

2017 BUDGET



CITY OF HARPER WOODS, MICHIGAN

ADOPTED NOVEMBER 7, 2016

CITY OF HARPER WOODS
2017 BUDGET

KENNETH A. POYNTER
CHERYL A. COSTANTINO
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HUGH MARSHALL
VALERIE KINDLE
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MAYOR
MAYOR PRO TEM
COUNCILMEMBER
COUNCILMEMBER
COUNCILMEMBER
COUNCILMEMBER
COUNCILMEMBER

RANDOLPH A. SKOTARCZYK
JOHN M. SZYMANSKI
LESLIE M. FRANK

CITY MANAGER
TREASURER/FINANCE DIRECTOR
CITY CLERK

NOVEMBER 7, 2016

CITY OF HARPER WOODS

2017 BUDGET

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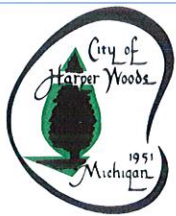
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City of Harper Woods
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www.harperwoodscity.org

Mayor:
Kenneth A. Poynter

Mayor Pro Tem:
Cheryl A. Costantino

City Manager:
Randolph Skotarczyk

City Clerk:
Leslie M. Frank

City Council:
Vivian M. Sawicki
Hugh R. Marshall
Valerie J. Kindle
Veronica Paiz
Tom Jenny

CITY OF HARPER WOODS 2017 BUDGET

MANAGEMENT'S DISCUSSION AND BUDGET ANALYSIS

The Honorable:

Kenneth A. Poynter, Mayor
Cheryl A. Costantino, Mayor Pro-Tem
Vivian Sawicki, Councilmember
Hugh Marshall, Councilmember
Valerie Kindle, Councilmember
Veronica Paiz, Councilmember
Tom Jenny, Councilmember

Mr. Mayor and Members of City Council:

Presented as follows is the Management's Discussion and Budget Analysis for the City's 2017 Budget.

This budget has been prepared in accordance with the applicable public acts of the State of Michigan, our City Charter, and other federal, state and local regulations. The official budget document presented herein has been supplemented by detailed budget workbooks presented to you under separate cover.

PRESENTATION OF BUDGET

The Budget begins with the *Tax Levy Resolution*. When adopted, this will officially enact and establish the millage rates. In the General Levy, we are recommending no change to comply with the requirements of the "Headlee Amendment" and 1994's Proposition A. The same applies to the Library and Refuse operating millage. The Library Bond millage levy will remain the same at (1.375) mills in conformance with bond regulations. The City Council is required to establish these levies by separate resolution.

Following the Tax Levy Resolution is the *Budget Adoption and Appropriation Resolution*. When approved, this formally enacts and adopts the 2017 Budget.

Additional information statements are then presented prior to the proposed budget for each of the City's various operating, entrepreneurial, debt and internal service funds. These statements include the following: Tax Levy Statement; Tax Rate and Revenue Comparison; Headlee Amendment Calculation Millage Reduction Formula; and Statement of Indebtedness.

A brief narrative of the City's major operating funds follows:

GENERAL FUND

The General Fund, our main City operating fund, is still a concern for 2017 and beyond. We are seeing a slight increase in residential property values, state revenue sharing and grant funding. While having made excellent strides in reducing costs associated with health insurance for active employees and retirees and capping future pension costs for a majority of active employees, the cost of providing health care continues to rise and still represents a major expense that puts strain on this fund. The City is using its new technology to better leverage its legacy and other costs across existing source funds and relieve any unwarranted financial pressures on the City's general fund, keeping service levels high for Police, Fire, Parks, DPW and other City services.

Our overall taxable value decreased by over \$9.5 million this year. The majority of this decrease comes from the MTT tax tribunal settlements with commercial real estate. This year the reduction translates into approximately (\$365,750.00) decrease of revenue in the General Fund. This is a continuation of the decreased revenue since 2009. Overall, residential property tax assessments are starting to stabilize and property values are starting to inch up. This trend is good for the City and should get better as the overall economy grows. Commercial properties continue to decline, but are doing so at a much slower rate and amount than prevalent in past years.

We had depleted our fund balance in 2011 to below an acceptable minimum balance and have worked hard to correct this situation. The 2017 budget projects a modest fund balance surplus. Savings will be realized by tax adjustment collections, cost containment efforts, receiving state revenue sharing at 100% of allotments, successful grant applications and continued leveraged use of new technology. The budget numbers presented for 2017 reflect a \$1,958,859.99 contribution to the retirement system. The 2017 budget for Police and Fire services is set at a 15 mill assessment. City Council will be asked in the spring to reduce the current levy millage assessment, for Police and Fire, from 18.5 mills to 15 mills, providing for a 3.5 mill reduction. There will be no reduction in Police or Fire services provided to residents or businesses of the City of Harper Woods. In 2017 we need to continue to address ways of continued cost containment and improving service delivery methods using less costly alternatives for service delivery methods. Discussions with the unions need to continue in this area.

Our projection is for a fund balance of approximately \$1.7 million dollars for 2017. This amount represents approximately 15% of revenues and exceeds the guideline of 10% of revenues, a minimum guideline for fund balance.

MAJOR AND LOCAL STREET FUNDS

There are some major road projects planned for 2017. The remaining budgeted expenditures are for the routine upkeep and maintenance of existing roads.

LIBRARY FUNDS

The operating fund for the Library presents no cuts in service, as requested by the Library Board and sustained by the City. Revenue levels stated in the 2017 budget assume the successful passage of the November 8, 2016 Library millage renewal for an additional (1) mill to be used for operations.

DEBT SERVICE FUNDS

The millage levy will be reduced from 1.5 mill to 1.375 for the principal, interest and fees of the 2004 Library Bond issue.

STORM DRAIN FUND

In accordance with the City's Storm Water Utility Ordinance, the City Council is required to annually establish the Storm Water Utility rate as part of the City's annual budget process.

We are recommending that the rate remain at \$210, at this time, to cover the ever increasing cost of maintaining the Milk River Drain and to continue to review and monitor balances in this fund throughout the year to ensure funding is sufficient to absorb the future (10%) apportionment increase planned for 2017 and future years.

VEHICLE AND EQUIPMENT

We have not budgeted nor do we expect any major equipment purchases from this fund in 2017. Costs of maintaining the equipment are on the rise and will need to be evaluated. The fund balance is slowly recovering from a deficit and is part of a (5) year deficit elimination plan with the State of Michigan. The fund is currently compliant with State of Michigan standards.

WATER AND SEWER FUND

The 2017 Budget for the Water and Sewer Fund continues to be prepared taking into account the rate structure in place. We will continue to monitor the rates we need to charge while keeping in mind the obligations the City has with the varying Water Authorities to cover fixed charges. This budget reflects not only current operations expenses, but includes debt service payments for the SRF Bonds for the sewer repair/replacement project. It also shows a repayment to the Refuse Fund for historical borrowing. The City is currently exploring the possibility of adding monthly residential water billings to help residents better manage their water bill expenses.

MISCELLANEOUS FUNDS

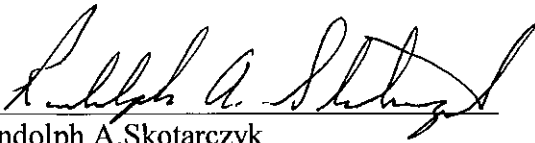
The other funds presented herein are essentially unchanged from prior years with the exception of Refuse Fund. The Refuse fund ended 2014 with a deficit and is budgeted in accordance with the deficit elimination plan filed with the State of Michigan. We must monitor this fund to ensure compliance with the State of Michigan. The Finance department is also reviewing the need for the City to keep a reserve balance in its "Self-Insurance Fund" for 2017. The City has added new forfeiture and Canine (K9) funds for 2017 as well.

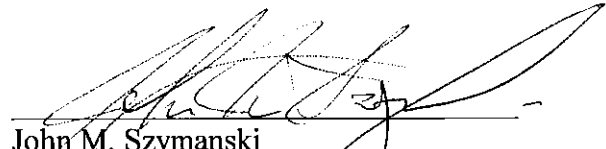
SUMMARY

You are requested to approve the 2017 Budget on an activity basis. Line item details have been provided to you in your budget workbooks for informational purposes only. Adoption on an activity basis allows your management the flexibility to adjust line items as may be necessary from time to time and bring budget amendments to the City Council when practical or necessary.

We believe the budget presented herein accurately represents the City's financial position and condition. We hereby submit and recommend your approval of the 2017 Budget.

Respectfully submitted,


Randolph A. Skotarczyk
City Manager


John M. Szymanski
Treasurer/Finance Director

CITY OF HARPER WOODS MANAGEMENT'S MISSION STATEMENT

We firmly believe in Philosopher John Locke's Social Contract Theory that . . .

**"Government exists for the benefit of the
governed not those governing"**

That is

**"The City of Harper Woods exists not to serve
those who are employed here but for the
residents who have placed us here to serve"**

WE BELIEVE . . .

- * The City's business is service to our community
- * That our service to the community should be helpful, caring and responsive
- * That the success of the City organization is dependent on teamwork, mutual respect and commitment to the following values:
 - ~Participation by all segments of the community
 - ~Effective Communication within and among our constituents
 - ~Integrity in everything we do
 - ~Innovation in meeting the present and future needs of the City
 - ~Accountability to our elected officials and the Trust our citizens have placed in them
 - ~Responsibility for the services entrusted to us
 - ~Pride in what we do, always striving to serve in the best interest of the community as a whole



We Believe in our Dedication to Public Service

TAX LEVY RESOLUTION

WHEREAS, Act 5 of the P.A. of 1982, as amended requires that a notice be given and that a public hearing be held and that the proposed millage rate will be a subject of review at the hearing, and

WHEREAS, The City of Harper Woods has complied with these provisions of the Act by publishing a Notice of Public Hearing in a newspaper of general circulation by October 20, 2016 and held said public hearings on November 7, 2016, and

WHEREAS, The City Council has complete authority to establish the millage rates necessary to support the City's proposed budget.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Harper Woods does hereby approve the City's tax levy for 2017 as follows:

FUND	2017 LEVY
GENERAL	20.0000
REFUSE	2.5517
SUBTOTALS	22.5517
LIBRARY	1.9168
DEBT	1.3750
TOTALS	25.8435

BE IT FURTHER RESOLVED that the City Assessor for the City of Harper Woods is hereby directed to spread upon the Taxable Valuation of all real and State Equalized Valuation of all personal property within the corporate limits of the City of Harper Woods, the above established millage rate.

BUDGET ADOPTION AND APPROPRIATION RESOLUTION

WHEREAS, The City Manager of the City of Harper Woods has presented to the City Council a proposed budget for the City's operating and debt funds for the period January 1, 2017, through December 31, 2017; and

WHEREAS, The proposed Budget has been reviewed and found to be in accordance with the general fiscal and budgetary policies as established by the City Council; and

WHEREAS, A Public Hearing was held on the Budget submission on November 7, 2016, at 7:00 p.m. in the City Council Chambers of the City of Harper Woods, Michigan and a public notice of this hearing was made by October 20, 2016, advising of the hearing and that a copy of the proposed budget was available for public inspection, in accordance with Section 9.3 of the City Charter; and

WHEREAS, This Budget Document is on file in the official records of the City of Harper Woods, Michigan.

NOW, THEREFORE, BE IT RESOLVED that the City Council, under the authority granted by the City Charter and the State of Michigan does hereby approve and adopt the 2017 Budget as submitted and appropriate the following sums for the purposes set forth herein:

GENERAL	\$10,993,614
MAJOR STREET	\$673,121
LOCAL STREET	\$754,071
WATER & SEWER UTILITY	\$4,779,673
VEHICLE & EQUIPMENT	\$287,788
STORM DRAIN	\$1,939,952
REFUSE COLLECTION	\$901,985
LIBRARY	\$453,449
DEBT RETIREMENT	\$283,243
SELF INSURANCE	\$0
DRUG, FORFEITURE, K9	\$137,035
TOTAL	\$21,203,931

CITY OF HARPER WOODS

2017 BUDGET

TAX LEVY STATEMENT

	2015 TAXABLE <u>VALUE</u>	2016 TAXABLE <u>VALUE</u>	INCREASE (DECREASE) <u>2015-2016</u>
REAL PROPERTY:			
COMMERCIAL	\$62,715,488	\$51,637,988	(\$11,077,500)
INDUSTRIAL	\$97,500	\$96,700	(\$800)
RESIDENTIAL	<u>\$139,782,041</u>	<u>\$141,048,720</u>	<u>\$1,266,679</u>
TOTAL REAL	\$202,595,029	\$192,783,408	(\$9,811,621)
PERSONAL PROPERTY:			
COMMERCIAL	\$8,307,400	\$9,086,100	\$778,700
UTILITY	\$4,034,100	\$4,524,700	\$490,600
TOTAL PERSONAL	<u>\$12,341,500</u>	<u>\$13,610,800</u>	<u>\$1,269,300</u>
TOTAL TAXABLE VALUE	\$214,936,529	\$206,394,208	(\$8,542,321)

COMPARISON OF 2016 (SEV) EQUALIZED VALUATION TO TAXABLE VALUATION (APPLIES TO REAL PROPERTY ONLY)

	2016 TAXABLE <u>VALUE</u>	2016 EQUALIZED <u>VALUE</u>	<u>VARIANCE</u>
REAL PROPERTY:			
COMMERCIAL	\$51,637,988	\$53,911,000	(\$2,273,012)
INDUSTRIAL	\$96,700	\$96,700	0
RESIDENTIAL	<u>\$141,048,720</u>	<u>\$163,672,300</u>	<u>(\$22,623,580)</u>
	\$192,783,408	\$217,680,000	(\$24,896,592)

CITY OF HARPER WOODS

2017 BUDGET

TAX RATE AND REVENUE COMPARISON

<u>FUND</u>	<u>2016 LEVY</u>	<u>2017 LEVY</u>	<u>2016 REVENUES</u>	<u>2017 REVENUES</u>	<u>INCREASE (DECREASE)</u>
GENERAL	20.0000	20.0000	\$4,102,352	\$4,166,441	\$64,089
REFUSE	2.5517	2.5517	\$523,399	\$531,575	8,177
LIBRARY	1.9168	1.9168	\$393,169	\$399,312	6,142
DEBT	1.5000	1.3750	\$307,676	\$286,443	(21,234)
TOTALS	25.9685	25.8435	\$5,326,596	\$5,383,771	\$57,174

CITY OF HARPER WOODS 2017 BUDGET

HEADLEE AMENDMENT CALCULATIONS

MILLAGE REDUCTION FORMULA

$$2011 \text{ MILLAGE REDUCTION FRACTION} = \frac{2015 \text{ TAXABLE VALUE} - 2016 \text{ LOSSES}}{2016 \text{ TAXABLE VALUE} - 2016 \text{ ADDITIONS}} \times 1.003$$

$$2011 \text{ MILLAGE REDUCTION FRACTION} = \frac{202,595,029 - 382,717}{205,117,593 - 3,237,050} \times 1.003$$

$$2011 \text{ MILLAGE REDUCTION FRACTION} = \frac{202,212,312}{201,880,543} \times 1.003$$

$$2011 \text{ MILLAGE REDUCTION FRACTION} = 1.0047 \times 1.003 = 1.0000$$

MILLAGE REDUCTION FACTORS SINCE 2008

2008 MRF	1.0000
2009 MRF	1.0000
2010 MRF	1.0000
2011 MRF	1.0000
2012 MRF	1.0000
2013 MRF	1.0000
2014 MRF	1.0000
2015 MRF	1.0000
2016 MRF	1.0000

EFFECTIVE MILLAGE REDUCTIONS

		2016 REDUCED MILLAGE RATE	2016 MRF	2016 REDUCED MILLAGE RATE
AUTHORIZED BY CHARTER OR STATUTE				
GENERAL	20 MILLS	17.0332	1.0000	17.0332
LIBRARY	1 MILL	0.9168	1.0000	0.9168
REFUSE	3 MILLS	2.5517	1.0000	2.5517

CITY OF HARPER WOODS
2017 BUDGET
STATEMENT OF INDEBTEDNESS

ISSUE: 2004 GENERAL OBLIGATION LIBRARY IMPROVEMENT BONDS

AMOUNT OF ISSUE:	\$3,100,000
TERM:	20 YEARS
RATE:	3.3% - 5.0%
TOTAL PRINCIPAL OUTSTANDING:	\$2,125,000
PRINCIPAL DUE 2017:	\$ 175,000
INTEREST DUE 2017:	\$81,175

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE GENERAL FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Property Tax	\$3,984,309	\$4,291,675	\$4,166,441	\$4,166,441
Police-Fire Assessment	2,995,292	3,336,503	3,478,786	2,920,669
License & Permits	288,393	243,750	398,079	375,807
Grants	279,987	279,813	266,822	264,524
State Shared	1,706,072	1,443,179	1,388,165	1,423,691
Service Fees	2,704,471	1,882,463	1,564,317	1,735,813
Miscellaneous and Interest	271,179	60,000	36,728	31,670
TOTAL REVENUES	\$12,229,702	\$11,537,383	\$11,299,337	\$10,918,614
EXPENDITURES				
District Court	\$503,417	\$437,091	\$479,302	\$487,954
Council	28,073	24,363	33,910	32,632
City Manager	109,882	98,681	94,442	85,792
City Attorney/Other Legal	178,071	145,000	159,000	145,000
Assessor Activities	156,127	86,875	66,735	66,500
Clerk Activities	128,879	101,720	115,831	130,752
Finance/Data Processing	156,075	71,225	48,713	46,953
Treasurer	69,780	52,800	53,603	57,603
Building & Grounds City Hall	164,000	152,248	131,831	369,080
Beautification Commission	340	320	370	370
Misc.(Plan/BOA/EmerPre)	112,970	36,950	54,026	27,945
Police Department	3,468,943	2,835,828	3,013,744	3,052,827
Fire Department	817,592	623,691	725,171	802,676
Protective Inspection	347,769	250,500	473,485	429,000
Public Works Administration	62,538	55,210	20,020	15,574
Street Lighting	463,701	472,500	468,578	441,500
Parks & Recreation/PR	332,324	262,215	270,692	255,850
Dial-A-Ride/PAATS	12,776	220	15,843	16,000
Employee Fringes/All Insurances	4,163,213	4,169,243	3,353,857	3,623,918
Retiree Insurance	377,504	1,285,128	724,815	729,887
Telephone /Auditing	135,400	186,300	108,200	109,700
GRAND TOTAL EXPENDITURES	\$11,789,373	\$11,348,108	\$10,412,168	\$10,927,513
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$440,329	\$189,275	\$887,169	(\$8,898)
TRANSFERS IN	\$75,000	\$75,000	\$75,000	\$75,000
TRANSFERS (OUT)	(4,920)	(236,250)	(711,250)	
NET TRANSFERS IN (OUT)	\$70,080	(\$161,250)	(\$636,250)	\$75,000
APPROPRIATION TO (FROM) FUND BALANCE	\$510,409	\$28,025	\$250,919	\$66,102
BEGINNING FUND BALANCE	\$903,571	\$1,463,082	\$1,413,980	\$1,664,899
ENDING FUND BALANCE	\$1,413,980	\$1,491,107	\$1,664,899	\$1,731,001

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE MAJOR STREET FUND

	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
TOTAL REVENUES	\$781,827	\$583,181	\$673,118	\$673,121
EXPENDITURES				
Road Construction	\$0	\$461,250	\$518,349	\$0
Routine Maintenance	164,808	151,104	292,892	146,321
Traffic Service	152,980	44,181	59,045	44,059
Winter Maintenance	95,508	85,246	53,735	53,925
Administration	46,500	45,500	45,500	45,500
	\$459,796	\$787,281	\$969,520	\$289,805
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$322,031	(\$204,100)	(\$296,403)	\$383,316
OTHER FINANCING SOURCES (USES)				
Contributions to Local Street	(160,000)	(125,000)	(125,000)	(475,000)
Transfer from General Fund	0	236,250	711,250	0
Transfer from Water Fund	0	150,000	150,000	0
Miscellaneous	0	0	0	0
Federal Grant	0	0	0	0
Bond Proceeds	0	0	0	0
TOTAL FINANCING SOURCES (USES)	(\$160,000)	\$261,250	\$736,250	(\$475,000)
APPROPRIATION TO (FROM) FUND BALANCE	\$162,031	\$57,150	\$439,847	(\$91,684)
BEGINNING FUND BALANCE	\$350,005	\$375,019	\$512,036	\$951,883
ENDING FUND BALANCE	\$512,036	\$432,169	\$951,883	\$860,199

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE LOCAL STREET FUND

	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
TOTAL REVENUES	\$271,806	\$231,215	\$288,144	\$279,071
EXPENDITURES				
Road Construction	\$0	\$0	\$0	\$475,000
Routine Maintenance	393,142	211,867	178,781	177,124
Traffic Service	7,232	9,096	11,834	11,834
Winter Maintenance	52,761	52,284	58,973	59,073
Administration	28,700	27,500	27,500	27,500
TOTAL EXPENDITURES	\$481,835	\$300,747	\$277,088	\$750,531
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(\$210,029)	(\$69,532)	\$11,056	(\$471,460)
OTHER FINANCING SOURCES (USES) CONTRIBUTIONS FROM:				
Street Bond Proceeds	\$0	\$0	\$0	\$0
General Fund	0	0	0	0
Major Street Fund	160,000	125,000	125,000	475,000
Storm Drain	0	0	0	0
Municipal Improvement	0	0	0	0
Debt Service Fund	0	0	0	0
TOTAL CONTRIBUTIONS	\$160,000	\$125,000	\$125,000	\$475,000
APPROPRIATION TO (FROM) FUND BALANCE	(\$50,029)	\$55,468	\$136,056	\$3,540
BEGINNING FUND BALANCE	\$55,350	\$97,227	\$5,321	\$141,377
ENDING FUND BALANCE	\$5,321	\$152,695	\$141,377	\$144,917

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE REFUSE COLLECTION FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Property Tax Revenue	\$494,616	\$553,500	\$543,355	\$509,900
Personal Property Taxes	0	0	0	0
Tax Adjustments	0	0	0	0
Residential Refuse Fees	96,053	108,300	97,000	105,000
Commercial Refuse Fees	17,654	3,820	11,424	3,820
Special Pickup Charges	26,047	27,000	27,000	27,000
Recycling Fees	170,218	162,270	162,270	173,265
Interfund User Fee	75,000	75,000	75,000	75,000
Interest/Miscellaneous	9,297	0	8,000	8,000
TOTAL REVENUES	\$888,885	\$929,890	\$924,049	\$901,985
EXPENDITURES				
Wages - Full Time	\$29,039	\$36,830	\$30,000	\$30,500
Wages - Part Time	19,701	28,060	20,000	20,750
Wages - Overtime	2,187	540	2,000	2,000
Fringe Benefit Allocation	15,000	15,000	15,000	15,000
Supplies	0	1,500	507	500
Refuse Collection Expense	425,582	430,665	411,000	411,000
Grosse Pointes-Clinton Disposal	93,702	83,050	83,050	85,190
Composting Charges	0	0	0	0
Curbside Recycling Expense	172,200	197,000	184,080	190,320
Professional/Contractual/Fees	0	0	0	0
Insurance & Bonds Allocation	7,000	7,000	7,000	7,000
V & E Fund Rentals	21,521	26,625	26,625	26,625
Equipment	5,104	0	0	0
City Manager Allocation	5,000	5,000	5,000	5,000
Audit Charge Allocated	2,800	2,000	2,000	2,000
Finance Allocated	5,000	5,000	5,000	5,000
TOTAL EXPENDITURES	\$803,836	\$838,270	\$791,262	\$800,885
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$85,049	\$91,620	\$132,787	\$101,100
TRANSFERS (OUT)	\$0	\$0	\$0	\$0
APPROPRIATION TO (FROM) FUND BALANCE	\$85,049	\$91,620	\$132,787	\$101,100
BEGINNING FUND BALANCE	(\$456,592)	(\$346,652)	(\$371,543)	(\$238,756)
ENDING FUND BALANCE	(\$371,543)	(\$255,032)	(\$238,756)	(\$137,656)

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE LIBRARY FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Property Tax	\$355,921	\$406,257	\$421,108	\$411,634
Penal Fines Allocation	10,450	10,700	10,700	10,700
State Grant - Public Library	8,500	8,382	8,500	8,382
DVD Rental Revenue	2,300	1,100	1,100	1,100
Non-Resident User Fees	2,100	2,000	2,725	2,725
Library Fines & Late Fees	9,100	8,500	9,785	9,785
Interest Earnings	0	0	0	0
Donations	5,000	4,000	3,050	3,050
Miscellaneous Revenues	6,500	0	6,072	6,072
TOTAL REVENUES	\$399,871	\$440,939	\$463,040	\$453,448
EXPENDITURES				
Wages - Sick Buyback	\$3,000	\$1,500	\$3,000	\$3,000
Wages - Vacation Buyback	3,500	1,500	3,500	3,500
Wages - Full Time	140,000	132,093	132,738	135,393
Wages - Part Time	115,500	100,000	103,360	104,113
Wages - Overtime	0	0	0	0
Wages - Longevity	0	0	0	0
Fringe Benefit Allocation	66,000	65,000	68,600	69,600
Supplies	10,500	6,000	8,100	8,400
DVD Media	4,000	7,850	7,750	7,750
Professional - Contractual	42,000	35,000	39,000	39,500
LCM Books/Periodicals	26,400	26,400	21,450	21,500
Digital Materials	4,000	1,000	4,000	4,000
Programs	8,900	8,900	7,800	7,800
Communications - Telephone	1,500	1,500	1,500	1,500
Travel, Lodging & Meals	2,500	2,500	2,500	2,500
Insurance & Bonds Allocation	4,000	4,000	4,000	4,000
Misc./Other	8,463	38,612	17,350	17,860
Repairs & Maintenance	2,500	0	0	0
Subscriptions, Dues & Fees	2,500	2,400	2,100	2,300
Audit Charges Allocated	1,000	1,000	2,000	2,000
Finance Costs Allocated	3,000	3,000	3,000	3,000
Equipment	0	0		
	\$449,263	\$438,255	\$431,748	\$437,715
APPROPRIATION TO (FROM)				
FUND BALANCE	(\$49,392)	\$2,684	\$31,292	\$15,733
CONTRIBUTIONS IN/(OUT)	\$0	\$0	\$0	\$0
BEGINNING FUND BALANCE	\$142,369	\$208,070	\$92,977	\$124,269
ENDING FUND BALANCE	\$92,977	\$210,754	\$124,269	\$140,002

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE STORM DRAIN FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Wayne County Adjustments	(64)			
Interest - Certificate Deposit				
Interest - Government Pool				
Milk River Assessment Charges	1,911,711	1,939,952	1,939,952	1,939,952
TOTAL REVENUES	\$1,911,647	\$1,939,952	\$1,939,952	\$1,939,952
EXPENDITURES				
Milk River Debt - Principal				
Milk River Debt - Interest				
Storm Drain - Capital Improvement	355			
Contractual/Professional/Fees				
Repairs & Maintenance	956,035	1,800,000	984,330	1,082,763
TOTAL EXPENDITURES	\$956,390	\$1,800,000	\$984,330	\$1,082,763
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$955,257	\$139,952	\$955,622	\$857,189
TRANSFERS (OUT)	\$0	\$0	\$0	\$0
APPROPRIATION TO (FROM) FUND BALANCE	\$955,256	\$139,952	\$955,622	\$857,189
BEGINNING FUND BALANCE	\$519,576	\$555,528	\$1,474,834	\$2,430,456
ENDING FUND BALANCE	\$1,474,832	\$695,480	\$2,430,456	\$3,287,645

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE DRUG LAW ENFORCEMENT FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Drug Fund Forfeitures	\$1,465	\$0	\$1,849	\$0
Interest - Certificate Deposit	0	0	0	0
TOTAL REVENUES	\$1,465	\$0	\$1,849	\$0
EXPENDITURES				
Supplies	0	0	15,171	0
Professional - Contractual	9,800	0	5,119	0
Equipment	7,139	0	2,279	0
TOTAL EXPENDITURES	\$16,939	\$0	\$22,569	\$0
APPROPRIATION TO (FROM)				
FUND BALANCE	(\$15,474)	\$0	(\$20,720)	\$0
BEGINNING FUND BALANCE	\$89,574	\$82,164	\$74,100	\$53,380
ENDING FUND BALANCE	\$74,100	\$82,164	\$53,380	\$53,380

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE DEBT SERVICE FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Property Tax Revenue	377,696	303,318	307,676	286,443
Property Tax Rev-Library Bond	0	0	0	0
Personal Property Taxes	0	0	0	0
Tax Adjustments	0	(12,000)	(2,599)	(3,200)
Interest-Government Pool	0	0	0	0
TOTAL REVENUES	\$377,696	\$291,318	\$305,077	\$283,243
EXPENDITURES				
Library Bond - Principal	150,000	150,000	150,000	175,000
Library Bond - Interest	93,375	87,600	87,600	81,175
Library Bond - Fees	750	750	750	750
Street Bond Professional	0	0	0	0
Street Bond Printing & Publish	0	0	0	0
Street Bond - Principal	0	0	0	0
Street Bond - Interest	0	0	0	0
Street Bond - Fees	0	0	0	0
TOTAL EXPENDITURES	\$244,125	\$238,350	\$238,350	\$256,925
APPROPRIATION TO (FROM)				
FUND BALANCE	\$133,571	\$52,968	\$66,727	\$26,318
CONTRIBUTIONS IN/(OUT)	0	0	0	0
BEGINNING FUND BALANCE	\$18	\$165,668	\$133,589	\$200,316
ENDING FUND BALANCE	\$133,589	\$218,636	\$200,316	\$226,634

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE WATER AND SEWER FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Tax Adjustments	\$179,128	\$150,000	\$150,000	\$150,000
MDEQ S2 GRANT	26,599	0	0	0
Water/Sewer Revenue	1,446,974	1,755,780	1,982,930	2,234,930
Sales-Fixed Metered Water	429,507	0	0	0
Sales-Fixed Metered Sewer	0	0	0	0
Debt Service Charge	219,573	190,000	215,000	215,000
Meter Service Charge	1,470,311	1,555,056	1,741,043	1,994,043
IWC Charge	42,510	50,000	45,700	45,700
Penalties - Late Payment	127,533	125,000	125,000	125,000
TOTAL CUSTOMER BILLINGS	\$3,942,135	\$3,825,836	\$4,259,673	\$4,764,673
Hydrant Rental	0	0	0	0
Miscellaneous Revenue	11,976	10,000	15,000	15,000
TOTAL OPERATING REVENUE	\$3,954,111	\$3,835,836	\$4,274,673	\$4,779,673
EXPENDITURES				
Supply and Disposal	\$2,577,603	\$1,997,658	\$2,533,418	\$2,603,469
Water System	453,267	380,169	428,890	457,888
Sanitary Sewer	178,197	184,008	207,785	219,974
Customer Service	484,302	381,775	661,920	843,302
Administrative	198,121	138,000	200,466	206,401
Depreciation	109,758	101,050	119,336	119,337
Pension - GASB 68	0	0	57,401	57,401
Debt Service	0	199,832	201,582	203,082
OPERATING EXPENSE	\$4,001,248	\$3,382,492	\$4,410,798	\$4,710,854
OPERATING INCOME (LOSS)	(\$47,137)	\$453,344	(\$136,125)	\$68,819
INTEREST EXPENSE	\$0		\$0	\$0
PRIOR PERIOD ADJ.		\$0	\$0	\$0
CONTRIBUTION TO MAJOR STREET	\$0	(\$150,000)	(\$150,000)	\$0
NET INCOME (LOSS)	(\$47,137)	\$303,344	(\$286,125)	\$68,819
BEGINNING NET POSITION (Reinstated)	\$1,582,080	\$1,534,943	\$1,534,943	\$1,248,818
ENDING NET POSITION	\$1,534,943	\$1,838,287	\$1,248,818	\$1,317,637

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE VEHICLE AND EQUIPMENT FUND

REVENUES	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
Rentals to Gen'l Fund	\$28,861	\$23,000	\$23,000	\$23,000
Rentals to Major Streets	38,500	38,500	38,500	38,500
Rentals to Local Streets	48,061	43,163	43,163	43,163
Rental Income - Refuse Fund	26,625	26,625	26,625	26,625
Revenue - Rental Equip	0	0	0	0
Rental Income - Library Fund	0	0	0	0
Rentals to Water&Sewer	156,500	156,500	156,500	156,500
OPERATING REVENUES	\$298,547	\$287,788	\$287,788	\$287,788
EXPENSES				
Materials and Supplies	\$48,353	\$56,150	\$61,746	\$61,746
Direct Costs	97,910	86,197	61,730	61,730
Building/Ground Maintenance	47,561	41,574	60,445	60,445
Depreciation Expense	27,800	43,300	43,300	43,300
Administrative Allocation	61,300	60,500	60,500	60,500
OPERATING EXPENSE	\$282,924	\$287,721	\$287,721	\$287,721
OPERATING INCOME (LOSS)	\$15,623	\$67	\$67	\$67
NON-OPERATING REVENUE	\$0	\$0	\$0	\$0
NET INCOME (LOSS)	\$15,623	\$67	\$67	\$67
TOTAL TRANSFERS IN (OUT)	\$0	\$0	\$0	\$0
NET INCOME PLUS TRANSFERS IN	\$15,623	\$67	\$67	\$67
BEGINNING RETAINED EARNINGS	128,786	144,402	144,409	144,476
ENDING RETAINED EARNINGS	144,409	144,469	144,476	144,543

CITY OF HARPER WOODS

2017 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE SELF INSURANCE FUND

	2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
REVENUES				
Contribution From:				
General Fund	\$0	\$0	\$0	\$0
Water & Sewer	0	0	0	0
Vehicle & Equipment Fund	0	0	0	0
Interest Earnings	0	0	0	0
TOTAL REVENUES	\$0	\$0	\$0	\$0
EXPENDITURES				
Self-Insured Claims	\$1,000	\$0	\$0	\$0
Insurance Deductibles	\$0	\$0	\$0	\$0
Operating Costs	\$0	\$0	\$0	\$0
Contribution to General Fund	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,000	\$0	\$0	\$0
APPROPRIATION TO (FROM)				
FUND BALANCE	(\$1,000)	\$0	\$0	\$0
BEGINNING FUND BALANCE	\$270,285	\$269,285	\$269,285	\$269,285
ENDING FUND BALANCE	\$269,285	\$269,285	\$269,285	\$269,285

CITY OF HARPER WOODS

2017 BUDGET

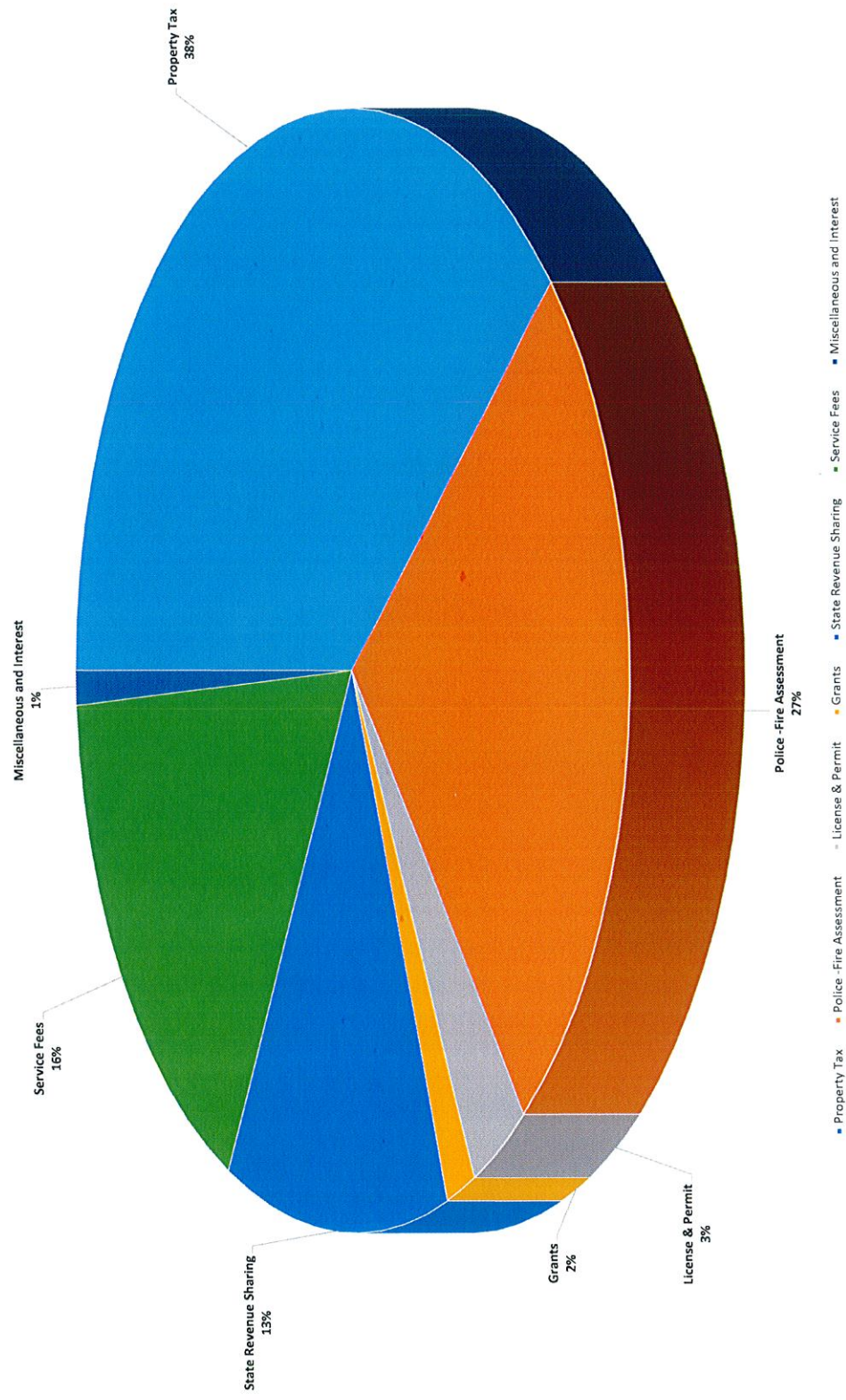
REVENUES, EXPENDITURES & FUND BALANCE
POLICE FORFEITURE, K9 & SPECIAL PROJECTS FUND

		2015 ACTUAL	2016 BUDGET	2016 ESTIMATE	2017 BUDGET
REVENUES					
	Omnibus Revenue	\$0	\$26,632	\$26,632	\$0
	OWI Revenue	\$0	\$22,222	\$22,222	\$0
	HW-K9 Revenue	0	34,800	34,800	0
	TOTAL REVENUES	\$0	\$83,654	\$83,654	\$0
EXPENDITURES					
	Supplies	0	0	0	0
	Professional - Contractual	0	0	0	0
	Equipment	0	0	0	0
	TOTAL EXPENDITURES	\$0	\$0	\$0	\$0
APPROPRIATION TO (FROM)					
	FUND BALANCE	\$0	\$83,654	\$83,654	\$0
BEGINNING FUND BALANCE		\$0	\$0	\$0	\$83,654
ENDING FUND BALANCE		\$0	\$83,654	\$83,654	\$83,654

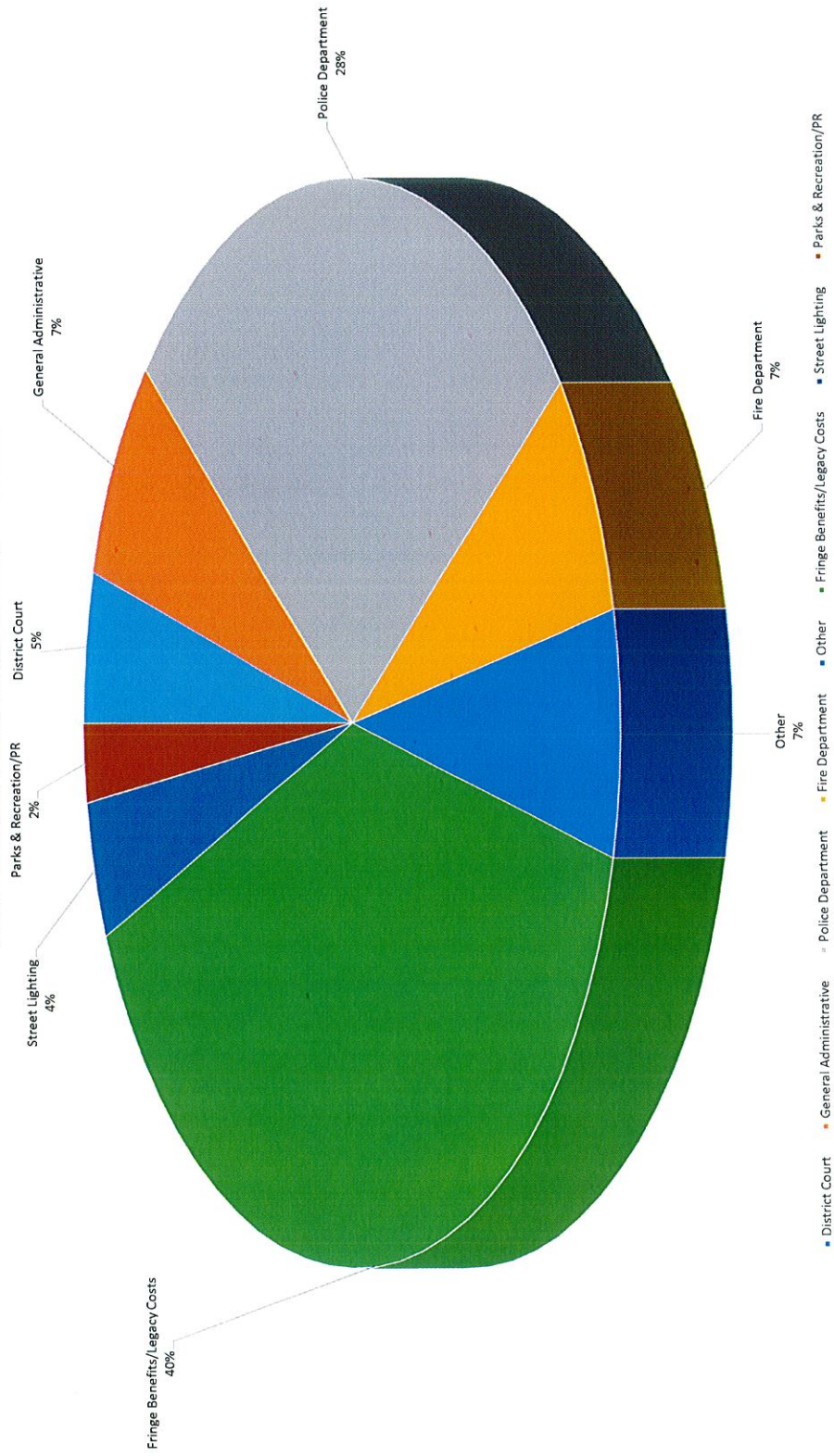
APPENDIX

FINANCIAL
CHARTS

2017 Budgeted Revenues



2017 General Fund Budgeted Expenditures



2017 Budgeted Funds Percentage - Total of all Funds

