

City Council Study Session

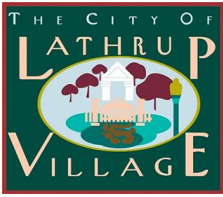
Monday, April 15, 2024, at 6:00 PM

27400 Southfield Road, Lathrup Village, Michigan 48076

1. **Call to Order** by Mayor Garrett
2. **Discussion Items**
 - A. DRAFT FY 24-25 Budget Review
 - B. Finance Review Committee
 - C. Opening of Closed Streets
 - D. City Administrator – Performance Measures
 - E. City Council Goal Setting
 - F. Social Media
 - G. Short-Term Rental Legislation
3. **Public Comment** (speakers are limited to 3 minutes)
4. **Mayor and Council Comments**
5. **Adjourn**

Addressing the City Council

- Your comments shall be made during times set aside for that purpose.
- Stand or raise a hand to indicate that you wish to speak.
- When recognized, state your name, and direct your comments and/or questions to any City official in attendance.
- Each person wishing to address the City Council and/or attending officials shall be afforded one opportunity of up to three (3) minutes duration during the first and last occasion for citizen comments and questions and one opportunity of up to three (3) minutes duration during each public hearing. Comments made during public hearings shall be relevant to the subject for which the public hearings are held.
- In addition to the opportunities described above, a citizen may respond to questions posed to him or her by the Mayor or members of the Council, provided members have been granted the floor to pose such questions.
- No speaker may make personal or impertinent attacks upon any officer, employee, or City Council member or other Elected Official, that is unrelated to the manner in which the officer, employee, or City Council member or other Elected Official, performs his or her duties.
- No person shall use abusive or threatening language toward any individual when addressing the City Council.
- Any person who violates this section shall be directed by the Mayor to be orderly and silent. If a person addressing the Council refuses to become silent when so directed, such person may be deemed by the Mayor to have committed a “breach of the peace” by disrupting and impeding the orderly conduct of the public meeting of the City Council and may be ordered by the Mayor to leave the meeting. If the person refuses to leave as directed, the Mayor may direct any law enforcement officer who is present to escort the violator from the meeting.



City of Lathrup Village
27400 Southfield Road
Lathrup Village, MI 48076
www.lathrupvillage.org | (248) 557-2600

TO: Mayor & City Council
FROM: Mike Greene – City Administrator
DATE: April 15, 2024
RE: Study Session

DRAFT FY 24-25 Budget Review

As outlined in our budget calendar, this is the initial review of the Fiscal Year 2024-25 Budget. The purpose of this discussion is to look at initial numbers that were developed by City Staff and garner City Council feedback before we move forward with a more formal budget document. The initial General Fund budget is balanced while embracing some one-time capital items and other necessary payments. Water and Sewer budgets are balanced but will require increases in rates to offset rate changes in SOCWA & Evergreen/Farmington Sewer District and bond payments.

Also included in your packet is the DRAFT Capital Improvement Plan that is under consideration by the Planning Commission.

Finance Review Committee

Mayor Pro-Tem Kantor presented an independent financial review back in February. With this information, we wish to create a temporary Finance Review Committee to continue the review of the City’s financial status and develop recommendations to present to the City Council. The committee should have a finite timeframe to develop their recommendations to the City Council, which may include ballot initiatives such as Headlee overrides or other millages/special assessment districts. This would be like what the City of Ferndale recently did with their committee’s final report included as an example of what this committee could accomplish.

Opening Closed Streets

In February 2023, the City Council hosted a special meeting/town hall discussion on the opening of closed streets (ex: San Jose Blvd). The purpose of the discussion item is to determine what the next steps should be in this process (i.e. leave the streets closed or move to reopen them).

City Administrator – Performance Measures

As part of the City Administrator contract, the City Council and Administrator have agreed to set specific performance goals with financial ties. The purpose of this discussion is to determine agreeable goals that can be considered in the future for performance bonuses.

City Council Goal Setting

We are looking to set a formal date for a meeting dedicated to City Council Goal Setting that is outside of the general goals Council set during our initial budget talks.

Social Media

Discussion item to review the do’s and don’ts of City Council participation on social media sites.

Short-Term Rental Legislation

Discussion item to determine if the City should move forward in developing short-term rental ordinances that limit the amount of potential short-term rentals within the City.

Kelly Garrett Mayor	Bruce Kantor Mayor Pro-Tem	Jalen Jennings Council Member	Dalton Barksdale Council Member	Jason Hammond Council Member
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DRAFT BUDGET FOR REVIEW - APRIL 15, 2024

GL NUMBER	DESCRIPTION	2021-22 ACTIVITY	2022-23 ACTIVITY	2023-24 ORIGINAL BUDGET	2023-24 ACTIVITY As of 1/31/24	2024-25 Detail	2024-25 Requested
ESTIMATED REVENUES							
Revenue							
101-000.000-401.000	CITY TAXES	2,563,680.00	2,646,687.00	3,020,630.00	2,902,440.00		3,232,074.10
101-000.000-402.000	REFUSE COLLECTION TAXES	384,523.00	397,308.00	453,065.00	426,380.00		484,779.55
101-000.000-404.000	PUBLIC SAFETY MILLAGE						
101-000.000-409.000	DELQ PERSONAL PROPERTY REVENU	2,782.00	16,977.00	3,000.00	33.00		3,000.00
101-000.000-410.001	SPEC ASSESSEMENT-ELDORADO						
101-000.000-414.000	TAX PENALTIES	29,231.00	32,569.00	35,000.00	8,509.00		30,000.00
101-000.000-415.000	MISCELLANEOUS REVENUE	21,893.00	8,416.00	15,000.00	8,878.00		15,000.00
101-000.000-416.000	WORK COMP DIVIDEND REVENUE		7,614.00	7,000.00			7,000.00
101-000.000-416.001	PROPERTY & LIABLITY DIVIDEND REVENUE	10,010.00	8,845.00	10,000.00	7,920.00		10,000.00
101-000.000-417.000	MML POOL DIVIDENDS						
101-000.000-418.000	TAX APPEALS				(2,074.00)		
101-000.000-419.000	AT & T LEASE PAYMENTS	43,405.00	43,659.00	60,889.00	31,967.00		60,000.00
101-000.000-421.000	METRO-PCS LEASE PAYMENTS	46,027.00	47,273.00	48,000.00	31,086.00		48,000.00
101-000.000-422.000	NEXTEL LEASE PAYMENTS						
101-000.000-423.000	WORK COMP REIMBURSEMENT		20,277.00	20,000.00			20,000.00
101-000.000-424.000	UNEARNED REVENUE	379,526.00	154,205.00				
101-000.000-446.000	INVESTMENT INTEREST	6,133.00	23,004.00	30,000.00	36,264.00		30,000.00
101-000.000-447.000	TAX 1% ADMINISTRATIVE FEE	89,107.00	92,190.00	90,000.00	97,320.00		105,000.00
101-000.000-448.000	INSURANCE REIMBURSEMENT	101.00			218.00		
101-000.000-448.001	INSURANCE RECOVERIES						
101-000.000-455.000	METRO AUTHORITY-FEE	18,319.00	19,532.00	18,000.00			18,000.00
101-000.000-456.000	BUILDING PERMITS	172,102.00	72,900.00	95,000.00	34,954.00		80,000.00
101-000.000-456.001	MI FIRST PERMITS REVENUE						
101-000.000-457.000	ZONING, SITE, SPECIAL PERMITS	7,401.00	12,175.00	8,500.00	4,234.00		7,500.00
101-000.000-458.000	PLUMBING/HEATING PERMITS	14,577.00	14,205.00	10,000.00	37,881.00		20,000.00
101-000.000-459.000	ELECTRICAL PERMITS	12,128.00	11,891.00	10,000.00	7,875.00		15,000.00
101-000.000-460.000	LICENSES & REGISTRATIONS	17,000.00	12,405.00	14,000.00	4,925.00		12,000.00
101-000.000-461.000	DOG & CAT LICENSES	1,175.00	2,249.00	1,100.00	2,190.00		2,000.00
101-000.000-465.000	CABLE TV REVENUES	111,105.00	106,071.00	120,000.00	57,561.00		110,000.00
101-000.000-470.000	RECREATION SPECIAL PROGRAMS	2,297.00	2,668.00	2,500.00	950.00		2,500.00
101-000.000-470.001	DOG PARK REVENUE	1,556.00	185.00		35.00		
101-000.000-470.002	COMMUNITY GARDEN REVENUE	1,815.00	670.00	1,800.00			
101-000.000-471.000	DONATIONS-OTHER				200.00		
101-000.000-472.000	ANNIVERSARY PROGRAMS						
101-000.000-475.000	COMM ROOM & BLDG RENT REVENUE	72,112.00	68,938.00	65,000.00	39,285.00		80,000.00
101-000.000-530.000	FEDERAL GRANT REVENUE - ARPA	50,392.00					
101-000.000-536.000	POLICE FORFEITURES REV - STATE						
101-000.000-536.001	POLICE FORFEITURES REV - FEDERAL						
101-000.000-537.000	CITY DEVELOPMENT REVENUES						
101-000.000-538.000	HVAC GRANT REVENUE						
101-000.000-539.000	RECREATION GRANT REVENUES						
101-000.000-540.000	302 TRAINING FUNDS-REVENUES	1,512.00		1,000.00			
101-000.000-541.000	SARRACKWOOD PARK GRANT REVENU						
101-000.000-542.000	SMART CREDITS						
101-000.000-543.000	FEDERAL/STATE GRANT	7,245.00	14,632.00	2,000.00			
101-000.000-545.000	POLICE ACTIVITY REIMBURSEMENT						
101-000.000-546.000	POLICE CHARGES FOR SERVICES	12,663.00	18,193.00	15,000.00	7,811.00		15,000.00
101-000.000-573.001	LCSA REVENUE		26,586.00				
101-000.000-574.000	STATE SHARED REVENUES	496,982.00	500,330.00	499,818.00	174,470.00		511,110.00
101-000.000-588.000	CONCERTS IN THE PARK						
101-000.000-612.000	DISTRICT COURT FINES	71,992.00	79,502.00	70,000.00	35,272.00		70,000.00
101-000.000-626.000	COMMUNITY DEVELOPMENT			8,000.00			

101-000.000-627.000	SIDEWALK REVENUES	27,175.00	362,189.00	250,000.00	156,045.00	100,000.00
101-000.000-628.000	WEED/CODE ENFORCEMENT REVENUE	6,110.00	70,212.00	50,000.00	34,534.00	30,000.00
101-000.000-629.000	MAILBOX REVENUE					
101-000.000-630.000	REFUSE CAN REVENUE					
101-000.000-631.000	RECYCLING CHARGES BIN/BILLING					
101-000.000-632.000	PUBLIC SERVICES REIMBURSEMENT	25,887.00	32,174.00	25,000.00	14,993.00	25,000.00
101-000.000-650.000	PLASTIC BAG SALES					
101-000.000-664.000	INTEREST INCOME- LEASES	81,604.00	80,284.00			77,000.00
101-000.000-667.000	MUNICIPAL BUILDING RENT					
101-000.000-668.000	TREE SALES					
101-000.000-669.000	DPS BLDG RENT FROM WATER	4,917.00	4,917.00	4,917.00		4,917.00
101-000.000-670.000	EQUIPMENT POOL RENTALS					
101-000.000-671.000	ADMINISTRATIVE REV RD FUND	4,000.00	4,000.00	4,000.00		4,000.00
101-000.000-672.000	HISTORICAL DISTRICT COMMITTEE					
101-000.000-673.000	DONATIONS-RECREATION					
101-000.000-674.000	LIBRARY REVENUE					
101-000.000-675.000	DONATIONS FUN RUN					
101-000.000-676.000	BC/BS RETIREES SPOUSES					
101-000.000-676.001	EMPLOYEE BENEFIT CONTRIBUTION	15,825.00	22,000.00	22,000.00		22,000.00
101-000.000-677.000	ELECTION REIMBURSEMENTS					
101-000.000-678.000	SOCRRA - Revenues					
101-000.000-679.000	DETROIT EDISON REFUND					
101-000.000-680.000	MUSTFA-REIMBURSEMENT					
101-000.000-681.000	SALE OF ABANDONED PROPERTY		142,700.00			
101-000.000-682.000	SALE OF FIXED ASSET	2,650.00	14,329.00			
101-000.000-690.101	TRANSFER IN FROM GENERAL FUND					
101-000.000-690.202	TRANSFER IN FROM MAJOR ROADS					
101-000.000-690.203	TRANSFER IN FROM LOCAL ROADS					
101-000.000-690.257	TRANSFER IN FROM BUDGET STABI					
101-000.000-690.271	TRANSFER IN FROM LIBRARY FUND					
101-000.000-690.303	TRANS IN FROM DEBT RETIREMENT					
101-000.000-690.317	TRANS IN FROM SANITARY SEWER					
101-000.000-690.369	TRANS IN FROM BLDNG AUTHORITY					
101-000.000-690.395	TRANSFER IN FROM DRAINS FUND					
101-000.000-690.396	TRANSFER IN FROM STORM SEWER					
101-000.000-690.402	OPERATING TRANSFER IN FROM PA					
101-000.000-690.592	TRANSFER IN FROM WATER & SEWE					
101-000.000-695.000	PRIOR RESERVE					
	TOTAL REVENUE	4,816,959.00	5,194,961.00	5,090,219.00	4,162,156.00	5,250,880.65
	TOTAL ESTIMATED REVENUES	4,816,959.00	5,194,961.00	5,090,219.00	4,162,156.00	5,250,880.65
APPROPRIATIONS						
Transfers-Out						
101-000.000-999.203	TRANS TO LOCAL ROADS					
101-000.000-999.258	TRANSFER OUT TO CAPITAL ACQUI					
101-000.000-999.271	Operating transfer In					
101-000.000-999.396	TRANS TO STORM SEWER					
101-000.000-999.401	TRANSFER OUT TO CAP PROJECTS					
101-000.000-999.494	TRANSFER OUT TO DDA FUND					
	TOTAL TRANSFERS-OUT					
Function: Unclassified						
Dept 100.000 - GOVERNMENT SERVICES						
UNK_EXP						
Expenditure						
101-100.000-708.000	PROPERTY & LIABILITY INSURANC	38,003.00	40,164.00	41,000.00	42,011.00	45,000.00
101-100.000-709.000	UNFUNDED PENSION LIABILITY					

101-100.000-710.000	UNEMPLOYMENT INSURANCE	50.00	52.00	50.00	4.00		50.00
101-100.000-712.000	WORKER'S COMP INSURANCE	6,427.00	7,000.00	7,000.00			7,000.00
101-100.000-713.000	MERS CITY CONTRIBUTIONS	150,000.00	50,000.00	50,000.00			50,000.00
101-100.000-715.000	ICMA CITY CONTRIBUTION						
101-100.000-726.000	OFFICE SUPPLIES	6,176.00	4,889.00	6,000.00	1,797.00		6,000.00
101-100.000-726.001	SUPPLIES - COVID 19	100.00					
101-100.000-730.000	LATHRUP VILLAGE FOUNDATION						
101-100.000-732.000	CODE ENFORCEMENT	3,283.00	369,633.00	3,000.00			3,000.00
101-100.000-733.000	CASH SHORT/OVER						
101-100.000-802.000	TAX TRIBUNAL RETURNS	1,197.00	10,366.00	1,500.00	71.00		2,000.00
101-100.000-803.000	MEMBERSHIPS & MEETINGS	4,751.00	7,266.00	6,500.00	1,578.00		6,000.00
	Treasurers Associations; Clerk Association; SOCPWA; Municipal Code Association						
101-100.000-804.000	BUILDING TRADE INSPECTION	83,376.00	63,901.00	60,000.00	43,869.00		56,250.00
101-100.000-804.001	MI FIRST INSPECTIONS- EXPENSE						
101-100.000-805.000	CABLE TELEVISION	65,033.00	51,737.00	40,000.00	29,084.00		58,500.00
	LVTV Contract					48,000.00	
	Chambers Camera Upgrade					8,000.00	
	MISC					2,500.00	
101-100.000-808.000	COMMUNITY CENTER EXPENDITURE	30,958.00	28,488.00	25,000.00	11,135.00		25,000.00
	Oversight/Cleaning Services; Food Service Licenses					25,000.00	
101-100.000-810.000	AUDITING & ACCOUNTING	34,157.00	43,845.00	45,000.00	8,967.00		40,000.00
	Audit Services					25,000.00	
	Accounting Consulting					15,000.00	
101-100.000-818.000	APPRECIATION DINNER						
101-100.000-822.000	TRAINING	4,516.00	9,902.00	8,000.00	5,414.00		7,000.00
	Treasurers Conference; Clerks Conference; Code Conference; BS&A Training						
101-100.000-830.000	HISTORICAL DIST COMMITTEE						
101-100.000-832.000	CITIZEN COMMUNICATION/PR	10,235.00	10,174.00	5,000.00	800.00		5,000.00
101-100.000-840.000	LIBRARY PAYMENT	119,938.00	119,938.00	172,000.00			172,000.00
101-100.000-848.000	GOVERNMENT OPERATIONS	30,315.00	39,082.00	25,000.00	5,226.00		32,500.00
101-100.000-848.001	TECHNOLOGY	46,097.00	57,028.00	60,000.00	44,265.00		65,000.00
	VC3 Contract; New Computers (2); Firewall Upgrade						
101-100.000-850.000	TELEPHONE EXPENDITURES	17,523.00	10,723.00	18,000.00	4,358.00		15,000.00
101-100.000-860.000	VEHICLE EXPENSE	5,863.00	502.00	5,000.00	1,483.00		5,000.00
101-100.000-874.000	RETIREMENT BENEFITS						
101-100.000-880.000	CDBG EXPENDITURES		3,262.00	2,000.00			2,000.00
101-100.000-882.000	PLANNING/CONSULTING FEES	7,717.00	14,989.00	10,000.00			10,000.00
101-100.000-883.000	CITY BEAUTIFICATION						
101-100.000-885.000	PLASTIC BAG EXPENSE						
101-100.000-886.000	RENT PAYMENT						
101-100.000-900.000	PRINTING/PUBLICATION COSTS	10,942.00	11,511.00	10,000.00	8,214.00		11,000.00
101-100.000-901.000	POSTAGE FEES	4,822.00	5,491.00	6,000.00	3,326.00		6,000.00
101-100.000-955.000	MISCELLANEOUS EXPENDITURES	3,960.00			120.00		10,000.00
	Lexipol Grant Services					7,500.00	
	Other					2,500.00	
101-100.000-955.001	19600 FOREST DRIVE-EXPENDITURES						
101-100.000-955.002	27907 CALIFORNIA DR., N.E. -EXPENDITURES						
101-100.000-955.003	ARPA EXPENDITURES	50,392.00	154,205.00		12,000.00		
101-100.000-970.000	CAPITAL EXPENDITURE						
	TOTAL EXPENDITURE	735,831.00	1,114,148.00	606,050.00	223,722.00		639,300.00
	UNK_EXP	735,831.00	1,114,148.00	606,050.00	223,722.00		
	Totals for dept 100.000 - GOVERNMENT SERVICES	735,831.00	1,114,148.00	606,050.00	223,722.00		
	Dept 101.000 - ADMINISTRATION						
	UNK_EXP						
	Expenditure						
101-101.000-701.000	SALARIES FULL-TIME	381,305.00	397,143.00	424,403.00	216,524.00		453,436.60

	City Administrator (68%), Finance Director (70%), Deputy Treasurer (70%), Comm. & Econ Development Dir (10%), City Clerk, UB/AP (50%), Admin Assistant, DDA Special Projects (10%) Code Enforcement (55%)					405,330.00	
	2% COLA					8,106.60	
	Employee Payouts					40,000.00	
101-101.000-702.000	SALARIES PART-TIME	3,465.00		30,000.00	1,083.00		
101-101.000-703.000	EMPLOYEE TAXES & BENEFITS	240,950.00	242,629.00	277,500.00	125,028.00		294,150.00
101-101.000-704.000	SALARIES-OVERTIME						
101-101.000-707.000	NET PENSION EXPENSE						
101-101.000-716.000	CODE ENFORCEMENT OFFICER	1,003.00			361.00		
101-101.000-717.000	CODE ENFORCEMENT LEGAL	22,035.00	19,237.00	20,000.00	5,525.00		20,000.00
101-101.000-718.000	ELECTIONS	36,980.00	17,118.00	60,000.00	9,933.00		50,000.00
	Two Elections - Includes workers, supplies, etc.						
101-101.000-719.000	OFFICIALS EXPENSE						5,000.00
	Council Trainings/Conference					5,000.00	
101-101.000-721.000	DATA PROCESING & ASSESSMENTS	34,622.00	36,044.00	36,000.00	34,702.00		37,800.00
101-101.000-722.000	LEGAL SERVICES	58,141.00	53,678.00	50,000.00	22,925.00		55,000.00
101-101.000-723.000	BOARD OF REVIEW	600.00	500.00	600.00			600.00
101-101.000-803.000	MEMBERSHIPS & MEETINGS						2,000.00
	ICMA; MME; APA						
101-101.000-955.000	MISCELLANEOUS EXPENDITURES		53.00				9,000.00
	Employee Assistance Program						
	TOTAL EXPENDITURE	779,101.00	766,402.00	898,503.00	416,081.00		926,986.60
	Totals for dept 101.000 - ADMINISTRATION	779,101.00	766,402.00	898,503.00	416,081.00		926,986.60
Dept 201.000 - BUILDING & GROUNDS							
UNK_EXP							
Expenditure							
101-201.000-701.000	SALARIES FULL-TIME						
101-201.000-702.000	SALARIES PART-TIME	30,123.00	34,963.00	30,000.00	14,586.00		30,000.00
	Custodial					30,000.00	
101-201.000-703.000	EMPLOYEE TAXES & BENEFITS						
101-201.000-704.000	SALARIES-OVERTIME						
101-201.000-712.000	WORKER'S COMP INSURANCE						
101-201.000-860.000	VEHICLE EXPENSE						
101-201.000-920.000	UTILITIES	49,682.00	59,343.00	45,000.00	29,405.00		60,000.00
101-201.000-930.000	BUILDING MAINTENANCE & REPAIR	48,966.00	54,057.00	38,000.00	13,617.00		40,000.00
	Pest Control, Mat Cleaning, Cleaning Supplies, HVAC Maintenance, Utility Maintenance, ETC, Elevator					40,000.00	
101-201.000-930.001	BUILDING - GRANTS	6,341.00	5,359.00	5,359.00			5,359.00
101-201.000-930.002	COVID EXP - BUILDING	455.00					
101-201.000-931.000	BUILDING AUTHORITY EXPENDITUR						
101-201.000-934.000	TAXES FOR RENTAL PROPERTY						
101-201.000-936.000	EQUIPMENT MAINTENANCE				1,500.00		7,500.00
	Elevator Contract						
101-201.000-938.000	PARKING LOT & GROUNDS	2,234.00	4,882.00	8,000.00	400.00		5,000.00
101-201.000-970.000	CAPITAL EXPENDITURE						6,000.00
	City Hall Drinking Fountain Replacement (Units + Install)					6,000.00	
	TOTAL EXPENDITURE	137,801.00	158,604.00	127,859.00	58,008.00		153,859.00
	Totals for dept 201.000 - BUILDING & GROUNDS	137,801.00	158,604.00	127,859.00	58,008.00		153,859.00
Dept 301.000 - PUBLIC SAFETY							
UNK_EXP							
Expenditure							
101-301.000-701.000	SALARIES FULL-TIME	765,030.00	792,470.00	887,007.00	453,987.00		1,050,000.00
101-301.000-702.000	SALARIES PART-TIME	93,153.00	70,915.00	50,000.00	34,164.00		50,000.00
101-301.000-703.000	EMPLOYEE TAXES & BENEFITS	417,864.00	511,750.00	658,068.00	306,399.00		690,000.00

101-301.000-704.000	SALARIES-OVERTIME	40,613.00	37,062.00	50,000.00	25,359.00		40,000.00
101-301.000-708.000	PROPERTY & LIABILITY INSURANC	25,594.00	26,106.00	26,106.00	26,106.00		26,106.00
101-301.000-709.000	UNFUNDED PENSION LIABILITY						
101-301.000-710.000	UNEMPLOYMENT INSURANCE	97.00	106.00	100.00	4.00		100.00
101-301.000-712.000	WORKER'S COMP INSURANCE	6,427.00	14,265.00	10,000.00			10,000.00
101-301.000-726.000	OFFICE SUPPLIES	2,914.00	3,888.00	3,500.00	2,165.00		4,000.00
101-301.000-726.001	SUPPLIES - COVID 19	54.00					
101-301.000-727.000	ROAD SUPPLIES	2,455.00	2,170.00	2,500.00	1,877.00		2,500.00
101-301.000-728.000	EVIDENCE SUPPLIES		536.00	1,000.00	417.00		1,000.00
101-301.000-729.000	OFFICE MACHINE MAINTENANCE	2,169.00	868.00	1,500.00	380.00		1,500.00
101-301.000-731.000	PUBLICATIONS/DOCUMENT REDUCIN			500.00			500.00
101-301.000-732.000	CODE ENFORCEMENT						
101-301.000-802.000	TAX TRIBUNAL RETURNS						
101-301.000-803.000	MEMBERSHIPS & MEETINGS	2,525.00	3,967.00	3,500.00	1,925.00		5,500.00
	<i>IAFCI, MACP, IACP, OCACP, SEMACP, TIA, MLEAC</i>						
101-301.000-820.000	SOUTHFIELD SAFETY PROJECT						
101-301.000-821.000	POLICE RESERVES			500.00			500.00
101-301.000-822.000	TRAINING	9,794.00	13,122.00	15,500.00	4,369.00		15,500.00
	<i>Policeone Academy, Advanced police courses, conferences</i>					15,500.00	
101-301.000-823.000	FIREARMS TRAINING	7,865.00	8,344.00	9,000.00	1,522.00		9,000.00
	<i>Mandatory semi annual qualifications, AMMO, range rental, gun parts</i>					9,000.00	
101-301.000-824.000	CRIME PREVENTION	36.00		40.00			-
101-301.000-825.000	ANIMAL CONTROL	693.00	215.00	200.00			200.00
101-301.000-826.000	COMMUNITY POLICING	434.00	65.00	1,000.00	256.00		1,100.00
	<i>Community Events (Thanksgiving Dinner, Chilli for Charity, Bike Rodeo, etc)</i>						
101-301.000-827.000	302 TRAINING FUNDS EXPENDITURES	1,968.00	822.00	2,000.00			2,000.00
101-301.000-828.000	FIRE SERVICE/DISPATCH CONTRACT	695,462.00	709,370.00	744,840.00	504,995.00		782,150.00
	<i>Southfield Fire Contract</i>					718,900.00	
	<i>Southfield Dispatch</i>					63,250.00	
101-301.000-829.000	POLICE UNIFORMS & CLEANING	16,315.00	7,350.00	15,000.00	5,979.00		15,000.00
	<i>Uniform allowance, boots, and cleaning by CBA</i>						
101-301.000-831.000	COUNTY CLEMIS BLLING						
101-301.000-833.000	PUBLICATIONS/DOCUMENTS						
101-301.000-834.000	OFFICE MACHINE MAINTENANCE						
101-301.000-835.000	MOTORCYCLE LEASE						
101-301.000-836.000	PRISONER LOCKUP	3,200.00	3,900.00	2,500.00	1,900.00		3,000.00
101-301.000-837.000	STATE OF MI LEIN USE						
101-301.000-838.000	POLICE FORFEITURES						
101-301.000-848.001	TECHNOLOGY			15,700.00	12,855.00		21,900.00
	<i>Radar Unit</i>					3,000.00	
	<i>PD Computer</i>					2,500.00	
	<i>PowerDMS</i>					4,700.00	
	<i>Getac Cloud Storage</i>					7,600.00	
	<i>Guardian Tracking</i>					1,100.00	
	<i>Misc.</i>					3,000.00	
101-301.000-850.000	TELEPHONE EXPENDITURES	11,929.00	10,835.00	9,500.00	4,800.00		11,000.00
101-301.000-851.000	RADIO COMMUNICATIONS	10,815.00	10,668.00	12,500.00	2,691.00		13,500.00
101-301.000-860.000	VEHICLE EXPENSE	64,757.00	62,345.00	37,000.00	29,488.00		47,000.00
	<i>Fleet Upkeep & Maintenance on 7 vehicles</i>						
101-301.000-955.000	MISCELLANEOUS EXPENDITURES						
101-301.000-970.000	CAPITAL EXPENDITURE						13,500.00
	<i>Taser Replacement (Year 1 of 5)</i>					13,500.00	
TOTAL EXPENDITURE		2,182,163.00	2,291,139.00	2,559,061.00	1,421,638.00		2,816,556.00
Dept 501.000 - LEAF COLLECTION							
UNK_EXP							
Expenditure							
101-501.000-701.000	SALARIES FULL-TIME						
101-501.000-702.000	SALARIES PART-TIME						

101-501.000-955.000	MISCELLANEOUS EXPENDITURES				267.00	1,000.00
101-501.000-976.000	ROAD EQUIPMENT MAINTENANCE					
101-501.000-978.000	REFUSE EQUIP/ROLLOFF EXPEND	8,530.00	7,213.00	7,000.00	1,230.00	7,000.00
TOTAL EXPENDITURE		8,530.00	7,213.00	7,000.00	1,497.00	8,000.00
Dept 601.000 - RECREATION						
UNK_EXP						
Expenditure						
101-601.000-701.000	SALARIES FULL-TIME	8,043.00				
101-601.000-702.000	SALARIES PART-TIME					
101-601.000-703.000	EMPLOYEE TAXES & BENEFITS	2,510.00				
101-601.000-712.000	WORKER'S COMP INSURANCE	800.00	800.00			
101-601.000-726.000	OFFICE SUPPLIES	119.00				
101-601.000-726.001	SUPPLIES - COVID 19					
101-601.000-806.000	ADULT PROGRAMS	350.00	102.00	5,000.00	124.00	5,000.00
101-601.000-807.000	BUS TRANSPORTATION			1,000.00	449.00	1,000.00
101-601.000-808.000	COMMUNITY CENTER EXPENDITURE					
101-601.000-809.000	SARRACKWOOD PARK EXPENDITURES					
101-601.000-811.000	SENIOR ACTIVITIES	783.00	193.00	5,000.00		5,000.00
101-601.000-812.000	COMMUNITY EVENTS	14,349.00	10,034.00	5,000.00	2,738.00	5,000.00
101-601.000-813.000	CHILDREN/YOUTH ACTIVITIES		11.00	5,000.00		5,000.00
101-601.000-814.000	RECREATION CENTER EXPEND					
101-601.000-815.000	COMMUNITY GARDEN	335.00		1,000.00		500.00
101-601.000-816.000	RECREATION GRANT EXP					
101-601.000-817.000	FITNESS CENTER EXP	353.00	147.00	350.00		
101-601.000-819.000	ANNIE LATHRUP PARK					
101-601.000-841.000	SPECIAL PROG/SPORTING EVENTS					
101-601.000-843.000	DOG PARK EXPENSES	19.00	15.00	500.00		250.00
101-601.000-860.000	VEHICLE EXPENSE					
101-601.000-884.000	CONCERTS IN THE PARK	781.00	442.00	400.00	842.00	750.00
TOTAL EXPENDITURE		28,442.00	11,744.00	23,250.00	4,153.00	22,500.00
Dept 401.000 - PUBLIC SERVICE						
UNK_EXP						
Expenditure						
101-401.000-701.000	SALARIES FULL-TIME					
101-401.000-702.000	SALARIES PART-TIME					
101-401.000-703.000	EMPLOYEE TAXES & BENEFITS	15,134.00	31,540.00	20,000.00	7,704.00	20,000.00
101-401.000-704.000	SALARIES OVERTIME					
101-401.000-712.000	WORKER'S COMP INSURANCE					
101-401.000-726.000	OFFICE SUPPLIES					
101-401.000-860.000	VEHICLE EXPENSE	8.00				
101-401.000-890.000	PARK MAINTENANCE	1,155.00	145.00	1,500.00	1,428.00	2,000.00
101-401.000-891.000	TREE MAINTENANCE					10,000.00
101-401.000-892.000	SIDEWALK MAINTENANCE	290,102.00	740,119.00	300,150.00	111,861.00	
101-401.000-893.000	MAILBOXES					
101-401.000-920.000	UTILITIES	26,656.00	30,254.00	21,000.00	11,454.00	25,000.00
101-401.000-921.000	CONTRACTUAL SERVICES	114,803.00	117,072.00	129,009.00	84,297.00	145,000.00
	Lathrup Services					135,000.00
	Engineering					10,000.00
	Misc.					5,000.00
101-401.000-936.000	EQUIPMENT MAINTENANCE	1,063.00	7,561.00	4,200.00		4,000.00
101-401.000-970.000	CAPITAL EXPENDITURE		50,897.00			58,500.00
	Plow Ready Pick-Up (50%)					26,000.00
	2011 GMC Plow Assembly					7,500.00
	Zero-Turn Lawnmower					10,000.00
	DPS Building Furnace Replacement					10,000.00
	Outside Storage Cement Blocks					5,000.00

TOTAL EXPENDITURE		448,921.00	977,588.00	475,859.00	216,744.00	264,500.00
Dept 502.000						
Expenditure						
101-502.000-801.000	PROFESSIONAL & CONTRACTUAL				66,196.00	
101-502.000-801.001	SOCRRA	354,965.00	369,792.00	387,925.00	112,135.00	401,502.38
	3.5% Increase SOCRRA Projection					
101-502.000-801.002	REFUSE COLLECTION CONTRACT					
101-502.000-955.000	MISCELLANEOUS EXPENDITURES					
TOTAL EXPENDITURE		354,965.00	369,792.00	387,925.00	178,331.00	401,502.38
Dept 811.000						
UNK_EXP						
Transfers-Out						
101-811.000-999.203	TRANSFER OUT TO LOCAL ROADS					
101-811.000-999.397	TRANSFER OUT TO RAINBOW CIRCL					
101-811.000-999.401	TRANSFER OUT TO CAP PROJECTS					
101-811.000-999.592	TRANSFER OUT TO SEWER					
TOTAL TRANSFERS-OUT						
Expenditure						
101-811.000-955.000	MISCELLANEOUS EXPENDITURES	110,450.00	157,924.00			
101-811.000-970.000	CAPITAL EXPENDITURE	110,450.00	157,924.00			
TOTAL EXPENDITURE		110,450.00	157,924.00			
UNK_EXP		110,450.00	157,924.00			
Totals for dept 811.000 -		110,450.00	157,924.00			
Total - Function Unclassified		914,336.00	1,505,304.00	863,784.00	395,075.00	
TOTAL APPROPRIATIONS		4,786,204.00	5,854,554.00	5,085,507.00	2,520,174.00	5,233,204
NET OF REVENUES/APPROPRIATIONS - FUND 101		30,755.00	(659,593.00)	4,712.00	1,641,982.00	17,677
BEGINNING FUND BALANCE		1,590,720.00	1,621,725.00	582,607.00	582,607.00	587,319
FUND BALANCE ADJUSTMENTS		248.00	(379,523.00)			
ENDING FUND BALANCE		1,621,723.00	582,609.00	587,319.00	2,224,589.00	604,996
Fund 202 - MAJOR ROAD FUND						
ESTIMATED REVENUES						
Revenue						
202-000.000-556.000	OTHER STATE GRANTS					
TOTAL REVENUE						
Total - Function Unclassified						
Function: Unclassified						
Dept 702.000						
Revenue						
202-702.000-415.000	MISCELLANEOUS REVENUES					
202-702.000-446.000	INVESTMENT INTEREST					
202-702.000-574.000	STATE SHARED REVENUES	384,226.00	398,304.00	404,143.00	167,028.00	410,000.00
202-702.000-583.000	RESERVE FOR FUND BALANCE					
202-702.000-640.001	BOND REVENUE		580,350.00			
202-702.000-665.000	INVESTMENT INTEREST	1,876.00	10,949.00	600.00		
202-702.000-690.101	TRANSFER FROM GENERAL FUND					
202-702.000-690.203	TRANSFER IN FROM LOCAL ROADS					
202-702.000-690.258	TRANSFER IN FROM CAPITAL ACQ					

202-702.000-690.397	TRANSFER IN FROM ROAD MILLAGE BOND FUND	375,000.00	1,618,420.00	300,000.00		
TOTAL ESTIMATED REVENUES		761,102.00	2,608,023.00	704,743.00	167,028.00	410,000.00
APPROPRIATIONS						
Function: Unclassified						
Dept 702.100 - CAPITAL IMP - STREET BOND						
UNK_EXP						
Expenditure						
202-702.100-970.000	CAPITAL EXPENDITURE	607,763.00	2,157,424.00	300,000.00	466,858.00	
TOTAL EXPENDITURE		607,763.00	2,157,424.00	300,000.00	466,858.00	
Total - Function Unclassified		607,763.00	2,157,424.00	300,000.00	466,858.00	
Function: Unclassified						
Dept 702.000						
UNK_EXP						
Transfers-Out						
202-702.000-999.203	TRANSFER OUT TO LOCAL ROADS					200,000.00
202-702.000-999.258	TRANSFER OUT TO CAPITAL ACQUI					
TOTAL TRANSFERS-OUT						200,000.00
Expenditure						
202-702.000-701.000	SALARIES FULL-TIME					
202-702.000-702.000	SALARIES PART-TIME					
202-702.000-703.000	EMPLOYEE TAXES & BENEFITS	1,328.00	998.00	11,507.00	45.00	5,000.00
202-702.000-704.000	SALARIES OVERTIME					
202-702.000-705.000	SALARIES-ADMIN	3,974.00	6,210.00	6,038.00	619.00	6,500.00
202-702.000-712.000	WORKERS COMPENSATION INSURANC					
202-702.000-720.000	INTEREST EXPENSE			98,333.00		
202-702.000-725.000	PAYING AGENT FEES	250.00	250.00	250.00		
202-702.000-726.000	OFFICE SUPPLIES					
202-702.000-810.000	AUDITING & ACCOUNTING	8,221.00	6,500.00	6,700.00	6,029.00	3,700.00
202-702.000-852.000	PUBLIC SERVICE BUILDING					
202-702.000-854.000	ROADSIDE PARKS					
202-702.000-856.000	ADMINISTRATION & ENGINEERING	4,000.00	4,000.00	4,000.00		4,000.00
202-702.000-858.000	ROAD CONSTRUCTION					
202-702.000-860.000	VEHICLE EXPENSE					
202-702.000-861.000	ROAD MAINTENANCE	2,285.00	3,682.00	5,000.00	11,816.00	10,000.00
202-702.000-862.000	ROADSIDE MAINTENANCE	222.00	205.00	1,000.00		1,000.00
202-702.000-864.000	TRAFFIC CONTROLS	33,756.00	18,524.00	25,000.00	8,148.00	30,000.00
202-702.000-866.000	SNOW & ICE REMOVAL	4,392.00	2,936.00	5,500.00		5,500.00
202-702.000-867.000	EQUIPMENT RENTAL			5,000.00		5,000.00
202-702.000-868.000	NON-MOTOR FACILITIES					
202-702.000-870.000	FORESTRY	21,521.00	30,483.00	36,000.00	16,213.00	30,000.00
202-702.000-921.000	CONTRACTUAL SERVICES	59,271.00	59,591.00	66,605.00	29,067.00	70,000.00
202-702.000-970.000	CAPITAL EXPENDITURE				1,320.00	
TOTAL EXPENDITURE		139,220.00	133,379.00	270,933.00	73,257.00	370,700.00
NET OF REVENUES/APPROPRIATIONS - FUND 202						
BEGINNING FUND BALANCE		14,119.00	317,220.00	133,810.00	(373,087.00)	39,300.00
ENDING FUND BALANCE		938,107.00	952,226.00	1,269,447.00	1,269,447.00	896,360.00
		952,226.00	1,269,446.00	1,403,257.00	896,360.00	935,660.00
Fund 203 - LOCAL ROAD FUND						
Function: Unclassified						
Dept 703.000						
UNK_REV						
Revenue						

203-703.000-415.000	MISCELLANEOUS REVENUE	21,761.00	25,370.00	15,000.00		
203-703.000-505.000	SPEC ASSESS INTEREST REVENUES					
203-703.000-510.041	SA 04-1 LACROSSE PAVING					
203-703.000-510.042	SA - ROSELAND					
203-703.000-510.043	SA - SARATOGA					
203-703.000-510.882	SA 88-2 REVENUE-DOLORES					
203-703.000-510.883	SA 88-3 REVENUES-REDWOOD					
203-703.000-510.911	SA 91-1 REVENUES-GLENWOOD					
203-703.000-510.941	SA 94-1 SUNNYBROOK PAVING					
203-703.000-510.953	SA 95-3 MEADOWBROOK PAVING					
203-703.000-510.982	SA 98-2 GOLDEN/GLENWOOD PAVIN					
203-703.000-573.000	STATE REVENUES-RIGHT OF WAYS					
203-703.000-574.000	STATE SHARED REVENUES	179,483.00	186,023.00	190,185.00	78,108.00	190,000.00
203-703.000-583.000	RESERVE FOR FUND BALANCE					
203-703.000-640.001	BOND REVENUE		431,867.00			
203-703.000-665.000	INVESTMENT INTEREST	2,063.00	7,008.00	600.00		
203-703.000-690.101	TRANSFER IN FROM GENERAL FUND					
203-703.000-690.202	TRANSFER IN FROM MAJOR ROADS					200,000.00
203-703.000-690.258	TRANSFER IN FROM CAPITAL ACQ					
203-703.000-690.397	TRANSFER IN FROM ROAD MILLAGE BOND FUND	375,000.00	1,618,419.00	300,000.00		
TOTAL ESTIMATED REVENUES		578,307.00	2,268,687.00	505,785.00	78,108.00	390,000.00
APPROPRIATIONS						
Expenditure						
203-703.100-970.000	CAPITAL EXP - STREET BOND	608,013.00	2,158,334.00	300,000.00	434,732.00	190,000.00
Totals for dept 703.100 - CAPITAL IMP - STREET BOND		608,013.00	2,158,334.00	300,000.00	434,732.00	190,000.00
Function: Unclassified						
203-703.000-999.101	TRANS TO GENERAL FUND					
203-703.000-999.202	TRANSFER OUT TO MAJOR ROADS					
TOTAL TRANSFERS-OUT						
Expenditure						
203-703.000-701.000	SALARIES FULL-TIME					
203-703.000-702.000	SALARIES PART-TIME					
203-703.000-703.000	EMPLOYEE TAXES & BENEFITS	1,328.00	998.00	11,893.00	45.00	14,000.00
203-703.000-704.000	SALARIES OVERTIME					
203-703.000-705.000	SALARIES-ADMIN	3,974.00	6,210.00	5,923.00	619.00	6,500.00
203-703.000-712.000	WORKER'S COMP INSURANCE					
203-703.000-720.000	INTEREST EXPENSE			98,333.00		
203-703.000-725.000	PAYING AGENT FEES	250.00	250.00	15,000.00		
203-703.000-726.000	OFFICE SUPPLIES					
203-703.000-810.000	AUDITING & ACCOUNTING	6,081.00	6,500.00	6,700.00	6,700.00	3,700.00
203-703.000-852.000	PUBLIC SERVICE BUILDING					
203-703.000-856.000	ADMINISTRATION & ENGINEERING					
203-703.000-858.000	ROAD CONSTRUCTION					
203-703.000-860.000	VEHICLE EXPENSE					
203-703.000-861.000	ROAD MAINTENANCE	4,379.00	162,674.00	75,000.00	2,728.00	20,000.00
203-703.000-862.000	ROADSIDE MAINTENANCE	222.00	1,457.00	1,000.00	117.00	5,000.00
203-703.000-864.000	TRAFFIC CONTROLS	23,787.00	3,673.00	10,000.00	1,748.00	10,000.00
203-703.000-866.000	SNOW & ICE REMOVAL	4,392.00	2,937.00	5,000.00		5,500.00
203-703.000-867.000	EQUIPMENT RENTAL			2,000.00		2,000.00
203-703.000-868.000	NON-MOTOR FACILITIES	12,004.00		5,000.00		5,000.00
203-703.000-870.000	FORESTRY	21,521.00	30,483.00	36,000.00	16,213.00	30,000.00
203-703.000-921.000	CONTRACTUAL SERVICES	59,271.00	59,591.00	74,844.00	29,067.00	79,000.00
203-703.000-970.000	CAPITAL EXPENDITURE					
203-703.000-977.003	BOND EXPENSE - CONSTRUCTION					

TOTAL APPROPRIATIONS		745,222.00	2,433,107.00	646,693.00	491,969.00		180,700.00
NET OF REVENUES/APPROPRIATIONS - FUND 203		(166,915.00)	(164,420.00)	(140,908.00)	(413,861.00)		209,300.00
BEGINNING FUND BALANCE		871,856.00	704,940.00	540,523.00	540,523.00		126,662.00
FUND BALANCE ADJUSTMENTS			2.00				
ENDING FUND BALANCE		704,941.00	540,522.00	399,615.00	126,662.00		335,962.00
Fund 258 - CAPITAL ACQUISITION FUND							
ESTIMATED REVENUES							
TOTAL TRANSFERS-IN							
Revenue							
258-000.000-406.001	REVENUE - GRANTS						
258-000.000-446.000	INVESTMENT INTEREST	217.00	3,338.00	400.00	2,378.00		
258-000.000-502.000	PROCEEDS FROM GEN OB DEBT						
258-000.000-639.000	LEAF COLLECTION EQUIP REV						
258-000.000-642.000	METER CHARGE REVENUE						
258-000.000-644.000	REPLACEMENT RESERVE REVENUE						
258-000.000-647.000	METER INSTALLMENT PAYMENT						
258-000.000-665.000	INVESTMENT INTEREST						
258-000.000-670.000	EQUIPMENT POOL RENTALS						
258-000.000-690.101	TRANSFER IN FROM GENERAL FUND	110,450.00	157,924.00				
258-000.000-690.202	TRANSFER IN FROM MAJOR ROADS						
258-000.000-690.203	TRANSFER IN FROM LOCAL ROADS						
258-000.000-690.592	TRANSFER IN FROM WATER & SEWE						
TOTAL ESTIMATED REVENUES		110,667.00	161,262.00	400.00	2,378.00		
APPROPRIATIONS							
Function: Unclassified							
Dept 000.000							
UNK_EXP							
Expenditure							
258-000.000-720.000	INTEREST EXPENSE						
258-000.000-856.000	ADMINISTRATION & ENGINEERING						
258-000.000-905.000	BOND PRINCIPAL PAYMENTS						
258-000.000-937.000	WATER SYSTEM MAINTENANCE						
258-000.000-970.000	CAPITAL EXPENDITURE	62,520.00	217,691.00	56,000.00	27,304.00		
TOTAL EXPENDITURE		62,520.00	217,691.00	56,000.00	27,304.00		
Totals for dept 000.000 -		62,520.00	217,691.00	56,000.00	27,304.00		
Function: Unclassified							
Dept 811.000							
UNK_EXP							
Transfers-Out							
258-811.000-999.202	TRANSFER OUT TO MAJOR ROADS						
258-811.000-999.203	DUE TO LOCAL ROADS						
258-811.000-999.592	TRANSFER OUT TO SEWER						
TOTAL TRANSFERS-OUT							
TOTAL APPROPRIATIONS		62,520.00	217,691.00	56,000.00	27,304.00		
NET OF REVENUES/APPROPRIATIONS - FUND 258		48,147.00	(56,429.00)	(55,600.00)	(24,926.00)		
BEGINNING FUND BALANCE		48,883.00	97,030.00	40,602.00	40,602.00		
ENDING FUND BALANCE		97,030.00	40,601.00	(14,998.00)	15,676.00		

Fund 397 - ROAD MILLAGE BOND FUND

ESTIMATED REVENUES

Revenue					
397-000.000-446.000	INVESTMENT INTEREST	9,206.00	93,096.00	10,470.00	
397-000.000-502.000	PROCEEDS FROM GEN OB DEBT				
397-000.000-502.001	NEW DEBT ISSUED				
397-000.000-510.983	SPECIAL ASSESSMENT-ROAD BOND	563,640.00	618,956.00		590,000.00
397-000.000-640.001	BOND REVENUE				
397-000.000-690.101	TRANSFER IN FROM GENERAL FUND				
397-000.000-697.550	DEBT PREMIUM			10,470.00	
TOTAL ESTIMATED REVENUES		572,846.00	712,052.00	10,470.00	590,000.00
APPROPRIATIONS					
Transfers-Out					
397-000.000-999.202	TRANSFER OUT TO MAJOR ROADS	375,000.00	1,618,420.00		
397-000.000-999.203	TRANSFER OUT TO LOCAL ROADS	375,000.00	1,618,419.00		
TOTAL TRANSFERS-OUT		750,000.00	3,236,839.00		
Expenditure					
397-000.000-720.000	INTEREST EXPENSE	196,667.00	218,749.00		183,000.00
397-000.000-856.000	ADMINISTRATION & ENGINEERING				
397-000.000-869.000	COST OF DEBT ISSUANCE				
397-000.000-905.000	BOND PRINCIPAL PAYMENTS	345,000.00	340,000.00		405,000.00
397-000.000-908.000	BOND FEES				
397-000.000-909.000	ROAD-SA BONDS				
397-000.000-911.000	CONSTRUCTION FEES				
TOTAL APPROPRIATIONS		1,291,667.00	3,795,588.00		588,000.00
NET OF REVENUES/APPROPRIATIONS - FUND 397		(718,821.00)	(3,083,536.00)	10,470.00	2,000.00
BEGINNING FUND BALANCE		3,802,358.00	3,083,538.00	1.00	1.00
FUND BALANCE ADJUSTMENTS			(1.00)		
ENDING FUND BALANCE		3,083,537.00	1.00	1.00	10,471.00

Fund 494 - DOWNTOWN DEVELOPMENT AUTHORITY

NOTE: DDA Board to Consider their DRAFT Budget at an Upcoming Meeting

ESTIMATED REVENUES

Function: Unclassified					
Dept 000.000					
UNK_REV					
Revenue					
494-000.000-400.000	REVENUE CONTROL				
494-000.000-407.000	TIFA-CAPTURE TAXES	364,258.00	396,236.00	367,901.00	26,761.00
494-000.000-410.000	TAX COLLECTED OTHER	37,117.00	37,187.00	37,488.00	7,459.00
494-000.000-410.002	SPEC ASSESSEMENT - REVENUE				
494-000.000-413.000	TAX REVENUES MITT REFUNDS				
494-000.000-415.000	MISCELLANEOUS REVENUE	21,677.00	22,364.00	21,974.00	
494-000.000-446.000	INVESTMENT INTEREST	4,104.00	39,300.00	10,000.00	23,399.00
494-000.000-471.000	DONATIONS-OTHER				
494-000.000-543.000	FEDERAL/STATE GRANTS				
494-000.000-614.000	ARTISAN MARKET	80.00			
494-000.000-615.000	MAIN STREET REVENUES				
494-000.000-690.101	TRANSFER IN FROM GENERAL FUND				
TOTAL REVENUE		427,236.00	495,087.00	437,363.00	57,619.00
UNK_REV		427,236.00	495,087.00	437,363.00	57,619.00

Totals for dept 000.000 -		427,236.00	495,087.00	437,363.00	57,619.00	
Total - Function Unclassified		427,236.00	495,087.00	437,363.00	57,619.00	
TOTAL ESTIMATED REVENUES		427,236.00	495,087.00	437,363.00	57,619.00	
APPROPRIATIONS						
Function: Unclassified						
Dept 000.000						
UNK_EXP						
Expenditure						
494-000.000-701.000	SALARIES FULL-TIME	163,062.00	162,929.00	170,940.00	83,027.00	
494-000.000-702.000	SALARIES PART-TIME	2,525.00		5,000.00	4,525.00	
494-000.000-703.000	EMPLOYEE TAXES & BENEFITS	50,249.00	57,701.00	34,000.00	34,475.00	
494-000.000-722.000	LEGAL SERVICES			900.00		
494-000.000-724.000	PUBLIC RELATIONS/SERVICES					
494-000.000-726.000	OFFICE SUPPLIES	1,072.00	507.00	6,350.00	1,584.00	
494-000.000-726.001	SUPPLIES - COVID 19					
494-000.000-734.000	BAD DEBT					
494-000.000-802.000	TAX TRIBUNAL RETURNS	13,800.00		2,000.00		
494-000.000-810.000	AUDITING & ACCOUNTING	800.00	800.00	800.00	800.00	500.00
494-000.000-822.000	TRAINING/MEMBERSHIP	2,502.00	8,575.00	10,050.00	1,790.00	
494-000.000-832.000	CITIZEN COMMUNICATION/PR					
494-000.000-844.000	MAIN STREET PROGRAM	10,465.00	5,524.00	22,500.00	12,830.00	
494-000.000-845.000	STREETSCAPING	24,035.00	9,047.00	132,000.00	9,733.00	
494-000.000-856.000	ADMINISTRATION & ENGINEERING					
494-000.000-882.000	PLANNING/CONSULTING FEES	50,646.00	15,497.00	15,300.00	17,017.00	
494-000.000-887.000	FARMERS MARKET					
494-000.000-900.000	PRINTING/PUBLICATION COSTS	2,145.00	972.00	2,000.00	1,807.00	
494-000.000-901.000	POSTAGE FEES	135.00		200.00		
494-000.000-933.000	REPAIRS & MAINTENANCE	252,007.00	335,203.00	417,293.00	27,952.00	
494-000.000-955.000	MISCELLANEOUS EXPENDITURES	2,567.00	1,007.00	53,457.00	1,315.00	
494-000.000-955.002	27907 CALIFORNIA DR., N.E. -EXPENDITURES					
494-000.000-961.000	TRI-PARTY MATCH					
494-000.000-968.001	DEPRECIATION INFRASTRUCTURE	29,718.00	29,714.00	30,000.00		
494-000.000-970.000	CAPITAL EXPENDITURE					
494-000.000-971.000	SIGN GRANT PROGRAM	4,000.00		10,000.00		
494-000.000-971.001	FACADE GRANT PROGRAM	11,640.00		20,000.00		
TOTAL EXPENDITURE		621,368.00	627,476.00	932,790.00	196,855.00	
UNK_EXP		621,368.00	627,476.00	932,790.00	196,855.00	
Totals for dept 000.000 -		621,368.00	627,476.00	932,790.00	196,855.00	
Total - Function Unclassified		621,368.00	627,476.00	932,790.00	196,855.00	
TOTAL APPROPRIATIONS		621,368.00	627,476.00	932,790.00	196,855.00	
NET OF REVENUES/APPROPRIATIONS - FUND 494						
BEGINNING FUND BALANCE		(194,132.00)	(132,389.00)	(495,427.00)	(139,236.00)	
ENDING FUND BALANCE		1,611,212.00	1,417,080.00	1,284,694.00	1,284,694.00	
		1,417,080.00	1,284,691.00	789,267.00	1,145,458.00	
Fund 592 - WATER & SEWER FUND						
ESTIMATED REVENUES						
Revenue						
592-000.000-406.000	TAX REVENUE-DRAINS					
592-000.000-406.001	REVENUE - GRANTS					

592-000.000-666.000	CONTRIBUTED REVENUE					
592-000.000-667.000	MUNICIPAL RENT					
TOTAL REVENUE						
Total - Function Unclassified						
Function: Unclassified						
Dept 536.000 - WATER DEPARTMENT						
UNK_REV						
Revenue						
592-536.000-415.000	MISCELLANEOUS REVENUES	59,019.00	38,648.00	40,000.00	12,480.00	20,000.00
592-536.000-420.000	RENT REVENUE-REPAYMENT					
592-536.000-425.000	PENSION REIMBURSEMENT					
592-536.000-640.000	WATER SERVICE	708,405.00	737,217.00	730,440.00	424,691.00	766,962.00
592-536.000-640.001	BOND REVENUE	228,713.00	228,905.00	227,268.00	133,686.00	353,660.00
592-536.000-640.002	CAPITAL BOND REVENUE			899,000.00		
592-536.000-641.000	WATER & SEWER PENALTIES	28,855.00	33,184.00	25,000.00	16,925.00	
592-536.000-642.000	METER CHARGE REVENUE	69,125.00	69,560.00	80,830.00	48,521.00	81,000.00
592-536.000-643.000	REPLACEMENT RESERVE REVENUE			185,416.00		
592-536.000-646.000	TAP-IN FEES					
592-536.000-665.000	INVESTMENT INTEREST	6,520.00	80,857.00	4,500.00	36,041.00	10,000.00
Total - Function Unclassified		1,100,637.00	1,188,371.00	2,192,454.00	672,344.00	1,231,622.00
Function: Unclassified						
Dept 537.000 - SEWER DEPARTMENT						
UNK_REV						
Revenue						
592-537.000-406.000	TAX REVENUE-DRAINS					
592-537.000-415.000	MISCELLANEOUS REVENUES		4,990.00			
592-537.000-543.000	FEDERAL/STATE GRANTS	213,826.00	130,945.00			
592-537.000-640.002	CAPITAL BOND REVENUE			1,034,405.00		
592-537.000-641.000	WATER & SEWER PENALTIES	41,022.00	48,565.00	43,000.00	25,615.00	40,000.00
592-537.000-643.000	REPLACEMENT RESERVE REVENUE					
592-537.000-645.000	SEWAGE DISPOSAL REVENUE	1,378,674.00	1,395,414.00	1,751,268.00	811,403.00	1,786,293.36
592-537.000-646.000	TAP-IN FEES					
592-537.000-649.000	ENVIRONMENTAL INFRAS-T-REVENUE					
592-537.000-651.000	INDUSTRIAL SURCHARGE	30,670.00	35,787.00	43,000.00	21,281.00	42,000.00
592-537.000-652.000	ENVIRONMENTAL ENFOR-REVENUE					
592-537.000-653.000	CAPITAL CONTRIBUTIONS (ARRA FUNDS)					
592-537.000-665.000	INVESTMENT INTEREST	6,520.00	71,567.00	4,500.00	36,041.00	10,000.00
592-537.000-665.001	INVESTMENT INTEREST - BOND					
592-537.000-682.000	SALE OF FIXED ASSET					
592-537.000-690.258	TRANSFER IN FROM CAPITAL ACQ					
592-537.000-697.001	PREMIUM ON BONDS	19,352.00				
TOTAL ESTIMATED REVENUES		2,790,701.00	2,875,639.00	5,068,627.00	1,566,684.00	1,878,293.36
APPROPRIATIONS						
Transfers-Out						
592-000.000-999.258	TRANSFER OUT TO CAPITAL ACQUI					
TOTAL TRANSFERS-OUT						
Totals for dept 000.000 -						
Total - Function Unclassified						
Function: Unclassified						
Dept 536.000 - WATER DEPARTMENT						
592-536.000-999.258	TRANSFER OUT TO CAPITAL ACQUI					

TOTAL TRANSFERS-OUT						
Expenditure						
592-536.000-701.000	SALARIES FULL-TIME	4,699.00	20,093.00	20,626.00	9,538.00	49,980.00
	City Administrator (10%); Finance Director (10%); Deputy Treasurer (15%); AP/Utility Billing (25%)					
592-536.000-702.000	SALARIES PART-TIME					
592-536.000-703.000	EMPLOYEE TAXES & BENEFITS	115,154.00	114,808.00	143,453.00	54,933.00	140,000.00
592-536.000-704.000	SALARIES OVERTIME					
592-536.000-706.000	OPEB EXPENSE	(951,233.00)	(274,557.00)			
592-536.000-708.000	PROPERTY & LIABILITY INSURANC	7,803.00	7,959.00	8,000.00	8,000.00	8,000.00
592-536.000-709.000	UNFUNDED PENSION LIABILITY					
592-536.000-712.000	WORKER'S COMP INSURANCE					
592-536.000-720.000	INTEREST EXPENSE					
592-536.000-723.000	BOARD OF REVIEW					
592-536.000-726.000	OFFICE SUPPLIES	107.00				
592-536.000-803.000	MEMBERSHIPS & MEETINGS			1,880.00		2,500.00
592-536.000-810.000	AUDITING & ACCOUNTING	7,732.00	6,500.00	6,700.00	6,700.00	3,700.00
592-536.000-850.000	TELEPHONE EXPENDITURES					
592-536.000-856.000	ADMINISTRATION & ENGINEERING					20,000.00
592-536.000-860.000	VEHICLE EXPENSE					
592-536.000-869.000	COST OF DEBT ISSUANCE					
592-536.000-875.000	PENSION EXPENSE	(1,362.00)	36,661.00			25,000.00
592-536.000-900.000	PRINTING/PUBLICATION COSTS					2,500.00
592-536.000-902.000	BILLING SERVICES	9,723.00	8,272.00	10,000.00	4,845.00	10,000.00
592-536.000-921.000	CONTRACTUAL SERVICES	66,602.00	66,961.00	74,844.00	48,976.00	78,000.00
592-536.000-935.000	EQUIPMENT REPLACEMENT	1,091.00	1,317.00	2,000.00	1,273.00	2,500.00
592-536.000-937.000	WATER SYSTEM MAINTENANCE	66,276.00	67,699.00	90,000.00	37,771.00	70,000.00
592-536.000-940.000	RENT & UTILITIES WATER & SEWE	4,917.00	4,917.00	4,917.00		5,000.00
592-536.000-941.000	INFRASTRUCTURE ANALYSIS					
592-536.000-943.000	WATER USE-CLEANING & FLUSHING					
592-536.000-944.000	WATER PURCHASES	395,597.00	291,641.00	454,416.00	134,815.00	360,000.00
592-536.000-955.000	MISCELLANEOUS EXPENDITURES		1,522.00			
592-536.000-968.000	DEPRECIATION WATER SYSTEM	325,056.00	356,260.00			
592-536.000-970.000	CAPITAL EXPENDITURE	1,814.00	10,761.00		27,323.00	13,000.00
	Plow Ready Pick-Up (25%)					
592-536.000-972.000	WATER SYSTEM CAPITAL EXPEND					13,000.00
592-536.000-974.000	WATER MAIN PROJECT	118.00	7,525.00	434,000.00		400,000.00
	2025 Water Main Projects					
592-536.000-998.000	AMORTIZATION OF CONTRIBUTED C					
Totals for dept 536.000 - WATER DEPARTMENT		54,094.00	728,339.00	1,250,836.00	334,174.00	1,190,180.00
Dept 536.100 - WATER DEPARTMENT						
Expenditure						
592-536.100-970.000	CAPITAL EXP - STOP BOX REPLACEMENT		(68,086.00)	15,000.00	9,389.00	
TOTAL EXPENDITURE			(68,086.00)	15,000.00	9,389.00	
Totals for dept 536.100 - WATER DEPARTMENT			(68,086.00)	15,000.00	9,389.00	
Dept 536.200 - WATER DEPARTMENT						
Expenditure						
592-536.200-970.000	CAPITAL EXP - LEAD & COPPER LINE REPLACE		10,774.00	25,000.00	16,869.00	
TOTAL EXPENDITURE			10,774.00	25,000.00	16,869.00	
Totals for dept 536.200 - WATER DEPARTMENT			10,774.00	25,000.00	16,869.00	
Dept 536.300 - WATER DEPARTMENT						
Expenditure						
592-536.300-970.000	CAPITAL EXP - WATER METER REPLACE	3,795.00		130,000.00	31,909.00	
TOTAL EXPENDITURE		3,795.00		130,000.00	31,909.00	

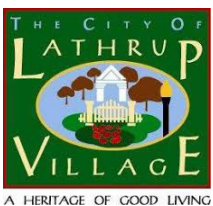
Totals for dept 536.300 - WATER DEPARTMENT		3,795.00	130,000.00	31,909.00	
Dept 536.400 - WATER DEPARTMENT					
Expenditure					
592-536.400-970.000	CAPITAL EXP - WATER MAIN REPLACE		100.00	300,000.00	590,246.00
TOTAL EXPENDITURE			100.00	300,000.00	590,246.00
Totals for dept 536.400 - WATER DEPARTMENT			100.00	300,000.00	590,246.00
Dept 536.500 - WATER DEPARTMENT					
Expenditure					
592-536.500-970.000	CAPITAL FIRE HYDRANTS			50,000.00	30,464.00
TOTAL EXPENDITURE				50,000.00	30,464.00
Totals for dept 536.500 - WATER DEPARTMENT				50,000.00	30,464.00
Dept 536.600 - WATER DEPARTMENT					
Expenditure					
592-536.600-970.000	CAPITAL EXP - GATE VALVES			75,000.00	43,758.00
TOTAL EXPENDITURE				75,000.00	43,758.00
Totals for dept 536.600 - WATER DEPARTMENT				75,000.00	43,758.00
Dept 536.700 - DITCHES & CULVERT CLEANING					
Expenditure					
592-536.700-970.000	CAPITAL EXP - DITCHES & CULVERT JET CLEA				
TOTAL EXPENDITURE					
Totals for dept 536.700 - DITCHES & CULVERT CLEANING					
Dept 537.100 - SEWER DEPARTMENT					
Expenditure					
592-537.100-970.000	CAPITAL EXP - SANITARY SEWER REPAIRS	15,718.00	103,170.00		
TOTAL EXPENDITURE		15,718.00	103,170.00		
Totals for dept 537.100 - SEWER DEPARTMENT		15,718.00	103,170.00		
Dept 537.200 - SEWER DEPARTMENT					
Expenditure					
592-537.200-970.000	CAPITAL EXP - RETENTION TANK REPAIRS			858,226.00	165,768.00
TOTAL EXPENDITURE				858,226.00	165,768.00
UNK_EXP				858,226.00	165,768.00
Totals for dept 537.200 - SEWER DEPARTMENT				858,226.00	165,768.00
Total - Function Unclassified		73,607.00	774,297.00	2,704,062.00	1,222,577.00
Function: Unclassified					
Dept 537.000 - SEWER DEPARTMENT					
UNK_EXP					
Transfers-Out					
592-537.000-999.258	TRANSFER OUT TO CAPITAL ACQUI				
TOTAL TRANSFERS-OUT					
Expenditure					
592-537.000-701.000	SALARIES FULL-TIME	4,699.00	20,093.00	20,626.00	9,538.00
	City Administrator (10%); Finance Director (10%); Deputy Treasurer (15%); AP/Utility Billing (25%)				49,980.00

592-537.000-702.000	SALARIES PART-TIME						
592-537.000-703.000	EMPLOYEE TAXES & BENEFITS	61,916.00	60,569.00	47,806.00	34,165.00		48,000.00
592-537.000-704.000	SALARIES OVERTIME						
592-537.000-706.000	OPEB EXPENSE						
592-537.000-708.000	PROPERTY & LIABILITY INSURANC	7,959.00	7,803.00	7,803.00	7,803.00		8,000.00
592-537.000-712.000	WORKER'S COMP INSURANCE						
592-537.000-720.000	INTEREST EXPENSE	173,696.00	162,850.00	174,679.00	183,481.00		152,200.00
592-537.000-725.000	PAYING AGENT FEES	1,250.00	1,250.00	1,500.00	790.00		1,500.00
592-537.000-726.000	OFFICE SUPPLIES						
592-537.000-810.000	AUDITING & ACCOUNTING	7,732.00	6,500.00	6,700.00	6,700.00		3,700.00
592-537.000-850.000	TELEPHONE EXPENDITURES						
592-537.000-856.000	ADMINISTRATION & ENGINEERING						25,000.00
592-537.000-902.000	BILLING SERVICES				626.00		
592-537.000-905.000	BOND PRINCIPAL PAYMENTS						250,000.00
592-537.000-907.000	CAP IMP BOND PAYMENT						
592-537.000-921.000	CONTRACTUAL SERVICES	66,602.00	66,961.00	74,844.00	48,976.00		78,000.00
592-537.000-935.000	EQUIPMENT REPLACEMENT						
592-537.000-936.000	EQUIPMENT MAINTENANCE						
592-537.000-939.000	SEWER SYTEM MAINTENANCE	35,938.00	175,718.00	273,000.00	48,723.00		100,000.00
	<i>Sewer Lining & Manhole Installation</i>						
592-537.000-940.000	RENT & UTILITIES WATER & SEWE			500.00			
592-537.000-941.000	INFRASTRUCTURE ANALYSIS						
592-537.000-942.000	SEWAGE DISPOSAL EXPENSE	1,056,825.00	1,044,422.00	1,074,726.00	537,363.00		1,075,000
592-537.000-945.000	RETENTION TANK-UTIL ELEC	19,679.00	22,205.00	18,707.00	2,811.00		20,000.00
592-537.000-946.000	RETENTION TANK UTIL-WATER	3,260.00	6,461.00	5,000.00	22,385.00		20,000.00
592-537.000-947.000	RETENTION TANK UTIL-GAS	495.00	1,307.00	1,200.00	324.00		1,200.00
592-537.000-948.000	RETENTION TANK UTIL-TELEPHONE	3,741.00	1,959.00	3,000.00	862.00		2,500.00
592-537.000-949.000	RETENTION TAN GENERATOR FUEL			500.00			500.00
592-537.000-950.000	RETENTION TANK SUPPLIES/TOOLS						
592-537.000-951.000	RETENTION TANK BUILDING/EQUIP		4,115.00	6,000.00			6,000.00
592-537.000-952.000	RETEEN TANK CONTRACT OPERATION						
592-537.000-953.000	RETENTION TANK EXCESS LIABIL	9,078.00	9,078.00	9,078.00	9,078.00		9,100.00
592-537.000-955.000	MISCELLANEOUS EXPENDITURES						
592-537.000-957.000	INDUSTRIAL SURCHARGE/NON-RESI	16,829.00	16,991.00	20,000.00	7,198.00		20,000.00
592-537.000-958.000	REPLACEMENT RESERVE FUNDS						
592-537.000-969.000	DEPRECIATION SEWER SYSTEM						
592-537.000-970.000	CAPITAL EXPENDITURE	8,315.00	29,940.00	450,000.00	330.00		13,000.00
	<i>Plow Ready Pick-Up (25%)</i>					13,000.00	
592-537.000-973.000	SEWER SYSTEM CAPITAL EXPEND						
592-537.000-975.000	LARVACIDE EXPENDITURES						
592-537.000-977.000	EVIRONMENT COMPL - NON CAPITA	17,269.00	10,761.00	30,000.00	3,550.00		15,000.00
592-537.000-977.001	EVIRONMENT COMPL-CONST EXP						
592-537.000-977.002	BOND EXPENSE - NON - CAPITAL						
592-537.000-977.003	BOND EXPENSE - CONSTRUCTION						
TOTAL APPROPRIATIONS		1,568,890.00	2,423,280.00	4,929,731.00	2,147,280.00		1,898,680.00
NET OF REVENUES/APPROPRIATIONS - FUND 592		1,221,811.00	452,359.00	138,896.00	(580,596.00)		21,055.36
BEGINNING FUND BALANCE		6,679,343.00	7,901,154.00	8,329,847.00	8,329,847.00		7,749,251.00
FUND BALANCE ADJUSTMENTS			(23,666.00)				
ENDING FUND BALANCE		7,901,154.00	8,329,847.00	8,468,743.00	7,749,251.00		7,770,306.36

City of Lathrup Village 2024 - 2029 Capital Improvement Plan



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PREPARED FOR:

CITY OF LATHRUP VILLAGE
PLANNING COMMISSION
27400 SOUTHFIELD ROAD
LATHRUP VILLAGE, MI
48076

MARCH 2024

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Introduction

Introduction

The 2024-2029 City of Lathrup Village Capital Improvement Plan (CIP) will serve as a tool to assist the City in turning long-range policy planning into real improvements on the ground. A six-year capital improvement plan and an annual update of that plan is a requirement for the City of Lathrup Village under the Michigan Planning Enabling Act of 2008. The following report identifies the major capital improvements needed and/or planned for the community, the time frame for implementation of those improvements, and the budget and revenue sources that will make those improvements a reality. Capital improvements cover multiple departments within the City of Lathrup Village and include new facilities, water and sewer line replacements and improvements, police equipment, parks and recreation facilities, non-motorized pathways, and professional services.



Drainage ditch repair (Giffels Webster, 2020)

WHAT IS A CAPITAL IMPROVEMENT PLAN (CIP)?

A Capital Improvement Plan is a six-year schedule of public physical improvements which identifies the needs for improvements and the sources of funding to make those improvements. It provides a schedule of expenditures for constructing, maintaining, upgrading, and/or replacing a community's physical inventory. The CIP, therefore, is a tool to assess the long-term capital project requirements (the "big jobs") of Lathrup Village. Since capital improvement projects are spread across multiple community needs (fire protection, police, water and sewer, parks and recreation, municipal administration, etc.), the CIP prioritizes these projects across the entire community and over time, providing a comparison of the community's various needs and wants.



City Street in Lathrup Village (Giffels Webster, 2020)

WHAT ARE CAPITAL IMPROVEMENT PROJECTS?

Capital improvement projects are major and infrequent expenditures, such as the construction of a new facility, a major rehabilitation or repair of an existing facility, or the purchase of major equipment. Capital improvement projects are non-recurring expenditures that tend to be large both in physical size and in cost, and have a long-term usefulness (10 years or more). Examples of capital improvement projects include:

- Construction of a new city hall
- Construction of a new police station
- Extension or replacement of a water/sewer line
- Major rehabilitation of a city's community center
- Creation of a new city park
- Large equipment and vehicles

Each city department is asked to take a long view look at future initiatives or improvements that may require capital purchases in order to be fully implemented. Each department works to improve the manner by which the City delivers services to its residents and stakeholders. Lists of needs are developed based on research and discussions with communities that have similar needs. The majority of the capital purchases in these categories are funded through the general fund or other dedicated city funds. Thorough knowledge and research of our future planned costs allows for the pursuit of grant and other outside funding sources to meet our policy goals. The following sections discuss the City's various needs and proposed funding by department.

The term "major expenditure" is relative; what is "major" to one community might be "minor" to another. The City of Ann Arbor, for example, sets a minimum threshold of \$100,000 for projects to be included in the City's CIP, while the City of Rochester Hills sets a minimum of \$25,000. Lathrup Village's policy for determining a Capital Improvement is defined in the following section.



Lathrup Village DPS yard (Giffels Webster, 2020)

WHAT IS THE CITY OF LATHRUP VILLAGE'S CAPITAL IMPROVEMENT POLICY (CIP)?

A capital improvement project is a major, nonrecurring expenditure that meets one or more of the following criteria:

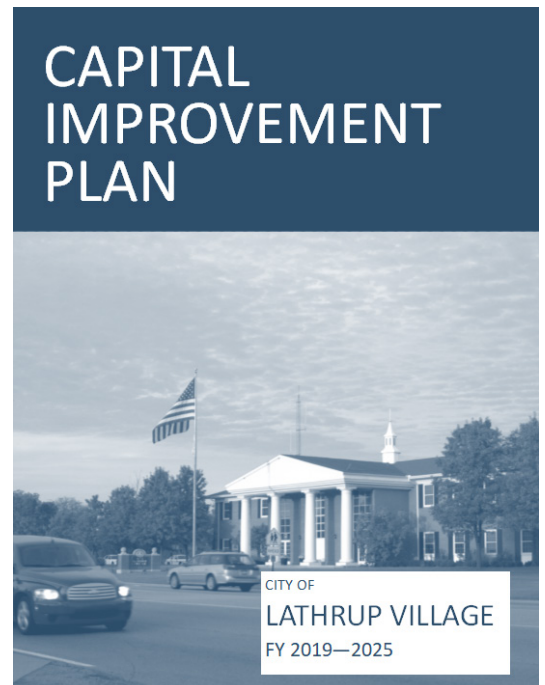
- Any acquisition of land for a public purpose which costs \$5,000 or more.
- Any construction of a new public facility (city building, water/sewer lines, pathways), or any addition to an existing public facility, the cost of which equals \$5,000 or more and has a useful life of three or more years.
- A nonrecurring rehabilitation (not to include annual/recurring maintenance) of a building, its grounds, a facility, or equipment, the cost of said rehabilitation being \$5,000 or more with a useful life of three or more years.
- Purchase of major equipment which, individually or in total, cost \$5,000 or more with a useful life of three or more years.
- Planning, feasibility, engineering, or design studies related to an individual capital improvement project, or program implemented through individual capital improvement projects, with a cost of \$5,000 or more and a useful life of three or more years.



Lathrup Village public safety vehicles (Giffels Webster, 2020)

WHAT IS THE ROLE OF THE CITY PLANNING COMMISSION IN THE CIP PROCESS?

The Capital Improvement Plan is a dynamic planning document, intended to serve as a tool to implement the City of Lathrup Village's Master Plan. The Master Plan should correspondingly include capital improvement projects as well as guide long-term capital planning. The Planning Commission is uniquely qualified to manage the development and annual update of the City's CIP, based on their role in creating and updating the City's Master Plan. The Planning Commission's role will ensure that public works projects are consistent with the land uses identified within the Master Plan. By making a recommendation of approval for the CIP to the City Council, the Planning Commission agrees that the projects outlined within it reasonably address the City's capital improvement needs.



Lathrup Village 2019 CIP (Giffels Webster, 2020)

The CIP is an essential link between planning for capital improvement projects and budgeting for them. Once approved by the City Council, the CIP can be used to develop the capital project portion of the City's budget. Those projects included in the CIP's first year (2024) potentially form the basis for the upcoming year's capital project budget. As the CIP is annually updated, a continuous relationship will be maintained between the CIP and the City's annual budget. The annual update to the CIP will typically occur in advance of the preparation of the City's budget.

WHAT ARE THE BENEFITS OF PREPARING A CAPITAL IMPROVEMENT PLAN?

- Prudent use of taxpayer dollars
- Prioritizing projects across the needs of the community and across departments (an "apples-to-apples" comparison)
- Generating community support by inviting public input
- Promoting economic development
- Improving the City's eligibility for State and Federal grants
- Providing an implementation tool for the goals and objectives of the City's Master Plan
- Transparency in identification of high-priority projects
- Coordination / cost-sharing between projects



Lathrup Village DPS yard (Giffels Webster, 2020)



Damaged storm sewer culvert (Giffels Webster, 2020)

Program Areas

Program Areas

The following sections outline the Program Areas of the City of Lathrup Village’s CIP:

1. Data Collection Process
2. Data Compilation Process
3. CIP Adoption Process

The components of the CIP are compiled and reported by Program Areas. The following table (Figure 1) displays the Program Areas used in this CIP. These program areas represent the stakeholders in the CIP.



Sarrackwood Park (Google, 2020)

Figure 1. CIP Program Areas	
AD	Administrative
DPS	Department of Public Services
DDA	Downtown Development Authority
PR	Parks & Recreation
PD	Police Department
R	Roads
S	Sewer
W	Water

1. DATA COLLECTION. Each of the stakeholders outlined above has either a master plan or schedule that defines the needs and resource level within their respective area of responsibility. To more easily identify projects, standard forms were created that allow the stakeholders to define their projects and resource allocation levels. The standard forms used for data collection are found in the Appendix.

A definition of the standard CIP forms is provided as follows:

- **PROJECT APPLICATION FORM** - Consists of project descriptions, schedules, necessity, and possible sources of funding. The information provides an understanding of the overall scope of each project and how it is valued within its program area and within the City. While stakeholders may be aware of major projects further out on the horizon, only those planned for within the six-year window of the 2024-2029 CIP were included.
- **PROJECT COST DETAIL FORM** - Consists of a matrix of six (6) budget years across the top of the form and a listing of costing components along the side of the form. The form is split into two (2) parts; the upper half is the capital cost for the project and the lower half is the cost of operations or maintenance for that project if applicable. Recognition of the operations and maintenance costs of a project is a valuable tool in forecasting future needs for resource allocation. Investment in a new facility is only worthwhile if there are funds available to operate and maintain it.
- **PROJECT RATING FORM** - This form is used when new projects are identified but cannot all be funded within a given fiscal year. The forms are used to rate both the importance and impact of a project within its program area and within the City. The ratings are weighted with emphasis given to those projects that are mandated by law, by agreement, or because they are a matter affecting health safety and welfare. Projects without a ranking were not competing for funding, either because they are mandatory or because no other similar projects were proposed.

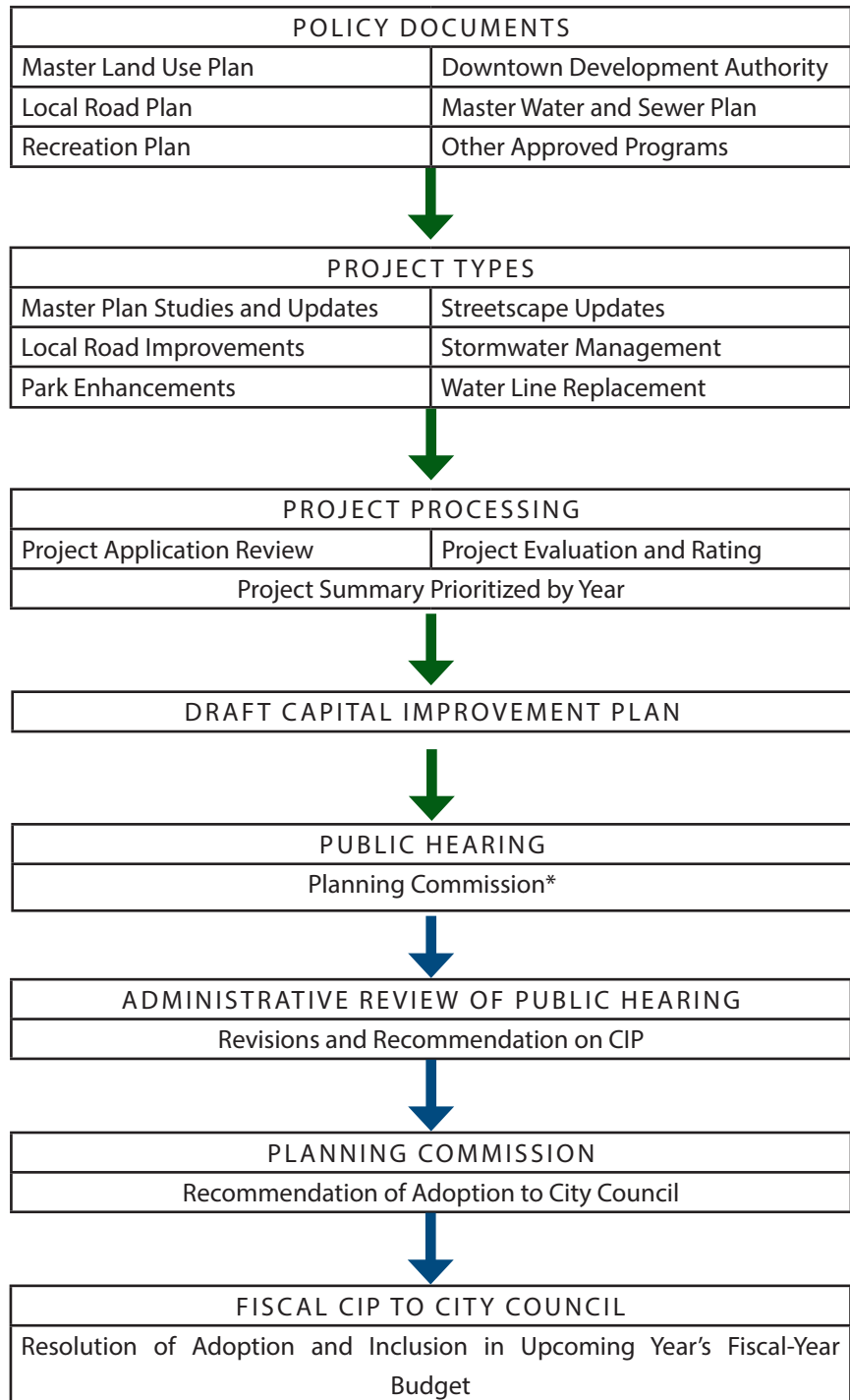
2. **DATA COMPILATION.** The information received from the stakeholders has been compiled into a Project Summary Worksheet. This worksheet contains all of the projects in the CIP over six (6) budget years with a cost summary of each budget year by program area and for the entire CIP. Included with the worksheet is the listing of possible funding sources and an estimate of the City's share for each project. The Project Summary Worksheet can be found in the Appendix of this CIP.



Lathrup Village welcome sign (Giffels Webster, 2020)

3. CIP ADOPTION PROCESS. The adoption process involves a public hearing to solicit citizen input. The CIP will then be modified (if necessary), approved by the City Planning Commission (via a formal recommendation for approval to the City Council), and forwarded to the City Council for adoption. Adoption of the CIP by the City Council does not constitute an authorization to commit resources to any project. This approval is recognition of a plan for projects within the community that may move toward implementation in the future. The projects included within Year 1 of the Capital Improvement Plan potentially form the basis for the upcoming year's capital projects budget. An outline of the process is displayed in Figure 2.

Figure 2 - CIP Adoption Process



Project Inventory

Below is a summarized list of all projects considered for the Capital Improvement Plan. Project details are shown on the following pages; they can also be viewed online via the [Interactive CIP Dashboard Map](#). Changes from 2023-2028 CIP are provided as applicable. New items added in are marked with an asterisks (*) in the tables below.

Project Number	Name	Fiscal year start	Funding source	Total
Administrative (AD)				
AD24-01	Remote Cameras - Cable Department	2024	General Fund	\$7,798
AD24-02	City Hall Drinking Fountain Replacement*	2024	General Fund	\$6,000
AD24-03	Facility Condition & Needs Assessment*	2024	General Fund / Water-Sewer	\$35,000
AD Total				\$48,798
Department of Public Services (DPS)				
DPS24-01	2011 GMC Pickup - Plow Assembly*	2024	General Fund	\$7,500
DPS24-02	Painting - DPS Building	2024	General Fund	\$20,000
DPS24-03	Epoxy Floors	2024	General Fund	\$65,000
DPS24-04	Cement Blocks	2024	General Fund	\$5,000
DPS24-05	Concrete Slab	2024	General Fund	\$25,000
DPS24-06	Furnace Replacement	2024	General Fund	\$10,000
DPS24-07	Kitchen Remodel	2024	General Fund	\$6,000
DPS24-08	Bathroom(s) Remodel	2024	General Fund	\$6,000
DPS24-09	Parking Lot Replacement Phase 3	2024	General Fund	\$125,000
DPS24-10	Backhoe tractor	2024	General Fund	\$97,750
DPS24-11	City Hall Roof Repair	2024	General Fund	\$20,000
DPS24-12	Dump Truck	2024	General Fund	\$65,165
DPS24-13	Gutters and Downspout	2024	General Fund	\$10,000
DPS24-14	DPS Building Roof Repair	2024	General Fund	\$130,000
DPS24-15	Pick up Truck (plow ready)	2024	General Fund	\$51,750
DPS24-16	Building and Site Improvements	2024	General Fund	\$50,000
DPS24-17	Interior Garage Concrete Pavement	2024	General Fund	\$15,000
DPS24-18	Tow Behind Leaf Blower*	2025	General Fund	\$75,000
DPS24-19	Zero Turn Lawn Mower*	2025	General Fund	\$10,000
DPS24-20	Verkada - Camera/Door Lock License Fee*	2025-2026	General Fund	\$10,227.87
DPS Total				\$759,392.87

INTERACTIVE CIP DASHBOARD URL:

<https://oakgov.maps.arcgis.com/apps/opsdashboard/index.html#/45dd43a3429a404b9d8287f40d2e7d57>

Project Inventory - continued

Project Number	Name	Fiscal year start	Funding source	Total
Downtown Development Authority (DDA)				
DDA24-01	Alleyway Improvements	2024	DDA General Fund	\$296,000
DDA24-02	City Hall Parking Lot Reconstruction	2025	DDA General Fund	\$350,000
DDA24-03	Bike Loops	2025	DDA General Fund	\$7,300
DDA24-04	Trash Receptacle Installation	2025	DDA General Fund	\$13,000
DDA24-05	HAWK Pedestrian Crossing	2025	DDA General Fund	\$100,000
DDA24-06	Alleyway Improvements*	2025	DDA General Fund	\$345,000
DDA24-07	Alleyway Improvements*	2026	DDA General Fund	\$350,000
DDA24-08	City Hall Monument Sign Conversion	2026	DDA General Fund	\$10,000
DDA Total				\$1,471,300
Parks and Recreation (P&R)				
PR24-01	Municipal Park Playscape Replacement	2024-2025	Senator Peters / Oakland County	\$625,000
PR24-02	Sarrackwood Park Playscape Replacement	2026	Grant	\$400,000
PR24-03	Goldengate Park Playscape Replacement	2026	General Fund	\$400,000
P&R Total				\$1,425,000
Police				
P24-01	Ballistic Plate Carrier Upgrade	2024	Police	\$15,000
P24-02	In-Car Video System Replacement	2024	Police	\$27,000
P24-03	Power DMS Annual Accreditation Subscription	2024	TBD	\$5,222
P24-04	Chief and Detective Bureau Vehicles	2024	General Fund	\$74,000
P24-05	Police Station Remodel or New Build	2025	General Fund	\$1,800,000
P24-06	Patrol Vehicle	2025	General Fund	\$65,000 - \$70,000
P24-07	Axon Taser - Replacement	2024 - 2029	General Fund	\$52,222.53
Police Total				\$2,043,444.53
Roads				
R24-01	2024 EB/WB 11 Mile Road Resurface (RCOC) Southfield Road to 1,000' west	2024	Major Road	\$175,000
R24-02	Southfield Road Resurfacing (11 Mile to 12 Mile Roads)	2024	General Fund / Major Road / DDA / Tri-Party	\$440,000 City Share: \$146,000
R24-03	Eastbound 11 Mile Resurfacing (Southfield Road to On-Ramp)	2025	General Fund / Fed Grant / Major Rd	\$307,000
R24-04	Lincoln Drive east reconstruction	2026	Major Road	\$450,000
R24-05	Eastbound and Westbound 11 Mile Road Resurfacing	2027	General Fund / Major Road	\$750,000
R24-06	Southfield Rd. Reconstruction (Meadowood to Cambridge)	2027	Grant / CIP	\$2,650,000
Roads Total				\$4,772,000

INTERACTIVE CIP DASHBOARD URL:

<https://oakgov.maps.arcgis.com/apps/opsdashboard/index.html#/45dd43a3429a404b9d8287f40d2e7d57>

Project Inventory - continued

Project Number	Name	Fiscal year start	Funding source	Total
Sanitary and Storm Sewer				
S24-01	2024 - 2025 Manhole Installation	2024	CIP Bond	\$200,000
S24-02	Sanitary Retention Tank Upgrades	2024	CIP Bond	\$858,000
S24-03	2025 Sanitary Sewer CCTV	2025	Water / Sewer	\$200,000
S24-04	Storm Sewer Improvements & Repairs	2025	CIP Bond	\$150,000
S24-05	2026 Sanitary Sewer Improvements	2026	Water / Sewer	\$200,000
S24-06	2027 Sanitary Sewer Improvements	2027	Water / Sewer	\$200,000
S24-07	2028 Sanitary Sewer Improvements	2028	Water / Sewer	\$200,000
Sanitary and Storm Total				\$1,988,000
Water				
W24-01	Lead and Copper Service Abatement	2024	CIP Bond Issue	\$100,000
W24-02	Lead and Copper Interior Inspections	2024	CIP Bond Issue	\$50,000
W24-03	Fire Hydrants Replacement / Refurbish	2024	CIP Bond Issue	\$210,000
W24-04	Gate Valve Replacement	2024	CIP Bond Issue	\$250,000
W24-05	Residential Water Meter Telemetry	2024	CIP Bond Issue	\$120,000
W24-06	2024 Water Main Replacement	2024	Water / Sewer	\$489,000
W24-07	2025 Water Main Replacement	2025	Water / Sewer	\$681,500
W24-08	Lead & Copper Abatement	2025	Water / Sewer	\$50,000
W24-09	2026 Water Main Replacement	2026	Water / Sewer	\$1,080,000
W24-10	2027 Water Main Replacement	2027	Water / Sewer	\$980,000
W24-11	2028 Water Main Replacement	2028	Water / Sewer	\$1,312,000
W24-12	2029 Water Main Replacement	2029	Water / Sewer	\$750,000
W24-13	2030 Water Main Replacement	2030	Water / Sewer	\$500,000
W24-14	Water Main Replacement (31-32)	2031	Water / Sewer	\$500,000
Water Total				\$7,062,500

INTERACTIVE CIP DASHBOARD URL:

<https://oakgov.maps.arcgis.com/apps/opsdashboard/index.html#/45dd43a3429a404b9d8287f40d2e7d57>

Administrative

New to the 2024 CIP is a focus on a needs assessment for prioritizing CIP and maintenance and the allocation of operating budgets. Also new is the replacement of the aging drinking fountains at City Hall. Carried over from the 2023 CIP is the new camera equipment to replace obsolete equipment and improve services by the Cable department. It is expected that the new equipment would contribute to the long term needs of the community for up to 30 years.

AD24-01		Remote Cameras - Cable Department
Project Year:	2024	New cameras will save labor fees for Council chamber meetings. Current equipment is identified as obsolete.
Estimated Cost:	\$7,798	
Funding Source:	General Fund	
Ranking:	TBD	
AD24-02		City Hall Drinking Fountain Replacement*
Project Year:	2024	Replacement of four (4) aged wall-mounted drinking fountains throughout City Hall. This would include three (3) fountain/bottle filling stations, one (1) standard fountain, and installation expense.
Estimated Cost:	\$6,000	
Funding Source:	General Fund	
Ranking:	TBD	
AD24-03		Facility Condition and Needs Assessment*
Project Year:	2024	As City facilities continue to age, the City should utilize qualified consultants to provide a facility condition and needs assessment (FCNA) of the existing City Hall and DPW facilities. The analysis would be utilized for prioritizing CIP and maintenance requirements as well as assisting with allocating operating budgets. The review would include exterior/interior systems, fire/life safety, HVAC, electrical, plumbing, and specialized equipment and systems.
Estimated Cost:	\$35,000	
Funding Source:	General Fund / Water-Sewer	
Ranking:	TBD	

Department of Public Services

Lathrup Village has maintained a contract with the private company Lathrup Services to manage all of its public service provisions. Services such as water main repair, snow plowing, landscaping and general maintenance and repairs fall into this category. The truck plow assembly package, leaf blower, lawn mower, and Verkada surveillance camera license fee are new items for 2024.

DPS24-01		2011 GMC Pickup - Plow Assembly*
Project Year:	2024	The City's current 2011 GMC pickup does not include a plow package, thus limiting its usefulness during the winter months. The plow assembly package would allow the City to retrofit one of its vehicles to give it the added benefit to be added to the winter fleet rotation.
Estimated Cost:	\$7,500	
Funding Source:	General Fund	
Ranking:	4	
DPS24-02		Painting DPS Building
Project Year:	2024	The building is ready for a new paint job inside and out.
Estimated Cost:	\$20,000	
Funding Source:	General Fund	
Ranking:	16	
DPS24-03		Epoxy Floors
Project Year:	2024	Epoxy floors throughout the entire building will keep office and shop floors clean. The carpet is very dirty and worn out - remove and replace with epoxy.
Estimated Cost:	\$65,000	
Funding Source:	General Fund	
Ranking:	13	
DPS24-04		Cement Blocks
Project Year:	2024	Improve yard and organization. Only have three bays to work with. Extra materials used for projects and dumped anywhere in yard.
Estimated Cost:	\$5,000	
Funding Source:	General Fund	
Ranking:	8	
DPS24-05		Concrete Slab
Project Year:	2024	Interior of DPS building is dirt and needs to be replaced with concrete for a cleaner environment.
Estimated Cost:	\$25,000	
Funding Source:	General Fund	
Ranking:	TBD	
DPS24-06		Furnace Replacement
Project Year:	2024	Furnace at DPS building is old and needs to be replaced.
Estimated Cost:	\$10,000	
Funding Source:	General Fund	
Ranking:	3	

Department of Public Services

DPS24-07		Kitchen Remodel
Project Year:	2024	Kitchen is not in good shape and needs to be replaced. Remove and replace old equipment and carpet.
Estimated Cost:	\$6,000	
Funding Source:	General Fund	
Ranking:	15	
DPS24-08		Bathroom(s) Remodel
Project Year:	2024	The bathrooms at the DPS building are in bad shape and in need of remodel.
Estimated Cost:	\$6,000	
Funding Source:	General Fund	
Ranking:	14	
DPS24-09		Parking Lot Replacement Phase 3
Project Year:	2024	Repave the northern portion of the parking lot and westerly drive patch.
Estimated Cost:	125,000	
Funding Source:	General Fund	
Ranking:	11	
DPS24-10		Backhoe Tractor
Project Year:	2024	Current tractor is 13 years old and in need of replacement.
Estimated Cost:	\$97,750	
Funding Source:	General Fund	
Ranking:	2	
DPS24-11		City Hall Roof Repair
Project Year:	2024	Roof leaks in several areas in the Community Room.
Estimated Cost:	\$20,000	
Funding Source:	General Fund	
Ranking:	TBD	
DPS24-12		Dump Truck
Project Year:	2024	Dump Truck in need of replacement it is 12 years old - no floor panel make current one very dangerous
Estimated Cost:	\$65,165	
Funding Source:	General Fund	
Ranking:		
DPS24-13		Gutters & Downspout
Project Year:	2024	Gutters are broken and are in need of replacement
Estimated Cost:	\$10,000	
Funding Source:	General Fund	
Ranking	12	

Department of Public Services

DPS24-14		DPS Building Roof Repair
Project Year:	2024	DPS building is in bad shape, it is leaking in many spots and might need an entire roof replacement
Estimated Cost:	\$130,000	
Funding Source:	General Fund	
Ranking	13	
DPS24-15		Pick Up Truck (plow ready)
Project Year:	2024	The DPS truck is in poor condition and in need of replacement.
Estimated Cost:	\$51,750	
Funding Source:	General Fund	
Ranking	1	
DPS24-16		Building and Site Improvements
Project Year:	2024	Dump Truck in need of replacement it is 12 years old - no floor panel make current one very dangerous
Estimated Cost:	\$65,165	
Funding Source:	General Fund	
Ranking:	TBD	
DPS24-17		Interior Garage Concrete Pavement
Project Year:	2024	Concrete paving of garage interior.
Estimated Cost:	\$15,000	
Funding Source:	General Fund	
Ranking:	10	
DPS24-18		Tow Behind Leaf Blower*
Project Year:	2025	The Department of Public Works utilizes tow-behind leaf loaders for yearly leaf pickups. The City currently has three (3) units with one (1) of the units past its useful life and currently out of service. While the City service can continue with two (2) units, the rate of service declines greatly, especially if a crew is pulled to another assignment.
Estimated Cost:	\$75,000	
Funding Source:	General Fund	
Ranking:	6	
DPS24-19		Zero Turn Lawn Mower*
Project Year:	2025	The City's current zero turn lawnmower is seven (7) years old and at the end of its useful life as it needs consistent maintenance to function throughout the mowing season. This purchase of a commercial grade zero turn lawnmower would replace our current equipment and allow for continued service during the season.
Estimated Cost:	\$10,000	
Funding Source:	General Fund	
Ranking:	5	
DPS24-20		Verkada - Camera / Door Lock License Fee*
Project Year:	2025-2026	Verkada surveillance camera license fee will expire in August of 2025 and door lock license fee expires in Jan of 2027. IF the City would like to continue using these products we will need to renew the license.
Estimated Cost:	\$10,227.87	
Funding Source:	General Fund	
Ranking:	TBD	
		3yr license - 27 cameras = 10,227.87 5yr license - 27 cameras = 16,748.37 10yr license - 27 cameras = 33,515.37

Downtown Development Authority

The DDA has proposed improvements to Southfield Road at the gateways to the City as incremental improvements while the Southfield Road improvement project awaits federal funding priority. These projects will bolster economic development efforts to keep Lathrup Village competitive and attractive for business development. Improvements to alleyways in 2025 and 2026 are new to the 2024 CIP.

DDA24-01		Alleyway Improvements
Project Year:	2024	Repair and/or reconstruct deteriorated alleyways and approaches, using the Alleyway Assessment conducted by the city's engineers.
Estimated Cost:	\$296,000	
Funding Source:	DDA	
Ranking:	TBD	
DDA24-02		City Hall Parking Lot Reconstruction
Project Year:	2025	Reconstruct the existing asphalt parking lot with spot curb and gutter repairs, ADA compliant walks, new asphalt parking surface, and pavement markings.
Estimated Cost:	\$350,000	
Funding Source:	DDA General Fund	
Ranking:	TBD	This is part of a larger project to renovate municipal grounds which also includes new landscaping around City Hall & installing a new play structure. Total Project Cost is \$807,264



Existing Light pole banner on Southfield Road (Giffels Webster, 2020)

Downtown Development Authority

DDA24-03		Bike Loops
Project Year:	2025	To help encourage cycling and cycling safety in the City and downtown, bike loops should be installed. Although there are bike loops at City Hall, there are none located close to the north and south entrances. Seven locations, including City Hall, have been identified for areas to install bike loops.
Estimated Cost:	\$7,300	
Funding Source:	DDA General Fund	
Ranking:	TBD	
DDA24-04		Trash Receptacle Installation
Project Year:	2025	Installation of trash and recycling receptacles in the Downtown District, with six in the northern half of the district and four in the southern portion. Each receptacle has a compartment for garbage and recycling.
Estimated Cost:	\$13,000	
Funding Source:	DDA General Fund	
Ranking:	TBD	
DDA24-05		HAWK Pedestrian Crossing
Project Year:	2025	This project involves the installation of 3 HAWK/Pedestrian Hybrid Beacons. These will dramatically improve the safety of those wishing to cross Southfield Road and will enhance the connectivity of the community. Approval by RCOC for installation near Margate Ave.
Estimated Cost:	\$100,000	
Funding Source:	DDA General Fund	
Ranking:	TBD	
DDA24-06		Alleyway Improvements*
Project year:	2025	Reconstruct alleys and approaches per DDA CIP.
Estimated Cost:	\$345,000	
Funding Source:	DDA General Fund	
Ranking:	TBD	
DDA24-07		Alleyway Improvements*
Project year:	2026	Reconstruct alleys and approaches per DDA CIP.
Estimated cost:	\$350,000	
Funding Source:	DDA General Fund	
Ranking:	TBD	
DDA24-08		City Hall Monument Sign Conversion
Project year:	2026	Convert the existing monument sign to a digital message board.
Estimated Cost:	\$10,000	
Funding Source:	DDA General Fund	
Ranking:	TBD	

Parks and Recreation

The Recreation Department includes upgrades to City Parks, Community Room, and Fitness Center. The City's parks are in need of restoration and upgrades to maintain safety and accessibility. Several parks are in need of additional wood chips and landscaping around play equipment in order to ensure safety of use. Drainage improvements around recreational amenities are needed to reduce instances of standing water and to protect accessibility. The Goldengate, Sarrackwood, and municipal park playgrounds have all been moved ahead from the 2023-2028 CIP.

PR24-01		Municipal Park Playscape Replacement
Project Year:	2024-2025	The playground equipment at Municipal Park has reached the end of its usable life. Since its installation, great strides have been made in creating inclusive playscapes to meet the needs of all children in a community. As the hub of community activities and events, an inclusive and accessible playscape is a necessity at Municipal Park.
Estimated Cost:	\$625,000	
Funding Source:	Senator Peters	
Ranking:	TBD	
PR24-02		Sarrackwood Park Playscape Replacement
Project Year:	2026	The playground equipment at Sarrackwood Park has reached the end of its usable life. Since its installation, great strides have been made in creating an inclusive playscape to meet the needs of all children in the community. Maintaining clean and safe playgrounds is a hallmark of desirable neighborhoods, assisting with retaining current residents and attracting new ones.
Estimated Cost:	\$400,000	
Funding Source:	Grant	
Ranking:	TBD	
PR24-03		Goldengate Park Playscape Replacement
Project Year:	2026	The playground equipment at Goldengate Park is not inclusive equipment. Since its installation, great strides have been made in creating inclusive playscapes to meet the needs of all children in the community. Additionally, Goldengate is currently the sole park that services the southern half of the city. Having accessible equipment in the only park on the south side of the city is necessary.
Estimated Cost:	\$400,000	
Funding Source:	Grant	
Ranking:	TBD	

Police

The Lathrup Village Police Department offers full policing services to its residents including routine patrol, traffic enforcement, detective services, community relations, and other specialized functions. Lathrup Village holds the distinction of being one of Oakland County's safest cities. The Axon Taser replacement is a new item for the 2024-2029 CIP.

PD24-01		Ballistic Plate Carrier Upgrade
Project Year:	2024	Ballistic plate carrier upgrade for active shooter situations which can be added to the bulletproof vest for emergency situations.
Estimated Cost:	\$15,000	
Funding Source:	Police	
Ranking:	TBD	
PD24-02		Watchguard (In-Car Video)
Project Year:	2024	In-car video system replacement (GTek). The current system is out of warranty. A one-year warranty for all equipment can be purchased for \$3,200.
Estimated Cost:	\$27,000	
Funding Source:	Police	
Ranking:	TBD	
PD24-03		Power DMS Annual Accreditation Subscription
Project Year:	2024	
Estimated Cost:	\$5,222	
Funding Source:	TBD	
Ranking:	TBD	
PD24-04		Chief and Detective Bureau Vehicles
Project Year	2024-2025	Replacement of the Chief and Detective vehicles, which currently have 125,000 miles on each vehicle. Send these vehicles to auction will result in a higher auction value verses the potential increase in maintenance costs. I am requesting to purchase one vehicle this year and a second vehicle next year.
Estimated Cost:	\$74,000	
Funding Source:	General Fund	
Ranking:	TBD	
PD24-05		Police Station Remodel or New Build
Project Year:	2024	The police department is in desperate need of a new facility to address all of the needs of personnel and the changing environment of police standards and recruitment.
Estimated Cost:	\$1.8 MM	
Funding Source:	General Fund	
Ranking:	TBD	
PD24-06		Patrol Vehicle
Project Year:	2025	Chevy Tahoe patrol vehicle - Replace due to hours of service and mileage. This will need to include purchase of the vehicle, equipment change over and the purchase of new equipment for new model year
Estimated Cost:	\$65,000-\$70,000	
Funding Source:	General Fund	
Ranking:	TBD	

Police

PB24-07		Axon Taser - Replacement
Project Year:	2024-2029	The current department tasers are at the end of their life cycle which expires on 8/1/24. We will need to purchase new tasers to give our officers a less than lethal option for compliance while detaining/arresting subjects.
Estimated Cost:	\$52,222.53	
Funding Source:	General Fund	
Ranking:	TBD	

Roads

The City of Lathrup Village has 26.2 total miles of roads, of which 7.36 miles are major streets and 18.84 miles are considered local roads. In November 2020, Lathrup Village voters passed a millage for road repair to address the urgent needs of the transportation system. The millage funds a three-year project beginning in the spring of 2021 and was completed in the fall of 2023. The project is being paid for by the issuance of a bond and will be paid back over 10 years with an average millage rate of 3.9176 mills. Due to the significant cost savings, this project includes limited ditch grading, culvert replacement, and culvert cleaning. These additional tasks will ensure that the new roads will achieve their maximum lifespan and improve the flooding after moderate to significant rains.

R24-01		EB/WB 11 Mile Rd. RCOC, Southfield Rd. to 1,000 ft. West
Project Year:	2024	Resurfacing local roads with any remaining bond issue funds (TBD after 2023 project). This is an estimate of what may be available.
Estimated Cost:	\$175,000	
Funding Source:	Major Road	
Ranking:	TBD	
R24-02		Southfield Road Resurfacing (11 Mile Rd. to 12 Mile Rd.)
Project Year:	2024	RCOC is resurfacing Southfield Road from 11 to 12 Mile Roads. The City is responsible for 10%. Using Tri-Party funding would cost the city \$146,000.
Estimated Cost:	\$146,000	
Funding Source:	General Fund / Major Road / DDA / Tri-Party	
Ranking:	TBD	
R24-03		Eastbound 11 Mile Resurfacing (Southfield Road to on-ramp)
Project Year:	2025	Resurfacing of 11 Mile from Southfield Road to the east city limits; eastbound. Estimated cost of \$520,00 includes a \$213,000 grant (added 20% inflation).
Estimated Cost:	\$307,000	
Funding Source:	General Fund / Federal Grant	
Ranking:	TBD	
R24-04		Lincoln Dr. East Reconstruction
Project Year:	2026	
Estimated Cost:	\$450,000	
Funding Source:	Gen Fund / Fed Grant / Major Rd	
Ranking:	TBD	
R24-05		Eastbound and Westbound 11 Mile Road Resurfacing
Project Year:	2027	Resurfacing eastbound 11 Mile Road from Santa Barbara to Southfield and westbound from Southfield to Evergreen Road. Estimate a 2 mill and overlay.
Estimated Cost:	\$750,000	
Funding Source:	General Fund / Major Road	
Ranking:	TBD	

Roads

R24-07		Southfield Road Reconstruction (Meadowbrook to Cambridge)
Project Year:	2027	
Estimated Cost:	\$2,650,000	
Funding Source:	Grant / CIP Funding	
Ranking:	TBD	

Sanitary and Storm Sewer

SANITARY SEWER

The Lathrup Village sanitary sewer system consists of approximately 145,000 linear feet (lft) of sewers ranging in size from 8 inches to 24 inches in diameter. Of the 145,000 lft of sewer, the older portion of the system is comprised of approximately 118,900 (82%) of vitrified clay pipe, while the newer portion of the system is comprised of approximately 26,100 (18%) lft of concrete pipe. Constructed in the 1920's as a combined sewer system, the City converted it to a dedicated sanitary sewer system in the 1960's (meaning that storm water and sanitary water are not permitted to mix). It is believed that all residents and businesses within the City are connected to the sanitary sewer and there are no known active septic systems. Since the City of Lathrup Village reached its full development capacity, the sanitary sewer system covers the entire city with no need for expansion.

During the construction of I-696, the system was severed and divided into a northern and a southern system that are metered and discharged into the Evergreen Farmington Sewage Disposal System (EFSDS). The sewer system north of I-696 is routed to a 3-million-gallon retention tank which is located at the west end of Sunnybrook, near Evergreen Road north of I-696. This facility is currently receiving significant maintenance and repair in order to safeguard the operation of the system.

Lathrup Village has invested heavily over the past couple of decades in its sanitary sewer system. As a result, the system is in good condition, but it does require maintenance to keep it from degrading. In the fall of 2020, the City invested in having 30,000 linear feet of sewer pipe inspected via closed circuit television. As a result of this process, the assessment of approximately 11,000 linear feet of sanitary sewers have been lined at a cost of \$664,000 through a CIP Bond.

Sanitary Retention Tank

Lathrup Village has its own sanitary retention tank that is used to store inflow from the sanitary sewer system when the inflow rate is greater than the rate at which we are permitted to outflow to the Evergreen-Farmington Sewer Disposal System (EFSDS). In the past, there have been instances where the retention tank has filled up and the City was forced to allow the tank to overflow. As a result, the City is under a Consent Decree from the Michigan Department of Environment, Great Lakes and Energy (EGLE). In 2019, the City outsourced the operations and maintenance of the retention tank to the Oakland County Water Resource Commission (OCWRC). The County has notified us that the retention tank requires approximately \$500,000 in maintenance and repairs for safety and upgrades in order to obtain compliance with the Consent Decree.

STORM SEWER

Of the four infrastructure categories of public infrastructure (sanitary sewer, storm sewer, roads, and water), the City's storm sewer system has received the least amount of resources and attention in the last decade. Upkeep of ditches, culverts, and drains found in the right-of-way is, by City ordinance, the responsibility of the adjoining property owner.

For many blocks, ditches have not been properly maintained and the culverts have become damaged or have been shifted by the freeze/thaw cycle rendering them unable to perform their function. The result is a storm system that functions at a level below full capacity and leaves standing water in ditches for days following rainstorms. Poor maintenance on culverts have left them slow to drain or impassible, preventing storm water from reaching the proper drains which send water to the Rouge River. The current state of the storm and ditch system impacts the subsurface ground water levels and the volume of flow in the City's sanitary sewer system.

In 2022, the City contracted for the cleaning, televising, and assessment of 50,000 linear feet of storm sewers. There are no new items in this CIP and all previous items are moved ahead.

Sanitary and Storm Sewer

SS24-01		2025 Manhole Installation
Project Year:	2024	Install 1 to 20 sanitary manholes at sewer sections with no upper end manhole.
Estimated Cost:	\$200,000	
Funding Source:	CIP Bond Issue	
Ranking:	TBD	
SS24-02		Sanitary Retention Tank Upgrades
Project Year:	2024	
Estimated Cost:	\$858,000	
Funding Source:	CIP Bond	
Ranking:	TBD	
SS24-03		2025 Sanitary Sewer CCTV
Project Year:	2025	Clean, televise, and assess approximately 30,000 linear feet of miscellaneous sanitary sewer sections throughout the city.
Estimated Cost:	\$200,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
SS24-04		Storm Sewer Improvements & Repair
Project Year:	2025	
Estimated Cost:	\$150,000	
Funding Source:	CIP Bond	
Ranking:	TBD	
SS24-05		2026 Sanitary Sewer Improvements
Project Year:	2026	Budget for sanitary sewer repairs required based on the 2025 Sanitary CCTV assessment.
Estimated Cost:	\$200,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
SS24-06		2027 Sanitary Sewer Improvements
Project Year:	2027	
Estimated Cost:	\$200,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
SS24-07		2028 Sanitary Sewer Improvements
Project Year:	2028	
Estimated Cost:	\$200,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	

Water

Lathrup Village has approximately 31 miles of water main. Of that mileage, 17 miles of water main were installed prior to 1930 with the remaining 14 miles originally installed prior to 1972. The expected useful life of a water main is approximately 50 years. Because most of the system has already significantly outlived its useful life, the City experiences a much larger than expected number of costly water main breaks each year.

The City has been addressing this issue on an ongoing basis. In the fall of 2020, the City completed the Santa Barbara water main project, which installed about a mile of new water main to increase pressure and volume to the west side of the City. However, a large portion of the water system still needs to be replaced. As discussed in a prior recommendation, the opportune time to replace water mains is simultaneous to road replacement. This dramatically reduces the cost of water main replacement and also eliminates any need to damage existing roadway in order to replace a water main. The residents recently approved a three-year road replacement project and it is recommended that the City replace as much water main as possible during this three-year project. By the end of 2023, the City completed the replacement of 7,700 linear feet of water main since 2021.

Fire Hydrants.

Lathrup Village has approximately 243 fire hydrants and approximately 60% of those were installed prior to 1930. The City estimates that 120 hydrants need to be replaced or refurbished in order to provide optimal functionality should their use be required to extinguish a fire. It is estimated that 60 hydrants will need to be replaced and 60 will be able to be refurbished. The estimated cost per hydrant is \$4,540. This equates to a total project cost of \$545,000. Completing this project (along with water main improvements) will help to improve safety and ultimately improve the City's fire rating, which should result in lower insurance rates for businesses and residents. By the end of 2023, the City has replaced 80 hydrants and installed 20 new hydrants.

Water Main Gate Valves.

Gate valves are used to provide isolation capability for water mains. When water mains require maintenance or repair, a gate valve can be closed to shut off the water supply to the water main in question. Lathrup Village has over 300 gate valves of which 60% were installed prior to 1930. Due to their age, a large number of these gate valves no longer function. This is a huge problem, especially because of the large number of water main breaks the City experiences every year. In many instances, when a water main breaks, the contractor cannot shut off the water upstream because of a non-functioning gate valve. This means the repair must be done under pressure, which results in added expense for the repair, additional time that residents are without water, excessive water loss for which the City is liable, and safety risk for the water department staff. The City Engineer estimates that 162 gate valves require replacement. The cost of each replacement is estimated to be \$5,925, which equates to \$960,000 for the entire project. The 2021 CIP had plans to replace 54 gate valves per year for the next three years. By the end of 2023, the City has refurbished 99 gate valves and installed 32 new valves.

Distribution Service material Inventory (DSMI) and Lead/Galvanized Water Service Abatement.

In response to the Flint water crisis, the State of Michigan adopted a variety of new regulations related to lead in the water system. As a result of these regulations, by 2025, the City is required to identify the material of all water service pipes leading into all homes and businesses in the City. Any service line that consists of lead or galvanized steel is required to be replaced with the cost born completely by the City. Starting in 2021, the City must replace a minimum of 5% of its lead/galvanized service lines each year for the next 20 years.

Water

Lead and Copper Exterior Identification.

Service line material verification is required at both the water stop box (usually by the sidewalk in front of each home) and where the water service physically enters the home/business. The City has already launched a self-identification campaign for residents to identify the material inside their homes and businesses. Identifying the material at the stop box is a significantly more intensive process. It requires digging five feet down on both sides of the stop box and visually inspecting the pipes leading to and going from the stop box for 18 inches on each side. The estimated cost for each stop box identification is \$650. This estimate includes repairing the sidewalk when it is damaged during the identification process. In addition, most of the stop boxes in the City are over 75 years old and do not function well or at all. Because most of the work to replace the stop box will already be completed in the identification process, it is the opportune time to replace these old and failing devices. The additional cost to replace each stop box is \$75, bringing the total cost to \$725 per water service line. The City was required to verify 315 randomly generated services. at the end of 2023, all 315 excavations have been complete and only 4 lead or galvanized services were found. The City received nearly \$232,000 in grant money from EGLE to cover the expense of this project.

In addition, the City will be required to replace the lead and galvanized lines that are identified via the aforementioned methods. The cost of this abatement is estimated to run about \$4,500 to \$5,000 per line. While there is no way to accurately estimate how many lead and galvanized lines there are in the City, it does appear to be relatively low. The CIP is budgeting approximately \$500,000 to be utilized for this abatement. At the end of 2023, 24 water services have been abated.

Water Loss and Water Meters.

Over the last five to ten years, the City has had larger than expected water losses. Lathrup Village purchases its water from Southeast Oakland County Water Authority (SOCWA), who meters the volume that the entire City uses. The City, in turn, bills residents and businesses based upon their individual metered usage. The City had been experiencing 40% water loss for several years. The City found a leak in the high school athletic fields and identified commercial properties that were not properly metered. Since resolving these issues, the City's water loss has been less than 5%.

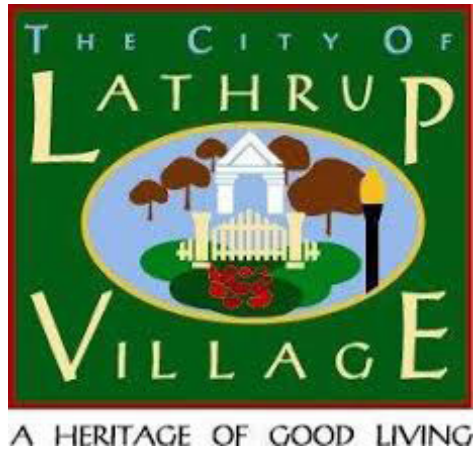
W24-01		Lead & Copper Service Abatement
Project Year:	2024	Budget for lead or galvanized service abatement (estimated 15 services per year). Confirm after internal inspections.
Estimated Cost:	\$100,000	
Funding Source:	CIP Bond	
Ranking:	TBD	
W24-02		Lead & Copper Interior Inspections
Project Year:	2024	Communities across the state are required to identify the interior water service lines by October 1, 2024. While the City has made some progress, the City will contract to have the interior inspections done.
Estimated Cost:	\$50,000	
Funding Source:	CIP Bond Issue	
Ranking:	TBD	

Water

W24-03		Fire Hydrants Replacement / Refurbish
Project Year:	2024	Refurbish and install the remaining 1 to 45 hydrants.
Estimated Cost:	\$210,000	
Funding Source:	CIP Bond	
Ranking:	TBD	
W24-04		Gate Valve Replacement
Project Year:	2024	The City's gate valves are very old and do not close correctly. Refurbish/install the remaining 1-42 valves.
Estimated Cost:	\$250,000	
Funding Source:	CIP Bond	
Ranking:	TBD	
W24-05		Residential Water Meter Telemetry
Project Year:	2024	Install upgraded telemetry and software for reading residential water meters.
Estimated Cost:	\$120,000	
Funding Source:	CIP Bond Issue	
Ranking:	TBD	
W24-06		2024 Water Main Replacement
Project Year:	2024	Replace approximately 1,500 linear feet of water mains on four dead-end streets: Roseland, Avilla, Redwood, & Catalpa.
Estimated Cost:	\$489,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
W24-07		2025 Water Main Replacement
Project Year:	2025	Replace approximately 2,500 linear feet of water main on various streets south of I-696.
Estimated Cost:	\$681,500	
Funding Source:	Water / Sewer	
Ranking:	TBD	
W24-08		Lead & Copper Abatement
Project Year:	2025	
Estimated Cost:	\$50,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
W24-09		2026 Water Main Replacement
Project Year:	2026	Replace approximately 2,400 linear square feet of water main on the east side of Southfield Road (Lincoln to 11 Mile).
Estimated Cost:	\$1,080,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	

Water

W24-10		2027 Water Main Replacement
Project Year:	2027	Replace approximately 2,800 linear feet of water main on El Dorado Blvd.
Estimated Cost:	\$980,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
W24-11		2028 Water Main Replacement
Project Year:	2028	Replace 2,700 linear feet of water main on the east side of Southfield Road (California SW to 12 Mile Rd.).
Estimated Cost:	\$1,312,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
W24-12		2029 Water Main Replacement
Project Year:	2029	Place holder for future water main projects.
Estimated Cost:	\$750,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
W24-13		2030 Water Main Replacement
Project Year:	2030	Place holder for future water main projects.
Estimated Cost:	\$500,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	
W24-14		Water Main Replacement (31-32)
Project Year:	2031	Place holder for future water main projects.
Estimated Cost:	\$500,000	
Funding Source:	Water / Sewer	
Ranking:	TBD	





FERNDALE

Finance Review Committee Report

City of Ferndale
2023-24

PRESENTED BY
Resident-led Finance
Review Committee

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PURPOSE STATEMENT

The City of Ferndale's current Voted City Operating millage (commonly called the Headlee override) expires on December 31, 2025. The citizen-led Finance Review Committee was established to study:

1. How a renewal (or non-renewal) of this millage could impact current staffing and service levels;
2. How a renewal (or non-renewal) could impact progress toward the recommendations from the 2022 resident-led Facilities Task Force; and
3. Potential alternatives for the City to explore to reduce our dependence on Headlee overrides in the future.

LETTER TO CITY COUNCIL

Mayor Leaks-May and City Council Members:

We, the members of the citizen-led Finance Review Committee, are grateful to have served the City of Ferndale. We appreciate the City staff who attended meetings, thoughtfully answered our many questions, and explained a vast amount of information. Their support resulted in this informed recommendation.



Through our discoveries, we learned that the major factor affecting property taxes and municipal funding is State policy. First, Michigan ranks last in State revenue sharing in the United States; Ferndale’s estimated State revenue sharing losses since 2002 exceed \$25 million (source: SaveMICity). Missing out on these funds requires the City of Ferndale to seek other sources of revenue.

Second, the Headlee Amendment (1978) and Proposal A (1994) were implemented when no one could have foreseen a recession like we saw in 2008, and when homebuyer habits were very different. While these pieces of legislation have their benefits, they also have drawbacks:



- Proposal A limits the growth in taxable value of existing property year over year. This is a benefit to those who stay in their home for many years. When the property sells, however, the uncapping of property tax puts a considerable tax burden on the new homeowner. Proposal A incentivizes long-term homeownership at a time when people don’t stay in the same house for as long as they used to.

- Headlee limits the growth of taxable value of existing property year over year, but for an entire municipality rather than an individual parcel. This means the additional tax revenue collected from a newly uncapped property is often distributed to other property owners in the form of a millage reduction (“Headlee rollback”) rather than captured by the local government. This leaves little financial safety net to deal with — and recover from — events like the Great Recession or the COVID-19 pandemic.
- Proposal A and Headlee combine to neutralize, in real dollars, any growth in the City's tax revenue from existing property, while continually shifting the tax burden towards the newest homebuyers.

Given this, and until there is policy change at the State level, the Committee understands that the City of Ferndale has to work within these State-imposed parameters.

The following were some other key takeaways from the Committee's efforts:

- **The City of Ferndale has taken steps to operate efficiently and progressively.** In 2010, the City underwent a restructuring following the 2008 recession. This included budget cuts and outsourcing of staff and services. In 2015, following the voter-approved Headlee override, the City began repurposing these new funds in meaningful ways, such as establishing a Human Resources Department and adopting progressive 21st Century Policing policies. Today, the City continually looks for efficiencies using priority-based budgeting. This modern and industry-standard alternative to (though not a replacement for) line-item budgeting considers the City's expenses and looks for those that are mutually dependent.
- **A Headlee override comprises a very small portion of property tax bills for Ferndale residents.** The current Headlee override (4.3638 mills) is only 8.6% of the total mills paid for a resident with a Primary Residence Exemption living in the Ferndale School District and 7.3% of the total for residents in the Hazel Park School District. This means that around 92% of a resident's tax bill is completely unaffected by the Headlee override and will not change.
- **We recognize the importance of providing City employees and community members with up-to-date, safe, and equitable facilities.** We carefully considered the recommendations made by the 2022 Facilities Task Force, paying special attention to the most pressing needs they

identified: a consolidated public safety facility and renovated Fire Station 1 and the Martin Road Park indoor/outdoor recreational center. We are aligned with their vision to "stop throwing good taxpayer money after bad."

- **Sustaining current City service levels and implementing the long-term facilities plan are two things that matter significantly to the community, as indicated by the COBALT survey results.**

Over 90% of survey respondents indicated that the long-term facilities plan was "very important" or "somewhat important" to them as part of a Headlee override, with over 50% saying it was "very important". Over 90% indicated it was "very important" or "somewhat important" to sustain current City service levels, with nearly 70% saying it was "very important".

- **The bulk of the property tax burden in the City of Ferndale falls on residents.** The City of Ferndale is less than four square miles, most of which is residential. Due to Ferndale's small size, community values, and Strategic Plan, the City is inherently limited and also intentionally selective about new commercial and industrial developments. While the City looks for ways to lighten the financial load on homeowners, they are also committed to not compromising on what makes Ferndale great.

Finally, our biggest takeaway: There is no single, perfect, uncomplicated solution. This Committee weighed many different options, all with their unique pros and cons, which we outline in detail in this report. We offer our continued support to you as you undertake these recommendations.

Thank you,
2024 Finance Review Committee



LETTER TO RESIDENTS

To our fellow Ferndale residents:

We were appointed to the 2023-24 Finance Review Committee to serve you, our friends and neighbors, because we are passionate about improving our shared community.

We all brought our own perspectives as residents and our unique areas of expertise as individuals. Some of us are homeowners or have lived in Ferndale for many years, while others of us are renters or have only lived here a short while. We work in various industries — engineering, design, hospitality, and finance, to name a few — and we span multiple generations. Our respect for each other's differing backgrounds and viewpoints helped us have thoughtful, candid conversations, change our minds when presented with new information, and make reasonable compromises. This open-minded approach helped us make recommendations that support our collective values as Ferndale residents.

While we believe we made the best recommendations possible, our biggest takeaways were that municipal finance is very complicated, and there is no single, perfect solution. This report summarizes everything we learned — the good and the bad — in a way that we hope is easy to understand so that you feel equipped to draw your own educated conclusions. The question of whether or not to move forward with a Headlee override is, in essence, a question of trade-offs: high quality and high level of services come with costs. Lower quality or eliminated services mean a different quality of life than the one we've come to love and expect here in Ferndale.

Ultimately, should a Headlee override be on the November 2024 ballot, the decision to approve it or not is entirely up to you, the voters. We ask that you read this report with a curious and open mind. Ask questions, and have the courage to let go of preconceived notions. Share your ideas and your point of view with City staff. Empower yourselves to make the best decision for you and your community. We hope you see the same value as we do in continuing to invest in Ferndale.

Should you someday find yourself with an opportunity to serve on a committee like this, we encourage you to do so. It has been an honor for all of us, and we look forward to working with you toward Ferndale's future.

SECTION 1

EXECUTIVE

SUMMARY

Ferndale is at a crossroads. The City's current Voted City Operating Millage (commonly called the Headlee override) expires on December 31, 2025. If the Voted City Operating Millage expires, Ferndale will need to cut around \$4 million from the General Fund. This budget contains the heart of our City's services, including police, fire, DPW, special events, parks and recreation, communications and outreach, maintenance of our downtown, leaf removal, urban forestry, staff retention programs and professional development, and more. The cuts would be extensive and felt by every Ferndale resident.

In 2023, City Council appointed ten residents to serve on the Finance Review Committee. This group was tasked with evaluating how a renewal or non-renewal of the millage could impact current staffing and service levels and how it could impact progress toward the recommendations from the 2022 resident-led Facilities Task Force. The committee studied the issues, explored alternatives for five months, and created this report. This document is a primer for residents and voters who want to learn how City finance works and make an informed decision on future ballot questions.

When considering this millage, it's important to know how much the current 4.3638 mills contribute to your tax bill. Ninety percent of residents pay less than \$54 a month for the Voted City Operating Millage; 63% of residents are paying less than \$28 a month. The Headlee override accounts for just 2.2% to 8.6% of your mills paid. **The remainder of charges on a tax bill are unrelated to the Headlee override and will not change as a result of any decision to expire or renew the current override.**

FINANCE REVIEW COMMITTEE RECOMMENDATION

Based on all the information received by the Finance Review Committee, our desire to both maintain and improve the quality of the City's services, and the clear need to address maintenance issues identified by the Facilities Condition Assessment, we recommend City Council consider a Headlee override millage for the November 2024 General Election to reset the City to its charter amount of 20 mills.

If approved by City Council and voters, residents would see a small increase on their tax bill – 63% of residents would see an increase of less than \$300/year or \$25/month – and they would maintain all current services and make progress on addressing the backlog of maintenance issues identified in the Facilities Task Force report.

This recommendation supports the community’s desire to improve City services, including public safety, the responsiveness of police and fire, downtown amenities, walkability, cleanliness, green spaces, park maintenance, composting, leaf pickup, and more. It also supports the ability to continue our modernized services, which include engaged communication strategies and website maintenance, along with 21st-century policing expectations, such as body cameras.

The funds generated by this recommendation can be used to update City-owned buildings. Ferndale could ensure basic features such as reliable elevator access to City Hall’s main service desk and Council Chambers, equitable locker rooms for our police officers, air quality improvements in areas where our firefighters sleep, voting record and police evidence storage according to modern standards, and ongoing maintenance according to industry best practices. These changes make Ferndale more attractive to new talent and support the retention of existing staff. Appropriate funding for building maintenance can be allocated at industry-standard rates to ensure these buildings are maintained for generations to come.

ADDITIONAL RECOMMENDATIONS

- Smarter spending: additional scrutiny of spending when a proposed expenditure exceeds regional benchmarks and/or industry standards.
- Alternate revenue sources: investigate the feasibility of income tax for Ferndale.
- Economic incentives policy: reporting on the estimated value of an incentive to the community over the short and long terms.
- Home buyer education: eliminate surprising tax bills for new home buyers.

NEXT STEPS

After receiving this report, City Councilmembers will review the recommendation of the resident-led Finance Review Committee. They will then decide whether they will allow the millage to expire, or if a millage question will be added to the ballot. If they put the question to voters, they must choose the millage amount and, if they select less than a full reset, the millage term. If City Council recommends a ballot question for November 2024, a decision must be made by Spring 2024 in compliance with election deadlines.

If Council puts the question to a vote, it is the voters who will make the final decision based on their priorities and community values. We encourage you to read this report to learn more.

SECTION 2 BACKGROUND

ABOUT THE COMMITTEE

The Finance Review Committee was staffed by nine resident members, one alternate member, and one City Council liaison.

Members

Kate Baker
Brook Ciambelli
David Hoppe, Vice Chair
Simrit Jhita, Alternate
Kimberly Lennex
Jeffrey Loftus
Alvita Lozano
Kyle Savoie
Dale Vigliarolo
Quinn Zeagler, Chair
Greg Pawlica, City Council Liaison

MEETING MATERIALS

Agendas, presentations, and meeting minutes are available on the City's website: <https://bit.ly/ferndale-finance-committee>. Interested residents can view the recordings of meeting minutes on the City's YouTube channel, @FerndaleMichigan.

PROPERTY TAXES

Taxation is a complex subject. This section summarizes what we learned about municipal finance and how it affects residents. The information presented in this report focuses on common scenarios and gives easy-to-follow examples in plain language. Residents interested in learning more about specific details or those who have additional questions should reach out to the Finance Department at 248-546-2525 Ext. 121.

KNOW THE TAXABLE VALUE OF YOUR HOME

Taxable value changes over time. The biggest change occurs when the property is sold. In Michigan, the property taxes “uncap” the year after purchase and the taxable value of the property resets to approximately 50% of the purchase price of the home. This can be a sizable jump, especially if the property has been held by a single owner for many years prior to the sale. People looking to purchase in Michigan should be aware that just because the property tax paid by the previous owner was low, that may not be the case after the uncapping.

Residents can find the taxable value of their home at bsaonline.com or on your most recent tax bill. If searching online, choose Ferndale as your municipality, then enter your address in the search bar. Click the entry with your household’s or landlord’s name, then scroll down to the Tax History section and click the arrow next to the most recent tax bill.

Michigan cities like Ferndale collect property taxes and distribute the money according to legal requirements. Ferndale does not keep all the funds it collects. Other jurisdictions and taxing agencies receive a portion of property taxes, including Oakland County, the Public School system, the library, and several outdoor and cultural amenities. You can find a breakdown of these entities listed on your tax bill. Refer to the Appendix for a breakdown of how your tax dollars are distributed to non-City entities.

CALCULATING TAXES: MILLAGE RATE AND TAXABLE VALUE MATH

Each line item on your tax bill is associated with a millage rate or “mill”. Property taxes are calculated by multiplying the taxable value of the property by the number of mills levied, where a mill is \$1 for every \$1,000 in property tax value.

For example, on the Winter 2023 tax bill, the Oakland County Parks and Rec millage was 0.3431. Your tax bill shows the amount owed for your home, but if you want to calculate it for yourself, refer to Table 1 (next page) and replace the taxable value of the sample property with the taxable value of your home.

	Sample Property
Taxable value	\$150,000
Oakland County Parks and Recs millage rate	0.3431 mills
Multiply the two numbers together	$\$150,000 \times 0.3431 = \$51,465$
Divide by 1,000	$\$51,465 \div 1,000 = \51.465
Property tax owed	\$51.46

Table 1

PROPOSAL A

The taxable value of your home increases each year. The amount it increases is tied to the rate of inflation with a maximum annual increase of 5%. This is generally a good thing because it prevents people from being priced out of their homes by property taxes that rise faster than income. When homes are sold, the taxable value uncaps and is reassessed. The uncapping (sometimes called a “pop-up”) often causes significant jumps in annual property taxes and financial shock for new homeowners, and potentially prices them out of the homes they’ve just bought.

HEADLEE AMENDMENT

Because the taxable value of individual homes increases each year, either due to sale and uncapping or due to annual inflation increases, Headlee mandates that the average increase city-wide cannot exceed the lower of the rate of inflation or 5%. If the increase exceeds the rate of inflation (Consumer Price Index, or CPI), then the millage rate must be reduced for all taxpayers so that the amount of money collected by the City is capped at the rate of inflation. A reduction of the millage rate is commonly referred to as a Headlee rollback. A common misconception is that due to the uncapping of recently sold properties, Michigan cities see a windfall of new tax dollars. However, because of Headlee limiting financial growth, this is not the case. Instead, the additional tax revenue collected from a newly uncapped property is often distributed to other property owners in the form of a millage reduction (“Headlee rollback”) rather than captured by the local government.

This infographic illustrates how Proposal A and the Headlee amendment combine to neutralize any growth in the City's tax revenue from existing property, while continually shifting the tax burden towards the newest homebuyers. While this is a simplified example, the general principles are also at work here in Ferndale.



* Proposal A caps TV increase at 5% † Headlee rollback triggered by Home 3 uncapping ‡ Home 3 uncapping lessens tax increase for Homes 1, 2, and 4

Figure 1
See Appendix pg. 46

PROPOSAL A + HEADLEE AMENDMENT + RECESSION

On their own, both Proposal A and the Headlee Amendment are reasonable ways to approach municipal taxation. Unfortunately, there are consequences to the balancing act between them when there is a recession.

Issue #1: Prior to Proposal A, Headlee allowed tax rates to move up and down to try and provide revenue growth equal to inflation. When Proposal A was later implemented by the Legislature, they eliminated the ability for rates to move in both directions. As a result, rates can go down but not back up, eliminating any logical correction that was intended by the original Headlee Amendment. This makes communities and schools more vulnerable in a recession.

Issue #2: Home values pop up after a property is sold. However, conflicts between Proposal A and Headlee do not allow a community to benefit from these values popping up as they should. In fact, too much real estate activity can trigger a rollback (reduction) in a community’s tax rates. This is especially damaging following a recession. As a result, a community is never allowed to catch up and track with the economy during a recovery. (Source: *The Review*, Michigan Municipal League, Sept/Oct 2023 Edition.)

Ferndale experienced these challenges following the 2008 Recession. It took until 2020 for Ferndale’s taxable values to return to 2008 levels, even though the economy as a whole recovered much more quickly.

Ferndale Taxable Value Changes 2007-2023



Chart 1

VOTED CITY OPERATING (HEADLEE OVERRIDE)

Cities in Michigan are limited to 20 mills for their operating fund by State law. Recall that in the above example of four houses, the millage was adjusted downward. Due to Proposal A, there is no situation in which the millage would go up again naturally. Automatic increases are not permitted by State law. **The only way the millage can go back up is by voter approval.** This is commonly known as a “Headlee override.”

Ferndale’s 2023 operating millage without a Headlee override is 11.6355 mills. This is listed as CITY OPERATING on your online property tax bill.

In the past 15 years, Ferndale voters have approved overrides for five years and 10 years. Ferndale’s 2023 Headlee override is currently 4.3638 mills. This is listed as CITY OPER-VOTED on your online tax bill. While the online version gives the two millages separately, your paper tax bill lists them together as CITY OPERATING. This report uses “Voted City Operating” and “Headlee override” to mean the same thing. It means that voters have approved a city operating millage which overrides the Headlee Amendment.

When considering the Voted City Operating millage, or Headlee override, it’s important to know how much the current 4.3638 mills contribute to your tax bill. **Ninety percent of residents pay less than \$550/year for the Voted City Operating millage and 99% pay less than \$875.**

What Residents Pay Annually for Current Headlee Override



Figure 2

For Ferndale residents, the Headlee override accounts for just 2.2% to 8.6% of the mills on your combined tax bills. The remainder of charges on a tax bill are unrelated to the Headlee override and will not change as a result of any decision to expire or renew the current override (see Tables 2 and 3 on next page).

	Ferndale School District	Hazel Park School District
2023 Sum of all mills without Primary Residence Exemption	68.6164	78.2057
2023 Voted City Operating Millage (Headlee override)	4.3638	4.3638
Voted City Operating as a percentage of total mills	6.4%	2.2%

Table 2

	Ferndale School District	Hazel Park School District
2023 Sum of all mills with Primary Residence Exemption	50.6164	60.2057
2023 Voted City Operating Millage (Headlee override)	4.3638	4.3638
Voted City Operating as a percentage of total mills	8.6%	7.3%

Table 3

PROPERTY TAX EXEMPTIONS AND FINANCIAL HARDSHIP

If you own and occupy your home, you likely qualify for the Principal Residence Exemption. This exempts a residence from the tax levied by a local school district for school operating purposes up to 18 mills. Download the form on the City’s website: ferndalemi.gov/resources/tax-forms-and-applications.

In the case of financial hardship, the City’s Board of Review must grant an exemption equal to a 25% or 50% or 100% reduction in taxable value if a person meets all eligibility requirements. Learn more details via the application packet available on the City website.

More information can also be obtained by visiting City Hall or calling the Finance Department.

CITY BUDGETING

The City budget is around \$60 million annually. You can view the full budget at ferndalemi.gov/government/finance. This report focuses on a portion of the budget called the General Fund which makes up \$26 million of the budget — less than half the total budget. The other half of the budget has dedicated funding streams. For example, Fund 592 Water & Sewer is funded by our water and sewer bills and the dollars paid must be allocated to that budget. Dollars cannot be reallocated to other portions of the City’s budget.

Looking just at the General Fund, Police and Fire services have a budget of \$13.3 million annually, leaving \$12.6 million per year to fund the Department of Public Works, Parks and Rec, City Administration, the Court, maintenance of our City-owned buildings, and a host of other services. These costs represent the parks we enjoy, the DPW staff who work overtime when windstorms bring down trees, and the backbone of organizing the work occurring across the full breadth of the budget. Seventy percent of the General Fund is spent on personnel. The money in the General Fund comes primarily from property taxes, state revenue sharing, investments, grants, and fees for services.

If the current Voted City Operating Millage expires and no replacement funding is identified, approximately \$4 million must be cut from this budget. See the Impact of No Renewal of the Headlee Override section for more information.

Ferndale General Fund Budget

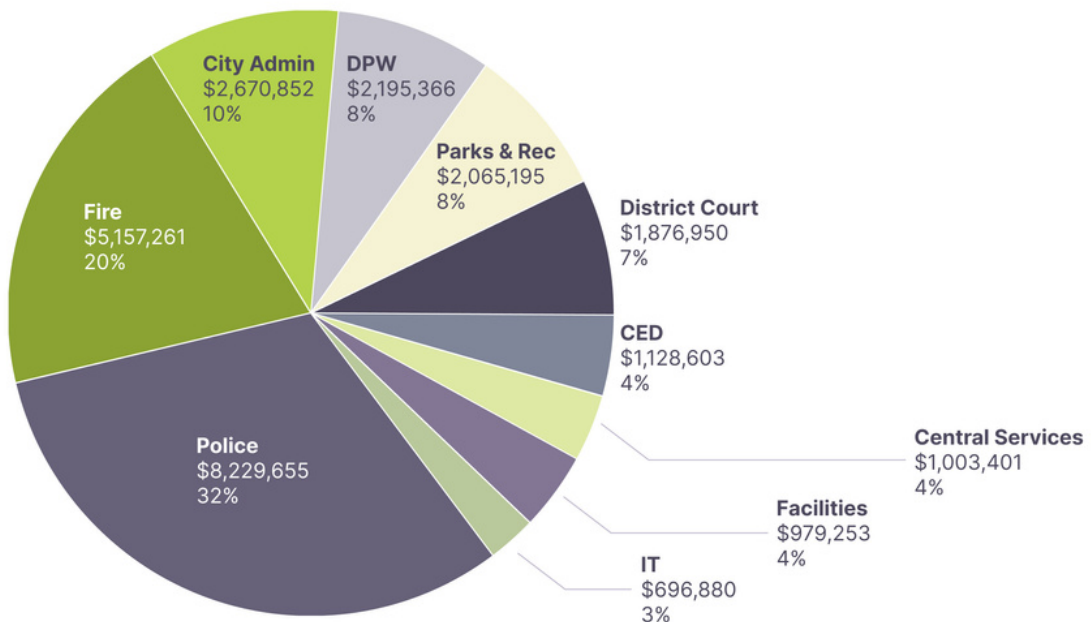


Chart 2

PRIORITY-BASED BUDGETING

In 2020, Ferndale implemented priority-based budgeting, an approach to budgeting that views community needs and goals against the programs currently being offered, and how impactful those programs are in achieving the desired outcomes.

Unlike the traditional incremental approach in which the current year's budget becomes the basis for the next year's spending plan, priority-based budgeting allows communities to understand their core values and then budget accordingly. The principle of the framework is to question past patterns of spending and prioritize resources to achieve the community's long-term strategic goals. It also reveals the true cost of providing services and enhances transparency and accountability within the budgeting process.

Ferndale's Priority-Based Budgeting data can be found at openpbdata.net/Ferndale.



Each program is rated on five categories:

1. **Mandate:** Is there a Federal or State mandate to provide this program? A self-mandate like a City Council resolution? Or no mandate?
2. **Reliance:** Is the City the only provider of the service? Could other entities provide this service?
3. **Cost Recovery:** Does the program generate revenue?
4. **Demand:** Is demand for this service increasing, decreasing, or remaining flat?
5. **Population Served:** Does the majority of the community benefit from this program? Less than 50%? Less than 10%?

COST REDUCTIONS PAST AND FUTURE

Restructuring of the Ferndale City government took place in 2010 to eliminate a \$3.1 million deficit. This restructuring was necessary due to the impact of the 2008 recession and the way Proposal A and Headlee hinder the speed of recovery when combined.

Restructuring meant severe cuts to staffing and increased expectations of the remaining staff. Thirty employees were cut, including a combined 20 police and fire. While the City reduced payroll and benefits costs with this headcount reduction, they also lost institutional knowledge and public safety coverage. The lives of these employees were also altered by the decision. A pay freeze was in place from 2010–2015, resulting in no annual pay increases for staff. The freeze resulted in cost savings, but also lower employee retention as staff sought alternate employment. It also made it more difficult to recruit qualified applicants for vacant positions.

During this time, the Police Department transitioned from three 8-hour shifts to two 12-hour shifts per day. This resulted in more efficient patrol and command operations and reportedly a better quality of life for Ferndale officers.

Animal control and property assessments were outsourced to Oakland County, taking advantage of the financial benefits provided by regional partnerships. Ferndale residents occasionally advocate for the return of animal control services to local oversight, particularly as Oakland County assists exclusively for domestic and livestock animals. This is an example of how regionalism can reduce costs but may have a negative impact on services delivered locally. Care must be taken to consider the tradeoffs when outsourcing or consolidating services.

A traffic control unit dedicated to proactive patrol was established, resulting in increased citation levels. This program was discontinued several years ago as the Police Department restructured toward the 21st Century Police Task Force Service Model.

As the City recovered from the recession and voters approved an operating millage in 2015, those funds were deployed to backfill and modernize City services.

In addition to disbanding the traffic control unit, the Police Department also created a Community Engagement Officer position, invested in body cameras, set new standards for policy and transparency, established the Transparency Dashboard, and is involved with the Community Policing Advisory and Review Board. The body cameras, in particular, have added substantial cost to the Police Department's technology budget, as equipment must be kept in good working order and recordings retained for a specific period of time. Video recordings are large files resulting in data storage costs. Meanwhile, citations have declined. Fees paid as a result of citations are a dedicated funding stream for Court operations. If the Court cannot meet its budgetary needs using citation revenues, money from the General Fund must be allocated for this purpose.

In addition to changes in the Police Department, office services were modernized. Centralized departments were created for Human Resources, Information Technology, and Communications, reducing the burden of individual departments to fulfill these tasks. In 2019, the City hired its first dedicated Facility Manager to centralize oversight of all buildings and facilities. Centralization ensures that quality is improved for these functions, which require certain skill sets. Alternatively, some City services now rely on outside contractors, including IT and trade inspectors.

GROWING THE TAX BASE & AFFORDABLE HOUSING

New construction is one of the few ways a municipality can grow its tax revenue, as newly constructed buildings do not factor into Headlee rollback calculations. Ferndale is a desirable place to live for both home buyers and renters, which raises prices and in turn, makes Ferndale attractive for development. While developers understandably seek to maximize profit, recent City Councils have sought to keep housing affordable for people with a wide range of incomes. They have accomplished this by offering incentives – agreeing to lower the property taxes levied against newly constructed buildings for a period in exchange for reduced rents for a portion of the units. The arrangement is essentially a subsidy to the lower-income residents rather than a giveaway to the developer, who would otherwise collect the same net revenue from an entirely market-rate building. For its part, the City usually collects more tax revenue on the improved parcel than it did before, and then it collects the full value when the arrangement expires. The payback period is dependent upon the type of incentive.



THE ROLE OF THE FINANCE REVIEW COMMITTEE

The group was asked to study and advise on the following questions while considering cost of living via property tax bill impacts: the impact of a non-renewal, the impact of a millage renewal, and the impact on facilities/buildings.

KEY CONSIDERATIONS

The Finance Review Committee reviewed options related to the expiration or renewal of the Headlee override, as well as several ideas brought forth by committee members. The members jointly created a list of pros and cons for each of the recommendations. Each recommendation had tradeoffs associated with them. Table 4 (next page) summarizes the pros and cons for each.

General Categories	Specifics	SCENARIO 1: No Renewal of Headlee Override	SCENARIO 2: Maintain Current Headlee Override	SCENARIO 3: Reset to charter amount of 20 mills	SCENARIO 4: City Operating Fund + Special Purpose Millage	SCENARIO 5: City Operating Fund + Facilities Bond
Property Taxes	Change to property tax bill	Reduce (63% of residents save <\$330/year)	No change	Increase (63% of residents would pay ≤\$330/year more)	Same as Scenario 3	Same as Scenario 3
City Budget / General Fund	Solution term	Short term	Short term	Longer term	Short term	Short term
	Subject to rollback (decrease over time)	Yes	Yes	Yes	Yes	No
	Flexibility	No	Some	Yes	No	No
	Voter choice on funding allocations	N/A	No (\$ goes to General Fund)	No (\$ goes to General Fund)	Yes (requires two ballot questions)	Yes (requires one ballot question)
City Services / Programs	Change to City services	Yes (~25% budget cut to staff & programs)	No change	Yes (expanded services)	Yes (expanded services)	Yes (construction of new buildings)
	City leads by example	No	No	Expand services, improve buildings for health and equitability, attract & retain staff	Expand services, improve buildings for health and equitability, attract & retain staff	Construct new buildings for health and equitability
Property Values		Decrease	No change	Increase	Increase	No change
Cobalt Survey Results	Sustain current service levels	<10% said not important	>90% said important	>90% said important	>90% said important	>90% said important
	Implement long-term facilities plan	<10% said not important	>90% said important	>90% said important	>90% said important	>90% said important
	Ability of city to recruit & retain workforce	~10% said not important	~90% said important	~90% said important	~90% said important	~90% said important
	Reducing property tax bill	~80% said important	~20% said not important	~20% said not important	~20% said not important	~20% said not important

Table 4
See Appendix pg. 46

WHAT IS A SPECIAL PURPOSE MILLAGE?

This type of millage takes from the pool of existing mills and allocates the money generated by that mill to a special purpose, such as public safety, facilities, or parks and recreation. Since it sets aside a portion of the existing funding for the designated purpose, this type of millage does not increase taxes. In 2023, Oak Park voters approved a special purpose millage for recreation and Birmingham voters approved a special purpose millage for senior services.

Special purpose millages require two questions on the ballot. The first question is for voter approval for a charter amendment that would enable the millage. The second is for the special purpose millage itself. For the special purpose millage to be enacted, a majority of voters must approve both changes. If either fails, the funding remains in the General Fund rather than becoming dedicated to a special purpose.

Dedicated funding via a special purpose has tradeoffs that must be carefully considered. They provide a consistent stream of funding for the special purpose, which cannot be reallocated to other programs. For example, a Facilities special purpose millage would provide funding that could only be used for the maintenance of Ferndale's City-owned buildings. This would prevent future disinvestment, ensuring our publicly-owned buildings are kept in good repair for the long term. On the other hand, locking up funding for a special purpose means less flexibility for the remainder of the budget. When unforeseen circumstances occur, City Council will not be able to reallocate the special purpose funds to where they may be most needed.

WHAT IS A BOND?

There are two types of bonds mentioned in this report. The first type, shown in Table 4 above, is a voted general obligation bond. Bonds are an additional millage and these mills do not count toward the 20 mill City Operating cap. Scenario 5 would include a renewal of the Headlee override at around the current rate and would add several mills dedicated to the construction of a public safety headquarters and a new community recreation center at Martin Road Park. The ultimate outcome for taxes would be around the same cost as Scenario 3.

Alternately, if City Council chooses Scenario 3, they can opt to issue general obligation bonds by Resolution. This type of bond uses voter-approved millage funding. It would also be dedicated to the construction of a public safety headquarters and a new recreation center. Both paths require a measure of voter engagement and result in the same outcome.

In instances where City Council votes to issue general obligation bonds via resolution, a notice of intent to issue bonds must be published at least forty-five (45) days before the issuance of bonds; this period empowers residents to raise petitions that would force the bonds to a ballot initiative.

IMPACT OF NO RENEWAL OF THE HEADLEE OVERRIDE

If City Council or voters opt for Scenario 1, a non-renewal of the Voted City Operating Millage, residents would see a small decrease in their property tax bill. Recall that the Headlee override accounts for just 2.2% to 8.6% of your total mills paid on your tax bill. The remainder of charges on a tax bill are unrelated to the Headlee Override and will not change as a result of any decision to expire or renew the current override.

Residents Affected	Taxable Value of Home	Decrease Amount
63% Mostly long-term residents	\$0 - \$75,000	Less than \$330/year
27% Mostly residents who bought in the past 4-10 years	\$75,000 - \$150,000	\$330 - \$545/year
9% Mostly residents who bought recently	\$150,000 - \$200,000	\$545 - \$875/year
1% Mostly residents who bought high-value homes recently	\$200,000+	More than \$875/year

Table 5

A non-renewal of the existing Voted City Operating Millage would reduce the General operating fund by approximately \$4 million. This committee reviewed the priority-based budget to understand what programs may be cut if this were to occur. Our understanding is recorded here, as it informed our thinking; however, it is beyond our scope to recommend any specific cuts.

CUTS BY MANDATE TYPE

Referring to the priority-based budgeting tool, some members of the committee filtered programs primarily by mandate. Cuts may be more likely to occur when the City has no mandate or a self-mandate to provide these services. Programs with no mandate include Parks and Rec, including the dog park and the maintenance of our greenspaces; the quarterly resident newsletter; communications and community engagement, including website and social media outreach; and City staff retention programs like professional development. This is not an exhaustive list and interested residents should refer to the priority-based budget tool for more information.

Selecting only no-mandate programming, however, does not yet achieve the \$4 million in cuts needed. Ferndale would almost certainly be required to cut self-mandated programming. This could include maintenance/landscaping in the downtown core, community engagement, fall leaf removal, neighborhood traffic calming, special event management and services, street sweeping, urban forestry, and maintenance for our buildings and vehicle fleet (including DPW and police). Cuts to public safety, including the number of staff and maintenance of buildings and vehicles, are also likely.

In addition to cuts are the overdue repairs that cannot be accomplished even within the current budget; these would be pushed even further out of reach by the non-renewal of the Headlee override. These include maintenance and capital improvements to our police and fire stations, DPW yard, and other City-owned buildings. Buildings will fall even further into disrepair and future repairs will be more expensive. Hiring qualified staff and retaining current staff will become more difficult as applicants seek out better opportunities elsewhere.

Cutting all these program areas will result in a savings of \$4 million from the General Fund. Voters must decide if the cost savings on their property tax bill are worth losing all of these services. They must ask themselves if Ferndale would look the same to them without special events, without a dog park, without proactive communications, and without environmental initiatives. Is it aligned with Ferndale's values to have our public safety employees working in inadequate facilities? See the Cobalt Study section for more on resident priorities.

Residents should also be aware that cutting some programs will require customers to pay more out of pocket. If leaf pickup is ended, customers will need to bag their leaves for pickup. Residents will have to purchase yard waste containers and take time to bag the material. The small businesses in our downtown corridor operate on thin margins already — will they take upon themselves the maintenance and landscaping of our downtown to keep it inviting to visitors? Or will the curb appeal of our downtown be diminished and negatively impact our businesses?

CUTS BY RELIANCE TYPE

Returning to the priority-based budget tool, some members of the committee filtered programs primarily by reliance. In this method, members looked at programs where cost savings could be achieved by reaching out to Oakland County, surrounding cities, or private companies. The total cost of all programs where an alternate service provider exists is \$1.8 million. Outsourcing all of these programs would still come at a cost, and total savings is unknown.

Care must be taken to consider the tradeoffs when outsourcing or consolidating services. Consider the previous example of Animal Control, which was outsourced to Oakland County after the Great Recession. Ferndale residents occasionally advocate for the return of animal control services to local oversight. This is an example of how regionalism can reduce costs but may have a negative impact on services delivered locally.

COMMITTEE UNDERSTANDING OF NO RENEWAL

This committee recognizes that if there is no renewal of the Headlee override and no other funding source is secured, property tax bills will go down slightly for Ferndale residents, but the quality of life will be fundamentally impacted. Services will be cut entirely and/or outsourced in ways that result in less local control.

If additional funding is secured at a later date, the damage will be hard to undo. Many City employees will have left their roles, either through layoffs to reduce budget or voluntarily as they seek more stable opportunities. There will be a massive loss in institutional knowledge. Programs will be difficult to restart, costing more time and money as capacity and support structures are rebuilt, and the result might not be to the same level of quality as delivered today.

To ensure voters have the most accurate information possible, City Council should consider publishing a list of cuts they intend to implement in order to balance the budget if voters choose not to renew a Headlee override. This will enable voters to weigh the financial benefits of a non-renewal against the value of services lost.

IMPACT OF RENEWAL OF THE HEADLEE OVERRIDE

Scenarios 2 through 5 include some form of Voted City Operating Millage. Scenarios 2, 4, and 5 maintain the millage at 4.3638 mills. Scenario 3 resets the City Operating Millage to the charter amount, an increase of 4.007 mills above the current rate.

If City Council and voters opt for Scenario 2, keeping the current millage rate, property taxes will remain the same for all residents.

Residents Affected	Taxable Value of Home	Change Amount
All Residents	All values	Stays about the same

Table 6

If City Council and voters opt for Scenario 3, resetting to the charter amount of 20 mills total, residents would see a small increase in their property tax bill.

Residents Affected	Taxable Value of Home	Increase Amount
63% Mostly long-term residents	\$0 - \$75,000	Less than \$300/year or \$25/month
27% Mostly residents who bought in the past 4-10 years	\$75,000 - \$150,000	\$300 - \$500/year or \$25-\$42/month
9% Mostly residents who bought recently	\$150,000 - \$200,000	\$500 - \$800/year or \$42-\$67/month
1% Mostly residents who bought high-value homes recently	\$200,000+	More than \$800/year or more than \$67/month

Table 7

If keeping the current millage amount, the City will be able to maintain current services for the time being. This will retain the fundamental services that make Ferndale a place where residents want to live. In the near future, however, cuts or new revenue streams may be necessary as additional Headlee rollbacks occur and the millage amount continues to decrease. This may result in continued deferment of building maintenance, ultimately resulting in higher costs due to emergency repairs.

If resetting to the charter amount, Ferndale will be able to address the backlog of facilities needs (see next section). At this millage amount, City Council could choose to issue facility improvement bonds via Council resolution to fund the construction of a new recreation center and a combined public safety headquarters. At a minimum, Council could issue a resolution dedicating the new funding to the repair and replacement of City-owned buildings.

City Council could also opt to select a millage amount in between the current millage and the charter amount. If the millage amount is less than a reset to the charter limit, sufficient bonding capacity no longer exists. For major construction projects, a bond may be needed on a future ballot.

Once the millage is reset, Headlee rollbacks will once again begin reducing the millage amount. By choosing a reset, the runway is longer for identifying new revenue streams and identifying efficiencies in programming. This gives Council the ability to thoughtfully investigate alternative opportunities rather than reacting to urgent budget needs.

HOW MIGHT A MILLAGE RENEWAL IMPACT FACILITIES?

In 2022, the resident-led Facilities Task Force prepared a long-term plan that prioritizes facility improvements for essential government services. They considered and evaluated facility issues that impact employee health and welfare, disparities between male/female facilities, forecasted budget needs for each facility, accessibility standards, and climate and sustainability impacts.

Many residents on the Facilities Task Force had specialized experience in construction, architecture, or sustainability.

The Task Force reviewed several options, including:

- **Make the necessary repairs to building systems.** This results in buildings with working mechanical, plumbing, etc., but does not address larger issues like overcrowding, inadequate storage for required document retention, gender inequalities, or sleeping areas above engine bays in our fire stations. Making the minimum necessary repairs results in building systems that work, but it does not mean the building itself is appropriate for users or occupants. It is difficult for Ferndale to attract highly qualified candidates without quality working conditions. This is especially true for our first responders, who work long shifts and overnights in their stations.
- **Make the necessary repairs and expand buildings to add more space.** The additional space would be used to address issues not covered by building repairs alone. Existing space would not be updated beyond necessary repairs or replacements, resulting in some spaces that are not ideal for occupants.
- **Replace buildings.** This would address both concerns with modern building systems and additional square footage built to accommodate a modern workforce.

The 2022 cost estimates for each of the options are shown in Table 8, below. Note that the cost to replace buildings is slightly lower than the cost to repair/expand existing buildings and will result in higher-quality facilities overall. Estimates for current costs are likely to be 10-15% higher due to inflationary impacts on cost increases to labor and materials.

Building	Repairs Only	Repairs + Expand	Replace
Public Works	\$3,231,333	\$5,904,740	\$6,408,800
Fire 1 (Livernois)	\$2,819,779	\$9,922,906	\$10,453,165
Fire 2 (9 Mile)	\$1,516,900	\$5,548,801	\$5,707,189
Police	\$4,943,105	\$11,584,686	\$10,077,596
City Hall	\$7,551,390	\$12,564,460	\$12,688,448
TOTAL	\$20,062,507	\$45,525,593	\$45,335,198

Table 8

The Finance Review Committee reviewed the Facilities Task Force recommendation and toured City Hall, Police Headquarters, and Fire Station 1. The Committee recognizes that funding is not currently available in the General Fund to implement any of the options above, and maintenance is being deferred until funding becomes available. The Committee also recognizes that these maintenance items will not go away if ignored. Instead, the costs will increase due to inflation, emergency failures/ replacements, and damage remediation.

It is also important to adequately fund the ongoing maintenance of buildings once improvements or replacements occur. The industry standard for facilities maintenance is 2-6% of the total budget, yet Ferndale is currently funding maintenance at only 0.5%. Adequate long-term funding is needed to ensure Ferndale's buildings are kept in good repair.

COBALT STUDY

Cobalt Community Research is a Michigan-based 501(c)(3) nonprofit organization with a mission to provide research and education through high-quality surveys.

Ferndale sought out community surveying services from Cobalt in 2023 to gain an understanding of the community since the last survey administered by Cobalt in 2020. Fifteen hundred citizens were randomly selected and surveyed by mail. Responses were received from 306 residents with a margin of error of +/- 4.7% at 90% confidence. You can view the complete survey results at ferndalemi.gov/resources/cobalt-community-survey.

Residents were asked, "If a vote were held today, would they support a Headlee override?" Of the responses received, 49% said yes, 19% said no, and 28% were undecided. Respondents also stated that the most important effects of any renewal of the Headlee override are to sustain current service levels, implement the long-term facilities plan, and attract talent when hiring.

When asked what they like best about Ferndale, residents responded with five main themes:

- Inclusivity and diversity: Sense of community, friendly neighbors, and open-mindedness
- Walkable nature: Proximity to downtown, accessibility of various services within walking distance
- Public services and safety: High regard for public safety, responsive police and fire departments
- Culture and entertainment: Vibrant downtown with diverse businesses
- Location and access to amenities: Proximity to necessary services, grocery, and other amenities

When asked about desired improvements, residents responded with:

- Desire for new offerings: Variety of shops and specialty stores
- Cultural and entertainment enhancements: More options, like new businesses, alternate forms of recreation, and activities to appeal to younger audiences
- Transportation and connectivity: Improved public transit options, including more permanent routes on Woodward, along with more pedestrian-friendly modifications to roads
- Community facilities and services: Desire for a more diverse range of events, including those for special needs and seniors, along with more urban green spaces.
- Mixed feelings on existing features: Concerns about changes in the downtown area, a desire for more curb appeal

And, when asked about the effects of the Headlee override:

- Over 90% of respondents said sustaining current service levels is very important or somewhat important.
- Over 90% said implementing the long-term facilities plan is very important or somewhat important.
- Almost 90% said preserving the City's ability to recruit and retain workforce talent is very important or somewhat important.
- Meanwhile, just over 80% said reducing their property tax bill is very important or somewhat important. Only around 40% stated this is very important.

From these responses, priorities start to become clear. Ferndale residents want to maintain the City services in the form of a vibrant business district, recreation for all generations, responsive public safety, special events, and urban green spaces. These services are the core of what Ferndale residents love and, based on these survey results, appear willing to continue to fund via their tax dollars.

ADDITIONAL OPPORTUNITIES

In addition to making a recommendation on a ballot question, the committee also considered these options which can be explored with or without a Headlee override.

INCOME TAX

This option is for City Council to investigate the feasibility of implementing an income tax similar to those in other Michigan cities.

Pros

- Moves the city towards a more equitable tax system by shifting the burden away from residents with a shorter tenure and towards those with greater ability to pay. In some/many cases these will be the same people. However, such a change could also make homeownership in Ferndale more affordable for those with lower incomes or fixed-income seniors interested in downsizing to our walkable city, resulting in more diversity in our community members.
- Could raise around \$6.5 million per year – eliminating the need for future Headlee overrides.
- Gain revenue contributions from those who use city services but live outside the city/don't pay property taxes here.
- Guaranteed revenue stream not tied to any rollback, or property values.
- Interviews with other cities stated no observed disruption in business recruitment or retention.

Cons

- Many complications and challenges to consider; not a near-term solution.
- Optics around cities with income tax might deter people and businesses from moving/staying here.
- Overhead costs of collecting/managing this tax.
- Per interviews, not all employers are willing to collect local taxes for employees.

EFFICIENCY OPPORTUNITIES

This option considers ways of reducing spending as a potential solution.

Pros

- Potentially reduces General Fund expenditures by identifying areas where current services and programming can be delivered more cost-effectively.
- Aligns with Ferndale's commitment to integrity and transparency.
- Increases public trust through a transparent process and annual reporting that confirms to residents that spending is appropriate and that the City is looking for ways to decrease spending where possible.
- An internal review process, using peer-city benchmarks and industry best practices, would keep costs low (no outside consultants) while ensuring that reductions are in line with resident desires and values.

Cons

- Cost in time and money to research and identify areas of improvement.
- If an outside contractor is used, proposed cuts may not be in line with resident values.
- Possibly a duplicative effort since efficiencies are already carefully considered, by multiple people, each year during the budgeting process.

PROPERTY TAX AWARENESS

This option would increase awareness in new home buyers of how the taxable value of a property will change after the sale.

Pros

- Ferndale homebuyers would be informed of property tax implications before purchase.
- Allows Ferndale to lead by example, going above and beyond what's required to do right by its citizens.
- Aligns with Ferndale's commitment to integrity and transparency.
- Higher new-resident satisfaction — no surprises when they get their first new tax bill.
- Home buyers choose the property they can afford in the long term — possibly reducing the level of turnover and building community.

Cons

- Might not be favorable with realtors or others involved in home sales.
- Cost in time and money to communicate effectively to the right people.

SECTION 3 FINAL RECOMMENDATIONS

IMPACT OF RENEWAL OF THE HEADLEE OVERRIDE

Based on all the information considered by the Finance Review Committee, our desire to both maintain and improve the quality of the City’s services to residents, and the clear need to address maintenance issues identified by the Facilities Condition Assessment, **we recommend City Council consider a Headlee override millage for the November 2024 General Election to reset the City to its charter amount of 20.0000 mills.** This is an increase of 4.007 mills above the 2023 rate.

This millage recommendation was approved by the Financial Review Committee with a 7-2 vote. The committee’s alternate also submitted a vote in favor of this recommendation for a final 8-2 vote.

If approved by City Council and voters, residents would see a small increase on their tax bill.

Residents Affected	Taxable Value of Home	Increase Amount
63% Mostly long-term residents	\$0 - \$75,000	Less than \$300/year or \$25/month
27% Mostly residents who bought in the past 4-10 years	\$75,000 - \$150,000	\$300 - \$500/year or \$25-\$42/month
9% Mostly residents who bought recently	\$150,000 - \$200,000	\$500 - \$800/year or \$42-\$67/month
1% Mostly residents who bought high-value homes recently	\$200,000+	More than \$800/year or more than \$67/month

Table 9

KEY COMMUNITY BENEFITS

This recommendation supports the community’s desire to improve City services, including public safety, responsiveness of police and fire, downtown amenities, walkability, cleanliness, green spaces, park maintenance, compost, leaf pickup, and more. It also supports the ability to modernize services, which includes engaged communications and website maintenance, along with 21st-century policing expectations such as police body cameras.

The funds generated by this recommendation can be used to update City-owned buildings, making them more attractive to new talent, supporting the retention of existing staff, and ensuring basic features such as equitable locker rooms. Appropriate funding for building maintenance can be allocated at industry-standard rates to ensure these buildings are maintained for generations to come.

Finally, Ferndale's Strategic Plan is progressive and dedicated to supporting residents for the long term. These tax dollars will support economic prosperity; a safe, protected, engaged community; supported infrastructure; accessible transportation; strong regional partnerships; organizational and financial excellence; healthy, connected, invested neighborhoods; and climate adaptation and resiliency.

The committee also recommends the following changes for City Council consideration. These recommendations did not require a committee vote and were approved by general consensus.

Prioritize funding for facilities improvements as recommended by the Facilities Task Force. By resetting the millage to the charter amount, City Council will have sufficient funding to improve workspaces. These improvements will ensure the construction of a new recreation center, adequate space for election documentation and police evidence retention, healthier air quality and up-to-code sleeping conditions for fire stations, and gender equity in existing locker room accommodations. The committee recommends a Council resolution dedicating funding to these improvements.

If voters approve a millage rate of 20 mills, sufficient funding capacity will exist to address facility improvements via General Obligation bonds issued by City Council Resolution. However, if City Council selects a lower millage rate, or if voters do not approve this proposed millage, we draw City Council's attention to a facilities bond as a potential future strategy. This bond could be for the creation of a combined Police and Fire headquarters and a recreation center at Martin Road Park. Because there are still unknowns regarding these projects, our recommendation is to wait until more information becomes available on the feasibility of implementing them (land availability, cost increases, etc.) before a public vote.

We recommend the City reduce existing spending and seek new revenue streams to reduce dependence on a Headlee override. We recommend regular reviews of City spending, comparing proposed expenditures to regional benchmarks and/or industry standards. Reviews should be ongoing and incorporated into both the annual budget process and applied to new expenditures. In areas where Ferndale's spending is higher than these baselines, spending should receive additional scrutiny.

Ferndale should also identify and consider the strengths, weaknesses, opportunities, and threats (SWOT analysis) of regionalization, consolidation, or alternative service model initiatives. By partnering with neighboring communities and Oakland County, Ferndale may reduce spending while upholding the delivery standards expected by residents. If public safety consolidation is considered, particular care must be taken to ensure response times remain fast. Slower response times affect human outcomes and may affect homeowner insurance premiums.

The outcome of these reviews should be increased efficiency in program operations while keeping service levels as-is or better. Any changes or efficiencies implemented should be in line with the values of the community. This review process should be as transparent as possible to the public, and at a minimum, we recommend an annual report to residents on the number of opportunities explored, the number implemented, savings achieved, and the impact, if any, on service levels.

The goal of this recommendation is two-fold:

1. Ensuring our purchasing, processes, and delivery channels are in line with regional benchmarks and industry best practices, and
2. Building community trust in the financial governance of the City in an easy-to-read report. This report will also provide a historical record of service changes over time and the reasoning behind those changes.

Seek Alternate Sources of Revenue. The goal is to build a stable source of revenue that does not rely on future increases to property taxes. New revenue should be included in the above annual report on program efficiencies.

1. In the next two years, investigate and produce a report on the feasibility of income tax for Ferndale. Any potential new revenues from income taxes should reduce the operating millage. The feasibility report should be made available to the public. The Finance Review Committee recognizes that an income tax could provide significant additional funding and that administering an income tax program is labor-intensive. Further study is warranted.
2. Seek funding like grants from regional, state, and federal programs.
3. Identify and pursue additional sources of funding.

We recommend that the City draft an economic incentives policy. The policy should consider how a development benefits the community and how it affects current and future property taxes. Council should also require a property tax report with any incentive. The report will clearly state the dollar value of the incentive, incentive term, the amount of annual property taxes uncollected by the City during the incentive payback period, and the estimated value of the benefit provided both short- and long-term.

We recommend that the City's Communications Department produce a one-page educational document for prospective home buyers. The document should provide clear, plain language on how to calculate their expected taxable value, how to look up current millage rates for the property, and how to estimate their Summer and Winter tax bills the year after the sale is complete (after the uncapping). This document could reference the State's online property tax estimation tool. After reading the document, home buyers should know 1) that property tax uncapping is state-wide, not just in Ferndale, and 2) how to estimate their future property tax liability.

At a minimum, this document should be made available on the City's website and sent to known local real estate agencies annually. City Council may also consider a property tax disclosure ordinance requiring real estate agents to provide this document to buyers. This committee recognizes that enforcement capabilities for such an ordinance are limited.

ALTERNATE OPINIONS

Documented here are alternate opinions from the committee which did not achieve majority approval. They are included here as part of the public record and to further inform Council’s decision-making.

MILLAGE AMOUNT

The minority opinion is the renewal of the Headlee override for a lower amount, bringing the sum of the City Operating and Voted City Operating to 18 mills. Reasons for this amount varied by person, but generally fell into one of two categories. First, the opinion that by selecting a millage amount below the charter limit, the City may be motivated to find ways to decrease spending in other areas. Second, that a ballot proposal of 6.3645 mills is more likely to be approved by voters than the majority opinion of 8.3645 mills. While this opinion recognizes 6.3645 mills will be insufficient to fully address the recommendations of the Facilities Task Force, it allows some improvements while maintaining current service levels. If the ballot proposal is not approved by voters, Ferndale would face the drastic budget cuts outlined in the Impact of No Renewal of the Headlee Override section, reducing the current quality of services. Therefore, selecting a ballot proposal with a high likelihood of voter approval is critical.

If approved by City Council and voters, residents would see a small increase on their tax bill.

Residents Affected	Taxable Value of Home	Increase Amount
63% Mostly long-term residents	\$0 - \$75,000	Less than \$150/year or \$13/month
27% Mostly residents who bought in the past 4-10 years	\$75,000 - \$150,000	\$150 - \$300/year or \$13-\$25/month
9% Mostly residents who bought recently	\$150,000 - \$200,000	\$300 - \$400/year or \$25-\$33/month
1% Mostly residents who bought high-value homes recently	\$200,000+	More than \$400/year or more than \$33/month

Table 10

MILLAGE TIMEFRAME

Because a timeframe is required for any millage less than a reset to the charter limit, the minority opinion was to recommend eight years with the intention that, if another override vote takes place in the future, it would occur during a presidential election year. The highest number of voters cast ballots during a presidential election, therefore including any future millage vote on this ballot will ensure the question is decided by the largest group of residents possible.

SET A TARGET

One minority opinion was for the City to set a specific goal of \$1.5 million in combined cost-cutting, alternative funding methods, and new development. Any targeted savings or efficiencies should directly reduce the number of mills imposed as part of any proposed increase in mills. Any use of consulting services should be at the best price possible using a person skilled in providing something tailor-made for the City. This opinion recognizes that \$1.5 million is aspirational and may not be an achievable goal; however, having a target in mind may result in a more motivated search for opportunities.

SECTION 4

NEXT STEPS

NEXT STEPS

After receiving this report, City Councilmembers will review the recommendation of the resident-led Finance Review Committee. They will then decide whether or not to put a millage question on the ballot. They must choose the millage amount and, if they select less than a full reset, the millage term. If City Council recommends a ballot question for November 2024, a decision must be made by Spring 2024 in compliance with election deadlines.

To ensure voters have the most accurate information possible, City Council should consider publishing a list of cuts they intend to implement in order to balance the budget if voters choose not to renew a Headlee override. This will enable voters to weigh the financial benefits of a non-renewal against the value of services lost.

This committee recommends that City Council and City staff make every effort to communicate the contents of this report with residents. We recognize that City staff are required to remain impartial and cannot express a preference on the outcome of the vote. The Mayor and Councilmembers are different and can make voting recommendations.

And to residents at large: we would be honored if you share this document widely with your neighbors and encourage them to vote in accordance with their hopes for the community.

For information on registering to vote and other voting matters, visit michigan.gov/vote.

APPENDIX



EXPLORE FURTHER

Page 3: Information Sourced from SaveMICity

SaveMICity is a campaign to educate residents, decision-makers, and business owners about how municipalities are funded in Michigan, and to advocate for reform of the existing system.



www.savemicity.org

Page 3: Census Data Tells a Richer Story

For the full picture, check out Ferndale's census data.



bit.ly/ferndale-census

Page 4: Cobalt Community Survey

For the full picture, check out Ferndale's census data.



www.ferndalemi.gov/resources/cobalt-community-survey

Page 19: Priority-Based Budget

The City of Ferndale uses priority-based budgeting (PBB), an approach that views community needs and goals against the programs currently being offered, and how impactful those programs are in achieving the desired outcomes. Dive in to the City's online PBB to learn more.



www.ferndalemi.gov/resources/budgets

Page 21: Ferndale Police Transparency Dashboard

The Ferndale Police Department's Transparency Dashboard is an open resource for data and statistics relating to investigations, arrests, policies, and more.



www.ferndalemi.gov/resources/transparency-dashboard



COMMITTEE MEETINGS & RESOURCES

Committee Webpage



bit.ly/ferndale-finance-committee

Meeting Agendas and Minutes



bit.ly/Finance-Committee-Agendas

Meeting Video Recordings



bit.ly/YouTube-Finance-Committee

Supplemental Meeting Materials



bit.ly/Finance-Committee-Agendas

Full-Scale Version of Figure 1, Tax Scenario Infographic



<https://bit.ly/ferndale-figure1>

Full-Scale Version of Table 4, Scenario Table



<https://bit.ly/table-4>