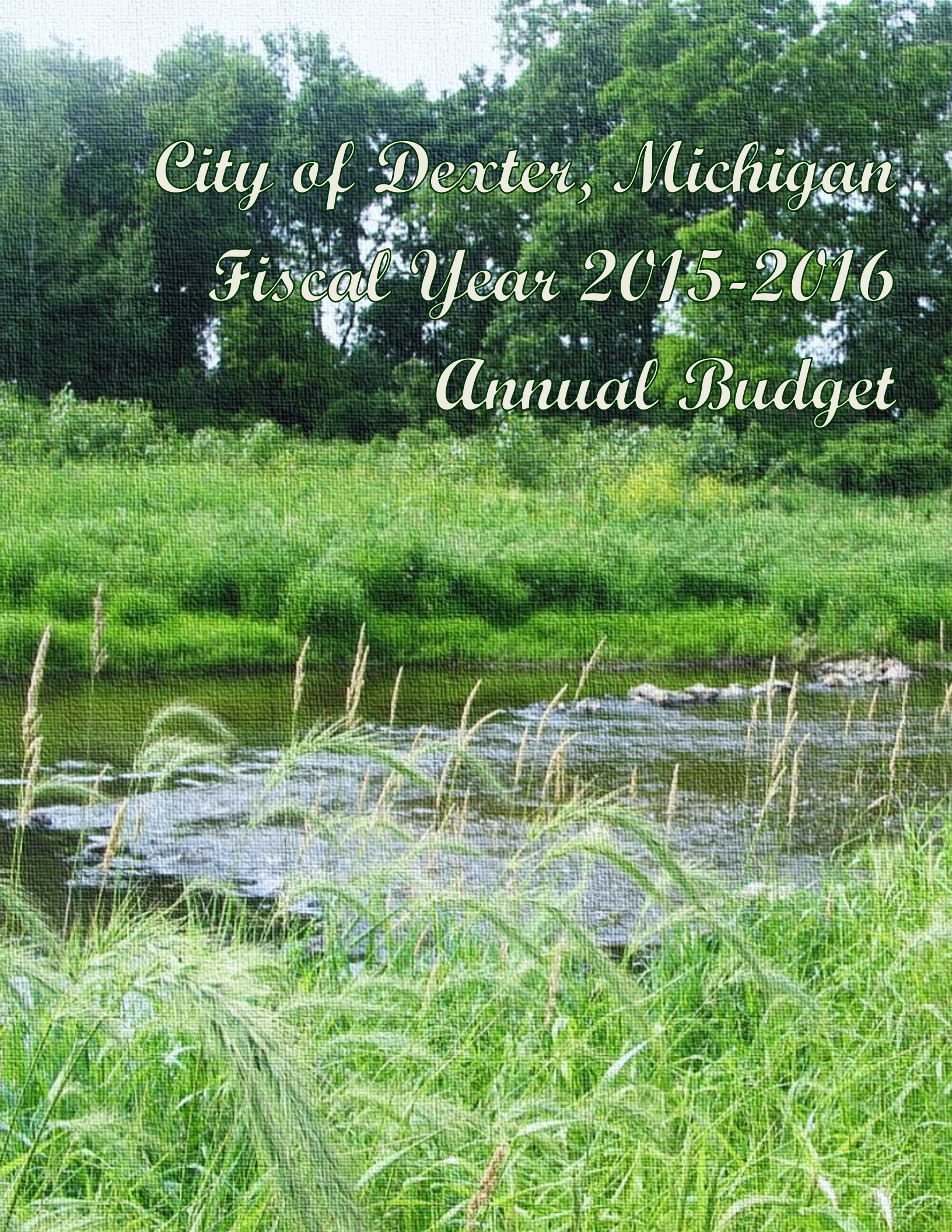

City of Dexter, Michigan
Fiscal Year 2015-2016
Annual Budget

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City Administration

Elected Officials

Shawn Keough
Mayor

Ray Tell
Mayor Pro-Tem

Jim Carson
Councilmember

Donna Fisher
Councilmember

Julie Knight
Councilmember

Joe Semifero
Councilmember

James Smith
Councilmember

Administrative Staff

Courtney Nicholls
City Manager

Marie Sherry, CPFA, ACPFIM
Treasurer/Finance Director

Dan Schlaff
Superintendent of Public Services

Michelle Aniol
Community Development Director

Justin Breyer
Assistant to the City Manager

Carol Jones
Interim Clerk

The City of DEXTER Michigan

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Village of Dexter

Michigan

For the Fiscal Year Beginning

July 1, 2014

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Dexter (formerly Village of Dexter), Michigan, for the Annual Budget beginning July 1, 2014.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

The City of DEXTER Michigan

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City Manager's Budget Message

June 2015

Mayor Keough and City Council Members:

City Administration is proud to present this budget document for Fiscal Year 2015-2016. Provided as an introduction to this document is a review of the highlights of Fiscal Year 2014-2015 and an overview of the projects planned for the upcoming fiscal year.

This past year has been an exciting time of transition as the Village of Dexter became the City of Dexter on November 20, 2014. The City continues to remain in a stable financial position, with a healthy fund balance that exceeds the recommended 15% of expenditures. In Fiscal Year 2015-2016, an increase in property tax revenue of $114,000 will be realized due to increased new home, commercial, and industrial construction and an increase in overall property values. The City has taken steps to protect our stable financial position by contributing funds to pay down our unfunded liabilities, continuing to increase our utilization of technology, and maintaining and enhancing our infrastructure.

Incorporation as a City

Incorporation as a city was the culmination of an 8 year process that ended with the adoption of a City Charter by the voters in our community. With this change in government structure came the added responsibilities of elections, tax collection for other jurisdictions and assessing. Contingency funds were budgeted in Fiscal Year 2014-2015 due to the possibility that the transition would occur in that fiscal year. During that year, the City used these contingency funds to purchase election equipment, hold our first election, hire an assessor and purchase assessing related software. The beginning of Fiscal Year 2015-2016 will be the first round of tax collection for other jurisdictions. The 2015-2016 Budget shows additional revenue from the collection of a statutorily allowed 0.8% administration fee that is used to offset the cost of assessing and tax collection. The budget also contains a new expense for a payout to Webster Township, which is required by the terms of a 425 Agreement signed by the Village of Dexter. The Agreement required that if the Village transitioned to a city, for twelve years following the transition the City would pay the Township an amount equal to the operating taxes it would have received if the transition had not occurred.

Unfunded Liabilities

One key to maintaining financial stability is meeting the challenges of unfunded liabilities head on. Currently the City has unfunded liabilities in the pension system and for retiree health care. Over the past several years, changes have been made to current and future employee benefits that have reduced these liabilities. Starting in Fiscal Year 2012-2013, $75,000 of our constitutional revenue sharing from the State of Michigan was dedicated to the Retiree Health Care Fund for the next five years. This funding, along with the $20,000 that is budgeted from current operating revenue in other funds, brings the City's annual payment towards retiree health care to $95,000 per year. Positive net revenue accumulated at the end of the 2013-2014 fiscal year was also used to contribute an additional $37,000 to the retiree health care fund.

To proactively manage the current unfunded liability in the pension system, the City has continued to pay a higher monthly payment than is required. In Fiscal Year 2014-2015, positive net revenue accumulated in 2013-2014 were joined with budgeted funds to pay an additional $119,000 in to the pension system. The sooner the money gets into the system, the longer it has to grow which will help reduce the unfunded liability more quickly than by making the minimum required payment. Both the retiree health care and defined benefit programs are closed to new employees.

Technology Upgrades

The City continues to make technological improvements to enhance efficiency. In Fiscal Year 2014-2015, permit management software for the Community Development Department and payroll processing software for the Finance Department were purchased. Time tracking for the Department of Public Works, Water and Sewer departments has also been streamlined with the purchase of time sheet software that will provide the data for the payroll software. The creation and tracking of work orders was enhanced through the purchase of work order software. Utilizing these new tools enhances the City's ability to document work that is being completed and electronically schedule and track preventative maintenance work that needs to be completed. The four new software programs were purchased from BS&A Software, a Michigan firm that specializes in programs for municipalities, and they are fully integrated with the City's existing financial software suite.

Technological enhancements for Fiscal Year 2015-2016 include the purchase or lease of an upgraded telephone system and records management software.

Maintaining / Enhancing City Assets

Proper maintenance along with cost effective creation and enhancement of infrastructure continues to be a priority for the City.

Roadway & Sidewalks

Significant work on City roadways was completed in Fiscal Year 2014-2015. Federal funding was used to reconstruct Central Street from Second to Third and to resurface Ann Arbor Street from Kensington to Baker. The portion of Central Street that was reconstructed is part of the truck route through the City. Sidewalk was added along the north side of the roadway and pedestrian lighting and crosswalks were also enhanced. The Ann Arbor Street resurfacing improved one of the most highly traveled sections of City roadway. Concrete curb and gutter replacement and crosswalk improvements were also completed as part of this project.

In 2013 a Committee of Council was formed to analyze the road network. The work of this Committee has led to a road rehabilitation plan, which began to be implemented in Fiscal Year 2014-2015. An additional 0.5 mills was levied in the street fund to support payments necessary to sell an approximate $800,000 bond. These funds along with the current street millage was used to implement the plan, which is estimated to bring a majority of the City roads to fair condition in five years, using preventative maintenance and rehabilitation strategies. Roadwork completed in Fiscal Year 2014-2015 included mill and overlay of Dover, Edison, Inverness and the roads in the Industrial Park. Crack sealing was also done throughout the community.

The road rehabilitation will continue in Fiscal Year 2015-2016 using a combination of the remaining road bond funds, the City millage and funds from a 0.5 countywide road millage that was levied by the Washtenaw County Board of Commissioners.

Parks & Trails

The City continues to partner with Washtenaw County Parks & Recreation and the Huron Clinton Metropolitan Authority (HCMA) to increase the trail network in and around the City. In partnership with Washtenaw County Parks & Recreation the City received a Community Connections grant to complete the section of trail from Central Street along the railroad tracks to the path from Dexter Huron Metropark. Construction will occur in Fiscal Year 2015-2016.

The Fiscal Year 2015-2016 budget also includes funding for a new playground. This playground will be completed through a partnership with the Dexter Community Schools who will be providing an easement for

land. The park will be geared towards children aged five to twelve and will be completed with financial support from the Dexter Lion's Club.

Because the City has greatly expanded our natural features, especially within Mill Creek Park, a new maintenance budget for items such as invasive species control has been added to the Parks budget.

Water & Sewer

The City has continued to invest significant dollars into upgrading the water and sewer system.

The $3.3 million sludge handling system improvement project that was started in October 2012 at the Wastewater Treatment Plant was completed in fiscal year Fiscal Year 2014-2015. It was anticipated that continuing 6% increases to sewer rates would be necessary to generate the funds necessary to pay for the bond payment, however that was only necessary for three fiscal years. The percentage increase for Fiscal Year 2015-2016 has returned to our standard 3%.

The work to replace an aging water main on Ann Arbor Street used a significant amount of fund balance in the water fund. To cover the ongoing cost of operating the water system, paying bond payments and replenishing the fund balance a 4% increase in water rates was adopted for Fiscal Year 2015-2016.

Administration would like to thank the staff that made this budget document possible with their talents and energies along with the staff and community members who commit themselves every day to making Dexter great. We look forward to working with Council and the community to achieve a successful Fiscal Year 2015-2016.

Respectfully submitted,

Courtney Nicholls

Courtney Nicholls
City Manager

Community Profile

The City of Dexter has remained a community with a small town feel despite the substantial population increase it has seen over the past twenty years. Residents of the City find it a wonderful place to live and raise a family. Surrounded by rural and semi-rural townships, the City provides a place for people to come for shopping, dining, and cultural experiences such as concerts and plays. Dexter has a strong downtown, a Chamber of Commerce, and a Historical Society complete with its own museum. The Dexter Community School District serves the residents of the City as well as the surrounding townships, with all six schools and the administration building being located within the City.

Dexter derives its name from the Honorable Samuel W. Dexter, who bought a large tract of land and originated the community. The area was first settled in 1824, and was known as the “Mill Creek Settlement”. It wasn’t until the settlement was platted in 1830 that the name was changed to the Village of Dexter, and organized under the General Law Village Act. In 2014, after an eight year process, the Village of Dexter became the City of Dexter, removing the layer of township government from our residents and taxpayers.

The City is organized as a Home Rule City, with a City Charter that was approved by voters on November 4, 2014. It is governed by a seven-member council, including the Mayor, each serving a staggered four year term. The City of Dexter is a manager-council form of government, with the manager appointing other staff such as the treasurer, clerk, and other department heads.

In the 2010 census, Dexter's population was 4,067. This represents a 74% change since 2000, which was ranked number one in the state for growth in the city and village category. The Southeast Michigan Council of Governments forecasts modest growth for the community over the next decade, in large part because there is no expected expansion of the City's borders.

Dexter provides many services to its residents, including garbage collection, public water and sewage systems, storm water management, and street construction and maintenance. Public transportation is provided by the Western Washtenaw Area Value Express (W.A.V.E.), which links Dexter to the Ann Arbor and Chelsea transportation systems.

There are eight parks of varying sizes located within the Village. The parks contain play areas, natural areas, horseshoe pits, walking trails, bicycle paths, basketball courts and picnic grounds. A central feature of the downtown is Monument Park, which hosts such annual festivals as Memorial Day, Dexter Daze, Apple Daze, the Plein Air Art Festival, and the Chamber of Commerce Summer Music Series. The Huron River and Mill Creek flow through the village. The 2008 removal of the dam under the Main Street Bridge opened up a wonderful opportunity for the Village to create a park containing walking paths, passive entertainment areas, and widespread natural feature protection. This park, named Mill Creek Park, was completed in late 2012 and now has trail connectivity to local Metroparks through the Washtenaw County Border-to-Border Trail.

Principal employers are located in the central business district, and in the 125-acre research and development park. Dexter utilizes the state economic development organization to retain and attract new businesses and industry to the city, and in 2010 the Dexter Economic Development Corporation was reactivated. The City has a Downtown Development Authority (DDA) to oversee improvements to the central business district.

Police services are provided via contract with the Washtenaw County Sheriff's Department. The substation is located on Main Street, in the same building as the fire department. Fire services are provided by the Dexter Area Fire Department (DAFD), which is a regional fire department that provides coverage to the City and some of its surrounding townships. The DAFD has a governing board that consists of government officials and other representatives from its member communities.

Planning and the Budget

Non-Financial Plans

They are many facets of non-financial planning within a government that help to shape and guide the development of an annual budget. Plans are developed by the Planning Commission, the Parks and Recreation Commission, the Downtown Development Authority, the Arts, Culture and Heritage Committee, the Farmers Market/Community Garden Oversight Committee and the Tree Board that have a strong impact both on the goals and objectives of the community and on its budget.

Master Plan

Land use planning is a process that includes choices relating to land use, growth, and the physical development of the community. The purpose of the City of Dexter's Master Plan, which is long-range in nature, is to determine land use and development goals, and to identify the policies and strategies necessary to accomplish those goals.

The Planning Commission, with the assistance of the Community Development Manager and (if needed) the outside planning consultant, is responsible for creating the Master Plan. The Planning Commission completed a major update to the Master Plan in 2012.

Parks & Recreation Facilities Master Plan

The Parks and Recreation Facilities Master Plan, which serves as the guiding document for parks and recreation activities, was originally adopted by the Parks and Recreation Commission in 2009. In order to qualify for grant programs through the Michigan Department of Natural Resources, the plan must be reviewed, updated and readopted every five years. This plan is currently being updated in 2015.

This plan addresses existing and future recreation needs; park, greenways and open space development; and the preservation and enhancement of the City's scenic and aesthetic features. The Plan also details specific improvements, costs, priorities and years of completion to better represent the long-range vision of the Parks and Recreation Commission.

Tree Management Plan

Trees are an important part of a community. They provide aesthetic, environmental, and economic benefits. Their natural beauty and grace create a sense of place and soften the urban landscape. Their shade creates pleasant walking environments in our neighborhoods and business districts. They are habitat for wildlife. Trees also produce economic benefits by reducing the costs associated with storm water runoff, reduction of air pollution, and energy consumption.

The Tree Management Plan is the guide for tree management within the City. It will guide implementation of the City's community tree program, including planting, removal, pruning, trimming and other tree work necessary to achieve a quality, thriving community forest.

This plan also serves as the basis for prioritization, scheduling and budgeting for the management of the City's community forest, assuring tree health and survival and bringing long term benefits and reduced liability through the elimination of hazardous conditions.

Downtown Development Plan

The Downtown Development Authority Act was created to attack problems of urban decline, to strengthen existing areas, and to encourage new private developments in Michigan downtowns. It seeks to accomplish this goal by providing communities with the necessary legal, monetary and organizational tools to revitalize economically distressed areas, either through public-initiated projects or in concert with privately motivated development projects.

The manner in which downtown development authorities choose to make use of these tools does, of course, depend on the problems and opportunities facing each particular area and the development priorities of the community. In order to determine the scope of problems affecting downtown Dexter and the opportunities available to the community, prior to the development of the most recent plan in 2006, the Board of the Downtown Development Authority engaged the public, downtown merchants, and local elected leadership through a strategic plan process. The projects and programs identified through this process were used to update the Authority's Development Plan and focus attention on the priorities for continued revitalization for the area, including the redevelopment of old industrial sites and other brownfield areas.

Public Art Plan

The purpose of the Public Art Plan is to identify areas of need for public art in Dexter, to offer examples and visual images which illustrate possibilities for public art, to outline ways in which the allocation of funds will support public art, and to demonstrate how the process of obtaining public art can be put in place.

Goals and Objectives

Organization-wide goals and objectives are extremely important. They set the priorities for the organization, guiding decision makers as they develop the annual budget.

Prior to the start of each year's budgeting process, the City Council and management meet to discuss organization-wide goals and objectives. Guiding Statements, highlighted in the boxed areas, emphasize broad policy areas. Goals are then developed to support these policies, and short-term and measureable objectives created to show how the City will implement the goals.

Good financial health is the cornerstone to all municipal operations, and the City of Dexter is committed to practicing sound financial management to ensure fiscal sustainability for current community members and for future generations.

GOAL: *To create an atmosphere of economic competitiveness for both residents and our business community.*

OBJECTIVE: Maintain a competitive tax rate in relation to similar communities within Washtenaw County in particular, and Southeast Michigan in general, by:

- Ensuring that the City millage rate meets the following standards:
    - Be in the lowest one-third of all city and City millage rates in southeast Michigan (Livingston, Jackson, Macomb, Monroe, Oakland, Washtenaw, and Wayne counties);
    - Be lower than the average millage rate for Washtenaw County (Ann Arbor, Barton Hills, Chelsea, Dexter, Manchester, Milan, Saline, and Ypsilanti).

OBJECTIVE: Maintain a strong, ongoing commitment to economic development by;

- Assisting the DDA in implementing its Development and TIF Plan by participating in the marketing and redevelopment efforts for 3045 Broad Street.
- Stimulating the local economy by ensuring that relevant bid opportunities are advertised to local companies.
- Updating Economic Development Strategy (i.e. Economic Enhancement Program).
- Conduct at least one business forums/summit in partnership with Ann Arbor Spark.
- Establish a partnership with Washtenaw Community College Workforce Development.

GOAL: *In order to foster fiscal sustainability, the City shall adhere to best practices recommended by various boards and organizations such as the Government Accounting Standards Board (GASB), the Government Finance Officers Association (GFOA), and the Association of Public Treasurers of the United States and Canada (APT US&C), and shall follow the rules of Generally Accepted Accounting Principles (GAAP).*

OBJECTIVE: Seek the industry recognition of best practices by applying for and receiving awards for financial management excellence such as;

- The GFOA's Distinguished Budget Presentation Award.
- The GFOA's Certificate of Excellence in Financial Reporting.
- The APT US&C's Investment Policy Certification.

OBJECTIVE: Implement GASB pronouncements on or before their required implementation dates.

- For Fiscal Year 2014-2015 year end (audited in FY 15-16), GASB Statement No. 68, Accounting and Financial Reporting for Pensions, shall be implemented.

OBJECTIVE: Maintain a bond rating through Standard and Poor's Rating Service of at least A-.

GOAL: *The City shall strive to use its limited resources wisely and to seek out sources of revenue beyond those provided by City property owners.*

OBJECTIVE: Maintain a fund balance (reserves) for emergencies;

- 15% of annual operating revenue in the General Fund.
- 50% to 75% of operating expenditures in the enterprise funds.

OBJECTIVE: Recognizing that legacy costs, such as pensions and retiree health care, place a large burden on future generations if not properly addressed in the present, the City will strive to;

- Maintain the Municipal Employees Retirement System (MERS) defined benefit retirement plan at a level between 85% and 100% of funding, as determined by the MERS actuarial study.
- Set aside a minimum of $95,000 per year for Other Post Retirement Benefits (retiree health care) until such time as there is an 80% funding as determined by an actuarial study.

OBJECTIVE: In order to gain the most value for limited dollars, the City shall;

- Seek a minimum of $10,000 across the various funds and activities in outside resources such as grants and revenue sharing.
- Keep total health care within the State of Michigan's guidelines, which may require higher employee contributions.
- Meet the State of Michigan's requirements for collaboration under the Economic Vitality Incentive Program, to include areas such as fire protection, police protection, roads, parks, and other public infrastructure.

A primary function of government is to provide our residents and businesses with the public infrastructure necessary for them to carry out their daily lives in peace and safety. This includes maintaining existing infrastructure, and creating new infrastructure as the needs of the government and our residents change.

GOAL: *To provide our residents and businesses with cost effective, safe, and efficient delivery of public utilities such as sewer services, water delivery and storm water management.*

OBJECTIVE: Seek out operating improvements that will allow the City to limit rate increases to 3% per year by Fiscal Year 2015-2016. This includes the following actions:

- Annually update the Utility Rate Study in house, with a formal update by the City's financial advisor every three years. A formal update shall be done in Fiscal Year 2015-2016.
- Explore funding opportunities for utility infrastructure improvements for 3045 Broad Street.

- Review and update the sewer and water ordinances to address rental units and ensure uniformity between the two ordinances.

OBJECTIVE: Ensure efficient delivery of public utility services by:

- Assessing the impact of food processing businesses on sewer operations.
- Pursuing the removal and relocation of the DTE Substation near 3045 Broad Street.
- Increasing the availability of and access to high speed internet in the Dexter Business and Research Park.

GOAL: The City is committed to providing the necessary roads, sidewalks, pedestrian crosswalks, and bicycle lanes that our residents and businesses require in order to move themselves, their vehicles and products safely around the City.

OBJECTIVE: Implement the Road Maintenance Plan that was developed for the City in 2014.

GOAL: Public buildings provide a safe and productive environment for City employees to serve our residents and the businesses of the City, and it is a desire of the Council to provide these facilities for the public good.

OBJECTIVE: Study opportunities for the financing of facilities for a City Hall and Council Chambers, Fire Station, and Sheriff Substation based on the Facilities Feasibility Study.

GOAL: Parks provide residents and visitors with beautiful and functional surroundings in which to recreate and relax, and it is a City priority to maintain and protect these valuable public assets.

OBJECTIVE: Review and update the Parks Master Plan, with updates to be done every five years, continuing the process started in Fiscal Year 2014-2015.

OBJECTIVE: Apply for STPU and TAP funding for Mill Creek Park Phase II.

GOAL: It is a desire of the City to have a centralized mechanism for identifying and determining the feasibility of long-term projects of a wide variety types and uses.

OBJECTIVE: Provide annual staff assistance to the Planning Commission in the creation of each year's Five Year Capital Improvement Plan, and use their findings in the annual budget process to identify projects that shall be funded in Fiscal Year 2015-2016.

One of the main reasons people choose to live and bring their business to a particular place is the quality of life that is found within a community. The health, happiness and well-being of a community can be greatly impacted by the choices that their government leaders make when deciding funding priorities.

GOAL: To provide the community with opportunities to experience arts, culture, nature, recreation, area-grown and crafted food and goods, and gardening experiences.

OBJECTIVE: Provide the Arts, Culture and Heritage Committee with the resources necessary to hold the Plein Air event and facilitate temporary art, as set out in the Arts Plan.

OBJECTIVE: Hold six special events at the Farmers Market.

OBJECTIVE: Provide space annually on City property for a Community Garden.

GOAL: *Public transportation is an important part of a community's quality of life, and it is the City's desire to facilitate opportunities for public transportation.*

OBJECTIVE: Contract with the WAVE to provide door-to-door services at a minimum of five days per week, and to maintain bus routes within the City of Dexter.

GOAL: *Recognizing that non-profit and community-based organizations provide valuable services to our residents, the City will help these organizations to the extent allowed by State Law.*

OBJECTIVE: Support the Dexter Senior Center and the Dexter Area Historical Society by providing an annual contribution of $1,000 and $250, respectively, to go towards services provided to Dexter residents.

The flow of information, from the government to the people and from the people to the government, is vital for a government to be able to understand and meet the needs of its citizens and businesses.

GOAL: *The City commits to providing mechanisms to share information with the public in a wide variety of platforms.*

OBJECTIVE: Use the following tools to communicate with the public:

- Hold a minimum of two community meetings each year to interact with the public on a variety of issues and topics relevant to the community of Dexter.
- Post a minimum of 24 news and information items per year on the City's website.
- Post a minimum of 48 news and information items per year on the City's Facebook Page.
- Provide an email update at least twice per month.
- Place one advertisement per year with Adams billboard to promote activities supported or sponsored by the City.
- Publish four newsletters per year.
- By the end of Fiscal Year 2015-2016, create a social media/website policy that addresses the City's website, Facebook page, and any future forms of communication such as YouTube, Twitter and Pinterest.

GOAL: *Volunteerism is vital to help the City achieve its goals, and it is important that our volunteers feel needed and appreciated.*

OBJECTIVE: By the end of Fiscal Year 2015-2016, develop a citizen recognition guideline to provide a mechanism for rewarding and thanking volunteers and others who help to make the City a desirable place to live, work and play.

GOAL: *Communication with neighboring communities and other governmental and quasi-governmental organizations is important to facilitating regional and inter-local cooperation.*

OBJECTIVE: Participate in regional boards, commissions and joint endeavors to foster cooperation and ensure that Dexter's interests are taken into consideration when regional decisions are being made.

A government is only as good as the people/employees involved, and investment in employees is an important part of creating an organization that responds best to the people that it serves.

GOAL: *It is important to support employee and general public safety in the delivery of all public services, and encourage that services are provided in as safe a manner as possible.*

OBJECTIVE: Develop a Comprehensive Health & Safety Program and fund ongoing annual safety training onsite and offsite for employees.

GOAL: *It is important to have a workforce well educated in their job duties, and to provide for the availability of that training.*

OBJECTIVE: Each employee should have the opportunity to attend one out-of-house training session, if desired, to enhance their job performance.

OBJECTIVE: Disseminate through staff meetings or written documents the City's commitment to excellent customer service, to include the following:

- All customers are to be treated in a friendly and respectful manner.
- Staff is responsible for gathering follow-up contact information, if necessary, so that the appropriate employee or official can follow-up with the person initiating the contact.
- Customers will be directed to the appropriate employee or official in an expeditious manner.
- Customer concerns will be responded to as soon as possible, and no later than 24 hours after the initial contact.

OBJECTIVE: Accepting the status quo can lead to performance stagnation, so management will conduct staff meetings at least quarterly to discuss ways that overall performance can be improved.

GOAL: *In order to adequately perform their jobs, employees must have the necessary tools and equipment available.*

OBJECTIVE: Research telephone, asset management and document management systems.

Public safety is one of the most important services that a government can provide. Beyond the basics of police and fire protection, public safety also encompasses emergency and disaster management, traffic and pedestrian safety, and general cleanliness.

GOAL: *As the 2012 tornado proved, emergency and disaster preparedness is important, both for City employees and for its residents and businesses. The City commits to providing the means for training and distribution of safety materials.*

OBJECTIVE: Dexter's Emergency Action Guidelines will be disseminated to employees, residents and businesses in the following manner:

- Employees will have annual in-house training.
- Dexter-specific information will be distributed annually through at least one of the mass communication methods commonly used by the City.

GOAL: *Police and fire services shall be provided in an efficient and responsive manner, and in the most economically viable manner.*

OBJECTIVE: Continue to participate in the Washtenaw County Police Services Steering Committee to ensure that police services are both economical and efficient.

OBJECTIVE: Continue negotiations with surrounding townships on further consolidation and regionalization of fire services.

- Maintain presence on the board of the Dexter Area Fire Department, and receive quarterly reports to Council on financial and operational matters.

GOAL: *Traffic patterns and enforcement shall be conducive to overall public safety.*

OBJECTIVE: The RadarSign shall be used on a minimum of twelve different local roads throughout the fiscal year.

GOAL: *Public infrastructure cleanliness needs to be managed in a manner that promotes not only aesthetics but also public safety.*

OBJECTIVE: The Department of Public Works shall perform the following functions:

- Clean all downtown sidewalks and pedestrian paths to remove loose impediments at least monthly.
- Sweep City streets in accordance with the set maintenance plan.
- Pick up brush, leaves, and Christmas trees in accordance with the set maintenance plan.
- Remove trash from downtown receptacles in accordance with the set maintenance plan.

The City recognizes that the environment is important to our residents and businesses, and that government plays a vital role not only as stewards of the environment, but also as educators.

GOAL: *Addressing sources of water pollution is important to the overall quality of life within the City.*

OBJECTIVE: The City shall address the sources of water pollution in the following manner:

- Educational materials about the use of fertilizers with phosphorous, use of rain barrels and rain gardens, and other relevant environmental information shall be distributed annually through at least one of the mass communication methods commonly used by the City

OBJECTIVE: In order to reduce the use of paper and other resources associated with the creation of Council packets, research electronic packets for Council and other boards and commissions.

Governments often create plans, documents, and goals and objectives to help guide decision makers in the creation of public policy and the expense of public funds. It is important that these documents be reviewed regularly to make sure that they are still relevant to current situations and future needs.

GOAL: *The City staff, commissions, and elected officials need to review City plans and documents to ensure both familiarity with them and their relevance to planning and policy.*

OBJECTIVE: The City staff, commissions, and/or elected officials shall review all or part of the following documents at least once per year:

- The Master Plan and Capital Improvement Plan to aid in policy and budget decisions.
- The Park and Recreation Master Plan and Tree Management Plan as a guide to decisions affecting the parks, recreation and community forestry activities and budget decisions.
- The Downtown Development Plan and Economic Development Strategy as guides for economic and development activities within the plan area.
- The budgetary goals and objectives to plan out activities for the current and future budget years.

From time to time, Council and Staff identify items that are not practical to have as a current objective, but that are desirable to keep in the public consciousness.

Policy Area: *Public Infrastructure*

GOAL: The City is committed to providing the necessary roads, sidewalks, pedestrian crosswalks, and bicycle lanes that our residents and businesses require in order to move themselves, their vehicles and products safely around the City.

OBJECTIVE: Gather regional support for a new railroad viaduct on the City's western entrance.

OBJECTIVE: Research walkability scoring and develop a plan to improve the City's walkability score.

OBJECTIVE: Create storm water plan, also addressing funding.

Policy Area: *Quality of Life*

GOAL: Recognizing that non-profit and community-based organizations provide valuable services to our residents, the City will help these organizations to the extent allowed by State Law.

OBJECTIVE: Develop a system to recognize people and organizations that help with donations of goods and services that used in areas like the beautification of the City, and to encourage the support of community-based groups.

Policy Area: *Flow of Information*

GOAL: The City commits to providing mechanisms to share information with the public in a wide variety of platforms.

OBJECTIVE: Develop and adopt a formal Public Participation Plan to enhance the flow of information between government and the people.

Budgets and Short-Term Factors

When planning for a budget it is important to identify and evaluate short term factors that may affect the budgeting process. Factors to be considered may relate to salaries and benefits, fees, capital improvements, program changes, taxes, use of reserves, service level assumptions, unfunded mandates, economic development strategies, inflation, and demographic changes.

Following are short-term factors that affected the development of the City's Fiscal Year 2015-2016 budget.

Cityhood

On November 20, 2014, the Village of Dexter became the City of Dexter, after our residents approved the proposed City Charter. Because the new City will now be responsible for elections and assessing, there were transition costs incurred in Fiscal Year 2014-2015. Some of the transition is ongoing, especially in the area of property taxation.

- A positive result of Dexter becoming a city is in the area of Headlee rollbacks. When property tax increases reach a certain level, they trigger the Headlee amendment which results in a decrease on a community's millage rate. For example, Dexter's original maximum operating millage rate was 12.5 mills. By 2002 it was capped at 10.1678 mills, and by 2014 it was 9.8807. These rollbacks have become a large problem for communities that are largely built out, as there is no significant opportunity for growth to combat the rate reduction. Because the Charter has reset the City's maximum operating millage rate to 12.5 mills, it will be many years before Headlee rollbacks will become a significant issue for the City.

Property Tax Assessments

After several years of decline due to economic factors, property tax assessments have now increased over the past three fiscal years and will increase again in Fiscal Year 2015-2016. The statutory increase to taxable value of 1.6% coupled with the substantial completion of the Westridge subdivision and expansion of a major company within the Industrial Park have contributed to this year's increase.

State of Michigan Legislative Actions

- **Property Tax Repeal:** In August 2014, Michigan voters approved a reform measure for personal property taxes. The two major components in this reform are the elimination of taxes for "small parcels", which are those with a taxable value of $40,000 or less, and a phased elimination of industrial personal property. The State of Michigan pledged to replace revenue lost by local units through a trust fund set up as part of the reform measure. In Fiscal Year 2014-2015 and again in Fiscal Year 2015-2016, the City's Downtown Development Authority received a small reimbursement, however due to the overall increase in personal property within the city Dexter is not eligible for reimbursement at this time. It is expected that once the larger industrial properties start being removed from the assessment rolls, we will receive revenue from the State to replace those losses.

- **Road Funding:** In May 2015, a complicated measure to raise taxes to dedicate to the repair and maintenance of Michigan's roads lost overwhelmingly (80% No vs 20% Yes). The Legislature is currently working on ways to reallocate funding from their general fund to the road funds. If a solution is crafted, it may result in increases to the City's Act 51 revenue stream. However, it may also lead to lost opportunities for economic redevelopment within the downtown area, as the Michigan Economic Development Corporation may be targeted for cuts.

Washtenaw County Road Millage

In October 2014, the Washtenaw County Board of Commissioners voted to levy .5 mills for road improvements within the County. The ability to levy this millage without a vote of the people was based on Public Act 283 of 1909. Taxes raised from within a city or village are being returned to the municipality for projects that were identified by that local unit prior to the collection of the levy. For Dexter, this was approximately $100,000 for projects included in our Fiscal Year 2015-2016 budget. It is anticipated that the Road Commission will request that this millage be levied again in December 2015, which would affect our Fiscal Year 2016-2017 budget.

Dexter Wellness Center

In 2013, a state of the art health and fitness center called the Dexter Wellness Center opened in the City. The fitness center was built on the site of an old industrial complex, and was the beneficiary of assistance from both the City's Downtown Development Authority (DDA) and the Washtenaw County Brownfield Authority. Also built on the site was a two story building housing the Dexter Pharmacy, and there currently exists a vacant out lot site.

The Wellness Center is owned by the Chelsea Wellness Foundation, a non-profit organization that promotes health and wellness in the five communities of Chelsea, Dexter, Manchester, Grass Lake and Stockbridge. The original plan was for the developer to maintain ownership of the building itself, with the Foundation leasing the premises for their operation. However, at some point in 2013 the Foundation determined that it would be better for them to own the building itself, and the purchase was completed as of December 2013.

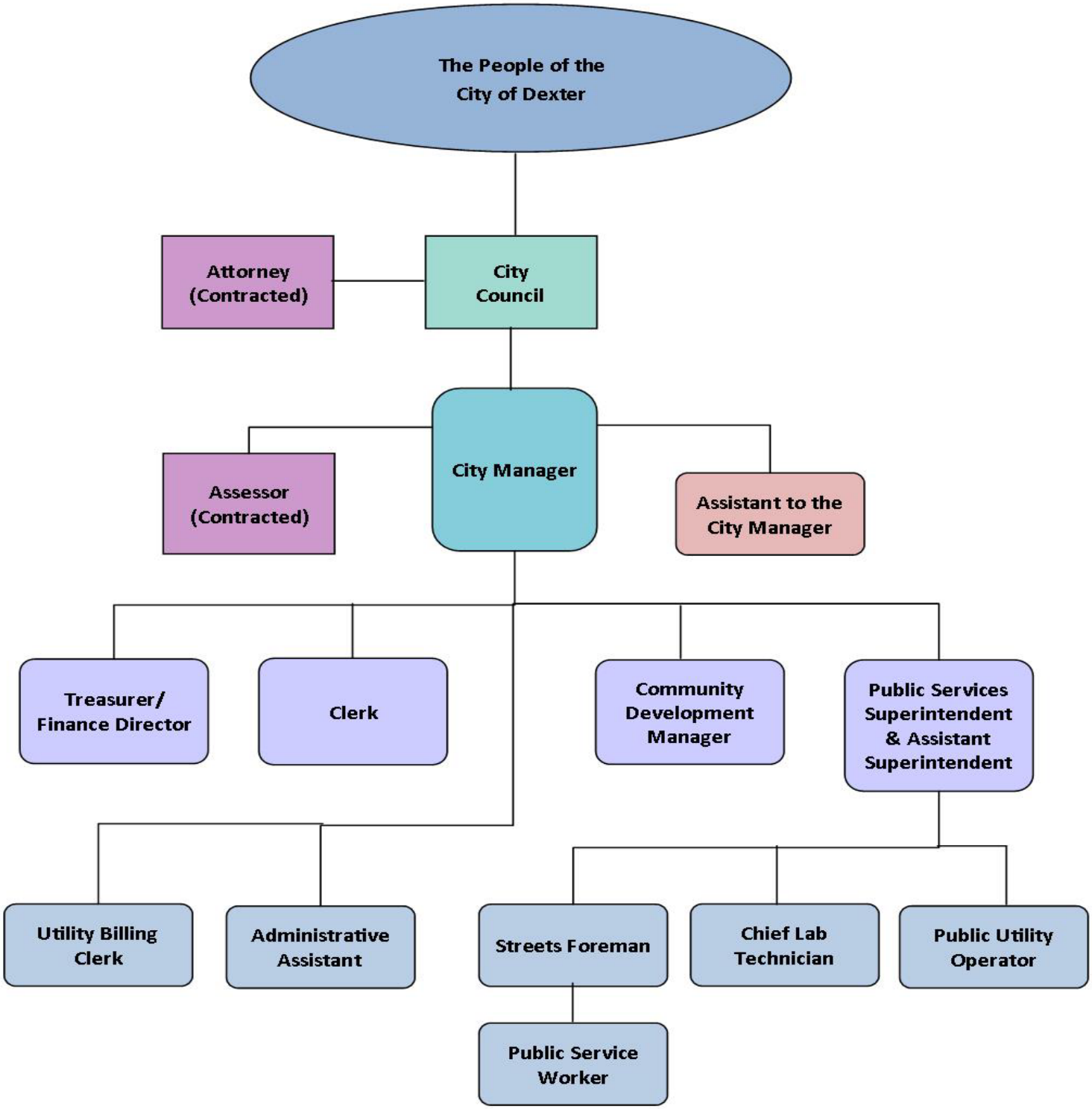
The building, with a taxable value of over $5,000,000, was placed on the assessment for 2014. This assessment was appealed by the Foundation to the Michigan Tax Tribunal. The case is currently working through the process, with the State of Michigan joining as an interested party. If this parcel is removed from the assessment roll, it would result in an annual loss of approximately $100,000 to the DDA. The tax capture from 2014 is currently being kept in escrow awaiting the results of this case, and it is presumed that 2015 tax collections will need to be escrowed as well.

The Federal Economy and Interest Rates

The Federal Reserve has continued to hold interest rates low. Short term, liquid interest rates are near zero, and even mid-range instruments such as two and three year certificates of deposit have yields under 1%. Since all of the City's longer-term investments have expired within the past several years, we have seen a significant reduction in interest income.

The positive side about low interest rates is that funds for capital projects can be borrowed at a very low rate, and some debt instruments may be eligible for refunding to take advantage of these low rates. The Downtown Development Authority will be refunding their 2008 taxable bond, which had interest rates of approximately 7%, and they expect to receive rates closer to 4% which is a significant savings.

Organizational Chart



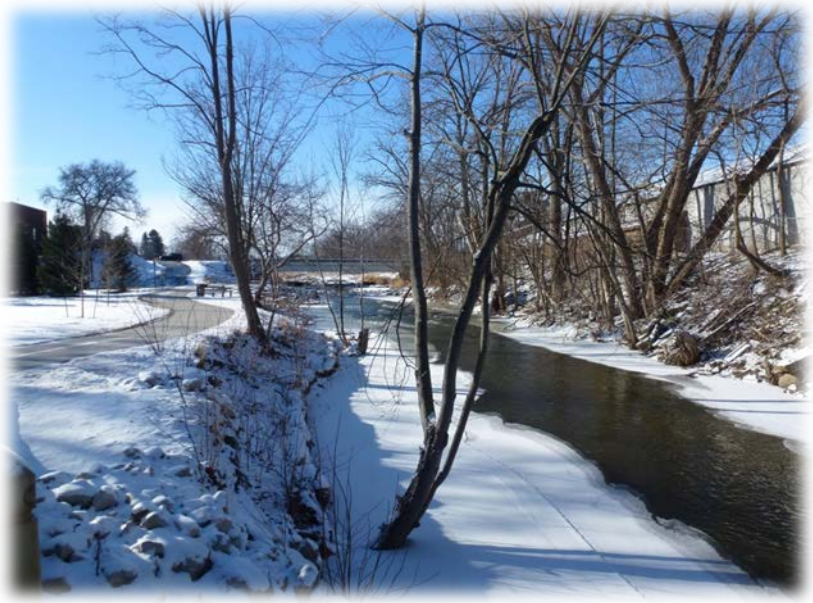
Performance Measurement

Performance measurement is used to track an organization's progress against its strategic plans and specific performance goals. It focuses on whether or not objectives have been achieved, and it is expressed as measureable performance standards. Performance measures may address activities (the process), products and services (the outputs) and/or the results of those products and services (outcomes). Because of their ongoing nature, performance measures can serve as an early warning system to management and as a vehicle for improving accountability to the public.

In our Fiscal Year 2011-2012, the Village laid the groundwork for a performance management system. In addition to the functional unit goals and objectives that were included in prior year budget documents, measures were added that are being used in this and future budgets. These were further refined in Fiscal Year 2014-2015 as we removed measurements that were not as useful as we had hoped they would be, as well as adding new measurements.

For functional units that are more workload driven, workload indicators will be shown. These may be expanded for all departments in future years as the performance measurement system is evaluated by management.

We will also continue to recognize significant accomplishments that are not of a recurring nature, such as completion of construction projects, and incorporate these annually into the performance management system.



A Reader's Guide to Budgeting

Legal Guidelines for the City Budget

The budgeting and accounting policies of the City of Dexter conform to Generally Accepted Accounting Principles (GAAP) as applicable to governmental units. Following are the significant budgetary laws and guidelines followed by the City.

Dexter City Charter

The Dexter City Charter was developed by the Charter Commission during the process of becoming a city, and it was approved by the voters in November 2014. The following articles of the charter govern financial activities for the City:

- Article 9: Financial Management
- Article 10: Taxation
- Article 11: Special Assessments
- Article 12: Borrowing
- Article 13: Purchases, Sales, Contracts and Leases
- Article 14: Utilities, Franchises and Permits

Uniform Budgeting Act

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

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

Uniform Chart of Accounts

The Michigan Department of Treasury publishes a Uniform Chart of Accounts for Counties and Local Units of Government, which the City uses to maintain and update its own chart of accounts. The account structure is a simple twelve digit format that consists of the following:

- The first three digits represent the fund. Example: General Fund is 101
- The second three digits represent the department. Example: The Finance Department is 201
- The final six digits represent the account number. Example: Professional Services is 802.000

Fund Structure of the City Budget

Annual Budgets are legally adopted for the General Fund and for special revenue funds as required by the Uniform Budgeting Act. In addition, although not required by law, budgets are prepared and adopted for the debt service, capital improvement and enterprise funds. These budgets are prepared for financial and project management purposes. The trust and agency funds are not included in this budget document.

The audited financial statements contain all funds of the City, including fiduciary funds.

Fund Accounting

The accounts of the City are organized by funds and account groups, each of which is considered a separate accounting entity. Funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions or limitations. The various funds are grouped into generic fund types in three broad fund categories as follows:

Governmental Funds

General Fund: The General Fund contains the accounting of the ordinary activities on the City that are not accounted for in another fund. General Fund activities are financed by revenue from general property taxes, state shared revenue and other sources.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of earmarked revenue from financing activities requiring separate accounting because of legal or regulatory requirements. The City's Special Revenue Funds are the Major Streets Fund, Local Streets Fund, Municipal Streets Fund, Solid Waste Fund, Downtown Development Fund, Tree Fund, and Equipment Replacement Fund.

Debt Service Funds: Debt Service Funds are used to account for the annual payment of principal and interest concerning certain long-term debt other than the debt payable from the operations of an enterprise fund. The City's debt funds are the General Debt Fund (Voted), the General Debt Fund (Non-Voted), and the Downtown Development Authority Debt Fund.

Capital Projects Funds: Capital Projects Funds are used to account for the development of capital facilities.

Proprietary Funds

Enterprise Funds: The Sewer Fund and Water Fund are used to account for the results of operations that provide a service to citizens that are financed by a user charge for the provision of that service. Besides normal operations, both the Water Fund and the Sewer Fund provide for capital investment through one-time connection charges called "tap fees". Sewer and water rates are set each year by the City Council.

Fiduciary Funds

Trust and Agency Funds: Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds. These include the Trust & Agency Fund, which contains planning, zoning and performance guarantee escrows, the Payroll Fund, the Retiree Health Care Fund, and the Economic Development Fund, which holds funds for payment to others. Fiduciary Funds are custodial in nature and do not involve the measurement of results of operations.

City of Dexter Funds

Governmental Funds				Proprietary Funds	Fiduciary Funds
General Funds	**Special Revenue Funds**	**Capital Projects**	**Debt Service**	**Enterprise Funds**	**Trust and Agency Funds (not included in budget)**
General Fund	Major Streets	DDA Project	General Debt (Voted)	Sewer	Trust & Agency
	Local Streets		General Debt (Non-Voted)	Water	Retiree Health Care
	Municipal Streets		DDA Debt		Payroll
	Solid Waste Collection				Economic Development
	Downtown Development (DDA)				
	Tree Replacement				
	Equipment Replacement				

Functional Units and the Fund Structure

There are seven broad functional units within the City that may perform activities in one or more funds. These units are Legislative (council, clerk and contributions), Administration (management, attorneys, finance, insurance), Community Development (planning, zoning, parks and environmental), Public Safety (police and fire), Public Works (public works, vehicle maintenance, solid waste, park maintenance, road maintenance), and Public Utilities (sewer and water utilities). In some cases, costs are directly charged to multiple funds - for example, Department of Public Works salaries are accounted for in four different funds - and in other cases personnel costs are billed to a particular fund at the end of the year.

A major fund is one whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget. In Michigan, major and local streets funds are required to be identified as major funds (see the Michigan Department of Treasury Uniform Chart of Accounts for Counties and Local Units of Government), and the unit of government may voluntarily identify any other fund as a major fund if the officials believe that it is useful to do so. The City of Dexter's major funds for Fiscal Year 2015-2016 are the General Fund, Major Streets Fund, Local Streets Fund, Municipal Streets, Solid Waste Fund, Sewer Fund, and Water Fund.

Major Funds						
	General Fund	Major Streets	Local Streets	Solid Waste	Sewer Fund	Water Fund
Administration	√	√	√	√	√	√
Community Development	√					
Legislative	√					
Public Safety	√					
Public Utilities				√	√	√
Public Works	√	√	√	√	√	√

Non-Major Funds						
	Municipal Streets	Downtown Development	Tree Replacement	Equipment Replacement	Capital Funds	Debt Funds
Administration	√	√	√	√	√	√
Community Development		√			√	
Legislative						
Public Safety						
Public Utilities						
Public Works		√		√	√	

Basis of Budgeting

The City of Dexter will maintain its accounting records for general governmental operations on a modified accrual basis, with revenues recorded when available and measurable, and expenditures recorded when services or goods are received and liabilities incurred. Accounting records for proprietary fund types will be maintained on an accrual basis, with all revenues recorded when earned and expenses recorded at the time liabilities are incurred, without regard to receipt or payment of cash. Adherence to this policy will enable the City to prepare its financial statements in accordance with Generally Accepted Accounting Principles ("GAAP") as set forth by the Governmental Accounting Standards Board ("GASB").

The basis of accounting is the same for both the budget and the financial statements with the exception of the Enterprise funds, which are budgeted as modified accrual but reported as full accrual.

Basis of Budgeting	
Modified Accrual	**Full Accrual**
General Funds	Enterprise Funds
Special Revenue Funds	
Capital Project Funds	
Debt Service Funds	
Fiduciary Funds	

Policies that Guide Budgeting Decisions

Financial Policies

The City of Dexter's financial policies, as compiled below, set forth the basic framework for the overall financial management of the City. Operating independently of changing economic times, these policies help the decision making process of the council and administration. The policies provide guidelines for evaluating both current activities and proposals for future programs, and they represent long-standing principles, traditions and practices that have guided the City in the past and have helped to maintain financial stability. In some instances, such as the investment and purchasing policies, separate policy documents outside of the annual budget have been adopted by Council.

Operating Budget Policies

- As outlined in the Revenue section of this document, the City currently does not levy the maximum allowable mileage rate. It is the policy of the City to maintain, at a minimum, the current level of services within the revenue limitations of the total property tax millage rate.
- Management will maintain a budgetary control system to ensure adherence to the budget, and will prepare and present to Council quarterly reports comparing actual revenues and expenditures with budgeted amounts.
- The City will take steps to reduce expenditures whenever possible, by consistently monitoring operating expenditures and researching lower cost alternatives whenever possible.
- The Water and Sewer Funds will be self-supporting.
- Protection against catastrophic losses will be maintained through a combination of insurance and fund balance reserves.

Reserve Policies

- The City will establish a reserve (fund balance) for capital projects, emergencies, or for periods of extreme revenue shortfall. For the General Fund, the reserve will be maintained at an amount that represents 15 percent of the proposed budget revenue for the existing year. Additional reserves can be designated for a specific purpose as identified by the City Council.
- In each operating fund, a contingency line item will be included to fund expenditures that result from unforeseen circumstances. Funds may be transferred to the operating line item experiencing the shortfall upon approval of the Council.
- Reserves will be established whenever applicable to comply with specific debt instruments.
- The Water and Sewer Funds will each have reserves that will equal 50% - 75% of operating expenses.

Revenue Policies

- The City will seek to maintain a diversified and stable revenue system to shelter itself from short term fluctuations in any one revenue source

- The City will establish user charges and fees at a level considering the cost (including operating, direct, indirect and capital) of providing the service. Utility rates will be reviewed annually as a part of the budgeting process.

- Federal and state grants will be pursued whenever possible. Non-recurring revenue, such as grants and gifts, will be used only to fund non-recurring expenditures.

Capital Improvements Policies

- The City will use the Capital Improvement Plan developed annually by the Planning Commission when making decisions on the funding of capital improvement projects.

- Capital assets of the City will be maintained at a level adequate to protect the capital investment and reduce future maintenance and replacement costs. The budget will provide for the maintenance and orderly replacement of capital assets and equipment from current revenues whenever possible.

Debt Policies

- The City will confine long-term borrowing to capital improvement projects.

- When a capital improvement project is funded by debt, the City will repay the debt within a period not to exceed the expected useful life of the project.

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

- General operating millage will not be used to finance enterprise fund bonded capital improvement projects and activities.

Investment Policies

- The investment objectives of the City are, in order, safety, liquidity and then yield.

- The City will strive to use banking and financial institutions located within the City of Dexter to the extent that it does not jeopardize safety by lack of diversification.

- The formally adopted Investment Policy will be submitted for certification by the Association of Public Treasurers of the United States and Canada.

- The full Investment Policy is available on the City's website at www.DexterMI.gov.

Accounting, Auditing and Financial Reporting Policies

- The City will follow Generally Accepted Accounting Principles (GAAP) in its financial record keeping and reporting. The City will also comply with the statements issued by the Government Accounting Standards Board (GASB).
- An audit will be performed annually by an independent, outside auditing firm familiar with GAAP and GASB.
- The City will maintain strong internal controls and procedures.

Purchasing Policies

- Purchasing will be made in accordance with applicable federal and state laws, as well as municipal requirements.
- Purchases will be made in an impartial, economical, competitive and efficient manner.
- Whenever practicable and in the best interest of the City as a whole, vendors and businesses located within the City limits will be utilized.
- Purchases will comply with the specific requirements of the City's Purchasing Policy, which is maintained by the City Manager.

Grant Policies

- The City Manager will review all grant applications to ensure that any matching fund requirements can be met within the current budget.
- Grants needing additional appropriation of matching funds over and above what is included in the budget must receive Council approval before matching funds can be expended.
- The City Manager or designee will keep an accounting of non-appropriated matching amounts, such as personnel and overhead costs, especially when those costs extend across fiscal years.

Infrastructure Policies

- The City will identify and perform maintenance on infrastructure in order to extend the asset's usable life.
- Tools to achieve this goal include programs like RoadSoft, engineering studies, and analysis performed by the Planning Commission and Community Development manager during the course of the development of the Capital Improvements Plan.

Budgeting Policies

Role of the Budget

The budget provides the annual financial plan for the management of the City's affairs. The document compiles the financial data needed to support the City's decision making processes and policy development. The budget is based on many other policy documents, such as the Capital Improvement Plan, the Five-Year

Financial Model, the Master Plan, and the Parks and Recreation Master Plan, as well as current Council Goals and Objectives, past Council direction, and the City Manager and staff review of operational needs.

Budget Strategy

The current budget is based upon Council direction and current revenue constraints. These factors govern the stewardship of public funds and reflect the following principles:

- Basic services will be maintained at a minimum of current levels, and will be adequately funded.
- The budget will reflect the true cost of operations. Depreciation will not be included in governmental funds.
- Services will be provided in the most efficient method while ensuring that the needs of the public are met.
- Infrastructure improvements will be undertaken as needed to ensure proper management of the City's assets.
- Revenue will be estimated at realistic levels.
- Reserves will be maintained at appropriate levels in order to protect the City from future uncertainties.
- The budget will comply with the State of Michigan's Constitution, the Dexter City Charter and all other applicable statutes and rules.

Balanced Operating Budget

The balanced budget is a tool intended to ensure that the City does not spend beyond its means. The City must function operationally within the limits of the financial resources available to it under normal circumstances.

In a balanced budget, the total appropriated budget (operating plus capital) cannot exceed available resources, which is defined as revenue generated in the current period added to balances carried forward from prior years.

Impact of Capital Improvements on Operating Budgets

When new capital projects are approved, attention should to be given to the impact on current and future operating budgets. Some capital projects will create future operational needs for maintenance and repairs, and this will need to be taken into consideration during the budgeting process.

Budgeting Controls

- ***Internal Controls:*** Budgets are monitored monthly by City management and necessary amendments are approved by City Council periodically throughout the year to ensure fiscal responsibility, accountability and financial planning. Amendments can be made between lines within a department without Council approval, and all others amendments must have Council approval.

- ***External Controls:*** State statutes require than an independent audit be performed by an accounting firm selected by the City Council. Audit reports are available to the public both on the City's website and at the Michigan Department of Treasury's website.

The Budget Process

Budget Calendar

September 2, 2014	The Community Development Manager begins the Capital Improvement Plan (CIP) process by working with department heads and the Planning Commission.
March 2, 2015	The Planning Commission holds a public hearing on and adopts the 2015-2020 CIP.
March 7, 2015	Village Goal Setting Session. Staff is directed to update goals and objectives based on meeting input and bring them back to a subsequent meeting.
March 23, 2015	Village Council adopts the 2015-2020 CIP.
March 31, 2015	Village Goal Setting Session #2. Updated Goals and Objectives reviewed and accepted.
April - June 2015	Staff updates financial modeling tools to assist with budgeting and the establishment of utility rates.
April 29, 2015	Village Council Budget Workshop - overview of entire budget and discussion on the General Fund.
May 13, 2015	Village Council Budget Workshop - Streets, Sewer, Water and Miscellanous Funds.
June 8, 2015	Village Council Public Hearing on 2015-2016 Millage Rate; Tax Administration Fees, Interest and Penalties; Budget; and Water and Sewer Rates.
June 8, 2015	Adoption of the Tax Administration Fees, Interest and Penalties Ordinance.
June 10, 2015	Village Council Budget Workshop - Review and finalize budgets.
June 18, 2015	The Downtown Development Authority adopts its Fiscal Year 2015-2018 Budget.
June 22, 2015	Adoption of the 2015-2016 Millage Rates.
June 22, 2015	Adoption of the 2015-2016 Water and Sewer Rates.
June 22, 2015	Adoption of the Fiscal Year 2015-2016 Budget.

Financial Cycle Calendar

January	February	March
	Utility Rate Study Updated Five-Year Financial Model Updated CIP Adopted by Planning Commission	Council Goal Setting CIP Adopted by Council
Second Quarter Financial Report Auditor report to Council	DDA Financial Statement Published	
Second Quarter budget amendments December financial records closed January data reviewed by staff	Budget amendments as needed January financial records closed February data reviewed by staff	Budget amendments as needed February financial records closed March data reviewed by staff

April	May	June
Council Goal Setting Staff Review of Goals & Objectives	Budget Work sessions Budget Document Preparation Begins	Budget Public Hearings Annual Millage & Utility Rates Set Budget Adoption
Third Quarter Financial Report		
Third Quarter budget amendments March financial records closed April data reviewed by staff	Budget amendments as needed April financial records closed May data reviewed by staff	Budget amendments as needed May financial records closed June data reviewed by staff

July	August	September
Budget Document finalized	Budget Document Submitted to GFOA	
Fourth Quarter Financial Report	Year-End Close of Financial Records	Year-End Close of Financial Records
Fourth Quarter budget amendments June financial records closed July data reviewed by staff	Budget amendments as needed July financial records closed August data reviewed by staff	Budget amendments as needed August financial records closed September data reviewed by staff

October	November	December
		CIP Process Starts
First Quarter Financial Report Audit Field Work Performed	Audit Filed with Michigan Dept of Treasury	Qualifying Statement filed with Treasury SF-65 Report filed with Treasury
First Quarter budget amendments September financial records closed October data reviewed by staff	Budget amendments as needed October financial records closed November data reviewed by staff	Budget amendments as needed November financial records closed December data reviewed by staff

Budgeting Procedures

The annual budget covers a twelve month period beginning July 1st and ending June 30th. The budget is an ongoing process that includes phases of development, adoption, implementation and oversight throughout the year.

Several goals are associated with the preparation and development of the City's annual budget document. First, the budget is a public policy document. The budget should help foster comprehensive community problem solving and policy making. Second, the budget is a financial plan and management tool. The document should help staff in monitoring revenue and expenditures and in evaluating the effectiveness of City programs and services. Third, the budget serves as an important reference document and should be readily available for public viewing and access. It should provide the City Council, staff and the public with extensive information on the nature and scope of municipal operations and services.

Strategic Planning Process

The City Council holds a retreat each year to discuss and develop both long-term and short-term goals and objectives for the City. Additionally, town hall meetings are held throughout year as needed as a vehicle to inform residents while receiving input from them on issues affecting the City.

The goals and objectives for this fiscal year are listed previously in this budget document.

Budget Review and Analysis

Department heads meet with the City Manager for review and evaluation of their respective budgets. The objective of this phase is to:

- Ensure that the intent of all budget requests is understood.
- Gain greater understanding of departmental objectives and standards of performance and operations for the upcoming fiscal year.
- Determine how proposed departmental projects and programs are related to the goals and objectives set by Council.
- Balance the needs of each department to the total City needs.

Analysis in this phase include analysis of levels of service, evaluation of historical expenditure trends, projection of inflationary increases, and review of departmental operations.

Building the Proposed Budget

With the assistance of prior financial data, revenue projections are developed for all funds. These projections are based on reasonable assumptions of revenue to be generated by estimated property values and current user fees, as well as the best information available from the State of Michigan.

The City Manager's office takes the revenue numbers and combines them with the proposed expenditures from the departments to get a big picture view of what the budget will look like. From this point, the City Manager's office works with department heads to adjust the operating budget.

The proposed budget is then prepared for Council review. Work sessions are held with City Council to ensure that the proposed budget is in alignment with the Council's goals and objectives, as well as their vision for the City.

City Council Adoption

After completion of the budget work sessions, the proposed budget is published on the City's website and public hearings for the budget, the millage rate, and utility rates are held. After completion of the public hearings, the Council and City Manager will make any necessary adjustments and the budget is then adopted at the next Council meeting. Michigan law requires that a budget be adopted prior to the start of next fiscal year.

Budget Amendment Process

After the budget is adopted, the primary responsibility for managing it falls to the individual departments. Both the Treasurer and the City Manager's office review expenditures on a monthly basis. Management flexibility is given to each department of exceeding a line item within a department if it can be compensated for within that same department.

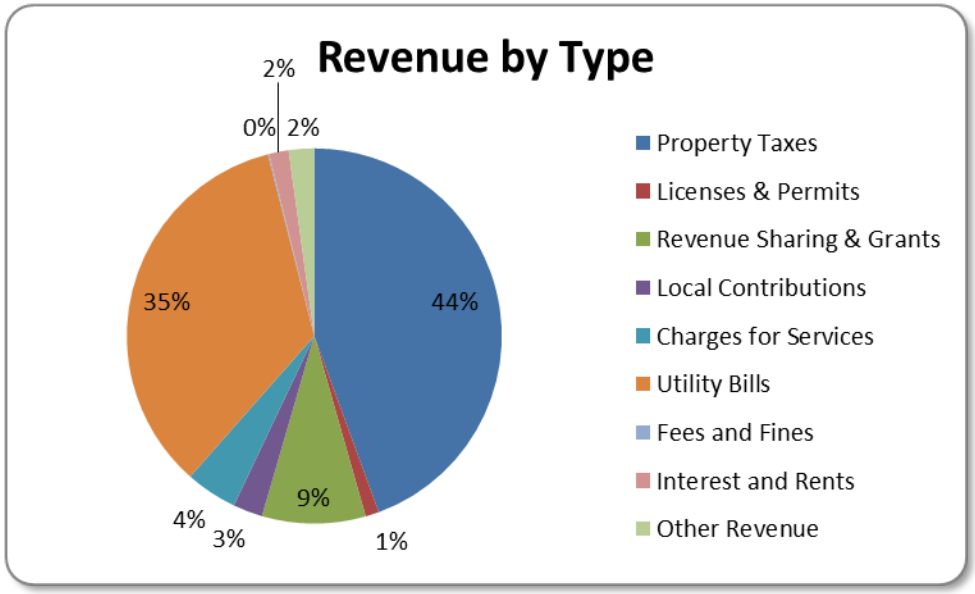
If a department must be adjusted, a budget amendment is prepared by the Treasurer and presented to the City Council for approval. Amendments may be presented both as a stand-alone item and also as part of the Treasurer's quarterly report to Council.

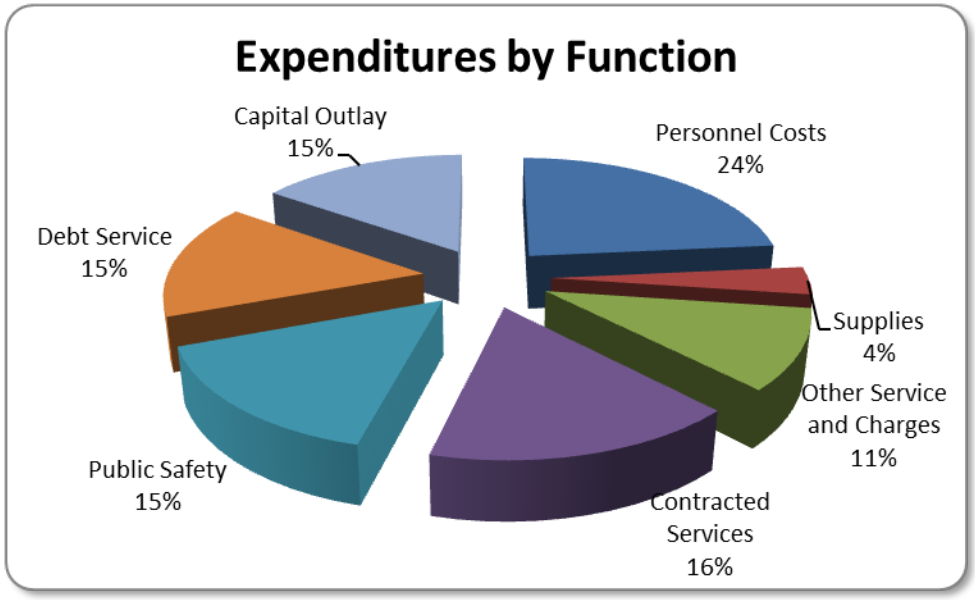
Financial Summaries

Summary Information

There are several different ways to present summary financial information. We can compare funds to other funds, activities to other activities, and data across several fiscal years. Summary charts and tables will be followed by more detailed information about total City revenue and expenditures. Multiple-year comparisons of specific revenues and expenditures are contained in the individual funds section of the budget document.

Summary Financial Information – Fiscal Year 2015-2016 Budget by Type and Function



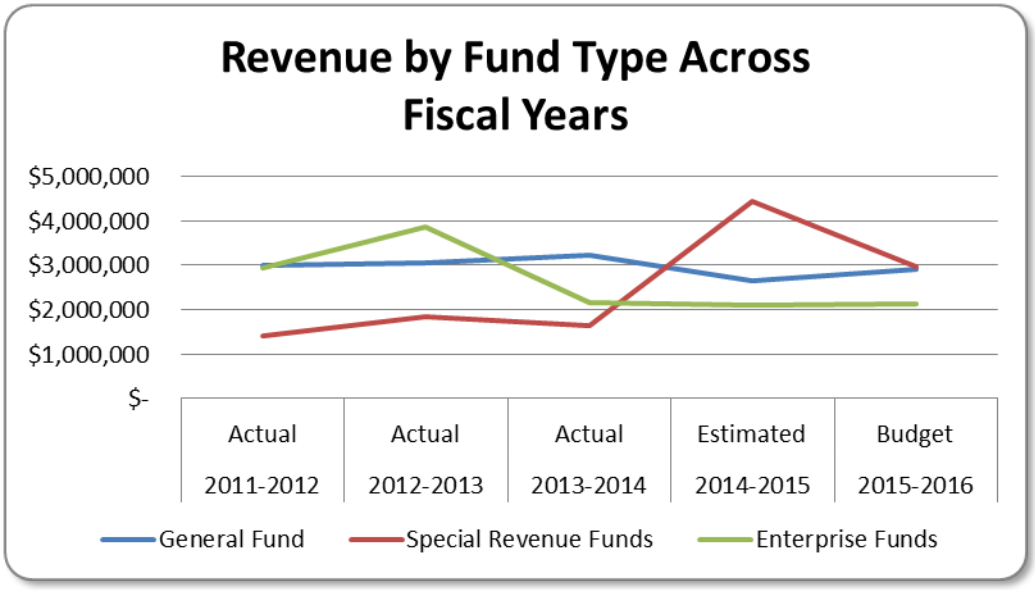


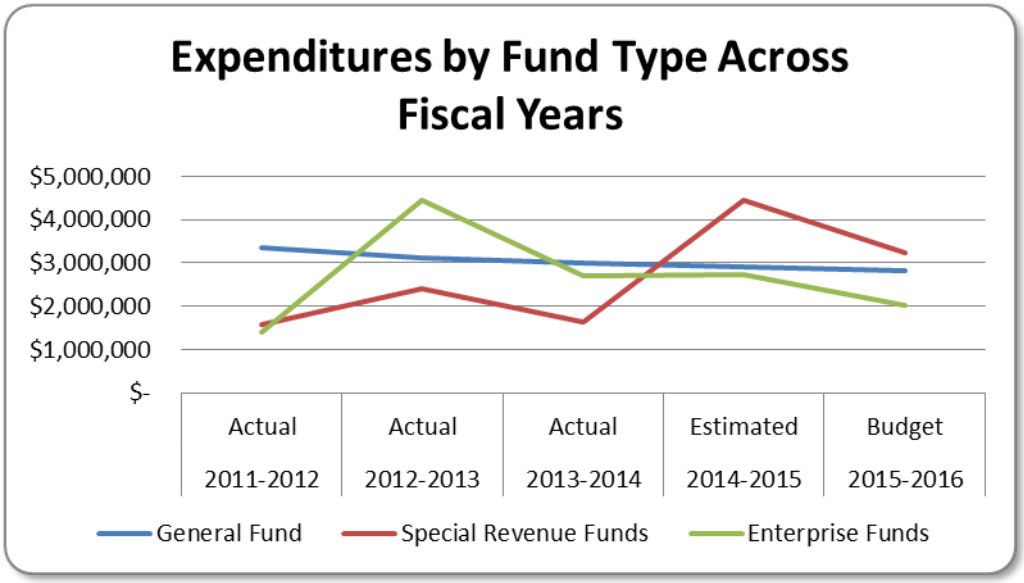
	Fiscal Year 2015-2016 Budget			
	General Fund	Special Revenue Funds	Enterprise Funds	Total Appropriated Funds
Starting Fund Balance	***$ 1,068,270***	***$ 672,092***	***$ 6,518,832***	***$ 8,259,194***
Operating Revenue				
Property Taxes	$ 2,199,900	$ 869,400	$ -	$ 3,069,300
Licenses & Permits	$ 81,200	$ -	$ -	$ 81,200
Revenue Sharing & Grants	$ 334,000	$ 277,700	$ 5,000	$ 616,700
Local Contributions	$ 176,500	$ -	$ -	$ 176,500
Charges for Services	$ 6,500	$ 400	$ 5,000	$ 11,900
Utility Bills	$ -	$ 575,000	$ 1,809,500	$ 2,384,500
Fines and Forfeits	$ 7,100	$ -	$ -	$ 7,100
Interest and Rents	$ 30,400	$ 84,700	$ 2,000	$ 117,100
Other Revenue	$ 31,300	$ 110,000	$ 10,000	$ 151,300
Total Operating Revenue	***$ 2,866,900***	***$ 1,917,200***	***$ 1,831,500***	***$ 6,615,600***
Other Financing Sources				
Charges for Services (Taps)	$ -	$ -	$ 296,000	$ 296,000
Bond Proceeds	$ -	$ -		$ -
Transfers In	$ 28,000	$ 1,052,100		$ 1,080,100
Total Other Financing	$ 28,000	$ 1,052,100	$ 296,000	$ 1,376,100
Total Revenue	***$ 2,894,900***	***$ 2,969,300***	***$ 2,127,500***	***$ 7,991,700***
Operating Expenses				
Personnel Costs	$ 825,100	$ 310,900	$ 512,600	$ 1,648,600
Supplies	$ 65,000	$ 62,000	$ 130,000	$ 257,000
Other Service and Charges	$ 135,000	$ 188,900	$ 411,200	$ 735,100
Contracted Services	$ 442,500	$ 585,500	$ 119,000	$ 1,147,000
Public Safety	$ 1,079,100	$ -	$ -	$ 1,079,100
Debt Service	$ -	$ 355,900	$ 720,800	$ 1,076,700
Total Operating Expenses	***$ 2,546,700***	***$ 1,503,200***	***$ 1,893,600***	***$ 5,943,500***
Other Expenses				
Capital Expenditures	$ 136,000	$ 812,000	$ 125,000	$ 1,073,000
Transfers Out	$ 127,000	$ 932,400	$ -	$ 1,059,400
Total Other Expenses	***$ 263,000***	***$ 1,744,400***	***$ 125,000***	***$ 2,132,400***
Total Expenditures	***$ 2,809,700***	***$ 3,247,600***	***$ 2,018,600***	***$ 8,075,900***
Net of Revenues/Expenses	***$ 85,200***	***$ (278,300)***	***$ 108,900***	***$ (84,200)***
Ending Fund Balance	***$ 1,153,470***	***$ 393,792***	***$ 6,627,732***	***$ 8,174,994***

Summary Financial Information – Five Year Comparison for All Funds Combined

	Five-Year Comparison Across All Funds				
	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Estimated	2015-2016 Budget
Starting Fund Balance	***$ 9,711,205***	***$ 10,709,983***	***$ 9,469,710***	***$ 9,163,558***	***$ 8,259,194***
Operating Revenue					
Property Taxes	$ 2,534,964	$ 2,466,424	$ 2,598,206	$ 2,798,305	$ 3,069,300
Licenses & Permits	$ 68,675	$ 74,247	$ 78,915	$ 80,040	$ 81,200
Revenue Sharing & Grants	$ 1,162,151	$ 567,237	$ 579,818	$ 619,991	$ 616,700
Local Contributions	$ 175,500	$ 207,292	$ 190,326	$ 184,155	$ 176,500
Charges for Services	$ 9,400	$ 15,175	$ 20,410	$ 17,208	$ 11,900
Utility Bills	$ 2,140,584	$ 2,297,519	$ 2,267,091	$ 2,344,681	$ 2,384,500
Fines and Forfeits	$ 4,817	$ 5,955	$ 5,591	$ 8,155	$ 7,100
Interest and Rents	$ 101,126	$ 100,448	$ 139,136	$ 116,224	$ 117,100
Other Revenue	$ 118,619	$ 107,703	$ 91,854	$ 90,166	$ 151,300
Total Operating Revenue	***$ 6,315,836***	***$ 5,842,000***	***$ 5,971,347***	***$ 6,258,925***	***$ 6,615,600***
Other Financing Sources					
Charges for Services (Taps)	$ 215,651	$ 282,047	$ 387,172	$ 290,500	$ 296,000
Bond Proceeds	$ -	$ -	$ -	$ 800,000	$ -
Transfers In	$ 805,824	$ 2,609,527	$ 651,162	$ 1,855,800	$ 1,080,100
Total Other Financing	$ 1,021,475	$ 2,891,574	$ 1,038,334	$ 2,946,300	$ 1,376,100
Total Revenue	***$ 7,337,311***	***$ 8,733,574***	***$ 7,009,681***	***$ 9,205,225***	***$ 7,991,700***
Operating Expenses					
Personnel Costs	$ 1,314,739	$ 1,479,030	$ 1,516,804	$ 1,712,899	$ 1,648,600
Supplies	$ 208,693	$ 224,412	$ 259,231	$ 267,014	$ 257,000
Contracted Services	$ 854,744	$ 988,107	$ 1,021,892	$ 814,162	$ 839,500
Other Service and Charges	$ 959,944	$ 1,324,795	$ 1,499,509	$ 1,006,859	$ 1,042,600
Public Safety	$ 954,970	$ 994,840	$ 1,016,825	$ 1,046,626	$ 1,079,100
Debt Service	$ 491,019	$ 883,499	$ 854,687	$ 1,084,339	$ 1,076,700
Total Operating Expenses	***$ 4,784,109***	***$ 5,894,683***	***$ 6,168,948***	***$ 5,931,899***	***$ 5,943,500***
Other Expenses					
Capital Expenditures	$ 693,824	$ 1,033,901	$ 485,943	$ 2,452,988	$ 1,073,000
Transfers Out	$ 860,600	$ 3,045,263	$ 660,942	$ 1,724,702	$ 1,059,400
Total Other Expenses	***$ 1,554,424***	***$ 4,079,164***	***$ 1,146,885***	***$ 4,177,690***	***$ 2,132,400***
Total Expenditures	***$ 6,338,533***	***$ 9,973,847***	***$ 7,315,833***	***$ 10,109,589***	***$ 8,075,900***
Net of Revenues/Expenses	***$ 998,778***	***$ (1,240,273)***	***$ (306,152)***	***$ (904,364)***	***$ (84,200)***
Ending Fund Balance	***$ 10,709,983***	***$ 9,469,710***	***$ 9,163,558***	***$ 8,259,194***	***$ 8,174,994***

Summary Financial Information – Five Year Comparison by Fund Across Fiscal Years





	Five-Year Comparison Across All Funds				
	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Estimated	2015-2016 Budget
Total General Fund	***$ 2,987,962***	***$ 3,039,172***	***$ 3,227,391***	***$ 2,660,694***	***$ 2,894,900***
Special Revenue Funds					
Major Streets	$ 420,107	$ 761,449	$ 398,881	$ 982,300	$ 521,400
Local Streets	$ 191,930	$ 315,391	$ 417,670	$ 836,400	$ 707,800
Municipal Streets	$ 524,979	$ 523,243	$ 551,190	$ 681,000	$ 725,600
Solid Waste Collection	$ -	$ -	$ -	$ 668,000	$ 575,400
Tree Replacement	$ 1,388	$ 1,122	$ 1,583	$ 1,900	$ 1,800
General Debt (Voted)	$ 219,513	$ 164,798	$ 166,525	$ 160,400	$ 144,900
General Debt (Non-Voted)	$ -	$ -	$ -	$ 1,026,900	$ 210,800
Equipment Fund	$ 56,073	$ 65,308	$ 99,019	$ 79,700	$ 81,600
Total Special Revenue Funds	***$ 1,413,990***	***$ 1,831,311***	***$ 1,634,868***	***$ 4,436,600***	***$ 2,969,300***
Enterprise Funds					
Sewer Fund	$ 1,425,483	$ 2,915,540	$ 1,326,789	$ 1,330,948	$ 1,329,500
Water Fund	$ 1,509,876	$ 947,551	$ 820,633	$ 776,983	$ 798,000
Total Enterprise Funds	***$ 2,935,359***	***$ 3,863,091***	***$ 2,147,422***	***$ 2,107,931***	***$ 2,127,500***
Total Revenue	***$ 7,337,311***	***$ 8,733,574***	***$ 7,009,681***	***$ 9,205,225***	***$ 7,991,700***
Total General Fund	***$ 3,359,684***	***$ 3,118,011***	***$ 2,994,522***	***$ 2,922,109***	***$ 2,809,700***
Special Revenue Funds					
Major Streets	$ 602,914	$ 749,898	$ 407,729	$ 982,233	$ 521,400
Local Streets	$ 208,732	$ 331,464	$ 404,396	$ 836,463	$ 707,800
Municipal Streets	$ 432,488	$ 861,556	$ 564,308	$ 912,300	$ 858,700
Solid Waste Collection	$ -	$ -	$ -	$ 558,300	$ 567,800
Tree Replacement	$ 68,000	$ 18,700	$ 8,000	$ 8,000	$ 8,000
General Debt (Voted)	$ 233,709	$ 275,912	$ 164,031	$ 158,500	$ 147,000
General Debt (Non-Voted)	$ -	$ -	$ -	$ 879,900	$ 356,500
Equipment Fund	$ 20,769	$ 176,567	$ 74,624	$ 115,700	$ 80,400
Total Special Revenue Funds	***$ 1,566,612***	***$ 2,414,097***	***$ 1,623,088***	***$ 4,451,396***	***$ 3,247,600***
Enterprise Funds					
Sewer Fund	$ 911,915	$ 3,425,769	$ 1,658,715	$ 1,584,967	$ 1,250,000
Water Fund	$ 500,322	$ 1,015,971	$ 1,039,527	$ 1,151,117	$ 768,600
Total Enterprise Funds	***$ 1,412,237***	***$ 4,441,740***	***$ 2,698,242***	***$ 2,736,084***	***$ 2,018,600***
Total Expenditures	***$6,338,533***	***$9,973,848***	***$7,315,852***	***$10,109,589***	***$8,075,900***
Net Change	***$ 998,778***	***$ (1,240,274)***	***$ (306,171)***	***$ (904,364)***	***$ (84,200)***

Fund Balance

Fund Balance Background

Governments organize their accounting systems on a fund basis. A fund is a separate set of accounting records, segregated for the purpose of carrying out an activity. A fund is established for accountability purposes to demonstrate that financial resources are being used for only permitted purposes.

A fund will have balance sheet accounts consisting of assets, liabilities and fund balance, as well as a series of revenue and expenditure accounts. A fund balance is created or increased when fund revenues exceed fund expenditures for a fiscal period. The difference between the fund's assets and liabilities equals the fund balance.

A common misconception is that fund balance is a cash account and therefore corresponds to the City's bank balance. The fund balance calculation includes assets such as cash and receivables as well as liabilities such as payables. In addition, a portion of the fund balance may be committed by Council to specific projects.

Funds such as Special Revenue Funds or Debt Service Funds are required to be segregated in separate funds since there are restrictions to uses of balances in these funds. The General Fund encompasses the City's activities not required to be segregated in separate funds, and the fund balance available can be used in any manner as directed by the City Council. For this reason, the following discussion is limited only to the General Fund's fund balance.

How Large a Fund Balance?

Determination of an appropriate fund balance is a critical factor in financial planning and the budgeting process. There is a fine distinction between retaining enough to meet the financial needs of the City, and not accumulating too large a balance without having a specific purpose for doing so.

A community with an appropriate fund balance can:

- Provide a fund or reserve to meet emergency expenditures;
- Provide cash to finance expenditures from the beginning of the budget year until all revenues are collected;
- Demonstrate financial stability and therefore preserve or enhance its bond rating, thereby lowering debt issuance costs;
- Avoid short term borrowing and associated interest costs.

As a part of the budget process, fund balance will be treated as one of the following:

- Retained as the community's "rainy day" fund for future needs; or
- Used to fund expenditures for the next fiscal period.

GASB Statement No. 54 - Fund Balance Definitions

The Governmental Accounting Standards Board (GASB) developed new standards for fund balance definitions which were included in the Fiscal Year 2010-2011 audit. At this time, the only classifications being used by the City are unassigned (formerly undesignated), assigned (formerly designated) and committed.

- Nonspendable: These classifications are generally from external sources, such as legal or contractual requirements, or represent non-cash items, such as inventory or prepaid amounts. No actions by Council are necessary because the classification occurs by definition.

- Restricted: Typically used for external restrictions by creditors, laws or regulations, the restriction itself is generally from external sources, thus it also is by definition classified as "restricted".

- Committed: Amounts can only be used for specific purposes imposed by formal action of the Council, such as a resolution or ordinance adopted by the Council.

- Assigned: This classification, which is similar to the previous "designated" classification, shows the governing body's "intent". This classification generally will require some action by the Council to indicate who is authorized to make these assignments on behalf of the City.

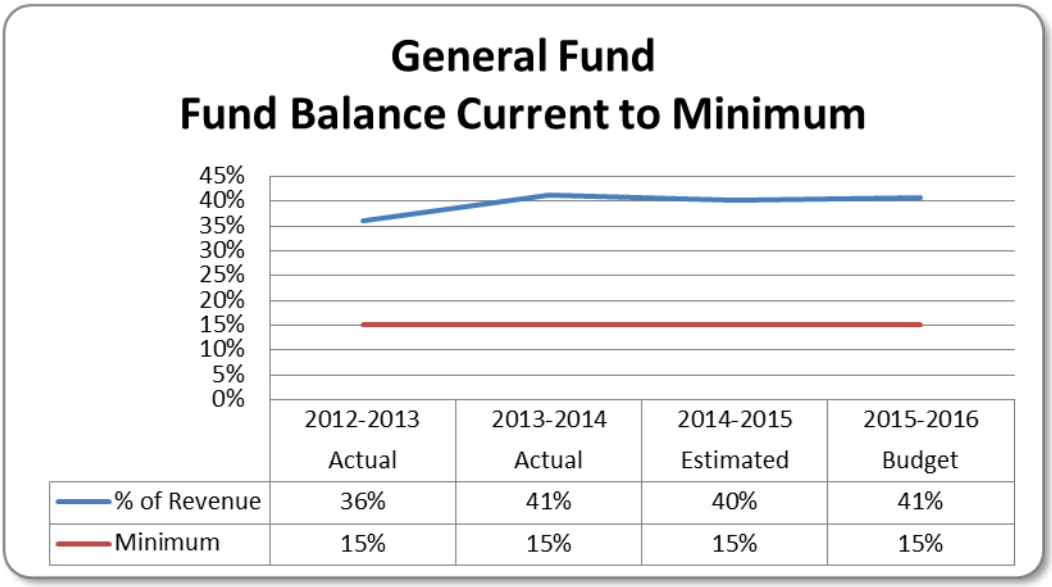
- Unassigned: This is the residual balance of the fund only after allocations are made to the aforementioned classifications.

City of Dexter Fund Balances

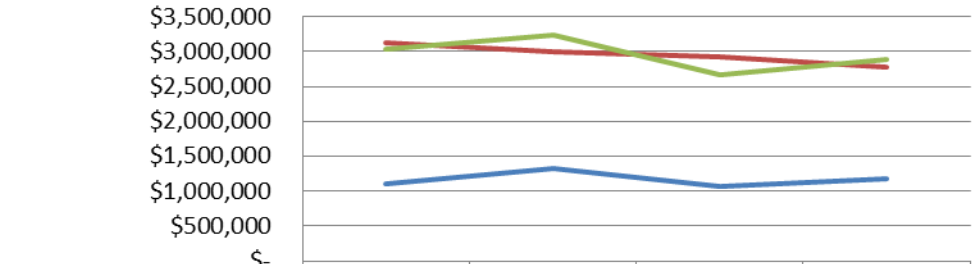
City of Dexter Fund Balance Policy

The City of Dexter's policy is for a minimum reserve of 15% of revenue. This is based on best practice recommendations from the Government Finance Officers Association (GFOA). Additional fund balance may, at times, be assigned by Council for specific purposes such as capital projects.

It is important to note that the drops in Fund Balance are generally due to capital projects. Operating expenses are maintained at or below operating revenue.



	2012-2013 Actual	2013-2014 Actual	2014-2015 Estimated	2015-2016 Budget
% of Revenue	36%	41%	40%	41%
Minimum	15%	15%	15%	15%



	2012-2013 Actual	2013-2014 Actual	2014-2015 Estimated	2015-2016 Budget
Ending Fund Balance	$1,096,817	$1,329,685	$1,068,270	$1,178,470
Expenses	$3,118,011	$2,994,522	$2,922,109	$2,784,700
Revenue	$3,039,172	$3,227,390	$2,660,694	$2,894,900

Fund Balance Summaries

General Fund	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016	% Change 2014 to 2015
Beginning Fund Balance	$1,096,817	$1,329,685	$1,068,270	
Revenues	$3,227,390	$2,660,694	$2,894,900	
Expenditures	($2,994,522)	($2,922,109)	($2,809,700)	
Ending Fund Balance	$1,329,685	$1,068,270	$1,153,470	8.0%

Special Revenue Funds	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016	% Change 2014 to 2015
Beginning Fund Balance	$668,891	$680,671	$665,875	
Revenues	$1,634,868	$4,436,600	$2,969,300	
Expenditures	($1,623,088)	($4,451,396)	($3,247,600)	
Ending Fund Balance	$680,671	$665,875	$387,575	-41.8%

Enterprise Funds	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016	% Change 2014 to 2015
Beginning Retained Earnings	$7,704,017	$7,153,197	$6,525,044	
Revenues	$2,147,422	$2,107,931	$2,127,500	
Expenditures	($2,698,242)	($2,736,084)	($2,018,600)	
Ending Retained Earnings	$7,153,197	$6,525,044	$6,633,944	1.7%

Changes in Fund Balance Greater than 10%

The City builds up significant fund balances in many of its funds in order, in part, to fund capital projects without having to incur debt. In Fiscal Year 2015-2016, there are three funds with a change in fund balance greater than 10%.

Municipal Streets Fund

The purpose of the Municipal Streets Fund is to build up a reserve to apply to capital projects. This fiscal year, most of these reserves are being used to fund road construction and maintenance projects in the Major and Local Streets funds in accordance with the Road Maintenance Plan adopted by City Council in Fiscal Year 2014-2015. The construction portion of the plan will be substantially complete by the end of Fiscal Year 2015-2016, and City Council expects to start to build the fund balance in this fund once again.

Municipal Streets Fund	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016	% Change 2014 to 2015
Beginning Fund Balance	$377,627	$364,509	$133,209	
Revenues	$551,190	$681,000	$725,600	
Expenditures	($564,308)	($912,300)	($858,700)	
Ending Fund Balance	$364,509	$133,209	$109	-99.9%

General Debt Fund (Voted)

This small fund balance fluctuates slightly from year to year. Michigan law requires that the reserves in this type of fund be minimal. While the percentage change is large, the actual dollar amount is small.

General Debt (Voted)	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016	% Change 2014 to 2015
Beginning Fund Balance	$3,460	$5,954	$7,854	
Revenues	$166,525	$160,400	$144,900	
Expenditures	($164,031)	($158,500)	($147,000)	
Ending Fund Balance	$5,954	$7,854	$5,754	-26.7%

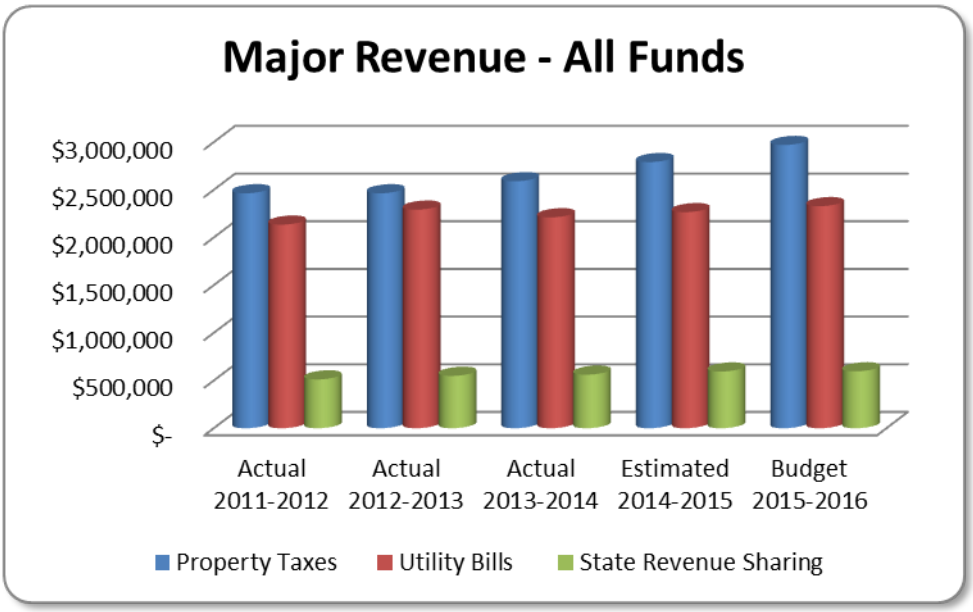
General Debt Fund (Non-Voted)

The fund balance reduction in this fund is due to the expense of the remaining bond funds from 2014 on road projects in conjunction with the Road Maintenance Plan adopted by City Council in Fiscal Year 2014-2015. Once these expenditures are complete, this fund will only contain debt service funded by transfers in from General Fund and the Municipal Streets Fund.

General Debt (Non-Voted)	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016	% Change 2014 to 2015
Beginning Fund Balance	$0	$0	$147,000	
Revenues	$0	$1,026,900	$210,800	
Expenditures	$0	($879,900)	($356,500)	
Ending Fund Balance	$0	$147,000	$1,300	-99.1%

Revenue

The major revenue sources for the City of Dexter are property taxes, utility bills, and state revenue sharing (inter-fund transfers and one-time grants are not included in this presentation). Combined, these three equal over 75% of the City's Fiscal Year 2015-2016 revenue.



Revenue Type	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016
Property Taxes	$2,463,947	$2,463,628	$2,590,006	$2,790,644	2,970,100
Utility Bills	$2,134,844	$2,292,043	$2,211,523	$2,266,000	2,328,500
State Revenue Sharing	$ 511,753	$ 548,890	$ 561,243	$ 594,391	596,700
	$5,110,544	$5,304,561	$5,362,772	$5,651,035	$5,895,300

Revenue Forecasting

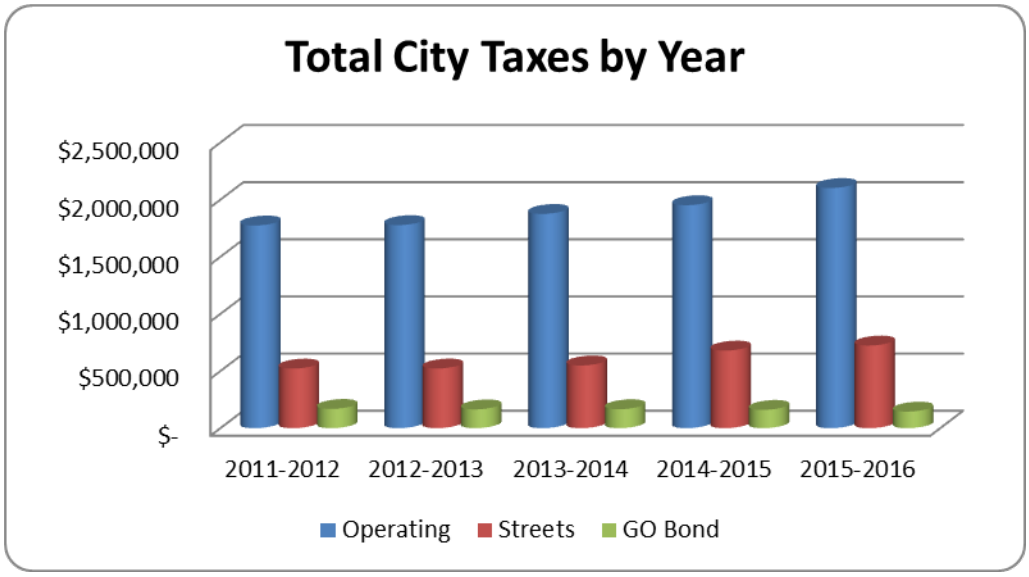
There are several methods to forecast revenue. The City uses modeling to assist with forecasting both revenue and expenditures. Modeling utilizes a system of looking at past trends, using assumptions such as utilizing an average of the past three years for fluctuating revenue, considering growth, and making educated guesses on economic factors such as the inflation rates. Most City revenue is based on the three-year average format of making assumptions. Please see the appendices for the City's main modeling tools.

Property tax revenue forecasting is based on estimates for future increases/decreases of the state's rate of inflation figures (used to assess taxable values), growth in the City's tax base, and other tax-related items such as the expiration of industrial facility tax exemptions.

Utility bills forecasts are contained in the City's Utility Rate Study. These forecasts are based on expected growth, and increases in expenditures due to inflation, personnel costs and other costs. This is used to set future rates, and therefore strongly influences the budgeted revenue.

State Revenue Sharing estimates are provided by the State of Michigan on the Department of Treasury's website.

Property Taxes



Tax Type	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016
Operating	$1,773,669	$1,777,030	$1,875,194	$1,951,644	$2,102,000
Streets	$ 521,754	$ 522,065	$ 548,834	$ 679,000	$ 723,300
GO Bond	$ 168,524	$ 164,533	$ 165,978	$ 160,000	$ 144,800

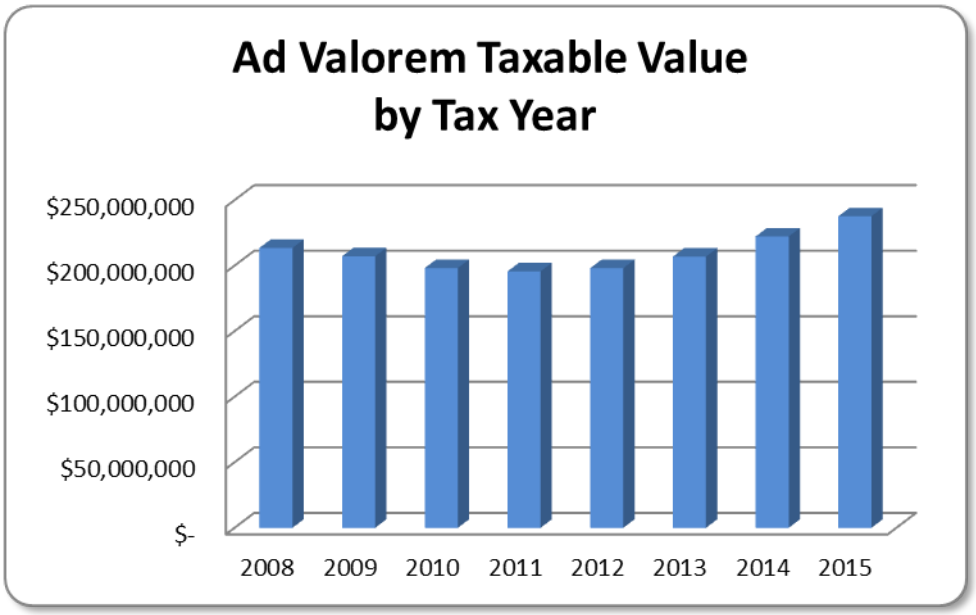
Calculating Property Taxes

Property taxes are the largest source of revenue for the City. This revenue is dependent upon two variables – taxable value and millage rates. The taxable value is determined by the City assessor based on established assessing criteria, and the millage rate is set by the City Council. The formula to determine total property tax revenue (as well as taxes on an individual parcel) is as follows:

$$\text{Property taxes} = \frac{\text{taxable value x millage rate}}{1000}$$

The assessor maintains two values for every parcel, both real and personal property, within the City. The first value is the State Equalized Value, also known as the SEV, which is 50% of the true market value of the property. The second value is the taxable value, which came into existence as a result of 1994's Proposal A, Michigan's property tax reform law. The taxable value of real property cannot increase higher than the rate of inflation or 5%, whichever is lower, and cannot be higher than the SEV of the property. This formula remains in place until a property is sold at which time the property becomes "uncapped" and changes to match the SEV. The limitation on increases then begins anew from the "uncapped" rate.

In the 2016 tax year, the inflation rate for assessment purposes is 1.6%. After four years of decreases in overall taxable value due to the housing and economic downturns that began in 2007, the City has had increases starting in 2012. It is important to note, however, that approximately $5,000,000 of the 2014 taxable value, which represents the Dexter Wellness Center, is in dispute and is currently in front of the Michigan Tax Tribunal.



	Calendar Year 2008	Calendar Year 2009	Calendar Year 2010	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015
Taxable Value	$ 213,480,567	$ 207,153,079	$ 198,181,879	$ 195,605,892	$ 198,095,470	$ 206,877,960	$ 222,254,189	$ 237,648,537
Percent Change	N/A	-2.96%	-4.33%	-1.30%	1.27%	4.43%	7.43%	6.93%

The Headlee Amendment Limitation on Revenue Generation

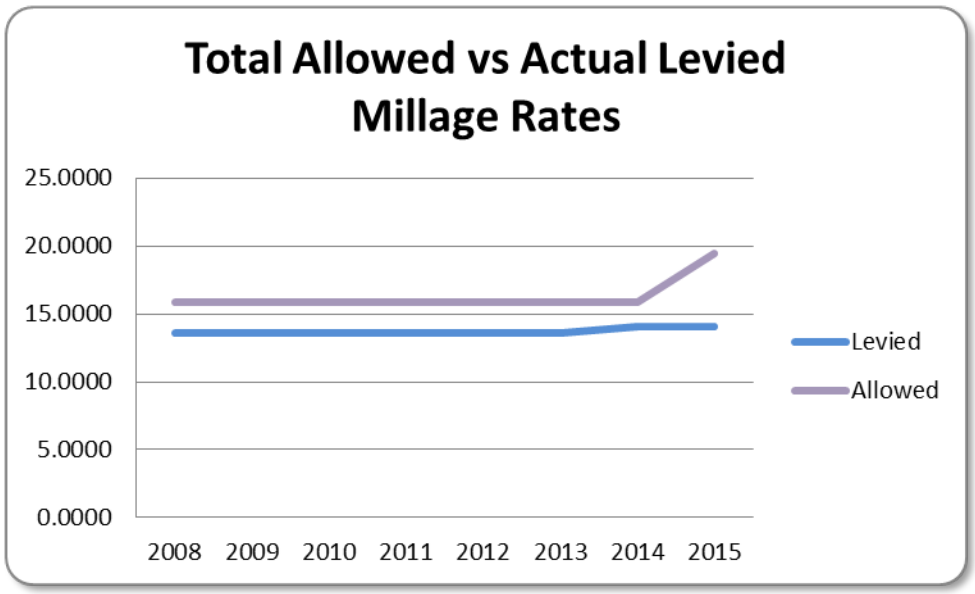
The Headlee Amendment of 1978 has an effect on millage rates by limiting the growth of property tax revenue from existing property. It accomplishes this by reducing the millage rates proportionally by the amount that market changes exceed the increase in the Consumer Price Index.

Each year, the Washtenaw County Equalization Department provides the City with a Headlee Reduction Factor. If this factor is below 1.0, then the maximum millage rate from the previous year needs to be reduced. If the factor is higher than 1.0, the law does not allow the maximum millage to be increased, so it will remain the same as the previous year.

Headlee Reduction Factors			
2008	1.0514	2012	1.0000
2009	1.0514	2013	1.0000
2010	1.0938	2014	1.0000
2011	1.0652	2015	1.0000

In past years, the City Council has chosen to not levy the maximum millage rate in order to keep taxes as low as possible. They will continue this even though the City's millage rate maximum has increased due to the adoption of the City Charter and the resetting of the Headlee Roll-Back. Prior to becoming a city, Dexter's maximum allowable millage rate was for Operating was 9.8807 and for Streets the rate was 3.9520. In 2014, the then-Village levied 9.8807 for Operating, but only 3.4380 for Streets. The voter approved general obligation bond debt millage from 1994 is for 2.0 mills, but due to growth the full amount is not needed in order to meet debt payment obligations.

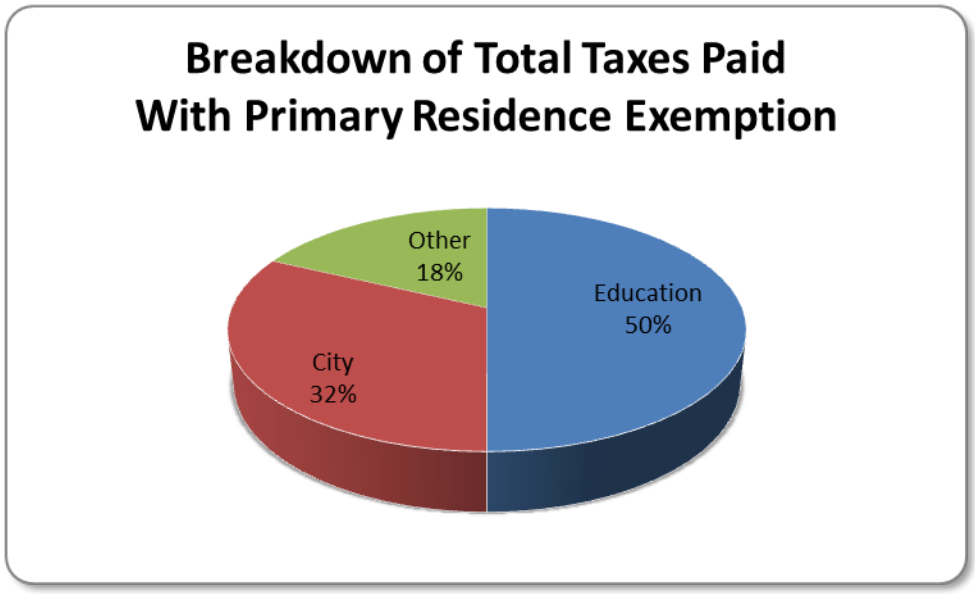
2015 Maximum Allowable Millage Rates			
Purpose	Original Rate	Headlee Rate	2015 Rate
Operating	12.5000	12.5000	9.9906
Streets	5.0000	5.0000	3.4380
GO Bond	2.0000	2.0000	0.6276
Total	19.5000	19.5000	14.0562



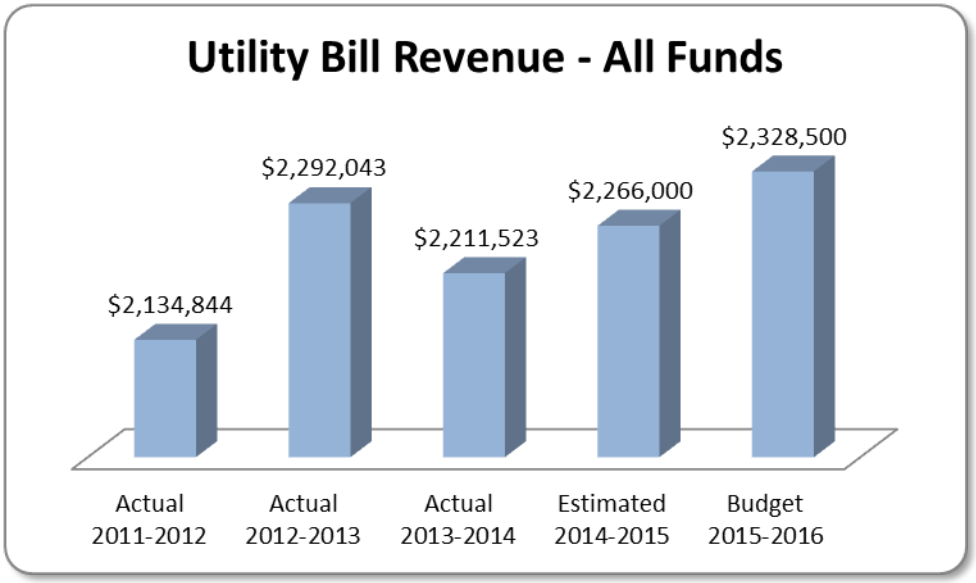
Individual Taxes

The tax impact on a home with a market value of $200,000 is easily computed. The State Equalized Value (SEV) of the home would be one-half of the market value, or $100,000. For this example, we will assume that the taxable value is equal to the SEV. To compute the amount of taxes on the home, the property owner would simply multiply the taxable value by the millage rate and divide by 1,000. The following table shows an estimate of 2015 taxes for sample properties with and without the primary residence exemption (also known as homestead exemption), assuming a taxable value of $100,000.

Estimated 2015 Total Tax Bill					
Primary Residence Exemption			Non-Primary Residence Exemption		
Government	Millage	Tax	Government	Millage	Tax
Dexter Schools	14.5000	$1,450.00	Dexter Schools	32.5000	$3,250.00
City of Dexter	14.0562	$1,405.62	City of Dexter	14.0562	$1,405.62
Washtenaw County	6.2838	$628.38	Washtenaw County	6.2838	$628.38
Intermediate Schools	3.9745	$397.45	Intermediate School	3.9745	$397.45
Community College	3.4576	$345.76	Community College	3.4576	$345.76
Library	1.5986	$159.86	Library	1.5986	$159.86
Administration Fee		$43.87	Administration Fee		$61.87
Total	43.8707	$4,387.07	Total	61.8707	$6,187.07



Utility Billing



Utility Rates

In 2006 the City Council commissioned a Utility Rate Study from the City's municipal finance firm. The purpose of the study was to insure that rates were fair and equitable, that they were sufficient to cover operating, capital and debt costs, and that tap fees reflected actual needs. Recommendations were made for both future rate increases and current tap fee rates. This study has been updated internally each year since.

For many years, there were no increases in sewer and water utility rates. This led to both the sewer and water funds being dangerously low in their operating revenue. Council has taken the recommendations of the Utility Rate Study and increased rates accordingly. For Fiscal Year 2015-2016, the City Council approved rate increases for water of 4% and sewer of 3%. It is the stated goal of Council to hold rate increases to 3% for each, but capital projects and the associated debt payments, combined with reduction in use of water for both indoor and outside watering, have necessitated a larger increase in the water fund than desired.

Refuse rates are established in order to cover the entire cost of refuse collection. This includes contracted solid waste pick up as well as work performed by the City's Department of Public such as leaf collection and brush chipping. The rate of $17.50 per month was not increased from Fiscal Year 2014-2015.

Utility Rates	Water FY 14-15 Rates	Water FY 15-16 Rates	Sewer FY 14-15 Rates	Sewer FY 15-16 Rates
Ready to Serve Monthly Fee	$7.34	$7.63	$6.91	$7.12
First Meter Per 1,000 Gallons	$3.31	$3.44	$8.50	$8.76
Second Meter Per 1,000 Gallons	$4.47	$4.65		

Other Charges	FY 14-15 Rates	FY 15-16 Rates
Monthly Refuse Charge	$17.50	$17.50
Penalties on Late Charges	2.00%	2.00%
Turn-on and Turn-off Charges	$35.00	$35.00
Meter Calibration Charge	$35.00	$35.00
Water Only Meter 1 inch	$350.00	$350.00

Individual Utility Charges

The chart below illustrates the impact of the rate adjustments on a family using 10,000 gallons of water during a two-month billing cycle (5,000 gallons per month). The overall increase for water, sewer and refuse, taking into consideration the various changes detailed under the previous Utility Rates section, is 2.70%, or $4.90 per billing cycle.

Example Utility Bill Two Month Cycle	FY 14-15 Rates	FY 15-16 Rates
Water Ready to Serve	$14.68	$15.26
Water Commodity Charge	$33.10	$34.40
Sewer Ready to Serve	$13.82	$14.24
Sewer Commodity Charge	$85.00	$87.60
Refuse Charge	$35.00	$35.00
Total	$181.60	$186.50

State Revenue Sharing

Revenues received from the State of Michigan are a very important source of revenue for the City. State shared revenue estimates, which are determined by a formula based on population and type of local unit government (ie city, village, township), can be found at the Michigan Department of Treasury's website at www.Michigan.gov. In past years these revenues have been decreasing as the State struggles to balance its own budget, however the City's increased population in the 2010 Census had the effect of substantially increasing this revenue stream and in subsequent years we have seen steady increases as the State recovers economically.

	State Revenue Sharing		
State Fiscal Year	City Portion	Percent Change	Dollar Change
2009-2010 Actual	$ 155,049		
2010-2011 Actual	$ 274,380	76.96%	$ 119,331
2010-2011 Actual	$ 274,380		
2011-2012 Actual	$ 295,385	13.55%	$ 21,005
2011-2012 Actual	$ 295,385		
2012-2013 Actual	$ 300,575	1.76%	$ 5,190
2012-2013 Actual	$ 300,575		
2013-2014 Actual	$ 310,565	3.32%	$ 9,990
2013-2014 Actual	$ 310,565		
2014-2015 Projected	$ 318,920	2.69%	$ 8,355
2014-2015 Projected	$ 318,920		
2015-2016 Projected	$ 328,699	3.07%	$ 9,779

Street funds come to the Village from the Michigan Department of Transportation and they are based upon formulas prescribed by Public Act 51. Because this formula is also dependent in part on a community's population, the Village saw an increase in Fiscal Year 2011-2012 for the Major Streets and Local Streets funds, with similar trends and general state revenue sharing in subsequent years.

State shared revenue can also include other sources such as grants and low cost loans.

Other Sources of Revenue

While property taxes, utility rates and state revenue sharing are the major sources of revenue for the City, there are other sources that the City relies upon each year.

Charges for Services

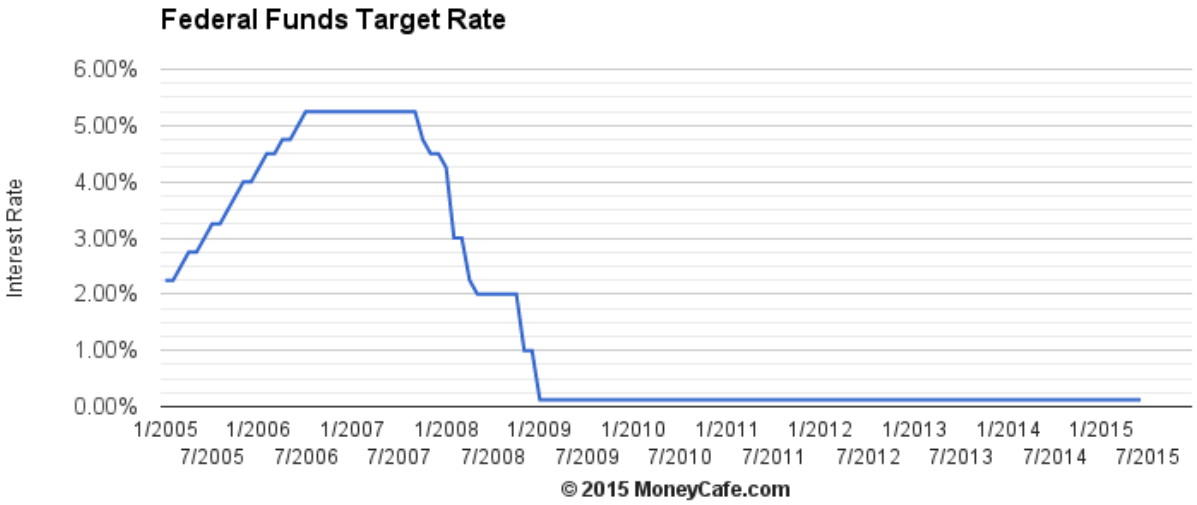
The City charges residents and other customers for services such as permits, planning charges, farmers market vendors and franchise fees. Fines are collected from traffic violations and parking and ordinance enforcement.

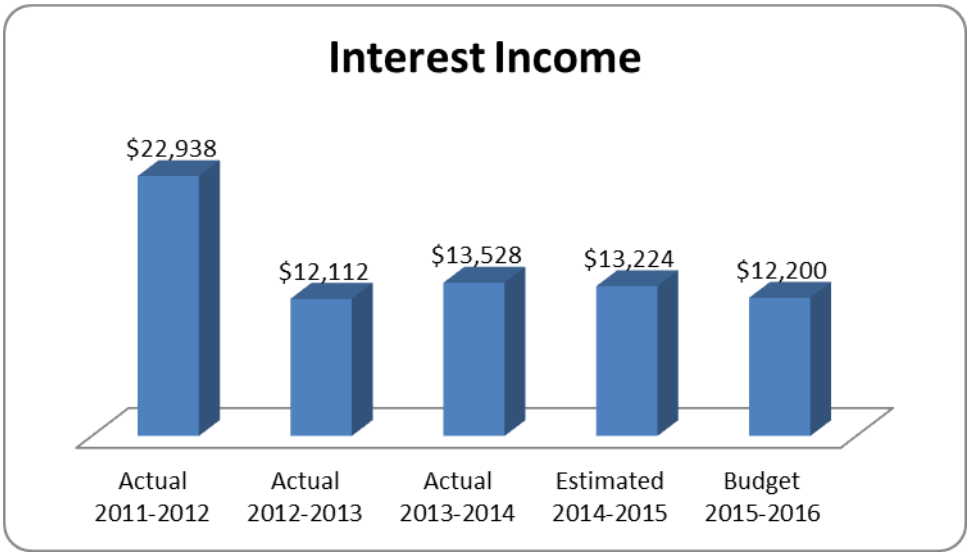
Grants

The City actively pursues grants and other outside funding. Please see the appendices for grants applied for and received since 2007.

Interest

The final sources of revenue are items such as interest on City investments, transfers in from other funds, administrative charges to the sewer and water funds, and miscellaneous revenue. In regard to interest income, the economy has had a significant effect on income from City investments. Income earned on investments has decreased as longer-term investments at higher rates have been replaced by ones with much lower rates of return. In the past year, we have not seen any trend towards increasing rates and do not expect to in the near future.



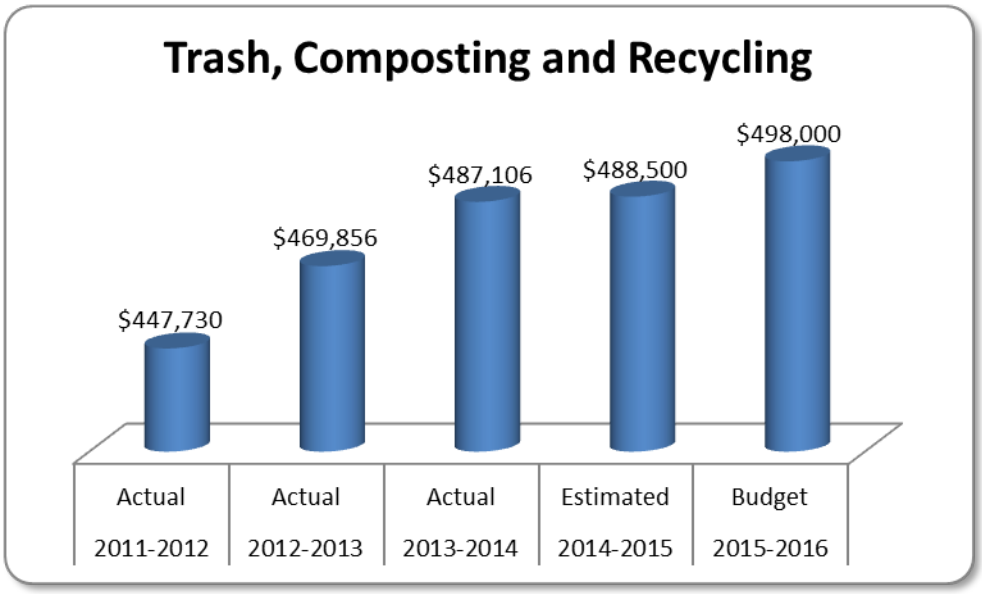


Expenditures

There are seven broad categories of expenditures that can be compared across funds.

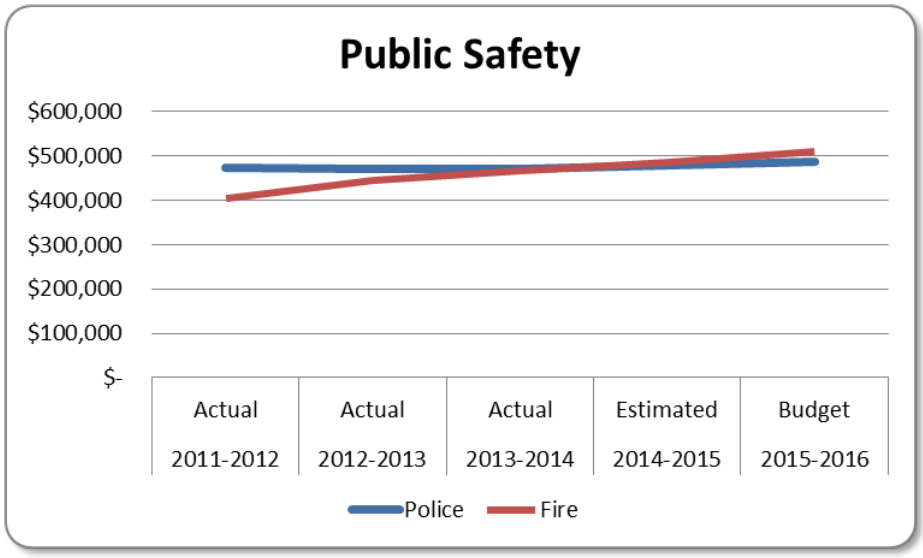
Contracted Services

Contracted services are those that are performed by people outside of the City's employ. Examples are trash pick-up, composting and recycling; equipment leases; engineering; and other professional consulting. The following charts show two of the major areas, which are trash, composting and recycling in the Solid Waste Fund, and professional services/sludge hauling in the Sewer Fund. Capital improvements at the Sewer Plant have led to a substantial reduction in professional services from a few years ago.



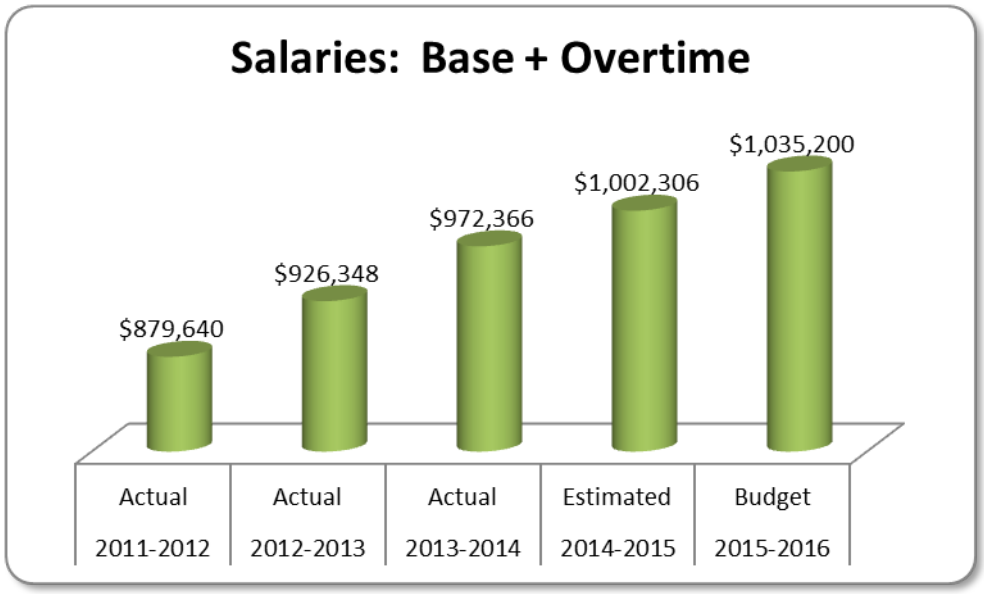
Public Safety

Public Safety consists of police protection contracted through the Washtenaw County Sheriff's Department, and fire services contracted through the Dexter Area Fire Department (DAFD). While the Washtenaw County Sheriff pledged several years ago to hold increases to local contracting units down, costs for the DAFD have steadily increased. For Fiscal Year 2015-2016, the total Public Safety budget of $1,079,100 represents 42.37% of the City's General Fund Operating Budget of $2,546,700.



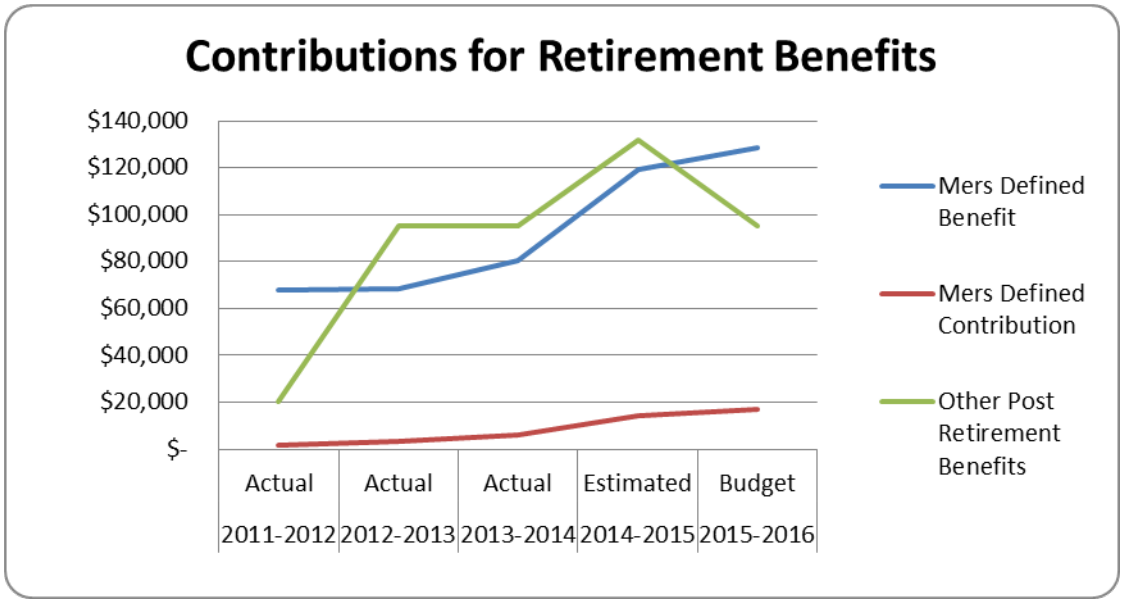
Personnel Costs

Personnel costs, a major part of any municipality's budget, include wages and salaries, payroll taxes, pension contributions, health, life and disability insurance, and leave time cash outs. Since 2011, the City has seen several changes in its workforce due to retirements and reclassification of employees. Additional personnel have been hired in the sewer water funds, and reorganization of the utilities department and the department of public works is ongoing. Although individual salaries have not increased dramatically, costs for benefits such as health care have.

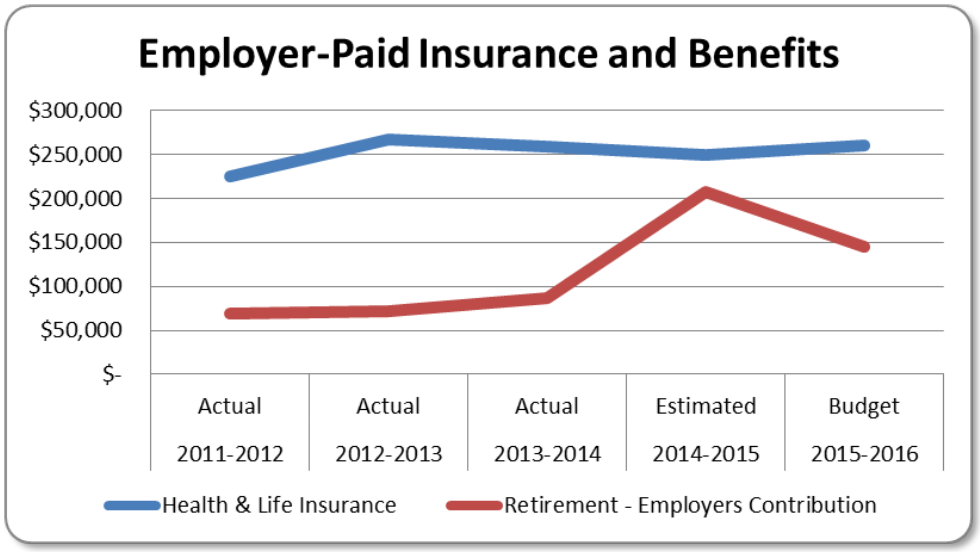


Note: Salaries do not include vacation and sick time cash-outs.

Retirement costs have also been greatly reduced over the past few years as the City has moved away from an employer-funded defined benefit plan to a defined contribution plan that is primarily employee funded.
The City has been proactive in addressing shortfalls in both pension and post-retirement benefits, dedicating excess funds to these two long-term liabilities, which is why there's a large variation between Actual 2011-2012 and subsequent years.



While health care and retirement costs are increasing overall, current employees are expected to pay more towards their insurance and pensions than they have in past years. Changes in the types of health care plans offered has also lead to premium reductions and some employees have chosen high deductible plans with an employer contribution to their health care savings accounts over traditional HMO insurance.



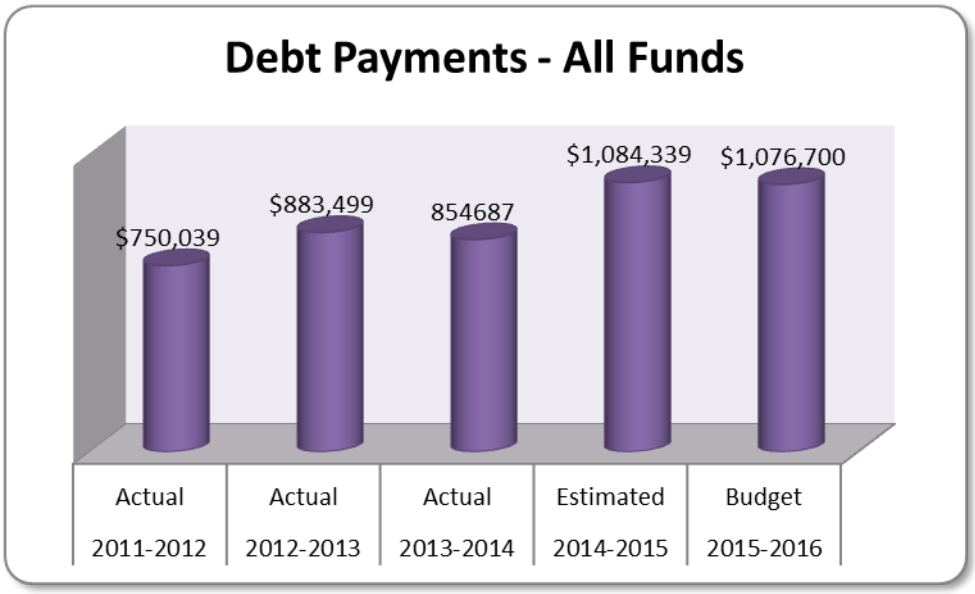
Note: Does not include retiree health care.

Operating Costs

Operating costs are those such as printing, postage, maintenance and repairs, utilities, office supplies, chemical and lab supplies, and anything else related to general operations that are not covered under another category.

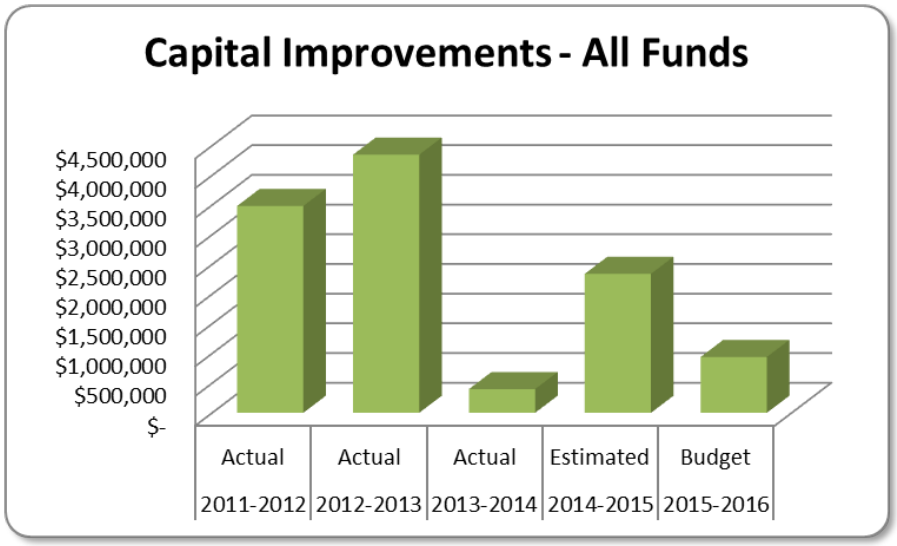
Debt Service

Debt service is the payments that are made on bonds that have been issued by the City. Between 2010 and 2014, the City borrowed funds from the State of Michigan's Sewer Revolving Fund (SRF) and Drinking Water Revolving Fund (DWRF) to do capital improvement projects to the sewer and water systems. In addition, in 2014 the City added an additional $800,000 bond for street projects.



Capital Improvements

Capital improvements are items that will last over multiple years. These may include vehicles, equipment, and infrastructure improvements such as roads and sewer and water systems. They are non-recurring in nature, and are generally replaced only after their useful life has ended. Please see the Capital Improvements section later in this document for details on the annual expenditures.



Transfers Out

Transfers out are transfers between funds, such as transfers from the Municipal Streets Fund to another street fund for capital projects.

Financial Plans

Financial plans play a large role in the development of the City's annual budget. These plans can be internally generated, such as the Capital Improvements Plan, or externally created by consultants such as the City's engineers, Orchard. Hiltz and McCliment (OHM). They can also take the form of studies, such as the Utility Rate Study and tools, such as the Five-Year Financial Model.

Five-Year Financial Model

The Five-Year Financial Model was originally developed in by a consultant hired through the Michigan Municipal League. The model took approximately six months to create, and it involved researching past trends in City revenue and expenditures, gathering information about expected growth trends and many other types of information. The first year of data contained in the Model is from Fiscal Year 2001-2002.

Each year the Model is updated as a part of the budgeting process. It is used to determine how much may be available for capital expenditures, how much revenue the City may expect to receive, and trends for expenditures. Forecasts are extended out for five years after the current budget year.
The Model, which now contains historical and predictive data spanning a decade and a half, is available in the appendices.

The Five-Year Financial Model directly assists the City in the goal of maintaining financial sustainability.

Utility Rate Study

The Utility Rate Study was commissioned from ACI Finance, Inc. in 2006. The purpose of this study was two-fold: to create a model that the City could use to develop utility rates, and to ensure that the City was in compliance with state and federal regulations when charging user and tap fees for the utility systems.

Each year the study's Excel spreadsheet is updated by staff and used to develop recommendation to Council for the next year's utility rates. It can also assist the City in determining how much debt can be entered into when capital projects are required.

The Utility Rate Study directly assists the City in the goal of maintaining financial sustainability, and a copy of it is available in the appendices.

Road Maintenance Program

The Road maintenance Program was originally developed by the City's engineers, Orchard Hiltz & McCliment (OHM), in 2008. First, OHM researched and catalogued the condition of all of the City's streets. Then an asset management plan was then created to detail which streets could have their life lengthened through maintenance activities and which would require more extensive rehabilitation and/or replacement.

The Road Committee then further developed this program to create an aggressive maintenance and preservation plan for City roads, which is being carried out in 2014 and 2015. City Council and staff use this document to make decisions regarding the timing and scope of road-related expenditures. It is available on the City's website at www.DexterMI.gov.

The Road Maintenance Program directly assists the City in the goals of facility a high quality of life, ensuring good stewardship of municipal infrastructure and promoting a safe community.

Sewer Capacity Study

The Sewer Capacity Study was also commissioned from OHM. This study was done in 2005, and has been the basis for many decisions regarding capital improvements for the sewer system. It is available on the City's website at www.DexterMI.gov.

The Sewer Capacity Study directly assists the City with the goals of ensuring good stewardship of municipal infrastructure and environmental stewardship.

Mill Creek Park Plan

The Mill Creek Park Plan started in committee in 2007. A formal study was commissioned from JJR LLC, which was presented to Dexter in 2009. This document is a guide for the development and funding of a major new park development along the banks of Mill Creek, which flows into the Huron River. This development opportunity came about due to the removal of the Main Street Bridge's dam as part of the bridge reconstruction project in the summer and fall of 2008. The removal created land on what was formerly the bottom of Mill Creek Pond which is to be used in the creation of the new park.

Construction of Phase I of this project commenced with Fiscal Year 2011-2012, and was completed in late 2012. Phase II has yet to be commenced, and is not in the current budget. The City will start the application process for grants for Phase II in Fiscal Year 2016-2017.

The Mill Creek Park Plan directly assists the City with the goals of facilitating a high quality of life and environmental stewardship.

Capital Improvement Plan

The Capital Improvement Plan (CIP) is the main guidance document for capital improvement programming in the City. The current format of this document was developed in 2003 by a committee consisting of Council members, Planning Commission members, Park Commission members and staff. Capital improvement plans from other communities were reviewed and combined with the City's existing document to create on which relied more heavily on real-time financial data in order to assist decision makers.

The CIP looks at what capital projects are desired, their priority, and what funding opportunities are available. It is a recommending document, and budgeting decisions are sometimes made based on other factors besides the CIP.

The funded portions of the CIP are included in the next section of this budget. The full document, which looks out five years into the future, is available on the City's website at www.DexterMI.gov.

The Capital improvement Plan directly assists the City with the goals of ensuring good stewardship of municipal infrastructure, facilitating a high quality of life, promoting a safe community and environmental stewardship.

Capital Improvements

The City of Dexter's capital planning process begins each year with the Planning Commission's creation and adoption of the Capital Improvement Plan (CIP) (please see the City website at www.dextermi.gov/capital-improvements-plan). This process is mandated by the State of Michigan's Municipal Planning Commission Act (PA 285 of 1931). Starting no later than December, this process takes several months and looks at what capital projects could be done within the City to improve quality of life and enhance existing facilities and programs. The Planning Commission and staff take into consideration other documents such as the Master Plan and Parks and Recreation Master Plan in creating this document, as well as receiving input from other boards such as the Parks Commission, the Downtown Development Authority and City Council.

In addition, staff maintains repair and replacement records for equipment, vehicles and other technology that may not appear in the CIP but are still considered capital improvements. Below is a chart showing total capital improvements, both CIP and Non-CIP, for all funds within the City.

Captial Improvements - All Funds	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Estimated	2015-2016 Budget
Vehicles	-	153,181	40,788	116,304	80,000
Technology & Equipment	22,851	3,097	15,979	55,835	20,000
Facilities & Property Acquisition	115,514	-	-	15,000	40,000
Parks and Trails	1,167,808	205,341	7,341	7,155	52,000
Sidewalks	49,557	109,234	3,025	36,692	20,000
Streets, Streetlights & Traffic Controls	386,759	556,017	180,394	1,333,264	762,000
Sewer Improvements	300,164	3,177,472	81,475	383,758	55,000
Water Improvements	1,440,509	141,271	69,637	391,770	10,000
Total	**$ 3,483,162**	**$ 4,345,613**	**$ 398,639**	**$ 2,339,778**	**$ 1,039,000**

**Note: Sewer and Water Amounts for Fiscal Years 2012 through 2014 include Sewer Revolving Fund and Drinking Water Revolving Fund financed improvements.

Impact on Operating Budgets

All capital projects will have an impact on a government's operating budget. The impact could be positive, such as a reduction in maintenance costs or lowering of utility costs, or negative impacts such as increased personnel costs. Potential impacts are detailed in the project descriptions in this budget.

Projects with significant negative financial impact would require such things as an increase in taxes, a reduction in spending elsewhere, or additional staff; and with significant positive financial impact would generate new revenue streams or reduce costs to a point that taxes or personnel costs could be lowered. In Fiscal Year 2015-2016, there are no capital projects with a significant impact on the financial condition of the City, although several are intended to improve efficiencies.

Vehicles

Community-Wide Goals and Objectives: Ensure Good Stewardship of Municipal Infrastructure; Investment in Employees.

Public Works (Equipment Replacement Fund) – Total Budgeted Expense: $45,000

Bobcat: $30,000
Snow Pusher for Backhoe: $15,000

Revenue Source – Operating revenue.

Budget impact upon completion:
Operation - Less than $500 per year in maintenance costs until replacement required in the future.

Public Utilities (Sewer and Water Funds, 50/50 Split) – Total Budgeted Expense: $35,000

Purchase of a Utility Van to replace an existing piece of equipment.

Revenue Sources – Operating revenue in both the Sewer and Water Funds (50/50 split).

Budget impact upon completion:
Operation - Less than $500 per year in maintenance costs until replacement required in the future.

Technology & Equipment

Community-Wide Goals and Objectives: Fiscal Sustainability; Investment in Employees; Flow of Information

Telephone System (General Fund) – Total Budgeted Expense: $10,000

The current telephone system in the City offices is over 13 years old. Options for replacement include purchasing or leasing equipment.

Revenue Source – Operating revenue.

Budget impact upon completion:
Operation – Depends on whether the equipment is purchased (upfront costs) or leased (annual costs).

Document Management System (General Fund) – Total Budgeted Expense: $10,000

City Staff has proposed to implement a document management system involving converting paper documents to electronic files and development of an electronic document storage system. Options include hiring an outside contractor or purchasing software to perform activities in house, or a combination of both.

Revenue Source – Operating revenue.

Budget impact upon completion:
Operation – Depends on what method or combination of methods is chosen.

Facilities & Property Acquisition

Community-Wide Goals and Objectives: Public Infrastructure; Investment in Employees; Public Safety

Needs Assessment (General Fund) – Total Budgeted Expense: $10,000

Continuing the process to address facility needs for a City office, council chambers, fire hall for the Dexter Area Fire Department, and a substation for the Washtenaw County Sheriff.

Budget impact upon completion:
Operating Costs – None at this time (study only).

PROJECT NAME: City Hall (Locations, etc. will impact costs)

PROJECT ID: 4.01	**PRIORITY: IMPORTANT**
PROJECT TYPE: Facilities	**TOTAL COST: UNKNOWN**
SUBMITTED BY: City Council	**YEARS IN CIP (Beginning year): 21 (1994)**

DESCRIPTION:

City Hall (office and chambers) are needed. Locations and space needs currently under review. Council currently reviewing funding options. Consideration should be given to shared space with Chamber of Commerce or visitors center with public restrooms.

LOCATION MAP: UNKNOWN

PROJECT JUSTIFICATION:

Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important

2	Protect health, safety, lives of citizens
3	Maintain or improve public infrastructure, facilities
2	Reduce energy consumption, impact on the environment
3	Enhance social, cultural, recreational, aesthetics opportunities
3	Improve customer service, convenience for citizens
13	**TOTAL SCORE**

BENEFICIAL IMPACTS:

Improved customer service, consolidation of City functions/storage, community use space, public restrooms, civic pride. Provides a connection to the B2B trail for residents and visitors and public restrooms.

MASTER PLAN AND/OR STUDY REFERENCE:

Facilities Committee, Staff, City Council, Work session minutes

SCHEDULE:

	Start Month	Start Year	End Month	End Year
Study:		2014		2014
Design/Acquisition:		2015		2016
Construction:				

SCHEDULE JUSTIFICATION:

RFP for Archtiectural Services for Facilities Assessment posted March 2014, contract award anticiapted June 2014, wtih final report to Council in February 2015.

PROJECT COST DETAIL: ***Funding sources and amounts estimates and subject to change***

City Hall	Other City Funding	TBD
	Restricted Funds	TBD
	DDA	TBD
	General Fund	TBD
	Other	TBD

EXPENDITURES (in thousands)

Funding Source	Prior Yrs	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	Beyond FY20	TOTALS
Other City Funding								$0
Restricted Funds								$0
DDA								$0
General Fund								$0
Other								$0
TOTALS	$0	$0	$0	$0	$0	$0	$0	$0

Demolition of House on Dan Hoey (General Fund) – Total Budgeted Expense: $20,000

Demolish the vacant two-story farm house on property that was purchased several years ago as a possible facilities site.

Revenue Sources – Operating revenue.

Budget impact upon completion:
Operation – None.

Demolition of House on Huron Street (Sewer Fund) – Total Budgeted Expense: $10,000

Demolish the house on property that was purchased on a life lease, which has now been deeded to the City. This property is for possible future expansion of the sewer plant.

Revenue Sources – Operating revenue.

Budget impact upon completion:
Operation – None.

Parks & Trails

Border to Border Trail Construction (General Fund) - Total budgeted expense: $52,000

This is a multi-year, ongoing project in partnership with Washtenaw County Parks and Recreation that will ultimately create a multi-purpose trail system within the County's borders. This year's budget is for completion of the final segment of the trail located within the City, bordering the City's Department of Public Works building.

Community-Wide Goals and Objectives: Public Infrastructure, Quality of Life; Public Safety

Revenue Sources – Operating revenue in the General Fund

Budget impact upon completion:
Operating Costs - Less than $500 per year in maintenance costs until replacement required in the future.

PROJECT NAME: Border to Border Trail Connection

PROJECT ID: 10.03	**PRIORITY: IMPORTANT**
PROJECT TYPE: Non-motorized pathway	**TOTAL COST: $300,000**
SUBMITTED BY: City Staff	**YEARS IN CIP (Beginning year): 15 (2000)**

DESCRIPTION:

Addition of bike lanes and non-motorized pathways from the end of the Border to Border trail (Possibly Warrior Creek Park) down Alpine Street and Central Street to the start of the Border to Border Trail at the DPW entrance. Portions of project may be coordinated with Central Street Streetscape. Two Routes identified, with one being handicapped assessible.

PROJECT JUSTIFICATION:

Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important

3	Protect health, safety, lives of citizens
2	Maintain or improve public infrastructure, facilities
3	Reduce energy consumption, impact on the environment
3	Enhance social, cultural, recreational, aesthetics opportunities
1	Improve customer service, convenience for citizens
12	**TOTAL SCORE**

BENEFICIAL IMPACTS:

Provides a non-motorized connection for residents and visitors using City parks and the regional trail system in and around the City

LOCATION MAP: Pathways through Downtown connecting B2B

MASTER PLAN AND/OR STUDY REFERENCE:

2009 Parks and Recreation Plan, County Border to Border Trail Plan and Master Plan.

SCHEDULE:

	Start Month	Start Year	End Month	End Year
Study:		2008		2010
Design/Acquisition:		2012		2013
Construction:		2015		2015

SCHEDULE JUSTIFICATION:

Border to Border Trail into Warrior Creek Park completed in 2012. Majority of Segment D1 at Central St and DPW completed 2012. Project coordinated with Central Street reconstruction and should be completed in 14-15 to provide wayfinding as a major City destination.

PROJECT COST DETAIL:

Signage and Lane Striping/Road Diets	$30,000

EXPENDITURES (in thousands)

Funding Source	Prior Yrs	FY15-16	FY116-17	FY17-18	FY18-19	FY19-20	Beyond FY20	TOTALS
General Fund		$10						$10
Streets Fund		$10						$10
County Parks		$10						$10
TOTALS	$0	$30	$0	$0	$0	$0	$0	$30

Sidewalks

Community-Wide Goals and Objectives: Public Infrastructure; Quality of Life; Public Safety

Sidewalk Replacement and Repair (Local Streets Fund) – Total budgeted expense: $20,000

The City of Dexter annually inspects and repairs or replaces sidewalks within the community.

Revenue Sources – PA 51 revenue and/or transfer in from the Municipal Streets Fund

Budget impact upon completion:
Operating Costs: Less than $500 per year in maintenance costs until replacement required in the future.

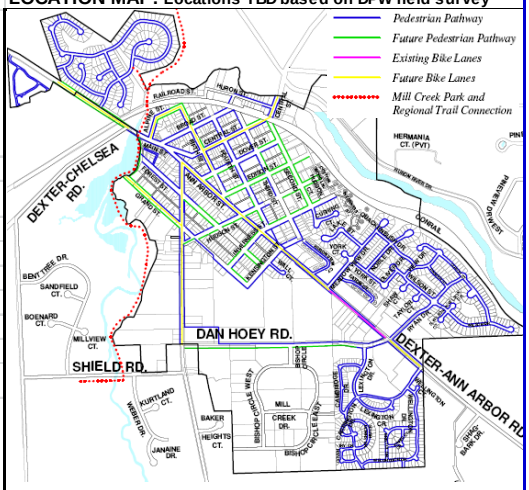
PROJECT NAME: Sidewalk Replacement

PROJECT ID: 3.01	**PRIORITY: IMPORTANT**
PROJECT TYPE: Infrastructure Maintenance	**TOTAL COST: $10,000 annually**
SUBMITTED BY: City Staff	**YEARS IN CIP (Beginning year): 6 (2009)**

DESCRIPTION:

Sidewalk replacement throughout the City as identified by staff on annual sidewalk inspection. * See below for annual LF replaced.

LOCATION MAP: Locations TBD based on DPW field survey



PROJECT JUSTIFICATION:

Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important

3	Protect health, safety, lives of citizens
3	Maintain or improve public infrastructure, facilities
2	Reduce energy consumption, impact on the environment
3	Enhance social, cultural, recreational, aesthetics opportunities
3	Improve customer service, convenience for citizens
14	**TOTAL SCORE**

BENEFICIAL IMPACTS:

Safe pedestrian pathways throughout the City, decreased liability and improved infrastructure.

MASTER PLAN AND/OR STUDY REFERENCE:

2008 Staff Inventory of sidewalk conditions AND past CIP

SCHEDULE:

	Start Month	Start Year	End Month	End Year
Study:		2008		bi-annual
Design/Acquisition:		na		na
Construction:		2008		2015

SCHEDULE JUSTIFICATION:

Recommended annual funding to replace sidewalks identified through inventory.

PROJECT COST DETAIL:

Sidewalk replacement	General Fund	$60,000

EXPENDITURES (in thousands)

Funding Source	Prior Yrs	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	Beyond FY20	TOTALS
General Fund	$36	$10	$10	$10	$10	$10	$10	$60
								$0
								$0
								$0
TOTALS	$36	$10	$10	$10	$10	$10	$10	$60

Streets, Streetlights, and Traffic Controls

Community-Wide Goals and Objectives: Public Infrastructure; Public Safety

Meadowview/Ann Arbor Street Traffic Detection (Major Streets Fund) – Total Budgeted Expense: $5,000

The traffic detection system at this intersection has been failing intermittently, so upgrades are planned in addition to correcting the existing deficiencies.

Revenue Source – Major Streets Act 51 Funds

Budget impact upon completion:
Operating Costs: None

Storm Water Work (Local Streets Fund) – Total Budgeted Expense: $25,000

Storm Water collection and detention work needs to be performed at the cul-de-sac end of Third Street.

Revenue Source – Local Streets Act 51 Funds

Budget impact upon completion:
Operating Costs: None

Road Improvement and Maintenance Plan (Multiple Funds) – Total budgeted expense: $737,000

This is a multi-year plan funded by a $800,000 bond obtained in Fiscal Year 2014-2015, which will be paid for by a .5 mill increase in the Streets Millage. A portion of this bond was used for projects in the prior fiscal year.

Cape Sealing and Asphalt Paving - Major Streets: $285,000, Local Streets: $452,000

Revenue Sources – Reserves in the Non-Voted Debt Fund and in the Municipal Streets Fund.

Budget impact upon completion:
Operating Costs: The Road Improvement and Maintenance Plan is designed to reduce future costs by ensuring that City roads remain in a well-maintained condition, reducing the need for expensive replacement.

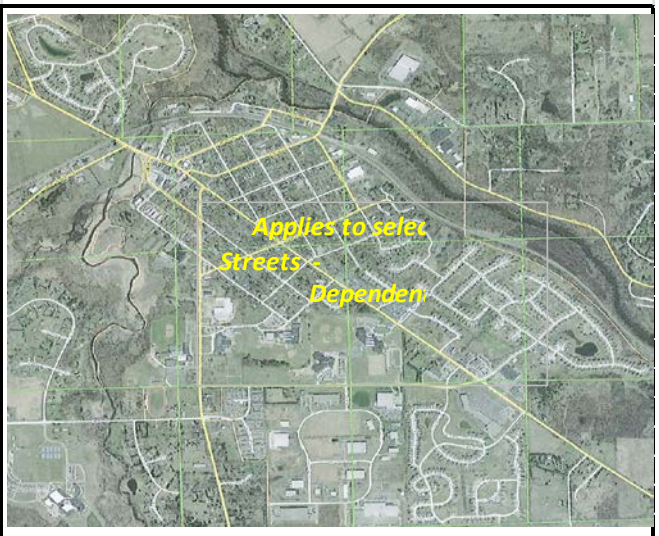
PROJECT NAME: Road Maintenance Program: Micro-Surfacing/Capesealing

PROJECT ID: 6.02.b **PRIORITY: IMPORTANT**
PROJECT TYPE: Infrastructure Maint. **TOTAL COST: $760,000 (Varies by year)**
SUBMITTED BY: City Staff/Road Comm. **YEARS IN CIP (Beginning year): 0 (2015)**

DESCRIPTION:

Microsurfacing/Capesealing is proposed to extend the life of pavements by restoring the driving surface and sealling full depth cracks. Sealing these cracks prevents the migration of w ater into the road base and protects the road from freeze thaw cycles. These treatments overall road service life.

LOCATION MAP: Various Locations



PROJECT JUSTIFICATION:

Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important

2	Protect health, safety, lives of citizens
3	Maintain or improve public infrastructure, facilities
3	Reduce energy consumption, impact on the e
3	Enhance social, cultural, recreational, aesthetics op
3	Improve customer service, convenience for cit
14	**TOTAL SCORE**

BENEFICIAL IMPACTS:

Maintenance of roadways to extend life of infrastructure and reduce costs and need for replacement.

MASTER PLAN AND/OR STUDY REFERENCE:

2008 City of Dexter Road Maintenance Program, Summary Report, Conditions and Recommendations. Various memoranda prepared by the Streets Committee (2014)

SCHEDULE:

	Start Month	Start Year	End Month	End Year
Study:		2009		2014
Design/Acquisition:	January	2015	February	2015
Construction:	July	2015		ongoing

SCHEDULE JUSTIFICATION:

Updated PASER ratings were performed in 2013. The Road Committee used this data to program maintance strategy for all roads within City over a 3 year period aligned with a road millage increase. Cape seal is used to preserve the condition of fair roadways.

PROJECT COST DETAIL:

Cape Sealing	Street Fund	Unknown

EXPENDITURES (in thousands)

Funding Source	Prior Yrs	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	Beyond FY20	TOTALS
Streets Fund	$150							$0
								$0
								$0
								$0
TOTALS	$150	$0	$0	$0	$0	$0	$0	$0

Sewer Improvements

Community-Wide Goals and Objectives: Public Infrastructure; Public Safety

Equipment Replacement (Sewer Fund) – Total budgeted expense: $55,000

Repair and replace old and/or failing equipment within the sewerage treatment system.

Screw Pumps: $30,000
Aeration Tank: $15,000

Revenue Sources – Operating revenue

Budget impact upon completion:
Operating Costs: Less than $500 per year in maintenance costs until replacement required in the future.

Water Improvements

Community-Wide Goals and Objectives: Public Infrastructure; Public Safety

Equipment Replacement (Water Fund) – Total budgeted expense: $10,000

Repair and replace the meter at the Ryan Drive well.

Revenue Sources – Operating revenue

Budget impact upon completion:
Operating Costs: Less than $500 per year in maintenance costs until replacement required in the future.

Debt Management

Bond Rating

In May 2010, Standard and Poors issued a bond rating for Dexter of AA-/Stable. This is an upgrade from the previous bond rating of A+ that was issued in 2008. In 2000 the bond rating was a BBB, so the City has seen substantial improvement in this area.

Debt Statement

To the extent necessary, the City may levy taxes on all taxable property within its boundaries without limitation as to rate or amount to pay the principal of and interest due on the bonds in the following table which are designated as "Unlimited Tax General Obligation". However, the City's ability to levy tax to pay debt service on the bonds which are designated as "Limited Tax General Obligation" is subject to applicable charter, statutory and constitutional limitations.

Debt by Issue as of June 30, 2015		Security/	Final	Interest	Principal Amount
Year	Issue	Revenue Support	Maturity	Spread	Outstanding
2002	Streetscape Bond - Refunding	Unlimited Tax	5/1/2017	3.25%-4.20%	$280,000
2006	Public Facilities Improvement Bond	Limited Tax	5/1/2027	4.00%-4.40%	$1,195,000
2008	Downtown Development Authority Bonds	Tax Increment	5/1/2028	3.60%-5.00%	$1,900,000
2008	Downtown Development Authority Bonds - Taxable	Tax Increment	5/1/2032	7.375%-7.90%	$1,315,000
2009	Clean Water Revolving Funds - Sewer	Limited Tax/Rates	10/1/2029	2.50%	$1,405,290
2010	State Revolving Funds - Water	Limited Tax/Rates	10/1/2029	2.50%	$1,024,226
2011	State Revolving Funds - Water (#2)	Limited Tax/Rates	10/1/2031	2.50%	$798,635
2011	Downtown Development Authority Bonds - Refunding	Tax Increment	5/1/2020	2.95%	$357,000
2012	State Revolving Funds - Sewer (#2)	Limited Tax/Rates	10/1/2033	2.50%	$3,170,000
2012	Sewer and Water Bond - Refunding of Rural Development	Unlimited Tax	10/1/2031	1.9%-3.25%	$3,550,000
2014	Road Construction Bond	Unlimited Tax	5/1/2024	3.00%	$730,000
				Total	**$15,725,151**

Projects Funded by Debt

Projects Funded by Village Debt			
Year	Issue	Fund	Project Description
2002	General Oblication Bond (Voted) - Streetscape	Voted Bond Fund	Refunded 1996 bond for Downtown Streetscape
2006	Public Facilities Improvement Bond	General Fund	DPW Building, property purchases
2008	Downtown Development Authority Bonds	DDA Debt Fund	Property purchase and redevelopment
2008	Downtown Development Authority Bonds	DDA Debt Fund	Jeffords Street/Main Street Bridge/Mill Creek
2009	Clean Water Revolving Funds - Sewer	Sewer Fund	Equalization Basin/sewer lining
2010	State Revolving Funds - Water	Water Fund	Fifth Well project/water main replacement
2011	State Revolving Funds - Water	Water Fund	Water Main Replacement
2011	Downtown Development Authority Bonds	DDA Debt Fund	Refunded 2001 bond for property purchase and
2012	State Revolving Funds - Sewer	Sewer Fund	Sludge Management
2012	General Obligation Bonds - Sewer & Water	Sewer & Water Funds	Refunded 1999/2000 Rural Development Bonds
2014	General Obligation Bond - Road Construction	Non-Voted Bond Fund	Funded construction projects under Road Plan

Debt Limit Provisions

Act 3, Public Acts of Michigan, 1896 as amended ("Act 3") provides that the net indebtedness of the City shall not be in excess of 10% of the assessed value of all real and personal property. According to Act 3, bonds not included for purposes of calculating the legal debt margin are:

- Special assessment bonds
- Transportation fund bonds
- Revenue bonds
- Pollution abatement bonds for public health purposes
- Water resources commission or court-ordered bonds

Debt Limitation as of June 30, 2015	
2015 State Equalized Valuation	$237,647,537
	x 10%
Legal Debt Limit	**$23,764,754**
Direct General Obligation Debt	$15,725,151
Less Pollution Abatement Bonds	($1,405,290)
Less Revenue Bonds	$0
Direct Debt	**$14,319,861**
Legal Debt Limit	$23,764,754
Less Direct Debt	($14,319,861)
Maximum Available for Bonding	**$9,444,893**

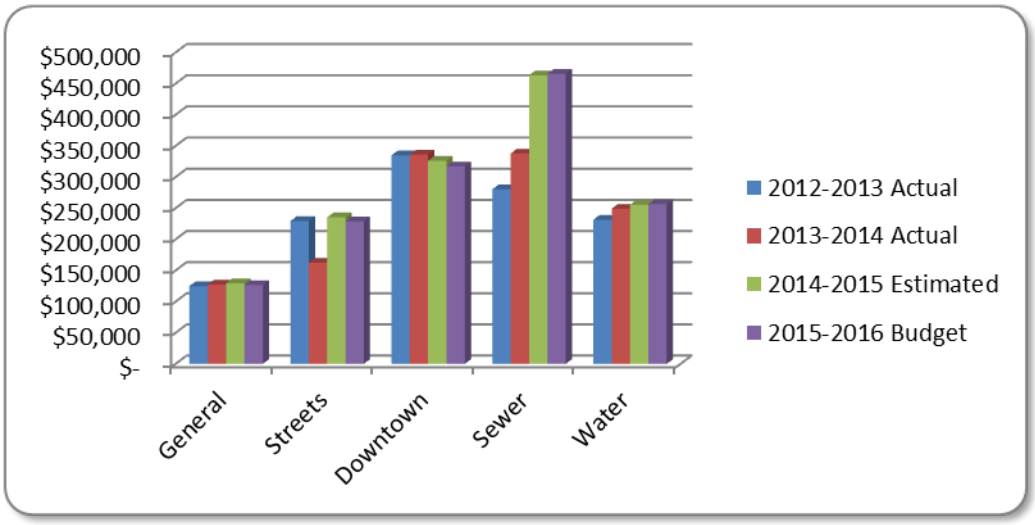
Debt Payments that are Due this Fiscal Year

FY 2015-2016 Debt Payments			
Fund	Principle	Interest	Total
General	$ 75,000	$ 51,557	$ 126,557
Streets	$210,000	$ 18,685	$ 228,685
Downtown	$113,000	$204,104	$ 317,104
Sewer	$300,000	$165,712	$ 465,712
Water	$170,000	$ 86,748	$ 256,748
Total	$868,000	$526,806	$1,394,806

Major Changes from Fiscal Year 2014-2015

Borrowing from the Sewer Revolving Loan Fund for the sludge handling project has been finalized.

History of Debt Administration



The City of Dexter has never defaulted on a debt payment.

Future Financing

The City plans to borrow refund a Downtown Development Authority Bond. This refunded bond is expected to be issued in August 2016.

Debt Schedules

Full debt schedules are available for review in the appendices.

Personnel

Personnel Summaries

The City of Dexter currently employs sixteen full time people. We also employ several seasonal employees, including two part-time downtown landscapers, a part-time administrative intern, and four part-time assistants for parks maintenance and duties such as hydrant painting and mowing.

Also on payroll are seven part-time elected officials, as well as members of the Planning Commission, the Parks and Recreation Commission, the Election Commission and the Board of Review.

Summary of Full and Part-Time Positions and Expected Changes

In Fiscal Year 2014-2015, a salary position for assistant to the public services superintendent was created. The employee who filled that position no longer works for the City, and at this time it is not expected that this position will again be filled. Instead, an additional union position is slated for Fiscal Year 2015-2016.

	Salaried			Union			Temporary Hourly			Total		
Summary of Full-Time Equivalents	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016
Administration	3.0	3.0	**3.0**	2.0	2.0	**2.0**	-	0.5	**0.5**	5.0	5.5	5.5
Community Development	1.0	1.0	**1.0**	-	-	**-**	-	-	**-**	1.0	1.0	1.0
Public Works	0.5	1.0	**0.5**	4.0	4.0	**4.0**	4.0	5.0	**5.0**	8.5	10.0	9.5
Public Utilities	0.5	1.0	**0.5**	5.0	5.0	**6.0**	1.0	1.0	**1.0**	6.5	7.0	7.5
Total	5.0	6.0	**5.0**	11.0	11.0	**12.0**	5.0	6.5	**6.5**	21.0	23.5	**23.5**

Summary of Elected and Appointed Boards and Commissions

In addition to regular, full time employees, the City also pays the elected Council and appointed clerk (who at this time is paid per meeting), as well as some appointed commission members.

	Elected			Appointed			Total		
Summary of Paid Boards and Commissions	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016
City Council & Clerk	8.0	8.0	**7.0**	-	-	**1.0**	8.0	8.0	**8.0**
Board of Review	-	-	**-**	-	-	**3.0**	-	-	**3.0**
Election Commission	-	-	**-**	-	-	**3.0**	-	-	**3.0**
Planning Commission	-	-	**-**	9.0	9.0	**9.0**	9.0	9.0	**9.0**
Parks Commission	-	-	**-**	7.0	7.0	**7.0**	7.0	7.0	**7.0**
Total	8.0	8.0	**7.0**	16.0	16.0	**23.0**	24.0	24.0	**30.0**

The City also has boards and commissions that are not compensated.

Summary of Unpaid Boards and Commissions	Appointed		
	Actual FY 2013-2014	Actual FY 2014-2015	Budget FY 2015-2016
Arts, Culture & Heritage	11.0	11.0	**11.0**
Zoning Appeals Board	7.0	7.0	**7.0**
Downtown Development Authority	12.0	12.0	**12.0**
Economic Development Corporation	9.0	9.0	**9.0**
Farmers Market & Community Garden	7.0	7.0	**7.0**
Tree Board	5.0	5.0	**5.0**
Total	51.0	51.0	**51.0**

Wages, Salaries and Benefits

Wages and Benefits

All regular full-time employees, both union and non-union, received a 2.5% cost of living increase. Union employees may also receive step increases during the fiscal year depending on their occupation code and current step.

Employees are offered two health care plans to choose from – an HMO through Blue Care Network and a High Deductible Plan, also through Blue Care Network. A premium share of $95 per paycheck per employee was instituted for those choosing the HMO plan, while those choosing the High Deductible Plan pay $13 per pay per employee. In addition, those in the High Deductible Plan also receive a City-funded deposit of $1,000 into their Healthcare Savings Account.

Contributions for the Defined Compensation Plan were 6% Employee/4% Employer. Employees with the Defined Benefit Plan pay 5%, while the City pays a flat fee determined by the Municipal Employees Retirement System.

Union Contract and Employment Manuals

The City has one union, the Teamsters State, County and Municipal Workers Local 214. The current contract is effective from March 1, 2014 through February 29, 2017.

The non-union employees are covered under the City's Employee Handbook, which was updated on January 12, 2009. It is management's intent to update this handbook in this fiscal year.

Retiree Costs

The City currently has five people who are eligible for City provided retiree health care benefits (three retirees and two spouses). Retirees were not required to participate in premium share.

In addition, the City Council has made a commitment to fund the Other Post Employment Benefits (OPEB) as outlined in GASB 40. A retiree health care funding vehicle was set up in Fiscal Year 2008-2009 with the Michigan Municipal Employees Retirement System (Mers), with an initial deposit of $160,000 and $20,000 in the following fiscal years. In Fiscal Year 2011-2012, City Council made the commitment to dedicate $75,000 of

increased funding from State Revenue Sharing (due to population increases) to the OPEB liability. This is in addition to the $20,000 per year already being contributed, for a total of $95,000 per year until Fiscal Year 2015-2016. Last year, the City amended their budget to dedicate an additional $37,000 to OPEB, and as of June 2015 the current balance in the OPEB investment account is $769,000.

The City is a participant in the Mers retirement system. Starting with Fiscal Year 2011-2012, employee contribution for all eligible employees was 4%. In Fiscal Year 2012-2013, the employee contribution increased to 5%. Employees hired after July 1, 2011 are not eligible for the defined benefit plan. Those employees will participate in a defined contribution plan with an employee contribution of 6% with a City contribution of 4%.

As part of the closing of the defined benefit plan, Mers changed the City's contribution per employee from a percentage-based system, which was generally around 10%, to a flat rate system. However, the City decided in Fiscal Year 2011-2012 to pay an extra amount towards our unfunded liability, up to 10% of total compensation. This was continued into Fiscal Year 2013-2014, and in Fiscal Year 2014-2015 excess revenue remaining from the prior year budget may be put towards additional payments to both Mers and OPEB.

The City Manager is a member of the Mers Defined Contribution system, and the City also contributes 2% of base salary to the International City Managers Association's 457 plan.

General Fund

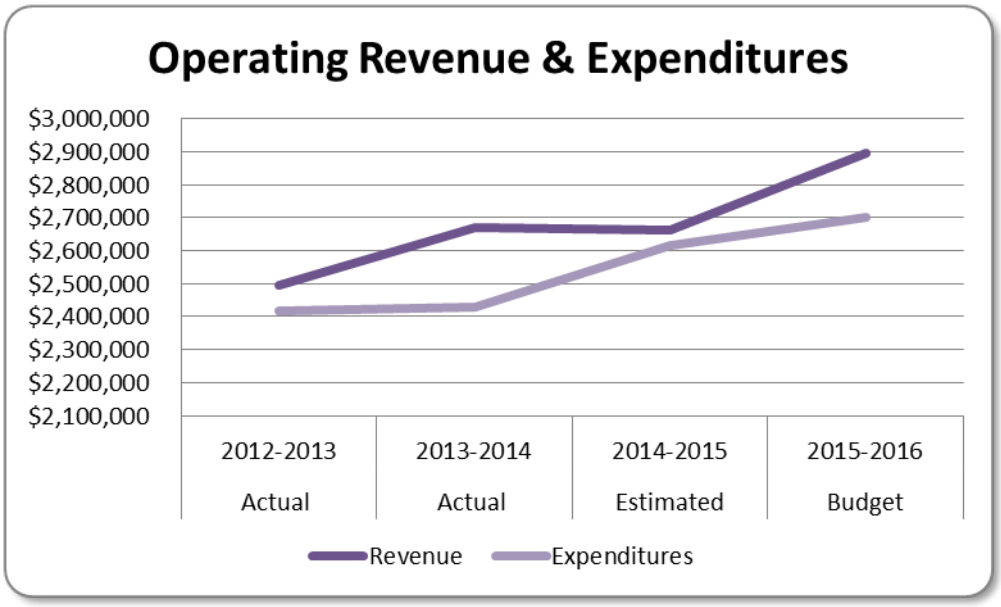
The General Fund is the main operational fund of the City. It contains all of the activities of the City that are not required to be accounted for in another fund, such as a special revenue or an enterprise fund. The main sources of revenue for the General Fund are property taxes and state shared revenue. Utility revenue for solid waste was moved into the Solid Waste Fund in Fiscal Year 2014-2015. Expenditures occur for administrative activities, community development, public safety, and public works.

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Revenues	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
Property Taxes	1,881,197	1,993,400	1,956,840	2,199,900	2,199,900	10.4%
Licenses & Permits	78,915	77,200	80,040	81,200	81,200	5.2%
Revenue Sharing & Grants	308,742	326,000	332,791	334,000	334,000	2.5%
Local Contributions	190,326	192,200	184,155	176,500	176,500	-8.2%
Charges for Services	10,315	5,000	9,677	6,500	6,500	30.0%
Utility Bills	560,465	-	-	-	-	0.0%
Fines & Forfeits	5,591	5,200	8,155	7,100	7,100	36.5%
Interest and Rents	34,152	30,900	31,900	30,400	30,400	-1.6%
Other Revenue	44,135	16,500	29,136	31,300	31,300	89.7%
Transfers In	113,553	8,000	28,000	28,000	28,000	250.0%
Total	3,227,391	2,654,400	2,660,694	2,894,900	2,894,900	9.1%

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Expenditures	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
Personnel Costs	785,197	951,500	903,113	825,100	825,100	-13.3%
Operating Supplies	70,633	64,200	67,899	65,000	65,000	1.2%
Contracted Services	552,152	98,600	104,443	135,000	135,000	36.9%
Other Service and Charges	407,723	401,100	408,436	442,500	442,500	10.3%
Capital Outlay	34,359	169,000	153,590	136,000	136,000	-19.5%
Public Safety	1,016,825	1,047,300	1,046,626	1,079,100	1,079,100	3.0%
Debt Service	127,633	-	-	-	-	0.0%
Transfers Out	-	240,000	238,002	127,000	127,000	100.0%
Total	2,994,522	2,971,700	2,922,109	2,809,700	2,809,700	-5.5%

Operating Revenue and Expenditures

Operating revenue and expenditures are those which are day-to-day in nature, as opposed to being unexpected or one-time. It is important that the City's operating expenditures do not exceed the operating revenue.



Capital Expenditures

The City uses a combination of current operating revenue, one-time revenue sources, and fund balance reserves to pay for capital expenditures. In this budget, the City expects a have an excess of revenue over expenditures in the amount of $85,200.

Fund Balance

In the past few fiscal years, large capital expenditures have resulted in a decrease of the City's general fund balance. At the end of this fiscal year, the City expects that fund balance will be 41% of operating revenue, well above the 15% minimum set by Council.

General Fund	Actual 2013-2014	Estimated 2014-2015	Budget 2015-2016	% Change 2014 to 2015
Beginning Fund Balance	$1,096,817	$1,329,685	$1,068,270	
Revenues	$3,227,390	$2,660,694	$2,894,900	
Expenditures	($2,994,522)	($2,922,109)	($2,809,700)	
Ending Fund Balance	$1,329,685	$1,068,270	$1,153,470	8.0%

General Fund at a Glance

		Revenue & Expenditure Summary				
		Current Year 2014-2015		Manager	Council	% Change
	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
Total Revenue	3,227,391	2,654,400	2,660,694	2,894,900	2,894,900	9.1%
Village Council	60,537	59,800	58,268	61,200	61,200	2.3%
Village Manager	289,385	292,200	277,935	284,600	284,600	-2.6%
Finance	10,197	15,600	13,135	16,600	16,600	6.4%
Attorney	47,000	50,000	55,000	40,000	40,000	-20.0%
Village Clerk	10,028	9,900	11,903	8,000	8,000	-19.2%
Village Treasurer	104,943	97,300	96,496	103,700	103,700	6.6%
Assessing Department	-	16,200	19,727	32,700	32,700	101.9%
Elections	-	12,200	13,588	8,500	8,500	-30.3%
Buildings & Grounds	68,917	69,800	66,950	76,300	76,300	9.3%
Tree Program	14,037	24,000	23,472	23,000	23,000	-4.2%
Law Enforcement	556,885	567,100	567,037	574,800	574,800	1.4%
Fire Department	473,084	494,700	494,371	519,300	519,300	5.0%
Planning	97,818	119,100	111,345	133,400	133,400	12.0%
Zoning Board of Appeals	195	1,100	430	1,100	1,100	0.0%
Public Works	148,325	173,800	175,313	171,900	171,900	-1.1%
Downtown Public Works	73,664	73,300	66,668	70,700	70,700	-3.5%
Engineering	10,990	11,000	11,000	11,000	11,000	0.0%
Municipal Street Lights	72,287	73,000	69,819	72,000	72,000	-1.4%
Solid Waste	546,324	-	-	-	-	0.0%
Economic Development	945	3,700	3,315	4,000	4,000	8.1%
Parks & Recreation	100,835	120,400	114,184	120,200	120,200	-0.2%
Long-Term Debt	127,633	-	-	-	-	0.0%
Insurance & Bonds	115,491	292,600	289,142	185,400	185,400	-36.6%
Contributions	33,250	33,300	33,300	62,300	62,300	87.1%
Contingencies	13,761	16,600	11,709	20,000	20,000	20.5%
Capital Improvements	17,991	105,000	100,000	82,000	82,000	-21.9%
Transfers Out for Debt	-	129,900	129,900	127,000	127,000	100.0%
Transfers Out	-	110,100	108,102	-	-	100.0%
Total Expenditures	2,994,522	2,971,700	2,922,109	2,809,700	2,809,700	-5.5%
Revenue over Expense	232,869	(317,300)	(261,415)	85,200	85,200	
Capital and One Time Expense	564,315	326,100	307,002	82,000	82,000	

Note: For Comparison purposes, Solid Waste is shown as a One Time Expense in FY 2013-2014

Revenue

Revenues	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
402.000 Taxes - Real Property	1,520,349	1,988,400	1,623,744	2,102,000	2,102,000	**5.7%**
410.000 Taxes - Personal Property	302,585	-	291,117	-	-	**0.0%**
412.000 Delinquent Taxes - Real Prop	52,260	-	36,783	-	-	**0.0%**
420.000 Delinquent Tax - Personal Prop	771	-	196	-	-	**0.0%**
425.000 Delinquent Utility Bills (On Tax Roll)	-	-	-	-	-	**0.0%**
445.000 Taxes - Penalties & Interest	5,232	5,000	5,000	5,000	5,000	**0.0%**
447.000 Property Tax Administration Fee	-	-	-	92,900	92,900	**100.0%**
452.000 Cable TV Franchise Fees	67,825	67,000	72,900	73,000	73,000	**9.0%**
476.000 Banner Permits	3,000	3,000	2,400	3,000	3,000	**0.0%**
477.000 Zoning Compliance Permits	7,990	7,000	4,540	5,000	5,000	**-28.6%**
478.000 Park Use Permits	100	200	200	200	200	**0.0%**
574.000 State Shared Revenue	305,641	320,000	323,954	326,000	326,000	**1.9%**
575.000 State Shared - Liquor Licenses	3,101	3,000	3,837	3,000	3,000	**0.0%**
580.000 State Grants	-	3,000	5,000	5,000	5,000	**66.7%**
582.000 School Fire Run Reimbursement	6,403	5,000	5,000	5,000	5,000	**0.0%**
590.000 Enterprise Fund Admin Fees	144,507	150,000	146,015	140,000	140,000	**-6.7%**
590.001 Act 51 Admin Fees	29,416	32,200	28,140	26,500	26,500	**-17.7%**
590.002 Admin Fees - Downtown Development	10,000	5,000	5,000	5,000	5,000	**0.0%**
608.000 Site Plan Review Fees	6,485	5,000	6,587	5,000	5,000	**0.0%**
609.000 ZBA Application Fees	1,650	-	1,700	1,000	1,000	**100.0%**
611.000 Miscellaneous Fees	1,000	-	990	500	500	**100.0%**
612.000 IFT Application Fee	800	-	400	-	-	**0.0%**
628.000 Solid Waste Collection Fee	559,022	-	-	-	-	**0.0%**
634.000 Utility Bill Penaties	1,443	-	-	-	-	**0.0%**
645.000 Sales - Recycling Program	380	-	-	-	-	**0.0%**
657.000 Parking Violations	40	200	105	100	100	**-50.0%**
658.000 District Court Fines	5,551	5,000	8,050	7,000	7,000	**40.0%**
665.000 Interest Earned	7,448	7,000	8,500	7,000	7,000	**0.0%**
667.000 Rents (General)	7,500	7,500	7,500	7,500	7,500	**0.0%**
667.001 Lease Income - DAFD	11,520	11,000	11,000	11,000	11,000	**0.0%**
667.002 Farmers Market	6,414	4,000	3,500	3,500	3,500	**-12.5%**
667.004 Community Garden Plot Rental	1,270	1,400	1,400	1,400	1,400	**0.0%**
671.000 Other Revenue	24,478	5,000	6,717	5,000	5,000	**0.0%**
675.001 Contributions - Park	1,540	1,200	200	10,300	10,300	**758.3%**
675.004 Contributions - Arts Committee	7,867	5,800	10,219	11,000	11,000	**89.7%**
675.006 Contributions - Ice Rink	500	500	-	-	-	**-100.0%**
679.000 Miscellaneous Grants	9,750	4,000	12,000	5,000	5,000	**25.0%**
695.000 Transfers In	553	-	-	-	-	**0.0%**
695.248 Transfer in from DDA Fund 248	105,000	-	20,000	20,000	20,000	**100.0%**
695.275 Transfer In from Tree Fund	8,000	8,000	8,000	8,000	8,000	**0.0%**
Total Revenues	3,227,391	2,654,400	2,660,694	2,894,900	2,894,900	**9.1%**

Property Taxes

General Fund activities are supported by the Operating millage, which is set in June of each year by Council resolution. For the 2015 tax year, the operating millage rate is 9.9906, which is a slight increase from 2014, although much less than the 12.5 mills the City is authorized to levy under its new Charter. The millage increase, combined with the increase in taxable value, will result in an increase of $113,600 over the Fiscal Year 2014-2015 budget.

Taxes include real property, personal property, delinquent taxes (both real and personal property), and penalties and interest.

Charges for Services

The City charges for services that it performs such as zoning compliance inspections, hanging banners over Main Street, site plan reviews, and sales of items for the recycling program.

State Revenue

This is revenue that comes from the State of Michigan, including state shared revenue, liquor license revenue and state grants. The City saw a large annual increase in state shared revenue in Fiscal Year 2011-2012 due to the increase in population from the 2000 Census, but now there is a much more moderate increase of approximately $6,000 over Fiscal Year 2014-2015.

Solid Waste Collection

Prior to Fiscal Year 2014-2015, solid waste activities have been accounted for in the General Fund. Starting last year, the expenditures and associated revenue were moved into the Solid Waste Fund, a special revenue fund.

Fees and Fines

Fees and fines include the administrative fees charged to special revenue, component units, and enterprise funds for services performed by employees accounted for in the General Fund. It also includes parking, ordinance and false alarm fines, as well as fines collected by the district courts.

Interest and Rent

The interest earned on City investments are included in these line items, as well as rents paid for the use of the City's building by the Dexter Area Fire Department and rental of the small building on Main Street by local businesses.

Other Revenue

Revenues that cannot be accounted for in any other line are included in the other revenue line. These revenues are often one-time revenues and can fluctuate greatly from year to year.

Transfers In

Transfers from other funds, such as the Tree Fund and the Downtown Development Authority, are recorded as transfers in.

Expenditures

Functional Units

The Expenditure section of the budget is arranged by functional unit, which is a major program type or activity. These sections will concentrate on the budgets, goals performance measures, and other achievements of each functional unit. The General Fund functional units are as follows:

	Administration				
Legislative	Village Manager	Treasurer/ Finance	Public Works	Community Development	Public Safety
Council	Manager	Finance	Bldgs & Grounds	Planning	Law Enforcement
Contributions	Attorney	Treasurer	Public Works	Zoning Appeals	Fire Department
	Clerk	Contingencies	Downtown Works	Tree Program	
	Insurance	Assessing	Engineering	Economic	
	Elections	Transfers	Street Lights		
	Capital Imp.	Accounting			
	Parks & Rec				

There is overlap in responsibilities, but for the purposes of the budget each department only appears in one functional unit. For example the Engineering department can do work for Public Works and Community Development but is also overseen by the Manager. The Tree Program is a major part of both Public Works (for maintenance) and Community Development (for planning), while the Parks and Recreation Department falls under both the Manager and Public Works, and their goals and objectives may overlap.

Legislative Function

The Legislative function consists of departments involving the City's elected officials. The residents of the City of Dexter elect the Mayor and six members of the Council for four-year staggered terms.

The Council has the power to adopt laws, ordinances and resolutions, to adopt the budget, to levy taxes, and to set policy. The Council appoints the City Manager who is accountable for all administrative functions that are not directed by ordinance or the City Charter upon another official.

Legislative Goals & Objectives

The following table is intended to show the link between the Legislative Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
FISCAL SUSTAINABILITY			
Tax Rate Competitiveness	Be in lowest 1/3 in SE Michigan	36th out of 117 (1/3 is 39)	Maintain same objective
	Be lower than Washtenaw Average	Average is 17.1508, Dexter is 14.0562	Maintain same objective
Use of Limited Resources	Fundbalance of at least 15% of revenue	FY 14-15 budget is 48.5%	Maintain same objective
	Reserves of 50% - 75% of operating expenditures in enterprise funds	FY 14-15 budget is 50% for sewer and 46% for water	Maintain same objective
	MERS defined benefit at least 85%	12/31/2013 was 83%. Additional $74,000 contributed in FY 14-15, above additional monthly amount	Maintain same objective
	$95,000 contribution for OPEB	$132,000 contributed in FY 14-15	Maintain same objective
PUBLIC INFRASTRUCTURE			
Public Buildings	Study financing opportunities for facilities, based on the Facilities Feasibility Study		New objective for 2015-2016
QUALITY OF LIFE			
Arts, food and gardening	Support Plein Air and temporary art	Plein Art successful in 2014, no temporary art	Maintain same objective
Public Transportation	WAVE five days a week	WAVE operates M-F	Maintain same objective
Recognizing community-based organizations	Support Dexter Senior Center and Historical Society	Payments were made in FY 14-15	Maintain same objective
FLOW OF INFORMATION			
Communicate with public	2 community meetings per year	Town hall meetings held on cityhood, facilities, and 3045 Broad (2)	Maintain same objective
	Social media/website policy	Not started in FY 14-15	Maintain same objective
Recognize volunteers	Develop citizen recognition guideline	Guideline not developed.	Maintain same objective
Communicate with neighboring communities and other organizations	Participate in regional boards, commissions and joint endeavors	Staff and Council participate in SEMCOG, WAVE, WATS, DAFD, MML, MMTA, MEDC etc	Maintain same objective

Fiscal Year 2014-2015 Budget Highlights

- On November 20, 2014, the Village of Dexter officially became the City of Dexter, ending a process that started in 2008 with the creation of the City Study Committee.
- The Facilities Committee, together with a consultant recommended by them to the City Council, completed the Facilities Feasibility Study.
- The City Council adopted a comprehensive road maintenance plan, which included a plan for financing the improvements, upon recommendation of a committee consisting of Council members, staff and an outside consultant.

City Council Performance Measures					
Measure	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Planned 2015-2016
Keep millage rate lower than Washtenaw County average for cities/villages.	Average: 16.5536 Village: 13.5562	Average: 16.7723 Village: 13.5562	Average: 17.0177 Village: 13.5562	Average: 17.2190 Village: 14.0562	Average: 17.1284 City: 14.0562
Be in the lowest one-third (minimum rank of 39) of all city and village millage rates in Southeast Michigan.	Not Measured	Not Measured	Rank: 33 out of 117	Rank: 39 out of 117	Rank: 36 out of 117
Maintain General Fund unreserved fund balance of at least 15% of operating revenue.	32%	29%	34%	40%	41%
Maintain Enterprise Fund reserve of at least 50%-75% of operating and maintenance expenses.	Different Measure	Sewer: 84% Water: 85%	Sewer: 71% Water: 83%	Sewer: 74% Water: 36%	Sewer: 79% Water: 39%
Maintain the MERS Defined Benefit plan at a funded level between 85% - 100% of needed funding.	87%	85%	83%	85%	87%
Contribute a minimum of $95,000 per year for Other Post Retirement Benefits.	$ 20,000	$ 95,000	$ 95,000	$ 95,000	$ 123,000
Hold at least two town hall meetings.	1	0	1	2	2

Department Budgets

There are two departments included in the Legislative functional unit: City Council and Contributions. Contributions have increased due to a 425 Agreement with Webster Township that stated if the Dexter became a City, payments would be made to cover lost taxes for a certain period.

Dept: 101.000 City Council	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
702.000 Salaries - Elected Officials	18,520	18,000	17,480	18,000	18,000	
720.000 Social Security & Medicare	1,417	1,400	1,336	1,400	1,400	
727.000 Office Supplies	40	100	400	200	200	
802.000 Professional Services	375	2,000	-	2,000	2,000	
861.000 Travel & Mileage	-	500	-	500	500	
901.000 Printing & Publishing	8,381	8,500	8,500	9,000	9,000	
943.000 Council Chambers Lease	2,400	4,500	4,500	4,500	4,500	
955.000 Miscellaneous	392	500	100	100	100	
956.000 Council Discretionary Expenses	1,389	1,500	2,097	1,500	1,500	
958.000 Memberships & Dues	4,121	3,500	3,500	3,500	3,500	
959.000 Arts, Culture & Heritage Committee	22,762	18,800	20,000	20,000	20,000	
960.000 Education & Training	740	500	355	500	500	
Total City Council	**60,537**	**59,800**	**58,268**	**61,200**	**61,200**	**2.3%**

Dept: 875.000 Contributions	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
965.001 Contribution to WAVE	17,000	17,000	16,500	17,600	17,600	
965.002 Contribution Community Serve	250	300	300	300	300	
965.003 Contribution Senior Center	1,000	1,000	1,000	1,000	1,000	
965.004 Contribution WAVE Door to Door	15,000	15,000	15,500	17,400	17,400	
965.006 Webster TWP 425 Agreement	-	-	-	26,000	26,000	
Total Contributions	**33,250**	**33,300**	**33,300**	**62,300**	**62,300**	**87.1%**

Administrative Function

The Administrative function consists of two areas - City Manager and Treasurer/Finance. Administration has oversight of all of the functional units.

City Manager

The City Manager's office strives to effectively serve the City Council and the public through responsible administration of all City affairs and demonstration and promotion of a high standard of ethics, professionalism, and integrity throughout the City organization.

The City Manager's office fosters open and complete communications, actively seeks out and incorporates citizen involvement and participation, and achieves outstanding results through partnerships with other service providers in both the public and private sectors.

The City Manager's office demonstrates through words, actions and policies a commitment to treat all colleagues and customers with respect and dignity.

City Manager Goals & Objectives

The following table is intended to show the link between the Administration Function (City Manager) and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
FISCAL SUSTAINABILITY			
Use of Limited Resources	Seek a minimum of $10,000 in grants	Total applied in FY 14-15: $13,165. Received as of 3/6/15: $6,165	Maintain same objective
	Total healthcare costs within State limit	The City met the requirements for the renewal at 5/1/2015	Maintain same objective
	Meet State collaberation requirements	Collaborate with WCRC (B2B), DAFD, Sheriff	Maintain same objective
PUBLIC INFRASTRUCTURE			
Parks	Review and update Parks Master Plan	Process started FY 14-15 but will not be complete until FY 15-16	Maintain same objective
	Apply for STPU and TAP funding for Mill Creek Park Phase II		New objective for 2015-2016
QUALITY OF LIFE			
Arts, food and gardening	Hold six Farmers Market events	6 events were held.	Maintain same objective
	Community Garden	2014 Community Garden was successful	Maintain same objective - add number of plots rented as a measurement
FLOW OF INFORMATION			
Communicate with public	Minimum of 24 news items on website	43 news items on website	Maintain same objective
	Minimum of 48 news items on Facebook	62 items on Facebook, as of March 6th	Maintain same objective
	Email update twice per month	Email updates were regularly sent.	Maintain same objective
	Advertise on Adams Billboard	Farmers Market was advertised.	Maintain same objective
	4 newsletters per year	1 newsletter, 5 postcards	Maintain same objective
INVEST IN EMPLOYEES			
Employee safety	Develop a health and safety program	Started in FY 14-15	Complete in FY 15-16
Educated workforce	Employees have opportunity to attend one out of house training	Training offered in sewer, water, Microsoft Office programs, as well as professional seminars	Maintain same objective
Customer service training	Disseminate information regarding customer service to employees		Objective modified in FY 15-16
Staff meetings	Hold at least quarterly	New manager has had two all-staff meetings in six months	Maintain same objective
Tools and Equipment	Modernize Telephone system		New objective for 2015-2016
	Asset management system	Research not performed. Move to FY 15-16	Maintain same objective
	Document Management system		New objective for 2015-2016
ENVIRONMENT			
Water pollution	Education materials annual distributed		Maintain same objective
REVIEW DOCUMENTS			
Review plans and documents	Review Park & Recreation Plan and Tree Plan annually	Park & Recreation Plan is being updated	Maintain same objective

Fiscal Year 2014-2015 Budget Highlights

- The long-time manager resigned to take another position, and her assistant manager stepped into the roll which ensured a smooth transition for the City's overall management.
- The Safe Routes to School project was successfully completed.
- A roadblock to the completion of the Border-to-Border Trail was removed through successful negotiation with an adjoining property owner. Construction on the final segment is set to start in Fiscal Year 2015-2016.
- The City held its first election in May 2015, which necessitated the purchase of equipment, training of workers, and implementation of the Qualified Voter File for city residents.

City Manager Performance Measures					
Measure	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Planned 2015-2016
Seek a minumum of $10,000 from outside sources such as grants and revenue sharing.	$231,560	$818,000	$10,000	$7,000	$10,000
Hold six special events at the Farmers market.	Not Measured	5	6	6	6
Post a minimum of 24 news items on the City Website.	Not Measured	92	24	68	50
Post a minimum of 48 news items on the City Facebook Page	Not Measured	Not Measured	Not Measured	132	75
Publish four newsletters per year.	4	4	4	1	4
Encourage employees to attend outside training as measured by number of employees.	Not Measured	Not Measured	16	15	16
Hold staff meetings quarterly (four times per year).	Not Measured	Not Measured	4	4	4

Department Budgets

There are seven departments included in the City Manager's area of the Administrative functional unit: City Manager, Attorney, Clerk, Elections, Insurance, Capital Improvements and Parks & Recreation.

The changes in personnel are the cause of the reduction in the City Manager's Department. The transition to becoming a city caused higher budgeted amounts for Fiscal Year 2014-2015 in the Clerk and Elections Departments.

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 172.000 City Manager	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
703.000 Salaries - Non Union	131,118	126,000	102,260	121,000	121,000	
703.001 Salaries - Part Time	600	3,000	5,002	5,000	5,000	
704.000 Salaries - Union	67,442	69,400	69,766	71,700	71,700	
710.000 Car Allowance	4,800	4,800	800	-	-	
712.000 Vacation/Sick Time Cash Out	688	700	2,896	700	700	
720.000 Social Security & Medicare	15,589	16,600	13,500	14,900	14,900	
721.000 Health & Dental Insurance	46,448	57,500	60,500	59,900	59,900	
721.002 Pay in Lieu of Medical Insurance	4,000	3,000	2,062	-	-	
722.000 Life & Short Term Disability Insurance	1,312	1,400	1,252	1,200	1,200	
723.000 Defined Benefit Plan	8,130	-	-	-	-	
723.003 Defined Contribution Plan	1,439	2,400	3,684	3,100	3,100	
723.004 ICMA Contribution	3,681	3,700	1,204	800	800	
727.000 Office Supplies	1,262	700	891	700	700	
745.000 Uniform Allowance	100	200	200	200	200	
802.000 Professional Services	1,204	-	9,434	2,000	2,000	
861.000 Travel & Mileage	149	500	477	500	500	
901.000 Printing & Publishign	-	-	103	100	100	
955.000 Miscellaneous	658	500	403	500	500	
958.000 Memberships & Dues	110	300	210	300	300	
960.000 Education & Training	655	1,500	3,291	2,000	2,000	
Total City Manager	**289,385**	**292,200**	**277,935**	**284,600**	**284,600**	**-2.6%**

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 210.000 Attorney	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
810.000 Attorney Fees	47,000	50,000	47,583	40,000	40,000	
Total Attorney	**47,000**	**50,000**	**55,000**	**40,000**	**40,000**	**-20.0%**

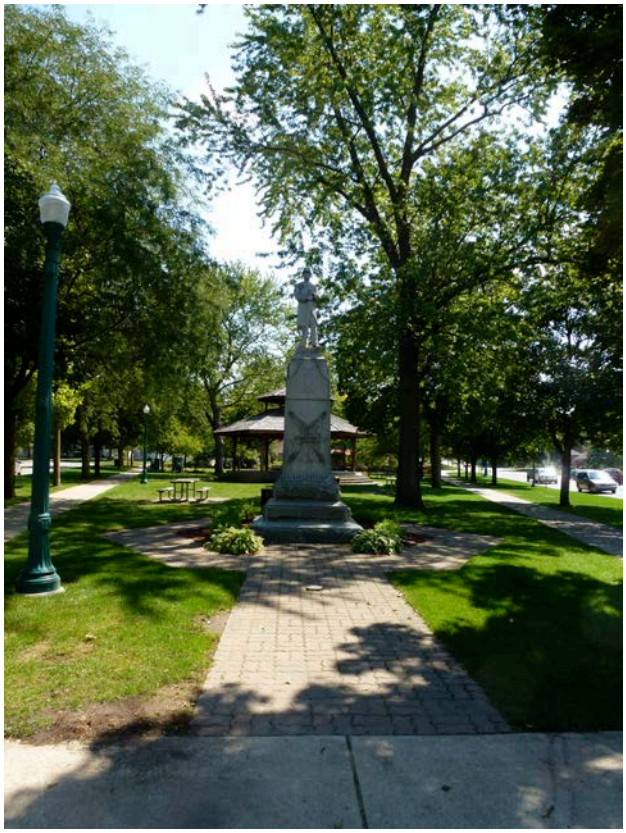
Dept: 215.000 City Clerk	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
702.000 Salaries - Elected Officials	2,120	2,000	2,000	2,000	2,000	
703.001 Salaries - Part Time	-	-	400	500	500	
720.000 Social Security & Medicare	162	200	200	300	300	
802.000 Professional Services	2,585	-	-	-	-	
815.000 Ordinance Codification	2,560	700	700	1,700	1,700	
901.000 Printing & Publishing	2,601	7,000	8,603	3,500	3,500	
960.000 Education & Training	-	-	-	-	-	
Total City Clerk	**10,028**	**9,900**	**11,903**	**8,000**	**8,000**	-19.2%

Dept: 262.000 Elections	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
708.000 Salaries Election Workers	-	3,000	2,438	6,000	6,000	
727.000 Office Supplies	-	-	926	1,000	1,000	
727.001 Election Supplies	-	-	-	1,000	1,000	
728.000 Postage	-	1,100	1,058	-	-	
802.000 Porfessional Services	-	1,600	1,636	-	-	
901.00 Printing & Publishing	-	-	38	500	500	
977.000 Equipment	-	6,500	7,492	-	-	
Total Elections	**-**	**12,200**	**13,588**	**8,500**	**8,500**	**-30.3%**

Dept: 751.000 Parks & Recreation	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	1,700	3,000	2,626	1,800	1,800	
703.001 Salaries - Part Time	11,620	11,000	12,159	12,000	12,000	
704.000 Salaries - Union	21,456	22,000	17,000	17,000	17,000	
705.000 Salaries - Overtime	1,243	500	136	200	200	
709.000 Salaries - Park Commissioners	970	1,000	-	1,000	1,000	
720.000 Social Security & Medicare	2,816	2,900	2,800	2,500	2,500	
721.000 Health & Dental Insurance	3,233	3,400	2,997	3,500	3,500	
722.000 Life & Short Term Disability Insurance	64	100	65	100	100	
723.000 Defined Benefit Plan	2,306	-	-	-	-	
723.003 Defined Contribution Plan	-	100	59	100	100	
731.000 Landscape Supplies	3,919	4,000	4,000	4,000	4,000	
732.000 Ice Rink Supplies	4,213	4,000	2,796	3,000	3,000	
740.000 Operating Supplies	1,051	1,000	204	1,000	1,000	
802.000 Professional Services	11,986	30,000	33,949	6,000	6,000	
803.000 Contracted Services	-	5,000	6,340	6,500	6,500	
901.000 Printing & Publishing	3,053	1,000	1,803	1,000	1,000	
937.000 Equipment Maintenance & Repair	4,181	6,000	299	5,000	5,000	
941.000 Equipment Rentals	12,579	7,500	13,103	13,000	13,000	
944.000 Portable Toilet Rental	5,085	3,700	4,240	5,000	5,000	
955.000 Miscellaneous	1,901	2,000	2,000	2,000	2,000	
958.000 Memberships & Dues	118	200	453	500	500	
970.000 Capitla Improvements	-	5,000	5,000	30,000	30,000	
977.000 Equipment	7,341	7,000	2,155	5,000	5,000	
Total Parks & Recreation	**100,835**	**120,400**	**114,184**	**120,200**	**120,200**	**-0.2%**

Dept: 851.000 Insurance & Bonds	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
719.000 Unemployment Compensation	542	2,800	2,738	2,700	2,700	
721.001 Retiree Health Insurance	7,486	8,800	8,836	9,000	9,000	
723.000 Defined Benefit Plan	-	62,000	62,000	65,700	65,700	
723.001 Other Post Employment Benefits	75,000	112,000	112,000	75,000	75,000	
723.02 Additional Mers Contribution	-	74,000	74,000	-	-	
726.001 Vacation/Sick Accrual	2,211	-	-	-	-	
910.000 Workers Compensation	6,878	8,000	6,956	8,000	8,000	
911.000 Liability Insurance	23,374	25,000	22,612	25,000	25,000	
Total Insurance & Bonds	**115,491**	**292,600**	**289,142**	**185,400**	**185,400**	**-36.6%**

Dept: 901.000 Capital Improvements Plan	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
970.000 Capital Improvements	14,579	85,000	85,000	52,000	52,000	
975.001 Property Acquisition	3,412	-	-	20,000	20,000	
975.016 Capital Improvements - Facilities	-	20,000	15,000	10,000	10,000	
Total Capital Improvements	**17,991**	**105,000**	**100,000**	**82,000**	**82,000**	**-21.9%**



Treasurer/Finance Department

The Finance Department provides high quality operational services including accounting, budgeting, debt administration, payroll, and investments. The budget function provides financial planning, evaluation, and forecasting services in support of City operations. Beyond these operational activities, this department also supports all financial aspects of initiatives stemming from the City Manager's office towards the general promotion of fiscally responsible government. This department is also responsible for the billing and collection of City property taxes. The Treasurer/Finance Director is a Certified Public Finance Administrator, a member of the Michigan Government Finance Officers' Association and the Michigan Municipal Treasurers Association, and a member of the Michigan Municipal League's Legislative Finance Subcommittee.

Finance Goals & Objectives

The following table is intended to show the link between the Administration Function (Finance) and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
FISCAL SUSTAINABILITY			
Financial Best Practices	GFOA Distinguished Budget Award	Award received	Maintain same objective
	GFOA Certificate of Excellence in Financial Reporting	CAFR template is substantially complete. Will be used for FY 14-15	Maintain same objective
	APT US&C Investment Policy Certification	Received in 2006. Annual recertification is not required	Maintain same objective
	Implement GASB 68		Implementation scheduled for FY 2014-2015 year end
	Maintain Bond Rating of at least A-	2011 Bond Rating was AA-	Maintain same objective
PUBLIC INFRASTRUCTURE			
Public Utilities	Formal utility rate study update	Study updated in-house	Rescheduled for FY 15-16
	Review sewer and water ordinances to update rental properties and ensure uniformity between the two ordinances		New objective for 2015-2016
ENVIRONMENT			
Electronic packets	Investigate electronic packets for Council and other boards and commissions		New objective for 2015-2016
REVIEW DOCUMENTS			
Review plans and documents	Goals and Objectives annually	FY 15-16 goals being developed	Maintain same objective

Fiscal Year 2014-2015 Budget Highlights

- Reformatted and streamlined the budget document.
- Performed city transition functions such preparing the assessing and tax policies and ordinances for Council adoption.
- Reviewed DDA debt, resulting in a refunding that will save the DDA approximately $500,000over the life of the bond.

Treasurer/Finance Performance Measures					
Measure	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Planned 2015-2016
Receive Distinguished Budget Award from the Government Finance Officers Association	Yes	Yes	Yes	Yes	Yes
Receive Certificate of Excellence in Financial Reporting from the Government Finance Officers Association	Not Measured	Not Measured	Not Measured	No	Yes
Maintain a bond rating through Standard and Poors Rating Service of at least A-.	AA-	AA-	AA-	AA-	AA-
Audit will receive an unqualified opinion.	Yes	Yes	Yes	Yes	Yes
Qualifying Statement for City and DDA will be approved by Treasury.	Yes	Yes	Yes	Yes	Yes

Department Budgets

There are six departments included in the Finance area of the Administrative functional unit: Finance, Treasurer, Assessing, Contingencies, Other Accounting and Transfers.

The increase to assessing is due to the fact that only three months of the assessing contract was in force in Fiscal Year 2014-2015.

Contingencies are for unexpected budgetary items. The funds are moved to the appropriate budgetary departments as needed. Required Accounting is for accounting items that do not fit into operating expenditure departments.

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 201.000 Finance Department	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
802.000 Professional Services	2,889	8,000	5,239	9,000	9,000	
802.001 Financial Audit	6,000	6,000	6,000	6,000	6,000	
840.000 Bank Service Charges	1,308	1,600	1,896	1,600	1,600	
Total Finance Department	**10,197**	**15,600**	**13,135**	**16,600**	**16,600**	**6.4%**

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 253.000 City Treasurer	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
703.000 Salaries - Non Union	67,379	69,400	69,399	71,200	71,200	
720.000 Social Security & Medicare	5,065	5,300	4,956	5,300	5,300	
721.000 Health & Dental Insurance	17,151	14,200	14,985	16,000	16,000	
722.000 Life & Short Term Disability Insurance	390	500	436	500	500	
723.000 Defined Benefit Plan	7,500	-	-	-	-	
727.000 Office Supplies	926	700	700	700	700	
861.000 Travel & Mileage	887	1,000	900	1,000	1,000	
902.000 Tax Bills & Services	4,451	3,700	3,700	6,500	6,500	
955.000 Miscellaneous	30	500	100	500	500	
958.000 Memberships & Dues	460	500	475	500	500	
960.000 Education & Training	704	1,000	845	1,000	1,000	
977.000 Equipment	-	500	-	500	500	
Total City Treasurer	**104,943**	**97,300**	**96,496**	**103,700**	**103,700**	**6.6%**

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 257.000 Assessing Deparment	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
803.000 Contracted Services	-	8,000	7,500	30,000	30,000	
901.000 Printing & Publishing	-	-	810	1,000	1,000	
960.000 Education & Training	-	700	643	700	700	
977.000 Equipment	-	7,500	10,774	1,000	1,000	
Total Assessing Deparment	**-**	**16,200**	**19,727**	**32,700**	**32,700**	**101.9%**

Dept: 890.000 Contingencies	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
955.000 Miscellaneous	-	-	-	15,000	15,000	
955.001 Contingencies for Cityhood Costs	-	4,600	-			
957.001 Property Tax Refunds	13,761	12,000	11,709	5,000	5,000	
Total Contingencies	**13,761**	**16,600**	**11,709**	**20,000**	**20,000**	**20.5%**

Dept: 895.000 Required Accounting	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
726.001 Vacation/Sick Accrual	-	-	-	-	-	
Total Contingencies	**-**	**-**	**-**	**-**	**-**	**0.0%**

Dept: 965.000 Transfers Out	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
999.202 Transfer Out of Major Streets	-	10,100	10,017	-	-	
999.226 Transfer Our to Solid Waste Fund	-	100,000	98,085	-	-	
999.351 Transfer Out - Bond Fund (Non-Voted)	-	129,900	129,900	127,000	127,000	
Total Transfers Out	**-**	**240,000**	**238,002**	**127,000**	**127,000**	**-47.1%**

Public Works Function

The first priority of the Department of Public Works (DPW) is to provide a safe and healthy environment for all residents and business owners of the community. The DPW is committed to responding and resolving all service requests efficiently and effectively.

The DPW is responsible for solid waste activities such as leaf pick up and brush removal, park maintenance, West Nile prevention, storm water management, downtown maintenance, and sidewalk repairs. Together with the City Manager's office, they are responsible for building and grounds maintenance and parks and recreation, and together with the Community Development office they are responsible for managing some portions of the tree program. The DPW also has responsibilities within the streets funds, solid waste fund and equipment fund.

Public Works Goals & Objectives

The following table is intended to show the link between the Public Works Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
PUBLIC INFRASTRUCTURE			
Streets and Sidewalks	Implement Road Maintenance Plan	Developed for FY 14-15	Continue implementation
PUBLIC SAFETY			
Cleanliness	Clean sidewalks and paths monthly	All necessary maintenance was performed.	Maintain same objective
	Sweep streets in accordence with maintenance plan	All necessary maintenance was performed.	Maintain same objective
	Pick up brush, leaves and Christmas trees in accordence with maintenance plan	All necessary maintenance was performed.	Maintain same objective
	Remove trash downtown in accordence with maintenance plan	All necessary maintenance was performed.	Maintain same objective

Fiscal Year 2014-2015 Budget Highlights

- Implemented the Road Maintenance Plan, including the purchase of equipment and training of personnel for new road-related tasks.
- Implemented new Work Order system, including training for the software and laptop equipment necessary to use the new system.

Department of Public Works Performance Measures					
Measure	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Planned 2015-2016
Use RadarSign on a minimum of twelve different roads.	Not Measured	Not Measured	12	6	12
Perform monthly maintenance on downtown sidewalks and paths.	Not Measured	Not Measured	12	12	12

Department Budgets

There are five departments included in the Public Works functional unit: Buildings and Grounds, Public Works, Downtown Public Works, Engineering, and Street Lights. Solid Waste is now its own special revenue fund.

DPW staff does perform work in the Tree Program and the Parks and Recreation departments, but because the main decision making and management functions of those departments are done by the Manager and Community Development, those budgets are contained within that functional unit.

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 265.000 Buildings & Grounds	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
727.000 Office Supplies	5,262	3,700	4,344	4,000	4,000	
728.000 Postage	2,964	3,200	2,712	3,200	3,200	
802.003 Document Management System	-	-	-	10,000	10,000	
803.000 Contracted Services	4,189	5,000	3,275	5,000	5,000	
843.000 Property Taxes	1,804	2,000	2,029	2,100	2,100	
920.000 Utilities	8,947	11,000	10,136	11,000	11,000	
920.001 Utilities - Telephones	328	400	1,011	1,000	1,000	
935.000 Building Maintenance & Repair	13,342	3,000	3,255	3,000	3,000	
935.001 Office Cleaning	4,160	4,200	4,160	4,200	4,200	
936.000 Equipment Service Contracts	6,089	7,000	11,129	10,000	10,000	
937.000 Equipment Maintenance & Repair	247	500	350	500	500	
943.001 Office Space Rent	10,800	10,800	10,800	10,800	10,800	
955.000 Miscellaneous	28	500	50	500	500	
962.000 Community Garden	1,730	1,000	1,000	1,000	1,000	
977.000 Equipment	9,027	17,500	12,699	10,000	10,000	
Total Buildings & Grounds	**68,917**	**69,800**	**66,950**	**76,300**	**76,300**	**9.3%**

Dept: 441.000 Department of Public Works	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	5,100	10,100	8,753	8,800	8,800	
703.001 Salaries - Part Time	551	1,000	1,462	1,500	1,500	
704.000 Salaries - Union	33,247	46,700	36,607	43,000	43,000	
705.000 Salaries - Overtime	2,528	1,000	2,733	1,500	1,500	
712.000 Vacation/Sick Time Cash Out	3,018	22,600	22,606	15,000	15,000	
720.000 Social Security & Medicare	3,030	4,800	5,909	5,400	5,400	
721.000 Health & Dental Insurance	36,716	21,600	21,939	22,400	22,400	
722.000 Life & Short Term Disability Insurance	394	500	407	500	500	
723.000 Defined Benefit Plan	7,285	-	-	-	-	
723.003 Defined Contribution Plan	1	200	239	1,300	1,300	
740.000 Operating Supplies	4,659	6,000	6,084	5,000	5,000	
745.000 Uniform Allowance	4,975	4,500	6,553	5,000	5,000	
751.000 Gasoline & Oil	15,138	14,000	17,380	15,000	15,000	
802.000 Professional Services	-	2,000	819	2,000	2,000	
861.000 Travel & Mileage	32	500	-	500	500	
920.000 Utilities	20,486	19,000	26,935	25,000	25,000	
920.001 Utilities - Telephones	2,202	2,300	2,423	3,000	3,000	
935.000 Building Maintenance & Repair	1,400	2,000	1,925	2,000	2,000	
937.000 Equipment Maintenance & Repair	308	1,000	362	1,000	1,000	
941.000 Equipment Rentals	3,786	3,500	2,995	3,500	3,500	
955.000 Miscellaneous	1,928	500	28	500	500	
957.000 Miscellaneous Fees	130	100	-	-	-	
958.000 Memberships & Dues	354	500	804	1,000	1,000	
960.000 Education & Training	707	4,000	4,000	4,000	4,000	
963.000 Medical Expenses	350	400	-	-	-	
977.000 Equipment	-	5,000	4,350	5,000	5,000	
Total Public Works	**148,325**	**173,800**	**175,313**	**171,900**	**171,900**	**-1.1%**

Dept 442: Downtown Public Works	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non-Union	-	-	-	-	-	
703.001 Salaries - Part Time	13,226	13,500	16,000	15,000	15,000	
704.000 Salaries - Union	25,720	27,500	23,033	25,000	25,000	
705.000 Salaries - Overtime	2,555	2,000	1,913	1,500	1,500	
720.000 Social Security & Medicare	3,169	3,300	2,902	3,100	3,100	
723.000 Defined Benefit Plan	3,447	-	-	-	-	
723.003 Defined Contribution Plan	-	-	4	100	100	
730.000 Farmers Market Supplies	5,028	2,000	2,000	3,000	3,000	
731.000 Landscape Supplies	1,069	2,000	2,000	2,000	2,000	
740.000 Operating Supplies	3,915	2,500	1,278	2,500	2,500	
744.000 Holiday Lighting Supplies	4,208	5,000	4,557	5,000	5,000	
802.000 Professional Services	3,700	5,500	5,500	5,500	5,500	
920.000 Utilities	7,627	9,000	7,481	8,000	8,000	
977.000 Equipment	-	1,000	-	-	-	
Total Downtown Public Works	**73,664**	**73,300**	**66,668**	**70,700**	**70,700**	**-3.5%**

Dept: 447.000 Engineering	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
830.000 Engineering Consulting	10,990	11,000	11,000	11,000	11,000	
Total Engineering	**10,990**	**11,000**	**11,000**	**11,000**	**11,000**	**0.0%**

Dept: 448.000 Municipal Street Lights	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
920.003 Utilities - Street Lights	72,287	73,000	69,819	72,000	72,000	
Total Municipal Street Lights	**72,287**	**73,000**	**69,819**	**72,000**	**72,000**	**-1.4%**

Community Development Function

Community Development within the City of Dexter includes planning, economic development, zoning, and tree-related activities. Community Development is responsible for directing and managing the physical development of the City in a manner that emphasizes quality, livability and sustainability.

Community Development works closely with the Planning Commission, Zoning Board of Appeals and the Tree Board when making budgeting decisions for the City. The City Master Plan and the Park and Recreation Facilities Master Plan provide long-range guidance for both Community Development and the City Council in the decision making process.

Community Development Goals & Objectives

The following table is intended to show the link between the Community Development Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
FISCAL SUSTAINABILITY			
Commitment to Economic Development	Assist with 3045 Broad redevelopment	Staff assistance is ongoing	Continue to provide staff assistance.
	Advertise bids to local companies	Bids requests are placed on website	Maintain same objective
	Updating Economic Development Strategy	Introduced as project in 2014-2019 CIP	Continues as project in 2015-2020 CIP
	Quarterly business forums with Spark	2 business summits in 2014	Change measurement to a minimum of one meeting per year.
	Establish a partnership with Washtenaw Commumity College Workforce Development		New objective for 2015-2016
PUBLIC INFRASTRUCTURE			
Public Utilities	Infrastructure funding for 3045 Broad		Explore funding opportunities in conjunction with the DDA
	Pursue removal and relocation of DTE Substation near 3045 Broad		New objective for 2015-2016
	Increase availability and access to high-speed internet in DBRP		New objective for 2015-2016
Capital Improvement Plan	Provide staff assistance for CIP and use in budgeting process	Performed as part of budgeting process	Maintain same objective
REVIEW DOCUMENTS			
Review plans and documents	Review Master Plan and CIP annually	CIP updated by Planning Commission	Maintain same objective
	Review DDA plan and Economic Development Strategy		Maintain same objective

Fiscal Year 2014-2015 Budget Highlights

- Brought together a local professor, city elected and appointed officials, and other stakeholders to envision what the redevelopment of 3045 Broad should look like.
- Brought DTE on board for the idea to remove the substation next to 3045 Broad Street, which will greatly enhance the viability of that project.
- Established relationships with other governmental and quasi-governmental organizations, such as the Michigan State Housing Authority, Michigan Economic Development Corporation and Ann Arbor Spark to put Dexter on the map in terms of economic development and redevelopment.

Community Development Performance Measures					
Measure	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Planned 2015-2016
Meet annually with Ann Arbor Spark.	Not Measured	Not Measured	Not Measured	2	1
Present CIP to Council no later than May of each year.	Yes	Yes	Yes	No	Yes
Receive the Tree City USA award.	Yes	Yes	Yes	Yes	Yes

Department Budgets

There are four departments included in the Community Development functional unit: City Tree Program, Planning, Zoning Board of Appeals and Economic Development.

		Current Year 2014-2015		Manager	Council	% Change
Dept: 285.000 City Tree Program	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
731.000 Landscape Supplies	1,079	1,000	2,735	-	-	
731.001 Landscape Supplies-Trees	9,738	8,000	6,581	8,000	8,000	
803.000 Contracted Services	3,220	15,000	14,156	15,000	15,000	
Total City Tree Program	**14,037**	**24,000**	**23,472**	**23,000**	**23,000**	**-4.2%**

Dept: 400.000 Planning Department	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	31,353	50,500	50,500	51,800	51,800	
704.000 Salaries - Union	10,749	11,000	11,263	11,600	11,600	
705.000 Salaries - Overtime	536	500	162	-	-	
706.000 Salaries - Planning Commission	2,760	3,000	-	3,000	3,000	
712.000 Vacation/Sick Time Cash Out	2,595	-	1,434	1,000	1,000	
720.000 Social Security & Medicare	3,539	4,700	4,700	5,100	5,100	
721.000 Health & Dental Insurance	5,938	18,400	14,192	16,000	16,000	
722.000 Life & Short Term Disability Insurance	227	400	364	400	400	
723.000 Defined Benefit Plan	6,685	-	-	-	-	
723.003 Defined Contribution Plan	495	2,100	2,019	2,000	2,000	
727.000 Office Supplies	589	500	500	500	500	
802.000 Professional Services	28,898	8,000	8,000	33,000	33,000	
861.000 Travel & Mileage	20	500	1,358	1,500	1,500	
901.000 Printing & Publishing	481	500	340	500	500	
955.000 Miscellaneous	673	500	375	500	500	
958.000 Memberships & Dues	1,400	2,000	1,795	1,500	1,500	
960.000 Education & Training	880	3,500	3,223	3,500	3,500	
977.000 Equipment	-	13,000	11,120	1,500	1,500	
Total Planning Department	**97,818**	**119,100**	**111,345**	**133,400**	**133,400**	**12.0%**

Dept: 410.000 Zoning Board of Appeals	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
802.000 Professional Services	-	500	200	500	500	
901.000 Printing & Publishing	195	500	230	500	500	
955.000 Miscellaneous	-	100	-	100	100	
Total Zoning Board of Appeals	**195**	**1,100**	**430**	**1,100**	**1,100**	**0.0%**

Dept: 728.000 Economic Development	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
802.000 Professional Services	-	2,000	2,395	2,500	2,500	
901.000 Printing & Publishing	945	1,000	730	1,000	1,000	
960.000 Education & Training	-	700	190	500	500	
Total Economic Development	**945**	**3,700**	**3,315**	**4,000**	**4,000**	**8.1%**

Public Safety Function

Public safety activities in the City of Dexter are contracted to outside organizations. The City has a contract for 3.5 Police Service Units (PSU) with the Washtenaw County Sheriff's Department for coverage within the City, including paying for one half of a PSU for the Dexter Community Schools. The Washtenaw County Sheriff's substation is located in the City's building on 8140 Main Street.

Fire protection is provided by the Dexter Area Fire Department, which also covers portions of Webster Township, Dexter Township and Lima Township. It is governed by a board of directors consisting of representatives appointed from member communities. The main station is also located at 8140 Main Street.

Public Safety Goals & Objectives

The following table is intended to show the link between the Public Safety Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
PUBLIC SAFETY			
Disaster preparedness	Disseminate Emergency Action Guidelines	Not achieved.	Maintain same objective
Police and fire services	Participate in Washtenaw County Police Services Steering Committee	Council member attends meetings	Maintain same objective
	Maintain presence on DAFD board and receive quarterly reports	Two City representatives sit on DAFD Board. Quarterly reports have been received	Maintain same objective
Traffic enforcement	RadarSign used on a minimum of twelve different roads	RadarSign was broken last half of FY 14-15	Maintain same objective

Department Budgets

There are two departments included in the Public Safety functional unit: Law Enforcement and Fire Department.

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 301.000 Law Enforcement	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
803.000 Contracted Services	470,703	481,000	479,500	485,800	485,800	
803.001 DCS Officer & Xing Guards	80,368	80,300	82,100	83,000	83,000	
920.000 Utilities	4,537	4,800	5,123	5,000	5,000	
935.000 Building Maintenance & Repair	1,277	1,000	314	1,000	1,000	
Total Law Enforcement	**556,885**	**567,100**	**567,037**	**574,800**	**574,800**	**1.4%**

		Current Year 2014-2015		Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 336.000 Fire Department	2013-2014	Budget	YE Position	2015-2016	2015-2016	2014 to 2015
803.000 Contracted Services	465,754	486,000	485,026	510,300	510,300	
920.000 Utilities	4,778	5,700	6,323	6,000	6,000	
935.000 Building Maintenance & Repair	2,552	2,000	3,022	2,000	2,000	
970.000 Capital Improvements	4,425	1,000	-	1,000	1,000	
Total Fire Department	**477,509**	**494,700**	**494,371**	**519,300**	**519,300**	**5.0%**

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures made for specific purposes. The City has six special revenue funds:

- Major Streets Fund
- Local Streets Fund
- Municipal Streets Fund
- Solid Waste Fund
- Tree Replacement Fund
- Equipment Fund

Revenue for the Major and Local Streets Funds comes from the State of Michigan through Public Act 51. These are a share of gas and weight taxes and are based upon state formula, and we expect an increase due to our population increase. Operating transfers to balance their budgets are also made from the Municipal Streets Funds, whose revenue comes from City taxes. The Equipment Fund collects rents from other funds for use of trucks and other equipment. The rental charged is based on rates set by the Michigan Department of Transportation. Solid Waste Revenue is generated through a fee included on City utility bills for residential customers, and per contract with commercial customers.

Major Streets Fund

The Major Streets Fund's purpose is to account for expenditures associated with the construction, maintenance and snow removal needs of the major street portion of the City's street network. Of the 15.73 total miles that make up the City of Dexter's street system, 5.5 miles are considered to be major streets. The major streets are Dexter-Ann Arbor, Central, Baker, Second, Fourth, Hudson, Huron, Broad and a portion of Forest.

Major Streets Goals & Objectives

The following table is intended to show the link between the Streets Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

PUBLIC INFRASTRUCTURE			
Streets and Sidewalks	Implement Road Maintenance Plan	Developed for FY 14-15	Continue implementation

Fiscal Year 2014-2015 Budget Highlights

- Several major projects were completed, including reconstruction of a portion of Central Street, the Ann Arbor Street Project and Safe Routes to School.

Fund Revenue and Expenditure Budget

Major Streets Fund 202 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
576.000 State Shared Rev-Gas & Weight	174,542	175,000	184,900	183,000	183,000	
577.000 State Shared Rev-Local Roads	6,068	6,500	6,100	6,500	6,500	
665.000 Interest Earned	21	100	100	100	100	
671.000 Other Revenue	18,250	-	5,100	-	-	
679.000 Miscellaneous Grants	-	30,000	-	-	-	
695.101 Transfer Municipal Fund	-	10,100	10,000	-	-	
695.204 Trans In - Municipal Streets	200,000	580,000	563,000	96,800	331,800	
695.248 Transfer In Debt From DDA Fund 248	-	108,000	111,100	-	-	
695.351 Trans In Debt Fund (Non-Voted)	-	128,500	102,000	-	-	
Total Revenue	**398,881**	**1,038,200**	**982,300**	**286,400**	**521,400**	**-49.8%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
723.001 Other Post Employment Benefits	4,500	4,500	4,500	4,500	4,500	
840.000 Bank Service Charges	62	100	60	100	100	
Total Administration	**4,562**	**4,600**	**4,560**	**4,600**	**4,600**	**0.0%**

Dept: 445.000 Stormwater	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.001 Salaries - Part Time	259	-	401	-	-	
704.000 Salaries - Union	7,262	7,000	6,400	8,000	8,000	
720.000 Social Security & Medicare	571	400	494	600	600	
723.000 Defined Benefit Plan	940	-	-	-	-	
723.003 Defined Contribution Plan	-	-	100	100	100	
740.000 Operating Supplies	916	3,000	1,000	2,000	2,000	
802.000 Professional Services	3,680	10,000	10,000	5,000	5,000	
803.000 Contracted Services	3,541	5,000	5,000	5,000	5,000	
957.004 State License/Permit Fees	1,000	1,000	1,000	1,000	1,000	
960.000 Education and Training	177	500	100	500	500	
Total Stormwater	**18,346**	**26,900**	**24,495**	**22,200**	**22,200**	**-17.5%**

Dept: 451.000 Contracted Road Construction	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
803.000 Contracted Services	2,784	-	-	-	-	
932.000 Sidewalks	-	7,700	7,700	-	-	
974.000 CIP Capital Improvements	9,014	125,000	107,000	50,000	285,000	
974.009 Central Street Project	57,526	272,000	282,600	-	-	
974.010 Main Street Resurfacing	-	36,000	-	-	-	
975.015 Ann Arbor Street Project	79,402	308,600	318,500	-	-	
975.017 Capital Imp - Safe Routes to School	34,992	30,000	40,000	-	-	
960.000 Non-Contracted Capital Improven	-	3,500	-	-	-	
Total Contracted Road Const.	**183,718**	**782,800**	**755,800**	**50,000**	**285,000**	**-63.6%**

Dept: 463.000 Routine Maintenance	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	4,250	8,500	8,600	5,300	5,300	
703.001 Salaries - Part Time	224	1,000	200	1,000	1,000	
704.000 Salaries - Union	18,526	24,900	12,792	12,800	12,800	
705.000 Salaries - Overtime	1,511	500	2,057	-	-	
720.000 Social Security & Medicare	1,869	1,600	1,800	1,500	1,500	
721.000 Health & Dental Insurance	16,809	17,300	16,000	18,000	18,000	
722.000 Life & Short Term Disability Insurance	331	400	300	400	400	
723.000 Defined Benefit Plan	2,290	-	-	-	-	
723.003 Defined Contribution Plan	15	200	195	300	300	
740.000 Operating Supplies	4,406	3,000	2,276	3,000	3,000	
802.000 Professional Services	6,513	11,000	11,500	11,000	11,000	
803.002 Pavement Management	6,876	10,000	10,503	5,000	5,000	
910.000 Workers Compensation	627	700	600	700	700	
911.000 Liability Insurance	4,892	4,900	4,732	4,900	4,900	
941.000 Equipment Rentals	12,192	9,000	10,520	8,000	8,000	
Total Routine Maintenance	**81,331**	**93,000**	**82,075**	**71,900**	**71,900**	**-22.7%**

Dept: 474.000 Traffic Services	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	4,250	8,500	7,500	5,300	5,300	
703.001 Salaries - Part Time	188	200	300	300	300	
704.000 Salaries - Union	8,694	10,000	9,100	11,000	11,000	
705.000 Salaries - Overtime	2,032	800	1,800	800	800	
720.000 Social Security & Medicare	1,157	1,100	1,400	1,400	1,400	
721.000 Health & Dental Insurance	5,172	5,400	4,800	5,600	5,600	
722.000 Life & Short Term Disability Insurance	102	200	100	200	200	
723.000 Defined Benefit Plan	1,467	-	-	-	-	
723.003 Defined Contribution Plan	-	200	200	300	300	
740.000 Operating Supplies	2,252	3,000	3,552	7,000	7,000	
802.000 Professional Services	10,621	10,000	10,000	12,000	12,000	
910.000 Workers Compensation	218	300	220	300	300	
911.000 Liability Insurance	734	800	631	800	800	
941.000 Equipment Rentals	1,718	2,000	2,500	2,500	2,500	
970.000 Contracted Capital Improvements	-	-	-	5,000	5,000	
Total Traffic Services	**38,605**	**42,500**	**42,103**	**52,500**	**52,500**	**23.5%**

Dept: 478.000 Winter Maintenance	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	4,250	8,500	7,500	5,300	5,300	
704.000 Salaries - Union	14,079	10,000	10,400	11,000	11,000	
705.000 Salaries - Overtime	11,577	5,000	7,039	5,000	5,000	
705.001 Salaries - Call in Pay	-	3,000	3,525	3,500	3,500	
720.000 Social Security & Medicare	2,253	1,600	2,100	2,000	2,000	
721.000 Health & Dental Insurance	10,344	10,700	9,500	11,100	11,100	
722.000 Life & Short Term Disability Insurance	204	300	200	300	300	
723.000 Defined Benefit Plan	2,294	-	-	-	-	
723.003 Defined Contribution Plan	6	200	200	300	300	
740.000 Operating Supplies	12,717	24,500	22,500	22,000	22,000	
802.000 Professional Services	500	500	-	500	500	
901.000 Printing & Publishing	490	500	659	700	700	
910.000 Workers Compensation	320	500	300	500	500	
911.000 Liability Insurance	1,041	1,000	788	1,000	1,000	
941.000 Equipment Rentals	21,092	12,000	8,489	12,000	12,000	
Total Winter Maintenance	**81,167**	**78,300**	**73,200**	**75,200**	**75,200**	**-4.0%**

Dept: 890.000 Contingencies	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
955.000 Miscellaneous	-	-	-	10,000	10,000	
Total Contingencies	**-**	**-**	**-**	**10,000**	**10,000**	**100.0%**
Total Expenditures	**407,729**	**1,028,100**	**982,233**	**286,400**	**521,400**	**-49.3%**
Major Streets Fund - Revenue over Expense	**(8,848)**	**10,100**	**67**	**-**	**-**	
Capital and One-Time Expenditures	**180,934**	**771,600**	**748,100**	**50,000**	**285,000**	

Local Streets Fund

The Local Streets Fund's purpose is to account for expenditures associated with the construction and maintenance needs of the local street portion of the City's street network. Of the 15.73 total miles that make up the City of Dexter's street system, 10.18 miles are considered to be local streets. These consist of all of the streets that are not designated as either a major street or an undedicated private road

Local Streets Goals & Objectives

The following table is intended to show the link between the Streets Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

PUBLIC INFRASTRUCTURE			
Streets and Sidewalks	Implement Road Maintenance Plan	Developed for FY 14-15	Continue implementation

Fiscal Year 2014-2015 Budget Highlights

- The pavement management program was started, and several local streets saw improvements through performance of the Road Maintenance Plan.

Fund Revenue and Expenditure Budget

Local Streets Fund 203 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
573.000 ROW Revenue	17,956	10,000	15,500	10,000	10,000	
576.000 State Shared Rev-Gas & Weight	69,476	73,000	78,200	75,700	75,700	
577.000 State Shared Rev-Local Roads	2,417	2,500	2,500	2,500	2,500	
665.000 Interest Earned	33	100	100	100	100	
671.000 Other Revenue	7,788	-	13,400	100,000	100,000	
675.008 Contribution - Dexter Crossings	-	-	10,000	10,000	10,000	
695.204 Trans In - Municipal Streets	320,000	199,600	165,100	542,100	363,100	
695.351 Trans In - Debt Fund (Non-Voted)	-	572,000	551,600	146,400	146,400	
Total Revenue	**417,670**	**857,200**	**836,400**	**886,800**	**707,800**	**-17.4%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
723.001 Other Post Employment Benefits	4,500	4,500	4,500	4,500	4,500	
840.000 Bank Service Charges	89	100	100	100	100	
Total Administration	**4,589**	**4,600**	**4,600**	**4,600**	**4,600**	**0.0%**

Dept: 445.000 Stormwater	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.001 Salaries - Part Time	98	-	518	-	-	
704.000 Salaries - Union	7,569	7,000	7,800	8,000	8,000	
720.000 Social Security & Medicare	582	500	600	700	700	
723.000 Defined Benefit Plan	727	-	-	-	-	
723.003 Defined Contribution Plan	-	-	100	300	300	
740.000 Operating Supplies	579	1,000	1,400	1,000	1,000	
802.000 Professional Services	2,475	2,000	2,300	2,000	2,000	
803.000 Contracted Services	7,645	10,000	10,000	10,000	10,000	
957.004 State License/Permit Fees	1,000	1,000	1,000	1,000	1,000	
960.000 Education and Training	-	500	60	500	500	
Total Stormwater	**20,675**	**22,000**	**23,778**	**23,500**	**23,500**	**6.8%**

Dept: 451.000 Contracted Road Construction	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
803.000 Contracted Services	218,308	-	235	2,000	2,000	
932.000 Sidewalks	3,025	37,300	36,692	20,000	20,000	
970.000 Contracted Capital Improvements	-	539,300	512,600	611,000	432,000	
974.001 Other Capital Improvements	-	30,000	27,042	25,000	25,000	
976.000 Non-Contracted Capital Improvements	-	32,700	45,522	20,000	20,000	
Total Contracted Road Const.	**221,333**	**639,300**	**622,091**	**678,000**	**499,000**	**-21.9%**

Dept: 463.000 Routine Maintenance	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	4,250	8,500	7,500	5,300	5,300	
703.001 Salaries - Part Time	138	1,700	1,600	1,700	1,700	
704.000 Salaries - Union	16,896	26,500	24,000	25,000	25,000	
705.000 Salaries - Overtime	1,212	200	3,100	500	500	
720.000 Social Security & Medicare	1,717	2,500	2,572	2,500	2,500	
721.000 Health & Dental Insurance	5,172	5,300	4,300	5,600	5,600	
722.000 Life & Short Term Disability Insurance	102	100	104	100	100	
723.000 Defined Benefit Plan	2,607	-	-	-	-	
723.003 Defined Contribution Plan	15	200	308	400	400	
740.000 Operating Supplies	3,254	3,000	4,500	3,000	3,000	
802.000 Professional Services	4,843	8,000	5,100	8,000	8,000	
803.002 Pavement Management	5,992	21,000	24,586	15,000	15,000	
910.000 Workers Compensation	191	300	192	300	300	
911.000 Liability Insurance	951	1,000	1,225	1,000	1,000	
941.000 Equipment Rentals	9,517	8,000	10,405	9,000	9,000	
Total Routine Maintenance	**56,857**	**86,300**	**89,492**	**77,400**	**77,400**	**-10.3%**

Dept: 474.000 Traffic Services	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	4,250	8,500	8,545	5,300	5,300	
703.001 Salaries - Part Time	215	100	200	500	500	
704.000 Salaries - Union	6,346	8,000	6,591	8,000	8,000	
705.000 Salaries - Overtime	105	200	301	300	300	
720.000 Social Security & Medicare	833	900	1,200	1,000	1,000	
721.000 Health & Dental Insurance	1,293	1,400	1,200	1,400	1,400	
722.000 Life & Short Term Disability Insurance	25	100	100	100	100	
723.000 Defined Benefit Plan	1,354	-	-	-	-	
723.003 Defined Contribution Plan	-	200	200	300	300	
740.000 Operating Supplies	561	3,000	980	3,000	3,000	
802.000 Professional Services	11,665	10,000	10,000	10,000	10,000	
910.000 Workers Compensation	68	100	68	100	100	
911.000 Liability Insurance	726	800	615	800	800	
941.000 Equipment Rentals	1,046	2,000	1,320	1,500	1,500	
Total Traffic Services	**28,487**	**35,300**	**31,320**	**32,300**	**32,300**	**-8.5%**

Dept: 478.000 Winter Maintenance	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	4,250	8,500	7,500	5,300	5,300	
704.000 Salaries - Union	14,143	10,000	8,000	10,000	10,000	
705.000 Salaries - Overtime	9,938	5,000	9,089	5,000	5,000	
705.001 Salaries - Call In Pay	-	3,000	3,524	3,500	3,500	
720.000 Social Security & Medicare	2,166	2,100	2,100	2,100	2,100	
721.000 Health & Dental Insurance	2,586	2,700	2,400	2,800	2,800	
722.000 Life & Short Term Disability Insurance	51	100	52	100	100	
723.000 Defined Benefit Plan	2,294	-	-	-	-	
723.003 Defined Contribution Plan	5	200	300	400	400	
740.000 Operating Supplies	12,674	20,000	22,332	20,000	20,000	
901.000 Printing & Publishing	495	500	659	700	700	
910.000 Workers Compensation	150	200	100	200	200	
911.000 Liability Insurance	734	900	788	900	900	
941.000 Equipment Rentals	22,969	12,000	8,338	10,000	10,000	
Total Winter Maintenance	**72,455**	**65,200**	**65,182**	**61,000**	**61,000**	**-6.4%**

Dept: 890.000 Contingencies	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
957.000 Miscellaneous	-	-	-	10,000	10,000	
Total Contingencies		-	-	10,000	10,000	**100.0%**
Total Expenditures	**404,396**	**852,700**	**836,463**	**886,800**	**707,800**	**-17.0%**
Local Streets Fund - Revenue over Expense	**13,274**	**4,500**	**(63)**	**-**	**-**	
Capital and One-Time Expenditures	**221,333**	**606,600**	**576,569**	**658,000**	**479,000**	

Municipal Streets Fund

The Municipal Streets Funds is used to supplement, through operating transfers, the Public Act 51 funding in the Major and Local Streets Funds. It accounts for the streets millage, which is authorized by the General Law City Act. Fees for administrative services performed by employees budgeted for in the General Fund are charged to the Municipal Streets Fund.

Fund Revenue and Expenditure Budget

Municipal Streets Fund 204 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
403.000 Taxes - Streets (Real)	444,555	691,800	565,000	723,300	723,300	
410.000 Taxes - Personal Property	88,986	-	101,300	-	-	
412.000 Delinquent Taxes - Real Prop	15,294	-	12,700	-	-	
420.000 Deliquent Tax - Persoal Prop	198	-	-	-		
445.000 Taxes - Penalties & Interest	1,559	-	1,300	1,300	1,300	
665.000 Interest Earned	598	-	700	1,000	1,000	
Total Revenue	**551,190**	**691,800**	**681,000**	**725,600**	**725,600**	**4.9%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
712.00Vacation/Sick Time Cash Out	-	17,100	17,100	11,300	11,300	
Social Security & Medicare	-	1,300	1,300	900	900	
721.001 Retiree Health Care	7,730	9,500	11,200	11,000	11,000	
723.000 Defined Benefit Plan	-	23,200	23,200	24,500	24,500	
802.001 Financial Audit	2,000	2,000	2,000	2,000	2,000	
840.000 Bank Service Charges	1,127	1,000	1,000	1,000	1,000	
841.000 Village Administration Costs	29,416	32,200	28,000	26,500	26,500	
957.001 Property Tax Refunds	4,035	3,500	3,400	3,500	3,500	
Total Administration	**44,308**	**89,800**	**87,200**	**80,700**	**80,700**	**-10.1%**

Dept: 965.000 Transfers Out	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
999.202 Transfer Out to Major Streets	200,000	580,000	563,000	96,800	331,800	
999.203 Transfer Out to Local Streets	320,000	199,600	165,100	542,100	363,100	
999.351 Transfer Out to Debt Fund (Non-Voted)	-	123,700	97,000	83,100	83,100	
Total Transfers Out	**520,000**	**903,300**	**825,100**	**722,000**	**778,000**	**-13.9%**
Total Expenditures	**564,308**	**993,100**	**912,300**	**802,700**	**858,700**	**-13.5%**
Municipal Streets Fund - Revenue over Expense	**(13,118)**	**(301,300)**	**(231,300)**	**(77,100)**	**(133,100)**	

Solid Waste Fund

The Solid Waste Fund was created to be able to better track revenue and expenditures related to solid waste contracting, contracted composting, brush pick-up, chipping, leaf pick-up and similar activities. By separating these activities out, decision makers will have better information available to set rates and manage activities.

Fund Revenue and Expenditure Budget

Solid Waste Fund 226 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
425.000 Delinquent Utility Bills (Tax)		-	300	-	-	
628.000 Solid Waste Collection Fee	-	559,000	567,900	574,000	574,000	
634.000 Utility Bill Penalties	-	1,000	1,300	1,000	1,000	
645.000 Sales - Recycling Program		400	400	400	400	
695.101 Transfer In From General Fund	-	100,000	98,100	-	-	
Total Revenues	**-**	**660,400**	**668,000**	**575,400**	**575,400**	**-12.9%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
840.000 Bank Service Charges	-	100	-	100	100	
Administration Total	**-**	**100**	**-**	**100**	**100**	**0.0%**

Dept: 528.000 Solid Waste	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	-	2,900	2,600	1,800	1,800	
703.001 Salaries - Part Time	-	1,300	6,100	5,700	5,700	
704.000 Salaries - Union	-	37,000	34,000	35,000	35,000	
705.000 Salaries - Overtime	-	500	500	500	500	
720.000 Social Security & Medicare	-	3,000	3,000	3,300	3,300	
723.000 Defined Benefit Plan	-	200	200	300	300	
740.000 Operating Supplies	-	1,000	1,000	1,000	1,000	
805.000 Contracted Solid Waste Service	-	480,000	480,000	490,000	490,000	
806.000 Contracted Composting	-	8,000	8,500	8,000	8,000	
901.000 Printing & Publishing	-	300	300	-	-	
941.000 Equipment Rentals	-	14,000	22,000	22,000	22,000	
958.000 Membership & Dues	-	-	100	100	100	
Total Solid Waste	**-**	**548,200**	**558,300**	**567,700**	**567,700**	**3.6%**
Total Expenditures	**-**	**548,300**	**558,300**	**567,800**	**567,800**	**3.6%**
Solid Waste Fund - Revenue over Expense	**-**	**112,100**	**109,700**	**7,600**	**7,600**	

Tree Replacement Fund

The Tree Replacement Fund was established in Fiscal Year 2010-2011 after receipt of $240,000 from the United Methodist Retirement Community (UMRC). These funds may only be used for purposes authorized by the City Tree Replacement Restricted Account Policy. In Fiscal Year 2011-2012, some of those funds were used in the new Mill Creek Park. In this fiscal year, funds will be used for standard tree replacements within the General Fund.

Fund Revenue and Expenditure Budget

		Current Year 2014-2015		Manager	Council	% Change
Tree Fund 275 Revenue	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
665.000 Interest Earned	1,583	1,300	1,900	1,800	1,800	
Total Revenues	**1,583**	**1,300**	**1,900**	**1,800**	**1,800**	**38.5%**

		Current Year 2014-2015		Manager	Council	% Change
Dept: 965.000 Transfers Out	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
999.101 Transfers Out to General Fund	8,000	8,000	8,000	8,000	8,000	
999.405 Transfer Out to Mill Creek Park Fund	-	-	-	-	-	
Transfers Out Total	**8,000**	**8,000**	**8,000**	**8,000**	**8,000**	**0.0%**
Total Expenditures	**8,000**	**8,000**	**8,000**	**8,000**	**8,000**	**0.0%**
Tree Fund - Revenue over Expense	**(6,417)**	**(6,700)**	**(6,100)**	**(6,200)**	**(6,200)**	
Capital and One-Time Expenditures	**-**	**-**	**-**	**-**	**-**	

Equipment Replacement Fund

The Equipment Replacement Fund is a fund for the City's trucks and other related equipment, with the exception of vehicles owned by an enterprise fund. Revenue is generated by charging rent to the General Fund, Major Streets Fund and Local Streets Fund are used in the performance of related duties. Rates are established by the Michigan Department of Transportation. Vehicle maintenance and repairs are accounted for in this fund, as well as capital purchases.

Fund Revenue and Expenditure Budget

		Current Year 2014-2015		Manager	Council	% Change
Equipment Replacement Fund 402 Revenue	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
665.000 Interest Earned	115	200	100	100	100	
667.003 Equipment Rental	98,904	70,000	79,600	81,500	81,500	
Total Revenues	**99,019**	**70,200**	**79,700**	**81,600**	**81,600**	**16.2%**

		Current Year 2014-2015		Manager	Council	% Change
Dept: 248.000 Administration	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
840.000 Bank Service Charges	298	500	300	400	400	
Administration Total	**298**	**500**	**300**	**400**	**400**	**-20.0%**

		Current Year 2014-2015		Manager	Council	% Change
Dept: 441.000 Public Works	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
939.000 Vehicle Maintenance & Repairs	33,538	35,000	34,000	35,000	35,000	
Public Works Total	**33,538**	**35,000**	**34,000**	**35,000**	**35,000**	**0.0%**

		Current Year 2014-2015		Manager	Council	% Change
Dept: 903.000 Vehicles	Actual 2013-2014	Amended Budget	Estimated YE Position	Proposed 2015-2016	Adopted 2015-2016	(Budget) 2014 to 2015
981.000 Vehicles	40,788	81,500	81,400	45,000	45,000	
Vehicles Total	**40,788**	**81,500**	**81,400**	**45,000**	**45,000**	**-44.8%**

Total Expenditures	**74,624**	**117,000**	**115,700**	**80,400**	**80,400**	**-31.3%**
Equipment Fund - Revenue over Expense	**24,395**	**(46,800)**	**(36,000)**	**1,200**	**1,200**	
Capital and One-Time Expenditures	**40,788**	**81,500**	**81,400**	**45,000**	**45,000**	

Debt Service Funds

Debt Service (Voted) Fund

The Debt Service (Voted) Fund is a special revenue fund with expenditures paid for by designated revenue sources that were subject to voter approval. There is one bond issue being accounted for in this fund.

- 2002 Refunding Bond: In 1996 voters approved a general obligation bond for improvements to the downtown. In 2002, this bond was refunded to take advantage of lower interest rates. The bond is paid for by a millage assessed to all properties within the Village. The final payment will be made in Fiscal Year 2016-2017.

Fund Revenue and Expenditure Budget

Debt Service (Voted) Fund 303 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
402.000 Property Taxes (Real Property)	137,677	150,000	135,600	124,700	124,700	
410.000 Property Tax (Personal)	24,052	-	21,700	20,100	20,100	
412.000 Delinguent Taxes-Real Prop	4,249	-	2,700	-	-	
420.000 Delinquent Tax - Personal Prop	54	-	-	-	-	
445.000 Property Tax Penalties	385	-	300	-	-	
665.000 Interest Earned	108	100	100	100	100	
Total Revenues	**166,525**	**150,100**	**160,400**	**144,900**	**144,900**	**-3.5%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
840.000 Bank Service Charges	107	100	100	100	100	
957.001 Property Tax Refunds	1,134	1,000	900	1,000	1,000	
957.003 Special Assessment Refunds	-	-	-	-	-	
Administration Total	**1,241**	**1,100**	**1,000**	**1,100**	**1,100**	**0.0%**

Dept: 570.000 Debt	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
990.003 Debt Service '02 Refunding	140,000	140,000	140,000	140,000	140,000	
991.003 '02 Refunding Interest	22,540	17,300	17,300	5,700	5,700	
992.000 Bond Fees	250	200	200	200	200	
Debt Total	**162,790**	**157,500**	**157,500**	**145,900**	**145,900**	**-7.4%**
Total Expenditures	**164,031**	**158,600**	**158,500**	**147,000**	**147,000**	**-7.3%**
Voted Debt Fund - Revenue over Expense	**2,494**	**(8,500)**	**1,900**	**(2,100)**	**(2,100)**	
Capital and One-Time Expenditures	**-**	**-**	**-**	**-**	**-**	

Debt Service (Non-Voted) Fund

The Debt Service (Non-Voted) Fund contains general debt that was issued through Council resolution, subject to voter referendum.

- 2006 Facilities Bond: This bond is paid by general operating funds, and was used to construct the Department of Public Works facility. The final payment will be made in Fiscal Year 2026-2027.
- 2014 Street Improvement Bond. This bond is paid by a transfer in from the Municipal Streets Fund. The final payment will be made in Fiscal Year 2023-2024

Debt Service (Non-Voted) Fund 351 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
695.101 Transfer In from General Fund	-	129,900	129,900	127,700	127,700	
695.204 Trans In - Municipal Streets	-	123,700	97,000	83,100	83,100	
698.000 Bond Proceeds	-	800,000	800,000	-	-	
Total Revenues	**-**	**1,053,600**	**1,026,900**	**210,800**	**210,800**	**-80.0%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
840.000 Bank Service Charges		100	100	**100**	**100**	
842.001 Bond Issuance Costs		18,200	18,200	-	-	
Transfers Out Total	**-**	**18,300**	**18,300**	**100**	**100**	**-99.5%**

Dept: 850.000 Long Term Debt	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
990.005 06 Facilities Bond Principal	-	75,000	75,000	75,000	75,000	
990.011 14 Road Bond Principal		60,000	70,000	70,000	70,000	
992.000 Bond Fees		800	300	300	300	
996.004 06 Facilities Bond Interest		55,000	54,600	51,600	51,600	
996.011 14 Road Bond Interest	-	45,000	8,100	13,100	13,100	
Debt Total	**-**	**235,800**	**208,000**	**210,000**	**210,000**	**-10.9%**

Dept: 965.000 Assets, Liabilities & Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
999.202 Transfer Out -Major Street		128,500	102,000	-	-	
999.203 Transfer Out to Local Streets		572,000	551,600	146,400	146,400	
Transfers Out Total	**-**	**700,500**	**653,600**	**146,400**	**146,400**	**-79.1%**
	-					
Total Expenditures	**-**	**954,600**	**879,900**	**356,500**	**356,500**	**-62.7%**
	-					
Non-Voted Debt Fund - Revenue over Expense	**-**	**99,000**	**147,000**	**(145,700)**	**(145,700)**	
Capital and One-Time Expenditures	**-**	**-**	**-**	**-**	**-**	

Capital Funds

Although capital improvement funds are not required to be included in a budget, sometimes management prefers that they be appropriated. For Fiscal Year 2015-2016, the City will not be using a separate Capital Fund.

Enterprise Funds

The City has two enterprise funds, which are the Sewer Fund and the Water Fund. Both funds are completely self-supporting, with their primary revenue source being user fees. Information on utility rates is included in the Utility Billing section of this budget document.

Administration fees are paid by the both the sewer and water funds to pay for services provided to them by personnel accounted for under the General Fund. On the rare occasion that a DPW truck is used for sewer or water business, the appropriate rental fees will be paid to the Equipment Fund. Tap fees are paid on new construction projects and on upgrades to existing facilities, when required by ordinance.

Sewer Fund

There are over 22 miles of sanitary sewers, with four major pump stations. The City also owns and operates its own wastewater treatment plant, which is located on the north end of the City. A Sanitary Sewer Capacity Analysis was done in 2005, which has led to improvements in inflow and infiltration through manhole rehabilitation, sewer main lining projects, and the construction of an equalization basin.

Sewer Fund Goals & Objectives

The following table is intended to show the link between the Sewer Fund and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
PUBLIC INFRASTRUCTURE			
Public Utilities	Assess impact of food processing businesses on sewer operations		New objective for 2015-2016

Fiscal Year 2014-2015 Budget Highlights

- Implemented new Work Order system, including training for the software and laptop equipment necessary to use the new system.
- Sewer staff have been working on an asset inventory for use in both the Work Order system and the proposed Asset Management Plan.

Utility Departments Performance Measures					
Measure	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Planned 2015-2016
Seek out improvements that will allow rate increases to be limited to 3% per year.	Sewer: 3% Water: 3%	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 3% Water: 4%

Fund Revenue and Expenditure Budget

Sewer Enterprise Fund 590 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
425.000 Delinquent Utility Bills (Tax Roll)	-	-	565	-	-	
633.002 Utility Bills - Sewer	996,066	1,074,800	1,050,000	1,081,500	1,081,500	
634.000 Utility Bill Penalties	3,379	3,000	3,900	3,000	3,000	
635.000 Sewer Surcharge	48,753	36,000	72,000	50,000	50,000	
636.001 Sewer Tap In Fees	241,449	175,000	185,000	185,000	185,000	
665.000 Interest Earned	1,186	1,000	877	1,000	1,000	
671.000 Other Revenue	10,481	1,000	10,606	1,000	1,000	
672.000 Reimbursements for Gasoline	7,866	7,500	8,000	8,000	8,000	
695.403 Transfer In from SRF Project Fund	17,609	-	-	-	-	
Total Revenue	**1,326,789**	**1,298,300**	**1,330,948**	**1,329,500**	**1,329,500**	**2.4%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
723.001 Other Post Employment Benefits	6,000	6,000	6,000	6,000	6,000	
802.001 Financial Audit	7,500	3,000	2,500	2,500	2,500	
811.000 Attorney Fees	11,353	5,000	5,619	5,000	5,000	
840.000 Bank Service Charges	148	200	96	200	200	
841.000 Village Administrative Costs	72,254	75,000	69,755	70,000	70,000	
843.000 Property Taxes	3,546	3,600	3,656	-	-	
Total Administration	**100,801**	**92,800**	**87,626**	**83,700**	**83,700**	**-9.8%**

Dept: 548.000 Sewer Utilities Department	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	33,333	41,300	39,000	26,500	26,500	
703.001 Salaries - Part Time	1,240	4,000	4,000	4,000	4,000	
704.000 Salaries - Union	138,509	125,900	137,129	165,000	165,000	
705.000 Salaries - Overtime	21,645	10,000	16,941	10,000	10,000	
705.001 Salaries - Call In Pay	-	3,900	4,520	4,500	4,500	
712.000 Vacation/Sick Time Cash Out	4,094	3,000	-	1,000	1,000	
720.000 Social Security & Medicare	15,403	14,400	15,440	15,300	15,300	
721.000 Health & Dental Insurance	41,068	25,000	22,868	25,000	25,000	
721.001 Retiree Health Care	10,304	15,400	15,522	17,000	17,000	
721.002 Pay in Lieu of Medical Insurance	1,500	4,400	2,625	1,500	1,500	
722.000 Life & Short Term Disability Insurance	1,120	1,200	1,205	1,200	1,200	
723.000 Defined Benefit Plan	18,276	23,500	23,500	27,000	27,000	
723.003 Defined Contribution Plan	2,006	2,400	3,284	4,000	4,000	
728.000 Postage	1,462	1,300	1,000	1,000	1,000	
740.000 Operating Supplies	6,953	7,000	8,016	8,000	8,000	
741.000 Road Repair Supplies	1,755	4,000	470	1,000	1,000	
742.000 Chemical Supplies - Plant	39,293	33,000	38,079	38,000	38,000	
743.000 Chemical Supplies - Lab	11,897	11,000	11,287	11,000	11,000	
745.000 Uniform Allowance	4,130	3,500	4,071	4,000	4,000	
751.000 Gasoline & Oil	23,068	24,000	16,146	17,000	17,000	
802.000 Professional Services	45,937	30,000	20,000	25,000	25,000	
803.003 Sludge Hauling	99,589	64,000	55,000	50,000	50,000	
803.004 Sewer Investigation & Repair	7,963	5,000	10,800	5,000	5,000	
803.005 Sewer Line Maintenance	9,283	13,000	13,000	15,000	15,000	
824.000 Testing & Analysis	3,332	3,500	5,039	5,000	5,000	
861.000 Travel & Mileage	163	500	-	500	500	
901.000 Printing & Publishing	385	500	300	500	500	
910.000 Workers Compensation	3,677	4,000	3,659	4,000	4,000	
911.000 Liability Insurance	16,307	16,500	15,776	16,500	16,500	
920.000 Utilities	72,555	60,000	64,000	60,000	60,000	
920.001 Utilities - Telephones	4,776	4,600	2,975	4,000	4,000	
935.000 Building Maintenance & Repair	9,048	10,000	4,924	5,000	5,000	
937.000 Equipment Maintenance & Repair	15,596	15,000	18,681	20,000	20,000	
938.000 Lab Equipment Maintenance & Repair	4,880	11,000	9,822	5,000	5,000	
938.001 SCADA Maintenance	4,033	12,000	12,800	12,000	12,000	
939.000 Vehicle Maintenance & Repair	2,899	1,500	2,988	3,000	3,000	
955.000 Miscellaneous	8,534	500	5,200	500	500	
957.004 State Licenses/Permits	5,296	5,000	3,100	3,500	3,500	
958.000 Memberships & Dues	150	500	1,227	1,500	1,500	
960.000 Education & Training	2,809	9,800	9,033	5,000	5,000	
977.000 Equipment	6,952	5,000	9,400	10,000	10,000	
Total Sewer Utilities	**701,220**	**630,100**	**632,827**	**633,000**	**633,000**	**0.5%**

Dept: 850.000 Debt	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
995.005 SRF #1 (2009) Bond Principal	70,000	70,000	70,000	70,000	70,000	
995.006 SRF #2 (2012) Bond Principal	-	130,000	130,000	130,000	130,000	
995.007 2012 Sewer Bond Principal (RD Refunding)	90,000	90,000	90,000	90,000	90,000	
996.005 SRF #1 (2009) Bond Interest	37,757	36,100	36,007	36,000	36,000	
996.006 SRF #2 (2012) Bond Interest	59,915	80,900	81,617	81,600	81,600	
996.007 3012 Sewer Bond Interest (RD Refunding)	57,480	55,700	55,680	55,700	55,700	
Total Debt	**315,152**	**462,700**	**463,304**	**463,300**	**463,300**	**0.1%**

Dept: 890.000 Contingencies	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
955.000 Miscellaneous	-	-	-	15,000	15,000	
Total Contingencies	**-**	**-**	**-**	**15,000**	**15,000**	**100.0%**

Dept: 901.000 Capital Improvements	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
970.005 Capital Improvements - Sludge Project	15,133	340,000	315,000	-	-	
974.000 CIP Capital Improvements	40,279	50,000	44,158	30,000	30,000	
975.011 Property Acquisition	-	-	-	10,000	10,000	
987.000 Capital Equipment	26,063	43,000	24,600	15,000	15,000	
981.000 Vehicles	-	15,000	17,452	-	-	
Total Capital Improvements	**81,475**	**448,000**	**401,210**	**55,000**	**55,000**	**-87.7%**

Total Expenditures	**1,658,715**	**1,648,600**	**1,584,967**	**1,250,000**	**1,250,000**	**-24.2%**
Sewer Fund - Revenue over Expense	**(331,926)**	**(350,300)**	**(254,019)**	**79,500**	**79,500**	
Capital and One-Time Expenditures	**81,475**	**448,000**	**401,210**	**55,000**	**55,000**	

Water Fund

The City receives its potable water from five drinking water wells located within the City. Once the water gets pumped out of the wells, it gets transported to an iron removal treatment plant for treatment. The City also owns and operates a 500,000 gallon elevated storage tank. The existing water distribution system is comprised of 4-inch water mains built in the 1930's, several 6-inch water mains, and newer 8 to 16-inch water mains.

Water Fund Goals & Objectives

The following table is intended to show the link between the Water Fund and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2015-2016.

	Objective	2014-2015 Result	2015-2016 Action
PUBLIC INFRASTRUCTURE			
Public Utilities	Assess impact of food processing businesses on sewer operations		New objective for 2015-2016

Fiscal Year 2014-2015 Budget Highlights

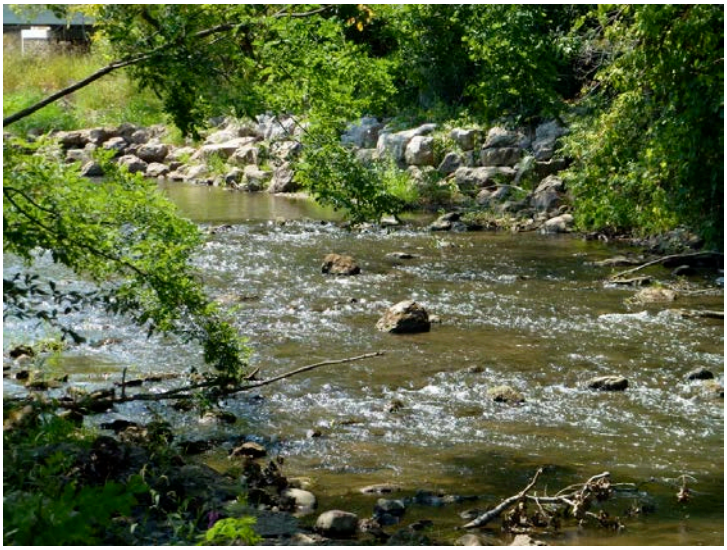
- Implemented new Work Order system, including training for the software and laptop equipment necessary to use the new system.
- Water staff have been working on an asset inventory for use in both the Work Order system and the proposed Asset Management Plan.

Utility Departments Performance Measures					
Measure	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Estimated 2014-2015	Planned 2015-2016
Seek out improvements that will allow rate increases to be limited to 3% per year.	Sewer: 3% Water: 3%	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 3% Water: 4%

Fund Revenue and Expenditure Budget

Water Enterprise Fund 591 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
425.000 Delinquent Utility Bills (Tax Roll)	-	-	-	-	-	
579.000 MDOT Well Grant/RD Water	617	-	-	5,000	5,000	
580.000 State Grants	-	-	-	-	-	
633.003 Utility Bills - Water	656,435	711,800	648,100	673,000	673,000	
634.000 Utility Bill Penalties	1,993	2,000	1,481	2,000	2,000	
636.002 Water Tap In Fees	145,723	105,000	105,500	111,000	111,000	
646.000 Sales of Second Meters	10,095	3,000	7,131	5,000	5,000	
665.000 Interest Earned	2,436	2,000	847	1,000	1,000	
671.000 Other Revenue	3,334	1,000	13,924	1,000	1,000	
695.404 Transfer In from DWRF Project Fund	-	-	-	-	-	
Total Revenue	**820,633**	**824,800**	**776,983**	**798,000**	**798,000**	**-3.2%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
723.001 Other Post Employment Benefits	5,000	5,000	5,000	5,000	5,000	
802.001 Financial Audit	1,500	1,500	1,500	1,500	1,500	
811.000 Attorney Fees - Miscellaneous	1,079	1,000	870	1,000	1,000	
840.000 Bank Service Charges	102	200	200	200	200	
841.000 Village Administrative Costs	72,254	75,000	69,755	70,000	70,000	
Total Administration	**79,935**	**82,700**	**77,325**	**77,700**	**77,700**	**-6.0%**



Dept: 556.000 Water Utilities Department	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
703.000 Salaries - Non Union	24,833	38,400	34,339	17,500	17,500	
703.001 Salaries - Part Time	1,240	4,000	4,000	4,000	4,000	
704.000 Salaries - Union	88,805	76,400	87,664	112,000	112,000	
705.000 Salaries - Overtime	20,650	10,000	6,590	7,000	7,000	
705.001 Salaries - Call In Pay	-	3,900	3,101	3,900	3,900	
712.000 Vacation/Sick Time Cash Out	4,301	4,000	-	2,000	2,000	
720.000 Social Security & Medicare	10,704	10,600	10,184	11,200	11,200	
721.000 Health & Dental Insurance	23,831	16,000	15,048	16,500	16,500	
721.001 Retiree Health Insurance	5,073	7,000	7,769	8,000	8,000	
721.002 Pay in Lieu of Medical Insurance	1,500	2,700	2,625	1,500	1,500	
722.000 Life & Short Term Disability Insurance	747	800	803	900	900	
723.000 Defined Benefit Plan	9,401	10,600	10,600	11,600	11,600	
723.003 Defined Contribution Plan	2,029	2,700	3,022	3,500	3,500	
728.000 Postage	967	1,000	1,031	1,000	1,000	
740.000 Operating Supplies	6,809	8,000	6,013	8,000	8,000	
741.000 Road Repair Supplies	18,305	4,000	15,683	5,000	5,000	
743.000 Chemical Supplies - Lab	26,290	29,000	24,714	25,000	25,000	
745.000 Uniform Allowance	2,616	2,500	2,925	3,000	3,000	
751.000 Gasoline & Oil	7,694	7,500	10,140	8,000	8,000	
802.000 Professional Services	10,525	15,000	17,195	20,000	20,000	
824.000 Testing & Analysis	1,495	2,000	2,809	4,000	4,000	
861.000 Travel & Mileage	220	500	-	500	500	
901.000 Printing & Publishing	960	500	691	700	700	
910.000 Workers Compensation	1,491	1,700	1,483	1,500	1,500	
911.000 Liability Insurance	5,599	5,600	5,416	5,600	5,600	
920.000 Utilities	52,366	57,000	36,479	37,000	37,000	
920.001 Utilities - Telephones	4,215	4,000	2,083	3,000	3,000	
935.000 Building Maintenance & Repair	1,085	1,000	1,155	1,000	1,000	
937.000 Equipment Maintenance & Repair	27,965	15,000	17,598	15,000	15,000	
938.000 Lab Equipment Maintenance & Repair	3,106	17,000	-	1,000	1,000	
939.000 Vehicle Maintenance & Repair	1,301	1,500	3,751	1,500	1,500	
941.000 Equipment Rentals	248	-	-	-	-	
955.000 Miscellaneous	1,884	500	209	500	500	
957.004 State Licenses/Permit Fees	2,901	3,000	1,502	2,000	2,000	
958.000 Memberships & Dues	357	500	-	500	500	
960.000 Education & Training	2,916	8,000	7,511	5,000	5,000	
961.000 Wellhead Protection Program	315	-	-	10,000	10,000	
977.000 Equipment	71,817	50,000	64,902	50,000	50,000	
Total Water Utilities	**446,561**	**421,900**	**409,035**	**408,400**	**408,400**	**-3.2%**

Dept: 850.000 Debt	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
995.008 DWRF #1 (2010) Bond Principal	50,000	50,000	50,000	55,000	55,000	
995.009 DWRF #2 (2011) Bond Principal	35,000	35,000	35,000	35,000	35,000	
995.010 2012 Water Bond Principal (RD Refunding)	70,000	80,000	80,000	80,000	80,000	
996.008 DWRF #1 (2010) Bond Interest	27,481	26,300	26,230	25,000	25,000	
996.009 DWRF #2 (2011) Bond Interest	21,278	20,500	20,403	20,000	20,000	
996.010 2012 Water Bond Interest (RD Refunding)	45,353	44,000	43,902	42,500	42,500	
Total Debt	**249,112**	**255,800**	**255,535**	**257,500**	**257,500**	**0.7%**

Dept: 890.000 Contingencies	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
955.000 Miscellaneous	-	15,000	-	15,000	15,000	
Total Contingencies	**-**	**15,000**	**-**	**15,000**	**15,000**	**0.0%**

Dept: 895.000 Required Accounting	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
726.001 Vacation/Sick Accrual	4,200	-	-	-	-	
968.000 Depreciation	361,823		-	-	-	
968.001 Capitalization	(34,318)	-	-	-	-	
968.002 To Bond Payable	(137,423)	-	-	-	-	
Total Debt	**194,282**	**-**	**-**	**-**	**-**	**0.0%**

Dept: 901.000 Capital Improvements	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	Manager Proposed 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
974.000 CIP Captial Improvements	25,149	26,000	11,770	10,000	10,000	
974.001 Other Capital Improvements	11,519	-	-	-	-	
975.015 Ann Arbor Street Project	32,969	323,500	380,000	-	-	
981.000 Vehicles	-	15,000	17,452	-	-	
Total Capital Improvements	**69,637**	**364,500**	**409,222**	**10,000**	**10,000**	**-97.3%**

Total Expenditures	**1,039,527**	**1,139,900**	**1,151,117**	**768,600**	**768,600**	**-32.6%**
Water Fund - Revenue over Expense	**(218,894)**	**(315,100)**	**(374,134)**	**29,400**	**29,400**	
Capital and One-Time Expenditures	**69,637**	**364,500**	**409,222**	**10,000**	**10,000**	

Component Units

Component Units are legally separate entities that meet any of three tests: 1) the primary government appoints the voting majority of the board of the component unit and is able to impose its will or is in a relationship of financial burden or benefits; 2) the component unit is fiscally dependent upon the primary government; 3) the financial statements would be misleading if data from the component unit were not included.

Downtown Development Authority

The Downtown Development Authority (DDA) consists of the following members:

Steve Brouwer – Chair
Doug Finn – Vice Chair
Tom Covert - Treasurer
Carol Jones - Secretary
Rich Bellas
Patrick Becker
Fred Model
Dan O'Haver
Fred Schmid
Randy Willis
Shawn Keough - Ex-officio

The Downtown Development Authority (DDA) is a tax increment financing based organization whose membership is appointed by the Village Council upon recommendation of the Village President. They are responsible for capital projects and maintenance of the downtown area. The DDA board adopts their own annual budget, which is then presented to the Village Council for acceptance. This budget was adopted on May 21, 2015.

There are three funds used by the DDA - the DDA Fund, the DDA Debt Fund, and the DDA Project Fund. This year's budget includes the closing of the DDA Project Fund and the moving of its assets to the DDA Fund. The rationale for this decision is that there are no large, specific projects being done at this time, and the cash that was included in the DDA Project Fund at Fiscal Year 2014-2015 year end was better used for current general projects than being held for a future, specific project.

DDA Fund

The DDA Fund is the main operating fund for the Downtown Development Authority. Non-project revenue and expenditures are recorded in this fund.

DDA Fund 248 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
415.000 Tax Capture Revenue	295,385	295,000	292,185	287,500	287,500	
574.001 Personal Property Tax Reimbursement	-	-	7,821	5,300	5,300	
665.000 Interest Earned	2,041	300	431	500	500	
667.000 Rents (General)	20,549	-	-	-	-	
671.000 Other Revenue	122,174	-	-	-	-	
695.494 Tr In DDA Project Fund	-	-	-	186,500	186,500	
Total Revenues	**440,149**	**295,300**	**300,437**	**479,800**	**479,800**	**62.5%**

Dept: 248.000 Administration	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
802.000 Professional Services	2,500	5,000	1,500	5,000	5,000	
803.000 Contracted Services	1,500	13,800	12,285	1,700	1,700	
810.000 Attorney Fees	15,767	10,000	17,630	15,000	15,000	
843.000 Property Taxes	10,374	7,200	7,134	-	-	
880.000 Downtown Events	500	-	301	500	500	
935.002 DAPCO Maintenance	8,499	-	-	-	-	
955.000 Miscellaneous	10	-	-	-	-	
957.002 DDA Capture Refunds	4,691	5,000	306	500	500	0
Administration Total	**43,841**	**41,000**	**39,156**	**22,700**	**22,700**	**-44.6%**

Dept: 442.000 Downtown Public Works	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
803.015 City Maintenance	10,000	5,000	5,000	5,000	5,000	
970.000 Contracted Capital Improvements	-	-	-	15,900	15,900	
Downtown Public Works Total	**10,000**	**5,000**	**5,000**	**20,900**	**20,900**	**318.0%**

Dept: 901.000 Capital Improvements	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
972.001 Purchase of House	-	-	-	20,000	20,000	
972.002 DTE Substation Move	-	-	-	25,000	25,000	
972.004 3045 Broad Street Redevelopment	-	-	-	25,000	25,000	
Transfers Total	**-**	**-**	**-**	**70,000**	**70,000**	**100.0%**

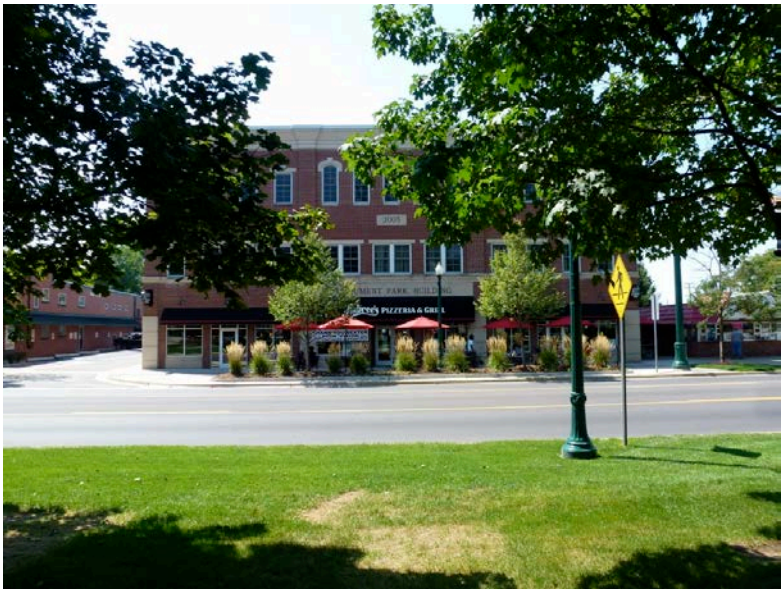
Dept: 965.000 Transfers	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
999.101 Transfer Out to General Fund	85,000	-	-	-	-	
999.202 Transfer Out to Major Streets		111,200	111,128	-	-	
999.394 Transfer Out for Bond Payments - 394	257,100	336,000	300,007	282,200	282,200	
999.494 Transfer Out to DDA Project Fund - 494	60,600	121,800	9,800	-	-	0
Transfers Total	**402,700**	**569,000**	**420,935**	**282,200**	**282,200**	**-50.4%**
Total Expenditures	**456,541**	**615,000**	**465,091**	**395,800**	**395,800**	**-35.6%**
DDA Fund - Revenue over Expense	**(16,392)**	**(318,500)**	**(164,654)**	**84,000**	**84,000**	
Capital and One-Time Expenditures	**-**	**-**	**-**	**70,000**	**70,000**	

DDA Debt Fund

The DDA Debt Fund is used for payments of all bond payments. Funding for this fund comes from transfers in from the DDA Fund.

DDA Debt Fund 394 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
665.000 Interest Earned	1,397	200	396	-	-	
671.000 Other Revenue	-	-	-	-	-	
695.248 Transfer In from DDA Fund 248	257,100	336,000	300,007	282,200	282,200	
Total Revenues	**258,497**	**336,200**	**300,403**	**282,200**	**282,200**	**-16.1%**

Dept: 850.000 Long Term Debt	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
992.000 Bond Fees	1,000	1,000	1,000	1,000	1,000	
997.003 DDA 2008 Taxable Bond ($1.6M)	136,440	360,400	351,559	80,700	80,700	
997.004 DDA 2008 Non-Taxable Bond ($2+M)	119,441	118,500	118,500	117,500	117,500	
997.005 2012 Refunding Bond ($620K)	80,005	81,100	81,012	83,000	83,000	
Long Term Debt Total	**336,886**	**561,000**	**552,071**	**282,200**	**282,200**	**-49.7%**
Total Expenditures	**336,886**	**561,000**	**552,071**	**282,200**	**282,200**	**-49.7%**
DDA Debt Fund - Revenue over Expense	**(78,389)**	**(224,800)**	**(251,668)**	**-**	**-**	



DDA Project Fund

The project fund is used to account for specific project activity, and is being inactivated.

DDA Project Fund 494 Revenue	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
665.000 Interest Earned	1,463	200	228	-	-	
671.000 Other Revenue	6,500	-	-	-	-	
695.248 Transfer In from DDA Fund 248	60,600	121,800	9,800	-	-	
Total Revenues	**68,563**	**122,000**	**10,028**	**-**	**-**	**-100.0%**

Dept: 908.000 Tupper Redevelopment	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
802.000 Professional Services	37,334	50,000	11,965	-	-	
830.000 Engineering Consulting	13,295	-	-	-	-	
830.008 Environmental Study	225	-	900	-	-	
Capital Improvements Total	**50,854**	**50,000**	**12,865**	**-**	**-**	

Dept: 965.000 Transfers	Actual 2013-2014	Current Year 2014-2015 Amended Budget	Current Year 2014-2015 Estimated YE Position	DDA Adopted 2015-2016	Council Adopted 2015-2016	% Change (Budget) 2014 to 2015
999.002 Transfer Out to General Fund- Houses	20,000	20,000	20,000	-	-	
999.248 Transfer Out to DDA Fund 248	-	-	-	186,500	186,500	
Transfers Total	**20,000**	**20,000**	**20,000**	**186,500**	**186,500**	**832.5%**
Total Expenditures	**70,854**	**70,000**	**32,865**	**186,500**	**186,500**	
DDA Project Fund - Revenue over Expense	**(2,291)**	**52,000**	**(22,837)**	**(186,500)**	**(186,500)**	

Glossary

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, this budget glossary has been included in the document.

Accrual Basis of Accounting: A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

Activity: Cost center within a fund or department to which specific expenses are to be allocated.

Ad Valorem: According to value. "A method of taxation using the value of the thing taxed to determine the amount of tax. Taxes can be either "ad valorem" or "specific." Example: A tax of $5.00 per $1000.00 of value per house is "ad valorem." A tax of $5.00 per house (irrespective of value) is specific.

Appropriation: An authorization made by the City Council, which permits officials to incur obligations against, and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

Assessed Valuation: The estimated value placed upon real and personal property by the City assessor. Assessed value is required to be at least 50% of the true cash value.

Assets: Property owned by the City, which has monetary value.

Audit: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to ascertain whether financial statements fairly present financial positions and results of operations. The audit tests whether transactions have been legally performed; Identifies areas for possible improvements in accounting practices and procedures; Ascertains whether transactions have been recorded accurately and consistently; and Ascertains the stewardship of officials responsible for governmental resources.

Base Budget: A budget that is predicted on maintaining an existing level of service.

Bond (Debt Instrument): A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

Budget (Operating): A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the City and its departments operate.

Budget Calendar: The schedule of key dates or milestones that the City follows in the preparation and adoption of the budget.

Budgetary Control: The level at which expenditures cannot legally exceed the appropriated amounts.

Budgeted Funds: Funds that are planned for certain uses. The budget document that is submitted for Council approval is composed of budgeted funds.

Budget Message (City Manager's): A general discussion of the proposed budget document presented in writing as a supplement to the budget document. The budget message explains principle budget issues against the background of financial experience in recent years.

CAFR: Abbreviation for Comprehensive Annual Financial Report. This is prepared at the end of a fiscal year.

Capital Outlay: A disbursement of money which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than $5,000 and have a useful life of more than one year.

Cash Management: The management of cash necessary to pay government services while investing idle cash in order to earn interest. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in accordance with the Investment Policy.

CIP: Abbreviation for Capital Improvement Plan.

Contingency: An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures. Under Michigan law, to be used, contingencies must be moved to the specific appropriation line by a budget amendment.

Contractual Services: Items of expenditure from services that the City receives from an outside company. Heating and cooling maintenance services, custodial services, and information technology support are examples of contractual services.

CPI: Abbreviation for Consumer Price Index.

Current Taxes: Taxes that are levied and due within one year.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Department: An administration division of the City. Departments are the main groupings within the budget, for example City Manager, Public Works, Engineering etc.

Depreciation: A noncash expense that reduces the value of an asset as a result of wear and tear, age or obsolescence. Most assets lose their value over time
(in other words they depreciate) and must be replaced at the end of their useful life is reached.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedule for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The cost of goods delivered and services rendered, whether paid or unpaid.

Fund: An independent accounting entity with established to account for the assets, liabilities, revenues and expenditures for specific activities. Examples include the General Fund for day-to-day activities, Major Streets Funds for activities relating to major streets, Sewer Fund for sewer-related activities, etc.

Fund Balance: The excess of an entity's assets over liabilities. A negative fund balance is often called a deficit.

GAAP: Abbreviation for Generally Accepted Accounting Principles.

GASB: The Governmental Accounting Standards Board, which provides direction in accounting and reporting requirements for units of government.

General Fund: The largest fund within the City, the General Fund accounts for most of the day to day operations of the government, such as fire and police protection, finance, public works and general administration. The main source of revenue for the General Fund is the City's operating millage.

General Obligation Bonds: When the City pledges its full faith and credit to the repayment of the bonds that it issues, those bonds are called general obligation (GO) bonds. Issuance of these may bonds require an election and they are usually repaid by an ad valorem property tax levy.

GFOA: Abbreviation for Government Finance Officers Association.

GIS: Abbreviation for Geographic Information System.

Investment: The placement of excess City cash assets into instruments approved by the City's Investment Policy for the purpose of earning interest income.

Liabilities: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.

Litigation: The process of taking an argument between people or groups to a court of law.

Long Term Debt: Debt with a maturity of more than one year.

Maturities: The date on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

MERS: The Michigan Municipal Employees Retirement System is a multi-employer statewide public employee retirement plan created to provide retirement, survivor and disability benefits to local government employees.

Millage: A rate of taxation expressed as mills per dollar.

Michigan Economic Development Corporation (MEDC): An agency of the State dedicated to fostering an atmosphere that is positive for economic development. They may make funds available for certain projects, and provide assistance to communities in the area of economic development.

Michigan State Housing Authority (MISHDA): An agency of the State that may have funds available for certain types of economic development.

Modified Accrual Basis of Accounting: Basis of accounting to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar obligations which should be recognized when due.

Per Capita Basis: Per unit population.

Personnel Services: The expenditures within the budget that relate to personnel such as salaries and fringe benefits.

Revenue: An addition to the assets of a fund which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital in an enterprise fund.

SEV: Abbreviation for State Equalized Value.

Special Assessments: Assessments levied on tax bills that are used to fund capital projects that benefit a limited number of properties. The assessments are usually used to repay bonds.

Taxable Value: This is a value used as a base for levying property taxes. It was established by a state constitutional amendment. Taxable values may only be increases by 5% or the rate of inflation, whichever is lower. When property changes hands, the value return to 50% of the true cash value.

Transfers In/Transfers Out: A legally authorized funding transfer between funds in which one fund is responsible got the initial receipt and the other fund is responsible for the actual disbursement

Trust and Agency Fund: These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds.

Water and Sewer Funds: These two enterprise funds are used to account for the provision of water and sewer services to the customer, financed primarily by user charges.

WCRC: Abbreviation for Washtenaw County Road Commission.

Appendix A – Statistical Information

This appendix contains a variety of statistical information about the City of Dexter. Sources for this information are the City's tax rolls and the Southeast Michigan Council of Governments (SEMCOG). Information from SEMCOG is available at their website at www.semcog.org.

Top 20 Taxpayers

Top 20 Taxpayers				
Business Name	Taxable Value	2015 Taxes	Number of Parcels	% of Total Taxable Value
Dexter Fastener Technologies Inc.	$ 27,876,150	$ 330,794	4	13.92%
Chelsea Health & Wellness Foundation	$ 5,254,853	$ 74,454	1	3.13%
United Methodist Retirement Community	$ 4,840,003	$ 68,576	2	2.89%
Dapco Industries	$ 3,612,577	$ 45,056	4	1.90%
AML Dexter LLC	$ 2,875,555	$ 40,743	1	1.71%
Tri-Bro, LLC	$ 2,232,253	$ 31,628	1	1.33%
DTE Electric Company	$ 2,099,952	$ 29,753	4	1.25%
Dexter LLC	$ 1,917,645	$ 27,170	3	1.14%
Walkabout Creek I	$ 1,892,083	$ 26,808	1	1.13%
Variety Die & Stamping Co.	$ 1,868,200	$ 26,470	4	1.11%
Shamrock Development Corp LLC	$ 1,686,560	$ 23,896	1	1.01%
Dexter Crossings Associates LLC	$ 1,631,900	$ 23,122	2	0.97%
DTE Gas Company	$ 1,318,400	$ 18,680	2	0.79%
Excalibur Holdings	$ 1,268,300	$ 17,970	1	0.76%
Monument Park Investments LLC	$ 1,194,096	$ 16,919	1	0.71%
KCM Properties LLC	$ 1,147,766	$ 16,262	2	0.68%
Protomatic Inc	$ 1,104,900	$ 15,655	1	0.66%
Chelsea State Bank	$ 1,047,429	$ 14,841	1	0.62%
Walkabout Creek II	$ 1,020,350	$ 14,457	1	0.61%
Bluewater Development LLC	$ 1,017,494	$ 14,416	1	0.61%

Demographic Information

The following pages are printed directly from SEMCOG's website.

SEMCOG | Southeast Michigan Council of Governments

Community Profiles

YOU ARE VIEWING DATA FOR:

Village of Dexter

8140 Main St
Dexter, MI 48130-1092
http://www.dextermi.gov/

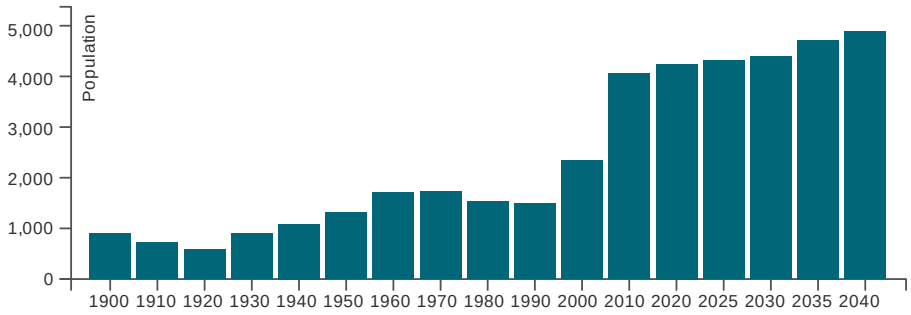
SEMCOG MEMBER

Census 2010 Population: 4,067
Area: 1.7 square miles

Population and Households

Link to American Community Survey (ACS) Profiles: 2009-2013 ▼ Social | Demographic
Population and Household Estimates for Southeast Michigan, December 2014

Population Forecast



Source: U.S. Census Bureau and SEMCOG 2040 Forecast produced in 2012.

Population and Households

Population and Households	Census 2010	Change 2000-2010	Pct Change 2000-2010	SEMCOG Dec 2014	SEMCOG 2040
Total Population	4,067	1,729	74.0%	4,828	4,885
Group Quarters Population	0	-1	-100.0%	0	0
Household Population	4,067	1,730	74.0%	4,828	4,885
Housing Units	1,704	598	54.1%	1,850	-
Households (Occupied Units)	1,590	577	57.0%	1,797	2,027
Residential Vacancy Rate	6.7%	-1.7%	-	2.9%	-
Average Household Size	2.56	0.25	-	2.69	2.41

Source: U.S. Census Bureau and SEMCOG 2040 Forecast produced in 2012.

Components of Population Change

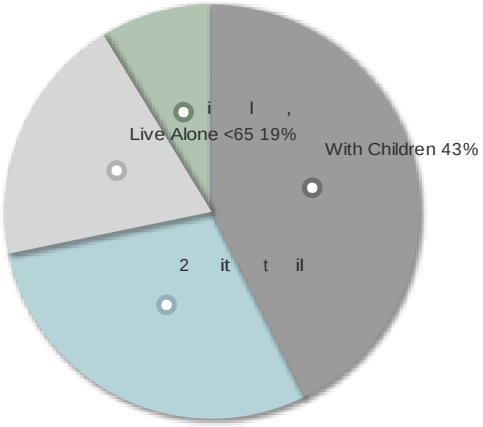
Components of Population Change	2000-2005 Avg.	2006-2010 Avg.
Natural Increase (Births - Deaths)	38	55
Births	59	70
Deaths	21	15
Net Migration (Movement In - Movement Out)	174	79
Population Change (Natural Increase + Net Migration)	212	134

Source: Michigan Department of Community Health Vital Statistics U.S. Census Bureau, and SEMCOG.

Demographics

Household Types

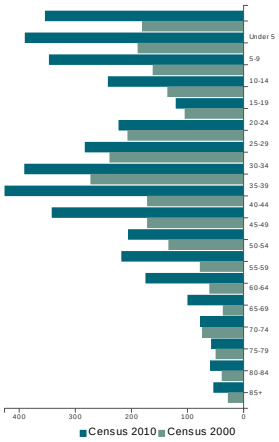
Census 2010



Household Types	Census 2000	Census 2010	Pct Change 2000-2010
With Seniors 65+	180	279	55.0%
Without Seniors	833	1,311	57.4%
Two or more persons without children	324	464	43.2%
Live alone, 65+	91	139	52.7%
Live alone, under 65	236	310	31.4%
With children	362	677	87.0%
Total Households	1,013	1,590	57.0%

Source: U.S. Census Bureau and Decennial Census.

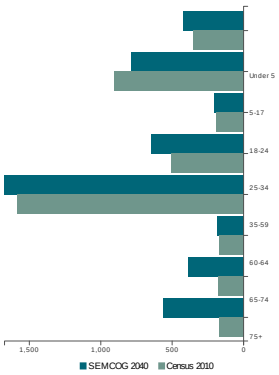
Population Change by Age, 2000-2010



Age Group	Census 2000	Census 2010	Change 2000-2010
Under 5	181	354	173
5-9	189	390	201
10-14	162	347	185
15-19	136	242	106
20-24	105	121	16
25-29	207	223	16
30-34	239	283	44
35-39	273	391	118
40-44	172	426	254
45-49	172	342	170
50-54	134	206	72
55-59	78	218	140
60-64	61	175	114
65-69	37	100	63
70-74	75	77	2
75-79	50	58	8
80-84	39	60	21
85+	28	54	26
Total	2,338	4,067	1,729
Median Age	33.7	36.2	2.5

Source: U.S. Census Bureau and Decennial Census.

Forecasted Population Change 2010-2040



Source: SEMCOG 2040 Forecast produced in 2012.

Age Group	2010	2015	2020	2025	2030	2035	2040	Change 2010 - 2040
Under 5	354	371	375	373	354	401	423	69
5-17	905	845	789	702	701	754	790	-115
18-24	195	235	211	204	188	227	207	12
25-34	506	535	557	616	615	661	650	144
35-59	1,583	1,586	1,543	1,534	1,482	1,552	1,673	90
60-64	175	200	216	203	210	201	188	13
65-74	177	252	329	391	444	426	390	213
75+	172	187	225	297	396	497	564	392
Total	4,067	4,211	4,245	4,320	4,390	4,719	4,885	818

Source: U.S. Census Bureau and SEMCOG 2040 Forecast produced in 2010.

Senior and Youth Populations

Senior and Youth Population	Census 2000	Census 2010	Pct Change 2000-2010	SEMCOG 2040	Pct Change 2010-2040
65 and over	229	349	52.40%	954	173.35%
Under 18	618	1,259	103.72%	1,213	-3.65%
5 to 17	437	905	107.09%	790	-12.71%
Under 5	181	354	95.58%	423	19.49%

Note: Population by age changes over time because of the aging of people into older age groups, the movement of people, and the occurrence of births and deaths.

Source: U.S. Census Bureau, Decennial Census and SEMCOG 2040 Forecast produced in 2012.

Race and Hispanic Origin

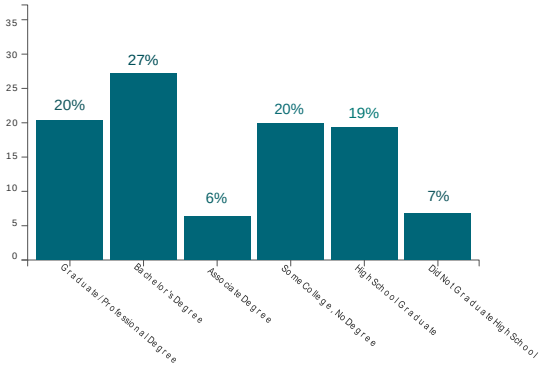
Race and Hispanic Origin	Census 2000	Percent of Population (2000)	Census 2010	Percent of Population (2010)	Percentage Point Change 2000-2010
Non-Hispanic	2,315	99.0%	3,954	97.2%	-1.8%
White	2,242	95.9%	3,693	90.8%	-5.1%
Black	10	0.4%	43	1.1%	0.6%
Asian	24	1.0%	112	2.8%	1.7%
Multi-Racial	31	1.3%	81	2.0%	0.7%
Other	8	0.3%	25	0.6%	0.3%
Hispanic	23	1.0%	113	2.8%	1.8%
Total	2,338	100.0%	4,067	100.0%	0.0%

Source: U.S. Census Bureau and Decennial Census.

Highest Level of Education

Highest Level of Education*	5-Yr ACS 2010	Percentage Point Chg 2000-2010
Graduate / Professional Degree	20.4%	5.5%
Bachelor's Degree	27.2%	3.7%
Associate Degree	6.4%	0.6%
Some College, No Degree	19.9%	-3.2%
High School Graduate	19.4%	-5.3%
Did Not Graduate High School	6.8%	-1.2%

* Population age 25 and over

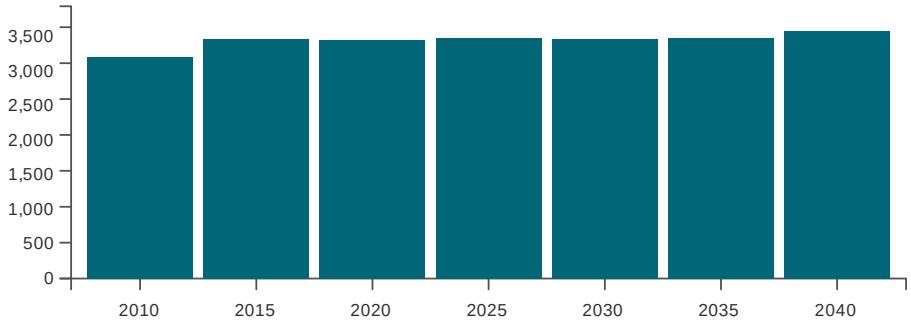


Source: U.S. Census Bureau, Census 2000 and 2010 American Community Survey 5-Year Estimates.

Economy & Jobs

Link to American Community Survey (ACS) Profiles: 2009-2013 ▼ Economic

Forecasted Jobs



Source: SEMCOG 2040 Forecast produced in 2012.

Forecasted Jobs by Industry

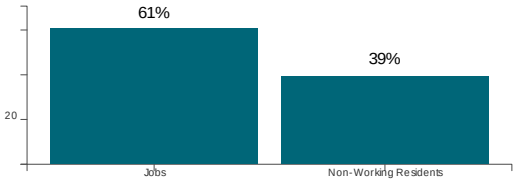
Forecasted Jobs By Industry	2010	2015	2020	2025	2030	2035	2040	Change 2010 - 2040
Natural Resources, Mining, & Construction	95	89	91	90	107	97	83	-12
Manufacturing	817	839	819	788	745	725	741	-76
Wholesale Trade, Transportation, Warehousing, & Utilities	624	688	655	635	597	564	587	-37
Retail Trade	354	355	342	368	387	417	421	67
Knowledge-based Services	134	141	158	158	167	153	168	34
Services to Households & Firms	194	286	288	296	302	344	350	156
Private Education & Healthcare	202	219	231	254	257	241	257	55
Leisure & Hospitality	214	224	230	250	248	269	290	76
Government	448	495	503	512	524	537	550	102
Total	3,082	3,336	3,317	3,351	3,334	3,347	3,447	365

Source: SEMCOG 2040 Forecast produced in 2012.

Note: "C" indicates data blocked due to confidentiality concerns of ES-202 files.

Daytime Population

Daytime Population	SEMCOG and ACS 2010
Jobs	3,082
Non-Working Residents	2,000
Age 15 and under	1,164
Not in labor force	704
Unemployed	132
Daytime Population	5,082



Source: SEMCOG 2040 Forecast produced in 2012, U.S Census Bureau, and 2010 American Community Survey 5-Year Estimates.

Note: The number of residents attending school outside Southeast Michigan is not available. Likewise, the number of students commuting into Southeast Michigan to attend school is also not known.

Where Workers Commute From 5-Yr ACS 2010

Rank	Where Workers Commute From *	Workers	Percent
1	Dexter (part) or Scio Township	9,532	36.6%
2	Dexter (part) or Webster Township	3,090	11.9%
3	Ann Arbor	2,175	8.4%
4	Ypsilanti Township	965	3.7%
5	Pittsfield Township	685	2.6%
6	Dexter Township	445	1.7%
7	Hamburg Township	435	1.7%
8	Ypsilanti	410	1.6%
9	Saline	320	1.2%
10	Lima Township	294	1.1%
-	Elsewhere	7,662	29.5%
* Workers, age 16 and over employed in Dexter, Scio Township, or Webster Township		26,013	

Source: U.S. Census Bureau - CTTP/ACS Commuting Data.
Commuting Patterns in Southeast Michigan

Resident Population

Where Residents Work 5-Yr ACS 2010

Rank	Where Residents Work *	Workers	Percent

1	Scio Township	13,034	54.4%
2	Ann Arbor	4,700	19.6%
3	Pittsfield Township	920	3.8%
4	Webster Township	706	2.9%
5	Ann Arbor Township	345	1.4%
6	Detroit	345	1.4%
7	Ypsilanti	270	1.1%
8	Chelsea City	215	0.9%
9	Ypsilanti Township	210	0.9%
10	Dearborn	205	0.9%
-	Elsewhere	2,998	12.5%
* Workers, age 16 and over residing in Dexter, Scio Township, or Webster Township		23,948	

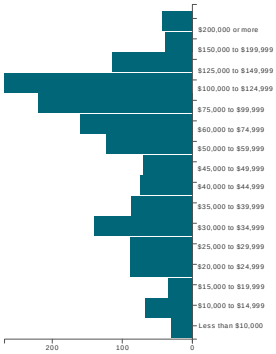
Source: U.S. Census Bureau - CTTP/ACS Commuting Data.

Household Incomes

Income	5-Yr ACS 2010	Change 2000-2010	Percent Change 2000-2010
Median Household Income (in 2010 dollars)	$ 61,779	$ -4,331	-6.6%
Per Capita Income (in 2010 dollars)	$ 31,425	$ -5,189	-14.2%

Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates.

Annual Household Incomes



Annual Household Income	5-Yr ACS 2010
$200,000 or more	44
$150,000 to $199,999	39
$125,000 to $149,999	114
$100,000 to $124,999	268
$75,000 to $99,999	220
$60,000 to $74,999	160
$50,000 to $59,999	123
$45,000 to $49,999	71
$40,000 to $44,999	75
$35,000 to $39,999	88
$30,000 to $34,999	140
$25,000 to $29,999	89
$20,000 to $24,999	89
$15,000 to $19,999	35
$10,000 to $14,999	68
Less than $10,000	30
Total	1,653

Source: U.S. Census Bureau and 2010 American Community Survey 5-Year Estimates.

Poverty

Poverty	Census 2000	% of Total (2000)	5-Yr ACS 2010	% of Total (2010)	% Point Chg 2000-2010
Persons in Poverty	107	4.5%	122	3.2%	-1.3
Households in Poverty	26	2.6%	58	3.5%	0.9

Source: U.S. Census Bureau and 2010 American Community Survey 5-Year Estimates.

Housing

Link to American Community Survey (ACS) Profiles: 2009-2013 ▼ Housing

Building Permits 2000 - 2015

Year	Single Family	Two Family	Attach Condo	Multi Family	Total Units	Total Demos	Net Total
2000	88	0	0	0	88	0	88
2001	60	0	0	0	60	0	60
2002	77	0	0	0	77	0	77
2003	73	0	16	0	89	2	87
2004	82	0	16	0	98	0	98
2005	28	0	3	0	31	0	31
2006	3	0	0	0	3	0	3
2007	1	0	0	0	1	0	1
2008	0	0	4	0	4	0	4
2009	8	0	18	0	26	0	26
2010	6	0	31	0	37	0	37
2011	8	0	0	0	8	0	8
2012	31	0	0	0	31	1	30
2013	38	0	0	0	38	0	38
2014	23	0	21	0	44	0	44
2015	5	0	0	0	5	1	4
2000 to 2015 totals	531	0	109	0	640	4	636

Source: SEMCOG Development.

Note: Permit data for most recent years may be incomplete and is updated monthly.

Housing Types

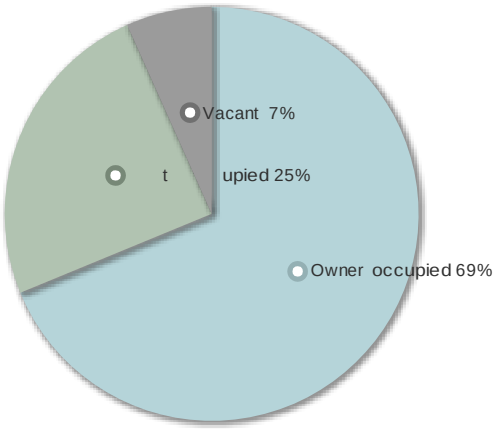
Housing Type	Census 2000	5-Yr ACS 2010	Change 2000-2010	New Units Permitted 2010-2014
Single Family Detached	616	1,190	574	111
Duplex	100	79	-21	0
Townhouse / Attached Condo	90	135	45	52
Multi-Unit Apartment	284	378	94	0

Mobile Home / Manufactured Housing	0	0	0	0
Other	3	0	-3	
Total	1,093	1,782	689	163
Units Demolished				-2
Net (Total Permitted Units - Units Demolished)				161

Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates.

Housing Tenure

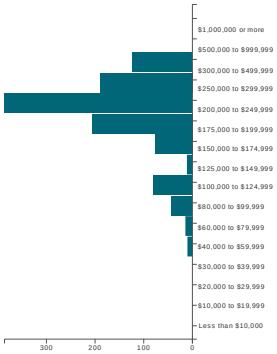
Housing Tenure	Census 2000	Census 2010	Change 2000-2010
Owner occupied	619	1,172	553
Renter occupied	394	418	24
Vacant	93	114	21
Seasonal/migrant	5	10	5
Other vacant units	88	104	16
Total Housing Units	1,106	1,704	598



Source: U.S. Census Bureau, Census 2000, 2010 American Community Survey 5-Year Estimates.

Housing Value (in 2010 dollars)

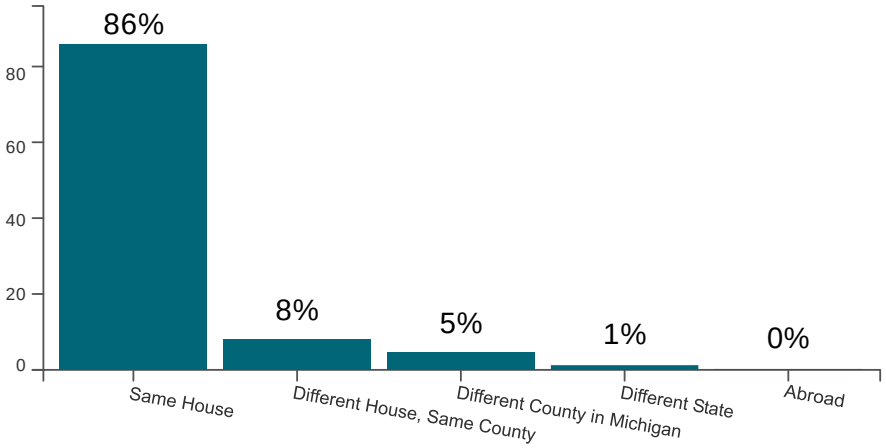
Housing Value (in 2010 dollars)	5-Yr ACS 2010	Change 2000-2010	Percent Change 2000-2010
Median housing value	$216,600	$4,038	1.9%
Median gross rent	$808	$-89	-9.9%



Housing Value	5-Yr ACS 2010
$1,000,000 or more	0
$500,000 to $999,999	0
$300,000 to $499,999	123
$250,000 to $299,999	189
$200,000 to $249,999	386
$175,000 to $199,999	207
$150,000 to $174,999	77
$125,000 to $149,999	11
$100,000 to $124,999	80
$80,000 to $99,999	43
$60,000 to $79,999	14
$40,000 to $59,999	10
$30,000 to $39,999	0
$20,000 to $29,999	0
$10,000 to $19,999	0
Less than $10,000	0
Owner-Occupied Units	1,140

Source: U.S. Census Bureau and 2010 American Community Survey 5-Year Estimates.

Residence One Year Ago *



* This table represents persons, age 1 and over, living in Village of Dexter from 2009-2013. The table does not represent person who moved out of Village of Dexter from 2009-2013.

Source: 2010 American Community Survey 5-Year Estimates.

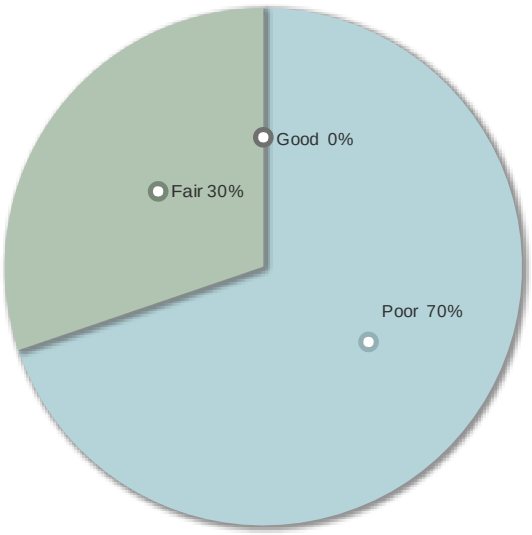
Transportation

Miles of public road (including boundary roads): 22
Source: Michigan Geographic Framework

Pavement Condition (in Lane Miles)

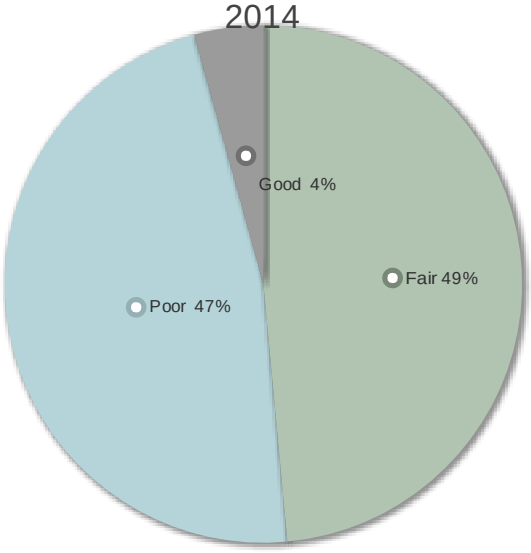
Past Pavement Conditions

2007



Current Pavement Conditions

2014



Note: Poor pavements are generally in need of rehabilitation or full reconstruction to return to good condition. Fair pavements are in need of capital preventive maintenance to avoid deteriorating to the poor classification. Good pavements generally receive only routine maintenance, such as street sweeping and snow removal, until they deteriorate to the fair condition.
Source: SEMCOG

Bridge Status

Bridge Status	2008	2008 (%)	2009	2009 (%)	2010	2010 (%)	Percent Point Chg 2008-2010
Open	1	50.0%	1	50.0%	0	-	-
Open with Restrictions	1	50.0%	1	50.0%	0	-	-
Closed*	0	0.0%	0	0.0%	0	-	-
Total Bridges	2	100.0%	2	100.0%	0	100.0%	0.0%
Deficient Bridges	1	50.0%	2	100.0%	0	-	-

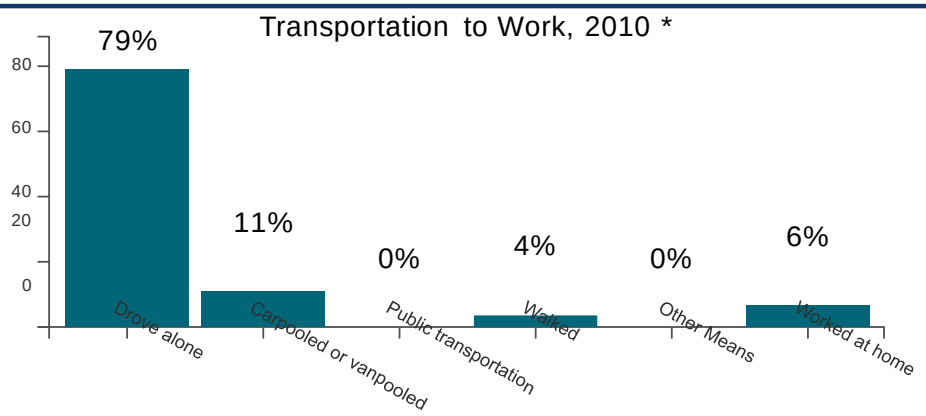
* Bridges may be closed because of new construction or failed condition.

Note: A bridge is considered deficient if it is structurally deficient (in poor shape and unable to carry the load for which it was designed) or functionally obsolete (in good physical condition but unable to support current or future demands, for example, being too narrow to accommodate truck traffic).

Source: Michigan Structure Inventory and Appraisal Database

Detailed Intersection & Road Data

Travel



* Resident workers age 16 and over

Transportation to Work

Transportation to Work	Census 2000	Census 2000 (%)	Census 2010	Census 2010 (%)	% Point Chg 2000-2010
Drove alone	1,120	80.8%	1,602	79.1%	-1.7%
Carpooled or vanpooled	125	9.0%	221	10.9%	1.9%
Public transportation	15	1.1%	0	0.0%	-1.1%
Walked	59	4.3%	71	3.5%	-0.8%
Other Means	14	1.0%	0	0.0%	-1.0%
Worked at home	53	3.8%	131	6.5%	2.6%
Resident workers age 16 and over	1,386	100.0%	2,025	100.0%	0.0%

Source: U.S. Census Bureau | Census 2000 | 2010 American Community Survey 5-Year Estimates

Mean Travel Time to Work

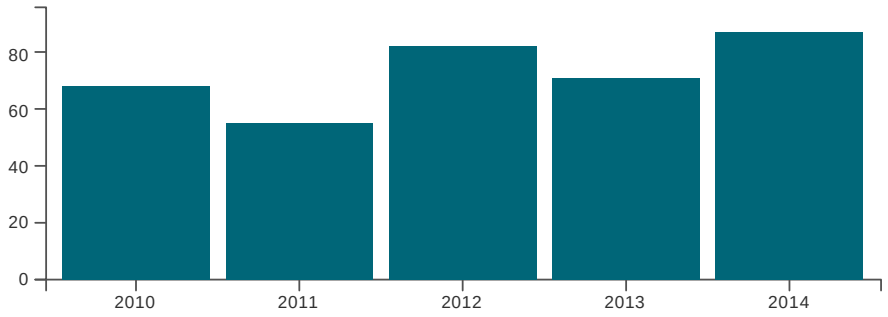
Mean Travel Time To Work	Census 2000	5-Yr ACS 2010	Change 2000-2010

For residents age 16 and over who worked outside the home	24.7 minutes	23.3 minutes	-1.4 minutes

Source: U.S. Census Bureau Census 2000 2010 American Community Survey 5-Year Estimates

Safety

Crashes, 2010-2014



Source: Michigan Department of State Police with the Criminal Justice Information Center, and SEMCOG.
Note: Crash data shown is for the entire city.

Crash Severity

Crash Severity	2010	2011	2012	2013	2014	Percent of Crashes 2010 - 2014
Fatal	0	0	0	0	0	0.0%
Incapacitating Injury	0	0	1	0	0	0.3%
Other Injury	12	12	12	14	17	18.5%
Property Damage Only	56	43	69	57	70	81.3%
Total Crashes	68	55	82	71	87	100.0%

Crashes by Type

Crashes by Type	2010	2011	2012	2013	2014	Percent of Crashes 2010 - 2014
Head-on	0	1	1	0	2	1.1%
Angle or Head-on/Left-turn	16	18	24	24	26	29.8%
Rear-End	25	19	35	21	30	35.8%
Sideswipe	11	4	4	11	8	10.5%
Single Vehicle	11	11	15	13	14	17.6%
Other or Unknown	5	2	3	2	7	5.2%

Crashes by Involvement

Crashes by Involvement	2010	2011	2012	2013	2014	Percent of Crashes 2010 - 2014
Red-light Running	0	1	1	1	0	0.8%
Lane Departure	8	8	15	10	16	15.7%
Alcohol	1	0	2	1	2	1.7%
Drugs	1	0	0	1	0	0.6%
Deer	9	5	1	4	4	6.3%
Train	0	0	0	0	0	0.0%
Commercial Truck/Bus	2	2	2	3	3	3.3%
School Bus	0	0	0	0	0	0.0%
Emergency Vehicle	0	0	2	0	0	0.6%
Motorcycle	1	0	4	1	0	1.7%
Intersection	28	17	30	27	23	34.4%
Work Zone	0	1	2	0	0	0.8%
Pedestrian	1	2	1	1	1	1.7%
Bicyclist	1	0	2	0	1	1.1%
Older Driver (65 and older)	16	7	11	19	15	18.7%
Young Driver (16 to 24)	16	7	11	17	34	23.4%

High Frequency Intersection Crash Rankings

Local Rank	County Rank	Region Rank	Intersection	Annual Avg 2010-2014
1	229	2,598	Main St @ Broad St	5.8
2	249	2,821	Main St @ Alpine St	5.4
3	350	3,934	Dexter Pinckney Rd @ Island Lake Rd	4.0
4	365	4,160	Baker Rd @ Dan Hoey Rd	3.8
5	407	4,696	Dexter Ann Arbor Rd @ Ryan Dr	3.4
6	466	5,363	Baker Rd @ Main St	3.0
7	584	6,809	Baker Rd @ Forest St	2.4
8	584	6,809	Baker Rd @ Dongara Dr	2.4
9	756	9,106	Main St @ Jeffords St	1.8
10	836	10,231	Main St @ Meadow View Dr	1.6

Note: Intersections are ranked by the number of reported crashes, which does not take into account traffic volume. Crashes reported occurred within 150 feet of the intersection.

Source: Michigan Department of State Police with the Criminal Justice Information Center SEMCOG

High Frequency Road Segment Crash Rankings

Local Rank	County Rank	Region Rank	Segment	From Road - To Road	Annual Avg 2010-2014
1	24	455	Dexter Ann Arbor Rd	Baker Rd - Miller Rd	29.0
2	33	541	Dexter Pinckney Rd	Island Lake Rd - North Territorial Rd	27.2
3	43	650	Baker Rd	W I 94/Baker Ramp - Dexter Ann Arbor Rd	24.4
4	163	2,091	Main St	Dexter Chelsea Rd - Central St	12.6
5	254	2,942	Island Lake Rd	Dexter Pinckney Rd - Dexter Chelsea Rd	9.8
6	318	3,588	Huron River Dr	Central St - Zeeb Rd N	8.4
7	604	6,454	Island Lake Rd	Island Lake Rd - Dexter Pinckney Rd	4.6
8	711	7,482	Central St	Main St - Huron River Dr	3.8
9	903	9,490	Main St	Central St - Baker Rd	2.6
10	974	10,346	Joy Rd W	Mast Rd - Joy Rd W	2.2

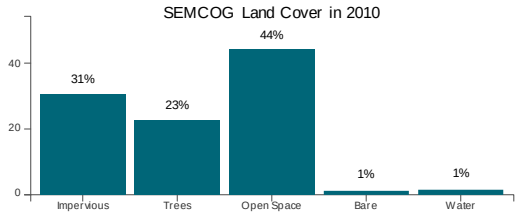
Note: Segments are ranked by the number of reported crashes, which does not take into account traffic volume.

Environment

SEMCOG 2008 Land Use

SEMCOG 2008 Land Use	Acres	Percent
Agricultural	82	6.6%
Single-family residential	451	36.3%
Multiple-family residential	22	1.8%
Commercial	102	8.2%
Industrial	152	12.3%
Governmental/Institutional	212	17.1%
Park, recreation, and open space	12	1.0%
Airport	0	0.0%
Transportation, Communication, and Utility	175	14.1%
Water	32	2.6%
Total	1,240	

Note: Land Cover was derived from SEMCOG's 2010 Leaf off Imagery.
Source: SEMCOG



Type	Description	Acres	Percent
Impervious	buildings, roads, driveways, parking lots	377	30.5%
Trees	woody vegetation, trees	279	22.6%
Open Space	agricultural fields, grasslands, turfgrass	546	44.2%
Bare	soil, aggregate piles, unplanted fields	14	1.2%
Water	rivers, lakes, drains, ponds	18	1.5%
Total Acres		1,234	

Source Data
SEMCOG - Detailed Data

Appendix B – Debt Schedules

Debt Service (Voted) Fund 303

	2002 Streetscape GO Bond Refunding			
	Interest	Principle	Total	Fiscal Year Total
November-15	2,810.00	-	2,810.00	
May-16	5,810.00	140,000.00	145,810.00	148,620.00
November-16	2,940.00	-	2,940.00	
May-17	2,940.00	140,000.00	142,940.00	145,880.00

Debt Service (Non-Voted) Fund 351

	2006 Facilities Bond			
	Interest	Principle	Total	Fiscal Year Total
November-15	25,778.75	-	25,778.75	
May-16	25,778.75	75,000.00	100,778.75	126,557.50
November-16	24,278.75	-	24,278.75	
May-17	24,278.75	80,000.00	104,278.75	128,557.50
November-17	22,578.75	-	22,578.75	
May-18	22,578.75	85,000.00	107,578.75	130,157.50
November-18	20,772.50	-	20,772.50	
May-19	20,772.50	90,000.00	110,772.50	131,545.00
November-19	18,860.00	-	18,860.00	
May-20	18,860.00	90,000.00	108,860.00	127,720.00
November-20	16,947.50	-	16,947.50	
May-21	16,947.50	95,000.00	111,947.50	128,895.00
November-21	14,881.25	-	14,881.25	
May-22	14,881.25	100,000.00	114,881.25	129,762.50
November-22	12,706.25	-	12,706.25	
May-23	12,706.25	105,000.00	117,706.25	130,412.50
November-23	10,422.50	-	10,422.50	
May-24	10,422.50	110,000.00	120,422.50	130,845.00
November-25	8,030.00	-	8,030.00	
May-25	8,030.00	115,000.00	123,030.00	131,060.00
November-26	5,500.00	-	5,500.00	
May-26	5,500.00	120,000.00	125,500.00	131,000.00
November-27	2,860.00	-	2,860.00	
May-27	2,860.00	130,000.00	132,860.00	135,720.00

	2014 Street Improvement Bond			
	Interest	Principle	Total	Fiscal Year Total
November-15	6,532	-	6,532.00	
May-16	6,532	70,000.00	76,532.00	83,064.00
November-16	6,322	-	6,322.00	
May-17	6,322	75,000.00	81,322.00	87,644.00
November-17	5,895	-	5,895.00	
May-18	5,895	75,000.00	80,895.00	86,790.00
November-18	5,553	-	5,553.00	
May-19	5,553	80,000.00	85,553.00	91,106.00
November-19	4,973	-	4,973.00	
May-20	4,973	80,000.00	84,973.00	89,946.00
November-20	4,253	-	4,253.00	
May-21	4,253	85,000.00	89,253.00	93,506.00
November-21	3,361	-	3,361.00	
May-22	3,361	85,000.00	88,361.00	91,722.00
November-22	2,352	-	2,352.00	
May-23	2,352	90,000.00	92,352.00	94,704.00
November-23	1,215	-	1,215.00	
May-24	1,215	90,000.00	91,215.00	92,430.00

DDA Debt Fund 394

	2011 Downtown Development Refunding			
	Interest	Principle	Total	Fiscal Year Total
November-15	5,265.75	37,000	37,000.00	
May-16	4,720.00	36,000	36,000.00	73,000.00
November-16	4,189.00	36,000	36,000.00	
May-17	3,658.00	36,000	36,000.00	72,000.00
November-17	3,127.00	35,000	35,000.00	
May-18	2,610.75	35,000	35,000.00	70,000.00
November-18	2,094.50	35,000	35,000.00	
May-19	1,578.25	34,000	34,000.00	69,000.00
November-19	1,076.75	37,000	37,000.00	
May-20	531.00	36,000	36,000.00	73,000.00

	2008 Downtown Development (Non-Taxable)			
	Interest	Principle	Total	Fiscal Year Total
November-15	46,221	-	-	
May-16	46,221	25,000	25,000	25,000
November-16	45,689	-	-	
May-17	45,689	25,000	25,000	25,000
November-17	45,143	-	-	
May-18	45,143	35,000	35,000	35,000
November-18	44,355	-	-	
May-19	44,355	50,000	50,000	50,000
November-19	43,205	-	-	
May-20	43,205	65,000	65,000	65,000
November-20	41,710	-	-	
May-21	41,710	140,000	140,000	140,000
November-21	38,490	-	-	
May-22	38,490	155,000	155,000	155,000
November-22	34,770	-	-	
May-23	34,770	165,000	165,000	165,000
November-23	30,810	-	-	
May-24	30,810	190,000	190,000	190,000
November-24	26,250	-	-	
May-25	26,250	225,000	225,000	225,000
November-25	20,625	-	-	
May-26	20,625	250,000	250,000	250,000
November-26	14,375	-	-	
May-27	14,375	275,000	275,000	275,000
November-27	7,500	-	-	
May-28	7,500	300,000	300,000	300,000

	2008 Downtown Development (Taxable)			
	Interest	Principle	Total	Fiscal Year Total
November-15	50,839	-	50,839	
May-16	50,839	15,000	65,839	116,678
November-16	50,286	-	50,286	
May-17	50,286	15,000	65,286	115,572
November-17	49,733	-	49,733	
May-18	49,733	15,000	64,733	114,466
November-18	49,179	-	49,179	
May-19	49,179	15,000	64,179	113,358
November-19	48,626	-	48,626	
May-20	48,626	15,000	63,626	112,252
November-20	48,073	-	48,073	
May-21	48,073	45,000	93,073	141,146
November-21	46,414	-	46,414	
May-22	46,414	45,000	91,414	137,828
November-22	44,754	-	44,754	
May-23	44,754	45,000	89,754	134,508
November-23	43,095	-	43,095	
May-24	43,095	45,000	88,095	131,190
November-24	41,340	-	41,340	
May-25	41,340	45,000	86,340	127,680
November-25	39,585	-	39,585	
May-26	39,585	45,000	84,585	124,170
November-26	37,830	-	37,830	
May-27	37,830	45,000	82,830	120,660
November-27	36,075	-	36,075	
May-28	36,075	45,000	81,075	117,150
November-28	34,320	-	34,320	
May-29	34,320	205,000	239,320	273,640
November-29	26,325	-	26,325	
May-30	26,325	225,000	251,325	277,650
November-30	17,550	-	17,550	
May-31	17,550	225,000	242,550	260,100
November-31	8,775	-	8,775	
May-32	8,775	225,000	233,775	242,550

Sewer Fund 590

	2009 Sewer Revolving Fund (SRF #1)			
	Interest	Principle	Total	Fiscal Year Total
October-15	18,250.00	75,000.00	93,250.00	
April-16	17,313.00	-	17,313.00	110,563.00
October-16	17,313.00	75,000.00	92,313.00	
April-17	16,375.00	-	16,375.00	108,688.00
October-17	16,375.00	80,000.00	96,375.00	
April-18	15,375.00	-	15,375.00	111,750.00
October-18	15,375.00	80,000.00	95,375.00	
April-19	14,375.00	-	14,375.00	109,750.00
October-19	14,375.00	85,000.00	99,375.00	
April-20	13,313.00	-	13,313.00	112,688.00
October-20	13,313.00	85,000.00	98,313.00	
April-21	12,250.00	-	12,250.00	110,563.00
October-21	12,250.00	90,000.00	102,250.00	
April-22	11,125.00	-	11,125.00	113,375.00
October-22	11,125.00	90,000.00	101,125.00	
April-23	10,000.00	-	10,000.00	111,125.00
October-23	10,000.00	90,000.00	100,000.00	
April-24	8,875.00	-	8,875.00	108,875.00
October-24	8,875.00	95,000.00	103,875.00	
April-25	7,688.00	-	7,688.00	111,563.00
October-25	7,688.00	95,000.00	102,688.00	
April-25	6,500.00	-	6,500.00	109,188.00
October-25	6,500.00	100,000.00	106,500.00	
April-26	5,250.00	-	5,250.00	111,750.00
October-26	5,250.00	100,000.00	105,250.00	
April-27	4,000.00	-	4,000.00	109,250.00
October-27	4,000.00	105,000.00	109,000.00	
April-28	2,688.00	-	2,688.00	111,688.00
October-28	2,688.00	105,000.00	107,688.00	
April-29	1,375.00	-	1,375.00	109,063.00
October-29	1,375.00	110,000.00	111,375.00	
April-30	-	-	-	111,375.00

	2012 Sewer Revolving Fund (SRF #2)			
	Interest	Principle	Total	Fiscal Year Total
October-15	39,625.00	130,000.00	169,625.00	
April-16	38,000.00	-	38,000.00	207,625.00
October-16	38,000.00	135,000.00	173,000.00	
April-17	36,313.00	-	36,313.00	209,313.00
October-17	36,313.00	140,000.00	176,313.00	
April-18	34,563.00	-	34,563.00	210,876.00
October-18	34,563.00	140,000.00	174,563.00	
April-19	32,813.00	-	32,813.00	207,376.00
October-19	32,813.00	145,000.00	177,813.00	
April-20	31,000.00	-	31,000.00	208,813.00
October-20	31,000.00	150,000.00	181,000.00	
April-21	29,125.00	-	29,125.00	210,125.00
October-21	29,125.00	155,000.00	184,125.00	
April-22	27,188.00	-	27,188.00	211,313.00
October-22	27,188.00	160,000.00	187,188.00	
April-23	25,188.00	-	25,188.00	212,376.00
October-23	25,188.00	160,000.00	185,188.00	
April-24	23,188.00	-	23,188.00	208,376.00
October-24	23,188.00	165,000.00	188,188.00	
April-25	21,125.00	-	21,125.00	209,313.00
October-25	21,125.00	170,000.00	191,125.00	
April-25	19,000.00	-	19,000.00	210,125.00
October-26	19,000.00	175,000.00	194,000.00	
April-27	16,813.00	-	16,813.00	210,813.00
October-27	16,813.00	180,000.00	196,813.00	
April-28	14,563.00	-	14,563.00	211,376.00
October-28	14,563.00	185,000.00	199,563.00	
April-29	12,250.00	-	12,250.00	211,813.00
October-29	12,250.00	190,000.00	202,250.00	
April-30	9,875.00	-	9,875.00	212,125.00
October-30	9,875.00	190,000.00	199,875.00	
April-31	7,500.00	-	7,500.00	207,375.00
October-31	7,500.00	195,000.00	202,500.00	
April-32	5,063.00	-	5,063.00	207,563.00
October-32	5,063.00	200,000.00	205,063.00	
April-33	2,563.00	-	2,563.00	207,626.00
October-33	2,563.00	205,000.00	207,563.00	
April-34	-	-	-	207,563.00

Water Fund 591

	2010 Drinking Water Revolving Fund (DWRF #1)			
	Interest	Principle	Total	Fiscal Year Total
October-15	13,563.00	55,000.00	68,563.00	
April-16	12,875.00	-	12,875.00	81,438.00
October-16	12,875.00	60,000.00	72,875.00	
April-17	12,125.00	-	12,125.00	85,000.00
October-17	12,125.00	60,000.00	72,125.00	
April-18	11,375.00	-	11,375.00	83,500.00
October-18	11,375.00	60,000.00	71,375.00	
April-19	10,625.00	-	10,625.00	82,000.00
October-19	10,625.00	60,000.00	70,625.00	
April-21	9,063.00	-	9,063.00	9,063.00
October-21	9,063.00	65,000.00	74,063.00	
April-22	8,250.00	-	8,250.00	82,313.00
October-22	8,250.00	65,000.00	73,250.00	
April-23	7,438.00	-	7,438.00	80,688.00
October-23	7,438.00	70,000.00	77,438.00	
April-24	6,563.00	-	6,563.00	84,001.00
October-24	6,563.00	70,000.00	76,563.00	
April-25	5,688.00	-	5,688.00	82,251.00
October-25	5,688.00	70,000.00	75,688.00	
April-26	4,813.00	-	4,813.00	80,501.00
October-26	4,813.00	75,000.00	79,813.00	
April-27	3,875.00	-	3,875.00	83,688.00
October-27	3,875.00	75,000.00	78,875.00	
April-28	2,938.00	-	2,938.00	81,813.00
October-28	2,938.00	75,000.00	77,938.00	
April-29	2,000.00	-	2,000.00	79,938.00
October-30	2,000.00	80,000.00	82,000.00	
April-31	1,000.00	-	1,000.00	83,000.00
October-31	1,000.00	80,000.00	81,000.00	
	-	-	-	81,000.00

	2011 Drinking Water Revolving Fund (DWRF #2)			
	Interest	Principle	Total	Fiscal Year Total
October-15	9,982.94	35,000.00	44,982.94	
April-16	9,545.44	-	9,545.44	54,528.38
October-16	9,545.44	40,000.00	49,545.44	
April-17	9,045.44	-	9,045.44	58,590.88
October-17	9,045.44	40,000.00	49,045.44	
April-18	8,545.44	-	8,545.44	57,590.88
October-18	8,545.44	40,000.00	48,545.44	
April-19	8,045.44	-	8,045.44	56,590.88
October-19	8,045.44	40,000.00	48,045.44	
April-20	7,545.44	-	7,545.44	55,590.88
October-20	7,545.44	45,000.00	52,545.44	
April-21	6,982.94	-	6,982.94	59,528.38
October-21	6,982.94	45,000.00	51,982.94	
April-22	6,420.44	-	6,420.44	58,403.38
October-22	6,420.44	45,000.00	51,420.44	
April-23	5,857.94	-	5,857.94	57,278.38
October-23	5,857.94	45,000.00	50,857.94	
April-24	5,295.44	-	5,295.44	56,153.38
October-24	5,295.44	50,000.00	55,295.44	
April-25	4,670.44	-	4,670.44	59,965.88
October-25	4,670.44	50,000.00	54,670.44	
April-26	4,045.44	-	4,045.44	58,715.88
October-26	4,045.44	50,000.00	54,045.44	
April-27	3,420.44	-	3,420.44	57,465.88
October-27	3,420.44	50,000.00	53,420.44	
April-28	2,795.44	-	2,795.44	56,215.88
October-28	2,795.44	55,000.00	57,795.44	
April-29	2,107.94	-	2,107.94	59,903.38
October-29	2,107.94	55,000.00	57,107.94	
April-30	1,420.44	-	1,420.44	58,528.38
October-30	1,420.44	55,000.00	56,420.44	
April-31	732.94	-	732.94	57,153.38
October-31	732.94	58,635.00	59,367.94	
April-32		-	-	59,367.94

Combined Sewer and Water Bond

	2012 Rural Development Refunding (Combined)			
	Interest	Principle	Total	Fiscal Year Total
October-15	48,516.25	90,000.00	138,516.25	
April-16	47,616.25	90,000.00	137,616.25	276,132.50
October-16	46,716.25	90,000.00	136,716.25	
April-17	45,816.25	90,000.00	135,816.25	272,532.50
October-17	44,916.25	95,000.00	139,916.25	
April-18	43,966.25	95,000.00	138,966.25	278,882.50
October-18	43,063.75	95,000.00	138,063.75	
April-19	42,161.25	95,000.00	137,161.25	275,225.00
October-19	41,258.75	95,000.00	136,258.75	
April-20	40,356.25	95,000.00	135,356.25	271,615.00
October-20	39,168.75	100,000.00	139,168.75	
April-21	37,918.75	100,000.00	137,918.75	277,087.50
October-21	36,668.75	100,000.00	136,668.75	
April-22	35,418.75	100,000.00	135,418.75	272,087.50
October-22	34,168.75	100,000.00	134,168.75	
April-23	32,918.75	100,000.00	132,918.75	267,087.50
October-23	31,418.75	100,000.00	131,418.75	
April-24	29,918.75	105,000.00	134,918.75	266,337.50
October-24	28,343.75	110,000.00	138,343.75	
April-25	26,693.75	115,000.00	141,693.75	280,037.50
October-25	24,968.75	115,000.00	139,968.75	
April-26	23,243.75	115,000.00	138,243.75	278,212.50
October-26	21,518.75	115,000.00	136,518.75	
April-27	19,793.75	115,000.00	134,793.75	271,312.50
October-27	18,068.75	115,000.00	133,068.75	
April-28	16,343.75	120,000.00	136,343.75	269,412.50
October-28	14,468.76	120,000.00	134,468.76	
April-29	12,593.75	120,000.00	132,593.75	267,062.51
October-29	10,643.75	130,000.00	140,643.75	
April-30	8,531.25	130,000.00	138,531.25	279,175.00
October-30	6,418.75	130,000.00	136,418.75	
April-31	4,306.25	135,000.00	139,306.25	275,725.00
October-31	2,112.50	130,000.00	132,112.50	
				132,112.50

Appendix C – Grants and Outside Funding

Grants and Outside Funding Summary					
Funding Agency	**Requested**	**Year**	**Received**	**Fund**	**Purpose**
Michigan DNR - Community Forestry	$7,000.00	2008	$0.00	General - 101	Tree Planting-8 grants since 1999 therefore not funded
DTE Energy Foundation Tree Planting	$2,500.00	2008	$0.00	General - 101	Tree Planting-8 grants since 1999 therefore not funded
US Fish & Wildlife Service - Fish Passage	$48,750.00	2008	$48,750.00	General - 101	Dam Removal
Michigan DNR - Community Forestry	$4,000.00	2009	$0.00	General - 101	Tree Planting along Dexter Ann Arbor Rd
Michigan DNR - Community Forestry	$4,000.00	2009	$0.00	General - 101	Tree Inventory Update
CMI 319 Grant	$375,000.00	2010	$0.00	General - 101	Stormwater Management
MDNR - MNRTF	$500,000.00	2010	$450,000.00	General - 101	Park Development
MDNR - Inland Fisheries - *program postponed*	$25,000.00	2010	$0.00	General - 101	Habitat Enhancement and Streambank Restoration
MDEQ - Waterways Infrastructure	$48,000.00	2010	$48,000.00	General - 101	Boating Access and Parking Improvements
NOAA	$1,600,000.00	2010	$0.00	General - 101	Streambank Stabilization and Habitat Enhancement
USDA	$5,000.00	2010	$0.00	General - 101	Farmers Market
Plum Creek Foundation - Mill Creek Park	$10,000.00	2010	$0.00	General - 101	Mill Creek Park Interpretive Signage
Assistance to Fire Firefighters	$1,700,000.00	2010	$0.00	General - 101	8140 Main Street Renovation
Michigan DNR - Community Forestry	$4,000.00	2010	$0.00	General - 101	Tree Planting within Mill Creek Park
Sustain Our Great Lakes - Mill Creek	$126,612.00	2010	$0.00	General - 101	Streambank Stabilization and Habitat Enhancement
LED Multipurpose Grant	$50,000.00	2010	$50,000.00	General - 101	Retrofitting 80 Streetlights with LED
County Community Connector Initiative	$80,000.00	2010	$0.00	General - 101	Stairway from Alpine Street/Library/Farmers Market to Warrior Creek Park
Great Lake Basin Fisheries Habitat	$132,500.00	2010	$0.00	General - 101	Streambank Stabilization and Habitat Enhancement
Appropriation Request via Congressman Shauer	$1,553,010.00	2011	$0.00	General - 101	Regional Trail Development
Chelsea Area Wellness Foundation	$4,000.00	2010	$4,000.00	General - 101	Community Garden
Chelsea Area Wellness Foundation	$134,200.00	2010	$0.00	General - 101	Baker Road Crosswalk
Clean Michigan Initiative (CMI) bioswales	$110,000.00	2011	$0.00		Not Awarded
DTE Energy Foundation Tree Planting	$2,830.00	2011	$2,830.00	General - 101	Tree planting in Mill Creek Park
Connecting Communities - Island Lake Rd Link	$72,000.00	2011	$0.00	General - 101	Non motorized pathway connection from Cedars of Dexter to Westridge
CBDG - Planning Grant	$13,000.00	2011	$13,250.00	General - 101	DAPCO Redevelopment Planning
MDNRE - Go Green Tree Planting Grant	$2,000.00	2011	$0.00	General - 101	Tree planting in Mill Creek Park
Chelsea Wellness - 5 Healthy Towns	$10,000.00	2011	$10,000.00	General - 101	Play Equipment in Warrior Creek Park
DTE Energy Foundation Tree Planting-tornado		2012	$2,000.00	General - 101	Tree Replacement - Tornado Damage
Arts Alliance Mini-Grant	$2,250.00	2013	$0.00	General - 101	Sculpture
Connecting Communities - Dexter Huron Path	$300,000.00	2013	$225,000.00	General - 101	Completing the path in partnership with Washtenaw County Parks
Passport Grant - MDNR	$42,000.00	2013	$0.00	General - 101	Resurface Community Park Path
CWF Walking Map	$2,000.00	2013	$2,000.00	General - 101	New Walking Maps
CWF Bike Hoops	$1,750.00	2013	$1,750.00	General - 101	
CWF - Farmers Market	$2,900.00	2013	$2,900.00	General - 101	Farmers Market
Arts Alliance Mini-Grant	$2,000.00	2014	$2,000.00	General - 101	Plein Air
Total - General Fund	**$6,976,302.00**		**$862,480.00**		
State of Michigan - Local Jobs Today Program	$84,750.00	2008	$84,750.00	Streets - 202	Dexter-Ann Arbor Road - Meadowview to Lexington
WATS	$391,942.00	2008	$391,942.00	Streets - 202	Dexter-Ann Arbor Road - Meadowview to Lexington
WATS - Stimulus (ARRA)	$100,000.00	2010	$100,000.00	Streets - 202	Ann Arbor Street - Kensington to Meadowiew
WATS	$458,119.00	2012	$458,119.00	Streets - 202	Mill Creek Park Non Motorized Trails
WATS	$400,000.00	2014	$400,000.00	Streets - 202	Ann Arbor Street - Baker to Kensington
MDOT	$200,000.00	2014	$200,000.00	Streets - 202	Central Street from 2nd to 3rd
Safe Routes to School	$288,000.00	2014	$216,000.00	Streets - 202	Connectivity Projects
Total - Street Funds	**$1,922,811.00**		**$1,850,811.00**		
Michigan Municipal Risk Management Authority	$19,500.00	2008	$10,000.00	Sewer - 590	Back-up Generators
MDEQ-Wellhead Protection	$13,675.72	2008	$5,186.58	Water - 591	5th well, groundwater education, prg coord. Time
Michigan Department of Community Health	$24,999.00	2009	$24,999.00	Water - 591	Fluoridation Equipment
Michigan Department of Community Health	$40,000.00	2010	$0.00	Water - 591	Fluoridation Equipment
MDEQ - Stimulus (ARRA)	$1,120,193.00	2010	$1,120,193.00	Sewer - 590	Sewer Improvements - EQ Basin & Sewer Pipe Lining
MDEQ-Wellhead Protection	$13,000.00	2010	$5,186.28	Water - 591	Wellhead Protection Plan Updates and Education
MDEQ - Stimulus (ARRA)	$816,151.00	2010	$816,151.00	Water - 591	Water System Improvements - 5th Well, Main Replacement
MDEQ - Green Project Reserve	$620,000.00	2011	$602,423.00	Water - 591	Water System Improvements - Main Replacement
MDEQ-Wellhead Protection	$10,103.94	2011	$10,103.94	Water - 591	5th well, groundwater education, prg coord. Time
Michigan Department of Community Health	$10,000.00	2012	$0.00	Water - 591	Fluoridation Equipment
MDEQ - Welhead Protection	$8,154.12	2012	$8,154.12	Water - 591	Wellhead Protection Plan Updates and Education
Michigan Department of Community Health	$4,950.00	2013	$0.00	Water - 591	Fluoridation Equipment
Michigan Municipal Risk Management Authority	$7,000.00	2015	$0.00	Sewer - 590	SCADA Software Upgrade
Total - Water & Sewer Funds	**$2,700,726.78**		**$2,602,396.92**		
Grand Total	**$11,599,839.78**		**$5,315,687.92**		

Appendix D – Financial Planning Tools

It is important that the City take a look at the future as well as the past when making budgeting decisions. To this end, we have developed several modeling systems to look at where we may end up in the future. These models help determine spending priorities and alert decision-makers to possible fiscal problems

Five-Year Financial Model

In Fiscal Year 2001-2002, the City commissioned a five year financial plan from the Michigan Municipal League's consulting services. This plan has been maintained and updated by the finance department every year since its creation, and it is used for budgeting and capital improvements planning. An extensive review and improvements were made to this tool during the Fiscal Year 2015-2016 budget process.

Using Microsoft Excel, each line item is projected using one of several methods, including population increase estimated (based on SEMCOG information), weighted averages, inflation estimated, actual debt schedules, and utility rate estimates. The Excel file includes 16 separate worksheets including ones for assumptions, the various funds, debt schedules and tax information. Because of the size of the worksheets, only the summary is presented in this document.

	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 ADOPTED BUDGET	2016-17 ESTIMATED	2017-18 ESTIMATED	2018-19 ESTIMATED	2019-20 ESTIMATED	2020-21 ESTIMATED
General Fund (101)									
Revenues	3,039,172	3,227,391	2,659,775	2,895,096	2,918,660	3,092,256	3,127,049	3,167,130	3,197,590
Expenditures	3,119,088	2,992,311	2,926,109	2,809,700	2,769,127	2,815,452	2,864,343	2,912,457	2,968,798
Revenues Over (Under) Expenditures	(79,916)	235,080	(266,334)	85,396	149,533	276,803	262,707	254,673	228,792
Beginning Fund Balance	937,607	846,881	1,079,750	813,416	898,812	1,048,345	1,325,149	1,587,855	1,842,528
Ending Fund Balance	846,881	1,079,750	813,416	898,812	1,048,345	1,325,149	1,587,855	1,842,528	2,071,320
15% of Revenue (minimum fund balance)	*455,876*	*484,109*	*398,966*	*434,264*	*437,799*	*463,838*	*469,057*	*475,070*	*479,638*
Available for CIP	*391,005*	*595,641*	*414,450*	*464,548*	*610,546*	*861,311*	*1,118,798*	*1,367,459*	*1,591,682*
Restricted Fund Balance	*238,049*	*238,049*	*249,935*	*249,935*	*249,935*	*249,935*	*249,935*	*249,935*	*249,935*
Major Streets Fund (202)									
Revenues	761,449	398,881	982,300	521,400	236,650	246,389	250,645	253,227	259,495
Expenditures	749,898	407,729	982,233	521,400	230,539	238,968	245,937	248,642	253,789
Revenues Over (Under) Expenditures	11,551	(8,848)	67	0	6,111	7,421	4,708	4,585	5,706
Beginning Fund Balance	6,994	18,546	9,703	9,770	9,770	15,881	23,302	28,009	32,594
Ending Fund Balance	18,546	9,703	9,770	9,770	15,881	23,302	28,009	32,594	38,300
Local Streets Fund (203)									
Revenues	315,391	417,670	836,400	697,800	213,854	214,967	222,532	222,872	227,181
Expenditures	331,464	404,396	836,463	707,800	213,854	214,967	222,532	222,872	227,181
Revenues Over (Under) Expenditures	(16,073)	13,274	(63)	(10,000)	0	0	0	0	0
Beginning Fund Balance	33,323	17,254	30,531	30,468	20,468	20,468	20,468	20,468	20,468
Ending Fund Balance	17,254	30,531	30,468	20,468	20,468	20,468	20,468	20,468	20,468
Municipal Streets Fund (204)									
Revenues	523,243	551,190	681,000	725,600	734,665	743,216	752,821	762,779	775,818
Expenditures	861,556	564,308	912,300	858,700	287,908	288,344	299,231	292,557	316,826
Revenues Over (Under) Expenditures	(338,313)	(13,118)	(231,300)	(133,100)	446,757	454,872	453,590	470,221	458,992
Beginning Fund Balance	715,937	377,624	364,506	133,206	106	446,863	901,735	1,355,325	1,825,546
Ending Fund Balance	377,624	364,506	133,206	106	446,863	901,735	1,355,325	1,825,546	2,284,538
Solid Waste Collection Fund (226)									
Revenues	0	0	668,000	575,400	575,400	575,400	575,400	575,400	575,400
Expenditures	0	0	558,300	567,800	569,369	571,244	572,928	574,652	576,672
Revenues Over (Under) Expenditures	0	0	109,700	7,600	6,031	4,156	2,472	748	(1,272)
Beginning Fund Balance	0	0	0	109,700	117,300	123,331	127,487	129,958	130,706
Ending Fund Balance	0	0	109,700	117,300	123,331	127,487	129,958	130,706	129,434
Tree Replacement Fund (275)									
Revenues	1,122	1,583	1,900	1,800	1,800	1,800	1,800	1,800	1,800
Expenditures	18,700	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Revenues Over (Under) Expenditures	(17,578)	(6,417)	(6,100)	(6,200)	(6,200)	(6,200)	(6,200)	(6,200)	(6,200)
Beginning Fund Balance	174,086	156,508	150,091	143,991	137,791	131,591	125,391	119,191	112,991
Ending Fund Balance	156,508	150,091	143,991	137,791	131,591	125,391	119,191	112,991	106,791
General Debt Service Fund - Voted (303)									
Revenues	164,798	166,525	160,400	144,900	141,425	0	0	0	0
Expenditures	275,912	164,031	158,500	147,000	147,180	0	0	0	0
Revenues Over (Under) Expenditures	(111,114)	2,494	1,900	(2,100)	(5,755)	0	0	0	0
Beginning Fund Balance	114,575	3,461	5,955	7,855	5,755	0	0	0	0
Ending Fund Balance	3,461	5,955	7,855	5,755	0	0	0	0	0
General Debt Service Fund - Non Voted (351)									
Revenues	0	0	1,026,900	210,800	216,603	217,528	223,052	218,067	222,802
Expenditures	0	0	879,900	356,500	216,603	217,528	223,052	218,067	222,802
Revenues Over (Under) Expenditures	0	0	147,000	(145,700)	0	0	0	0	0
Beginning Fund Balance	0	0	0	147,000	1,300	1,300	1,300	1,300	1,300
Ending Fund Balance	0	0	147,000	1,300	1,300	1,300	1,300	1,300	1,300
Equipment Fund (402)									
Revenues	65,308	99,019	79,700	81,600	84,149	85,809	87,504	89,232	90,994
Expenditures	176,567	74,624	115,700	80,400	36,065	36,778	37,506	38,248	39,005
Revenues Over (Under) Expenditures	(111,259)	24,395	(36,000)	1,200	48,084	49,031	49,998	50,984	51,989
Beginning Fund Balance	206,746	95,487	119,882	83,882	85,082	133,166	182,197	232,194	283,178
Ending Fund Balance	95,487	119,882	83,882	85,082	133,166	182,197	232,194	283,178	335,168
Sewer Fund (590)									
Revenues	2,915,540	1,326,789	1,330,948	1,329,500	1,372,890	1,394,544	1,356,208	1,385,547	1,426,892
Expenditures	3,181,302	1,331,590	1,584,967	1,250,000	1,216,812	1,240,303	1,251,038	1,262,243	1,277,512
Revenues Over (Under) Expenditures	(265,762)	(4,801)	(254,019)	79,500	156,078	154,241	105,170	123,304	149,381
Beginning Cash	761,119	495,357	490,556	236,537	316,037	472,115	626,356	731,526	854,829
Ending Cash	495,357	490,556	236,537	316,037	472,115	626,356	731,526	854,829	1,004,210
Water Fund (591)									
Revenues	947,551	820,633	776,983	798,000	813,286	830,108	807,218	825,047	850,762
Expenditures	863,678	841,648	949,664	758,600	764,121	771,485	775,259	786,752	809,142
Revenues Over (Under) Expenditures	83,873	(21,015)	(172,681)	39,400	49,165	58,623	31,959	38,295	41,620
Beginning Cash	561,701	645,574	624,559	451,878	491,278	540,443	599,066	631,025	669,320
Ending Cash	645,574	624,559	451,878	491,278	540,443	599,066	631,025	669,320	710,940

Utility Rate Study

Another financial planning tool is the Utility Rate study, which was commissioned from ACI Finance in 2006. This tool, which is also updated annually by the finance department, allows City management to make educated decisions about recommending utility rates to meet the needs of the sewer and water departments. This tool underwent a major upgrade in Fiscal Year 2013-2014.

Village of Dexter
Sewer System
Projected Cash Flow

		Actual	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
Fiscal Year End :		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Assumptions										
Annual Rate Adjustment FY 2015/16	*3.0%*									
Annual Rate Adjustment Forecast Years	*3.0%*									
RTS Charge		$6.15	$6.52	$6.91	$7.12	$7.33	$7.55	$7.78	$8.01	$8.25
Commodity Charge		$7.57	$8.02	$8.50	$8.76	$9.02	$9.29	$9.57	$9.85	$10.15
Connection Charge		$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000
New connections - Approved Plan				30	20	20	20	2	0	0
New connections - Development				0	15	0	0	0	0	0
Total Meters (Fiscal Year Start)		1,526	1,569	1,611	1,641	1,661	1,681	1,701	1,703	1,703
Volume Billed - Annual		113,675	110,907	112,049	114,136	115,527	116,918	118,309	118,448	118,448
Revenue										
Service Charges		978,706	996,066	1,054,465	1,084,500	0	0	0	0	0
Utility Surcharge				72,000	50,000	36,000	36,000	36,000	36,000	36,000
RTS Charge				0	0	146,118	152,314	158,750	163,704	168,615
Commodity Charge				0	0	1,041,779	1,085,952	1,131,839	1,167,165	1,202,180
Interest Income		1,731	1,186	877	1,000	1,000	1,000	1,000	1,000	1,000
Miscellaneous		22,935	18,347	18,606	9,000	8,500	8,500	8,500	8,500	8,500
Total Revenue		1,003,372	1,015,599	1,145,948	1,144,500	1,233,397	1,283,766	1,336,088	1,376,369	1,416,295
Expenses										
Administration		76,118	94,801	81,626	77,700	80,808	84,040	87,402	90,898	94,534
Utilities		75,477	77,331	66,975	64,000	65,920	67,898	69,935	72,033	74,194
Equipment Maintenance		40,661	24,509	41,303	37,000	38,110	39,253	40,431	41,644	42,893
Vehicle Maintenance		1,923	2,899	2,988	3,000	3,090	3,183	3,278	3,377	3,478
Personnel		285,239	288,498	286,034	302,000	314,080	326,643	339,709	353,297	367,429
Operating Supplies		70,001	88,558	79,069	80,000	82,400	84,872	87,418	90,041	92,742
Professional Services		172,248	166,104	103,839	100,000	103,000	106,090	109,273	112,551	115,927
Other Operating Expenses		35,729	46,369	43,219	37,000	38,110	39,253	40,431	41,644	42,893
Equipment Purchases		929	6,952	9,400	10,000	10,300	10,609	10,927	11,255	11,593
Long Term Debt		280,285	337,737	462,562	465,712	468,587	476,225	473,683	471,017	467,744
Contingencies		0	0	0	15,000	15,000	15,000	15,000	15,000	15,001
Total Expense		1,038,610	1,133,758	1,177,015	1,191,412	1,219,405	1,253,066	1,277,486	1,302,756	1,328,428
Net Operating Cash Flow		-35,238	-118,159	-31,067	-46,912	13,992	30,700	58,602	73,613	87,867
Non-Operating Revenue										
Tap-In Charges - Approved Plan New		177,849	241,449	185,000	160,000	100,000	100,000	10,000	0	0
Tap-In Charges - Development		0	0	0	0	0	0	0	0	0
Dextech Expansion (Not in above calcs)		0	0	0	25,000	27,178	0	0	0	0
State Grants		0	0	0	0	0	0	0	0	0
Other Non-Operating Revenue		0	0	0	0	0	0	0	0	0
Total Non-Operating Revenue		177,849	241,449	185,000	185,000	127,178	100,000	10,000	0	0
Non-Operating Expense										
Legacy Costs		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Vehicles		0	0	17,452	0	0	0	0	0	0
Capital Equipment		0	26,063	24,600	15,000	0	0	0	0	0
Capital Improvements		105,253	55,412	44,158	40,000	100,000	100,000	100,000	100,000	100,000
Total Non-Operating Expense		111,253	87,475	92,210	61,000	106,000	106,000	106,000	106,000	106,000
Net Cash Flow		31,358	35,815	61,723	77,088	35,170	24,700	-37,398	-32,387	-18,133
Cash - Prior Fiscal Year End		732,617	763,975	799,790	861,513	938,601	973,770	998,470	961,071	928,685
Net Revenue/Expeditures		31,358	35,815	61,723	77,088	35,170	24,700	(37,398)	(32,387)	(18,133)
Cash - Current Fiscal Year End		763,975	799,790	861,513	938,601	973,770	998,470	961,071	928,685	910,552
% of Operation and Maintenance		74%	71%	73%	79%	80%	80%	75%	71%	69%

Village of Dexter
Water System
Projected Cash Flow

		Actual	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
Fiscal Year End :		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Assumptions										
Annual Rate Adjustment FY 15/16	*4.0%*									
Annual Rate Adjustment FY 16/17	*3.0%*									
Annual Rate Adjustment Forecast Years	*3.0%*									
RTS Charge		$6.91	$7.12	$7.34	$7.63	$7.86	$8.10	$8.34	$8.59	$8.85
Commodity Charge - First Meter		$3.12	$3.21	$3.31	$3.44	$3.55	$3.65	$3.76	$3.87	$3.99
Commodity Charge - Second Meter	*135%*	$4.21	$4.34	$4.47	$4.65	$4.79	$4.93	$5.08	$5.23	$5.39
Connection Charge		$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000
New connections - Approved Plan New				30	12	20	20	2	0	0
New connections - Second Meter				15	20	10	10	1	0	0
New connections - Development				0	0	0	0	0	0	0
Total Meters - First (Fiscal Year Start)		1,519	1,560	1,601	1,631	1,643	1,663	1,683	1,685	1,685
Total Meters - Second (Fiscal Year Start)		579	608	624	639	659	669	679	680	680
Volume Billed - Annual; First Meter		116,378	113,641	114,542	116,688	117,547	118,978	120,409	120,552	120,552
Volume Billed - Annual; Second Meter		42,601	24,971	17,464	17,884	18,444	18,723	19,003	19,031	19,031
Revenue										
Service Charges (Utility Bills)		769,377	656,435	649,581	675,000					
RTS Charge						217,197	226,628	236,430	243,832	251,147
Commodity Charge - First Meter						416,783	434,512	452,929	467,072	481,084
Commodity Charge - Second Meter						88,283	92,311	96,502	99,543	102,530
Interest Income		1,933	2,436	857	1,000	2,000	2,000	2,000	2,000	2,000
Miscellaneous		11,201	13,429	21,055	6,000	5,000	5,000	5,000	5,000	5,000
Total Revenue		782,511	672,300	671,493	682,000	729,262	760,451	792,861	817,447	841,760
Expenses										
Administration		69,956	74,935	72,325	72,700	75,608	78,632	81,778	85,049	88,451
Utility		43,907	56,581	38,562	40,000	41,200	42,436	43,709	45,020	46,371
Equipment Maintenance		27,367	31,071	17,598	16,000	16,480	16,974	17,484	18,008	18,548
Vehicle Maintenance		1,460	1,301	3,751	1,500	1,545	1,591	1,639	1,688	1,739
Personnel		205,970	193,114	185,745	199,600	207,584	215,887	224,523	233,504	242,844
Operating Supplies		49,577	62,681	60,506	50,000	51,500	53,045	54,636	56,275	57,964
Professional Services		29,046	12,020	20,004	24,000	24,720	25,462	26,225	27,012	27,823
Other Operating Expenses		15,095	17,661	17,967	17,300	17,819	18,354	18,904	19,471	20,055
Equipment Purchases		44,122	71,817	64,902	50,000	51,500	53,045	54,636	56,275	57,964
Long Term Debt		287,751	249,111	255,800	256,748	257,835	253,860	249,945	250,987	261,484
Contingencies		0	0	0	15,000	15,000	15,000	15,000	15,000	15,001
Total Expense		774,251	770,292	737,160	742,848	760,791	774,287	788,480	808,291	838,243
Net Operating Cash Flow		8,260	-97,992	-65,667	-60,848	-31,529	-13,836	4,382	9,156	3,517
Non-Operating Revenue										
State Grants		2,800	617	0	5,000	0	0	0	0	0
Tap-In Charges - Approved Plan New		104,198	145,723	105,500	96,000	60,000	60,000	6,000	0	0
Tap-In Charges - Development		0	0	0	0	0	0	0	0	0
Dextech Expansion (Not in above calcs)		0	0	0	15,000	14,635	0	0	0	0
Reimburse prior year DWRF costs		0	0	0	0	0	0	0	0	0
Total Non-Operating Revenue		106,998	146,340	105,500	116,000	74,635	60,000	6,000	0	0
Non-Operating Expense										
Legacy Costs - Extra Payments		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Wellhead Protection Program		1,002	315	0	10,000	0	0	0	0	0
Vehicle Purchases		0	0	17,452	0	0	0	0	0	0
Capital Purchases		0	69,637	391,770	10,000	25,000	25,000	25,000	25,000	25,000
Total Non-Operating Expense		6,002	74,952	414,222	25,000	30,000	30,000	30,000	30,000	30,000
Net Cash Flow		109,256	-26,604	-374,389	30,152	13,106	16,164	-19,618	-20,844	-26,483
Cash - Prior Fiscal Year End		550,141	659,397	632,793	258,404	288,556	301,662	317,826	298,208	277,364
Net Revenue/Expeditures		109,256	(26,604)	(374,389)	30,152	13,106	16,164	(19,618)	(20,844)	(26,483)
Cash - Current Fiscal Year End		659,397	632,793	258,404	288,556	301,662	317,826	298,208	277,364	250,882
% of Operation and Maintenance		85%	82%	35%	39%	40%	41%	38%	34%	30%