Executive Staff

Mark D. Vanderpool	City Manager
Walter C. Blessed	City Clerk/Assistant City Manager
Michael Bartholomew	City Development Director/Assistant City Manager
Michael Crimmins	Broadcast Services Manager
Michael Viazanko	Building Services Manager
Matthew Schmidt	City Assessor
Jeffrey A. Bahorski	City Attorney
Brent S. Bashaw	City Engineer
Donald A. Mende	City Planner
James P. Buhlinger	City Treasurer
Patricia Brockway	Communications Manager
Steve Guitar	Community Relations Director
Leslie Reinhart	Controller
Lukas Bonner	Economic Development Manager
Nicole Miller	Emergency Manager
Vacant	Engineering Services Manager
Gary Schamehorn	Facilities Maintenance Manager
Brian S. Baker	Finance & Budget Director
Rick J. Sanborn	Financial Services Manager
Stephen Kovalcik	Fire Chief
Dawn L. Demick	Human Resources Director
Lois J. Gates	Information Technology Manager
Steven Deon	Network Administrator
Kyle Langlois	Parks & Recreation Manager
Michael Reese	Police Chief
Tammy L. Turgeon	Public Library Director
Denice Gerstenberg	Public Services Manager
Salvatore Conigliaro	Public Works Director
Mark Carufel	Purchasing Manager/Risk Manager

City Seal

Sterling Heights' "Coat of Arms" was officially adopted by the City Council in December, 1968. The words "City of Sterling Heights" encompass the circular seal beginning and ending with five-pointed stars, which represent Quality. Above the crest is the eagle representing Courage. The eagle's talons hold a bundle of arrows, symbolizing Achievement. There are two types of branches beneath the eagle. On the right is an olive branch, representing Peace, while a religious symbol, the palm branch, curves upward on the left. A triskelion, representing Progress radiates above the symbolic City Hall and residents. At the base of the seal is an unrolled scroll with the words, "To Strive on Behalf of All", representing the government's commitment to its residents.■

Note: A copy of this publication is available within five (5) business days in an alternate format, such as Braille or audio tape, for persons with visual impairments.

city of STERLING HEIGHTS

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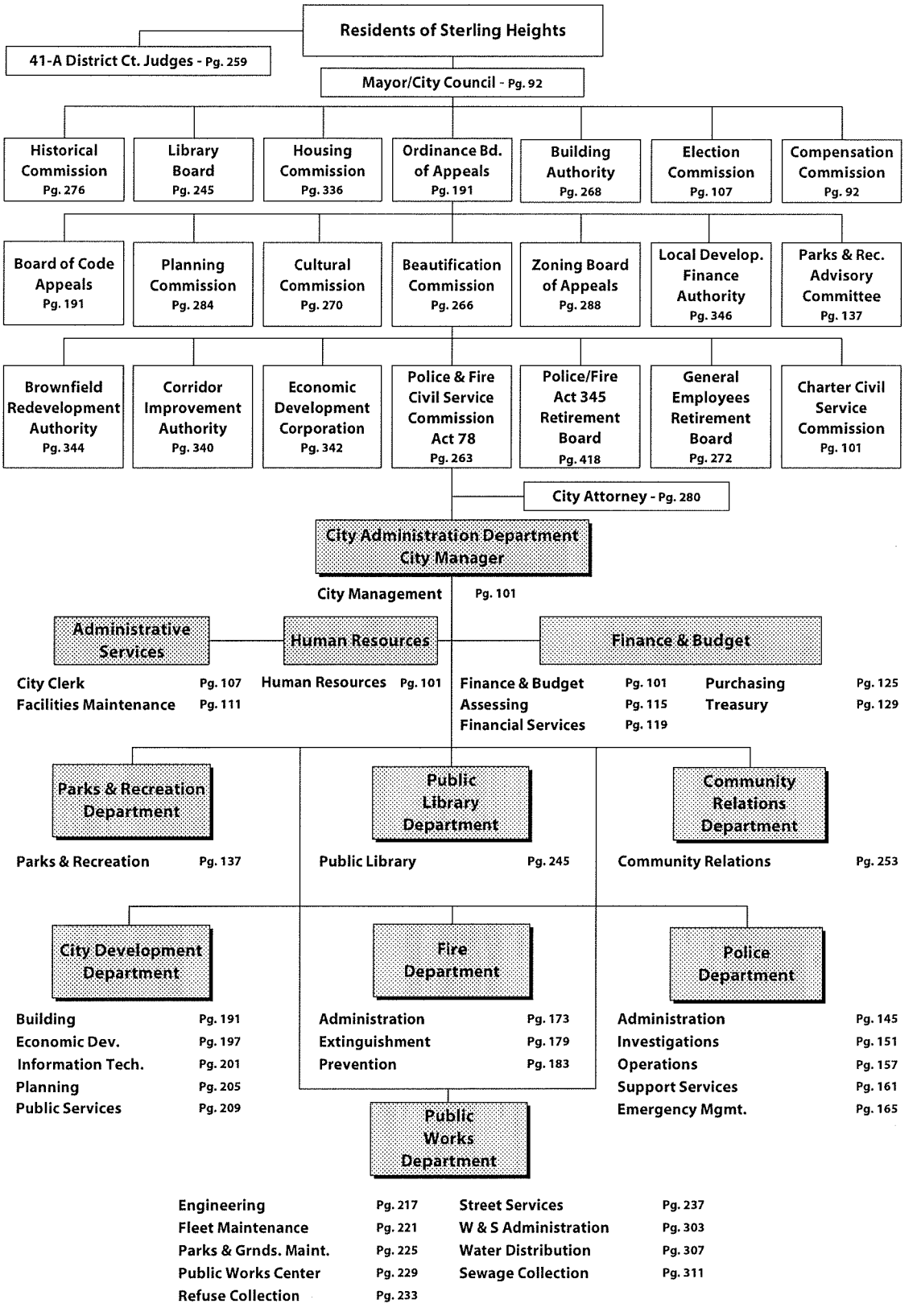
City Organization Chart



NOTE: Offices are cross-referenced by budget page number.

May, 2009

Honorable Mayor and
Members of the City Council

Dear Mayor and Councilmembers,

Overview

On behalf of all departments, I am pleased and honored to present the FY2009/10 Budget. This document reflects the hard work and cooperative efforts of City Council, administration, and staff to produce a budget that reflects the balance between the current economic realities and the desire to provide the best in government services.

The budget equates to $146.0 million and presents a decrease over the prior year of $7.2 million. The budget does not necessitate the need for a property tax increase, although property tax revenue is decreasing significantly. There will be a need to recover a portion of this reduction in the near future but only after all other remedies have been exhausted.

Economic Challenges

The challenging national economy is trickling down to cities across the country, especially in Michigan. Although Sterling Heights is not immune from these challenges, the local economy continues to be resilient with comparatively low foreclosure rates and low manufacturing vacancy rates. The budget continues to fund vital services that provide a high quality of life and the high level of services our residents deserve and have come to expect.

For the past several years, due primarily to the State's budget challenges, the City has experienced significant financial pressures as have all Michigan communities. Over a three year period that began last year, property owners will experience a reduction in property taxes that equates to a cumulative savings of nearly $20 million compared to what would have been normal inflationary increases had the housing market not declined. This property tax loss comes on the heals of State shared revenue decreases equating to $25 million cumulatively since 2001. These losses, along with the financial condition of the automotive industry and the stock market's drastic decline causing a reduction of pension fund earnings, have created the perfect financial storm for cities nationwide.

Sterling Heights Financial Strategy

In order to survive the current economic climate, the City established a proactive financial strategy consisting in part of the following:

- Reducing operational expenditures,
- Implementing cost recovery measures,
- Implementing revenue enhancements,
- Reducing personnel costs,
- Utilizing fund balance reserves, and
- Enhancing economic development strategies to preserve a strong local economy

The various revenue enhancements and cost saving measures contained in the budget equate to $5,461,500.

Personnel Savings

The 2009/10 Budget includes funding for 595 full-time positions, a reduction of 27 vacant positions from the prior year saving approximately $1.9 million. Over the past few years, the City has frozen 54 positions resulting in a savings of $4 million annually. Unfortunately, due to the economic downturn, the City's full-time staffing level has been reduced to its lowest level since 1986. In addition to the position freezes, the City has obtained significant health care concessions saving $1 million annually and $20 million actuarially.

The budget also includes the use of $3,216,580 in fund balance reserves reducing the remaining balance to $11,441,010 or 12.9% of General Fund expenditures.

The principal objectives in setting forth this financial strategy is to continue to provide outstanding City services with an emphasis on maintaining a strong commitment to public safety, ensuring a strong local economy and avoiding employee layoffs.

The budget includes funding for a number of noteworthy projects:

- Twelve replacement Police vehicles for patrol and traffic as well as investigation purposes, DPW front end loader and trailer mounted diesel pump to assist in water and sewage operations, and police 911 dispatch computers
- Funding for various capital improvement projects including continuation of the sidewalk repair and gap completion program, City-wide concrete replacement and traffic signal modernization
- Intersection improvements at 15 Mile and Ryan Roads and Plumbrook and Utica Roads
- Continuation of the Neighborhood Road Repair Program
- Contingent upon grant and/or stimulus funding, other planned road construction projects include 18 Mile Road from Mound to Van Dyke, Mound Road pavement repairs, Metro Parkway resurfacing from Mound to the bridge and repairs from Hayes to Van Dyke, 15 Mile Road resurfacing from Maple Lane to Mound, 14 Mile Road resurfacing from Mound to Van Dyke

City Goals and Priorities

While the City's main priority over the next fiscal year is to ensure its excellent services despite declining revenues, there are a number of additional projects that are directly linked to City Council's established goals and objectives that will result in service enhancements. These priorities are identified as follows:

1. ***Promote and plan for economic development throughout the City to ensure that property values remain strong:***
    - Implement the City's Manufacturing Master Plan Strategy providing a proactive business retention and recruitment program in non-automotive high tech industries
    - Continue development of the newly established SmartZone business incubator in partnership with the Michigan Economic Development Corporation, Macomb County, and Oakland University to foster growth in startup companies in new emerging markets in the areas of defense, medical, life sciences, aerospace, and alternative fuels
    - Initiate, plan and develop sustainable City infrastructure projects that create and maintain jobs in anticipation of funding from the federal economic stimulus plan
    - Pursue legislation protecting the interests of cities with strong ties to the automotive industry by participating in the Mayors and Municipalities Automotive Coalition (MMAC)
    - Aggressively market the Façade Improvement Program and other incentives available in the Corridor Improvement Authority (CIA) District
    - Promote Sterling Heights' emerging diversification of commercial and industrial businesses including the branding of the Sterling Heights Defense Corridor
2. ***Provide for technological advancements to improve efficiencies:***
    - Develop an online assessing calculator for residents to determine property tax savings
    - Develop and implement a program for the online electronic submittal of bids
    - Upgrade the current Power 911 Phone System
    - Convert all workstations to Microsoft XP and upgrade the primary domain server
3. ***Provide for enhanced public safety and disaster preparedness:***
    - Establish an accident prevention team consisting of four officers who will be specifically assigned to enforce traffic laws
    - Provide continued education and training to the Community Emergency Response Team (CERT)
    - Develop an ongoing customer service training program for Fire Prevention personnel

4. ***Enhance safety and aesthetics of the City's subdivisions, streets, and rights-of-way:***
   - Regularly monitor foreclosed properties to ensure compliance with Property Maintenance Code standards
   - Implement Phase III of the Commercial Reforestation Plan to ensure properties are in compliance with approved landscape plans
   - Establish a Neighborhood Stabilization Program with federal funding in the amount of $2.5 million
   - Develop and educate residents regarding the new street tree chipping program

5. ***Provide excellent recreational and leisure services:***
   - Develop an enhancement plan for the City's older parks as well as a formal maintenance schedule for all City parks
   - Develop a marketing plan for the Senior Activity Center and new gymnasium
   - Improve the aesthetics of various park sites including specific improvements at Jaycee Park and Lakeside Island
   - Continue the popular annual Music in the Park concert series and Sterlingfest event while seeking alternative revenue sources and cost savings

6. ***Identify cost containment measures and new revenue sources:***
   - Implement new revenue sources and fees identified by employees through the City's Employee Suggestion Program
   - Implement the City's long-term financial strategy by tracking property assessment trends, updating the financial forecast, and preparing educational information regarding tax revenue losses
   - Conduct cost-benefit analyses for the contracting out of various City services to determine the economic feasibility of continuing these services in-house or providing these services through alternative methods
   - Control employee and retiree prescription drug costs through a step therapy program available through the City's pharmacy benefit manager
   - Aggressively pursue and collect outstanding civil infraction and misdemeanor fines and costs through the use of a collection agency

While there are a number of exciting and ambitious projects planned for the next fiscal year as outlined, the past year has also been a productive year for the City Council and Administration. The following is a list of the significant accomplishments that were achieved:

2008/2009 Accomplishments

- Repaved Van Dyke Avenue from 15 Mile to 18 Mile Roads well ahead of the original 2010 time frame
- Completed the renovation project of Fire Stations #2, #3, and #4 as part of the voter approved Proposal F
- Implemented changes to the City's Industrial Facilities Tax Abatement program to encourage high technology firms to incorporate "green" initiatives into their building projects and businesses
- Joined the Mayors and Municipalities Automotive Coalition (MMAC), a national organization whose goal is to support stabilizing the American automotive industry and seek federal economic redevelopment assistance for communities affected by the auto industry downsizing
- Sponsored a series of six "Neighborhood Safety Summits" at local elementary schools
- Implemented an automated commercial water meter reading system
- Launched a new Web site to provide tools local businesses can use to connect to the film industry and a place where movie location scouts can visit to obtain permits and review Sterling Heights' film procedures
- Remained the safest large city in Michigan and one of the safest in the nation according to FBI statistics

- Hosted a meeting of local officials to draft a proposal seeking federal redevelopment assistance for communities facing huge losses in property tax revenue due to potential automotive plant closings
- Completed the $2.5 million Lakeside Shopping District project including new signage, decorative lighting and stamped concrete, pavement resurfacing and upgrades to the eight access roads within the shopping district
- Developed a SmartZone project with the Michigan Economic Development Corporation
- In conjunction with the Sterling Heights Ethnic Committee, sponsored the inaugural Diversity Distinction Awards honoring and saluting those who have gone above and beyond in championing diversity in Sterling Heights
- Constructed a new $100,000 playscape at Delia Park through KaBoom! with financial assistance from the Chrysler Foundation and the Sterling Heights Community Foundation
- Named one of the "Top 100 Best Places to Live" in the United States by *Money* magazine
- Received the "Innovative Recreation Programming Award" from the Michigan Recreation and Parks Association for the annual TeenFest event
- Earned nationwide recognition from the Government Finance Officers' Association for several City financial documents including:
  - Distinguished Budget Award for the 22nd consecutive year
  - Certificate of Achievement for Excellence in Financial Reporting for the 21st consecutive year
  - Award for Outstanding Achievement in Popular Financial Reporting for the 11th consecutive year

Conclusion

In closing, I would like to acknowledge the outstanding efforts of the Finance & Budget Division staff: Brian Baker, Janice Schoenrath, and the newest member of the budget team, Kerry Majewski, for their hard work and efforts during the budget process. The City's department directors and their staffs are also to be commended for their team effort during the budget process and continued commitment to service excellence.

I would also like to thank the Mayor and City Council for your leadership and support in planning the financial operations of the City in a responsible and progressive manner during a tumultuous financial environment throughout the State. Thanks to the Sterling Heights Team, the City has persevered and thrived in many cases. I look forward to working with all City employees as well as the Mayor and City Council over the next fiscal year to continue providing superior services to our residents and businesses.

Respectfully submitted,

Mark D. Vanderpool
City Manager

City of Sterling Heights Fact Sheet

2009/10 Budget At A Glance ...

Richard J. Notte
Mayor

Deanna Koski
Mayor Pro Tem

Richard L. Bracci
Councilman

Yvonne D. Kniaz
Councilwoman

Joseph V. Romano
Councilman

Maria G. Schmidt
Councilwoman

Barbara A. Ziarko
Councilwoman

city of STERLING HEIGHTS

Mark D. Vanderpool
City Manager

Brian S. Baker
Finance & Budget Director

The City budget of $146.0 million decreased by $7.2 million or 4.7%. The decrease is a result of numerous cost savings measures and several large one-time projects that were funded in the prior year's budget including the improvements to three City Fire Stations and enhancements to the Lakeside shopping district. Increased funds are budgeted for the neighborhood housing stabilization program and for additional road improvements.

- The budget maintains vital City services and increases the investment in the City's infrastructure. The City's excellent bond ratings are maintained as the budget does not incur debt to finance operations and minimizes the use of reserves. Despite a cumulative $9.8 million loss in property tax revenue growth over the past two years, the budget funds all critical services, avoids layoffs, and continues to reflect lower property tax bills. For the second straight year, falling property assessments have reduced the average homeowner's City tax bill. The average homeowner has now saved $128 over the past two years compared to what they would have paid if property assessments had not declined.

- The General Fund budget decreased by $32,980 or 0.04%. If higher Police and Fire pension costs were excluded, the budget would have decreased by $2.4 million or 2.7%. Due to the $9.8 million revenue loss, funding for 27 vacant full-time positions has been eliminated next year, saving $1.9 million. City staffing has now declined by 8.3% or 54 positions since 2002 to its lowest level since 1986. Despite the decline, Public Safety staffing has still increased by 28 positions since 1986, as the personnel reductions have largely occurred in administrative areas.

- In addition to lower staffing, the City will save $1.8 million in other cost saving measures and by deferring some capital replacements. The City has also saved over $1 million in health care costs through labor contract negotiations. The budget also implements several new cost recovery measures. By working with all City Departments and unions to control discretionary spending, the budget continues to fund outstanding City services, increased economic development efforts, and required retiree health care and pension contributions.

- Because of the cost saving efforts and the efficient delivery of services, the City's tax bill remains lower than all but one of the 77 full service communities within 20 miles of the City. The City's tax rate has decreased by 2.59 mills or by 19.4% since 1988. Had the City continued to levy the 2.59 mills, the average resident would have paid $3,121 more in taxes.

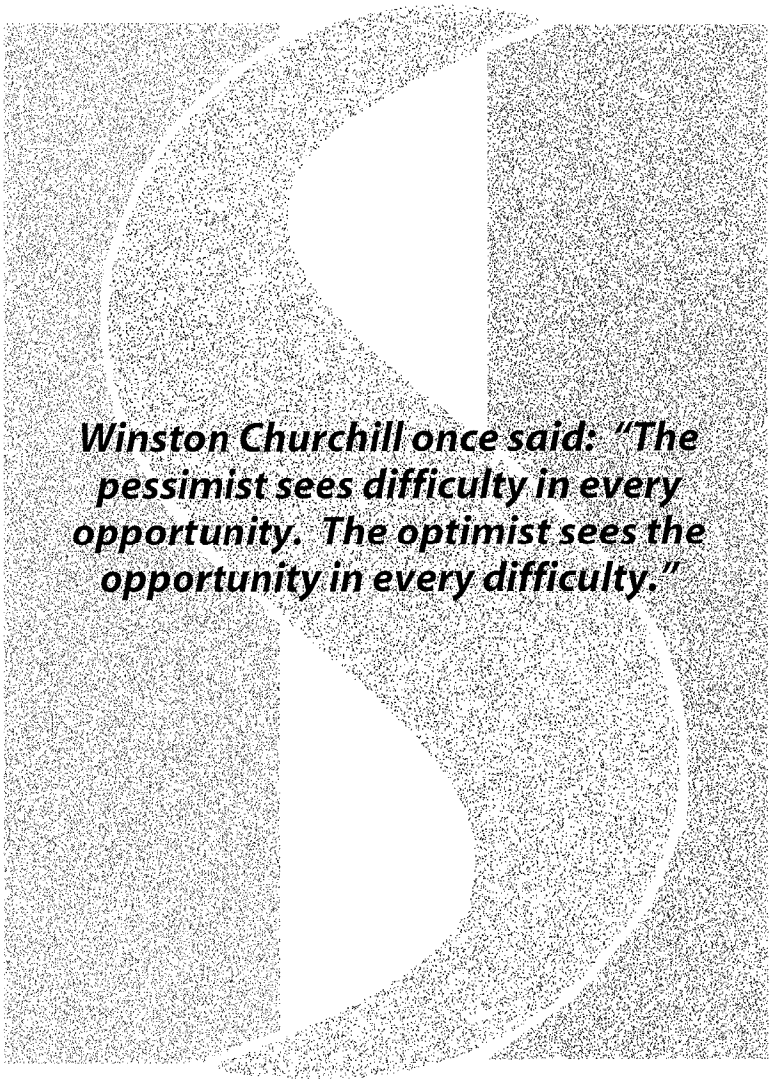
The budget includes funding for:

- $14.3 million for increased infrastructure improvements including the use of federal stimulus funds to resurface 15 Mile from Maple Lane to Mound Road, 14 Mile from Mound to Van Dyke, M-53, sectional repairs along Mound and Metroparkway, the widening of M-59 from Ryan to Dequindre and 18 Mile from Mound to Van Dyke, intersection improvements at 15 Mile and Ryan and Utica Road and Plumbrook, installation of water & sewer mains, sidewalk gap and repairs, continuation of neighborhood road repairs, and the façade assistance program and new bus shelters for the North Van Dyke corridor.

- Twelve replacement Police vehicles, new 911 dispatch computers, a Public Works Front End Loader, and a new Geographic Information System.

- Continuation of the overlapping Police shift increasing the number of officers on the street during peak times, the community policing program at the Sterling Estates, continued funding for the Community Emergency Response Team, and increased economic development funds to market the City as a defense industry location and for operations of the Smartzone business incubator.

- Maintaining the lowest water & sewer rate for residential customers of any city in the State with a population over 25,000. Only a 4.9% water rate adjustment is recommended to offset an 8.7% water rate increase from Detroit. As a result, we will lower our markup on Detroit's water rate to only 12%, compared to the average 125% markup of the surrounding communities. ■


Winston Churchill once said: "The pessimist sees difficulty in every opportunity. The optimist sees the opportunity in every difficulty."

INTRODUCTION

As you review the City's Budget document, note that it is organized by fund type. These fund types are distinguished by the blue laminated tabs and include:

- General Fund
- Water & Sewer Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds

The General Fund is further divided into major divisions or departments. These departments are comprised of several activities or offices. For example, within the City Administration Department, there are seven offices including City Management, City Clerk, Facilities Maintenance, Assessing, Financial Services, Purchasing, and Treasury.

Each activity (office) in a department contains a:

- Service & Mission Statement
- Performance Objectives and Indicators
- Staffing and Organization Chart
- Summary of Budget Changes

The Service & Mission Statement highlights the types of services each activity provides and annual Key Goals they strive for each year. The Performance Objectives give specific objectives that the activity hopes to achieve in the current year, while the Performance Indicators provide a listing of key measurements of the activity's service, efforts and accomplishments. Each activity's objectives are referenced and linked to the City-wide goals. The Staffing and Organization Chart illustrates the number of budgeted positions and the internal office structure. Finally, the Summary of Budget Changes provides a detailed look at the activity's expenditure history and explains the funding level changes that have taken place.

The Functional Organization Charts, Department At A Glance summaries, and Key Departmental Trends provide a quick overview of the entire department.

Q: ***Your budget contains a lot of information! How can I quickly find summary information?***

A: *The information with the* ***All Funds Summary*** *tab provides a quick overview of the City's total budget. It explains how the funds are organized as well as total revenue and expenditure trends. The* ***Executive Summary*** *provides a general overview explaining how the City plans to utilize its resources and highlights some of the more significant changes to the City's budget. The information within the* ***Trends & Summaries*** *tab also contains a multitude of useful information about the City's largest fund – the General Fund.*

Q: ***I noticed that each office has a Funding Level Summary. How can I get more detailed expenditure information by account within each office?***

A: *The Office of City Management produces a separate line-item budget booklet, which details each office's expenditure accounts. These line-items are not included in the City budget document as our City Council has focused its attention on total office costs and performance measurement information.*

Q: ***How can I find out information about your Capital Budget?***

A: *The Capital Budget is incorporated in the annual budget document. It details the funds appropriated for specific facilities, equipment, vehicles, and improvement projects. A listing, description, and City map geographically depicting the location of all projects can be found within the* ***Capital Projects*** *tab.*

Q: ***How can I quickly find the location of certain offices within the budget document?***

A: *The* ***Table of Contents*** *at the beginning of the budget lists all offices in the order in which they appear in the document. The* ***Index*** *at the end of the document alphabetically lists each office and the corresponding page number. The City's* ***Organizational Chart*** *is also cross-referenced to the office's corresponding page number within the document.*

Q: ***Where can I find out how many employees are within each department and their pay ranges?***

A: *There is a schedule within the* ***Personnel Summary*** *tab that lists all position titles, number of employees within each office and their budgeted pay range.*

Q: ***How much do you spend in the General Fund on salaries for full-time employees?***

A: *Within the* ***Trends & Summaries*** *tab, there is both an Expenditure and Revenue by Account History, which provides the reader with the total dollars spent in each account.*

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 provision of this Act.

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

BUDGET PROCESS

In establishing the budgetary information within the budget document, the City follows steps and deadlines outlined in the City Charter.

A. Prior to April 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The annual operating budget includes proposed expenditures and the means of financing them for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and the Enterprise Fund.

B. After the City Manager has submitted the proposed budget to the City Council, public hearings are conducted to obtain City Council input and taxpayer comments.

C. Prior to May 10, the budget is legally adopted through the passage of an Appropriations Ordinance for each fund which takes effect the following July 1.

D. The Appropriations Ordinance is the legislative vehicle, which allows for the expenditure of funds throughout the City. The Ordinance is based on the approved and adopted budget and is the final product of the budget cycle.

E. The City Manager is authorized to transfer budgeted amounts within budgetary centers (major activity or department); however, any revisions that alter the total expenditures of any budgetary center must be approved by the City Council.

In addition to the Charter requirements, the Administrators of all City offices have made budget requests to the City Manager, which he has reviewed before arriving at his proposed budget recommendations. The Budget Calendar outlines the entire budget process by month.

The Proposed vs. Approved Budget: The terminology "Proposed Budget" is utilized throughout the document to indicate the budgetary totals and concepts as presented by the City Manager to the City Council on or before April 1. The terminology "Adopted Budget" refers to the official budgetary totals adopted by the City Council after the City Manager's submission and required public hearings are held.

The City adopts its budget by budgetary center, which is in accordance with the State's legal requirement and is the level of classification detail at which expenditures may not legally exceed appropriations.

BASIS OF BUDGETING

The adopted Budget is prepared on a basis consistent with Generally Accepted Accounting Principles (GAAP) except that; operating transfers are treated as revenues and expenditures, certain expenditures such as compensated absences are not recognized for budgetary purposes but are accrued, and capital outlay in the Water & Sewer Fund is recorded as an expense for budgetary purposes as opposed to an adjustment of the balance sheet account. The modified accrual basis of accounting is utilized in the preparation of budgets for all governmental fund types, which are contained within this document. Expenditures, other than accrued interest on long-term debt are recorded at the time liabilities are incurred, and revenues are recorded when received in cash, except for material and/or available revenues which should be accrued to properly reflect the tax levied and revenues earned. The accrual basis of accounting is utilized in developing the Water & Sewer Fund Budget.

Budgets are monitored carefully with the use of an encumbrance system. In addition, budgets are monitored monthly by City Management and necessary amendments approved by City Council periodically throughout the year to ensure fiscal responsibility, accountability, and financial planning.

The budget document for the City also includes additional information summaries for debt and other non-budgetary funds.■

city of STERLING HEIGHTS

Budget Calendar

October

- Quarterly Budget Report Prepared
- Capital budget manual and forms distributed to all offices
- Offices submit Capital requests

November

- Prior year Audit released and Comprehensive Annual Financial Report completed
- Revenue and Expenditure forecast prepared
- Updated Revenue Study of rates and fees prepared
- Preparation of Municipal Improvement Plan and Multi-year Financial Plan
- City Management prepares current year Budget Amendment
- Capital Coordinating Unit (C.C.U.) reviews capital requests

December

- City Management prepares personnel costs for Proposed Budget
- Preparation of the Water & Sewer Fund Rate Study
- City Management presents the C.C.U.'s Capital Improvements Report to City Manager
- City Manager's final capital recommendations are reported to all offices
- City Council approves current year Budget Amendment
- Distribute Operating Budget Manual and Revenue Worksheets

January

- City Council Strategic Planning Workshop – Capital Improvements
- Operating Budget Worksheets due from all departments
- Revenue Worksheets due from all departments
- City Management analyzes Department's budget requests

February

- Revenue Forecast prepared by City Management
- Budget Meetings held with all City Departments
- City Manager makes final proposed Budget recommendations
- City Management prepares Proposed Budget document

March

- Proposed Budget duplicated in Print Shop
- Proposed Budget and Budget Video distributed to City Council

April

- City Council Workshops – Budget Review, Questions & Adjustments
- Budget Notice published in local newspaper

May

- Public Hearing for Budget
- City Council adopts Appropriations Ordinance
- City Management prepares final current year Budget Amendment

June - July

- City Management prepares Approved Budget document incorporating City Council adjustments
- Approved Budget document distributed at first City Council meeting in July
- Preparation of Capital Improvement Status Report
- Begin Monitoring Budget Performance

Community Profile

The City of Sterling Heights is a vibrant and progressive community with a strong sense of civic pride and determination by its leaders. Its balanced environment is rich with cultural diversity, community wellness, and economic vitality. Sterling Heights is a family community known for its youthful residents, exceptional neighborhoods, scenic parks, and blue-ribbon schools.

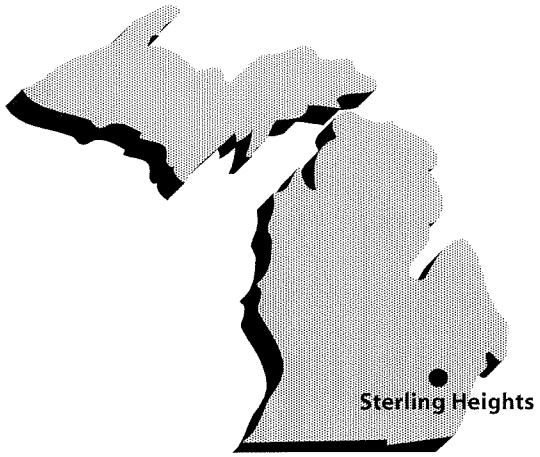
A northeast suburb of Detroit, Sterling Heights is located six miles west of Lake St. Clair and 24 miles from the Detroit Metropolitan Airport.

The area now known as Sterling Heights was first incorporated as Jefferson Township on March 17, 1835. In 1838, its name was changed to Sterling Township, and in July of 1968, the City of Sterling Heights was incorporated. Since incorporation, a seven-member City Council, including the Mayor, who serves two-year terms, has governed the City. Under the Council-Manager form of government, the Mayor and City Council appoint two officials: the City Manager and the City Attorney. In turn, the City Manager appoints all department heads and employees.

Geographically, Sterling Heights is the third largest city in the state, occupying 36.8 square miles. Although much of its land is developed, approximately 5% remains vacant and available for development. The 2009 estimated population of Sterling Heights is 128,500. In terms of population, the City is the fourth largest city in Michigan.

Sterling Heights has primarily developed into a residential community. There are approximately 52,010 households in the City and a 37-year old median age. The City's median household income is $60,494, as last reported. Of all communities with a population of 100,000 or more, Sterling Heights is one of the top ten wealthiest and safest.

The City is a full-service community with the exception of a public transportation system, which is provided by a regional public transit authority. Sterling Heights offers a wide variety of restaurants, movie theaters, churches, and retail shops. Currently, the City maintains 28 developed park sites, four of which are major parks, and several other undeveloped park properties. City parks provide a variety of recreational



opportunities from baseball diamond complexes to children's tot lots, to miles of developed walking, jogging, and bicycle riding pathways. The Clinton River flows in a southeast direction through the northeast section of the City.

Sterling Heights takes pride in providing various community events throughout the year to its residents. The grand event highlighted each year is the City's "Sterlingfest", which provides the community with the opportunity to take pleasure in the summer festivity of fun, food, arts and crafts, carnival rides, and music.

The City has enjoyed a solid reputation for municipal planning and growth management. The comprehensive Master Land Use Plan has foreseen the Van Dyke corridor and the Lakeside Mall shopping district area as the most significant focal points of the community in terms of industrial and retail development. The commercial and industrial business environment is a mix of services, products, and technological employers. This impressive mix of business opportunities has allowed the City to maintain a relatively low unemployment rate. Principal employers in the City include: Ford Motor Company, Chrysler Corporation, Detroit Newspapers, and General Dynamics.

Sterling Heights has received many awards from various professional associations and municipal service organizations for its innovative approaches to service delivery and quality improvements.■

City Goals & Objectives

Responsible government is the recognized duty and charge of all City employees and elected officials. The following City-wide goals have been identified to continue serving the residents of Sterling Heights in the most professional, courteous, and efficient manner possible. **Each City office also prepares performance objectives, which are located in the departmental sections of this document, and are directly tied and referenced to at least one of the City's overall goals and objectives.**

ORGANIZATIONAL OPERATIONS

1. Strengthen City government as an organization dedicated to serving the residents of Sterling Heights with a solid core of basic services while transferring old, new, or additional services where the City is not cost competitive to the private or residential community.

2. Avoid duplication of services with other units of government. Seek joint use opportunities for public facilities with both governmental units and non-profit organizations when effective service delivery can be provided at no or less cost to the City.

3. Review department structures to achieve more efficient and effective service levels at a lower cost to Sterling Heights taxpayers.

4. Continue to investigate staffing levels to determine the ideal number of employees required to effectively operate each department. Contain personnel costs without reducing services. Adjust the City work force to meet these needs through attrition, reassignments, and additional job training opportunities.

5. Provide managers with an effective and efficient system to allocate, manage, and control costs by providing up-to-date information on expenditure rates, revenues, and performance indicators.

6. Develop technology improvement strategies, implement a consistent and future-oriented Capital Improvements Program, and maintain and complete public facilities to meet the changing needs of the community.

7. Ensure high performance and morale by expanding employee involvement programs.

ECONOMIC DEVELOPMENT

8. Foster economic development in the existing industrial and commercial areas to expand the tax base while retaining and creating jobs pursuant to the new Master Land Use Plan.

9. Create and maintain strong identifiable City regional centers, which offer alternatives to the traditional downtown by providing clusters of community commercial facilities.

10. Continue to aggressively maintain and improve the City's financial base by emphasizing the importance of economic development and redevelopment.

11. Develop economic development policies, which focus on business retention, neighborhood and housing maintenance, quality industrial and commercial developments, and local employment.

PROPERTY VALUE ISSUES

12. Constantly monitor environmental conditions and land uses, which may adversely affect housing values.

13. Encourage property maintenance and enhancement programs in residential and commercial areas.

14. Emphasize existing programs and develop additional programs and services, which reinforce Sterling Heights as an attractive residential community.

15. Develop a clear and visual image of the community, which reflects the highest standards of design quality for both the public and private sectors.

16. Strive for a permanent stock of well-balanced housing, which is available to meet the needs of all members of the community regardless of age, income, or background.

COMMUNICATIONS & TECHNOLOGY

17. Institute technology and a state-of-the-art innovation in City government, which reduces costs, increases efficiency, and enriches jobs.

18. Improve efficiencies by investing in technological improvements and automating City systems.

19. Continue to seek opinions and ideas from individuals, appointed boards and committees, and citizen groups to provide direction as to how the City's cultural, recreational, and environmental resources can and should be used.

FINANCIAL STABILITY

20. Insure stable tax rates by developing new revenues, eliminating inefficient programs, synchronizing the growth of government with the growth of the community, expanding service levels only as revenues allow, and establishing and enforcing long-range basic service policies. Achieve the best possible bond rating by providing professional and comprehensive financial services to the City and its residents.

21. Seek grants and funds for projects and programs, which are beneficial to the City.

TRANSPORTATION ISSUES

22. Complete road improvements as outlined in the Master Road Plan and actively pursue improvement of State and County roads to serve the needs of Sterling Heights residents.

23. Provide a balanced transportation system, which is integrated with the regional transit system.

NEIGHBORHOOD SAFETY

24. Maintain and expand current crime and fire prevention efforts and encourage citizen volunteers for neighborhood watch activities.

25. Maintain and improve the City's ability to respond to civil, natural and medical emergencies.

RECREATIONAL, CULTURAL, AND LEISURE OPPORTUNITIES

26. Maintain and expand, when economically feasible, recreational, cultural, and leisure opportunities throughout the City to improve the quality of life to our residents.

27. Provide in the City Center a location of governmental, cultural and recreational services accessible to all City residents.■

In recent years, changing fiscal conditions and the demand for increased services has forced a reassessment of the roles of local government units. As public officials, we are charged with the responsibility to ensure that all services are provided within acceptable levels of cost, and when required, to seek alternative methods of financing. The budgetary process provides the opportunity to analyze and debate the merits of each service as well as to make decisions about its level and cost.

The budget continues the conservative spending approach that the residents of Sterling Heights have come to expect from City government. The document also assists our efforts to make the operations of the City more efficient, less costly, and more importantly, to target available resources to specific needs of the community.

FINANCIAL POLICIES

The City of Sterling Heights' financial policies set forth basic tenets for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, these policies provide a framework to assist the decision-making process of the City Council and Administration.

These policies provide guidelines for evaluating both current activities as well as proposals for future programs.

1. The budget will first determine how much money is available, it will then allocate the resources among the highest priority results based on analyses, which determine which programs can best achieve the desired results, and it will use a performance measurement process to annually evaluate the results.

2. Emphasis will be increased on those personnel and management areas of long-term importance: employee relations, work simpler but more effectively, implementation of new technologies, long-term work force planning, and management incentives.

3. Expanding an existing service program or adding a new service program will only be considered when a new revenue source can support all of the ongoing costs; or when the requesting department can identify an existing service which can be reduced or eliminated. Programs financed with grant money shall be budgeted in special funds, and when grant revenues are reduced or eliminated, the service program shall be adjusted accordingly.

4. The budget is balanced and the City will maintain a balanced budget in which estimated revenues and fund balance reserves are equal to or greater than estimated expenditures.

5. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.

6. The City will monitor departmental expenditures on a monthly basis to ensure conformity to budgets and decide on actions to bring the budget into balance, if necessary.

7. The City will integrate performance measurement and productivity indicators within the budget.

8. The City will attempt to avoid layoffs in all actions to balance the budget. Any personnel reductions will be scheduled to come from attrition and where necessary, through bumping actions. Any reductions in positions will be proportionately distributed among various levels of employees.

9. The City will avoid budgetary practices or procedures that balance current period expenditures at the expense of future years' revenues.

10. The budget will provide for the adequate maintenance and orderly replacement of capital facilities and equipment.

11. The budget will provide for adequate levels of funding for all retirement systems.

12. The City will develop and maintain accounting and budgetary control systems to adequately safeguard the assets held in public trust.

13. The Operating and Capital Budgets will fully describe the major goals to be achieved and the services and programs to be delivered, based upon the levels of funding anticipated or provided.

14. The City will finance essential City services, which have a City-wide benefit from revenue sources, which are generated from a broad base, i.e., property taxes, State revenue sharing, assessments, and fees.

15. The impact on the use of property tax financing will be minimized by seeking alternative financing for City services including user fees and upgrading and/or enhancement of the property tax base.

16. Financing formulas and user fee rate structures will be reassessed to accurately charge the cost of service provided to the benefiting property owners and customers while considering the needs of low-income residents.

17. Federal and State legislation will be supported that provides property tax relief and direct aid to cities. Any legislation which forces local service mandates without matching Federal, State, or regional funding will be opposed.

18. In conjunction with the Municipal Improvement Plan (MIP), the City will prepare a three-year projection of operating revenues and expenditures for all major funds. The projection shall be monitored on an ongoing basis and major changes shall be incorporated into the document as they occur.

REVENUE POLICIES

1. The City will attempt to maintain a diversified and stable revenue base to shelter it from short or long-term fluctuations in any one revenue source.

2. Annual City revenues will be projected by an objective and thorough analytical process.

3. The City will maintain sound appraisal procedures and practices to reflect current property values.

4. The City will establish user charges and set fees for services for its Water & Sewer Fund at a level that fully supports both the operational and capital outlay costs of the activity.

5. The City will follow an aggressive policy of collecting revenues.

6. The City will annually review fees and charges and will design or modify revenue systems to allow charges to increase at a rate that keeps pace with the cost of providing the service.

RESERVE POLICIES

1. The City will strive to maintain a minimum General Fund balance of 10% or in an amount equal to 1.2 months of General Fund expenditures.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

1. An independent audit will be performed annually.

2. The City will produce comprehensive annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP), the body of accounting and financial reporting standards, conventions, and practices that have authoritative support from standard setting bodies such as the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

INVESTMENT POLICIES

1. The City will conduct a cash-flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled to insure maximum investment capabilities.

2. When permitted by law, the City will pool cash from several different funds for investment purposes to maximize potential earnings.

3. The City will analyze market conditions and potential investments to maximize its yield, while maintaining the integrity, diversification, and safety of the principal.

4. The City's accounting system will provide monthly information concerning cash position and investment performance.

5. The City's Investment Officer will quarterly report the portfolio holdings by type, the average maturity, earnings and any other information necessary to allow the City Council and Investment Committee to confirm compliance with the adopted investment policy.

DEBT POLICIES

1. The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. All bonds will be amortized over a period not to exceed the expected useful life of the project.

2. The City will attempt to keep the average maturity of general obligation and all types of revenue bonds at or below 20 years.

3. When possible, the City will use special assessment, revenue, tax increment, or other self-supporting bonds. These bonds may be backed by the limited full faith and credit of the City to achieve a lower interest cost.

4. The City will not incur long-term debt to support current operations.

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

6. The City will only use water and/or sewer revenue bonds to finance capital improvements and projects for enterprise activities.

7. The City will annually review all outstanding debt for potential refunding. Outstanding debt will be refunded only when a net savings greater than 1.5% can be achieved.

8. The City will not issue general obligation debt in excess of 10% of the current state equalized value of real and personal property. Additionally, the City will attempt to maintain the per capita debt, for all types of debt, at or below $2,500.

CAPITAL IMPROVEMENT BUDGET POLICIES

1. The fiscal integrity of the City's operating debt service and capital improvement budgets will be maintained in order to provide services, construct and maintain public facilities, streets, and utilities.

2. The City shall make all capital improvements in accordance with an adopted capital acquisition program.

3. The City will annually update its multi-year capital improvements plan including proposed funding sources.

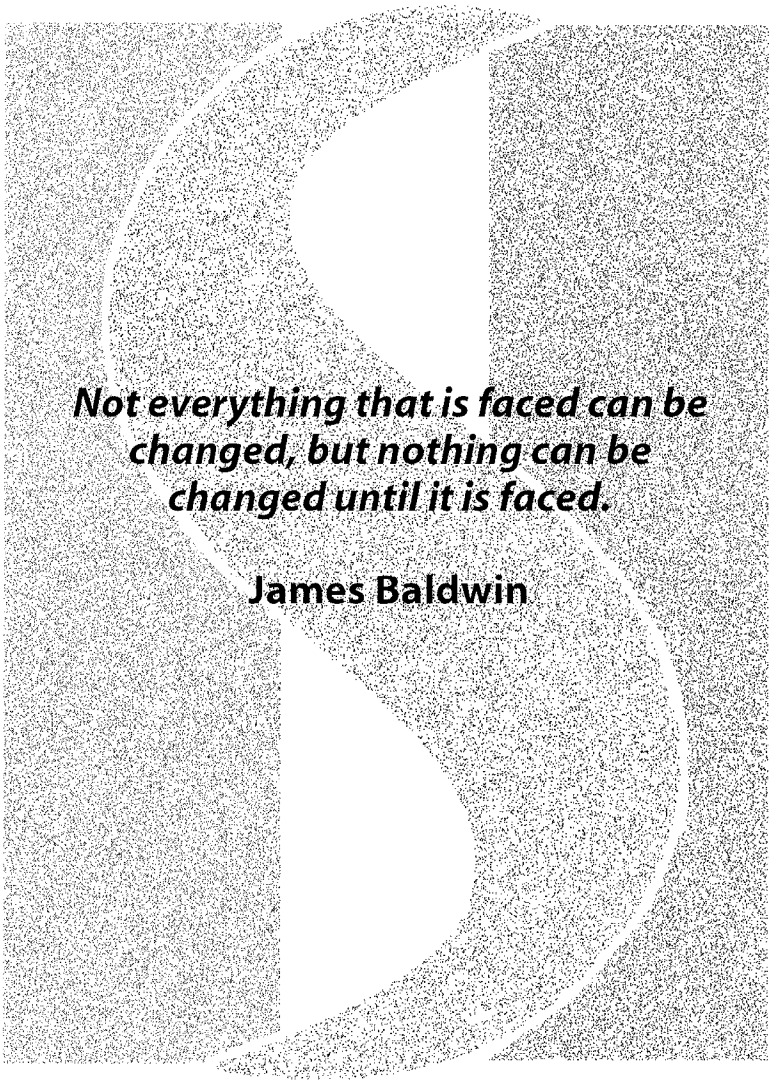
4. The City will coordinate decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities.

5. The City will attempt to maintain all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.

6. The City will use intergovernmental assistance to finance only those capital improvements that are consistent with the adopted capital improvement plan, City priorities, and for which operating and maintenance costs have been included in the operating budget.

7. Capital investments will foster Sterling Heights' goal of preserving its infrastructure.

8. The City will minimize long-term interest expense when financing capital improvements by maintaining an ongoing systematic bonding program, which spreads the costs of the improvements to the benefiting residents.■


Not everything that is faced can be changed, but nothing can be changed until it is faced.
James Baldwin

City Policy Benchmarks

Policy Benchmark	Status
Financial Policy	
• Emphasis on areas of long-term importance such as efficiency, effectiveness, employee relations, automation, and technology improvements	• Funding for the continuation of the Information Technology Plan, a replacement file server, an upgrade to the City's Geographic Information System (GIS) and the use of the Land Management System for Fire Prevention inspections and complaint tracking reports.
• Maintain a budgetary control system to ensure adherence to the budget	• Only City in the nation to receive the GFOA's "Outstanding" budget award in all four categories; GFOA's "Distinguished" budget award for the past 22 years
• Integrate performance measurement and productivity indicators in the budget	• Earned GFOA's "Special Recognition" award in five of the past eight years for use of performance measurements • Benchmarking included in the City calendar which earned the Popular Annual Financial Report (PAFR) for the past 11 years • Participated in ICMA's Center for Performance Measurement – one of 16 cities nationally to receive an Award of Distinction • Department objectives linked to City goals
• To avoid practices that balance current expenditures at the expense of future years' revenues	• No short-term borrowing for operations • Lowest debt ratios of 10 comparable Michigan cities • Only $1.4 million in budgeted new debt
• To provide adequate maintenance and orderly replacement of capital facilities and equipment	• Municipal Facilities expenditures $1.1 million • Vehicle expenditures $257,000 • Equipment expenditures $427,300 • Technology improvements $110,000
• Maintain adequate level of funding for all retirement systems	• General Employees System 110.2% funded • Police & Fire Pension System 95.0% funded • Pre-funding retiree medical past 14 years • Recent updates to Retiree Medical Actuarial Report; increased funding past six years to 24.8% of payroll • Defined Contribution Plan for new general employees
• Seek property tax relief	• Millage rate has decreased by 2.59 mills or 19.4% since 1988, saving average homeowner $3,121 • Second largest tax rate decrease among all County taxing entities since Proposal A in 1994 • Tax rate lower than all but one of the 77 full service communities within 20 miles of City • Lowest taxes per resident of 10 comparable MI cities
• Enhancement of the property tax base	• Major community investments (past 6 years): Ford Motor Company $427 million investment DaimlerChrysler $287 million investment Detroit News Plant $174 million investment ACH/Visteon Plant $110 million investment • Corridor Improvement Authority & Façade Program • Lakeside Shopping District Improvements • LDFA & SmartZone Business Incubator

city of STERLING HEIGHTS

City Policy Benchmarks

Policy Benchmark	Status
Revenue Policy	
• Maintain a diversified and stable taxable revenue base	• City's Taxable Value: Residential 63.4% Commercial & Industrial 36.6% • Third highest property values in State
• Maintain sound appraisal procedures and practices to reflect accurate property values	• Equalization Factor = 1 • Changed to a one-year sales study
• Review fees and charges to assure the cost of providing the service is appropriately charged	• Annual review of rates and fees adjusted for inflation • Personal Property Tax Audits to ensure fairness • Higher non-resident fees • Continued lowest water & sewer rates in State
Reserve Policy	
• 10% minimum unreserved/undesignated General Fund Balance	• 12.9% of 2010 budgeted expenditures
• 37 days of General Fund operations	• 47 days of General Fund operations
Accounting, Auditing, Financial Reporting Policy	
• Produce comprehensive annual reports in accordance with GAAP	• Certificate of Achievement for Excellence in Financial Reporting Award for 21 years • One of first in State to implement GASB 34, earned recognition award from Governmental Accounting Standards Board
Investment Policy	
• Analyze market conditions to maximize yields while maintaining the integrity and safety of principal	• Maximized Interest on Investment earnings • Retiree Health Care Fund Investments maximized
Debt Policy	
• Keep average maturity of general obligation bonds at or below 20 years	• 2008 Fire Station Renovation Bond 15 yrs. • 2007 Senior Active Life Center/Radio Bond 6 yrs. • 87% of City debt matures within 10 years • Refinanced bonds saving $775,000 and saved $500,000 due to recent bond rating upgrade
• Maintain a sound relationship with all bond rating agencies	• Highest bond ratings of 10 comparable MI cities • Moody's rating Aa2 • Fitch's rating AA+ • Standard & Poors' rating AA+
Capital Improvement Policy	
• Make all capital improvements in accordance with an adopted capital acquisition program	• $14.3 million in total Capital Improvement Projects • $1.3 million in neighborhood street repairs • $5.8 million in Major road repairs
• Continue to implement a multi-year plan for capital improvements	• Municipal Improvement Plan incorporated in the Sterling Vision and budget documents

city of STERLING HEIGHTS

ICMA Center for Performance Measurements

The City participated in the ICMA's Center for Performance Measurement from 1999 – 2003 and then rejoined from 2006 - 2007. The Center was created to help cities obtain fair, accurate and comparable data about the quality and efficiency of service delivery to their residents. Below is a listing of the 2007 fiscal year results showing how Sterling Heights compares to other cities and counties across the country in various performance measurement categories.

Category	Sterling Heights	National Average	National Rank	Rank Percent *
City Administration				
Human Resources FTE's Per 100,000 Residents	1.2	9.0	4/104	4%
Full-time Employee Turnover Rate	0.2%	7.6%	1/115	0%
Risk Management				
Worker's Compensation Expenditures Per FTE	$480	$1,354	3/28	11%
Worker's Compensation Claims Per 100 FTE's	13	15	57/91	63%
Work Days Lost Due to Injury Per 100 FTE's	22	65	23/55	42%
Purchasing				
Purchasing Office Expenditures Per Resident	$2.68	$3.75	30/77	39%
Purchasing Office FTE's Per 100,000 Residents	2.3	5.4	16/74	22%
Dollar Amount of Purchases Needing Approval by Elected Body	$10,000	$67,700	10/99	10%
Days from Requisition to Purchase Order - Formal Bid	30	45	12/40	30%
Parks & Recreation Department				
Parks & Recreation Costs Per Resident	$29	$32	44/76	58%
Parks & Recreation FTE's Per 100,000 Residents	44	67	20/61	33%
Total Park Acres Per 1,000 Residents	7.5	21.0	34/133	26%
Parks & Recreation Revenue Per Resident	$3.6	$20.1	15/105	14%
Developed Park Acres Per 1,000 Residents	6.4	10.0	61/130	47%
Percent of Park Acres Developed	85%	63%	99/131	76%
Police Department				
Police Operating Expenditures Per Resident	$199	$213	47/101	47%
Sworn Police FTE's Per 1,000 Residents	1.4	1.9	28/120	23%
Civilian Police FTE's Per 1,000 Residents	0.4	0.5	43/116	37%
Percent of Sworn Police FTE's to Total Police FTE's	79%	79%	57/117	49%
911 Police Calls Received Per 100 Residents	35	78	26/105	25%
Moving Violation Citations Issued Per 1,000 Residents	127	181	58/137	42%
Traffic Fatalities Per 100,000 Residents	6.3	7.0	83/155	54%
Injury Producing Traffic Accidents Per 100,000 Residents	632	604	89/140	64%
Violent Crimes Reported Per 1,000 Residents	1.7	4.4	46/157	29%
Percent of Violent Crimes Cleared	62%	56%	87/137	64%
Violent Crimes Cleared Per Sworn FTE	0.7	1.3	43/105	41%
Property Crimes Reported Per 1,000 Residents	29	35	70/159	25%
Percent of Property Crimes Cleared	16%	22%	54/133	41%
Property Crimes Cleared Per Sworn FTE	3.2	4.1	43/101	43%
Cost per Property & Violent Crime Cleared	$35,775	$30,033	64/84	75%
Total Arrests Per 1,000 Residents	28	58	26/122	21%
DUI Arrests Per 1,000 Residents	2.6	5.7	31/159	19%
Juvenile Arrests as a % of Total Arrests	8%	21%	22/122	18%
Average Age of Police Vehicles (Years)	2.5	3.1	29/94	31%
Average Annual Miles Driven Per Police Vehicle	16,407	16,664	49/78	63%

city of STERLING HEIGHTS

ICMA Center for Performance Measurements

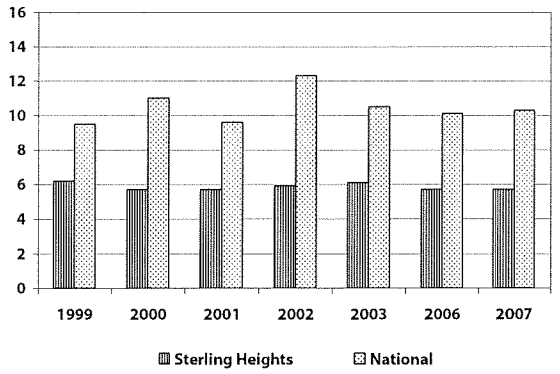
Category	Sterling Heights	National Average	National Rank	Rank Percent *
Fire Department				
Fire Operating Expenses Per Resident	$116	$140	19/49	39%
Total Department FTE's Per 1,000 Residents	1.2	2.0	8/59	14%
Fire Incidents Per 100,000 Residents	253	401	39/125	31%
EMS Responses Per 1,000 Residents	59	75	36/104	35%
% of Fire Responses Less Than 5 Minutes (from dispatch)	94%	56%	75/77	97%
Average EMS Response Time (Minutes)	4.1	5.3	10/61	16%
Average Age of Fire Apparatus (Years)	9	10	46/84	55%
Average Annual Miles Driven Per Vehicle	8,548	6,647	45/57	79%
Code Enforcement				
Code Enforcement Operating Expenses Per Resident	$5.0	$9.7	27/75	36%
Code Enforcement Violations Per 1,000 Residents	27	49	38/75	51%
Code Enforcement Violations Per FTE	534	574	33/53	62%
Public Works Department				
Fleet Maintenance Expenditures Per Resident	$14.2	$15.1	12/28	43%
Fleet Maintenance FTE's Per 100,000 Residents	12	14	38/83	46%
Annual Refuse Tons Collected Per Account	1.1	1.6	27/72	38%
Refuse Collection Costs Per Ton	$44	$69	22/58	38%
Recycling Costs Per Ton Recycled	$35	$124	4/51	8%
Street Maintenance Expenditures Per Lane Mile	$1,287	$3,082	18/95	19%
Street Sweeping Expenditures Per Resident	$3.27	$3.20	64/111	58%
Public Library Department				
Library Expenditures Per Registered Borrower	$53	$49	45/68	66%
Library FTE's Per 1,000 Residents	0.23	0.46	7/56	13%
Library Circulation Per Resident	5.0	8.3	21/71	30%
Library Visits Per Resident	3.3	5.0	11/62	18%
Library Program Attendance Per 1,000 Residents	200	277	26/66	39%
Percent of Population Who Are Registered Library Borrowers	40%	57%	10/61	16%
Library Material Acquisition Costs Per Resident	$2.10	$4.30	7/61	11%
Annual Reference Transactions Per 1,000 Residents	1,040	1,030	38/65	58%
Average Hours of Library Operations Weekly	64	64	30/66	45%
Patron Internet Usage Per Terminal	2,667	2,186	39/55	71%
Facilities Maintenance				
Facilities Maintenance FTE's Per 100,000 Residents	13.6	21.7	28/63	44%
Facilities Maint. Operating & Maint. Costs per Sq. Ft.	$8.3	$4.6	49/50	98%
Information Technology				
Information Technology Expenditures Per Resident	$10	$29	7/85	8%
Information Technology FTE's Per 100,000 Residents	6.0	18.1	6/52	12%
Ratio of Computer Workstations to FTE	0.70	0.79	33/93	35%
Citywide				
Total Expenditures Per Resident	$886	$1,536	25/102	25%
Total Full-time Equivalent Employees (FTE's) Per 1,000 Residents	5.7	10.3	16/110	15%
Fringe Benefit Expenditures Per FTE	$28,397	$16,966	90/96	94%
Employee Benefits as a % of Compensation	31%	25%	86/100	86%

*Rank Percent equals the percent of cities that are lower than Sterling Heights.

ICMA PERFORMANCE MEASUREMENTS

City Administration Department

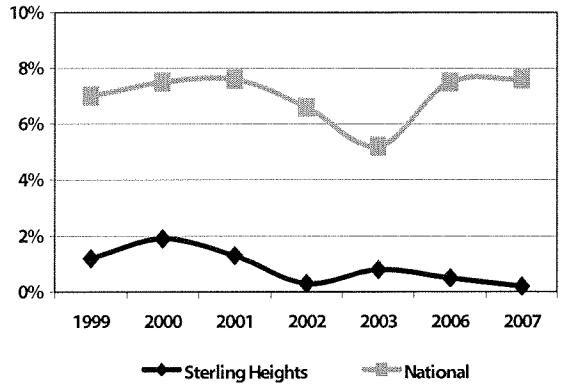
Total Full-time Employees Per 1,000 Residents



2007 National Rank: 16th out of 110 cities
Rank Percentage: 15%

The City continues to have fewer full-time equivalent employees per 1,000 residents than the national average. In 2007, the City had 5.7 full-time employees per 1,000 residents versus a national average of 10.3 employees. We rank 16th lowest out of 110 cities.

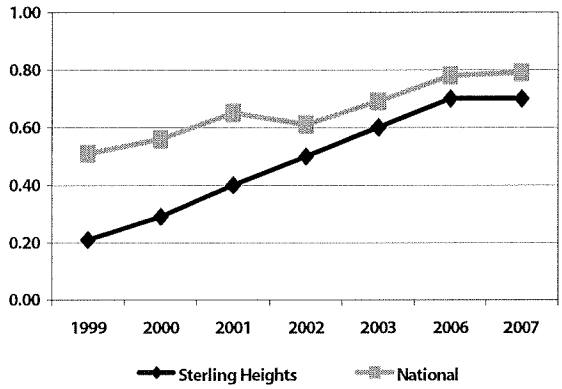
Full-time Employee Turnover Rate



2007 National Rank: 1st out of 115 cities
Rank Percentage: 0%

The rate at which the employees leave the City's employment (excluding retirements) continues to be well below the national average. In 2007, only 0.2% of employees left the City versus a 7.6% national average.

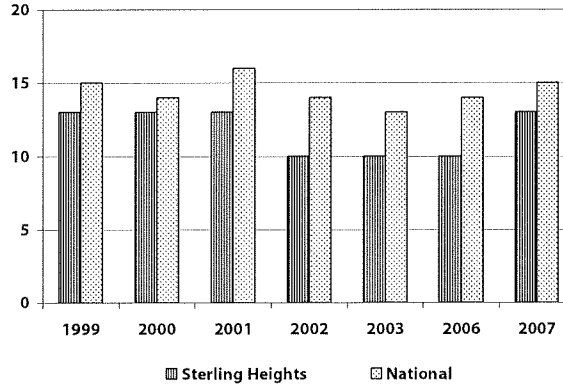
Ratio of Computers to Employees



2007 National Rank: 33rd out of 93 cities
Rank Percentage: 35%

The City has more than doubled its ratio of computers to full-time employees as a result of implementing our Information Technology plan. Over the past 9 years, we have narrowed the gap between the City's ratio and the national average.

Worker's Compensation Claims Per 100 Employees



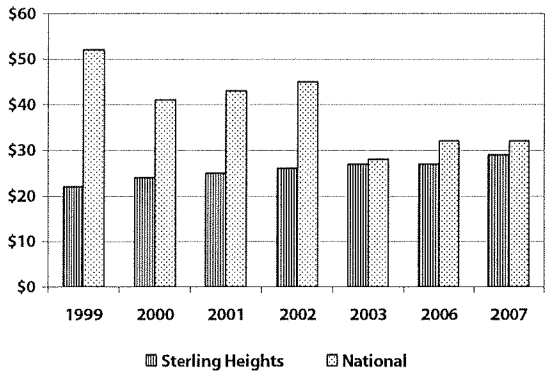
2007 National Rank: 57th out of 91 cities
Rank Percentage: 63%

The City's worker's compensation claims per 100 full-time equivalent employees (FTE's) has generally decreased over the past 9 years and continues to be below the national average due to our proactive Risk Management program.

ICMA PERFORMANCE MEASUREMENTS

Parks & Recreation Department

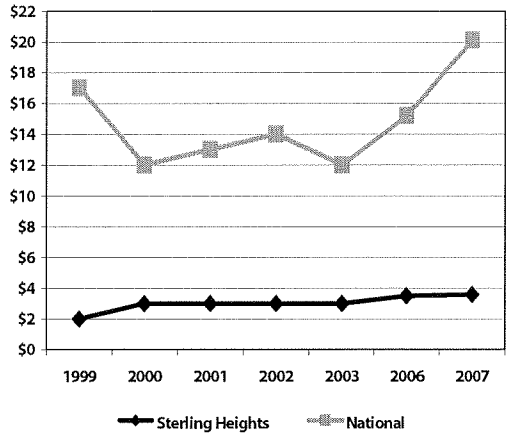
Parks & Recreation Costs Per Resident



2007 National Rank: 44th out of 76 cities
Rank Percentage: 58%

The City's total Parks & Recreation cost per resident has increased slightly over the past 9 years. Beginning in 2003, the national average now excludes the cost of municipal golf courses allowing for a more accurate comparison. The City currently ranks 44th lowest out of 76 cities nationally.

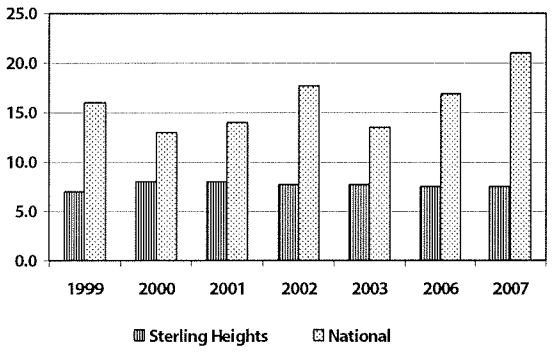
Parks & Recreation Revenue Per Resident



2007 National Rank: 15th out of 105 cities
Rank Percentage: 14%

The revenue generated by the Parks & Recreation Department (excluding golf courses) has been below the national average during the past 9 years.

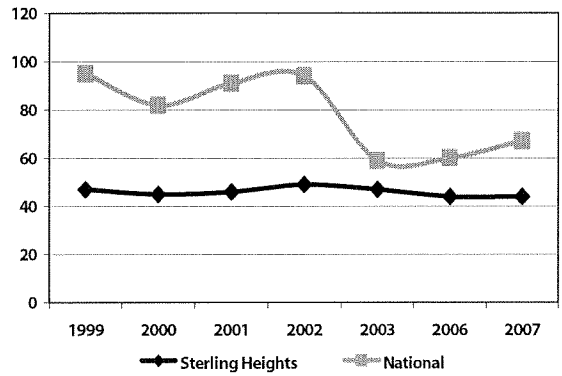
Park Acres Per 1,000 Residents



2007 National Rank: 34th out of 133 cities
Rank Percentage: 26%

The number of park acres in the City has increased slightly over the past 9 years. The City continues to be below the national average in park acres per 1,000 residents. The City, however, ranks higher in both developed park acres per resident (47%) and the percent of park acres developed (76%).

Parks & Recreation Employees Per 100,000 Residents

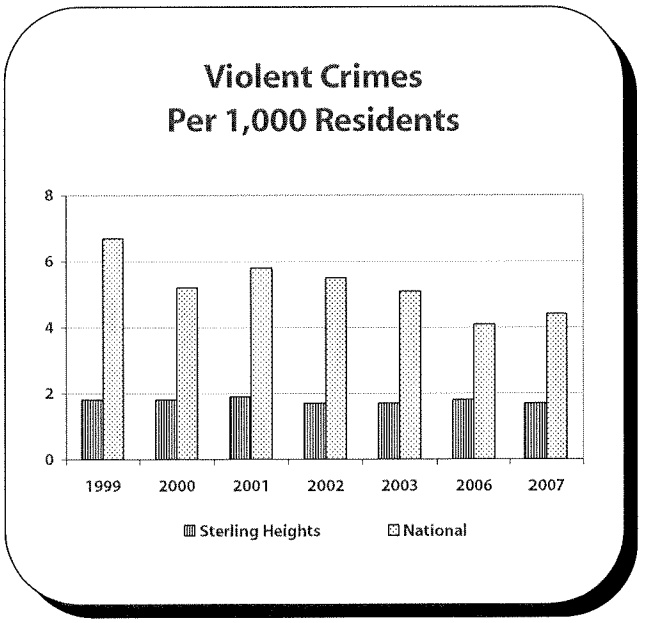


2007 National Rank: 20th out of 61 cities
Rank Percentage: 33%

The City currently has 44 full-time equivalent employees (FTE's) compared to the national average of 67 FTE's. Beginning in 2003, the national average now excludes the number of municipal golf course FTE's.

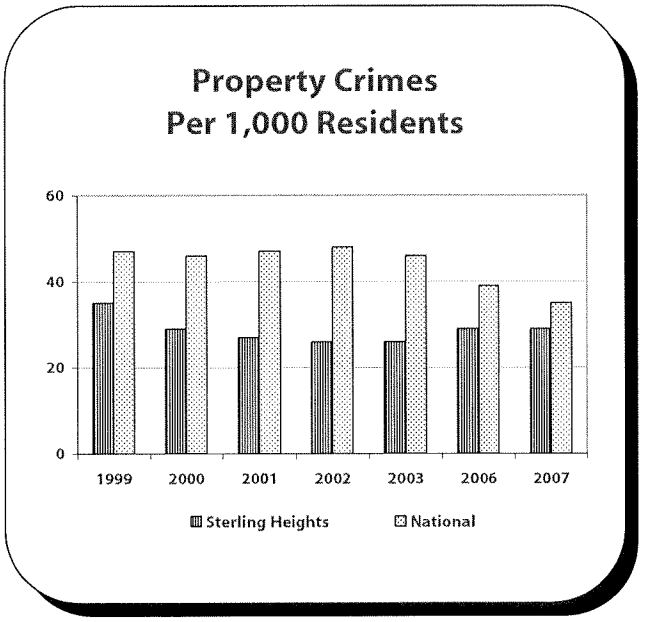
ICMA PERFORMANCE MEASUREMENTS

Police Department



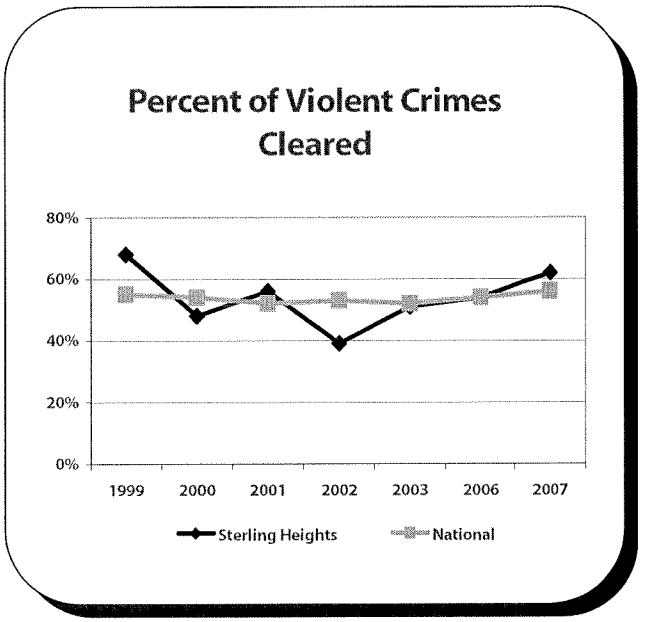
2007 National Rank: 46th out of 157 cities
Rank Percentage: 29%

The City currently ranks 46th lowest out of 157 cities nationally in Violent Crimes per 1,000 residents. Over the past 9 years, the City has continued to be well below the national average.



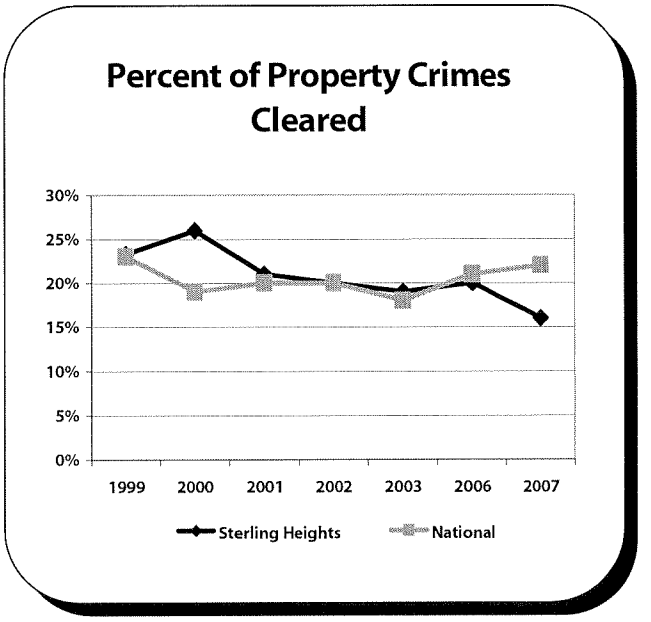
2007 National Rank: 70th out of 159 cities
Rank Percentage: 25%

The City is also well below the national average in Property Crimes per 1,000 residents. The number of property crimes per resident has generally decreased. The City currently ranks 70th lowest out of 159 cities nationally.



2007 National Rank: 87th out of 137 cities
Rank Percentage: 64%

The Percent of Violent Crimes Cleared, or solved, has increased slightly in the last several years to be above the national average in 2007. In 2007, the City ranked 87th out of 137 cities nationally.



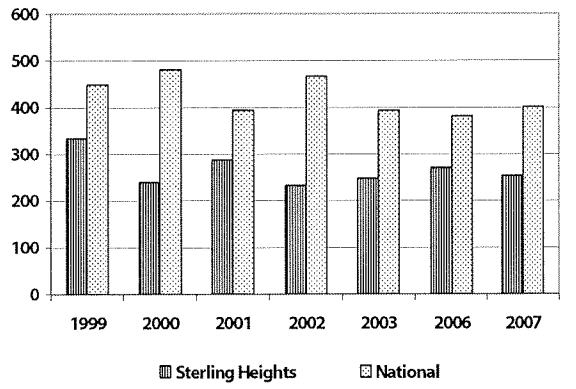
2007 National Rank: 54th out of 133 cities
Rank Percentage: 41%

The Percent of Property Crimes Cleared, or solved, over the past 9 years continues to be very near the national average. In 2007, the City ranked 54th highest out of 133 cities.

ICMA PERFORMANCE MEASUREMENTS

Fire Department

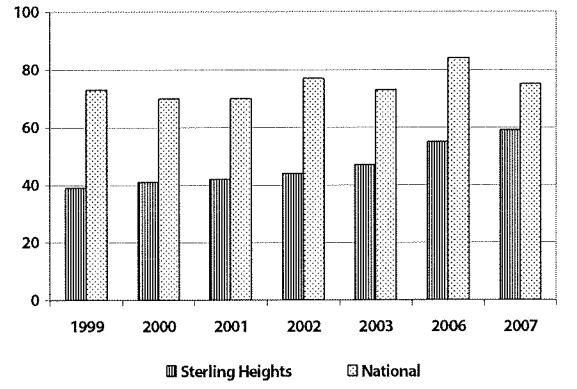
Fire Incidents Per 100,000 Residents



2007 National Rank: 39th out of 125 cities
Rank Percentage: 31%

The number of fire incidents in the City continues to be well below the national average for each of the past 9 years. The City currently ranks 39th lowest out of 125 cities nationally in the number of fire incidents per resident.

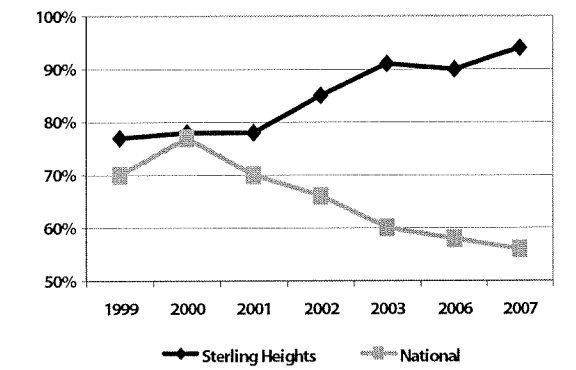
EMS Responses Per 1,000 Residents



2007 National Rank: 36th out of 104 cities
Rank Percentage: 35%

The number of EMS responses in the City remains well below the national average for the past 9 years. In 2007, the City ranked 36th lowest out of 104 cities reporting. 65% of cities nationally had a higher number of EMS responses per resident.

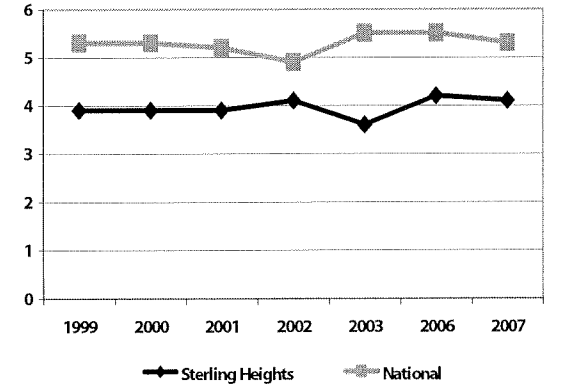
Percent of Fire Responses Less Than 5 Minutes



2007 National Rank: 75th out of 77 cities
Rank Percentage: 97%

For the past 9 years, Sterling Heights has had a higher percent of fire responses that took less than 5 minutes to respond, as compared to the national average. Currently, 94% of fire incidents are responded to in 5 minutes or less. Only 2 reporting cities had a higher percent.

Average EMS Response Time (Minutes)



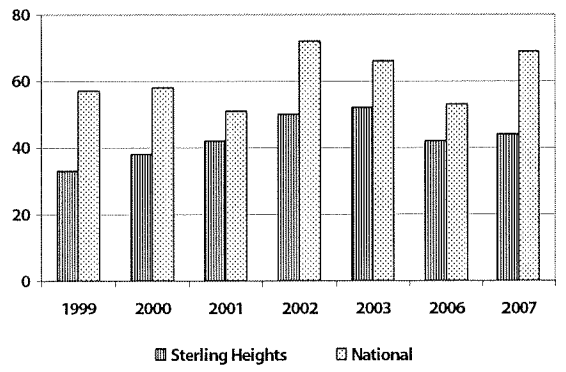
2007 National Rank: 10th out of 61 cities
Rank Percentage: 16%

The City's average EMS response time is 4.1 minutes, which is well below the national average. We currently rank 10th lowest out of 61 cities. In other words, only 16% of the cities nationally had a faster average EMS response time.

ICMA PERFORMANCE MEASUREMENTS

Public Works Department

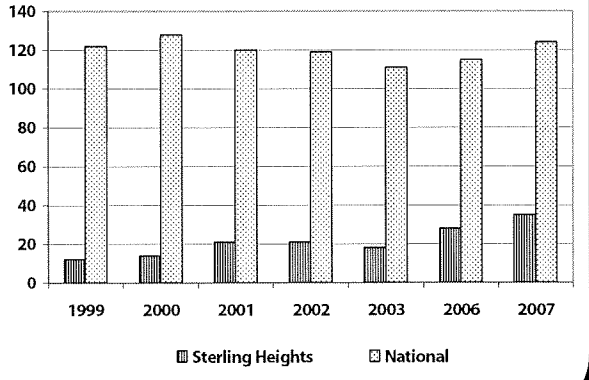
Refuse Collection Costs Per Ton



2007 National Rank: 22nd out of 58 cities
Rank Percentage: 38%

Our Refuse Collection Costs per Ton increased from 1999-2003, but fell in 2006 due to a new refuse collection contract. Our costs continue to be below the national average. Our costs ranked 22nd lowest out of 58 cities nationally.

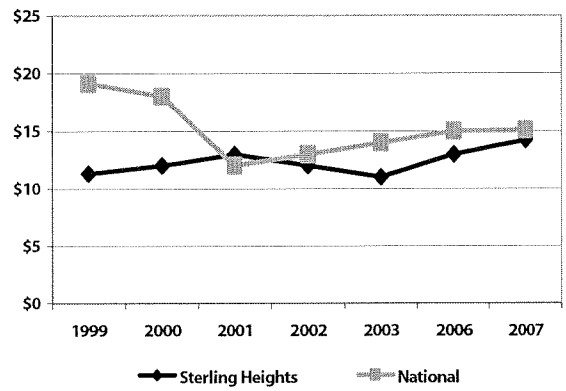
Recycling Costs Per Ton Recycled



2007 National Rank: 4th out of 51 cities
Rank Percentage: 8%

The City's Recycling Costs per Ton Recycled are the fourth lowest out of the 51 cities reporting nationally. The City has 3 voluntary drop-off centers, which allows us to be nearly 4 times lower in costs than the national average.

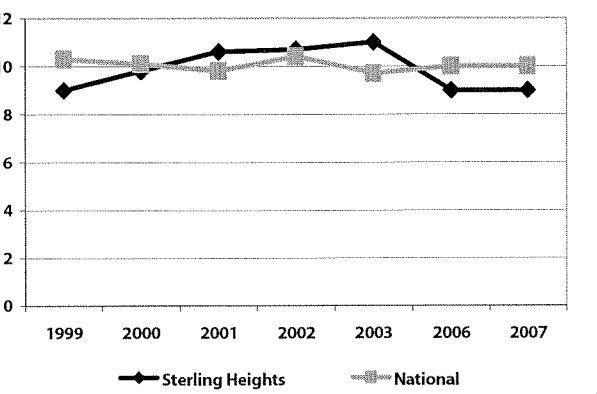
Fleet Maintenance Expenditures Per Resident



2007 National Rank: 12th out of 28 cities
Rank Percentage: 43%

The City spends near the national average for operating and maintaining its motor vehicles and equipment. We currently rank 12th out of 28 cities nationally.

Average Age of Fire Apparatus (Years)



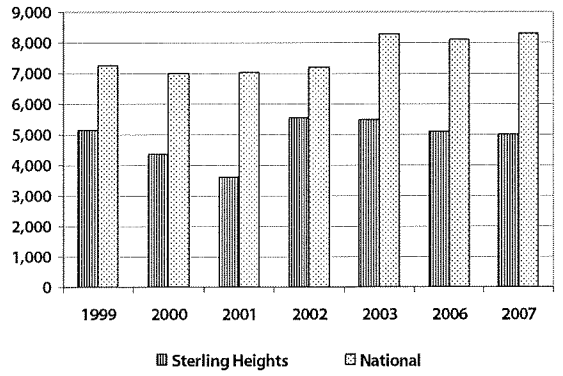
2007 National Rank: 46th out of 84 cities
Rank Percentage: 55%

Two recently purchased fire vehicles have helped to lower the City's average fire vehicle age down to 9 years. For the second time since 2000, the age of our fire fleet is now below the national average.

ICMA PERFORMANCE MEASUREMENTS

Public Library Department

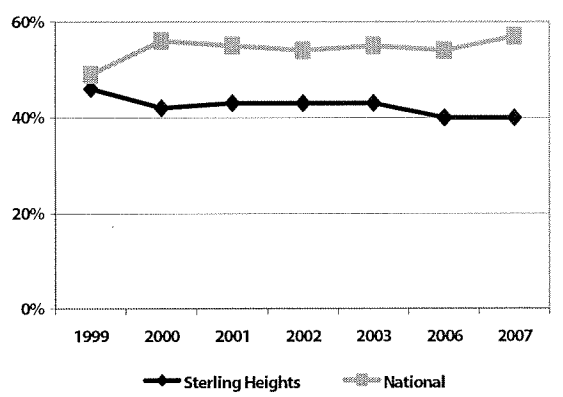
Library Circulation Per 1,000 Residents



2007 National Rank: 21st out of 71 cities
Rank Percentage: 30%

From 2000 to 2001, the Library's circulation decreased sharply as the Library was closed for 2-3 months during each fiscal year due to renovations. Since then, the circulation increased above 1999 levels, though it is still below the national average.

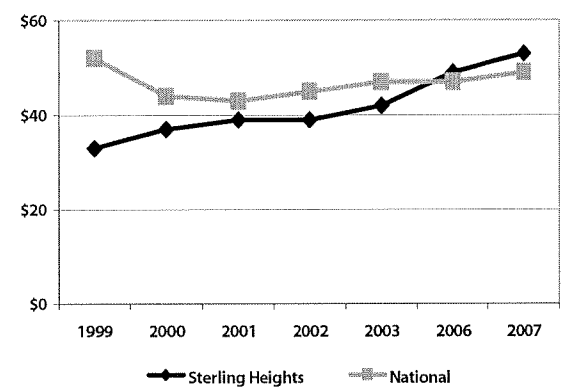
Registered Borrowers As a % of Population



2007 National Rank: 10th out of 61 cities
Rank Percentage: 16%

The City has fewer Registered Borrowers as a Percent of Population than most cities nationally. One reason for the lower figure is that the City regularly updates its registered borrower database.

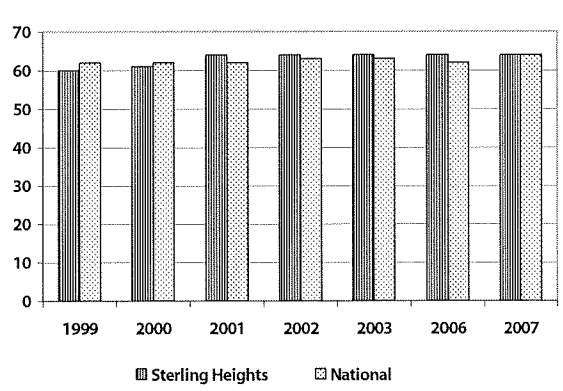
Library Expenditures Per Registered Borrower



2007 National Rank: 45th out of 68 cities
Rank Percentage: 66%

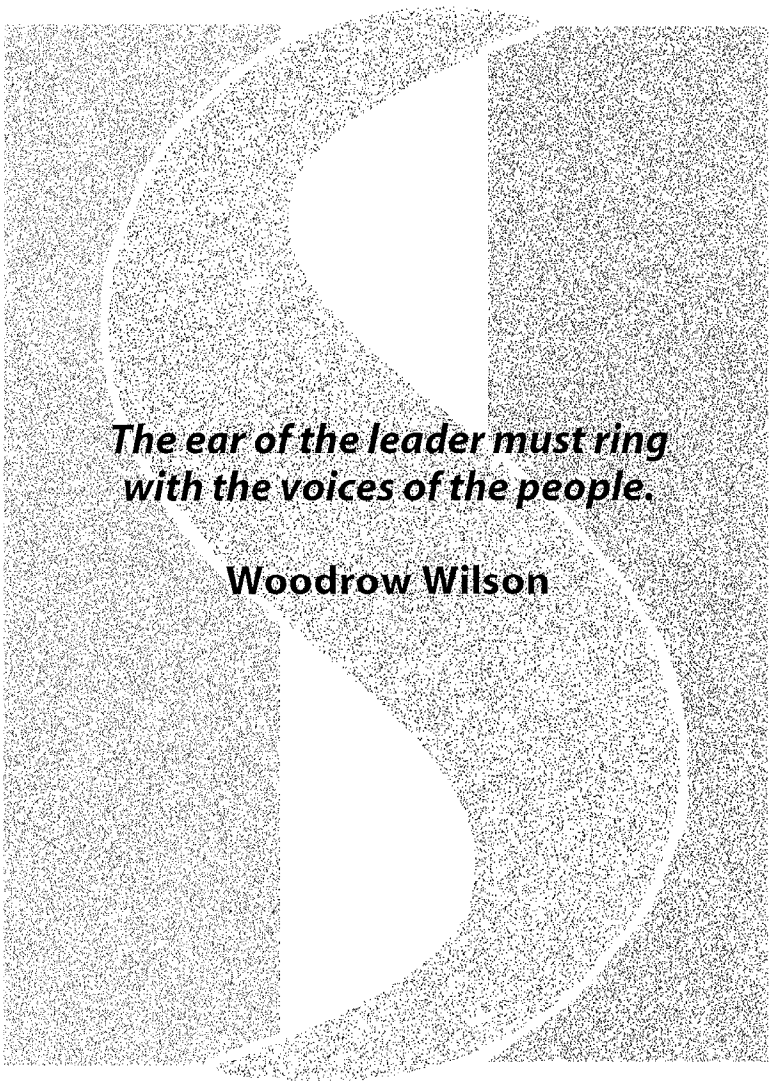
The City's Library Expenditures per Registered Borrower has risen to be slightly above the national average. In 2007, the City spent $53 per registered borrower compared to an average of $49 spent nationally. We ranked 45th out of 68 cities nationally.

Average Weekly Hours of Library Operations



2007 National Rank: 30th out of 66 cities
Rank Percentage: 45%

Over the past 9 years, the City has increased the number of hours that the Library has been open. In 2001, the City opened the Library a half-hour earlier each day. In the late 1990's, the Library added Sunday hours during the school year.


The ear of the leader must ring with the voices of the people.
Woodrow Wilson

All Funds Summary

The All Funds Summary provides the reader with a quick overview of the entire financial plan of the city for the upcoming fiscal year. This section includes an Executive Summary which explains the services each city fund provides and the budget changes from the previous year. Several schedules, charts and graphs are also included which highlight the revenue, expenditure, and fund balance history and trends for all of the city's funds and helps to better illustrate the city's overall fund structure.

Financial Organization Chart

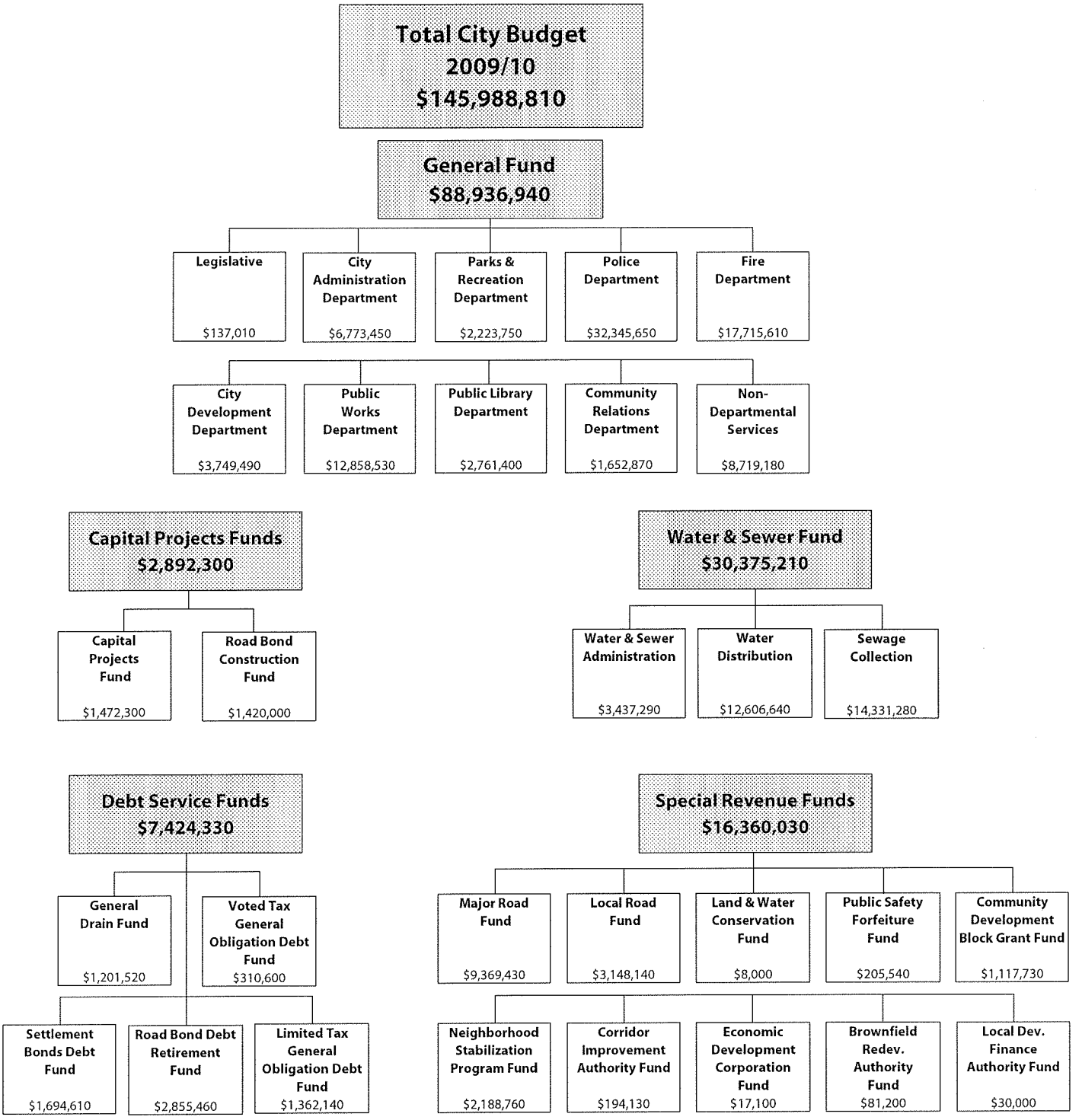
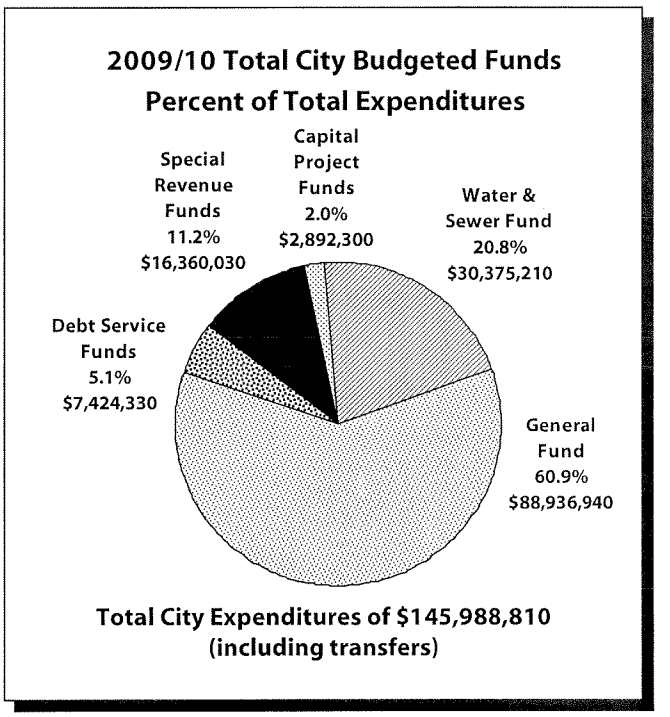


Chart figures correspond to budget tabs and include all transfers.

INTRODUCTION

This Executive Summary has been prepared as a general overview to the 2009/10 Budget for the City of Sterling Heights. It is hoped that it will provide City residents with a comprehensive summary of the plans of the City for the fiscal year. The City Council held several budget hearings throughout the months of April and May in order to review the budget document.

This Executive Summary will briefly introduce you to the City's budget. It will explain how the City plans to utilize its resources and will highlight some of the more significant changes to the City's budget. If a more in-depth understanding of the budget is desired, please take some time to review the wealth of information found within the graphs, charts, narrative text, significant notes, and funding level summaries located in the budget document. The document is available on the City's website (www.sterling-heights.net), at the City Clerk's office and at the Library.



TOTAL CITY FUNDS

The 2009/10 Budget for all City Funds totals $146.0 million – down $7.2 million or 4.7% from the prior year due largely to the completion of the Fire Stations renovation and the Lakeside Mall road improvement projects in the prior year.

The City establishes a budget for 19 separate funds or accounting divisions. These 19 funds can be further grouped into five major fund categories as the accompanying graph illustrates. The largest is the ***General Fund***, which provides $88.9 million in funding towards the majority of services available to City residents through the City's eight departments. The second largest fund is the ***Water & Sewer Operating Fund***, which provides $30.4 million in funding for the water distribution and sewage disposal services purchased from the City of Detroit. Both the General and Water & Sewer Funds will be discussed in depth later in this Executive Summary.

The ***Special Revenue Funds*** provide a total of $16.4 million for major and local road maintenance and construction, park development, public safety drug forfeiture purchases, funding for economic development and brownfield redevelopment, the corridor improvement authority and the local development financing authority, and for the federally subsidized Community Development Block Grant and Neighborhood Stabilization programs. Several notable items in the Special Revenue Funds 2009/10 Budget include:

- $2.19 million in federal neighborhood housing assistance to qualifying low-income residents.
- Continued increased funding to assist low and moderate-income families in making minor home repairs and for the community-policing program at Sterling Estates mobile home park.
- Funding to better market the City as a defense industry location and for operations of the City's new business incubator Smartzone.
- Funding for the façade assistance program and SMART bus shelters in the North Van Dyke corridor and for the City's share of maintenance costs for the Lakeside district improvements.
- Increased funding for road snow plowing efforts due to rising salt costs and higher snowfall amounts during recent winters.
- Decreased residential tree trimming and a reduction in the catch basin larvicide program.
- The return of 25% of the previously City maintained County road maintenance work back to the County due to declining road funds and because the County has not fully funded the

City's costs to voluntarily assist in maintaining these County roads.

The City will continue to fund the Neighborhood Road Repair and Replacement Program and will complete improvements to Vine, Lorman, and Koper Drives. The City will also continue its increased funding for joint sealing and sectional concrete replacement on all streets within the City.

Other road improvement projects include:

- The widening of 18 Mile Road to five lanes from Mound to Van Dyke.
- Sectional concrete pavement repairs to county roads including Mound Road and Metropolitan Parkway.
- The resurfacing of 15 Mile Road from Maple Lane to Mound Road.
- Repairs to the 17 Mile Road Bridge over the Conrail railroad tracks.
- The use of federal stimulus funds by the State and County to resurface 14 Mile from Mound to Van Dyke and the widening of M-59 from Ryan to Dequindre Road.
- The continuation of the M-53 resurfacing project from 18 Mile Road to M-59.
- The replacement of the bridge decking on the Van Dyke Bridge over the Clinton River.
- The installation of a center turn lane at the Plumbrook and Utica Road intersection.
- The installation of right hand turn lanes at 15 Mile and Ryan Road.
- The modernization of traffic signals on Schoenherr Road.

The ***Capital Project Funds*** total $2.9 million for 2009/10. These funds are used for the purchase of capital equipment and vehicles, the construction and improvement of municipal facilities and storm drains, and for road construction financed by the sale of bonds. Most of the total is for two road projects mentioned above. Other notable capital projects in the 2009/10 Budget include:

- $550,000 for Neighborhood Sidewalk Repairs and $250,000 for the continuation of the Sidewalk Gap Completion Program.
- $150,000 to repair pumps and electrical equipment at the Burton Share Industrial retention pond.
- $173,300 for replacement capital equipment for City departments.
- $10,000 for an Information Technology file server.
- $189,000 to replace nine police patrol and traffic vehicles.

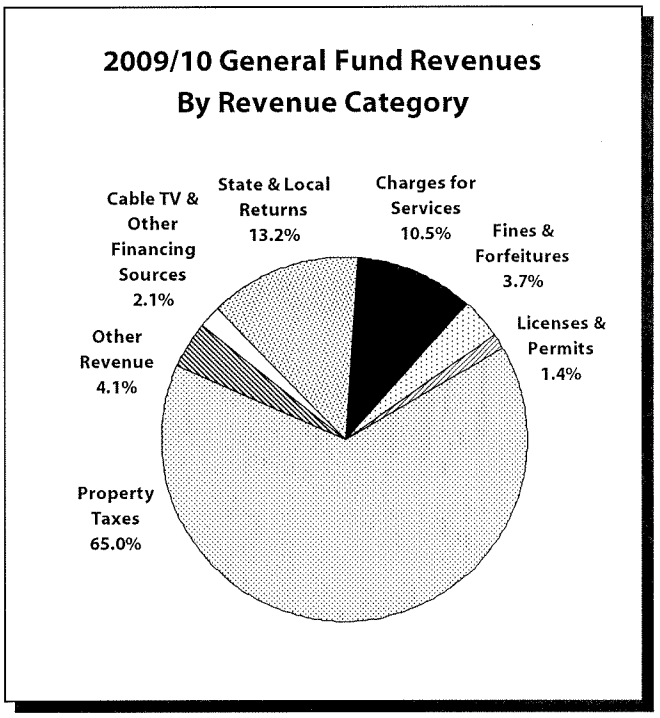
Finally, the ***Debt Service Funds*** total $7.4 million and provide funding for the debt payments on road construction projects, the 41-A District Court, the City Center Commons, the public safety radio system, the Senior Life Center Addition, storm drains, litigation settlements, and the debt resulting from the voter approved Proposal F. The City has saved over $1.2 million in future interest payments by refinancing several bonds and due to a recent bond rating upgrade.

GENERAL FUND

The 2009/10 Budget for the General Fund is $88.9 million, a decrease of $32,980 or 0.04% below the 2008/09 Budget. Absent higher police and fire pension costs, the budget would have decreased by $2.4 million or 2.7%.

Revenues by Category

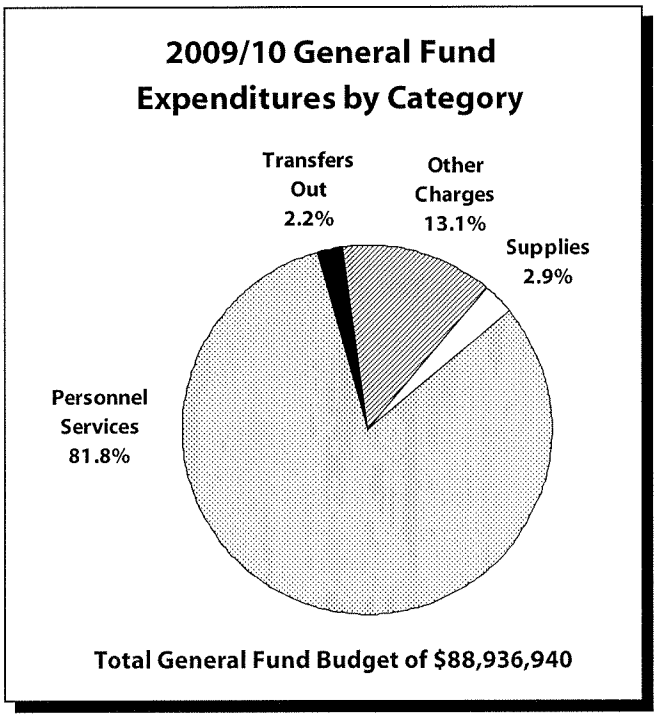
The General Fund derives its revenue from a variety of sources as the graph illustrates. The largest



source is from property taxes. The City's same tax rate of 10.7858 mills will provide $55.2 million or 65.0% of the total General Fund budget. Taxes are levied for General Operations, Refuse Collection, Police & Fire Pensions, Public Improvement Proposal F debt, and Drain debt. The City's tax rate has still fallen by 19.4% since 1988. However for the second year, the City's taxable values have fallen due to declining home prices. After seeing inflationary increases in City taxable value several years ago, total taxable value decreased by 1.1% last year and 1.8% this year due to reductions in residential property assessments. As a result, the City will see a reduction in property tax revenues for the second consecutive year which has never occurred in the City's history.

To lessen the burden and reliance on property taxes, the General Fund also realizes revenue from a variety of smaller revenue sources: Licenses & Permits comprise 1.4%, State and Local Returns 13.2%, Fines & Forfeitures 3.7%, Charges for Services 10.5%, Other Revenue 4.1%, Cable TV Revenue 2.0%, and Other Financing Sources 0.1%.

Due to a decline in property assessments and tax revenues, lower development and interest on investment revenues, an increase in police & fire pension costs, and despite $5.5 million in expenditure savings and new revenues, a $3.2 million planned use of fund balance reserves is budgeted. As a result, an estimated $11.4 million or 12.9% of General Fund expenditures will remain available in General Fund reserves.



Expenditures by Category

The $88.9 million General Fund budget is comprised of four separate expenditure objects or categories as the graph illustrates. The largest is for Personnel Service costs, which are made up of wages and fringe benefits and comprise 81.8% of the total budget. Supplies, which are made up primarily of operating supplies, fuel, parts for the repair and maintenance of City vehicles, and the purchase of Library books, total 2.9% of the budget. Other Charges total 13.1% of the budget and are primarily used to provide for the refuse collection contract, liability insurance, utility bills, and legal costs. Transfers to other City funds total 2.2% of the General Fund budget.

The total $32,980 decrease in General Fund expenditures can best be explained by the following illustration showing where the expenditure changes have occurred:

	Dollar Change	Percentage Change
Personnel Services	$2,076,190	2.9%
Supplies	11,550	0.4%
Other Charges	(278,380)	(2.3%)
Transfers Out	(1,842,340)	(48.5%)
Total	**($32,980)**	**(0.04%)**

Personnel Services increased $2.1 million or 2.9% over last year's budget. The entire increase is a result of a $2.3 million or 90% increase in required contributions to the Police & Fire pension system based on a lower stock market. To offset this increase, the budget freezes the funding for 27 vacant full-time positions saving over $1.9 million. Wages for existing employees increased slightly as all are budgeted to receive between a 2.5% and 3% wage increase. Health insurance costs again decreased due to the medical savings now included in all the labor contracts.

The City will again increase its contribution to fund growing retiree medical obligations. An actuarial study has recommended increased funding in order to offset large future liabilities. In the 2009/10 fiscal year, $11.0 million has been set aside in the General

Fund to fully cover these obligations, an increase of $320,310 or 3.0% over the previous year. In the past six years, the City has increased its funding by $8.4 million and funding now totals the 25% of City payroll recommended by the latest actuarial study.

The budget includes funding for 595 full-time positions – the lowest staffing level since 1986. Due to revenue shortfalls, 27 vacant positions have not been funded, saving $1.9 million. The City has now reduced funding for 54 vacant full-time positions or 8.3% of its workforce since 2002, saving over $4.0 million annually. Since 1986, staffing has primarily decreased in City Administration and Public Works. Resources have been redirected to public safety efforts as staffing in the Police Department has increased by 19, the Fire Department has nine additional positions, and the District Court has seven additional full-time staff. Community Relations staffing has increased by nine positions.

Part-time staffing has increased by three net positions. Two part-time positions are being eliminated, however five additional part-time positions are recommended in the Fire Department and the Library to help offset the reduced hours from eliminated full-time positions, while a new Management Intern is funded in City Administration.

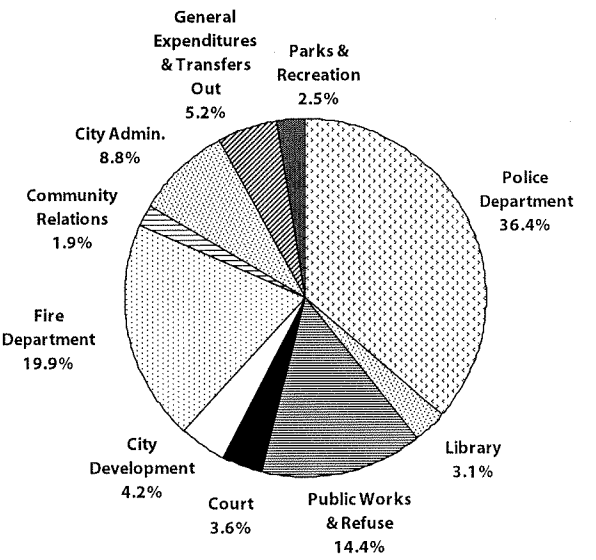
Supplies increased by $11,550 or 0.4% due mainly to rising fuel prices and vehicle repair costs. Most departments have reduced their discretionary spending on Supplies.

Other Charges decreased by $278,380 or 2.3%. Contractual services fell by $69,000 as athletic clubs will now pay for their own sports officials. Refunds on tax tribunal adjustments decreased $50,000 due to larger one-time property tax appeals in the prior year. The City will save money due to changes in the annual employee banquet and in the size and distribution of the City magazine and calendar. Savings were realized due to fewer employee memberships, eliminating the employee holiday luncheon, and lower medical exam costs due to the higher first year start up costs last year for the Fire Peer Fitness Program. Other savings include lower Sterlingfest costs, the elimination of employee tuition reimbursements, and lower employee training costs. Partially offsetting these savings are higher Rubbish removal costs which rose by $107,750 or 2.5% due to contractual price increases, and higher electric, heating and water costs, which rose a combined $47,350.

Capital Outlay is budgeted in the Capital Projects Fund. All capital equipment and vehicles used by General Fund departments, with the exception of drug forfeiture purchases, are expensed in the Capital Projects Fund and funded through a Transfer Out from the General Fund. $173,300 is budgeted to fund capital equipment in the Police Department. $10,000 is budgeted for a new file server as part of the Information Technology Plan. $189,000 is budgeted for the purchase of nine replacement police vehicles. ***A complete list of all budgeted capital equipment, vehicles, and projects is located in the Capital Projects section of this document.***

General Fund ***Transfers Out*** to other City Funds decreased by $1.8 million or 48.5%. Transfer to the Capital Projects Fund declined by $941,150 as fewer capital equipment and vehicles are funded next year as needed purchases will have to be delayed. In addition, two one-time transfers last year are no longer required. The transfer to the Voted General Obligation Debt Fund fell by $325,000 as funding was needed last year for the first year debt payment on the new Fire Station renovations bond. A one-time $450,000 transfer to the Corridor Improvement

2009/10 General Fund Expenditures By Budgetary Center



Fund was budgeted last year to pre-fund the City's costs for the façade assistance program.

Expenditures by Budgetary Center

The City's General Fund can be further broken down into the departmental or budgetary center level. These budgetary centers comprise the eight City operating departments as well as other ancillary expenditure cost centers. As you will note on the graph, over 70% of the budget is used to fund the three largest City departments – Police, Fire and Public Works.

Within the General Fund, the following changes are included in the 2009/10 Budget:

City Administration Department

- The consolidation of the Purchasing and Risk Manager positions due to a retirement and the reassignment of some existing duties to Human Resources and Finance.
- The elimination of a vacant Clerk Typist position in the City Clerk's office and fewer election costs due to last year's Presidential election, partially offset by higher maintenance costs for voting equipment.
- The elimination of two vacant Custodian positions, the adjustment of all buildings' daytime cleaning schedules, and the downgrading of a vacant maintenance position.
- Funding for a part-time Management Intern in City Management.
- Lower overtime costs in Assessing, Facilities Maintenance, and Financial Services.
- Lower printing costs for the City's Budget and Financial Audit Report.
- The elimination of duplicate microfilm copies and additional in-house scanning of documents on existing computer systems.
- The elimination of a vacant Account Clerk position in Treasury.
- The elimination of mailing courtesy unpaid tax reminder notices and the direct payment of banking fees in lieu of using an uncompensated certificate of deposit.
- Increased revenues from a delinquent fee on non-City taxes, a property administration fee on City taxes, and an annual fire inspection fee as part of the business occupancy permit.

Parks & Recreation Department

- The elimination of three vacant full-time positions, and the replacement of the vacant Director position with a new Manager position. Responsibility for administering the Home Chore program will be transferred to City Development.
- The consolidation of the summer playground program sites and the transfer of responsibility for paying sports officials to the athletic clubs.
- Funding for increased tree plantings at Delia Park.
- An increase in non-resident fees and a new field rental fee for non-City affiliated sports teams.
- Continued full funding for the Senior Center and expanded daily programming and operations of the Senior Active Life Center Addition.

Police Department

- The creation of an additional Captain's position in Investigations in lieu of an Administrative Lieutenant position.
- A reduction in court overtime costs due to a change in afternoon detective shift schedules and expanding of City ordinances with State laws so that certain cases can be adjudicated at pre-trial by the City Attorney.
- The elimination of the Fall auction which will now be conducted through the City's online surplus property website and the elimination of pagers and five Nextel phones.
- The continuation of the fourth overlapping patrol shift implemented last year that has increased the number of officers on the street during peak times and lessens the need for backfill overtime.
- The reassignment of four officers to an Accident Prevention program, the reinstitution of the Weigh Master program, and a new towed vehicle impound fee.
- The elimination of a vacant Animal Control Officer and a Technical Secretary position.
- Continuation of the community-policing program at the Sterling Estates mobile home park and the City's Community Emergency Response Team (CERT).
- Increased funding for additional repairs to the City's outdoor emergency warning sirens.

- Nine replacement patrol and traffic safety vehicles and the replacement of the Emergency 911 dispatch computer system.
- The use of drug forfeiture proceeds to replace three high mileage detective and crime suppression vehicles.

Fire Department

- The completion of the renovation and upgrades to Fire Stations #2, #3, and #4 as part of the voter approved Proposal F.
- Continued funding for medical physicals and fitness assessments as part of the Peer Fitness Program.
- The elimination of two vacant Clerical positions to be replaced by two part-time Clerks.
- The transfer of the funding for the Computer Consultant which was funded in the Information Technology budget in past years and will now be dedicated to upgrading the Fire Department's computer system.
- Reduced overtime costs due to changes in staffing at Sterlingfest, a revised Fire Open House format, a more cost effective public education program, a change in management meetings, the use of grant funds for HazMat training, a more streamlined resident assistance program, and the use of the new video conferencing system for expanded training.
- New revenues from the proposed ALS cost recovery fee and the auto accident response fee.

City Development Department

- The elimination of four vacant Inspectors and a Clerical position in Building due to reduced new building construction in the City.
- Lower overtime costs due to a reduction in building activity and a streamlined Ordinance Board of Appeals process.
- Increased funding for nuisance abatement contract costs, higher equipment maintenance costs for the land management computer system, and the recertification of all Inspectors.
- The transfer of computer consultant hours and funding to the Fire Department and the purchase of a replacement file server.
- The responsibility of administering the Home Chore and the Neighborhood Stabilization programs.

Public Works Department

- The elimination of a vacant Engineering inspector position, two part-time Engineering Co-ops, and reduced Engineering overtime costs.
- Increased funding for vehicle repairs and citywide fuel costs.
- Increased funding for football and baseball field maintenance and the cost of playground mulch.
- The elimination of a vacant Environmental Services Manager position and the reassignment of a Custodian to Facilities Maintenance.
- Increased funding for the mowing of vacant home yards as part of the City's noxious weed cutting program.
- The elimination of a vacant Division Supervisor and Laborer position in the Street Services division.
- Continued additional hours for seasonal laborers in Parks & Grounds Maintenance, Refuse, and Street Services to better maintain the City's rights-of-way and to service the three drop-off recycling centers.
- Higher water irrigation costs for several newly developed soccer fields and the Utica Road median.
- A new tree branch chipping fee and the partial transfer of maintenance responsibility for County roads back to the County.

Public Library Department

- The elimination of a vacant full-time Library Assistant position and a vacant Library Clerk position that will be filled with two part-time Library Clerks.
- The elimination of Library Sunday hours during the school year as well as opening the Library later on Fridays.
- $31,390 in lower funding for Library books, publications, and audio-visual materials and $10,900 in savings from fewer online resources.
- A slight increase to the Library fine schedule and a daily Internet fee for those without a Library card.
- The opening of the remodeled bookstore and the Library café.
- Higher utility costs to operate the Library and an increase in the fee for use of the Library Cooperative's computer system.

Community Relations Department

- The elimination of the vacant Communication Specialist position and the promotion of a Clerk Typist to a Citizen Services Specialist.
- Savings from reducing the size and distribution of the quarterly City Magazine and in mailing the City Calendar.
- Sterlingfest expenditure savings due to a reduction in costs, a better sharing of resources with the Chamber, a beer tent cover charge, eliminated funding for Sterlingscapes, and lower citywide overtime costs.
- The elimination of the Holiday Luncheon and holding the Michigan Week Banquet for Board and Commission members only on a bi-annual basis

Non-Departmental Services

- The elimination of a vacant Deputy Court Clerk position.
- Increased funding for a Police Lieutenant promotional assessment center.
- The elimination of employee tuition reimbursement funding.
- The continued City memberships to the Southeast Michigan Council of Governments (SEMCOG), the Clinton River Watershed Council, and the Traffic Association of Macomb.

WATER & SEWER FUND

The Water & Sewer Fund is a completely self-supporting activity that does not receive funding from property taxes or any other City fund. It is designed to break even and is solely for the purpose of providing water distribution and sewage disposal services to the City of Sterling Heights' residents.

The City purchases its water and sewage disposal services from the City of Detroit, which directly influences the rates that we charge our residents. The City of Detroit will increase the water rate it charges the City of Sterling Heights effective July 1, 2009. The Detroit water rate will increase by 8.7% from $12.11 to $13.16 per thousand cubic feet.

As a result of the Detroit increase, only a 4.9% water and a 6.9% sewer rate increase will be passed on to our customers in order for the City's Water & Sewer system to break-even next year. The increased rates are necessary due to the rate increase from Detroit as well as a reduction in water consumption volumes that are down by 3.6% as more homeowners have reduced their outdoor watering needs as a result of the State's economic downturn.

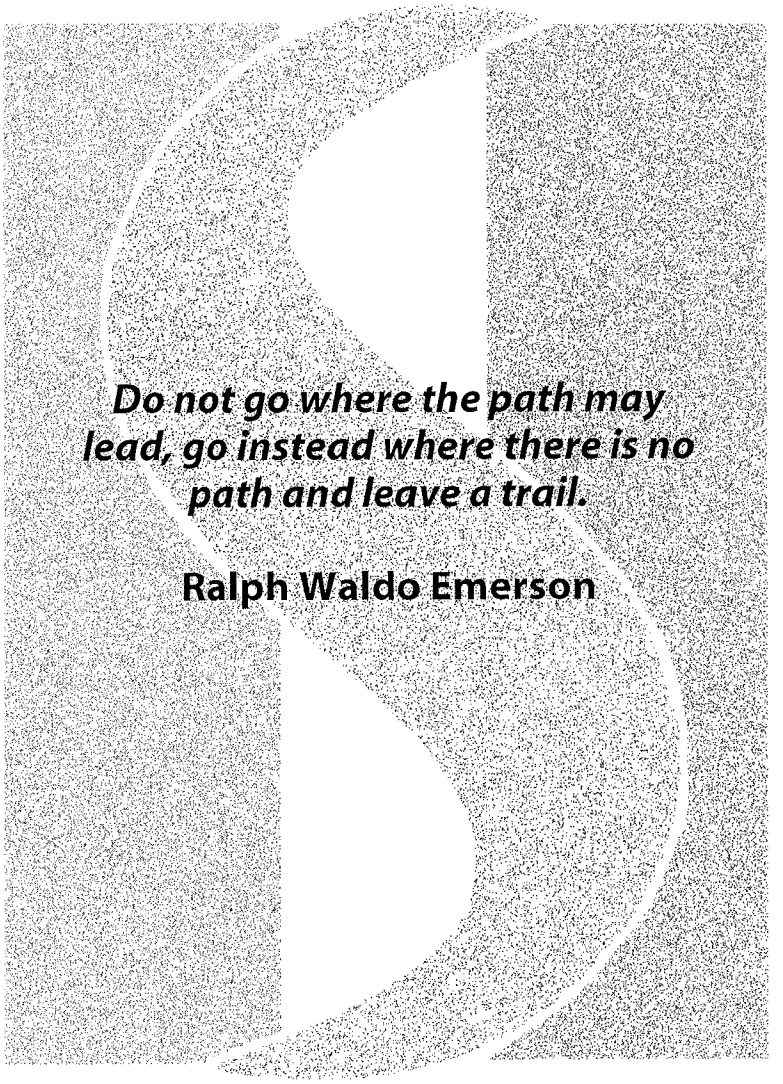
The average Sterling Heights residential customer will pay only $40.50 per month for water & sewer services. In addition, the City's maximum summer discount, which increased last year for the first time in ten years, will remain at $26.

According to a Michigan Water & Sewer Rate survey conducted by Black and Veatch in 1995, 2000, and 2003, the City has the lowest combined residential water and sewer rate of any city in the State with over 25,000 residents. Our mark-up on Detroit's water rate is also one of the lowest at only 12%.

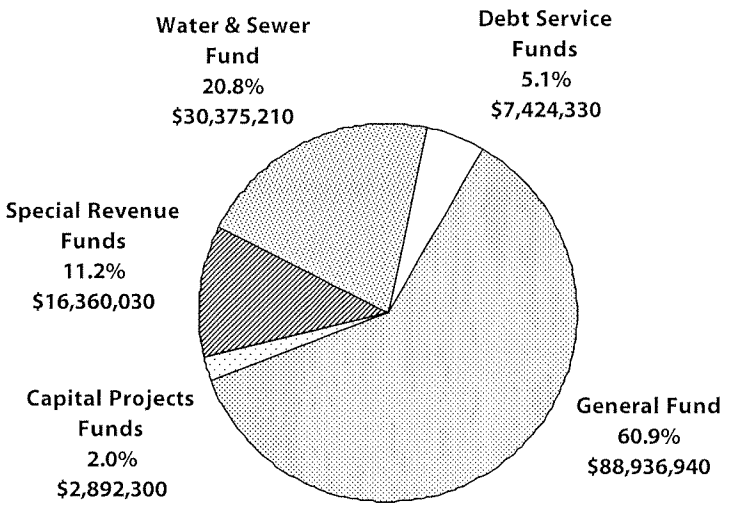
The City continues to control its discretionary costs within this fund while providing the necessary equipment to properly maintain the system. Personnel costs rose only $82,570 or 2.4% as one vacant Laborer position has been eliminated as the automated commercial meter reading system as reduced the need for monthly manual meter reading. Supplies increased by $7,040 or 2.5% due primarily to higher fuel costs. Capital Outlay costs decreased by $629,360 due to the one-time purchase of the automated commercial meter reading system in the prior year.

The 2009/10 Budget includes:

- Funding to update the City's Geographic Information System, a replacement Front End Loader, and a replacement diesel pump for use at a City sanitary sewer lift station.■


Do not go where the path may lead, go instead where there is no path and leave a trail.
Ralph Waldo Emerson

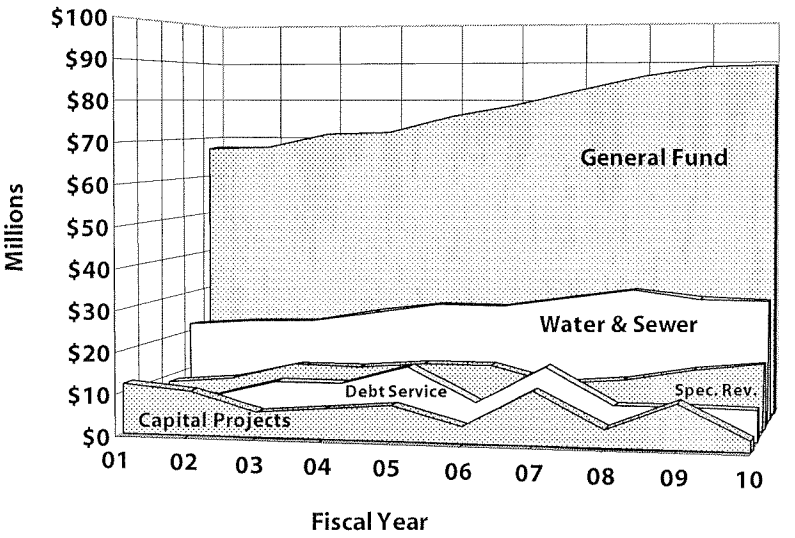
2009/10 Total City Budgeted Funds Percent of Total Expenditures



Total City Expenditures of $145,988,810 (including transfers)

This graph illustrates total fund expenditures as a percent of all City Funds for the 2009/10 fiscal year.

Total City Budgeted Funds Expenditure History



This graph illustrates the expenditure history of all City budgeted funds, excluding one-time extraordinary items in the General Fund.

2009/10 ALL FUNDS COMBINED BUDGET SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

	General	Water & Sewer	Special Revenue	Debt Service	Capital Projects	Total Budget
REVENUES BY SOURCE						
City Property Taxes	$55,725,200	$0	$69,640	$1,368,120	$1,900	**$57,164,860**
Water & Sewer Service	0	27,526,330	0	0	0	**27,526,330**
State Revenue Sharing	10,455,000	0	0	0	0	**10,455,000**
Charges for Services	7,893,820	1,849,850	80,350	0	0	**9,824,020**
Federal, State & Local Grants	816,650	0	7,491,380	0	140,000	**8,448,030**
Interfund Transfers In	95,130	0	1,162,000	5,641,630	349,000	**7,247,760**
Highway & Street Grants	0	0	6,440,000	0	0	**6,440,000**
Court & Police Fines and Forf.	3,067,500	0	0	0	0	**3,067,500**
Miscellaneous Revenue	1,288,060	91,200	255,380	330,600	646,300	**2,611,540**
Interest On Investments	1,100,000	755,000	107,090	18,620	60,000	**2,040,710**
Cable Revenue	1,725,000	0	0	0	0	**1,725,000**
Proceeds - Long-term Debt	0	0	0	0	1,385,000	**1,385,000**
Licenses & Permits	1,241,000	0	0	0	0	**1,241,000**
Labor Services Roads	1,100,000	80,000	0	0	0	**1,180,000**
Rental - Road Equipment	1,100,000	70,000	0	0	0	**1,170,000**
Other Fines & Forfeitures	93,000	0	0	0	0	**93,000**
Sale of Fixed Assets	20,000	0	0	0	0	**20,000**
Total Revenues	**85,720,360**	**30,372,380**	**15,605,840**	**7,358,970**	**2,582,200**	**141,639,750**
EXPENDITURES BY OBJECT						
Personnel Services	72,771,320	3,482,470	11,480	0	0	**76,265,270**
Other Charges	7,152,490	24,568,140	3,412,550	9,710	0	**35,142,890**
Capital Improvement Projects	0	0	6,175,880	0	2,170,000	**8,345,880**
Interfund Transfers Out	1,958,810	0	3,244,390	0	350,000	**5,553,200**
Principal Payments	0	0	0	5,535,000	0	**5,535,000**
Refuse Collection	4,400,000	0	0	0	0	**4,400,000**
Other Services	0	0	3,403,500	0	0	**3,403,500**
Supplies	2,579,220	289,000	23,030	0	0	**2,891,250**
Interest Payments	0	0	0	1,879,620	0	**1,879,620**
Interfund Services	75,100	1,683,600	19,200	0	0	**1,777,900**
Capital Equipment	0	352,000	2,000	0	183,300	**537,300**
Capital Vehicles	0	0	68,000	0	189,000	**257,000**
Total Expenditures	**88,936,940**	**30,375,210**	**16,360,030**	**7,424,330**	**2,892,300**	**145,988,810**
Excess of Revenues Over (Under) Expenditures	(3,216,580)	*	(754,190)	(65,360)	(310,100)	**(4,346,230)**
Beginning Fund Balance	14,657,590	*	4,326,010	153,460	1,854,870	**20,991,930**
Ending Fund Balance	**$11,441,010**	*	**$3,571,820**	**$88,100**	**$1,544,770**	**$16,645,700**

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

ALL FUNDS - COMBINED HISTORICAL SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

	2007/08 Actual	2008/09 Estimate	2009/10 Budget
REVENUES BY SOURCE			
City Property Taxes	$58,407,730	$57,980,820	**$57,164,860**
Water & Sewer Service	25,475,190	24,012,930	**27,526,330**
State Revenue Sharing	10,683,050	10,669,090	**10,455,000**
Charges for Services	8,704,840	8,592,160	**9,824,020**
Federal, State & Local Grants	4,874,910	3,061,190	**8,448,030**
Interfund Transfers In	9,724,670	11,633,280	**7,247,760**
Highway & Street Grants	6,797,510	6,625,000	**6,440,000**
Court & Police Fines & Forfeitures	2,680,630	2,685,100	**3,067,500**
Miscellaneous Revenue	2,395,030	2,508,600	**2,611,540**
Interest On Investments	3,314,050	2,517,420	**2,040,710**
Cable Revenue	1,671,090	1,700,000	**1,725,000**
Proceeds - Long-term Debt	5,050,140	3,260,000	**1,385,000**
Licenses & Permits	1,352,590	1,016,200	**1,241,000**
Labor Services Roads	1,106,270	1,275,000	**1,180,000**
Rental - Road Equipment	1,311,430	1,360,000	**1,170,000**
Other Fines & Forfeitures	75,070	85,000	**93,000**
Sale of Fixed Assets	13,370	174,970	**20,000**
Total Revenues	**143,637,570**	**139,156,760**	**141,639,750**
EXPENDITURES BY OBJECT			
Personnel Services	71,004,730	73,342,170	**76,265,270**
Other Charges	36,091,470	31,263,510	**35,142,890**
Capital Improvement Projects	5,462,360	13,624,010	**8,345,880**
Interfund Transfers Out	8,206,330	8,725,180	**5,553,200**
Principal Payments	5,685,000	5,730,000	**5,535,000**
Refuse Collection	3,976,140	4,200,000	**4,400,000**
Other Services	3,803,660	3,885,310	**3,403,500**
Supplies	3,101,930	2,986,340	**2,891,250**
Interest Payments	1,938,410	1,987,550	**1,879,620**
Interfund Services	1,740,460	1,722,060	**1,777,900**
Capital Equipment	809,060	1,790,180	**537,300**
Capital Vehicles	1,120,650	836,050	**257,000**
Total Expenditures	**142,940,200**	**150,092,360**	**145,988,810**
Excess of Revenues Over (Under) Expenditures *	4,849,190	(8,709,660)	**(4,346,230)**
Beginning Fund Balance	24,852,400	29,701,590	**20,991,930**
Ending Fund Balance	**$29,701,590**	**$20,991,930**	**$16,645,700**

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

REVENUE COMPARISON
CITY BUDGETED FUNDS

Fund No.	Fund Name	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget	% Change from 08/09
	GENERAL FUND						
1010	General Fund	$83,443,200	$86,091,150	$87,117,420	$87,286,300	**$85,720,360**	-1.6%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	26,511,710	28,412,420	29,809,460	26,838,530	**30,372,380**	1.9%
	SPECIAL REVENUE FUNDS						
2010	Budget Stabilization Fund	0	0	0	0	**0**	0.0%
2020	Major Road Fund	6,758,150	8,834,990	5,846,960	5,500,000	**9,363,890**	60.1%
2030	Local Road Fund	3,736,730	3,703,460	3,127,400	3,081,400	**2,788,380**	-10.8%
2440	Land & Water Conservation Fund	297,570	95,690	511,760	322,970	**16,000**	-96.9%
2770	Public Safety Forfeiture Fund	839,010	333,190	168,050	349,240	**8,740**	-94.8%
2780	Comm. Develop. Block Grant Fund	1,227,590	669,550	671,520	729,080	**1,117,730**	66.4%
2890	Neighborhood Stabilization Fund	0	0	0	266,200	**2,188,760**	100.0%
8510	Corridor Improvement Auth. Fund	0	20,580	878,080	221,410	**26,310**	-97.0%
8550	Economic Develop. Corp. Fund	8,370	8,820	19,300	19,250	**17,100**	-11.4%
8560	Brownfield Redevelopment Fund	32,880	55,190	45,260	48,840	**48,930**	8.1%
8670	Local Dev. Finance Authority Fund	0	0	0	0	**30,000**	100.0%
	Total Special Revenue Funds	**12,900,300**	**13,721,470**	**11,268,330**	**10,538,390**	**15,605,840**	**38.5%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	1,245,250	1,128,770	1,187,060	1,190,660	**1,199,520**	1.0%
3050	Voted Gen. Obligation Debt Fund	1,018,600	1,033,150	686,670	688,570	**185,600**	-73.0%
3160	Settlement Bonds Debt Fund	11,103,560	1,528,300	1,609,100	1,608,150	**1,694,610**	5.3%
3270	Road Bond Debt Retirement Fund	2,214,830	2,607,530	3,226,570	2,916,500	**2,917,100**	-9.6%
3690	Ltd. Tax Gen. Obligation Debt Fund	681,050	1,313,850	1,386,460	1,384,540	**1,362,140**	-1.8%
	Total Debt Service Funds	**16,263,290**	**7,611,600**	**8,095,860**	**7,788,420**	**7,358,970**	**-9.1%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	6,881,180	7,488,840	2,834,880	3,065,120	**1,187,200**	-58.1%
4280	Road Bond Construction Fund	4,723,310	312,090	3,287,570	3,640,000	**1,395,000**	-57.6%
	Total Capital Project Funds	**11,604,490**	**7,800,930**	**6,122,450**	**6,705,120**	**2,582,200**	**-57.8%**
	Total Revenue	**150,722,990**	**143,637,570**	**142,413,520**	**139,156,760**	**141,639,750**	**-0.5%**
	Duplicating Transfers	**(18,466,540)**	**(9,724,670)**	**(11,486,710)**	**(11,633,280)**	**(7,247,760)**	-36.9%
	Total All Funds	**$132,256,450**	**$133,912,900**	**$130,926,810**	**$127,523,480**	**$134,391,990**	**2.6%**

Note: Figures do not include use of, or contribution to Fund Balance.

EXPENDITURE COMPARISON
CITY BUDGETED FUNDS

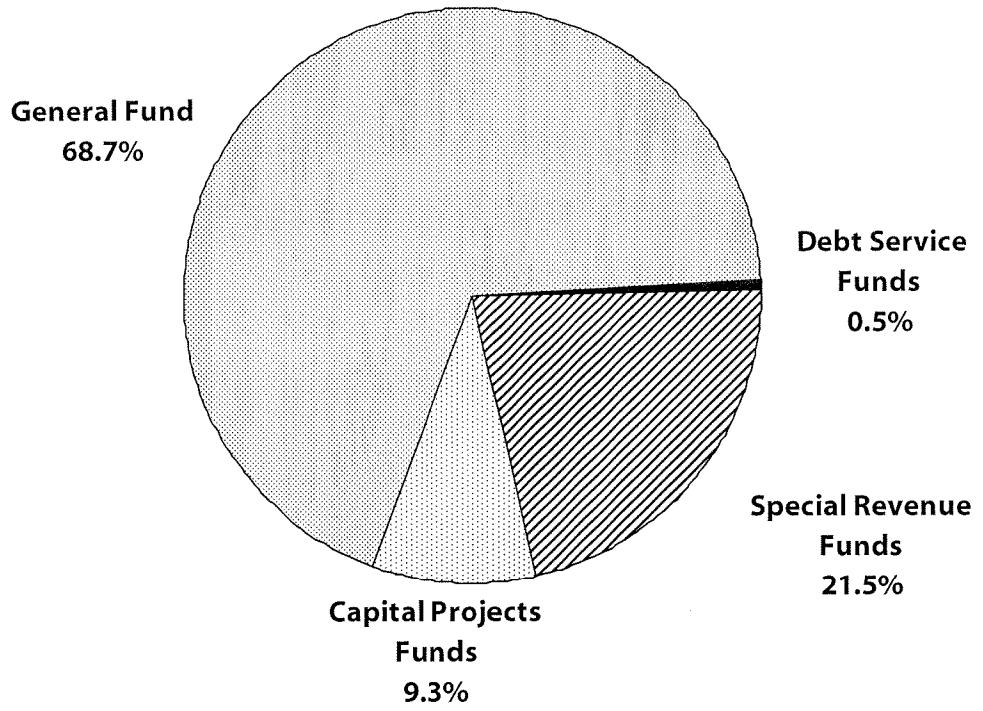
Fund No.	Fund Name	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget	% Change from 08/09
	GENERAL FUND						
1010	General Fund	$82,775,550	$86,516,130	$88,969,920	$87,921,620	**$88,936,940**	0.0%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	30,225,160	32,564,240	30,670,680	29,064,470	**30,375,210**	-1.0%
	SPECIAL REVENUE FUNDS						
2010	Budget Stabilization Fund	0	0	750,000	750,000	**0**	-100.0%
2020	Major Road Fund	5,629,730	7,260,900	8,644,830	8,153,380	**9,369,430**	8.4%
2030	Local Road Fund	3,288,120	3,099,110	3,284,770	3,532,170	**3,148,140**	-4.2%
2440	Land & Water Conservation Fund	108,680	74,370	219,830	175,210	**8,000**	-96.4%
2770	Public Safety Forfeiture Fund	367,980	667,820	318,370	277,950	**205,540**	-35.4%
2780	Comm. Develop. Block Grant Fund	1,227,590	669,550	671,520	729,080	**1,117,730**	66.4%
2890	Neighborhood Stabilization Fund	0	0	0	266,200	**2,188,760**	100.0%
8510	Corridor Improvement Auth. Fund	0	9,550	882,130	35,770	**194,130**	-78.0%
8550	Economic Development Corp. Fund	9,880	8,720	21,930	21,430	**17,100**	-22.0%
8560	Brownfield Redevelopment Fund	44,940	41,650	57,000	30,200	**81,200**	42.5%
8670	Local Dev. Finance Authority Fund	0	0	0	0	**30,000**	100.0%
	Total Special Revenue Funds	**10,676,920**	**11,831,670**	**14,850,380**	**13,971,390**	**16,360,030**	**10.2%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	1,273,890	1,146,810	1,187,060	1,187,060	**1,201,520**	1.2%
3050	Voted Gen. Obligation Debt Fund	1,018,180	989,290	612,740	610,600	**310,600**	-49.3%
3160	Settlement Bonds Debt Fund	11,121,760	1,526,340	1,609,100	1,609,100	**1,694,610**	5.3%
3270	Road Bond Debt Retirement Fund	2,358,490	2,636,370	2,944,080	2,931,480	**2,855,460**	-3.0%
3690	Ltd. Tax Gen. Obligation Debt Fund	656,660	1,339,070	1,389,150	1,389,150	**1,362,140**	-1.9%
	Total Debt Service Funds	**16,428,980**	**7,637,880**	**7,742,130**	**7,727,390**	**7,424,330**	**-4.1%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	7,980,240	3,527,970	7,715,260	7,716,490	**1,472,300**	-80.9%
4280	Road Bond Construction Fund	4,694,040	862,310	3,209,400	3,691,000	**1,420,000**	-55.8%
	Total Capital Project Funds	**12,674,280**	**4,390,280**	**10,924,660**	**11,407,490**	**2,892,300**	**-73.5%**
	Total Expenditures	**152,780,890**	**142,940,200**	**153,157,770**	**150,092,360**	**145,988,810**	**-4.7%**
	Duplicating Transfers	**(8,689,210)**	**(8,206,330)**	**(8,583,610)**	**(8,725,180)**	**(5,553,200)**	-35.3%
	Total All Funds	**$144,091,680**	**$134,733,870**	**$144,574,160**	**$141,367,180**	**$140,435,610**	**-2.9%**

Note: Figures do not include use of, or contribution to Fund Balance.

YEAR-END UNAPPROPRIATED FUND BALANCE COMPARISON GOVERNMENTAL FUNDS

Fund No.	Fund Name	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget	% Change from 08/09
	GENERAL FUND						
1010	General Fund	$15,717,890	$15,292,910	$13,440,410	$14,657,590	**$11,441,010**	-14.9%
	SPECIAL REVENUE FUNDS						
2010	Budget Stabilization Fund	750,000	750,000	0	0	**0**	0.0%
2020	Major Road Fund	2,734,900	4,308,990	1,511,120	1,655,610	**1,650,070**	9.2%
2030	Local Road Fund	996,330	1,600,680	1,443,310	1,149,910	**790,150**	-45.3%
2440	Land & Water Conservation Fund	570,110	591,430	883,360	739,190	**747,190**	-15.4%
2770	Public Safety Forfeiture Fund	809,430	474,800	324,480	546,090	**349,290**	7.6%
2780	Comm.Development Block Grant Fund	0	0	0	0	**0**	0.0%
2890	Neighborhood Stabilization Fund	0	0	0	0	**0**	0.0%
8510	Corridor Improvement Auth. Fund	0	11,030	6,980	196,670	**28,850**	313.3%
8550	Economic Development Corp. Fund	4,800	4,900	2,270	2,720	**2,720**	19.8%
8560	Brownfield Redevelopment Fund	3,640	17,180	5,440	35,820	**3,550**	-34.7%
8670	Local Dev. Finance Authority Fund	0	0	0	0	**0**	0.0%
	Total Special Revenue Funds	**5,869,210**	**7,759,010**	**4,176,960**	**4,326,010**	**3,571,820**	**-14.5%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	24,530	6,490	6,490	10,090	**8,090**	24.7%
3050	Voted General Obligation Debt Fund	10,380	54,240	128,170	132,210	**7,210**	-94.4%
3160	Settlement Bonds Debt Fund	1,190	3,150	3,150	2,200	**2,200**	-30.2%
3270	Road Bond Debt Retirement Fund	52,590	23,750	306,240	8,770	**70,410**	-77.0%
3690	Limited Tax Gen. Obligation Debt Fund	30,020	4,800	2,110	190	**190**	-91.0%
	Total Debt Service Funds	**118,710**	**92,430**	**446,160**	**153,460**	**88,100**	**-80.3%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	2,442,920	6,403,790	1,523,410	1,752,420	**1,467,320**	-3.7%
4280	Road Bond Construction Fund	703,670	153,450	231,620	102,450	**77,450**	-66.6%
	Total Capital Project Funds	**3,146,590**	**6,557,240**	**1,755,030**	**1,854,870**	**1,544,770**	**-12.0%**
	Unappropriated Total - All Funds	**$24,852,400**	**$29,701,590**	**$19,818,560**	**$20,991,930**	**$16,645,700**	**-16.0%**

City Government Funds
Percent of Total Reserves
2009/10 Fiscal Year



Total Government Fund Reserves of $16,645,700

This graph illustrates total fund balance reserves for each of the City's Government Funds for the 2009/10 fiscal year.

YEAR-END
NET ASSET COMPARISON
NON-BUDGETARY FUNDS

Fund No.	Fund Name	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Actual
	PROPRIETARY FUNDS					
	ENTERPRISE FUND					
5740	Water & Sewer Improvement Fund	$32,502,417	$32,636,709	$35,316,776	$36,581,310	$36,860,207
	INTERNAL SERVICE FUND					
6770	Self-Insurance Fund	5,536,352	3,778,841	22,463,966	16,198,640	16,165,248
	Total Proprietary Funds	**38,038,769**	**36,415,550**	**57,780,742**	**52,779,950**	**53,025,455**
	FIDUCIARY FUNDS					
	TRUST FUNDS					
7010	Retiree Medical Benefits Fund	8,067,889	8,685,864	10,075,077	14,217,492	18,594,831
7370	General Employees Retirement System	99,623,148	107,762,377	115,605,964	129,442,940	123,949,055
7380	Police & Fire Retirement System	177,621,481	192,699,311	194,849,253	208,600,271	192,914,741
	Total Fiduciary Funds	**285,312,518**	**309,147,552**	**320,530,294**	**352,260,703**	**335,458,627**
	Total All Non-Budgetary Funds	**$323,351,287**	**$345,563,102**	**$378,311,036**	**$405,040,653**	**$388,484,082**

This informational schedule has been added to the budget document to illustrate fund balance reserves or "net assets" of the non-budgeted City funds. The net assets shown are recorded in the City's audited financial statements as of June 30th for each fiscal year end. By listing these net assets as supplementary information, all City Funds' reserves or net assets are now reflected in the City's budget document.

In accordance with the State's Uniform Budgeting Act and the City Charter, the City produces a budget for the required governmental fund types including the General Fund and Special Revenue Funds. Though not required, we also produce a budget for the Debt Service Funds, Capital Projects Funds, Water & Sewer Operating Fund, and Component Units.

The Funds listed on this informational page do not require a budget. However, many of their revenues and expenditures are directly budgeted in other City Funds. For example, the Self-Insurance Fund, Retiree Medical Benefits Fund, and the General Employees and Police & Fire Retirement Systems derive most of their revenue from budgeted cross-charges in the General Fund and Water & Sewer Operating Fund. The Trust Funds are managed based on valid actuarial methods and assumptions approved by their fiduciary boards and by approved labor contracts. The Trust Funds' net assets, however, have not been netted against long-term actuarial determined liabilities, which dramatically lessens available funds. Trust Fund net assets are restricted for future benefit payments only. The net assets in the Retiree Medical Benefits Fund exclude the provision for uninsured liabilities in order to reflect the amount of funds available to pay benefits as calculated in the retiree health actuarial study. The Water & Sewer Improvement Fund is used to record water & sewer main improvements as adopted by the City Council and found in the City's Capital Improvement Plan. The net assets shown for the Water & Sewer Improvement Fund exclude investments in capital assets and are available for completion of the City's water & sewer main system and for future infrastructure replacement needs as the City matures.

General Fund

The General Fund is the city's major operating fund, providing the majority of the services available to our residents.

The services provided include City Administration, Parks and Recreation, Police, Fire, Public Works, City Development, Public Library, Community Relations and the 41-A District Court.

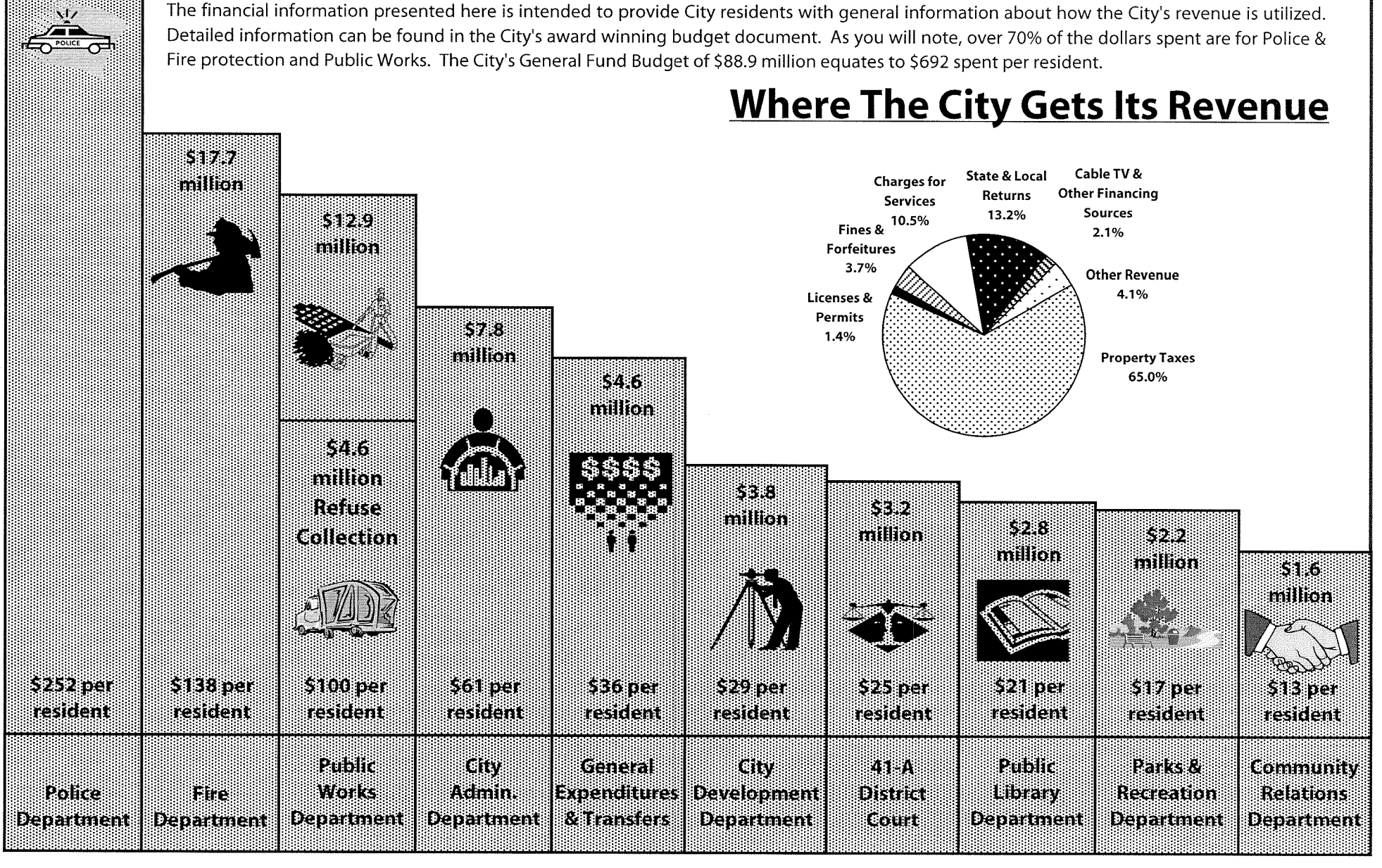
Local property taxes and state shared revenues are the primary sources of revenue used to fund these services.

The General Fund also provides for Refuse Collection and Police and Fire Pensions. Revenues to cover these specific expenditures are generated by taxes levied exclusively for these purposes.

How the City Allocates Its Money

2009/10 General Fund Budget: $88.9 million $692 per resident

The financial information presented here is intended to provide City residents with general information about how the City's revenue is utilized. Detailed information can be found in the City's award winning budget document. As you will note, over 70% of the dollars spent are for Police & Fire protection and Public Works. The City's General Fund Budget of $88.9 million equates to $692 spent per resident.



Where The City Gets Its Revenue

Trends & Summaries

The Trends & Summaries section presents a brief synopsis of the General Fund's historical trends. Included is a multitude of useful information, both financial and demographic in nature, which should answer any questions the reader may have regarding the history behind the numbers. This history allows the reader to develop an idea of where Sterling Heights has come from and in what direction the community intends to go.

Graphs, tables and schedules numerically depict the relationship between revenues and expenditures. Historical data are presented by budgetary center, activity, and account.

city of STERLING HEIGHTS

Property Tax Benefit Statement

Have you ever wondered how much of your total property tax bill goes to pay for City services and what you receive in City services for your tax dollar?

The total average residential property tax bill in the City is $2,442 for those in the Utica Community School district and $2,845 for those in the Warren Consolidated School district. Of this amount, the City receives on average only one-third, or $875 from the typical resident to pay for all local City services such as police and fire protection and refuse collection.

	Utica Schools	Warren Schools
Total Average Residential Property Tax Bill: *(based on home with a market value of $168,000 and taxable value of $81,150)*	**$2,442**	**$2,845**
Average Residential Property Tax (City Portion Only):	**$875**	**$875**

The City of Sterling Heights spends an average of $2,088 per parcel on the following general public programs and services. The funds are distributed as follows:

Cost of City Services

Service	City Average Cost	% of Total	Average Residential Tax Paid Toward Service
Police Department	$747	36%	$313
Fire Department	$409	20%	$171
Public Works & Refuse	$297	14%	$124
City Administration Department	$180	9%	$76
General Expenditures & Transfers	$97	4%	$41
City Development Department	$87	4%	$36
41-A District Court	$83	4%	$35
Public Library Department	$64	3%	$27
Parks & Recreation	$51	2%	$21
Community Relations	$38	2%	$16
Debt Service	$35	2%	$15
Total Per Parcel	**$2,088**	**100%**	**$875**

Because the average amount of residential property tax that the City receives is only $875, you will see that property taxes for most households are not enough to support the services rendered. To make up the difference, the City relies on property taxes from businesses and other revenue sources such as state revenue sharing, grants, engineering and building permits and fees, court fines, and interest on investments.

MILLAGE RATES FOR CITY RESIDENTS

(UTICA COMMUNITY SCHOOLS)

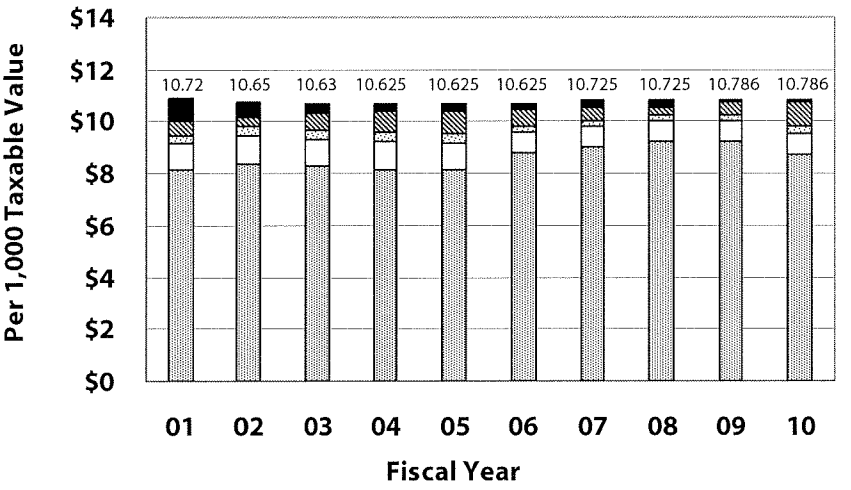
Taxing Entity	2005/06	2006/07	2007/08	2008/09	2009/10*
Tax Rate Shown in Mills					
Utica Community Schools (UCS)	9.500	9.500	9.500	9.500	**9.500**
Macomb County	4.206	4.206	4.206	4.206	**4.206**
Macomb Community College (MCC)	1.421	1.421	1.421	1.421	**1.421**
Macomb Intermediate School District (MISD)	2.943	2.943	2.943	2.943	**2.943**
Huron Clinton Metro Authority (HCMA)	0.215	0.215	0.215	0.215	**0.215**
S.M.A.R.T.	0.591	0.590	0.590	0.590	**0.590**
County Zoo Authority	-	-	-	0.100	**0.100**
Veteran's Operations	-	-	-	0.040	**0.040**
Property Tax Administration Fee	0.189	0.189	0.189	0.190	**0.298**
STERLING HEIGHTS CITY GOVERNMENT	10.625	10.725	10.725	10.786	**10.786**
Total Millage Rates	**29.690**	**29.788**	**29.788**	**29.990**	**30.098**
Avg. Residential Taxable Property Value	$78,970	$81,580	$84,600	$83,890	**$81,150**
Average Tax Rates Shown in Dollars					
Utica Community Schools	$750	$775	$804	$797	**$771**
Macomb County Government	332	343	356	353	**341**
Macomb Community College	112	116	120	119	**115**
Macomb Intermediate School District	232	240	249	247	**239**
Huron Clinton Metro Authority	17	18	18	18	**17**
S.M.A.R.T.	47	48	50	49	**48**
County Zoo Authority	-	-	-	8	**8**
Veteran's Operations	-	-	-	3	**3**
Property Tax Administration Fee	15	15	16	16	**24**
STERLING HEIGHTS CITY GOVERNMENT	839	875	907	905	**875**
Total Dollars	**$2,345**	**$2,430**	**$2,520**	**$2,516**	**$2,442**

(WARREN CONSOLIDATED SCHOOLS)

Taxing Entity	2005/06	2006/07	2007/08	2008/09	2009/10*
Tax Rate Shown in Mills					
Warren Consolidated Schools (WCS)	15.993	15.829	15.236	14.415	**14.415**
Macomb County	4.206	4.206	4.206	4.206	**4.206**
Macomb Community College (MCC)	1.421	1.421	1.421	1.421	**1.421**
Macomb Intermediate School District (MISD)	2.943	2.943	2.943	2.943	**2.943**
Huron Clinton Metro Authority (HCMA)	0.215	0.215	0.215	0.215	**0.215**
S.M.A.R.T.	0.591	0.590	0.590	0.590	**0.590**
County Zoo Authority	-	-	-	0.100	**0.100**
Veteran's Operations	-	-	-	0.040	**0.040**
Property Tax Administration Fee	0.254	0.252	0.246	0.239	**0.347**
STERLING HEIGHTS CITY GOVERNMENT	10.625	10.725	10.725	10.786	**10.786**
Total Millage Rates	**36.247**	**36.181**	**35.581**	**34.955**	**35.062**
Avg. Residential Taxable Property Value	$78,970	$81,580	$84,600	$83,890	**$81,150**
Average Tax Rates Shown in Dollars					
Warren Consolidated Schools	$1,263	$1,291	$1,289	$1,209	**$1,170**
Macomb County Government	332	343	356	353	**341**
Macomb Community College	112	116	120	119	**115**
Macomb Intermediate School District	232	240	249	247	**239**
Huron Clinton Metro Authority	17	18	18	18	**17**
S.M.A.R.T.	47	48	50	49	**48**
County Zoo Authority	-	-	-	8	**8**
Veteran's Operations	-	-	-	3	**3**
Property Tax Administration Fee	20	21	21	20	**28**
STERLING HEIGHTS CITY GOVERNMENT	839	875	907	905	**875**
Total Dollars	**$2,862**	**$2,952**	**$3,010**	**$2,932**	**$2,845**

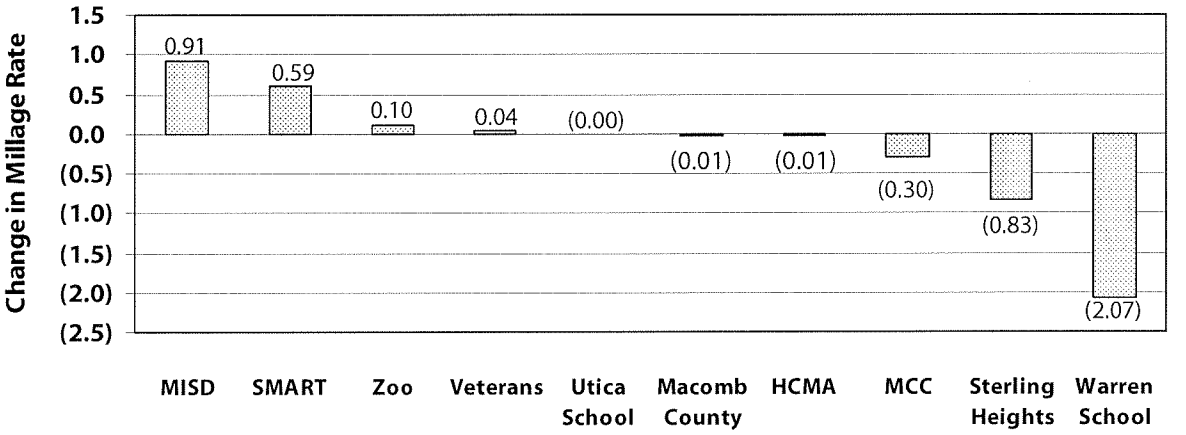
***Non-City tax rates are estimated. School rates are for Homestead residents only. Totals may not foot due to rounding.**

City of Sterling Heights
Millage Rates



This graph illustrates the millage rates for the various City millage levies.

Change in Millage Rates
by Taxing Entity
Since Proposal A

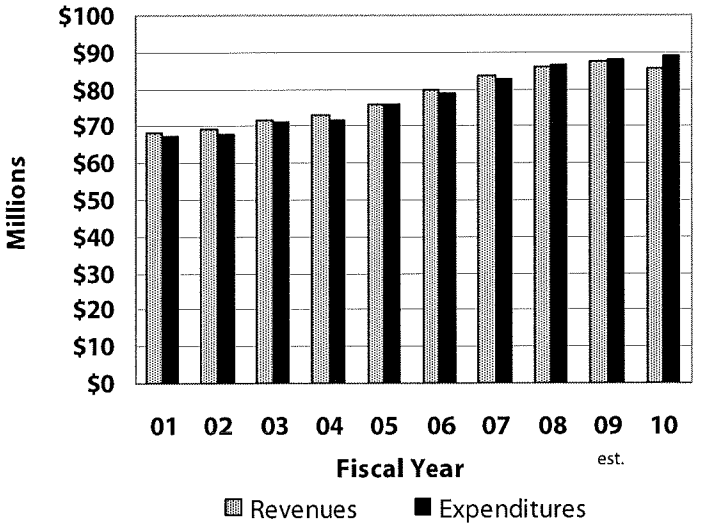


This graph shows the change in property tax rates for each of the government taxing entities to which City residents pay taxes since Proposal A began in 1994.

GENERAL FUND REVENUES, EXPENDITURES & FUND BALANCE

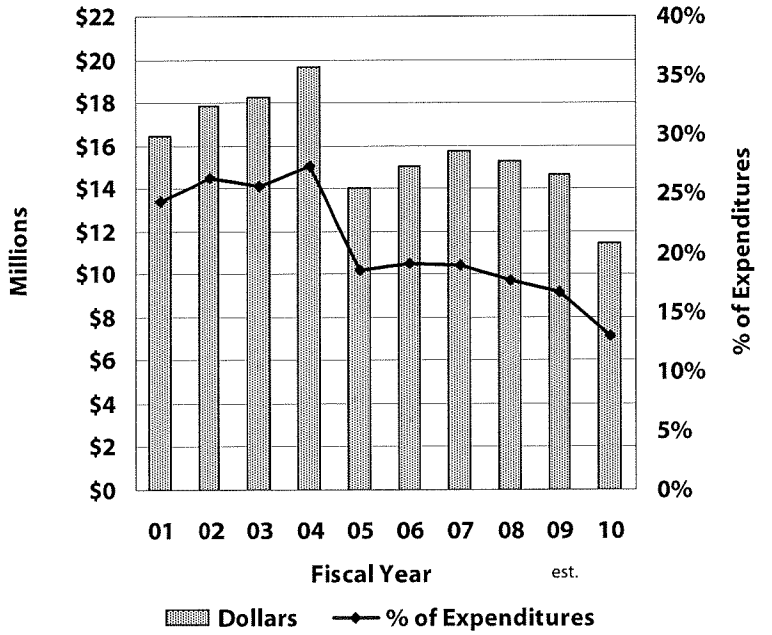
Budgetary Centers	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
REVENUES						
City Operating Taxes	$46,585,170	$50,198,480	$49,265,210	$49,311,210	$46,039,670	**$46,218,090**
Licenses & Permits	1,784,150	1,352,590	1,356,400	1,016,200	1,241,000	**1,241,000**
State and Local Returns	11,776,800	11,663,060	11,480,730	11,519,670	11,271,650	**11,271,650**
Fines & Forfeitures	2,563,520	2,755,700	2,747,000	2,770,100	3,160,500	**3,160,500**
Charges For Services	8,038,600	7,988,180	7,943,010	7,967,410	8,993,820	**8,993,820**
Other Revenue	4,223,260	4,298,090	3,531,260	3,745,760	3,508,060	**3,508,060**
Cable Revenue	1,527,990	1,671,090	1,525,000	1,700,000	1,725,000	**1,725,000**
Refuse Tax	4,205,470	4,359,680	4,480,190	4,480,190	4,581,540	**4,581,540**
Fire & Police Pension Tax	2,646,460	1,707,910	2,594,190	2,594,190	5,021,300	**4,925,570**
Total Revenues	**83,351,420**	**85,994,780**	**84,922,990**	**85,104,730**	**85,542,540**	**85,625,230**
Other Financing Sources						
Transfers In	91,780	96,370	2,194,430	2,181,570	95,130	**95,130**
Total Revenues & Sources	**$83,443,200**	**$86,091,150**	**$87,117,420**	**$87,286,300**	**$85,637,670**	**$85,720,360**
EXPENDITURES						
City Administration Department	$8,129,520	$8,590,120	$8,202,540	$8,043,540	$7,820,590	**$7,820,590**
Parks & Recreation Department	2,428,270	2,554,030	2,648,540	2,471,230	2,223,750	**2,223,750**
Police Department	26,758,740	28,531,980	29,913,590	29,727,690	32,404,800	**32,345,650**
Fire Department	14,728,000	15,703,510	16,685,850	16,697,690	17,752,190	**17,715,610**
City Development Department	3,838,950	4,106,720	4,153,780	3,943,620	3,764,240	**3,764,240**
Public Works Department	7,994,420	8,536,780	8,431,070	8,678,620	8,243,990	**8,243,990**
Refuse Collection	4,089,430	4,206,380	4,504,790	4,404,660	4,614,540	**4,614,540**
Public Library Department	2,752,230	2,804,790	2,874,630	2,847,390	2,762,410	**2,762,410**
Community Relations Dept.	1,459,420	1,598,330	1,720,080	1,557,470	1,655,210	**1,655,210**
41-A District Court	2,847,110	2,974,000	3,145,260	3,153,200	3,200,750	**3,200,750**
General Expenditures	3,698,840	2,931,290	2,888,640	2,843,360	2,631,390	**2,631,390**
Total Expenditures	**78,724,930**	**82,537,930**	**85,168,770**	**84,368,470**	**87,073,860**	**86,978,130**
Other Financing Uses						
Transfers Out	4,050,620	3,978,200	3,801,150	3,553,150	1,958,810	**1,958,810**
Total Expenditures & Uses	**$82,775,550**	**$86,516,130**	**$88,969,920**	**$87,921,620**	**$89,032,670**	**$88,936,940**
Excess of Revenues Over (Under) Expenditures	**667,650**	**(424,980)**	**(1,852,500)**	**(635,320)**	**(3,395,000)**	**(3,216,580)**
Beginning Fund Balance	**15,050,240**	**15,717,890**	**15,292,910**	**15,292,910**	**14,657,590**	**14,657,590**
Ending Fund Balance	**$15,717,890**	**$15,292,910**	**$13,440,410**	**$14,657,590**	**$11,262,590**	**$11,441,010**

General Fund
Revenues vs. Expenditures



The data presented plots revenues vs. expenditures in the General Fund. This graph excludes one-time extraordinary items.

General Fund
Fund Balance



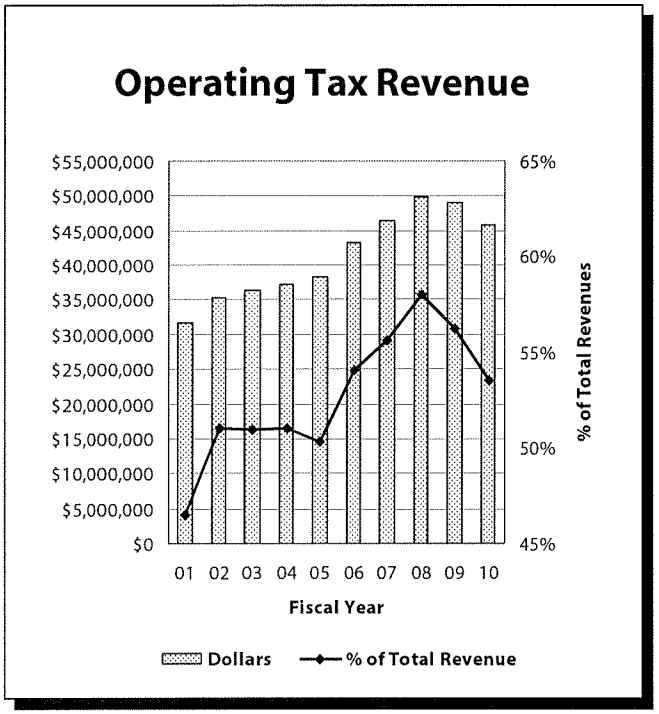
This graph illustrates the cumulative result of excess General Fund revenues over expenditures and total fund balance as a percent of General Fund expenditures. This graph includes the effect of the one-time $6.0 million extraordinary item in 2005.

CITY OPERATING TAX

The City's major source of revenue is generated by property taxes. This revenue calculation is based on a relationship between two variables. The first is the assessed property valuation of industrial, commercial, and residential parcels, both real and personal property. This valuation is called the TV – Taxable Valuation. The second variable is the application of a specific tax levy. If either of these variables increase or decrease, a relative change to the City tax revenue will be experienced.

The City has five individual tax levies – the largest is the Operating Tax. Over the past ten years, Operating Tax revenue growth has varied from year to year. From 2001 through 2008, revenues increased less than 5% annually based on growth in the assessed value and a fluctuating Operations millage rate. Through 2008, due to declining State Revenues, Operating Tax revenues had made up a larger share of the City's total General Fund revenues. Due to decreases in taxable values for the past two years, its share of total revenues has decreased.

In the 2009/10 Budget, Operating City tax revenue represents 53.5% of total revenues, a decrease of $3.2 million or 6.6% below the amount estimated to be collected in 2009. The decrease is a result of a 5.0% lower operating tax rate coupled with a 1.8% decrease in the City's taxable property values.



The Operations tax levy for the 2009/10 fiscal year is 8.7180 mills per $1,000 Taxable Value, a decrease of 0.4597 mills. The decrease is necessary in order to maintain the same overall millage rate as last year due to higher offsetting millage rates needed to fund Police & Fire Pensions, Refuse Collection, and Drain debt.

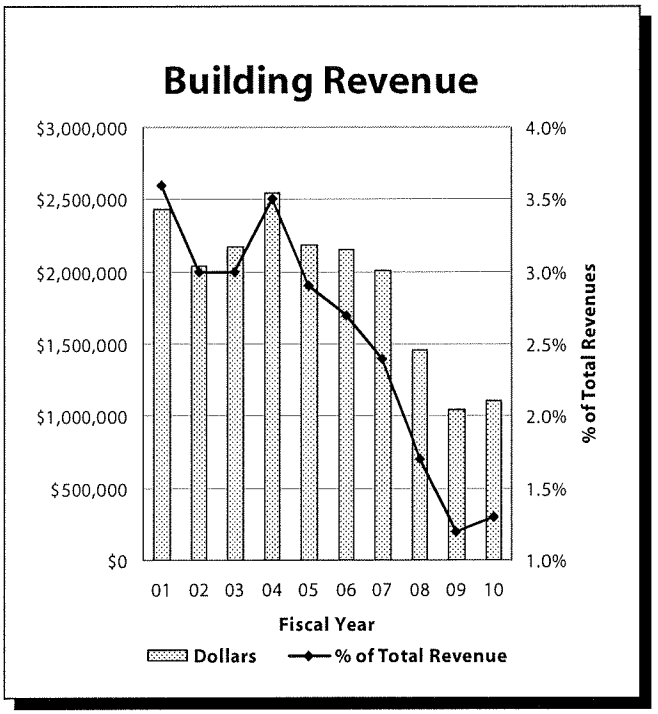
The City's total tax rate has remained the same as last year. The millage increased by 0.0608 mills in 2009 as a result of the voter approved Proposal F tax levy for Fire Station improvements. The City's total tax rate has declined by 19.4% since 1988 and remains one of the lowest of any city in the area. The 8.7180 operating millage rate continues to be below the 12.0 millage rate limit established by City Charter and is currently 2.12 mills below the 10.8395 Headlee maximum allowable levy.

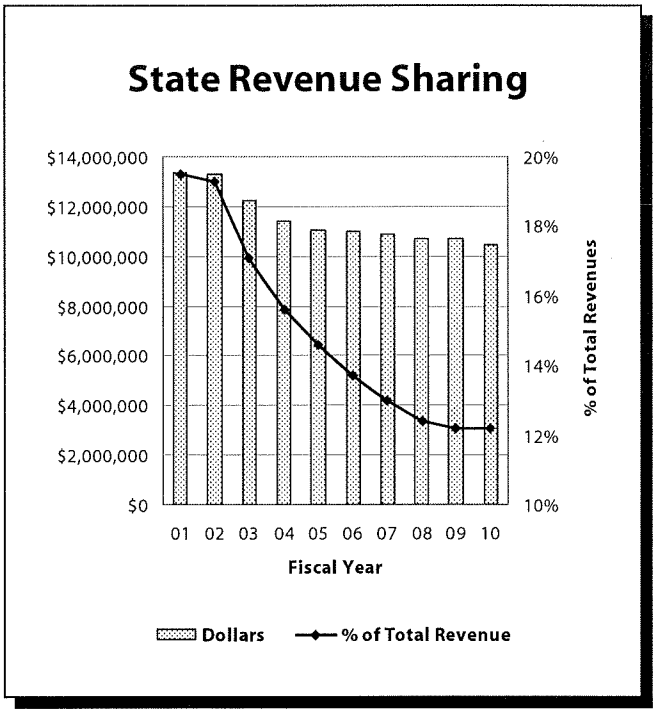
LICENSES AND PERMITS

The revenue source of Licenses and Permits represents fees charged by City offices to individuals and businesses for the building of new structures as well as improvements made to existing structures. New structures that require permits include garages, sheds, decks, porches, and buildings. Improvements such as central air conditioning, furnace replacement, electrical and plumbing modifications, fences, and pools also require permits from the respective City offices.

Licenses and Permit revenues are primarily comprised of building revenues. Building revenue remained relatively constant from 2001 to 2007. Building revenue increased in 2001 and 2004 due primarily to building fees from large one-time developments including renovations to Lakeside Mall and the expansion of the Detroit News plant. Beginning with the State's economic downturn in 2008, building revenues have dropped significantly. In 2010, building revenues are estimated to be over $1.4 million below 2004 levels. As a percent of total City revenues, building revenues have dropped from a high of 3.5% in 2004 to a ten-year low of only 1.2% in 2009.

General Fund Revenues





In the 2009/10 Budget, License and Permit revenues represent 1.4% of total revenue sources, a slight increase above what we estimate receiving in 2009 due to the one-time permit revenues from the BAE project and a new Business Licensing fee to partially cover the cost of conducting the annual fire inspections to all businesses. We do anticipate the State's economic slow down will continue into 2010.

STATE AND LOCAL RETURNS

Another major source of revenue to the City is State & Local returns. This source of revenue is comprised of grants from the Federal, State, and County levels of government. The major revenue source is from State Revenue Sharing. Revenue sharing payments, made by the State to communities in Michigan from sales tax receipts, are distributed based on formulas determined by the State. These formulas take into consideration population, government type, and taxable values per capita.

Since 2001, due to a declining economy and State budget reductions, the amount the City has received has fallen dramatically. As a percent of total City revenues, State revenue sharing has fallen from a high of nearly 20% to only 12.2% today.

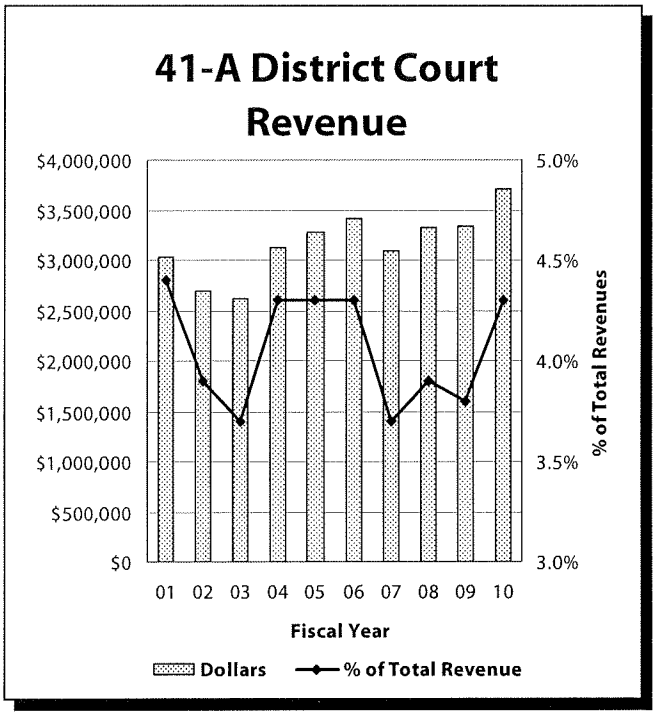
In the 2009/10 Budget, total State & Local Return revenues represent 13.2% of total revenue sources, a decrease of $248,020 or 2.1% below what we estimate receiving in 2009. The slight decrease is due to the anticipated continued decline in constitutional State revenue sharing payments, despite a promise by the Governor to hold the statutory payments constant.

FINES & FORFEITURES

Fines and Forfeiture revenues are comprised of payments made by individuals or businesses that have violated various statutes, ordinances, or laws. Included in this revenue center are library fines, court costs, parking fines, bond forfeitures, and default judgment fees. Over 95% of these revenues are generated and collected by the judicial branch of our municipal government, the City's 41-A District Court, working in conjunction with the Police Department.

Historical trends show 41-A District Court revenue generally increasing over the years with the exception of some decreases in several years. Court revenues have generally ranged between 3.7% and 4.3% of total City revenues.

In the 2009/10 Budget, Fines & Forfeiture revenues represent 3.7% of total revenue sources, an increase



of $390,400 or 14.1% higher than what we estimate receiving in 2009. This increase is due to an additional $370,400 in 41-A District Court revenues as four Police Officers will be redirected from special task forces and other assignments to a unit designed to better reduce and prevent traffic accidents. In addition, the City has reinstituted the Weigh Master Program for overweight commercial vehicles.

OTHER FINANCING SOURCES

Other Financing Sources include the proceeds received from long-term debt and for the transfers into the General Fund from other City funds.

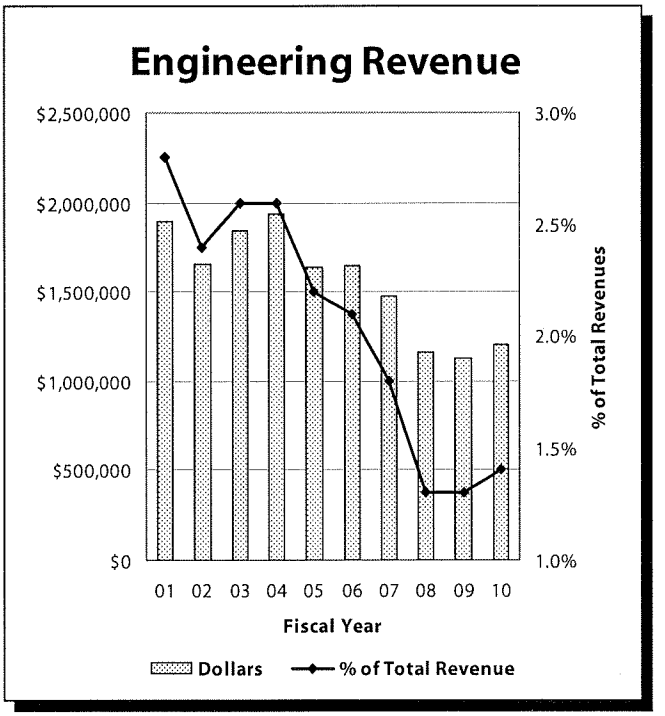
In the 2009/10 Budget, there are no planned General Fund purchases to be financed using long-term debt. The amount budgeted for 2009/10 is $95,130, which is down from the $2,194,430 budgeted last year. In the prior year we had several planned one-time uses of monies from other City funds to transfer into the General Fund. $750,000 was transferred from the Budget Stabilization Fund due to reduced General Fund revenues. $1.3 million was transferred from the Self-Insurance Fund due to prior years' positive net income from most self-insured programs.

In the 2009/10 Budget, total revenues generated from Other Financing Sources represent only 0.1% of total General Fund revenues. The transfer is from two City funds that were advanced General Fund monies for prior year Corridor Improvement Authority and Brownfield Redevelopment projects.

CHARGES FOR SERVICES

Charges for Services consist of revenues received from individuals, businesses, and cross-charges from other City Funds. These monies reimburse the General Fund for services provided by General Fund employees. The revenue accounts within this revenue center include Property Tax Administration fees, Parks & Recreation fees, Water & Sewer and Road Fund cross-charges, False Alarm fees, and Engineering inspection and design and Building review charges.

Engineering revenues make up the largest source of Charges for Services revenues. Trends show that from 2001 to 2007, Engineering revenues ranged between $1.5 million and $1.9 million per year. However, due to a State economic downturn, revenues are estimated to remain low through 2010 and continue to be off nearly $734,000 from 2004 levels. As a percent of total General Fund revenues, Engineering revenues have decreased from a high of 2.8% in 2001 to only 1.4% in 2010.



General Fund Revenues

In the 2009/10 Budget, Charges for Services revenues represent 10.5% of total revenue sources, an increase of $1.0 million or 12.9% above what we estimate receiving in 2009. Engineering revenues have increased by $75,000 primarily due to additional road construction projects. To offset the loss of Property tax administrative fees from the new Michigan Business Tax that has decreased school personal property tax payments for businesses, the City is proposing to collect the administrative fee on City taxes in order to better recoup our Treasury and Assessing costs.

Several new fees have also been budgeted including a towed vehicle impound fee, an auto accident response fee, and an ALS cost recovery fee to be negotiated with the City's private ambulance company in compliance with Federal regulations.

OTHER REVENUE

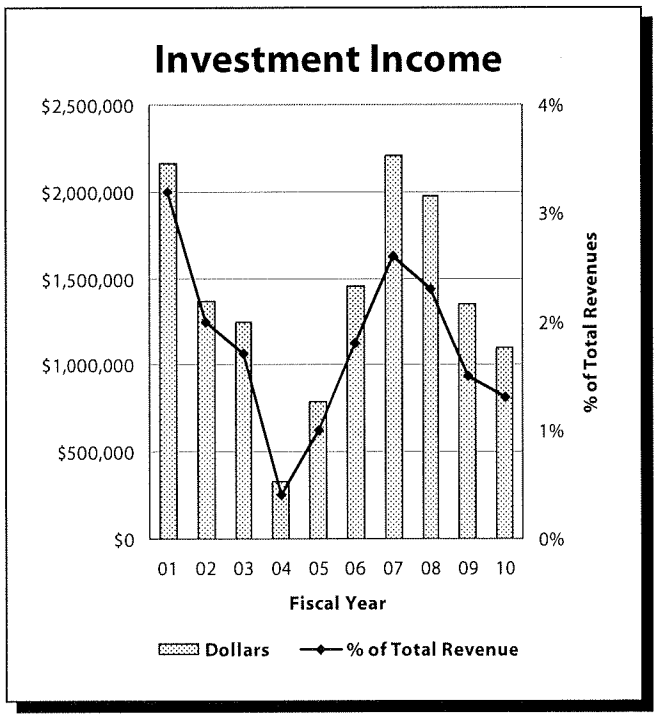
Other Revenue includes revenues that cannot be easily classified in another revenue center. Included in this revenue center is Interest on Investments, Rental Income from different sources, Police Auction revenues, Reimbursements, and OUIL cost recovery fees.

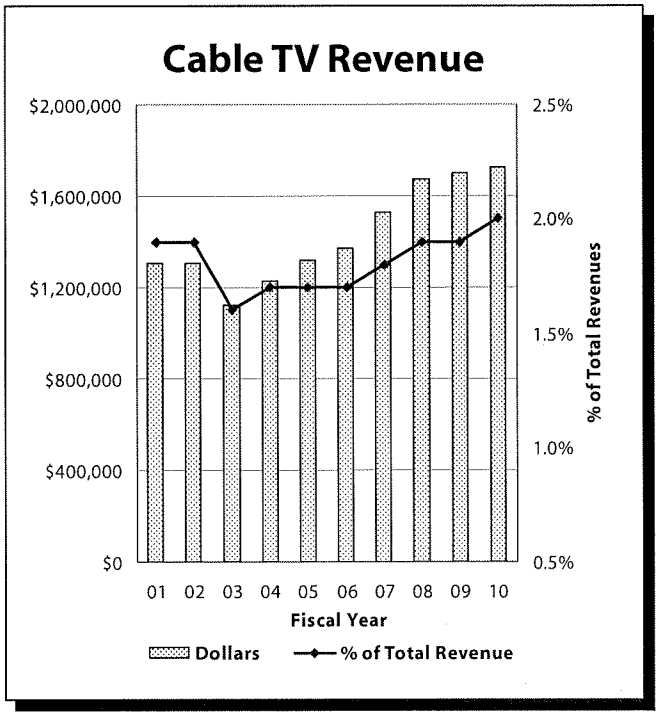
From 2001 to 2004, Interest Income revenues fell due to declining interest rates. In 2004, revenues also declined due to a one-time $250,000 accounting correction of a prior year entry and as several high paying investments were called. From 2004 to 2007, Investment Income rebounded primarily due to rising interest rates. However due to interest rate cuts by the Federal Reserve in 2008, Interest on Investments as a percent of total General Fund revenues will fall again to only 1.3%, down from its peak of 3.2% in 2001.

In the 2009/10 Budget, Other Revenues represent 4.1% of total revenue sources, a decrease of $237,700 or 6.3% below what we estimate receiving in 2009. Interest on Investments revenue is estimated to fall by $250,000 or 18.5%. Partially offsetting this decrease is positive net revenue of $60,750 from Sterlingfest due to reductions in expenditures, a beer tent cover charge, and a new cost and revenue sharing arrangement with the Chamber of Commerce.

CABLE TV REVENUE

Cable Television Revenues are received from Comcast, AT&T, and Wide Open West (WOW) as franchise fees between these companies and either





the City or the State of Michigan.

Cable Revenue has climbed steadily, except for years when the City received one-time only payments as set in the City's former franchise agreements. Beginning in 2003, due to a court ruling, cities were no longer allowed to collect franchise fees on cable modem charges to customers. In the 2009/10 Budget, Cable TV Revenues increased slightly and represents 2.0% of total revenue sources.

REFUSE TAX

Another significant source of revenue to the City of Sterling Heights is the tax to pay the City's Refuse Collection costs. As discussed earlier, this revenue calculation is based on the relationship between two variables. The Refuse tax strikes a balance between the refuse collection expenditures and the City's taxable valuation to determine an ad-valorem tax to levy on all properties in the City.

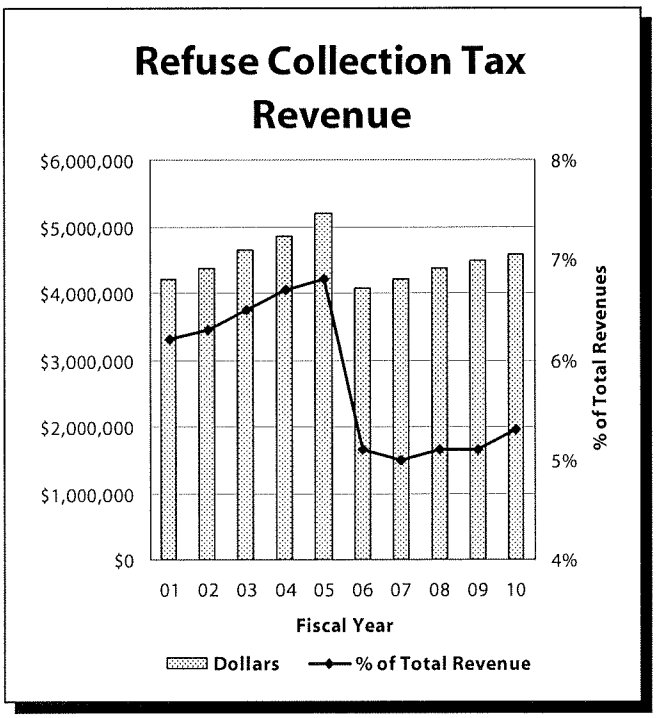
Revenues generated by the refuse collection levy are used to pay for the collection, removal, and recycling of all garbage in the City. The refuse collection millage rate is adjusted annually to cover the projected cost of the Refuse activity, less any refuse collection fees paid by apartments, mobile home parks and school districts.

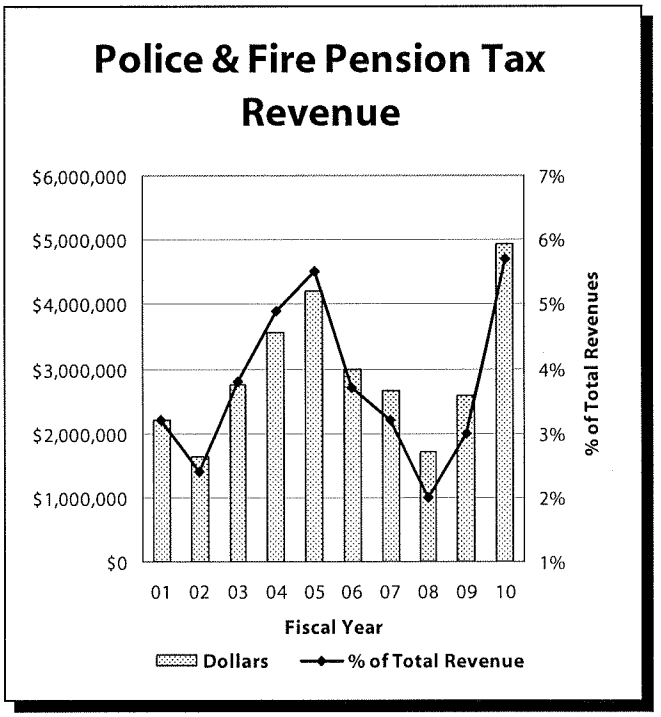
The historical trend experienced over the past ten years is a direct reflection of the refuse collection contract costs. Refuse costs rose from 2001 through 2005. In February 2005, the City Council awarded a new five-year refuse contract that was significantly lower than the previous five-year contract. In the 2009/10 Budget, the Refuse Tax represents 5.3% of total revenue sources, an increase of $101,350 or 2.3% above what is estimated to be collected in 2009. As a result of the Refuse cost increase and a 1.8% decrease in City taxable values, the Refuse millage rate will increase by 0.0336 mills, from 0.8381 mills to 0.8717.

POLICE & FIRE PENSION TAX

The Police & Fire Pension Tax is another substantial source of revenue to the City. The calculation of this revenue source is much like that of the Refuse Tax. Revenues are generated in an amount sufficient to cover the City's projected costs of Police & Fire pensions. By dividing these projected expenditures by the City's taxable property valuation, an ad-valorem tax levy is calculated. The Police & Fire Tax millage rate is adjusted annually to cover the pension expenditures for which this revenue is restricted.

The revenue increased from 2002 to 2005 as a result of higher required employer pension contributions



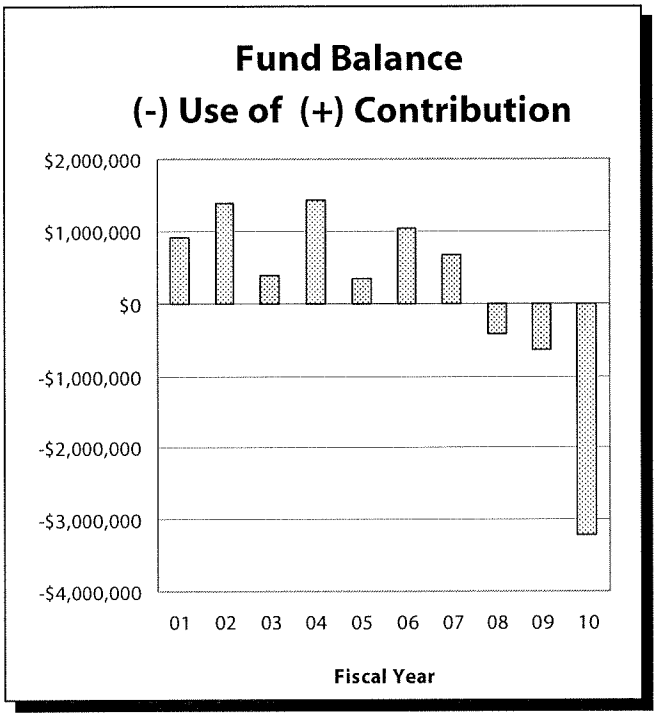


due to lower market returns on pension plan assets. From 2005 through 2008, our costs decreased due to higher stock market returns and as a pension actuarial experience study conducted in late 2004 recommended that the Pension Board change the assumed investment rate of return from 7.5% to 8.0% that decreased the actuarially determined City contribution rate. However in 2010, due to a weakened stock market and increased pension liabilities, the required employer contribution amount nearly doubled to over $4.9 million and is now at its highest level in over ten years.

In the 2009/10 Budget, Police & Fire Pension Tax represents 5.7% of total revenue sources, an increase of $2.3 million or 90%. The Police & Fire Pension Tax levy for the 2009/10 fiscal year is 0.9372 mills per $1,000 Taxable Value, an increase of 0.4519 mills.

USE OF FUND BALANCE

A budgeted Use of, or Contribution to, Fund Balance exists when there is an inequality between budgeted revenues and expenditures in a given fund. If expenditures exceed revenues, a Use of Fund Balance is needed to balance the budget. If revenues exceed expenditures, then a Contribution to Fund Balance exists.



From 2001 to 2007, the City contributed to Fund Balance reserves, excluding the one time use of reserves in 2005 for the final Hillside settlement payment. Due to lower City development revenues, $425,000 of reserves was used in 2008. Due to a 1.1% decrease in City taxable values partially offset by vacant personnel savings, we estimate a $635,000 use of reserves in 2009. In 2010, due to a further 1.8% taxable value decline and a $2.3 million increase in Police & Fire pension costs, we estimate a $3.2 million use of reserves despite $5.5 million in expenditure savings and new revenues.

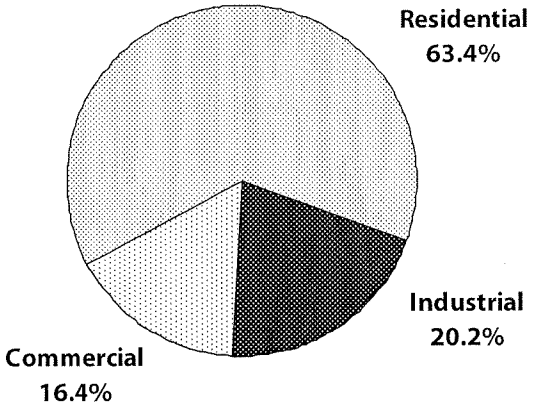
OTHER CITY TAXES

There are also two debt property tax millages levied by the City that are not received in the City's General Fund. They are recorded in the Debt Service Funds.

The Drain millage of 0.2243 is 0.0063 mills higher than what was levied in 2008/09. The millage is used to repay principal and interest on bonds sold to finance drain construction. The drain millage rate increased slightly as a result of slightly higher debt payments and lower City taxable values.

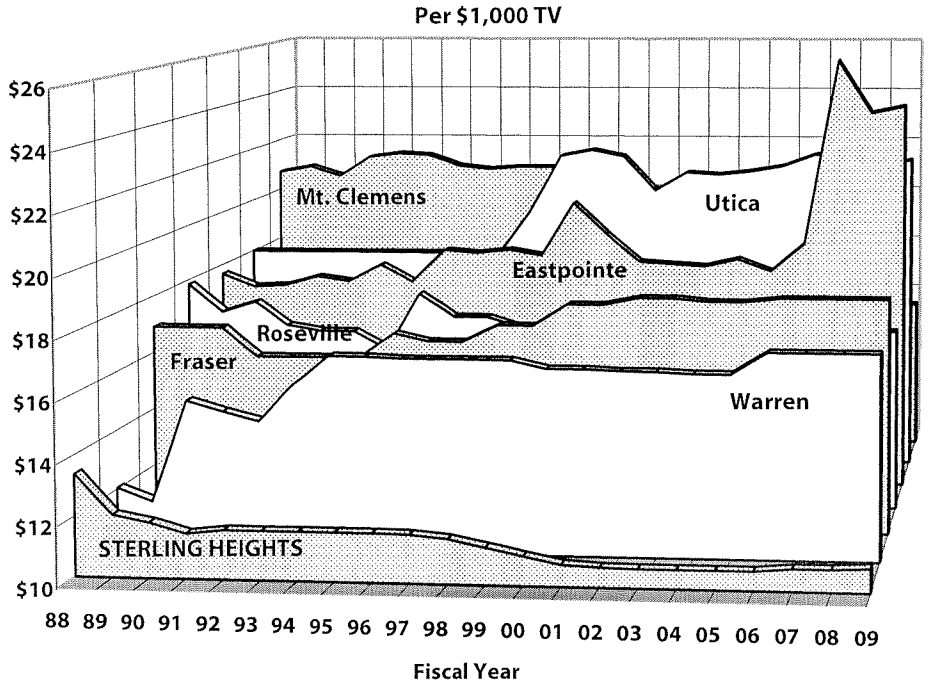
The Public Improvements (Proposal R, S, T & F) millage rate of 0.0346 mills has decreased by 0.0321 mills as the final Proposal R road bonds were retired in the prior year. Proposal S debt was paid off in the 2001/02 fiscal year, while Proposal T debt was retired in the 1996/97 fiscal year. The Proposal F millage rate is slightly lower than last year due to the one-time use of reserves resulting from a lower than expected interest rate on the Proposal F bond sold last year due to a City bond rating upgrade. ■

City of Sterling Heights
Share of Taxes



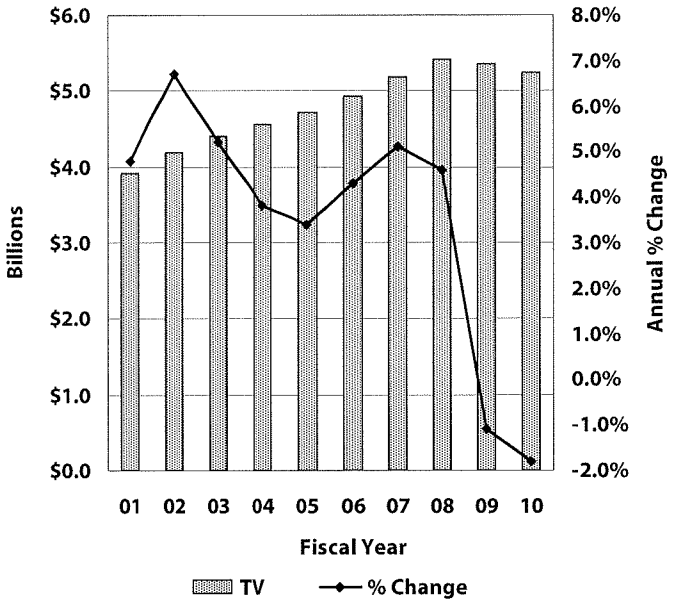
This graph illustrates the taxable value of property in the City as a percent by customer class.

Comparable Tax Rates of
Surrounding Macomb County Cities



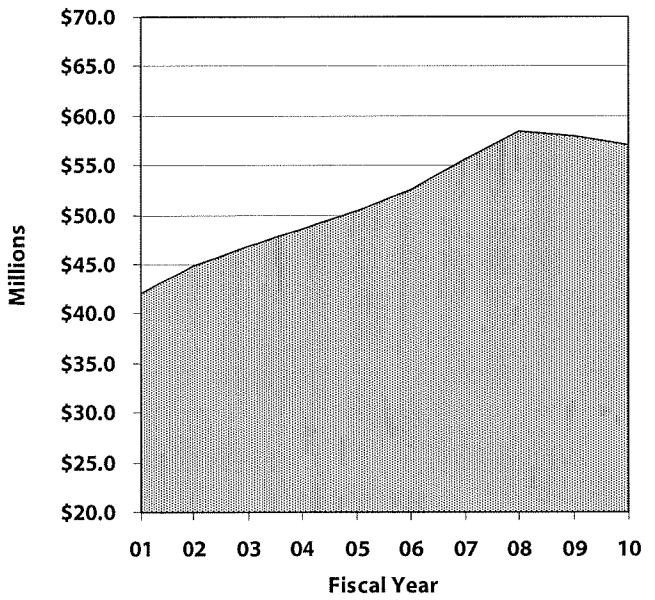
This graph illustrates the taxes levied by Macomb County cities for the past 22 years.

City Taxable Values (TV)



This graph illustrates the property value assessments for real and personal property in the City. The TV, along with the millage rate, determines the total property tax collected.

Property Tax Revenues



This graph illustrates that total City property tax revenues have increased annually, despite a declining City tax rate, due to inflationary property assessment increases and new development. Property tax revenues declined starting in 2009 due to falling property assessments.

GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	CITY OPERATING TAXES						
404000	City Operating Tax	$49,910,088	57.97	$49,061,210	56.32	**$45,819,090**	**53.45**
415000	Delinquent Personal Property Tax	137,273	0.16	94,000	0.11	**100,000**	**0.12**
445000	Penalties & Interest	151,115	0.18	110,000	0.13	**299,000**	**0.35**
	Total Taxes	**50,198,476**	**58.31**	**49,265,210**	**56.55**	**46,218,090**	**53.92**
	LICENSES & PERMITS						
451000	Business Operating License	20,074	0.02	22,000	0.03	**221,000**	**0.26**
452000	Mobile / Temporary Vendor	8,458	0.01	5,500	0.01	**6,000**	**0.01**
453000	Liquor License	90,318	0.10	75,000	0.09	**82,000**	**0.10**
454000	Vending/Amusement Device Fee	19,688	0.02	20,500	0.02	**20,000**	**0.02**
461000	Electrical Registration & Permits	225,656	0.26	200,000	0.23	**175,000**	**0.20**
462000	Heating Registration & Permits	138,452	0.16	130,000	0.15	**125,000**	**0.15**
463000	Plumbing Registration & Permits	99,351	0.12	90,000	0.10	**80,000**	**0.09**
464000	Sign Registration & Permits	37,396	0.04	25,000	0.03	**40,000**	**0.05**
470000	Building Registration & Permits	670,611	0.78	750,000	0.86	**450,000**	**0.52**
471000	Fence Permits	7,210	0.01	8,000	0.01	**8,000**	**0.01**
477000	Fire Suppression Permits	14,562	0.02	10,000	0.01	**13,000**	**0.02**
478000	Animal Permits	20,816	0.02	20,400	0.02	**21,000**	**0.02**
	Total Licenses & Permits	**1,352,592**	**1.57**	**1,356,400**	**1.56**	**1,241,000**	**1.45**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	184,442	0.21	14,400	0.02	**12,180**	**0.01**
539002	State Grants	0	0.00	7,000	0.01	**0**	**0.00**
539302	Criminal Justice Training	40,476	0.05	45,000	0.05	**42,000**	**0.05**
539332	Dispatcher Training	19,474	0.02	12,000	0.01	**10,000**	**0.01**
543426	Emergency Services Assistance	35,919	0.04	36,000	0.04	**37,000**	**0.04**
544000	Drunk Driving Case Flow Assistance	15,660	0.02	14,000	0.02	**15,000**	**0.02**
567001	State Aid - Library	81,262	0.09	80,780	0.09	**81,100**	**0.09**
569001	Judges Salary Stand Payments	137,622	0.16	137,170	0.16	**137,170**	**0.16**
574000	State Revenue Sharing	10,683,045	12.41	10,600,000	12.17	**10,455,000**	**12.20**
581001	Municipal Credit Transportation	280,234	0.33	291,500	0.33	**282,000**	**0.33**
583000	Macomb Auto Theft Squad - Grant	40,924	0.05	86,880	0.10	**58,400**	**0.07**
585000	Drug Enforce. Admin - Federal	15,854	0.02	16,000	0.02	**16,800**	**0.02**
587001	County Contrib. - Library Penal Fines	128,149	0.15	140,000	0.16	**125,000**	**0.15**
	Total State & Local Returns	**11,663,061**	**13.56**	**11,480,730**	**13.18**	**11,271,650**	**13.15**
	FINES & FORFEITURES						
656003	Contempt Court Fines	33,736	0.04	40,000	0.05	**38,000**	**0.04**
656004	Ordinance Fines & Costs	2,297,249	2.67	2,300,000	2.64	**2,675,000**	**3.12**
656005	Municipal Civil Infractions	16,025	0.02	10,000	0.01	**13,000**	**0.02**
657001	Library Fines	59,045	0.07	60,000	0.07	**80,000**	**0.09**
658001	Bond Forfeitures	102,039	0.12	110,000	0.13	**100,000**	**0.12**
659001	Driver Reinstatement Fee	36,811	0.04	30,000	0.03	**37,000**	**0.04**
659002	Default Judgment Fee	202,705	0.24	190,000	0.22	**210,000**	**0.24**
659003	Crime Victim Rights Admin. Fee	8,091	0.01	7,000	0.01	**7,500**	**0.01**
	Total Fines & Forfeitures	**2,755,701**	**3.20**	**2,747,000**	**3.15**	**3,160,500**	**3.69**

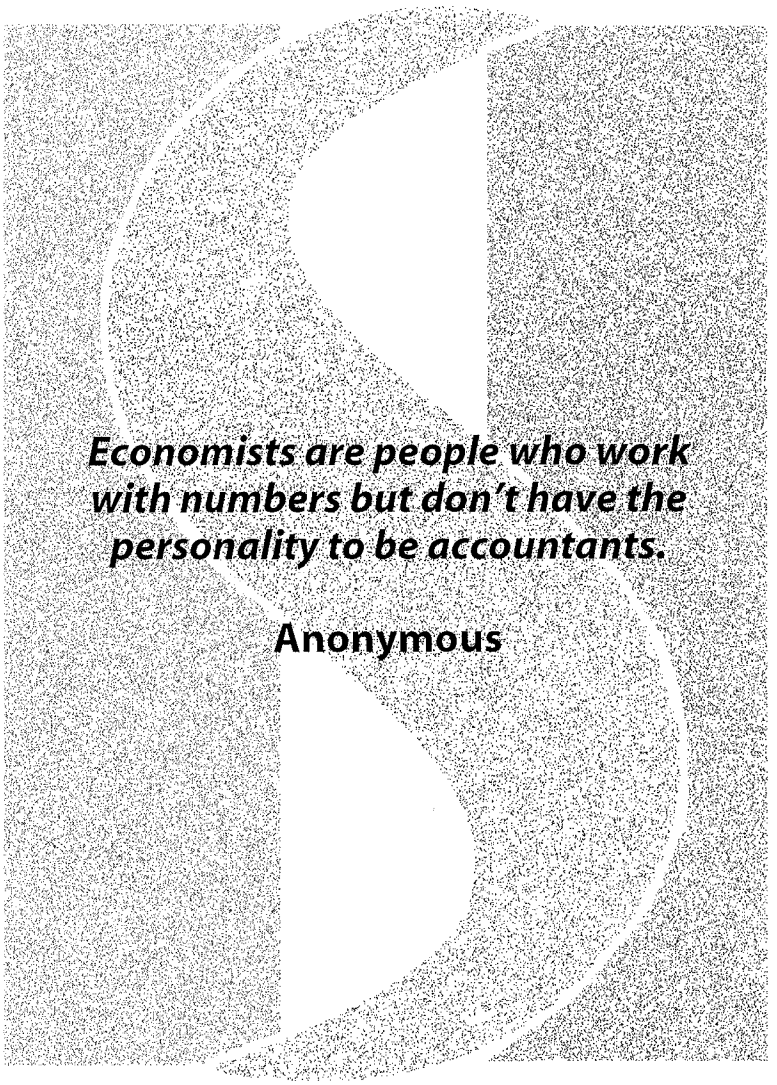
GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	OTHER FINANCING SOURCES						
699201	Tfr. From Budget Stabilization Fund	0	0.00	750,000	0.86	0	0.00
699278	Transfer From CDBG	96,371	0.11	95,300	0.11	0	0.00
699677	Transfer From Self-Insurance Fund	0	0.00	1,300,000	1.49	0	0.00
699851	Tfr. From Corridor Impr. Auth. Fund	0	0.00	24,130	0.03	15,630	0.02
699856	Tfr. From Brownfield Redevelop. Fund	0	0.00	25,000	0.03	79,500	0.09
	Total Other Financing Sources	**96,371**	**0.11**	**2,194,430**	**2.52**	**95,130**	**0.11**
	CHARGES FOR SERVICES						
603000	Court Filing Fee	173,413	0.20	160,000	0.18	175,000	0.20
603001	Jury Demand Fee	1,148	0.00	1,500	0.00	1,500	0.00
604000	Probation Oversight	161,011	0.19	170,000	0.20	165,000	0.19
605000	Garnishments - Filing Fee	88,755	0.10	80,000	0.09	90,000	0.10
606000	Split/Combination Fee	6,140	0.01	7,000	0.01	4,000	0.00
607000	Fire Permits, Fees, & Inspections	34,717	0.04	36,000	0.04	45,000	0.05
608000	Encroachment/Deviation Fees	2,320	0.00	3,000	0.00	1,750	0.00
609000	Mobile Home Tax	9,628	0.01	11,000	0.01	8,300	0.01
610000	Vital Statistics	44,231	0.05	42,000	0.05	48,000	0.06
611000	Attorney Fee Reimbursement	23,625	0.03	20,000	0.02	20,000	0.02
612000	Alcohol Assessment Fee	22,700	0.03	25,000	0.03	27,500	0.03
626000	Services - PTAF	1,466,684	1.70	1,350,000	1.55	1,825,000	2.13
627000	Water & Sewer Activity	1,211,520	1.41	1,271,400	1.46	1,312,860	1.53
627444	Administrative Services - Roads	296,238	0.34	248,000	0.28	270,000	0.31
627556	Admin Services-Water Distribution	362,100	0.42	306,780	0.35	307,200	0.36
627574	Admin Services-W&S Improvements	42,380	0.05	37,440	0.04	127,110	0.15
627677	Administrative Services-Self Insurance	245,900	0.29	257,940	0.30	273,780	0.32
627732	Administrative Services-P&F Pension	7,566	0.01	6,200	0.01	6,500	0.01
628001	Voter Lists	971	0.00	650	0.00	1,000	0.00
629001	Labor Services - Roads	1,059,435	1.23	1,000,000	1.15	1,100,000	1.28
629002	Labor Services - Cross Charges	49,976	0.06	40,000	0.05	45,000	0.05
629003	Labor Services - Fleet Maintenance	64,350	0.07	75,000	0.09	70,000	0.08
631001	Police Service/Schools	100,336	0.12	168,000	0.19	165,000	0.19
631002	Towed Vehicle Impound Fee	0	0.00	0	0.00	48,000	0.06
632001	Inspection Services-Projects-Other	214,978	0.25	225,000	0.26	190,000	0.22
632002	Inspection Services-City Projects	287,329	0.33	400,000	0.46	400,000	0.47
632003	Engineering Review Fee	61,966	0.07	70,000	0.08	75,000	0.09
632004	Engineering & Design - Project	508,279	0.59	400,000	0.46	450,000	0.52
632005	Building Number Assignments	4,500	0.01	3,000	0.00	1,000	0.00
632006	SESC Review Fee	19,129	0.02	20,000	0.02	15,000	0.02
632007	SESC Inspection Fee	48,354	0.06	110,000	0.13	60,000	0.07
632008	Easement Vacation	360	0.00	2,000	0.00	1,200	0.00
632009	ROW Permit Fees	12,717	0.01	12,000	0.01	7,000	0.01
634003	Supplies & Gasoline Revenue	98,217	0.11	80,000	0.09	100,000	0.12
634004	Parts-Vehicle Maintenance	47,726	0.06	55,000	0.06	55,000	0.06
635535	Refuse Collection Fees	32,359	0.04	33,000	0.04	33,000	0.04
636000	Plan Review Fee	51,846	0.06	50,000	0.06	55,000	0.06
636001	Building Department Plan Review	233,873	0.27	275,000	0.32	200,000	0.23
637001	Copies & Forms	27,265	0.03	25,000	0.03	25,000	0.03

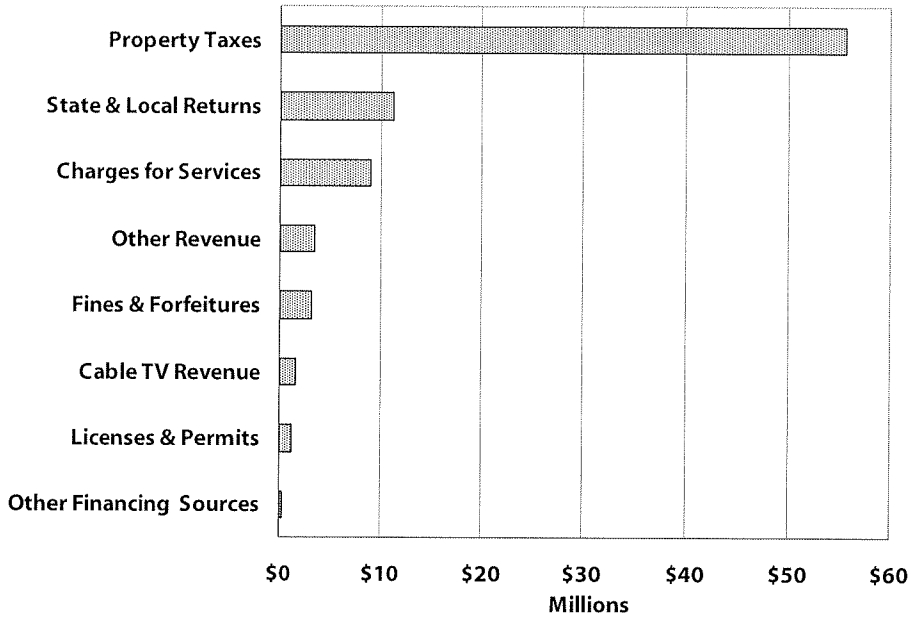
GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
637002	Maps	707	0.00	1,000	0.00	600	0.00
637003	Police Reports	88,299	0.10	80,000	0.09	75,000	0.09
637004	ALS Fees	0	0.00	0	0.00	132,300	0.15
637005	Fire Reports	1,029	0.00	1,100	0.00	1,000	0.00
637006	PBT User Fee	8,261	0.01	6,500	0.01	14,000	0.02
637007	False Alarm Fees	106,569	0.12	100,000	0.11	90,000	0.10
637008	Emerg Response Cost Recovery	0	0.00	0	0.00	136,420	0.16
638000	Application Fees	19,355	0.02	13,000	0.01	15,000	0.02
639001	Parks & Recreation Fees	474,458	0.55	495,000	0.57	535,000	0.62
639253	Treasury Transfer & Late Fees	35,651	0.04	24,000	0.03	50,000	0.06
640001	5% Cash Deposit	1,796	0.00	2,500	0.00	800	0.00
640002	Weed Cutting	94,956	0.11	110,000	0.13	110,000	0.13
640003	Board of Zoning Appeals Fees	7,480	0.01	8,000	0.01	9,000	0.01
640005	Ordinance Board of Appeals Fees	25,579	0.03	25,000	0.03	20,000	0.02
	Total Charges for Services	**7,988,182**	**9.28**	**7,943,010**	**9.12**	**8,993,820**	**10.49**
	OTHER REVENUE						
656006	Interpreter Fees	12,010	0.01	13,000	0.01	12,000	0.01
665000	Interest on Investments	1,974,515	2.29	1,470,000	1.69	1,100,000	1.28
667002	Rental Income - Utica Road	69,600	0.08	70,980	0.08	63,540	0.07
667003	Rental Income - DPS	136,320	0.16	153,480	0.18	182,760	0.21
667005	Rental - DPW - Impound Lot	36,000	0.04	36,000	0.04	36,000	0.04
667007	Rental - Universal Ambulance	6,000	0.01	6,000	0.01	6,000	0.01
667009	Rental - Towers	165,000	0.19	178,600	0.21	228,760	0.27
669001	Rental - Road Equipment	1,268,688	1.47	1,100,000	1.26	1,100,000	1.28
669002	Rental - Equipment - Cross Charges	46,321	0.05	40,000	0.05	45,000	0.05
673000	Sale of Fixed Assets	13,374	0.02	4,000	0.00	20,000	0.02
675000	Contributions & Donations	10,867	0.01	13,500	0.02	10,000	0.01
675001	Donations - Parks & Recreation	7,650	0.01	6,500	0.01	7,000	0.01
675003	Art Fair Revenue	0	0.00	0	0.00	60,750	0.07
675290	Dare Donations - Police	16,175	0.02	10,000	0.01	10,500	0.01
676000	Reimbursements	293,989	0.34	205,000	0.24	408,650	0.48
676001	Reimbursements - Legal	43,756	0.05	12,000	0.01	12,000	0.01
679000	Police Auction	33,333	0.04	45,000	0.05	30,000	0.03
679292	Community Relations Retail Sales	20	0.00	100	0.00	0	0.00
679535	Refuse Bag Sales	0	0.00	0	0.00	6,000	0.01
679792	Library Book Sales	165	0.00	100	0.00	100	0.00
685000	Miscellaneous Revenue	84,183	0.10	75,000	0.09	80,000	0.09
685792	Miscellaneous Revenue - Library	17,419	0.02	17,000	0.02	22,000	0.03
690000	O.U.I.L. Recovery	53,236	0.06	55,000	0.06	52,000	0.06
690002	Warrant Arrest Processing Fee	4,466	0.01	5,000	0.01	5,000	0.01
695000	Insurance Recovery	5,000	0.01	15,000	0.02	10,000	0.01
	Total Other Revenue	**4,298,087**	**4.99**	**3,531,260**	**4.05**	**3,508,060**	**4.09**
680000	Cable TV Revenue	1,671,094	1.94	1,525,000	1.75	1,725,000	2.01
405000	City Refuse Tax	4,359,680	5.06	4,480,190	5.14	4,581,540	5.34
406000	P&F Pension Tax	1,707,910	1.98	2,594,190	2.98	4,925,570	5.75
	Total General Fund Revenue	**$86,091,154**	**100.00**	**$87,117,420**	**100.00**	**$85,720,360**	**100.00**

Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

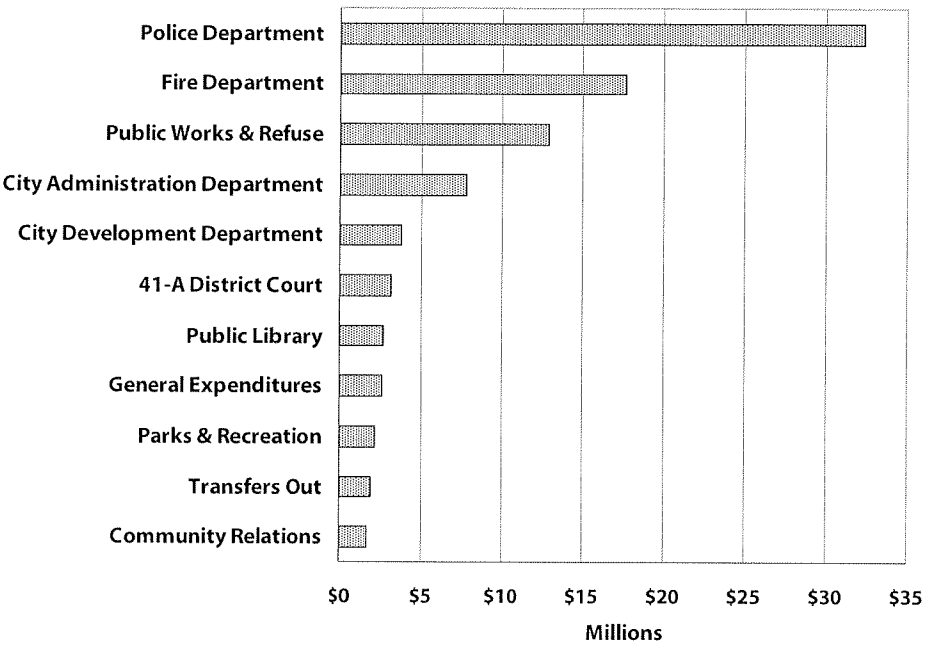

Economists are people who work with numbers but don't have the personality to be accountants.
Anonymous

General Fund Revenues by Revenue Category



This graph illustrates the amount budgeted in 2009/10 for each of the revenue categories.

General Fund Expenditures by Budgetary Center



This graph illustrates the amount budgeted in 2009/10 for each budgetary center.

GENERAL FUND EXPENDITURES
BY BUDGETARY CENTER

Activity Name	Activity No.	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
LEGISLATIVE					
1. City Council	1010	$136,940	$140,270	**$137,010**	-2.3%
CITY ADMINISTRATION DEPARTMENT					
1. City Management	1720	922,350	919,790	**930,830**	1.2%
2. City Clerk	2160	1,039,120	1,124,880	**850,240**	-24.4%
3. Facilities Maintenance	2650	1,712,020	1,761,120	**1,615,970**	-8.2%
4. Assessing	2090	859,440	874,980	**901,040**	3.0%
5. Financial Services	2010	1,281,810	1,335,700	**1,351,850**	1.2%
6. Purchasing	2330	340,750	372,910	**373,550**	0.2%
7. Treasury	2530	787,500	781,110	**749,970**	-4.0%
8. Act 78 - Civil Service Commission	2200	33,070	15,700	**24,130**	53.7%
9. Building Authority	2610	380	430	**50**	-88.4%
10. General Employees Pension Board	2390	728,760	118,650	**109,950**	-7.3%
11. Legal	2100	747,980	757,000	**776,000**	2.5%
Total City Administration Department		**8,590,120**	**8,202,540**	**7,820,590**	**-4.7%**
PARKS & RECREATION DEPARTMENT					
1. Parks & Recreation	7520	2,554,030	2,648,540	**2,223,750**	-16.0%
Total Parks & Recreation Department		**2,554,030**	**2,648,540**	**2,223,750**	**-16.0%**
POLICE DEPARTMENT					
1. Police Administration	3050	2,889,810	3,008,560	**2,966,310**	-1.4%
2. Police Investigations	3100	5,419,170	5,627,640	**6,030,960**	7.2%
3. Police Operations	3150	16,700,240	17,650,730	**19,757,070**	11.9%
4. Police Support Services	3260	3,381,110	3,478,300	**3,445,280**	-0.9%
5. Emergency Management	2130	141,650	148,360	**146,030**	-1.6%
Total Police Department		**28,531,980**	**29,913,590**	**32,345,650**	**8.1%**
FIRE DEPARTMENT					
1. Fire Administration	3370	1,270,720	1,365,960	**1,360,420**	-0.4%
2. Fire Extinguishment	3390	13,254,450	14,278,740	**15,266,950**	6.9%
3. Fire Prevention	3410	1,178,340	1,041,150	**1,088,240**	4.5%
Total Fire Department		**15,703,510**	**16,685,850**	**17,715,610**	**6.2%**
CITY DEVELOPMENT DEPARTMENT					
1. Building	4120	2,205,160	2,242,290	**1,834,960**	-18.2%
2. Economic Development	4150	187,490	156,070	**158,860**	1.8%
3. Information Technology	2580	1,055,560	1,093,010	**1,079,200**	-1.3%
4. Planning	4020	350,280	341,130	**355,500**	4.2%
5. Public Services	4160	295,050	302,770	**320,970**	6.0%
6. Planning Commission	4030	7,490	10,390	**8,000**	-23.0%
7. Zoning Board of Appeals	4130	5,690	8,120	**6,750**	-16.9%
Total City Development Department		**4,106,720**	**4,153,780**	**3,764,240**	**-9.4%**

GENERAL FUND EXPENDITURES
BY BUDGETARY CENTER

Activity Name	Activity No.	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
PUBLIC WORKS DEPARTMENT					
1. Engineering	4470	1,701,260	1,793,770	**1,662,170**	-7.3%
2. Fleet Maintenance	5530	2,927,750	2,643,610	**2,807,280**	6.2%
3. Parks & Ground Maintenance	7700	1,360,640	1,351,410	**1,426,790**	5.6%
4. Public Works Center	4420	592,450	653,070	**438,590**	-32.8%
5. Street Services	4440	1,954,680	1,989,210	**1,909,160**	-4.0%
Total Public Works Department		**8,536,780**	**8,431,070**	**8,243,990**	**-2.2%**
REFUSE COLLECTION					
1. Refuse Collection	5350	4,206,380	4,504,790	**4,614,540**	2.4%
Total Refuse Collection		**4,206,380**	**4,504,790**	**4,614,540**	**2.4%**
PUBLIC LIBRARY DEPARTMENT					
1. Library	7920	2,803,910	2,873,250	**2,761,400**	-3.9%
2. Historical Commission	8030	880	1,380	**1,010**	-26.8%
Total Public Library Department		**2,804,790**	**2,874,630**	**2,762,410**	**-3.9%**
COMMUNITY RELATIONS DEPARTMENT					
1. Community Relations	2920	1,596,140	1,717,240	**1,652,870**	-3.7%
2. Beautification Commission	8060	2,010	2,490	**2,040**	-18.1%
3. Cultural Commission	7930	180	350	**300**	-14.3%
Total Community Relations Department		**1,598,330**	**1,720,080**	**1,655,210**	**-3.8%**
41-A DISTRICT COURT	1360	2,974,000	3,145,260	**3,200,750**	1.8%
GENERAL EXPENDITURES	8950	2,931,290	2,888,640	**2,631,390**	-8.9%
TRANSFERS OUT	9660	3,978,200	3,801,150	**1,958,810**	-48.5%
Total General Fund Expenditures		**$86,516,130**	**$88,969,920**	**$88,936,940**	**0.0%**

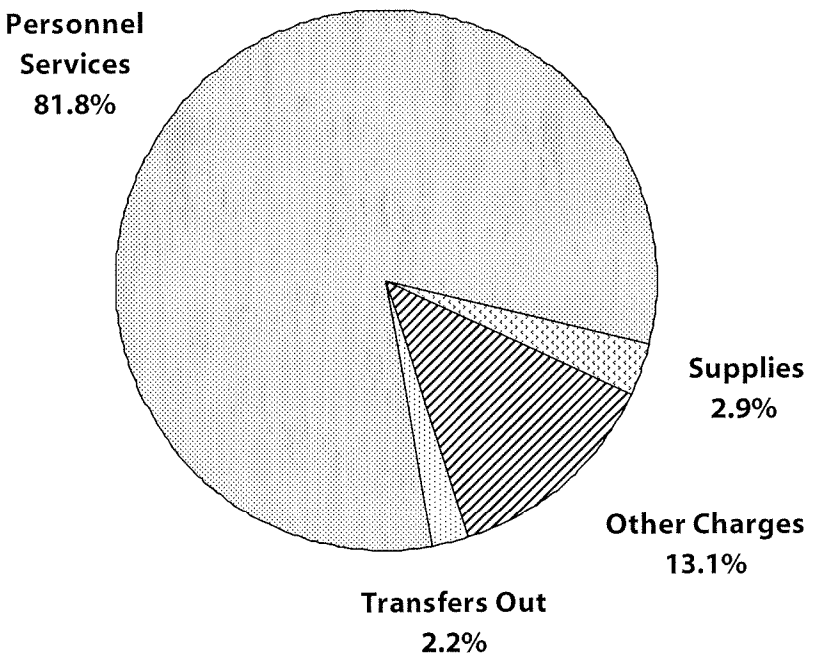
GENERAL FUND BUDGETARY CENTERS
EXPENDITURES BY CATEGORY

Budgetary Center	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget
CITY ADMINISTRATION DEPARTMENT					
Personnel Services	$5,397,626	$5,756,792	$6,205,759	$6,383,910	**$5,998,740**
Supplies	224,620	225,857	261,509	254,990	**244,430**
Other Charges	2,157,493	2,146,870	2,122,852	1,563,640	**1,577,420**
Total	**7,779,739**	**8,129,519**	**8,590,120**	**8,202,540**	**7,820,590**
PARKS & RECREATION DEPARTMENT					
Personnel Services	1,832,074	1,925,904	2,082,879	2,142,440	**1,823,310**
Supplies	103,817	101,711	102,317	103,680	**98,650**
Other Charges	378,259	400,653	368,836	402,420	**301,790**
Total	**2,314,150**	**2,428,268**	**2,554,032**	**2,648,540**	**2,223,750**
POLICE DEPARTMENT					
Personnel Services	24,453,443	25,996,954	27,742,111	29,121,840	**31,578,280**
Supplies	134,912	153,297	165,657	187,200	**165,000**
Other Charges	614,830	608,490	624,207	604,550	**602,370**
Total	**25,203,185**	**26,758,741**	**28,531,975**	**29,913,590**	**32,345,650**
FIRE DEPARTMENT					
Personnel Services	13,290,959	14,024,662	15,022,642	15,952,320	**16,996,050**
Supplies	152,545	197,866	175,449	176,640	**160,410**
Other Charges	528,043	505,475	505,424	556,890	**559,150**
Total	**13,971,547**	**14,728,003**	**15,703,515**	**16,685,850**	**17,715,610**
CITY DEVELOPMENT DEPARTMENT					
Personnel Services	3,325,100	3,471,019	3,728,587	3,774,930	**3,442,660**
Supplies	29,420	25,865	36,277	31,390	**26,540**
Other Charges	289,635	342,063	341,855	347,460	**295,040**
Total	**3,644,155**	**3,838,947**	**4,106,719**	**4,153,780**	**3,764,240**
PUBLIC WORKS DEPARTMENT					
Personnel Services	5,947,730	6,118,086	6,461,320	6,506,670	**6,178,550**
Supplies	1,278,191	1,363,516	1,614,025	1,385,770	**1,510,700**
Other Charges	508,246	512,816	461,430	538,630	**554,740**
Total	**7,734,167**	**7,994,418**	**8,536,775**	**8,431,070**	**8,243,990**
REFUSE					
Personnel Services	131,360	137,467	131,293	138,590	**137,890**
Supplies	465	627	594	450	**450**
Other Charges	3,896,493	3,951,334	4,074,497	4,365,750	**4,476,200**
Total	**4,028,318**	**4,089,428**	**4,206,384**	**4,504,790**	**4,614,540**

GENERAL FUND BUDGETARY CENTERS
EXPENDITURES BY CATEGORY

Budgetary Center	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget
PUBLIC LIBRARY DEPARTMENT					
Personnel Services	1,999,417	2,186,335	2,230,963	2,290,910	**2,219,820**
Supplies	254,899	259,395	256,348	263,520	**230,590**
Other Charges	299,961	306,499	317,480	320,200	**312,000**
Total	**2,554,277**	**2,752,229**	**2,804,791**	**2,874,630**	**2,762,410**
COMMUNITY RELATIONS DEPARTMENT					
Personnel Services	1,198,148	1,292,574	1,413,064	1,485,160	**1,445,510**
Supplies	46,447	43,446	48,426	50,390	**77,700**
Other Charges	178,710	123,405	136,843	184,530	**132,000**
Total	**1,423,305**	**1,459,425**	**1,598,333**	**1,720,080**	**1,655,210**
41-A DISTRICT COURT					
Personnel Services	2,410,362	2,607,926	2,713,173	2,881,860	**2,934,010**
Supplies	44,566	40,520	43,734	42,640	**42,000**
Other Charges	205,660	198,666	217,093	220,760	**224,740**
Total	**2,660,588**	**2,847,112**	**2,974,000**	**3,145,260**	**3,200,750**
GENERAL EXPENDITURES					
Personnel Services	84,560	23,185	22,823	16,500	**16,500**
Supplies	67,075	67,466	70,701	71,000	**22,750**
Other Charges	3,394,510	3,608,187	2,837,767	2,801,140	**2,592,140**
Total	**3,546,145**	**3,698,838**	**2,931,291**	**2,888,640**	**2,631,390**
TRANSFERS OUT					
Transfers Out	4,127,270	4,050,620	3,978,200	3,801,150	**1,958,810**
TOTAL EXPENDITURES BY CATEGORY					
Personnel Services	60,070,779	63,540,904	67,754,614	70,695,130	**72,771,320**
Supplies	2,336,957	2,479,566	2,775,037	2,567,670	**2,579,220**
Other Charges	12,451,840	12,704,458	12,008,284	11,905,970	**11,627,590**
Transfers Out	4,127,270	4,050,620	3,978,200	3,801,150	**1,958,810**
Total General Fund	**$78,986,846**	**$82,775,548**	**$86,516,135**	**$88,969,920**	**$88,936,940**

2009/10 General Fund Expenditures by Expenditure Category



Total General Fund Budget of $88,936,940

This graph illustrates expenditures by category as a percent of the General Fund. Personnel Services, for example, comprises 81.8% of the total General Fund expenditures for 2009/10.

GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	PERSONNEL SERVICES						
703000	Wages-Elected & Appointed	$130,598	0.15	$130,660	0.15	**$130,410**	**0.15**
704000	Wages & Salaries-Permanent	35,545,377	41.09	37,022,320	41.61	**36,786,230**	**41.36**
704001	Sick Time Buy Back	426,270	0.49	386,750	0.43	**401,490**	**0.45**
704721	Health Insurance Allowance	63,167	0.07	70,500	0.08	**67,500**	**0.08**
705000	Wages-Salaries - Temp/Part Time	1,430,710	1.65	1,467,270	1.65	**1,349,590**	**1.52**
706000	Wages-Salaries - Occasional	94,205	0.11	118,600	0.13	**78,000**	**0.09**
708000	Overtime	3,260,603	3.77	2,863,970	3.22	**2,717,300**	**3.06**
708001	Compensatory Time Buy Back	1,921,228	2.22	1,599,130	1.80	**1,731,530**	**1.95**
708795	Overtime - F.L.S.A.	95,636	0.11	113,260	0.13	**100,000**	**0.11**
709000	Union Contract Reimbursement	346,868	0.40	363,720	0.41	**414,760**	**0.47**
710000	Longevity	1,567,860	1.81	1,461,240	1.64	**1,438,980**	**1.62**
711000	Holiday Pay	1,092,160	1.26	1,126,740	1.27	**1,156,630**	**1.30**
713500	Car Allowance	4,000	0.00	4,000	0.00	**4,000**	**0.00**
714000	Food Allowance	123,050	0.14	126,000	0.14	**126,000**	**0.14**
715000	Clothing Allowance	414,698	0.48	427,750	0.48	**427,800**	**0.48**
717000	FICA	1,885,240	2.18	1,901,700	2.14	**1,856,200**	**2.09**
718000	Worker's Compensation	325,057	0.38	332,560	0.37	**332,870**	**0.37**
719000	Unemployment Compensation	22,823	0.03	16,500	0.02	**16,500**	**0.02**
720000	Pension - General Emp Retirement	0	0.00	0	0.00	**181,060**	**0.20**
720001	Pension - Police and Fire Retirement	1,707,910	1.97	2,594,190	2.92	**4,925,570**	**5.54**
720002	Defined Contribution - Employer	297,244	0.34	326,130	0.37	**304,310**	**0.34**
721000	Hospitalization	6,427,930	7.43	6,461,240	7.26	**6,122,170**	**6.88**
721001	Hospitalization - Retirees	9,557,270	11.05	10,700,690	12.03	**11,021,000**	**12.39**
721003	Retiree Health Savings - City	18,355	0.02	23,350	0.03	**52,550**	**0.06**
722000	Dental Insurance	545,582	0.63	583,090	0.66	**570,630**	**0.64**
723000	Life Insurance	112,495	0.13	116,670	0.13	**109,610**	**0.12**
724000	Eye Care Insurance	43,237	0.05	45,350	0.05	**43,790**	**0.05**
725000	Disability Insurance - Long Term	90,481	0.10	95,540	0.11	**91,090**	**0.10**
725355	Disability Insurance - Short Term	204,560	0.24	216,210	0.24	**213,750**	**0.24**
	Total Personnel Services	**67,754,614**	**78.31**	**70,695,130**	**79.46**	**72,771,320**	**81.83**
	SUPPLIES						
729000	Postage	281,792	0.33	290,180	0.33	**268,870**	**0.30**
730000	Publications	43,025	0.05	40,130	0.05	**31,930**	**0.04**
741000	Ammunition	0	0.00	29,630	0.03	**15,000**	**0.02**
741302	Ammunition - Act 302 Grant	0	0.00	5,000	0.01	**5,000**	**0.01**
742000	Dog Care Supplies	3,098	0.00	2,500	0.00	**2,600**	**0.00**
743000	Prisoners Board	7,362	0.01	8,000	0.01	**7,500**	**0.01**
750000	Fuels & Lubricants	905,624	1.05	700,000	0.79	**775,000**	**0.87**
750001	Fuel & Lube Inventory	22,265	0.03	18,000	0.02	**18,000**	**0.02**
751000	Operating Supplies	587,326	0.68	595,880	0.67	**554,350**	**0.62**
751290	Supplies - D.A.R.E.	20,051	0.02	14,500	0.02	**14,500**	**0.02**
758000	Computer Software	911	0.00	1,250	0.00	**1,250**	**0.00**
759000	Parts & Sublet Services	589,379	0.68	540,000	0.61	**600,000**	**0.67**
760000	Playground & Athletic Supplies	4,126	0.00	12,690	0.01	**10,000**	**0.01**
761000	Program Activity Supplies	52,249	0.06	49,070	0.06	**42,000**	**0.05**

GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

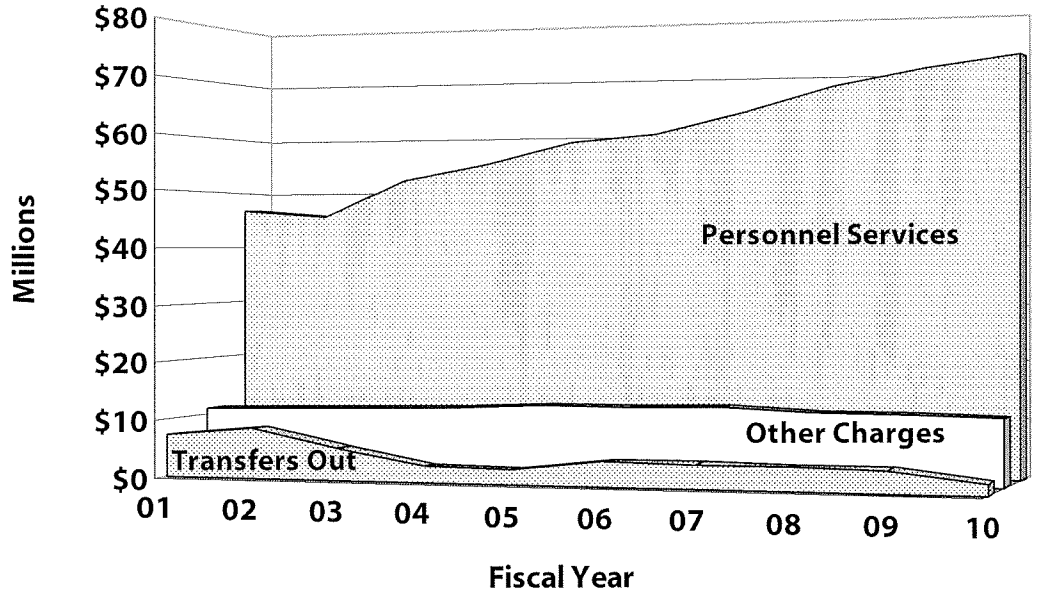
Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
762000	Seniors Program Supplies	27,566	0.03	27,000	0.03	**27,000**	**0.03**
769000	Audio Visual Media	32,943	0.04	34,000	0.04	**29,000**	**0.03**
783000	Seeding & Planting Supplies	11,900	0.01	10,750	0.01	**10,400**	**0.01**
785000	Books	185,420	0.21	189,090	0.21	**166,820**	**0.19**
	Total Supplies	**2,775,037**	**3.21**	**2,567,670**	**2.89**	**2,579,220**	**2.90**
	OTHER CHARGES						
802000	Audit & Accounting Services	66,870	0.08	72,310	0.08	**62,280**	**0.07**
803000	Computer Consultant Services	56,120	0.06	53,200	0.06	**48,030**	**0.05**
806000	Legal Services - Other	31,168	0.04	36,350	0.04	**34,500**	**0.04**
806001	Legal Services - City Attorney	723,465	0.84	729,500	0.82	**751,000**	**0.84**
807000	Medical Services	35,447	0.04	102,720	0.12	**65,630**	**0.07**
808000	Reporting Services	17,600	0.02	16,000	0.02	**15,200**	**0.02**
810000	Other Fees	31,244	0.04	33,780	0.04	**64,840**	**0.07**
820000	Tree/Weed Cutting	58,511	0.07	60,000	0.07	**65,000**	**0.07**
821000	Spraying Services	25,183	0.03	26,040	0.03	**26,040**	**0.03**
822000	Rubbish Removal	3,976,135	4.60	4,292,250	4.82	**4,400,000**	**4.95**
825000	Animal Collection	18,648	0.02	19,000	0.02	**20,000**	**0.02**
826000	Other Contracted Services	1,265,930	1.46	674,380	0.76	**536,410**	**0.60**
826412	Nuisance Abatements	(10,475)	-0.01	30,000	0.03	**45,000**	**0.05**
827000	Interfund Services	97,240	0.11	72,900	0.08	**75,100**	**0.08**
828000	Auction Expenditures	3,925	0.00	2,000	0.00	**1,500**	**0.00**
829000	Hazardous Waste Disposal	1,096	0.00	1,500	0.00	**1,500**	**0.00**
832000	Building Maintenance	128,973	0.15	178,190	0.20	**155,000**	**0.17**
833000	Equipment Maintenance	320,372	0.37	357,100	0.40	**381,090**	**0.43**
833001	Personal Computer Maintenance	6,727	0.01	11,000	0.01	**10,000**	**0.01**
836000	Radio Maintenance	8,905	0.01	9,600	0.01	**9,500**	**0.01**
837000	Retention Pond Maintenance	60,925	0.07	59,000	0.07	**50,000**	**0.06**
838000	Parks & Grounds Maintenance	33,071	0.04	45,000	0.05	**52,500**	**0.06**
902000	Publishing	17,696	0.02	22,450	0.03	**19,950**	**0.02**
903000	Printing	193,903	0.22	193,600	0.22	**159,430**	**0.18**
913000	Liability Insurance	1,400,174	1.62	1,404,540	1.58	**1,404,600**	**1.58**
915000	Other Insurance	19,140	0.02	19,140	0.02	**19,140**	**0.02**
921000	Electric	563,202	0.65	590,000	0.66	**606,000**	**0.68**
922000	Telephone	330,198	0.38	255,420	0.29	**254,900**	**0.29**
922001	Fiber Optic Lease Charges	44,168	0.05	48,000	0.05	**46,000**	**0.05**
923000	Gas - Fuel - Oil	309,400	0.36	304,500	0.34	**330,000**	**0.37**
924000	Street Lighting	817,428	0.94	851,100	0.96	**840,000**	**0.94**
925000	Water	120,434	0.14	118,550	0.13	**124,400**	**0.14**
942302	Building Rental - Act 302	12,806	0.01	13,000	0.01	**13,000**	**0.01**
944000	Hydrant Rental	177,500	0.21	177,500	0.20	**159,750**	**0.18**
945000	Other Rental	289,100	0.33	313,390	0.35	**297,970**	**0.34**
949000	Interpreter Fees	18,090	0.02	15,000	0.02	**15,000**	**0.02**
950000	Witness Fees	4,559	0.01	5,000	0.01	**5,000**	**0.01**
951000	Juror Fees	4,552	0.01	7,000	0.01	**7,000**	**0.01**
954000	Mileage	3,354	0.00	2,140	0.00	**1,910**	**0.00**
956000	Local Meetings	21,376	0.02	19,920	0.02	**8,870**	**0.01**

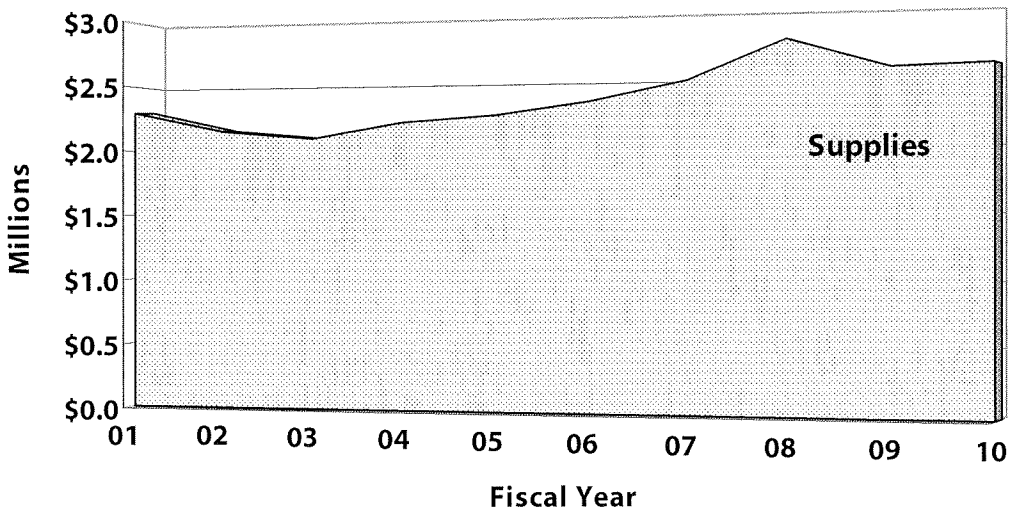
GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
956001	Michigan Week Expenses	20,231	0.02	22,000	0.02	0	0.00
956002	Special Events	36,713	0.04	77,900	0.09	1,500	0.00
957000	Memberships & Dues	121,777	0.14	120,420	0.14	117,550	0.13
959000	Education & Training	199,978	0.23	190,710	0.21	123,860	0.14
959001	Grant - Education & Training	14,042	0.02	2,500	0.00	0	0.00
959302	Education & Training Act 302	27,670	0.03	22,000	0.02	24,000	0.03
959332	Education & Training Act 32	9,479	0.01	10,000	0.01	10,000	0.01
960000	Donation Expense Non-Capital	8,357	0.01	6,000	0.01	6,000	0.01
961000	Athletic Entry Fees	505	0.00	1,000	0.00	940	0.00
962000	Miscellaneous Expense	7,888	0.01	11,370	0.01	10,700	0.01
962001	Misc Exp - Cash - Short/Over	(142)	0.00	0	0.00	0	0.00
965000	Refunds on Tribunal Adjustments	257,626	0.30	200,000	0.22	150,000	0.17
	Total Other Charges	**12,008,284**	**13.88**	**11,905,970**	**13.38**	**11,627,590**	**13.07**
	TRANSFERS OUT						
999202	Transfer to Major Road Fund	800,000	0.92	0	0.00	0	0.00
999203	Transfer to Local Road Fund	575,000	0.66	575,000	0.65	515,000	0.58
999244	Transfer to L&W Conservation Fund	66,300	0.08	85,000	0.10	0	0.00
999301	Transfer to General Drain Debt Fund	15,000	0.02	0	0.00	0	0.00
999305	Transfer to VTGO Debt Fund	2,500	0.00	325,000	0.37	0	0.00
999369	Transfer to LTGO Debt Fund	976,400	1.13	1,057,000	1.19	1,047,810	1.18
999403	Transfer to Capital Projects Fund	1,534,500	1.77	1,290,150	1.45	349,000	0.39
999851	Transfer to CIA Fund	0	0.00	450,000	0.51	0	0.00
999855	Transfer to EDC Fund	8,500	0.01	19,000	0.02	17,000	0.02
999867	Transfer to LDFA Fund	0	0.00	0	0.00	30,000	0.03
	Total Transfers Out	**3,978,200**	**4.60**	**3,801,150**	**4.27**	**1,958,810**	**2.20**
	Total General Fund	**$86,516,135**	**100.00**	**$88,969,920**	**100.00**	**$88,936,940**	**100.00**

Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

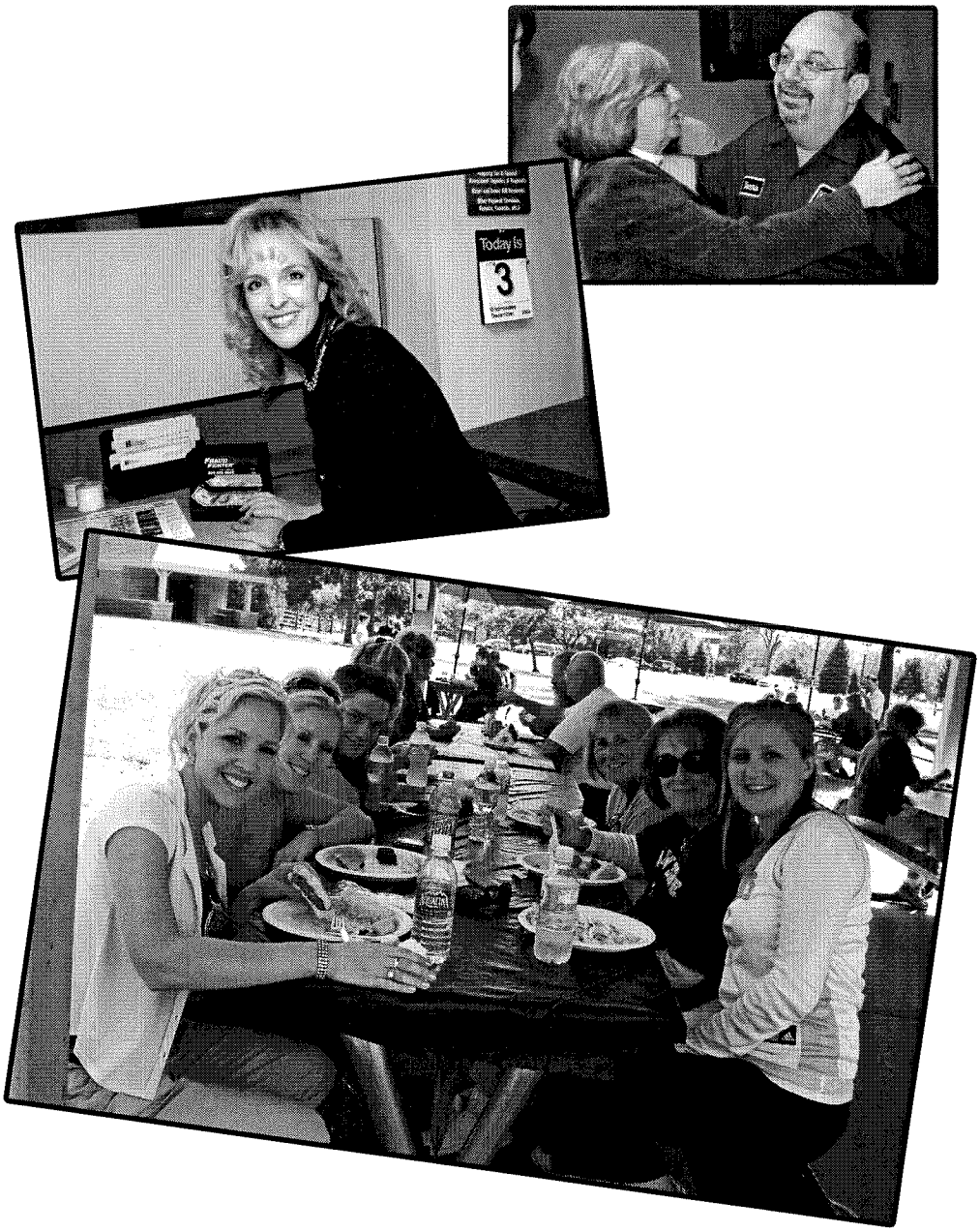
General Fund Expenditure Object History





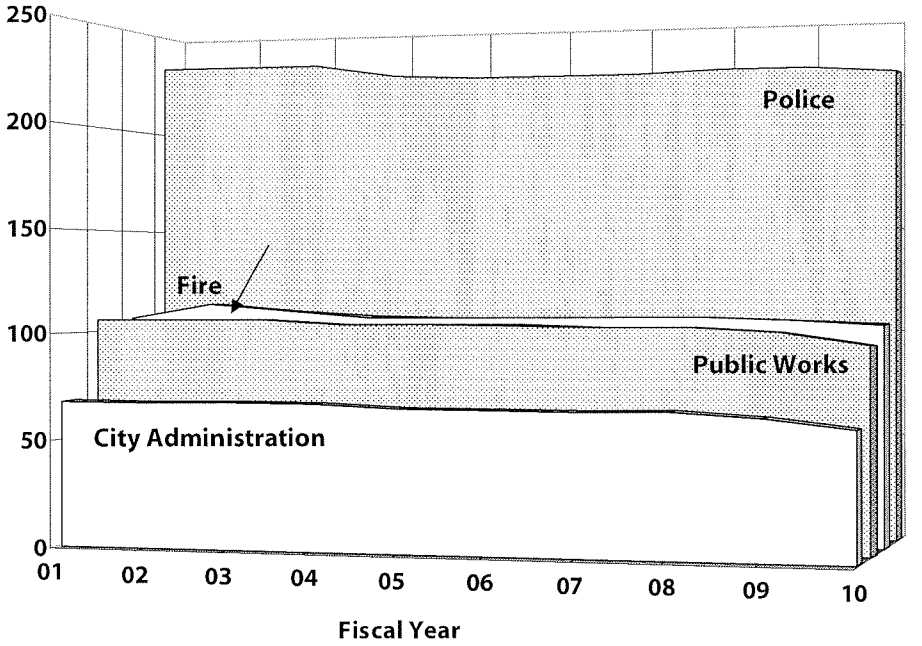
These graphs illustrate the expenditure category history for the General Fund.

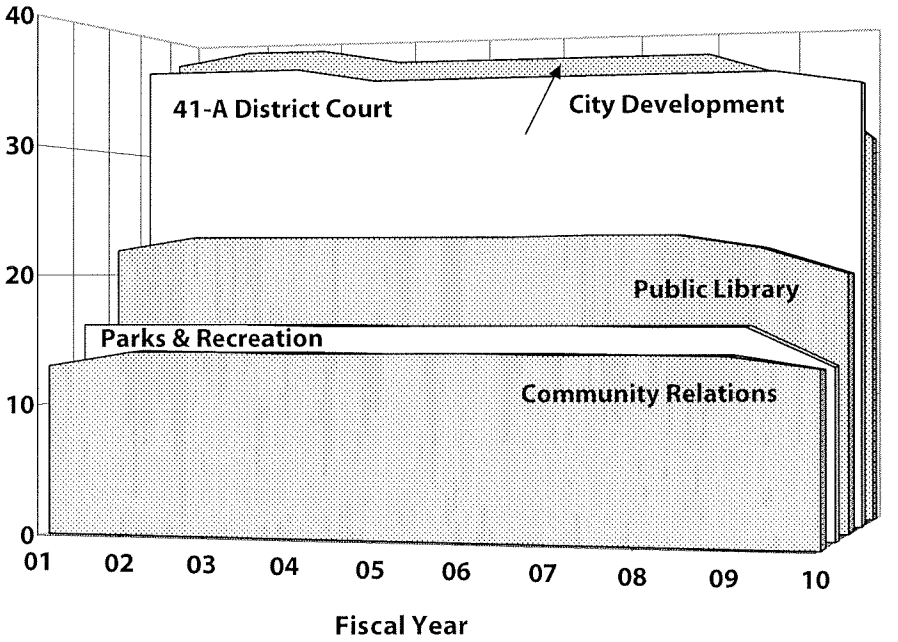
Personnel Summary



The Personnel Summary portion of the city budget represents a historical summary of all personnel related information. This information includes graphs showing the number of full-time personnel employed by the city, along with fringe benefit costs. Also presented is a breakdown of the personnel assigned within each activity and the budgeted wages for each position.

Full-time Personnel History by Department





These graphs illustrate the number of full-time employees by department for the past 10 years.

PERSONNEL SUMMARY

2009/10 Budgeted Pay Ranges	ACTIVITY	Budget 2007/08 Full Time	Budget 2007/08 Part Time	Budget 2008/09 Full Time	Budget 2008/09 Part Time	Budget 2009/10 Full Time	Budget 2009/10 Part Time
	CITY ADMINISTRATION DEPT.						
	CITY MANAGEMENT						
144,544	City Manager	1		1		1	
90,758 - 114,206	Finance & Budget Director	1		1		1	
90,190 - 111,820	Human Resources Director	1		1		1	
57,735 - 64,853	Budget Management Coordinator	1		1		1	
48,038 - 53,691	Management Services Specialist	1		1		1	
43,633 - 50,973	Management Assistant	1		1		1	
10,000	Management Intern (P.T.)		0		0		1
	Total	**6**	**0**	**6**	**0**	**6**	**1**
	CITY CLERK						
90,758 - 114,206	City Clerk/Assistant City Manager	1		1		1	
	Risk Manager	1		1		0	
43,633 - 50,973	Management Assistant	1		1		1	
42,159 - 49,249	Elections Assistant	1		1		1	
	Risk Management Assistant	1		0		0	
38,188 - 44,635	Senior Clerk	2		3		3	
28,510 - 41,862	Clerk Typist	2		2		1	
	Total	**9**	**0**	**9**	**0**	**7**	**0**
	FACILITIES MAINTENANCE						
84,042 - 104,195	Facilities Maintenance Manager	1		1		1	
	Facilities Maintenance Coordinator	1		1		0	
45,117 - 52,336	Facilities Maintenance Mechanic	2		2		3	
30,411 - 49,982	Custodian	14		13		11	
38,188 - 44,635	Senior Clerk	1		1		1	
	Total	**19**	**0**	**18**	**0**	**16**	**0**
	ASSESSING						
84,042 - 104,195	City Assessor	1		1		1	
64,153 - 73,132	Appraiser III	3		3		3	
49,608 - 56,550	Appraiser I	2		2		2	
45,273 - 52,891	Appraiser Aide	1		1		1	
28,510 - 41,862	Clerk Typist	1		1		1	
	Co-op (P.T.)		1		0		0
	Total	**8**	**1**	**8**	**0**	**8**	**0**
	FINANCIAL SERVICES						
84,042 - 104,195	Controller	1		1		1	
84,042 - 104,195	Financial Services Manager	1		1		1	
57,735 - 64,853	Accountant	3		3		3	
42,159 - 49,249	Senior Account Clerk	3		3		3	
35,298 - 44,635	Account Clerk	4		4		4	
	Total	**12**	**0**	**12**	**0**	**12**	**0**
	PURCHASING						
80,040 - 99,234	Purchasing Manager/Risk Manager	0		0		1	
	Purchasing Manager	1		1		0	
48,746 - 55,298	Purchasing Specialist	1		1		1	
42,159 - 49,249	Administrative Assistant	1		1		1	
	Total	**3**	**0**	**3**	**0**	**3**	**0**

PERSONNEL SUMMARY

2009/10 Budgeted Pay Ranges	ACTIVITY	Budget 2007/08 Full Time	Budget 2007/08 Part Time	Budget 2008/09 Full Time	Budget 2008/09 Part Time	Budget 2009/10 Full Time	Budget 2009/10 Part Time
	TREASURY						
84,042 - 104,195	City Treasurer	1		1		1	
57,735 - 64,853	Accountant	1		1		1	
42,159 - 49,249	Senior Account Clerk	2		2		2	
	Administrative Assistant	1		0		0	
35,298 - 44,635	Account Clerk	4		4		3	
	Total	**9**	**0**	**8**	**0**	**7**	**0**
	Total City Administration Department	**66**	**1**	**64**	**0**	**59**	**1**
	PARKS & RECREATION DEPARTMENT						
	Parks & Recreation Director	1		1		0	
64,871 - 80,427	Parks & Recreation Manager	0		0		1	
56,185 - 63,414	Recreation Supervisor	8		8		7	
44,902 - 50,185	Recreation Specialist	1		1		0	
42,159 - 49,249	Administrative Assistant	1		1		1	
38,188 - 44,635	Program & Services Assistant	2		2		1	
38,188 - 44,635	Senior Clerk	1		1		1	
32,935 - 44,411	Lead Bus Driver	1		1		1	
28,510 - 40,936	Clerk Typist	1		1		1	
	Total Parks & Recreation Department	**16**	**0**	**16**	**0**	**13**	**0**
	POLICE DEPARTMENT						
	POLICE ADMINISTRATION						
91,834 - 115,271	Chief of Police	1		1		1	
100,628 - 103,285	Captain	1		1		1	
93,215 - 96,132	Lieutenant	2		2		1	
83,098 - 87,461	Sergeant	2		2		2	
46,581 - 72,759	Police Officer	5		5		5	
36,513 - 50,680	Secretary to Chief	1		1		1	
35,513 - 49,680	Administrative Secretary	2		2		2	
25,211 - 43,344	Technical Secretary	2		2		2	
25,211 - 43,344	Property Clerk	1		1		1	
	Total	**17**	**0**	**17**	**0**	**16**	**0**
	POLICE INVESTIGATIONS						
100,628 - 103,285	Captain	0		0		1	
93,215 - 96,132	Lieutenant	2		2		2	
83,098 - 87,461	Sergeant	4		4		4	
46,581 - 72,759	Police Officer	29		29		27	
35,513 - 49,680	Administrative Secretary	2		2		2	
25,211 - 43,344	Technical Secretary	4		4		3	
	Total	**41**	**0**	**41**	**0**	**39**	**0**
	POLICE OPERATIONS						
100,628 - 103,285	Captain	1		1		1	
93,215 - 96,132	Lieutenant	4		5		5	
83,098 - 87,461	Sergeant	18		17		18	
46,581 - 72,759	Police Officer	99		100		102	
35,513 - 49,680	Administrative Secretary	3		3		3	
25,211 - 43,344	Technical Secretary	1		1		1	
185,000	Crossing Guards (P.T.)		33		33		33
	Total	**126**	**33**	**127**	**33**	**130**	**33**

PERSONNEL SUMMARY

2009/10 Budgeted Pay Ranges	ACTIVITY	Budget 2007/08 Full Time	Budget 2007/08 Part Time	Budget 2008/09 Full Time	Budget 2008/09 Part Time	Budget 2009/10 Full Time	Budget 2009/10 Part Time
	POLICE SUPPORT SERVICES						
	Captain	1		0		0	
93,215 - 96,132	Lieutenant	0		1		1	
83,098 - 87,461	Sergeant	2		2		1	
53,755 - 57,557	Emergency Dispatcher - Shift Leader	4		4		4	
39,775 - 52,324	Emergency Dispatcher	19		19		19	
43,430 - 50,716	Laboratory Technician	1		1		1	
36,513 - 50,680	Evidence Clerk	1		1		1	
35,513 - 49,680	Administrative Secretary	1		1		1	
40,489 - 45,930	Animal Control Officer	3		3		2	
31,894 - 44,955	Data Analyst	1		1		1	
31,894 - 44,955	Terminal Agency Coordinator	1		1		1	
25,211 - 43,344	Technical Secretary	8		7		7	
8,140	Co-op (P.T.)		1		1		1
	Total	**42**	**1**	**41**	**1**	**39**	**1**
	EMERGENCY MANAGEMENT						
64,871 - 80,427	Emergency Manager	1		1		1	
	Total	**1**	**0**	**1**	**0**	**1**	**0**
	Total Police Department	**227**	**34**	**227**	**34**	**225**	**34**
	FIRE DEPARTMENT						
	FIRE ADMINISTRATION						
91,834 - 115,271	Fire Chief	1		1		1	
98,666 - 107,036	Division Chief/Assistant Fire Chief	1		1		1	
90,519 - 98,652	Chief of Training	1		1		1	
88,843 - 92,233	EMS Coordinator	1		1		1	
84,612 - 87,919	Fire Instructor	1		1		1	
43,633 - 50,973	Management Assistant	1		1		1	
42,159 - 49,249	Administrative Assistant	3		3		2	
	Clerk Typist	1		1		0	
9,750	Clerk (P.T.)		0		0		2
	Total	**10**	**0**	**10**	**0**	**8**	**2**
	FIRE EXTINGUISHMENT						
88,746 - 93,955	Battalion Chief	3		3		3	
85,490 - 90,507	Captain-Advanced Life Support	3		3		3	
81,419 - 86,198	Captain	2		2		2	
77,660 - 83,035	Lieutenant-Advanced Life Support	12		11		11	
73,961 - 79,081	Lieutenant	4		5		5	
74,369 - 75,813	Sergeant - Advanced Life Support	2		1		1	
72,954 - 74,369	Sergeant - Fire Engine Operator	7		8		8	
45,109 - 72,197	Fire Fighter-Advanced Life Support	42		43		43	
44,253 - 70,828	Fire Fighter-Fire Engine Operator	14		13		13	
42,963 - 68,766	Fire Fighter	1		1		1	
	Total	**90**	**0**	**90**	**0**	**90**	**0**
	FIRE PREVENTION						
90,519 - 93,652	Fire Marshal	1		1		1	
84,612 - 87,919	Fire Inspector	6		5		5	
	Total	**7**	**0**	**6**	**0**	**6**	**0**
	Total Fire Department	**107**	**0**	**106**	**0**	**104**	**2**

PERSONNEL SUMMARY

2009/10 Budgeted Pay Ranges	ACTIVITY	Budget 2007/08 Full Time	Budget 2007/08 Part Time	Budget 2008/09 Full Time	Budget 2008/09 Part Time	Budget 2009/10 Full Time	Budget 2009/10 Part Time
	CITY DEVELOPMENT DEPARTMENT						
	BUILDING						
90,758 - 114,206	City Development Director/Asst. City Manager	1		1		1	
80,040 - 99,234	Building Services Manager	1		1		1	
72,723 - 76,978	Code Enforcement Coordinator	1		1		1	
62,754 - 69,782	Building Inspector	3		3		1	
62,754 - 69,782	Plumbing Inspector	2		1		1	
62,754 - 69,782	Electrical Inspector	2		2		1	
62,754 - 69,782	Mechanical Inspector	2		2		1	
62,754 - 69,782	Code Enforcement Officer/Inspector	0		0		4	
55,612 - 63,390	Code Enforcement Officer	5		5		1	
43,633 - 50,973	Management Assistant	1		1		1	
	Senior Clerk	2		2		0	
28,510 - 41,862	Clerk Typist	2		2		3	
	Co-op (P.T.)		1		0		0
	Total	**22**	**1**	**21**	**0**	**16**	**0**
	ECONOMIC DEVELOPMENT						
80,040 - 99,234	Economic Development Manager	1		1		1	
	Total	**1**	**0**	**1**	**0**	**1**	**0**
	INFORMATION TECHNOLOGY						
89,754 - 111,277	Information Technology Manager	1		1		1	
80,040 - 99,234	Network Administrator	1		1		1	
54,015 - 60,372	Information Technology Specialist	6		6		6	
	Total	**8**	**0**	**8**	**0**	**8**	**0**
	PLANNING						
89,754 - 111,277	City Planner	1		1		1	
59,020 - 65,966	Planning Coordinator	1		1		1	
42,159 - 49,249	Administrative Assistant	1		1		1	
	Clerk Typist	1		0		0	
	Total	**4**	**0**	**3**	**0**	**3**	**0**
	PUBLIC SERVICES						
84,042 - 104,195	Public Services Manager	1		1		1	
47,096 - 53,426	CDBG Specialist	1		1		1	
42,159 - 49,249	Administrative Assistant	0		1		1	
	Senior Clerk	1		0		0	
10,660	CDBG/NSP Intern (P.T.)		1		1		1
	Total	**3**	**1**	**3**	**1**	**3**	**1**
	Total City Development Department	**38**	**2**	**36**	**1**	**31**	**1**
	PUBLIC WORKS DEPARTMENT						
	ENGINEERING						
89,754 - 111,277	City Engineer	1		1		1	
84,042 - 104,195	Engineering Services Manager	1		1		1	
82,510 - 96,413	Civil Engineer III	1		1		1	
67,493 - 78,854	CAD/GIS Coordinator	1		1		1	
	Chief Engineering Inspector	1		1		0	
46,922 - 67,257	Engineering Aide	7		6		6	
55,208 - 64,494	Civil Engineer I	2		2		2	
42,159 - 49,249	Administrative Assistant	1		1		1	
38,188 - 44,635	Senior Clerk	1		1		1	
	G.I.S. Intern (P.T.)		1		1		0
	Co-op (P.T.)		2		1		0
	Total	**16**	**3**	**15**	**2**	**14**	**0**

PERSONNEL SUMMARY

2009/10 Budgeted Pay Ranges	ACTIVITY	Budget 2007/08		Budget 2008/09		Budget 2009/10	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
	FLEET MAINTENANCE						
58,963 - 77,723	Division Supervisor	1		1		1	
45,610 - 59,040	Mechanic	11		11		11	
42,835 - 53,772	Storekeeper	2		2		2	
17,060	Seasonal Laborer (P.T.)		1		1		1
	Total	**14**	**1**	**14**	**1**	**14**	**1**
	PARKS & GROUNDS MAINTENANCE						
58,963 - 77,723	Division Supervisor	1		1		1	
42,835 - 53,772	Parks & Grounds Maintenance Worker	6		6		6	
30,628 - 52,226	Laborer	6		5		5	
10,890 - 11,550	Seasonal Laborer (P.T.)		8		8		8
	Total	**13**	**8**	**12**	**8**	**12**	**8**
	PUBLIC WORKS CENTER						
	Environmental Services Manager	1		1		0	
61,832 - 81,521	General Supervisor	1		1		1	
	Custodian	1		1		0	
	Total	**3**	**0**	**3**	**0**	**1**	**0**
	REFUSE COLLECTION						
28,510 - 41,862	Clerk Typist	1		1		1	
19,390 - 21,150	Seasonal Laborer (P.T.)		3		3		3
	Total	**1**	**3**	**1**	**3**	**1**	**3**
	STREET SERVICES						
58,963 - 77,723	Division Supervisor	2		2		1	
47,733 - 59,040	Equipment Operator A	1		1		1	
44,884 - 56,018	Equipment Operator B	7		7		7	
44,884 - 56,018	Traffic Sign Worker	2		2		2	
44,884 - 56,018	Street Services Inspector	1		1		1	
42,835 - 53,772	Equipment Operator C	6		6		6	
30,628 - 52,226	Laborer	2		2		1	
20,060 - 20,650	Seasonal Laborer (P.T.)		2		2		2
	Total	**21**	**2**	**21**	**2**	**19**	**2**
	Total Public Works Department	**68**	**17**	**66**	**16**	**61**	**14**
	PUBLIC LIBRARY DEPARTMENT						
90,190 - 111,820	Public Library Director	1		1		1	
57,735 - 65,494	Library Service Area Coordinator	3		3		3	
54,956 - 62,647	Library Programming Specialist	1		1		1	
53,944 - 60,588	Librarian	7		7		7	
49,608 - 56,550	Circulation Supervisor	1		1		1	
43,633 - 50,973	Management Assistant	1		1		1	
42,159 - 49,249	Library Assistant II	4		4		4	
39,157 - 45,745	Library Assistant I	2		2		1	
35,298 - 41,862	Library Clerk	3		2		1	
17,300 - 23,650	Librarian (P.T.)		8		8		8
3,220 - 13,790	Library Page (P.T.)		9		10		10
9,000 - 9,750	Library Clerk (P.T.)		1		2		4
	Total Public Library Department	**23**	**18**	**22**	**20**	**20**	**22**

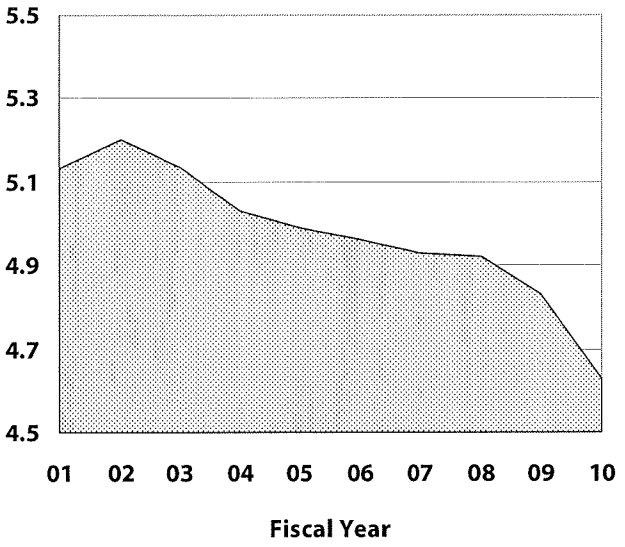
PERSONNEL SUMMARY

2009/10 Budgeted Pay Ranges	ACTIVITY	Budget 2007/08 Full Time	Budget 2007/08 Part Time	Budget 2008/09 Full Time	Budget 2008/09 Part Time	Budget 2009/10 Full Time	Budget 2009/10 Part Time
	COMMUNITY RELATIONS DEPARTMENT						
90,753 - 114,206	Community Relations Director	1		1		1	
80,040 - 99,234	Communications Manager	1		1		1	
80,040 - 99,234	Broadcast Services Manager	1		1		1	
51,536 - 58,176	Broadcast Programming Specialist	2		2		2	
47,096 - 52,901	Neighborhood Specialist	1		1		1	
	Communication Specialist	1		1		0	
47,096 - 52,901	Senior Broadcast Production Specialist	1		1		1	
47,096 - 52,638	Citizen Services Specialist	1		2		2	
47,096 - 52,638	Community Relations Specialist	1		1		1	
43,440 - 50,760	Printing Technician II	1		2		2	
42,642 - 47,663	Broadcast Production Specialist	1		1		1	
	Printing Technician I	1		0		0	
	Clerk Typist	1		0		0	
13,040 - 13,270	Video Production Technician (P.T.)		4		3		3
12,480	Website Specialist (P.T.)		1		1		1
13,000	Graphic Artist (P.T.)		1		1		1
	Total Community Relations Department	**14**	**6**	**14**	**5**	**13**	**5**
	41-A DISTRICT COURT						
45,724	Judge	3		3		3	
105,561	Magistrate/Director of Probation	1		1		1	
93,933	Court Administrator	1		1		1	
78,552	Clerk of the Court	1		1		1	
68,919	Probation Officer	1		1		1	
56,701	Court Recorder	3		3		3	
52,751	Court Officer	3		3		3	
32,596 - 42,486	Deputy Clerk	23		23		22	
12,740	Security Guards (P.T.)		4		4		4
	Total 41-A District Court	**36**	**4**	**36**	**4**	**35**	**4**
	Total General Fund	**595**	**82**	**587**	**80**	**561**	**83**
	WATER & SEWER FUND						
	WATER & SEWER ADMINISTRATION						
90,758 - 114,206	Public Works Director	1		1		1	
66,778 - 88,075	Operations Manager	1		1		1	
61,832 - 81,521	General Supervisor	1		1		1	
42,159 - 49,249	Administrative Assistant	1		1		1	
35,298 - 44,635	Account Clerk	2		2		2	
28,358 - 42,596	Clerk Dispatcher	2		2		2	
28,510 - 41,862	Clerk Typist	1		1		1	
	Total	**9**	**0**	**9**	**0**	**9**	**0**
	WATER DISTRIBUTION						
58,963 - 77,723	Division Supervisor	1		1		1	
44,884 - 56,018	Water Inspector	2		2		2	
44,884 - 56,018	Water Service Worker	4		4		4	
42,835 - 53,772	Meter Repair/Installer	2		2		2	
30,628 - 52,226	Laborer	3		3		2	
9,500 - 10,500	Seasonal Laborer (P.T.)		2		2		2
	Total	**12**	**2**	**12**	**2**	**11**	**2**

PERSONNEL SUMMARY

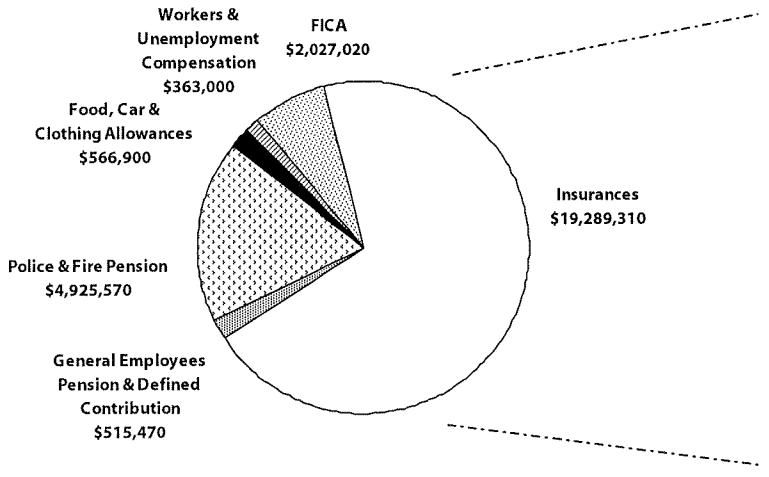
2009/10 Budgeted Pay Ranges	ACTIVITY	Budget 2007/08 Full Time	Budget 2007/08 Part Time	Budget 2008/09 Full Time	Budget 2008/09 Part Time	Budget 2009/10 Full Time	Budget 2009/10 Part Time
	SEWAGE COLLECTION						
58,963 - 77,723	Division Supervisor	1		1		1	
45,610 - 56,713	Plant Operator/Mechanic	2		2		2	
44,884 - 56,018	Sewer Service Worker (Clean)	2		2		2	
44,884 - 56,018	Water/Sewage Inspector	2		2		2	
42,835 - 54,828	Sewer Service Worker (Maint)	3		3		3	
30,628 - 52,226	Laborer	4		4		4	
8,580 - 9,100	Seasonal Laborer (P.T.)		4		4		4
	Total	**14**	**4**	**14**	**4**	**14**	**4**
	Total Water & Sewer Fund	**35**	**6**	**35**	**6**	**34**	**6**
	Total All Funds	**630**	**88**	**622**	**86**	**595**	**89**

Full-time Employees per 1,000 Population



This graph illustrates the number of City employees per 1,000 residents.

Total City Fringe Benefits Fiscal Year 2009/10



Eye Care Insurance
$46,920

Life Insurance
$116,300

Disability Insurance
$322,240

Dental
$600,810

Hospitalization Insurance & Allowance
$6,544,290

Retiree Medical Funding
$11,658,750

Total City Fringe Benefits for 2009/10 is $27,687,270

Includes the General Fund & Water & Sewer Fund

Legislative

The Sterling Heights City Council (L-R)
Councilman ***Joseph V. Romano***
Councilwoman ***Maria G. Schmidt***
Councilwoman ***Yvonne D. Kniaz***
Mayor ***Richard J. Notte***
Mayor Pro Tem ***Deanna Koski***
Councilwoman ***Barbara A. Ziarko***
Councilman ***Richard L. Bracci***

City Council

MISSION STATEMENT: ***To represent the residents of the City of Sterling Heights in a responsible and judicious manner ensuring their health, safety and well-being.***

The Sterling Heights City Council assumes many duties and responsibilities. Unlike the Mayor/Council form of government, separation of powers between the elected Mayor and Council does not exist in Sterling Heights. The legislative powers of the Council are shared equally among all members. The Mayor and Council members are collectively responsible for establishing policy and adopting a budget, as well as hiring, directing, and evaluating the City Manager, the chief administrator responsible for the City's administrative operations. The City Council also appoints, directs and evaluates the City Attorney.

One of the main duties of the City Council is to establish policies. Priorities include the adoption of goals and objectives, the establishment of priorities for public services, and the approval of programs throughout the City. This also includes the approval and amendment of the operating and capital budgets, approval of expenditures and payments, and grant applications. The City Council also ratifies contracts, adopts zoning ordinances and changes, and resolves appeals.

The City Council acts indirectly in a supervisory role as part of its duties and responsibilities. Direction is given to City Administration through the City Council regarding the implementation and evaluation of various programs. Residents' concerns are forwarded to City Administration by the City Council.

The Sterling Heights City Council represents the City in various local, regional, state, and national boards, commissions and committees, provides public leadership, and communicates with constituents about various issues. Public leadership is provided by the City Council through verbal and written communications with constituents. The wishes of the constituents are brought forth and addressed at the City Council meetings. Ultimately, the City Council is responsible for the arbitration of conflicting interests that arise during the course of City business.

KEY GOALS

- ***To provide policy direction to City Administration in the implementation and evaluation of various City programs.***
- ***To ensure the City's long-term financial stability by seeking alternative revenue sources.***
- ***To preserve and improve the City's infrastructure and economic base.***
- ***To enhance communications between the residents and City government through cable programming, focus groups, surveys, and other written material.***
- ***To promote a legislative agenda dedicated to neighborhood safety, economic development, environmental issues, and traffic enforcement.***

The final category of responsibility, which falls upon the City Council, is the decision-making duty. City Council studies the issues, reviews alternatives, and determines the best course of public policy. ■

Did you know?...
...that the City of Sterling Heights is among the top 100 cities named by Best Life magazine as the "Best Place to Raise a Family"?

City Council

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Regular City Council Meetings	24	24	24	24	24	24
	Special City Council Meetings	4	3	4	3	3	4
	Public Hearings Held	32	21	17	30	30	30
	Ordinances and Amendments Adopted	21	15	13	25	25	25
	Agenda Items Reviewed and Acted Upon	432	366	370	375	460	425
	Education and Training Sessions Attended	6	7	10	10	10	10
	"Nice Neighbor" Awards Presented	21	19	10	24	20	24
Effectiveness	City Council Member Attendance at Council Meetings	97%	97%	97%	100%	98%	100%
	% Legislative Items Acted on within 1 Month	95%	95%	95%	100%	98%	100%
	% Difference from Proposed to Adopted Budget (G.F.)	-0.02%	0.03%	-0.01%	0.00%	0.00%	0.00%
	Total Millage % Reduction Since 1988	-20.6%	-19.8%	-19.8%	-19.4%	-19.4%	-19.4%
	Activity Expenditures as % of General Fund	0.17%	0.16%	0.16%	0.16%	0.16%	0.15%

City Council

SUMMARY OF BUDGET CHANGES

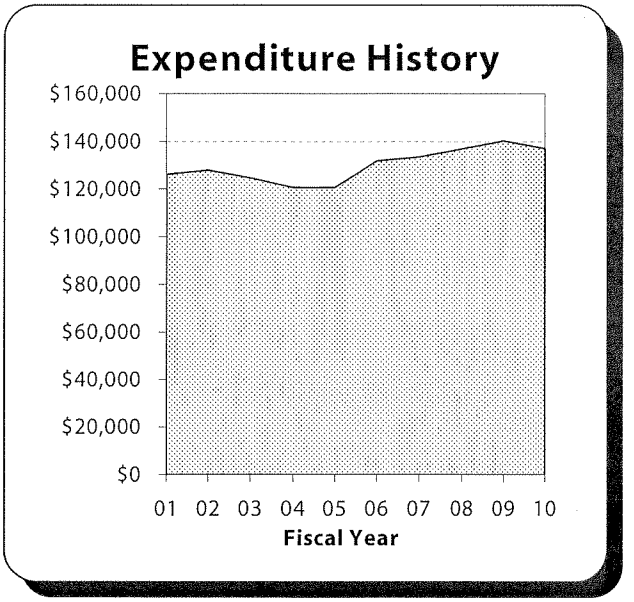
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget remained the same as last year's budget. The Elected Officials Compensation Commission met in February, 2009.

Supplies – Total Supplies increased $400 or 26.7%. $500 was added to the budget, as an increase in supplies for possible new members may be needed due to the upcoming election. Postage costs decreased $100, as prior year funds were not fully spent.

Other Charges – Total Other Charges decreased $3,660 or 25.9%. Educational funding decreased $3,720 based on recent actual expenditure levels and lower overnight lodging costs for next year's Michigan Municipal League's Annual Convention. In addition, the City co-hosted the Michigan Association of Mayors Conference last year. $60 was saved, as Internet connection fees for the E-Agenda Packet Program were slightly less than anticipated. $100 was added to the budget for the printing of stationery and business cards, as it is an election year and more funding may be needed. $20 was added due to a slight increase in the rental cost of the Bresser's Cross Index Directory.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$125,111	$124,630	$124,630	$124,630	$124,630
Supplies	1,878	1,500	900	1,900	1,900
Other Charges	9,953	14,140	18,020	10,480	10,480
Total	$136,942	$140,270	$143,550	$137,010	$137,010

City Administration Department

FUNCTIONAL ORGANIZATION CHART

City Administration Department

Office of City Management

City Management

- Municipal corporation operation
- Organizational management
- Fiscal management
- Physical plant management
- Program development & follow through
- Long range planning
- Council and resident relations

Human Resources Division

- Contract negotiations
- Human Resource planning
- Labor & employee relations
- Equal opportunity reporting
- Classification plan maintenance
- Candidate selection for vacant positions
- Bureau of Labor Statistics reports
- Oversees short-term and long-term disability, life insurance, and worker's compensation programs and claims

Office of City Clerk

- Acts as City Manager in his absence
- Clerk of the City Council
- Keeper of all City records
- Administers all elections
- Records property variances, deeds, birth and death certificates
- Provides records and documents requested under the Freedom of Information Act
- Issues licenses

Office of Facilities Maintenance

- Maintains 19 City-owned facilities
- Oversees City car pool fleet
- Plans & directs outside vendors
- Performs indoor and outdoor building maintenance
- Coordinates furniture and office layouts
- Maintains shipping & receiving services

FUNCTIONAL ORGANIZATION CHART

City Administration Department (continued)

Office of City Management

Finance & Budget Division

- Manages and administers the activities of the Finance & Budget division
- Prepares annual operating and capital budgets
- Responsible for expenditure cost control & revenue monitoring
- Prepares Water & Sewer rate analysis
- Performs City rates & fees studies
- Manages the City's Performance Measurement Program
- Performs position & salary analysis
- Prepares financial trend analysis, forecasting & Quarterly Budget Reports
- Conducts management studies
- Coordinates MIP program development

Office of Financial Services

Financial Services

- Coordinates and records the activities of both City pension funds
- Responsible for debt management including the coordination of bond sales
- Issues all water and sewer bills to residential, industrial and commercial customers and maintains related account balances
- Conducts internal audits

Accounting

- Responsible for the proper recording of all City activities in the General Ledger and subsidiary ledgers
- Produces the Comprehensive Annual Financial Report
- Processes all City payroll and related fringe benefit payments
- Processes all payments for goods and services purchased by the City

Office of Assessing

- Ensures equitable assessments
- Maintains assessment roll with current data
- Assesses residential, real and personal commercial, and industrial properties
- Represents City in tribunals
- Maintains field sheets for residents' review

Office of Purchasing

- Procures goods and services at lowest reasonable cost
- Responsible for encumbrance system
- Maintains vendor files
- Coordinates and monitors all City purchase requisitions
- Provides for adequate Excess Insurance to cover catastrophic losses
- Oversees property and liability claims against the City

Office of Treasury

- Administers revenue collection, tax and special assessment programs
- Administers cash management and banking programs
- Treasurer – P & F and GERS retirement systems
- Administers investment policy
- Serves as liaison to Building Authority

DEPARTMENT AT A GLANCE

City Administration Department

BUDGET SUMMARY

The City Administration budget decreased by $397,040 or 5.5%. Personnel costs fell by $385,170 or 6.2%. Funding for five vacant full-time positions has been frozen, saving $346,200. The Risk Manager position has been combined with the Purchasing Manager and some risk management duties have been reassigned to Human Resources and Finance. A vacant Clerk Typist in the City Clerk's office, Account Clerk in Treasury, and two Custodian positions have been eliminated. Election worker costs also decreased due to the increased funding needed last year for the Presidential election. A part-time Management Intern is funded in City Management. Supplies decreased $10,910 or 4.3% due to the replacement of voting booths and supplies for the Presidential election in the prior year. Other Charges declined by $960 or 0.1%. Less funding is needed for contracted services as all labor contracts are settled. Training and microfilming costs have also decreased. Offsetting these savings is an increase for the direct expensing of bank fees in return for additional investment revenues and higher voting machine maintenance costs as the State warranties have expired.

FUNDING LEVEL SUMMARY

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
City Management	$907,390	$922,350	$919,790	$930,830	1.2%
City Clerk	976,440	1,039,120	1,124,880	850,240	-24.4%
Facilities Maintenance	1,571,580	1,712,020	1,761,120	1,615,970	-8.2%
Assessing	821,610	859,440	874,980	901,040	3.0%
Financial Services	1,202,740	1,281,810	1,335,700	1,351,850	1.2%
Purchasing	341,700	340,750	372,910	373,550	0.2%
Treasury	754,000	787,500	781,110	749,970	-4.0%
Total Department	$6,575,460	$6,942,990	$7,170,490	$6,773,450	-5.5%
Personnel Services	$5,633,850	$6,080,620	$6,259,230	$5,874,060	-6.2%
Supplies	224,260	259,110	252,640	241,730	-4.3%
Other Charges	717,350	603,260	658,620	657,660	-0.1%
Total Department	$6,575,460	$6,942,990	$7,170,490	$6,773,450	-5.5%

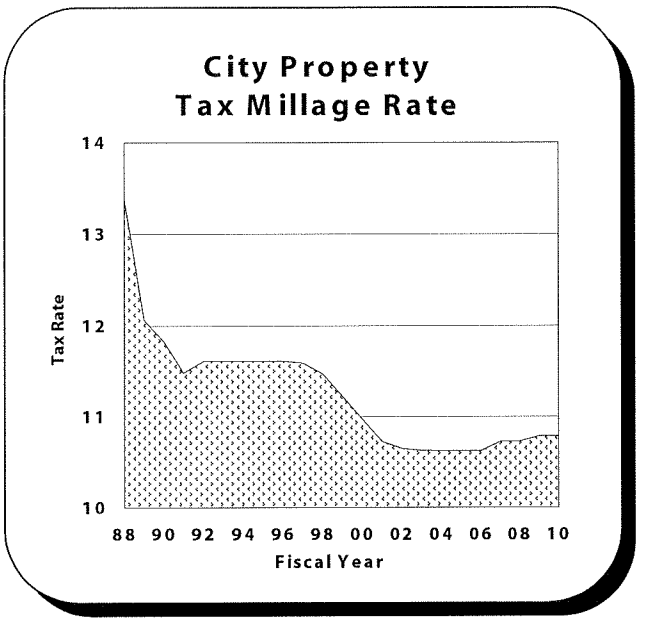
PERSONNEL SUMMARY

	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
City Management	6	0	6	0	6	0	6	1
City Clerk	9	0	9	0	9	0	7	0
Facilities Maintenance	19	0	19	0	18	0	16	0
Assessing	8	1	8	1	8	0	8	0
Financial Services	12	0	12	0	12	0	12	0
Purchasing	3	0	3	0	3	0	3	0
Treasury	9	0	9	0	8	0	7	0
Total Department	66	1	66	1	64	0	59	1

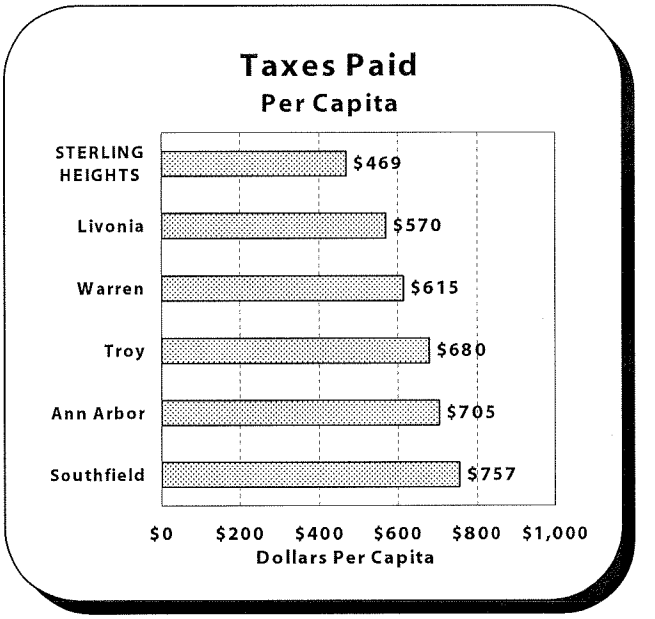
Excludes Legal Activity and Boards and Commissions.

KEY DEPARTMENTAL TRENDS

City Administration Department

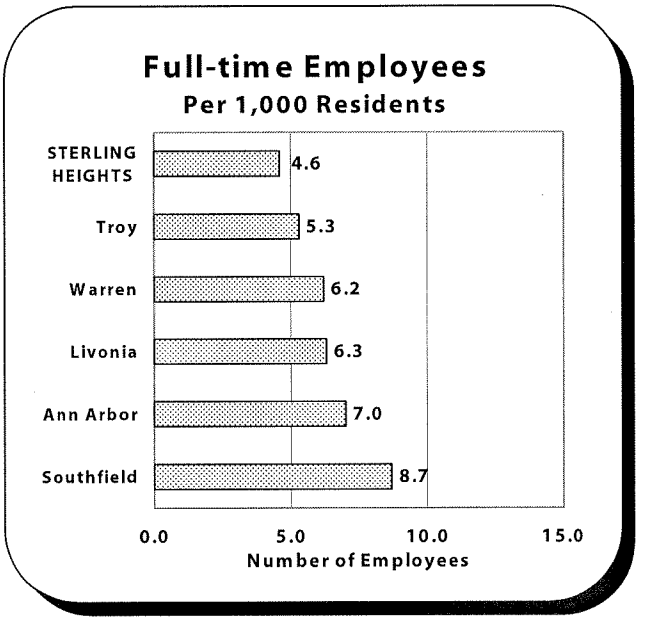


The City's property tax rate has fallen from 13.38 mills in 1988 to 10.786 mills in 2010 – a decrease of 19.4%. The tax rate increased slightly in 2009 for the voter approved renovations to three City Fire Stations (Proposal F).



Sterling Heights has the lowest tax bill per resident in comparison to five comparable Michigan benchmark communities. Based on 2008 tax revenues and the 2000 census population data, Sterling Heights residents pay only $469. Warren residents pay 31% more than Sterling Heights residents. Southfield residents pay $757 or 61% more.

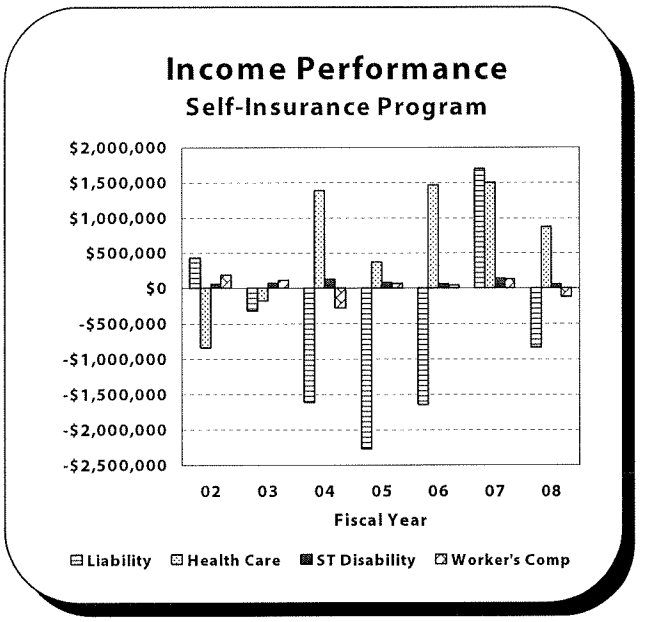
The City has eliminated 54 vacant full-time budgeted positions or 8.3% of its workforce since 2002, saving over $4.0 million annually. In 2010, the City will have 595 full-time employees – the lowest since 1986. Since 1986, staffing has primarily decreased in City Administration and Public Works. Resources have been redirected to public safety as staffing in the Police Department has increased by 19, while the Fire Department has 9 additional positions. Community Relations staffing has also risen by 9 positions.



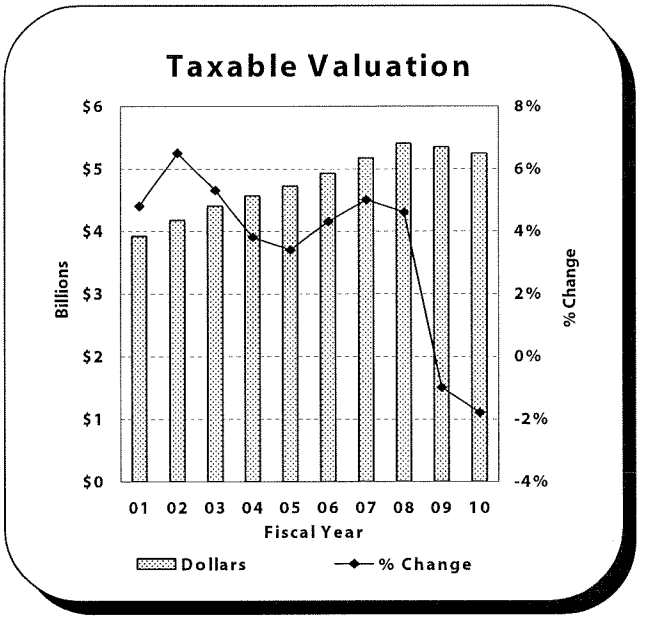
Based on current staffing data and the 2000 census, Sterling Heights has 4.6 full-time employees per 1,000 residents. This rate is lower than any of our benchmark communities and is nearly half the rate of Southfield. Despite having the third largest population, Sterling Heights has the fewest employees of any of these benchmark cities. Based on a 2007 study of over 140 cities, 85% of communities had a higher number of full-time employees per 1,000 residents.

KEY DEPARTMENTAL TRENDS

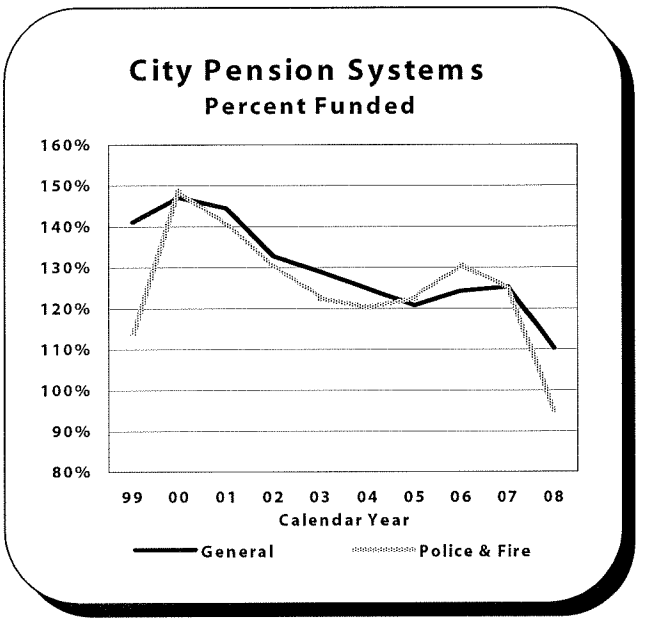
City Administration Department (continued)



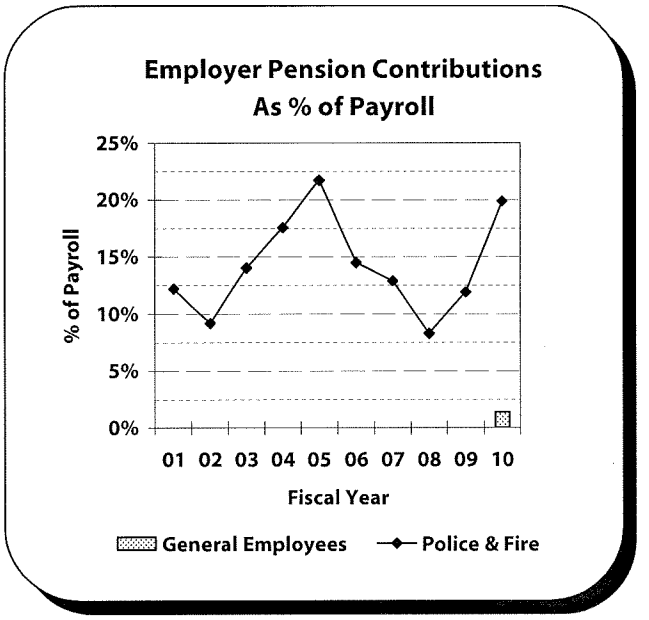
This graph shows the historic net income or loss within the City's Self-Insurance program by major category. Except for recent losses in the Liability and Litigation Program, most years have shown a positive net income for most programs.



From 2001 - 2008, the City's assessed valuation grew between 3% and 7% annually. In 2009, assessed valuation decreased for the first time by 1.1% due to the falling real estate market and less new development in the City. In 2010, assessments fell by 1.8%



Both the General Employees and Police & Fire pension systems have decreased their funding levels over the past year due to declines in the stock market. The City's General Employees pension system is closed to all new members with the exception of the Police Dispatchers, as all new employees are in a defined contribution plan.



The City's overall contribution to the Police & Fire Pension System, as a percent of payroll, has generally fluctuated over the past ten years due to returns on pension investments. 2010 will be the first required employer contribution to the General Employees Pension System since 1999.

City Management

MISSION STATEMENT: ***To effectively and efficiently manage the delivery of City services in accordance with the guidelines and policies established by the Mayor and City Council.***

As the City's Chief Administrative Officer, the City Manager is ultimately responsible for all operations of the municipal corporation.

The Manager's work can be summarized into five distinct categories including organizational, fiscal, physical plant management, program development and follow-through, and long-range planning. Each requires daily planning and organizing of ongoing programs and services.

The City Manager is responsible for creating new and innovative City programs and services. Public policy issues are researched and analyzed in anticipation of future needs and problems.

Maintaining good relations with the Mayor and City Council is an important aspect of this office. This involves maintaining effective communications, and being available to the City Council. This office must present an image that conveys vitality, professionalism, and quality service to private agencies, organizations, groups, and residents.

The City's finance and budget function is also located in this office. The Finance & Budget Director oversees the Finance & Budget division offices including Assessing, Financial Services, Purchasing and Treasury. The City's budget is prepared in accordance with the State Budgeting Act. This office monitors the City's financial and service performance through budget amendments, forecasts, quarterly budget reports, and the management of the City's performance measurement program. In addition, salary wage spreads, personnel costs, labor contract analysis, telephone and Internet monitoring reports, travel requests, and insufficient funds purchase orders are processed. The Municipal Improvement Plan (MIP), the Popular Annual Financial Report (PAFR), water and sewer rate studies, capital status reports, financial & demographic trend reviews, department audits, and revenue studies are also prepared.

The Human Resources function administers programs including employee education and development, labor and employee relations, human resource planning, and equal opportunity reporting. This office also administers all short-term disability, long-term disability, worker's compensation, and Family & Medical Leave Act requests.

A Human Resource Plan is developed annually to determine staffing levels for full-time, part-time, seasonal employees, and contractual services. Labor negotiations and grievance processing are conducted with 12 different bargaining units representing nearly 98% of the City's workforce.

This office assures that the City meets equal employment requirements by monitoring employment practices and completing annual State and Federal reports.■

KEY GOALS

- ***To identify key priorities and establish management procedures that develop and effectively utilize City resources.***
- ***To create a results-oriented budget for City operations and capital improvements that encourages accountability, flexibility, and creativity in response to community needs.***
- ***To provide leadership, coordination and administrative support to City departments.***
- ***To hire the most qualified employees using selection methods based on merit and equal opportunity.***
- ***To work in partnership with the City Council to achieve the City's mission and goals.***

Did you know?...
...that the City's strong financial position and management practices resulted in a recent bond rating increase from Standard & Poor's to an AA+, saving the taxpayers more than $500,000?

City Management

2009/10 INTENTION STATEMENTS

(City Management)

1. To develop and implement a Manufacturing Master Plan Strategy, which in part includes: a proactive business retention and recruitment program; diversification to non-automotive high technology industries such as defense firms resulting in job creation; development of a SmartZone business incubator in partnership with the Michigan Economic Development Corporation, Macomb County, and Oakland County to foster growth of startup companies in new emerging markets in the areas of defense, medical, life sciences, aerospace, and alternative fuels; creation of a coalition consisting of cities across the country to pursue federal legislation protecting the interests of cities with strong ties to the domestic automotive industry. *(City Goal 8, 10, 11, 20)*

2. To diversify the City's tax base by encouraging growth in fields such as defense and alternative energy with the assistance of the Macomb-Oakland University Business Incubator located in the City's recently designated SmartZone. *(City Goal 8, 10, 11, 20)*

3. To ensure quality service delivery despite declining revenues by identifying new revenues, eliminating inefficient programs, establishing long-term service policies, and promoting economic development and redevelopment. *(City Goal 3, 4, 5, 20)*

4. To initiate, plan, and develop sustainable City infrastructure projects that create and maintain jobs in anticipation of funding from the federal economic stimulus plan. *(City Goal 12, 15, 21, 22)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Administrative Policy and Procedure Orders Processed	4	1	1	5	2	3
	Agenda Statements Reviewed	432	366	370	375	460	425
	Special Reports Researched & Written	20	23	21	15	15	15
	Special Projects Researched & Developed	20	24	22	15	15	15
	Policy Resolutions Presented to Council	8	8	10	10	10	10
	Legislative Issues Monitored	8	8	7	10	10	10
	Focus Group Meetings Facilitated	6	6	3	6	9	6
	Intergovernmental Relation Contacts	130	125	135	85	85	85
	New Programs & Policies Developed	9	9	8	8	8	8
	Council Requests Responded to within 30 minutes	100%	100%	100%	100%	100%	100%
	Average Response Time to Council Requests	25 min.	25 min.	25 min.	25 min.	25 min.	25 min.
	% Correspondences Responded to within 7 days	100%	100%	100%	100%	100%	100%
	% Agenda Items Given to Council within 28 days	100%	100%	100%	100%	100%	100%
	% of Meetings Attended within 7 Days of Request	100%	100%	100%	100%	100%	100%
Efficiency	Total Millage % Reduction Since 1988	-20.6%	-19.8%	-19.8%	-19.4%	-19.4%	-19.4%
	"Excellent"/"Good" City Service Ratings	98%	98%	98%	100%	98%	100%
	Activity Expenditures as % of General Fund	1.04%	1.10%	1.07%	1.03%	1.04%	1.05%

City Management

2009/10 PERFORMANCE OBJECTIVES *(Finance & Budget)*

1. To continue to implement the City's long-term financial strategy by tracking property assessment trends, updating the financial forecast, preparing educational information regarding tax revenue losses and developing an online assessing calculator for residents to determine their tax savings. *(City Goal 1, 2, 3, 4, 12, 19, 20)*

2. To prepare a study of cross training and job sharing opportunities among all Finance offices including potential workspace modifications if necessary. *(City Goal 3, 4)*

3. To develop a scorecard of key department performance measurement indicators that deviate significantly from budget targets at year-end and to provide a summary report to the City Manager. *(City Goal 5)*

4. To update the monthly expenditure and revenue variance tracking reports by adding the actual prior year monthly percentage to better compare seasonal variations. *(City Goal 5)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	City Budgeted Funds Monitored (Millions)	$133.4	$152.8	$142.9	$141.6	$150.1	$146.0
	Budget Amendments Prepared	2	2	2	2	2	2
	Internal Budget Adjustments Analyzed	39	48	68	50	45	50
	Management & Labor Cost Studies Conducted	9	11	10	15	25	25
	Years Member of ICMA Center for Perf. Measurement	5	6	7	7	7	7
	City Council Agenda Statements Reviewed	312	301	298	280	340	320
	Semi-Annual Budget Reports Prepared	2	2	2	2	2	2
	Municipal Improvement Plan (MIP) Prepared	1	1	0	1	1	1
	Capital Project Status Reports Produced	1	1	1	1	1	1
	Travel Requests Reviewed for Policy Compliance	247	255	234	260	230	230
	Telephone Call Accounting - Months Monitored	8	6	3	5	3	4
	Employee Internet Usage - Months Monitored	10	7	5	6	5	4
	G.F.O.A. Budgets Reviewed	5	5	5	5	5	5
	Funding for Retiree Medical Liabilities (% of Payroll)	10.7%	15.9%	21.9%	24.0%	24.0%	24.8%
Efficiency & Effectiveness	City Bond Rating (Moody's, Fitch, S & P)	Aa2,AA+,AA	Aa2,AA+,AA	Aa2,AA+,AA+	Aa2,AA+,AA+	Aa2,AA+,AA+	Aa2,AA+,AA+
	Accuracy Forecasting Expenditures - General Fund	100.5%	99.9%	99.7%	100.0%	98.8%	100.0%
	Accuracy Forecasting Revenues - General Fund	100.0%	99.8%	99.6%	100.0%	100.2%	100.0%
	Years Rec'd. G.F.O.A. Distinguished Budget Award	19	20	21	22	22	23
	Budget Award - "Outstanding" Categories Earned	1	3	2	3	0	2
	Years Received G.F.O.A. PAFR Award	9	10	11	12	11	11
	Savings from Reviewing Travel Requests	$8,942	$2,050	$5,436	$3,000	$3,400	$3,000
	Years Received ICMA Certificate of Distinction	2	2	3	3	3	3
	Average Cost to Review a Travel Request	$6.72	$6.95	$7.17	*	*	*

City Management

2009/10 PERFORMANCE OBJECTIVES *(Human Resources)*

1. To develop a comprehensive strategy for human resource initiatives including the development of a Labor-Management Committee in the event of additional significant revenue decreases to the City's tax base. *(City Goal 1, 3, 4)*

2. To conduct cost-benefit analyses of two current City services to determine the economic feasibility of having the City continue to provide these services and/or providing these services through alternative methods. *(City Goal 1, 2, 3, 20)*

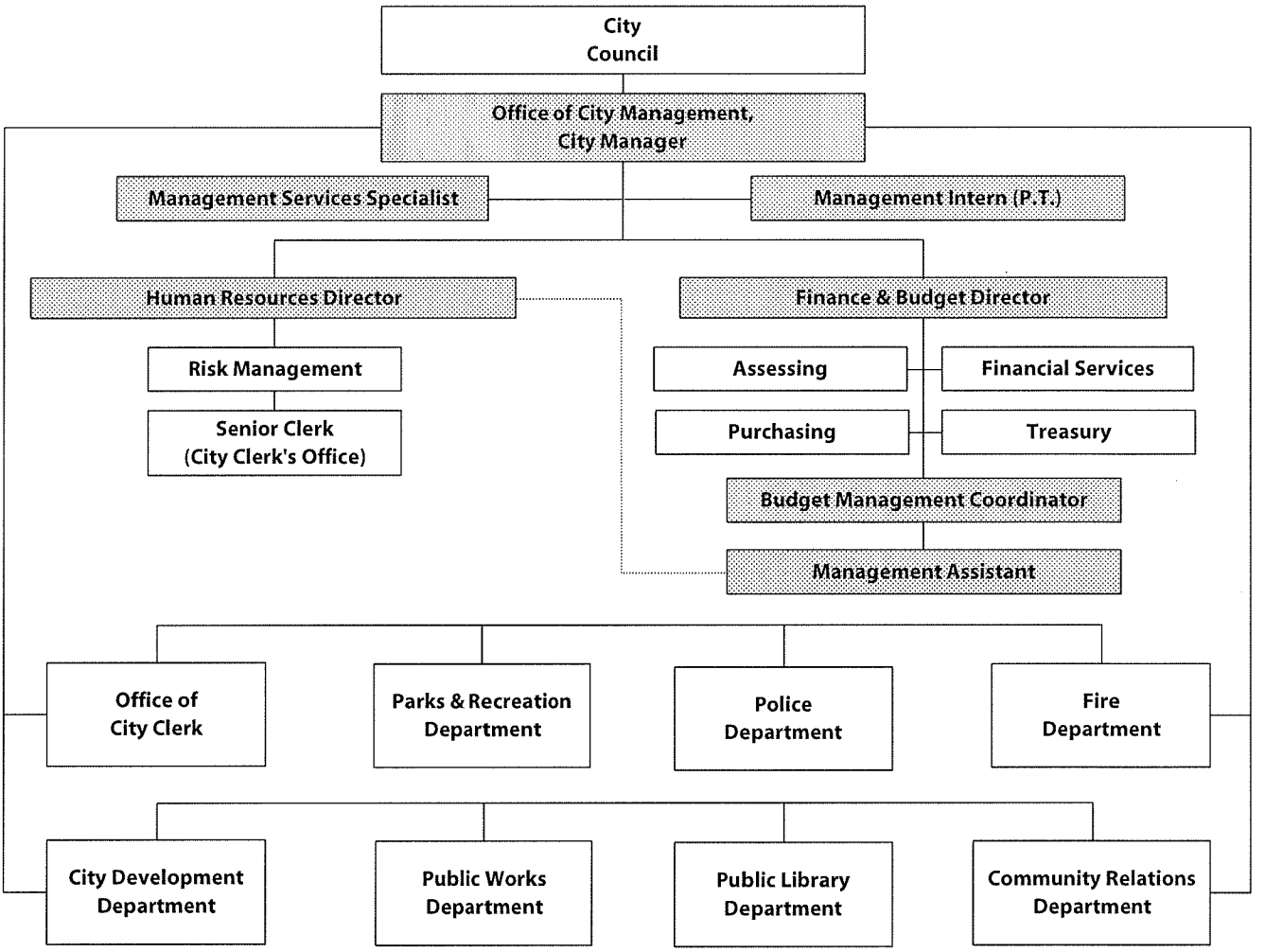
3. To work with the City's pharmacy benefit manager to determine cost savings in regards to alternative methods of providing prescription drug coverage to retirees and to implement a step therapy program. *(City Goal 1, 30, 20)*

4. To work with the Purchasing / Risk Manager in the development of a Request for Proposal for health care services in accordance with the Public Employees Benefits Act of 2007. *(City Goal 3, 4)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Promotional Job Postings	28	34	22	30	25	20
	Open Competitive Job Postings	13	7	6	10	3	3
	Applications Reviewed & Processed	1,247	642	1,036	1,000	1,000	1,000
	Employees Hired (Full-time/Part-time)	24/36	33/55	36/51	15/50	15/50	15/50
	Police/Fire Promotional Tests	2	3	1	1	1	0
	Labor Contracts Settled	0	3	8	2	2	0
	Worker's Compensation Incident Reports	22	29	29	35	20	25
	Short-Term Disability Claims Handled	33	24	32	35	38	35
	Open Long-Term Disability Claims	4	3	3	4	2	3
	Life Insurance Claims	4	0	1	3	2	3
	New Worker's Compensation Claims	74	99	87	100	75	90
Efficiency & Effectiveness	Avg. # Work Days to Complete External Recruitment	35	38	36	35	35	35
	# Labor Grievances Per 100 Full-time Employees	2.0	1.3	1.5	1.5	2.0	1.5
	Avg. # Work Days to Complete Internal Recruitment	18	21	20	20	22	20
	% of Grievances Resolved Before Arbitration	90%	85%	100%	90%	90%	90%
	Total FTE's Per 1,000 Residents	5.7	5.7	5.6	5.5	5.2	5.2
	Full-time Employee Turnover Rate (Excl. Retirements)	0.5%	0.2%	0.2%	0.2%	0.2%	0.2%
	% Minorities in Work Force	1.5%	2.0%	2.1%	2.0%	2.1%	2.0%
	# of Employees Not Completing Probation	1	2	3	0	1	0
	Cost to Recruit and Hire a Full-time General Employee	$1,534	$1,564	$1,521	*	*	*
	# Worker's Comp Claims Per 100 FTE	10.2	13.6	12.1	12.0	10.3	12.6
	% Worker's Comp Claims Paying Compensation	5.4%	4.0%	6.0%	6.0%	6.0%	6.0%
	W/C Lost Work Days Due to Injury Per 100 FTE	92	22	90	50	50	50

* *Cost is calculated for "Actual" columns only.*

City Management



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/2009	Approved 2009/10
City Manager	1	1	1
Finance & Budget Director	1	1	1
Human Resources Director	1	1	1
Budget Management Coordinator	1	1	1
Management Services Specialist	1	1	1
Management Assistant	1	1	1
Management Intern (P.T.)	0	0	1
Total	6	6	7

City Management

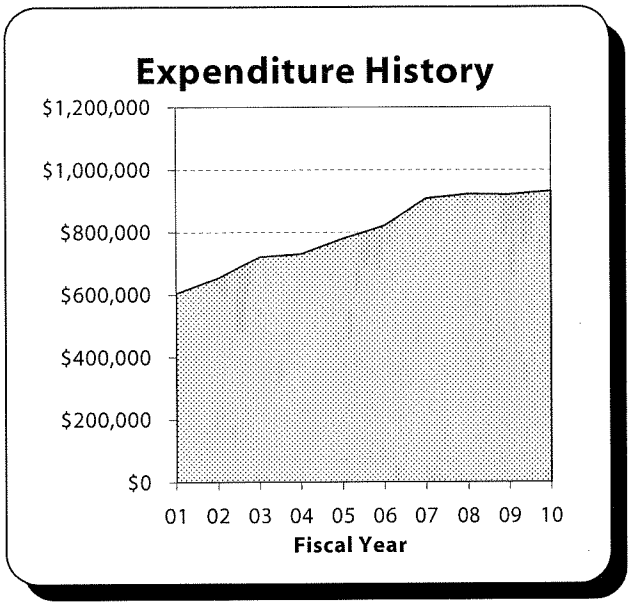
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 20008/09 BUDGET

Personnel Services – The total Personnel Services budget increased by $23,860 or 2.8%. $10,000 is recommended for a part-time Management Intern to assist the City Manager and Human Resources Director in various management projects.

Supplies – Total Supplies decreased $700 or 18.7%. Postage costs decreased $350, as less correspondence to job applicants will be mailed due to fewer new hires and the increased use of e-mail. Funding for supplies can be reduced by $300. Publication costs decreased $50 due to the increasing availability of online resources.

Other Charges – Total Other Charges decreased $12,120 or 23.9%. Contracted service costs decreased $10,000, as there are no labor contract negotiations scheduled for next year, and actuarial studies will not be needed. In addition, the Sergeant exam is only conducted every two years. Publishing costs decreased $1,100 due to the increased use of on-line recruitment sources and smaller recruitment notices to be placed in publications. The training budget decreased $990 primarily due to the elimination of attendance at the annual GFOA conference and lower overnight lodging costs for the Michigan Municipal League's Annual Convention next year. Fewer pre-employment physicals will be needed, as fewer new hires are anticipated, resulting in a savings of $700. $300 was saved, as various cost-saving measures will be taken to print the Budget more efficiently next year. The application fee for the submission of the City's Popular Annual Financial Report (PAFR) to the GFOA Awards Program was eliminated, for a savings of $200. Local meeting costs rose $200 for the City Manager's increased attendance at various automotive and economic development meetings.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$858,915	$865,290	$861,700	$889,150	$889,150
Supplies	3,866	3,750	3,100	3,050	3,050
Other Charges	59,570	50,750	48,230	38,630	38,630
Total	$922,351	$919,790	$913,030	$930,830	$930,830

City Clerk

MISSION STATEMENT: ***To serve the public, City departments, and City Council by efficiently providing relevant information regarding the many diverse functions that fall under the direction of this office.***

The City Clerk's Office is responsible for many diverse functions of the City acting as both an internal and external office. All City offices, residents, community associations, businesses, and industries benefit from the services offered by this Office.

The City Clerk attends and records all City Council meetings. A summary report of Council's actions is prepared and distributed. The City Clerk also prepares the tentative and final agendas with the assistance of the City Manager. All public hearing notices are posted and submitted for publishing by the City Clerk's Office.

As Keeper of the Records, the Clerk maintains and/or records the following City documents: Boards and Commissions meeting minutes; bids, summonses, lawsuits, and legal documents, property variances and deeds; and birth and death certificates. The City Clerk also processes requests filed under the Freedom of Information Act.

The City Clerk receives and processes all Boards and Commissions applications. The business registry is annually updated to ensure that information utilized by various City offices is accurate. The dog license program ensures that dogs receive their mandatory vaccinations in order to protect the health and welfare of City residents.

The Elections staff registers potential new voters, processes absentee ballot applications, hires and supervises precinct workers, tabulates election results, verifies nominating petitions, and conducts tests on the election program to detect errors prior to an election.

License applications for amusement devices, cigarette vending machines, solicitors, temporary-use vendors, auctions, carnivals/festivals, going out of business sales, mobile vendors, and house moving are filed with the City Clerk.

KEY GOALS

- ***To provide accurate and efficient recordkeeping by incorporating the use of modern technology to streamline programs whenever possible.***
- ***To assist City Council by expediting information to them that will aid in establishing policy and by communicating Council's actions regarding items on the agenda.***
- ***To facilitate efficient management of the election process by keeping abreast of proposed and current legislation and any new technological developments relating to the election field.***
- ***To oversee and monitor the license application process to ensure that appropriate inspections and/or investigations are completed thus protecting the public's safety.***

In addition to these services, the City Clerk also serves as administrative liaison to several City boards and commissions. These include the Act 78 Civil Service Commission, Local Officials Compensation Commission, and the Election Commission. ■

Did you know?...
...that the City Clerk's office utilizes Automark voting equipment that provides disabled voters the ability to vote independently without assistance?

City Clerk

2009/10 PERFORMANCE OBJECTIVES

1. To perform a cost/benefit analysis for contracting out various City services. *(City Goal 1, 3, 4, 20)*

2. To assist City departments in the implementation of the annual fire inspection fee in conjunction with the business registration annual renewals. *(City Goal 20)*

3. To develop an Emergency Plan for polling places for elections. *(City Goal 25)*

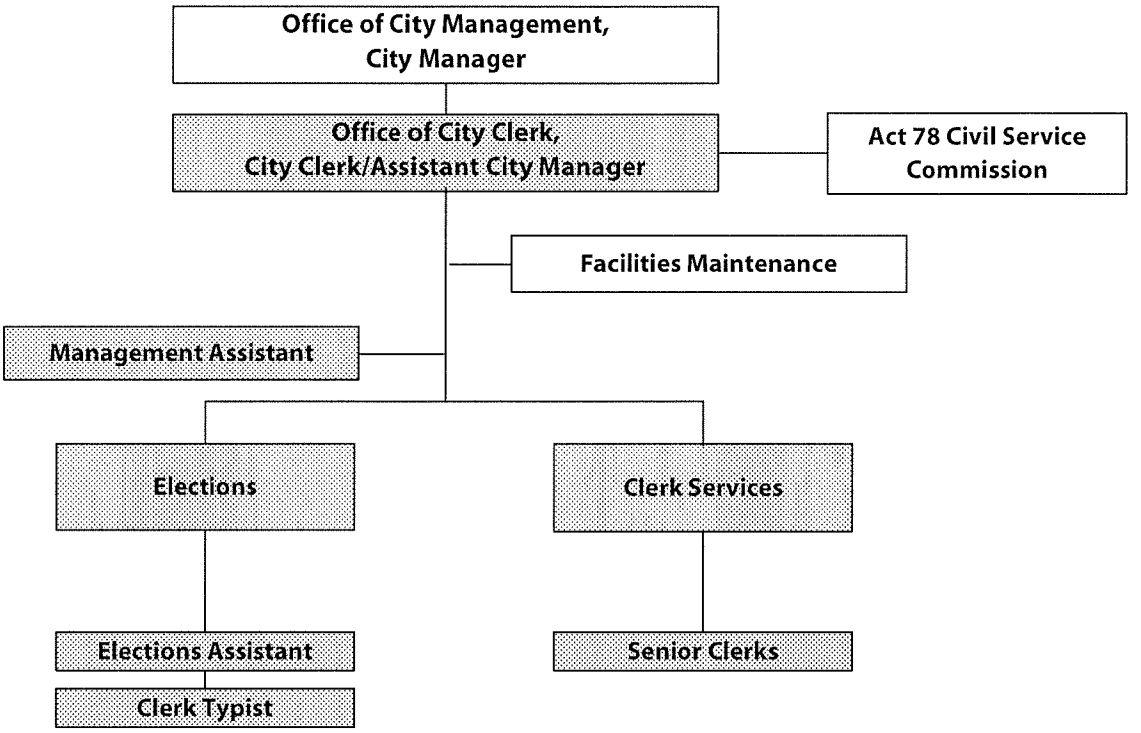
4. To collaborate with the Human Resources Director in the coordination and sharing of office resources and services. *(City Goal 3, 4)*

5. To increase the number of board and commission applications by working with Community Relations and utilizing other resources to attract qualified applicants. *(City Goal 19)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Council Agenda Statements Processed	432	366	370	375	460	425
	Council Actions Correspondence Mailed	832	659	995	885	905	890
	New Voter Registrations/Changes Processed	28,311	23,206	32,493	28,331	30,150	29,995
	Elections Conducted	2	3	3	3	3	3
	Election Correspondence/Scheduling	869	907	1,049	922	1,130	905
	Absentee Voter Applications Mailed	60,265	23,316	56,628	29,311	27,680	24,665
	Absentee Voter Ballots Prepared	15,023	25,808	25,717	33,100	35,280	28,150
	Freedom of Information Requests Processed	299	282	234	298	225	218
	Documents Recorded	350	245	183	281	260	263
	Business Registry: New/Closed/Information Changed	3,199	3,103	3,170	3,181	3,187	3,192
	Class C Liquor Licenses Approved (New/Transferred)	0/3	0/2	0/6	1/3	0/9	0/4
	Licenses Issued - (dog, vendors, etc.)	4,962	4,891	4,932	4,951	5,110	5,053
	Pieces of Outgoing Mail Processed	186,036	177,261	157,417	181,551	160,298	158,120
	Birth & Death Certificates Processed	589	568	560	575	601	583
	Board/Commission Applications Processed	280	241	223	243	213	221
	Number of Registered Voters (November)	83,910	83,911	84,082	84,721	88,258	88,360
Efficiency	% of Residents Applying for City Boards	0.21%	0.19%	0.18%	0.20%	0.17%	0.17%
	% of Registered Voters Voting (November)	18%	55%	14%	75%	69%	17%
	% of License Applications Reviewed within 48 Hours	100%	100%	100%	100%	100%	100%
	% of FOI Requests Responded to within Legal Limits	100%	100%	100%	100%	100%	100%
	Election Cost Per Registered Voter	$3.03	$3.23	$3.11	*	*	*
	Activity Expenditures as % of General Fund	1.10%	1.18%	1.20%	1.26%	1.20%	0.96%

** Cost is calculated for "Actual" columns only.*

City Clerk



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
City Clerk/Assistant City Manager	1	1	1
Risk Manager	1	1	0
Management Assistant	1	1	1
Elections Assistant	1	1	1
Risk Management Assistant	1	0	0
Senior Clerk	2	3	3
Clerk Typist	2	2	1
Total	9	9	7

City Clerk

SUMMARY OF BUDGET CHANGES

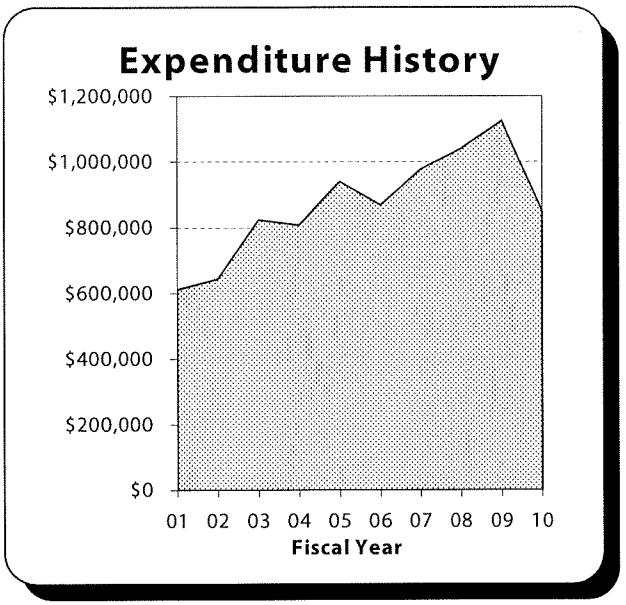
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $269,480 or 27.1%. Due to retirements, funding for the Risk Manager and a Clerk Typist position can be frozen, saving $179,200. The duties of the Risk Manager will be split among Human Resources, Purchasing, and Finance. Election personnel costs declined $55,000 due to the increased workload and higher voter turnout from last year's Presidential election. Health insurance costs fell as a result of a new labor contract, which lowered City health care premiums.

Supplies – Total Supplies decreased $12,100 or 17.4%. The budget decreased $11,500 due to the one-time funding of new voting booths and supplies for the Presidential election in the prior year.

Other Charges – Total Other Charges increased $6,940 or 11.4%. $11,660 was added for the maintenance of the Automark and Accuvote machines, as the State warranties have expired. Funding increased $1,050 based on increased printing costs and a greater number of absentee voter applications to be printed, as the number of voters on the permanent absentee list has increased. Funding decreased $3,920, due to the reduced cost of memory card programming for non-state and federal elections. The training budget decreased $790, as part of the City's overall cost-saving financial strategy. Online educational resources and free State training programs will be utilized next year. Membership costs decreased $90 as one membership was eliminated.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$928,768	$994,430	$931,460	$724,950	$724,950
Supplies	59,666	69,600	64,580	57,500	57,500
Other Charges	50,687	60,850	57,670	67,790	67,790
Total	$1,039,121	$1,124,880	$1,053,710	$850,240	$850,240

Facilities Maintenance

MISSION STATEMENT: ***To maintain all City facilities in a safe, clean and economical manner for the benefit of the residents and staff of the City of Sterling Heights.***

The Facilities Maintenance staff's primary goal is to maintain all City facilities in a safe, clean, and economical manner for the benefit of the residents and staff of the City of Sterling Heights.

The administration, maintenance, and housekeeping staff of Facilities Maintenance prides itself on the ability to operate efficiently, reduce unnecessary spending, and effectively deliver the services needed to maintain the City's facilities.

The Facilities Maintenance Manager plans and directs the operations of the maintenance and housekeeping staff as well as all outside contracted work and vendors. The overseeing of outside contractors and vendors ensures the quality of workmanship and materials on projects and the adherence of all applicable State and City codes, while meeting all safety standards prescribed by State and federal regulations. The maintenance staff is the "nuts and bolts" component of a wide range of projects that have been constructed and completed in-house.

The maintenance staff also ensures that through preventative maintenance programs, all mechanical, electrical, and plumbing equipment operates at safe and optimum efficiency. The staff maintains all interior and exterior surfaces that require painting throughout the year to ensure that facilities stay attractive year round.

Facilities Maintenance is responsible for housekeeping services at ten City facilities on a daily basis. The staff ensures that residents and employees of Sterling Heights have clean and safe facilities to carry on their day-to-day business as well as maintaining the high level Board of Health standards at a 24-cell detention facility.

The staff assists all departments with furniture transfers and office furniture and equipment layout to help ensure that personnel and equipment are properly and ergonomically situated. Facilities Maintenance is an integral part in the planning, programming, and implementation phases of building modernization and efficiency. ■

KEY GOALS

- ***To operate efficiently, reduce unnecessary spending and effectively maintain the City's facilities.***
- ***To oversee outside contractors/ vendors to ensure the quality of materials and workmanship on projects and adherence to all applicable State and City codes.***
- ***To meet all safety standards prescribed by State and federal regulations.***
- ***To conduct preventative maintenance programs on all mechanical, electrical, and plumbing equipment, to ensure it operates at safe and optimum efficiency.***
- ***To guarantee that residents and employees of Sterling Heights have clean and safe facilities to carry on their day-to-day business.***

Did you know?...
...that Facilities Maintenance maintains and supports over 325,000 square feet of office and building space?

Facilities Maintenance

2009/10 PERFORMANCE OBJECTIVES

1. To coordinate the scheduling of an on-site shredding contractor that will provide for the efficient and effective destroying of unnecessary records currently being stored by City departments. *(City Goal 1, 3, 6)*

2. To research and develop a cost analysis to supply emergency back-up power to all City facilities that presently have no back-up generator power. *(City Goal 1, 3, 6)*

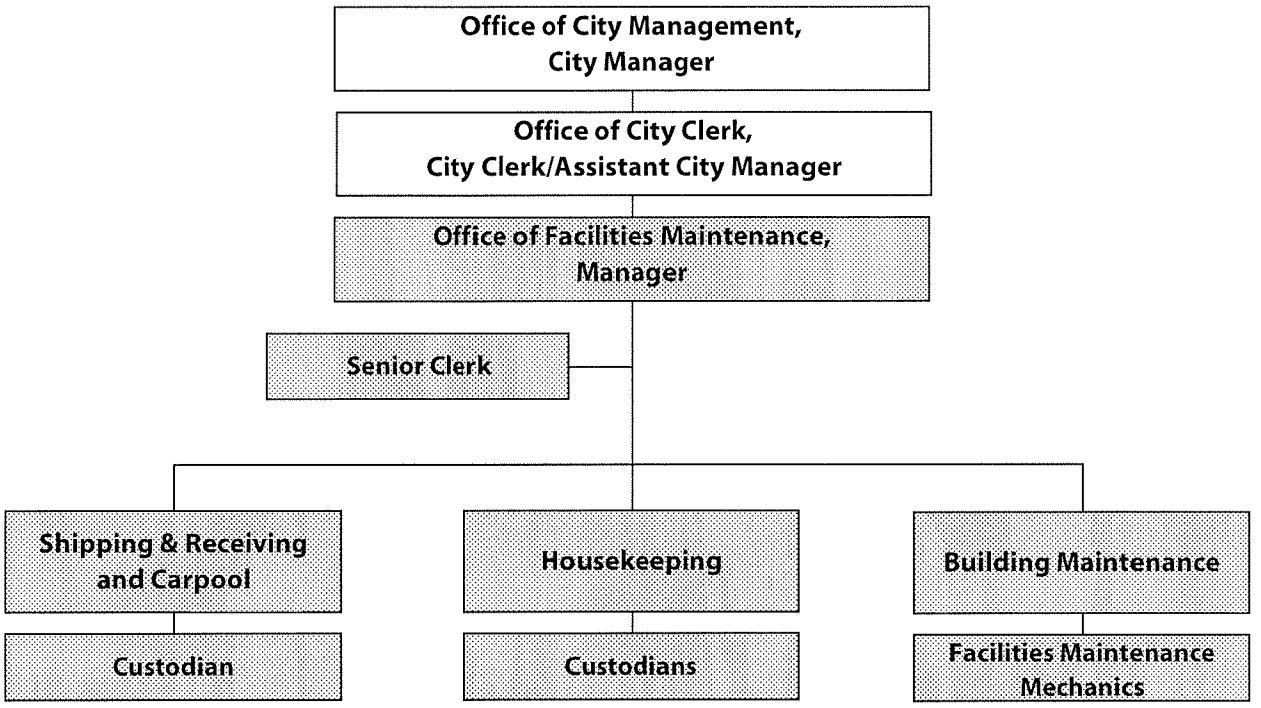
3. To reorganize the departmental cleaning schedules and work assignments due to the reduction in custodial staff. *(City Goal 1, 3, 6)*

4. To develop a plan for a landscaped garden between the Library and Police Station for the enjoyment of residents and employees using donations or grant funding. *(City Goal 1, 3, 6, 26)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	City Facilities Supported - Square Feet	280,776	294,911	309,046	320,421	320,421	325,421
	City Facilities Receiving Daily Housekeeping - Sq. Ft.	213,164	227,299	241,434	241,434	241,434	246,434
	Renovations/Projects Supervised/Coordinated	$67,206	$60,734	$39,410	$250,900	$250,900	$0
	Interior Preventive Maintenance Cycles	4	4	4	4	4	4
	Exterior Preventive Maintenance Cycles	2	2	2	2	2	2
	Maintenance/Custodial Service Requests Processed	7,650	7,700	7,600	7,750	7,800	7,800
	Post Office Deliveries & Pick-Ups	435	440	425	425	430	435
	UPS Shipments Prepared	60	60	40	45	40	40
	Deliveries to City Council Members	60	55	45	50	50	50
	Car Pool Vehicles Supervised	42	43	43	43	42	34
	Voting Machines Assembled & Delivered	180	180	180	180	180	180
Efficiency & Effectiveness	% of Emg. Call-Ins Responded to w/i 30 minutes	98%	98%	98%	98%	98%	98%
	% of Service Requests Met Within 15 Days	80%	85%	86%	80%	75%	75%
	Hrs. Spent for Housekeeping Functions Per 1,000 s.f.	132.2	131.8	129.5	120.9	120.0	118.7
	Hrs. Spent for Building Maintenance Per 1,000 s.f.	22.9	22.0	20.8	20.6	20.6	20.5
	Overtime/Comp Hours Worked	950	900	1,000	930	930	700
	Housekeeping Cost Per Square Foot	$4.83	$4.97	$5.04	*	*	*
	Cost to Complete Maintenance Service Requests	$425,406	$427,690	$426,740	*	*	*
	Activity Expenditures as % of General Fund	1.93%	1.90%	1.98%	1.98%	1.96%	1.82%

** Cost is calculated for "Actual" columns only.*

Facilities Maintenance



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Facilities Maintenance Manager	1	1	1
Facilities Maintenance Coordinator	1	1	0
Facilities Maintenance Mechanic	2	2	3
Custodian	14	13	11
Senior Clerk	1	1	1
Total	19	18	16

Facilities Maintenance

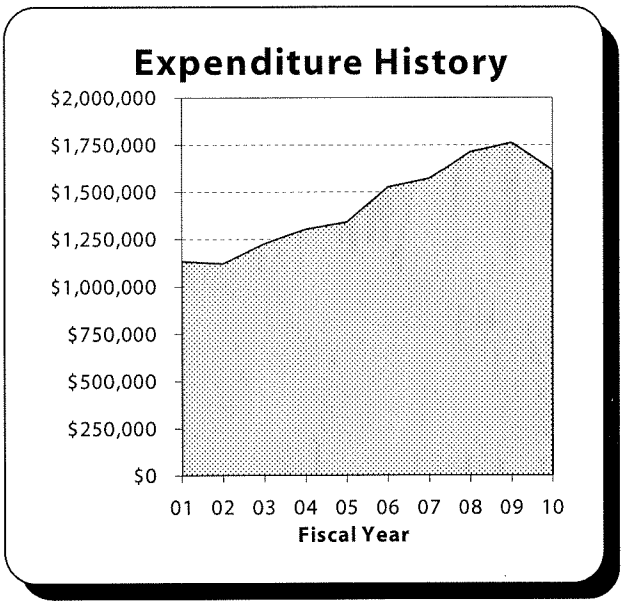
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased $127,680 or 9.2%. Two vacant custodian positions are recommended to be eliminated, saving $103,000. Daytime and building cleaning cycles will be adjusted to account for the shift in personnel. A vacant maintenance position has also been downgraded saving $8,400. Overtime fell by $9,000, as a private vendor or part-time staff will assist City staff at Sterlingfest. Health insurance costs fell by an additional $18,000, reflecting savings from a new labor contract.

Supplies – Total Supplies is proposed to remain the same at $50,000. As a cost-saving measure, the City has eliminated complimentary coffee and reduced the supply of water and pop in the City Hall conference rooms.

Other Charges – Total Other Charges decreased $17,470 or 5.5%. Building maintenance costs decreased $13,190 based on recent years' expenditure levels and a prior year reappropriated encumbrance. In addition, lower contractual rates are anticipated for the plant maintenance in the City Hall atrium, as the City will bid out this service. Electric costs decreased $3,000 and rental costs decreased $2,000, both based on recent historical trends. Funding for local meetings decreased $1,500 as prior year funds were not fully spent and the City Manager's Employee Breakfast meetings have been eliminated. Employees can now voice their concerns more cost effectively through the City Employee Suggestion Program. Equipment maintenance costs decreased $750 as fewer outdoor sign light bulbs will be needed. Heating costs increased $3,000 based on higher utility rates, partially offset by a savings from implementing a heating and air conditioning conservation program in City buildings on nights and weekends.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,368,304	$1,391,880	$1,363,950	$1,264,200	$1,264,200
Supplies	65,460	50,010	54,010	50,010	50,010
Other Charges	278,252	319,230	302,250	301,760	301,760
Total	$1,712,016	$1,761,120	$1,720,210	$1,615,970	$1,615,970

MISSION STATEMENT: ***To promote and foster positive interaction between the Office of Assessing and the taxpayers of the City of Sterling Heights by ensuring that all assessments are accurate, fair, equitable, and lawful.***

The primary and continuing goal of the Assessing activity is to achieve equitable assessments in all classes of property.

Assessments are most importantly used in conjunction with the millage rates adopted by the various legislative bodies to generate property taxes guaranteeing revenues for the operation of all local governing units.

This activity continues to introduce new technology, update existing programs, and develop cost-saving practices to allow for the efficient operation of equipment and personnel. To achieve this goal, extensive research in all phases of residential, commercial, industrial, and personal property must be conducted. These include: 1) gathering sales data on vacant property and homes, 2) compiling rental and lease information for apartments, 3) assembling commercial and industrial information, and 4) auditing personal property accounts. This research process must be done annually to maintain equitable valuations in all classes of property.

At the conclusion of this research, a computerized listing, or assessment roll, containing the property identification number, property address and legal description, school district, property classification and tentative state equalized and taxable values for all properties in the City is generated. The assessment roll is the only record in the City that ties the property owner of record with the legal description and/or property address. It is in constant use by taxpayers, appraisers, and real estate personnel.

Assessing information is available on-line via the City's website at www.sterling-heights.net. This allows those with access to the Internet the ability to search by parcel number, property address, or comparable building attribute, in order to obtain general assessment, building appraisal and tax information 24 hours a day.

KEY GOALS

- ***To provide an accurate and equitable assessment annually for residential, commercial, industrial, and personal property.***
- ***To provide accurate and timely implementation of Primary Residence Exemption requests.***
- ***To inform taxpayers, residents, and potential investors of new or pertinent assessment information.***
- ***To ensure that recipients of Industrial Facilities Tax Exemptions comply with all program requirements.***
- ***To meet and/or exceed all State Tax Commission and Macomb County Equalization Department requirements.***

Today's economic conditions warrant up-to-date data from the sale and development of both vacant and occupied land. The assessment roll provides the information required to ensure proper growth in our community.

With tax reform a reality now and in the future, the staff continues to keep informed of all new regulations. The Assessing Office is monitored closely by higher taxing authorities (e.g. Macomb County Equalization Department and State Tax Commission) to make sure all necessary guidelines are followed. It is a difficult task, but the end result will benefit the taxpayers of Sterling Heights.■

Did you know?...
...that residential assessed values have fallen 16.4% over the last two years and are now near 2003 levels?

Assessing

2009/10 PERFORMANCE OBJECTIVES

1. To complete the five-year program to take exterior digital photographs of all the residential buildings in the City and have them accessible on the City's website (www.sterling-heights.net). *(City Goal 17, 18)*

2. To develop a program requiring City staff to interview the purchaser of all commercial and industrial properties in order to properly document sales terms and conditions. *(City Goal 8)*

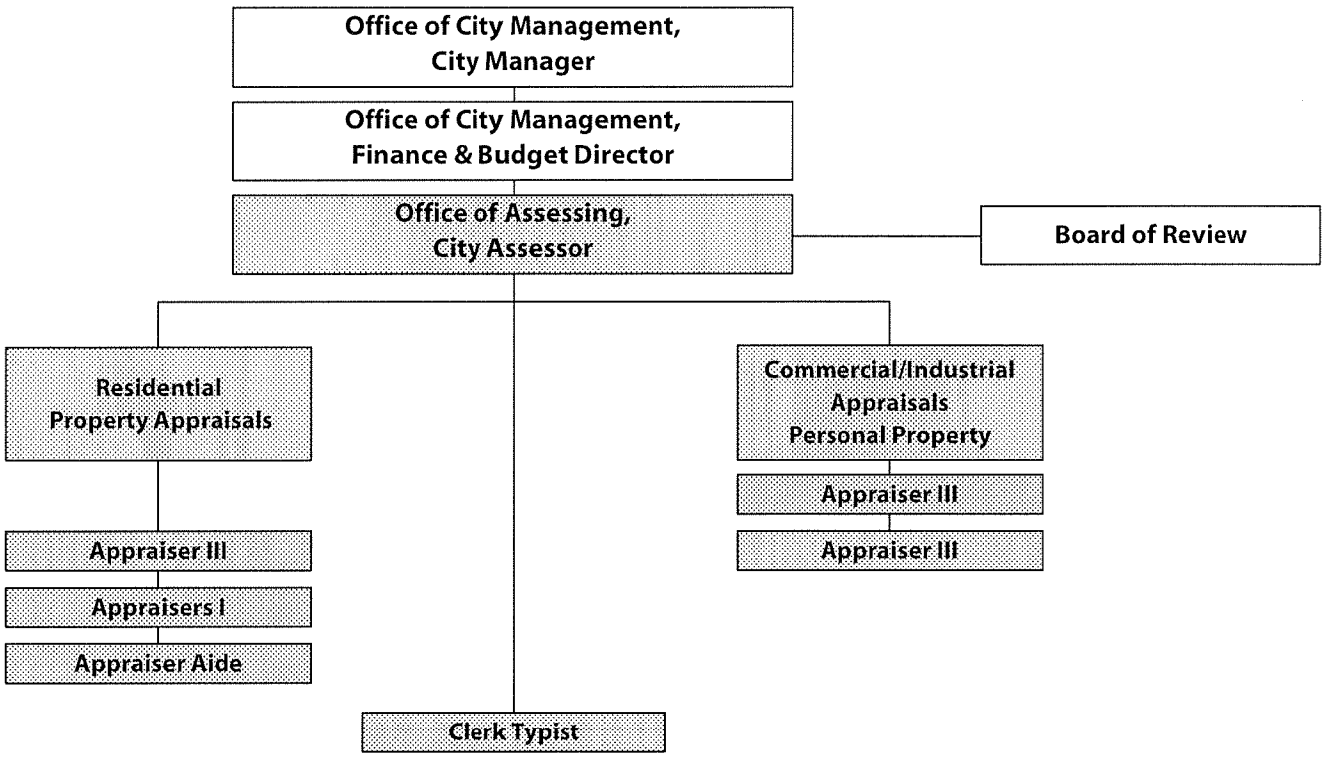
3. To develop a five-year program to reappraise all buildings contained on the 815 improved commercial properties in the City. *(City Goal 4, 20)*

4. To initiate a five-year program to create digital sketches of all residential buildings in the City and have them accessible on the City's website. *(City Goal 17, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Assessment Notices Processed - Real/Personal	46,061	46,451	46,354	47,000	47,000	47,000
	Residential Property Appraisals (including Partials)	437	91	54	150	40	30
	Commercial/Industrial Property Appraisals - Real	15	27	11	15	20	15
	Full Tax Tribunal Applications - Businesses	41	59	43	50	46	60
	Board of Review Appeals	703	828	792	1,200	1,000	1,200
	Personal Property Audits	147	24	124	120	130	150
	Land Divisions/Combinations Processed	34	19	18	15	10	10
	Resident Tax & Assessing Online Retrievals	272,121	296,422	311,035	313,000	310,000	312,000
	Deeds & Property Owner Updates	6,140	3,448	4,515	3,400	2,000	1,700
	Property Transfer Affidavits Processed	3,099	2,371	2,623	2,650	2,400	2,000
	Homestead Exemption Affidavits Processed	3,621	2,529	2,482	2,650	2,400	2,000
	Industrial Facility Exemption Certifications Approved	11	7	8	6	9	6
	Total Investment Resulting from IFEC's (millions)	$36	$163	$82	$50	$75	$15
Efficiency & Effectiveness	I.F.T. Roll & Certif. Status Reported by Deadline	100%	100%	100%	100%	100%	100%
	Total I.F.T. Valuation as a % of City Tax Base (TV)	4.3%	5.4%	4.8%	5.0%	4.6%	4.4%
	Sales Ratio	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
	% Site Plans Reviewed within 2 days	90%	90%	90%	95%	90%	90%
	% Land Divisions/Comb. Processed w/i 3 days	90%	90%	90%	90%	90%	90%
	Equalization Factor	1.00	1.00	1.00	1.00	1.00	1.00
	Average Cost to Appraise a Residential Parcel	$2.44	$2.34	$2.69	*	*	*
	Activity Expenditures as % of General Fund	1.12%	0.99%	0.99%	0.98%	0.99%	1.01%

** Cost is calculated for "Actual" columns only.*

Assessing



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
City Assessor	1	1	1
Appraiser III	3	3	3
Appraiser I	2	2	2
Appraiser Aide	1	1	1
Clerk Typist	1	1	1
Co-op (P.T.)	1	0	0
Total	9	8	8

Assessing

SUMMARY OF BUDGET CHANGES

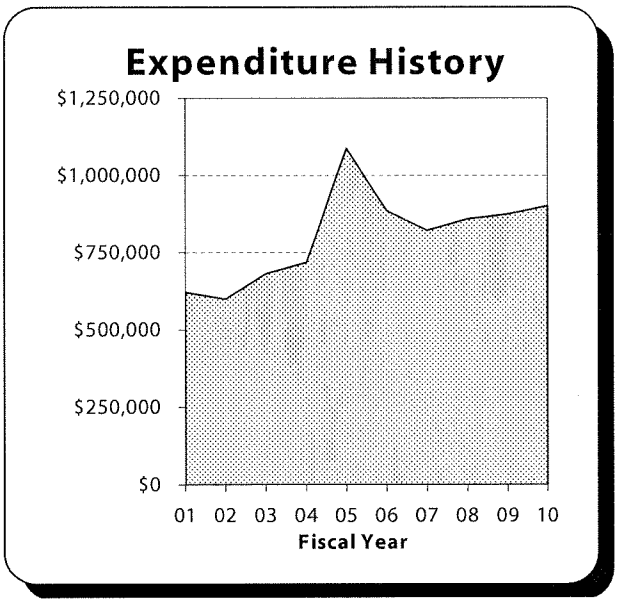
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased $27,560 or 3.3%. Due to increased efficiencies in the office, overtime costs will decline by $6,000. Health insurance costs fell by $5,580 or 6.3% as a result of new labor contract health care savings. Pension costs increased $6,080 as a result of a recent actuarial study. Funding for retiree health insurance liabilities rose $5,150.

Supplies – Total Supplies is proposed to remain the same at $22,600. There are no proposed changes within the Supplies accounts.

Other Charges – Total Other Charges decreased $1,500 or 7.1%. Educational funding was reduced $1,120, as part of the City's overall cost-saving financial strategy. $370 was saved as property folders will not need to be printed next year. Publishing costs decreased $100 and funding for local meetings decreased $50, as both can be brought more in line with prior year expenditure levels. $140 was added to the budget due to an increase in BS&A software support fees.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$813,115	$831,200	$828,220	$858,760	$858,760
Supplies	21,598	22,600	21,750	22,600	22,600
Other Charges	24,727	21,180	20,830	19,680	19,680
Total	$859,440	$874,980	$870,800	$901,040	$901,040

Financial Services

MISSION STATEMENT: ***To provide competent and comprehensive financial services to the City and its residents.***

The Financial Services activity is directly responsible for all financial records, bond sale activity, water and sewer billing, payroll, accounts payable and pension activity functions.

Financial Services develops and maintains tracking systems for funds, projects, grants, capital assets and other financial needs. This office prepares the Comprehensive Annual Financial Report (CAFR) and compliance reports for state and federal agencies.

Payroll processing and record keeping for all City employees is executed in Financial Services. This processing includes data input and coordination of insurance benefits, withholding and reporting of income taxes, maintenance of records and payment of all other deductions. Payroll processing and record keeping functions are performed for 14 separate employee groups, all with unique benefits.

Financial Services processes all accounts payable including data entry, reconciliation, and filing of vendor invoices. Related bill listings are generated for approval at each regularly scheduled City Council meeting.

Monthly water and sewer bills are prepared for over 39,640 residential, industrial and commercial customers. Delinquent account reports are generated and transferred to tax rolls after approval by the City Manager on a semi-annual basis.

Project grant cost records are maintained by Financial Services. Unlike most financial reporting, which occurs within a fiscal year framework, specific project ledgers are kept for the duration of road, water and sewer, and capital projects ensuring that the City fulfills bond covenants and arbitrage rebate requirements.

The Financial Services office is also responsible for the pension administration functions within the City. Duties include providing data to the actuaries for both pension systems, preparing estimated benefit calculations for employees, acting as the financial accountant for both systems, and assisting employees in the preparation of the necessary paperwork to receive retirement benefits. Financial Services also serves as the pension administrator for the General Employees Retirement System. This includes the day-to-day administration of the system, preparing agendas and packets for the monthly meetings, coordinating with money managers and service providers for quarterly and annual progress report meetings, assisting the system's legal counsel and working with the custodial bank to ensure timely and proper benefit payments to retired employees.■

KEY GOALS

- ***To meet all payroll and related reporting deadlines on a timely basis with a tolerance of zero defects.***
- ***To serve all water and sewer customers with accurate and timely billing and collections.***
- ***To provide timely payments to vendors after appropriate internal approvals have been granted.***
- ***To provide efficient administrative services to both pension systems so that employees and residents are assured that accurate pension benefits are being paid.***
- ***To ensure an annual audit is performed and that a comprehensive annual financial report is distributed to City Council and is available to all residents.***

Did you know?...
...that water and sewer customers can use a credit card to pay their bills on-line through the City's website at no cost?

Financial Services

2009/10 PERFORMANCE OBJECTIVES *(Accounting)*

1. To perform a cost benefit analysis for alternative capital asset software in order to gain increased efficiencies and internal controls, improved reporting capabilities, and cost savings. *(City Goal 3)*

2. To implement the new accounting standard, Statement 45 (Employer Post-Employment Benefits other than Pensions), into the City's financial statements. *(City Goal 20)*

3. To incorporate into the financial statements easily readable graphs for reporting financial information. *(City Goal 3, 20)*

4. To improve the processing of payroll exceptions by exploring various MUNIS functions and implementing efficiency changes. *(City Goal 3)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Bank Statements Reconciled	299	264	240	240	240	240
	Travel Business Reports Reconciled/Processed	247	255	234	260	230	230
	Correcting Journal Entries Prepared	53	46	36	60	60	60
	Accounts Payable Invoices Processed	17,219	17,122	17,338	17,500	17,200	17,200
	Accounts Payable Checks Issued	8,896	8,014	7,890	8,000	8,000	8,000
	Payroll Checks & Deposit Notices Generated	21,507	21,890	23,100	22,050	22,500	22,000
	G.F.O.A. CAFR Reviews	4	4	3	2	2	2
	Total Retirees/Beneficiaries Receiving Medical Benefits	382	387	440	439	470	480
	Federal Grants Tracked	30	26	28	20	30	20
	Capital Assets Processed	286	832	305	250	250	250
	Audit Workpapers Prepared	182	254	227	200	225	200
	Depreciable Assets Tracked	N/A	N/A	3,744	3,975	3,975	4,200
	Vendor Files Maintained	4,414	4,959	4,018	4,000	4,038	4,000
Efficiency & Effectiveness	Avg. Days to Compile Monthly Financial Statements	9.0	9.0	9.0	9.0	10.0	10.0
	% of A/P Checks Issued Without Error	98.9%	99.0%	99.5%	99.8%	99.5%	99.5%
	% of Payroll Checks Issued Without Error	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
	Active Employees Receiving Compensation/Benefits	1,275	1,490	1,517	1,500	1,622	1,500
	Financial Statement Correcting Entries by Auditors	1	0	0	1	1	1
	Financial Administration of Federal Grant Expenditures	$3,030,744	$2,556,331	$4,728,405	$1,500,000	$2,514,219	$2,400,000
	Cost for an Independent Auditor to Perform Audit	$86,900	$88,300	$90,670	$97,500	$95,980	$97,000
	Years Received G.F.O.A. CAFR Award	18	19	20	21	21	22
	Cost to Process an Accounts Payable Invoice	$9.85	$9.88	$9.83	*	*	*
	Cost of Payroll Service Per Employee	$273	$263	$264	*	*	*

** Cost is calculated for "Actual" columns only.*

Financial Services

2009/10 PERFORMANCE OBJECTIVES *(Financial Services)*

1. To perform a workflow and job assignments analysis within the Water Billing/Pension Office to determine potential efficiency and effectiveness improvements. *(City Goal 1, 2, 3, 4)*

2. To cross train the Utility Billing/Pension Accountant on all aspects of the issuance of municipal debt. *(City Goal 1, 3, 7)*

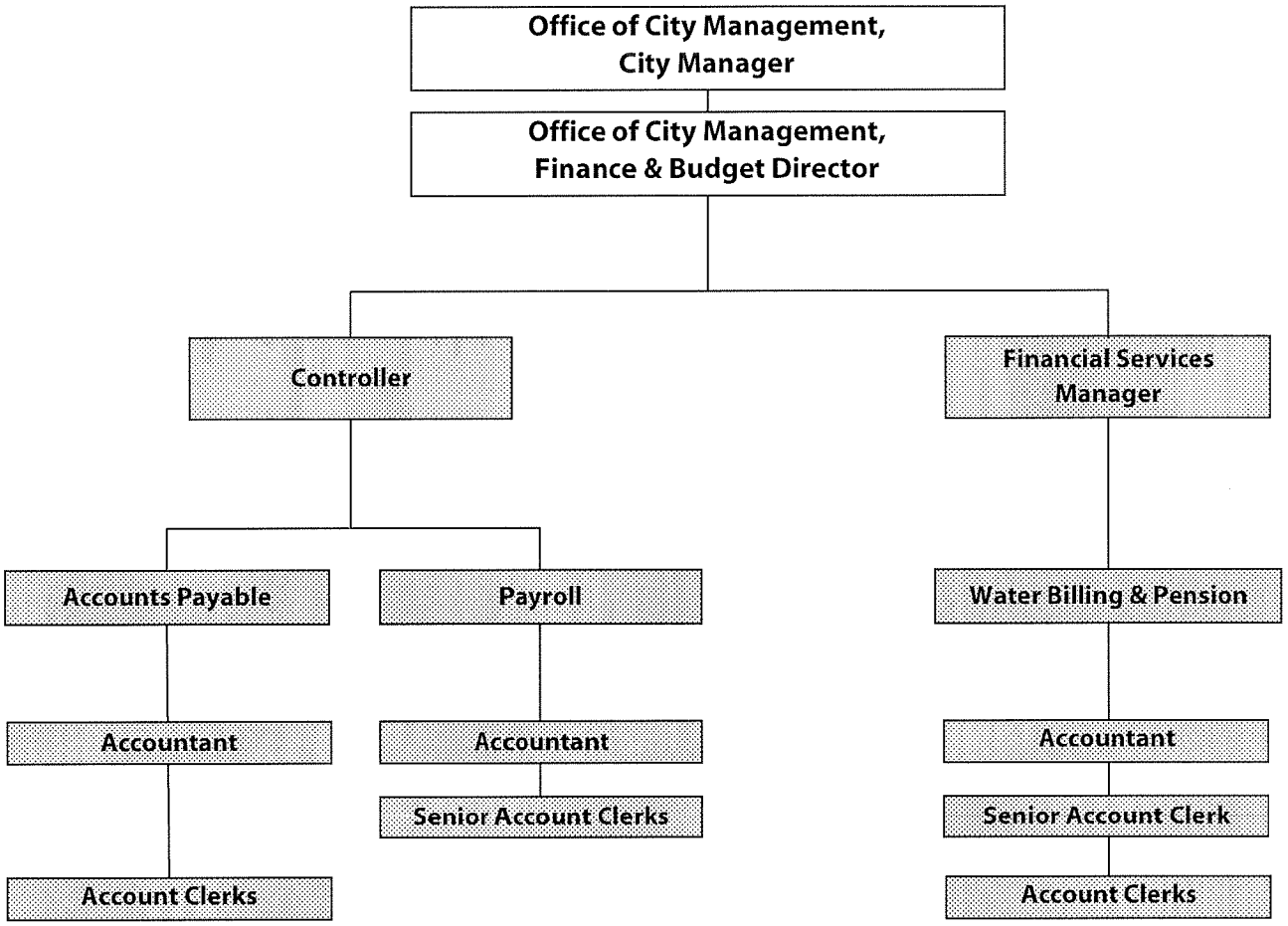
3. To implement appropriate policies and procedures to assure the City is in full compliance with the Red Flag Rules under the Fair and Accurate Credit Transaction Act of 2003. *(City Goal 1)*

4. To evaluate the level of support provided by the Financial Services Office to the Police and Fire Retirement System to determine the most efficient and effective use of resources. *(City Goal 1, 2, 4, 20)*

5. To develop and implement an educational campaign informing residents of the new program that allows customers to pay their utility bills electronically through online banking. *(City Goal 1, 17, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Water and Sewer Bills Issued	188,129	189,140	188,940	191,000	190,200	190,300
	Final Water Bills Prepared	1,387	1,093	973	1,200	1,100	1,200
	Water & Sewer Customer Bill Online Retrievals	18,364	21,634	24,348	27,700	18,800	20,700
	Water & Sewer Auto Pay Customers	2,470	2,546	2,650	2,700	2,690	2,720
	Water & Sewer Budget Billing Customers	N/A	60	134	150	135	150
	Service Orders Processed by Utility Billing	3,233	3,544	3,735	4,100	4,600	5,060
	Water Bill Adjustments	1,654	1,407	1,667	2,200	1,800	1,980
	Internal Control Reviews Conducted	3	3	3	4	4	4
	Annual % Change in GERS Market Value - Fiscal Year	7.0%	11.9%	-3.9%	8.0%	-31.7%	8.0%
	Defined Contribution Active Employees	63	73	82	85	80	95
	Defined Benefit Active GERS Employees	281	263	260	245	237	222
	GERS Retirements Processed	18	22	14	15	35	15
	GERS Retirees/Beneficiaries Receiving Benefits	201	223	228	240	250	260
	Pension Calculations Prepared (P&F and GERS)	54	88	63	60	85	60
Efficiency & Effectiveness	General Employees Pension System - % Funded	120.7%	124.2%	125.2%	122.0%	110.2%	100.0%
	GERS Asset Allocation - Domestic Equities	47.1%	48.1%	47.4%	47.0%	45.4%	47.0%
	GERS Asset Allocation - Fixed Income	31.3%	30.8%	32.5%	32.0%	33.0%	32.0%
	GERS Asset Allocation - International Equities	16.6%	17.7%	16.0%	17.0%	18.0%	17.0%
	GERS Asset Allocation - Real Estate (REIT)	5.0%	3.4%	4.1%	4.0%	3.6%	4.0%
	Ratio of Active GERS Employees to GERS Retirees	1:0.72	1:0.85	1:0.88	1:0.98	1:1.05	1:1.17
	% of Water & Sewer Bills Adjusted	0.88%	0.74%	0.88%	1.15%	0.95%	1.04%
	Activity Expenditures as % of General Fund	1.43%	1.45%	1.48%	1.50%	1.48%	1.52%

Financial Services



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Controller	1	1	1
Financial Services Manager	1	1	1
Accountant	3	3	3
Senior Account Clerk	3	3	3
Account Clerk	4	4	4
Total	12	12	12

Financial Services

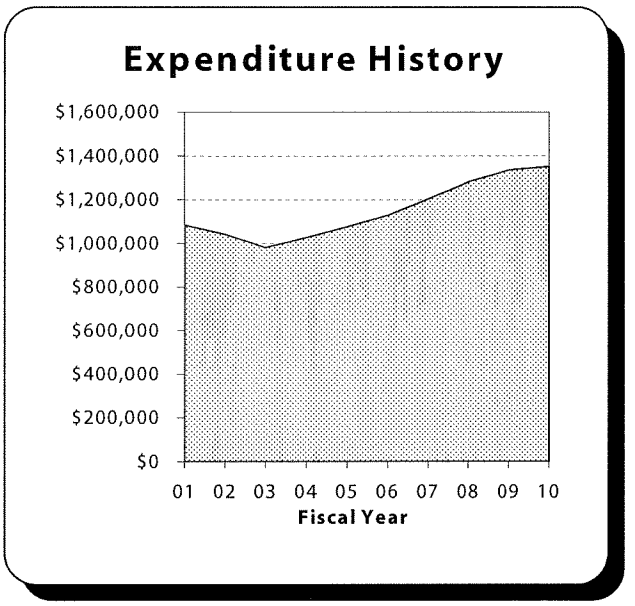
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased $14,580 or 1.3%. Wages for full-time employees increased $25,940 as all employees are budgeted to receive a 3% wage increase. Compensatory time decreased $1,100. Health insurance costs declined $36,620 due to health care savings from two recently settled labor contracts. An additional $7,960 is budgeted to fund retiree health care liabilities, while pension costs rose $8,190.

Supplies – Total Supplies increased $2,300 or 3.6%. Postage funding increased $2,500 based on the recent year's estimated expenditure usage and a postal rate increase. The office will save $180, as fewer written publications will be purchased due to the increasing availability of online resources.

Other Charges – Total Other Charges decreased $730 or 0.6%. Educational funding was reduced $2,200 and membership costs decreased $180, as part of the City's overall cost-saving financial strategy and the elimination of the MUNIS conference. In addition, funding for local meetings was eliminated, for a savings of $100. Printing costs decreased $60 as tabs for the audit will be produced in-house. Equipment maintenance costs increased $1,060 due to an increase in the MUNIS maintenance fees. This increase was partially offset by a reduction in support fees, as a more cost-effective in-house pension application is being used, which no longer requires MUNIS support. The budget increased $750 due to the higher vendor costs to print water bills.



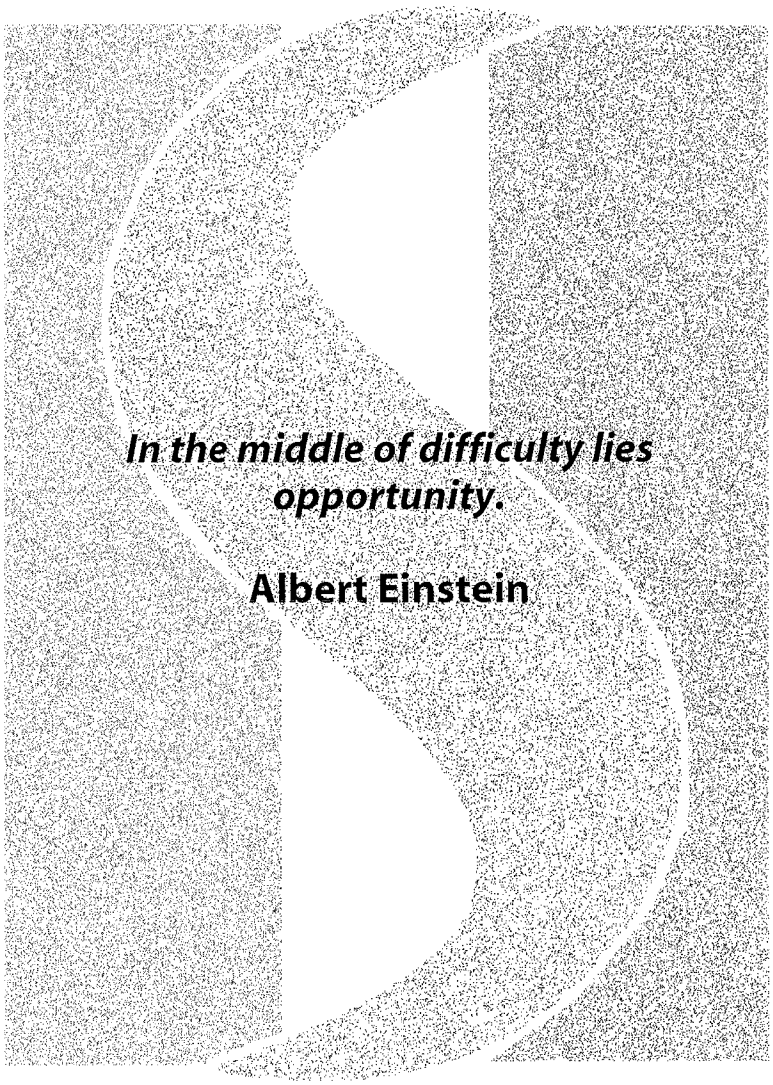
Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,106,878	$1,152,110	$1,115,840	$1,166,690	$1,166,690
Supplies	64,556	64,490	66,910	66,790	66,790
Other Charges	110,374	119,100	116,470	118,370	118,370
Total	$1,281,808	$1,335,700	$1,299,220	$1,351,850	$1,351,850


In the middle of difficulty lies opportunity.
Albert Einstein

Purchasing

MISSION STATEMENT: ***To procure goods and services at the lowest competitive price and to maintain efficiency, quality and ethical standards while acting in the City's best interest.***

The procurement of goods and services is an integral part of the quality control procedures currently being applied to all levels of the organization. Several policies and procedures are in place to ensure that all purchase requisitions are screened for compliance.

The use of several different purchasing methods allows for the purchase of goods and services at the lowest competitive price. Examples include: on-line requisitioning, cooperative purchasing, quantity purchases, Requests for Proposals, purchasing cards and an on-line e-procurement program that allows registered vendors instant access to bids and quotes. Having these alternatives available allows for a more expedient method of procuring goods and services.

Surplus items such as vehicles, furniture, computer equipment, police related items, etc. are disposed of through the Michigan Intergovernmental Trade Network (MITN) auction website (www.mitn.info).

The issues involving ethical standards of purchasing are continually monitored to maintain the highest level of standards. These issues include establishing policies and procedures, preparing specifications, and the testing and inspecting of materials and supplies purchased by and for the City.

Purchasing is also responsible for encumbering and monitoring all purchase requisitions through the MUNIS system, which coordinates with the modules used by the City's other financial and management offices. The encumbrance module strengthens the control and reporting procedures of the City.

Additional Purchasing responsibilities include training personnel on the use of on-line requisitioning, use of purchasing cards, Internet purchases of office supplies, and coordinating all office, cable television, and Print Shop equipment maintenance. Determination is made for equipment replacement, service contracts, and/or vendor performance. The Purchasing Office also provides microfilming services for most City departments.

Loss control and risk management functions are also performed by this office. Management of risks include general liability, property, and automobile. Procuring appropriate insurance certificates and performance bonds are also duties of the Purchasing/Risk Manager.■

KEY GOALS

- ***To ensure that the maximum number of vendors are contacted in order to obtain the best possible price and quality.***
- ***To research products and services to ensure quality, particularly in large purchases.***
- ***To participate in statewide and local cooperatives to broaden purchasing operations and to obtain better pricing by combining orders with multiple communities.***
- ***To monitor purchasing histories and activities identifying areas where purchases can be consolidated to allow for further cost reduction.***
- ***To provide guidance to departments and vendors regarding purchasing practices.***
- ***To provide risk management activities which will safeguard all City assets in the most cost-effective manner.***

Did you know?...
...that the MITN regional cooperative e-procurement solution has recently expanded to 43 municipalities and includes a surplus auction feature that has sold over $24,000 of City equipment and vehicles in the past seven months?

Purchasing

2009/10 PERFORMANCE OBJECTIVES

1. To investigate lowering our printing costs by researching alternative printer toner cartridge options and reviewing the cost efficiency of using networked copy machines in lieu of laser printers. *(City Goal 17, 18)*

2. To develop procedures for departmental documentation of incidents for the proposed Emergency Rescue Services Cost Recovery Program. *(City Goal 20)*

3. To develop an electronic report for departments to complete providing data for agenda statement preparation. *(City Goal 3, 5)*

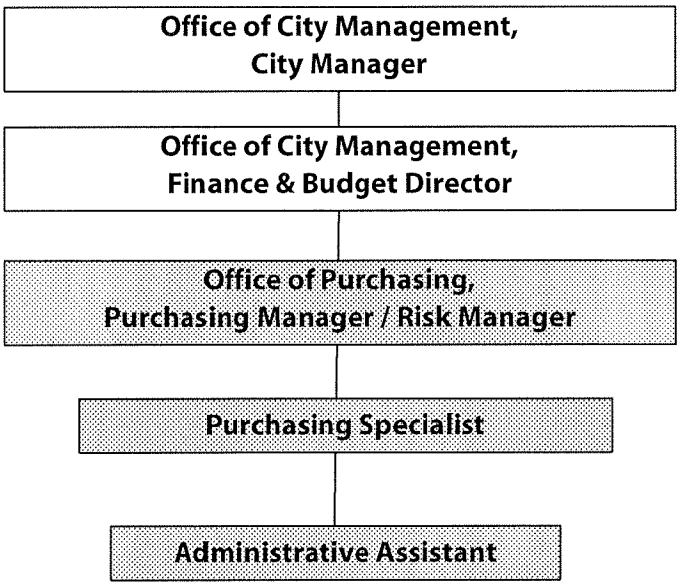
4. To streamline the purchasing process by taking one resolution to Council for all State/County cooperative bids. *(City Goal 17, 18)*

5. To develop and implement a program for electronic submittal of bids. *(City Goal 3, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Purchase Orders Processed	1,073	1,064	1,069	1,000	1,380	1,100
	Bid Solicitation Occurrences	59	53	48	60	66	60
	Bid Responses Reviewed	386	299	302	350	390	300
	Written Quotation Solicitation Occurrences	18	14	10	18	6	12
	Written Quotation Responses Reviewed	112	117	91	125	72	80
	Hours Worked on Requests for Proposals (RFP's)	159	100	90	75	60	75
	Number of Purchasing Card Transactions	1,891	2,165	2,037	1,500	1,942	2,000
	Liability/Property Claims	135	183	212	190	174	180
	Liability/Property Incidents Reports	79	74	168	125	114	100
	Open Lawsuits - Monthly Average	14	15	11	17	12	12
	Lawsuits Closed	8	7	9	7	6	6
	Litigation Costs for Claims	$1,278,361	$706,686	$379,883	$500,000	$600,000	$500,000
Efficiency & Effectiveness	% of P.O.'s Processed within 5 days	88%	92%	95%	92%	95%	95%
	% of Bids Issued w/i 30 days of Specifications	85%	85%	85%	85%	85%	85%
	Avg. Days to Process a P. O. (informal pricing)	7	7	7	7	7	7
	Avg. Days to Process a P. O. (formal pricing)	30	30	30	30	30	30
	Online Procurement System - Registered Vendors	4,786	5,259	7,017	7,300	7,237	7,500
	Revenue from Sale of Surplus Property	$55,859	$51,960	$46,707	$49,000	$55,000	$50,000
	Cost to Issue a Purchase Order	$79	$82	$82	*	*	*
	Average Cost to Go Out to Bid	$1,409	$1,537	$1,584	*	*	*
	Average % Savings Through Bid Process	25%	25%	25%	30%	35%	35%
	# of Accidents Per 100,000 Miles Driven	2.17	3.05	3.70	2.50	2.50	3.00
	Accident Cost Per 100,000 Miles Driven	$1,925	$3,694	$3,050	$2,000	$2,500	$2,500
	Prop. Insurance Premiums as % of Insured Value	0.14%	0.09%	0.08%	0.09%	0.08%	0.08%
	Activity Expenditures as % of General Fund	0.41%	0.41%	0.39%	0.42%	0.45%	0.42%

** Cost is calculated for "Actual" columns only.*

Purchasing



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Purchasing Manager / Risk Manager	0	0	1
Purchasing Manager	1	1	0
Purchasing Specialist	1	1	1
Administrative Assistant	1	1	1
Total	3	3	3

Purchasing

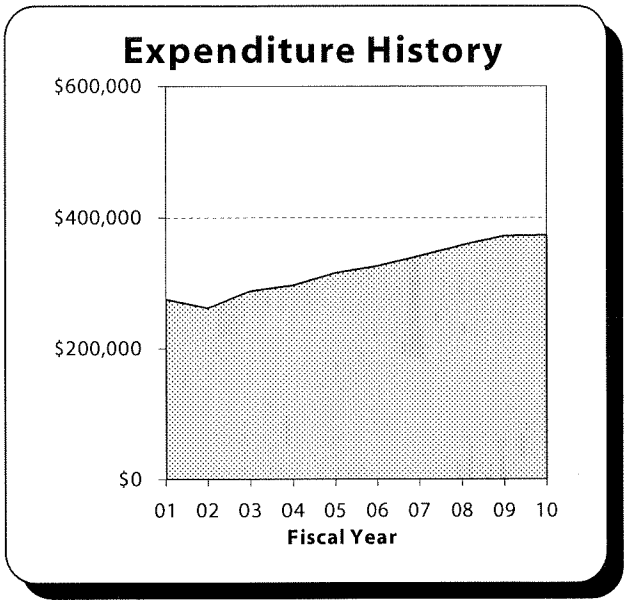
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased $4,730 or 1.5%. Due to employee turnover in the prior year, employee wages rose only $1,610 and longevity pay fell $4,500. Offsetting this savings, was a $2,320 increase in pension costs based on a recent actuarial study and $3,100 in defined contribution plan costs. The vacant Purchasing Manager position and duties are proposed to be consolidated with the Risk Manager position that was previously in the City Clerk's budget.

Supplies – Total Supplies is proposed to remain the same at $1,630. There are no proposed changes within the Supplies accounts.

Other Charges – Total Other Charges decreased $4,090 or 8.9%. The City will save $3,000 as duplicate microfilm copies will no longer be produced and fewer City records will be microfilmed due to the increasing ability to scan documents on existing computer systems. Educational funding decreased $1,020 due to a prior year reappropriated encumbrance and the City's overall cost-saving financial strategy. Membership costs fell $210 due to the elimination of the Purchasing Specialist's membership to the Michigan Public Purchasing Officer's Association (MPPOA) and the annual licensing fee for NIGP Codes, which is no longer cost-efficient to utilize. Rental costs decreased $110 based on historic copier rental fees and the elimination of the Purchasing Manager's pager. Fewer local meetings will be attended, for a savings of $50. $250 was added due to an increase in citywide office equipment repairs.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$296,986	$325,560	$340,770	$330,290	$330,290
Supplies	1,764	1,630	1,560	1,630	1,630
Other Charges	41,999	45,720	51,710	41,630	41,630
Total	$340,749	$372,910	$394,040	$373,550	$373,550

MISSION STATEMENT: ***To bill and collect all City revenues accurately and on a timely basis, invest idle funds prudently and to make authorized disbursements on time while establishing and accomplishing strategic financial objectives of the City.***

Established by the City Charter, the mission and functions of Treasury, under the direction of the City Treasurer, are well documented. The City Charter grants the office the authority to collect revenue and perform related activities.

Treasury is solely responsible for the receipt, deposit, control, and disbursement of all receipts (taxes and all other revenues) of the City on a daily basis.

A major function of Treasury is the investment of available City funds. The City utilizes Internet technology to provide current market information to allow timely purchases and trades, thus decreasing costs and increasing earnings.

Treasury also bills, collects, and maintains all special assessments for water, sewer, pavement, sidewalks, and drains.

Other responsibilities involve acting as Treasurer and trustee for both the Police & Fire and the General Employees Retirement Systems. Through prudent investment strategies, both systems have yielded impressive interest earnings. Both plans are performing in the top one-third of their peer group.

The Treasurer provides administrative support to the Corridor Improvement Authority (CIA), the Brownfield Redevelopment Authority, and serves as administrative liaison to the Building Authority. The Brownfield Redevelopment Authority reviews and processes applications for potential development on contaminated sites while the CIA works to enhance commercial districts in the City by offering development incentives in order to increase economic vitality within these districts. The Building Authority oversees the construction and related payments of new City facilities. Administrative support is also provided to the Economic Development Corporation (EDC) and Local Development Financing Authority (LDFA).

Treasury has adopted a strategy to decrease costs, improve interest earnings, and operate more efficiently. By adopting advanced technology, several areas in the Office of Treasury have undergone significant improvements.

KEY GOALS

- ***To effectively administer tax programs in accordance with all applicable laws.***
- ***To administer cash management programs with the goal of decreasing costs and increasing earnings.***
- ***To assist in administering the City's two pension funds: Police & Fire and General Employees.***
- ***To assist in administering the debt program.***
- ***To assist in developing and implementing programs to reduce costs, increase revenues, and add efficiencies.***

To increase interest earnings, the cash management function was improved by bidding consolidated banking services and streamling stop payment procedures.

The revenue collection function was also made more efficient with the implementation of a lock box for property taxes. This lock box expedites the handling and deposit of property tax payments thus eliminating the backlog of received but unprocessed tax bills.

Treasury's objective is to reduce manual workload and increase interest earnings through further automation.■

Did you know?...
...that Treasury recently introduced new fraud detection devices to identify conterfeit currency at the point-of-sale and that these devices have almost paid for themselves with the identification of two counterfeit $100 bills?

Treasury

2009/10 PERFORMANCE OBJECTIVES

1. To coordinate with BS&A and DataMail Services the calculation and placement of a City property tax sub-total on the summer 2009 property tax bill. *(City Goal 14, 18)*

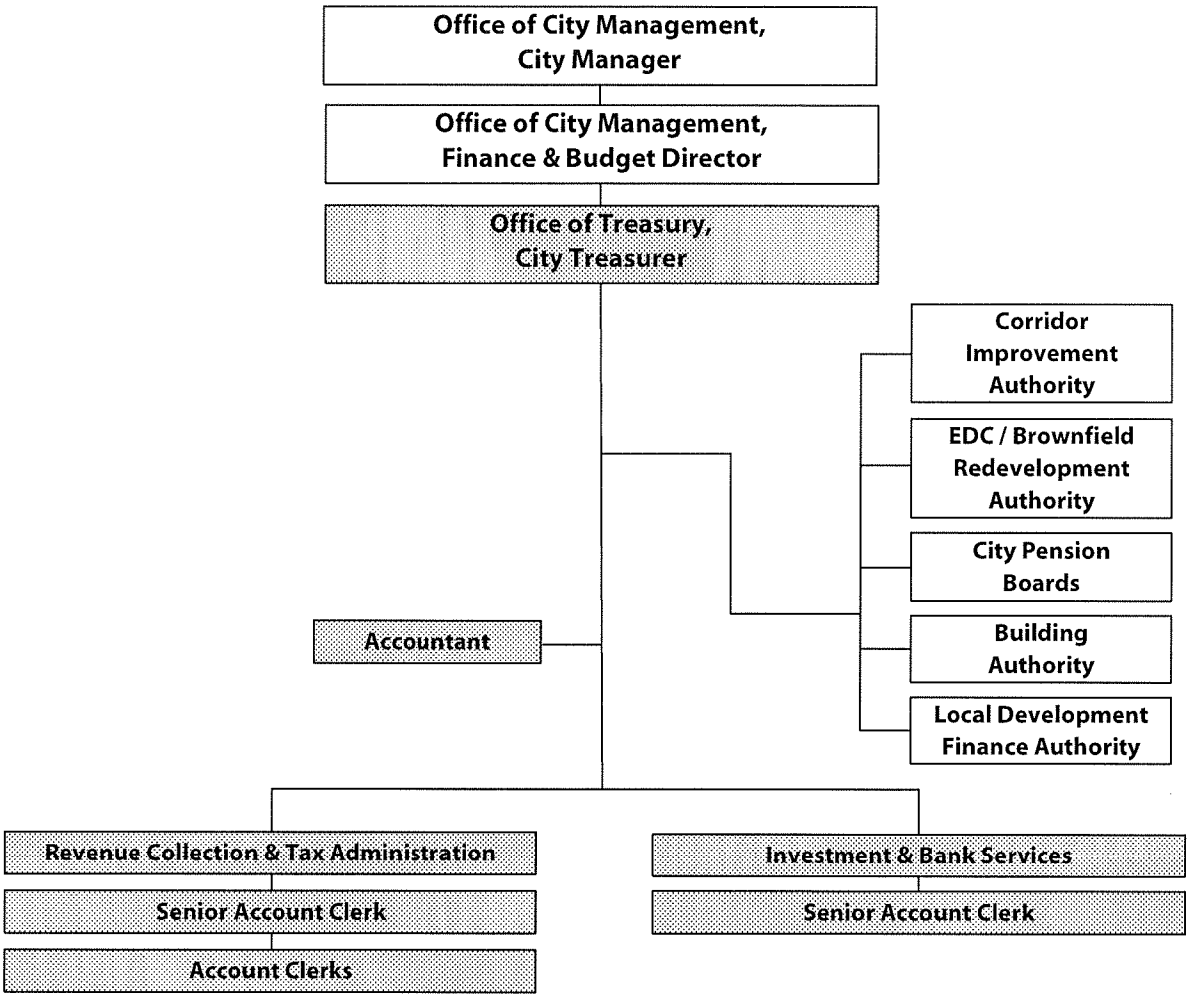
2. To investigate the possibility of calculating and printing the incremental decrease in City property taxes from the prior year on the summer tax bill. *(City Goal 14, 18)*

3. To automate the City's internal Invoice Billing Request form to increase workflow efficiency. *(City Goal 3, 18)*

4. To research scanning devices at the point of sale to digitally capture images of checks preventing potential loss before deposit. *(City Goal 3, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Tax Bill Payments Processed - Manually (incl. partials)	23,969	23,194	23,037	22,800	22,396	23,000
	Tax Bill Payments Processed - Electronically (escrows)	28,952	29,625	30,205	30,200	30,736	30,700
	Tax Bill Payments Processed - Lock Box	37,033	36,169	35,890	37,000	35,858	36,000
	Special Assessment Parcels Billed	185	122	174	180	216	220
	Invoices Billed	4,912	3,448	3,823	4,000	5,053	5,000
	Investments Bought/Sold - Number of Transactions	329	398	714	450	632	650
	Tax Adjustments Processed	1,245	1,019	982	900	1,091	1,100
	Resident Tax & Assessing Online Retrievals	272,121	296,422	311,035	313,000	310,000	312,000
	Cash Receipts Processed by Treasury Personnel	71,875	68,862	69,702	73,000	64,500	66,000
	City-wide Credit Card Payments Received	12,688	14,467	17,903	18,000	20,400	22,000
	Dollar Value of All Credit Card Transactions	$2,054,716	$2,266,588	$2,881,941	$3,100,000	$2,710,000	$2,800,000
	# of Online/IVR Credit Card Tax Payments	301	331	346	360	340	345
Efficiency & Effectiveness	% of Real & Personal City Property Tax Levy Collected	97%	97%	96%	97%	97%	97%
	% of Prop. Tax Parcels Turned Delinquent to County	5.85%	6.67%	7.42%	7.50%	7.50%	8.20%
	Average Rate of Return on Investments	4.69%	5.52%	4.72%	3.50%	3.75%	3.00%
	Average 6 Month T-Bill Rate	4.40%	5.07%	3.05%	3.00%	1.50%	2.00%
	City's Return as a % of 6 Month T-Bill	1.07%	1.09%	1.55%	1.17%	2.52%	1.50%
	% of Portfolio Invested in Active Market	81.7%	85.4%	84.9%	85.0%	85.0%	85.0%
	Total Interest Earnings - Budgeted Funds (Millions)	$2.5	$3.6	$3.3	$2.5	$2.5	$2.0
	Police & Fire Pension System - % Funded	122.5%	130.7%	124.8%	125.0%	95.0%	100.0%
	Annual % Change in P&F Market Value - Fiscal Year	0.7%	7.0%	-7.0%	8.0%	-28.5%	8.0%
	Ratio of Active P&F Employees to P&F Retirees	1:0.84	1:0.92	1:0.91	1:0.95	1:0.96	1:0.97
	Activity Expenditures as % of General Fund	0.90%	0.91%	0.91%	0.88%	0.84%	0.84%

Treasury



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
City Treasurer	1	1	1
Accountant	1	1	1
Senior Account Clerk	2	2	2
Administrative Assistant	1	0	0
Account Clerk	4	4	3
Total	9	8	7

Treasury

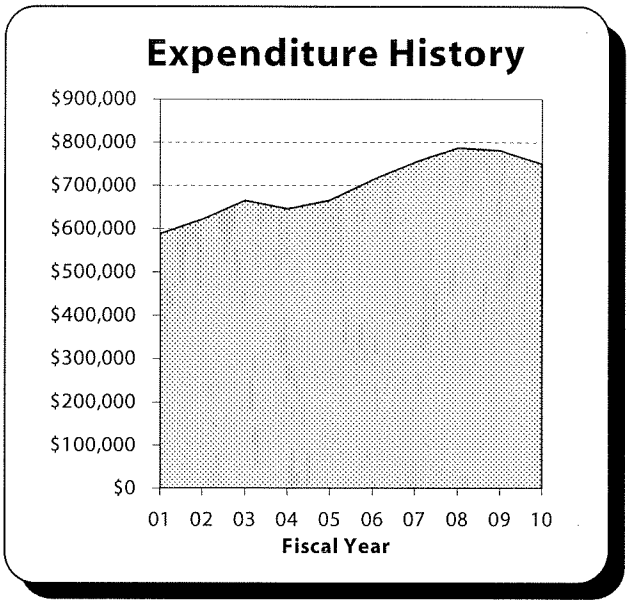
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total personnel budget decreased by $58,740 or 8.4%. Funding for a vacant Account Clerk position is recommended to be frozen saving $64,000. In addition, health insurance costs decreased as a result of several new labor contracts. Due to a recent actuarial study, employer contributions to the pension fund increased by $4,370.

Supplies – Total Supplies decreased $410 or 1.0%. Postage costs decreased $350, as the City will no longer mail courtesy reminder notices for unpaid taxes. The decrease was offset by an increase in the cost of tax bill mailings. Funding of $60 for the GFOA Public Investor subscription was eliminated.

Other Charges – Total Other Charges increased $28,010 or 67.0%. The budget increased $29,100, as the City will no longer use a 0% CD to pay the annual Comerica bank fees. Instead, we will save $25,000 by investing these deposits, generating higher revenues and expensing the bank fees directly. Credit card acceptance fees also increased. $640 was added to the budget due to an increase in existing BS&A and false alarm billing software fees. Funding for contracted services decreased $840 as the budget can be brought more in line with prior year levels. Educational funding decreased $400. $320 was saved, as fewer checks and notices of deposit need to be printed. The Treasurer will attend fewer local Treasury Association meetings saving $100. Membership costs decreased $70 as the Treasurer's membership to the Michigan Government Finance Officer's Association (MGFOA) was eliminated.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$707,651	$698,760	$640,280	$640,020	$640,020
Supplies	42,203	40,560	41,000	40,150	40,150
Other Charges	37,645	41,790	55,590	69,800	69,800
Total	$787,499	$781,110	$736,870	$749,970	$749,970

Parks & Recreation Department

FUNCTIONAL ORGANIZATION CHART

Parks & Recreation Department

Office of Parks & Recreation

- Department administration
- Implements policies and procedures
- Prepares and manages budget
- Coordinates staff assignments and responsibilities
- Coordinates capital improvement requests
- Coordinates and directs the Parks & Recreation Advisory Committee
- Coordinates park and facility planning and development
- Oversees program development throughout the 14 department functions

Athletic Programs

- Coordinates adult athletic programs and leagues
- Coordinates youth athletic programs and leagues
- Liaison to various youth athletic clubs
- Funds equipment purchases for youth athletic clubs
- Provides officials at youth and adult athletic games

Instructional Classes and Aquatics

- Offers adult self-improvement and special interest classes
- Offers youth recreational and performing arts classes
- Offers year-round swim instructional classes for all ages and skill levels
- Offers adult and youth athletic classes and camps

Nature Interpretive Programs

- Maintains Nature Center and provides visitor service
- Conducts field trips for schools and scout groups
- Hosts weekly nature film series
- Presents family nature programs
- Offers outreach program for third grade students

Park Operations

- Inspects park facilities
- Provides park supervision
- Manages activities conducted at the Senior Center
- Augments staff at City events
- Recommends maintenance needs to Department of Public Works
- Oversees skating rink
- Participates in park and facility development

Senior Citizen Programs

- Offers social, recreational and athletic activities for seniors
- Coordinates athletic events for seniors
- Provides transportation services
- Coordinates a variety of senior citizen services
- Coordinates programs in the Senior Center gymnasium

Special Events

- Develops and implements seasonal and holiday events
- Develops and implements family oriented events
- Develops and implements cultural events and community activities
- Coordinates assistance for community events
- Develops and implements TeenFest

Summer Playground Program

- Coordinates an extensive Summer Playground Program at neighborhood schools
- Coordinates Teen Volunteer Program
- Provides participants the opportunity to participate in the metro Detroit Youth Fitness Meet

Athletic Special Events

- Plans and executes athletic special events for adult competitors
- Provides competitive athletic events for youngsters
- Provides assistance to other groups and agencies sponsoring athletic special events
- Provides the opportunity for State and National competition

Special Recreation Programs

- Offers programs for individuals with mental or physical impairments
- Conducts recreational activities in athletics, social recreation, day camps, fitness events, clubs, and trips
- Acts as a resource/referral service for individuals

DEPARTMENT AT A GLANCE

Parks & Recreation Department

BUDGET SUMMARY

The Parks & Recreation budget decreased by $424,790 or 16.0%. Personnel costs fell by $319,130 or 14.9%. Funding for three vacant full-time positions is proposed to be frozen, saving $203,000. This is the first decrease in department full-time staffing in 16 years. The responsibility for administering the Home Chore program will be transferred to City Development. Part-time wages decreased by $82,460 due to the consolidation of summer playground sites as well as lower staffing needs for existing programs. Supply costs declined by $5,030 or 4.9%, though additional funding is in the Public Works budget for field turf maintenance. Other Charges decreased by $100,630 or 25.0% due to the consolidation of summer playground sites and as the athletic clubs will now pay for their own sports officials. The department also saved money in printing costs due to the increased use of electronic notifications and less training costs. The budget continues to fully fund Senior Center programs and the expanded daily operations of the Senior Active Life Center Gym. The capital budget includes funding for additional tree plantings at Delia Park.

FUNDING LEVEL SUMMARY

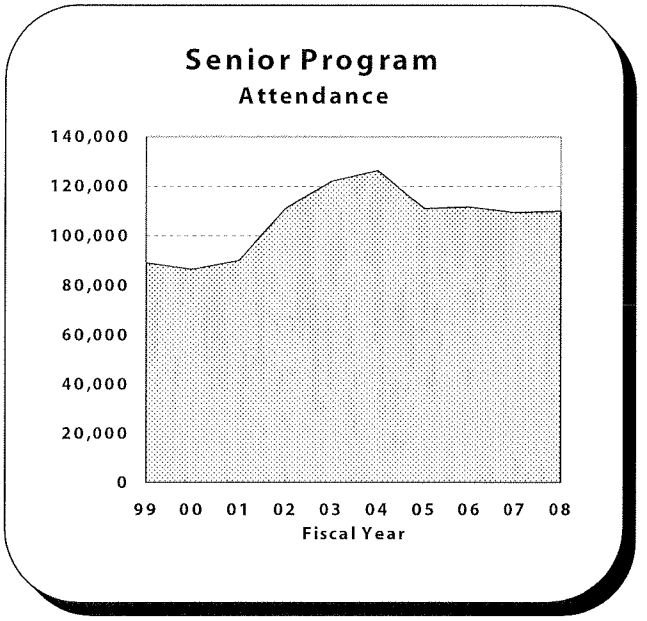
	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Parks & Recreation	$2,428,270	$2,554,030	$2,648,540	$2,223,750	-16.0%
Total Department	$2,428,270	$2,554,030	$2,648,540	$2,223,750	-16.0%
Personnel Services	$1,925,910	$2,082,880	$2,142,440	$1,823,310	-14.9%
Supplies	101,710	102,320	103,680	98,650	-4.9%
Other Charges	400,650	368,830	402,420	301,790	-25.0%
Total Department	$2,428,270	$2,554,030	$2,648,540	$2,223,750	-16.0%

PERSONNEL SUMMARY

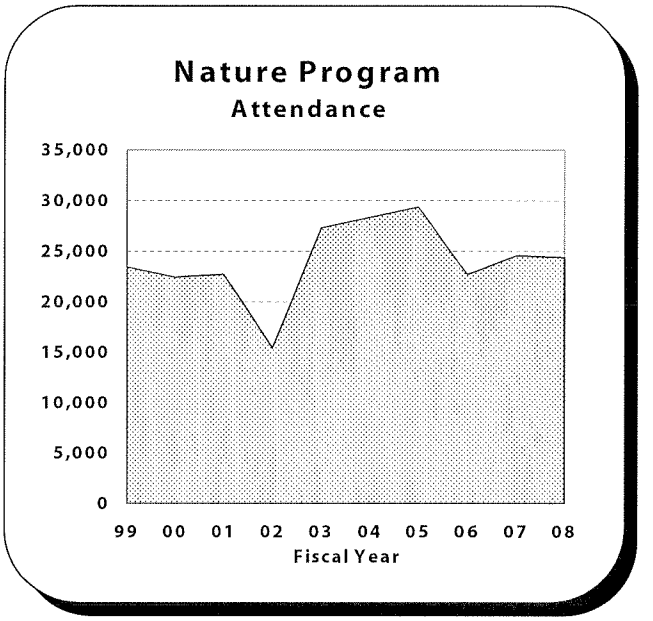
	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Parks & Recreation	16	0	16	0	16	0	13	0
Total Department	16	0	16	0	16	0	13	0

KEY DEPARTMENTAL TRENDS

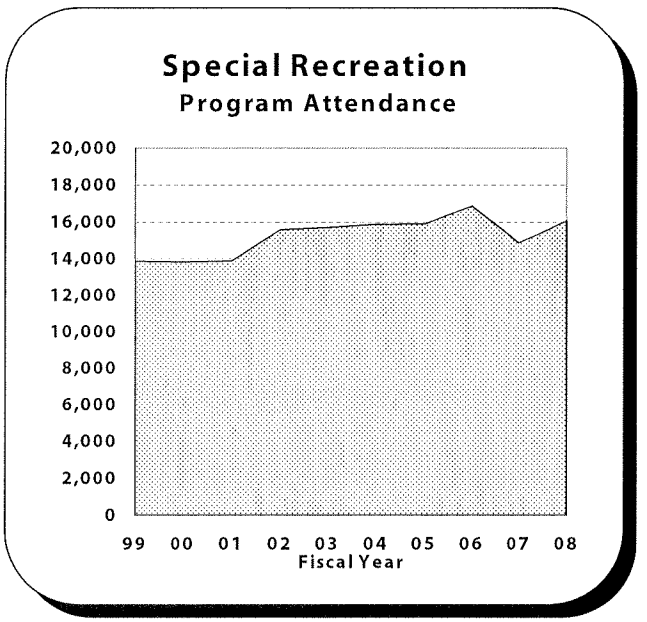
Parks & Recreation Department



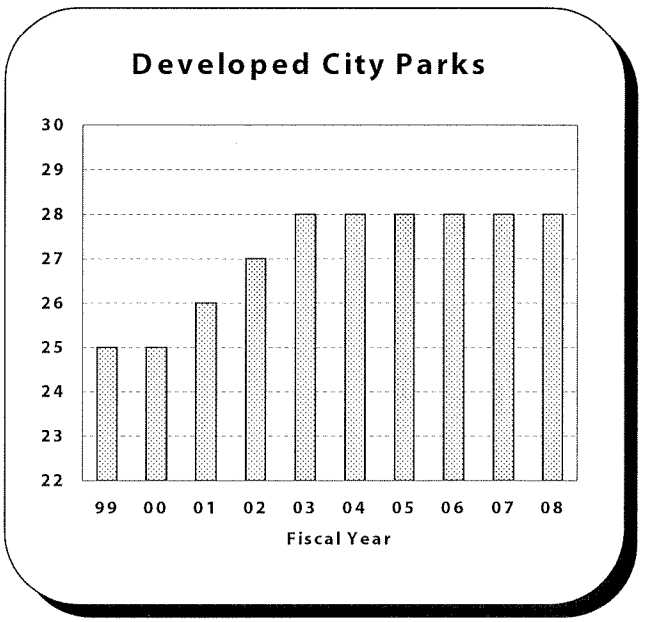
Senior program attendance has increased by 23% over the past ten years from 89,226 to 109,970 participants. In 2007, the City completed a 14,000 sq. ft. gymnasium addition to the Senior Center that was paid for with federal CDBG dollars. Both the number of senior and special recreation transportation riders has nearly doubled in the past 10 years.



The City's Nature Center was closed for a portion of 2002 as the City constructed a 2,250 square foot addition. When construction was finished, attendance rebounded to reach a ten-year high of 29,360 visitors in 2005. Attendance decreased slightly to 24,400 participants in 2008.



For the past seven years, attendance at the City's numerous Special Recreation programs and activities has ranged between 15,000 – 17,000 participants annually.



The number of parks has increased by 12% over the past 10 years from 25 in 1999 to 28 in 2008. In the past 7 years Rotary, Moravian, and Avis Drive Parks have been developed increasing the amount of City land devoted to recreational purposes to 820 acres. Over the past several years, we completed the bike hike trail from Riverland Drive to Van Dyke, paved the Delia Park entrance and south parking lot, repaired the Delia Park tennis courts, and installed three outdoor bocce ball courts at the Senior Center. The City also purchased bleachers and replaced ball diamond fencing at Delia Park and opened the Senior Active Life Center addition to the Senior Center.

Parks & Recreation

MISSION STATEMENT: ***To provide the best in Parks and Recreation services for all Sterling Heights' residents as efficiently and effectively as possible.***

Parks & Recreation provides a variety of programs for residents including instructional programs, special events, athletic programs and tournaments, children's summer playground, nature service programs, special recreation programs, teen activities, senior citizen programs and park operations and activities.

The Instructional Recreation Program offers a variety of fitness, craft, dance, athletic, aquatic and special interest classes.

The Special Events program provides special events and cultural activities throughout the year. Annual events include the Easter Egg Scramble, Halloween Party, A Sterling Christmas, Music in the Park, TeenFest, Sterlingfest, Acoustic Coffeehouse, Daddy/Daughter Dance, Dance Recital, Mother/Son Mini-Golf Tournament, Treasure Hunters' Market and Kite Building Clinic.

In Athletic Services, adult and youth participants are provided the opportunity to compete in organized leagues, events, and tournaments.

A Summer Playground Program is conducted at neighborhood schools throughout the City for children ages 6 to 14. This six-week program offers sports, crafts, field trips, and much more.

Teens can participate in most programs offered including TeenFest and the summer Volunteer Teen program. The Nature Services Program offers individuals, families, and groups an opportunity to discover and learn more about our environment. The programs include school lectures, nature walks, nature talks to community groups, exhibits, film/lecture series and more.

Park Operations monitors 659 acres of major parks and 167 acres of neighborhood parks including two major athletic parks, one major passive/picnic park, 21 neighborhood parks and a park system that includes five individual park areas for both picnic and passive type activities. Over 665,000 adults and youth utilize these parks on an annual basis.

The Senior Citizens Program provides a variety of recreational activities such as trips, dances, athletics, etc. Some of the special services available to our senior residents include transportation and medical services.

KEY GOALS

- ***To offer high quality recreation services and programs to our residents to benefit their overall health and well-being.***
- ***To continue the vision of park and facility development with the end result providing new and/or improved recreation opportunities for our residents of various ages, interests and abilities as per the Major Parks and Facilities Conceptual Development Plan.***
- ***To provide positive play opportunities to the youth and teens of our community through wholesome and well-rounded programs and recreational venues.***
- ***To closely monitor our parks and facilities to ensure a safe and clean environment for the resident users.***
- ***To work with City administration and other City departments to help achieve the City's goals.***

The National Gold Medal Award Winning Special Recreation Program offers a variety of recreation activities to the mentally impaired, emotionally impaired, physically challenged, learning disabled, hearing impaired, visually impaired, persons with closed head injuries, and autistic children and young adults. Activities include Summer Day Camps, Athletics, Social Recreation and Special Activities.

Parks & Recreation staff serves as the liaison to the Parks & Recreation Development Advisory Committee. This seven-member committee, established in 2005, studies, advises, and makes recommendations to City Council regarding the development of parks and facilities using the Major Parks and Facilities Conceptual Development Plan.■

Did you know?...
...that over 50% of the staff that work the Summer Playground Program attended the program when they were children?

Parks & Recreation

2009/10 PERFORMANCE OBJECTIVES

1. To establish and begin utilizing a field rental policy for the City's baseball and soccer fields. *(City Goal 20, 27)*

2. To work with Community Relations to develop a marketing plan for programming at the Senior Activity Center to include press releases, flyers, newsletters, commercials and news stories for Sterling Heights Television (SHTV). *(City Goal 26, 27)*

3. To explore the use of sponsorship for the Music in the Park program as well as other recreation programs. *(City Goal 21, 26, 27)*

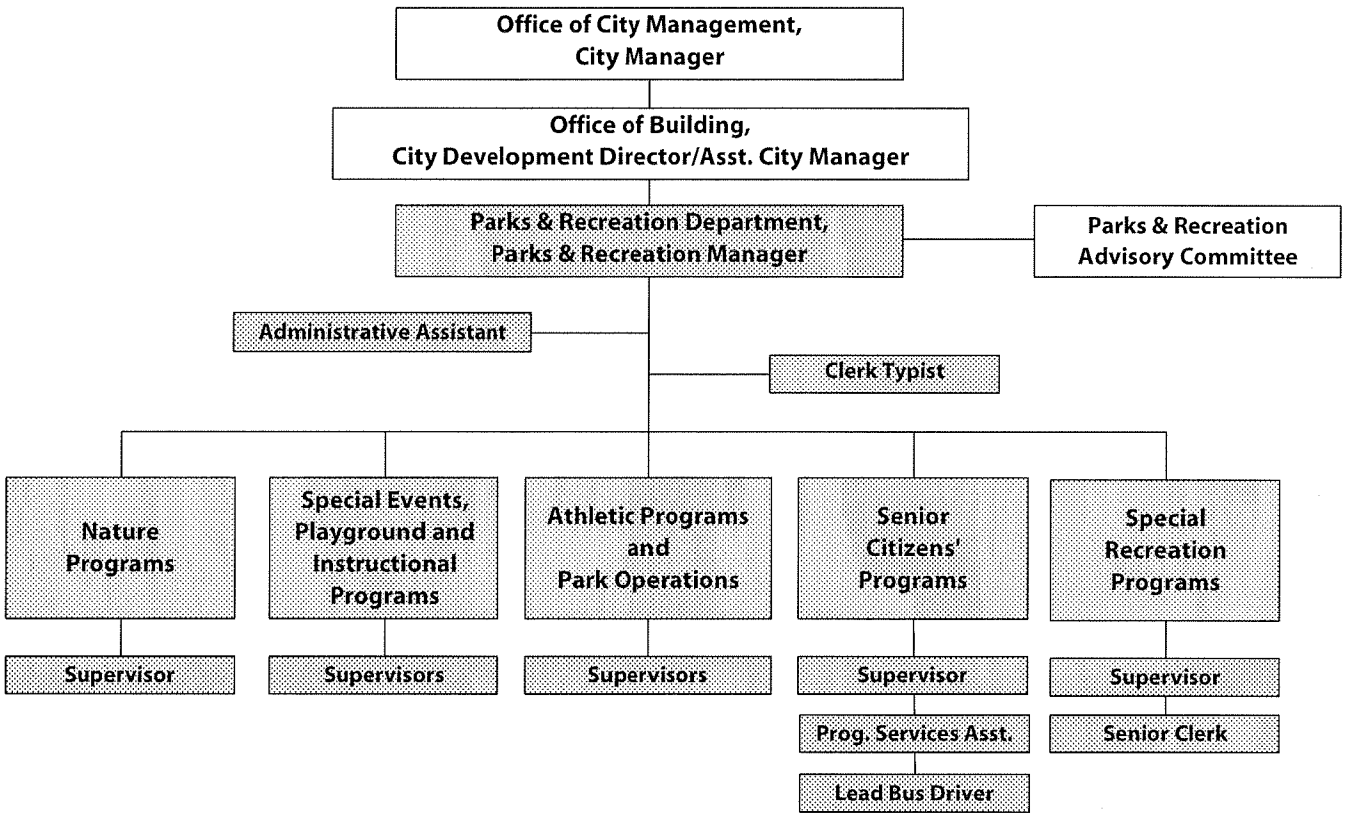
4. To increase participation in the Adult Golf Tournament by reformatting it to a scramble thus allowing participants to play with friends or family members. *(City Goal 26, 27)*

5. To develop an enhancement plan for older City parks with the assistance of the Public Works Department. *(City Goal 20, 27)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Instructional & Aquatics Class Attendance	36,970	35,953	33,236	36,100	30,649	31,000
	Special Event Participants	72,725	73,000	73,100	73,300	74,311	75,000
	Special Recreation Program Attendance	16,870	14,878	16,060	15,500	16,367	15,100
	Adult & Youth Athletic Program Attendance	48,960	52,760	53,020	53,000	54,629	54,000
	Nature Program Participants	22,750	24,582	24,400	25,100	23,858	23,600
	Teen Only Program Attendance	820	1,010	926	1,100	800	800
	Number of Internet Registrations	2,513	2,903	3,430	3,300	3,300	3,400
	Summer Playground Registrations	723	732	864	950	680	680
	Park Playground Equipment Replaced	1	1	0	0	1	0
	Senior Center Activities Attendance	111,610	109,528	109,970	117,000	104,823	119,262
	Community Center Special Activity Use Attendance	25,370	27,889	23,683	28,200	24,523	23,846
	Senior & Special Recreation Transportation Riders	18,400	17,861	17,201	18,200	17,500	17,700
Efficiency & Effectiveness	P & R Revenue Earned per Capita	$3.56	$3.58	$3.71	$3.85	$3.81	$4.16
	% of Refunds Due to Dissatisfaction	1.1%	1.1%	1.1%	1.0%	1.0%	1.0%
	Developed Park Acres per 1,000 Residents	6.4	6.4	6.4	6.4	6.4	6.4
	% of Park Acres Developed	85.4%	85.4%	85.4%	85.4%	85.4%	85.4%
	Full-time Equivalent Staff per 100,000 Population	44	44	44	44	44	41
	Nature Center Cost per Visitor	$7.43	$7.16	$7.33	*	*	*
	Senior & Special Rec. Transportation Cost per Rider	$14.55	$14.87	$15.21	*	*	*
	Department Cost per Capita	$18.22	$19.05	$19.95	$20.61	$19.23	$17.31
	Activity Expenditures as % of General Fund	2.93%	2.93%	2.95%	2.98%	2.81%	2.50%

** Cost is calculated for "Actual" columns only.*

Parks & Recreation



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Parks & Recreation Director	1	1	0
Parks & Recreation Manager	0	0	1
Recreation Supervisor	8	8	7
Recreation Specialist	1	1	0
Administrative Assistant	1	1	1
Program & Services Assistant	2	2	1
Senior Clerk	1	1	1
Lead Bus Driver	1	1	1
Clerk Typist	1	1	1
Total	16	16	13

Parks & Recreation

SUMMARY OF BUDGET CHANGES

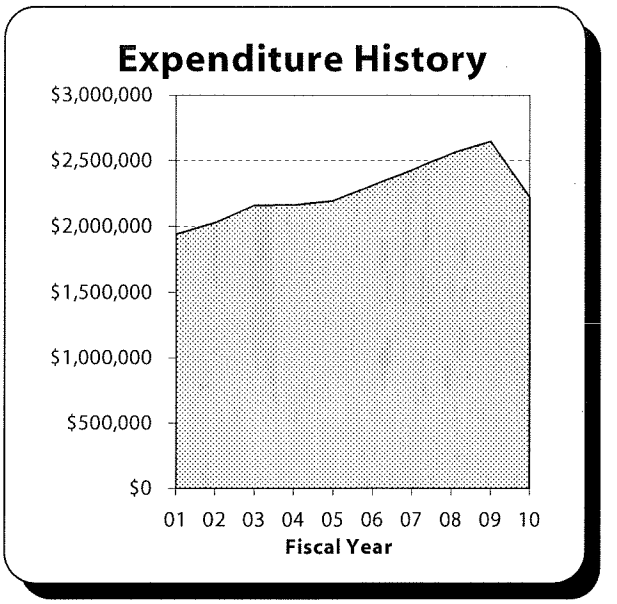
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased $319,130 or 14.9%. Funding for three vacant full-time positions is proposed to be frozen, saving $203,000. Part-time wages decreased $82,460 due to the consolidation of summer playground sites as well as lower staffing level needs for various existing programs.

Supplies – Total Supplies decreased $5,030 or 4.9%. Program supply costs decreased $2,830 based on historic expenditure trends and the consolidation of summer playground locations. Funding for operating supplies decreased $1,450. Postage costs decreased $700 due to the increased use of e-mail for notifications of Special Recreation programs.

Other Charges – Total Other Charges decreased $100,630 or 25.0%. Contracted service costs decreased $80,640 as a result of the consolidation of playground locations and the City's new policy that requires athletic clubs to pay for their sports officials. Rental costs declined $17,300 and medical service costs decreased $600, both primarily due to the consolidation of playground sites. Educational funding decreased $1,900 as part of the City's overall cost-saving financial strategy. The office will save $1,850 in printing costs due to the increased use of e-mail for program news. Telephone costs decreased $360 as two Nextel telephones were eliminated. Water costs rose $2,000 due to increased rates and higher usage.

Capital – Total Capital of $8,000 is proposed. $8,000 is for tree plantings at Delia Park, of which $3,000 is to be financed from grant monies.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$2,082,879	$2,142,440	$1,979,340	$1,823,310	$1,823,310
Supplies	102,317	103,680	98,550	98,650	98,650
Other Charges	368,836	402,420	393,340	301,790	301,790
Total	$2,554,032	$2,648,540	$2,471,230	$2,223,750	$2,223,750

Police Department

FUNCTIONAL ORGANIZATION CHART

Police Department

Police Administration

- Administration of department' divisions
- Provides public information and responses to citizen complaints
- Coordinates departmental responses to litigation
- Coordinates all Police administrative and personnel activities as they relate to City business
- Monitors and processes all expenditures, including payroll
- Oversees budgeting and auditing for the department
- ***Community Services Bureau*** – provides crime prevention and public safety information including the D.A.R.E. program
- ***Training Bureau*** – coordinates training, monitors changes in law, responds to lawsuits
- ***Special Investigations Bureau*** – conducts background investigations
- Investigates allegations of misconduct by department members
- Regulates the sale of alcoholic beverages

Police Investigations

- ***Detective Bureau*** –handles cases involving adults, case law, conducts follow-ups
- Investigates check fraud, serves warrants and performs technical polygraph examinations
- ***Youth Bureau*** – handles cases involving juveniles, case law, conducts follow-ups
- ***Crime Suppression Unit*** - enforces all controlled substance violations, gambling, prostitution and other vice crimes
- Conducts surveillances, apprehends people committing criminal acts

Police Operations

- ***Traffic Safety Bureau*** – investigates vehicle accidents, assists the injured, enforces traffic codes
- Coordinates all Crossing Guard activity with Warren Consolidated and Utica Community Schools
- ***Patrol Bureau*** – suppresses criminal wrong-doing, first response to emergencies, enforces State and City laws, maintains the peace, collects evidence and maintains canine program
- ***Detention*** - responsible for the processing, housing and release of prisoners

Police Support Services

- ***Records Bureau*** – collects, analyzes and reports performance data, processes handgun permits, maintains evidence and property
- Inputs source documents into the department computer system and generates reports as required by various agencies
- Maintains files of active warrants for wanted persons and tile jackets on all arrested persons
- ***Communications Bureau*** – receives calls for service and dispatches Police, Fire and EMS personnel
- ***Animal Control Unit*** -responds to and investigates animal nuisance complaints and violations

Emergency Management

- Provides disaster mitigation
- Coordinates City-wide emergency response program
- Establishes emergency procedures
- Conducts hazardous materials research and response
- Coordinates all emergency communications
- Initiates public emergency program

DEPARTMENT AT A GLANCE

Police Department

BUDGET SUMMARY

The Police Department budget increased by $2.4 million or 8.1%. Personnel costs accounted for the entire increase as costs rose 8.4% due largely to a $1.4 million increase in pension contributions. Absent higher pension costs, Personnel costs would have risen by 3.5%. The budget includes an additional $271,360 to fund the retiree medical obligations. A vacant Animal Control Officer and a Technical Secretary position are proposed to be eliminated, saving $111,000. A new Captain's position has been funded in Investigations, while four officers will be reassigned in Police Operations to create an Accident Prevention Team. The new fourth overlapping shift schedule will continue to place additional officers on the street during peak times. The Sterling Estates community-policing program and the CERT team continue to be funded. Supplies decreased by $22,200 or 11.9% due to prior year reappropriated encumbrances. Other Charges fell by $2,180 or 0.4% due to lower training costs offset by increased funding for repairs to the City's emergency warning sirens. The capital budget includes funding for nine patrol vehicles, new dispatch computers, and $70,000 in drug forfeiture purchases, including three investigative vehicles.

FUNDING LEVEL SUMMARY

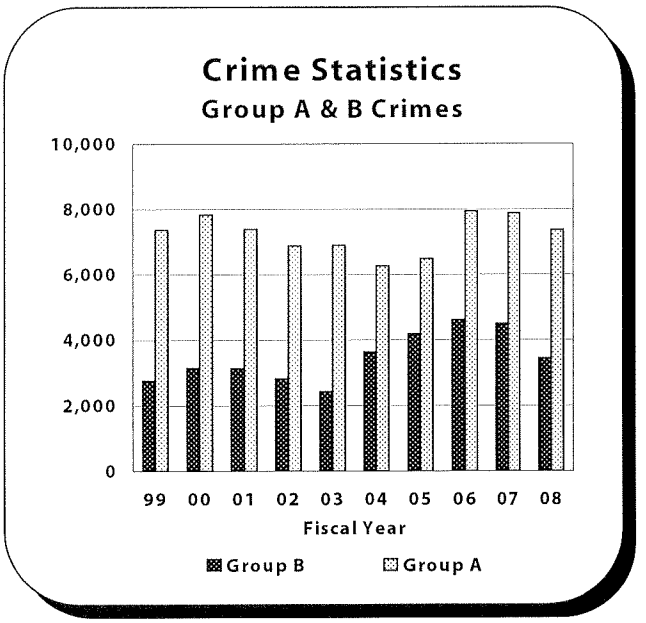
	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Police Administration	$3,950,150	$2,889,810	$3,008,560	$2,966,310	-1.4%
Police Investigations	3,863,410	5,419,170	5,627,640	6,030,960	7.2%
Police Operations	15,610,640	16,700,240	17,650,730	19,757,070	11.9%
Police Support Services	3,234,570	3,381,110	3,478,300	3,445,280	-0.9%
Emergency Management	99,970	141,650	148,360	146,030	-1.6%
Total Department	$26,758,740	$28,531,980	$29,913,590	$32,345,650	8.1%
Personnel Services	$25,996,950	$27,742,110	$29,121,840	$31,578,280	8.4%
Supplies	153,300	165,660	187,200	165,000	-11.9%
Other Charges	608,490	624,210	604,550	602,370	-0.4%
Total Department	$26,758,740	$28,531,980	$29,913,590	$32,345,650	8.1%

PERSONNEL SUMMARY

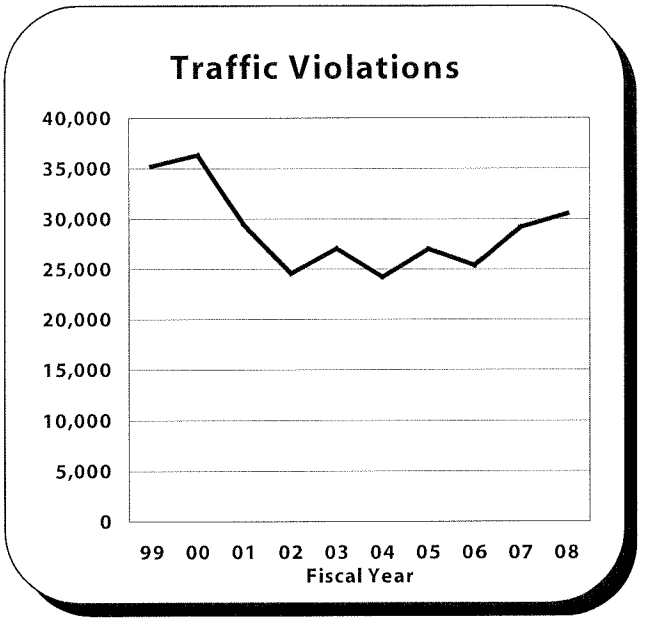
	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Police Administration	19	0	17	0	17	0	16	0
Police Investigations	40	0	41	0	41	0	39	0
Police Operations	124	33	126	33	127	33	130	33
Police Support Services	42	1	42	1	41	1	39	1
Emergency Management	1	0	1	0	1	0	1	0
Total Department	226	34	227	34	227	34	225	34

KEY DEPARTMENTAL TRENDS

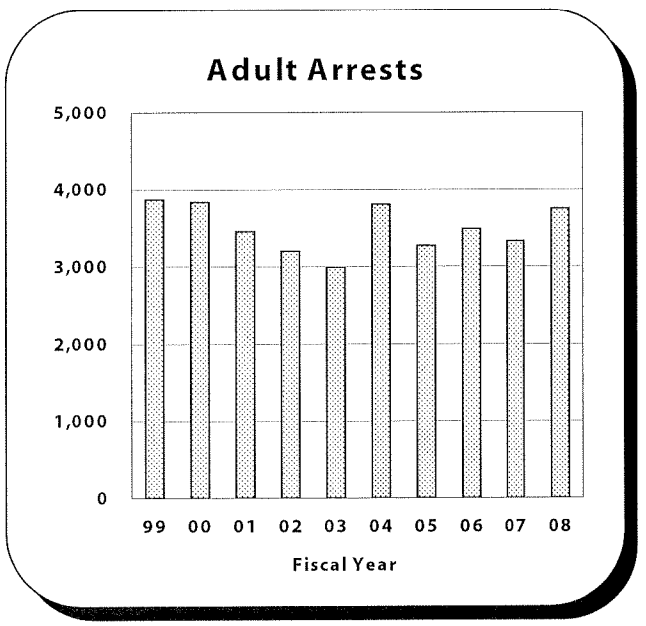
Police Department



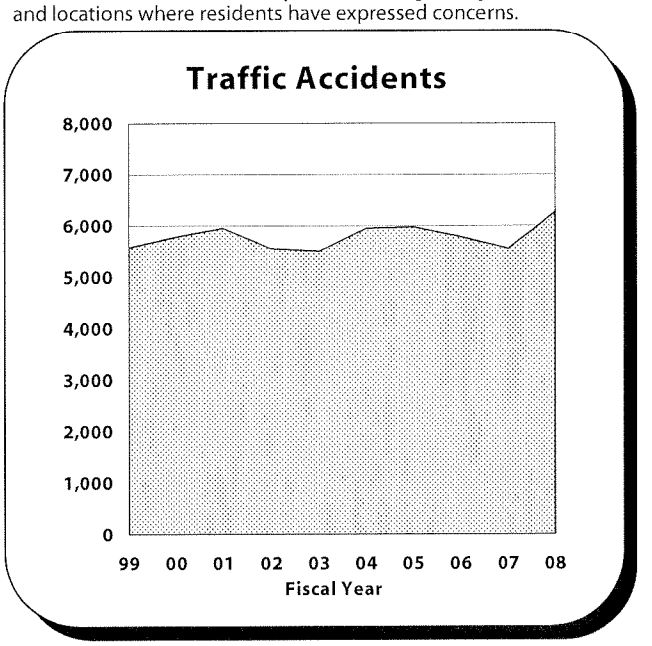
The City's crime rates have fluctuated over the past ten years. Group A crimes include murder, robbery, burglary, car theft, damage to property, larceny, and retail fraud. Group B crimes include assault, family trouble, OUIL and disorderly conduct.



From 1999 to 2001, a three-officer selective enforcement unit targeted traffic violations to lower speeds on our streets. When these officers were reassigned to other duties, traffic violations decreased. However, due to other department efforts, the number of traffic violations today is still higher than in the year before the selective enforcement unit was started. In 2005, we initiated a strategy to increase traffic enforcement by concentrating on high accident areas and locations where residents have expressed concerns.



This graph reflects the number of incidents where an arrest occurred for 1999 through 2003. Beginning in 2004, the City's new computer system is now able to record the total number of arrests in the City and can pick-up multiple arrests that may occur in a single incident.



The total number of accidents over the past ten years has increased slightly due to the high growth in traffic volumes. The growth in the City and in the surrounding northern communities has added to the traffic volume, especially during the work time commute. In 2008, the number of accident reports increased by 13.1%. The number of injury traffic accidents per 100,000 residents increased by 24%, though the number of traffic fatalities per 100,000 residents decreased from 6.3 to 4.7.

Police Administration

MISSION STATEMENT: ***To provide effective, efficient and ethical police services through the management of allocated human and physical resources.***

The Chief of Police is responsible for the overall management of police services in the community. Reporting to the City Manager, the Chief and his staff plan, organize and direct all Police Department operations to provide a safe and orderly environment for residents and visitors.

The Chief is assisted by three Captains who serve as commanders of the Department's divisions and report directly to him. The Chief is responsible for media relations and manages responses to citizen complaints and inquiries.

Under the direction of the Chief, the Special Investigations Bureau (S.I.B.) investigates allegations of serious misconduct by Police Department members, and incidents that may result in civil litigation. This Bureau also conducts background investigations of various applicants for employment and licensing. The Bureau also enforces laws regulating the sale of alcoholic beverages and prepares the Department's response to litigation.

Police Administration is divided into two bureaus: Community Services and Training.

The Division's Community Services Bureau provides crime prevention and public education, including the D.A.R.E. program. Its officers serve as liaison for Neighborhood Watch, Child Watch, and other community groups.

Through a variety of training and educational mediums, the Training Bureau identifies training needs and provides officers with the necessary equipment to effectively perform their jobs.

The Administrative Captain and the Police Administration staff prepare the annual budget, monitor and process all expenditures, oversee audits and are responsible for the Department's inventory. This Division also administers personnel matters and processes the Department's payroll.■

KEY GOALS

- ***To provide leadership, coordination and support to the Department's four divisions.***
- ***To conduct thorough investigations on prospective City employees, liquor license applicants, and any internal allegations of serious misconduct.***
- ***To provide staff training in various areas of law enforcement to reduce liability and improve services.***
- ***To provide public education in areas of crime prevention, personal safety, child protection, and drug abuse.***
- ***To coordinate special projects that will provide for a more effective and efficient service to the public.***
- ***To coordinate crime fighting efforts with other law enforcement agencies, utilizing the latest in crime analysis software and technology.***

Did you know?...
...that the Community Service Bureau hosts National Night Out, an annual event that provides an environment for residents to network amongst each other and to aid in crime prevention efforts?

Police Administration

2009/10 PERFORMANCE OBJECTIVES *(Administration)*

1. To provide a new and enhanced multi-disciplined Defensive Tactics program to uniformed officers, which will increase officer safety and the officer's ability to respond appropriately to dangerous situations. *(City Goal 25)*

2. To develop and provide a Motor Vehicle Code Reference Handbook to assist the officers in their daily enforcement activities in an effort to make the roadways safer for the community. *(City Goal 25)*

3. To complete an entire review of the General Orders and make any updates that are necessary due to legal decisions, recent training changes, or those that are simply outdated. (City Goal 25)

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Public Education Programs Presented	672	612	653	685	680	728
	Car Seat Inspections Conducted	200	154	166	170	210	230
	Security/Safety Presentations	287	322	335	345	350	370
	Neighborhood Watch Programs	35	39	44	50	50	53
	Elementary and Middle School Programs	150	97	108	120	70	75
	Hours of D.A.R.E. Instruction	1,259	1,492	1,557	1,650	1,650	1,700
	General Orders Issued or Amended	5	9	23	25	25	28
	School Safety Program - Students Impacted	3,025	3,100	3,120	3,200	3,300	3,325
	Training Seminars Attended - Department-wide	353	368	375	400	250	300
Efficiency & Effectiveness	FT Staff to Workers Comp./Disability Claims Ratio	4.7:1	4.1:1	4.8:1	5.0:1	6.4:1	6.0:1
	% of D.A.R.E. Students Completing Program	99%	99%	100%	99%	99%	99%

Police Administration

2009/10 PERFORMANCE OBJECTIVES *(Special Investigations)*

1. To convert officers' paper activity logs to electronic activity logs, thereby reducing storage and filing needs, and enhancing the compilation of statistics. *(City Goal 3, 17)*

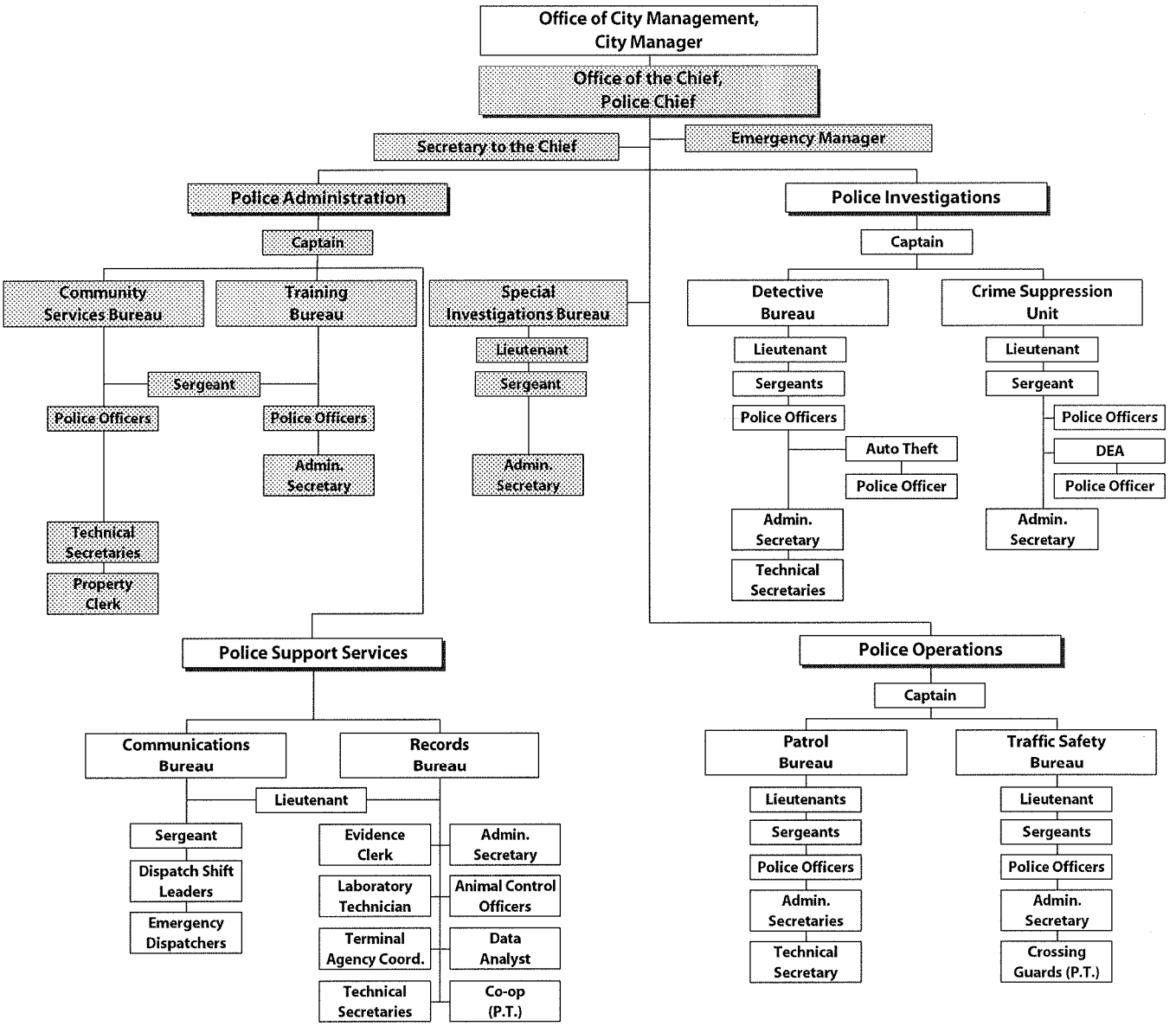
2. To re-evaluate the Department's current performance evaluation system to provide more relevant information and less administrative work. *(City Goal 3, 25)*

3. To increase the enforcement of underage alcohol use year round, with special focus on the time periods normally associated with increased alcohol use by minors (prom, graduation, weekends) through the use of State grant funds. *(City Goal 21, 25)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Employment Background Investigations	35	33	41	40	40	40
	Internal Affairs Investigations	12	23	7	25	20	25
	Liquor License Background Investigations	13	18	25	50	35	35
	Other Special Investigations Bureau Investigations	269	399	544	550	475	500
	Liquor & Tobacco Inspections/Observations	173	146	170	200	210	210
	Liquor License Violations	5	14	9	25	35	40
Efficiency & Effectiveness	Employment Background Investigations - % Hired	14%	49%	58%	50%	59%	50%
	# of Sustained Complaints per 100 Officers	0.0	2.7	0.0	1.2	0.6	0.0
	Average Cost of an Administrative Investigation	$701	$631	$559	*	*	*
	Average Liquor License or Tobacco Inspection Cost	$93	$120	$100	*	*	*
	Department Cost per Capita	$197	$209	$222	$232	$230	$252
	Division Expenditures as % of General Fund	5.13%	4.77%	3.34%	3.38%	3.35%	3.34%

** Cost is calculated for "Actual" columns only.*

Police Administration



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Chief	1	1	1
Captain	1	1	1
Lieutenant	2	2	1
Sergeant	2	2	2
Police Officer	5	5	5
Secretary to the Chief	1	1	1
Administrative Secretary	2	2	2
Technical Secretary	2	2	2
Property Clerk	1	1	1
Total	17	17	16

Police Administration

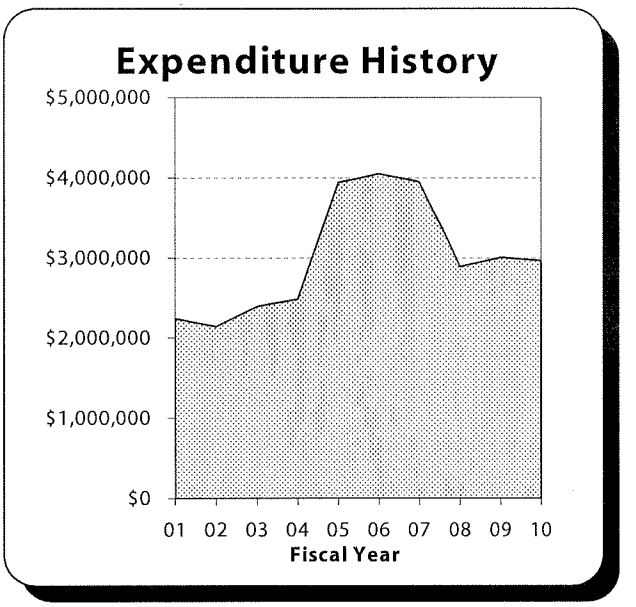
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $20,600 or 0.9%. Funding for a Lieutenant's position in the Training Bureau has been reallocated to fund a proposed new Captain's position in the Investigations division. As a result, most of the wage and fringe benefits in this division have declined with the exception of police pension costs, which rose $77,500 based on an updated actuarial report.

Supplies – Total Supplies decreased $17,770 or 9.9%. Funding for ammunition and operating supply costs decreased $14,630 and $2,440 respectively, due to reappropriated encumbrances from the prior year. A decrease of $500 was made, as funding for prisoner supplies can be reduced and brought more in line with prior year actual expenditures. The office will save $300, as fewer written publications will be purchased.

Other Charges – Total Other Charges decreased $410 or 0.1%. The budget decreased $2,000, as fewer radio repairs have been needed due to the new 800 MHz Radio System. Rental fees decreased $1,180 as 29 pagers were eliminated, and telephone costs fell $900 as five Nextel telephones were eliminated. Educational funding decreased $3,000. Printing costs decreased $2,000 and contracted service costs fell $730, as both can be brought more in line with actual costs experienced over the past several years. The City will save $600, as the fall police auction will now be conducted online. $3,250 was added as the Traffic Safety Association of Macomb membership was transferred from the General Expenditures activity. Animal collection costs rose $1,000 due to an increase in Macomb County Animal Shelter fees.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Total Personnel Services decreased by $3,470 due to a lower revised police and fire pension contribution amount.

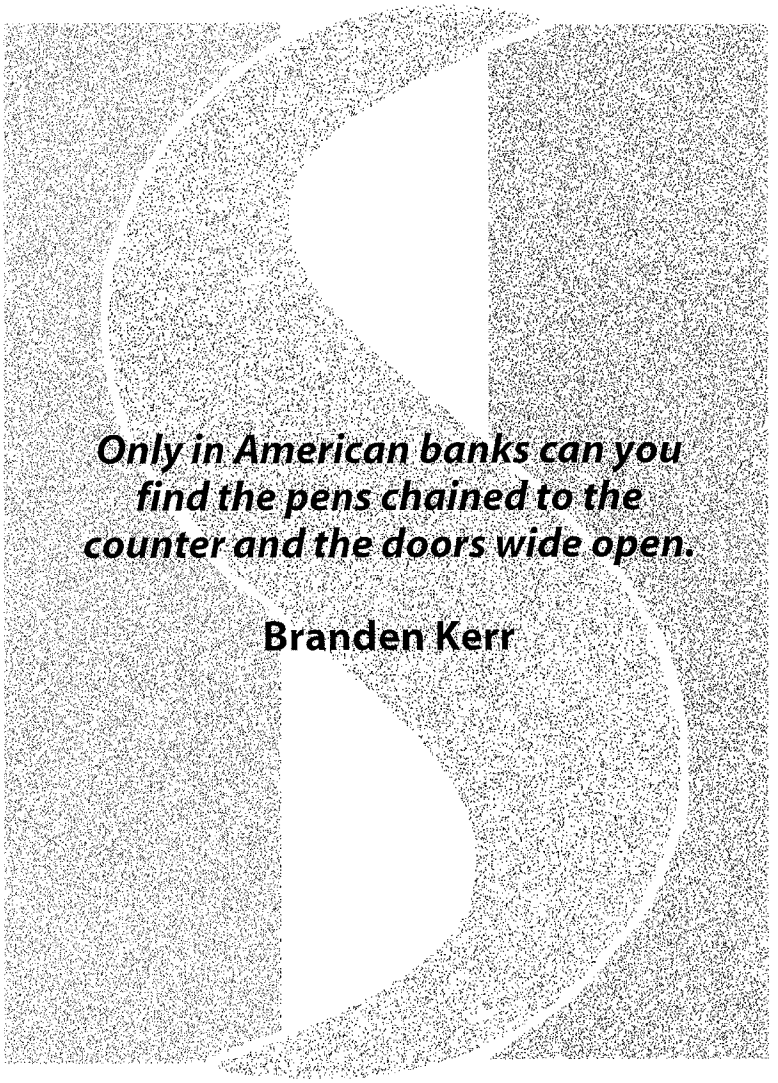
Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$2,130,466	$2,245,260	$2,177,620	$2,224,660	$2,221,190
Supplies	151,034	180,120	176,180	162,350	162,350
Other Charges	608,310	583,180	589,380	582,770	582,770
Total	$2,889,810	$3,008,560	$2,943,180	$2,969,780	$2,966,310


Only in American banks can you find the pens chained to the counter and the doors wide open.
Branden Kerr

Police Investigations

MISSION STATEMENT: ***To deliver professional, effective and efficient investigative services to the community.***

The primary responsibility of the Investigations Division is the investigation and prosecution of criminal activity occurring within the City.

The Investigations Division consists of three squads of detectives. The Detective Bureau consists of two adult squads that investigate criminal activity involving persons 17 years of age or older. This includes the processing of arrest warrants, and the presentation of evidence in court as the prosecution moves forward. The Detective Bureau also has personnel assigned to the Macomb Auto Theft Squad (MATS) and the FBI Balkan Organized Crime Task Force.

The Youth Bureau examines all law violations involving persons 16 years of age and younger, and works closely with the students, teachers and administrators of the secondary schools. This squad is also responsible for the investigation and subsequent prosecution of all cases involving child abuse and neglect. The Youth Bureau also has a school resource officer assigned to Sterling Heights High School.

The Crime Suppression Unit is a group of detectives that enforces all controlled substance violations, gambling, prostitution and other vice crimes. Additionally, this unit coordinates with federal, state and local task forces to address organized drug trafficking issues, conduct surveillances, and apprehend persons actively committing criminal acts. This Unit also has personnel assigned to Drug Enforcement Administration (D.E.A. Group 6).

Specialized areas within the Investigations Division include the Computer Crimes Section that conducts forensic analysis of computer evidence, and the Polygraph Section that conducts tests to detect deception in investigative interviews.

The investigators assigned to this Division continually pursue training in all aspects of criminal investigation including: interviewing, legal update, violent crimes and the utilization of computers as investigative tools. This training is necessary to maintain and enhance the skills of the investigators.

KEY GOALS

- ***To quickly respond to complainants/victims.***
- ***To create a safer community through the vigorous enforcement of controlled substance laws and other vice crimes.***
- ***To assist school administrators in the creation of a safe and secure learning environment within the City's schools.***
- ***To foster close working relationships with other law enforcement professionals to accomplish the Division's mission.***
- ***To conduct timely and thorough investigations of criminal activity and process these cases through the appropriate criminal justice system.***
- ***To efficiently provide accurate and timely information to various entities in accordance with State statutes.***

Victim assistance and citizen satisfaction are key objectives to our approach toward lessening the effects of crime on our community. Detectives work in close partnership with social response agencies, such as Turning Point and the Macomb County Victims Assistance Unit.■

Did you know?...
...that the Investigations Division facilitates and hosts monthly Macomb County criminal information sharing meetings with federal, State, County, and local investigators?

Police Investigations

2009/10 PERFORMANCE OBJECTIVES

1. To develop and implement an in-house narcotics raid and tactical training consistent with the training received by the Operations Division personnel. *(City Goal 25)*
2. To increase enforcement efforts at area hotels and motels to curtail vice crimes. *(City Goal 12, 13)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Detective Bureau Cases Assigned	3,883	3,764	3,554	4,210	3,850	4,110
	Adult Investigative Cases	2,520	2,472	2,312	2,650	2,500	2,600
	Juvenile Investigative Cases	1,047	1,054	919	1,150	950	1,100
	In-Custody Cases	316	238	323	410	400	410
	Total Crime Suppression Unit Cases Assigned	488	496	526	520	500	520
	Auto Theft Investigative Cases	159	120	116	120	100	110
	Narcotic/Vice Investigative Cases	329	376	410	400	400	410
	Total Interviews Conducted	17,167	17,853	20,520	20,550	20,950	21,500
	Suspect Interviews	4,548	4,823	6,202	5,450	5,850	6,000
	Witness & Informant Interviews	6,894	6,890	7,537	7,800	7,800	8,000
	Victim Interviews	5,725	6,140	6,781	7,300	7,300	7,500
	Arrest Warrants Obtained	1,257	1,510	1,448	1,330	1,454	1,500
	Search Warrants Obtained/Executed	246	205	313	250	326	350
	Polygraph Examinations Conducted	55	37	23	35	25	25
	Criminal Surveillances	615	677	381	620	550	600
	Federal Forfeiture Cases Processed	15	30	13	15	30	20
	State Forfeiture Cases Processed	62	52	57	60	60	60
	School Resource Officer - # of Hours at Schools	1,000	1,450	1,450	1,450	1,450	1,450
	# of Students Served by School Resource Officer	1,600	1,650	1,650	1,650	1,650	1,650

** Cost is calculated for "Actual" columns only.*

Police Investigations

2009/10 PERFORMANCE OBJECTIVES

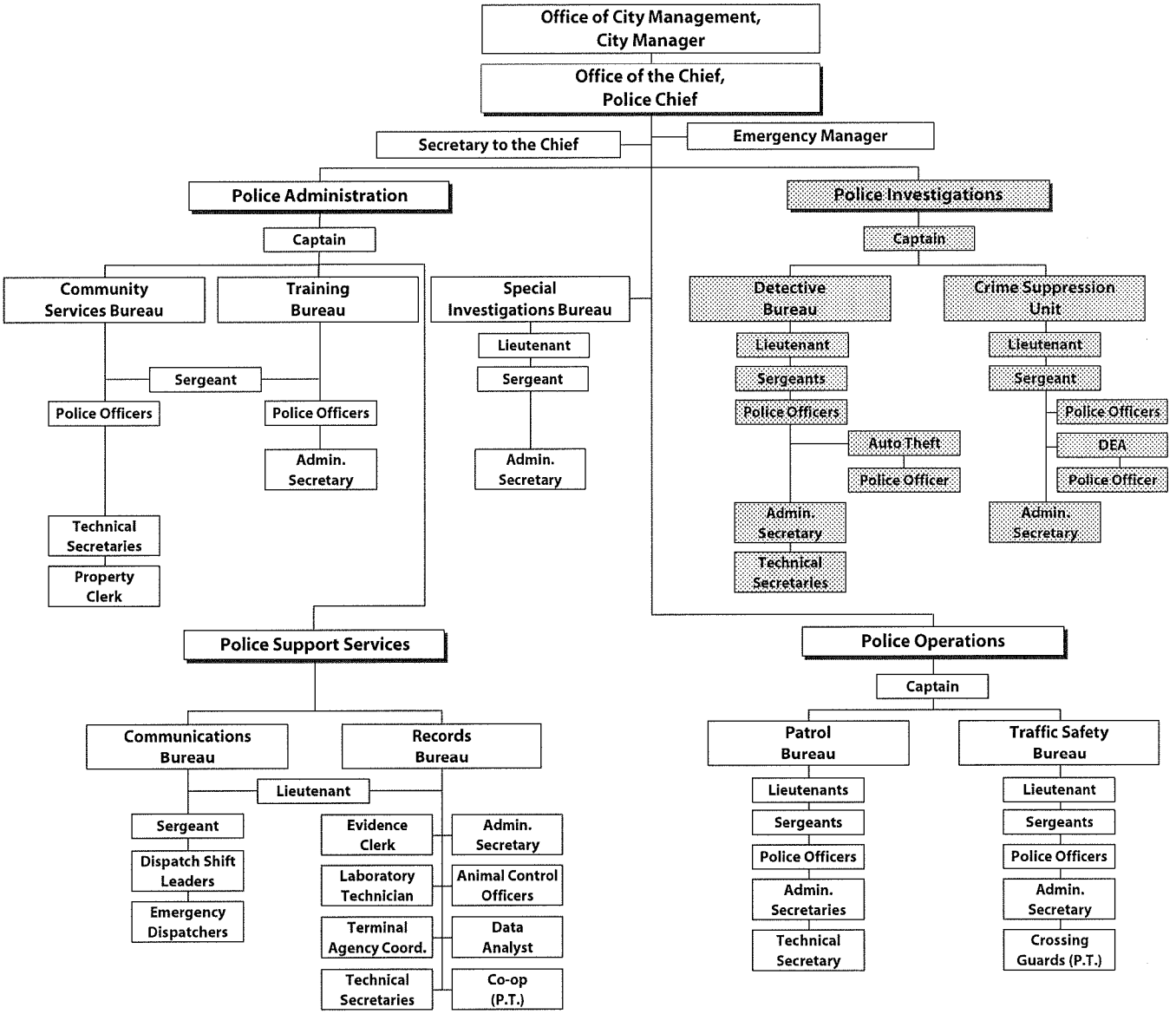
3. To work with Utica Community Schools, Warren Consolidated Schools, the Fire Department, and Emergency Management to reform the School Safety Task Force with a multi-disciplinary approach. *(City Goal 2, 25)*

4. To develop and implement a means to allow citizens to submit information, such as criminal tips, online directly to the Police Department. *(City Goal 17, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Efficiency & Effectiveness	% of Petitions Obtained vs. Requested	96%	97%	97%	98%	98%	98%
	% of Arrest Warrants Obtained vs. Requested	93%	92%	90%	92%	90%	90%
	Detective Bureau Cases per Investigator	204	198	197	234	214	228
	Crime Suppression Unit Cases per Investigator	70	70	75	74	83	87
	% of Part 1 Violent Crimes Cleared	53.5%	61.7%	46.0%	60.0%	55.0%	60.0%
	Part I Violent Crimes Cleared Per Sworn Dept. FTE	0.7	0.7	0.6	1.0	0.7	1.0
	Juvenile Arrests Violent Crimes - % of Total Arrests	0.2%	0.5%	0.2%	0.3%	0.3%	0.4%
	% of Part 1 Property Crimes Cleared	19.7%	15.8%	20.0%	20.0%	20.0%	20.0%
	Part I Property Crimes Cleared Per Sworn Dept. FTE	4.1	3.2	3.9	3.5	3.5	3.7
	Juvenile Arrests Property Crimes - % of Total Arrests	2.8%	2.2%	1.1%	2.0%	2.0%	2.0%
	Car Theft Ratio Per 1,000 Population	1.3	2.5	2.0	1.0	1.5	1.5
	Average Cost to Conduct a Polygraph Examination	$287	$322	$347	*	*	*
	Average Cost to Investigate a Case	$532	$558	$572	*	*	*
	Division Expenditures as % of General Fund	4.23%	4.67%	6.26%	6.33%	6.41%	6.78%

** Cost is calculated for "Actual" columns only.*

Police Investigations



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Captain	0	0	1
Lieutenant	2	2	2
Sergeant	4	4	4
Police Officer	29	29	27
Administrative Secretary	2	2	2
Technical Secretary	4	4	3
Total	41	41	39

Police Investigations

SUMMARY OF BUDGET CHANGES

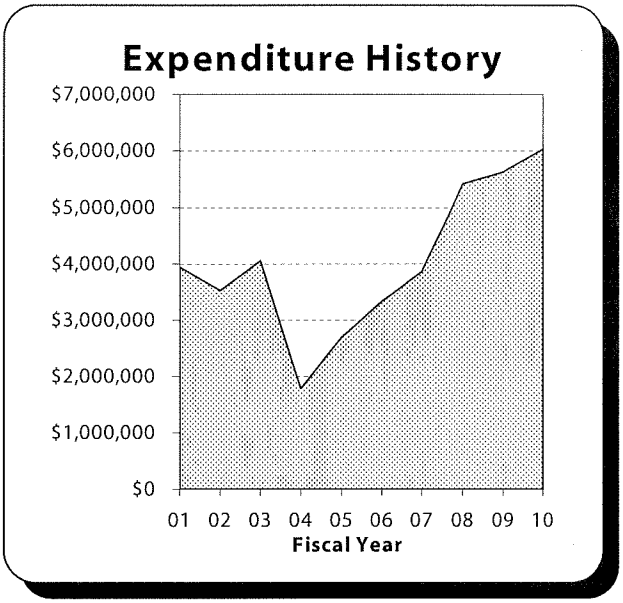
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget increased by $415,810 or 7.4%. The vast majority of the increase or $317,390 is for increased police pension costs based on a recent actuarial study. The other wage and fringe benefit accounts increased overall as a result of contractual wage and benefit cost increases. A new Captain's position is being funded by a vacant Lieutenant's position in Police Administration in order to return to the former three Captains in the administrative organization. Two Police Officers presently assigned to special task forces are being reassigned to the Operations division for increased accident prevention efforts. In addition, a Technical Secretary position has been reassigned to the Support Services division. The department will also change detective shift schedules to lessen court overtime costs.

Supplies – All Supplies for the Police Department are budgeted in Police Administration.

Other Charges – All Other Charges for the Police Department are budgeted in Police Administration, except miscellaneous expenses. Funding will remain the same at $1,000.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Total Personnel Services decreased by $12,490 due to a lower revised police and fire contribution amount.

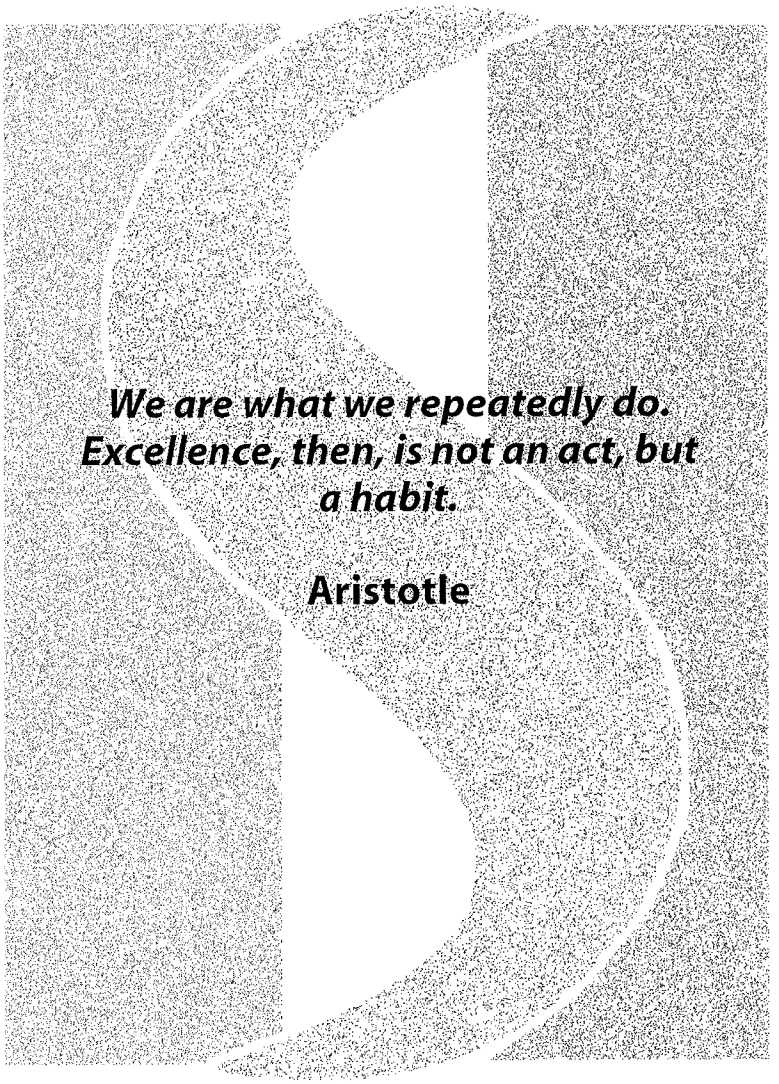
Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$5,418,210	$5,626,640	$5,631,500	$6,042,450	$6,029,960
Supplies	0	0	0	0	0
Other Charges	964	1,000	1,000	1,000	1,000
Total	$5,419,174	$5,627,640	$5,632,500	$6,043,450	$6,030,960


We are what we repeatedly do.
Excellence, then, is not an act, but
a habit.
Aristotle

Police Operations

MISSION STATEMENT: ***To function as the primary first responder to scenes requiring police assistance and enforcing laws in an effort to maintain a safe community.***

The Operations Division is divided into two Bureaus: Patrol and Traffic Safety. The Division commander is a Captain who reports directly to the Chief of Police.

The Patrol Bureau is responsible for the suppression of all criminal wrongdoing. Patrol personnel are the first responders to most emergency situations. They conduct the initial investigation of all reported incidents of crime. The Evidence Technicians from within this Bureau locate and collect forensic evidence in support of criminal cases. Other responsibilities are the maintenance of peace, ensuring order at public gatherings, enforcement of State and City laws and ordinances, and mediation of disputes.

The Detention section staffs the lockup facility and is responsible for all inmates under its control. The lockup facility consists of 24 cells, a holding cell, and a detoxification facility.

Three officers are assigned to the K-9 program. Three dogs are trained in narcotics and tracking, and one dog is trained in explosives and tracking. These officers and their partners are not only involved in criminal apprehension, but in the identification of illegal contraband. They have been recognized with national awards and honors.

The Traffic Safety Bureau investigates motor vehicle collisions, assists the injured, and impounds disabled vehicles at accident scenes. They enforce motor carrier laws, investigate abandoned autos, and are the primary traffic enforcement agency for state and local traffic codes.

This Bureau trains and maintains a cadre of part-time adult school crossing guards. These crossing guards ensure direct street safety for elementary students in grades K-6.■

KEY GOALS

- ***To suppress criminal activity; respond to crimes and emergencies; conduct preliminary investigations; and collect forensic evidence.***
- ***To enforce compliance with State laws, traffic laws, and local ordinances; and to arrest or cite violators as necessary.***
- ***To maintain a lockup facility for arrested persons prior to their release or appearance in Court.***
- ***To provide a safe environment for vehicular and pedestrian traffic by implementing effective traffic safety strategies and providing traffic and pedestrian safety information.***

Did you know?...
...that the Police Department has begun installing state-of-the-art in-car video cameras capable of wireless video download, which will save time and money?

Police Operations

2009/10 PERFORMANCE OBJECTIVES

1. To establish an accident prevention shift consisting of four patrol officers who will be specifically assigned to enforce traffic laws within the City of Sterling Heights. *(City Goal 2, 4)*

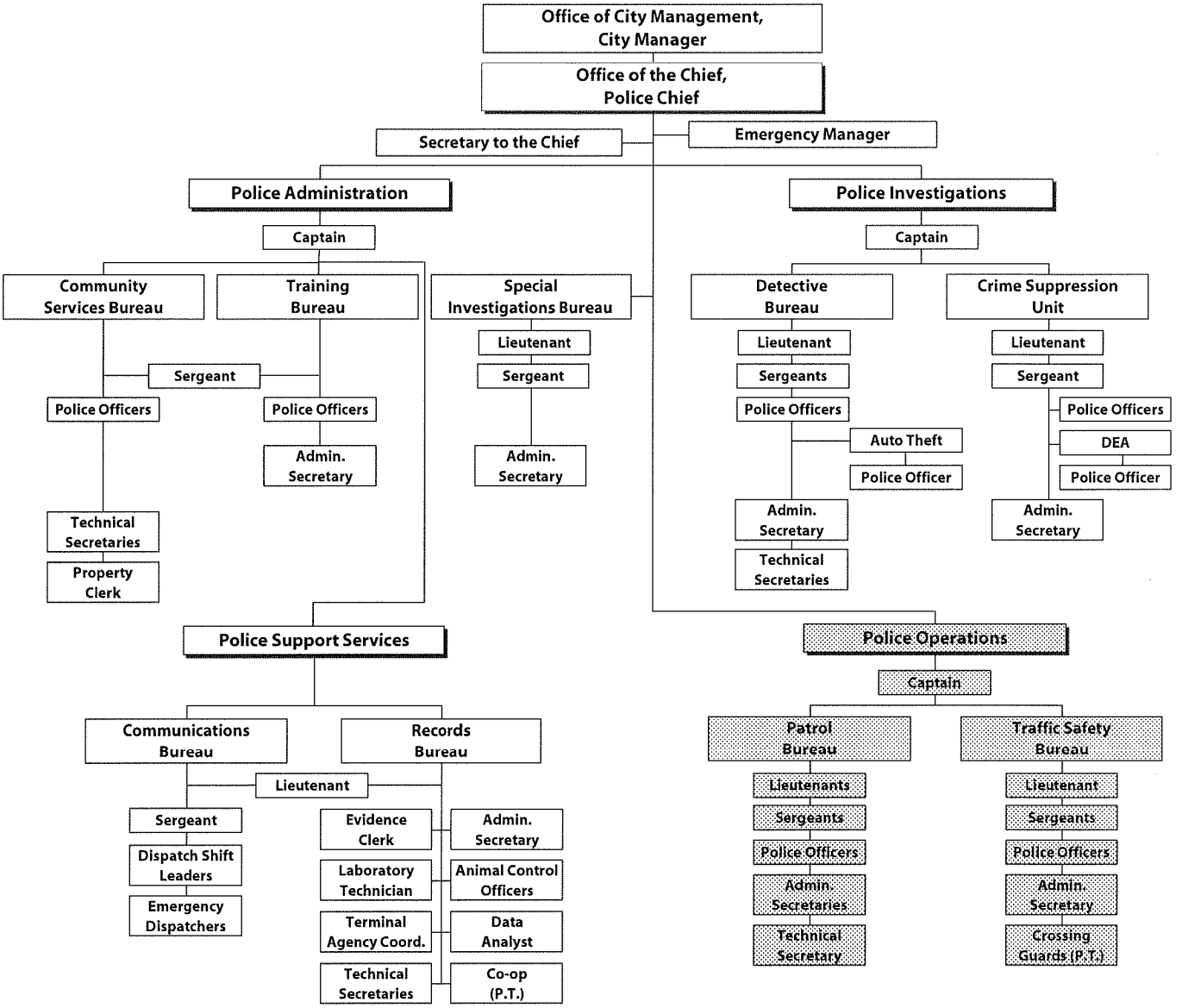
2. To continue working with the City Attorney and the Macomb County Prosecutor's Office to reduce court overtime and subpoena only those officers necessary for a particular case. *(City Goal 5)*

3. To continue working with the Training Division to provide effective shift level training and limiting the amount of overtime that occurs as a result of mandatory training. *(City Goal 25)*

4. To increase morale and productivity through proper and improved management, including better communication of goals and objectives of the Department. *(City Goal 7)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Police Incident Reports Completed	50,872	54,615	54,405	56,800	53,600	54,600
	Group A Crime Reports	7,926	7,873	7,361	8,000	7,500	7,700
	Group B Crime Reports	4,609	4,491	3,433	4,300	2,900	3,100
	Vehicular Accident Reports	4,525	4,284	4,353	4,500	4,300	4,500
	All Other Reports	33,812	37,967	39,258	40,000	38,900	39,300
	Adults/Juveniles Arrested	3,486/243	3,326/251	3,747/174	3,800/225	3,800/200	3,900/225
	Total Traffic Violations Issued	25,379	29,166	30,484	28,500	30,000	35,000
	Weigh Master Violations Issued	N/A	N/A	N/A	20	20	50
	Residential Traffic Enforcement Violations	3,737	3,600	3,219	3,400	3,200	4,000
	SMART Radar Trailer Deployments	342	361	353	392	450	450
	K-9 Unit Deployments	239	293	350	325	250	275
	OUIL Arrests	377	328	340	370	370	370
	S.W.A.T. Call-outs	6	6	6	6	8	6
	Sterling Estates Policing Program - Hours Worked	N/A	N/A	80	2,080	2,100	2,500
Efficiency & Effectiveness	Group A Crimes per 1,000 Population	62.4	61.7	57.5	62.3	58.4	59.9
	Group B Crimes Per 1,000 Population	36.3	35.2	26.8	33.5	22.6	24.1
	% of Productive K-9 Deployments	98%	98%	98%	98%	98%	98%
	# of Incident Reports per Sworn Division Personnel	424	455	446	462	436	430
	# of Injury Traffic Accidents per 100,000 Pop.	638	632	784	750	750	725
	# of Traffic Fatalities Per 100,000 Population	4.7	6.3	4.7	3.0	4.0	3.0
	% of Total Sworn Personnel in Traffic & Patrol	69%	71%	72%	71%	71%	73%
	OUIL Arrests Per 1,000 Residents	3.0	2.6	2.7	2.9	2.9	2.9
	Division Expenditures as % of General Fund	18.56%	18.86%	19.30%	19.84%	20.04%	22.21%

Police Operations



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Captain	1	1	1
Lieutenant	4	5	5
Sergeant	18	17	18
Police Officer	99	100	102
Administrative Secretary	3	3	3
Technical Secretary	1	1	1
Crossing Guard (P.T.)	33	33	33
Total	159	160	163

Police Operations

SUMMARY OF BUDGET CHANGES

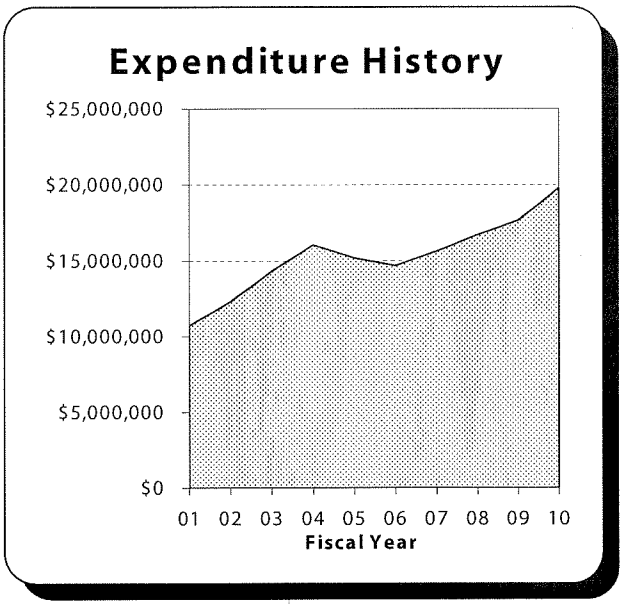
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $2,148,680 or 12.2%. Over half of the increase is a result of higher police pension costs based on the results of a recent actuarial study. In addition, a Sergeant's position has been reassigned from the Support Services division and two Police Officer positions have been reassigned from the Investigations division in order to increase accident prevention efforts. Retiree medical funding rose $265,310 to help offset the City's retiree medical liabilities. The remaining personnel accounts increased as a result of contractual wage increases and rising fringe benefit costs. The department is also working to decrease court overtime costs by expanding City ordinances to encompass more State laws whereby the cases can be adjudicated at pre-trial by the City Attorney.

Supplies – All Supplies for the Police Department are budgeted in Police Administration.

Other Charges – All Other Charges for the Police Department are budgeted in Police Administration, except miscellaneous expenses. Funding will remain the same at $2,000.

Capital – Total Capital of $189,000 is proposed for this activity and is budgeted in the Capital Projects Fund. $189,000 is recommended to replace nine high mileage traffic and patrol vehicles.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Total Personnel Services decreased by $42,340 due to a lower revised police and fire pension contribution amount.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$16,697,996	$17,648,730	$17,614,510	$19,797,410	$19,755,070
Supplies	0	0	0	0	0
Other Charges	2,241	2,000	1,500	2,000	2,000
Total	$16,700,237	$17,650,730	$17,616,010	$19,799,410	$19,757,070

Police Support Services

MISSION STATEMENT: ***To function as the Police Department's main information center.***

The Support Services Division is one of four divisions within the Police Department. The Division commander is a Lieutenant who reports directly to a Captain. The Captain oversees two separate divisons and reports directly to the Chief of Police. It is made up of the Records and Communications Bureaus and the Animal Control Unit.

The Records Bureau serves as the information center for businesses, attorneys and the public. The Records Bureau collects, maintains, and distributes reports of crimes, incidents, vehicular accidents and other matters of interest to the public and those needed for police operations. Records personnel respond to all police-related document requests filed under the Freedom of Information Act. They receive, process and monitor a large file of active warrants for both criminal and civil matters, as well as, file jackets pertaining to arrested persons. Records personnel input source documents into the CLEMIS and generate reports as required by the State of Michigan, the Federal Bureau of Investigations (FBI) and other Police Department personnel.

The Records Bureau also maintains the inventory of all recovered or confiscated property, items of evidence, impounded motor vehicles and property in conjunction with other City departments. Records personnel processes all applications for the purchase of handguns and concealed weapon permits.

The Computer Services function of the Records Bureau provides for the capture and retrieval of information designated by statute and/or the needs of the Department. Due to continuing computerization within the Department, the Bureau acts as an in-house resource providing support in the utilization of computers. The Photo Lab Technician is responsible for processing all photographic evidence. Additionally, this area assists other City departments in processing photographs and serves as a resource to the Department's Evidence Technicians.

The Communications Bureau is responsible for processing all public requests for service via the 911 emergency system, dispatching the proper police/fire response, monitoring units in the field and obtaining outside resources as needed for various incidents. This Bureau processes information into the L.E.I.N. computer system relating to wanted persons, vehicles and articles. This Bureau handles most of the Department's business calls, directing them to the appropriate division.

The Animal Control Unit responds to and investigates reported violations of the City's Animal Control Regulatory Ordinance and other animal nuisance complaints. Animal Control Officers patrol the City's streets and parks for released animal problems, enforce ordinances and impound deceased, stray or neglected animals.■

KEY GOALS

- ***To collect, maintain and disseminate information to the public as needed.***
- ***To input report information into the computer database in compliance with State and federal guidelines.***
- ***To properly receive, record and store property and criminal evidence.***
- ***To monitor, enforce and educate the public regarding the City's Animal Control Regulatory Ordinance and to impound stray or neglected animals as necessary.***
- ***To provide prompt, efficient service when public requests for service are received.***

Did you know?...
...that the Police Department's Emergency Dispatchers answered nearly 50,000 911 emergency calls along with several hundred thousand non-emergency calls over the past year?

Police Support Services

2009/10 PERFORMANCE OBJECTIVES

1. To upgrade our current Power 911 Phone system at all six dispatch workstations as well as the Power 911 server in order to minimize downtime. *(City Goal 17, 18)*

2. To research upgrading our entire business phone system by adding a small PBX (Option 11) system within the Police Department. *(City Goal 17, 18)*

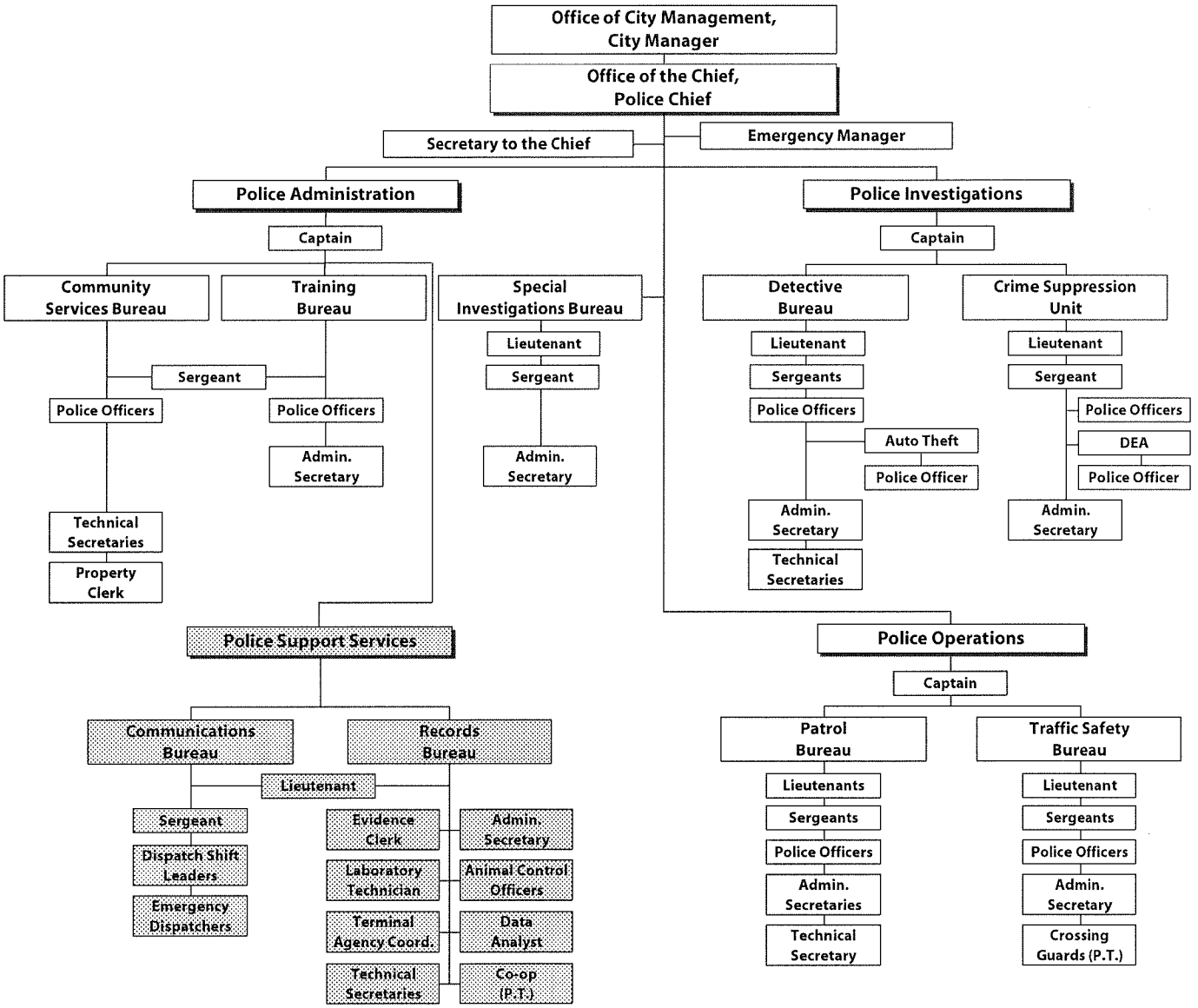
3. To investigate and possibly recommend a "Dangerous Dog" ordinance that would prohibit specific breeds of dogs within the City of Sterling Heights. *(City Goal 13)*

4. To create a procedure manual that will outline the entire Net RMS report writing system, including the review and workflow process. *(City Goal 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Incidents Processed into Computer	50,872	54,615	54,405	56,800	53,600	54,600
	Police Reports Provided on Request - At Counter	7,069	6,422	6,461	6,600	4,480	4,000
	Total Calls to 911 (Includes Cellular Calls)	41,599	44,327	46,211	45,500	49,810	51,000
	Gun Permits Obtained	1,687	1,775	1,930	1,850	1,924	1,850
	Responses by Animal Control	3,896	3,952	2,972	4,000	3,150	3,000
	Freedom of Information Act Requests	612	659	550	525	568	600
	Criminal Warrants Processed	3,307	3,257	3,873	3,700	3,350	3,400
	Arrests Processed	3,729	3,577	3,921	4,025	4,000	4,125
	Pieces of Evidence Collected	2,892	3,047	3,110	3,250	2,890	2,920
Efficiency & Effectiveness	% of FOI Requests Responded to within Legal Limits	100%	100%	100%	100%	100%	100%
	Average Animal Control Response Time (Minutes)	45	32	35	35	37	35
	Average Cost of an Animal Control Response	$54.63	$54.02	$53.32	*	*	*
	Average Cost of a FOIA Request	$30	$36	$36	*	*	*
	Dispatch Operations Cost Per Call Dispatched	$34.04	$32.60	$33.06	*	*	*
	Division Expenditures as % of General Fund	3.83%	3.91%	3.91%	3.91%	3.85%	3.87%

** Cost is calculated for "Actual" columns only.*

Police Support Services



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Captain	1	0	0
Lieutenant	0	1	1
Sergeant	2	2	1
Emergency Dispatcher - Shift Leader	4	4	4
Emergency Dispatcher	19	19	19
Laboratory Technician	1	1	1
Evidence Clerk	1	1	1
Administrative Secretary	1	1	1
Animal Control Officer	3	3	2
Data Analyst	1	1	1
Terminal Agency Coordinator	1	1	1
Technical Secretary	8	7	7
Co-op (P.T.)	1	1	1
Total	43	42	40

Police Support Services

SUMMARY OF BUDGET CHANGES

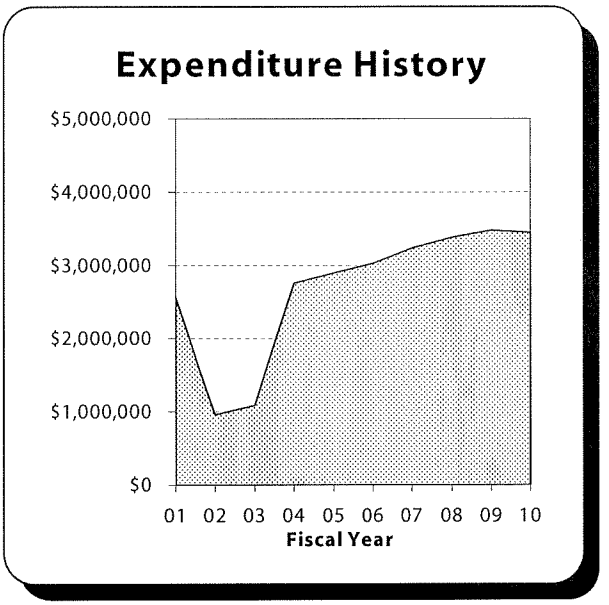
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget decreased by $32,170 or 0.9% from last year's budget. A Sergeant's position has been transferred to the Operations division for increased road patrol presence. Funding for a vacant Animal Control Officer and a Technical Secretary has been frozen, saving a combined $111,000. A Technical Secretary from the Investigations division has been transferred into this division. The City's required contribution to both pension systems will increase by $31,270 as a result of recent actuarial studies. The City will realize personnel time savings due to a new program to access police reports online, the automation of in-car video record storage, and the new e-ticket computer system allowing for faster coding of police reports in the field.

Supplies – All Supplies for the Police Department are budgeted in Police Administration.

Other Charges – All Other Charges for the Police Department are budgeted in Police Administration, except miscellaneous expenses. Funding will remain the same at $200.

Capital – Total Capital of $173,300 is proposed and budgeted in the Capital Projects Fund. $130,000 is for an upgrade to the Emergency 9-1-1 Telephone Server that is no longer supported by the manufacturer. $30,000 is for the replacement of six Personal Computers in the 9-1-1 Communications Center. $10,500 is for seven Computer-Aided Dispatch (CAD) computers to replace the existing 5-year old units. $2,800 is for the replacement of 14 Dispatch Monitors.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Total Personnel Services decreased by $850 due to a lower revised police and fire pension contribution amount.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$3,380,927	$3,478,100	$3,381,560	$3,445,930	$3,445,080
Supplies	0	0	0	0	0
Other Charges	186	200	200	200	200
Total	$3,381,113	$3,478,300	$3,381,760	$3,446,130	$3,445,280

Emergency Management

MISSION STATEMENT: ***To establish and maintain an emergency management program protecting the lives and property of the residents of Sterling Heights, by practicing the mitigation of, preparedness for, response to, and recovery from adverse hazards.***

The mission of the Office of Emergency Management is to provide coordination and guidance of emergency services. Coordination extends to state and federal agencies in building a solid foundation of people when the City is required to call upon them to respond.

Three groups of people compose the central core for the office:

The Municipal Security Team consists of the City Manager, Public Works Director, Fire Chief, Police Chief, Finance & Budget Director, Community Relations Director, and the Emergency Manager. Called to action by the City Manager, the team is available as needed to prepare and respond to short and long range planning related to significant events within the City.

The Municipal Emergency Services Operations Group is comprised of command personnel from the Public Works, Fire and Police Departments with support from the Community Relations Department, Purchasing, Information Technology and Risk Management offices. Meeting as needed, the Group provides planning, exercise development, multi-departmental responses, and general responsibilities for emergency field forces.

The Municipal Citizen Corps Council is comprised of members representing the private sector, schools, military, federal and state agencies, and volunteers from the community. The Municipal Citizen Corps Council provides assistance to volunteer groups that support first responders including Neighborhood Watch and the Community Emergency Response Team. These teams are available to assist during times of emergencies by providing additional resources to first responders when needed.

Federal pass through grants provide necessary funding for emergency service related training and coordination. Grants provide the additional funding many local jurisdictions cannot provide because of decreases in outside funding sources. Emergency services in Sterling Heights are well equipped and trained to respond and recover from chemical, biological, radiological, nuclear and explosive events. In this ever changing and challenging time, every jurisdiction requires the appropriate personnel and equipment that will protect the majority of the population and property when disaster strikes. It is critical that the City is prepared for these hazards.■

KEY GOALS

- ***To mitigate incidents which may cause injury, or loss of life.***
- ***To prepare the entire City population to know what to do when an emergency happens.***
- ***To respond to emergencies immediately and efficiently.***
- ***To establish recovery procedures to effectively bring government, and residential and business communities back to normal operation following an emergency situation.***

Did you know?...
...that during a disaster it has been shown time and time again that community members will spontaneously come together to provide assistance to those in need?

Emergency Management

2009/10 PERFORMANCE OBJECTIVES

1. To provide continued education and training to the Community Emergency Response Team (CERT) to further its mission of providing individuals with the skills necessary to assist their families and neighbors following a large scale emergency event; promoting emergency preparedness to individuals within the City; and assisting the first responder community when requested. *(City Goal 24, 25)*

2. To conduct a quarterly training exercise in order to improve the City's ability to respond to a major incident or disaster. *(City Goal 24, 25)*

3. To update the Municipal Security Team's Emergency Action Guideline Manual on an annual basis. *(City Goal 24, 25)*

4. To provide or facilitate an Emergency Management exercise that evaluates applicable departments' ability to communicate with the Emergency Operations Center (EOC) via the interoperable web-based program, E-Team. *(City Goal 24, 25)*

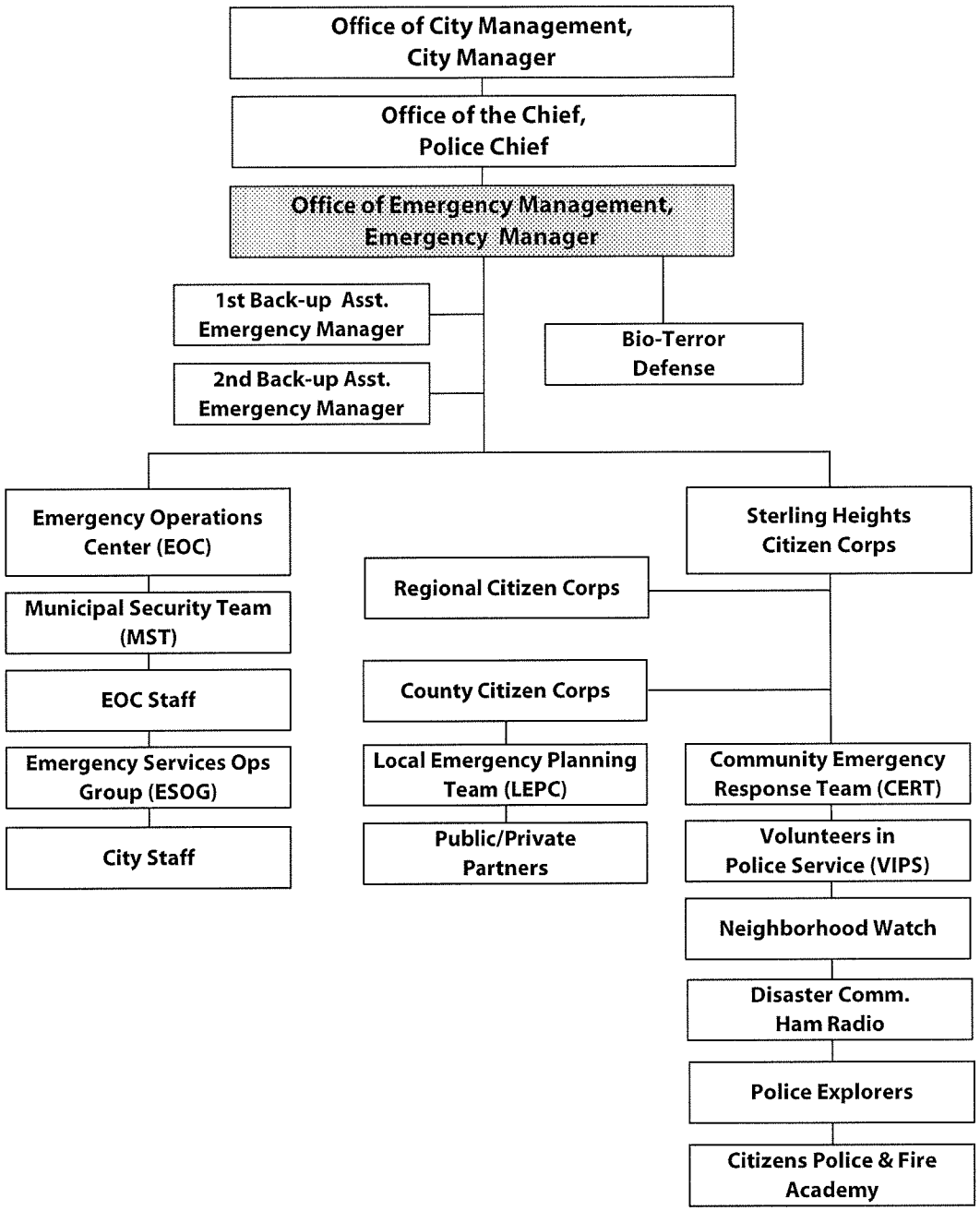
5. To strengthen the City's position by attending and participating in Regional and State Homeland Security and Emergency Management meetings, committees and seminars. *(City Goal 24, 25)*

6. To continue the growth of the Sterling Heights Citizen Corps by continuing to bring City departments together with County and regional Citizen Corps partners and private entities. *(City Goal 24, 25)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Emergency Responses/EOC Activations	2	3	3	3	3	3
	Training Exercises/Participants	3/75	3/100	3/75	3/50	4/50	4/50
	Testing & Maintenance of Warning Systems (Hours)	19	19	18	20	20	20
	Public Presentations	20	20	25	30	30	30
	Family Protection Workbooks Distributed	1,000	5,000	5,000	5,000	5,000	5,000
	Hours Spent at Disaster Planning Meetings	65	200	750	800	800	800
	New Grants Applied For/Grants Received	2/2	3/3	6/6	3/3	3/3	4/4
	# of Grant Files Closed	3	2	5	3	4	4
Efficiency & Effectiveness	% of Public Information Requests Filled w/i 24 Hours	99%	98%	98%	98%	98%	99%
	% of Time Spent Coordinating/Administering Grants	25%	8%	7%	5%	7%	7%
	% of Time Spent Developing Training & Exercises	10%	20%	15%	15%	20%	20%
	% of Time Spent Developing Emergency Plans	50%	72%	78%	80%	73%	73%
	% of Grants Successfully Awarded	100%	100%	100%	100%	100%	100%
	% of Emergencies Responded to w/i 1 Hour	99%	100%	100%	99%	99%	99%
	People Injured or Killed in City Emergencies	0	0	0	0	0	0
	% Recovered Costs from Emergency Damage	100%	100%	100%	100%	100%	100%
	Average Emergency Response Cost	$463	$390	$440	*	*	*
	Average Cost to Conduct a Training Exercise	$514	$537	$554	*	*	*
	Activity Expenditures as % of General Fund	0.16%	0.12%	0.16%	0.17%	0.18%	0.16%

** Cost is calculated for "Actual" columns only.*

Emergency Management



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Emergency Manager	1	1	1
Total	1	1	1

Emergency Management

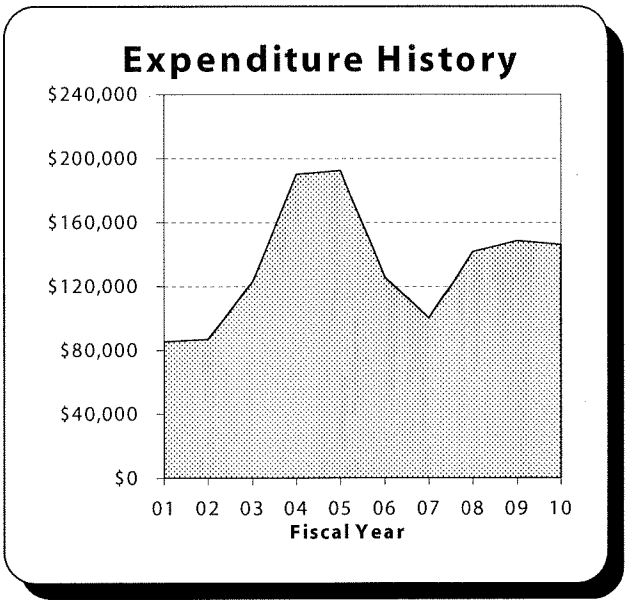
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $3,870 or 3.1%. Wages increased by $2,340 due to a contractual 3% wage increase. An additional $740 is budgeted for retiree health care liabilities. Health insurance costs rose by $590 or 4.4% due to a rate increase for next fiscal year.

Supplies – Total Supplies decreased $4,430 or 62.6%. Funding for program activity supplies for the Community Emergency Response Team (CERT) decreased $4,240 due to the prior year one-time funding of additional needed supplies and a reappropriated encumbrance. $2,000 remains budgeted for the CERT program, the same amount as originally budgeted last year.

Other Charges – Total Other Charges decreased $1,770 or 9.7%. The training budget decreased $1,650 as part of the City's overall cost-saving financial strategy and based on amounts spent historically. In addition, a reduction of $2,500 was made for the one-time Homeland Security training grant received in the prior year. Incident Command Vehicle expenses decreased $550 due to the replacement of the CLEMIS modem with two less-costly Internet air cards, which will allow for mobile Internet capability. Contracted service costs decreased $250 and radio maintenance costs decreased $100, as prior year funds were never fully spent. $3,540 was added for equipment maintenance costs, as additional repairs are needed on the 20-year old outdoor emergency warning sirens.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$114,513	$123,110	$122,890	$126,980	$126,980
Supplies	14,624	7,080	6,890	2,650	2,650
Other Charges	12,507	18,170	24,460	16,400	16,400
Total	$141,644	$148,360	$154,240	$146,030	$146,030

Fire Department

FUNCTIONAL ORGANIZATION CHART

Fire Department

Fire Administration

Administration Division

- Administration of department
- Plans and develops all fire programs
- Maintains knowledge of latest Fire Department management techniques
- Responsible for resource management
- Coordinates Safety Committee
- Serves as liaison to Fire Prevention Board of Appeals
- Coordinates all special assignments and duties

Training Division

- Studies and monitors all mandated training requirements
- Develops, coordinates and facilitates all fire personnel training
- Coordinates special public education training programs
- Monitors and maintains all training documentation, certifications and licenses
- Manages the department's training resources and teaching aids

Fire Extinguishment Division

- Saves lives and property from fire destruction
- Provides advanced and basic emergency medical technician care
- Responds to hazardous material incidents, gas leaks, wires down, cave-ins, floods, vehicle accidents, etc.
- Responsible for pre-fire survey information
- Inspects and maintains fire apparatus

Fire Prevention Division

- Performs inspections of existing and new buildings
- Reviews building and site plans
- Performs fire investigations and complaint inspections
- Facilitates sprinkler system and fire alarm acceptance tests
- Performs inspections for the Michigan Department of Consumer and Industrial Services
- Enforces all fire codes and ordinances
- Coordinates public education training programs
- Maintains records of hazardous materials

DEPARTMENT AT A GLANCE

Fire Department

BUDGET SUMMARY

The Fire Department budget increased by $1.0 million or 6.2%. Personnel costs accounted for the entire increase as costs rose 6.5% due to a $882,460 increase in required pension contributions. Wages increased by $121,610. Funding for a vacant Administrative Assistant and a Clerk Typist position has been frozen, while two additional part-time clerical positions have been added for a net savings of $96,700. Overtime costs fell by $64,280 as a result of providing more cost effective public education programs, a revised fire open house format, the use of grant funds for HazMat training, lower Sterlingfest staffing, and savings from the new video conferencing training system. The Supplies budget decreased by $16,230 or 9.2%, as several cost saving measures will be implemented. Other Charges increased by $2,260 or 0.4%, as the Information Technology computer consultant will now be expensed in this department and dedicated to upgrading the department's computer system. In addition, the budget includes funding for the new auto accident response billing fees. Offsetting these costs were several budget savings including less costly training, lower fire hydrant rental cross-charges, and a reduction in Peer Fitness medical exams due to the higher program startup costs in the prior year.

FUNDING LEVEL SUMMARY

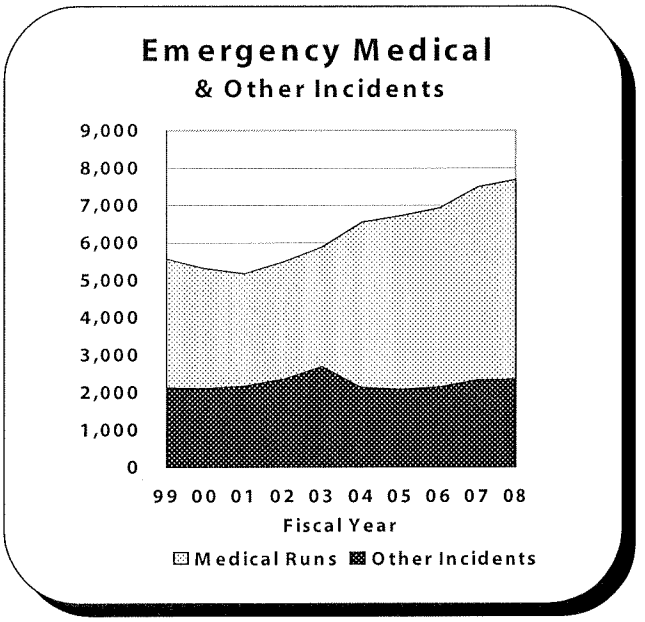
	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Fire Administration	$1,251,700	$1,270,720	$1,365,960	$1,360,420	-0.4%
Fire Extinguishment	12,422,880	13,254,450	14,278,740	15,266,950	6.9%
Fire Prevention	1,053,420	1,178,340	1,041,150	1,088,240	4.5%
Total Department	$14,728,000	$15,703,510	$16,685,850	$17,715,610	6.2%
Personnel Services	$14,024,660	$15,022,640	$15,952,320	$16,996,050	6.5%
Supplies	197,870	175,450	176,640	160,410	-9.2%
Other Charges	505,470	505,420	556,890	559,150	0.4%
Total Department	$14,728,000	$15,703,510	$16,685,850	$17,715,610	6.2%

PERSONNEL SUMMARY

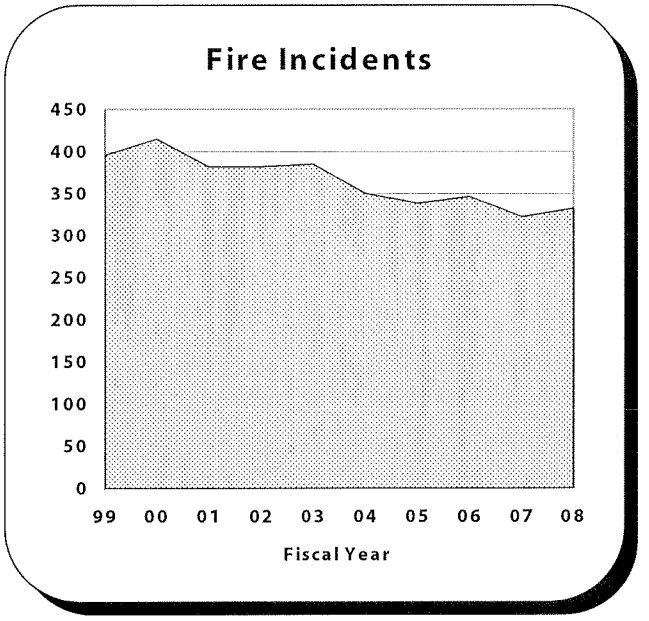
	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Fire Administration	10	0	10	0	10	0	8	2
Fire Extinguishment	90	0	90	0	90	0	90	0
Fire Prevention	7	0	7	0	6	0	6	0
Total Department	107	0	107	0	106	0	104	2

KEY DEPARTMENTAL TRENDS

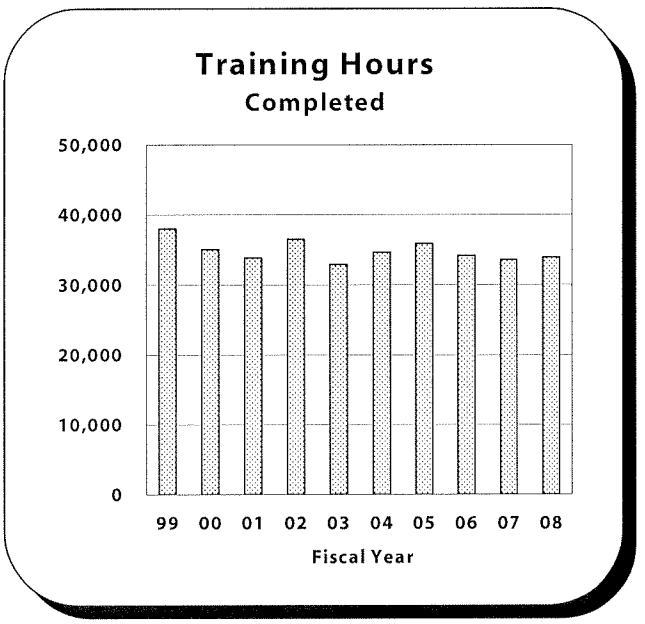
Fire Department



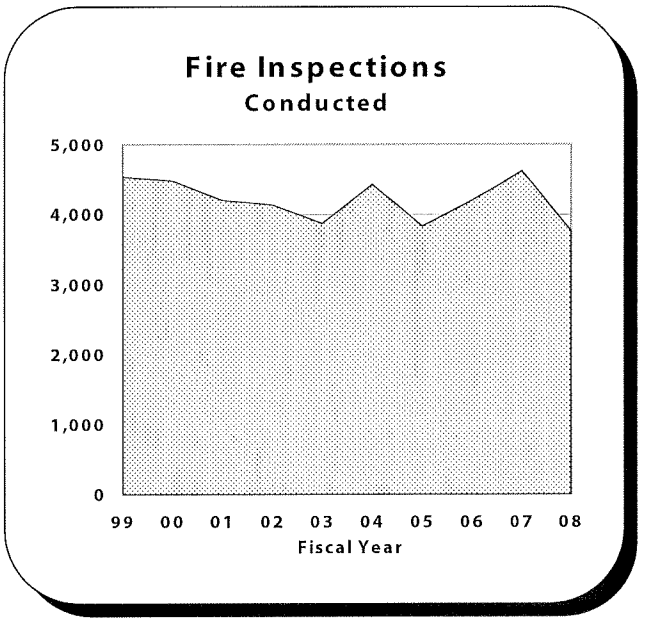
There has been an overall increase in the number of emergency medical runs and other incidents occurring in Sterling Heights over the past ten years. Since 1999, medical runs have increased by 38% and other incidents have increased by 11%. The City's medical rescue services continue to receive high marks from patients and the survival rate of heart attack victims is one of the best in the nation. 65% of cities nationally had a higher number of EMS responses per resident. Only 16% of cities had a faster average EMS response time.



The number of fires in the City has declined, reaching a low of 322 in 2007. The value of non-residential fire losses totaled less than $345,000, which is below national, state, and county averages. The City currently averages less than one fire incident every 6th day at each of the City's five fire stations. 69% of cities nationally had higher fire incidents per resident. 97% of communities had a slower average fire response time. Over the past several years, the City has made numerous fire vehicle purchases that have improved the condition of the fire fleet.



The City's firefighters devote many hours during the year toward in-house formalized training provided by the Fire Training division. In recent years, more training has been necessary for Advance Life Support, Hazardous Materials, Building Collapse Rescue, Peer Fitness, and Weapons of Mass Destruction education.



The number of fire inspections has generally decreased during periods of employee turnover and the resulting increased training for new employees in the Fire Prevention Division. Fire inspections have generally increased when employee turnover has subsided. In a typical year, the Fire Prevention staff conducts around 4,000 inspections.

Fire Administration

MISSION STATEMENT: ***To reduce deaths, injuries, and property loss from fire, hazardous material incidents, emergency medical situations, and other disasters/emergencies.***

Fire Administration is responsible for supervising the prevention and extinguishment of fires and the protection of life and property against the hazards of fire in the City of Sterling Heights.

The Fire Chief directs the planning and development of all Fire Department programs.

In addition, the Fire Chief must keep informed of the latest fire techniques to develop policies that improve and enhance the operations of the Department. This will ensure that the Fire Department is providing the finest fire extinguishment and emergency medical service available to the City's residents.

The Fire Chief also serves as a liaison to the Board of Code Appeals. Within the Department, the Chief conducts weekly briefing sessions with divisional managers, holds monthly meetings with staff, and conducts semi-annual meetings with all Department officers. Maintaining discipline and adherence to Fire Department policies rests with the Fire Chief.

This activity includes the funding support of the Fire Training Division, which is headed by the Chief of Training, and is responsible for all firefighter training.

The Training Division develops, coordinates, facilitates, and conducts training to ensure that all personnel are proficient in the operation of all departmental equipment and technical skills. The State and federal governments, and the fire fighters' collective bargaining agreement have mandated new programs and standards. With these new standards, there are certain training packages that must be delivered, certification processes that must be met, standards that must be adhered to, and accurate documentation that must be prepared for all aspects of these programs.

Resource management is another part of administration. Preparing the annual Fire Department budget is a large part as well as the ongoing process of revenue and expenditure monitoring. Administrative support for the entire Department lies within Fire Administration. The support staff maintains all records, files, and employee time records, coordinates public relations and educational activities, and performs word processing and mail distribution functions.■

KEY GOALS

- ***To develop, deliver, evaluate, and document training of Fire Department members.***
- ***To ensure that training meets all federal, state and locally mandated requirements.***
- ***To develop, deliver, evaluate, and document public fire safety education.***
- ***To research and implement new equipment and procedures.***
- ***To budget for training facilities, supplies, training aids, and training staff.***

Did you know?...
...the Fire Department is participating in a national cardio pulmonary resuscitation (CPR) research study focusing on improving the survival rates of sudden cardiac arrest incidents?

Fire Administration

2009/10 PERFORMANCE OBJECTIVES *(Administration)*

1. To assure a smooth transition back to the newly renovated fire stations without interruption in service delivery. *(City Goal 15, 25)*

2. To evaluate the Fire Department's current payroll system in an effort to improve efficiencies and eliminate duplication of effort. *(City Goal 6, 17, 18)*

3. To refine the Fire Department's current public education programs in conjunction with Community Relations in order to provide the most cost-effective and up-to-date fire safety curriculum. *(City Goal 3, 4, 14, 24)*

4. To secure grant funding for a new Fire Department records management program to include incident reporting, fire prevention, and fire fighter safety and training. *(City Goal 17, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Incident Reports Reviewed for Quality	9,573	10,261	10,496	10,650	10,636	11,035
	Employee Evaluations Conducted/Tracked	130	130	130	140	144	125
	APPO's and Standard Operating Guidelines Reviewed	62	82	130	410	375	300
	FOI Requests Processed	62	66	58	60	51	60
	Staff/Battalion Meetings Conducted	11	12	11	12	12	12
	Presentations to Civic Groups/Organizations	12	14	8	20	14	15
	Employee/Civilian Citations Processed	12	8	9	12	14	12
	Fire-Related Periodical/Journals Reviewed	480	480	480	480	480	480
	Safety Recommendations Implemented	18	12	8	20	15	15
Efficiency & Effectiveness	% of Incident Reports Reviewed for Quality	100%	100%	100%	100%	100%	100%
	% Employee Evaluations Conducted on Time	100%	100%	100%	100%	100%	100%
	% of Service Complaints Responded to w/i 48 Hours	100%	100%	100%	100%	100%	100%
	% of Citizen Inquiries Processed within 72 Hours	100%	100%	100%	100%	100%	100%
	% of Safety Suggestions Acted Upon within 90 Days	100%	100%	100%	100%	100%	100%
	Department Cost Per Capita	$111	$116	$124	$131	$131	$138
	Division Expenditures as % of General Fund	1.46%	1.51%	1.47%	1.54%	1.58%	1.53%

Fire Administration

2009/10 PERFORMANCE OBJECTIVES *(Training)*

1. To develop and implement a May Day operations procedure that meets NFPA 1001 Standards for Fire Fighter Professional Qualifications. *(City Goal 7, 25)*

2. To ensure all applicable personnel are in compliance with the federally mandated National Incident Management System (NIMS) program. *(City Goal 25)*

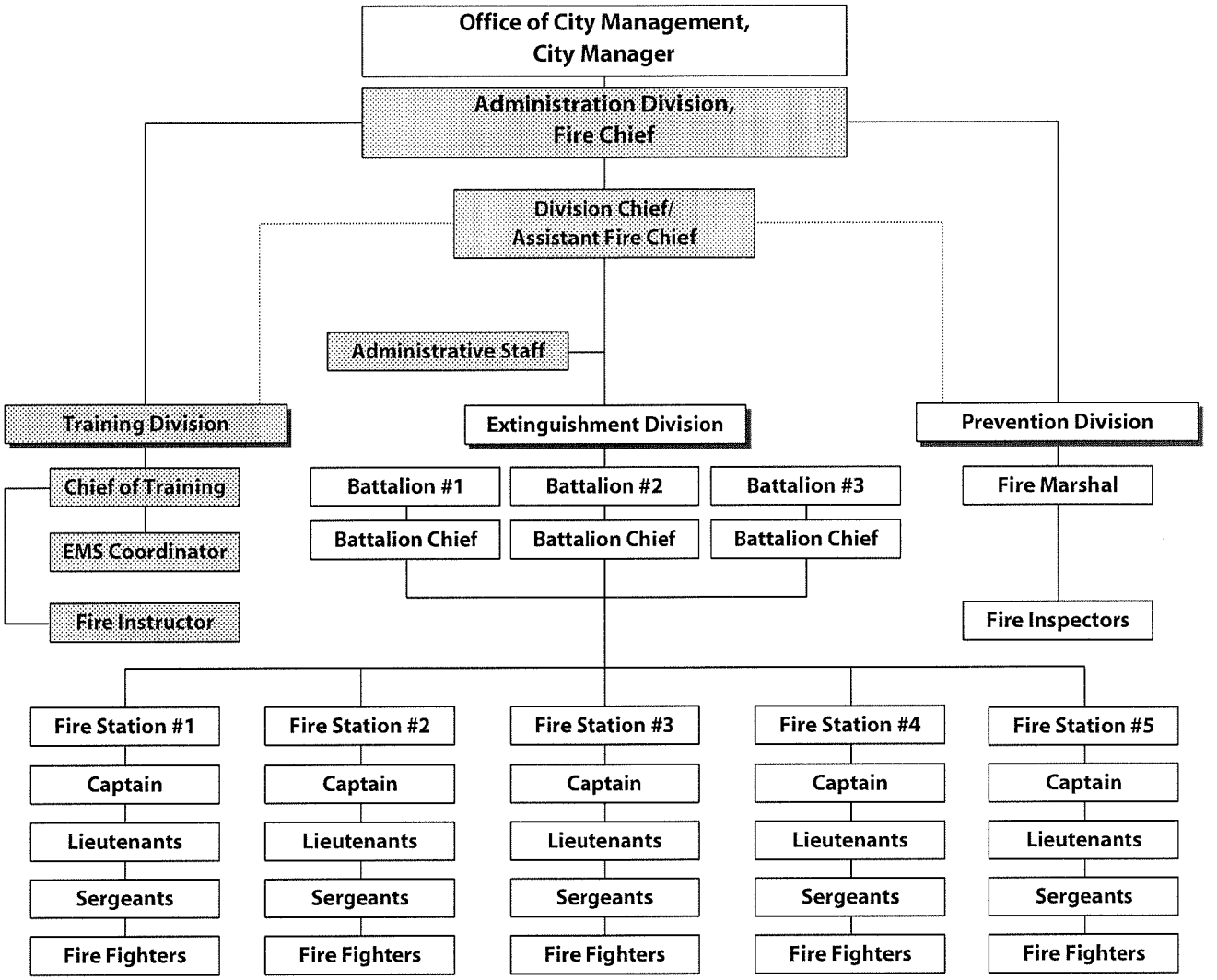
3. To apply for the Fire Prevention and Safety Grant, funded through the Federal Emergency Management Agency, to obtain equipment to aid in fire suppression training. *(City Goal 21, 24, 25)*

4. To establish a comprehensive EKG continuing education program in compliance with the Macomb County EMS System. *(City Goal 25)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Formal Training Hours Coordinated	34,124	33,538	33,857	35,400	32,500	31,400
	Hours of Fire Officer Training	384	397	612	600	400	500
	Hours of EMS Training	3,741	3,908	4,143	4,500	4,400	4,200
	Hours of Fire Suppression Training	9,397	8,155	11,485	9,700	9,200	9,200
	Hours of Hazardous Material Training	1,439	1,932	1,407	2,700	2,000	2,000
	Hours of Professional Development Training	2,562	2,812	1,929	3,200	3,000	2,000
	Hours of Physical Fitness Training	9,607	9,316	10,667	10,000	9,500	9,500
	Hours of All Other Training	6,994	7,018	3,614	4,700	4,000	4,000
	Residents Receiving Formal Public Education	9,607	10,299	7,922	9,500	5,200	3,000
	Residents Receiving CPR Instruction	944	916	793	950	300	200
	Paramedic/EMT License Applications Processed	21	40	32	30	30	30
	Procedures Developed and Updated	54	58	60	80	75	50
Efficiency & Effectiveness	Days of Work Lost Due to Injury	90	14	191	0	60	0
	Sworn Pers. to Workers Comp/Disability Indemnity	102:0	102:0	102:0	101:1	101:0	101:0
	% of Right-to-Know Training Completed	100%	100%	100%	100%	100%	100%
	Avg. Training Hrs. Received per Sworn Personnel	335	329	332	350	322	311
	Training Division Cost per Fire Fighter	$3,406	$3,393	$3,456	*	*	*

** Cost is calculated for "Actual" columns only.*

Fire Administration



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Fire Chief	1	1	1
Chief of Operations	1	1	1
Chief of Training	1	1	1
EMS Coordinator	1	1	1
Fire Instructor	1	1	1
Management Assistant	1	1	1
Administrative Assistant	3	3	2
Clerk Typist	1	1	0
Clerk (P.T.)	0	0	2
Total	10	10	10

Fire Administration

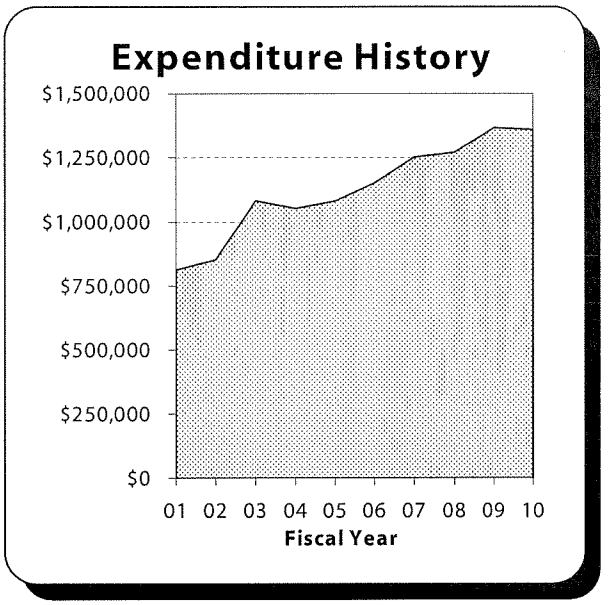
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $14,240 or 1.2%. Funding for a vacant Administrative Assistant position is proposed to be frozen saving $62,000, while a vacant Clerk Typist position is proposed to be replaced by two part-time employees, saving $34,700. Fire pension costs rose by $66,630 based on a recent actuarial report. To partially offset the loss of clerical assistance, the Prevention division will begin to use the City's automated land management computer system. Overtime and Compensatory time costs fell by $4,000 due to less staffing at Sterlingfest, reduced management meetings, and a revised fire open house format.

Supplies – Total Supplies decreased $3,670 or 11.6%. The City will save $2,320 in operating supplies as fewer supplies will be needed for the reformatted open house. Funding for written publications decreased $1,000 due to the availability of online resources.

Other Charges – Total Other Charges increased $14,460 or 12.0%. $28,000 was added for computer consultant services, which was previously budgeted in Information Technology. $11,510 was added primarily for the new Auto Accident billing fees. The City will save $15,870 in medical service costs due to higher startup costs for the Peer Fitness program last year. Educational funding decreased $7,640 as part of the City's overall cost-saving financial strategy. Local meeting costs were reduced by $720 based on recent lower attendance to lunch meetings. Fewer memberships are budgeted, saving $700.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Total Personnel Services decreased by $2,090 due to a lower revised police and fire pension contribution amount.

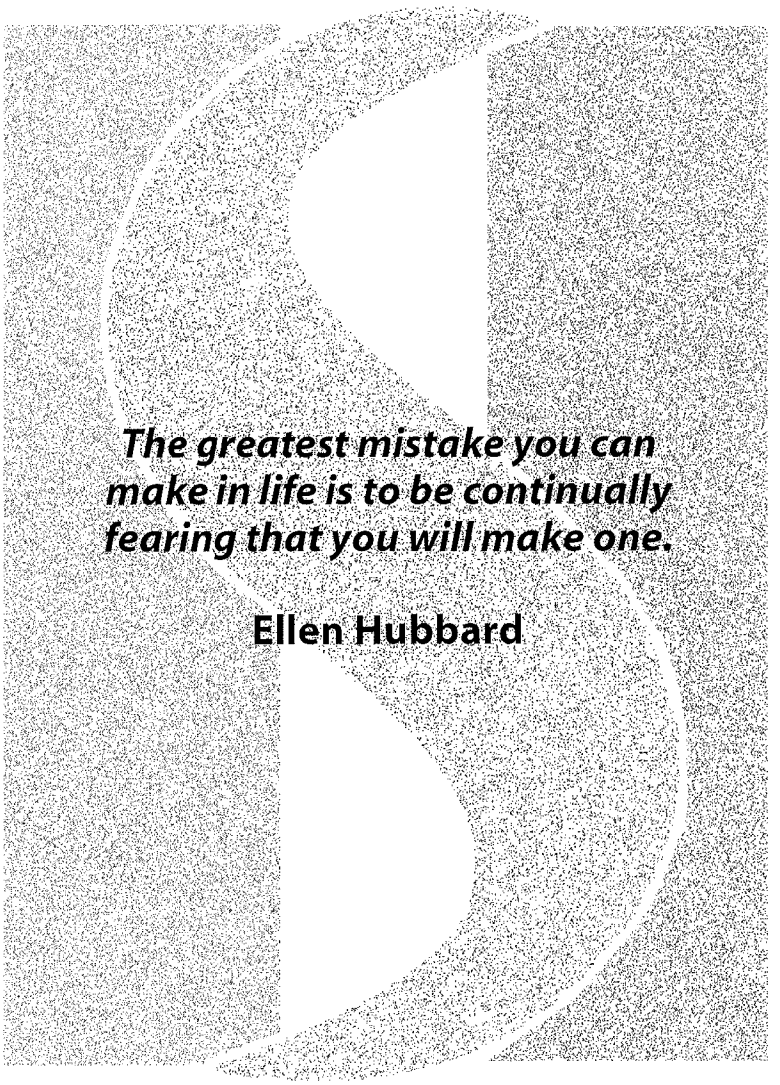
Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,167,178	$1,213,390	$1,235,040	$1,199,150	$1,197,060
Supplies	36,684	31,640	31,240	27,970	27,970
Other Charges	66,863	120,930	119,710	135,390	135,390
Total	$1,270,725	$1,365,960	$1,385,990	$1,362,510	$1,360,420


The greatest mistake you can make in life is to be continually fearing that you will make one.
Ellen Hubbard

Fire Extinguishment

MISSION STATEMENT: ***To reduce deaths and limit pain and suffering through proper emergency medical services while preserving, protecting, and minimizing loss of property from fire.***

The primary function of the Fire Extinguishment Division is to save lives, minimize property from loss, and reduce the time needed to recover from medical emergencies, fires, and man-made or natural disasters in the City of Sterling Heights.

Fire Extinguishment Division personnel follow regulations, recommended practices, and guidelines of the Superfund Amendment Reauthorization Act (SARA), National Fire Academy's Incident Command System (NFA-IC), and the National Fire Protection Association (NFPA), to efficiently manage a wide spectrum of emergency events safely with the proper techniques and needed equipment.

The Division's three battalions respond to a wide variety of incidents including medical issues, hazardous material leaks and spills, down wires, vehicle accidents, cave-ins, floods, technical rescue, and much more in addition to providing fire protection service. Fire Extinguishment Division personnel also provide public education and fire safety programs to the residents of our community.

This Division also performs pre-incident surveys of major buildings in the City to develop plans to reduce risk to personnel and damage to the facility in the event of fire or other destructive events.

Division personnel are responsible for the daily maintenance of all emergency response apparatus and the corresponding equipment. This also holds true for emergency medical equipment, as well as maintaining the five fire stations.

To maintain proficiency in multiple skills, firefighters attend daily training in emergency medicine, fire ground tactics and operations, vehicle accident victim extrication, search & rescue, hazardous materials, and emergency situation management. In addition to their training, firefighters receive the continuing education required to maintain their various levels of licensure and certification.

KEY GOALS

- ***To provide the highest quality fire protection possible thereby saving lives and property from the ravages of fire.***
- ***To provide the highest quality advanced life support delivery system possible thereby saving lives and minimizing the effects of medical emergencies and injuries.***
- ***To provide for community betterment through Fire Department sponsored public education.***

The Fire Extinguishment Division works diligently to provide skilled professionals to successfully mitigate emergencies and raise public awareness of safety, in a cost effective manner.■

Did you know?...
...that the City now participates in the Macomb County Technical Rescue task force?

Fire Extinguishment

2009/10 PERFORMANCE OBJECTIVES

1. To integrate the video conferencing system into daily operations in order to achieve better communications with shift personnel, reduce expenditures and allow for faster response to calls of service. *(City Goal 3, 6, 17)*

2. To investigate the feasibility of sharing duplicate specialty services, such as Hazmat, with other Macomb County fire departments in an effort to reduce overall operational costs. *(City Goal 2, 3)*

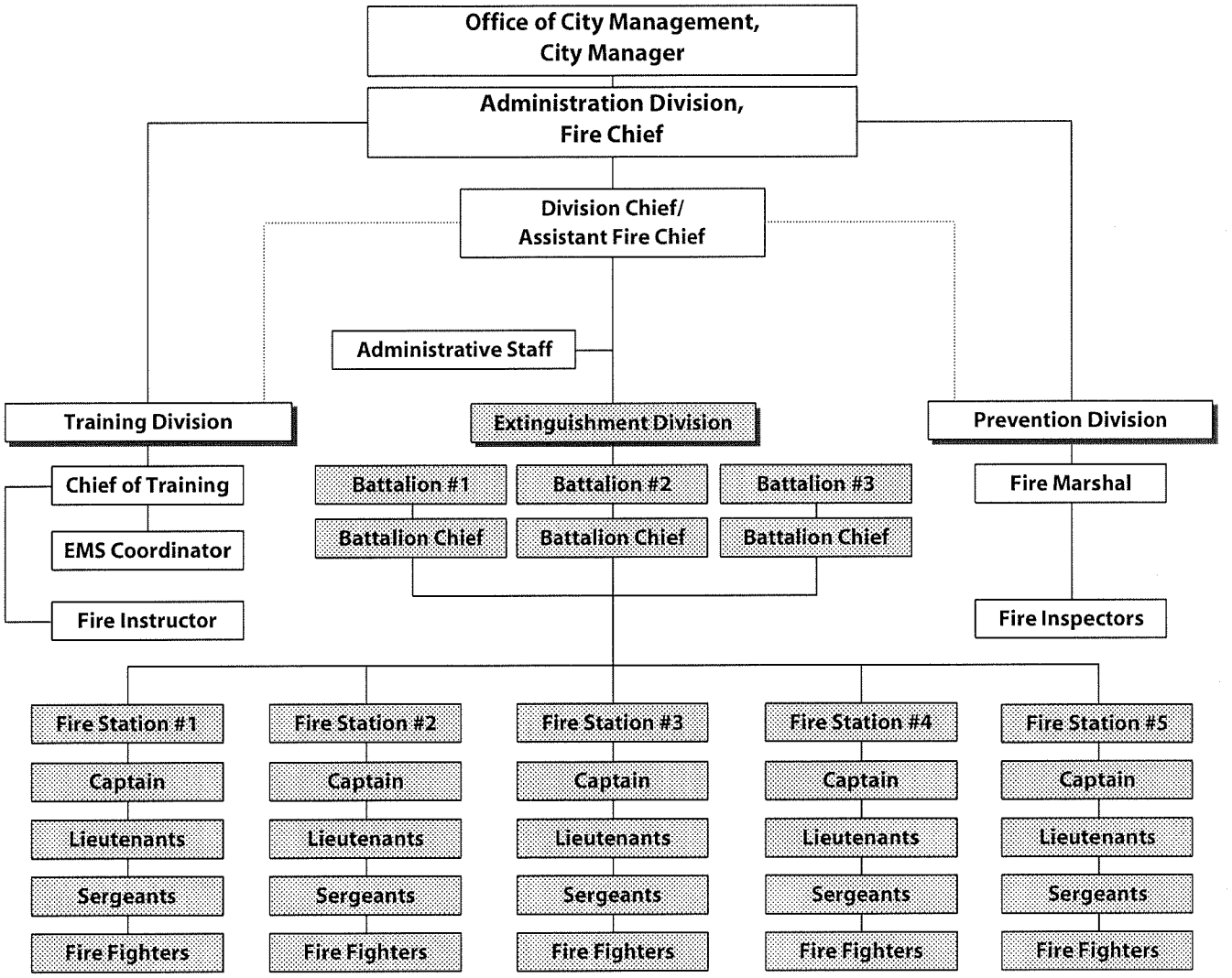
3. To provide additional training in regards to safe workplace practices to reduce injuries, damaged and/or lost equipment. *(City Goal 3, 7)*

4. To coordinate the moving of all personnel and equipment and the setting-up of the three renovated stations for the most efficient/cost effective daily operations. *(City Goal 3, 6)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Fire Department Incidents	9,573	10,261	10,496	10,650	10,636	11,035
	EMS-Related Incidents	6,927	7,493	7,691	7,600	7,850	7,900
	Hazardous Material Incidents	160	119	134	150	149	135
	Fire Incidents	346	322	332	400	308	400
	All Other Incidents	2,140	2,327	2,339	2,500	2,329	2,600
	ALS Patients	3,015	3,338	3,353	3,300	3,318	3,400
	BLS (Priority 3) Patients	2,474	3,379	3,946	4,000	4,074	4,100
	All Other EMS Patients	128	573	153	300	216	300
	Students Receiving Fire Safety Education	15,509	10,704	13,420	11,000	11,435	10,700
	Hours Spent on Vehicle/Station Maintenance	13,183	12,981	14,567	14,500	13,884	15,000
Efficiency & Effectiveness	Average Service Time per Fire/ALS Incident (Hr.)	1.0/0.9	1.1/0.9	1.1/1.0	1.0/1.0	1.1/0.8	1.0/1.0
	Fire Fighter Injuries/Deaths	13/0	24/0	26/0	0/0	17/0	0/0
	Civilian Fire Related Injuries/Deaths	22/2	32/1	22/1	0/0	9/0	0/0
	% of Emg. Incidents Responded w/i 5 Min. Fire/EMS	90%/86%	94%/85%	81%/80%	93%/85%	74%/69%	82%/78%
	Average EMS Response Time - Minutes	4.2	4.1	4.2	4.5	4.6	4.5
	Average Cost of an EMS Incident	$205	$199	$196	*	*	*
	Average Cost of a Fire Extinguishment Incident	$2,349	$2,408	$2,398	*	*	*
	Division Expenditures as % of General Fund	14.95%	15.01%	15.32%	16.05%	16.14%	17.17%

** Cost is calculated for "Actual" columns only.*

Fire Extinguishment



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Battalion Chief	3	3	3
Captain - ALS	3	3	3
Captain	2	2	2
Lieutenant - ALS	12	11	11
Lieutenant	4	5	5
Sergeant - ALS	2	1	1
Sergeant - FEO	7	8	8
Fire Fighter - ALS	42	43	43
Fire Fighter - FEO	14	13	13
Fire Fighter	1	1	1
Total	90	90	90

Fire Extinguishment

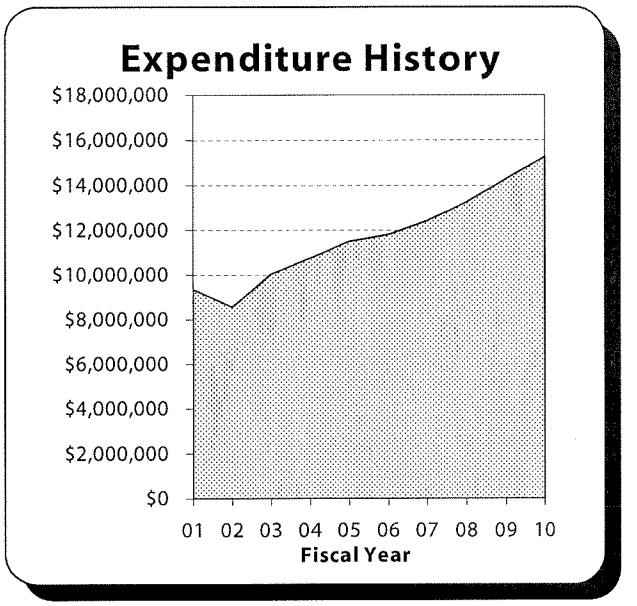
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $1,045,070 or 7.6%. Wages rose by $197,500 as all employees are budgeted to receive a 3% wage increase. Pension costs increased $804,220 based on a recent actuarial report. Overtime fell by $63,280 as a result of providing more cost effective public education programs, a revised fire open house format, the use of grant funds for Hazmat training, reduced staffing for Sterlingfest, and as less training is needed on overtime due to the new video conferencing system.

Supplies – Total Supplies decreased $12,560 or 8.7% as fewer operating supplies will be needed, digital photos have reduced the need for supplies, fewer training materials will be updated, and disposable medical supplies will be reimbursed under the City's ambulance contract.

Other Charges – Total Other Charges decreased $12,200 or 2.8%. Funding decreased $17,750 due to a revised allocation of fire hydrant rental costs paid to the Water & Sewer Fund. Equipment maintenance costs decreased $2,100 based on historic actual expenditure levels and a prior year reappropriated encumbrance. Rental costs decreased $1,000 based on the current year's estimated expenditures. Telephone costs decreased $540 as three seldom used Nextel telephones will be eliminated. Electric costs rose $7,000 to bring the budget more in line with recent expenditure trends. $2,000 was added to the budget due to higher Macomb County radio repair and maintenance fees.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Total Personnel Services decreased by $32,100 due to a lower revised police and fire pension contribution amount.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$12,677,126	$13,697,780	$13,589,900	$14,742,850	$14,710,750
Supplies	138,764	145,000	145,000	132,440	132,440
Other Charges	438,562	435,960	458,480	423,760	423,760
Total	$13,254,452	$14,278,740	$14,193,380	$15,299,050	$15,266,950

Fire Prevention

MISSION STATEMENT: ***To ensure structures are built and maintained in accordance with the adopted fire prevention code and to reduce and ultimately, eliminate fire and life safety hazards through diligent code enforcement and public fire education.***

The Fire Prevention Division is responsible for the following duties and activities:

Inspections:
1. Existing buildings
2. New buildings
3. Fire systems

Plan Reviews:
1. Site
2. Buildings
3. Fire systems

Fire Investigations:
1. Photography
2. State/Federal Reporting
3. Arson Follow-up
4. Evidence Preservation

D.S.S. Fire System Acceptance Test Inspections:
1. Adult Foster Care
2. Child Day Care
3. Child Foster Care

State Inspections:
1. Clinics
2. Cooperative Inspections
3. Health Care Facilities
4. Schools

Public Fire Education:
1. Health Care Facilities
2. Senior Citizens
3. Industrial Personnel
4. Commercial & Mercantile Personnel
5. Child Fire Safety Programs in all schools
6. Juvenile Firesetter Intervention

This Division is also responsible for capacity inspections, complaint inspections and investigations, environmental hazard mitigation, fire emergency preparedness, and referrals to other City departments.

Fire Prevention personnel are actively involved in legislative improvements. The staff is active in the Macomb County Fire Prevention Association, attends required certification training, schedules and attends meetings with Building, Planning, Engineering, Public Works, Police, and the Macomb County Health Department. Meetings are also held as necessary with architects and contractors.

KEY GOALS

- ***To reduce fire incident rates to the lowest achievable level in inspectable buildings.***
- ***To remove and ultimately eliminate fire hazards through diligent code enforcement efforts.***
- ***To educate the commercial/ business/industrial community in fire and life safety methodology.***
- ***To educate residents in fire safety practices thereby reducing residential fire incidents and ultimately eliminating fatal and large loss residential fires.***

The Fire Prevention Division prepares an annual report based on the files that are maintained throughout the year. This Division maintains files on all buildings located in the City.

The Fire Prevention Division is the lead division on all fire code enforcement and related issues and the coordination of efforts between the Fire Department and other City departments responsible for code and ordinance enforcement.■

Did you know?...
...that Fire Prevention annually conducts fire and life safety inspections at 28 Utica Community Schools buildings, 15 Warren Consolidated Schools buildings, and four religion-based or charter schools, as well as eight child day care locations, to ensure the life safety and well-being of all students?

Fire Prevention

2009/10 PERFORMANCE OBJECTIVES

1. To receive training and subsequently implement the use of the City's Permits Plus within the Fire Prevention Division in order to reduce clerical work time. *(City Goal 3, 17, 18)*

2. To provide training on 302 sites including required standards for accountability, maintaining files, and accessing information. *(City Goal 24, 25)*

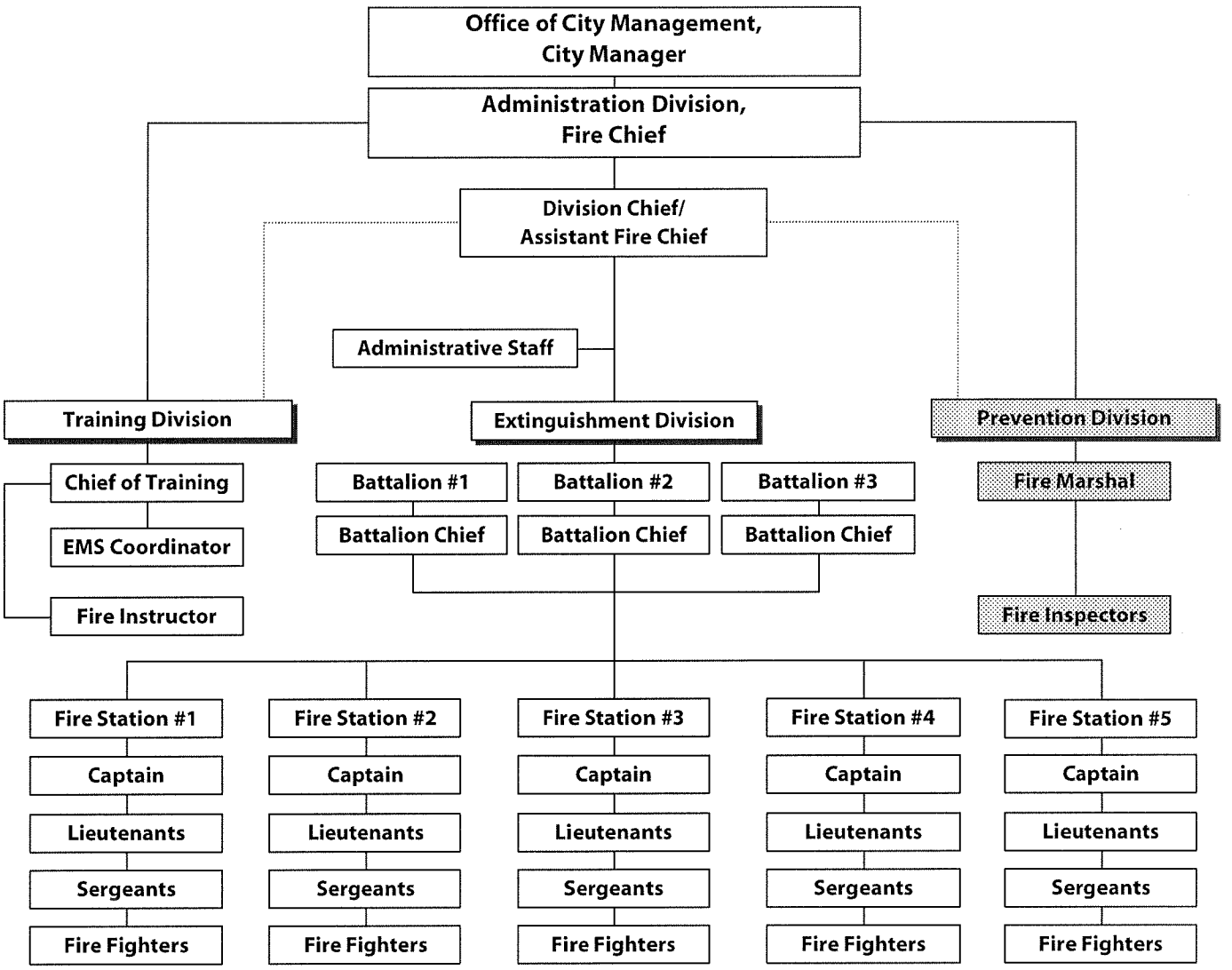
3. To review and update all informational pamphlets and handouts that are distributed to the general public. *(City Goal 24)*

4. To develop an ongoing customer service training program for Fire Prevention division personnel. *(City Goal 3, 24)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Inspections Conducted	4,204	4,624	3,767	3,880	3,200	2,970
	Annual Building Fire Inspections	1,000	1,068	821	860	800	750
	Special Code or Final Occupancy Inspections	458	577	512	430	400	375
	Liquor Lic., Amusement, & Site Inspections	620	596	374	700	500	450
	Witnessed Acceptance Tests Inspections	226	204	137	180	120	120
	Reinspections of Violations	1,700	1,958	1,781	1,540	1,300	1,200
	Citizen Assistance Inspections	200	221	142	170	80	75
	Violations Discovered and Issued	9,030	10,292	9,391	9,430	6,000	5,500
	Investigations (Fire and Other)	170	216	210	190	200	150
	Plan Reviews (sites, buildings, alarms)	850	731	451	500	400	400
Efficiency & Effectiveness	% Bus. Receiving Violations during Annual Inspections	96%	95%	95%	95%	95%	95%
	Value of Non-Residential Fire Loss	$219,703	$337,952	$343,026	$300,000	$360,000	$300,000
	% of Solicited Inspections Performed w/i 1 Day	98%	98%	98%	84%	90%	90%
	% of Inspectable Occupancies Experiencing Fires	0.70%	0.70%	0.60%	0.70%	0.60%	0.75%
	Inspections Conducted Per Inspector/Marshal	601	661	580	647	533	495
	% of Site Plans Reviewed within 20 Days	100%	100%	100%	88%	100%	100%
	Average Fire Inspection Cost	$353	$345	$373	*	*	*
	Average Plan Review Cost	$153	$165	$174	*	*	*
	Division Expenditures as % of General Fund	1.28%	1.27%	1.36%	1.17%	1.27%	1.22%

** Cost is calculated for "Actual" columns only.*

Fire Prevention



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Fire Marshal	1	1	1
Fire Inspector	6	5	5
Total	7	6	6

Fire Prevention

SUMMARY OF BUDGET CHANGES

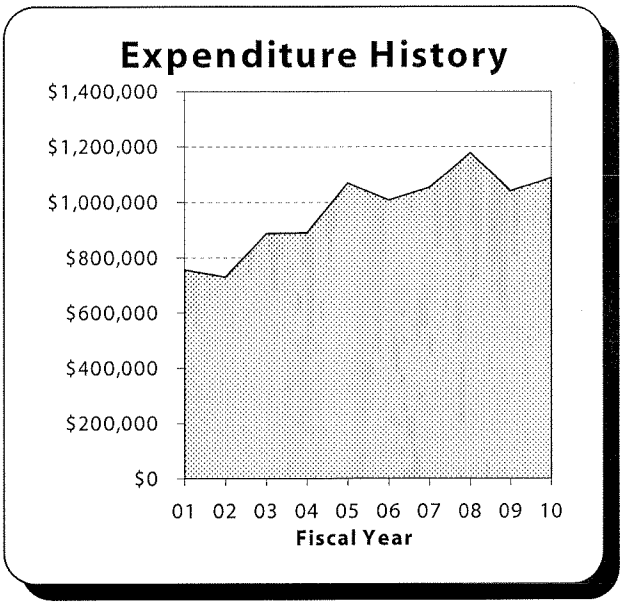
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget increased by $49,480 or 4.8% over last year's budget. All employees are budgeted to receive a 3% contractual wage increase. The majority of the cost increase is related to higher required City funding for the pension system based on the latest actuarial report. The department will streamline the Resident Assistance Program, which will save $3,000 in overtime costs.

Supplies – All Supplies for this division are budgeted in the Fire Administration division.

Other Charges – All Other Charges for this division are budgeted in the Fire Administration division.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Total Personnel Services decreased by $2,390 due to a lower revised police and fire pension contribution amount.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,178,337	$1,041,150	$1,118,320	$1,090,630	$1,088,240
Supplies	0	0	0	0	0
Other Charges	0	0	0	0	0
Total	$1,178,337	$1,041,150	$1,118,320	$1,090,630	$1,088,240

City Development Department

FUNCTIONAL ORGANIZATION CHART

City Development Department

Office of Building

- Management of City Development Department
- Monitors building and development
- Inspects construction
- Processes Land Management System permits
- Performs plumbing inspections
- Performs electrical inspections
- Performs mechanical inspections
- Performs building inspections
- Serves as liaison to Board of Ordinance Appeals and Board of Code Appeals (BOCA)
- Interprets and enforces nuisance abatement ordinances

Office of Economic Development

- Initiates personal contact with new business prospects
- Maintains active business retention and expansion program for existing businesses
- Processes/Approves Brownfield Redevelopment plans
- Provides referrals and other assistance to small businesses
- Manages City-owned real estate assets
- Tracks and monitors economic development activities receiving City financial support
- Maintains external relationships with the business community and real estate development practitioners
- Serves as liaison to Economic Development Corporation, Corridor Improvement Authority, LDFA, Brownfield Redevelopment Authority, and the business community

Office of Information Technology

- Provides program and operational support for automated applications
- Coordinates future systems development
- Conducts software and hardware review and procurement
- Maintains computer systems
- Maintains all personal computers
- Performs telephone system maintenance

Office of Planning

- Prepares the Master Land Use Plan
- Amends ordinances to effect goals of the Master Plan
- Conducts zoning studies to fully implement the Master Plan
- Interprets and enforces zoning ordinances
- Reviews liquor license establishments
- Reviews site plans for zoning
- Serves as liaison to Planning Commission and Zoning Board of Appeals

Office of Public Services

- Coordinates and supervises capital projects
- Handles right-of-way and easement acquisition
- Coordinates City-wide street lighting
- Administers the Community Development Block Grant (CDBG) and NSP programs
- Coordinates traffic engineering services
- Serves as liaison to county, state and federal agencies
- Applies for and administers grants for capital improvements
- Coordinates water meter connection and use monitoring
- Serves as liaison to Traffic Advisory Committee, Citizens Advisory Committee and Housing Commission

DEPARTMENT AT A GLANCE

City Development Department

BUDGET SUMMARY

The City Development Department's budget decreased by $385,780 or 9.3%. Personnel costs fell by $331,460 or 8.8%. Due to reduced building and development activity, funding for four vacant Inspectors and a clerical position have been eliminated, saving $405,000. Because of the reduced building activity and a streamlined Ordinance Board of Appeals process, overtime costs fell by $17,000. Supplies decreased by $4,450 or 15.2% due to the one time purchase of updated inspector code books in the prior year and the increased use of email and the City's web site to deliver economic development marketing materials, which has saved in postage costs. Other Charges decreased by $49,870 or 14.8% as the $28,000 in computer consultant hours has been transferred to the Fire Department, while the MUNIS online utility billing charge is now budgeted in the Water & Sewer Fund. In addition, training costs declined by $9,720. Partially offsetting these changes was an increase in nuisance abatement contract costs. The capital budget includes funding for a replacement Information Technology file server.

FUNDING LEVEL SUMMARY

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Building	$2,100,770	$2,205,160	$2,242,290	$1,834,960	-18.2%
Economic Development	136,930	187,490	156,070	158,860	1.8%
Information Technology	973,220	1,055,560	1,093,010	1,079,200	-1.3%
Planning	341,600	350,280	341,130	355,500	4.2%
Public Services	272,360	295,050	302,770	320,970	6.0%
Total Department	$3,824,880	$4,093,540	$4,135,270	$3,749,490	-9.3%
Personnel Services	$3,466,270	$3,724,030	$3,769,280	$3,437,820	-8.8%
Supplies	24,250	35,010	29,250	24,800	-15.2%
Other Charges	334,360	334,500	336,740	286,870	-14.8%
Total Department	$3,824,880	$4,093,540	$4,135,270	$3,749,490	-9.3%

PERSONNEL SUMMARY

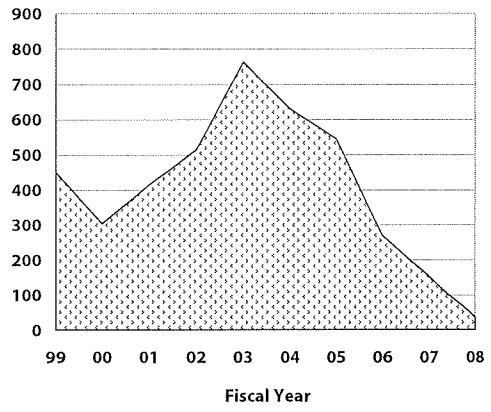
	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Building	22	1	22	1	21	0	16	0
Economic Development	1	0	1	0	1	0	1	0
Information Technology	8	0	8	0	8	0	8	0
Planning	4	0	4	0	3	0	3	0
Public Services	3	1	3	1	3	1	3	1
Total Department	38	2	38	2	36	1	31	1

Excludes Boards & Commissions.

KEY DEPARTMENTAL TRENDS

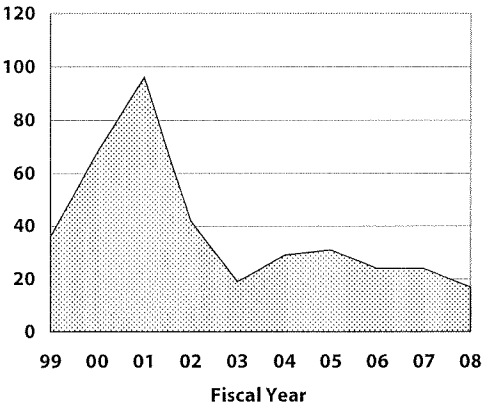
City Development Department

Residential Building Permits
New Construction



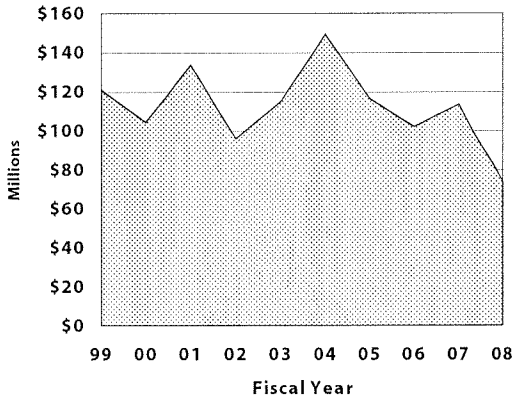
From 2000 to 2003, the number of residential building permits increased, reaching a high of 763 due in part to the increasing number of condominium units and cluster developments. Since 2003, however, the number has declined dramatically and is now at a ten year low of 37 permits.

Commercial Building Permits
New Construction



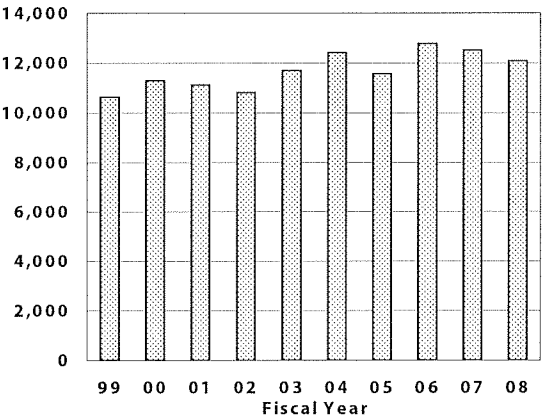
The number of new commercial building permits reached a high in 2001 when 96 permits were issued. For the past several years, the number has fallen to its lowest level in ten years. In 2008, only 17 new commercial building permits were issued, a decrease from the 24 issued in 2006 and 2007.

Building Permits at Market Value



The dollars invested in new building construction and improvements over the past ten years have ranged from a high of $149 million in 2004 to a low of $74 million in 2008. While the number of commercial permits has declined slightly, the value of the total dollars invested has remained relatively stable. There has, however, been a dramatic decline in the number and the market value of new residential permits. After reaching a high of 763 new construction residential permits in 2003, there were only 37 permits issued in 2008.

Code Enforcement Inspections



The number of code enforcement inspections performed has increased by 14% since 1999. The City has made an effort to strengthen and vigorously maintain its property values by eliminating blighting influences. In 2008, there were 12,074 code enforcement inspections made, 2,012 inspections per officer or 8 inspections per officer per day. 94% of inspections were performed within 48 hours of complaint. A total of 2,364 violations were issued in 2008.

MISSION STATEMENT: ***To maintain a well-balanced program of monitoring building construction, so that the community may enjoy a safe environment.***

The Building activity vigorously monitors the building and development activities in the City of Sterling Heights. As a result of this well-established procedure, the community enjoys a sound and safe overall living environment while feeling assured that all buildings and structures frequented in the City are well constructed.

Several programs are currently in place and designed to accomplish the above-mentioned objectives. Through the aggressive inspection of new residential construction, present and future homeowners throughout the City can be assured that their dwellings are constructed in a safe and sound manner. Inspectors are dispatched daily to construction sites to monitor compliance to Building Codes and Ordinances prescribed by State and local rules and regulations.

Similarly, the wellness of the community is looked after from the ground up when it comes to the construction of buildings that are open to the general public for daily use. The community is safeguarded against improperly constructed structures by numerous preliminary and final inspections by the Building staff. The building and maintenance of these structures in a safe manner is the ultimate goal of the employees involved in the inspections.

To best serve the interests of the taxpayers, developers and investors in the community, the Building activity is operated in a manner which allows the most efficient and timely response possible. The Land Management System provides users better access to all information contained in the database. The established plan review process provides for the efficient administration of the permitting process.

Additionally, Building strives to preserve residential and commercial property values through strict enforcement of property maintenance standards. Those properties that are not brought into voluntary compliance with these standards become a subject of a public hearing for nuisance abatement.

KEY GOALS

- ***To aggressively inspect all new residential construction to ensure a safe living environment for our residents.***
- ***To process permits in an expedient and efficient manner.***
- ***To review plans and construction drawings in a manner that will reduce the time necessary to issue permits.***
- ***To protect public safety, health, and welfare and preserve property values by strictly enforcing property maintenance standards.***

The inspectors employed within the Building activity are trained professionals who are monitored not only by the City, but also by the State. They participate in continuing education to stay informed on all new construction techniques. The inspectors are supported by a highly competent clerical staff who assists customers visiting the Building Office. Their knowledge and experience ensure that a trip to the Building Office is a pleasurable one.

The City Development Director/Assistant City Manager is the staff liaison to the Ordinance Board of Appeals. The mission of the Ordinance Board of Appeals is to consider appeals and requests for variances from City ordinances as authorized by the City Council. The decisions of the Board are based on findings of fact set forth in the record and are supported by competent and material evidence. These decisions become final ten working days after the decision is rendered.■

Did you know?...
...that the Building office sponsored a homeowner symposium to assist homeowners with ordinance and code requirements for projects they want to do on their homes?

Building

2009/10 PERFORMANCE OBJECTIVES *(Building)*

1. To develop a mutual aid and reciprocating inspection agreement with surrounding communities. *(City Goal 2, 3)*

2. To work with the Fire Prevention Division to enforce new construction code standards and maintain a safe environment within the City. *(City Goal 1, 12)*

3. To develop and sponsor a training seminar on the current code changes to the Model Energy Code and Standards, and how they affect contractors and builders in both residential and commercial projects. *(City Goal 1, 14)*

4. To develop an enhanced and more efficient site plan review process with Planning and Engineering. *(City Goal 1, 12)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Permits Issued	7,898	5,930	5,160	5,500	4,600	4,600
	Building Permits Issued	2,962	2,473	2,369	2,300	2,100	2,100
	Mechanical Permits Issued	2,058	1,285	1,024	1,200	980	980
	Plumbing Permits Issued	1,242	948	729	800	690	690
	Electrical Permits Issued	1,636	1,224	1,038	1,200	830	830
	Total Inspections Performed	30,071	26,888	19,669	22,100	16,180	16,100
	Building Inspections	11,129	11,251	7,972	8,900	6,580	6,500
	Mechanical Inspections	7,737	5,235	3,684	4,500	2,800	2,800
	Plumbing Inspections	6,835	5,287	3,630	4,200	3,000	3,000
	Electrical Inspections	4,370	5,115	4,383	4,500	3,800	3,800
	Ordinance Complaint Tickets Issued	24	31	23	30	3	5
	Board of Code Appeals Applications	5	5	6	12	3	5
	Board of Ordinance Appeals Hearings	16	18	23	30	23	30
Efficiency & Effectiveness	Insurance Service Office (ISO) Rating	3	3	2	2	2	2
	% of Inspections Performed on Schedule	95%	95%	95%	95%	95%	95%
	% of Commercial Plans Reviewed w/i 20 days	95%	95%	95%	95%	95%	95%
	% of Residential Plans Reviewed w/i 10 days	95%	95%	95%	95%	95%	95%
	Average No. of Inspections per Budgeted Inspector	3,165	2,830	2,070	2,600	2,489	3,578
	Market Value of Building Permits (Millions)	$102.2	$113.6	$74.0	$80.0	$32.0	$32.0
	Permits Issued via City's Website	57	26	36	40	34	34
	Activity Expenditures as % of General Fund	2.44%	2.54%	2.55%	2.52%	2.33%	2.06%

Building

2009/10 PERFORMANCE OBJECTIVES *(Code Enforcement)*

1. To enforce the City's Commercial and Industrial Reforestation Plan to ensure these properties are in compliance with the City approved landscape plans in coordination with the Office of Planning. *(City Goal 13, 14)*

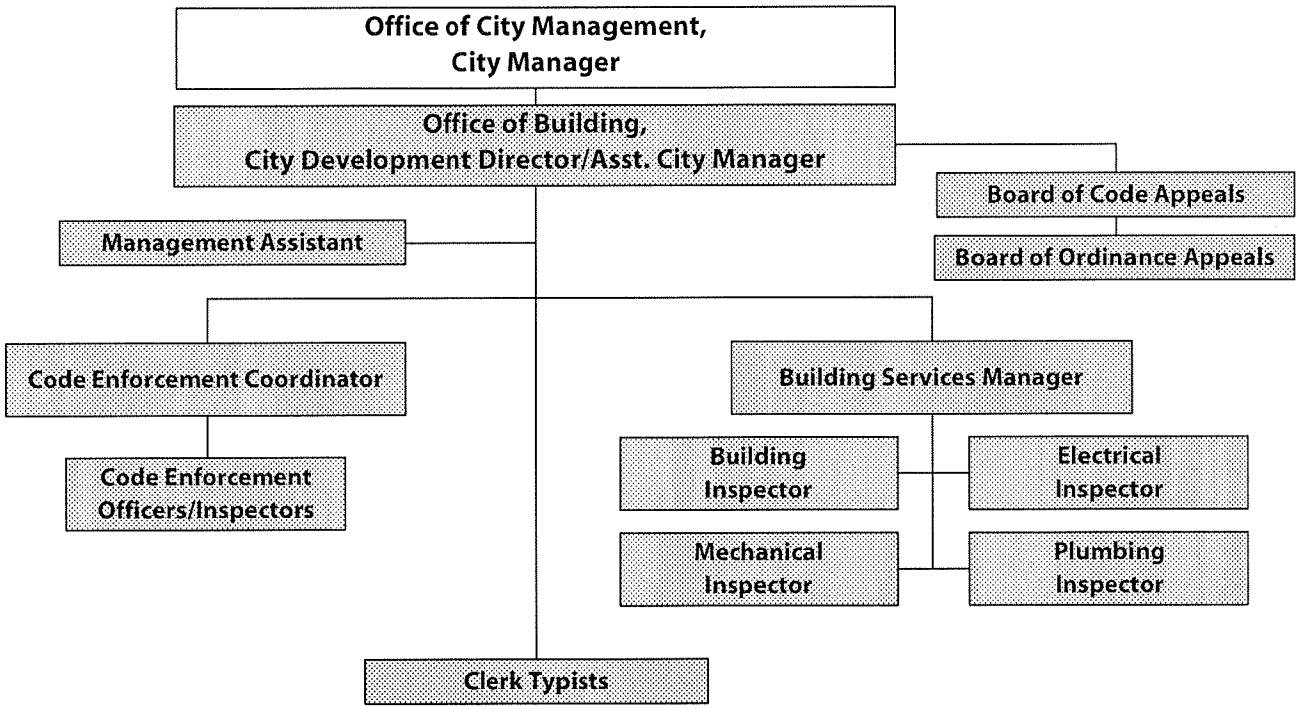
2. To regularly monitor foreclosed properties to ensure compliance with Property Maintenance Code standards. *(City Goal 12, 13, 15)*

3. To cross train the Building, Electrical, Plumbing and Mechanical Inspectors to assist in code enforcement activities. *(City Goal 3, 12)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Inspections Performed	12,782	12,508	12,074	18,500	12,618	13,600
	Total Code Enforcement Cases	3,495	3,399	2,364	4,250	3,410	3,650
	Public Nuisance Cases	365	122	69	200	60	100
	Illegal Sign Cases	287	187	88	250	221	250
	Trash & Debris Cases	401	397	173	400	294	300
	Junk Vehicle Cases	319	301	174	300	255	300
	Property Maintenance Cases	1,253	1,148	1,060	1,600	1,230	1,300
	Miscellaneous Cases	870	1,244	800	1,500	1,350	1,400
	Ordinance Board Cases Prepared - Nuisances	225	212	250	300	186	225
	Civil Infraction & Misdemeanor Tickets Issued	42	223	305	300	269	300
Efficiency & Effectiveness	% of Inspections Performed w/i 48 Hours of Complaint	93%	94%	94%	95%	95%	95%
	Avg. Working Days Between Violation & Correction	10	10	10	10	10	10
	% of Violations Corrected Prior to City Action	90%	80%	75%	90%	90%	90%
	Inspections Performed Per Code Inspector	2,130	2,085	2,012	3,083	2,103	2,267
	Code Enforcement Cases Per Code Inspector	583	567	394	708	568	608
	Code Enforcement Cases Per 1,000 Residents	27.5	26.7	18.5	33.1	26.5	28.4
	Average Cost to Perform a Code Inspection	$20.48	$21.29	$22.60	*	*	*

* *Cost is calculated for "Actual" columns only.*

Building



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
City Development Director/Asst. City Manager	1	1	1
Building Services Manager	1	1	1
Code Enforcement Coordinator	1	1	1
Building Inspector	3	3	1
Electrical Inspector	2	2	1
Mechanical Inspector	2	2	1
Plumbing Inspector	2	1	1
Code Enforcement Officer/Inspector	0	0	4
Code Enforcement Officer	5	5	1
Management Assistant	1	1	1
Senior Clerk	2	2	0
Clerk Typist	2	2	3
Co-op (P.T.)	1	0	0
Total	23	21	16

Building

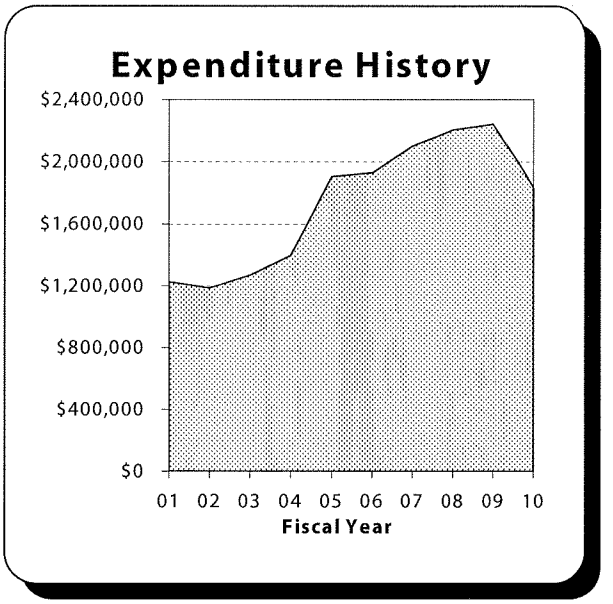
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $416,630 or 19.5%. Due to decreased development activity, funding for five vacant positions has been frozen, saving $405,000. As four of the vacant positions were in Code Enforcement, four building related Inspectors have been reassigned to Code Enforcement duties and are also available for building inspection duties as demand warrants. Overtime and Compensatory time fell $17,000 due to less building activity as well as streamlining the Ordinance Board of Appeals process.

Supplies – Total Supplies decreased $1,920 or 14.6%. Funding for written publications decreased $1,520 due to the one-time purchase of code books in the prior year. Postage costs decreased $400 based on recent actual expenditure levels.

Other Charges – Total Other Charges increased $11,220 or 11.7%. $15,000 was added for increased nuisance abatement contract costs, which remain as costs to the City until the property owner pays the invoice for cleanup services or the lien resulting from an unpaid invoice is satisfied. $3,350 was added for the anticipated increase in the annual maintenance contracts for the Land Management software. Membership costs increased $690 for Inspector re-certification, which is required every three years. The increase was slightly offset by a decrease as fewer memberships are funded based on a reduction in staff. Educational funding decreased $5,920 as part of the City's overall cost-saving financial strategy, and for the prior year one-time funding of Leed certified accreditation training. Telephone costs decreased $1,000 as six Nextel telephones were eliminated. $500 was saved due to a decrease in the number of building plans to be microfilmed. Fewer local meetings will be attended, saving $200.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

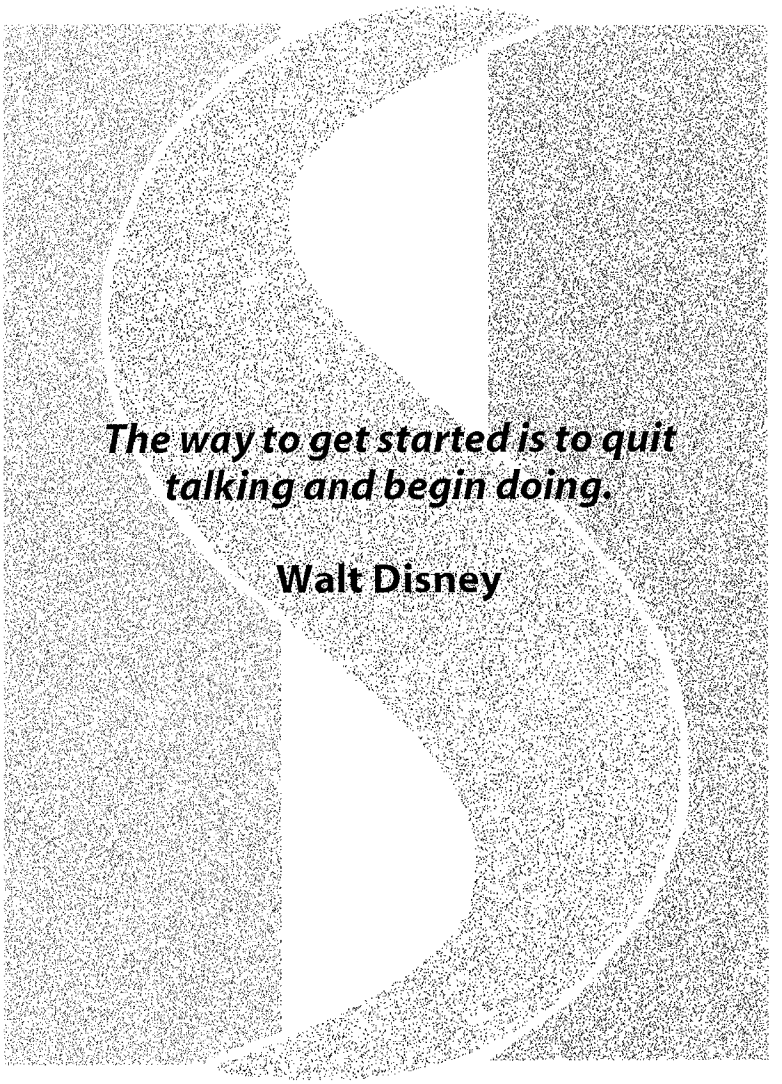
Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$2,122,570	$2,133,620	$1,928,830	$1,716,990	$1,716,990
Supplies	11,951	13,120	12,520	11,200	11,200
Other Charges	70,639	95,550	108,130	106,770	106,770
Total	$2,205,160	$2,242,290	$2,049,480	$1,834,960	$1,834,960


The way to get started is to quit talking and begin doing.
Walt Disney

Economic Development

MISSION STATEMENT: ***To develop a progressive and proactive economic development program designed to sustain and expand the City's economic and employment base and help retain the City's ranking as one of the nation's premier communities to live, work, play and prosper.***

The Economic Development Office is responsible for all Economic Development functions of the municipal corporation. The primary responsibility of this office is to create and implement a sustainable development strategy that will help increase the City's tax base and keep the community viable and attractive to residents, vistors and businesses.

Specific aspects of this office may be categorized into four related but distinct areas: Business Retention and Expansion, Business Attraction, Community Revitalization, and Economic Development Outreach.

Business Retention and Expansion – Through the Economic Development Office, Sterling Heights maintains an active business retention and expansion program that encourages the retention and expansion of existing businesses providing quality jobs, a diverse workforce and expanded tax base.

Business Attraction – This program fosters an economic development climate that attracts and encourages the recruitment of businesses to Sterling Heights that will provide quality jobs, diversify the workforce and expand the tax base.

Community Revitalization – This program is responsible for undertaking projects, which promotes retail businesses, redevelops the City's commercial corridors, promotes stable residential neighborhoods and maintains the City as an attractive location for working, living and entertaining. The Master Land Use Plan supports and promotes this program.

Economic Development Outreach – Maintaining external relationships with elected officials, business community and real estate development practitioners is a critical function for this office. Public presentations and interaction with a broad segment of the population are equally important. This office offers a professional image that demonstrates responsiveness, integrity and a comprehensive balance of the public benefit and the interests of the City.

Fiscal oversight and management of all economic development projects is handled in a responsible manner. Proposing and implementing economic development programs and functions that address the overall goals of the City Council and City Administration are also primary objectives of this office.■

KEY GOALS

- ***To maintain the City's economic base by fostering the growth and expansion of existing businesses.***
- ***To broaden the City's tax base by attracting new development and business to the community to help expand general fund dollars necessary for the City to maintain its high level of services.***
- ***To further enchance Sterling Heights' reputation as an outstanding community in which to locate and operate a business.***
- ***To provide staff support to the City's Brownfield Redevelopment Authority, Local Development Finance Authority, Corridor Improvement Authority, and Economic Development Corporation.***

Did you know?...
...that the City's industrial vacancy rate remains low consistently averaging between 5% and 6%?

Economic Development

2009/10 PERFORMANCE OBJECTIVES

1. To aggressively market the façade improvement program and other incentives available in the Corridor Improvement Authority (CIA) District. *(City Goal 8, 9, 10, 11, 13)*

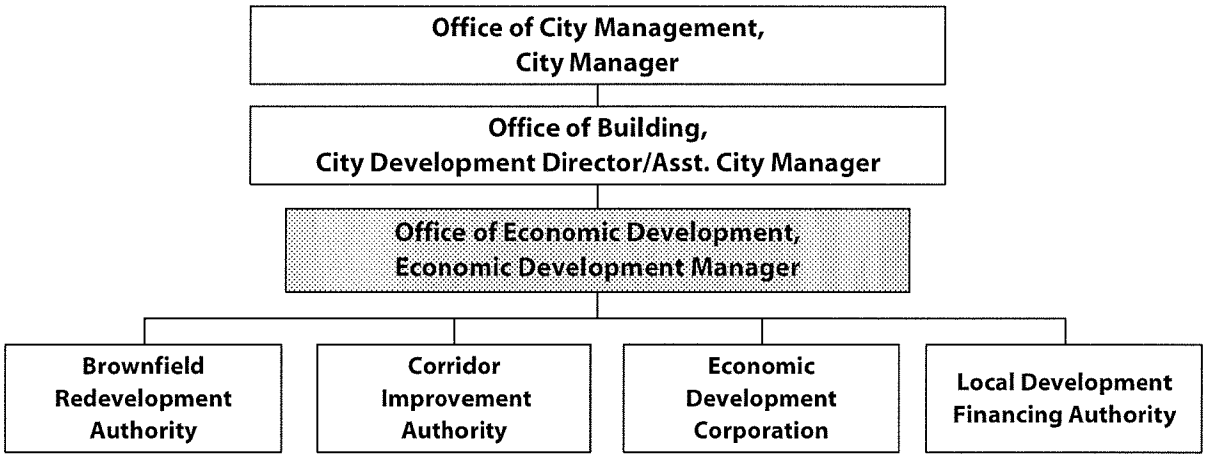
2. To facilitate the redevelopment of underutilized, contaminated, and functionally obsolete properties through the use of the Local Development Finance Authority (LDFA) and Brownfield Redevelopment Authority (BRA), and apply for applicable State grants and loans. *(City Goal 10, 21)*

3. To market the City to investors, developers, and other real estate professionals in order to attract new business, increase the tax base, and provide job opportunities. *(City Goal 8, 10, 11)*

4. To continue to reach out to growing and expanding businesses through the business retention program and facilitate growth in Sterling Heights. *(City Goal 8, 10, 13)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Brownfield Sites Marketed for Redevelopment	3	5	5	6	6	6
	Redevelopment Projects on Major Corridors	0	1	1	1	5	1
	Retention Calls to Existing Businesses	26	97	79	52	52	52
	Tax Abatements Initiated	3	4	5	5	5	5
	Business Development Contacts Initiated	21	101	104	50	50	50
	Brownfield Applications Processed/Approved	0/0	0/0	1/1	1/1	2/2	1/1
	Development Opportunities Forum Attendees	N/A	N/A	3	10	10	10
Efficiency & Effectiveness	Value of New Major Comm. Corridor Projects (Millions)	$0.0	$13.0	$41.0	$5.0	$81.0	$10.0
	Value of Grant Dollars Procured	$0	$40,000	$0	$1,000,000	$0	$1,000,000
	Business Development Meetings Attended	N/A	N/A	60	35	75	40
	Development Proposals Submitted	N/A	N/A	17	10	20	10
	Value of Brownfield Investment Approved (Millions)	$0.0	$0.0	$1.6	$1.0	$56.0	$5.0
	Activity Expenditures as % of General Fund	0.07%	0.17%	0.22%	0.18%	0.18%	0.18%

Economic Development



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Economic Development Manager	1	1	1
Total	1	1	1

Economic Development

SUMMARY OF BUDGET CHANGES

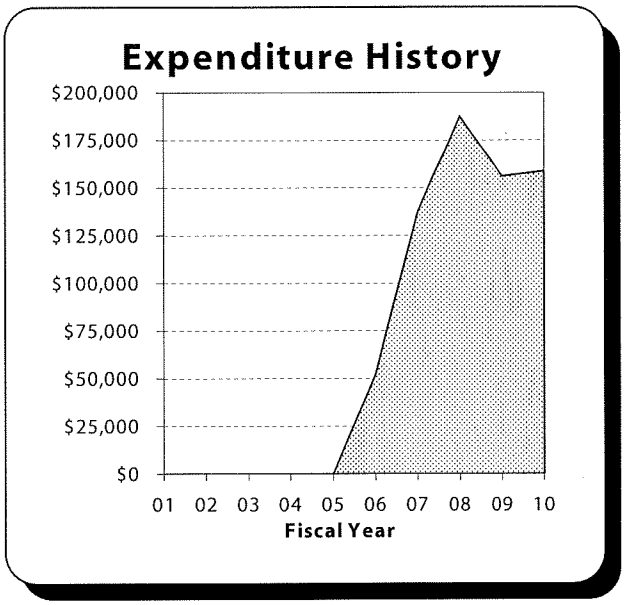
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget increased by $4,590 or 3.0% over last year's budget. Wages rose $2,890 due to a contractual 3.0% wage increase. An additional $830 is budgeted to fund increasing retiree medical liabilities. Health insurance costs rose $930 or 6.8% due to a rate increase.

Supplies – Total Supplies decreased $930 or 72.7%. Postage costs decreased $630, due to the increased use of e-mail and the City's web site to deliver marketing material. Publication costs decreased $150 due to the increasing availability of online resources. Funding for operating supplies decreased $150 as office start-up supplies were purchased over the past two years.

Other Charges – Total Other Charges decreased $870 or 24.6%. Educational funding decreased $490 as part of the City's overall cost-saving financial strategy. The office will save $300 in printing costs by utilizing the City's website to deliver marketing messages and presentations. Membership costs decreased $60 due to the elimination of a membership to the International Council of Shopping Centers (ICSC). The decrease was partially offset by a slight increase in all other existing membership fees. Telephone costs decreased $20 due to the elimination of the Manager's Nextel telephone, which was offset by an increase based on the current year's estimated expenditure usage for the office telephone.

Capital – There is no Capital budget for this fund.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$145,639	$151,260	$150,620	$155,850	$155,850
Supplies	2,470	1,280	380	350	350
Other Charges	39,383	3,530	3,410	2,660	2,660
Total	$187,492	$156,070	$154,410	$158,860	$158,860

Information Technology

MISSION STATEMENT: ***The Office of Information Technology (I.T.) is committed to excellence, and ensuring the business of government is efficient by providing an information technology infrastructure and applications that are reliable, long-term, financially viable and secure.***

The goals and objectives of the Information Technology Division (I.T.) are approved by the City Manager and established by prioritizing the technology needs of the City's operating departments. I.T. continually strives to improve the dissemination of City information using expanded communications, computing technology, and effective telecommunications oversight.

The three major areas of responsibility within the Information Technology activity are: Network Administration, Maintenance, and Operations. The Network Administration section is responsible for the development and maintenance of the Wide Area Network (WAN). This WAN supports the voice and data communication needs of the City. I.T. provides stable and reliable network and enterprise technology systems to support the effective and efficient operation of City business. This section also assumes the responsibility for all security, configuration and back up of permanent data files.

The second area of responsibility is the Maintenance section. This section is responsible to support all City offices in the implementation and continued development and support of enterprise applications. This section is responsible for modifications and enhancements to current application and operating software which resides on various hardware platforms throughout the City. The responsibility of troubleshooting hardware and software issues falls within this area. Hardware support is provided on PC, Macintosh, Hewlett-Packard and AS400 platforms. The emphasis of this section is to standardize workstations hardware and software wherever possible. The trend has been to acquire third party packaged software rather than develop applications in-house. All communication devices, with the exception of the 800MHz radio system, are also maintained by the Office of Information Technology.

The third area of Information Technology is Operations. The Operations area provides support to all workstations, printers, telephone desk sets, telephone wall units and all wireless communication devices such as cellular telephones and cellular smartphones.■

KEY GOALS

- ***To respond to the needs of end-users in a timely and pleasant manner.***
- ***To share query solutions with end-users to encourage self-reliance whenever possible.***
- ***To collaborate with user departments to ensure state-of-the-art status on all computer systems.***
- ***To standardize workstations throughout the City.***

Did you know?...
...that the Office of Information Technology now has fiber connectivity throughout the City Center Commons as well as the five Fire Stations, the Department of Public Works, Parks and Grounds, and the Nature Center?

Information Technology

2009/10 PERFORMANCE OBJECTIVES

1. To upgrade the Sterling Heights Primary Domain Controller Server. *(City Goal 18)*

2. To pursue alternative funding sources for computer related projects via grants obtained through the Emergency Security Operations Group (ESOG). *(City Goal 19)*

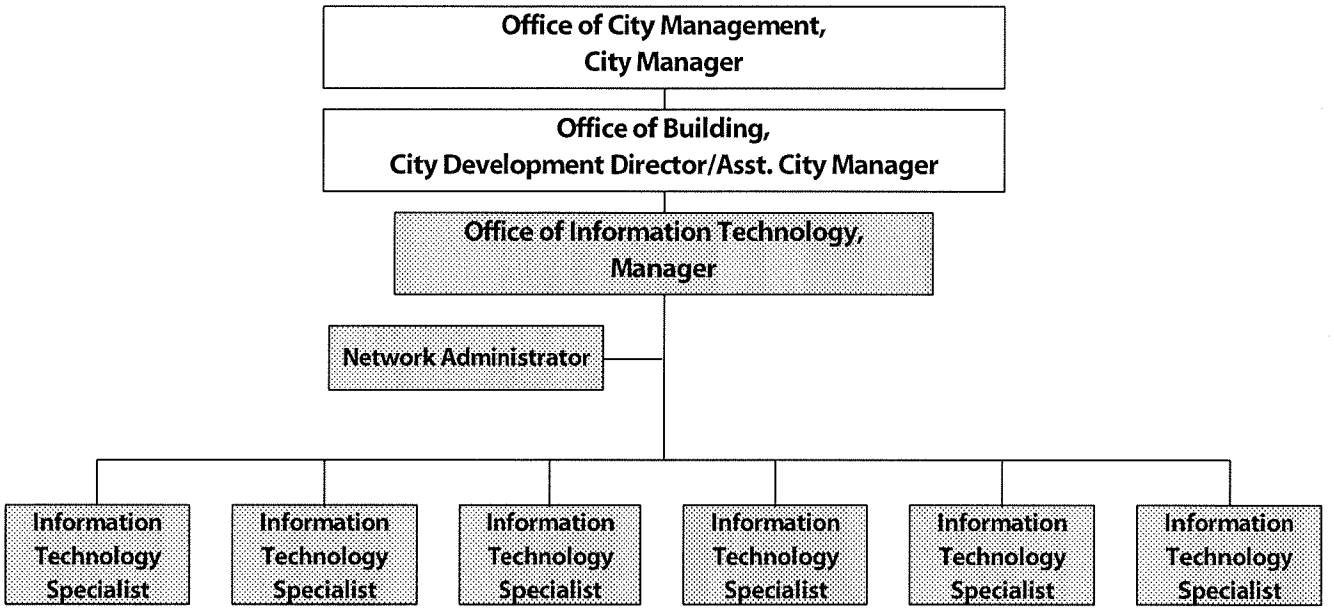
3. To improve office efficiencies by converting workstations to Microsoft XP. *(City Goal 17)*

4. To provide technical assistance to the Office of Engineering during its implementation of enhancements to the Geographic Information System (GIS). *(City Goal 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Hardware Platforms Supported - (W2K, MAC, HP, AS400)	4	4	4	4	4	4
	Application Systems Supported - (BS&A, Munis, etc.)	29	29	29	29	29	29
	Software Packages Upgraded	5	5	5	5	5	5
	Hours of Consultant Services Used	600	625	600	350	350	0
	"Help Desk" Calls Received	2,750	2,850	2,850	2,800	2,825	2,825
	Computer Workstations Supported	505	592	592	590	590	570
	Staff Hours Spent Supporting Elections	30	30	30	40	40	40
	Hours Spent on Personal Computer Maintenance	1,200	1,220	1,220	1,200	1,200	1,200
Efficiency & Effectiveness	% of "Help Desk" Calls Resolved within 8 hours	89%	91%	91%	90%	91%	91%
	# of Computer Workstations per FTE	0.70	0.82	0.83	0.83	0.83	0.83
	Telephone System Problems Resolved Within 1 Day	93%	96%	96%	95%	96%	96%
	Staff Training Dollars Expended	$3,852	$3,973	$6,287	$2,910	$2,910	$1,000
	% of Revolving 5-year Technology Plan Implemented	95%	58%	80%	90%	90%	90%
	% of Time Computer Network Down	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%
	Overtime/Comp Hours Required to Meet Demand	325	300	375	375	375	375
	Average Annual Cost to Support a PC	$286	$250	$275	*	*	*
	Cost to Support User Systems	$327,561	$332,281	$336,506	*	*	*
	Activity Expenditures as % of General Fund	1.15%	1.18%	1.22%	1.23%	1.22%	1.21%

** Cost is calculated for "Actual" columns only.*

Information Technology



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Information Technology Manager	1	1	1
Network Administrator	1	1	1
Information Technology Specialist	6	6	6
Total	8	8	8

Information Technology

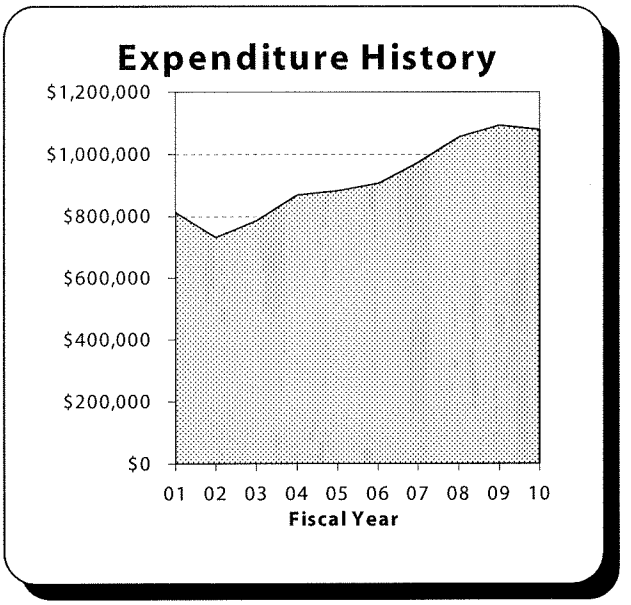
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $46,460 or 5.5%. Wages for full-time employees rose $28,750 as all employees are budgeted to receive a 3% wage increase. An additional $8,300 is budgeted to fund retiree medical liabilities. Pension costs rose $5,800.

Supplies – Total Supplies decreased $1,050 or 8.7%. Operating supply costs decreased $1,000 as the budget can be reduced and brought more in line with the current year's estimated expenditure usage.

Other Charges – Total Other Charges decreased $59,220 or 25.4%. Funding was reduced by $28,000 as the budget for computer consultant services was transferred to the Fire Department, where the services are actually performed. Contracted service costs decreased $28,050 based on recent expenditure trends and a prior year reappropriated encumbrance. In addition, the MUNIS Utility Billing software support fee will now be budgeted in Water & Sewer Administration. As part of the City's overall cost-saving financial strategy, the training budget was reduced by $1,910. Funding for the MUNIS User's Conference was eliminated, and $500 was added for the Network Administrator to attend Exchange Server training. Funding for the fiber optic network system annual lease fees decreased $2,000, and computer maintenance costs decreased $1,000, both based on historic expenditure levels. Membership costs decreased $300 due to a prior year reappropriated encumbrance. Two pagers were eliminated, saving $290. $2,780 was added for additional fiber optic connectivity support fees and an increase in existing software support costs.



Capital – Total Capital of $10,000 is proposed for the replacement of a 5-year old File Server.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$818,059	$848,010	$852,260	$894,470	$894,470
Supplies	18,444	12,100	10,650	11,050	11,050
Other Charges	219,062	232,900	213,460	173,680	173,680
Total	$1,055,565	$1,093,010	$1,076,370	$1,079,200	$1,079,200

MISSION STATEMENT: ***To act as the principal technical source of assistance to the Planning Commission and Zoning Board of Appeals in carrying out their duties in accordance with State enabling legislation.***

It is the responsibility of the Office of Planning to coordinate site plan reviews, and interpret and enforce the Zoning and other general ordinances of the City. This is done in accordance with its duty of providing administrative and technical assistance to both the Planning Commission and Zoning Board of Appeals (ZBA).

The City Planner serves as the administrative liaison to the Planning Commission. The Commission is required, by State enabling legislation, to prepare and adopt a Master Land Use Plan as set forth in the Michigan Planning Enabling Act, Public Act 33 of 2008. Planning provides the technical and professional assistance necessary for the creation of the plan, including any successive amendments.

As master land use plans generally entail a long range planning projection of between 15 to 20 years, continual review and maintenance is required by both the Planning Commission and Office of Planning. The Master Land Use Plan guides the physical development of the City as it relates to uses of land, public and quasi-public facilities, transportation systems, and utilities.

Planning is also responsible for the interpretation and enforcement of the Zoning, Tree Preservation, and other ordinances. Certain annual inspections such as review of liquor license establishments are also conducted by this office.

This activity reviews plans for compliance with community standards that have been implemented in the Code of Ordinances. Development plans for industrial, commercial, and residential units are reviewed for height limitations, building setback, site density, parking accommodations, and floodplain violations.

The ZBA has specific powers and duties as provided in Act 110 of the Public Acts of 2006, as amended. The ZBA is a quasi-judicial body, and serves as the only body at the municipal level to hear appeals on various zoning matters. These duties include ordinance interpretations, appeals of administrative decisions, modification, and variance of ordinance requirements, and use variances. The City Planner also serves as liaison to this Board.■

KEY GOALS

- ***To provide technical support to the Planning Commission to prepare and adopt a Master Land Use Plan.***
- ***To provide technical support to the Planning Commission to prepare and adopt Zoning and Subdivision Regulation Ordinances.***
- ***To provide technical review and assistance on all phases of planning responsibilities.***
- ***To protect public safety, health, welfare, and property values by administering regulations, zoning ordinances, and other general codes.***
- ***To provide referral and supportive services to residents, businesses, developers, and builders.***

Did you know?...
...that the Office of Planning assisted representatives of Crittenton Hospital on the recent purchase and planned expansion of a medical office building, which will be Crittenton's second and largest location in Macomb County?

Planning

2009/10 PERFORMANCE OBJECTIVES

1. To implement Phase III of the Commercial Reforestation Plan to ensure that these properties are in compliance with City approved landscape plans. *(City Goal 13, 15)*

2. To promote and assist architects and developers in implementing revised standards associated with building design and material for new construction. *(City Goal 11, 15)*

3. To coordinate the City's Manufacturing Strategy Team meetings. *(City Goal 8, 10, 11, 20)*

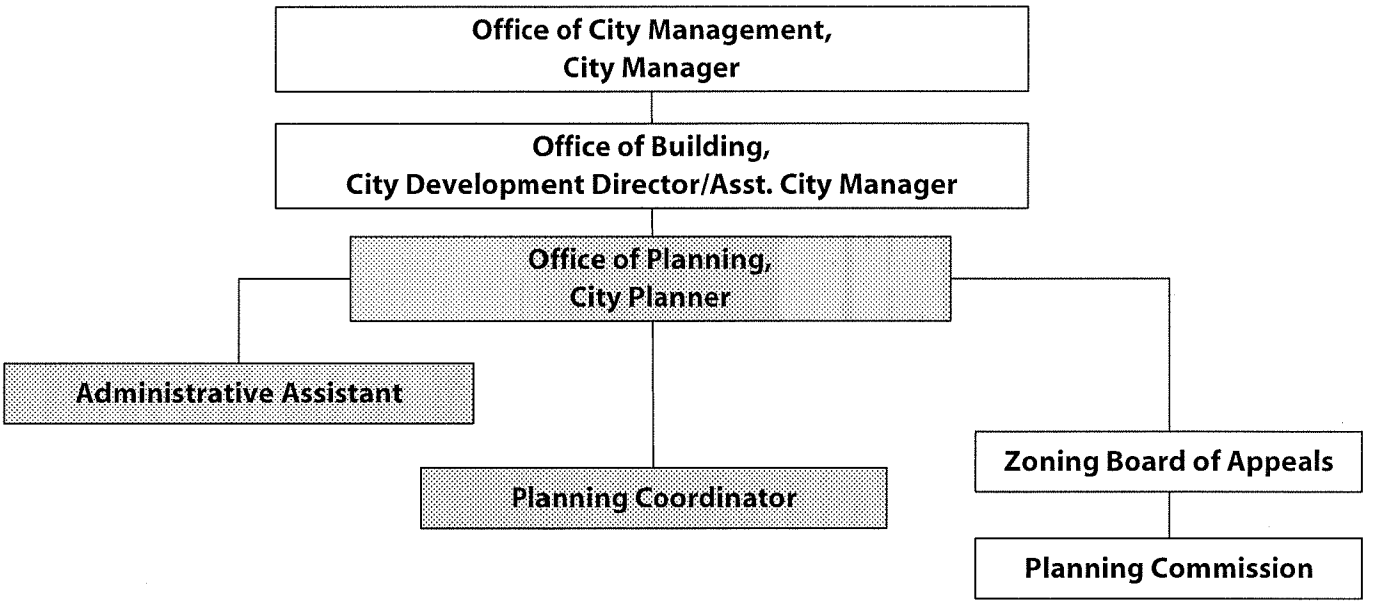
4. To update the site plan review brochure "Keeping Pace with Progress" with the most current requirements and related information to assist owners and developers in navigating the municipal approval process. *(City Goal 3, 8)*

5. To assist the Planning Commission in updating the City's Zoning Ordinance, including the evaluation of land uses, which create opportunities for new or existing businesses while preserving the City's overall quality of life. *(City Goal 10, 12)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Site Plans Reviewed	84	70	109	60	60	65
	Land Divisions/Combinations Reviewed	35	17	19	20	15	18
	Rezoning Petitions Processed	13	7	8	10	8	8
	Residential Developments	6	5	5	4	5	3
	Special Approval Land Uses Processed	16	8	12	5	5	7
	Site Inspections Conducted	166	154	221	160	280	275
	Planning Commission Cases Prepared	34	31	27	35	23	25
	Planning Commission Meetings Attended	12	11	10	12	11	12
	Temporary Uses, Variances, & Vacations Reviewed	74	69	62	70	60	60
	Zoning Board of Appeals Cases Prepared	48	35	27	30	30	30
	Zoning Board of Appeals Meetings Held	12	11	10	12	12	12
	City Council Meetings Attended	24	16	14	15	14	12
	Council Agenda Items Prepared	29	20	21	20	16	15
	Zoning Compliance, Use Permits Reviewed	118	113	364	125	300	250
Efficiency & Effectiveness	% of Preliminary Site Plans Reviewed w/i 10 days	90%	90%	90%	90%	90%	90%
	% of Final Site Plans Reviewed w/i 3 days	90%	90%	90%	90%	90%	90%
	% of Property Splits Reviewed w/i 2 days	90%	90%	90%	90%	90%	90%
	Average Cost to Review a Site Plan	$1,456	$1,578	$1,219	*	*	*
	Activity Expenditures as % of General Fund	0.44%	0.41%	0.40%	0.38%	0.39%	0.40%

** Cost is calculated for "Actual" columns only.*

Planning



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
City Planner	1	1	1
Planning Coordinator	1	1	1
Administrative Assistant	1	1	1
Clerk Typist	1	0	0
Total	4	3	3

Planning

SUMMARY OF BUDGET CHANGES

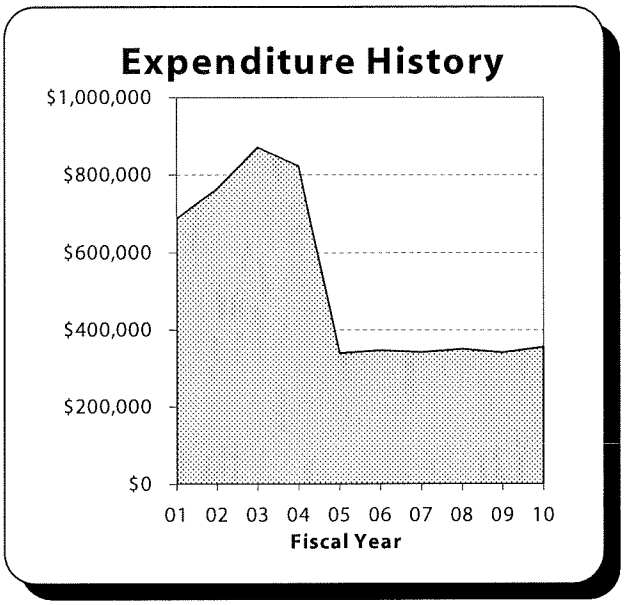
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget increased by $15,350 or 4.6%. Wages for full-time employees rose $7,270 as all employees are budgeted to receive a 3% wage increase. An additional $2,310 is budgeted to fund retiree medical liabilities, while pension costs rose $2,680 based on a recent actuarial report.

Supplies – Total Supplies decreased $300 or 18.8%. Postage costs decreased $200 and operating supply costs decreased $100, as both can be reduced and brought more in line with historic actual expenditure levels.

Other Charges – Total Other Charges decreased $680 or 21.9%. Educational funding decreased $400 as funding for attendance at local and State planning workshops was reduced as part of the City's overall cost-saving financial strategy. The Coordinator's membership to the American Planning Association was eliminated, saving $230. $50 was saved, as fewer documents and planning studies are anticipated to be printed.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$345,673	$336,430	$337,830	$351,780	$351,780
Supplies	1,111	1,600	1,400	1,300	1,300
Other Charges	3,495	3,100	3,360	2,420	2,420
Total	$350,279	$341,130	$342,590	$355,500	$355,500

MISSION STATEMENT: ***To facilitate the development of a desirable living environment and promote the health, safety and welfare of the community through application of professional principles and the administration of building and zoning codes, engineering standards and City ordinances.***

The Office of Public Services coordinates public services and guides the development of the community in accordance with the goals and objectives established by the City Council and City Manager.

This office coordinates land, easement, and right-of-way acquisitions for public improvements and implements construction of the City's infrastructure scheduled in capital improvement programs and master plans. Grant monies from State, federal and private sources are pursued and closely monitored for park development, roads, tree planting, roadway median landscaping, pedestrian bridges, right-of-way landscaping, bike path construction, and emerald ash borer tree replacement. Public Services provides information to residents regarding water and sanitary sewer connection fees, street lighting, and traffic signs and signals. This office prepares ordinance variance agreements and coordinates activities and decisions involving the City and other agencies such as the Road Commission of Macomb County and the City of Detroit. Multi-jurisdictional contracts are often required with road construction projects. Other activities include the disposal of excess City property, the overseeing of office expenditures, the review of site plans and building plans for appropriate water and sewer connections, the issuance of culvert permits, common area irrigation permits, and monitoring well permits, as well as coordination of traffic engineering studies.

The City's Community Development Block Grant (CDBG) program, which is the annual federal government program that provides grants for community development activities, and the Section 8 Housing Choice Voucher Program, which provides housing and home programs for low-income families, are both administered through Public Services.

In addition, Public Services also administers both the Home Chore and Minor Home Repair Programs utilizing CDBG funds to assist low income seniors with lawn cutting, snow removal, and minor home repairs.

The Public Services Manager serves as liaison to County, State, and federal agencies to synchronize the approval process for orderly and organized project development. The Manager also provides professional, technical and administrative assistance to the Transportation Advisory Committee and serves as Executive Director of the Housing Commission and President of the Schoenherr Towers Resident Advisory Board.■

KEY GOALS

- ***To preserve and enhance the City's physical and economic resources.***
- ***To promote and support community planning as a guide for resource allocation.***
- ***To protect the general public's health, safety, and welfare by developing and enforcing building codes, engineering standards, subdivision regulations, and zoning ordinances.***
- ***To provide excellent administrative and support services to boards and commissions.***

Did you know?...
...that, in 2008, the Office of Public Services utilized CDBG funds to assist 65 low-income seniors with lawn cutting and snow removal services?

Public Services

2009/10 PERFORMANCE OBJECTIVES

1. To complete renovations to Fire Stations #2, #3 and #4, which were approved under Proposal F. *(City Goal 13, 15)*

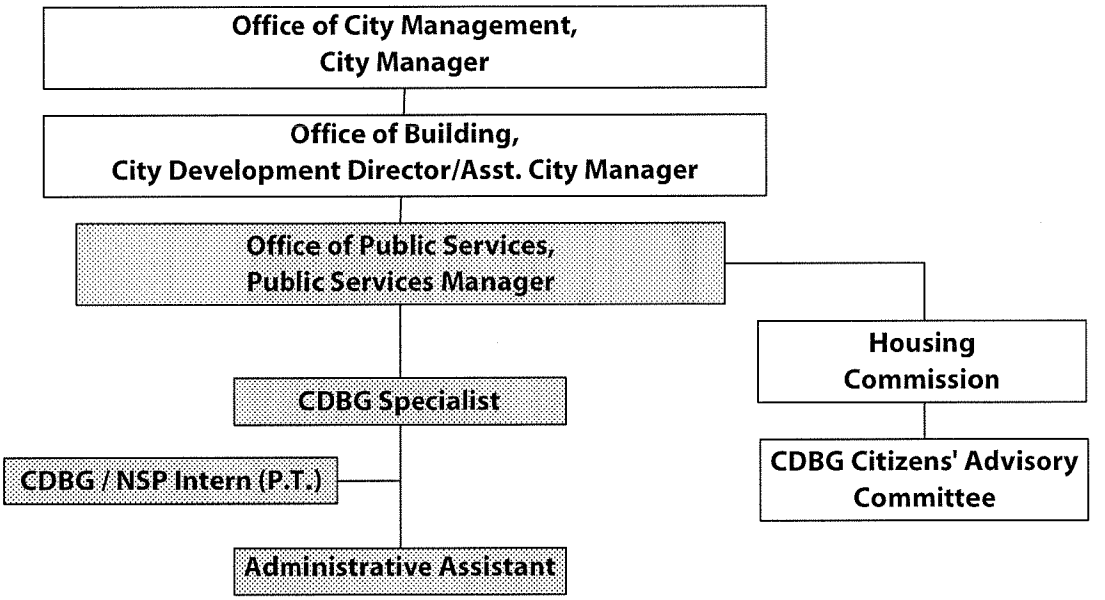
2. To work with the Community Development Block Grant Program to establish the Neighborhood Stabilization Program. *(City Goal 12, 13, 14, 15, 16, 25)*

3. To work with the Housing Commission to make significant energy savings improvements at Schoenherr Towers, including the replacement of all existing light fixtures, installation of new Energy Star refrigerators and new efficient bathroom fixtures, and window glass replacement. *(City Goal 13, 15, 16)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Building Permits & Site Plans Reviewed	400	300	200	200	100	100
	Use Permits Reviewed	30	25	20	15	15	15
	W & S Connection Permits Issued (Existing Homes)	26	9	11	12	10	10
	Special Projects Administered	7	7	7	7	7	7
	New Grants Applied For/Grants Received	3/3	3/2	1/0	3/3	3/2	2/2
	Council Meetings Attended	15	12	10	10	10	10
	Housing Commission Meetings Attended	15	31	26	27	27	27
	Rights-of-Way/Easements Acquired	61	10	27	60	43	25
	Citizens Advisory Commission Meetings Attended	6	6	6	6	6	6
	Number of Streetlights in City	2,508	2,513	2,520	2,530	2,535	2,540
	Number of Streetlight Bills Reviewed & Approved	12	12	12	12	12	12
	Senior Home Chore & Minor Home Repair Jobs	1,490	976	1,212	1,100	1,440	1,500
Efficiency & Effectiveness	% Initial Traffic Requests Responded to w/i 35 days	100%	100%	95%	100%	100%	100%
	% Street Light Problems Addressed w/i 24 Hours	100%	100%	100%	100%	100%	100%
	% of Fire Suppression Plans Reviewed w/i 2 days	100%	100%	100%	100%	100%	100%
	% of W & S Abandonment Requests Issued w/i 1 day	100%	100%	100%	100%	100%	100%
	% of ROW's Acquired Without Condemnation	97%	97%	100%	95%	100%	95%
	% of Easements Acquired Without Condemnation	97%	97%	100%	95%	100%	95%
	% of Grants Successfully Awarded	100%	67%	0%	100%	67%	100%
	% of Substandard Housing Rehab. Contracts Completed	85%	90%	90%	95%	95%	95%
	Avg. Cost to Prepare/Process a Grant Application	$1,108	$1,202	$1,189	*	*	*
	Avg. Cost to Review a Use Permit Application	$75	$82	$94	*	*	*
	Activity Expenditures as % of General Fund	0.50%	0.33%	0.34%	0.34%	0.35%	0.36%

** Cost is calculated for "Actual" columns only.*

Public Services



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Public Services Manager	1	1	1
CDBG Specialist	1	1	1
Administrative Assistant	0	1	1
Senior Clerk	1	0	0
CDBG / NSP Intern (P.T.)	1	1	1
Total	4	4	4

Public Services

SUMMARY OF BUDGET CHANGES

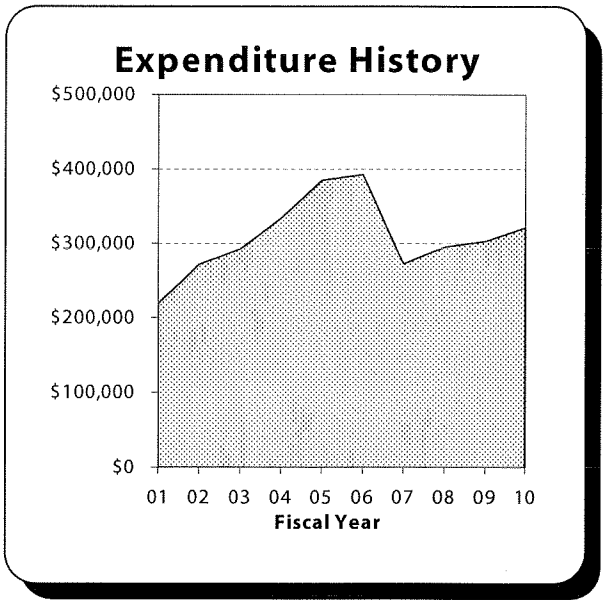
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget increased $18,770 or 6.3%. Wages rose $9,930 as a result of a 3% wage increase and a position reclassification in the prior year. An additional $3,790 is budgeted to fund increasing retiree health insurance obligations. Compensatory time buy back increased by $1,500 due to the increased time spent administering the Home Chore Program, which was formerly in Parks and Recreation, and the new Neighborhood Stabilization Program.

Supplies – Total Supplies decreased $250 or 21.7%. Funding for operating supplies decreased $200 based on recent actual expenditure levels. The budget for written publications was eliminated due to the increased availability of online resources, for a savings of $50.

Other Charges – Total Other Charges decreased $320 or 19.3%. Educational funding decreased $200 as the budget can be reduced and brought more in line with historic actual expenditure usage. Contracted service costs decreased $50 based on recent expenditure trends, as it is now less costly to perform title searches by using Macomb County's online Land Access System rather than requesting them from a title company. The budget for local meetings was eliminated, for a savings of $50, as prior year funds were never spent.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

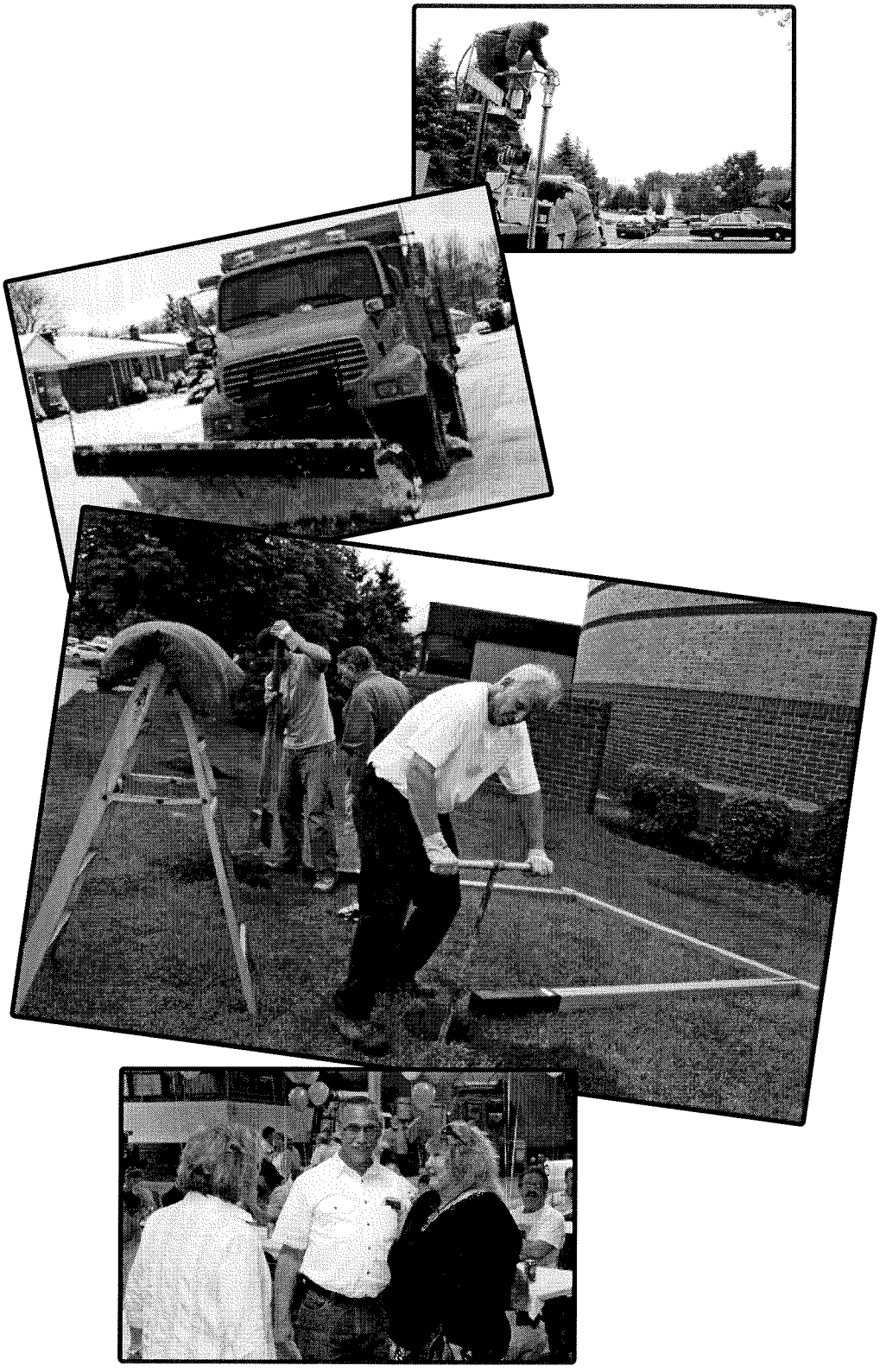
Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

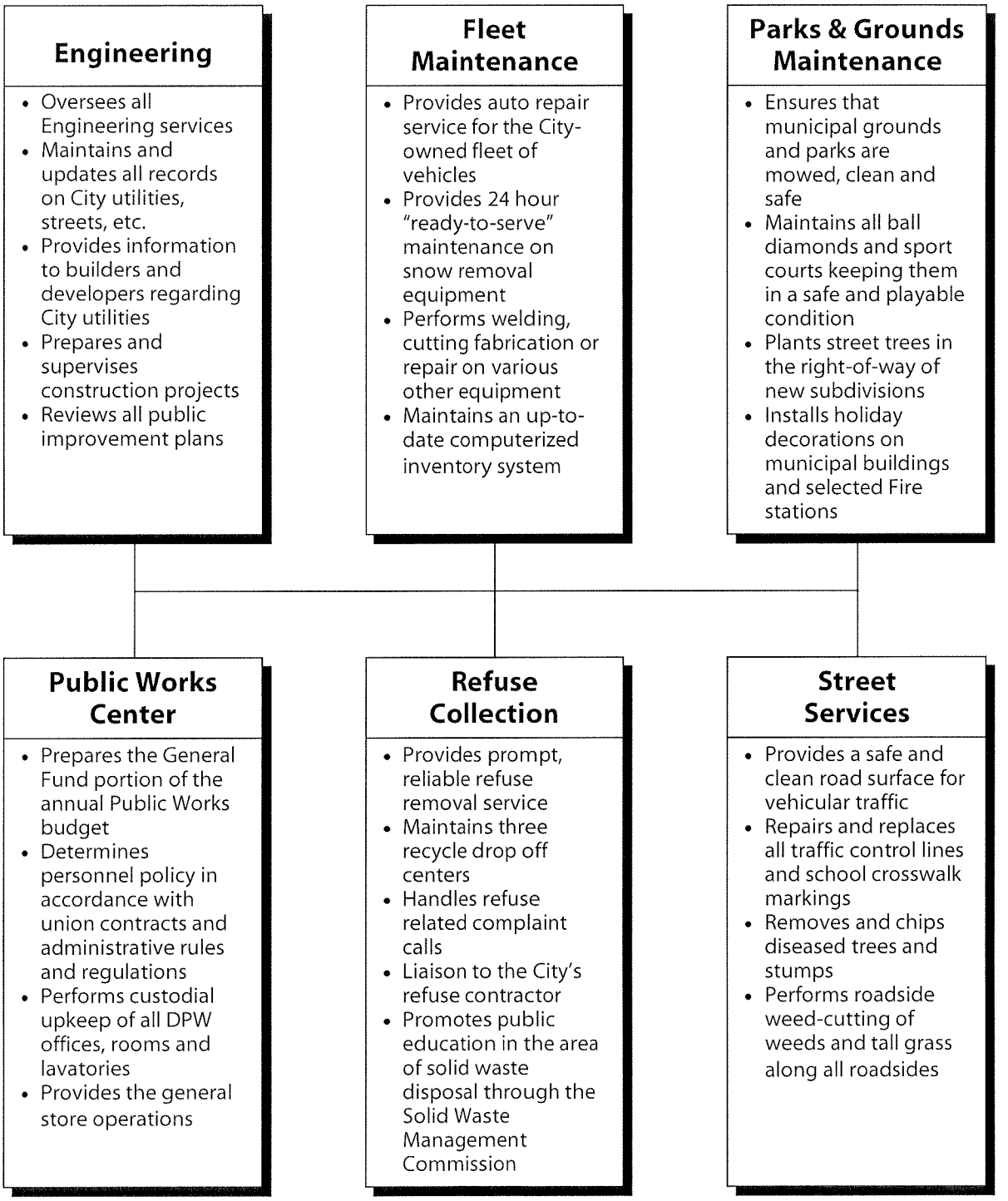
	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$292,090	$299,960	$305,350	$318,730	$318,730
Supplies	1,040	1,150	900	900	900
Other Charges	1,924	1,660	1,740	1,340	1,340
Total	$295,054	$302,770	$307,990	$320,970	$320,970

Public Works Department



FUNCTIONAL ORGANIZATION CHART

Public Works Department



DEPARTMENT AT A GLANCE

Public Works Department

BUDGET SUMMARY

The Public Works Department budget decreased by $187,080 or 2.2%. Personnel costs fell by $328,120 or 5.0% as funding for five vacant full-time and two part-time positions has been frozen, saving $464,500. In Engineering, a vacant Inspector and two part-time Co-op positions have been eliminated. In the Public Works Center, funding for the soon to be retired Environmental Services Manager position has been eliminated, while a Custodian has been reassigned to Facilities Maintenance. In Street Services, funding has been reduced for a vacant Division Supervisor and a Laborer position. The Supplies budget increased by $124,930 or 9.0% due to higher fuel and vehicle repair costs in the Fleet Maintenance division. Other Charges increased by $16,110 or 3.0% for increased sports field turf maintenance, increased demand for cutting vacant properties as part of the City's noxious weed cutting program, and higher utility costs for the Public Works building and the irrigation of sports fields. The capital budget includes funding for pump station repairs at one of the City's storm water retention ponds.

FUNDING LEVEL SUMMARY

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Engineering	$1,755,930	$1,701,260	$1,793,770	$1,662,170	-7.3%
Fleet Maintenance	2,472,330	2,927,750	2,643,610	2,807,280	6.2%
Parks & Grounds Maint.	1,390,520	1,360,640	1,351,410	1,426,790	5.6%
Public Works Center	518,510	592,450	653,070	438,590	-32.8%
Street Services	1,857,130	1,954,680	1,989,210	1,909,160	-4.0%
Total Department	$7,994,420	$8,536,780	$8,431,070	$8,243,990	-2.2%
Personnel Services	$6,118,080	$6,461,320	$6,506,670	$6,178,550	-5.0%
Supplies	1,363,520	1,614,030	1,385,770	1,510,700	9.0%
Other Charges	512,820	461,430	538,630	554,740	3.0%
Total Department	$7,994,420	$8,536,780	$8,431,070	$8,243,990	-2.2%

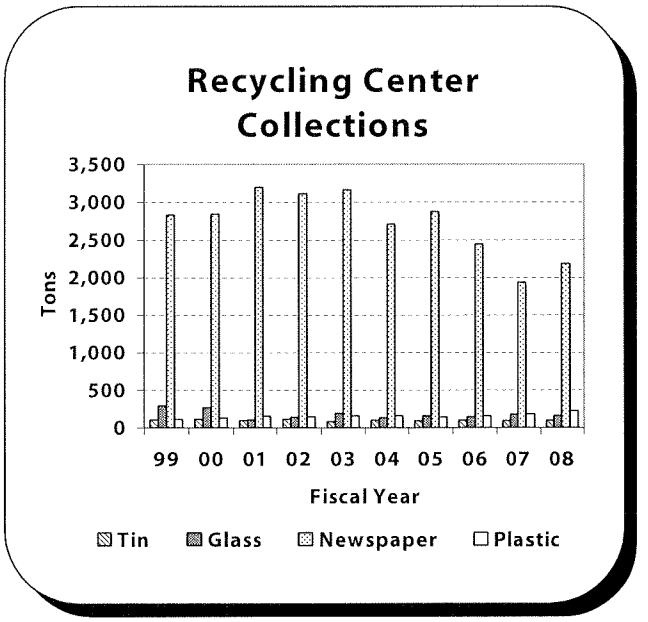
PERSONNEL SUMMARY

	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Engineering	16	3	16	3	15	2	14	0
Fleet Maintenance	14	1	14	1	14	1	14	1
Parks & Grounds Maint.	13	8	13	8	12	8	12	8
Public Works Center	3	0	3	0	3	0	1	0
Street Services	21	2	21	2	21	2	19	2
Total Department	67	14	67	14	65	13	60	11

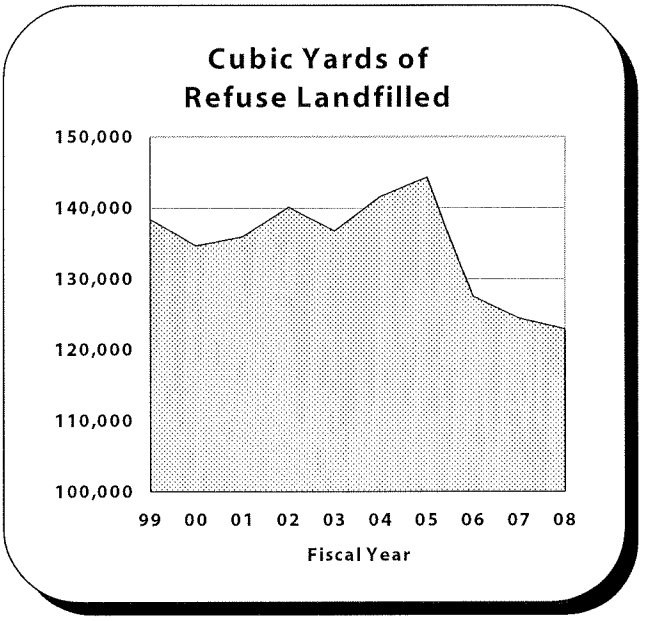
Excludes Refuse Collection.

KEY DEPARTMENTAL TRENDS

Public Works Department

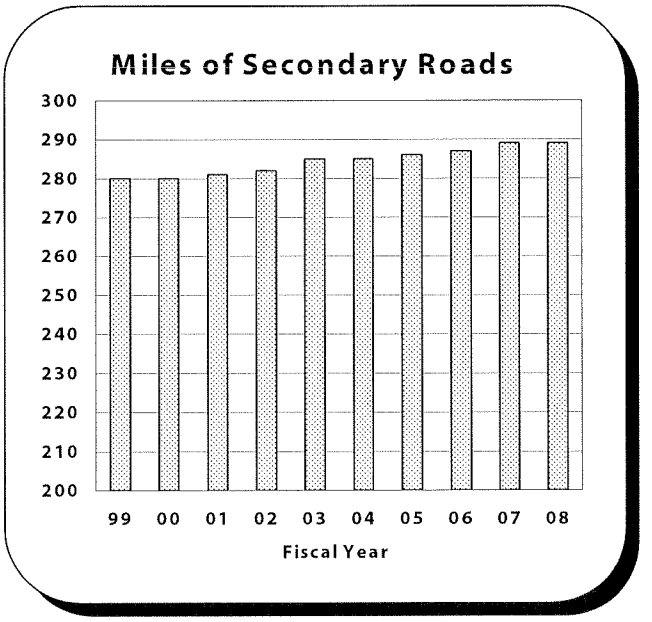


The amount of newspaper recycled at the City's three drop-off recycling centers has declined over the past several years due to the growth in the number of non-city newspaper recycling sites. However, the growth in recycling and the composting of yard waste have still allowed the City to reduce the amount of refuse landfilled by 45% over the past 17 years. The average homeowner in the City pays $70 per year for trash pickup, which is much lower than most other communities. Only three cities in a recent national study had a lower recycling cost per ton recycled.



Despite the separate collection of yard waste, which is now composted, and additional Recycling Center collections, the cubic yards of refuse landfilled in the City had generally increased due to overall population growth. Starting in 2006 however, the amount of refuse landfilled started to decline and is now only 122,920 cubic yards in 2008, as fewer apartment complexes and mobile home parks elected to receive City service.

The City's snow and ice removal costs have generally been increasing over the past ten years due to growth in the City and an increased number of City streets. Expenditures decreased in four of the ten years due to warmer winters or reduced snow falls. Due to heavy snowfall in 2005, costs totaled $896,000. Costs rose again in 2008 to nearly $1.2 million – a ten year high.



Due to an increasing number of subdivisions in the City, the number of secondary or local roads has been slowly increasing over the past ten years.

MISSION STATEMENT: ***To develop and implement master plans and programs and to supervise and inspect all public improvements constructed by or for the City.***

The Engineering activity falls within the Public Works Department of the City Administration organizational structure. Major responsibilities include the supervision and performance of all engineering services of the City. Engineering is responsible for the development of master plans and programs for public improvements, supervision, and inspection of all improvements constructed by or for the City.

Engineering maintains and updates, on a regular basis, all records of City utilities, streets, properties including parks, zoning changes, rights-of-way and addresses. Updating of Engineering records is necessary when changes are made or become available through other City departments.

Information is provided to prospective developers, builders, and consulting engineers on the availability, size, and location of all City utilities. Information is also provided to residents and other interested parties on scheduled or future public improvements.

Engineering reviews all planned public improvements. The review of these plans generates revenue to the City's General Fund.

The engineering design, administration, and inspection of City projects, City awarded contracts, and subdivision sites generate revenues of nearly $1.2 million per year.

Engineering prepares the plans and specifications and supervises construction of all projects authorized by City Council.

The Soil Erosion and Sedimentation Control Program is administered by the Engineering Office as required by the State of Michigan and the National Pollutant Discharge Elimination System Program. Plans for private development are submitted to Engineering to review for conformance to City standards and specifications. After plans are approved and implemented by the private developer, inspections are conducted to ensure conformance with City ordinance and the State of Michigan Soil Erosion and Sedimentation Control Act.■

KEY GOALS

- ***To maintain and regularly update all records of City utilities, streets, properties, parks, zoning changes, rights-of-way, and addresses.***
- ***To provide current information to prospective developers, builders, consulting engineers, residents and other interested parties on City utilities and scheduled or future public improvements.***
- ***To review plans for consideration of public and private improvements.***
- ***To prepare plans and specifications and supervise construction of all authorized projects.***
- ***To administer the Soil Erosion and Sedimentation Control Program.***

Did you know?...
...that the City will have over $11 million worth of road improvement projects ready to submit for funding as part of the 2009 federal Economic Stimulus package?

Engineering

2009/10 PERFORMANCE OBJECTIVES

1. To develop project plans and specifications in order to promptly capture and utilize funding that may become available under the federal Economic Stimulus Package. *(City Goal 22)*

2. To continue the implementation of an interactive Geographic Information System (GIS) system and create applications for various City departments. *(City Goal 17)*

3. To pursue grant funds to improve traffic flow and safety at major road intersections. *(City Goal 21)*

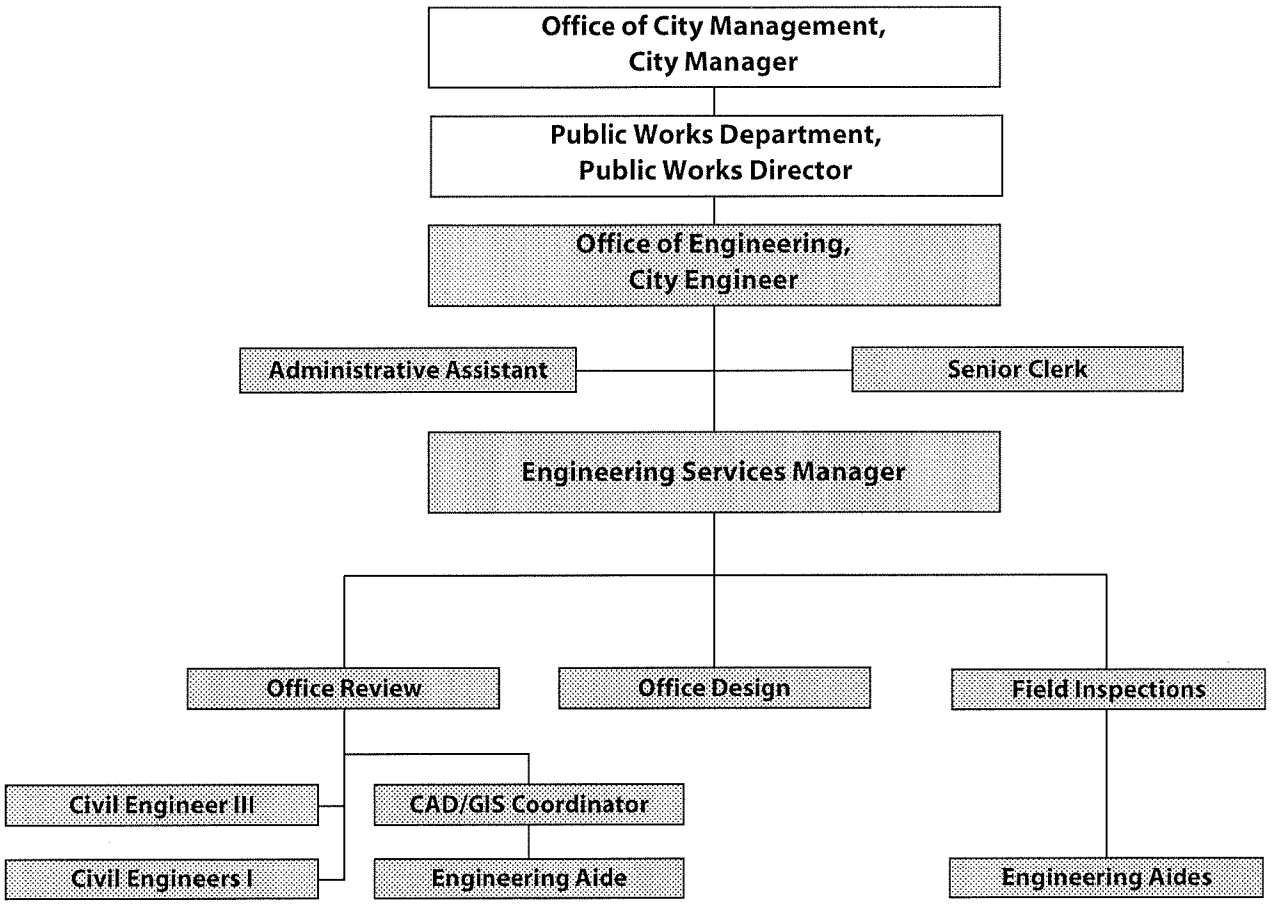
4. To create plans and specifications and administer contracts for various capital improvement projects including water main, sanitary sewer, drain, road and sidewalk projects. *(City Goal 6, 22)*

5. To work with Community Relations to establish a median maintenance sponsorship model for businesses to enhance the aesthetics of the City's road medians. *(City Goal 21)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Site Plans Approved	78	55	32	40	30	34
	Subdivision Plans Approved	0	0	0	0	0	0
	Land Divisions Reviewed	50	25	17	20	10	12
	Plot Plan/Grading Plans Approved	27	9	1	5	2	4
	Utility Company Permits Issued	54	72	82	60	35	40
	SESC Permits Issued	56	50	32	30	30	32
	Value of Const. Contracts Awarded & Supervised	$9.3M	$4.3M	$5.7M	$7.3M	$8.3M	$8.7M
	Personnel Contacts with Business - Counter	3,144	1,809	1,417	2,500	1,100	1,300
	Personnel Contacts with Business - Phone	9,516	7,459	7,065	7,500	4,500	4,500
	Miles of Sidewalks In City	605	607	608	610	610	611
	Service Requests Processed	555	695	611	800	750	675
	Inspection Revenues Generated	$933,683	$776,818	$502,307	$625,000	$610,000	$590,000
	SESC Inspection Revenues Generated	$11,126	$7,844	$48,354	$110,000	$60,000	$60,000
	Construction Project Design Revenues	$307,350	$483,700	$508,279	$400,000	$360,000	$450,000
Efficiency & Effectiveness	% of First Site Plans Reviewed w/i 4-6 weeks	73%	81%	97%	90%	86%	90%
	% of Utility Company Permits Reviewed w/i 15 days	85%	72%	80%	85%	85%	90%
	% of Plot or Grading Plans Reviewed w/i 10 days	75%	78%	100%	95%	100%	100%
	% of Capital Projects Completed w/i 5% of Bid Costs	85%	87%	91%	90%	85%	85%
	Engineering Inspection Hrs. Required to Meet Demand	10,150	9,022	5,648	6,000	8,000	5,000
	Engineering Inspection Cost Per Hour	$91.99	$86.10	$88.94	*	*	*
	Activity Expenditures as % of General Fund	2.33%	2.12%	1.97%	2.02%	1.91%	1.87%

** Cost is calculated for "Actual" columns only.*

Engineering



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
City Engineer	1	1	1
Engineering Services Manager	1	1	1
Civil Engineer III	1	1	1
CAD/GIS Coordinator	1	1	1
Chief Engineering Inspector	1	1	0
Engineering Aide	7	6	6
Civil Engineer I	2	2	2
Administrative Assistant	1	1	1
Senior Clerk	1	1	1
G.I.S. Intern (P.T.)	1	1	0
Co-op (P.T.)	2	1	0
Total	19	17	14

Engineering

SUMMARY OF BUDGET CHANGES

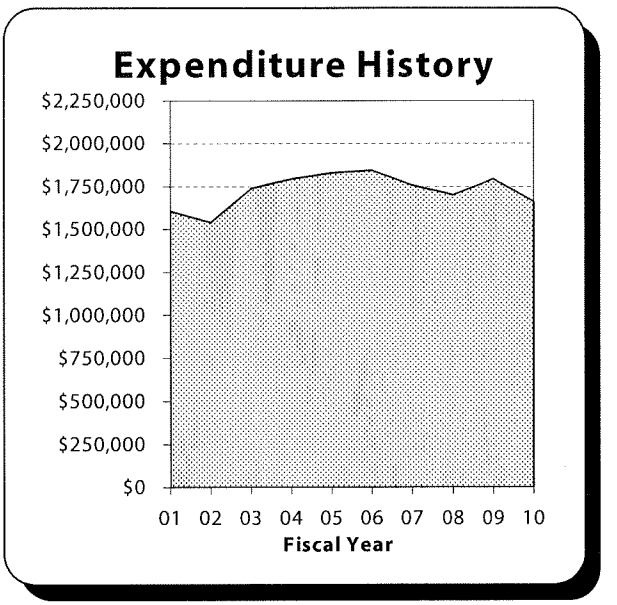
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $128,090 or 7.2%. Due to lower development activity, a vacant Engineering Inspector position is recommended to be frozen, saving $117,000. Two part-time positions are recommended to be eliminated, saving $18,000. $30,000 will also be saved in overtime costs. Wage and pension cost increases for the remaining employees offset a portion of these total savings.

Supplies – Total Supplies decreased $2,800 or 23.7%. Funding for operating supplies decreased $2,000 and postage costs decreased $800, as both can be reduced and brought more in line with prior year actual expenditure levels.

Other Charges – Total Other Charges decreased $710 or 5.7%. Two seldom used Nextel telephones will be eliminated, saving $360. Educational funding was reduced by $250 and local meeting costs decreased $100, both based on recent years' actual expenditure levels.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,680,508	$1,769,540	$1,658,720	$1,641,450	$1,641,450
Supplies	8,476	11,800	9,000	9,000	9,000
Other Charges	12,277	12,430	12,360	11,720	11,720
Total	$1,701,261	$1,793,770	$1,680,080	$1,662,170	$1,662,170

Fleet Maintenance

MISSION STATEMENT: ***To efficiently and economically maintain the City-owned fleet of vehicles and equipment in a safe, properly functioning condition.***

The Fleet Maintenance Division is responsible for maintaining the City-owned fleet of vehicles and equipment in a safe, properly functioning condition. An adequate parts inventory is maintained in order to complete repairs in a timely manner to minimize down time.

The Division is "ready to serve". Twenty-four (24) hour service is available for repairs required on snow removal equipment during a snow emergency, pumps during flood control operations, or Fire Department equipment at a fire scene.

This program includes the maintenance and repair of the City-owned fleet of vehicles and equipment on an as-needed basis. Approximately 48 pieces of heavy equipment, 275 pieces of various equipment ranging from chainsaws to tractors and 250 cars and trucks are repaired. Preventative maintenance is performed on approximately 660 vehicles or pieces of equipment. Also included is the repair and preventative maintenance on over 50 Fire Department emergency vehicles, as well as numerous miscellaneous emergency equipment. Fleet Maintenance provides road call service to vehicles in the field to minimize down time. Fleet Maintenance performs welding, cutting, fabrication, repair of park gates, play apparatus, bike racks, bleachers, retention pond gates, pumping stations, and many other repair projects. This Division repairs heating-cooling and exhaust systems, bridges, and guardrails. This involves the planning and designing of modifications performed on various pieces of equipment.

Another responsibility of Fleet Maintenance is to maintain an up-to-date inventory of frequently used parts and a computerized inventory system. This inventory system ensures that a sufficient quantity of proper parts, tools, and materials are stocked. This Division also distributes parts and tools as necessary.

Fleet Maintenance maintains its own records and files. On a daily basis, a record of fuel being dispensed from the pumping facilities is maintained to ensure sufficient availability.

KEY GOALS

- ***To provide an effective vehicle/equipment repair program in order to maintain a full complement of vehicles/equipment in service.***
- ***To maintain an adequate parts inventory to minimize downtime.***
- ***To provide a preventative maintenance program on a scheduled basis consistent with manufacturer's recommendations and professional standards.***
- ***To provide preseason maintenance and winterization programs for spring/winter equipment.***
- ***To recommend specifications for the purchase of vehicles/equipment and the economical replacement of the City fleet.***

This Division also performs an annual physical inventory to count and record each stock item by identifying quantity, location, and price.■

Did you know?...
...that the Fleet Maintenance division not only services vehicles and equipment, but is frequently requested to make repairs to playgrounds, bridges, guardrails and fences?

Fleet Maintenance

2009/10 PERFORMANCE OBJECTIVES

1. To research the cost effectiveness of a global antifreeze/coolant that will eliminate the need to purchase and store the different types of coolants required by each automobile and equipment manufacturer. *(City Goal 17)*

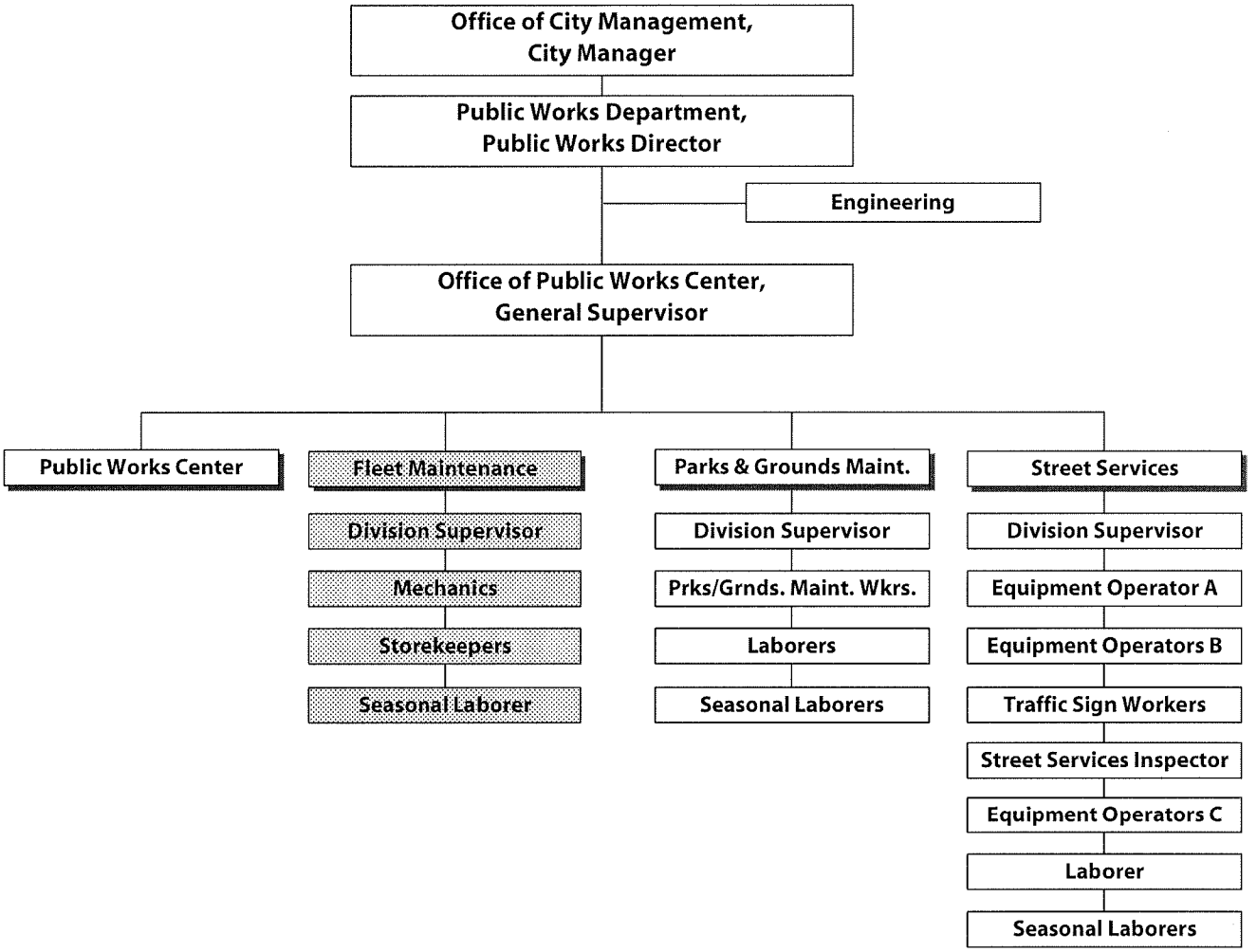
2. To research computer hardware and software programs used to diagnose and repair today's more technologically advanced heavy truck systems. *(City Goal 17, 18)*

3. To develop a more proactive parts and supplies inventory schedule. *(City Goal 17, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Full Service Preventive Maintenances Performed	732	697	656	750	626	700
	Preseason Maintenance - Trucks with Plows	38	38	40	40	42	43
	Preseason Maintenance - Tractors/Flail Mowers	12/12	13/13	13/13	13/13	13/13	13/13
	Preseason Maintenance - Snow Plows	38	38	40	40	42	43
	Preseason Maintenance - Salt Spreaders	21	21	23	23	22	23
	Preseason Maintenance - Street Sweepers	3	3	3	3	3	3
	Preseason Maintenance - Lawn Equipment	49	49	50	50	50	50
	Fire Trucks Prepared & Pump Tested	10	10	10	10	10	10
	Vehicle Tires Replaced	682	579	623	650	664	650
Efficiency & Effectiveness	% of Preventive Maintenance Performed on Schedule	89%	87%	88%	90%	89%	90%
	Avg. Time to Perform Maintenance on a Car (Mins.)	48	48	48	48	48	48
	Average Age of Police Vehicles (Years)	2.4	2.5	2.4	2.5	2.5	2.6
	Average Age of Fire Vehicles (Years)	9.0	9.5	9.0	9.5	9.5	10.0
	% of Snow Removal Vehicles & Equipment Available	96%	97%	95%	99%	94%	99%
	% of Snow Vehicles & Equip. Prepared by Nov. 15	98%	98%	99%	100%	95%	100%
	% of Front Line Fire Pumper Trucks Avail. for Service	96%	95%	96%	97%	97%	98%
	% of Actual Inventory to Inventory Ledger	98%	98%	98%	99%	98%	99%
	Cost of a Passenger Car Oil Change	$19.64	$20.69	$21.89	*	*	*
	Preventive Maintenance Cost of a Passenger Car	$56.63	$56.74	$57.17	*	*	*
	Activity Expenditures as % of General Fund	2.95%	2.99%	3.38%	2.97%	3.21%	3.16%

** Cost is calculated for "Actual" columns only.*

Fleet Maintenance



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Division Supervisor	1	1	1
Mechanic	11	11	11
Storekeeper	2	2	2
Seasonal Laborer	1	1	1
Total	15	15	15

Fleet Maintenance

SUMMARY OF BUDGET CHANGES

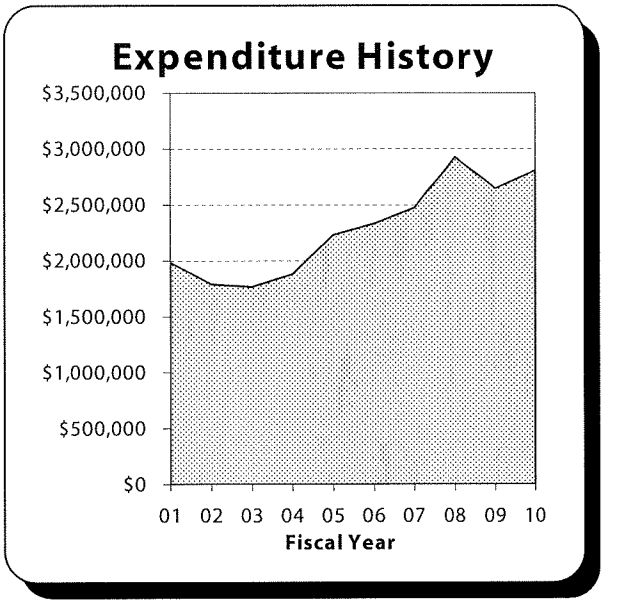
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget increased by $29,750 or 2.2%. All employees are budgeted to receive a contractual 3% wage increase totaling $13,950. As a result of new labor contracts, health insurance costs rose only $1,440 or 0.9% due to an increase in employee deductibles and co-pays which have lessened City premiums. Pension and defined contribution costs increased $16,680. An additional $6,580 has been budgeted to fund retiree medical insurance liabilities. Employee turnover in the prior year resulted in a $4,550 decrease in longevity pay.

Supplies – Total Supplies increased $133,920 or 10.3%. Fuel costs increased $75,000 based on higher projected fuel prices and to bring the budget more in line with prior year actual expenditure trends. 60,000 was added to the budget due to the increased cost of repair parts and services for the maintenance of all City vehicles. In recent years, additional costs have been incurred to fix snowplow vehicles. Funding decreased $1,000, as fewer operating supplies need to be replenished. The publication budget of $130 was eliminated, as prior year funds were never spent.

Other Charges – Total Other Charges is proposed to remain the same at $12,560. There are no proposed changes within the Other Charges accounts.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,355,668	$1,335,820	$1,350,530	$1,365,570	$1,365,570
Supplies	1,558,751	1,295,230	1,459,150	1,429,150	1,429,150
Other Charges	13,333	12,560	12,860	12,560	12,560
Total	$2,927,752	$2,643,610	$2,822,540	$2,807,280	$2,807,280

Parks & Grounds Maintenance

MISSION STATEMENT: ***To maintain all municipal grounds, and parks and recreational facilities in a clean, safe, and aesthetically pleasing manner.***

The Parks & Grounds Maintenance activity is responsible for ensuring that all municipal grounds, and parks and recreational facilities are maintained in a clean, safe, and aesthetically pleasing manner.

The beauty of our City is enhanced by the planting of street trees and preserving the health of our existing urban forest while preventing losses to human life and/or property through proper maintenance.

This activity provides seasonal programs of maintaining baseball, football, and soccer fields; tennis, volleyball and basketball courts; and ice rinks in a safe, playable condition at City parks and school sites.

To ensure that all parks and recreational facilities and properties are properly maintained, the following activities are undertaken: maintenance and/or removal of the magic squares and earthen rinks including flooding all ice rinks when weather permits, and provision of requested assistance for the various Parks & Recreation activities which occur throughout the year.

To ensure that all municipal grounds and parks are well maintained, the following activities are undertaken: grass cutting, trimming, and turf maintenance, and fertilizer/herbicide application at 13 municipal sites. When conditions warrant, snow and ice are removed to bare pavement at 11 municipal sites, 41 school walkways, five bridge sidewalks and at developed park sites. Exterior holiday decorations are installed on all municipal buildings and selected fire stations. This activity also maintains the Parks & Grounds garage. The funds for retention pond maintenance cross charges, such as inspection, weed and grass cutting, and pump facility repairs, are included in this program.

Parks & Grounds' goal is to plant an average of 500 trees in the street rights-of-way with two plantings typically scheduled to be performed, one in the spring and one in the fall. City street trees are trimmed from January to late March. About five sections of the City are trimmed each year. This activity is also responsible for issuing violations of the tree and shrub ordinance.

Football and soccer fields are set up and lines are repainted once a week during the fall and spring seasons. Parks & Grounds Maintenance upgrades and maintains over 50 ball diamonds, lighting systems, benches and bleachers.■

KEY GOALS

- ***To ensure that the turf and landscaping at municipal building sites and parks are cut, trimmed, and upgraded in accordance with maintenance schedules.***
- ***To provide seasonal maintenance of athletic fields and playground apparatus.***
- ***To enhance the City's beauty by planting and trimming street trees.***
- ***To provide snow and ice control at municipal building sites, school walkways and park sites.***
- ***To clean all park restrooms daily, empty trash barrels, and pick up litter as necessary.***

Did you know?...
...that the Parks & Grounds Maintenance division maintains over 13 miles of asphalt pedestrian bike and hiking paths throughout the City's park system?

Parks & Grounds Maintenance

2009/10 PERFORMANCE OBJECTIVES

1. To remove existing parking lot entrance gates at Jaycee Park and replace them with post and cable as currently used throughout the City's other parks. *(City Goal 3)*

2. To remove and replace dead and dying yews around the City Center Commons with a more resilient planting material that is better able to withstand the existing ground conditions. *(City Goal 3)*

3. To develop a drainage plan for the north side of Fire Station #5 with the assistance of the Sewer Division to eliminate standing water. *(City Goal 3)*

4. To remove dead ash trees located on Lakeside Island that have fallen causing maintenance issues during the grass mowing season. *(City Goal 3)*

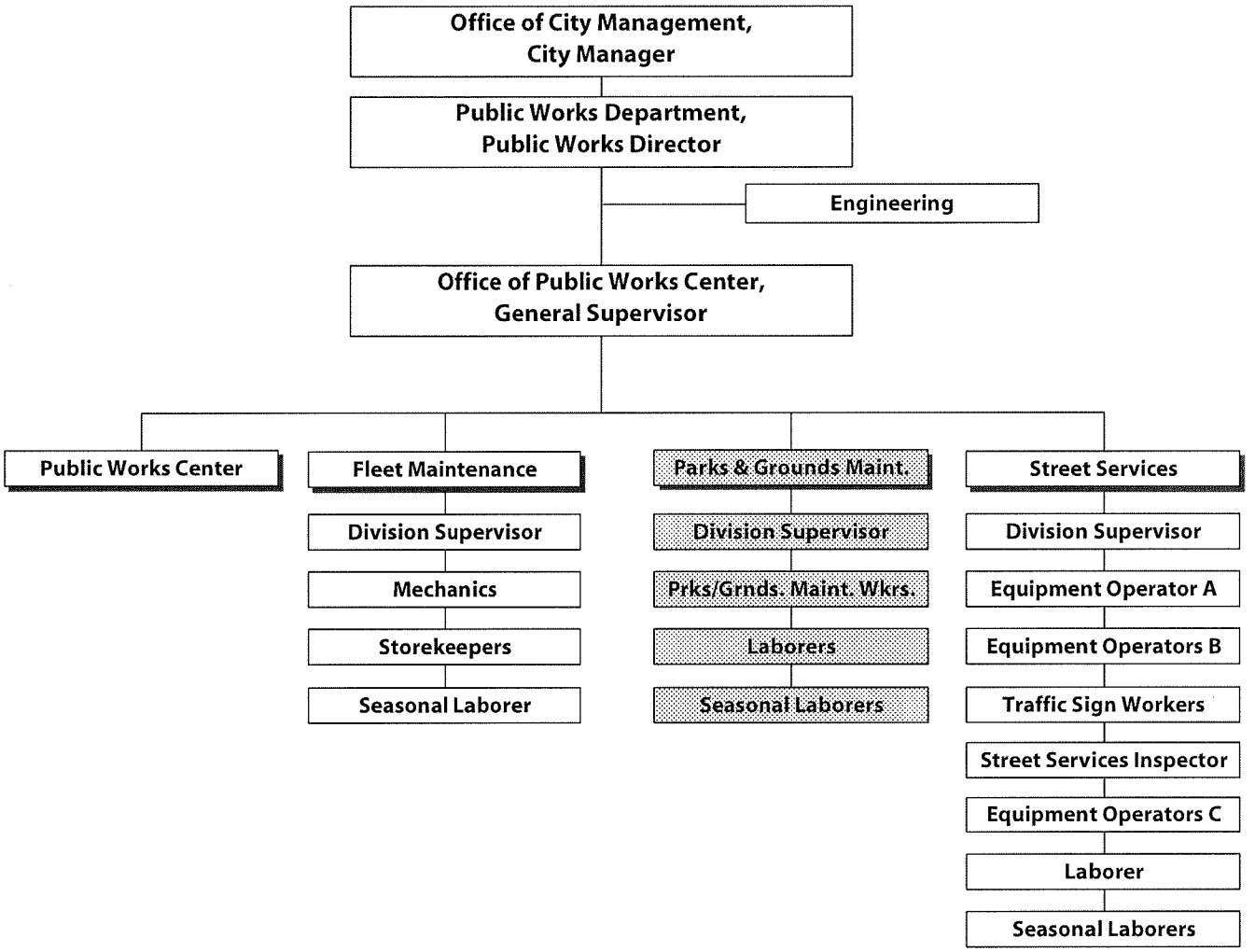
5. To develop an enhancement plan for older City Parks in coordination with the Parks and Recreation Department. *(City Goal 20, 27)*

6. To develop a formal maintenance schedule and plan for all City parks. *(City Goal 20, 27)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Street Trees Planted	582	389	325	500	500	400
	Street Trees Trimmed (Subcontracted)	1,540	7,028	5,260	4,500	4,500	3,500
	Street Trees Trimmed (In-House)	550	485	240	1,000	1,000	1,000
	Cuttings/Trimming - 28 Parks (559 of the 820 Acres)	19	19	19	19	19	19
	Cuttings/Trimming - 9 Municipal Sites (Subcontracted)	30	30	30	30	30	30
	Ball Diamond Maintenances Performed	1,000	1,125	1,028	1,000	1,000	1,000
	Soccer/Football Fields Relined	250	247	250	250	250	250
	Snow/Ice Control Call-Ins	19	12	14	15	20	15
	Times Sprayed for Mosquitos (Dodge Park)	30	30	30	30	30	30
	Park Apparatus Maintenances/Repairs Made	92	73	118	80	80	80
	Cleaning of Restroom Facilities	880	880	880	880	880	880
	Trash Collection Days-Parks & Municipal Sites	200	200	200	200	200	200
Efficiency & Effectiveness	Injuries Claimed to be Fault of Grounds or Equipment	0	0	0	0	0	0
	% of Hazardous Apparatus Responded to w/i 24 hrs.	100%	100%	100%	100%	100%	100%
	% of City Easement Trees Routinely Maintained	20%	20%	20%	20%	20%	10%
	Cost to Mow an Acre of Parkland	$42.11	$42.79	$42.24	*	*	*
	Activity Expenditures as % of General Fund	1.67%	1.68%	1.57%	1.52%	1.60%	1.60%

** Cost is calculated for "Actual" columns only.*

Parks & Grounds Maintenance



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Division Supervisor	1	1	1
Parks & Grounds Maintenance Worker	6	6	6
Laborer	6	5	5
Seasonal Laborer	8	8	8
Total	21	20	20

Parks & Grounds Maintenance

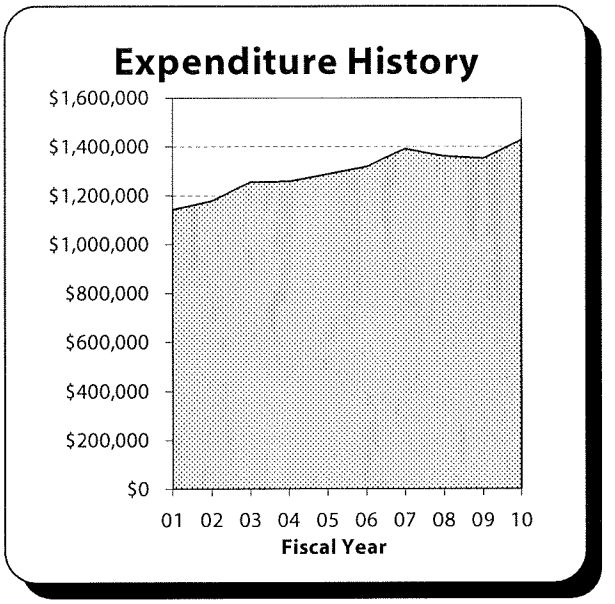
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $79,070 or 7.5%. Wages rose $64,800 due to a budgeted 3% contractual wage increase as well as wage step increases for several eligible recent hires or promoted employees. $5,000 will be saved in reduced Sterlingfest overtime costs. Health insurance costs fell $8,010 as a result of the savings negotiated in new labor contracts last year. An additional $8,440 is budgeted to fund retiree health insurance obligations, while $7,510 is budgeted for higher employer pension contributions.

Supplies – Total Supplies decreased $4,190 or 8.0%. Operating supplies decreased $1,500 as fewer small hand tools and materials will be purchased. Funding for playground and athletic supplies declined $2,690, as less paint and supplies are needed and as a result of a prior year reappropriated encumbrance.

Other Charges – Total Other Charges increased $500 or 0.2%. Funding increased $7,500 for additional football and baseball field maintenance and for the increased cost of park playground mulch. Electric costs rose $6,000 due to higher electric rates, while water costs rose $1,000 due to higher rates and increased irrigation at City parks. Funding for retention pond maintenance was reduced $9,000, as this maintenance will now be performed more cost efficiently in conjunction with retention pond grass cuttings. Contracted service costs decreased $5,000 based on recent expenditure levels and lower contract costs for the mowing of municipal grounds.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,106,991	$1,052,840	$1,130,590	$1,131,910	$1,131,910
Supplies	26,316	52,690	52,690	48,500	48,500
Other Charges	227,337	245,880	227,450	246,380	246,380
Total	$1,360,644	$1,351,410	$1,410,730	$1,426,790	$1,426,790

Public Works Center

MISSION STATEMENT: ***To provide the resources necessary to coordinate, plan and direct the operations of the Public Works Department in the delivery of the best in public services in the areas of Street Services, Parks & Grounds Maintenance, and Fleet Maintenance.***

The Public Works Center activity includes the administrative personnel whose responsibility it is to plan, direct, and coordinate the General Fund portion of the Public Works Department. This activity performs all administrative functions necessary to ensure the efficient and effective delivery of the best in public services in the areas of street maintenance, parks and grounds maintenance, and fleet maintenance. The Environmental Services Manager prepares and submits the annual General Fund activity budgets for approval, determines personnel policy in accordance with union contracts and administrative rules and regulations, and facilitates the City's National Pollutant Discharge Elimination System (NPDES) permit requirements.

The Public Works Center provides the general stores operations, parts and operating supplies storage and distribution, building and facility maintenance, and inventory and custodial services.

The General Stores function covers the purchase, distribution, storage, inventory, and security control of small hand tools, materials, and supplies. Records of all purchases as well as disbursement transactions are maintained and updated daily. Material safety data sheets are recorded, filed, and displayed according to Environmental Protection Agency (EPA) guidelines. An annual physical inventory is conducted to verify actual stock on hand as it compares to inventory ledgers.

The Facility Maintenance and Repair Program includes the facilitation of required repairs and maintenance of the Public Works Facility including general cleaning, internal and external electrical and lighting repairs, minor plumbing repairs, vehicle door repair, and maintenance of facility equipment. This program also includes the preventive maintenance contract on the furnaces and air conditioning equipment at the Public Works Facility.

KEY GOALS

- ***To identify service priorities and establish procedures that effectively utilizes departmental resources to accomplish the goals and objectives.***
- ***To ensure accountability and monitor the status of departmental performance relative to the goals and objectives.***
- ***To provide for storage and distribution of a practical supply inventory for all DPW divisions and other City departments.***
- ***To ensure a safe work environment, schedule training, and improve safety awareness.***
- ***To maintain a positive, competitive, service-oriented public image.***

The Custodial Services function involves the general housekeeping required at the Public Works Facility. This includes the custodial upkeep of all administrative offices, main office area, conference room, multi-purpose room, locker rooms and lavatories. Delivery and pickup of interdepartmental mail and correspondence from the municipal building and fire stations lies within this program.■

Did you know?...
...that since the discovery of the Emerald Ash Borer and the removal of infested ash trees, the City has planted over 60% more street trees than in prior years?

Public Works Center

2009/10 PERFORMANCE OBJECTIVES

1. To continue maintenance levels of the turf and plant beds on the M-59 median regardless of reductions in Michigan Department of Transportation (MDOT) reimbursements. *(City Goal 14)*

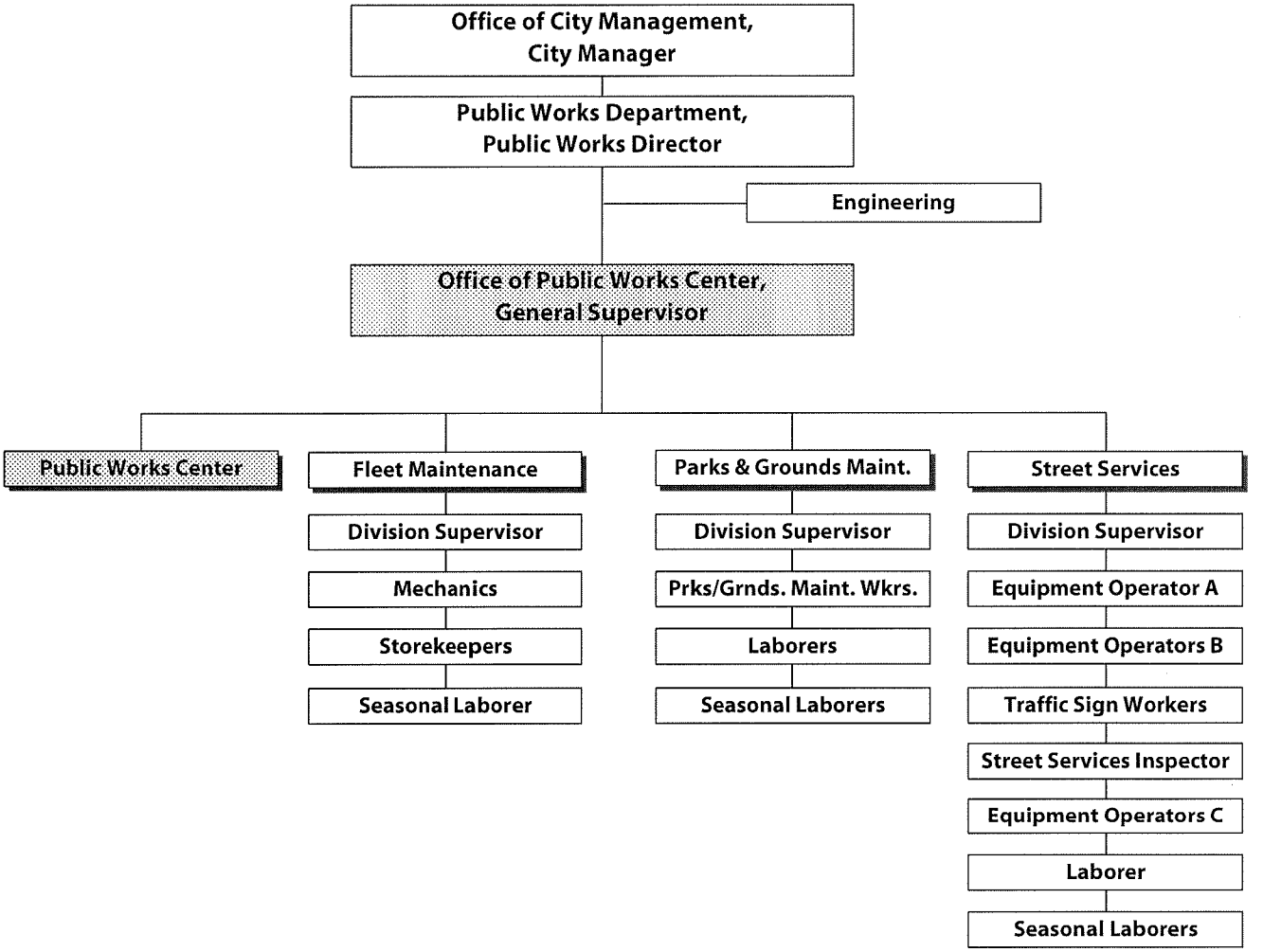
2. To continue maintenance levels of the Macomb County road rights-of-way located within our community using reduced cutting rotations. *(City Goal 14)*

3. To expand the Herbicide Spraying Program to include guardrails and sign posts allowing a redirection of the seasonal work force towards other areas of maintenance. *(City Goal 14)*

4. To oversee the NPDES Stormwater Discharge Permit process by providing education, dry weather field screening, investigation of illegal dumping and illicit connections, etc., and providing the necessary reports to the Michigan Department of Environmental Quality (MDEQ). *(City Goal 15)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Safety Inspections Conducted on Hoists	10	10	10	10	10	10
	Monthly Act 51 Reports Generated	12	12	12	12	12	12
	Monthly Public Works Cross-Charge Reports	12	12	12	12	12	12
	Personnel Receiving Snow Removal Training	21	13	12	20	9	12
	Activity Budgets Prepared & Recommended	4	4	4	4	4	4
	Billings Prepared for State Highway Maintenance	4	4	4	4	4	4
	Material Safety Data Sheets Maintained	2,845	2,862	2,876	2,850	2,893	2,895
	Culvert Permits Issued & Inspected	4	4	1	4	2	3
	Signs Installed for Adopt-A-Road	2	3	5	8	6	8
	Refuse Pick-Ups Made from Adopt-A-Road	47	35	57	25	24	25
	Outfalls Sampled for Stormwater Discharge	52	51	20	50	0	50
	Landscape Median Mowing - Revolutions	26	26	27	27	20	27
	Number of Parts Issued by General Stores	30,093	29,307	29,260	30,000	28,651	30,000
Efficiency	% of Outfalls Sampled w/no Water Discharge	100%	100%	100%	100%	N/A	100%
	Activity Expenditures as % of General Fund	0.65%	0.63%	0.68%	0.73%	0.78%	0.49%

Public Works Center



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Environmental Services Manager	1	1	0
General Supervisor	1	1	1
Custodian	1	1	0
Total	3	3	1

Public Works Center

SUMMARY OF BUDGET CHANGES

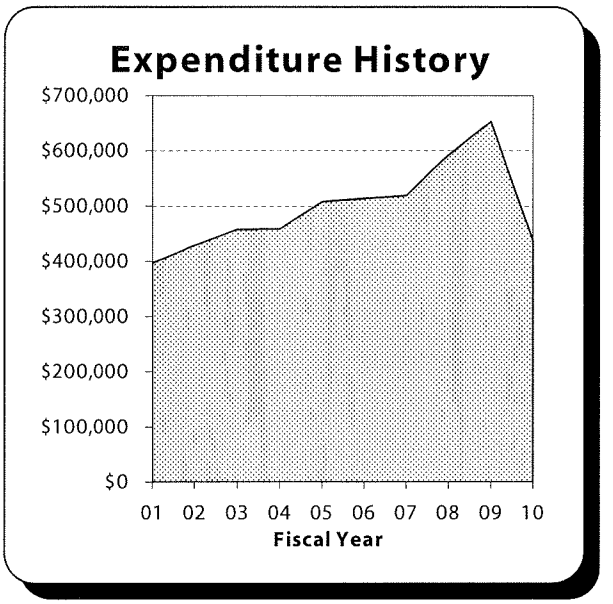
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $228,060 or 59.6%. Due to a pending retirement, funding for the Environmental Services Manager position has been frozen, saving $128,000. In addition, the Custodian position has been reassigned to the Facilities Maintenance budget, which has reduced costs in this activity by $51,000.

Supplies – Total Supplies decreased $1,000 or 9.0% as funding for operating supplies decreased as this office will more effectively monitor the supply inventory and only purchase priority items in an effort to better reduce costs.

Other Charges – Total Other Charges increased $14,580 or 5.6%. Both heating and electric costs increased $10,000 due to higher rates. $5,000 was added for the noxious weed cutting program for increased cuttings, as the number of vacant homes has risen due to the economy. Funding decreased $10,000 for building maintenance costs, as the budget can be reduced and brought more in line with recent actual expenditure levels. Membership costs decreased $260, educational funding decreased $100, and pager rental costs declined $60 due to the elimination of a position.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$380,064	$382,400	$403,770	$154,340	$154,340
Supplies	11,789	11,050	11,120	10,050	10,050
Other Charges	200,594	259,620	274,470	274,200	274,200
Total	$592,447	$653,070	$689,360	$438,590	$438,590

Refuse Collection

MISSION STATEMENT: ***To provide prompt, reliable and efficient refuse collection for each household in the City and ensure that all waste generated in the City is properly collected, transported, and disposed of in accordance with State and federal laws and professional standards.***

Refuse Collection provides prompt, reliable, and efficient refuse collection by a private contractor weekly from residential homes, condominiums, commercial pick ups at curbside, and City dumpster pick ups.

Through the cost recovery program, apartment complexes, mobile home parks, and schools are eligible for City-provided collection if they pay for the cost of collection, plus an administrative fee.

A separate collection of yard waste is made from early April through early December from all curbside collection stops. Yard waste is composted and diverted from landfill disposal. A separate collection of Christmas trees for composting is also provided.

Three voluntary Recycling Drop-Off Centers are also maintained in order to provide residents with the opportunity to recycle.

Refuse Collection includes pick up of bulky items on regularly scheduled collection days as well as the separate collection of "white" goods, i.e. stoves, refrigerators, etc. These white goods are delivered to a scrap metal recycler for reuse. All refuse related files and correspondence is maintained in this activity.

The Operations Manager serves as the City's liaison with the refuse contractor to ensure the contractor is performing in accordance with the contract and City ordinance. The handling and resolution of more difficult complaints and the provision of information and reports is accomplished through this area.

The clerical support staff receives approximately 5,000 refuse collection information and requests for service calls annually. The support staff verifies the contractor's monthly invoices, prepares requests for payment, prepares monthly reports detailing all stops, and maintains all refuse related files and types all related correspondence.

KEY GOALS

- ***To ensure that all properly placed waste is collected on a weekly basis by the City's private contractor and transported and disposed of at an approved facility.***
- ***To provide recycling and composting opportunities in a cost-effective manner.***
- ***To assist the Solid Waste Management Commission in its continual review of the City's solid waste collection, recycling, composting and waste reduction efforts.***
- ***To maintain and supervise the City's three recycling centers.***
- ***To continually review the status of the various solid waste management legislation.***

The Solid Waste Management Commission is funded in the Refuse activity. The Operations Manager serves as the liaison to the Commission. The Commission serves in an advisory capacity to the City Council and Administration. The Commission's responsibility is to continually review and update the City's position regarding solid waste disposal activities.

Clerical support is also provided to the Tall Grass/Weed Cutting Program and Parks & Grounds Maintenance programs especially relating to tree planting, tree removal (including street trees that are infested with the emerald ash borer), trimming, and information requests.■

Did you know?...
...that, in 2008, Sterling Heights residents saved 35,700 trees by recycling over 2,100 tons of newspaper, magazines, junk mail, cardboard, office paper, and telephone books?

Refuse Collection

2009/10 PERFORMANCE OBJECTIVES

1. To review the current Refuse Collection specifications with the Solid Waste Management Commission and prepare a recommendation to be presented to City Council for their direction as to what items should be included in the new refuse collection contract which will begin in May 2010. *(City Goal 12, 14)*

2. To continue to manage the Cost Recovery Program and provide dumpster collection service to the 13 apartment complexes that have decided to participate in the program, by paying the City in advance for the full costs of the service plus an administrative fee. *(City Goal 1, 3)*

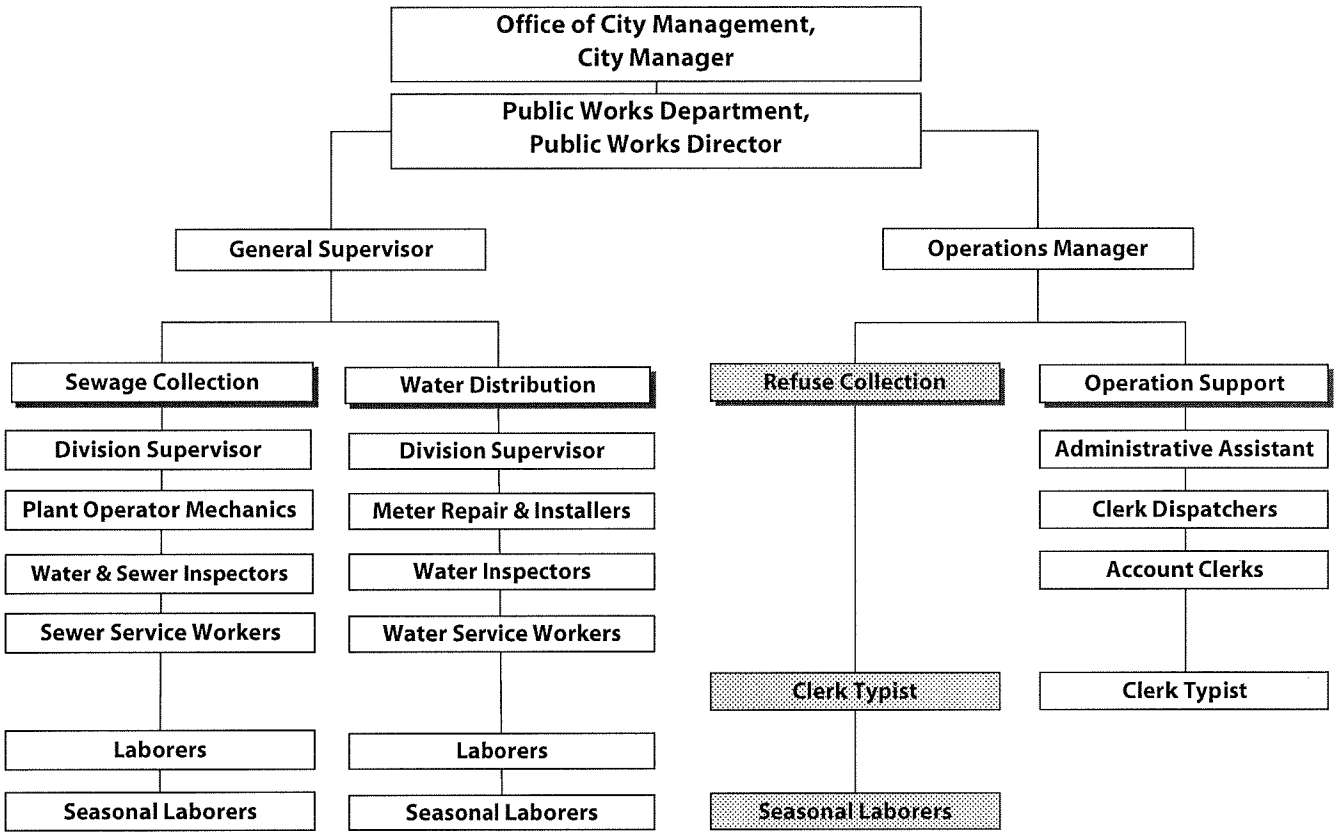
3. To ensure quality refuse collection service and contract compliance by aggressively monitoring the refuse collection contractor and issuing violations for various performance problems resulting in the assessment of fees or charges against the contractor. *(City Goal 1, 13, 14)*

4. To resolve and reduce recurring refuse and yard waste collection problems by electronically monitoring customer service requests. *(City Goal 3, 5, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Curbside Refuse Collection Points (Per Week)	39,210	39,440	39,526	40,500	39,800	39,800
	Cubic Yards of Refuse Landfilled	127,520	124,460	122,920	130,000	121,500	125,000
	Cubic Yards Recycled at Drop-Off Centers	13,520	12,640	13,550	12,500	14,500	14,000
	Tons of Yard Waste Composted/Diverted	10,895	14,384	12,594	13,000	11,500	12,500
	Christmas Trees Chipped and Composted	2,406	2,413	1,843	2,000	2,400	2,000
	Tons of Scrap Metal Recycled	300	150	79	85	80	85
	Gallons of Used Oil Recycled	34,600	30,500	28,100	34,000	29,200	32,000
Efficiency & Effectiveness	Refuse Violation Citations Issued	15	20	30	50	40	50
	% Refuse Collection Stops Making Complaints	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
	% of Trouble Calls Remedied within 24 Hours	95%	95%	95%	95%	95%	95%
	Reduction in Landfill Volume vs. 1989/1990	42.7%	44.0%	45.0%	41.0%	45.0%	44.0%
	Refuse Collection Costs per Capita	$31.72	$32.07	$32.86	$35.06	$34.28	$35.91
	Refuse Collection Millage Rate	0.83	0.81	0.81	0.84	0.84	0.87
	Annual Refuse Cost for $190,000 Home ($84,000 TV)	$69.78	$68.39	$67.68	$70.40	$70.40	$73.22
	Total Cost to Operate Three Recycling Centers	$80,060	$84,110	$78,935	$82,000	$89,400	$90,000
	Recycling Costs Per Ton Recycled	$26.54	$33.92	$31.39	$32.00	$34.00	$33.50
	Cost to Collect/Dispose of Refuse (1 cubic yard)	$31.59	$32.86	$34.22	$34.65	$36.25	$36.92
	Activity Expenditures as % of General Fund	5.10%	4.94%	4.86%	5.06%	5.01%	5.19%

** Cost is calculated for "Actual" columns only.*

Refuse Collection



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Clerk Typist	1	1	1
Seasonal Laborer	3	3	3
Total	4	4	4

Refuse Collection

SUMMARY OF BUDGET CHANGES

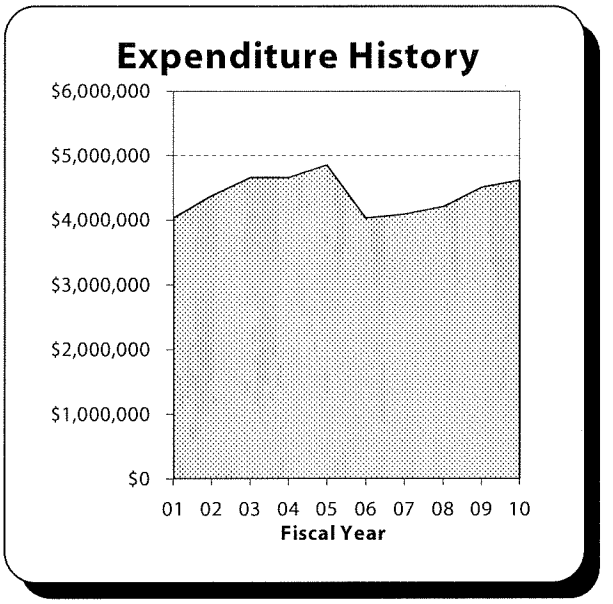
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $700 or 0.5%. Wages for full-time employees increased by $2,020. Part-time wages declined by $3,020 as a result of employee turnover in the prior year. Health insurance costs fell $2,070 due to savings negotiated in the recent labor contracts. Funding for retiree medical liabilities increased by $720. Pension costs rose $470 based on a recent actuarial study.

Supplies – Total Supplies will remain the same at $450.

Other Charges – Total Other Charges increased $110,450 or 2.5%. Rubbish removal costs rose $107,750 due to a contractual price increase, including a fuel adjustment and lower estimated prices for recycling materials. The current refuse contract expires at the end of April 2010, and a slight contract price increase is budgeted for the final two months of the fiscal year. The City will continue its Cost Recovery Program, which has reduced the number of curbside stops and dumpsters collected at apartment complexes, schools and mobile home parks. $2,200 was added for interfund service costs due to higher refuse personnel costs for those employees budgeted in the Water & Sewer Fund. Legal Services increased $500, as additional hours of legal review will be required for the review of a new refuse contract, which begins in May, 2010.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$131,293	$138,590	$130,560	$137,890	$137,890
Supplies	594	450	600	450	450
Other Charges	4,074,497	4,365,750	4,273,500	4,476,200	4,476,200
Total	$4,206,384	$4,504,790	$4,404,660	$4,614,540	$4,614,540

Street Services

MISSION STATEMENT: ***To maintain the City's streets and rights-of-way in such a manner as to ensure safety for vehicular and pedestrian traffic as well as presenting a clean, well-groomed, attractive roadside environment.***

Three specific programs set up within this Public Works division detail the mission of the Street Services activity. Roads and Streets Maintenance, Supplementary Roadside Maintenance, and Snow and Ice Control programs provide excellent care to the City's streets. Street Services provides a safe and clean road surface for vehicular traffic, adequate visual direction and a safe, maintained, and unobstructed roadside environment on more than 349 miles of City roads.

The Roads and Streets Maintenance program strives to maintain safe road surfaces for vehicular and pedestrian traffic by ensuring adequate pavement markings. One-third of all school crosswalks and stop bar pavement markings are repaired or replaced every year. Traffic control lines are painted and athletic courts are taped throughout the City.

Street sweeping of all paved road surfaces occurs at least four times per year on 395 miles of major, local, and county roads. This activity is responsible for road patching and shoulder grading to maintain safe roads.

The Supplementary Roadside Maintenance program provides a safe, well-maintained roadside environment. Cutting of weeds and tall grass along all roadsides, ditches, and medians is done five times per year. Dead leaves are removed from along curbsides throughout the leaf drop season.

Support activities include the installation of new street signs, maintenance and repair of existing signs, and the installation of informational signs for the municipal sites and 28 developed parks. Another support activity of Street Services is the detection, removal, and chipping of diseased trees and stumps. Tree branches are removed and chipped from approximately 5,000 locations.

Catch basin cleaning is another important function. Catch basins are routinely cleaned allowing for the rapid disposal of storm water runoff and drainage. Drainage ditches are cleaned and the culverts are maintained to ensure adequate capacity for storm runoff.

During a declared Snow Emergency, the Snow and Ice Control program ensures an organized procedure for snow removal of all City roads within 36 hours after snowfall ceases. This objective is achieved on 60 miles of major roads and 289 miles of local roads.■

KEY GOALS

- ***To provide a safe and clean road surface for vehicular traffic.***
- ***To provide adequate visual direction to regulate, warn, or guide vehicular and pedestrian traffic through proper signage and pavement markings.***
- ***To provide a safe, well-maintained and unobstructed roadside environment.***
- ***To provide effective storm water runoff without damaging our stream ecology.***
- ***To provide an organized snow and ice control program based on designated priorities in order to maintain safe, passable streets.***

Did you know?...
...that the Street Services division maintains nearly 290 miles of residential streets, including 287 miles of paved streets and three miles of gravel roads?

Street Services

2009/10 PERFORMANCE OBJECTIVES

1. To investigate the use and cost-effectiveness of growth retardants on the median and right-of-way turf, providing an aesthetically acceptable alternative to mowing. *(City Goal 13, 15)*

2. To relocate and reutilize the temporary buildings utilized at Fire Stations 2 and 4 during the station renovations. *(City Goal 13, 15)*

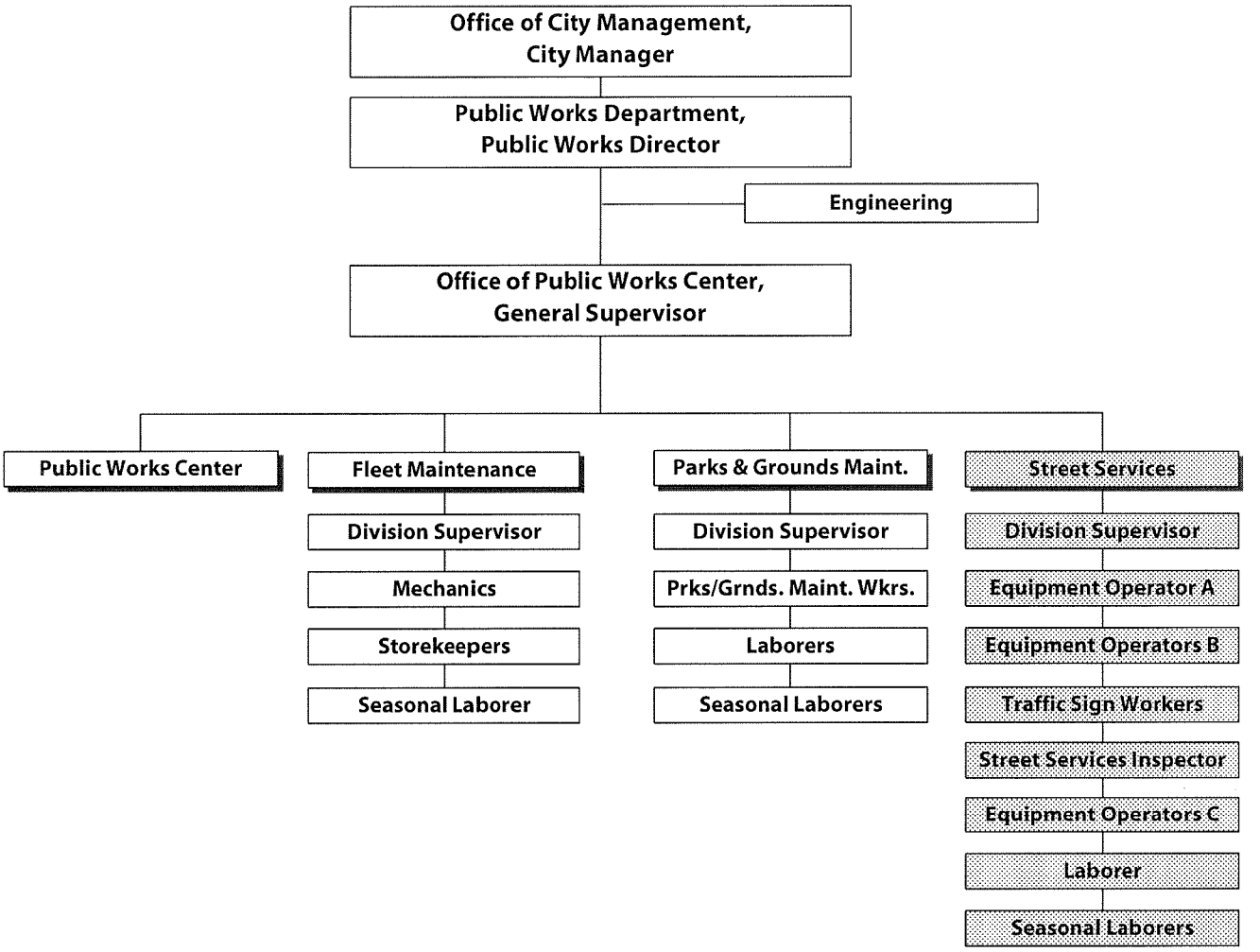
3. To develop and implement an inventory and maintenance schedule for the City-owned guardrails. *(City Goal 13, 15)*

4. To develop a street tree chipping program and make residents aware of the revised Street Tree Chipping Program. *(City Goal 13, 14, 15)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Miles of Roads in City (Major & Local)	347	349	349	349	349	349
	Miles of Sidewalks in City	605	607	608	610	610	611
	After Hours Snow Removal Occurrences	35	32	53	35	50	35
	Miles of Snow Fence Installation or Removal	5.00	5.00	4.00	4.00	4.00	4.00
	Pothole Patching - Tons of Patch Used	346	367	468	400	450	400
	Sidewalk Patching - Number of Locations	267	159	82	200	100	200
	Street Sweeping - Rotation (395 miles)	4	4	4	4	4	4
	Roadside Clean-Up Major Rds.-Revol. (107 miles)	14	21	30	17	30	30
	Right-of-Way Mowing - Revolution (357 miles)	10	10	10	10	11	8
	Storm Catch Basin Cleaning-Number of Locations	762	1,026	379	900	900	900
	Number of Street Trees Removed (In-House)	463	376	66	500	250	400
	Number of Street Trees Removed (Contractor)	838	353	456	125	1,000	1,000
	Homeowner Tree Inquiries/Inspection Responses	5,072	3,666	1,129	4,500	2,500	4,000
	Residential Tree/Branch Chipping Requests Filled	5,681	3,452	4,582	5,000	5,000	2,000
	Number of Streetlights in City	2,508	2,513	2,520	2,530	2,535	2,540
	Traffic Sign Repairs or Replacements	4,364	4,568	4,469	4,200	4,000	4,200
	Gravel Roads - Lane Miles Graded	32	36	53	32	40	40
	Dust Control - Gallons Calcium Chloride Applied	38,196	47,617	42,300	40,000	40,000	40,000
Efficiency & Effectiveness	% of Tree Chipping Requests Completed w/i 1 week	99%	99%	98%	99%	98%	99%
	% of Emergency Calls Responded to w/i 1 hour	100%	100%	100%	100%	100%	100%
	Property Damage Due to Snow Removal Operation	$1,859	$1,250	$7,593	$1,000	$2,600	$1,500
	Street Services Cost Per Capita	$13.60	$14.57	$15.27	$15.48	$16.15	$14.86
	Average Cost to Sweep a Lane Mile of Major Road	$478	$490	$496	*	*	*
	Activity Expenditures as % of General Fund	2.19%	2.24%	2.26%	2.24%	2.36%	2.15%

** Cost is calculated for "Actual" columns only.*

Street Services



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Division Supervisor	2	2	1
Equipment Operator A	1	1	1
Equipment Operator B	7	7	7
Traffic Sign Worker	2	2	2
Street Services Inspector	1	1	1
Equipment Operator C	6	6	6
Laborer	2	2	1
Seasonal Laborer	2	2	2
Total	23	23	21

Street Services

SUMMARY OF BUDGET CHANGES

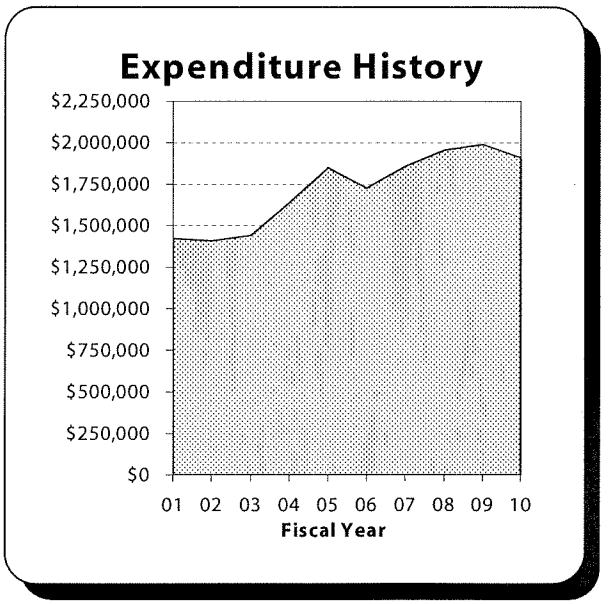
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $80,790 or 4.1%. Funding for a vacant Division Supervisor and Laborer position is proposed to be frozen, saving a combined $150,500. Partially offsetting this savings is the cost of a 3% contractual wage increase as well as fringe benefit costs for existing employees. Based on a recent actuarial study, City contributions to the pension system increased by $13,170.

Supplies – Total Supplies decreased $1,000 or 6.7%. Funding decreased $1,000 as the cost of operating supplies can be reduced and brought more in line with prior year actual expenditure levels.

Other Charges – Total Other Charges increased $1,740 or 21.4%. $2,000 was added to the budget due to an increase in the Michigan Department of Environmental Quality (MDEQ) storm water system permit fee. The City will save $110 in membership costs and $100 in educational funding, as one less supervisor is budgeted in this office. Funding for printing decreased $50 based on prior year actual expenditures.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

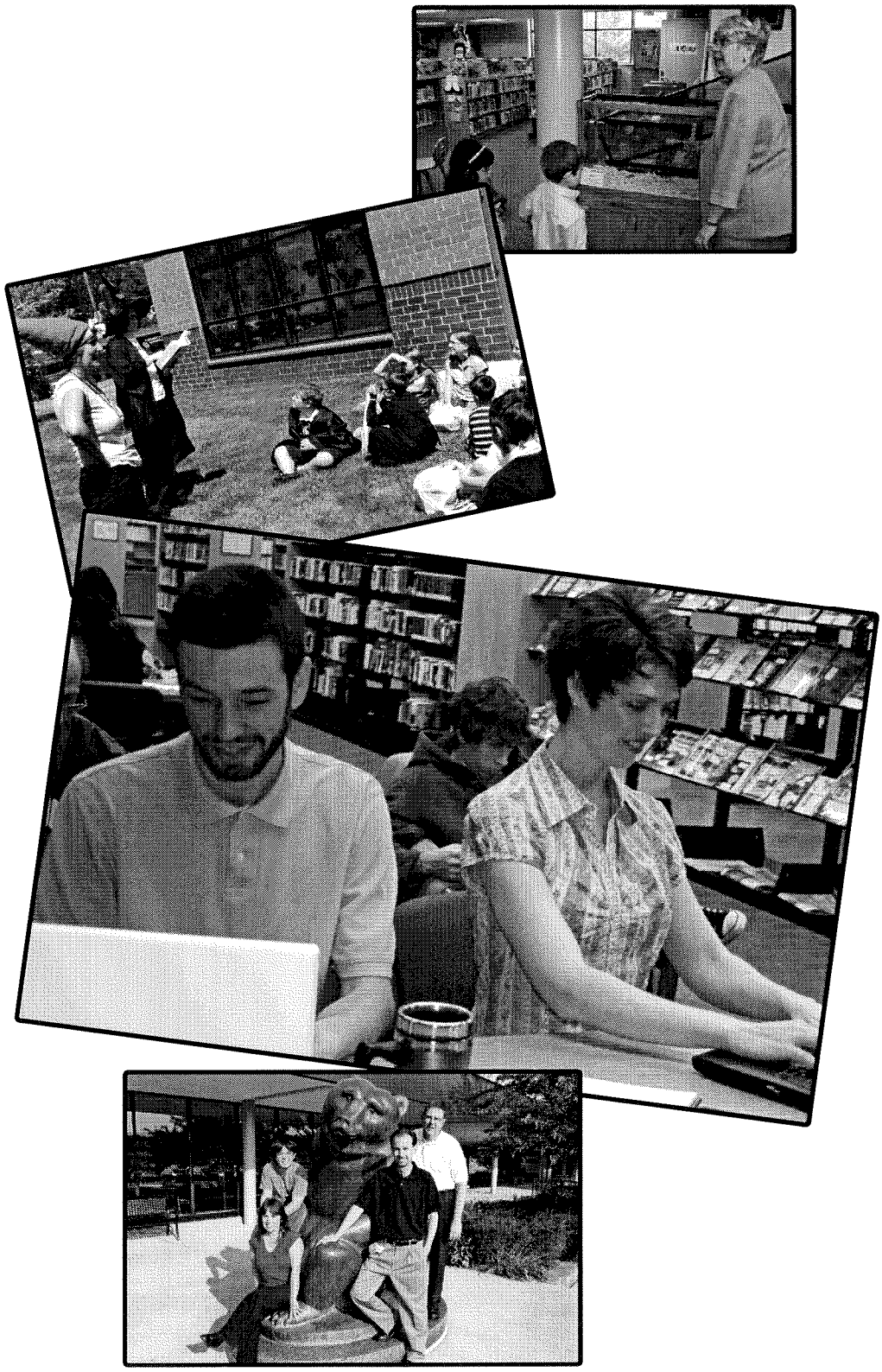
Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,938,090	$1,966,070	$2,055,820	$1,885,280	$1,885,280
Supplies	8,693	15,000	12,000	14,000	14,000
Other Charges	7,890	8,140	8,090	9,880	9,880
Total	$1,954,673	$1,989,210	$2,075,910	$1,909,160	$1,909,160

Public Library Department



FUNCTIONAL ORGANIZATION CHART

Public Library Department

Library Administration

- Prepares and administers library's budget
- Recommends and implements policies
- Coordinates and evaluates activities of staff
- Formulates and develops service programs and priorities; assesses long-range needs
- Coordinates and administers grants
- Directs the operations of the library
- Compiles and maintains statistical records
- Provides administrative support for activities of Friends
- Guides and directs activities of the Library Board of Trustees
- Guides and directs activities of the Historical Commission
- Represents and promotes the library to the community
- Serves as liaison to the Suburban Library Cooperative

Adult Services

- Reference/information retrieval
- Bibliographic instruction
- Collection development and evaluation
- Outreach service to senior citizen residences & the homebound
- Periodical and newspaper maintenance
- Readers' Advisory Services
- Online database selection
- Coordinates Internet access and instruction
- Online database searching and instruction
- Young Adult Services

Circulation Services

- Check-out and check-in of library materials
- Registers eligible borrowers
- Processes claim-returned items
- Processes inter-library loans, renewals, holds, deposit collections, and extension loans
- Maintains patron database
- Sirsi Voice Automation (SVA) telephone notification
- Collects overdue fines and fees for lost materials
- Coordinates with collection agency for resolution of delinquent accounts
- Coordinates material delivery

Youth Services

- Reference/information retrieval
- Bibliographic instruction
- Collection development and evaluation
- Youth programming and seasonal activities
- Outreach service to daycare centers/preschools
- Shelves materials for user access
- Readers' Advisory Services
- Youth Volunteer Activities
- School tours and site visits
- Creates exhibits, displays, and information packets

Library Programming & Community Services

- Plans and coordinates publicity and public relations activities
- Creates and maintains library's Internet site
- Conducts technical training for patrons and staff
- Coordinates adult programming and volunteer activities
- Conducts library tours for adults
- Coordinates memorial/gift book and exhibit case programs
- Plans and schedules cable channel programs

Technical Services

- Acquisition and processing of materials
- Cataloging and classification
- Bindery of materials
- Administration of SIRSI and Internet Systems
- Processes and routes donations
- Maintains online catalogs and equipment
- Ongoing collection inventory and statistical analysis
- Processes items and donations for Upton House Historical Collection
- Installs and maintains software for homework and reference center workstations

DEPARTMENT AT A GLANCE

Public Library Department

BUDGET SUMMARY

The Public Library Department's budget decreased by $111,850 or 3.9%. Personnel costs decreased by $71,090 or 3.1%. Funding for a vacant Library Assistant position has been frozen, saving $56,200. A vacant full-time Library Clerk position is proposed to be replaced with two part-time Clerks, for a net savings of $35,500. Other cost saving measures include eliminating Sunday hours during the school year saving $27,460, as well as opening later on Fridays throughout the year, which will save $15,840. The Supplies budget decreased by $32,840 or 12.5%, as fewer library books, publications, and audiovisual materials will be purchased. The CDBG budget includes $7,000 for the purchase of library books to be delivered to the homebound and senior residences. Other Charges decreased by $7,920 or 2.5% as fewer online resources can be purchased in order to partially offset an increase in Library Cooperative fees and higher utility costs. In addition, the one-time Senior Executive Institute was funded in the prior year.

FUNDING LEVEL SUMMARY

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Public Library	$2,750,980	$2,803,910	$2,873,250	$2,761,400	-3.9%
Total Department	$2,750,980	$2,803,910	$2,873,250	$2,761,400	-3.9%
Personnel Services	$2,186,330	$2,230,960	$2,290,910	$2,219,820	-3.1%
Supplies	258,660	256,250	263,220	230,380	-12.5%
Other Charges	305,990	316,700	319,120	311,200	-2.5%
Total Department	$2,750,980	$2,803,910	$2,873,250	$2,761,400	-3.9%

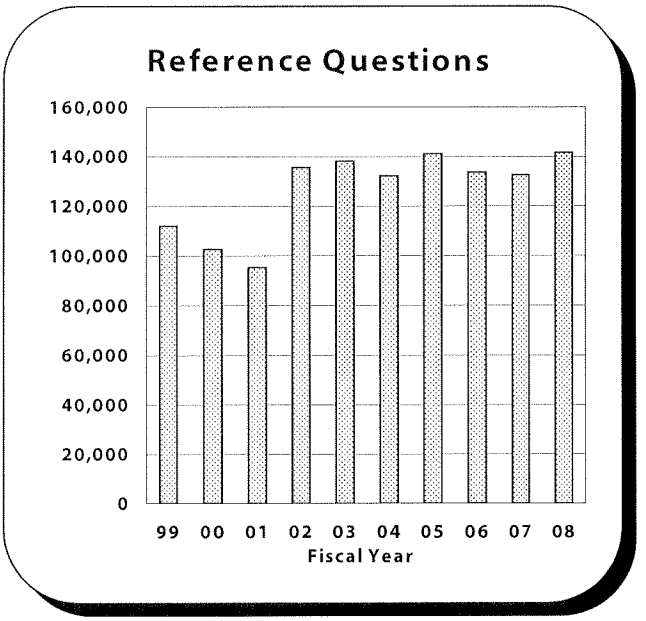
PERSONNEL SUMMARY

	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Public Library	23	18	23	18	22	20	20	22
Total Department	23	18	23	18	22	20	20	22

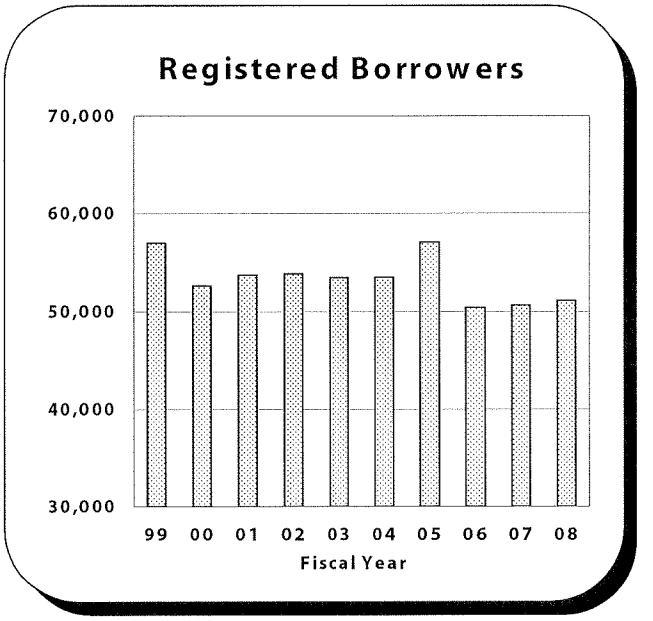
Excludes Historical Commission.

KEY DEPARTMENTAL TRENDS

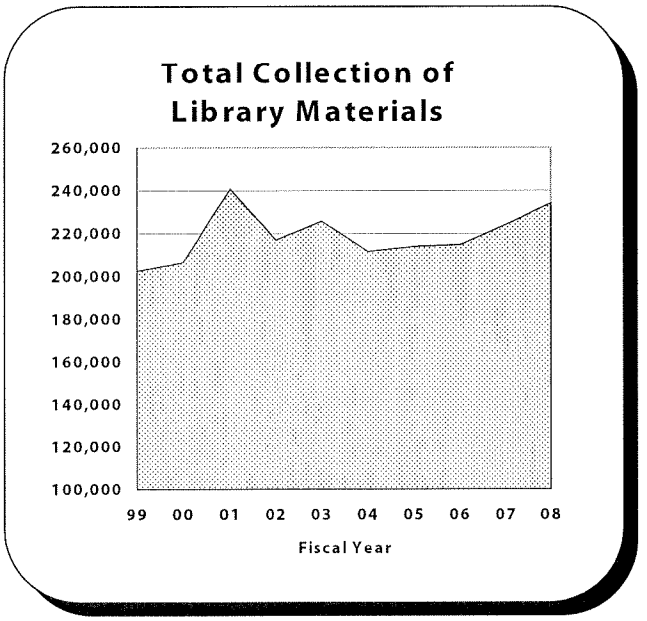
Public Library Department



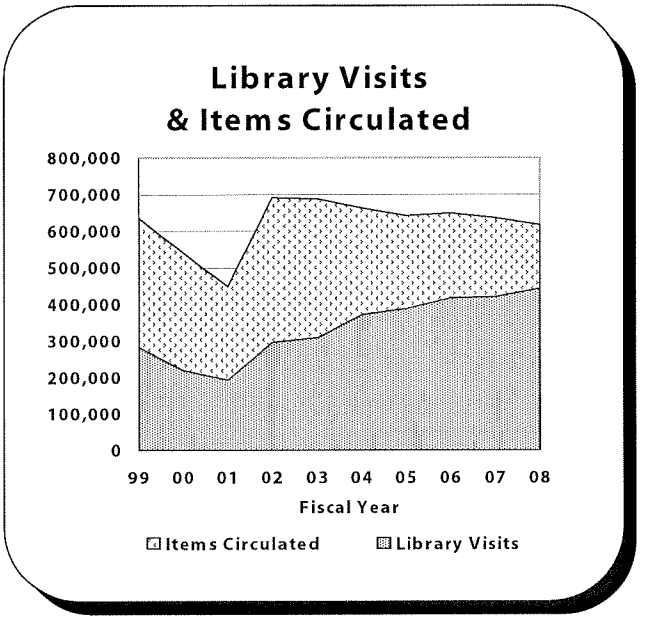
The number of questions at the City Library's Reference Desk has increased after reaching a low in 2001 as the Library was closed for several months due to a renovation and expansion project.



The number of registered borrowers has decreased slightly over the past ten years primarily because the City regularly updates its registered borrower database.



The size of the Library's collections, including books, audiovisual, and software materials, has grown over the past ten years. In 2002 and 2004, the collection decreased slightly as outdated books were removed. In 2001, additional funds were spent to add to the book collection. There are currently 234,031 materials on hand, or an average of 1.8 collections per resident. A total of 515,000 online and electronic database uses were experienced in 2008. Attendance at Library programs has dramatically increased since the Library Programming Center was opened in 2001. Attendance reached a high of 36,000 participants in 2008.



In 2000 and 2001, the number of people visiting the Library and the number of items circulated both decreased sharply as the Library was closed for renovation between two and three months of each fiscal year. Since 2001, the numbers have increased to levels above the pre-renovation numbers. Items circulated have moderated over the past six years, while attendance has continued to increase. In 2008, 443,000 visits were recorded or an average of 138 visits per hour open. 616,000 items were circulated or an average of 1.4 items per visit.

MISSION STATEMENT: ***To serve as an information center for our community, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment.***

The Sterling Heights Public Library offers a full range of services for all community residents. Activities such as preschool story times, adult and youth summer reading programs, computer and Internet training, film festivals, book talks, author visits, consumer interest programs, reference and readers' advisory services, educational cable programming, CD-ROM software, an oral history collection, and a wide selection of books, electronic resources and audiovisual material provide residents with excellent educational opportunities.

Computerized information retrieval is offered with the online catalog of 20 libraries in the Suburban Library Cooperative. The Digital Media Archives section of the online catalog includes hundreds of digital photographs of Sterling Township farms and families from the 1860's. The library also participates in the MeLCat statewide catalog and delivery system, allowing Sterling Heights residents to borrow materials from hundreds of public, school and academic libraries throughout Michigan. Other library services include full-text online magazine and newspaper databases, Internet access at public workstations, wireless Internet access, area newspapers on microfilm, and a Youth Computer Homework Center with CD-ROM software.

The Library's web site, www.shpl.net, serves as an effective guide to the wealth of resources provided by the Library in addition to an introduction to the vast resources of the Internet providing access to thousands of full-text electronic books and downloadable audiobooks via the Michigan e-Library (MeL), MLC Digital Library/Overdrive, and Net Library. Technology training sessions are regularly offered to allow residents to make optimal use of the Library's computerized resources. A van delivers a wide selection of materials, including large print books, directly to the homebound, nursing homes, and senior citizen housing units. The van also delivers books to day care centers and nursery schools.

The Library has an international language collection of popular fiction and magazines in 22 languages, and a unique collection of English as a second language materials designed to improve English language skills.

KEY GOALS

- ***To provide up-to-date information for residents in their pursuit of educational, job-related, and personal goals.***
- ***To provide access to information and resources beyond the Library's in-house collection through interlibrary loan, interlibrary cooperation, online databases, programming, and outreach services.***
- ***To maintain a high standard of friendly and professional assistance in providing reference, information, referral, and circulation services.***
- ***To provide high demand, high interest popular materials in a variety of formats and in a timely manner for residents of all ages.***
- ***To provide materials and services which promote learning and reading for children.***

For patrons with visual disabilities, the Library provides large print and audio books.

Additionally, the Library's cable channel broadcasts ten (10) hours of quality educational programs daily. These programs feature topics in literacy, arts and history, science, cultural enrichment, and youth and teen issues. At other times, the channel lists current library events, programs, and collections.

The Library is committed to quality service that satisfies the individual and enriches the community.■

Did you know?...
...that the Sterling Heights Library has 45 personal computers that were used by 93,996 people in 2008 to search the Internet, create resumes, complete homework assignments and send e-mail?

Library

2009/10 PERFORMANCE OBJECTIVES

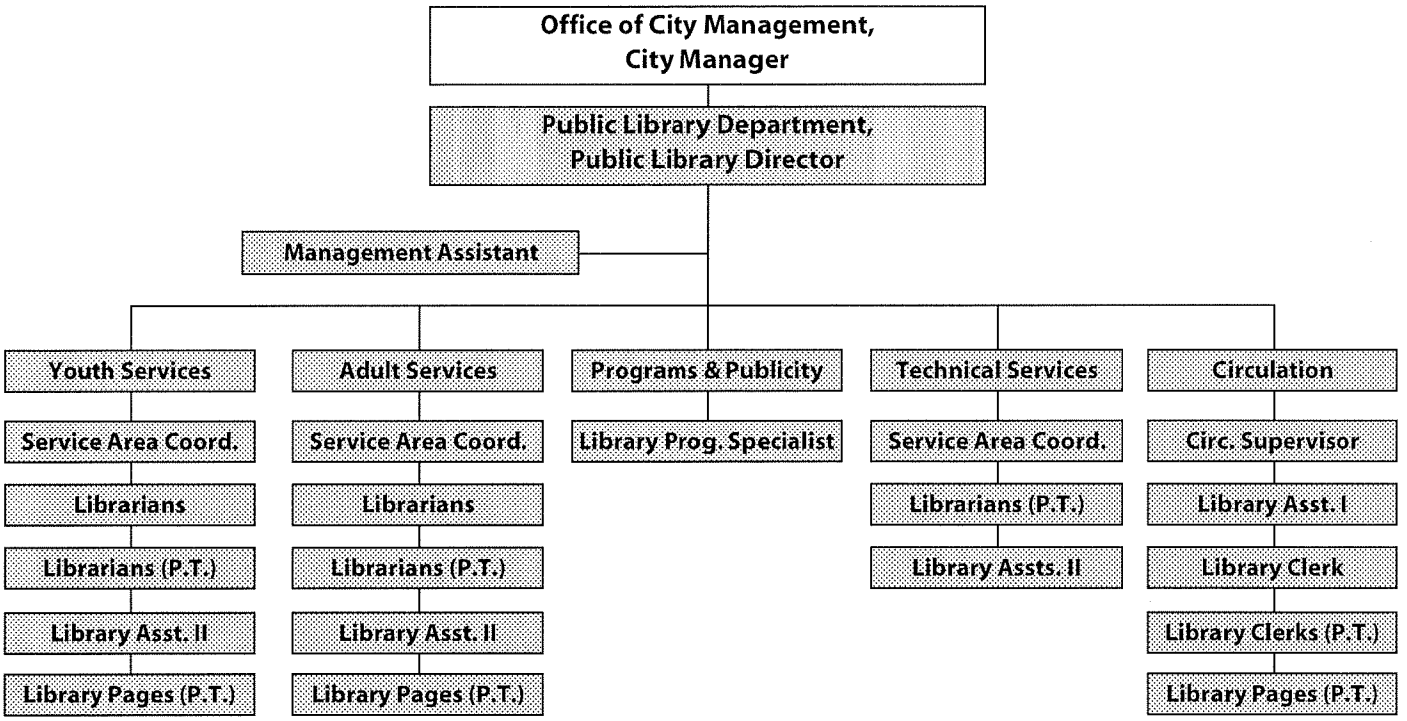
1. To increase the library's exposure to residents by modernizing the library's web presence. *(City Goal 26)*

2. To seek additional grants, community partnerships, and other sources of revenue to improve core library services. *(City Goal 21, 26)*

3. To assist with inventory and security control of all materials, and increase efficiencies in the Circulation area by completing the installation of the Radio Frequency Identification (RFID) program. *(City Goal 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Library Registered Borrowers	50,390	50,599	51,098	51,500	51,500	52,000
	Annual Library Attendance	417,601	420,716	442,768	421,000	430,000	430,000
	Total Collection of Library Materials	214,567	223,984	234,031	250,000	250,000	245,000
	Items Circulated	648,967	635,425	616,323	640,000	620,000	625,000
	Program Attendance	21,275	25,470	36,204	32,000	35,000	35,000
	Reference & General Information Requests	133,617	132,557	141,610	135,000	140,000	140,000
	Hours of Library Operations Weekly	64.0	64.0	64.0	64.0	64.0	57.5
	Materials Added to Collection	20,110	32,903	20,849	30,000	22,000	18,000
	In-Library Use of Materials	140,033	144,698	139,973	150,000	135,000	135,000
	Items Processed for Loan to Other Libraries	100,260	109,814	113,947	120,000	120,000	110,000
	Items Processed for Receipt from Other Libraries	109,995	120,393	123,142	120,000	120,000	110,000
	Self Check-out Circulations	16,279	17,424	17,642	18,000	6,000	0
	Online & Electronic Database Usage	456,752	492,979	514,794	495,000	500,000	500,000
	Outreach Loans by Library Van	12,820	11,242	9,318	12,000	10,000	10,000
	Hours of Library Cable Programming	2,829	3,319	3,660	3,600	3,600	3,600
Efficiency & Effectiveness	Registered Borrowers as a % of Population	40%	40%	40%	40%	40%	40%
	Library Materials per Capita	1.67	1.76	1.83	1.95	1.95	1.91
	Circulation of Materials per 1,000 Population	5,110	4,984	4,815	4,980	4,825	4,864
	% of Hold Material Requests Filled within 30 days	78%	79%	74%	79%	80%	80%
	% of Material Reshelved within 24 hours	77%	80%	80%	80%	85%	80%
	Full-time Equivalent Staff Per 1,000 Population	0.25	0.23	0.25	0.25	0.25	0.24
	Library Material Acquisition Costs Per Resident	$1.84	$2.12	$1.86	$1.90	$1.90	$1.65
	Library Cost Per Capita	$20.10	$21.58	$21.91	$22.36	$22.15	$21.49
	Total Cost Per Library Registered Borrower	$50.66	$54.37	$54.87	$55.79	$55.27	$53.10
	Activity Expenditures as % of General Fund	3.23%	3.32%	3.24%	3.23%	3.24%	3.10%

Library



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Public Library Director	1	1	1
Library Service Area Coordinator	3	3	3
Library Programming Specialist	1	1	1
Librarian	7	7	7
Circulation Supervisor	1	1	1
Management Assistant	1	1	1
Library Assistant II	4	4	4
Library Assistant I	2	2	1
Library Clerk	3	2	1
Librarian (P.T.)	8	8	8
Library Page (P.T.)	9	10	10
Library Clerk (P.T.)	1	2	4
Total	41	42	42

Library

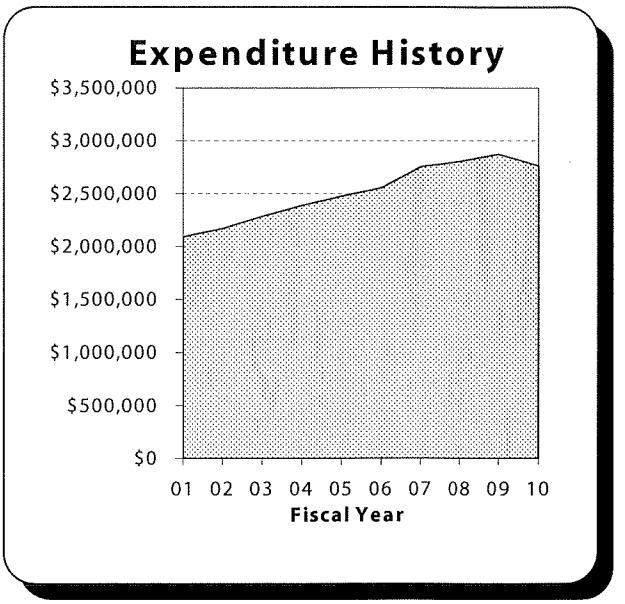
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $71,090 or 3.1%. Funding for a vacant Library Assistant position is recommended to be frozen, saving $56,200. A vacant full-time Library Clerk position is proposed to be filled with two part-time Clerks for a net savings of $35,500. Other cost saving measures include eliminating Library Sunday hours during the school year, which will save $27,460, as well as opening later on Fridays, saving $15,840.

Supplies – Total Supplies decreased $32,840 or 12.5%. $31,390 was saved as fewer library books, publications, and audio-visual materials will be purchased. $1,000 was saved, as fewer material processing supplies will be needed. Postage costs decreased $450, as materials for the Suburban Library Cooperative are now being hand-delivered during scheduled meetings, rather than mailed.

Other Charges – Total Other Charges decreased $7,920 or 2.5%. Fewer on-line resources will be purchased, saving $10,900. Educational funding decreased $6,950 primarily due to the prior year one-time funding for the Director's attendance at the Senior Executive Institute. Electric costs decreased $4,000, as the Library will no longer be open on Sundays. $620 was saved in membership costs. Heating costs rose $9,500 and water costs rose $350, both due to higher rates, offset by a decrease as there will be no Sunday hours. $5,630 was added due to a rate increase from the Cooperative for the Library's computer system.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$2,230,964	$2,290,910	$2,254,560	$2,219,820	$2,219,820
Supplies	256,245	263,220	262,920	230,380	230,380
Other Charges	316,705	319,120	328,670	311,200	311,200
Total	$2,803,914	$2,873,250	$2,846,150	$2,761,400	$2,761,400

Community Relations Department

FUNCTIONAL ORGANIZATION CHART

Community Relations Department

Office of Community Relations

- Administration of department
- Implements policies and procedures
- Serves as public information officer in emergency disaster situations
- Coordinates all media contacts on behalf of the City Council and City Manager
- Coordinates all City special events, such as Michigan Week, Sterlingfest, Memorial Day Parade, and Cultural Exchange
- Coordinates staff assignments and responsibilities
- Coordinates events for members of City Council and City Manager
- Handles miscellaneous correspondence for members of City Council and City Manager
- Produces information and publicity for all City departments
- Administers the SH Film Office to attract film makers to the City and to coordinate City service in the event of a production
- Serves as liaison to Cultural, Telecommunications, and Beautification Commissions, Youth Consortium, Ethnic Community Committee, and Community Foundation
- Prepares and manages the department budget
- Monitors website and intranet
- Coordinates focus groups
- Coordinates City surveys

Communications & Neighborhood Relations

- Staffs and maintains the "Citizen Contact Center" and "We Want to Know" program
- Prepares all official City press releases & publications and media kits
- Serves as City liaison for a variety of homeowners' groups, civic organizations, church groups, and municipal focus groups
- Provides material for and manages City's website and Employee Intranet
- Provides high quality, efficient in-house printing services
- Provides welcome brochures and packets for all new Sterling Heights' residents and businesses

Broadcast Services

- Operates Sterling Heights Television (SHTV) and Sterling Heights Informational Radio
- Produces and directs several television series
- Provides standby videotaping service to Emergency Operations Center, Police, Fire and Public Works Departments
- Provides video production service for informational programs and in-house training for all City departments
- Researches, writes, tapes and edits all material for original SHTV programs and Web videos
- Broadcasts City Council, Zoning Board of Appeals, Planning, and Ordinance Board of Appeals meetings

DEPARTMENT AT A GLANCE

Community Relations Department

BUDGET SUMMARY

The Community Relations Department budget decreased by $64,370 or 3.7%. Personnel costs fell by $39,650 as funding for a vacant Communications Specialist position has been frozen. This savings was offset slightly by a promotion of a Clerk Typist to a Citizen Services Specialist, for a net savings of $62,000. Overtime costs fell by $24,500 due to a new flexible schedule for taping sports programs as well as lower Sterlingfest overtime costs. Supplies increased by $27,810 or 57.8% as the postage costs for mailing a smaller City Magazine, previously budgeted in General Expenditures, will now be funded in this department. The increase was partially offset by the savings from only mailing the magazine to residents. The City Calendar will only be mailed upon request, saving additional postage costs. Other Charges decreased by $52,530 or 28.6%. Funding for Sterlingfest has decreased by $76,400 due to lower entertainment costs and a sharing of resources with the Chamber. A scaled back Michigan Week banquet will be held biannually saving $22,000. The Employee Holiday Luncheon has been eliminated. Printing costs rose by $57,580 as a smaller City Magazine will now be budgeted in this department.

FUNDING LEVEL SUMMARY

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Community Relations	$1,452,190	$1,596,140	$1,717,240	$1,652,870	-3.7%
Total Department	$1,452,190	$1,596,140	$1,717,240	$1,652,870	-3.7%
Personnel Services	$1,292,570	$1,413,060	$1,485,160	$1,445,510	-2.7%
Supplies	41,370	46,710	48,090	75,900	57.8%
Other Charges	118,250	136,370	183,990	131,460	-28.6%
Total Department	$1,452,190	$1,596,140	$1,717,240	$1,652,870	-3.7%

PERSONNEL SUMMARY

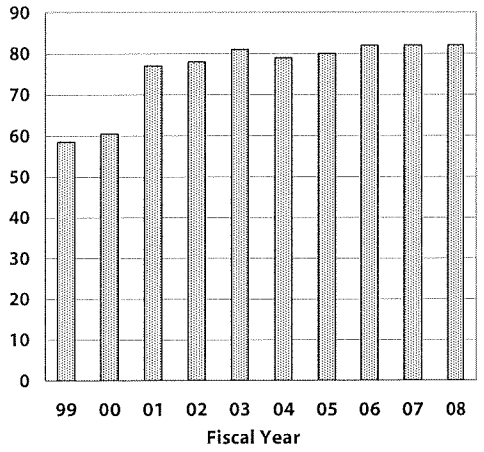
	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Community Relations	14	5	14	6	14	5	13	5
Total Department	14	5	14	6	14	5	13	5

Excludes Boards & Commissions.

KEY DEPARTMENTAL TRENDS

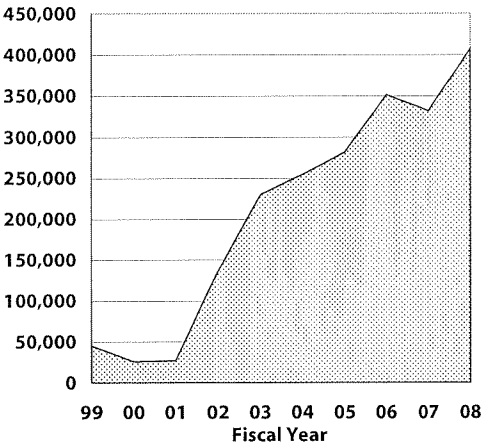
Community Relations Department

SHTV - Weekly
Hours of Original Programming



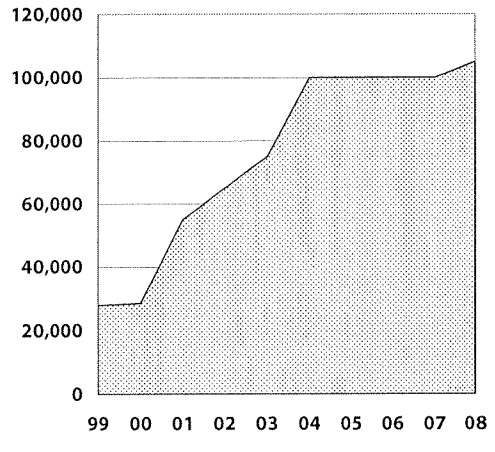
Sterling Heights Television viewers have seen a rise in the total hours of original programming over the past 10 years. The hours of programming rose in 2001 when the City installed an automatic playback system allowing for early morning, late night and weekend programming. Hours increased slightly in 2002 for the airing of county government meetings.

Customer Service Contacts



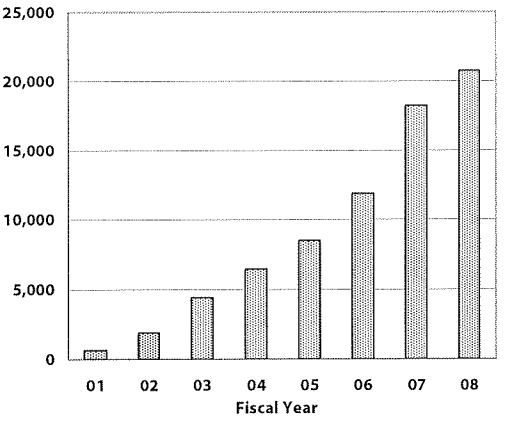
Community Relations has increased its customer service contacts through Citizen Contact Center calls received from residents, e-mails, and "We Want to Know" postcards returned from the community. In 1999, a community-wide survey was conducted which resulted in 18,536 responses. In 2002, Community Relations began tracking city Website visits, which now account for more than 90% of total service contacts. In 2007, customer service tracking software was purchased to help better track and respond to service requests.

Sterlingfest Attendance



Attendance for the Sterlingfest Art and Jazz Fair has risen steadily since 1999. Since 2001, attendance has dramatically increased as the new Sterlingfest now includes a carnival midway, additional restaurant vendors, a beer tent, concerts with major headliners, and art and jazzfest areas during the three-day event.

City Information E-Mail Subscriptions



In 2001, the City began offering a free e-mail subscription service where residents can sign up to receive information about City meetings, events, job postings, garage sales, public safety updates, SHTV programming, the SHARP economic newsletter, and the latest City news and information. The number of residents signing up for the service has now risen to nearly 21,000 participants.

Community Relations

MISSION STATEMENT: ***To coordinate and prepare all communication efforts for the City of Sterling Heights in accordance with the goals, objectives, and policies adopted by the City Council and City Manager.***

Under the leadership of the Community Relations Director, the Community Relations Department provides accurate information to the public through all means of communication. The Community Relations Office is subdivided into three divisions: Communications, Citizen Contact Center and Sterling Heights Television. Each division has separate and distinct duties and responsibilities.

The Communications Division prepares publications such as the annual Report/City Calendar, quarterly City Magazine, press releases, advertisements, brochures, pamphlets, and service directories. This division also maintains and updates information on the City's website at www.sterling-heights.net, and employee news and information on the City's Intranet. The City's Print Shop is responsible for printing all City publications.

Community Relations serves as the public information contact in the event of Emergency Operation Center activation. It is responsible for emergency press releases, speeches, press conferences, and coordination of a rumor control hotline.

One of the City's most unique programs is the "Citizen Contact Center." A Citizen Services Specialist is available for residents to contact regarding any concern or need for City information. These referrals are documented and followed up with a telephone call. Residents are also welcome to voice their input on the City's website, self-addressed "We Want to Know!" card, or by phone at 446-CITY.

The Sterling Heights Television Division is responsible for the City Hall and Library public access channels. Each station offers residents an alternative to keep informed of the workings of Sterling Heights government. The City Hall Channel airs eight hours of original programming per day. The Library Channel airs ten (10) hours of original and syndicated programming per week, produced in conjunction with Library staff. This division also compiles multi-media productions for broadcast on the Internet.

KEY GOALS

- ***To keep the lines of communication open among residents, businesses and municipal government.***
- ***To promote City government services and events through various media in order to inform the public of what is available to them.***
- ***To listen to the needs and concerns of the community and process its desires to the City Council and administration.***
- ***To maintain a cost effective in-house printing center.***
- ***To promote and showcase City meetings, events, programs and services in a televised manner so that residents stay informed.***
- ***To preserve and enhance the City's physical and economic development.***

A "Film Office" has been formed to coordinate City services in the event a production or film studio seeks to produce a movie within Sterling Heights.

The Community Relations Director assists the Economic Development Manager with the activities of the Economic Development Corporation, which was established to promote economic development in the City and propose policies which produce a better community in which to live, work, and play.■

Did you know?...
...that the City's official website had nearly 463,000 visitors in the 2008 calendar year, 128,000 more visitors than in 2007?

Community Relations

2009/10 PERFORMANCE OBJECTIVES

1. To seek new revenues for existing programs by working with staff and contractors and forming new partnerships with area businesses. *(City Goal 21)*

2. To promote our emerging diversification of commercial and industrial businesses including branding of the Defense Corridor. *(City Goal 10)*

3. To develop a film office and associated website and establish guidelines for movie producers looking to utilize Sterling Heights' public and private facilities. *(City Goal 11)*

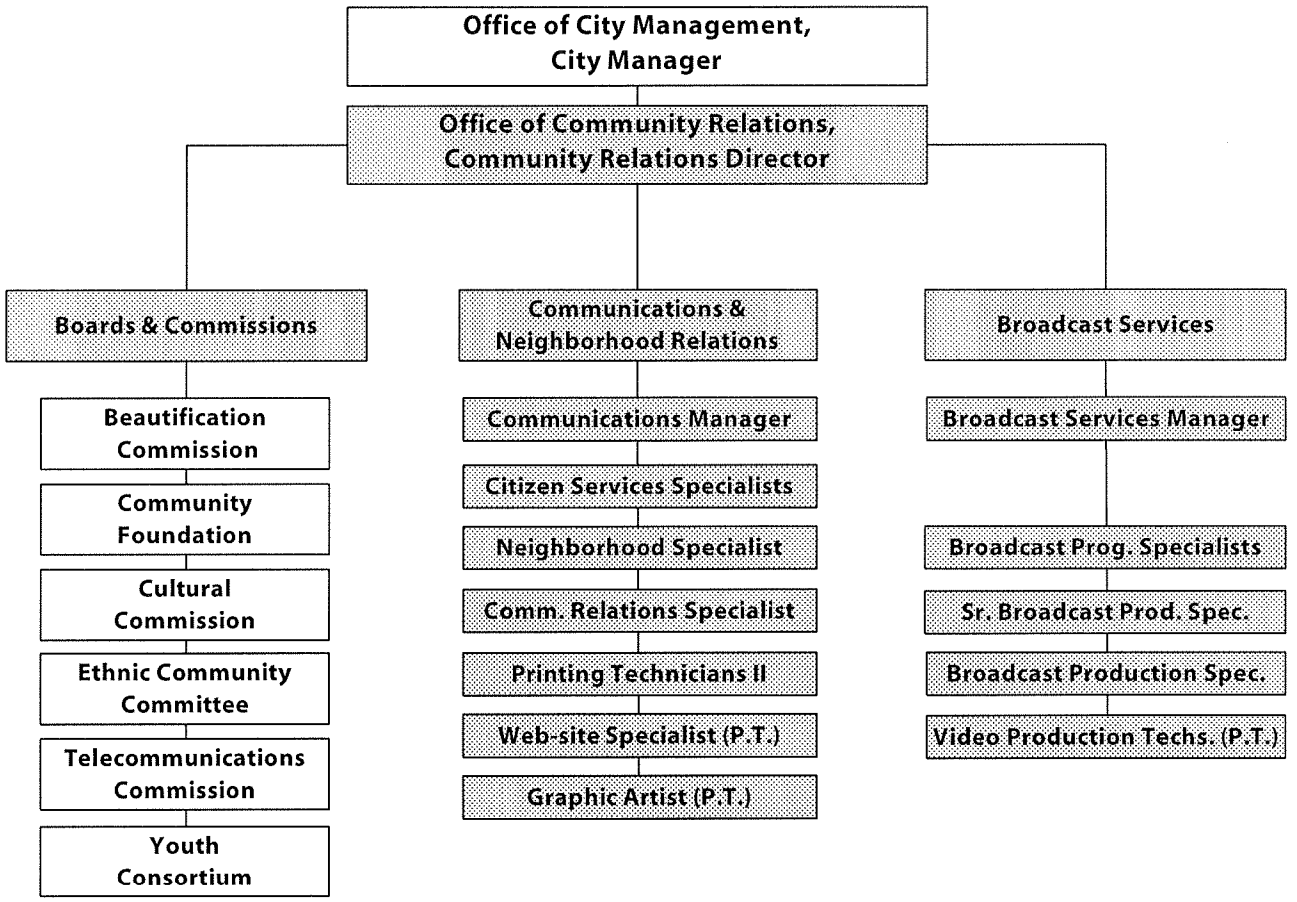
4. To encourage the engagement of young adult residents through established groups such as the Youth Consortium, Mayor's Millennium Congress and the Fusion Young Entrepreneur Club. *(City Goal 15)*

5. To modify and enhance the Complaint Tracking activity in the City's Accela Permits Plus System to provide monthly City-wide reporting of complaints, inquiries and requests for service. *(City Goal 17, 18)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Customer Service Contacts	351,580	331,770	407,927	381,000	528,600	553,600
	Citizen Action Center Calls/Walk-ins	24,036	30,648	31,226	28,000	25,000	25,000
	E-Mail Requests	2,341	1,918	2,054	2,000	2,400	2,400
	"We Want to Know" Postcards	802	984	756	1,000	1,200	1,200
	Sterling Heights Website Visits	324,401	298,220	373,891	350,000	500,000	525,000
	Total Tapings & Programs Aired	672	693	683	680	650	650
	SHTV Hours of Original Programming (Weekly)	82	82	82	82	82	82
	City Council, Board & Commission Meetings Taped	82	76	78	82	82	82
	Press Releases Produced	156	158	183	165	150	125
	Employee Intranet Updates	N/A	N/A	309	800	550	500
	Calendar/City Magazine/Brochures Produced	23	45	42	45	35	35
	Typesetting/Graphic Design Projects	182	205	119	115	110	110
	City Information E-mail Subscription Recipients	11,853	18,240	20,756	24,000	26,000	28,000
	Welcome Packets Distributed	332	194	672	725	750	700
	Sterlingfest & Memorial Day Parade Attendance	105,000	105,000	105,000	105,000	110,000	105,000
	Beautification Awards Presented	116	177	149	100	100	100
	Print Requests Completed	360	375	381	370	375	375
	Stockroom Requests Completed	271	280	286	270	275	275
Efficiency	% of Citizen Inquiries Resolved w/i 48 hrs.	98%	98%	98%	98%	98%	98%
	Cost per Citizen Contact Center Call Received	$2.76	$2.31	$2.23	*	*	*
	Cost to Televise a Public Meeting	$996	$1,053	$997	*	*	*
	Activity Expenditures as % of General Fund	1.78%	1.75%	1.84%	1.93%	1.77%	1.86%

** Cost is calculated for "Actual" columns only.*

Community Relations



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Community Relations Director	1	1	1
Communications Manager	1	1	1
Broadcast Services Manager	1	1	1
Broadcast Programming Specialist	2	2	2
Citizen Services Specialist	1	2	2
Neighborhood Specialist	1	1	1
Community Relations Specialist	1	1	1
Senior Broadcast Production Specialist	1	1	1
Printing Technician II	1	2	2
Communications Specialist	1	1	0
Broadcast Production Specialist	1	1	1
Printing Technician I	1	0	0
Clerk Typist	1	0	0
Video Production Technician (P.T.)	4	3	3
Web-site Specialist (P.T.)	1	1	1
Graphic Artist (P.T.)	1	1	1
Total	20	19	18

Community Relations

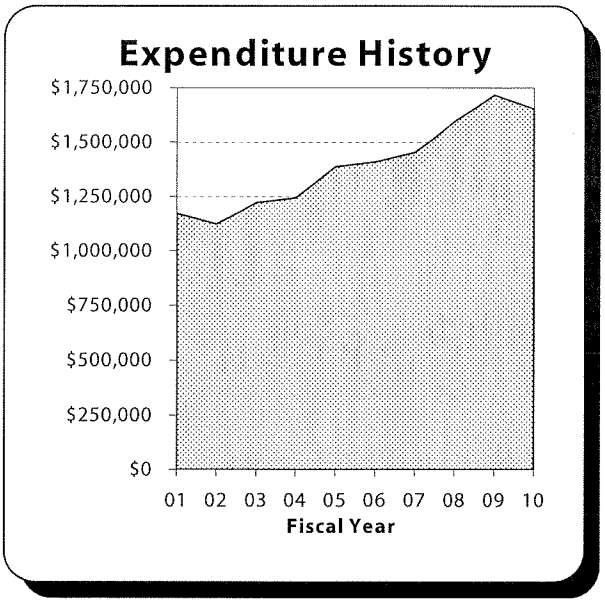
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased $39,650 or 2.7%. Funding for a vacant Communications Specialist position has been frozen. The savings is offset slightly by a promotion of a Clerk Typist to a Citizen Services Specialist for a combined net savings of $62,000. Overtime and compensatory time costs fell by $24,500 due to new flexible schedules for taping City sports programs as well as lower overtime costs for Sterlingfest.

Supplies – Total Supplies increased $27,810 or 57.8%. $32,400 was added for the mailing of the City Magazine, which was previously budgeted in General Expenditures. The increase was partially offset by a savings, as the magazine will only be mailed to residents. The City Calendar will only be mailed upon request and Business Welcome Packets will be hand-delivered. $4,100 was saved as less expensive DVD's will be used and the playoff taping fee will be paid by the schools. Publications costs decreased $490.

Other Charges – Total Other Charges decreased $52,530 or 28.6%. Special events decreased $76,400 primarily due to reduced costs and anticipated increased revenue for Sterlingfest. Funding for SterlingScapes has been eliminated. Michigan Week funding decreased $22,000, as the banquet will now be held every other year for Board and Commission members only. $7,200 was saved as honored employees will receive plaques rather than gift booklets, sick employees will no longer receive flowers, and the employee holiday luncheon has been eliminated. Software maintenance costs decreased $2,250. Fewer training courses are funded, saving $850.



Printing costs rose $57,580, as a smaller City Magazine will now be expensed in this activity.

Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

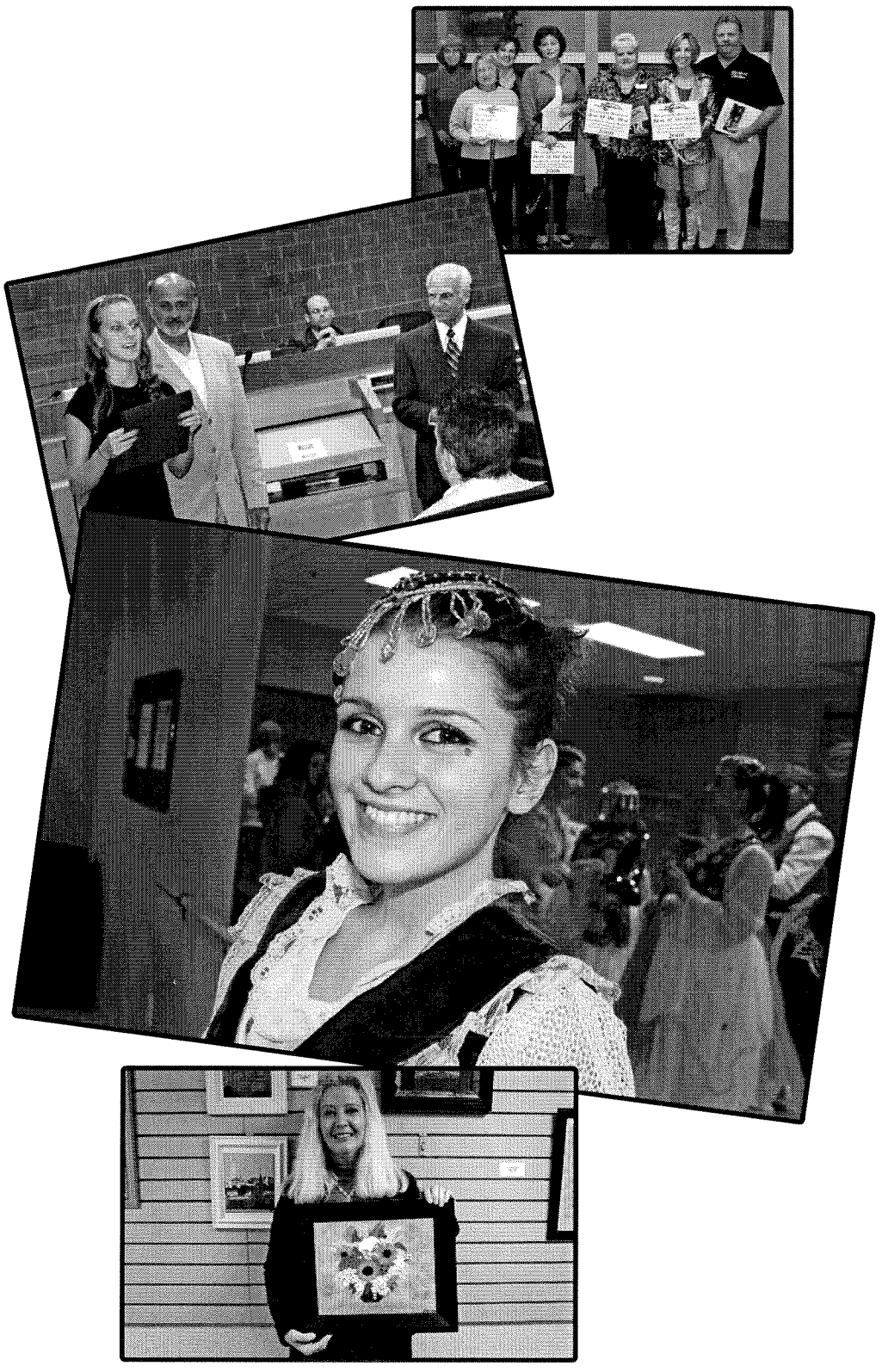
Other Charges – Council made no adjustments to Other Charges.

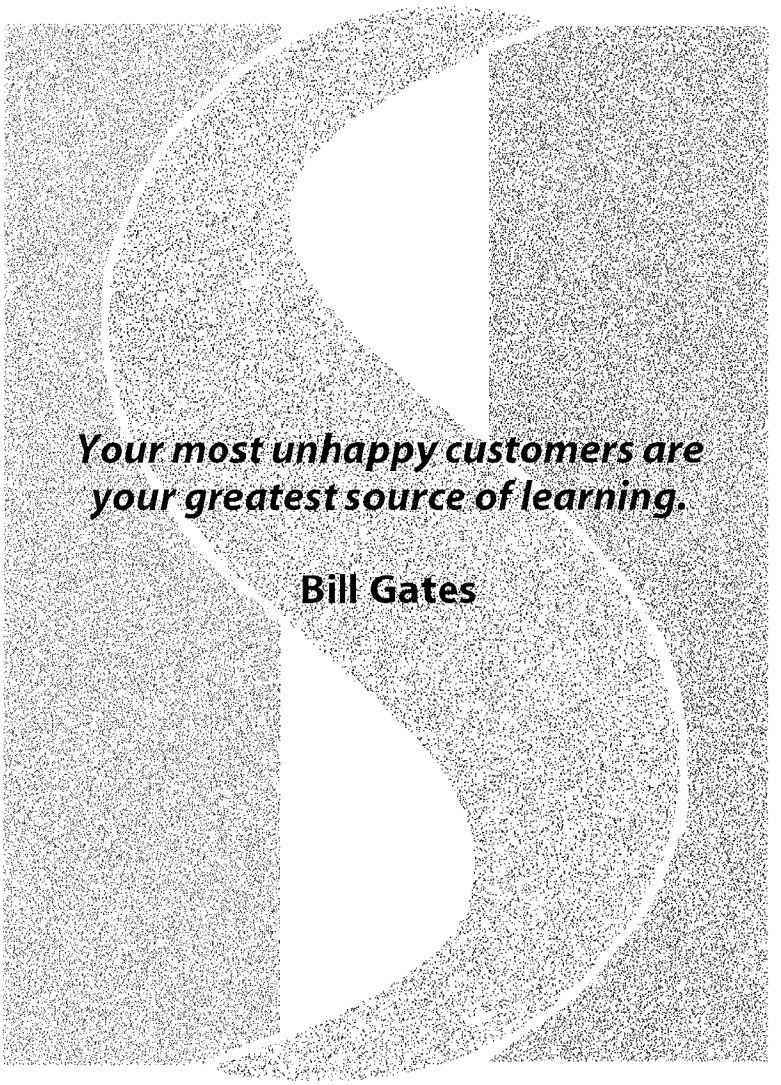
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,413,064	$1,485,160	$1,383,620	$1,445,510	$1,445,510
Supplies	46,706	48,090	47,090	75,900	75,900
Other Charges	136,374	183,990	124,320	131,460	131,460
Total	$1,596,144	$1,717,240	$1,555,030	$1,652,870	$1,652,870

Non-Departmental Services




Your most unhappy customers are your greatest source of learning.
Bill Gates

41-A District Court

MISSION STATEMENT: ***To provide a forum of equitable, peaceful, and timely legal dispute resolution, based on the principles of due process, while instilling public confidence in the Court system.***

The Judicial branch of the City of Sterling Heights is the 41-A District Court. The Kenneth J. Kosnic 41-A District Court and Probation offices are located in the Judicial Services Center on the grounds of City Center Commons.

The Judicial Services Center has equipment that is both desirable and necessary for a full service District Court with an increasing caseload. Computers continue to improve staff efficiency while a metal detector provides increased security.

The Court staff consists of three judges and a full-time magistrate who hears small claims cases, signs warrants, sets bonds, etc. The District Court Administrator oversees the court operations and supervises the administrative staff. The court is subdivided into six divisions and one Probation division. The six court divisions include Civil, Criminal, Traffic and Ordinance, Landlord/Tenant, Small Claims, and the Violations Bureau.

The Civil Division handles the jurisdiction of all civil litigation up to $25,000.

The Criminal Division handles all felony and misdemeanor complaints filed by law enforcement agencies.

The Traffic and Ordinance Division handles complaints filed by law enforcement agencies regarding traffic and City ordinances.

The Landlord/Tenant Division processes claims filed involving the eviction of tenants and land contract forfeitures.

The Small Claims Division hears civil cases, which are below $3,000 and require no attorney.

The Violations Bureau handles all non-court traffic and ordinance violations. These infractions can be resolved without a court appearance by the involved parties.

KEY GOALS

- ***To provide a safe and secure environment for the people involved in all dispute resolutions within our jurisdiction.***
- ***To provide an unbiased climate for resolving disputes in the areas of Civil, Criminal, Traffic and Ordinance, Landlord/Tenant, Small Claims, and non-court traffic and ordinance violations.***
- ***To assist sentencing decisions through the use of a Probation Division by providing personalized analysis, special reports, and rehabilitation programs.***

The Probation Division is responsible for providing services to judges and probationary clients. The Probation Officer provides special reports and analyses to the judges for assistance on sentencing decisions. The Court's "Alternatives to Incarceration Program" is one example of how the community may benefit from cost savings and community service work when this option is appropriate. The services provided to probationary clients include securing employment, school, or training and referrals to rehabilitation programs to assist those with drug, alcohol, or emotional problems.■

Did you know?...
...that the Court's Civil divison issued 1,840 Michigan income tax refund garnishments in the 4th quarter of 2008 as opposed to 1,427 in 2007?

41-A District Court

2009/10 PERFORMANCE OBJECTIVES

1. To aggressively pursue and collect outstanding civil infraction and misdemeanor fines and costs through the use of a collection agency. *(City Goal 18, 20)*

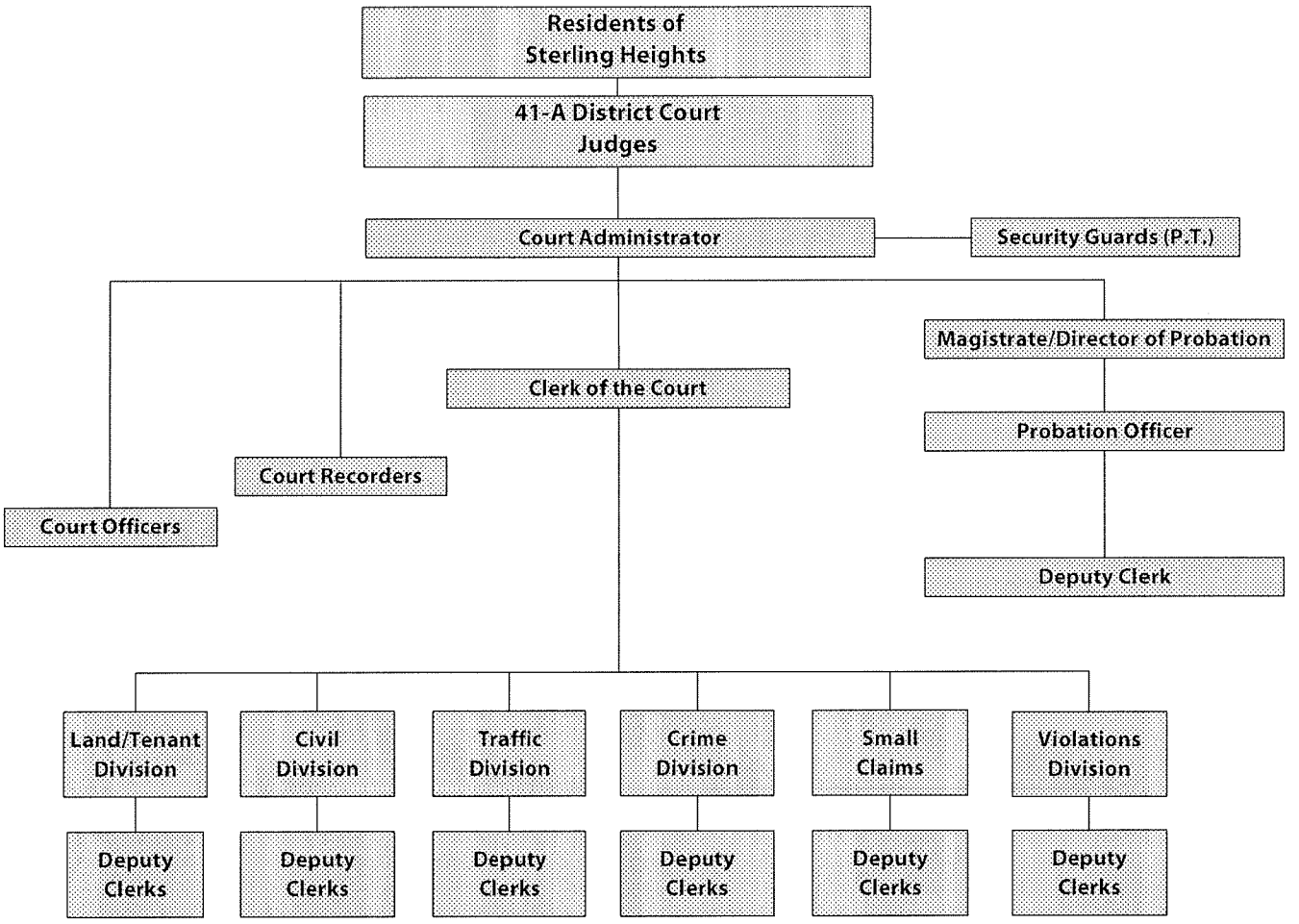
2. To investigate the possibility of granting Police personnel and City Attorney staff access to the Court's computer system for case status. *(City Goal 2, 3, 17)*

3. In conjunction with the Police Department, to develop and implement an e-citation program through CLEMIS. *(City Goal 3, 17)*

4. To develop and possibly implement an in-house driver safety class rather than sending violators to an outside agency. *(City Goal 2)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Total Active Caseload	43,323	46,482	51,176	46,000	52,800	56,000
	Total New Cases	34,043	37,780	40,149	39,250	42,390	47,000
	Traffic Cases	22,385	25,078	25,922	26,000	28,800	33,000
	Parking Cases	1,871	2,065	1,787	1,800	2,000	2,100
	Misdemeanor Cases	3,497	3,821	4,887	4,000	4,000	4,200
	Felony Cases	714	712	790	750	790	800
	General Civil Cases	2,862	3,239	3,867	3,800	3,800	3,900
	Small Claims Cases	488	432	425	500	500	500
	Landlord/Tenant Cases	2,226	2,433	2,471	2,400	2,500	2,500
	Magistrate Dispositions	8,500	8,382	10,360	8,500	9,600	10,000
	Jury/Bench Verdicts	9,794	8,150	9,230	8,200	9,000	9,000
	Guilty/Admissions/Default - By Party	20,074	21,823	23,747	21,000	22,000	24,000
	Dismissals - By Court or Party	7,525	7,082	8,279	7,000	7,500	7,500
	Probation Caseload	850	820	800	800	800	800
Efficiency & Effectiveness	% of Imposed Revenue Collected	97%	95%	96%	97%	97%	97%
	# of Court Cases Given to Collection Agency	N/A	N/A	N/A	1,000	1,000	1,000
	Court Revenue Collected by Collection Agency	N/A	N/A	N/A	TBD	TBD	TBD
	% of Probation Clients Required to Attend Rehab.	75%	75%	75%	75%	75%	75%
	Total Court Expenditures Per Capita	$20.95	$22.33	$23.23	$24.48	$24.54	$24.91
	Cost Per Active Case	$61	$61	$58	$68	$60	$57
	# of Active Cases per FT Employee	1,203	1,291	1,422	1,280	1,467	1,600
	Activity Expenditures as % of General Fund	3.37%	3.44%	3.44%	3.54%	3.59%	3.60%

41-A District Court



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Judge	3	3	3
Magistrate/Director of Probation	1	1	1
Court Administrator	1	1	1
Clerk of the Court	1	1	1
Probation Officer	1	1	1
Court Recorder	3	3	3
Court Officer	3	3	3
Deputy Clerk	23	23	22
Security Guard (P.T.)	4	4	4
Total	40	40	39

41-A District Court

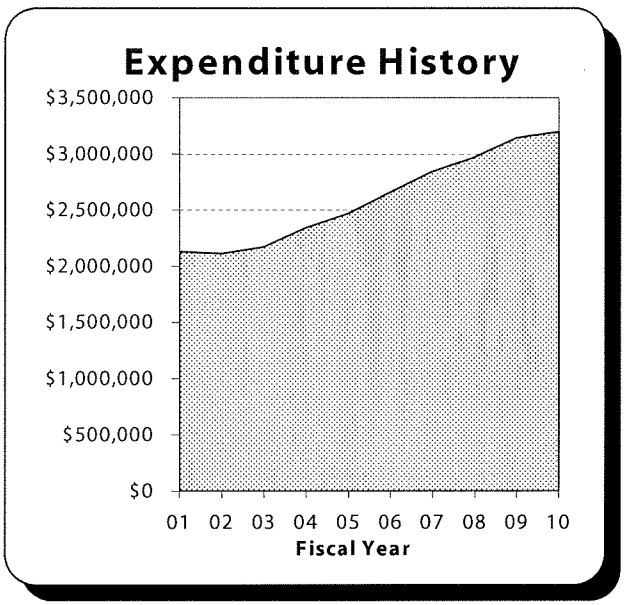
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $52,150 or 1.8%. Due to an upcoming retirement, funding for a vacant Deputy Clerk position is recommended to be frozen, saving $65,000 in wages and fringe benefit costs. Contractual wage and benefit cost increases accounted for most of the remaining overall increase. In addition, funding for pension liabilities increased $18,160 as a result of a recent actuarial report, while $23,350 in additional funding has been set aside for retiree medical liabilities.

Supplies – Total Supplies decreased $640 or 1.5%. Funding for operating supplies decreased due to the prior year's one-time purchase of two replacement printers, partially offset by an increase based on historic actual expenditure levels.

Other Charges – Total Other Charges increased $3,980 or 1.8%. $4,500 was added based on higher State computer maintenance and annual support costs. Water costs rose $2,000 and heating costs increased $1,000, both due to higher rates. Telephone costs increased $1,000 while electric costs decreased $1,000, both based on historic actual expenditure levels. $250 was added due to an increase in the postage machine rental fees. Liability insurance costs rose slightly by $60. Educational funding decreased $1,750 and is more in line with prior year actual expenditure levels. Fewer memberships are funded for a savings of $1,420. The budget decreased $700 as complimentary coffee for the jurors can no longer be provided.



Capital – There is no Capital proposed for this activity.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.
Supplies – Council made no adjustments to Supplies.
Other Charges – Council made no adjustments to Other Charges.
Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$2,713,173	$2,881,860	$2,886,270	$2,934,010	$2,934,010
Supplies	43,734	42,640	43,640	42,000	42,000
Other Charges	217,093	220,760	223,290	224,740	224,740
Total	$2,974,000	$3,145,260	$3,153,200	$3,200,750	$3,200,750

Act 78 – Civil Service Commission

MISSION STATEMENT: ***To govern the testing for appointment, employment, and promotion of Police and Fire personnel.***

The Act 78 Civil Service Commission is a General Fund activity and is budgeted and accounted in a manner similar to other General Fund activities. The plan of Civil Service as established by Act No. 78 of the Public Acts of 1935, as amended, is incorporated in the Charter of the City and can be changed only by a formal amendment to the City Charter.

The City Clerk acts as ex officio liaison to the Commission and provides the necessary administrative and clerical support.

The Commission governs all aspects of the testing procedures for Police and Fire personnel. From the physical and agility aptitude exams to the written, oral, physiological, and psychological examinations, the Commission has a hands-on interface with the selection of examiners, criteria for examination, and selection of final evaluators. This important role of the Act 78 Civil Service Commission ensures the best candidates are selected for employment. The three members of the Commission serve without compensation during their term.

As the City grows older, more retirements will open new positions and the job of the Commission will proceed into the forefront.■

KEY GOALS

- ***To set requirements for Police Officer and Firefighter applicants that will best serve the interest and well-being of the residents of Sterling Heights.***
- ***To keep Police Officer and Firefighter eligibility lists current by initiating the application process in a timely fashion.***
- ***To monitor the testing process for new hires and personnel who have applied for certain promotions within the Police and Fire Departments.***

Did you know?...
...that the purpose of the Act 78 Civil Service Commission is to ensure Police Officer and Firefighter recruitments utilize merit based, non-discriminatory selection procedures?

Act 78 – Civil Service Commission

2009/10 PERFORMANCE OBJECTIVES

1. To conduct a Police Officer recruitment to establish a new one-year eligibility list. *(City Goal 4)*

2. To conduct a Firefighter recruitment to establish a new two-year eligibility list. *(City Goal 4)*

3. To conduct an assessment center to establish a new two-year Police Lieutenant eligibility list. *(City Goal 4)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Minutes of Act 78 Meetings Recorded	5	8	2	4	4	3
	Police Officer Eligibility List Applications	120	149	186	168	145	147
	Fire Fighter Eligibility List Applications	69	0	88	45	0	51
	Written Tests - Police Officer Eligibility List	97	123	0	125	146	127
	Written Tests - Fire Fighter Eligibility List	0	31	57	26	0	39
	Oral Interviews - Police Officer Eligibility List	27	0	47	53	35	38
	Oral Interviews - Fire Fighter Eligibility List	0	25	16	21	26	0
	Physical/Psychological Test - Police/Fire Candidates	7	17	14	11	11	7
	Appointment Notices - Police/Fire New Hires	5	15	13	11	10	7
	Police/Fire Personnel Files Maintained	112	110	120	121	122	120
	Maintained Files (hiring procedures/legal opinions,etc.)	112	100	95	90	91	90
Effectiveness	Number of Appeals by Candidates	9	6	0	4	0	3
	Activity Expenditures as % of General Fund	0.04%	0.02%	0.04%	0.02%	0.01%	0.03%

Act 78 – Civil Service Commission

SUMMARY OF BUDGET CHANGES

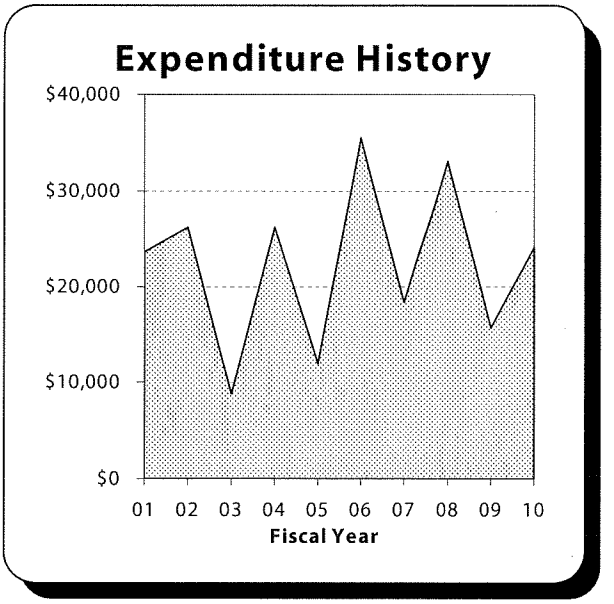
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this activity. Any overtime costs that are needed for the recruitment activities planned for next fiscal year will be charged to the City Clerk's office.

Supplies – Total Supplies is proposed to remain the same at $400. There are no proposed changes within the Supplies account.

Other Charges – Total Other Charges increased $8,430 or 55.1%. Funding increased $13,350 for the cost of an assessment center for Police Lieutenant. Publishing costs increased $200 as Police Officer and Fire Fighter recruitment notices will need to be published in two newspapers next year. Fewer pre-employment physical and psychological exams will be needed, as there will be fewer anticipated new hires compared to last year, resulting in a savings of $5,120.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	255	400	370	400	400
Other Charges	32,811	15,300	11,910	23,730	23,730
Total	$33,066	$15,700	$12,280	$24,130	$24,130

Beautification Commission

MISSION STATEMENT: ***To promote public interest in the general improvement of the City's appearance.***

Residents and owners of all property within the City of Sterling Heights are encouraged to accept basic responsibilities in preserving and enhancing the beauty of public and private properties. An annual awards program assists the Beautification Commission in promoting its mission throughout the City. Nominations are submitted annually for properties in Sterling Heights that exemplify the enhancement of both public and private properties. The Commission reviews these nominations and those that are worthy of the award receive City-wide recognition.

Special projects are organized and coordinated to lead the way for residents to follow suit. Environmental awareness education for residents tops the list of priorities. The Beautification Commission initially proposed the City's recycling centers. This landmark project has gained City-wide acceptance and resident participation.

The Beautification Commission recommends the planting and preservation of trees, flowers, plants, and shrubbery, as well as the placing of other ornamentation throughout the City, such as the annual decoration of the municipal grounds gazebo. The Beautification Commission also promotes public education for the disposal of litter in our community through its contacts with schools, scouting troops and businesses. This is accomplished through programs such as "Adopt a City Road".

The 12 member Commission includes a variety of City residents appointed by the City Council. The Community Relations Director serves as staff liaison to the Beautification Commission, coordinating its activities within City guidelines. The Commission was established pursuant to Ordinance No. 145. The Commission sets a specific budget for purposes of funding programs and projects.■

KEY GOALS

- ***To recognize and honor those individuals who take the initiative to beautify their properties.***
- ***To sponsor educational programs to teach students how to beautify their City.***

Did you know?...
...that the Beautification Commission honored and recognized 100 City homeowners and businesses for their beautification efforts in 2008?

Beautification Commission

SUMMARY OF BUDGET CHANGES

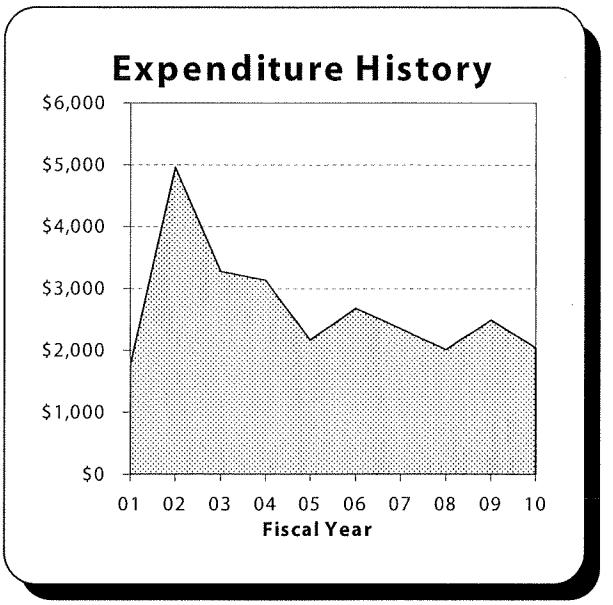
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this activity.

Supplies – Total Supplies decreased $450 or 20.9%. The City will save $350 in seeding and planting supplies, as more perennial plants will be planted at City Hall, reducing the need to plant annuals every year. The Commission will save $100 in operating supplies by presenting beautification awards to recipients more prominently during a regularly scheduled City meeting, rather than hold a separate event.

Other Charges – Total Other Charges is proposed to remain at $340. There are no proposed changes within the Other Charges accounts.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	1,693	2,150	1,800	1,700	1,700
Other Charges	319	340	340	340	340
Total	$2,012	$2,490	$2,140	$2,040	$2,040

Building Authority

MISSION STATEMENT: ***To oversee the construction and related payments of needed City facilities.***

The Building Authority activity was established pursuant to Public Act 31 of 1948. The Authority consists of three members. The mission of the activity is to manage the affairs of the Authority including financing and building City projects. The Building Authority is available to the City Council as a funding source, if needed.

In 1969, the Building Authority entered into an irrevocable lease purchase agreement with the City. The City Hall lease expired in 2000 terminating the purchase agreement. The bonding documents associated with the City Center Commons project required a new lease agreement be entered into between the City and the Building Authority for a period of 20 years. This lease agreement provides for rent payments in the amount of the annual debt service requirements.

The Building Authority was activated in 1990 to manage the construction of the Judicial Services Center. Bonds were sold to finance the construction and will be retired by lease payments from the General Fund to the Building Authority Receiving Fund. The project was completed six weeks ahead of schedule and $125,000 under budget.

In 1996, City Council directed the Building Authority to begin acquisition, construction, furnishing and equipping of a new Senior Citizens Activity Center. The project was completed on schedule and within budget. The bonds that were issued to finance the project were repaid in full in 2002 using annual debt payments from the Community Development Block Grant (CDBG) Fund.

Most recently, the Building Authority provided oversight for the City Center Commons project. The project included the expansion of the Library and City Hall along with the remodeling of the existing structures and the surrounding campus.

The Building Authority recently participated in the refunding of two bond issues. Conditions in the bond market improved such that the 1990 Judicial Center Limited Tax General Obligation (LTGO) Bonds and the 1993 Judicial Center Refunding Bonds could be refunded at a considerable savings. Given the City's exemplary external bond ratings provided by Moody's (Aa2), Standard & Poor's (AA) and Fitch (AA^+), the City was able to realize a net savings in excess of $70,500 with interest rates between 2.0% to 2.75% over the six year refunding bond period.

KEY GOALS

- ***To construct needed facilities at or under budget.***
- ***To construct needed facilities on time or ahead of schedule.***
- ***To make debt service payments accurately and on time.***

During periods of non-construction, the Building Authority members meet once a year to pay debt service, elect officers, and review financial reports. During periods of construction, the members meet a minimum of once a month to oversee the construction project, pay invoices, and make other critical project decisions. Building Authority members receive $15 per meeting to retire debt and $20 per special meeting during a building project.

The Building Authority Receiving Fund is set up according to bond covenants to retire debt. The operating budget for the Building Authority resides in the General Fund.■

Did you know?...
...that during times of non-construction, the Building Authority approves principal and interest debt service payments?

Building Authority

SUMMARY OF BUDGET CHANGES

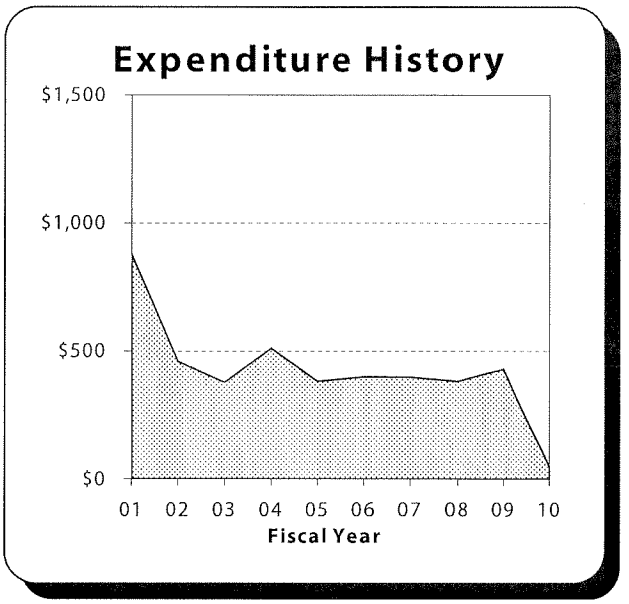
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget remained the same as the prior year. Funding is budgeted for one meeting so the three members of the Building Authority can approve the annual debt payment.

Supplies – There is no Supplies budget for this activity.

Other Charges – There is no Other Charges budget for this activity. Previous funding for audit and accounting services is now included in the General Expenditures activity where the majority of General Fund audit costs are charged.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$32	$50	$50	$50	$50
Supplies	0	0	0	0	0
Other Charges	350	380	380	0	0
Total	$382	$430	$430	$50	$50

Cultural Commission

MISSION STATEMENT: ***To serve in an advisory capacity to the City Council for the development of City-wide cultural programs.***

Programs and projects sponsored by the Cultural Commission are developed in accordance with the goals and objectives set by the City Council and administration.

The Cultural Commission's primary responsibility is to consider, study and recommend City-wide cultural programs. Culture reflects the act of developing social, moral, and intellectual faculties through education. The Commission promotes, coordinates and develops the performing and creative arts by recommending cultural programs and opportunities.

The "Artist of the Month" program reinforces the attitude expressed by the Commission that culture should be appreciated. Every month a local artist is chosen to professionally display his or her art in a public forum.

The "Sterlingfest Art & Music Festival" and the accompanying food festival, held in Dodge Park in August, brings thousands of area residents together. This festive and family-friendly atmosphere is conducive to good times and the appreciation of the performing, visual and culinary arts.

The annual "Memorial Day Ceremony & Parade" honors those men and women who gave their lives for our American freedom. The Cultural Commission sponsors this event as well as Best Float and Band awards for those groups who best display their creativity during the parade event.

The Cultural Commission continues to celebrate its project, "SterlingScapes". This program brings together the works of several renowned sculptors and showcases them on the civic center grounds while enhancing the City's appreciation of public sculpture.

The 12 members of the Cultural Commission are appointed by the City Council and serve without compensation. The Community Relations Director serves as the liaison.■

KEY GOALS

- ***To promote and administer programs that benefit the community, i.e., "SterlingScapes", an outdoor sculpture display.***
- ***To sponsor City events, such as "Sterlingfest", that showcase various forms of the performing and visual arts and encourages family entertainment.***

Did you know?...
...that SterlingScapes is one of Michigan's only public outdoor sculpture loan programs that invites Michigan sculptors to display their work throughout the City Center Commons grounds for a two year period?

Cultural Commission

SUMMARY OF BUDGET CHANGES

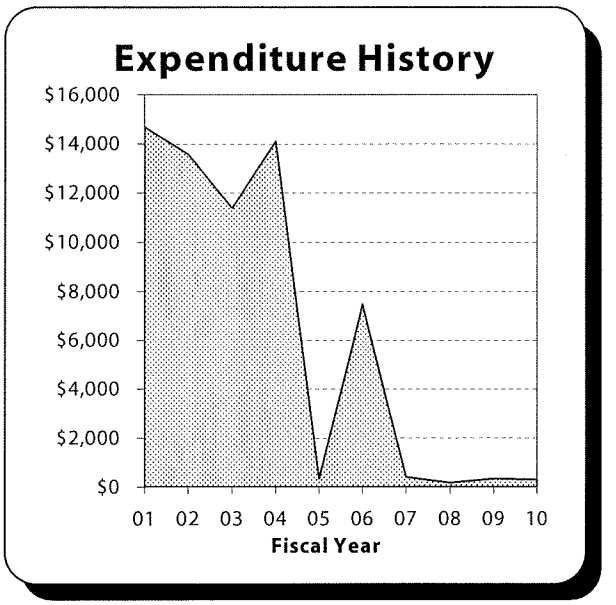
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this activity.

Supplies – Total Supplies decreased $50 or 33.3% as the operating supplies budget for certificates and plaques can be reduced and brought more in line with prior year actual expenditures.

Other Charges – Total Other Charges is proposed to remain the same at $200 to fund two commission memberships. There are no proposed changes within the Other Charges account.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	27	150	100	100	100
Other Charges	150	200	200	200	200
Total	$177	$350	$300	$300	$300

General Employees Retirement Board

MISSION STATEMENT: ***To invest plan assets prudently while meeting or exceeding actuarial liabilities, while insuring timely and proper distribution of benefits to which plan participants are entitled.***

The General Employees Retirement Board activity was established with the authority to administer, manage, and operate the retirement system following the provisions established by the retirement ordinance referenced in the City Charter and Code of Ordinances. The mission of the General Employees Retirement Board is to ensure that the assets of the retirement fund are invested in a safe and prudent manner, yielding the highest possible return on the investment of the funds. The Board is also responsible for calculation of retiree benefits. Board meetings are held on the third Thursday of every month at 1:30 p.m. in City Hall. These are public meetings with the agenda posted by the end of the week prior to each meeting.

Assets in the fund as of December 31, 2008 total a market value of $90,640,712 while the City's contribution for the 2009/10 fiscal year will be $204,054. The fund is now 110.2% funded, which means that valuation assets exceed actuarial accrued liabilities by 10.2%.

The Board has established the following asset allocation guidelines:

Equities:	
Large cap	32%
Small Midcap	15%
International	17%
Fixed Income	32%
Real Estate Investment Trust	4%
Cash	0%

There are currently 254 retirees receiving benefits from the fund and 238 active members of the system who pay 5% of gross wages into the system. Retirement benefits vest after five or ten years of service depending on the participant's labor agreement. As of December 31, 2008, 147 active members were vested.

Five members serve on the General Employees Retirement Board. The officers include the Finance & Budget Director as the Board Secretary and the City Treasurer as the Treasurer of the retirement system and asset custodian. A resident is appointed by City Council to serve on the Board while two employee representatives are elected for staggered three-year terms by members of the General Employees Retirement System. An attorney designated by the Board acts as legal advisor while the Financial Services Manager serves as the Pension Administrator.■

KEY GOALS

- ***To monitor investments and liabilities to ensure proper matching while making necessary adjustments to maintain proper balance and long-term funding levels.***
- ***To develop and follow procedures whereby plan participants receive the benefits to which they are entitled by contract and/or ordinance.***
- ***To provide adequate communication to members of the retirement system so that they know how their funds are managed and what to expect at retirement.***

Did you know?...
...that as of January 1, 2009, the General Employees Retirement System pays monthly benefits of approximately $496,000 to 254 retirees and beneficiaries?

General Employees Retirement Board

SUMMARY OF BUDGET CHANGES

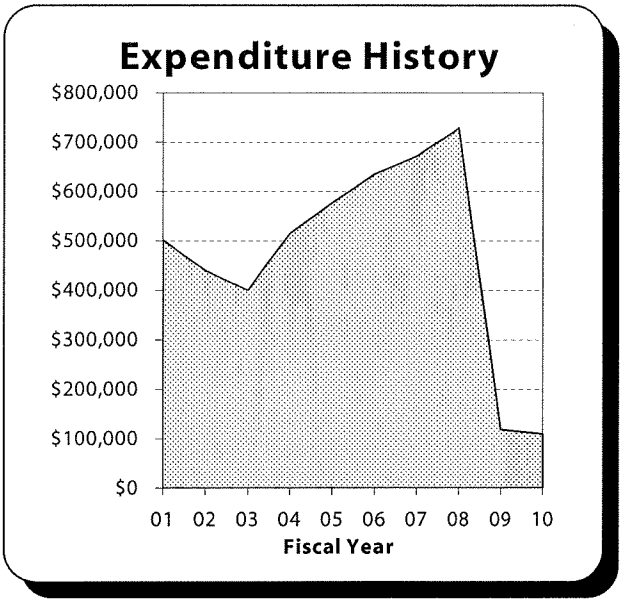
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this activity.

Supplies – Total Supplies decreased $50 or 11.1% as the budget for postage can be reduced slightly and brought more in line with prior year actual expenditures.

Other Charges – Total Other Charges decreased $8,650 or 7.3%. Funding decreased $7,890 as the money manager fees for the City's pension investments have decreased due to a lower market value of the portfolio. In addition, a fee savings was realized as a result of the Board's decision to change money managers for certain equities. Educational funding decreased $700 as part of the City's overall cost-saving financial strategy. Membership in the National Conference on Public Employee Retirement Systems (NCPERS) was eliminated saving $150. Funding for local meetings decreased $60 as prior year funds were never spent. Legal services rose $150 as increased hours are being required to draft and finalize new investment manager contracts.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	262	450	400	400	400
Other Charges	728,499	118,200	109,000	109,550	109,550
Total	$728,761	$118,650	$109,400	$109,950	$109,950

General Expenditures

MISSION STATEMENT: ***To budget and account for general expenditures not assigned to specific users within the City due to their subjective nature.***

The General Expenditures activity of the General Fund is used to budget and account for all general expenditures that are incurred throughout the fiscal year. This activity is a budgetary center within the General Fund. Expenditures are charged to this activity because of the inability to properly reflect the expenditures in any other activity. This situation exists when an expenditure is incurred by the City in which benefit is realized by more than one activity. Rather than allocate the expense over the many activities in the City, it is much simpler and more auditable to charge it to an activity specifically set up for this type of expenditure – the General Expenditures activity.

Examples of these types of expenditures include postage for City publications and miscellaneous bulk mailings, and operating supplies for the copiers used throughout the City.

Other Charges, such as audit and accounting services for the annual year-end financial report, and contracted services for potential studies and surveys are included in this activity. City street lighting, all liability and property insurance for the City, refunds on tribunal adjustments and City memberships and dues are other items of interest found in this activity.

The General Expenditures activity is its own budgetary center. If, and when, amendments are necessary to this activity, approval must be received from City Council before the adjustment is made. This budgetary center rarely requires any formal budget amendment.■

KEY GOALS

- ***To provide a means of accounting for certain unallocable City-wide expenditures which benefit all City departments or the public at large.***
- ***To provide a means of accounting for certain benefits to residents such as street lighting, weed cutting, and the quarterly City magazine.***
- ***To provide a means of budgeting and accounting for City-wide liability insurance coverage.***

Did you know?...
...that the majority of costs in the General Expenditures activity is for the General Fund's contribution to the City's self-insured liability program and the operating costs for all City-owned street lights?

General Expenditures

SUMMARY OF BUDGET CHANGES

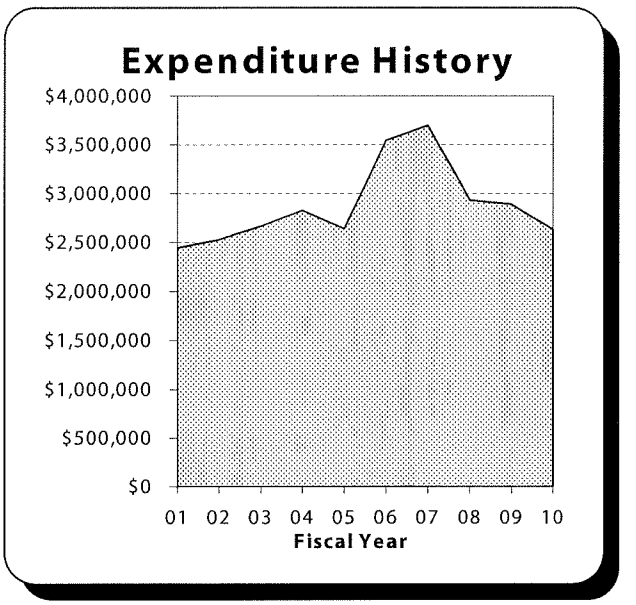
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The Personnel budget remains at $16,500 to fund Citywide unemployment compensation claims.

Supplies – Total Supplies decreased $48,250 or 68.0%. The budget decreased $51,000 as funding for the City Magazine was reassigned to Community Relations to provide a better means of monitoring costs. Copy paper costs rose $2,750.

Other Charges – Total Other Charges decreased $209,000 or 7.5%. Funding declined $86,700 as the reduced printing costs for the City Magazine were transferred to Community Relations. Funding decreased $50,000 due to one-time larger tax tribunal refunds in the prior year. Due to revenue shortfalls, the employee tuition program is proposed to be eliminated saving $20,000. Contracted service costs decreased $15,000 as fewer consultant studies are anticipated. Physical exam funding decreased $14,800, as there are fewer eligible employee groups next year. Street lighting costs decreased $11,100 based on actual expenditures. The budget decreased $9,690 due to a revised allocation of audit costs to the Water & Sewer Fund. Membership costs decreased $2,450 as the Traffic Safety Association of Macomb membership was reassigned to the Police Administration division. The decrease was offset by an inflationary increase in other Citywide membership costs.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$22,823	$16,500	$16,500	$16,500	$16,500
Supplies	70,701	71,000	72,300	22,750	22,750
Other Charges	2,837,767	2,801,140	2,754,560	2,592,140	2,592,140
Total	$2,931,291	$2,888,640	$2,843,360	$2,631,390	$2,631,390

Historical Commission

MISSION STATEMENT: ***To foster an understanding and appreciation of local history and to identify the heritage of our City.***

The Historical Commission strives to promote an awareness of the community's heritage; to identify local preservation concerns; to attend workshops and seminars relating to preservation management; to study public policies designed to protect and preserve local history; to provide opportunities for residents to share and shape their historical legacy.

Through membership in the American Association of State and Local History, the National Council on Public History, and the Historical Society of Michigan, the Commission works to expand its perceptions and knowledge of current practices in the field of local history. It keeps informed of state and federal legislation, as well as identifies sources of funding such as grants and endowments.

The Historical Commission has the responsibility to identify structures and sites of historic significance; to study the value of their preservation, and to make recommendations for future use. The Residential Date Plaque Award Program, established in 1992, has recognized 33 homes of historic value in Sterling Heights as identified by age and architectural significance.

To encourage an appreciation of local history, the Sterling Heights Historical Commission is also responsible for the development of the Sterling Historical Collection in the Upton House. The Commission collects and exhibits items reflecting life and times in our community since its inception as a township in 1835.

The Commission is also a participant in the Veterans History Project created by the United States Congress in 2000 as part of the American Folklife Center at the Library of Congress. As such, the Commission collects and archives the personal recollections of United States wartime veterans from Sterling Heights to honor their service and share their stories with current and future generations.

Finally, the Commission, in partnership with the Friends of the Library, produced a book on local history entitled, *Seven Miles from Home: An Oral History of Sterling Township, a Michigan Farm Community*. In addition, in partnership with the Public Library, the Commission authored *Sterling Township: 1875 – 1968*, a pictorial history.

KEY GOALS

- ***To increase public knowledge about local history and historic preservation.***
- ***To collect and archive historic photographs.***
- ***To collect, maintain, and promote a Sterling Historical Collection in the Upton House.***
- ***To promote cooperation and resource sharing with local, state, and national preservation organizations.***

As Sterling Heights continues to change, it is important to remember that learning about our history creates a bridge from the past to the present. What is happening here today will be tomorrow's history.

The seven member Historical Commission acts in an advisory capacity to the City Council. Members serve uncompensated terms of three years. The Commission, established in 1970, meets quarterly. The Library Director is the staff liaison, relating the activities of the Commission to City Administration.■

Did you know?...
...that the Sterling Heights Historical Commission hosts tours of the Upton House during Sterlingfest and Sterling Christmas?

Historical Commission

2009/10 PERFORMANCE OBJECTIVES

1. To promote the City of Sterling Heights and its history by hosting visitors to the Upton House during the City's Sterlingfest and Sterling Christmas. *(City Goal 26, 27)*

2. To submit an article on a historical topic for each Sterling Heights City Magazine issue. *(City Goal 27)*

3. To develop and maintain a Local History area in the Sterling Heights Public Library. *(City Goal 26, 27)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Meetings Held	4	3	4	4	4	4
	Local History Exhibits and Displays	2	2	2	2	2	2
	Programs/Lectures on Local History Topics	1	1	1	1	1	1
	Professional Memberships	3	3	3	3	3	3
	Historic Photographs and Memorabilia Collected	74	55	42	5	5	5
	Program/Exhibit Attendance	1,408	1,334	1,204	1,350	1,350	1,350

Historical Commission

SUMMARY OF BUDGET CHANGES

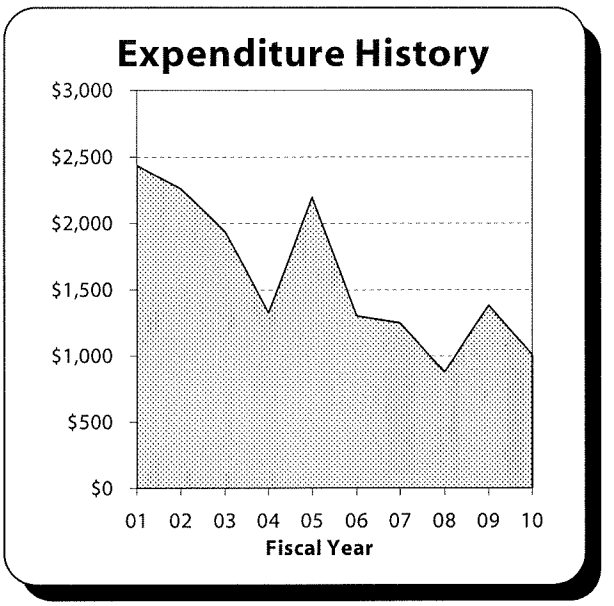
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this activity.

Supplies – Total Supplies decreased $90 or 30.0%. Funding for operating supplies decreased $50 and postage costs decreased $40, as both can be reduced based on recent actual expenditure levels.

Other Charges – Total Other Charges decreased $280 or 25.9%. Contracted service costs decreased $260, as some of the duplication and enlarging of historic photographs can be done in-house more cost efficiently through the Engineering office. $20 was saved as funding for complimentary refreshments at historical programs was reduced.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

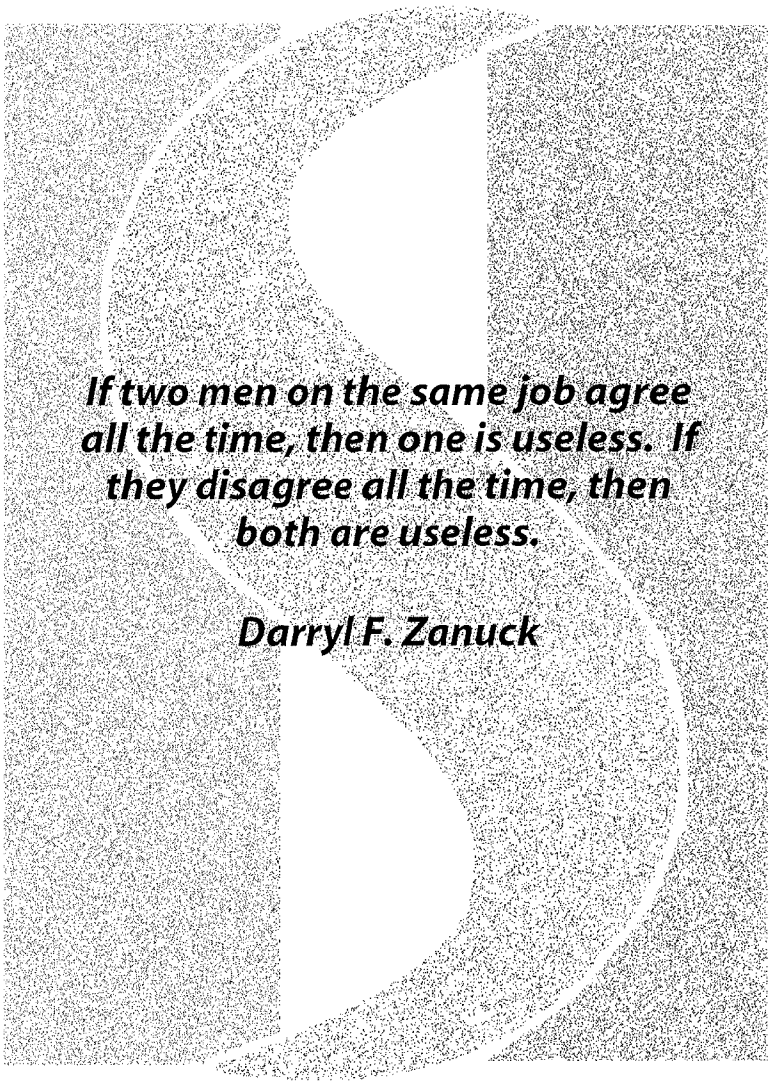
Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	103	300	160	210	210
Other Charges	775	1,080	1,080	800	800
Total	$878	$1,380	$1,240	$1,010	$1,010


If two men on the same job agree all the time, then one is useless. If they disagree all the time, then both are useless.
Darryl F. Zanuck

MISSION STATEMENT: ***To provide all legal services, legal support, and advice to the City Council, City Manager, and City employees in a prompt professional manner.***

The Legal activity is used to account for all legal services charged to the General Fund.

The City Attorney is appointed by the City Council and serves as legal advisor and counsel for the City Council and City Manager. When requested, he advises City department directors and administrators on legal matters.

The City Attorney prosecutes District Court ordinance and traffic violations and represents the City in court cases and other legally constituted tribunals as the City Council may request. The City Clerk keeps copies of all written legal opinions, records, and files relating to City matters.

The City Attorney prepares and reviews all ordinances, contracts, bonds, and other written instruments that are submitted to him by either the City Council or City Manager. All new and modified matters of law and changes in the developments affecting the City are called to the attention of the City Council and City Manager after review by the City Attorney's office.

The City Attorney bills the City on a monthly basis for services rendered. These itemized billings are distributed to those activities that received benefit from the legal services. Administrators review the bills for accuracy and seek clarification from the Financial Services office if discrepancies arise. The General Fund charges will be ultimately expended to the Legal activity in the Legal Services - City Attorney account. This method of accounting for legal services has been determined to be superior to the past practice of recording expenditures in each specific activity. Centralized monitoring is more practical using the current method.

Anticipated payment for outside legal services is also budgeted in this activity. These services include court appointed attorneys, services provided by the public defender, and fees paid to visiting judges.■

KEY GOALS

- ***To provide legal services in an efficient, competent and cost effective manner.***
- ***To identify key legal priorities of the City.***
- ***To assist the City Council and other Boards and Commissions regarding legal issues that may arise at meetings.***
- ***To establish legal procedures, guidelines and standards in support of the City Council and City Administration's missions and goals.***
- ***To provide advice and counsel regarding developing state and federal legislation, as well as recent court decisions.***

Did you know?...
...that Jeffrey A. Bahorski was appointed as City Attorney effective January 20, 2004?

Legal

2009/10 PERFORMANCE OBJECTIVES

1. To provide legal services and guidance in support of City initiatives to assure rapid redevelopment of automotive manufacturing and supplier facilities during this period of business contraction. *(City Goal 9, 10, 11)*

2. To implement new strategies and diligently monitor general legal counsel services in order to ensure the delivery of such services is optimally efficient and within budgeted amounts. *(City Goal 20)*

3. To continue the established practice of developing innovative solutions for all requests made by the City for legal services, aggressively defending against all liability claims made against the City, and working with all offices and departments to decrease the risk of litigation through planning and early intervention. *(City Goal 20)*

4. To diligently prosecute all ordinance violations to ensure the interests of public safety are served and offenders pay all assessed fines and costs. *(City Goal 1, 24)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	District Court Cases	8,132	5,912	4,886	5,100	6,300	6,250
	Legal Opinions Rendered	10	3	4	5	5	4
	Ordinances and Amendments Prepared	25	25	16	25	25	25
	Commission Meetings Attended	51	45	38	45	44	45
	Council Meetings Attended	27	26	28	27	26	27
	Number of Open Lawsuits	14	19	17	15	21	18
	Number of Closed Lawsuits	27	24	13	20	20	20
	Numbers of Files Opened	105	120	85	100	70	75
	Number of Files Closed	86	157	85	90	90	90
	Legislative Issues Reviewed	95	94	90	90	90	95
	Hours Spent on City Business	7,428	6,550	7,527	7,500	7,750	7,600
Efficiency & Effectiveness	% Opinions Replied to on Agreed Schedule	100%	100%	100%	100%	100%	100%
	% Resolutions Drafted on Agreed Schedule	100%	100%	100%	100%	100%	100%
	% Contracts Drafted on Agreed Schedule	100%	100%	100%	100%	100%	100%
	Activity Expenditures as % of General Fund	0.89%	0.88%	0.86%	0.85%	0.90%	0.87%

Legal

SUMMARY OF BUDGET CHANGES

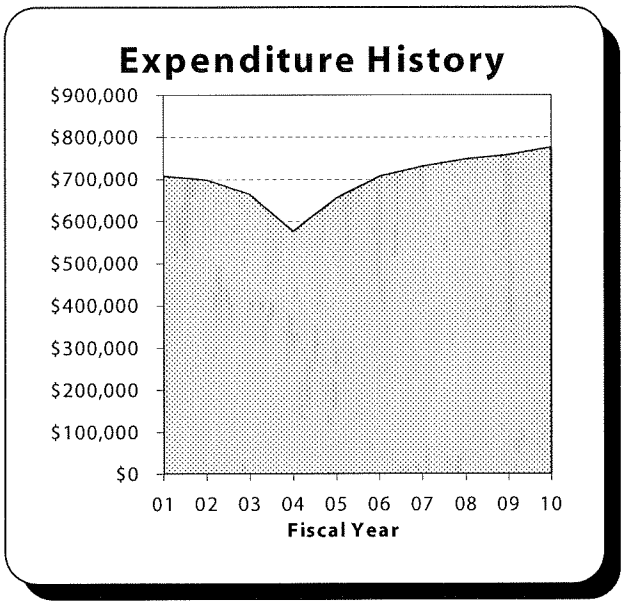
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this activity.

Supplies – There is no Supplies budget for this activity.

Other Charges – Total Other Charges increased $19,000 or 2.5%. $21,000 was added to the budget for City Attorney legal funding based on the increased current year's level of activity, as additional hours of service have been required for additional economic development issues. No hourly rate increase is proposed. Funding decreased $2,000 for court-appointed attorneys, visiting judges, and public defender costs based on recent years' expenditure levels.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

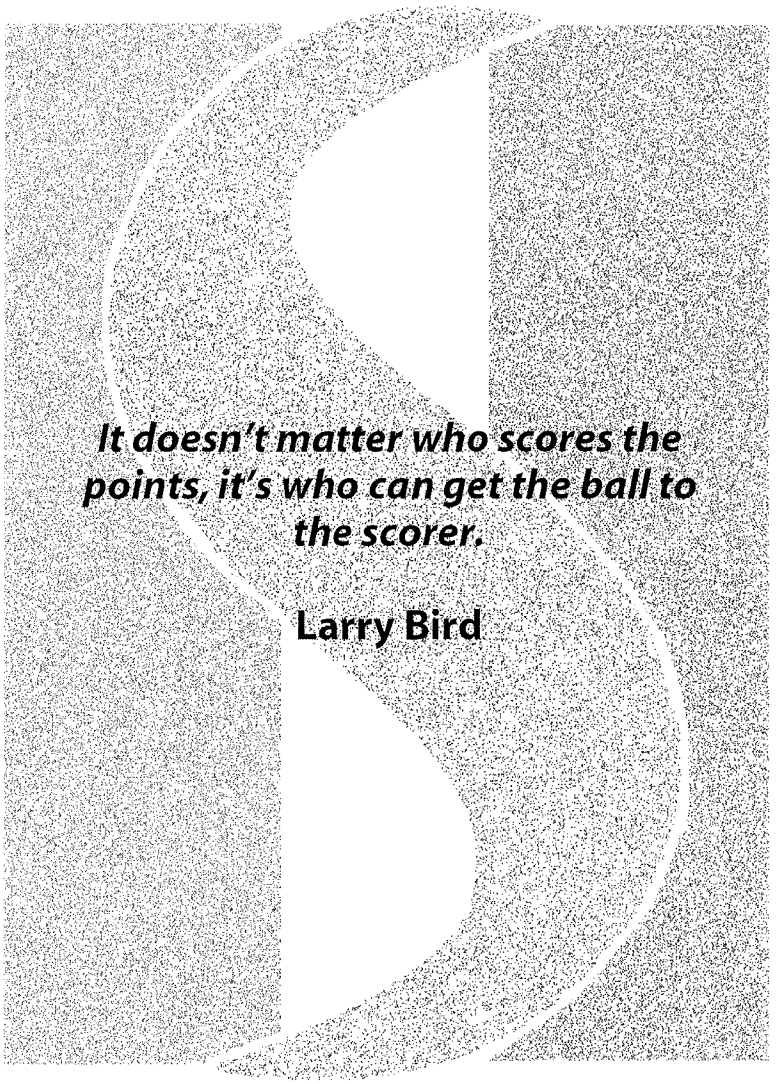
Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	0	0	0	0
Other Charges	747,985	757,000	790,000	776,000	776,000
Total	$747,985	$757,000	$790,000	$776,000	$776,000


It doesn't matter who scores the points, it's who can get the ball to the scorer.
Larry Bird

Planning Commission

MISSION STATEMENT: ***To develop and adopt a Master Land Use Plan for the physical growth and development of the City, review and approve public development proposals and develop and implement zoning and subdivision regulations.***

Ordinance No. 113 adopted in August of 1968 established the Planning Commission. The City Council appointed Commission consists of nine members who serve terms not exceeding three years. The Commission is an activity within the General Fund charged with several key responsibilities. The mission of the Planning Commission involves the preparation of a Master Land Use Plan for the physical development of the City. In furthering the policies and objectives of the adopted Master Land Use Plan, the Planning Commission is also empowered to review and approve a comprehensive Municipal Improvement Program for public structures and improvements.

Similarly, the Planning Commission reviews and approves the development plans on all parks in accordance with the City's adopted Recreation Plan and Municipal Improvement Program.

The Planning Commission reviews and approves subdivision plats of land for conformity with various elements of the Master Land Use Plan and adopted City ordinances. The Commission also provides recommendations to the City Council on amendments to the Zoning and Subdivision Regulation Ordinances. The Commission reviews and recommends plans related to municipal facilities.

The review and approval of special land uses, temporary uses, and temporary buildings are also included among the key responsibilities of the Planning Commission. Recommendations are provided to the City Council relative to proposed projects under the federal Community Development Block Grant (CDBG) Program.

The members of the Planning Commission are compensated as appointed officials. Much of its budgeted expenditures are related to the recording services for the meetings; the publishing of notices or minutes; education and training; and other related matters.

KEY GOALS

- ***To prepare and maintain the City's Master Land Use Plan.***
- ***To prepare and implement zoning regulations affecting the use of land to protect the public's health, safety, and welfare.***
- ***To prepare and implement subdivision regulations related to the subdividing or platting of land.***
- ***To provide technical review and recommendations on rezonings, site plans, special approval land uses, temporary uses, special development options, and subdivision plats.***

The current Master Land Use Plan was developed and adopted by the Planning Commission in May, 2005 with an amendment in April, 2007.■

Did you know?...
...that the Planning Commission recently completed comprehensive revisions to the zoning ordinance, incorporating standards from the newly enacted Michigan Planning and Zoning Enabling Acts?

Planning Commission

SUMMARY OF BUDGET CHANGES

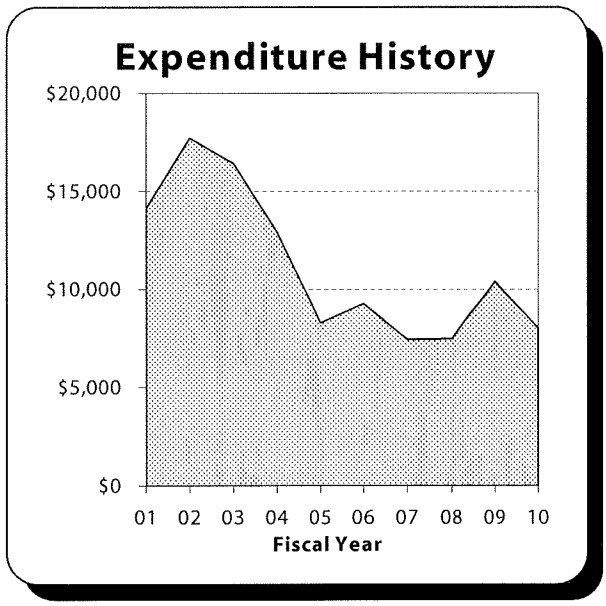
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget decreased by $540 or 16.7%. The budget for the wages paid to the Planning Commissioners can be reduced slightly as the number of Planning Commission meetings has been decreasing over the past several years.

Supplies – Total Supplies decreased $300 or 24.8%. Postage costs decreased $200 and operating supply costs declined $100, both based on prior year actual expenditure usage.

Other Charges – Total Other Charges decreased $1,550 or 26.1%. $500 was saved as fewer newspaper ads are anticipated to be published. Funding for reporting services was reduced by $500 and printing costs decreased $150, as both can be reduced based on recent actual expenditure levels. Funding for educational conferences decreased $400 as prior year funds were never fully spent.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$2,650	$3,230	$2,150	$2,690	$2,690
Supplies	685	1,210	810	910	910
Other Charges	4,150	5,950	3,630	4,400	4,400
Total	$7,485	$10,390	$6,590	$8,000	$8,000

Transfers Out

MISSION STATEMENT: ***To facilitate the accountability of revenues and expenditures by providing a means of tracing the transfer of monies from one fund to another.***

The Transfers Out activity in the General Fund is used to account for the outgoing transfers of funds to support other City funds. The expenditure in this activity is offset in its entirety by a revenue source in the fund receiving the transfer.

This fiscal year, five transfers are budgeted from the General Fund totaling $1,958,810. They include a transfer to the Capital Projects Fund, the Economic Development Corporation Fund, the Limited Tax General Obligation Debt Service Fund, the Local Road Fund, and the Local Development Finance Authority Fund.

The $349,000 Transfer Out to the Capital Projects Fund will be used for the reduced funding of budgeted equipment, vehicles, Information Technology Capital items, and a capital improvement project to repair the Pump Station at the Burton Share Industrial Subdivision storm sewer retention pond.

The $1,047,810 General Fund transfer to the Limited Tax General Obligation Debt Service Fund will be used for the debt payments on the Judicial Services Center, the City Center Commons, and the Public Safety Radio System Equipment bonds.

The $515,000 General Fund transfer to the Local Road Fund is to finance the Neighborhood Road Repair & Replacement Program. The City is continuing to levy a 0.10 millage approved by the voters in 1996 for Proposal N as the Local Road Fund does not have sufficient funds available due to the costs of removing emerald ash borer infested trees in prior years.

The $17,000 Transfer Out to the Economic Development Corporation Fund is to help replenish declining fund reserves, and to fund future marketing and research tools that will help attract and assist businesses looking to locate in the City, and continue to promote citywide economic development and redevelopment issues.

The $30,000 General Fund Transfer to the Local Development Finance Authority Fund will be used to fund the City's operational costs for the new SmartZone business incubator project.

The policy on General Fund transfers is to keep such transfers to a minimum. Financial support provided by the General Fund to other City funds may be required when improvements and additions made to General Fund facilities are prohibited by accounting practices from being expensed out of the General Fund.■

KEY GOALS

- ***To provide a system to track monies out of one fund and into another.***
- ***To accurately transfer out monies in order to provide the appropriate level of funding to allow the receiver fund to pay its obligations.***

Did you know?...
...that the monies for equipment and vehicles for the General Fund offices are transferred out and accounted for in the Capital Projects Fund?

Transfers Out

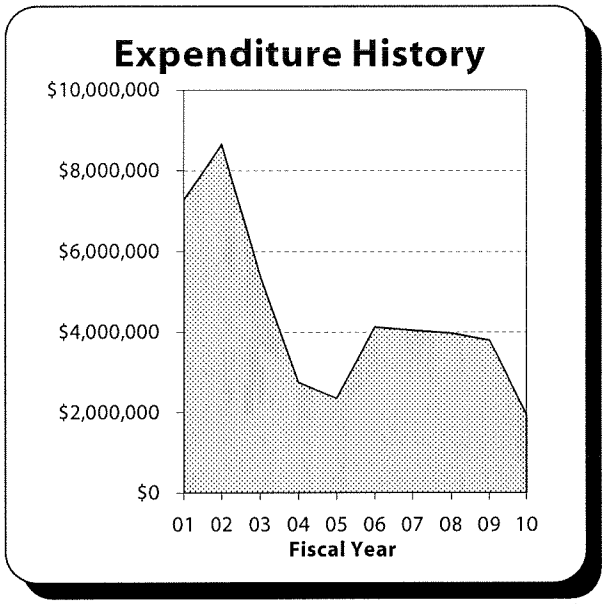
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this activity.

Other Charges – There is no Other Charges budget for this activity.

Transfers Out – Transfers Out to other City funds totals $1,958,810. Transfers to the Local Road Fund totals $515,000, as the City is planning to continue to levy the 0.10 millage approved by the voters in 1996 for Proposal N in order to fund the City's Neighborhood Road Repair and Replacement Program. Transfers to the Economic Development Corporation Fund totals $17,000. Transfers to the Capital Projects Fund totals $349,000 for reduced funding of equipment, vehicles, information technology capital items, and capital projects. ***A listing of all proposed equipment, vehicles, and projects can be found in the Capital schedules within the Capital Projects section of this budget document.*** Transfers to the Limited Tax General Obligation Debt Service Fund totals $1,047,810. This transfer will fund the principal and interest payments on the Judicial Services Center, the City Center Commons, and the Public Safety Radio System Equipment bonds. Transfers to the Local Development Finance Authority Fund totals $30,000 to fund the City's operational costs for the new SmartZone business incubator project.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Other Charges – Council made no adjustments to Other Charges.

Transfers Out – Council made no adjustments to Transfers Out.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Transfers Out	3,978,200	3,801,150	3,553,150	1,958,810	1,958,810
Total	$3,978,200	$3,801,150	$3,553,150	$1,958,810	$1,958,810

Zoning Board of Appeals

MISSION STATEMENT: ***To hear and act upon appeals on various zoning matters related to the development and use of land in the City and to provide ordinance interpretation.***

The Zoning Board of Appeals was established in accordance with Zoning Ordinance No. 278. The Board performs its duties and exercises its powers as provided in Act 110 of the Public Acts of 2006, as amended. Execution of its duties are performed in such a way that the objectives of the Zoning Ordinance shall be observed and met, public safety secured, and substantial justice done. The Zoning Board of Appeals consists of seven members appointed by City Council for a term of three years.

The Zoning Board of Appeals enjoys all the powers granted to it by both State law and Ordinance No. 278, which includes certain specific powers. Ordinance and map interpretations, modification of height, wall, buffering, screening and landscape requirements, modification of vehicle parking stalls, loading area and placement regulations, and the granting of use variances are specific examples of power granted to this Board.

The members of the Board are compensated as appointed officials. Much of its budgeted expenditures are related to the recording services for the meetings; the publishing of notices or minutes; education and training; and other related matters.

Zoning Board of Appeals meetings are open to the public except those authorized to be conducted in closed session pursuant to the Open Meetings Act. The public is afforded the opportunity to speak at any public hearing in accordance with the Rules of Procedure and Bylaws of the Board. No business is conducted unless a majority of the members are present.

If the Board approves a variance, it shall remain in effect only as long as the facts and circumstances, as presented, continue to exist and conditions attached to the approval are satisfied and maintained. If the variance is not exercised within 12 months from the date it was granted, the variance shall lapse.

The appeal process begins by filing a notice of appeal accompanied by an application fee. The notice of appeal must specify the requirement from which a variance is sought and the nature and extent of such variance. An official record is prepared for each appeal upon which the Board has based a decision.■

KEY GOALS

- ***To review and act upon use and dimensional variances to the City's Zoning Ordinance.***
- ***To hear appeals in regard to special land uses and planned unit developments.***
- ***To hear and act upon appeals made from a review, order, requirement, decision or determination made by a public body or official administering the Zoning Ordinance.***
- ***To hear and act upon questions referred to the Board that may arise from the administration of the Zoning Ordinance including ordinance interpretation, standards review and the zoning district map.***

Did you know?...
...that the Zoning Board of Appeals recently reviewed and approved development plans for the Terraces at Riverwalk, paving the way for a $16 million residential development in the Van Dyke Corridor Improvement Authority District?

Zoning Board of Appeals

SUMMARY OF BUDGET CHANGES

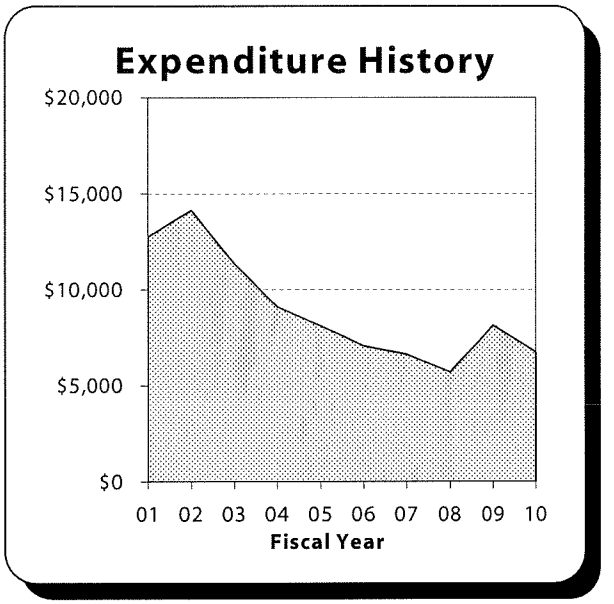
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget decreased by $270 or 11.2% from the prior year. The budget for the wages paid to the Board members can be reduced slightly as the number of meetings held has been decreasing for the past several years.

Supplies – Total Supplies decreased $100 or 10.8%. Postage costs and operating supply costs each declined $50, as both can be reduced in accordance with recent actual expenditure levels.

Other Charges – Total Other Charges decreased $1,000 or 21.0%. $400 was saved as fewer newspaper ads are anticipated to be published. Funding for educational conferences decreased $400 as prior year funds were never fully spent. Funding for reporting services was reduced by $200 based on historic actual expenditure trends.

Capital – There is no Capital proposed for this activity.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

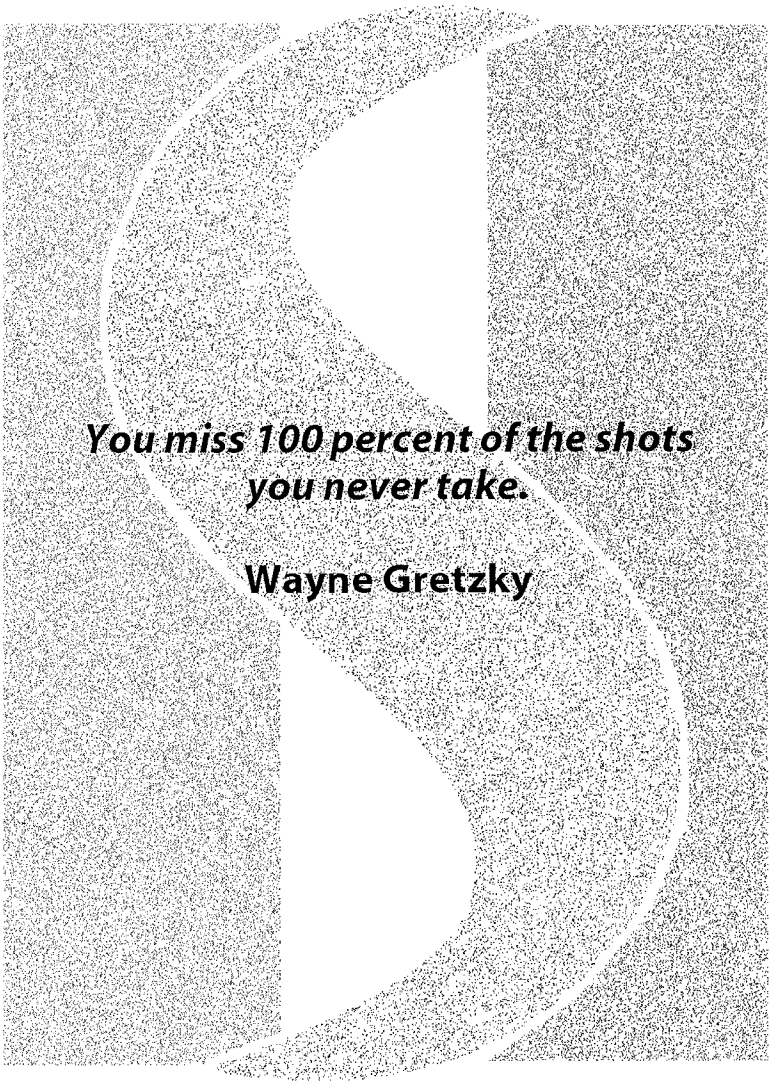
Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,907	$2,420	$2,040	$2,150	$2,150
Supplies	576	930	780	830	830
Other Charges	3,202	4,770	3,370	3,770	3,770
Total	$5,685	$8,120	$6,190	$6,750	$6,750


You miss 100 percent of the shots
you never take.
Wayne Gretzky

Water & Sewer Fund

The Water & Sewer Fund is an Enterprise Fund responsible for operation of the city's combined water supply and sewage disposal system. The fund is used to finance the cost of providing services to residents through user fees. Activities that make up the Water & Sewer Fund include Water & Sewer Administration, Water Distribution, and Sewage Collection.

Water & Sewer Fund

The Enterprise Fund of the City of Sterling Heights is the Water & Sewer Fund. It is used to provide water and sewer services to residential, industrial, and commercial customers. It is self-supporting and is designed to meet its obligations free of taxation. An annual independent audit is prepared on prior year financial results and administrative staff projects a forecast of the next year. Together they are used to determine what, if any, adjustments need to be made so that the fund will remain financially sound.

Due to a surplus in the Water & Sewer System, the City was able to absorb the rate increases from Detroit until it became clear that the diminishing returns on investments were an unreliable source of revenue to fully offset the higher costs of doing business. In 1992, it became necessary for the City to raise its water and sewage rates as a direct result of the increases from Detroit.

Historically, Sterling Heights has not passed on the full City of Detroit water and sewage rate increases. Over the past 16 years, Detroit has increased its rates by an average of 7.1% per year, while Sterling Heights has increased its rates by only 5.3% per year. In addition, the City has made several adjustments to its rate structure as a direct result of changes in the way the City is billed for water and sewage disposal costs.

For example, in 1998/99, Macomb County increased its administrative charge from $.08 to $.10 per mcf. Detroit also increased its water and sewage rates by 7.2% and 4.1%, respectively. Sterling Heights passed along only a 3% increase, but the third tier sewage rate rose 6.5% to fully cover our sewage cost. The City also increased the summer discount from a maximum of $15 to $25.

In 2000/01, Detroit decreased its sewage rate 6.6%. The decrease, however, was offset by a yearly fixed direct charge for treating inflow and infiltration. As a result, the City passed along a 4.9% sewage rate increase to its customers.

In 2001/02, Detroit increased the fixed direct charge by 48.4% and raised its water and sewage rates 10.5% and 0.8%, respectively. Detroit also completed the replacement of their sewage meters, resulting in a 6.3% increase in volumes. Sterling Heights passed along an 8.9% water rate increase and a 9.9% sewage rate increase to its customers.

In 2003/04, Detroit increased its water and sewage rates 5.0% and 8.6%, respectively. The fixed direct charge decreased slightly due to lower sewage volumes, as Detroit dye tested their new meters and adjusted volumes downward. Sterling Heights passed along a 4.9% water rate increase and a 6.9% sewage rate increase to its customers. The City also implemented a single-tier rate structure.

In 2004/05, Detroit implemented a new computerized meter reading system to accurately obtain the maximum day and peak hour usage of water. As a result, Detroit increased its water rate 16.5% and its sewage rate 4.4%. Sterling Heights passed along an 11.9% water and sewage rate increase to its customers.

In 2005/06, sewage disposal fees from Detroit increased a total of 8.9%, to include charges for the 15 Mile sewer repair and a slight sewage rate increase. Detroit also raised its water rate 7.7%. Sterling Heights passed along these same rate increases. The City also changed from a single-tier to an inclining two-tier water rate structure to help reduce maximum day and peak hour usage and lessen future water cost increases from Detroit.

In 2008/09, the Detroit water and sewage rates increased by 0.5% and 5.6% respectively. Sterling Heights passed along only a 3.9% water rate increase and a 3.9% sewage rate increase to its customers. In addition, for the first time in 10 years, the City increased its maximum summer discount by $1 to $26.

In 2009/10, the water rate from Detroit is increasing by 8.7%, though due to the economy, the estimated water volume purchases will decline by 3.6%. Sewage disposal fees from Detroit are increasing by a total of 2.3% due to a slight increase in the sewage rate, as well as a new District debt for the North Gratiot interceptor project. As a result of the Detroit increases and lower projected water consumption volumes, the City of Sterling Heights is passing along a 4.9% water and a 6.9% sewer rate increase to its customers.■

Did you know?...
...that the City's markup on Detroit's water rate is only 12.3%, compared to the average 125% markup of the 126 surrounding communities?

WATER & SEWER SYSTEM
OPERATING FUND REVENUES & EXPENSES

Budgetary Centers	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
REVENUES						
Water & Sewer Service	$23,091,630	$25,475,190	$26,867,360	$24,012,930	$27,526,330	**$27,526,330**
Penalties & Interest	445,720	426,420	425,000	450,000	475,000	**475,000**
Hydrant Rental	174,750	177,500	177,500	177,500	159,750	**159,750**
Building Rental	1,200	1,200	1,200	1,200	1,200	**1,200**
Interfund Service	411,990	311,490	371,900	312,900	350,100	**350,100**
Tap and Meter Revenue	539,890	324,710	480,000	404,000	424,000	**424,000**
Repair and Service	20,760	11,190	10,000	7,000	8,000	**8,000**
Inspection Fees	10,480	5,380	7,500	4,000	4,000	**4,000**
Turn-On Charge	3,980	8,560	4,000	9,000	9,000	**9,000**
Ind./Pollution Surcharge	628,880	611,780	600,000	600,000	600,000	**600,000**
Miscellaneous	64,290	87,870	65,000	60,000	60,000	**60,000**
Interest on Investments	1,118,140	971,130	800,000	800,000	755,000	**755,000**
Total Revenues	**$26,511,710**	**$28,412,420**	**$29,809,460**	**$26,838,530**	**$30,372,380**	**$30,372,380**
EXPENDITURES						
WATER & SEWER ADMIN.						
Personnel Services	$835,170	$925,000	$909,210	$952,900	$983,250	**$983,250**
Supplies	17,360	11,900	12,500	13,000	12,500	**12,500**
Other Charges	6,780,640	6,853,770	2,217,310	2,232,740	2,341,540	**2,341,540**
Capital Outlay	0	0	50,000	50,000	100,000	**100,000**
Total Expenses	**7,633,170**	**7,790,670**	**3,189,020**	**3,248,640**	**3,437,290**	**3,437,290**
WATER DISTRIBUTION						
Personnel Services	1,115,610	1,117,930	1,180,450	1,209,250	1,149,560	**1,149,560**
Supplies	218,240	139,390	213,000	173,000	210,000	**210,000**
Other Charges	9,340,220	9,820,660	11,047,180	9,413,200	11,027,080	**11,027,080**
Capital Outlay	0	0	649,140	643,990	220,000	**220,000**
Total Expenses	**10,674,070**	**11,077,980**	**13,089,770**	**11,439,440**	**12,606,640**	**12,606,640**
SEWAGE COLLECTION						
Personnel Services	1,179,520	1,200,780	1,310,240	1,268,540	1,349,660	**1,349,660**
Supplies	55,450	72,420	56,460	66,460	66,500	**66,500**
Other Charges	10,682,950	12,422,390	12,742,970	12,786,260	12,883,120	**12,883,120**
Capital Outlay	0	0	282,220	255,130	32,000	**32,000**
Total Expenses	**11,917,920**	**13,695,590**	**14,391,890**	**14,376,390**	**14,331,280**	**14,331,280**
Total Operating Expenses	**$30,225,160**	**$32,564,240**	**$30,670,680**	**$29,064,470**	**$30,375,210**	**$30,375,210**

Note: Miscellaneous Revenue excludes Water & Sewer Special Assessment Revenue, Penalties & Interest on Special Assessments, and Capital and Frontage charges.

Water & Sewer Fund Revenues

CHARGES FOR SERVICES

Charges for Services consists of revenue received from individuals, businesses, and other City funds. These monies are used to reimburse the Water & Sewer Fund for services provided to other entities, funds, or departments. The primary revenue accounts within this revenue center include Water Services and Sewage Collections.

In the 2009/10 Budget, Charges for Services revenue represents 96.98% of total revenue sources, an increase of $613,920.

The 2009/10 Budget recommends a 4.9% increase on water rates and a 6.9% increase on sewage rates charged to our resident and corporate customers. These increases are a result of the City of Detroit's increase in water and sewage rates it charges the City of Sterling Heights as well as a reduction in water consumption volumes as more homeowners have reduced their outdoor watering needs.

In 2005/06, the City changed its water rate system from a single tier rate structure to an inclining two-tier rate structure. In order to lessen higher future water costs from Detroit, the City began charging a slightly higher water rate for above average water consumption. This rate plan lowers the water rate increase that has to be passed on to the average city resident. The average residential customer will pay $40.50 per month for water and sewer services and will save money as a result of the inclining two-tier rate structure. This plan helps to encourage water conservation and allows us to better recover our costs from the systems larger users, thereby helping to maintain our low rates for all customers.

The average residential customer will pay $40.50 per month for water & sewer services and will save money as a result of the inclining two-tier rate structure.

OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Rental Income, and Miscellaneous Revenue.

In the 2009/10 Budget, Other Revenues represents 3.02% of total revenue sources, a decrease of $51,000 below the 2008/09 Budget. This decrease is mostly due to a decrease in Interest on Investment revenues.

In the 2009/10 Budget, Other Revenues represents 3.02% of total revenue sources, a decrease of $51,000 below the 2008/09 Budget.

USE OF NET ASSETS

A budgeted Use of Net Assets exists when expenses exceed revenues provided that funds are available.

In the 2009/10 Budget, expenditures slightly exceed revenues, resulting in a $2,830 use of net assets. The Water & Sewer Fund is typically self-supporting and is designed to break even. Water and sewage rates are set strictly to finance the City's cost of providing services to its customers.■

WATER & SEWER FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	CHARGES FOR SERVICES						
627444	Administrative Services - Roads	11,878	0.04	20,000	0.07	**20,000**	**0.07**
627531	Administrative Services - Refuse	97,240	0.34	72,900	0.24	**75,100**	**0.25**
629001	Labor Services - Roads	46,838	0.16	83,000	0.28	**80,000**	**0.26**
629002	Labor Services Cross Charges	55,311	0.19	50,000	0.17	**40,000**	**0.13**
633001	Water Tap Fees	23,120	0.08	125,000	0.42	**120,000**	**0.40**
633002	Sewer Tap Fees	3,610	0.01	5,000	0.02	**4,000**	**0.01**
633003	Meter Charges	297,977	1.05	350,000	1.17	**300,000**	**0.99**
633004	Inspection	5,379	0.02	7,500	0.03	**4,000**	**0.01**
633005	Water & Sewer Services	11,188	0.04	10,000	0.03	**8,000**	**0.03**
633006	Hydrant Rental - Fire Department	177,500	0.62	177,500	0.60	**159,750**	**0.53**
633009	Turn-On Charge	8,558	0.03	4,000	0.01	**9,000**	**0.03**
634001	Materials/Supplies Cross Charges	24,301	0.09	45,000	0.15	**35,000**	**0.12**
643000	Water Services	11,245,031	39.58	11,863,080	39.80	**12,044,330**	**39.66**
644000	Collections - Sewer	14,230,159	50.08	15,004,280	50.33	**15,482,000**	**50.97**
645000	Penalties - Water & Sewer	426,422	1.50	425,000	1.43	**475,000**	**1.56**
646000	Industrial & Pollution Surcharge	611,785	2.15	600,000	2.01	**600,000**	**1.98**
	Total Charges for Services	**27,276,297**	**96.00**	**28,842,260**	**96.76**	**29,456,180**	**96.98**
	OTHER REVENUE						
665000	Interest on Investments	971,127	3.42	800,000	2.68	**755,000**	**2.49**
667006	Building Rental - Garage	1,200	0.00	1,200	0.00	**1,200**	**0.00**
669001	Rental - Road Equipment	42,741	0.15	71,000	0.24	**70,000**	**0.23**
669002	Rental/Equipment Cross Charges	33,181	0.12	30,000	0.10	**30,000**	**0.10**
685000	Miscellaneous Revenue	87,869	0.31	65,000	0.22	**60,000**	**0.20**
	Total Other Revenue	**1,136,118**	**4.00**	**967,200**	**3.24**	**916,200**	**3.02**
	Total Water & Sewer Fund	**$28,412,415**	**100.00**	**$29,809,460**	**100.00**	**$30,372,380**	**100.00**

Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

WATER & SEWER FUND
EXPENDITURE SUMMARY BY ACCOUNT

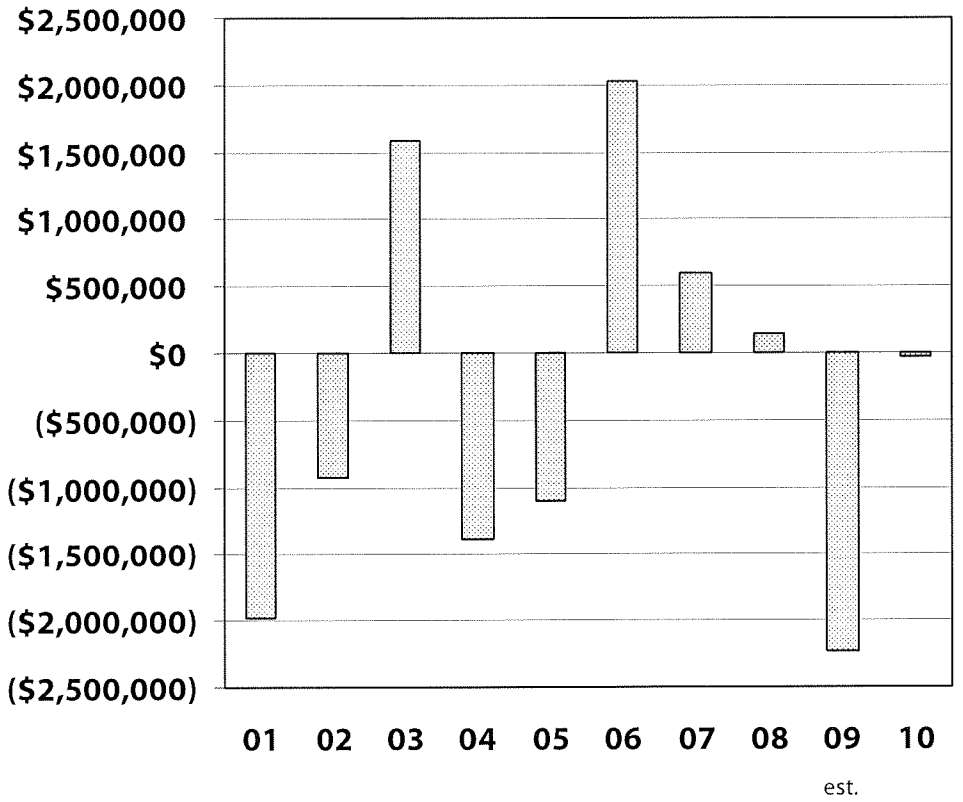
Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	PERSONNEL SERVICES						
704000	Wages & Salaries - Permanent	$1,714,669	5.27	$1,850,260	6.03	**$1,885,060**	**6.21**
704001	Sick Time Buy Back	10,530	0.03	2,700	0.01	**3,250**	**0.01**
704721	Health Insurance Allowance	1,500	0.00	1,500	0.00	**1,500**	**0.00**
705000	Wages-Salaries - Temp/Part-Time	81,242	0.25	58,590	0.19	**54,840**	**0.18**
708000	Overtime	204,285	0.63	180,000	0.59	**188,000**	**0.62**
708001	Compensation Time Buy Back	15,760	0.05	12,000	0.04	**15,000**	**0.05**
709000	Union Contract Reimbursements	32,089	0.10	33,550	0.11	**33,300**	**0.11**
710000	Longevity	110,151	0.34	87,810	0.29	**82,150**	**0.27**
715000	Clothing Allowance	9,209	0.03	9,300	0.03	**9,100**	**0.03**
717000	FICA	162,279	0.50	167,920	0.55	**170,820**	**0.56**
718000	Worker's Compensation	12,974	0.04	13,890	0.05	**13,630**	**0.04**
720000	Pension - General Emp Retirement	0	0.00	0	0.00	**22,940**	**0.08**
720002	Defined Contribution - Employer	0	0.00	7,140	0.02	**7,160**	**0.02**
721000	Hospitalization	334,335	1.03	351,380	1.15	**353,120**	**1.16**
721001	Hospitalization - Retirees	504,110	1.55	562,450	1.83	**583,200**	**1.92**
721003	Retiree Health Savings - City	0	0.00	3,000	0.01	**2,000**	**0.01**
722000	Dental Insurance	26,206	0.08	30,630	0.10	**30,180**	**0.10**
723000	Life Insurance	6,318	0.02	7,110	0.02	**6,690**	**0.02**
724000	Eye Care Insurance	2,799	0.01	3,330	0.01	**3,130**	**0.01**
725000	Disability Insurance - Long Term	4,191	0.01	4,760	0.02	**4,650**	**0.02**
725355	Disability Insurance - Short Term	11,058	0.03	12,580	0.04	**12,750**	**0.04**
	Total Personnel Services	**3,243,705**	**9.96**	**3,399,900**	**11.09**	**3,482,470**	**11.46**
	SUPPLIES						
729000	Postage	1,388	0.00	1,500	0.00	**1,500**	**0.00**
750000	Fuels & Lubricants	98,217	0.30	79,500	0.26	**89,500**	**0.29**
751000	Operating Supplies	63,296	0.19	32,960	0.11	**35,000**	**0.12**
770000	Water Meters - Assembled	15,833	0.05	125,000	0.41	**125,000**	**0.41**
771000	Fire Hydrant Parts	18,228	0.06	10,000	0.03	**10,000**	**0.03**
772000	Tap-In Materials - Water	21,127	0.06	30,000	0.10	**25,000**	**0.08**
774000	Water Meter Parts	5,621	0.02	3,000	0.01	**3,000**	**0.01**
	Total Supplies	**223,710**	**0.69**	**281,960**	**0.92**	**289,000**	**0.95**
	OTHER CHARGES						
802000	Audit & Accounting Services	14,000	0.04	14,930	0.05	**24,350**	**0.08**
806000	Legal Services - Other	85	0.00	200	0.00	**200**	**0.00**
806001	Legal Services - City Attorney	17,868	0.05	10,000	0.03	**10,000**	**0.03**
807000	Medical Services	1,834	0.01	2,000	0.01	**2,000**	**0.01**
810000	Other Fees	40,731	0.13	45,000	0.15	**70,600**	**0.23**
823000	Hydrant Moves - Contractor	2,000	0.01	1,000	0.00	**1,000**	**0.00**
824000	Water Tap Installation - Contractor	17,135	0.05	50,000	0.16	**30,000**	**0.10**
826000	Other Contracted Services	56,086	0.17	35,000	0.11	**45,000**	**0.15**
827000	Interfund Services	1,643,220	5.05	1,649,160	5.37	**1,683,600**	**5.54**
832000	Building Maintenance	1,362	0.00	3,000	0.01	**2,000**	**0.01**

WATER & SEWER FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
833000	Equipment Maintenance	51,803	0.16	80,000	0.26	**83,000**	**0.27**
835000	Vehicle Maintenance	133,237	0.41	149,000	0.49	**145,000**	**0.48**
840000	Water Main Repair	143,028	0.44	120,000	0.39	**120,000**	**0.40**
841000	Distribution Line Repair	148,657	0.46	170,000	0.55	**160,000**	**0.53**
842000	Sewer Main Repair	15,768	0.05	25,000	0.08	**20,000**	**0.07**
903000	Printing	1,204	0.00	1,000	0.00	**800**	**0.00**
913000	Liability Insurance	250,000	0.77	260,000	0.85	**267,800**	**0.88**
915000	Other Insurance	2,340	0.01	2,390	0.01	**2,460**	**0.01**
921000	Electric	33,110	0.10	32,400	0.11	**38,900**	**0.13**
922000	Telephone	5,093	0.02	5,000	0.02	**4,300**	**0.01**
923000	Gas - Fuel - Oil	15,287	0.05	17,000	0.06	**17,500**	**0.06**
931000	Water Purchased	9,424,067	28.94	10,659,600	34.76	**10,659,600**	**35.09**
932000	Sewage Disposal Services	11,946,577	36.69	12,189,680	39.74	**12,351,860**	**40.66**
934000	Industrial & Pollution Surcharge	307,804	0.95	315,000	1.03	**315,000**	**1.04**
945000	Other Rental	139,564	0.43	159,010	0.52	**188,190**	**0.62**
956000	Local Meetings	467	0.00	270	0.00	**220**	**0.00**
957000	Memberships & Dues	897	0.00	1,090	0.00	**1,160**	**0.00**
959000	Education & Training	3,937	0.01	4,730	0.02	**3,200**	**0.01**
964000	Refunds & Rebates	2,644	0.01	6,000	0.02	**4,000**	**0.01**
968000	Depreciation	4,677,020	14.36	0	0.00	**0**	**0.00**
	Total Other Charges	**29,096,825**	**89.35**	**26,007,460**	**84.79**	**26,251,740**	**86.43**
	CAPITAL OUTLAY						
975000	Buildings & Improvements	0	0.00	50,000	0.16	**0**	**0.00**
979000	Computer Equipment	0	0.00	0	0.00	**100,000**	**0.33**
982000	Machinery & Equipment	0	0.00	636,520	2.08	**252,000**	**0.83**
984000	Vehicles	0	0.00	294,840	0.96	**0**	**0.00**
	Total Capital Outlay	**0**	**0.00**	**981,360**	**3.20**	**352,000**	**1.16**
	Total Water & Sewer Fund	**$32,564,240**	**100.00**	**$30,670,680**	**100.00**	**$30,375,210**	**100.00**

Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

Water & Sewer Net Income from Operations



This graph illustrates the net income from operations in the Water & Sewer fund. These numbers reflect the truest picture of the results of Water & Sewer fund operating performance upon which the City's water & sewer rates are established.

Revenue includes interest on investments for both the Water & Sewer Operating and Receiving funds. Expenses exclude depreciation costs and include capital outlay costs.

FUNCTIONAL ORGANIZATION CHART

Water & Sewer Fund
(Public Works Department)

Water & Sewer Administration

- Administration of the department
- Provides oversight of the noxious weed cutting program
- Provides radio contact with field crews, transmitting and receiving all radio calls through the base station
- Provides clerical support to the department
- Reviews and approves the budget submissions from all divisions of the department
- Provides security to the Public Works Facility

Water Distribution

- Provides accurate and continuous readings of all water meters
- Maintains fire hydrants keeping them in proper functioning condition
- Responds to service request calls relating to the water distribution system
- Inspects, assists and supervises subcontractors in the repair of watermain breaks

Sewage Collection

- Maintains and inspects retention ponds
- Cleans and inspects sanitary sewers
- Responds to emergency flood conditions 24 hours a day, seven days a week
- Maintains and repairs cracks and obstructions which affect the design and flow of the sanitary sewer system

DEPARTMENT AT A GLANCE

Water & Sewer Fund

BUDGET SUMMARY

The Water & Sewer Fund budget decreased by $295,470 or 1.0%. The overall decrease is a result of the one-time costs for the new automated commercial water meter reading system in the prior year. As a result, Capital Outlay costs fell by $629,360. Personnel costs rose by $82,570 or 2.4%, as a vacant Laborer position in Water Distribution has been eliminated, saving 62,000. The meter reading position is no longer needed, as the new meter reading system is now operational. Supplies increased by $7,040 or 2.5% due to higher fuel prices. Other Charges increased by $244,280 or 0.9%. The cost of water purchased remained nearly the same, as the past year's 0.5% rate increase from Detroit was less than the announced 5.3% increase as a result of signing the new model water contract. For next year, Detroit has increased the City's water rate by 8.7%, though due the economy and recent usage trends, the estimated water volume purchased will decline by 3.6%. Sewage disposal costs have risen by $162,180 due to a 1.5% Detroit rate increase and $242,700 in new District debt for the North Gratiot interceptor project.

FUNDING LEVEL SUMMARY

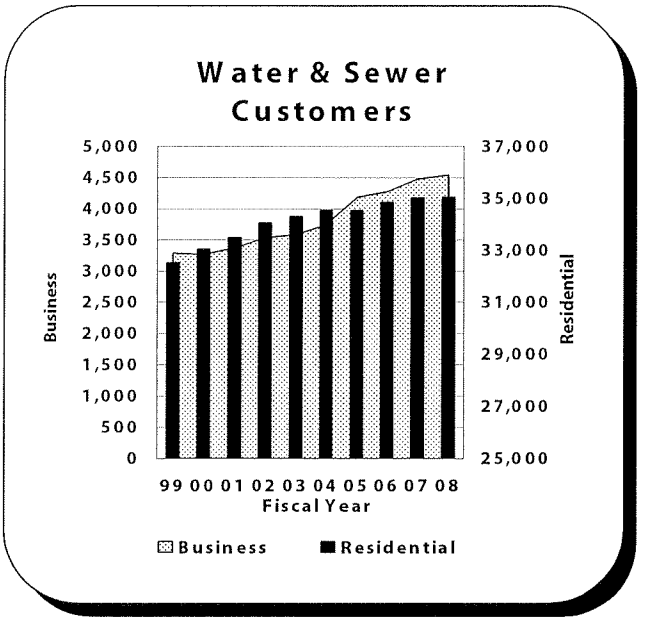
	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget	% Change from 08/09
Water & Sewer Admin.	$7,633,170	$7,790,670	$3,189,020	$3,437,290	7.8%
Water Distribution	10,674,070	11,077,980	13,089,770	12,606,640	-3.7%
Sewage Collection	11,917,920	13,695,590	14,391,890	14,331,280	-0.4%
Total Department	$30,225,160	$32,564,240	$30,670,680	$30,375,210	-1.0%
Personnel Services	$3,130,300	$3,243,700	$3,399,900	$3,482,470	2.4%
Supplies	291,050	223,710	281,960	289,000	2.5%
Other Charges	26,803,810	29,096,830	26,007,460	26,251,740	0.9%
Capital Outlay	0	0	981,360	352,000	-64.1%
Total Department	$30,225,160	$32,564,240	$30,670,680	$30,375,210	-1.0%

PERSONNEL SUMMARY

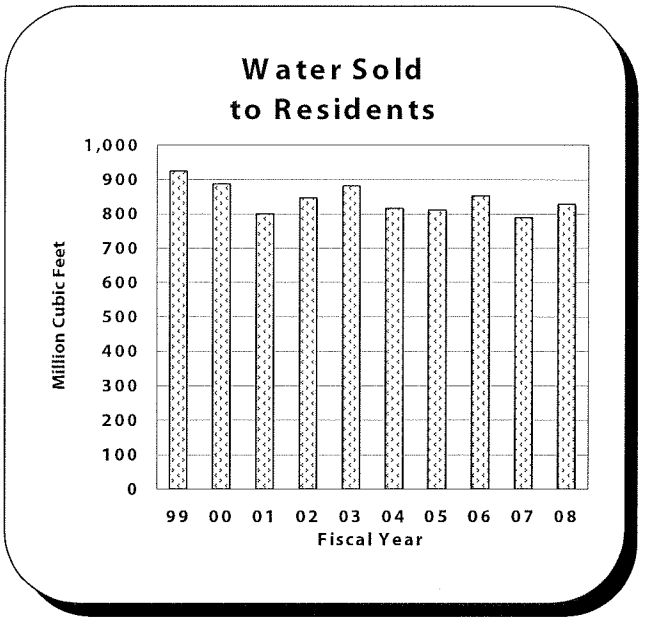
	2006/07		2007/08		2008/09		2009/10	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Water & Sewer Admin.	9	0	9	0	9	0	9	0
Water Distribution	12	2	12	2	12	2	11	2
Sewage Collection	14	4	14	4	14	4	14	4
Total Department	35	6	35	6	35	6	34	6

KEY FUND TRENDS

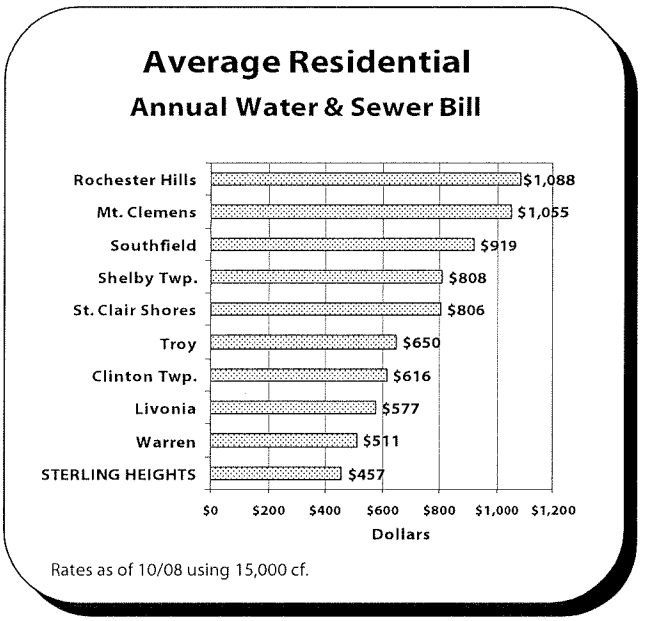
Water & Sewer Fund



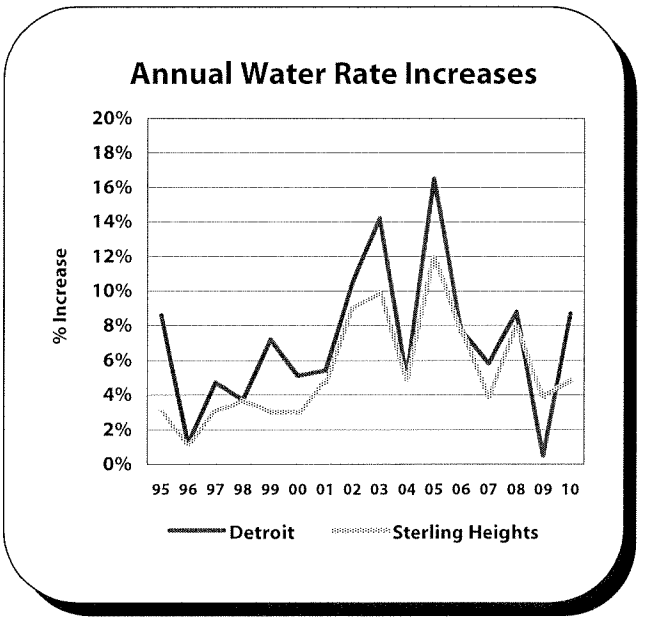
The number of both business and residential Water & Sewer customers has steadily increased over the past ten years due to continued growth and development in the City.



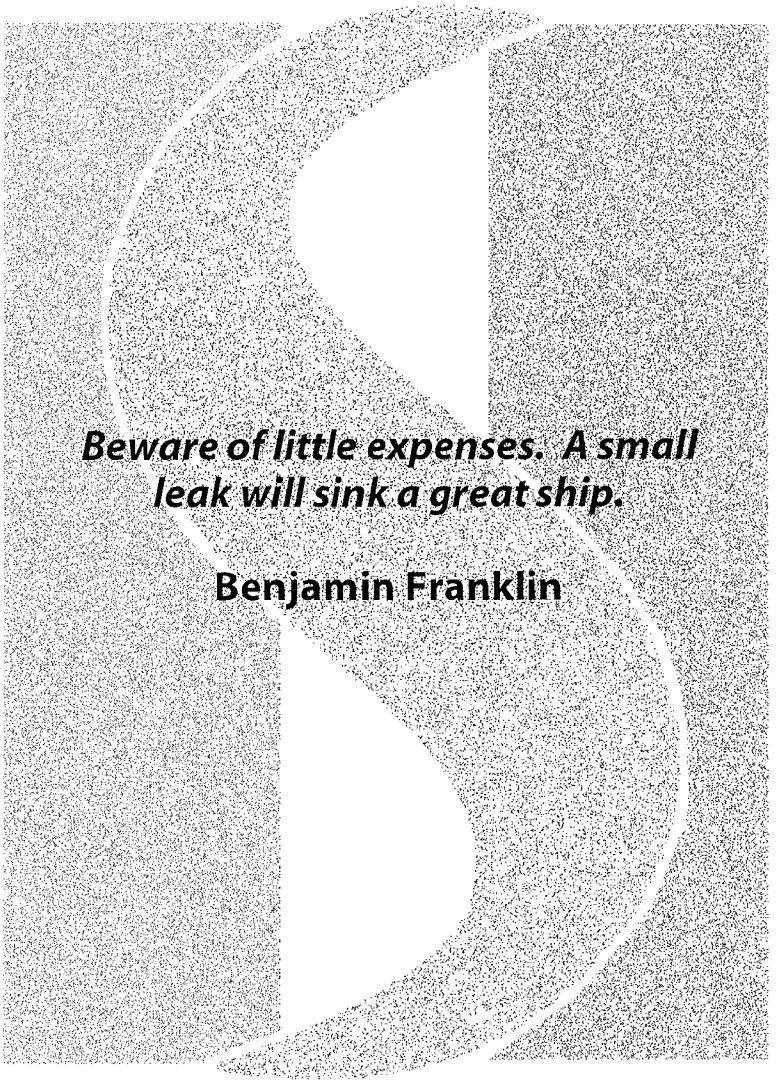
Over the past ten years, the City has sold a fluctuating amount of water to our residents and businesses. The decrease in some years is largely a result of increased rainfall or economic conditions, which lowers the demand and use for irrigation purposes.



The City purchases its water and sewer services through the City of Detroit. The average resident pays $457 annually or $38 per month for such services. This amount compares very favorably to all nearby communities. In fact, our residents pay 12% less than the next lowest city (Warren) and almost 2.5 times less than the highest (Rochester Hills). We recently changed to an inclining two-tier rate structure that benefited many residential users. According to independent studies conducted in 1995, 2000, and 2003, Sterling Heights continues to have the lowest residential water and sewer rate of any city in the state with more than 25,000 residents.



Historically, Sterling Heights has not passed on the full City of Detroit water and sewer rate increases to our customers. For example, in 1995 Detroit increased its rates to us by 8.6%, we passed on only a 3% increase. In 1999, Detroit increased our rates 7.2%, we passed on only 3%. In 2003, Detroit increased our rates by 14.2%, we passed on only 9.9%. Detroit has increased its rates by an average of 7.1% per year over the past 16 years. Sterling Heights has increased its rates by only 5.3% per year. We continue to have one of the lowest mark-ups on Detroit's rate of any city.


Beware of little expenses. A small leak will sink a great ship.
Benjamin Franklin

Water & Sewer Administration

MISSION STATEMENT: ***To plan, direct and coordinate the operations of the Public Works Department and provide the administrative functions appropriate and necessary to ensure the efficient and effective delivery of the best in public services to the community.***

The Water & Sewer Administration activity plans, directs, and coordinates the Water & Sewer Operations, Refuse Collection and the tall grass/weed cutting program of the Public Works Department.

The staff of the Public Works Department responds to resident inquiries and service requests pertaining to all Public Works operations such as: refuse collection, tree branch chipping, snow removal, road maintenance, recycling, water and sewer maintenance and park maintenance. Services provided by the entire Public Works Department are continually monitored and analyzed in an effort to not only provide the best possible service but also to provide these services in the most cost efficient manner. Reports, correspondence, and responses to residents and users concerning activities of the various divisions are provided through this activity. Specifications are developed, analyzed and prepared for the timely bidding of capital equipment, vehicles, materials, supplies, and subcontracted services.

This Division provides clerical support to the Public Works operation including preparation of specialized reports and correspondence, assistance in budget preparation, and response to resident inquiries and service requests over the telephone, via e-mail and at the counter. Staff schedules water and sewer inspections, Miss Dig stake-outs for City water and sewer lines, and tree removal and planting.

Staff has constant and immediate radio contact with field crews during regular duty hours, by transmitting and receiving all radio calls to the base station. The communication system also provides immediate 24 hours, seven days a week communication between administration, supervisors, and staff. Internal calls are evaluated and relayed to the appropriate division.

Residents can also obtain information on services or submit a service request after hours through the Clerk/Dispatch Program. In an emergency situation, appropriate personnel are contacted to respond. Examples of such emergencies include flood conditions, snow removal, tree damage due to storms, water main breaks, and other emergency conditions, which require personnel to report to work on other than regular duty hours. Radio contact is maintained with field crews, messages are received and relayed, and specific field operations are recorded. A daily log of shift activities, information, service calls, and emergencies is compiled.

The Police Department's Emergency Dispatchers handle many of the off-duty hour calls in case of an emergency. A tape-recorded message advises callers to contact the Police Department if their call involves an emergency. The DPW provides the Dispatch Center with a list of emergency scenarios and a list of supervisors to contact for each emergency.■

KEY GOALS

- ***To preserve the investment made in the City's infrastructure through a continual proactive maintenance program.***
- ***To provide continuing high levels of safety, convenience and health protection to the public in the use of roads, water, sewers, parks, grounds, vehicles, equipment and refuse collection.***
- ***To establish priorities and monitor the department's performance plan and standards.***
- ***To create, develop and maintain a positive, competent, service-oriented public image.***

Did you know?...
...that Sterling Heights has the lowest combined water and sewer rates for residential customers in the State of Michigan for communites with a population greater than 25,000 residents?

Water & Sewer Administration

2009/10 PERFORMANCE OBJECTIVES

1. To promote the voluntary odd/even water use restrictions during the months of June, July, and August in order to spread out the use of water and reduce the maximum day usage of water; thereby helping to contain future water rate increases. *(City Goal 14)*

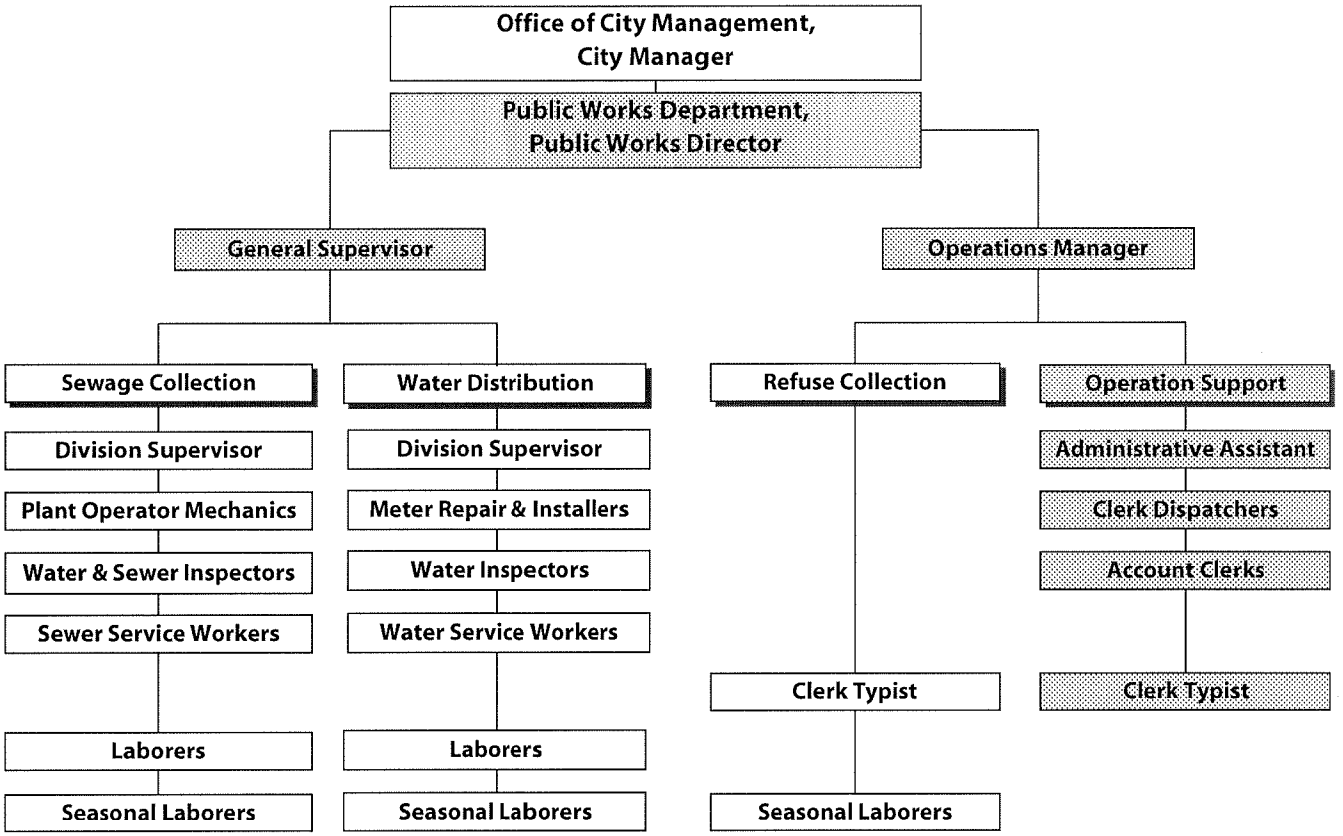
2. To prepare the 2009 Sterling Heights Annual Water Quality Report in accordance with EPA and M-DEQ requirements. This report, included in the Sterling Heights Magazine, advises residents about the source of their water, results of water quality testing and other information related to safe drinking water. *(City Goal 12, 14)*

3. To enforce the City's tall grass/weed ordinance in order to maintain the aesthetics of the City, especially in our residential neighborhoods. *(City Goal 12, 13, 14)*

4. To mail notices to 600 commercial/industrial establishments advising them their backflow preventers must be tested in accordance with the Michigan Department of Health's Division of Water Supply requirements. *(City Goal 12, 14)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Water & Sewer Customers	39,122	39,100	39,119	39,500	39,000	39,300
	Customer Service Requests/Inquiries Received	31,750	31,200	30,900	30,500	30,000	30,200
	Res./Commercial Sanitary Sewer Tap Connections	265	183	95	80	70	80
	Residential/Commercial Water Taps	295	142	57	90	25	50
	Residential/Commercial Water Meter Installations	290	164	106	150	60	90
	Tall Grass/Weed Cutting Revolutions (317 acres)	6	5	5	6	5	5
	Vacant Parcels Cut - Tall Grass/Weed Program	1,382	986	748	700	600	650
	Parcels Cut - Residential Homes/Businesses	235	384	493	425	620	500
	Backflow Preventer Testing Compliance Letters	519	542	630	520	720	600
	Site Plans Reviewed	117	45	39	50	50	40
	Vehicles/Equipment Specifications Prepared	14	15	11	10	10	5
	Materials/Supplies/Services Specifications Prepared	17	16	15	18	16	18
	Activity Budgets Prepared	4	4	4	4	4	4
	Hours of Safety Training	290	260	280	300	260	300
Efficiency & Effectiveness	Ratio of FT Employees to Worker Comp. Claims	104:1	52:1	41:1	52:1	42:1	83:1
	% Water Samples Meeting Federal/State Standards	100%	100%	100%	100%	100%	100%
	% of Weed Violations Corrected by Owner	88%	81%	68%	80%	62%	75%
	Residential Water & Sewer Bill (15,000 cfs)	$385	$408	$440	$457	$457	$486
	Activity Expenditures as % of Enterprise Fund	11.29%	11.85%	11.17%	10.40%	11.18%	11.32%

Water & Sewer Administration



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Public Works Director	1	1	1
Operations Manager	1	1	1
General Supervisor	1	1	1
Administrative Assistant	1	1	1
Clerk Dispatcher	2	2	2
Account Clerk	2	2	2
Clerk Typist	1	1	1
Total	9	9	9

Water & Sewer Administration

SUMMARY OF BUDGET CHANGES

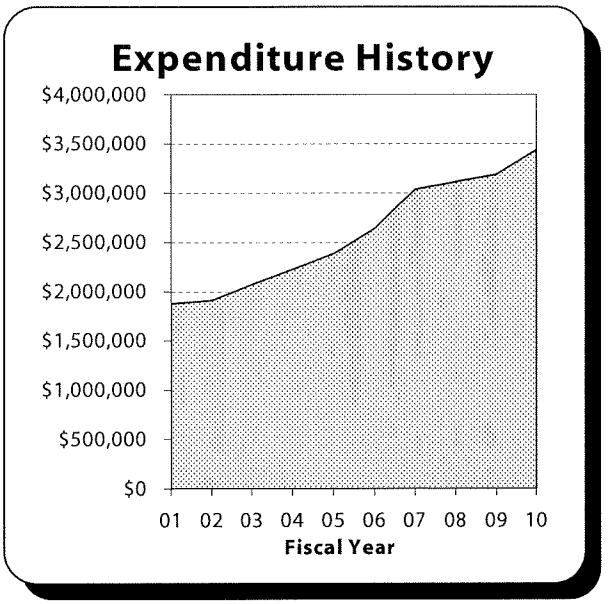
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $74,040, or 8.1%. Wages increased by $33,150. Higher retiree medical obligations have resulted in a $12,660 increase, while pension costs rose $6,730 as a result of a recent actuarial study. Due to staff turnover in the prior year as well as a rate increase, health insurance costs rose $11,960.

Supplies – Total Supplies is proposed to remain at $12,500.

Other Charges – Total Other Charges increased $124,230 or 5.6%. Interfund service costs rose $34,440 due to the higher General Fund administrative costs for time spent on all water and sewer related functions. Facility rental costs increased $29,280 due to higher operational costs at the Public Works facility. The budget increased $27,600 due to a change in the payment of banking service fees. Funding for equipment maintenance rose $15,000, as support for the MUNIS online Utility Billing software will now be expensed in this activity. Liability insurance rose $7,800 due to an inflationary cost increase. $9,420 was added due to a revised allocation of audit costs. Electric and heating costs rose $5,000 due to higher rates. Educational funding was reduced by $1,500. Two Nextel telephones were eliminated, saving $700.

Capital – Total Capital of $100,000 is proposed to upgrade the City's current Geographic Information System (GIS) to a more advanced, powerful and functional system.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$925,002	$909,210	$952,900	$983,250	$983,250
Supplies	11,894	12,500	13,000	12,500	12,500
Other Charges	6,853,773	2,217,310	2,232,740	2,341,540	2,341,540
Capital Outlay	0	50,000	50,000	100,000	100,000
Total	$7,790,669	$3,189,020	$3,248,640	$3,437,290	$3,437,290

Water Distribution

MISSION STATEMENT: ***To provide a clean, reliable and reasonably priced water supply to our residents and corporate customers.***

The Water Distribution Division ensures the accurate and continuous reading of residential, commercial, and industrial water meters, and the maintenance and service of water meters.

Personnel respond promptly to numerous service request calls regarding the water distribution system in order to assist the residential and business community.

Fire hydrants are maintained to ensure that they are properly functioning. The economical and efficient maintenance and repair of the water distribution system is of utmost concern. Approximately 10,000 service request calls are responded to annually.

Inspections and reinspections are conducted at approximately 600 commercial and industrial establishments. Citations are issued to those in violation of City ordinance and/or State rules and regulations. Residents' water shut-off boxes are checked and repaired if necessary. City-owned gatewells, valves, and meter pits are inspected for repairs, cleaning, and electrical functioning. This Division also inspects and repairs water services, damaged water shut-offs, leaking curb stop boxes as well as supervises and assists subcontractors in water main break repairs.

An inventory is maintained of all materials used in the operation of the Water Distribution program. The upkeep of the divisional garage area, storage area, and meter shop, as well as the operator/driver maintenance of vehicles and equipment is performed.

Assistance is provided in the Tall Grass/Weed Cutting Program through inspection of lots or acreage cut by the subcontractor. This Division prepares all necessary paperwork, work orders, and reports; assists in responding to complaints; and participates in the snow emergency program when required.

Residential water meters for over 35,000 customers are read quarterly while commercial and industrial water meters for nearly 4,500 customers are all read on a monthly basis. Personnel read and perform rechecks as requested by homeowners and customers to check for high, low, or questionable reads. All new or replacement water meters are tested for accuracy prior to installation to ensure that high volume users are billed correctly. One-half of all compound water meters are tested and repaired annually.■

KEY GOALS

- ***To provide efficient and economical maintenance and repair of the water distribution system.***
- ***To ensure accurate and continuous reading of residential, commercial and industrial water meters.***
- ***To maintain all fire hydrants in a properly functioning condition to support fire fighting throughout the City.***
- ***To inspect commercial/industrial establishments for cross connections and proper backflow prevention in order to protect the water system from contamination.***
- ***To review construction plans for future development of the water system and inspect new connections for proper installation.***

Did you know?...
...that the City has over 570 miles of water mains that deliver clean water to serve the community's needs for residential, commercial, and industrial uses?

Water Distribution

2009/10 PERFORMANCE OBJECTIVES

1. To test/repair approximately 300 large water meters 2" and larger, utilizing a subcontractor at commercial and industrial sites to assure correct revenues are being realized from high-volume users. *(City Goal 1)*

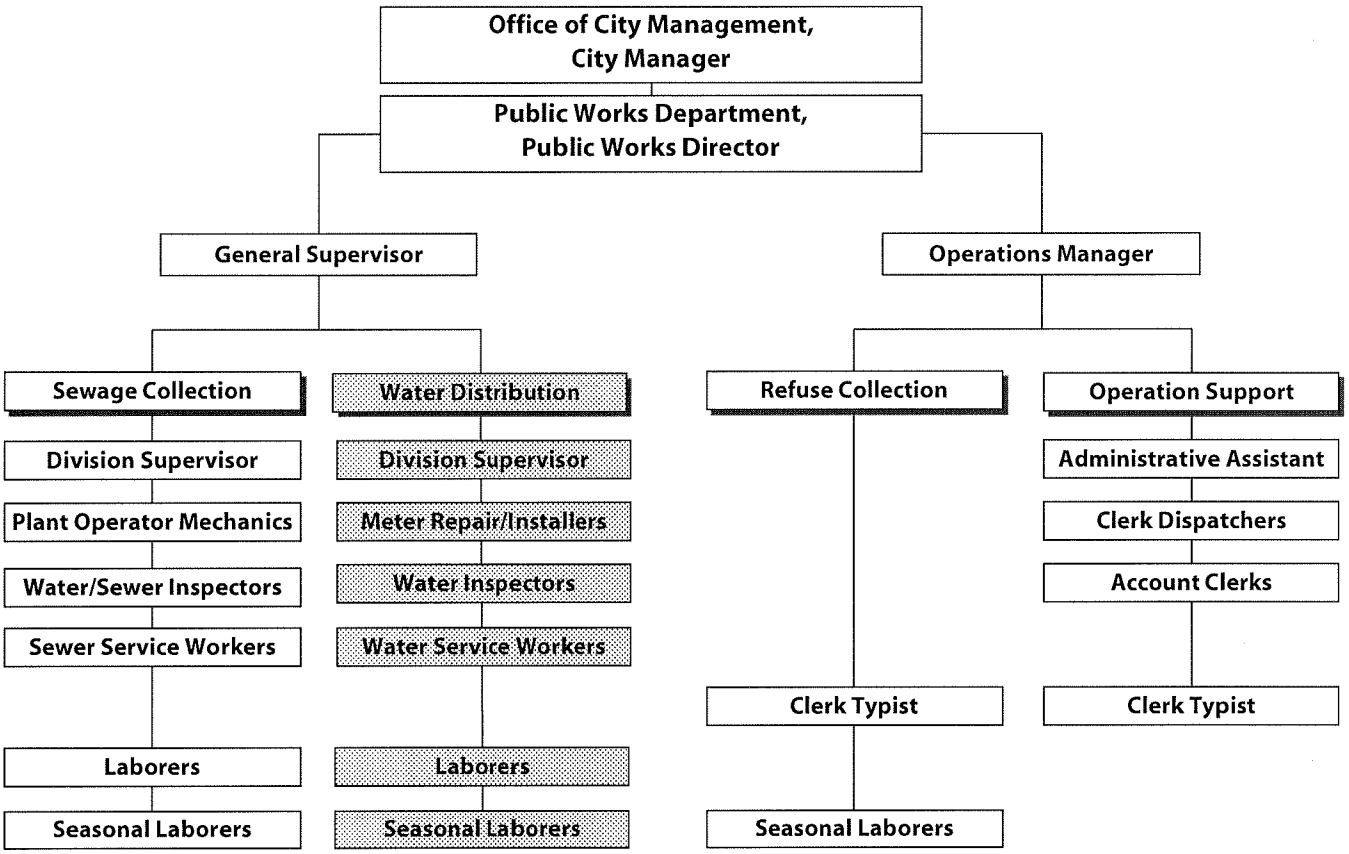
2. To perform a gatewell and valve inspection program of 350 valves annually, which will improve our ability to isolate the system to fix broken water mains or make repairs and affect less customers being out of water. *(City Goal 1, 3)*

3. To respond to approximately 6,800 "Miss Dig" requests for the staking of water mains and water service, in order to protect our water system and prevent damage when excavation is performed. *(City Goal 1, 12)*

4. To monitor the testing of approximately 500 backflow preventers performed by private contractors at commercial/industrial sites, apartment complexes, churches and schools to assure their proper functioning. *(City Goal 1, 12)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Miles of Water Mains in City	569	570	573	575	575	575
	Citizen Inquiries/Service Requests Responded To	8,464	8,408	7,670	8,500	7,800	7,800
	Water Meter Manual Reads - Residential & Comm.	193,150	193,230	193,290	143,830	143,880	143,880
	Water Meter Automated Reads - Commercial	N/A	N/A	N/A	49,620	49,620	49,620
	Miss Dig Stakeouts of Utilities Performed	9,400	8,660	7,260	8,500	6,800	6,800
	Water Meters Installed - Residential/Commercial	140/150	89/75	54/52	100/50	20/40	30/60
	Meters/Remote Boxes Checked/Repaired	2,780	2,710	2,820	2,900	2,800	2,800
	Water Taps Installed - Residential/Commercial	135/160	82/60	39/18	70/20	15/10	20/30
	Cross Connection Inspections/Reinspections	450	580	620	500	540	620
	Compound Meters Tested	255	390	220	320	290	300
	Gatewells Inspected	365	378	360	300	310	350
	Businesses Monitored - Backflow Compliance	519	542	630	520	500	500
	Fire Hydrants Replaced	5	4	9	7	8	10
	Fire Hydrants Winterized	7,015	7,075	7,160	7,120	7,203	7,220
	Fire Hydrants Painted	1,500	1,900	1,450	1,500	1,300	1,400
Efficiency & Effectiveness	% of Emergency Calls Responded to w/i 1 Hour	99%	99%	99%	99%	99%	99%
	% of Miss Dig Stakeouts Completed w/i 48 hours	99%	98%	99%	99%	99%	99%
	Avg. Time to Complete Emg. Main Repairs (Hours)	4.6	4.7	4.6	4.5	4.4	4.4
	Miles of Water Main Maintained per FT Employee	47.4	47.5	47.8	47.9	47.9	47.9
	Water Meter Manual Reads per Reader	64,297	64,383	64,410	47,943	57,552	71,940
	Water Purchased from Detroit (1,000 cubic feet)	803,969	775,817	786,726	840,000	750,000	810,000
	Cost of 1,000 Cubic Feet of Water from Detroit	$10.47	$11.08	$12.05	$12.69	$12.11	$13.16
	Activity Expenditures as % of Enterprise Fund	42.68%	41.65%	39.72%	42.68%	39.36%	41.50%

Water Distribution



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Division Supervisor	1	1	1
Water Inspector	2	2	2
Water Service Worker	4	4	4
Meter Repair & Installer	2	2	2
Laborer	3	3	2
Seasonal Laborer	2	2	2
Total	14	14	13

Water Distribution

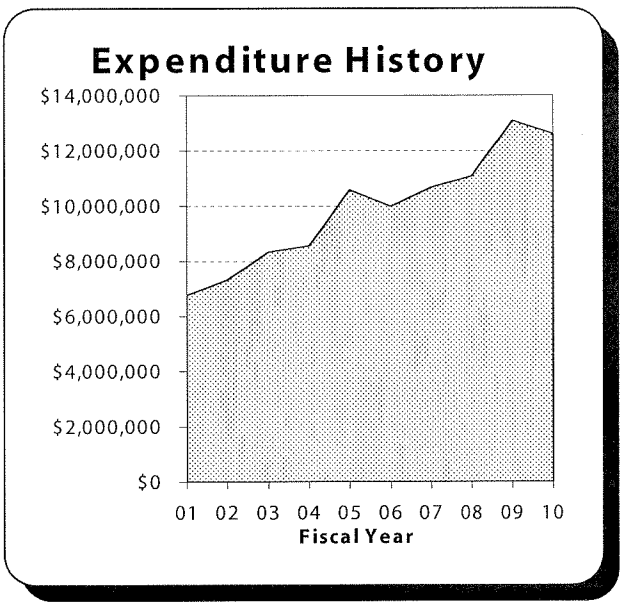
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget decreased by $30,890 or 2.6%. Funding for a vacant Laborer position that reads commercial water meters has been eliminated, saving $62,000, as the new automated meter reading system is now operational. Wage and fringe benefit cost increases for the remaining employees offset a portion of this savings.

Supplies – Total Supplies decreased $3,000 or 1.4%. Less funding is needed for materials to install new water taps, saving $5,000. $2,000 was added for the increased cost of hand tools and supplies needed to repair broken water meters.

Other Charges – Total Other Charges decreased $20,100 or 0.2%. The cost of water purchased from Detroit is proposed to remain nearly the same, as the current year's rate increase from Detroit of 0.5% was less than the anticipated 5.3% increase due to the new model water contract, while water consumption is projected to be lower. For next year, Detroit has increased our water rate by 8.7%, while budgeted water purchases fell by 3.6%. Contract costs for new water tap installations decreased $20,000 and compound meter testing and repairs decreased $10,000, both based on recent expenditure levels. Vehicle maintenance costs decreased $5,000. $2,000 was saved, as the State Health Department fees are less than anticipated. $10,000 was added for an engineering consultant to review water consumption and peak flow usage to determine methods for reducing future rate increases. Distribution line repair costs rose $5,000 due to the higher cost of materials and supplies needed to maintain the water system.



Capital – Total Capital of $220,000 is proposed to replace a 16-year old Front End Loader used to move heavy equipment and materials when maintaining and repairing the water and sewer distribution system.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,117,925	$1,180,450	$1,209,250	$1,149,560	$1,149,560
Supplies	139,395	213,000	173,000	210,000	210,000
Other Charges	9,820,660	11,047,180	9,413,200	11,027,080	11,027,080
Capital Outlay	0	649,140	643,990	220,000	220,000
Total	$11,077,980	$13,089,770	$11,439,440	$12,606,640	$12,606,640

Sewage Collection

MISSION STATEMENT: ***To maintain the sanitary and storm sewer systems to ensure that they are properly functioning in accordance with designed capacities.***

The Sewage Collection Division is responsible for maintaining designed sewerage flows through maintenance of the City-owned sanitary and storm sewer systems to ensure proper functioning.

Staff conducts thorough and responsible sewer and utility inspections. Crews of this Division continually repair and restore damaged utility structures, sewer lines, and replace the concrete required by these repairs. Included among the duties of this Division is the maintenance of retention ponds to assure proper functioning for the temporary retention of storm water drainage.

A three-year preventative maintenance program cleans 33% of the sanitary system each year. Specific trouble spots in the sanitary sewer system are cleaned on a quarterly basis to avoid unnecessary problems. Debris is removed from the system to prevent blockages. Cracked or broken pipes, roots or other problems are located and resolved.

This Division responds to calls regarding sewer back-ups and/or blockages. Blockages are investigated, located, and relieved through sewer cleaning. If internal plumbing problems or sump pump malfunction is the cause, advice and assistance is provided. Residential and commercial sewer tap installations and utility structures (sanitary manholes, storm manholes, and gatewells) are inspected prior to the issuance of final occupancy permits.

Sanitary, water, and storm structures are rebuilt or repaired on a priority basis. Repairs to sanitary and storm sewers are initiated as required. Sewage Collection personnel also resod or reseed areas due to utility structure repair, water main breaks, and snow/ice control activities.

Emergency flooding conditions are responded to 24 hours a day, seven days a week. Known sanitary sewer system and lift station problem areas are checked for surcharging and proper operation during heavy rainfall.

KEY GOALS

- ***To provide a systematic preventative maintenance sanitary sewer cleaning program to prevent sewer blockages.***
- ***To provide efficient and economical maintenance, repair and restoration of the City's sanitary and storm sewer systems.***
- ***To provide an efficient, competent and responsible sewer connection and utility inspection program.***
- ***To ensure safe, well maintained, functioning storm water retention basins for temporary detention of storm water run-off without damaging our stream ecology while preventing street and basement flooding.***
- ***To minimize infiltration into the sanitary sewer system through inspection and an ongoing rehabilitation program.***

Sanitary sewer pumping stations are inspected three times per week. All retention pond sites both privately and City-owned are inspected monthly for proper operation, hazardous conditions and appearance. Grass and weeds in retention ponds are cut and trimmed on a scheduled basis. The City's retention pond wet wells are cleaned annually by removing sand and sediment. This Division also performs bank stabilization, erosion, and fence repairs.■

Did you know?...
...that the Sewer Maintenance division cleans 430 miles of sanitary sewer mains over a 3-year period as part of an ongoing preventative maintenance program to ensure properly functioning sanitary sewers and to prevent sewer main blockages?

Sewage Collection

2009/10 PERFORMANCE OBJECTIVES

1. To maintain a properly functioning sewer system and prevent sewer system blockage by cleaning 800,000 feet or 138 miles of the City's sanitary sewer system. *(City Goal 12)*

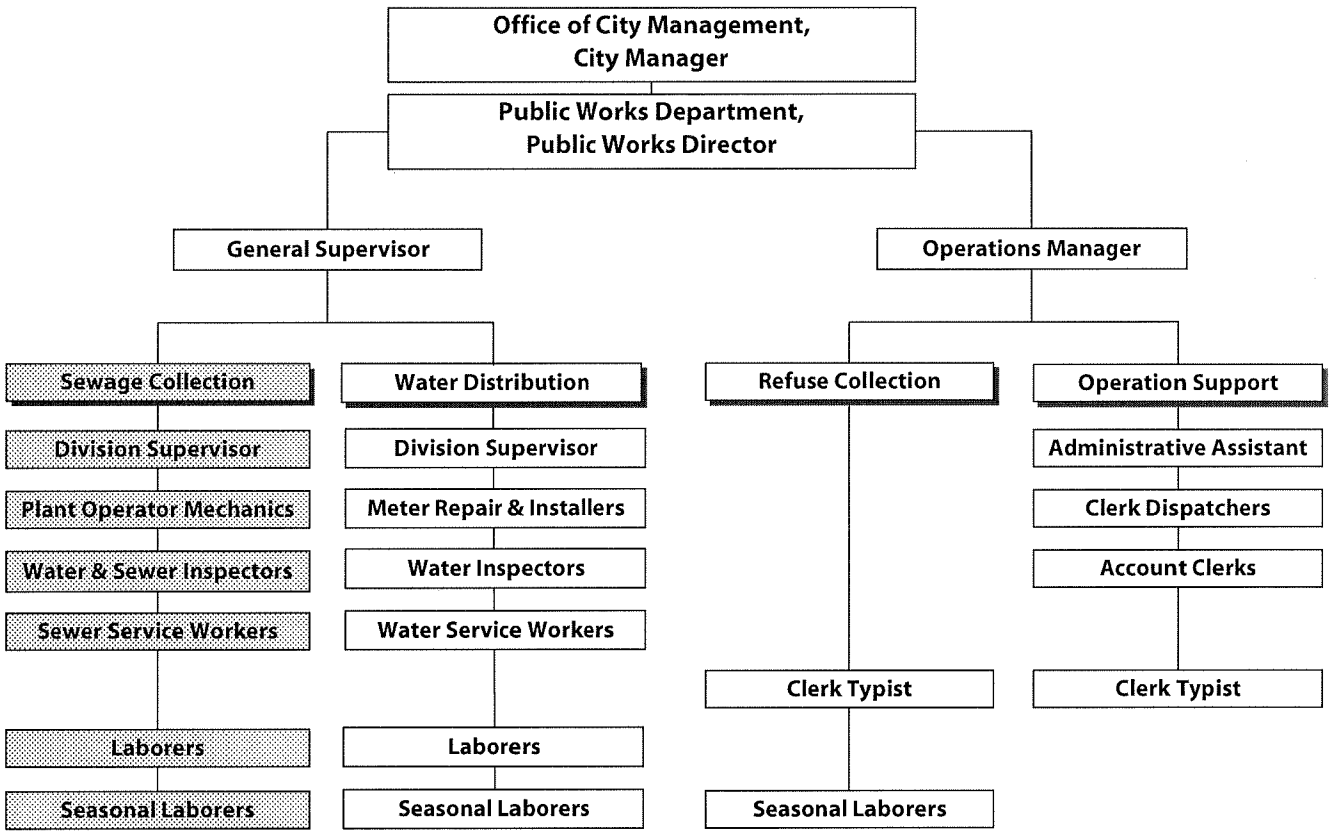
2. To dye test for illegal taps into the sanitary or storm sewer systems. *(City Goal 12)*

3. To inspect all City-owned detention and retention ponds for needed repairs and updates in order to prioritize future capital improvements. *(City Goal 6)*

	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Budget
Output	Miles of Sanitary Sewers in City	428	429	430	430	430	430
	Sewer Inquiries Received & Resolved	1,050	702	355	500	400	400
	Sewer Inspections	265	183	95	80	70	80
	Water Inspections	203	94	31	75	40	60
	Certificate of Occupancy Inspections	776	424	334	300	340	300
	Sanitary Sewer Cleaned - Feet	824,900	597,420	772,475	740,000	970,000	800,000
	Utility Structures Restored	200	117	88	150	100	150
	Flags of Sidewalk Replaced	64	107	88	125	65	100
	Sections of Street/Approaches Replaced	95/53	85/27	49/32	100/50	65/35	100/50
	Sod Replaced - Yards	1,944	2,374	3,589	2,800	3,050	2,800
	Detroit Sewage Meter Pit Readings	260	104	624	624	624	624
	Retention Basin Inspections Performed	450	450	450	450	450	450
	Retention Basin Wet Wells Cleaned	16	4	3	10	7	10
Efficiency & Effectiveness	Sewer Main Blockages	11	15	4	10	7	10
	% of Emergencies Responded to within 45 Minutes	100%	100%	100%	100%	100%	100%
	% of Trouble Mains Cleaned a Minimum of 4 Times	100%	100%	100%	100%	100%	100%
	Miles of Sanitary Sewer Maintained per FT Employee	30.6	30.6	30.7	30.7	30.7	30.7
	Disposal Cost Per 1,000 Cubic Feet of Waste Water	$10.32*	$10.80*	$10.96*	$11.57*	$11.58*	$11.75*
	Macomb County Sewage Direct Charge	$2,398,391	$2,904,501	$3,632,637	$3,974,980	$3,914,760	$3,884,160
	Sewage Disposal System Look-Back Adjustment	($108,660)	($259,632)	$933,803	$0	$0	$0
	Activity Expenditures as % of Enterprise Fund	46.03%	46.50%	49.11%	46.92%	49.46%	47.18%

** Does not include fixed combined sewer overflow costs.*

Sewage Collection



STAFFING SUMMARY

Position	Approved 2007/08	Approved 2008/09	Approved 2009/10
Division Supervisor	1	1	1
Plant Operator Mechanic	2	2	2
Sewer Worker (Clean)	2	2	2
Water & Sewer Inspector	2	2	2
Sewer Worker (Maintenance)	3	3	3
Laborer	4	4	4
Seasonal Laborer	4	4	4
Total	18	18	18

Sewage Collection

SUMMARY OF BUDGET CHANGES

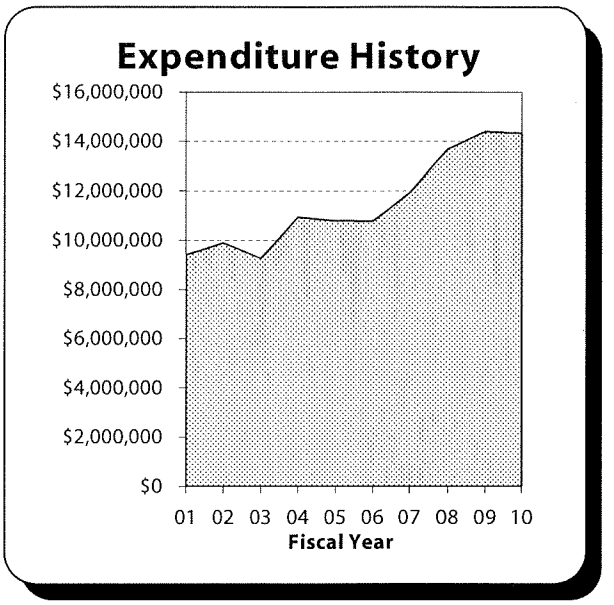
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel budget increased by $39,420 or 3.0%. Wages for full-time employees rose $27,010 as all employees are budgeted to receive a 3% wage increase. Pension costs rose $8,670 based on a recent actuarial report.

Supplies – Total Supplies increased $10,040 or 17.8%. Fuel costs increased $10,000 to bring the budget more in line with recent cost trends.

Other Charges – Total Other Charges increased $140,150 or 1.1%. The cost of sewage disposal services from Detroit increased $162,180. The sewage rate from Detroit increased by 1.5% from $11.58 to $11.75 per mcf. Fixed sewage costs decreased $90,820 or 2.3%, though $242,700 was added for the City's ongoing required debt payment for the District's debt service responsibility for the North Gratiot Interceptor project. The District's share of debt service was established in 2004 during the course of litigation. In addition, estimated sewage flow volume has fallen by 1.4% which has offset a portion of next year's cost increase. Unfortunately, this lower volume will also result in lower sewage revenues. Distribution line repair costs decreased $15,000 and sewer main repair costs decreased $5,000, both based on recent actual expenditure levels. Funding decreased $2,000 for the maintenance and repair of sanitary sewer lift stations as fewer repairs have been needed in recent years.

Capital – Total Capital of $32,000 is proposed for a Trailer Mounted Diesel Pump to replace a smaller, out-dated pump that is used to maintain safe sewage levels during heavy rains or when experiencing a pump failure at one of the City's retention ponds or sanitary sewer lift stations.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$1,200,777	$1,310,240	$1,268,540	$1,349,660	$1,349,660
Supplies	72,422	56,460	66,460	66,500	66,500
Other Charges	12,422,391	12,742,970	12,786,260	12,883,120	12,883,120
Capital Outlay	0	282,220	255,130	32,000	32,000
Total	$13,695,590	$14,391,890	$14,376,390	$14,331,280	$14,331,280

Special Revenue Funds

The city's Special Revenue Funds are used to detail transactions in which the funding source is legally restricted to be spent for specific purposes. Included in this section are Major and Local Roads, Economic Development Corporation, Community Development Block Grant and Neighborhood Stabilization Programs, Brownfield Redevelopment Authority, Local Development Finance Authority, Corridor Improvement Authority, Land & Water Conservation Fund, Public Safety Forfeiture Fund, and Budget Stabilization Fund.

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
MAJOR ROAD FUND						
REVENUES						
Federal Grants	$113,420	$2,440,410	$133,960	$0	$3,883,890	**$3,883,890**
Gas & Weight Tax	5,006,830	4,933,090	4,975,000	4,800,000	4,650,000	**4,650,000**
Metro Act	224,280	219,020	225,000	215,000	215,000	**215,000**
Charges for Services	(230)	0	0	0	0	**0**
Other Revenue	313,850	442,470	313,000	285,000	265,000	**265,000**
Transfer from General Fund	1,100,000	800,000	0	0	0	**0**
Tfr. from Rd. Bond Constr. Fund	0	0	200,000	200,000	350,000	**350,000**
Total Revenues	**6,758,150**	**8,834,990**	**5,846,960**	**5,500,000**	**9,363,890**	**9,363,890**
EXPENDITURES						
Administration	109,030	143,150	116,170	145,670	180,730	**180,730**
Major Street Maintenance	1,617,610	1,914,640	1,729,500	1,962,260	1,670,000	**1,670,000**
Major Street Improvements	703,090	1,402,910	3,449,160	2,280,450	4,683,700	**4,683,700**
Transfer to Local Road Fund	1,000,000	1,000,000	500,000	500,000	250,000	**250,000**
Tfr. to Road Bond Debt Fund	2,200,000	2,600,200	2,850,000	2,915,000	2,585,000	**2,585,000**
Tfr. to Road Bond Constr. Fund	0	200,000	0	350,000	0	**0**
Total Expenditures	**5,629,730**	**7,260,900**	**8,644,830**	**8,153,380**	**9,369,430**	**9,369,430**
Excess of Revenues Over (Under) Expenditures	**1,128,420**	**1,574,090**	**(2,797,870)**	**(2,653,380)**	**(5,540)**	**(5,540)**
Beginning Fund Balance	**1,606,480**	**2,734,900**	**4,308,990**	**4,308,990**	**1,655,610**	**1,655,610**
Ending Fund Balance	**$2,734,900**	**$4,308,990**	**$1,511,120**	**$1,655,610**	**$1,650,070**	**$1,650,070**
LOCAL ROAD FUND						
REVENUES						
Gas & Weight Tax	$1,895,050	$1,864,420	$1,860,000	$1,825,000	$1,790,000	**$1,790,000**
Metro Act	84,860	82,820	85,000	83,000	83,000	**83,000**
Charges for Services	34,690	21,470	20,000	20,000	80,000	**80,000**
Other Revenue	147,130	159,750	87,400	78,400	70,380	**70,380**
Transfer from General Fund	575,000	575,000	575,000	575,000	515,000	**515,000**
Transfer from Major Road Fund	1,000,000	1,000,000	500,000	500,000	250,000	**250,000**
Total Revenues	**3,736,730**	**3,703,460**	**3,127,400**	**3,081,400**	**2,788,380**	**2,788,380**
EXPENDITURES						
Administration	148,170	153,210	148,090	154,590	149,640	**149,640**
Local Street Maintenance	1,687,050	1,889,020	1,736,500	1,923,050	1,733,500	**1,733,500**
Local Street Improvements	1,452,900	1,056,880	1,400,180	1,454,530	1,265,000	**1,265,000**
Total Expenditures	**3,288,120**	**3,099,110**	**3,284,770**	**3,532,170**	**3,148,140**	**3,148,140**
Excess of Revenues Over (Under) Expenditures	**448,610**	**604,350**	**(157,370)**	**(450,770)**	**(359,760)**	**(359,760)**
Beginning Fund Balance	**547,720**	**996,330**	**1,600,680**	**1,600,680**	**1,149,910**	**1,149,910**
Ending Fund Balance	**$996,330**	**$1,600,680**	**$1,443,310**	**$1,149,910**	**$790,150**	**$790,150**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

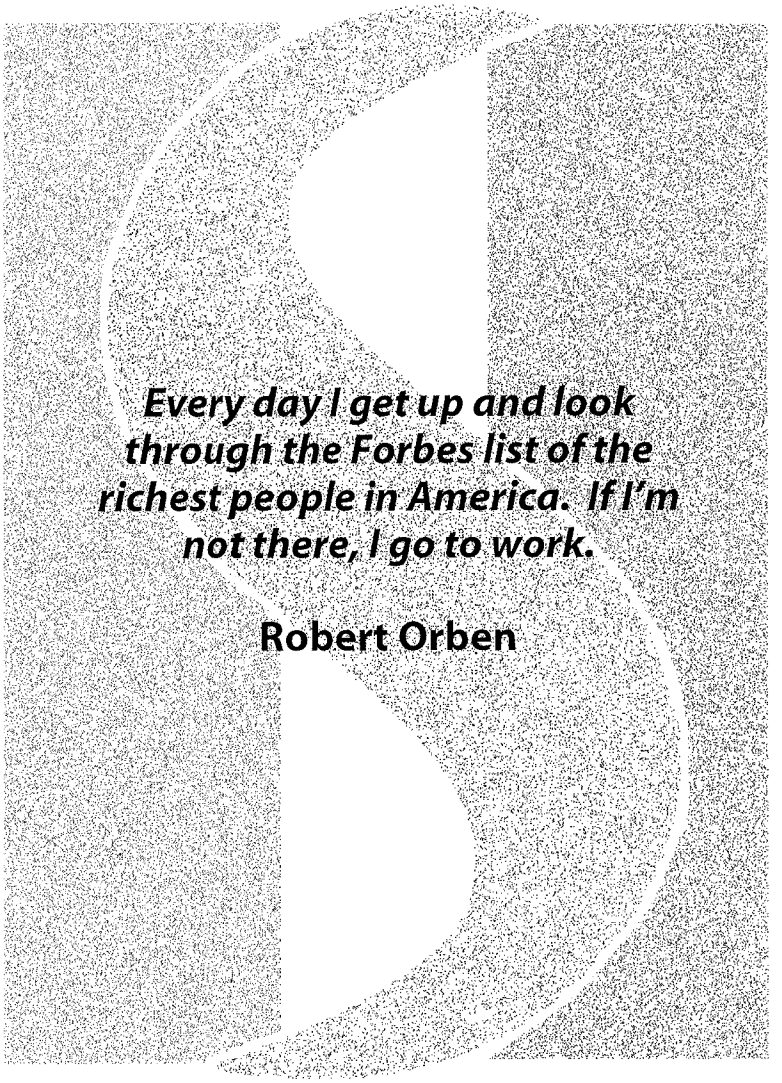
Special Revenue Funds	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
LAND & WATER FUND						
REVENUES						
Federal & State Grants	$199,690	$3,000	$3,000	$3,000	$3,000	**$3,000**
Other Revenue	23,480	26,390	423,760	234,970	13,000	**13,000**
Transfer from General Fund	74,400	66,300	85,000	85,000	0	**0**
Total Revenues	**297,570**	**95,690**	**511,760**	**322,970**	**16,000**	**16,000**
EXPENDITURES						
Land Acquisitions	21,230	10,750	3,310	4,310	0	**0**
Land Improvements	87,450	63,620	216,520	170,900	8,000	**8,000**
Total Expenditures	**108,680**	**74,370**	**219,830**	**175,210**	**8,000**	**8,000**
Excess of Revenues Over (Under) Expenditures	**188,890**	**21,320**	**291,930**	**147,760**	**8,000**	**8,000**
Beginning Fund Balance	**381,220**	**570,110**	**591,430**	**591,430**	**739,190**	**739,190**
Ending Fund Balance	**$570,110**	**$591,430**	**$883,360**	**$739,190**	**$747,190**	**$747,190**
PUBLIC SAFETY FORF. FUND						
REVENUES						
Federal Forfeitures & Income	$275,160	$36,880	$131,150	$160,000	$0	**$0**
Treasury Forfeitures & Income	92,010	20,230	0	0	0	**0**
State Forfeitures & Income	401,120	225,310	25,470	160,500	0	**0**
Gambling Forfeitures	26,800	0	0	0	0	**0**
OWI Forfeitures	12,940	24,200	7,650	20,000	0	**0**
Other Revenue	30,980	26,570	3,780	8,740	8,740	**8,740**
Total Revenues	**839,010**	**333,190**	**168,050**	**349,240**	**8,740**	**8,740**
EXPENDITURES						
Federal Forfeiture Expenditures	169,760	290,590	113,570	73,640	81,340	**81,340**
Treasury Forf. Expenditures	0	92,590	2,690	2,690	0	**0**
State Forfeiture Expenditures	197,010	229,520	201,660	201,170	264,150	**124,200**
Gambling Forf. Expenditures	1,210	26,000	0	0	0	**0**
OWI Forfeiture Expenditures	0	29,120	450	450	0	**0**
Total Expenditures	**367,980**	**667,820**	**318,370**	**277,950**	**345,490**	**205,540**
Excess of Revenues Over (Under) Expenditures	**471,030**	**(334,630)**	**(150,320)**	**71,290**	**(336,750)**	**(196,800)**
Beginning Fund Balance	**338,400**	**809,430**	**474,800**	**474,800**	**546,090**	**546,090**
Ending Fund Balance	**$809,430**	**$474,800**	**$324,480**	**$546,090**	**$209,340**	**$349,290**
COMMUNITY DEVELOPMENT BLOCK GRANT FUND						
REVENUES						
Federal Grants	$1,196,140	$548,990	$671,520	$633,430	$1,036,760	**$1,036,760**
Revenue Direct Loans	26,870	120,560	0	95,650	80,970	**80,970**
Other Revenue	4,580	0	0	0	0	**0**
Total Revenues	**1,227,590**	**669,550**	**671,520**	**729,080**	**1,117,730**	**1,117,730**
EXPENDITURES						
Community Development	1,135,810	241,620	250,760	308,320	803,470	**803,470**
Transfer to General Fund	91,780	96,370	95,300	95,300	0	**0**
Transfer to LTGO Debt Fund	0	331,560	325,460	325,460	314,260	**314,260**
Total Expenditures	**1,227,590**	**669,550**	**671,520**	**729,080**	**1,117,730**	**1,117,730**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**0**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

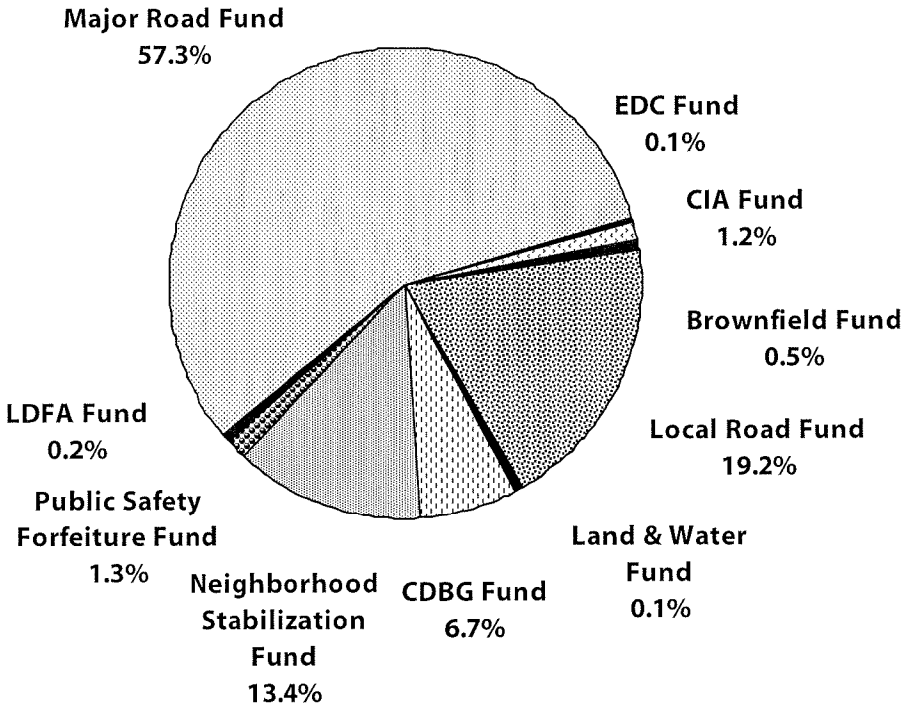
Special Revenue Funds	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
NEIGHBORHOOD STABILIZATION FUND						
REVENUES						
Federal Grants	$0	$0	$0	$266,200	$2,188,760	**$2,188,760**
Other Revenue	0	0	0	0	0	**0**
Total Revenues	**0**	**0**	**0**	**266,200**	**2,188,760**	**2,188,760**
EXPENDITURES						
Downpayment & Rehab. Assist.	0	0	0	120,000	680,000	**680,000**
Acquisition, Rehab. & Resale	0	0	0	122,000	491,740	**491,740**
Acquisition/Redevelopment	0	0	0	0	695,720	**695,720**
Demolition	0	0	0	0	100,000	**100,000**
Administration Costs	0	0	0	24,200	221,300	**221,300**
Total Expenditures	**0**	**0**	**0**	**266,200**	**2,188,760**	**2,188,760**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**0**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
CORRIDOR IMPROVEMENT AUTHORITY FUND						
REVENUES						
Property Taxes - TIF	$0	$20,080	$23,580	$15,410	$21,310	**$21,310**
Federal Grants	0	0	404,000	0	0	**0**
Other Revenue	0	500	500	6,000	5,000	**5,000**
Transfer from General Fund	0	0	450,000	200,000	0	**0**
Total Revenues	**0**	**20,580**	**878,080**	**221,410**	**26,310**	**26,310**
EXPENDITURES						
Other Charges	0	9,550	4,000	2,000	1,000	**1,000**
Capital Improvements	0	0	854,000	22,500	177,500	**177,500**
Transfer to General Fund	0	0	24,130	11,270	15,630	**15,630**
Total Expenditures	**0**	**9,550**	**882,130**	**35,770**	**194,130**	**194,130**
Excess of Revenues Over (Under) Expenditures	**0**	**11,030**	**(4,050)**	**185,640**	**(167,820)**	**(167,820)**
Beginning Fund Balance	**0**	**0**	**11,030**	**11,030**	**196,670**	**196,670**
Ending Fund Balance	**$0**	**$11,030**	**$6,980**	**$196,670**	**$28,850**	**$28,850**
ECONOMIC DEVELOPMENT CORPORATION FUND						
REVENUES						
Transfer from General Fund	$8,000	$8,500	$19,000	$19,000	$17,000	**$17,000**
Other Revenue	370	320	300	250	100	**100**
Total Revenues	**8,370**	**8,820**	**19,300**	**19,250**	**17,100**	**17,100**
EXPENDITURES						
Miscellaneous	9,880	8,720	21,930	21,430	17,100	**17,100**
Total Expenditures	**9,880**	**8,720**	**21,930**	**21,430**	**17,100**	**17,100**
Excess of Revenues Over (Under) Expenditures	**(1,510)**	**100**	**(2,630)**	**(2,180)**	**0**	**0**
Beginning Fund Balance	**6,310**	**4,800**	**4,900**	**4,900**	**2,720**	**2,720**
Ending Fund Balance	**$4,800**	**$4,900**	**$2,270**	**$2,720**	**$2,720**	**$2,720**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
BROWNFIELD REDEVELOP. AUTHORITY FUND						
REVENUES						
Property Taxes - TIF	$32,230	$54,250	$44,760	$48,190	$48,330	**$48,330**
Charges for Services	0	350	0	350	350	**350**
Other Revenue	650	590	500	300	250	**250**
Total Revenues	**32,880**	**55,190**	**45,260**	**48,840**	**48,930**	**48,930**
EXPENDITURES						
Other Charges	44,940	41,650	32,000	5,200	1,700	**1,700**
Transfer to General Fund	0	0	25,000	25,000	79,500	**79,500**
Total Expenditures	**44,940**	**41,650**	**57,000**	**30,200**	**81,200**	**81,200**
Excess of Revenues Over (Under) Expenditures	**(12,060)**	**13,540**	**(11,740)**	**18,640**	**(32,270)**	**(32,270)**
Beginning Fund Balance	**15,700**	**3,640**	**17,180**	**17,180**	**35,820**	**35,820**
Ending Fund Balance	**$3,640**	**$17,180**	**$5,440**	**$35,820**	**$3,550**	**$3,550**
LOCAL DEVELOPMENT FINANCE AUTHORITY FUND						
REVENUES						
Transfer from General Fund	$0	$0	$0	$0	$30,000	**$30,000**
Total Revenues	**0**	**0**	**0**	**0**	**30,000**	**30,000**
EXPENDITURES						
Miscellaneous - SmartZone	0	0	0	0	30,000	**30,000**
Total Expenditures	**0**	**0**	**0**	**0**	**30,000**	**30,000**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**0**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
BUDGET STABILIZATION FUND						
REVENUES						
Transfer from General Fund	$0	$0	$0	$0	$0	**$0**
Total Revenues	**0**	**0**	**0**	**0**	**0**	**0**
EXPENDITURES						
Transfer to General Fund	0	0	750,000	750,000	0	**0**
Total Expenditures	**0**	**0**	**750,000**	**750,000**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**(750,000)**	**(750,000)**	**0**	**0**
Beginning Fund Balance	**750,000**	**750,000**	**750,000**	**750,000**	**0**	**0**
Ending Fund Balance	**$750,000**	**$750,000**	**$0**	**$0**	**$0**	**$0**


Every day I get up and look through the Forbes list of the richest people in America. If I'm not there, I go to work.
Robert Orben

2009/10 Special Revenue Funds
Percent of Total Expenditures



This graph illustrates expenditures for each Special Revenue Fund as a percent of the total Special Revenue Funds budget.

Special Revenue Funds Revenues

TAXES

This revenue source is from tax increment financing (TIF) revenues resulting from the Brownfield Redevelopment and Corridor Improvement Authorities. A total of $69,640 is anticipated next fiscal year.

STATE & LOCAL RETURNS

The major source of revenue to the Special Revenue Funds is State & Local Returns. This source of revenue is comprised of grants from the Federal, State, and County levels of government. The major sources of revenue in this revenue center are Federal Grants and Highway & Street Grants or more commonly known as Act 51 Funds. The Act 51 funds are distributed to communities based on predetermined Michigan Department of Transportation formulas.

In the 2009/10 Budget, State and Local Return revenues represent 92.43% of total revenue sources, an increase of $5,409,630 above the 2008/09 Budget. The increase is primarily due to an increase in Federal Grants for the Neighborhood Stabilization program and economic stimulus road funding. In addition, the program income for the Housing Rehabilitation Program is now budgeted in the Community Development Block Grant Fund.

OTHER FINANCING SOURCES

Other Financing Sources in the Special Revenue Funds include Transfers In from other funds. This revenue center will receive transfers from the General Fund, the Major Road Fund, and the Road Bond Construction Fund.

In 2009/10, revenues generated from Other Financing Sources represent 7.45% of total revenue sources, a decrease of $667,000 below the 2008/09 Budget. This decrease is primarily due to a decrease in Transfers In from the General Fund and Major Road Fund. The General Fund transfer to the Local Road Fund totals $515,000 as the City is continuing to levy a 0.10 millage approved by the voters in 1996 for Proposal N in order to continue the City's Neighborhood Road Repair and Replacement Program. The General Fund transfer to the Local Development Financing Authority Fund for $30,000 will be used to fund the City's operational costs for the new SmartZone business incubator project. The transfer from the General Fund to the Economic Development Corporation Fund totals $17,000. A transfer from the Major Road Fund to the Local Road Fund is budgeted for $250,000. A transfer from the Road Bond Construction Fund for $350,000 is budgeted to reimburse the Major Road Fund for advance funding of engineering design costs from the prior year that were necessary for the several proposed construction projects where federal economic stimulus funds were not approved.

CHARGES FOR SERVICES

Charges for Services consists of revenue from Tree Sales & Planting, Chipping Fees, and Application Fees. In the 2009/10 Budget, Charges for Services represents 0.51% of total revenue sources, an increase of $60,350 above the 2008/09 Budget.

OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Special Assessment Revenue, Miscellaneous Revenue, and Reimbursements. These reimbursements are from the Macomb County Road Commission for the sweeping & mowing of County roads by the City.

In 2009/10, Other Revenues represent 2.32% of total revenue sources, a decrease of $466,770 below the 2008/09 Budget. This decrease is primarily due to the prior year, one-time receipt of revenue from the sale of city-owned property and a one-time park playground donation.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A Use of Fund Balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2009/10 Budget, expenditures exceed revenue sources by $754,190. A draw down of funds is planned, as additional funding is needed primarily in the Local Road Fund, as less funding is available for local road maintenance and construction. Also, funding for the Public Safety Forfeiture Fund does not take into consideration the revenue from future anticipated receipts.■

SPECIAL REVENUE FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	TAXES						
420000	Property Taxes - TIF	$74,337	0.54	$68,340	0.61	**$69,640**	**0.45**
	Total Taxes	**74,337**	**0.54**	**68,340**	**0.61**	**69,640**	**0.45**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	2,989,398	21.79	1,209,480	10.73	**7,109,410**	**45.56**
529003	Revenue Direct Loans	120,563	0.88	0	0.00	**80,970**	**0.52**
529100	Federal Forfeiture Grants	36,878	0.27	131,150	1.16	**0**	**0.00**
529200	Treasury Forfeiture	20,228	0.15	0	0.00	**0**	**0.00**
539002	State Grants	3,000	0.02	3,000	0.03	**3,000**	**0.02**
539200	State Forfeiture Grants	224,253	1.63	25,130	0.22	**0**	**0.00**
539201	State Forfeiture Program Income	1,064	0.01	340	0.00	**0**	**0.00**
539348	Metro Act	301,839	2.20	310,000	2.75	**298,000**	**1.91**
539400	OWI Forfeitures	24,200	0.18	7,650	0.07	**0**	**0.00**
546000	Highway & Street Grants	6,797,508	49.54	6,835,000	60.66	**6,440,000**	**41.27**
	Total State & Local Returns	**10,518,931**	**83.38**	**8,521,750**	**75.63**	**13,931,380**	**92.43**
	OTHER FINANCING SOURCES						
699101	Transfer from General Fund	1,449,800	10.57	1,129,000	10.02	**562,000**	**3.60**
699202	Transfer from Major Road Fund	1,000,000	7.29	500,000	4.44	**250,000**	**1.60**
699428	Tfr. from Road Bond Constr. Fund	0	0.00	200,000	1.77	**350,000**	**2.24**
	Total Other Financing Sources	**2,449,800**	**17.85**	**1,829,000**	**16.23**	**1,162,000**	**7.45**
	CHARGES FOR SERVICES						
638000	Application Fees	350	0.00	0	0.00	**350**	**0.00**
640004	Tree Sales & Planting	21,471	0.16	20,000	0.18	**20,000**	**0.13**
640010	Chipping Fee	0	0.00	0	0.00	**60,000**	**0.38**
	Total Charges for Services	**21,821**	**0.16**	**20,000**	**0.18**	**80,350**	**0.51**
	OTHER REVENUE						
665000	Interest on Investments	160,783	1.17	92,300	0.82	**98,350**	**0.63**
665100	Interest Income - Federal Forfeiture	7,389	0.05	860	0.01	**3,000**	**0.02**
665130	Interest Income - Treas. Forfeiture	1,824	0.01	180	0.00	**500**	**0.00**
665200	Interest Income - State Forfeiture	15,894	0.12	2,620	0.02	**5,000**	**0.03**
665300	Interest Income - Gambling Forf.	914	0.01	20	0.00	**40**	**0.00**
665400	Interest Income - OWI Forfeiture	548	0.00	100	0.00	**200**	**0.00**
672000	Special Assessment Revenue	70,207	0.51	34,000	0.30	**34,000**	**0.22**
672665	Special Assessment Interest	18,032	0.13	19,400	0.17	**16,380**	**0.10**
673000	Sale of Fixed Assets	0	0.00	296,760	2.63	**0**	**0.00**
675000	Contributions & Donations	0	0.00	110,000	0.98	**0**	**0.00**
676000	Reimbursements	237,108	1.73	265,000	2.35	**200,000**	**1.28**
685000	Miscellaneous Revenue	143,878	1.05	8,000	0.07	**5,000**	**0.03**
	Total Other Revenue	**656,577**	**4.79**	**829,240**	**7.36**	**362,470**	**2.32**
	Total Special Revenue Funds	**$13,721,466**	**100.00**	**$11,268,330**	**100.00**	**$15,605,840**	**100.00**

Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	PERSONNEL SERVICES						
705000	Wages - Salaries - Temp/Part-time	$5,950	0.05	$5,130	0.03	**$10,660**	**0.07**
717000	FICA	455	0.00	390	0.00	**820**	**0.01**
	Total Personnel Services	**6,405**	**0.05**	**5,520**	**0.03**	**11,480**	**0.07**
	SUPPLIES						
729000	Postage	492	0.00	550	0.00	**2,000**	**0.01**
730000	Publications	1,616	0.01	650	0.00	**0**	**0.00**
751000	Operating Supplies	91,117	0.77	12,350	0.08	**14,830**	**0.09**
785000	Books	9,954	0.08	7,000	0.05	**6,200**	**0.04**
	Total Supplies	**103,179**	**0.87**	**20,550**	**0.13**	**23,030**	**0.14**
	OTHER CHARGES						
802000	Audit & Accounting Services	9,800	0.08	10,260	0.07	**10,370**	**0.06**
804000	Engineering Consultants	0	0.00	15,000	0.10	**0**	**0.00**
805000	Administrative Services	286,565	2.42	248,000	1.67	**557,840**	**3.41**
806000	Legal Services - Other	3,157	0.03	10,000	0.07	**10,000**	**0.06**
806001	Legal Services - City Attorney	3,149	0.03	6,500	0.04	**11,000**	**0.07**
826000	Other Contracted Services	268,234	2.27	266,380	1.79	**2,525,550**	**15.44**
827000	Interfund Services	0	0.00	0	0.00	**19,200**	**0.12**
880000	Community Promotion	1,145	0.01	3,000	0.02	**13,000**	**0.08**
881000	Downpayment Assistance	0	0.00	0	0.00	**170,000**	**1.04**
902000	Publishing	364	0.00	1,250	0.01	**1,250**	**0.01**
922000	Telephone	19,130	0.16	19,000	0.13	**19,440**	**0.12**
956000	Local Meetings	0	0.00	100	0.00	**100**	**0.00**
957000	Memberships & Dues	2,500	0.02	2,500	0.02	**2,500**	**0.02**
959000	Education & Training	4,156	0.04	2,690	0.02	**4,700**	**0.03**
962000	Miscellaneous Expense	40,915	0.35	18,000	0.12	**33,300**	**0.20**
962200	Miscellaneous Expense - Investigations	49,377	0.42	50,000	0.34	**53,500**	**0.33**
	Total Other Charges	**688,492**	**5.82**	**652,680**	**4.40**	**3,431,750**	**20.98**
	OTHER SERVICES						
887000	Bridge Maintenance	1,017	0.01	12,000	0.08	**11,000**	**0.07**
887001	Bridge Maintenance - County	74	0.00	1,000	0.01	**1,000**	**0.01**
888000	Surface Maintenance	393,279	3.32	250,000	1.68	**250,000**	**1.53**
888001	Surface Maintenance - County	888	0.01	2,500	0.02	**1,500**	**0.01**
888167	2007 Joint Sealing Program	122,956	1.04	0	0.00	**0**	**0.00**
888182	2008 Joint Sealing Program	352	0.00	175,000	1.18	**175,000**	**1.07**
889000	Shoulder Maintenance	35,782	0.30	33,000	0.22	**33,000**	**0.20**
889001	Shoulder Maintenance - County	1,319	0.01	1,000	0.01	**1,000**	**0.01**
890000	Sweeping & Flushing	245,190	2.07	280,000	1.89	**275,000**	**1.68**
890001	Sweeping & Flushing - County	71,257	0.60	80,000	0.54	**63,000**	**0.39**
890002	Sweeping & Flushing - State	18,239	0.15	20,000	0.13	**15,000**	**0.09**
891000	Grass & Weed Control	207,821	1.76	195,000	1.31	**200,000**	**1.22**
891001	Grass & Weed Control - County	162,384	1.37	200,000	1.35	**151,000**	**0.92**
891002	Grass & Weed Control - State	127,579	1.08	160,000	1.08	**150,000**	**0.92**

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
892000	Roadside Cleanup	16,792	0.14	23,500	0.16	**17,500**	**0.11**
892001	Roadside Cleanup - County	14,906	0.13	15,000	0.10	**12,000**	**0.07**
892002	Roadside Cleanup - State	13,969	0.12	8,000	0.05	**8,000**	**0.05**
893000	Curb & Gutter Maintenance	1,887	0.02	9,000	0.06	**6,000**	**0.04**
894000	Storm Drain Maintenance	240,530	2.03	330,000	2.22	**300,000**	**1.83**
894001	Storm Drain Maintenance - County	1,882	0.02	2,000	0.01	**1,500**	**0.01**
895000	Tree & Shrub Maintenance	617,526	5.22	555,000	3.74	**510,000**	**3.12**
895001	Tree & Shrub Maintenance - County	13,999	0.12	20,000	0.13	**15,000**	**0.09**
895002	Tree & Shrub Maintenance - State	2,079	0.02	7,000	0.05	**7,000**	**0.04**
897000	Snow & Ice Removal	1,165,737	9.85	725,000	4.88	**875,000**	**5.35**
897001	Snow & Ice Removal - County	1,967	0.02	2,000	0.01	**2,000**	**0.01**
898000	Traffic Signs & Signals	238,014	2.01	265,000	1.78	**240,000**	**1.47**
898001	Traffic Signs & Signals - County	7,990	0.07	15,000	0.10	**13,000**	**0.08**
899000	Pavement Markings	78,247	0.66	80,000	0.54	**70,000**	**0.43**
	Total Other Services	**3,803,662**	**32.15**	**3,466,000**	**23.35**	**3,403,500**	**20.80**
	CAPITAL OUTLAY						
971000	Land Acquisition	10,750	0.09	3,310	0.02	**0**	**0.00**
972000	Land Improvement	0	0.00	42,000	0.28	**8,000**	**0.05**
972008	Land Imp-Neighbrhd Prks-Play Equip	597	0.01	118,020	0.79	**0**	**0.00**
972333	Delia Park Improvements	63,025	0.53	48,500	0.33	**0**	**0.00**
972334	Sport Courts & Path Resurfacing	0	0.00	8,000	0.05	**0**	**0.00**
979000	Computer Equipment	97,472	0.82	1,060	0.01	**0**	**0.00**
981000	Electronic Equipment	44,852	0.38	98,390	0.66	**0**	**0.00**
982000	Machinery & Equipment	149,154	1.26	750	0.01	**2,000**	**0.01**
984000	Vehicles	158,567	1.34	27,030	0.18	**68,000**	**0.42**
985000	Weapons & Protective Gear	17,590	0.15	71,340	0.48	**0**	**0.00**
988000	Construction	250,328	2.12	2,621,540	17.65	**5,132,880**	**31.37**
988101	18 Mile Relocation at Utica Road	0	0.00	220,500	1.48	**0**	**0.00**
988118	Schoenherr Landscape 14-16 Mile Rd.	(82)	0.00	7,780	0.05	**0**	**0.00**
988135	2005 Bridge Maintenance Program	5,593	0.05	43,010	0.29	**0**	**0.00**
988140	Fox Hill Asphalt Paving	315,152	2.66	0	0.00	**0**	**0.00**
988151	2007 Local Paving Program	319,642	2.70	0	0.00	**0**	**0.00**
988158	Gardner Dr. W. Asphalt Resurfacing	2,074	0.02	180	0.00	**0**	**0.00**
988159	Dodge Park Widen 16 Mile/Utica Rd.	33,393	0.28	216,600	1.46	**0**	**0.00**
988163	2007 Concrete Pavement Replace	1,001,908	8.47	0	0.00	**0**	**0.00**
988166	19 Mile Rd Blvd Ryan to Dequindre	152,774	1.29	42,830	0.29	**0**	**0.00**
988175	Riverland Drive Resurfacing	837	0.01	100,000	0.67	**0**	**0.00**
988177	19 Mile Rd. Impr. at Fire Station #2	0	0.00	91,000	0.61	**0**	**0.00**
988178	2008 Local Road Resurfacing	1,625	0.01	650,000	4.38	**0**	**0.00**
988180	Fox Hill Drive Resurfacing	0	0.00	210,000	1.41	**0**	**0.00**
988181	2008 Concrete Repl. Program	70,135	0.59	1,025,000	6.90	**1,025,000**	**6.27**
988185	2008 Concrete Pavement Repair	43,487	0.37	465,670	3.14	**0**	**0.00**
988700	Dequindre Rd - 16-18 Mile Road	0	0.00	15,000	0.10	**10,000**	**0.06**
988840	Schoenherr Bridge over Plmbrk. Drn.	78	0.00	0	0.00	**0**	**0.00**
988852	Utica Road Boulevard	4,947	0.04	0	0.00	**0**	**0.00**

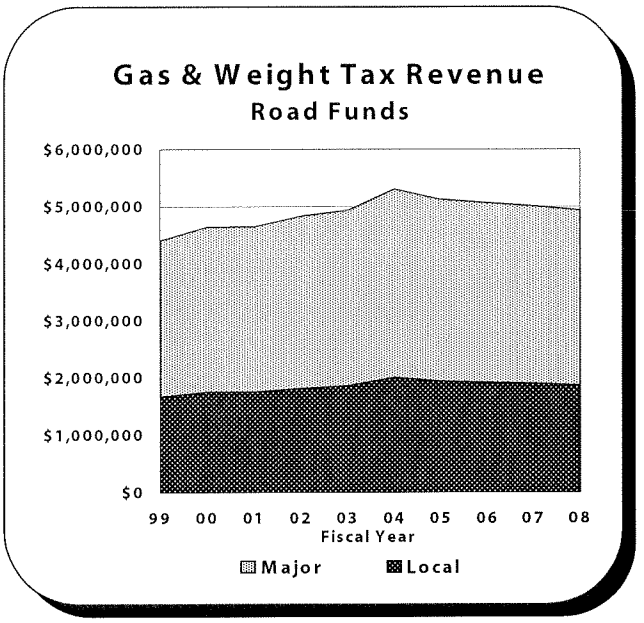
SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
988897	Extension of Lisa Marie Dr. Section 6	230	0.00	0	0.00	**0**	**0.00**
988982	Metropolitan Parkway Landscaping	0	0.00	8,230	0.06	**0**	**0.00**
988986	19 Mile Reconstr. Mound to Ryan Rd.	257,669	2.18	0	0.00	**0**	**0.00**
	Total Capital Outlay	**3,001,797**	**25.37**	**6,135,740**	**41.32**	**6,245,880**	**38.18**
	TRANSFERS OUT						
999101	Transfer to General Fund	96,371	0.81	894,430	6.02	**95,130**	**0.58**
999203	Transfer to Local Road Fund	1,000,000	8.45	500,000	3.37	**250,000**	**1.53**
999327	Transfer to Road Bond Debt Fund	2,600,200	21.98	2,850,000	19.19	**2,585,000**	**15.80**
999369	Transfer to LTGO Debt Fund	331,559	2.80	325,460	2.19	**314,260**	**1.92**
999428	Transfer to Road Bond Constr. Fund	200,000	1.69	0	0.00	**0**	**0.00**
	Total Transfers Out	**4,228,130**	**35.74**	**4,569,890**	**30.77**	**3,244,390**	**19.83**
	Total Special Revenue Funds	**$11,831,665**	**100.00**	**$14,850,380**	**100.00**	**$16,360,030**	**100.00**

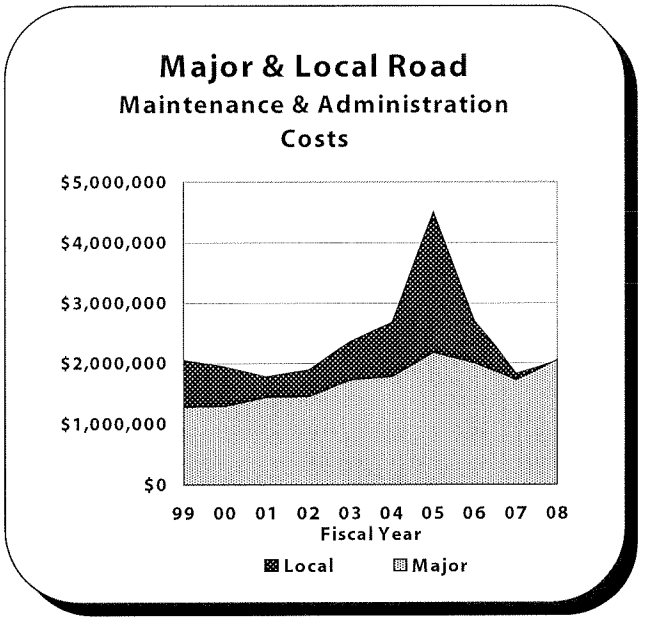
Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

KEY FUND TRENDS

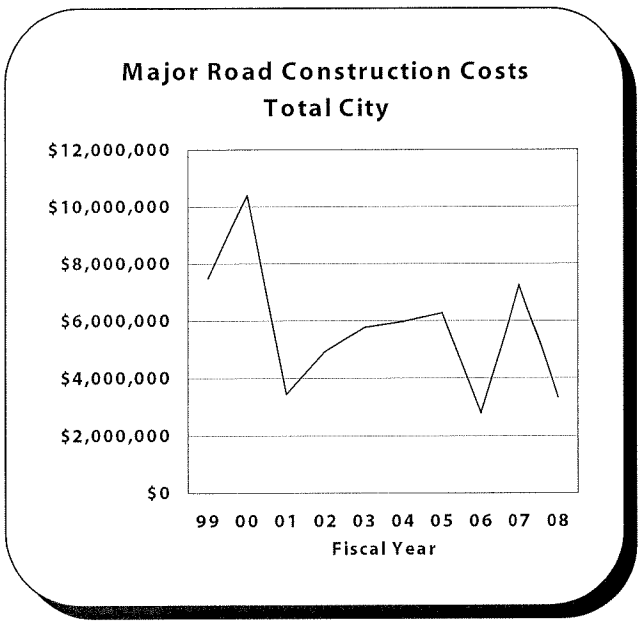
Special Revenue Funds



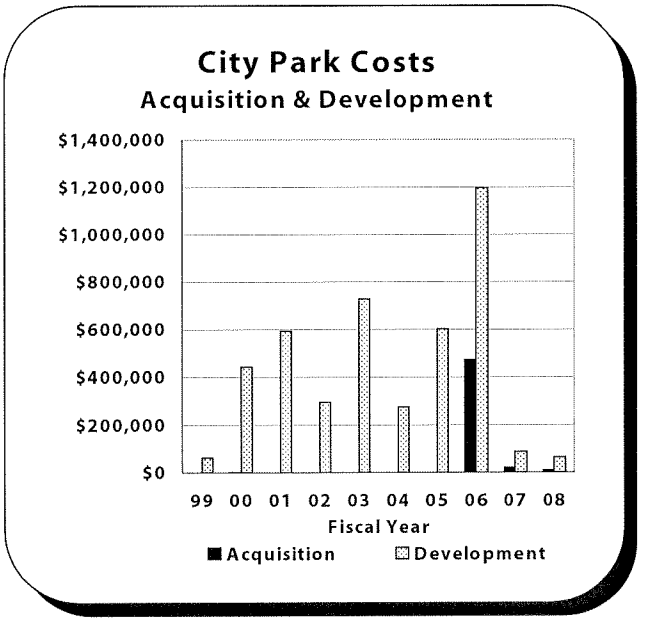
Gas tax receipts have fallen recently due to higher gas prices, which have lessened gas consumption and the corresponding tax revenue. The State's gas tax of 19 cents per gallon has increased once in the past 24 years.



The cost of major and local road maintenance has increased over the past ten years as a result of the increased number of roads and more recently, for the removal of street trees due to the emerald ash borer and higher snow removal costs. Starting in 2007, $750,000 in Local and $275,000 in Major Road Fund maintenance is now reclassified as construction costs.



With the completion of Ryan Road in 2000, costs dropped to $3.4 million in 2001. We spent $6 million in 2004 for improvements to Plumbrook, Maple Lane, Oleander, and 18½ Mile Road. $6.3 million was spent in 2005 on the 18½ Mile Road connector, repairs to the 17 Mile Road bridge, and widening Dequindre Road. $7.2 million was spent in 2007 on 19 Mile, Dobry, Plumbrook, and numerous neighborhood streets, as well as $1 million in miscellaneous concrete replacement. Costs totaled $3.3 million in 2008 as Fox Hill, Red Run and Moravian were resurfaced.



The City continues to spend funds to develop City parks and provide the necessary path systems, restroom, ball field lighting, soccer fields, bleachers, parking lot paving, park signage, and replacement playground equipment. The funds spent for land acquisition have been primarily to obtain land for the City's Nature Preserve and for future development plans. The costs exclude the $2.1 million Senior Gymnasium addition to the Senior Center in 2007.

Major Road Fund

The Major Road Fund is a Special Revenue Fund of the City of Sterling Heights and is used to control the expenditure of motor fuel taxes. The motor fuel taxes are earmarked, by law and the State Constitution, for street and highway purposes that are described in detail by the Michigan Department of Transportation.

This Fund receives Act 51 revenues paid to Sterling Heights by the State and accounts for the construction, maintenance, and other authorized operations pertaining to all streets classified as major streets within the City. In addition, this Fund receives monies paid to Sterling Heights for trunk line contracts and accounts for monies transferred to other City funds. This Fund has been established to make it possible to show that all legal provisions are in compliance with Act 51.

The City's share of the construction of State and County road improvements and the cost of City major road capital improvements, including the payment of debt, are paid through the Major Road Fund.

The 2009/10 Capital Outlay budget includes funding of $10,000 for the preliminary engineering and right-of-way costs for the widening of Dequindre Road from 18 Mile Road to M-59. $34,600 is included for the deck replacement of the Van Dyke Bridge over the Clinton River. Also included is $275,000 for the continuation of the concrete replacement program. $3,300,000 is funded for the resurfacing of 15 Mile Road from Maple Lane to Mound Road. $500,000 is included for repairs to the 17 Mile Road Bridge over the Conrail railroad tracks. $51,500 is budgeted for the center turn lane intersection improvements at Plumbrook and Utica Road. Intersection improvements are funded at 15 Mile and Ryan Road for $200,850. $311,750 is budgeted for traffic signal modernization or improvements on Schoenherr Road, 15 Mile Road, and other various locations.

Total Other Services are budgeted in the amount of $1,670,000, which is primarily used for major road maintenance, snow removal, and grass and weed control.

$180,730 is included for Other Charges, which is funded primarily for the cost of administrative time spent on Major Road Fund projects and for the City's portion of maintenance costs from the Lakeside Shopping Center Area Improvement project.

The remaining expenditure accounts will be utilized for the transfer of resources to other City funds. In fiscal year 2009/10, $250,000 is to be transferred to the Local Road Fund as additional funding is needed for local road maintenance and construction. $2,585,000 is programmed for transfer to the Road Bond Debt Retirement Fund to pay the debt from the sale of Michigan Transportation Fund bonds.

Additional information on projects in the Major Road Fund can be found in the Capital Projects section of this document.■

Did you know?...
...that the State's gas tax has increased only once in the past twenty-four years?

Major Road Fund

SUMMARY OF BUDGET CHANGES

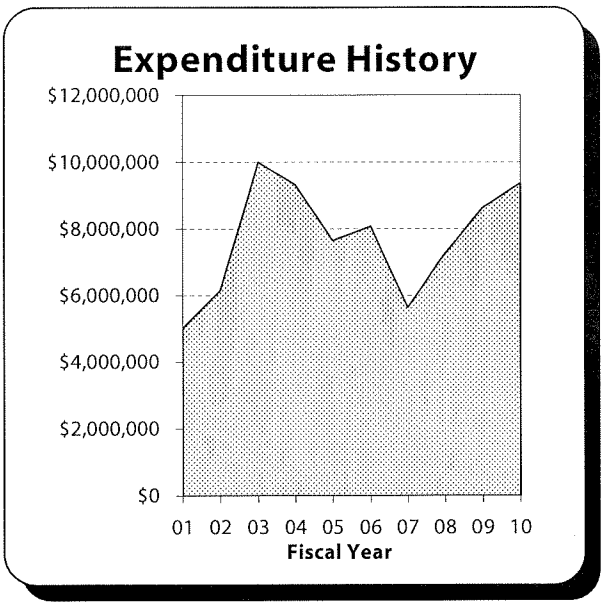
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Other Charges – Total Other Charges increased $64,560 or 55.6%. Funding increased $50,000 for the City's portion of maintenance costs from the Lakeside project, including landscape maintenance and plantings, lawn irrigation, and replacement streetlight bulbs. $20,000 was added due to higher General Fund administrative costs for time spent on Major Road projects.

Other Services – Total Other Services decreased $59,500 or 3.4%. The City will save $87,500 in County road maintenance costs, as the City will seek to return 25% of County maintenance work back to the County. In addition, slightly fewer State road grass cuttings will be performed, as the State has reduced its reimbursement to the City for these services. $25,000 will be saved, as the City will complete fewer tree trimmings. The budget for other various City road maintenance operations was reduced $32,000 and State road maintenance costs decreased $15,000, all based on historic actual expenditure trends. Funding increased $100,000 for snow and ice removal, due to recent higher costs and greater activity levels.

Capital – Total Capital of $4,683,700 is proposed. ***For a complete list of all Major Road projects, refer to the Capital Improvements schedule and maps on the following pages.***

Transfers Out – Total Transfers Out decreased $515,000 or 15.4%. Transfers Out to the Local Road Fund decreased $250,000, as less funding is available for local road maintenance and construction. Transfers Out to the Road Bond Debt Retirement Fund decreased $265,000 due to lower principal and interest payments on existing road bonds.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Other Charges – Council made no adjustments to Other Charges.

Other Services – Council made no adjustments to Other Services.

Capital – Council made no adjustments to Capital.

Transfers Out – Council made no adjustments to Transfers Out.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Other Charges	$143,153	$116,170	$145,670	$180,730	$180,730
Other Services	1,914,638	1,729,500	1,962,260	1,670,000	1,670,000
Capital Outlay	1,402,908	3,449,160	2,280,450	4,683,700	4,683,700
Tranfers Out	3,800,200	3,350,000	3,765,000	2,835,000	2,835,000
Total	$7,260,899	$8,644,830	$8,153,380	$9,369,430	$9,369,430

Local Road Fund

The Local Road Fund is a Special Revenue Fund of the City of Sterling Heights and is used to control the expenditure of motor fuel taxes. These taxes are earmarked, by law and the State Constitution for street and highway purposes that are described in detail by the Michigan Department of Transportation.

The Local Road Fund receives all local road revenue paid to Sterling Heights by the State, and accounts for the construction, maintenance, traffic services, and snow and ice control on all streets classified as local roads within the City. This Fund also accounts for the money raised by special assessing property owners for street improvements as provided by Act 51 of the Public Acts of 1951, as amended, and for the transfers into this Fund from other City funds.

This Fund has been established to make it possible to show that all legal provisions are in compliance with Act 51 of the Public Acts of 1951, as amended.

The Local Road Fund receives all local road revenue paid to Sterling Heights by the State, and accounts for the construction, maintenance, traffic services, and snow & ice control on all streets classified as local roads within the City.

In fiscal year 2009/10, a total of $3,148,140 is budgeted for this fund. $515,000 is included for local road repairs, which include the concrete repairs to Vine, Lorman and Koper Drives. These neighborhood road repair projects are funded by the Proposal N millage. The continuation of the sectional Concrete Replacement Program is also included for $750,000.

Total Other Services in this fund total $1,733,500 and are allocated primarily for local road and storm drain maintenance, snow removal, and tree and shrub maintenance.

$149,640 is budgeted for Other Charges, which is used primarily to fund the cross-charged administrative time spent on Local Road Fund projects.

For fiscal year 2009/10, there are no Transfers Out proposed for this fund. The road bond debt from past Local Road projects was retired in the 2005/06 fiscal year.

Specific capital projects in the Local Road Fund are detailed in the Capital Projects section of this document.■

Did you know?...
...that there are 289 miles of local neighborhood streets in the City?

Local Road Fund

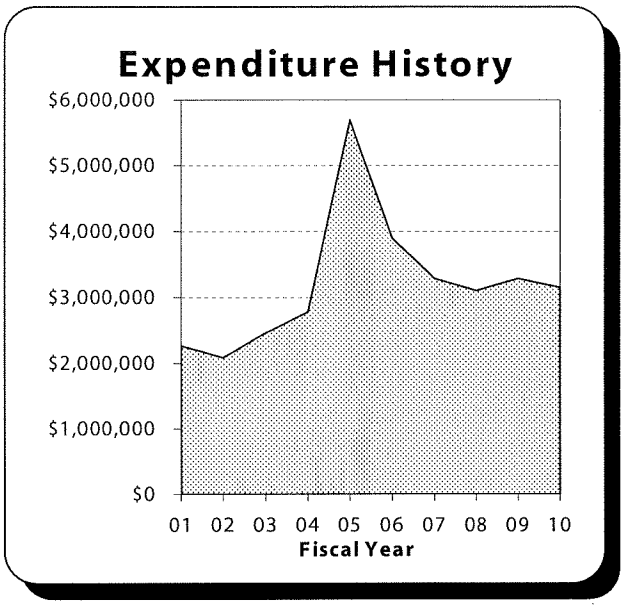
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Other Charges – Total Other Charges increased $1,550 or 1.0% primarily due to an increase in General fund administrative costs for time spent on Local Road Fund issues. $50 was added due to increased audit costs. City attorney legal funding decreased $500, as prior year funds were never spent.

Other Services – Total Other Services decreased $3,000 or 0.2%. Funding decreased $20,000, as the City will complete fewer residential tree trimmings next year. Fewer mosquito larvacide applications to residential catch basins will be made, saving $20,000. The budget decreased $15,000 for traffic signs and signals and $3,000 for curb and gutter maintenance, both to reflect more recent actual expenditure trends. $2,000 was saved, as less funding is needed for roadside cleanup and bridge maintenance costs. Snow and ice removal costs increased $50,000 due to recent severe winter snows. Funding increased $5,000 for grass and weed control and $2,000 for shoulder maintenance, both due to higher costs and greater service demands.

Capital – Total Capital of $1,265,000 is proposed. $515,000 is budgeted for local road repairs, which include concrete repairs to Vine, Lorman, and Koper Drives. These neighborhood road repair projects are funded by the Proposal N millage. $750,000 is for the continuation of the Concrete Replacement Program, as the City continues to fund these repairs to all streets throughout the City.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Other Charges – Council made no adjustments to Other Charges.

Other Services – Council made no adjustments to Other Services.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Other Charges	$153,213	$148,090	$154,590	$149,640	$149,640
Other Services	1,889,015	1,736,500	1,923,050	1,733,500	1,733,500
Capital Outlay	1,056,875	1,400,180	1,454,530	1,265,000	1,265,000
Total	$3,099,103	$3,284,770	$3,532,170	$3,148,140	$3,148,140

Land & Water Conservation Fund

The Land & Water Conservation Fund of the City of Sterling Heights is a Special Revenue Fund and is used to record the receipts and expenditures for the construction, development, and acquisition of land for the City's park system.

The use of the Land & Water Conservation Fund is limited to the length of time required to construct, develop, or acquire any parkland or park system. The balance is normally transferred to the Debt Service Fund if and when a bond issue is involved. Money for the operation of the Fund is usually supplied by the sale of General Obligation Bonds, State or Federal grants, a special voted tax, proceeds from the sale of excess City property and/or other restricted contributions.

The Land & Water Conservation Fund of the City of Sterling Heights is a Special Revenue Fund and is used to record the receipts and expenditures for the construction, development, and acquisition of land for the City's park system.

The fiscal year 2009/10 budget totals $8,000 to fund one park improvement project. $8,000 is included for tree plantings at Delia Park ($3,000 is to be financed by a grant).

For a complete list of all park improvement projects, please refer to the Capital Improvement schedule in the Capital Improvement section of this document.■

Did you know?...
...that the Office of Public Services has secured $14,000 in grant monies from DTE Energy since they started providing grant monies for neighborhood tree planting projects in 2000?

Land & Water Conservation Fund

SUMMARY OF BUDGET CHANGES

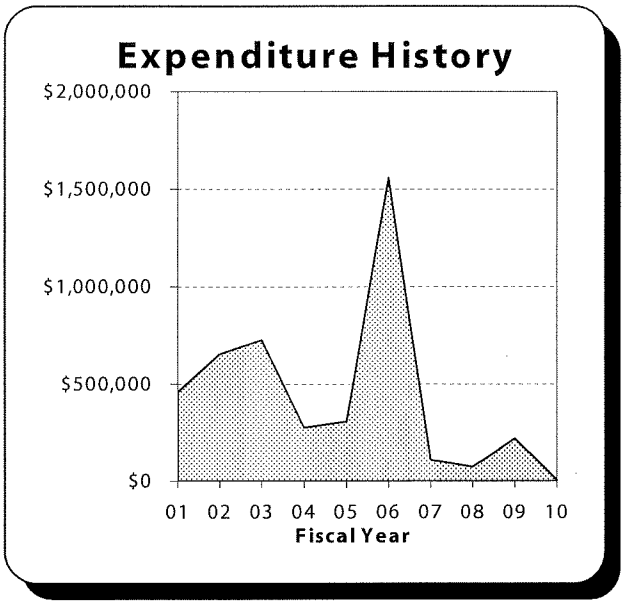
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund.

Supplies – There is no Supplies budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – Total Capital of $8,000 is proposed for this fund. $8,000 is funded for tree plantings at Delia Park, of which $3,000 is to be financed by grant monies. ***The Capital Improvement section of this document provides a breakout of each project's cost and funding source.*** The budget does not propose to spend any funds from the prior sale of City-owned properties.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Other Charges	$0	$0	$0	$0	$0
Capital Outlay	74,371	219,830	175,210	8,000	8,000
Transfers Out	0	0	0	0	0
Total	$74,371	$219,830	$175,210	$8,000	$8,000

Public Safety Forfeiture Fund

The Public Safety Forfeiture Fund is a Special Revenue Fund of the City of Sterling Heights that was established to provide centralized management of seized monies and the sale proceeds from forfeited property. Prior to the creation of this fund, the City recorded all forfeiture related activity in two different funds: the General Fund and the Capital Projects Fund. By creating one centralized fund, the City has met the proper Federal auditing requirements of a Single Audit, and has enhanced its ability to track, monitor, and report on forfeiture revenues and expenditures. There are four divisions in the Public Safety Forfeiture Fund: State Narcotics, Federal Narcotics, Gambling, and Operating While Intoxicated (O.W.I.) Forfeitures.

Revenue in the State Narcotics Forfeiture division is generated when an investigation conducted by the City's Police Department, either alone or in conjunction with other local or state authorities, leads to the seizure of money or real property that is later sold at auction or sold back to the person from whom it was seized. State law dictates that authorities can seize any money or property that can be shown to have been the proceeds from criminal activity or that was used in committing a crime.

State Forfeiture revenue is limited by statute as to its permitted uses. Some examples of permitted uses include the enhancement of law enforcement efforts pertaining to narcotics enforcement, establishment of a "Buy Fund" for the purchase of evidence or to pay informants, and the operation and maintenance costs for vehicles used by narcotics enforcement officers.

Revenue in the Federal Narcotics Forfeiture division is generated when the Federal Government issues a check to the City's Police Department for our equitable share of money or property that was seized during a Federal investigation in which a Sterling Heights police officer took part. The City currently has one police officer assigned to a Drug Enforcement Administration (D.E.A.) task force. Therefore, the Department is entitled to a percentage, relative to this Officer's involvement in an investigation.

The Federal guidelines allow for the proceeds to be used to enhance overall law enforcement efforts, whereas the State limits their use to narcotics law enforcement efforts only. Some examples of Federal Forfeiture permitted uses include the purchase of new equipment, improvements to police facilities, law enforcement training, and the funding of drug education programs such as D.A.R.E.

Gambling Forfeiture revenue is generated from seized money or property that is directly related to illegal gambling activities. Seized property is later sold at auction and the proceeds from the auctioned items, along with any forfeited cash, are used to enhance the future enforcement of gambling statutes.

Persons involved in serious Operating While Intoxicated (O.W.I.) arrests or those with a prior O.W.I. conviction are subject to having their vehicles seized. Upon arrest, an offender's vehicle is impounded and either a settlement is paid or the vehicle is forfeited. Forfeited vehicles are then sold at auction and the proceeds are used to enhance traffic enforcement and education.

In fiscal year 2009/10, a total of $205,540 is budgeted for this fund. $81,340 is included for Federal Forfeiture related expenditures and $124,200 is allocated for State Forfeiture permitted uses. There are no funds budgeted for Gambling or O.W.I. Forfeiture related expenditures next year. Following State guidelines, the budget for this fund is based on existing year-to-date revenue and does not take into consideration the revenue from future anticipated receipts.

For additional information regarding the City's use of Federal and State forfeiture revenue, refer to the Summary of Budget Changes on the following page. A complete list of budgeted capital outlay for this fund can be found in the Capital Projects section of this document. ■

Did you know?...
...that the City's entire fleet of undercover detective vehicles has been purchased with proceeds from the Public Safety Forfeiture Fund?

Public Safety Forfeiture Fund

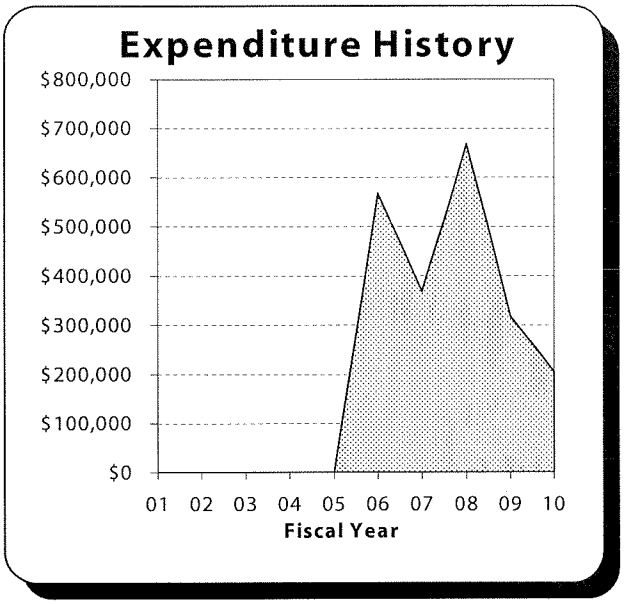
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Supplies – Total Supplies decreased $1,220 or 9.9%. The budget decreased $570 primarily due to the one-time costs of various operating supplies including a brake chamber tool and a digital camera in the prior year. $650 will be saved in publication costs.

Other Charges – Total Other Charges increased $16,960 or 15.8%. $10,710 was added for the recent increased cost of contracted maintenance services for video equipment, taser guns, and a new recording system. Funding for undercover investigative costs increased $3,800 due to greater activity. Wireless telephone costs increased $440 based on the current year's estimated expenditure usage. The training budget increased $2,010 primarily for the funding of a staff member's attendance at the FBI National Training Academy next year.

Capital – Total Capital of $209,950 is proposed for this fund. $139,950 is for 25 In-Car DVD Video Recorders with new wireless hard-drive storage capabilities to replace 5-year old units that have excessive breakdowns and have become outdated. $2,000 is for a DVD Duplicator and Labeling System. $26,000 is to replace a high-mileage Crime Suppression vehicle. $42,000 is funded to replace two high mileage Detective vehicles.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Total Capital decreased $139,950 as the City will look for alternate resources to purchase 25 wireless in-car DVD video recorders.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Supplies	$92,442	$12,320	$12,380	$11,100	$11,100
Other Charges	107,738	107,480	118,630	124,440	124,440
Capital Outlay	467,634	198,570	146,940	209,950	70,000
Total	$667,814	$318,370	$277,950	$345,490	$205,540

Community Development Block Grant Fund

The Community Development Block Grant Fund serves many facets of the Sterling Heights community. In 1974, the Congress of the United States initiated the C.D.B.G. program. This program was designed to replace existing categorical programs identified with city development or redevelopment, namely: Urban Renewal and Neighborhood Development Programs, Model Cities Program, Neighborhood Facilities Programs, Open Space Acquisition, and Rehabilitation Loans.

One of the primary functions of the Community Development Act is to allow local communities the opportunity to structure the program to their own specific needs. This concept was unique at the time and offered local communities far greater flexibility than was present in the categorical programs.

Monies under this program may be spent on activities which are directed to fulfilling specific objectives: elimination of slums and blight, elimination of conditions which are detrimental to health, safety, and public welfare through code enforcement, conservation and expansion of the nation's housing stock in order to provide a decent home for all persons, expansion and improvement of community services principally for persons of low and moderate income, provide a more rational use of land, develop and improve neighborhoods, restore and preserve properties with historical value, and economically develop activities which aid in the revitalization of the community.

Block Grant funds also provide library books for low and moderate-income seniors at senior housing units. These book collections include large-print and "talking books" (books on tape).

The City of Sterling Heights uses Block Grant funds to defer 100% of the special assessments that would be levied against a property within the neighborhood where these improvements occur. Households meeting the low and moderate income criteria may qualify for a total relief of the special assessments because a rule of the program is when capital improvements are made to a neighborhood, you may not negatively impact moderate and low-income families. The Housing Commission administers this program on behalf of the City Council.

Examples of activities undertaken in past years include the Upton House purchase and renovation, improvements to Nelson Park, housing rehabilitation, Minor Home Repair Program, Handicapped Recreation Program, the Home Chore Program, and meeting the federally mandated Americans With Disabilities Act requirements.

In fiscal year 2006/07, $400,000 was budgeted toward the construction of the $2.2 million Senior Active Life Center addition. The proceeds from a bond sale in the spring of 2007 were used to fund the remaining $1.8 million construction cost. Block Grant capital funds are now being used to fund the debt payments on the Senior gymnasium addition.

For fiscal year 2009/10, $41,680 is budgeted for the SMART Bus Stop Improvement project along north Van Dyke.

$314,260 is budgeted to be transferred to the Limited Tax General Obligation Debt Fund for the debt payments on the Senior Active Life Center bond. There is no budgeted transfer to the General Fund, as funding for the Special Recreation Program and the CDBG Specialist's costs are now budgeted and expensed as a cross-charge instead of a transfer.■

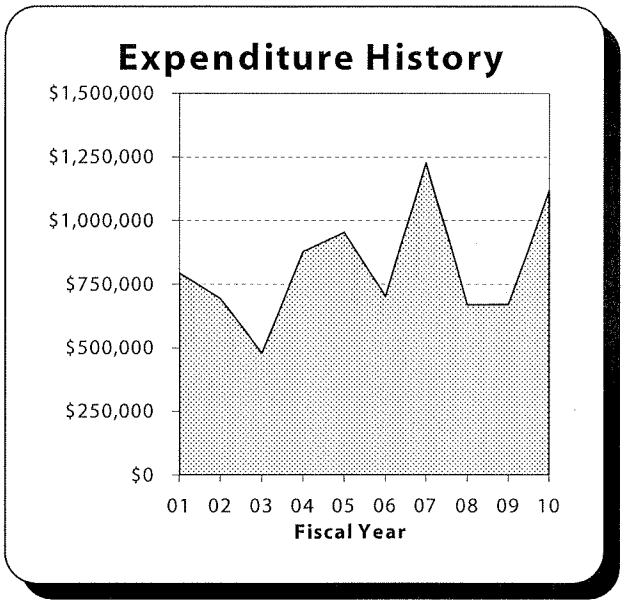
Did you know?...
...that CDBG funds were used to start a Community Policing program at Sterling Estates?

Community Development Block Grant Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The Personnel budget decreased $5,520 as the part-time Intern position will be redirected to the Neighborhood Stabilization Program.
Supplies – Total Supplies increased $570 or 6.9%. $550 was added for postage costs, as resident surveys will be mailed next year to help determine the eligibility of future projects.
Other Charges – Total Other Charges increased $517,510 primarily due to the budgeting of prior year unspent housing rehabilitation and program income, to provide a better means of tracking and monitoring total available funds. Funding for Minor Home Repair increased $20,000. The Mobile Home Minor Repair Assistance Program was eliminated for $20,000 and funding for the Community Policing Program at the Sterling Estates Mobile Home Park decreased $3,000, all due to the reallocation of funds. Donations to most existing service organizations decreased slightly and $2,230 was added for one additional organization. The budget includes $20,000 for the Special Recreation Program and $98,250 for administrative services, including reimbursing the General Fund for the wages and fringe benefit costs of the CDBG Specialist.
Capital – Total Capital of $54,150 is proposed for SMART Bus Stop Improvements along north Van Dyke.
Transfers Out – Transfers to the Limited Tax General Obligation (LTGO) Fund totals $314,260 for debt payments on the Senior Active Life Center bond. There is no budgeted transfer to the General Fund, as funding for the Special Recreation Program and the CDBG Specialist are now budgeted and expensed as a cross-charge instead of a transfer.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.
Supplies – Total Supplies increased $1,330 based on the approved final allocation of CDBG funding.
Other Charges – Total Other Charges increased $11,140 based on the approved final allocation of CDBG funding.
Capital – Total Capital decreased $12,470 based on the approved final allocation of CDBG funding.
Transfers Out – Council made no changes to Transfers Out.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$6,405	$5,520	$350	$0	$0
Supplies	10,736	8,230	8,550	8,800	10,130
Other Charges	224,475	223,010	285,420	740,520	751,660
Capital Outlay	0	14,000	14,000	54,150	41,680
Transfers Out	427,930	420,760	420,760	314,260	314,260
Total	$669,546	$671,520	$729,080	$1,117,730	$1,117,730

Neighborhood Stabilization Program Fund

The Neighborhood Stabilization Program Fund is a Special Revenue Fund of the City of Sterling Heights. This HUD program will provide emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The Neighborhood Stabilization Program (NSP) provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. The program was authorized under Title III of the Housing and Economic Recovery Act of 2008.

NSP guidelines allow each entitlement community to develop programs to address the problem of foreclosed homes in their own community. NSP grantees must use at least 25% of the funds appropriated for the purchase and redevelopment of abandoned or foreclosed homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50% of the area median income. In addition, all activities funded by NSP must benefit low-, moderate-, and middle-income residents whose income does not exceed 120% of area median income.

In January 2009, the City of Sterling Heights was authorized to receive $2,454,960 through the Neighborhood Stabilization Program (NSP). This program's planned activities include down-payment assistance and housing rehabilitation, demolition of blighted structures, acquisition/resale including housing rehabilitation and redevelopment of vacant or demolished properties.

The down-payment assistance and housing rehabilitation program will provide income eligible homebuyers with down payment and closing cost assistance to purchase a foreclosed or abandoned home. Additional funds will be provided to bring the property up to the City's rehabilitation standards. Only abandoned and foreclosed homes located in the City's designated areas of greatest needs are eligible for assistance under this program. A loan will be secured by a second lien for the amount of the NSP investment. The assistance the homebuyer receives from the City will be subject to recapture during an affordability period. The program will help to stabilize neighborhoods by encouraging homebuyers to be owner-occupants of abandoned and foreclosed homes. It will also provide the new homeowner with financial resources needed to make the homes safe for occupancy.

Demolition of blighted structures through the Neighborhood Stabilization Program will result in an area-wide benefit. In addition, the activity will benefit NSP income eligible households by demolishing unsafe structures that might otherwise be rented or sold to homebuyers who are unprepared financially to make the structure safe and sanitary. To be considered a "blighted structure" the property must meet one of the following criteria: 1) uninhabitable or useless structure; 2) dwellings out of repair; 3) partially completed structures; and 4) unprotected vacant buildings in residential areas.

The City will work with agencies such as the Macomb Homeless Coalition, Sterling Heights Housing Commission, or Habitat for Humanity to create an acquisition, rehabilitation, and sale program that meets the low-income housing requirement for those with household incomes below 50% of the area median income. Homes will be sold at a discount to eligible households. All NSP funds associated with the project will be subject to recapture and secured through a second loan on the property.

The final activity involves redeveloping demolished or vacant properties located within the City's areas of greatest need. Redevelopment will be in the form of new home construction or a public facility. ■

Did you know?...

...that income-eligible homebuyers may qualify for down-payment and housing rehabilitation assistance through the Neighborhood Stabilization Program (NSP) when purchasing a foreclosed home?

Neighborhood Stabilization Program Fund

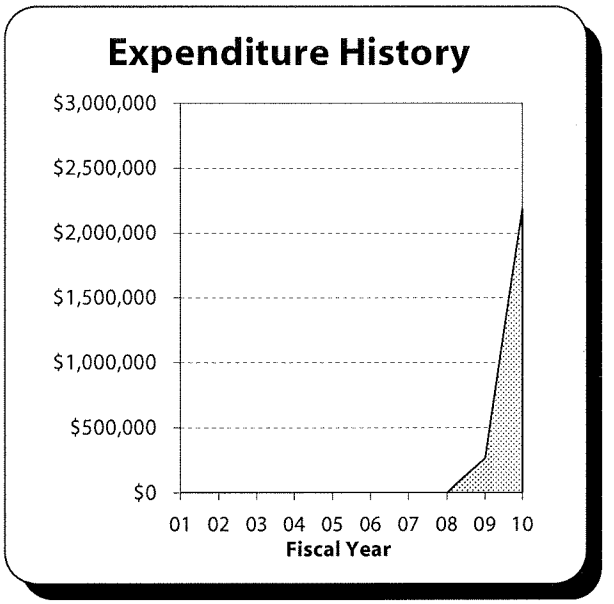
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – The total Personnel Services budget of $11,480 is for a part-time Intern to assist in the Neighborhood Stabilization Program.

Supplies – Total Supplies of $1,800 is budgeted and includes funding for postage costs and operating supplies needed for the operation of the newly established Neighborhood Stabilization Program.

Other Charges – Total Other Charges of $2,175,480 is proposed. $680,000 is for Down Payment and Rehabilitation Assistance. These funds will be used to provide down payment and housing rehabilitation assistance to approximately 17 eligible homebuyers. $491,740 is included for the Acquisition, Rehabilitation and Resale program to acquire and rehabilitate approximately four abandoned or foreclosed properties to be utilized as housing to benefit qualified low-income individuals. $695,720 is budgeted for the Acquisition and Redevelopment program to acquire an estimated four vacant or demolished properties for redevelopment into an eligible use such as new home construction or a public facility. The Demolition program includes $100,000 for the demolition of eight blighted structures. $208,020 is funded for Administration costs, including a $186,720 cross-charge for the wage and benefit costs of existing employees administering the Neighborhood Stabilization Program, $15,000 to provide homebuyer group counseling services and to fund appraiser costs for all NSP projects, $6,000 for legal services, and $300 for the publishing of legal notices in local newspapers.



Capital – There is no Capital budget for this fund.

CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$3,530	$11,480	$11,480
Supplies	0	0	500	1,800	1,800
Other Charges	0	0	262,170	2,175,480	2,175,480
Capital	0	0	0	0	0
Total	$0	$0	$266,200	$2,188,760	$2,188,760

Corridor Improvement Authority Fund

The Corridor Improvement Authority (CIA) Fund is a Special Revenue Fund of the City of Sterling Heights. Established in 2006, the Authority allows the City to identify commercial districts in the City and utilize tax incrementing financing to make public improvements and offer development incentives in order to increase economic vitality within these districts.

The CIA currently includes one District located in the north central portion of Sterling Heights. The District consists of properties bordering Van Dyke Avenue between 18½ Mile Road to the north City limit and along Utica Road between Van Dyke Avenue and Triangle Drive.

The Primary Goals for the District are (1) to enhance the public spaces within the District; (2) to delineate the District by developing a consistent beautification and landscape style along its rights-of-way; (3) to provide a unified building style through the development and redevelopment of properties within the District; and (4) to spur economic growth and increase property values within the District's borders.

As a necessary prerequisite to achieve these goals, both a Development Plan and a Tax Increment Finance Plan have been prepared. The Development Plan outlines the improvements proposed within the District, while the Tax Increment Finance Plan identifies the funding mechanism that will be utilized to finance the proposed improvements.

The Streetscape Design Guidelines prepared for the District include select specifications for paving, decorative lighting, site furnishings, and landscaping. These amenities are intended to be constructed within the Van Dyke Avenue and Utica Road rights-of-way as well as on private property as part of future development and redevelopment within the District.

The Development Plan also includes potential façade improvements with selected styles and material specifications, access management improvements, property acquisition, floodplain/wetland mitigation, park space improvements, general infrastructure improvements, and a business recruitment and retention program. The CIA Master Plan provides for approximately $20 million worth of improvements in the District over a 20-year period.

The Economic Development Manager serves as the City's liaison to the Corridor Improvement Authority Board.

In fiscal year 2009/10, a total of $194,130 is budgeted for this fund. $177,500 is proposed for the Façade Assistance Program designed to help initiate economic revitalization in the Corridor Improvement Authority District.

$1,000 is budgeted for Other Charges, which is used to fund City Attorney legal services.

A transfer to the General Fund is budgeted for $15,630 for the repayment of prior year advanced funding for the Façade Assistance Program.■

Did you know?...
...that the Corridor Improvement Authority board approved the first façade assistance grant for $18,000 that will assist Najor's Deli to add a new façade and landscaping in compliance with the newly created façade design guidelines?

Corridor Improvement Authority Fund

SUMMARY OF BUDGET CHANGES

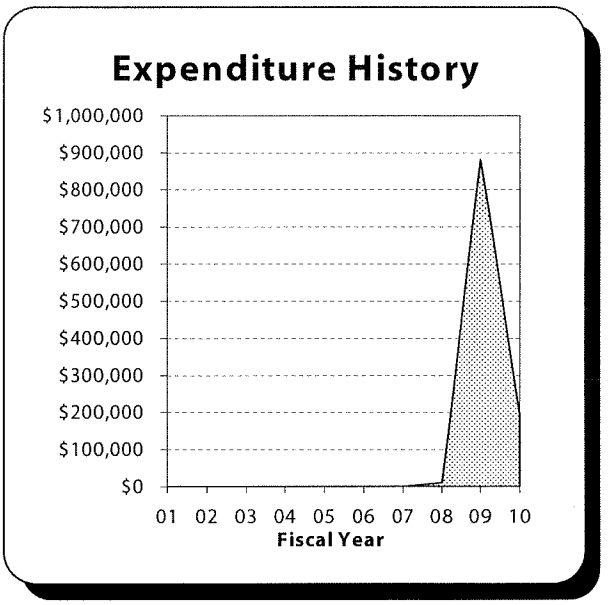
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Supplies – There is no Supplies budget for this fund.

Other Charges – Total Other Charges decreased $3,000 or 75.0% due to the prior year one-time funding of a professional planning service to aid the City with the review of future façade improvement plans.

Capital – Total Capital of $177,500 is proposed for the Façade Assistance Program designed to help initiate economic revitalization in the Corridor Improvement Authority District by assisting property owners with funding for exterior property improvements.

Transfers Out – Transfers Out to other City funds totals $15,630. A transfer of $15,630 is budgeted for the repayment to the General Fund for the prior year advance funding of the Façade Assistance Program.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

Transfers Out – Council made no adjustments to Transfers Out.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Other Charges	$9,550	$4,000	$2,000	$1,000	$1,000
Capital Outlay	0	854,000	22,500	177,500	177,500
Transfers Out	0	24,130	11,270	15,630	15,630
Total	$9,550	$882,130	$35,770	$194,130	$194,130

Economic Development Corporation Fund

The Economic Development Corporation Fund of the City of Sterling Heights has been established and organized, pursuant to Act 388 of the Public Acts of 1974, to achieve essential public objectives of the City. Its objectives are to alleviate and prevent conditions of unemployment, and to assist and retain local industries and commercial enterprise in order to strengthen and revitalize the economy of the City. The Economic Development Corporation also provides the means for encouragement and assistance of industrial and research enterprises, and provides needed services or facilities to the City by constructing, acquiring through gift or purchase, reconstructing, improving, maintaining, repairing and acquiring land for planned improvements suitable for use by any industrial or research enterprise.

The Economic Development Corporation provides the means and methods for encouragement and assistance of industrial and research enterprises...

To accomplish these objectives, the Economic Development Corporation is allowed to borrow money and issue its revenue bonds or revenue notes to finance all or part of the cost of the acquisition, purchase, construction, reconstruction, or improvements of any project or any part of that project. Additionally, the Economic Development Corporation may enter into leases, lease purchase agreements, or installment sales contracts with any person, firm, or corporation for the use or sale of projects.

The Economic Development Corporation functions as a nine member appointed Board and generates revenues by assessing fees on a particular bond and project improvement program.

Using promotional ads, marketing brochures, and television advertising, the Economic Development Corporation seeks to identify industries and research enterprises that may be considering expansion or relocation to the Detroit Metropolitan area. City Administration assists interested parties in locating properties, securing financing and obtaining information about the City of Sterling Heights. The Economic Development Manager is the City's liaison to the Economic Development Corporation.

The Economic Development Corporation has been given the additional responsibility of the Brownfield Redevelopment Authority. Their tasks include making recommendations to the City Council on Brownfield plans. Brownfield Redevelopment has a positive impact on the community by providing a cleaner and safer environment.■

Did you know?...
...that the City funded a study by Plante Moran Cresa to conduct an analysis of the local economy to reveal what key industries the City of Sterling Heights can best support?

Economic Development Corporation Fund

SUMMARY OF BUDGET CHANGES

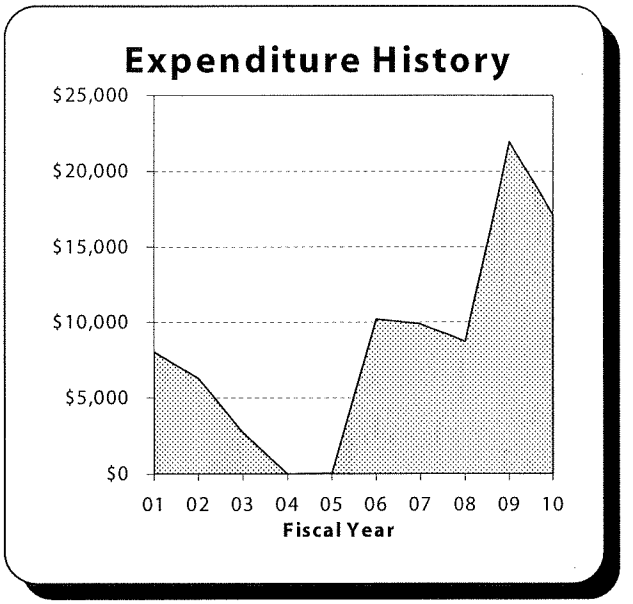
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund. The Economic Development Corporation members serve as volunteers without compensation.

Supplies – There is no Supplies budget for this fund.

Other Charges – Total Other Charges decreased $4,830 or 22.0%. Contracted service costs decreased $14,330 due to the prior year one-time funding of the Plante & Moran CRESA real estate consulting services study and the Site Selection Network service. In addition, a less costly property management service (CPIC) will be used in place of Co-Star next year, to allow the Economic Development Manager to access sale and lease information on all commercial and industrial properties. The budget decreased $500 for City Attorney legal services based on historic actual expenditure levels. $5,000 is included next year for the cost of advertising the Sterling Heights Industrial Corridor in popular defense magazines. $5,000 is also included for the Economic Development Manager to attend trade shows to promote the City's attraction as an ideal defense industry location and to better market the City for future defense investments.

Capital – There is no Capital budget for this fund.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	0	0	0	0
Other Charges	8,712	21,930	21,430	17,100	17,100
Total	$8,712	$21,930	$21,430	$17,100	$17,100

Brownfield Redevelopment Authority Fund

The Brownfield Redevelopment Authority Fund is a Special Revenue Fund of the City of Sterling Heights. The Authority was established in 2000 to offer private developers an opportunity to take advantage of tax incentives and grant programs to redevelop underutilized and obsolete properties, as well as remediate those properties that may be contaminated.

The Authority offers private developers an opportunity to take advantage of tax incentives and grant programs to redevelop underutilized and obsolete properties.

The goals of the Brownfield Redevelopment Authority are to clean up environmentally questionable properties, maximize land use in relation to the appropriate zoning district, reduce the blighting influence of underutilized or obsolete properties, create new job opportunities for residents of Sterling Heights, stimulate new investment in the City by wisely using all of our resources, and control urban sprawl by reusing sites with existing infrastructure.

The City of Sterling Heights, through the Brownfield Redevelopment Authority uses promotional advertising to encourage new investment in existing properties and assists developers in obtaining financial assistance through grant programs, tax credits, and tax increment financing.

The Brownfield Redevelopment Authority encourages new investment in existing properties.

The Brownfield Redevelopment Authority's tasks include making recommendations to City Council on future Brownfield plans, coordinating environmental inspections of possible Brownfield sites, and providing technical assistance, including zoning and infrastructure information and guidance to those parties that are redeveloping land in the City. Overall, Brownfield Redevelopment will have a positive impact on the Community by providing a cleaner and safer environment.

The Economic Development Manager is the City's liaison to the Brownfield Redevelopment Authority, whose nine members are the same as the Economic Development Corporations' members.■

Did you know?...
...that the Brownfield Authority approved a brownfield plan for 40675 Mound Road on behalf of Casadei Steel, which will clean up a contaminated industrial building and allow Casadei to expand by adding 80 jobs over the next 3 to 5 years?

Brownfield Redevelopment Authority Fund

SUMMARY OF BUDGET CHANGES

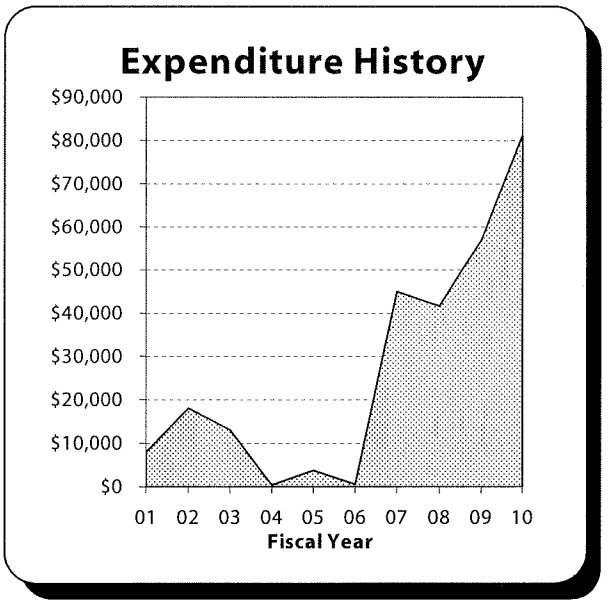
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund. The Brownfield Redevelopment Authority members serve as volunteers without compensation.

Other Charges – Total Other Charges decreased $30,300 or 94.7%. The budget was reduced by $15,000 as funding for engineering consultant services associated with environmental site assessments of new Brownfield sites is no longer needed. $15,000 for development incentives offered to developers was also eliminated allowing for funds to be redirected toward the new business incubator. Publishing costs decreased $300 as the budget can be reduced and brought more in line with the recent year's estimated expenditure usage.

Capital – There is no Capital budget for this fund.

Transfers Out – A transfer for $79,500 is budgeted to reimburse the General Fund for a portion of the Economic Development Manager's salary and for the final reimbursement to the General Fund of the prior years' costs for Brownfield Redevelopment projects, which were pre-funded by the General Fund until tax increment financing began.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

Transfers Out – Council made no adjustments to Transfers Out.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	41,651	32,000	5,200	1,700	1,700
Capital Outlay	0	0	0	0	0
Transfers Out	0	25,000	25,000	79,500	79,500
Total	$41,651	$57,000	$30,200	$81,200	$81,200

Local Development Finance Authority Fund

Public Act No. 281 of 1986, entitled *The Local Development Financing Act*, is intended to encourage local development to prevent unemployment and promote economic growth. These objectives are achieved under the Act by establishing local development finance authorities that create and implement development plans through tax increment financing.

The Act establishes the process for forming a Local Development Finance Authority (LDFA). This process is initiated by the municipality's governing body declaring by resolution its intention to create and provide for the operation of an authority.

The LDFA provides development incentives to companies that fall in the following categories: defense, high technology, alternative energy, agricultural processing, and automotive. The development incentives include reimbursing eligible entities for costs such as roads, water, sanitary and storm sewer, environmental remediation, demolition, and utilities.

As a prerequisite to achieving these goals, a Development Plan and Tax Increment Finance Plan are prepared. The Development Plan outlines the improvements proposed within the District, and the Tax Increment Finance Plan identifies the funding mechanism utilized to finance the proposed improvements.

The impetus for establishing the City's LDFA was the redevelopment of the former TRW site by BAE Systems located on the west side of Van Dyke Avenue, between 14 Mile Road and 15 Mile Road. This parcel will be the first authority district in which the LDFA board will exercise its powers.

BAE Systems will construct a 175,000 square feet, state of the art business development and technology center based on the requirements of the United States Department of Defense and its worldwide allies. This new technology center will focus on and facilitate the integration of the technical, business and program management teams dedicated to the design and development of tactical wheeled and combat vehicles in support of the next generation of combat systems, while enhancing the capabilities of the current combat systems of the United States and its allies. The capital investment by BAE Systems in real and personal property is projected to be $73 million.

The State of Michigan designated the City's LDFA as a SmartZone. This designation allows the LDFA to operate a business incubator. A SmartZone plan is required to describe the operation of the business incubator and how tax dollars will be used to fund its activities.

In fiscal year 2009/10, $30,000 is budgeted for the City's share of operational start-up costs for the SmartZone business incubator development project. In future years, a portion of the tax increment financing from the BAE project will be able to fund the SmartZone operations. ■

Did you know?...
...that the City of Sterling Heights' LDFA, in partnership with Oakland University and Macomb County, has received the SmartZone designation from the State of Michigan?

Local Development Finance Authority Fund

SUMMARY OF BUDGET CHANGES

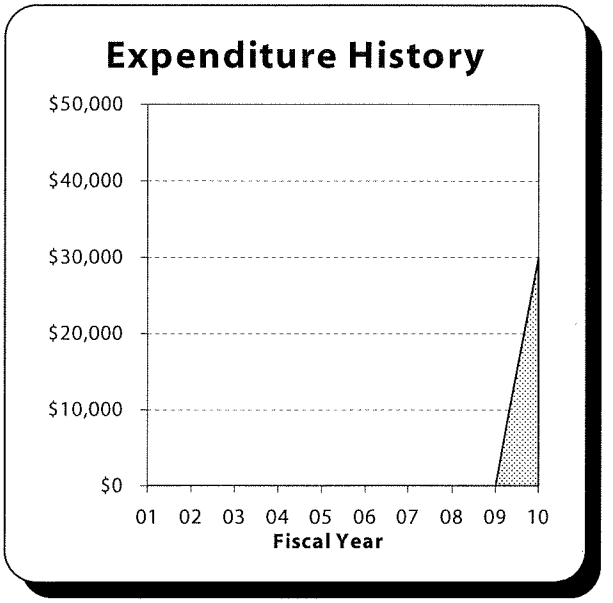
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund.

Supplies – There is no Supplies budget for this fund.

Other Charges – Total Other Charges of $30,000 is proposed for this Fund. $30,000 is included for the City's share of operational start-up costs for the SmartZone business incubator development project. The budgeted costs will be paid with General Fund monies that were made available when the Brownfield Redevelopment Authority Fund began to partially reimburse the General Fund for a portion of the Economic Development Manager's personnel costs. In future years, a portion of the tax increment financing from the BAE project will be able to fund the SmartZone operations.

Capital – There is no Capital budget for this fund.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Other Charges	$0	$0	$0	$30,000	$30,000
Capital Outlay	0	0	0	0	0
Transfers Out	0	0	0	0	0
Total	$0	$0	$0	$30,000	$30,000

Budget Stabilization Fund

The Budget Stabilization Fund is a Special Revenue Fund of the City of Sterling Heights and serves as a rainy day fund to prevent General Fund deficits, revenue shortfalls, reductions in services, or to cover expenses arising from natural disasters.

Each fiscal year, the governing body of the municipality may appropriate all or part of a surplus in the General Fund resulting from an excess of revenue in comparison to expenses, to this fund. However, the amount of money in the fund shall not exceed either 15% of the municipality's most recent General Fund budget, as originally adopted, or 15% of the average of the municipality's five most recent General Fund budgets, as amended, whichever is less. If the money in the fund exceeds that permitted, the excess money is appropriated in the next General Fund budget.

The Budget Stabilization Fund serves as a rainy day fund to prevent future deficits, revenue shortfalls, reductions in services, or to cover expenses arising from natural disasters.

As stated above, the Budget Stabilization Fund may be created and appropriated for many reasons. First, this Fund can be used to prevent a reduction in the level of public services or in the number of employees at any time in a fiscal year when budgeted revenue is not being collected in an amount sufficient to cover budgeted expenses. Or, when preparing the budget for the next fiscal year, if estimated revenue does not appear sufficient to cover estimated expenses, money in this Fund may be appropriated. Next, this Fund may be utilized to cover a General Fund deficit, when the municipality's annual audit reveals such a deficit. Finally, this Fund may be used to cover expenses arising because of a natural disaster, including a flood, fire, or tornado.

Upon City Council's review and approval, the Budget Stabilization Fund was established during the final budget amendment in June of 1998. During the 1998/1999 fiscal year there was a residual equity transfer into this fund, and in the 1999/2000 budget, General Fund revenues exceeded expenditures, which allowed for a transfer to the newly established Budget Stabilization Fund. In fiscal year 2000/01 another transfer was made from the General Fund to counter possible future economic downturns or the need for a future tax increase.

In fiscal year 2008/09, the existing fund balance of $750,000 was transferred to the General Fund due to revenue shortfalls and to help cover budgeted expenses and prevent reductions to City services and personnel.

For fiscal year 2009/10, there are no contributions being made to this fund as a result of continuing revenue shortfalls.■

Did you know?...
...that the Budget Stabilization Fund reserves were drawn down in the 2008/09 fiscal year due to declining General Fund Revenues?

Budget Stabilization Fund

SUMMARY OF BUDGET CHANGES

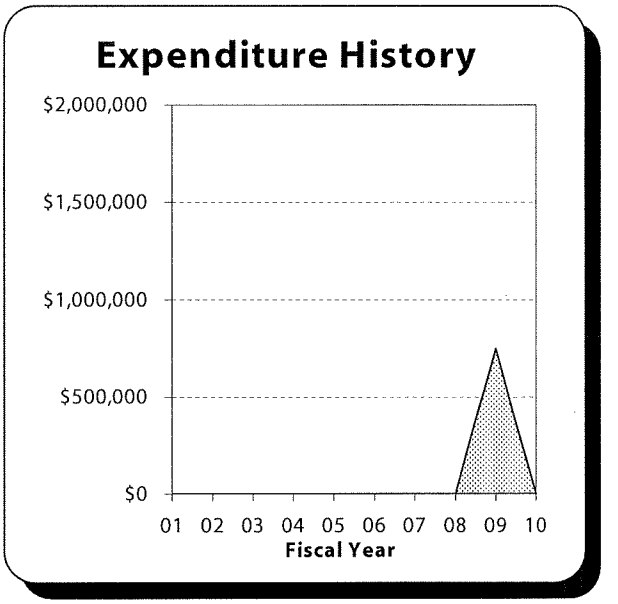
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Supplies – There is no Supplies budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – There is no Capital budget for this fund.

Transfers Out – There is no Transfers Out budget for this fund. The existing fund balance of $750,000 was transferred to the General fund in the prior year due to revenue shortfalls and to cover budgeted expenses and prevent reductions to City services and personnel.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Supplies – Council made no adjustments to Supplies.

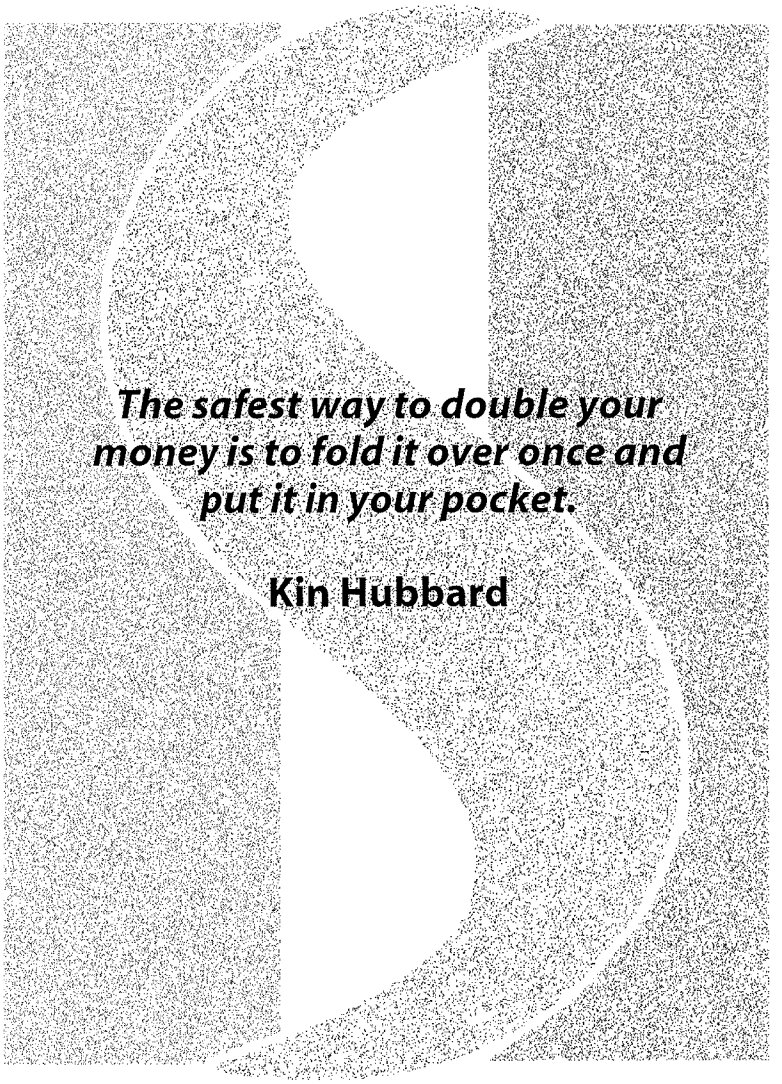
Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

Transfers Out – Council made no adjustments to Transfers Out.

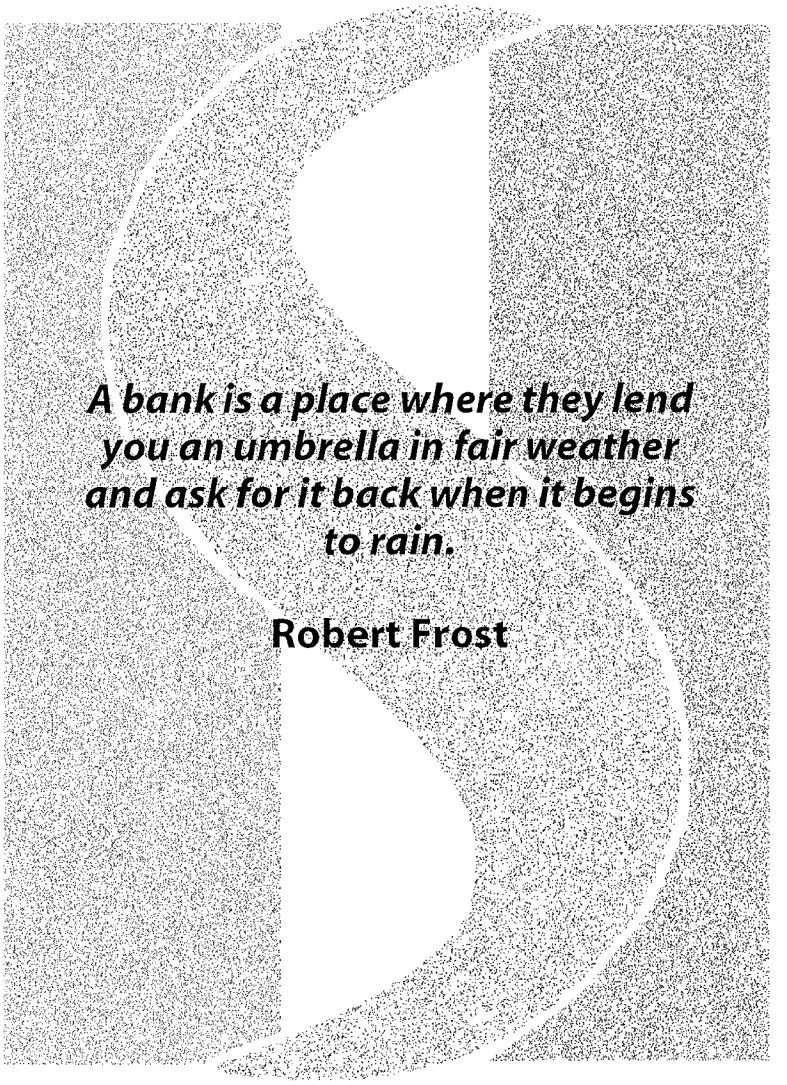
FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Other Charges	$0	$0	$0	$0	$0
Capital Outlay	0	0	0	0	0
Transfers Out	0	750,000	750,000	0	0
Total	$0	$750,000	$750,000	$0	$0


The safest way to double your money is to fold it over once and put it in your pocket.
Kin Hubbard

Debt Service Funds

The city's Debt Service Funds are used to account for the accumulation of resources and payments of general long-term debt principal and interest. Debt Service Funds are required when legally mandated. Debt Service Funds include the General Drain Fund, Limited Tax General Obligation (LTGO) Debt Fund, Road Bond Debt Retirement Fund, Settlement Bond Debt Fund and the Voted General Obligation Debt Fund.


A bank is a place where they lend you an umbrella in fair weather and ask for it back when it begins to rain.
Robert Frost

GENERAL OBLIGATION

Section 11.01 of the Sterling Heights City Charter outlines the City's general borrowing power. It states that Council, by ordinance or resolution, may authorize the borrowing of money, the issuance of bonds, or other evidences of indebtedness, subject to State law and Charter provisions. The City may pledge its full faith credit and resources for the payment of the obligation created.

The Charter further states that the City may borrow money, within provisions stipulated by State law, in anticipation of the payment of special assessments made for defraying any public improvement costs and can issue revenue or other types of bonds.

This borrowing authority is limited, however. The net bonded indebtedness incurred for all public purposes can not exceed 10% of the assessed value of all real and personal property in the City subject to taxation. In the case of fire, flood or other disaster requiring an emergency fund for the relief of City inhabitants, or for the repair or rebuilding of municipal buildings, infrastructure, bridges, or streets, the City's legislative body may borrow money for up to five years and in the amount not exceeding three-eighths (3/8) of one percent of the assessed valuation of all property in the City, notwithstanding such loan may increase the indebtedness beyond the limitation fixed in the Charter.

Some bonds are not included in the computation of net bond indebtedness including bonds issued in anticipation of the payment of special assessments, mortgage bonds that are secured only by a mortgage on the property or franchise of a public utility, Michigan Transportation Fund (MTF) road construction bonds, and bonds issued to refund monies advanced or paid on special assessments for water main extensions. The resources of the sinking fund pledged for the retirement of any outstanding bonds shall also be deducted from the amount of the bonded indebtedness.

The City's 2009 State Equalized Valuation plus the assessed value of abated property is $5,794,566,405. Therefore, the City's debt limit is $579,456,640 or 10% of total valuation. The City's population estimate is 128,500. The outstanding Net Direct Bonded Debt for the City as of June 30, 2009 is shown below as a ratio of debt to state equalized value and debt per capita.

	Debt Outstanding 6/30/09	Debt to Assessed Value	Debt Per Capita
Net Direct Bonded Debt	$26,575,000	0.46%	$207

Total Debt Maturity within 10 Years = 87.0%

BOND RATINGS

Standard & Poors	Moody's Investor Service	Fitch
AAA	Aaa	AAA
AA+	Aa1	**AA+**
AA	**Aa2**	AA
AA-	Aa3	AA-
A+	A1	A+
A	A2	A
A-	A3	A-
BBB+	Baa1	BBB+
BBB	Baa2	BBB
BBB-	Baa3	BBB-
BB+	Ba1	BB+
BB	Ba2	BB
BB-	Ba3	BB-
B+	B1	B+
B	B2	B
B-	B3	B-
CCC+	Caa1	CCC+
CCC	Caa2	CCC
CCC-	Caa3	CCC-
	Ca	CC
	C	C
		DDD
		DD
		D

The City's Debt Management Program is the product of over 30 years of deliberate decision-making by our community's leaders. The City has made judicious use of its authorities to sell bonds or otherwise incur debt. Our current bond ratings are an AA+ from Fitch, AA+ from Standard & Poors, and an Aa2 from Moody's. The City's favorable credit rating results from low debt levels, as well as a history of conservative budgeting, maintaining adequate reserves, and financial flexibility based on a relatively large operating tax rate margin. The City anticipates maintaining its low debt position, due to a modest debt burden and a rapid debt amortization. 87.0% of the City's total debt is scheduled to be repaid within ten years. Favorable credit ratings and low debt service will permit the City to incur additional debt in the future.

Debt Management Program

In compliance with the Uniform Budget Act of 1978, a summary of the City's total indebtedness as of June 30, 2009, the principal and interest payments required for fiscal 2009/10, and the funding source is included within this Debt Service section. Total indebtedness is $46,370,000. Total principal payment is $5,535,000 and the interest payment is $1,879,620.

Brief descriptions of each type of debt incurred by the City are stated below followed by debt summary schedules.

LIMITED TAX GENERAL OBLIGATION DEBT FUND

Some of the City's debt service is financed indirectly through lease with the City's Building Authority, which was created for the purpose of acquiring and leasing City property including the Judicial Services Center and the City Center Commons.

The bonding for the Judicial Services Center was approved by City Council in 1989. The debt as of June 30, 2009 is $395,000. Total principal payment is $395,000 and the interest is $5,430.

In 1999/00, a $3.7 million bond was sold for the City Center Commons development. The debt was refunded in 2004/05, saving $118,500. Total outstanding debt is $2,720,000. Total principal payment is $200,000 and interest is $113,430.

In 2007, a $3.25 million Improvement Bond was issued for the new Senior Active Life Center and the new public safety 800 MHz Radio System. In 2009/10, $333,240 is budgeted in the Transfers Out activity for the debt payments on the Radio System bonds. The principal payment is $295,000 and the interest is $38,240. $314,260 is budgeted for the debt payments on the Senior Active Life Center utilizing CDBG funds. Total principal payment is $280,000 and interest is $34,260.

VOTED TAX GENERAL OBLIGATION DEBT FUND

In November 1988, the City's residents approved the sale of bonds for the construction of Road Improvements, a Fire Station, and Fire Equipment (Public Improvements R, S & T). The final debt for completed projects under Proposal R was retired in fiscal year 2008/09.

In the spring of 2008, a $5.0 million General Obligation bond was issued for renovations at three of the City's fire stations (Public Improvement F), which was approved by the voters in November, 2006. $308,250 is budgeted for the debt payments on the Fire Station Improvement bonds.

SETTLEMENT BONDS DEBT FUND

In March 2004, the City Council approved a $31 million settlement due to the City's revocation of a special land use permit for the use of a county park as an outdoor entertainment complex. To fund the payment of the settlement, the City sold General Obligation Judgment Funding Bonds. The remainder of the settlement was funded by reserves. The City is expected to be reimbursed through insurance claims.

In 2006/07, insurance proceeds were used to partially refund the debt. The debt outstanding is $10.87 million. For 2009/10, the principal payment on the remaining debt is $1,170,000 and interest is $524,360. The City's Self-Insurance Fund transfers monies to this fund to pay the required debt until the City receives the final insurance proceeds.

MAJOR ROAD IMPROVEMENTS

The City uses Gas and Weight tax revenues to finance various road improvements. Indebtedness is $16,535,000. The Principal payment is $2,015,000 and interest is $611,910.

SPECIAL ASSESSMENTS

In the spring of 2008, a $3.26 million Special Assessment bond was issued to finance improvements within the Lakeside Shopping Center District. Total principal payment of $100,000 and interest of $126,650 is funded through special assessments.

MACOMB COUNTY DRAINS

The City is under contract with Macomb County to pay the debt for Chapter 20 drains. Indebtedness to Macomb County is $5,590,000. Principal is $955,000 and interest is $242,090.■

DEBT SUMMARY

Description of Debt	Funding Sources	Debt Outstanding 6/30/09	2009/10 Principal	2009/10 Interest	2009/10 Total
LIMITED TAX GENERAL OBLIGATION DEBT FUND					
Building Authority Bonds - Court	Gen Fund	$395,000	$395,000	$5,430	**$400,430**
Bldg. Auth./LTGO Bonds - City Center Commons	Gen Fund	2,720,000	200,000	113,430	**313,430**
LTGO Bonds - Radio System Equipment	Gen Fund	1,103,530	295,000	38,240	**333,240**
LTGO Bonds - Senior Active Life Center	CDBG Fund	996,470	280,000	34,260	**314,260**
VOTED TAX GENERAL OBLIGATION DEBT FUND					
2008 Fire Station Improvement Bonds (F)	Gen Fund	4,900,000	125,000	183,250	**308,250**
SETTLEMENT BONDS DEBT FUND					
2004 Litigation Settlement Bonds	Self Ins Fund	10,870,000	1,170,000	524,360	**1,694,360**
GENERAL DRAIN FUND					
Contractual Obligations Macomb County	Drain Fund	5,590,000	955,000	242,090	**1,197,090**
Total Direct Debt Service		**26,575,000**	**3,420,000**	**1,141,060**	**4,561,060**
ROAD BOND DEBT RETIREMENT FUND					
1999 MI Transportation Bonds	Major Rds	2,600,000	400,000	107,600	**507,600**
2002 MI Transportation Bonds	Major Rds	330,000	330,000	5,780	**335,780**
2003 MI Transportation Bonds	Major Rds	1,455,000	460,000	38,830	**498,830**
2005 MI Transportation Refunding Bonds	Major Rds	2,850,000	425,000	98,560	**523,560**
2005 MI Transportation Bonds	Major Rds	4,850,000	250,000	189,940	**439,940**
2007 MI Transportation Bonds	Major Rds	4,450,000	150,000	171,200	**321,200**
Special Assessment Bonds	S/A - RBDF	3,260,000	100,000	126,650	**226,650**
Total Road Bond Debt Service		**19,795,000**	**2,115,000**	**738,560**	**2,853,560**
Total Debt Service		**$46,370,000**	**$5,535,000**	**$1,879,620**	**$7,414,620**

GENERAL FUND & TAX SUPPORTED DEBT SERVICE

Debt Service	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
Judicial Center	$339,910	$348,390	$395,420	$395,420	$400,430	**$400,430**
City Center Commons	315,700	306,930	322,320	322,320	313,430	**313,430**
Radio System Equipment	0	356,500	345,040	345,040	333,240	**333,240**
Senior Active Life Center	0	326,530	325,460	325,460	314,260	**314,260**
Total General Fund Debt Service	**655,610**	**1,338,350**	**1,388,240**	**1,388,240**	**1,361,360**	**1,361,360**
VOTED TAX GENERAL OBLIGATION DEBT FUND						
Road Improvements (R)	972,800	984,210	357,180	357,180	0	**0**
Fire Station Improvements (F)	0	0	251,070	251,070	308,250	**308,250**
Total Voted Gen. Obligation Fund	**972,800**	**984,210**	**608,250**	**608,250**	**308,250**	**308,250**
GENERAL DRAIN FUND	1,250,880	1,139,750	1,182,630	1,182,630	1,197,090	**1,197,090**
Total Tax Supported Debt Service	**$2,879,290**	**$3,462,310**	**$3,179,120**	**$3,179,120**	**$2,866,700**	**$2,866,700**

SCHEDULE OF PRINCIPAL & INTEREST
GENERAL FUND, CDBG, AND SELF-INSURANCE FUND SUPPORTED DEBT

Fiscal Year	2003 41-A Court Bonds	2004 Litigation Settlement Bonds	2005 City Center Refunding Bonds	2007 Radio System Equipment Bonds	2007 Senior Active Live Center Bonds	Total
2009/10	400,431	1,694,356	313,425	333,241	314,259	3,055,712
2010/11		1,779,581	296,112	321,441	327,559	2,724,693
2011/12		1,873,216	298,650	309,641	315,359	2,796,866
2012/13		1,968,138	305,450	222,898	108,602	2,605,088
2013/14		2,063,834	296,850			2,360,684
2014/15		2,168,263	312,450			2,480,713
2015/16		1,427,356	322,150			1,749,506
2016/17			355,850			355,850
2017/18			337,250			337,250
2018/19			322,250			322,250
2019/20			302,375			302,375
Total	$400,431	$12,974,744	$3,462,812	$1,187,221	$1,065,779	$19,090,987

VOTED GENERAL OBLIGATION DEBT FUND

Fiscal Year	2008 Proposal F Bonds					Total
2009/10	308,250					308,250
2010/11	329,500					329,500
2011/12	350,000					350,000
2012/13	369,750					369,750
2013/14	413,250					413,250
2014/15	430,125					430,125
2015/16	470,500					470,500
2016/17	484,125					484,125
2017/18	521,000					521,000
2018/19	531,000					531,000
2019/20	589,000					589,000
2020/21	619,000					619,000
2021/22	622,000					622,000
2022/23	624,000					624,000
Total	$6,661,500					$6,661,500

SCHEDULE OF PRINCIPAL & INTEREST
ROAD BOND DEBT RETIREMENT FUND

Fiscal Year	1999 M.T.F. Bonds	2002 M.T.F. Bonds	2003 M.T.F. Bonds	2005 M.T.F. Refunding	2005 M.T.F. Bonds	2007 M.T.F. Bonds	2008 S.A.D. Bonds		Total
2009/10	507,600	335,775	498,833	523,563	439,938	321,200	226,650		2,853,559
2010/11	588,325		524,883	508,688	481,188	364,200	223,400		2,690,684
2011/12	566,325		263,039	567,625	520,688	356,200	220,400		2,494,277
2012/13	641,550		249,410	550,125	533,438	348,200	227,250		2,549,973
2013/14	613,950			530,938	545,313	438,200	263,163		2,391,564
2014/15				510,313	579,313	426,650	258,288		1,774,564
2015/16					586,313	415,475	253,225		1,255,013
2016/17					592,313	502,250	247,600		1,342,163
2017/18					597,313	486,950	241,600		1,325,863
2018/19					651,313	569,500	235,600		1,456,413
2019/20					651,563	549,875	229,600		1,431,038
2020/21						530,000	272,600		802,600
2021/22						510,000	264,550		774,550
2022/23							256,450		256,450
2023/24							248,150		248,150
2024/25							239,650		239,650
2025/26							231,050		231,050
2026/27							222,350		222,350
2027/28							213,500		213,500
2028/29							204,500		204,500
Total	$2,917,750	$335,775	$1,536,165	$3,191,252	$6,178,693	$5,818,700	$4,779,576		$24,757,911

GENERAL DRAIN FUND

Fiscal Year	Seventeen Mile Road Drain	Busch Drain	Hawken Drain	Hayes Drain	Plumbrook Drain	Central Fire Station Drain	Sterling Relief Drain		Total
2009/10	324,518	124,513	67,975	107,513	297,250	167,100	108,219		1,197,088
2010/11	310,255	120,163	65,525	128,950	286,000	162,100	110,070		1,183,063
2011/12	290,595	115,763	63,025	124,150	299,750	182,100	111,428		1,186,811
2012/13	300,875	136,313	60,475	144,250	287,250	176,100	117,243		1,222,506
2013/14		130,688	82,875	137,938	299,750	169,800			821,051
2014/15			78,938	131,500	286,000	163,350			659,788
2015/16						156,750			156,750
Total	$1,226,243	$627,440	$418,813	$774,301	$1,756,000	$1,177,300	$446,960		$6,427,057

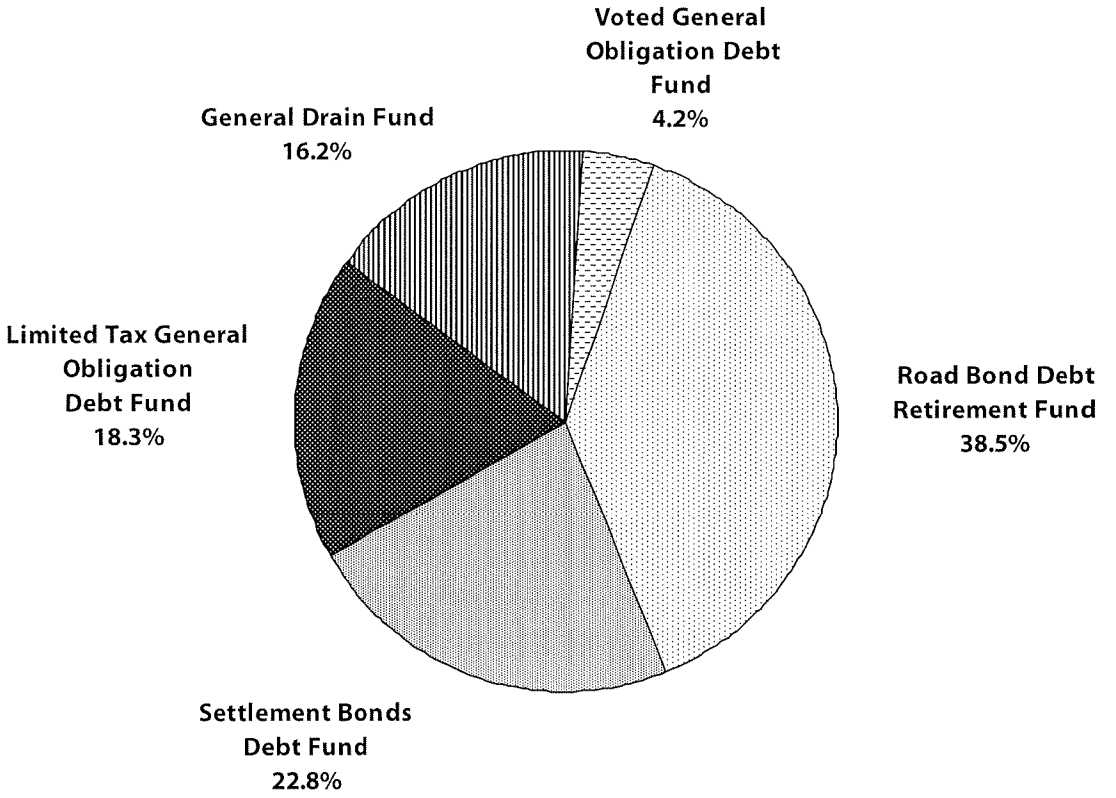
DEBT SERVICE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
GENERAL DRAIN FUND						
REVENUES						
Property Taxes	$1,214,130	$1,089,260	$1,169,060	$1,170,660	$1,184,520	**$1,184,520**
Interest Income	31,120	24,510	18,000	20,000	15,000	**15,000**
Transfer from General Fund	0	15,000	0	0	0	**0**
Total Revenues	**1,245,250**	**1,128,770**	**1,187,060**	**1,190,660**	**1,199,520**	**1,199,520**
EXPENDITURES						
Principal	905,000	830,000	905,000	905,000	955,000	**955,000**
Interest	345,880	309,750	277,630	277,630	242,090	**242,090**
Other Charges	23,010	7,060	4,430	4,430	4,430	**4,430**
Total Expenditures	**1,273,890**	**1,146,810**	**1,187,060**	**1,187,060**	**1,201,520**	**1,201,520**
Excess of Revenues Over (Under) Expenditures	**(28,640)**	**(18,040)**	**0**	**3,600**	**(2,000)**	**(2,000)**
Beginning Fund Balance	**53,170**	**24,530**	**6,490**	**6,490**	**10,090**	**10,090**
Ending Fund Balance	**$24,530**	**$6,490**	**$6,490**	**$10,090**	**$8,090**	**$8,090**
VOTED TAX GENERAL OBLIGATION DEBT FUND						
REVENUES						
Property Taxes	$973,390	$976,360	$358,970	$359,070	$183,600	**$183,600**
Interest Income	5,210	4,150	2,700	4,500	2,000	**2,000**
Transfer from General Fund	40,000	52,640	325,000	325,000	0	**0**
Total Revenues	**1,018,600**	**1,033,150**	**686,670**	**688,570**	**185,600**	**185,600**
EXPENDITURES						
Principal	900,000	950,000	450,000	450,000	125,000	**125,000**
Interest	72,800	34,210	158,250	158,250	183,250	**183,250**
Other Charges	45,380	5,080	4,490	2,350	2,350	**2,350**
Total Expenditures	**1,018,180**	**989,290**	**612,740**	**610,600**	**310,600**	**310,600**
Excess of Revenues Over (Under) Expenditures	**420**	**43,860**	**73,930**	**77,970**	**(125,000)**	**(125,000)**
Beginning Fund Balance	**9,960**	**10,380**	**54,240**	**54,240**	**132,210**	**132,210**
Ending Fund Balance	**$10,380**	**$54,240**	**$128,170**	**$132,210**	**$7,210**	**$7,210**
SETTLEMENT BONDS DEBT FUND						
REVENUES						
Other Revenues	$6,240	$9,960	$6,000	$50	$50	**$50**
Transfer from Self-Insurance Fund	9,777,320	1,518,340	1,603,100	1,608,100	1,694,560	**1,694,560**
Tfr. from Capital Projects Fund	1,320,000	0	0	0	0	**0**
Total Revenues	**11,103,560**	**1,528,300**	**1,609,100**	**1,608,150**	**1,694,610**	**1,694,610**
EXPENDITURES						
Principal	9,980,000	930,000	1,045,000	1,045,000	1,170,000	**1,170,000**
Interest	1,120,780	596,090	563,850	563,850	524,360	**524,360**
Other Charges	20,980	250	250	250	250	**250**
Total Expenditures	**11,121,760**	**1,526,340**	**1,609,100**	**1,609,100**	**1,694,610**	**1,694,610**
Excess of Revenues Over (Under) Expenditures	**(18,200)**	**1,960**	**0**	**(950)**	**0**	**0**
Beginning Fund Balance	**19,390**	**1,190**	**3,150**	**3,150**	**2,200**	**2,200**
Ending Fund Balance	**$1,190**	**$3,150**	**$3,150**	**$2,200**	**$2,200**	**$2,200**

DEBT SERVICE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
ROAD BOND DEBT RETIREMENT FUND						
REVENUES						
Special Assessment Revenue	$0	$0	$357,000	$0	$330,600	**$330,600**
Interest Income	14,830	7,330	7,000	1,500	1,500	**1,500**
Transfer from Major Roads Fund	2,200,000	2,600,200	2,850,000	2,915,000	2,585,000	**2,585,000**
Tfr. from Road Bond Constr. Fund	0	0	12,570	0	0	**0**
Total Revenues	**2,214,830**	**2,607,530**	**3,226,570**	**2,916,500**	**2,917,100**	**2,917,100**
EXPENDITURES						
Principal	1,730,000	1,900,000	2,175,000	2,175,000	2,115,000	**2,115,000**
Interest	626,670	735,010	767,150	754,580	738,560	**738,560**
Other Charges	1,820	1,360	1,930	1,900	1,900	**1,900**
Total Expenditures	**2,358,490**	**2,636,370**	**2,944,080**	**2,931,480**	**2,855,460**	**2,855,460**
Excess of Revenues Over (Under) Expenditures	**(143,660)**	**(28,840)**	**282,490**	**(14,980)**	**61,640**	**61,640**
Beginning Fund Balance	**196,250**	**52,590**	**23,750**	**23,750**	**8,770**	**8,770**
Ending Fund Balance	**$52,590**	**$23,750**	**$306,240**	**$8,770**	**$70,410**	**$70,410**
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
REVENUES						
Other Revenues	$1,740	$5,890	$4,000	$80	$70	**$70**
Transfer from General Fund	652,500	976,400	1,057,000	1,059,000	1,047,810	**1,047,810**
Transfer from CDBG Fund	0	331,560	325,460	325,460	314,260	**314,260**
Tfr. from Capital Projects Fund	26,810	0	0	0	0	**0**
Total Revenues	**681,050**	**1,313,850**	**1,386,460**	**1,384,540**	**1,362,140**	**1,362,140**
EXPENDITURES						
Principal	485,000	1,075,000	1,155,000	1,155,000	1,170,000	**1,170,000**
Interest	170,610	263,350	233,240	233,240	191,360	**191,360**
Other Charges	1,050	720	910	910	780	**780**
Total Expenditures	**656,660**	**1,339,070**	**1,389,150**	**1,389,150**	**1,362,140**	**1,362,140**
Excess of Revenues Over (Under) Expenditures	**24,390**	**(25,220)**	**(2,690)**	**(4,610)**	**0**	**0**
Beginning Fund Balance	**5,630**	**30,020**	**4,800**	**4,800**	**190**	**190**
Ending Fund Balance	**$30,020**	**$4,800**	**$2,110**	**$190**	**$190**	**$190**

2009/10 Debt Service Funds
Percent of Total Expenditures



This graph reflects budgeted Debt Service Funds expenditures as a percent of all total Debt Service Funds budget.

Debt Service Funds Revenues

GENERAL DRAIN TAXES

A substantial source of revenue to the Debt Service Funds is generated by property taxation. This revenue calculation is based on a relationship between two variables. The first is the taxable property valuation of industrial, commercial, and residential parcels, both real and personal property. The second variable is the expected principal and interest debt payments for drain program projects.

In the 2009/10 Budget, General Drain Tax revenue represents 16.12% of total revenue sources, an increase of $14,560 above the 2008/09 Budget. This is due to an increase in debt payments on existing drain bond issues. For 2009/10, the millage rate is 0.2243 mills, an increase of 0.0063 mills above 2008/09.

OTHER FINANCING SOURCES

Other Financing Sources in the Debt Service Funds represent the Transfers In from other funds. The General Fund, Major Road Fund, Community Development Block Grant Fund and Self-Insurance Fund provide revenue to the Debt Service Funds through this revenue center.

In the 2009/10 Budget, revenues generated from Other Financing Sources represent 76.66% of total revenue sources, a decrease of $531,500 below the 2008/09 Budget. This decrease is primarily due to a decrease in transfers from the General Fund to the Voted Tax General Obligation Debt Fund as the first year's debt payment on the new Proposal F Fire Station improvement bonds was made with General Fund monies. In addition, the transfer from the Major Road Fund to the Road Bond Debt Retirement Fund decreased due to lower principal payments on existing road bonds.

OTHER REVENUE

Other Revenue consists of revenue from Interest on Investments and Special Assessment revenue. In the 2009/10 Budget, Other Revenues represent 4.75% of total revenue sources, a decrease of $45,480 below the 2008/09 Budget. This decrease is primarily due to a decrease in special assessment revenue due to lower than expected interest rate and less debt funded through assessments for the Lakeside Special Assessment District bonds.

PUBLIC IMPROVEMENTS TAX

The Voted Tax General Obligation Debt Fund has been established to isolate the revenues and expenditures for the voter approved debt to finance various public improvements. This fund is used to account for the payment of principal and interest on the current debt portion of the public improvements. A specific millage is levied to retire the debt incurred and the necessary paying agent fees. For 2009/10, the millage rate is 0.0346 mills, a decrease of 0.0321 mills below 2008/09.

In 2009/10, Public Improvement Tax revenue represents 2.47% of total revenue sources, a decrease of $174,470 below the 2008/09 Budget. This decrease is due to the retirement of the last Proposal R bond in the prior year, partially offset by an increase due to higher debt payments on the Proposal F bond.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A budgeted use of fund balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2009/10 Budget, expenditures exceed revenue sources by $65,360. A drawdown of funds is planned for debt payments for which revenue was received in prior years.■

DEBT SERVICE FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	TAXES						
404000	City Operating Tax	$1,082,147	14.22	$1,165,160	14.39	$1,179,020	16.02
415000	Delinquent Personal Property Tax	7,479	0.10	3,800	0.05	4,000	0.05
445000	Penalties & Interest	5,327	0.07	2,600	0.03	3,100	0.04
	Total Taxes	**1,094,953**	**14.39**	**1,171,560**	**14.47**	**1,186,120**	**16.12**
	OTHER FINANCING SOURCES						
698001	Bond Premiums	50,142	0.66	0	0.00	0	0.00
699101	Transfer From General Fund	993,900	13.06	1,382,000	17.07	1,047,810	14.24
699202	Transfer From Major Road Fund	2,600,200	34.16	2,850,000	35.20	2,585,000	35.13
699278	Transfer From CDBG Fund	331,559	4.36	325,460	4.02	314,260	4.27
699428	Transfer From Rd Bond Const Fund	0	0.00	12,570	0.16	0	0.00
699677	Transfer From Self-Insurance Fund	1,518,340	19.95	1,603,100	19.80	1,694,560	23.03
	Total Other Financing Sources	**5,494,141**	**72.18**	**6,173,130**	**76.25**	**5,641,630**	**76.66**
	OTHER REVENUE						
665000	Interest on Investments	51,848	0.68	37,700	0.47	18,620	0.25
672000	Special Assessment Revenue	0	0.00	170,000	2.10	163,000	2.21
672665	Special Assessment Interest	0	0.00	187,000	2.31	167,600	2.28
	Total Other Revenue	**51,848**	**0.68**	**394,700**	**4.88**	**349,220**	**4.75**
	PUBLIC IMPROVEMENTS TAX						
417000	Proposal R Debt Levy	970,663	12.75	356,470	4.40	0	0.00
419000	Proposal F Debt Levy	0	0.00	0	0.00	182,000	2.47
	Total Public Improvements Tax	**970,663**	**12.75**	**356,470**	**4.40**	**182,000**	**2.47**
	Total Debt Service Funds	**$7,611,605**	**100.00**	**$8,095,860**	**100.00**	**$7,358,970**	**100.00**

Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

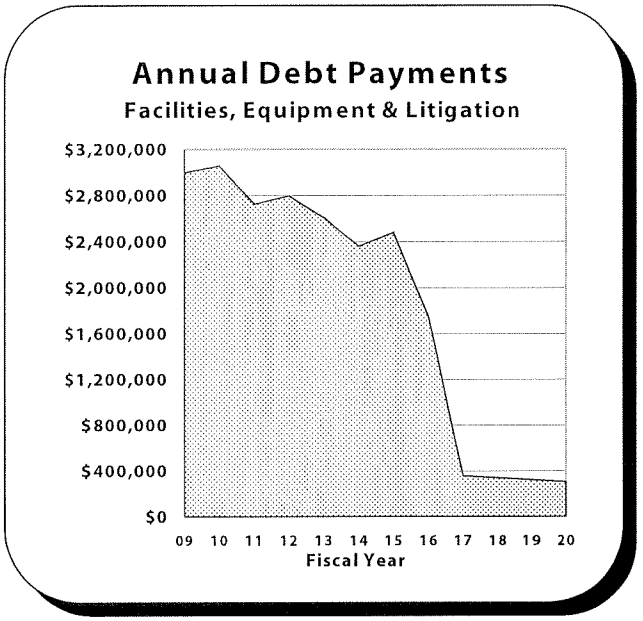
DEBT SERVICE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	OTHER CHARGES						
810000	Other Fees	$4,888	0.06	$5,510	0.07	$5,210	0.07
965000	Refunds on Tribunal Adjustments	9,582	0.13	6,500	0.08	4,500	0.06
	Total Other Charges	**14,470**	**0.19**	**12,010**	**0.16**	**9,710**	**0.13**
	DEBT SERVICE						
992000	Principal	5,685,000	74.43	5,730,000	74.01	5,535,000	74.55
993000	Interest	1,938,405	25.38	2,000,120	25.83	1,879,620	25.32
	Total Debt Service	**7,623,405**	**99.81**	**7,730,120**	**99.84**	**7,414,620**	**99.87**
	Total Debt Service Funds	**$7,637,875**	**100.00**	**$7,742,130**	**100.00**	**$7,424,330**	**100.00**

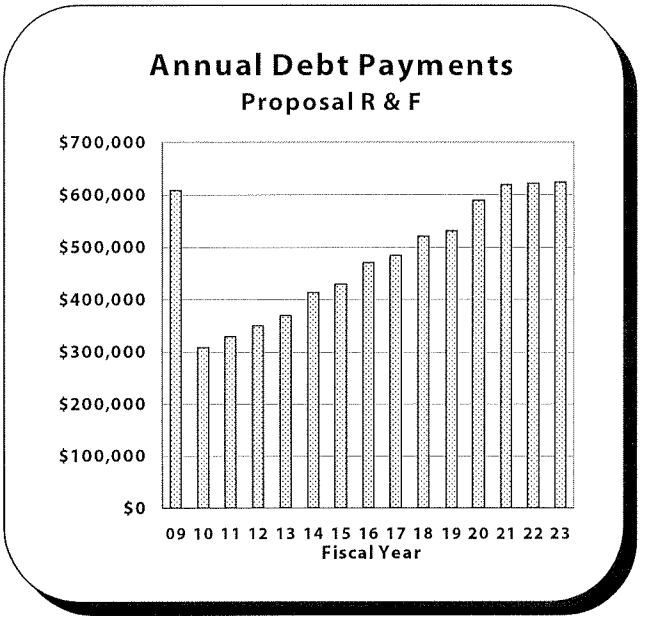
Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

KEY FUND TRENDS

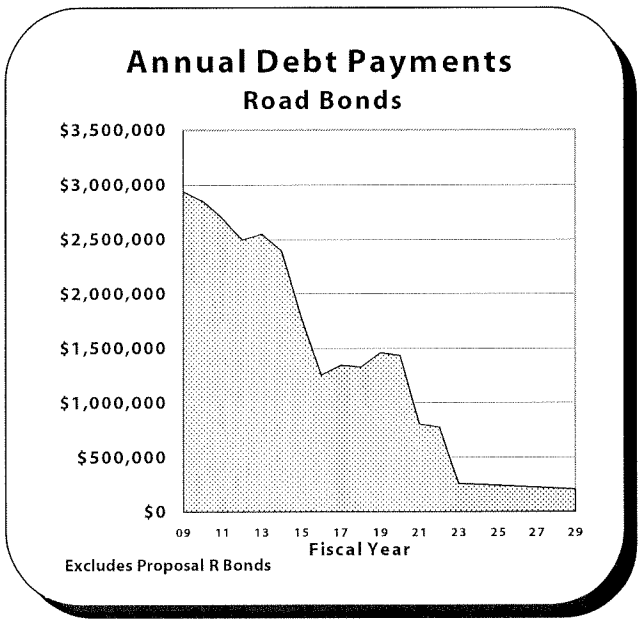
Debt Service Funds



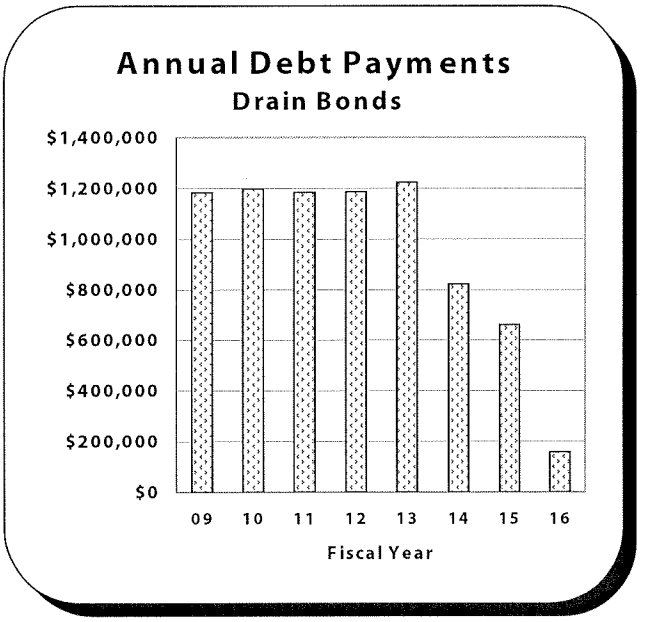
Debt payments will be $3 million until the 41-A District Court bonds are retired in 2010. The debt will fall in 2014 when the Public Safety Radio and the Senior Gym debt is paid off. In 2017, debt will decline when the Settlement bonds are retired. This debt will be paid off earlier upon the receipt of the final insurance proceeds. From 2017 to 2020, the only remaining debt will be for the City Center Common bonds.



Voted Tax General Obligation Debt payments will decrease in 2010 as the final Proposal R Road bonds will be retired in 2009. Debt from the Fire Station Renovations (Proposal F) began in 2009 and continues through 2023.



Road Bond Debt payments will decrease through 2022 as six Michigan Transportation Funds (MTF) bonds are retired. The Lakeside Special Assessment bond is scheduled to be retired in 2029.



Total Drain debt slowly decreases over the next 8 years as the Sterling Relief and 17 Mile Drain debt is paid off in 2013 and the Central Fire Station drain debt is completed in 2016.

General Drain Fund

The General Drain Fund is very specific in the way in which it operates within the City of Sterling Heights. The explanation for this fund can be easily summarized by saying that all debt incurred in the construction and maintenance of the City's major drain system is serviced or paid by this fund.

The City's Drain Program is tied to the County Drain Program, which is administered by the Macomb County Public Works Commission. Most city drains serve the county and some of the larger drains help to also serve a neighboring county. The County is the focal point for the overall drainage system and allocates debt payments based on established methods.

The City is currently paying off debt for the Busch, Hawken, Hayes, Plumbrook, 17 Mile Road, Central Fire Station, and the Sterling Relief Lateral 12B Drains.

The County is the focal point for the overall drainage system and allocates debt payments based on established methods.

For 2009/10, $1,197,090 is budgeted for the interest and principal payments on all drains within the City.

Revenues to support the budgeted debt payments and Other Charges are generated from a specific millage levied to all real and personal property. This millage is an amount calculated to meet the demand of the budgeted expenditures for principal, interest, and paying agent fees. This millage will fluctuate from year to year as the debt payments on the bond issues fluctuate.■

Did you know?...
...that the City's drain millage levied to cover the annual debt service payments makes up just 2% of the City's total annual millage levy?

General Drain Fund

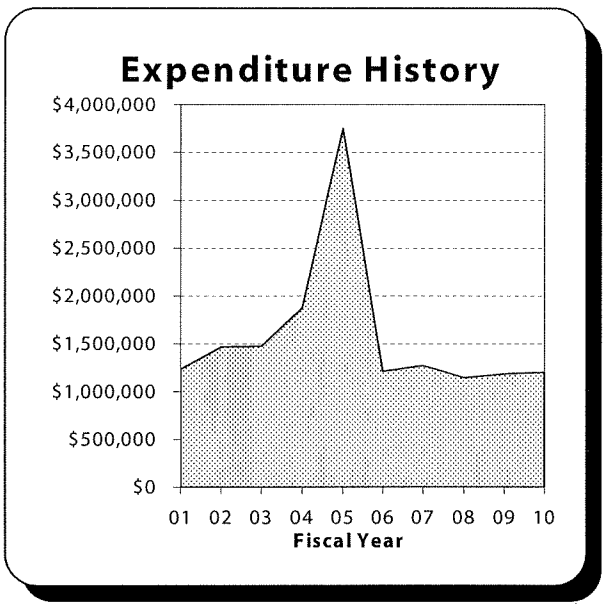
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund.

Other Charges – Total Other Charges is proposed to remain the same at $4,430. There are no proposed changes within the Other Charges accounts.

Debt Service – Total Debt Service is proposed to increase $14,460 or 1.2%. Total principal payments increased $50,000 due to an increase in scheduled principal payments on several existing General Drain bonds. Total interest payments decreased $35,540, as less interest is owed on all existing General Drain bond issues. No new drain project debt is scheduled for next fiscal year.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Other Charges – Council made no adjustments to Other Charges.

Debt Service – Council made no adjustments to Debt Service.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	7,055	4,430	4,430	4,430	4,430
Debt Service	1,139,751	1,182,630	1,182,630	1,197,090	1,197,090
Total	$1,146,806	$1,187,060	$1,187,060	$1,201,520	$1,201,520

Voted Tax General Obligation Debt Fund

The voter approved General Obligation Debt Fund was created in 1993/94 to provide a formal mechanism of accounting for tax millage revenue and expenditures dedicated and used for the repayment of voter approved debt to finance various public improvements. A specific millage, as approved by the voters, is levied each year to retire the annual principal, interest and paying agent fee associated with each bond issued.

Each public improvement debt has its own activity and its own budgetary center within the fund. Thus, no budget adjustment can be made between budgetary centers without City Council authorization.

Proposal R authorized $21 million of bonds to finance various road improvements. All road improvements have been completed and include Ryan Road from 14 Mile Road to M-59 Highway, Dodge Park Road from 15 Mile to 16 Mile Road, 15 Mile Road from Maple Lane to Schoenherr Road, 19 Mile Road from Saal to Canal Road, and 17 Mile Road from east of Mound Road to Dequindre Road. The bonds were issued in a series starting in 1990 and ending in 1999. The debt for "R" was retired in fiscal year 2008/09.

Proposal S authorized $3,000,000 for the construction of the City's fifth fire station located in the northwest quadrant of the City. This station houses the Fire Department's administrative offices, classrooms for training and the fire garage. The debt for "S" was retired in fiscal year 2000/01.

Proposal T authorized $900,000 for the purchase of a new ladder truck and related equipment. This capital was used to make the fifth fire station serviceable. The debt was retired in fiscal year 1996/97.

In November 2006, the voters approved Proposal F authorizing $5 million for improvements to three of the City's fire stations. The improvements began in the spring of 2008 and include modernization of the work areas, updating of the heating and cooling systems, and expansion of the facilities for both equipment storage and personnel quarters. In conjunction with the start of the project, bonds were issued to provide financing for the public improvements. The bonds have a 15-year life with the final payment being made in fiscal year 2022/23.

For 2009/10, principal payments for Proposal F total $125,000 and interest payments amount to $183,250. ■

Did you know?...
...that the City's bond rating was raised to AA+ by Standard and Poors when the Proposal "F" Fire Station Improvement bonds were issued in May, 2008?

Voted Tax General Obligation Debt Fund

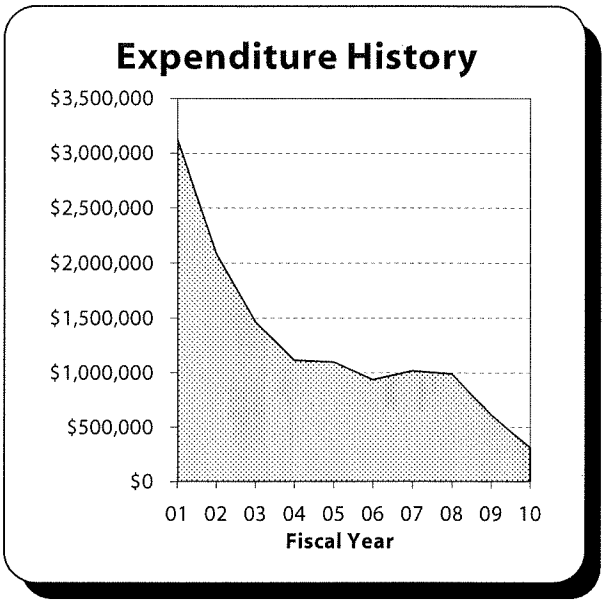
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund.

Other Charges – Total Other Charges decreased $2,140 or 47.7%. Refunds on tribunal adjustments decreased $2,000 based on the recent year's actual expenditures. Bond paying agent fees decreased $140 as the last remaining 1999 Proposal R bond was paid off in fiscal year 2008/09.

Debt Service – Total Debt Service decreased $300,000 or 49.3%. Total principal payments decreased $325,000 due to the retirement of the final Proposal R bond in the prior year. The decrease was partially offset by an increase in principal payment on the 2008 Proposal F bond issue. Total interest increased $25,000 due to higher interest payments on the Proposal F bond. The interest increase was partially offset due to the retirement of the Proposal R bond. There is no outstanding debt for Proposals R, S & T as the debt was retired in prior years. The only debt we are currently paying off is the debt from the Fire Station Improvements – Proposal F.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Other Charges – Council made no adjustments to Capital.

Debt Service – Council made no adjustments to Debt Service.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	5,076	4,490	2,350	2,350	2,350
Debt Service	984,206	608,250	608,250	308,250	308,250
Total	$989,282	$612,740	$610,600	$310,600	$310,600

Settlement Bonds Debt Fund

The Settlement Bonds Debt Fund was created in 2004/05 to account for the payment of principal and interest on the debt portion of General Obligation Judgment Funding Bonds issued by the City in June 2004. These fixed rate bonds were issued to fund the payment of a litigation settlement in the total amount of $31 million, as set forth in a consent judgment entered in the United States District Court on March 22, 2004. The consent judgment was entered into by the City with various adverse parties to dispose of all claims raised in state and federal court proceedings arising out of the City's revocation of a special land use permit for the use of a county park as an outdoor entertainment complex and related actions by City agencies and officials. The consent judgment requires both the settlement payments by the City and various remedial actions by certain parties.

The Settlement Bonds Debt Fund was created in 2004/05 to account for the payment of principal and interest on the debt portion of General Obligation Judgment Funding bonds issued by the City in June 2004.

The portion of the settlement being financed by the bonds includes amounts previously paid by the City from available funds and additional amounts that were paid in June 2004, for a total of $25 million. In January 2005, the City used cash on hand to pay the remaining balance of $6 million. The City is expected to be fully reimbursed through insurance claims.

In fiscal year 2006/07, insurance proceeds were used to partially refund the outstanding Settlement Bond debt. As of June 30, 2009, the debt outstanding is $10,870,000. For 2009/10, the budget for this fund's debt repayment totals $1,694,360, which is comprised of $1,170,000 toward principal and $524,360 in interest payments. The final payment to retire the debt from this bond issue is scheduled to be made in fiscal year 2015/16.

The Settlement Bonds Debt Fund will receive its revenue through a transfer of reserves from the City's Self-Insurance Fund until the City receives the final insurance proceeds.■

Did you know?...
...that $9,150,000 of outstanding bonds were defeased or prepaid using insurance proceeds in fiscal year 2006/07, which resulted in a savings of over $5 million in interest costs over the life of the bonds, and that in 2009/10, over 56% of the original bond amount will have been repaid since it was issued in 2004?

Settlement Bonds Debt Fund

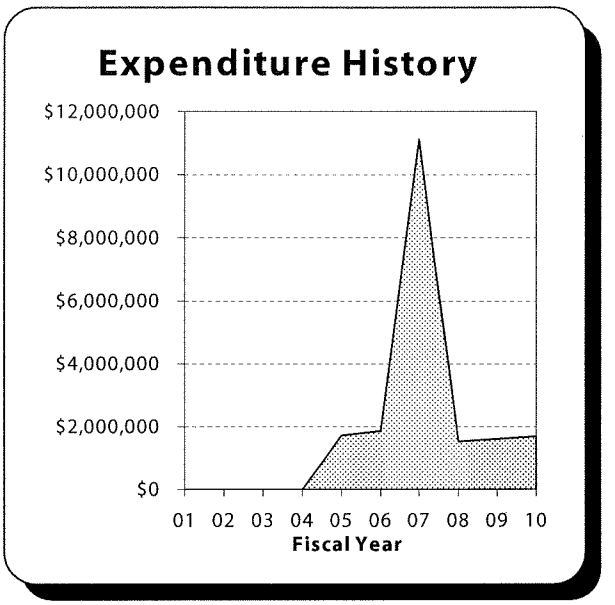
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund.

Other Charges – Total Other Charges is proposed to remain the same at $250. There are no proposed changes within the Other Charges account.

Debt Service – Total Debt Service increased $85,510 or 5.3%. Total principal payments on the 2004 Settlement bond issue increased $125,000, while the interest payments decreased $39,490. The City's Self-Insurance Fund will transfer monies to this fund to pay the required annual debt payments next year until the City receives the final insurance proceeds.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Personnel Services – Council made no adjustments to Personnel Services.

Other Charges – Council made no adjustments to Capital.

Debt Service – Council made no adjustments to Debt Service.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	250	250	250	250	250
Debt Service	1,526,088	1,608,850	1,608,850	1,694,360	1,694,360
Total	$1,526,338	$1,609,100	$1,609,100	$1,694,610	$1,694,610

Road Bond Debt Retirement Fund

The Road Bond Debt Retirement Fund is a Debt Service Fund. It is used exclusively for the retirement of debt incurred by the City for various road improvements.

The most significant revenue source of this fund is through a transfer from the Major Road Fund. In 2009/10, the Major Road Fund transfer represents nearly 89% of total Road Bond Debt Retirement Fund revenues. This is evident of the fact that most of the bonded road construction projects are considered major roads and that Public Act 51 guidelines allow for such transfer payments for major road construction and debt payments. Other sources of revenue include Interest on Investments and Special Assessment revenue.

This Fund's debt budgeted to be paid in fiscal year 2009/10 totals $2,853,560, which is comprised of $2,115,000 toward principal and $738,560 in interest payments on existing Michigan Transportation Fund (MTF) bonds and the Lakeside Special Assessment bond that was issued in the spring of 2008. The Special Assessment bond was issued to finance various improvements within the Lakeside Shopping Center district. The improvements included road repairs, landscape improvements, brick paver crosswalks, decorative street lighting, banners, and other aesthetic improvements to the area surrounding the shopping center. The debt repayment for this project will be funded through assessments on the affected property owners. A $1.4 million bond is scheduled to be sold in the spring of 2010 for the 18 Mile Road widening project and concrete sectional repairs on Mound Road. The debt for this bond will come online in the 2010/11 fiscal year.

The most significant revenue source of this fund is through a transfer from the Major Road Fund.

The principal and interest payments for the road bond projects are amortized based on the estimated total cost of the project times the interest rate for a fixed period of time – usually 10-15 years.

Road bond projects to be retired through this fund are specified on the Road Bond Construction Fund schedule located in the Capital Projects section of this document.■

Did you know?...
...that there are currently six Michigan Transportation Fund (MTF) bonds outstanding that originally financed over $26 million in major road reconstruction and repairs?

Road Bond Debt Retirement Fund

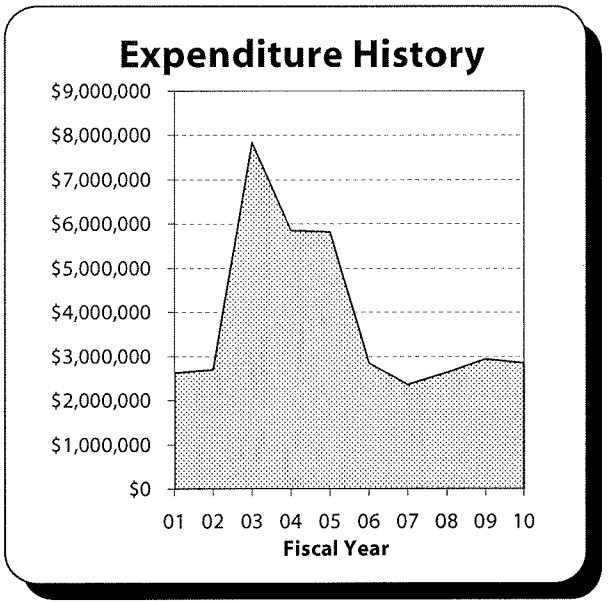
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Supplies – There is no Supplies budget for this fund.

Other Charges – Total Other Charges decreased $30 or 1.6%, as the bond paying agent fee for the Lakeside Special Assessment bond was slightly less than previously anticipated.

Debt Service – Total Debt Service is proposed to decrease $88,590 or 3.0%. Total principal payments decreased $60,000 due to lower principal payments on two existing MTF bond issues. The decrease was partially offset by an increase in scheduled principal payments on all other existing MTF bonds. Total interest payments decreased $28,590, as less interest is owed on several existing MTF bonds. The decrease was offset slightly due to an increase in the interest payment on the Lakeside Special Assessment bonds.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Debt Service – Council made no adjustments to Debt Service.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Supplies	$0	$0	$0	$0	$0
Other Charges	1,363	1,930	1,900	1,900	1,900
Debt Service	2,635,012	2,942,150	2,929,580	2,853,560	2,853,560
Total	$2,636,375	$2,944,080	$2,931,480	$2,855,460	$2,855,460

Limited Tax General Obligation Fund

The Limited Tax General Obligation Fund is a Debt Service Fund that is used to account for the bond payments related to the construction and financing of City buildings and equipment. These currently include the Judicial Services Center, the Senior Active Life Center addition, the expansion and remodeling of the buildings in the City Center Commons, and the public safety 800 MHz radio system. This Fund also accounts for the leasing of the buildings to the City.

The Limited Tax General Obligation Fund receives revenue for operations as a result of receiving cash rental payments transferred from the General Fund for the Judicial Services Center, the City Center Commons project, and the Public Safety Radio System.

The construction of the Judicial Services Center was financed with limited tax general obligation bonds issued in 1990. For 2009/10, the transfer necessary for debt repayment for the Judicial Services Center totals $400,430, $395,000 toward principal and $5,430 in interest. This debt is scheduled to be retired in fiscal year 2009/10.

The City Center Commons project was financed with Building Authority limited tax general obligation bonds originally issued in 2000 and refunded in 2005. This debt is scheduled to be retired in fiscal year 2019/20. The transfer necessary for debt repayment in 2009/10 totals $313,430. Principal payments total $200,000 and interest payments amount to $113,430.

In 2007, $3.25 million of Limited Tax General Obligation Improvement bonds were issued to help finance the Senior Active Life Center addition and the new public safety 800 MHz radio system. This debt is scheduled to be retired in fiscal year 2012/13. In 2009/10, the transfer necessary for debt repayment for the Public Safety Radio System totals $333,240. Principal payments total $295,000 and interest payments amount to $38,240. Community Development Block Grant funds will be utilized for the debt payments on the Senior Active Life Center. For 2009/10, principal payments total $280,000 and interest payments amount to $34,260.

Total 2009/10 debt repayment for the fund amounts to $1,361,360. ■

Did you know?...
...that the bonds used to finance construction of the 41-A District Court will be paid off in the 2009/10 fiscal year?

Limited Tax General Obligation Fund

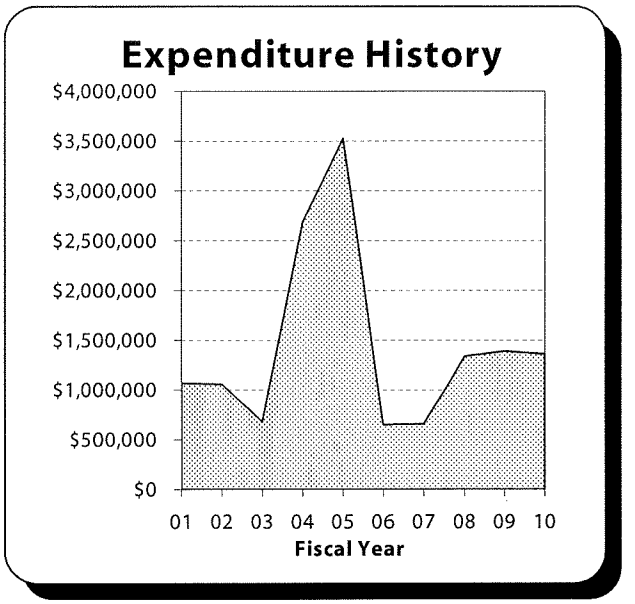
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Personnel Services – There is no Personnel Services budget for this fund.

Other Charges – Total Other Charges decreased $130 or 14.3%. Bond paying agent fees decreased $130 due to the retirement of one of the City Center Commons Limited Tax General Obligation (LTGO) bonds, which was paid off in the prior year.

Debt Service – Total Debt Service decreased $26,880 or 1.9%. Total principal payments increased $15,000 due to an increase in scheduled principal payments on two existing LTGO bonds. The increase was partially offset due to the retirement of one of the City Center Commons bonds in the prior year. Total interest payments decreased $41,880 due to the retirement of the City Center Commons bond and lower interest payments on all existing bond issues.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

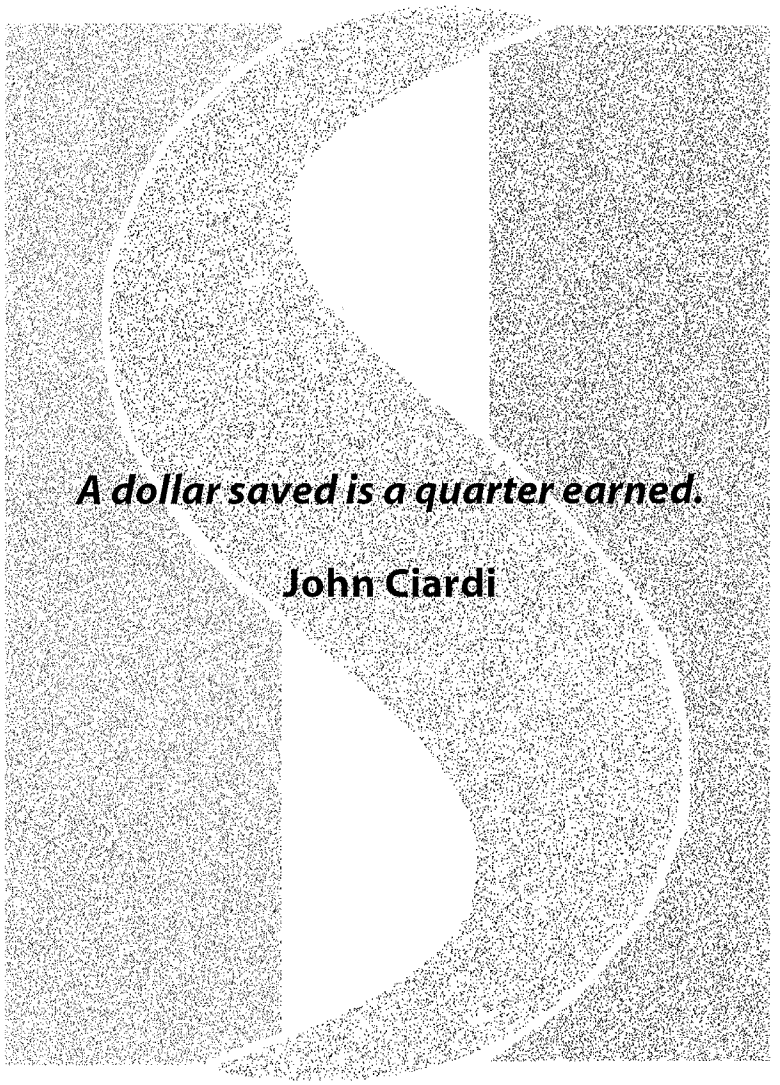
Personnel Services – Council made no adjustments to Personnel Services.

Other Charges – Council made no adjustments to Capital.

Debt Service – Council made no adjustments to Debt Service.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	725	910	910	780	780
Debt Service	1,338,348	1,388,240	1,388,240	1,361,360	1,361,360
Total	$1,339,073	$1,389,150	$1,389,150	$1,362,140	$1,362,140


A dollar saved is a quarter earned.
John Ciardi

Capital Projects

Capital Projects Funds are used to account for resources to be used for the acquisition or construction of major capital facilities, and for the purchase of capital equipment and vehicles. The city maintains two capital projects funds, the Capital Projects Fund and the Road Bond Construction Fund. The city's Capital Improvement Program is a multi-year planning instrument used to coordinate the financing and timing of improvements in a way that maximizes the return to residents.

CAPITAL PROJECTS FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Capital Projects	2006/07 Actual	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
CAPITAL PROJECTS FUND						
REVENUES						
Other Revenue	$2,003,640	$954,340	$1,544,730	$1,774,970	$838,200	**$838,200**
Proceeds Long-term Debt	3,250,000	5,000,000	0	0	0	**0**
Bond Premiums	26,820	0	0	0	0	**0**
Transfer from General Fund	1,600,720	1,534,500	1,290,150	1,290,150	349,000	**349,000**
Total Revenues	**6,881,180**	**7,488,840**	**2,834,880**	**3,065,120**	**1,187,200**	**1,187,200**
EXPENDITURES						
Capital Equipment	2,741,900	499,990	1,050,020	1,012,040	183,300	**183,300**
Capital Vehicles	867,000	962,090	578,920	568,130	189,000	**189,000**
Capital Projects	3,024,520	2,065,890	6,086,320	6,136,320	1,100,000	**1,100,000**
Tfr. to Settlement Bonds Debt Fund	1,320,000	0	0	0	0	**0**
Transfer to LTGO Debt Fund	26,820	0	0	0	0	**0**
Total Expenditures	**7,980,240**	**3,527,970**	**7,715,260**	**7,716,490**	**1,472,300**	**1,472,300**
Excess of Revenues Over (Under) Expenditures	**(1,099,060)**	**3,960,870**	**(4,880,380)**	**(4,651,370)**	**(285,100)**	**(285,100)**
Beginning Fund Balance	**3,541,980**	**2,442,920**	**6,403,790**	**6,403,790**	**1,752,420**	**1,752,420**
Ending Fund Balance	**$2,442,920**	**$6,403,790**	**$1,523,410**	**$1,752,420**	**$1,467,320**	**$1,467,320**
ROAD BOND CONSTRUCTION FUND						
REVENUES						
Proceeds Long-term Debt	$4,650,000	$0	$3,272,570	$3,260,000	$1,385,000	**$1,385,000**
Bond Premiums	0	0	0	0	0	**0**
Other Revenue	73,310	112,090	15,000	30,000	10,000	**10,000**
Transfer from Major Roads Fund	0	200,000	0	350,000	0	**0**
Total Revenues	**4,723,310**	**312,090**	**3,287,570**	**3,640,000**	**1,395,000**	**1,395,000**
EXPENDITURES						
Capital Improvements	4,694,040	862,310	2,996,830	3,491,000	1,070,000	**1,070,000**
Transfer to Major Roads Fund	0	0	200,000	200,000	350,000	**350,000**
Tfr. to Road Bond Debt Fund	0	0	12,570	0	0	**0**
Total Expenditures	**4,694,040**	**862,310**	**3,209,400**	**3,691,000**	**1,420,000**	**1,420,000**
Excess of Revenues Over (Under) Expenditures	**29,270**	**(550,220)**	**78,170**	**(51,000)**	**(25,000)**	**(25,000)**
Beginning Fund Balance	**674,400**	**703,670**	**153,450**	**153,450**	**102,450**	**102,450**
Ending Fund Balance	**$703,670**	**$153,450**	**$231,620**	**$102,450**	**$77,450**	**$77,450**

Capital Projects Funds Revenues

TAXES

This source of revenue includes penalties and interest on delinquent special assessments for City sidewalks. In 2009/10, $1,900 is budgeted.

STATE & LOCAL RETURNS

This source of revenue is primarily comprised of grants from the Federal, State, and/or County levels of government. In fiscal year 2009/10, $140,000 is budgeted.

OTHER FINANCING SOURCES

Other Financing Sources include all proceeds received from long-term debt as a result of planned Capital Project construction and/or acquisition by the City. Also included in this revenue center are transfers into the Capital Project Funds from other funds. In the 2009/10 Budget, as in past years, Other Financing Sources comprise the majority of revenues for the Capital Project Funds.

In the 2009/10 Budget, as in past years, Other Financing Sources comprise the majority of revenues for the Capital Project Funds.

In the 2009/10 Budget, revenues generated from Other Financing Sources represent 67.16% of total revenue sources, a decrease of $2,828,720 below the 2008/09 Budget. This decrease is primarily due to a decrease in proceeds from long-term debt as the prior year's renovations to three older City Fire Stations and the recent special assessment improvements to the Lakeside Shopping Center district were financed by the sale of bonds. In addition, the transfer from the General Fund decreased, as less funding is needed for capital projects.

OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Special Assessment Revenue, Reimbursements, Miscellaneous Revenue, Contributions – Drain Improvements, and Insurance Recovery Revenue.

In the 2009/10 Budget, Other Revenues represent 27.35% of total revenue sources, a decrease of $297,600 below the 2008/09 Budget. This decrease is primarily due to a decrease in sidewalk reimbursements and a one-time donation last year.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A budgeted Use of Fund Balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2009/10 Budget, Use of Fund Balance as a revenue source totals $310,100. This is primarily a result of projects that were completed in the prior fiscal year using funds that were set aside when these projects were originally budgeted as well as a planned draw down of reserves to fund the City's share of sidewalk repairs.■

CAPITAL PROJECTS FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	TAXES						
445000	Penalties & Interest	$1,705	0.02	$2,000	0.03	**$1,900**	**0.07**
	Total Taxes	**1,705**	**0.02**	**2,000**	**0.03**	**1,900**	**0.07**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	29,560	0.38	433,830	7.09	**0**	**0.00**
539378	Act 78 Emergency Phone Service	143,911	1.84	120,000	1.96	**140,000**	**5.42**
	Total State & Local Returns	**173,471**	**2.22**	**553,830**	**9.05**	**140,000**	**5.42**
	OTHER FINANCING SOURCES						
698000	Proceeds - Long Term Debt	5,000,000	64.09	3,272,570	53.45	**1,385,000**	**53.64**
699101	Transfer from General Fund	1,534,500	19.67	1,290,150	21.07	**349,000**	**13.52**
699202	Transfer from Major Roads Fund	200,000	2.56	0	0.00	**0**	**0.00**
	Total Other Financing Sources	**6,734,500**	**86.32**	**4,562,720**	**74.52**	**1,734,000**	**67.16**
	OTHER REVENUE						
665000	Interest on Investments	129,205	1.66	95,000	1.55	**60,000**	**2.32**
672000	Special Assessment Revenue	22,538	0.29	19,500	0.32	**25,400**	**0.98**
672665	Special Assessment Interest	3,652	0.05	4,400	0.07	**5,900**	**0.23**
675000	Contributions & Donations	2,295	0.03	90,000	1.47	**0**	**0.00**
676000	Reimbursements	440,038	5.64	600,000	9.80	**500,000**	**19.36**
685000	Miscellaneous Revenue	102,057	1.31	0	0.00	**0**	**0.00**
685015	Miscellaneous Revenue - MCPWC	74,719	0.96	190,000	3.10	**100,000**	**3.87**
686000	Contributions-Drain Improvements	102,966	1.32	5,000	0.08	**5,000**	**0.19**
695000	Insurance Recovery	13,785	0.18	0	0.00	**10,000**	**0.39**
	Total Other Revenue	**891,255**	**11.44**	**1,003,900**	**16.40**	**706,300**	**27.35**
	Total Capital Projects Funds	**$7,800,931**	**100.00**	**$6,122,450**	**100.00**	**$2,582,200**	**100.00**

Note: The 2007-2008 Actual Column is rounded to the nearest dollar.

CAPITAL PROJECT FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2007-2008 Actual Dollars	%	2008-2009 Budget Dollars	%	2009-2010 Budget Dollars	%
	CAPITAL OUTLAY						
975000	Building & Improvements	$39,410	0.90	$0	0.00	**$0**	**0.00**
975010	Municipal Building Modernization	92,599	2.11	15,000	0.14	**0**	**0.00**
975020	Library Renovations	0	0.00	4,000	0.04	**0**	**0.00**
975130	Civic Center Concrete Replacement	111,346	2.54	0	0.00	**0**	**0.00**
975140	Miscellaneous DPW Improvements	0	0.00	175,400	1.61	**150,000**	**5.19**
975210	Fire Station Renovations	681,488	15.52	4,289,480	39.26	**0**	**0.00**
975220	Misc. Fire Station Improvements	0	0.00	246,900	2.26	**0**	**0.00**
979000	Computer Equipment	129,487	2.95	17,000	0.16	**173,300**	**5.99**
979100	Financial System - Software	4,700	0.11	25,000	0.23	**0**	**0.00**
979150	Financial System - Hardware	33,347	0.76	50,000	0.46	**10,000**	**0.35**
979292	Community Relations - Equipment	0	0.00	8,000	0.07	**0**	**0.00**
979305	Police Department - Equipment	97,508	2.22	0	0.00	**0**	**0.00**
979330	Police Department - Software	0	0.00	6,830	0.06	**0**	**0.00**
979350	41A District Court - Hardware	0	0.00	45,600	0.42	**0**	**0.00**
979650	Parks & Recreation - Hardware	34,800	0.79	0	0.00	**0**	**0.00**
979700	Library - Computer Equipment	1,400	0.03	11,000	0.10	**0**	**0.00**
979800	Fire Department - Software	30,612	0.70	10,680	0.10	**0**	**0.00**
979850	Fire Department - Hardware	0	0.00	34,800	0.32	**0**	**0.00**
981000	Electronic Equipment	84,001	1.91	586,130	5.37	**0**	**0.00**
982000	Machinery & Equipment	57,933	1.32	126,780	1.16	**0**	**0.00**
983000	Fire Equipment	26,207	0.60	121,000	1.11	**0**	**0.00**
983001	Fire Equipment Grant	0	0.00	7,200	0.07	**0**	**0.00**
984265	Vehicles - Facilities Maintenance	12,104	0.28	12,550	0.11	**0**	**0.00**
984315	Vehicles - Police Operations	248,474	5.66	256,760	2.35	**189,000**	**6.53**
984326	Vehicles - Police Support Services	11,324	0.26	48,250	0.44	**0**	**0.00**
984337	Vehicles - Fire Administration	22,480	0.51	0	0.00	**0**	**0.00**
984339	Vehicles - Fire Extinguishment	419,096	9.55	0	0.00	**0**	**0.00**
984442	Vehicles - Public Works	0	0.00	28,000	0.26	**0**	**0.00**
984444	Vehicles - DPW Street Services	232,467	5.30	156,040	1.43	**0**	**0.00**
984752	Vehicles - Parks & Recreation	16,140	0.37	0	0.00	**0**	**0.00**
984770	Vehicles - Parks & Grounds	0	0.00	77,320	0.71	**0**	**0.00**
986000	Major Drain Improvements	86,777	1.98	212,940	1.95	**150,000**	**5.19**
988000	Construction	69,213	1.58	441,930	4.05	**1,870,000**	**64.65**
988103	2005/06 Sidewalk Gap Program	13,957	0.32	0	0.00	**0**	**0.00**
988116	Senior Citizen Active Life Center	48,546	1.11	15,670	0.14	**0**	**0.00**
988119	2006 Sidewalk Replacement Program	116,214	2.65	0	0.00	**0**	**0.00**
988122	2007 Sidewalk Replacement Program	200,914	4.58	135,000	1.24	**0**	**0.00**
988123	Red Run Resurfacing	355,694	8.10	0	0.00	**0**	**0.00**
988128	Baumgartner Parking Lot Improvements	9,617	0.22	0	0.00	**0**	**0.00**
988130	19 Mile Rd Imprvmt - Schoenherr to Saal	30,441	0.69	0	0.00	**0**	**0.00**
988160	19 Mile Rd Landscape - Mound to Ryan	37,190	0.85	0	0.00	**0**	**0.00**
988162	Lakeside Shop Dist SAD Improvements	360,255	8.21	2,994,750	27.41	**0**	**0.00**
988171	2008 Sidewalk Replacement Program	595,814	13.57	550,000	5.03	**0**	**0.00**
988858	18-1/2 Mile Connect Mound to Van Dyke	32,324	0.74	0	0.00	**0**	**0.00**
988986	19 Mile Reconst-Mound to Dequindre	46,401	1.06	2,080	0.02	**0**	**0.00**
	Total Capital Outlay	**4,390,280**	**100.00**	**10,712,090**	**98.05**	**2,542,300**	**87.90**
	TRANSFERS OUT						
999202	Transfer to Major Roads Fund	0	0.00	200,000	1.83	**350,000**	**12.10**
999327	Tfr. to Road Bond Debt Retirement Fund	0	0.00	12,570	0.12	**0**	**0.00**
	Total Transfers Out	**0**	**0.00**	**212,570**	**1.95**	**350,000**	**12.10**
	Total Capital Projects Fund	**$4,390,280**	**100.00**	**$10,924,660**	**100.00**	**$2,892,300**	**100.00**

Capital Projects Fund

The City of Sterling Heights uses a Capital Projects Fund to account for the development, improvement, and repair of capital facilities, and the purchase of capital vehicles and equipment, not financed by other funds. The receipt and disbursement of resources to be utilized for the construction or acquisition of capital facilities, and the performance of activities financed by governmental funds, is accounted for by capital funds. Receipts for such purposes arise from the sale of general obligation bonds, grants from other governmental units, transfers from other funds, or gifts from individuals or organizations.

The reason for creating a fund to account for capital projects, vehicles and equipment, is to provide a formal mechanism that enables administrators to ensure that revenues dedicated to a certain purpose are used for that purpose and no other. This fund enables administrators to report to creditors and other grantors of capital projects fund resources that their requirements regarding the use of the resources were met.

As with all governmental funds, the Capital Projects Fund concentrates on inflows and outflows of available, spendable resources. Therefore, the Capital Projects Fund uses the modified accrual basis of accounting. The Capital Projects Fund has the authority to continue expenditures within prescribed limits until a project is completed.

Funding for Capital in fiscal year 2009/10 totals $1,472,300. Of the total, $1,100,000 is funded for four improvement projects for facilities and/or infrastructure. $550,000 is included for the Miscellaneous City Sidewalk Repair Program. $250,000 is programmed for the continuation of the Sidewalk Gap Completion Program. $150,000 is budgeted for Pump Station repairs at the Burton Share Industrial Subdivision storm sewer retention pond. $150,000 is funded for the ongoing maintenance of storm drains in the City.

Capital equipment and information technology improvements total $183,300 and are detailed in the General Fund activity in which the capital will be utilized. Capital vehicles total $189,000 and are detailed in the General Fund activity in which the vehicle will be utilized.

For a complete list of all equipment, vehicles and projects, please refer to the Capital schedules on the following pages.■

Did you know?...
...that the improvements to Fire Stations #2, #3, and #4, as part of the voter approved Proposal F, will be completed and the buildings occupied by June 2009?

Capital Projects Fund

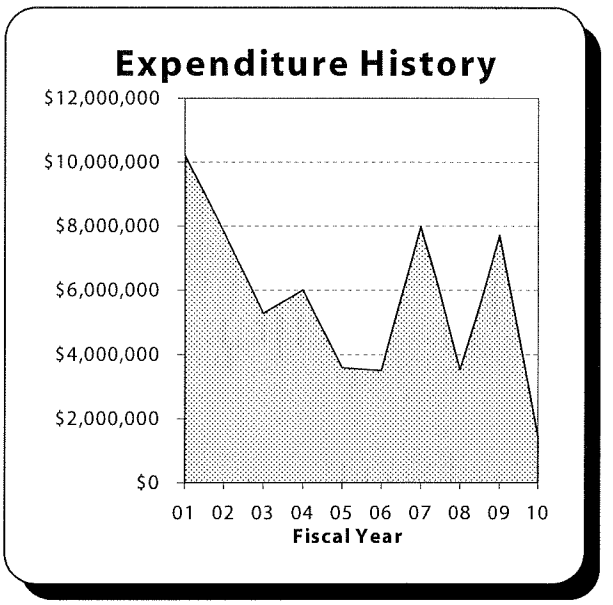
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Other Charges – There is no Other Charges budget for this fund.

Capital – Total Capital of $1,472,300 is proposed for next fiscal year. $173,300 is for capital equipment, $189,000 for capital vehicles, and $10,000 for the Information Technology Capital Program. ***The significant notes for equipment, vehicles, and Information Technology Capital can be found in the General Fund activity in which the Capital will be utilized.*** In addition, four (4) Capital Projects totaling $1,100,000 are proposed. $550,000 is for the City Sidewalk Repair Program, $150,000 for Pump Station repairs at the Burton Share Industrial Subdivision storm sewer retention pond, $250,000 for the continuation of the Sidewalk Gap Completion Program, and $150,000 for the ongoing maintenance of storm drains in the City. ***For a list of all Capital Equipment, Vehicles, and Projects, please refer to the schedules on the following pages.***

Transfers Out – There are no Transfers Out proposed for the 2009/10 fiscal year.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

Transfers Out – Council made no adjustments to Transfers Out.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Other Charges	$0	$0	$0	$0	$0
Capital Outlay	3,527,973	7,715,260	7,716,490	1,472,300	1,472,300
Transfers Out	0	0	0	0	0
Total	$3,527,973	$7,715,260	$7,716,490	$1,472,300	$1,472,300

Road Bond Construction Fund

The Road Bond Construction Fund is a Capital Projects Fund that was established in compliance with Government Accounting Standards Board (GASB) No. 6. Proceeds from the Long-Term Debt account are the most significant revenue source for this Fund.

The Road Bond Construction Fund is used to account for transactions relating to road construction costs, paving, or storm drain activities financed by special assessments or long-term bonds. Other transactions, which are accounted for in this Fund, are associated road construction costs such as engineering costs, legal fees, advertising costs for bids, and rights-of-way acquisition costs.

The Road Bond Construction Fund is a self-balancing group of accounts used for recording bond proceeds received from the sale of bonds. The offsetting expenditures are for the construction of capital projects as described below.

The Road Bond Construction Fund is a self-balancing group of accounts used for recording bond proceeds received from the sale of bonds. The offsetting expenditures are for the construction of capital projects as described below.

Proposal R, Michigan Transportation Fund and Special Assessment Bonds are sold to finance the cost of the road construction projects within this Fund.

Two projects are budgeted in this fund for the 2009/10 fiscal year. $770,000 is funded for the engineering, right-of-way, and construction costs for the widening of 18 Mile Road from Mound Road to Van Dyke. $300,000 is proposed for County concrete pavement repairs to various sections along Mound Road and Metropolitan Parkway.

$350,000 is budgeted to be transferred to the Major Road Fund for the reimbursement of advance funding of engineering design costs from the prior year for proposed construction projects where federal economic stimulus funds are not approved.

Additional information regarding the projects undertaken in the Road Bond Construction Fund can be found in the Capital Projects section of this document. ■

Did you know?...
...that the new 19 Mile Boulevard between Mound Road and Ryan Road is capable of safely moving approximately 60,000 vehicles per day?

Road Bond Construction Fund

SUMMARY OF BUDGET CHANGES

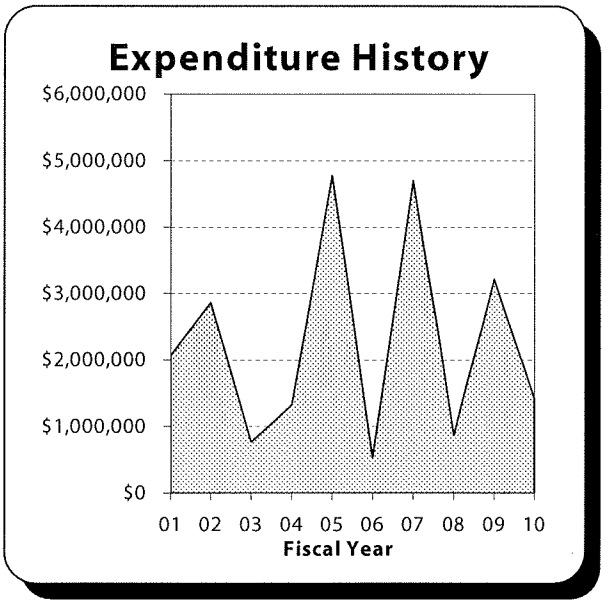
SIGNIFICANT NOTES – MANAGER'S BUDGET COMPARED TO 2008/09 BUDGET

Supplies – There is no Supplies budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – $1,070,000 is proposed for two projects in the 2009/10 fiscal year. $770,000 is proposed for the engineering, right-of-way, and construction costs for the widening of 18 Mile Road from Mound Road to Van Dyke. $300,000 is recommended for County concrete pavement repairs to various sections along Mound Road and Metropolitan Parkway next year.

Transfers Out – A transfer for $350,000 is budgeted to reimburse the Major Road Fund for advance funding of engineering design costs from the prior year that were necessary for the several proposed construction projects where federal economic stimulus funds were not approved.



CITY COUNCIL'S ADJUSTMENTS TO THE MANAGER'S RECOMMENDED BUDGET

Supplies – Council made no adjustments to Supplies.

Other Charges – Council made no adjustments to Other Charges.

Capital – Council made no adjustments to Capital.

Transfers Out – Council made no adjustments to Transfers Out.

FUNDING LEVEL SUMMARY

	2007/08 Actual	2008/09 Budget	2008/09 Estimate	2009/10 Manager	2009/10 Approved
Supplies	$0	$0	$0	$0	$0
Capital Outlay	862,304	2,996,830	3,491,000	1,070,000	1,070,000
Transfers Out	0	212,570	200,000	350,000	350,000
Total	$862,304	$3,209,400	$3,691,000	$1,420,000	$1,420,000

Capital Improvements Program

Since Sterling Heights was incorporated as a city on July 1, 1968, it has proudly followed its motto "To Strive on Behalf of All". Its 36.8 square miles makes Sterling Heights the third largest city in Michigan geographically. Forty-one (41) years after its incorporation the City has matured into a community serving approximately 128,500 residents. Coupled with the City's rapid growth has been a desire to provide top quality city services with an emphasis on roads, beautiful parks and safe neighborhoods.

Along with the desire to provide for quality service is the realization that needs always exceed resources. In order to ensure that all facets of a Capital Improvements Program were addressed, City Council in 1987 approved the creation of a Citizen's Executive Committee to consider and prioritize hundreds of proposed projects to be undertaken over the next ten (10) years. The results of this effort by the Executive Committee have been used in concert with updated information to provide the backbone for the Municipal Improvement Program (MIP), a five-year capital planning program.

The development of this program document marks the continuation of a capital improvement planning process for the City of Sterling Heights. The need for establishing a multi-year municipal improvement program and a planning process has become increasingly evident as the City continued to grow into the new millennium. The goal in developing a municipal improvement program is to plan for and guide needed capital improvements and expenditures in a fiscally sound manner and to ensure that these improvements are consistent with the goals and policies of the City Council and the residents of Sterling Heights.

The multi-year Municipal Improvement Program alternatives and financing options are not intended to preclude other combinations or initiatives, but rather may provide a framework within which beneficial solutions may be forged.

The development of a comprehensive MIP is a vital and essential tool for planning and development of the social, physical, and economic well being of the City of Sterling Heights. This program is a necessary step in an organized effort to strengthen the quality of public facilities and services and will provide a framework for the realization of community goals and objectives and a sound basis on which to build a healthy and vibrant community.

The Municipal Improvement Program relies heavily upon the established groundwork already set in motion. City Master Plans specific to unique areas have completed the preliminary stages necessary for a municipal improvement program to be successful. An introduction and brief overview to these master plans will establish a foundation upon which the Municipal Improvement Program will expound.

The complexity of each master plan demands thorough investigation for precise answers to specific questions. General information has been extracted from all of the original master plans and compiled into a single document for enhanced readability. The improvements are justified when reviewed in concert with the specific master plans of the City.

The continuous relationship exists between the Municipal Improvement Program and the Budget Document. As mentioned above, the MIP entails a five (5) year overview of capital needs of the City. 2008/09 is the first year of the MIP. The second year (2009/10) of the MIP represents the capital projects that are funded in this budget document. Therefore, a direct link can be seen between the two documents, as there should be in a strategic planning environment.

In fiscal year 2009/10, the City's total capital funding is $15,039,680. Of the total, $14,245,380 is budgeted for improvements, $495,300 is for equipment, $189,000 is for vehicles, and $110,000 is for the Information Technology Capital Program.

The following schedules detail specific projects to be undertaken by major category. The first three sets of schedules presented in the Capital Improvement Program detail the equipment, technology improvements, and vehicles that are budgeted. These categories of capital are usually funded utilizing General Fund Tax Revenue. Capital equipment and vehicles are budgeted in the Capital Projects Fund with the exception of drug forfeiture purchases, which are budgeted and expensed in the Public Safety Forfeiture Fund. The Water & Sewer Fund equipment, vehicles, and technology improvements are budgeted within the respective Water & Sewer division. The fourth and last set of schedules detail capital improvement

costs, future years operating costs, including debt costs for each project and the proposed method of funding these costs.

The Capital Projects Fund is also used to account for the development of capital facilities other than those financed by the Enterprise Fund. The budget for facility improvements in the Capital Projects Fund for fiscal year 2009/10 is $1,100,000.

The Road Bond Construction Fund is used to account for transactions relating to road construction, paving, or storm drain activities financed by special assessments. Road construction projects financed wholly or in part by bond issues are also accounted for in this fund. In fiscal year 2009/10, the budgeted expenditures for the Road Bond Construction Fund total $1,070,000.

Gas & Weight tax revenue received in the Major Road Fund is used for construction, maintenance and other operations pertaining to all streets classified as "major" within the City. Gas & Weight tax revenues are generated by the tax on gasoline & vehicle sales. These funds are distributed to each community based on population, miles, and classification of road types. These funds are commonly referred to as Act 51 Funds. Major Road Fund street improvements totaling $4,683,700 are budgeted for fiscal year 2009/10.

Transportation projects scheduled as part of the 2009/10 budget are categorized as County road improvements, resurfacing projects, various traffic controls & intersection improvements, and right-of-way acquisition.

The Local Road Fund provides for the construction, maintenance, traffic services, and snow & ice control for streets classified as "local" within the City. Local Road Fund street improvements totaling $1,265,000 are budgeted for fiscal year 2009/10.

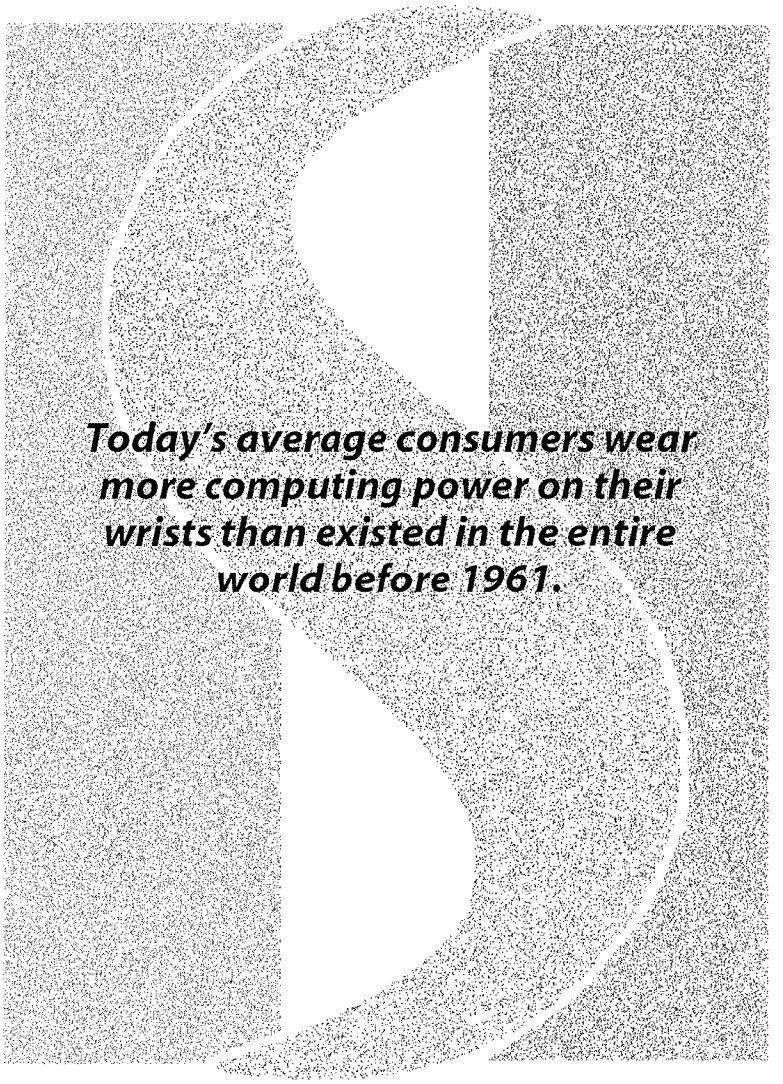
The Land & Water Conservation Fund is used to reflect all activities related to the acquisition and development of parks. These activities for the most part have been financed through utilization of Land & Water Conservation and Michigan Land Trust Fund grants and the sale of excess City property. The grants have been provided to the City on a matching basis with the General Fund typically providing the match. This year, park projects will be funded with grants and revenue from interest on investments. The funds from the City's most recent sale of City-owned properties are once again not budgeted to be spent, and will remain in reserves for future use. For 2009/10, $8,000 is funded for tree plantings at Delia Park.

The General Drain Fund services debt that was created by the sale of bonds by Macomb County under Chapter 20. The proceeds from these bond sales are realized in the Capital Projects Fund and are used to construct drains within the City of Sterling Heights. In 2009/10, there are no new drains programmed to be constructed with bond sale proceeds.

The Community Development Block Grant Fund has been used in constructive ways in prior years for the development of the community. In fiscal year 2009/10, $41,680 is budgeted for the SMART Bus Stop Improvement project along north Van Dyke.

The Corridor Improvement Authority Fund is used to account for public improvements that are made utilizing tax increment financing. In 2009/10 public improvements for this Fund total $177,500 for the Façade Assistance Program, designed to help initiate economic revitalization in the Corridor Improvement Authority District.

The primary funding sources for Water & Sewer Fund improvements and replacement projects are fees charged for connections into the existing system and funding from special assessments. Sanitary sewer projects totaling $1,683,000 are programmed. Water main expenditures in the amount of $4,201,500 are programmed. $15,000 is budgeted for the Fire Hydrant Replacement Program.■


Today's average consumers wear
more computing power on their
wrists than existed in the entire
world before 1961.

CAPITAL EQUIPMENT

Activity Name	Account	Account Name	Qty.	Budget 2008/09	Qty.	Manager Recomm. Budget 2009/10	Qty.	Council Approved Budget 2009/10
Police Department								
Police Administration								
Wireless In-Car Video Recorder	982	Machinery & Equipment	8	45,000				
Total			**8**	**45,000**	**0**	**0**	**0**	**0**
Police Support Services								
Radio Tower with Microwave Dish - E911 Funds/Grant	981	Electronic Equipment	1	400,000				
911 Telephone Server Upgrade - 911 Funds	979	Computer Equipment			1	130,000	1	130,000
911 Personal Computer - 911 Funds	979	Computer Equipment			6	30,000	6	30,000
Computer Aided Dispatch Computer - 911 Funds	979	Computer Equipment			7	10,500	7	10,500
Dispatch Monitor - 911 Funds	979	Computer Equipment			14	2,800	14	2,800
Total			**1**	**400,000**	**28**	**173,300**	**28**	**173,300**
Fire Department								
Fire Extinguishment								
Video Conferencing System - Grant	981	Electronic Equipment	1	152,340				
Leg Press Machine/Treadmill/Weights	982	Machinery & Equipment	5	14,480				
Strength Evaluation System	983	Fire Equipment	1	5,000				
Westnet Fire Station Alert System	983	Fire Equipment	4	58,000				
Self-Contained Breathing Apparatus	983	Fire Equipment	7	32,000				
Hurst Tool-Cutter	983	Fire Equipment	1	4,900				
Automatic External Defibrillator	983	Fire Equipment	6	17,400				
Hurst Rescue Air Bag System	983	Fire Equipment	1	3,700				
800 MHz Public Safety Radio - Grant	983.001	Fire Equipment - Grant	3	7,200				
Total			**29**	**295,020**	**0**	**0**	**0**	**0**
Fire Prevention								
Fire Prevention Safety House - Grant	982	Machinery & Equipment	1	10,400				
Total			**1**	**10,400**	**0**	**0**	**0**	**0**
Public Works Department								
Parks & Grounds Maintenance								
Gator with Plow & Salt Spreader	982	Machinery & Equipment	1	12,500				
Total			**1**	**12,500**	**0**	**0**	**0**	**0**

CAPITAL EQUIPMENT

Activity Name	Account	Account Name	Qty.	Budget 2008/09	Qty.	Manager Recomm. Budget 2009/10	Qty.	Council Approved Budget 2009/10
Refuse Collection								
Recycling Trailer	982	Machinery & Equipment	2	8,400				
Total			2	8,400	0	0	0	0
Street Services								
Chipper	982	Machinery & Equipment	1	36,000				
Total			1	36,000	0	0	0	0
Public Library Department								
Multimedia Projector	981	Electronic Equipment	1	4,250				
Total			1	4,250	0	0	0	0
Community Relations Dept.								
Avid Video Editing System	981	Electronic Equipment	2	29,540				
Total			2	29,540	0	0	0	0
Total Capital Projects Fund Equipment			46	841,110	28	173,300	28	173,300
Water & Sewer Fund								
Water & Sewer Administration								
Equipment Storage Shelter Relocation	975	Buildings & Improvements	1	50,000				
Total			1	50,000	0	0	0	0
Water Distribution								
Epoke Salt Spreader	982	Machinery & Equipment	1	77,190				
Salt Brine Maker	982	Machinery & Equipment	1	38,400				
Truck Mounted Traffic Safety Device	982	Machinery & Equipment	1	26,000				
Fixed Network Automatic Meter Reading System	982	Machinery & Equipment	1	484,930				
Dual Axle Utility Trailer	982	Machinery & Equipment	1	2,800				
Front End Loader	982	Machinery & Equipment			1	220,000	1	220,000
Total			5	629,320	1	220,000	1	220,000
Sewage Collection								
Cement Saw	982	Machinery & Equipment	1	2,500				
Submersible Trash Pump	982	Machinery & Equipment	1	4,700				
Trailer Mounted Diesel Pump	982	Machinery & Equipment			1	32,000	1	32,000
Total			2	7,200	1	32,000	1	32,000
Total Water & Sewer Fund Equipment			8	686,520	2	252,000	2	252,000

CAPITAL EQUIPMENT

Activity Name	Account	Account Name	Qty.	Budget 2008/09	Qty.	Manager Recomm. Budget 2009/10	Qty.	Council Approved Budget 2009/10
Public Safety Forfeiture Fund								
Federal Forfeitures								
Photo Lab Computer	979	Computer Equipment	1	1,060				
Defibrillator	981	Electronic Equipment	2	3,390				
Refrigerator - Dispatch	982	Machinery & Equipment	1	750				
Cargo Training Van	984	Vehicles	1	27,030				
Taser Gun	985	Weapons	50	40,750				
SUV Tahoe - Crime Suppression	984	Vehicles			1	26,000	1	26,000
DVD Duplicator/Labeler	982	Machinery & Equipment			1	2,000	1	2,000
Total			**55**	**72,980**	**2**	**28,000**	**2**	**28,000**
Treasury Forfeitures								
Protective Suit	985	Weapons	2	2,690				
Total			**2**	**2,690**	**0**	**0**	**0**	**0**
State Forfeitures								
Forensic Extraction Device	981	Electronic Equipment	1	4,040				
Wireless In-Car Video Recorder	981	Electronic Equipment	12	78,810	25	139,950		
Computer Server - In-Car Video System	981	Electronic Equipment	1	12,150				
Raid Vest	985	Weapons	15	27,900				
Investigative Vehicle	984	Vehicles			2	42,000	2	42,000
Total			**29**	**122,900**	**27**	**181,950**	**2**	**42,000**
Total Public Safety Forfeiture Fund Equipment			**86**	**198,570**	**29**	**209,950**	**4**	**70,000**
Total City Equipment			**140**	**$1,726,200**	**59**	**$635,250**	**34**	**$495,300**

INFORMATION TECHNOLOGY CAPITAL PROGRAM

Activity Name	Account	Account Name	Qty.	Item Description	Budget 2008/09	Estimated Budget 2008/09	Manager Recomm. Budget 2009/10	Council Approved Budget 2009/10
CAPITAL PROJECTS FUND								
Information Technology								
Fire Department - Station #5	979.000	Computer Equipment	1	Fiber Cabling Infrastructure	17,000	15,870		
Finance Department	979.100	Computer Equipment	1	MUNIS Database & Server Replacement	25,000	17,810		
Information Technology	979.150	Computer Equipment	5	Replacement File Servers	50,000	45,910		
Community Relations	979.292	Computer Equipment	4	Replacement Personal Computers	8,000	8,000		
Police Department	979.330	Computer Equipment	1	911 Dispatch Locator Software	6,830	6,830		
41-A District Court	979.350	Computer Equipment	38	Replacement Personal Computers	45,600	36,100		
Library	979.700	Computer Equipment	3	Network Switches	11,000	10,420		
Fire Department - Stations #2, #3, #4	979.800	Computer Equipment	1	Fiber Voice/Telephone System	10,680	10,680		
Fire Department	979.850	Computer Equipment	29	Replacement Personal Computers	34,800	26,600		
Information Technology	979.150	Computer Equipment	1	Replacement File Server			10,000	10,000
Total Capital Projects Fund			**84**		**208,910**	**178,220**	**10,000**	**10,000**
WATER & SEWER FUND								
Water & Sewer Administration								
Water & Sewer Administration	979.000	Computer Equipment	1	Geographic Information System			100,000	100,000
Total Water & Sewer			**1**		**0**	**0**	**100,000**	**100,000**
Total City Technology			**85**		**208,910**	**178,220**	**110,000**	**110,000**

CAPITAL VEHICLES

Vehicle Description	Account No.	Responsible Activity	Qty.	Budget 2008/09	Qty.	Manager Recomm. Budget 2009/10	Qty.	Council Approved Budget 2009/10
CAPITAL PROJECTS FUND								
Motor Vehicles & Equipment - 9010								
4 Door Passenger Vehicle	984265	Facilities Maintenance	1	12,550				
Full-Size V8 4-Door Patrol & Traffic Vehicle	984315	Police Operations	11	231,000	9	189,000	9	189,000
SUV Tahoe - Evidence Technician	984315	Police Operations	1	25,760				
Animal Control Van & Equipment	984326	Police Support Services	1	30,000				
Animal Control Van	984326	Police Support Services	1	18,250				
3/4 Ton Pick-up Truck with Plow	984442	Public Works Center	1	28,000				
Single Axle Dump Truck with Plow	984444	Street Services	1	129,000				
Pick-up Truck 4 x 4 with Plow	984444	Street Services	1	27,040				
Cube Van	984770	Parks & Grounds Maintenance	1	30,280				
4 x 4 Crew Cab ¾ Ton Pick-up Truck w/Plow	984770	Parks & Grounds Maintenance	1	27,040				
4 x 2 Ball Diamond Maintenance Truck	984770	Parks & Grounds Maintenance	1	20,000				
Total Capital Projects Fund Vehicles			**21**	**578,920**	**9**	**189,000**	**9**	**189,000**
WATER & SEWER FUND								
Water Distribution - 5560								
One Ton Extended Van	984000	Water Distribution	1	19,820				
Total			**1**	**19,820**	**0**	**0**	**0**	**0**
Sewage Collection - 5580								
Vac All Sewer Cleaner	984000	Sewage Collection	1	215,020				
Flatbed Stake Truck with Liftgate	984000	Sewage Collection	1	60,000				
Total			**2**	**275,020**	**0**	**0**	**0**	**0**
Total Water & Sewer Fund Vehicles			**3**	**294,840**	**0**	**0**	**0**	**0**
Total City Vehicles			**24**	**873,760**	**9**	**189,000**	**9**	**189,000**

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES: Total Cost/ Funding Source	Budget 2008/09	Estimate 2008/09	Manager Recomm. Budget 2009/10	Council Approved Budget 2009/10	Estimated Annual Operating Costs (Including Debt Repayment): Proposed Method of Financing	Estimated Prior Yr. 2007/08	Estimated Current Yr. 2008/09	Budget Year 2009/10	Future Years 2010/11	2011/12	2012/13
	CAPITAL PROJECTS FUND												
975000	"Spiral Notes" Sculpture - Donation	30,000											
		CPF	0	30,000			GF	0	0	0	0	0	0
975010	Sustainability/Green Initiative Projects in	15,000											
	City Buildings	GF	15,000	15,000			GF	0	0	(1,000)	(1,000)	(1,000)	(1,000)
975020	Library Café and Bookstore Remodeling	4,000											
		GF	4,000	4,000			GF	0	0	50	50	50	50
975140	Pump Station Repairs - Laurel Meadows	75,400											
		CPF	75,400	75,400			GF	500	500	0	0	0	0
975140	Pump Station Repairs - Fairfield	100,000											
		CPF	100,000	100,000			GF	500	500	0	0	0	0
975140	Pump Station Repairs - Wall Street	150,000											
	Burton Share Industrial Subdivision	GF			150,000	150,000	GF	500	500	500	0	0	0
975210	Fire Station Renovations -	5,000,000											
	Fire Stations #2, #3, #4 (Prop. F-08)	CPF	4,289,480	4,289,480			GF/Prop F	0	250,000	350,000	375,000	400,000	425,000
975220	Replacement Generators -	231,900											
	Fire Stations #2, #3, #4	GF/CPF	231,900	231,900			GF	500	500	100	100	100	100
975220	Fire Training Tower Repairs -	15,000											
	Fire Station #5	GF	15,000	15,000			GF	0	0	0	0	0	0
	Sidewalk Gap Completion Program	735,000											
988122	2007: ROW	CPF	135,000	135,000			GF	0	0	0	0	0	0
		GF	100,000	100,000									
988000	2008: Gap Program & ROW (includes CIA)	SAD (CPF)	250,000	250,000			GF	0	0	0	0	0	0
988000	2009: Gap Program	SAD (CPF)			250,000	250,000	GF	0	0	0	0	0	0
986000	Drain Maintenance - County	300,000											
		CPF	150,000	150,000	150,000	150,000	GF	0	0	0	0	0	0
986000	Gibson Drain Bank Erosion Restoration	90,000											
		COUNTY	40,000	40,000									
		CPF	22,940	22,940			GF	0	0	0	0	0	0
988000	School Walkway Repairs -	5,000											
	2009: Coachwood, Clifford	GF	5,000	5,000			GF	500	500	0	0	0	0
988000	Master Retention Pond and Storm Sewer	100,000											
	Plan Update	CPF	15,890	15,890			GF	0	0	0	0	0	0
988000	Jaycee Park - Storm Sewer Outlet Repair	100,000											
		GRANT	40,000	40,000									
		CPF	31,040	31,040			GF	500	500	0	0	0	0
988116	Senior Active Life Center Addition -	2,000,000											
	Construction (LTGO-07)	CPF	15,670	15,670			GF	70,000	72,000	74,000	76,000	78,000	80,000
	Miscellaneous City Sidewalk	1,120,000											
	Repair Program	GF/CPF	125,000	180,000									
988171	2008-09: Section 18, 19	SAD (CPF)	425,000	390,000			GF	2,000	2,000	0	0	0	0

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Budget 2008/09	Estimate 2008/09	Manager Recomm. Budget 2009/10	Council Approved Budget 2009/10	Proposed Method of Financing	Estimated Prior Yr. 2007/08	Estimated Current Yr. 2008/09	Budget Year 2009/10	Future Years 2010/11	2011/12	2012/13
		CPF			180,000	180,000							
988000	2009-10: Section 8, 17	SAD (CPF)			370,000	370,000	GF	2,000	2,000	2,000	0	0	0
	Total Capital Projects Fund	**$10,071,300**	**$6,086,320**	**$6,136,320**	**$1,100,000**	**$1,100,000**		**$77,000**	**$329,000**	**$425,650**	**$450,150**	**$477,150**	**$504,150**
	ROAD BOND CONSTRUCTION FUND												
988000	Saal Road Resurfacing - Clinton River Road to 19 Mile Road - Design Only (MTFB-10)	1,130,000 RBCF	0	50,000			MRF	0	0	0	35,000	35,000	35,000
988000	18 Mile Road Widening - Mound Road to Van Dyke - Engineering, ROW & Construction from 2 Lanes to 5 Lanes (MTFB-10)	770,000 RBCF			770,000	770,000	MRF	0	0	0	65,000	65,000	65,000
988000	County Concrete Pavement Repairs - Mound, Metroparkway (MTFB-10)	300,000 RBCF			300,000	300,000	MRF	0	0	0	25,000	25,000	25,000
988000	Dodge Park Road Reconstruction & Widening - Metroparkway to Utica Road - Design Only (MTFB-10)	6,120,000 RBCF	0	443,700			MRF	0	0	0	35,000	35,000	35,000
988162	Lakeside Shopping Center Special Assessment Improvements (SAD-08)	3,355,000 SAD (RBCF)	2,994,750	2,994,750			GF/MRF	0	10,000	50,000	50,000	50,000	50,000
988986	19 Mile Road Boulevard Widening - Mound Road to Ryan Road (MTFB-07)	3,574,890 RBCF	2,080	2,550			MRF	180,000	180,000	180,000	180,000	180,000	180,000
	Total Road Bond Construction Fund	**$15,249,890**	**$2,996,830**	**$3,491,000**	**$1,070,000**	**$1,070,000**		**$180,000**	**$190,000**	**$230,000**	**$390,000**	**$390,000**	**$390,000**
	MAJOR ROAD FUND COUNTY ROADS												
988000	Intersection Improvements (Unspecified)	100,000 MRF	100,000	0			MRF	0	0	0	0	0	0
988000	Traffic Signals	220,750											
	a) Miscellaneous Locations	MRF	150,000	0	150,000	150,000	MRF	500	500	500	500	500	500
	b) Schoenherr & Southcove		36,220	45,000									
	c) Schoenherr Modernization (Moravian, 15 Mile Road, Canterbury)		25,000	0	25,750	25,750							
988000	Van Dyke Reconstruction - 15 Mile to 18 Mile Road - Preliminary Engineering (Project Postponed)	0 MRF	80,000	0			MRF	0	0	0	0	0	0
988000	Bridge Deck Replacement - Van Dyke Bridge over the Clinton River	34,600 MRF	33,600	0	34,600	34,600	MRF	0	0	0	0	0	0
988000	Westbound Metropolitan Parkway Service Drive Resurfacing - Van Dyke to Mound Road	133,390 MRF	100,870	100,870			MRF	0	0	0	0	0	0
988000	M-53 Highway Resurfacing - 18 Mile to M-59	148,750 MRF	148,750	148,750			MRF	0	0	0	0	0	0

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Budget 2008/09	Estimate 2008/09	Manager Recomm. Budget 2009/10	Council Approved Budget 2009/10	Proposed Method of Financing	Estimated Prior Yr. 2007/08	Estimated Current Yr. 2008/09	Budget Year 2009/10	Future Years 2010/11	2011/12	2012/13
988000	18 Mile Road Widening - Mound Road to Van Dyke - Design & ROW (Project moved to RBCF)	0 MRF	200,000	0			MRF	0	0	0	0	0	0
988000	Schoenherr Road Pavement Improvements Utica Road to Clinton River Road	100,000 MRF	41,600	41,600			MRF	0	0	0	0	0	0
988000	Van Dyke Resurfacing - 15 Mile to 18 Mile	273,700 MRF	273,700	273,700			MRF	0	0	0	0	0	0
988101	18 Mile Road & Utica Road - Intersection Alignment (County Postponed Project)	0 MRF	220,500	0			MRF	0	0	0	0	0	0
988118	Schoenherr Road Landscaping - 14 Mile Road to Metropolitan Parkway	89,970 MRF	7,780	7,780			MRF	1,000	1,000	1,000	1,000	1,000	1,000
988185	County Concrete Pavement Repairs - Schoenherr, Metropolitan Parkway, Mound Road	509,160 MRF	465,670	465,680			MRF	0	0	0	0	0	0
988700	Dequindre Road - 18 Mile Road to M-59 Prelim. Engineering & ROW	83,730 MRF	15,000	5,000	10,000	10,000	MRF	0	0	0	0	0	0
988982	Metropolitan Parkway Blvd. Landscaping - Dodge Park Road to Utica Road	75,900 MRF	8,230	8,230			MRF	1,000	1,000	1,000	1,000	1,000	1,000
	Total County Roads	**$1,769,950**	**$1,906,920**	**$1,096,610**	**$220,350**	**$220,350**		**$2,500**	**$2,500**	**$2,500**	**$2,500**	**$2,500**	**$2,500**
	CITY RESURFACING PROGRAM												
988000	15 Mile Road Resurfacing - Maple Lane to Mound Road (Assumes Funded with Stimulus Funds)	3,300,000 STIMULUS			3,300,000	3,300,000	MRF	0	0	0	0	0	0
988175	Riverland Drive Resurfacing - Clinton River Road to the Riverland Bridge	60,000 MRF	100,000	60,000			MRF	1,000	0	0	0	0	0
988180	Foxhill Drive Resurfacing - Calka Drive to Hanson Drive	210,000 MRF	210,000	210,000			MRF	2,000	0	0	0	0	0
	OTHER IMPROVEMENTS												
988000	Plumbrook Road & Utica Road - Center Turn Lane Intersection Improvements	51,500 GRANT MRF	0 50,000	0 0	36,050 15,450	36,050 15,450	MRF	0	0	1,000	0	0	0
988000	15 Mile & Ryan Road Intersection Improvements - Installation of Right-Turn Lanes	200,850 GRANT MRF	156,000 39,000	0 0	160,680 40,170	160,680 40,170	MRF	0	0	1,000	0	0	0
988000	17 Mile Road Bridge Emergency Repairs - Safety System	120,000 MRF	0	120,000			MRF	0	0	0	0	0	0
988000	17 Mile Road Bridge Repairs - (Assumes Funded with Stimulus Funds)	500,000 STIMULUS			500,000	500,000	MRF	1,000	1,000	0	0	0	0
988135	Bridge Maintenance Program - Culvert Cleanout - 15 Mile over Big Beaver Drain, Ryan Road over Big Beaver Drain	70,000 MRF GRANT	13,010 30,000	13,010 30,000			MRF	0	0	0	0	0	0

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Budget 2008/09	Estimate 2008/09	Manager Recomm. Budget 2009/10	Council Approved Budget 2009/10	Proposed Method of Financing	Estimated Prior Yr. 2007/08	Estimated Current Yr. 2008/09	Budget Year 2009/10	Future Years 2010/11	Future Years 2011/12	Future Years 2012/13
988166	19 Mile Road Widening -	300,000											
	Ryan to Dequindre Road - Design	MRF	42,830	42,830			MRF	0	0	0	0	0	0
988177	19 Mile Road at Fire Station #2 -	115,000											
	Bypass Lane & Storm Drain Enclosure	MRF	91,000	115,000			MRF	0	500	500	500	500	500
988181	Miscellaneous City-wide Concrete	489,000											
	Replacement Program	MRF	275,000	214,000	275,000	275,000	MRF	0	0	0	0	0	0
	TRAFFIC CONTROLS	268,800											
988000	a) Miscellaneous Locations	MRF	65,000	0	100,000	100,000	MRF	500	500	500	500	500	500
	b) 15 Mile Road & Chrysler Plant		35,000	0	36,000	36,000							
	c) 17 Mile Road & Dodge Park Road		107,800	99,000									
	d) Ryan Road Modernization (14, 15 & 17 Mile Roads)		61,000	75,000									
	NON-MOTORIZED IMPROVEMENTS												
988000	Miscellaneous Right-Of-Way	0											
	Acquisition	MRF	50,000	0			MRF	0	0	0	0	0	0
988159	Dodge Park Road - Utica Road to	250,000											
	Metropolitan Parkway - ROW	MRF	216,600	205,000			MRF	0	0	0	0	0	0
	Total City Major Road	**$5,935,150**	**$1,542,240**	**$1,183,840**	**$4,463,350**	**$4,463,350**		**$4,500**	**$2,000**	**$3,000**	**$1,000**	**$1,000**	**$1,000**
	Total Major Road Fund	**$7,705,100**	**$3,449,160**	**$2,280,450**	**$4,683,700**	**$4,683,700**		**$7,000**	**$4,500**	**$5,500**	**$3,500**	**$3,500**	**$3,500**
	LOCAL ROAD FUND												
988158	Gardner Street Asphalt Paving -												
	Ryan Road to Hampton Park	19,530											
	(Project Cancelled)	LRF	180	19,530			LRF	0	0	0	0	0	0
	Neighborhood Road Repair Program												
988178	Garden Way, Gary, Tricia, Awdey,	1,200,000											
	Morrison Drives	GF/LRF	650,000	645,000			LRF	1,000	500	0	0	0	0
988000	Vine, Lorman, Koper Drives	GF			515,000	515,000	LRF	1,000	1,000	500	0	0	0
988000	3.5 Miles of Local Road Repair -	2,134,000											
	Design Only (Stimulus Funds Denied)	LRF	0	40,000			LRF	5,000	5,000	0	0	0	0
988181	Miscellaneous City-wide Concrete	1,500,000											
	Replacement Program	LRF	750,000	750,000	750,000	750,000	LRF	0	0	0	0	0	0
	Total Local Road Fund	**$4,853,530**	**$1,400,180**	**$1,454,530**	**$1,265,000**	**$1,265,000**		**$7,000**	**$6,500**	**$500**	**$0**	**$0**	**$0**
	COMMUNITY DEVELOPMENT BLOCK GRANT FUND												
988000	Upton House - Exterior Painting & Wood	14,000											
	Repairs	CDBG	14,000	14,000			GF	200	200	0	0	0	0
988000	SMART Bus Stop Improvements -	54,150											
	Van Dyke	CDBG			54,150	41,680	MRF	0	0	0	0	0	0
	Total C.D.B.G. Fund	**$68,150**	**$14,000**	**$14,000**	**$54,150**	**$41,680**		**$200**	**$200**	**$0**	**$0**	**$0**	**$0**

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Budget 2008/09	Estimate 2008/09	Manager Recomm. Budget 2009/10	Council Approved Budget 2009/10	Proposed Method of Financing	Estimated Prior Yr. 2007/08	Estimated Current Yr. 2008/09	Budget Year 2009/10	Future Years 2010/11	2011/12	2012/13
	CORRIDOR IMPROVEMENT AUTHORITY FUND												
988000	North Van Dyke CIA Improvements -	654,000											
	Traffic Circle to City Limits	GRANT	404,000	0									
	Streetscape Project - (Phase I)	CIA (GF)	250,000	0			CIA	0	0	0	0	0	0
	(18) Respite Stations, Trees, Lighting, Receptacles (Grant Denied)												
988000	Facade Assistance Program	200,000											
		CIA (GF)	200,000	22,500	177,500	177,500	CIA	0	10,000	12,000	15,000	20,000	25,000
	Total Corridor Imp. Authority Fund	**$854,000**	**$854,000**	**$22,500**	**$177,500**	**$177,500**		**$0**	**$10,000**	**$12,000**	**$15,000**	**$20,000**	**$25,000**
	LAND & WATER CONSERVATION FUND												
	LAND ACQUISITION												
971000	City Property Acquisition	3,310											
	Homesite - 37134 Susan	LWCF	3,310	4,310			GF	0	0	0	0	0	0
	LAND DEVELOPMENT												
972000	Miscellaneous Tree Planting -	16,000											
	2009: Fire Stations #2, #3, #4	GRANT	6,000	3,000	3,000	3,000	GF	0	0	0	0	0	0
	2010: Delia Park	LWCF	6,000	5,000	5,000	5,000							
972000	Replacement Divider Walls -	23,000											
	Recreation Center	GF	23,000	29,180			GF	200	200	0	0	0	0
972000	Baseball Field Turf Maintenance -	1,500											
	Baumgartner, Delia Parks	LWCF	1,500	1,500			GF	0	0	0	0	0	0
972000	Parking Lot & Drive Resurfacing -	5,500											
	Beaver Creek Park	GF	5,500	9,760			GF	300	300	0	0	0	0
972008	Kaboom Playground Equipment -	78,020											
	Delia Park	LWCF	8,020	8,020			GF	0	300	300	300	300	300
		GRANT	110,000	70,000									
972333	Replacement Bleachers Tackle Football -	36,440											
	Delia Park	GF	48,500	36,440			GF	0	0	0	0	0	0
972334	Tennis Court Resurfacing - Washington	8,000											
	Square Park	GF	8,000	8,000			GF	0	0	0	0	0	0
	Total Land & Water Conserv. Fund	**$171,770**	**$219,830**	**$175,210**	**$8,000**	**$8,000**		**$500**	**$800**	**$300**	**$300**	**$300**	**$300**

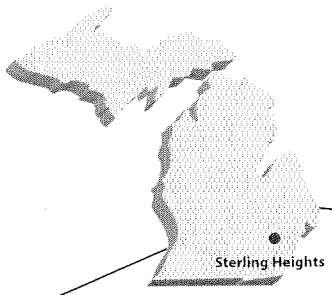
CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Program 2008/09	Estimate 2008/09	Manager Recomm. Program 2009/10	Council Approved Program 2009/10	Proposed Method of Financing	Estimated Prior Yr. 2007/08	Estimated Current Yr. 2008/09	Program Year 2009/10	Future Years 2010/11	Future Years 2011/12	Future Years 2012/13
	WATER & SEWER IMPROVEMENT FUND SANITARY SEWERS												
	Moravian Road, South Side Hayes to East of 15 Mile Road	309,000 W&S	300,000	0	309,000	309,000	W&S	0	0	0	500	500	500
	Hayes Road - Moravian Road to Bartola Subdivision	156,600 W&S	152,000	0	156,600	156,600	W&S	0	0	0	300	300	300
	Utica Road - Hamilton East Drive to Irval, East Side (including ROW)	432,600 W&S	420,000	0	432,600	432,600	W&S	0	0	0	600	600	600
	Utica Road - Plumbrook to Puritan, East Side (including ROW)	226,600 W&S	220,000	0	226,600	226,600	W&S	0	0	0	400	400	400
	Clinton River Road - South of Canal & Clinton River Road - Kidley to Essen	310,000 W&S	310,000	310,000			W&S	0	0	500	500	500	500
	Wilshire Court	125,700 W&S	122,000	0	125,700	125,700	W&S	0	0	0	300	300	300
	Canal Road near Clinton River Road Sewer Repair	100,000 W&S	100,000	100,000			W&S	200	200	0	0	0	0
	Saal Road - North of Longview	100,000 W&S	100,000	100,000			W&S	0	0	200	200	200	200
	Mayhew Drive	247,000 W&S	240,000	0	247,000	247,000	W&S	0	0	0	400	400	400
	Harvey Court	185,500 W&S	180,000	0	185,500	185,500	W&S	0	0	0	300	300	300
	19 Mile Road at Fire Station #2 - Sanitary Sewer Repairs	136,000 W&S	45,000	45,000			W&S	100	100	0	0	0	0
	Total Sanitary Sewer	**$2,329,000**	**$2,189,000**	**$555,000**	**$1,683,000**	**$1,683,000**		**$300**	**$300**	**$700**	**$3,500**	**$3,500**	**$3,500**
	WATER MAINS												
	Section 4 along Mound, Catalpa, Merrill & Arrow; Under Conrail Railroad	575,000 W&S	575,000	575,000			W&S	0	0	600	600	600	600
	Dequindre & 14 Mile Road - Sections 30 & 31	2,484,500 W&S	2,415,000	100,000	2,384,500	2,384,500	W&S	0	0	0	2,000	2,000	2,000
	Mound Road - 17 Mile to 18 1/2/ Mile Road	1,817,000 W&S	1,764,000	0	1,817,000	1,817,000	W&S	0	0	0	2,000	2,000	2,000
	Total Water Mains	**4,876,500**	**4,754,000**	**$675,000**	**$4,201,500**	**$4,201,500**		**$0**	**$0**	**$600**	**$4,600**	**$4,600**	**$4,600**
	GENERAL IMPROVEMENTS												
	Geographic Information System Pilot Program	26,200 W&S	26,200	26,200			W&S	0	0	0	0	0	0
	Total General Improvements	**$26,200**	**$26,200**	**$26,200**	**$0**	**$0**		**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

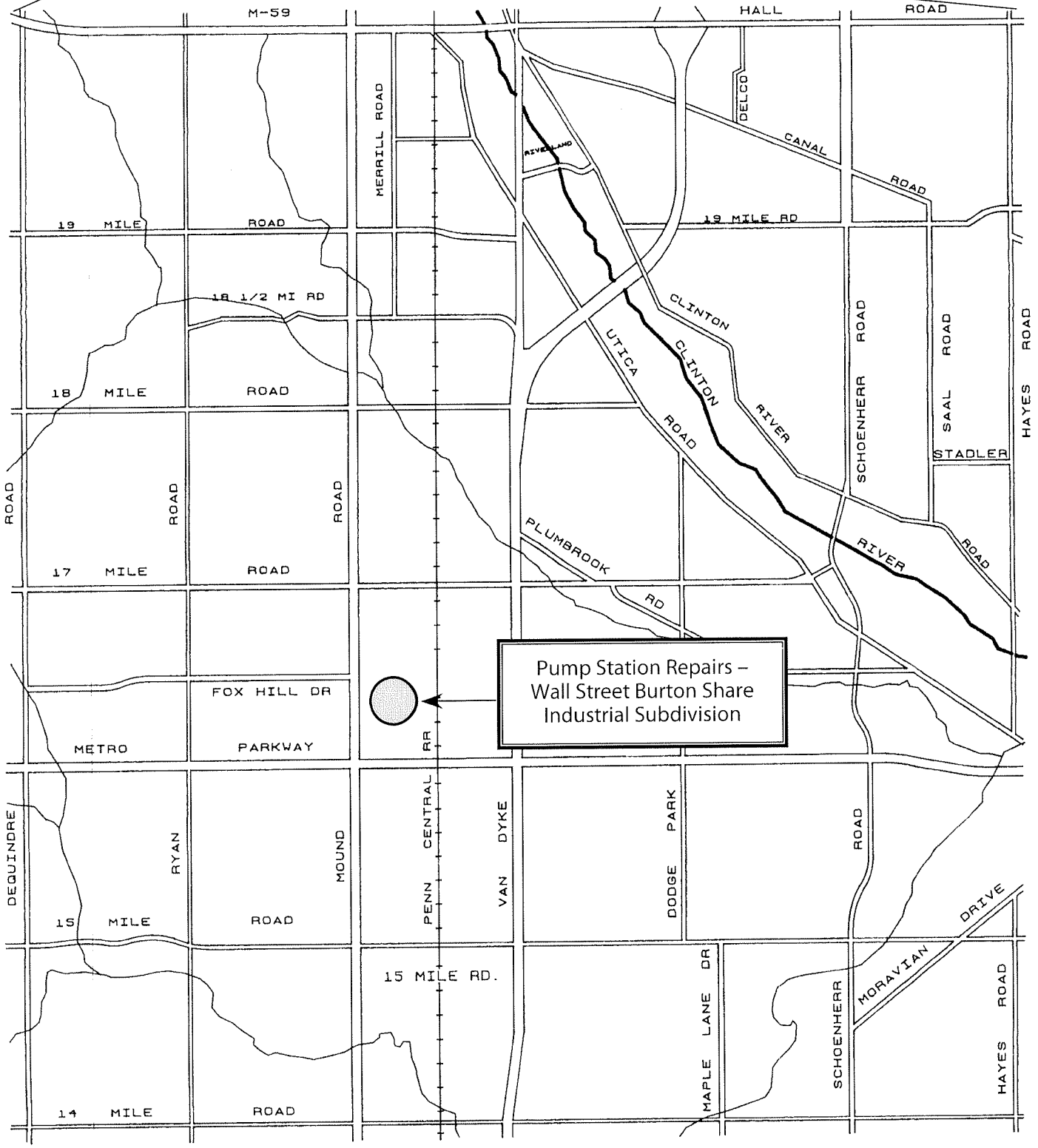
CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Program 2008/09	Estimate 2008/09	Manager Recomm. Program 2009/10	Council Approved Program 2009/10	Proposed Method of Financing	Estimated Prior Yr. 2007/08	Estimated Current Yr. 2008/09	Program Year 2009/10	Future Years 2010/11	2011/12	2012/13
	WATER & SEWER REPLACEMENT MAINS												
	Fire Hydrant Replacement Program - 10-30 Hydrants per year	30,000 W&S	15,000	15,000	15,000	15,000	W&S	300	300	300	300	300	300
	Defour Drive - Water Main Replacement	180,000 W&S	180,000	180,000			W&S	500	500	0	0	0	0
	Total Replacement Fund	**$210,000**	**$195,000**	**$195,000**	**$15,000**	**$15,000**		**$800**	**$800**	**$300**	**$300**	**$300**	**$300**
	Total Water & Sewer Funds	**$7,441,700**	**$7,164,200**	**$1,451,200**	**$5,899,500**	**$5,899,500**		**$1,100**	**$1,100**	**$1,600**	**$8,400**	**$8,400**	**$8,400**
	Total City Capital Improvements	**$46,415,440**	**$22,184,520**	**$15,025,210**	**$14,257,850**	**$14,245,380**		**$272,800**	**$542,100**	**$675,550**	**$867,350**	**$899,350**	**$931,350**

2009/10 MUNICIPAL FACILITIES

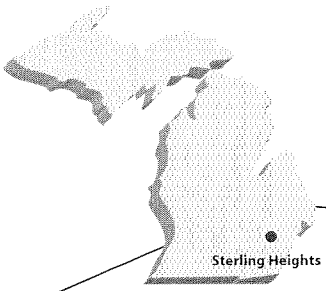


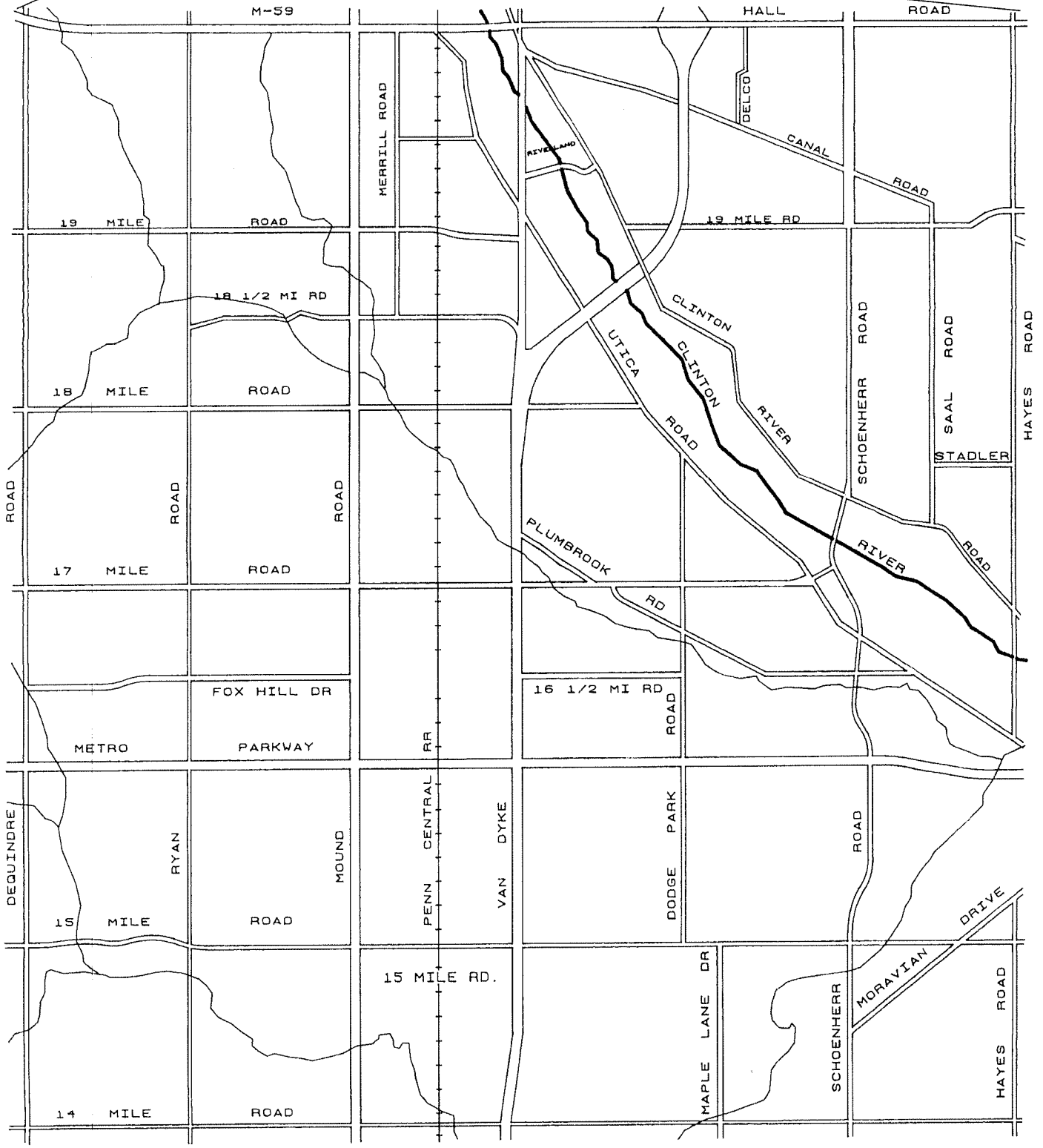
Miscellaneous City Sidewalk Repair & Gap Completion Programs



2009/10 STORM DRAINS

Storm Drain Maintenance – County





2009/10 MAJOR ROADS

Miscellaneous Traffic Signals

City-wide Concrete Replacement Program

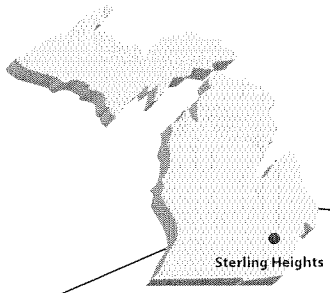
17 Mile Road Bridge Repairs

Plumbrook Road and Utica Road Center Turn Lane Intersection Improvements

15 Mile and Ryan Road Intersection Improvements – Right Turn Lanes

15 Mile Road Resurfacing – Maple Lane to Mound Road

2009/10 COUNTY & STATE ROAD PLANS



County Concrete Pavement Repairs – Metroparkway and Mound Road

M-59 - Ryan to Dequindre – Widening Project

Bridge Deck Replacement – Van Dyke Bridge over the Clinton River

SMART Bus Stop Improvements and Façade Assistance Program - CIA District

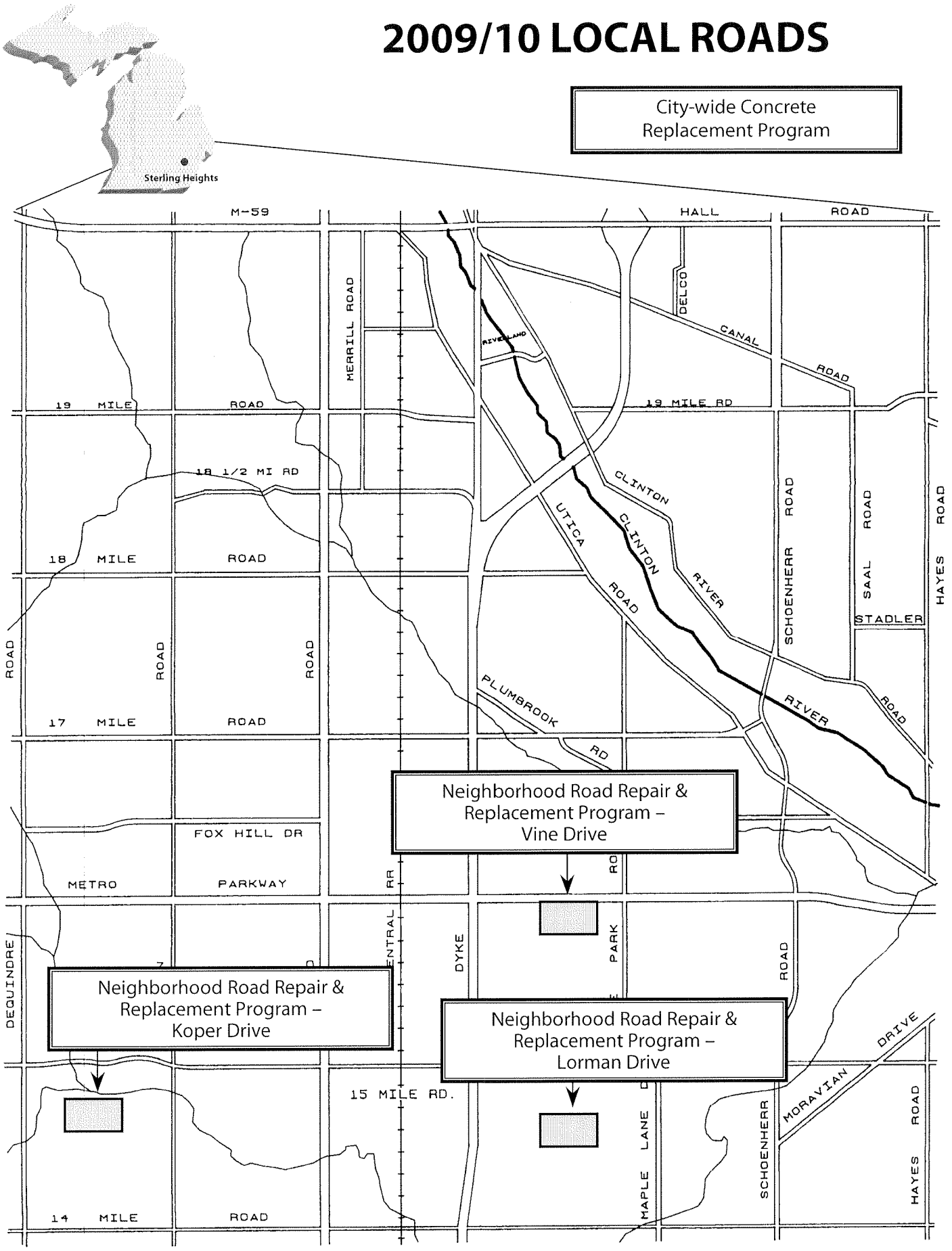
Dequindre Road – 18 Mile to M-59 – Preliminary Engineering

18 Mile Road – Mound Road to Van Dyke – Design & Widening

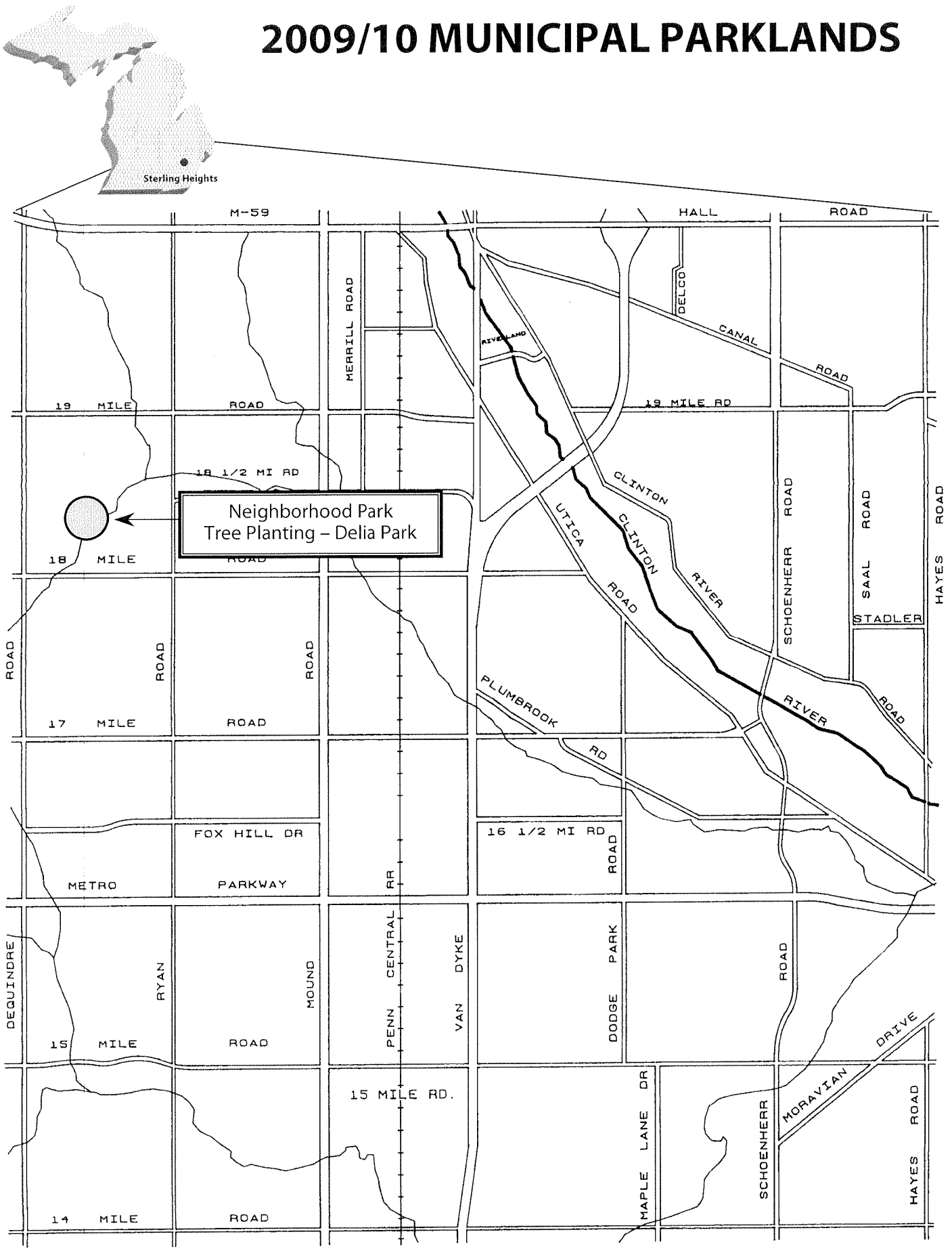
Miscellaneous Traffic Signals

14 Mile Road – Mound to Van Dyke County Resurfacing Project

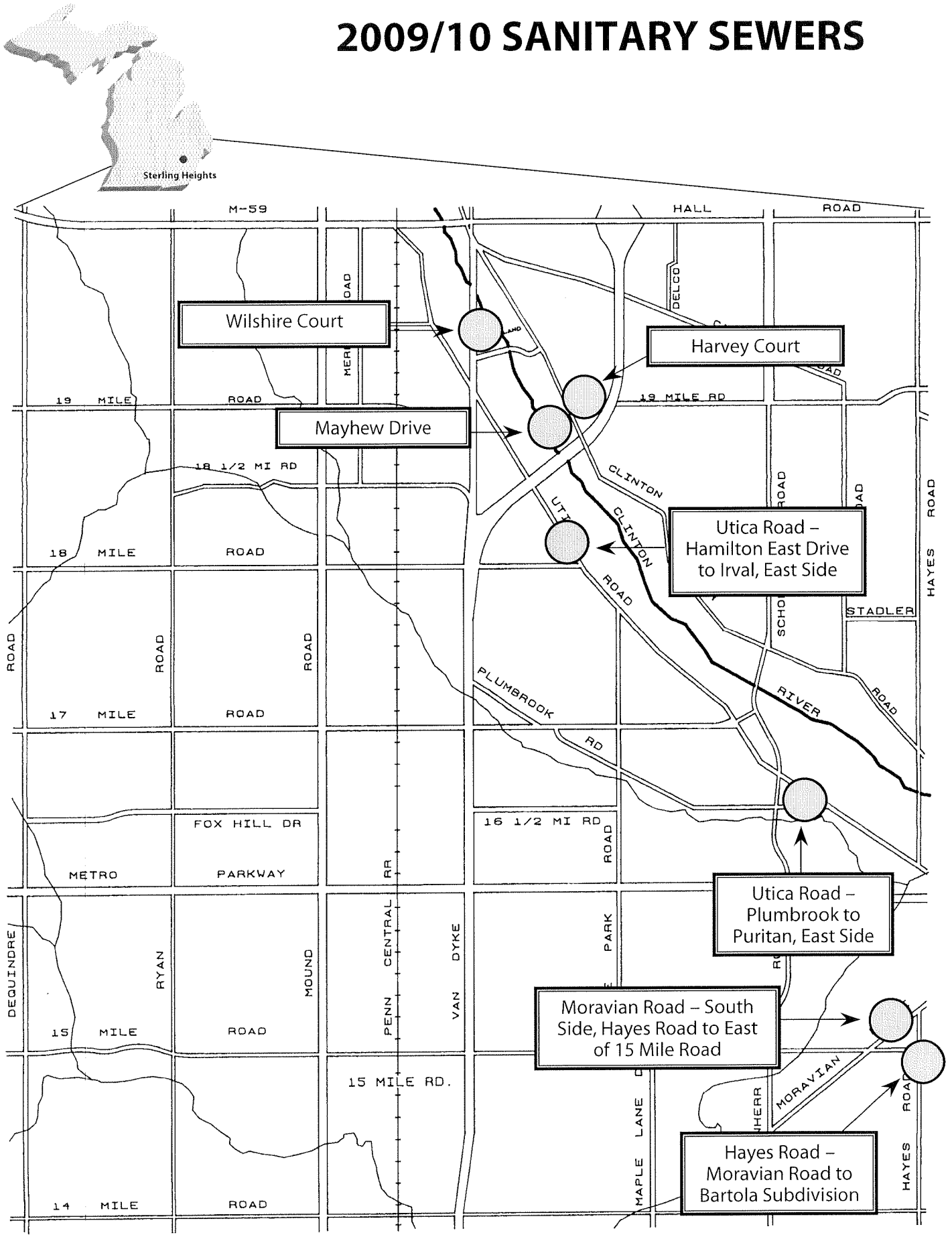
2009/10 LOCAL ROADS



2009/10 MUNICIPAL PARKLANDS

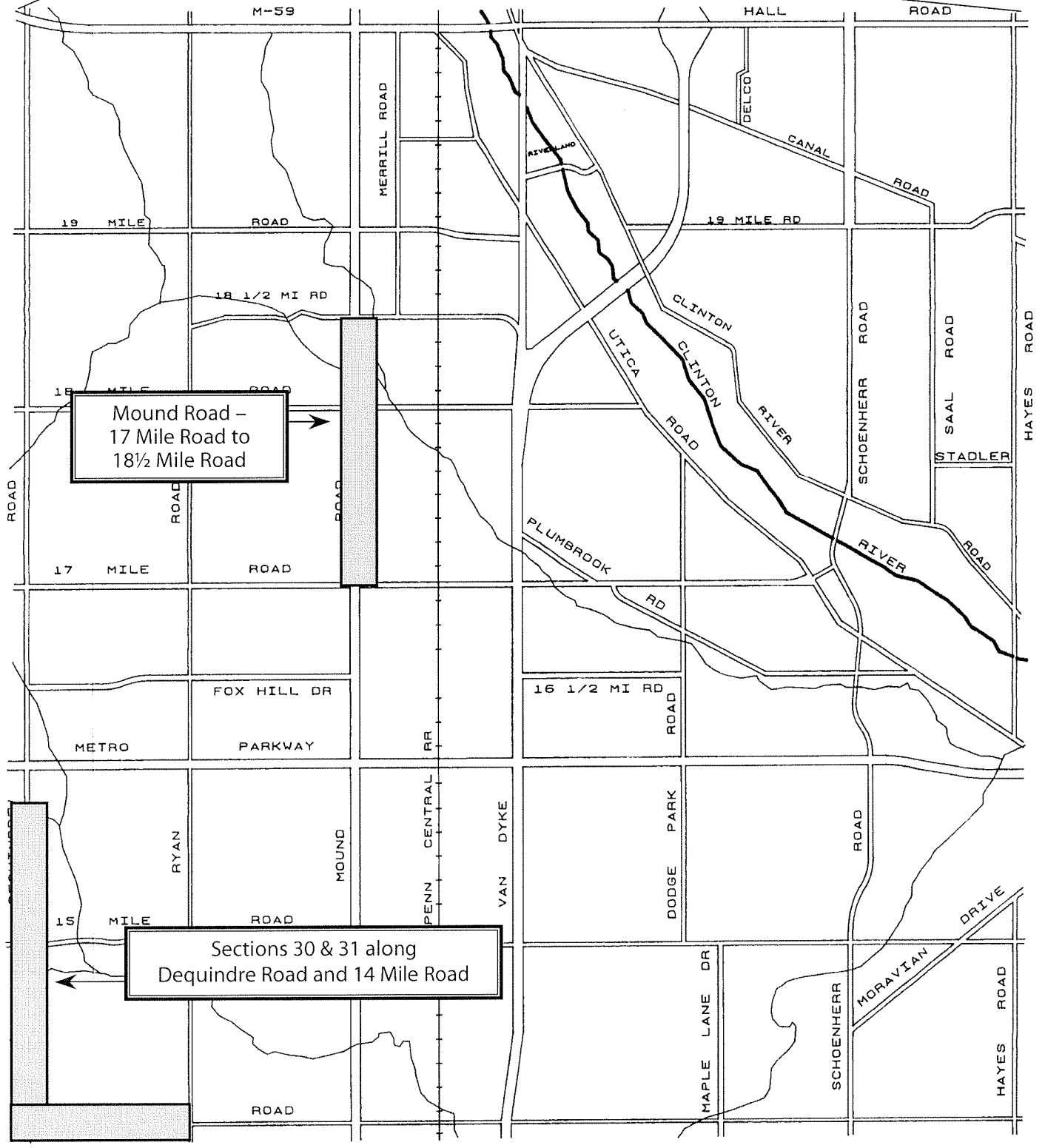


2009/10 SANITARY SEWERS



2009/10 WATER MAINS

Fire Hydrant Replacement Program –
10 – 30 Hydrants



CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Fiscal Year Ended June 30	1999	2000	2001	2002 (1)	2003	2004	2005	2006	2007	2008
Revenues										
Property Taxes	$39,847,195	$41,266,995	$42,155,402	$44,773,685	$46,791,310	$48,495,510	$50,357,630	$52,574,000	$55,624,617	$58,331,682
Fees & Permits	1,950,414	1,855,159	2,253,273	1,916,542	2,036,864	2,318,120	2,012,360	1,986,333	1,784,156	1,352,594
Federal Sources	1,016,601	1,178,322	1,657,762	1,280,774	752,977	1,629,936	2,069,321	3,198,148	2,755,145	1,001,641
State & Local Sources	18,653,817	19,281,979	20,293,929	20,676,922	20,161,887	20,176,008	19,607,043	19,721,028	19,894,287	18,939,977
Fines & Forfeitures	2,776,653	2,798,853	2,781,114	2,299,389	2,587,756	3,069,824	2,995,613	2,890,745	2,563,520	2,755,701
Charges For Services	5,371,619	5,451,881	5,791,473	5,514,851	5,875,269	6,334,722	6,695,039	7,795,120	8,038,601	7,988,183
Interest Income	2,692,819	3,424,163	3,509,122	1,921,851	1,760,354	567,049	977,664	1,788,092	2,511,234	2,316,653
Special Assessments	443,641	319,727	164,086	179,973	68,497	372,917	73,776	28,017	130,082	92,745
Rental Income	1,075,936	1,035,063	1,240,272	1,047,761	1,253,148	1,298,796	1,566,845	1,357,037	1,443,651	1,727,929
Cable Revenue	868,817	972,802	1,264,214	1,302,183	1,120,768	1,224,778	1,319,937	1,371,831	1,527,988	1,671,094
Reimb of Advance Rd Const	0	0	0	0	0	0	0	0	0	2,440,414
Other	1,231,428	1,388,993	1,110,088	2,074,758	1,927,055	2,758,591	1,980,022	1,731,700	1,511,396	1,755,645
Total Revenues	**75,928,940**	**78,973,937**	**82,220,735**	**82,988,689**	**84,335,885**	**88,246,251**	**89,655,250**	**94,442,051**	**97,784,677**	**100,374,258**
Expenditures										
General Government	7,030,523	7,663,131	8,368,507	8,550,972	8,733,703	9,091,026	10,042,438	10,109,764	10,562,158	11,244,018
41A District Court	2,044,259	1,999,838	2,131,093	2,178,525	2,173,817	2,342,220	2,472,160	2,660,587	2,847,111	2,974,001
Public Safety	26,932,023	28,089,598	30,386,650	30,913,608	33,857,315	35,779,556	38,346,169	39,440,275	41,610,977	44,435,670
Public Works	14,885,110	15,456,764	16,492,407	16,910,029	18,334,751	18,280,775	21,418,948	18,545,503	18,734,562	20,134,496
Recreation & Culture	3,619,970	3,795,871	4,035,209	4,323,476	4,447,809	4,553,035	4,669,116	4,868,429	5,180,497	5,358,825
General Expenditures	2,438,087	2,505,031	2,454,301	2,539,196	2,771,249	3,388,336	2,651,054	3,555,955	3,791,084	2,945,761
Capital Outlay	12,500,787	18,815,645	14,107,920	13,053,333	11,763,846	13,041,634	12,476,405	10,576,821	14,756,585	7,402,019
Debt Service - Principal	4,857,770	5,299,440	5,667,440	5,051,381	4,466,382	4,436,681	5,056,539	5,030,000	14,000,000	5,685,000
Debt Service - Interest	1,975,190	1,994,942	2,380,172	2,243,791	1,968,669	1,827,203	2,334,584	2,479,375	2,336,756	1,938,403
Total Expenditures	**76,283,719**	**85,620,260**	**86,023,699**	**85,764,311**	**88,517,541**	**92,740,466**	**99,467,413**	**97,266,709**	**113,819,730**	**102,118,193**
Other Financing Sources										
Long-term Financing	9,120,500	7,859,080	4,421,872	1,725,000	4,916,772	30,355,000	13,720,000	0	7,900,000	5,000,000
Proceeds-Sale of Fixed Assets	0	0	0	1,338,442	0	0	476,081	550,074	0	0
Bond Premium	0	0	0	0	0	975,374	91,759	0	26,815	50,143
Payments to Escrow Agents	0	0	0	0	(4,916,772)	(5,075,000)	(8,511,067)	0	0	0
Transfers In	10,546,430	10,050,315	10,389,950	12,319,565	8,807,280	6,462,170	8,354,684	9,931,683	18,458,535	9,716,170
Transfers Out	(10,546,430)	(10,050,315)	(10,389,950)	(12,319,565)	(8,807,280)	(6,462,170)	(6,639,684)	(8,071,683)	(8,681,215)	(8,197,830)
Total Other Fin. Sources	**9,120,500**	**7,859,080**	**4,421,872**	**3,063,442**	**0**	**26,255,374**	**7,491,773**	**2,410,074**	**17,704,135**	**6,568,483**
Net Change in Fund Balance Before Extraordinary Items	8,765,721	1,212,757	618,908	287,820	(4,181,656)	21,761,159	(2,320,390)	(414,584)	1,669,082	4,824,548
Extraordinary Items	0	0	0	0	0	(25,000,000)	(6,000,000)	0	0	0
Net Change in Fund Balance	**$8,765,721**	**$1,212,757**	**$618,908**	**$287,820**	**($4,181,656)**	**($3,238,841)**	**($8,320,390)**	**($414,584)**	**$1,669,082**	**$4,824,548**

(1) Information presented prior to the implementation of GASB No. 34 has been combined to reflect such activity.

GENERAL FUND
EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget
City Council	$120,680	$120,720	$131,940	$133,530	$136,940	$140,270	**$137,010**
City Management	730,470	779,370	820,710	907,390	922,350	919,790	**930,830**
City Clerk	807,950	940,690	868,230	976,440	1,039,120	1,124,880	**850,240**
Facilities Maintenance	1,303,160	1,341,170	1,526,330	1,571,580	1,712,020	1,761,120	**1,615,970**
Assessing	717,560	1,087,380	886,120	821,610	859,440	874,980	**901,040**
Financial Services	1,025,590	1,075,920	1,128,160	1,202,740	1,281,810	1,335,700	**1,351,850**
Purchasing	297,190	316,250	326,680	341,700	340,750	372,910	**373,550**
Treasury	646,070	666,630	713,610	754,000	787,500	781,110	**749,970**
Act 78 - Civil Service Commission	26,190	11,930	35,490	18,350	33,070	15,700	**24,130**
Building Authority	510	380	400	400	380	430	**50**
General Employees Pension Board	514,610	576,680	635,270	671,580	728,760	118,650	**109,950**
Legal	576,740	656,150	706,800	730,200	747,980	757,000	**776,000**
Total City Administration Dept.	**6,766,720**	**7,573,270**	**7,779,740**	**8,129,520**	**8,590,120**	**8,202,540**	**7,820,590**
Parks & Recreation	2,165,260	2,195,030	2,314,150	2,428,270	2,554,030	2,648,540	**2,223,750**
Total Parks & Recreation Dept.	**2,165,260**	**2,195,030**	**2,314,150**	**2,428,270**	**2,554,030**	**2,648,540**	**2,223,750**
Police Administration	2,484,860	3,940,350	4,050,940	3,950,150	2,889,810	3,008,560	**2,966,310**
Police Investigations	1,783,260	2,694,650	3,337,330	3,863,410	5,419,170	5,627,640	**6,030,960**
Police Operations	16,051,110	15,168,690	14,662,390	15,610,640	16,700,240	17,650,730	**19,757,070**
Police Support Services	2,756,790	2,896,830	3,026,730	3,234,570	3,381,110	3,478,300	**3,445,280**
Emergency Management	190,070	192,530	125,790	99,970	141,650	148,360	**146,030**
Total Police Department	**23,266,090**	**24,893,050**	**25,203,180**	**26,758,740**	**28,531,980**	**29,913,590**	**32,345,650**
Fire Administration	1,053,610	1,081,970	1,152,080	1,251,700	1,270,720	1,365,960	**1,360,420**
Fire Extinguishment	10,759,740	11,494,370	11,811,670	12,422,880	13,254,450	14,278,740	**15,266,950**
Fire Prevention	890,180	1,069,310	1,007,800	1,053,420	1,178,340	1,041,150	**1,088,240**
Total Fire Department	**12,703,530**	**13,645,650**	**13,971,550**	**14,728,000**	**15,703,510**	**16,685,850**	**17,715,610**
Building	1,396,070	1,904,890	1,929,030	2,100,770	2,205,160	2,242,290	**1,834,960**
Economic Development	0	0	52,540	136,930	187,490	156,070	**158,860**
Information Technology	868,970	883,050	906,720	973,220	1,055,560	1,093,010	**1,079,200**
Planning	822,880	339,640	347,030	341,600	350,280	341,130	**355,500**
Public Services	334,110	384,870	392,520	272,360	295,050	302,770	**320,970**
Planning Commission	12,930	8,280	9,260	7,440	7,490	10,390	**8,000**
Zoning Board of Appeals	9,120	8,110	7,060	6,630	5,690	8,120	**6,750**
Total City Development Dept.	**3,444,080**	**3,528,840**	**3,644,160**	**3,838,950**	**4,106,720**	**4,153,780**	**3,764,240**

GENERAL FUND
EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Budget
Engineering	1,793,290	1,829,900	1,843,940	1,755,930	1,701,260	1,793,770	1,662,170
Fleet Maintenance	1,880,350	2,231,510	2,331,180	2,472,330	2,927,750	2,643,610	2,807,280
Parks & Grounds Maintenance	1,256,910	1,287,290	1,317,990	1,390,520	1,360,640	1,351,410	1,426,790
Public Works Center	458,060	507,670	513,650	518,510	592,450	653,070	438,590
Street Services	1,640,170	1,850,310	1,727,410	1,857,130	1,954,680	1,989,210	1,909,160
Total Public Works Department	**7,028,780**	**7,706,680**	**7,734,170**	**7,994,420**	**8,536,780**	**8,431,070**	**8,243,990**
Refuse Collection	4,659,240	4,853,150	4,028,320	4,089,430	4,206,380	4,504,790	4,614,540
Total Refuse Collection	**4,659,240**	**4,853,150**	**4,028,320**	**4,089,430**	**4,206,380**	**4,504,790**	**4,614,540**
Library	2,386,450	2,471,890	2,552,980	2,750,980	2,803,910	2,873,250	2,761,400
Historical Commission	1,330	2,190	1,300	1,250	880	1,380	1,010
Total Public Library Department	**2,387,780**	**2,474,080**	**2,554,280**	**2,752,230**	**2,804,790**	**2,874,630**	**2,762,410**
Community Relations	1,244,000	1,386,740	1,408,370	1,452,190	1,596,140	1,717,240	1,652,870
Beautification Commission	3,130	2,160	2,680	2,350	2,010	2,490	2,040
Cultural Commission	14,100	330	7,470	410	180	350	300
Telecommunications Commission	4,030	4,360	4,780	4,470	0	0	0
Total Community Relations Dept.	**1,265,260**	**1,393,590**	**1,423,300**	**1,459,420**	**1,598,330**	**1,720,080**	**1,655,210**
41-A District Court	2,342,220	2,472,160	2,660,590	2,847,110	2,974,000	3,145,260	3,200,750
General Expenditures	2,825,010	2,639,270	3,546,140	3,698,840	2,931,290	2,888,640	2,631,390
Transfers Out	2,752,040	2,360,090	4,127,270	4,050,620	3,978,200	3,801,150	1,958,810
Total Expenditures & Uses	**71,606,010**	**75,734,860**	**78,986,850**	**82,775,550**	**86,516,130**	**88,969,920**	**88,936,940**
Extraordinary Items	25,368,270	6,000,000	0	0	0	0	0
Total General Fund Expenditures	**$96,974,280**	**$81,734,860**	**$78,986,850**	**$82,775,550**	**$86,516,130**	**$88,969,920**	**$88,936,940**

GENERAL FUND BALANCE COMPARED TO ANNUAL EXPENDITURES AND OTHER FINANCING USES LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Reserved Fund Balance	Unreserved Fund Balance	Annual Expenditures & Other Uses	Unreserved Balances as % of Expenditures & Other Uses
1999	581,251	16,687,536	60,994,024	27.36%
2000	617,242	14,915,455	62,928,897	23.70%
2001	528,424	15,923,759	67,374,288	23.63%
2002	489,404	17,346,558	70,500,575	24.60%
2003	580,930	17,641,156	71,069,534	24.82%
2004	593,593	19,057,927	71,974,280	26.48%
2005	655,400	13,345,638	75,734,862	17.62%
2006	662,581	14,387,663	78,986,850	18.22%
2007	679,962	15,037,933	82,775,550	18.17%
2008	643,564	14,649,346	86,516,140	16.93%

ASSESSED & ESTIMATED ACTUAL VALUATION OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Real Assessed Valuation (1)	Personal Assessed Valuation (1)	Total Valuation	Percent of True Value (2)
1999	2,826,351,500	874,346,800	3,700,698,300	50%
2000	2,974,814,700	949,326,300	3,924,141,000	50%
2001	3,145,249,054	979,571,300	4,124,820,354	50%
2002	3,356,956,900	1,086,927,400	4,443,884,300	50%
2003	3,587,248,700	1,071,358,000	4,658,606,700	50%
2004	3,764,758,000	1,025,224,600	4,789,982,600	50%
2005	3,970,808,500	968,119,700	4,938,928,200	50%
2006	4,195,815,400	949,766,100	5,145,581,500	50%
2007	4,451,151,600	944,127,850	5,395,279,450	50%
2008	4,645,291,550	1,053,774,300	5,699,065,850	50%

(1) All taxable values reflect the year in which tax revenue streams were generated. For example, the 1998 TVs (stated above in the 1999 row) were used to generate tax revenue for the year ended June 30, 1999.

(2) In accordance with the 1970 State of Michigan Constitution, the assessed value is 50 percent of appraised or estimated value.

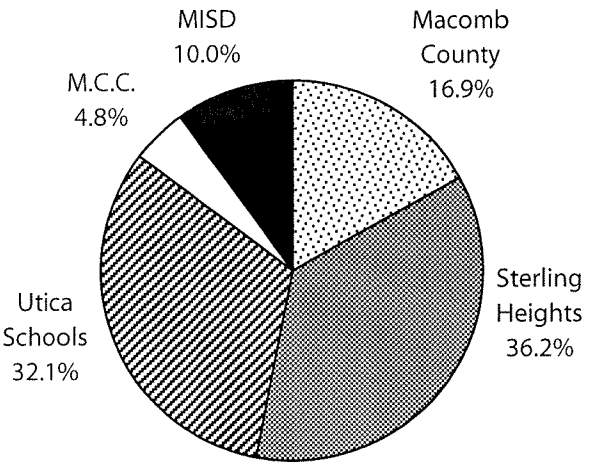
HOMESTEAD PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER $1,000 OF TAXABLE VALUATION)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
City of Sterling Heights										
Operating (1)	8.47965	8.26879	8.08550	8.43430	8.29230	8.19630	8.09570	8.76420	8.97760	**9.22560**
Refuse	1.00665	1.04657	1.07470	1.04670	1.05870	1.06960	1.10550	0.82660	0.81420	**0.80570**
Police & Fire Pension	0.70797	0.56364	0.56070	0.37610	0.62400	0.78090	0.89050	0.60490	0.51180	**0.31470**
Public Improvements	0.73343	0.79958	0.78840	0.48590	0.32860	0.24160	0.23170	0.18800	0.18750	**0.17920**
Drain	0.29230	0.29142	0.21070	0.30700	0.32640	0.33660	0.30160	0.24130	0.23390	**0.19980**
Total	**11.22000**	**10.97000**	**10.72000**	**10.65000**	**10.63000**	**10.62500**	**10.62500**	**10.62500**	**10.72500**	**10.72500**
Overlapping Governments										
Macomb County	4.20800	4.20800	4.20700	4.20600	4.20580	4.20580	4.20580	4.20580	4.20550	**4.20550**
Utica Comm. Schools	3.50000	3.50000	3.50000	3.50000	3.50000	3.50000	3.50000	3.50000	3.50000	**3.50000**
Warren Consol. Schools	9.77760	9.34560	8.81630	8.89710	10.96260	10.68060	10.04260	9.99300	9.82940	**9.23580**
State Education	6.00000	6.00000	6.00000	6.00000	6.00000	5.00000	6.00000	6.00000	6.00000	**6.00000**
Macomb Comm. College	1.61340	1.58400	1.51400	1.67070	1.69250	1.58590	1.50020	1.42120	1.42120	**1.42120**
M.I.S.D.	2.03630	2.02100	2.02100	2.00330	2.98630	2.97290	2.96150	2.94300	2.94300	**2.94300**
Huron/Clinton Metro Auth.	0.22350	0.22180	0.22020	0.22020	0.21700	0.21610	0.21540	0.21460	0.21460	**0.21460**
S.M.A.R.T.	0.32990	0.32730	0.32730	0.32730	0.60000	0.59730	0.59490	0.59120	0.59000	**0.59000**
Total Utica Schools (2)	**29.13110**	**28.83210**	**28.50950**	**28.57750**	**29.83160**	**28.70300**	**29.60280**	**29.50080**	**29.59930**	**29.59930**
Total Warren Schools (2)	**35.40870**	**34.67770**	**33.82580**	**33.97460**	**37.29420**	**35.88360**	**36.14540**	**35.99380**	**35.92870**	**35.33510**

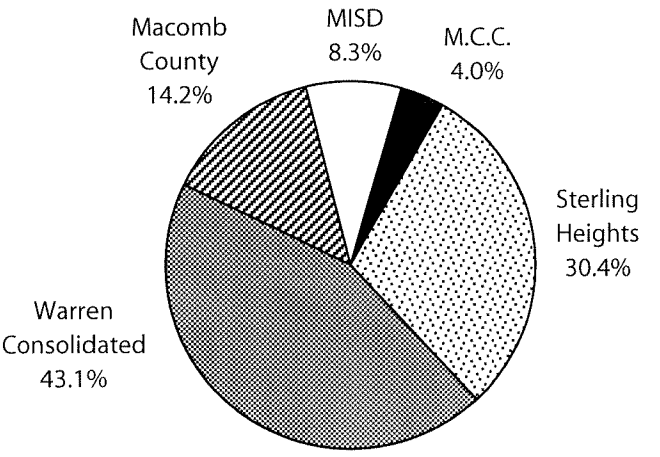
(1) City general operating tax rate charter limit equals 12.0 mills.

(2) Sterling Heights taxable valuation is based on 62% for Utica Schools and 38% for Warren Consolidated Schools for the year ended June 30, 2008.

City of Sterling Heights
2007/08 Distribution of Homestead Taxes



Utica Community Schools

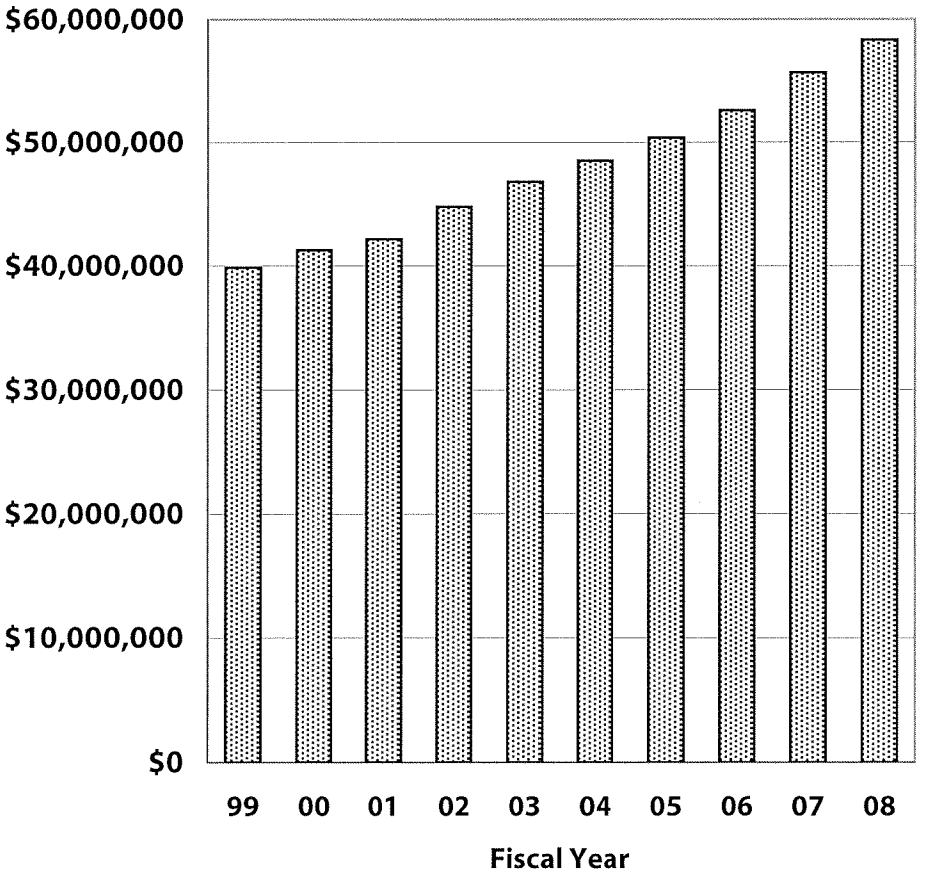


Warren Consolidated Schools

GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Fund Property Taxes				Debt Service Funds Property Taxes			Total All Property Taxes
	Operating	Refuse	Police & Fire Retirement System	Total	General Drain	Voted Tax General Obligation	Total	
1999	30,117,888	3,575,404	2,514,557	36,207,849	1,036,993	2,602,354	3,639,347	**39,847,196**
2000	31,106,672	3,937,131	2,120,379	37,164,182	1,096,095	3,006,718	4,102,813	**41,266,995**
2001	31,836,229	4,231,574	2,207,727	38,275,530	818,785	3,061,087	3,879,872	**42,155,402**
2002	35,424,907	4,396,245	1,579,658	41,400,810	1,295,294	2,077,581	3,372,875	**44,773,685**
2003	36,500,172	4,660,074	2,746,657	43,906,903	1,435,644	1,448,763	2,884,407	**46,791,310**
2004	37,409,166	4,881,818	3,564,147	45,855,131	1,536,014	1,104,365	2,640,379	**48,495,510**
2005	38,420,002	5,203,504	4,204,831	47,828,337	1,429,947	1,099,346	2,529,293	**50,357,630**
2006	43,370,304	4,070,410	2,993,592	50,434,306	1,202,642	937,052	2,139,694	**52,574,000**
2007	46,585,168	4,205,469	2,646,459	53,437,096	1,214,130	973,391	2,187,521	**55,624,617**
2008	50,198,476	4,359,680	1,707,910	56,266,066	1,089,261	976,355	2,065,616	**58,331,682**

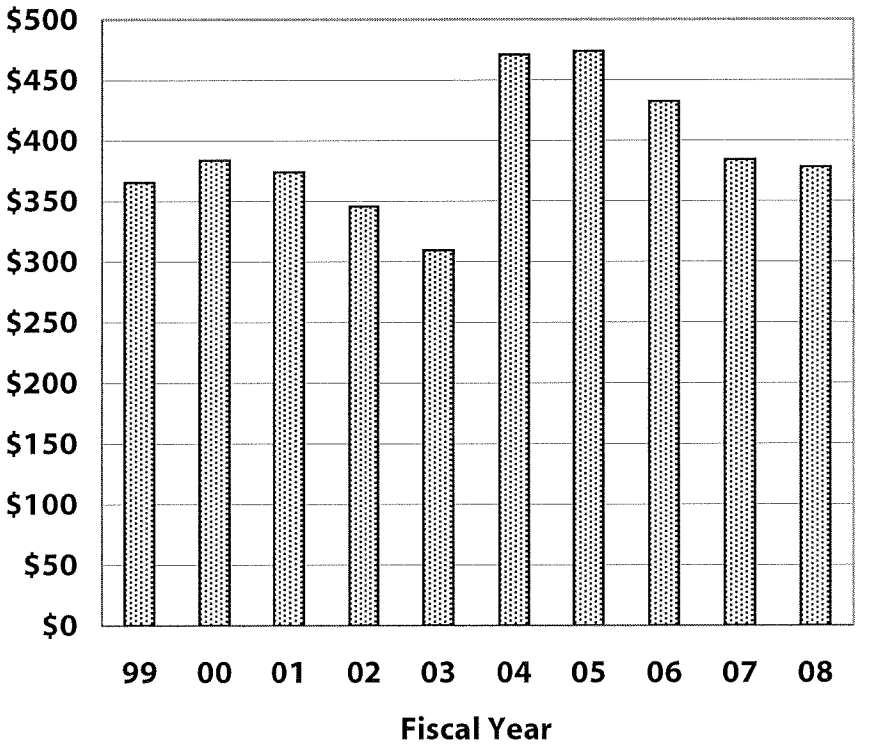
Property Tax Revenue



RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Governmental Activities				Primary Government Outstanding Debt Total	Percentage of Personal Income	Pop.	Debt Per Capita
	General Obligation Bonds	Michigan Transport. Bonds	Special Assessment Bonds	County Issued Bonds				
1999	17,510,000	18,885,000	1,340,000	7,392,862	45,127,862	N/A	123,530	**365.32**
2000	18,090,000	21,960,000	1,175,000	6,528,423	47,753,423	1.54%	124,471	**383.65**
2001	14,680,000	20,635,000	975,000	10,485,984	46,775,984	1.50%	125,140	**373.79**
2002	12,180,000	19,175,000	775,000	11,319,602	43,449,602	1.38%	125,800	**345.39**
2003	9,125,000	18,995,000	575,000	10,403,220	39,098,220	1.24%	126,470	**309.15**
2004	33,745,000	15,910,000	350,000	9,936,539	59,941,539	1.89%	127,270	**470.98**
2005	31,735,000	19,735,000	125,000	9,060,000	60,655,000	1.91%	128,026	**473.77**
2006	29,705,000	17,690,000	-	8,230,000	55,625,000	1.74%	128,692	**432.23**
2007	21,590,000	20,610,000	-	7,325,000	49,525,000	1.54%	128,914	**384.17**
2008	23,635,000	18,710,000	-	6,495,000	48,840,000	1.52%	129,200	**378.02**

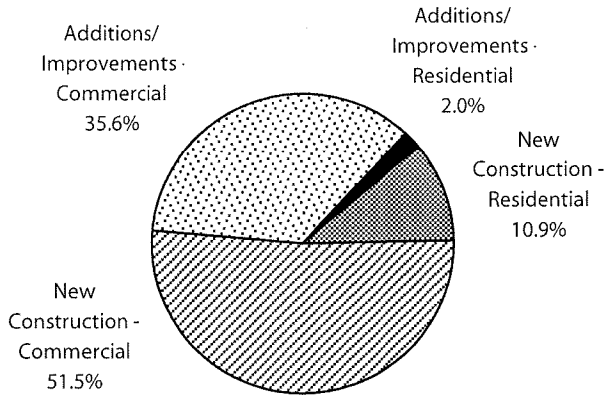
Outstanding Debt Per Capita



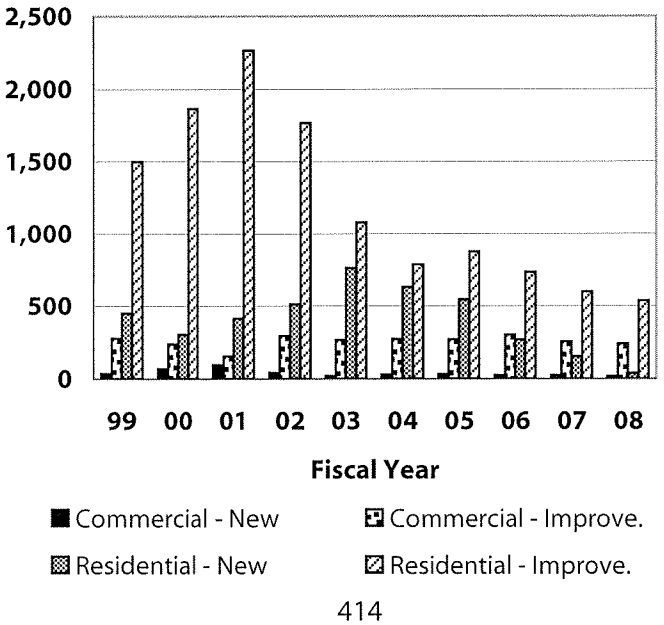
BUILDING PERMITS AT MARKET VALUE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Residential					Commercial				
	New Construction		Additions/Improve.		Total Residential	New Construction		Additions/Improve.		Total Commercial
	No.	Value	No.	Value		No.	Value	No.	Value	
1999	450	55,025,833	1,499	5,170,833	60,196,666	36	39,098,478	277	22,097,699	61,196,177
2000	304	38,156,806	1,864	6,261,197	44,418,003	68	31,976,338	237	28,031,281	60,007,619
2001	414	63,789,140	2,266	9,055,033	72,844,173	96	40,493,780	156	20,199,408	60,693,188
2002	513	51,306,550	1,766	2,737,615	54,044,165	42	25,736,795	295	16,143,812	41,880,607
2003	763	76,609,958	1,078	3,017,213	79,627,171	19	17,228,169	265	18,095,804	35,323,973
2004	631	59,756,113	787	2,218,100	61,974,213	29	28,123,162	272	59,264,545	87,387,707
2005	546	54,325,044	876	1,830,299	56,155,343	31	34,143,253	271	26,257,489	60,400,742
2006	269	48,957,415	734	1,601,036	50,558,451	24	25,096,450	302	26,567,543	51,663,993
2007	152	25,895,984	598	2,454,254	28,350,238	24	44,813,309	254	40,418,973	85,232,282
2008	37	8,034,365	536	1,503,824	9,538,189	17	38,153,479	239	26,322,149	64,475,628

Market Value of 2008 Building Permits



Building Permits



DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST EIGHT FISCAL YEARS

Fiscal Year Ended June 30	Estimated Population	Median Age (2)	Age 25 or Older (2) High School Graduate or Higher	Age 25 or Older (2) Bachelor's Degree or Higher	Per Capita Income (2)	Income In Thousands	Number of Households (3)	Median Household Income (3) (1999 dollars)	Sterling Heights Unemployment Rate (4)
2001	125,140 (1)	N/A	N/A	N/A	N/A	3,123,244	46,072	62,274	4.1%
2002	125,800 (1)	N/A	N/A	N/A	N/A	3,139,716	48,775	62,274	4.8%
2003	126,470 (1)	N/A	N/A	N/A	N/A	3,156,438	48,990	62,274	5.3%
2004	127,270 (1)	N/A	N/A	N/A	N/A	3,176,405	49,260	62,274	5.4%
2005	128,026 (1)	N/A	N/A	N/A	N/A	3,195,273	49,405	62,274	5.6%
2006	128,692 (1)	N/A	N/A	N/A	N/A	3,211,895	49,871	62,274	6.3%
2007	128,914 (1)	N/A	N/A	N/A	N/A	3,217,436	50,761	62,274	7.3%
2008	129,200 (1)	N/A	N/A	N/A	N/A	3,224,574	50,375	60,494	8.8%

Sources:

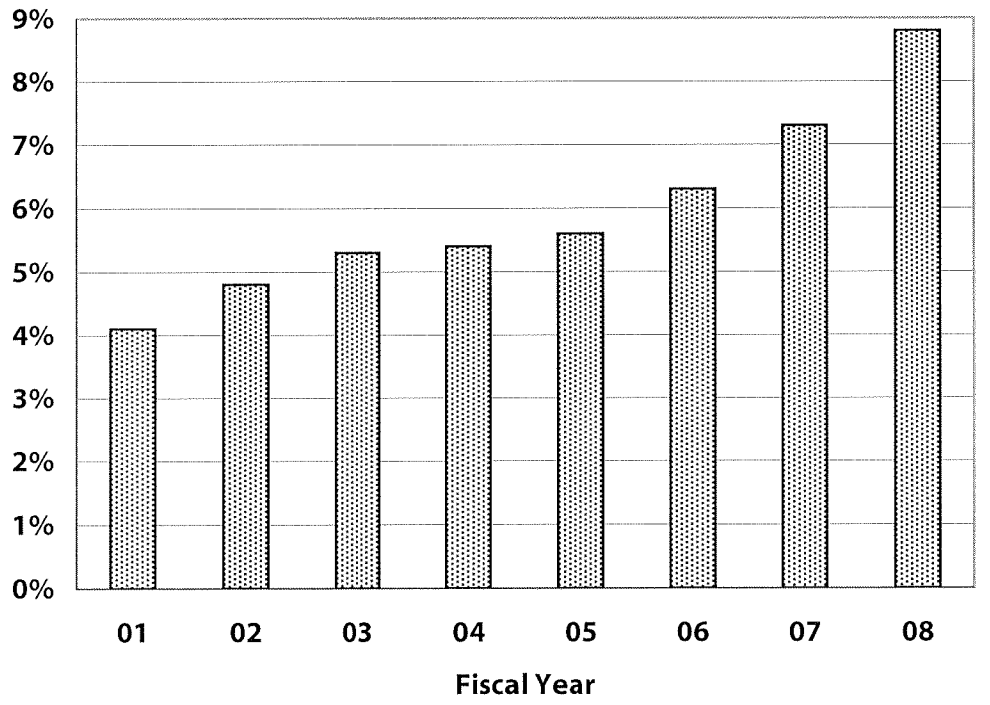
(1) City of Sterling Heights

(2) United States Census Bureau - 2000 Census (last reported)

(3) Southeast Michigan Council of Governments (SEMCOG)

(4) Michigan Department of Labor and Economic Growth

City of Sterling Heights
Unemployment Rate



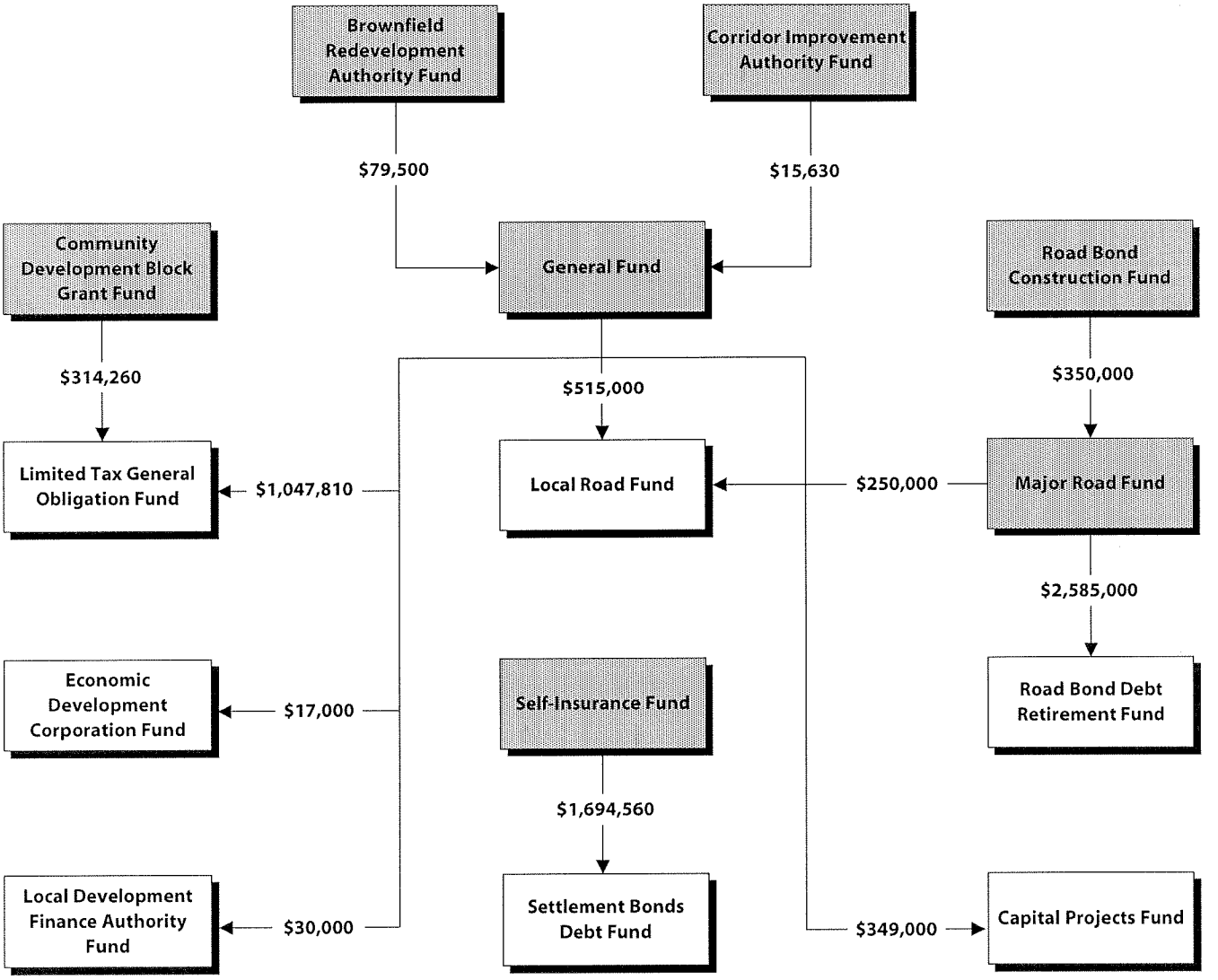
State & Federal Revenue Sources

Account	Description	2009/10 Budget
General Fund		
574000	State Revenue Sharing	$10,455,000
581001	SMART funding for senior citizen and special recreation transportation services	282,000
569001	State funding to reimburse City for Judges salaries	137,170
587001	Library funding from State assessed penal fines	125,000
567001	State Aid for Library services	81,100
583000	State funding for portion of cost of Police Officer assigned to Macomb Auto Theft Squad	58,400
539302	State funding for Police training	42,000
543426	State funding for portion of cost of Emergency Manager position	37,000
585000	Reimbursement of Police OT resulting from federal task force operations	16,800
544000	State revenue assistance for drunk driving 41-A District Court cases	15,000
539332	State funding for Dispatcher training	10,000
529000	Federal funding for underage alcohol traffic safety & drunk driving enforcement	7,980
529000	Federal funding for task force participation wage reimbursement	4,200
	Total General Fund	**11,271,650**
Major Road Fund		
546000	State Gas & Weight Tax	4,650,000
529000	Federal economic stimulus funding	3,800,000
539348	State funding from telecommunication provider fees for use of City's rights-of-way	215,000
529000	Federal reimbursement for 19 Mile Road widening from Mound Road to Ryan Road	33,000
529000	Federal funding for the Bridge Maintenance Program	30,000
529000	Federal funding for Schoenherr Road/Metropolitan Parkway Landscaping	20,890
	Total Major Road Fund	**8,748,890**
Neighborhood Stabilization Program Fund		
529000	Federal funding for NSP programs	**2,188,760**
Local Road Fund		
546000	State Gas & Weight Tax	1,790,000
539348	State funding from telecommunication provider fees for use of City's rights-of-way	83,000
	Total Local Road Fund	**1,873,000**
Community Development Block Grant Fund		
529000	Federal funding for CDBG programs	1,036,760
529003	CDBG Program Income	80,970
	Total Community Development Block Grant Fund	**1,117,730**
Land & Water Conservation Fund		
539002	Detroit Edison State tree funding grant	**3,000**
Capital Projects Fund		
539378	State funding from cell phone surcharges for enhancing police communication centers	**140,000**
	Total State & Federal Revenue	**$25,343,030**

NOTE: The 2009/10 budget figures include funding from Federal, State, and Local Grants, Highway and Street Grants, and State Revenue Sharing.

2009/10 Interfund Transfers

The following flowchart illustrates the transfer of monies among all City funds. The shaded boxes contain the funds that will transfer out dollars. The arrows indicate the direction of the transfers. Under the governmental accounting system, a Transfer Out is classified as an expenditure, while a Transfer In is classified as revenue.



2009/10 BUDGET

Activity Name
Police & Fire Pension Board

Activity 2380

Account Number	Account Name	2007/08 Actual	2008/09 Budget	2008/09 To 12/31	2008/09 Estimate	2009/10 Budget
	Supplies					
729.000	Postage	$833	$450	$177	$450	$500
730.000	Publications	395	350	0	350	350
751.000	Operating Supplies	568	500	231	500	500
758.000	Computer Software	209	500	0	500	500
	Total Supplies	2,005	1,800	408	1,800	1,850
	Other Charges					
802.000	Audit & Accounting Services	15,866	15,300	7,315	15,300	15,300
806.000	Legal Services	11,905	10,000	7,002	10,000	10,000
807.000	Medical Services	0	1,000	0	0	1,000
826.000	Other Contracted Services	1,173,555	1,173,000	496,516	1,173,000	1,173,000
903.000	Printing	0	350	167	350	350
922.000	Telephone	405	400	207	400	400
956.000	Local Meetings	19	100	0	100	100
957.000	Memberships & Dues	200	200	200	200	200
959.000	Education & Training	8,774	19,000	6,105	9,000	19,000
	Total Other Charges	1,210,724	1,219,350	517,512	1,208,350	1,219,350
	Capital Outlay					
979.000	Computer Equipment	1,091	2,000	0	0	0
	Total Capital Outlay	1,091	2,000	0	0	0
	Total Activity	**$1,213,820**	**$1,223,150**	**$517,920**	**$1,210,150**	**$1,221,200**

NOTE: The "2007/08 Actual" & "2008/09 to 12/31" columns are rounded to the nearest dollar.

Labor Agreements

NAME	CONTRACT EXPIRATION DATE	NUMBER OF BUDGETED EMPLOYEES
Union Employees		
Technical/Office Union, Michigan Association of Public Employees (MAPE)	06/30/12	93
MAP Police Clerical Employees Association	06/30/11	26
POAM Dispatchers Unit	06/30/12	23
DPW Field, Teamsters, Local 214	06/30/12	67
DPW Supervisors, AFSCME, Local 1917	06/30/12	8
Sterling Heights Fire Fighters, Local 1557	06/30/12	100
Michigan Association of Police Officers	06/30/11	134
Sterling Heights Police Command Officers	06/30/12	37
AFSCME Local 1884, Council 25	06/30/11	22
UAW Supervisory Employees Unit 41, Local 412	06/30/12	20
UAW Professional & Technical Employees Unit 40, Local 412 (includes Part-time)	06/30/13	55
Sterling Heights Executive Employees Union – Michigan Association of Public Employees	06/30/13	7
Non-Union Employees		
Ordinance Employees	N/A	1
41-A District Court Judges	N/A	3
41-A District Court Administration	N/A	10

Population [1]

Total Population	124,471
Gender	
Male	60,970
Female	63,501
Age	
Under 5 years	7,729
5 to 9 years	8,326
10 to 14 years	8,758
15 to 19 years	8,153
20 to 24 years	7,595
25 to 34 years	17,786
35 to 44 years	20,087
45 to 54 years	18,621
55 to 59 years	7,462
60 to 64 years	5,316
65 to 74 years	7,266
75 to 84 years	5,398
85 years and older	1,974
Racial Makeup	
White	112,899
African American	1,614
American Indian & Alaska Native	260
Asian	6,123
Native Hawaiian & Other Pacific Islander	45
Other Race	418
Two or more races	3,112

Housing

Median Housing Value	$186,400
Total Housing Units	50,375
Houses	33,287
Condominiums	6,420
Apartments	9,015
Mobile Homes	1,653

Major Employers

Company/Employees	
Chrysler LLC	6,875
Ford Motor Company	6,500
Utica Community Schools	4,150
Lakeside Associates	2,500
Warren Consolidated Schools	2,200
General Dynamics	1,425
Cadillac Products, Inc.	750
The Detroit News	730
Automotive Plastic Technologies	650
City of Sterling Heights	623

Employment Status [1]

Population 16 years & over	97,973
In labor force	66,726
Civilian labor force	66,659
Employed	64,340
Unemployed	2,319
Percent of civilian labor force	3.5
Armed Forces	67
Not in labor force	31,247

Occupation [1]

Employed civilian population 16 yrs. & over	64,340
Management, professional & related occupations	22,844
Service occupations	7,889
Sales & office occupations	19,213
Farming, fishing & forestry occupations	51
Construction, extraction & maintenance occupations	4,927
Production, transportation & material moving occupations	9,416

Industry [1]

Agriculture, forestry, fishing and hunting, & mining	53
Construction	3,226
Manufacturing	16,639
Wholesale trade	2,471
Retail trade	9,105
Transportation and warehousing & utilities	1,583
Information	1,475
Finance, insurance, real estate & rental and leasing	4,091
Professional, scientific, management, administrative & waste management	6,774
Educational, health & social services	9,651
Arts, entertainment, recreation, accommodation & food services	4,777
Other services (except public administration)	2,372
Public administration	2,123

School Enrollment [1]

Population 3 yrs. & over enrolled in school	33,141
Nursery school, preschool	2,024
Kindergarten	1,588
Elementary (grades 1-8)	13,955
High School (grades 9-12)	7,401
College or graduate school	8,173

Streets & Sidewalks

Miles of City Streets:	
Primary	60
Secondary	289
Estimated Sidewalks in Miles	608
Bridges	11
Street Lights	2,520

Police Protection

Group A offenses [2]	7,361
Group B offenses [3]	3,433
Injury Accidents	784
Property Damage	4,353
Private Property Damage	1,133
Total Traffic Violations	30,484
Civil Infractions	27,596
Parking Violations	1,706
Adult Arrests	3,747
Juvenile Arrests	174
OUIL Arrests	340

Fire Protection

Stations	5
Emergency Alarms Answered	10,500
Medical Emergencies	7,691
Fire Inspections Conducted	3,767
Inspection Violations Issued	9,391
Training Hours Completed	33,857

41-A District Court

Cases Handled:	
Civil	3,867
Criminal	5,677
Traffic	27,709
Landlord & Tenant	2,471
Small Claims	425

Election Data

Registered Voters	84,082
Voters at Polls	3,842
Absentee Ballots	7,556
Percent Voting	13.56%

Parks & Recreation

Acres	820
Developed Parks	28
Adult Athletics Attendance	20,135
Youth Athletics Attendance	52,885
Instructional Swim Attendance	7,570
Instructional Rec. Attendance	25,666
Nature Program Attendance	24,399
Senior Program Attendance	109,970
Special Event Attendance	73,100
Summer Playground Attendance	14,094
Special Rec. Program Attendance	16,060

Library

Registered Borrowers	51,098
Book Collections	208,098
Other Collections [4]	25,933
Items Circulated	616,323
Reference Transactions	141,610
Program Attendance	36,204
Library Visits	442,768
Interlibrary Loan Requests	123,142
Book Van Deliveries	9,318
Online Computer Users	514,794

Water & Sewer Services

Customers:	
Residential	35,048
Commercial/Industrial	4,539
Miles of Water Mains	573
Miles of Sanitary Sewers	430
Fire Hydrants	7,162
Water (in thousand cubic feet):	
Purchased from Detroit	786,726
Sold to Residents	827,893
Rates:	
1,000 Cubic Feet (water and sewer)	$30.74
Sewer Only – Per Billing	$30.00

[1] Source: U.S. Census Bureau, Census 2000

[2] Murder, criminal sexual conduct, robbery, aggravated assault, burglary, larceny, arson, motor vehicle theft, damage to property, retail fraud, etc.

[3] Disorderly conduct, assault, family trouble, negligent homicide, obstructing justice, OUIL, etc.

[4] Art prints, audio/video cassettes, compact discs, software discs, puppets, and posters.

CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN
ORDINANCE NO. 403

AN ORDINANCE TO PROVIDE FOR THE GENERAL APPROPRIATIONS OF THE CITY, AND SETTING FORTH THE AMOUNTS APPROPRIATED TO DEFRAY THE EXPENDITURES AND SETTING FORTH A STATEMENT OF ESTIMATED REVENUES, BY SOURCE, IN EACH FUND; TO ADOPT THE CITY'S BUDGETS FOR THE FISCAL YEAR 2009/10; TO ADOPT THE FEE SCHEDULE FOR PUBLIC RECORDS AND SERVICES FOR THE FISCAL YEAR 2009/10; AND TO ADOPT WATER AND SEWAGE DISPOSAL RATES FOR THE FISCAL YEAR 2009/10.

THE CITY OF STERLING HEIGHTS ORDAINS:

ARTICLE I

TITLE

This ordinance shall constitute the "ANNUAL APPROPRIATIONS ORDINANCE" in accordance with Section 9.14 of the City Charter, the "GENERAL APPROPRIATIONS ACT" in accordance with the Michigan Uniform Budgeting and Accounting Act, MCL 141.436 and the "SPECIAL APPROPRIATIONS ACT" pursuant to Public Act 493 of 2000.

ARTICLE II

The following is an estimate of revenues, by source, in each fund and an appropriation of monies as authorized by law, as may be needed or deemed necessary to defray all expenses and liabilities of the City as specified for the corporate purposes and objects of the City for the fiscal year July 1, 2009 through June 30, 2010. The City Council does hereby adopt, by budgetary center, the following General Fund and Special Revenue Funds budgets for 2009/10.

Sec. 2.01

GENERAL FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES			
General Ad Valorem Tax	~~$46,039,670~~	46,218,090	
Licenses and Permits	1,241,000		
State and Local Returns	11,271,650		
Fines and Forfeitures	3,160,500		
Charges for Services	8,993,820		
Other Revenue	3,508,060		
Cable Revenue	1,725,000		
Use of Fund Balance	~~3,395,000~~	3,216,580	
Total General Revenue		79,334,700	
Refuse Tax	4,581,540		
Fire & Police Pension Tax	~~5,021,300~~	4,925,570	
Total Refuse and Pension Tax		~~9,602,840~~	9,507,110
Total Revenues		~~88,937,540~~	88,841,810
OTHER FINANCING SOURCES			
Transfers In	95,130		
Total Other Financing Sources		95,130	
Total Revenues & Other Financing Sources		**~~$89,032,670~~**	**$88,936,940**

and does hereby designate ~~$45,640,670~~ $45,819,090 to be raised by ~~8.6966~~ 8.7180 mills tax levied for General Purposes on the assessed valuation of all real and personal property subject to taxation in the City,

and does hereby designate ~~$5,021,300~~ $4,925,570 to be raised by ~~0.9568~~ 0.9372 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for fire and police pension purposes, as authorized by MCL 38.551, et. seq.,

and does hereby designate $4,581,540 to be raised by ~~0.8730~~ 0.8717 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of the collection and removal of garbage and trash of the City as authorized by MCL 123.261, et. seq.,

and directs the Treasurer to add a collection fee of one-half (1/2) percent per month to all taxes, charges and assessments paid after September 1, and further, upon all taxes, charges and assessments returned to the County Treasurer upon any delinquent tax roll, a charge of three percent (3%) shall be added and the same shall be collected by the County Treasurer in like manner as and together with the taxes, charges and assessments so returned.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES			
City Administration Department	$7,820,590		
Parks & Recreation Department	2,223,750		
Police Department	~~32,404,800~~	32,345,650	
Fire Department	~~17,752,190~~	17,715,610	
City Development Department	3,764,240		
Public Works Department	8,243,990		
Refuse Collection	4,614,540		
Public Library Department	2,762,410		
Community Relations Department	1,655,210		
41-A District Court	3,200,750		
General Expenditures	2,631,390		
Total Expenditures		~~87,073,860~~	86,978,130
OTHER FINANCING USES			
Transfers Out	1,958,810		
Total Other Financing Uses		1,958,810	
Total General Fund		**~~$89,032,670~~**	**$88,936,940**

Sec. 2.02

WATER & SEWER OPERATING FUND:

OPERATING REVENUES		
Operating Revenues	$30,372,380	
Use of Net Assets	2,830	
Total Operating Revenues		**$30,375,210**
OPERATING EXPENSES		
Administration	$3,437,290	
Water Distribution	12,606,640	
Sewage Collection	14,331,280	
Total Water & Sewer Operating Fund		**$30,375,210**

and does hereby designate the rates to be charged for water and sewage disposal services to be as follows for all bills rendered on or after July 1, 2009.

WATER RATES

Consumption Charges Per Billing Period	Rate Per Thousand Cubic Ft.
First 3,000 cubic feet or less	$14.48
All over 3,000 cubic feet	15.48

Meter Charges Per Billing Period

1 ½"	$4.45
2"	11.54
3"	21.16
4"	27.76
6"	43.93
8"	69.95
10"	91.88
16"	105.00

SEWER RATES

This charge shall be based on the amount of water used per billing period:

	Rate Per Thousand Cubic Ft.
Per 1,000 cubic feet	$19.39

BILLING

Bills for water and sewer service shall be rendered periodically as set forth in this article. The billing period for single-family residential customers is quarterly, all other customers are billed monthly. All bills shall be due and payable twenty (20) days from the date thereon. A penalty of six percent (6%) of the amount of the unpaid portion of each current bill shall be added to each bill not paid on or before the due date. An additional penalty of seventeen percent (17%) of the total of the unpaid balance and the six percent (6%) penalty shall be added at the time the delinquent bill is entered upon the tax roll, pursuant to section 35-6 (a) of the Sterling Heights City Code. The City shall establish a minimum water and sewer bill, which shall be based on 1,000 cubic feet of water usage per billing cycle. There will be a $40.00 charge per bill for sewer only customers.

For all single-family residential customers of both water and sewer services from the City, the charges billed during the months of September, October, and November shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than $26.00 during the quarterly period billed during the months of September, October, and November.

For all customers who are not single-family residential customers and have both water and sewer services from the City, the charges billed during the months of July, August, and September shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than $8.67 during the monthly period billed during the month of July, $8.67 during the month of August, and $8.66 during the month of September.

Sec. 2.03

MAJOR ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$5,540	
Federal Grants	3,883,890	
State Sources	4,865,000	
Other Revenue	265,000	
Total Revenues		9,019,430

OTHER FINANCING SOURCES		
Transfer from Road Bond Construction Fund	350,000	
Total Other Financing Sources		350,000
Total Revenues & Other Financing Sources		**$9,369,430**
EXPENDITURES & OTHER FINANCING USES		
EXPENDITURES		
Administration Expenses	$180,730	
Major Street Maintenance	1,670,000	
Major Street Improvements	4,683,700	
Total Expenditures		6,534,430
OTHER FINANCING USES		
Transfer to Local Road Fund	250,000	
Transfer to Road Bond Debt Retirement Fund	2,585,000	
Total Other Financing Uses		2,835,000
Total Major Road Fund		**$9,369,430**

Sec. 2.04

LOCAL ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES		
REVENUES		
Fund Balance	$359,760	
Federal Grants	0	
State Sources	1,873,000	
Charges for Services	80,000	
Other Revenue	70,380	
Total Revenues		2,383,140
OTHER FINANCING SOURCES		
Transfer from Major Road Fund	250,000	
Transfer from General Fund	515,000	
Total Other Financing Sources		765,000
Total Revenues & Other Financing Sources		**3,148,140**
EXPENDITURES & OTHER FINANCING USES		
EXPENDITURES		
Administration Expenses	$149,640	
Local Street Maintenance	1,733,500	
Local Street Improvements	1,265,000	
Total Expenditures		3,148,140
OTHER FINANCING USES		
Transfer to Road Bond Debt Retirement Fund	0	
Total Other Financing Uses		0
Total Local Road Fund		**$3,148,140**

Sec. 2.05

LAND & WATER CONSERVATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Federal & State Sources	$3,000	
Other Revenue	13,000	
Total Revenues		16,000
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$16,000**
EXPENDITURES		
Land Improvements	$8,000	
Contribution to Fund Balance	8,000	
Total Land & Water Conservation Fund		**$16,000**

Sec. 2.06

PUBLIC SAFETY FORFEITURE FUND BUDGET:

REVENUES			
Fund Balance	~~$336,750~~	196,800	
Federal Forfeitures	0		
State Forfeitures	0		
Gambling Forfeitures	0		
Operating While Intoxicated Forfeitures	0		
Interest Income	8,740		
Total Revenues		**~~$345,490~~**	**$205,540**
EXPENDITURES			
Federal Forfeitures	$81,340		
State Forfeitures	~~264,150~~	124,200	
Gambling Forfeitures	0		
Operating While Intoxicated Forfeitures	0		
Total Public Safety Forfeiture Fund		**~~$345,490~~**	**$205,540**

Sec. 2.07

COMMUNITY DEVELOPMENT BLOCK GRANT FUND BUDGET:

REVENUES		
Community Development Block Grant	$1,117,730	
Total Revenues		**$1,117,730**
EXPENDITURES & OTHER FINANCING USES		
EXPENDITURES		
Administrative Expenses	~~$105,000~~	110,000
Books	~~7,000~~	6,200
Senior Citizens Home Chore Program	~~24,000~~	23,200
Single Parent Education Program	~~22,000~~	25,130

Minor Home Repair	50,000	
Handicapped Recreation Program	~~20,000~~	19,200
Housing Rehabilitation Program	~~490,740~~	498,210
SHPD Community Policing – Sterling Estates	~~7,000~~	9,200
Contributions to Non-Profit Organizations	~~23,580~~	20,650
Capital Improvements	~~54,150~~	41,680
Total Expenditures		803,470
OTHER FINANCING USES		
Transfer to General Fund	0	
Transfer to Limited Tax Debt Fund	314,260	
Total Other Financing Uses		314,260
Total Community Development Block Grant Fund		**$1,117,730**

Sec. 2.08

NEIGHBORHOOD STABILIZATION PROGRAM FUND BUDGET:

REVENUES		
Federal Grants	$2,188,760	
Total Revenues		**$2,188,760**
EXPENDITURES		
Downpayment & Rehabilitation Assistance	$680,000	
Acquisition, Rehabilitation & Resale	491,740	
Acquisition/Redevelopment	695,720	
Demolition	100,000	
Administration Costs	221,300	
Total Neighborhood Stabilization Program Fund		**$2,188,760**

Sec. 2.09

CORRIDOR IMPROVEMENT AUTHORITY FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$167,820	
Property Taxes	21,310	
Federal Grants	0	
Other Revenue	5,000	
Total Revenues		194,130
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$194,130**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Miscellaneous	$1,000	
Capital Improvements	177,500	
Total Expenditures		178,500

OTHER FINANCING USES		
Transfer to General Fund	15,630	
Total Other Financing Uses		15,630
Total Corridor Improvement Authority Fund		**$194,130**

Sec. 2.10

ECONOMIC DEVELOPMENT CORPORATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Other Revenue	100	
Total Revenues		100
OTHER FINANCING SOURCES		
Transfer from General Fund	17,000	
Total Other Financing Sources		17,000
Total Revenues & Other Financing Sources		**$17,100**
EXPENDITURES		
Miscellaneous	$17,100	
Total Economic Development Corporation Fund		**$17,100**

Sec. 2.11

BROWNFIELD REDEVELOPMENT AUTHORITY FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$32,270	
Property Taxes	48,330	
Charges for Services	350	
Other Revenue	250	
Total Revenues		81,200
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$81,200**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Miscellaneous	$1,700	
Total Expenditures		1,700
OTHER FINANCING USES		
Transfer to General Fund	79,500	
Total Other Financing Uses		79,500
Total Brownfield Redevelopment Authority Fund		**$81,200**

Sec. 2.12

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

OTHER FINANCING SOURCES		
Transfer from General Fund	$30,000	
Total Revenues & Other Financing Sources		**$30,000**
EXPENDITURES		
Miscellaneous	$30,000	
Total Local Development Finance Authority Fund		**$30,000**

Sec. 2.13

BUDGET STABILIZATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

OTHER FINANCING SOURCES		
Fund Balance	$0	
Total Revenues & Other Financing Sources		**$0**
EXPENDITURES & OTHER FINANCING USES		
OTHER FINANCING USES		
Transfer to General Fund	$0	
Total Budget Stabilization Fund		**$0**

Sec. 2.14

GENERAL DRAIN FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$2,000	
Required Drain-at-Large Levy	1,179,020	
Delinquents & Penalties	5,500	
Other Revenue	15,000	
Total Revenues		1,201,520
OTHER FINANCING SOURCES		
Bond Proceeds – Refunding	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$1,201,520**

and does hereby designate $1,179,020 to be raised by ~~0.2247~~ 0.2243 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City for the purpose of defraying the several costs of the drains in the General Drain Budget.

EXPENDITURES		
Other Charges	$4,430	
Principal	955,000	
Interest	242,090	
Total Drain Fund		**$1,201,520**

Sec. 2.15

VOTED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$125,000	
Delinquents & Penalties	1,600	
Other Revenue	2,000	
Proposal F Levy	182,000	
Total Revenues		310,600
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$310,600**

and does hereby designate $182,000 to be raised by ~~0.0347~~ 0.0346 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for public improvement debt service as authorized by the electors of the City in approving Proposal F in 2006.

EXPENDITURES		
Proposal R Expenditures	$1,000	
Proposal F Expenditures	309,600	
Total Voted Tax General Obligation Debt Fund		**$310,600**

Sec. 2.16

SETTLEMENT BONDS DEBT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Other Revenue	$50	
Total Revenue		50
OTHER FINANCING SOURCES		
Transfer from Self-Insurance Fund	1,694,560	
Total Other Financing Sources		1,694,560
Total Revenues & Other Financing Sources		**$1,694,610**

EXPENDITURES		
Other Charges	$250	
Principal	1,170,000	
Interest	524,360	
Total Settlement Bonds Debt Fund		**$1,694,610**

Sec. 2.17

ROAD BOND DEBT RETIREMENT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Special Assessment Revenue	$330,600	
Other Revenue	1,500	
Total Revenues		332,100
OTHER FINANCING SOURCES		
Transfer from Major Road Fund	2,585,000	
Total Other Financing Sources		2,585,000
Total Revenues & Other Financing Sources		**$2,917,100**
EXPENDITURES		
Principal	$2,115,000	
Interest	738,560	
Other Fees	1,900	
Contribution to Fund Balance	61,640	
Total Road Bond Debt Retirement Fund		**$2,917,100**

Sec. 2.18

LIMITED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Other Revenue	$70	
Total Revenues		70
OTHER FINANCING SOURCES		
Transfer from General Fund	1,047,810	
Transfer from Comm. Dev. Block Grant Fund	314,260	
Total Other Financing Sources		1,362,070
Total Revenues & Other Financing Sources		**$1,362,140**
EXPENDITURES		
Principal	$1,170,000	
Interest	191,360	
Other Fees	780	
Total Limited Tax General Obligation Debt Fund		**$1,362,140**

Sec. 2.19

CAPITAL PROJECTS FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$285,100	
Other Revenue	836,300	
Penalties & Interest	1,900	
Total Revenues		1,123,300

OTHER FINANCING SOURCES		
Transfer from General Fund	349,000	
Total Other Financing Sources		349,000
Total Revenues & Other Financing Sources		**$1,472,300**
EXPENDITURES & OTHER FINANCING USES		
EXPENDITURES		
Capital Equipment	$183,300	
Capital Vehicles	189,000	
Capital Projects	1,100,000	
Total Expenditures		1,472,300
OTHER FINANCING USES		
Transfer to Settlement Bonds Debt Fund	0	
Total Other Financing Uses		0
Total Capital Projects Fund		**$1,472,300**

Sec. 2.20

ROAD BOND CONSTRUCTION FUND:

REVENUES & OTHER FINANCING SOURCES		
REVENUES		
Fund Balance	$25,000	
Other Revenue	10,000	
Total Revenues		35,000
OTHER FINANCING SOURCES		
Proceeds from Long-Term Debt	1,385,000	
Total Other Financing Sources		1,385,000
Total Revenues & Other Financing Sources		**$1,420,000**
EXPENDITURES & OTHER FINANCING USES		
EXPENDITURES		
Construction	$1,070,000	
Total Expenditures		1,070,000
OTHER FINANCING USES		
Transfer to Local Road Fund	350,000	
Total Other Financing Uses		350,000
Total Road Bond Construction Fund		**$1,420,000**

ARTICLE III

The City Council adopts the following fee schedule for public records and services provided by the City of Sterling Heights for the fiscal year July 1, 2009 through June 30, 2010. Any parts of resolutions and ordinances in conflict with this article are repealed. This article is intended to preserve all existing charges and fees set forth in any resolution, ordinance, or law which are not in conflict with this article and to fulfill the requirements of any ordinance authorizing the City Council to establish fees by resolution.

Fees for public records not set forth in this article, or in any other resolution, ordinance, or law, shall be set by the City Manager in accordance with Act 442 of the Public Acts of 1976, as amended. Fees for public services not specifically set forth in this article or in any other resolution, ordinance, or law may be established by the City Manager, who shall promptly notify the City Council in writing of each of them. The City Manager shall establish fees for public services based upon the cost of providing the public service.

Sec. 3.01

ASSESSING OFFICE:

Lot Splits	475.00
Lot Combinations	375.00
Processing Labels (per page)	1.05
Resident Field Sheet Fee	1.00
Apartment Listing (Names/Sidwells/Assessments)	45.00
Shopping Center List	45.00
Section or Subdivision Listing (per page)	0.75
Assessing, Board of Review, & Sales Information (first page)	1.70
Additional Pages	0.30
Plat Map	105.00
Custom Assessment Information Report	35.00
Speculative Building Designation Filing Fee	475.00
Project Extension Application Fee	475.00
Project Cost Revision Application Fee	475.00
Tax Hardship Income Limits:	
1 Person	19,560.00
2 Person	22,360.00
3 Person	25,160.00
4 Person	27,960.00
5 Person	30,200.00
6 Person	32,440.00
7 Person	34,680.00
8 Person	36,920.00

Sec. 3.02

BUILDING OFFICE:

Fence Permit	32.00
Fence Permit – Masonry, Separation	49.00
Board of Code Appeals	199.00
Board of Ordinance Appeals	199.00
Overtime Inspections, Each Hour (4 hour minimum)	77.00
Special Inspections, Each Trade (Residential)	45.00
Special Inspections, Each Trade (Commercial)	65.00
Quarterly Inspection Fees under Derelict Building Provision	697.00
Reinspection Fee under Derelict Building Provision (each visit)	50.00
Rehabilitation and Re-Occupancy Fee	190.00
Re-Review Fee for Rehabilitation Plan (each review)	96.00
Derelict Building Registration Fee	112.00
Building Code Publication	Cost + 10.00 Administration fee
Building Moving Permit	260.00
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third or Subsequent Repeat Offenses	1,500.00

Electrical Work

Application Fee (Non-refundable)	30.00
Permit fee (minimum)	42.00

Electrical Contractor's Registration 21.00
Fire Alarm Contractor's Registration 21.00
Sign Contractor's Registration 21.00
Furnace Wiring 21.00
Circuits: Each (new or extended) 15.00
Fixtures: Each 25 ..... 15.00
Motors, Power, Heating Units, Furnaces, Transformers:
- Each ¼ to 10 HP 21.00
- Each 11 to 30 HP 26.00
- Each 31 to 50 HP 31.00
- Each 51 to 60 HP 37.00
- Each 61 and over 50.00

Feeders (Conduit, Wireways, Bus Ducts, Cables):
- Each 100 ft. (or less) 44.00

Refrigeration Units:
- Air Conditioning (residential) 21.00
- Interruptible Service 21.00
- Air Conditioning (commercial):
- Up to 5 Tons 26.00
- 5 to 40 Tons 44.00
- Over 40 Tons 67.00

Electric Ranges, Ovens, Dryers, Water Heaters, X-Ray Equipment:
- Each unit of type 21.00

Swimming Pools/Hot Tubs (all) 49.00
Service (Lights, Heat, and Power):
- 100 Ampere or less 21.00
- 101 to 500 Ampere 31.00
- 501 to 900 Ampere 44.00
- 900 Ampere or more 55.00

Signs: Sign Circuit 37.00
- Sign Tag Inspection 57.00
- Sign Connection 62.00

General Repair & Alterations (per hour or fraction thereof) 51.00
Generator Connection 44.00
Motion Picture Apparatus 44.00
Special Inspections not specifically covered:
- Festivals 114.00
- Carnivals 114.00
- Circuses 114.00
- Shop Inspection 66.00
- Theatrical Road Show 66.00
- Christmas Tree Lot 66.00

Temporary Wiring:
- Display Area (Sq. Ft.):
- Up to 100,000 sq. ft. 59.00
- Over 100,000 to 200,000 sq. ft 110.00
- Over 200,000 to 300,000 sq. ft 129.00
- Over 300,000 to 400,000 sq. ft 192.00
- Over 400,000 sq. ft. 255.00

Outline Tubing – Connection or Tag Inspection:
- Each 100 feet 66.00

Mobile Home and Trailer Park Inspections (minimum) 45.00
Fire Alarm Inspection (minimum) 63.00
- Plan Review Fee 84.00
- Manual Pull Station 9.00
- A/V, Strobe, Voice Speaker 9.00
- Water Flow/Tamper Switch 9.00
- Heat or Smoke Detector 9.00
- Flame, Duct Detector 9.00
- Auxiliary Panel 9.00
- Electric Door Release 9.00

Elevator Recall Status 9.00
Fire Alarm Circuit 15.00
Alterations to existing system 51.00
Reinspection Fee 51.00

Plumbing Work
Application Fee (Non-refundable) 34.00
Permit Fee (minimum) 42.00
Plumber's Registration 1.00
Journeyman Plumber's Registration 0.50
Fixture Inspection: (New and Replacement)
New Installation (minimum) 42.00
New Stack or Stack Alteration 12.00
Air Admittance Valve 12.00
Roof conductor 12.00
Sump or interceptor 12.00
Backflow preventor 12.00
Pump or Water Lift 12.00
Hose connection (sillcocks) 12.00
Water treatment device 12.00
Water closets 12.00
Shower traps 12.00
Baths 12.00
Water heater 26.00
Sinks (any description) 12.00
Lavatories 12.00
Laundry trays 12.00
Floor drains 12.00
Ice Maker 12.00
Back Water Valve 12.00
Thermal Expansion Tank 12.00
Bidet 12.00
Dental Chair 12.00
Grease or Oil Interceptor 12.00
Drinking fountains 12.00
Soda fountains/bars 12.00
Waste opening 12.00
Humidifiers 12.00
Food waste grinders 12.00
Dishwashers 12.00
Urinals 12.00
Whirlpools 31.00
Lawn Sprinkler Systems 37.00
All other fixtures not mentioned 12.00
Reinspection Fee 51.00
Special Equipment (automatic laundry, humidifier, beverage vending machine, vacuum systems, nitrous oxide, oxygen, nitrogen, medical air):
Automatic Machines (minimum) 26.00
Each additional 12.00
Building Sewer Connection – sump connection 44.00
Drains:
Storm drains to catch basin for main storm sewer 255.00
Lines less than 4" in diameter 22.00
Lines less than 6" in diameter 27.00
Lines less than 8" in diameter 38.00
Lines less than 10" in diameter 51.00
Lines less than 12" in diameter 66.00
Lines less than 14" in diameter 76.00
Lines less than 16" in diameter 90.00
Lines less than 18" in diameter 104.00
Lines exceeding 18" in diameter (per inch) 10.00

Water Distribution System:
- ¾" 16.00
- 1" 27.00
- 1 ¼" 32.00
- 1 ½" 45.00
- 2" 59.00
- 2 ½" 83.00
- 3" 96.00
- 4" 110.00
- Exceeding 4" 128.00
- Replace piping, no increase in size 32.00

Mechanical Work

Application Fee (Non-refundable) 30.00
Permit Fee (minimum) 42.00
License/Registration 18.00
Gas-Fired Equipment; Oil Burners; New or Replacement –
- Burners with input:
  - up to 75,000 ..... 44.00
  - 75,001 to 500,000 ..... 50.00
  - 500,001 – 1,000,000 ..... 87.00
  - 1,000,001 – 2,000,000 ..... 100.00
  - 2,000,001 – 3,000,000 ..... 124.00
  - over 3,000,000 ..... 150.00

Duct Work 44.00
Gas Piping:
- Mains up to 2" 37.00
- Mains 2 ½" to 4" 50.00
- Mains over 4" 63.00
- Each Opening off of Main 10.00

Factory Built Chimneys:
- Up to 8" 15.00
- 9" to 12" 26.00
- Over 12" 37.00

Pre-Fab Fireplace 50.00
Flue Liner 31.00
Exhaust Fans:
- Up to 400 cfm 10.00
- 401 cfm to 1,000 cfm 15.00
- 1,001 cfm to 4,000 cfm 26.00
- Over 4,000 cfm 37.00

Dryer Vents. 15.00
Kitchen Hood and Duct (UL300/FM200) 45.00
Spray Booth Hood and Duct 45.00
Alterations to existing installations 51.00
Reinspection Fee 51.00
Refrigeration Systems –
- Self Contained:
  - 2 Tons or Less, each 37.00
  - Over 2 to 5 Tons, each 44.00
- Alterations to each system 51.00
- Remote Systems:
  - 5 Tons or Less, each 44.00
  - Over 5 to 50 Tons, each 63.00
  - Over 50 Tons, each 100.00
- Alterations to each system 51.00

Stand Pipes and Fire Suppression:
- Riser pipe up to 4" diameter 38.00
- Riser pipe up to 6" diameter 66.00
- Riser pipe up to 8" diameter 90.00
- Riser pipe 8" or more diameter 192.00

Each suppression opening (each head of the system) 2.50
Alteration to existing system 51.00
Flammable and Bulk Storage Tanks:
Tanks under 500 Gallons 44.00
Tanks under 5,000 Gallons 57.00
Tanks under 20,000 Gallons 74.00
Tanks under 50,000 Gallons 87.00
Tanks under 200,000 Gallons 100.00
Tanks over 200,000 Gallons 186.00

Buildings

Application Fee (Non-refundable) 30.00
Building Permit Fees (all use groups):
Valuation to $1,000 ..... 50.00
Valuation $1,001 to $10,000 ..... 50.00 + 15.00 per 1,000.00 over 1,000.00
Valuation $10,001 to $100,000 ..... 210.00 + 6.00 per 1,000.00 over 10,000.00
Valuation $100,001 to $500,000 ..... 880.00 + 6.00 per 1,000.00 over 100,000.00
Valuation $500,001 and over ..... 3,830.00 + 6.00 per 1,000.00 over 500,000.00
Residential Bond (5% Retained) 450.00
Multi-Family Bond (5% Retained) 680.00
Commercial Bond (5% Retained) 1,350.00
Industrial Bond (5% Retained) 2,700.00
Mobile Homes 130.00
Plan Review Fee:
Valuation $0 - $500,000 ..... 0.0040 of valuation but not less than 100.00
Valuation over $500,000 ..... 2,200 + 0.0015 of valuation over 500,000.00
Plan Review: If Plan Number is on File 96.00
Miscellaneous Plan Review 59.00
Misc. Items (concrete, antennas, awnings, sheds, canopies, tents, gazebos, decks, porches, reroofs) 59.00
Pigeon Loft Inspection 59.00
Replacement of Public Sidewalk Section(s) by Abutting Property Owner ..... No Fee
Use Permit (tenant space) 83.00
Fire Repair 191.00
Reinspection Fee 51.00
Demolition:
Plan review and administration base fee ..... 59.00 + 0.10 per square ft.
Swimming Pools:
Above Ground 63.00
Below Ground 124.00
Signs:
Application Fee (non-refundable) 30.00
Plan Review Fee 59.00
Permanent 128.00
Temporary 59.00
Contractor Registration Fee 20.00
Residential Basement Finish 185.00
Residential Interior Finish 185.00

Code Enforcement

Nuisance Abatement Administrative Fee 25%
Nuisance Abatement Agreement Execution Fee ..... Attorney Fee + 25%
Sidewalk Snow Removal Fee ..... Cost + 25% + 31.00
Claimed Signs:
16 sq. ft. or less ..... 3.00 each
17 – 31 sq. ft. ..... 21.00 each
32 sq. ft. and over ..... 105.00 each
Special Code Enforcement Inspection 31.00
Municipal Civil Infraction (Residential Parking and Signs):
Each Violation 100.00
First Repeat Offense 250.00
Second and Subsequent Repeat Offenses 500.00

Sec. 3.03

CITY ADMINISTRATION:

Amusement Device License:
- Types A & B ..... 840.00 + 55.00 per device
- Renewal Fee ..... 170.00 + 30.00 per device
- Type C 840.00
  - Renewal Fee 171.00

Attorney Services ..... Attorney fees & costs
Auction License 43.00
Business Registry License 40.00
Carnival/Festival License ..... 67.00 + 6.00 each booth, ride, etc.
Cigarette Vending Machine License ..... 58.00 + 6.00 each additional machine
Death and Birth Certificate 19.00
- Additional Copies 7.25

Dog License
- Prior to April 1 (all dogs) 5.70
- April 1 to October 31 (dog) 7.80
- April 1 to October 31 (puppy) 5.70
- November 1 to December 31 (all dogs) 4.70

Replacement Dog Tag 1.70
Going Out of Business License 146.00
House Moving License 67.00
Industrial Development District Filing Fee 1,000.00
Industrial Facilities Exemption Certificate Filing Fee 1,700.00
Industrial Facilities Exemption Certificate Transfer Fee 1,000.00
Junk Yard License 241.00
Landscaper License (Non-resident) 60.00
Mobile Vending License 166.00
Passport Processing Fee 30.00
Pawnbroker License 500.00
Refuse Collection License ..... 86.00 + 6.00 each truck
Snow Removal License 170.00
Solicitor/Peddler License 110.00
Tattoo Permit 500.00
Taxi License (annual fee) ..... 84.00 + 11.00 per vehicle
Temporary Use Vendor License 43.00
Wrecker Driver License (Towing Contractor) 107.00
- Renewal Fee Wrecker Driver License (Towing Contractor) 54.00

Massage Establishment License 574.00
- Renewal Fee Massage Establishment License 287.00

Precinct Map 6.90
City Street Map 4.30
Zoning Map 5.50
City Budget 46.00
Risk Management Report 26.00
Municipal Improvement Program 26.00
City Financial Audit 26.00
Collective Bargaining Agreement 5.40
Election Results 8.30
Voter and Business Registry Labels (per page) 1.05
Voter and Business Registry Lists (per computer hour) ..... Payroll + 0.05/page
Magnetic Voter Tape 101.00
- with own tape 63.00

Voter Data Diskette 23.00
Liquor License: Class C 1,810.00
- Tavern 1,810.00
- SDD & SDM 1,810.00
- Entertainment and/or Dance Permit 1,810.00

Extended Hours Permit 1,810.00
Shareholder Partial Transfer 905.00
Temporary Liquor License Application Fee 28.00
Outdoor Service Permit 226.00
Hotel/Motel License 1,810.00
Renewal Fee Hotel/Motel License 905.00
Certifications 4.40
Photo Copies 1.70
Additional Pages 0.30
Microfilm Copies (per page) 4.80
Recording Fee (formerly Encroachment Fee) 40.00
Notary Fee 4.30
Audio Tape Recordings (prepay minimum) 16.00
Fireworks Display Permit 615.00
Close Proximity Pyrotechnic Display Permit 615.00
Sterlingfest Art Fair Applications 200.00
Double Booth Fee 375.00
Corner Booth Additional Charge 25.00
Sterlingfest Art Fair Vendor Jury Fee (Non-Refundable) 15.00
"Taste of the Town" Sterlingfest Booth – Food Cart Vendors 575.00
"Taste of the Town" Sterlingfest Booth - Restaurateurs 1,300.00
Sterlingfest Beer Tent Cover Charge (Adult 21 & Over) 2.00
VHS Tape Dubs 30.00
DVD Dubs
Resident 20.00
Non-Resident 30.00
Gazebo Rental (per event):
Resident 52.00
Non-Resident 78.00
Gazebo Rental for Photographs Only (per 1 hour rental):
Resident 26.00
Non-Resident 39.00
Upton House Rental – (per 4 hour rental):
Resident 52.00
Non-Resident 78.00
SHTV Sports Programming Sponsorship Fees (City businesses, residents, or service clubs):
One Quarter (Football) 75.00
One Half (Football, Basketball, Soccer) 100.00
One Inning (Baseball/Softball) 25.00
Entire Game 150.00
SHTV Non-Sports Programming Sponsorship Fees (City businesses, residents, or service clubs):
Half-hour Program 75.00
One hour Program 125.00
Environmental Recovery Fee ..... Cost + 25% Administrative Fee
Municipal Civil Infraction:
Each Violation 150.00
First Repeat Offense 375.00
Second Repeat Offense 750.00
Third and Subsequent Repeat Offenses 1,500.00

Sec. 3.04

ECONOMIC DEVELOPMENT OFFICE:

Brownfield Application Fee ..... 350.00 + Attorney Fee + 25%

Sec. 3.05

ENGINEERING OFFICE:

Review Fees:
- Site Plan ..... 372.00+63 per acre + 1.3% of site improvement costs
- Multiple Developments ..... 372.00+63 per acre + 1.3% of site improvement costs
- Cluster Developments ..... 372.00+63 per acre + 1.3% of site improvement costs
- Site Condominiums ..... 372.00+63 per acre + 1.3% of site improvement costs
- Subdivisions ..... 1.3% of estimated site improvement costs

Plan Revision Review Fee 78.00

Design Fees:
- Construction plans and specifications - *Class 1 ..... 7.0% of construction costs
- **Class 2 ..... 8.7% of construction costs
- Field engineering and contract administration - *Class 1 ..... 2.4% of construction costs
- **Class 2 ..... 2.7% of construction costs

Engineering Bid Packet Fee 42.00

R.O.W. Permits:
- Review Fees – Public Improvements ..... 1.3% of construction cost ($50 minimum)
- Review Fees – Privately Owned Facility ..... $0.05/linear foot ($50 minimum)
- Inspection ..... Payroll +180%

Telecommunications ROW Application Fee 575.00

Staking Fees ..... Payroll + 180%

Inspection Fees:
- Site Plan ..... Payroll +180%
- Multiple Development ..... Payroll +180%
- Cluster Development ..... Payroll +180%
- Site Condominiums ..... Payroll +180%
- City Construction Projects ..... Payroll +180%
- Subdivisions ..... Payroll +180%
- Inspections by Consultants ..... Consultant Fee +25%

Private Development Engineering Consultant Fee ..... Consultant Fee +25%

Sidewalk Repair and Gap Programs ..... Cost +20%

Easement Vacations ..... Attorney fee + 210.00

Easement Encroachments 235.00

Building Number Assignments (per address) 17.00

S.E.S.C. Review Fee for:
- Commercial, Industrial, Multi-Family, Subdivision ..... ¼ of 1% of first $500,000.00 ..... +⅛ of 1% over $500,000.00 (50.00 minimum)
- Single-Family Residential House 62.00
- Underground Private Utility ..... 0.05 linear foot (50.00 minimum)

S.E.S.C. Inspection Fees ..... Payroll + 180%

S.E.S.C. Inspection by Consultant ..... Consultant fee +25%

S.E.S.C. Permit Renewal Fee ($50 min.) ..... 10% of Permit Fee

Document Copying for:
- 24" x 36" Prints (Xerox 2510 or blueline) ..... 7.00 each
- 34" x 34" Prints (Xerox 2510 or blueline) ..... 7.00 each
- Larger than 34" x 34" (Xerox 2510 or blueline) ..... 7.00 each
- Detail Sheets (Mylar) ..... 8.00 each
- Topographic Map 36" x 36" (blueline) ..... 36.00 each
- Planimetric Map 36" x 36" (blueline) ..... 19.00 each
- Overall Watermain Map (blueline) ..... 7.00 each
- Overall Sanitary Sewer Map (blueline) ..... 7.00 each
- Overall Storm Sewer Map (blueline) ..... 7.00 each
- Master Storm Sewer Plan (book form) ..... 43.00 each
- Master Watermain Plan (book form) ..... 31.00 each
- Master Sanitary Sewer Plan (book form) ..... 31.00 each
- Master Road Plan (book form) 1998 HRC ..... 43.00 each

Municipal Civil Infraction for Various Soil Erosion and Sedimentation Control Regulations:
- First and Subsequent Repeat Offenses 750.00

Municipal Civil Infraction for Unabated Knowing Violations of City Code Chapter 17:

Each Violation	5,000.00
First Repeat Offense	7,500.00
Second and Subsequent Repeat Offenses	10,000.00

Municipal Civil Infraction for Unabated Knowing Violations After a Notice of Determination:

Each Violation	10,000.00
First Repeat Offense	15,000.00
Second and Subsequent Repeat Offenses	20,000.00

* Class 1 projects include drain enclosures, channel improvements, sanitary sewer, water main, and pavement overlay.

** Class 2 projects include new road construction or reconstruction, bridges, pumping stations, etc.

Sec. 3.06

FIRE DEPARTMENT:

Fire Reports: First Page	8.50
Additional Pages	1.00
Digital Photographs:	
5" x 7" Color Print	26.00
8" x 10" Color Print	26.00
8" x 10" Contact Sheet	26.00
Compact Disc	14.00
Burning Permit	170.00
Fireworks Sales Permit	615.00
Fireworks Display Permit	615.00
Close Proximity Pyrotechnic Display Permit	615.00
Board of Code Appeals	210.00
Witnessed Acceptance Test Fee	149.00
Off-Hour Witnessed Acceptance Test Fee (3 hour minimum)	684.00
Each additional hour	228.00
Reinspection Fee for Witnessed Acceptance Test	149.00
Phase I Site Inspection (1 hour minimum)	53.00+29 per hour
Special Fire Prevention Inspection (festivals, craft shows, carnivals, haunted houses, flea markets)	
Each Inspection	161.00
Each Re-Inspection	161.00
Off-Hour Inspection (3 hour minimum)	228.00
Each Additional Hour	68.00
Off-Hour Re-Inspection (3 hour minimum)	228.00
Each Additional Hour	68.00
Plan Review Fee	84.00
Heart Saver (CPR) Program Fee	41.00
Requested Fire Services (Schools, Businesses, Hazmat Incidents, etc.)	Cost + 30%
Annual Fire Inspection Fee (All City Businesses)	78.00
Reinspection Fees:	
First Reinspection	No Fee
Second and Subsequent Reinspections	100.00
Downed Wire Fire Response Fee	per Macomb County Mutual Aid Pact Apparatus + Personnel Rate Structure
Suspicious Fire Response and Investigation Fee	per Macomb County Mutual Aid Pact Apparatus + Personnel Rate Structure
Hazardous Material Incident Recovery Fee	per Macomb County Mutual Aid Pact Apparatus + Personnel Rate Structure
Auto Injury Accident Cost Recovery Fees:	
Level 1	600.00
Level 2	1,100.00
Level 3	1,400.00
ALS Cost Recovery Fee (City's Ambulance Contractor):	
ALS-1	60.00
ALS-2	240.00

False Alarm Fees: (within a 12 month period)

First Response	No Fee
Second Response	120.00
Third Response	280.00
Fourth and Subsequent Responses	570.00

Municipal Civil Infraction:

First Office Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00

Municipal Civil Infraction for Violation of a Stop Work Order:

First Offense Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00

Sec. 3.07

PARKS & RECREATION:

Pavilion Rental:

Weekday (Resident)	56.00
(Non-Resident)	84.00
Weekend (Resident)	77.00
(Non-Resident)	116.00

Nature Center Classes:

School Field Trips (Sterling Heights Schools)	24.00
(Non-Sterling Heights Schools per class)	36.00
Children's Nature Classes (Resident)	5.00
(Non-Resident)	7.50
Scout Badge Classes (Resident)	6.00
(Non-Resident)	9.00

Parent & Tot Classes:

1 Child Per Family (Resident)	44.00
(Non-Resident)	66.00
2 Children Per Family (Resident)	49.00
(Non-Resident)	74.00

Summer Playground:

Resident	80.00
Non-Resident	120.00
Field Trip Bus Fee (Per Person)	7.00

Instructional Swim Classes:

Resident	56.00
Non-Resident	84.00

Tennis Classes:

Resident	48.00
Non-Resident	72.00

Tennis League:

Resident	16.00
Non-Resident	24.00

Tennis Tournament:

Singles Adult (Resident)	17.00
(Non-Resident)	26.00
Youth (Resident)	14.00
(Non-Resident)	21.00
Doubles Adult (Resident)	31.00
(Non-Resident)	47.00
Youth (Resident)	22.00
(Non-Resident)	33.00

Three Mile Run:
- Pre-Registered 16 years old and younger (Resident) 16.00
  (Non-Resident) 24.00
- Pre-Registered 17 years old and older (Resident) 18.00
  (Non-Resident) 27.00
- Race Day Registration ..... Add $5.00 fee to above

Golf Tournament:
- Adult (Resident) 17.00
  (Non-Resident) 26.00
- Youth (Resident) 10.50
  (Non-Resident) 15.50

Golf League:
- Resident 41.00
- Non-Resident 62.00

Special Recreation Dances:
- Pre-Registered (Resident) 6.00
  (Non-Resident) 9.00
- Registration at the Door (Resident) 8.00
  (Non-Resident) 12.00
- Staff Registration 1.00
- Prom Dance – Individual (Resident) 16.00
  (Non-Resident) 24.00

Special Recreation Playgrounds:
- Physically or Otherwise Health Impaired (P.O.H.I.) – Individual (Resident) 135.00
  (Non-Resident) 203.00
- Physically or Otherwise Health Impaired (P.O.H.I.) – Family (Resident) 229.00
  (Non-Resident) 344.00
- Mentally Impaired (M.I.) – Individual (Resident) 135.00
  (Non-Resident) 203.00
- Mentally Impaired (M.I.) – Family (Resident) 229.00
  (Non-Resident) 344.00

Special Recreation:
- Rec + Club (Resident) 26.00
  (Non-Resident) 39.00
- Physically or Otherwise Health Impaired (P.O.H.I.) Teen Club (Resident) 26.00
  (Non-Resident) 39.00
- Diner's Club (Resident) 26.00
  (Non-Resident) 39.00
- Early On Parent & Tot (Resident) 26.00
  (Non-Resident) 39.00
- Socialization Station (Resident) 27.00
  (Non-Resident) 41.00
- Crafts (Resident) 8.00
  (Non-Resident) 12.00
- Creative Cooking (Resident) 8.00
  (Non-Resident) 12.00
- Sports Night (Resident) 38.00
  (Non-Resident) 57.00
- Sports Training (Resident) 38.00
  (Non-Resident) 57.00
- Martial Arts (Resident) 148.00
  (Non-Resident) 222.00
- Line Dance Exercise (Resident) 38.00
  (Non-Resident) 57.00
- Children's Line Dance (Resident) 26.00
  (Non-Resident) 39.00
- Wheelchair Basketball (Resident) 39.00
  (Non-Resident) 59.00

Softball – Individual (Resident) 54.00
(Non-Resident) 81.00
Softball – Family (Resident) 93.00
(Non-Resident) 140.00
Fitness Classes:
Resident 44.00
Non-Resident 66.00
Ballroom Dance:
Resident 40.00
Non-Resident 60.00
Coffeehouse Tickets:
Advance Tickets (Resident) 12.00
(Non-Resident) 18.00
Subscription (Resident) 11.00
(Non-Resident) 17.00
At the Door Sales (Resident) 13.00
(Non-Resident) 20.00
Co-Ed Volleyball:
Resident 39.00
Non-Resident 59.00
Men's Gym:
Resident 39.00
Non-Resident 59.00
Golf Lessons – Adult:
Resident 55.00
Non-Resident 83.00
Senior Boys Basketball 490.00
Men's Softball 772.00
Co-ed Softball 509.00
Women's Softball 509.00
Ball Field Rental Fees – Seasonal:
Delia or LWB Park (per field per day):
MABF Teams/Church Teams 375.00
All Other Users 400.00
All Users – Lighted Fields Additional Fee (per day) 60.00
All Other Parks (per field per day):
MABF Teams/Church Teams 275.00
All Other Users 300.00
Ball Field Rental Fees – Daily:
Delia or LWB Park (per field per day):
MABF Teams/Church Teams 60.00
All Other Users 70.00
All Users – Lighted Fields Additional Fee (per day) 60.00
All Other Parks (per field per day):
MABF Teams/Church Teams 40.00
All Other Users 50.00
Soccer Field Rental Fees (per field per season):
AYSO 1,500.00
Other Clubs:
Seasonal 1-3 days/week 500.00
Seasonal 4-7 days/week 750.00
Camp/Other
Weekly (one week only) 175.00
Daily 75.00
Sand Volleyball League 200.00
Treasure Hunters Market:
Resident 22.00
Non-Resident 33.00
Kite Building Clinic (Resident) 3.00
(Non-Resident) 4.50

Hunter Safety 10.00
Snowmobile Safety (Resident) 13.00
(Non-Resident) 20.00
Gymnastics:
One-half Hour Class (Resident) 39.00
(Non-Resident) 59.00
One Hour Class (Resident) 49.00
(Non-Resident) 74.00
Dance:
Fall Session (Resident) 46.00
(Non-Resident) 69.00
Winter/Spring Session (Resident) 73.00
(Non-Resident) 110.00
Senior Center Activities:
Birthday Party (Resident) 5.00
(Non-Resident) 7.50
Dance (Resident) 16.00
(Non-Resident) 24.00
Exercise (Resident) 4.00
(Non-Resident) 6.00
Golf League (Resident) 13.00
(Non-Resident) 20.00
Line Dance (Resident) 5.00
(Non-Resident) 7.50
Movie (Resident) 1.50
(Non-Resident) 2.25
Painting (Resident) 9.00
(Non-Resident) 13.50
Senior News Subscription per year (Resident) 11.00
(Non-Resident) 17.00
Softball Player Fee (Resident) 28.00
(Non-Resident) 42.00
Stained Glass Class (Resident) 6.00
(Non-Resident) 9.00
Tai Chi (Resident) 5.00
(Non-Resident) 7.50
Tap Class (Resident) 6.00
(Non-Resident) 9.00
Volleyball Player Fee (Resident) 28.00
(Non-Resident) 42.00
Yoga (Resident) 7.00
(Non-Resident) 10.50
Senior Bus Trip:
1 day (Resident) 4.00
(Non-Resident) 6.00
3-5 days (Resident) 10.00
(Non-Resident) 15.00
Extended (Resident) 25.00
(Non-Resident) 38.00
Senior Activity Fee - per day (Resident) 0.25
(Non-Resident) 0.50
Senior Center Gymnasium Activities:
Men's Drop-in Basketball Program (Resident) 47.00
(Non-Resident) 71.00
Co-ed Volleyball (Resident) 21.00
(Non-Resident) 32.00
Co-ed Pickleball (Resident) 21.00
(Non-Resident) 32.00
Badminton (Resident) 21.00
(Non-Resident) 32.00

Open Basketball (Resident) 24.00
(Non-Resident) 36.00
Track Usage Fee – After Hours (Resident) 1.50
(Non-Resident) 2.25
Gymnasium Usage Fee – After Hours (Resident) 5.50
(Non-Resident) 8.00
Parks and Recreation Plan 7.30

Sec. 3.08

PLANNING:

Special Approval Land Use 498.00
Temporary Use 365.00
Administrative Review 225.00
Variances to Subdivision Regulations 365.00
Right-of-Way Vacations 550.00
Rezoning Petition:
First Acre 1,560.00
Additional Acre 61.00
Public Hearing Postponements (Petitioner Requested) 40.00
Ordinance Text Amendment 1,560.00
Subdivision Plat 1,230.00
Each lot over 100 lots 8.00
Subdivision Open Space and One-Family Cluster Development 675.00
Tree Preservation – Site Plans and Plats 775.00
Tree Preservation – Single Family Lot (less than one acre) 164.00
Tree Preservation Administrative Fee ..... 25% of landscape plan inspection fees
Tree Preservation Inspection Fee (per inspection/re-inspection) ..... Payroll + 175%
No Tree Affidavit 110.00
Site Plan Review:
First Acre 372.00
Additional Acre 63.00
Site Plan Review by Planning Commission:
First Acre 499.00
Additional Acre 63.00
As Built Revisions 220.00
Master Land Use Report 33.00
Master Land Use Map 11.00
Subdivision Plat Print (per sheet) 11.00
Zoning Board of Appeals:
Regular Meeting 365.00
Special Meeting 740.00
Zoning Compliance Letter 55.00
Landscape Plan Inspection ..... 25% of site plan fees
Municipal Civil Infraction:
Each Violation 150.00
First Repeat Offense 375.00
Second Repeat Offense 750.00
Third or Subsequent Repeat Offenses 1,500.00

Sec. 3.09

POLICE DEPARTMENT:

Police Reports:
First Page 8.50
Additional Pages 1.00
Clearance Letter 14.00
Noncriminal Fingerprint Card 20.00

Photos:	8" x 10" Color	26.00
	5" x 7" Color	26.00
	8" x 10" Contact Sheet	26.00
	Compact Disc	14.00
Administrative Towing Fees: (Charged to Towing Company)		
	Inspection of VIN	18.00
	Reports on TR-52 Tracking	23.00
	Administration and Presence at Auction	520.00
Audio Tape Duplication Fee		37.00
Video Tape, DVD, CD Duplication Fee		41.00
Animal Give-up Fee		62.00
Animal Impoundment Fee		25.00
Animal Trap Rental Fee (per 5 days)		12.00
Bail Bond Arrest Warrant Fee		10.00
Personal Breathalizer Test (PBT)		20.00
Booking Photo		8.00
Park Alcohol Permit Fee		28.00
Vehicle Inspection Fee		29.00
Requested Police Services (Schools, Businesses, Hazmat Incidents, etc.)		Cost + 30%
Towed Vehicle Impound Fee		20.00
Correctable Traffic Violation		10.00
Warrant Fee (SHPD Warrants)		10.00
Downed Wire Police Response Fee		125.00 per hour
False Alarm Fees: (within a 12 month period)		
	First Response	No fee
	Second Response	No fee
	Third Response (Residential)	29.00
	Third Response (Non-Residential)	86.00
	Fourth Response (Residential)	59.00
	Fourth Response (Non-Residential)	175.00
	Fifth and Subsequent Responses (Residential)	115.00
	Fifth and Subsequent Responses (Non-Residential)	347.00
Municipal Civil Infraction (including Animal Control Regulations):		
	Each Violation	150.00
	First Repeat Offense	375.00
	Second Repeat Offense	750.00
	Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:		
	Each Violation	75.00
	First Repeat Offense	100.00
	Second and Subsequent Repeat Offenses	125.00
Municipal Civil Infraction for Youth Curfew Violations:		
	Each Violation	25.00
	First Repeat Offense	50.00
	Second and Subsequent Repeat Offenses	100.00
Municipal Civil Infraction for Violation of Bicycle Regulations (City Parks):		
	Each Violation	10.00
	First Repeat Offense	25.00
	Second and Subsequent Repeat Offenses	50.00

Sec. 3.10

PUBLIC LIBRARY:

Overdue fines (per day):		
	Hardcover Books (maximum $10.00)	0.25
	Paperback Books (maximum $3.00)	0.25
	Magazines (maximum $3.00)	0.25
	Audios (maximum $10.00)	0.25
	Compact Discs (maximum $10.00)	0.25
	Videocassettes (maximum $10.00)	0.25
	Computer CD Software (maximum $10.00)	0.25

DVD's (maximum $10.00) 0.25
Replacement Library Card 3.00
Copy/Print System Card 0.50
Black & White Copy/Computer Print 0.10
Color Copy/Computer Print 1.00
Microfilm/Microfiche Print (per copy) 0.20
Internet Use Without Library Card (per day) 2.00
Municipal Civil Infraction:
Each Violation 75.00
First Repeat Offense 150.00
Second or Subsequent Repeat Offenses 300.00

Sec. 3.11

PUBLIC SERVICES OFFICE:

Permit Revision Review Fee 90.00
Public Services Agreement Execution Fee 27.00
Recording Fee 40.00
Attorney Review Fee for Liens or Discharges 69.00
Subordination of Lien 250.00
Water & Sewer Debt Service Agreement Finance Charge 30%

Sec. 3.12

PUBLIC WORKS DEPARTMENT:

Sewer Inspection 90.00
Sewer Tap 990.00
Sewer Capital/Unit
Residential 740.00
Commercial/Industrial (per 1,000 sq. ft.) 370.00
Sewer Frontage (per front ft.) 62.00
Sewage Disposal Service Only (per billing) 40.00
Residential and Commercial Water Meters:
¾" Remote 355.00
1" Remote 395.00
1 ½" Remote 675.00
2" Compound Remote 1,750.00
3" Compound Remote 3,090.00
4" Compound Remote 4,070.00
6" Compound Remote 6,430.00
Double Check Detector Assembly with Meter:
3" 1,720.00
4" 1,800.00
6" 2,600.00

8" 4,700.00
10" 6,860.00
Water Inspection 90.00
Water Tap
1" 930.00
1 ½" 1,270.00
2" 1,500.00
3" 3,000.00
4" 3,240.00
6" 3,700.00
Additional Charge for 86 ft. wide street:
1" 280.00
1 ½" 330.00
2" 470.00

Additional Charge for 120 ft. wide street:
1" 600.00
1 ½" 750.00
2" 990.00
Additional Charge for 204 ft. wide street:
1" 1,410.00
1 ½" 1,780.00
2" 2,550.00
Water Capital/Unit:
Residential 580.00
Commercial/Industrial (per 1,000 sq. ft.) 290.00
Water Frontage (per front ft.) 33.00
Water Turn On Fee 44.00
Water Service Abandonment Fee 405.00
Sewer Service Abandonment Fee 90.00
Water Service Re-Use Fee 220.00
Sewer Service Re-Use Fee 90.00
Water Meter Testing Fee 42.00
Water Meter Rescheduling Fee 44.00
Automatic Fixed Network Meter Read Permit 150.00
Final Water Meter Read 28.00
Final Water & Sewer Bill Preparation Fee 11.00
Citizen Water Service Request – after hours 52.00
Water Meter Removal/Reinstallation for common area irrigation system 165.00
Landlord/Tenant Affidavit Filing Fee 125.00
Fire Hydrant Rental – Payable by City 22.50
Private Use of Fire Hydrant:
One Hydrant ..... 110.00 per month + 270.00 water usage deposit
More Than One Hydrant ..... 220.00 per month + 535.00 water usage deposit
Bypass Inspection Fee ..... Back bill + 110.00
Common Area Irrigation System Permit 330.00
Planting of tree in right-of-way 180.00
Culvert installation permit 80.00
Ditch enclosure permit 80.00
Monitoring well installation permit 380.00
Sewer connection to discharge treated ground water 380.00
Cutting of noxious weeds ..... Contract costs + 60% administrative fee + 27.00
Additional refuse collection ..... Contract costs + 25% administrative fee
Refuse Collection Fees (Schools) ..... Contract costs
Refuse Collection Fees (Mobile Home Parks and Apartment Complexes) ..... Contract costs + administrative fee – refuse taxes paid
Debris Removal Fee ..... Contract Costs + 25% administrative fee
Tree Branch Chipping Fee 30.00
Fleet Services Requested by Other Cities ..... Cost + 30%
Municipal Civil Infraction:
Each Violation 150.00
First Repeat Offense 375.00
Second Repeat Offense 750.00
Third and Subsequent Repeat Offenses 1,500.00
Municipal Civil Infraction for Trash Placed at Curb Outside of Permitted Hours:
Each Violation 25.00
First Repeat Offense 50.00
Second and Subsequent Repeat Offenses 100.00
Municipal Civil Infraction for Violation of a Mandatory Water Restriction:
Each Violation 25.00
First Repeat Offense 50.00
Second and Subsequent Repeat Offenses 100.00

Sec. 3.13

TREASURY OFFICE:

Bounced Check Fee	30.00
Delinquent Bill to Tax Roll Penalty (excluding Water & Sewer)	17%
Late Payment Penalty	6%
Penalty Assessment on Delinquent Taxes	3%
Attorney Review Fee for Liens or Discharges	69.00
Subordination of Lien	250.00
Annual Lien Penalty	6% + lien filing costs
O.U.I.L./O.U.I.D.	300.00 + additional reimbursements
Property Tax Administration Fee (P.T.A.F.)	1%
Municipal Civil Infraction for Failure to Pay Police or Fire False Alarm Invoices:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00

ARTICLE IV

The City Manager is hereby authorized to make transfers within the budgetary centers established in this ordinance but all transfers between budgetary centers, contingencies, reserves, and fund balances shall be made only by further action of the City Council pursuant to law; the City Manager is herby authorized to establish City programs which are a de minimis, but necessary expenditure for the benefit of the recipient employee and funded through appropriations in this ordinance; the City Manager is hereby authorized to release bidding documents for those capital items and recurring commodities expressly authorized within appropriations in this ordinance for public review by the City Council following receipt of bids.

ARTICLE V

SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance, or the application thereof to any person or circumstance, shall for any reason be adjudged by any Court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair, or invalidate the remainder of this ordinance and the application of such provision to other persons or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person or circumstances involved. It is hereby declared to be the legislative intent of this body that the ordinance would have been adopted had such invalid provision not been included.

ARTICLE VI

EFFECTIVE DATE

This ordinance shall become effective July 1, 2009.

BY ORDER OF CITY COUNCIL

ADOPTED:
PUBLISHED:
EFFECTIVE:

Glossary of Key Concepts

A

ACCRUAL BASIS – Accrual basis accounting recognizes transactions when they occur, regardless of the timing of related cash flows. The application of accrual accounting techniques prevents distortions in financial statement representations due to shifts in the timing of cash flows and related underlying economic events near the end of a fiscal period.

ACT 51 – Highway and street funds derived from gas and weight taxes, distributed to communities by the Michigan Department of Transportation based on a municipality's population and number of street miles.

ACT 78 CIVIL SERVICE COMMISSION – Established by Act No. 78 of the Michigan Public Acts of 1935 and incorporated into the City Charter. A General Fund Activity which governs the testing for appointment, employment, promotion, transfer, suspension, reinstatement, and discharge of all Police and Fire personnel.

ACTIVITY – An office within a department to which specific expenses are to be allocated.

APPROPRIATION – An authorization granted by a legislative body to incur obligations and to expend public funds for a stated purpose.

APPROPRIATIONS ORDINANCE – The official enactment by the City Council establishing the legal authority for the City to incur obligations and to expend public funds for a stated purpose.

APPO – Administrative Policies & Procedures Order. Promulgation of orders to help ensure efficiency, effectiveness or fiscal responsibility in municipal operations.

ASSET – Anything owned by an individual or a business, which has commercial exchange value. Assets may consist of specific property or claims against others, in contrast to obligations due others.

B

BALANCED BUDGET – A budget in which estimated revenues and use of reserves are equal to or greater than estimated expenditures.

BUDGET MESSAGE – A written policy and financial overview of the City as presented by the City Manager.

BUDGETARY CENTER – A grouping of offices' or activities' budgets that are combined to create a cost center in which actual expenditures cannot exceed budgeted appropriations.

C

CCW – Carrying of a concealed weapon. Permission for carrying of a concealed weapon is granted through an application process.

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 $1,000 to be a capital item.

CAPITAL PROJECTS FUND – A fund to account for the development of municipal capital facilities other than those financed by the Enterprise Fund.

COMPENSATED ABSENCE – An absence for which an employee is paid, such as vacation, holiday, or sick leave.

CONTINGENCY – An estimated amount of funds needed for deficiency, contingent or emergency purposes.

D

DPW – Department of Public Works.

DEBT SERVICE FUND – A fund to account for the accumulation of resources for and the payment of general long-term debt principal and interest.

DEFERMENT – A form filed by qualifying residents allowing a postponement of the summer homestead tax, without levying interest or penalty, unless payment is made after the deferment date.

DEFICIT – An excess of liabilities and reserves of a fund over its assets.

DEPARTMENTAL MISSION STATEMENT – A mission statement provides the full range of activities that will be used in the results oriented budget format to link the municipal purpose with the financial resources of the department.

DEPRECIATION – The amount of expense charged against earnings by a company to write off the cost of an asset over its useful life, giving consideration to wear and tear, obsolescence, and salvage value.

E

EPA – Environmental Protection Agency.

EFFICIENCY PERFORMANCE INDICATOR – The quantifying of the relationship between input and output.

EFFECTIVENESS PERFORMANCE INDICATOR – The measure of results, accomplishments, or quality of the item or service provided.

ENCUMBRANCE – An anticipated expenditure, or funds restricted for anticipated expenditures, such as for outstanding purchase orders.

ENTERPRISE FUND – A fund established to account for operations that are financed and operated in a manner similar to a private business, i.e., the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. (Water & Sewer is an example of an enterprise fund.)

EQUALIZATION FACTOR – A multiplier that is applied to the Assessed Value of a class of property by the County Equalization Department or State Tax Commission that will produce a sum that represents 50% of the true cash value of that class.

EXPENDITURE – The cost of goods delivered and services rendered, whether paid or unpaid, including expenses, debt retirement not reported as liability of the fund from which retired, or capital outlay.

EXPENDITURE OBJECT – An expenditure object is a specific classification of expenditure accounts which includes a number of related accounts determined by the type of goods and services to be purchased. For example, the personnel services expenditure object includes the wages account as well as all fringe benefit accounts. Expenditure objects include personnel services, supplies, other charges, capital outlay, debt service, and transfers out.

F

FOI – Freedom of Information.

FTE – The amount of funding for full-time positions and part-time positions converted to the decimal equivalent of a full-time position (based on 2,080 hours per year, as set by the ICMA Center for Performance Measurement).

FISCAL YEAR – An accounting period of twelve months. The City's fiscal year begins July 1st and ends June 30th.

FIXED ASSETS – Fixed assets are equipment and other capital items used in governmental fund type operations and are accounted for in the General Fixed Assets Group of Accounts rather than in the government funds. Such assets, which are recorded as expenditures at the time of purchase, do not include certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks, and lighting systems. No depreciation has been provided on general fixed assets.

FUND – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities.

FUND ACCOUNTING – The accounts of the City are organized on the basis of funds and account groups in order to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

FUND BALANCE – The excess of a fund entity's accumulated assets over its liabilities. Typically, excess revenues over expenditures at year-end will increase a fund's fund balance.

G

GAAP – Generally Accepted Accounting Principles. The guiding conventions, rules, and procedures that define accepted accounting practice at a particular time in the United States.

GENERAL FUND – The City's major operating fund to account for all financial resources except those required to be accounted for in another fund.

GROUP A CRIME OFFENSE – A more serious group of crimes such as larceny, robbery, murder, or gambling.

GROUP B CRIME OFFENSE – A less serious group of crimes such as solicitation, trespassing, or disorderly conduct.

I

ICMA – International City/County Management Association.

ICMA CENTER FOR PERFORMANCE MEASUREMENT – Center created to help communities obtain fair, accurate and comparable data about the quality and efficiency of service delivery to their residents.

IFEC – Industrial Facilities Exemption Certificate.

INTERNAL SERVICE FUNDS – Funds used to finance and account for services furnished by a designated department to another department within a single governmental unit. Included in this category is the Self-Insurance Fund. This Fund was established in 1986 when the City became a participant in the Michigan Municipal Risk Management Authority. Expenses in this Fund include reinsurance charges, administration fees, and claims expenses and reserves for both reported and unreported claims.

L

LIABILITY – A loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honored by that entity.

LINE ITEM BUDGET – A budget which emphasizes allocations of resources to given organizational units for particular expenditures, such as salaries, supplies, services, and equipment. Line item budgets may be organized to provide accountability at varying levels, such as department, division, or agency levels.

M

MDEQ – Michigan Department of Environmental Quality.

MIP – A multi-year *Municipal Improvement Program* that is developed to plan and guide the needed capital improvements and expenditures in a fiscally sound manner, and to ensure that these improvements are consistent with the goals and policies of the City Council and the City's residents.

MISD – Macomb Intermediate School District.

MITN – Michigan Inter-Governmental Trade Network.

MML – Michigan Municipal League.

MILLAGE RATE – A rate used to determine the amount of annual property tax a property owner must pay. This rate is expressed in mills per dollar or 1/10 cent. Each governing body that levies property taxes sets its own millage rate annually. Property taxes may generally be calculated by multiplying the millage rate by the amount of, or a percentage of, the assessed value. (A mill represents $1 of tax per $1,000 of assessed valuation.)

MODIFIED ACCRUAL BASIS – The basis of accounting under which revenues are recognized in the period they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority. Exceptions to the general rule of expenditure recognition occur in debt service.

N

NFIRS – National Fire Incident Reporting System.

NFPA – National Fire Protection Association.

NIMS – National Incident Management System.

NLC – National League of Cities.

NPDES – National Pollution Discharge Elimination System.

O

OPERATING BUDGET – The operating budget is the authorized revenues and expenditures for on-going municipal services and is the primary means by which government is controlled. The life span of an operating budget typically is one year or less. Personnel costs, supplies, and other charges are found in an operating budget. A capital budget typically has a long term outlook where a project can span a several year period.

OPERATING TRANSFERS – Transfers from a fund receiving revenue to the fund through which the resources are to be expended.

ORDINANCE EMPLOYEE – An employee position which is called for and whose duties are described in the City Charter and who is not a member of a collective bargaining agreement.

OTHER CHARGES – An expenditure object within an activity which includes professional services, utilities, rents, and training for example.

OUIL – Operating Under the Influence of Liquor. The detainment of an individual who is operating, authorizing or knowingly permitting another person to operate a motor vehicle while under the influence of intoxicating liquor or controlled substance, or combination thereof, or with blood alcohol level content of .10% or more.

OUTPUT PERFORMANCE INDICATOR – The measure of quantity or volume of products or service provided.

P

PERFORMANCE INDICATOR – A measurement of how a program is accomplishing its mission through the delivery of products or service. See Output Performance Indicator, Effectiveness Performance Indicator, or Efficiency Performance Indicator.

PERFORMANCE OBJECTIVES – Desired output oriented accomplishments which can be measured within a given time period.

PERSONNEL SERVICES – An expenditure object within an activity, which includes payroll and all fringe benefits.

R

RESULTS ORIENTED BUDGETING – A management concept which links the annual line item budget to departmental results of operations.

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 enterprise or in intra-governmental service funds.

S

SAD – Special Assessment District. A geographic area over which a governing authority has power to levy taxes for specific public uses.

SMART – Suburban Mobility Authority for Regional Transportation.

SERVICE STATEMENT – A statement of general and specific service deliveries rendered by an activity for the community.

SINKING FUND – A special reserve account created by a bond issuer. The issuer promises to put money into the account at regular intervals and to use the cash that accumulates to redeem the bonds.

SPECIAL ASSESSMENT – A tax or levy imposed against specific parcels of real estate that will benefit from a proposed public improvement like a street or sewer.

SPECIAL REVENUE FUND – A fund to account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or the major capital projects) that are legally restricted to expenditures for specified purposes.

SUPPLIES – An expenditure object within an activity which includes all supplies that have a useful life of less than one year and/or a purchase price of less than $1,000.

SURPLUS – An excess of the assets of a fund over its liabilities and reserves.

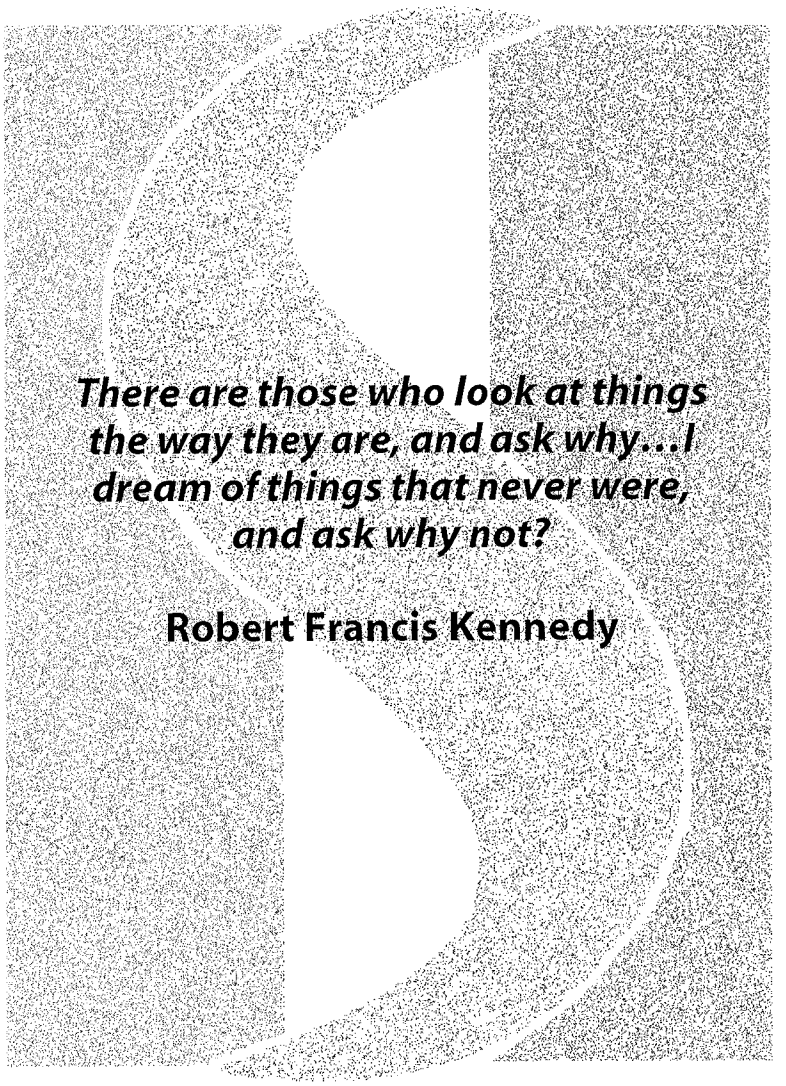
T

TRANSFERS-IN/OUT – A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

TRUST & AGENCY FUND – Trust & 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 Retirement Systems and the Agency Funds. The Retirement Systems are accounted for in the same manner as a proprietary fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations.

W

WATER & SEWER FUND – This enterprise fund accounts for the operation of a combined water and sewer system. The revenues consist of charges for services from City businesses and residences which are used to pay for all water and sewer related expenses.


There are those who look at things
the way they are, and ask why…I
dream of things that never were,
and ask why not?
Robert Francis Kennedy

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