

CITY OF NORTHVILLE, MICHIGAN

FISCAL YEAR 2020 ANNUAL BUDGET and FIVE YEAR PLAN (2019 - 2023)

Kenneth Roth, Mayor

Nancy Darga, Mayor Pro Tem

Council Members

Sam Ekong

Patrick Giesa

Marilyn Price

City Administration

Patrick Sullivan, City Manager

Sandi Wiktorowski, Finance Director/Treasurer

Dianne Massa, City Clerk

Al Maciag, Police Chief

Steve Ott, Fire Chief

Loyd Cureton, Director of Public Works

Tracey Emmanuel, Housing Director

Lori Ward, Downtown Development Authority Director

Robert Marzano, City Attorney

City of Northville, Michigan FY2020 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 2019, 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, water and street improvements, implementation of downtown strategic plan, 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 that goal as a priority.

Property Taxes - The Taxable Value of the City increased 4.9%, net of DDA. The 2019 Taxable Value, confirmed by the March Board of Review, is \$388,828,966 (net of \$26,355,008 in DDA tax capture).

The General Fund operating millage will decrease from 13.5188 to 13.3538 mills and will provide additional \$181,000 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 be \$537,180, or an increase 3.2%. The City, Village, Township (CVT) Revenue Sharing is expected to be \$71,876. 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 2018, the unfunded retiree healthcare liability was \$2.2 million and the plan was 81% funded. This is a closed plan.

Pension Costs - As of December 2017, the unfunded pension liability was \$7.8 million and the plan was 63% funded. MERS has reduced the discount rate from 7.75% to 7.35% going forward. That change will increase the liability and decrease the funded ratio. Therefore, \$200,000 from the fund balance of the General Fund will be utilized to make additional contributions. This is a closed plan.

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 \$38.20 to \$39.60 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 17.6%. The City estimates that Wayne County will increase the sewage disposal rate by 5%. The City is proposing an increase to the users of the system, from \$9.27 to \$10.05 per unit for water and from \$6.25 to \$6.76 per unit for sewer. The service charge is proposed to increase from \$3.37 to \$3.67 bi-monthly to cover the meter reading and billing processes. The meter replacement charge is proposed to increase from \$5.57 to \$6.67 bi-monthly to continue a program to replace aging water meters.

The average household utility bill will increase 7.8%, or approximately \$7.85 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 2% from \$715 to \$730 for one-bedroom apartments and \$1,105 to \$1,120 for two-bedroom apartments.

Capital Improvement Program - The budget includes approximately \$3.4 million in funding for physical improvements. The projects are discussed in detail in Appendix A.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Northville
Michigan**

For the Fiscal Year Beginning

July 1, 2018

Christopher P. Morill

Executive Director

City of Northville Location Map

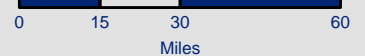
State of Michigan & Vicinity Reference



Date: July 20, 2010

MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



City of Northville
 Fiscal Year 2020 Annual Budget
 And Five Year Plan – 2019 through 2023

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SECTION I

OVERVIEW

The section provides the reader with details of the process by which the fiscal year 2020 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 2020 Budget Message**

April 1, 2019

Honorable Mayor and City Council Members:

Transmitted herewith is the proposed FY2020 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 2019, 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, water and street improvements, Fire Station/City Hall renovations, downtown strategic plan, 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.

FY2020 Budget Highlights

The "Summary – All City Funds – Expenditures" graph on page I-14 shows the level of activity of the City's 19 funds in relation to each other. The three largest funds are the General Fund (34.8%), Water & Sewer Fund (16.6%) and the Local Street Fund (9.1%). There are two new funds this year related to the bond issuance in December 2018 for street improvements: Street Bond Construction Fund and the Street Debt Retirement Fund.

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. Wages and fringes entity-wide will cost \$5.5 million in FY2020.

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.

City of Northville
Fiscal Year 2020 Budget Message – continued

Dental and vision benefits remain 100% City-paid. Staff reviews policies annually to determine if a change is warranted. For calendar year 2019, the premium cost of the active's health insurance decreased 8%. Since decreases were received for both 2018 and 2019 calendar years, an increase is budgeted in calendar year 2020.

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 (12/31/17), the pension was underfunded by \$7.8 million. This represents a funded ratio of 63%. 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.

As of the December 31, 2017 valuation, there were 8 active members, 10 vested former members, and 65 retirees and beneficiaries. Since then, three active members have retired. The discount rate will be reduced by MERS from 7.75% to 7.35% with the next valuation measured on December 31, 2018. That change will increase the overall liability. However, the City has been making additional contributions which will hopefully offset the discount rate change to ensure that the funded ratio remains above 60%. The December 31, 2018 valuation is expected to be received in June 2019.

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 December 31, 2018 actuarial valuation of the OPEB plan identified a net pension liability of \$2.2 million. The funded ratio is at 81%, which is well above the State mandated level of 40% for OPEB plans. There is no minimum annual contribution requirement by the State for OPEB benefits. There are currently 76 retirees and spouses and 16 eligible actives in the retiree healthcare plan.

City of Northville
Fiscal Year 2020 Budget Message – continued

General Fund: The FY2020 General Fund budget is a balanced budget and is summarized below.

Property Taxes: The primary source of General Fund revenue is property taxes at 67% of total revenue as shown on page IV-4. 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 2019, the IRM was an increase of 2.4%. For comparison, the IRM for 2018 was an increase of 2.1%.

As shown on page X-10, the taxable value of the City, net of DDA, increased 4.9% from March 2018 to March 2019. The 2019 taxable value, confirmed by the March Board of Review, is 388,828,966 (net of \$26,355,008 in DDA tax capture). Of the \$18.8 million taxable value increase, \$6.9 million was due to new construction. Assessed value of the City increased 4.2% from the prior year. The taxable value increase will provide an additional \$181,000 in general operating tax revenue.

The City Charter of Northville provides for a maximum property tax levy of 20 mills. This millage limitation is 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 13.3538. In 2017, the City levied 13.5864 mills. For the second year in a row, 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 operating levy is negative, and is expected to decline further over the next several years. Based on current estimates of taxable value in the City, the four-year cumulative Headlee reductions could result in a loss of \$780,000 in the General Fund.

City Council should explore and develop an appropriate timeline 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.

City of Northville
Fiscal Year 2020 Budget Message – continued

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 2019. The State of Michigan Legislature enacted the current formula for allocating state shared sales tax revenue in December 1998. Total FY2020 constitutional revenue sharing is budgeted at \$537,180, an increase of 3.2% from the prior year. This portion continues to be a stable revenue source for the City.

The City also receives City, Village, Township (CVT) Revenue Sharing. 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. The total FY2020 budgeted CVT revenue sharing increases to \$71,876.

Over \$8.6 billion has been diverted from local Michigan communities. The City has lost more than \$2.5 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%.

Police Services: It is proposed to change the Administrative Assistant position in the police department from part-time to full-time effective July 1, 2019. The department is currently running at full staff which has not been the case for several years. 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.

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 FY2020, Northville’s share is 41% which is down one percent from the prior year. Renovations of the Northville station to provide the department with a climate controlled living space and additional offices is a high priority goal for City Council and will be planned for in the coming fiscal year.

City of Northville
Fiscal Year 2020 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.

Planning, Zoning & Inspection Services: A new part-time Administrative Assistant is proposed for FY2020. The level of administrative work related to this function has increased over the past few years and warrants additional assistance. This position may also assist the City Clerk with duties of the Clerk's office and Elections.

Transfers to Other Funds: Annually, the General Fund transfers funds to the Fire Equipment Replacement Fund, the Police Equipment Replacement Fund, and the Public Improvement Fund to add to the reserves for future police, fire, and technology purchases. An additional contribution of \$200,000 into the pension plan, utilizing fund balance, is proposed for FY2020 and the following four years.

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 1.6635 mills for FY2020. The revenue generated by this millage will help fund the City Council high-priority goals of street, sidewalk, and non-motorized improvements throughout the City. The proposed levy will generate \$647,000 in tax revenues.

The Major and Local Street Funds records revenue received from gasoline tax through the State of Michigan under Act 51. These revenues are for maintenance of streets which includes patching, sealing, pavement marking, traffic signs and signals, winter snow and ice control. Construction and reconstruction of roadways can be funded with Act 51 revenues. However, this revenue source does not provide sufficient funding for all needed improvements. For that reason, the dedicated millage referred to above was requested of the voters. The City is expecting to receive approximately \$586,000 of Act 51 revenue in FY2020.

City of Northville
Fiscal Year 2020 Budget Message – continued

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.

The biggest challenge facing the City over the next several years will be the immediate and long term plan to address the maintenance of the parking system. The MainCentre and Cady Street Parking Decks were constructed in 1994 to serve the Northville business community. Over the years, the City and DDA have implemented a number of repairs to the structure, including patching the concrete slabs that make up the driving and parking surface of the garage, sealing the deck, painting the railings, and other maintenance tasks.

In April 2018, The DDA retained the parking consulting firm Carl Walker/WGI to evaluate the two parking decks and develop an improvement plan to bring the two decks up to good condition and develop a long term maintenance plan for the decks. The plan details routine annual maintenance items that are recommended to keep the parking decks in good condition through their entire life cycle. The plan was completed in September and identified an initial repair plan that is estimated at \$725,185 over two years followed by an 18 year maintenance plan estimated at \$1,713,000. The construction documents are currently being prepared for the identified capital projects in the first 2 years totaling \$725,185. In addition to the Carl Walker Study, the City has retained Fleis and Vandenbrink, the City Engineers, to evaluate the surface parking lots and to determine a repair/replacement plan for the next 20 years.

Carlisle Wortman has been assisting the City and DDA with a financial strategy to pay for the needed improvements. There are a limited number of options that are available to pay for the projects. Once the City/DDA has all of the costs assembled, a plan will be put together and presented to the DDA and City Council.

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.

City of Northville
Fiscal Year 2020 Budget Message – continued

The Housing Commission Fund proposes to increase the rent at Allen Terrace, an independent senior citizen apartment community, by 2% from \$715 to \$730 per month for one-bedroom apartments and \$1,105 to \$1,120 for the two-bedroom apartments. A transfer to the Housing Capital Outlay Fund for \$152,000 is proposed for building improvements identified in its Capital Needs Assessment report. Updating that report will be a priority in the next fiscal year. Allen Terrace does not rely on property taxes for its operations.

Capital Project Funds: These 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 the general public. More details on these projects can be found in Appendix A.

The Public Improvement Fund is planning for several projects in FY2020:

- The replacement of the Fort Griswold wooden play structure at Ford Field is proposed for replacement. The current structure is 21 years old. The new structure will meet current safety and ADA guidelines. The projected cost to replace it is \$250,000. The Parks & Recreation Director will be seeking donations for 50% of the project. The other half is proposed to be funded utilizing committed reserves for unfunded projects.
- The City has been notified by the Randolph Drain Commission that the High Street Culvert may need replacement. Estimated cost allocable to the City is \$155,476.

There is currently almost \$1.4 million set aside for future Fire Station and City Hall renovations. High-level design work has been completed and cost estimates received. This project was elevated from a medium-priority to a high-priority goal during the goal setting session in January 2019. A secondary goal to be included in the renovation plan is to incorporate energy efficiencies where possible.

The Fire Equipment Replacement Fund will be utilizing reserves to purchase turnout gear including boots and helmets, mobile computers, replacement of radios, and replacement of the rescue vehicle at the Northville station.

The Police Equipment Replacement Fund will be utilizing reserves to upgrade the in-car computers, cameras, and modems.

City of Northville
Fiscal Year 2020 Budget Message – continued

The Housing Commission Capital Outlay Fund will utilize reserves to replace the skylight atrium, relocation of the downspout, and replacement of concrete at Allen Terrace. Security cameras and exterior lighting will be upgraded. The capital needs assessment will be updated to provide a plan for long-term building maintenance needs.

The 2018 UTGO Street Bond Construction Fund is a new fund. Last year Spalding DeDecker updated the 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 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.

On November 6, 2018, Northville voters approved the issuance of \$3,050,000 in unlimited tax general obligation bonds to finance street improvements. The bond proceeds will allow for street improvements on Taft Road, N. Rogers Street, and all or a portion of Stanstead, Morgan Blvd., Allen Drive, Lexington Court, MacDonald, Baseline and Potomac. Engineering design is expected to be completed during FY19 with construction in FY20. Once these projects are completed, the average OCI rating will increase from 4.57 to 5.22 with a goal of reaching over 6.0 within four years.

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 with Waste Management have been extended to May 2022.

City of Northville
Fiscal Year 2020 Budget Message – continued

The goal of this fund 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 \$38.20 to \$39.60 bi-monthly. The following rate changes are proposed for the commercial program.

<u>Business Classification</u>	<u>Bi-Monthly Rate</u>	<u>Business Classification</u>	<u>Bi-Monthly Rate</u>
Restaurants	\$406 to \$418	Retail Sales	\$131 to \$135
Retail Food	\$174 to \$179	Professional Services – Large Office	\$104 to \$107
Churches & Halls	\$174 to \$179	Professional Services – Small Office	\$48 to \$49
		Downtown Residential	\$43 to \$44

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 FY2020, the charge for water from GLWA is proposed to increase by 17.6%. A significant portion of this increase is related to a contract exceedance in peak hourly flow. It is proposed that the City increase the water rate from \$9.27 to \$10.05 per unit effective July 1, 2019. 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 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 2020 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”. Over the last several years, the County proposed rate increases, but they were never approved. Therefore, City Staff is expecting a rate increase this year. An increase of 5% for sewage disposal is budgeted. It is proposed that the City increase the sewer rate from \$6.25 to \$6.76 per unit effective July 1, 2019.

Neither the water charge from GLWA nor any 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 increase from \$3.37 to \$3.67 bi-monthly. This charge is set to cover the costs of the meter reading and billing process. The meter replacement charge established two years ago will increase from \$5.57 to \$6.67 bi-monthly. This program will replace aging water meters City-wide.

The average household utility bill will increase approximately 7.8%, or \$7.85 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.

City of Northville
Fiscal Year 2020 Budget Message – continued

Downtown Development Authority (DDA): The DDA 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 utilize a committee structure to implement the Downtown Strategic Plan which was adopted by the Northville City Council in July 2006.

The taxable value subject to DDA capture increased 2.7% from last year, generating an additional \$18,358 in captured taxes. The DDA is anticipating \$30,000 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 1.8158 mills due to a Headlee rollback. This will provide for \$60,209 in revenue in fiscal year 2020. The DDA Director will be coordinating the parking deck rehabilitation.

Debt: The City currently has three outstanding bond issues and one installment purchase contract. The first bond issue is repaid through captured taxes by the DDA with a final payment due in FY2025. The second bond issue is repaid from tenant rents at Allen Terrace with a final payment due in FY2023. The third bond issue is new for street improvements and will be repaid by a debt millage with a final payment due in FY2029. 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. The final payment for the installment purchase contract will be in FY2026.

Capital Improvement Program: The Capital Improvement Program for FY2020 provides for \$3.4 million in physical improvements. 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.

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. Further detail may be found in Appendix A.

Proposed 2019 Millage Rates: The following statements are provided concerning the 2019 proposed millage levies for the City.

City of Northville
Fiscal Year 2020 Budget Message – continued

- The Operating Millage is proposed to be 13.3538 mills, compared to 13.5188 mills in 2018, resulting in a decrease of 1.22%.
- The levy for Streets, Drainage and Sidewalks Improvements is proposed to be 1.6635 mills, compared to 1.6841 mills in 2018, resulting in a 1.22% decrease.
- The 2019 levy for Street Bond Debt, approved by the voters on November 6, 2018, is proposed to be 0.9003 mills.
- The total City millage for operating, debt, and improvements is proposed to be 15.9176 mills in 2019. Compared to the 15.2029 mills levied in 2018, the increase is 0.7147 mills, or 4.7%.

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 20, 2019. City Council budget review sessions are scheduled for Monday, April 8, 2019 and Wednesday, April 24, 2019. 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 13th 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 2020 Annual Budget
and Five Year Plan (2019-2023)**

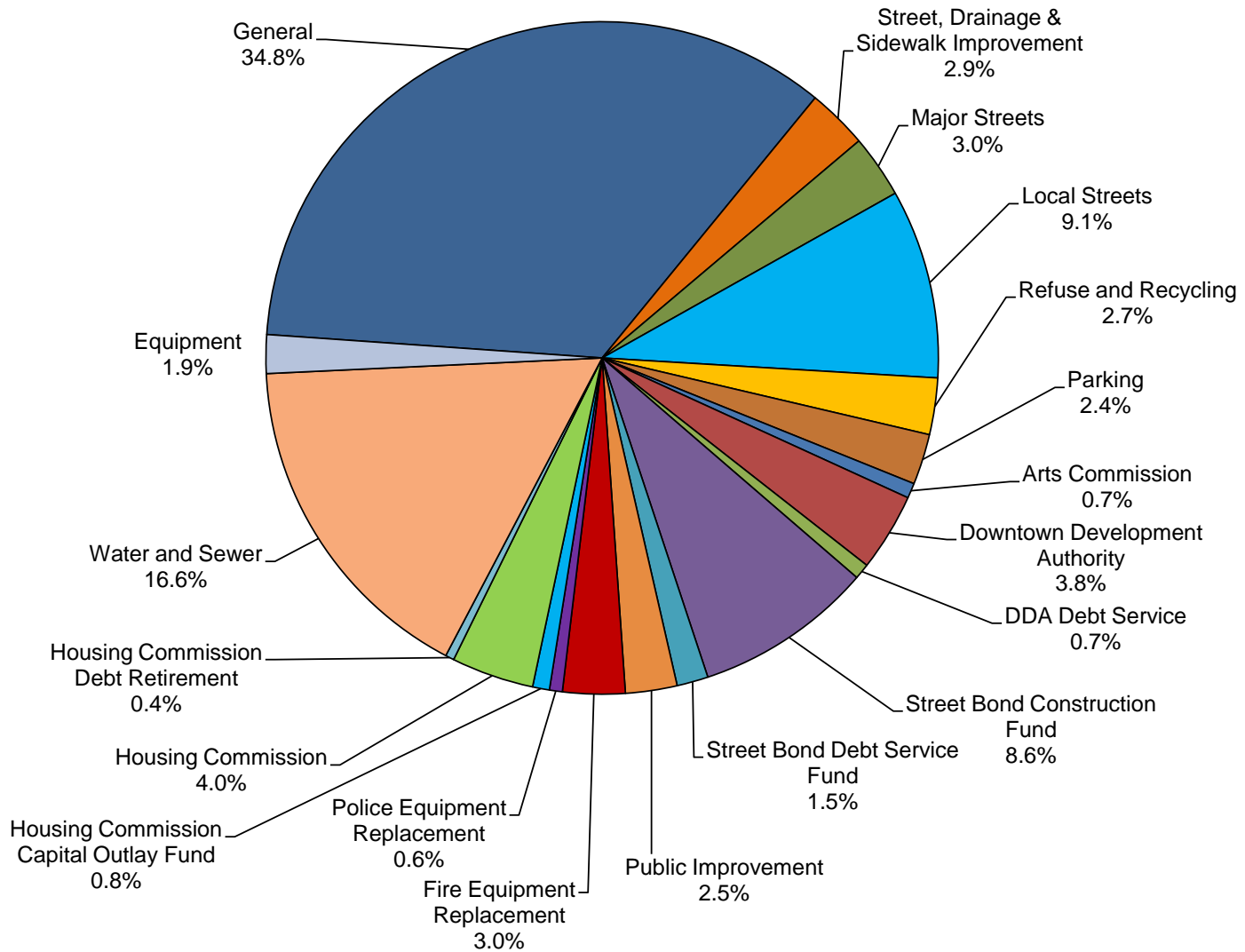
Total Expenditures All Funds

In this summary, the total proposed FY2019-20 budget for all funds is compared with the projected totals for FY2018-19. All budget totals in this summary include interfund transfers out and, if any, increase to fund balance.

Fund	2018-19 Projected	2019-20 Proposed	Net Change	Percent Change
General	\$ 7,782,988	\$ 8,093,699	\$ 310,711	3.99%
Street, Drainage & Sidewalk Improvement	\$ 656,112	\$ 676,317	\$ 20,205	3.08%
Major Streets	\$ 432,750	\$ 702,483	\$ 269,733	62.33%
Local Streets	\$ 481,850	\$ 2,114,500	\$ 1,632,650	338.83%
Refuse and Recycling	\$ 603,369	\$ 631,992	\$ 28,623	4.74%
Parking	\$ 184,261	\$ 565,702	\$ 381,441	207.01%
Arts Commission	\$ 164,476	\$ 168,650	\$ 4,174	2.54%
Downtown Development Authority	\$ 810,372	\$ 872,420	\$ 62,048	7.66%
DDA Debt Service	\$ 173,170	\$ 173,830	\$ 660	0.38%
Street Bond Construction Fund	\$ 3,059,300	\$ 1,996,000	\$ (1,063,300)	-34.76%
Street Bond Debt Service Fund	\$ -	\$ 350,063	\$ 350,063	0.00%
Public Improvement	\$ 688,965	\$ 576,765	\$ (112,200)	-16.29%
Fire Equipment Replacement	\$ 483,866	\$ 696,000	\$ 212,134	43.84%
Police Equipment Replacement	\$ 105,245	\$ 144,230	\$ 38,985	37.04%
Housing Commission Capital Outlay Fund	\$ 371,115	\$ 188,237	\$ (182,878)	-49.28%
Housing Commission	\$ 959,059	\$ 921,355	\$ (37,704)	-3.93%
Housing Commission Debt Retirement	\$ 98,774	\$ 96,848	\$ (1,926)	-1.95%
Water and Sewer	\$ 3,345,348	\$ 3,849,580	\$ 504,232	15.07%
Equipment	\$ 456,130	\$ 431,015	\$ (25,115)	-5.51%
Total All City Funds	\$ 20,857,150	\$ 23,249,686	\$ 2,392,536	11.47%

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

Summary - All City Funds - Expenditures



~ *City of Northville* ~

Council Communications

To: Mayor and City Council
From: Patrick Sullivan, City Manager
Date: March 18, 2019
Subject: Finalization of 2019-20 Goals, Objectives and Project Priorities

Background: The City Council begins the annual budget process with formulating goals, objectives and project priorities for the upcoming fiscal year. City Council met for that purpose on January 25, 2019.

Analysis: While the summary places goals in high, medium and low priority, no timeline is attached in this summary. The items under Communications and Boards and Commissions Training items were moved from high to medium priority and Water, Sewer and Street Improvements and Fire Station/City Hall Renovations/Repairs were moved from medium to high priority based on Council feedback at the January 25, 2019 meeting.

Budget Impact: None

CITY COUNCIL GOALS, OBJECTIVES, AND PRIORITIES FOR FY 2019-2020

High Priority

Long-Term Financial Stability

Continuation of the long-term fiscal and financial stability efforts outlined in the City Manager's report dated February 4, 2019.

- Continue to implement plan for long-term funding of highest priority needs as identified in the financial analysis report from Vettraino Consulting and Municipal Analytics. This includes:
 - Evaluate need for General Fund Operating Millage/Headlee Override ballot proposal.
 - Street Improvements.
 - Pension, and Other Post-Employment Benefits (OPEB) liabilities.
 - Water and Sewer Review (five-year calculation to avoid rate spikes, formal rate study, shift to commodity/fixed rate model, coordinate timing of water and sewer infrastructure with street improvements, replace aging water meters).
 - Capital Improvements (review details and timing, determine possibility of internal financing).
 - Parking System Review and Capital Improvement Plan.
 - Additional Considerations: revenue generation, cost reductions, potential economic projects, and debt analysis.

Water, Sewer and Street 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.
- Continue 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.
- Monitor controls to reduce peak hourly flows established by GLWA.
- Implement Street Improvement Program.

Future Fire Station and City Hall Repairs/Renovations

- Develop plan for Fire Hall/Municipal Building renovations/repairs.

Medium Priority

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.

Downtown Strategic Plan/Preservation of Downtown Funding

- Implement the 2017 Strategic Plan recommendations.
- Review possible new entryway signs for Northville mural project and historic markers project that could serve as a template for future historic signage installations.
- Address needed repairs for aging parking decks.
- Continue to monitor efforts in Lansing that would reduce or eliminate the DDA and TIFA funding mechanisms.

Street, Sidewalk, and Bike Path Improvements

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

Community Groups

- Continue strengthening partnerships and relationships between the City and the Chamber of Commerce, DDA, and non-profits that impact the City.
- Continue scheduling short presentations from various community groups to improve the understanding of the contributions these groups make to the City.

Development and Redevelopment Issues

- Continue to reduce steps to make application processes less burdensome on developers.
- Development of new ordinance language to address survey results that new houses and additions are too large.
- Continue to monitor Cady Street redevelopment.
- Develop a plan for Wing Street property next to the Post Office, and issue a Request for Proposal, if appropriate.

Ford Field Improvements

- Develop funding for Ford Field capital improvements such as the play structure and other infrastructure, including restrooms.

Cemetery Build-Out

- Complete the Phase 2 expansion of Rural Hill Cemetery.

Medium Priority –continued

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.

Communications

- Continue to improve and expand citywide communications.
 - Finish work on new website (forms, archived information, etc).
 - Use of Northville Matters and social media to inform residents.
 - Consider Instagram or a YouTube channel.
 - Timely press coverage.
 - Continue engaging with community affiliates/partners.

Boards and Commission Training

- Training in 2020 and repeating every two years 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.
- Annual operational detail training for the Planning Commission, Historic District Commission, and Board of Zoning Appeals.

Lower Priority

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 is 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
Fiscal Year 2020 Annual Budget
and Five Year plan (2019-2023)

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
Fiscal Year 2020 Annual Budget
and Five Year plan (2019-2023)

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 2020 Annual Budget
and Five Year Plan (2019-2023)**

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 2020 Annual Budget
and Five Year Plan (2019-2023)**

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 2019-20 City Budget.

Monday, January 28	Special City Council Meeting – Goals and Objectives (6:30 pm)
Monday, January 21	Finance Department distributes worksheets to Department Heads
Tuesday, February 5	Departmental worksheets and supporting documentation due to Finance Department from the Housing Commission, and Arts Commission
Friday, February 8	Departmental worksheets and supporting documentation due to Finance Department
Monday, April 1	Regular Meeting - Budget document presented to City Council
Monday, April 8	Special Meeting – Budget Review Session #1 (6:30 pm)
Wednesday, April 24	Special Meeting – Budget Review Session #2 (6:30 pm)
Thursday, May 9	Notice of Availability of Budget and Hearing on Budget (at least one week in advance of the hearing)
Monday, May 20	Regular Meeting - Hearing on Budget Adoption, subsequent Budget Adoption, and establishment of 2020 Operating Millage Rate

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

Budget Discussion Schedule

All meetings are held at 6:30 PM in the City Council Chambers, 215 W. Main Street, Northville, Michigan 48167.

<u>Session # 1 Monday, April 8, 2019</u>	<u>Session #2 Wednesday, April 24, 2019</u>
<ul style="list-style-type: none"> 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 Equipment Fund Downtown Development Authority 	<ul style="list-style-type: none"> Public Improvement Fund Street Bond Construction Fund Street, Drainage & Sidewalk Improvement Fund Major Streets Fund Local Streets Fund Parking Fund Arts Commission Housing Commission Housing Commission Capital Outlay Fund Refuse & Recycling Fund Water & Sewer Fund Streets Debt Service Fund DDA Debt Service Fund Housing Debt Service Fund

City of Northville
NOTICE OF AVAILABILITY OF BUDGET

FY 2020 CITY BUDGET The budget for the various Funds of the City of Northville are proposed for the year ended June 30, 2020 as follows:

	Revenues		Revenues	Expenditures
GENERAL FUND		SPECIAL REVENUE FUNDS		
Property Taxes	\$5,436,488	Street, Drainage & Sidewak Improvement Fund	\$676,317	\$676,317
Licenses, Fees and Permits	415,125	Major Streets Fund	702,483	\$702,483
Grants	4,000	Local Streets Fund	\$2,114,500	\$2,114,500
Racetrack Breakage\Police & Fire Service	12,557	Parking Fund	\$565,702	\$565,702
Cemetery Revenues	87,500	Arts Commission Fund	\$168,650	\$168,650
State Shared Revenue	621,556	Housing Commission Fund	\$921,355	\$921,355
Sales and Services	713,931			
Fines and Forfeitures	18,450	ENTERPRISE FUNDS		
Other Revenues	584,092	Refuse & Recycling Fund	\$633,335	\$633,335
Interfund Transfers	-	Water & Sewer Fund	3,849,580	\$3,849,580
Use of Fund Balance	200,000			
General Fund Total	\$8,093,699	DEBT SERVICE FUNDS		
		Street Bond Debt Service Fund	\$350,063	\$350,063
		DDA Bond Debt Servcie Fund	173,830	\$173,830
		Housing Bond Debt Service Fund	\$96,848	\$96,848
		CAPITAL PROJECTS FUNDS		
	Expenditures	Public Improvement Fund	\$576,765	\$576,765
Administration	1,333,615	Fire Equipment Replacement Fund	\$696,000	\$696,000
Buildings and Grounds	330,265	Police Equipment Replacement Fund	\$144,230	\$144,230
Police Department	3,228,145	Housing Commission Capital Outlay Fund	\$188,237	\$188,237
Fire Department	1,063,790	Street Bond Construction Fund	\$1,996,000	\$1,996,000
Technology	62,200			
Department of Public Works	471,275	INTERNAL SERVICE FUND	\$431,015	\$431,015
Planning, Zoning & Inspection Services	337,300			
Shared Services	230,291	COMPONENT UNIT		
Contributions to Other Funds	807,557	Downtown Development Authority	\$872,420	\$872,420
Debt Service	52,096			
Insurance & Central Supplies	52,165			
Contingency	125,000			
	\$8,093,699			

City of Northville
NOTICE OF AVAILABILITY OF BUDGET (continued)

PUBLIC HEARING A public hearing will be held on Monday, May 20, 2019, 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 2019-20 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 2019-20 City budget document.

COPIES OF PROPOSED BUDGET AVAILABLE A complete copy of the 2019-20 Annual City Budget document will be available for public inspection beginning May 9, 2019 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 9, 2019.
"Public Hearing" paragraph, last sentence must be in 11 point boldfaced type.

City of Northville
NOTICE OF PUBLIC HEARING
2019-20 PROPOSED ANNUAL CITY BUDGET

Notice is hereby given that a public hearing will be held on Monday, May 20, 2019, 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 2019-20 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 2019 MILLAGE RATES The following statements are provided, as required by State statute, concerning the 2019 proposed millage levies for the City of Northville.

The 2019 tax levy for the City Operating Millage is proposed to be 13.3538 mills, compared to 13.5188 mills in 2018, resulting in a decrease of 1.22%. The City Council has authority under the City Charter to set the Operating Millage rate within the maximum allowed rate of 13.3538 mills, as adjusted by the Headlee roll-back formula.

The 2019 levy for the Improvement Program for Streets, Drainage and Sidewalks, approved by the voters on March 4, 1997, is proposed to be 1.6635 mills, compared to 1.6841 mills in 2018, resulting in a 1.22% decrease.

The new 2019 levy for Street Bonds for repayment of issued bonds, approved by voters on November 6, 2018, is proposed to be 0.9003 mills.

The total City millage for operating, debt, and improvements is proposed to be 15.9176 mills in 2019. Compared to the 15.2029 mills levied in 2018, the increase is 0.7147 mills, or 4.7%

ANTICIPATED EQUALIZATION FACTORS The 2019 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 9, 2019.
Paragraph #2 must be in 11 point boldfaced type.

**City of Northville
2019-20 Budget Resolution**

WHEREAS, a public hearing was held on May 20, 2019 as required by City Charter and State Statute, THEREFORE, BE IT RESOLVED, that the City's 2019-20 Annual City Budget be adopted as follows:

	Revenues		Revenues	Expenditures
GENERAL FUND		SPECIAL REVENUE FUNDS		
Property Taxes	\$5,436,488	Street, Drainage & Sidewalk Improvement Fund	\$676,317	\$676,317
Licenses, Fees and Permits	415,125	Major Streets Fund	702,483	\$702,483
Grants	4,000	Local Streets Fund	\$2,114,500	\$2,114,500
Racetrack Breakage\Police & Fire Service	12,557	Parking Fund	\$565,702	\$565,702
Cemetery Revenues	87,500	Arts Commission Fund	\$168,650	\$168,650
State Shared Revenue	621,556	Housing Commission Fund	\$921,355	\$921,355
Sales and Services	713,931			
Fines and Forfeitures	18,450	ENTERPRISE FUNDS		
Other Revenues	584,092	Refuse & Recycling Fund	\$633,335	\$633,335
Interfund Transfers	-	Water & Sewer Fund	3,849,580	\$3,849,580
Use of Fund Balance	200,000			
General Fund Total	\$8,093,699	DEBT SERVICE FUNDS		
		Street Bond Debt Service Fund	\$350,063	\$350,063
		DDA Bond Debt Servcie Fund	173,830	\$173,830
		Housing Bond Debt Service Fund	\$96,848	\$96,848
	Expenditures	CAPITAL PROJECTS FUNDS		
Administration	1,333,615	Public Improvement Fund	\$576,765	\$576,765
Buildings and Grounds	330,265	Fire Equipment Replacement Fund	\$696,000	\$696,000
Police Department	3,228,145	Police Equipment Replacement Fund	\$144,230	\$144,230
Fire Department	1,063,790	Housing Commission Capital Outlay Fund	\$188,237	\$188,237
Technology	62,200	Street Bond Construction Fund	\$1,996,000	\$1,996,000
Department of Public Works	471,275			
Planning, Zoning & Inspection Services	337,300	INTERNAL SERVICE FUND	\$431,015	\$431,015
Shared Services	230,291			
Contributions to Other Funds	807,557	COMPONENT UNIT		
Debt Service	52,096	Downtown Development Authority	\$872,420	\$872,420
Insurance & Central Supplies	52,165			
Contingency	125,000			
	\$8,093,699			

BE IT FURTHER RESOLVED that:

1. An operating millage rate of 13.3538 mills for the 2019-20 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 1.6635 mills for the 2019-20 fiscal year is hereby adopted in order to meet the objectives of that improvement program.
3. A street bond debt millage rate of 0.9003 mills for the 2019-20 fiscal year is hereby adopted in order to repayment of debt.
4. The six year capital improvement plan that supports the 2019-20 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 20th day of May, 2019.

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 2020 Annual Budget
and Five Year Plan – 2019 through 2023**

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.

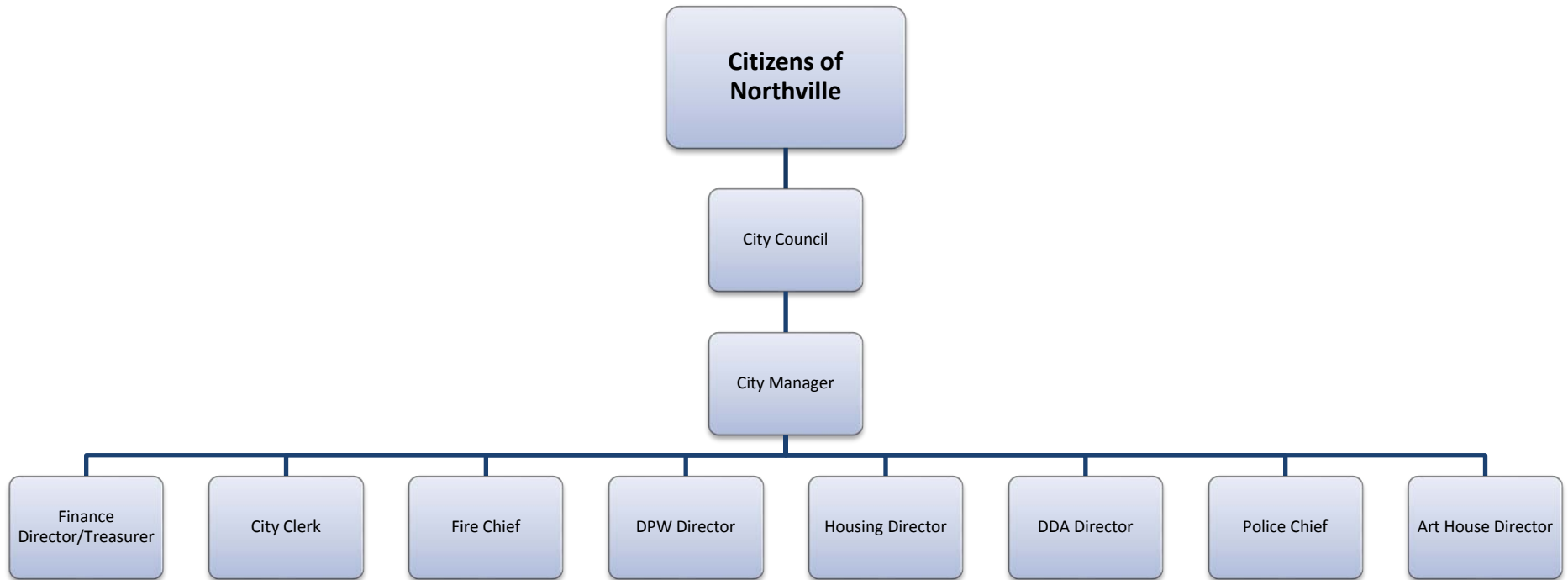
The City of Northville offers the following services: full time Police Department, paid on-call Fire Department, and senior citizen housing. Amenities include a District Library, eleven churches, weekly newspaper, racetrack, and cider mill. The City is part of the award winning Northville School District 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
Fiscal Year 2020 Annual Budget
and Five Year Plan – 2019 through 2023**

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 2020 Annual Budget
and Five Year Plan – 2019 through 2023



**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)
FULL TIME EQUIVALENT PERSONNEL**

		Full Time Equivalent (FTE)				
		FY19	FY20	FY21	FY22	FY23
<u>City Manager Department</u>						
	City Manager	1.00	1.00	1.00	1.00	1.00
	Communications Manager	0.61	0.50	0.50	0.50	0.50
	Administrative Assistant	1.00	1.00	1.00	1.00	1.00
	Total	2.61	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	12.90	12.90	12.90	12.90	12.90
	Total	15.50	15.50	15.50	15.50	15.50
<u>Building & Inspections</u>						
	Clerk III	1.00	1.00	1.00	1.00	1.00
	Administrative Assistant	0.00	0.50	0.50	0.50	0.50
	Total	1.00	1.50	1.50	1.50	1.50
<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
	Administrative Assistant	0.73	1.00	1.00	1.00	1.00
	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	15.47	15.74	15.74	15.74	15.74

- continued -
II - 4

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)
FULL TIME EQUIVALENT PERSONNEL**

		Full Time Equivalent (FTE)				
		FY19	FY20	FY21	FY22	FY23
<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	1.50	1.00	1.00	1.00	1.00
	Equipment Operator	1.00	1.00	1.00	1.00	1.00
	Laborer	3.42	5.00	5.00	5.00	5.00
	Part Time	0.50	0.00	0.00	0.00	0.00
	Total	10.42	11.00	11.00	11.00	11.00
<u>Art House</u>						
	Executive Director	0.62	0.62	0.62	0.62	0.62
	Artistic Director	0.62	0.62	0.62	0.62	0.62
	Fundraising Coordinator	0.23	0.23	0.23	0.23	0.23
	Store supervisor	0.35	0.35	0.35	0.35	0.35
	Instructors	0.23	0.23	0.23	0.23	0.23
	Total	2.05	2.05	2.05	2.05	2.05
<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
	Marketing Coordinator	0.21	0.73	0.73	0.73	0.73
	Total	1.98	2.50	2.50	2.50	2.50
<u>Housing Commission</u>						
	Director	1.00	1.00	1.00	1.00	1.00
	Clerical	0.74	0.73	0.73	0.73	0.73
	Maintenance	1.00	1.00	1.00	1.00	1.00
	Housekeeping/Groundskeeper	0.98	0.99	0.99	0.99	0.99
	Total	3.72	3.72	3.72	3.72	3.72
Total All Employees		57.37	59.13	59.13	59.13	59.13
% Change in FTE's			3.1%	0.0%	0.0%	0.0%

City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)

Top Ten Taxpayers - (Based on the Taxable Value for 2018 Roll)

Taxpayer Name	Product/Service	Taxable Value	Percentage of Total Taxable Value
DTE Electric Company	Utility	6,488,321	1.64%
Northville Driving Club	Harness Racing	\$ 5,753,351	1.45%
Singh Development Corp.	Apts, Office & Retail	4,221,747	1.07%
Kroger Co. of Michigan	Grocery	2,310,270	0.58%
Northville 133 Main LLC	Office & Retail	1,472,569	0.37%
Beneickie & Krue Properties	Apartments	1,450,961	0.37%
S4Cady, LLC	Retail	1,403,875	0.35%
R&D Land LLC	Office	1,201,579	0.30%
120 W. Main, LLC	Office	1,187,525	0.30%
Consumers Energy Co.	Utility	1,052,290	0.27%
Total Top Ten Taxpayers		<u>\$ 14,300,816</u>	<u>3.61%</u>

Total 2017 Taxable Value: \$ 396,339,082

Top Ten Employers - (Based on approximate number of employees per business as of 12/31/18)

Firm Name	Product/Service	Approximate # of employees
Northville Public Schools	Education	734
Northville Downs	Pari-mutuel Racing	200
Kroger	Supermarket	110
City of Northville	Municipality	94
Jack Doheny Supplies	Truck Sales/Service	90
Center Streeet Grill	Restaurant	65
Star Manor of Northville	Health Facility	40
Long Plumbing & Mechanical	Plumbing/Retail	40
Garage Restaurant	Restaurant	35
HKS Architects	Architect	29

**City of Northville
Fiscal Year 2020 Annual Budget and
Five Year Plan 2019 through 2023**

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 2018 SEMCOG	2045 Forecast
Household Population	6,421	5,936	5,854	6,147
Group Quarters Population	38	34	34	36
Total Population	6,459	5,970	5,888	6,183
Households	2,720	2,596	2,513	2,483
Housing Units	2,801	2,767	2,642	n/a
Household Size	2.36	2.29	2.33	2.36

**City of Northville
Fiscal Year 2020 Annual Budget and
Five Year Plan 2019 through 2023**

Population by Age			
Age Groups	2000 Census	2010 Census	2045 Forecast
Age 0-4	384 (6%)	285 (5%)	302 (3%)
Age 5-19	1,154 (18%)	1,113 (18%)	819 (17%)
Age 20-34	1,033 (16%)	758 (13%)	1126 (18%)
Age 35-64	3,077 (47%)	2,850 (48%)	2,264 (37%)
Age 65+	811 (13%)	964 (16%)	1,672 (25%)
Total Population	6,459	5,970	6,183

Population by Race and Hispanic Origin		
Race	2010 Census	2015 Census
White	5,498 (92.1%)	5,515 (92.1%)
Black	98 (1.6%)	45 (.8%)
Asian or Pacific Islander	157 (2.6%)	161 (2.7%)
Multi-Racial	75 (1.3%)	115 (1.9%)
Other Race	9 (.2%)	0 (0%)
Hispanic	133 (2.2%)	154 (2.6%)
Total Population	5,970	5,990
Hispanic Origin	133 (2.2%)	154 (2.6%)
Not of Hispanic Origin	5,837 (97.8%)	5,836 (97.4%)

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
Fiscal Year 2020 Annual Budget and
Five Year Plan 2019 through 2023**

Population Age 25 or Older by Education		
Highest Level of Educational Attainment	2010 Census	2015 Census
Did Not Graduate High School	7.2%	2.1%
Graduated High School	16.2%	12.5%
Some College, No Degree	13.9%	17.6%
Associate Degree	3.7%	4%
Bachelor's Degree	33.8%	35.9%
Graduate or Professional Degree	25.2%	27.9%

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	2010 Census	2015 Census
Less than \$10,000	67 (2%)	62 (2%)
\$10,000 to \$14,999	63 (2%)	97 (4%)
\$15,000 to \$24,999	202 (8%)	155 (6%)
\$25,000 to \$34,999	179 (7%)	155 (6%)
\$35,000 to \$49,999	172 (7%)	100 (4%)
\$50,000 to \$74,999	304(12%)	454 (18%)
\$75,000 to \$99,999	255 (10%)	328 (13%)
\$100,000 to \$149,999	820 (31%)	603 (24%)
\$150,000 or more	537 (21%)	591 (23%)
Total Households ⁴	2,599	2,545
Median Household Income (In 2015 Dollars)	\$ 101,807	\$ 95,478
Households in Poverty	67 (2.6%)	167 (6.6%)
Persons in Poverty	110 (1.8%)	351 (5.9%)

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

**City of Northville
Fiscal Year 2020 Annual Budget and
Five Year Plan 2019 through 2023**

Housing Tenure		
Tenure	2010 Census	2015 Census
Owner Occupied Units	1,950 (70%)	1,862 (69%)
Median Housing Value (In 2015 Dollars)	\$ 299,755	\$ 271,500
Renter Occupied Units	646 (23%)	683 (25%)
Median Contract Rent (In 2015 Dollars)	\$ 812	\$ 981
Vacant Units	171(6%)	166 (6%)
Total Housing Units	2,767	2,711

Structure Type	2010 Census	2015 Census
One-Family Detached	1,826 (64%)	1,756 (65%)
One-Family Attached	304 (11%)	388 (14%)
Two-Family / Duplex	80 (3%)	77 (3%)
Multi-Unit Apartments	642 (22%)	490 (18%)
Mobile Homes	6 (0%)	0 (0%)
Other Units	0 (0%)	0 (0%)
Total Housing Units	2,858 ⁵	2,711 ⁵

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

**City of Northville
Fiscal Year 2020 Annual Budget and
Five Year Plan 2019 through 2023**

Current Job Estimates by Industrial Class			
Industrial Class	2015	2045	Change
Natural Resources, Mining, Construction	98	101	3
Manufacturing	120	59	-61
Transportation, Warehousing, and Utility	135	55	-80
Wholesale Trade	67	67	0
Retail Trade	330	283	-47
Information & Financial Activities	881	839	-42
Professional & Technical Services	500	568	68
Admin, Support, & Waste Services	277	314	37
Education Services	486	506	20
Health Services	487	651	164
Leisure & Hospitality	511	558	47
Other Services	432	419	-13
Public Administration	136	132	-4
Total Employment	4,460	4,552	92

Commuting to Work		
Means of Transportation to Work	2010 Census	2015 Census
Drove Alone	2,664 (82%)	2,474 (84%)
Carpool or Vanpool	108 (3%)	136 (5%)
Public Transportation	0 (0%)	0 (0%)
Walked to Work	215 (7%)	38 (1%)
Other Means	38 (1%)	27 (1%)
Worked at Home	233 (7%)	276 (9%)
Total Workers Age 16 or Older	3,258	2,591
Mean Travel Time to Work (In Minutes)	21.4	21.9

**City of Northville
Fiscal Year 2020 Annual Budget and
Five Year Plan 2019 through 2023**

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
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)

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)
(MEMAC)
Western Wayne Mutual Aid Task Force
Western Wayne County Fire Department Mutual Aid Assoc.
Western Oakland 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 2020 Annual Budget
and Five Year Plan (2019-2023)

Intergovernmental Cooperation and Partnerships

Northville Township and Northville Public Schools

Parks and Recreation
Senior Adult services Youth Assistance
Youth Assistance

City of Novi

Fire Department Automatic Mutual Aid Agreement

City of Farmington

Police Department Firing Range

City of Plymouth

Fire Department & EMS Services
Storm clean-up Assistance
Water Service Thawing Assistance

Charter Township of Northville

Emergency Dispatch
Police Lockup Operation
Johnson Creek Day

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
Northville District Library
Friends of Maybury State Park

City of Northville
 Fiscal Year 2020 Annual Budget and
 Five Year Plan (2019-2023)

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 (Continued)	
Planning Services	1980's	Project Engineering	1980
City Hall Custodial Services	1995	Road Maintenance	1995
Computer Network Support	1996	Street Reconstruction	1950
Website Support	1997	Water System Leak detection surveys	1997
Document Shredding	2008	Landscaping Enhancements and Tree Maintenance	1995
Historic District Commission Support	2009	Pavement Marking	1995
Code Enforcement	2010	Roadway Crack Sealing	1995
Planning, Zoning and HDC Minutes	2011	Sidewalk Repairs/Replacement	1998
Board of Zoning Appeals Support	2010	Electrical Repair & Maintenance	1970s
Assessing Services	2017	Asphalt/Concrete Utility Cut Replacement	1995
Building Inspection	2014	Brush Collection	2015
Building Official	2014		
Collections Services	2005		
		Downtown Development Authority	
Public Works		Marketing & Public Relations	2006
Curbside Refuse, Recycling, and Compost Pickup	1980's	Holiday Lighting	2008
Water & Sewer Taps, placements & replacements	1980's	Irrigation Maintenance	2009
Downtown Parking Lot Snow Removal	2009	Graphic Design	2008
Lawn Mowing and Fertilization	2010	Landscape Contracting	2008
HVAC Maintenance	1997	Electrical Repairs	2008
		Painting	2006
		Brick Repair and Maintenance	2008
		Commercial Printing	2008

SECTION III

TRENDS & SUMMARIES

The trends and summaries section provides the reader with an overview of the entire fiscal year 2020 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 2020 Annual Budget
And Five Year Plan (2019-2023)**

Financial Summary

A financial overview is provided on the next ten 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 \$8.1 million in expenditures. The second largest fund category is the Special Revenue Funds at \$5.1 million. The next largest fund category is the Enterprise Funds at \$4.5 million.
- ✓ The largest source of revenue overall is property taxes, which is 30.8% of total revenue. Although State Shared revenue is a significant source of revenue in the General Fund, it represents only 2.7% of total revenue sources.
- ✓ Other revenues account for 7.9% 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 (19.3% of total revenues) in the City's enterprise funds pay entirely for the services provided.
- ✓ Entity wide, expenditures increased 23.7%. This is related to more capital expenditures, specifically street improvements, proposed in FY2020.
- ✓ Debt service city-wide is approximately 2.9% 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 2020 Annual Budget
And Five Year Plan (2019-2023)**

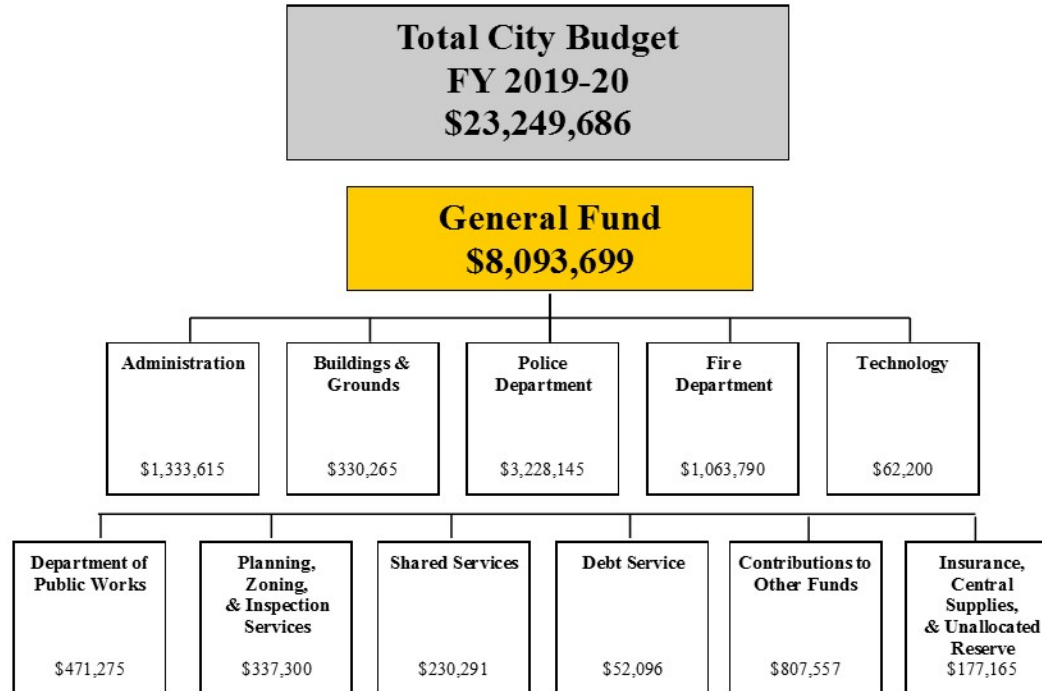
Financial Summary - continued

- ✓ General Operations and Maintenance is the single largest category of expenditures at \$4.6 million. This includes the Water and Sewer Fund operations. The Infrastructure Improvements is the second largest category of expenditures at \$3.1 million. This is followed by the Police Department at \$3.2 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 10% for FY 2020. This is partly due to the City's investment in capital improvements of \$3.4 million, some which will be paid with funds accumulated for that purpose. The City did issue \$3.05 million in bonds in 2018 to fund additional street improvements over the next few years.

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

**Financial Organizational Chart
(including operating transfers in and out)**

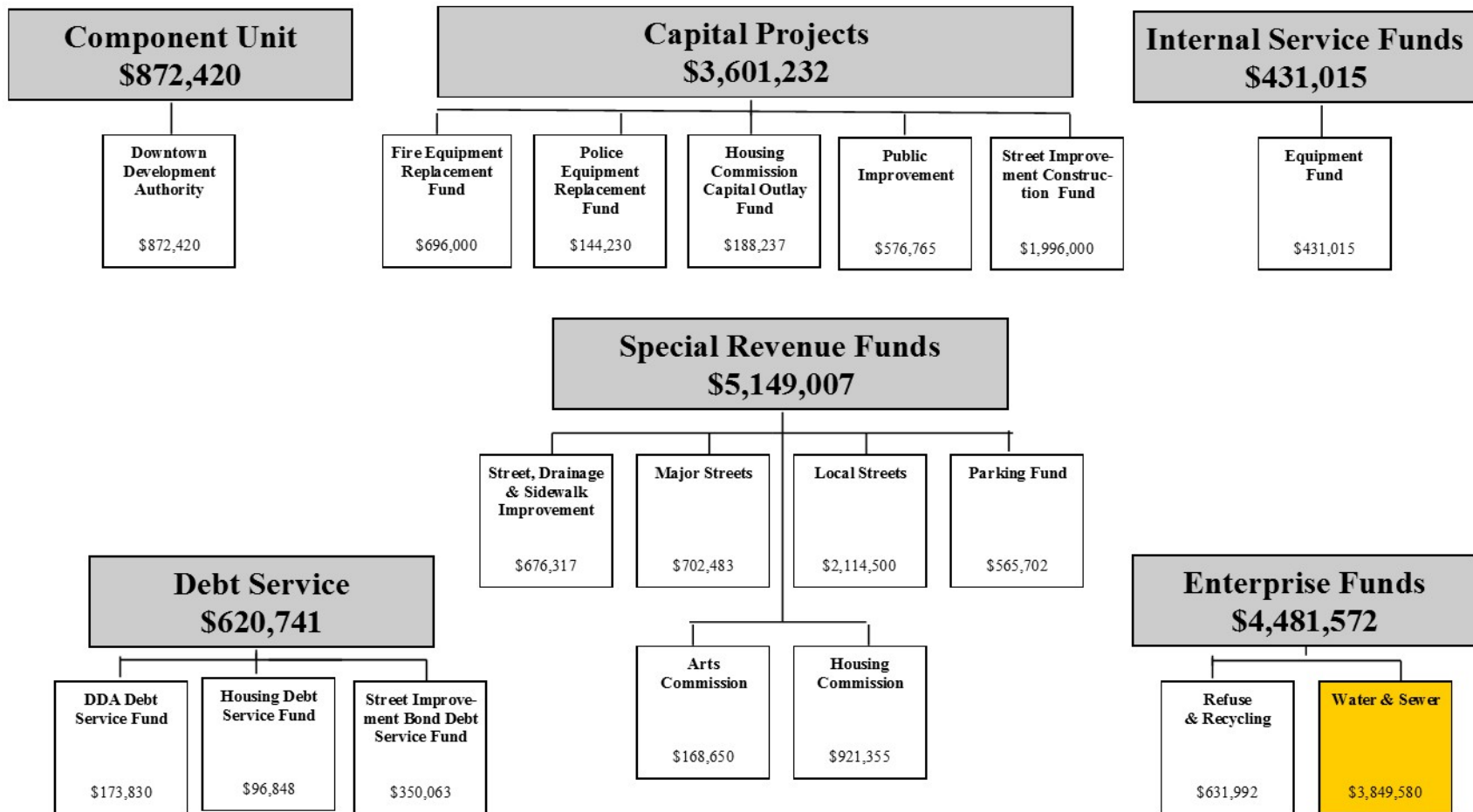


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Note: Major Funds are highlighted in yellow

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

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



**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

BUDGET SUMMARY

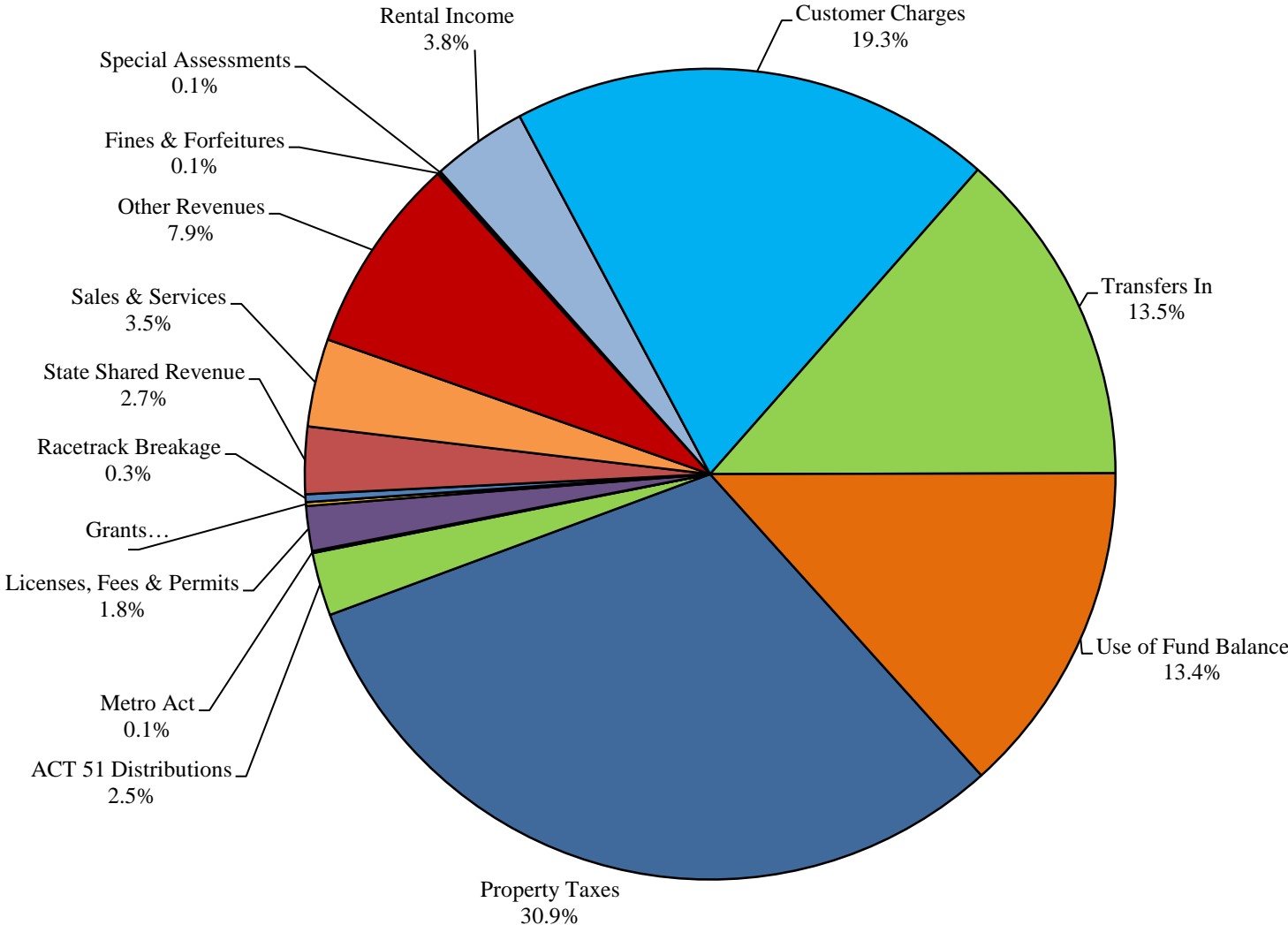
	Modified Accrual Basis					Full Accrual Basis		FY2020 City Total	FY2019 Projected	FY2018 Actual
	General Fund	Special Revenue	Debt Service	Capital Projects	Component Unit	Enterprise Funds	Internal Service			
Revenue										
Property Taxes	5,436,488	650,017	350,063	-	776,262	-	-	7,212,830	6,656,460	6,375,002
ACT 51 Distributions		586,332	-	-	-	-	-	586,332	539,398	524,809
Metro Act		18,600	-	-	-	-	-	18,600	18,600	18,676
Licenses, Fees & Permits	415,125	-	-	-	-	-	-	415,125	416,050	469,772
Grants	4,000	2,500	-	29,000	-	-	-	35,500	132,281	116,849
Financing Proceeds		-	-	-	-	-	-	-	3,050,000	
Racetrack Breakage	12,557	-	-	60,000	-	-	-	72,557	127,564	175,416
State Shared Revenue	621,556	-	-	-	-	-	-	621,556	604,305	575,528
Sales & Services	801,431	13,400	-	-	-	-	-	814,831	754,112	721,815
Other Revenues	584,092	746,815	173,830	263,374	33,400	27,185	4,750	1,833,446	1,553,589	1,093,838
Fines & Forfeitures	18,450	-	-	-	-	-	-	18,450	18,900	22,446
Special Assessments	-	13,987	-	-	-	-	-	13,987	15,553	17,715
Rental Income	-	883,760	-	-	150	-	-	883,910	866,160	853,317
Customer Charges	-	-	-	-	-	4,205,730	273,700	4,479,430	4,174,749	4,013,787
Total Revenue	7,893,699	2,915,411	523,893	352,374	809,812	4,232,915	278,450	17,006,554	18,927,721	14,978,970
Expenditures										
Administration	1,333,615	390,770	-	-	69,365	391,815	143,290	2,328,855	2,302,463	2,346,823
Buildings & Grounds	330,265	-	-	-	-	-	-	330,265	317,395	323,013
Police Department	3,228,145	-	-	-	-	-	-	3,228,145	3,060,827	2,888,515
Fire Department	1,063,790	-	-	-	-	-	-	1,063,790	1,020,050	871,758
Technology	62,200	-	-	-	-	-	-	62,200	129,120	67,849
Department of Public Works	471,275	-	-	-	-	-	-	471,275	450,861	485,666
Planning, Zoning & Inspection	337,300	-	-	-	-	-	-	337,300	305,179	322,373
Shared Services	230,291	-	-	-	-	-	-	230,291	229,321	224,699
Debt Service	52,096	-	620,709	-	-	-	-	672,805	324,157	320,308
Insurance & Supplies & Unallocated Reserve	177,165	-	-	-	-	-	-	177,165	56,285	45,997
Street & Lot Maintenance & Improvements	-	3,098,195	-	-	-	-	-	3,098,195	844,660	867,859
General Operations & Maintenance	-	215,175	-	-	-	4,074,757	287,725	4,577,657	3,981,325	3,446,559
Other Expenditures	200,000	277,442	-	1,357,956	803,055	-	-	2,638,453	2,612,744	975,112
Total Expenditures	7,486,142	3,981,582	620,709	1,357,956	872,420	4,466,572	431,015	19,216,396	15,634,387	13,186,531
Transfers In	-	2,233,596	96,848	789,930	-	-	15,000	3,135,374	1,303,594	1,261,471
Transfers Out	(607,557)	(456,817)	-	(2,056,000)	-	(15,000)	-	(3,135,374)	(1,303,594)	(1,261,471)
Addition to Fund Balance	-	710,608	32	187,276	-	-	-	897,916	3,919,169	1,904,713
Reduction of Fund Balance	(200,000)	-	-	(2,458,928)	(62,608)	(248,657)	(137,565)	(3,107,758)	(625,835)	(112,274)
Beginning Fund Balance	2,892,554	3,663,095	5,334	8,120,541	380,239	7,027,365	401,262	22,490,390	19,197,056	17,404,617
Ending Fund Balance	2,692,554	4,373,703	5,366	5,848,889	317,631	6,778,708	263,697	20,280,548	22,490,390	19,197,056

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

BUDGET SUMMARY - REVENUES AND EXPENDITURES - ALL FUNDS

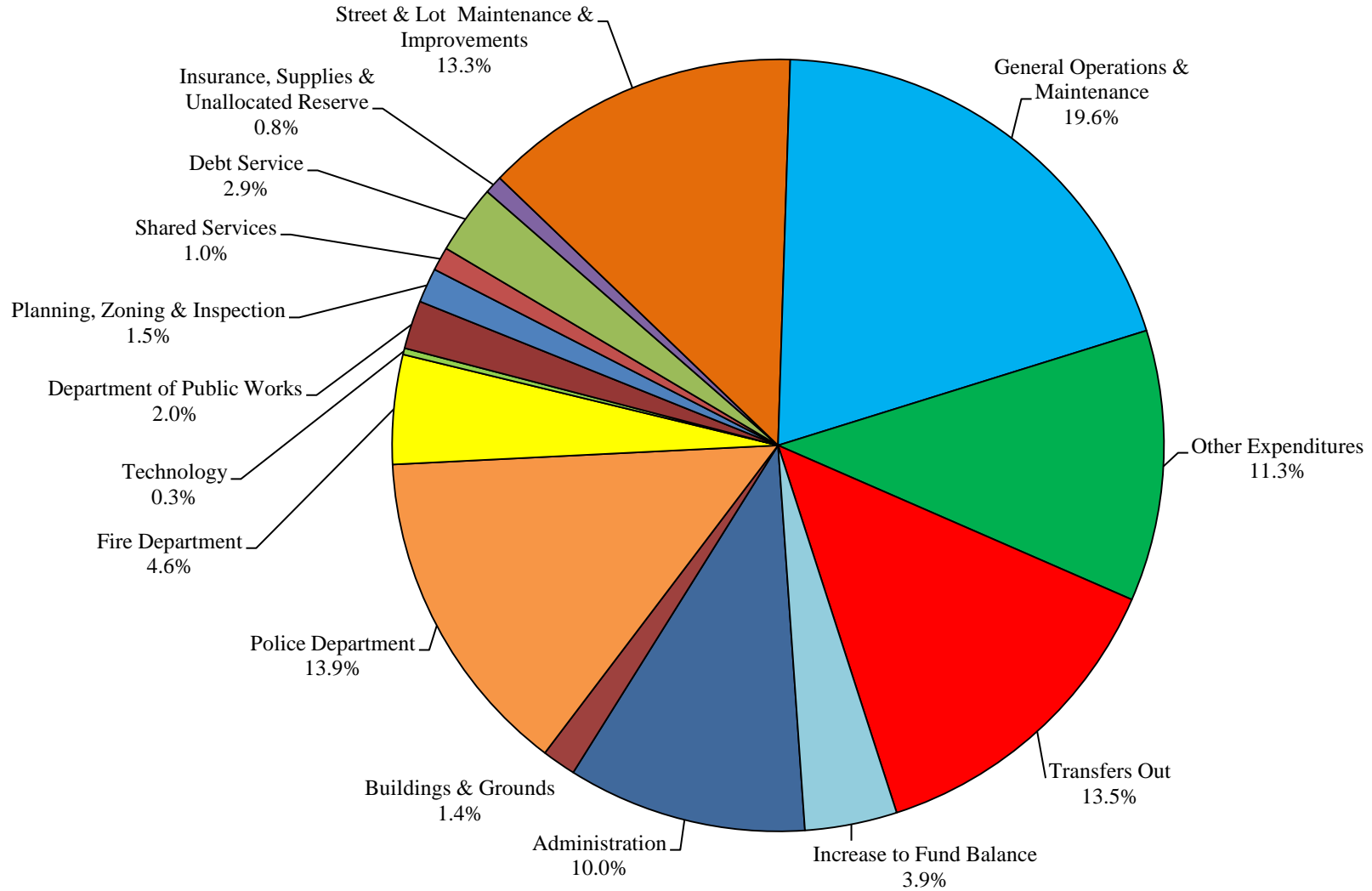
Revenue Sources			Expenditures By Area		
Property Taxes	\$ 7,212,830	30.8%	Administration	\$ 2,328,855	10.0%
ACT 51 Distributions	586,332	2.5%	Buildings & Grounds	330,265	1.4%
Metro Act	18,600	0.1%	Police Department	3,228,145	13.9%
Licenses, Fees & Permits	415,125	1.8%	Fire Department	1,063,790	4.6%
Grants	35,500	0.2%	Technology	62,200	0.3%
Financing Proceeds	-	0.0%	Department of Public Works	471,275	2.0%
Racetrack Breakage	72,557	0.3%	Planning, Zoning & Inspection	337,300	1.5%
State Shared Revenue	621,556	2.7%	Shared Services	230,291	1.0%
Sales & Services	814,831	3.5%	Debt Service	672,805	2.9%
Other Revenues	1,833,446	7.9%	Insurance, Supplies & Unallocated Reserve	177,165	0.8%
Fines & Forfeitures	18,450	0.1%	Street & Lot Maintenance & Improvements	3,098,195	13.3%
Special Assessments	13,987	0.1%	General Operations & Maintenance	4,577,657	19.6%
Rental Income	883,910	3.8%	Other Expenditures	2,638,453	11.3%
Customer Charges	4,479,430	19.3%	Subtotal Expenditures	\$ 19,216,396	
Subtotal Revenues	\$ 17,006,554		Transfers Out	3,135,374	13.5%
Transfers In	3,135,374	13.5%	Increase to Fund Balance	897,916	3.9%
Use of Fund Balance	3,107,758	13.4%	Total	\$ 23,249,686	100.0%
Total	\$ 23,249,686	100.0%			

City of Northville
 Fiscal Year 2020 Annual Budget
 and Five Year Plan (2019-2023)
Revenue Sources - All City Funds



City of Northville
 Fiscal Year 2020 Annual Budget
 and Five Year Plan (2019-2023)

Expenditures by Area - All City Funds



City of Northville
Comparison of Revenue for Budgeted Funds
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)

	2017-18 Actual	2018-19 Projected Budget	2019-20 Proposed Budget	% Change
General Fund	\$ 7,374,147	\$ 7,737,358	\$ 7,893,699	2.0%
Special Revenue Funds				
Street, Drainage & Sidewalk Improvement Fund	633,249	656,112	676,317	3.1%
Major Streets Fund	375,438	394,750	425,483	7.8%
Local Streets Fund	209,268	241,055	190,024	-21.2%
Parking Fund	140,522	149,421	549,572	267.8%
Arts Commission	130,308	156,290	168,650	7.9%
Housing Commission	892,767	891,216	905,365	1.6%
Debt Service Funds				
DDA Debt Service Fund	172,355	173,170	173,830	0.0%
2002 General Obligation Debt Service Fund	-	-	-	0.0%
2018 Street Improvement Debt Service Fund	-	-	350,063	0.0%
Capital Projects Funds				
Public Improvement Fund	169,324	303,712	221,750	-27.0%
Fire Equipment Replacement Fund	89,679	111,842	88,589	-20.8%
Police Equipment Replacement Fund	6,016	3,245	3,235	0.0%
Housing Commission Capital Outlay Fund	20,758	35,980	35,800	-0.5%
Street Improvement Bond Construction Fund	-	3,059,300	3,000	-99.9%
Component Unit				
Downtown Development Authority	748,417	786,634	809,812	2.9%
Enterprise Funds				
Refuse & Recycling	595,976	599,023	618,335	3.2%
Water & Sewer	3,151,792	3,345,348	3,614,580	8.0%
Internal Service Funds				
Equipment	268,954	283,265	278,450	-1.7%
Total Revenue	14,978,970	18,927,721	17,006,554	-10.2%
Plus Transfers-In	1,261,471	1,303,594	3,135,374	140.5%
Plus Appropriation of Prior Year Surplus	112,274	625,835	3,107,758	396.6%
Total Revenues All Funds	<u>\$ 16,352,715</u>	<u>\$ 20,857,150</u>	<u>\$ 23,249,686</u>	<u>11.5%</u>

City of Northville
Comparison of Expenditures for Budgeted Funds
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)

	2017-18 Actual	2018-19 Projected Budget	2019-20 Proposed Budget	% Change
General Fund	\$ 6,707,311	\$ 7,164,649	\$ 7,486,142	4.5%
Special Revenue Funds				
Street, Drainage & Sidewalk Improvement Fund	-	-	-	0.0%
Major Streets Fund	307,820	253,530	488,035	92.5%
Local Streets Fund	464,714	481,850	2,114,500	338.8%
Parking Fund	138,812	153,616	540,383	251.8%
Arts Commission	148,775	162,420	166,594	2.6%
Housing Commission	676,758	660,285	672,070	1.8%
Debt Service Funds				
DDA Debt Service Fund	172,355	173,170	173,830	0.4%
2002 General Obligation Debt Service Fund	95,647	98,774	96,848	-1.9%
2018 Street Improvement Debt Service Fund	-	-	350,031	0.0%
Capital Projects Funds				
Public Improvement Fund	36,271	583,335	419,526	-28.1%
Fire Equipment Replacement Fund	42,390	483,866	696,000	43.8%
Police Equipment Replacement Fund	2,451	102,970	144,230	40.1%
Housing Commission Capital Outlay Fund	24,680	371,115	98,200	-73.5%
Street Improvement Bond Construction Fund	-	-	-	
Component Unit				
Downtown Development Authority	752,685	810,372	872,420	7.7%
Enterprise Funds				
Refuse & Recycling	588,033	603,369	616,992	2.3%
Water & Sewer	2,671,392	3,074,936	3,849,580	25.2%
Internal Service Funds				
Equipment	356,437	456,130	431,015	-5.5%
Total Expenditures	13,186,531	15,634,387	19,216,396	22.9%
Plus Transfers Out	1,261,471	1,303,594	3,135,374	140.5%
Plus Addition to Fund Balance	1,904,713	3,919,169	897,916	-77.1%
Total Expenditures All Funds	<u>\$ 16,352,715</u>	<u>\$ 20,857,150</u>	<u>\$ 23,249,686</u>	<u>11.5%</u>

City of Northville
Comparison of Fund Balance for Budgeted Funds
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)

	2017-18 Actual	2018-19 Projected Budget	2019-20 Proposed Budget	% Change	Notes
General Fund	2,892,554	2,892,554	2,692,554	-7%	(A)
Special Revenue Funds					
Street, Drainage & Sidewalk Improvement Fund	1,193,487	1,789,599	2,405,916	34%	(B)
Major Streets Fund	605,198	663,998	732,970	10%	(B)
Local Streets Fund	108,844	108,844	108,844	0%	
Parking Fund	708,707	739,352	764,671	3%	
Arts Commission	45,121	36,935	36,935	0%	
Housing Commission	376,590	324,367	324,367	0%	
Total Special Revenue Funds	3,037,947	3,663,095	4,373,703		
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%	
2018 Street Improvement Bond Debt Service	-	-	32	0%	
Total Debt Service Funds	5,334	5,334	5,366		
Capital Projects Funds					
Public Improvement Fund	2,956,058	2,914,908	3,012,147	3%	
Fire Equipment Replacement Fund	1,321,498	1,133,306	706,373	-38%	(C)
Police Equipment Replacement Fund	260,956	263,231	224,236	-15%	(C)
Housing Commission Capital Outlay Fund	983,306	848,171	938,208	11%	(D)
Street Improvement Construction Fund	-	2,960,925	967,925	-67%	(E)
Total Capital Projects Funds	5,521,818	8,120,541	5,848,889		
Component Unit					
Downtown Development Authority	403,977	380,239	317,631	-16%	(F)
Enterprise Funds					
Refuse & Recycling	122,345	117,999	104,342	-12%	(G)
Water & Sewer	6,638,954	6,909,366	6,674,366	-3%	
Total Enterprise Funds	6,761,299	7,027,365	6,778,708		
Internal Service Funds					
Equipment	574,127	401,262	263,697	-34%	(H)
Total All Funds	19,197,056	22,490,390	20,280,548	-10%	

(A) Planned use of fund balance in the General Fund for additional pension contributions.

(B) Planned accumulation of funds for future street improvements to be incorporated into updated 20 year plan . Bond proceeds issued in 2018 will be spent before using millage funds.

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

(D) Planned accumulation of funds for future building improvements. A capital needs assessment will be performed in the short term to determine building needs.

(E) Bond proceeds received in 2018 for street improvements must be spent within 3 years.

(F) Planned purchased in the downtown area includes furniture and benches, festoon lighting, cross street banners, and conversion of light fixtures.

(G) Planned transfer to Equipment Fund for equipment purchases.

(H) Planned purchase of a truck and leaf claw.

**City of Northville
Fiscal Year 2020 Annual Budget
And Five Year Plan – 2019 through 2023**

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

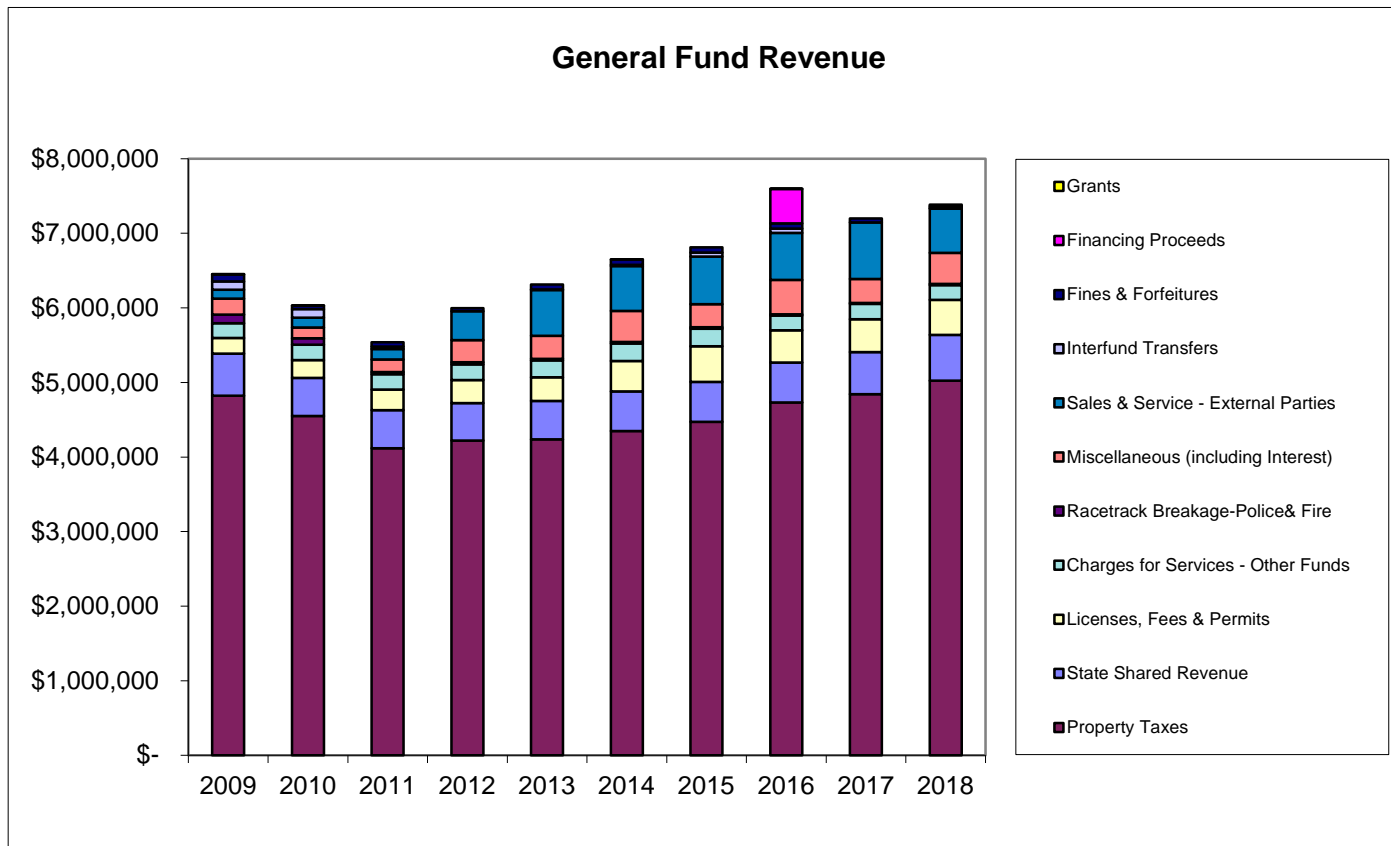
The following pages depict the trends of key areas in municipal budgeting and management.

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.

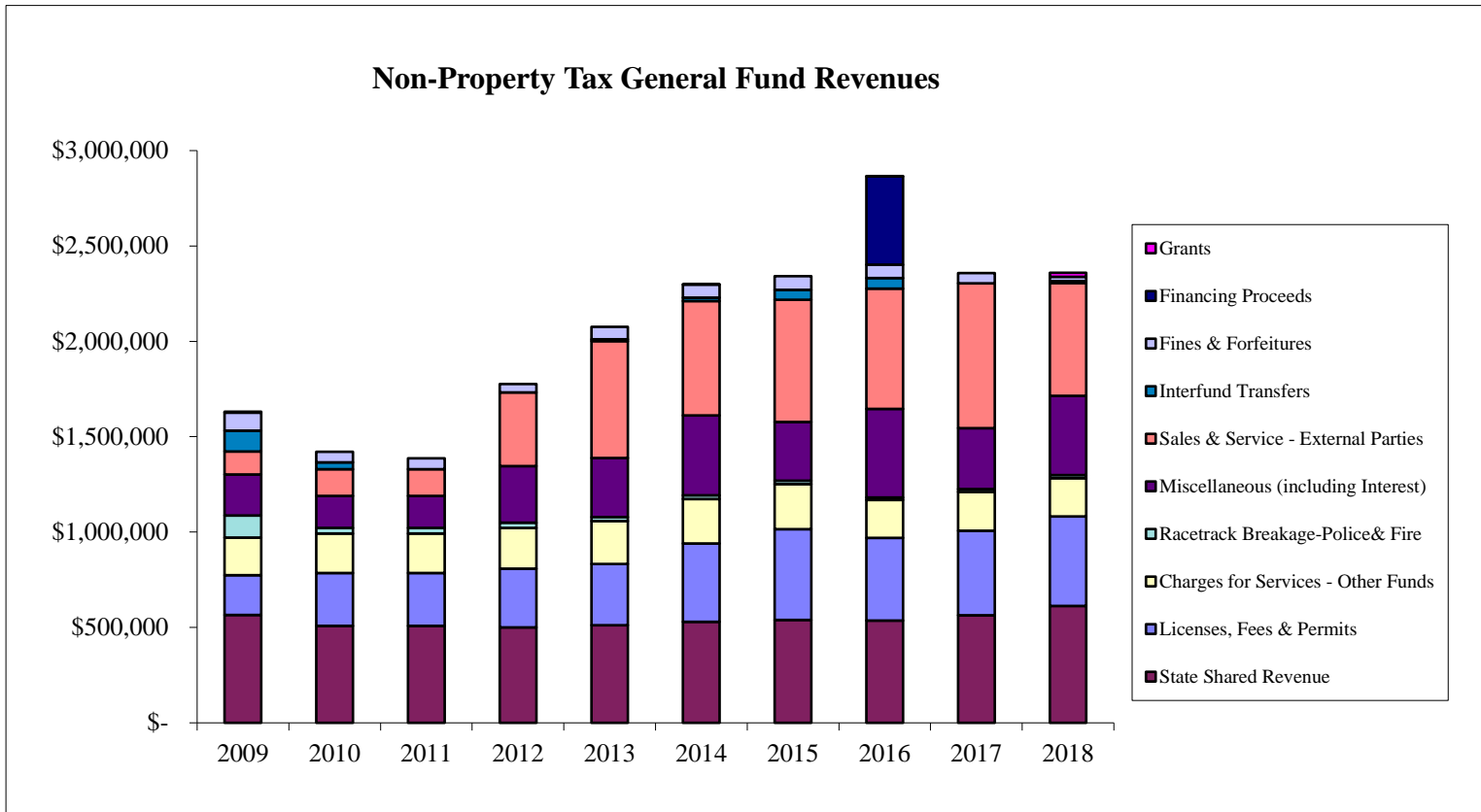
**City of Northville
General Fund Revenues
Ten Year Trend - 2009 through 2018**

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 69% of total General Fund revenues in the ten years through 2018. State Share Revenue is the second largest source of revenue at approximately 8.3% of General Fund Revenue. Revenue from Sales & Service generated approximately 8% in FY 2018 primarily due to \$540,000 charged to the City of Plymouth for fire protection. Property tax revenue had an increase of 3.8% and the overall increase for FY 2018 was 2.6%



**City of Northville
General Fund Revenues Other Than Property Tax
Ten Year Trend - 2009 through 2018**

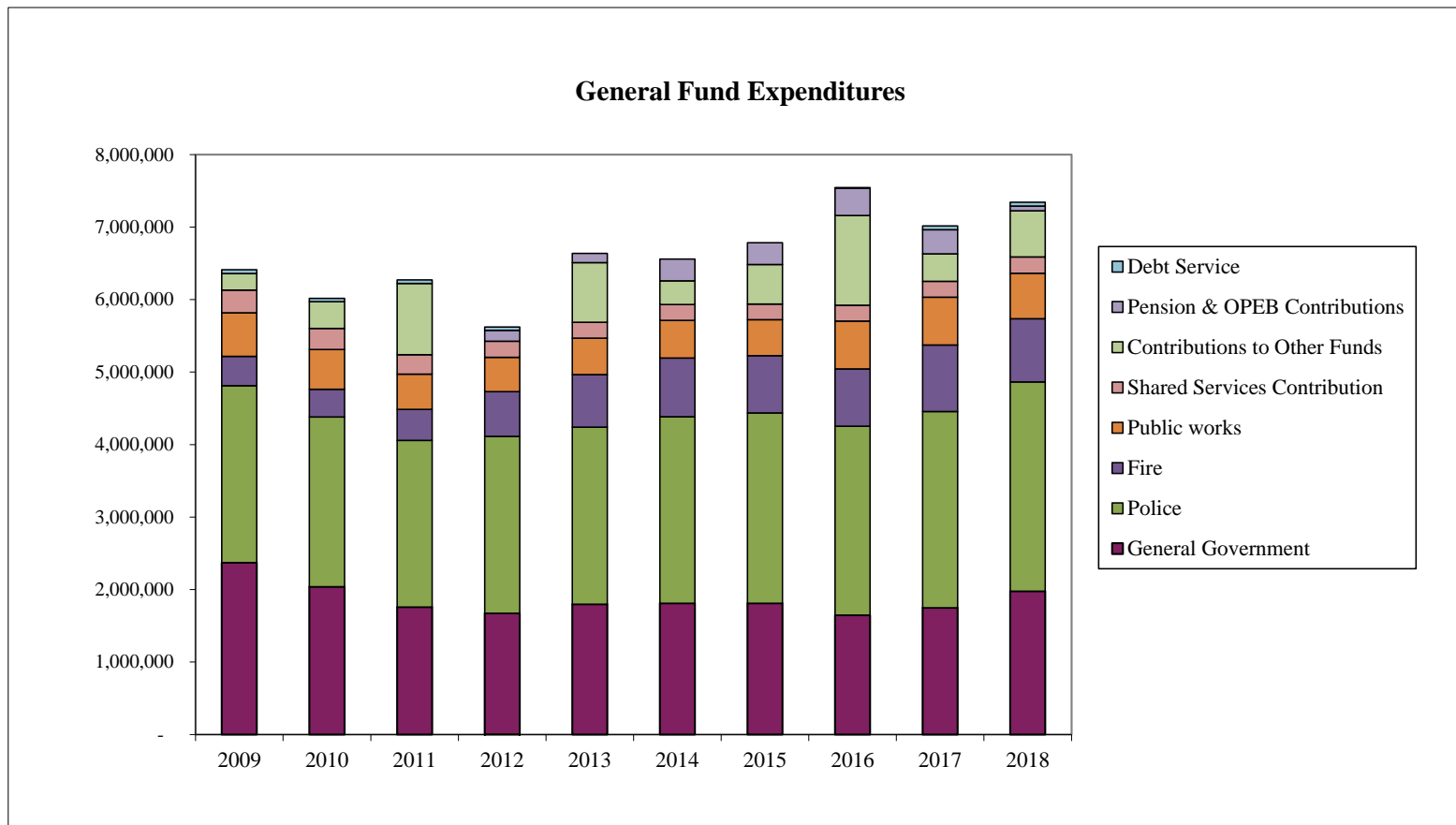
Property tax revenue continues to be the largest portion of General Fund revenue, making up approximately 69% of the total. The graph below shows the other revenues of the General Fund in the last ten years. State Shared revenue is the largest source of non-property tax revenue. Sales & Service revenue to external parties has become the second largest source of non-property tax revenue due to fire service being provided to the City of Plymouth. Over the ten year period, Breakage declined from 7.1% of non-tax revenue to 0.7% in FY18 due to changes in the activity of the racetrack. Non-tax revenue has remained consistent with past five 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 - 2009 through 2018**

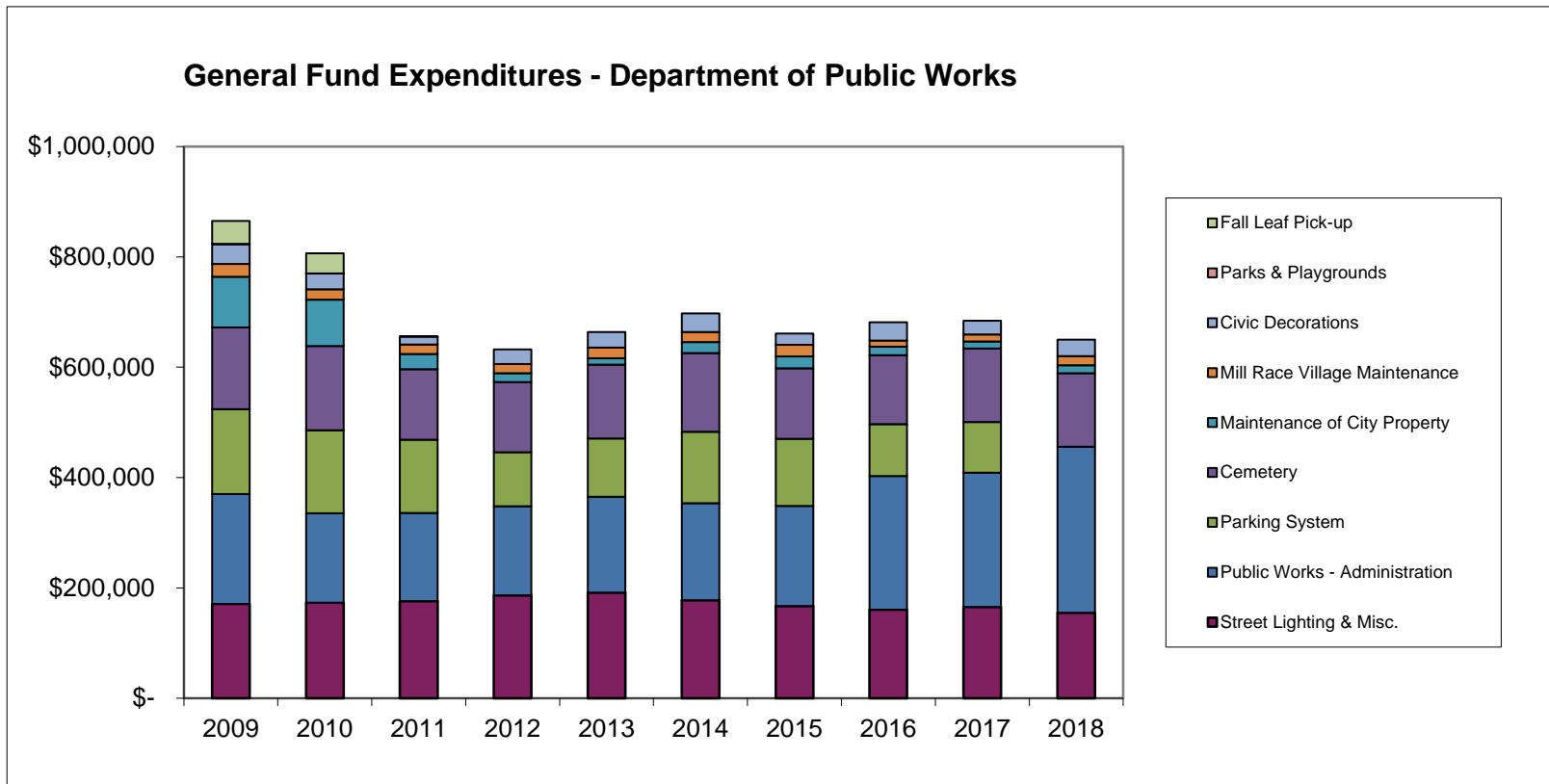
The graph below shows the total expenditures of the General Fund in the last ten years. The Police activities account for about 39% of the General Fund expenditures, up slightly from 38% ten years ago. The Fire Department accounts for 12% of General Fund expenditures. Public works expenditures remain consistent at 8-10% of total expenditures.

General Government (previously Administration) accounts for 27% of the total. General Government includes the following departments: City Council, City Manager and Communications, City Attorney, City Clerk & Elections, Finance & Administration, Tax & Assessing, Building & Grounds, Planning & Zoning and Technology.



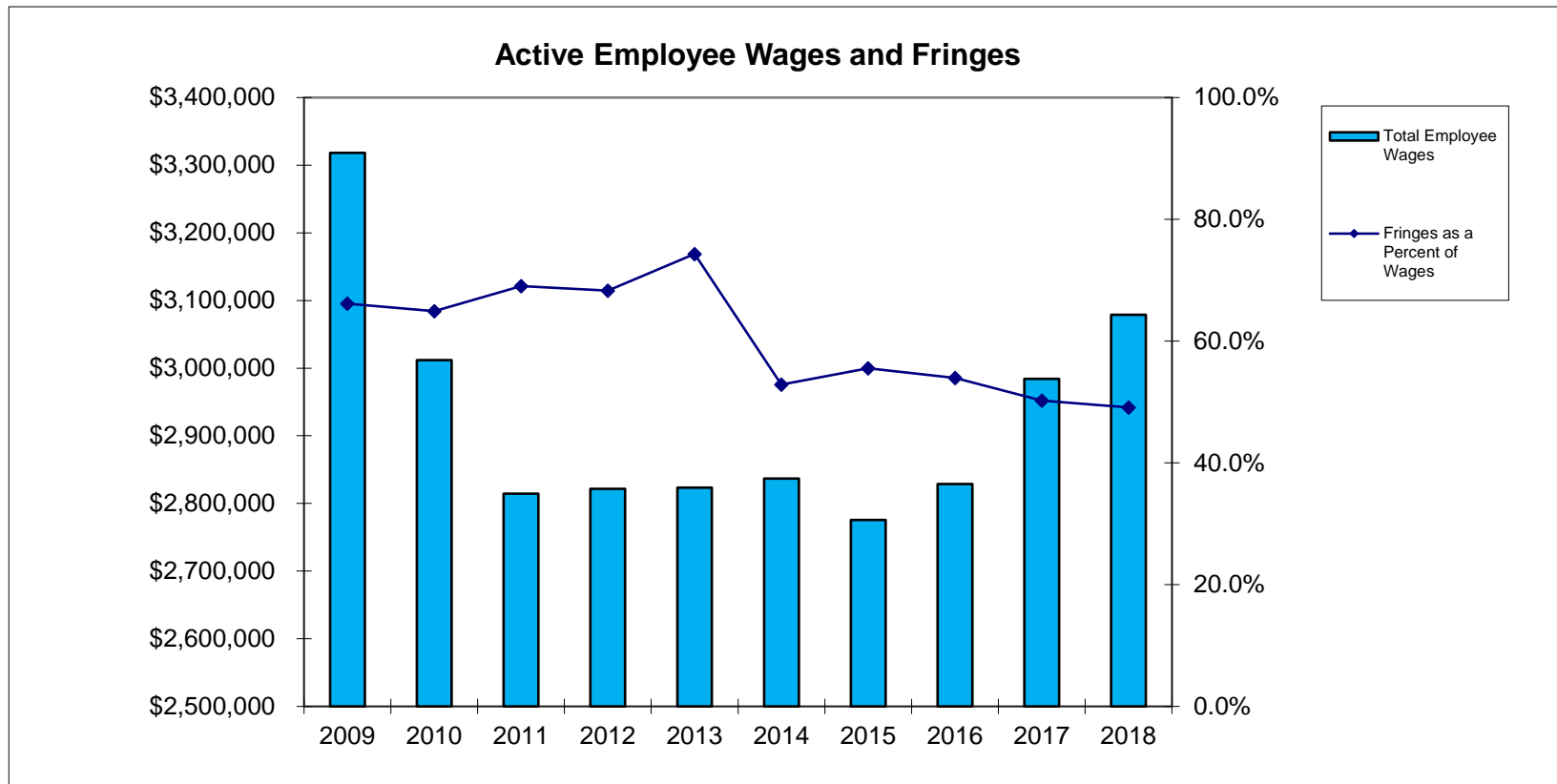
**City of Northville
General Fund Expenditures - Department of Public Works
Ten Year Trend - 2009 through 2018**

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. In FY 2018, Parking System Maintenance was shifted to the Parking System Fund. FY 2018 ended with a decrease of approximately \$34,000 or 5% from the prior year.



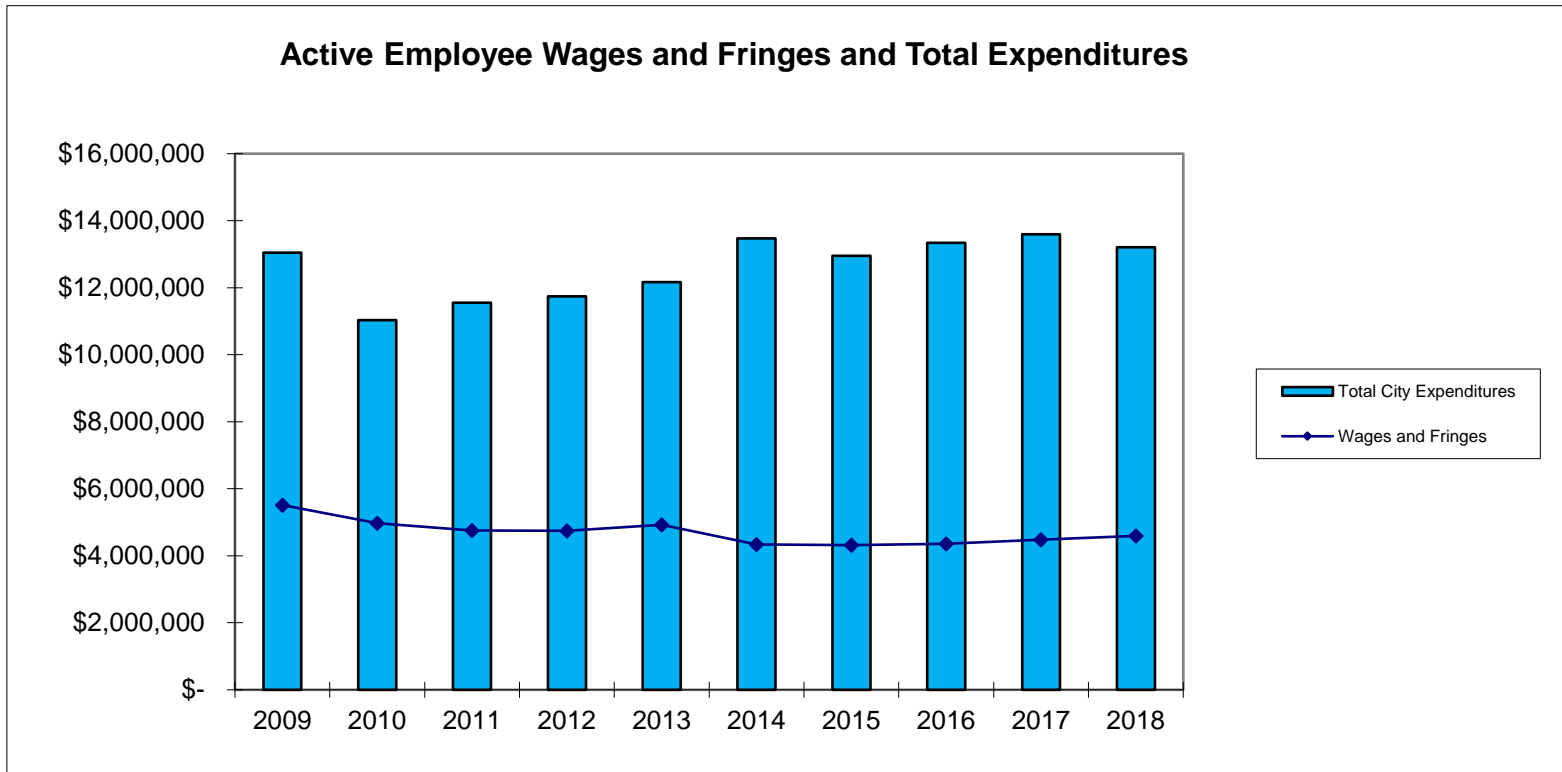
**City of Northville
Active Employee Wages and Fringes
Ten Year Trend - 2009 through 2018**

The graph below shows the total wages paid to City employees (including seasonal and part-time, but excluding DDA employees) compared to the fringe benefits paid. Fringes are shown as a percentage of wages and are for active employees. Fringes were 66.1% of wages in FY2009 and have averaged 60% of wages from FY 2009 thru FY 2018. 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 FY18, fringes averaged 49% of wages. There is only a weak correlation between the two factors. Wages increased approximately 3% over the prior year while fringes increased less than 1%.



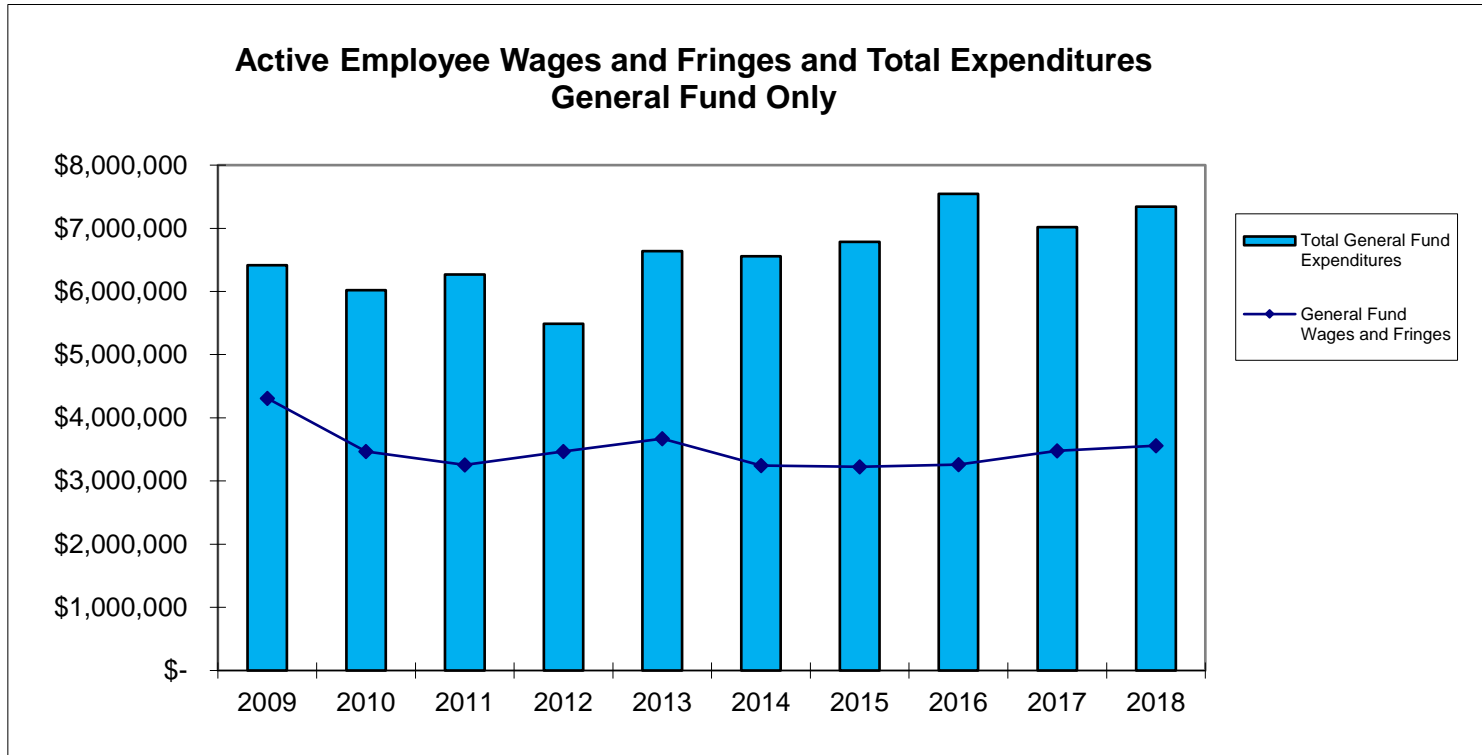
City of Northville
Active Employee Wages and Fringes and Total Expenditures
Ten Year Trend - 2009 through 2018

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. Beginning in FY 2010 the City implemented a cost containment plan to deal with a looming structural deficit. Overall expenditures were reduced 16% in 2010 while wages and fringes were reduced primarily through layoffs and attrition. Since FY 2010, wages and fringes have averaged 37% of total expenditures. In FY2018, wages and fringes were 34% 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 - 2009 through 2018

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. 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, health care costs, and capital improvements. Wages and fringes decreased an average of 2% over the 9 year period of time and average approximately 53% of General Fund expenditures. Statistically, the two expenditures are strongly correlated.



**City of Northville
Fiscal Year 2020 Annual Budget
And Five Year Plan – 2019 through 2023**

Trend Analysis: Property Tax

The City operating millage was 13.5188 in FY2019 and is proposed to decline to 13.3538 in FY2020. The City's millage for Streets, Drainage and Sidewalk Improvements will decrease from 1.6798 to 1.6635 mills. Both reductions are due to a Headlee rollback. A new debt millage to repay street improvement bonds issued in 2018 is proposed to be 0.9003 mills. The total City millage rate increases from 15.2029 mills up to 15.9176 mills, or 4.7%.

Further Headlee rollbacks are expected in each of the coming future years for the City operating millage and the street improvement millage. The debt millage is not subject to Headlee rollbacks in the future.

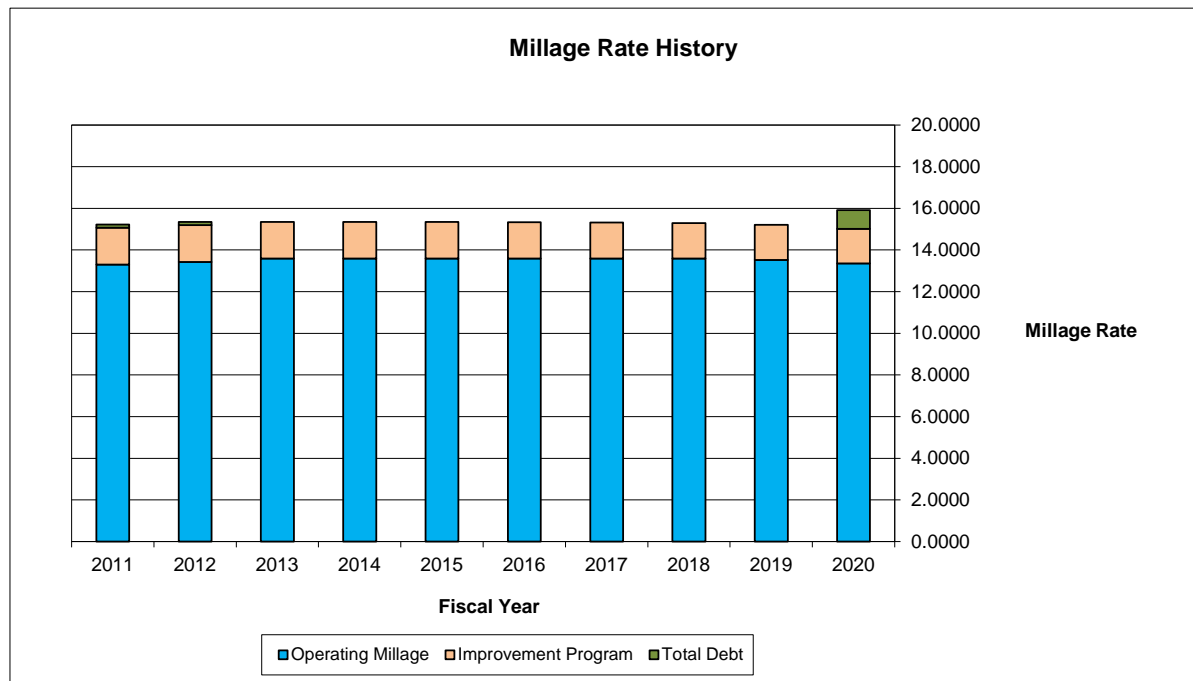
See page X-15 for the calculation of the millage reduction formula. A further discussion of the City's tax base is at Section X – Tax Base Analysis.

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

History of Millage Rates and Tax Base

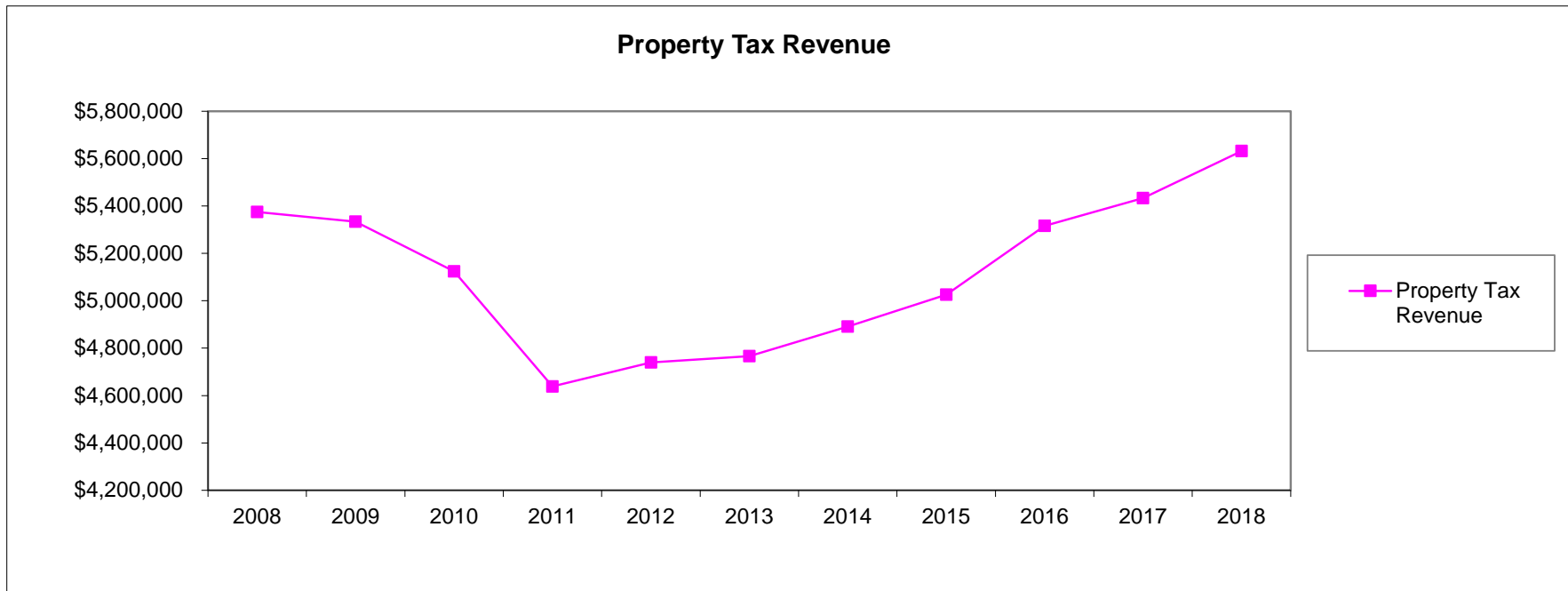
Actual from FY's 2011 through 2019 and Proposed 2020

Fiscal Year	City Operating Millage	Street, Drainage & Sidewalk Program	Debt		Total Debt	Total	Taxable Value
			Street Improvement Debt	Public Safety Debt			
2020	13.3538	1.6635	0.8981	0.0000	0.9003	15.9176	\$388,828,976
2019	13.5188	1.6841	0.0000	0.0000	0.0000	15.2029	\$370,681,917
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



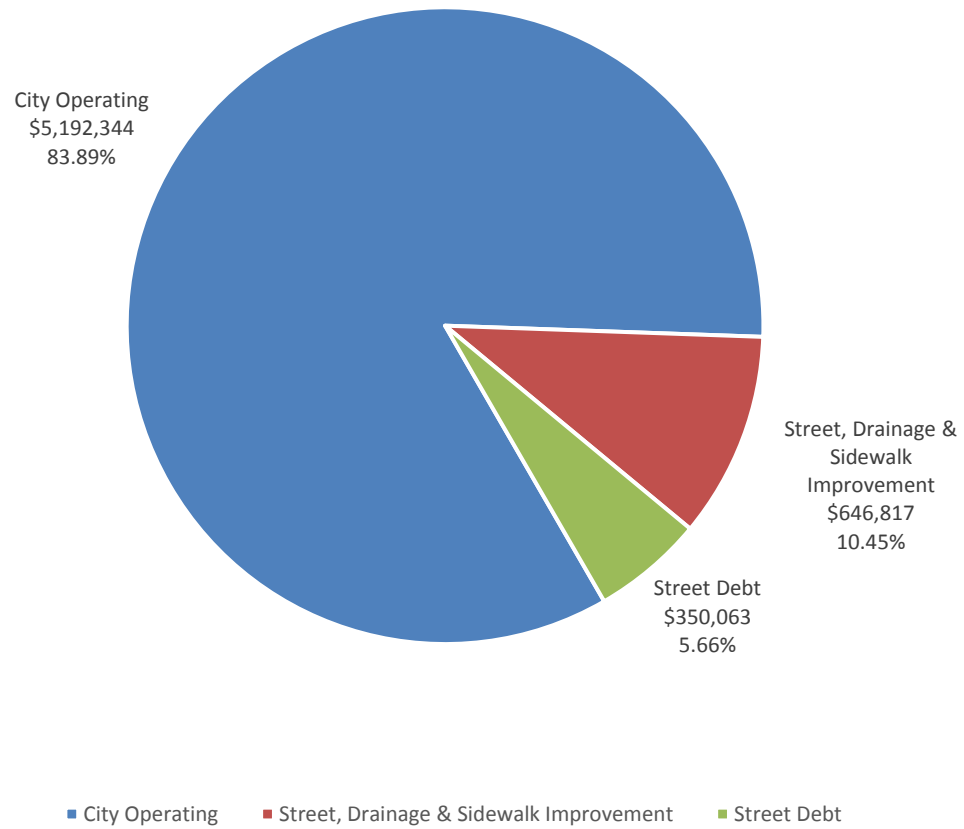
**City of Northville
Property Tax Revenue
Ten Year Trend - 2009 through 2018**

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 2009 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 took eight years for Property Tax Revenues to return to the high levels that existed in 2008.



City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)

FY2020 Proposed Property Tax Levy Allocation (City Only)



**City of Northville
Fiscal Year 2020 Annual Budget
And Five Year Plan – 2019 through 2023**

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 Capital Outlay Fund
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 FY2020 increases \$16,643, or 3.2%, 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 increase by 3% for FY2020.

- continued-

**City of Northville
Fiscal Year 2020 Annual Budget
And Five Year Plan – 2019 through 2023**

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 goes towards transportation. In addition to helping fix the roads, Proposal 1 generates much-needed additional dollars for our schools and communities. For FY2020 an additional \$47,000 in revenue is expected.

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. The racetrack property is proposed to be sold. Therefore, revenues and expenditures related to this activity is not budgeted for beginning with FY2021.

- continued-

**City of Northville
Fiscal Year 2020 Annual Budget
And Five Year Plan – 2019 through 2023**

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.

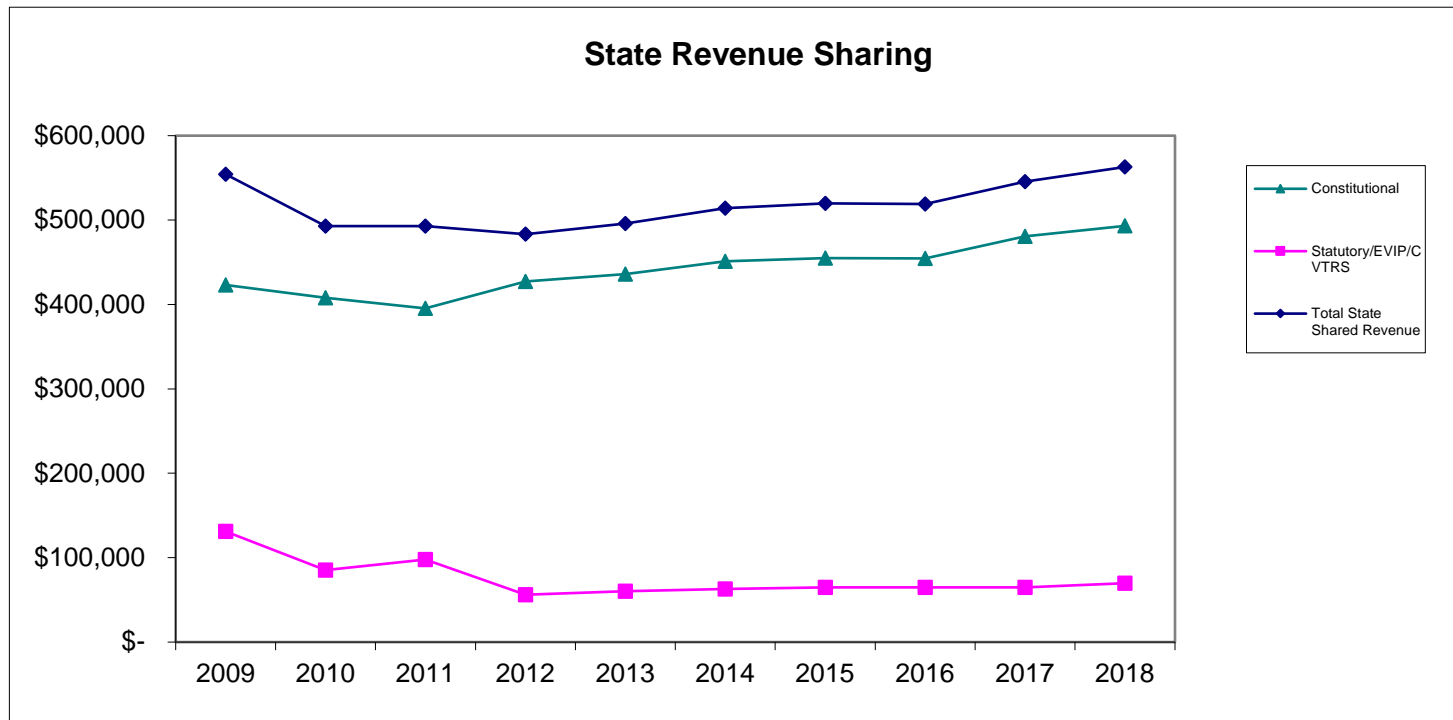
The City is expecting to receive an allocation from Wayne County and Oakland County for FY2020 in the amount of \$29,000. This will be used for improvements at Allen Terrace Senior Housing Facility.

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 2020 thru 2023 for federal grants, other than CDBG described above.

**City of Northville
State Revenue Sharing
Ten Year Trend - 2009 through 2018**

The graph below shows the amount of annual State Revenue Sharing distributed to the City of Northville. 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, 6% per year though they have been relatively stable for the past 5 years. Beginning with FY2015 EVIP has been replaced by City, Village, Township Revenue Sharing (CVTRS). In FY 2018, the CVTRS revenues were 12% of the total. In FY 2018, State Shared Revenue have finally returned to FY2009 levels though still significantly lower than levels prior to 2009. The estimated amount of revenue sharing lost from 2002 through 2017 is over \$2.5 million for the City of Northville. Statewide, that amount is approximately \$8.6 billion (<http://www.savemicity.org/search>).



**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan - 2019 through 2023**

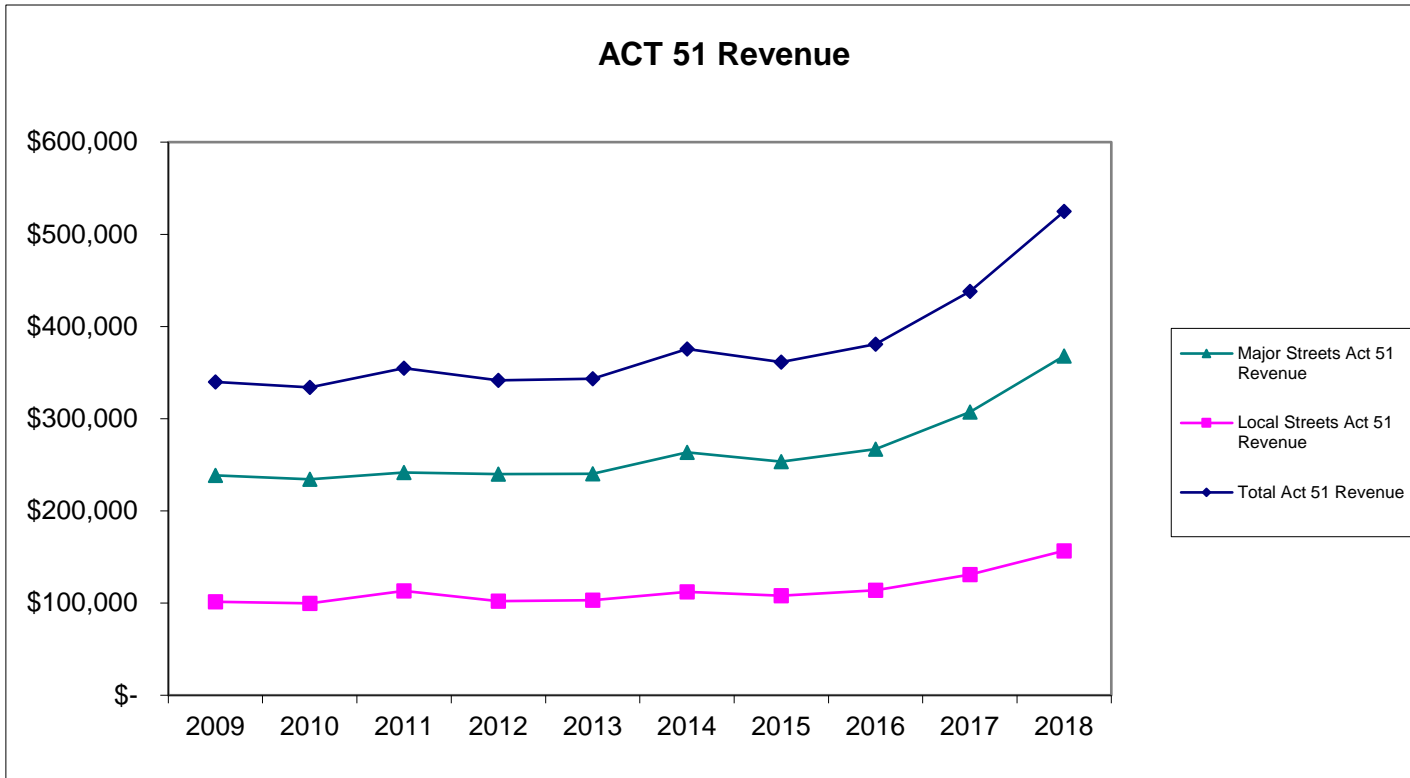
State Shared Revenue Projections

	Projected FY 2018-19	Proposed FY 2019-20	Estimated FY 2020-21	Estimated FY 2021-22	Estimated FY 2022-23
Constitutional					
Oakland County	281,718	290,725	296,540	302,470	308,520
Wayne County	238,819	246,455	251,380	256,410	261,540
Total Constitutional	520,537	537,180	547,920	558,880	570,060
City, Village, Township Revenue Sharing (CVTRS)	64,960	71,876	71,876	71,876	71,876
CVTRS One Time Supplemental	4,823	-	-	-	-
101-000-574.02	590,320	609,056	619,796	630,756	641,936
Constitutional % Change		3.2%	2.0%	2.0%	2.0%
CVTRS % Change		3.2%	0.0%	0.0%	0.0%

Note: Amounts are derived from the Michigan Department of Treasury's website, March 2019.

**City of Northville
Act 51 Revenue
Ten Year Trend - 2009 through 2018**

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 2018 distribution was approximately 20% higher than 2017 due to the availability of additional funding provided by new legislation enacted in 2015. These revenues exclude the supplemental one-time budget appropriates by the legislature as they are required to be reported as grant revenue.



City of Northville
For the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

Estimation of Act 51 Revenue - MAJOR STREETS

MAJOR STREETS	Thru 9/18	Thru 9/19	Thru 9/20	Thru 9/21	Thru 9/22	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	\$45.17	\$48.61	\$52.53	\$57.83	\$57.83	
Per Mile Portion	\$12,998	\$13,989	\$15,116	\$16,641	\$16,641	

Per Capita Portion

	2000 Census (A)	Per Capita Portion (B)	# of Months Ratio (C)	FY19 Projected	FY20 Estimated	FY21 Estimated	FY22 Estimated	FY23 Estimated
FY 2018-19	5,970	\$48.61	25%	\$72,550				
	5,970	\$48.61	75%	\$217,651				
One-time correction				(\$6,208)				
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	
FY 2022-23	5,970	\$57.83	25%					\$86,311
	5,970	\$57.83	75%					\$258,934
				\$283,994	\$307,754	\$337,335	\$345,245	\$345,245

Per Mile Portion

	Street Mileage (A)	Population Factor* (B)	Per Mile Portion (C)	# of Months Ratio (D)	FY19 Projected	FY20 Estimated	FY21 Estimated	FY22 Estimated	FY23 Estimated
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	
FY 2022-23	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.

	\$95,831	\$103,454	\$113,396	\$116,055	\$116,055
202-000-546.01	\$379,825	\$411,208	\$450,731	\$461,300	\$461,300

City of Northville
For the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

Estimation of Act 51 Revenue - LOCAL STREETS

LOCAL STREETS	Thru 9/18	Thru 9/19	Thru 9/20	Thru 9/21	Thru 9/22	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	\$15.06	\$16.20	\$17.51	\$19.28	\$19.28	
Per Mile Portion	\$3,427	\$3,688	\$3,985	\$4,387	\$4,387	

Per Capita Portion

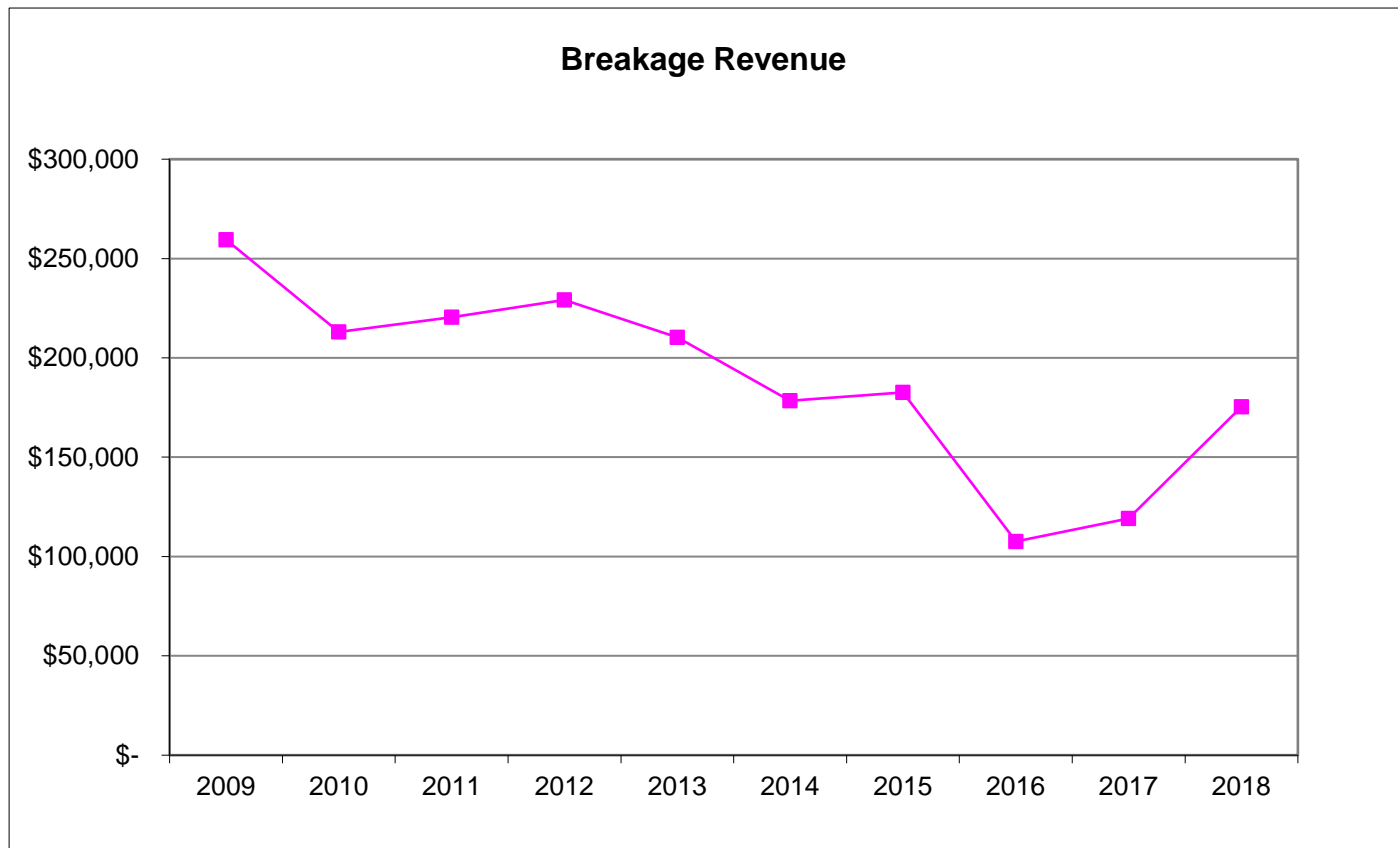
	2000 Census (A)	Per Capita Portion (B)	# of Months Ratio (C)	FY19 Projected	FY20 Estimated	FY21 Estimated	FY22 Estimated	FY23 Estimated
FY 2018-19	5,970	\$15.06	25%	\$22,477				
	5,970	\$16.20	75%	\$72,536				
One-time correction				(\$2,642)				
FY 2019-20	5,970	\$16.20	25%		\$24,179			
	5,970	\$17.51	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	
FY 2022-23	5,970	\$19.28	25%					\$28,775
	5,970	\$19.28	75%					\$86,326
				\$92,371	\$102,580	\$112,460	\$115,101	\$115,101

Per Mile Portion

	Major Street Mileage	Per Mile Portion	# of Months Ratio	FY19 Projected	FY20 Estimated	FY21 Estimated	FY22 Estimated	FY23 Estimated
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	
FY 2022-23	18.55	\$4,387	25%					\$20,345
	18.55	\$4,387	75%					\$61,034
				\$67,202	\$72,544	\$79,515	\$81,379	\$81,379
203-000-546.01				\$159,573	\$175,124	\$191,975	\$196,480	\$196,480

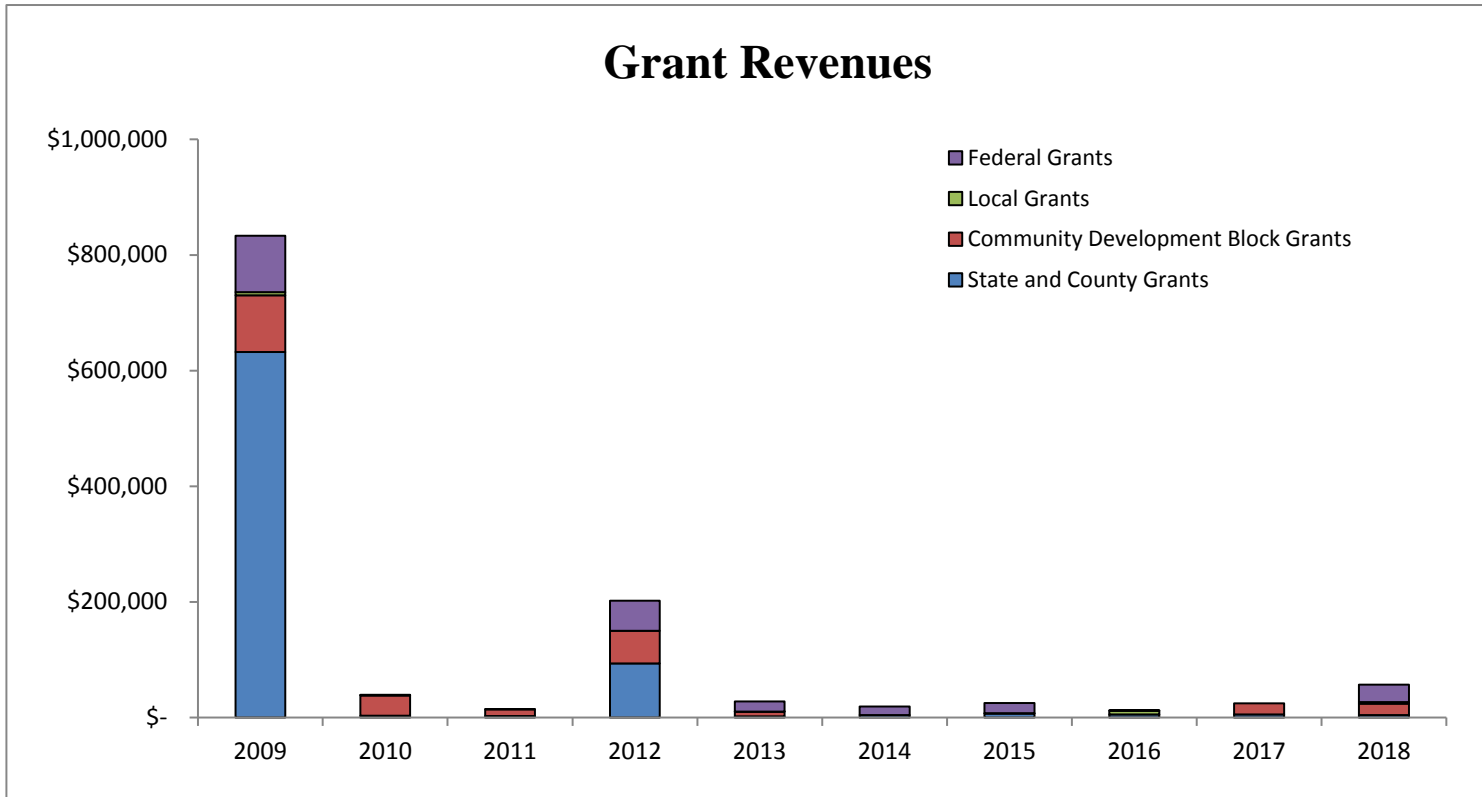
**City of Northville
Breakage Revenue
Ten Year Trend - 2009 through 2018**

The graph below shows the amount of breakage revenue received by the City of Northville. The peak year for this revenue was FY 2000, when the City received \$641,754. Since that time the City has had to adjust to steep declines in this revenue source. Breakage revenue decreased approximately an average of 11% per year from 2011 through 2016. FY18 did experience a 47% increase from the prior year due to the Hazel Park racetrack closing. 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 - 2009 through 2018**

The graph below shows the various grant revenues received by the City of Northville in the past ten years. The City has averaged approximately \$125,400 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 \$23,000 per year. Community Development Block Grants average nearly \$24,800 per year. State and County grants include storm water grants, state public safety grants, and state infrastructure grants. State grant revenues average \$76,000 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 \$14,200.



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, 2020 and
Five Year Plan – 2019 through 2023

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 \$311,000, or 4% from last year which is primarily attributable to wage and fringe benefit adjustments, and increases in the unfunded pension contributions and retiree healthcare costs. The part-time Administrative Assistant in the Police Department is proposed to become full time with benefits effective July 1, 2018. In addition, a new part-time Administrative Assistant is proposed to assist the City Clerk with duties in both the Clerk's office and the Building Department.

Taxable values for the City are continuing an upward trend. It provides for approximately \$181,000 of additional tax revenues for fiscal year 2020. The proposed budget reflects a decrease to the general operating millage rate from 13.5188 to 13.3538 mills due to a Headlee rollback expected for tax year 2019.

Total expenditures for fiscal year 2020 are \$8.1 million. The Police Department represents 40% of expenditures, followed by Administration at 16.5%, and Fire at 13.1% as shown on page IV-4. This is fairly consistent with the prior year.

The contribution towards the Fire Department's operating costs decreased from 42% to 41% 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 \$9,600.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 16.2% 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 - \$200,000 for an additional contribution to the pension plan utilizing fund balance reserves.
- Equipment - \$222,000 to fund future police and fire equipment purchases.
- Randolph Drain Improvements – The Randolph Drain Commission has a project planned for fiscal year 2020, the High Street Culvert Rehabilitation. \$155,476 is the anticipated assessment amount.
- Projects to be determined - \$177,483 is proposed to be transferred to the Public Improvement Fund to be utilized for unfunded projects. Possible uses are for the parking deck rehabilitation project, City park improvements, future Randolph Drain assessments, City Hall renovation project, etc.

Goals & Objectives

City Council's 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 are presented within each individual department's budget section.

Long Term Plan

The current millage rate of 13.5188 is expected to be reduced down to 13.3538 due to a Headlee rollback. The City is expecting further rollbacks in future years. General Fund operations cannot be maintained at the current service levels starting in FY2022 without a Headlee override. Nor does it allow for unanticipated capital or operational needs. City Council will need to decide when to consider a Headlee override ballot question to the voters as the allowable millage levy is expected to decrease each year.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

General Fund Summary – continued

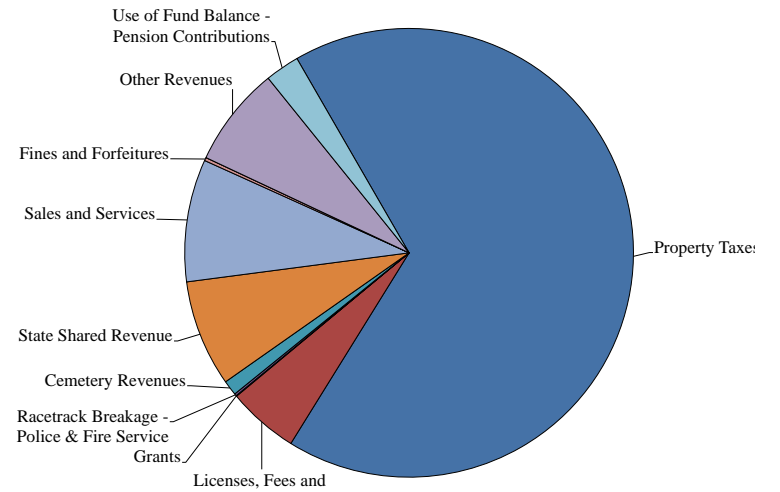
As of the December 31, 2017 pension valuation, the pension plan was 63% funded. MERS has reduced the expected long term rate of return from 7.75% on the December 31, 2017 valuation down to 7.35% on the December 31, 2018 valuation. The exact impact will not be known until the valuation is released in June 2019. That expected change will increase the liability and decrease the funded ratio. Therefore, \$200,000 annually for five years is proposed to be utilized from fund balance to make additional contributions.

City of Northville
Proposed 2019-20 General Fund Budget
(with historical comparative data)

Revenues

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Property Taxes	\$ 5,024,631	\$ 5,266,480	\$ 5,436,488	67.2%
Licenses, Fees and Permits	469,772	416,050	415,125	5.1%
Grants	58,481	34,849	4,000	0.0%
Racetrack Breakage - Police & Fire Service	16,007	12,337	12,557	0.2%
Cemetery Revenues	132,830	62,500	87,500	1.1%
State Shared Revenue	575,528	604,305	621,556	7.7%
Sales and Services	575,451	677,842	713,931	8.8%
Fines and Forfeitures	22,446	18,900	18,450	0.2%
Interfund Transfers	10,724	45,630	-	0.0%
Other Revenues	499,001	644,095	584,092	7.2%
Use of Fund Balance - Pension Contributions	-	-	200,000	2.5%
Total Revenues	\$ 7,384,871	\$ 7,782,988	\$ 8,093,699	100.0%

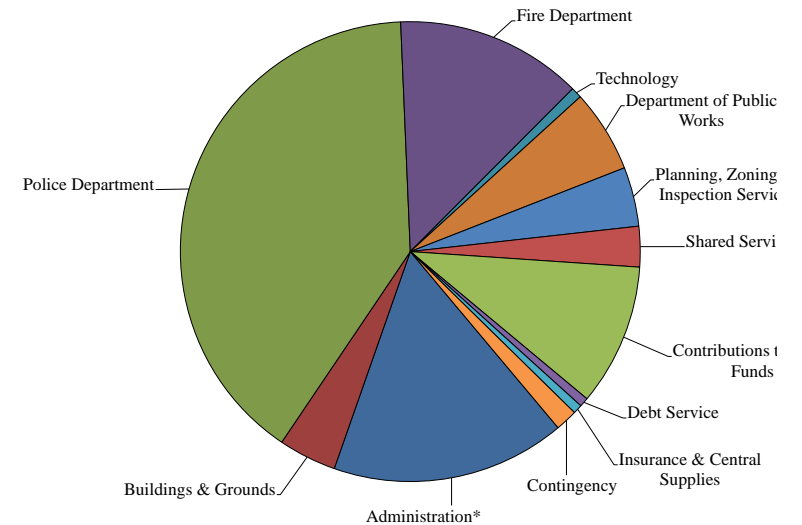
2019-20 Budgeted Revenues



Expenditures

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Administration*	1,357,135	1,343,398	\$ 1,333,615	16.5%
Buildings & Grounds	323,013	317,395	330,265	4.1%
Police Department	2,888,514	3,060,827	3,228,145	40.0%
Fire Department	871,758	1,020,050	1,063,790	13.1%
Technology	67,849	129,120	62,200	0.8%
Department of Public Works	485,666	450,861	471,275	5.8%
Planning, Zoning, & Inspection Services	322,373	305,179	337,300	4.2%
Shared Services	224,699	229,321	230,291	2.8%
Contributions to Other Funds	705,092	818,339	807,557	10.0%
Debt Service	52,306	52,213	52,096	0.6%
Insurance & Central Supplies	45,997	51,285	52,165	0.6%
Contingency	-	5,000	125,000	1.5%
Unallocated Reserve	40,469	-	-	0.0%
Total Expenditures	\$ 7,384,871	\$ 7,782,988	\$ 8,093,699	100.0%

2019-20 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, 2020 and
Five Year Plan - 2019 through 2023

	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	FY 2020 % Increase (Decrease)
Revenues								
Property Taxes	4,841,882	5,024,631	5,266,480	5,436,488	5,509,057	5,606,413	5,705,554	3.23%
Licenses, Fees and Permits	443,951	469,772	416,050	415,125	417,055	421,555	426,145	(0.22%)
Grants	5,376	58,481	34,849	4,000	4,000	4,000	4,000	(88.52%)
Racetrack Breakage -								
Police & Fire Services	14,205	16,007	12,337	12,557	-	-	-	1.78%
State Shared Revenue	558,082	575,528	604,305	621,556	632,296	643,256	654,436	2.85%
Sales and Services	629,991	575,451	677,842	713,931	732,363	746,960	762,156	5.32%
Cemetery Revenues	113,511	132,830	62,500	87,500	87,500	87,500	87,500	40.00%
Financing Proceeds	-	-	-	-	-	-	-	0.00%
Fines and Forfeitures	53,920	22,446	18,900	18,450	18,450	18,450	18,450	(2.38%)
Other Revenues	539,282	499,001	644,095	584,092	574,453	576,856	578,311	(9.32%)
Interfund Transfers	7,615	10,724	45,630	-	-	22,000	55,000	(100.00%)
Total Revenues	7,207,815	7,384,871	7,782,988	7,893,699	7,975,174	8,126,990	8,291,552	1.42%
Appropriation of Prior Year Surplus	-	-	-	200,000	200,000	262,057	244,822	
Total Budget	7,207,815	7,384,871	7,782,988	8,093,699	8,175,174	8,389,047	8,536,374	3.99%

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	FY 2020 % Increase (Decrease)
Expenditures								
Administration								
City Council	12,302	14,044	13,355	14,095	14,185	14,260	14,335	5.54%
City Manager's Office	324,413	340,183	348,095	352,195	370,835	377,150	380,155	1.18%
Communications	56,631	87,141	89,975	64,195	64,860	64,860	64,860	(28.65%)
Elections	42,400	73,340	51,258	57,445	61,240	70,165	75,710	12.07%
City Attorney's Office	134,361	164,327	157,000	139,000	164,000	164,000	139,000	(11.46%)
City Clerk's Office	136,815	148,311	160,720	151,345	159,865	181,270	164,935	(5.83%)
Finance & Administrative Services	322,028	351,772	339,050	358,150	369,950	373,100	375,550	5.63%
Tax & Assessing Department	159,869	178,017	183,945	197,190	208,185	212,605	214,135	7.20%
Total Administration	1,188,819	1,357,135	1,343,398	1,333,615	1,413,120	1,457,410	1,428,680	(0.73%)
Buildings and Grounds	316,801	323,013	317,395	330,265	328,880	331,375	333,780	4.05%
Police Department	2,708,294	2,888,514	3,060,827	3,228,145	3,360,450	3,416,780	3,456,727	5.47%
Fire Department	915,053	871,758	1,020,050	1,063,790	1,093,965	1,118,720	1,144,150	4.29%
Technology	67,730	67,849	129,120	62,200	62,925	83,590	117,240	(51.83%)
Department of Public Works	525,229	485,666	450,861	471,275	488,950	496,865	503,230	4.53%
Planning, Zoning and Inspection Svcs	264,405	322,373	305,179	337,300	336,425	358,295	337,630	10.53%
Shared Services	218,905	224,699	229,321	230,291	233,291	234,381	234,841	0.42%
Contributions to Other Funds	732,515	705,092	818,339	807,557	584,604	533,753	533,807	(1.32%)
Debt Service	51,963	52,306	52,213	52,096	52,939	52,523	52,744	0.00%
Insurance, Central Supplies and Unallocated Reserve	27,141	45,997	56,285	177,165	219,625	305,355	393,545	214.76%
Total Expenditures	7,016,855	7,344,402	7,782,988	8,093,699	8,175,174	8,389,047	8,536,374	3.99%
Fund Balance Reserve	190,960	40,469	-	-	-	-	-	
Total Budget	7,207,815	7,384,871	7,782,988	8,093,699	8,175,174	8,389,047	8,536,374	3.99%
Analysis of Fund Balance - Unassigned								
Beginning of Year			2,652,749	2,652,749	2,452,749	2,252,749	1,990,692	
Revenues			7,782,988	7,893,699	7,975,174	8,126,990	8,291,552	
Expenditures			(7,782,988)	(8,093,699)	(8,175,174)	(8,389,047)	(8,536,374)	
End of Year			2,652,749	2,452,749	2,252,749	1,990,692	1,745,870	
Fund Balance as a % of Expenditures			34%	30%	28%	24%	20%	

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 4.9%. This increase generates an additional \$181,000 in property tax revenue. The increase in taxable value was \$18.8 million. Approximately \$6.9 million of that increase was due to new construction. That accounts for why the taxable value increase of 4.9% is greater than the CPI of 2.4%.

Due to a Headlee rollback, the City is unable to levy the current millage of 13.5188. The maximum allowable levy is now 13.3538 resulting in a loss of tax revenues in the General Fund in the amount of approximately \$64,000. 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 2020 is \$25,000.

Licenses, Fees, and Permits

Overall, licenses, fees, and permit revenues are projected to remain consistent with the prior year. The major revenue sources in this category are cable television franchise fees and building permits. 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.

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.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

General Fund Revenues – continued

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. However, it is anticipated that this property will be sold in the short term. Therefore, services to the racetrack and breakage revenue are not budgeted beginning with FY2021.

State Shared Revenue

Constitutional: State Shared Revenue is budgeted based upon distribution rates received from the State of Michigan released in March 2019 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 FY2020 increases \$16,643, or 3.2%, 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 FY2020 to be the 3% higher than the prior year.

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. 59% of the costs will be reimbursed by the City of Plymouth for the proposed year. That is up one 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.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

General Fund Revenues – continued

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 FY2020.

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 are to 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 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 FY2020, \$95,100 in net investment earnings is projected.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

General Fund Revenues – continued

Overhead Reimbursement: This category also accounts for reimbursements from other funds for overhead and administrative costs which are expended in the General Fund. Inflationary increases are projected annually in the other funds.

Interfund Transfers

Transfers in from other funds are not projected for FY2020.

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 FY2021 through FY2023 are projected to increase 3% each year. However, the City's maximum allowable millage rate is expected to decline each year due to Headlee rollbacks. From fiscal years 2012 through 2018 the millage rate remained consistent at 13.5864 mills. The loss of revenue, compared to the 2018 millage, due to Headlee rollback is projected in FY21 at \$158,000, in FY22 at \$229,000, and in FY23 at \$303,000 unless a Headlee override is requested of and approved by the voters.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND REVENUES

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Property Taxes	Original Millage Authorized			18.0800	18.0800	18.0800	18.0800	18.0800
	Permanent Reduction Reduced by Headlee			13.7247	13.5188	13.3538	13.1908	13.0298
	x Headlee Millage Reduction Fraction			0.9850	0.9878	0.9878	0.9878	0.9878
	=Maximum Allowable Millage Levy			13.5188	13.3538	13.1908	13.0298	12.8708
	Millage Rate			13.5188	13.3538	13.1908	13.0298	12.8708
	Revenue per Mill Levied			370,682	388,829	398,716	410,677	422,997
101-000-403.00	Current Property Taxes	4,607,235	4,793,580	5,011,162	5,192,344	5,259,383	5,351,039	5,444,310
101-000-403.04	Local Community Stabilization Share	24,685	24,935	26,543	25,000	25,000	25,000	25,000
101-000-417.00	Delinquent Personal Prop Taxes	3,957	3,756	500	500	500	500	500
101-000-417.01	Delinquent Personal Prop Taxes - Administration Fee	158	145	50	50	50	50	50
101-000-417.03	Delinquent Personal Property Tax Accrued	(984)	(758)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
101-000-418.00	MTT Refunds - Previous Years	2,426	(5,438)	15,000	-	-	-	-
101-000-441.00	Collection Fee	166,499	171,794	178,971	184,340	189,870	195,570	201,440
101-000-441.01	Collection Fee - Schools	9,942	9,681	9,954	9,954	9,954	9,954	9,954
101-000-445.00	Penalty & Interest on Taxes	27,244	25,659	25,000	25,000	25,000	25,000	25,000
101-000-445.01	Penalty & Interest on Delinquent Personal Property Taxes	720	1,277	300	300	300	300	300
		4,841,882	5,024,631	5,266,480	5,436,488	5,509,057	5,606,413	5,705,554

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND REVENUES (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Licenses, Fees & Permits								
101-000-451.01	Business & Registration Fees	7,275	8,955	8,500	8,500	8,500	8,500	8,500
101-000-476.01	Building Permits	133,672	183,035	140,000	142,800	145,660	148,570	151,540
101-000-476.02	Electrical Permits	17,795	18,264	18,000	18,360	18,730	19,100	19,480
101-000-476.03	Heating Permits	20,992	21,465	20,500	20,910	21,330	21,760	22,200
101-000-476.04	Plumbing Permits	17,287	19,279	17,000	17,340	17,690	18,040	18,400
101-000-476.06	Bond Forfeits	14,050	(1,520)	-	-	-	-	-
101-000-476.07	Contractor Licenses	7,077	6,577	6,000	6,000	6,000	6,000	6,000
101-000-476.20	Dog Licenses	4,130	4,639	4,000	4,000	4,000	4,000	4,000
101-000-476.21	Planning and Zoning Fees	18,076	-	-	-	-	-	-
101-000-476.22	Engineering Review Fees	-	-	1,000	-	-	-	-
101-000-476.24	Tree Removal Permit	7,570	1,425	640	400	400	400	400
101-000-476.27	Planning Comm. Application Fee	1,570	12,525	15,000	12,500	10,000	10,000	10,000
101-000-476.28	HDC Application Fee	768	9,402	6,000	5,000	5,000	5,000	5,000
101-000-476.29	BZA Application Fee	-	3,300	1,500	1,500	1,500	1,500	1,500
101-000-476.40	Cable TV Franchise	175,733	167,840	166,890	167,315	167,745	168,185	168,625
101-000-476.50	Liquor License Application	1,270	475	1,020	500	500	500	500
101-000-476.99	Miscellaneous	16,686	14,111	10,000	10,000	10,000	10,000	10,000
		443,951	469,772	416,050	415,125	417,055	421,555	426,145
Grants & Other Local Sources								
101-000-505.01	Act 302 Training	2,242	2,066	2,000	2,000	2,000	2,000	2,000
101-000-505.03	Drunk Driver Caseflow	3,134	2,145	2,000	2,000	2,000	2,000	2,000
101-000-587.16	CDBG - Senior Services	-	21,424	-	-	-	-	-
101-000-660.05	Other Grants	-	30,185	30,437	-	-	-	-
101-000-660.06	Federal Grants - Public Safety	-	411	412	-	-	-	-
101-000-661.00	MMRMA RAP Grants	-	2,250	-	-	-	-	-
		5,376	58,481	34,849	4,000	4,000	4,000	4,000

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND REVENUES (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Racetrack Breakage-Police & Fire Service								
101-000-573.00	Racetrack Breakage	14,205	16,007	12,337	12,557	-	-	-
State Shared Revenue								
101-000-574.02	Constitutional Revenue Sharing	480,627	493,106	520,537	537,180	547,920	558,880	570,060
101-000-574.04	CVTRS Revenue Sharing	64,960	69,808	69,783	71,876	71,876	71,876	71,876
101-000-574.05	State Liquor License	12,495	12,614	13,985	12,500	12,500	12,500	12,500
		558,082	575,528	604,305	621,556	632,296	643,256	654,436
Sales and Services								
101-000-626.01	Impounded Vehicle Fees	856	210	750	500	500	500	500
101-000-626.02	Police Protection Services	3,754	8,660	5,000	4,000	4,000	4,000	4,000
101-000-626.04	DPW/Bldg Service Reimbursement	1,116	3,504	815	760	760	760	760
101-000-626.05	Crossing Guard Reimbursement	20,606	19,571	23,160	23,740	24,030	24,030	24,030
101-000-626.08	Fire Department Services	4,284	3,688	2,100	2,100	2,100	2,100	2,100
101-000-642.02	Other Miscellaneous Sales	27	45	25	25	25	25	25
101-000-642.03	FOIA Requests	473	153	150	150	150	150	150
101-000-642.05	Fire Service to Plymouth	598,875	539,620	645,842	682,656	700,798	715,395	730,591
101-000-642.07	Sale of Bricks	-	-	-	-	-	-	-
		629,991	575,451	677,842	713,931	732,363	746,960	762,156
Cemetery Revenue								
101-000-642.01	Cemetery Sales	32,685	39,595	15,000	30,000	30,000	30,000	30,000
101-000-642.04	Cemetery Foundation Sales	12,436	9,470	7,500	7,500	7,500	7,500	7,500
101-000-642.08	Cemetery Services - open/close	68,390	83,765	40,000	50,000	50,000	50,000	50,000
		113,511	132,830	62,500	87,500	87,500	87,500	87,500

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND REVENUES (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Fines and Forfeitures								
101-000-655.01	District Court Fines/Inmate Lodging	34,199	558	200	200	200	200	200
101-000-655.02	Parking Fines	17,742	19,745	18,000	18,000	18,000	18,000	18,000
101-000-655.03	Misc Ordinance Violations (Police)	756	889	250	250	250	250	250
101-000-656.00	Drug Forfeitures	56	128	-	-	-	-	-
101-000-656.01	Criminal Forfeitures	1,167	1,126	450	-	-	-	-
		53,920	22,446	18,900	18,450	18,450	18,450	18,450
Other Revenues								
101-000-586.11	Donations - Beautification Comm.	-	991	-	-	-	-	-
101-000-664.xx	Net Investment Income	765	11,663	98,100	95,100	92,100	89,100	86,100
101-000-666.00	Other Misc. Revenue	1,614	1,873	1,700	1,500	1,500	1,500	1,500
101-000-666.15	911 Wireless - Statewide	3,725	6,246	5,000	5,000	5,000	5,000	5,000
101-000-666.16	911 Wireline - Local	4,971	13,472	10,000	10,000	10,000	10,000	10,000
101-000-666.26	Election Reimbursements	8,126	-	-	11,890	-	-	-
101-000-668.00	Rents	1,124	836	-	-	-	-	-
101-000-668.01	Rent - Use of Vacant Land	2,837	2,897	3,059	3,120	3,182	3,246	3,311
101-000-668.09	Cell Tower Revenue	163,720	195,158	191,004	192,012	193,051	194,120	194,120
101-000-673.00	Gain on Sale of Assets	340	-	-	-	-	-	-
101-000-687.01	MMRMA Distributions	-	-	74,262	-	-	-	-
101-000-688.00	Overhead Reimbursement	203,460	200,395	195,350	199,480	203,230	207,090	211,060
101-000-699.07	Downtown Development Authority	133,270	50,000	50,000	50,000	50,000	50,000	50,000
101-000-689.00	PILOT-Allen Terrace	15,330	15,470	15,620	15,990	16,390	16,800	17,220
		539,282	499,001	644,095	584,092	574,453	576,856	578,311

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND REVENUES (continued)

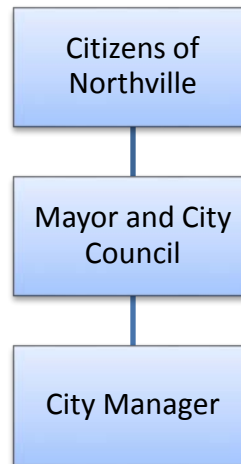
Account Number Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Interfund Transfers							
101-000-699.03 Operating Transfers from Public Improvement Fund	7,615	10,724	45,630	-	-	22,000	55,000
	7,615	10,724	45,630	-	-	22,000	55,000
Total General Fund Revenue	7,207,815	7,384,871	7,782,988	7,893,699	7,975,174	8,126,990	8,291,552

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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, 2020 and
Five Year Plan – 2019 through 2023

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 2020 budget increases 5.5% primarily due to more training and conferences expected. 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
 - Water, Sewer and Street System Improvements
 - Future Fire Station and City Hall Repairs/Renovations
- Medium Priority
 - Manager/Department Evaluations
 - Downtown Strategic Plan/Preservation of Downtown Funding
 - Street, Sidewalk, and Bike Path Improvements
 - Community Groups
 - Development and Redevelopment Issues
 - Ford Field Improvements
 - Cemetery Build-Out
 - Energy Efficiencies and Green Initiatives
 - Communications
 - Boards and Commission Training
- 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, 2020 and
Five Year Plan – 2019 through 2023

City Council - continued

Performance Measures

Measure	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Regular City Council Meetings	24	24	24	24	24
Special City Council Meetings	4	3	7	3	3
Number of Ordinances Adopted	9	8	12	9	9
Number of Resolutions Adopted	5	2	7	7	7
Efficiency & Effectiveness Measures					
Departmental Costs per Capita	\$2.24	\$2.06	\$2.35	\$2.24	\$2.36
City Operating Millage Rate (mills)	13.5864	13.5864	13.5864	13.5188	13.3308
Bond Rating (Standard & Poors)	AA+	AA+	AA+	AA+	AA+

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

City Council

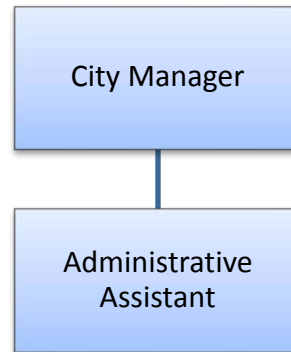
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-101-703.00	Salaries - Elected	2,600	2,600	2,600	2,600	2,600	2,600	2,600
101-101-726.00	Supplies	53	282	300	300	300	300	300
101-101-864.00	Conferences & Meetings	334	1,491	1,025	1,650	1,650	1,650	1,650
101-101-880.00	Ceremonial	299	600	200	200	200	200	200
101-101-958.00	Membership & Dues	8,816	8,872	9,025	9,140	9,230	9,305	9,380
101-101-967.00	Fringe Benefits	200	199	205	205	205	205	205
	Total Expenditures	12,302	14,044	13,355	14,095	14,185	14,260	14,335

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 human resources, the building and planning department, and communications. 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, special events, 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, 2020 and
Five Year Plan – 2019 through 2023

City Manager’s Office – continued

Proposed Fiscal Year Overview

The proposed budget increases slightly. A portion of the City Manager’s and the Administrative Assistant wages and fringes will be allocated to the Communications budget starting with FY20.

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

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Number of Agenda Packets Prepared	28	27	31	26	27
Labor Contracts Negotiated	0	4	0	0	4
Efficiency & Effectiveness					
Departmental Cost Per Capita	\$52	\$54	\$57	\$58	\$59

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

City Manager's Office

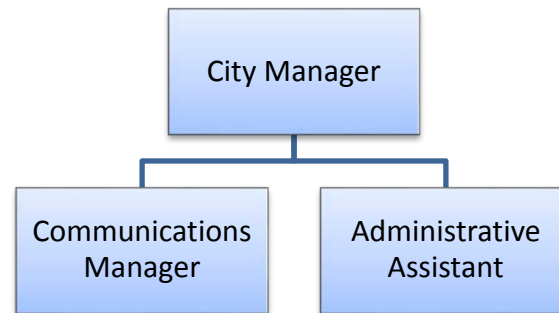
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-172-706.00	Salaries	148,278	152,811	157,525	154,605	156,590	156,590	156,590
101-172-726.00	Supplies	361	44	200	200	200	200	200
101-172-731.00	Publications	124	395	615	160	65	165	65
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	1,476	1,422	2,115	1,765	1,765	1,765	1,765
101-172-958.00	Membership & Dues	1,090	1,099	1,130	1,170	1,195	1,220	1,245
101-172-967.00	Fringe Benefits	79,151	81,668	81,180	78,665	79,710	79,710	79,710
101-172-967.04	Unfunded Pension Contributions	73,458	82,562	83,850	93,430	108,380	113,800	116,080
101-172-967.09	Retiree Healthcare Costs	14,175	13,882	15,180	15,900	16,630	17,400	18,200
	Total Expenditures	324,413	340,183	348,095	352,195	370,835	377,150	380,155

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 2020 budget decreases 29%. The decrease is primarily bringing both the website maintenance and design layout of the Northville Matters newsletter in-house. Individual departments are now responsible for updating their own content on the website. A portion of the City Manager’s and Administrative Assistant’s wages and fringes will be allocated to this department starting this fiscal year.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Communications – continued

Action Steps Related to City Council Goals & Objectives

Communications (High Priority Goal)

- Develop a plan for delivering emergent information more efficiently and timely.
- Assistance to departments with development more self-serve options on the website.
- Continue to improve and expand city-wide communications (i.e. Nixle and Instagram)
- Explore the option of having a YouTube channel on the website to highlight community events.

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
# of Facebook followers	n/a	211	508	710	850
# of subscribers to City News	1,444	1,506	1,674	1,780	1,960
# of Twitter followers	n/a	52	187	250	300
# of Instagram followers	n/a	n/a	n/a	50	200
Efficiency & Effectiveness					
Cost per Capita	n/a	\$9.49	\$14.60	\$15.07	\$10.75

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

Communications

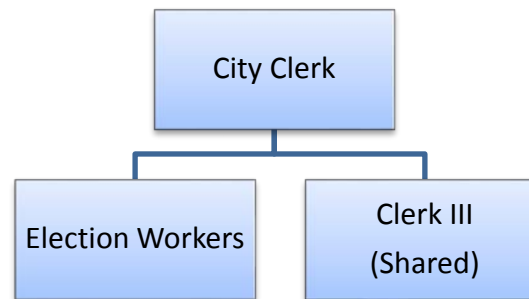
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-175-706.00	Salaries - Full Time	-	-	-	10,705	10,840	10,840	10,840
101-175-710.00	Salaries - Part Time	31,672	35,587	40,660	34,025	34,445	34,445	34,445
101-175-726.00	Supplies	697	323	715	100	100	100	100
101-175-801.25	Printing & Publishing	5,212	9,419	10,445	6,580	6,580	6,580	6,580
101-175-801.34	City Web Site	16,562	38,784	35,010	4,380	4,380	4,380	4,380
101-775-960.00	Education & Training	-	280	-	-	-	-	-
101-175-967.00	Fringe Benefits	2,488	2,748	3,145	8,405	8,515	8,515	8,515
	Total Expenditures	<u>56,631</u>	<u>87,141</u>	<u>89,975</u>	<u>64,195</u>	<u>64,860</u>	<u>64,860</u>	<u>64,860</u>

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 and preparing for elections. Election preparation begins at least 4 months prior to each election and includes: petition submissions, Election Commission meetings, ballot proofing, audio ballot proofing, 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 and preparing precinct kits, logic testing of all equipment, public accuracy test, publication of legal notices, website updates, election inspector training, electronic poll book prep, updating election day manuals and materials, and post-election reporting requirements.

In accordance with State Law, election inspectors must attend mandatory training during the even-year election cycle. Training is conducted by the Novi City Clerk, and/or Oakland County Elections. Supplemental training is done by the City Clerk.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Elections – continued

Proposed Fiscal Year Overview

The proposed fiscal year 2020 budget provides for the administering the November 2019 City Regular Election, 2020 Presidential Primary, and part of the 2020 August primary. The Elections budget fluctuates each fiscal year depending on the number and type of elections to be administered.

The budget also proposes a wage increase for Election Inspectors. This will be brought to the Election Commission for review and recommendation, and to City Council for approval. The last wage increase was in 2016.

Long-Term Overview

As the redevelopment of Northville Downs and other approved developments move forward, Staff will be monitoring voter registration numbers for Precinct 1 (Wayne County). The current number of registered voters is 2,425 and the maximum allowed is 2,999. This precinct will likely need to be split into two voting precincts to accommodate the new voters. FY2022 includes the cost of additional voting equipment, an Electronic Poll Book, and wages for additional election workers.

Splitting Precinct 2 will also be evaluated. While the voter registrations numbers for Precinct 2 is 2,622 and should continue to remain below the statutory maximum, splitting the precinct would make the precinct more manageable on Election Day. Factors to consider is location of new polling place, additional equipment costs, and wages for additional election workers.

Action Steps Related to City Council Goals & Objectives

Communications (High Priority Goal)

- 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

- Develop plan to explain the new procedures and to encourage absentee voting.
- Remain accredited to administer City of Northville 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.
- Partner with the City of Novi and Oakland County Elections for mandatory election inspector training sessions.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Elections – continued

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Estimated
Inputs & Outputs					
Number of Registered Voters	4,910	5,007	5047	5100	5200
Number of Elections Conducted	3	2	1	2	2
Absent Voter Ballots Prepared	1,867	2,133	640	2,162	800
Efficiency & Effectiveness Measures					
Cost of Elections per Capita	\$8	\$7	\$12	\$9	\$10
% of Registered Voters Voting – November	31%	80%	31%	75%	35%
% of Registered Voters Voting – August	23%	21%	n/a	42%	n/a
% of Registered Voters Voting – May	n/a	n/a	n/a	n/a	n/a
% of Registered Voters Voting – March	49%	n/a	n/a	n/a	50%

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

Elections

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-192-704.00	Salaries - Election Workers	10,595	3,650	10,680	6,120	14,200	8,650	21,400
101-192-706.00	Salaries - Regular Full Time	12,005	12,643	13,210	14,310	14,585	13,985	14,585
101-192-707.00	Salaries - Regular Overtime	703	175	1,690	1,400	2,800	1,400	2,800
101-192-740.00	Operating Supplies	2,582	3,425	4,325	3,950	8,155	12,100	10,905
101-192-741.00	Maintenance	667	282	300	300	300	3,305	3,750
101-192-801.00	Contracted Services	-	-	200	325	650	325	700
101-192-801.19	Technology Support & Services	3,333	4,519	4,780	4,905	4,480	4,905	4,480
101-192-863.00	Mileage Reimbursement	282	107	100	60	100	100	100
101-192-900.00	Printing & Publishing	1,561	2,863	2,933	1,740	3,090	1,705	3,230
101-192-942.01	Rental - Facilities	700	350	700	700	700	350	700
101-192-943.00	Equipment Rental	-	-	95	100	100	100	100
101-192-967.00	Fringe Benefits	7,624	7,565	8,000	8,720	8,860	8,260	8,860
101-192-967.04	Unfunded Pension Contributions	949	1,128	1,240	1,345	1,560	1,640	1,670
101-192-967.09	Retiree Healthcare Costs	1,399	1,448	1,505	1,580	1,660	1,740	1,830
101-192-973.00	Misc. Equipment < \$5,000	-	10,185	1,500	-	-	600	600
101-192-977.00	Capital Outlay - Equip >\$5,000	-	25,000	-	-	-	11,000	-
	Subtotal	42,400	73,340	51,258	45,555	61,240	70,165	75,710
Reimbursable Expenditures								
101-192-704.99	Salaries - Election Workers	-	-	-	6,000	-	-	-
101-192-707.99	Salaries - Regular Overtime	-	-	-	1,400	-	-	-
101-192-740.99	Operating Supplies	-	-	-	1,200	-	-	-
101-192-801.85	Contracted Services	-	-	-	325	-	-	-
101-192-801.86	Technology Support & Services	-	-	-	1,800	-	-	-
101-192-863.99	Mileage Reimbursement	-	-	-	40	-	-	-
101-192-900.99	Printing & Publishing	-	-	-	1,125	-	-	-
	Subtotal	-	-	-	11,890	-	-	-
	Total Expenditures	42,400	73,340	51,258	57,445	61,240	70,165	75,710

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
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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, real estate/development matters or long-term financing projects.

Proposed Fiscal Year Overview

The budget decreases by 11% due to property deed projects settled and higher than normal activity in the prior year. General and prosecution costs are unpredictable and budgeted using a five-year average of actual costs.

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Efficiency & Effectiveness					
Departmental Costs per Capita	\$16	\$23	\$28	\$26	\$23

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

City Attorney's Office

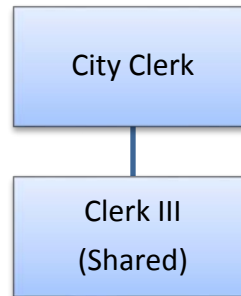
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-203-802.01	Legal Service - General	17,512	33,308	60,000	42,000	42,000	42,000	42,000
101-203-802.02	Legal Service - Prosecution	76,635	114,434	87,000	87,000	87,000	87,000	87,000
101-203-802.03	Legal Service - Labor	40,214	16,585	10,000	10,000	35,000	35,000	10,000
	Total Expenditures	<u>134,361</u>	<u>164,327</u>	<u>157,000</u>	<u>139,000</u>	<u>164,000</u>	<u>164,000</u>	<u>139,000</u>

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 and includes: maintaining ordinances, resolutions, contracts, legal notices, and other legal documents, issues various licenses and permits, publishing bid notices and unofficial results, record bid opening results, maintenance of parking ticket data, public hearing notice publication and mailings, reviews all insurance documents pertaining to special events, records retention and management, risk management, website updates, administrative support to the Board and Commission Selection Committee, maintains board and commissions lists (terms renewals, etc.), administers oaths of office, and certifies resolutions, ordinances, and other records.

This department also serves as the Freedom of Information Act Coordinator, Administrative supervisor of Building Department, and Administrative supervisor of Planning and Zoning Department.

As the Secretary to the City Council, the City Clerk also performs other clerical duties including records and transcribes City Council meeting minutes, Liquor License Review Committee recording secretary, and Board and Commission Selection Committee recording secretary.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

City Clerk – continued

The Front Office is located in the City Clerk’s office. In addition to clerical staff’s individual position responsibilities, shared clerical staff provides customer service, including but not limited to main telephone and customer reception; responding to miscellaneous in-person questions/inquiries, receiving all payments, daily deposit preparation, parking ticket data maintenance and collection efforts, dog licensing, issuing miscellaneous licenses, and notary services.

Proposed Fiscal Year Overview

The FY2020 budget decreases approximately 5.8% over the previous year due to a reduction in unfunded pension contributions.

Action Steps Related to City Council Goals & Objectives

Communications (High Priority Goal) - Explore and implement online registration and payment options for City Clerk services.

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.
- Expand the number of documents and information available on the website for resident access and use.
- Develop website application for Board and Commission Service Application.

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Estimated
Inputs & Outputs					
Number of Business Licenses Issued	262	257	256	260	260
Number of Dog Licenses Issued	424	412	438	440	440
Number of FOIA Requests Processed	65	60	67	75	70
Efficiency & Effectiveness Measures					
Departmental Cost Per Capita	\$19	\$23	\$25	\$27	\$25

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

City Clerk's Office

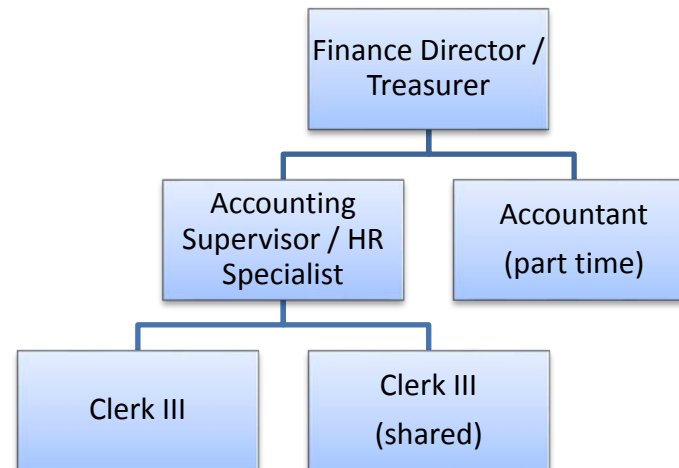
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-215-706.00	Wages/Salaries	46,130	48,015	52,510	51,515	52,915	52,915	52,915
101-215-707.00	Wages/Salaries Overtime	-	-	20	-	-	-	-
101-215-726.00	Supplies	595	587	890	1,085	850	1,045	950
101-215-801.00	Contractual Services	-	-	2,030	1,030	30	30	30
101-215-853.00	Telephone	900	900	900	900	900	900	900
101-215-863.00	Mileage	93	47	100	100	100	100	100
101-215-900.00	Printing & Publishing	1,931	3,704	4,575	4,745	4,745	22,745	4,745
101-215-958.00	Membership & Dues	295	315	395	395	375	375	375
101-215-960.00	Education & Training	-	-	1,550	1,550	1,550	1,550	1,550
101-215-967.00	Fringe Benefits	28,967	29,907	30,310	30,960	31,690	31,690	31,690
101-215-967.04	Unfunded Pension Contributions	44,089	50,600	52,765	43,785	50,790	53,330	54,400
101-215-967.09	Retiree Healthcare Costs	13,815	14,236	14,675	15,280	15,920	16,590	17,280
	Total Expenditures	136,815	148,311	160,720	151,345	159,865	181,270	164,935

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
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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, 2020 and
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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 2020 budget increases 5.6%. This is due to a higher unfunded pension contributions and replacement of the Accountant position effective July 1, 2019.

Action Steps Related to City Council Goals & Objectives

- Long-term financial stability (High Priority Goal)
 - Monitor need for Headlee override.
 - Contribute additional funds to pension and OPEB plan and provide periodic reports to City Council as warranted.
- 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 14th 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.
- Implement uniform chart of accounts as mandated by the State of Michigan.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Finance and Administrative Services – continued

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Efficiency & Effectiveness Measures					
Departmental Cost Per Capita	\$50	\$54	\$59	\$57	\$59
Bond Rating (Standard & Poor's)	AA+	AA+	AA+	AA+	AA+
Years Received GFOA Distinguished Budget Award	10	11	12	13	14

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
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GENERAL FUND EXPENDITURES - Administration

Finance and Administrative Services

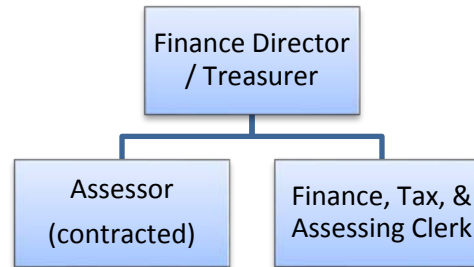
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-230-706.00	Wages/Salaries	128,616	137,426	141,755	144,715	147,205	147,205	147,205
101-230-707.00	Wages/Salaries - Regular OT	433	-	325	335	340	340	340
101-230-710.00	Wages/Salaries - Part-time	37,129	38,304	38,945	47,020	47,605	47,605	47,605
101-230-726.00	Supplies	1,096	509	1,175	1,175	1,175	1,175	1,175
101-230-731.00	Publications	631	771	650	650	650	650	650
101-230-801.00	Contractual Services	1,295	21,937	1,220	280	280	280	280
101-230-805.00	Auditing Fees - General Fund	11,614	11,716	12,990	13,275	13,580	13,890	14,210
101-230-853.00	Telephone	900	900	900	900	900	900	900
101-230-958.00	Memberships & Dues	1,115	1,125	1,145	1,180	1,195	1,210	1,210
101-230-960.00	Education & Training	1,252	1,582	2,905	3,450	3,450	3,450	3,450
101-230-967.00	Fringe Benefits	76,039	80,180	81,120	83,580	84,720	84,165	84,165
101-230-967.04	Unfunded Pension Contributions	27,861	32,094	33,660	38,630	44,810	47,060	48,000
101-230-967.09	Retiree Healthcare Costs	34,047	25,228	22,260	22,960	24,040	25,170	26,360
	Total Expenditures	322,028	351,772	339,050	358,150	369,950	373,100	375,550

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 part-time contracted position. 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 2019 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, 2020 and
Five Year Plan – 2019 through 2023

Tax & Assessing Department – continued

Proposed Fiscal Year Overview

The proposed fiscal year 2019 budget shows an increase of 7.2% 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	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2020 Projected	FY2020 Target
Inputs & Outputs					
Assessment Roll Year	2015	2016	2017	2018	2019
Parcel Count - Real Property	2,614	2,622	2,620	2,621	2623
Parcel Count – Personal Property	554	570	585	532	536
March Board of Review Appeals - Residential Real	23	25	16	20	22
March Board of Review Appeals - Commercial & Industrial Real	4	3	0	1	0
March Board of Review Appeals - Personal Property	5	0	4	17	22
Tax Tribunal - Small Claims Appeals Filed	0	0	3	0	0
Tax Tribunal - Full Tribunal Appeals Filed	2	1	1	0	0
# of Parcels with a Principal Residence Exemption (PRE)	2,018	2,056	2,075	2,078	2,030
# of Parcels with a Michigan Business Tax Exemption (MBT)	553	564	590	684	530
# of Parcels exempt from personal property taxes (under 40,000 TV)	290	329	304	343	342
Efficiency & Effectiveness Measures					
Departmental Cost per Capita (fiscal year)	\$29	\$27	\$30	\$31	\$33
Equalization Factor	1.00	1.00	1.00	1.00	1.00

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

Tax & Assessing Department

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-252-703.00	Wages - Board of Review	1,400	1,260	1,260	1,400	1,400	1,400	1,400
101-252-706.00	Wages - Full Time	40,431	41,475	42,440	43,530	44,095	44,095	44,095
101-252-707.00	Wages - Clerical Overtime	951	238	100	100	100	100	100
101-252-710.00	Wages - Part Time	11,499	-	-	-	-	-	-
101-252-740.00	Operating Supplies	125	50	250	290	250	250	250
101-252-801.00	Contractual Services	680	536	510	570	570	570	570
101-252-802.00	Collection Services	175	-	-	-	-	-	-
101-252-802.04	Legal Services	9,416	4,278	8,000	10,000	10,000	10,000	10,000
101-252-806.00	Contracted Assessing Services	19,000	48,000	48,960	49,930	50,925	51,945	51,945
101-252-863.00	Mileage	127	178	-	250	250	250	250
101-252-900.00	Printing & Publishing	6,222	8,215	6,650	6,495	6,590	6,590	6,590
101-252-958.00	Membership & Dues	530	510	355	355	365	365	365
101-252-960.00	Education & Training	1,353	567	1,075	1,575	1,575	1,575	1,575
101-252-967.00	Fringe Benefits	24,163	23,416	23,235	23,790	24,085	24,085	24,085
101-252-967.04	Unfunded Pension Contributions	40,319	46,209	48,085	55,725	64,640	67,870	69,220
101-252-967.09	Retiree Healthcare Costs	3,478	3,085	3,025	3,180	3,340	3,510	3,690
	Total Expenditures	159,869	178,017	183,945	197,190	208,185	212,605	214,135

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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, and the cost for the City's Beautification Committee are included in this section of the budget. In addition, the City's annual tree planting and maintenance program is undertaken.

Proposed Fiscal Year Overview

The proposed budget increases 4.1% primarily due to higher costs for janitorial services at City Hall and other inflationary adjustments. Phase II of the cemetery expansion is expected to be complete.

Departmental Goals & Objectives

Completion of converting cemetery paper documents and maps into an electronic database system.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Buildings and Grounds – continued

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Estimate	FY2020 Estimate
Inputs & Outputs					
Number of Cemetery Lots Sold	35	41	24	13	80
Number of Open/Close Events	64	55	75	25	30
Number of Trees Replaced	12	11	0	12	12
Number of Trees Removed	9	27	10	11	11
Number of Developed Cemetery Acres	23	23	23	24	24
Number of Undeveloped Cemetery Acres	3	3	3	2	2
Efficiency & Effectiveness					
Cost of Cemetery Operations per Capita	\$21	\$22	\$22	\$18	\$20
Cost per Acre for Cemetery Maintenance	n/a	\$3,677	\$4,400	\$3,759	\$3,608

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Buildings and Grounds

		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Cemetery Services - Open/Close								
101-261-706.00	Wages/Salaries (DPW)	7,647	6,496	3,000	5,100	5,265	5,265	5,265
101-261-706.14	Wages/Salaries (Admin)	8,928	4,632	4,740	4,865	4,930	4,930	4,930
101-261-707.00	Overtime (DPW)	1,123	2,161	1,000	1,000	1,050	1,050	1,050
101-261-710.00	Wages (Part Time)	2,956	-	5,000	5,000	-	-	-
101-261-775.00	Materials	351	192	200	200	200	200	200
101-261-853.00	Telephone/Communications	90	-	-	-	-	-	-
101-261-943.00	Equipment Rental	10,452	6,494	3,000	3,030	3,060	3,090	3,120
101-261-958.00	Memberships & Dues	-	-	35	35	35	35	35
101-261-967.00	Fringe Benefits	17,068	12,251	7,325	9,655	9,190	9,190	9,190
		48,615	32,226	24,300	28,885	23,730	23,760	23,790
Cemetery Maintenance								
101-262-706.00	Wages/Salaries (DPW)	19,888	23,005	17,000	17,500	18,410	18,410	18,410
101-262-707.00	Overtime (DPW)	872	869	2,000	2,000	2,100	2,100	2,100
101-262-775.00	Materials	656	758	700	700	700	700	700
101-262-775.01	Foundations	3,443	1,840	3,000	3,000	3,000	3,000	3,000
101-262-801.00	Contractual Services	21,139	29,082	28,980	27,600	28,080	28,570	29,070
101-262-920.03	Water & Sewer Services	305	342	1,545	360	390	410	410
101-262-943.00	Equipment Rental	12,485	17,167	12,120	12,240	12,360	12,480	12,600
101-262-967.00	Fringe Benefits	23,282	25,300	18,165	19,750	20,620	20,620	20,620
101-262-967.04	Unfunded Pension Contributions	2,496	2,847	2,940	3,440	3,990	4,190	4,270
		84,566	101,210	86,450	86,590	89,650	90,480	91,180

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Buildings and Grounds (continued)

		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
		Actual	Actual	Projected	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
City Hall Building and Grounds								
101-263-706.00	Wages/Salaries	6,141	6,831	8,000	8,200	8,630	8,630	8,630
101-263-707.00	Overtime	154	48	175	175	200	200	200
101-263-740.00	Supplies	471	(42)	-	-	-	-	-
101-263-741.00	Maintenance - Generator & Siren	3,047	2,967	6,175	4,175	4,175	4,175	4,175
101-263-775.00	Materials	2,665	3,099	3,000	3,000	3,000	3,000	3,000
101-263-776.00	Maintenance Supplies	2,408	1,961	2,500	2,500	2,500	2,500	2,500
101-263-801.00	Contractual Services	5,737	19,969	23,660	19,240	19,320	19,400	19,490
101-263-801.01	Janitorial Services	10,800	10,800	16,920	25,735	25,485	25,485	25,485
101-263-801.06	Elevator Maintenance	5,762	4,535	4,855	5,020	5,190	5,370	5,550
101-263-853.00	Telephone	18,483	19,342	20,580	20,580	20,580	20,580	20,580
101-263-920.00	Solid Waste Collection	459	581	470	485	500	515	530
101-263-920.01	Electrical Service	35,649	35,406	36,200	36,920	37,650	38,400	39,160
101-263-920.02	Natural Gas Service	7,595	7,322	8,670	8,840	9,020	9,200	9,380
101-263-920.03	Water & Sewer Service	3,121	4,182	4,080	4,160	4,240	4,320	4,410
101-263-943.00	Equipment Rental	1,606	2,157	1,920	1,940	1,960	1,980	2,000
101-263-967.00	Fringe Benefits	6,606	7,146	7,815	8,485	8,880	8,880	8,880
		110,704	126,304	145,020	149,455	151,330	152,635	153,970
Beautification Commission								
101-269-706.00	Wages-Regular Full Time	46	117	110	115	120	120	120
101-269-775.00	Materials	1,613	1,674	2,000	2,690	2,000	2,000	2,000
101-269-880.00	Ceremonial	1,508	1,354	1,575	1,875	1,575	1,575	1,575
101-269-910.00	Liability Insurance	698	2,294	-	-	-	-	-
101-269-943.00	Equipment Rental - City	65	-	65	65	65	65	65
101-269-958.00	Memberships & Dues	20	45	20	20	20	20	20
101-269-967.00	Fringe Benefits	48	139	105	115	120	120	120
		3,998	5,623	3,875	4,880	3,900	3,900	3,900

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Buildings and Grounds (continued)

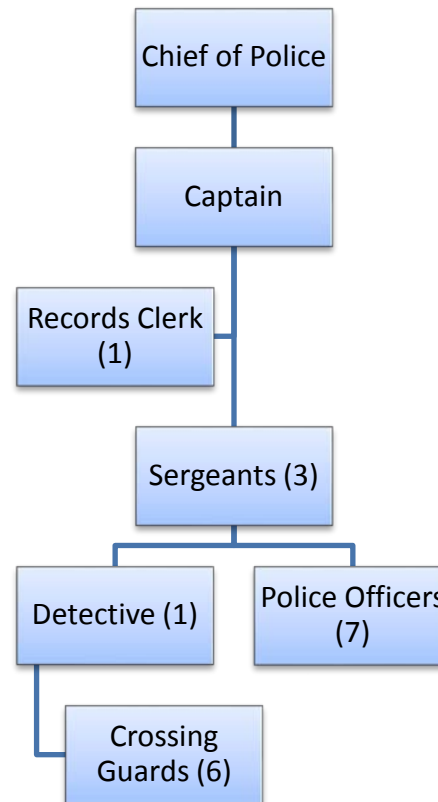
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
		Actual	Actual	Projected	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
Mill Race Village								
101-270-706.00	Wages/Salaries	723	744	200	200	210	210	210
101-270-707.00	Wages/Salaries - OT	-	316	100	100	110	110	110
101-270-775.00	Materials	1,294	-	200	200	200	200	200
101-270-801.00	Contractual Services	5,403	6,381	7,665	9,570	9,600	9,780	9,970
101-270-910.00	Insurance	856	2,603	2,485	2,560	2,640	2,720	2,800
101-270-920.00	Utilities	993	1,115	1,080	1,110	1,140	1,170	1,200
101-270-920.03	Water & Sewer Service	2,423	3,896	5,000	5,000	5,000	5,000	5,000
101-270-943.00	Equipment Rental	468	929	610	620	630	640	650
101-270-967.00	Fringe Benefits	709	1,069	290	305	325	325	325
		12,869	17,053	17,630	19,665	19,855	20,155	20,465
Maintenance of Other City Property								
101-272-706.00	Wages/Salaries	4,387	4,597	6,000	6,150	6,470	6,470	6,470
101-272-707.00	Overtime	-	186	-	-	-	-	-
101-272-775.00	Materials	22	-	250	250	250	250	250
101-272-801.00	Contractual Services	1,233	1,535	2,500	2,500	1,500	1,500	1,500
101-272-943.00	Equipment Rental	2,418	2,781	2,630	2,660	2,690	2,720	2,750
101-272-967.00	Fringe Benefits	4,709	4,845	5,740	6,230	6,505	6,505	6,505
		12,769	13,944	17,120	17,790	17,415	17,445	17,475
Tree Maintenance								
101-276-783.00	New Trees	3,300	5,037	3,000	3,000	3,000	3,000	3,000
101-276-801.10	Tree Maintenance	39,980	21,616	20,000	20,000	20,000	20,000	20,000
		43,280	26,653	23,000	23,000	23,000	23,000	23,000
Total Expenditures - Buildings and Grounds		316,801	323,013	317,395	330,265	328,880	331,375	333,780

City of Northville
Line Item Budget for the Year Ended June 30 2020 and
Five Year Plan – 2019 through 2023

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 2020 and
Five Year Plan – 2019 through 2023

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 currently staffed by one part-time administrative assistant. 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 calendar year 2018, the Department responded to 304 calls for service (CFS) from the racetrack compared to 150 CFS in the prior year. This represented approximately 5 percent of all the Department’s calls for service during 2018. Included in this number are 213 details to safeguard the collection of money, up from 76 in 2017. 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 2018, officers on patrol handled 6,301 calls for service (CFS), an increase of 691 calls for service from 2017.

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 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.

City of Northville
Line Item Budget for the Year Ended June 30 2020 and
Five Year Plan – 2019 through 2023

Police Department – continued

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 2018. 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 blood alcohol content (BAC) of .17% or above, 3 were charged with operating under the influence of drugs, 11 were charged with operating under the influence of alcohol, 7 were charged with second offense operating under the influence of alcohol, 1 was charged with ability impaired by alcohol, and 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 2018.

Training – This category is for the training of officers. In today’s litigious society, it is essential that the Department train it’s 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, de-escalation and control tactics. Where possible, this training is conducted with its own instructors. It is the immediate goal of the department to continue to recoup the core curriculum and advance its training. It is also important that the Department continue to train the 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 Heritage 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.

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.

City of Northville
Line Item Budget for the Year Ended June 30 2020 and
Five Year Plan – 2019 through 2023

Police Department – continued

Administration & Records - This activity includes the salary of the Chief of Police, the Captain, the part-time Administrative Assistant, 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 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 part-time Administrative Assistant. 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 5.45%. The increase is related to several factors: wage and fringe benefit adjustments, inflationary increases for insurance and contracted Northville Township services, and rising retiree pension and healthcare costs. In addition, the part-time Administrative Assistant position is proposed to become full-time with benefits July 1, 2019.

It is proposed that one Sergeant attend the FBINA Michigan Police Executive Development Seminar and an additional Sergeant attend the Police Staff and Command Training. The police department will continue on twelve-hour shifts which began in 2017. All budgeted positions have been filled including a new Chief of Police who started in December of 2018.

City of Northville
Line Item Budget for the Year Ended June 30 2020 and
Five Year Plan – 2019 through 2023

Police Department – continued

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

- Amend the city’s current fireworks ordinance to be consistent with recent changes to the state law.
- Research the possibility of deploying body cameras to all police officers.
- 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 2020 and
Five Year Plan – 2019 through 2023

Police Department – continued

Performance Measures (by Calendar Year)

	CY2016 Actual	CY2017 Actual	CY2018 Actual	CY2019 Projected	CY2020 Estimated
Inputs & Outputs					
Total Calls for Service (CFS)	5,980	5,610	6,301	6,616	6,946
Traffic Crashes Investigated	283	272	237	213	192
Total Number of Arrests – Adult	168	112	112	120	130
Total Number of Arrests - Juvenile	6	2	0	2	4
Number of Operating While Intoxicated Arrests	53	28	28	30	32
Number of Traffic Related Charges	1,076	834	1,170	1,368	1,436
Number of Parking Violations	1,765	1,213	2,652	2,784	2,923
Liquor Inspections	69	62	57	75	80
Referrals to Youth Assistance	6	1	1	1	2
Violent Crime	2	4	4	2	2
Property Crime	56	44	40	38	36
Part I Offenses	51	43	40	38	36
Efficiency & Effectiveness Measures					
Average Response Time (minutes)	3:84	3:22	3:15	3:00	3:00
Department Cost per Capita (fiscal year)	\$436	\$453	\$512	\$520	\$530

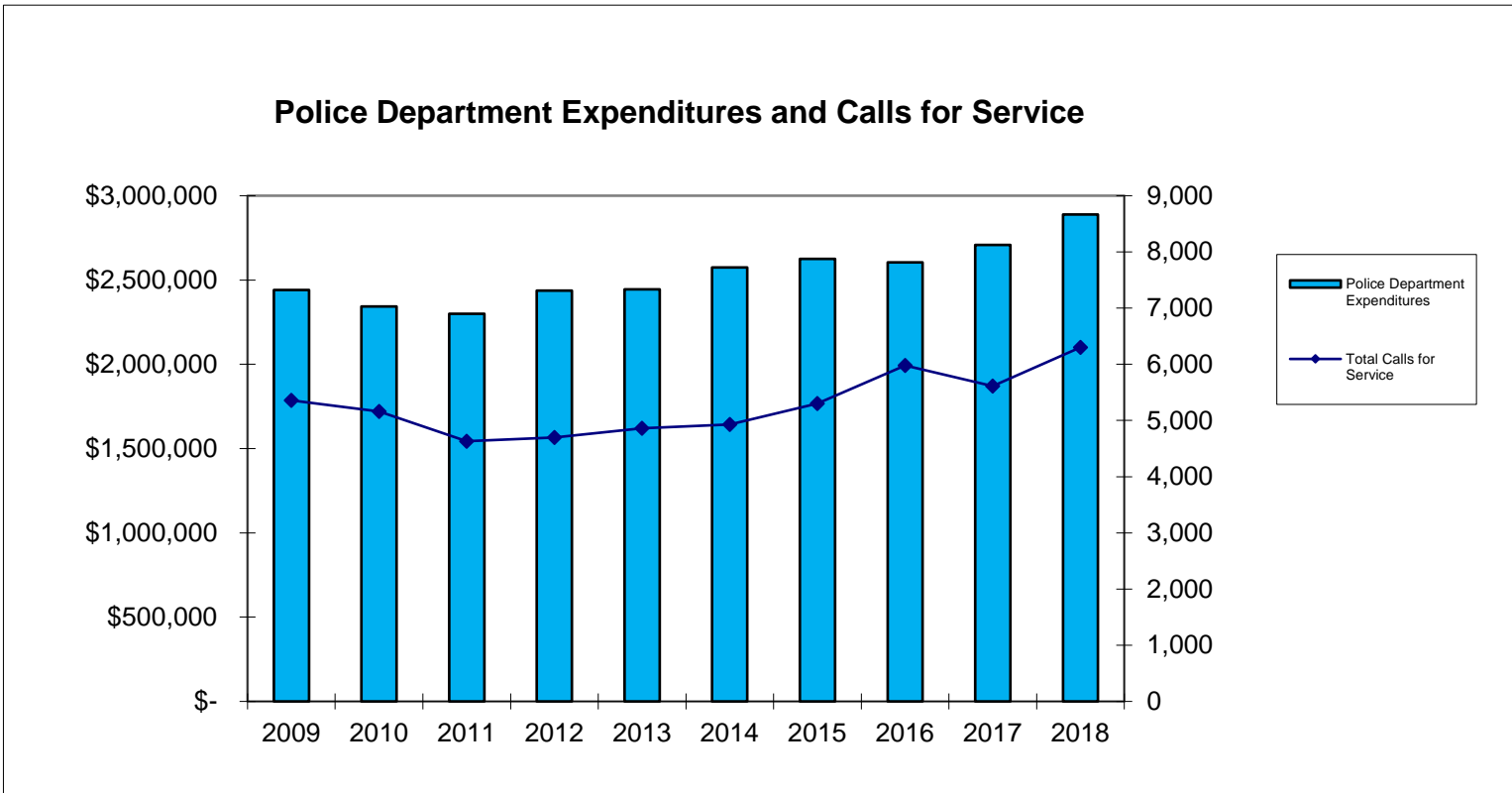
- **Violent Crime** - murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault.

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

- **Part 1 Offenses** - The Uniform Crime Reports (UCR) Part 1 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 - 2009 through 2018

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 5,283 and have increased by 5.3% over the last five years. FY2018 included costs at full staffing, which wasn't the case in the prior five years.



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Police Department

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Police Racetrack Services								
101-304-705.00	Wages - Regular OIC	792	396	500	500	-	-	-
101-304-705.10	Wages - Overtime OIC	2,895	652	500	520	-	-	-
101-304-706.00	Wages/Salaries	2,941	5,467	4,500	4,500	-	-	-
101-304-707.00	Wages/Salaries - Overtime	170	3,166	100	100	-	-	-
101-304-967.00	Fringe Benefits	3,897	5,201	2,840	3,020	-	-	-
		10,695	14,882	8,440	8,640	-	-	-
Police Patrol								
101-305-705.00	Wages - Regular OIC	127,548	94,219	101,000	103,725	105,065	105,065	105,065
101-305-705.10	Wages - Overtime OIC	13,985	6,212	5,000	5,000	5,520	5,520	5,520
101-305-706.12	Wages - Crossing Guards Reg	68	18	-	-	-	-	-
101-305-706.13	Wages - Crossing Guards OT	27	28	-	-	-	-	-
101-305-706.00	Wages/Salaries	415,375	514,643	530,000	534,000	551,030	551,030	551,030
101-305-707.00	Wages/Salaries - Overtime	32,192	50,002	35,455	36,815	38,185	38,185	38,185
101-305-707.04	Crossing Guard - Overtime	230	54	40	40	45	45	45
101-305-710.01	Crossing Guards	36,949	37,964	42,820	43,890	44,430	44,430	44,430
101-305-740.00	Operating Supplies	2,182	1,450	3,150	3,150	3,150	3,150	3,150
101-305-751.00	Fuel & Oil	9,948	11,910	20,000	20,500	21,000	21,500	22,000
101-305-801.04	Auto/Equipment Service	14,492	13,126	13,500	13,500	13,500	13,500	13,500
101-305-801.19	Computer Program Services	5,108	420	-	-	-	-	-
101-305-913.00	Vehicle Insurance	1,491	5,516	3,995	4,110	4,230	4,360	4,490
101-305-967.00	Fringe Benefits	336,423	377,219	361,845	388,485	397,320	397,320	397,320
		996,018	1,112,781	1,116,805	1,153,215	1,183,475	1,184,105	1,184,735
Investigation								
101-306-705.00	Wages/Salaries - OIC	-	28	500	500	520	520	520
101-306-705.10	Wages/Salaries - OIC Overtime	161	-	-	-	-	-	-
101-306-706.00	Wages/Salaries	22,360	20,680	45,000	45,000	47,000	47,000	47,000
101-306-707.00	Wages/Salaries - Overtime	355	299	2,000	2,150	2,200	2,200	2,200
101-306-830.00	Investigation Expenses	615	130	500	500	500	500	500
101-306-967.00	Fringe Benefits	13,072	11,980	24,065	25,600	26,545	26,545	26,545
		36,563	33,117	72,065	73,750	76,765	76,765	76,765

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Police Department (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Court Appearances								
101-307-706.00	Wages/Salaries	1,177	1,189	2,000	2,000	2,100	2,100	2,100
101-307-707.00	Wages/Salaries - Overtime	3,727	5,256	4,000	4,150	4,200	4,200	4,200
101-307-761.01	Prisoners - Housing	3,385	245	3,000	3,000	3,000	3,000	3,000
101-307-761.03	Prisoners - Miscellaneous	2,394	1,303	2,000	2,000	2,000	2,000	2,000
101-307-967.00	Fringe Benefits	2,542	3,523	3,040	3,305	3,365	3,365	3,365
		13,225	11,516	14,040	14,455	14,665	14,665	14,665
Training								
101-308-705.00	Wages/Salaries OIC	-	36	500	520	520	520	520
101-308-706.00	Wages/Salaries	45,062	31,206	50,000	52,000	55,000	55,000	55,000
101-308-707.00	Wages/Salaries - Overtime	421	2,477	3,000	3,150	3,200	3,200	3,200
101-308-740.00	Operating Supplies	1,791	1,407	1,200	1,200	1,200	1,200	1,200
101-308-940.00	Facility Rent-Firearms Range	500	1,425	1,800	1,800	1,800	1,800	1,800
101-308-960.00	Education & Training	6,881	7,613	13,825	17,100	13,100	13,100	11,900
101-308-961.00	Act 302 Expenses	1,765	1,645	2,000	2,000	2,000	2,000	2,000
101-308-967.00	Fringe Benefits	25,794	19,029	27,105	29,895	31,350	31,350	31,350
		82,214	64,838	99,430	107,665	108,170	108,170	106,970
Civic Events								
101-309-706.00	Wages/Salaries - OIC Regular	-	-	500	520	520	520	520
101-309-705.00	Wages/Salaries - OIC overtime	-	-	250	250	250	250	250
101-309-706.00	Wages/Salaries	578	653	1,500	1,600	1,700	1,700	1,700
101-309-707.00	Wages/Salaries - Overtime	5,486	9,188	9,500	9,900	10,000	10,000	10,000
101-309-740.00	Operating Supplies	327	220	400	400	400	400	400
101-309-967.00	Fringe Benefits	3,366	4,595	5,955	6,590	6,660	6,660	6,660
		9,757	14,656	18,105	19,260	19,530	19,530	19,530
Dispatch & Lockup Services								
101-310-801.00	Contractual Services	243,560	252,700	262,180	272,000	282,200	292,790	303,772
101-310-801.19	Computer Program Services	13,299	12,886	13,480	14,080	14,680	15,280	15,880
101-310-802.40	Lockup Services	14,080	14,580	15,100	15,620	16,160	16,730	17,320
101-310-851.00	Radio Maintenance	2,662	961	1,302	1,500	1,500	1,500	1,500
		273,601	281,127	292,062	303,200	314,540	326,300	338,472

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Police Department (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Administration & Records								
101-311-705.11	Wages/Salaries - OIC Holiday	2,671	1,550	2,000	2,000	2,050	2,050	2,050
101-311-706.00	Wages/Salaries	134,428	118,629	120,030	175,090	179,120	179,120	179,120
101-311-706.04	Longevity Pay	7,494	7,580	7,160	7,510	7,980	8,450	8,920
101-311-706.05	Vacation Pay	78,475	85,084	114,000	116,000	117,000	117,000	117,000
101-311-706.06	Sick Time Pay	31,708	33,353	48,000	49,000	50,000	50,000	50,000
101-311-706.07	Holiday Pay	48,373	47,094	55,000	56,375	57,000	57,000	57,000
101-311-706.08	Compensation Time Pay	10,191	5,448	9,645	10,000	10,500	10,500	10,500
101-311-706.09	Bereavement Pay	-	3,459	2,000	2,000	2,100	2,100	2,100
101-311-706.50	Wages - Workers Comp	9,905	-	-	-	-	-	-
101-311-707.00	Wages/Salaries - Overtime	-	1,395	-	-	-	-	-
101-311-710.00	Wages/Salaries - Part Time	34,923	45,783	44,150	-	-	-	-
101-311-728.00	Office Supplies	3,277	3,709	4,280	4,350	4,350	4,350	4,350
101-311-729.00	Mobile Field Force Misc Exp	-	100	-	-	-	-	-
101-311-740.07	DARE Supplies	560	90	-	-	-	-	-
101-311-744.00	Uniforms & Clothing	2,351	11,401	12,760	12,000	10,000	10,000	10,000
101-311-747.00	Phone Allowance	1,963	2,220	2,370	2,520	2,520	2,520	2,520
101-311-768.00	Laundry & Cleaning	6,875	6,325	7,350	7,350	7,350	7,350	7,350
101-311-801.00	Contractual Services	-	78	240	-	-	-	-
101-311-802.00	Collection Services	1,713	1,178	1,500	1,500	1,500	1,500	1,500
101-311-804.01	Hiring/Promotion Exams/Eval	3,022	4,999	12,540	5,205	100	100	100
101-311-804.04	Veterinary Services	-	274	300	300	300	300	300
101-311-853.00	Telephone	568	661	840	845	850	855	860
101-311-879.00	Impounded Vehicles	1,086	525	1,125	1,125	1,125	1,125	1,125
101-311-900.00	Printing & Publishing	989	1,088	1,025	1,200	1,025	1,025	1,025
101-311-914.00	Professional Insurance	12,408	38,432	36,055	37,130	38,240	39,390	40,570
101-311-950.20	W. Wayne Narcotic Enforce.	5,202	5,202	5,300	5,400	5,400	5,400	5,400
101-311-950.30	Oakland Traffic Improvement	1,800	1,800	1,825	1,825	1,825	1,850	1,850
101-311-950.40	W. Wayne Special Ops Team	7,000	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	475	7,642	8,210	2,005	1,715	1,715	1,715
101-311-967.00	Fringe Benefits	171,127	160,454	207,610	228,670	231,480	231,480	231,480
101-311-967.04	Unfunded Pension Contributions	373,207	436,808	414,290	484,650	562,190	590,300	602,100
101-311-967.09	Retiree Healthcare Premiums	317,490	308,351	300,465	313,350	326,870	341,050	355,940
		1,282,301	1,347,712	1,427,070	1,534,400	1,629,590	1,673,530	1,701,875

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Police Department (continued)

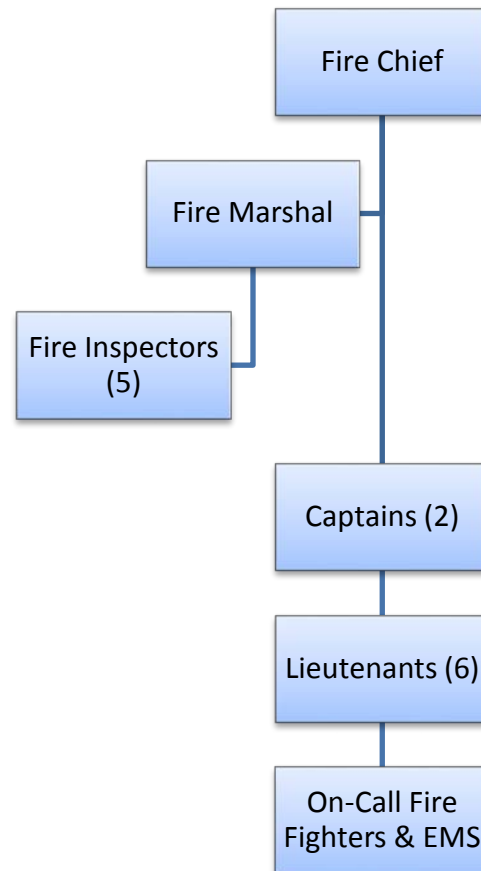
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Contracted Police Service								
101-315-705.00	Wages - OIC Regular	-	18	500	520	520	520	520
101-315-705.10	Wages - OIC Overtime	-	-	500	500	500	500	500
101-315-706.00	Wages/Salaries	36	34	500	500	520	520	520
101-315-707.00	Wages/Salaries - Overtime	2,310	5,333	7,000	7,300	7,400	7,400	7,400
101-315-967.00	Fringe Benefits	1,324	2,500	4,310	4,740	4,775	4,775	4,775
		3,670	7,885	12,810	13,560	13,715	13,715	13,715
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		2,708,294	2,888,514	3,060,827	3,228,145	3,360,450	3,416,780	3,456,727

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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, 2020 and
Five Year Plan – 2019 through 2023

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 4% primarily due to proposed wage and fringe benefit adjustments, and anticipated increase in expenses in certain areas. 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 FY2020 is set at 59% for Plymouth and 41% for Northville, reflecting a one percentage point difference from the prior year.

Action Steps Related to City Council Goals & Objectives

Long-Term Financial Stability

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

Future City Hall and Fire Station Repairs/Renovations

- Plan and prepare for City Hall renovations which will provide the Fire Department with clean, climate controlled living and working space; 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, 2020 and
Five Year Plan – 2019 through 2023

Fire Department - continued

Departmental Goals & Objectives

- Seek opportunities to improve and expand the services provided by the Department, through continuous review of Department operations, implementation of a child safety seat installation program, implementation of a community CPR instruction program, increasing the use of the Home Fire Safety Review program, and the implementation of a Rescue Task Force capability.
- Promote professionalism and high standards through the annual evaluation of all personnel, providing appropriate policies and procedures, ensuring maintenance of skill levels, and improving response and training participation.
- Promote effective leadership through a robust promotional process and the training of current and future leaders; make promotions as needed to fill vacancies and support succession planning
- Promote an effective training program through support of the Training Committee, monitoring the development of State Fire Fighter training requirements, promoting attendance at advanced training opportunities, providing annual training with mutual aid partners and the implementation of the probationary personnel training check lists.
- Promote an effective Fire Prevention Division through support for plan review, routine business inspections, pre-plan development; Provide for the identification and training of Fire Inspectors and ensure proper deployment in order to achieve goals regarding business inspections.
- Provide for well-maintained and current apparatus, equipment and facilities by planning for scheduled capital replacements in FY2020, including turn-out gear, radios, mobile computers and a rescue vehicle, providing for annual maintenance and inspection of pumps, hose and ladders, acquiring winter uniform coats for personnel, and working on renovations to the Northville Station as discussed above under City Council Goals and Objectives.
- Support the work of intergovernmental organizations in which we participate, by maintaining active participation and leadership involvement with the Western Wayne Fire Department Mutual Aid Association, the West Oakland Mutual Aid Association, the HEMS, Inc. Medical Control Authority and Fire Chiefs' and Inspectors' organizations.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Fire Department - continued

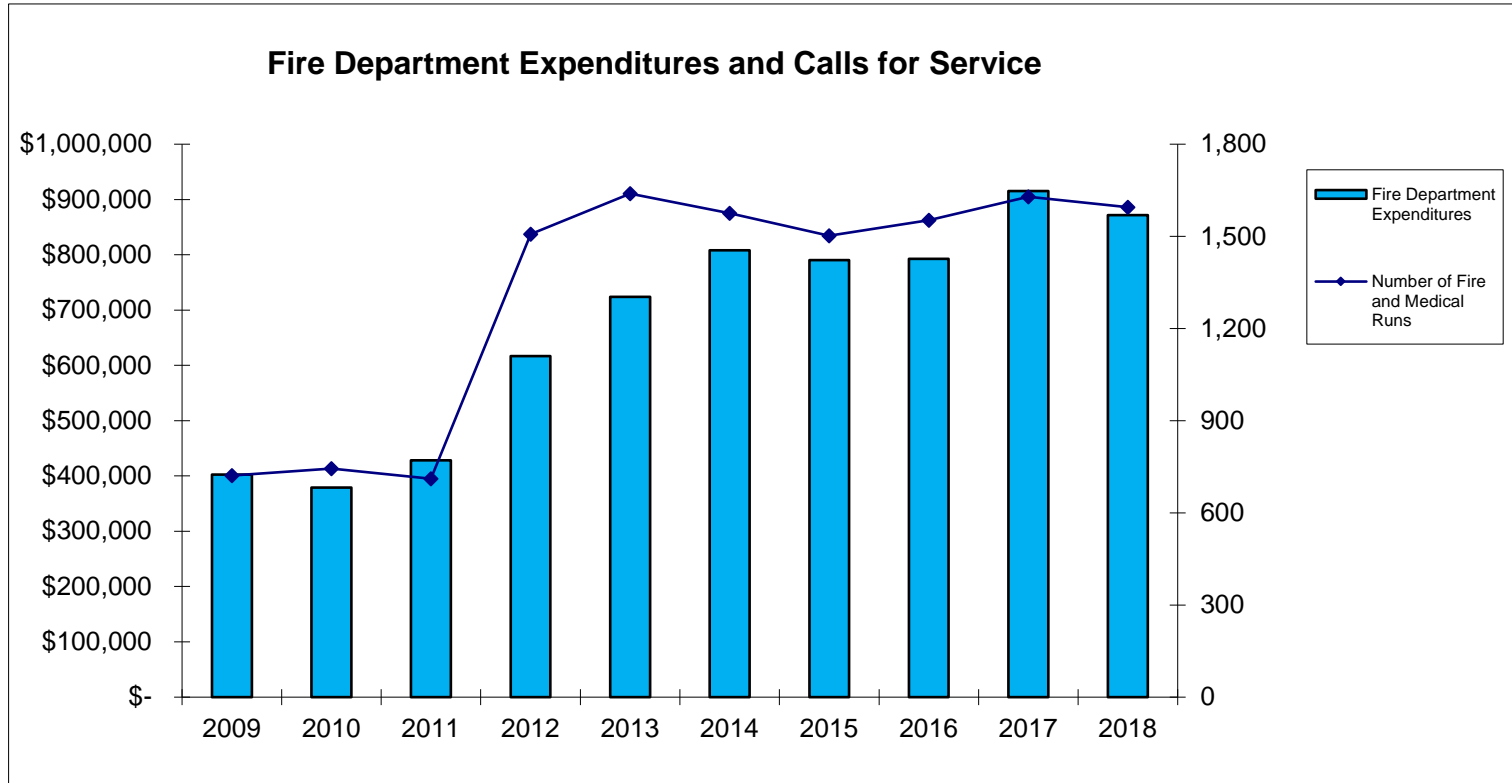
Performance Measures

Measure	CY2016 Actual	CY2017 Actual	CY2018 Actual	CY2019 Projected	CY2020 Estimated
Outputs					
Number of Runs – Northville	685 (44%)	690 (42%)	659 (41%)	685 (42%)	685 (42%)
Number of Runs – Plymouth	868 (56%)	939 (58%)	936 (59%)	940 (58%)	940 (58%)
Efficiency & Effectiveness Measures					
ISO Rating – Northville / Plymouth	6 / 4	6 / 4	6/4	6/4	6/4
Average Response Time – Northville *			7.8	7.6	7.5
Average Response Time – Plymouth *			8.8	8.6	8.5
% of Runs that are Fire-related	32%	30%	31%	31%	31%
Department Cost per Capita (fiscal year) - combined population (15,102)	\$61	\$63	\$67	\$68	\$70

* **RESPONSE TIME NOTE:** Times are calculated from when the call is answered in the dispatch center to when the first responding unit arrives on the scene, and so includes dispatch center call processing time. Dispatch center call processing time averages between 1 and 2 minutes, and so response times from when the Department is dispatched are lower than shown here. Both emergent and non-emergent responses are included. Numbers for CY2016 and CY2017 were calculated differently. Therefore, are not included above as they do not provide a basis for comparison.

**City of Northville
Fire Department Expenditures and Calls for Service
Ten Year Trend - 2009 through 2018**

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, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Fire Department

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Fire Administration								
101-340-706.14	Wages - Clerical Regular	13,474	13,893	14,220	14,585	14,780	14,780	14,780
101-340-707.00	Wages - Clerical Overtime	65	-	70	70	70	70	70
101-340-708.01	Wages - Admin & Officers	71,456	72,507	74,970	77,095	78,045	78,045	78,045
101-340-708.03	Wages - Training/Other	63,771	55,135	71,750	81,595	82,610	82,610	82,610
101-340-716.00	Disability Income Insurance	5,951	5,951	6,095	6,095	6,095	6,500	6,500
101-340-744.00	Uniforms & Clothing	4,735	3,294	9,000	9,500	9,500	9,500	9,500
101-340-768.00	Laundry & Cleaning	550	550	550	550	550	550	550
101-340-801.00	Contractual Services	-	-	2,000	2,500	2,500	2,500	2,500
101-340-801.19	IT Support & Improvements	6,155	6,116	5,800	4,570	4,570	4,640	4,640
101-340-802.01	Legal Services - General & Labor	88	88	200	200	200	200	200
101-340-804.01	Employee Physicals & Tests	3,004	5,244	20,000	20,400	20,400	20,400	20,400
101-340-828.00	Medical Certificate Renewals	350	200	375	300	450	300	450
101-340-853.00	Telephone & Internet Service	-	216	520	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	502	89	525	150	500	150	500
101-340-910.00	Liability & Property Insurance	462	1,570	3,615	3,720	3,830	3,940	4,060
101-340-958.00	Memberships & Dues	945	765	1,195	1,275	1,275	1,275	1,275
101-340-960.00	Education & Training	10,003	7,175	8,030	9,400	9,700	9,700	9,700
101-340-967.00	Fringe Benefits	60,740	60,384	58,930	61,655	62,415	62,415	62,415
		248,251	239,177	283,845	300,180	304,010	304,095	304,715

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Fire Department (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Fire Operations								
101-341-706.00	Wages - Racetrack	-	1,801	2,500	2,500	-	-	-
101-341-708.00	Wages - On Call Runs	388,250	360,102	427,975	439,250	447,485	447,485	447,485
101-341-708.02	Wages - Mutual Aid	25,791	29,044	20,000	20,000	20,000	20,000	20,000
101-341-708.04	Wages - Station Coverage/Insp	42,580	45,560	48,160	49,370	49,990	49,990	49,990
101-341-740.00	Operating Supplies	50,872	40,015	52,660	48,885	49,385	49,885	50,885
101-341-751.00	Fuel & Oil for Equipment	244	227	250	250	250	250	250
101-341-781.00	Automotive Parts	3,694	1,150	2,000	2,000	2,000	2,000	2,000
101-341-851.00	Radio Maintenance	5,464	3,821	3,700	3,950	4,200	4,200	4,200
101-341-939.00	Automotive Service	23,176	20,429	20,000	21,000	21,000	21,000	21,000
101-341-967.00	Fringe Benefits	54,891	47,175	63,350	67,810	68,810	68,810	68,810
		594,962	549,324	640,595	655,015	663,120	663,620	664,620

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Fire Department (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Northville Station Admin & Operations								
101-344-708.08	Wages - Special Event Coverage	4,435	1,575	3,255	3,340	3,380	3,380	3,380
101-344-751.00	Fuel & Oil	1,929	2,200	3,400	3,450	3,500	3,550	3,600
101-344-801.00	Contractual Services	-	-	2,500	1,500	1,500	1,500	1,500
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	-	118	-	-	-	-	-
101-344-913.00	Vehicle Insurance	5,967	18,537	21,485	22,130	22,790	23,470	24,170
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	536	167	410	420	425	425	425
101-344-967.04	Unfunded Pension Contribution	8,738	9,964	10,290	12,035	13,960	14,660	14,950
101-344-967.09	Retiree Healthcare Costs	12,553	12,715	13,085	13,650	14,240	14,860	15,520
		46,959	58,077	67,230	69,330	72,600	74,650	76,350
Plymouth Station Admin & Operations								
101-345-708.08	Wages - Special Event Coverage	17,027	17,028	19,535	20,030	20,280	20,280	20,280
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.	-	71	65	65	65	65	65
101-345-967.00	Fringe Benefits	2,046	1,842	2,440	2,505	2,535	2,535	2,535
101-345-967.04	Unfunded Pension Contribution	1,248	1,423	1,470	1,720	2,000	2,100	2,140
101-345-967.09	Retiree Healthcare Costs	1,555	1,811	1,865	1,940	2,020	2,110	2,200
		24,881	25,180	28,380	29,265	29,905	30,095	30,225
Fire Department Contingency								
101-340-956.00	Contingency	-	-	-	10,000	24,330	46,260	68,240
		-	-	-	10,000	24,330	46,260	68,240
Total Expenditures - Fire Department								
		915,053	871,758	1,020,050	1,063,790	1,093,965	1,118,720	1,144,150

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 31 personal computer workstations connected to three City buildings. The City contracts out network services and helpdesk support.

Proposed Fiscal Year Overview

The overall decrease of 52% is due to the purchase of the servers and personal computers in the prior year. Total expenditures fluctuate year to year due to timing of technology improvements.

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Estimated
Efficiency & Effectiveness Measures					
Departmental Cost per Capita	\$23	\$11	\$11	\$22	\$10

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Administration

Technology

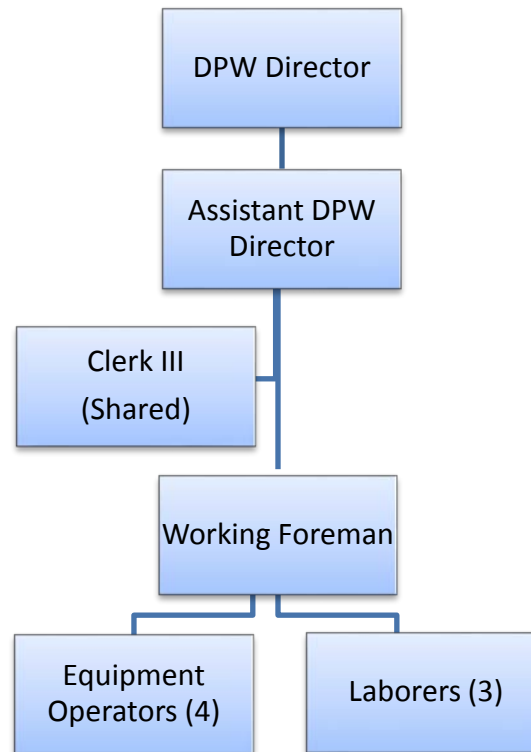
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-350-706.00	Wages - Regular Full Time	5,023	5,153	5,275	5,410	5,480	5,480	5,480
101-350-707.00	Wages - Regular Overtime	995	-	-	-	-	-	-
101-350-710.00	Wages - Part time	-	1,710	-	-	-	-	-
101-350-726.00	Supplies	229	231	250	250	250	250	250
101-350-801.00	Contractual Services	18,179	12,449	21,575	12,975	12,975	12,975	12,975
101-350-801.19	Computer Program Services	21,724	22,987	27,575	25,825	24,345	24,910	25,460
101-350-801.34	Web Site Maintenance	-	-	-	-	-	-	-
101-350-801.35	Internet Access	1,227	2,440	2,890	1,695	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	81	-	100	100	100	100
101-350-967.00	Fringe Benefits	3,184	2,658	2,475	2,545	2,580	2,580	2,580
101-350-982.00	Computers & Related Accessories	3,110	2,947	30,105	3,000	5,000	3,000	31,000
101-350-982.01	Computer Software	3,399	-	5,000	3,000	3,000	3,000	3,000
101-350-982.02	Major Hardware Replacements	-	6,920	24,370	-	-	22,000	27,000
101-350-983.00	Document Imaging	4,160	4,839	4,930	5,030	5,130	5,230	5,330
101-350-984.00	GIS Assistance	1,675	5,074	4,315	2,010	2,010	2,010	2,010
	Total Expenditures	67,730	67,849	129,120	62,200	62,925	83,590	117,240

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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, 2020 and
Five Year Plan – 2019 through 2023

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 and street lighting. Parking maintenance has been shifted to the Parking Fund.

Proposed Fiscal Year Overview

The budget reflects an increase of 4.5% over the prior year primarily due to increases in the unfunded pension contributions, wage and fringe benefit adjustments, and inflationary increases in street lighting.

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Number of Civic Events Worked	7	8	8	8	8
Number of Parking Spaces	1,529	1,529	1,529	1,529	1,529
Efficiency & Effectiveness Measures					
Departmental Cost per Capita	\$89	\$88	\$81	\$76	\$79

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Department of Public Works

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Administration								
101-441-706.00	Wages - Full Time	100	-	-	-	-	-	-
101-441-706.14	Wages-Administration	105,987	141,927	99,970	103,155	105,165	105,165	105,165
101-441-707.00	Wages-Regular Overtime	250	-	-	-	-	-	-
101-441-712.00	Contracted Labor	-	17,179	-	-	-	-	-
101-441-726.00	Supplies	327	143	350	350	350	350	350
101-441-744.00	Uniforms & Clothing	3,822	2,473	5,000	4,000	4,000	4,000	4,000
101-441-746.00	Meal Allowance	84	161	600	500	500	500	500
101-441-801.00	Contractual Services	1,714	1,758	315	-	-	-	-
101-441-803.00	Engineering Services	1,379	2,000	300	300	300	300	300
101-441-828.00	Medical Certificate Renewals	437	685	905	905	905	905	905
101-441-853.00	Telephone/Communications	-	290	1,575	1,800	1,800	1,800	1,800
101-441-861.00	Vehicle Allowance	3,000	2,556	3,000	3,000	3,000	3,000	3,000
101-441-942.00	Land Rental	83	170	166	175	180	185	190
101-441-958.00	Memberships & Dues	1,143	994	2,915	3,325	3,335	3,345	3,345
101-441-960.00	Education & Training	604	120	1,000	1,000	1,000	1,000	1,000
101-441-967.00	Fringe Benefits	51,944	57,230	55,130	56,735	57,835	57,835	57,835
101-441-967.04	Unfunded Pension Contributions	28,938	31,874	41,395	50,220	58,260	61,180	62,400
101-441-967.09	Retiree Healthcare Premiums	43,637	41,281	45,185	47,635	49,725	51,925	54,235
101-441-984.00	GIS Services	-	-	1,000	1,000	1,000	1,000	1,000
		243,449	300,841	258,806	274,100	287,355	292,490	296,025

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Department of Public Works (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Civic Events								
101-444-706.00	Wages/Salaries	7,555	8,681	12,065	12,400	13,045	13,045	13,045
101-444-707.00	Wages/Salaries - Overtime	2,048	3,616	5,000	5,000	5,200	5,200	5,200
101-444-775.00	Materials	1,644	1,584	1,900	2,015	2,015	2,015	2,015
101-444-943.00	Equipment Rental	3,286	3,320	5,000	5,050	5,100	5,150	5,200
101-444-967.00	Fringe Benefits	9,824	12,524	16,315	17,625	18,345	18,345	18,345
		24,357	29,725	40,280	42,090	43,705	43,755	43,805
Public Works Miscellaneous								
101-445-706.00	Wages/Salaries	2,458	-	100	100	105	105	105
101-445-706.01	DPW Standby Pay	9,029	5,950	6,325	6,480	6,560	6,560	6,560
101-445-775.00	Materials	161	-	200	200	200	200	200
101-445-943.00	Equipment Rental	18	287	400	400	400	400	400
101-445-967.00	Fringe Benefits	11,057	6,338	6,140	6,665	6,705	6,705	6,705
		22,723	12,575	13,165	13,845	13,970	13,970	13,970

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Department of Public Works (continued)

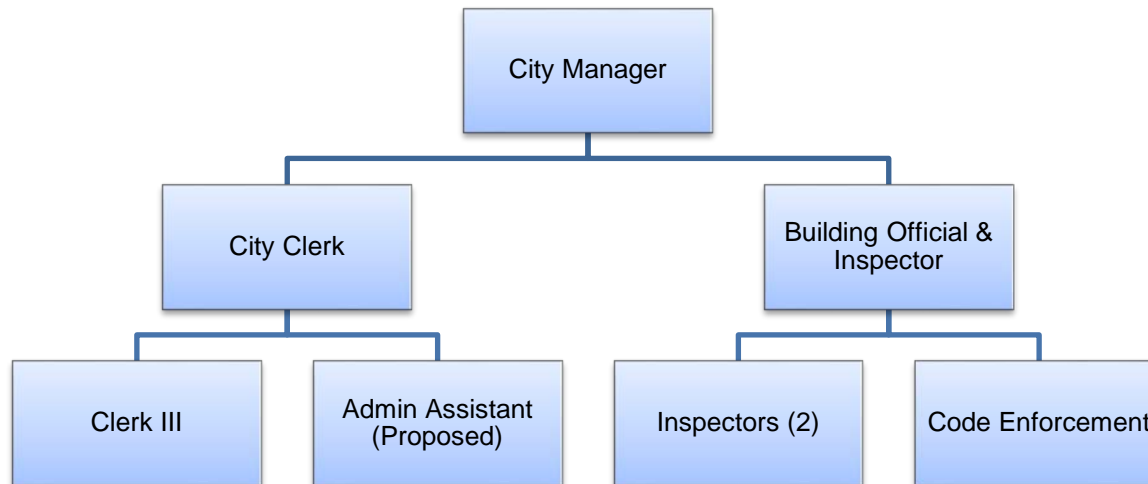
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Street Lighting								
101-450-920.01	Street lighting	125,086	116,060	110,000	112,200	114,440	116,730	119,060
101-450-920.11	Electric Power - 126 N. Wing	-	166	240	240	240	240	240
101-450-920.12	Electric Power - 127 N. Hutton	-	1,161	1,300	1,330	1,360	1,390	1,420
101-450-920.13	Electric Power - 118 N. Center	-	2,093	2,300	2,350	2,400	2,450	2,500
101-450-920.14	Electric Power - 21400 Taft	-	427	490	500	510	520	530
101-450-920.15	Electric Power - 200 Griswold	-	1,704	1,750	1,790	1,830	1,870	1,910
101-450-920.16	Electric Power - 112 N. Wing	-	1,570	1,850	1,890	1,930	1,970	2,010
101-450-920.17	Electric Power - 127 Mary Alexander	-	946	1,040	1,060	1,080	1,100	1,120
101-450-920.02	Natural Gas	17,647	18,398	19,640	19,880	20,130	20,380	20,640
		142,733	142,525	138,610	141,240	143,920	146,650	149,430
Parking System Maintenance								
101-546-706.00	Wages/Salaries	8,407	-	-	-	-	-	-
101-546-707.00	Wages/Salaries - Overtime	361	-	-	-	-	-	-
101-546-775.00	Materials	14,945	-	-	-	-	-	-
101-546-801.00	Contractual Services	21,349	-	-	-	-	-	-
101-546-853.00	Telephone	395	-	-	-	-	-	-
101-546-910.00	Insurance	1,851	-	-	-	-	-	-
101-546-920.01	Electric Power	28,067	-	-	-	-	-	-
101-546-920.03	Water & Sewer Service	19	-	-	-	-	-	-
101-546-943.00	Equipment Rental	7,395	-	-	-	-	-	-
101-546-967.00	Fringe Benefits	9,178	-	-	-	-	-	-
		91,967	-	-	-	-	-	-
Total Expenditures - Department of Public Works		525,229	485,666	450,861	471,275	488,950	496,865	503,230

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: Planning, Zoning, and Inspection Services

FUND NUMBER: 101-560
through 101-562

SUPERVISOR: City Manager



General Description of Activity

The Department is divided into three divisions as described below.

Planning & Zoning: This division includes expenditures related to the Planning Commission, Board of Zoning Appeals, and Historic District Commission which includes funds for contracted services with Carlisle/Wortman as the City’s Planning Consultant and for their assistance with Historic District Commission and Board of Zoning Appeals.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Planning, Zoning, and Inspection Services – continued

Building Department: This division includes expenditures related to building plan reviews, building permits, building inspections, and monitoring state construction code and ordinance compliance for building, electrical, mechanical, and plumbing for commercial, industrial, and residential properties in the City. These tasks are performed by a part-time contracted Building Official. In addition, tree preservation and zoning ordinance administration is also contracted out with Carlisle/Wortman.

Electrical, plumbing, and mechanical inspections are performed by three independent contractors, under the supervision of the Building Official. This Department is also responsible for reviewing and retaining required site plans and construction documentation.

Code Enforcement: The Code Enforcement Officer is responsible for enforcing the City of Northville Code of Ordinances and Zoning Ordinances. The majority of the City's code enforcement is performed by the Building Official. Additional code enforcement services will be contracted with Northville Township, as needed.

Proposed Fiscal Year Overview

The overall FY2020 budget reflects a 10% increase over the previous year's budget. This is primarily due to the proposed part-time administrative assistant position for Planning and Zoning and projected wage and fringe benefit adjustments.

Action Steps Related to City Council Goals & Objectives

Communications

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

Board and Commission Training

- Annual specific content driven training for the BZA, PC, and HDC. Video training sessions to remain as a resource and as a training tool for new members.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Planning, Zoning, and Inspection Services – continued

Action Steps Related to City Council Goals & Objectives - continued

Development and Redevelopment Issues

- Make application processes less burdensome on developers.
- Develop a plan for Wing Street property next to the Post Office, and issue an RFP, if appropriate.

Departmental Goals & Objectives

- Evaluate whether to continue to contract for part-time Building Official and Code Enforcement services or if these services should be brought in-house as a full-time position.
- Improve oversight for construction projects to eliminate trash, extensive dumpster placement, etc. Amend ordinances to provide for compliance standards, if warranted.
- Revise permit applications for uniformity and clarity, as necessary.
- Evaluate agendas and applications. Determine if HDC needs to schedule additional meetings in the late winter/early spring to reduce the agenda size during busier months.
- Create communication piece about the Historic District Survey that includes Northville's history, what the Historic District Survey is trying to accomplish, and proactive steps to preserve Northville's historic heritage. Consider an article in the newspaper, or in "The 'Ville."
- Create illustrative public outreach piece to explain the meaning of "contributing" and "non-contributing" status. Technical terms should be replaced with graphics and text that is entertaining and easily understood.
- Examine the Historic District Survey public communication and process and develop a public release of the survey project.
- Examine feasibility of posting the HDC meeting packet on the website.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

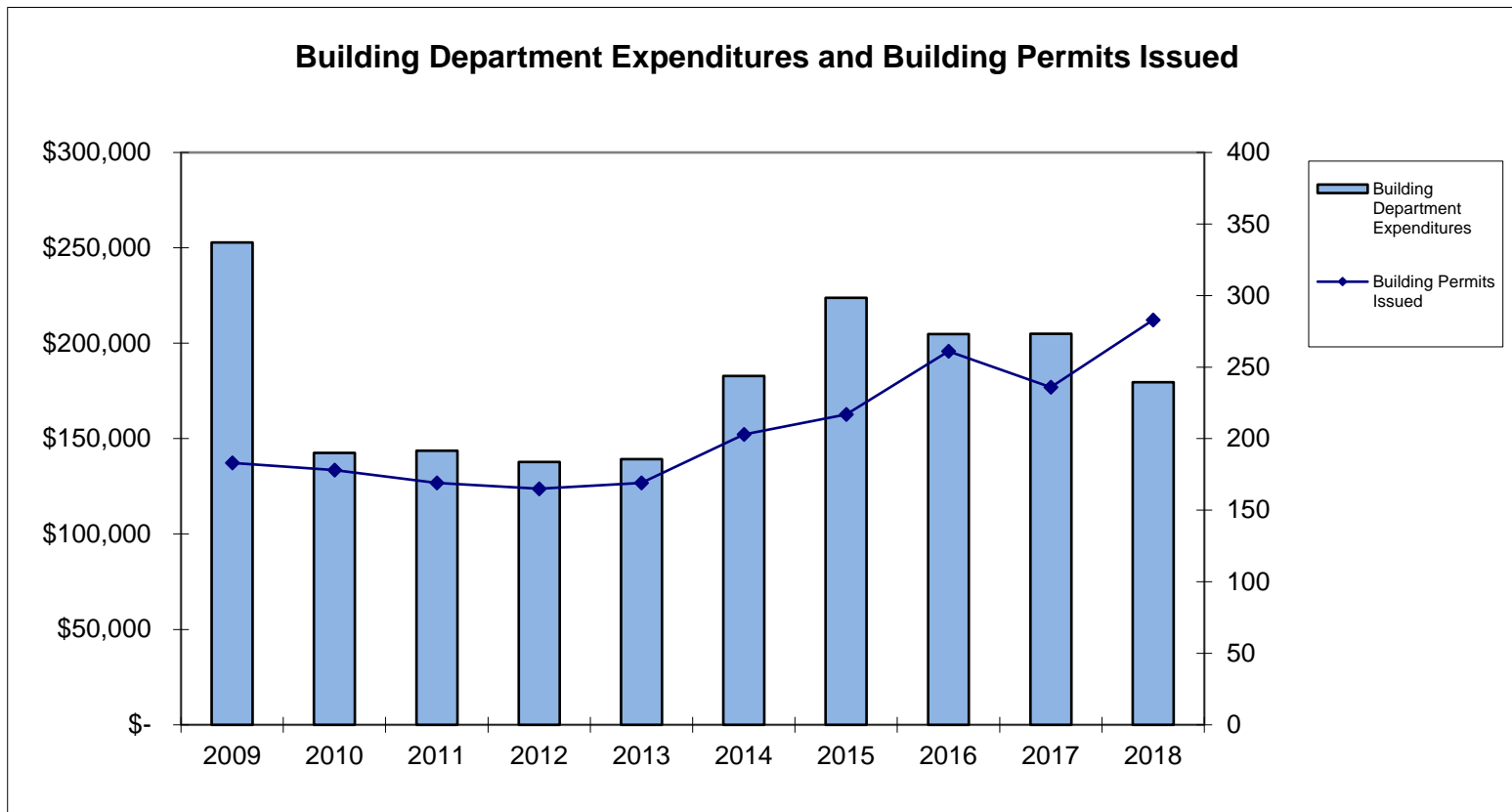
Planning, Zoning, and Inspection Services – continued

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2019 Estimated
Inputs & Outputs					
Permits Issued	261	236	283	290	290
Certificates of Occupancy Issued	21	5	14	20	20
Building Inspections	463	373	370	380	380
Electrical Inspections	201	178	179	190	190
Mechanical Inspections	231	233	240	250	250
Plumbing Inspections	187	180	179	190	190
New Site Plan Applications	2	4	5	8	8
New Rezoning Applications	0	0	1	0	0
Zoning Cases Processed	4	13	12	10	10
Tree Permit Inspections	25	26	33	30	30
Sign Reviews	17	17	7	10	10
HDC Applications Processed	42	49	69	65	65
New Business Walk Thru Inspections	15	17	17	15	15
Demolition Inspections	4	7	4	4	4
Efficiency & Effectiveness Measures					
Departmental Cost per Capita	\$43	\$44	\$54	\$51	\$56

**City of Northville
Building Department Expenditures and Building Permits Issued
Ten Year Trend - 2009 through 2018**

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 3% 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. FY 2018 experienced a 20% increase in building permit activity from the prior year while expenditures decreased 12%. The reduction in expenditures is due to a decrease in pension contributions.



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Planning, Zoning and Inspection

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Planning and Zoning Division								
101-560-706.00	Wages/Salaries	-	18,143	19,005	19,490	19,745	19,745	19,745
101-560-707.00	Wages OT - Board/Comm Minutes	255	68	630	630	630	630	630
101-560-710	Part Time Administrative Assistant	-	-	-	20,800	20,800	20,800	20,800
101-560-740.00	Operating Supplies	214	141	400	400	400	400	400
101-560-802.11	Contracted Transcription Services	7,875	9,719	10,750	13,200	13,200	13,200	13,200
101-560-807.02	Historic District Services	9,037	13,575	13,000	14,000	14,000	14,000	14,000
101-560-807.03	Board of Zoning Appeals Services	5,813	6,383	5,000	6,000	6,000	6,000	6,000
101-560-807.05	Zoning Ordinance Amendments	942	4,760	4,000	2,500	2,500	2,500	2,500
101-560-807.06	Development Reviews	9,395	11,860	20,000	18,000	15,000	13,000	13,000
101-560-807.07	Planning Commission Meetings	3,940	6,240	5,000	5,000	5,000	5,000	5,000
101-560-807.08	Planning Comm. Consultation	15,897	17,137	16,000	16,000	16,000	16,000	16,000
101-560-807.10	Master Plan Update	-	4,025	280	-	-	22,000	-
101-560-807.11	Historic District Survey	3,230	34,923	14,800	3,000	-	-	-
101-560-863.00	Mileage	3	150	150	150	150	150	150
101-560-900.00	Printing & Publishing	2,692	4,559	4,900	4,900	4,900	4,900	4,900
101-560-942.01	Rental Facilities	-	-	1,700	1,200	1,000		
101-560-958.00	Memberships & Dues	-	465	480	480	480	480	480
101-560-960.00	Education & Training	-	-	949	3,000	3,000	3,000	3,000
101-560-967.00	Fringe Benefits	182	10,611	11,155	27,110	27,265	27,265	27,265
		59,475	142,759	128,199	155,860	150,070	169,070	147,070

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

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

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Building and Code Enforcement Division								
101-562-706.00	Wages/Salaries	46,464	33,950	34,400	35,280	35,745	35,745	35,745
101-562-707.00	Wages/Salaries - Overtime	135	171	650	685	705	705	705
101-562-740.00	Operating Supplies	546	61	545	500	500	500	500
101-562-801.00	Contracted Electrical Inspector	6,048	6,336	7,000	7,000	7,000	7,000	7,000
101-562-802.08	Building Official & Inspector	61,010	66,139	63,060	64,130	64,610	65,100	65,595
101-562-802.09	Contracted Code Enforcement	-	-	300	300	300	300	300
101-562-802.10	Mechanical Inspector	12,608	10,144	10,000	10,000	10,000	10,000	10,000
101-562-802.13	Plumbing Inspector	-	7,618	8,000	8,000	8,000	8,000	8,000
101-562-863.00	Mileage Reimbursement	142	-	75	75	75	75	75
101-562-900.00	Printing & Publishing	89	70	700	300	300	800	300
101-562-960.00	Education & Training	154	90	200	200	200	200	200
101-562-967.00	Fringe Benefits	28,859	22,144	21,215	21,165	21,520	21,520	21,520
101-562-967.04	Unfunded Pension Contributions	29,709	14,235	14,700	17,195	19,950	20,950	21,370
101-562-967.09	Retiree Healthcare Premiums	19,166	18,656	16,135	16,610	17,450	18,330	19,250
		204,930	179,614	176,980	181,440	186,355	189,225	190,560
	Total Expenditures	264,405	322,373	305,179	337,300	336,425	358,295	337,630

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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. The budgets for Parks & Recreation, Senior Adult Services, and Northville Youth Assistance can be found on Northville Township's website.

Long Term Plan

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

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Shared Services

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Shared Services								
101-690-947.00	P&R and Seniors Contributions	193,481	194,014	193,521	193,521	193,521	193,521	193,521
101-690-950.10	NYA Contributions	18,010	18,010	18,010	18,010	18,010	18,010	18,010
101-690-967.04	Unfunded Pension Contributions	7,414	12,675	17,790	18,760	21,760	22,850	23,310
Total Expenditures - Shared Services		218,905	224,699	229,321	230,291	233,291	234,381	234,841

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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, utilizing fund balance, into the pension plan for \$200,000 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.

As of the December 31, 2017 pension valuation, the pension plan was 63% funded. MERS has changed the expected long term rate of return going forward from 7.75% down to 7.35%. That change will increase the liability and decrease the funded ratio. Therefore, \$200,000 annually for five years is proposed to be utilized from fund balance to make additional contributions.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Contributions to Other Funds

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
101-775-725.00	Payroll Fund - Pension & OPEB	335,000	68,000	200,000	200,000	200,000	200,000	200,000
101-775-950.20	Downtown Development Authority	21,000	-	-	-	-	-	-
101-775-950.25	Allen Terrace Operating Fund	15,330	15,470	15,620	15,990	16,390	16,800	17,220
101-775-520.26	Parking Fund	-	18,541	34,840	16,130	15,705	14,905	13,785
101-775-950.29	Water & Sewer Fund	163,719	178,845	-	-	-	-	-
101-775-950.31	Fire Equipment Replacement	122,466	177,236	153,832	150,478	168,048	168,048	167,802
101-775-950.36	Police Equipment Replacement	39,000	47,000	72,000	72,000	108,000	114,000	115,000
101-775-950.46	Public Improvement Fund	36,000	200,000	342,047	352,959	76,461	20,000	20,000
Total Expenditures - Contributions to Other Funds		732,515	705,092	818,339	807,557	584,604	533,753	533,807

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 FY2020 is \$52,096. 59% 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, 2020 and
Five Year Plan - 2019 through 2023

GENERAL FUND EXPENDITURES - Debt Service

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Debt Service - 2015 Installment Purchase Contract								
101-921-990.02	Bond Interest	11,367	10,306	9,213	8,096	6,939	4,523	5,744
101-921-990.04	Bond Principal	40,596	42,000	43,000	44,000	46,000	48,000	47,000
Total Expenditures - Debt Service		51,963	52,306	52,213	52,096	52,939	52,523	52,744

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 2020. 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, 2020 and
Five Year Plan – 2019 through 2023

Insurance, Central Supplies and Unallocated Reserve – continued

Central Supplies: FY 2020 is expected to remain fairly consistent with the prior year.

Unallocated Reserve: The FY 2020 unallocated reserve is budgeted at \$125,000 for unforeseen expenditures. This amount represents approximately 1.6% 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 at \$125,000 per year in addition to a contingency for wage adjustments in fiscal years 2021 through 2023 as labor contracts expire in December 2020.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

**GENERAL FUND EXPENDITURES - Insurance,
Central Supplies and Unallocated Reserve**

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Insurance								
101-925-910.00	Liability Insurance	7,713	26,406	27,200	28,020	28,860	29,730	29,730
Central Supplies								
101-946-728.00	Office Supplies	1,450	1,818	2,000	2,000	2,000	2,000	2,000
101-946-730.00	Postage	10,101	7,798	10,675	10,675	10,675	10,675	10,675
101-946-739.02	Computer Supplies	2,807	2,993	3,090	3,150	3,210	3,270	3,270
101-946-739.03	Copiers-Maintenance	2,074	3,625	3,865	3,865	3,865	3,865	3,865
101-946-739.04	Copiers-Supplies	1,734	1,788	2,050	2,050	2,050	2,050	2,050
101-946-750.00	Coffee Service	14	87	200	200	200	200	200
101-946-801.11	Office Equipment Maintenance	1,248	1,482	2,205	2,205	2,205	2,205	2,205
		19,428	19,591	24,085	24,145	24,205	24,265	24,265
Reserves								
101-997-999.00	Unallocated Reserve	-	-	5,000	125,000	166,560	251,360	339,550
		-	-	5,000	125,000	166,560	251,360	339,550
Total Expenditures - Insurance, Central Supplies and Unallocated Reserve								
		27,141	45,997	56,285	177,165	219,625	305,355	393,545

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, and Housing Commission Fund.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 is projected to be permanently reduced to 1.6635 due to Headlee rollbacks. This will generate \$647,000 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. Bonds were issued for additional street improvements beyond what this funding source can provide. Therefore, most improvements will be paid for with the bond proceeds for FY20. See Fund 467 for more details.

- Sidewalk Program (\$35,000)
- Crack Sealing Program (\$25,000)

Long Term Plan

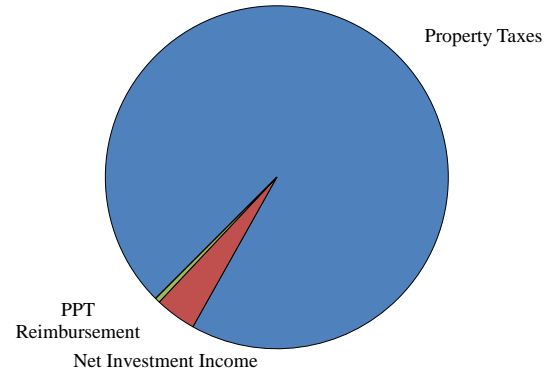
The long-term plan focuses on executing capital street improvement projects as approved by City Council in the City of Northville. Street improvements are to be coordinated with water/sewer main improvements in the Water & Sewer Fund.

City of Northville
Proposed 2019-20 Street, Drainage & Sidewalk Improvement Fund Budget
(with historical comparative data)

Revenues

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Property Taxes	\$ 603,994	\$ 626,472	\$ 646,817	95.6%
Net Investment Income	3,617	26,300	26,300	3.9%
PPT Reimbursement	3,138	3,340	3,200	0.5%
Miscellaneous Revenue	22,500	-	-	0.0%
Total Revenues	\$ 633,249	\$ 656,112	\$ 676,317	100.0%

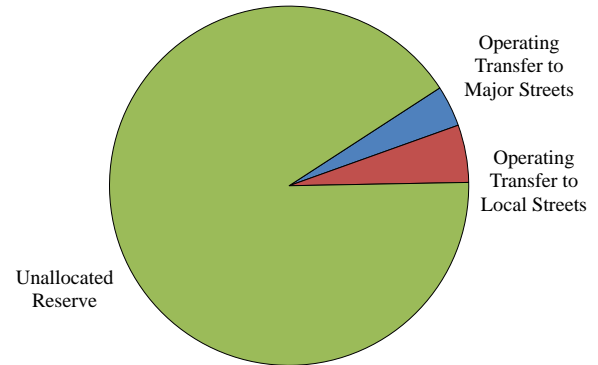
2019-20 Budgeted Revenues



Expenditures

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Operating Transfer to Major Streets	\$ 87,506	\$ 25,000	\$ 25,000	3.7%
Operating Transfer to Local Streets	132,208	35,000	35,000	5.2%
Unallocated Reserve	413,535	596,112	616,317	91.1%
Total Expenditures	\$ 633,249	\$ 656,112	\$ 676,317	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

STREET, DRAINAGE & SIDEWALK IMPROVEMENT FUND

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
	Previous Years' Maximum Millage Allowed and/or Levied			1.7098	1.6841	1.6635	1.6432	1.6231
	x Millage Reduction Fraction			0.9850	0.9878	0.9878	0.9878	0.9878
	= Allowable Levy			1.6841	1.6635	1.6432	1.6231	1.6032
	x Taxable Value per Mill			370,682	388,829	400,494	412,509	424,884
201-000-403.00	= Current Property Tax	587,626	603,208	624,252	646,817	658,092	669,543	681,174
201-000-403.04	PPT Reimbursement from State	3,149	3,138	3,340	3,200	3,200	3,200	3,200
201-000-417.00	Delinquent Personal Property Taxes	477	478	-	-	-	-	-
201-000-418.00	Property Taxes - Other	645	308	2,220	-	-	-	-
201-000-664.xx	Net Investment Income	398	3,617	26,300	26,300	26,300	26,300	26,300
201-000-666.00	Miscellaneous Income	-	22,500	-	-	-	-	-
	Total Revenues	592,295	633,249	656,112	676,317	687,592	699,043	710,674
Fund Balance Reserve								
201-000-699.00	Appropriation of Prior Year Surplus	279,123	-	-	-	-	735,957	324,326
	Total Budget	871,418	633,249	656,112	676,317	687,592	1,435,000	1,035,000

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

STREET, DRAINAGE & SIDEWALK IMPROVEMENT FUND (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES								
Operating transfer to:								
201-775-950.22	Major Street Fund	476,577	87,506	25,000	25,000	25,000	675,000	275,000
201-775-950.23	Local Street Fund	394,841	132,208	35,000	35,000	260,000	760,000	760,000
		<u>871,418</u>	<u>219,714</u>	<u>60,000</u>	<u>60,000</u>	<u>285,000</u>	<u>1,435,000</u>	<u>1,035,000</u>
	Total Expenditures	871,418	219,714	60,000	60,000	285,000	1,435,000	1,035,000
Fund Balance Reserve								
201-999-999.00	Unallocated Reserve	-	413,535	596,112	616,317	402,592	-	-
	Total Budget	<u>871,418</u>	<u>633,249</u>	<u>656,112</u>	<u>676,317</u>	<u>687,592</u>	<u>1,435,000</u>	<u>1,035,000</u>
Analysis of Fund Balance:								
	Beginning of Year			1,193,487	1,789,599	2,405,916	2,808,508	2,072,551
	Revenues			656,112	676,317	687,592	699,043	710,674
	Expenditures			(60,000)	(60,000)	(285,000)	(1,435,000)	(1,035,000)
	End of Year			<u>1,789,599</u>	<u>2,405,916</u>	<u>2,808,508</u>	<u>2,072,551</u>	<u>1,748,225</u>

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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

In November of 2018 the City of Northville voters approved the issuance of bonds to finance street improvements in an effort to raise the city-wide PASER rating from 4.57 to over 6.0 in a four year period. The taxes generate from the debt levy will allow for street improvements on two major streets: Taft Road and Baseline Road. Engineering design is expected to be completed during FY19 with construction in FY20.

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, 2020 and
Five Year Plan – 2019 through 2023

Action Steps Related to City Council Goals & Objectives

- Long-Term Financial Stability
 - Implement street improvement program.
- Street, Sidewalk, and Bike Path Improvements
 - Continue the annual street and sidewalk program approved in 1997.
 - Enhance bike path/non-motorized connectivity where possible to create cohesiveness between neighboring communities.

Departmental Goals & Objectives

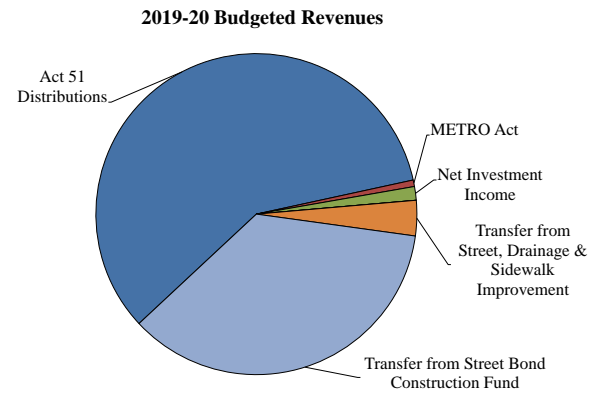
- Finalize engineering design services each fall and advertise for bids early spring to ensure street improvement projects begin at the beginning of each construction season.
- Provide snow and ice removal in accordance with City policies and procedures.
- Continue proper maintenance of streets, sidewalks, 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 regular basis during nine months out of the year.

Performance Measures

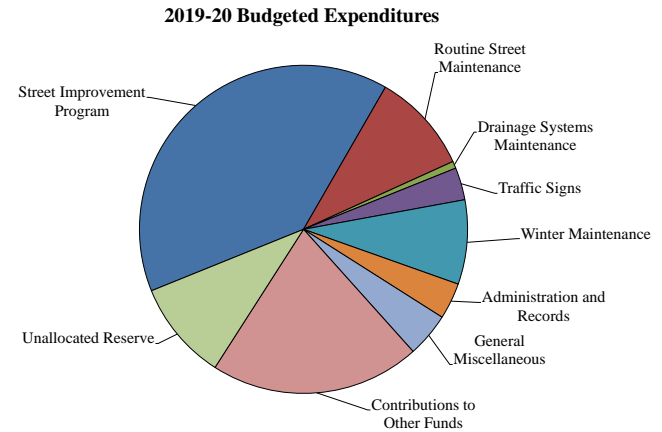
	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Federal, State & Local Grant Revenue	\$0	\$0	\$0	\$0	Pending
Miles of Major Roads	6.34	6.34	6.34	6.34	6.34
Efficiency & Effectiveness Measures					
Cost of Winter Maintenance per Mile	\$9,146	\$8,260	\$11,863	\$8,233	\$9,215

City of Northville
Proposed 2019-20 Major Streets Fund Budget
(with historical comparative data)

Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Act 51 Distributions	\$ 368,072	\$ 379,825	\$ 411,208	58.4%
METRO Act	4,669	4,600	4,600	0.7%
Net Investment Income	2,317	9,675	9,675	1.4%
Other Revenue	380	650	-	0.0%
Operating Transfers from				
Street, Drainage & Sidewalk Improvement	87,506	25,000	25,000	3.6%
Street Improvement Construction Fund	-	13,000	252,000	35.9%
Total Revenues	\$ 462,944	\$ 432,750	\$ 702,483	100.0%



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Street Improvement Program	\$ 87,506	\$ 38,000	\$ 277,000	39.4%
Routine Street Maintenance	95,249	75,065	69,530	9.9%
Drainage Systems Maintenance	5,839	7,240	4,910	0.7%
Traffic Signs	19,519	25,425	22,405	3.2%
Winter Maintenance	75,214	52,200	58,420	8.3%
Administration and Records	24,493	24,850	25,130	3.6%
General Miscellaneous	-	30,750	30,640	4.4%
Contributions to Other Funds	123,238	120,420	145,476	20.7%
Unallocated Reserve	31,886	58,800	68,972	9.8%
Total Expenditures	\$ 462,944	\$ 432,750	\$ 702,483	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

MAJOR STREETS FUND

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
202-000-546.01	Act 51 Distributions	307,169	368,072	379,825	411,208	450,731	461,300	461,300
202-000-574.06	METRO Act	4,634	4,669	4,600	4,600	4,600	4,600	4,600
202-000-664.xx	Net Investment Income	234	2,317	9,675	9,675	9,675	9,675	9,675
202-000-667.00	Insurance Proceeds	-	380	-	-	-	-	-
202-000-687.01	MMRMA Distributions	-	-	650	-	-	-	-
Operating Transfer from:								
202-000-699.02	Street, Drainage, and Sidewalk Improvement Fund	476,577	87,506	25,000	25,000	25,000	675,000	275,000
202-000-699.467	Street Bond Construction Fund	-	-	13,000	252,000	467,925	-	-
Total Revenues		788,614	462,944	432,750	702,483	957,931	1,150,575	750,575
Fund Balance Reserve								
202-000-699.00	Approp of Prior Years' Surplus	3,207	-	-	-	-	-	-
Total Budget		791,821	462,944	432,750	702,483	957,931	1,150,575	750,575

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

MAJOR STREETS FUND (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES (continued)								
Street Improvement Program								
202-452-801.00	Contractual Services	-	-	-	-	-	-	-
202-452-803.00	Engineering Services	-	-	13,000	32,000	-	-	-
202-452-801.47	Joint & Crack Sealing	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	-	-	-	-	-	-	-
202-452-803.86	7 Mile Road Improvements	-	-	-	-	-	-	-
202-452-803.94	Rayson Street Reconstruction	105,002	-	-	-	-	-	-
202-452-803.96	Horton Street Improvements	78,788	-	-	-	-	-	-
202-452-803.98	S. Wing - Cady to 7 Mile	265,373	-	-	-	-	-	-
202-452-815.03	E. Cady Street	6,511	-	-	-	-	400,000	-
202-452-815.04	Center Street Crosswalk	3,933	17,506	-	-	-	-	-
202-452-815.TBD	W. Cady Street	-	-	-	-	-	-	-
202-452-815.TBD	Taft (Eight Mile to South of Morgan)	-	-	-	190,000	-	-	-
202-452-815.TBD	Baselilne (Horton to Novi)	-	-	-	30,000	135,000	-	-
202-452-815.TBD	Horton Street	-	-	-	-	300,000	-	-
202-452-989.00	Street Improvement Program	-	-	-	-	32,925	250,000	250,000
		476,577	87,506	38,000	277,000	492,925	675,000	275,000

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

MAJOR STREETS FUND (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES (continued)								
Routine Street Maintenance								
202-463-706.00	Wages/Salaries	12,408	4,769	12,000	12,200	12,835	12,835	12,835
202-463-707.00	Wages/Salaries - Overtime	302	192	200	200	225	225	225
202-463-712.00	Contracted Labor	-	17,179	-	-	-	-	-
202-463-775.00	Materials	11,471	6,336	8,000	8,200	8,400	8,600	8,600
202-463-801.00	Contractual Services	12,929	17,894	18,500	13,600	13,600	13,250	13,250
202-463-801.18	Pavement Marking Program	12,079	11,303	13,000	13,000	13,000	13,000	13,000
202-463-803.00	Engineering Services	3,948	6,850	3,500	1,500	-	1,500	1,500
202-463-910.00	Liability and Property Insurance Pool	202	248	-	-	-	-	-
202-463-920.03	Water and Sewer Service	445	567	1,200	1,200	1,200	1,200	1,200
202-463-943.00	Equipment Rental	4,989	7,116	7,000	7,070	7,140	7,210	7,280
202-463-967.00	Fringe Benefits	13,210	5,999	11,665	12,560	13,130	13,130	13,130
202-463-967.04	Unfunded Pension Contributions	6,142	9,030	-	-	-	-	-
202-463-967.09	Retiree Healthcare Costs	7,673	7,766	-	-	-	-	-
		85,798	95,249	75,065	69,530	69,530	70,950	71,020
Drainage Systems Maintenance								
202-469-706.00	Wages/Salaries	2,883	1,219	500	510	540	540	540
202-469-707.00	Wages/Salaries - Overtime	-	-	180	180	225	225	225
202-469-775.00	Materials	522	-	500	500	500	500	500
202-469-801.00	Contractual Services	-	-	10	-	-	-	-
202-469-803.00	Engineering Services	-	-	2,400	-	-	-	-
202-469-910.00	Liability and Property Insurance Pool	28	15	-	-	-	-	-
202-469-943.00	Equipment Rental	2,507	2,048	2,000	2,020	2,040	2,060	2,080
202-469-967.00	Fringe Benefits	2,999	1,267	650	700	770	2,675	2,675
202-469-967.04	Unfunded Pension Contributions	836	554	-	-	-	-	-
202-469-967.09	Retiree Healthcare Costs	1,045	476	-	-	-	-	-
202-469-984.00	GIS Services	865	260	1,000	1,000	1,000	1,000	1,000
		11,685	5,839	7,240	4,910	5,075	7,000	7,020

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

MAJOR STREETS FUND (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES (continued)								
Traffic Signs								
202-474-706.00	Wages/Salaries	1,411	930	2,200	2,250	2,370	2,370	2,370
202-474-707.00	Wages/Salaries - Overtime	608	672	200	200	225	225	225
202-474-775.00	Materials	1,372	731	6,500	3,000	2,000	2,000	2,000
202-474-801.00	Contractual Services	12,435	11,770	12,610	12,830	13,050	13,280	13,510
202-474-910.00	Liability and Property Insurance Pool	52	51	-	-	-	-	-
202-474-943.00	Equipment Rental	1,025	334	1,620	1,640	1,660	1,680	1,700
202-474-967.00	Fringe Benefits	1,953	1,589	2,295	2,485	2,610	2,610	2,610
202-474-967.04	Unfunded Pension Contributions	1,609	1,851	-	-	-	-	-
202-474-967.09	Retiree Healthcare Costs	2,010	1,591	-	-	-	-	-
		22,475	19,519	25,425	22,405	21,915	22,165	22,415
Winter Maintenance								
202-478-706.00	Wages/Salaries	2,255	5,042	2,500	4,100	4,315	4,315	4,315
202-478-707.00	Wages/Salaries - Overtime	4,736	9,787	4,500	5,000	5,200	5,200	5,200
202-478-775.00	Materials	21,892	13,385	29,000	30,000	31,000	32,000	32,000
202-478-910.00	Liability and Property Insurance Pool	123	196	-	-	-	-	-
202-478-943.00	Equipment Rental	8,543	20,326	10,000	10,100	10,200	10,300	10,400
202-478-967.00	Fringe Benefits	6,386	13,215	6,200	9,220	9,565	9,565	9,565
202-478-967.04	Unfunded Pension Contributions	3,749	7,131	-	-	-	-	-
202-478-967.09	Retiree Healthcare Costs	4,684	6,132	-	-	-	-	-
		52,368	75,214	52,200	58,420	60,280	61,380	61,480
Administration and Records								
202-483-805.00	Auditing Services	2,322	2,343	2,480	2,540	2,600	2,670	2,740
202-483-967.02	Overhead-Administration & Records	21,930	22,150	22,370	22,590	22,820	23,050	23,280
		24,252	24,493	24,850	25,130	25,420	25,720	26,020

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

MAJOR STREETS FUND (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES (continued)								
General Miscellaneous								
202-920-910.00	Liability and Property Insurance Pool	-	-	905	930	960	990	1,020
202-920-956.00	Contingencies	-	-	-	-	520	1,580	2,680
202-920-967.04	Unfunded Pension Contributions	-	-	17,385	16,640	19,310	20,280	20,690
202-920-967.09	Retiree Healthcare Costs	-	-	12,460	13,070	13,610	14,170	14,770
		-	-	30,750	30,640	34,400	37,020	39,160
Contributions to Other Funds								
202-775-950.23	Oper Tsfr to Local Streets Fund	118,666	123,238	120,420	145,476	142,445	144,890	151,580
		118,666	123,238	120,420	145,476	142,445	144,890	151,580
	Total Expenditures	791,821	431,058	373,950	633,511	851,990	1,044,125	653,695
Fund Balance Reserve								
202-999-999.00	Unallocated Reserve	-	31,886	58,800	68,972	105,941	106,450	96,880
	Total Budget	791,821	462,944	432,750	702,483	957,931	1,150,575	750,575
Analysis of Fund Balance:								
	Beginning of Year			605,198	663,998	732,970	838,911	945,361
	Revenues			432,750	702,483	957,931	1,150,575	750,575
	Expenditures			(373,950)	(633,511)	(851,990)	(1,044,125)	(653,695)
	End of Year			663,998	732,970	838,911	945,361	1,042,241

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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

In November of 2018 the City of Northville voters approved the issuance of bonds to finance street improvements in an effort to raise the city-wide PASER rating from 4.57 to over 6.0 in a four year period. The taxes generated by the debt levy will allow for street improvements on seven local streets: N. Rogers, Stanstead, Morgan Blvd., Allen Drive, Lexington Court, MacDonald, and Potomac. Engineering design is expected to be completed during FY19 with construction in FY20.

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, 2020 and
Five Year Plan – 2019 through 2023

Local Streets Fund – continued

Action Steps Related to City Council Goals & Objectives

- Long-Term Financial Stability
 - Implement street improvement program.
- Street, Sidewalk, and Bike Path Improvements
 - Continue the annual street and sidewalk program approved in 1997.
 - Enhance bike path/non-motorized connectivity where possible to create cohesiveness between neighboring communities.

Departmental Goals & Objectives

- Finalize engineering design services 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 18.55 miles of major streets.
- Offer clear and concise direction in the administration of capital improvement projects.
- Sweep downtown streets on a regular basis during nine months out of the year.

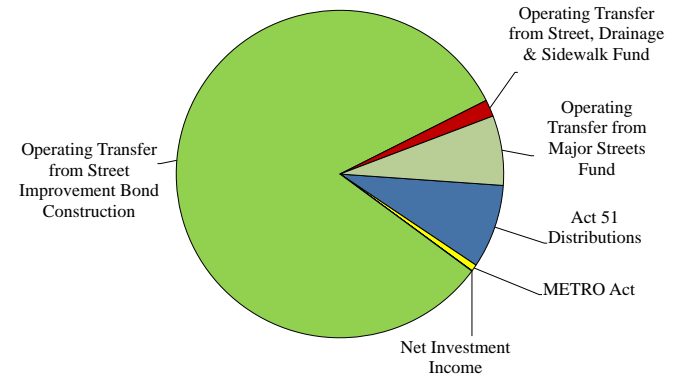
Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Miles of Local Roads	18.55	18.55	18.55	18.55	18.57
Efficiency & Effectiveness Measures					
Cost of Winter Maintenance per Mile	\$2,643	\$2,515	\$4,344	\$4,447	\$2,668

City of Northville
Proposed 2019-20 Local Streets Fund Budget
(with historical comparative data)

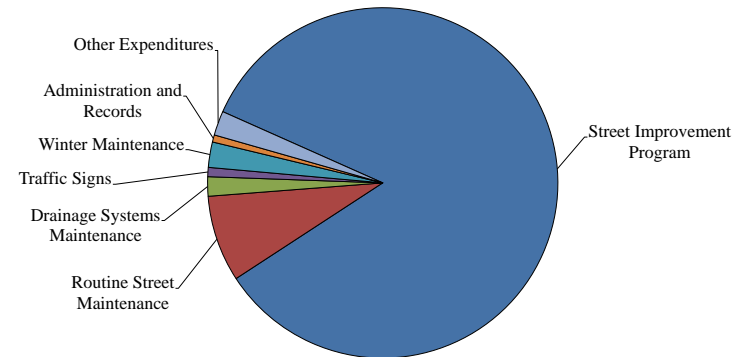
Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Act 51 Distributions	\$ 156,737	\$ 159,573	\$ 175,124	8.2%
METRO Act	14,007	14,000	14,000	0.7%
Net Investment Income	169	910	900	0.0%
Other Grants	38,355	65,752	-	0.0%
Other Revenue	-	820	-	0.0%
Operating Transfers from				
Street Improvement Bond Construction	-	85,375	1,744,000	82.5%
Street, Drainage & Sidewalk Improvement	132,208	35,000	35,000	1.7%
Major Streets Fund	123,238	120,420	145,476	6.9%
Total Revenues	\$ 464,714	\$ 481,850	\$ 2,114,500	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Street Improvement Program	\$ 132,208	\$ 120,375	\$ 1,779,000	84.1%
Routine Street Maintenance	179,521	162,860	168,705	8.0%
Drainage Systems Maintenance	42,121	35,120	37,780	1.8%
Traffic Signs	16,726	20,925	17,985	0.9%
Winter Maintenance	80,575	82,500	49,500	2.3%
Administration and Records	13,563	13,810	13,980	0.7%
Other Expenditures	-	46,260	47,550	2.2%
Total Expenditures	\$ 464,714	\$ 481,850	\$ 2,114,500	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

LOCAL STREETS

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
203-000-546.01	Act 51 Distributions	130,800	156,737	159,573	175,124	191,975	196,480	196,480
203-000-574.06	METRO Act	13,901	14,007	14,000	14,000	14,000	14,000	14,000
203-000-626.04	DPW/BLDG Service Reimbursement	-	-	-	-	-	-	-
203-000-664.xx	Net Investment Income	29	169	910	900	900	900	900
203-000-660.05	Other Grants	-	38,355	65,752	-	-	-	-
203-000-687.01	MMRMA Distributions	-	-	820	-	-	-	-
Operating Transfer from:								
203-000-699.02	Street, Drainage, and Sidewalk Improvement Fund	394,841	132,208	35,000	35,000	260,000	760,000	760,000
203-000-699.12	Major Streets Fund	118,666	123,238	120,420	145,476	142,445	144,890	151,580
203-000-699.467	Street Bond Construction Fund	-	-	85,375	1,744,000	500,000	-	-
Total Revenues		658,237	464,714	481,850	2,114,500	1,109,320	1,116,270	1,122,960
Fund Balance Reserve								
203-000-699.00	Appropriation of Prior Year Surplus	100,000	-	-	-	-	-	-
Total Budget		758,237	464,714	481,850	2,114,500	1,109,320	1,116,270	1,122,960

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

LOCAL STREETS (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	#REF! Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Street Improvement Program								
203-452-706.00	Wages - Regular	-	-	-	2,500	-	-	-
203-452-801.00	Contractual Services	1,824	-	375	-	-	-	-
203-452-801.81	Sidewalk Repair & Replacement	21,777	3,582	35,000	28,500	35,000	35,000	35,000
203-452-803.00	Engineering Services	-	-	85,000	215,000	-	-	-
203-452-803.94	Rayson Street Reconstruction	118,140	-	-	-	-	-	-
203-452-803.95	Elmsmere Drive Improvements	179,125	-	-	-	-	-	-
203-452-803.97	Walnut Street	132,226	-	-	-	-	-	-
203-452-815.01	Elmsmere Drive Improvements	21,386	56,919	-	-	-	-	-
203-452-815.02	High Street Improvements	20,363	71,707	-	-	-	-	-
203-452-989.00	Street Improvement Projects	-	-	-	1,529,000	725,000	725,000	725,000
203-452-943.00	Equipment Rental	-	-	-	1,500	-	-	-
203-452-967.00	Fringe Benefits	-	-	-	2,500	-	-	-
		494,841	132,208	120,375	1,779,000	760,000	760,000	760,000
Routine Street Maintenance								
203-463-706.00	Wages/Salaries	40,141	40,113	50,000	51,000	53,655	53,655	53,655
203-463-707.00	Wages/Salaries - Overtime	969	1,465	750	750	800	800	800
203-463-712.00	Contracted Labor	-	17,179	-	-	-	-	-
203-463-775.00	Materials	1,177	4,504	5,850	6,250	5,850	5,850	5,850
203-463-801.00	Contractual Services	6,010	173	3,200	3,200	3,200	3,200	3,200
203-463-910.00	Liability and Property Insurance Pool	173	340	-	-	-	-	-
203-463-943.00	Equipment Rental	46,584	44,781	54,540	55,090	55,640	56,200	56,760
203-463-967.00	Fringe Benefits	43,074	43,605	48,520	52,415	54,745	54,745	54,745
203-463-967.04	Unfunded Pension Contributions	11,231	13,500	-	-	-	-	-
203-463-967.09	Retiree Healthcare Costs	15,051	13,861	-	-	-	-	-
		164,410	179,521	162,860	168,705	173,890	174,450	175,010

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

LOCAL STREETS (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Drainage Systems Maintenance								
203-469-706.00	Wages/Salaries	4,872	8,649	5,500	5,600	5,895	5,895	5,895
203-469-707.00	Wages/Salaries - Overtime	262	282	450	450	500	500	500
203-469-775.00	Materials	960	1,343	1,000	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	35	2,016	2,500	2,500	2,500	2,500	2,500
203-469-825.00	Storm Water Program	3,680	2,000	8,770	8,770	8,770	8,770	8,770
203-469-826.00	Randolph Drain Annual Maintenance	3,110	3,110	3,110	5,180	5,180	5,180	6,000
203-469-910.00	Liability and Property Insurance Pool	30	80	-	-	-	-	-
203-469-943.00	Equipment Rental	5,058	8,624	5,100	5,150	5,200	5,250	5,300
203-469-967.00	Fringe Benefits	5,430	9,306	5,690	6,130	6,430	6,430	6,430
203-469-967.04	Unfunded Pension Contributions	1,976	3,183	-	-	-	-	-
203-469-967.09	Retiree Healthcare Costs	2,648	3,269	-	-	-	-	-
203-469-984.00	GIS Services	865	259	1,000	1,000	1,000	1,000	1,000
		28,926	42,121	35,120	37,780	38,475	38,525	39,395
Traffic Signs								
203-474-706.00	Wages/Salaries	2,866	3,655	5,000	5,100	5,365	5,365	5,365
203-474-707.00	Wages/Salaries - Overtime	308	428	800	800	850	850	850
203-474-775.00	Materials	1,696	2,169	7,000	3,500	2,500	2,500	2,500
203-474-910.00	Liability and Property Insurance Pool	12	32	-	-	-	-	-
203-474-943.00	Equipment Rental	1,190	3,602	2,580	2,610	2,640	2,670	2,700
203-474-967.00	Fringe Benefits	3,388	4,291	5,545	5,975	6,250	6,250	6,250
203-474-967.04	Unfunded Pension Contributions	769	1,258	-	-	-	-	-
203-474-967.09	Retiree Healthcare Costs	1,031	1,291	-	-	-	-	-
		11,260	16,726	20,925	17,985	17,605	17,635	17,665

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

LOCAL STREETS (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Winter Maintenance								
203-478-706.00	Wages/Salaries	5,732	8,923	12,000	6,000	6,500	6,500	6,500
203-478-707.00	Wages/Salaries - Overtime	1,225	7,607	8,000	4,000	4,300	4,300	4,300
203-478-775.00	Road Salt	18,385	13,584	20,000	20,500	21,000	21,500	21,500
203-478-910.00	Liability and Property Insurance Pool	49	153	-	-	-	-	-
203-478-943.00	Equipment Rental	7,264	21,775	24,000	8,000	8,080	8,160	8,240
203-478-967.00	Fringe Benefits	6,545	16,253	18,500	11,000	11,500	11,500	11,500
203-478-967.04	Unfunded Pension Contributions	3,187	6,059	-	-	-	-	-
203-478-967.09	Retiree Healthcare Costs	4,271	6,221	-	-	-	-	-
		46,658	80,575	82,500	49,500	51,380	51,960	52,040
Administration and Records								
203-483-805.00	Auditing Services	2,322	2,343	2,480	2,540	2,600	2,670	2,740
203-483-967.02	Overhead - Administration & Records	9,820	11,220	11,330	11,440	11,550	11,670	11,790
		12,142	13,563	13,810	13,980	14,150	14,340	14,530
Other Expenditures								
203-920-910.00	Liability and Property Insurance Pool	-	-	1,140	1,170	1,210	1,250	1,290
203-920-956.00	Contingencies	-	-	-	-	1,540	4,680	7,950
203-920-967.04	Unfunded Pension Contributions	-	-	22,900	23,160	26,870	28,210	28,770
203-920-967.09	Retiree Healthcare Costs	-	-	22,220	23,220	24,200	25,220	26,310
		-	-	46,260	47,550	53,820	59,360	64,320
	Total Expenditures	758,237	464,714	481,850	2,114,500	1,109,320	1,116,270	1,122,960
Fund Balance Reserve								
203-999-999.00	Unallocated Reserve	-	-	-	-	-	-	-
	Total Budget	758,237	464,714	481,850	2,114,500	1,109,320	1,116,270	1,122,960
Analysis of Fund Balance:								
	Beginning of Year			108,844	108,844	108,844	108,844	108,844
	Revenues			481,850	2,114,500	1,109,320	1,116,270	1,122,960
	Expenditures			(481,850)	(2,114,500)	(1,109,320)	(1,116,270)	(1,122,960)
	End of Year			108,844	108,844	108,844	108,844	108,844

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 in 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

The DDA Director is in the process of preparing a long term Capital Improvement Plan for the two City parking decks to implement improvements recommended. Funding options are currently being explored.

Long Term Plan

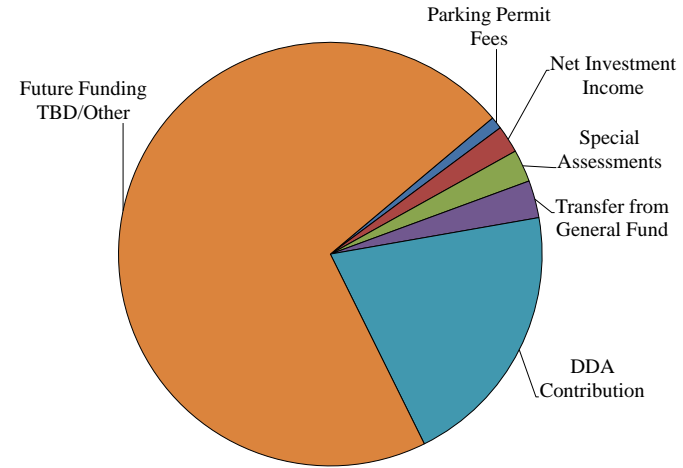
Since this fund collects the revenue for parking credit special assessments and parking permit fees, it is appropriate that these funds continued to be used for parking lot improvements or heavy maintenance, as well as, parking expansion projects in the future.

City of Northville
Proposed 2019-20 Parking Fund Budget
(with historical comparative data)

Revenues

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Parking Permit Fees	\$ 5,356	\$ 5,300	\$ 5,300	0.9%
Net Investment Income	2,611	11,870	11,830	2.1%
Special Assessments	17,715	15,553	13,987	2.5%
Transfer from General Fund	18,541	34,840	16,130	2.9%
DDA Contribution	105,840	113,100	115,620	20.4%
Future Funding TBD/Other	-	3,598	402,835	71.2%
Total Revenues	\$ 150,063	\$ 184,261	\$ 565,702	100.0%

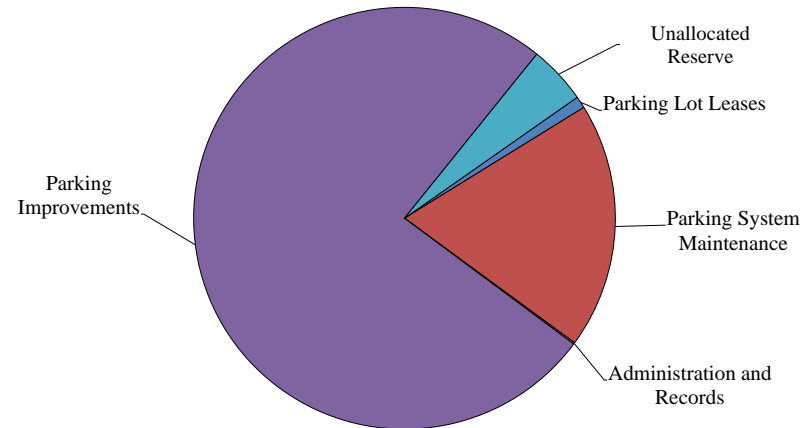
2019-20 Budgeted Revenues



Expenditures

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Parking Lot Leases	\$ 4,962	\$ 5,056	\$ 5,158	0.9%
Parking System Maintenance Administration and Records	\$ 113,191	\$ 101,440	\$ 106,750	18.9%
Parking Improvements	469	620	640	0.1%
Unallocated Reserve	20,190	46,500	427,835	75.6%
	20,251	30,645	25,319	4.5%
Total Expenditures	\$ 159,063	\$ 184,261	\$ 565,702	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

PARKING FUND

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
230-000-476.30	Parking Permit Fees	5,237	5,356	5,300	5,300	5,300	5,300	5,300
230-000-586.00	Private Contributions/Donations	-	9,000	-	-	-	-	-
230-000-664.xx	Net Investment Income	373	2,611	11,870	11,830	11,830	11,830	11,830
203-000-666.00	Misc - funding to be determined	-	-	-	402,835	322,350	100,000	100,000
230-000-672.15	Special Assessments	22,367	17,715	15,553	13,987	13,272	12,604	2,931
230-000-687.01	MMRMA Distribution	-	-	3,598	-	-	-	-
230-000-699.06	Transfer from General Fund	-	18,541	34,840	16,130	15,705	14,905	13,785
230-000-699.07	Contribution from DDA Fund	-	105,840	113,100	115,620	118,220	120,900	123,660
	Total Revenues	27,977	159,063	184,261	565,702	486,677	265,539	257,506
	Total Budget	27,977	159,063	184,261	565,702	486,677	265,539	257,506
EXPENDITURES								
Parking Lot Leases								
230-545-987.00	Lease Payment-Long Property	2,449	2,468	2,514	2,565	2,616	2,669	2,722
230-545-988.00	Northville Downs Taxes	2,475	2,494	2,542	2,593	2,644	2,697	2,751
		4,924	4,962	5,056	5,158	5,260	5,366	5,473
Parking System Maintenance								
230-546-706.00	Wages - Regular	-	12,691	12,000	12,150	6,470	12,470	12,470
230-546-707.00	Wages - Overtime	-	3,749	2,000	2,000	2,000	2,000	2,000
230-546-775.00	Materials / Salt	-	11,611	10,650	10,800	10,950	11,110	11,270
230-546-801.00	Contractual Services	-	9,255	13,865	17,000	17,000	17,280	17,290
230-546-801.06	Elevator Maintenance	-	5,059	6,225	6,490	6,770	7,060	7,370
230-546-853.00	Telephone	-	395	395	395	395	395	395
230-546-910.00	Liability & Property Insurance	-	5,604	4,990	5,140	5,290	5,450	5,610
230-546-920.01	Electric Power	-	27,612	27,000	27,820	28,650	29,520	30,400
230-546-920.03	Water & Sewer Service	-	31	100	100	100	100	100
230-546-943.00	Equipment Rental	-	12,226	12,000	12,120	12,240	12,360	12,480
230-546-967.00	Fringe Benefits	-	15,958	12,215	12,735	13,060	13,060	13,060
230-546-973.00	Capital Outlay < \$5,000	-	9,000	-	-	-	-	-
		-	113,191	101,440	106,750	102,925	110,805	112,445

continued

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

PARKING FUND

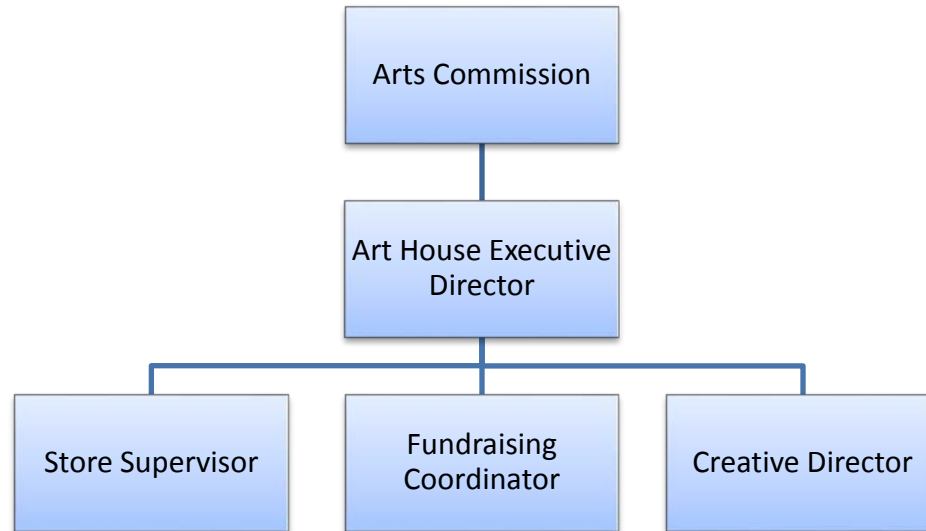
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES - continued								
Administration and Records								
230-923-805.00	Auditing Service	464	469	620	640	660	680	700
		464	469	620	640	660	680	700
Parking Improvements								
230-902-801.00	Contractual Services	-	-	-	-	-	-	-
230-546-977.00	Capital Outlay - Equip > \$5,000	-	20,190	46,500	427,835	347,350	125,000	125,000
230-902-977.18	E Cady Street Lot	20,279	-	-	-	-	-	-
		20,279	20,190	46,500	427,835	347,350	125,000	125,000
	Total Expenditures	25,667	138,812	153,616	540,383	456,195	241,851	243,618
Fund Balance Reserve								
230-999-999.00	Unallocated Reserve	2,310	20,251	30,645	25,319	30,482	23,688	13,888
	Total Budget	27,977	159,063	184,261	565,702	486,677	265,539	257,506
Fund Balance Analysis								
	Beginning of Year			708,707	739,352	764,671	795,153	818,841
	Revenues			184,261	565,702	486,677	265,539	257,506
	Expenditures			(153,616)	(540,383)	(456,195)	(241,851)	(243,618)
	End of Year			739,352	764,671	795,153	818,841	832,729

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: Arts Commission

FUND NUMBER: 255

SUPERVISOR: Arts Commission



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 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 predominantly Michigan 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 returning to Downtown Northville June 2019 after a one-year hiatus.

In February 2019, internal restructuring changes were made to meet the needs of the staff and the organization. An Executive Director manages the growing administrative activity of the Art House and coordinates the programming activities in the classroom and After-school Art. A Creative Director manages the exhibits, call for show entries, and lectures. This position also oversees the marketing for the organization and will work in close collaboration with the Executive Director to guide fundraising activities. A Store Supervisor manages the store, facility, rentals, and birthday parties. A Fundraising Coordinator manages Arts & Acts and Art Crush, oversees the membership program, 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, 2020 and
Five Year Plan – 2019 through 2023

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 Creative 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: The Northville High School’s annual International Baccalaureate Student Art Show has grown, and will be a more prominent feature in the gallery. Other student’s art shows will continue to 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, 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. After a year away from Downtown Northville, Arts and Acts/Art in the Sun will return to downtown in June 2019. 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. Three Northville elementary schools participate in the Young Artists after school art program, which was started in the spring of 2016.

Proposed Fiscal Year Overview

The current focus is on strengthening and growing existing programs including After-school Art, Young Artist Art Fair, the membership program, and continue the annual t-shirt campaign that funds the scholarship for one Northville High School Senior each year. The t-shirt drive will generate funds for the scholarship as well as the organization.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Arts Commission – continued

The Commission will continue to grow existing fundraising events such as Art from the Attic, the 3rd annual Art Crush event, Arts and Acts, and exploring the option of a Film and Literature Festival. Additional efforts will be directed toward finding new grant and foundation funding to support existing programs.

Long Term Plan

The sustainability of the Arts Commission is very dependent upon the success of the existing 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 and increase grant opportunities.

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.

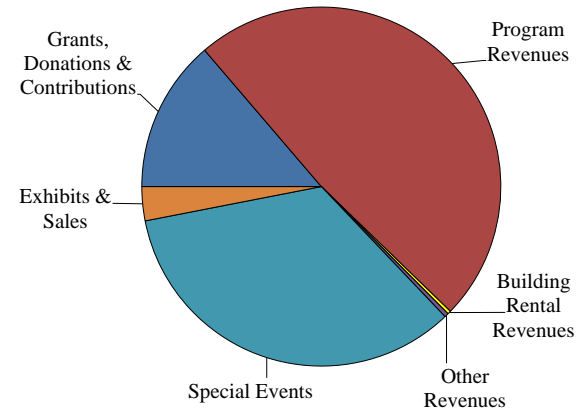
Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Number of Class Participants	688	585	677	650	650
Number of Memberships	175	142	110	130	145
Number of Gallery Visitors	4,015	2,980	3,035	3,170	3,400

City of Northville
Proposed 2019-20 Arts Commission Budget
(with historical comparative data)

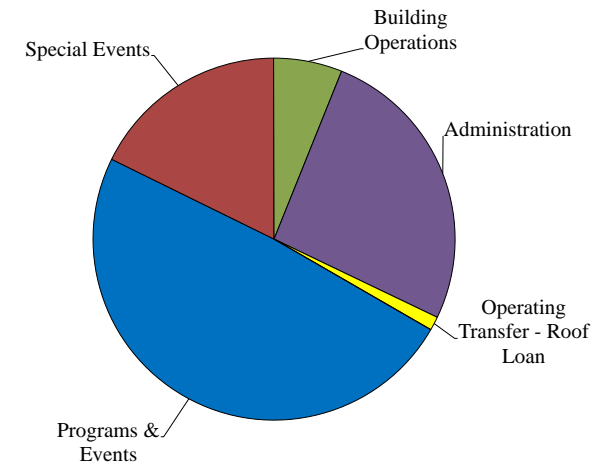
Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Grants, Donations & Contributions	24,703	19,000	23,160	13.7%
Program Revenues	59,137	80,300	81,800	48.5%
Building Rental Revenues	560	500	500	0.3%
Other Revenues	219	1,260	620	0.4%
Special Events	40,212	50,130	57,400	34.0%
Exhibits & Sales	5,477	5,100	5,170	3.1%
Approp of Prior Year Surplus	20,523	8,186	-	0.0%
Total Revenues	\$ 150,831	\$ 164,476	\$ 168,650	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Programs & Events	\$72,937	\$82,735	\$82,530	48.9%
Special Events	25,967	28,600	29,835	17.7%
Building Operations	10,012	10,240	10,339	6.1%
Administration	39,859	40,845	43,890	26.0%
Operating Transfer - Roof Loan	2,056	2,056	2,056	1.2%
Unallocated Reserve	-	-	-	0.0%
Total Expenditures	\$ 150,831	\$ 164,476	\$ 168,650	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

ARTS COMMISSION

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Revenues								
Grants, Donations & Contributions								
255-000-586.00	Private Contributions	1,260	6,036	2,500	2,000	2,000	2,000	2,000
255-000-586.04	Membership Program	-	9,533	8,000	8,500	8,500	8,500	8,500
255-000-586.08	Donations - Exhibits	4,125	5,510	6,000	10,160	10,000	10,160	10,000
255-000-586.12	Donations - Friends of the Art House	6,692	1,124	-	-	-	-	-
255-000-660.05	Grant Revenue	1,000	2,500	2,500	2,500	2,500	2,500	2,500
		13,077	24,703	19,000	23,160	23,000	23,160	23,000
Program Revenues								
255-000-651.50	Youth Programs	32,050	23,537	38,500	38,500	38,500	38,500	38,500
255-000-651.52	Adult Programs	33,797	26,165	30,000	31,500	31,500	31,500	31,500
255-000-651.53	Birthday Parties	2,005	2,224	2,000	2,000	2,000	2,000	2,000
255-000-651.54	Scout Badge Program	1,184	882	800	800	800	800	800
255-000-651.56	After School Art Program		6,329	9,000	9,000	9,000	9,000	9,000
		69,036	59,137	80,300	81,800	81,800	81,800	81,800
Building Rental Revenues								
255-000-659.51	Building Rental Revenue	897	560	500	500	500	500	500
255-000-666.18	Camera Club	180	-	-	-	-	-	-
		1,077	560	500	500	500	500	500

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

ARTS COMMISSION

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Revenues - continued								
Other Revenues								
255-000-664.xx	Net Investment Income	30	150	555	555	555	555	555
255-000-666.00	Miscellaneous Revenue	67	69	65	65	65	65	65
255-000-687.01	MMRMA Distribution	-	-	640	-	-	-	-
		97	219	1,260	620	620	620	620
Special Events								
255-000-666.14	Winter Fundraiser	-	8,414	8,700	8,700	8,700	8,700	8,700
255-000-666.22	Holiday Fundraiser	-	719	800	900	1,000	1,000	1,000
255-000-666.27	Arts & Acts	36,178	29,460	36,000	40,000	40,000	40,000	40,000
255-000-666.30	Art from the Attic	-	-	1,615	1,500	1,500	1,500	1,500
255-000-666.32	Chalk Festival	-	-	-	-	-	-	-
255-000-666.36	Young Artist Art Fair	-	1,111	1,615	1,400	1,400	1,400	1,400
255-000-666.37	T-shirt Campaign	-	508	1,400	1,400	1,400	1,400	1,400
255-000-666.38	Film & Literature Festival	-	-	-	2,000	2,000	2,000	2,000
255-000-666.NEW	Fall Fundraiser	-	-	-	1,500	1,500	1,500	1,500
		36,178	40,212	50,130	57,400	57,500	57,500	57,500
Exhibits & Sales								
255-000-666.13	Exhibits	4,429	3,945	3,600	3,600	3,600	3,600	3,600
255-000-666.20	Art House Store Sales	1,850	1,532	1,500	1,570	1,800	1,800	1,800
255-000-666.21	Holiday Invitational - Commissions	-	-	-	-	-	-	-
		6,279	5,477	5,100	5,170	5,400	5,400	5,400
Total Revenues		125,744	130,308	156,290	168,650	168,820	168,980	168,820
Fund Balance Reserve								
255-000-699.00	Appropriation of Prior Year Surplus	10,788	20,523	8,186	-	157	-	-
Total Budget		136,532	150,831	164,476	168,650	168,977	168,980	168,820

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

ARTS COMMISSION (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Programs & Events								
255-290-710.00	Wages - Program Administration	19,817	27,517	33,845	31,565	31,565	31,565	31,565
255-290-710.06	Wages - Youth Program Instructors	422	508	1,575	1,575	1,575	1,575	1,575
255-290-710.07	Wages - Adult Program Instructors	7,374	4,617	7,680	7,680	7,680	7,680	7,680
255-290-801.00	Contracted Store Attendant	4,022	1,785	-	-	-	-	-
255-290-951.40	Contracted Youth Program Instructors	6,758	7,683	8,000	8,000	8,000	8,000	8,000
255-290-951.41	Contracted Adult Programs Instructors	16,947	14,044	13,000	15,000	15,000	15,000	15,000
255-290-951.50	Youth Programs Supplies/Materials	2,393	1,769	1,800	2,000	2,000	2,000	2,000
255-290-951.52	Adult Programs Supplies/Materials	842	961	2,500	2,500	2,500	2,500	2,500
255-290-951.53	Birthday Parties	408	765	600	600	600	600	600
255-290-951.54	Scout Badge Program	305	404	300	300	300	300	300
255-290-951.56	After School Art Program	-	4,794	5,000	5,000	5,000	5,000	5,000
255-290-951.57	Teacher Appreciation	-	-	150	150	150	150	150
255-290-951.58	Northville High School Scholarship	-	677	650	700	700	700	700
255-290-963.13	Exhibits	2,820	4,893	4,300	4,300	4,300	4,300	4,300
255-290-967.00	Fringe Benefits	2,120	2,520	3,335	3,160	3,160	3,160	3,160
		64,228	72,937	82,735	82,530	82,530	82,530	82,530
Special Events								
255-702-706.00	Wages - DPW	547	3	-	-	-	-	-
255-702-707.00	Wages - Overtime DPW	458	11	-	-	-	-	-
255-702-710.00	Wages - Arts & Acts Coordinator	4,315	3,034	8,340	8,435	8,435	8,435	8,435
255-702-943.00	Equipment Rental - DPW	187	-	-	-	-	-	-
255-702-963.14	Winter Fundraiser/Art Crush Gala	215	4,815	4,700	4,700	4,700	4,700	4,700
255-702-963.21	Holiday Invitational - Raffle Baskets	-	13	-	-	-	-	-
255-702-963.27	Arts & Acts	13,167	17,660	14,045	14,445	14,445	14,575	14,575
255-702-963.32	Chalk Festival	-	-	300	300	300	300	300
255-702-963.34	Young Artist Art Fair	-	185	570	300	300	300	300
255-702-963.38	Film & Literature Festival	-	-	-	1,000	1,000	1,000	1,000
255-702-967.00	Fringe Benefits	1,372	246	645	655	655	655	655
		20,261	25,967	28,600	29,835	29,835	29,965	29,965

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

ARTS COMMISSION (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Expenditures								
Transfers								
255-775-950.46	O/T to Public Improvement Fund - Loan	2,056	2,056	2,056	2,056	2,052	-	-
		2,056	2,056	2,056	2,056	2,052	-	-
Building Operations								
255-792-706.00	Wages-Maintenance (DPW)	87	-	-	-	-	-	-
255-792-710.00	Wages - Part Time Cleaning	80	99	-	-	-	-	-
255-792-740.00	Building Supplies	954	488	575	625	625	625	625
255-792-801.04	Maintenance & Repair Service	5,404	3,471	3,065	3,014	3,015	3,315	3,315
255-792-853.00	Telephone & Internet Access	1,660	1,662	1,680	1,680	1,680	1,680	1,680
255-792-910.00	Liability & Property Insurance	126	385	320	330	340	350	360
255-792-920.01	Electrical Service	1,944	1,370	1,600	1,630	1,660	1,690	1,720
255-792-920.02	Natural Gas Service	1,482	1,574	1,700	1,730	1,760	1,800	1,840
255-792-920.03	Water & Sewer Service	1,638	956	1,300	1,330	1,360	1,390	1,420
255-792-967.00	Fringe Benefits DPW	62	7	-	-	-	-	-
		13,437	10,012	10,240	10,339	10,440	10,850	10,960

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

ARTS COMMISSION (continued)

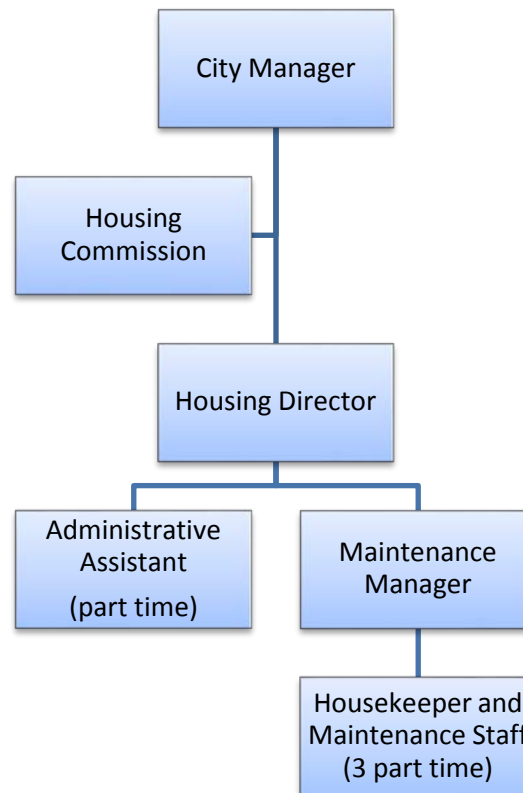
Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Administration								
255-923-710.00	Wages - Admin	18,979	20,352	22,060	24,625	24,625	24,625	24,625
255-923-726.00	Store Supplies	1,159	734	700	800	800	1,000	1,000
255-923-727.00	Credit Card Fees	5,601	6,084	7,000	7,000	7,000	7,000	7,000
255-923-730.00	Postage	608	478	500	500	500	500	500
255-923-732.00	Public Relations	2,683	3,177	2,000	2,000	2,000	2,000	2,000
255-923-801.19	Technology Support	-	160	15	25	25	25	25
255-923-802.010	Legal Services - General	-	-	150	-	-	-	-
255-923-804.01	Employee Physicals & Drug Tests	-	86	90	-	-	-	-
255-923-900.00	Printing and Publishing	1,261	885	1,245	1,245	1,245	1,245	1,245
255-923-910.00	Liability & Property Insurance	636	2,094	570	580	600	620	640
255-923-958.00	Memberships & Dues	-	450	755	760	760	805	805
255-923-960.00	Education & Training	235	20	100	100	100	100	100
255-923-963.20	Art House Store Merchandise	267	8	-	200	200	200	200
255-923-967.00	Fringe Benefits	1,471	1,571	1,710	1,905	1,905	1,905	1,905
255-923-967.02	Overhead Reimbursement	3,650	3,760	3,950	4,150	4,360	4,580	4,810
		36,550	39,859	40,845	43,890	44,120	44,605	44,855
	Total Expenditures	136,532	150,831	164,476	168,650	168,977	167,950	168,310
Fund Balance Reserve								
255-999-999.00	Unallocated Reserve	-	-	-	-	-	1,030	510
	Total Budget	136,532	150,831	164,476	168,650	168,977	168,980	168,820
Fund Balance Analysis								
	Beginning of Year			45,121	36,935	36,935	36,778	37,808
	Revenues			156,290	168,650	168,820	168,980	168,820
	Expenditures			(164,476)	(168,650)	(168,977)	(167,950)	(168,310)
	Total Fund Balance, End of Year			36,935	36,935	36,778	37,808	38,318

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: Housing Commission

FUND NUMBER: 538

SUPERVISOR: Housing Director



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Housing Commission – continued

General Description of Activity

The primary function of the Housing Commission is to manage Allen Terrace, an apartment community for senior citizens 55 years or older. Allen Terrace has 100 apartments, accommodating 110 residents. Housing Commission staff allocates its time between property maintenance and repairs, budget management, records management, rent collection, filling vacancies, and providing customer service. Currently, a full-time Director, full-time Maintenance Manager, a part-time Administrative Assistant, a part-time Custodian, part-time on-call Maintenance Assistant and a seasonal gardener staff the Housing Commission.

The main goal of our five-year plan is to continue modernization of Allen Terrace, built 40 years ago. Recognizing the limited resources of many Allen Terrace residents along with the maximum rent allowed by Federal rent subsidy programs, the Commission maintains efficiency in managing finances. Approximately 14% of the residents receive rent assistance. The rental rate, which includes heat, electricity, and water, remains below market rents for this area. Allen Terrace retains an average annual 99% rate of occupancy.

Proposed Fiscal Year Overview

Revenue for Allen Terrace is generated primarily from rent, rent subsidies, and Community Development Block Grant (CDBG) funds. Allen Terrace does not rely on property taxes for its operations. The rent is proposed to increase 2% percent from \$715 to \$730 for one-bedroom units and \$1,105 to \$1,120 for the two-bedroom units. This will increase revenue \$18,000 annually. 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 subsidy program is available to Allen Terrace residents based on a maximum annual income limit of \$18,500. In addition, a minimum of five years of City of Northville residency prior to residency at Allen Terrace *or* a minimum of three years residency at Allen Terrace is required. Currently, four residents participate in this program.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Housing Commission – continued

The debt service payment for the renovation bond is \$96,848. The final payment is due in October 2022. \$152,437 is proposed to be transferred to the Housing Capital Outlay Fund for building improvements. The fund balance in this fund will remain between 30% and 40% of expenditures for unforeseen expenditures.

Staff plans to simplify rent collection with software and automatic payment plans. The lease and general rules of occupancy will be updated to reflect current renting laws and better communicate policy to residents.

Action Steps Related to City Council Goals & Objectives

- Long-term financial stability
 - Develop a capital needs assessment and plan, to include a 10-year funding schedule (similar to Police/Fire plans)
- Communications
 - Update lease and general rules of occupancy to reflect current law and better communicate policy to residents.
- Energy Efficiencies & Green Initiatives
 - Replace interior and exterior lighting in conjunction with the citywide building plan analysis.
 - Provide recycling opportunities to residents to encourage preservation of the environment.

Departmental Goals & Objectives

- To preserve and enhance the effective operations and viability of the building, ensuring that it looks and functions at its best.
- To create and monitor a strategic budget to plan and pay for the short- and long-term needs of the property and to ensure we are on track with revenues.
- To provide comprehensive and responsive customer service to residents which supports sustainable tenancies and delivers customer satisfaction.
- To recruit and retain qualified staff, providing education and training to strengthen those skills that each employee needs to improve, as well as provide workplace safety.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Housing Commission – continued

Departmental Goals & Objectives – continued

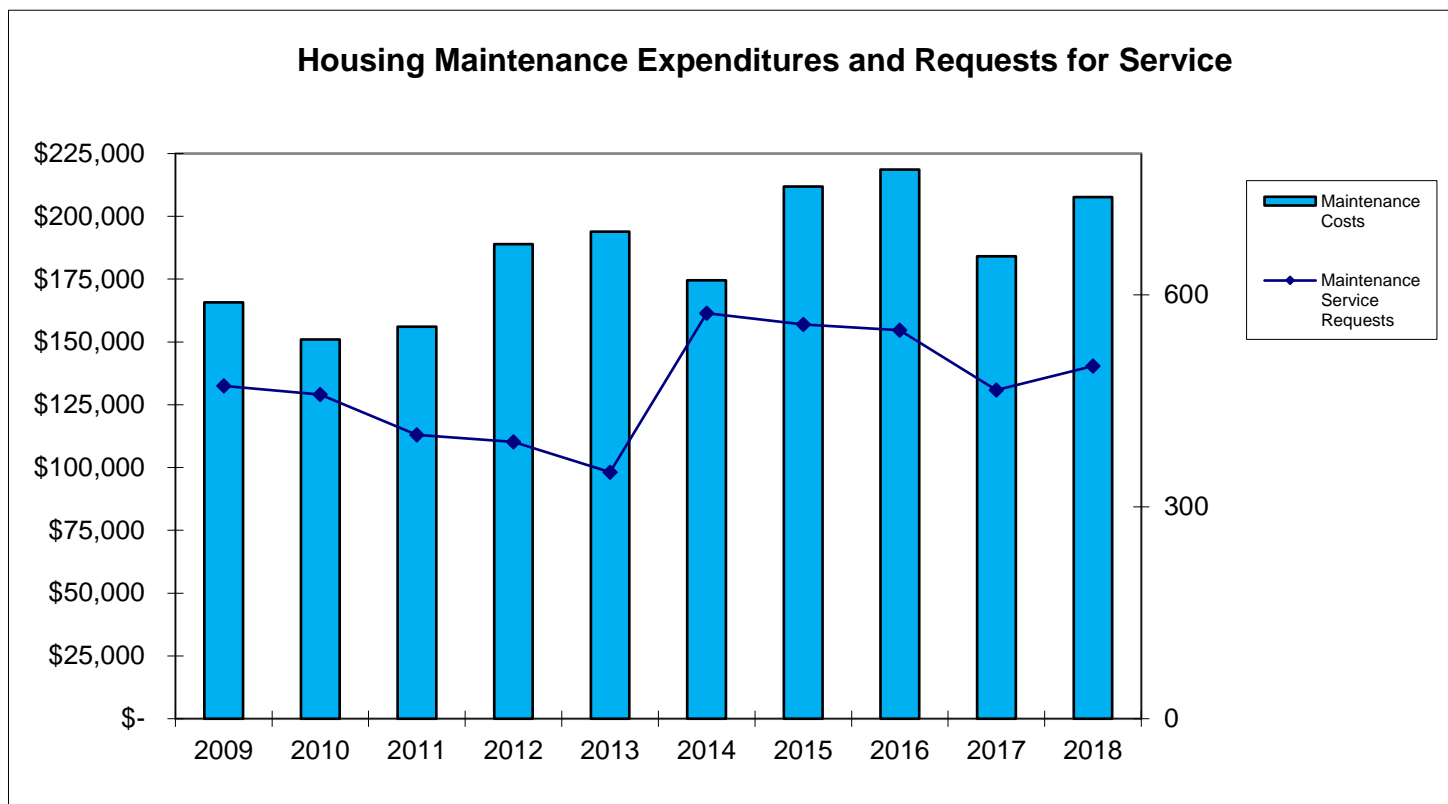
- To actively promote and support resident engagement in the Allen Terrace community programs and services, to include City of Northville experiences.

Performance Measures

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Move-Outs	15	14	9	16	14
Move-Ins			8	15	14
Maintenance Service Requests	550	465	499	542	514
Nutrition Program - On Site Meals	3,914	3,619	3,327	3,620	3,620
Nutrition Program - Home Delivered Meals	4,324	3,549	4,497	4,123	4,123
# of Residents Receiving Rent Subsidies	13	12	14	15	16
Efficiency & Effectiveness Measures					
% of Occupied Apartments	99%	99%	99%	99%	99%
Average Annual Cost of Utilities per Apartment	\$1,245	\$1,286	\$1,351	\$1,418	\$1,490

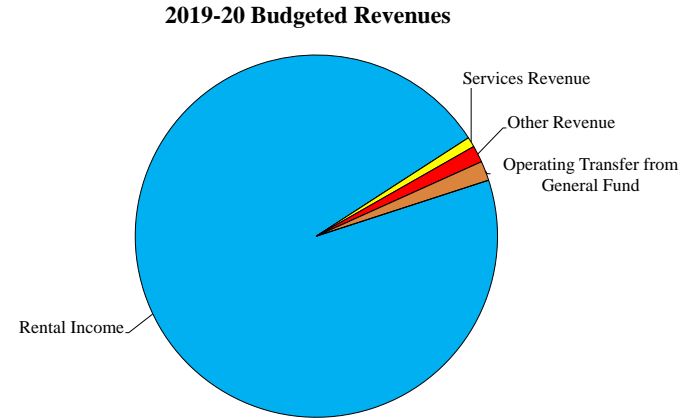
City of Northville
Housing Maintenance Expenditures and Maintenance Requests
Ten Year Trend - 2009 through 2018

The graph below shows the total number of maintenance requests made by the residents of Allen Terrace compared to the annual expenditures for the Housing Commission maintenance department. The correlation between maintenance costs and service requests can vary based on the costs related to the repairs. Expensive non-recurring repairs related to carpeting replacement, the HVAC system and the alarm systems have an effect on the correlation. In FY18, maintenance costs increased 12% and the number of maintenance requests increased 7% from the prior year. Employee wages and fringe benefits were 46% of the maintenance costs in FY18.

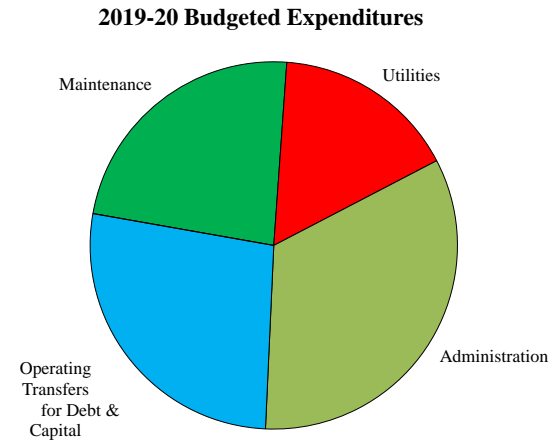


City of Northville
Proposed 2019-20 Housing Commission Budget
(with historical comparative data)

Revenues	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Rental Income	\$ 852,607	\$ 865,260	\$ 883,260	95.9%
Grant Revenue	2,547	-	-	0.0%
Services Revenue	8,057	8,670	8,230	0.9%
Other Revenue	29,556	17,286	13,875	1.5%
Operating Transfers from General fund	15,470	15,620	15,990	1.7%
Appropriation of Prior Year Surplus	-	52,223	-	0.0%
Total Revenues	\$ 908,237	\$ 959,059	\$ 921,355	100.0%



Expenditures	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Maintenance	\$ 208,513	\$ 214,410	\$ 215,175	23.4%
Utilities	128,747	142,460	149,580	16.2%
Administration	339,499	303,415	307,315	33.4%
Operating Transfers for Debt & Capital	208,646	298,774	249,285	27.1%
Unallocated Reserve	22,832	-	-	0.0%
Total Expenditures	\$ 908,237	\$ 959,059	\$ 921,355	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

HOUSING COMMISSION

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
Rental Income								
538-000-669.00	Tenant Rents	810,309	818,656	829,926	847,206	858,956	864,716	876,351
538-000-669.01	Rent Subsidies	32,271	35,237	34,694	35,414	35,904	36,144	36,629
538-000-669.02	City Trust Fund Contributions	900	1,347	2,740	2,740	2,740	2,740	2,740
538-000-669.04	Vacancy Loss	(1,002)	(2,633)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
538-000-669.06	Transfer Fees	-	-	400	400	400	400	400
		842,478	852,607	865,260	883,260	895,500	901,500	913,620
Services Revenue								
538-000-642.00	Charges for Service & Sales	455	650	1,190	750	750	750	750
538-000-651.40	Laundromat Sales	6,705	6,927	7,000	7,000	7,000	7,000	7,000
538-000-651.41	Beauty Shop Revenue	480	480	480	480	480	480	480
		7,640	8,057	8,670	8,230	8,230	8,230	8,230
Grant Revenue								
538-000-587.14	CDBG - Administration	-	2,547	-	-	-	-	-
		-	2,547	-	-	-	-	-
Other Revenue								
538-000-590.00	Operating Transfer from General Fund	15,330	15,470	15,620	15,990	16,390	16,800	17,220
538-000-664.xx	Net Investment Income	228	1,958	2,900	3,000	3,000	3,000	3,000
538-000-667.00	Insurance Proceeds	-	21,958	-	-	-	-	-
538-000-687.01	MMRMA Distribution	-	-	7,286	-	-	-	-
538-000-669.03	Entry Fees	8,750	5,640	7,100	10,875	10,875	10,875	10,875
		24,308	45,026	32,906	29,865	30,265	30,675	31,095
	Total Revenue	874,426	908,237	906,836	921,355	933,995	940,405	952,945
Fund Balance Reserve								
538-000-699.00	Use of Fund Balance	-	-	52,223	-	-	-	-
	Total Budget	874,426	908,237	959,059	921,355	933,995	940,405	952,945

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

HOUSING COMMISSION (continued)

Account		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
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	42,209	43,646	46,355	47,510	48,090	48,090	48,090
538-266-710.00	Wage/Salary - Part Time	20,551	18,808	24,065	24,535	24,535	24,535	24,535
538-266-712.00	Contracted Labor	2,665	-	-	-	-	-	-
538-266-726.01	Supplies - Maintenance\Repair	11,612	15,381	14,360	15,970	16,770	17,600	18,490
538-266-801.00	Contractual Services	6,943	5,164	1,840	880	920	970	1,020
538-266-801.04	Services - Maintenance\Repair	29,003	47,430	37,170	34,780	36,550	38,400	40,330
538-266-801.05	Painting & Decorating Supplies	1,010	3,553	6,000	9,975	10,480	11,010	11,560
538-266-801.06	Elevator Maintenance Services	10,598	9,610	9,155	9,640	10,150	10,690	11,270
538-266-801.07	Alarm System Maintenance	3,467	5,286	13,095	13,740	14,420	15,140	15,900
538-266-801.48	Landscaping	5,810	6,137	6,950	6,850	7,200	7,550	7,930
538-266-801.49	Heat and Air Conditioning	15,545	18,467	19,730	15,050	15,810	16,600	17,430
538-266-804.01	Employee Physicals & Drug Testing	-	199	265	130	130	130	130
538-266-956.00	Contingencies	-	-	-	-	960	2,920	4,960
538-266-967.00	Fringe Benefits	34,636	33,943	34,590	35,255	35,580	35,580	35,580
		184,049	207,624	213,575	214,315	221,595	229,215	237,225
Allen Terrace Utilities								
538-267-920.01	Electric Power	74,079	73,608	78,000	81,900	86,000	90,300	94,820
538-267-920.02	Natural Gas	22,532	22,927	26,460	27,780	29,170	30,630	32,160
538-267-920.03	Water & Sewer Service	27,857	32,212	38,000	39,900	41,900	44,000	46,200
		124,468	128,747	142,460	149,580	157,070	164,930	173,180
Allen Terrace DPW Services								
538-268-706.00	Wages - DPW Regular	134	328	270	280	295	295	295
538-268-707.00	Wages - DPW OT	-	-	100	100	100	100	100
538-268-943.00	Equipment Rental - City	154	230	100	100	100	100	100
538-268-967.00	Fringe Benefits	143	331	365	380	390	395	395
		431	889	835	860	885	890	890

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

HOUSING COMMISSION (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES (continued)								
Housing Administration								
538-292-706.00	Wage/Salary-Perm FT ST	61,935	78,970	60,760	62,275	63,045	63,045	63,045
538-292-710.00	Wage/Salary-Part Time	29,273	29,972	29,580	26,620	26,950	26,950	26,950
538-292-726.02	Supplies - Resident Services	4,654	4,413	4,680	3,865	4,035	4,205	4,385
538-292-728.00	Office Supplies	823	1,359	1,000	1,200	1,260	1,320	1,390
538-292-730.00	Postage	86	62	90	90	90	90	90
538-292-732.00	Public Relations	728	456	615	420	420	420	420
538-292-739.03	Copiers - Maintenance & Usage	-	1,991	2,000	1,700	1,700	1,700	1,700
538-292-801.19	Technology Support & Services	220	1,774	855	1,440	1,440	1,440	1,440
538-292-801.32	Payment In Lieu of Taxes	15,330	15,470	15,620	15,990	16,390	16,800	17,220
538-292-801.34	Web Site	88	495	400	400	400	400	400
538-292-802.01	Legal Services	5,124	6,302	11,000	5,000	5,250	5,510	5,790
538-292-804.01	New Hire Costs	-	611	-	-	-	-	-
538-292-805.00	Auditing Services	2,322	2,343	2,480	2,540	2,600	2,670	2,740
538-292-853.00	Telephone	10,018	10,114	10,720	10,750	10,900	10,930	10,960
538-292-910.00	Liability & Property Insurance	3,762	11,347	10,105	10,410	10,720	11,040	11,370
538-292-956.00	Contingencies	-	-	-	-	1,800	5,470	9,290
538-292-958.00	Membership & Dues	170	141	145	145	145	145	145
538-292-960.00	Education & Training	-	-	195	195	195	195	195
538-292-967.00	Fringe Benefits	60,584	65,769	42,175	38,320	38,755	38,755	38,755
538-292-967.02	Overhead-Admin. & Records	6,380	6,700	7,040	7,390	7,760	8,150	8,560
538-292-967.04	Unfunded Pension Contributions	37,448	42,704	44,100	61,580	69,830	72,820	74,080
538-292-967.09	Retiree Healthcare Costs	50,544	52,609	53,355	56,485	58,805	61,245	63,825
538-292-972.35	CDBG-Program Administration	373	-	500	500	500	500	500
535-292-977.00	Capital Outlay	-	-	6,000	-	-	-	-
538-292-982.00	Computer Upgrades	-	5,897	-	-	-	-	3,500
		289,862	339,499	303,415	307,315	322,990	333,800	346,750

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

HOUSING COMMISSION (continued)

Account Number	Description	2016-17 Budget	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Operating Transfers								
538-775-950.11	Oper Tsfr to Capital Outlay Fund	156,180	113,000	200,000	152,437	136,533	118,574	101,663
538-775-950.32	Oper Tsfr to Debt Retirement Fund	92,412	95,646	98,774	96,848	94,922	92,996	93,237
		<u>248,592</u>	<u>208,646</u>	<u>298,774</u>	249,285	231,455	211,570	194,900
	Total Expenditures	847,402	885,405	959,059	921,355	933,995	940,405	952,945
Reserve Fund								
538-999-999.00	Unallocated Reserve	27,024	22,832	-	-	-	-	-
		<u>27,024</u>	<u>22,832</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Budget	<u>874,426</u>	<u>908,237</u>	<u>959,059</u>	921,355	933,995	940,405	952,945
Analysis of Fund Balance								
	Beginning of Year			376,590	324,367	324,367	324,367	324,367
	Revenues			906,836	921,355	933,995	940,405	952,945
	Expenditures			(959,059)	(921,355)	(933,995)	(940,405)	(952,945)
	End of Year			<u>324,367</u>	324,367	324,367	324,367	324,367

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, 2020 and
Five Year Plan – 2019 through 2023

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 are proposed to increase by approximately 2.9% primarily due to contractor rate increases. Approximately 18 businesses opt out of participating in this program. However, that does not affect the contractor costs. The costs are just spread to those who do participate. Additional rate increases are expected in each year thereafter as well.

<u>Business Classification</u>	<u>Bi-Monthly Rate</u>	<u>Business Classification</u>	<u>Bi-Monthly Rate</u>
Restaurants	\$406 to \$418	Retail Sales	\$131 to \$135
Retail Food	\$174 to \$179	Professional Services – Large Office	\$104 to \$107
Churches & Halls	\$174 to \$179	Professional Services – Small Office	\$48 to \$49
		Downtown Residential	\$43 to \$44

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Refuse & Recycling Fund - continued

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. 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 \$67,795 for FY2020.

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 \$53,700 in FY2020. The rate to the users of the system is proposed to increase from \$38.20 to \$39.60 bi-monthly, an increase of 3.66%. Annual rate increases are projected each year going forward.

The City continues 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. FY2020 projects a cost to the City of approximately \$12,000.

An operating transfer to the Equipment Fund for \$15,000 is proposed to pay for the leaf collection claw that is strictly used in the Fall Leaf Pickup program. This transfer will be utilizing this fund’s fund balance.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

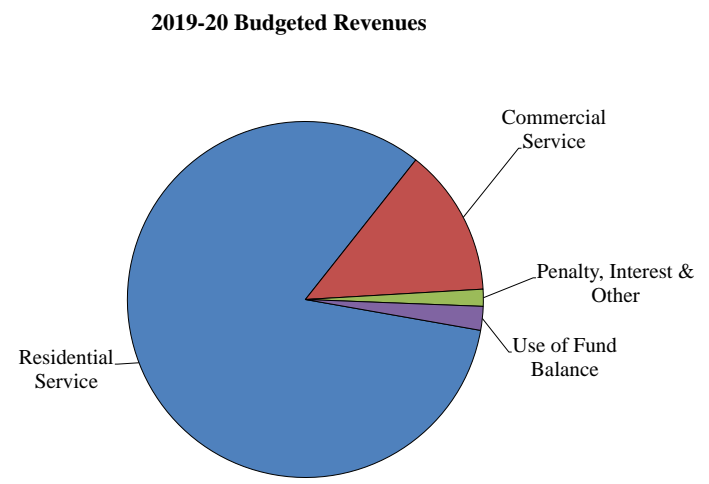
Refuse & Recycling Fund - continued

Performance Measures

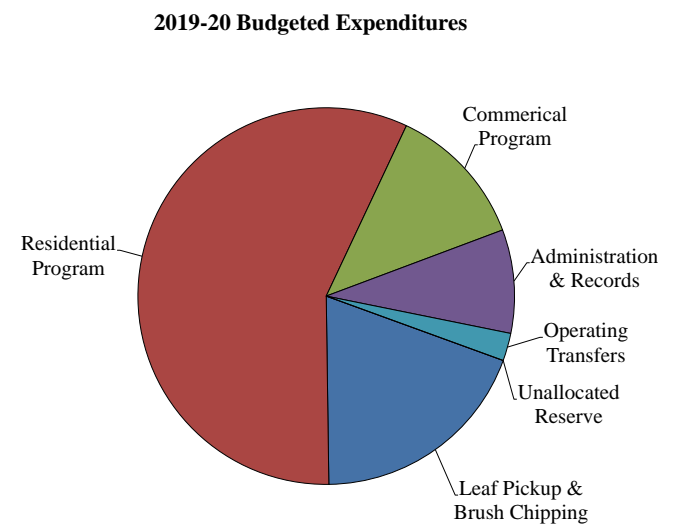
Measure	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
# of vehicles participating in the Fall Household Hazardous Waste Day					
- City of Northville	147	100	251	204	250
- Charter Township of Northville	672	580	757	635	630
- City of Livonia	476	346	382	462	465
# of City of Northville vehicles participating in the Spring Household Hazardous Waste Day in Livonia	115	55	72	75	75

City of Northville
Proposed 2019-20 Refuse & Recycling Fund Budget
(with historical comparative data)

Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Residential Service	\$ 507,753	\$ 505,290	\$ 523,770	82.9%
Commercial Service	\$ 80,284	\$ 82,408	\$ 84,805	13.4%
Penalty, Interest & Other	7,939	11,325	9,760	1.5%
Use of Fund Balance	-	4,346	13,657	2.2%
Total Revenues	\$ 595,976	\$ 603,369	\$ 631,992	100.0%



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Leaf Pickup & Brush Chipping	\$ 99,675	\$ 118,535	\$ 121,495	19.2%
Residential Program	345,574	354,609	361,636	57.2%
Commerical Program	70,478	75,530	77,686	12.3%
Administration & Records	72,306	54,695	56,175	8.9%
Operating Transfers	-	-	15,000	2.4%
Unallocated Reserve	7,943	-	-	0.0%
Total Expenditures	\$ 595,976	\$ 603,369	\$ 631,992	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

REFUSE AND RECYCLING FUND

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
REVENUES							
226-000-626.04 DPW/Bldg Service Reimb.	-	1,473	-	-	-	-	-
226-000-626.07 DPW Yard Refuse Collection	23	-	25	25	25	25	25
226-000-626.12 Residential Service	528,764	505,343	504,240	522,720	533,940	545,820	566,280
226-000-626.13 Individual Dumpster Service	4,138	4,127	3,768	3,777	3,789	3,801	3,813
226-000-626.14 Residential Other	327	301	525	525	525	525	525
226-000-626.16 Commercial Service	74,260	76,157	78,640	81,028	83,416	83,992	87,496
226-000-627.08 Penalty	9,569	9,280	9,000	9,000	9,000	9,000	9,000
226-000-664.xx Net Investment Income	(2,656)	(1,341)	760	760	760	760	760
226-000-666.00 Recycling Bin & Lid Sales	742	636	500	500	500	500	500
226-000-687.01 MMRMA Reimbursement	-	-	1,565	-	-	-	-
Total Revenues	615,167	595,976	599,023	618,335	631,955	644,423	668,399
Fund Balance Reserve							
226-000-699.00 Approp of Prior Year Surplus	-	-	4,346	13,657	-	-	-
Total Budget	615,167	595,976	603,369	631,992	631,955	644,423	668,399
EXPENDITURES							
Leaf Pickup & Brush Chipping Programs							
226-442-706.00 Wages/Salaries	11,408	10,040	12,100	12,400	13,045	13,045	13,045
226-442-707.00 Wages/Salaries - Overtime	-	308	-	-	-	-	-
226-442-775.00 Materials	-	98	-	200	200	200	200
226-442-801.00 Brush Chipping Program	63,500	63,365	66,480	67,795	69,135	70,495	71,885
226-442-943.00 Equipment Rental	18,189	15,684	28,260	28,540	28,830	29,120	29,410
226-442-967.00 Fringe Benefits	10,742	10,180	11,695	12,560	13,115	13,115	13,115
	103,839	99,675	118,535	121,495	124,325	125,975	127,655

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

REFUSE AND RECYCLING FUND (continued)

		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
EXPENDITURES (continued)		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Residential Solid Waste & Recycling Collection								
226-531-706.00	Wages/Salaries	93	210	150	155	165	165	165
226-531-707.00	Wages/Salaries - Overtime	402	603	860	860	900	900	900
226-531-801.00	Contractual Services	309,635	331,812	340,199	346,981	353,676	361,514	378,384
226-531-810.00	Household Hazardous Waste	9,928	12,122	11,935	12,100	12,100	12,100	12,100
226-531-943.00	Equipment Rental	111	89	500	510	520	530	540
226-531-967.00	Fringe Benefits	528	738	965	1,030	1,070	1,070	1,070
		320,697	345,574	354,609	361,636	368,431	376,279	393,159
Commercial Solid Waste & Recycling Collection								
226-537-706.00	Wages/Salaries	8,828	8,158	10,805	11,100	11,680	11,680	11,680
226-537-707.00	Wages/Salaries - Overtime	334	1,241	500	500	525	525	525
226-537-775.00	Materials	31	492	500	500	500	500	500
226-537-801.37	Downtown Solid Waste Program	40,090	39,448	40,022	40,823	41,640	41,817	44,606
226-537-801.38	Individual Dumpster Service	3,170	4,527	3,556	3,626	3,699	3,774	3,850
226-537-943.00	Equipment Rental	3,454	3,117	5,350	5,400	5,450	5,500	5,560
226-537-967.00	Fringe Benefits	10,581	9,509	10,810	11,750	12,270	12,270	12,270
226-537-968.00	Depreciation Expense	3,987	3,986	3,987	3,987	3,987	3,987	3,987
		70,475	70,478	75,530	77,686	79,751	80,053	82,978
Operating Transfers								
226-775-95027	O/T to Equipment Fund	36,500	-	-	15,000	-	-	-
		36,500	-	-	15,000	-	-	-

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

REFUSE AND RECYCLING FUND (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget	
Administration & Records								
226-923-706.00	Wages/Salaries	2,188	2,245	2,300	2,355	2,390	2,390	2,390
226-923-712.00	Contracted Labor	-	8,590	-	-	-	-	-
226-923-730.00	Postage	44	188	120	120	120	120	120
226-923-801.00	Contractual Services	3,599	3,655	3,750	3,830	3,910	3,990	4,070
226-923-801.19	Computer Program Services	507	512	580	590	600	610	620
226-923-801.25	Northville Matters Publication	2,807	-	-	-	-	-	-
226-923-805.00	Auditing Services	2,322	2,343	2,480	2,540	2,600	2,670	2,740
226-923-910.00	Insurance	400	1,075	2,165	2,230	2,300	2,370	2,440
226-923-956.00	Contingencies	-	-	-	-	500	1,500	2,500
226-923-967.00	Fringe Benefits	1,522	1,598	1,555	1,585	1,600	1,600	1,600
226-923-967.02	Overhead	24,820	25,320	25,830	26,350	26,880	27,420	27,970
226-923-967.04	Unfunded Pension Contribution	5,671	7,769	6,655	6,935	8,040	8,440	8,610
226-923-967.07	OBEB Liability - CY Expense	(2,868)	3,641	-	-	-	-	-
226-923-967.09	Retiree Healthcare Premiums	9,281	9,378	9,260	9,640	10,050	10,480	10,950
226-923-967.12	Pension Expense	(3,050)	5,992	-	-	-	-	-
		47,243	72,306	54,695	56,175	58,990	61,590	64,010
	Total Expenditures	578,754	588,033	603,369	631,992	631,497	643,897	667,802
Retained Earnings								
226-999-999.00	Unallocated Reserve	36,413	7,943	-	-	458	526	597
	Total Budget	615,167	595,976	603,369	631,992	631,955	644,423	668,399
Analysis of Net Assets								
	Beginning of Year			94,119	89,773	76,116	76,574	77,100
	Revenues			599,023	618,335	631,955	644,423	668,399
	Expenses			(603,369)	(631,992)	(631,497)	(643,897)	(667,802)
	End of Year			89,773	76,116	76,574	77,100	77,697

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023
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 & Brush Collection

Residential Program

Commercial Program

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 Position, Beginning of Year

Revenues

Expenditures

Net Position, End of Year

Net Position, combined

	2017-18 Actual		2018-19 Projected		2019-20 Proposed		2020-21 Estimated		2021-22 Estimated		2022-23 Estimated	
	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial
Program	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
REVENUES												
Residential Service	507,753		505,290		523,770	-	534,990	-	546,870	-	567,330	-
Commercial Service		80,284	-	82,408	-	84,805	-	87,205	-	87,793	-	91,309
Penalty, Interest, & Other	6,828	1,111	9,513	1,812	8,198	1,562	8,198	1,562	8,198	1,562	8,198	1,562
Total Revenues	514,581	81,395	514,803	84,220	531,968	86,367	543,188	88,767	555,068	89,355	575,528	92,871
% Increase (Decrease)			0%	3%	3%	3%	2%	3%	2%	1%	4%	4%
EXPENDITURES												
Residential Leaf & Brush Collection	99,675	-	118,535	-	121,495	-	124,325	-	125,975	-	127,655	-
Residential Program	345,574	-	354,609	-	361,636	-	368,431	-	376,279	-	393,159	-
Commercial Program	-	70,478	-	75,530	-	77,686	-	79,751	-	80,053	-	82,978
Operating Transfer Out	-	-	-	-	15,000	-	-	-	-	-	-	-
Administration & Records	54,230	18,077	46,491	8,204	47,749	8,426	50,142	8,849	52,352	9,239	54,409	9,602
Total Expenditures	499,479	88,555	519,635	83,734	545,880	86,112	542,898	88,600	554,606	89,292	575,223	92,580
% Increase (Decrease)			4%	-5%	5%	3%	-1%	3%	2%	1%	4%	4%
Profit (Loss) by program	15,103	(7,160)	(4,832)	486	(13,911)	254	291	167	463	63	306	291
Profit (Loss) in total	<u>7,943</u>	<u>(4,346)</u>	<u>(13,657)</u>	<u>458</u>	<u>526</u>	<u>597</u>						
Combined Revenues	595,976		599,023		618,335		631,955		644,423		668,399	
Combined Expenditures	(588,033)		(603,369)		(631,992)		(631,497)		(643,897)		(667,802)	
Net Profit/(Loss)	<u>7,943</u>		<u>(4,346)</u>		<u>(13,657)</u>		<u>458</u>		<u>526</u>		<u>597</u>	
Net Position, Beginning of Year			81,994	12,125	77,162	12,611	63,251	12,865	63,542	13,032	64,005	13,095
Revenues			514,803	84,220	531,968	86,367	543,188	88,767	555,068	89,355	575,528	92,871
Expenditures			(519,635)	(83,734)	(545,880)	(86,112)	(542,898)	(88,600)	(554,606)	(89,292)	(575,223)	(92,580)
Net Position, End of Year			<u>77,162</u>	<u>12,611</u>	<u>63,251</u>	<u>12,865</u>	<u>63,542</u>	<u>13,032</u>	<u>64,005</u>	<u>13,095</u>	<u>64,311</u>	<u>13,386</u>
Net Position, combined			<u>89,773</u>	<u>76,116</u>	<u>76,574</u>	<u>77,100</u>	<u>77,697</u>	<u>77,100</u>	<u>77,697</u>	<u>77,100</u>	<u>77,697</u>	<u>77,697</u>

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 2020 the charge for water from the GLWA is proposed to increase by 17.6%. A portion of this increase is related to a contract exceedance in peak hourly flows. 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 \$9.27 to \$10.05 per unit effective July 1, 2019. 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 proposed to increase from \$3.37 to \$3.67 bi-monthly. 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 \$5.57 to \$6.67 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 future sewage disposal. The City is estimating a 5% 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 rate increase to the users of the system for FY2020 from \$6.25 to \$6.76 per unit.

Customer charges for the dual sewer rate per unit will decrease from \$4.13 to \$3.58 per unit. This represents an overall reduced sewer rate for water users, which would otherwise be charged the proposed rate of \$6.76 per unit.

Overall, the average household using ten units of water bi-monthly will see an increase of approximately \$7.85 per month, with the combined water, sewer, and solid waste rate adjustments. This equates to an increase of 7.8%.

Action Steps Related to City Council Goals & Objectives

Long-Term Financial Stability

- Implement a fixed component into the rate model.

Water & Sewer System Improvements

- 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 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.
- Install new water main on N. Rogers St. per the State of Michigan regulations

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.

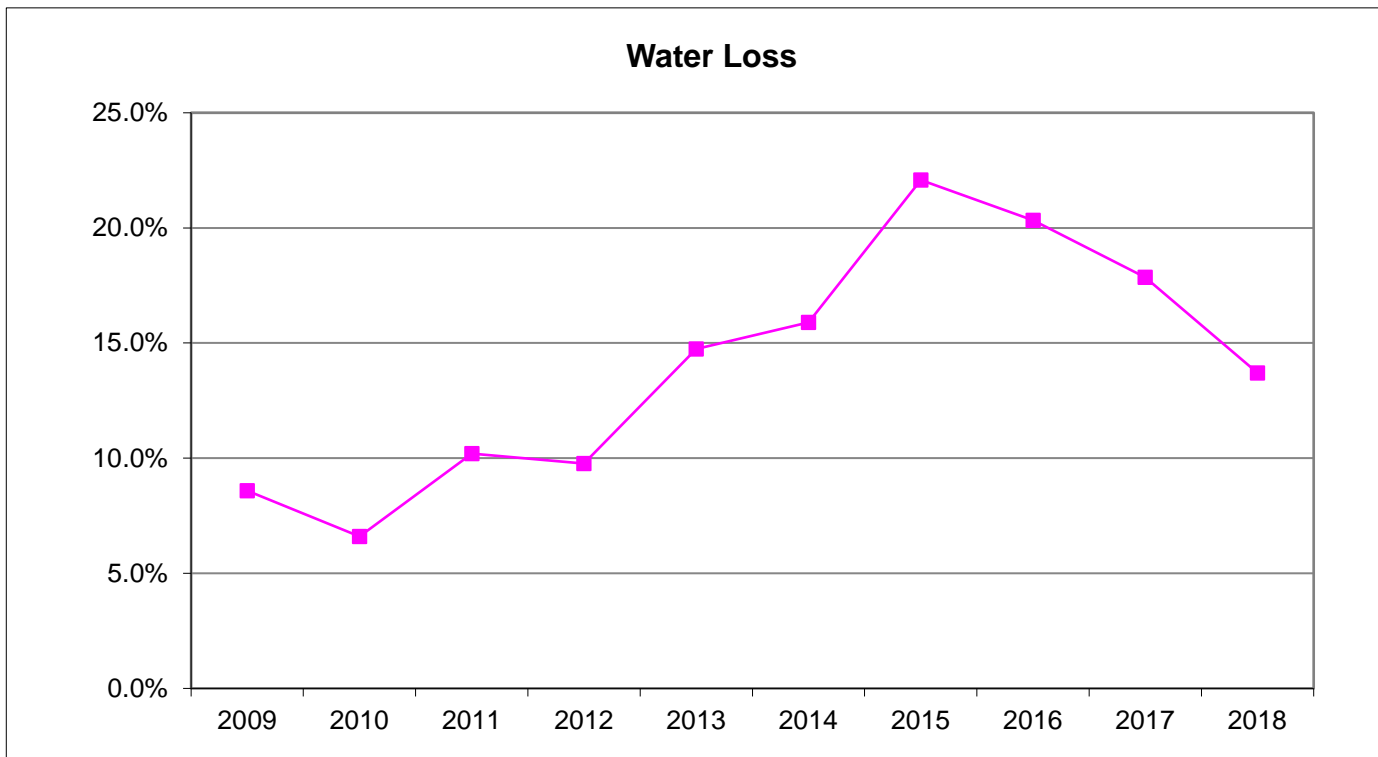
Performance Measures

Measure	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Number of Water Main Breaks	12	14	15	18	12
Efficiency & Effectiveness Measures					
Water Loss %	20%	18%	18%	20%	<15%

**City of Northville
Water Loss
Ten Year Trend - 2009 through 2018**

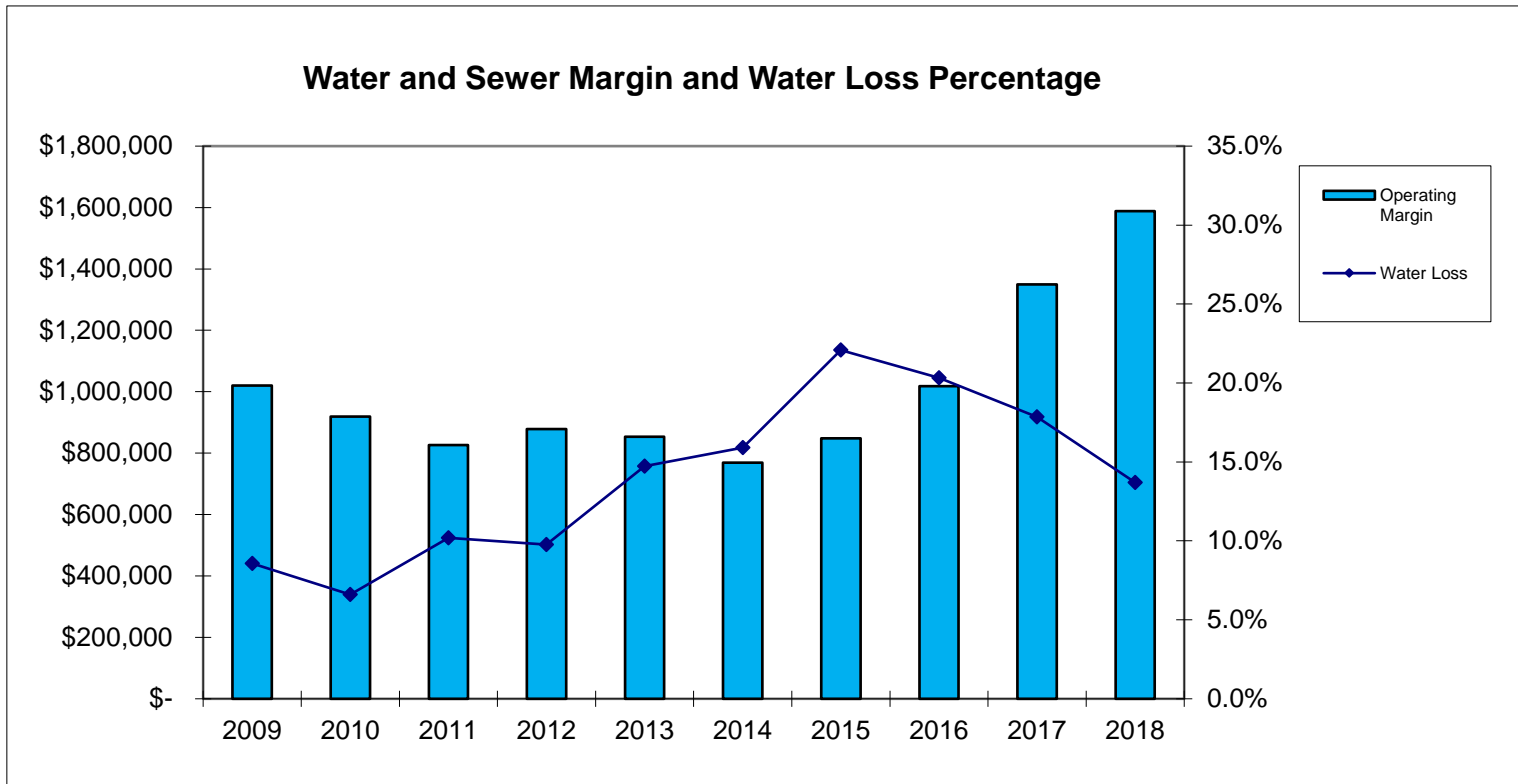
The graph below shows the percentage of water loss from the City water system. The amount is determined based on the amount of water purchased from Great Lakes Water Authority, compared to the amount of water billed to City of Northville users. The City's ten-year average is 14%. Nationally, the annual 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 decreasing over the past few years as the City continues to address water line breaks, aging meters, and an aging system. 2018 experienced a water loss of 13.7% Staff will closely monitor the loss ratio on a bi-monthly basis.

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



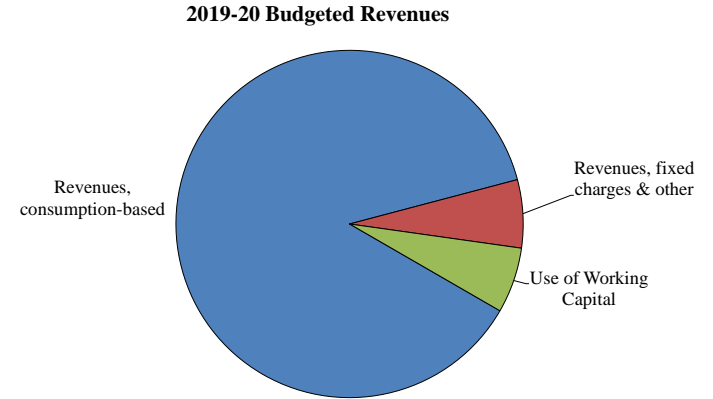
City of Northville
Water and Sewer Operating Margin and Water Loss Percentage
Ten Year Trend - 2009 through 2018

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.

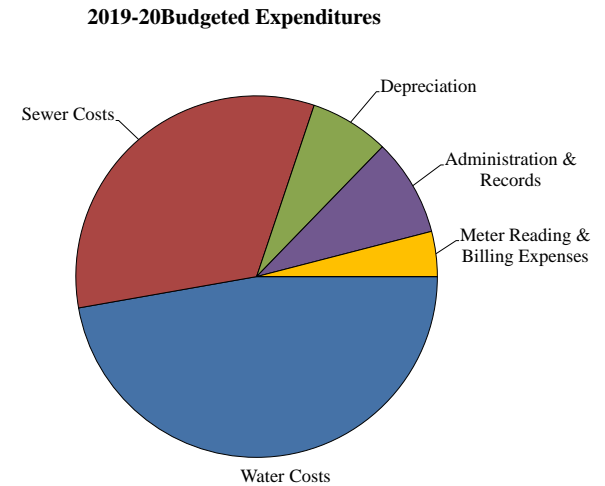


City of Northville
Proposed 2019-20 Water & Sewer Fund Budget (Accrual Basis)
(with historical comparative data)

Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Revenues, consumption-based	\$ 2,957,741	\$ 3,103,531	\$ 3,370,490	87.6%
Revenues, fixed charges & other	372,896	241,817	244,090	6.3%
Use of Working Capital	-	-	235,000	6.1%
Total Revenues	\$ 3,330,637	\$ 3,345,348	\$ 3,849,580	100.0%



Expenses	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Water Costs	\$ 1,122,650	\$ 1,300,160	\$ 1,818,015	47.3%
Sewer Costs	926,039	1,060,856	1,267,830	32.9%
Depreciation	258,225	268,000	273,000	7.1%
Administration & Records	313,525	317,075	335,640	8.7%
Meter Reading & Billing Expenses	50,953	128,845	155,095	4.0%
Reserve for Working Capital	659,245	270,412	-	0.0%
Total Expenses	\$ 3,330,637	\$ 3,345,348	\$ 3,849,580	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Revenues							
592-000-627.00 Water Sales	1,555,153	1,812,599	1,803,330	1,970,290	2,026,223	2,078,298	2,130,738
592-000-627.04 Sewer Sales	1,073,986	1,060,582	1,225,201	1,325,200	1,324,623	1,324,943	1,324,178
592-000-627.05 Sewer Sales - Dual Meters	86,434	84,560	75,000	75,000	75,000	75,000	75,000
Subtotal - revenue based on per unit charges	2,715,573	2,957,741	3,103,531	3,370,490	3,425,846	3,478,241	3,529,916
592-000-626.04 Service Reimbursement	-	420	412	-	-	-	-
592-000-627.01 Other Water Sales	2,120	3,545	3,600	3,000	3,000	3,000	3,000
592-000-627.02 Hydrant Rental	12,114	12,152	12,095	12,095	12,095	12,095	12,095
592-000-627.03 Service Charge	49,473	50,669	53,845	55,095	56,340	57,555	58,810
592-000-627.06 Meter Replacement Charge	34,722	62,007	75,000	100,000	100,000	100,000	100,000
592-000-627.07 Sewer - Township	14,792	-	-	-	-	-	-
592-000-627.08 Penalty	35,796	40,274	35,000	35,000	35,000	35,000	35,000
592-000-628.00 Wastewater Surcharge (IWC)	33,832	-	-	-	-	-	-
592-000-629.00 Sewer Tap Fee	10,200	3,500	7,000	5,000	5,000	5,000	5,000
592-000-630.00 Water Tap Fee	14,275	13,800	14,000	5,000	5,000	5,000	5,000
592-000-631.00 Water Meter Sales	4,170	8,625	3,480	3,000	3,000	3,000	3,000
592-000-664.xx Investment Income, Net of fees	(7,705)	(941)	25,900	25,900	25,900	25,900	25,900
592-000-687.01 MMRMA Distribution	-	-	11,485	-	-	-	-
592-000-699. Transfer from General Fund	163,719	178,845	-	-	-	-	-
Subtotal - revenue from other sources	367,508	372,896	241,817	244,090	245,335	246,550	247,805
Total Revenues	3,083,081	3,330,637	3,345,348	3,614,580	3,671,181	3,724,791	3,777,721
592-000-699.00 Appropriation/(Use) of Prior Year Retained Earnings & Working Capital	-	-	-	235,000	-	416,999	6,999
Total Budget	3,083,081	3,330,637	3,345,348	3,849,580	3,671,181	4,141,790	3,784,720

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)

Expenditures	2016-17	2017-18	2017-18	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed	Estimated	Estimated	Estimated
				Budget	Budget	Budget	Budget
Water Operations							
592-556-706.00 Wages/Salaries	84,584	75,457	110,000	113,000	118,500	118,500	118,500
592-556-706.01 Standby Pay	4,514	3,032	3,160	3,240	3,280	3,280	3,280
592-556-707.00 Wages/Salaries - Overtime	11,030	15,362	18,000	16,675	17,140	17,140	17,140
592-556-768.00 Laundry & Cleaning	3,530	3,185	3,500	3,500	3,500	3,500	3,500
592-556-775.00 Materials	33,440	31,198	31,660	32,540	32,430	32,830	33,240
592-556-801.00 Contractual Services	30,234	29,936	46,020	44,705	37,930	38,025	38,120
592-556-801.15 Contracted Security	338	-	-	-	-	-	-
592-556-801.68 Permanent Utility Cut Repair	21,685	20,870	25,000	25,000	25,000	25,000	25,000
592-556-802.01 Legal Services	1,050	160	3,000	500	500	500	500
592-556-803.00 Engineering Service	-	4,007	6,300	1,500	1,500	1,500	1,500
592-556-910.00 Liability & Property Insurance Pool	929	2,735	5,660	5,830	6,000	6,180	6,370
592-556-920.00 Utilities - Phone & Internet	980	985	765	565	565	565	565
592-556-920.01 Electric Power	34,971	30,816	34,200	34,880	35,570	36,280	37,000
592-556-943.00 Equipment Rental	67,713	52,673	72,720	73,450	74,180	74,920	75,670
592-556-956.00 Contingencies	-	-	-	-	2,780	8,450	14,340
592-556-967.00 Fringe Benefits	102,582	88,655	124,000	134,620	139,660	139,660	139,660
592-556-984.00 GIS Services	-	-	1,000	1,000	1,000	1,000	1,000
	397,580	359,071	484,985	491,005	499,535	507,330	515,385

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)

	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Water Cost - City of Detroit							
592-553-801.20 Cross Connection Control	4,161	7,596	7,600	7,935	8,400	8,400	8,400
592-553-801.21 Water Supply - City of Detroit	742,524	743,042	771,575	907,075	943,360	981,090	1,020,330
	746,685	750,638	779,175	915,010	951,760	989,490	1,028,730
Water - Capital Improvements							
592-557-801.xx Watermain Replacement Projects	-	-	21,000	412,000	350,000	765,000	300,000
592-557-801.99 Water Tower Improvements	-	12,941	15,000	-	-	-	-
592-557-803.80 Water Pump House Equip & Oper Imp	422	-	-	-	-	-	-
	422	12,941	36,000	412,000	350,000	765,000	300,000
Water - Depreciation							
592-558-968.00 Depreciation Expense	60,141	68,143	67,000	70,000	70,000	70,000	70,000
Total Water	1,204,828	1,190,793	1,367,160	1,888,015	1,871,295	2,331,820	1,914,115

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Sewer Operations							
592-548-706.00 Wages/Salaries	26,472	16,682	20,000	20,600	21,675	21,675	21,675
592-548-706.01 Standby Pay	4,515	3,033	3,160	3,240	3,280	3,280	3,280
592-548-707.00 Wages/Salaries - Overtime	2,919	1,246	1,400	1,300	1,350	1,350	1,350
592-548-768.00 Laundry & Cleaning	3,530	3,184	3,500	3,500	3,500	3,500	3,500
592-548-775.00 Materials	1,742	48	1,500	5,000	1,500	1,500	1,500
592-548-799.00 Sewer Backup Reimbursement	1,057	-	10,000	10,000	10,000	10,000	10,000
592-548-801.00 Contractual Services	9,358	16,076	20,000	20,000	17,000	17,000	17,000
592-548-802.01 Legal Services	1,825	1,788	13,000	2,000	2,000	2,000	2,000
595-548-803.00 Engineering Services	-	-	4,800	-	-	-	-
592-548-910.00 Liability & Property Insurance	2,556	7,845	10,270	10,580	10,900	11,230	11,570
592-548-943.00 Equipment Rental	44,749	33,189	30,000	30,300	30,600	30,910	31,220
592-548-956.00 Contingencies	-	-	-	-	460	1,400	2,380
592-548-967.00 Fringe Benefits	34,381	21,172	23,385	25,465	26,445	26,445	26,445
	133,104	104,263	141,015	131,985	128,710	130,290	131,920

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Sewer Charges - Wayne County							
592-549-790.00 IWC	34,073	1,730	-	-	-	-	-
592-549-801.22 Sewage Disposal - Wayne County	815,443	815,443	815,443	856,215	899,030	943,980	991,180
592-549-804.02 Sewage Disposal - Oakland County	4,940	5,611	4,410	4,630	4,860	5,100	5,360
592-549-804.03 Sewage Disposal - Northville Township	15,800	(1,008)	-	-	-	-	-
	870,256	821,776	819,853	860,845	903,890	949,080	996,540
Sewer - Depreciation							
592-550-968.00 Depreciation Expense	190,081	190,082	201,000	203,000	203,000	203,000	203,000
Sewer - Capital Improvements							
592-551-976.07 E. Main Street Sewer Lining	-	-	-	210,000	-	-	-
592-551-976.08 Allen Drive Sewer Modifications	-	-	-	65,000	-	-	-
592-551-977.00 Capital Outlay	-	-	99,988	-	-	-	-
	-	-	99,988	275,000	-	-	-
Total Sewer	1,193,441	1,116,121	1,261,856	1,470,830	1,235,600	1,282,370	1,331,460

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City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)

	2016-17	2017-18	2017-18	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Administration - Water & Sewer							
592-923-706.14 Wages/Salaries - Admin	57,911	61,645	56,235	57,445	58,480	58,480	58,480
592-923-707.14 Wages - Admin OT	6	-	10	-	-	-	-
592-923-712.00 Contracted Labor	-	17,179	-	-	-	-	-
592-923-801.00 Contractual Service	118	-	40	100	100	100	100
592-923-801.19 Computer Program Services	-	55	180	180	180	180	180
592-923-801.25 Printing & Publishing	4,346	1,473	1,600	1,600	1,600	1,600	1,600
592-923-805.00 Auditing Service	9,289	9,373	9,510	9,740	9,980	10,230	10,490
592-923-861.00 Auto Allowance	600	705	1,200	1,200	1,200	1,200	1,200
592-923-956.00 Contingencies	-	-	-	-	1,170	3,560	6,040
592-923-958.00 Memberships & Dues	693	723	855	885	885	885	885
592-923-960.00 Education & Training	268	465	1,000	2,500	1,000	1,000	1,000
592-923-967.00 Fringe Benefits	24,732	26,102	26,065	26,745	27,260	27,260	27,260
592-923-967.02 Overhead	51,000	52,020	53,060	54,120	55,200	56,300	57,430
592-923-967.04 Unfunded Pension Contribution	64,323	81,420	83,810	93,905	108,920	114,360	116,660
592-923-967.07 OPEB Liability - CY Expense	(25,793)	(31,093)	-	-	-	-	-
592-923-967.09 Retiree Healthcare Costs	83,470	73,986	82,510	86,220	89,970	93,890	98,010
592-923-967.12 Pension Revenue/Expense	(18,497)	18,969	-	-	-	-	-
592-923-984.00 GIS Services	1,675	503	1,000	1,000	1,000	1,000	1,000
Total Administration - Water & Sewer	254,141	313,525	317,075	335,640	356,945	370,045	380,335

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)

		2016-17	2017-18	2017-18	2019-20	2020-21	2021-22	2022-23
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Meter Reading & Billing Expenses - Service Charge								
592-926-706.00	Wages - Meter Readings	7,924	9,755	10,600	10,865	11,000	11,000	11,000
592-926-706.14	Wages - Billings & Maintenance	19,011	14,131	14,460	14,830	15,025	15,025	15,025
592-926-707.00	Wages - Regular Overtime	256	-	-	-	-	-	-
592-926-707.14	Wages - Admin OT	286	-	65	-	-	-	-
592-926-730.00	Postage	44	188	150	150	150	150	150
592-926-801.00	Contractual Services	3,599	3,654	3,800	3,900	4,000	4,100	4,200
592-926-801.19	Computer Program Services	508	512	520	525	530	535	540
592-926-NEW	Meter Replacement Program	-	-	75,000	100,000	100,000	100,000	100,000
592-926-943.00	Equipment Rental	3,020	3,777	4,630	4,680	4,730	4,780	4,830
592-926-956.00	Contingencies	-	-	-	-	520	1,580	2,680
592-926-967.00	Fringe Benefits	23,282	18,936	19,620	20,145	20,385	20,385	20,385
		57,930	50,953	128,845	155,095	156,340	157,555	158,810

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)

	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Total Expenses	2,710,340	2,671,392	3,074,936	3,849,580	3,620,180	4,141,790	3,784,720
Working Capital Reserve/Rate Stabilization							
592-999-999.00 Unallocated Reserve	372,741	659,245	270,412	-	51,001	-	-
	372,741	659,245	270,412	-	51,001	-	-
Total Budget	3,083,081	3,330,637	3,345,348	3,849,580	3,671,181	4,141,790	3,784,720

Analysis of Unrestricted Net Position*

(*Assumes minimal changes in net current assets)

Unrestricted Net Position, beginning of year			1,391,861	1,930,273	1,968,273	2,292,274	2,148,275
Revenues			3,345,348	3,614,580	3,671,181	3,724,791	3,777,721
Less: expenditures			(3,074,936)	(3,849,580)	(3,620,180)	(4,141,790)	(3,784,720)
plus: non-cash expenditure (depreciation)			268,000	273,000	273,000	273,000	273,000
Net Increase (Decrease)			538,412	38,000	324,001	(143,999)	266,001
Cash, end of year			1,930,273	1,968,273	2,292,274	2,148,275	2,414,276
Unrestricted Net Position, reserved for water meter replacements			96,729	96,729	96,729	96,729	96,729
Unrestricted Net Position, reserved for water main replacements			851,059	475,059	537,059	122,059	587,059
Unrestricted Net Position, reserved for sewer improvements			24,012	(250,988)	(26,988)	144,012	260,012
Unrestricted Net Position, unreserved			958,473	1,647,473	1,685,474	1,785,475	1,470,476
Unrestricted Net Position, end of year			1,930,273	1,968,273	2,292,274	2,148,275	2,414,276

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)	Current	2018-19	2019-20	2020-21	2021-22	2022-23
Evaluation of Water Rate	Rate	Projected	Proposed	Estimated	Estimated	Estimated
			Budget	Budget	Budget	Budget
Water System Expenses		1,525,698	2,055,835	2,049,768	2,516,843	2,104,283
Source/(Use) Working Capital Reserve		414,000	38,000	100,000	(315,000)	150,000
Less: Depreciation (non-cash)		(67,000)	(70,000)	(70,000)	(70,000)	(70,000)
Less: Other Revenue		(69,368)	(53,545)	(53,545)	(53,545)	(53,545)
Net Revenue Required		1,803,330	1,970,290	2,026,223	2,078,298	2,130,738
Estimated Number of Billing Units		196,000	196,000	196,000	196,000	196,000
Rate Per Unit Required		9.20	10.05	10.34	10.60	10.87
Water Rate Per Unit Proposed	9.27		10.05	10.34	10.60	10.87
Increase/(Decrease) as a %			8.4%	2.9%	2.5%	2.5%
Evaluation of Sewer Rate						
Sewer System Expenses		1,420,394	1,638,650	1,414,073	1,467,393	1,521,628
Source/(Use) Working Capital Reserve		124,000	-	224,000	171,000	116,000
Less: Depreciation (non-cash)		(201,000)	(203,000)	(203,000)	(203,000)	(203,000)
Less: Other Revenue		(118,193)	(110,450)	(110,450)	(110,450)	(110,450)
Net Revenue Required		1,225,201	1,325,200	1,324,623	1,324,943	1,324,178
Estimated Number of Billing Units		196,000	196,000	196,000	196,000	196,000
Rate Per Unit Required		6.25	6.76	6.76	6.76	6.76
Sewer Rate Per Unit Proposed	6.25		6.76	6.76	6.76	6.76
Increase/(Decrease) as a %			8.2%	0.0%	0.0%	0.0%
Evaluation of Dual Meter Rate						
County Sewer Charges as a % of Total Sewer Charges		53%	53%	55%	58%	61%
Rate Calculated for Dual Meter Sewer Charges		3.31	3.58	3.72	3.92	4.12
Dual Meter Sewer Rate Per Unit Proposed	4.13		3.58	3.72	3.92	4.12
Increase/(Decrease) as a %			-13.3%	3.9%	5.4%	5.1%

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

WATER AND SEWER FUND (continued)	Current	2018-19	2019-20	2020-21	2021-22	2022-23
	Rate	Projected	Proposed	Estimated	Estimated	Estimated
			Budget	Budget	Budget	Budget
Evaluation of Service Charge						
Expenses (from above)		53,845	55,095	56,340	57,555	58,810
Number of Customers		2,500	2,500	2,500	2,500	2,500
Number of Billings		6	6	6	6	6
= Service Charge		3.59	3.67	3.76	3.84	3.92
Bi-monthly Service Charge Rate	3.37		3.67	3.76	3.84	3.92
Increase/(Decrease) as a %			8.9%	2.5%	2.1%	2.1%
Evaluation of Meter Replacement Charge						
Expenses (from above)		75,000	100,000	100,000	100,000	100,000
Number of Customers		2,500	2,500	2,500	2,500	2,500
Number of Billings		6	6	6	6	6
= Meter Replacement Charge		5.00	6.67	6.67	6.67	6.67
Bi-monthly Meter Replacement Rate	5.57		6.67	6.67	6.67	6.67
Increase/(Decrease) as a %			19.7%	0.0%	0.0%	0.0%

City of Northville Water & Sewer Fund
Five Year Plan - 2019 through 2023
FY 2020 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	\$ 491,005	23.9%			\$ 491,005	13.3%
Great Lakes Water Authority Water Cost	915,010	44.5%			\$915,010	24.8%
Sewer Operations			\$ 131,985	8.1%	\$131,985	3.6%
Wayne County Sewer Charges			860,845	52.5%	\$860,845	23.2%
Capital Improvements	412,000	20.0%	275,000	16.8%	\$687,000	18.6%
Administration	167,820	8.2%	167,820	10.2%	\$335,640	9.1%
Depreciation	70,000	3.4%	203,000	12.4%	\$273,000	7.4%
Total Proposed Expenses	\$ 2,055,835	100.0%	\$ 1,638,650	100.0%	\$ 3,694,485	100.0%
Adjustments						
Source/(Use) of Working Capital	\$ 38,000		\$ -			
Less non-cash expense (depreciation)	(70,000)		(203,000)			
Less other revenue sources	(53,545)		(110,450)			
Total Revenue Required from User Fees	\$ 1,970,290		\$ 1,325,200			
Divided by # of Units Billed, Estimated	196,000		196,000			
Equals Rate Per Unit (per 1,000 gallons)	\$ 10.05		\$ 6.76			
Dual Meter Sewer Rate Per Unit (per 1,000 gallons)			\$ 3.58			
Bi-monthly Flat Service Charge	\$ 3.67					
Bi-monthly Flat Meter Replacement Charge	\$ 6.67					

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.

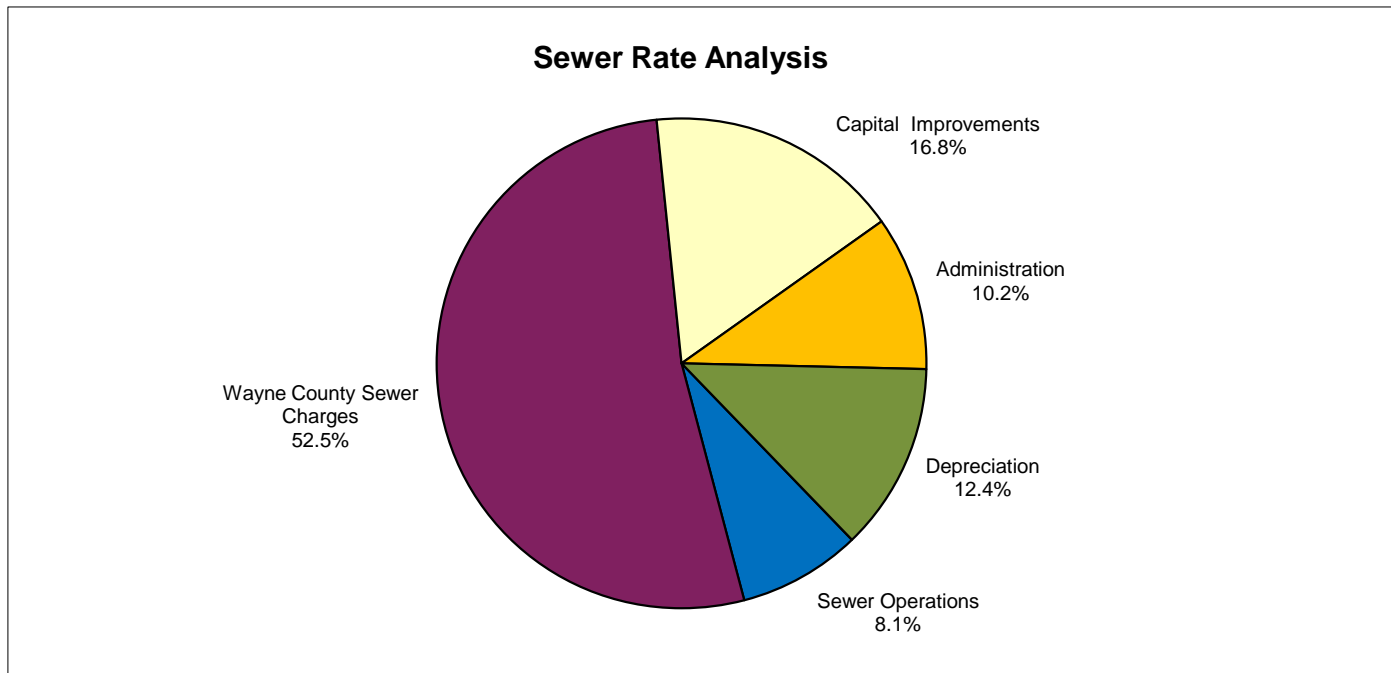
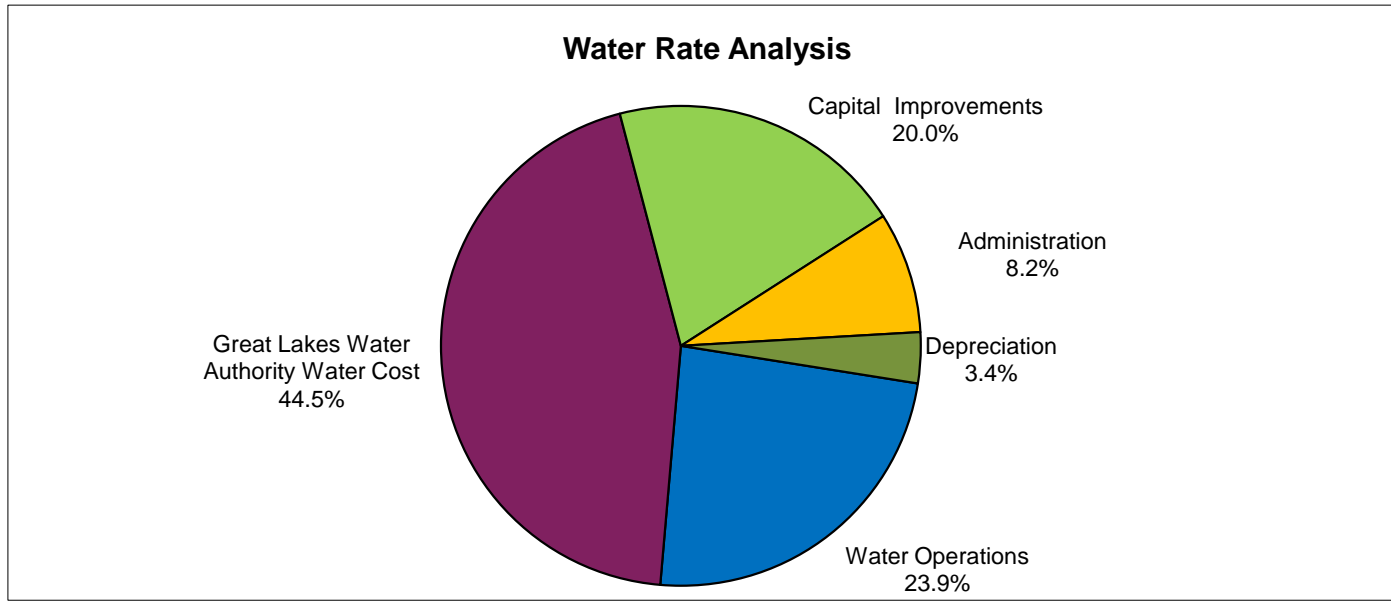
"Sewer Operations" includes the labor, materials and equipment for the required periodic cleaning and maintenance of the sewer system.

"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 more than 20 years old and at risk of failure.

City of Northville Water & Sewer Fund
Five Year Plan - 2019 through 2023
FY 2020 Water & Sewer Rate Calculation (Cash Flow Basis)



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, the Housing Debt Retirement Fund, and the Street Bond Debt Service Fund.

**City of Northville
Fiscal Year 2020 Annual Budget
And Five Year Plan – 2019 thru 2023**

FINANCING ACTIVITY

As of July 1, 2019, the City of Northville will have three outstanding bond issues and one installment purchase contract.

All 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, the second receives funds from the Housing Commission's tenant rents at Allen Terrace, and the third was a new bond issue in FY2019 which will receive funds from a dedicated street millage debt levy.

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, 2018 is \$4,485,000. The available debt limit for future debt is \$48,403,745. Existing debt will not cause any burden to current operations. The following page is a summary of outstanding debt as of December 31, 2018.

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, 2018 is \$337,000. The available debt limit for future installment purchases is \$4,617,239

- continued -

**City of Northville
Fiscal Year 2020 Annual Budget
And Five Year Plan – 2019 thru 2023**

FINANCING ACTIVITY

<u>Description</u>	<u>Amount</u>	<u>Funding Source</u>
2012 General Obligation Bonds, Refunding	365,000	Tenant Rents
2013 General Obligation Bonds, Refunding	1,070,000	DDA Captured Taxes
2018 General Obligation Bonds	<u>3,050,000</u>	Debt Levy
(A) Debt Applicable to Limit (excludes Installment Purchase Contracts)	<u>\$ 4,485,000</u>	

LEGAL DEBT MARGIN

Debt Limit	
2018 State Equalized Value (SEV)	\$528,887,446
Debt Limit (10% of SEV)	\$ 52,888,745
Debt Applicable to Debt Limit (A)	\$ 4,485,000
Legal Debt Margin Available	\$ 48,403,745

Description

Installment Purchase contract	<u>\$ 337,000</u>
(B) Debt Applicable to Limit for Installment Purchases	<u>\$ 337,000</u>

INSTALLMENT DEBT MARGIN

Debt Limit	
2018 Taxable Value	\$396,339,082
Debt Limit (1.25% of Taxable Value)	\$ 4,954,239
Debt Applicable to Debt Limit (B)	\$ 337,000
Legal Limit Available	\$ 4,617,239

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

Bond Principal and Interest Requirements

BOND DESCRIPTION	FUND	ACCOUNT NUMBER	2018-19	2019-20	2020-21	2021-22	2022-23
2018 UNLIMITED TAX GENERAL OBLIGATION BONDS							
General Obligation Unlimited	305	908-991.00 P	\$0	\$240,000	\$275,000	\$285,000	\$290,000
Tax Bonds, Series 2018		908-992.00 I	-	69,286	40,745	36,758	32,625
JPMorgan Chase Bank, NA (12/18) \$3,050,000		908-992.00 I	-	40,745	36,758	32,625	28,420
Funding: Debt Millage			\$0	\$350,031	\$352,503	\$354,383	\$351,045
Last Payment, October 1, 2028							
2012 UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS							
General Obligation Unlimited	539	945-990.04 P	\$90,000	\$90,000	\$90,000	\$90,000	\$95,000
Tax Bonds, Series 2012		945-990.02 I	4,869	3,906	2,943	1,980	1,017
Capital One Public Funding (12/12) \$855,000		945-990.02 I	3,906	2,943	1,980	1,017	-
Funding: Allen Terrace Rents (Fund 538)			\$98,774	\$96,848	\$94,922	\$92,996	\$96,017
Last Payment, October 1, 2022							
DOWNTOWN DEVELOPMENT AUTHORITY DEBT RETIREMENT FUND							
2013 Limited Tax General Obligation	371	945-990.04 P	\$ 140,000	\$ 145,000	\$ 150,000	\$ 155,000	\$ 155,000
Refunding Bonds		945-990.02 I	16,585	14,415	12,167	9,842	7,440
Capital One Public Funding (10/13) \$1,705,000		945-990.02 I	16,585	14,415	12,168	9,843	7,440
Last payment, April 1, 2025			\$ 173,170	\$ 173,830	\$ 174,335	\$ 174,685	\$ 169,880
Total Principal							
			\$230,000	\$475,000	\$515,000	\$530,000	\$540,000
Total Interest							
			41,944	145,709	106,760	92,064	76,942
Total Debt Requirement							
			\$271,944	\$620,709	\$621,760	\$622,064	\$616,942
Number of Issues Outstanding							
			3	3	3	3	3

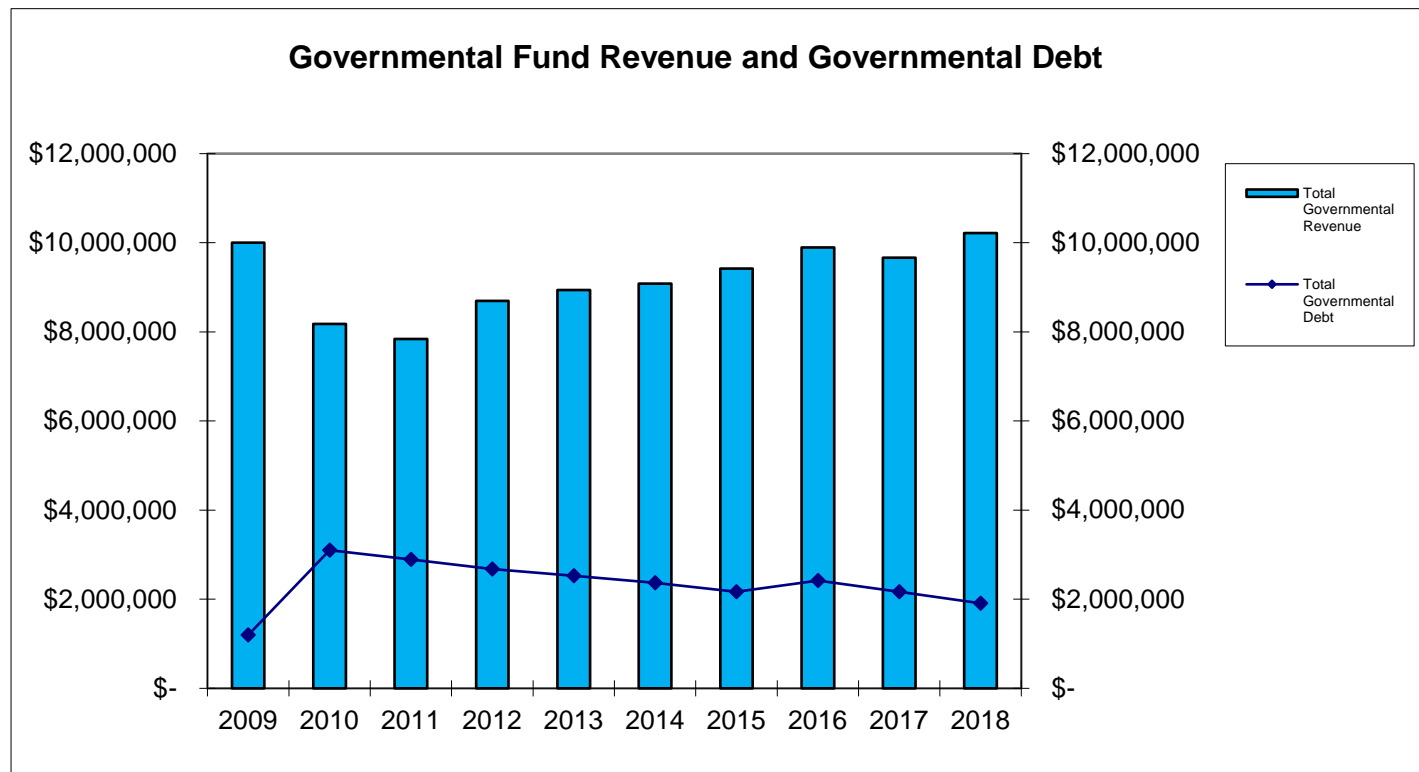
City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

Installment Purchases, Loans, & Other Commitments

<u>Account Number</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
INSTALLMENT PURCHASES					
Fire Truck - General Fund	101-921-990.04 P \$ 43,000	\$ 44,000	\$ 46,000	\$ 47,000	\$ 48,000
Financed 9/22/15; Comerica Bank (\$462,596)	101-921-990.02 I \$ 9,213	\$ 8,096	\$ 6,939	\$ 5,744	\$ 4,523
Interest Rate: 2.57% for 10 years	\$ 52,213	\$ 52,096	\$ 52,939	\$ 52,744	\$ 52,523
INTERNAL LOANS					
Internal Loan to Arts Commission from Public Improvement Fund for Roof Replacment	255-775-950.46 P \$ 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 \$ 2,514	\$ 2,565	\$ 2,616	\$ 2,669	\$ 2,722
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 \$ 2,542	\$ 2,593	\$ 2,644	\$ 2,697	\$ 2,751
Total Installment Purchase Principal	\$ 43,000	\$ 44,000	\$ 46,000	\$ 47,000	\$ 48,000
Total Installment Purchase Interest	\$ 9,213	\$ 8,096	\$ 6,939	\$ 5,744	\$ 4,523
Total Installment Purchase Debt	\$ 52,213	\$ 52,096	\$ 52,939	\$ 52,744	\$ 52,523
Total Internal Loans	\$ 2,056	\$ 2,056	\$ 2,052	\$ -	\$ -
Total Real Property Leases	5,056	5,158	5,260	5,366	5,473
Total of Installment Purchase Debt, Loans & Other Commitments	\$ 59,325	\$ 59,310	\$ 60,251	\$ 58,110	\$ 57,996
Number of Installment Purchase Contracts Outstanding	1	1	1	1	1

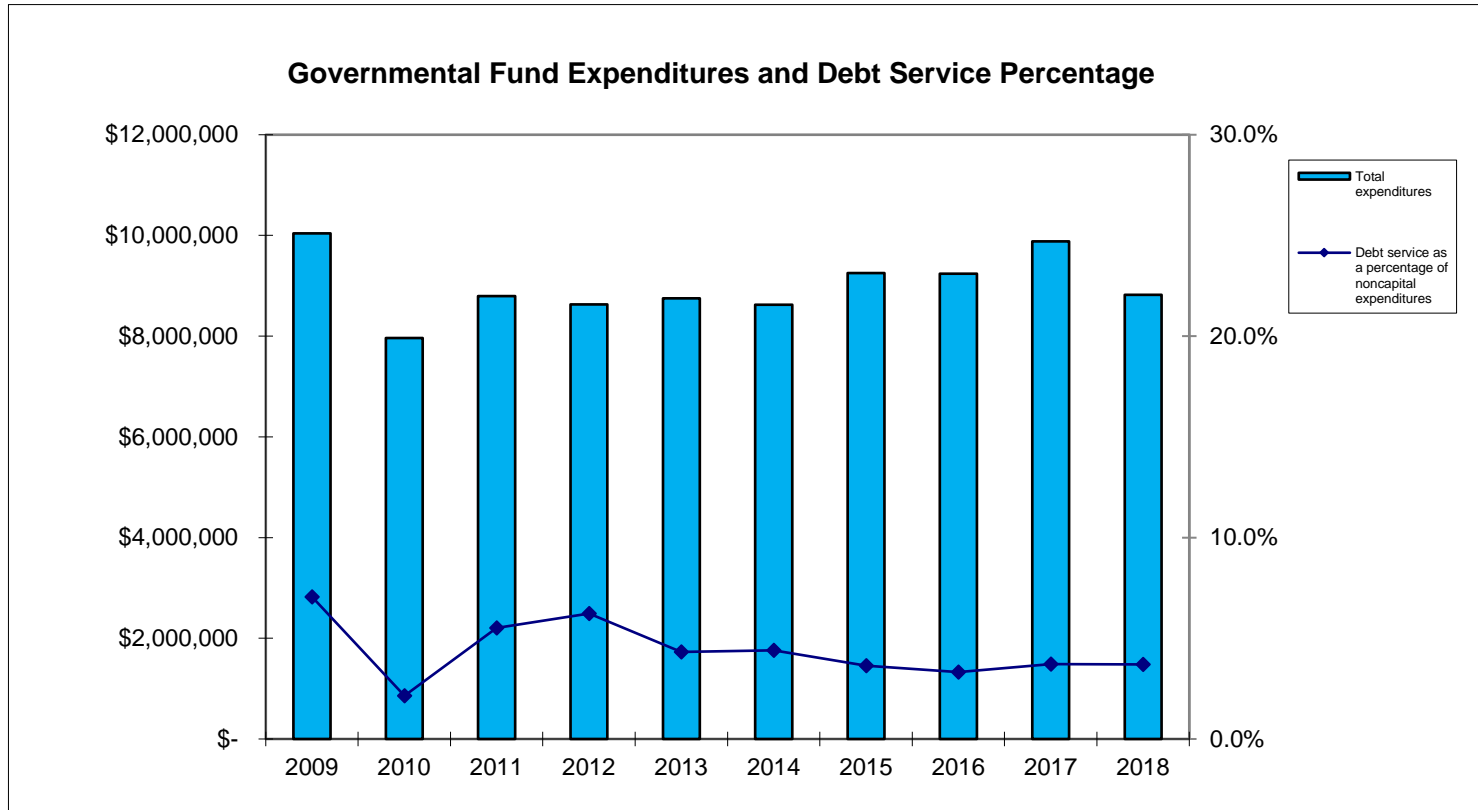
**City of Northville
Governmental Fund Revenues and Governmental Debt
Ten Year Trend - 2009 through 2018**

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. 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 2018.



City of Northville
Governmental Fund Expenditures and Debt Service Percentage
Ten Year Trend - 2009 through 2018

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 2009 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 18 was 3.7%, unchanged from the prior year.



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: 2018 UTGO Street Bond Debt Service Fund

FUND NUMBER: 305

SUPERVISOR: Finance Director/Treasurer

General Description of Activity

On November 6, 2018, Northville voters approved the issuance of \$3,050,000 in unlimited tax general obligation bonds to finance street improvements. The bonds are payable over ten years at a rate of 2.9%. The bonds will be repaid through the collection of debt levy starting in July 2019.

Proposed Fiscal Year Overview

Debt service requirements for FY20 are \$350,031. The millage rate will be set at 0.9003 mills to generate funds to pay the annual debt service amount.

Long Term Goals & Objectives

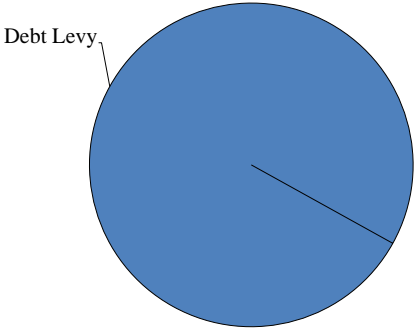
The bonds will continue to be repaid through fiscal year 2029. No additional debt issuances are planned.

City of Northville
Proposed 2019-20 2018 UTGO Street Bond Debt Retirement Fund
(with historical comparative data)

Revenues

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Debt Levy	\$ -	\$ -	\$ 350,063	100.0%
Total Revenues	\$ -	\$ -	\$ 350,063	100.0%

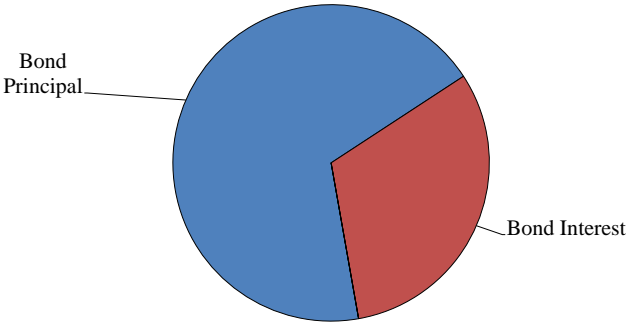
2019-20 Budgeted Revenues



Expenditures

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Bond Principal	\$ -	\$ -	\$ 240,000	68.6%
Bond Interest	-	-	110,031	31.4%
Unallocated Reserve	-	-	32	0.0%
Total Expenditures	\$ -	\$ -	\$ 350,063	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

2018 UTGO Street Debt Retirement Fund

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
	= Allowable Levy				0.9003	0.8802	0.8591	0.8263
	x Taxable Value per Mill				388,829	400,494	412,509	424,884
305-000-408.00	= Debt Levy	-	-	-	350,063	352,515	354,386	351,082
305-000-664.xx	Net Investment Income	-	-	-	-	-	-	-
	Total Revenues	-	-	-	350,063	352,515	354,386	351,082
Fund Balance Reserve								
305-000-699.00	Appropriation of Prior Year Surplus	-	-	-	-	-	-	-
	Total Budget	-	-	-	350,063	352,515	354,386	351,082
EXPENDITURES								
Debt Service								
305-908-991.00	Bond Principal	-	-	-	240,000	275,000	285,000	290,000
305-908-992.00	Bond Interest	-	-	-	110,031	77,503	69,383	61,045
		-	-	-	350,031	352,503	354,383	351,045
	Total Expenditures	-	-	-	350,031	352,503	354,383	351,045
Fund Balance Reserve								
305-999-999.00	Unallocated Reserve	-	-	-	32	12	3	37
	Total Budget	-	-	-	350,063	352,515	354,386	351,082
Analysis of Fund Balance:								
	Beginning of Year			-	-	32	44	47
	Revenues			-	350,063	352,515	354,386	351,082
	Expenditures			-	(350,031)	(352,503)	(354,383)	(351,045)
	End of Year			-	32	44	47	84

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: Downtown Development Authority Debt Service Fund

FUND NUMBER: 371

SUPERVISOR: Finance Director/Treasurer

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 \$173,830. The contribution from the DDA is equal to that amount to cover the debt service expenditures.

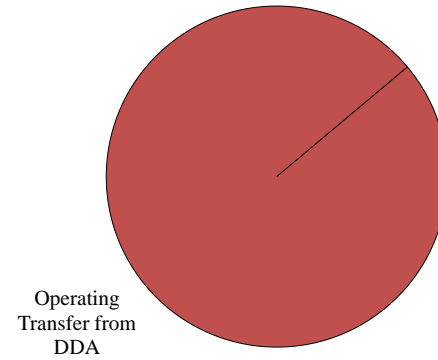
Long Term Goals & Objectives

The bonds will continue to be repaid through fiscal year 2025. No additional debt issuances are planned.

City of Northville
Proposed 2019-20 DDA Debt Service Fund Budget
(with historical comparative data)

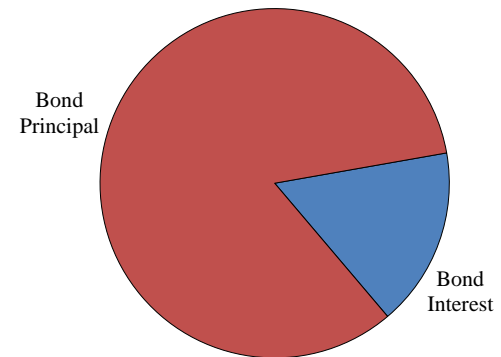
Revenues	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Operating Transfer from DDA	172,355	173,170	173,830	100.0%
Total Revenues	\$ 172,355	\$ 173,170	\$ 173,830	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Bond Interest	\$ 37,355	\$ 33,170	\$ 28,830	16.6%
Bond Principal	135,000	140,000	145,000	83.4%
Total Expenditures	\$ 172,355	\$ 173,170	\$ 173,830	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

DOWNTOWN DEVELOPMENT AUTHORITY
DEBT SERVICE FUND

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Revenue							
371-000-699.07 Contribution - DDA Fund	171,385	172,355	173,170	173,830	174,335	174,685	169,880
Total Revenue	171,385	172,355	173,170	173,830	174,335	174,685	169,880
Fund Balance Reserve							
371-000-699.01 Appropriation of Prior Year Surplus	-	-	-	-	-	-	-
Total Budget	171,385	172,355	173,170	173,830	174,335	174,685	169,880
Expenditures							
Debt Service							
371-945-990.02 Bond Interest Expense	41,385	37,355	33,170	28,830	24,335	19,685	14,880
371-945-990.04 Bond Principal Expense	130,000	135,000	140,000	145,000	150,000	155,000	155,000
Total Expenditures	171,385	172,355	173,170	173,830	174,335	174,685	169,880
Fund Balance Reserve							
371-999-999.00 Unallocated Reserve	-	-	-	-	-	-	-
Total Budget	171,385	172,355	173,170	173,830	174,335	174,685	169,880
Analysis of Fund Balance:							
Beginning of Year			2,554	2,554	2,554	2,554	2,554
Revenues			173,170	173,830	174,335	174,685	169,880
Expenditures			(173,170)	(173,830)	(174,335)	(174,685)	(169,880)
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, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: Housing Debt Retirement Fund

FUND NUMBER: 539

SUPERVISOR: Finance Director/Treasurer

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 FY20 are \$96,848. The amount transferred from the Housing Commission is equal to that amount to cover the debt service expenditures.

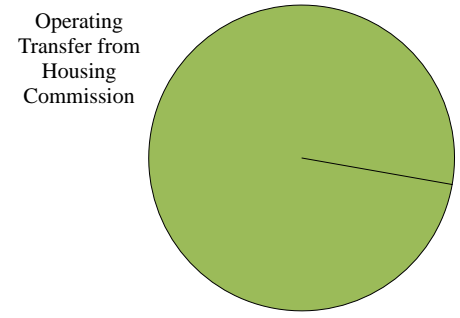
Long Term Plan

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 2019-20 Housing Debt Retirement Fund Budget
(with historical comparative data)

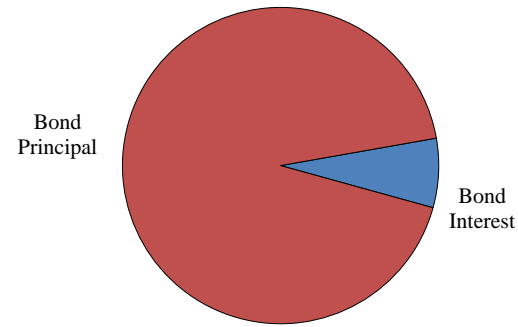
Revenues	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Operating Transfer from Housing Commission	95,647	\$ 98,774	96,848	100.0%
Total Revenues	\$ 95,647	\$ 98,774	\$ 96,848	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Bond Interest	\$ 10,647	\$ 8,774	\$ 6,848	7.1%
Bond Principal	85,000	90,000	90,000	92.9%
Total Expenditures	\$ 95,647	\$ 98,774	\$ 96,848	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

Housing Debt Retirement Fund

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
539-000-699.15	Operating Transfer from Housing Commission	92,412	95,647	98,774	96,848	94,922	92,996	93,237
		92,412	95,647	98,774	96,848	94,922	92,996	93,237
	Total Revenues	92,412	95,647	98,774	96,848	94,922	92,996	93,237
Fund Balance Reserve								
539-000-699.00	Approp of Prior Year's Surplus	-	-	-	-	-	-	2,780
	Total Budget	92,412	95,647	98,774	96,848	94,922	92,996	96,017
EXPENDITURES								
Debt Service								
539-945-990.02	Bond Interest	12,412	10,647	8,774	6,848	4,922	2,996	1,017
539-945-990.04	Bond Principal	80,000	85,000	90,000	90,000	90,000	90,000	95,000
		92,412	95,647	98,774	96,848	94,922	92,996	96,017
	Total Expenditures	92,412	95,647	98,774	96,848	94,922	92,996	96,017
Fund Balance Reserve								
539-999-999.00	Unallocated Reserve	-	-	-	-	-	-	-
	Total Budget	92,412	95,647	98,774	96,848	94,922	92,996	96,017
Fund Balance Analysis								
	Beginning of Year			2,780	2,780	2,780	2,780	2,780
	Revenues			98,774	96,848	94,922	92,996	93,237
	Expenditures			98,774	96,848	94,922	92,996	96,017
	End of Year			2,780	2,780	2,780	2,780	0

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 the following Capital Project Funds: the Public Improvement Fund, the Street Bond Construction Fund, 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, 2020 and
Five Year Plan – 2019 through 2023

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.

The replacement of the Fort Griswold wooden play structure at Ford Field is proposed for replacement in FY2020. The current structure is 21 years old. The new structure will meet current safety and ADA guidelines. The projected cost to replace it is \$250,000. The Parks & Recreation Director will be seeking donations for 50% of the project. The other half is proposed to be funded utilizing committed reserves for unfunded projects.

The City has been notified by the Randolph Drain Commission that the High Street Culvert may need replacement. Estimated cost allocable to the City is \$155,476. This culvert was previously extended and may need replacement. If a full culvert replacement is needed, the cost would be higher.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Long Term Goals & Objectives

There is currently almost \$1.4 million set aside for future Fire Station and City Hall renovations. High-level design work has been completed and cost estimates received. This was elevated from a medium-priority to a high-priority goal during the goal setting session in January 2019. A secondary goal to be included in the renovation plan is to incorporate energy efficiencies where possible.

Johnson Creek Improvements at Fish Hatchery Park is a Parks & Recreation project expected to cost approximately \$500,000. Project costs are not expected to exceed the expected grant allocation. This project includes clearing and naturalization of the Johnson Creek bank within a section of Fish Hatchery Park. The pond adjacent to the creek will be dredged. This project will open up the creek visually and provide better pedestrian access to the creek and pond. It will also create an improved fish habitat.

A structural assessment of the two parking decks was completed in 2018. The report identified \$725,000 of initial capital needs required over the next two years. In addition, maintenance of approximately \$100,000 annually was also identified. This project is currently unfunded. Carlisle Wortman is currently developing a financing plan. Possible options include special assessments, DDA captured taxes, use of the Parking Fund reserves, or other sources of revenue.

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

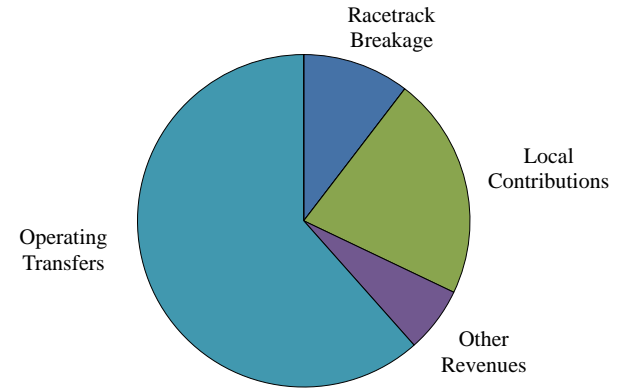
- Paving the Fish Hatchery Park parking lot, estimated at \$100,000.
- Replacement of play structure at Fish Hatchery Park, estimated at \$75,000.
- Addition of a pavilion at Ford Field, estimated at \$50,000.
- Addition of restrooms at Ford Field, estimated at \$120,000.
- Netting for ballfields at Fish Hatchery Park, estimated at \$25,000.
- Access ramp at Ford Field, estimated at \$100,000.
- Replace or adding items pertaining to baseball fields (backstops, dugouts, fencing, lighting), estimated at \$140,000.

Over the years, breakage revenue has been the source for these special projects. This revenue source is not budgeted for beginning with FY2021 as the property likely will be sold in the near future.

City of Northville
Proposed 2019-20 Public Improvement Fund Budget
(with historical comparative data)

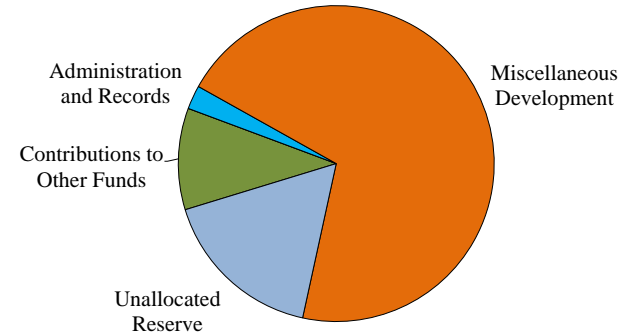
Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Racetrack Breakage	\$ 159,409	\$ 115,227	\$ 60,000	10.4%
Other Grants	-	86,718	-	0.0%
Local Contributions	-	65,017	125,000	21.7%
Other Revenues	9,915	36,750	36,750	6.4%
Operating Transfers	202,056	344,103	355,015	61.5%
Appropriation of Prior Year Surplus	-	41,150	-	0.0%
Total Revenues	\$ 371,380	\$ 688,965	\$ 576,765	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Contributions to Other Funds	\$ 70,724	\$ 105,630	\$ 60,000	10.4%
City Owned Property	9,403	-	-	0.0%
Administration and Records	13,610	13,880	14,050	2.4%
Miscellaneous Development	13,257	569,455	405,476	70.3%
Unallocated Reserve	264,386	-	97,239	16.9%
Total Expenditures	\$ 371,380	\$ 688,965	\$ 576,765	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

PUBLIC IMPROVEMENT FUND

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Proposed Budget	2019-20 Estimated Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
Racetrack Breakage								
401-000-573.00	Racetrack Breakage	104,884	159,409	115,227	60,000	-	-	-
401-000-586.00	Donations	-	-	-	125,000	-	-	-
401-000-660.05	Other Grants	-	-	86,718	-	500,000	-	-
Other								
401-000-642.01	Cemetery Sales	20,550	-	-	-	-	-	-
401-000-664.xx	Net Investment Income	1,420	9,915	36,750	36,750	36,750	36,750	36,750
		21,970	9,915	36,750	36,750	36,750	36,750	36,750
Local Contributions								
401-000-592.00	Northville Township Contribution	-	-	65,017	-	-	-	-
		-	-	65,017	-	-	-	-
Operating Transfers								
401-000-699.06	General Fund	36,000	200,000	342,047	352,959	76,461	20,000	20,000
401-000-699.18	Operating Transfers from Art Comm.	2,056	2,056	2,056	2,056	2,052	-	-
401-000-699-23	Police Equipment Replacement Fund	-	-	-	-	-	-	-
		38,056	202,056	344,103	355,015	78,513	20,000	20,000
	Total Revenue	164,910	371,380	647,815	576,765	615,263	56,750	56,750
Fund Balance Reserve								
401-000-699.00	Appropriation of Prior Year Surplus	158,100	-	41,150	-	-	-	12,700
	Total Budget	323,010	371,380	688,965	576,765	615,263	56,750	69,450

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

PUBLIC IMPROVEMENT FUND (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	Proposed Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
EXPENDITURES								
Contributions to Other Funds								
401-775-950.21	General Fund	7,615	10,724	45,630	-	-	22,000	55,000
401-775-950.31	Fire Equipment Replacement Fund	30,000	30,000	30,000	30,000	-	-	-
401-775-950.36	Police Equipment Replacement Fund	30,000	30,000	30,000	30,000	-	-	-
		67,615	70,724	105,630	60,000	-	22,000	55,000
City Owned Property								
401-904-706.00	Wages/Salaries	127	-	-	-	-	-	-
401-904-801.00	Contractual Services	1,200	-	-	-	-	-	-
401-904-967.00	Fringe Benefits	125	-	-	-	-	-	-
401-904-979.00	Municipal Building Projects	13,045	9,403	-	-	-	-	-
401-904-979.02	Audio Visual Project	7,773	-	-	-	-	-	-
		22,270	9,403	-	-	-	-	-
Administration and Records								
401-923-805.00	Auditing Service	2,322	2,343	2,480	2,540	2,600	2,670	2,730
401-923-910.00	Insurance	424	27	50	50	50	50	30
401-923-967.02	Overhead-Admin & Records	11,130	11,240	11,350	11,460	11,570	11,690	11,690
		13,876	13,610	13,880	14,050	14,220	14,410	14,450

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

PUBLIC IMPROVEMENT FUND (continued)

Account Number	Description	2016-17 Actual	2017-18 Actual	Proposed Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Expenditures (continued)								
Miscellaneous Development								
401-930-706.00	Wages - Regular Full Time	-	27	-	-	-	-	-
401-960-803.32	Randolph Drain	219,249	-	126,783	155,476	-	-	-
401-930-803.99	Fish Hatchery Pond Improvements	-	6,000	145,735	-	-	-	-
401-930-815.09	Fort Griswold Replacement	-	-	-	250,000	-	-	-
401-930-815.TBD	Johnson Creek Pond/Bank Restor.	-	-	-	-	500,000	-	-
401-930-967.00	Fringe Benefits	-	30	-	-	-	-	-
401-930-977.03	City Entrance Sign Project	-	-	75,000	-	-	-	-
401-930-982.04	DPW Technology Projects	-	-	50,000	-	-	-	-
401-930-986.00	Cemetery Development	-	7,200	171,937	-	-	-	-
		219,249	13,257	569,455	405,476	500,000	-	-
	Total Expenditures	323,010	106,994	688,965	479,526	514,220	36,410	69,450
Fund Balance Reserve								
401-999-999.00	Unallocated Reserve	-	264,386	-	97,239	101,043	20,340	-
	Total Budget	323,010	371,380	688,965	576,765	615,263	56,750	69,450
Analysis of Fund Balance								
	Beginning of Year			2,956,058	2,914,908	3,012,147	3,113,190	3,133,530
	Revenues			647,815	576,765	615,263	56,750	56,750
	Expenditures			(688,965)	(479,526)	(514,220)	(36,410)	(69,450)
	End of Year			2,914,908	3,012,147	3,113,190	3,133,530	3,120,830

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

PUBLIC IMPROVEMENT FUND (continued)

Account Number	Description	2016-17 Budget	2017-18 Actual	Proposed Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
	Less Fund Balance Commitments/Reserves:							
	Reserved - Investment in Land (at cost)			225,000	225,000	225,000	225,000	225,000
	Committed for Internal Loan Program			20,892	22,948	25,000	25,000	25,000
	Committed Breakage Funds:							
	Prior Year Breakage Yet to be Designated			287,416	287,416	287,416	287,416	287,416
	Police & Fire Equipment Reserves			60,000	60,000	-	-	-
	Contingency/Grant Match			50,578	50,578	50,578	50,578	50,578
	Non-motorized Improvements			53,230	53,230	53,230	53,230	53,230
	Randolph Drain Assessment			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 Committed Breakage Funds			1,029,169	1,029,169	969,169	969,169	969,169
	Committed for Special Projects (Non-Breakage Funds)							
	Technology Reserve			120,363	140,363	160,363	158,363	123,363
	DPW Technology Upgrades			25,000	-	-	-	-
	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
	Website Redesign			10,000	-	-	-	-
	Fire Station 1/Municipal Building Improvement Reserve			817,553	817,553	817,553	817,553	817,553
	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			190,254	242,737	299,198	299,198	299,198
	Contingency/Grant Match			253,810	253,810	253,810	253,810	253,810
	Total Committed Fund Balance for Special Projects			1,543,207	1,554,690	1,631,151	1,654,151	1,644,151
	Unreserved/Uncommitted Fund Balance, End of Year			96,640	180,340	262,870	260,210	257,510

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 FY20, projected purchases include turnout gear including boots and helmets, four mobile computers, replacement of radios, and the rescue vehicle at Station 1.

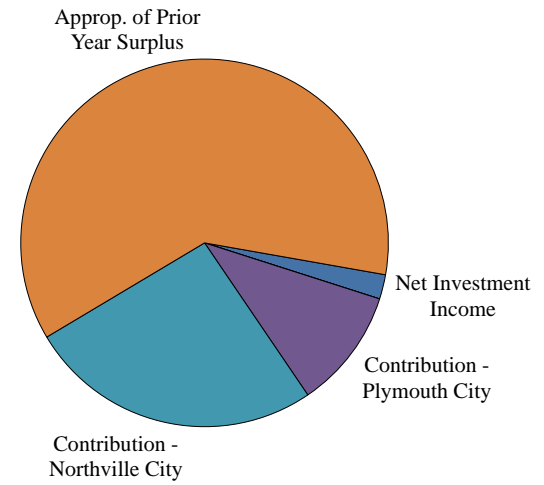
Departmental Goals & Objectives

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 2019-20 Fire Equipment Replacement Fund Budget
(with historical comparative data)

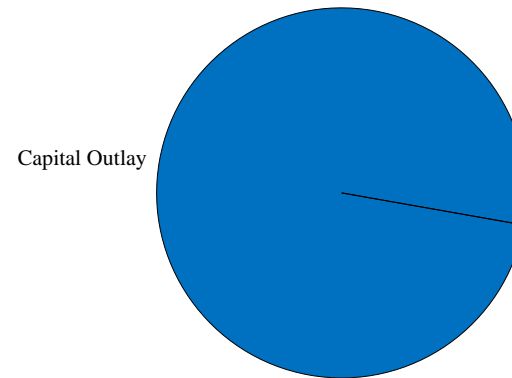
Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Net Investment Income	4,241	15,000	15,000	2.2%
Grants	-	13,900	-	0.0%
Sale of Assets	3,800	7,700	-	0.0%
Contribution - Plymouth City	81,638	75,242	73,589	10.6%
Contribution - Northville City	207,236	183,832	180,478	25.9%
Approp. of Prior Year Surplus	-	188,192	426,933	61.3%
Total Revenues	\$ 296,915	\$ 483,866	\$ 696,000	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Capital Outlay	\$ 42,390	\$ 483,866	\$ 696,000	100.0%
Equipment Reserve	254,525	-	-	0.0%
Total Expenditures	\$ 296,915	\$ 483,866	\$ 696,000	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

FIRE EQUIPMENT REPLACEMENT FUND

	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES							
402-000-586.00 Private Contributions/Donations	1,500	-	-	-	-	-	-
402-000-592.08 Contribution - Plymouth City	50,423	81,638	75,242	73,589	68,817	68,817	68,463
402-000-660.05 Other Grants	-	-	13,900	-	-	-	-
402-000-664.xx Net Investment Income	503	4,241	15,000	15,000	15,000	15,000	15,000
402-000-673.00 Sale of Assets	-	3,800	7,700	-	-	-	-
Operating Transfers							
402-000-699.03 Public Improvement Fund	30,000	30,000	30,000	30,000	-	-	-
402-000-699.06 General Fund	122,466	177,236	153,832	150,478	168,048	168,048	167,802
Total Revenues	204,892	296,915	295,674	269,067	251,865	251,865	251,265
Fund Balance Reserve							
402-000-699.00 Approp of Prior Year's Surplus	-	-	188,192	426,933	-	-	-
Total Budget	204,892	296,915	483,866	696,000	251,865	251,865	251,265
EXPENDITURES							
Capital Purchases							
402-902-973.00 Capital Outlay < \$5,000	13,142	-	16,410	196,000	-	-	45,000
402-902-977.00 Capital Outlay > \$5,000	16,000	42,390	467,456	500,000	-	14,000	-
Total Expenditures	29,142	42,390	483,866	696,000	-	14,000	45,000
Fund Balance Reserve							
402-999-999.00 Unallocated Reserve	175,750	254,525	-	-	251,865	237,865	206,265
Total Budget	204,892	296,915	483,866	696,000	251,865	251,865	251,265
Fund Balance Analysis							
Beginning of Year			1,321,498	1,133,306	706,373	958,238	1,196,103
Revenues			295,674	269,067	251,865	251,865	251,265
Expenditures			(483,866)	(696,000)	-	(14,000)	(45,000)
End of Year			1,133,306	706,373	958,238	1,196,103	1,402,368

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 firearms for all officers and upgraded in-car computers, cameras, and modems.

Long Term Goals & Objectives

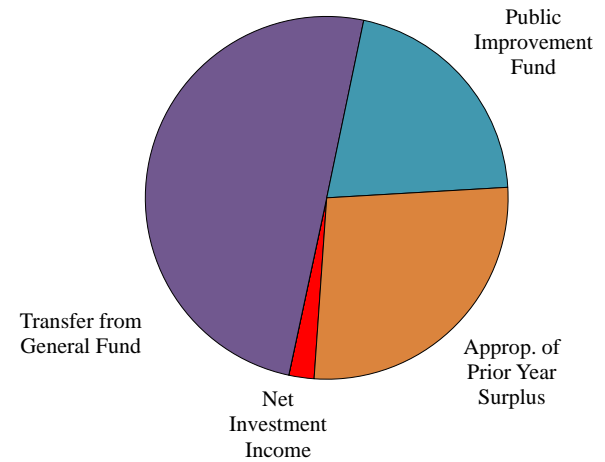
The long term goal of this fund is to continue modernizing the Police Department's equipment. With careful planning, and proper maintenance of existing equipment, it is anticipated that the taxpayers will not be burdened with additional debt millages to replace existing equipment. The department's twenty year plan is detailed in Appendix A.

City of Northville
Proposed 2019-20 Police Equipment Replacement Fund Budget
(with historical comparative data)

Revenues

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Net Investment Income	685	3,245	3,235	2.2%
Gain on Sale of Assets	5,330	-	-	0.0%
Operating Transfers from General Fund	47,000	72,000	72,000	49.9%
Public Improvement Fund	30,000	30,000	30,000	20.8%
Approp. of Prior Year Surplus	-	-	38,995	27.0%
Total Revenues	\$ 83,015	\$ 105,245	\$ 144,230	99.9%

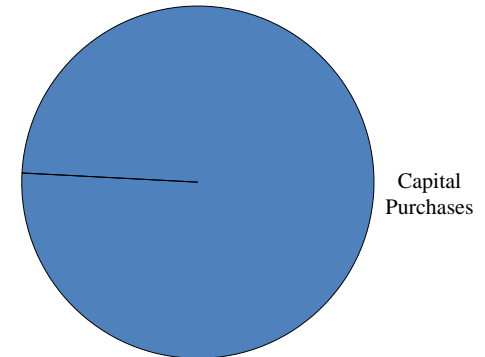
2019-20 Budgeted Revenues



Expenditures

	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Capital Purchases	2,451	102,970	144,230	100.0%
Equipment Reserve	80,564	2,275	-	0.0%
Total Expenditures	\$ 83,015	\$ 105,245	\$ 144,230	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

POLICE EQUIPMENT REPLACEMENT FUND

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
REVENUES							
403-000-664.xx Net Investment Income	97	685	3,245	3,235	3,235	3,235	3,235
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	-	-	-
403-000-699.06 General Fund	39,000	47,000	72,000	72,000	108,000	114,000	115,000
Total Revenues	71,047	83,015	105,245	105,235	111,235	117,235	118,235
Fund Balance Reserve							
403-000-699.00 Approp of Prior Year's Surplus	29,142	-	-	38,995	765	18,965	-
Total Budget	100,189	83,015	105,245	144,230	112,000	136,200	118,235
EXPENDITURES							
Capital Purchases							
403-902-973.00 Equipment < \$5,000	28,111	2,451	2,970	22,230	19,500	1,200	-
403-902-977.00 Capital Outlay > \$5,000	-	-	-	122,000	42,500	35,000	30,000
403-902-985.00 Capital Outlay - Vehicles	72,078	-	100,000	-	50,000	100,000	50,000
Total Expenditures	100,189	2,451	102,970	144,230	112,000	136,200	80,000
Fund Balance Reserve							
403-999-999.00 Unallocated Reserve	-	80,564	2,275	-	-	-	38,235
Total Budget	100,189	83,015	105,245	144,230	112,000	136,200	118,235
Fund Balance Analysis							
Beginning of Year			260,956	263,231	224,236	223,471	204,506
Revenues			105,245	105,235	111,235	117,235	118,235
Expenditures			(102,970)	(144,230)	(112,000)	(136,200)	(80,000)
End of Year			263,231	224,236	223,471	204,506	242,741

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 independent 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

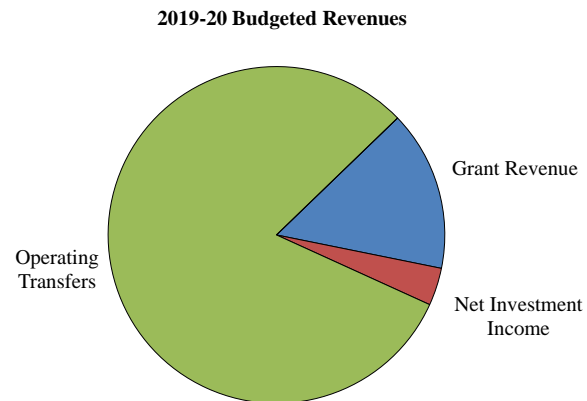
Proposed for fiscal year 2020 is the replacement of the skylight atrium in the activity room, with downspout relocation and concrete replacement on the adjacent terrace. Security cameras will be upgraded, along with some exterior lighting. CDBG funds continue to be used to in the phased replacement of the individual packaged terminal air conditioning (PTAC) units and interior apartment doors. Many of these replacements should provide for improved energy efficiency and a reduction in electrical costs.

Long Term Goals & Objectives

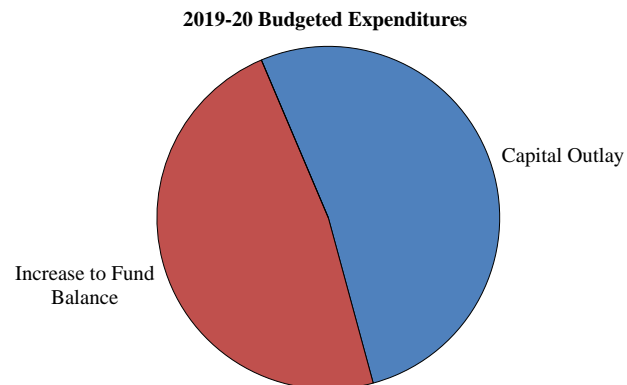
The long term goal of this fund is to continue modernizing Allen Terrace. With careful planning and proper maintenance it is anticipated that the tenants will not be burdened with debt issuances to fund improvements. Improvements for fiscal years 2020 through 2022 for the building include phased replacement of the apartment refrigerators, and replacing windows and patio doors. Additional details for these projects can be found in Appendix A.

City of Northville
Proposed 2019-20 Housing Commission Capital Outlay Fund Budget
(with historical comparative data)

Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Grant Revenue	17,466	29,180	29,000	15.4%
Net Investment Income	3,292	6,800	6,800	3.6%
Operating Transfers	113,000	200,000	152,437	81.0%
Appropriation of Prior Year Surplus	-	135,135	-	0.0%
Total Revenues	\$ 133,758	\$ 371,115	\$ 188,237	100.0%



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Capital Outlay	24,680	371,115	98,200	52.2%
Increase to Fund Balance	109,078	-	90,037	47.8%
Total Expenditures	\$ 133,758	\$ 371,115	\$ 188,237	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

HOUSING COMMISSION CAPITAL OUTLAY FUND

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
Grant Revenue								
404-000-587.02	CDBG - Wayne & Oakland	19,104	17,466	29,180	29,000	29,000	29,000	29,000
		19,104	17,466	29,180	29,000	29,000	29,000	29,000
Interest Income								
404-000-664.xx	Net Investment Income	486	3,292	6,800	6,800	6,800	6,800	6,800
		486	3,292	6,800	6,800	6,800	6,800	6,800
Operating Transfers								
404-000-699.15	Operating Transfer from Housing Commission Fund	156,180	113,000	200,000	152,437	136,533	118,574	101,663
		156,180	113,000	200,000	152,437	136,533	118,574	101,663
	Total Revenue	175,770	133,758	235,980	188,237	172,333	154,374	137,463
Fund Balance Reserve								
404-000-699.00	Use of Fund Balance	230,281	-	135,135	-	184,217	-	-
	Total Budget	406,051	133,758	371,115	188,237	356,550	154,374	137,463
EXPENDITURES								
Capital Outlay								
404-901-801.00	Contractual Services	-	-	10,000	-	-	-	-
404-901-973.00	Building & Grounds Improvements	104,800	24,680	351,115	58,200	57,100	57,100	58,400
404-901-977.00	Capital Improvements > \$5,000	301,251	-	10,000	40,000	299,450	-	-
	Total Expenditures	406,051	24,680	371,115	98,200	356,550	57,100	58,400
Reserve Fund								
404-999-999.00	Unallocated Reserve	-	109,078	-	90,037	-	97,274	79,063
		-	109,078	-	90,037	-	97,274	79,063
	Total Budget	406,051	133,758	371,115	188,237	356,550	154,374	137,463
Analysis of Fund Balance								
	Beginning of Year			983,307	848,172	938,209	753,992	851,266
	Revenues			235,980	188,237	172,333	154,374	137,463
	Expenditures			(371,115)	(98,200)	(356,550)	(57,100)	(58,400)
	End of Year			848,172	938,209	753,992	851,266	930,329

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: 2018 UTGO Street Bond Construction Fund

FUND NUMBER: 467

SUPERVISOR: Finance Director/Treasurer

General Description of Activity

On November 6, 2018, Northville voters approved the issuance of \$3,050,000 in unlimited tax general obligation bonds to finance street improvements.

Proposed Fiscal Year Overview

The bond proceeds will allow for street improvements on Taft Road, N. Rogers Street, and all or a portion of Stanstead, Morgan Blvd., Allen Drive, Lexington Court, MacDonald, Baseline and Potomac. Engineering design is expected to be completed during FY19 with construction in FY20. Once these projects are completed, the average City-wide PASER rating will increase from 4.57 to 5.22 with a goal of reaching over 6.0 within four years.

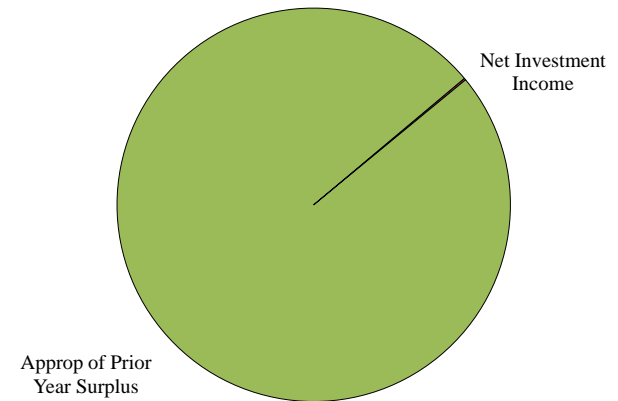
Long Term Goals & Objectives

All of the bond proceeds are expected to be spent by the end of the 2020 construction season (FY21). This fund will be closed at that time.

City of Northville
Proposed 2019-20 2018 UTGO Street Bond Construction Fund
(with historical comparative data)

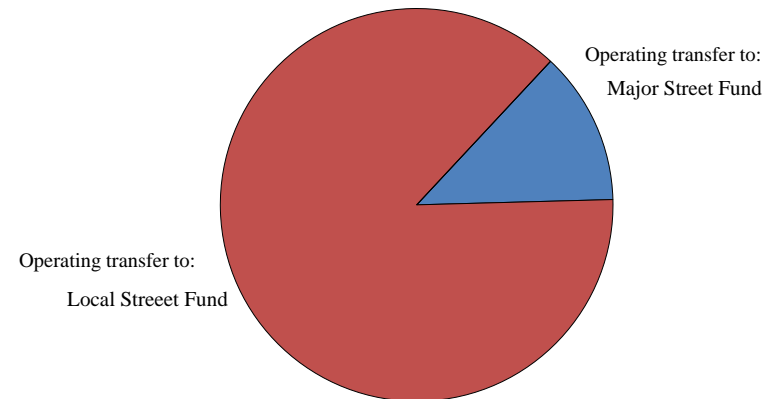
Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Financing Proceeds	\$ -	\$ 3,050,000	\$ -	0.0%
Net Investment Income	-	9,300	3,000	0.2%
Approp of Prior Year Surplus	-	-	1,993,000	99.8%
Total Revenues	\$ -	\$ 3,059,300	\$ 1,996,000	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Operating transfer to:				
Major Street Fund	\$ -	\$ 13,000	\$ 252,000	12.6%
Local Street Fund	-	\$ 85,375	\$ 1,744,000	87.4%
Unallocated Reserve	-	2,960,925	-	0.0%
Total Expenditures	\$ -	\$ 3,059,300	\$ 1,996,000	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

2018 UTGO STREET BOND CONSTRUCTIN FUND

Account Number	Description	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
REVENUES								
467-000-582.02	Financing Proceeds	-	-	3,050,000	-	-	-	-
467-000-664.xx	Net Investment Income	-	-	9,300	3,000	-	-	-
	Total Revenues	-	-	3,059,300	3,000	-	-	-
Fund Balance Reserve								
467-000-699.00	Use of Fund Balance	-	-	-	1,993,000	967,925	-	-
	Total Budget	-	-	3,059,300	1,996,000	967,925	-	-
EXPENDITURES								
Operating transfer to:								
467-965-995.202	Major Street Fund	-	-	13,000	252,000	467,925	-	-
467-965-995.203	Local Street Fund	-	-	85,375	1,744,000	500,000	-	-
		-	-	98,375	1,996,000	967,925	-	-
	Total Expenditures	-	-	98,375	1,996,000	967,925	-	-
Fund Balance Reserve								
467-999-999.00	Unallocated Reserve	-	-	2,960,925	-	-	-	-
	Total Budget	-	-	3,059,300	1,996,000	967,925	-	-
Fund Balance Analysis								
	Beginning of Year			-	2,960,925	967,925	-	-
	Revenues			3,059,300	3,000	-	-	-
	Expenditures			(98,375)	(1,996,000)	(967,925)	-	-
	End of Year			2,960,925	967,925	-	-	-

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 2020 Annual Budget
and Five Year Plan – 2019 through 2023**

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 2020 Annual Budget
and Five Year Plan – 2019 through 2023**

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 2020 Annual Budget
and Five Year Plan - 2019 through 2023**

INTERFUND REIMBURSEMENTS - GENERAL FUND OVERHEAD

Fund	Account Number	Projected 2018-19	Proposed 2019-20	Estimated 2020-21	Estimated 2021-22	Estimated 2022-23
Revenue						
General Fund	101-000-688.00	\$195,350	\$199,480	\$203,230	\$207,090	\$211,060
Expenditures						
Major Streets Fund	202-483-967.02	22,370	22,590	22,820	23,050	23,280
Local Street Fund	203-483-967.02	11,330	11,440	11,550	11,670	11,790
Refuse & Recycling Fund	226-923-967.02	25,830	26,350	26,880	27,420	27,970
Arts Commission	255-923-967.02	3,950	4,150	4,360	4,580	4,810
Downtown Development Authority	370-864-967.02	11,520	12,100	12,710	13,350	14,020
Public Improvement Fund	401-923-967.02	11,350	11,460	11,570	11,690	11,810
Housing Commission	538-292-967.02	7,040	7,390	7,760	8,150	8,560
Water and Sewer Fund	592-923-967.02	53,060	54,120	55,200	56,300	57,430
Equipment Fund	641-923-967.02	48,900	49,880	50,380	50,880	51,390
Total Expenditures		\$195,350	\$199,480	\$203,230	\$207,090	\$211,060

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

**Interfund Reimbursements
Allocation of Department of Public Works - Direct Labor, Equipment Rental and Fringe Benefits**

	PROJECTED			PROPOSED		
	2018-19	2018-19	2018-19	2019-20	2019-20	2019-20
	Labor	Fringe Benefits	Equipment Rental	Labor	Fringe Benefits	Equipment Rental
101 General Fund						
261 Cemetery Services (Open/Close)	13,740	7,325	3,000	15,965	9,655	3,030
262 Cemetery	19,000	18,165	12,120	19,500	19,750	12,240
263 City Hall Building and Grounds	8,175	7,815	1,920	8,375	8,485	1,940
269 Beautification Commission	110	105	65	115	115	65
270 Mill Race Village	300	290	610	300	305	620
272 Other City Property	6,000	5,740	2,630	6,150	6,230	2,660
444 Civic Events	17,065	16,315	5,000	17,400	17,625	5,050
445 Miscellaneous	6,425	6,140	400	6,580	6,665	400
	70,815	61,895	25,745	74,385	68,830	26,005
202 Major Streets						
463 Routine Street Maintenance	12,200	11,665	7,000	12,400	12,560	7,070
469 Drainage Systems Maintenance	680	650	2,000	690	700	2,020
474 Traffic Signs	2,400	2,295	160	2,450	2,485	1,640
478 Winter Maintenance	7,000	6,200	10,000	9,100	9,220	10,100
	22,280	20,810	19,160	24,640	24,965	20,830
203 Local Streets						
452 Street Improvement Program	-	-	-	2,500	2,500	1,500
463 Routine Street Maintenance	50,750	48,520	54,540	51,750	52,415	55,090
469 Drainage Maintenance	5,950	5,690	5,100	6,050	6,130	5,150
474 Traffic Signs	5,800	5,545	2,580	5,900	5,975	2,610
478 Winter Maintenance	20,000	18,500	24,000	10,000	11,000	8,000
	82,500	78,255	86,220	76,200	78,020	72,350

- continued -

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

**Interfund Reimbursements
Allocation of Department of Public Works - Direct Labor, Equipment Rental and Fringe Benefits**

	PROJECTED			PROPOSED		
	2018-19	2018-19	2018-19	2019-20	2019-20	2019-20
	Labor	Fringe Benefits	Equipment Rental	Labor	Fringe Benefits	Equipment Rental
226 Refuse/Recycling						
442 Fall Leaf Pick-Up	12,100	11,695	28,260	12,400	12,560	28,540
531 Residential Collection	1,010	965	500	1,015	1,030	510
537 Commercial Collection	11,305	10,810	5,350	11,600	11,750	5,400
	<u>24,415</u>	<u>23,470</u>	<u>34,110</u>	<u>25,015</u>	<u>25,340</u>	<u>34,450</u>
230-546 Parking System Fund	14,000	12,215	12,000	14,150	12,735	12,120
370-753 Downtown Development Authority	14,155	13,535	4,800	14,420	14,355	4,800
538-268 Housing Commission	370	365	100	380	380	100
592 Water & Sewer						
548 Sewer Maintenance	24,560	23,385	30,000	25,140	25,465	30,300
556 Water Operations	131,160	124,000	72,720	132,915	134,620	73,450
926 Meter Reading & Billings	10,600	10,600	4,630	10,865	10,865	4,680
	<u>166,320</u>	<u>157,985</u>	<u>107,350</u>	<u>168,920</u>	<u>170,950</u>	<u>108,430</u>
641 Equipment						
271 Grounds Maintenance	21,000	20,080	-	21,500	21,775	-
932 Operations	22,000	21,035	-	22,300	22,590	-
	<u>43,000</u>	<u>41,115</u>	<u>-</u>	<u>43,800</u>	<u>44,365</u>	<u>-</u>
Total	<u>437,855</u>	<u>409,645</u>	<u>289,485</u>	<u>441,910</u>	<u>439,940</u>	<u>279,085</u>

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

INTERFUND OPERATING TRANSFERS AND LOANS

Contribution From (Expenditure)	Account Number	Contribution To (Revenue)	Account Number	Description	2018-19 Projected Budget	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
General Fund	101-775-950.28	Parking Fund	230-000-699.06	General Operations	34,840	16,130	15,705	14,905	13,785
General Fund	101-775-950.25	Housing	538-000-590.00	Payment in Lieu of Taxes	15,620	15,990	16,390	16,800	17,220
General Fund	101-775-950.31	Fire Equipment Replacement	402-000-699.06	Fire Equipment Reserves	153,832	150,478	168,048	168,048	167,802
General Fund	101-775-950.36	Police Equipment Replacement	403-000-699.06	Police Equipment Reserves	72,000	72,000	108,000	114,000	115,000
				Technology Needs	25,000	20,000	20,000	20,000	20,000
				Randolph Drain Assessment	126,783	155,476	-	-	-
				City Entrance Signs	75,000	-	-	-	-
				DPW Technology	50,000	-	-	-	-
				Public Improvement Projects	65,254	177,483	56,461	-	-
General Fund	101-775-950.46	Public Improvement	401-000-699.06	Total	342,037	352,959	76,461	20,000	20,000
Street, Drainage, & Sidewalk Improvement	201-775-950.22	Major Streets	202-000-699.02	Street Improvements & Maintenance	25,000	25,000	25,000	675,000	275,000
Street, Drainage, & Sidewalk Improvement	201-775-950.23	Local Streets	203-000-699.02	Street Improvements & Maintenance	35,000	35,000	260,000	760,000	760,000
Street Improvement Bond Fund	467-775-995.202	Major Streets	202-000-699.467	Street Improvements	13,000	252,000	467,925	-	-
Street Improvement Bond Fund	467-775-995.203	Local Streets	203-000-699.467	Street Improvements	85,375	1,744,000	500,000	-	-
Major Streets	202-775-950.23	Local Streets	203-000-699.12	General Operations	120,420	145,476	142,445	144,890	151,580
Art Commission	255-775-950.46	Public Improvement	401-000-699.18	Repayment of Roof Loan	2,056	2,056	2,052	-	-
Public Improvement	401-775-950.21	General Fund	101-000-699.03	Technology Needs	45,630	-	-	22,000	55,000
Public Improvement	401-775-950.31	Fire Equipment Replacement	402-000-699.03	Fire Equipment Reserves	30,000	30,000	-	-	-
Public Improvement	401-775-950.36	Police Equipment Replacement	403-000-699.03	Police Equipment Reserves	30,000	30,000	-	-	-
Housing Commission	538-775-950.11	Housing Capital Outlay Fund	404-000-699.00	Housing Capital Reserves	200,000	152,437	136,533	118,574	101,663
Housing Commission	538-775-950.32	Housing Debt Retirement Fund	539-000-699.15	Debt Service - Allen Terrace	98,774	96,848	94,922	92,996	93,237
Refuse and Recycling	226-775-950.27	Equipment Fund	641-000-699.28	Purchase of Equipment	-	15,000	-	-	-
					1,303,584	3,135,374	2,013,481	2,147,213	1,770,287

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 purchase of a pickup truck for \$48,000 and a leaf collection claw estimated at \$15,000. The claw will be funded by an operating transfer from the Refuse & Recycling Fund's fund balance.

Long Term Plan

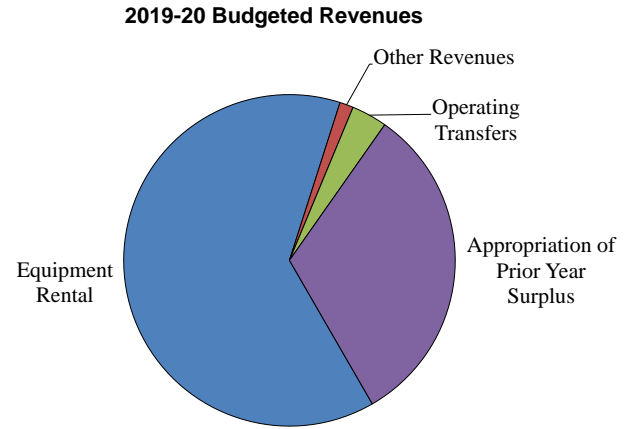
A snow plow truck replacement is planned for FY21. A utility vehicle and a salt box spreader is planned for FY22. The replacement of the street sweeper was originally planned for FY23. However funding is not expected to be available. Fund balance at the end of this five year plan is projected to be approximately \$12,000. Therefore, Staff will be developing a 20-year equipment replacement plan.

Performance Measures

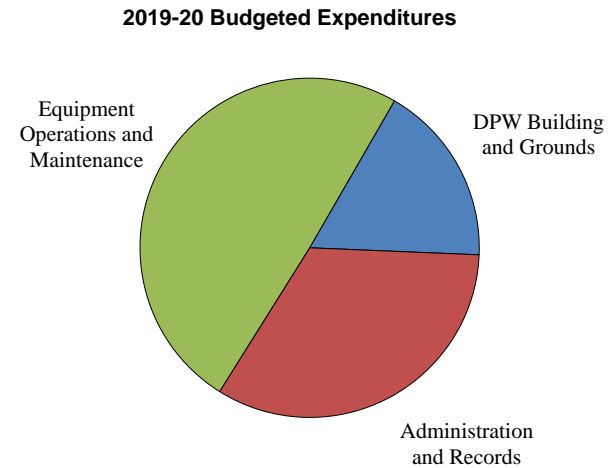
	FY2016 Actual	FY2017 Projected	FY2018 Actual	FY2019 Projected	FY2020 Target
Efficiency & Effectiveness Measures					
New measurements are being developed					

City of Northville
Proposed 2019-20 Equipment Fund Budget
(with historical comparative data)

Revenues	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
Equipment Rental	\$ 264,931	\$ 270,000	\$ 272,700	63.3%
Other Revenues	4,023	13,265	5,750	1.3%
Operating Transfers	-	-	15,000	3.5%
Appropriation of Prior Year Surplus	87,483	172,865	137,565	31.9%
Total Revenues	\$ 356,437	\$ 456,130	\$ 431,015	100.0%



Expenditures	FY18	FY19	FY20	FY20
	Actual	Projected	Proposed	% Total
DPW Building and Grounds	\$ 53,940	\$ 71,140	\$ 74,695	17.3%
Administration and Records	136,201	138,210	143,290	33.2%
Equipment Operations and Maintenance	166,296	246,780	213,030	49.4%
Total Expenditures	\$ 356,437	\$ 456,130	\$ 431,015	100.0%



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

EQUIPMENT FUND

		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Revenues								
641-000-664.xx	Net Investment Income	239	1,608	4,750	4,750	4,750	4,750	4,750
641-000-667.00	Insurance Proceeds	-	1,131	-	-	-	-	-
641-000-668.10	Fuel Surcharge	1,515	1,284	1,000	1,000	1,000	1,000	1,000
641-000-670.00	Equipment Rental	254,626	264,931	270,000	272,700	275,430	278,180	280,960
641-000-673.00	Sale of Fixed Assets	5,000	-	1,500	-	-	-	-
641-000-687.01	MMRMA Distribution	-	-	6,015	-	-	-	-
	Total Revenues	261,380	268,954	283,265	278,450	281,180	283,930	286,710
Operating Transfers								
641-000-699.28	Refuse and Recycling	36,500	-	-	15,000	-	-	-
	Total Revenues	297,880	268,954	283,265	293,450	281,180	283,930	286,710
Retained Earnings								
641-000-699.00	Approp. of Prior Year Surplus	20,849	87,483	172,865	137,565	239,485	132,485	94,275
	Total Budget	318,729	356,437	456,130	431,015	520,665	416,415	380,985

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

EQUIPMENT FUND (continued)

		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Expenses								
DPW Building and Grounds								
641-271-706.00	Wages/Salaries	14,783	14,515	20,000	20,500	21,500	21,500	21,500
641-271-707.00	Wages/Salaries - Overtime	-	271	1,000	1,000	1,050	1,050	1,050
641-271-776.00	Maintenance Supplies	1,713	3,262	7,000	8,000	6,000	6,000	6,000
641-271-801.00	Contractual Service	3,170	3,791	5,000	5,000	5,000	5,000	5,000
641-271-910.00	Liability/Pool Insurance	338	1,025	850	870	900	930	960
641-271-910.01	Insurance - Underground Storage	-	2,573	2,700	2,780	2,860	2,950	3,040
641-271-920.00	Utilities	1,890	2,012	1,940	1,990	2,040	2,090	2,140
641-271-920.01	Electrical Service	8,672	6,444	6,570	6,700	6,830	6,970	7,110
641-271-920.02	Natural Gas Service	3,027	3,837	4,000	4,080	4,160	4,240	4,320
641-271-920.03	Water & Sewer Service	1,798	1,336	2,000	2,000	2,000	2,000	2,000
641-271-956.00	Contingencies	-	-	-	-	450	1,370	2,330
641-271-967.00	Fringe Benefits	16,223	14,874	20,080	21,775	22,670	22,670	22,670
		51,614	53,940	71,140	74,695	75,460	76,770	78,120
Administration and Records								
641-923-712.00	Contracted Labor	-	8,590	-	-	-	-	-
641-923-728.00	Office Supplies	45	33	50	50	50	50	50
641-923-801.19	Computer Program Services	204	240	370	480	480	480	480
641-923-805.00	Auditing Service	1,858	1,875	2,070	2,120	2,170	2,220	2,280
641-923-853.00	Telephone	5,820	6,076	5,460	9,360	9,060	9,060	9,060
641-923-900.00	Printing & Publishing	-	-	100	100	100	100	100
641-923-910.00	Insurance	256	664	1,260	1,300	1,340	1,380	1,420
641-923-967.02	Overhead	47,000	47,940	48,900	49,880	50,380	50,880	51,390
641-923-968.00	Depreciation Expense	79,278	70,783	80,000	80,000	80,000	80,000	80,000
		134,461	136,201	138,210	143,290	143,580	144,170	144,780

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

EQUIPMENT FUND (continued)

		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
		Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Equipment Operations and Maintenance								
641-932-706.00	Wages/Salaries	25,187	23,920	22,000	22,300	23,000	23,000	23,000
641-932-707.00	Wages/Salaries - Overtime	-	17	-	-	-	-	-
641-932-751.00	Fuel and Oil	15,626	38,276	21,000	22,000	23,000	24,000	24,000
641-932-781.00	Automotive Parts	25,114	20,610	20,500	20,910	21,330	21,760	22,200
641-932-801.04	Maintenance & Repair Service	9,966	25,026	16,540	20,000	20,000	20,000	20,000
641-932-913.00	Vehicle Insurance	2,037	6,668	6,230	6,420	6,610	6,810	7,010
641-932-956.00	Contingencies	-	-	-	-	460	1,400	2,380
641-932-959.00	Underground Tank Registration	200	-	1,200	1,200	1,200	1,200	1,200
641-932-967.00	Fringe Benefits	29,177	22,109	21,035	22,590	23,125	23,125	23,125
641-932-967.04	Unfunded Pension Contributions	6,492	13,344	8,370	10,040	11,650	12,230	12,470
641-932-967.09	Retiree Medical/Dental Premiums	15,475	13,704	14,905	15,570	16,250	16,950	17,700
641-932-971.00	Small Tools & Misc Equipment	3,380	2,622	5,000	9,000	5,000	5,000	5,000
641-932-977.00	Capital Outlay - Equipment	-	-	110,000	63,000	150,000	40,000	-
		132,654	166,296	246,780	213,030	301,625	195,475	158,085
	Total Expenses	318,729	356,437	456,130	431,015	520,665	416,415	380,985
Retained Earnings								
641-999-999.04	Reserve for Maint & Repair	-	-	-	-	-	-	-
	Total Budget	318,729	356,437	456,130	431,015	520,665	416,415	380,985
Analysis of Cash Flow*								
(*Assumes minimal changes in net current assets.)								
	Beginning of Year			388,601	295,736	238,171	78,686	26,201
	Revenues			283,265	293,450	281,180	283,930	286,710
	Expenses			(456,130)	(431,015)	(520,665)	(416,415)	(380,985)
	Add back: non-cash expense (depreciation)			80,000	80,000	80,000	80,000	80,000
	End of Year			295,736	238,171	78,686	26,201	11,926

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.

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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 13.3538 mills for the 2019 tax year.** This was a reduction from 13.5188 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 2.4%.**

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 2019. A Headlee override should be considered 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

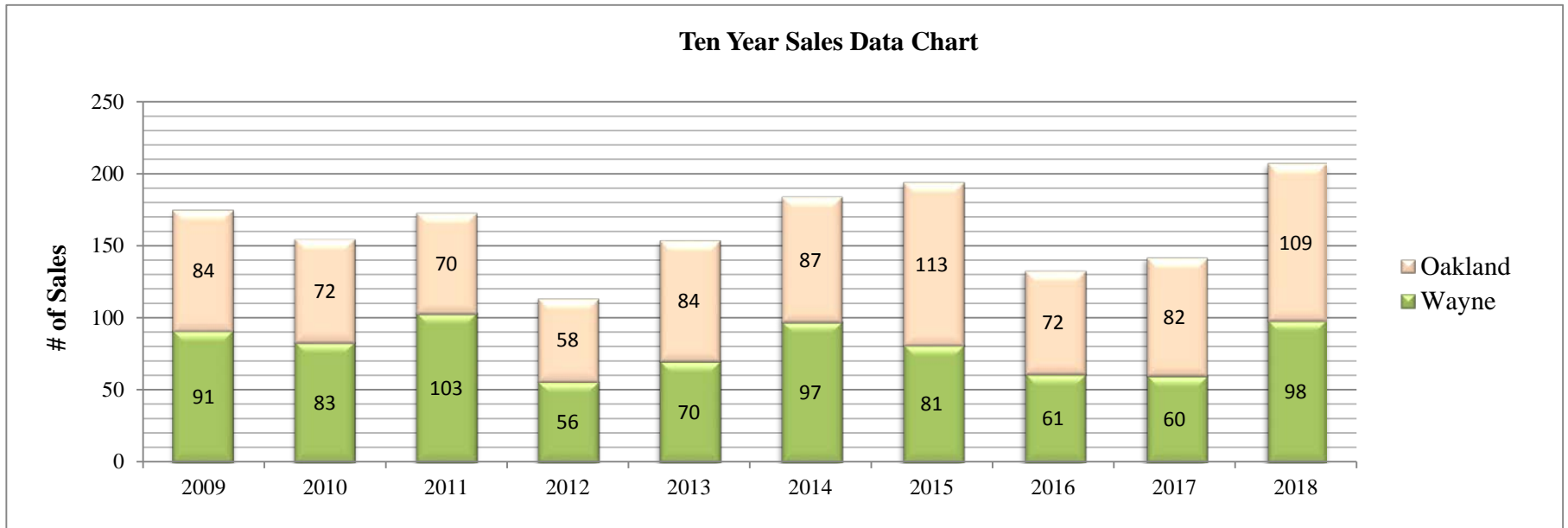
**City of Northville
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Summary of the Assessment Cycle

The 2019 March Board of Review concluded their final meeting on Wednesday, March 13, 2019. The Board of Review received a total of 44 appeals. This was up by 6 appeals from last year. Of these appeals, 22 were for residential real property, and 22 were for commercial personal property. Based on the number of March Board of Review appeals in prior years, this number seems typical given the City’s size and current economic times.

In the year 2018, there were 98 residential transfers of ownership for Wayne County and 109 transfers of ownership in Oakland County. Out of the combined total of 142 transfers of ownership, none were related to a foreclosure.

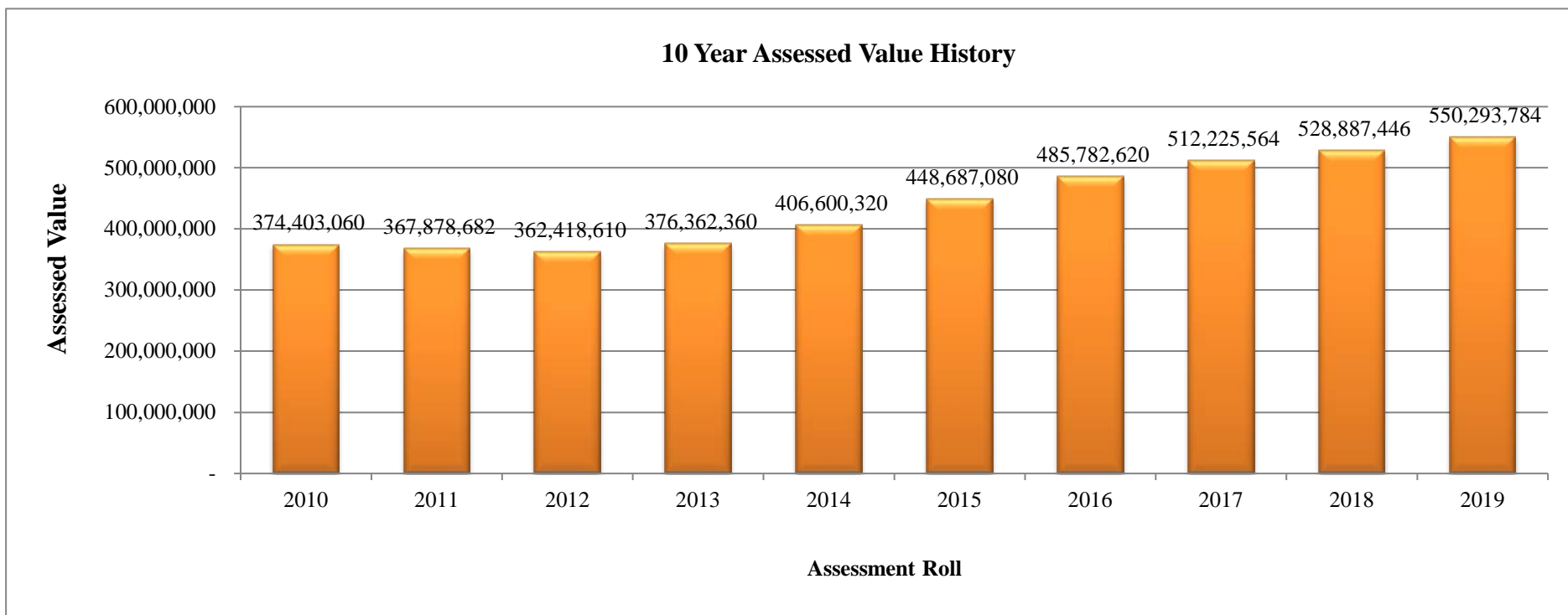
Based on arms length residential home sales in Northville, the average sale price for a home in 2018 in Wayne County was \$400,346 (up from \$350,462 in 2017). Arms length residential home sales in 2017 for Oakland County indicated an average sale price of \$322,190 (down from \$329,437 in 2017).



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Summary of the Assessment Cycle

The assessed value for the City increased 4.05% from 528,887,446 in March 2018 to 550,296,784 in March 2019.



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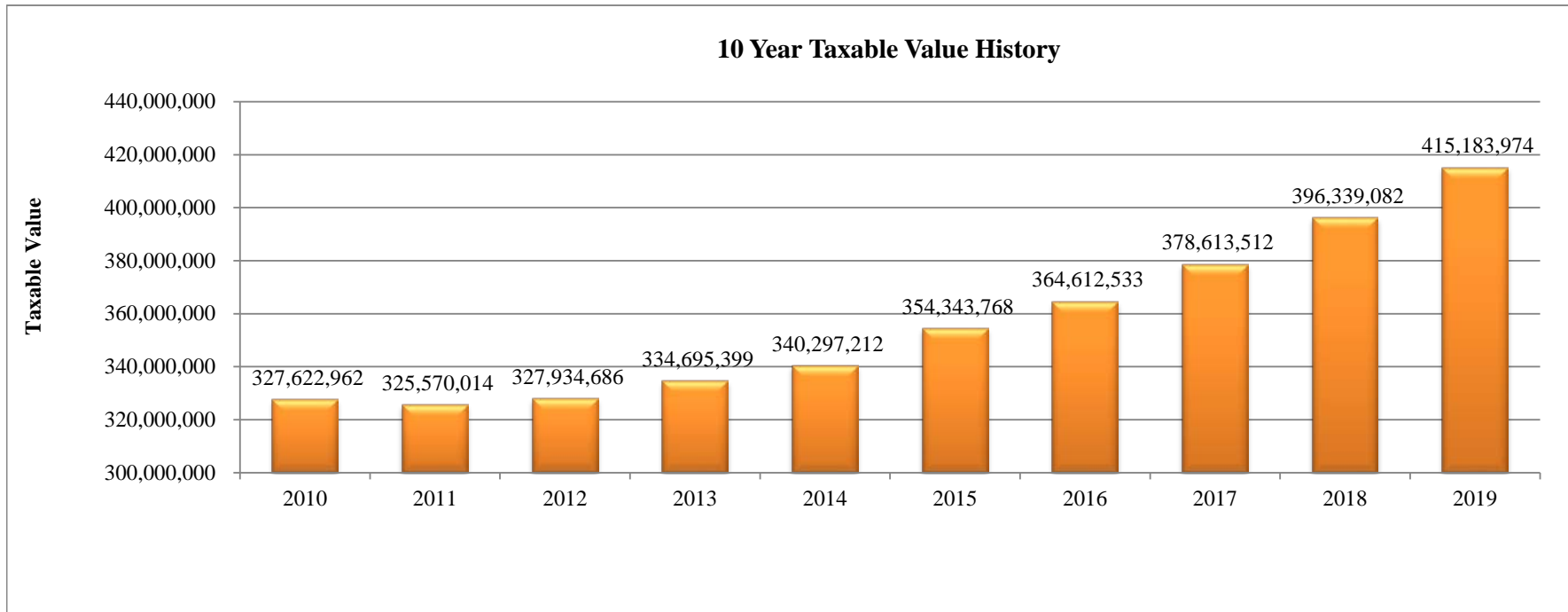
2019 Tax Base Analysis - SEV

WAYNE COUNTY	2019 Parcel Count	2018 Post MBOR	Loss	Net Adjustments	New	2019 Post MBOR	% Change
Real							
Commercial	177	71,060,200	56,000	454,600	141,100	71,599,900	0.76%
Industrial	21	3,072,300	-	(26,900)	-	3,045,400	-0.88%
Residential	1,086	229,648,146	1,405,264	6,977,274	4,889,708	240,109,864	4.56%
Total Real	1,284	303,780,646	1,461,264	7,404,974	5,030,808	314,755,164	3.61%
Personal							
Commercial	478	5,296,400	1,045,610	0	942,700	5,193,490	-1.94%
Industrial	1	16,500	7,800	0	-	8,700	-47.27%
Utility	4	6,126,700	101,500	0	163,500	6,188,700	1.01%
Total Personal	483	11,439,600	1,154,910	0	1,106,200	11,390,890	-0.43%
Exempt	87	-	-	0	-	-	0.00%
Total Wayne County	1,854	315,220,246	2,616,174	7,404,974	6,137,008	326,146,054	3.47%
OAKLAND COUNTY							
Real							
Commercial	20	4,768,400	-	420,700	12,900	5,202,000	9.09%
Industrial	-	-	-	0	-	-	0.00%
Residential	1,319	206,885,300	621,200	9,677,630	697,200	216,638,930	4.71%
Total Real	1,339	211,653,700	621,200	10,098,330	710,100	221,840,930	4.81%
Personal							
Commercial	51	681,500	57,100	0	119,300	743,700	9.13%
Industrial	-	-	-	0	-	-	0.00%
Utility	2	1,332,000	-	0	231,100	1,563,100	17.35%
Total Personal	53	2,013,500	57,100	0	350,400	2,306,800	14.57%
Exempt	38	-	-	0	-	-	0.00%
Total Oakland County	1,430	213,667,200	678,300	10,098,330	1,060,500	224,147,730	4.91%
City Grand Total	3,284	528,887,446	3,294,474	17,503,304	7,197,508	550,293,784	4.05%

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Summary of the Assessment Cycle

The taxable value for the community increased from 396,339,082 in March 2018 to 415,183,974 in March 2019, or 4.75%. It has increased 27% 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.

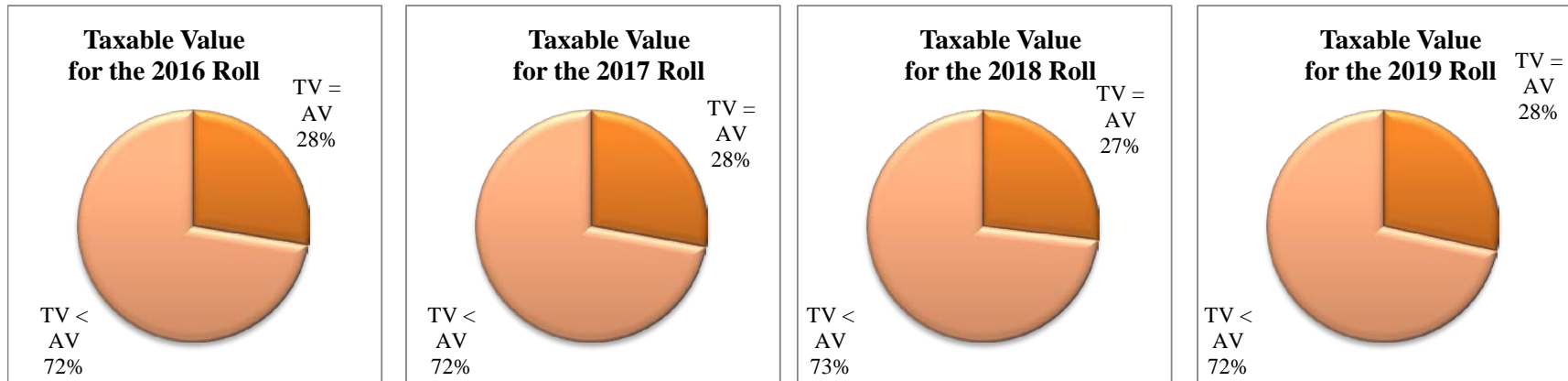
First a Capped Value is determined under the following formula :

$$\text{Capped Value} = \text{Previous Year's Taxable Value} - \text{Losses} \times \text{the Inflation Rate Multiplier} + \text{Additions}$$

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.

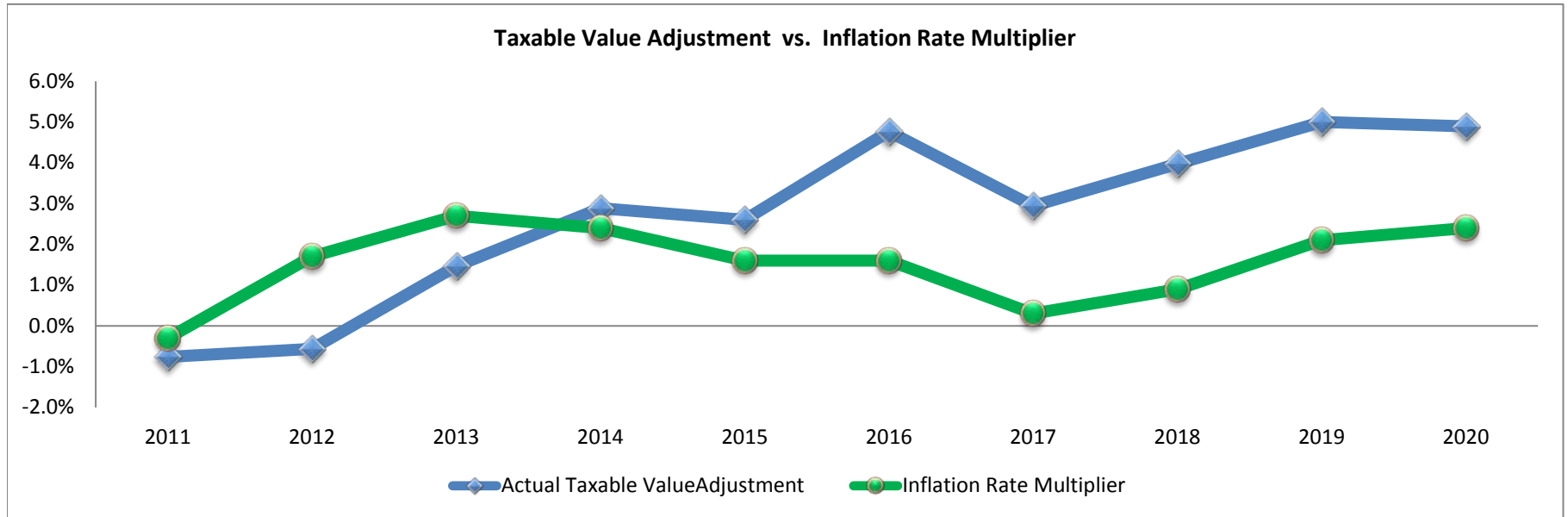
The four pie charts below were designed to demonstrate the how stable the real estate market has been over the past few years.



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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
2020	2019	\$ 388,828,966	4.90%	2.4%
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	-0.76%	-0.3%
Ten Year Average			<u>2.72%</u>	<u>1.5%</u>



**City of Northville
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2019 Tax Base Comparative Analysis

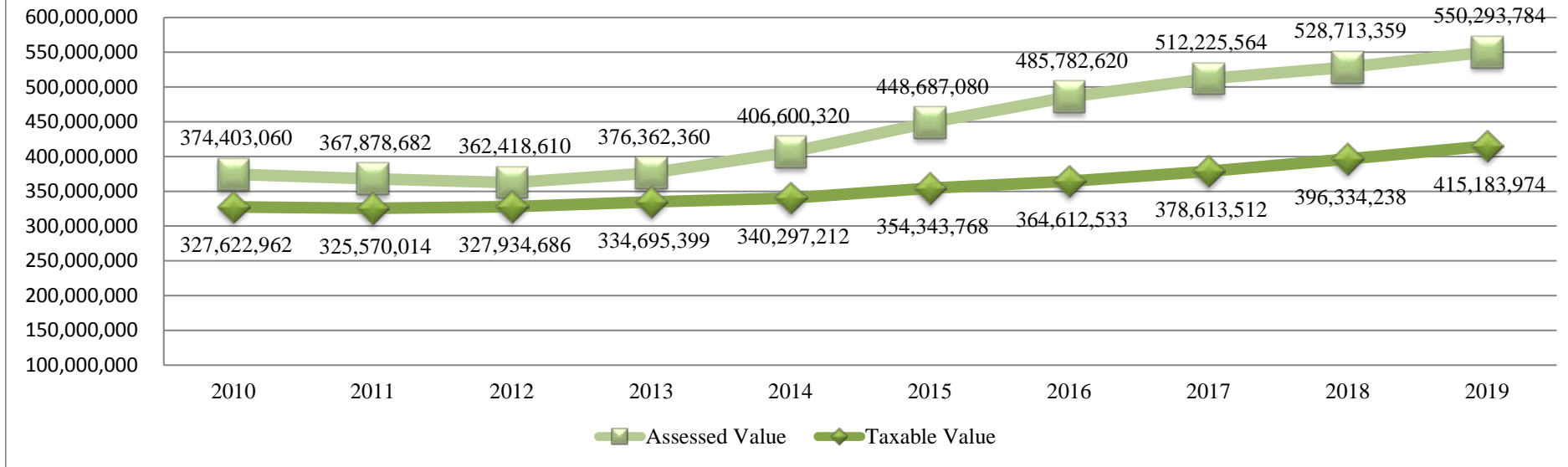
	2018 Parcel Count	2019 Parcel Count	Increase / Decrease	2018 SEV Post MBOR	2019 SEV Post MBOR	% Change	2018 Taxable Post MBOR	2019 Taxable Post MBOR	% Change
WAYNE COUNTY									
Real									
Commercial	177	177	0	71,060,200	71,599,900	0.76%	48,119,488	49,380,442	2.62%
Industrial	21	21	0	3,072,300	3,045,400	-0.88%	2,564,763	2,625,347	2.36%
Residential	1,086	1,086	0	229,648,146	240,109,864	4.56%	169,593,019	179,657,677	5.93%
Total Real	1,284	1,284	0	303,780,646	314,755,164	3.61%	220,277,270	231,663,466	5.17%
Personal									
Commercial	472	478	6	5,296,400	5,193,490	-1.94%	5,296,400	5,193,490	-1.94%
Industrial	1	1	0	16,500	8,700	-47.27%	16,500	8,700	-47.27%
Utility	4	4	0	6,126,700	6,188,700	1.01%	6,126,700	6,188,700	1.01%
Total Personal	477	483	6	11,439,600	11,390,890	-0.43%	11,439,600	11,390,890	-0.43%
Exempt	87	87	0	-	-	-	-	-	-
Total Wayne County	1,848	1,854	6	315,220,246	326,146,054	3.47%	231,716,870	243,054,356	4.89%
OAKLAND COUNTY									
Real									
Commercial	20	20	0	4,768,400	5,202,000	9.09%	4,379,226	4,493,373	2.61%
Industrial	-	-	0	-	-	0.00%	-	-	0.00%
Residential	1,317	1,319	2	206,885,300	216,638,930	4.71%	158,229,486	165,329,445	4.49%
Total Real	1,337	1,339	2	211,653,700	221,840,930	4.81%	162,608,712	169,822,818	4.44%
Personal									
Commercial	53	51	(2)	681,500	743,700	9.13%	681,500	743,700	9.13%
Industrial	-	-	0	-	-	-	-	-	-
Utility	2	2	0	1,332,000	1,563,100	17.35%	1,332,000	1,563,100	17.35%
Total Personal	55	53	(2)	2,013,500	2,306,800	14.57%	2,013,500	2,306,800	14.57%
Exempt	38	38	0	-	-	-	-	-	-
Total Oakland County	1,430	1,430	0	213,667,200	224,147,730	4.91%	164,622,212	172,129,618	4.56%
City Grand Total	3,278	3,284	6	528,887,446	550,293,784	4.05%	396,339,082	415,183,974	4.75%
Less DDA Capture	428	409	(19)	39,316,122	40,039,112	1.84%	25,652,321	26,355,008	2.74%
Net City Grand Total	2,850	2,875	25	489,571,324	510,254,672	4.22%	370,686,761	388,828,966	4.89%

MBOR=March Board of Review

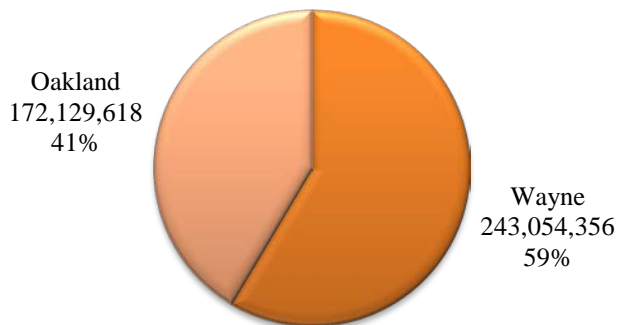
Variance between SEV and Taxable Value **23.80%**

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Assessed Value vs. Taxable Value



**Breakdown of Taxable Value
by County**



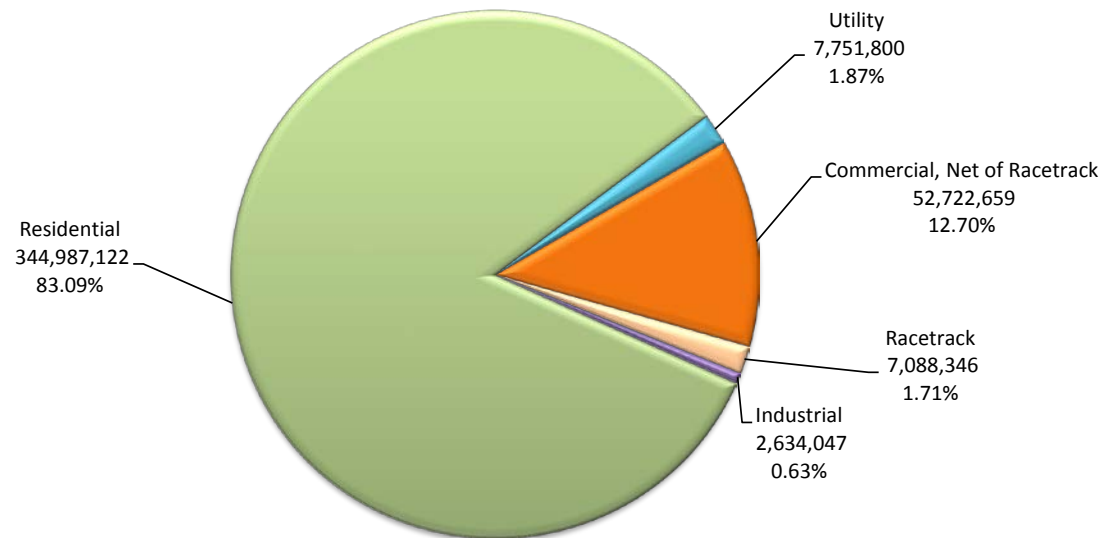
The chart above illustrates the widening of the gap between Taxable Value and Assessed Value due to the upswing in market value over the past few years. Assessed value has increased 4.08% from 2018 while taxable value has increased 4.76%.

The City of Northville sits in two counties. Of the 415,183,974 in taxable value, 59% or 243,054,356 is Wayne County and 41% or 172,129,618 is Oakland County.

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Summary of the Assessment Cycle

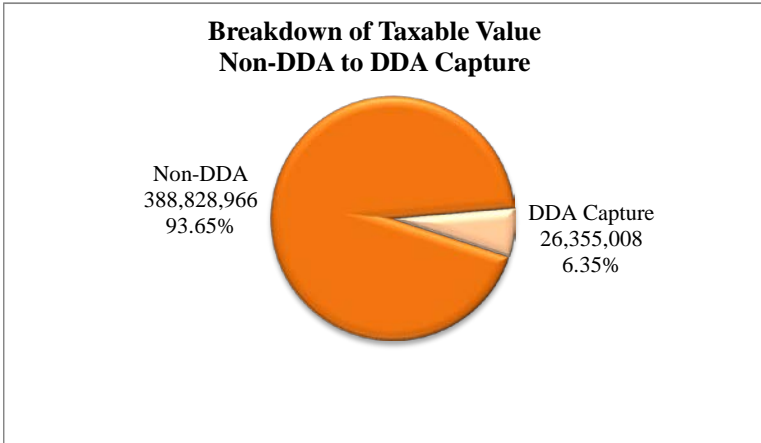
**Breakdown of Taxable Value
by Property Class**



The majority of the City's tax base continues to come from the Residential class at 83%. The next largest class is Commercial at 14%, including the racetrack (1.7%).

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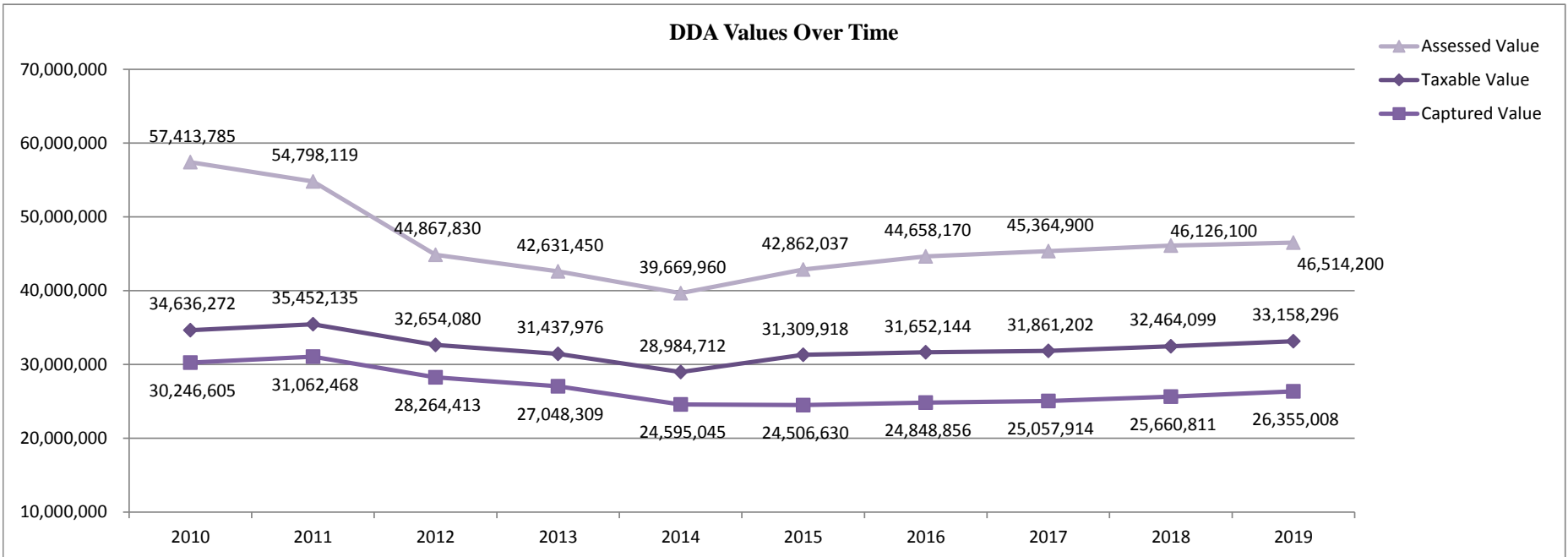
Summary of the Assessment Cycle



The Downtown Development Authority (DDA) captures 6.35% or 26,355,008 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.

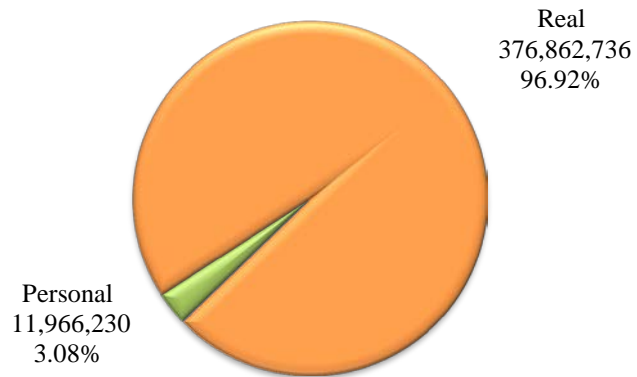
The City maintains the philosophy that reinvestment in the Downtown will result in increased Assessed Value for the DDA. The chart below illustrates that prior to the real estate crash of 2008 this was indeed true. From 2009 to 2014, Taxable Value of the DDA declined.

The increase in assessed value is 0.84% and the increase in taxable value is 2.14% from March 2018 to March 2019. The captured value increases 2.71% from the prior year.



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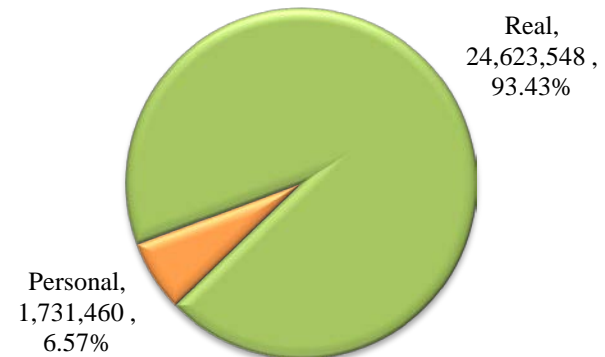
**Taxable Value for the City
Real Property to Personal Property**



Personal Property, net of the DDA capture, accounts for 3.08% of the City's Taxable Value. It decreased from the prior year which was 3.11%

Personal Property accounts for 6.57% of the DDA's taxable value. For comparison, it was 7.49% in the prior year.

**Captured Value for the DDA
Real Property to Personal Property**



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2019 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.

2018 Total Taxable Value	396,339,082
Losses	2,535,513
Additions	6,942,508
2019 Total Taxable Value Based on SEV	415,183,974
2019 Total Taxable Value Based on Assessed Value (A.V.)	415,183,974
2019 Total Taxable Value Based on CEV	415,183,974

Headlee Maximum Millage Roll-Back Formula - 2019
Section 211.34d, MCL, "Headlee" (for each unit of government)

$\frac{(2018 \text{ Total Taxable Value} - \text{Losses}) \times \text{Inflation Rate of } 1.024}{(2019 \text{ Total Taxable Value Based on SEV} - \text{Additions})} =$ $\frac{(396,339,082 - 2,535,513) \times \text{Inflation Rate of } 1.024}{(415,183,974 - 6,942,508)} =$	=	MRF	=	0.98779	=	<p>2019 Rollback Fraction (Truth in Assessing) Round to 4 decimal places in the conventional manner. If number exceeds 1.0000, enter 1.0000</p> <div style="border: 2px solid black; padding: 5px; display: inline-block;">0.9878</div>
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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.

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2019 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.

2018 Total Taxable Value	32,464,099
Losses	564,700
Additions	613,600
2019 Total Taxable Value Based on SEV	33,158,296
2019 Total Taxable Value Based on Assessed Value (A.V.)	33,158,296
2019 Total Taxable Value Based on CEV	33,158,296

Headlee Maximum Millage Roll-Back Formula - 2019

Section 211.34d, MCL, "Headlee" (for each unit of government)

$$\frac{\text{(2018 Total Taxable Value - Losses) X Inflation Rate of 1.024}}{\text{(2019 Total Taxable Value Based on SEV - Additions)}} =$$

MRF

**2019 Rollback Fraction
(Truth in Assessing)**

Round to 4 decimal places in the conventional manner. If number exceeds 1.0000, enter 1.0000

$$\frac{\text{(32,464,099 - 564,700) X Inflation Rate of 1.024}}{\text{(33,158,296 - 613,600)}} =$$

1.00370

=

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
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2019 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.

2019 Total Taxable Value Based on SEV : 415,183,974

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Source	Purpose of Millage	Date of Election	Original Millage Authorized by Election, Charter, ect.	2018 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	2019 Current Year "Headlee" Millage Reduction Fraction	2019 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	13.5188 1.6841	.9878 .9878	13.3538 1.6635	1.0000 1.0000	13.3538 1.6635	13.3538 1.6635	----- -----	N/A N/A
Voted Debt	Street Improv.	2018	0.9003	N/A	N/A	N/A	1.0000	0.9003	0.9003	-----	6/30/2029

* 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 2019 permanently reduced millage rate is found in column 7 of the 2019 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 2019 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 2019 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 2020 Annual Budget
and Five Year Plan (2019-2023)**

**Unlevied Operating Millage History and Projected Headlee Maximum
Actual from Fiscal Years 2011 through 2019 and Proposed 2020**

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				
2020	13.3538	13.3538	0.0000	0.00%	0.0000	1.22%	0.9681	17.4934	4.1396
2019	13.5188	13.5188	0.0000	100.00%	0.1369	1.49%	0.9850	18.0698	4.5510
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
Annual Decrease as a Ten Year Average				22.42%	0.0725	0.60%			

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 FY2020.**

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

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 2020 Tax Levies Subject to Charter Limitation:

	Millage Rate per \$1,000	times	Taxable Value	equals	Tax Levy
Operating Millage Levy	13.3308	x	388,828,966	=	\$ 5,183,401
Street, Drainage and Sidewalk Improvement Millage	1.6606	x	388,828,966	=	645,690
Total					\$ 5,829,092 (A)

Calculation of Tax Levy Limit for FY 2020:

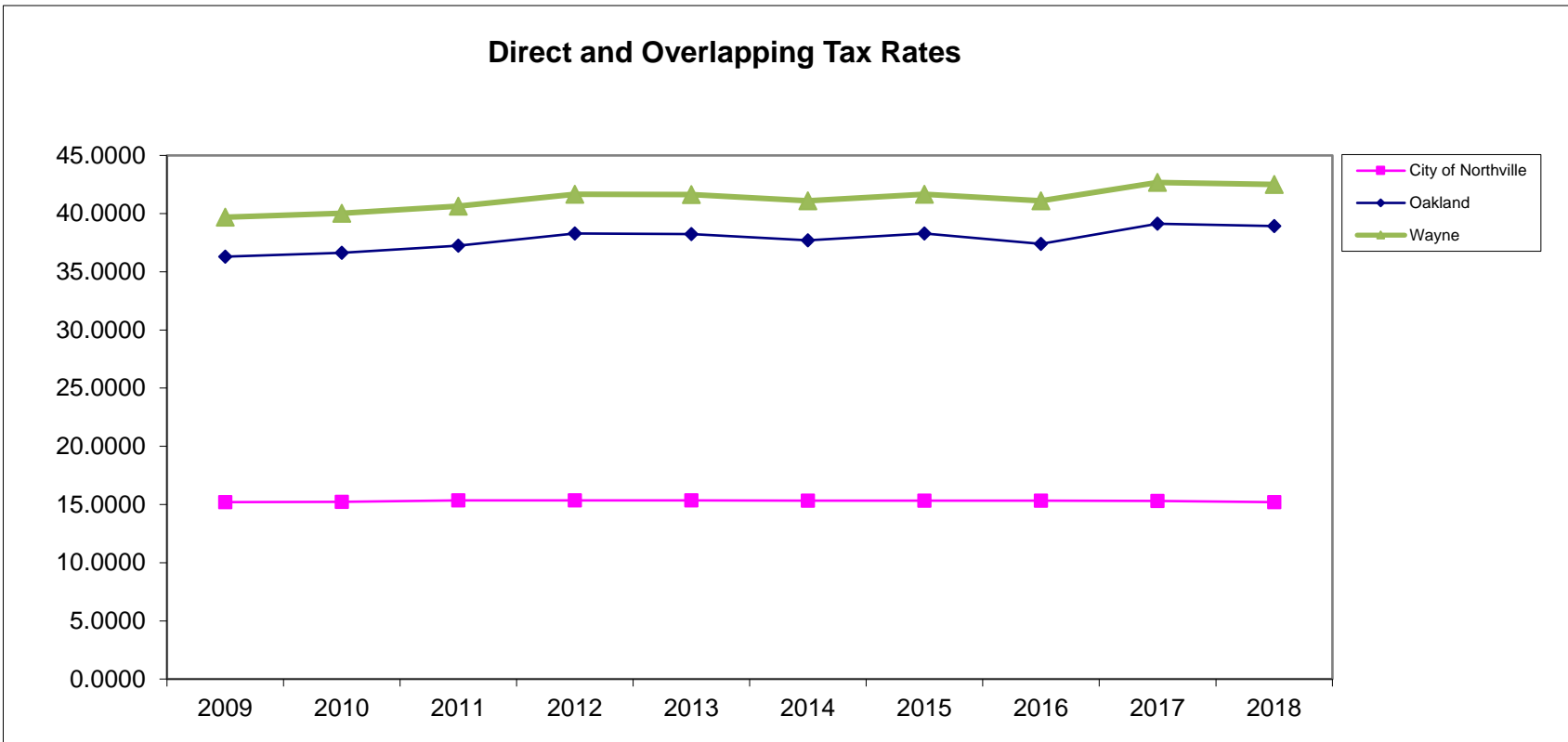
	Limitation Rate	times	Total Value	equals	Limitation
State Equalized Value	2.0%	x	550,293,784	=	\$ 11,005,876 (B)

The proposed FY2020 Total Tax Levy (A) is below the Charter Tax Levy Limit (B).

**City of Northville
Direct and Overlapping Tax Rates
Ten Year Trend - 2009 through 2018**

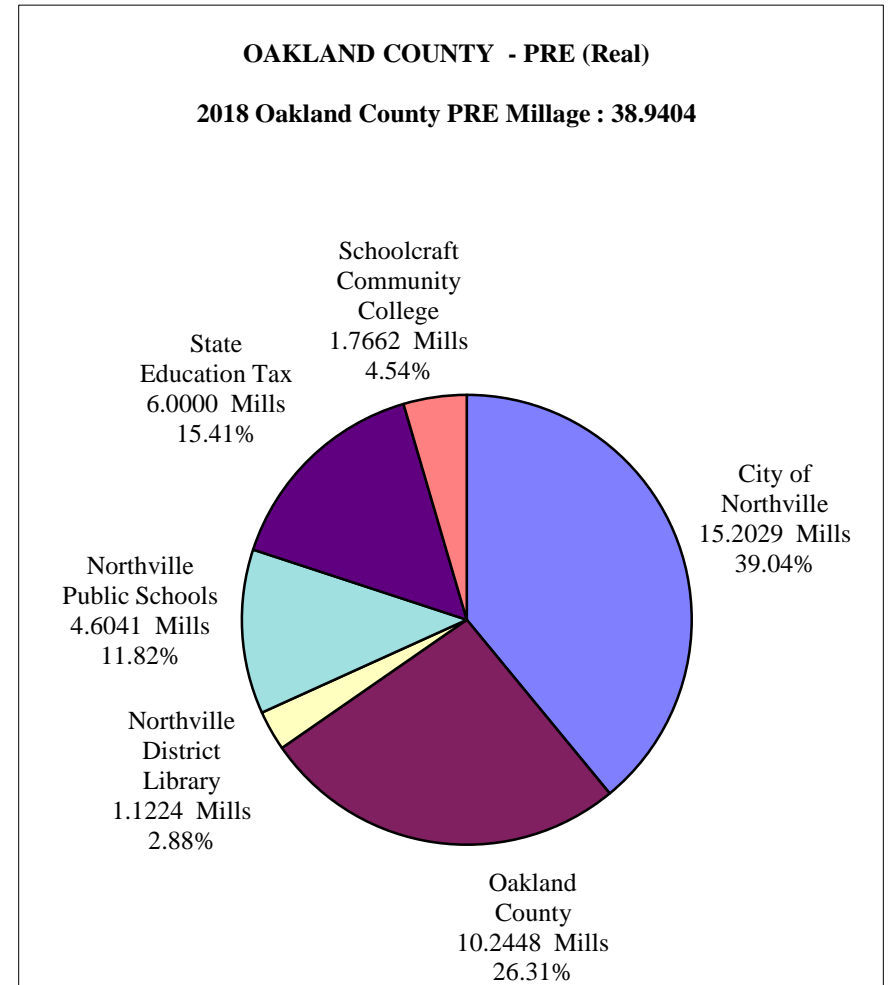
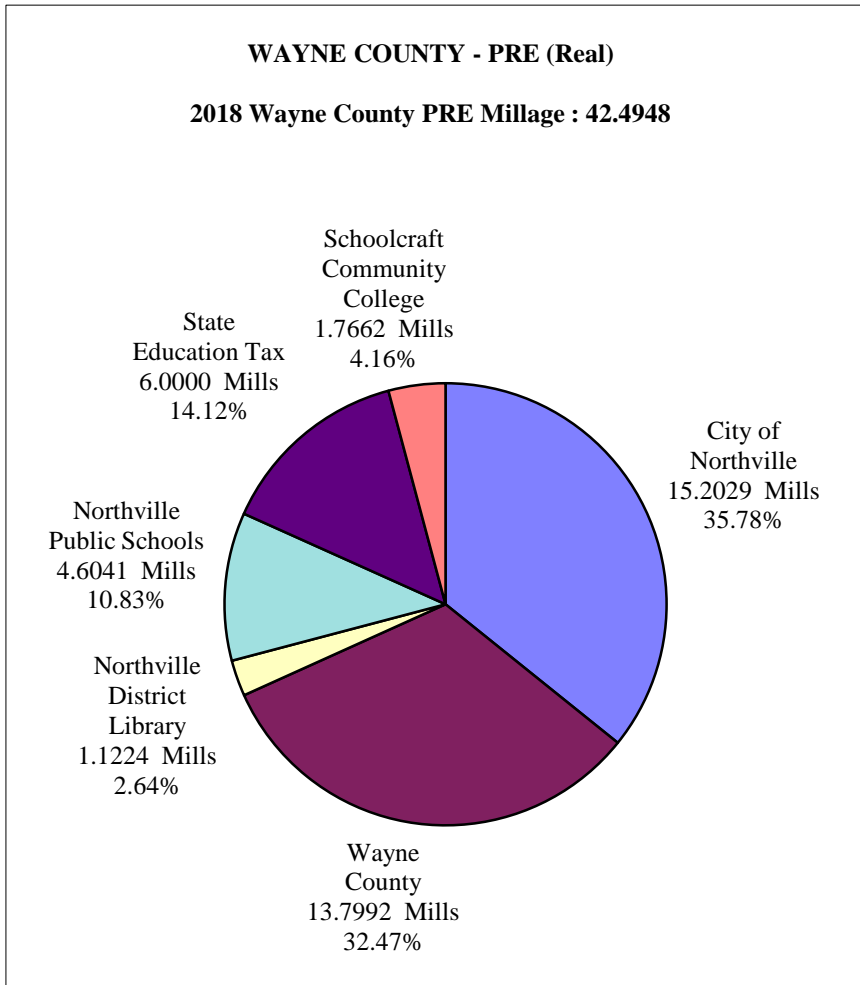
The graph below shows the direct and overlapping residential property tax rates in mills. During the past ten years, the City tax rates have been very stable, averaging 15.3 mills per year. The City tax rate, or direct rate, includes the general operating millage, applicable debt millages, and the street 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.



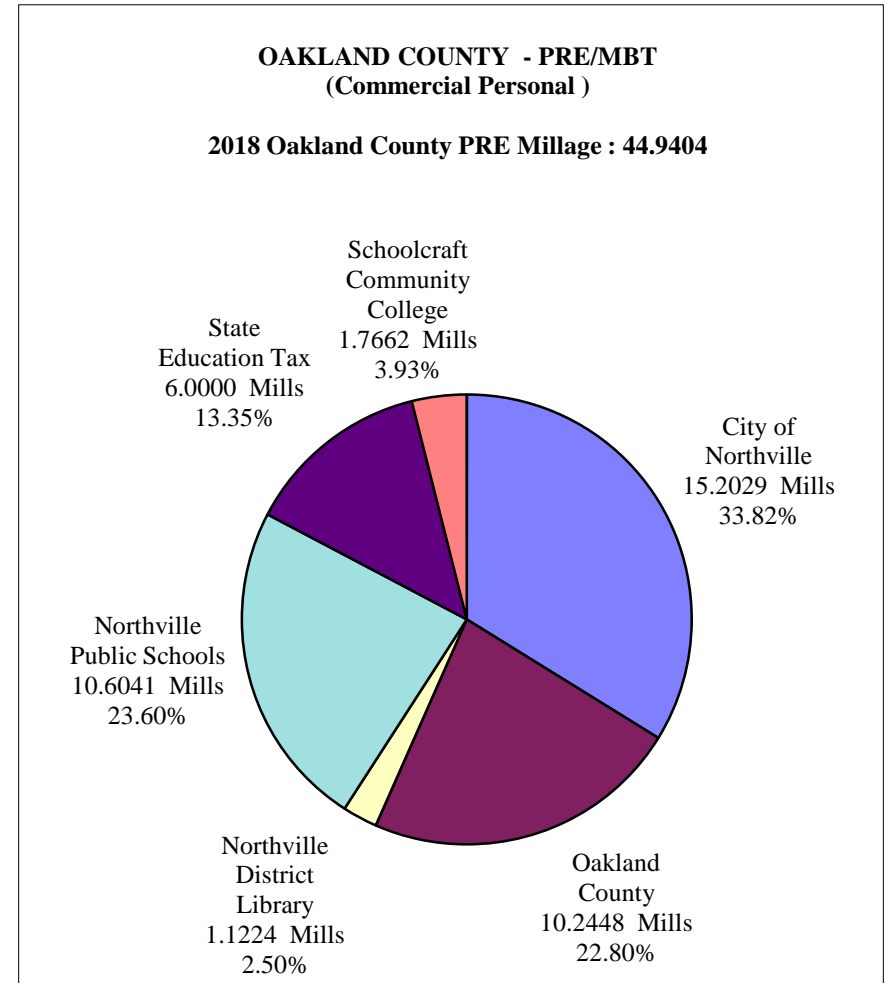
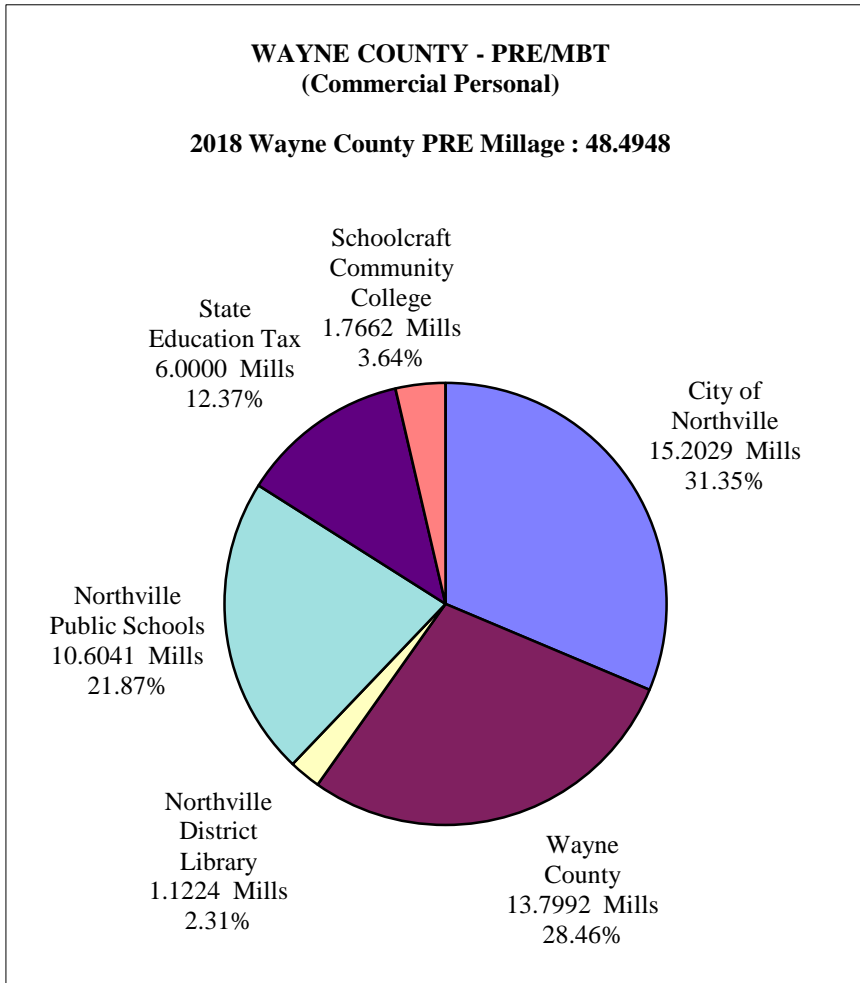
**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

2018 PRE Millage Rate Breakdowns



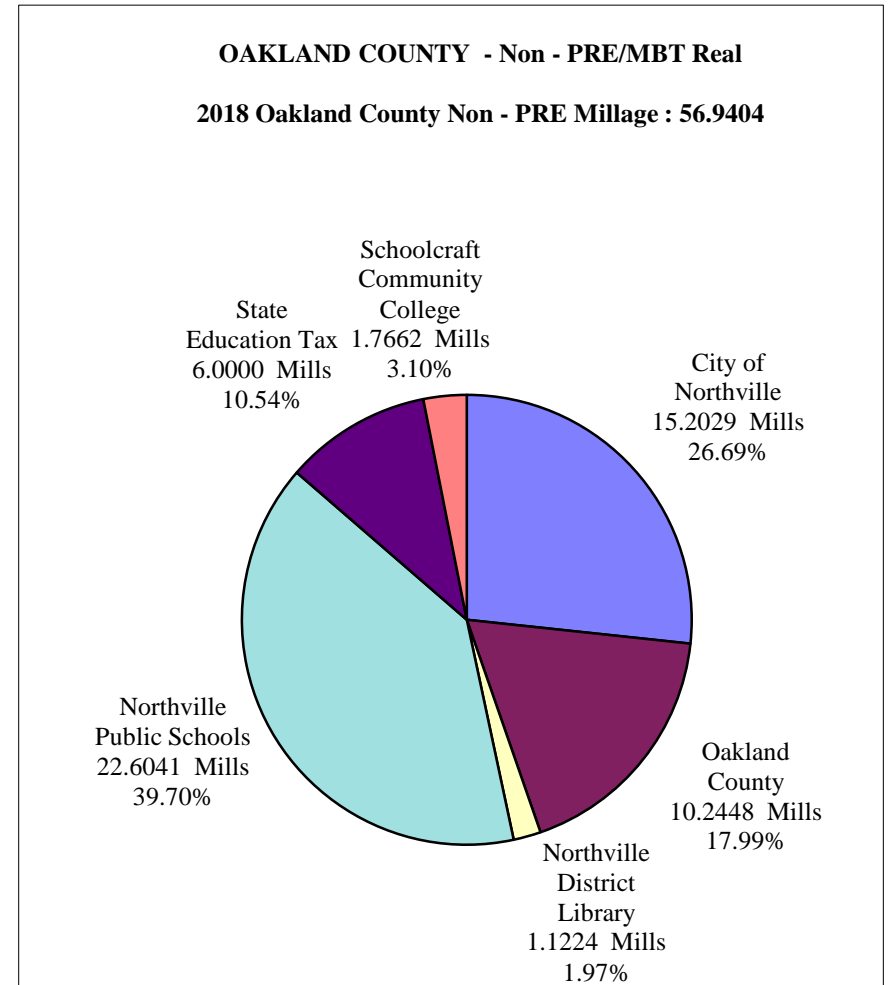
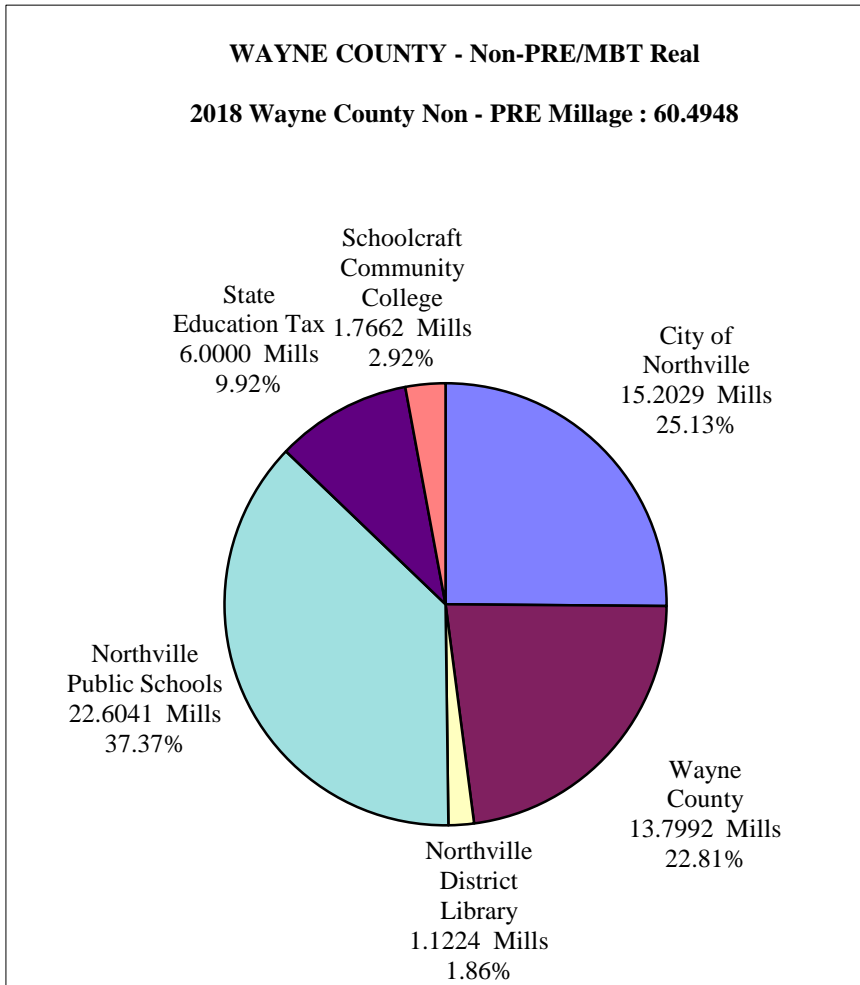
**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

2018 PRE Millage Rate Breakdowns



**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

2018 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 2020 Annual Budget
And Six Year Plan – 2019 through 2024**

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 2019-20 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 FY20 budget includes approximately \$3,411,000 of capital expenditures. A large portion of the significant expenditures for FY20 involve street improvements. With the Street Improvement Bond issue passing on the November 2018 election, numerous Major and Local Street projects are projected to be constructed in FY20. The Major Street Fund will spend \$220,000 and Local Streets will spend \$1,529, 000. Other significant expenditures include the replacement of the Fort Griswold play structure at \$250,000.

City of Northville
Fiscal Year 2020 Annual Budget
And Six Year Plan – 2019 through 2023

SIX YEAR CAPITAL IMPROVEMENT PLAN –continued

Equipment purchases include radio replacement (\$300,000) and a rescue vehicle (\$200,000) for the fire department and mobile data computers (\$48,000) and replacement in-car cameras and server (\$74,000) for the police department. A pickup truck (\$48,000) is budgeted for the department of public works. The capital projects for the Water and Sewer fund include E. Main Street sanitary sewer lining (\$210,000) and N. Rogers Street water main replacement (\$412,000).

City of Northville
Capital Improvement Program
Six Year Plan – 2019 through 2024

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.

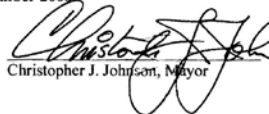
NOW THEREFORE BE IT RESOLVED, that the City of Northville City Council accepts this responsibility of developing an annual Capital Improvements Plan.

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

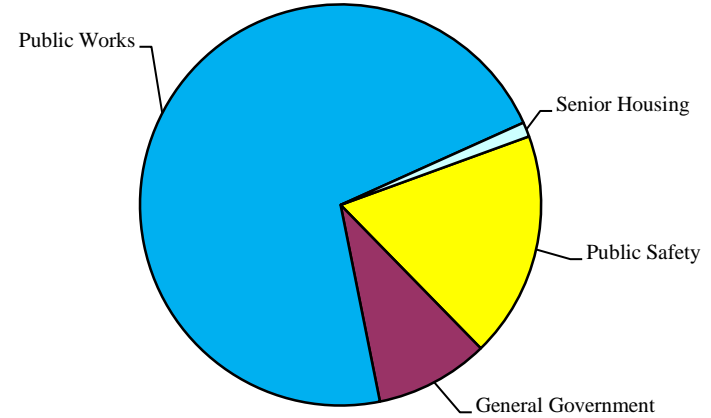
I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Northville, Michigan, at a Regular meeting held on November 17, 2008, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance 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, 2020 and
 Six Year Capital Improvement Plan - 2019-2024
 Summary by Category

Capital Improvement Category	FY 2020 Expenditures	Percent of Total
Public Safety	\$ 622,000	18.2%
General Government	313,000	9.2%
Public Works	2,436,000	71.4%
Senior Housing	40,000	1.2%
Totals	\$ 3,411,000	100.0%

2019-20 Capital Expenditure by Category



For graphing purposes, the following categories have been consolidated.

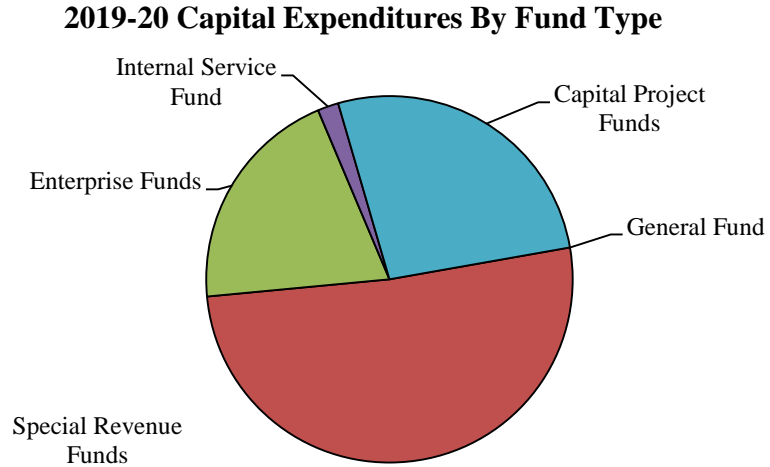
Public Safety includes Police and Fire

General Government includes Technology, Public Facilities and Equipment, and Arts Commission

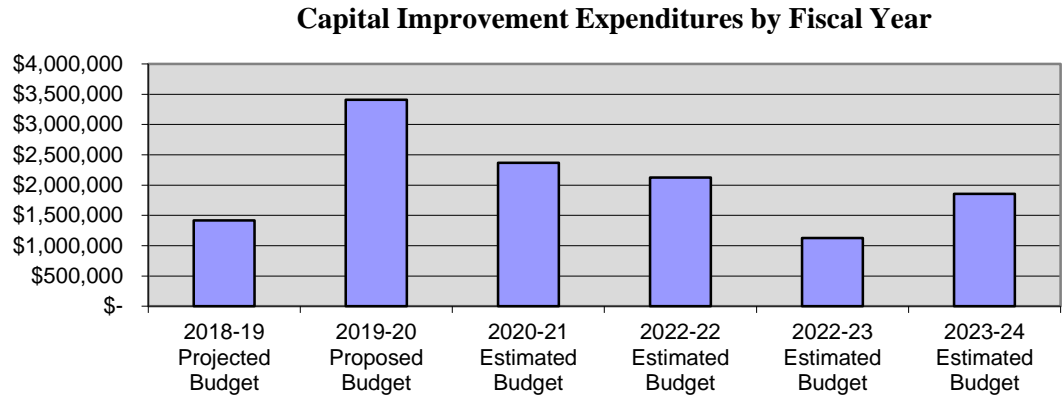
Public Works includes Street, Sidewalks, Parking, Refuse and Recycling, and Water and Sanitary Sewer

City of Northville
 Line Item Budget for the Year Ended June 30, 2020 and
 Six Year Capital Improvement Plan - 2019-2024
 Summary by Fund Type and Fiscal Year

Capital Improvement Fund Type	FY 2020 Expenditures	Percent of Total
General Fund	\$ -	0.0%
Special Revenue Funds	1,749,000	51.3%
Enterprise Funds	687,000	20.1%
Internal Service Fund	63,000	1.8%
Capital Project Funds	912,000	26.7%
Totals	\$ 3,411,000	100.0%

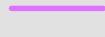




Fiscal Year	Budgeted Amount
2018-19 Projected Budget	\$ 1,416,516
2019-20 Proposed Budget	3,411,000
2020-21 Estimated Budget	2,370,875
2022-22 Estimated Budget	2,126,000
2022-23 Estimated Budget	1,130,000
2023-24 Estimated Budget	1,855,500
Six Year Total	\$ 12,309,891



CITY OF NORTHVILLE

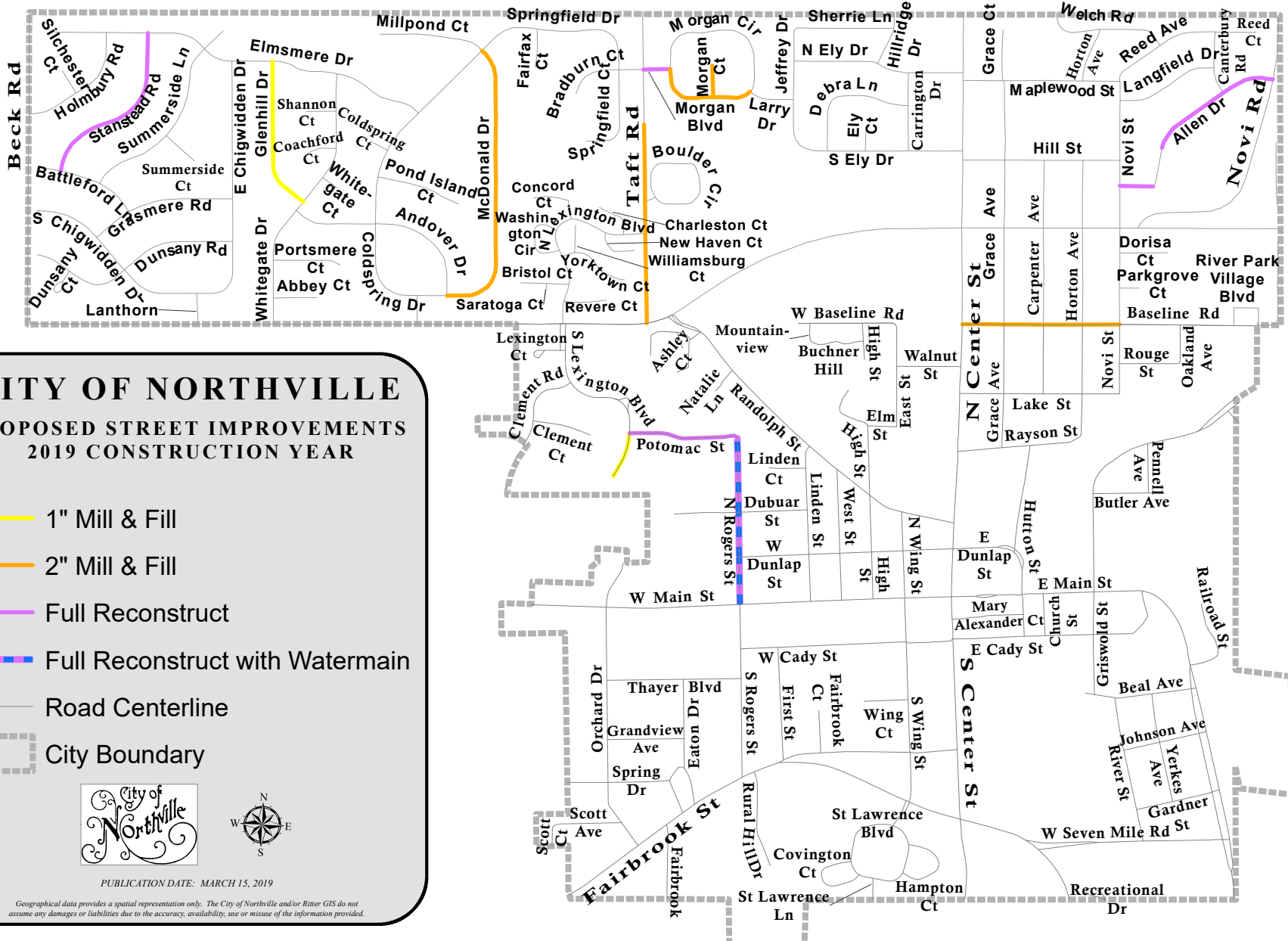
PROPOSED STREET IMPROVEMENTS 2019 CONSTRUCTION YEAR

-  1" Mill & Fill
-  2" Mill & Fill
-  Full Reconstruct
-  Full Reconstruct with Watermain
-  Road Centerline
-  City Boundary



PUBLICATION DATE: MARCH 15, 2019

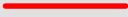
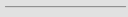
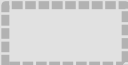
Geographical data provides a spatial representation only. The City of Northville and/or Ritter GIS do not assume any damages or liabilities due to the accuracy, availability, use or misuse of the information provided.



CITY OF NORTHVILLE

STREET, DRAINAGE & SIDEWALK IMPROVEMENT FUND

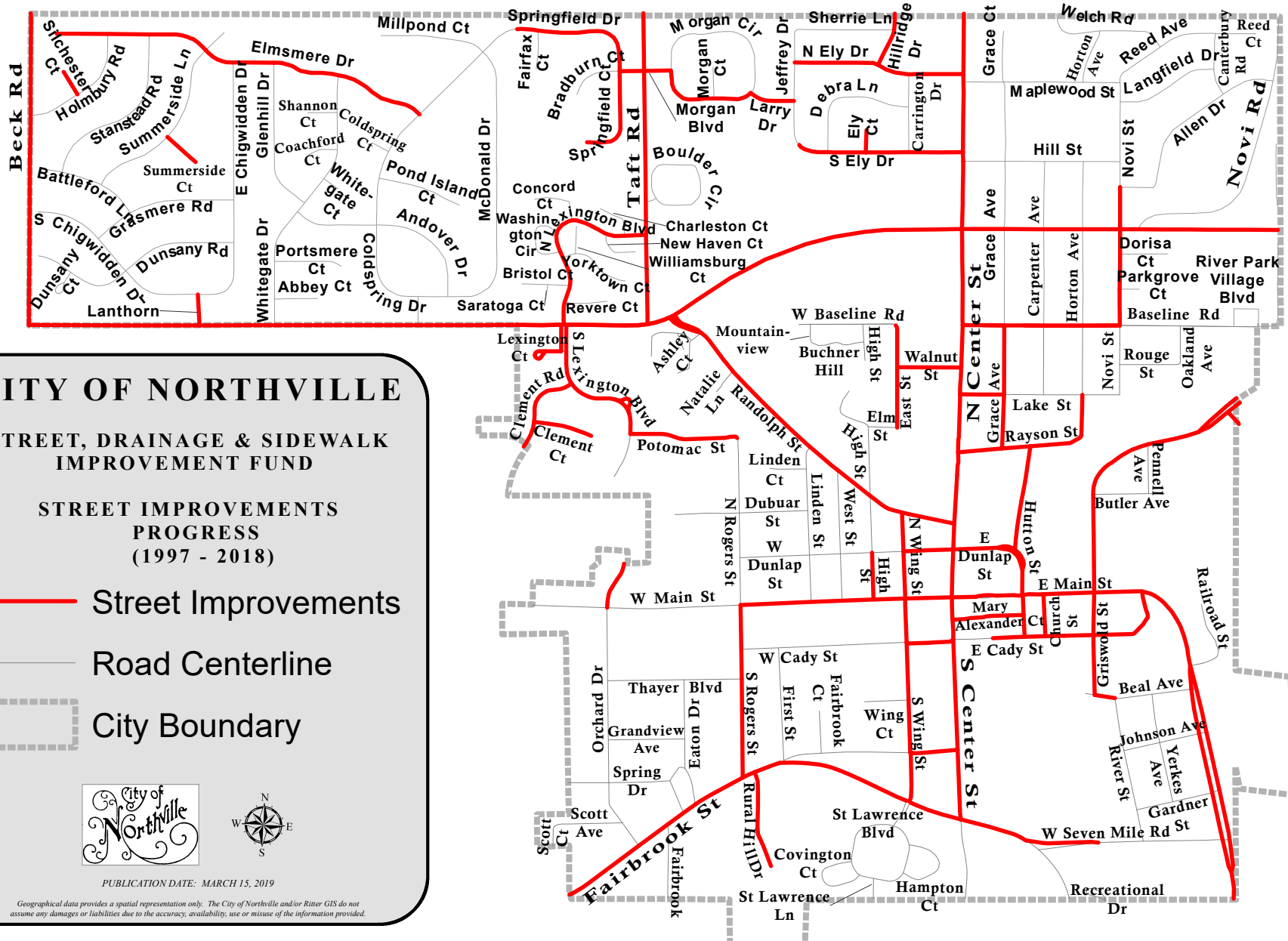
STREET IMPROVEMENTS PROGRESS (1997 - 2018)

-  Street Improvements
-  Road Centerline
-  City Boundary



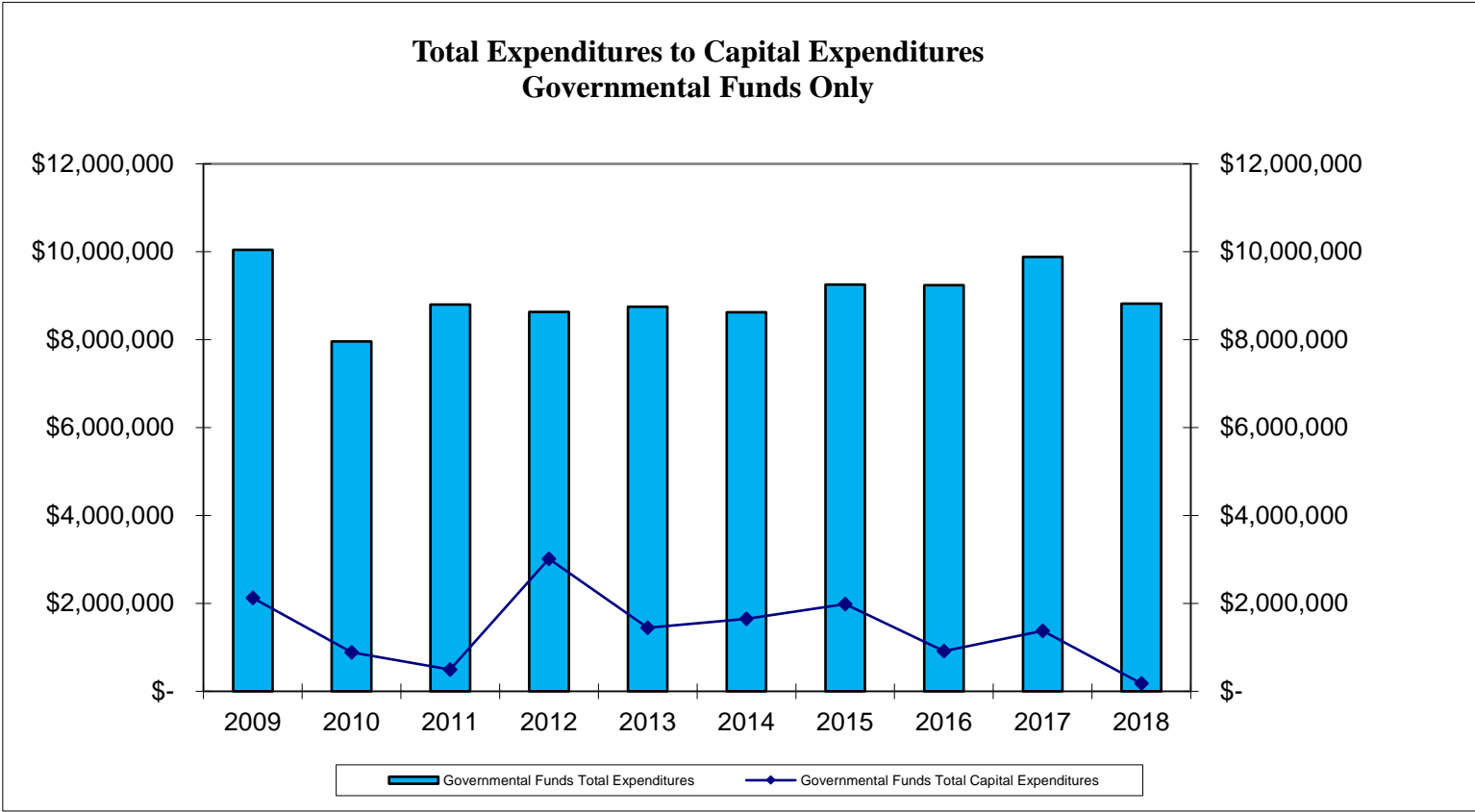
PUBLICATION DATE: MARCH 15, 2019

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
Total Expenditures to Capital Expenditures - Governmental Funds Only
Ten Year Trend - 2009 through 2018

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. FY18 decrease in capital expenditures was due to the deferral of selected street fund projects that will be addressed when the Street Improvement Program is finalized.



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Capital Improvement Plan - 2019-2024
Capital Improvement Plan - Summary by Fund

Fund	2018-19 Projected Budget	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six Year Total
101 General Fund	\$ 24,900	\$ -	\$ 11,000	\$ 22,000	\$ -	\$ 7,500	\$ 65,400
Special Revenue Funds							
202 Major Streets	-	220,000	467,925	650,000	250,000	250,000	1,837,925
203 Local Streets	-	1,529,000	500,000	500,000	500,000	500,000	3,529,000
Enterprise Funds							
592 Water and Sewer	135,988	687,000	350,000	765,000	300,000	300,000	2,537,988
Internal Service Funds							
641 Equipment Fund	110,000	63,000	150,000	40,000	-	550,000	913,000
Capital Project Funds							
401 Public Improvement Fund	246,937	250,000	500,000	-	-	-	996,937
402 Fire Equipment Replacement Fund	467,456	500,000	-	14,000	-	55,000	1,036,456
403 Police Equipment Replacement Fund	100,000	122,000	92,500	135,000	80,000	193,000	722,500
404 Housing Commission Capital Outlay Fund	331,235	40,000	299,450	-	-	-	670,685
Totals	\$ 1,416,516	\$ 3,411,000	\$ 2,370,875	\$ 2,126,000	\$ 1,130,000	\$ 1,855,500	\$ 12,309,891

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Capital Improvement Plan - 2019-2024
Capital Improvement Plan - Summary of Funding Sources

Fund	2018-19 Projected Budget	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six Year Total
101 General Fund							
Direct Purchases	\$ 24,900	\$ -	\$ 11,000	\$ 22,000	\$ -	\$ 7,500	\$ 65,400
State Grants	-	-	-	-	-	-	-
101 Totals	24,900	-	11,000	22,000	-	7,500	65,400
202 Major Streets Fund							
Street Millage	-	-	-	650,000	250,000	250,000	1,150,000
Financing Proceeds	-	220,000	467,925	-	-	-	687,925
202 Totals	-	220,000	467,925	650,000	250,000	250,000	1,837,925
203 Local Streets Fund							
Street Millage	-	-	-	500,000	500,000	500,000	1,500,000
Financing Proceeds	-	1,529,000	500,000	-	-	-	2,029,000
203 Totals	-	1,529,000	500,000	500,000	500,000	500,000	3,529,000
401 Public Improvement Fund							
Cemetery Sales	171,937	-	-	-	-	-	171,937
Direct Purchases	75,000	250,000	-	-	-	-	325,000
Federal Grant	-	-	500,000	-	-	-	500,000
401 Totals	246,937	250,000	500,000	-	-	-	996,937
592 Water and Sewer							
User Charges	135,988	687,000	350,000	765,000	300,000	300,000	2,537,988
592 Totals	135,988	687,000	350,000	765,000	300,000	300,000	2,537,988
641 Equipment Fund							
Equipment Rental	95,000	63,000	150,000	40,000	-	550,000	898,000
Transfers from Other Funds	15,000	-	-	-	-	-	15,000
641 Totals	110,000	63,000	150,000	40,000	-	550,000	913,000

Continued

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Capital Improvement Plan - 2019-2024
Capital Improvement Plan - Summary of Funding Sources

Fund - continued	2018-19 Projected Budget	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six Year Total
402 Fire Equipment Replacement Fund							
Direct Purchases	467,456	500,000	-	14,000	-	55,000	1,036,456
402 Totals	467,456	500,000	-	14,000	-	55,000	1,036,456
		-					
403 Police Equipment Replacement Fund							
Direct Purchases	100,000	122,000	92,500	135,000	80,000	193,000	722,500
403 Totals	100,000	122,000	92,500	135,000	80,000	193,000	722,500
404 Housing Commission Capital Outlay							
Tenant Rent Revenue	331,235	40,000	299,450	-	-	-	670,685
404 Total	331,235	40,000	299,450	-	-	-	670,685
All Fund Totals							
Direct Purchases	667,356	872,000	103,500	171,000	80,000	255,500	2,149,356
Street Millage	-	-	-	1,150,000	750,000	750,000	2,650,000
Insurance Proceeds	-	-	-	-	-	-	-
Grants	-	-	500,000	-	-	-	500,000
Tenant Rent Revenue	331,235	40,000	299,450	-	-	-	670,685
Financing and Bond Proceeds	-	1,749,000	967,925	-	-	-	2,716,925
Cemetery Sales	171,937	-	-	-	-	-	171,937
User Charges	135,988	687,000	350,000	765,000	300,000	300,000	2,537,988
Equipment Rental	95,000	63,000	150,000	40,000	-	550,000	898,000
Transfers from Other Funds	15,000	-	-	-	-	-	15,000
Financing and Bond Proceeds	-	-	-	-	-	-	-
Grand Totals	\$ 1,416,516	\$ 3,411,000	\$ 2,370,875	\$ 2,126,000	\$ 1,130,000	\$ 1,855,500	\$ 12,309,891

Capital Improvement Plan

General Fund

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - General Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<p><u>Server Replacement :</u> 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	24,900	-	-	-	-	-	24,900
<p><u>Statewide Voting Equipment:</u> DESCRIPTION: 2 Verity Scanners JUSTIFICATION: Additional scanners will be required with the creation of new voting precincts made necessary with the development of the Northville Downs property. OPERATIONAL IMPACT: The operating budget will increase with the required maintenance of \$424 per scanner and additional supplies related to their usage, approximately \$4,000. FUNDING SOURCE: General Fund</p>	Clerks	-	-	11,000	-	-	-	11,000
<p><u>City Hall Copier:</u> 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, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - General Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
Postage Machine: DESCRIPTION: Postage machine located in City Hall. JUSTIFICATION: The current machine was purchased in FY18. The postage machine is on a six year replacement cycle. A new machine will reduce downtime associated with older machines. OPERATIONAL IMPACT: No impact on operating budget FUNDING SOURCE: General Fund	Technology	-	-	-	-		7,500	7,500
Totals for Fund 101		24,900	-	11,000	22,000	-	7,500	65,400

Capital Improvement Plan

Special Revenue Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Major Streets

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<p>Taft DESCRIPTION: Reconstruction of roadway from Eight Mile to south of Morgan. 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: Bond Proceeds</p>	Street	-	190,000	-		-	-	190,000
<p>Baseline DESCRIPTION: Reconstruction of roadway from Horton to Novi Road. Work includes 2" partial-depth mill and replacement with spot repair and replacement of sidewalks and curbs. This work will be in conjunction with Water and Sewer repair and replacement. 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: Bond Proceeds</p>	Street	-	30,000	135,000		-	-	165,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Major Streets

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
Horton DESCRIPTION: Reconstruction of roadway from Lake to Eight Mile. 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: Bond Proceeds	Street	-	-	300,000				300,000
E. Cady Reconstruction 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	-	-	-	400,000	-	-	400,000
Street Improvement Program - Major Streets DESCRIPTION: Future funding for Major Street improvements based on the Street Improvement Program. JUSTIFICATION: To continue improving the condition of the Street network within the City. OPERATIONAL IMPACT: Minimal impact FUNDING SOURCE: Street Millage	Street	-	-	32,925	250,000	250,000	250,000	782,925
Totals for Fund 202		-	220,000	467,925	650,000	250,000	250,000	1,837,925

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Local Streets

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
Local Street Improvement Program								
DESCRIPTION: Repair and reconstruct local roads in accordance with the Street Improvement Program. The local street that are scheduled for improvements in FY20 are as follows: Baseline: Center - Horton, N. Rogers: Main to Potomac, Lexington Ct, Glen Hill Dr, MacDonald, Potomac, Morgan Blvd, Allen Dr, Morgan Circle/Court, Stanstead. Future projects will be evaluated and prioritized.								
JUSTIFICATION: The City's local street network system is currently in disrepair. On November 6, 2018, voters passed a ballot proposal authorizing the issuance of a \$3,050,000 Street Improvement Bond to replace and repair roads and slow the rate of deterioration.								
OPERATIONAL IMPACT: Minimal impact; cold patching and crack sealing will no longer be needed.								
FUNDING SOURCE: Bond Proceeds/Street Millage								
	Street		1,529,000	500,000	500,000	500,000	500,000	3,529,000
Totals for Fund 203		-	1,529,000	500,000	500,000	500,000	500,000	3,529,000

Capital Improvement Plan

Capital Project Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Public Improvement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 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	75,000	-	-	-	-	-	75,000
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	171,937	-	-	-	-	-	171,937
Fort Griswold replacement: DESCRIPTION: Replace the Fort Griswold wooden play structure with a new structure that meets current safety and ADA guidelines. JUSTIFICATION: The existing structure is was constructed 21 years ago. Safety and ADA guidelines have changed significantly since its construction. OPERATIONAL IMPACT: Slight reduction in short/mid-term maintenance costs. Approximately \$500 annually. FUNDING SOURCE: \$125,000 from prior year breakage allocations. Additional funding from community donations and possible grant funding.	Parks	-	250,000	-	-	-	-	250,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Public Improvement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
Johnson Creek bank/ pond restoration: DESCRIPTION: This project includes the clearing and naturalization of the Johnson Creek bank within a section of Fish Hatchery Park. It will also include work to dredge some of the pond, adjacent to the creek. JUSTIFICATION: This project will open up the creek visually and provide better pedestrian access to the creek and pond. It will also create an improved fish habitat. OPERATIONAL IMPACT: Minimal impact on the operating budget FUNDING SOURCE: EPA Grant				500,000				500,000
Totals for Fund 401		246,937	250,000	500,000	-	-	-	996,937

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Fire Equipment Replacement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<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 Reserves</p>	Fire	453,256	-	-	-	-	-	453,256
<p><u>Hydraulic Rescue Tools</u> 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
<p><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: Fire Equipment Replacement Fund</p>	Fire	-	300,000					300,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Fire Equipment Replacement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<p>Rescue Vehicle 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 Reserves</p>	Fire	-	200,000	-	-	-	-	200,000
<p>Thermal Imaging Cameras 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</p>	Fire	-	-	-	14,000			14,000
<p>Utility Rescue Vehicle DESCRIPTION: Used to provide access to patients in areas where a regular ambulance cannot easily gain access. JUSTIFICATION: This vehicle assists the City in providing rescue services to its constituents. OPERATIONAL IMPACT: Impact to operating budget is a savings of approximately \$1,000 per year in maintenance costs. FUNDING SOURCE: Fire Equipment Replacement Fund</p>	Fire		-	-	-	-	20,000	20,000

City of Northville
 Line Item Budget for the Year Ended June 30, 2020 and
 Six Year Plan - 2019-2024
 Capital Improvement Plan - Fire Equipment Replacement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
Utility Truck: DESCRIPTION: Replace existing truck. JUSTIFICATION: This vehicle is used for various tasks including fire inspections, meetings, moving equipment and response to calls for service. The current unit was obtained used from DPW and is a 2008 model year. OPERATIONAL IMPACT: Impact to operating budget is a savings due to reduced maintenance costs. FUNDING SOURCE: Fire Equipment Replacement Fund	Fire	-	-	-	-	-	35,000	35,000
Totals for Fund 402		467,456	500,000	-	14,000	-	55,000	1,036,456

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Police Equipment Replacement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<p>MPSCS Radios DESCRIPTION: A 800 MHz system is 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. Replacement is scheduled to occur over a three year period 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	30,000	90,000
<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, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Police Equipment Replacement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<p>Replacement Police Cars and Setup 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	100,000	-	50,000	100,000	50,000	102,000	402,000
<p>LIDAR Device DESCRIPTION: Replacement of existing LIDAR device. JUSTIFICATION: Hand held Light Detecting and Ranging (LIDAR) devices have become more prevalent in law enforcement due to their compact nature and ability to be target selective as opposed to traditional RADAR. The current LIAR was purchased during fiscal year 2015-2016. Due to technological advances and the normal degrading of electronics over time, this will replace the existing LIDAR unit. OPERATIONAL IMPACT: Minimal impact to operating budget. FUNDING SOURCE: Police Equipment Replacement Fund</p>	Police	-	-	-	5,000	-	-	5,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Police Equipment Replacement Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<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. Fiscal year 2018-19 includes six cameras as well as redaction software and hardware. Fiscal year 2022-23 is to replace the six cameras. 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	-	74,000	-	-	-	61,000	135,000
<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		100,000	122,000	92,500	135,000	80,000	193,000	722,500

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Housing Commission

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 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	321,235	-	-	-	-	-	321,235
<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	-	40,000	-	-	-	-	40,000
<p><u>Security Camera Replacements</u> DESCRIPTION: Replace existing security cameras JUSTIFICATION: Replacement needed due to age of current cameras. Upgrading the system will allow reallocation of staff time that is currently spent viewing recordings, patrolling the site, and will permit staff to view the building from mobile devices. OPERATIONAL IMPACT: Minimal impact to budget. Staff time can be utilized in a more productive capacity. FUNDING SOURCE: Reserved funds from Housing operations.</p>	Senior Housing	10,000	-	-	-	-	-	10,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Housing Commission

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
Replace Apartment Windows & Patio Doors: 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.	Senior Housing	-	-	299,450	-	-	-	299,450
Totals for Fund 404		331,235	40,000	299,450	-	-	-	670,685

Capital Improvement Plan

Enterprise Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Water and Sewer Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<p><u>Underground Sewer Inspection Equipment</u> DESCRIPTION: Sewer Inspection Video equipment that facilitates the inspection and recording of the condition of the City's sewer system. JUSTIFICATION: This equipment will provide standardization and consistency to identify pipeline conditions by the City staff. OPERATIONAL IMPACT: There will be savings with this service no longer needing to be out sourced. FUNDING SOURCE: Water and Sewer Fund</p>	Water and Sanitary Sewer	99,988	-	-	-	-	-	99,988
<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	-	65,000	-	-	-	-	65,000
<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	-	210,000	-	-			210,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Water and Sewer Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<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
<p><u>N. Rogers Street Water Main Replacement</u> 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	21,000	412,000					433,000
<p><u>High Street & Elm Street Water Main Replacement</u> 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>				250,000				

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Water and Sewer Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<u>Horton Street Water Main Replacement</u> 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	Water and Sanitary Sewer			100,000				100,000
<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	Water and Sanitary Sewer	-		-	465,000			465,000
<u>Miscellaneous Water Main Projects : 592-557-801.66</u> DESCRIPTION: Funding for future water main projects as determined necessary. JUSTIFICATION: With an aging water system, replacements are needed periodically. OPERATIONAL IMPACT: No impact to operating budget FUNDING SOURCE: Water and Sewer Fund	Water and Sanitary Sewer	-	-	-	300,000	300,000	300,000	900,000
Totals for Fund 592		135,988	687,000	350,000	765,000	300,000	300,000	2,287,988

Capital Improvement Plan

Internal Service Funds

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Equipment Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<p>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</p>	Public Facilities and Equipment	110,000	-	-	-	-	-	110,000
<p>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</p>	Public Facilities and Equipment	-	48,000	-	-	-	-	48,000
<p>Tink Leaf Claw: DESCRIPTION: Replacement of existing loader leaf claw which is over 10 years old. JUSTIFICATION: This is the main piece of equipment used during the annual leaf collection. It has exceeded its useful life and is in disrepair. OPERATIONAL IMPACT: Impact to operating budget is a savings due to decreased maintenance and repair costs. FUNDING SOURCE: Refuse and Recycling Reserves</p>	Public Facilities and Equipment	-	15,000	-	-	-	-	15,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Equipment Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
37,000 GVW Plow Truck: DESCRIPTION: Replacement of the 1994 plow truck. JUSTIFICATION: Existing truck will be 27 years old upon replacement and is currently in need of repair. OPERATIONAL IMPACT: Impact to operating budget is a savings due to decreased repair costs. FUNDING SOURCE: Equipment Fund Reserves	Public Facilities and Equipment	-	-	150,000	-		-	150,000
Kubota Utility Vehicle: 641-932-977.00 DESCRIPTION: Utility Vehicle JUSTIFICATION: Replacement of the 2006 vehicle. This equipment is used to plow and salt sidewalks. OPERATIONAL IMPACT: Impact to operating budget is a savings due to reduced maintenance and repair costs on current vehicle. FUNDING SOURCE: Equipment Fund Reserves	Public Facilities and Equipment	-	-	-	20,000	-	-	20,000
V-Box Salt Spreader: DESCRIPTION: Replacement salt spreader box for trucks. JUSTIFICATION: The current salt spreader box has rusted beyond repair. Replacement will keep truck efficient as a snow removal vehicle. OPERATIONAL IMPACT: No impact to operating budget. FUNDING SOURCE: Equipment Fund Reserves	Public Facilities and Equipment	-	-	-	20,000	-	-	20,000
Street Sweeper: DESCRIPTION: Replacement of 2001 Street Sweeper JUSTIFICATION: The current sweeper will be in need of replacement. It is important to keep the streets clean to comply with the City MS4 storm water permit from the State of Michigan. OPERATIONAL IMPACT: Impact to operating budget is a savings due to decreased repairs and maintenance. FUNDING SOURCE: Equipment Fund Reserves	Public Facilities and Equipment	-	-	-	-		250,000	250,000

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Six Year Plan - 2019-2024
Capital Improvement Plan - Equipment Fund

Project	Category	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget	2023-24 Estimated Budget	Six-Year Total
<u>Vector Truck:</u> DESCRIPTION: Replacement of existing 2006 Vector truck. JUSTIFICATION: Existing truck is in need of repairs due to its age. It is used daily for Water and Sewer needs along with emergencies. OPERATIONAL IMPACT: Impact to operating budget is a savings due to decreased repair costs. FUNDING SOURCE: Equipment Fund Reserves	Public Facilities and Equipment	-	-	-	-	-	300,000	300,000
Totals for Fund 641		110,000	63,000	150,000	40,000	-	550,000	913,000

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 Station 2	SCBA System Station 1	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 (4)	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 (4)	Washer/Extractor	Rescue Utility Vehicle Station #1	SCBA Compressor, Cascade, & Fill Station	Contingency/Other	Total
Year Acquired	2011 & 2013	2011 & 2014	2011	2014	2002	One time	2016	2014	1988	2001	2009 & 2011	2013	2017	2005	2017	2011	2017	1980	2011	2019	2001	2004	2011		
Average Life	8	6	14	14	25		25	25	25	20	10	7	10	10	10	7	7	25	25	10	25	20	20		
1st Replacement Cost	\$ 180,000	\$ 45,000	\$ 91,000	\$ 91,000	\$ 700,000	\$ 7,400	\$ 1,300,000	\$ 350,000	\$ 550,000	\$ 200,000	\$ 300,000	\$ 16,000	\$ 7,500	\$ 7,000	\$ 7,500	\$ 7,000	\$ 35,000	\$ 14,200	\$ 20,000	\$ 7,000	\$ 12,000	\$ 20,000	\$ 55,000		
2nd Replacement Cost	\$ 196,000	\$ 47,000	\$ 100,000	\$ 100,000				\$ 500,000	\$ 750,000	\$ 220,000	\$ 350,000	\$ 16,000	\$ 8,500	\$ 8,000	\$ 8,500	\$ 8,000	\$ 37,000	\$ 25,000	\$ 36,000	\$ 8,000	\$ 15,000	\$ 25,000			
Year of Replacement - 1	2020	2023	2025	2028	2027	TBD	2041	2039	2019	2020	2020	2020	2022	2022	2022	2022	2024	2019	2036	2029	2026	2024	2031		
Year of Replacement - 2	2028	2029	2039	2042	2052			2064	2044	2040	2030	2027	2037	2032	2037	2032	2031	2044	2061	2039	2051				
Year of Replacement - 3	2036	2035															2038								
Year of Replacement - 4	2044	2041																							
FY 2028																									
Interest Income				2			7,500																	7,838	15,340
Shared Contribution		7,833	7,143	4,725			30,000				35,000		850	800	850	800		1,000	1,000	700	600	1,250	3,930	119,731	
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,286							93,040	
Purchase	(196,000)			(91,000)																					(287,000)
Ending Balance	-	39,165	21,429	-	28,000	7,400	319,500	182,616	267,490	88,000	280,000	2,288	850	4,800	850	4,800	21,144	9,000	11,000	6,300	1,200	5,000	43,230	86,767	1,474,919
FY 2029																									
Interest Income		2					7,500																	7,248	14,750
Shared Contribution		7,833	7,143	7,143			30,000				35,000		850	800	850	800		1,000	1,000	700	600	1,250	3,930	122,149	
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,286								93,040
Purchase	(47,000)																			(7,000)					(54,000)
Ending Balance	24,500	-	28,572	7,143	56,000	7,400	357,000	197,834	297,490	99,000	315,000	4,574	1,700	5,600	1,700	5,600	26,430	10,000	12,000	-	1,800	6,250	47,160	94,015	1,650,858
FY 2030																									
Interest Income							8,000																	8,510	16,510
Shared Contribution		7,833	7,143	7,143			30,000				35,000		850	800	850	800		1,000	1,000	800	600	1,250	3,930	122,249	
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,286								93,040
Purchase											(350,000)														(350,000)
Ending Balance	49,000	7,833	35,715	14,286	84,000	7,400	395,000	213,052	327,490	110,000	-	6,860	2,550	6,400	2,550	6,400	31,716	11,000	13,000	800	2,400	7,500	51,090	102,525	1,532,657
FY 2031																									
Interest Income							7,500																	7,832	15,330
Shared Contribution		7,833	7,143	7,143			30,000				35,000		850	800	850	800		(2)	1,000	1,000	800	600	1,250	3,930	122,249
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,286								93,040
Purchase																	(37,000)								(92,000)
Ending Balance	73,500	15,666	42,858	21,429	112,000	7,400	432,500	228,270	357,490	121,000	35,000	9,146	3,400	7,200	3,400	7,200	31,716	11,000	13,000	800	2,400	7,500	51,090	102,525	1,671,276
FY 2032																									
Interest Income							8,500																	8,220	16,720
Shared Contribution		7,833	7,143	7,143			30,000				35,000		850	800	850	800			1,000	1,000	800	600	1,250	2,750	121,069
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,500								93,254
Purchase													(8,000)			(8,000)									(16,000)
Ending Balance	98,000	23,499	50,001	28,572	140,000	7,400	471,000	243,488	387,490	132,000	70,000	11,432	4,250	-	4,250	-	5,500	13,000	15,000	2,400	3,600	10,000	2,770	118,577	1,886,319
FY 2033																									
Interest Income							10,000																	8,870	18,870
Shared Contribution		7,833	7,143	7,143			30,000				35,000		850	850	850	850			1,000	1,000	800	600	1,250	2,750	121,169
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,500								93,254
Purchase																									(16,000)
Ending Balance	122,500	31,332	57,144	35,715	168,000	7,400	511,000	258,706	417,490	143,000	105,000	13,718	5,100	850	5,100	850	11,000	14,000	16,000	3,200	4,200	11,250	5,520	127,447	2,119,612
FY 2034																									
Interest Income							11,500																	9,700	21,200
Shared Contribution		7,833	7,143	7,143			30,000				35,000		850	850	850	850			1,000	1,000	800	600	1,250	2,750	121,169
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,500								93,254
Purchase												(16,000)													(16,000)
Ending Balance	147,000	39,165	64,287	42,858	196,000	7,400	552,500	273,924	447,490	154,000	140,000	4	5,950	1,700	5,950	1,700	16,500	15,000	17,000	4,000	4,800	12,500	8,270	137,147	2,339,235
FY 2035																									
Interest Income							12,000																	11,398	23,400
Shared Contribution		7,833	7,143	7,143			30,000				35,000		850	850	850	850			1,000	1,000	800	600	1,250	2,750	121,169
Northville Contribution					28,000			15,218	30,000	11,000		2,286					5,500								93,254
Purchase																									(47,000)
Ending Balance	171,500	-	71,430	50,001	224,000	7,400	594,500	289,142	477,490	165,0															

**City of Northville
Fire Equipment Replacement Fund - 20 Year Plan**

	Turnout Gear w/ Helmets & Boots	Pagers	SCBA System Station 2	SCBA System Station 1	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 (4)	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 (4)	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	2019	2001	2004	2011		
Average Life	8	6	14	14	25	25	25	25	25	20	10	7	10	10	10	7	7	25	25	10	25	20	20		
1st Replacement Cost	\$ 180,000	\$ 45,000	\$ 91,000	\$ 91,000	\$ 700,000	\$ 1,300,000	\$ 350,000	\$ 550,000	\$ 200,000	\$ 300,000	\$ 16,000	\$ 7,500	\$ 7,000	\$ 7,500	\$ 7,000	\$ 35,000	\$ 14,200	\$ 20,000	\$ 7,000	\$ 12,000	\$ 20,000	\$ 20,000	\$ 55,000		
2nd Replacement Cost	\$ 196,000	\$ 47,000	\$ 100,000	\$ 100,000			\$ 500,000	\$ 750,000	\$ 220,000	\$ 350,000	\$ 16,000	\$ 8,500	\$ 8,000	\$ 8,500	\$ 8,000	\$ 37,000	\$ 25,000	\$ 36,000	\$ 8,000	\$ 15,000	\$ 25,000	\$ 25,000			
Year of Replacement - 1	2020	2023	2025	2028	2027	2041	2039	2019	2020	2020	2020	2020	2022	2022	2022	2024	2019	2036	2029	2026	2024	2031			
Year of Replacement - 2	2028	2029	2039	2042	2052	TBD	2064	2044	2040	2030	2027	2037	2032	2037	2032	2031	2044	2061	2039	2051					
Year of Replacement - 3	2036	2035														2038									
Year of Replacement - 4	2044	2041																							
FY 2037																									
Interest Income							14,500				35,000		850	850	850	850		1,000	1,440	800	600	2,750		11,040	25,540
Shared Contribution	25,625	7,833	7,143	7,143			30,000																		122,734
Northville Contribution					28,000							2,286	(8,500)	(8,500)		5,500						1,250			93,254
Purchase							15,218	30,000	11,000							(38,500)									(17,000)
Ending Balance	25,625	15,666	85,716	64,287	280,000	7,400	681,000	319,578	537,490	187,000	245,000	6,862	-	4,250	-	4,250	33,000	18,000	1,440	6,400	6,600	16,250	16,520	171,895	2,778,319
FY 2038																									
Interest Income							14,500				35,000		850	850	850	850		1,000	1,440	800	600	2,750		13,290	27,790
Shared Contribution	25,625	7,833	7,143	7,143			30,000																		122,734
Northville Contribution					28,000							2,286				5,500						1,250			93,254
Purchase	(204,000)						15,218	30,000	11,000							(38,500)									(242,500)
Ending Balance	(152,750)	23,499	92,859	71,430	308,000	7,400	725,500	334,796	567,490	198,000	280,000	9,148	850	5,100	850	5,100	-	19,000	2,880	7,200	7,200	17,500	19,270	185,185	2,779,597

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	MDC Modems	Shields	Contingency/Other	Totals
Year Acquired	Annually	2009	2018	2017	2015	2015	2012	2017	2017	2016	2015-2016		2017	2017		2019		
Average Life in Years	3	7	10	10	7	5	5	10	7	5	7	5	7	5	5	10		
Quantity	2, 1, 2, 1 rot	15	3	6	1	6	6	2	6	13		13	3	1	6	1		
Unit Price	\$50,000	\$850	\$1,100	\$600	\$2,000	\$8,000		\$4,000	\$2,400	\$1,500	\$90,000		\$1,800	\$1,200	\$1,580	\$3,200		
1st Replacement Cost	\$50,000	\$12,750	\$3,300	\$3,600	\$2,000	\$48,000	\$74,000	\$4,000	\$14,400	\$19,500	\$90,000	\$ 42,500	\$ 5,400	\$ 1,200	\$ 9,480	\$ 3,200		
Year of Replacement - 1	FY18 (0)	2020	2028	2027	2022	2020	2019	2027	2024	2016	2022-2024	2021	2024	2022	2020	2029		
Year of Replacement - 2	FY19 (0)	2027	2038	2037	2029	2025	2024	2037	2031	2021	2029-2031	2026	2031	2027	2025	2039		
Year of Replacement - 3	FY20 (2)	2034			2036	2030	2029		2038	2026	2036-2038	2031	2038	2032	2030			
Year of Replacement - 4	FY21 (1)				2043	2035	2034			2031		2036		2037	2035			
FY18 Ending Balance	50,750	11,700	849	360	1,758	38,400	61,000	800	1,250	8,700	49,386	22,000	775	200	-	1,500	13,946	260,956
FY 2019																		
Operating Transfers	63,000	925	330	360	586	4,800	12,200	400	2,191	3,600	6,770	3,000	775	200	611	1,500	752	102,000
Interest Earnings															3,000		245	3,245
Reallocation	250	(800)	(849)		849		800	(400)				3,000		200	800	(30)	(3,820)	-
Purchase	(100,000)					-	-									(2,970)		(102,970)
Ending Balance	14,000	11,825	330	720	3,193	43,200	74,000	800	3,441	12,300	56,156	28,000	1,550	600	4,411	-	11,123	263,231
FY 2020																		
Operating Transfers	63,000	925	330	360	586	4,800	12,200	400	2,191	3,600	6,770	3,000	770	200	2,341	320	207	102,000
Interest Earnings															2,728		507	3,235
Reallocation												3,000					(3,000)	-
Purchase	-	(12,750)				(48,000)	(74,000)								(9,480)			(144,230)
Ending Balance	77,000	-	660	1,080	3,779	-	12,200	1,200	5,632	15,900	62,926	34,000	2,320	800	-	320	8,837	224,236
FY 2021																		
Operating Transfers	63,000	2,100	330	360	586	10,000	12,200	400	2,191	3,600	6,770	3,000	770	200	2,000	320	173	108,000
Interest Earnings																	3,235	3,235
Reallocation												5,500					(5,500)	-
Purchase	(50,000)						-			(19,500)		(42,500)						(112,000)
Ending Balance	90,000	2,100	990	1,440	4,365	10,000	24,400	1,600	7,823	-	69,696	-	3,090	1,000	2,000	640	6,745	223,471
FY 2022																		
Operating Transfers	63,000	2,100	330	360	586	10,000	12,200	400	2,191	3,640	6,770	9,000	770	200	2,000	320	133	114,000
Interest Earnings					49												3,186	3,235
Purchase	(100,000)				(5,000)						(30,000)			(1,200)			-	(136,200)
Ending Balance	53,000	4,200	1,320	1,800	-	20,000	36,600	2,000	10,014	3,640	46,466	9,000	3,860	(0)	4,000	960	10,064	204,506
FY 2023																		
Operating Transfers	63,000	2,100	330	360	714	10,000	12,200	400	2,191	3,640	6,770	9,000	770	240	2,000	320	965	115,000
Interest Earnings																	3,235	3,235
Purchase	(50,000)										(30,000)	-	-					(80,000)
Ending Balance	66,000	6,300	1,650	2,160	714	30,000	48,800	2,400	12,205	7,280	23,236	18,000	4,630	240	6,000	1,280	14,264	242,741

**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	MDC Modems	Shields	Contingency/Other	Totals
Year Acquired	Annually	2009	2018	2017	2015	2015	2012	2017	2017	2016	2015-2016		2017	2017		2019		
Average Life in Years	3	7	10	10	7	5	5	10	7	5	7	5	7	5	5	10		
Quantity	2, 1, 2, 1 rot	15	3	6	1	6	6	2	6	13		13	3	1	6	1		
Unit Price	\$50,000	\$850	\$1,100	\$600	\$2,000	\$8,000		\$4,000	\$2,400	\$1,500	\$90,000		\$1,800	\$1,200	\$1,580	\$3,200		
1st Replacement Cost	\$50,000	\$12,750	\$3,300	\$3,600	\$2,000	\$48,000	\$74,000	\$4,000	\$14,400	\$19,500	\$90,000	\$ 42,500	\$ 5,400	\$ 1,200	\$ 9,480	\$ 3,200		
Year of Replacement - 1	FY18 (0)	2020	2028	2027	2022	2020	2019	2027	2024	2016	2022-2024	2021	2024	2022	2020	2029		
Year of Replacement - 2	FY19 (0)	2027	2038	2037	2029	2025	2024	2037	2031	2021	2029-2031	2026	2031	2027	2025	2039		
Year of Replacement - 3	FY20 (2)	2034			2036	2030	2029		2038	2026	2036-2038	2031	2038	2032	2030			
Year of Replacement - 4	FY21 (1)				2043	2035	2034			2031		2036		2037	2035			
FY 2024																		
Operating Transfers	63,000	2,100	330	360	714	10,000	12,200	400	2,191	3,640	6,770	9,000	770	240	2,000	320	965	115,000
Interest Earnings									4								2,423	2,427
Purchase	(102,000)	-					(61,000)		(14,400)		(30,000)		(5,400)					(212,800)
Ending Balance	27,000	8,400	1,980	2,520	1,428	40,000	-	2,800	-	10,920	6	27,000	-	480	8,000	1,600	17,652	147,368
FY 2025																		
Operating Transfers	63,000	2,100	330	360	714	10,000	12,400	400	2,286	3,640	12,857	9,000	800	240	2,000	320	553	121,000
Interest Earnings																	1,474	1,474
Purchase	(51,000)					(50,000)	-								(10,000)			(111,000)
Ending Balance	39,000	10,500	2,310	2,880	2,142	-	12,400	3,200	2,286	14,560	12,863	36,000	800	720	-	1,920	19,679	158,842
FY 2026																		
Operating Transfers	63,000	2,100	330	360	714	10,500	12,400	400	2,286	3,640	12,857	9,000	800	240	2,000	320	53	121,000
Interest Earnings																	1,588	1,588
Purchase	(102,000)						-			(18,200)		(45,000)						(165,200)
Ending Balance	-	12,600	2,640	3,240	2,856	10,500	24,800	3,600	4,572	-	25,720	-	1,600	960	2,000	2,240	21,320	116,230
FY 2027																		
Operating Transfers	78,000	2,100	330	360	714	10,500	12,400	400	2,286	3,640	12,857	9,000	800	240	2,000	320	53	136,000
Interest Earnings																	1,162	1,162
Purchase	(51,000)	(14,700)		(3,600)				(4,000)						(1,200)				(74,500)
Ending Balance	27,000	-	2,970	-	3,570	21,000	37,200	-	6,858	3,640	38,577	9,000	2,400	(0)	4,000	2,560	22,535	178,892
FY 2028																		
Operating Transfers	78,000	2,200	330	360	714	10,500	12,400	500	2,286	3,640	12,857	9,000	800	250	2,000	320	843	137,000
Interest Earnings																	1,789	1,789
Purchase	(104,000)		(3,300)															(107,300)
Ending Balance	1,000	2,200	-	360	4,284	31,500	49,600	500	9,144	7,280	51,434	18,000	3,200	250	6,000	2,880	25,167	210,381
FY 2029																		
Operating Transfers	78,000	2,200	330	360	714	10,500	12,400	500	2,286	3,640	12,857	9,000	800	250	2,000	320	843	137,000
Interest Earnings					2												2,102	2,104
Purchase	(52,000)				(5,000)		(62,000)				(30,000)					(3,200)		(152,200)
Ending Balance	27,000	4,400	330	720	-	42,000	-	1,000	11,430	10,920	34,291	27,000	4,000	500	8,000	-	28,112	197,285

**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	MDC Modems	Shields	Contingency/Other	Totals
Year Acquired	Annually	2009	2018	2017	2015	2015	2012	2017	2017	2016	2015-2016		2017	2017		2019		
Average Life in Years	3	7	10	10	7	5	5	10	7	5	7	5	7	5	5	10		
Quantity	2, 1, 2, 1 rot	15	3	6	1	6	6	2	6	13		13	3	1	6	1		
Unit Price	\$50,000	\$850	\$1,100	\$600	\$2,000	\$8,000		\$4,000	\$2,400	\$1,500	\$90,000		\$1,800	\$1,200	\$1,580	\$3,200		
1st Replacement Cost	\$50,000	\$12,750	\$3,300	\$3,600	\$2,000	\$48,000	\$74,000	\$4,000	\$14,400	\$19,500	\$90,000	\$ 42,500	\$ 5,400	\$ 1,200	\$ 9,480	\$ 3,200		
Year of Replacement - 1	FY18 (0)	2020	2028	2027	2022	2020	2019	2027	2024	2016	2022-2024	2021	2024	2022	2020	2029		
Year of Replacement - 2	FY19 (0)	2027	2038	2037	2029	2025	2024	2037	2031	2021	2029-2031	2026	2031	2027	2025	2039		
Year of Replacement - 3	FY20 (2)	2034			2036	2030	2029		2038	2026	2036-2038	2031	2038	2032	2030			
Year of Replacement - 4	FY21 (1)				2043	2035	2034			2031		2036		2037	2035			
FY 2030																		
Operating Transfers	78,000	2,200	330	360	714	10,500	12,400	500	2,286	3,640	12,857	9,000	800	250	2,000	320	843	137,000
Interest Earnings																	1,973	1,973
Purchase	(104,000)					(52,500)					(30,000)				(10,000)			(196,500)
Ending Balance	1,000	6,600	660	1,080	714	-	12,400	1,500	13,716	14,560	17,148	36,000	4,800	750	-	320	30,928	139,758
FY 2031																		
Operating Transfers	79,000	2,200	330	360	714	11,000	12,400	500	2,286	3,640	12,857	9,000	800	250	2,000	320	343	138,000
Interest Earnings									(2)								1,400	1,398
Purchase	(52,000)								(16,000)	(18,200)	(30,000)	(45,000)	(5,600)					(166,800)
Ending Balance	28,000	8,800	990	1,440	1,428	11,000	24,800	2,000	-	-	5	-	-	1,000	2,000	640	32,671	112,356
FY 2032																		
Operating Transfers	79,000	2,200	330	360	714	11,000	12,400	500	2,300	3,640	12,857	9,000	825	250	2,000	320	304	138,000
Interest Earnings																	1,124	1,124
Purchase	(106,000)													(1,250)				(107,250)
Ending Balance	1,000	11,000	1,320	1,800	2,142	22,000	37,200	2,500	2,300	3,640	12,862	9,000	825	(0)	4,000	960	34,099	144,230
FY 2033																		
Operating Transfers	79,000	2,200	330	360	714	11,000	12,400	500	2,300	3,640	12,857	9,000	825	250	2,000	320	304	138,000
Interest Earnings																	1,442	1,442
Purchase	(53,000)					-												(53,000)
Ending Balance	27,000	13,200	1,650	2,160	2,856	33,000	49,600	3,000	4,600	7,280	25,719	18,000	1,650	250	6,000	1,280	35,845	230,672
FY 2034																		
Operating Transfers	79,000	2,200	330	360	714	11,000	12,400	500	2,300	3,640	12,857	9,000	825	250	2,000	320	304	138,000
Interest Earnings																	2,307	2,307
Purchase	(106,000)	(15,400)					(62,000)											(183,400)
Ending Balance	-	-	1,980	2,520	3,570	44,000	-	3,500	6,900	10,920	38,576	27,000	2,475	500	8,000	1,600	38,456	187,579
FY 2035																		
Operating Transfers	81,000	2,200	330	360	714	11,000	12,500	500	2,300	3,640	12,857	9,000	825	250	2,000	320	204	140,000
Interest Earnings																	1,876	1,876
Purchase	(53,000)						(55,000)								(10,000)			(118,000)
Ending Balance	28,000	2,200	2,310	2,880	4,284	-	12,500	4,000	9,200	14,560	51,433	36,000	3,300	750	-	1,920	40,536	211,455

**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	MDC Modems	Shields	Contingency/ Other	Totals
Year Acquired	Annually	2009	2018	2017	2015	2015	2012	2017	2017	2016	2015-2016		2017	2017		2019		
Average Life in Years	3	7	10	10	7	5	5	10	7	5	7	5	7	5	5	10		
Quantity	2, 1, 2, 1 rot	15	3	6	1	6	6	2	6	13		13	3	1	6	1		
Unit Price	\$50,000	\$850	\$1,100	\$600	\$2,000	\$8,000		\$4,000	\$2,400	\$1,500	\$90,000		\$1,800	\$1,200	\$1,580	\$3,200		
1st Replacement Cost	\$50,000	\$12,750	\$3,300	\$3,600	\$2,000	\$48,000	\$74,000	\$4,000	\$14,400	\$19,500	\$90,000	\$ 42,500	\$ 5,400	\$ 1,200	\$ 9,480	\$ 3,200		
Year of Replacement - 1	FY18 (0)	2020	2028	2027	2022	2020	2019	2027	2024	2016	2022-2024	2021	2024	2022	2020	2029		
Year of Replacement - 2	FY19 (0)	2027	2038	2037	2029	2025	2024	2037	2031	2021	2029-2031	2026	2031	2027	2025	2039		
Year of Replacement - 3	FY20 (2)	2034			2036	2030	2029		2038	2026	2036-2038	2031	2038	2032	2030			
Year of Replacement - 4	FY21 (1)				2043	2035	2034			2031		2036		2037	2035			
FY 2036																		
Operating Transfers	81,000	2,200	330	360	714	11,500	12,500	500	2,300	3,640	12,857	9,000	825	250	2,000	320	704	141,000
Interest Earnings					2												2,113	2,115
Purchase	(108,000)				(5,000)					(18,200)	(30,000)	(45,000)						(206,200)
Ending Balance	1,000	4,400	2,640	3,240	-	11,500	25,000	4,500	11,500	-	34,290	-	4,125	1,000	2,000	2,240	43,353	148,370
FY 2037																		
Operating Transfers	81,000	2,200	330	360	714	11,500	12,500	500	2,300	3,640	12,857	9,000	825	250	2,000	320	704	141,000
Interest Earnings																	1,484	1,484
Purchase	(54,000)			(3,600)				(5,000)			(30,000)			(1,250)				(93,850)
Ending Balance	28,000	6,600	2,970	-	714	23,000	37,500	-	13,800	3,640	17,147	9,000	4,950	(0)	4,000	2,560	45,541	197,004
FY 2038																		
Operating Transfers	81,000	2,200	330	360	714	11,500	12,500	500	2,300	3,640	12,857	9,000	825	250	2,000	300	724	141,000
Interest Earnings																	1,970	1,970
Purchase	(108,000)							(16,100)			(30,000)		(5,775)					(159,875)
Ending Balance	1,000	8,800	3,300	360	1,428	34,500	50,000	500	-	7,280	4	18,000	-	250	6,000	2,860	48,235	180,099

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, 2020 and
Five Year Plan – 2019 through 2023

ACTIVITY: Downtown Development Authority

FUND NUMBER: 370

SUPERVISOR: Downtown Development Authority



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

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 1.8158 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 and 3 seasonal employees. The part-time marketing and communications coordinator is currently vacant, but expected to be filled before the start of the fiscal year.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Downtown Development Authority – continued

Proposed Fiscal Year Overview

The taxable value subject to DDA capture increased 2.7% from last year generating an additional \$18,358 in captured taxes. The State is anticipated to reimburse \$30,000 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 2.2%. The 2 mill levy has been permanently reduced to 1.8158 due to Headlee. That levy provides for an additional \$1,277 over the prior year.

This year's budget calls for the use of \$62,608 fund balance to accomplish several capital projects outlined below. In addition, several new development projects that are located within the DDA boundaries have been approved by the City and are scheduled to break ground this summer. When complete, these projects will provide an additional source of TIF revenue for DDA projects and programs. Phase 1 of the Northville Downs project lies within the DDA boundaries and will contribute a significant source of revenue that could be utilized on public amenities for this and future projects. The fund balance for the end of fiscal year 2020 is projected at \$284,574 fund balance, which is approximately 33% of the DDA's expenditures.

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 \$115,620 which is estimated to be approximately 88% of the parking system routine maintenance costs. An additional \$50,000 is transferred to the General Fund to cover the downtown street lighting and electrical costs, which is approximately 41% of the street lighting costs for the entire City.

The biggest challenge facing the DDA over the next several years will be the immediate and long term plan to address the maintenance of the city's parking system. The MainCentre and Cady Street Parking Decks were constructed in 1994 to serve the Northville business community. Over the years, the City/DDA has implemented a number of repairs to the structure, including patching the concrete slabs that make up the driving and parking surface of the garage, sealing the deck, painting the railings, and other maintenance tasks.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

Downtown Development Authority – continued

In April 2018, The DDA retained the parking consulting firm Carl Walker/WGI to evaluate the two parking decks and develop an improvement plan to bring the two decks up to good condition and develop a long term maintenance plan for the decks. The plan details routine annual maintenance items that are recommended to keep the parking decks in good condition through their entire life cycle. The plan was completed in September and identified an initial repair plan that is estimated at \$725,185 over two years followed by an 18 year maintenance plan estimated at \$1,713,000. The construction documents are currently being prepared of the identified capital projects in the first 2 years totaling \$725,185. In addition to the Carl Walker Study, the City has retained Fleis and Vandenbrink, the City Engineers, to evaluate the surface parking lots and to determine a repair/replacement plan for the next 20 years.

Carlisle Wortman has been assisting the City and DDA with a financial strategy to pay for the needed improvements. There are a limited number of options that are available to pay for the projects. Once the City and DDA have all of the costs assembled, a plan will be put together and presented to the DDA and City Council.

Action Steps Related to City Council Goals & Objectives

Implementation of Downtown Strategic Plan

- Implement new requirements established in PA 57 of 2018.
- Completion of logo and brand development for DDA.
- Update DDA website.
- Install additional bike racks and bike repair stations.
- Establish new bench sponsorship program.
- Install downtown murals and historic markers.
- Replace remainder of DDA street lights with energy efficient alternatives. Review other ways to introduce sustainable programs and projects to the downtown area.
- Replace Festoon lights in Town Square.
- Install cross-street banner poles
- Develop a Strategy to repair and maintain the City's parking decks.
- Utilize Target Market Analysis to attract new development to the Downtown.
- Participate in the evaluation of proposed projects in the DDA district to ensure positive economic impact.

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan – 2019 through 2023

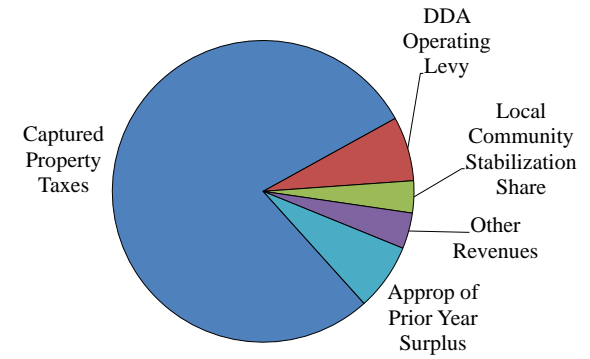
Performance Measures

Measure	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Projected	FY2020 Target
Inputs & Outputs					
Number of Print Ads Run	22	23	25	25	25
Number of TV Spots/Features	0	18	15	15	15
Number of Press Releases Sent	20	18	20	24	25
Number of Press Coverage Received	60	65	65	75	75
Number of Direct Mailing	1	1	0	0	0
Number of Newsletters Produced	6	6	6	6	6
Number of Event Cards	7	7	7	7	7
Number of Internet/Electronic Ads	3	0	0	0	0
Number of Social Media Posts	450	550	650	650	700
Number of Social Media Promoted Posts	6	4	6	10	12

City of Northville
Proposed 2019-20 Downtown Development Authority Budget
(with historical comparative data)

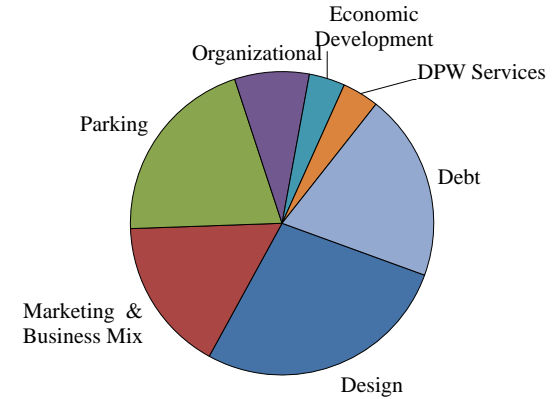
Revenues	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Captured Property Taxes	\$ 653,376	\$ 669,195	\$ 686,053	78.7%
DDA Operating Levy	56,823	58,932	60,209	6.9%
Local Community Stabilization Share	36,178	32,041	30,000	3.4%
Other Revenues	2,040	26,466	33,550	3.8%
Approp of Prior Year Surplus	4,268	23,738	62,608	7.2%
Total Revenues	\$ 752,685	\$ 810,372	\$ 872,420	100.0%

2019-20 Budgeted Revenues



Expenditures	FY18 Actual	FY19 Projected	FY20 Proposed	FY20 % Total
Design	199,769	172,080	239,215	27.4%
Marketing & Business Mix	138,513	130,762	143,625	16.5%
Parking	166,740	175,425	178,885	20.5%
Organizational	65,243	65,545	69,365	8.0%
Economic Development	-	60,400	33,425	3.8%
DPW Services	10,065	32,990	34,075	3.9%
Debt	172,355	173,170	173,830	19.9%
Total Expenditures	\$ 752,685	\$ 810,372	\$ 872,420	100.0%

2019-20 Budgeted Expenditures



City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

DOWNTOWN DEVELOPMENT AUTHORITY

Revenue	2016-17 Actual	2017-18 Actual	2018-19 Projected	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
Captured Property Taxes =							
Taxable Value Subject to Capture			25,652,321	26,355,008	26,882,108	27,419,750	27,968,145
x Estimated Tax Levies per Mill			26.1264	26.1264	26.1264	26.1264	26.1264
DDA Operating Levy =							
Prior Years' Millage Approved			1.8158	1.8158	1.8158	1.8158	1.8158
x Millage Reduction Fraction			1.0000	1.0000	1.0000	1.0000	1.0000
= Allowable Levy			1.8158	1.8158	1.8158	1.8158	1.8158
x DDA Taxable Value per Mill			32,456	33,158	33,821	34,497	35,187
370-000-403.00 Captured Property Taxes	642,838	646,845	670,195	688,553	702,326	716,371	730,699
370-000-403.01 DDA Operating Levy	56,375	56,823	58,932	60,209	61,412	62,640	63,893
370-000-403.04 Local Community Stabilization Share	35,677	36,178	32,041	30,000	30,000	30,000	30,000
370-000-417.00 Delinquent Personal Property Taxes	-	176	-	-	-	-	-
370-000-418.00 Property Taxes - Other	(6,849)	6,355	(1,000)	(2,500)	(2,500)	(2,500)	(2,500)
370-000-586.02 Sponsorships	3,973	1,000	10,000	27,100	10,500	10,500	10,500
370-000-659.11 Rental Income - Town Square	-	150	400	150	150	150	150
370-000-664.xx Net Investment Income	72	890	6,067	6,100	6,100	6,100	6,100
370-000-666.00 Miscellaneous Revenue	-	-	1,118	200	200	200	200
370-000-667.00 Insurance Proceeds	-	-	6,427	-	-	-	-
370-000-673.00 Gain on Disposal of Assets	-	-	64	-	-	-	-
370-000-687.01 MMRMA Distribution	-	-	2,390	-	-	-	-
	732,086	748,417	786,634	809,812	808,188	823,461	839,042
Operating Transfers							
370-000-699.06 General Fund	21,000	-	-	-	-	-	-
	753,086	748,417	786,634	809,812	808,188	823,461	839,042
Fund Balance Reserve							
370-000-699.01 Approp of Prior Years' Surplus	-	4,268	23,738	62,608	-	-	-
Total Budget	753,086	752,685	810,372	872,420	808,188	823,461	839,042

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

Expenditures	2016-17	2017-18	2018-19	2019-20 Proposed Budget	2020-21 Estimated Budget	2021-22 Estimated Budget	2022-23 Estimated Budget
	Actual	Actual	Projected				
Design							
370-861-706.00 Wages-Regular Full Time	23,075	23,689	16,190	16,600	16,815	16,815	16,815
370-861-707.00 Wages-Regular Overtime	-	45	-	-	-	-	-
370-861-710.00 Wages - Part Time	21,368	16,185	18,470	20,620	20,620	20,620	20,620
370-861-726.00 Supplies	230	258	475	625	625	625	625
370-861-740.05 Downtown Materials	15,309	16,252	19,450	20,900	20,700	20,700	20,700
370-861-751.00 Fuel & Oil	-	-	1,000	1,000	1,000	1,000	1,000
370-861-801.00 Contractual Services	23,331	21,410	27,820	25,730	23,730	23,730	23,730
370-861-801.16 Public Restroom Program	2,032	3,177	2,750	2,750	2,750	2,750	2,750
370-861-801.94 Brick Repair & Maintenance	-	-	2,500	2,500	2,500	2,500	2,500
370-861-802.20 Contracted Planning Services	43,618	-	-	-	-	-	-
370-861-803.59 Signage and Marker Projects	11,452	69,163	-	10,000	5,000	5,000	5,000
370-861-850.00 Landscape Maintenance	31,550	25,690	31,750	30,750	30,750	30,750	30,750
370-861-913.00 Vehicle Insurance	-	-	350	360	370	380	390
370-861-920.01 Electrical Service - Town Square	1,092	925	1,300	1,330	1,360	1,390	1,420
370-861-920.02 Natural Gas Service - Town Square	3,625	4,610	3,930	4,010	4,090	4,170	4,250
370-861-920.03 Water Service - Irrigation	11,092	6,812	7,660	8,040	8,440	8,860	9,300
370-861-967.00 Fringe Benefits	10,778	9,895	8,280	8,605	8,690	8,690	8,690
370-861-973.00 Capital Outlay <\$5,000	-	-	1,500	-	-	-	-
370-861-976.01 Street Furnishings	893	1,658	28,655	85,395	500	5,250	500
	199,445	199,769	172,080	239,215	147,940	153,230	149,040

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Expenditures (continued)							
Marketing & Business Mix							
370-862-706.00 Wages-Regular Full Time	36,875	23,977	16,190	16,600	16,815	16,815	16,815
370-862-710.00 Wages - Part Time	2,149	11,648	4,350	15,080	15,080	15,080	15,080
370-862-726.00 Supplies	-	104	150	150	150	150	150
370-862-784.00 Downtown Programs & Promotions	26,280	27,531	32,300	32,300	31,300	30,300	30,300
370-862-785.00 Business Retention Program	784	2,857	2,657	1,910	2,660	1,910	2,660
370-862-801.00 Contractual Services	53,318	60,720	65,000	69,000	65,000	65,000	65,000
370-862-801.34 Web Site	800	735	3,340	840	840	840	840
370-862-950.05 Transfer to Parks & Recreation	3,500	2,400	-	-	-	-	-
370-862-967.00 Fringe Benefits	13,962	8,541	6,775	7,745	7,825	7,825	7,825
	137,668	138,513	130,762	143,625	139,670	137,920	138,670
Parking							
370-863-706.00 Wages-Regular Full Time	7,653	7,896	8,095	8,300	8,410	8,410	8,410
370-863-710.00 Wages-Part Time	2,150	-	435	1,510	1,510	1,510	1,510
370-863-726.00 Supplies	-	62	50	50	50	50	50
370-863-786.00 Downtown Parking Program	-	140	500	-	500	-	500
370-863-801.93 Parking Structure Maintenance	32,942	-	-	-	-	-	-
370-863-950.21 Contrib. to General Fund - Street Lights	133,270	50,000	50,000	50,000	50,000	50,000	50,000
370-863-950.26 Contrib. to Parking Fund - Maintenance	-	105,839	113,100	115,620	118,220	120,900	123,660
370-863-967.00 Fringe Benefits	3,041	2,803	3,245	3,405	3,450	3,450	3,450
	179,056	166,740	175,425	178,885	182,140	184,320	187,580
Debt							
370-945-950.49 Contribution to DDA Debt Service Fund	171,385	172,355	173,170	173,830	174,335	174,685	169,880
	171,385	172,355	173,170	173,830	174,335	174,685	169,880

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Expenditures (continued)	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Organizational							
370-864-706.00 Wages-Regular Full Time	9,218	23,399	20,240	20,750	21,020	21,020	21,020
370-864-710.00 Wages-Temp/Part Time	2,150	-	2,175	7,540	7,540	7,540	7,540
370-864-726.00 Supplies	1,256	515	3,150	1,150	1,150	1,150	1,150
370-864-730.00 Postage	3	1	100	100	100	100	100
370-864-731.00 Publications	65	65	65	65	65	65	65
370-864-801.19 Computer Program Services	2,504	2,286	2,440	980	980	980	980
370-864-802.01 Legal Services	5,504	3,530	3,000	3,000	3,000	3,000	3,000
370-864-805.00 Auditing Services	4,645	4,687	4,755	4,870	4,990	5,110	5,240
370-864-900.00 Printing & Publishing	974	1,738	1,630	1,635	1,635	1,635	1,635
370-864-910.00 Insurance	1,733	5,320	4,120	4,210	4,300	4,390	4,490
370-864-920.00 Utilities	1,247	1,318	1,420	1,420	1,420	1,420	1,420
370-864-956.00 Contingencies			-	-	2,910	8,850	15,030
370-864-958.00 Membership & Dues	1,000	1,408	1,340	1,340	1,340	1,340	1,340
370-864-960.00 Education & Training	1,050	611	1,400	1,400	1,400	1,400	1,400
370-864-967.00 Fringe Benefits	3,818	9,395	8,190	8,805	8,910	8,910	8,910
370-864-967.02 Overhead	10,450	10,970	11,520	12,100	12,710	13,350	14,020
	45,617	65,243	65,545	69,365	73,470	80,260	87,340
Economic Development							
370-865-706.00 Wages-Regular Full Time	-	-	20,240	20,750	21,020	21,020	21,020
370-865-710.00 Wages-Temp/Part Time	-	-	870	3,020	3,020	3,020	3,020
370-865-726.00 Supplies	-	-	200	200	200	200	200
370-865-785.00 Business Retention Program	-	-	1,000	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	-	-	8,090	8,455	8,560	8,560	8,560
	-	-	60,400	33,425	33,800	33,800	33,800

- continued -

City of Northville
Line Item Budget for the Year Ended June 30, 2020 and
Five Year Plan - 2019 through 2023

DOWNTOWN DEVELOPMENT AUTHORITY (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Projected	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget
Expenditures (continued)							
DPW Services							
370-753-706.00 Wages-Regular Full Time	4,036	3,553	12,985	13,250	13,675	13,675	13,675
370-753-707.00 Wages-Regular Overtime	817	283	1,170	1,170	1,225	1,225	1,225
370-753-939.00 Automotive Services	-	-	500	500	500	500	500
370-753-943.00 Equipment Rental	1,664	2,203	4,800	4,800	4,800	4,800	4,800
370-753-967.00 Fringe Benefits	4,968	4,026	13,535	14,355	14,980	14,980	14,980
	11,485	10,065	32,990	34,075	35,180	35,180	35,180
Total Expenditures	744,656	752,685	810,372	872,420	786,535	799,395	801,490
Fund Balance Reserve							
370-999-999.00 Unallocated Reserve	8,430	-	-	-	21,653	24,066	37,552
	8,430	-	-	-	21,653	24,066	37,552
Total Budget	753,086	752,685	810,372	872,420	808,188	823,461	839,042
Analysis of Fund Balance (Unassigned):							
Beginning of Year			370,920	347,182	284,574	306,227	330,293
Revenues			786,634	809,812	808,188	823,461	839,042
Expenditures			(810,372)	(872,420)	(786,535)	(799,395)	(801,490)
End of Year Fund Balance (Unassigned)			347,182	284,574	306,227	330,293	367,845

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.

**City of Northville
Fiscal Year 2020 Annual Budget
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FUND CLASSIFICATION

City Funds - Modified Accrual Basis

General Fund

General Fund

Capital Projects

Public Improvement
Fire Equipment Replacement Fund
Police Equipment Replacement Fund
Housing Commission Capital Outlay Fund
Street Bond Construction Fund

Debt Service

Street Bond Debt Service Fund
DDA Debt Service Fund
Housing Debt Service Fund

Special Revenue Funds

Street, Drainage & Sidewalk
Improvement
Major Streets
Local Streets
Parking Fund
Arts Commission
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

**City of Northville
Fiscal Year 2020 Annual Budget
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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.

**City of Northville
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and Five Year Plan (2019-2023)**

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.

City of Northville
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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.

**City of Northville
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and Five Year Plan (2019-2023)**

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.

**City of Northville
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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.

**City of Northville
Fiscal Year 2020 Annual Budget
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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

**City of Northville
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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.

**City of Northville
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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.

**City of Northville
Fiscal Year 2020 Annual Budget
and Five Year Plan (2019-2023)**

**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 (the "City") 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 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. The following is a summary of the significant accounting policies used by the City:

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.

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.

**City of Northville
Fiscal Year 2020 Annual Budget
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**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

Jointly Governed Organizations – continued

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.

The City is also served by the North Huron Valley/Rouge Valley (NHV/RV) Sewage Disposal System, which provides services to 17 municipal entities, including cities, townships, and counties.

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)**

Report Presentation - continued

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.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions. 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.
- The Refuse and Recycling Fund provides refuse and recycling services to customers in exchange for 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.

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**Summary of Significant Accounting Policies
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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. 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

Cash 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. 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

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**Summary of Significant Accounting Policies
(as presented in the audited financial statements)**

Capital Assets - Continued

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.

Interest Incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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
Machinery and 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

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**Summary of Significant Accounting Policies
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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.

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

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**Summary of Significant Accounting Policies
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assessments and grants that are not received within the period of availability and the variance between the defined benefit pension plan's and other postemployment benefits plan's actual investment earnings compared to the plans' assumed investment earnings.

Net Position Flow Assumption

The City will sometimes fund outlays for a particular purpose from both restricted (e.g., restricted bond or grand proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide 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.

Fund Balance Flow Assumption

The City will sometimes 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. Furthermore, 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).

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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.

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 2017 taxable valuation of the City totaled \$353 million (net of captured taxable value of \$25 million), on which taxes levied consisted of 13.5864 mills for the City's operating purposes and 1.7097 mills for street improvements. The ad valorem taxes levied

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raised approximately \$4.8 million for operations and \$603,000 for street, drainage, and sidewalk improvements. These amounts are recognized in the General Fund financial statements as taxes receivable - current or as tax revenue.

The delinquent real property taxes of the City are purchased by Wayne County, Michigan and Oakland County, Michigan. The counties sell tax notes, the proceeds of which are used to pay the City for these property taxes. Both the Wayne County, Michigan and Oakland County, Michigan 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.

Other Postemployment Benefit Costs - The City offers retiree healthcare benefits to retirees. The City records an OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB 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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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.

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.

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An alphabetical listing of words and topics along with page numbers where they are discussed.

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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.

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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.

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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.

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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.

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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.

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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;

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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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