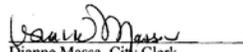
The foregoing resolution was motioned by Allen and seconded by Darga.

Yes: Allen, Darga, Bingham, Fecht, Johnson
No: None
Absent: None

Approved and adopted this 17th day of November 2008.


Christopher J. Johnson, Mayor

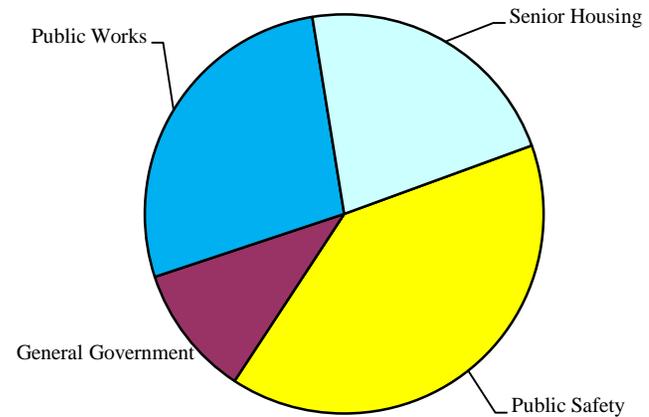
I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Northville, Michigan, at a Regular meeting held on November 17, 2008, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.


Dianne Massa, City Clerk

City of Northville
 Line Item Budget for the Year Ended June 30, 2019 and
 Six Year Capital Improvement Plan - 2018-2023
 Summary by Category

Capital Improvement Category	FY 2019 Expenditures	Percent of Total
Public Safety	\$ 692,200	39.8%
General Government	185,000	10.6%
Public Works	479,000	27.5%
Senior Housing	382,600	22.0%
Totals	\$ 1,738,800	100.0%

2018-19 Capital Expenditure by Category



For graphing purposes, the following categories have been consolidated.

Public Safety includes Police and Fire

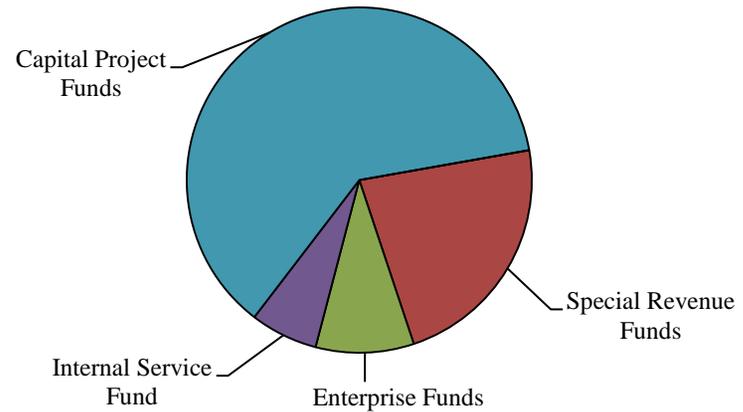
General Government includes Technology, Public Facilities and Equipment, and Arts Commission

Public Works includes Street, Sidewalks, Parking, Refuse and Recycling, and Water and Sanitary Sewer

City of Northville
 Line Item Budget for the Year Ended June 30, 2019 and
 Six Year Capital Improvement Plan - 2018-2023
 Summary by Fund Type and Fiscal Year

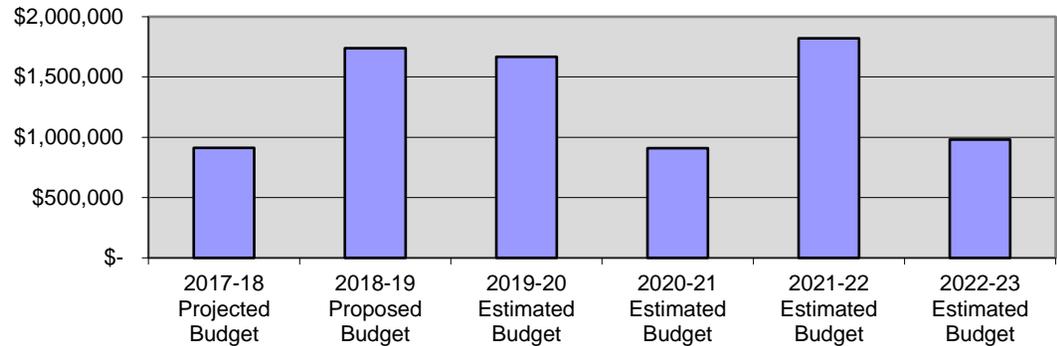
Capital Improvement Fund Type	FY 2019 Expenditures	Percent of Total
General Fund	\$ -	0.0%
Special Revenue Funds	394,000	22.7%
Enterprise Funds	160,000	9.2%
Internal Service Fund	110,000	6.3%
Capital Project Funds	1,074,800	61.8%
Component Unit	-	0.0%
Totals	\$ 1,738,800	100.0%

2018-19 Capital Expenditures By Fund Type



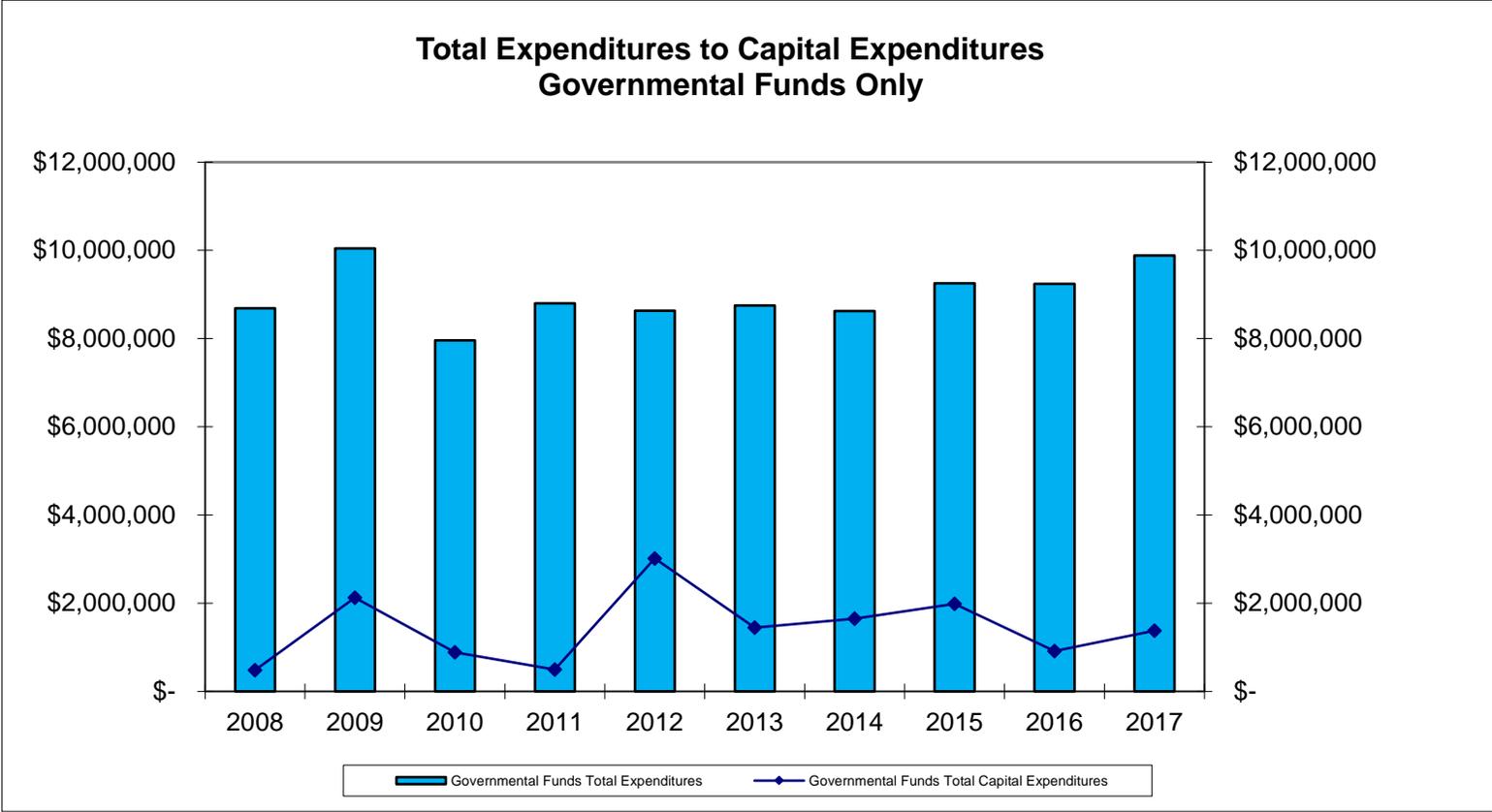
Fiscal Year	Budgeted Amount
2017-18 Projected Budget	\$ 913,410
2018-19 Proposed Budget	1,738,800
2019-20 Estimated Budget	1,667,000
2020-21 Estimated Budget	909,500
2021-22 Estimated Budget	1,821,450
2022-23 Estimated Budget	982,000
Six Year Total	\$ 8,032,160

Capital Improvement Expenditures by Fiscal Year



City of Northville
Total Expenditures to Capital Expenditures - Governmental Funds Only
Ten Year Trend - 2008 through 2017

The graph below shows the total expenditures and capital expenditures of Governmental Funds, which include the General Fund and Special Revenue funds. Capital expenditures vary based on the cost and number of projects undertaken in a fiscal year. During the ten-year period, capital expenditures have averaged 15.9% of total expenditures. The significant increase in capital expenditures during FY 2012 was primarily due to the streetscape construction. FY17 increase in capital expenditures was due to the completion of selected street fund projects that were deferred from FY16.



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Capital Improvement Plan - 2018-2023
Capital Improvement Plan - Summary by Fund

Fund	2017-18 Projected Budget	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six Year Total
101 General Fund	\$ 31,920	\$ -	\$ 100,000	\$ -	\$ 22,000	\$ -	\$ 153,920
Special Revenue Funds							
202 Major Streets	105,100	15,000	320,000	435,000	650,000	-	1,525,100
203 Local Streets	210,000	304,000	150,000	-	-	450,000	1,114,000
230 Parking	-	-	-	-	-	-	-
401 Public Improvement	110,000	75,000	-	-	-	-	185,000
Enterprise Funds							
592 Water and Sewer	315,000	160,000	450,000	350,000	765,000	420,000	2,460,000
Internal Service Funds							
641 Equipment Fund	38,000	110,000	-	-	-	-	148,000
Capital Project Funds							
402 Fire Equipment Replacement Fund	42,390	564,200	606,000	-	14,000	-	1,226,590
403 Police Equipment Replacement Fund	61,000	128,000	41,000	124,500	71,000	112,000	537,500
404 Housing Commission Capital Outlay Fund	-	382,600	-	-	299,450	-	682,050
Totals	\$ 913,410	\$ 1,738,800	\$ 1,667,000	\$ 909,500	\$ 1,821,450	\$ 982,000	\$ 8,032,160

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Capital Improvement Plan - 2018-2023
Capital Improvement Plan - Summary of Funding Sources

Fund	2017-18 Projected Budget	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six Year Total
101 General Fund							
Direct Purchases	\$ 11,920	\$ -	\$ 100,000	\$ -	\$ 22,000	\$ -	\$ 133,920
State Grants	20,000	-	-	-	-	-	20,000
101 Totals	31,920	-	100,000	-	22,000	-	153,920
202 Major Streets Fund							
Street Millage	105,100	15,000	320,000	435,000	650,000	-	1,525,100
202 Totals	105,100	15,000	320,000	435,000	650,000	-	1,525,100
203 Local Streets Fund							
Street Millage	210,000	304,000	150,000	-	-	450,000	1,114,000
203 Totals	210,000	304,000	150,000	-	-	450,000	1,114,000
401 Public Improvement Fund							
Cemetery Sales	105,000	-	-	-	-	-	105,000
Direct Purchases	5,000	75,000	-	-	-	-	80,000
401 Totals	110,000	75,000	-	-	-	-	185,000
592 Water and Sewer							
User Charges	315,000	160,000	450,000	350,000	765,000	420,000	2,460,000
592 Totals	315,000	160,000	450,000	350,000	765,000	420,000	2,460,000
641 Equipment Fund							
Equipment Rental	1,500	110,000	-	-	-	-	111,500
Transfers from Other Funds	36,500	-	-	-	-	-	36,500
641 Totals	38,000	110,000	-	-	-	-	148,000

Continued

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Capital Improvement Plan - 2018-2023
Capital Improvement Plan - Summary of Funding Sources

Fund - continued	2017-18 Projected Budget	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six Year Total
402 Fire Equipment Replacement Fund							
Direct Purchases	42,390	564,200	606,000	-	14,000	-	1,226,590
402 Totals	42,390	564,200	606,000	-	14,000	-	1,226,590
		-					
403 Police Equipment Replacement Fund							
Direct Purchases	61,000	128,000	41,000	124,500	71,000	112,000	537,500
403 Totals	61,000	128,000	41,000	124,500	71,000	112,000	537,500
404 Housing Commission Capital Outlay							
Tenant Rent Revenue	-	382,600	-	-	299,450	-	682,050
404 Total	-	382,600	-	-	299,450	-	682,050
All Fund Totals							
Direct Purchases	120,310	767,200	747,000	124,500	107,000	112,000	1,978,010
Street Millage	315,100	319,000	470,000	435,000	650,000	450,000	2,639,100
Tenant Rent Revenue	-	382,600	-	-	299,450	-	682,050
State Grants	20,000	-	-	-	-	-	20,000
Cemetery Sales	105,000	-	-	-	-	-	105,000
User Charges	315,000	160,000	450,000	350,000	765,000	420,000	2,460,000
Equipment Rental	1,500	110,000	-	-	-	-	111,500
Transfers from Other Funds	36,500	-	-	-	-	-	36,500
Grand Totals	\$ 913,410	\$ 1,738,800	\$ 1,667,000	\$ 909,500	\$ 1,821,450	\$ 982,000	\$ 8,032,160

Capital Improvement Plan

General Fund

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - General Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p>Server Replacement : DESCRIPTION: In order to maintain a dependable wide area network, it is advisable to plan for network server upgrades on a regular basis. In addition to the age of the equipment, storage capacity, memory, and operating system changes can impact the system's reliability. Related software and switches are recommended for replacement. JUSTIFICATION: The virtual server system requires replacement every five years in order to maintain system reliability. OPERATIONAL IMPACT: No impact of operating budget. FUNDING SOURCE: General Fund.</p>	Technology	-		100,000	-	-		100,000
<p>Statewide Voting Equipment: DESCRIPTION: 5 Scanners (Four purchased with grant revenues) JUSTIFICATION: Purchase replaces voting equipment acquired in 2003. Equipment was traded in as part of the state bid/contract requirements. Replacement was mandated under the Help America Vote Act. OPERATIONAL IMPACT: No impact on operating budget FUNDING SOURCE: State Grants/General Fund</p>	Clerks	25,000	-	-	-	-	-	25,000
<p>City Hall Copier: DESCRIPTION: A large capacity copy machine is necessary for all departments located in City Hall. The machine is used to produce multiple page documents and is networked to computer workstations. JUSTIFICATION: A new machine will reduce the maintenance and repair costs and downtime associated with older machines. OPERATIONAL IMPACT: No impact on operating budget FUNDING SOURCE: General Fund</p>	Technology	-	-	-	-	22,000	-	22,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - General Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
Postage Machine: DESCRIPTION: Postage machine located in City Hall. JUSTIFICATION: The current machine is 8 years old. A new machine will reduce downtime associated with older machines. OPERATIONAL IMPACT: No impact on operating budget FUNDING SOURCE: General Fund	Technology	6,920	-	-	-	-	-	6,920
Totals for Fund 101		31,920	-	100,000	-	22,000	-	153,920

Capital Improvement Plan

Special Revenue Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Major Streets

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<u>Beck Road</u> DESCRIPTION: Mill and resurface roadway from 8 Mile Road to 9 Mile Road. This project is being funded with Federal Funds. The City of Novi and the City of Northville will share the local portion of the project. The total project is estimated to cost approximately \$1,400,000. JUSTIFICATION: This roadway is in poor condition and requires repairs and improvements. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	70,000	-	-	-	-	-	70,000
<u>E. Cady Reconstruction</u> DESCRIPTION: Reconstruction of roadway from Center Street to S. Main Street. Work includes new pavement, new curb and gutter, and new drive approaches with spot repair of sidewalk. This project is done in conjunction with a water main replacement project. JUSTIFICATION: This roadway is in poor condition and requires reconstruction. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	15,000	-	-	-	400,000	-	415,000
<u>Center Street Crosswalk</u> DESCRIPTION: Construction of pedestrian crosswalk across Center Street near Kroger. Project was started in FY2017. JUSTIFICATION: To address safety concerns for pedestrians crossing Center Street OPERATIONAL IMPACT: No budget impact FUNDING SOURCE: Street Millage	Street	20,100	-	-	-	-	-	20,100

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Major Streets

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p><u>W. Cady Reconstruction</u> DESCRIPTION: Reconstruction of roadway from S. Rogers Street to S. Wing Street including new pavement, new curb and gutter, and new drive approaches with spot repair of sidewalk. JUSTIFICATION: This roadway is in poor condition and requires reconstruction. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage</p>	Street	-	15,000	320,000	-	-	-	335,000
<p><u>N. Center Street Improvements: 202-452-815.TBD</u> DESCRIPTION: Isolated patching and repairs; partial-depth milling of concrete surface and heavy-duty asphalt overlay from Baseline to 8 Mile Road. JUSTIFICATION: This roadway is in poor condition and requires repairs and improvements. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage</p>	Street	-	-	-	135,000	-	-	135,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Major Streets

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p><u>Horton Street Reconstruction</u> DESCRIPTION: Complete asphalt replacement from Lake Street to 8 Mile Rd. JUSTIFICATION: This roadway is in poor condition and requires resurfacing and will be done in conjunction with a water main replacement project. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage</p>	Street	-	-	-	300,000			300,000
<p><u>N. Rogers Street Improvement</u> DESCRIPTION: Mill and resurface roadway between Potomac and W. Main Street including new curb and gutter. Spot repair of sidewalk. JUSTIFICATION: This roadway is in poor condition and requires repairs and improvements. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Fund</p>	Street	-	-	-	-	250,000	-	250,000
Totals for Fund 202		105,100	15,000	320,000	435,000	650,000	-	1,525,100

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Local Streets

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<u>Elmsmere Drive Improvements</u> DESCRIPTION: Mill and resurface from Glenhill Street to Coldspring. JUSTIFICATION: This roadway is in poor condition and needs to be treated or replaced. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	60,000	-	-	-	-	-	60,000
<u>High Street Reconstruction</u> DESCRIPTION: Reconstruction of roadway from Main Street to W. Dunlap Street including new concrete curb and gutter, concrete drive approaches, asphalt pavement and spot repair of sidewalks. JUSTIFICATION: This roadway is in poor condition and requires reconstruction. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	74,000	-	-	-	-	-	74,000
<u>Beal Avenue Reconstruction</u> DESCRIPTION: Reconstruction of roadway from Griswold to S. Main Street in conjunction with the replacement of a new water main. JUSTIFICATION: This roadway is in poor condition and requires reconstruction. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	26,000	104,000	-	-	-	-	130,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Local Streets

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<u>Hill Street Improvements</u> DESCRIPTION: Mill and resurface existing asphalt with three inch asphalt overlay from Center Street to Novi Street. JUSTIFICATION: This roadway is in poor condition and needs to be treated or replaced. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	30,000	120,000	-	-	-	-	150,000
<u>West Street Improvements</u> DESCRIPTION: Full depth asphalt pavement replacement between Dunlap and W. Main Street including curb, gutter and spot repair of sidewalk. JUSTIFICATION: This roadway is in poor condition and needs to be treated or replaced. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	20,000	80,000	-	-	-	-	100,000
<u>Grace Court Improvements</u> DESCRIPTION: Full depth asphalt pavement replacement between Maplewood and the cul-de-sac including curb, gutter and spot repair of sidewalk. In addition, a large double CMP double culvert will be replace as the current culverts are collapsing. JUSTIFICATION: This roadway is in poor condition and needs to be treated or replaced. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	-	-	150,000	-	-	-	150,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Local Streets

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<u>Carpenter Avenue Improvements</u> DESCRIPTION: Full depth asphalt pavement replacement between Baseline and Lake including curb, gutter and spot repair of sidewalk. JUSTIFICATION: This roadway is in poor condition and needs to be treated or replaced. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street						100,000	100,000
<u>Summerside Lane Improvements</u> DESCRIPTION: Milling and resurfacing of the asphalt pavement including curb, gutter and spot repair of sidewalk. JUSTIFICATION: This roadway is in poor condition and needs to be treated or replaced. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	-	-	-	-	-	170,000	170,000
<u>Linden Street Improvements</u> DESCRIPTION: Milling and resurfacing of the asphalt pavement including curb, gutter and spot repair of sidewalk. JUSTIFICATION: This roadway is in poor condition and needs to be improved. OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed. FUNDING SOURCE: Street Millage	Street	-	-	-	-	-	180,000	180,000
Totals for Fund 203		210,000	304,000	150,000	-	-	450,000	1,114,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Public Improvement Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
City Entrance Sign Project: DESCRIPTION: Design and replacement of 5 existing city entrance signs JUSTIFICATION: The existing entrance signs are in disrepair due to age and weather exposure. OPERATIONAL IMPACT: Minimal operating impact due to decreased maintenance costs of existing signs. FUNDING SOURCE: Designated Public Improvement Funds	Land Improvements	5,000	75,000	-	-	-	-	80,000
Cemetery Development - Phase II: DESCRIPTION: This is the second phase of the development of the south portion of Rural Hill Cemetery. This project will include professional services for design work along with tree removal, grading, seeding and lot layout. JUSTIFICATION: Phase II development will provide new gravesites and extend the useful life of the cemetery. OPERATIONAL IMPACT: Minimal operating impact due to additional lawn maintenance costs negated by incremental revenues. FUNDING SOURCE: Cemetery Sales	Land Improvements	105,000	-	-	-	-	-	105,000
Totals for Fund 401		110,000	75,000	-	-	-	-	185,000

Capital Improvement Plan

Capital Project Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Fire Equipment Replacement Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total	
<p>Turn Out Gear: DESCRIPTION: Protective clothing worn by firefighters in the line of duty. JUSTIFICATION: Turn out gear wears out and becomes ineffective in protecting the workers from fire and needs to be updated to meet current standards. OPERATIONAL IMPACT: Will save approximately \$4,750 per year in maintenance and repair costs. FUNDING SOURCE: Fire Equipment Replacement Fund</p>	Fire	-		170,000			-	-	170,000
<p>Pagers DESCRIPTION: Tone activated radio pagers to alert on-call fire department personnel to incidents requiring a fire department response. This is the primary method for alerting on-call personnel. JUSTIFICATION: The current pagers will be outdated and expensive to repair. OPERATIONAL IMPACT: Will save approximately \$1,000 per year in maintenance and repair costs. FUNDING SOURCE: Fire Equipment Replacement Fund</p>	Fire	42,390	-	-	-		-		42,390
<p>Hydraulic Rescue Tools DESCRIPTION: Hydraulic tools use during rescue operations JUSTIFICATION: The current hydraulic rescue tools at Station 1 were purchased in approximately 1980 and are well past their ordinary replacement date and are not as powerful as tools available today. Stronger steels in motor vehicles require more power than the current tools possess. OPERATIONAL IMPACT: No impact on operating budget FUNDING SOURCE: Fire Equipment Replacement Fund</p>	Fire	-	14,200	-	-		-		14,200

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Fire Equipment Replacement Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<u>Radio replacements</u> DESCRIPTION: Two-way radios used to communicate with dispatch/other personnel during operations. JUSTIFICATION: Improvement in radio communications to stay abreast with current technologies. OPERATIONAL IMPACT: Will save approximately \$1,000 per year in repair costs FUNDING SOURCE: Designated Public Improvement Funds	Fire			300,000				300,000
<u>Rescue Vehicle</u> DESCRIPTION: Replacement of current rescue vehicle (1703) that was put into service in 2001. JUSTIFICATION: Due to changes in technology, the new truck will have improved safety features. Additionally, maintenance costs will be minimized. OPERATIONAL IMPACT: Will save approximately \$750 per year in maintenance and repair costs FUNDING SOURCE: Fire Equipment Replacement Fund	Fire	-	-	120,000	-	-	-	120,000
<u>Thermal Imaging Cameras</u> DESCRIPTION: Thermal Image cameras assist in helping firefighters "see" through dense smoke and are used in detecting the location of trapped individual as well as the location of fire. JUSTIFICATION: This acquisition replaces two cameras that will have exceeded its useful life. OPERATIONAL IMPACT: No impact on operating budget FUNDING SOURCE: Fire Equipment Replacement Fund Reserves	Fire		-	-	-	14,000		14,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Fire Equipment Replacement Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p><u>Toughbook Computers</u> DESCRIPTION: Portable computers capable of operating in harsh environments used in the field for preparing electronic reports. JUSTIFICATION: This acquisition replaces four computers that will have reached its useful life. OPERATIONAL IMPACT: Will save approximately \$500 per year in repair costs FUNDING SOURCE: Fire Equipment Replacement Fund Reserves</p>	Fire		-	16,000	-	-	-	16,000
<p><u>Pumper Truck:</u> DESCRIPTION: Replacement of current pumper vehicle (1701) purchased in 1988. JUSTIFICATION: Due to changes in technology, the new truck will have improved safety features. Additionally, maintenance costs will be lowered. The new unit will become the primary full size pumper at Station 1. The pumper will also be used to respond to Plymouth and Novi (mutual aid) when necessary. OPERATIONAL IMPACT: Will save approximately \$3,000 per year in repair costs. FUNDING SOURCE: Fire Equipment Replacement Fund</p>	Fire	-	550,000	-	-	-	-	550,000
Totals for Fund 402		42,390	564,200	606,000	-	14,000	-	1,226,590

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Police Equipment Replacement Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p>MPSCS Radios DESCRIPTION: 800 MHz system used to communicate with the dispatch center. 5 Hand held units, 2 mobile units and 6 chargers are anticipated each year. JUSTIFICATION: Current radios were installed in 2015 and 2016. Replacements radios will keep up with current technology. OPERATIONAL IMPACT: Impact to operating budget is a savings due to reduced maintenance costs of the older radios. FUNDING SOURCE: Police Equipment Replacement Fund</p>	Police	-	-	-	-	30,000	30,000	60,000
<p>Mobile Data Computers DESCRIPTION: Each patrol car is equipped with a Mobile Data Computer (MDC) to enable the officer to run queries through LEIN, SOS, and NCIC. Additionally, they are the only secure means of communication. The Officers complete their paperwork by using the MDCs and keep track of their calls for service and time. JUSTIFICATION: Existing MDCs will be beyond their life expectancy and will need to be upgraded to keep abreast of technological developments and to reach peak efficiencies that have allowed department to contain personnel costs. OPERATIONAL IMPACT: Impact to operating budget is a savings due to reduced maintenance costs of the older computers. FUNDING SOURCE: Police Equipment Replacement Fund</p>	Police	-	48,000	-	-	-	-	48,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Police Equipment Replacement Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p><u>Replacement Police Cars and Setup</u> DESCRIPTION: These vehicles are scheduled to replace patrol units that have more than 90,000 miles on them. JUSTIFICATION: Newer cars result in lower repair and maintenance costs and increased reliability. Replacement of a patrol unit is necessary to provide a pursuit ready, safe vehicle for emergency response to citizen calls for service. OPERATIONAL IMPACT: Impact to operating budget is a savings due to reduced maintenance costs of the older vehicles. FUNDING SOURCE: Police Equipment Replacement Fund</p>	Police	-	80,000	41,000	82,000	41,000	82,000	326,000
<p><u>In Car Cameras and Server</u> DESCRIPTION: Replacement of in-car cameras and server. JUSTIFICATION: The current in-car systems are on a five year scheduled replacement program. This schedule is based on continued exposure to extreme temperatures as well as technological updates. OPERATIONAL IMPACT: Impact to operating budget is a savings due to reduced maintenance costs of the older cameras. FUNDING SOURCE: Police Equipment Replacement Fund</p>	Police	61,000	-	-	-	-	-	61,000
<p><u>Body Worn Cameras and Storage Server</u> DESCRIPTION: Purchase 13 Body worn cameras and a server for data storage. JUSTIFICATION: Body worn cameras have become an important law enforcement tool by providing direct evidence in criminal and traffic cases and insulating the city against false liability claims. OPERATIONAL IMPACT: Minimal impact to operating budget. FUNDING SOURCE: Police Equipment Replacement Fund</p>	Police		-	-	42,500	-	-	42,500
Totals for Fund 403		61,000	128,000	41,000	124,500	71,000	112,000	537,500

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Housing Commission

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p><u>Roof Replacement:</u> DESCRIPTION: Replace existing roof. JUSTIFICATION: The existing roof is 20-25 years old and deteriorating. A professional roof survey indicated that the shingles and roof deck are in poor condition and need replacing. The attic ventilation and insulation are substandard. OPERATIONAL IMPACT: Impact to budget will result in a savings on utility and maintenance costs. FUNDING SOURCE: Reserved funds from Housing operations.</p>	Senior Housing	-	350,000	-	-	-	-	350,000
<p><u>Replace Atrium Windows:</u> DESCRIPTION: Replace the original aluminum framed skylight located in the activities room. JUSTIFICATION: The atrium framing is original to the building (1978). The aluminum flashing has failed and the mortar is eroding. Requires multiple repairs to the glazing units as window seals fail and leak; also resulting in staining on the interior of the arch. OPERATIONAL IMPACT: Impact to budget will result in a savings on utility and maintenance costs. FUNDING SOURCE: Reserved funds from Housing operations.</p>	Senior Housing	-	32,600	-	-	-	-	32,600
<p><u>Replace Apartment Windows & Patio Doors:</u> DESCRIPTION: Replace existing apartment aluminum windows and patio doors. JUSTIFICATION: The current windows and sliding doors were replaced in 2003 with an expected life span of 10 - 15 years. Scheduled replacement will provide weatherization, noise reduction and ease of operation for residents. OPERATIONAL IMPACT: Impact to budget could result in a savings on utility and maintenance costs. FUNDING SOURCE: Reserved funds from Housing operations.</p>	Senior Housing	-	-	-	-	299,450	-	299,450
Totals for Fund 404		-	382,600	-	-	299,450	-	682,050

Capital Improvement Plan

Enterprise Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Water and Sewer Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p><u>Allen Drive Sewer Modification</u> DESCRIPTION: Spot repair of sewer lines under Allen Drive where sewer line has been found to be in poor condition and redirect excess flow to a different Oakland County interceptor. JUSTIFICATION: To prevent basement flooding during a period of significant rainfall. OPERATIONAL IMPACT: No impact to operating budget. FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer	200,000	-	-	-	-	-	200,000
<p><u>E. Main Street Sanitary Sewer Lining Project</u> DESCRIPTION: This project will place a fortifying lining inside the 10" sanitary sewer down E. Main Street. JUSTIFICATION: Video inspection of the sanitary sewer pipe down E. Main indicates that there is a crack along the top of the pipe making it susceptible to future collapse. The lining will fortify the pipe, preventing an emergency situation. OPERATIONAL IMPACT: No impact to operating budget. FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer	100,000	-	-	-	-	-	100,000
<p><u>E. Cady Street Water Main Reconstruction</u> DESCRIPTION: This project will replace existing 4" and 6" water main on E. Cady Street with a new 12" ductile iron water main between Center Street and S. Main Street. JUSTIFICATION: The existing water main is undersized and unreliable. The system will improve water flow along the south side of E. Cady Street. This work is to be done in conjunction with the reconstruction of E. Cady street. OPERATIONAL IMPACT: No impact to operating budget</p>	Water and Sanitary Sewer	15,000	-	-	-	465,000	-	480,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Water and Sewer Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p>W. Cady Street Water Main Replacement DESCRIPTION: This project will replace 1,350 feet of a 4" water main on W. Cady Street with a new 8" ductile iron water main between S. Rogers Street and S. Wing Street. JUSTIFICATION: The existing water main is undersized and unreliable. The system will improve water flow along W. Cady Street as well as the entire southwest side of the City. OPERATIONAL IMPACT: No impact to operating budget FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer	-	15,000	300,000	-	-	-	315,000
<p>Beal Avenue Water Main Replacement DESCRIPTION: This project will replace the existing water main on Beal Avenue with a new 8" water main between Griswold and S. Main Street. JUSTIFICATION: The existing water main is undersized and unreliable. This work is to be done in conjunction with the road reconstruction of Beal Avenue. OPERATIONAL IMPACT: No impact to operating budget FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer		130,000					130,000
<p>Grace Court Water Main Replacement DESCRIPTION: This project will replace the existing water main on Grace Court with a new 8" water main between Maplewood and the cul-de-sac. JUSTIFICATION: The existing water main is undersized and unreliable. This work is to be done in conjunction with the road reconstruction of Grace Court. OPERATIONAL IMPACT: No impact to operating budget. FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer			150,000				150,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Water and Sewer Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p>High Street & Elm Street Water Main Replacement DESCRIPTION: This project will replace existing 4" water main with new 8" ductile iron water main between Randolph Street and East Street. . JUSTIFICATION: The existing water main is undersized and not adequate to address fire flows and pressure issues. OPERATIONAL IMPACT: No impact to operating budget FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer	-	-	-	250,000			250,000
<p>Horton Street Water Main Replacement DESCRIPTION: This project will replace the existing water main with new 8" ductile iron water main on Horton between Lake and 8 Mile. JUSTIFICATION: The existing water main is undersized and unreliable. This work is to be done in conjunction with the reconstruction of Horton street. OPERATIONAL IMPACT: No impact to operating budget FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer				100,000			100,000
<p>N. Rogers Street Water Main Replacement DESCRIPTION: This project will replace the existing water main with new 8" ductile iron water main on N. Rogers between Potomac and W. Main. JUSTIFICATION: The existing water main is undersized and unreliable. This work is to be done in conjunction with the reconstruction of N. Rogers street. OPERATIONAL IMPACT: No impact to operating budget FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer					300,000		300,000

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Water and Sewer Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
<p><u>N. Griswold/Pennell/Butler Street Water Main Replacement</u> DESCRIPTION: This project will replace existing water main with new 8" ductile iron water main on N. Griswold from E. Main to Pennell, Pennell from Griswold to Butler, and Butler Street, from Griswold to Pennell. JUSTIFICATION: The existing water main is undersized and not adequate to address fire flows and pressure issues. The replacement will be to a lower depth in an effort to reduce water main breaks. OPERATIONAL IMPACT: Savings due to less water main breaks. FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer	-	-	-	-	-	420,000	420,000
<p><u>Elevated Water Storage Tank Cathodic Protection</u> DESCRIPTION: The City's elevated water storage tank was completely painted in 2007 at which time the old cathodic protection equipment was removed. As it is not needed for the first five years of the paint life, a new system should be added to help retard rust and extend the life of the paint. JUSTIFICATION: The cathodic protection will extend the paint life of the storage tank from 5-8 years to 10-15 years. OPERATIONAL IMPACT: No impact to operating budget. FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer		15,000	-	-	-	-	15,000
Totals for Fund 592		315,000	160,000	450,000	350,000	765,000	420,000	2,460,000

Capital Improvement Plan

Internal Service Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Six Year Plan - 2018-2023
Capital Improvement Plan - Equipment Fund

Project	Category	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	Six-Year Total
Pickup Truck: DESCRIPTION: Replacement of 20 year old pickup truck. JUSTIFICATION: The current truck will be in need of replacement. The replacement, which will be equipped with 4-wheel drive and plow. OPERATIONAL IMPACT: Impact to operating budget is a savings due to decreased maintenance and repair costs. FUNDING SOURCE: Equipment Fund Reserves	Public Facilities and Equipment	38,000	-	-	-	-	-	38,000
Tractor Backhoe: DESCRIPTION: Replacement of a 2002 Tractor Backhoe. JUSTIFICATION: The current backhoe is used for cemetery operations and other DPW functions. The existing unit is in need of major repair and needs to be replaced before it becomes inoperable. OPERATIONAL IMPACT: Impact to operating budget is a savings due to decreased maintenance and repair costs. FUNDING SOURCE: Equipment Fund Reserves	Public Facilities and Equipment	-	110,000	-	-	-	-	110,000
Totals for 641-932-977.00		38,000	110,000	-	-	-	-	148,000
Totals for Fund 641		38,000	110,000	-	-	-	-	148,000

Fire Equipment Replacement Fund

20 Year Plan

**City of Northville
Fire Equipment Replacement Fund - 20 Year Plan**

	Turnout Gear w/ Helmets & Boots	Pagers	SCBA System	Pumper 1751 (Station 1)	Station 1 Improvements	Aerial Truck (Shared)	QRV 1731 (Station 1)	Pumper 1701 (Station 1)	Rescue Vehicle 1703 (Station #1)	Radios	Toughbooks Station #1	Thermal Imaging Camera Station #1	Thermal Imaging Camera Station #1	Thermal Imaging Camera Station #2	Thermal Imaging Camera Station #2	Utility Truck Station #1	Hydraulic Rescue Tools Station #1	Hydraulic Rescue Tools Station #2	AED's	Washer/ Extractor	Rescue Utility Vehicle Station #1	SCBA Compressor, Cascade, & Fill Station	Contingency/ Other	Total
Year Acquired	2011 & 2013	2011 & 2014	2011 & 2014	2002	2016	2014	1988	2001	2009 & 2011	2013	2017	2005	2017	2011	2017	1980	2011	2017	2001	2004	2011			
Average Life	6	6	14	25	One time	25	25	20	10	7	10	10	10	10	10	7	25	25	10	2001	2004	2011		
1st Replacement Cost	\$ 170,000	\$ 42,390	\$ 182,000	\$ 700,000	\$ 7,400	\$ 1,300,000	\$ 350,000	\$ 550,000	\$ 120,000	\$ 300,000	\$ 16,000	\$ 7,500	\$ 7,000	\$ 7,500	\$ 7,000	\$ 32,000	\$ 14,200	\$ 20,000	\$ 4,000	\$ 12,000	\$ 20,000	\$ 55,000		
2nd Replacement Cost	\$ 196,000	\$ 45,000	\$ 236,600				\$ 500,000	\$ 750,000	\$ 180,000	\$ 350,000	\$ 16,000	\$ 8,500	\$ 8,000	\$ 8,500	\$ 8,000	\$ 35,000	\$ 25,000	\$ 36,000	\$ 4,500	\$ 15,000	\$ 25,000			
Year of Replacement - 1	2020	2018	2025 & 2028	2027	TBD	2041	2039	2019	2020	2020	2020	2027	2022	2027	2022	2024	2019	2036	2027	2026	2024	2031		
Year of Replacement - 2	2026	2024	2039 & 2042	2052			2064	2044	2040	2030	2027	2037	2032	2037	2032	2038	2044	2061	2037	2051				
Year of Replacement - 3	2032	2030																						
Year of Replacement - 4	2038	2036																						
FY 2027																								
Interest Income																								
Shared Contribution	33,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	750	800	750	800	5,000	1,000	1,000	400	600	1,250	3,930	12,170	12,170
Northville Contribution				54,294																				
Purchase				(700,000)							(16,000)	(7,500)		(7,500)					(4,000)					(735,000)
Ending Balance	33,000	39,890	147,706	-	7,400	52,000	167,398	240,000	63,000	245,000	2	-	4,000	-	4,000	15,000	8,000	10,000	-	600	3,750	39,300	63,408	1,187,544
FY 2028																								
Interest Income			494																					
Shared Contribution	33,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	850	800	850	800	5,000	1,000	1,000	450	600	1,250	3,930	8,416	8,910
Northville Contribution				28,000																				
Purchase				(182,000)																				(182,000)
Ending Balance	66,000	47,390	-	28,000	7,400	104,000	182,616	270,000	72,000	280,000	2,288	850	4,800	850	4,800	20,000	9,000	11,000	450	1,200	5,000	43,230	71,824	1,276,788
FY 2029																								
Interest Income																								
Shared Contribution	33,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	850	800	850	800	5,000	1,000	1,000	450	600	1,250	3,930	9,580	9,580
Northville Contribution				28,000																				
Purchase																								
Ending Balance	99,000	54,890	33,800	56,000	7,400	156,000	197,834	300,000	81,000	315,000	4,574	1,700	5,600	1,700	5,600	25,000	10,000	12,000	900	1,800	6,250	47,160	81,404	1,548,702
FY 2030																								
Interest Income																								
Shared Contribution	33,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	850	800	850	800	5,000	1,000	1,000	450	600	1,250	3,930	11,620	11,620
Northville Contribution				28,000																				
Purchase																								
Ending Balance	132,000	17,390	67,600	84,000	7,400	208,000	213,052	330,000	90,000	-	6,860	2,550	6,400	2,550	6,400	30,000	11,000	13,000	1,350	2,400	7,500	51,090	93,024	1,427,656
FY 2031																								
Interest Income																								
Shared Contribution	33,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	850	800	850	800	5,000	1,000	1,000	450	600	1,250	3,930	10,710	10,710
Northville Contribution				28,000																				
Purchase																								
Ending Balance	165,000	24,890	101,400	112,000	7,400	260,000	228,270	360,000	99,000	35,000	9,146	3,400	7,200	3,400	7,200	-	12,000	14,000	1,800	3,000	8,750	20	103,734	1,610,700
FY 2032																								
Interest Income																								
Shared Contribution	33,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	850	800	850	800	5,000	1,000	1,000	450	600	1,250	2,750	12,090	12,090
Northville Contribution				28,000																				
Purchase	(198,000)											(8,000)		(8,000)										(214,000)
Ending Balance	-	32,390	135,200	140,000	7,400	312,000	243,488	390,000	108,000	70,000	11,432	4,250	-	4,250	-	5,000	13,000	15,000	2,250	3,600	10,000	2,770	115,824	1,669,944
FY 2033																								
Interest Income																								
Shared Contribution	34,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	850	850	850	850	5,000	1,000	1,000	450	600	1,250	2,750	16,700	16,700
Northville Contribution				28,000																				
Purchase																								
Ending Balance	34,000	39,890	169,000	168,000	7,400	364,000	258,706	420,000	117,000	105,000	13,718	5,100	850	5,100	850	10,000	14,000	16,000	2,700	4,200	11,250	5,520	132,524	1,948,898
FY 2034																								
Interest Income																								
Shared Contribution	34,000	7,500	33,800			52,000	15,218	30,000	9,000	35,000	2,286	850	850	850	850	5,000	1,000	1,000	450	600	1,250	2,750	19,490	19,490
Northville Contribution				28,000																				
Purchase																								
Ending Balance	68,000	47,390	202,800	196,000	7,400	416,000	273,924	450,000	126,000	140,000	4	5,950	1,700	5,950	1,700	15,000	15,000	17,000	3,150	4,800	12,500	8,270	152,014	2,214,642
FY 2035																								
Interest Income																								
Shared Contribution	34,000	7,500	33,800																					

**City of Northville
Fire Equipment Replacement Fund - 20 Year Plan**

	Turnout Gear w/ Helmets & Boots	Pagers	SCBA System	Pumper 1751 (Station 1)	Station 1 Improvements	Aerial Truck (Shared)	QRV 1731 (Station 1)	Pumper 1701 (Station 1)	Rescue Vehicle 1703 (Station #1)	Radios	Toughbooks Station #1	Thermal Imaging Camera Station #1	Thermal Imaging Camera Station #1	Thermal Imaging Camera Station #2	Thermal Imaging Camera Station #2	Utility Truck Station #1	Hydraulic Rescue Tools Station #1	Hydraulic Rescue Tools Station #2	AED's	Washer/ Extractor	Rescue Utility Vehicle Station #1	SCBA Compressor, Cascade, & Fill Station	Contingency/ Other	Total
Year Acquired	2011 & 2013	2011 & 2014	2011 & 2014	2002	2016	2014	2014	1988	2001	2009 & 2011	2013	2017	2005	2017	2011	2017	1980	2011	2017	2001	2004	2011		
Average Life	6	6	14	25	One time	25	25	25	20	10	7	10	10	10	10	7	25	25	10	25	20	20		
1st Replacement Cost	\$ 170,000	\$ 42,390	\$ 182,000	\$ 700,000	\$ 7,400	\$ 1,300,000	\$ 350,000	\$ 550,000	\$ 120,000	\$ 300,000	\$ 16,000	\$ 7,500	\$ 7,000	\$ 7,500	\$ 7,000	\$ 32,000	\$ 14,200	\$ 20,000	\$ 4,000	\$ 12,000	\$ 20,000	\$ 55,000		
2nd Replacement Cost	\$ 196,000	\$ 45,000	\$ 236,600				\$ 500,000	\$ 750,000	\$ 180,000	\$ 350,000	\$ 16,000	\$ 8,500	\$ 8,000	\$ 8,500	\$ 8,000	\$ 35,000	\$ 25,000	\$ 36,000	\$ 4,500	\$ 15,000	\$ 25,000			
Year of Replacement - 1	2020	2018	2025 & 2028	2027	TBD	2041	2039	2019	2020	2020	2020	2027	2022	2027	2022	2024	2019	2036	2027	2026	2024	2031		
Year of Replacement - 2	2026	2024	2039 & 2042	2052			2064	2044	2040	2030	2027	2037	2032	2037	2032	2038	2044	2061	2037	2051	2051			
Year of Replacement - 3	2032	2030																						
Year of Replacement - 4	2038	2036																						
FY 2036																								
Interest Income																		1,000					24,000	25,000
Shared Contribution	34,000	7,500	33,800			52,000				35,000		850	850	850	850		1,000	1,000	450	600		2,750	171,500	
Northville Contribution				28,000			15,218	30,000	9,000		2,286					5,000		(20,000)			1,250			90,754
Purchase		(45,000)																						(65,000)
Ending Balance	136,000	17,390	270,400	252,000	7,400	520,000	304,360	510,000	144,000	210,000	4,576	7,650	3,400	7,650	3,400	25,000	17,000	-	4,050	6,000	15,000	13,770	198,164	2,721,300
FY 2037																								
Interest Income																								27,220
Shared Contribution	34,000	7,500	33,800			52,000				35,000		850	850	850	850		1,000	1,440	450	600		2,750	171,940	
Northville Contribution				28,000			15,218	30,000	9,000		2,286					5,000					1,250			90,754
Purchase												(8,500)												(21,500)
Ending Balance	170,000	24,890	304,200	280,000	7,400	572,000	319,578	540,000	153,000	245,000	6,862	-	4,250	-	4,250	30,000	18,000	1,440	-	6,600	16,250	16,520	225,384	2,989,714

Police Equipment Replacement Fund

20 Year Plan

**City of Northville
Police Department Capital Equipment - 20 Year Plan**

	(6) Patrol Vehicles incl. setup	Side Arms	Patrol Rifles	Shotguns	LIDAR Radar	MDC's	In-car Cameras & Server	Speed Trailer/Sign	Radar	Tasers	800 Mhz Radios	Body Cameras & Server	AED's	Laptop	Shields	Contingency/ Other	Totals
Year Acquired	Annually	2009	2008	2002		2014	2001		2000	2013	2015-2017						
Average Life in Years	3	7	10	10	7	5	5	10	7	5	7	5	7	5	10		
Quantity	2, 1, 2, 1 rot	13	3	6	1	6	6	2	6	13		13	3	1	1		
Unit Price	\$40,000	\$900	\$1,100	\$600	\$4,100	\$8,000		\$4,000	\$2,000	\$1,500	\$90,000		\$1,650	\$1,000	\$3,000		
1st Replacement Cost	\$40,000	\$11,700	\$3,300	\$3,600	\$4,100	\$48,000	\$61,000	\$8,000	\$12,000	\$19,500	\$90,000	\$ 42,500	\$ 4,950	\$ 1,000	\$ 3,000		
Year of Replacement - 1	FY18 (0)	2018	2018	2017	2015	2014	2018	2017	2017	2016	2022-2024	2021	2017	2017	2019		
Year of Replacement - 2	FY19 (2)	2025	2028	2027	2022	2019	2023	2027	2024	2021	2029-2031	2026	2024	2022	2029		
Year of Replacement - 3	FY20 (1)	2032	2038	2037	2029	2024	2028	2037	2031	2026	2036-2038	2031	2031	2027	2039		
Year of Replacement - 4	FY21 (2)	2039	2048	2047	2036	2029	2033			2031		2036	2038	2032	2049		
FY17 Ending Balance	7,625	9,850	3,046	-	1,172	28,800	39,640	-	-	5,100	42,616	16,000	-	(0)	-	28,961	180,392
FY 2018																	
Operating Transfers	43,125	1,850	254	360	586	9,600	2,360	800	1,250	3,600	6,770	3,000	775	200	1,500	970	77,000
Interest Earnings																495	495
Sale of Assets							5,330										5,330
Reallocation							13,670					3,000				(16,670)	-
Purchase	-	(11,700)	(3,300)				(61,000)				-						(76,000)
Ending Balance	50,750	-	-	360	1,758	38,400	-	800	1,250	8,700	49,386	22,000	775	200	1,500	13,756	187,217
FY 2019																	
Operating Transfers	50,750	1,675	330	360	586	9,600	12,200	800	1,250	3,600	6,770	3,000	775	200	1,500	604	94,000
Interest Earnings																495	495
Reallocation												3,000				(3,000)	-
Purchase	(80,000)					(48,000)									(3,000)		(131,000)
Ending Balance	21,500	1,675	330	720	2,344	-	12,200	1,600	2,500	12,300	56,156	28,000	1,550	400	-	11,855	150,712
FY 2020																	
Operating Transfers	50,750	1,675	330	360	586	9,600	12,200	800	1,250	3,600	6,770	3,000	775	200	300	804	93,000
Interest Earnings																495	495
Reallocation												3,000				(3,000)	-
Purchase	(41,000)						-										(41,000)
Ending Balance	31,250	3,350	660	1,080	2,930	9,600	24,400	2,400	3,750	15,900	62,926	34,000	2,325	600	300	10,154	203,207
FY 2021																	
Operating Transfers	50,750	1,675	330	360	586	9,600	12,200	800	1,250	3,600	6,770	3,000	775	200	300	804	93,000
Interest Earnings																495	495
Reallocation												5,500				(5,500)	-
Purchase	(82,000)						-			(19,500)		(42,500)					(144,000)
Ending Balance	-	5,025	990	1,440	3,516	19,200	36,600	3,200	5,000	-	69,696	-	3,100	800	600	5,953	152,702
FY 2022																	
Operating Transfers	61,500	1,675	330	360	584	9,600	12,200	800	1,250	3,640	6,770	9,000	775	200	300	16	109,000
Interest Earnings																495	495
Purchase	(41,000)				(4,100)						(30,000)			(1,000)		-	(76,100)
Ending Balance	20,500	6,700	1,320	1,800	-	28,800	48,800	4,000	6,250	3,640	46,466	9,000	3,875	(0)	900	6,464	186,097

**City of Northville
Police Department Capital Equipment - 20 Year Plan**

	(6) Patrol Vehicles incl. setup	Side Arms	Patrol Rifles	Shotguns	LIDAR Radar	MDC's	In-car Cameras & Server	Speed Trailer/Sign	Radar	Tasers	800 Mhz Radios	Body Cameras & Server	AED's	Laptop	Shields	Contingency/ Other	Totals
Year Acquired	Annually	2009	2008	2002		2014	2001		2000	2013	2015-2017						
Average Life in Years	3	7	10	10	7	5	5	10	7	5	7	5	7	5	10		
Quantity	2, 1, 2, 1 rot	13	3	6	1	6	6	2	6	13		13	3	1	1		
Unit Price	\$40,000	\$900	\$1,100	\$600	\$4,100	\$8,000		\$4,000	\$2,000	\$1,500	\$90,000		\$1,650	\$1,000	\$3,000		
1st Replacement Cost	\$40,000	\$11,700	\$3,300	\$3,600	\$4,100	\$48,000	\$61,000	\$8,000	\$12,000	\$19,500	\$90,000	\$ 42,500	\$ 4,950	\$ 1,000	\$ 3,000		
Year of Replacement - 1	FY18 (0)	2018	2018	2017	2015	2014	2018	2017	2017	2016	2022-2024	2021	2017	2017	2019		
Year of Replacement - 2	FY19 (2)	2025	2028	2027	2022	2019	2023	2027	2024	2021	2029-2031	2026	2024	2022	2029		
Year of Replacement - 3	FY20 (1)	2032	2038	2037	2029	2024	2028	2037	2031	2026	2036-2038	2031	2031	2027	2039		
Year of Replacement - 4	FY21 (2)	2039	2048	2047	2036	2029	2033			2031		2036	2038	2032	2049		
FY 2023																	
Operating Transfers	61,500	1,675	330	360	586	9,600	12,200	800	1,250	3,640	6,770	9,000	775	200	300	14	109,000
Interest Earnings																930	930
Purchase	(82,000)						(61,000)				(30,000)	-					(173,000)
Ending Balance	-	8,375	1,650	2,160	586	38,400	-	4,800	7,500	7,280	23,236	18,000	4,650	200	1,200	7,408	123,027
FY 2024																	
Operating Transfers	61,500	1,675	330	360	586	9,600	12,500	800	1,250	3,640	6,770	9,000	775	200	300	714	110,000
Interest Earnings																615	615
Purchase	(41,000)	-				(48,000)			(12,000)		(30,000)		(5,400)				(136,400)
Ending Balance	20,500	10,050	1,980	2,520	1,172	-	12,500	5,600	(3,250)	10,920	6	27,000	25	400	1,500	8,737	97,242
FY 2025																	
Operating Transfers	61,500	1,675	330	360	586	9,600	12,500	800	1,715	3,640	12,857	9,000	775	200	300	162	116,000
Interest Earnings																486	486
Purchase	(82,000)	(11,700)					-										(93,700)
Ending Balance	-	25	2,310	2,880	1,758	9,600	25,000	6,400	(1,535)	14,560	12,863	36,000	800	600	1,800	9,385	120,028
FY 2026																	
Operating Transfers	61,500	1,675	330	360	586	9,600	12,500	800	1,715	3,640	12,857	9,000	775	200	300	162	116,000
Interest Earnings																600	600
Purchase	(41,000)						-			(18,200)		(45,000)					(104,200)
Ending Balance	20,500	1,700	2,640	3,240	2,344	19,200	37,500	7,200	180	-	25,720	-	1,575	800	2,100	10,147	132,428
FY 2027																	
Operating Transfers	61,500	1,675	330	360	586	9,600	12,500	800	1,715	3,640	12,857	9,000	775	200	300	162	116,000
Interest Earnings																662	662
Purchase	(82,000)			(3,600)				(8,000)						(1,000)			(94,600)
Ending Balance	-	3,375	2,970	-	2,930	28,800	50,000	-	1,895	3,640	38,577	9,000	2,350	(0)	2,400	10,971	154,490
FY 2028																	
Operating Transfers	63,000	1,675	330	360	586	9,600	12,500	1,000	1,715	3,640	12,857	9,000	775	200	300	462	118,000
Interest Earnings																927	927
Purchase	(42,000)		(3,300)				(62,500)										(107,800)
Ending Balance	21,000	5,050	-	360	3,516	38,400	-	1,000	3,610	7,280	51,434	18,000	3,125	200	2,700	12,360	165,617
FY 2029																	
Operating Transfers	63,000	1,675	330	360	584	9,600	12,500	1,000	1,715	3,640	12,857	9,000	775	200	300	464	118,000
Interest Earnings																994	994
Purchase	(84,000)				(4,100)	(48,000)					(30,000)						(166,100)
Ending Balance	-	6,725	330	720	-	-	12,500	2,000	5,325	10,920	34,291	27,000	3,900	400	3,000	13,818	118,511

**City of Northville
Police Department Capital Equipment - 20 Year Plan**

	(6) Patrol Vehicles incl. setup	Side Arms	Patrol Rifles	Shotguns	LIDAR Radar	MDC's	In-car Cameras & Server	Speed Trailer/Sign	Radar	Tasers	800 Mhz Radios	Body Cameras & Server	AED's	Laptop	Shields	Contingency/ Other	Totals
Year Acquired	Annually	2009	2008	2002		2014	2001		2000	2013	2015-2017						
Average Life in Years	3	7	10	10	7	5	5	10	7	5	7	5	7	5	10		
Quantity	2, 1, 2, 1 rot	13	3	6	1	6	6	2	6	13		13	3	1	1		
Unit Price	\$40,000	\$900	\$1,100	\$600	\$4,100	\$8,000		\$4,000	\$2,000	\$1,500	\$90,000		\$1,650	\$1,000	\$3,000		
1st Replacement Cost	\$40,000	\$11,700	\$3,300	\$3,600	\$4,100	\$48,000	\$61,000	\$8,000	\$12,000	\$19,500	\$90,000	\$ 42,500	\$ 4,950	\$ 1,000	\$ 3,000		
Year of Replacement - 1	FY18 (0)	2018	2018	2017	2015	2014	2018	2017	2017	2016	2022-2024	2021	2017	2017	2019		
Year of Replacement - 2	FY19 (2)	2025	2028	2027	2022	2019	2023	2027	2024	2021	2029-2031	2026	2024	2022	2029		
Year of Replacement - 3	FY20 (1)	2032	2038	2037	2029	2024	2028	2037	2031	2026	2036-2038	2031	2031	2027	2039		
Year of Replacement - 4	FY21 (2)	2039	2048	2047	2036	2029	2033			2031		2036	2038	2032	2049		
FY 2030																	
Operating Transfers	63,000	1,675	330	360	584	9,600	12,500	1,000	1,715	3,640	12,857	9,000	775	200	300	464	118,000
Interest Earnings																830	830
Purchase	(42,000)										(30,000)						(72,000)
Ending Balance	21,000	8,400	660	1,080	584	9,600	25,000	3,000	7,040	14,560	17,148	36,000	4,675	600	3,300	15,112	165,341
FY 2031																	
Operating Transfers	63,000	1,675	330	360	586	9,600	12,500	1,000	1,715	3,640	12,857	9,000	775	200	300	462	118,000
Interest Earnings																1,653	1,653
Purchase	(84,000)								(12,000)	(18,200)	(30,000)	(45,000)	(5,400)				(194,600)
Ending Balance	-	10,075	990	1,440	1,170	19,200	37,500	4,000	(3,245)	-	5	-	50	800	3,600	17,227	90,394
FY 2032																	
Operating Transfers	63,000	1,675	330	360	586	9,600	12,500	1,000	1,715	3,640	12,857	9,000	800	200	300	437	118,000
Interest Earnings																904	904
Purchase	(42,000)	(11,700)												(1,000)			(54,700)
Ending Balance	21,000	50	1,320	1,800	1,756	28,800	50,000	5,000	(1,530)	3,640	12,862	9,000	850	(0)	3,900	18,568	154,598
FY 2033																	
Operating Transfers	63,000	1,675	330	360	586	9,600	12,500	1,000	1,715	3,640	12,857	9,000	800	200	300	437	118,000
Interest Earnings																1,546	1,546
Purchase	(84,000)						(62,500)										(146,500)
Ending Balance	-	1,725	1,650	2,160	2,342	38,400	-	6,000	185	7,280	25,719	18,000	1,650	200	4,200	20,551	127,644
FY 2034																	
Operating Transfers	63,000	1,675	330	360	586	9,600	12,500	1,000	1,715	3,640	12,857	9,000	800	200	300	437	118,000
Interest Earnings																1,276	1,276
Purchase	(42,000)					(48,000)											(90,000)
Ending Balance	21,000	3,400	1,980	2,520	2,928	-	12,500	7,000	1,900	10,920	38,576	27,000	2,450	400	4,500	22,264	156,920
FY 2035																	
Operating Transfers	63,000	1,675	330	360	586	9,600	12,500	1,000	1,715	3,640	12,857	9,000	800	200	300	437	118,000
Interest Earnings																1,569	1,569
Purchase	(84,000)																(84,000)
Ending Balance	-	5,075	2,310	2,880	3,514	9,600	25,000	8,000	3,615	14,560	51,433	36,000	3,250	600	4,800	24,270	192,489
FY 2036																	
Operating Transfers	63,000	1,675	330	360	586	9,600	12,500	1,000	1,715	3,640	12,857	9,000	800	200	300	437	118,000
Interest Earnings																1,925	1,925
Purchase	(42,000)				(4,100)					(18,200)	(30,000)	(45,000)					(139,300)
Ending Balance	21,000	6,750	2,640	3,240	-	19,200	37,500	9,000	5,330	-	34,290	-	4,050	800	5,100	26,632	173,114
FY 2037																	
Operating Transfers	63,000	1,675	330	360	584	9,600	12,500	1,000	1,715	3,640	12,857	9,000	800	200	300	439	118,000
Interest Earnings																1,731	1,731
Purchase	(84,000)			(3,600)				(10,000)			(30,000)			(1,000)			(128,600)
Ending Balance	-	8,425	2,970	-	584	28,800	50,000	-	7,045	3,640	17,147	9,000	4,850	(0)	5,400	28,802	164,245

APPENDIX B

Downtown Development Authority (DDA) (Component Unit)

This section details the proposed activities of the Northville Downtown Development Authority (DDA). The DDA is a Tax Incremental Finance Authority established by City ordinance in 1978 under Public Act 197. The DDA captures incremental tax increases to fund programs, improvements, and activities to enhance the downtown commercial district. Included in Appendix B is the overview, graphs demonstrating revenues and expenditures, and a five year line item budget.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

ACTIVITY: Downtown Development Authority

FUND NUMBER: 370

SUPERVISOR: Downtown Development Authority



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Downtown Development Authority – continued

General Description of Activity

The Northville Downtown Development Authority (DDA) was created in 1978 to halt the deteriorating property values in downtown Northville. In subsequent years the Development Area described in the original plan was expanded, and several times the Plan was amended in scope. In 1997 the Northville City Council approved a two mill operating levy as recommended by the DDA Board of Directors and allowed by State statute. The two mill levy has been permanently reduced down to 1.7935 mills due to Headlee. In FY2000, the City of Northville DDA began operating under the direction of a DDA Executive Director

In February 2015 the DDA and City held public hearings to amend and restate the Development and Tax Increment Financing Plan for Northville. The Amended and Restated consolidated the original Plan and the five subsequent amendments to the Plan into one clear and concise document and adjusts the DDA's Development Area and Downtown District boundaries to make the two boundaries congruent. The Plan, which expires in 2040, identifies DDA projects that will be funded by TIF revenue and provide estimates and prioritization to these projects.

In 2016, the Northville DDA and the Northville City Council updated the Strategic Plan for Downtown Northville. The previous Strategic Plan was adopted in 2006 and has served as the blueprint for planning and development over the past decade. The updated Plan outlines recommendations for the physical and economic revitalization of the downtown. The plan includes short and long term action plans, cost estimates, financing/revenue sources, prioritized tasks, and a timeline. To assist in the implementation of the updated Strategic Plan, the DDA utilized the committee structure which assigns each recommendations to a DDA Committee: Organization, Design, Marketing, Economic Development and Parking.

The DDA staff allocates its time between physical improvement projects, economic development, parking, business recruitment and retention, planning, website maintenance, administrative duties, marketing and special events. Time is also spent working with the Northville Central Business Association, Chamber of Commerce, and City officials to achieve and maintain a vibrant and economically viable downtown.

Currently the DDA is staffed by a full time Director, a part-time marketing and communications coordinator and 3 seasonal employees.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Downtown Development Authority – continued

Proposed Fiscal Year Overview

The taxable value subject to DDA capture increased 4.1% from last year generating an additional \$22,599 in captured taxes. The State is anticipated to reimburse \$36,000 to the DDA for the small taxpayer exemption from personal property with taxable values of less than \$40,000. The taxable value for the DDA's special levy increased 3.2%. The 2 mill levy has been permanently reduced to 1.7931 due to Headlee. That levy provides for an additional \$1,100 over the prior year.

For the past several years, the DDA has funded several capital projects by utilizing the DDA's use of Fund Balance. While these expenditures were planned, we are now in a position, where we have drawn the Fund Balance down sufficiently that we can no longer rely on Fund Balance as a resource for accomplishing projects. The DDA's proposed 2018-19 budget, as well as future budgets, do not rely on fund balance. The fund balance for the end of fiscal year 2019 is projected at \$238,000 fund balance, which is approximately 31% of the DDA's revenue and expenses.

In order to increase the DDA's revenue for future projects, the DDA can look at a limited number of options: new construction, establishment of a PSD, DDA boundary expansion, grants, or charging for use of the parking system. This year's proposed DDA budget has very few changes from the approved budget for 2017-18. No new capital projects are proposed with the exception of working towards a repair and maintenance solution for the City's parking system.

The City and DDA jointly finance the improvements, operation, and maintenance of the City's parking system and DPW is charged with the maintenance of the structures and the lots. Annually, the DDA makes an operating transfer to the Parking Fund for the DDA's share of the operation and maintenance costs. These expenses include lighting, sweeping, salting, striping, snow plowing, and minor maintenance issues. This year, the DDA will transfer \$113,100 which is estimated to be approximately 91% of the parking system maintenance costs. An additional \$50,000 is transferred to the General Fund to cover the downtown street lighting and electrical costs, which is approximately 37% of the street lighting costs for the entire City.

Every few years, additional capital improvements are needed in the parking decks. DDA staff recently issued a Request for Proposal for professional consultants to evaluate the two parking decks and develop a scope of work for needed repairs, prioritization schedule, construction estimates, and maintenance manual for the decks. The DDA and City are working together to identify potential funding

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

Downtown Development Authority – continued

sources to complete these important projects. In addition to maintenance of the lots and decks, the DDA also continues to monitor the utilization of the parking system to determine the demand for additional parking in Northville

Action Steps Related to City Council Goals & Objectives

Implementation of Downtown Strategic Plan

- Evaluate the benefits and impacts of expanding the DDA boundaries.
- Install additional bike racks and bike repair stations.
- Manage and promote the increased use of Town Square.
- Continue to monitor parking supply and demand.
- Utilize Target Market Analysis to attract new development to the Downtown.
- Work with the City to achieve Redevelopment Ready status for the City.
- Explore the creation of an Arts and Creative Industries Master Plan for Downtown.

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan – 2018 through 2022

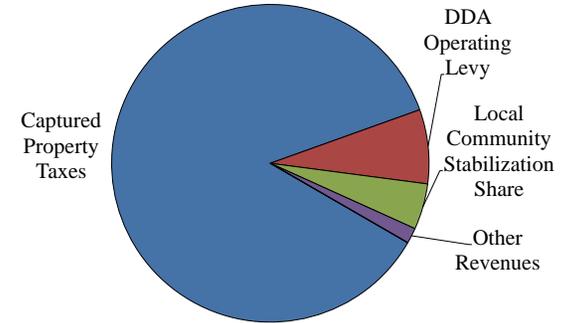
Performance Measures

Measure	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Projected	FY2019 Target
Inputs & Outputs					
Number of Print Ads Run	26	22	23	24	24
Number of Weeks of Radio Ads Run	2	0		2	0
Number of TV Spots/Features	17	0	18	24	20
Number of Press Releases Sent	41	20	18	36	30
Number of Press Coverage Received	52	60	65	40	60
Number of Direct Mailing	2	1	1	2	0
Number of Façade Grants Awarded	0	0	0	0	0
Number of Event Cards	7	7	7	7	7
Number of Internet/Electronic Ads	0	3	0	0	12
Number of Social Media Posts	416	450	550	500	520
Number of Social Media Promoted Posts	8	6	4	12	24
Number of Weeks of Billboard Ads	3	0	0	0	0
Efficiency & Effectiveness Measures					
Fund Balance as a % of Expenditures	64%	36%	38%	29%	31%
DDA Debt Service Per Capita	\$28	\$29	29%	\$29	30%

City of Northville
Proposed 2018-19 Downtown Development Authority Budget
(with historical comparative data)

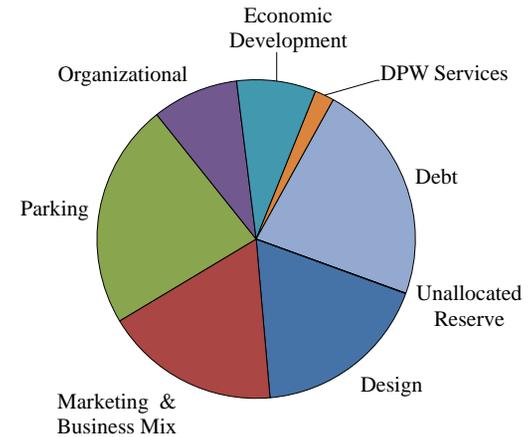
	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Revenues				
Captured Property Taxes	\$ 635,989	\$ 641,845	\$ 664,444	86.1%
DDA Operating Levy	56,375	57,111	58,211	7.6%
Local Community Stabilization Share	35,677	36,178	36,000	4.7%
Other Revenues	4,045	8,750	12,200	1.6%
Operating Transfer	21,000	-	-	0.0%
Approp of Prior Year Surplus	-	77,648	-	0.0%
Total Revenues	\$ 753,086	\$ 821,532	\$ 770,855	100.0%

2018-19 Budgeted Revenues



	FY17 Actual	FY18 Projected	FY19 Proposed	FY19 % Total
Expenditures				
Design	199,445	239,396	139,172	18.1%
Marketing & Business Mix	137,668	153,100	137,202	17.8%
Parking	179,056	172,125	176,185	22.9%
Organizational	45,617	65,796	67,573	8.8%
Economic Development	-	-	62,110	8.1%
DPW Services	11,485	18,760	15,210	2.0%
Debt	171,385	172,355	173,170	22.5%
Unallocated Reserve	8,430	-	233	0.0%
Total Expenditures	\$ 753,086	\$ 821,532	\$ 770,855	100.0%

2018-19 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2017 through 2021

DOWNTOWN DEVELOPMENT AUTHORITY

Revenue	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Captured Property Taxes =							
Taxable Value Subject to Capture			24,649,114	25,659,011	26,428,781	27,221,644	28,038,293
x Estimated Tax Levies per Mill			26.2424	26.0900	26.0900	26.0900	26.0900
DDA Operating Levy =							
Prior Years' Millage Approved			1.8158	1.8158	1.7931	1.7931	1.7931
x Millage Reduction Fraction			1.0000	0.9875	1.0000	1.0000	1.0000
= Allowable Levy			1.8158	1.7931	1.7931	1.7931	1.7931
x DDA Taxable Value per Mill			31,452	32,464	33,438	34,441	35,474
370-000-403.00 Captured Property Taxes	639,523	642,838	646,845	669,444	689,527	710,213	731,519
370-000-403.01 DDA Operating Levy	56,618	56,375	57,111	58,211	59,958	61,756	63,608
370-000-403.04 Local Community Stabilization Share	28,112	35,677	36,178	36,000	36,000	36,000	36,000
370-000-418.00 Property Taxes - Other	(1,912)	(6,849)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
370-000-476.09 Newspaper Rack Registration Fees	-		-	-	-	-	-
370-000-586.02 Sponsorships	9,295	3,973	6,250	8,000	8,500	9,000	9,500
370-000-659.11 Rental Income - Town Square	-	-	150	150	150	150	150
370-000-664.xx Net Investment Income	5,140	72	2,150	3,850	3,850	3,850	3,850
370-000-666.00 Miscellaneous Revenue	300	-	200	200	200	200	200
370-000-667.00 Insurance Proceeds	12,942	-	-	-	-	-	-
	750,018	732,086	743,884	770,855	793,185	816,169	839,827
Operating Transfers							
370-000-699.06 General Fund	-	21,000	-	-	-	-	-
Total Revenue	750,018	753,086	743,884	770,855	793,185	816,169	839,827
Fund Balance Reserve							
370-000-699.01 Approp of Prior Years' Surplus	124,252	-	77,648	-	-	-	-
Total Budget	874,270	753,086	821,532	770,855	793,185	816,169	839,827

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2017 through 2021

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

Expenditures	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget
Design							
370-861-706.00 Wages-Regular Full Time	22,734	23,075	23,645	16,160	16,575	16,890	16,800
370-861-707.00 Wages-Regular Overtime	47	-	45	-	-	-	-
370-861-710.00 Wages - Part Time	22,624	21,368	16,000	18,505	18,570	18,600	18,600
370-861-726.00 Supplies	159	230	575	475	475	475	475
370-861-740.05 Downtown Materials	12,413	15,309	17,958	19,450	20,950	17,950	20,950
370-861-801.00 Contractual Services	47,889	23,331	40,913	25,807	23,807	23,807	23,807
370-861-801.16 Public Restroom Program	2,458	2,032	2,750	2,750	2,750	2,750	2,750
370-861-801.90 Sidewalk Repairs	15,675	-	-	-	-	-	-
370-861-801.94 Brick Repair & Maintenance	2,050	-	3,000	2,500	2,500	2,500	2,500
370-861-802.20 Contracted Planning Services	15,739	43,618	-	-	-	-	-
370-861-803.59 Signage and Marker Projects	76,649	11,452	74,100	-	-	-	-
370-861-803.93 Comerica Connection Exhibit	16,323	-	-	-	-	-	-
370-861-850.00 Landscape Maintenance	41,458	31,550	31,750	31,750	30,750	30,750	30,750
370-861-920.01 Electrical Service - Town Square	1,007	1,092	2,450	1,500	1,530	1,560	1,590
370-861-920.02 Natural Gas Service - Town Square	2,711	3,625	3,850	3,930	4,010	4,090	4,170
370-861-920.03 Water Service - Irrigation	3,199	11,092	7,300	7,660	8,040	8,440	8,860
370-861-967.00 Fringe Benefits	11,059	10,778	11,010	8,185	8,355	8,445	8,450
370-861-976.01 Street Furnishings	5,740	893	4,050	500	250	500	250
	299,934	199,445	239,396	139,172	138,562	136,757	139,952

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2017 through 2021

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Expenditures (continued)	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Marketing & Business Mix							
370-862-706.00 Wages-Regular Full Time	36,374	36,875	23,645	16,160	16,575	16,790	16,800
370-862-710.00 Wages - Part Time	4,992	2,149	16,200	12,520	12,835	12,995	12,995
370-862-726.00 Supplies	56	-	150	150	150	150	150
370-862-784.00 Downtown Programs & Promotions	32,617	26,280	26,600	29,800	29,300	28,800	27,800
370-862-785.00 Business Retention Program	-	784	2,357	2,357	2,360	2,360	2,360
370-862-801.00 Contractual Services	76,768	53,318	69,500	65,500	65,500	65,500	65,500
370-862-801.34 Web Site	1,065	800	973	840	840	840	840
370-862-950.05 Transfer to Parks & Recreation	8,154	3,500	3,000	2,500	2,000	2,000	2,000
370-862-967.00 Fringe Benefits	14,324	13,962	10,675	7,375	7,565	7,660	7,670
	174,350	137,668	153,100	137,202	137,125	137,095	136,115
Parking							
370-863-706.00 Wages-Regular Full Time	7,578	7,653	7,880	8,080	8,290	8,395	8,400
370-863-710.00 Wages-Part Time	4,992	2,150	-	1,255	1,285	1,300	1,300
370-863-726.00 Supplies	-	-	50	50	50	50	50
370-863-786.00 Downtown Parking Program	-	-	400	400	400	400	400
370-863-801.93 Parking Structure Maintenance	11,976	32,942	-	-	-	-	-
370-863-950.21 Contrib. to General Fund - Street Lights	130,960	133,270	50,000	50,000	50,000	50,000	50,000
370-863-950.26 Contrib. to Parking Fund - Maintenance	-	-	110,650	113,100	115,620	118,220	120,900
370-863-967.00 Fringe Benefits	3,292	3,041	3,145	3,300	3,385	3,430	3,435
	158,798	179,056	172,125	176,185	179,030	181,795	184,485
Debt							
370-945-950.49 Oper Tsfr to DDA Debt Service Fund	175,415	171,385	172,355	173,170	173,830	174,335	174,685
	175,415	171,385	172,355	173,170	173,830	174,335	174,685

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2017 through 2021

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Expenditures (continued)	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Organizational							
370-864-706.00 Wages-Regular Full Time	9,094	9,218	23,645	20,200	20,715	20,985	21,000
370-864-710.00 Wages-Temp/Part Time	4,992	2,150	-	6,260	6,420	6,495	6,495
370-864-726.00 Supplies	4,336	1,256	1,150	1,150	1,150	1,150	1,150
370-864-730.00 Postage	177	3	175	100	100	100	100
370-864-731.00 Publications	114	65	65	65	65	65	65
370-864-801.19 Computer Program Services	3,129	2,504	1,490	1,490	1,490	1,490	1,490
370-864-802.01 Legal Services	2,266	5,504	3,500	3,000	3,000	3,000	3,000
370-864-805.00 Auditing Services	4,386	4,645	4,690	4,930	5,030	5,130	5,230
370-864-900.00 Printing & Publishing	1,408	974	975	975	975	975	975
370-864-910.00 Insurance	2,880	1,733	5,485	5,610	5,740	5,880	5,990
370-864-917.00 Workers Comp Insurance	790	-	-	-	-	-	-
370-864-920.00 Utilities	1,188	1,247	1,318	1,420	1,420	1,420	1,420
370-864-956.00 Contingencies	-	-	-	-	-	2,640	8,020
370-864-958.00 Membership & Dues	1,110	1,000	1,408	958	958	958	958
370-864-960.00 Education & Training	1,090	1,050	1,500	1,400	1,400	1,400	1,400
370-864-967.00 Fringe Benefits	4,137	3,818	9,425	8,495	8,715	8,825	8,830
370-864-967.02 Overhead	9,950	10,450	10,970	11,520	12,100	12,710	13,350
	51,047	45,617	65,796	67,573	69,278	73,223	79,473
Economic Development							
370-865-706.00 Wages-Regular Full Time	-	-	-	20,200	20,715	20,985	21,000
370-865-710.00 Wages-Temp/Part Time	-	-	-	2,505	2,570	2,600	2,600
370-865-726.00 Supplies	-	-	-	200	200	200	200
370-865-785.00 Business Retention Program	-	-	-	1,000	1,000	1,000	1,000
370-865-801.00 Contractual Services	-	-	-	5,000	-	-	-
370-865-803.20 Planning Studies	-	-	-	25,000	-	-	-
370-865-967.00 Fringe Benefits	-	-	-	8,205	8,415	8,522	8,530
	-	-	-	62,110	32,900	33,307	33,330

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2019 and
Five Year Plan - 2017 through 2021

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Expenditures (continued)							
DPW Services							
370-753-706.00 Wages-Regular Full Time	5,010	4,036	7,315	5,485	5,625	5,930	5,930
370-753-707.00 Wages-Regular Overtime	-	817	570	570	570	590	590
370-753-939.00 Automotive Services	421	-	500	500	500	500	500
370-753-943.00 Equipment Rental	3,896	1,664	2,625	2,650	2,680	2,710	2,740
370-753-956.00 Contingency	-	-	-	-	-	-	-
370-753-967.00 Fringe Benefits	5,399	4,968	7,750	6,005	6,145	6,435	6,505
	14,726	11,485	18,760	15,210	15,520	16,165	16,265
Total Expenditures	874,270	744,656	821,532	770,622	746,245	752,677	764,305
Fund Balance Reserve							
370-999-999.00 Unallocated Reserve	-	8,430	-	233	46,940	63,492	75,522
	-	8,430	-	233	46,940	63,492	75,522
Total Budget	874,270	753,086	821,532	770,855	793,185	816,169	839,827
Analysis of Fund Balance (Unassigned):							
Beginning of Year			315,913	238,265	238,498	285,438	348,930
Revenues			743,884	770,855	793,185	816,169	839,827
Expenditures			(821,532)	(770,622)	(746,245)	(752,677)	(764,305)
End of Year Fund Balance (Unassigned)			238,265	238,498	285,438	348,930	424,452

APPENDIX C

FISCAL MANAGEMENT POLICIES

This section gives an overview of all of the Funds used by the City of Northville. It also details the policies that relate to key budgeting and accounting activities.

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FUND CLASSIFICATION

City Funds - Modified Accrual Basis

General Fund

General Fund

Capital Projects

Fire Equipment Replacement Fund
Police Equipment Replacement Fund
Housing Commission Capital Outlay Fund

Debt Service

DDA Debt Service Fund
Housing Debt Service Fund

Special Revenue Funds

Street, Drainage & Sidewalk
Improvement
Major Streets
Local Streets
Parking Fund
Arts Commission
Public Improvement
Housing Commission

Component Unit

Downtown Development Authority

City Funds Not Budgeted For

Investment Trust Fund

Interfund Investment Pool

Special Revenue Funds

Cemetery Trust

Agency Funds

Trust & Agency - Taxes
Police Bond Fund
Payroll

Private Purpose Trust Fund

Allen Terrace Trust

Internal Service Funds

Insurance Retention Fund
Employee's Accumulated
Compensated Absences

City Funds - Full Accrual Basis

Enterprise Funds

Refuse & Recycling
Water & Sewer

Internal Service Funds

Equipment Fund

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BUDGET POLICIES AND PROCEDURES

Role of the Budget

The budget expresses the priorities of elected officials to provide services within the financial resources made available to the City. A balanced budget is the key to controlling the finances of the City. It provides elected officials with a tool to monitor and control the expenditures of public monies so that the City does not spend beyond its means.

The appropriated budget cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years. Any deviation from a balanced operating budget requires disclosure when it occurs.

Fund Structure of Approved Budget

Annual budgets are legally adopted for the General Fund and Special Revenue Funds as required by Michigan's Uniform Budgeting and Accounting Act. Although not required by law, budgets are prepared for the City's Debt Service, Capital Projects, Internal Service and Enterprise Funds. These budgets are prepared for financial management and project control purposes.

Budget Basis

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, including the legally adopted General Fund and Special Revenue Funds. All annual appropriations lapse at fiscal year end. The legal level of budgetary control adopted by the City is the activity level.

The budgets for general government type funds are prepared on a modified accrual basis. This is the same basis of accounting used in the City's audited financial statements. The enterprise and internal service funds, however, are budgeted on a full accrual basis with two exceptions. In the budget, current year capital expenditures and debt payments are treated as budgeted expenditures rather than additions to assets and reductions of liabilities, respectively. In the audited financial statements, these two fund types are reported on the full accrual basis.

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BUDGET POLICIES AND PROCEDURES

Budgeting Controls

- **Transfers between appropriations** - As provided in State statute, the general appropriations resolution is proposed to allow the City Manager to transfer up to ten percent (10%) of each appropriation to any other appropriation within each fund and up to ten percent (10%) of the total salary and fringe appropriations for distributed Public Works Labor and Equipment Rental between the General, Major Street, Local Street, Equipment, Refuse and Recycling and Water and Sewer Funds. All other interfund transfers require approval of the City Council.

- **Budget Amendment Process** – After the budget is adopted, the primary responsibility for managing it belongs to the individual department heads. The Finance Department reviews and distributes monthly budget reports. Each Department Head has the ability to compensate for an over budget line item with another under budget line item within the same category. Budget amendments are proposed for such changes and sent to City Council for approval. If changes are needed in an overall category, a budget amendment must be proposed and sent to City Council for approval. The City Council reviews the status of the budget on the departmental activity level on a quarterly basis or as needed.

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FINANCIAL POLICIES

The key to the sound fiscal health of the City is proper accounting, budgeting and auditing. The City of Northville's financial policies provide the basic framework for the overall fiscal management of the City. These policies provide guidelines to the City Council and administration for evaluating both current activities and proposals for future programs. Most of the policies represent long-standing principles and practices that have guided the City in the past and have helped maintain financial stability. The City's financial policies also serve the administration in the preparation of a balanced operating budget.

Operating Budget Policies

- Expenditures will not be made in excess of the amount authorized in the budget.
- Funds may not be applied or diverted for purposes inconsistent with the appropriations.
- The City will attempt to maintain its present service level for all priority and essential services within the existing property tax millage limits.
- The City will maintain a budgetary control system to ensure adherence to the budget and will prepare periodic reports comparing actual revenues and expenditures with budgeted amounts.
- The City will emphasize efforts to reduce expenditures in major cost centers such as medical insurance premiums and pension costs.
- The Water and Sewer Fund, Refuse and Recycling Fund and Internal Service Fund will be self supporting.
- The City will protect against catastrophic losses through a combination of good risk management, traditional insurance, and self-insurance, where prudent.

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FINANCIAL POLICIES

Operating Budget Policies - continued

- Although not required by state law, internal service and enterprise funds will be budgeted for cost control and administrative purposes.
- Any fund that develops a negative fund balance will have a deficit elimination plan that has been approved by the City Council.

Revenue Policies

- The City will estimate its annual revenue by a conservative, objective and analytical process.
- The City will review fees and charges periodically. It will attempt to design and modify revenue systems that allow charges to grow at a rate that keeps pace with the cost of providing the service.
- The City will seek to maintain a diversified and stable revenue system to shelter itself from short-run fluctuations in any one revenue source.
- The City will follow an aggressive policy of collecting revenue.
- The City will establish all user charges and fees at a level considering the full cost (operating, direct, indirect and capital) of providing the service.

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FINANCIAL POLICIES

Revenue Policies - continued

- Non-recurring revenues and one-time revenues will not fund recurring expenditures. Non-recurring revenues and one-time revenues should be used for non-recurring expenditures.
- All grant applications shall be authorized by the City Council.
- Breakage revenue, when received, will first be utilized to offset the cost of Police and Fire Department Services at the racetrack. Breakage revenue received, to the extent that it exceeds the cost of those police and fire services, will then be available for appropriation by the City Council.
- The City will fund the defined benefit pension plan in accordance with the annual actuarial analysis.
- The City will fund the post-retirement healthcare plan in accordance with the most recent actuarial analysis.

Capital Improvement Policies

- The City will develop a multi-year plan for capital improvements, update it annually and make all capital improvements according to the plan.
- The City's plan will include large capital purchases and construction projects costing more than \$5,000.
- The City will maintain its physical assets at a level adequate to protect the City's capital investment and to reduce future maintenance and replacement costs. The budget will provide for the adequate maintenance of capital assets.

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FINANCIAL POLICIES

Capital Improvement Policies – continued

- The City will use the following criteria to evaluate the relative merit of each capital project.
 - Projects specifically included in an approved replacement schedule will receive priority consideration.
 - Projects will be evaluated as to the impact on the operating budget; those that reduce the cost of operations will receive priority consideration.

Debt Policies

- Debt or other obligations shall not be entered into unless the debt is permitted by law.
- Although the City may borrow money and issue bonds for a variety of purposes as outlined in the City Charter, debt is primarily used for one-time capital expenditures. In general, the City does not issue debt for recurring projects.
- The project life or asset life must be equal to or exceed the terms of the financing.
- The revenue stream used to finance the debt must be sufficient to cover all debt costs over the term of the financing.
- The City follows all State and Federal regulations regarding debt issuance and continuing disclosure.

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FINANCIAL POLICIES

Investment Policies

- The City's investment objectives in priority order are: Safety, Liquidity, and Yield.
- Disbursement, collection, and deposit of all funds will be managed to insure that all cash is invested promptly until needed.
- The City will strive to maximize the return on the portfolio, with the primary objective of preserving capital by prudent investment practices.
- The City Council will approve all depositories.

Accounting, Auditing and Financial Reporting Policies

- An independent audit will be performed annually.
- The City will produce annual financial reports following Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).
- The City will maintain a system of strong internal audit controls

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FINANCIAL POLICIES

Purchasing Policies

- Competitive prices for all purchases and public improvements are obtained, except when no advantage to the City results from such a procedure.
- Purchases will be made in an impartial, economical, competitive and efficient manner.
- Purchases under \$2,500 that are supported by a budget appropriation: Department's responsibility to obtain best price, quality and service to obtain the most efficient use of the taxpayers' money.
- Purchases between \$2,500 and \$5,000 that are supported by a budget appropriation: Department must obtain price quotations to obtain best price, quality and service to obtain the most efficient use of the taxpayers' money. A written record of the quotations and the basis upon which the purchase decision was made will be kept on file.
- For purchases over \$5,000, formal competitive sealed bids must be obtained. Each such purchase will be subject to specific approval by City Council before being awarded to one of the bidders.
- Exceptions to the dollar limitations for some purchases are stipulated in the City Ordinance.
- No purchase shall be subdivided for the purpose of circumventing the purchasing limits.

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FINANCIAL POLICIES

Fund Balance Policies

- Fund balance represents the assets of a fund less liabilities, as determined at the end of each fiscal year. An accounting distinction is made between the portions that are spendable and non-spendable. These are divided into five categories:
 1. Non-spendable: represents resources that are in a non-spendable form such as inventory or prepaid expenditures.
 2. Restricted: represents resources that can only be spent for specific purposes as stipulated by external providers or enabling legislation such as grants or dedicated millages.
 3. Committed: represents resources whose use is constrained by formal City Council action and that remain binding unless removed in the same manner.
 4. Assigned: represents resources that are intended to be used by the City for specific purposes but are neither restricted nor committed. These amounts are determined by the City Manager and Finance Director.
 5. Unassigned: represents the residual fund balance in the General Fund that has not been restricted, committed or assigned.

- When multiple classifications are available and appropriate for a specific purpose, fund balance will be used first from the most restrictive category (non-spendable) in order, to the least restrictive (unassigned).

- The City's goal is to maintain an unassigned fund balance in the General Fund of no less than two months of regular general fund operating revenue or regular general fund operating expenditures.

- The City establishes a contingency to pay for expenditures as a result of unforeseen emergencies or for shortfalls caused by revenue declines.

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CAPITAL EXPENDITURES POLICY

The City of Northville defines capital expenditures as expenditures over \$5,000 for assets that are either purchased or constructed and have an estimated useful life in excess of one year. Expenditures that are maintenance oriented, operational or continuous are not considered to be capital expenditures.

Due to the nature of a city, many of the capital expenditures are non-routine in nature and have significant impact on City finances. Therefore, the City of Northville takes a proactive approach to planning, identifying and scheduling capital improvements. The City administration, department heads, consultants and City Council work together to formulate strategic long-term policy decisions which extend beyond the current budget year. This process has resulted in formation of the City of Northville Proposed Capital Improvements to Streets and Sidewalk Program, the Water System Improvements Report and a twenty-year capital improvement plan for the police and fire departments.

Descriptions and amounts of the significant non-routine capital expenditures for the budget year are included in the overview of the individual funds to which the capital expenditure will be charged and in the Capital Improvement Plan section of the budget.

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**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

The following is a summary of the significant accounting policies used by the City of Northville, Michigan (the "City"):

Reporting Entity

The City of Northville, Michigan is governed by a City Council of five members consisting of the elected council members and the mayor, who is deemed a member of the council for all purposes. The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City (see discussion below for description).

Discretely Presented Component Unit - The Downtown Development Authority (DDA) of the City is reported in a separate component unit column to emphasize that it is legally separate from the City. The DDA was created to assist the City in the development of the downtown area. The DDA's governing body, which consists of nine individuals, is approved by the City Council. In addition, the DDA's budget is subject to approval by the City Council. The financial information included in the separate column is condensed. The complete financial statements of the DDA can be obtained from the City Offices at 215 W. Main Street, Northville, Michigan 48167.

Jointly Governed Organizations - The City participates in the Northville Parks and Recreation Commission (the "Recreation Commission") as a joint venture with the Charter Township of Northville. The City is represented by the mayor or mayor pro tem and one other member of the City Council. Approval of the annual budget is required by the City and the Charter Township of Northville. The Recreation Commission has been subsidized to the extent that expenditures exceed operating revenue.

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**Summary of Significant Accounting Policies
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Jointly Governed Organizations – continued

The City participates in the Northville Youth Assistance Commission (the “Commission”) as a joint venture with the Charter Township of Northville and the Northville Public Schools. The City appoints three members to the governing board of the Commission. Approval of the annual budget is required by the City and the Charter Township of Northville.

The City is a member of the 35th District Court System, which provides judicial services to the City and various other surrounding communities. The City appoints one member to the joint venture’s board, which then approves the annual budget, and one member to the related Building Authority board.

Accounting and Reporting Principles

The City follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

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**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenue are reported instead as general revenue.

For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Fund Accounting

The City accounts for its various activities in several different funds in order to demonstrate accountability for how we have spent certain resources - separate funds allow us to show the particular expenditures for which specific revenue was used. The various funds are aggregated into three broad fund types:

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The City reports the following funds as “major” governmental funds:

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**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

- The General Fund - The General Fund is the primary operating fund because it accounts for all financial resources used to provide general government services, other than those specifically assigned to another fund.
- Public Improvement Fund - The Public Improvement Fund is a Capital Projects Fund that accounts for breakage revenue to the extent that it exceeds the cost of providing police and fire service at the racetrack. The expenditures in this fund are primarily for public improvement projects.

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the City). The City reports the following funds as “major” enterprise funds:

- The Water and Sewer Fund provides water to customers, and disposes of sanitary sewage in exchange for bimonthly user charges.

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts will not be used to operate our government's programs. Activities that are reported as fiduciary include the following:

- Allen Terrace Trust Fund, which provides rental subsidies for eligible Allen Terrace residents
- The Agency Fund accounts for assets held by the City in a trustee capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Interfund activity: During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

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**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree healthcare-related costs, or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

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**Summary of Significant Accounting Policies
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Revenue is not recognized until it is collected, or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the City considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: most state-shared revenue, state gas and weight tax revenue, district court fines, and interest associated with the current fiscal period. Conversely, some special assessment revenue will be collected after the period of availability; receivables have been recorded for these, along with a deferred inflow.

Proprietary funds and fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Specific Balances and Transactions

Bank Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Pooled investment income is generally allocated to each fund using a weighted average of balance for the principal.

Inventories and Prepaid Items - Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets - Restricted assets represent funds held with the Michigan Municipal Risk Management Authority for insurance claims. When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the City's policy is to first apply restricted resources.

Capital Assets - Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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**Summary of Significant Accounting Policies
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Infrastructure, intangibles, buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Capital Asset Class	Lives
Buildings and building improvements	5 to 50 years
Equipment	3 to 15 years
Land improvements	10 to 20 years
Parking system	5 to 10 years
Roads, sidewalks, and bridges	20 to 50 years
Streetscape 3 to 20 years Vehicles 2 to 20 years	
Refuse and recycling systems	15 years
Wells, water, and sewer distribution systems	30 to 90 years

Long-term Obligations - In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method; bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances as an “other financing source,” as well as bond premiums and discounts. The debt retirement fund is used to liquidate governmental long-term debt.

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**Summary of Significant Accounting Policies
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Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category, which is the deferred outflows of resources related to the defined benefit pension plan. The deferred outflows of resources related to the defined benefit pension plan are reported in the government-wide financial statements and the Water and Sewer Fund. The deferred outflows of resources result from two transactions: contributions to the defined benefit pension plan subsequent to the plan's year end through the City's fiscal year end and the variance between the plan's actual investment earnings compared to the plan's assumed investment earnings.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows related to special assessments and grants that are not received within the period of availability.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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**Summary of Significant Accounting Policies
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Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the city manager and finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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**Summary of Significant Accounting Policies
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The fund balance policy proscribes the minimum unassigned fund balance in the General Fund as no less than two months of regular operating revenue or regular operating expenditures in the General Fund. This is deemed to be the prudent amount to maintain the City's ability to meet obligations as they come due throughout the year.

Property Tax Revenue

Property tax receivables are shown as net of allowance for uncollectible amounts. Properties are assessed as of December 31. The related property taxes are billed and become a lien on July 1 of the following year. These taxes are due without penalty during the period from July 1 through August 31 with the final collection date of February 28 before they are added to the county tax rolls.

The 2016 taxable valuation of the City totaled \$340 million (net of captured taxable value of \$24 million), on which taxes levied consisted of 13.5864 mills for the City's operating purposes and 1.7329 mills for street improvements. The ad valorem taxes levied raised approximately \$4.60 million for operations and \$588,000 for street, drainage, and sidewalk improvements. These amounts are recognized in the respective General Fund financial statements as taxes receivable - current or as tax revenue.

The delinquent real property taxes of the City are purchased by Wayne and Oakland counties. The counties sell tax notes, the proceeds of which are used to pay the City for these property taxes. Both the Wayne County and Oakland County shares of delinquent real property taxes have been recorded as revenue in the current year.

Pension - The City offers a defined benefit pension plan to its employees. The City records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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and Five Year Plan (2018-2022)**

**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

Other Postemployment Benefit Costs - The City offers retiree healthcare benefits to retirees. The City receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. In the governmental funds, OPEB costs are recognized as contributions are made. For the government-wide statements and proprietary funds, the City reports the full accrual cost equal to the current year required contribution, adjusted for interest and “adjustment to the ARC” on the beginning of year underpaid amount, if any.

Compensated Absences (Vacation and Sick Leave) - It is the City's policy to permit employees to accumulate earned but unused sick and vacation pay benefits and accumulate compensatory leave time. After 10 years of service, employees may receive payment of the accumulated sick leave balance at the rate of 50 percent for retirement or 25 percent for other types of termination. A liability is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year-end. The Employees' Accumulated Compensation Fund internal service fund (or the Leave Time Reserve Fund) has been established to fully reserve funds to liquidate these liabilities for the City. The Downtown Development Authority will liquidate the compensated absences liabilities in that component unit.

Proprietary Funds Operating Classification - Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Water and Sewer Fund and internal service funds is charges to customers for sales and services. The Water and Sewer Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

**City of Northville
Fiscal Year 2019 Annual Budget
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**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

APPENDIX D

GLOSSARY & INDEX

Glossary

Municipal budgets, by their nature, contain a body of technical terms and acronyms. The attached glossary is intended for the reader's reference. Where applicable, specific information related to the City of Northville is provided as an example.

Index

An alphabetical listing of words and topics along with page numbers where they are discussed.

City of Northville

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ACCRUAL BASIS: The basis of accounting under which transactions are recognized when they occur, regardless of the timing of estimated cash flows.

ACCRUED EXPENDITURES: Expenses incurred but payment is not due until a later date.

ADA: The Americans with Disabilities Act is federal legislation intended to make American society more accessible for individuals with disabilities.

ANNUAL FINANCIAL REPORT: A governmental unit's official annual report prepared according to governmental accounting standards and published as a matter of public record.

ASSESSED VALUE: A value that is established for real or personal property based on the condition of property on December 31st. The Michigan Constitution requires that property must be uniformly assessed at 50% of the market value.

ASSIGNED FUND BALANCE: The portion of fund balance that represents resources that are intended to be used by the City for specific purposes but are not restricted or committed. These assignments are made by the City Manager and Finance Director.

AUDIT: An examination of an organization's financial statements.

BOND: A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date in the future, called the maturity date, together with periodic interest at a specified rate.

BOND RATING: An assessment of the likelihood that a bond issuer will pay the interest on its debt on time. Bond ratings are assigned by independent agencies, such as Moody's Investors Service and Standard & Poor's. Ratings range from AAA or Aaa (highest) to D (in default). Bonds rated below B are not investment grade and are called high-yield or junk bonds. Since the likelihood of default is greater on such bonds, issues are forced to pay higher interest rates to attract investors. Northville is rated as an AA+ community by Standard & Poor's.

City of Northville

Glossary

BONDED DEBT: Portion of indebtedness represented by outstanding bonds.

BUDGET: A fiscal plan showing estimated expenditures, revenue, and service levels for a specific fiscal year.

BUDGET AMENDMENT: Legal procedure utilized by the City staff and Council to revise a budget expenditure or revenue. The City of Northville has a written budget amendment policy that allows adjustments in accordance with the City Charter and the State of Michigan Uniform Budgeting and Accounting Act.

BUDGET CALENDAR: The schedule of key dates or milestones, which the City Staff and City Council follow in the preparation, adoption and administration of the budget.

BUDGET DOCUMENT: Instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Council.

BUDGET MESSAGE: The opening section of the budget document, which provides the City Council and the public with a general summary of the most important aspects of the budget, including current and previous fiscal years, and the views and recommendations of the City Manager.

BUDGETARY CONTROL: The control or management of a governmental or enterprise fund in accordance with an approved budget to keep expenditures within the limitations of available appropriations of revenue.

CAPITAL ASSETS: Assets of a long term nature which are intended to continue to be held or used, such as land, buildings, machinery and equipment.

CAPITAL IMPROVEMENT PROGRAM (CIP): A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a fixed period of several future years.

City of Northville

Glossary

CAPITAL IMPROVEMENT PROGRAM BUDGET: A Capital Improvement Program (CIP) budget is a separate budget from the operating budget. Items in the CIP are usually construction projects designed to improve the value of government assets.

CAPITAL OUTLAY: Refers to the purchase of land, buildings and other improvements and also the purchase of machinery and equipment items which have an estimated useful life of two years or more and belong to the classes of property commonly considered as fixed assets.

CAPITAL PROJECT: A specific identifiable improvement or purpose for which expenditures are proposed within the capital budget or capital improvement program. Examples of capital improvement projects include new roads, sewer lines, buildings, operating systems, recreational facilities, and large scale remodeling.

CAPITAL PROJECT FUND: A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

CAPPED VALUE: This is the previous year's taxable value of a property minus losses, such as construction changes; increased or decreased by the amount of inflation (with a maximum of five (5) percent); plus additions, such as building enhancements. Properties "uncap" to approximately half their market value following a sale or other change in ownership.

CITY COUNCIL: The Mayor and four (4) Council Members collectively acting as the legislative and policy making body of the City.

COMMITTED FUND BALANCE: The portion of fund balance that represents resources whose use is constrained by formal City Council action and that remains binding unless removed in the same manner.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG): Federal money made available to municipalities specifically for community revitalization.

City of Northville

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COMPONENT UNIT: A legally separate organization for which the elected officials of the primary government are financially accountable. Component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Northville Downtown Development Authority is a component unit of the City of Northville.

CONTINGENCY: A budgetary reserve, set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CONTRACTUAL SERVICES: Expenditures for services which are obtained by an express or implied contract. Major types of contractual services are: (1) advertising and printing; (2) maintenance and repair services; and (3) public utility services.

DEBT SERVICE: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

DEBT SERVICE FUND: A fund established to account for the accumulation of resources for the payment of principal and interest on long term debt.

DEFICIT: The excess of the liabilities of a fund over its assets; or the excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

DEPARTMENT: Administrative subsection of the City that indicates management responsibility for an operation.

DEPRECIATION: That portion of the cost of a capital asset that is charged as an expense during a particular period. This is a process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the loss of usefulness of a fixed asset is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

City of Northville

Glossary

DISTINGUISHED BUDGET PRESENTATION AWARD: A voluntary program administered by the Government Finance Officers Association to encourage governments to publish well organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

DMIS or DOCUMENT MANAGEMENT INFORMATION SYSTEM: A computer system that allows paper documents to be scanned and indexed for electronic storage and retrieval.

ENTERPRISE FUND: A fund established to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

EXPENDITURES: This term refers to the outflow of financial resources paid or to be paid for an asset obtained or goods and services obtained, regardless of when the expense is actually paid. Note: An encumbrance is not expenditure. An encumbrance reserves financial resources to be expended for a future date.

EXPENSES: A decrease in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FEMA: Federal Emergency Management Agency.

FISCAL YEAR (FY): The time period designating the beginning and ending period for recording financial transactions. The City of Northville uses July 1 to June 30 as its fiscal year.

FRANCHISE FEE: The fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens of a community. Services requiring franchises include electricity, telephone, natural gas and cable television.

FULL ACCRUAL BASIS: The basis of accounting under which transactions are recognized when they occur, regardless of the timing of estimated cash flows.

City of Northville

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FUND: An accounting entity with a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures.

FUND ACCOUNTING: A governmental accounting system that is organized and operated on a fund basis.

FUND BALANCE: The assets of a fund less liabilities, as determined at the end of each fiscal year.

FUND TYPE: In governmental accounting, all funds are classified into eight fund types: General, Special Revenue, Debt Services, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB): In independent national board created to establish and improve standards of state and local governmental accounting and financial reporting.

GENERAL FUND: The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, service charges, and other types of revenue. This fund usually includes most of the basic operating services such as fire and police protection and general administration.

GENERAL ACCEPTED ACCOUNTING PRINCIPLES (GAAP): Uniform minimum standard of guidelines to financial accounting and reporting. It governs the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. This includes not only broad guidelines of general application, but also detailed practices and procedures. GAAP is a standard by which to measure financial presentations.

GENERAL OBLIGATION BONDS: Bonds that finance public projects such as streets, municipal facilities and park improvements. The repayment of these bonds is made from property taxes and these bonds are backed by the full faith and credit of the issuing government.

GFOA: Government Finance Officers Association.

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GRANT: A contribution by a government or other organization to support a particular function. Typically, these contributions are made to local governments from the state and federal governments.

HEADLEE ROLLBACK: As part of a 1978 amendment to the Michigan constitution, when the annual growth on existing property is greater than the rate of inflation, a local unit's millage rate is rolled back so the resulting growth in property tax revenue community-wide is the rate of inflation. Units of government are now required to annually calculate a Headlee rollback factor.

INCOME: A term used in proprietary fund type accounting to represent revenues, or the excess of revenues over expenses.

INFRASTRUCTURE: The underlying permanent foundation or basic framework.

INTEREST EARNINGS: The earnings from available funds invested during the year in U.S. Treasury Bonds, Government agencies, and Certificates of Deposits.

INTERFUND TRANSFER: Amounts transferred from one fund to another.

INTERNAL SERVICE FUND: Fund used to account for the financing of goods or services provided by one department to another department on a cost reimbursement basis.

INVESTMENTS: Securities and real estate held for the production of revenues in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

ISO: Insurance Services Office, a non-profit organization that grades the Fire Department's ability to provide service to a community, which is reflected in the insurance premium paid by the occupier. It is a national standard with a one to ten rating scale, one being the best. Northville is rated 6.

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LEIN: Law Enforcement Information Network. A statewide computerized information system used as a service to Michigan's criminal justice agencies by providing and maintaining a computerized filing system of accurate and timely documented criminal justice information.

LEVY: To impose taxes, special assessments, or service charges for the support of City services.

LIABILITIES: Debts or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date.

LONG TERM DEBT: Debt with a maturity of more than one year after the date of issuance.

MAINTENANCE: All materials or contract expenditures covering repair and upkeep of City buildings, machinery and equipment, systems, and land.

MDNR: Michigan Department of Natural Resources.

MDOT: Michigan Department of Transportation.

MERS: Michigan Municipal Employee Retirement System, a pension plan for employees of member municipalities within the State of Michigan.

MFT: Motor Fuel Tax, represents revenues for the City's share of gasoline taxes, allotted by the state for street improvements in accordance with State of Michigan Public Act 51.

MODIFIED ACCRUAL BASIS: The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred except for (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported;

City of Northville

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(3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger than normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due.

MUNICIPAL: Of or pertaining to a city or its government.

NET ASSETS: Total assets less liabilities for a fund.

NON-SPENDABLE FUND BALANCE: The portion of fund balance that represents assets that are in a non-spendable form such as inventory or prepaid expenses.

NCC or NORTHVILLE COMMUNITY CENTER: The facility that provides classes, activities, and events for the Northville Community.

NCIC: National Crime Information Center. A computerized index of criminal justice information (i.e.- criminal record history information, fugitives, stolen properties, missing persons) available to Federal, state and local law enforcement agencies.

NYA or NORTHVILLE YOUTH ASSISTANCE: A Northville Community organization that provides mentoring, counseling, tutoring, advocacy and program development to youths and their families.

OBJECTIVES: The objectives in the performance area of the budget are statements of one-time projects. These statements are intended to address either a new service or project, or a significant change in focus or priority in response to a special community need or City effort to improve productivity. Objectives are generally limited to one fiscal year.

OPERATING BUDGET: A financial plan outlining the estimated revenues and expenditures, and other information for a specific period (usually a fiscal year). The “proposed budget” is the financial plan presented by the City Manager for consideration by the City Council, and the “adopted budget” is the financial plan ultimately approved and authorized by the City Council.

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OPERATING EXPENSES: Proprietary fund expenses that are directly related to the fund's primary service activities.

OPERATING INCOME: The excess of proprietary fund operating revenues over operating expenses.

OPERATING REVENUES: Proprietary fund revenues that are directly related to the fund's primary service activities. They consist primarily of user charges for services.

PER CAPITA COSTS: The cost of service per person based upon estimated population provided by the most recent U.S. Census.

PRINCIPAL RESIDENCE EXEMPTION (PRE): Formerly known as the Homestead Exemption. Individuals who own and occupy a property as their principal residence by June 1st may claim a tax exemption for that, and subsequent tax years. The exemption is for a part of the local school operating taxes, and does not affect the property assessment. In Northville, the exemption is for up to 18 mills.

PROPERTY TAXES: Used to describe all revenues received in a period from current taxes, delinquent taxes, penalties and interest on delinquent taxes.

PROPOSAL A: The 1994 voter approved amendment to the Michigan Constitution that established "taxable value" as the basis for the calculation of property taxes. Increases in taxable value are limited to the percent change in the rate of inflation or five (5) percent, whichever is less.

PUBLIC HEARING: The portions of open meetings held to present evidence and provide information on both sides of an issue.

RCH or RECREATION CENTER AT HILLSIDE: The primary facility for indoor recreation for the Northville Community.

RESTRICTED FUND BALANCE: The portion of fund balance that represents resources that can only be spent for specific purposes as stipulated by external providers or enabling legislation such as grants or dedicated millages.

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REVENUES: All amounts of money earned or received by the City from external sources. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

SHARED SERVICE: Sometimes referred to as joint services, these are agreements between local governments to contribute and combine resources for providing a service to their communities. The arrangement creates a new organization with representation from each of the contributing governments. Northville Parks and Recreation, Northville Senior Adult Services, and Northville Youth Assistance are shared services in which the City of Northville participates.

STANDARD AND POOR'S (S&P) INVESTMENT RATING SERVICE: An independent agency that analyzes the financial credit ratings of organizations. These ratings are based on debt issuance and carry a three letter coding. Northville's rating is AA+.

STATE EQUALIZED VALUE (SEV): This value is approximately half of the appraised market value of a property.

S.O.S.: Secretary of State – Michigan.

TAXABLE VALUE: (TV): This is the lesser of State Equalized Value and Capped Value. The taxable value of property will be used for the calculation of property taxes.

TAX BASE: The total value of all real and personal property in the City as of December 31 of each year, as certified by the City's Assessor. The tax base represents net value after all exemptions.

TAX LEVY: The resultant product when the tax rate per one thousand dollars is multiplied by the tax base.

TAX RATE: A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

TAXES: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. The term does not include charges for services rendered only to those paying such charges, for example sewer service charges.

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TIF: Tax Increment Financing or the act of capturing the amount of property taxes levied by a taxing unit for the year on the appraised value of real property located within a defined investment zone. The tax increments are paid into the TIF fund and used to pay project costs within the zone, including debt service obligations.

TRUST AND AGENCY FUNDS: Funds created to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include pension trust funds and agency funds.

UNASSIGNED FUND BALANCE: The residual fund balance of the General Fund that has not been restricted, committed or assigned.

USER CHARGES: The payment of a fee for direct receipt of a public service by the party benefiting from the service.

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