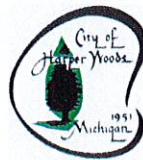


2018 BUDGET

**CITY OF
HARPER WOODS,
MICHIGAN**



ADOPTED NOVEMBER 6, 2017

CITY OF HARPER WOODS
2018 BUDGET

KENNETH A. POYNTER
CHERYL A. COSTANTINO
VIVIAN SAWICKI
HUGH MARSHALL
VALERIE KINDLE
VERONICA PAIZ
TOM JENNY

MAYOR
MAYOR PRO TEM
COUNCILMEMBER
COUNCILMEMBER
COUNCILMEMBER
COUNCILMEMBER
COUNCILMEMBER

RANDOLPH A. SKOTARCZYK

CITY MANAGER

JOSEPH RHEKER III

DEPUTY CITY MANAGER

JOHN M. SZYMANSKI

TREASURER/FINANCE DIRECTOR

LESLIE M. FRANK

CITY CLERK

NOVEMBER 6, 2017

CITY OF HARPER WOODS

2018 BUDGET

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CITY OF HARPER WOODS 2018 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 2018 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 2018 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 2018 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 & 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. The City will be addressing excessive energy costs, for its buildings, in year 2018.

Our overall taxable value for residential property has remained stable for this year. 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 then prevalent in past years.

We had made a large unanticipated transfer (\$711,250) to the City's Water Fund from the General Fund in 2016 to stabilize this fund. This transfer reduced our General Fund reserve balance to a minimal level for 2016. Our 2017 budget projects a modest fund balance increase and a small budget surplus is projected for 2018. 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 City is also looking to re-develop areas along Kelly road and recently opened a Police Mini-Station/Community Center at that location. The 2018 budget for Police and Fire services is still set at a 15 mill assessment. Down from 18.5 mills in past years. There will be no reduction in Police or Fire services provided to residents or businesses of the City of Harper Woods. In 2018 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 \$1.6 million dollars for 2018. This amount represents approximately 14% of revenues and exceeds the guideline of 10% of revenues, a minimum guideline for fund balance.

MAJOR AND LOCAL STREET FUNDS

There are routine maintenance projects planned for 2018. Assessment is currently being evaluated regarding a City-Wide Road Construction Bond.

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 mid-2018 budget assume continued aggressive collection of delinquent taxes by Wayne County.

DEBT SERVICE FUNDS

The millage levy will remain the same at 1.375 mills 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%) additional apportionment increase planned for 2018 and future years and to fund for principal payments due, starting in year 2020.

VEHICLE AND EQUIPMENT

We have not budgeted nor do we expect any major equipment purchases from this fund in 2018. 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 2018 Budget for the Water and Sewer Fund will reflect aggressive cash collections of unpaid outstanding water balances to both, residential and commercial enterprises. 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 future enhancements earmarked for sewer repair/replacement projects. It also shows a repayment to the Refuse Fund for historical borrowing. The City has adopted 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 City has established funds for Drug forfeiture, Canine (K9), OMNI and OWI funds for 2018 as well.

SUMMARY

You are requested to approve the 2018 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 2018 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 26, 2017 and held said public hearings on November 6, 2017, 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 2018 as follows:

FUND	2018 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, 2018, through December 31, 2018; 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 6, 2017, 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 26, 2017, 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 2018 Budget as submitted and appropriate the following sums for the purposes set forth herein:

GENERAL	\$11,347,498
MAJOR STREET	\$849,706
LOCAL STREET	\$427,950
WATER & SEWER UTILITY	\$5,606,325
VEHICLE & EQUIPMENT	\$287,788
STORM DRAIN	\$1,837,111
REFUSE COLLECTION	\$901,985
LIBRARY	\$442,584
DEBT RETIREMENT	\$282,745
SELF INSURANCE	\$0
DRUG, FORFEITURE, K9	\$0
TOTAL	\$21,983,692

CITY OF HARPER WOODS

2018 BUDGET

TAX LEVY STATEMENT

	2016 TAXABLE <u>VALUE</u>	2017 TAXABLE <u>VALUE</u>	INCREASE (DECREASE) <u>2016-2017</u>
REAL PROPERTY:			
COMMERCIAL	\$51,637,988	\$49,841,739	(\$1,796,249)
INDUSTRIAL	96,700	\$97,570	\$870
RESIDENTIAL	<u>141,048,720</u>	<u>\$143,671,334</u>	\$2,622,614
TOTAL REAL	\$192,783,408	\$193,610,643	\$827,235
PERSONAL PROPERTY:			
COMMERCIAL	\$9,086,100	\$8,317,200	(\$768,900)
UTILITY	<u>4,524,700</u>	<u>\$5,285,000</u>	\$760,300
TOTAL PERSONAL	<u>\$13,610,800</u>	<u>\$13,602,200</u>	<u>(\$8,600)</u>
TOTAL TAXABLE VALUE	\$206,394,208	\$207,212,843	\$818,635

COMPARISON OF 2017 (SEV) EQUALIZED VALUATION TO TAXABLE VALUATION (APPLIES TO REAL PROPERTY ONLY)

	2017 TAXABLE <u>VALUE</u>	2017 EQUALIZED <u>VALUE</u>	<u>VARIANCE</u>
REAL PROPERTY:			
COMMERCIAL	\$49,841,739	\$55,387,000	(\$5,545,261)
INDUSTRIAL	\$97,570	\$99,900	(2,330)
RESIDENTIAL	<u>\$143,671,334</u>	<u>\$175,718,050</u>	<u>(\$32,046,716)</u>
	\$193,610,643	\$231,204,950	(\$37,594,307)

CITY OF HARPER WOODS

2018 BUDGET

TAX RATE AND REVENUE COMPARISON

<u>FUND</u>	<u>2017 LEVY</u>	<u>2018 LEVY</u>	<u>2017 REVENUES</u>	<u>2018 REVENUES</u>	<u>INCREASE (DECREASE)</u>
GENERAL	20.0000	20.0000	\$4,166,441	\$4,142,218	(\$24,223)
REFUSE	2.5517	2.5517	\$531,575	\$509,900	(21,675)
LIBRARY	1.9168	1.9168	\$399,312	\$391,219	(8,093)
DEBT	4.0000	2.0000	\$286,443	\$284,777	(1,666)
TOTALS	28.4685	26.4685	\$5,383,771	\$5,328,114	(\$55,657)

**CITY OF HARPER WOODS
2018 BUDGET**

HEADLEE AMENDMENT CALCULATIONS

MILLAGE REDUCTION FORMULA

$$2017 \text{ MILLAGE REDUCTION FRACTION} = \frac{2016 \text{ TAXABLE VALUE} - 2017 \text{ LOSSES}}{2017 \text{ TAXABLE VALUE} - 2017 \text{ ADDITIONS}} \times 1.003$$

$$2017 \text{ MILLAGE REDUCTION FRACTION} = \frac{203,761,008 - 1,992,028}{204,579,643 - 3,495,724} \times 1.003$$

$$2017 \text{ MILLAGE REDUCTION FRACTION} = \frac{201,768,980}{201,083,919} \times 1.003$$

$$2017 \text{ MILLAGE REDUCTION FRACTION} = 1.0047 \times 1.003 = 1.0000$$

MILLAGE REDUCTION FACTORS SINCE 2009

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
2017 MRF	1.0000

EFFECTIVE MILLAGE REDUCTIONS

		2017 REDUCED MILLAGE RATE	2017 MRF	2017 REDUCED MILLAGE RATE
AUTHORIZED BY CHARTER OR STATUTE				
LIBRARY	1 MILL	0.9168	1.0000	0.9168
REFUSE	3 MILLS	2.5517	1.0000	2.5517

CITY OF HARPER WOODS
2018 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:	\$1,800,000
PRINCIPAL DUE 2018:	\$ 200,000
INTEREST DUE 2018:	\$73,575

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE

GENERAL FUND

REVENUES	2016	2017	2017	2018
	ACTUAL	BUDGET	ESTIMATE	BUDGET
Property Tax	\$4,157,430	\$4,072,672	\$5,019,166	\$4,038,844
Police-Fire Assessment	\$2,836,803	\$2,920,669	\$2,920,669	\$2,865,666
License & Permits	\$465,446	\$439,400	\$441,087	\$446,087
Grants	\$309,382	\$332,030	\$354,530	\$282,688
State Shared	\$1,408,011	\$1,403,350	\$1,403,350	\$1,449,626
Service Fees	\$1,466,795	\$1,462,665	\$1,224,162	\$1,401,551
Miscellaneous and Interest	\$559,398	\$735,628	\$769,398	\$788,036
TOTAL REVENUES	\$11,203,265	\$11,366,414	\$12,132,362	\$11,272,498
EXPENDITURES				
District Court	\$504,267	\$501,612	\$501,612	\$501,612
Council	\$33,438	\$35,300	\$35,300	\$35,283
City Manager	\$103,484	\$153,590	\$159,345	\$134,152
City Attorney/Other Legal	\$178,297	\$174,364	\$174,364	\$184,000
Assessor Activities	\$72,350	\$72,350	\$72,350	\$72,350
Clerk Activities	\$140,568	\$125,404	\$132,303	\$129,303
Finance/Data Processing	\$94,854	\$93,502	\$93,502	\$93,502
Treasurer	\$54,931	\$48,365	\$48,365	\$48,365
Building & Grounds City Hall	\$151,878	\$419,591	\$144,591	\$144,591
Beautification Commission	\$356	\$361	\$361	\$361
Misc.(Plan/BOA/Econ. Dev/Other)	\$146,005	\$101,693	\$210,392	\$146,140
Police Department	\$3,316,721	\$3,343,117	\$3,477,261	\$3,346,295
Fire Department	\$718,370	\$766,910	\$779,900	\$782,346
Protective Inspection	\$521,451	\$513,164	\$504,672	\$507,872
Public Works Administration	\$37,827	\$33,031	\$33,031	\$33,031
Street Lighting	\$517,844	\$492,651	\$492,651	\$492,651
Parks & Recreation/PR	\$274,222	\$257,479	\$265,409	\$284,004
Dial-A-Ride/PAATS	\$15,871	\$16,053	\$16,053	\$16,053
Employee Fringes/All Insurances	\$3,488,221	\$3,542,634	\$3,544,248	\$3,527,441
Retiree Insurance	\$595,179	\$607,374	\$626,164	\$648,192
Telephone /Auditing	\$101,033	\$102,320	\$123,025	\$102,320
GRAND TOTAL EXPENDITURES	\$11,067,167	\$11,400,865	\$11,458,000	\$11,229,864
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$136,098	\$(34,451)	\$674,362	\$117,634
TRANSFERS IN	\$75,000	\$75,000	\$75,000	\$75,000
TRANSFERS (OUT)	\$715,253	\$100,000	\$100,000	
NET TRANSFERS IN (OUT)	(\$640,253)	(\$25,000)	(\$25,000)	\$75,000
	(\$504,155)	(\$59,451)	\$649,362	\$117,634
APPROPRIATION TO (FROM) FUND BALANCE				
BEGINNING FUND BALANCE	\$1,413,978	\$909,823	\$909,823	\$1,559,185
ENDING FUND BALANCE	\$909,823	\$850,372	\$1,559,185	\$1,676,819

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE

MAJOR STREET FUND

	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 BUDGET
TOTAL REVENUES	\$709,446	\$855,151	\$878,812	\$849,706
EXPENDITURES				
Road Construction	\$81,181	\$0	\$0	\$0
Routine Maintenance	508,239	160,030	160,030	160,030
Traffic Service	76,522	36,864	83,625	85,527
Winter Maintenance	100,802	87,157	87,157	87,157
Administration	48,000	48,000	48,000	48,000
	<u>\$814,744</u>	<u>\$332,051</u>	<u>\$378,812</u>	<u>\$380,714</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(\$105,298)	\$523,100	\$500,000	\$468,992
OTHER FINANCING SOURCES (USES)				
Contributions to Local Street	(\$280,000)	(\$500,000)	(\$500,000)	0
Transfer from General Fund	0	0	0	0
Transfer from Water Fund	0	0	0	0
Miscellaneous	0	0	0	0
Federal Grant	0	0	0	0
Bond Proceeds	0	0	0	0
TOTAL FINANCING SOURCES (USES)	<u>(\$385,298)</u>	<u>\$23,100</u>	<u>0</u>	<u>\$468,992</u>
APPROPRIATION TO (FROM)				
FUND BALANCE	<u>(\$105,298)</u>	<u>\$23,100</u>	<u>\$470,894</u>	<u>\$468,992</u>
BEGINNING FUND BALANCE	<u>\$512,038</u>	<u>\$126,738</u>	<u>\$126,740</u>	<u>\$97,634</u>
ENDING FUND BALANCE	<u>\$126,740</u>	<u>\$ 149,840</u>	<u>\$97,634</u>	<u>\$566,626</u>

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE LOCAL STREET FUND

	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 BUDGET
TOTAL REVENUES	\$578,380	\$927,950	\$927,950	\$427,950
EXPENDITURES				
Road Construction	\$0	\$475,000	\$475,000	\$0
Routine Maintenance	304,341	294,657	294,657	294,657
Traffic Service	10,821	8,696	13,636	11,196
Winter Maintenance	54,708	54,708	54,708	54,708
Administration	28,500	28,500	28,500	28,500
TOTAL EXPENDITURES	\$398,370	\$861,561	\$866,501	\$389,061
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$180,010	\$66,389	\$61,449	\$38,889
OTHER FINANCING SOURCES (USES)				
CONTRIBUTIONS FROM:				
Street Bond Proceeds	\$0	\$0	\$0	\$0
General Fund	0	0	0	0
Major Street Fund	0	0	0	0
Storm Drain	0	0	0	0
Municipal Improvement	0	0	0	0
Debt Service Fund	0	0	0	0
TOTAL CONTRIBUTIONS	\$0	\$0	\$0	\$0
APPROPRIATION TO (FROM)				
FUND BALANCE	\$180,010	\$66,389	\$61,449	\$38,889
BEGINNING FUND BALANCE	\$5,320	\$185,329	\$185,330	\$246,779
ENDING FUND BALANCE	\$185,330	\$251,718	\$246,779	\$285,668

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE REFUSE COLLECTION FUND

REVENUES	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 BUDGET
Property Tax Revenue	\$526,094	\$509,900	\$509,900	\$509,900
Personal Property Taxes				
Tax Adjustments				
Residential Refuse Fees	\$114,007	\$105,000	\$105,000	\$105,000
Commercial Refuse Fees	\$17,096	\$3,820	\$3,820	\$3,820
Special Pickup Charges	\$26,026	\$27,000	\$27,000	\$27,000
Recycling Fees	\$161,365	\$173,265	\$173,265	\$173,265
Inter fund User Fee	\$75,000	\$75,000	\$75,000	\$75,000
Interest/Miscellaneous	\$11,802	\$8,000	\$8,000	\$8,000
TOTAL REVENUES	\$931,390	\$901,985	\$901,985	\$901,985
EXPENDITURES				
Wages - Full Time	\$33,693	\$30,500	\$30,500	\$30,500
Wages - Part Time	\$20,151	\$20,750	\$20,750	\$20,750
Wages - Overtime	\$1,969	\$2,000	\$2,000	\$2,000
Fringe Benefit Allocation	\$15,000	\$15,000	\$15,000	\$15,000
Supplies	\$507	\$500	\$500	\$500
Refuse Collection Expense	\$463,808	\$411,000	\$411,000	\$411,000
Grosse Pointes-Clinton Disposal	\$57,809	\$85,190	\$85,190	\$85,190
Composting Charges	\$240			
Curbside Recycling Expense	\$173,280	\$190,320	\$190,320	\$190,320
Professional/Contractual/Fees				
Insurance & Bonds Allocation	\$7,000	\$7,000	\$7,000	\$7,000
V & E Fund Rentals	\$26,566	\$26,625	\$26,625	\$26,625
Equipment				
City Manager Allocation	\$5,000	\$5,000	\$5,000	\$5,000
Audit Charge Allocated	\$2,000	\$2,000	\$2,000	\$2,000
Finance Allocated	\$5,000	\$5,000	\$5,000	\$5,000
TOTAL EXPENDITURES	\$812,023	\$800,885	\$800,885	\$800,885
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$119,367	\$101,100	\$101,100	\$101,100
TRANSFERS (OUT)	\$0	\$0	\$0	\$0
APPROPRIATION TO (FROM)				
FUND BALANCE	\$119,367	\$101,100	\$101,100	\$101,100
BEGINNING FUND BALANCE	(\$371,544)	(\$252,175)	(\$252,177)	(\$151,077)
ENDING FUND BALANCE	(\$252,177)	(\$151,075)	(\$151,075)	(\$49,977)

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE LIBRARY FUND

REVENUES	2016	2017	2017	2018
	ACTUAL	BUDGET	ESTIMATE	BUDGET
Property Tax	\$364,869	\$409,929	\$409,929	\$391,219
Penal Fines Allocation	\$9,554	\$9,554	\$9,554	\$9,750
State Grant - Public Library	\$9,309	\$9,309	\$9,309	\$9,400
DVD Rental Revenue	\$1,360	\$1,360	\$1,360	\$1,360
Non-Resident User Fees	\$2,458	\$2,458	\$2,458	\$2,458
Library Fines & Late Fees	\$9,300	\$9,300	\$9,300	\$9,300
Interest Earnings	\$3,752	\$3,752	\$3,752	\$3,752
Misc & Donations	\$173,596	\$6,072	\$6,072	\$6,072
Use of Fund Balance			\$1,397	\$9,273
TOTAL REVENUES	\$574,198	\$451,734	\$453,131	\$442,584
EXPENDITURES				
Wages - Sick Buyback	\$0.00	\$0.00	\$0.00	\$0.00
Wages - Vacation Buyback	\$0.00	\$3,236	\$3,236	\$3,236
Wages - Full Time	\$141,610	\$148,329	\$148,329	\$148,482
Wages - Part Time	\$108,689	\$100,825	\$100,825	\$101,008
Wages - Overtime	\$0.00	\$0.00	\$0.00	\$0.00
Wages - Longevity	\$2,524	\$2,524	\$2,524	\$2,524
Fringe Benefit Allocation	\$66,000	\$70,000	\$70,000	\$70,000
Supplies	\$10,210	\$10,210	\$10,210	\$9,750
DVD Media	\$7,431	\$7,431	\$7,431	\$5,950
Professional - Contractual	\$40,166	\$40,208	\$40,208	\$38,550
LCM Books/Periodicals	\$24,040	\$24,040	\$24,040	\$18,900
Digital Materials	\$3,920	\$3,920	\$3,920	\$4,000
Programs	\$8,119	\$8,119	\$8,119	\$8,194
Communications - Telephone	\$1,500	\$1,500	\$1,500	\$1,500
Travel, Lodging & Meals	\$1,972	\$1,972	\$1,972	\$1,000
Insurance & Bonds Allocation	\$4,000	\$4,000	\$4,000	\$4,000
Public Utilities & Misc	\$17,415	\$17,415	\$17,415	\$17,415
Repairs & Maintenance	\$166,910	\$2,400	\$3,529	\$2,200
Subscriptions, Dues & Fees	\$873	\$873	\$873	\$875
Audit Charges Allocated	\$2,000	\$2,000	\$2,000	\$2,000
Finance Costs Allocated	\$3,000	\$3,000	\$3,000	\$3,000
	\$610,379	\$452,002	\$453,131	\$442,584
APPROPRIATION TO (FROM)				
FUND BALANCE	(\$36,181)	(\$268)	\$0	\$0
CONTRIBUTIONS IN/(OUT)	\$0	\$0	\$0	\$0
BEGINNING FUND BALANCE	\$92,976	\$56,795	\$55,398	\$46,125
ENDING FUND BALANCE	\$56,795	\$56,527	\$55,398	\$46,125

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE STORM DRAIN FUND

REVENUES	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 BUDGET
Wayne County Adjustments		289		
Interest - Certificate Deposit				
Interest - Government Pool				
Milk River Assessment Charges	1,837,111	1,939,952	1,834,812	1,837,111
TOTAL REVENUES	\$1,837,111	\$1,940,241	\$1,834,812	\$1,837,111
EXPENDITURES				
Milk River Debt - Principal				
Milk River Debt - Interest				
Storm Drain - Capital Improvement				
Contractual/Professional/Fees				
Repairs & Maintenance	965,810	1,082,941	910,242	1,045,630
TOTAL EXPENDITURES	\$965,810	\$1,082,941	\$910,242	\$1,045,630
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$871,301	\$857,300	\$924,570	\$791,481
TRANSFERS (OUT)	\$0	\$0	\$0	\$0
APPROPRIATION TO (FROM) FUND BALANCE	\$871,301	\$857,300	\$924,570	\$791,481
BEGINNING FUND BALANCE	\$1,474,834	\$2,346,135	\$2,346,135	\$3,270,704
ENDING FUND BALANCE	\$2,346,135	\$3,203,435	\$3,270,705	\$4,062,185

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE DRUG LAW ENFORCEMENT FUND

		2016	2017	2017	2018
		ACTUAL	BUDGET	ESTIMATE	BUDGET
REVENUES					
	Drug Fund Forfeitures	\$5,495	\$0	\$808	\$0
	Use of Fund Balance	0	0	\$26,942	0
	TOTAL REVENUES	\$5,495	\$0	\$27,750	\$0
EXPENDITURES					
	Supplies	15,171	0	3,500	0
	Professional - Contractual	9,410	0	17,033	0
	Equipment	2,279	0	7,217	0
	TOTAL EXPENDITURES	\$26,860	\$0	\$27,750	\$0
APPROPRIATION TO (FROM)					
	FUND BALANCE	(\$21,365)	\$0	\$0	\$0
BEGINNING FUND BALANCE		\$74,099	\$52,735	\$52,735	\$25,793
ENDING FUND BALANCE		\$52,734	\$52,735	\$25,793	\$25,793

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE DEBT SERVICE FUND

REVENUES	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 BUDGET
Property Tax Revenue	410,117	286,546	283,243	284,777
Property Tax Rev-Library Bond	0	0	0	0
Personal Property Taxes	0	0	0	0
Tax Adjustments	0	(3,200)	31,537	(2,032)
Interest-Government Pool	0	0	0	0
TOTAL REVENUES	\$410,117	\$283,346	\$314,780	\$282,745
EXPENDITURES				
Library Bond - Principal	150,000	175,000	175,000	200,000
Library Bond - Interest	87,600	81,175	81,175	73,575
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	\$238,350	\$256,925	\$256,925	\$274,325
APPROPRIATION TO (FROM)				
FUND BALANCE	\$171,767	\$26,421	\$57,855	\$8,420
CONTRIBUTIONS IN/(OUT)	0	0	0	0
BEGINNING FUND BALANCE	\$133,589	\$305,356	\$305,356	\$362,911
ENDING FUND BALANCE	\$305,356	\$331,777	\$362,911	\$371,331

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUND BALANCE WATER AND SEWER FUND

REVENUES	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 BUDGET
Tax Adjustments	\$54,339	\$70,000	\$79,000	\$79,000
MDEQ S2 GRANT	0	0	0	0
Water/Sewer Revenue	1,661,954	2,234,930	2,134,388	2,905,903
Sales-Fixed Metered Water	400,187	0	472,126	472,126
Sales-Fixed Metered Sewer	0	0	0	0
Debt Service Charge	216,322	216,322	216,322	216,322
Meter Service Charge	1,564,378	1,994,043	1,730,880	1,730,880
IWC Charge	40,169	45,700	40,176	40,176
Contribution from General Fund	711,250	0	0	0
Contribution from Self Insurance	0	0	269,285	0
Miscellaneous	18,910	18,910	18,910	18,910
Penalties - Late Payment	<u>143,008</u>	<u>143,008</u>	<u>143,008</u>	<u>143,008</u>
 TOTAL CUSTOMER BILLINGS	 \$4,810,517	 \$4,722,913	 \$5,104,095	 \$5,606,325
 TOTAL OPERATING REVENUE	 \$4,810,517	 \$4,722,913	 \$5,104,095	 \$5,606,325
 EXPENDITURES				
Supply and Disposal	\$2,650,550	\$2,714,277	\$2,671,345	\$2,714,941
Water System	436,150	494,295	509,323	494,295
Sanitary Sewer	265,079	226,832	234,832	226,832
Customer Service	850,140	1,041,309	931,309	1,271,866
Administrative	509,030	206,401	504,660	504,660
Depreciation	109,759	109,759	109,759	109,759
Telephone/Communications	44,038	44,038	44,038	44,038
Debt Service	0	203,082	0	0
OPERATING EXPENSE	<u>\$4,864,746</u>	<u>\$5,039,993</u>	<u>\$5,005,266</u>	<u>\$5,366,391</u>
 OPERATING INCOME (LOSS)	 (\$54,228)	 (\$317,080)	 \$98,829	 \$239,934
INTEREST EXPENSE	\$0	\$0	\$0	\$0
PRIOR PERIOD ADJ.		\$0	\$0	\$0
 CONTRIBUTION TO MAJOR STREET	 \$0	 \$0	 \$0	 \$0
 NET INCOME (LOSS)	 (\$54,228)	 (\$317,080)	 \$98,829	 \$239,934
 BEGINNING NET POSITION (Reinstated)	 \$1,355,815	 \$1,301,587	 \$1,301,587	 \$1,400,416
 ENDING NET POSITION	 <u>\$1,301,587</u>	 <u>\$984,507</u>	 <u>\$1,400,416</u>	 <u>\$1,640,350</u>

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUNDBALANCE VEHICLE AND EQUIPMENT FUND

REVENUES	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 BUDGET
Rentals to Gen'l Fund	\$23,000	\$23,000	\$23,000	\$23,000
Rentals to Major Streets	\$38,500	\$38,500	\$38,500	\$38,500
Rentals to Local Streets	\$47,562	\$43,163	\$43,163	\$43,163
Rental Income - Refuse Fund	\$26,566	\$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	\$292,128	\$287,788	\$287,788	\$287,788
EXPENSES				
Materials and Supplies	\$26,587	\$28,795	\$28,795	\$28,795
Direct Costs	\$136,553	\$136,433	\$84,861	\$84,861
Building/Ground Maintenance				
Depreciation Expense	\$27,840	\$27,840	\$27,840	\$27,840
Administrative Allocation	\$60,500	\$60,500	\$60,500	\$60,500
OPERATING EXPENSE	\$251,480	\$253,568	\$174,156	\$174,156
OPERATING INCOME (LOSS)	\$40,648	\$34,220	\$113,632	\$113,632
NON-OPERATING REVENUE	\$0	\$0	\$0	\$0
NET INCOME (LOSS)				
TOTAL TRANSFERS IN (OUT)	\$0	\$0	\$0	\$0
NET INCOME PLUS TRANSFERS IN				
BEGINNING RETAINED EARNINGS	(\$88,179)	(\$47,532)	(\$47,531)	\$66,101
ENDING RETAINED EARNINGS	(\$47,531)	(\$13,312)	\$66,101	\$179,733

CITY OF HARPER WOODS

2018 BUDGET

REVENUES, EXPENDITURES & FUNDBALANCE SELF INSURANCE FUND

	2016 ACTUAL	2017 BUDGET	2017 ESTIMATE	2018 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	\$0	\$0	\$0	\$0
Insurance Deductibles	\$0	\$0	\$0	\$0
Operating Costs	\$0	\$0	\$0	\$0
Contribution to Water Fund	\$0	\$0	\$269,285	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0
APPROPRIATION TO (FROM)				
FUND BALANCE	\$0	\$0	(\$269,285)	\$0
BEGINNING FUND BALANCE	\$269,285	\$269,285	\$269,285	\$0
ENDING FUND BALANCE	\$269,285	\$269,285	\$0	\$0

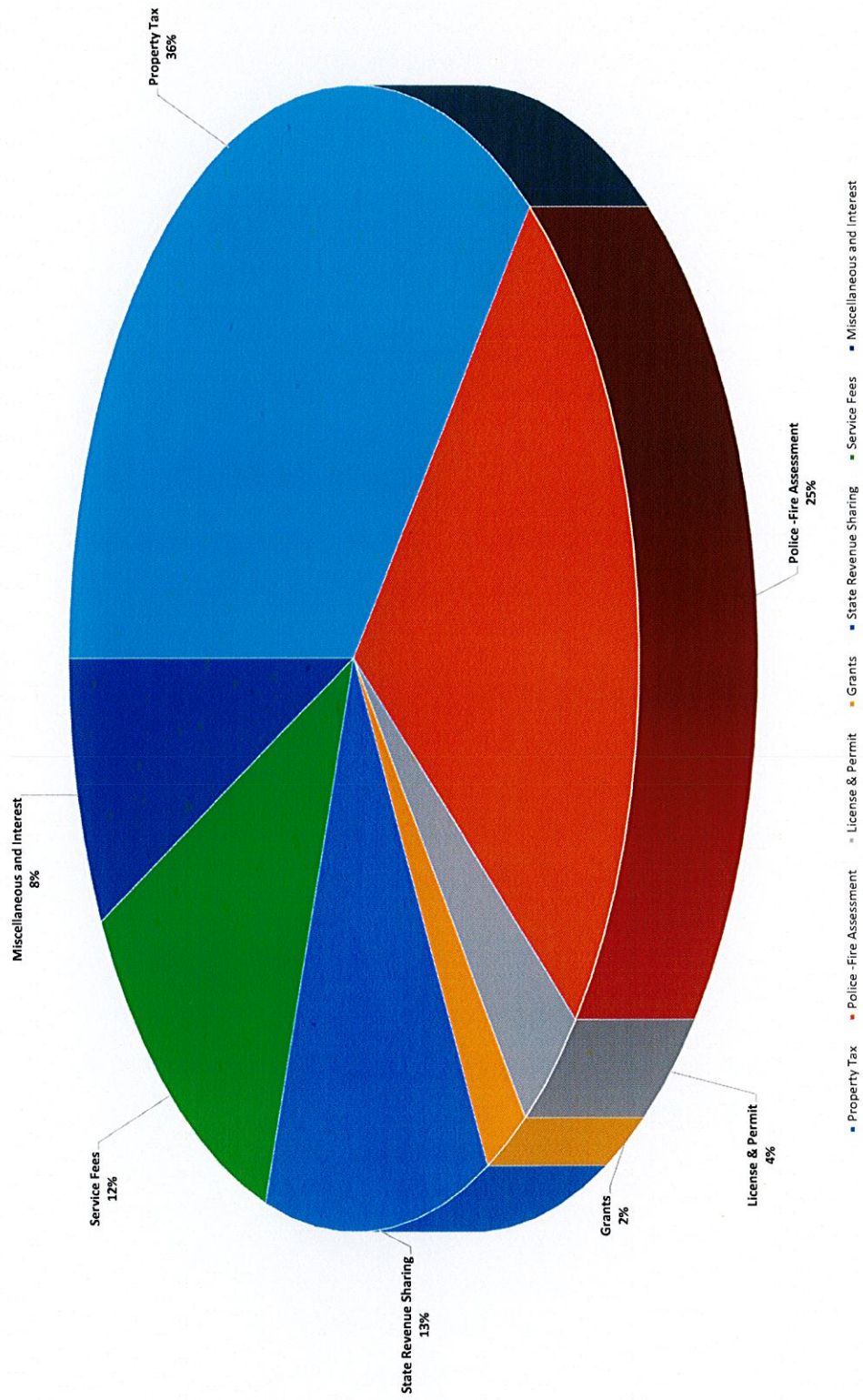
CITY OF HARPER WOODS
2018 BUDGET
 REVENUES, EXPENDITURES & FUND BALANCE
 POLICE FORFEITURE, K9 & SPECIAL PROJECTS FUND

REVENUES		2016 <u>ACTUAL</u>	2017 <u>BUDGET</u>	2017 <u>ESTIMATE</u>	2018 <u>BUDGET</u>
	Omnibus Revenue	\$26,635			
	OWI Revenue	22,222			
	HW-K9 Revenue	47,897		9,552	
	Use of Fund Balance			8,962	
	TOTAL REVENUES	\$96,751		\$18,514	\$0
EXPENDITURES					
	Supplies			303	
	Professional - Contractual	11,000			
	Equipment	<u>\$600</u>		<u>18,211</u>	
	TOTAL EXPENDITURES	\$11,600	\$0	\$18,514	\$0
APPROPRIATION TO (FROM)					
	FUND BALANCE	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	BEGINNING FUND BALANCE	<u>\$0</u>	<u>\$0</u>	<u>\$85,151</u>	<u>\$76,189</u>
	ENDING FUND BALANCE	<u>\$85,151</u>	<u>\$85,151</u>	<u>\$76,189</u>	<u>\$76,189</u>

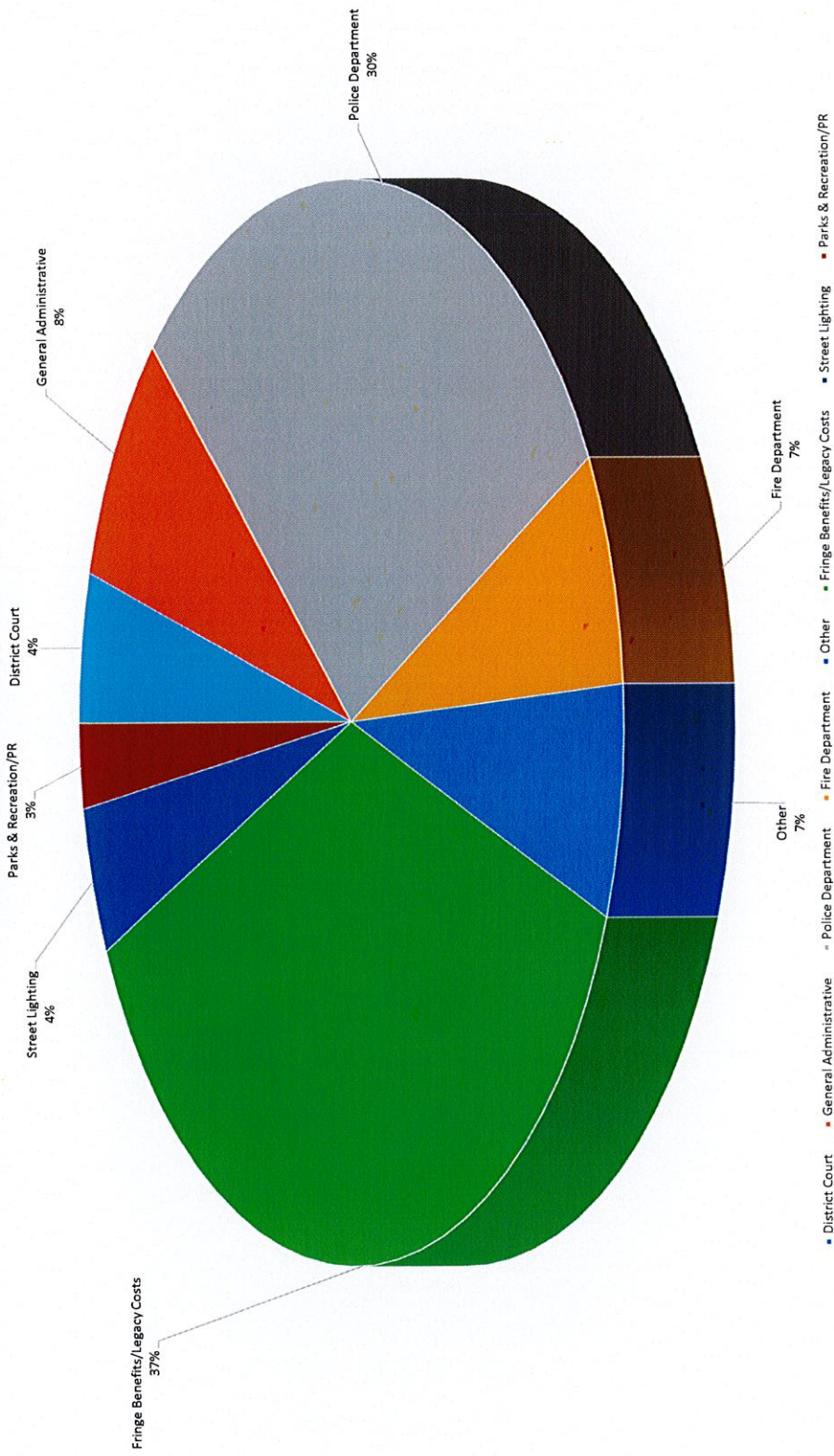
APPENDIX

FINANCIAL CHARTS

2018 Budgeted Revenues



2018 General Fund Budgeted Expenditures



2018 Budgeted Funds Percentage - Total of all Funds

