Executive Staff

Mark D. Vanderpool	City Manager
Michael Viazanko	Building Official/Facilities Maintenance Manager
Dwayne McLachlan	City Assessor
Jeffrey A. Bahorski	City Attorney
Mark Carufel	City Clerk/Risk Manager
Denice Gerstenberg	City Development Manager
Brent S. Bashaw	City Engineer
Donald Mende	City Planner
Jennifer Varney	City Treasurer
Steve Guitar	Community Relations Director
Tammy L. Turgeon	Community Services/Library Director
Leslie Reinhart	Controller
Barry Hicks	Economic Development Manager
Brian S. Baker	Finance & Budget Director
Christopher Martin	Fire Chief
Walter C. Blessed	Human Resources Director/Assistant City Manager
Steve Deon	Information Technology Manager
Kyle Langlois	Parks & Recreation Manager
Michael Reese	Police Chief
Salvatore Conigliaro	Public Works Director
James P. Buhlinger	Purchasing 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

Table of Contents

City Organizational Chart....4
City Manager's Budget Message....5
Fact Sheet....9
Reader's Guide....11
Budget Calendar....14
Community Profile....15
City Goals & Objectives....16
Budget Policies....18
City Policy Benchmarks....22
Comparable City Benchmarks....24

Section I – All Funds Summary

Financial Organization Chart....32
Executive Summary....33
All Funds Financial Summary....42

Section II – General Fund

How the City Allocates Its Money....50

Trends and Summaries

Summary of Taxes....53
G.F. Revenue, Exp., Fund Balance....55
Revenue Definitions & Assumptions....57
G.F. Revenues by Account....66
G.F. Expenditures by Budgetary Center....70
G.F. Expenditures by Category....72
G.F. Expenditures by Account....75

Personnel Summary

Trends....80
Listing by Department....81

Legislative

City Council....90

City Administration Department

City Management....99
Economic Development....105
City Clerk....109
Information Technology....113
Assessing....117
Financial Services....121
Purchasing....125
Treasury....129

Community Services Department

Library....141
Parks & Recreation....145

Police Department

Police Administration....153
Police Investigations....159
Police Operations....165
Police Support Services....169

Fire Department

Fire Administration....177
Fire Extinguishment....183
Fire Prevention....187

Public Works Department

Building & Facilities Maintenance....197
Engineering....203
Fleet Maintenance....207
Neighborhood Services....211
Parks & Grounds Maintenance....215
Planning....219
Public Works Center....223
Refuse Collection....225
Street Services....229

Community Relations Department

Community Relations....237

Non-Departmental Services

41-A District Court....243
Act 78 Civil Service Commission....247
Beautification Commission....250
Cultural Commission....252
General Employees Retirement Board....254
General Expenditures....256
Historical Commission....258
Legal....262
Planning Commission....266
Transfers Out....268
Zoning Board of Appeals....270

Table of Contents

Section III – Water & Sewer Fund

Water & Sewer Fund Statement 274
Revenues & Expenses Schedule 275
Revenues & Expenses by Account 277
Water & Sewer Administration 285
Water Distribution 289
Sewage Collection 293

Section IV – Special Revenue Funds

Revenues, Expend. & Fund Balance 298
Revenues & Expenditures by Account 305
Major Road Fund 310
Local Road Fund 312
Land & Water Conservation Fund 314
Public Safety Forfeiture Fund 316
Community Dev. Block Grant Fund 318
Brownfield Redevelopment Auth. Fund 320
Local Develop. Finance Authority Fund 322

Section V – Debt Service Funds

Debt Management Program 326
Revenues, Expenditures & Fund Balance 330
Revenues & Expenditures by Account 334
General Drain Fund 336
Voted Tax General Obligation Fund 338
Road Bond Debt Retirement Fund 340
Limited Tax General Obligation Fund 342

Section VI – Capital Projects

Revenues, Expenditures & Fund Balance 346
Revenues & Expenditures by Account 348
Capital Projects Fund 350
Road Bond Construction Fund 352

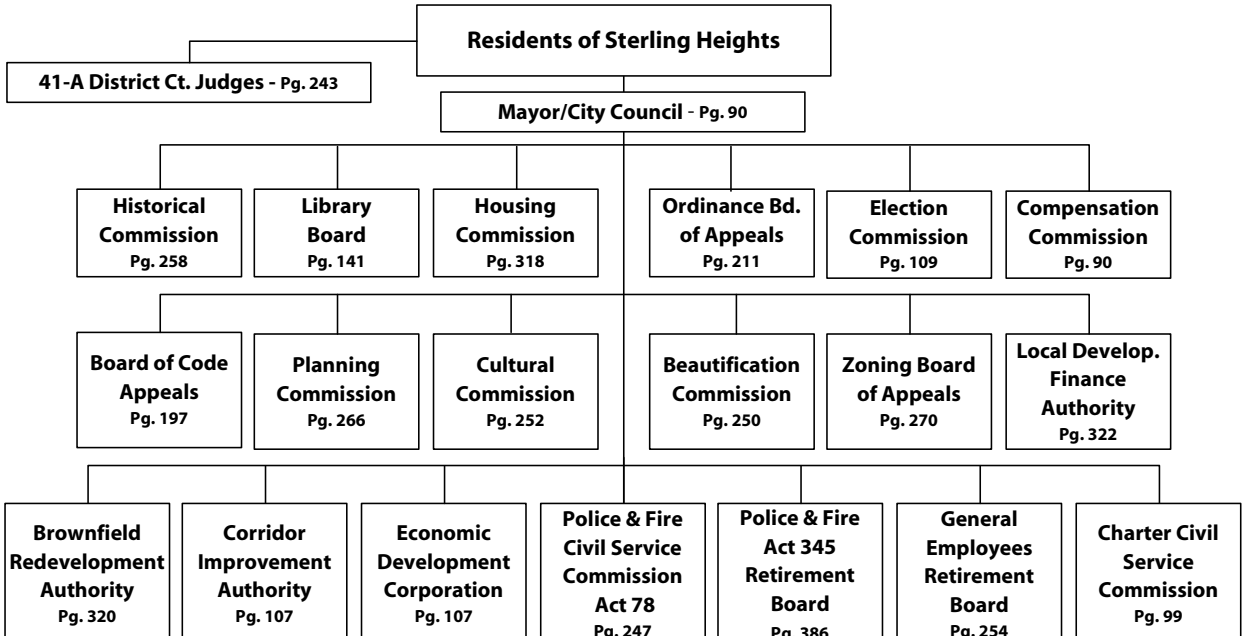
Capital Improvements Program 354
Capital Equipment 357
Information Technology Capital Program 360
Capital Vehicles 361
Capital Projects 362
Storm Drain Improvements 362
Road Bond Construction Fund 363
Major Road Fund 363
Local Road Fund 365
Community Dev. Block Grant Fund 365
Land & Water Conservation Fund 366
Sanitary Sewers 367
Water Mains 367
Capital Improvement Maps 369

Section VII – Supplemental Information

Financial & Demographic Data 377
Labor Agreements 387
Appropriations Ord. & Fee Schedule 390
Glossary 418
Index 423

city of STERLING HEIGHTS

City Organization Chart



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

July 1, 2014

Honorable Mayor and
Members of the City Council

Introduction

Over the course of the City's history, this document has been integral to the City's ability to remain financially strong and resilient regardless of the economic times. Although the process is not always smooth or easy, the commitment of City Administration and the City Council to good stewardship of the City's finances has always been reflected in a fiscally sound budget. This commitment, as set forth in annual budgets, has garnered state and national awards. But even more important than these accolades, is the positive impact the budgetary process has on the Sterling Heights community in terms of the assured delivery of quality, efficient, and essential public services.

It is also true the budget is more than numbers on paper. It is a living document that reflects what this community strives to be – a safe, vibrant, and welcoming place to live and work. It is in this spirit that City Administration submits the fiscal year 2014/15 Annual Budget.

Overview

The past year was a landmark year for the City of Sterling Heights as the final component of the City's emergency Financial Plan, developed at the onset of the statewide economic crisis, was completed after a six-year effort with the approval of the Safe Streets millage. The voters chose to preserve Public Safety staffing levels and invest in the City's infrastructure. The Safe Streets Proposal allocated 1.7 mills for retaining Public Safety levels, generating $7 million annually over a 6-year period, and 0.8 mills for local road improvements, generating $3.3 million annually over a 6-year period. The Safe Streets Proposal has eliminated the need to cut services any further and enables the City to focus on long range planning necessary to ensure quality Public Works, Library, Parks & Recreation, Economic Development and other community oriented services. Most importantly now that the City's revenues and expenditures are fully balanced, Administration can begin implementing a Succession Plan in light of significant employee turnover. Likewise, the City can begin to prepare for the next 20 years by establishing a clear vision that sets forth a path for continued success. This plan will result in a revitalized and vibrant community that remains a destination for high tech manufacturing jobs, offers clean and safe neighborhoods, provides ample recreational opportunities and bestows an overall excellent quality of life. It is with these principles in mind, for which the fiscal 2014/2015 Budget has been developed.

Revenues and Expenditures

The 2014/15 Budget for all City Funds totals $155.6 million – an increase of $20.2 million or 14.9% over the prior year. Nearly 80% of the increase is a result of funding the necessary investments in replacing capital equipment, vehicles, repairing City infrastructure, improvements to neighborhood roads and the reconstruction of Van Dyke. If the capital funding increase were excluded, total expenditures would have increased only $4.5 million or 3.3%. Most of the $4.5 million is due to an increase in water and sewer costs from Detroit, higher actuarially required contributions to the Police and Fire pension system, and succession planning efforts.

Personnel

Over the past six years, a vast majority of the eliminated 200 full-time positions came from unfilled vacancies created by retirements. The void left by eliminating 30% of the full-time workforce was filled, in part, with part-time positions including an option to rehire retirees for a period of two years. However, this option is expiring and thus the proposed budget includes restoring a net of eight full-time positions, most of which are being converted from part-time. Of the eight positions, half are in Public Works and most are directly related to increased roadwork. In addition, with passage of the Safe Streets proposal, the City is now able to fill approximately 70 projected vacancies in Police and Fire due to retirements over the next several years. The budget also includes funding to fill 10 general employee vacancies over the next year.

City Reserves

The fiscal year 2014/15 Budget provides for an increase to General Fund Reserves of almost $1.8 million. However, a portion of reserves allocated to the Insurance Fund is partly being used to finance significant one-time capital equipment expenditures. The Insurance Fund has an adequate reserve and the need for capital equipment replacements is high after years of under funding. Funding levels have increased in other major funds including the Retiree Healthcare Trust Fund. Ten years ago, this liability was only 6% funded with approximately $6 million in reserves. This fund is now over 30% funded with reserves totaling almost $60 million. Continued legacy reform, including elimination of retiree health care for all new employees starting in 2004, will increase the funding percentage even more in future years. Both the Police & Fire Pension and General Employee Pension Funds increased in funding to over 67% and 84% respectively. Elimination of the fixed pension plan (Defined Benefit) and reduction of the pension multiplier from 2.8% to 2% for public safety will further improve long-term funding levels.

Capital Expenditures

Capital expenditures will increase significantly in the budget, in part, to address an aging infrastructure. For example, neighborhood road funding will increase by $4.6 million due in large part to the passage of the Safe Streets proposal by the voters last November. Approximately $3.3 million will be allocated annually for the next six years to fund neighborhood road improvements, along with funding from grants and Act 51 revenue. The budget includes $2.8 million to fund the City's share of the Van Dyke reconstruction project, totaling approximately $35 million. In addition, funds are allocated for storm sewer improvements along Canal including Morang Drive, which experienced significant problems last year. The capital infrastructure repairs also include substantial upgrades to the parking lots at City Hall, the Court building, Library and Fire Station #5, which have deteriorated considerably over the years.

Over the last five years, the City has not adequately funded equipment replacement due to funding constraints especially in the DPW, Fire and Police Departments. Over the next few years, the City will need to replace aging equipment at an accelerated rate. The budget includes a heavy duty tandem snow plow, two sewer jet trucks, replacement of a hydraulic hoist, a fire pumper rescue truck, 100 computer replacements in Police and Fire, 11 police vehicles and 40 police vehicle digital video recording devices.

Numerous park improvements will be made from the Land & Water Conservation and CDBG Funds including new lights at Delia Park, improvements at Beaver Creek and Hampton Parks, new flooring at the Recreation Center and completion of the 19 Mile trail connector to Dodge Park.

The Future

Because the City has successfully approached challenging financial times in a comprehensive, long-term manner, we have weathered the financial storm and achieved financial stability. As such, we are now able to focus on the future beginning with an inclusive Visioning process already underway. This process will

result in a new Strategic Plan setting forth guiding principles for future growth and redevelopment of the City. This will prove especially helpful as the City prepares to update the;

- ✓ Master Land Use Plan
- ✓ Parks and Recreation Plan
- ✓ Master Road Plan
- ✓ Technology Plan

The budget includes funding for consultant services to assist Administration and City Council with the aforementioned plans.

Succession Planning

The budget includes funding to implement the City's succession plan. For example, 12 police officers will be hired to replace retiring police officers approximately six months early. This will enable new recruits to work side by side with veteran officers providing for a more seamless transition. The Fire Department will commence a mentoring program to help plan for multiple retirements in the Fire Department. Senior Officers in the Department, assigned to three eight-hour days with each candidate, will do the mentoring of the new officers. The Senior Officers will shadow the recruits on incidents as well as daily activities in the station, including company level training.

A number of Department Director and Manager positions will be vacated over the next year. Part of the succession plan necessitates that their replacements will be hired approximately six months in advance to work side by side with the individuals retiring. Again, this will provide for a more seamless transition. The City's Succession Plan also includes reinstating the Tuition Reimbursement Program along with funding professional development training. If Sterling Heights is going to remain a high performing organization, especially in light of major turnover, then we must implement and commit resources to the Succession Plan ensuring the workforce is highly trained and able to perform at optimal levels implementing "industry wide" best practices.

Economic Development

The budget continues to place a strong emphasis on Economic Development funding two full-time positions at VELOCITY and allocating SmartZone Tax Increment Financing to fund the ongoing operations of the Macomb OU-INCubator. The City's efforts with VELOCITY are paying off with the incubator nearing full occupancy and the Michigan Defense Center announcing recently an expanded presence in VELOCITY and taking over additional space. The City is continuing to leverage strong partnerships with MEDC, Macomb County, Oakland University, and MCC along with major corporations including Ford, Chrysler, BAE, General Dynamics, Beaumont Hospital and the Sterling Heights Regional Chamber of Commerce & Industry to name a few.

The North Van Dyke Redevelopment area is seeing steady improvements with numerous new developments completed over the past few years, including the Secretary of State building and other retail uses on the corner of 19 Mile and Van Dyke, the pocket park at the corner of Utica and Van Dyke, EA Graphics at 18-1/2 Mile on Van Dyke, and the proposed banquet center planned for the former Ping On building.

The Van Dyke corridor further to the south has experienced a remarkable turnaround with the long anticipated completion of the new $1 billion Sterling Heights Assembly Plant (SHAP). The economic impact of this massive project has resulted in many new investments along the corridor from auto dealers, restaurants, banks and shopping centers.

The local economy is recovering nicely as evident by the aforementioned projects and the fact that almost all of the major retail centers have been upgraded over the past couple of years and occupancy rates have increased. Best of all, the City's unemployment rate has dropped into the 5% range, foreclosures are declining and property values are increasing. While the economic successes in Sterling Heights are impressive, the City cannot lose focus of the need to foster an environment supportive of existing businesses and inviting to new businesses. With this in mind, the proposed budget includes funding to create a revolving loan fund to facilitate and incentivize development of underutilized properties in distress. The fund could be leveraged with other resources to acquire property, which would eventually be marketed for redevelopment after which the fund would be replenished with sale proceeds. This tool has proven effective in other parts of the state and country.

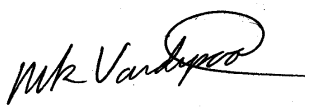
Conclusion

The dark clouds of the past seven years are in the City's rearview mirror and we can now look forward to an exciting future blazing a trail for the next generation and ensuring Sterling Heights remains among the best communities in the country. The proposed budget continues the City's long standing tradition of excellence by reinvesting in neighborhood roads and continuing the ever popular Sterling Heights Initiative for Neighborhood Excellence better known as SHINE. The budget includes funding to beautify major commercial corridors with increased streetscaping and by reducing sign clutter. Most importantly, the budget strengthens the long-standing partnership with the community by charting the course of the City for the next 20 years.

In closing, I would like to acknowledge the efforts of the Finance & Budget staff: Brian Baker, Janice Schoenrath, and Kerry Majewski, for their hard work and effort during the budget process. The City's department directors and managers are also commended for their team effort during these unprecedented times and continued commitment to service excellence. I am especially grateful to the City employees who remain dedicated to this great organization and work tirelessly on behalf of our customers delivering exemplary services.

I would also like to thank the Mayor and City Council for their continued leadership and support throughout the year especially during the months required to prepare and present the annual budget. Thanks to the entire Sterling Heights Team, the City continues to prosper.

Respectfully submitted,



Mark D. Vanderpool
City Manager

City of Sterling Heights Fact Sheet

2014/15 Budget At A Glance …

Richard J. Notte
Mayor

Michael C. Taylor
Mayor Pro Tem

Deanna Koski
Councilwoman

Joseph V. Romano
Councilman

Maria G. Schmidt
Councilwoman

Doug Skrzyniarz
Councilman

Barbara A. Ziarko
Councilwoman

city of STERLING HEIGHTS

Mark D. Vanderpool
City Manager

Brian S. Baker
Finance & Budget Director

The budget totals $155.6 million – an increase of $20.2 million or 14.9%. The budget, which had declined to its lowest inflation adjusted level in 18 years, incorporates the voter-approved Safe Streets Proposal which enables the City to avoid further cuts to public safety staffing, provides for community investments, and increases reserves.

- Nearly 80% of the increase is for replacement capital items, repairs to City parks and infrastructure, neighborhood roads, and the Van Dyke reconstruction. If the capital increases were excluded, total expenditures would have increased only $4.5 million or 3.3%. Most of the $4.5 million is due to water and sewer increases from Detroit, contributions to the Police and Fire retirement system, succession planning efforts, and restoring a net of eight full-time positions, most of which are being converted from part-time.

- The City's total taxable value increased 0.75% - the first increase in seven years. Residential properties, which experienced a 16% market value increase, will only see a 1.6% taxable value increase - one of the lowest increases in the past 20 years and is well below the 2.4% historic inflationary rate.

- Taxable values have still fallen by 23.6% since 2008, resulting in a cumulative $16 million loss and a $62 million loss of normal tax revenue growth. The State has cut its funding by $35.3 million cumulatively since 2002. As a result, the budget cannot restore all of the $32.3 million in operational cuts achieved to date.

- The budget continues to reflect the 15% labor contracts savings from wage and benefit concessions, reduced retirement benefits, and from eliminating new hire retiree medical. Costs are also lower due to the greater use of technology, part-time and volunteer staffs, privatization, and 55 service sharing partnerships.

- The average homeowner's tax bill remains $252 or 9.1% less than seven years ago. Tax bills are lower than ten years ago. The City's tax rate remains lower than two-thirds of cities in the State and is one of the lowest of any city in the County. The City's tax rate is 5.5 mills lower than the average Macomb County city tax rate. City taxes average less than $81 per month – lower than many other household bills.

- The General Fund Budget totals $89.2 million, an increase of $8.2 million or 10.1%. When the $6.4 million in increased transfers to finance capital is excluded, the General Fund operational budget rose only $1.8 million or 2.3%. Most of the increase is to fund long-term liabilities and for new hires due to upcoming Police and Fire retirements. The budget issues no debt for the fifth straight year, as City debt has fallen to a 26-year low.

- The budget funds 456 full-time positions – an increase of eight net positions. For the first time in seven years, the budget does not decrease City staff. Five full-time positions are being converted from part-time in accordance with labor agreements, six full-time staff are restored due to increased service demands largely in Public Works, and three vacant Court positions have become part-time.

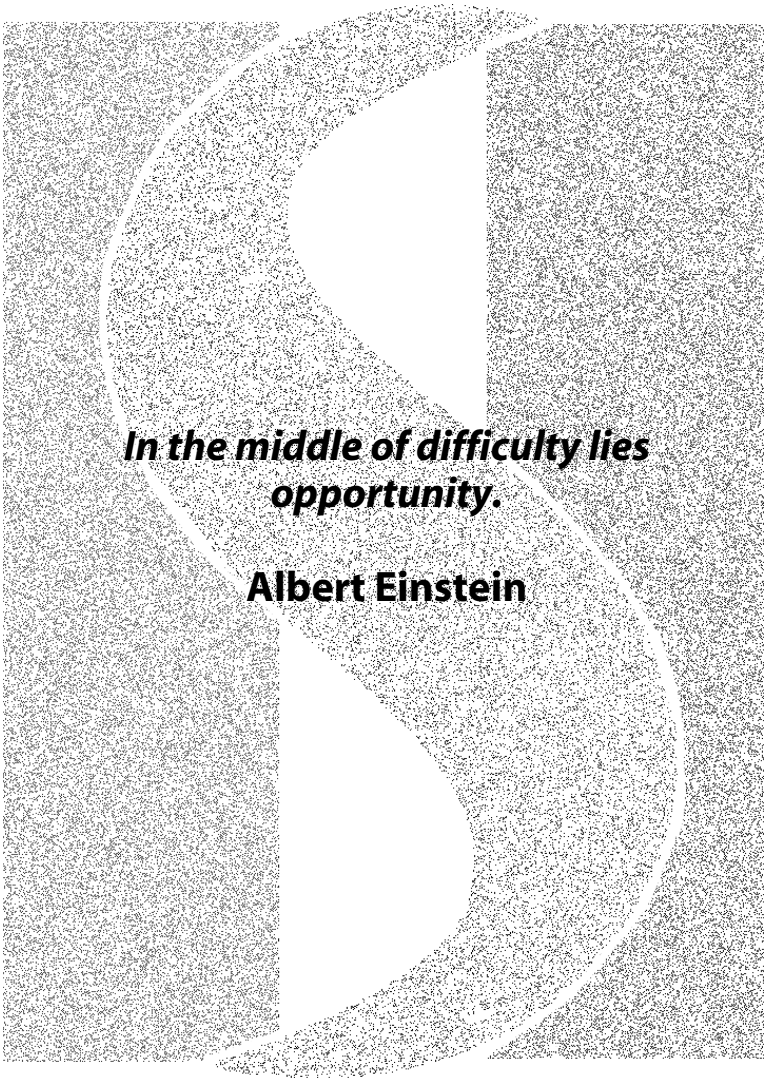
- The City has reduced 193 full-time positions or 30% of its workforce since 2002, saving $15.4 million. The employee per resident ratio has decreased by 43%. Public safety staffing is down only 20% compared to more than a 40% reduction in other departments. The City continues to have one of the lowest employee to resident ratio of any city in the State.

The budget includes funding for:

- $18.1 million in infrastructure improvements including $5.75 million for neighborhood road repairs, $5.0 million for water & sewer mains, $2.8 million for the reconstruction of Van Dyke, $2.0 million to repair City facilities, and $1.2 million for park projects.

- Capital funding to replace eleven Police vehicles, a Fire rescue pumper, three snow plows, two sewer cleaners, police in-car video cameras, SHTV equipment, fire rescue equipment, and public safety personal computers.

- Maintaining the lowest combined water & sewer rate for residential customers, as residents will pay only $50 per month for water & sewer services.■


In the middle of difficulty lies opportunity.
Albert Einstein

INTRODUCTION

As you review the City's Budget document, note that it is organized by fund type. These fund types are distinguished by the red 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 offices. For example, within the City Administration Department, there are eight offices including City Management, Economic Development, City Clerk, Information Technology, Assessing, Financial Services, Purchasing, and Treasury.

Each 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 office'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 office'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. The City budget document is more focused on total City-wide costs and in the results achieved with the dollars spent. Regardless, each fund and office budget includes a detailed Summary of Budget Changes which provides expenditure account 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?***

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

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	• 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	• Prior year Audit released and Comprehensive Annual Financial Report completed • 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 • 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 printed • Proposed Budget 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.

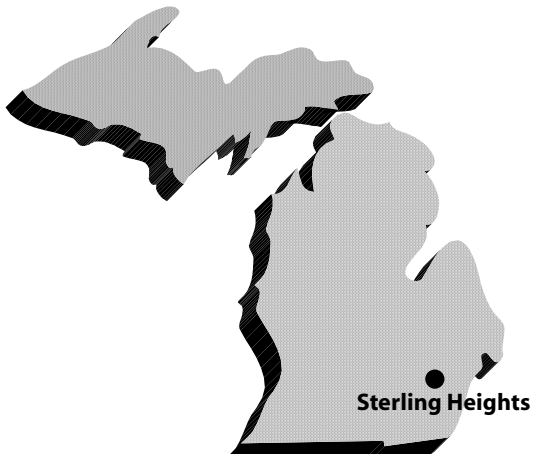
A northeast suburb of Detroit, Sterling Heights is located six miles west of Lake St. Clair and 24 miles from the Detroit Metropolitan Airport.

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 2014 estimated population of Sterling Heights is 130,750. 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 49,893 households in the City and a 40-year old median age. The City's median household income is $56,881. Of all communities with a population of 100,000 or more, Sterling Heights is one of the top ten 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 29 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 Group LLC, Utica Community Schools, 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 describe the major goals to be achieved and the services 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 and Self-Insurance Fund reserve of 10% or in an amount equal to 1.2 months of operational 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.

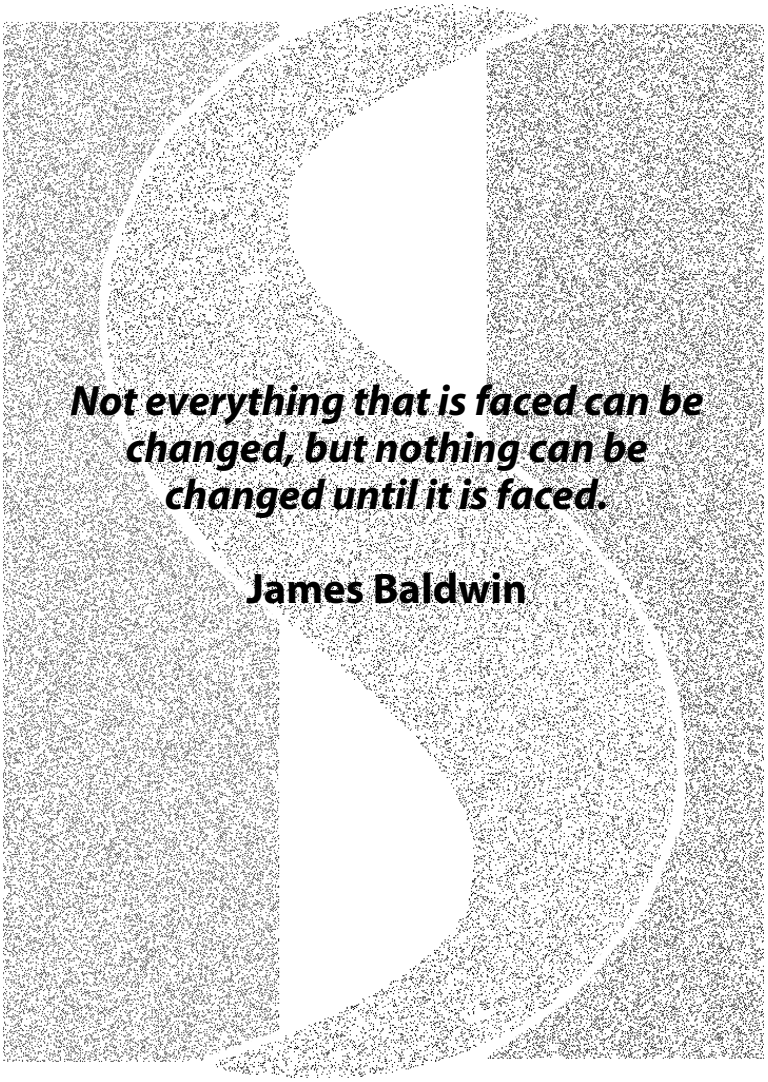
4. The City will coordinate decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities.

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	• Continuation of the Information Technology Plan: including the Tax & Assessing System upgrade, replacement servers, SHTV cameras, Police in-car cameras, e-ticket and accident reporting, COP Logic online public access, mobile data computers, field reporting tablets, updated City website and E-newsletter communications
• 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 categories; "Distinguished" budget award for the past 27 years
• Integrate performance measurement and productivity indicators in the budget	• Earned GFOA's "Special Recognition" award for use of performance measurements • Benchmarking included in the Citizen's Guide to Finances, Performance Scorecard and Dashboard • Participation 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 government debt of ten comparable MI cities • No new debt in last five budgets • Lowest City staffing since 1970's (reduced 193 FT) • Achieved $32.3 million in operational savings
• To provide adequate maintenance and orderly replacement of capital facilities and equipment	• Facilities and park repairs $3.2 million • Vehicle expenditures $1.8 million • Equipment & technology $1.2 million
• Maintain adequate level of funding for all retirement systems	• General Employees System 84.2% funded • Police & Fire Pension System 67.4% funded • 401(k) Plan for all new general employees; reduced fixed pensions for all existing employees • Eliminated Police & Fire DROP program • Eliminated retiree medical for new hires • Pre-funding retiree medical past 19 years • Increased retiree medical funding past eleven years and fully funding contributions
• Seek property tax relief	• Average total tax bill has declined by $252 or 9.1% since 2007 • Tax bills lower than amounts paid ten years ago • City tax rate lower than majority of all cities in the State and one of lowest of any Macomb County city • City tax rate is 5.5 mills below the average tax rate of all Macomb cities • Lowest taxes per resident of ten comparable MI cities
• Enhancement of the property tax base	• City total taxable value has decreased by 23.6% since 2008 • In 2013, City had the second highest increase in residential property values in Metro Detroit • 230% increase in code enforcement properties cleaned up since 2004 • Successful efforts to save Chrysler Plant • Defense Corridor and economic development initiatives

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% Commercial & Industrial 37% • 4th highest property values in State
• Maintain sound appraisal procedures and practices to reflect accurate property values	• Equalization Factor = 1 • Use of two-year sales study
• Review fees and charges to assure the cost of providing the service is appropriately charged	• Annual review of rates and fees • Higher non-resident fees • Continued lowest water & sewer rates in State • Average $81 monthly City tax bill and $50 water & sewer bill
Reserve Policy	
• 10% minimum unreserved/undesignated General Fund Balance (excluding Self-Insurance Fund)	• 7.9% of 2015 budgeted expenditures • Lowest General Fund reserves of ten comparable Michigan cities; adding to reserves in 2015
• 37 days of General Fund operations	• 29 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 26 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	• 2010 MTF Road Bond 15 yrs. • 2007 Senior Active Life Center/Radio Bond 6 yrs. • 92.8% of City debt paid off within ten years • Refinanced bonds saving $1.4 million • City's government debt level at 26-year low • Seven bonds fully paid off last two years
• Maintain a sound relationship with all bond rating agencies	• 3rd highest bond rating of ten comparable MI cities • Fitch's rating AA+ • Moody's rating Aa1 • Standard & Poors' rating AA+
Capital Improvement Policy	
• Make all capital improvements in accordance with an adopted capital acquisition program	• $18.1 million in total Capital Improvement Projects • $4.5 million in neighborhood street repairs • $5.4 million in Major road improvements
• Continue to implement a multi-year plan for capital improvements	• Municipal Improvement Plan incorporated in the Sterling Vision and budget documents

Comparable City Benchmarks

City Revenues

Total Revenue Per Resident

1.	Ann Arbor	$2,227
2.	Dearborn	2,205
3.	Grand Rapids	2,046
4.	Southfield	2,006
5.	Lansing	1,806
6.	Troy	1,468
7.	Warren	1,441
8.	Farmington Hills	1,431
9.	Livonia	1,388
10.	**Sterling Heights**	**1,043**

Tax Revenue Per Resident

1.	Southfield	$847
2.	Dearborn	846
3.	Ann Arbor	730
4.	Warren	678
5.	Grand Rapids	654
6.	Lansing	587
7.	Troy	579
8.	Livonia	561
9.	Farmington Hills	505
10.	**Sterling Heights**	**400**

State Revenue Sharing Per Resident

1.	Lansing	$111
2.	Grand Rapids	103
3.	Warren	96
4.	Dearborn	88
5.	Ann Arbor	87
6.	Southfield	86
7.	Livonia	80
8.	**Sterling Heights**	**79**
9.	Troy	78
10.	Farmington Hills	77

Gas Tax (Act 51) Revenue Per Resident

1.	Lansing	$75
2.	Grand Rapids	70
3.	Southfield	69
4.	Farmington Hills	68
5.	Dearborn	67
6.	Ann Arbor	66
7.	Warren	65
8.	Livonia	63
9.	Troy	62
10.	**Sterling Heights**	**56**

Comparable City Benchmarks

City Expenditures

Total Expenditures Per Resident

1.	Ann Arbor	$2,159
2.	Dearborn	2,035
3.	Grand Rapids	1,963
4.	Southfield	1,884
5.	Lansing	1,792
6.	Troy	1,406
7.	Livonia	1,351
8.	Farmington Hills	1,310
9.	Warren	1,249
10.	**Sterling Heights**	**1,058**

Police Expenditures Per Resident

1.	Dearborn	$346
2.	Southfield	323
3.	Lansing	317
4.	Grand Rapids	279
5.	Troy	263
6.	Warren	263
7.	**Sterling Heights**	**245**
8.	Farmington Hills	234
9.	Livonia	222
10.	Ann Arbor	216

Fire Expenditures Per Resident

1.	Lansing	$246
2.	Southfield	203
3.	Dearborn	199
4.	Grand Rapids	153
5.	Warren	147
6.	**Sterling Heights**	**130**
7.	Livonia	127
8.	Ann Arbor	119
9.	Farmington Hills	102
10.	Troy	53

Public Works Expenditures Per Resident

1.	Ann Arbor	$166
2.	Farmington Hills	142
3.	Livonia	141
4.	Lansing	130
5.	Southfield	126
6.	Dearborn	115
7.	Grand Rapids	97
8.	Warren	92
9.	**Sterling Heights**	**81**
10.	Troy	75

Comparable City Benchmarks

City Expenditures (continued)

Refuse Expenditures Per Resident

1.	Ann Arbor	$258
2.	Troy	189
3.	Livonia	121
4.	Grand Rapids	69
5.	Dearborn	57
6.	Warren	56
7.	Farmington Hills	44
8.	Southfield	42
9.	Lansing	40
10.	**Sterling Heights**	**36**

Library Expenditures Per Resident

1.	Southfield	$71
2.	Dearborn	50
3.	Grand Rapids	50
4.	Livonia	37
5.	Troy	28
6.	Warren	28
7.	**Sterling Heights**	**19**
8.	Ann Arbor*	0
9.	Farmington Hills*	0
10.	Lansing*	0

**District Library*

Parks & Recreation Expenditures Per Resident

1.	Dearborn	$132
2.	Ann Arbor	102
3.	Troy	102
4.	Farmington Hills	97
5.	Southfield	86
6.	Livonia	69
7.	Lansing	61
8.	Warren	49
9.	Grand Rapids	31
10.	**Sterling Heights**	**15**

2013 Revenues Over (Under) Expenditures Per Resident

1.	Warren	$192
2.	Dearborn	170
3.	Southfield	122
4.	Farmington Hills	121
5.	Grand Rapids	83
6.	Ann Arbor	68
7.	Troy	63
8.	Livonia	37
9.	Lansing	14
10.	**Sterling Heights**	**(15)**

Comparable City Benchmarks

Financial Benchmarks

2013 State Equalized Value (Billions)

1.	Ann Arbor	$5.5
2.	Grand Rapids	4.6
3.	Troy	4.5
4.	**Sterling Heights**	**4.3**
5.	Livonia	4.0
6.	Dearborn	3.7
7.	Warren	3.5
8.	Farmington Hills	3.1
9.	Southfield	2.6
10.	Lansing	2.1

Fitch Investors Bond Ratings

1.	Farmington Hills	AAA
2.	Troy	AAA
3.	Ann Arbor	AA+
4.	**Sterling Heights**	**AA+**
5.	Grand Rapids	AA
6.	Lansing	AA
7.	Livonia	AA
8.	Southfield	AA
9.	Warren	AA
10.	Dearborn	A+

General Fund Reserves Per Resident

1.	Troy	$454
2.	Farmington Hills	291
3.	Southfield	237
4.	Warren	234
5.	Dearborn	196
6.	Grand Rapids	174
7.	Ann Arbor	141
8.	Livonia	96
9.	Lansing	47
10.	**Sterling Heights**	**40**

2012 Fiscal Health Score 1 = Best; 10 = Worst

1.	Ann Arbor	1
2.	Dearborn	1
3.	Farmington Hills	1
4.	Grand Rapids (2011)	1
5.	Troy	1
6.	Livonia	2
7.	Warren	2
8.	Southfield	3
9.	Lansing	5
10.	**Sterling Heights***	**5**

**Prior to Safe Streets Proposal*

Comparable City Benchmarks

City Pension Plans

Annual Required Contribution Per Resident

1.	Lansing	$147
2.	Dearborn	116
3.	Warren	109
4.	Southfield	93
5.	Grand Rapids	90
6.	Ann Arbor	86
7.	**Sterling Heights**	**82**
8.	Farmington Hills	56
9.	Troy	38
10.	Livonia	8

Police & Fire Plan Percent Funded

1.	Livonia*	99.0
2.	Troy*	94.8
3.	Southfield	88.7
4.	Grand Rapids	88.0
5.	Dearborn	86.6
6.	Farmington Hills*	83.4
7.	Ann Arbor*	82.7
8.	Warren	79.1
9.	Lansing	71.0
10.	**Sterling Heights**	**66.0**

**Includes general employees*

General Employees Plan Percent Funded

1.	Livonia*	99.0
2.	Troy*	94.8
3.	**Sterling Heights**	**83.5**
4.	Farmington Hills*	83.4
5.	Dearborn	82.8
6.	Ann Arbor*	82.7
7.	Grand Rapids	81.0
8.	Southfield	72.6
9.	Warren	67.3
10.	Lansing	61.6

**Includes police & fire employees*

Unfunded Pension Liability Per Resident

1.	Lansing	$1,910
2.	Warren	1,369
3.	Southfield	1,091
4.	Ann Arbor	880
5.	**Sterling Heights**	**868**
6.	Grand Rapids	818
7.	Dearborn	725
8.	Farmington Hills	352
9.	Livonia	146
10.	Troy	68

Comparable City Benchmarks

Retiree Health Benefit Plans

Annual Required Contribution Per Resident

1.	Lansing	$284
2.	Southfield	170
3.	Dearborn	142
4.	Ann Arbor	109
5.	Warren	104
6.	**Sterling Heights**	**92**
7.	Grand Rapids	89
8.	Livonia	75
9.	Farmington Hills	50
10.	Troy	34

Retiree Health Plan Percent Funded

1.	Troy	67.1
2.	Farmington Hills	60.9
3.	Livonia	40.0
4.	Ann Arbor	35.1
5.	**Sterling Heights**	**29.1**
6.	Southfield	23.0
7.	Dearborn	18.6
8.	Warren	13.0
9.	Lansing	9.9
10.	Grand Rapids	4.0

Unfunded Health Liability Per Resident

1.	Lansing	$3,778
2.	Southfield	2,218
3.	Warren	2,092
4.	Dearborn	1,857
5.	Ann Arbor	1,396
6.	**Sterling Heights**	**990**
7.	Livonia	967
8.	Grand Rapids	661
9.	Troy	504
10.	Farmington Hills	235

Retirement Health Benefit Recipients Per 1,000 Residents

1.	Warren	10.3
2.	Lansing	10.1
3.	Dearborn	7.9
4.	Ann Arbor	7.1
5.	Southfield	6.7
6.	Livonia	5.6
7.	**Sterling Heights**	**4.4**
8.	Troy	4.0
9.	Farmington Hills	2.5
10.	Grand Rapids	2.1

Comparable City Benchmarks

Miscellaneous Benchmarks

Full-Time Employees Per 1,000 Residents

1.	Grand Rapids	7.9
2.	Lansing	7.5
3.	Southfield	7.2
4.	Dearborn	6.9
5.	Ann Arbor	6.1
6.	Livonia	5.8
7.	Warren	4.7
8.	Farmington Hills	4.3
9.	Troy	4.0
10.	**Sterling Heights**	**3.4**

Government Debt Per Resident

1.	Dearborn	$2,360
2.	Lansing	2,255
3.	Ann Arbor	2,150
4.	Warren	1,199
5.	Grand Rapids	907
6.	Southfield	903
7.	Livonia	677
8.	Troy	312
9.	Farmington Hills	221
10.	**Sterling Heights**	**190**

Pension & Retiree Health Care
Annual Req'd Contribution Per Resident

1.	Lansing	$431
2.	Southfield	263
3.	Dearborn	258
4.	Warren	213
5.	Ann Arbor	195
6.	Grand Rapids	179
7.	**Sterling Heights**	**174**
8.	Farmington Hills	106
9.	Livonia	83
10.	Troy	72

Average Residential Monthly Water & Sewer Bill

1.	Lansing	$101.44
2.	Southfield	84.70
3.	Dearborn	75.08
4.	Grand Rapids	73.48
5.	Farmington Hills	63.94
6.	Ann Arbor	57.50
7.	Troy	55.15
8.	Livonia	55.06
9.	Warren	51.63
10.	**Sterling Heights**	**45.02**

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 adjustments 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

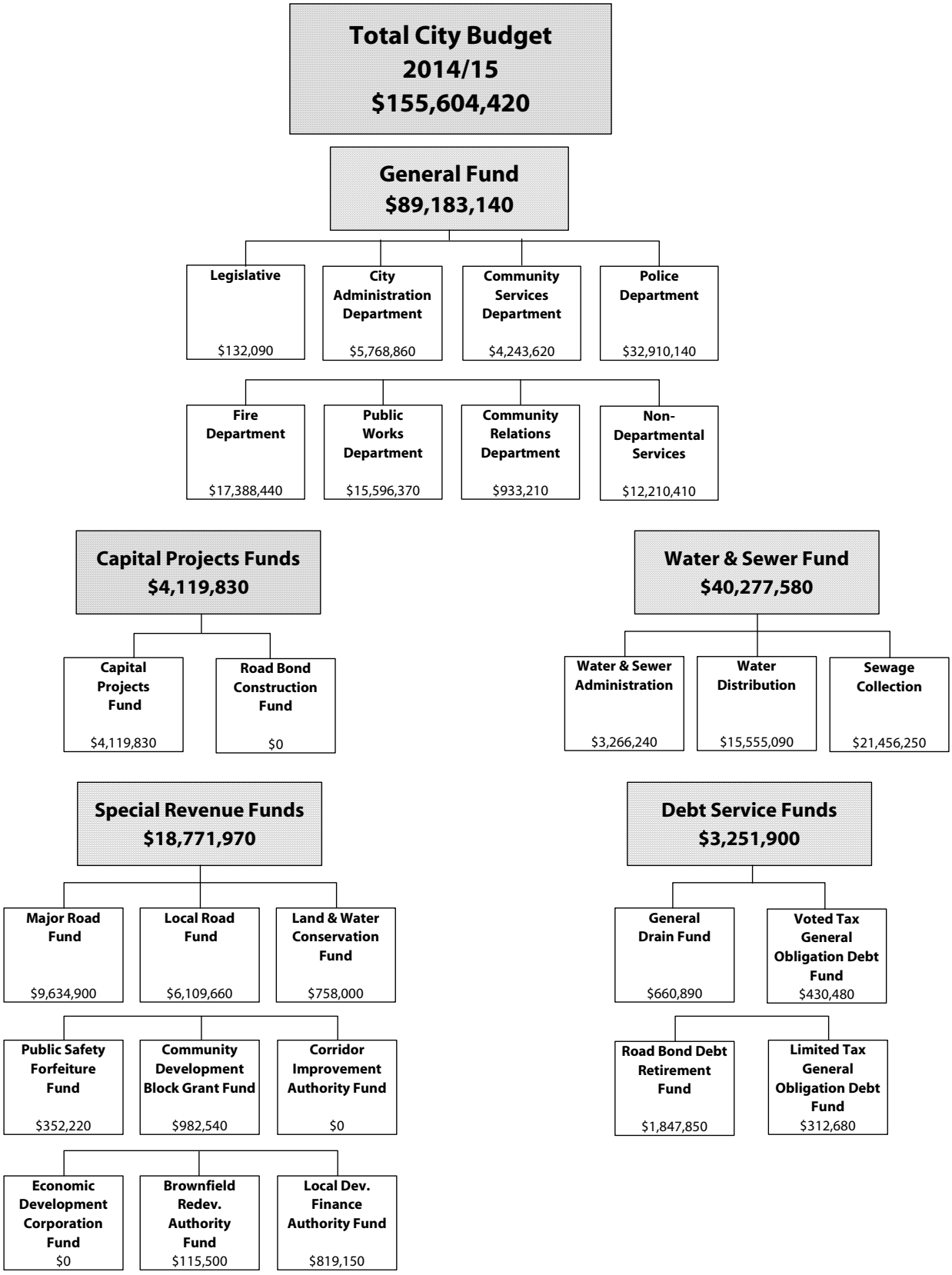


Chart figures correspond to budget tabs and include all transfers.

INTRODUCTION

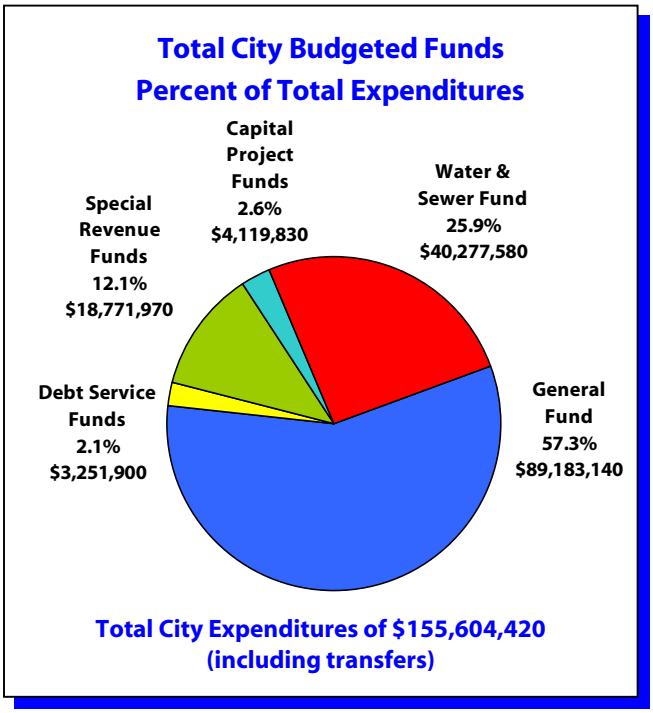
This Executive Summary has been prepared as a general overview to the 2014/15 Budget for the City of Sterling Heights. This overview will provide City residents with a comprehensive summary of the City's plans for the fiscal year. The City Council held several budget hearings throughout the months of 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), and at the City Clerk's office and the Public Library.

TOTAL CITY FUNDS

The 2014/15 Budget for all City Funds totals $155.6 million – an increase of $20.2 million or 14.9% over the prior year. Nearly 80% of the increase is a result of funding the necessary investments in replacing capital equipment and vehicles, repairing City infrastructure and parks, and improving neighborhood roads and the reconstruction of Van Dyke. If the capital funding increase was excluded and the duplicating transfers that primarily fund them, total expenditures would have increased only $4.5 million or 3.3%. Most of the $4.5 million is due to an increase in water and sewer costs from Detroit, higher actuarially required contributions to the Police and Fire pension system, succession planning efforts, and restoring a net total of eight full-time positions, most of which are being converted from part-time.

The City establishes a budget for 15 separate funds or accounting divisions. These 15 funds can be further grouped into five major fund categories as the accompanying graph illustrates. The largest is the ***General Fund***, which provides $89.2 million in funding towards the majority of services available to City residents through the City's six departments. The second largest fund is the ***Water & Sewer Operating Fund***, which provides $40.3 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 $18.8 million for major and local road maintenance and construction, park development, public safety drug forfeiture purchases, brownfield redevelopment, the local development financing authority, and for the federally subsidized Community Development Block Grant. Several notable items in the Special Revenue Funds Budget include:

- CDBG funding for improvements and repairs to Beaver Creek and Hampton Park, funding to assist low and moderate-income families in making minor home repairs, for property maintenance code enforcement efforts, funding for not-for-profit service organizations, and funding for the Special Recreation program.
- Increased funding for continued operation of the business incubator including repairs to the building and parking lot.
- Increased investment in major and local road maintenance including additional joint sealing and pot hole repairs, and increased snow removal funding.

- Park maintenance projects at several parks including a playground structure safety surface at North Clinton River Park, replacement safety and energy efficient lighting at all park pavilions, replacement flooring at the Recreation Center, a trail connector to Clinton River Park near 19 Mile Road, and replacement ball field lighting at Delia Park.

Numerous road improvement projects are budgeted next year including:

- The reconstruction and streetscape improvements along Van Dyke from 15 Mile to 18 Mile Road, as well as the resurfacing of Van Dyke from 14 Mile to 15 Mile Road.
- Repairs to Mound Road north of 18 Mile Road and the reconstruction of 19½ Mile Road from Merrill to Utica Road.
- $1.25 million for the asphalt resurfacing of Calka, Gulliver, and Irving Drives and $1.0 million for the City-wide sectional concrete replacement program.
- $3.3 million in neighborhood road concrete and asphalt repairs funded by the new Safe Streets millage recently approved by City residents.
- Funding for the specially assessed paving of Gardner Street East.
- The repair of 15 Mile Road at Dodge Park Road.
- Right of way for the future widening of Dequindre Road north of 18 Mile, and the preliminary design costs for the upcoming reconstruction of Dodge Park Road from Metroparkway to Utica Road.

The ***Capital Project Funds*** total $4.1 million. These funds are used for the purchase of capital equipment and vehicles, the repairs to municipal facilities, sidewalks, and storm drains, and for road construction financed by the sale of bonds. Notable capital projects include:

- $1.1 million for replacement vehicles including a Fire Rescue Pumper, eleven Police vehicles, a Fire Battalion Chief vehicle, and a DPW Tandem Axle Dump Truck and pickup truck with snow plow.
- $700,000 for City Hall and Fire Station #5 parking lot repairs.
- $667,820 in replacement equipment including Police in-car cameras, fire rescue equipment, a DPW front end loader, vehicle hoist, athletic field top dresser, mower, and SHTV cameras and video editing system.
- $450,000 for repairs to the Canal Road storm sewer.
- $328,510 for Technology upgrades including Police, Fire, and Court computers, public safety vehicle modems, Information Technology servers, and a software upgrade to the Assessing and Treasury system.
- $230,000 for Neighborhood Sidewalk Repairs and $320,000 for the Sidewalk Gap Program, repairs to the City Hall boiler, Police retaining wall, electronic message signs, and roof replacement at the Clinton River storage building.

Finally, the ***Debt Service Funds*** total $3.2 million and provide funding for the debt payments on road construction projects, the City Center Commons, storm drains, and the debt resulting from the voter approved Proposal F. The City has saved over $1.9 million in future interest payments due to the refinancing of several bonds and the last bond rating upgrade. The City's outstanding government debt has dropped to its lowest level since 1989. Debt continued to decline, as seven existing bonds have been fully paid off over the past two years.

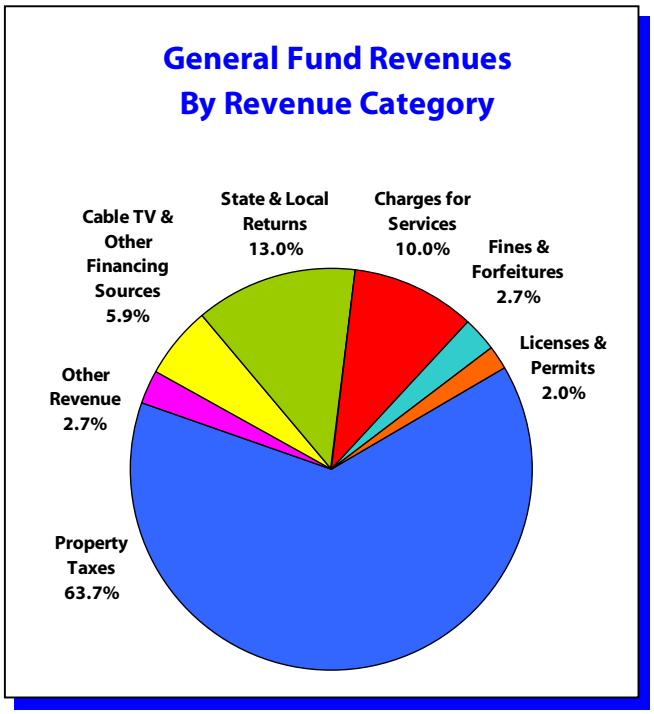
GENERAL FUND

The General Fund totals $89.2 million, an increase of $8.2 million or 10.1% above the prior year budget. However, when the $6.4 million in increased transfers to other City funds for necessary capital investments is excluded, the General Fund operational budget has risen by only $1.8 million or 2.3%.

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 tax rate of 15.1858 mills will provide $57.9 million or 63.7% of the total General Fund budget. Taxes are levied for General Operations, Safe Streets, Refuse Collection, Police & Fire Pensions, Public Improvement Proposal F debt, and Drain debt.

The City's total millage rate of 15.1858 mills will increase by 2.5 mills, as a result of the voter approval of the six-year Safe Streets millage last



November. Despite the increase, the City's tax rate continues to be lower than most cities in the State and is one of the lowest of any city in Macomb County. The City's tax rate is 5.5 mills lower than the average tax rate of all Macomb County cities.

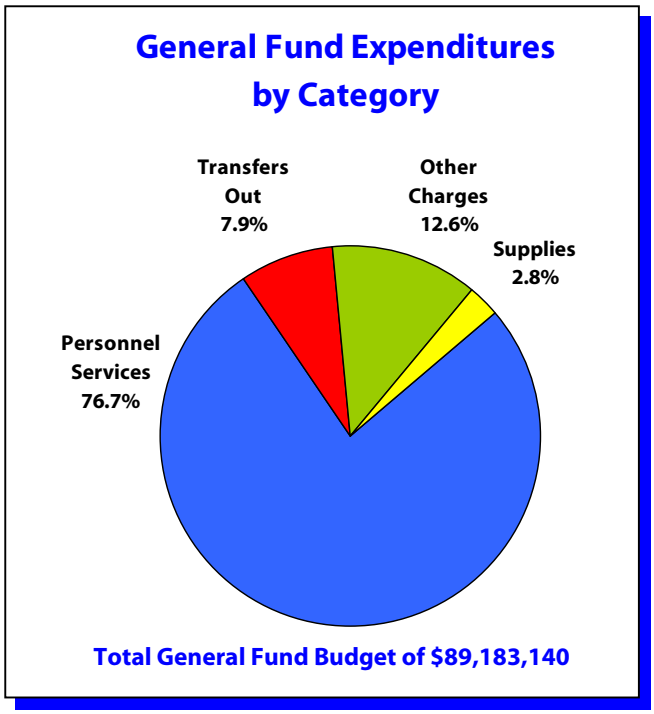
The City's total taxable value in 2015 increased 0.75%, the first increase in seven years. The Proposal A 1.6% inflationary adjustment is one of the lowest increases, and is well below the twenty year 2.4% average inflationary rate. The inflationary adjustment on most property is partially offset by flat industrial property values, tax appeals, and a decrease in personal property taxes due to a new State law that exempts personal property under $40,000 in taxable value. Despite the slight taxable value increase in 2015, the City's total taxable value has fallen by 23.6% since 2008. As a result, the City has now lost $78 million since 2008 in lower property tax revenues compared to receipts in a normal housing market. When inflation and a normal housing market are excluded, the City has lost $15.9 million in tax revenues. This revenue loss and assessment decline was unprecedented 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 2.0%, State and Local Returns 13.0%, Fines & Forfeitures 2.7%, Charges for Services 10.0%, Other Revenue 2.7%, Cable TV Revenue 2.5%, and Other Financing Sources 3.4%, which includes a transfer from the Self-insurance Fund as a pass through to fund the Van Dyke road project and an economic development initiative revolving fund.

Due to the passage of the Safe Streets proposal, no additional police or fire staffing cuts are proposed. In addition, due to continued wage and fringe benefit savings from all employees, $1.8 million is budgeted to increase depleted General Fund reserves. Reserves are estimated to total $7.0 million or 7.9% of General Fund expenditures. General Fund reserves had dropped to its lowest level in 27 years or since 1987.

Expenditures by Category

The $89.2 million General Fund budget is comprised of four separate expenditure objects or categories as the graph illustrates. The largest is for Personnel costs, which is made up of wages and fringe benefits and comprises 76.7% of the total budget. Supplies, which is primarily made up of operating supplies, fuel, parts for the repair and maintenance of City vehicles, and the purchase of Library books,



totals 2.8% of the budget. Other Charges totals 12.6% of the budget and is primarily for refuse, detention facility and custodial contract costs, utility bills, and legal costs. Transfers to other City funds totals 7.9% of the General Fund budget.

The total $8.2 million increase in General Fund expenditures can be explained by the following illustration showing where the expenditure changes have occurred:

	Dollar Change	Percentage Change
Personnel Services	$2,239,410	3.4%
Supplies	172,530	7.4%
Other Charges	(543,600)	(4.6%)
Transfers Out	6,343,280	968.1%
Total	**$8,211,620**	**10.1%**

Personnel Services increased by $2.2 million or 3.4% over last year's budget. Wages increased by $1 million due to a net increase of 8 full-time positions, most of which are being converted from part-time positions. The budget includes the hiring and training of 12 new Police Officers in advance of numerous retirements, so an orderly transition can be made. In addition, transition funds are also budgeted as part of the City's succession plan to replace three manager positions due to upcoming retirements. The City's required contribution to the Police and Fire retirement system rose $485,920. Health Insurance costs rose $199,190 due to the additional full-time positions as well as a slight rate increase. Overtime costs increased $158,770, due to the staffing of the Fire rescue/ladder vehicles, a Fire Officer mentoring program to aid in training new Fire Fighters due to upcoming retirements, and increased Engineering inspections.

The budget reflects the fifth year of employee wage and benefit concessions that have continued to save the City money. No inflationary union wage increases are budgeted. Only contractual wage steps are budgeted for those employees not yet at the top step. Contributions to the closed general employee pension system fell by $102,290 due to higher than anticipated investment returns and the lower negotiated pension multipliers.

The City will again fully fund its actuarially required contribution for current and future retiree medical liabilities. In 2014/15, an additional $135,610 or $11.7 million in total has been set-aside in the General Fund to fully cover these obligations. In the past eleven years, the City has increased this funding by $9.7 million.

The budget includes funding for 456 full-time positions – an increase of eight net positions. For the first time in seven years the budget does not decrease City full-time staff. Five positions are being converted from part-time in accordance with labor agreements, six full-time staff are being restored due to increased service demands, and three vacant full-time Court positions have become part-time due to retirements. The City has reduced funding for 193 full-time positions or 30% of its workforce since 2002, saving $15.4 million annually. The City's employee per resident ratio has decreased by 43%. The City has worked hard to reduce the staffing impact to the Police and Fire Departments. As a result in the past 13 years, public safety staffing is down only 20% compared to more than a 40% reduction in other City departments.

While six part-time positions have been converted to full-time, the budget reflects a net increase of two part-time positions. Four part-time positions have been added in the 41-A District Court due to retirements, two Seasonal Laborers and an Engineering Co-op have been added in DPW, and a contract employee in Parks & Recreation was converted to part-time. Increased funding for part-time hours have also been budgeted for DPW Seasonal Laborers, Engineering Aides, Accountants, Bus Drivers, and the Graphic Artist. The number of part-time staff has now increased by 36 positions or 45% since 2004.

Supplies increased by $172,530 or 7.4%. Operating Supplies increased $55,450 largely to cover the cost of turnout gear for new Fire Fighters and the replacement of breathing apparatus facemasks. Funding for vehicle and equipment repairs increased $53,020, while Postage costs rose $23,460 due to a rate increase. An additional $22,000 is budgeted to partially restore funding for Library books and audiovisual materials.

Other Charges decreased by $543,600 or 4.6%. The reduction is a result of a one-time decrease in liability insurance cross charges that can be redirected as a transfer to fund parking lot repairs at City Hall and storm sewer repairs on Canal Road.

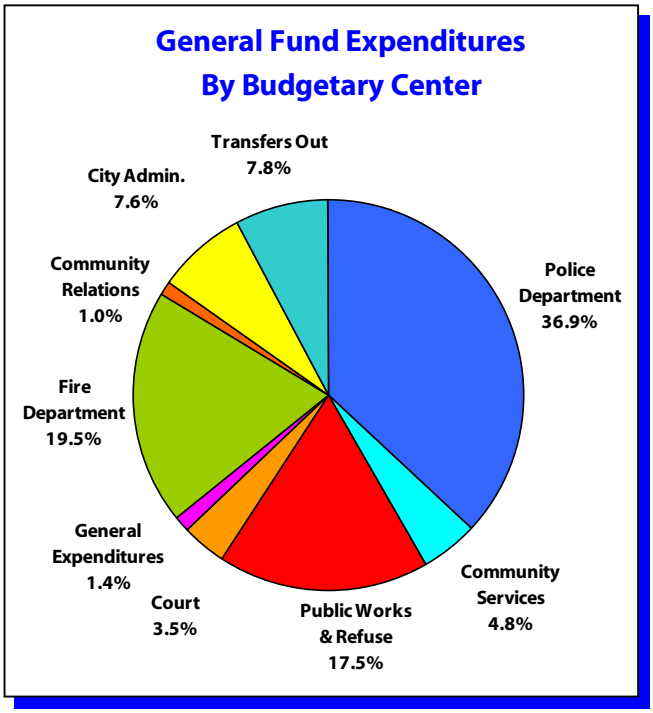
Funds remain budgeted to cover the one-time payout of Emergency Dispatcher unused leave time banks and separation costs when they transition to the County Dispatch Center by the end of the fiscal year. Additional contractual services are budgeted for park maintenance, and updates to the City's Master Land Use Plan, Parks & Recreation Plan, and Bike Path Plan. Refuse collection costs increased $170,000. Funding for employee tuition reimbursement has been partially restored as well as a slight increase for employee training. Savings were achieved in lower legal costs, bank fees, equipment maintenance, and telephone charges.

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 are funded through a Transfer Out from the General Fund. Most of the capital is for the Police, Fire and Public Works Departments. $667,820 is budgeted for replacement equipment and $328,510 for Information Technology upgrades including the replacement of 136 six-year old personal computers and replacement software for the Court, Police, and Fire Departments. $1.1 million is budgeted for the purchase of eleven replacement high mileage police vehicles, a fire Rescue Pumper, and a DPW Dump Truck. ***A complete list of all capital equipment, vehicles, and projects is located in the Capital Projects section of this document.***

General Fund ***Transfers Out*** to other City Funds increased by $6.3 million to restore funding for the replacement of capital vehicles, equipment, park and facility repairs, and needed capital improvements which had been delayed due to funding cuts over the past six years. Nearly two-thirds of the increase is a result of a one-time pass through of the self-insurance funds to finance the reconstruction of Van Dyke, establish an economic development revolving fund, and to fund storm sewer and City Hall parking lot repairs.

Expenditures by Budgetary Center

The General Fund can be further broken down into the departmental or budgetary center level. These centers comprise the six City operating departments as well as other ancillary expenditure cost centers. As you will note on the graph, nearly 75% 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 2014/15 Budget:

City Administration Department

- The conversion of a part-time City Management Assistant to full-time due to a retirement, as outlined in the City's labor agreement.
- Funds to administer the Police Sergeant promotion exam and to conduct an employee second wage tier comparison study.
- A consultant to assist the City in developing plans for the potential reuse of brownfield sites, increased educational and business retention visit funding for the new Economic Development Manager and an update to the City's Economic Development brochure.
- Due to continued part-time staff turnover, a full-time Clerk Typist in the City Clerk's office has been budgeted, increased funding for the gubernatorial and primary elections, and a postage rate increase, partially offset by PetData contract savings from the new two and three year animal licensing option.
- The use of City issued Smartphone's for all IT staff, increased software support fees, and two replacement computer servers.

- A part-time Appraiser III position has been converted to full-time and a Co-op has been promoted to a part-time Clerk to better assist the Assessing office. The budget also funds a required update to the Assessing and Treasury computer system.
- An increase of 300 hours for the two part-time Finance Accountants, transition funding due to the expected retirement of the Controller, and savings from eliminating the MUNIS inventory module.
- Due to upcoming promotions caused by retirements, the conversion of the part-time Administrative Assistant to full-time in Purchasing in compliance with the City's labor agreement.

Community Services Department

- The conversion of two part-time Library positions to full-time due to retirements.
- The continued service sharing agreement between the City and the Suburban Library Cooperative that funds a portion of the Community Services Director's costs, who in return assists them on a part-time basis.
- A $22,000 increase in funding for Library books and audiovisual materials, a $7,000 increase for new online database subscriptions, and continued CDBG funding for the purchase of senior books.
- In Parks & Recreation, a part-time Recreation Specialist is proposed to become full-time, a part-time Recreation Supervisor is now an employee rather than a contracted service, and the HUD Coordinator is now in Neighborhood Services due to staff turnover.
- $15,000 in additional part-time Bus Driver hours to expand senior transportation services.
- Partially restored program supply funding including the return of the adult kickball league, a corn maze for the Halloween Party, and increased Nature Center supplies.
- An update to the City's Parks & Recreation Master Plan and continued funds for the popular yoga and Zumba classes.
- The replacement of flooring at the Recreation Center, CDBG improvements to Beaver Creek and Hampton Parks, replacement Delia Park ball field lighting, a 19 Mile Road park trail connector, new park pavilion lighting, and a play equipment safety surface at North Clinton River Park.

Police Department

- The early hiring and training of 12 new Police Officers in advance of numerous retirements as part of the City's succession planning efforts to ensure an orderly transition.
- Increased Police training, funding for two new components to the New World computer system, and increased emergency warning siren maintenance.
- The replacement of 72 seven-year old personal computers and updated Microsoft Office software.
- The removal and replacement of the retaining wall near the Police Department's lower level entrance.
- The full year funding for City Dispatch operations that is scheduled to transfer to the County by the end of the fiscal year.
- Funding for nine replacement high mileage traffic and patrol vehicles, two Tahoe's, 40 replacement in-car video cameras, and upgraded car modems.
- The use of drug funds to replace two Investigative vehicles, an investigative thermal imaging camera, an upgrade to the Department's electronic evidence software, 50 replacement taser guns, eight radar units, and vehicle compatibility equipment for the new police cruiser model.

Fire Department

- The staffing of the Fire rescue/ladder vehicles which used to be pulled out of service when daily manpower fell below 20 fire fighters.
- The funding of leave-time buyback costs due to the upcoming retirement of 21 sworn positions by the end of the fiscal year.
- A Fire Officer mentoring program to aid in training new fire fighters due to the upcoming retirements.
- Replacement turnout gear for the new hired fire fighters and the required replacement of breathing apparatus facemasks for all personnel.
- Increased funds for employee training and Hazmat physicals due to staff turnover.
- The promotion of a Fire Fighter to a Fire Prevention Specialist position, to better assist the Fire Prevention division.
- The replacement of 28 six-year old personal

computers, repairs to the Fire Station #5 parking lot, and eleven replacement automatic defibrillators for City buildings.
- Funds to purchase a replacement Rescue Pumper, a Battalion Chief's vehicle, extrication equipment, vehicle modems, and faster wireless access connections at the Fire Stations.

Public Works Department

- A new after-hours expedited Building Plan Review option, the purchase of updated building code books, increased building maintenance and restroom supplies, savings from the conversion to the new BS&A building computer system, and the use of foam soap dispensers.
- The roof replacement at the Clinton River storage building and repairs to the air chiller and boiler at City Hall.
- The recall of one Engineering Aide, additional part-time Engineering Aide hours, and a high school Co-op position to better assist with the new Neighborhood Road Repair program.
- The completion of a Master Bike Trail Plan through the City.
- The restoring of a Storekeeper position in Fleet Maintenance and the promotion of a DPW field employee to Fleet Maintenance Supervisor.
- Increased funds for vehicle and equipment repairs, repair tools, upgraded vehicle diagnostic equipment, and repairs to the City's heavy-duty vehicle hoist.
- The relocation of the HUD Coordinator and CDBG intern positions from Parks & Recreation due to staff turnover, a new full-time Senior Clerk to assist with code enforcement duties, and the production of a code enforcement resource guide for non-English speaking residents.
- The relocation of the Fleet Division Supervisor to Parks & Grounds, a Laborer to the Streets division, and an additional Seasonal Laborer to assist with park maintenance projects.
- Funding to better maintain athletic fields and playgrounds including the purchase of a field top dresser, funds to replace dead landscaping around City buildings, and the contracting of all park mowing to allow City staff to concentrate on additional park maintenance projects.
- Six-month funding to transition a full-time replacement for the retiring part-time City Planner.
- Increased funds for the cutting of high grass on vacant properties.
- The use of a Seasonal Laborer to assist with the collection of condo soft yard waste which is a less expensive option than paying the City's waste hauler.
- The addition of a full-time Laborer and a part-time Seasonal Laborer in Street Services for increased road maintenance.
- Capital funding to replace a right of way mower, a Front End Loader, a pickup truck with plow, and a Tandem Axle Dump truck to improve the City's snow removal capabilities.

Community Relations Department

- Six-month funding to transition to a new Community Relations Director due to a retirement at the end of the fiscal year as part of the City's succession planning efforts.
- $12,000 for additional hours and a wage increase for the City's Website/Graphic Specialist.
- Funding to restore the appreciation banquet for City volunteers and board and commission members.
- Capital funds to upgrade the SHTV video editing system, replace two video cameras, and repair and upgrade two City outdoor electronic message board signs.

Non-Departmental Services

- The elimination of three full-time Deputy Court Clerks due to retirements and funding for an additional four part-time Court positions.
- The replacement of 36 six-year old Court computers and Microsoft Office software .
- Funding in the Act 78 Civil Service Commission for Police Officer and Fire Fighter pre-employment physicals due to upcoming retirements.
- Funding to partially restore the employee tuition reimbursement program.
- Legal savings from not having to utilize the City's Labor Attorney as much as in past years.
- The continued City memberships to the Southeast Michigan Council of Governments (SEMCOG), the Clinton River Watershed Council, Michigan Municipal League, Mayors and Municipalities Automotive Coalition, 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. 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.

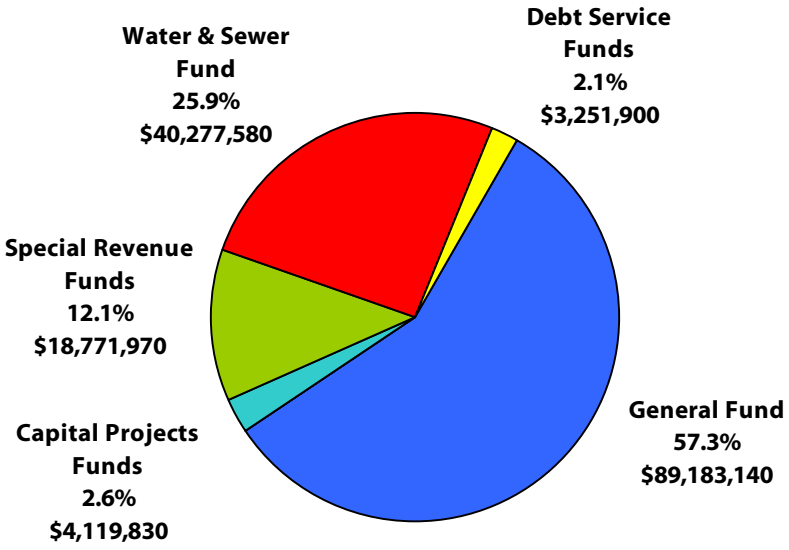
Sterling Heights purchases its water and sewage services from the City of Detroit, which directly influences the rates we must charge. Effective July 1, 2014, the cost of water purchased from Detroit and Detroit's fixed charges will increase by 6.2%. Water consumption is estimated to fall by 2.8%, which lowers water sale revenues. Sewer rates are estimated to increase by 4.0%, coupled with a 5.8% increase in fixed costs, a 4.0% increase in treated sewage volumes, and an 11.2% increase in debt payments on the District's sewer rehabilitation projects. The City is also investing an additional $730,500 primarily to replace sewer-cleaning equipment. The cost of water main repairs and preventative maintenance initiatives has also risen. As a result, a 7.9% water and 11.9% sewer rate adjustment must be passed on to our customers. Net assets will be used to fund an $884,640 one-time sewer look-back charge from Detroit as a result of past meter testing. Residential fixed fees will increase by $1 per quarterly bill, while commercial accounts will see a $2 per bill adjustment to begin to become more in-line with Detroit's increasing fixed rate structure.

The average Sterling Heights residential customer will pay $50 per month for water & sewer services. The City's maximum summer discount will remain at $26, as this discount was increased a few years ago for the first time in ten years. 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 in the State.

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 $8,150 or 0.2% due to savings from the union contracts, the transfer of a full-time position to the General Fund, and lower required pension contributions. Supply costs rose $17,100 or 6.0% due to the higher cost of needed water meters and replacement parts.

The Capital budget includes a replacement Vactor and Sewer Jet, a backup generator for a sewer lift station, a sweeper to clean the DPW shop floor, and a pick-up truck with plow.■

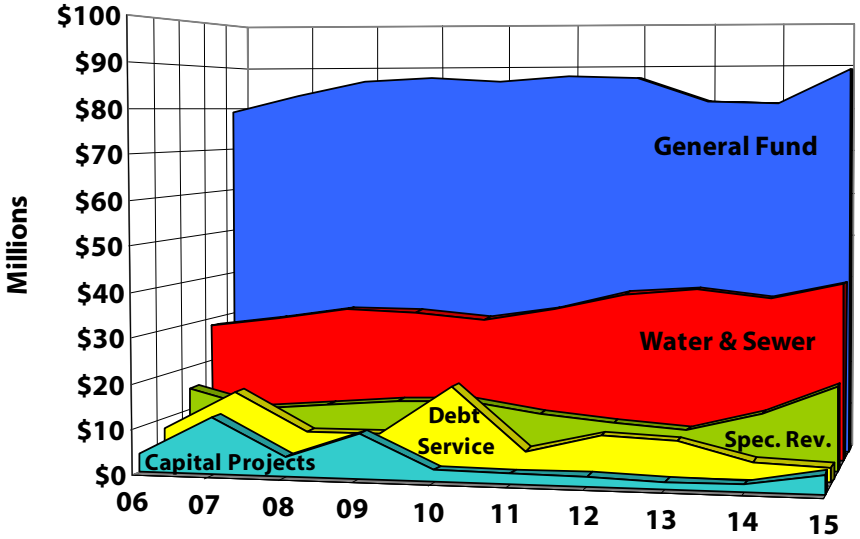
Total City Budgeted Funds
Percent of Total Expenditures



Total City Expenditures of $155,604,420 (including transfers)

This graph illustrates total fund expenditures as a percent of all City Funds.

Total City Budgeted Funds
Expenditure History



This graph illustrates the expenditure history of all City budgeted funds.

2014/15 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	$57,916,900	$0	$3,272,900	$1,090,520	$0	**$62,280,320**
Water & Sewer Service	0	36,206,700	0	0	0	**36,206,700**
Interfund Transfers In	3,100,000	0	3,938,000	1,912,680	3,497,830	**12,448,510**
State Revenue Sharing	10,900,000	0	0	0	0	**10,900,000**
Charges for Services	8,173,850	2,443,050	52,000	0	0	**10,668,900**
Highway & Street Grants	0	0	7,600,000	0	0	**7,600,000**
Miscellaneous Revenue	1,166,480	545,010	409,490	250,600	287,020	**2,658,600**
Federal, State & Local Grants	950,090	0	1,557,540	33,990	12,000	**2,553,620**
Court & Police Fines and Forf.	2,377,000	0	0	0	0	**2,377,000**
Cable Revenue	2,300,000	0	0	0	0	**2,300,000**
Licenses & Permits	1,772,000	0	0	0	0	**1,772,000**
Rental - Road Equipment	1,100,000	10,000	0	0	0	**1,110,000**
Labor Services Roads	950,000	25,000	0	0	0	**975,000**
TIF/LDFA-SmartZone Capture	0	0	743,500	0	0	**743,500**
Interest On Investments	175,000	201,100	8,320	1,600	1,100	**387,120**
Sale of Fixed Assets	15,000	0	0	0	160,000	**175,000**
Other Fines & Forfeitures	60,000	0	0	0	0	**60,000**
Total Revenues	**90,956,320**	**39,430,860**	**17,581,750**	**3,289,390**	**3,957,950**	**155,216,270**
EXPENDITURES BY OBJECT						
Personnel Services	68,404,250	3,677,230	8,770	0	0	**72,090,250**
Other Charges	6,745,720	29,998,300	1,814,730	3,330	0	**38,562,080**
Capital Improvement Projects	0	0	11,057,040	0	2,013,000	**13,070,040**
Interfund Transfers Out	6,998,510	0	2,350,000	0	0	**9,348,510**
Refuse Collection	4,470,000	0	0	0	0	**4,470,000**
Principal Payments	0	1,675,320	0	2,620,000	0	**4,295,320**
Other Services	0	0	3,282,500	0	0	**3,282,500**
Supplies	2,495,560	303,000	78,800	0	0	**2,877,360**
Interest Payments	0	1,909,150	0	628,570	0	**2,537,720**
Interfund Services	69,100	1,908,580	19,000	0	0	**1,996,680**
Capital Vehicles	0	721,000	48,000	0	1,110,500	**1,879,500**
Capital Equipment	0	85,000	113,130	0	996,330	**1,194,460**
Total Expenditures	**89,183,140**	**40,277,580**	**18,771,970**	**3,251,900**	**4,119,830**	**155,604,420**
Excess of Revenues Over (Under) Expenditures	1,773,180	*	(1,190,220)	37,490	(161,880)	**458,570**
Beginning Fund Balance	5,248,480	*	5,199,140	630,230	389,930	**11,467,780**
Ending Fund Balance	**$7,021,660**	*	**$4,008,920**	**$667,720**	**$228,050**	**$11,926,350**

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

	2012/13 Actual	2013/14 Estimate	2014/15 Budget
REVENUES BY SOURCE			
City Property Taxes	$51,666,180	$51,394,630	**$62,280,320**
Water & Sewer Service	32,380,570	30,667,230	**36,206,700**
Interfund Transfers In	6,222,410	4,256,940	**12,448,510**
State Revenue Sharing	10,268,110	10,660,000	**10,900,000**
Charges for Services	9,780,750	10,335,230	**10,668,900**
Highway & Street Grants	7,256,130	7,500,000	**7,600,000**
Miscellaneous Revenue	2,486,750	2,595,190	**2,658,600**
Federal, State & Local Grants	2,464,120	3,359,670	**2,553,620**
Court & Police Fines & Forfeitures	2,398,230	2,322,000	**2,377,000**
Cable Revenue	2,292,540	2,250,000	**2,300,000**
Licenses & Permits	1,789,800	1,825,000	**1,772,000**
Rental - Road Equipment	1,042,360	1,215,000	**1,110,000**
Labor Services Roads	832,440	1,140,000	**975,000**
TIF/LDFA-SmartZone Capture	277,480	725,490	**743,500**
Interest On Investments	399,230	371,560	**387,120**
Sale of Fixed Assets	14,420	10,000	**175,000**
Other Fines & Forfeitures	91,020	60,000	**60,000**
Proceeds - Long-term Debt	3,275,000	0	**0**
Total Revenues	**134,937,540**	**130,687,940**	**155,216,270**
EXPENDITURES BY OBJECT			
Personnel Services	70,176,920	70,217,810	**72,090,250**
Other Charges	39,770,480	37,772,590	**38,562,080**
Capital Improvement Projects	2,423,850	5,446,900	**13,070,040**
Interfund Transfers Out	3,564,200	2,815,230	**9,348,510**
Refuse Collection	4,484,570	4,400,000	**4,470,000**
Principal Payments	6,995,000	4,674,820	**4,295,320**
Other Services	2,899,380	3,979,910	**3,282,500**
Supplies	2,695,760	2,832,190	**2,877,360**
Interest Payments	2,598,930	2,434,470	**2,537,720**
Interfund Services	1,767,900	1,902,670	**1,996,680**
Capital Vehicles	373,320	343,490	**1,879,500**
Capital Equipment	312,520	708,520	**1,194,460**
Total Expenditures	**138,062,830**	**137,528,600**	**155,604,420**
Excess of Revenues Over (Under) Expenditures *	437,370	(2,701,970)	**458,570**
Beginning Fund Balance	13,732,380	14,169,750	**11,467,780**
Ending Fund Balance	**$14,169,750**	**$11,467,780**	**$11,926,350**

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

REVENUE COMPARISON
CITY BUDGETED FUNDS

Fund No.	Fund Name	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget	% Change from 13/14
	GENERAL FUND						
1010	General Fund	$81,493,800	$81,612,890	$80,935,430	$81,230,190	**$90,956,320**	12.4%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	31,359,580	35,093,950	36,664,170	33,900,280	**39,430,860**	7.5%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	5,598,080	5,718,950	5,979,000	5,945,420	**8,965,000**	49.9%
2030	Local Road Fund	2,374,890	2,139,490	2,156,550	2,289,160	**6,321,690**	193.1%
2440	Land & Water Conservation Fund	5,450	1,350	6,400	5,550	**263,200**	4012.5%
2750	Energy Eff. & Cons. Block Grant Fd.	525,300	0	0	0	**0**	0.0%
2770	Public Safety Forfeiture Fund	310,820	186,280	86,830	311,150	**5,150**	-94.1%
2780	Comm. Develop. Block Grant Fund	789,370	457,690	1,451,560	1,451,560	**982,540**	-32.3%
2890	Neighborhood Stabilization Fund	412,530	242,260	0	4,740	**0**	0.0%
8510	Corridor Improvement Auth. Fund	20	20	20	10	**10**	-50.0%
8550	Economic Develop. Corp. Fund	21,010	19,010	10	0	**300,000**	100.0%
8560	Brownfield Redevelopment Fund	70,520	127,300	113,980	114,020	**115,560**	1.4%
8670	Local Dev. Finance Authority Fund	592,820	265,730	628,810	690,700	**628,600**	0.0%
	Total Special Revenue Funds	**10,700,810**	**9,158,080**	**10,423,160**	**10,812,310**	**17,581,750**	**68.7%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	1,196,590	1,225,180	822,500	826,600	**660,890**	-19.6%
3050	Voted Gen. Obligation Debt Fund	352,860	366,140	413,600	412,700	**430,480**	4.1%
3270	Road Bond Debt Retirement Fund	6,710,610	6,009,390	2,455,940	2,464,580	**1,885,340**	-23.2%
3690	Ltd. Tax Gen. Obligation Debt Fund	608,680	528,740	297,080	297,080	**312,680**	5.3%
	Total Debt Service Funds	**8,868,740**	**8,129,450**	**3,989,120**	**4,000,960**	**3,289,390**	**-17.5%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	1,045,030	748,730	856,360	744,160	**3,797,950**	343.5%
4280	Road Bond Construction Fund	33,480	194,440	160,200	40	**160,000**	-0.1%
	Total Capital Project Funds	**1,078,510**	**943,170**	**1,016,560**	**744,200**	**3,957,950**	**289.3%**
	Total Revenue	**133,501,440**	**134,937,540**	**133,028,440**	**130,687,940**	**155,216,270**	**16.7%**
	Duplicating Transfers	**(3,602,970)**	**(6,222,410)**	**(4,871,280)**	**(4,256,940)**	**(12,448,510)**	155.5%
	Total All Funds	**$129,898,470**	**$128,715,130**	**$128,157,160**	**$126,431,000**	**$142,767,760**	**11.4%**

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

EXPENDITURE COMPARISON
CITY BUDGETED FUNDS

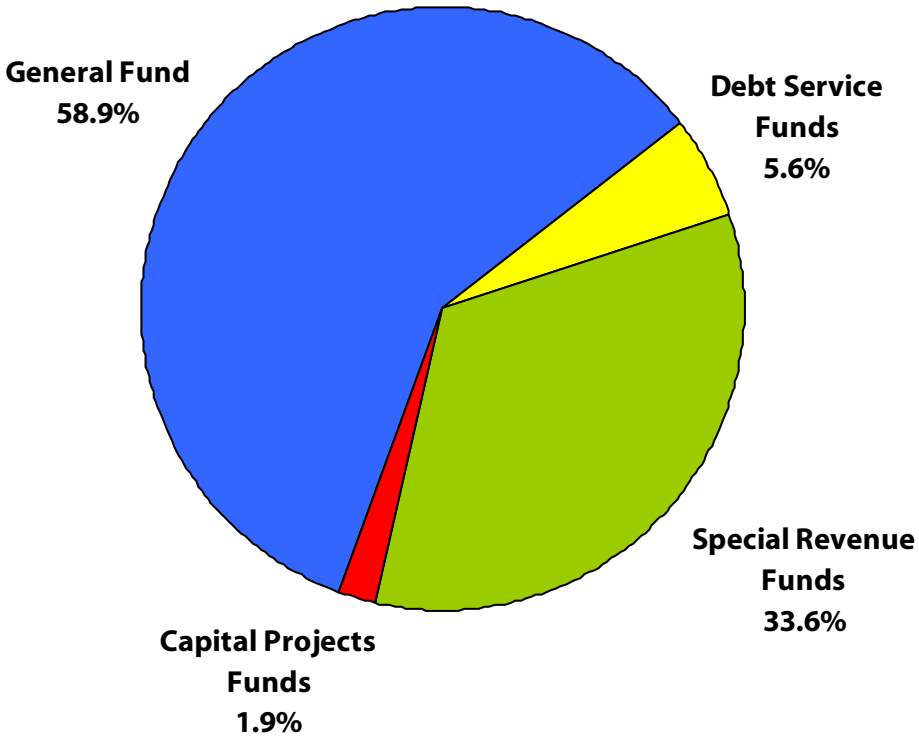
Fund No.	Fund Name	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget	% Change from 13/14
	GENERAL FUND						
1010	General Fund	$87,236,530	$81,612,890	$80,971,520	$81,230,190	**$89,183,140**	10.1%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	37,306,720	38,656,610	36,666,350	38,038,970	**40,277,580**	9.8%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	4,559,050	4,672,960	6,973,960	6,857,770	**9,634,900**	38.2%
2030	Local Road Fund	1,995,980	2,172,600	2,696,210	3,191,650	**6,109,660**	126.6%
2440	Land & Water Conservation Fund	115,440	19,540	108,600	103,450	**758,000**	598.0%
2750	Energy Eff. & Cons. Block Grant Fund	525,300	0	0	0	**0**	0.0%
2770	Public Safety Forfeiture Fund	294,640	253,590	411,770	492,470	**352,220**	-14.5%
2780	Comm. Develop. Block Grant Fund	789,370	457,690	1,451,560	1,451,560	**982,540**	-32.3%
2890	Neighborhood Stabilization Fund	412,530	242,260	0	4,740	**0**	0.0%
8510	Corridor Improvement Auth. Fund	8,470	0	0	0	**0**	0.0%
8550	Economic Development Corp. Fund	8,420	20,490	0	0	**0**	0.0%
8560	Brownfield Redevelopment Fund	69,810	131,990	114,460	113,960	**115,500**	0.9%
8670	Local Dev. Finance Authority Fund	570,680	238,910	598,040	493,930	**819,150**	37.0%
	Total Special Revenue Funds	**9,349,690**	**8,210,030**	**12,354,600**	**12,709,530**	**18,771,970**	**51.9%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	1,188,740	1,224,340	822,500	822,500	**660,890**	-19.6%
3050	Voted Gen. Obligation Debt Fund	350,350	370,100	413,600	413,600	**430,480**	4.1%
3270	Road Bond Debt Retirement Fund	6,629,830	5,923,320	2,449,900	2,449,900	**1,847,850**	-24.6%
3690	Ltd. Tax Gen. Obligation Debt Fund	608,680	528,660	297,080	297,080	**312,680**	5.3%
	Total Debt Service Funds	**8,777,600**	**8,046,420**	**3,983,080**	**3,983,080**	**3,251,900**	**-18.4%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	1,952,470	942,210	1,247,360	1,374,790	**4,119,830**	230.3%
4280	Road Bond Construction Fund	190,710	594,670	192,040	192,040	**0**	-100.0%
	Total Capital Project Funds	**2,143,180**	**1,536,880**	**1,439,400**	**1,566,830**	**4,119,830**	**186.2%**
	Total Expenditures	**144,813,720**	**138,062,830**	**135,414,950**	**137,528,600**	**155,604,420**	**14.9%**
	Duplicating Transfers	**(3,602,970)**	**(3,564,200)**	**(2,815,230)**	**(2,815,230)**	**(9,348,510)**	232.1%
	Total All Funds	**$141,210,750**	**$134,498,630**	**$132,599,720**	**$134,713,370**	**$146,255,910**	**10.3%**

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

YEAR-END UNAPPROPRIATED
FUND BALANCE COMPARISON
GOVERNMENTAL FUNDS

Fund No.	Fund Name	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget	% Change from 13/14
	GENERAL FUND						
1010	General Fund	$5,248,480	$5,248,480	$5,212,390	$5,248,480	**$7,021,660**	34.7%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	3,729,120	4,775,110	3,780,150	3,862,760	**3,192,860**	-15.5%
2030	Local Road Fund	1,105,170	1,072,060	532,400	169,570	**381,600**	-28.3%
2440	Land & Water Conservation Fund	623,580	605,390	503,190	507,490	**12,690**	-97.5%
2750	Energy Eff. & Cons. Block Grant Fund	0	0	0	0	**0**	0.0%
2770	Public Safety Forfeiture Fund	598,170	530,860	205,920	349,540	**2,470**	-98.8%
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	25,950	25,970	25,990	25,980	**25,990**	0.0%
8550	Economic Development Corp. Fund	14,170	12,690	12,700	12,690	**312,690**	2362.1%
8560	Brownfield Redevelopment Fund	10,230	5,540	5,060	5,600	**5,660**	11.9%
8670	Local Dev. Finance Authority Fund	41,920	68,740	99,510	265,510	**74,960**	-24.7%
	Total Special Revenue Funds	**6,148,310**	**7,096,360**	**5,164,920**	**5,199,140**	**4,008,920**	**-22.4%**
	DEBT SERVICE FUNDS						
3010	General Drain Fund	10,910	11,750	11,750	15,850	**15,850**	34.9%
3050	Voted General Obligation Debt Fund	11,070	7,110	7,110	6,210	**6,210**	-12.7%
3270	Road Bond Debt Retirement Fund	507,090	593,160	599,200	607,840	**645,330**	7.7%
3690	Limited Tax Gen. Obligation Debt Fund	250	330	330	330	**330**	0.0%
	Total Debt Service Funds	**529,320**	**612,350**	**618,390**	**630,230**	**667,720**	**8.0%**
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	1,206,270	1,012,790	621,790	382,160	**60,280**	-90.3%
4280	Road Bond Construction Fund	600,000	199,770	167,930	7,770	**167,770**	-0.1%
	Total Capital Project Funds	**1,806,270**	**1,212,560**	**789,720**	**389,930**	**228,050**	**-71.1%**
	Unappropriated Total - All Funds	**$13,732,380**	**$14,169,750**	**$11,785,420**	**$11,467,780**	**$11,926,350**	**1.2%**

City Government Funds
Percent of Total Reserves



Total Government Fund Reserves of $11,926,350

This graph illustrates total fund balance reserves for each of the City's Government Funds.

YEAR-END
NET ASSET COMPARISON
NON-BUDGETARY FUNDS

Fund No.	Fund Name	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Actual
	PROPRIETARY FUNDS					
	ENTERPRISE FUND					
5740	Water & Sewer Improvement Fund	$33,991,681	$34,041,578	$32,704,205	$31,595,124	$29,959,285
	INTERNAL SERVICE FUND					
6770	Self-Insurance Fund	15,941,054	21,695,945	21,490,458	22,581,793	21,465,741
	Total Proprietary Funds	**49,932,735**	**55,737,523**	**54,194,663**	**54,176,917**	**51,425,026**
	FIDUCIARY FUNDS					
	TRUST FUNDS					
7010	Retiree Medical Benefits Fund	20,997,788	29,553,841	42,313,534	47,243,195	57,608,594
7370	General Employees Retirement System	91,705,363	98,979,076	111,720,763	104,725,421	107,385,692
7380	Police & Fire Retirement System	144,978,749	148,433,306	171,579,741	163,021,978	175,705,787
	Total Fiduciary Funds	**257,681,900**	**276,966,223**	**325,614,038**	**314,990,594**	**340,700,073**
	Total All Non-Budgetary Funds	**$307,614,635**	**$332,703,746**	**$379,808,701**	**$369,167,511**	**$392,125,099**

This informational schedule is included in the budget document to illustrate fund balance reserves or "net assets" of the City non-budgeted 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 from the General Fund and Water & Sewer Operating Fund. The Trust Funds are managed based on 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. Trust Fund net assets are restricted for future benefit payments. 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 to fund the 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, Community Services, Police, Fire, Public Works, Community Relations and the 41-A District Court.

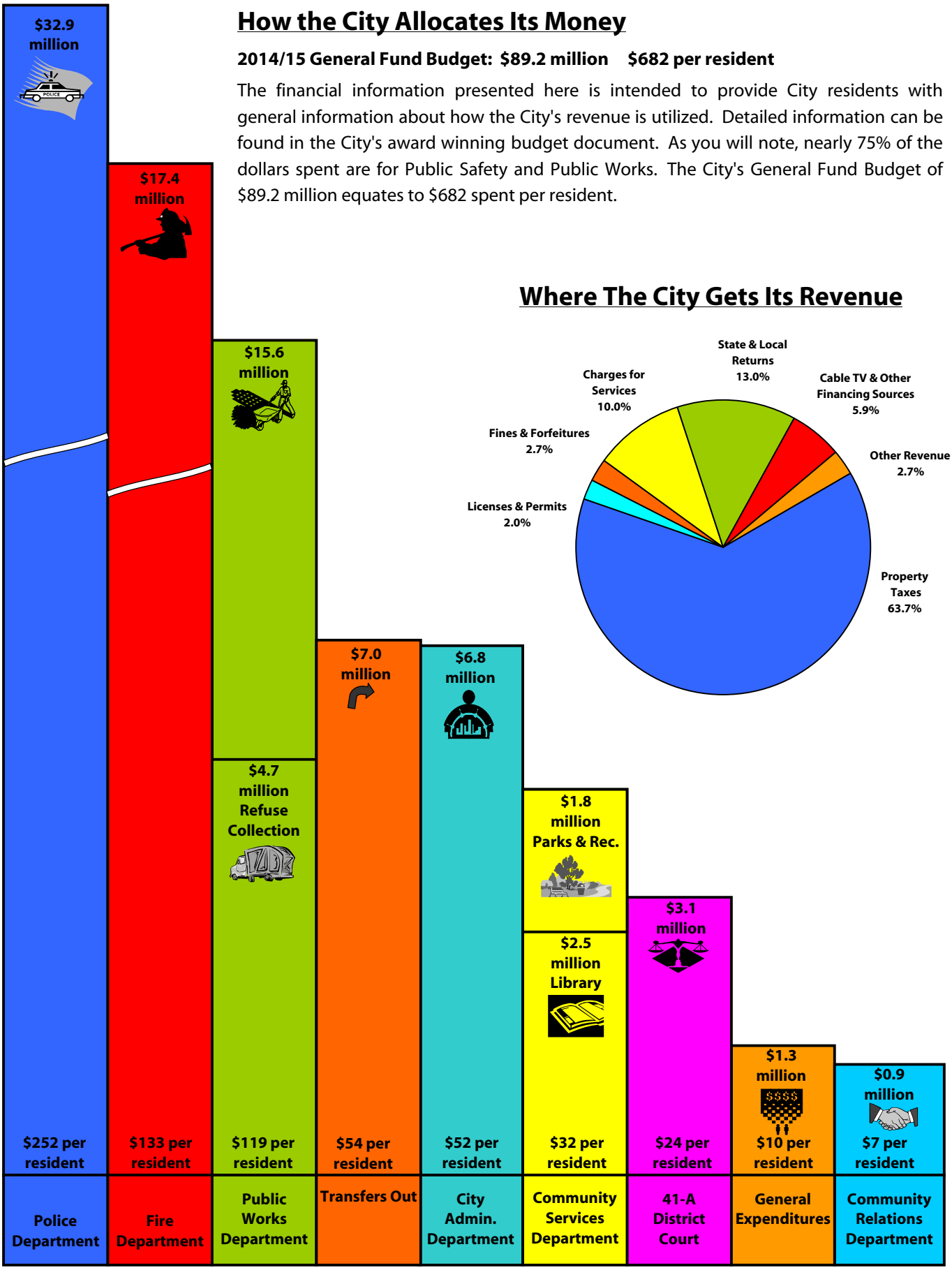
Local property taxes and state shared revenues are the primary sources of revenue used to fund these services.

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

2014/15 General Fund Budget: $89.2 million $682 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, nearly 75% of the dollars spent are for Public Safety and Public Works. The City's General Fund Budget of $89.2 million equates to $682 spent per resident.



Where The City Gets Its Revenue

Trends & Summaries

The Trends & Summaries section presents a concise 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.

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 average residential property tax bill is $2,270 for those in the Utica Community School district and $2,755 for those in the Warren Consolidated School district. Of this amount, the City receives 40%, or $969, to fund all local City services such as police and fire protection, refuse collection, and snow plowing services. The average homeowner pays less than $81 per month in City taxes.

	Utica Schools	Warren Schools
Average Residential Total Property Tax Bill: *(based on home with a market value of $140,000 and taxable value of $63,800)*	**$2,270**	**$2,755**
Average Residential Property Tax (City Portion Only):	**$969**	**$969**

The City of Sterling Heights spends an average of $2,160 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	$760	35%	$341
Public Works	$436	20%	$196
Fire Department	$401	19%	$180
General Expenditures & Transfers	$191	9%	$85
City Administration Department	$156	7%	$70
Community Services Department	$98	5%	$44
41-A District Court	$71	3%	$32
Debt Service	$25	1%	$11
Community Relations Department	$22	1%	$10
Total Per Parcel	**$2,160**	**100%**	**$969**

Because the average amount of residential property tax the City receives is only $969, 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.

RESIDENTIAL TAX RATES

(UTICA COMMUNITY SCHOOLS)

Taxing Entity	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Tax Rate Shown in Mills							
Utica Community Schools	9.500	9.500	9.750	9.850	9.850	9.850	**9.850**
Macomb County	4.206	4.574	4.574	4.574	4.574	4.574	**4.574**
Macomb Community College	1.421	1.421	1.421	1.571	1.571	1.531	**1.531**
Macomb Intermediate School District	2.943	2.943	2.943	2.943	2.943	2.943	**2.943**
Huron Clinton Metro Authority	0.215	0.215	0.215	0.215	0.215	0.215	**0.215**
S.M.A.R.T.	0.590	0.590	0.590	0.590	0.590	0.590	**0.590**
County Zoo/Veterans/DIA	0.140	0.140	0.140	0.140	0.340	0.340	**0.340**
Property Tax Administration Fee	0.190	0.302	0.323	0.326	0.328	0.327	**0.352**
STERLING HEIGHTS	10.786	10.786	12.686	12.686	12.686	12.686	**15.186**
Total Millage Rates	**29.990**	**30.470**	**32.641**	**32.894**	**33.096**	**33.055**	**35.580**
Average Residential Taxable Value	**$83,900**	**$80,900**	**$70,970**	**$66,000**	**$61,400**	**$62,800**	**$63,800**
Average Tax Rates Shown in Dollars							
Utica Community Schools	$797	$769	$692	$650	$605	$619	**$628**
Macomb County Government	353	370	325	302	281	287	**292**
Macomb Community College	119	115	101	104	96	96	**98**
Macomb Intermediate School District	247	238	209	194	181	185	**188**
Huron Clinton Metro Authority	18	17	15	14	13	13	**14**
S.M.A.R.T.	49	48	42	39	36	37	**38**
County Zoo/Veterans/DIA	11	11	10	9	21	21	**22**
Property Tax Administration Fee	16	24	23	21	20	21	**22**
STERLING HEIGHTS	905	873	900	837	779	797	**969**
Total Tax Bill	**$2,516**	**$2,465**	**$2,317**	**$2,171**	**$2,032**	**$2,076**	**$2,270**

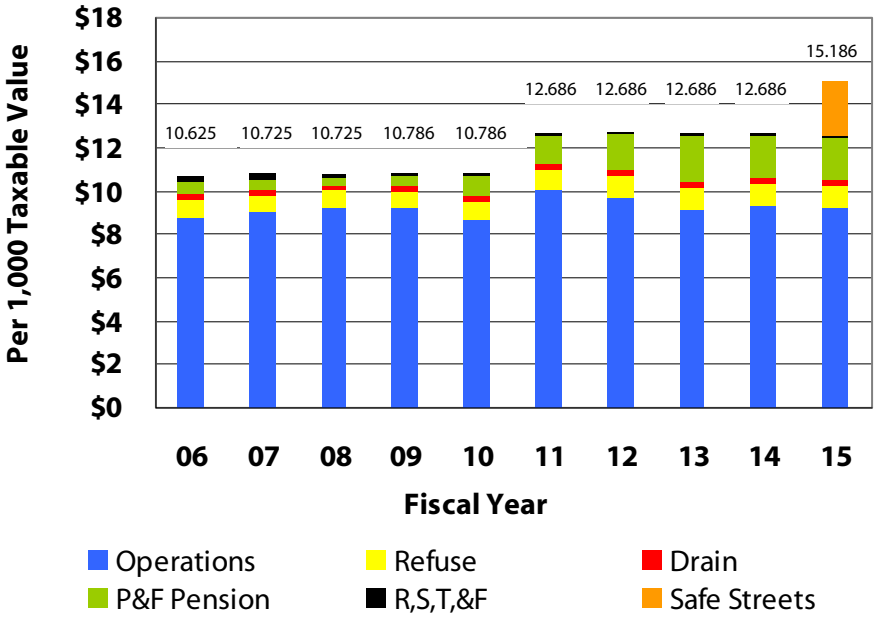
(WARREN CONSOLIDATED SCHOOLS)

Taxing Entity	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Tax Rate Shown in Mills							
Warren Consolidated Schools	14.415	14.928	16.259	16.842	17.362	17.383	**17.383**
Macomb County	4.206	4.574	4.574	4.574	4.574	4.574	**4.574**
Macomb Community College	1.421	1.421	1.421	1.571	1.571	1.531	**1.531**
Macomb Intermediate School District	2.943	2.943	2.943	2.943	2.943	2.943	**2.943**
Huron Clinton Metro Authority	0.215	0.215	0.215	0.215	0.215	0.215	**0.215**
S.M.A.R.T.	0.590	0.590	0.590	0.590	0.590	0.590	**0.590**
County Zoo/Veterans/DIA	0.140	0.140	0.140	0.140	0.340	0.340	**0.340**
Property Tax Administration Fee	0.239	0.356	0.388	0.396	0.403	0.403	**0.428**
STERLING HEIGHTS	10.786	10.786	12.686	12.686	12.686	12.686	**15.186**
Total Millage Rates	**34.955**	**35.952**	**39.215**	**39.956**	**40.683**	**40.664**	**43.189**
Average Residential Taxable Value	**$83,900**	**$80,900**	**$70,970**	**$66,000**	**$61,400**	**$62,800**	**$63,800**
Average Tax Rates Shown in Dollars							
Warren Consolidated Schools	$1,209	$1,208	$1,154	$1,112	$1,066	$1,092	**$1,109**
Macomb County Government	353	370	325	302	281	287	**292**
Macomb Community College	119	115	101	104	96	96	**98**
Macomb Intermediate School District	247	238	209	194	181	185	**188**
Huron Clinton Metro Authority	18	17	15	14	13	13	**14**
S.M.A.R.T.	49	48	42	39	36	37	**38**
County Zoo/Veterans/DIA	11	11	10	9	21	21	**22**
Property Tax Administration Fee	20	29	28	26	25	25	**27**
STERLING HEIGHTS	905	873	900	837	779	797	**969**
Total Tax Bill	**$2,932**	**$2,908**	**$2,783**	**$2,637**	**$2,498**	**$2,554**	**$2,755**

Average Total Tax Bill	**$2,724**	**$2,687**	**$2,550**	**$2,404**	**$2,265**	**$2,315**	**$2,513**

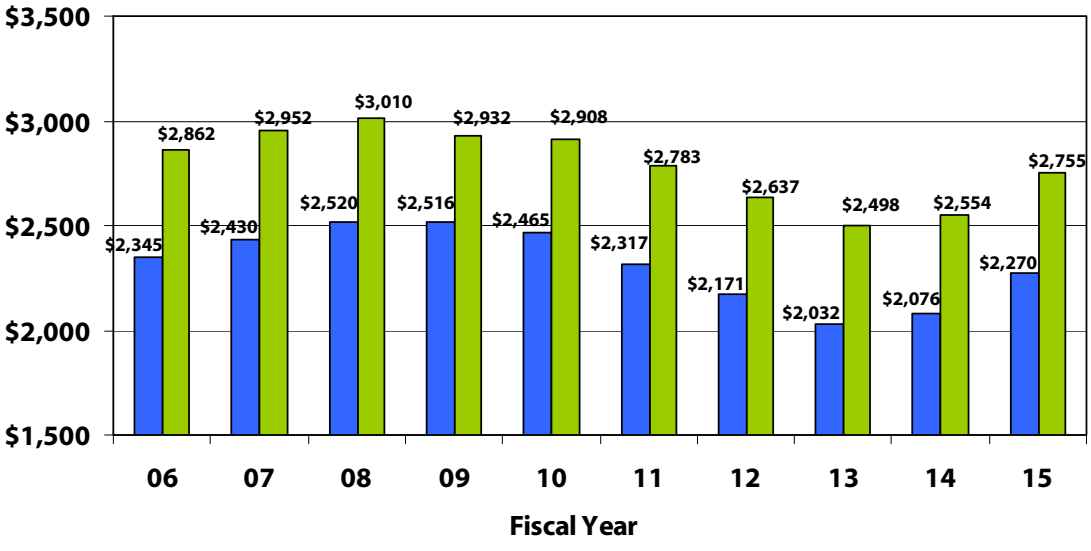
Non-City tax rates are estimated. School rates are for principal residences. Totals may not foot due to rounding.

City of Sterling Heights
Millage Rates



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

Total Property Tax Bill
Average Resident

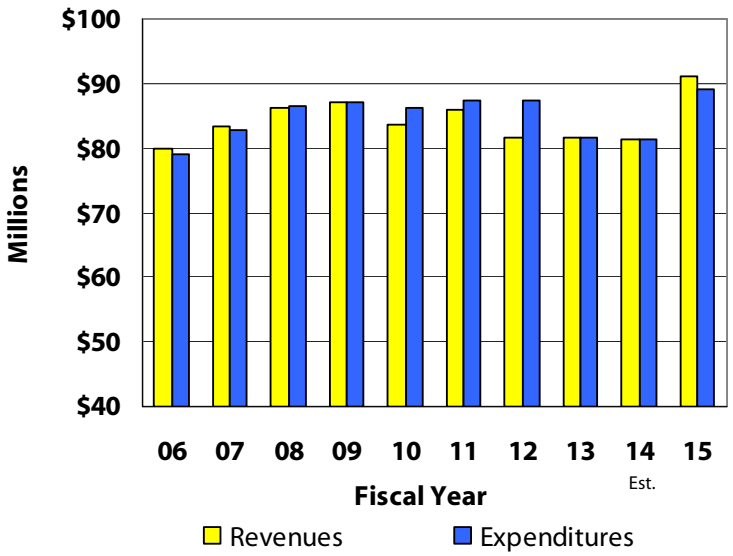


This graph shows the total property tax bill for the average City resident residing in either the Utica Community School District (UCS) or the Warren Consolidated School District (WCS) for the past 10 years.

GENERAL FUND REVENUES, EXPENDITURES & FUND BALANCE

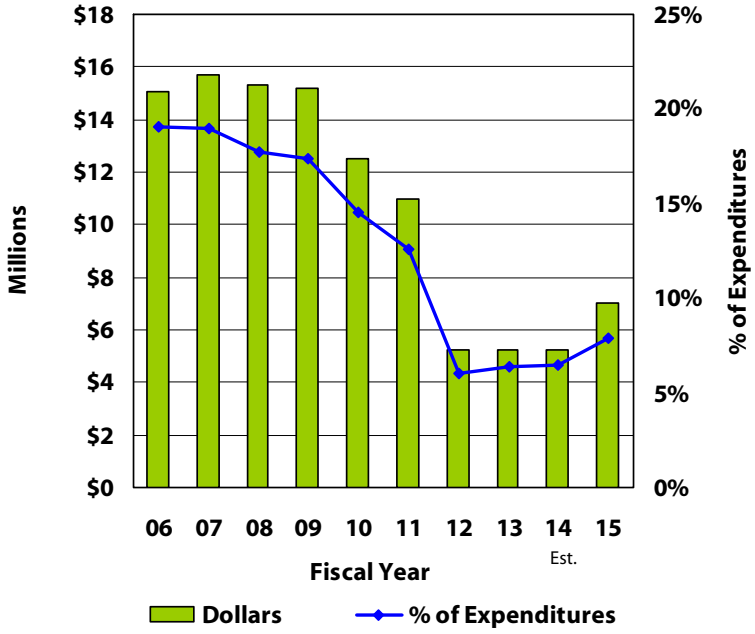
Budgetary Centers	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
REVENUES						
City Operating Taxes	$40,120,580	$37,142,290	$37,980,530	$36,981,330	$38,230,530	**$38,275,820**
Licenses & Permits	2,271,970	1,789,800	1,926,200	926,940	1,825,000	**1,772,000**
State and Local Returns	10,585,000	11,291,260	11,257,360	5,720,760	11,616,340	**11,850,090**
Fines & Forfeitures	2,770,160	2,489,250	2,621,020	1,136,460	2,382,000	**2,437,000**
Charges For Services	8,443,200	8,306,460	8,427,630	5,063,870	8,941,180	**9,123,850**
Other Revenue	3,693,010	2,664,900	2,540,890	1,407,810	2,617,680	**2,456,480**
Cable Revenue	2,033,750	2,292,540	2,200,000	562,640	2,250,000	**2,300,000**
Refuse Tax	4,376,630	4,403,290	4,457,700	4,264,600	4,457,700	**4,658,430**
Police & Fire Pension Tax	7,157,200	8,529,890	7,468,050	7,141,000	7,468,050	**7,953,970**
Safe Streets Tax	0	0	0	0	0	**7,028,680**
Total Revenues	**81,451,500**	**78,909,680**	**78,879,380**	**63,205,410**	**79,788,480**	**87,856,320**
Other Financing Sources						
Transfers In	42,300	2,703,210	2,056,050	1,028,020	1,441,710	**3,100,000**
Total Revenues & Sources	**$81,493,800**	**$81,612,890**	**$80,935,430**	**$64,233,430**	**$81,230,190**	**$90,956,320**
EXPENDITURES						
City Administration Department	$8,418,070	$7,727,540	$6,498,140	$3,151,710	$6,401,840	**$6,747,600**
Community Services Dept.	4,489,170	4,339,950	4,102,590	2,024,220	4,034,550	**4,244,190**
Police Department	32,980,740	31,620,700	32,134,450	16,361,140	31,589,530	**32,910,140**
Fire Department	19,115,560	16,883,020	16,825,130	8,750,850	17,136,640	**17,388,440**
Public Works Department	9,671,850	8,985,910	10,060,770	5,390,570	10,644,640	**10,920,690**
Refuse Collection	4,605,880	4,672,020	4,486,700	2,203,160	4,603,500	**4,684,930**
Community Relations Dept.	1,034,230	932,390	828,660	447,650	853,510	**933,970**
41-A District Court	3,252,850	3,258,360	3,174,060	1,573,480	3,082,280	**3,081,700**
General Expenditures	2,657,510	2,238,910	2,205,790	1,127,470	2,228,470	**1,272,970**
Total Expenditures	**86,225,860**	**80,658,800**	**80,316,290**	**41,030,250**	**80,574,960**	**82,184,630**
Other Financing Uses						
Transfers Out	1,010,670	954,090	655,230	437,260	655,230	**6,998,510**
Total Expenditures & Uses	**$87,236,530**	**$81,612,890**	**$80,971,520**	**$41,467,510**	**$81,230,190**	**$89,183,140**
Excess of Revenues Over (Under) Expenditures	**(5,742,730)**	**0**	**(36,090)**	**22,765,920**	**0**	**1,773,180**
Beginning Fund Balance	**10,991,210**	**5,248,480**	**5,248,480**	**5,248,480**	**5,248,480**	**5,248,480**
Ending Fund Balance	**$5,248,480**	**$5,248,480**	**$5,212,390**	**$28,014,400**	**$5,248,480**	**$7,021,660**

General Fund
Revenues vs. Expenditures



The data presented plots revenues vs. expenditures in the General Fund.

General Fund
Fund Balance



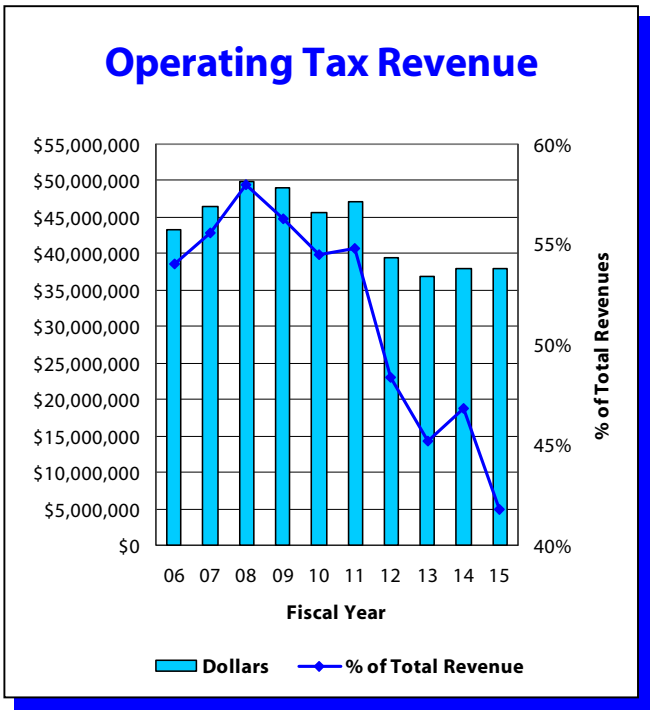
This graph illustrates the cumulative result of excess General Fund revenues over expenditures and total fund balance as a percent of General Fund expenditures.

CITY OPERATING TAX

The City's largest source of revenue is from property taxes. Tax revenues are based on two variables. The first is the assessed taxable property valuation of industrial, commercial, and residential parcels, both real and personal property. This valuation is called the TV or Taxable Valuation. The second variable is the application of a specific tax millage levy. If either of these variables increase or decrease, a relative change to the City tax revenue will be experienced.

The City has six individual tax levies – the largest is for Operations. Over the past ten years, changes in Operating Tax revenues have varied. From 2006 to 2008, revenues increased due to inflationary growth in the overall assessed value and a fluctuating Operation millage rate. During this period, Operating Tax revenues made up a greater share of General Fund revenues due to declining State revenues. Since 2009, due to decreases in taxable values and a declining Operation tax rate, the Operating revenues percent of total revenues has declined.

In the 2014/15 Budget, Operating tax revenue represents 41.8% of total revenues, a $35,290 increase or 0.1% above the amount to be collected in 2014. The minor increase is a result of a slight increase in the City's taxable values, offset by a 1.1% decrease in the Operating tax rate. In addition, tax refunds, which are recorded as an offset to revenues, are estimated to decrease by $100,000 due in part to the settled Chrysler tax appeals. Operating tax revenues are $11.9 million lower than in 2008 and remain lower than amounts received ten years ago in 2005.



The Operations tax for 2014/15 is 9.3701 mills per $1,000 Taxable Value, a decrease of 0.1002 mills. The City's overall millage rate increased by 2.5 mills from 12.6858 mills to 15.1858 mills due to the passage of the Safe Streets millage in November, 2013. The Operating millage rate fell to offset a 0.10 mill increase in the Police & Fire Pension millage. The Operating millage continues to be below the 12.0 millage rate limit established by the voter-approved City Charter and is 1.47 mills below the 10.8395 State Headlee rollback maximum allowable levy. The City's millage rate continues to be lower than most cities in the State and one of the lowest of any city in Macomb County.

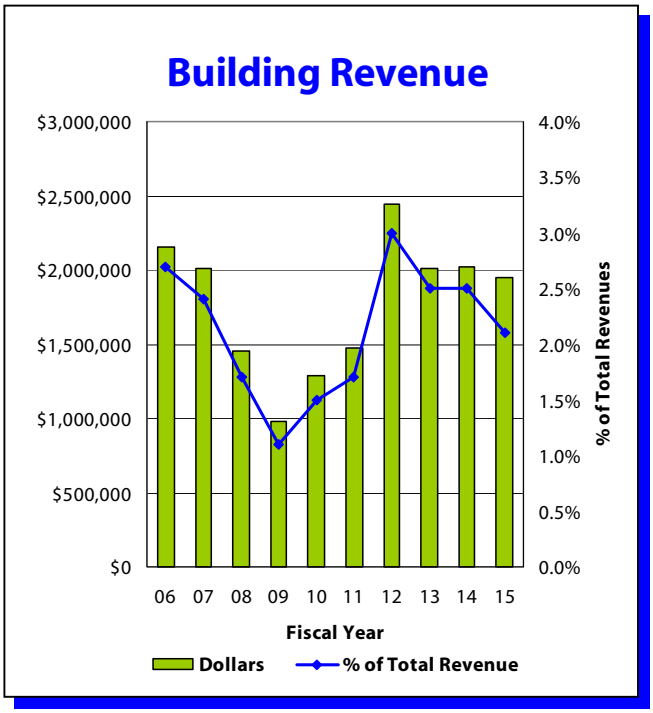
The City's total taxable value in 2015 increased 0.75%, the first increase in seven years. The Proposal A 1.6% inflationary adjustment is one of the lowest increases in the past 20 years and is well below the 2.4% average rate. The inflationary adjustment on most property is partially offset by flat industrial property values, tax appeals, and a decrease in personal property taxes due to a new State law that exempts personal property under $40,000 in taxable value. Despite the slight taxable value increase in 2015, the City's total taxable value has fallen by 23.6% since 2008.

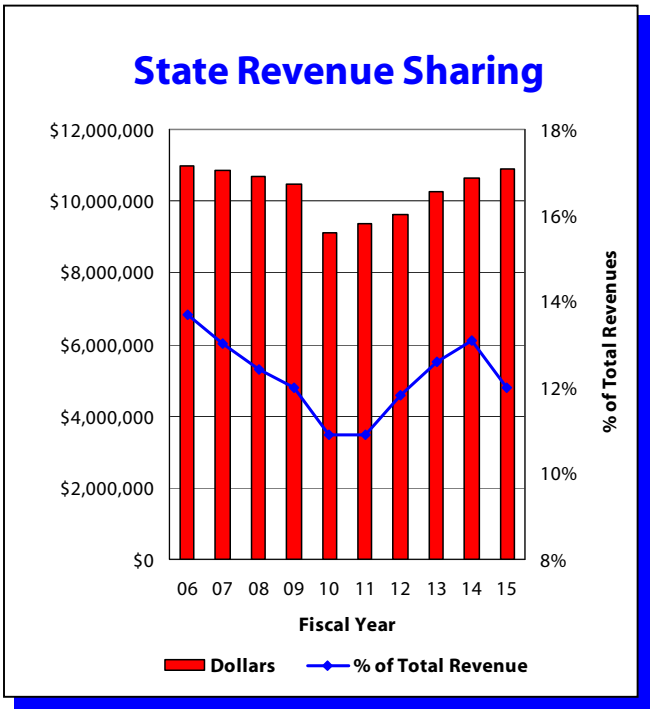
LICENSES AND PERMITS

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.

License and Permit revenues are primarily comprised of building revenues. With the State's

General Fund Revenues





economic downturn, building revenues fell to a ten year low in 2009. Fewer new subdivisions, renovations or new commercial sites were developed. Since then, revenues have rebounded due to one-time large new development projects from BAE and Chrysler, while the number of new residential construction projects remains low. Due to the revenues from these large one-time projects, building revenues as a percent of total City revenues has increased slightly, but is still down 9.3% from amounts received ten years ago.

In the 2014/15 Budget, License and Permit revenues represent 2.0% of total revenue sources, a $53,000 or 2.9% decrease from what is estimated in 2014, primarily due to the one-time permit fees from the Chrysler body shop in the prior year. To partially offset this decline, we anticipate a slight increase in residential and commercial permit activity. To continue to strengthen and enforce property maintenance standards, the budget includes the second year of revenues from the non-homestead residential property inspection program.

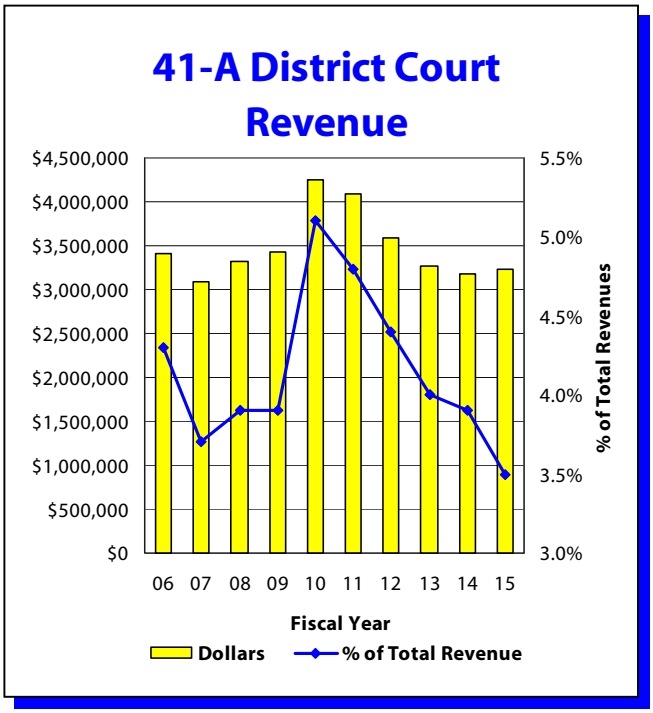
STATE AND LOCAL RETURNS

The second largest source of revenue to the General Fund is State & Local returns. This 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 that take into consideration population, government type, and taxable values per capita.

Since 2002, the amount of Revenue Sharing the City has received has fallen dramatically. Back in 2002, the City received $13.3 million from the State. In 2015, it is estimated the City will receive $10.9 million, a decrease of $2.4 million or 18.0%. While the State has increased revenue sharing payments starting in 2011, the City has still lost $35.3 million cumulatively since 2002. As a percent of total City revenues, State revenue sharing has fallen from 20% of the budget to only 12% today.

In the 2014/15 Budget, State & Local Return revenues represent 13.0% of revenue sources, an increase of $233,750 or 2.0% above what is estimated to be received in 2014. State Revenue Sharing payments are estimated to increase slightly due to a continued uptick in State sales tax receipts and a proposed increase in State EVIP payments.

General Fund Revenues



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 from 2006 to 2010. Since 2010, revenues have decreased as the number of tickets written by the Police Department has fallen. Court revenues have declined from 5.1% of total City revenues in 2010 to 3.5% in 2015.

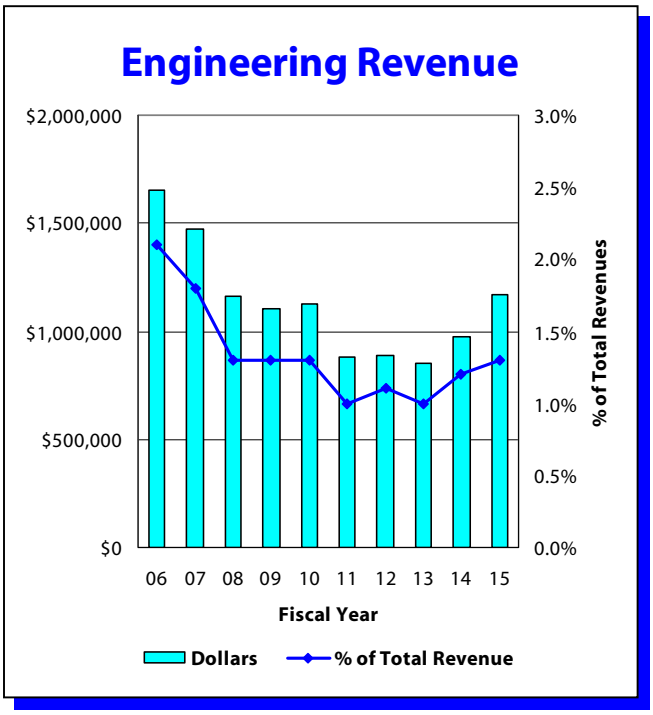
In the 2014/15 Budget, Fines & Forfeiture revenues represent 2.7% of total revenue sources, an increase of $55,000 or 2.3% above what is estimated to be collected in 2014. It is anticipated that Police ticket violations will stabilize and slowly begin to return to historic levels. Court revenues have now declined by over $1 million or 24.0% since 2010.

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, Engineering inspection and design charges, and Building review fees.

Engineering revenues make up one of the largest sources of Charges for Services revenues. Engineering revenues have declined from nearly $1.7 million in 2006 to $1.2 million in 2015 due to the State's overall economic downturn. As a percent of General Fund revenues, Engineering revenues have decreased from 2.1% to 1.3% in 2015.

In the 2014/15 Budget, Charges for Services revenues represent 10.0% of total revenue sources, an increase of $182,670 or 2.0% above what is estimated to be received in 2014. Engineering revenues are estimated to increase by $200,000 due to additional inspection fees resulting from an increase in road repairs. Property tax

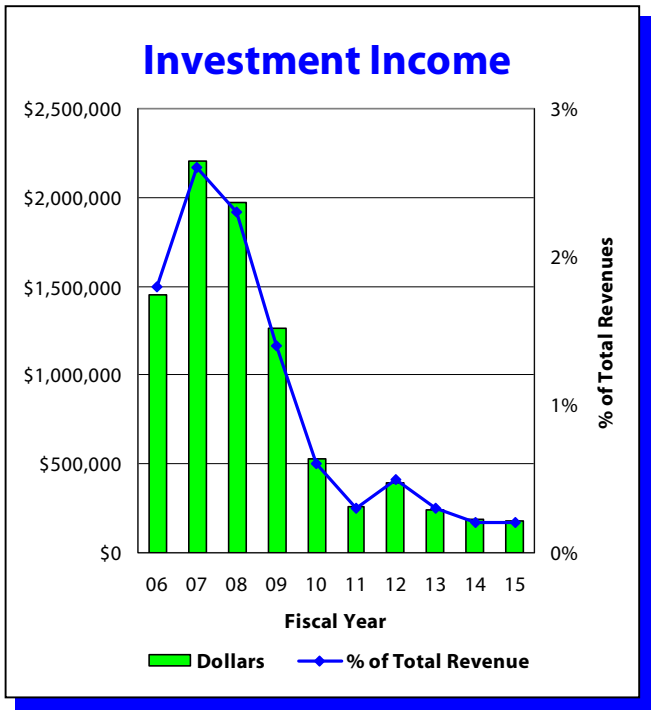


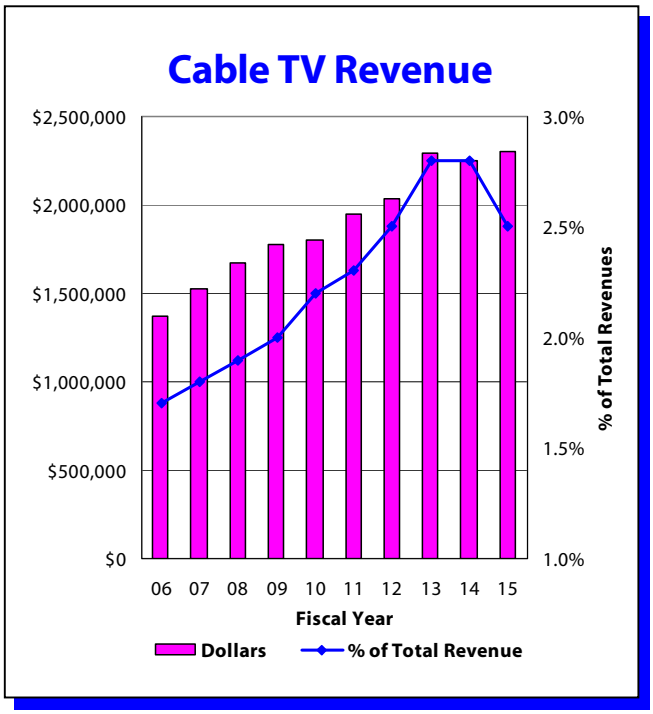
administration fee revenues have risen by $108,000 based on the City's overall millage rate. Cross charge revenues from the Water & Sewer Fund are expected to increase slightly. Due to record snow in 2014, less road fund labor cross charges are assumed for next year.

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 2006 to 2008, Interest Income revenues rose due to rising interest rates, a one-time accounting correction of a prior year entry, and as several high paying investments were called. Due to interest rate cuts by the Federal Reserve starting in 2008 and declining fund balance reserves, Interest on Investments has since fallen. Investment revenues will remain low in 2015 and account for only 0.2% of total General Fund revenues, down from the peak of 2.6% in 2007. As higher yielding investments have matured, new investments are achieving lower returns.





In the 2014/15 Budget, Other Revenue represents 2.7% of revenue sources, a decrease of $161,200 or 6.2% from what we estimate receiving in 2014. Most of the decline is due to lower road fund equipment cross charges.

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. 83.3% of these fees repay the City for the use of our rights-of-way, while 16.7% of the fees reimburse the City for its cost of public access programming.

Cable Revenue has climbed steadily due to increasing cable subscriber charges. In 2014/15, Cable Revenue is estimated to increase by $50,000 to total $2.3 million, or 2.5% 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 drop-off center recycling of all garbage in the City. The voluntary curbside recycling program costs are billed directly to the homeowner. 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.

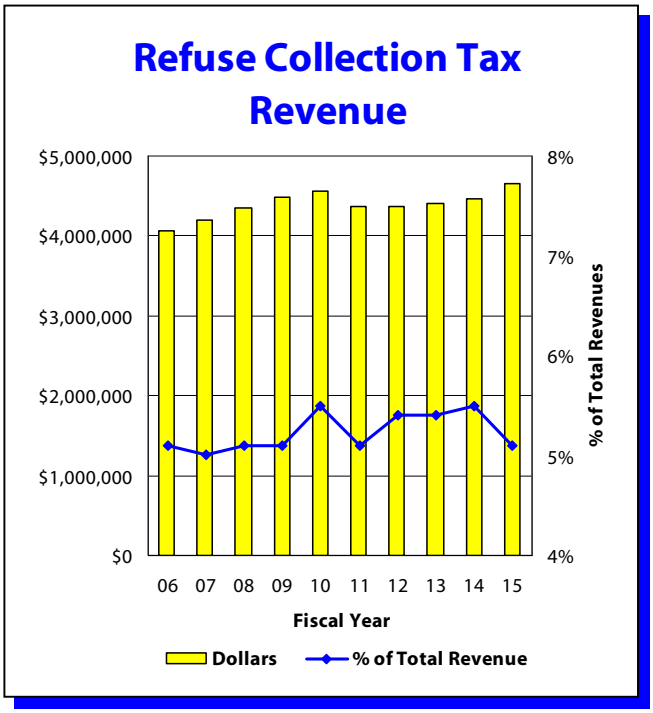
The historical trend experienced over the past ten years is a direct reflection of the refuse collection contract costs. In the 2014/15 Budget, the Refuse Tax represents 5.1% of total revenue sources, which is a $200,730 or 4.5% increase to reflect slightly higher refuse contract costs and variable recycling commodity market prices. Due to only a 0.75% increase in taxable values, the Refuse millage rate will need to be increased by 0.0388 mills from 1.0879 to 1.1267 mills, in order to generate sufficient funds to cover the refuse contract costs.

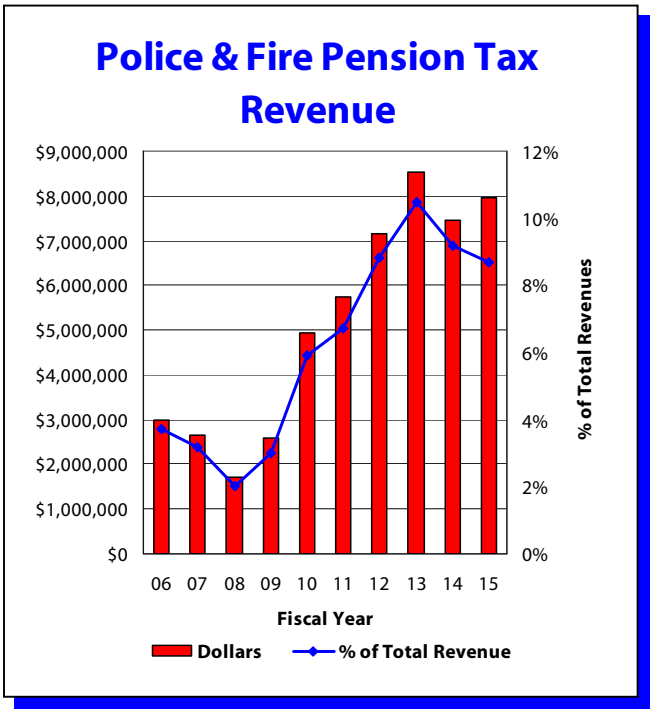
POLICE & FIRE PENSION TAX

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 actuarially required contribution to fund 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.

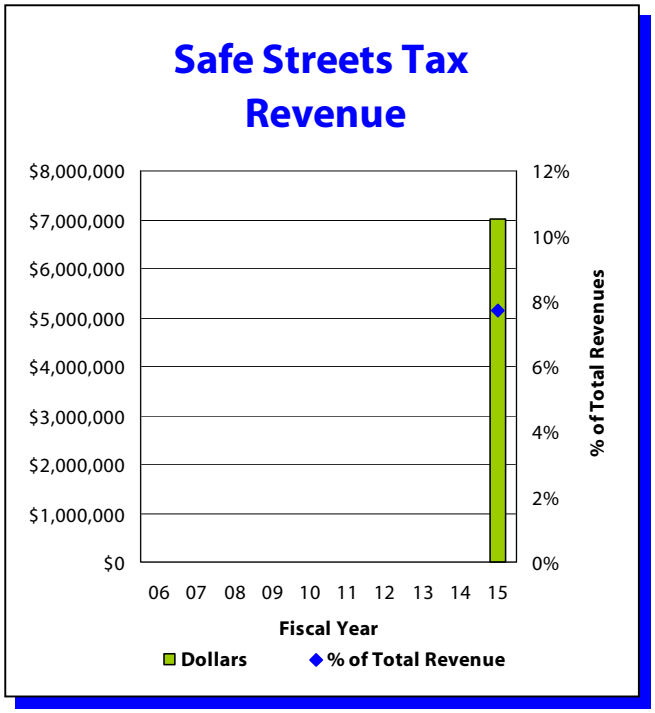
The revenue decreased from 2006 through 2008, to match a decline in the City's costs due to higher stock market returns and a change in the assumed rate of return. However, due to a weakened stock market and retirements, the required contribution to the pension system has increased to its second highest level and is now $6.5 million higher than in 2008.

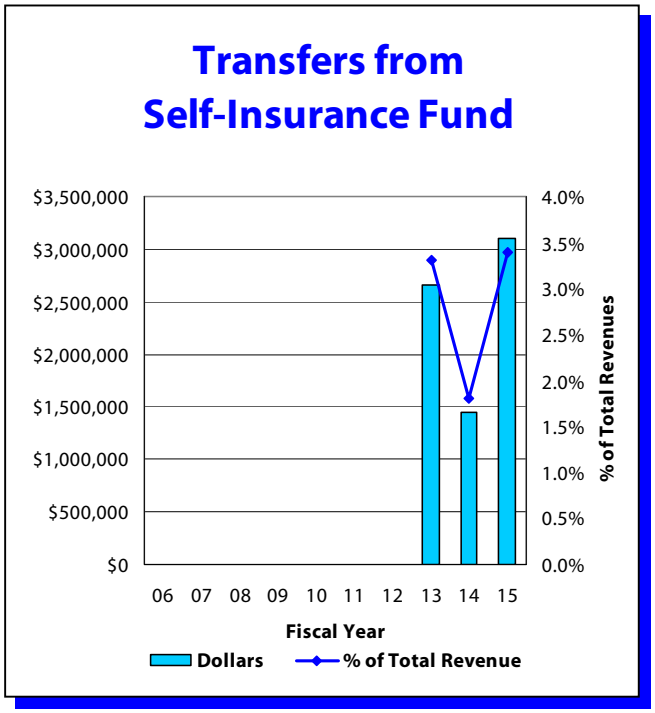
In the 2014/15 Budget, the Police & Fire Pension Tax represents 8.7% of revenue sources, an increase of $485,920 or 6.5%. The Police & Fire Pension Tax levy for 2014/15 is 1.9238 mills per $1,000 Taxable Value, an increase of 0.1013 mills due to the higher required





General Fund Revenues





contribution, partially offset by a 0.75% increase in the City's taxable values.

SAFE STREETS TAX

In November 2013, City residents approved a six-year 2.5 mill tax levy starting July 1, 2014. 1.7 of the 2.5 mills will generate $7.0 million in the General Fund to prevent further staffing cuts to Police and Fire positions. The remaining 0.8 mills will generate $3.3 million in the Local Road Fund to cover the cost of asphalt and concrete repairs to neighborhood streets.

In the 2014/15 Budget, the Safe Streets Tax represents 7.7% of General Fund revenue sources. The millage has allowed the City the funding to restore capital purchases and infrastructure repairs that had been reduced during the economic downturn. It has also allowed the City to avoid having to continue to reduce City staffing levels to pay for these needed repairs. It will also begin to restore General Fund reserves back to adequate levels.

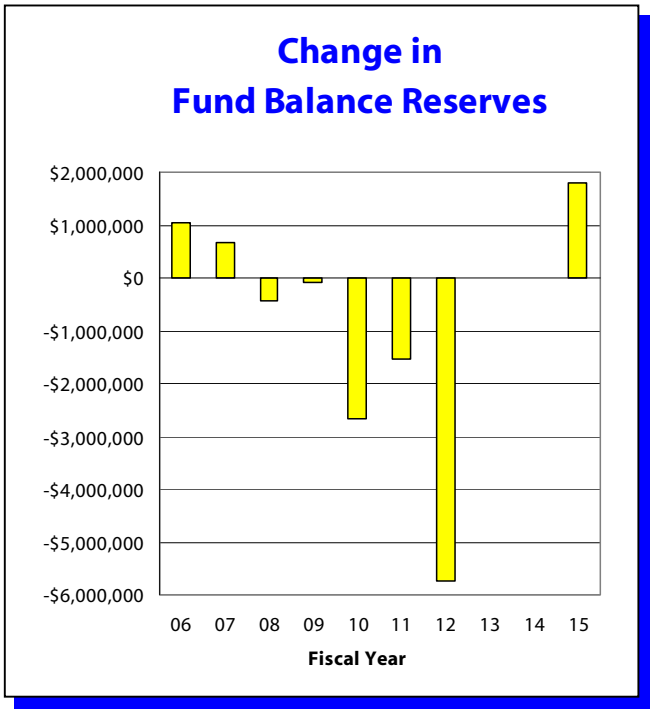
OTHER FINANCING SOURCES

Other Financing Sources include the proceeds received from long-term debt and the transfers into the General Fund from other City funds. There have been no purchases financed using long-term debt over the past ten years. In 2013 and 2014, despite all of the City's expenditure reductions, transfers from the Self-Insurance Fund were needed to prevent a further use of General Fund reserves.

In the 2014/15 Budget, Other Financing Sources represent 3.4% of total General Fund revenues. A $3.1 million transfer of Self-Insurance reserves is budgeted and is a pass-through and transfer out to other City funds. $2.8 million is budgeted for the internal financing of the Van Dyke reconstruction project in the Major Road Fund. By utilizing insurance funds for the project, the City will save bond interest and issuance costs. $300,000 is being transferred to the Economic Development Fund to establish a revolving fund for future property acquisitions, brownfield or redevelopment projects that would assist the City's economic development efforts.

USE OF FUND BALANCE

A budgeted Use of, or Contribution to, Fund Balance exists when there is an inequality between budgeted revenues and expenditures. 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.

In 2006 and 2007, the City contributed to Fund Balance reserves. Due to lower development revenues, $425,000 of reserves was used in 2008. Only $85,850 of reserves was used in 2009, despite a 1.1% decrease in taxable values, because of a one-time $2.1 million transfer from other city funds. In 2010, due to a 1.8% decline in taxable values and despite continued cost-saving efforts, $2.7 million of reserves was used. In 2011, due to a 9.8% decrease in taxable values offset by further budget cuts and a 1.9 mill tax adjustment, only $1.5 million was used. For 2012, $5.7 million was used due to a 6.9% decrease in taxable values, offset by continued labor and personnel savings.

In 2013 and 2014, while no use of General Fund reserves occurred, the City used Self-Insurance Funds to balance the General Fund budget due to a fifth and sixth consecutive year of declining taxable values. General Fund Balance reserves totaled only $5.2 million or 6.5% of General Fund expenditures – the lowest reserve level in 27 years or since 1987.

With the passage of the Safe Streets millage, the 2014/15 budget includes a $1.8 million contribution to General fund balance reserves which will increase reserves to $7.0 million or 7.9% of expenditures.

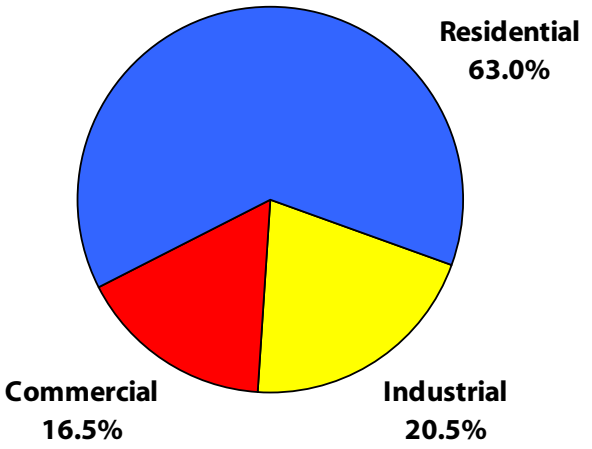
OTHER CITY TAXES

There are also two debt property tax millages levied by the City that are recorded in the Debt Service Funds.

The Drain millage of 0.1605 is 0.0428 mills lower than what was levied in 2013/14. The millage is used to repay drain costs and principal and interest on bonds sold to finance drain construction. The drain millage rate decreased as a result of lower drain debt, partially offset by a 0.75% increase in City taxable values.

The Public Improvements (Proposal F – Fire Station Improvements) millage rate increased by 0.0029 mills to 0.1047 mills. The Proposal F millage rate is higher due to an increase in scheduled principal payments, partially offset by a 0.75% increase in the City's taxable values. The final Proposal R road bonds were retired in 2008/09, the Proposal S debt was paid off in 2001/02, while Proposal T debt was retired in the 1996/97 fiscal year.■

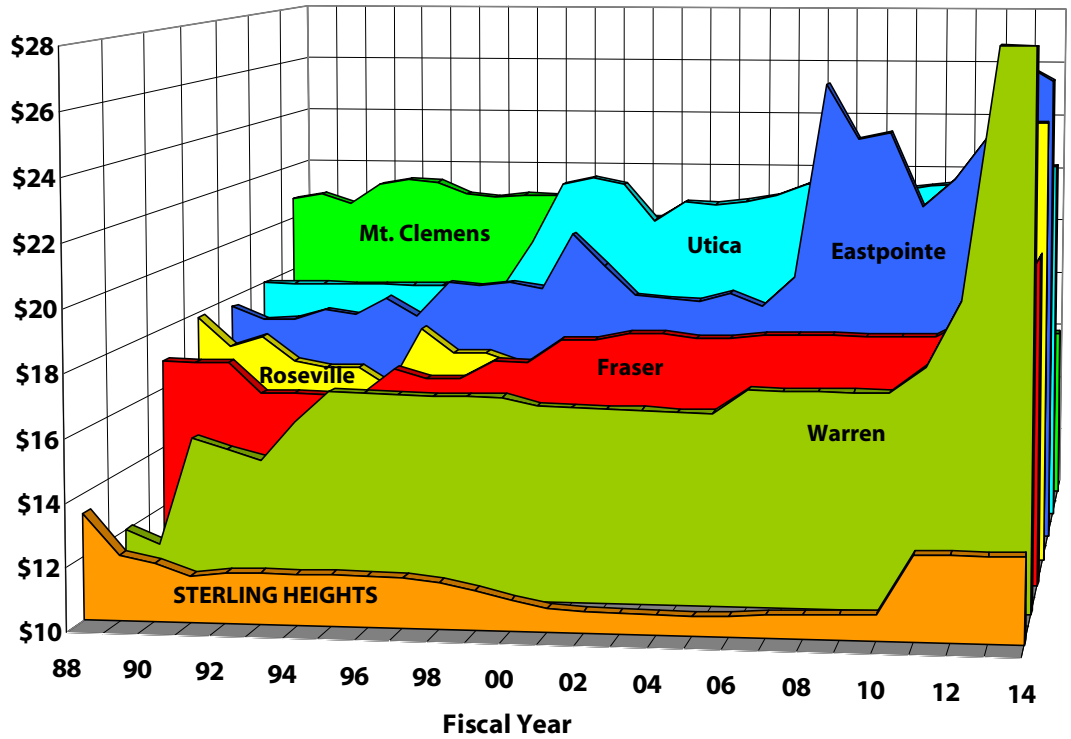
City of Sterling Heights
Share of Taxes



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

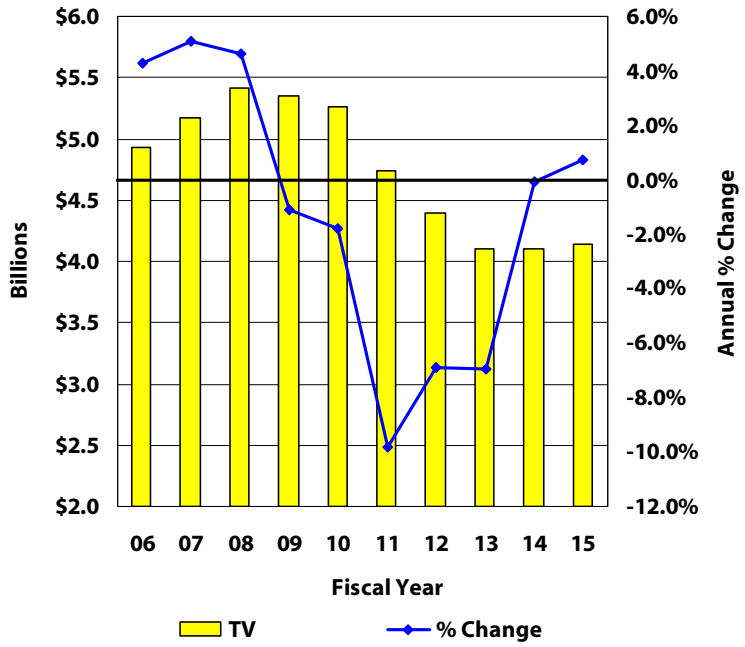
Comparable Tax Rates of Surrounding Macomb County Cities

Per $1,000 TV



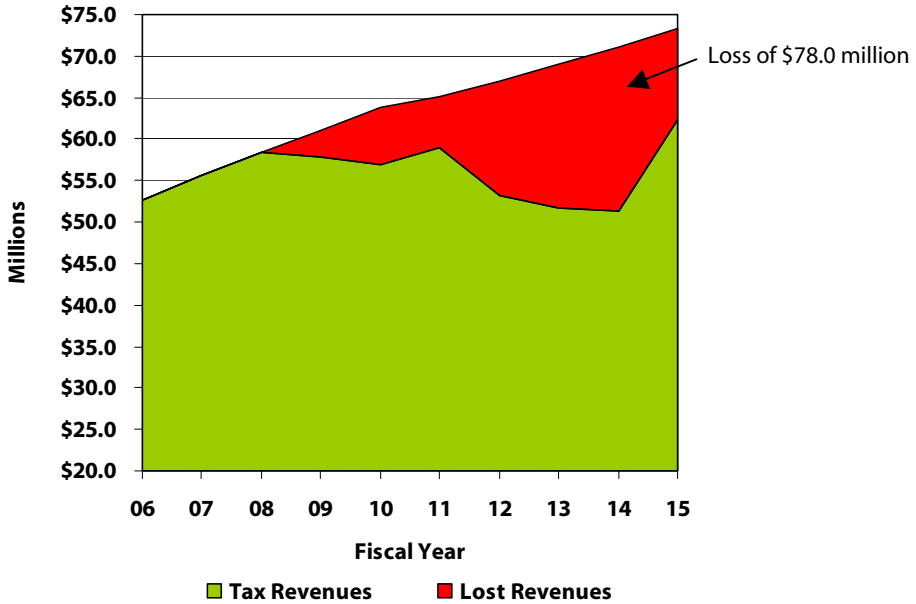
This graph illustrates the taxes levied by Macomb County cities for the past 27 years.

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 City property tax revenues historically increased, despite a declining City tax rate, due to inflationary property assessment increases and new development. Starting in 2009, revenues declined due to falling assessments, partially offset by a millage adjustment in 2011 and 2015.

GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	CITY OPERATING TAXES						
404000	City Operating Tax	$37,223,953	45.61	$38,805,530	47.95	**$38,740,820**	**42.59**
404001	Property Tax Refunds	(331,209)	-0.41	(1,100,000)	-1.36	**(700,000)**	**-0.77**
415000	Delinquent Personal Property Tax	89,019	0.11	100,000	0.12	**75,000**	**0.08**
445000	Penalties & Interest	160,529	0.20	175,000	0.22	**160,000**	**0.18**
	Total Taxes	**37,142,292**	**45.51**	**37,980,530**	**46.93**	**38,275,820**	**42.08**
	LICENSES & PERMITS						
451000	Business Operating License	18,090	0.02	11,000	0.01	**18,000**	**0.02**
452000	Mobile / Temporary Vendor	5,909	0.01	6,200	0.01	**5,000**	**0.01**
453000	Liquor License	86,717	0.11	95,000	0.12	**90,000**	**0.10**
454000	Vending/Amusement Device Fee	20,009	0.02	21,000	0.03	**20,000**	**0.02**
461000	Electrical Registration & Permits	230,262	0.28	190,000	0.23	**220,000**	**0.24**
462000	Heating Registration & Permits	231,588	0.28	190,000	0.23	**230,000**	**0.25**
463000	Plumbing Registration & Permits	132,655	0.16	120,000	0.15	**140,000**	**0.15**
464000	Sign Registration & Permits	53,987	0.07	50,000	0.06	**50,000**	**0.05**
470000	Building Registration & Permits	865,958	1.06	850,000	1.05	**800,000**	**0.88**
471000	Fence Permits	8,459	0.01	9,000	0.01	**9,000**	**0.01**
477000	Fire Suppression Permits	80,503	0.10	20,000	0.02	**20,000**	**0.02**
478000	Animal Permits	54,881	0.07	89,000	0.11	**60,000**	**0.07**
479401	Non-Homestead Resident Insp Fee	0	0.00	100,000	0.12	**70,000**	**0.08**
479402	Re-Inspection Code Enforcement Fee	784	0.00	175,000	0.22	**40,000**	**0.04**
	Total Licenses & Permits	**1,789,802**	**2.19**	**1,926,200**	**2.37**	**1,772,000**	**1.95**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	166,548	0.20	89,000	0.11	**50,000**	**0.05**
539302	Criminal Justice Training	24,933	0.03	41,600	0.05	**41,600**	**0.05**
539332	Dispatcher Training	9,206	0.01	10,000	0.01	**10,000**	**0.01**
539378	Act 78 Emergency Telephone Service	200,440	0.25	192,000	0.24	**200,000**	**0.22**
544000	Drunk Driving Case Flow Assistance	12,220	0.01	14,000	0.02	**12,000**	**0.01**
567001	State Aid - Library	61,416	0.08	64,590	0.08	**75,750**	**0.08**
569001	Judges Salary Stand Payments	137,172	0.17	137,170	0.17	**137,170**	**0.15**
574000	State Revenue Sharing	10,268,109	12.58	10,300,000	12.73	**10,900,000**	**11.98**
581001	Municipal Credit Transportation	253,437	0.31	259,000	0.32	**265,570**	**0.29**
583000	Macomb Auto Theft Squad - Grant	57,681	0.07	54,000	0.07	**60,000**	**0.07**
585000	Drug Enforce. Admin - Federal	18,484	0.02	16,000	0.02	**16,000**	**0.02**
587001	County Contrib. - Library Penal Fines	81,615	0.10	80,000	0.10	**82,000**	**0.09**
	Total State & Local Returns	**11,291,261**	**13.83**	**11,257,360**	**13.92**	**11,850,090**	**13.03**
	FINES & FORFEITURES						
656003	Contempt Court Fines	57,826	0.07	58,000	0.07	**55,000**	**0.06**
656004	Ordinance Fines & Costs	2,069,587	2.54	2,200,000	2.72	**2,050,000**	**2.25**
656005	Municipal Civil Infractions	30,115	0.04	5,000	0.01	**10,000**	**0.01**
657001	Library Fines	60,908	0.07	65,000	0.08	**50,000**	**0.05**
658001	Bond Forfeitures	69,918	0.09	80,000	0.10	**70,000**	**0.08**
659001	Driver Reinstatement Fee	30,158	0.04	32,000	0.04	**30,000**	**0.03**
659002	Default Judgment Fee	158,212	0.19	170,000	0.21	**160,000**	**0.18**
659003	Crime Victim Rights Admin. Fee	12,528	0.02	11,000	0.01	**12,000**	**0.01**
659004	Forensic Administrative Fee	0	0.00	20	0.00	**0**	**0.00**
	Total Fines & Forfeitures	**2,489,252**	**3.05**	**2,621,020**	**3.24**	**2,437,000**	**2.68**

GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

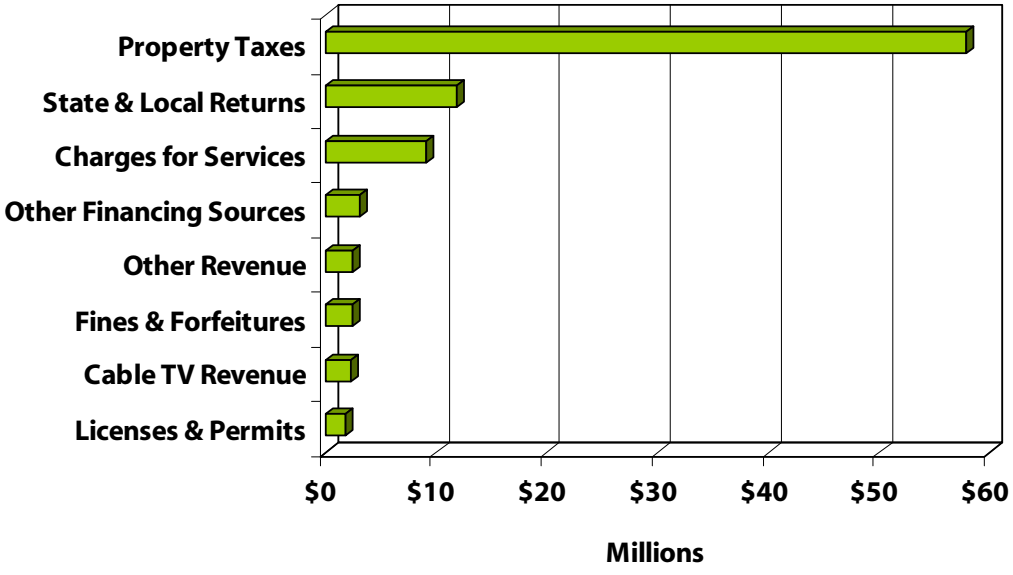
Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	OTHER FINANCING SOURCES						
699677	Transfer From Self-Insurance Fund	2,658,205	3.26	2,056,050	2.54	**3,100,000**	**3.41**
699856	Tfr. From Brownfield Redevelop. Fund	45,000	0.06	0	0.00	**0**	**0.00**
	Total Other Financing Sources	**2,703,205**	**3.31**	**2,056,050**	**2.54**	**3,100,000**	**3.41**
	CHARGES FOR SERVICES						
603000	Court Filing Fee	155,629	0.19	170,000	0.21	**140,000**	**0.15**
603001	Jury Demand Fee	1,360	0.00	1,900	0.00	**2,000**	**0.00**
604000	Probation Oversight	285,495	0.35	290,000	0.36	**290,000**	**0.32**
605000	Garnishments - Filing Fee	164,910	0.20	165,000	0.20	**165,000**	**0.18**
606000	Split/Combination Fee	2,690	0.00	4,000	0.00	**5,000**	**0.01**
607000	Fire Permits, Fees, & Inspections	32,056	0.04	35,000	0.04	**30,000**	**0.03**
608000	Encroachment/Deviation Fees	2,920	0.00	2,000	0.00	**2,000**	**0.00**
609000	Mobile Home Tax	9,140	0.01	9,310	0.01	**9,400**	**0.01**
610000	Vital Statistics	60,995	0.07	57,000	0.07	**62,000**	**0.07**
611000	Attorney Fee Reimbursement	36,239	0.04	35,000	0.04	**35,000**	**0.04**
612000	Alcohol Assessment Fee	55,100	0.07	55,000	0.07	**55,000**	**0.06**
626000	Services - PTAF	1,606,909	1.97	1,595,000	1.97	**1,710,000**	**1.88**
627000	Water & Sewer Activity	1,330,840	1.63	1,463,600	1.81	**1,543,620**	**1.70**
627444	Administrative Services - Roads	237,410	0.29	245,000	0.30	**245,000**	**0.27**
627556	Admin Services-Water Distribution	300,720	0.37	300,720	0.37	**322,500**	**0.35**
627574	Admin Services-W&S Improvements	132,240	0.16	134,880	0.17	**138,900**	**0.15**
627677	Administrative Services-Self Insurance	244,800	0.30	268,020	0.33	**278,280**	**0.31**
627732	Administrative Services-P&F Pension	16,956	0.02	8,000	0.01	**7,000**	**0.01**
628001	Voter Lists	600	0.00	1,000	0.00	**500**	**0.00**
629001	Labor Services - Roads	816,293	1.00	950,000	1.17	**950,000**	**1.04**
629002	Labor Services - Cross Charges	25,486	0.03	40,000	0.05	**35,000**	**0.04**
629003	Labor Services - Fleet Maintenance	82,022	0.10	55,000	0.07	**65,000**	**0.07**
631001	Police Service/Schools	121,664	0.15	115,000	0.14	**120,000**	**0.13**
631002	Towed Vehicle Impound Fee	55,706	0.07	55,000	0.07	**70,000**	**0.08**
632001	Inspection Services-Projects-Other	105,301	0.13	120,000	0.15	**150,000**	**0.16**
632002	Inspection Services-City Projects	230,467	0.28	250,000	0.31	**400,000**	**0.44**
632003	Engineering Review Fee	48,950	0.06	100,000	0.12	**125,000**	**0.14**
632004	Engineering & Design - Project	363,185	0.45	275,000	0.34	**400,000**	**0.44**
632005	Building Number Assignments	589	0.00	300	0.00	**400**	**0.00**
632006	SESC Review Fee	13,052	0.02	18,000	0.02	**18,000**	**0.02**
632007	SESC Inspection Fee	85,167	0.10	60,000	0.07	**75,000**	**0.08**
632008	Easement Vacation	945	0.00	500	0.00	**500**	**0.00**
632009	ROW Permit Fees	2,313	0.00	2,200	0.00	**2,200**	**0.00**
634003	Supplies & Gasoline Revenue	84,465	0.10	82,000	0.10	**85,000**	**0.09**
634004	Parts-Vehicle Maintenance	50,693	0.06	55,000	0.07	**55,000**	**0.06**
635535	Refuse Collection Fees	28,771	0.04	29,000	0.04	**26,500**	**0.03**
636000	Plan Review Fee	39,142	0.05	45,000	0.06	**40,000**	**0.04**
636001	Building Department Plan Review	358,883	0.44	200,000	0.25	**300,000**	**0.33**
637001	Copies & Forms	20,312	0.02	20,000	0.02	**20,000**	**0.02**
637002	Maps	444	0.00	500	0.00	**450**	**0.00**
637003	Police Reports	149,108	0.18	135,000	0.17	**155,000**	**0.17**
637005	Fire Reports	1,035	0.00	1,500	0.00	**1,000**	**0.00**

GENERAL FUND
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
637006	PBT User Fee	593	0.00	1,200	0.00	**100**	**0.00**
637007	False Alarm Fees	128,663	0.16	120,000	0.15	**130,000**	**0.14**
637301	Notary Fee	6,030	0.01	11,500	0.01	**2,000**	**0.00**
638000	Application Fees	12,250	0.02	10,000	0.01	**15,000**	**0.02**
639001	Parks & Recreation Fees	476,371	0.58	500,000	0.62	**485,000**	**0.53**
639253	Treasury Transfer & Late Fees	67,681	0.08	85,000	0.11	**74,000**	**0.08**
640001	5% Cash Deposit	10,453	0.01	1,500	0.00	**2,500**	**0.00**
640002	Weed Cutting	195,101	0.24	175,000	0.22	**200,000**	**0.22**
640003	Board of Zoning Appeals Fees	10,752	0.01	8,000	0.01	**10,000**	**0.01**
640005	Ordinance Board of Appeals Fees	37,563	0.05	66,000	0.08	**70,000**	**0.08**
	Total Charges for Services	**8,306,459**	**10.18**	**8,427,630**	**10.41**	**9,123,850**	**10.03**
	OTHER REVENUE						
656006	Interpreter Fees	14,033	0.02	13,000	0.02	**13,000**	**0.01**
665000	Interest on Investments	240,453	0.29	200,000	0.25	**175,000**	**0.19**
667002	Rental Income - Utica Road	48,240	0.06	36,120	0.04	**42,960**	**0.05**
667003	Rental Income - DPS	100,560	0.12	102,000	0.13	**90,900**	**0.10**
667005	Rental - DPW - Impound Lot	39,402	0.05	39,600	0.05	**39,600**	**0.04**
667007	Rental - Universal Ambulance	5,500	0.01	6,000	0.01	**6,000**	**0.01**
667009	Rental - Towers	271,012	0.33	272,620	0.34	**221,420**	**0.24**
669001	Rental - Road Equipment	1,042,358	1.28	975,000	1.20	**1,100,000**	**1.21**
669002	Rental - Equipment - Cross Charges	29,867	0.04	40,000	0.05	**35,000**	**0.04**
673000	Sale of Fixed Assets	14,424	0.02	25,000	0.03	**15,000**	**0.02**
675000	Contributions & Donations	10,237	0.01	5,000	0.01	**10,000**	**0.01**
675001	Donations - Parks & Recreation	10,218	0.01	15,450	0.02	**15,000**	**0.02**
675003	Art Fair Revenue	90,198	0.11	120,000	0.15	**105,000**	**0.12**
676000	Reimbursements	616,611	0.76	480,000	0.59	**550,000**	**0.60**
676001	Reimbursements - Legal	2,244	0.00	5,000	0.01	**3,000**	**0.00**
677008	Unrealized Gain/Loss	(199,852)	-0.24	0	0.00	**(200,000)**	**-0.22**
679000	Police Auction	27,899	0.03	25,000	0.03	**27,000**	**0.03**
679752	Parks & Recreation Retail Sales	1,805	0.00	1,500	0.00	**1,500**	**0.00**
679792	Library Book Sales	152	0.00	100	0.00	**100**	**0.00**
685000	Miscellaneous Revenue	165,289	0.20	60,000	0.07	**80,000**	**0.09**
685792	Miscellaneous Revenue - Library	77,199	0.09	75,000	0.09	**80,000**	**0.09**
690000	O.U.I.L. Recovery	46,757	0.06	40,000	0.05	**42,000**	**0.05**
690002	Warrant Arrest Processing Fee	4,371	0.01	4,500	0.01	**4,000**	**0.00**
695000	Insurance Recovery	1,509	0.00	0	0.00	**0**	**0.00**
695414	Foreclosure Relief Recovery	4,415	0.01	0	0.00	**0**	**0.00**
	Total Other Revenue	**2,664,901**	**3.27**	**2,540,890**	**3.14**	**2,456,480**	**2.70**
405000	City Refuse Tax	4,403,288	5.40	4,457,700	5.51	**4,658,430**	**5.12**
406000	P&F Pension Tax	8,529,892	10.45	7,468,050	9.23	**7,953,970**	**8.74**
407000	Safe Streets Tax	0	0.00	0	0.00	**7,028,680**	**7.73**
680000	Cable TV Revenue	2,292,537	2.81	2,200,000	2.72	**2,300,000**	**2.53**
	Total General Fund Revenue	**$81,612,889**	**100.00**	**$80,935,430**	**100.00**	**$90,956,320**	**100.00**

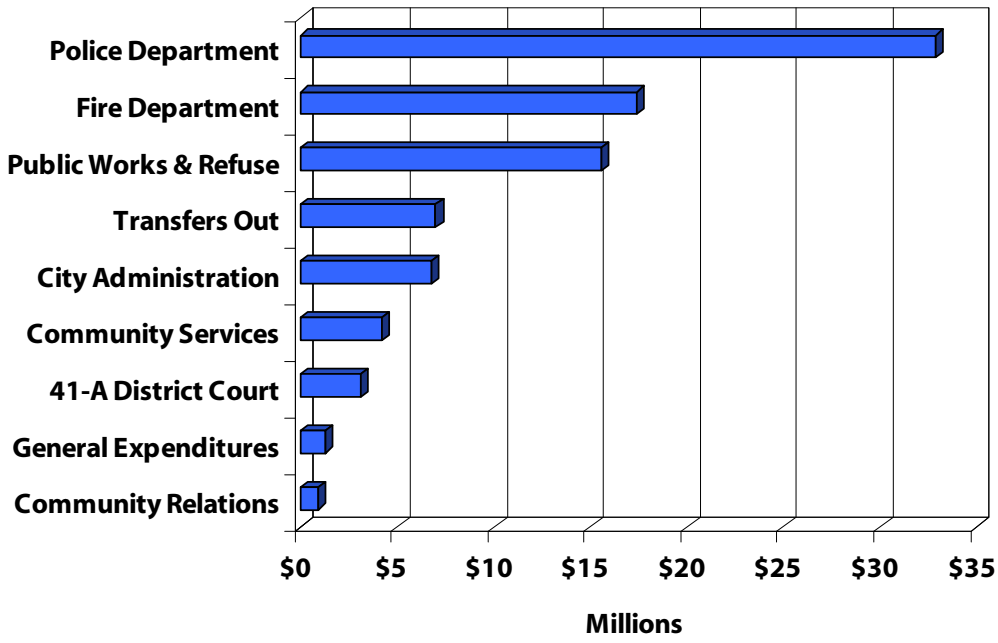
Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

General Fund Revenues by Revenue Category



This graph illustrates the amount budgeted for each of the revenue categories.

General Fund Expenditures by Budgetary Center



This graph illustrates the amount budgeted for each budgetary center.

GENERAL FUND EXPENDITURES
BY BUDGETARY CENTER

Activity Name	Activity No.	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
LEGISLATIVE					
1. City Council	1010	$129,410	$131,720	**$132,090**	0.3%
CITY ADMINISTRATION DEPARTMENT					
1. City Management	1720	1,092,740	861,380	**944,720**	9.7%
2. Economic Development	4150	285,330	276,740	**260,140**	-6.0%
3. City Clerk	2160	666,050	596,490	**605,500**	1.5%
4. Facilities Maintenance	2650	987,750	0	**0**	0.0%
5. Information Technology	2580	959,460	865,030	**886,010**	2.4%
6. Assessing	2090	761,840	814,860	**866,990**	6.4%
7. Financial Services	2010	725,110	756,880	**833,230**	10.1%
8. Purchasing	2330	263,640	281,390	**309,290**	9.9%
9. Treasury	2530	1,020,450	1,054,500	**1,062,980**	0.8%
10. Act 78 - Civil Service Commission	2200	0	15,000	**22,710**	51.4%
11. General Employees Pension Board	2390	70,670	74,150	**78,940**	6.5%
12. Legal	2100	765,090	770,000	**745,000**	-3.2%
Total City Administration Department		**7,727,540**	**6,498,140**	**6,747,600**	**3.8%**
COMMUNITY SERVICES DEPARTMENT					
1. Library	7920	2,450,830	2,350,200	**2,472,640**	5.2%
2. Parks & Recreation	7520	1,888,710	1,751,830	**1,770,980**	1.1%
3. Historical Commission	8030	410	560	**570**	1.8%
Total Community Services Department		**4,339,950**	**4,102,590**	**4,244,190**	**3.5%**
POLICE DEPARTMENT					
1. Police Administration	3050	3,099,570	3,151,740	**3,152,100**	0.0%
2. Police Investigations	3100	5,738,130	5,652,760	**5,743,330**	1.6%
3. Police Operations	3150	19,501,000	19,653,840	**20,352,170**	3.6%
4. Police Support Services	3260	3,282,000	3,676,110	**3,662,540**	-0.4%
Total Police Department		**31,620,700**	**32,134,450**	**32,910,140**	**2.4%**
FIRE DEPARTMENT					
1. Fire Administration	3370	1,414,940	1,389,180	**1,424,710**	2.6%
2. Fire Extinguishment	3390	14,742,310	14,749,420	**15,137,660**	2.6%
3. Fire Prevention	3410	725,770	686,530	**826,070**	20.3%
Total Fire Department		**16,883,020**	**16,825,130**	**17,388,440**	**3.3%**

GENERAL FUND EXPENDITURES
BY BUDGETARY CENTER

Activity Name	Activity No.	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
PUBLIC WORKS DEPARTMENT					
1. Building & Facilities Maintenance	4120	1,373,140	1,816,590	**1,784,340**	-1.8%
2. Engineering	4470	1,139,250	1,153,860	**1,332,660**	15.5%
3. Fleet Maintenance	5530	2,790,250	2,700,560	**2,825,830**	4.6%
4. Foreclosure Relief	4140	4,410	0	**0**	0.0%
5. Neighborhood Services	4170	346,260	1,214,740	**1,330,910**	9.6%
6. Parks & Grounds Maintenance	7700	1,110,640	1,020,280	**1,241,890**	21.7%
7. Planning	4020	237,210	104,070	**182,120**	75.0%
8. Public Works Center	4420	233,330	223,700	**243,300**	8.8%
9. Street Services	4440	1,743,280	1,816,980	**1,970,390**	8.4%
10. Planning Commission	4030	4,390	4,940	**4,740**	-4.0%
11. Zoning Board of Appeals	4130	3,750	5,050	**4,510**	-10.7%
Total Public Works Department		**8,985,910**	**10,060,770**	**10,920,690**	**8.5%**
REFUSE COLLECTION					
1. Refuse Collection	5350	4,672,020	4,486,700	**4,684,930**	4.4%
Total Refuse Collection		**4,672,020**	**4,486,700**	**4,684,930**	**4.4%**
COMMUNITY RELATIONS DEPARTMENT					
1. Community Relations	2920	931,910	827,910	**933,210**	12.7%
2. Beautification Commission	8060	480	700	**710**	1.4%
3. Cultural Commission	7930	0	50	**50**	0.0%
Total Community Relations Department		**932,390**	**828,660**	**933,970**	**12.7%**
41-A DISTRICT COURT	1360	3,258,360	3,174,060	**3,081,700**	-2.9%
GENERAL EXPENDITURES	8950	2,238,910	2,205,790	**1,272,970**	-42.3%
TRANSFERS OUT	9660	954,090	655,230	**6,998,510**	968.1%
Total General Fund Expenditures		**$81,612,890**	**$80,971,520**	**$89,183,140**	**10.1%**

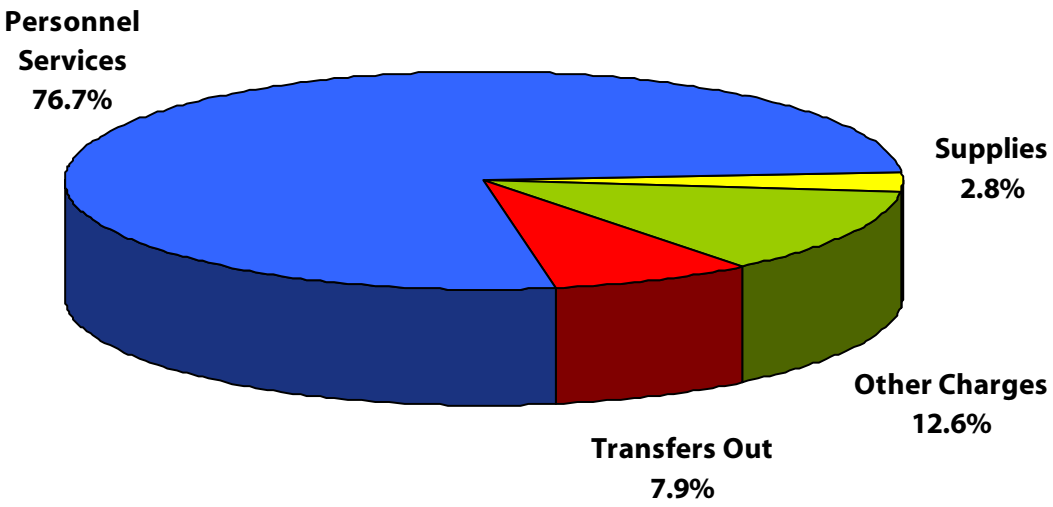
GENERAL FUND BUDGETARY CENTERS
EXPENDITURES BY CATEGORY

Budgetary Center	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget
CITY ADMINISTRATION DEPARTMENT					
Personnel Services	$7,018,292	$6,589,283	$5,631,605	$4,925,490	**$5,150,590**
Supplies	209,496	218,362	202,132	167,630	**187,760**
Other Charges	1,529,581	1,610,421	1,893,799	1,405,020	**1,409,250**
Total	**8,757,369**	**8,418,066**	**7,727,536**	**6,498,140**	**6,747,600**
COMMUNITY SERVICES DEPARTMENT					
Personnel Services	3,764,981	3,689,342	3,556,987	3,326,530	**3,402,050**
Supplies	275,081	271,283	244,037	241,970	**269,560**
Other Charges	563,044	528,543	538,926	534,090	**572,580**
Total	**4,603,106**	**4,489,168**	**4,339,950**	**4,102,590**	**4,244,190**
POLICE DEPARTMENT					
Personnel Services	31,651,541	31,828,783	30,535,297	30,596,110	**31,391,780**
Supplies	92,595	68,375	55,113	83,250	**70,550**
Other Charges	739,559	1,083,583	1,030,293	1,455,090	**1,447,810**
Total	**32,483,695**	**32,980,741**	**31,620,703**	**32,134,450**	**32,910,140**
FIRE DEPARTMENT					
Personnel Services	17,755,696	18,546,987	16,333,914	16,248,100	**16,783,200**
Supplies	147,808	134,135	119,776	139,450	**179,870**
Other Charges	456,525	434,442	429,327	437,580	**425,370**
Total	**18,360,029**	**19,115,564**	**16,883,017**	**16,825,130**	**17,388,440**
PUBLIC WORKS DEPARTMENT					
Personnel Services	7,933,235	7,503,169	6,597,604	7,263,200	**7,850,820**
Supplies	1,596,068	1,557,276	1,711,671	1,609,830	**1,703,290**
Other Charges	548,453	611,401	676,639	1,187,740	**1,366,580**
Total	**10,077,756**	**9,671,846**	**8,985,914**	**10,060,770**	**10,920,690**
REFUSE					
Personnel Services	152,996	141,986	115,438	115,800	**143,530**
Supplies	2,167	507	593	1,000	**1,500**
Other Charges	4,295,192	4,463,391	4,555,986	4,369,900	**4,539,900**
Total	**4,450,355**	**4,605,884**	**4,672,017**	**4,486,700**	**4,684,930**
COMMUNITY RELATIONS DEPARTMENT					
Personnel Services	1,363,068	956,511	849,995	754,430	**840,630**
Supplies	48,331	26,860	25,524	25,720	**27,730**
Other Charges	60,414	50,860	56,873	48,510	**65,610**
Total	**1,471,813**	**1,034,231**	**932,392**	**828,660**	**933,970**

GENERAL FUND BUDGETARY CENTERS
EXPENDITURES BY CATEGORY

Budgetary Center	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget
41-A DISTRICT COURT					
Personnel Services	2,980,605	2,982,131	2,991,442	2,905,180	**2,811,650**
Supplies	37,981	45,504	34,060	38,500	**39,300**
Other Charges	228,226	225,218	232,861	230,380	**230,750**
Total	**3,246,812**	**3,252,853**	**3,258,363**	**3,174,060**	**3,081,700**
GENERAL EXPENDITURES					
Personnel Services	37,735	17,515	69,655	30,000	**30,000**
Supplies	16,201	18,588	10,179	15,680	**16,000**
Other Charges	2,465,607	2,621,409	2,159,076	2,160,110	**1,226,970**
Total	**2,519,543**	**2,657,512**	**2,238,910**	**2,205,790**	**1,272,970**
TRANSFERS OUT					
Transfers Out	1,509,940	1,010,670	954,090	655,230	**6,998,510**
TOTAL EXPENDITURES BY CATEGORY					
Personnel Services	72,658,149	72,255,707	66,681,937	66,164,840	**68,404,250**
Supplies	2,425,728	2,340,890	2,403,085	2,323,030	**2,495,560**
Other Charges	10,886,601	11,629,268	11,573,780	11,828,420	**11,284,820**
Transfers Out	1,509,940	1,010,670	954,090	655,230	**6,998,510**
Total General Fund	**$87,480,418**	**$87,236,535**	**$81,612,892**	**$80,971,520**	**$89,183,140**

General Fund Expenditures by Expenditure Category



Total General Fund Budget of $89,183,140

This graph illustrates expenditures by category as a percent of the General Fund. Personnel Services, for example, comprises 76.7% of total General Fund expenditures.

GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	PERSONNEL SERVICES						
703000	Wages-Elected & Appointed	$125,643	0.15	$131,600	0.16	**$128,370**	**0.14**
704000	Wages & Salaries-Permanent	29,614,506	36.29	28,975,230	35.78	**30,001,340**	**33.64**
704001	Sick Time Buy Back	508,276	0.62	436,210	0.54	**574,800**	**0.64**
704721	Health Insurance Allowance	88,537	0.11	85,500	0.11	**89,000**	**0.10**
705000	Wages-Salaries - Temp/Part Time	1,991,298	2.44	2,323,310	2.87	**2,289,800**	**2.57**
706000	Wages-Salaries - Occasional	83,924	0.10	55,000	0.07	**75,000**	**0.08**
708000	Overtime	1,733,039	2.12	1,729,750	2.14	**1,888,520**	**2.12**
708001	Compensatory Time Buy Back	1,199,081	1.47	1,130,840	1.40	**1,130,130**	**1.27**
708795	Overtime - F.L.S.A.	66,681	0.08	75,000	0.09	**70,000**	**0.08**
708900	Overtime - Grants	0	0.00	71,320	0.09	**0**	**0.00**
709000	Union Contract Reimbursement	103,003	0.13	24,430	0.03	**31,950**	**0.04**
710000	Longevity	1,002,412	1.23	835,980	1.03	**827,250**	**0.93**
711000	Holiday Pay	1,006,168	1.23	1,001,580	1.24	**1,013,480**	**1.14**
713500	Car Allowance	3,000	0.00	0	0.00	**0**	**0.00**
714000	Food Allowance	92,452	0.11	76,000	0.09	**75,000**	**0.08**
715000	Clothing Allowance	325,408	0.40	303,350	0.37	**321,780**	**0.36**
717000	FICA	1,446,925	1.77	1,398,860	1.73	**1,452,170**	**1.63**
718000	Worker's Compensation	301,118	0.37	282,030	0.35	**302,120**	**0.34**
719000	Unemployment Compensation	69,655	0.09	30,000	0.04	**30,000**	**0.03**
720000	Pension - General Emp Retirement	1,460,490	1.79	2,231,330	2.76	**2,129,040**	**2.39**
720001	Pension - Police and Fire Retirement	8,815,031	10.80	7,468,050	9.22	**7,953,970**	**8.92**
720002	Defined Contribution - Employer	165,248	0.20	155,470	0.19	**192,330**	**0.22**
720010	Add'l Employee Pension - GERS	(17,505)	-0.02	(35,700)	-0.04	**0**	**0.00**
720011	Add'l Employee Pension - P&F	(285,139)	-0.35	(20,510)	-0.03	**0**	**0.00**
721000	Health Insurance	4,599,711	5.64	4,980,470	6.15	**5,179,660**	**5.81**
721001	Health Insurance - Retirees	11,361,960	13.92	11,561,870	14.28	**11,697,480**	**13.12**
721003	Retiree Health Savings - City	53,297	0.07	49,600	0.06	**82,100**	**0.09**
722000	Dental Insurance	430,153	0.53	478,240	0.59	**528,490**	**0.59**
723000	Life Insurance	63,429	0.08	60,230	0.07	**62,690**	**0.07**
724000	Eye Care Insurance	36,640	0.04	39,110	0.05	**41,480**	**0.05**
725000	Disability Insurance - Long Term	67,219	0.08	65,520	0.08	**67,020**	**0.08**
725355	Disability Insurance - Short Term	170,277	0.21	165,170	0.20	**169,280**	**0.19**
	Total Personnel Services	**66,681,937**	**81.71**	**66,164,840**	**81.71**	**68,404,250**	**76.70**
	SUPPLIES						
729000	Postage	209,621	0.26	206,260	0.25	**229,720**	**0.26**
730000	Publications	19,390	0.02	19,420	0.02	**20,190**	**0.02**
741000	Ammunition	1,354	0.00	27,150	0.03	**14,250**	**0.02**
741302	Ammunition - Act 302 Grant	4,974	0.01	5,000	0.01	**5,000**	**0.01**
742000	Dog Care Supplies	1,132	0.00	1,000	0.00	**1,200**	**0.00**
750000	Fuels & Lubricants	796,712	0.98	775,000	0.96	**790,000**	**0.89**
750001	Fuel & Lube Inventory	27,927	0.03	22,000	0.03	**25,000**	**0.03**
751000	Operating Supplies	354,981	0.43	383,880	0.47	**439,330**	**0.49**
751001	Operating Supplies - Federal Funds	13,252	0.02	0	0.00	**0**	**0.00**
758000	Computer Software	480	0.00	500	0.00	**500**	**0.00**

GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

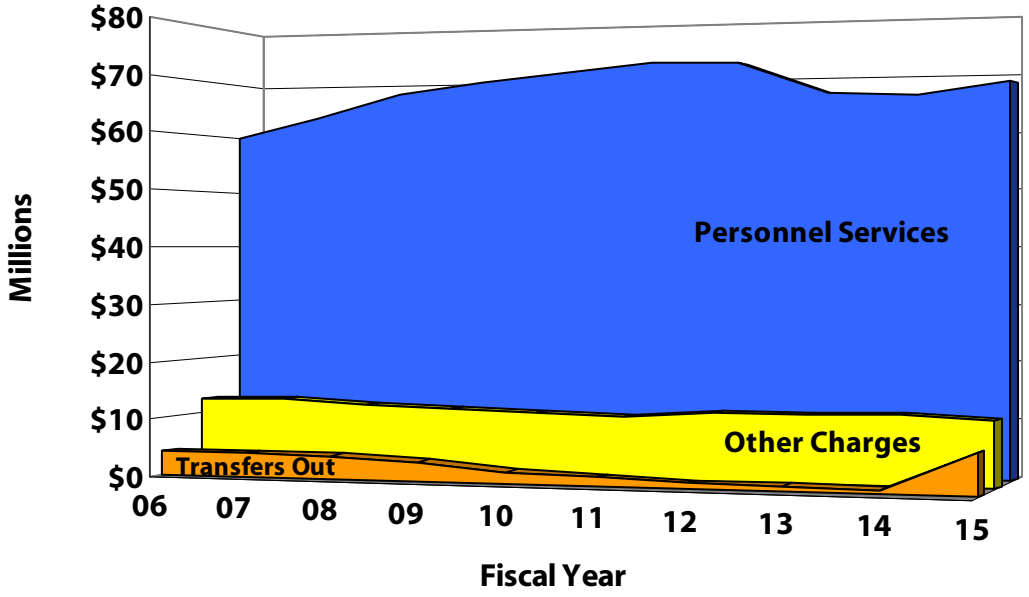
Account Number	Account Name	2012-2013 Actual		2013-2014 Budget		2014-2015 Budget	
		Dollars	%	Dollars	%	Dollars	%
759000	Parts & Sublet Services	751,955	0.92	671,980	0.83	**725,000**	**0.81**
760000	Playground & Athletic Supplies	13,806	0.02	9,100	0.01	**13,000**	**0.01**
761000	Program Activity Supplies	36,882	0.05	31,270	0.04	**35,450**	**0.04**
762000	Seniors Program Supplies	9,709	0.01	13,920	0.02	**13,920**	**0.02**
769000	Audio Visual Media	21,995	0.03	20,000	0.02	**25,000**	**0.03**
783000	Seeding & Planting Supplies	2,928	0.00	3,550	0.00	**8,000**	**0.01**
785000	Books	135,987	0.17	133,000	0.16	**150,000**	**0.17**
	Total Supplies	**2,403,085**	**2.94**	**2,323,030**	**2.87**	**2,495,560**	**2.80**
	OTHER CHARGES						
802000	Audit & Accounting Services	48,700	0.06	45,740	0.06	**46,660**	**0.05**
803000	Computer Consultant Services	25,568	0.03	6,400	0.01	**6,400**	**0.01**
804000	Engineering Consultant Services	0	0.00	0	0.00	**10,000**	**0.01**
806000	Legal Services - Other	109,606	0.13	126,850	0.16	**101,000**	**0.11**
806001	Legal Services - City Attorney	658,337	0.81	650,600	0.80	**650,600**	**0.73**
807000	Medical Services	15,537	0.02	16,660	0.02	**42,840**	**0.05**
808000	Reporting Services	13,954	0.02	12,810	0.02	**13,350**	**0.01**
810000	Other Fees	50,598	0.06	50,930	0.06	**44,950**	**0.05**
820000	Tree/Weed Cutting	90,976	0.11	85,000	0.10	**95,000**	**0.11**
821000	Spraying Services	18,773	0.02	18,000	0.02	**20,000**	**0.02**
822000	Rubbish Removal	4,484,571	5.49	4,300,000	5.31	**4,470,000**	**5.01**
825000	Animal Collection	5,514	0.01	11,000	0.01	**11,000**	**0.01**
826000	Other Contracted Services	1,558,923	1.91	1,602,050	1.98	**1,771,050**	**1.99**
826412	Nuisance Abatements	10,454	0.01	30,000	0.04	**30,000**	**0.03**
827000	Interfund Services	69,100	0.08	69,100	0.09	**69,100**	**0.08**
829000	Hazardous Waste Disposal	1,762	0.00	2,000	0.00	**2,000**	**0.00**
832000	Building Maintenance	131,283	0.16	115,950	0.14	**130,000**	**0.15**
833000	Equipment Maintenance	386,117	0.47	365,840	0.45	**330,750**	**0.37**
833001	Personal Computer Maintenance	5,893	0.01	5,500	0.01	**6,000**	**0.01**
836000	Radio Maintenance	4,872	0.01	7,500	0.01	**7,500**	**0.01**
837000	Retention Pond Maintenance	18,164	0.02	25,000	0.03	**20,000**	**0.02**
838000	Parks & Grounds Maintenance	24,701	0.03	30,000	0.04	**40,000**	**0.04**
902000	Publishing	12,092	0.01	11,790	0.01	**13,860**	**0.02**
903000	Printing	80,221	0.10	77,230	0.10	**93,020**	**0.10**
913000	Liability Insurance	1,004,469	1.23	1,004,100	1.24	**4,600**	**0.01**
915000	Other Insurance	19,244	0.02	19,240	0.02	**19,260**	**0.02**
921000	Electric	552,578	0.68	577,000	0.71	**565,000**	**0.63**
922000	Telephone	76,156	0.09	94,210	0.12	**82,380**	**0.09**
922001	Fiber Optic Lease Charges	45,327	0.06	45,330	0.06	**45,330**	**0.05**
923000	Gas - Fuel - Oil	198,943	0.24	185,000	0.23	**208,000**	**0.23**
924000	Street Lighting	1,015,222	1.24	1,009,800	1.25	**1,050,330**	**1.18**
925000	Water	151,102	0.19	143,500	0.18	**158,900**	**0.18**
942001	Building Rental - Federal Grants	2,250	0.00	0	0.00	**0**	**0.00**
942302	Building Rental - Act 302	14,440	0.02	12,600	0.02	**12,600**	**0.01**
944000	Hydrant Rental	159,750	0.20	159,750	0.20	**159,750**	**0.18**
945000	Other Rental	260,969	0.32	255,400	0.32	**261,330**	**0.29**
949000	Interpreter Fees	21,157	0.03	20,000	0.02	**25,000**	**0.03**

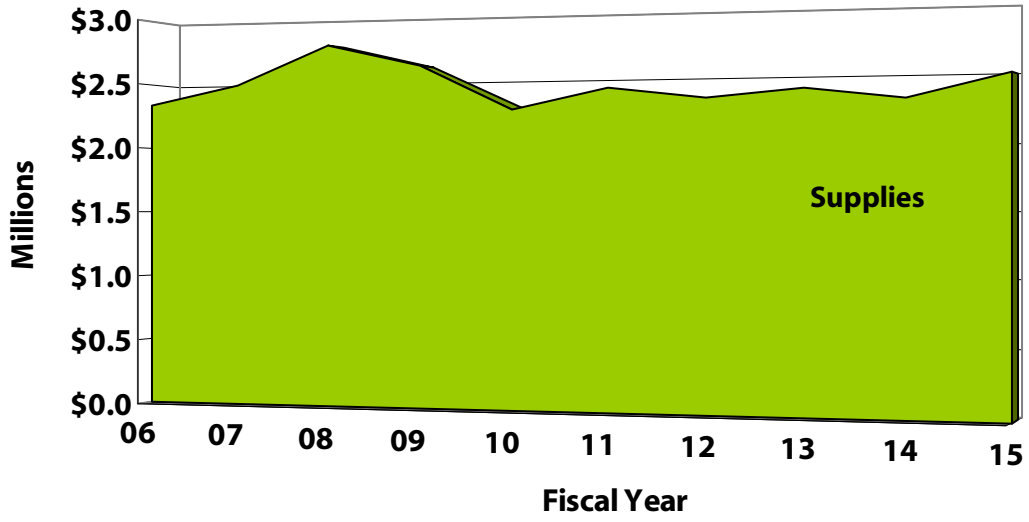
GENERAL FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual		2013-2014 Budget		2014-2015 Budget	
		Dollars	%	Dollars	%	Dollars	%
950000	Witness Fees	3,768	0.00	5,000	0.01	**5,000**	**0.01**
951000	Juror Fees	4,647	0.01	3,000	0.00	**3,000**	**0.00**
954000	Mileage	759	0.00	600	0.00	**600**	**0.00**
956000	Local Meetings	4,746	0.01	3,670	0.00	**4,280**	**0.00**
956002	Special Events	382	0.00	290	0.00	**290**	**0.00**
957000	Memberships & Dues	95,187	0.12	96,150	0.12	**105,660**	**0.12**
959000	Education & Training	75,724	0.09	91,430	0.11	**120,150**	**0.13**
959001	Education & Training - Grant	8,595	0.01	5,500	0.01	**0**	**0.00**
959302	Education & Training Act 302	5,520	0.01	24,000	0.03	**24,000**	**0.03**
959332	Education & Training Act 32	9,206	0.01	10,000	0.01	**10,000**	**0.01**
960000	Donation Expense Non-Capital	3,688	0.00	4,030	0.00	**4,000**	**0.00**
961000	Athletic Entry Fees	320	0.00	320	0.00	**320**	**0.00**
962000	Miscellaneous Expense	13,915	0.02	14,960	0.02	**49,960**	**0.06**
969000	Contingency	0	0.00	377,590	0.47	**340,000**	**0.38**
	Total Other Charges	**11,573,780**	**14.18**	**11,828,420**	**14.61**	**11,284,820**	**12.65**
	TRANSFERS OUT						
999202	Transfer to Major Road Fund	0	0.00	0	0.00	**2,800,000**	**3.14**
999244	Transfer to L&W Conservation Fund	0	0.00	0	0.00	**88,000**	**0.10**
999369	Transfer to LTGO Debt Fund	528,740	0.65	297,080	0.37	**312,680**	**0.35**
999403	Transfer to Capital Projects Fund	406,350	0.50	358,150	0.44	**3,497,830**	**3.92**
999855	Transfer to EDC Fund	19,000	0.02	0	0.00	**300,000**	**0.34**
	Total Transfers Out	**954,090**	**1.17**	**655,230**	**0.81**	**6,998,510**	**7.85**
	Total General Fund	**$81,612,892**	**100.00**	**$80,971,520**	**100.00**	**$89,183,140**	**100.00**

Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

General Fund Expenditure History



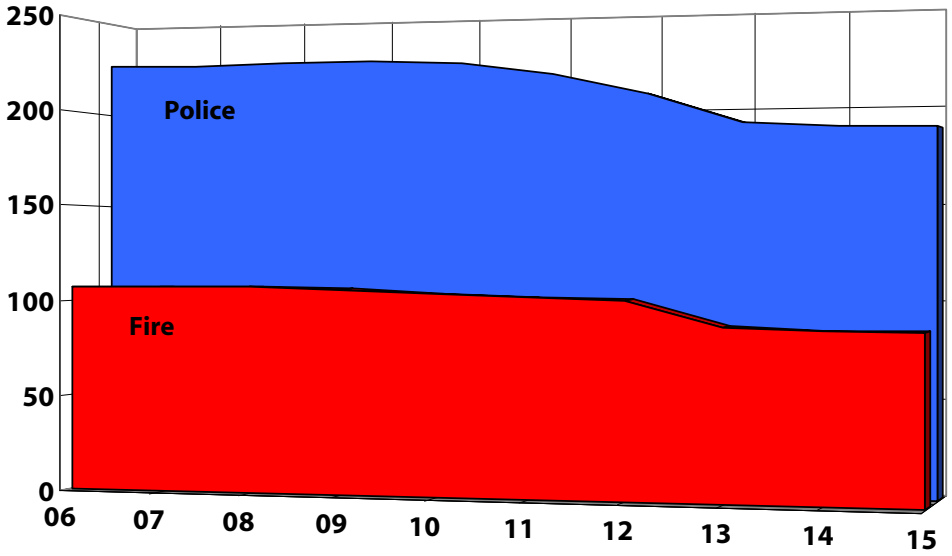


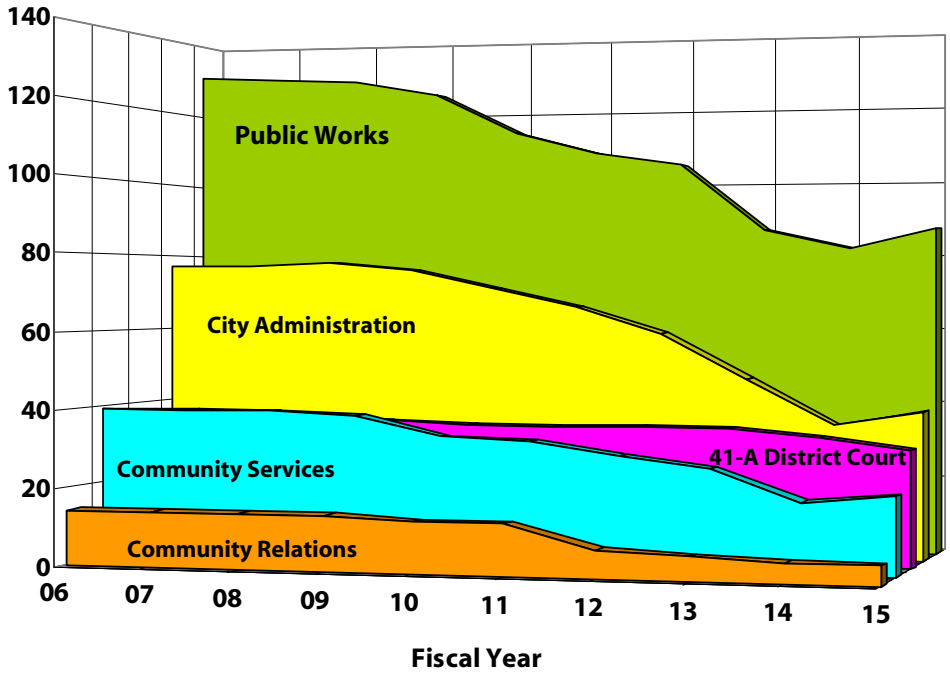
These graphs illustrate the expenditure category history for the General Fund.

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 expenses. 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

Current Pay Ranges	OFFICE	Budget 2012/13 Full Time	Budget 2012/13 Part Time	Budget 2013/14 Full Time	Budget 2013/14 Part Time	Budget 2014/15 Full Time	Budget 2014/15 Part Time
	CITY ADMINISTRATION DEPT.						
	CITY MANAGEMENT						
153,717	City Manager	1		1		1	
79,402	Human Resources Director/Assistant City Manager	0		1		1	
79,402	Finance & Budget Director	1		1		1	
	Human Resources Director	1		0		0	
48,992 - 64,744	Budget Management Coordinator	1		1		1	
40,763 - 53,600	Management Services Specialist	1		1		1	
37,025 - 50,886	Management Assistant	1		0		1	
	Management Assistant (P.T.)		0		1		0
35,775 - 49,166	Administrative Assistant	1		1		1	
29,492	Administrative Assistant (P.T.)		0		1		1
	Total	**7**	**0**	**6**	**2**	**7**	**1**
	ECONOMIC DEVELOPMENT						
63,923 - 99,066	Economic Development Manager	1		1		1	
	Business Development Manager	1		0		0	
37,025 - 50,886	Management Assistant	1		1		1	
	Total	**3**	**0**	**2**	**0**	**2**	**0**
	CITY CLERK						
	City Clerk/Assistant City Manager	1		0		0	
79,402	City Clerk/Risk Manager	0		1		1	
37,025 - 50,886	Management Assistant	1		2		2	
	Elections Assistant	1		0		0	
24,194 - 41,792	Clerk Typist	1		0		1	
19,361	Clerk Typist (P.T.)		1		2		1
	Total	**4**	**1**	**3**	**2**	**4**	**1**
	FACILITIES MAINTENANCE						
	Facilities Maintenance Mechanic	3		0		0	
	Clerk Typist (P.T.)		1		0		0
	Total	**3**	**1**	**0**	**0**	**0**	**0**
	INFORMATION TECHNOLOGY						
71,683 - 111,090	Information Technology Manager	1		1		1	
47,668 - 62,680	Senior Systems Analyst	2		2		2	
45,835 - 60,270	Information Technology Specialist	3		2		2	
	Total	**6**	**0**	**5**	**0**	**5**	**0**
	ASSESSING						
83,900 - 104,020	City Assessor	1		1		1	
54,438 - 73,009	Appraiser III	3		1		2	
29,924	Appraiser III (P.T.)		0		2		1
48,111 - 64,525	Appraiser II	1		1		1	
42,095 - 56,454	Appraiser I	1		1		1	
38,418 - 52,803	Appraiser Aide	1		1		1	
19,361	Clerk Typist (P.T)		0		0		1
	Co-op (P.T.)		0		1		0
	Total	**7**	**0**	**5**	**3**	**6**	**2**
	FINANCIAL SERVICES						
67,120 - 104,020	Controller	1		1		1	
48,992 - 64,744	Accountant	1		1		1	
19,211 - 41,621	Accountant (P.T.)		2		2		2
35,775 - 49,166	Senior Account Clerk	2		2		2	
	Account Clerk	1		0		0	
24,815	Account Clerk (P.T.)		0		1		1
7,500	Co-op (P.T.)		1		1		1
	Total	**5**	**3**	**4**	**4**	**4**	**4**

PERSONNEL SUMMARY

Current Pay Ranges	OFFICE	Budget 2012/13 Full Time	Budget 2012/13 Part Time	Budget 2013/14 Full Time	Budget 2013/14 Part Time	Budget 2014/15 Full Time	Budget 2014/15 Part Time
	PURCHASING						
	Purchasing & Risk Manager	1		0		0	
68,992	Purchasing Manager	0		1		1	
45,835 - 60,270	Purchasing Specialist	1		1		1	
35,775 - 49,166	Administrative Assistant	1		0		1	
	Administrative Assistant (P.T.)		0		1		0
	Total	**3**	**0**	**2**	**1**	**3**	**0**
	TREASURY						
57,052 - 88,416	City Treasurer	1		1		1	
53,519 - 71,238	Pension Administrator/Utility Billing Accountant	1		1		1	
48,992 - 64,744	Accountant	1		1		1	
37,025 - 50,886	Management Assistant	1		1		1	
35,775 - 49,166	Senior Account Clerk	2		2		2	
29,953 - 44,560	Account Clerk	3		2		2	
23,506	Account Clerk (P.T.)		1		2		2
	Total	**9**	**1**	**8**	**2**	**8**	**2**
	Total City Administration Department	**47**	**6**	**35**	**14**	**39**	**10**
	COMMUNITY SERVICES DEPARTMENT						
	PUBLIC LIBRARY						
72,031 - 111,632	Community Services/Library Director	1		1		1	
48,992 - 65,385	Library Service Area Coordinator	2		1		2	
	Library Service Area Coordinator (P.T.)		0		1		0
47,676 - 63,307	Public Relations & Programs Coordinator	0		1		1	
	Library Programming Specialist	1		0		0	
45,776 - 60,486	Librarian	5		2		2	
35,917 - 37,815	Librarian (P.T.)		7		8		8
42,095 - 56,454	Circulation Supervisor	1		0		1	
	Circulation Supervisor (P.T.)		0		1		0
37,025 - 50,886	Management Assistant	1		1		1	
35,775 - 49,166	Library Assistant II	3		3		3	
33,227 - 45,668	Library Assistant I	1		1		1	
29,953 - 41,791	Library Clerk	1		1		1	
16,767 - 17,617	Library Clerk (P.T.)		5		5		5
10,374 - 13,794	Library Page (P.T.)		10		10		10
	Total	**16**	**22**	**11**	**25**	**13**	**23**
	PARKS & RECREATION						
55,072 - 84,357	Parks & Recreation Manager	1		1		1	
	Recreation Supervisor/HUD Coordinator	0		1		0	
47,676 - 63,307	Recreation Supervisor	4		1		1	
37,415 - 40,195	Recreation Supervisor (P.T.)		0		1		2
38,103 - 50,236	Recreation Specialist	0		0		1	
35,775 - 49,166	Administrative Assistant	1		1		1	
32,406 - 44,561	Program & Services Assistant	1		2		2	
26,730	Program & Services Assistant (P.T.)		0		1		1
32,406 - 44,561	Senior Clerk	2		1		1	
	Lead Bus Driver	1		0		0	
	CDBG Intern (P.T.)		0		1		0
	Total	**10**	**0**	**7**	**3**	**7**	**3**
	Total Community Services Department	**26**	**22**	**18**	**28**	**20**	**26**

PERSONNEL SUMMARY

Current Pay Ranges	OFFICE	Budget 2012/13 Full Time	Budget 2012/13 Part Time	Budget 2013/14 Full Time	Budget 2013/14 Part Time	Budget 2014/15 Full Time	Budget 2014/15 Part Time
	POLICE DEPARTMENT						
	POLICE ADMINISTRATION						
85,604	Chief of Police	1		1		1	
103,646 - 106,359	Captain	1		1		1	
96,008 - 98,992	Lieutenant	1		1		1	
85,589 - 90,061	Sergeant	2		2		2	
43,181 - 74,926	Police Officer	2		2		2	
30,959 - 50,595	Secretary to Chief	1		1		1	
30,135 - 49,595	Administrative Secretary	3		3		3	
21,394 - 43,272	Technical Secretary	1		1		1	
21,394 - 43,272	Property Clerk	1		1		1	
	Total	**13**	**0**	**13**	**0**	**13**	**0**
	POLICE INVESTIGATIONS						
96,008 - 98,992	Lieutenant	2		2		2	
85,589 - 90,061	Sergeant	4		4		4	
43,181 - 74,926	Police Officer	23		24		24	
30,135 - 49,595	Administrative Secretary	1		1		2	
21,394 - 43,272	Technical Secretary	2		2		2	
	Total	**32**	**0**	**33**	**0**	**34**	**0**
	POLICE OPERATIONS						
103,646 - 106,359	Captain	1		1		1	
96,008 - 98,992	Lieutenant	5		4		4	
85,589 - 90,061	Sergeant	16		16		16	
43,181 - 74,926	Police Officer	90		89		89	
30,135 - 49,595	Administrative Secretary	2		2		2	
21,394 - 43,272	Technical Secretary	1		1		1	
5,233	Crossing Guards (P.T.)		30		30		30
	Total	**115**	**30**	**113**	**30**	**113**	**30**
	POLICE SUPPORT SERVICES						
85,589 - 90,061	Sergeant	2		2		2	
57,029 - 61,062	Communications Officer - Shift Leader	4		4		4	
42,199 - 55,511	Communications Officer	16		16		16	
	Emergency Dispatcher (P.T.)		4		0		0
30,137	Laboratory Technician (P.T.)		1		1		1
30,959 - 50,595	Evidence Clerk	1		1		1	
30,135 - 49,595	Administrative Secretary	3		3		2	
	Animal Control Officer	1		0		0	
26,256 - 27,619	Animal Control Officer (P.T.)		1		2		2
	Data Analyst	1		0		0	
27,065 - 44,880	Terminal Agency Coordinator	1		1		1	
21,394 - 43,272	Technical Secretary	3		3		3	
	Total	**32**	**6**	**30**	**3**	**29**	**3**
	Total Police Department	**192**	**36**	**189**	**33**	**189**	**33**

PERSONNEL SUMMARY

Current Pay Ranges	OFFICE	Budget 2012/13 Full Time	Budget 2012/13 Part Time	Budget 2013/14 Full Time	Budget 2013/14 Part Time	Budget 2014/15 Full Time	Budget 2014/15 Part Time
	FIRE DEPARTMENT						
	FIRE ADMINISTRATION						
70,822 - 115,077	Fire Chief	1		1		1	
100,845 - 110,248	Division Chief/Assistant Fire Chief	1		1		1	
92,519 - 101,612	Chief of Training	1		1		1	
90,804 - 94,999	EMS Coordinator	1		1		1	
86,480 - 90,556	Training Officer	1		1		1	
38,418 - 52,803	Fire Services Specialist	0		1		1	
37,025 - 50,886	Management Assistant	2		1		1	
35,775 - 49,166	Administrative Assistant	1		1		1	
	Senior Clerk	1		0		0	
	Total	**9**	**0**	**8**	**0**	**8**	**0**
	FIRE EXTINGUISHMENT						
91,407 - 96,774	Battalion Chief	3		3		3	
88,055 - 93,221	Captain-Advanced Life Support	5		3		3	
83,862 - 88,783	Captain	0		2		2	
79,989 - 85,525	Lieutenant-Advanced Life Support	13		14		15	
76,180 - 81,454	Lieutenant	3		2		1	
75,144 - 76,600	Sergeant - Fire Engine Operator	9		9		9	
41,819 - 74,363	Fire Fighter-Advanced Life Support	32		31		30	
41,023 - 72,954	Fire Fighter-Fire Engine Operator	12		12		12	
	Total	**77**	**0**	**76**	**0**	**75**	**0**
	FIRE PREVENTION						
92,519 - 101,612	Fire Marshal	1		1		1	
86,480 - 90,556	Fire Inspector	1		1		1	
79,339 - 83,079	Fire Prevention Specialist	0		0		1	
	Total	**2**	**0**	**2**	**0**	**3**	**0**
	Total Fire Department	**88**	**0**	**86**	**0**	**86**	**0**
	PUBLIC WORKS DEPARTMENT						
	BUILDING & FACILITIES MAINTENANCE						
71,683 - 111,090	Building Official/Facilities Maintenance Manager	1		1		1	
	Code Enforcement Coordinator	1		0		0	
61,711 - 76,847	Building Plan Review Coordinator	1		1		1	
53,251 - 69,665	Building Inspector/Code Enforcement Officer	1		1		1	
53,251 - 69,665	Plumbing Inspector/Code Enforcement Officer	1		1		1	
53,251 - 69,665	Electrical Inspector/Code Enforcement Officer	1		1		1	
53,251 - 69,665	Mechanical Inspector/Code Enforcement Officer	1		1		1	
49,210 - 57,331	Lead Facilities Maintenance Mechanic	0		1		1	
38,285 - 52,249	Facilities Maintenance Mechanic	0		2		2	
	Management Assistant	1		0		0	
	Senior Clerk	1		0		0	
	Clerk Typist	1		0		0	
	Foreclosure Code Officer - Grant (P.T.)		2		0		0
	Total	**10**	**2**	**9**	**0**	**9**	**0**

PERSONNEL SUMMARY

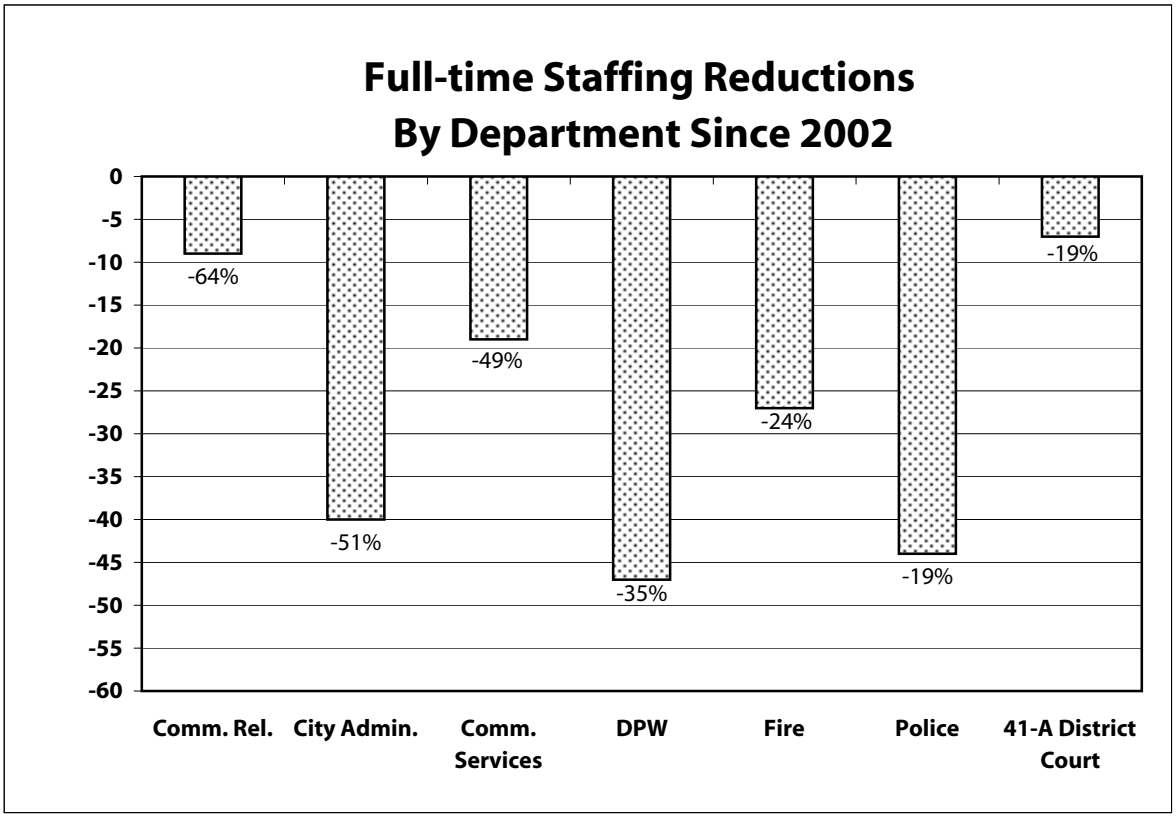
Current Pay Ranges	OFFICE	Budget 2012/13 Full Time	Budget 2012/13 Part Time	Budget 2013/14 Full Time	Budget 2013/14 Part Time	Budget 2014/15 Full Time	Budget 2014/15 Part Time
	ENGINEERING						
71,683 - 111,090	City Engineer	1		1		1	
	Civil Engineer III	1		0		0	
57,272 - 78,720	Civil Engineer II	1		2		2	
57,272 - 78,720	CAD/GIS Coordinator	1		1		1	
41,317 - 68,644	Lead Engineering Inspector	1		1		1	
39,817 - 67,144	Engineering Aide	3		2		3	
28,421	Engineering Aide (P.T.)		0		1		1
	Administrative Assistant	1		0		0	
7,500	Co-op (P.T.)		0		0		1
	Total	**9**	**0**	**7**	**1**	**8**	**2**
	FLEET MAINTENANCE						
	Division Supervisor	0		1		0	
44,398 - 65,953	Maintenance Supervisor	1		0		1	
38,703 - 58,942	Mechanic	9		9		9	
36,349 - 53,682	Storekeeper	0		0		1	
	Seasonal Laborer (P.T.)		1		2		0
	Total	**10**	**1**	**10**	**2**	**11**	**0**
	NEIGHBORHOOD SERVICES						
67,120 - 104,020	City Development Manager	0		1		1	
61,711 - 76,847	Code Enforcement Coordinator	0		1		1	
50,082 - 65,854	HUD Program Coordinator	0		0		1	
47,191 - 63,283	Neighborhood Property Maintenance Code Officer	1		1		1	
47,191 - 63,283	Neighborhood Liaison Specialist	2		1		1	
37,025 - 50,886	Management Assistant	0		1		1	
35,775 - 49,166	Administrative Assistant	0		1		1	
32,406 - 44,561	Senior Clerk	0		1		2	
25,940 - 29,411	Code Enforcement Officer (P.T.)		0		5		5
19,361	Clerk Typist (P.T.)		0		2		2
8,140	CDBG Intern (P.T.)		0		0		1
	Total	**3**	**0**	**7**	**7**	**9**	**8**
	PARKS & GROUNDS MAINTENANCE						
50,034 - 77,592	Division Supervisor	0		0		1	
36,349 - 53,682	Parks & Grounds Maintenance Worker	2		3		3	
25,990 - 52,138	Laborer	0		2		1	
10,200 - 24,000	Seasonal Laborer (P.T.)		8		8		9
	Total	**2**	**8**	**5**	**8**	**5**	**9**
	PLANNING						
66,448	City Planner (P.T.)		1		1		1
	Planning Coordinator	1		0		0	
	HUD Program Coordinator	1		0		0	
	CDBG Intern (P.T.)		1		0		0
	Total	**2**	**2**	**0**	**1**	**0**	**1**
	REFUSE COLLECTION						
	Clerk Typist	1		0		0	
23,506	Account Clerk (P.T.)		0		1		1
22,880 - 24,960	Seasonal Laborer (P.T.)		4		3		4
	Total	**1**	**4**	**0**	**4**	**0**	**5**

PERSONNEL SUMMARY

Current Pay Ranges	OFFICE	Budget 2012/13 Full Time	Budget 2012/13 Part Time	Budget 2013/14 Full Time	Budget 2013/14 Part Time	Budget 2014/15 Full Time	Budget 2014/15 Part Time
	STREET SERVICES						
50,034 - 77,592	Division Supervisor	1		1		1	
40,504 - 58,942	Equipment Operator A	1		1		1	
38,086 - 55,924	Equipment Operator B	7		7		7	
38,086 - 55,924	Traffic Sign Worker	2		2		2	
38,086 - 55,924	Street Services Inspector	1		1		1	
36,349 - 53,682	Equipment Operator C	6		2		2	
25,990 - 52,138	Laborer	1		1		3	
18,900 - 21,600	Seasonal Laborer (P.T.)		2		3		4
	Total	**19**	**2**	**15**	**3**	**17**	**4**
	Total Public Works Department	**56**	**19**	**53**	**26**	**59**	**29**
	COMMUNITY RELATIONS DEPARTMENT						
79,402	Community Relations Director	1		1		1	
	Broadcast Services Manager	1		0		0	
58,968	Broadcast Services Manager (P.T.)		0		1		1
45,482 - 60,402	Broadcast Services Coordinator	2		1		1	
40,763 - 53,600	Management Services Specialist	1		1		1	
39,965 - 52,550	Citizen Services Specialist	0		1		1	
36,861 - 50,675	Printing Technician II	1		1		1	
20,000	Website/Graphic Specialist (P.T.)		1		1		1
	Total Community Relations Department	**6**	**1**	**5**	**2**	**5**	**2**
	41-A DISTRICT COURT						
45,724	Judge	3		3		3	
105,383	Magistrate/Director of Probation	1		1		1	
65,307	Court Administrator	1		1		1	
54,615	Clerk of the Court	1		1		1	
56,607	Court Recorder	3		3		3	
44,100 - 52,664	Court Officer	3		3		3	
46,038	Probation Officer	1		1		1	
27,660 - 42,414	Deputy Clerk	22		20		17	
14,700 - 19,600	Deputy Clerk (P.T.)		0		1		5
11,809	Security Guards (P.T.)		4		4		4
	Total 41-A District Court	**35**	**4**	**33**	**5**	**30**	**9**
	Total General Fund	**450**	**88**	**419**	**108**	**428**	**109**
	WATER & SEWER FUND						
	WATER & SEWER ADMINISTRATION						
75,544 - 118,529	Public Works Director	1		1		1	
56,665 - 87,926	Operations Manager	1		1		1	
52,469 - 81,384	General Supervisor	1		1		1	
	Civil Engineer II	1		0		0	
35,775 - 49,166	Senior Account Clerk	0		1		1	
	Account Clerk	2		0		0	
24,064 - 42,523	Clerk Dispatcher	1		1		1	
24,194 - 41,792	Clerk Typist	0		1		1	
	Total	**7**	**0**	**6**	**0**	**6**	**0**

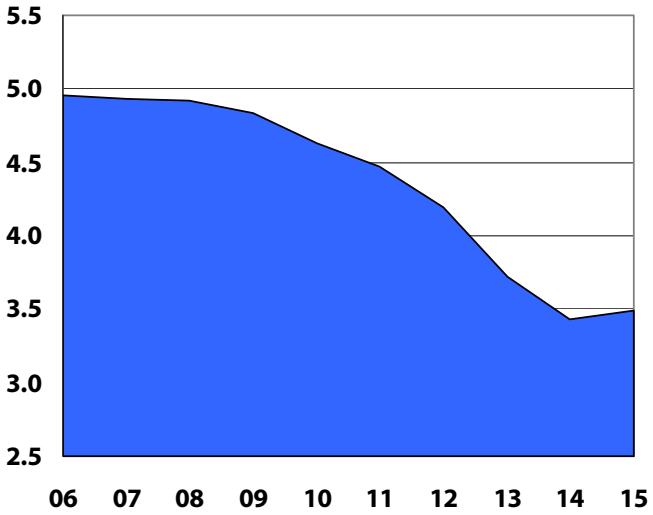
PERSONNEL SUMMARY

Current Pay Ranges	OFFICE	Budget 2012/13 Full Time	Budget 2012/13 Part Time	Budget 2013/14 Full Time	Budget 2013/14 Part Time	Budget 2014/15 Full Time	Budget 2014/15 Part Time
	WATER DISTRIBUTION						
50,034 - 77,592	Division Supervisor	1		1		1	
38,086 - 55,924	Water Inspector	2		2		2	
38,086 - 55,924	Water Service Worker	4		4		4	
36,349 - 53,682	Meter Repair/Installer	2		2		2	
	Laborer	2		2		0	
10,500 - 13,800	Seasonal Laborer (P.T.)		2		2		3
	Total	**11**	**2**	**11**	**2**	**9**	**3**
	SEWAGE COLLECTION						
50,034 - 77,592	Division Supervisor	1		1		1	
38,703 - 56,617	Plant Operator/Mechanic	2		2		2	
38,086 - 55,924	Sewer Service Worker (Clean)	2		2		2	
38,086 - 55,924	Water/Sewage Inspector	2		2		2	
36,349 - 54,736	Sewer Service Worker (Maint)	2		1		1	
25,990 - 52,138	Laborer	4		4		5	
1,980 - 22,425	Seasonal Laborer (P.T.)		4		4		4
	Total	**13**	**4**	**12**	**4**	**13**	**4**
	Total Water & Sewer Fund	**31**	**6**	**29**	**6**	**28**	**7**
	Total All Funds	**481**	**94**	**448**	**114**	**456**	**116**



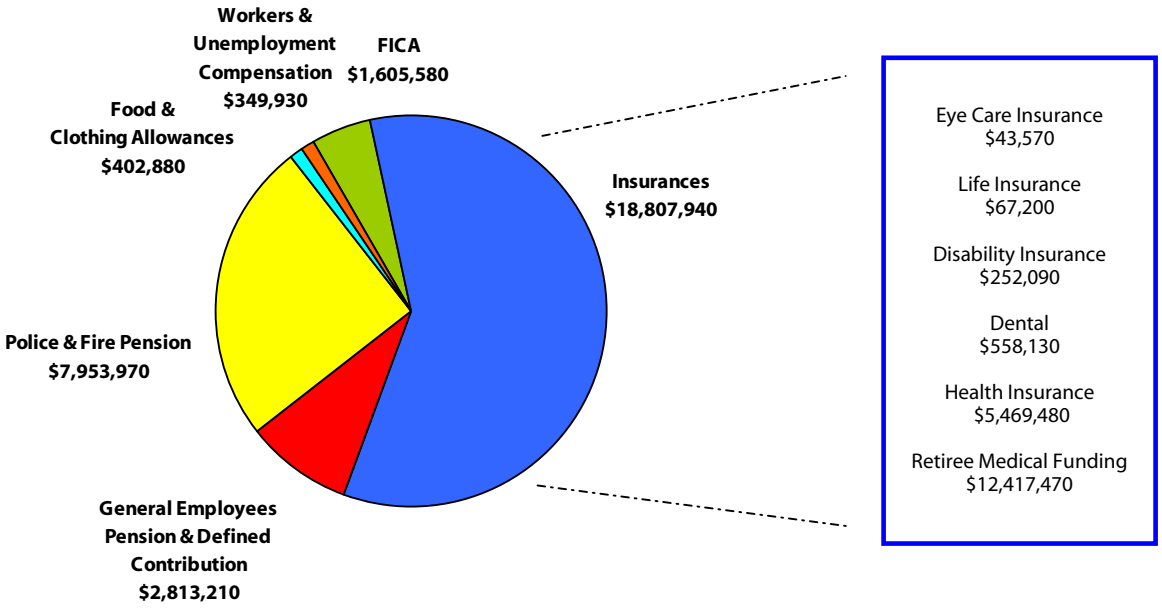
The City's full-time staffing has decreased by 193 positions or 30% since 2002.

Full-time Employees per 1,000 Population



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

Budgeted Employee Fringe Benefit Costs



Fringe Benefits total $31,933,510

Includes the General Fund & Water & Sewer Fund

Legislative

The Sterling Heights City Council (L-R)
Councilman Doug Skrzyniarz
Councilman Joseph V. Romano
Councilwoman Maria G. Schmidt
Mayor Richard J. Notte
Councilwoman Deanna Koski
Councilwoman Barbara A. Ziarko
Mayor Pro Tem Michael C. Taylor

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…
…the City Council recently approved participation in the Macomb Area Communities for Regional Opportunities (MACRO), which allows collaboration and innovation among nine local municipal communities?

City Council

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Regular City Council Meetings	24	24	24	24	24	24
	Special City Council Meetings	4	4	3	4	4	4
	Public Hearings Held	11	13	10	15	13	15
	Ordinances and Amendments Adopted	15	6	16	15	10	15
	Agenda Items Reviewed and Acted Upon	276	283	249	300	280	260
	City Council Members Attending Training Sessions	8	9	1	9	7	9
	"Nice Neighbor" Awards Presented	14	13	9	20	11	15
Effectiveness	City Council Member Attendance at Council Meetings	97%	97%	97%	100%	99%	100%
	% Legislative Items Acted on within 1 Month	95%	95%	95%	100%	95%	100%
	% Difference from Proposed to Adopted Budget (G.F.)	-0.33%	0.00%	-0.01%	0.00%	0.00%	0.00%
	Activity Expenditures as % of General Fund	0.15%	0.15%	0.16%	0.16%	0.16%	0.15%

City Council

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

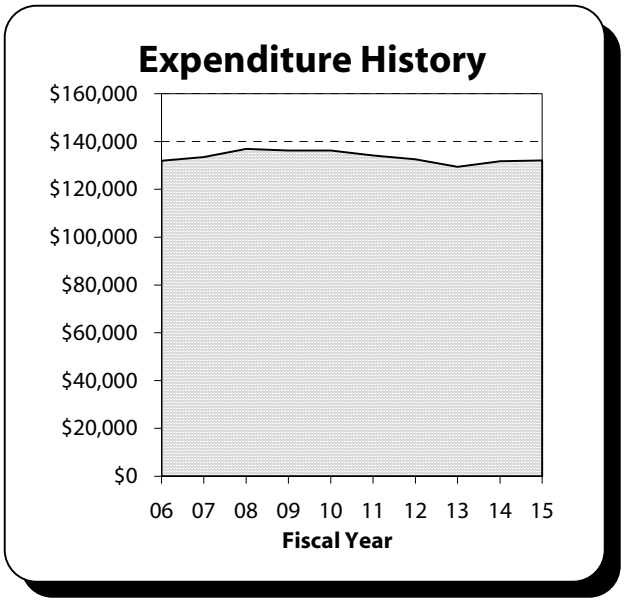
The total budget increased by 0.3%.

Personnel Services – The total Personnel budget remained the same as last year's budget. The Elected Officials Compensation Commission is next scheduled to meet in February 2015. The wages for the Mayor and City Council members have not increased since the 2006/07 fiscal year.

Supplies – Total Supplies decreased $630 or 60.0%. $600 was saved in operating supplies, as less funding for new Council members is needed since next year is not an election year. Postage costs can be reduced $30, as fewer mailings are required.

Other Charges – Total Other Charges increased $1,000 or 16.6%. Telephone costs increased $600 due to higher contractual rates necessary for improved Smartphone communications with constituents. The training budget increased $500 primarily due to the higher costs to attend MML training, which was held locally in the prior year. The printing budget for business cards decreased $100, as next year is not an election year and less funding is required.

Capital – There is no Capital proposed for this activity.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$124,977	$124,630	$124,630	$124,630	$124,630
Supplies	388	1,050	1,050	420	420
Other Charges	4,042	6,040	5,510	7,040	7,040
Total	$129,407	$131,720	$131,190	$132,090	$132,090

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

- Acts as City Manager in his absence
- Contract negotiations and labor & employee relations
- Human Resource planning
- 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 Economic Development

- Initiates personal contact with new business prospects
- Maintains active business retention and expansion program for existing businesses
- 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
- Processes/Approves Brownfield Redevelopment plans
- Serves as liaison to Economic Development Corporation, Corridor Improvement Authority, LDFA, Brownfield Redevelopment Authority, and the business community
- Provides support for VELOCITY and Macomb OU-INCubator

Office of City Clerk

- Clerk of the City Council
- Keeper of all City records
- Administers all elections
- Records property variances, deeds, birth and death certificates
- Coordinates Freedom of Information Act requests
- Issues licenses
- Provides for adequate Excess Insurance to cover catastrophic losses
- Oversees property and liability claims against the City

Office of Information Technology

- Provides support for automated applications
- Coordinates future systems development
- Conducts software and hardware review and procurement
- Maintains computer and telephone systems and personal computers

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 analysis, Strategic Plan, Forecasts & Budget Reports
- Conducts management studies
- Coordinates MIP program development
- Conducts internal audits

Office of Financial Services

- Responsible for the proper recording of all City activities in the General Ledger and subsidiary ledgers
- Produces the Comprehensive Annual Financial Report (CAFR)
- Processes all City payroll and related fringe benefit payments
- Processes all payments for goods and services purchased by the City
- Responsible for debt management including the coordination of bond sales
- Implements and coordinates all Government Accounting Standards Board (GASB) financial reporting changes

Office of Treasury

- Administers revenue collection, tax and special assessment programs
- Issues all water and sewer bills and maintains related account balances
- Administers cash management and banking programs
- Coordinates and records the activities of both City pension funds
- Treasurer – P & F and GERS retirement systems
- Administers investment policy

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
- Conducts Board of Review hearings
- Processes tax abatements

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

DEPARTMENT AT A GLANCE

City Administration Department

BUDGET SUMMARY

City Administration increased $261,590 or 4.7%. Personnel increased $225,100 or 4.7%. Most of the increase is to convert four part-time positions to full-time due to retirements in City Management, City Clerk, Assessing, and Purchasing. In Financial Services, the budget funds additional hours for part-time Accountants, and transition funding for the anticipated City Controller retirement. In Assessing, a Co-op has been promoted to a part-time Clerk. Supplies increased $20,590 or 12.4% due to a postage rate increase and funding for the gubernatorial and primary elections. Other Charges increased $15,900 or 2.9%, as funds are needed for the Police Sergeant exam and for a second tier wage study. Additional economic development training, business retention visits, an updated promotional brochure, and a brownfield consultant are funded. The budget includes the use of SmartPhones for the Information Technology staff and increased software fees. Savings were achieved from the animal licensing contract, the elimination of the MUNIS inventory software module in Finance, and lower credit card fees in Treasury. The Capital Budget funds an upgrade to the BS&A Tax and Assessing software and two replacement computer file servers.

FUNDING LEVEL SUMMARY

	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
City Management	$975,970	$1,092,740	$861,380	$944,720	9.7%
Economic Development	367,830	285,330	276,740	260,140	-6.0%
City Clerk	693,460	666,050	596,490	605,500	1.5%
Facilities Maintenance	1,358,360	987,750	0	0	0.0%
Information Technology	880,370	959,460	865,030	886,010	2.4%
Assessing	906,340	761,840	814,860	866,990	6.4%
Financial Services	749,690	725,110	756,880	833,230	10.1%
Purchasing	390,590	263,640	281,390	309,290	9.9%
Treasury	1,070,960	1,020,450	1,054,500	1,062,980	0.8%
Total Department	$7,393,570	$6,762,370	$5,507,270	$5,768,860	4.7%
Personnel Services	$6,464,460	$5,506,620	$4,800,860	$5,025,960	4.7%
Supplies	217,220	201,550	166,130	186,720	12.4%
Other Charges	711,890	1,054,200	540,280	556,180	2.9%
Total Department	$7,393,570	$6,762,370	$5,507,270	$5,768,860	4.7%

PERSONNEL SUMMARY

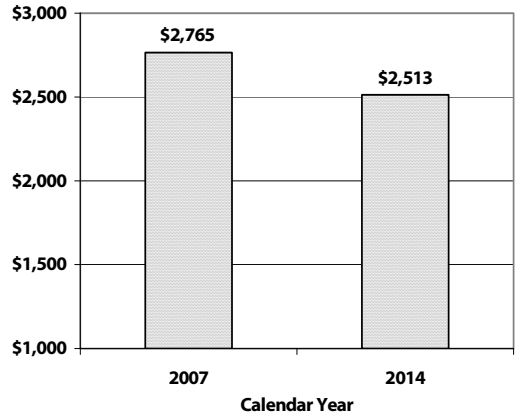
	2011/12		2012/13		2013/14		2014/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
City Management	7	0	7	0	6	2	7	1
Economic Development	3	0	3	0	2	0	2	0
City Clerk	5	0	4	1	3	2	4	1
Facilities Maintenance	11	6	3	1	0	0	0	0
Information Technology	7	0	6	0	5	0	5	0
Assessing	7	0	7	0	5	3	6	2
Financial Services	6	1	5	3	4	4	4	4
Purchasing	3	0	3	0	2	1	3	0
Treasury	10	0	9	1	8	2	8	2
Total Department	59	7	47	6	35	14	39	10

Excludes Legal Activity and Boards and Commissions.

KEY DEPARTMENTAL TRENDS

City Administration Department

Average Homeowner's Property Tax Bill



Despite an increase in the City's millage rate in 2014 due to the voter approved Safe Streets Proposal, the average homeowner's tax bill remains $252 or 9.1% less than it was seven years ago due to lower property assessments. In fact, tax bills are even lower than amounts paid ten years ago. In addition, the 2014 inflationary adjustment in taxable value is only 1.6%, which is one of the lowest adjustments in the past 20 years.

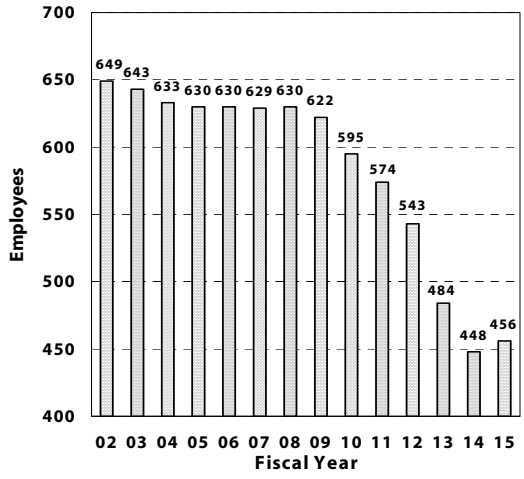
Macomb City Tax Rates

1. Centerline	37.50
2. Warren	27.87
3. Eastpointe	25.96
4. Roseville	24.85
5. Utica	22.62
6. Fraser	20.84
7. St. Clair Shores	20.45
8. Richmond	16.65
9. Mount Clemens	15.99
10. STERLING HEIGHTS	**15.19**

Macomb Average: 20.73 mills

The City's property tax rate is lower than most cities in Michigan. It is also one of the lowest of any city in Macomb County. The tax rate in Sterling Heights is over 5.5 mills below the average of all cities in Macomb County. The tax rate in Warren, for example, is over 12 mills higher than in Sterling Heights.

City's Full-time Staffing



City staffing declined by 30%, or 193 positions between 2002 and 2015, saving $15.4 million annually.

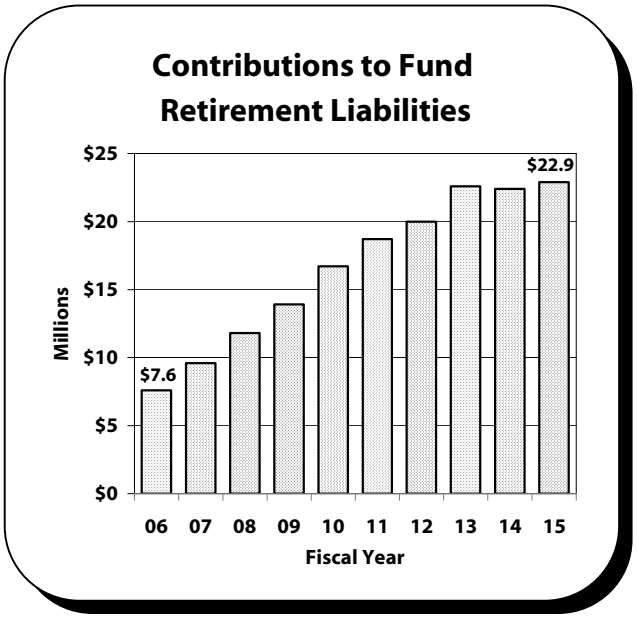
Full-Time Employees Per 1,000 Residents

1. Grand Rapids	7.9
2. Lansing	7.5
3. Southfield	7.2
4. Dearborn	6.9
5. Ann Arbor	6.1
6. Livonia	5.8
7. Warren	4.7
8. Farmington Hills	4.3
9. Troy	4.0
10. STERLING HEIGHTS	**3.5**

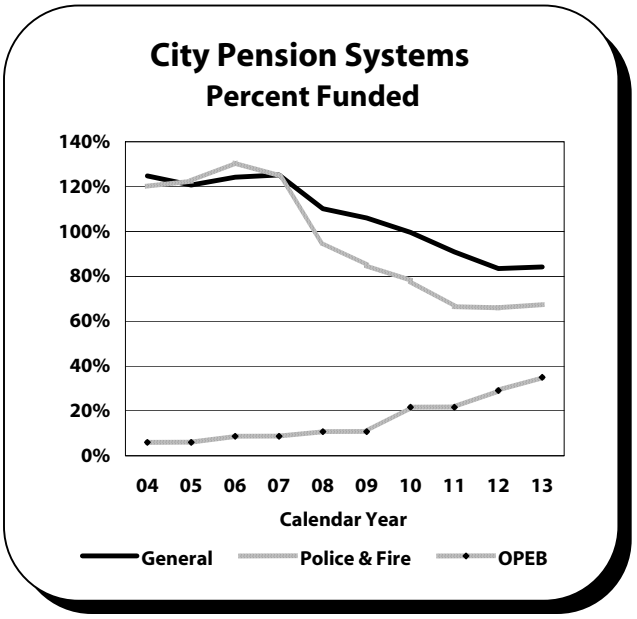
Based on current staffing data and the 2010 census, Sterling Heights has 3.5 full-time employees per 1,000 residents – the lowest of our benchmark communities. Despite having the third largest population, Sterling Heights has the fewest employees. Based on a 2010 study of over 140 cities, 89% of communities had a higher number of full-time employees per 1,000 residents.

KEY DEPARTMENTAL TRENDS

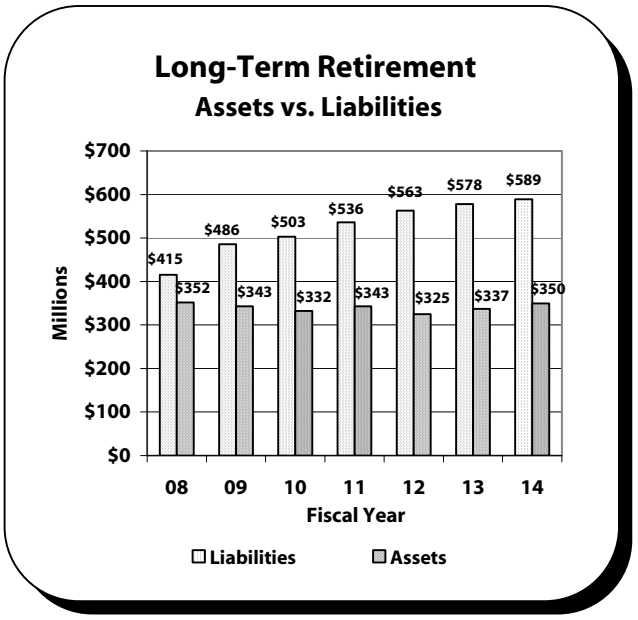
City Administration Department (continued)



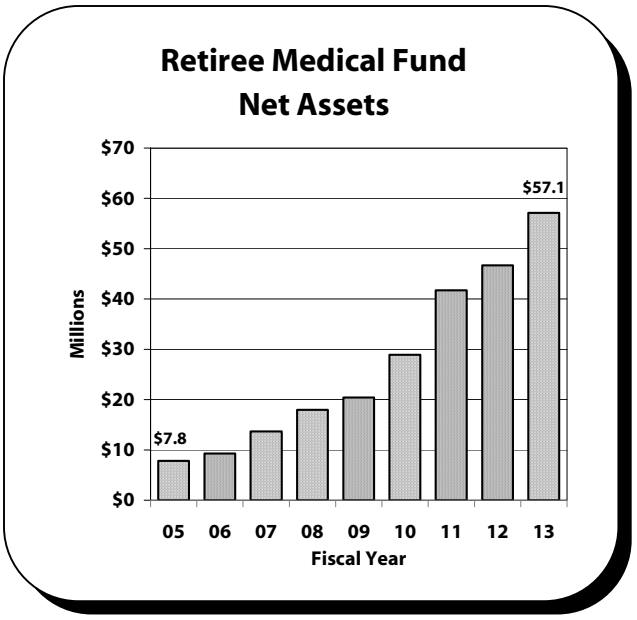
The City annually contributes 100% of the actuarially required funding for all long-term retiree liabilities including police & fire pensions, general employee pensions, and retiree medical. The amounts contributed have steadily increased from $7.6 million in 2006 to $22.9 million in 2015. 51% of the increase is to fund retiree health care liabilities, while 32% of the increase is to fund police & fire pensions.



Both the General Employees and Police & Fire pension systems have seen a decrease in funding levels due to prior year declines in the stock market. The General Employees pension system and retiree medical plans are both closed to new members. In addition, all employee pensions and medical benefits have been reduced with new labor contracts. The City increased funding of retiree medical benefits starting in 2006.



$350 million has been set aside to fund future long-term retirement liabilities. The City has closed its General Employees pension plan, which will begin to reduce long-term liabilities. Over 50% of the gap between assets and liabilities is a result of medical inflation, which has increased retiree medical liabilities. The City has worked hard to reduce the growth of the liabilities by changing future retiree benefits and eliminating benefits for new hires.



The City has dramatically increased the assets being set aside to pay for future retiree medical benefit costs. We now have six times the assets we had only eight years ago, and we continue to fully fund these liabilities each year, unlike many communities. In addition, the City has reduced the cost of the benefits for all employees, and benefits have been completely eliminated for new hires.

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 analyses, telephone and Internet monitoring reports, travel requests, and insufficient funds purchase orders are processed. The Municipal Improvement Plan (MIP), Citizen's Guide to Finances, water and sewer rate studies, benchmarking and performance 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 over 99% 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 in early 2014 the Michigan Defense Center is slated to locate at Velocity, the City facility dedicated to economic development, which will add to the collaborative effort to brand the regions strong defense assets?

City Management

2014/15 INTENTION STATEMENTS *(City Management)*

1. To coordinate completion of the 2030 Visioning Plan, thereby setting the stage to formally update the City's Master Land Use Plan, Parks & Recreation Plan, Technology Plan and Master Road Plan. *(City Goal 3, 4, 5, 6, 22, 26)*

2. To work with Community Relations to develop a meaningful public education effort to inform the community and motorists from the region of the numerous road improvements scheduled over the next few years. *(City Goal 22)*

3. To work with the Economic Development Team and advance the many initiatives currently underway, with a renewed emphasis on marketing for VELOCITY, the Defense Corridor, Blue Water Economy (Clinton River), SHINE and others. *(City Goal 8, 9, 10, 11)*

4. To work with the Human Resources Director to fully implement the City's Succession Plan for directors, manager's and employee's to prepare for significant turnover, especially in Police and Fire. *(City Goal 3, 5, 7)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Administrative Policy and Procedure Orders Processed	3	3	4	3	3	3
	False Alarm Appeals Processed	76	65	53	60	50	60
	Special Reports Researched & Written	19	18	17	20	15	20
	Special Projects Researched & Developed	19	16	17	20	15	20
	Policy Resolutions Presented to Council	18	15	8	10	9	10
	Legislative Issues Monitored	7	7	7	10	6	10
	Neighborhood/Business Meetings Facilitated	6	6	6	6	5	6
	Intergovernmental Relation Contacts	123	121	123	125	120	125
	New Programs & Policies Developed	7	7	7	8	6	8
	Council Requests Responded to within 30 minutes	98%	98%	98%	100%	99%	100%
	% Correspondences Responded to within 7 days	100%	100%	100%	100%	100%	100%
	% Council Requested Items on Agenda w/i 28 Days	100%	100%	100%	100%	100%	100%
	% of Meetings Attended within 7 Days of Request	100%	100%	100%	100%	100%	100%
Efficiency	"Excellent"/"Good" City Service Ratings	98%	98%	98%	100%	98%	100%
	Activity Expenditures as % of General Fund	1.11%	1.12%	1.34%	1.06%	1.08%	1.06%

City Management

2014/15 PERFORMANCE OBJECTIVES *(Finance & Budget)*

1. To serve on the SEMCOG Local Government and the State Treasury Task Forces and recommend changes that allow local municipalities to recover lost revenues and operate more efficiently. *(City Goal 2, 5)*

2. To update the City's Municipal Improvement Plan detailing the City's capital needs for the next five years. *(City Goal 5, 6, 22)*

3. To investigate the use of hedge funds as an alternative vehicle for a small portion of the City's pension and retiree medical investment portfolios. *(City Goal 17, 20)*

4. To research and prepare for a possible future transition from MUNIS to the BS&A financial management system. *(City Goal 6, 17, 18)*

5. To work with the Fire Chief and Macomb communities to develop and review proposals for a Fire Efficiency Study for possible increased service sharing and cost saving opportunities. *(City Goal 2, 3, 20, 21, 25)*

6. To hire, train and transition to a new City Controller and Management Assistant due to upcoming retirements. *(City Goal 3, 4)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	City Budgeted Funds Monitored (Millions)	$138.9	$144.8	$138.1	$135.4	$137.5	$155.6
	Budget Amendments Prepared	2	2	2	2	2	2
	Internal Budget Adjustments Analyzed	40	48	45	50	40	40
	Management & Labor Cost Studies Conducted	42	38	40	35	25	25
	City Council Agenda Statements Reviewed	276	283	249	300	280	260
	Municipal Improvement Plan (MIP) Prepared	1	0	0	0	0	1
	Travel Requests Reviewed for Policy Compliance	118	105	119	100	120	140
	Years Member of ICMA Center for Perf. Measurement	8	8	8	8	8	8
	G.F.O.A. Budgets Reviewed	5	5	5	0	0	0
Efficiency & Effectiveness	City Bond Rating (Moody's, Fitch, S & P)	Aa1,AAA,AA+	Aa1,AAA,AA+	Aa1,AA+,AA+	Aa1,AA+,AA+	Aa1,AA+,AA+	Aa1,AA+,AA+
	City's Fiscal Indicator Score	3	5	5	5	5	4
	General Fund Expenditures Per Capita	$681	$673	$628	$620	$622	$682
	Government Debt Per Capita	$252	$222	$190	$160	$160	$135
	OPEB Annual Required Contribution Funded (Millions)	$12.1	$11.5	$12.0	$12.2	$12.2	$12.3
	OPEB Trust Funding Status	21.7%	21.7%	29.1%	32.0%	34.0%	35.0%
	Services Delivered Via Cooperative Venture	48	49	55	60	58	61
	Accuracy Forecasting Expenditures - General Fund	99.6%	100.0%	100.1%	100.0%	100.3%	100.0%
	Accuracy Forecasting Revenues - General Fund	99.7%	99.4%	100.1%	100.0%	100.4%	100.0%
	Years Rec'd. G.F.O.A. Distinguished Budget Award	24	25	26	27	27	28
	Savings from Reviewing Travel Requests	$2,184	$1,874	$1,214	$1,900	$1,100	$1,400
	Average Cost to Review a Travel Request	$6.64	$6.79	$6.62	*	*	*

City Management

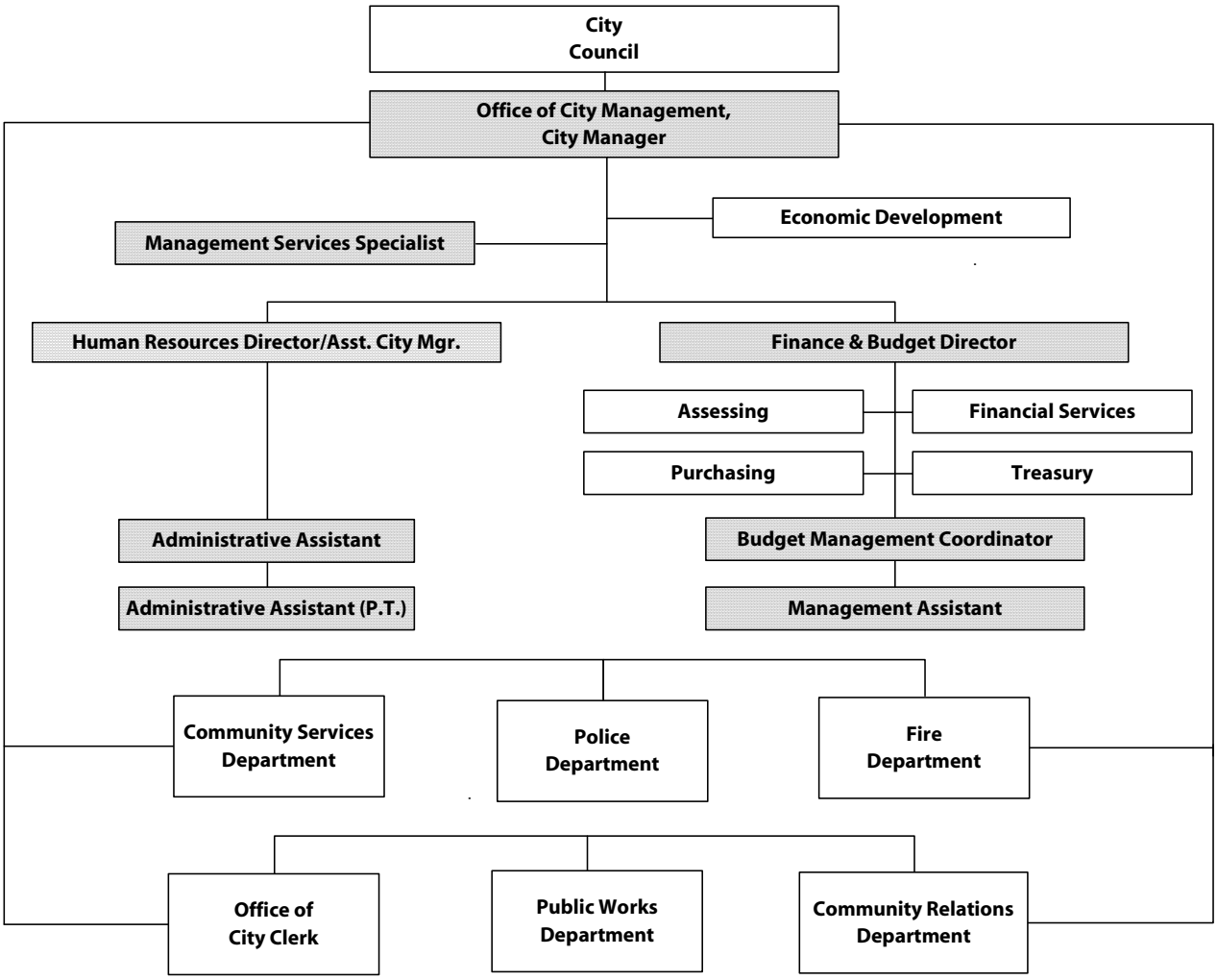
2014/15 PERFORMANCE OBJECTIVES *(Human Resources)*

1. To negotiate six open labor contracts. *(City Goal 3, 4, 20)*
2. To develop and implement a transition plan for the office of Human Resources. *(City Goal 3, 4)*
3. To conduct a study to evaluate the new second tier wage classifications. *(City Goal 3, 4)*
4. To recruit and fill director and supervisory positions in the organization, as set forth in the City's succession plan. *(City Goal 3, 4)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Promotional Job Postings	5	7	22	15	19	10
	Open Competitive Job Postings	4	3	18	6	9	5
	Applications Reviewed & Processed	187	295	836	250	350	410
	Employees Hired (Full-time/Part-time)	3/94	2/96	4/90	3/95	5/95	28/95
	Police/Fire Promotional Tests	1	1	1	1	3	0
	Labor Contracts Settled (Incl. Re-opened Contracts)	7	9	6	5	3	6
	Worker's Compensation Incident Reports	18	18	15	25	25	27
	Short-Term Disability Claims Handled	34	34	16	35	35	35
	Open Long-Term Disability Claims	2	4	0	4	3	3
	Life Insurance Claims	2	3	3	4	5	5
	New Worker's Compensation Claims	68	65	55	65	75	75
Efficiency & Effectiveness	Avg. # Work Days to Complete External Recruitment	30	30	30	30	30	30
	# Labor Grievances Per 100 F.T. Union Employees	2.5	3.5	2.2	2.5	2.6	2.8
	Avg. # Work Days to Complete Internal Recruitment	23	23	23	23	23	23
	% of Grievances Resolved Before Arbitration	91%	92%	100%	100%	80%	100%
	Total FTE's Per 1,000 Residents	5.2	4.8	4.3	4.2	4.2	4.3
	Full-time Employee Turnover Rate (Excl. Retirements)	1.0%	5.0%	0.4%	0.4%	0.5%	0.5%
	% Minorities in Work Force	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%
	# of Employees Not Completing Probation	1	2	1	0	1	1
	Cost to Recruit and Hire a Full-time General Employee	$1,587	$1,357	$1,471	*	*	*
	# Worker's Comp Claims Per 100 FTE's	10.2	9.7	9.7	10.0	13.6	12.6
	% Worker's Comp Claims Paying Compensation	6.0%	6.0%	10.0%	7.0%	15.0%	15.0%
	W/C Lost Work Days Due to Injury Per 100 FTE's	42	56	73	40	96	80

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

City Management



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
City Manager	1	1	1
Human Resources Director/Asst. City Mgr.	0	1	1
Human Resources Director	1	0	0
Finance & Budget Director	1	1	1
Budget Management Coordinator	1	1	1
Management Services Specialist	1	1	1
Management Assistant	1	0	1
Management Assistant (P.T.)	0	1	0
Administrative Assistant	1	1	1
Administrative Assistant (P.T.)	0	1	1
Total	7	8	8

City Management

SUMMARY OF BUDGET CHANGES

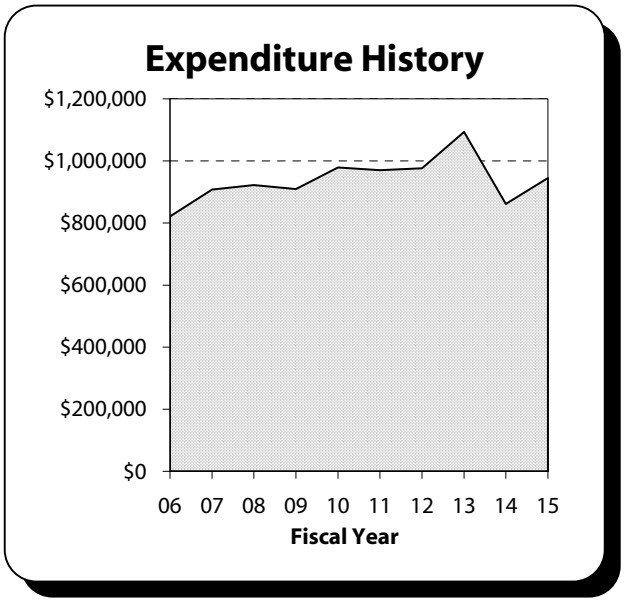
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 9.7%.

Personnel Services – The total Personnel budget increased $59,860 or 7.3%. Most of the increase is a result of converting a part-time Management Assistant to full-time due to a retirement, as outlined in the MAPE Technical labor agreement. The budget also reflects a revised wage agreement for one employee approved mid-year.

Supplies – Total Supplies increased $850 or 48.3%. Postage costs rose $550 due to a postal rate increase and the increased mailing of correspondence to job applicants, as more new hires are anticipated. $300 for employee identification cards and security key fobs are now expensed in this office.

Other Charges – Total Other Charges increased $22,630 or 65.9%. Contracted service costs increased $20,000, as increased funds are needed to administer the biennial Police Sergeant promotional exam, to conduct a second-tier employee wage study, and for possible labor contract arbitration costs. $1,500 was added for pre-employment physical exams. Publishing costs increased $800, as more classified ads will be required due to greater recruitment activity. The training budget increased $500 due to the increased cost of the ICMA annual conference. Telephone costs decreased $200 due to the elimination of a cell phone. Rental costs decreased $200 and printing costs fell $100, as both can be reduced and brought more in line with recent expenditure levels.



Capital – There is no Capital proposed for this office.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,032,357	$825,290	$836,270	$885,150	$885,150
Supplies	3,121	1,760	2,700	2,610	2,610
Other Charges	57,259	34,330	41,710	56,960	56,960
Total	$1,092,737	$861,380	$880,680	$944,720	$944,720

Economic Development

MISSION STATEMENT: ***To implement and maintain a progressive and proactive economic development program designed to sustain and expand the City's economic and employment base. Sterling Heights Economic Development will seek to retain Sterling Heights' ranking as one of the nation's premier communities to live, work, play and prosper.***

Sterling Heights Economic Development is the key point of contact for business support and needs. Sterling Heights Economic Development implements policies, programs, and activities that seek to improve the economic well-being of the community by supporting the creation or retention of jobs, and facilitating investment and growth in 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 goals of the City are also primary objectives.

This office maintains an active program that encourages the retention and expansion of existing businesses providing quality jobs, a diverse workforce and expanded tax base. The Business Attraction program fosters an economic development climate that attracts and encourages the recruitment of businesses in targeted industries to Sterling Heights. The office also works with a variety of partners to promote workforce development in the City.

The partnership between the City of Sterling Heights, Macomb County, and Oakland University at VELOCITY is fostered by this office to promote business incubation and collaboration in advanced manufacturing, defense, and homeland security.

This office offers a professional image that demonstrates a strong customer focus and a positive image of the City as a great place to do business.

KEY GOALS

- ***To maintain a solid foundation for a competitive economic development program that is high performing, targeted, and efficient.***
- ***To implement and maintain a business retention strategy focused on existing employers, particularly in targeted clusters that represent growth opportunities for Sterling Heights.***
- ***To establish a targeted business attraction strategy for Sterling Heights by being "set up for success" and focused on target-rich mediums.***
- ***To establish a marketing and outreach plan that provides relevant and timely information to the business community.***
- ***To work in partnership with the local communities, Macomb County, MEDC, and other key stakeholders to identify and develop a Defense Corridor strategy.***
- ***To implement a meaningful retail business development strategy that achieves a high return for the public investment.***
- ***To work in partnership with Macomb County and Oakland University to support the VELOCITY collaborative center that serves as a hub for business incubation and collaboration***
- ***To maintain and develop "green" economic development opportunities that can stimulate business activity and create jobs.***

Did you know…
…that over 380 events have been held at Velocity since opening, including a variety of forums, workshops, and training sessions, to help small businesses and entrepreneurs?

Economic Development

2014/15 PERFORMANCE OBJECTIVES

1. To work with the City Assessor to update the City's property tax abatements in light of the State's action to eliminate personal property taxes. *(City Goal 8, 10, 11, 20)*

2. To revise the Economic Development Plan and work with partners on the management of the Velocity Center and ongoing retention and attraction efforts. *(City Goal 2, 3, 4, 8, 10, 11)*

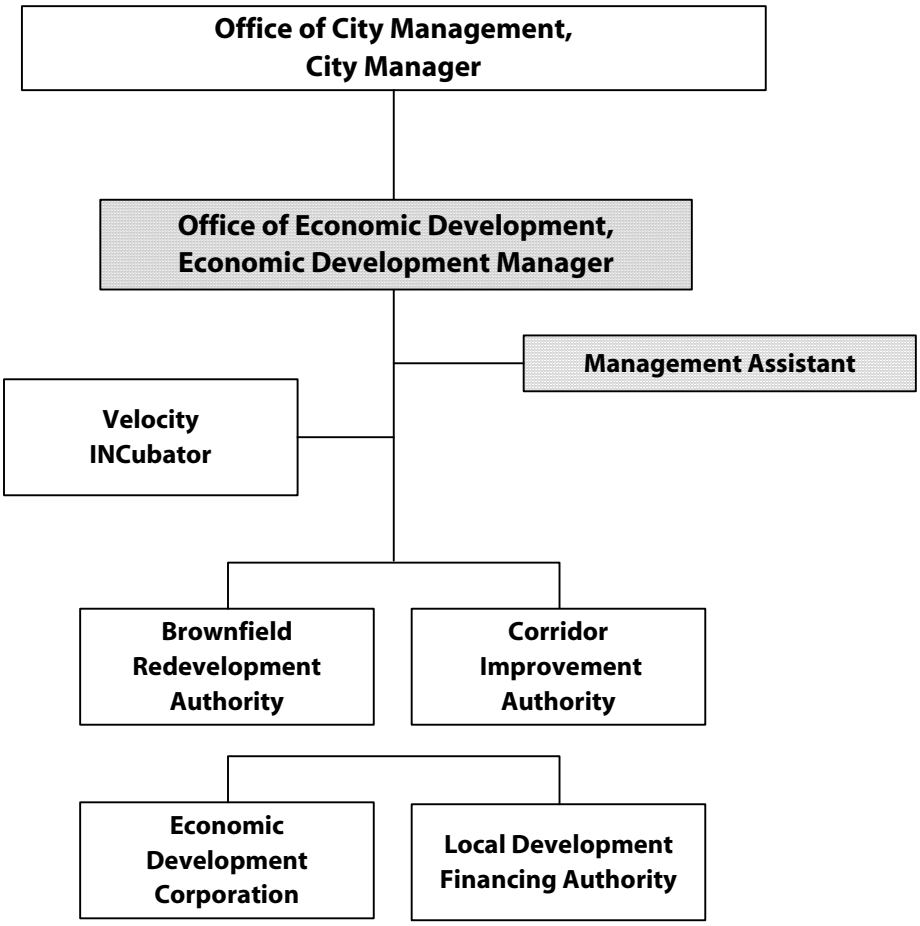
3. To assist businesses with investments in commercial centers. *(City Goal 8, 9, 10, 11)*

4. To revise the LDFA plan to maximize tax capture for future redevelopment projects in the North Van Dyke Corridor. *(City Goal 8, 9, 10, 14, 15, 20)*

5. To make contact with 80 existing and new businesses and to hold 140 events at Velocity by working with partners. *(City Goal 8, 10, 11)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Business Retention/Attraction Contacts Made	100	110	120	120	80	80
	Redevelop. Projects (Comm. >20K s.f. & Ind. >$500K)	4	11	17	8	11	8
	Econ. Develop. Incentives Provided (Tax Abatements)	5	8	11	10	8	6
	State & Federal Legislative Contacts Made	6	6	6	6	5	6
	Banking & Real Estate Contacts Made	N/A	6	6	6	4	6
	LDFA Meetings Held	5	4	10	3	5	3
	Meetings with Chambers of Commerce	N/A	14	14	10	12	10
	Targeted Industry Events Attended	N/A	6	6	6	6	6
	Velocity Partner Meetings Held	N/A	20	20	20	15	15
	Economic Development Partner Meetings	N/A	50	50	50	50	50
	Velocity Events & Meetings Held	N/A	145	180	160	165	140
	Economic Development Newsletters Published	N/A	N/A	4	12	110	100
	Business Awards Presented	N/A	N/A	5	5	5	5
	Hits on City's Economic Development Website	N/A	5,862	11,550	10,000	10,726	10,000
	City's Economic Development Followers on Social Media	N/A	20	20	50	50	150
Effectiveness	Velocity Center Number of Businesses	N/A	N/A	N/A	10	12	14
	Velocity Center Occupancy Rate	N/A	N/A	N/A	80%	83%	85%
	Businesses and/or Participants at Velocity Events	N/A	2,800	3,850	3,500	3,200	3,000
	Value of Redevelopment Projects & New Investments	$632M	$235M	$237M	$35M	$36M	$30M
	Grant Dollars Provided to Small Businesses	N/A	N/A	N/A	$250,000	$272,000	$300,000
	Industrial Vacancy Rate	8.27%	5.18%	N/A	4.50%	N/A	N/A
	Retail Vacancy Rate	5.05%	4.34%	N/A	4.00%	N/A	N/A
	Shopping Center Vacancy Rate	13.87%	12.04%	N/A	11.50%	N/A	N/A
	City Unemployment Rate (April)	9.8%	9.0%	6.7%	7.0%	5.9%	6.0%
	Activity Expenditures as % of General Fund	0.58%	0.42%	0.35%	0.34%	0.30%	0.29%

Economic Development



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Economic Development Manager	1	1	1
Business Development Manager	1	0	0
Management Assistant	1	1	1
Total	3	2	2

Economic Development

SUMMARY OF BUDGET CHANGES

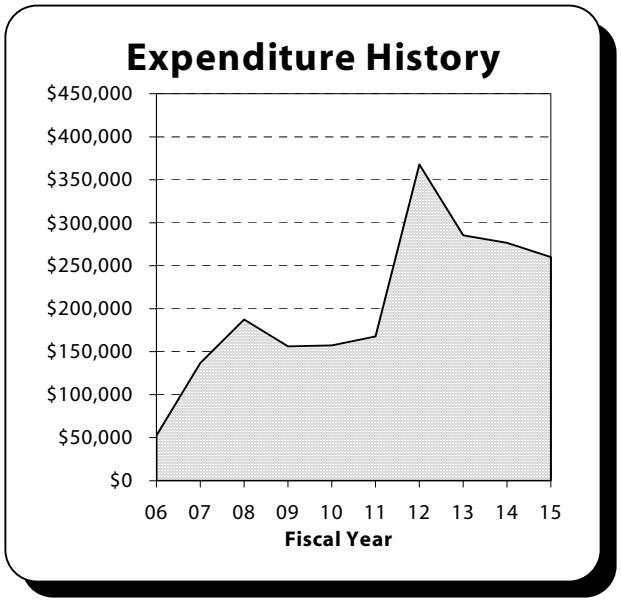
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 6.0%.

Personnel Services – The total Personnel budget decreased by $25,230 or 9.4%. The overall decrease is due to staff turnover in the prior year with new employees starting at lower wage steps. Partially offsetting these savings are wage step increases for the two positions who are not yet at the top of the wage scale. One-third of the personnel costs are paid from SmartZone LDFA tax increment funds.

Supplies – Total Supplies is proposed to remain the same at $300. There are no proposed changes within the Supplies accounts.

Other Charges – Total Other Charges increased $8,630 or 100.3%. An additional $5,000 is budgeted for consultant services to assist the City with developing plans for potential brownfield reuses of obsolete, contaminated, or vacant parcels of land. Educational funding increased $4,000 for the Manager's attendance at additional State and national Economic Development conferences that provide training on business attraction, marketing efforts, and brownfields. Printing costs rose $500 for an update to the City's Economic Development brochure. $250 was added for staff to participate in additional business retention visits. Telephone costs decreased $1,000 based on a revised allocation of City telephone expenditures and a recent cost-saving change in the City's wireless telephone provider. $120 was saved, as a result of a new, less-costly membership.



Capital – There is no Capital proposed for this office.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$281,597	$267,840	$239,610	$242,610	$242,610
Supplies	639	300	280	300	300
Other Charges	3,099	8,600	7,560	17,230	17,230
Total	$285,335	$276,740	$247,450	$260,140	$260,140

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.

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.

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 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.***
- ***To provide risk management activities which will safeguard all City assets in the most cost effective manner.***

Did you know…
…the election inspectors at polling locations are now using electronic poll books to confirm voter information and issue ballots to eligible voters?

City Clerk

2014/15 PERFORMANCE OBJECTIVES

1. To investigate the implementation of electronic death certificates. *(City Goal 1, 3, 6, 18)*

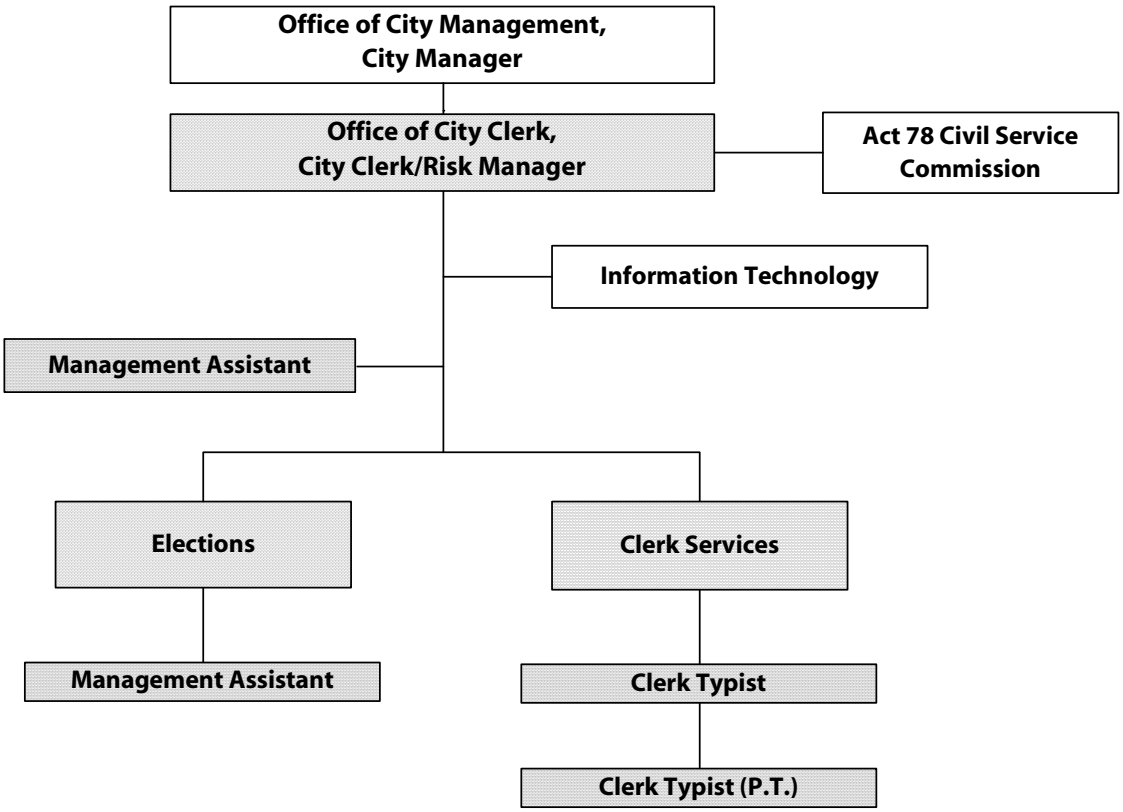
2. To conduct a thorough analysis of record storage requirements and implement a new record storage procedure. *(City Goal 1, 3)*

3. To update and document procedures and cross train staff on the review and issuance of City licenses. *(City Goal 1, 3, 14)*

4. To identify on and off site documents for permanent storage and catalog and relocate the documents to the 41-A District Court basement. *(City Goal 1, 3)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Council Agenda Statements Processed	276	283	249	300	280	260
	Council Actions Correspondence Mailed	732	685	645	520	500	550
	New Voter Registrations/Changes Processed	26,943	28,581	27,811	28,680	22,500	25,000
	Elections Conducted	3	2	2	2	2	2
	Absentee Voter Applications Mailed	14,920	35,263	14,802	19,500	21,800	22,000
	Absentee Voter Ballots Prepared	27,873	24,947	24,939	19,100	9,510	19,000
	Freedom of Information Requests Processed	297	294	207	280	200	200
	Documents Recorded	120	133	77	120	80	85
	Business Registry: New/Closed/Information Changed	2,764	2,791	2,471	2,820	2,500	2,500
	Class C Liquor Licenses Approved (New/Transferred)	0/8	0/6	1/9	0/7	0/10	0/10
	Licenses Issued - (dog, vendors, etc.)	11,279	10,120	9,024	11,150	9,200	9,150
	Pieces of Outgoing Mail Processed	124,530	125,681	150,848	125,300	117,866	120,000
	Birth & Death Certificates Processed	664	653	575	650	600	600
	Board/Commission Applications Processed	168	171	169	175	150	150
	Number of Registered Voters (November)	85,953	86,231	85,436	88,200	88,160	88,500
	Liability/Property Claims	163	105	117	150	110	150
	Liability/Property Incident Reports	68	67	30	100	114	100
	New Lawsuits/Lawsuits Closed	13/8	21/16	9/7	15/12	15/15	15/15
Efficiency	% of Residents Applying for City Boards	0.13%	0.13%	0.13%	0.12%	0.10%	0.10%
	% of Registered Voters Voting (November)	46%	25%	66%	21%	24%	42%
	% 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%
	# of Accidents Per 100,000 Miles Driven	2.11	3.11	1.60	2.50	2.00	2.25
	Activity Expenditures as % of General Fund	0.89%	0.79%	0.82%	0.74%	0.69%	0.68%

City Clerk



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
City Clerk/Assistant City Manager	1	0	0
City Clerk/Risk Manager	0	1	1
Management Assistant	1	2	2
Elections Assistant	1	0	0
Clerk Typist	1	0	1
Clerk Typist (P.T.)	1	2	1
Total	5	5	5

City Clerk

SUMMARY OF BUDGET CHANGES

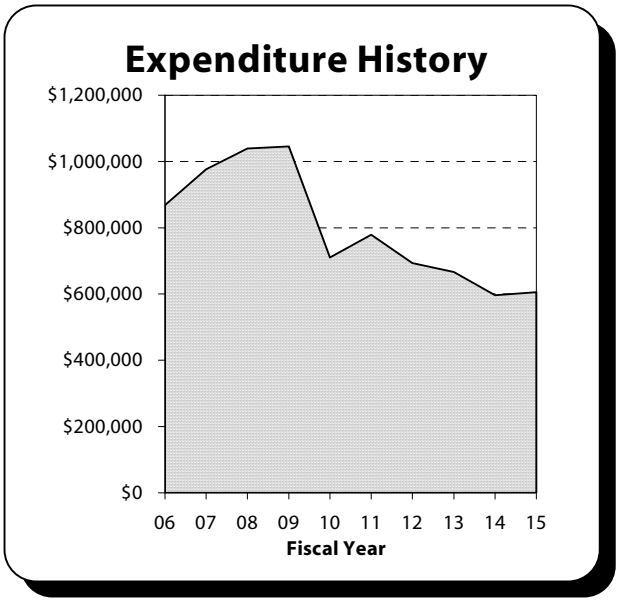
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased 1.5%.

Personnel Services – The total Personnel budget increased $26,340 or 5.6%. Due to staff turnover, a vacant part-time Clerk Typist position is now funded as a full-time position. Election worker costs rose $20,000 due to the gubernatorial and primary elections, which have a higher voter turnout than the City Council election. Required contributions to the General pension system fell by $2,610 due to increased pension investment returns.

Supplies – Total Supplies increased $10,340 or 35.1%. $8,800 was added due to a postal rate increase and for the cost of mailing absentee ballots for two elections. $1,540 was added for the purchase of additional election supplies.

Other Charges – Total Other Charges decreased $27,670 or 29.0%. Contracted services decreased $26,950 due to lower costs for the PetData animal licensing contract, as two and three-year dog licensing payment options were recently implemented, resulting in fewer needed renewals. $2,220 was saved, as no further redistricting changes are anticipated and fewer new voter cards will need to be printed. Copier rental costs decreased $100. Reporting services increased $900 based on historic actual expenditure levels. $400 was added to the budget for the increased cost of maintaining voting machines. Publishing costs increased $300, as a greater number of ordinance adoptions are anticipated.



Capital – There is no Capital proposed for this office.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$539,916	$471,660	$447,860	$498,000	$498,000
Supplies	40,102	29,460	36,000	39,800	39,800
Other Charges	86,036	95,370	79,730	67,700	67,700
Total	$666,054	$596,490	$563,590	$605,500	$605,500

Information Technology

MISSION STATEMENT: ***The Office of Information Technology 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 (I.T.) Office 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 support of enterprise applications. This section is responsible for 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 Windows, Macintosh, 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 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 Information Technology is now utilizing iPads for mobile connectivity in the Building office and Fire Department and with the City Council e-packet program, which has increased functionality and simplified existing data collection processes and data access capabilities?

Information Technology

2014/15 PERFORMANCE OBJECTIVES

1. To successfully implement workstation replacements for Police, Fire and the 41-A District Court. *(City Goal 6, 17, 18)*

2. To implement the BS&A tax and assessing modules, which will increase functionality and improve online capabilities. *(City Goal 6, 17, 18)*

3. To work with the Police Department, Fire Department and Macomb County to plan and implement the transition to the Macomb County Dispatch Center. *(City Goal 6, 17, 18)*

4. To successfully implement two server replacements. *(City Goal 6, 17, 18)*

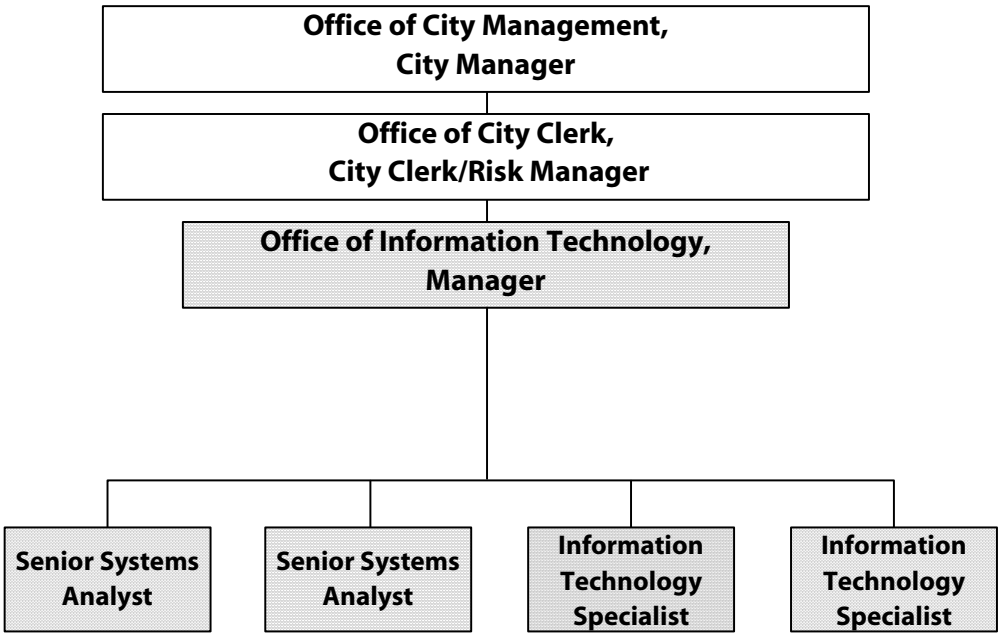
5. To redesign the City's Information Technology disaster recovery plan, which will include offsite storage replication and failover. *(City Goal 6, 17, 18)*

6. To work with all City departments to update the City's Information Technology Plan. *(City Goal 6, 17, 18)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Hardware Platforms Supported - (Windows, Unix, etc.)	5	5	5	5	5	5
	Applications/Database Systems Supported	31	33	33	33	33	33
	"Help Desk" Communications Received	7,850	7,860	8,000	8,100	8,100	8,200
	Computers Supported (Desk/Laptops)	484	462	460	450	450	460
	MDC's and Tablets Supported	78	80	96	115	129	140
	Printers Supported	81	81	74	70	70	68
	Land Line Telephones Supported	556	556	556	556	556	556
	Mobile Telephones Supported	148	148	144	140	135	130
	E-mail Accounts Supported	647	636	635	630	660	680
	Servers Maintained	36	38	37	36	36	37
	Network Equipment Maintained (Routers/Switches)	35	36	35	35	35	35
	Wireless Access Point/Infrastructure Maintained	22	24	26	28	28	32
	Hours Spent on Computer Support/Repair	8,500	8,800	9,000	9,100	9,100	9,200
Efficiency & Effectiveness	% of "Help Desk" Communications Resolved w/i 8 hrs.	91%	91%	91%	90%	90%	90%
	# of Computers/Tablets/MDC's per FTE	0.84	0.88	0.98	1.03	1.05	1.07
	Telephone Problems Resolved within 1 day	90%	90%	90%	90%	90%	90%
	% of Revolving 5-year Technology Plan Implemented	90%	90%	90%	90%	90%	90%
	% of Time Computer Network Down	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
	Overtime/Comp Hours Required to Meet Demand	280	260	270	270	290	290
	Average Annual Cost to Support a PC	$292	$275	$259	*	*	*
	Cost to Support User Systems	$336,003	$322,672	$312,737	*	*	*
	Activity Expenditures as % of General Fund	1.27%	1.01%	1.18%	1.07%	1.07%	0.99%

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

Information Technology



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Information Technology Manager	1	1	1
Senior Systems Analyst	2	2	2
Information Technology Specialist	3	2	2
Total	6	5	5

Information Technology

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

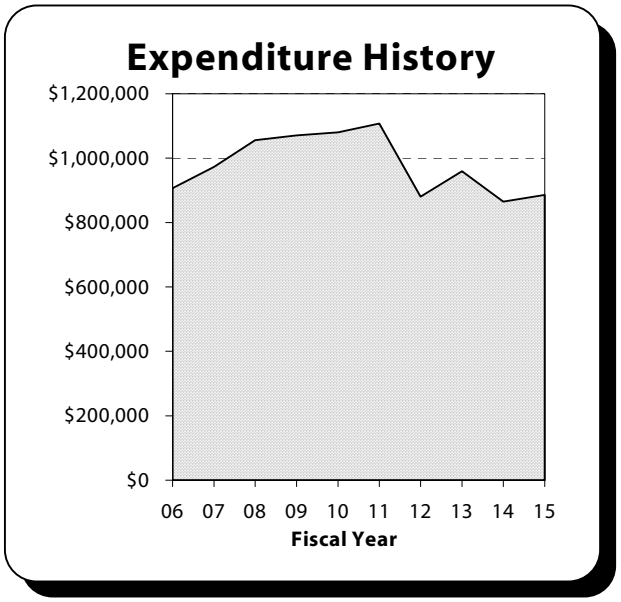
The total budget increased by 2.4%.

Personnel Services – The total Personnel budget increased $7,930 or 1.2%. Sick time buy back and compensatory time funding rose $6,000 based on historical actual expenditure levels. Longevity costs rose $1,530 based on increased employee years of service. Required contributions to the retirement system declined by $3,320 due to pension system investment returns.

Supplies – Total Supplies decreased $600 or 22.6%, as fewer office and computer supplies need to be replenished.

Other Charges – Total Other Charges increased $13,650 or 7.4%. Contractual costs rose $15,280 as several existing software support agreements have multiple year service terms and need renewing next year. Telephone costs increased $2,160 due to the addition of four Smartphones for IT staff who are often contacted for support after hours or while off site. Equipment maintenance costs decreased $4,140, as several multiple year maintenance agreements do not need renewing.

Capital – Total Capital of $328,510 is proposed. $122,400 is budgeted for 136 personal computers to replace the existing six- and seven-year old units at the Police Department, Fire Department, and 41-A District Court, and $28,840 is to update versions of Microsoft Office software for these computers. $18,000 is for two replacement File Servers. $73,270 is for updated BS&A Tax and Assessing Software. $83,000 is for 72 upgraded Modems and Antennas for all Police and Fire mobile vehicle computers. $3,000 is for five replacement Wireless Access Points at the fire stations, which will allow for faster wireless connectivity and better security.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$768,816	$678,600	$681,410	$686,530	$686,530
Supplies	1,323	2,650	2,050	2,050	2,050
Other Charges	189,322	183,780	184,030	197,430	197,430
Total	$959,461	$865,030	$867,490	$886,010	$886,010

Assessing

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 fair and 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…
…the average selling price for a single family, residential home in Sterling Heights in 2013 was $163,014 and the median sale price was $152,000, representing a positive change of 14% and 17% respectively when compared to 2012 levels?

Assessing

2014/15 PERFORMANCE OBJECTIVES

1. To continue incorporating the job duties of the commercial and industrial real property and personal property appraiser with the City Assessor's responsibilities to defend 2012 and 2013 Michigan Tax Tribunal (MTT) assessment appeals. *(City Goal 3, 4)*

2. To update the annual commercial and industrial vacancy study. *(City Goal 14, 20)*

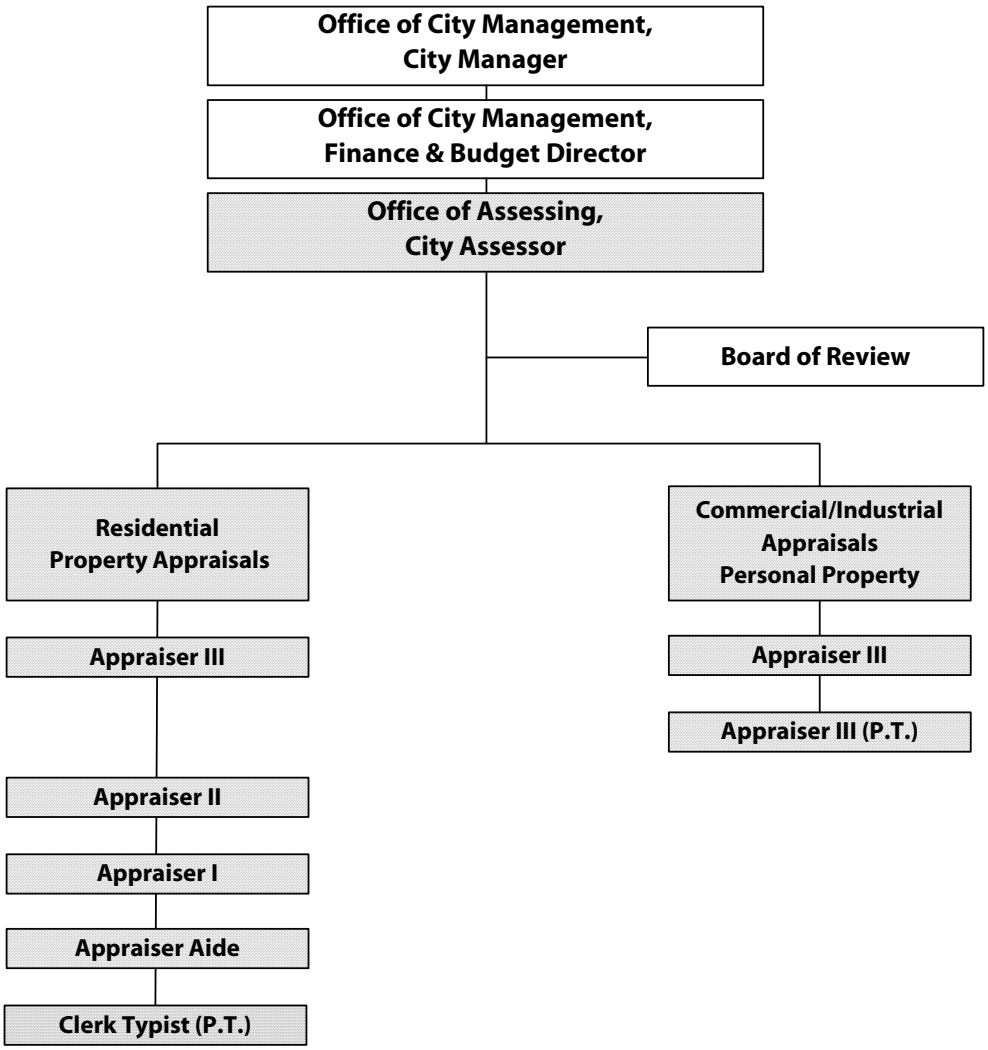
3. To continue to create digital sketches of houses and condominiums in the City and have them accessible on the City's website. *(City Goal 14, 18)*

4. To implement and utilize the new BS&A.NET software to provide increased work flow efficiencies and enhanced analytical capabilities for all appraisal staff. *(City Goal 17, 18, 20)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Assessment Notices Processed - Real/Personal	46,211	46,395	47,363	47,500	47,760	47,800
	Residential Property Appraisals (including Partials)	58	75	77	80	120	125
	Commercial/Industrial Property Appraisals - Real	5	2	6	15	20	25
	Full Tax Tribunal Applications - Businesses	68	93	121	80	139	100
	Board of Review Appeals	857	625	405	500	500	500
	Personal Property Audits	41	24	0	20	20	20
	Land Divisions/Combinations Processed	8	10	11	10	14	15
	Resident Assessing Online Retrievals	251,500	230,386	217,096	230,000	215,000	230,000
	Deeds & Property Owner Updates	4,462	4,241	3,579	4,000	3,000	4,000
	Property Transfer Affidavits Processed	3,313	3,303	3,612	3,500	3,400	4,000
	Homestead Exemption Affidavits Processed	2,948	2,751	2,791	2,800	2,100	2,500
	IFEC's/328's Personal Property Exemptions Approved	6	8	12	10	5	5
	Total Investment Resulting from IFEC's/328's (millions)	$633	$48	$207	$50	$10	$50
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)	4.6%	3.7%	3.7%	3.9%	3.7%	4.0%
	% Change in City Tax Base (TV)	-9.80%	-6.90%	-6.90%	-0.25%	-0.10%	0.75%
	% Site Plans Reviewed within 2 days	90%	90%	90%	90%	95%	95%
	% 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	$2.77	$2.69	$2.62	*	*	*
	Activity Expenditures as % of General Fund	0.99%	1.04%	0.93%	1.01%	1.01%	0.97%

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

Assessing



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
City Assessor	1	1	1
Appraiser III	3	1	2
Appraiser III (P.T.)	0	2	1
Appraiser II	1	1	1
Appraiser I	1	1	1
Appraiser Aide	1	1	1
Clerk Typist (P.T.)	0	0	1
Co-op (P.T.)	0	1	0
Total	7	8	8

Assessing

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

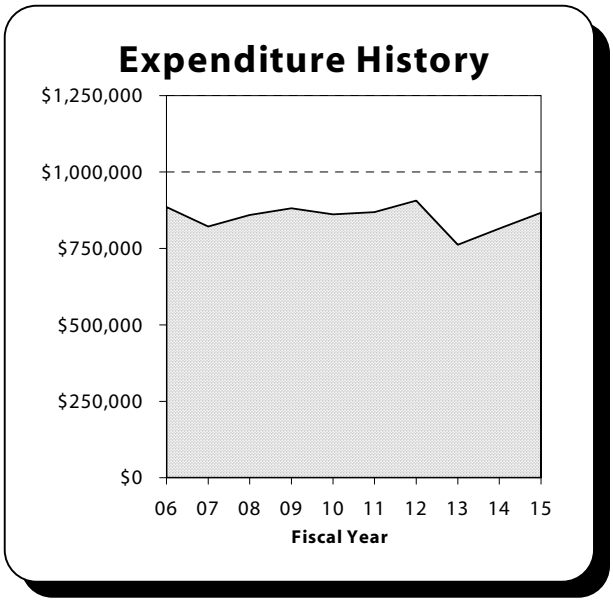
The total budget increased by 6.4%.

Personnel Services – The total Personnel budget increased $46,980 or 6.1%. The increase is a result of two staffing changes. A part-time Appraiser III position has been converted to full-time, while the former Co-op is now funded as a part-time Clerk Typist. Funding for long-term pension obligations decreased $3,480.

Supplies – Total Supplies increased $2,900 or 13.7%. Postage costs rose $2,800 based on the recent year's estimated expenditure usage and a postal rate increase. $100 was added for an inflationary increase in supply costs.

Other Charges – Total Other Charges increased $2,250 or 10.4%. $1,040 was added due to an increase in BS&A software support fees. Rental costs rose $650 based on increased copier usage. Educational funding increased $350 primarily for additional State-required appraiser certification classes. $300 was added for a slight increase in the CoStar contract. Local meeting costs rose $50 and $30 was added for a slight increase in existing membership fees. Telephone costs decreased $200, as the budget can be reduced and brought more in line with recent years' expenditure trends.

Capital – Total Capital of $73,270 is proposed for updated BS&A Tax & Assessing Software to replace the current 10-year old software that has limited features and is out of date. The new system will also increase staff efficiencies.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$718,162	$772,040	$774,410	$819,020	$819,020
Supplies	21,512	21,200	23,000	24,100	24,100
Other Charges	22,163	21,620	22,450	23,870	23,870
Total	$761,837	$814,860	$819,860	$866,990	$866,990

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, payroll, accounts payable, bond sale activity, benefit plan activities and annual audit completion and reporting.

Financial Services develops and maintains tracking systems for funds, projects, grants, capital assets and other financial needs. This office prepares required work papers, schedules and financial statements to complete the annual external audit and the award winning Comprehensive Annual Financial Report (CAFR), as well as annual reports to the State of Michigan and compliance reports for state and federal granting agencies. This office also prepares monthly reports for City Council, City management and City departments, as well as other specifically required periodic reports.

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 12 bargaining units and two (2) 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.

Project and 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, capital projects and grant programs ensuring that the City fulfills bond and grant covenants.■

KEY GOALS

- ***To meet all payroll and related reporting deadlines on a timely basis with a tolerance of zero defects.***
- ***To provide timely payments to vendors after appropriate internal approvals have been granted.***
- ***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 Financial Services received no auditor adjusting journal entries for fiscal year 2013, and over the past ten years has had only one adjusting entry in four of the years?

Financial Services

2014/15 PERFORMANCE OBJECTIVES

1. To implement Governmental Accounting Standards Board Nos. 65, 66, 67 and 70 into the audited financial statements. *(City Goal 3)*

2. To develop a method for insuring employees wage payments occur as direct deposit funds to their financial institution. *(City Goal 3, 17)*

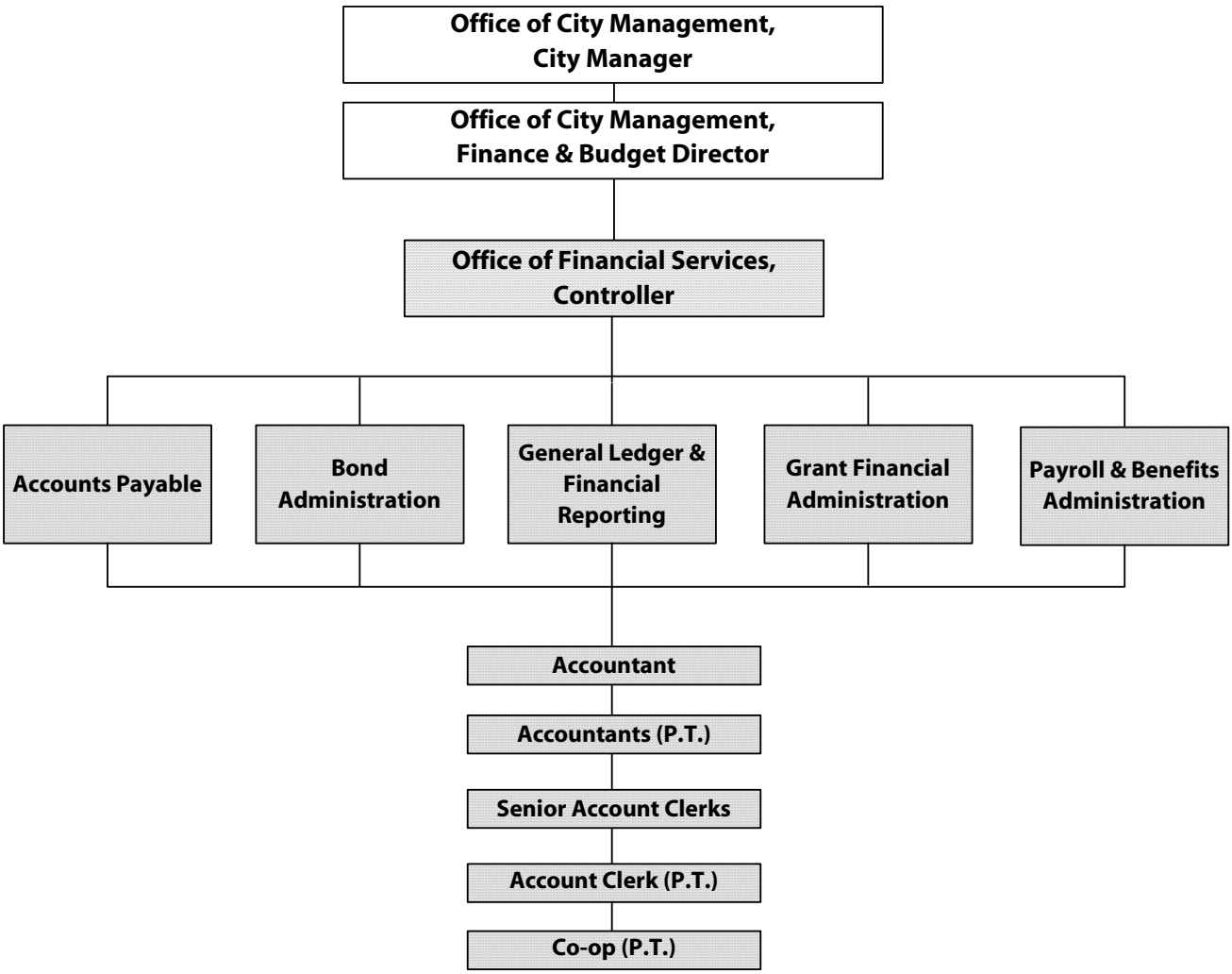
3. To explore various options for electronic notification of wage payments, purchase orders, and utility bills. *(City Goal 3, 17)*

4. To develop a plan for restructuring Finance based on skill-specific needs. *(City Goal 3, 17)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Bank Statements Reconciled	264	252	252	252	250	250
	General Journal Entries Processed	1,808	1,808	1,733	1,850	1,800	1,800
	Accounts Payable Invoices Processed	15,089	14,947	13,930	14,600	14,000	14,280
	Accounts Payable Checks Issued	7,028	6,780	6,355	6,500	6,500	6,500
	Payroll Checks & Deposit Notices Generated	19,940	19,061	18,607	18,500	18,400	18,800
	Accounting Funds Maintained	28	28	28	27	27	27
	Total Retirees/Beneficiaries Receiving Medical Benefits	473	569	572	600	590	620
	Federal Grants Tracked	50	40	35	40	35	35
	Audit Workpapers Prepared	370	400	402	400	400	400
	Active Assets Tracked	5,172	5,299	5,374	5,300	5,400	5,500
	Vendor Files Maintained	3,025	2,963	3,048	3,000	3,000	3,100
Efficiency & Effectiveness	Avg. Days to Compile Monthly Financial Statements	13.0	14.0	14.0	14.0	14.0	14.0
	% of A/P Checks Issued Without Error	99.7%	99.0%	99.2%	99.0%	98.0%	99.0%
	% of Payroll Checks Issued Without Error	100.0%	99.0%	98.5%	99.0%	98.0%	99.0%
	Active Employees Receiving Compensation/Benefits	1,196	1,255	1,409	1,200	1,160	1,180
	Financial Statement Correcting Entries by Auditors	0	1	0	0	0	0
	Financial Administration of Federal Grant Expenditures	$7,392,616	$6,878,934	$4,728,725	$2,400,000	$2,400,000	$2,400,000
	Cost for an Independent Auditor to Perform Audit	$90,250	$92,000	$92,000	$92,000	$93,850	$95,700
	Years Received G.F.O.A. CAFR Award	23	24	25	26	26	27
	Cost to Process an Accounts Payable Invoice	$10.64	$10.77	$9.85	*	*	*
	Cost of Payroll Service Per Employee	$288	$296	$303	*	*	*
	Activity Expenditures as % of General Fund	0.85%	0.86%	0.89%	0.93%	0.94%	0.93%

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

Financial Services



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Controller	1	1	1
Accountant	1	1	1
Accountant (P.T.)	2	2	2
Senior Account Clerk	2	2	2
Account Clerk	1	0	0
Account Clerk (P.T.)	0	1	1
Co-op (P.T.)	1	1	1
Total	8	8	8

Financial Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

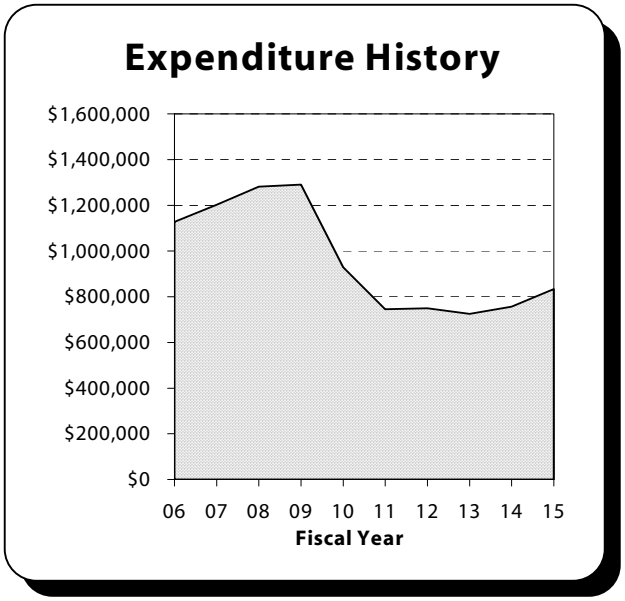
The total budget increased by 10.1%.

Personnel Services – The total Personnel budget increased $79,450 or 12.1%. Most of the increase is to provide transition funding, as the Controller is eligible to retire. Part-time Accountant funding has also increased by 300 hours to better prepare for the transition. The budget also includes the one-time payout of leave banks for the Controller. No wage increases are budgeted due to settled labor contracts. Pension costs fell by $3,610, while an additional $1,350 is budgeted to fund retiree health care obligations.

Supplies – Total Supplies increased $210 or 4.1%. Postage costs rose $200 due to a postal rate increase. Funding for operating supplies increased slightly by $10.

Other Charges – Total Other Charges decreased $3,310 or 3.5%. Software maintenance costs decreased $3,930 due to the elimination of the MUNIS inventory software module, as an existing Microsoft Excel application will be utilized. Telephone costs fell $170 and copier rental costs increased $480, both based on the current year's estimated expenditure usage. Educational funding increased $300 for additional training that is anticipated as part of employee succession planning efforts. $20 was added due to a slight increase in existing membership fees.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$626,859	$657,410	$670,060	$736,860	$736,860
Supplies	4,404	5,090	5,090	5,300	5,300
Other Charges	93,847	94,380	86,550	91,070	91,070
Total	$725,110	$756,880	$761,700	$833,230	$833,230

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, 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. This office also provides microfilming services for most City departments.■

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.***

Did you know…
…the City switched from liquid soap dispensers to foam dispensers in all City building bathrooms, saving over $5,000 annually?

Purchasing

2014/15 PERFORMANCE OBJECTIVES

1. To research the viability of bidders submitting bids electronically for Invitations to Bid and Requests for Proposal. *(City Goal 6, 17, 18, 20)*

2. To research electric utility service options and recommend a "customer choice" provider in order to obtain the most competitive rate available. *(City Goal 1, 2, 3)*

3. To redesign the outgoing Invitation to Bid/Request for Proposal specification to represent the "best practice" methods used by the governmental sector. *(City Goal 6, 17, 18, 20)*

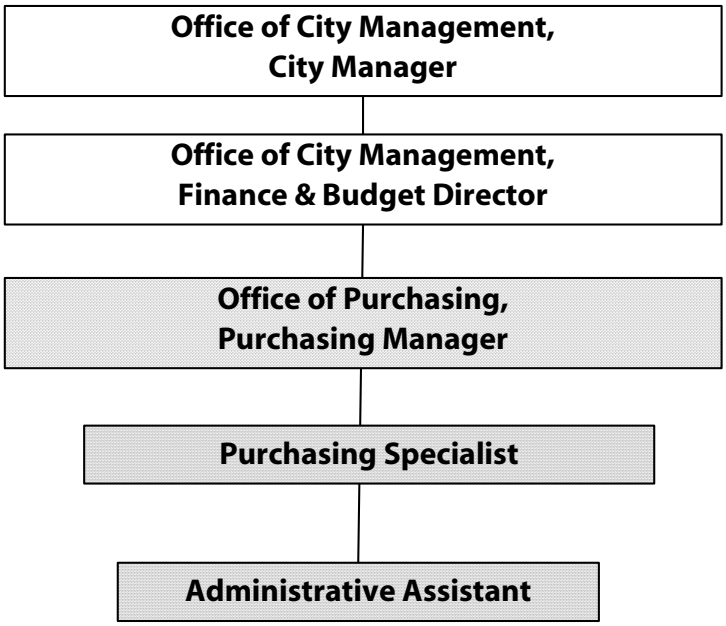
4. To coordinate and work with City departments for the expedient purchase of capital equipment, projects, and vehicles. *(City Goal 6, 25)*

5. To review the fleet of copying and printing devices throughout the organization to ensure optimal utilization and reliability. *(City Goal 1, 2, 3, 6, 17, 18)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Purchase Orders Processed	904	997	899	1,000	995	1,000
	Bid Solicitation Occurrences	48	43	37	40	40	40
	Bid Responses Reviewed	269	178	139	150	150	150
	Number of Surplus Item Auctions Conducted on MITN	50	90	64	80	80	90
	Written Quotation Solicitation Occurrences	10	17	16	25	25	25
	Written Quotation Responses Reviewed	63	107	86	150	150	150
	Number of Employees Assigned a Purchasing Card	48	50	49	51	51	50
	Number of Purchasing Card Transactions	1,438	1,240	1,138	1,300	1,200	1,200
Efficiency & Effectiveness	% of P.O.'s Processed within 5 days	95%	95%	95%	95%	95%	95%
	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	7,694	7,261	7,153	7,200	7,800	7,800
	Revenue from Sale of Surplus Property	$106,168	$41,988	$42,323	$50,000	$37,000	$42,000
	Dollar Value of Purchasing Card Transactions	$205,999	$190,922	$178,639	$200,000	$198,288	$200,000
	Cost to Issue a Purchase Order	$94	$86	$95	*	*	*
	Average Cost to Go Out to Bid	$1,449	$1,482	$1,497	*	*	*
	Total Dollar Value of Purchase Orders	$11.1M	$12.9M	$12.4M	$12.5M	$12.5M	$12.8M
	Avg. % Savings Thru Bid Process/Vendor Savings Prog.	30%	30%	30%	30%	30%	30%
	Activity Expenditures as % of General Fund	0.42%	0.45%	0.32%	0.35%	0.34%	0.35%

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

Purchasing



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Purchasing & Risk Manager	1	0	0
Purchasing Manager	0	1	1
Purchasing Specialist	1	1	1
Administrative Assistant	1	0	1
Administrative Assistant (P.T.)	0	1	0
Total	3	3	3

Purchasing

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

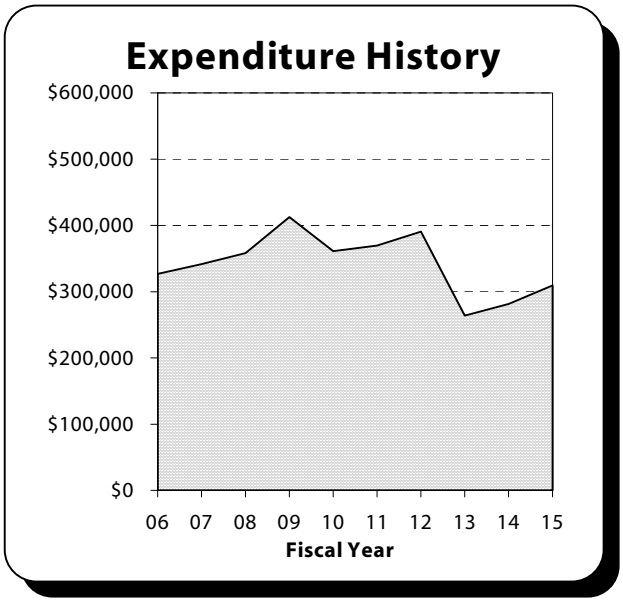
The total budget increased by 9.9%.

Personnel Services – The total Personnel budget increased by $28,370 or 11.1%. Due to retirements in other offices and internal promotions, the part-time Administrative Assistant position will become full-time in compliance with the MAPE Technical contract. No other wage benefit increases occured due to settled labor union agreements. Required contributions to the pension system fell by $1,330, while an additional $470 is budgeted to fund retiree health care liabilities.

Supplies – Total Supplies decreased $10 or 0.9% as postage costs decreased due to the increased use of e-mail.

Other Charges – Total Other Charges decreased $460 or 1.9%. The City will save $1,000, as the budget for citywide microfilming services can be further reduced and brought more in line with recent expenditure trends. Telephone costs decreased $150 due to a revised allocation of City telephone expenditures. $60 was saved in publishing costs based on the need for fewer bid solicitation ads. Copier rental costs decreased $50. $700 was added due to an increase in citywide office equipment repairs. Educational funding increased $100 for the increased cost of training at regional purchasing meetings throughout the year.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$239,323	$255,440	$255,390	$283,810	$283,810
Supplies	811	1,170	1,140	1,160	1,160
Other Charges	23,507	24,780	22,030	24,320	24,320
Total	$263,641	$281,390	$278,560	$309,290	$309,290

Treasury

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

Treasury is responsible for the receipt, deposit, control, and distribution of all receipts (taxes, water and sewer, 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.

Monthly water and sewer bills are prepared for 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.

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 continue to maximize investment earnings.

The Treasurer provides administrative support to the Corridor Improvement Authority (CIA), the Brownfield Redevelopment Authority, and the Local Development Finance Authority (LDFA). The Brownfield Redevelopment Authority reviews and processes applications for potential development on contaminated sites while the CIA and LDFA work to enhance commercial districts in the City by offering development incentives in order to increase economic vitality within these districts. Administrative support is also provided to the Economic Development Corporation (EDC).

Treasury is also responsible for the various defined contribution plans (401(A) and 457 plans) and the defined benefit plan (General Employee's Retirement System or GERS) sponsored by the City. For the defined contribution plans, duties include the day-to-day administration and working with various service providers relative to investment options, coordination of employee education and general employee assistance. Duties related to the GERS include day-to-day administration of the system, preparing agendas and packets for monthly meetings, coordinating with money managers and service providers for quarterly performance meetings, assisting the system's legal actuary and custodial bank to ensure timely and proper benefit payments to retired employees.

The office also compiles and provides all required data to complete the annual actuarial valuation for both defined benefit pension plans and the bi-annual actuarial valuation of the retiree health and other post employment benefits trust fund.■

KEY GOALS

- ***To effectively administer tax programs in accordance with all applicable laws.***
- ***To serve all water and sewer customers with accurate and timely billing and collections.***
- ***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 developing and implementing programs to reduce costs, increase revenues, and add efficiencies.***

Did you know…
…that Treasury installed a new payment drop box in the circle drive at the Utica Road entrance to City Hall, which allows for secure and convenient payments during the day and after hours?

Treasury

2014/15 PERFORMANCE OBJECTIVES

1. To implement the upgrade of the BS&A tax computer software system. *(City Goal 18)*
2. To work with the 41-A District Court and legal counsel to improve the collection of OUIL fees. *(City Goal 20)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Tax Bill Payments Processed - Manually (incl. partials)	23,571	24,183	23,349	21,000	22,950	23,000
	Tax Bill Payments Processed - Electronically (escrows)	32,176	32,288	31,928	31,600	32,140	32,100
	Tax Bill Payments Processed - Lock Box	33,723	33,845	31,566	32,000	32,130	32,100
	Tax Bill Payments Processed - Online	306	371	4,102	6,325	4,400	5,000
	Special Assessment Parcels Billed	158	138	127	130	141	150
	Invoices Billed	3,355	3,259	3,062	2,900	2,850	3,000
	Investments Bought/Sold - Number of Transactions	508	553	626	600	400	450
	Tax Adjustments Processed	1,168	1,485	1,343	1,260	1,162	1,175
	Resident Tax Online Retrievals	92,500	76,600	70,910	75,000	70,000	70,000
	Cash Receipts Processed by Treasury Personnel	69,695	67,370	60,284	60,000	58,600	60,000
	City-Wide Credit Card Payments Received	26,951	29,412	32,775	32,000	33,000	33,000
	Dollar Value of All Credit Card Transactions (Millions)	$3.7	$4.2	$5.4	$5.0	$5.4	$5.4
	Defined Contribution Active Employees	75	67	68	68	68	76
	Defined Benefit Active GERS Employees	194	160	134	134	130	125
	GERS Retirements Processed	25	31	23	10	4	4
	GERS Retirees/Beneficiaries Receiving Benefits	296	327	347	350	345	345
	Pension Calculations Prepared (P&F and GERS)	60	112	46	30	20	20
	Water and Sewer Bills Issued	190,043	190,365	190,909	190,750	191,000	191,000
	Final Water Bills Prepared	1,046	1,155	1,199	1,350	1,400	1,500
	Water & Sewer Customer Bill Online Retrievals	26,527	28,049	33,100	33,500	29,900	30,000
	Water & Sewer Auto Pay Customers	2,377	2,331	2,348	2,400	2,350	2,400
	Water & Sewer Budget Billing Customers	150	134	117	120	115	100
	Service Orders Processed by Utility Billing	3,825	3,280	2,202	2,200	2,450	2,450
	Water Bill Adjustments	1,604	1,458	1,510	1,500	2,000	2,000

Treasury

2014/15 PERFORMANCE OBJECTIVES

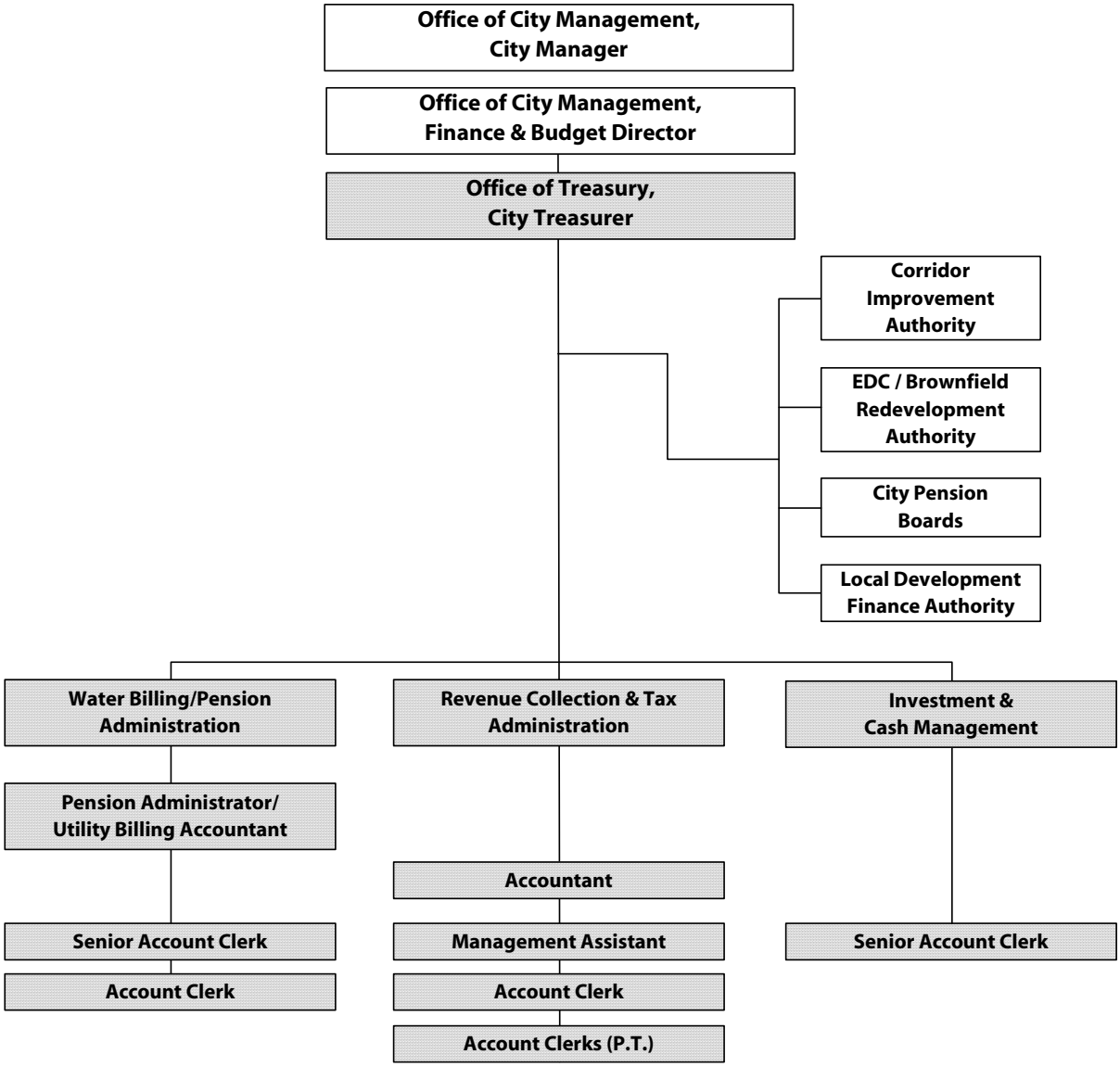
3. To implement new pension accounting standards as required by GASB 67 & 68. *(City Goal 20)*

4. To work with Comerica to minimize the manual processing of water bill payments paid via online banking. *(City Goal 18, 20)*

5. To coordinate the completion of the bi-annual actuarial evaluation for the Sterling Heights Other Post Employment Benefits (OPEB) Trust Fund. *(City Goal 1, 20)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Efficiency & Effectiveness	% of Real & Personal City Property Tax Levy Collected	95%	97%	97%	96%	96%	96%
	% of Prop. Tax Parcels Turned Delinquent to County	7.50%	6.20%	6.51%	7.00%	7.00%	7.00%
	Average Rate of Return on Investments	1.30%	1.94%	1.10%	1.10%	1.10%	1.50%
	Average 2-Year T-Note Rate	0.55%	0.42%	0.27%	0.25%	0.29%	0.35%
	City's Return as a % of 2-Year T-Note	236%	462%	407%	440%	380%	430%
	% of Portfolio Invested in Active Market	86.0%	85.5%	84.7%	85.0%	85.0%	85.0%
	Total Interest Earnings - Budgeted Funds (Millions)	$0.6	$0.7	$0.4	$0.5	$0.4	$0.4
	Police & Fire Pension System - % Funded	78.0%	66.5%	66.0%	70.0%	67.4%	70.0%
	General Employees Pension System - % Funded	99.6%	90.9%	83.5%	85.0%	84.2%	87.0%
	Ratio of Active GERS Employees to GERS Retirees	1:1.53	1:2.04	1:2.59	1:2.70	1:2.65	1:2.76
	Annual % Change in GERS Market Value - Fiscal Year	19.4%	1.0%	11.0%	8.0%	17.2%	8.0%
	Annual % Change in P&F Market Value - Fiscal Year	18.8%	0.1%	12.6%	8.0%	17.6%	8.0%
	Ratio of Active P&F Employees to P&F Retirees	1:1.55	1:2.20	1:2.34	1:2.40	1:2.40	1:2.40
	% of Water & Sewer Bills Adjusted	0.84%	0.77%	0.79%	0.80%	1.00%	1.00%
	Activity Expenditures as % of General Fund	1.32%	1.23%	1.25%	1.30%	1.27%	1.19%

Treasury



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
City Treasurer	1	1	1
Pension Admin./Utility Bill. Accountant	1	1	1
Accountant	1	1	1
Management Assistant	1	1	1
Senior Account Clerk	2	2	2
Account Clerk	3	2	2
Account Clerk (P.T.)	1	2	2
Total	10	10	10

Treasury

SUMMARY OF BUDGET CHANGES

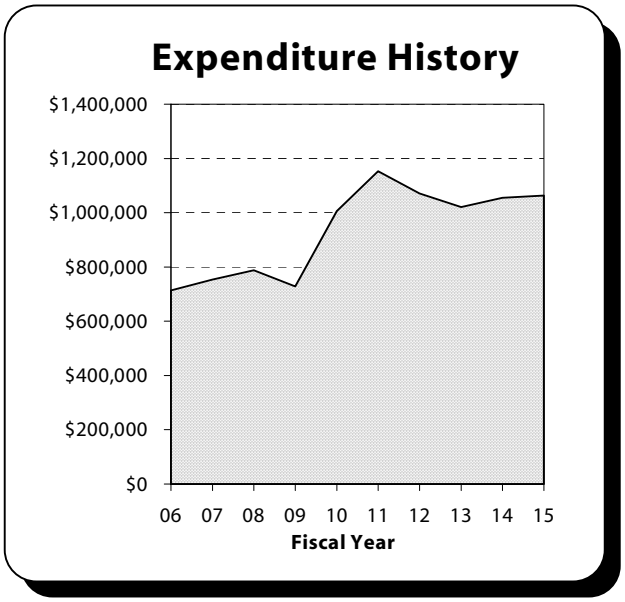
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased 0.8%.

Personnel Services – The total Personnel budget rose $1,400 or 0.2%. The overall increase is a result of higher health insurance costs for all full-time employees. Partially offsetting this cost is a savings to full-time wages due to employee turnover and lower required contributions to the General Employees pension system. Continued savings were achieved due to a fifth year of employee labor contract wage and benefit savings.

Supplies – Total Supplies increased $6,900 or 6.6%. Postage costs increased $7,000 due to a postal rate increase, which has increased the cost of tax and water bill mailings, and for the additional postage to have returned property tax statements forwarded by the post office to increase staff efficiencies in the office.

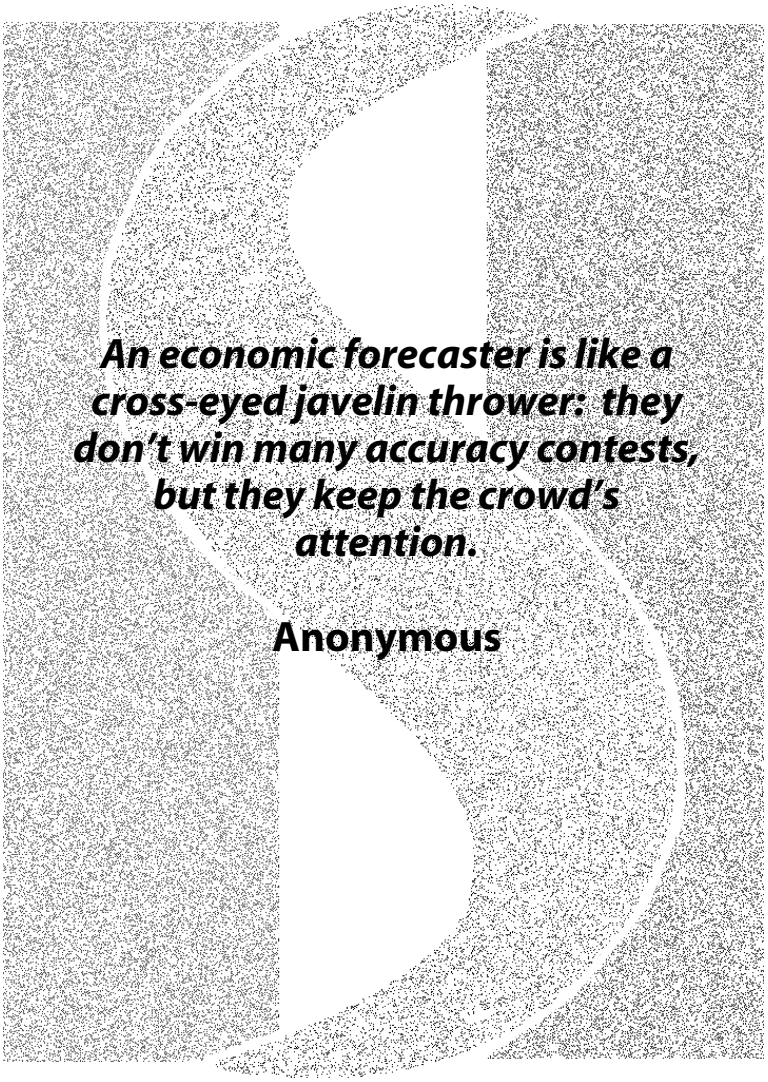
Other Charges – Total Other Charges increased $180 or 0.2%. Equipment maintenance costs increased $3,420 due to an increase in BS&A software support fees. Contracted service costs increased $480 for the higher cost of printing water bills. Rental costs increased $210 due to slightly higher annual lease costs for the investment tracking software and increased copier usage fees. Printing costs rose $100 due to an increase in the volume of invoices printed. $150 was added for the higher costs of training and attendance at treasury meetings. The City will save $3,480 as credit card service fees have fallen as a result of switching to a new merchant provider. Telephone costs decreased $700 based on a revised allocation of City telephone expenditures.



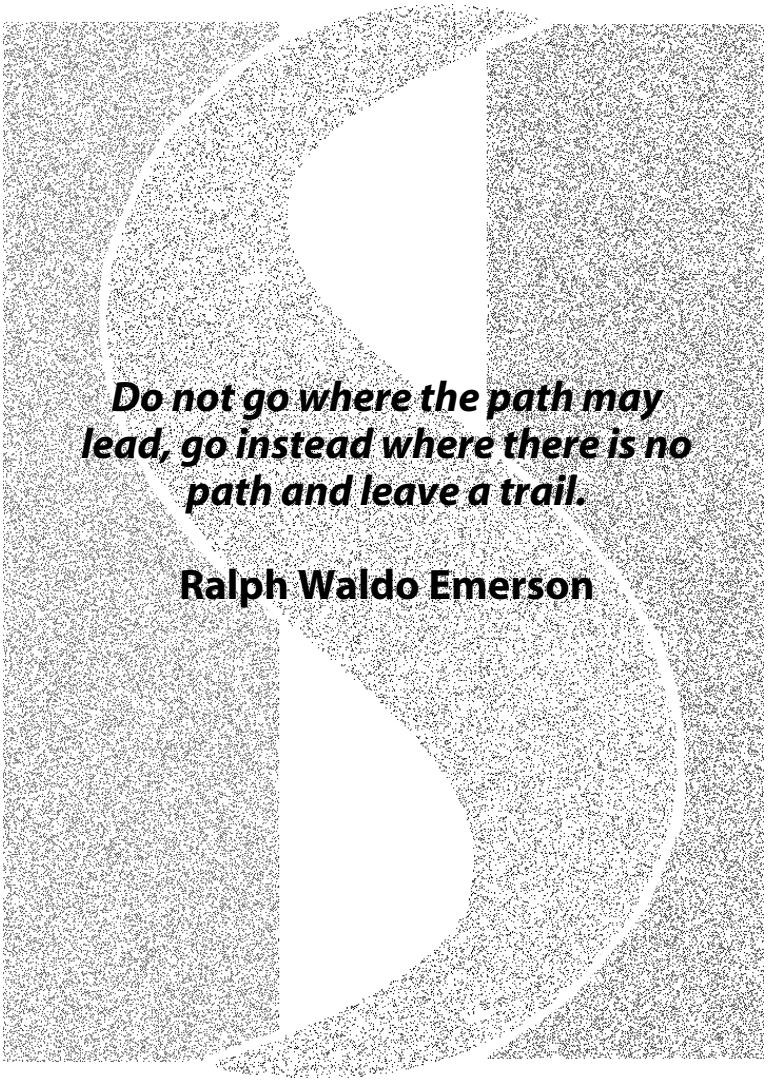
Capital – Total Capital of $73,270 is proposed for updated BS&A Tax & Assessing Software to replace the current 10-year old software that has limited features and will no longer be supported.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$854,852	$872,580	$850,680	$873,980	$873,980
Supplies	101,327	104,500	109,100	111,400	111,400
Other Charges	64,269	77,420	74,280	77,600	77,600
Total	$1,020,448	$1,054,500	$1,034,060	$1,062,980	$1,062,980


An economic forecaster is like a cross-eyed javelin thrower: they don't win many accuracy contests, but they keep the crowd's attention.
Anonymous

Community Services Department


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

FUNCTIONAL ORGANIZATION CHART

Community Services Department

Office of Library

- Directs the Community Services Department
- 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
- 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
- Serves as liaison to Citizen Advisory Committee
- Administers the Community Development Block Grant Fund (CDBG) program

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, teen and youth programming and volunteer activities
- Coordinates memorial/gift book and exhibit case programs
- Plans and schedules cable channel programs

Circulation Services

- Check-out and check-in of library materials
- Registers eligible borrowers
- Processes claim-returned items
- Processes inter-library loans, renewals and holds
- Maintains patron database
- Provides 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

Public Services

- Reference/information retrieval
- Provides bibliographic instruction
- Collection development and evaluation
- Provides outreach service to senior citizen residences & the homebound
- Processes deposit collections and extension loans
- Shelves materials for user access
- Maintains periodical and newspaper collections
- Provides Readers' Advisory Services
- Selects online reference sources
- Coordinates Internet access and instruction
- Coordinates Young Adult Services
- Conducts Youth programming and seasonal activities
- Creates exhibits, displays and information packets
- Coordinates MeLCat access to materials

Technical Services

- Coordinates the acquisition and processing of materials
- Catalogs and classifies materials
- Coordinates bindery of materials
- Administers online catalog and Internet systems
- Processes and routes donations
- Maintains online catalogs and equipment
- Maintains 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

FUNCTIONAL ORGANIZATION CHART

Community Services Department (continued)

Office of Parks & Recreation

- Oversees office activities
- Implements policies and procedures
- Prepares and manages budget
- Coordinates staff assignments and responsibilities
- Coordinates capital improvement requests
- Seeks sponsorship for departmental activities
- Coordinates park and facility planning and development
- Oversees program development
- Partners with local communities

Athletic Programs

- Assists with adult athletic programs and leagues
- Assists with youth athletic programs and leagues
- Liaison to various youth athletic clubs

Instructional Classes

- Offers adult self-improvement and special interest classes
- Offers youth recreational and performing arts classes
- Offers adult and youth athletic classes

Nature Interpretive Programs

- Maintains Nature Center and provides visitor service
- Conducts field trips for schools and scout groups
- Presents family nature programs

Park Operations

- Inspects park facilities
- Provides park supervision
- 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 Recreation Programs

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

Summer Playground Program

- Coordinates an extensive Summer Playground Program at neighborhood schools
- Coordinates Teen Volunteer Program

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 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

DEPARTMENT AT A GLANCE

Community Services Department

BUDGET SUMMARY

The Community Services budget increased $141,590 or 3.5%. Personnel costs increased $75,520 or 2.3% due to the conversion of two part-time Library positions to full-time as a result of retirements. In Parks & Recreation, a part-time Recreation Specialist is proposed to become full-time. Originally budgeted as a contracted service, a part-time Recreation Supervisor is an employee, and the HUD Coordinator is now located in Neighborhood Services due to the turnover of staff earlier in the year. An additional $15,000 is budgeted for part-time Bus Driver hours to expand the Senior transportation services, funded by SMART. The budget reflects a fifth year of continued employee wage and benefit savings. The Suburban Library Cooperative will continue to fund shared services of the Community Services Director. Supply costs increased $27,590 or 11.4%, as library book and audio-visual materials funding is partially restored, and for increased recreational supplies to enhance the Halloween party and restore the adult kickball league. Other Charges rose $38,480 or 7.2% to update the Parks & Recreation Master Plan and purchase new Library online subscription databases. Popular yoga and Zumba classes remain funded. The Capital budget includes funding to replace the flooring at the Recreation Center, CDBG improvements to Beaver Creek and Hampton parks, replacement Delia Park ball field lighting, a 19 Mile Road park trail connector, new park pavilion lighting, and a play equipment safety surface at North Clinton River Park.

FUNDING LEVEL SUMMARY

	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
Public Library	$2,544,980	$2,450,830	$2,350,200	$2,472,640	5.2%
Parks & Recreation	1,943,880	1,888,710	1,751,830	1,770,980	1.1%
Total Department	$4,488,860	$4,339,540	$4,102,030	$4,243,620	3.5%
Personnel Services	$3,689,340	$3,556,990	$3,326,530	$3,402,050	2.3%
Supplies	271,260	244,000	241,850	269,440	11.4%
Other Charges	528,260	538,550	533,650	572,130	7.2%
Total Department	$4,488,860	$4,339,540	$4,102,030	$4,243,620	3.5%

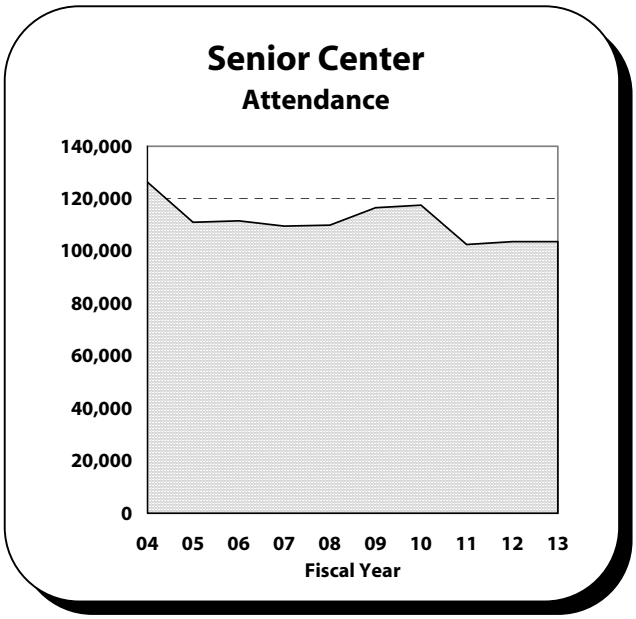
PERSONNEL SUMMARY

	2011/12		2012/13		2013/14		2014/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Public Library	18	21	16	22	11	25	13	23
Parks & Recreation	11	0	10	0	7	3	7	3
Total Department	29	21	26	22	18	28	20	26

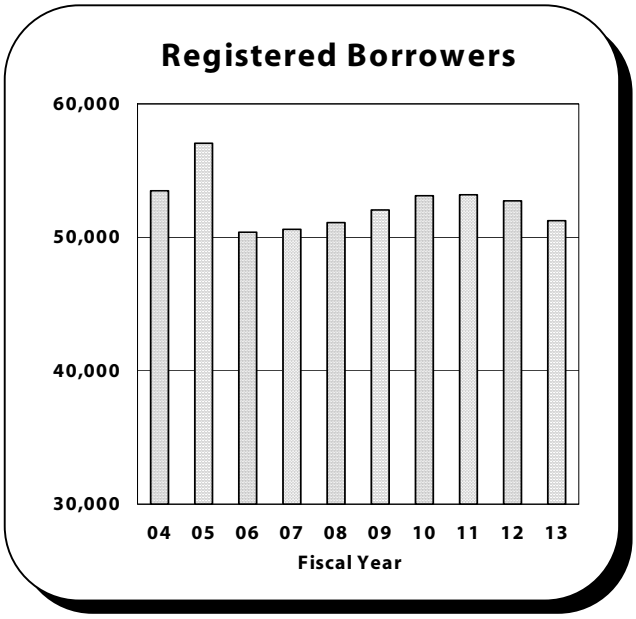
Excludes Historical Commission.

KEY DEPARTMENTAL TRENDS

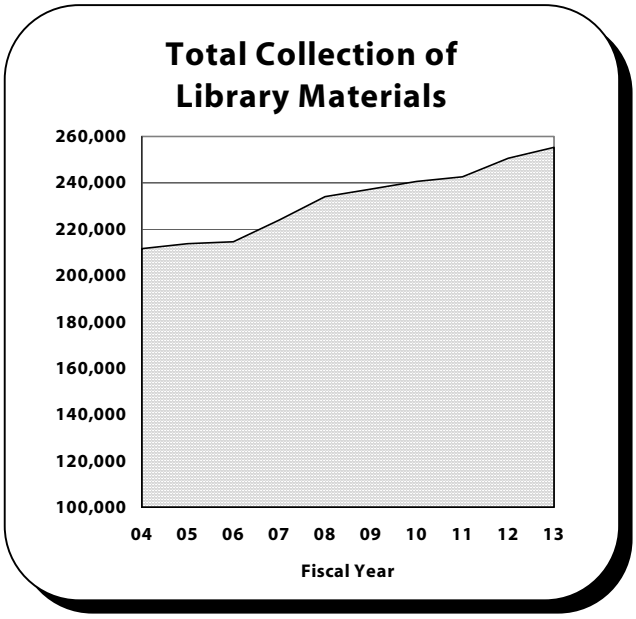
Community Services Department



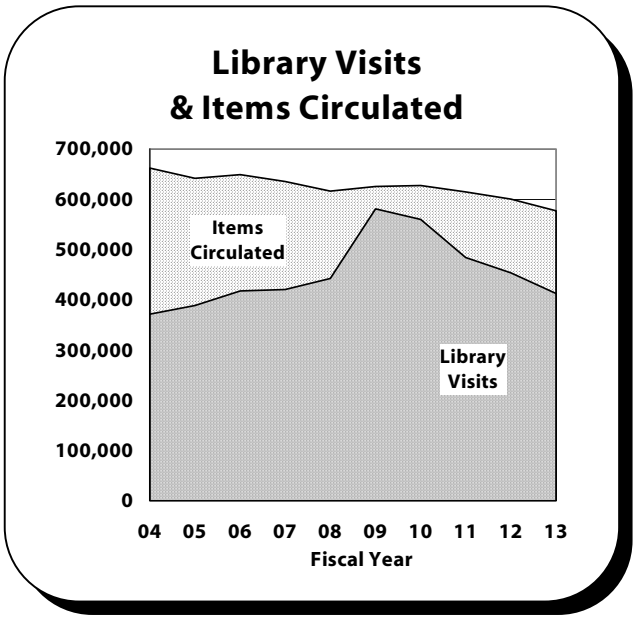
Senior program attendance has been fairly constant, exceeding 100,000 participants each year, over the past ten years. In 2007, the City completed a 14,000 sq. ft. gymnasium addition to the Senior Center that was paid for with federal CDBG dollars.



The number of registered borrowers in the City has generally ranged between 50,000 and 54,000 residents over the past ten years as the City regularly updates its registered borrower database.



The size of the Library's collections, including books, audiovisual, and software materials, has generally grown over the past ten years. There are currently 255,364 materials on hand, or an average of 2.0 items per resident. A total of 1.05 million online and electronic database uses were recorded in 2013. Attendance at Library programs has increased since the Library Programming Center was opened in 2001. Attendance in 2013 totaled 15,310 participants.



Over the past ten years, the number of Library items circulated has declined, while attendance has generally increased, with the exception of the past four years. In 2013, 413,000 visits were recorded or an average of 144 visits per hour open. 577,000 items (or an average of 1.4 items per visit) were circulated. Library Sunday hours have been eliminated and the Library is also opening later on Fridays.

Library

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, teen and youth summer reading programs, computer and Internet assistance, film festivals, book talks, author visits, consumer interest programs, reference and readers' advisory services, educational cable programming, an oral history collection, and a wide selection of books, online reference sources, e-books and audiovisual materials provide residents with excellent educational opportunities.

Computerized information retrieval is offered with the online catalog of 22 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 City residents to borrow materials from hundreds of public, school and academic libraries throughout Michigan. Other services include full-text online magazine and newspaper reference sources, Internet access at public workstations, wireless Internet access, area newspapers on microfilm, and a Tech for Tots area with educational software applications and games.

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. 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 and senior citizen housing units.

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 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 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…
…the Sterling Heights Public Library offers over 90 popular magazine subscriptions in digital format and also offers thousands of e-books and e-audiobooks for residents to access on their pcs, e-readers, tablets, and smartphones?

Library

2014/15 PERFORMANCE OBJECTIVES

1. To expand the library's digital and online resources to assist residents in their educational and recreational needs. *(City Goal 26)*

2. To continue to foster an environment of creativity to preserve quality of life services. *(City Goal 26, 27)*

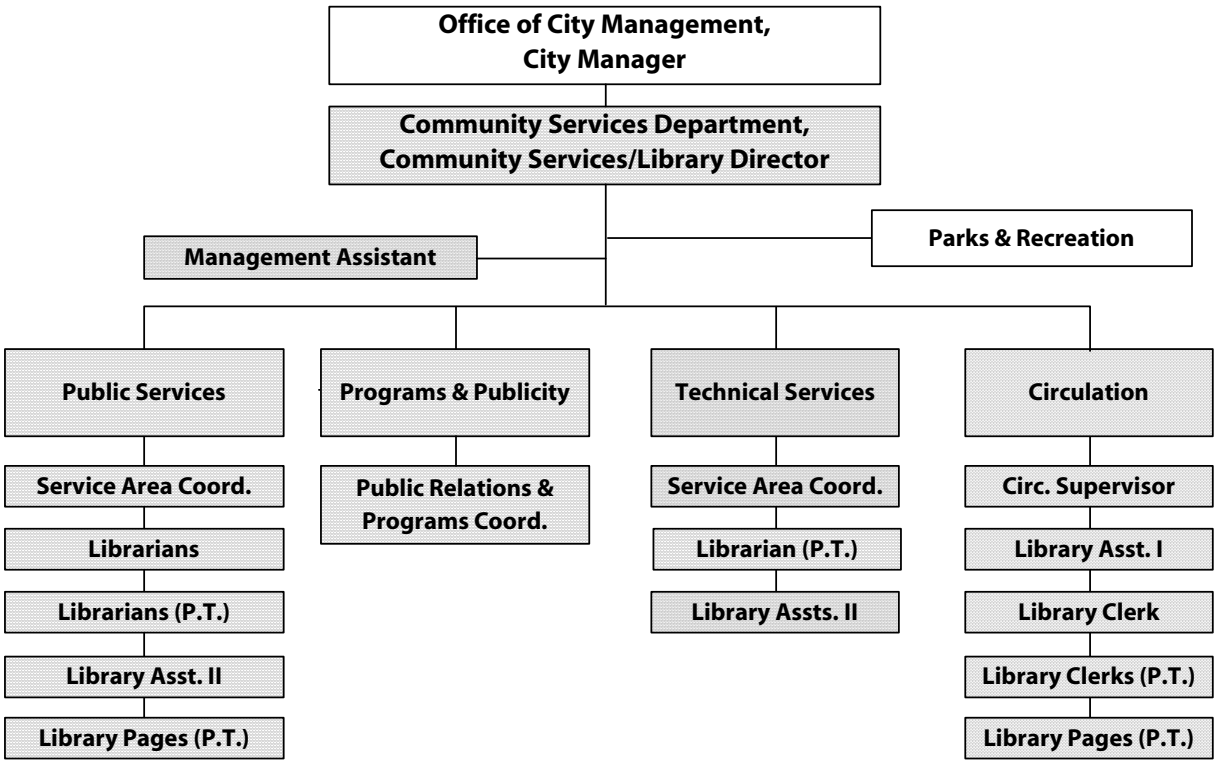
3. To work with the Friends of the Library Board to diversify and enhance revenue sources. *(City Goal 21, 26)*

4. To develop the library's relationship with local school districts to promote library programs and support students during the summer months. *(City Goal 26)*

5. To seek grants, community partnerships, and other sources of revenue to improve core library services. *(City Goal 21, 26)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Library Registered Borrowers	53,181	52,733	51,248	51,000	51,000	51,000
	Annual Library Attendance	484,259	453,690	412,656	420,000	400,000	400,000
	Total Collection of Library Materials (Excl. magazines)	242,580	250,609	255,346	254,000	240,000	245,000
	Items Circulated	614,905	600,445	577,448	570,000	540,000	545,000
	Program Attendance	23,184	22,168	15,310	18,000	16,000	16,000
	Reference & General Information Requests	120,873	93,243	83,000	80,000	70,000	66,000
	Hours of Library Operations Weekly	57.5	57.5	57.5	57.5	57.5	57.5
	Materials Added to Collection	19,830	20,424	20,481	18,000	18,000	18,500
	In-Library Use of Materials	107,155	133,539	132,298	115,000	110,000	100,000
	Items Processed for Loan to Other Libraries	87,255	82,094	82,832	78,000	78,000	78,000
	Items Processed for Receipt from Other Libraries	97,588	93,068	90,764	92,000	90,000	86,000
	Online & Electronic Database Usage	610,054	768,815	1,050,062	1,100,000	1,500,000	1,600,000
	Outreach Loans by Library Van	7,367	4,547	3,788	4,000	3,500	3,200
	Hours of Library Cable Programming	3,650	3,650	3,650	3,650	3,650	3,650
Efficiency & Effectiveness	Registered Borrowers as a % of Population	41%	41%	39%	39%	39%	39%
	Library Materials per Capita	1.89	1.93	1.96	1.95	1.84	1.87
	Circulation of Materials per 1,000 Population	4,785	4,629	4,442	4,368	4,138	4,170
	% of Hold Material Requests Filled within 30 days	77%	78%	81%	75%	78%	79%
	% of Material Reshelved within 24 hours	97%	96%	97%	97%	97%	97%
	Full-time Equivalent Staff Per 1,000 Population	0.24	0.22	0.21	0.18	0.18	0.19
	Library Material Acquisition Costs Per Resident	$1.48	$1.42	$1.29	$1.24	$1.24	$1.40
	Library Cost Per Capita	$20.52	$19.62	$18.85	$18.01	$18.00	$18.91
	Total Cost Per Library Registered Borrower	$49.59	$48.26	$47.82	$46.08	$46.05	$48.48
	Activity Expenditures as % of General Fund	3.01%	2.92%	3.00%	2.90%	2.89%	2.77%

Library



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Community Services/Library Director	1	1	1
Library Service Area Coordinator	2	1	2
Library Service Area Coordinator (P.T.)	0	1	0
Public Relations & Programs Coord.	0	1	1
Library Programming Specialist	1	0	0
Librarian	5	2	2
Librarian (P.T.)	7	8	8
Circulation Supervisor	1	0	1
Circulation Supervisor (P.T.)	0	1	0
Management Assistant	1	1	1
Library Assistant II	3	3	3
Library Assistant I	1	1	1
Library Clerk	1	1	1
Library Clerk (P.T.)	5	5	5
Library Page (P.T.)	10	10	10
Total	38	36	36

Library

SUMMARY OF BUDGET CHANGES

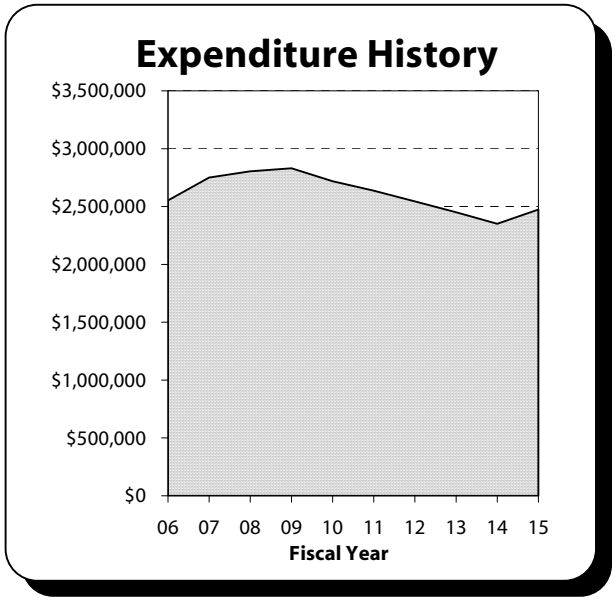
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.2%.

Personnel Services – The total Personnel budget increased $81,730 or 4.2%. Due to retirements and the City's labor agreements, the Library Area Services Coordinator and Circulation Supervisor positions have been converted from part-time to full-time, resulting in a $68,000 increase.

Supplies – Total Supplies increased $22,310 or 12.6%. Book funding increased $17,000 and audiovisual material increased $5,000 to partially restore funding for the purchase of circulation materials. $1,000 was added for material processing supplies and library cards.

Other Charges – Total Other Charges increased $18,400 or 7.6%. Funding increased $6,940 for online subscriptions to the Ancestry Genealogical and Novelist Author/Book databases. Heating costs rose $6,000 based on recent actual expenditure levels. Membership costs increased $5,550 primarily due to an increase in the Library Cooperative membership fee, which is tied to higher State aid. $300 was added for library staff training. Credit card processing costs rose $200 based on increased credit card receipts. Telephone costs decreased $300 and water costs fell $100, as both can be reduced and brought more in line with the current year's estimated expenditure levels. $100 was saved, as fewer program brochures and patron applications will need to be printed.



Capital – There is no Capital proposed for this office.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$2,019,427	$1,931,030	$1,920,290	$2,012,760	$2,012,760
Supplies	181,892	176,960	176,960	199,270	199,270
Other Charges	249,506	242,210	251,480	260,610	260,610
Total	$2,450,825	$2,350,200	$2,348,730	$2,472,640	$2,472,640

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, dance, athletic, and special interest classes.

The Special Events program provides special events and cultural activities throughout the year. Annual events include the Halloween Party, A Sterling Christmas, Music in the Park, TeenFest, Sterlingfest, Daddy/Daughter Dance, Dance Recital, and Mother/Son event.

In Athletic Services, adult and youth participants are provided the opportunity to compete in organized leagues, events, and tournaments. The department serves as a liaison to six youth sports organizations.

A Summer Playground Program is conducted at neighborhood schools throughout the City for children ages 5 to 14. This program offers activities such as games, crafts, field trips, sports and much more.

Teens can participate in most programs offered including TeenFest and the Teen Volunteer 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, exhibits, 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.

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.■

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 providing new and/or improved recreation opportunities for our residents of various ages, interests and abilities as per the Department's Master 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.***

Did you know…
…the City's first outdoor pickleball court was installed at Magnolia Park and opened this past May?

Parks & Recreation

2014/15 PERFORMANCE OBJECTIVES

1. To reintroduce the adult kickball league, increase senior transportation services, and enhance the City's annual Halloween event. *(City Goal 26)*

2. To work with other entities in an effort to research farmers' markets, as well as to identify and present a plan to implement a Farmers' Market inside Dodge Park beginning in the Fall of 2015. *(City Goal 27)*

3. To align the department with one new program sponsor/partner. *(City Goal 20, 21)*

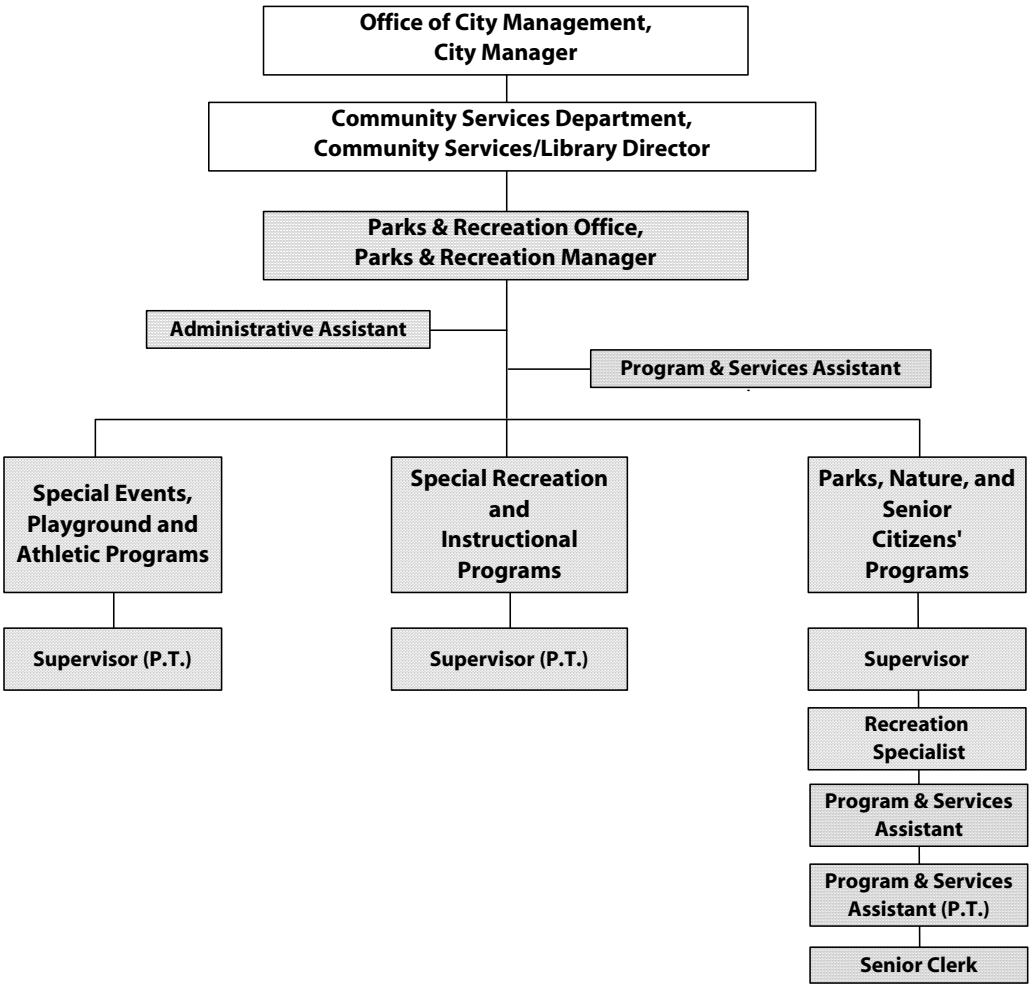
4. To obtain grant and sponsorship funding to replace the field lighting at Delia Park. *(City Goal 21)*

5. To seek a DNR grant to obtain funding for the last non-City owned parcel near Dodge Park Road and Utica Road. *(City Goal 14, 21)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Instructional Class Attendance	27,736	27,132	22,666	20,000	22,100	22,000
	Special Event Participants (Incl. Sterlingfest Entertain.)	72,321	62,015	53,734	66,000	47,440	60,000
	Special Recreation Program Attendance	10,803	10,766	9,895	9,000	9,190	9,000
	Adult & Youth Athletic Attendance	25,593	24,550	27,391	27,000	26,760	27,000
	Nature Program Participants	23,374	21,318	14,582	17,000	16,320	17,000
	Teen Only Program Attendance	654	724	600	700	475	700
	Number of Internet Registrations	3,076	2,846	2,540	2,600	2,440	2,600
	Summer Playground Registrations	611	731	740	620	700	690
	Park Playground Equipment Replaced	1	0	0	2	2	2
	Senior Center Activities Attendance (Incl. Transport.)	102,577	103,663	103,667	103,000	104,000	103,000
	Community Center Special Activity Use Attendance	9,114	7,395	5,828	6,600	5,540	5,500
	Senior & Special Recreation Transportation Riders	22,559	20,029	21,362	22,500	21,900	22,500
Efficiency & Effectiveness	P & R Revenue Earned per Capita	$3.84	$4.12	$3.66	$3.83	$3.64	$3.71
	% of Refunds Due to Dissatisfaction	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
	Developed Park Acres per 1,000 Residents	6.4	6.3	6.3	6.3	6.3	6.3
	% of Park Acres Developed	85.4%	85.4%	85.4%	85.4%	85.4%	85.4%
	FTE's per 100,000 Pop. (Incl. Parks & Grounds Maint.)	36	32	30	30	30	30
	Nature Center Cost per Visitor	$7.56	$6.98	$8.49	*	*	*
	Senior & Special Rec. Transportation Cost per Rider	$14.05	$14.35	$13.74	*	*	*
	Department Cost per Capita	$15.29	$14.99	$14.53	$13.42	$12.91	$13.54
	Activity Expenditures as % of General Fund	2.25%	2.23%	2.31%	2.16%	2.07%	1.99%

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

Parks & Recreation



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Parks & Recreation Manager	1	1	1
Recreation Supervisor/HUD Coordinator	0	1	0
Recreation Supervisor	4	1	1
Recreation Supervisor (P.T.)	0	1	2
Recreation Specialist	0	0	1
Administrative Assistant	1	1	1
Program & Services Assistant	1	2	2
Program & Services Assistant (P.T.)	0	1	1
Senior Clerk	2	1	1
CDBG Intern (P.T.)	0	1	0
Lead Bus Driver	1	0	0
Total	10	10	10

Parks & Recreation

SUMMARY OF BUDGET CHANGES

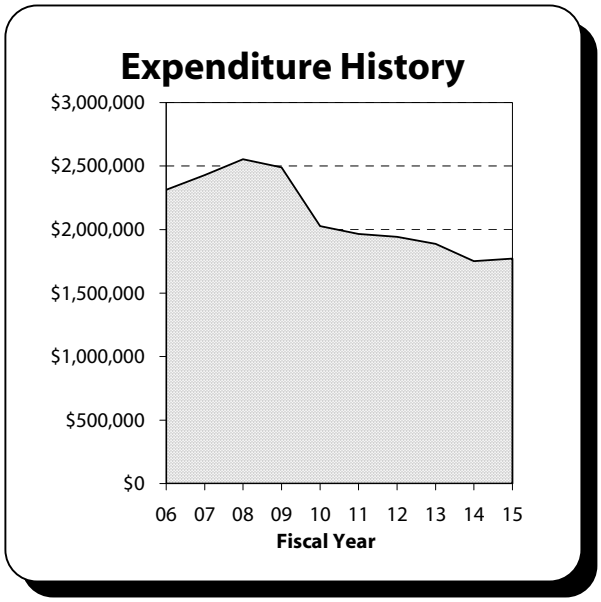
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 1.1%.

Personnel Services – The total Personnel budget decreased $6,210 or 0.4%. The decrease is a result of moving the HUD Coordinator position to Neighborhood Services as a result of employee turnover. A part-time Recreation Specialist was also added as a result of the employee turnover. Subsequently, this part-time Recreation Specialist is proposed to become full-time. Originally budgeted as a contractual service, a part-time Recreation Supervisor is now an employee. An additional $15,000 in bus driver hours has been added to enhance the senior transportation program.

Supplies – Supplies increased $5,280 or 8.1%, primarily to restore a depleted program supplies budget, for the return of the adult kickball league, and for enhancements to the Halloween Party, including a corn maze. Postage increased $600 due to a rate increase. $500 was added as additional Nature Center supplies are needed.

Other Charges – Other Charges increased $20,080 or 6.9%. $20,000 was added to update the Parks & Recreation Master Plan. Building utility costs rose $4,000. $1,420 was added for the higher rental costs of facilities and attractions for special events. The City will save $3,500 in credit card service fees as a result of switching to a new merchant provider. Contractual costs fell $1,480 as a result of a prior year encumbrance and the elimination of the discontinued Sterling Civic Theatre licensing fees. The decrease was partially offset by an increase in umpire assigner fees for the adult kickball league.



Capital – Replacement flooring at the Recreation Center and four park maintenance projects, including Delia Park lights, are funded in the Land & Water Conservation Fund. Repairs to Hampton Park and the second phase of improvements to Beaver Creek Park are included in the CDBG budget.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,537,560	$1,395,500	$1,337,980	$1,389,290	$1,389,290
Supplies	62,112	64,890	65,200	70,170	70,170
Other Charges	289,041	291,440	282,080	311,520	311,520
Total	$1,888,713	$1,751,830	$1,685,260	$1,770,980	$1,770,980

Police Department

FUNCTIONAL ORGANIZATION CHART

Police Department

Police Administration

- Administration of department's 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
- Coordinates City-wide emergency response program
- ***Community Services Bureau –*** provides crime prevention and public safety information
- ***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
- ***Detention -*** responsible for the processing, housing and release of prisoners

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

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 file 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 –*** coordination with Macomb County and City departments

DEPARTMENT AT A GLANCE

Police Department

BUDGET SUMMARY

The Police Department budget increased $775,690 or 2.4%. Personnel costs rose $795,670 or 2.6%. The majority of the increase is from the early hiring of 12 Officers to lessen the impact of upcoming retirements and to provide time for needed training. The remaining increase is largely to fund an increase in the City's actuarially required contribution to the Police & Fire Pension System to fund long-term retirement liabilities. The budget assumes no wage or benefit increase for all positions. Due to the passage of the City's Safe Streets Proposal, no additional police staffing reductions are proposed. An Administrative Secretary from Support Services has been reassigned to Investigations. Total Supplies decreased $12,700 or 15.3%, primarily due to the one-time purchase of ammunition in the prior year. Other Charges declined $7,280 or 0.5%, as the Detention Facility contract can be reduced to bring the budget more in line with actual expenditures. The budget funds two new components to the New World computer system and increased maintenance for emergency warning sirens. The Capital budget funds the replacement of 72 personal computers, an updated version of Microsoft Office software, the removal and replacement of the retaining wall near the department's lower level entrance, the replacement of 11 high mileage vehicles, 40 in-car video cameras, 50 Taser units, eight radar devices, an Investigative camera, and upgraded Police car modems.

FUNDING LEVEL SUMMARY

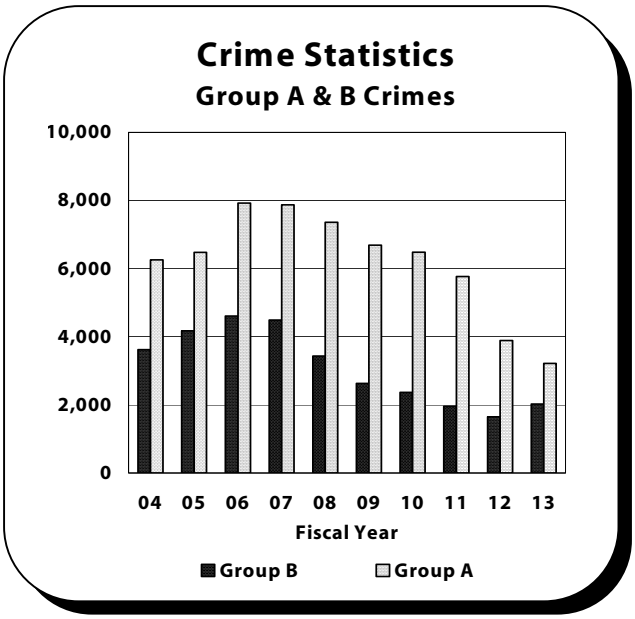
	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
Police Administration	$3,042,380	$3,099,570	$3,151,740	$3,152,100	0.0%
Police Investigations	6,268,090	5,738,130	5,652,760	5,743,330	1.6%
Police Operations	19,971,990	19,501,000	19,653,840	20,352,170	3.6%
Police Support Services	3,546,890	3,282,000	3,676,110	3,662,540	-0.4%
Emergency Management	151,390	0	0	0	0.0%
Total Department	$32,980,740	$31,620,700	$32,134,450	$32,910,140	2.4%
Personnel Services	$31,828,780	$30,535,300	$30,596,110	$31,391,780	2.6%
Supplies	68,380	55,110	83,250	70,550	-15.3%
Other Charges	1,083,580	1,030,290	1,455,090	1,447,810	-0.5%
Total Department	$32,980,740	$31,620,700	$32,134,450	$32,910,140	2.4%

PERSONNEL SUMMARY

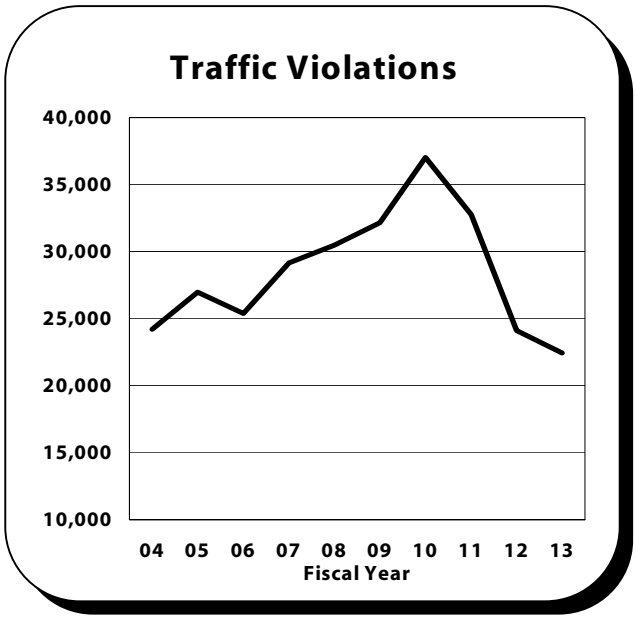
	2011/12		2012/13		2013/14		2014/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Police Administration	13	0	13	0	13	0	13	0
Police Investigations	38	0	32	0	33	0	34	0
Police Operations	120	30	115	30	113	30	113	30
Police Support Services	35	6	32	6	30	3	29	3
Emergency Management	1	0	0	0	0	0	0	0
Total Department	207	36	192	36	189	33	189	33

KEY DEPARTMENTAL TRENDS

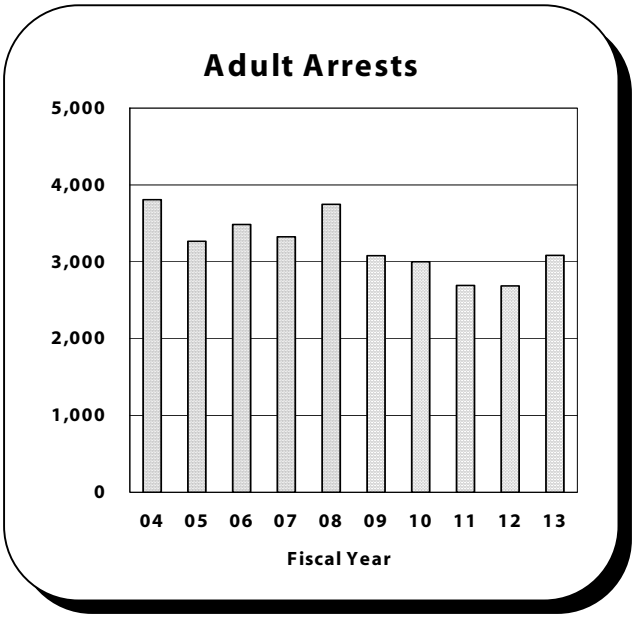
Police Department



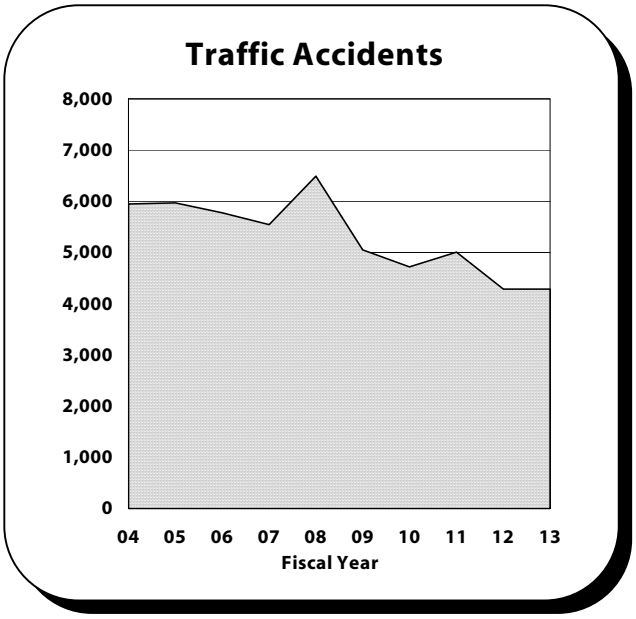
Group A and Group B crimes have decreased over the past ten years. As a result, the City's total crime statistics are at their lowest level in ten years. Group A crimes include murder, robbery, burglary, car theft, damage to property, larceny, and retail fraud. Group B crimes include assault, family trouble, OUIL and disorderly conduct.



Traffic violations rose as the department initiated a multi-faceted strategy to increase traffic enforcement by concentrating on high accident areas and those locations where residents expressed a concern. Additional officers also became radar certified. Over the past four years, however, violations have declined to below 2004 levels.



This graph reflects the number of arrests in the City. After declining for the past four years, the number of arrests increased in 2013 returning back to 2009 levels.



Despite an increase in traffic over the past ten years due to the growth in the City and in the surrounding northern communities, traffic accidents have decreased to a 10-year low.

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 two 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 public education in the areas of crime prevention, personal safety, and child protection.

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, and child protection.***
- ***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 Police Officer candidates now take the required entrance examination with a private company, saving the City time and money when establishing a Police Officer candidate list?

Police Administration

2014/15 PERFORMANCE OBJECTIVES *(Administration)*

1. To hire police officers to replace those officers scheduled to retire through 2016. *(City Goal 4)*

2. To develop and promote career growth of department employees through in-house and external training programs. *(City Goal 4, 7)*

3. To provide training to all officers on how to respond and handle an "active shooter." *(City Goal 25)*

4. To replace the current conducted electrical weapons (CEW's), retrain officers, and then deploy the new CEW's. *(City Goal 18)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Public Education Programs Presented	152	70	18	16	16	16
	Car Seat Inspections Conducted	6	0	0	0	0	0
	Security/Safety Presentations	60	6	6	5	5	5
	Neighborhood Watch Programs	53	51	6	6	6	6
	Elementary and Middle School Programs	33	13	6	5	5	5
	Hours of D.A.R.E. Instruction	956	0	0	0	0	0
	General Orders Issued or Amended	74	37	28	5	30	10
	School Safety Program - Students Impacted	3,326	3,000	770	50	200	50
	Training Seminars Attended - Department-wide	209	261	212	150	200	250
Efficiency	FT Staff to Workers Comp./Disability Claims Ratio	3.9:1	2.7:1	5.3:1	5.0:1	5.0:1	5.0:1
	% of D.A.R.E. Students Completing Program	99%	N/A	N/A	N/A	N/A	N/A

Police Administration

2014/15 PERFORMANCE OBJECTIVES *(Special Investigations)*

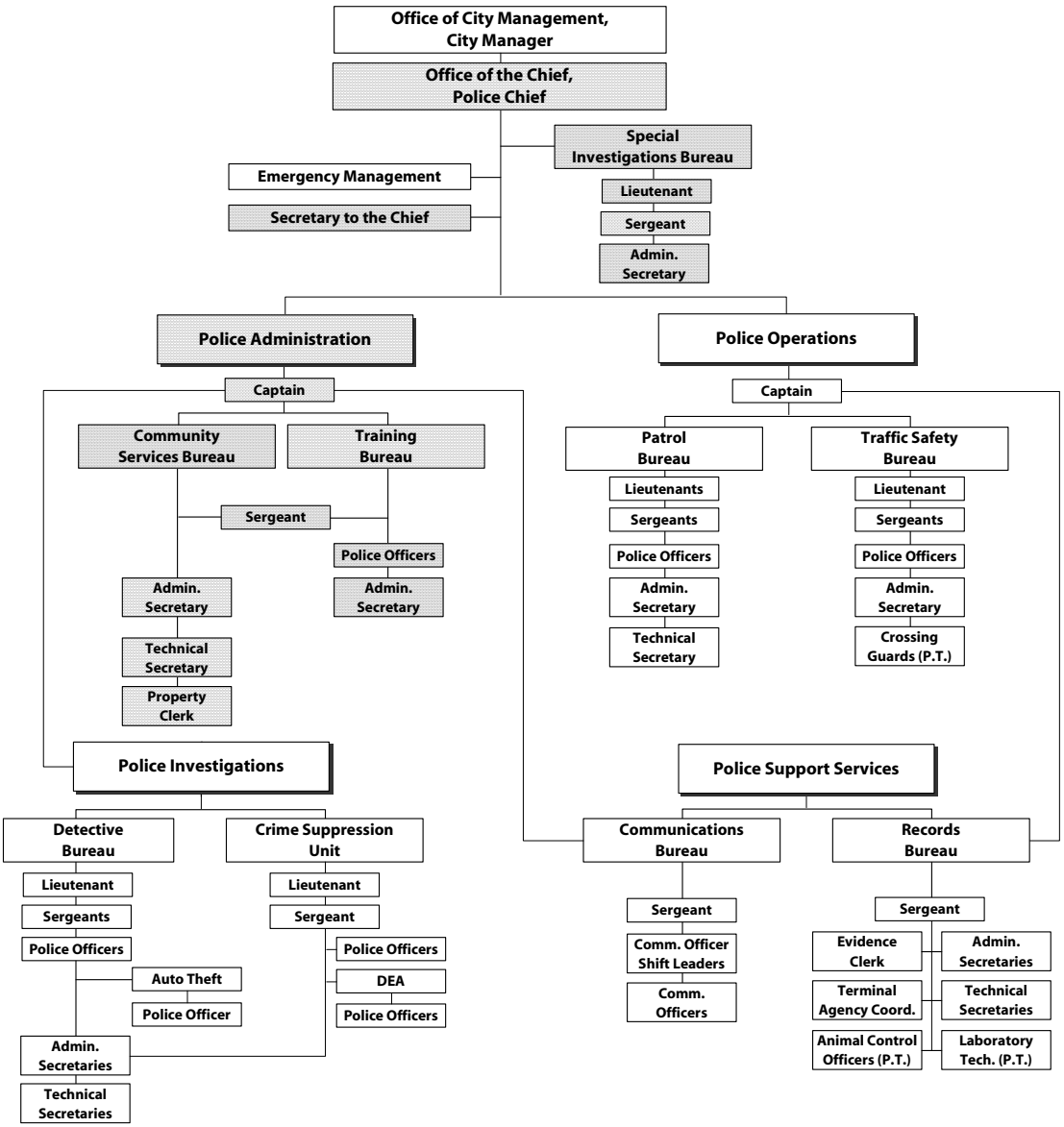
1. To combine liquor license applications from the City Clerk's office and the Special Investigations Bureau, which will simplify the process for applicants while ensuring both offices receive the necessary information to process the requests. *(City Goal 2)*

2. To develop and implement a Discipline Matrix, which will ensure fair and equitable treatment for employees found in violation of department rules and regulations. *(City Goal 1)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Employment Background Investigations	54	76	77	60	60	120
	Internal Affairs Investigations	13	9	15	10	10	10
	Liquor License Background Investigations	25	19	13	15	15	15
	Other Special Investigations Bureau Investigations	1,440	1,090	1,429	1,300	1,320	1,300
	Liquor & Tobacco Inspections/Observations	249	406	235	300	295	300
	Liquor License Violations	3	14	8	20	20	20
	Citizen Observer Web-based Alert System Recipients	N/A	847	822	850	850	850
Efficiency & Effectiveness	Employment Background Investigations - % Hired	65%	82%	79%	80%	80%	80%
	# of Sustained Complaints per 100 Officers	4.4	3.9	5.4	0.0	4.0	0.0
	Average Cost of an Administrative Investigation	$495	$569	$487	*	*	*
	Average Liquor License or Tobacco Inspection Cost	$106	$88	$81	*	*	*
	Department Cost per Capita	$253	$254	$243	$246	$242	$252
	Division Expenditures as % of General Fund	3.42%	3.49%	3.80%	3.89%	3.75%	3.54%

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

Police Administration



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Chief	1	1	1
Captain	1	1	1
Lieutenant	1	1	1
Sergeant	2	2	2
Police Officer	2	2	2
Secretary to the Chief	1	1	1
Administrative Secretary	3	3	3
Technical Secretary	1	1	1
Property Clerk	1	1	1
Total	13	13	13

Police Administration

SUMMARY OF BUDGET CHANGES

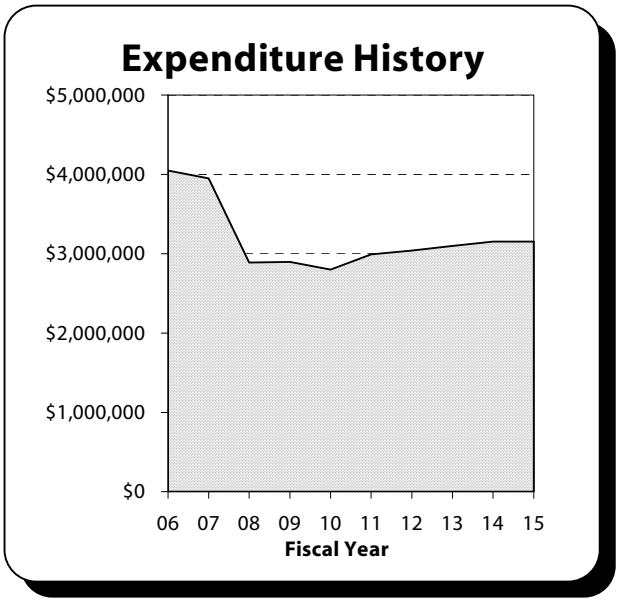
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 0.0%.

Personnel Services – The total Personnel budget increased $20,340 or 1.0%. No employee wage increases are budgeted. The City's actuarial required contribution to the Police & Fire Pension System increased by $16,340, while an additional $4,410 is budgeted to fund retiree health care liabilities. Health insurance costs rose $9,860. Compensatory time costs fell by $5,000, while contributions to the General Employees Retirement System fell by $1,700.

Supplies – Total Supplies decreased $12,700 or 15.3%. Ammunition decreased $12,900 due to a prior year reappropriated encumbrance. $200 was added for additional dog care supplies.

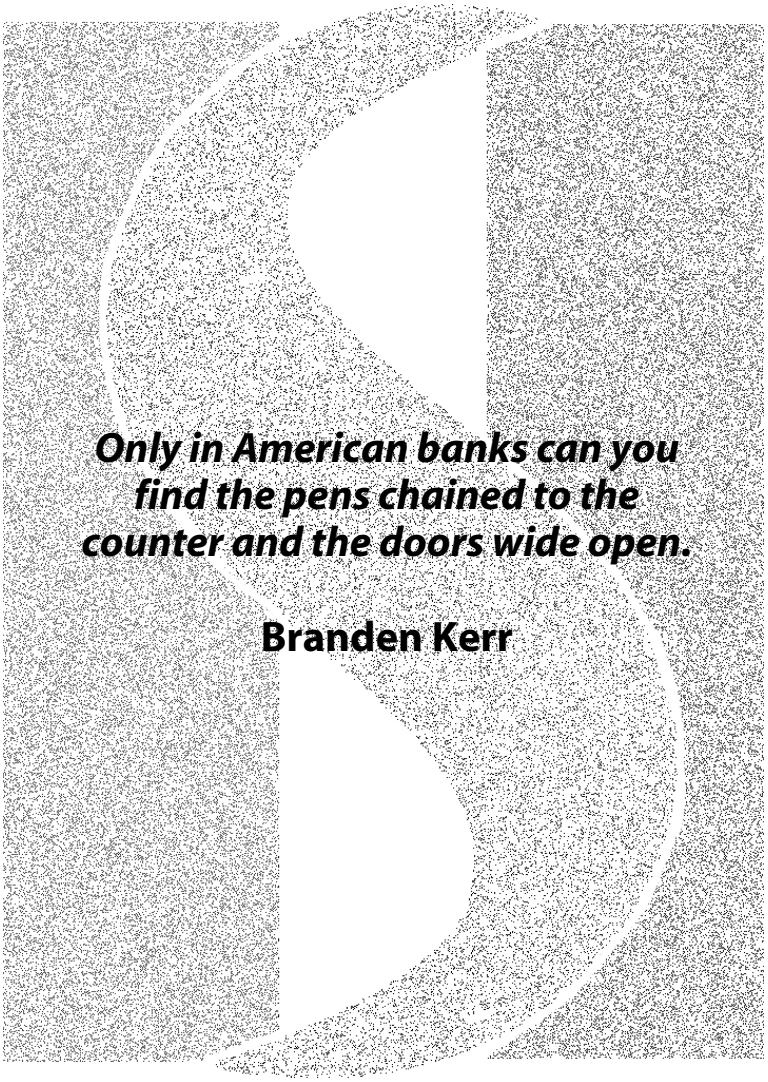
Other Charges – Total Other Charges decreased $7,280 or 0.7%. Contracted service for the detention facility decreased $13,000 as the budget can be reduced and brought more in line with expenditure trends. $7,000 was saved in telephone costs due to a change in wireless providers. Utility costs fell $3,000. $8,640 was added for the maintenance of two new components of the New World system and emergency warning siren maintenance. The training budget increased $4,720 for additional educational courses. $1,200 was added for new credit card acceptance fees in the Records Office. $260 was added to fund three new required memberships.



Capital – The Department is scheduled to receive 72 personal computers to replace the existing seven-year old units and updated versions of Microsoft Office software. $65,000 is proposed for the removal and replacement of a retaining wall near the Police Department's lower level entrance.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$2,015,673	$1,955,670	$1,900,790	$1,976,010	$1,976,010
Supplies	55,113	83,250	83,250	70,550	70,550
Other Charges	1,028,788	1,112,820	1,064,660	1,105,540	1,105,540
Total	$3,099,574	$3,151,740	$3,048,700	$3,152,100	$3,152,100


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 has one detective assigned to the Macomb Auto Theft Squad (MATS) full time and one detective assigned to the United States Marshals on a part-time, as-needed basis.

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. The Youth Bureau 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 and a community resource officer responsible for providing crime prevention education and serving as liaison for the Neighborhood Watch, Child Watch, Citizens on Patrol (COPS), and other community groups.

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.

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.

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, Macomb County Victims Assistance Unit, Forensics Nurses Examiner Program (FNE), and Crime Stoppers.■

KEY GOALS

- ***To quickly respond to complainants and/or 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 and effectively provide accurate and timely information to various entities in accordance with State statutes.***

Did you know…
…that a detective is assigned to the Macomb Auto Theft Squad (MATS), which increases the resources used to investigate, arrest, and prosecute those who commit crime in our City?

Police Investigations

2014/15 PERFORMANCE OBJECTIVES

1. To conduct quarterly neighborhood watch meetings to encourage the continuation of the current groups and to solicit formation of new groups. *(City Goal 24)*

2. To purchase Celebrite Link Analysis software and train personnel on its application to increase the efficiency of obtaining and processing evidence. *(City Goal 6)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Detective Bureau Cases Assigned	4,537	4,585	4,149	4,390	4,260	4,260
	Adult Investigative Cases	3,391	3,444	3,031	3,280	3,180	3,170
	Juvenile Investigative Cases	795	759	764	760	740	750
	In-Custody Cases	351	382	354	350	340	340
	Total Crime Suppression Unit Cases Assigned	493	483	677	490	550	560
	Auto Theft Investigative Cases	175	141	182	88	150	160
	Theft from Auto Invest. Cases (incl. Parts/Access.)	N/A	N/A	163	82	80	80
	Narcotic/Vice Investigative Cases	318	342	332	320	320	320
	Total Interviews Conducted	26,019	27,350	26,979	26,470	26,860	26,770
	Suspect Interviews	5,891	5,726	5,580	5,700	5,530	5,540
	Witness & Informant Interviews	11,550	12,709	12,887	12,500	12,810	12,900
	Victim Interviews	8,578	8,915	8,512	8,270	8,520	8,330
	Arrest Warrants Obtained	1,864	1,884	1,438	1,860	1,800	1,780
	Search Warrants Obtained/Executed	857	542	432	610	590	460
	Polygraph Examinations Conducted	41	24	11	12	11	10
	Criminal Surveillances	2,584	2,636	2,689	2,600	2,560	2,600
	Federal Forfeiture Cases Processed	121	100	89	115	134	130
	State Forfeiture Cases Processed	55	62	61	58	56	58
	School Resource Officer - # of Hours at Schools	1,450	1,450	1,450	1,450	1,450	1,450
	# of Students Served by School Resource Officer	1,650	1,650	1,650	1,650	1,650	1,650
	COPS Program Participants	25	24	22	30	30	30

Police Investigations

2014/15 PERFORMANCE OBJECTIVES

3. To research, obtain, and deploy updated technology as it pertains to the tactical receiver/repeater used for covert operations, which will increase evidence obtained for prosecution and provide officer safety. *(City Goal 17)*

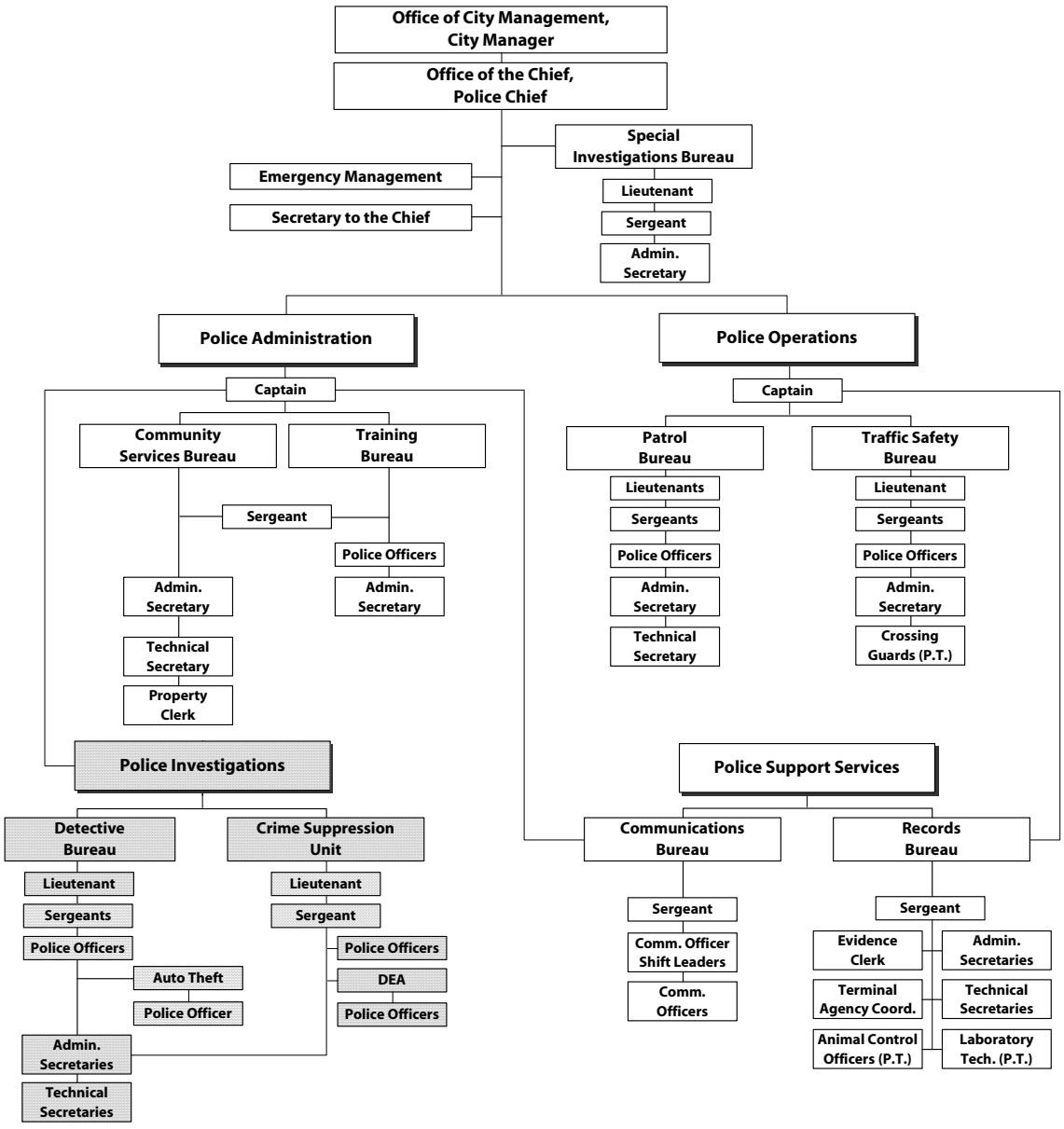
4. To develop a non-intrusive investigative technique for businesses to ensure there are no illegal activities taking place, such as gambling or drugs. *(City Goal 24)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Efficiency & Effectiveness	% of Petitions Obtained vs. Requested	98%	97%	94%	96%	94%	94%
	% of Arrest Warrants Obtained vs. Requested	92%	90%	88%	91%	89%	90%
	Detective Bureau Cases per Investigator	252	254	259	274	266	266
	Crime Suppression Unit Cases per Investigator	82	81	113	98	110	110
	% of Part 1 Violent Crimes Cleared**	57.0%	51.0%	70.2%	58.0%	60.0%	62.0%
	Part I Violent Crimes Cleared Per Sworn Dept. FTE	0.6	0.6	0.9	0.9	0.9	0.9
	Juvenile Arrests Violent Crimes - % of Total Arrests	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
	% of Part 1 Property Crimes Cleared**	29.0%	17.0%	62.3%	57.0%	59.9%	60.0%
	Part I Property Crimes Cleared Per Sworn Dept. FTE	4.3	2.9	6.1	4.3	7.0	6.5
	Juvenile Arrests Property Crimes - % of Total Arrests	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
	Auto Theft Ratio Per 1,000 Population	1.4	1.1	1.4	0.7	1.1	1.2
	Average Cost to Conduct a Polygraph Examination	$328	$361	$375	*	*	*
	Average Cost to Investigate a Case	$513	$507	$537	*	*	*
	Division Expenditures as % of General Fund	7.06%	7.19%	7.03%	6.98%	6.87%	6.44%

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

*** Beginning in 2012/13, when a subject is arrested on charges relating from several incidents, all incidents are counted as cleared, even if the prosecutor does not charge on all of them.*

Police Investigations



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Lieutenant	2	2	2
Sergeant	4	4	4
Police Officer	23	24	24
Administrative Secretary	1	1	2
Technical Secretary	2	2	2
Total	32	33	34

Police Investigations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

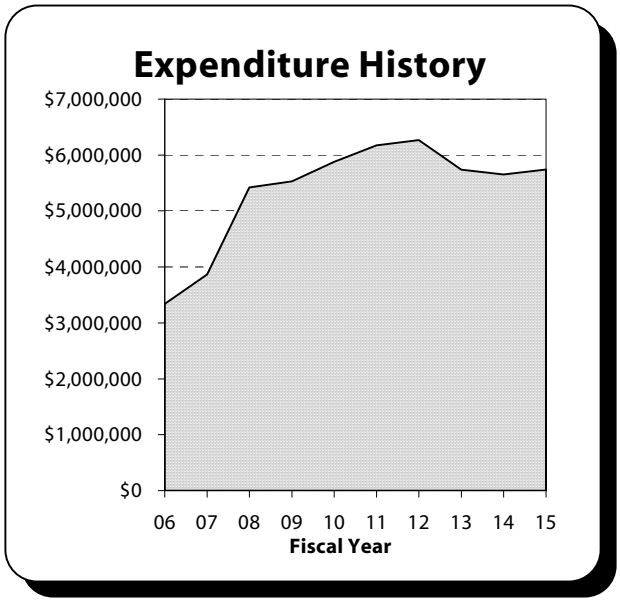
The total budget increased by 1.6%.

Personnel Services – The total Personnel budget increased $90,570 or 1.6%. An Administrative Secretary position from Support Services has been reassigned to this division. The City's actuarial required contribution to the Police & Fire Pension System rose $58,820, while an additional $12,330 is budgeted to fund retiree medical liabilities. Overtime costs fell by $30,000. The budget assumes no wage increase for all positions.

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

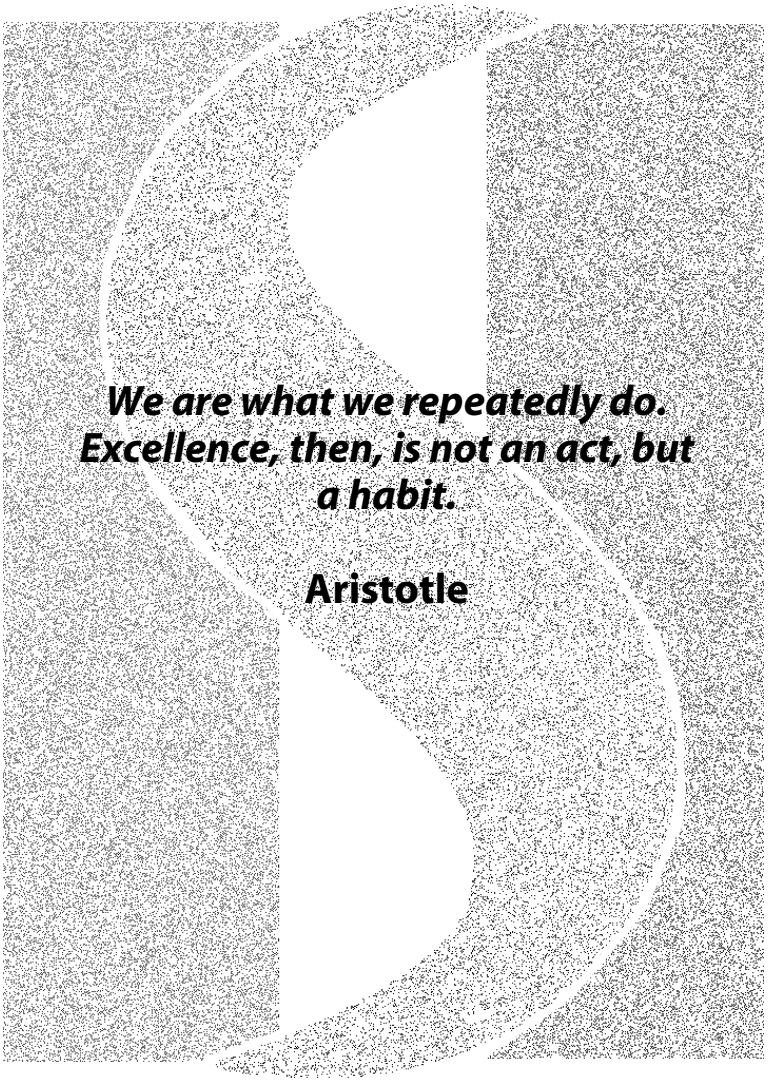
Other Charges – All Other Charges for the Police Department are budgeted in Police Administration, except miscellaneous expenses. Funding will remain the same at $950.

Capital – Total Capital of $58,630 is proposed for this division and budgeted in the Public Safety Forfeiture Fund. $48,000 is for two Investigative Vehicles to replace 2000 and 2002 vehicles, $7,600 is for a Tactical Thermal Imaging Camera for grow house and other investigative purposes, and $3,030 is for an Electronic Evidence Analysis software upgrade, which will enhance the computer crime unit's ability to examine data and information from cellular and handheld devices.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$5,737,198	$5,651,810	$5,582,000	$5,742,380	$5,742,380
Supplies	0	0	0	0	0
Other Charges	935	950	950	950	950
Total	$5,738,133	$5,652,760	$5,582,950	$5,743,330	$5,743,330


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 include maintaining peace, ensuring order at public gatherings, enforcing State and City laws and ordinances, and mediating disputes.

Three officers are assigned to the K-9 program. Three dogs are trained in narcotics 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.

The Special Response Team (SRT) is a unit of Police Operations which reports to the Operations Division Captain. The SRT is responsible for special operations where appropriate, such as crisis negotiations, active shooter situations, hostage situations, barricade situations, sniper situations, high-risk apprehension, high-risk warrant service, and other highly tactical situations.■

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 provide prompt and efficient service to the public.***
- ***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…
…the Sterling Heights Police Special Response Team (SRT) belongs to a consortium, which includes five other police departments, providing access to over 100 specially trained tactical officers?

Police Operations

2014/15 PERFORMANCE OBJECTIVES

1. To create a new unit within the Operations division that will be assigned special targeted details and work in a proactive manner to reduce crime in areas of concern. *(City Goal 24, 25)*

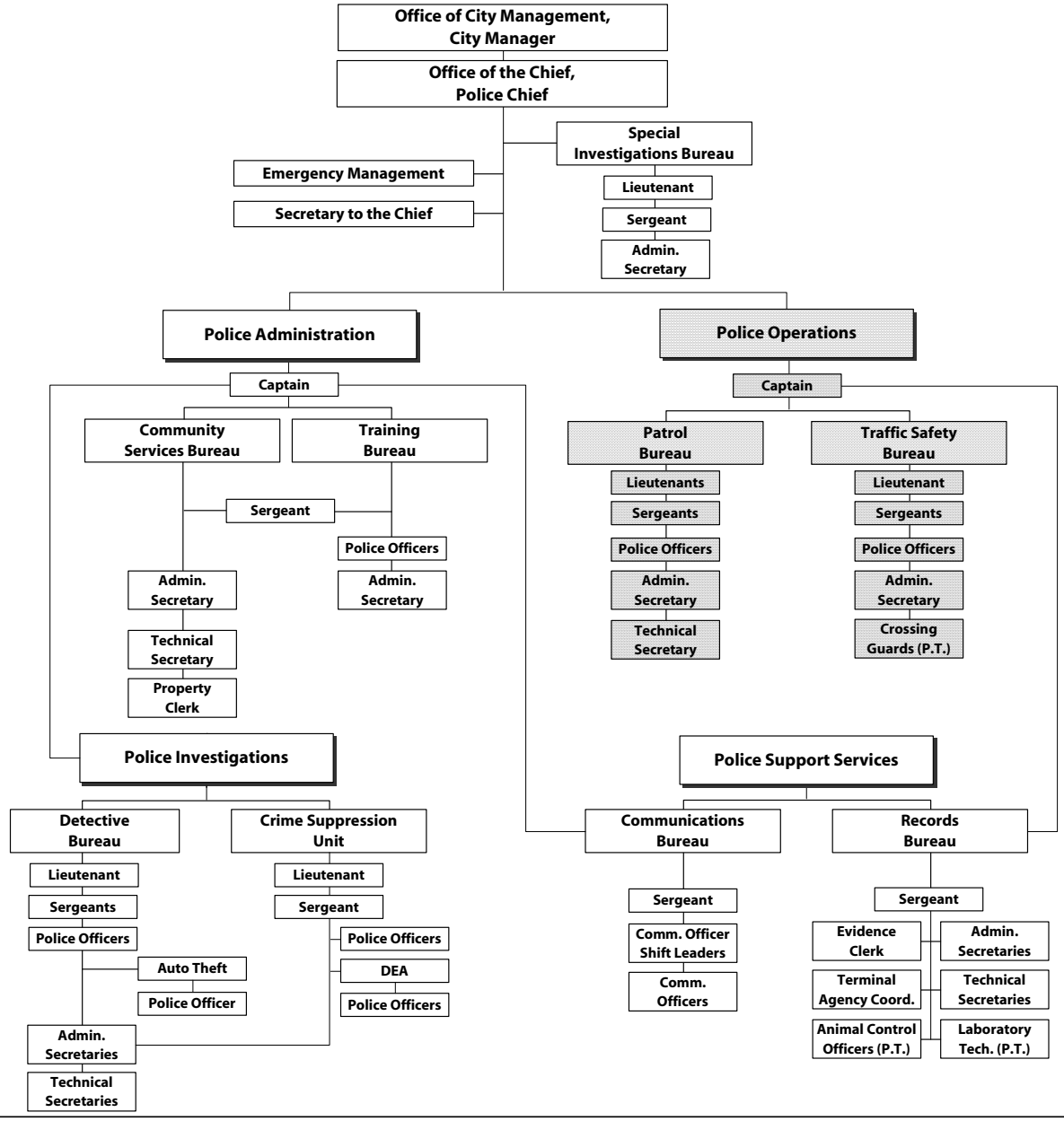
2. To create a new Field Training Officer program to facilitate the training of newly hired officers. *(City Goal 24, 25)*

3. To create a training program for newly promoted command officers. *(City Goal 24, 25)*

4. To restructure the Accident Prevention Unit to include the addition of a Motor Carrier Officer, with new hours to cover the early part of the morning rush hours. *(City Goal 24, 25)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Police Incident Reports Completed	53,488	54,839	49,633	53,500	53,050	53,100
	Group A Crime Reports	5,769	3,890	3,216	3,800	3,000	3,000
	Group B Crime Reports	1,960	1,652	2,030	1,850	2,000	2,000
	Vehicular Accident Reports	4,154	3,926	4,170	3,850	4,050	4,100
	All Other Rpts. (incl. cases prev. not assigned case #)	41,605	45,371	40,217	44,000	44,000	44,000
	Adults/Juveniles Arrested	2,691/159	2,686/143	3,083/195	2,700/190	3,000/190	3,000/190
	Total Traffic Violations Issued	32,752	24,109	22,428	26,000	23,500	23,750
	Motor Carrier Violations Issued	441	187	204	200	200	220
	Residential Traffic Enforcement Violations	2,340	1,443	1,617	1,550	1,700	1,700
	SMART Radar Trailer Deployments	133	94	118	130	115	120
	K-9 Unit Deployments	277	387	293	400	450	450
	OUIL Arrests	297	199	220	210	195	195
	SWAT/SRT Call-outs	19	12	16	12	20	18
Efficiency & Effectiveness	Group A Crimes per 1,000 Population	44.9	30.0	24.7	29.1	23.0	22.9
	Group B Crimes Per 1,000 Population	15.3	12.7	15.6	14.2	15.3	15.3
	% of Productive K-9 Deployments	98%	98%	98%	97%	97%	97%
	# of Incident Reports per Sworn Division Personnel	442	465	443	482	486	480
	# of Injury Traffic Accidents per 100,000 Pop.	585	475	460	550	600	550
	# of Traffic Fatalities Per 100,000 Population	2.3	3.1	3.8	3.5	3.9	3.5
	% of Total Sworn Personnel in Traffic & Patrol	74%	73%	74%	73%	73%	73%
	OUIL Arrests Per 1,000 Residents	2.3	1.5	1.7	1.6	1.5	1.5
	Division Expenditures as % of General Fund	22.50%	22.89%	23.89%	24.27%	24.23%	22.82%

Police Operations



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Captain	1	1	1
Lieutenant	5	4	4
Sergeant	16	16	16
Police Officer	90	89	89
Administrative Secretary	2	2	2
Technical Secretary	1	1	1
Crossing Guard (P.T.)	30	30	30
Total	145	143	143

Police Operations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

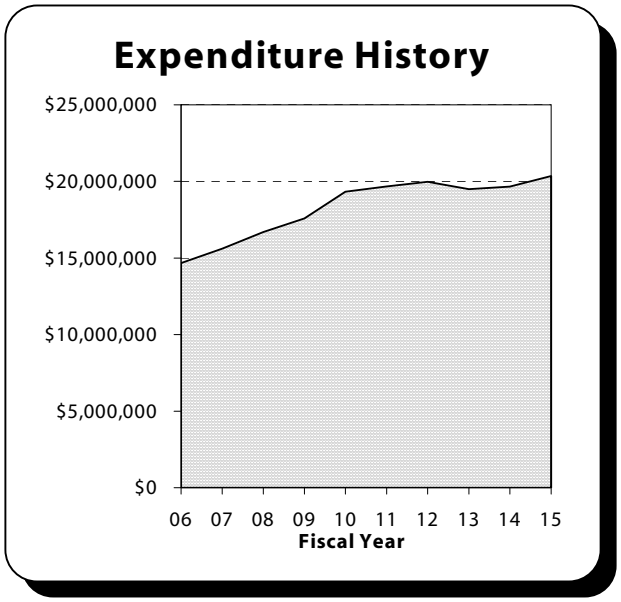
The total budget increased by 3.6%.

Personnel Services – The total Personnel budget increased $698,330 or 3.6%. $450,000 is budgeted to fund the early hiring of Police Officers in advance of upcoming retirements. In order to lessen the impact of the upcoming retirements and to provide time for training, six additional Police Officer positions are funded starting in September 2014 and six in March 2015. An additional $200,060 is budgeted to fund the Police & Fire Pension System, while $40,800 more is budgeted to fund retiree medical liabilities. Overtime costs are expected to decline by $20,000. No employee wage increases are budgeted.

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 $1,200.

Capital – Total Capital of $713,520 is proposed. $238,500 is budgeted to replace nine high mileage traffic and patrol vehicles. $56,000 is proposed for two SUV Tahoe's to replace a 2008 Evidence Technician vehicle that has over 160,000 miles and a 2010 high use Special Response Team (SRT) vehicle that will have over 140,000 miles at the time of purchase. $250,520 is for 40 replacement In-Car Cameras. $66,000 is for 55 upgraded Modems and Antennas for all Police mobile vehicle computers. $102,500 is budgeted in the Public Safety Forfeiture Fund, including $65,000 for 50 replacement Taser Guns, $17,500 for eight replacement Radar Units, and $20,000 for eight replacement Vehicle Equipment Mounts, Light Bars, and Push Bumpers.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$19,500,425	$19,652,640	$19,680,950	$20,350,970	$20,350,970
Supplies	0	0	0	0	0
Other Charges	570	1,200	1,200	1,200	1,200
Total	$19,500,995	$19,653,840	$19,682,150	$20,352,170	$20,352,170

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 commanders are two Sergeants who each report to different Captains. One Captain oversees the Communications Bureau and Emergency Management, while another Captain oversees the Records Bureau 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 file jackets pertaining to arrested persons. Records personnel input source documents into the Department's computer system 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. Personnel process 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. The Lab Technician is responsible for processing all photographic evidence. 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.

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.***
- ***To mitigate incidents which may cause injury or loss of life.***

The City now comes under the Macomb County Office of Emergency Management. The Police Captain serves as the emergency management liaison between City administration and departments and the Macomb County Office of Emergency Management. The City still maintains its own emergency operations center, municipal security team, emergency services operations group and Citizen Emergency Response Team (CERT) program.

The Animal Control Unit patrols, responds to and investigates reported violations of the City's Animal Control Regulatory Ordinance and other animal nuisance complaints.■

Did you know…
…the Macomb County Sheriff Department will take over 911 and dispatching services in 2015, enhancing services while saving money?

Police Support Services

2014/15 PERFORMANCE OBJECTIVES

1. To create an archive room to properly maintain and preserve the numerous photographs and negatives which are associated with criminal investigations. *(City Goal 3)*

2. To create policies and procedures for in-house incineration of illegal drugs/contraband, which will save personnel hours and money while ensuring the security and proper disposal of the contraband. *(City Goal 25)*

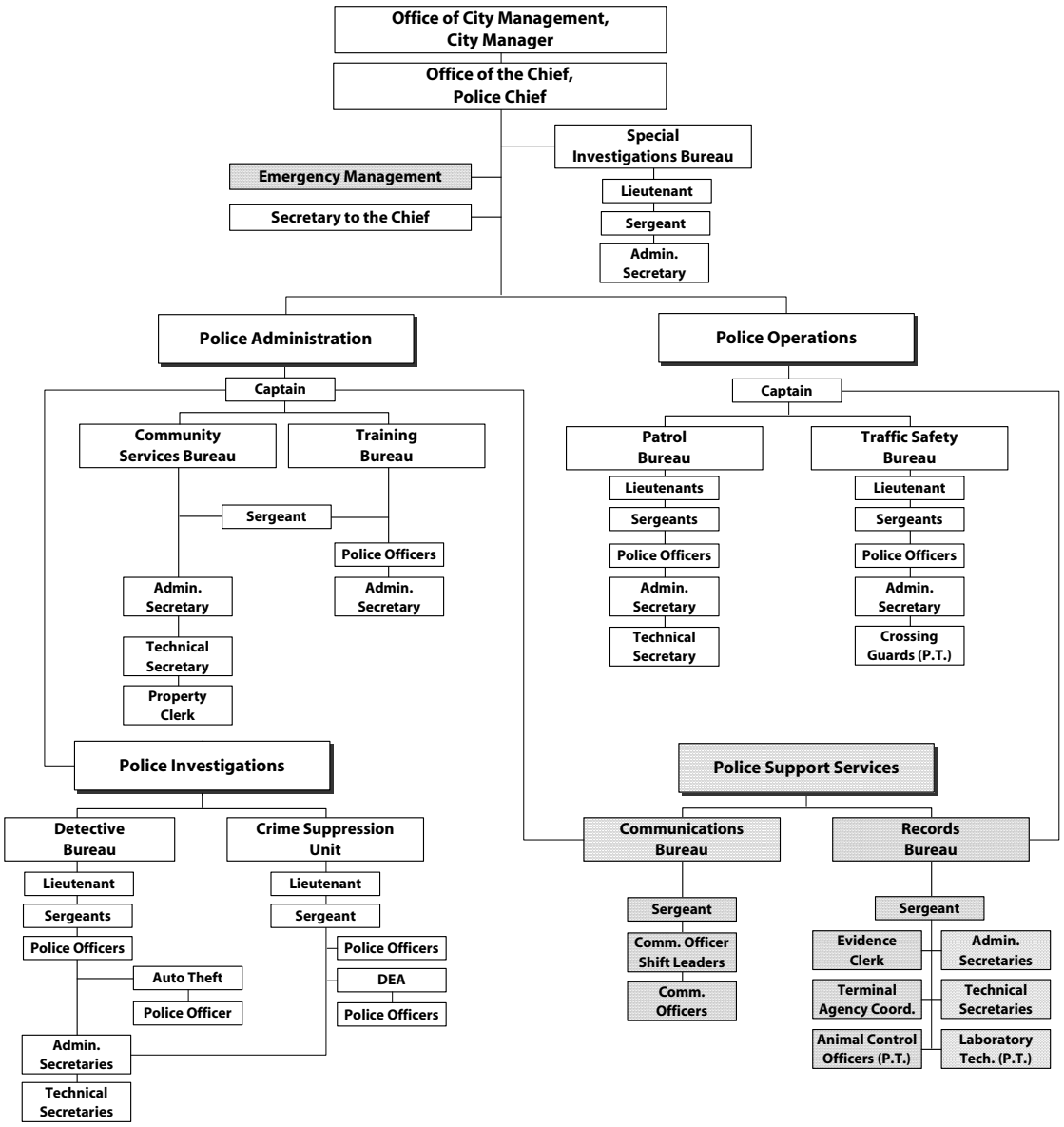
3. To coordinate the transition of personnel and dispatching services to the Macomb County Dispatch Center. *(City Goal 1, 3)*

4. To ensure all current communication officers complete the new training mandate imposed by the State of Michigan as it pertains to continuing education requirements. *(City Goal 7)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Incidents Processed into Computer	53,488	54,839	49,633	53,500	53,050	53,100
	Police Reports Provided on Request	7,404	9,767	11,798	10,000	12,500	12,500
	Total Calls to 911 (Includes Cellular Calls)	49,705	64,832	58,770	62,300	60,531	59,400
	Gun Permits Obtained	2,515	3,083	3,816	3,300	3,530	3,400
	Responses by Animal Control	2,255	2,152	1,977	2,000	2,100	2,100
	Freedom of Information Act Requests	758	497	516	500	505	510
	Criminal Warrants Processed	3,005	2,716	2,164	2,500	2,100	2,100
	Arrests Processed	2,850	2,829	3,278	2,890	3,190	3,190
	Pieces of Evidence Collected	2,567	2,641	2,666	2,600	2,700	2,750
Efficiency & Effectiveness	% of FOI Requests Responded to within Legal Limits	100%	100%	100%	100%	100%	100%
	Average Animal Control Response Time (Minutes)	35	35	35	35	35	35
	Average Cost of an Animal Control Response	$41.76	$31.21	$33.18	*	*	*
	Average Cost of a FOIA Request	$26	$26	$37	*	*	*
	Dispatch Operations Cost Per Call Dispatched	$33.71	$33.23	$35.21	*	*	*
	Emerg. Responses/EOC Activations/Training Exercises	1	1	2	2	2	2
	Testing & Maintenance of Warning Systems (Hours)	20	20	20	20	20	20
	Division Expenditures as % of General Fund	4.00%	4.07%	4.02%	4.54%	4.03%	4.11%

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

Police Support Services



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Sergeant	2	2	2
Communications Officer - Shift Leader	4	4	4
Communications Officer	16	16	16
Emergency Dispatcher (P.T.)	4	0	0
Laboratory Technician (P.T.)	1	1	1
Evidence Clerk	1	1	1
Administrative Secretary	3	3	2
Animal Control Officer	1	0	0
Animal Control Officer (P.T.)	1	2	2
Data Analyst	1	0	0
Terminal Agency Coordinator	1	1	1
Technical Secretary	3	3	3
Total	38	33	32

Police Support Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

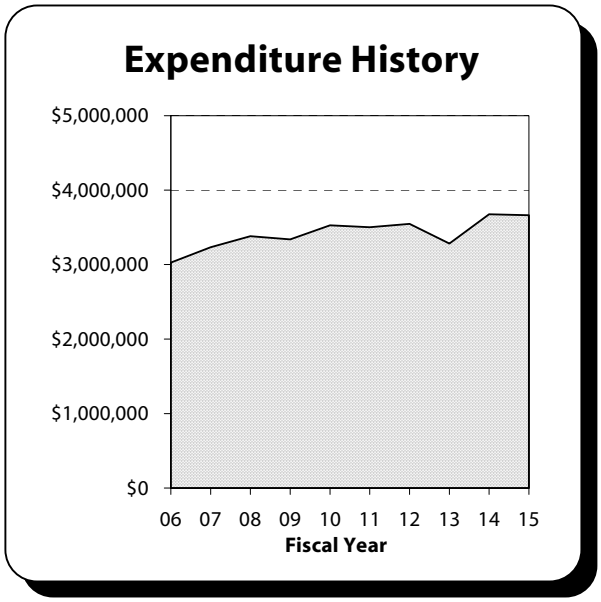
The total budget decreased by 0.4%.

Personnel Services – The total Personnel budget decreased $13,570 or 0.4%. The decrease is a result of transferring an Administrative Secretary position to Police Investigations. The cost to fund the closed General Employees pension plan fell by $12,640. The budget includes funding to maintain the City's Dispatch Center for the entire fiscal year, in case there are any delays in the transitioning of dispatch services to the County. An additional $22,000 is budgeted to fund increased Dispatcher overtime costs due to staff turnover. Police & Fire pension costs rose $3,980, while an additional $5,250 is budgeted to fund retiree health care liabilities.

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, which will remain the same at $120. $340,000 continues to be budgeted for the one-time payout of Dispatchers' unused leave time banks and separation costs resulting from the transition of dispatching services to the County.

Capital – There is no Capital proposed for this division.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$3,282,001	$3,335,990	$3,275,110	$3,322,420	$3,322,420
Supplies	0	0	0	0	0
Other Charges	0	340,120	620	340,120	340,120
Total	$3,282,001	$3,676,110	$3,275,730	$3,662,540	$3,662,540

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 $563,310 or 3.3%. Personnel costs rose $535,100 or 3.3%. Most of the increase is the result of the one-time purchase of unused time leave banks due to the upcoming retirement of 21 sworn positions by the end of the fiscal year. The budget also funds a Fire Officer Mentoring Program, as part of the City's succession planning efforts to train new Fire Fighters due to the retirements. The budget funds staffing the fire rescue and ladder truck should daily staffing fall below 20 Fire Fighters. The City's required contribution to the Police & Fire Retirement System also increased. No wage and benefit increases are budgeted as the settled Fire Fighter labor contract expires at the end of the fiscal year. A Fire Fighter in Fire Extinguishment has been transferred and promoted to a Fire Prevention Specialist to better assist with the Fire Prevention division's workload. The Supplies budget increased $40,420 or 29.0% to replace apparatus face pieces to meet NFPA standards and for turnout gear for the new hires. Other Charges decreased $12,210 due to the savings from implementing the field inspection tablets last year, partially offset by increased employee training and Hazmat physicals due to staff turnover. The Capital budget funds a replacement Rescue Pumper, a Battalion Chief response vehicle, extrication equipment, faster vehicle modems, 28 replacement computers, 11 automatic defibrillators for City buildings, and repairs to the Fire headquarters parking lot.

FUNDING LEVEL SUMMARY

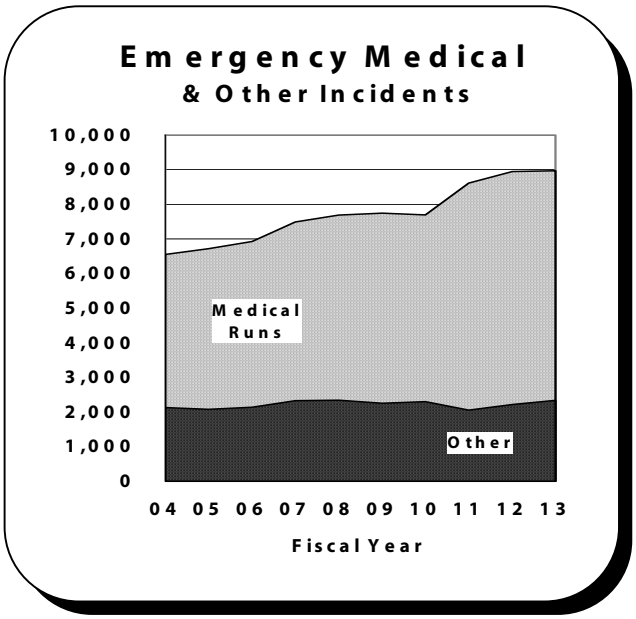
	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
Fire Administration	$1,535,680	$1,414,940	$1,389,180	$1,424,710	2.6%
Fire Extinguishment	16,830,110	14,742,310	14,749,420	15,137,660	2.6%
Fire Prevention	749,770	725,770	686,530	826,070	20.3%
Total Department	$19,115,560	$16,883,020	$16,825,130	$17,388,440	3.3%
Personnel Services	$18,546,990	$16,333,910	$16,248,100	$16,783,200	3.3%
Supplies	134,130	119,780	139,450	179,870	29.0%
Other Charges	434,440	429,330	437,580	425,370	-2.8%
Total Department	$19,115,560	$16,883,020	$16,825,130	$17,388,440	3.3%

PERSONNEL SUMMARY

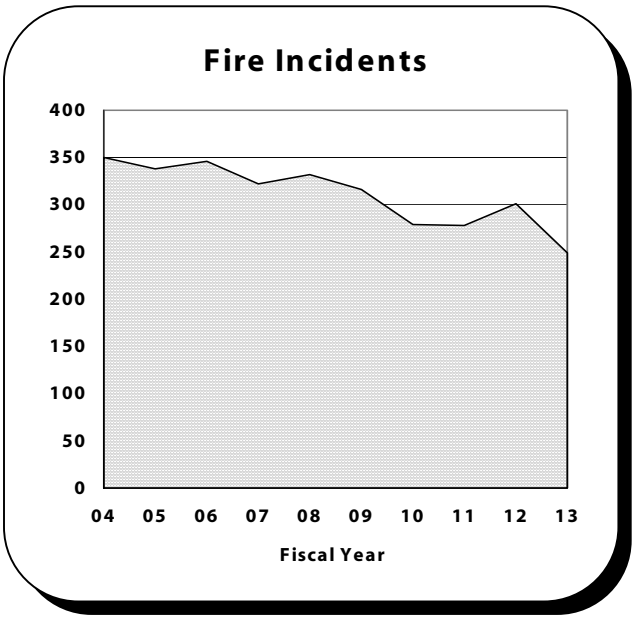
	2011/12		2012/13		2013/14		2014/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Fire Administration	9	0	9	0	8	0	8	0
Fire Extinguishment	90	0	77	0	76	0	75	0
Fire Prevention	2	0	2	0	2	0	3	0
Total Department	101	0	88	0	86	0	86	0

KEY DEPARTMENTAL TRENDS

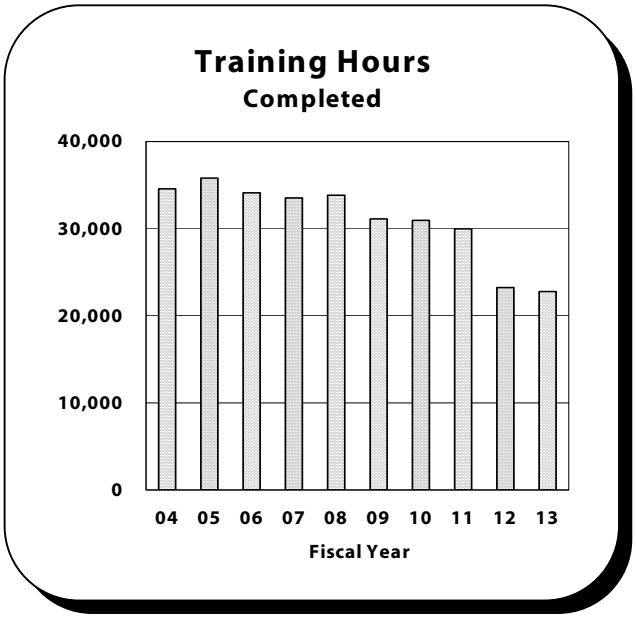
Fire Department



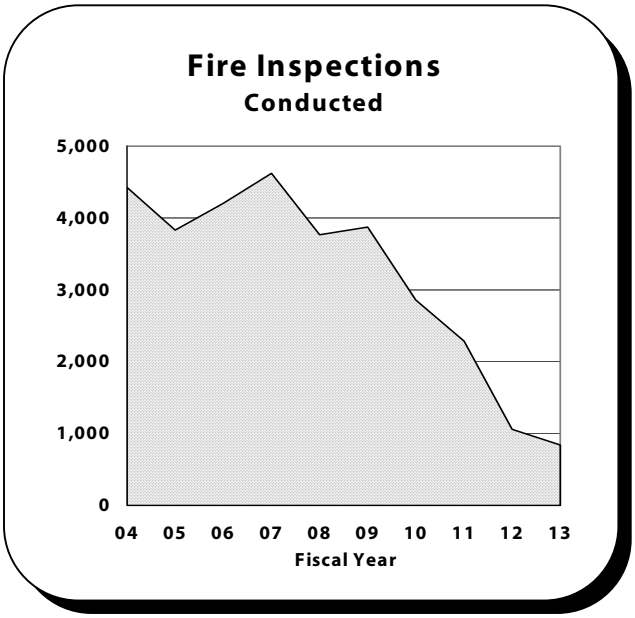
There has been an overall increase in the number of emergency medical runs and other incidents over the past ten years. The City's medical rescue services continue to receive high marks from patients and the survival rate of heart attack victims is one of the best in the nation. 76% of cities nationally had a higher number of EMS responses per resident based on a 2010 ICMA survey. Two-thirds of cities had a slower average EMS response time.



Over the past 10 years, the number of fires has declined by 29%, reaching a low of 249 in 2013. The value of non-residential fire losses is less than $675,000, which is below national, state, and county averages. The City currently averages fewer than one fire incident per week at each of the City's five fire stations. 63% of cities nationally had higher fire incidents per resident based on a 2010 ICMA survey. Only 10% of communities had a faster average fire response time.



The City's firefighters devote many hours during the year toward in-house formalized training provided by the Fire Training division. In recent years, training has been necessary for Advance Life Support, Hazardous Materials, Building Collapse Rescue, Peer Fitness, and Weapons of Mass Destruction education. In 2012 and 2013, training hours decreased due to staff turnover.



Fire inspections declined the past four years due to a decrease in the number of Fire Inspectors. The Department continues to annually inspect the high-risk structures, while routine inspections were changed to a biannual cycle. The Department will also begin limited in-company inspections performed by firefighters during their normal shift.

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.

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.

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.■

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 began a comment card program that allows our residents to provide feedback on the quality of service the department provided to them?

Fire Administration

2014/15 PERFORMANCE OBJECTIVES *(Administration)*

1. To ensure a smooth transition of Fire dispatch to the Macomb County Dispatch Center. *(City Goal 2, 3, 17)*

2. To explore opportunities and the effects on the delivery of emergency medical services that will be created by changes in health care by the Patient Protection and Affordable Care Act. *(City Goal 1, 2, 21, 25)*

3. To continue to seek efficiencies in the delivery of Fire and EMS services to the residents. *(City Goal 1, 2, 3, 25)*

4. To fine-tune the Company Inspection Program, which uses Extinguishment division personnel to perform fire inspections. *(City Goal 3, 7, 17, 18, 24)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Incident Reports Reviewed for Quality	11,062	11,589	11,653	12,340	12,250	12,300
	Employee Evaluations Conducted/Tracked	101	101	86	86	86	86
	APPO's and Standard Operating Guidelines Reviewed	110	110	147	120	155	120
	Freedom of Information Act Requests	76	62	51	70	34	50
	Staff/Battalion Meetings Conducted	10	12	12	12	12	12
	Presentations to Civic Groups/Organizations	14	14	7	12	12	12
	Employee/Civilian Citations Processed	8	9	23	15	28	20
	Safety Recommendations Implemented	4	5	6	6	6	6
	Hours of Computer Consultant Services Used	320	200	116	0	0	0
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	$143	$147	$130	$129	$131	$133
	Division Expenditures as % of General Fund	1.64%	1.76%	1.73%	1.72%	1.80%	1.60%

Fire Administration

2014/15 PERFORMANCE OBJECTIVES *(Training)*

1. To establish a comprehensive training program for all fire department personnel by utilizing the New World Systems Aegis Fire Records Management system. *(City Goal 1, 2, 3, 4, 5, 6, 17, 18)*

2. To establish a comprehensive pediatric advanced life support training program for all fire extinguishment personnel to enhance their capabilities to recognize and treat pediatric illness and injury. *(City Goal 1, 2, 4, 24, 25)*

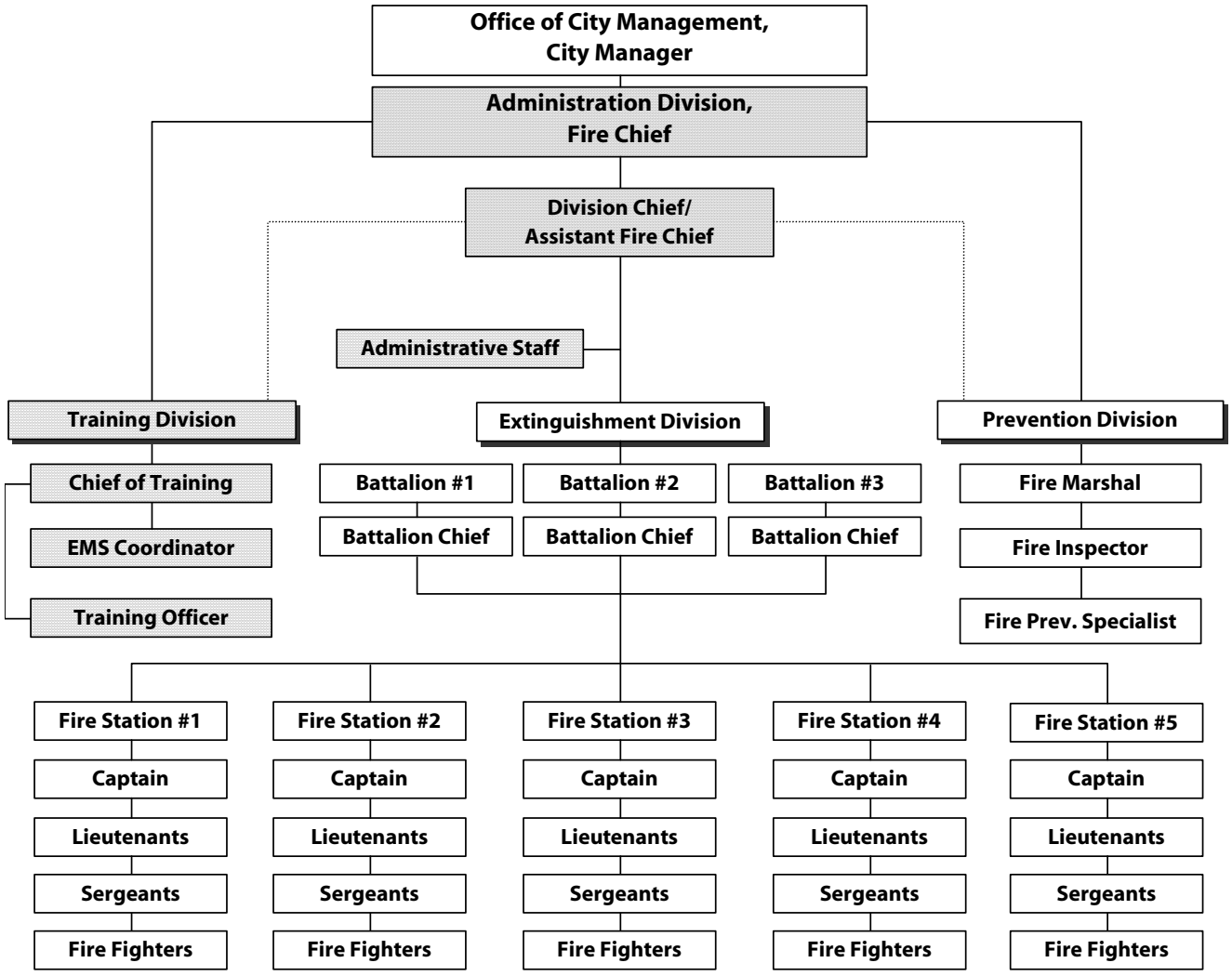
3. To establish a comprehensive professional development succession plan in order to deliver safe and effective emergency operations. *(City Goal 1, 25)*

4. To provide all extinguishment personnel with training related to new firefighter strategies and tactics. *(City Goal 3, 4, 25)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Formal Training Hours Coordinated	29,986	23,230	22,790	24,400	21,455	21,960
	Hours of Fire Officer Training	472	376	2,183	2,500	2,328	3,010
	Hours of EMS Training	4,086	3,130	1,940	2,200	1,980	2,000
	Hours of Fire Suppression Training	8,872	6,159	5,818	6,200	5,784	5,800
	Hours of Hazardous Material Training	1,240	485	834	900	743	700
	Hours of Professional Development Training	688	417	889	800	690	700
	Hours of Physical Fitness Training	9,500	8,806	7,578	7,800	6,360	6,200
	Hours of Technical Rescue Training	458	278	616	800	720	650
	Hours of All Other Training	4,670	3,579	2,932	3,200	2,850	2,900
	Residents Receiving Formal Public Education	405	519	478	600	300	300
	Individuals Receiving CPR Instruction	587	59	47	60	54	50
	Paramedic/EMT License Applications Processed	26	28	31	32	29	30
	Procedures Developed and Updated	32	31	38	40	45	70
Efficiency & Effectiveness	Days of Work Lost Due to Injury	127	116	292	90	246	150
	Sworn Pers. to Workers Comp/Disability Indemnity	99:1	97:1	21:1	83:0	17:1	83:0
	% of Right-to-Know Training Completed	100%	100%	100%	100%	100%	100%
	Avg. Training Hrs. Received per Sworn Personnel	303	239	271	290	258	265
	Training Division Cost per Fire Fighter	$3,509	$3,047	$2,974	*	*	*

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

Fire Administration



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Fire Chief	1	1	1
Division Chief/Assistant Fire Chief	1	1	1
Chief of Training	1	1	1
EMS Coordinator	1	1	1
Training Officer	1	1	1
Fire Services Specialist	0	1	1
Management Assistant	2	1	1
Administrative Assistant	1	1	1
Senior Clerk	1	0	0
Total	9	8	8

Fire Administration

SUMMARY OF BUDGET CHANGES

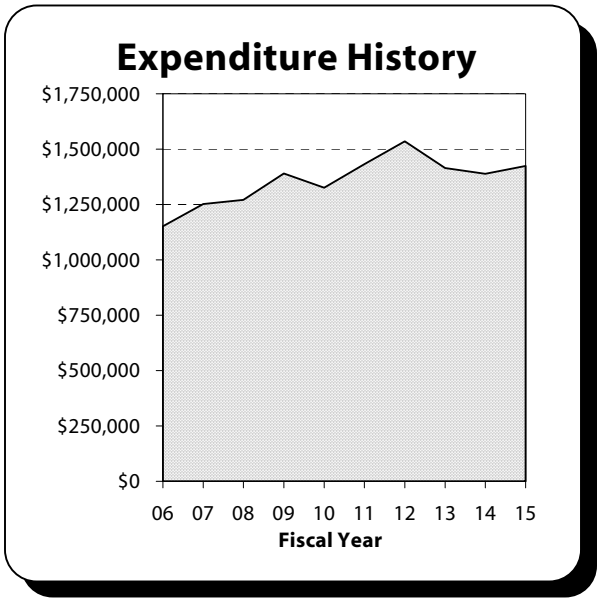
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 2.6%.

Personnel Services – The total Personnel budget increased $47,870 or 3.7%. Most of the increase is due to the one-time buy back cost of leave time hours as a result of two upcoming retirements. Savings will also be realized from the MAPE Executive contract due to a retirement, which lowers wages by one-third and eliminates all benefit costs. Police & Fire pension costs rose by $11,830.

Supplies – Total Supplies increased $770 or 3.5%. Operating Supplies increased $1,970, as a greater number of uniform badges, pins, patches, and name bars will be needed due to anticipated retirements and succession within the Department. Publication costs decreased $1,150 primarily due to the one-time funding of inspection code books in the prior year. $100 is included in the budget for Fire Officer mentoring program literature.

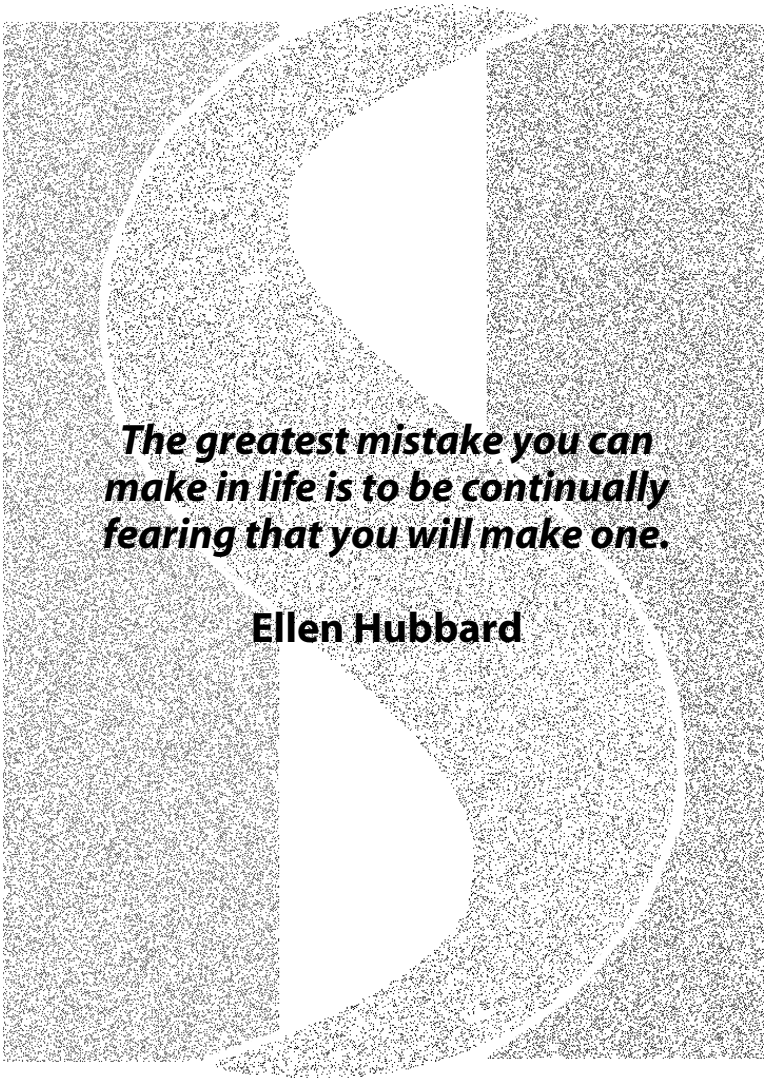
Other Charges – Total Other Charges decreased $13,110 or 17.6%. The City will save $11,780 due to the one-time cost of New World software fees in the prior year and lower than anticipated wireless data costs for the new Company Inspection computer tablets. Additional savings of $10,000 from lower software fees was transferred to the training budget in the prior year and the increased funding continues. Grant training decreased $5,500 due to the one-time receipt of funds in the prior year. $3,140 was added for the increased costs of employee medical testing and hazmat physical examinations. $500 was added for increased membership costs.



Capital – The Fire Department is scheduled to receive 28 personal computers totaling $25,200 to replace the existing six-year old units. $200,000 is proposed for asphalt and concrete parking lot repairs at Fire Station #5. Eleven Automatic Defibrillators are funded for $22,800 to replace obsolete units in City buildings.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,325,339	$1,292,700	$1,308,790	$1,340,570	$1,340,570
Supplies	20,227	22,100	22,290	22,870	22,870
Other Charges	69,376	74,380	128,690	61,270	61,270
Total	$1,414,942	$1,389,180	$1,459,770	$1,424,710	$1,424,710


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…
…the Sterling Heights Fire Department conducts monthly fire inspections utilizing on-duty firefighting/paramedic crews to prevent human loss of life and injury due to fire, minimize financial and property loss, and improve the overall level of safety throughout the community?

Fire Extinguishment

2014/15 PERFORMANCE OBJECTIVES

1. To fully implement and integrate the Company Inspection Program into daily operations. *(City Goal 3, 24)*

2. To research and implement new firefighting tactics and strategies based on science and staffing levels. *(City Goal 1, 24)*

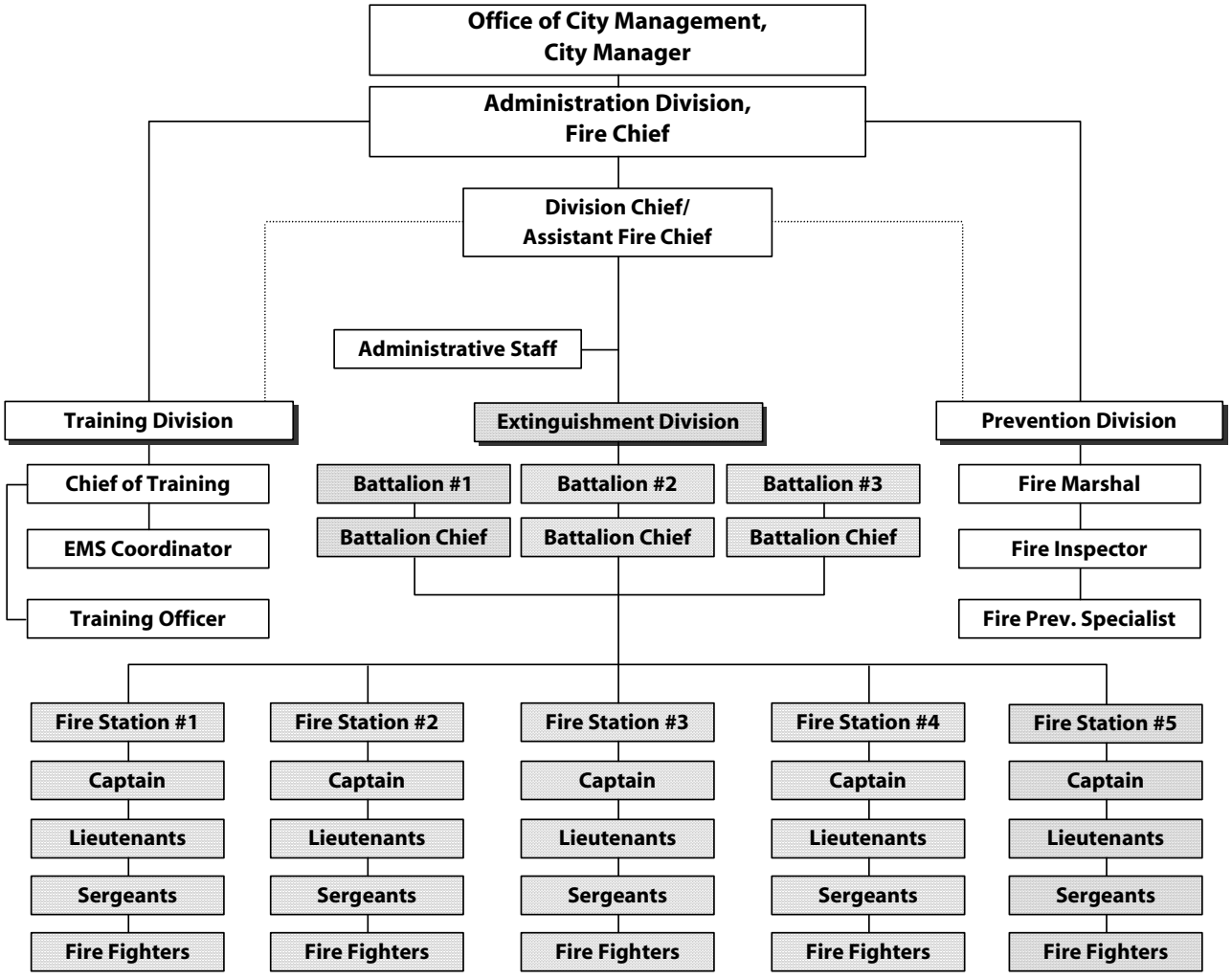
3. To research the purchase and use of more efficient pumping fire apparatus for daily operations. *(City Goal 3, 25)*

4. To continue implementation, refinement, and evaluation of the Fire Department succession plan. *(City Goal 3, 7)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Fire Department Incidents	11,062	11,589	11,653	12,340	12,250	12,300
	EMS-Related Incidents	8,617	8,948	8,969	9,370	9,200	9,400
	Hazardous Material Incidents	111	125	95	140	96	100
	Fire Incidents	278	301	249	340	290	300
	All Other Incidents	2,056	2,215	2,340	2,490	2,664	2,500
	ALS Patients	3,998	4,115	3,582	4,135	4,500	4,200
	BLS (Priority 3) Patients	4,586	4,724	4,450	5,070	4,400	4,300
	All Other EMS Patients	129	143	119	160	168	160
	Mutual Aid Provided/Received (Man Hours)	72/0	95/15	120/12	120/12	120/12	120/30
	Students Receiving Fire Safety Tours	4,782	4,496	3,510	3,100	1,900	2,200
	Hours Spent on Vehicle/Station Maintenance	12,122	11,621	11,333	11,800	11,225	11,300
Efficiency & Effectiveness	Average Scene Time (Hours) per Fire/ALS Incident	.90/.24	.75/.24	.70/.27	.70/.27	.70/.27	.75/.30
	Fire Fighter Injuries/Deaths	10/0	11/0	26/0	0/0	22/0	0/0
	Civilian Fire Related Injuries/Deaths	12/0	7/0	13/0	0/0	8/0	0/0
	% of Emg. Incidents Responded w/i 5 Min. Fire/EMS	74%/78%	79%/72%	75%/77%	70%/72%	81%/73%	75%/72%
	Average EMS Response Time - Minutes	4.7	4.8	4.5	5.0	4.8	4.8
	Average Cost of an EMS Incident	$188	$163	$158	*	*	*
	Average Cost of a Fire Extinguishment Incident	$2,447	$2,303	$2,513	*	*	*
	Division Expenditures as % of General Fund	18.30%	19.29%	18.06%	18.22%	18.29%	16.98%

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

Fire Extinguishment



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Battalion Chief	3	3	3
Captain - ALS	5	3	3
Captain	0	2	2
Lieutenant - ALS	13	14	15
Lieutenant	3	2	1
Sergeant - FEO	9	9	9
Fire Fighter - ALS	32	31	30
Fire Fighter - FEO	12	12	12
Total	77	76	75

Fire Extinguishment

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

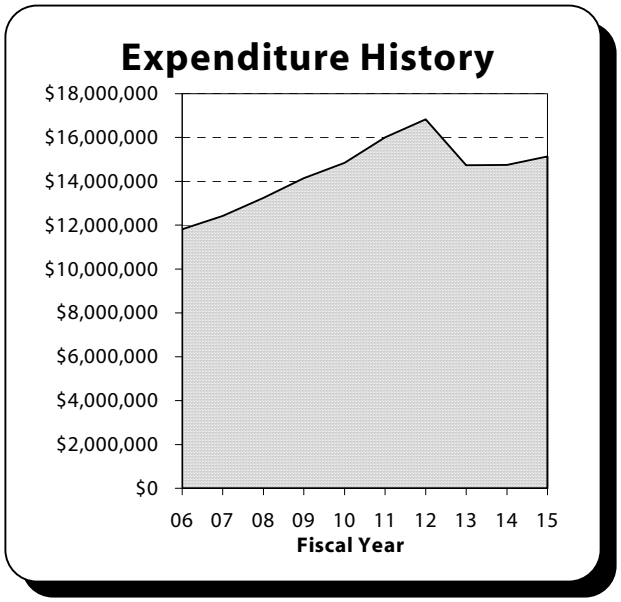
The total budget increased by 2.6%.

Personnel Services – The Personnel budget increased by $347,690 or 2.4%. Most of the increase in this division is the result of funding the one-time purchase of leave time hours for 19 retiring positions. In addition, the City's actuarial required contribution to the Police & Fire Pension System rose by $181,360. Overtime costs rose $81,120, as the rescue/ladder truck will no longer be placed out of service when daily staffing falls below 20 Fire Fighters. $21,000 in overtime is also budgeted for a Fire Officer Mentoring Program, as part of the City's succession planning efforts. One Fire Fighter was relocated to Fire Prevention in the prior year.

Supplies – Total Supplies increased $39,650 or 33.8% for turnout gear needed due to retirements and for replacement face pieces for all personnel, to meet the new NFPA requirements.

Other Charges – Total Other Charges increased $900 or 0.2%. Heating costs increased $5,000 based on recent expenditure trends. Telephone costs fell $3,000 due to a greater savings from the recent connection of Fire Stations #1 and #5 to the City's main telephone system. Fewer radio repairs are needed, saving $500.

Capital – Total Capital of $588,500 is proposed. $490,000 is for a Rescue Pumper to replace a 2002 vehicle with numerous mechanical issues. $45,000 is for an SUV with equipment to replace the Battalion Chief's 2005 Tahoe with over 110,000 miles. $3,000 is for five replacement Wireless Access Points, which will allow for faster and more secure wireless connectivity at the Fire Stations. $17,000 is for 17 upgraded Modems and Antennas for all mobile vehicle computers. $31,500 is for additional Extrication Equipment. $2,000 is for a replacement Electric Positive Pressure Fan.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$14,282,811	$14,268,870	$14,380,640	$14,616,560	$14,616,560
Supplies	99,549	117,350	117,350	157,000	157,000
Other Charges	359,952	363,200	358,530	364,100	364,100
Total	$14,742,312	$14,749,420	$14,856,520	$15,137,660	$15,137,660

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 through generous donations from the Detroit Red Wings and Comerica Bank, free smoke alarms are made available to residents who have faulty alarms?

Fire Prevention

2014/15 PERFORMANCE OBJECTIVES

1. To manage IROL reports (Inspection Reports OnLine) and follow-up on non-compliant systems to ensure 100% participation and compliance. *(City Goal 5, 6, 24)*

2. To expand IROL to include private water supplies, draft stopping and smoke detector reporting and explore its use for key-safe and emergency contact updates. *(City Goal 5, 6, 24)*

3. To fully implement the Company Inspection Program and manage the inspections by Use Group and District. *(City Goal 5, 6, 12, 13, 24)*

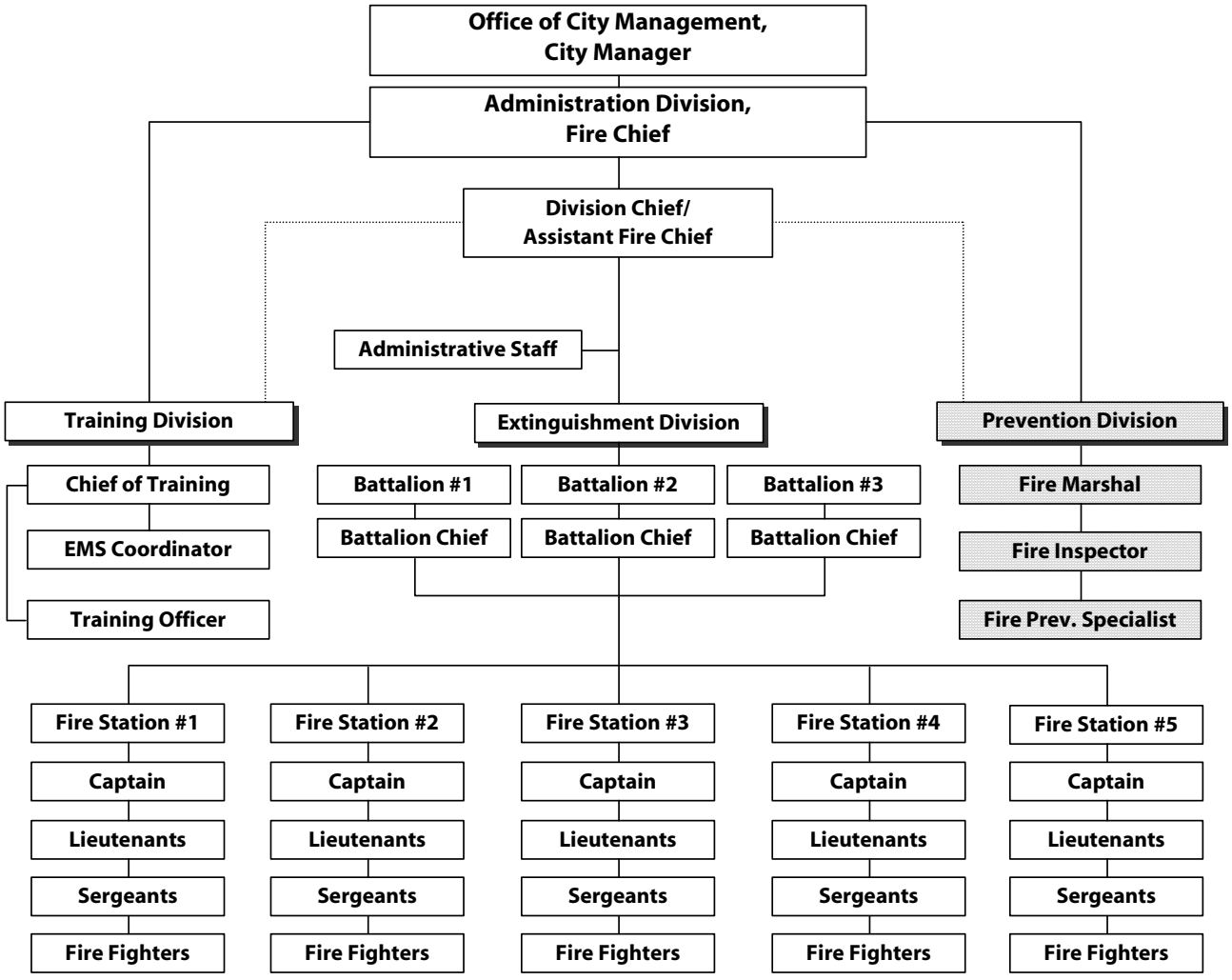
4. To take full advantage of the New World computer system by entering building and business data, fire-flow, hazmat and contact information into the system. *(City Goal 2, 5, 12, 17)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Inspections Conducted	2,335	1,072	882	1,310	1,180	1,380
	General Building Fire Inspections	389	0	0	0	0	0
	Use Permit or Final Occupancy Inspections	423	337	262	350	314	320
	Special Event/Annual License Inspections	47	43	39	40	38	40
	Liquor Lic., Amusement, & Hazardous Bldg. Insp.	200	165	117	200	190	190
	Witnessed Acceptance Tests Inspections	100	71	108	85	108	90
	Reinspections of Violations	1,070	385	287	300	300	350
	Citizen Assistance Inspections	106	71	69	85	70	70
	In-Service Company Fire Inspections	N/A	N/A	N/A	250	160	320
	Violations Discovered and Issued	4,397	2,067	1,670	2,000	2,280	2,400
	Investigations (Fire and Other)	56	41	39	30	34	30
	Plan Reviews (sites, buildings, alarms)	334	252	211	250	260	250
Efficiency & Effectiveness	% Bus. Receiving Violations during Inspections	98%	99%	99%	99%	99%	99%
	Value of Non-Residential Fire Loss	$311,812	$450,000	$675,000	$500,000	$272,000	$350,000
	% of Solicited Inspections Performed w/i 1 Day	90%	60%	60%	80%	80%	80%
	% of Inspectable Occupancies Experiencing Fires	0.60%	0.40%	0.37%	0.40%	0.28%	0.40%
	Inspections Conducted Per Inspector/Marshal**	667	536	441	530	510	350
	% of Site Plans Reviewed within 20 Days	90%	20%	10%	10%	20%	80%
	Average Plan Review Cost	$197	$192	$187	*	*	*
	Division Expenditures as % of General Fund	1.05%	0.86%	0.89%	0.85%	1.01%	0.93%

** Cost is calculated for "Actual" columns only.*
***Excludes In-Service Company Inspections.*

ASK FIRE MARSHAL IF WE SHOULD STILL DELETE "GENERAL BLDG FIRE INSPECTIONS" FOR FY 2016 BUDGET

Fire Prevention



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Fire Marshal	1	1	1
Fire Inspector	1	1	1
Fire Prevention Specialist	0	0	1
Total	2	2	3

Fire Prevention

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

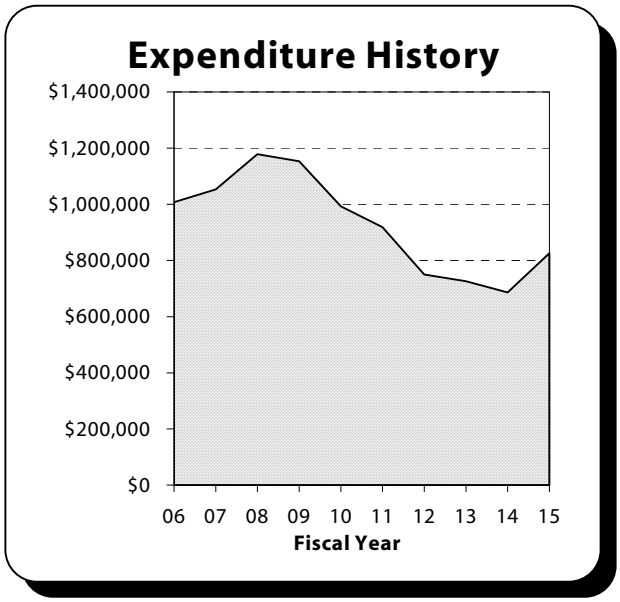
The total budget increased by 20.3%.

Personnel Services – The total Personnel budget increased $139,540 or 20.3%. A Fire Fighter position in Fire Extinguishment has been transferred and promoted to the Fire Prevention division as a Fire Prevention Specialist. This position will aid in the site plan review process, oversee the Fire Fighter Company Inspection Program, and assist in performing fire inspections. An additional $13,530 is budgeted to fund the Police & Fire Pension System, while an additional $2,280 is allocated to fund retiree health care liabilities.

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.

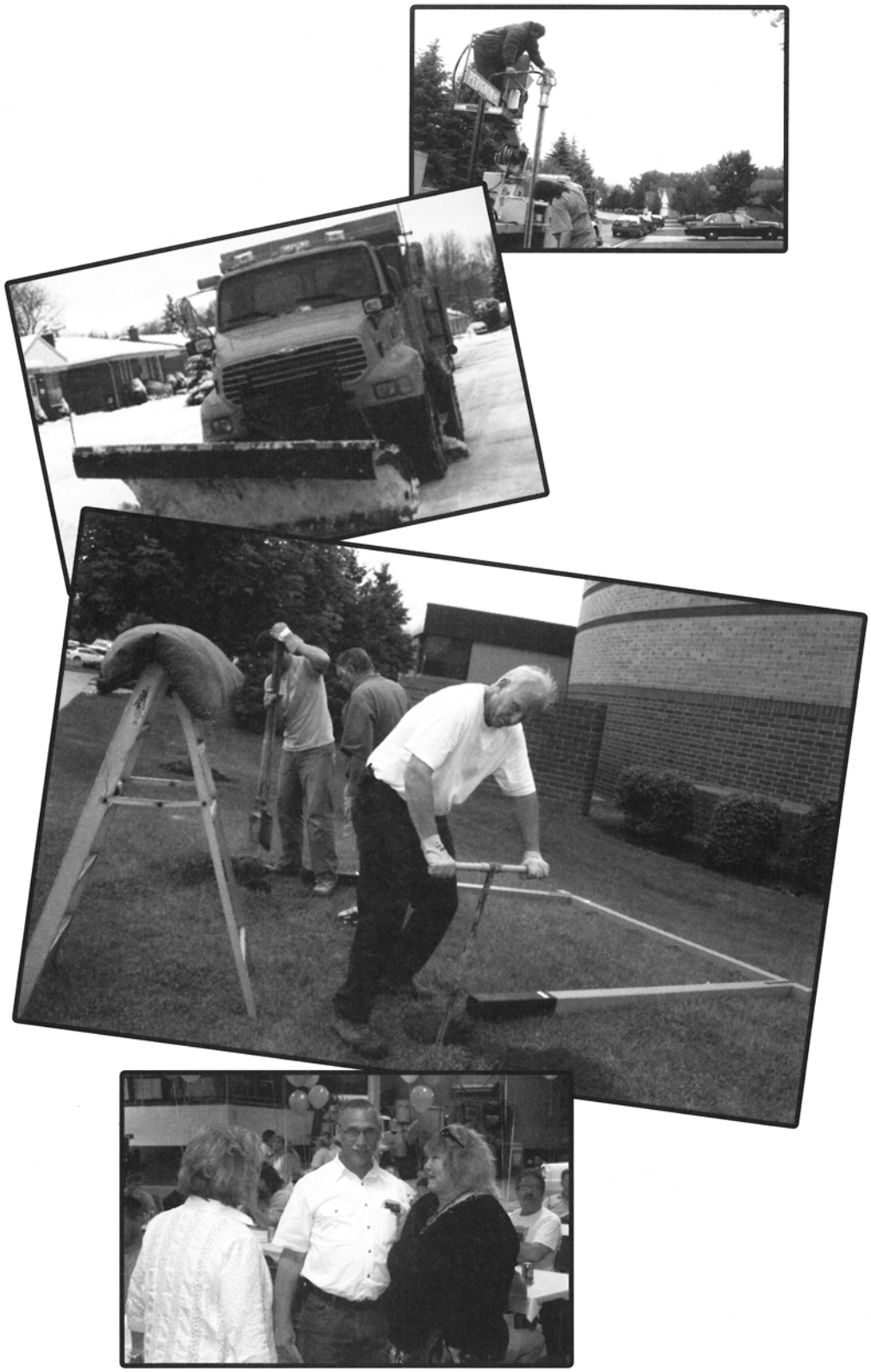
Capital – There is no Capital proposed for this division.

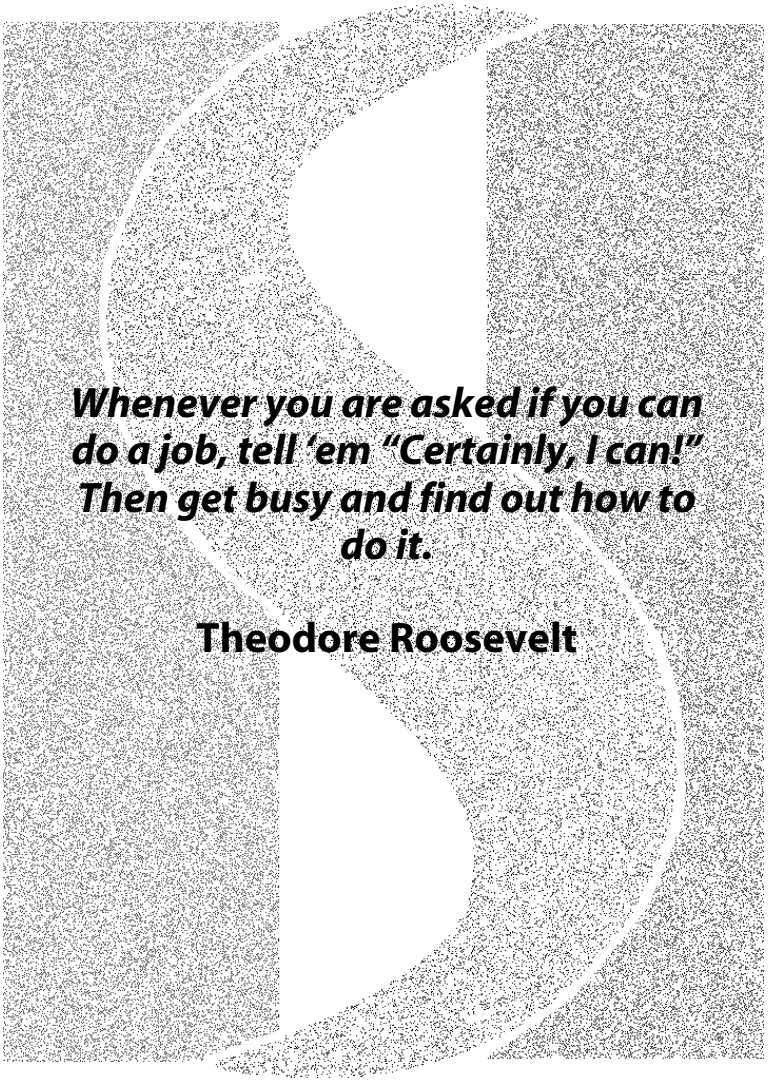


FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$725,763	$686,530	$820,350	$826,070	$826,070
Supplies	0	0	0	0	0
Other Charges	0	0	0	0	0
Total	$725,763	$686,530	$820,350	$826,070	$826,070

Public Works Department




Whenever you are asked if you can do a job, tell 'em "Certainly, I can!" Then get busy and find out how to do it.
Theodore Roosevelt

FUNCTIONAL ORGANIZATION CHART

Public Works Department

Building & Facilities Maintenance

- 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 Code Appeals (BOCA)
- Interprets and enforces nuisance abatement ordinances
- 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

Engineering

- Oversees all Engineering services
- Maintains and updates all records on City utilities, streets, etc.
- Provides information to builders and developers regarding City utilities
- Prepares and supervises construction projects
- Reviews all public improvement plans
- Coordinates and supervises capital projects
- Serves as liaison to county, state and federal agencies
- Applies for and administers grants for capital improvements
- Coordinates water meter connection and use monitoring

Fleet Maintenance

- Provides auto repair service for the City-owned fleet of vehicles
- Provides 24 hour "ready-to-serve" maintenance on snow removal equipment
- Performs welding, cutting fabrication or repair on various other equipment
- Maintains an up-to-date computerized inventory system

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 site plans for zoning
- Reviews liquor license establishments
- Serves as liaison to Planning Commission and Zoning Board of Appeals

Parks & Grounds Maintenance

- Ensures that municipal grounds and parks are mowed, clean and safe
- Maintains all ball diamonds and sport courts keeping them in a safe and playable condition
- Plants street trees in the right-of-way of new subdivisions

Neighborhood Services

- Administers the Sterling Heights Initiative for Neighborhood Excellence (SHINE) program
- Monitors the Volunteer Corps
- Coordinates neighborhood clean-up weeks
- Performs property maintenance code enforcement inspections
- Monitors specific neighborhoods with refugee populations
- Provides technical support to homeowner groups regarding property maintenance
- Maintains a property maintenance educational brochure
- Serves as liaison to Board of Ordinance Appeals
- Coordinates City-wide street lighting

Refuse Collection

- Provides prompt, reliable refuse removal service
- Maintains three recycle drop off centers
- Handles refuse related complaint calls
- Liaison to the City's refuse contractor
- Promotes public education in the area of solid waste disposal through the Solid Waste Management Commission

Street Services

- Provides a safe and clean road surface for vehicular traffic
- Repairs and replaces all traffic control lines and school crosswalk markings
- Removes and chips diseased trees and stumps
- Performs roadside weed-cutting of weeds and tall grass along all roadsides

DEPARTMENT AT A GLANCE

Public Works Department

BUDGET SUMMARY

The Public Works budget increased $860,660 or 8.6%. Personnel costs rose $587,710 or 8.1%. The increase is largely due to six new full-time and two part-time positions. An Engineering Aide has been restored, additional part-time Engineering hours were added, and a Co-op is funded to assist with the Neighborhood Repair program. A Fleet Maintenance Storekeeper has been restored, a DPW Field employee has been promoted to Fleet Maintenance Supervisor, while two Seasonal Laborers have been transferred to assist other divisions. The HUD Coordinator and CDBG Intern from Parks & Recreation are now in Neighborhood Services, and a new full-time Senior Clerk has been added to assist with increased property maintenance efforts. A new Seasonal Laborer is funded in Parks & Grounds and Streets, as well as a new full-time Laborer for increased street maintenance efforts. The budget includes the transition to a full-time City Planner. Supplies rose $93,550 or 5.8% for increased vehicle and equipment repair costs, repair tools, and to maintain athletic fields and playgrounds. Other Charges increased $179,400 or 15.2% for the contracting of all park mowing, the production of a code enforcement resource guide for non-English speaking residents, an increase in building maintenance, and funding to complete the Master Bike Plan. The Capital budget includes a new roof for the Clinton River storage building, repairs to the City Hall parking lot, and a tandem axle dump truck, front-end loader, and pickup truck with plow to enhance the City's snow removal capabilities.

FUNDING LEVEL SUMMARY

	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
Building & Facilities Maint.	$1,373,570	$1,373,140	$1,816,590	$1,784,340	-1.8%
Engineering	1,494,210	1,139,250	1,153,860	1,332,660	15.5%
Fleet Maintenance	2,655,030	2,790,250	2,700,560	2,825,830	4.6%
Foreclosure Relief	77,310	4,410	0	0	0.0%
Neighborhood Services	417,580	346,260	1,214,740	1,330,910	9.6%
Parks & Grounds Maint.	1,150,800	1,110,640	1,020,280	1,241,890	21.7%
Planning	483,010	237,210	104,070	182,120	75.0%
Public Works Center	237,750	233,330	223,700	243,300	8.8%
Street Services	1,772,690	1,743,280	1,816,980	1,970,390	8.4%
Total Department	$9,661,950	$8,977,770	$10,050,780	$10,911,440	8.6%
Personnel Services	$7,499,190	$6,594,110	$7,259,230	$7,846,940	8.1%
Supplies	1,556,130	1,710,740	1,608,720	1,702,270	5.8%
Other Charges	606,630	672,920	1,182,830	1,362,230	15.2%
Total Department	$9,661,950	$8,977,770	$10,050,780	$10,911,440	8.6%

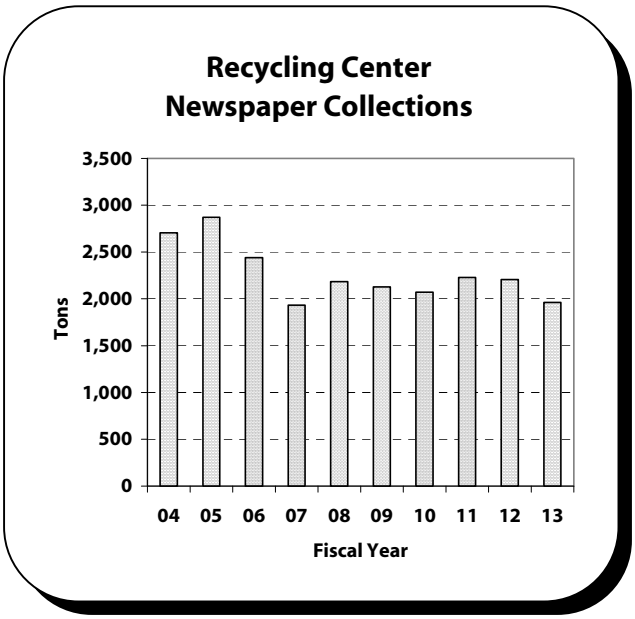
PERSONNEL SUMMARY

	2011/12		2012/13		2013/14		2014/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Building & Facilities Maint.	12	3	10	2	9	0	9	0
Engineering	11	0	9	0	7	1	8	2
Fleet Maintenance	12	1	10	1	10	2	11	0
Foreclosure Relief	0	2	0	0	0	0	0	0
Neighborhood Services	4	0	3	0	7	7	9	8
Parks & Grounds Maint.	9	7	2	8	5	8	5	9
Planning	4	1	2	2	0	1	0	1
Street Services	19	2	19	2	15	3	17	4
Total Department	71	16	55	15	53	22	59	24

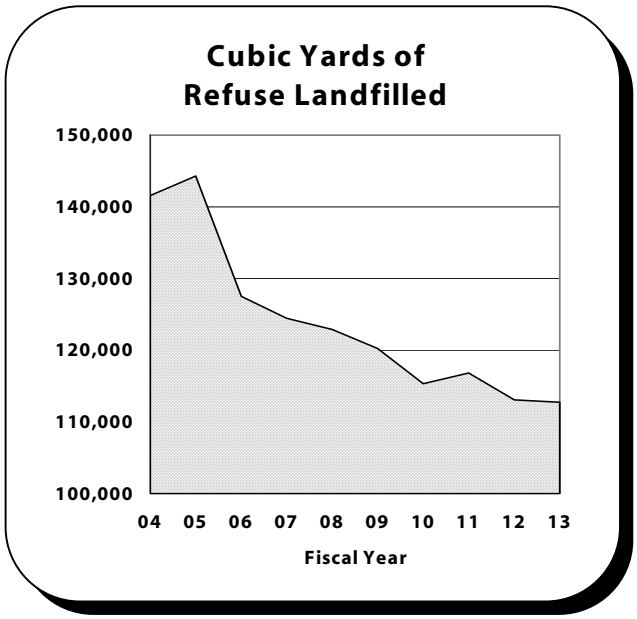
Excludes Refuse Collection and Boards & Commissions.

KEY DEPARTMENTAL TRENDS

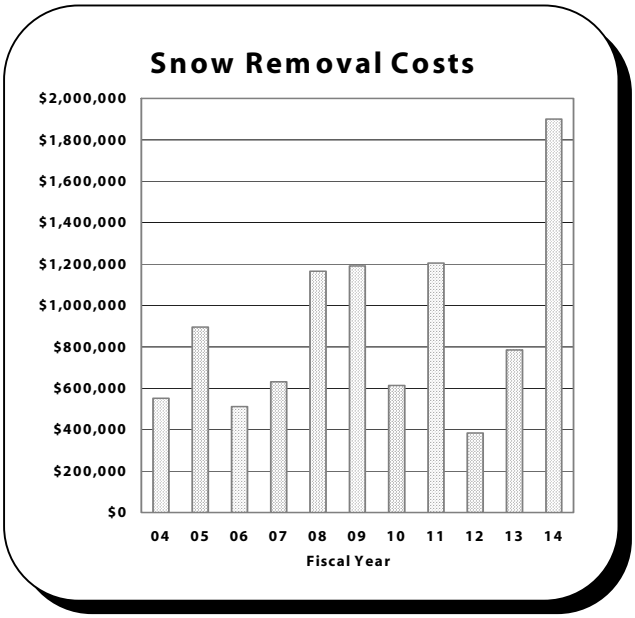
Public Works Department



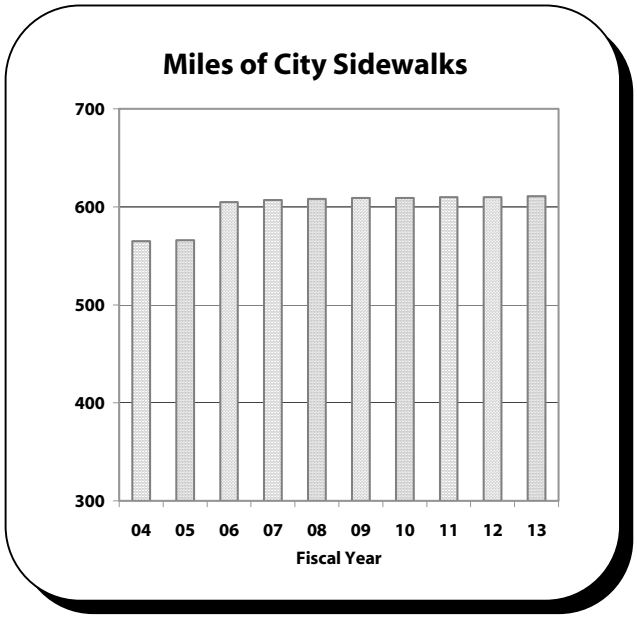
The amount of newspaper recycled at the three drop-off recycling centers has declined due to the growth in the number of non-city newspaper recycling sites and due to a subscription based curbside recycling program initiated in 2013. The average homeowner pays only $72 per year for trash pickup, which is much lower than most communities. Only five cities in a national study had a lower recycling cost per ton recycled.



Starting in 2006, the cubic yards of refuse landfilled began to decline, reaching a low of 112,750 cubic yards in 2013. Fewer apartment complexes and mobile home parks have elected to receive City refuse service. The separate collection of yard waste, which is now composted, and additional Recycling Center and curbside recycling collections have also contributed to the decline in the amount of garbage annually landfilled.



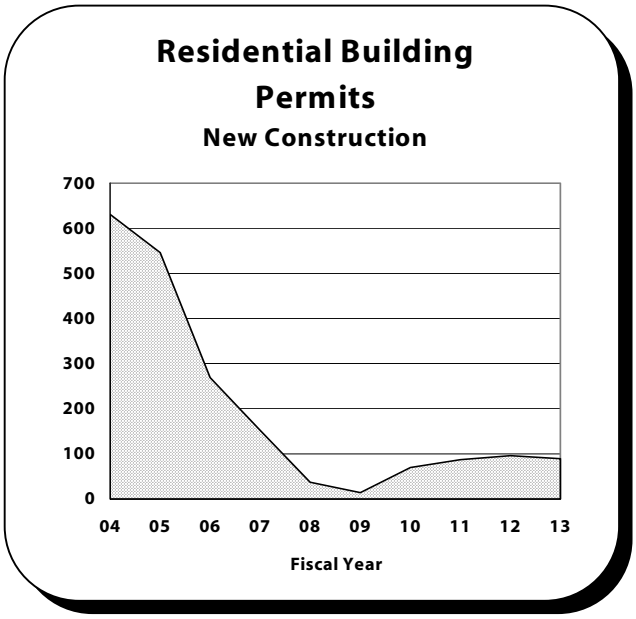
The City's snow removal costs have generally increased over ten years. Expenditures decreased in some years due to warmer winters or reduced snowfalls. Snow removal costs reached a ten-year high of $1.9 million in 2014, while costs fell in 2012 to a low of $384,000.



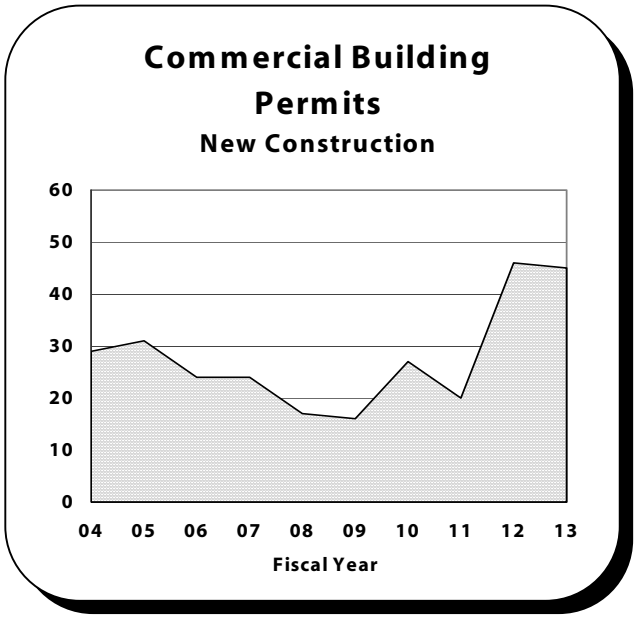
The miles of City sidewalks has slightly increased over the past ten years due to the City's sidewalk gap completion program.

KEY DEPARTMENTAL TRENDS

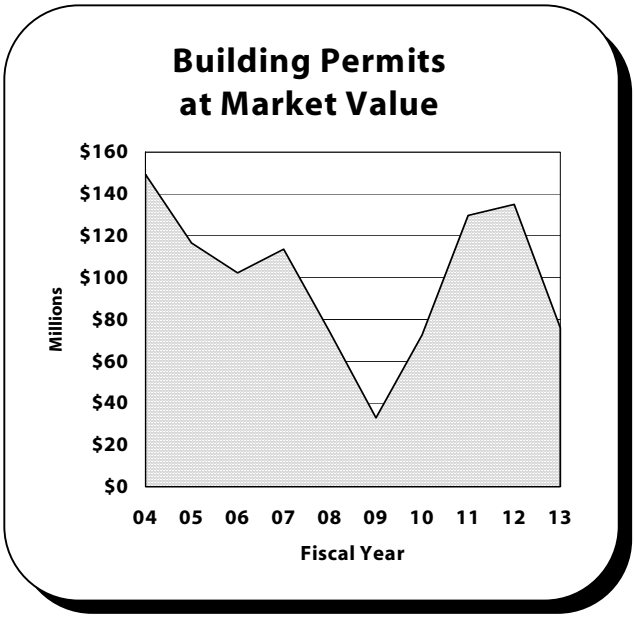
Public Works Department (continued)



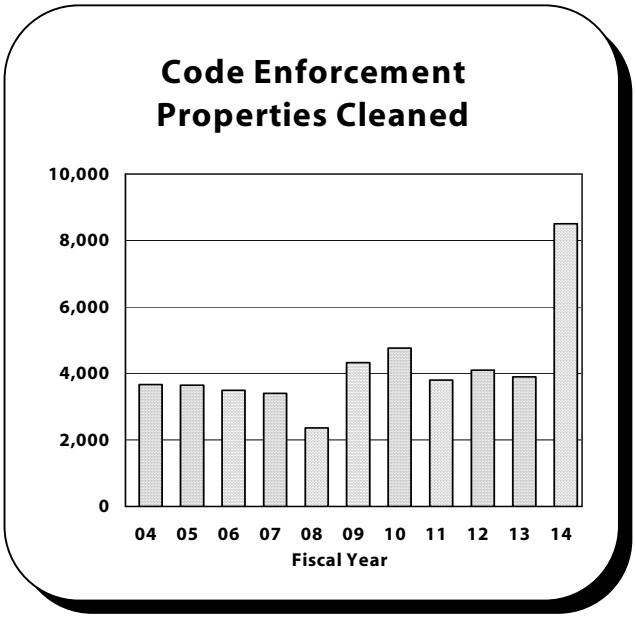
The number of residential building permits reached a high of 631 in 2004 due in part to the increasing number of condominium units and cluster developments. Since 2004, however, the number declined to a ten year low in 2009 as only 14 permits were issued. The number of permits issued has increased slightly since 2009.



The number of new commercial building permits has generally ranged between 20 to 45 each year over the past ten years.



The dollars invested in new building construction and improvements fell from a high of $149 million in 2004 to a low of $33 million in 2009. The number of residential permits dramatically declined. 631 new construction residential permits were issued in 2004, compared to only 89 permits in 2013 – a decrease of 86%. The market value of commercial permits rose in 2011 and 2012 due to several large projects, including BAE and Chrysler.



The number of code enforcement cases are estimated to have increased by 230% since 2004. The City has made a concerted effort to strengthen and vigorously maintain property values by eliminating blighting influences. In 2009 the City's building inspectors began to assist code enforcement officers with code inspections, and in 2011 the SHINE program began. In 2014, three additional part-time code inspectors were hired. 95% of inspections were performed within 48 hours of complaint.

Building & Facilities Maintenance

MISSION STATEMENT: ***To maintain a well-balanced program of monitoring building construction, so that the community may enjoy a safe environment and to maintain all City facilities in a safe, clean and economical manner.***

The Building office monitors the building and development activities in the City. The objective of the staff is to inspect projects for compliance to the State adopted construction codes to ensure the health, safety and welfare of the public. This is achieved through an aggressive inspection program in all types of construction – residential, commercial, and industrial. Daily inspections are performed throughout the City to assure compliance to State and local building codes and ordinances.

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. The community is safeguarded against improperly constructed structures by numerous inspections performed by the inspection staff from the beginning through the completion of a project.

To best serve the interests of the taxpayers, developers and investors in the community, the Building activity is operated in a very efficient manner to ensure that inspections are conducted in a timely manner. The established plan review process provides for the efficient administration of the permitting process.

The inspectors employed within the Building office are highly qualified and trained professionals who are monitored not only by the City, but also by the State. They have obtained nationally recognized certifications and participate in continuing education to stay informed of all new construction techniques and code changes. A highly competent clerical staff supports the inspectors and assists customers visiting the Building office.

The Building Official is responsible for proper enforcement of code requirements throughout the construction process. He oversees the daily responsibilities of the department and provides assistance to the inspection staff as needed. The Building Official has the authority to render interpretations of the codes and to adopt policies and procedures in order to clarify the provisions.

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.***
- ***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 conduct preventative maintenance programs on all mechanical, electrical, and plumbing equipment to ensure it operates at safe and optimum efficiency.***

The Building Official also oversees the daily activities of the City's custodial contractor and the Facilties Maintenance staff, who are responsible for maintaining all City facilities in a safe, clean and efficient manner. The Facilities Maintenance staff works on preventative maintenance on all mechanical, electrical and plumbing equipment. They also maintain all interior and exterior surfaces that require routine maintenance throughout the year.■

Did you know…
…that since the Building office implemented the BS&A software program, plan review letters and certificates of building occupancy are now being electronically sent to the permit applicants?

Building & Facilities Maintenance

2014/15 PERFORMANCE OBJECTIVES *(Building)*

1. To create an email distribution list to notify contractors and homeowners of code and policy changes, as well as to keep them up to date regarding news about the Building office. *(City Goal 1, 2, 3)*

2. To revise and update our current construction and ordinance brochures to be more user friendly for residents and contractors. *(City Goal 1, 3, 6, 7)*

3. To create a three-day Expedited Plan Review process and fee for commercial interior alterations. *(City Goal 1, 3, 4)*

4. To implement interlocal inspection agreements with two additional communities. *(City Goal 2)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Permits Issued	5,084	4,767	4,533	4,450	5,820	5,165
	Building Permits Issued	2,303	1,660	1,274	1,500	1,500	1,575
	Mechanical Permits Issued	1,352	1,596	1,577	1,425	2,300	1,500
	Plumbing Permits Issued	611	731	688	700	940	990
	Electrical Permits Issued	818	780	994	825	1,080	1,100
	Total Inspections Performed	12,732	14,614	13,432	14,325	14,080	14,780
	Building Inspections	5,941	7,081	6,538	6,300	6,400	6,720
	Mechanical Inspections	2,734	3,260	2,981	3,400	2,880	3,020
	Plumbing Inspections	2,083	2,230	1,813	2,300	2,400	2,520
	Electrical Inspections	1,974	2,043	2,100	2,325	2,400	2,520
	Ordinance Complaint Tickets Issued	2	0	0	2	1	1
	Board of Code Appeals Applications	2	2	4	5	5	5
Efficiency & Effectiveness	Insurance Service Office (ISO) Rating	2	2	2	2	3	3
	% 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%	90%	95%	95%	95%	95%
	Average No. of Inspections per Budgeted Inspector	2,829	3,247	2,686	2,865	2,820	2,960
	Market Value of Building Permits (Millions)	$129.7	$135.1	$76.1	$90.0	$90.0	$94.0
	Permits Issued via City's Website	95	108	117	100	270	270
	Activity Expenditures as % of General Fund	1.87%	1.57%	1.68%	2.24%	2.23%	2.00%

Building & Facilities Maintenance

2014/15 PERFORMANCE OBJECTIVES *(Facilities Maintenance)*

1. To create an electronic Request for Service procedure in order to provide faster and more efficient response time. *(City Goal 3, 6, 7)*

2. To create a review committee to evaluate the replacement of outdated and inefficient electrical lighting fixtures to more efficient LED lighting and to capture any available rebate incentives. *(City Goal 3, 18, 21)*

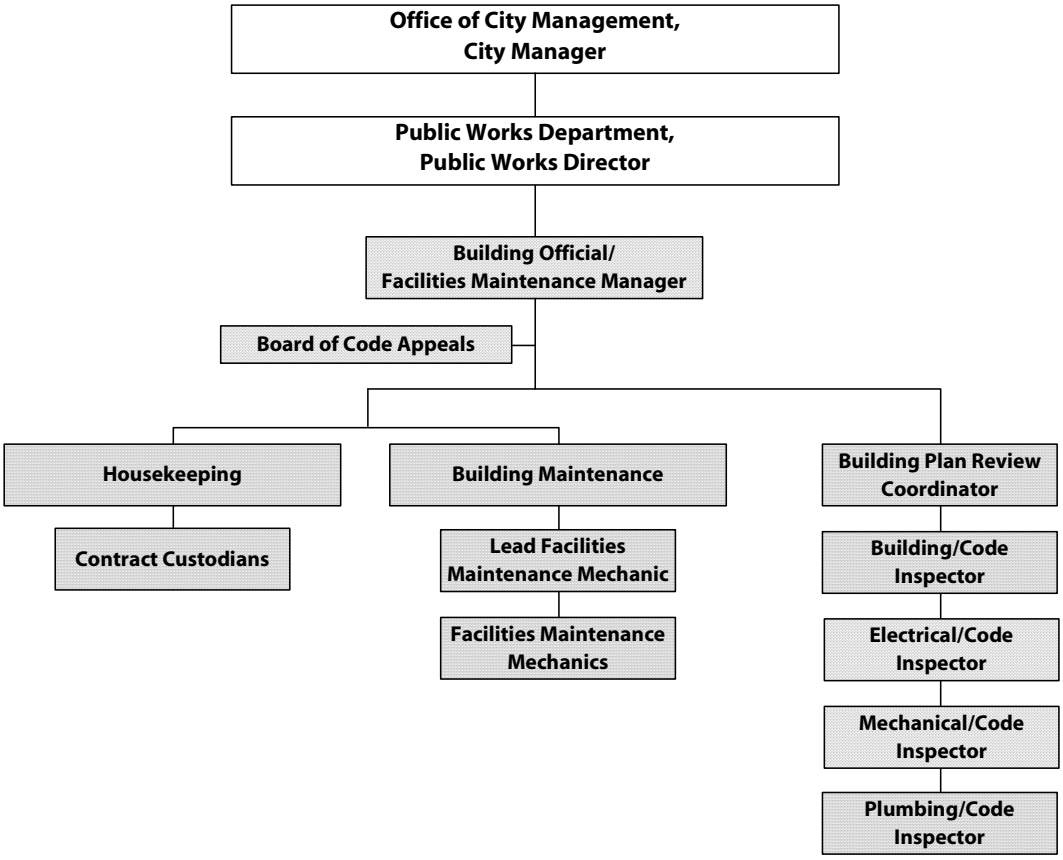
3. To conduct training for the maintenance staff on the new shutdown and start-up procedures for full and partial power outages. *(City Goal 3, 4, 7)*

4. To work with Parks & Grounds Maintenance to improve the outside aesthetics at City Hall. *(City Goal 13, 14, 15)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	City Facilities Supported - Square Feet	360,823	360,823	360,823	360,823	360,823	360,823
	City Facilities Receiving Daily Housekeeping - Sq. Ft.	246,434	246,434	246,434	246,434	246,434	246,434
	Renovations/Projects Supervised/Coordinated	$468,250	$521,170	$3,400	$24,600	$191,000	$93,000
	Interior Preventive Maintenance Cycles	4	4	4	4	4	4
	Exterior Preventive Maintenance Cycles	2	2	4	4	4	4
	Maintenance/Custodial Service Requests Processed	7,400	7,300	1,000	1,100	1,100	1,100
	Deliveries to City Council Members	55	55	55	55	55	55
	Car Pool Vehicles Supervised	37	37	37	37	37	37
	Voting Machines Assembled & Delivered	1,000	880	1,000	875	875	1,000
Efficiency & Effectiveness	% of Emg. Call-Ins Responded to w/i 30 minutes	98%	98%	98%	98%	99%	99%
	% of Service Requests Met Within 15 Days	70%	70%	80%	90%	90%	95%
	Hrs. Spent for Housekeeping Functions Per 1,000 s.f.	95.0	100.0	N/A	N/A	N/A	N/A
	Hrs. Spent for Building Maintenance Per 1,000 s.f.	19.0	19.0	19.0	19.0	19.0	19.0
	Overtime/Comp Hours Worked	700	600	140	100	140	120
	Cost to Complete Maintenance Service Requests	$415,023	$411,389	$413,959	*	*	*
	Activity Expenditures as % of General Fund	1.50%	1.56%	1.21%	0.00%	0.00%	0.00%

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

Building & Facilities Maintenance



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Building Official/Facilities Maintenance Manager	1	1	1
Code Enforcement Coordinator	1	0	0
Building Plan Review Coordinator	1	1	1
Building Inspector/Code Enforcement Officer	1	1	1
Electrical Inspector/Code Enforcement Officer	1	1	1
Mechanical Inspector/Code Enforcement Officer	1	1	1
Plumbing Inspector/Code Enforcement Officer	1	1	1
Management Assistant	1	0	0
Senior Clerk	1	0	0
Clerk Typist	1	0	0
Foreclosure Code Enforcement Officer - Grant (P.T.)	2	0	0
Total	12		
Formerly Facilities Maintenance			
Lead Facilities Maintenance Mechanic	0	1	1
Facilities Maintenance Mechanic	3	2	2
Clerk Typist (P.T.)	1	0	0
Total	4	9	9

Building & Facilities Maintenance

SUMMARY OF BUDGET CHANGES

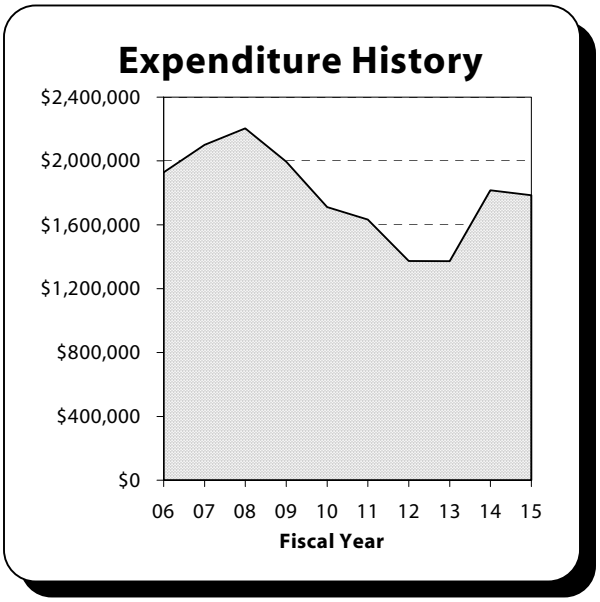
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 1.8%.

Personnel Services – The Personnel budget decreased $18,880 or 1.6%. The decrease is due to staff turnover in several positions, which has resulted in lower entry wage steps. Overtime and compensatory time have increased $6,400, partially to fund a new expedited plan review option. Required contributions to the General Employees pension system declined by $5,620, while an additional $2,430 is budgeted for retiree health care liabilities.

Supplies – Total Supplies increased $2,810 or 7.8%. $1,850 was added for the one-time purchase of updated building code books. Operating supplies increased $1,200 for additional paper products not supplied by the custodial services contractor. The increase was partially offset by savings from switching from liquid soap dispensers to foam dispensers. An increase in electronic mailings has reduced postage costs by $240.

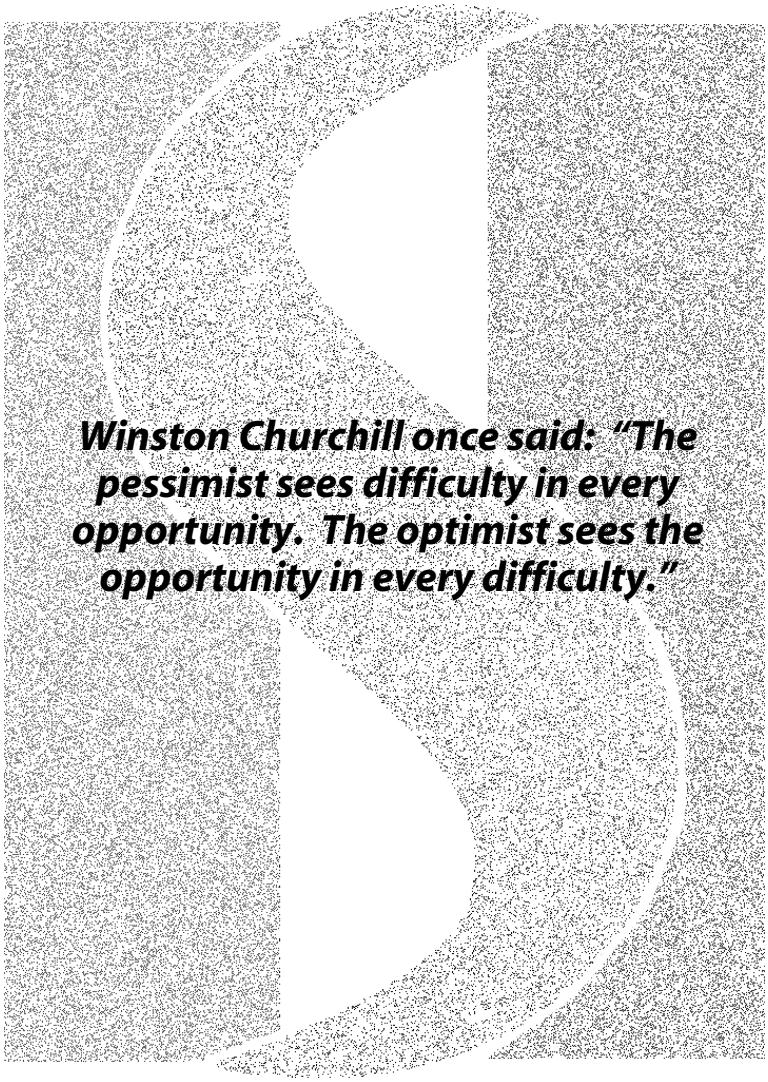
Other Charges – Total Other Charges decreased $16,180 or 2.8%. Equipment maintenance costs decreased $26,620, as the final payment for the BS&A computer conversion was made in the prior year. Electric costs fell $2,000 based on recent actual expenditure levels. Telephone costs can be reduced $440 due to a greater savings realized from implementing a pay-as-you-go wireless call plan. $400 was saved, as credit card fees for online permits are charged directly to the applicants. $8,050 is needed to fund increased building maintenance needs and $5,000 was added for slightly higher anticipated custodial contract costs.



Capital – Total Capital of $38,000 is budgeted in the Capital Projects Fund. $12,000 is proposed for City Hall chiller and boiler repairs. Roof replacement at the Clinton River storage building is funded for $26,000.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,280,365	$1,208,470	$1,168,690	$1,189,590	$1,189,590
Supplies	8,546	35,940	41,050	38,750	38,750
Other Charges	84,226	572,180	598,180	556,000	556,000
Total	$1,373,137	$1,816,590	$1,807,920	$1,784,340	$1,784,340


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

Engineering

MISSION STATEMENT: ***To develop and implement master plans and programs and to supervise and inspect all public improvements constructed by or for the City.***

Major responsibilities of the Engineering office 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 provided to residents and other interested parties on scheduled or future public improvements. In addition, information is provided to residents regarding water and sanitary sewer connection fees and traffic signs and signals. Other activities include 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.

Engineering reviews all planned public improvements, City projects, City awarded contracts, and subdivision sites which generate revenues to the City each year.

Engineering prepares the plans and specifications and supervises construction of all projects authorized by City Council. 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. The City Engineer serves as liaison to County, State and federal agencies to synchronize the approval process for orderly and organized project development.

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.***

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.■

Did you know…
…the office of Engineering has secured Roads and Risk Reserve (RRR) funding from the State for $864,000 to rehabilitate 19½ Mile Road from Merrill Road to Utica Road?

Engineering

2014/15 PERFORMANCE OBJECTIVES

1. 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)*

2. To work with MDOT (Michigan Department of Transportation) to coordinate, design, and beautify the Van Dyke Corridor for the upcoming 2015 reconstruction project. *(City Goal 14, 22)*

3. To pursue alternative funding for capital projects such as grants to improve traffic flow, safety at major intersections, and path/sidewalk construction. *(City Goal 21)*

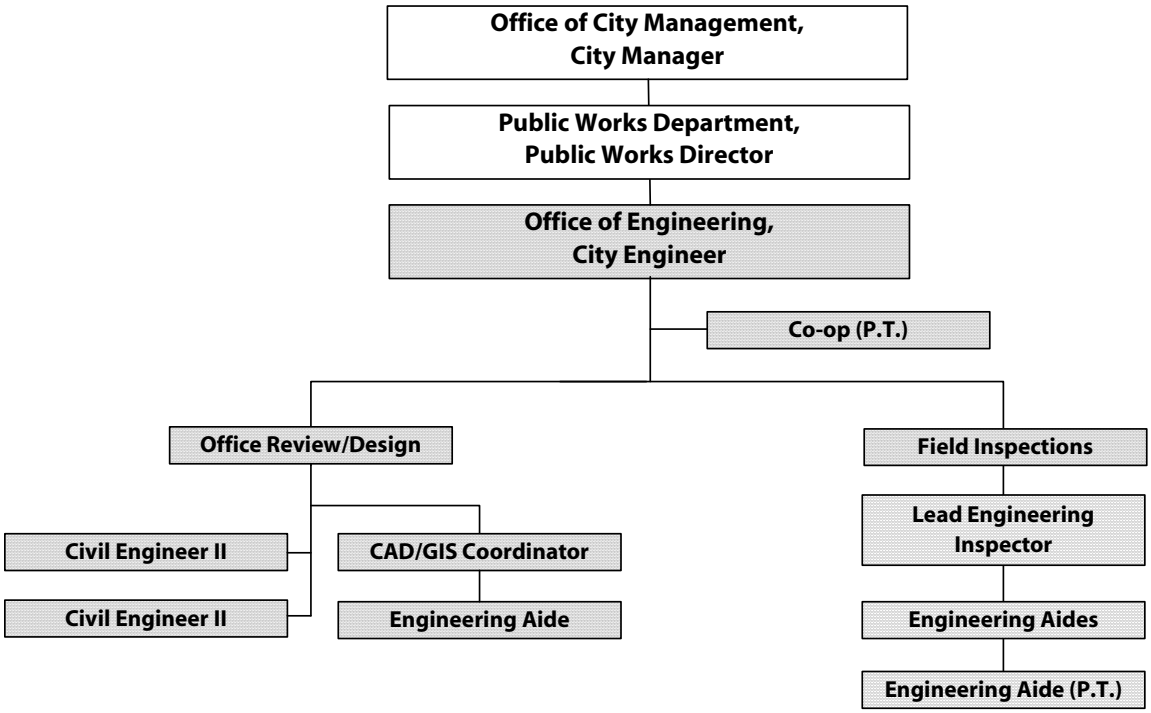
4. To optimally utilize local road funding to improve the overall condition of local road infrastructure. *(City Goal 5, 13, 23)*

5. To work with a consultant to design and develop a Master Bike Plan. *(City Goal 22, 23)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Site Plans Approved	32	27	18	30	25	30
	Land Divisions Reviewed	9	9	8	12	12	15
	Plot Plan/Grading Plans Approved	1	82	99	60	70	50
	Utility Company Permits Issued	23	29	30	30	25	30
	SESC Permits Issued	95	115	120	110	110	120
	W & S Connection Permits Issued (Existing Homes)	8	15	8	10	5	10
	Value of Const. Contracts Awarded & Supervised	$3.5M	$2.4M	$3.2M	$6.9M	$8.0M	$7.0M
	Personnel Contacts with Business - Counter	952	1,343	1,072	1,200	1,200	1,200
	Personnel Contacts with Business - Phone	4,356	6,126	4,013	5,000	2,200	2,900
	Miles of Sidewalks In City	610	610	611	613	613	614
	Service Requests Processed	500	447	338	450	250	500
Efficiency & Effectiveness	% of First Site Plans Reviewed w/i 4-6 weeks	91%	80%	93%	90%	85%	90%
	% 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 Utility Company Permits Reviewed w/i 15 days	95%	90%	85%	95%	90%	90%
	% of Plot or Grading Plans Reviewed w/i 10 days	95%	80%	80%	95%	90%	90%
	% of Capital Projects Completed w/i 5% of Bid Costs	88%	100%	100%	90%	85%	90%
	% of Initial Traffic Requests Responded to w/i 35 Days	N/A	100%	100%	100%	100%	100%
	Visual Road Surface (PASER) Rating - Good, Fair, Poor	8%,90%,2%	6%,89%,5%	7%,82%,11%	7%,82%,11%	7%,82%,11%	8%,82%,10%
	Engineering Inspection Hrs. Required to Meet Demand	4,648	4,499	3,939	4,000	4,200	5,500
	Activity Expenditures as % of General Fund	1.75%	1.71%	1.40%	1.43%	1.42%	1.49%

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

Engineering



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
City Engineer	1	1	1
Civil Engineer III	1	0	0
Civil Engineer II	1	2	2
CAD/GIS Coordinator	1	1	1
Lead Engineering Inspector	1	1	1
Engineering Aide	3	2	3
Engineering Aide (P.T.)	0	1	1
Administrative Assistant	1	0	0
Co-op (P.T.)	0	0	1
Total	9	8	10

Engineering

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

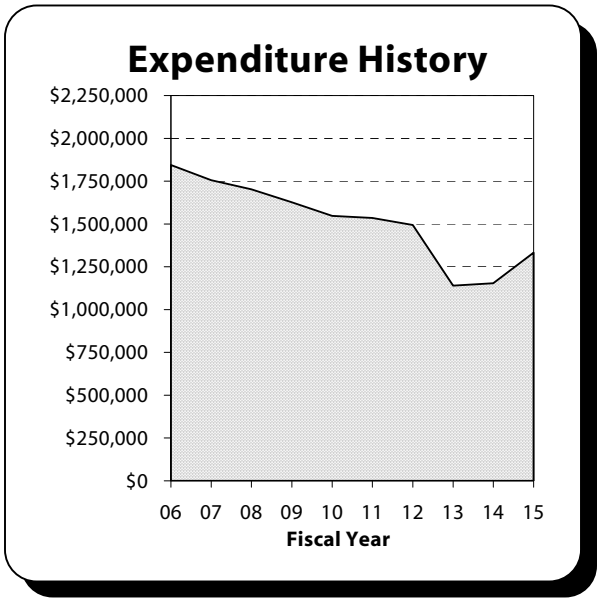
The total budget increased by 15.5%

Personnel Services – The total Personnel budget increased $168,450 or 14.7%. Most of the increase is a result of restoring one full-time Engineering Aide position. A laid-off employee will be eligible to be recalled to the position. In addition, 500 part-time Engineering Aide hours have been added, as well as $30,000 in additional Engineering overtime. These changes are needed to complete the City's new neighborhood road repair program, as well as overall City road projects. A part-time high school Co-op position has been added, which will free-up the Engineering Aides and improve office efficiency. Two positions are also budgeted to receive wage step increases.

Supplies – Total Supplies increased $250 or 4.5%, as postage costs increased due to a rate increase.

Other Charges – Total Other Charges increased $10,100 or 180.0%, primarily due to the one-time funding of a consultant to assist the City with creating a plan for establishing and connecting bike path/trail routes throughout the City. Telephone costs increased $200 based on the current year's estimated expenditure usage. Rental costs decreased $100 based on historic copier rental and usage fees.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,129,890	$1,142,700	$1,144,260	$1,311,150	$1,311,150
Supplies	5,865	5,550	5,750	5,800	5,800
Other Charges	3,497	5,610	5,460	15,710	15,710
Total	$1,139,252	$1,153,860	$1,155,470	$1,332,660	$1,332,660

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 63 pieces of heavy equipment, 283 pieces of various equipment ranging from chainsaws to tractors and 260 cars and trucks are repaired. Preventative maintenance is performed on approximately 731 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…
…the Fleet Maintenance division dispenses over 262,000 gallons of fuel through 20,000 fill-ups every year?

Fleet Maintenance

2014/15 PERFORMANCE OBJECTIVES

1. To outfit the new police vehicles utilizing existing equipment, adapters and conversion equipment to minimize the purchase of new equipment. *(City Goal 3)*

2. To streamline the mechanics store inventory system by reducing overhead, prioritizing parts based on turnover, and reducing inventory that is readily obtainable through vendors. *(City Goal 3)*

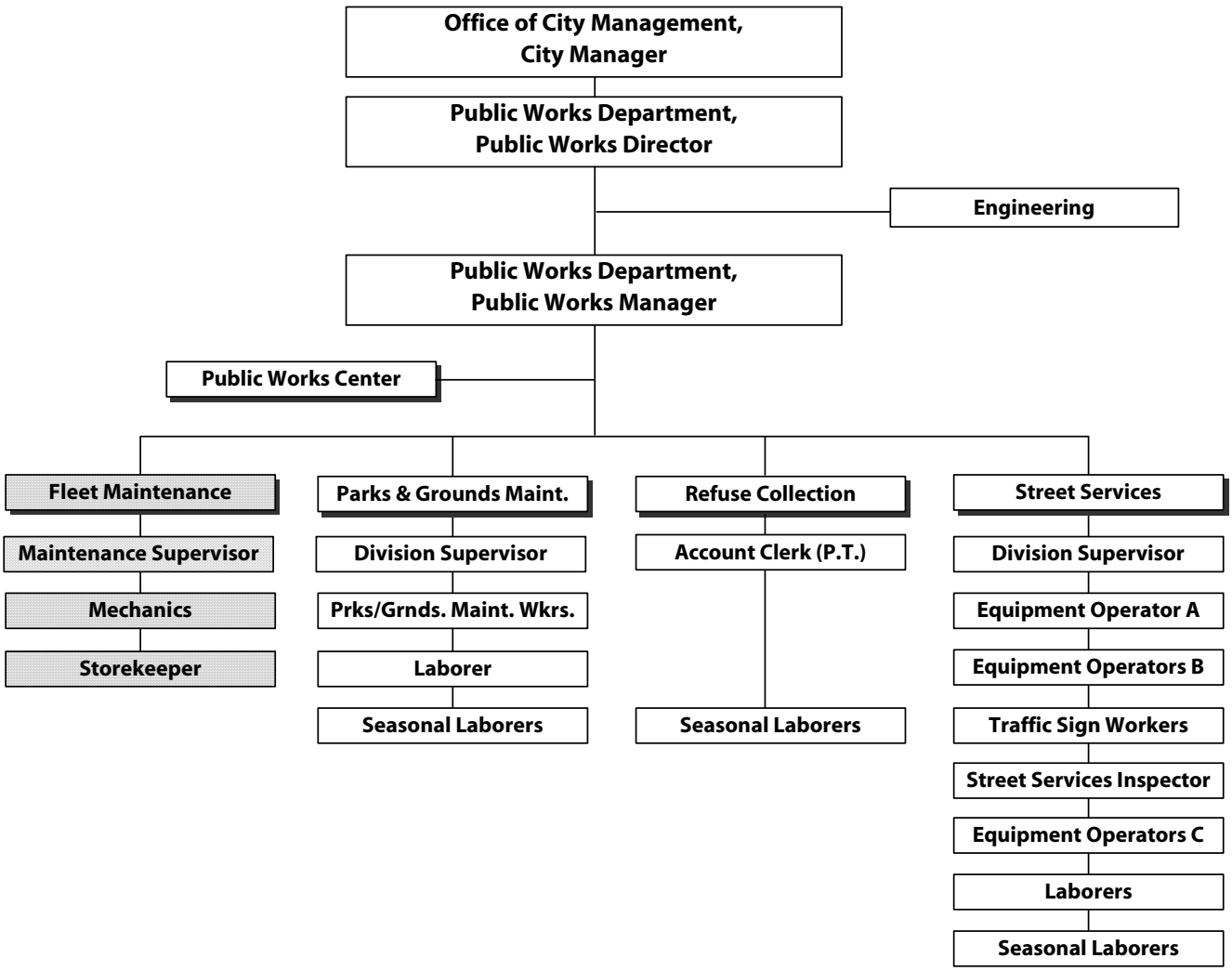
3. To research computer software programs for fleet activities in order to reduce costs while still maximizing the effectiveness of the current program. *(City Goal 3, 18)*

4. To identify tools, equipment, and systems that should be scheduled for periodic inspections and tests and establish appropriate maintenance and replacement schedules. *(City Goal 6, 18)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Full Service Preventive Maintenances Performed	506	465	492	500	525	525
	Preseason Maintenance - Trucks with Plows	44	44	43	43	45	45
	Preseason Maintenance - Tractors/Flail Mowers	12/12	13/13	12/12	12/12	9/9	9/9
	Preseason Maintenance - Snow Plows	44	44	43	43	45	45
	Preseason Maintenance - Salt Spreaders	25	25	22	22	21	21
	Preseason Maintenance - Street Sweepers	3	3	3	3	3	4
	Preseason Maintenance - Lawn Equipment	50	50	50	50	50	50
	Fire Trucks Prepared & Pump Tested	10	10	10	10	10	10
	Vehicle Tires Replaced	505	494	452	550	435	550
	Safety Inspections Conducted on Hoists	10	10	10	10	10	10
	Material Safety Data Sheets Maintained	406	420	410	410	410	400
Efficiency & Effectiveness	% of Preventive Maintenance Performed on Schedule	80%	85%	85%	85%	85%	85%
	Avg. Time to Perform Maintenance on a Car (Mins.)	48	48	50	48	48	48
	Avg. # of Vehicles/Equip. Maintained Per Mechanic	77	82	84	80	83	88
	Average Age of Police Vehicles (Years)	2.8	3.2	3.7	4.0	4.0	4.0
	Average Age of Fire Engines (Years)	11.6	10.0	11.0	12.0	12.0	13.0
	% of Snow Removal Vehicles & Equipment Available	90%	95%	95%	100%	95%	95%
	% of Snow Vehicles & Equip. Prepared by Nov. 15	75%	100%	100%	100%	80%	100%
	% of Front Line Fire Pumper Trucks Avail. for Service	90%	95%	99%	99%	99%	99%
	% of Actual Inventory to Inventory Ledger	80%	95%	92%	98%	98%	98%
	Cost of a Passenger Car Oil Change	$24.70	$25.36	$23.59	*	*	*
	Preventive Maintenance Cost of a Passenger Car	$59.12	$59.92	$59.34	*	*	*
	Activity Expenditures as % of General Fund	3.11%	3.04%	3.42%	3.34%	3.50%	3.17%

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

Fleet Maintenance



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Division Supervisor	0	1	0
Maintenance Supervisor	1	0	1
Mechanic	9	9	9
Storekeeper	0	0	1
Seasonal Laborer	1	2	0
Total	11	12	11

Fleet Maintenance

SUMMARY OF BUDGET CHANGES

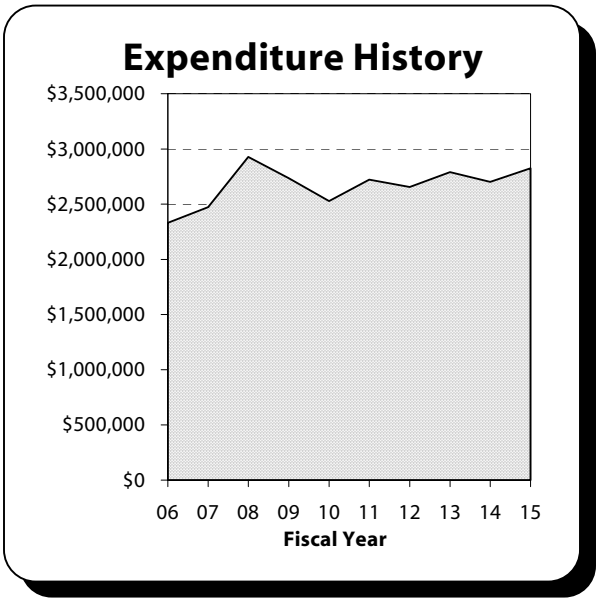
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 4.6%.

Personnel Services – The total Personnel budget increased $42,520 or 3.6%. Most of the increase is a result of restoring a full-time Storekeeper position to better assist this division. As a result, two Seasonal Laborer positions have been reassigned to Water Distribution and Refuse Collection. A Maintenance Supervisor position has been added and is partially funded by eliminating a vacant Laborer position in Water Distribution. The Division Supervisor position has been transferred to Parks & Grounds Maintenance. Overtime costs have risen by $7,000, while health insurance costs have increased by $24,330.

Supplies – Total Supplies increased $80,050 or 5.3%. $53,020 was added to the budget due to the increased cost of City vehicle and equipment repairs and parts. Fuel costs increased $15,000. $3,000 was added for the higher cost of vehicle fluids and lubricants. Operating supply costs increased $8,880 as more small hand tools and fasteners need to be replenished.

Other Charges – Total Other Charges increased $2,700 or 14.2%. Equipment maintenance costs rose $1,800 to fund an upgrade to the equipment used to diagnose repairs to new vehicles. $500 was added to the budget for replacement batteries for the department's two-way handheld prep radios. $400 was added for new vehicle technology and electrical diagnostic training for City Mechanics.



Capital – Total Capital of $13,000 is proposed for a replacement post repair to the heavy-duty hoist that is used by Mechanics to lift heavy vehicles for repair.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,146,771	$1,176,360	$1,250,830	$1,218,880	$1,218,880
Supplies	1,625,177	1,505,250	1,568,250	1,585,300	1,585,300
Other Charges	18,301	18,950	20,950	21,650	21,650
Total	$2,790,249	$2,700,560	$2,840,030	$2,825,830	$2,825,830

Neighborhood Services

MISSION STATEMENT: To protect a property owner's investment by enhancing the quality of life in our neighborhoods, educating residents, and performing neighborhood outreach as well as encouraging economic development through the promotion of energy efficiency, water-related tourism, and Science, Technology, Engineering, and Mathematics (STEM) workforce development initiatives.

Neighborhood Services is an office in the Public Works Department responsible for code enforcement as well as economic development programs related to energy efficiency and technology, the Blue Economy (promotion of water resources) and Science, Technology, Engineering, and Mathematics (STEM) workforce development initiatives.

This office works closely with the office of Community Relations to implement and administer the principals of SHINE - Sterling Heights Initiative for Neighborhood Excellence. Those principals include working closely with community groups to advise property owners on maintenance issues; using multi-lingual resources to communicate in neighborhoods where there may have been a significant influx of refugees; coordinating clean-ups to assist residents who may have challenges that prevent them from maintaining their property; and inspecting over 200 residential subdivision court islands to insure proper maintenance.

Neighborhood Services' Code Enforcement Officers strive to preserve residential and commercial property values through strict enforcement of property maintenance standards. Property owners who do not voluntarily comply are sent to the Ordinance Board of Appeals (OBA) and a nuisance abatement public hearing is held. 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 Ordinance Board of Appeals also reviews dangerous and potentially dangerous dog cases. The City Development Manager is the staff liaison to the Ordinance Board of Appeals.

To support efficient and sustainable energy-related policies and practices, the City is a member of the Southeast Michigan Regional Energy Office (SEMREO), a unique collaboration of nonprofits and local governments encouraging greener communities to attract talent and consequently help revive Michigan's economy.

The City Development Manager is the Vice President for the SEMREO Board of Directors.The City Development Manager also works to encourage the development of STEM initiatives, such as Velocity Jr., the STEM educational partnership with Utica Community Schools that encourages the growth of a diverse, talented and educated workforce that will attract businesses to Sterling Heights.■

KEY GOALS

- ***To protect a property owner's investment by administering property maintenance ordinances.***
- ***To implement the principals of SHINE – Sterling Heights Initiative for Neighborhood Excellence – by working with community groups, using multi-lingual resources, and coordinating neighborhood clean-ups to encourage long-term property maintenance.***
- ***To support efficient and sustainable energy-related policies and practices that will attract talent to the area and consequently help revive the economy.***
- ***To develop STEM (science, technology, engineering and math) educational initiatives that will encourage the growth of a diverse, talented and educated local workforce that will attract businesses to Sterling Heights.***

Did you know…
…the SHINE code enforcement officers remove almost 4,000 illegal signs throughout the City each year?

Neighborhood Services

2014/15 PERFORMANCE OBJECTIVES

1. To work with the Southeast Michigan Regional Energy Office Community Alliance to develop a Property Assessed Clean Energy (PACE) program. *(City Goal 11, 12, 13, 14)*

2. To coordinate the sale of three City owned single family residential lots located on Dundee. *(City Goal 6)*

3. To coordinate woody debris removal and install a canoe launch along the Clinton River as part of the Blue Economy initiatives that promote our water resources and encourage tourism and economic growth. *(City Goal 11, 26)*

4. To begin installation of new windows at Schoenherr Towers. *(City Goal 13, 16)*

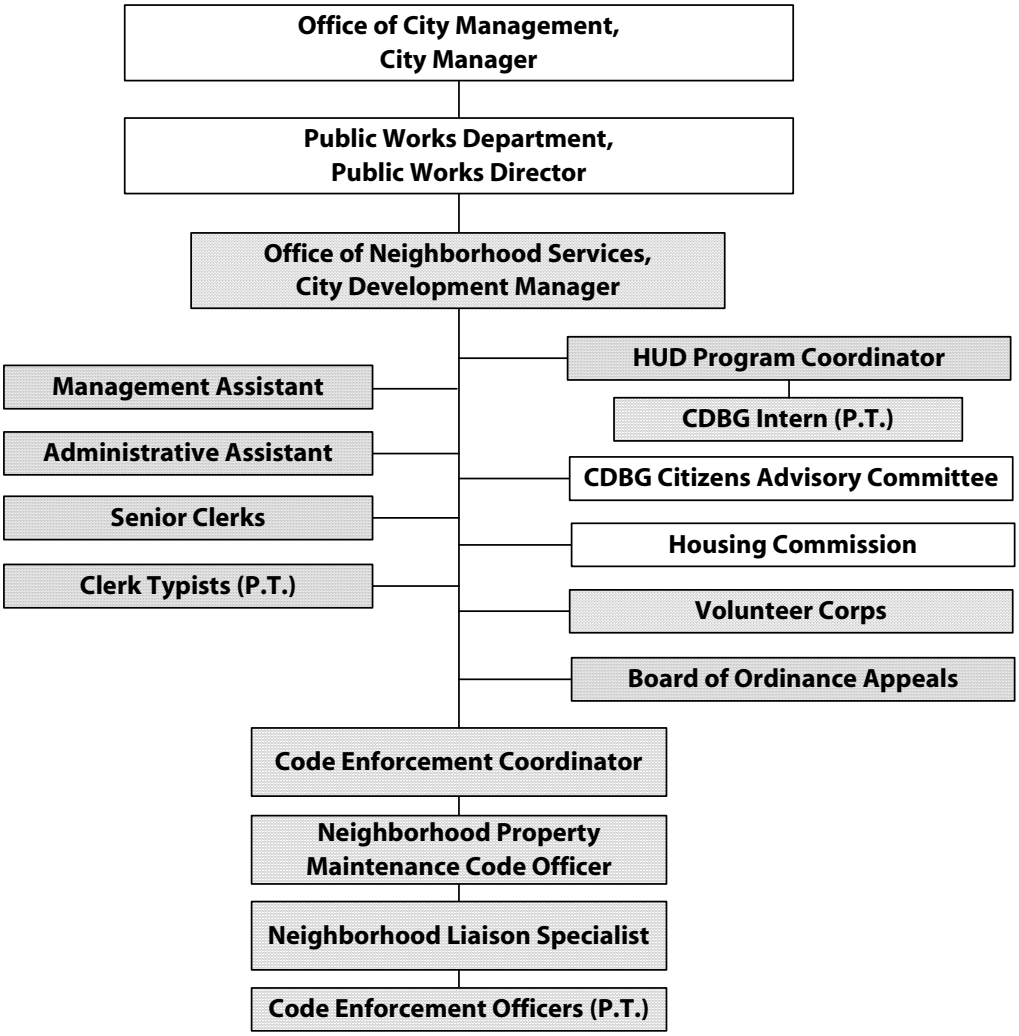
5. To design and develop a strategic local solar plan that can help meet increasing energy demands, boost economic development, create sustainable jobs, and enhance energy reliability. *(City Goal 8, 10, 11)*

6. To streamline existing City Development policies and procedures for cost effectiveness, efficiency and necessity, and implement technology improvement strategies where appropriate. *(City Goal 3, 4, 6)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Inspections Performed	16,049	15,816	15,340	16,000	16,000	16,000
	Total Code Enforcement Cases/Properties Cleaned	3,800	4,100	3,900	8,000	8,500	8,500
	# of Proactive Code Enforcements (City Observed)	N/A	N/A	N/A	5,000	6,000	6,000
	# of Code Complaints Received	3,800	4,100	3,900	3,000	2,500	2,500
	Board of Ordinance Appeals Hearings	26	24	23	36	30	30
	Ordinance Board Cases Prepared - Nuisances	427	441	394	575	525	525
	Civil Infraction & Misdemeanor Tickets Issued	362	14	800	90	450	450
	# of Illegal Signs Removed from ROW	N/A	N/A	N/A	N/A	N/A	3,800
	# of Dangerous Dog Cases Reviewed	N/A	N/A	5	3	5	3
	Neighborhood Clean Up Events Scheduled (SHINE)	1	2	2	4	6	4
	# of SHINE Tags Issued	N/A	N/A	N/A	N/A	N/A	150
	Volunteer Corps Membership	113	212	220	200	280	280
	# of CDBG Home Rehab Applications Received	12	16	17	18	14	16
Efficiency & Effectiveness	% of Inspections Performed w/i 48 Hours of Complaint	95%	95%	95%	95%	95%	95%
	Avg. Days Between Notice of Violation & First Inspection	10	10	10	7	8	8
	% of Violations Corrected Prior to City Action	90%	90%	90%	90%	94%	94%
	Inspections Performed Per Inspector	1,459	1,582	3,068	2,000	2,000	2,000
	Code Enforcement Cases Per Inspector	380	456	780	1,000	1,060	1,060
	Code Enforcement Cases Per 1,000 Residents	29.6	31.6	30.0	61.3	65.1	65.0
	Activity Expenditures as % of General Fund	0.07%	0.48%	0.42%	1.50%	1.58%	1.48%

** Cost is calculated for "Actual" columns only.*
** *FY 2012/13 includes a new sub-recipient, Hope Center of Macomb (Food Bank), that serviced over 5,500 residents.*

Neighborhood Services



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
City Development Manager	0	1	1
Code Enforcement Coordinator	0	1	1
HUD Program Coordinator	0	0	1
Neighborhood Prop. Maint. Code Officer	1	1	1
Neighborhood Liaison Specialist	2	1	1
Management Assistant	0	1	1
Administrative Assistant	0	1	1
Senior Clerk	0	1	2
Clerk Typist (P.T.)	0	2	2
Code Enforcement Officer (P.T.)	0	5	5
CDBG Intern (P.T.)	0	0	1
Total	3	14	17

Neighborhood Services

SUMMARY OF BUDGET CHANGES

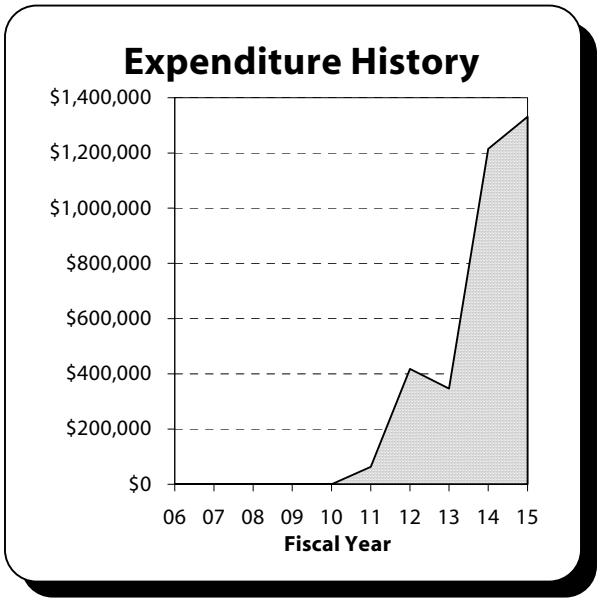
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 9.6%.

Personnel Services – The total Personnel budget increased $134,570 or 11.9%. Due to staff turnover, the HUD Program Coordinator has been transferred from Parks & Recreation to this office. In addition, a full-time Senior Clerk position has been added to better handle code enforcement administrative duties. Part-time Code Enforcement Officer wages increased $12,970 due to wage step increases. Overtime costs have increased by $3,500. The part-time CDBG Intern position is also now located in Neighborhood Services.

Supplies – Total Supplies increased $2,290 or 35.7% for code enforcement related mailings and supplies needed due to increased code enforcement activity.

Other Charges – Total Other Charges decreased $35,690 or 43.9%. The City will save $37,590, primarily due to the prior year one-time funding of field inspection software, which was not required, as existing software could be utilized. Fewer local business meetings will be attended, saving $50. Equipment maintenance costs increased $1,200 for possible BS&A software modifications and enhancements. Wireless service costs for the new field inspection tablets rose $400 based on the current year's estimated expenditure usage. Rental costs increased $200 and telephone costs rose $150, both based on a more accurate estimate of costs, as funding was transferred from Building & Facilities Maintenance in the prior year.



Capital – There is no Capital proposed for this office.

CITY COUNCIL'S ADJUSTMENTS TO THE PROPOSED BUDGET

Other Charges – Printing costs increased by $15,000 for the production of a code enforcement resource guide for non-English speaking residents.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$329,675	$1,127,070	$1,227,200	$1,261,640	$1,261,640
Supplies	14,794	6,410	9,000	8,700	8,700
Other Charges	1,790	81,260	47,870	45,570	60,570
Total	$346,259	$1,214,740	$1,284,070	$1,315,910	$1,330,910

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 function is responsible for ensuring that all municipal grounds, 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 office provides seasonal programs of maintaining baseball, football, and soccer fields and and tennis, volleyball and basketball courts in a safe, playable condition at City parks and school sites.

To ensure that all parks, recreational facilities, and properties are properly maintained, the following activities are undertaken: maintenance and/or removal of the magic squares 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, 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. 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.

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 parks and 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***

Did you know…
…the Parks & Grounds Maintenance division now contracts out all grass cutting at City parks and municipal sites, park restroom cleaning, ball field rehabilitation, sprinkler irrigation maintenance, Sterlingfest assistance, and backup snowplowing assistance for municipal parking lots?

Parks & Grounds Maintenance

2014/15 PERFORMANCE OBJECTIVES

1. To perform needed repairs to park restrooms, including the repair and replacement of roof shingles and painting the interior and exterior of buildings. *(City Goal 13)*

2. To restore turf and landscaping at the City Hall complex. *(City Goal 13, 15)*

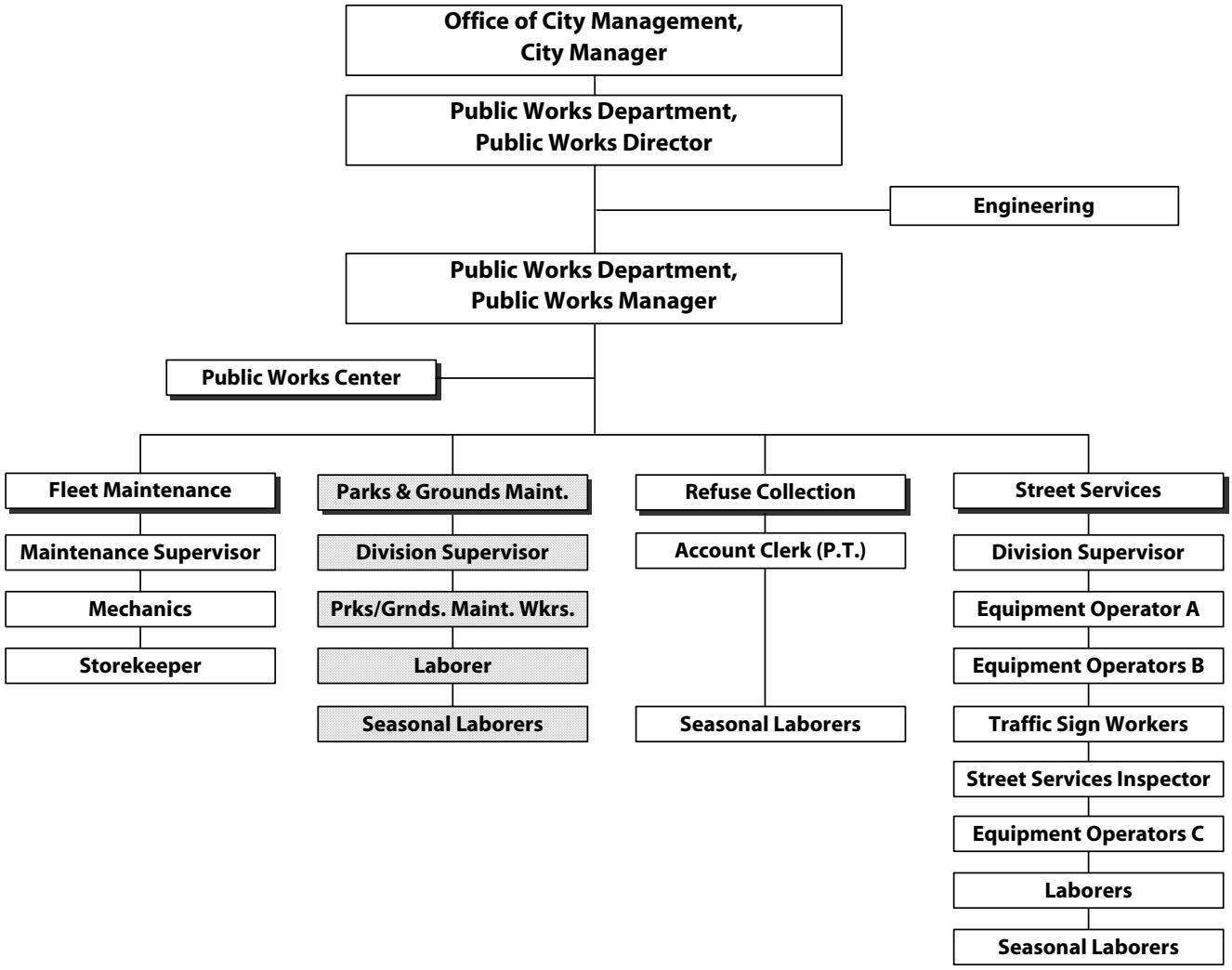
3. To add fibar mulch to all City park playscapes to stay within specifications of the national standard for impact attenuation under playground equipment. *(City Goal 13)*

4. To remove trees and overgrown foliage from roadside walking bridges. *(City Goal 13, 15)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Street Trees Trimmed (In-House)	522	2,727	1,834	1,630	1,500	1,500
	Cuttings/Trimming - 29 Parks (559 of the 826 Acres)	19	19	19	20	20	20
	Cuttings/Trimming - 9 Municipal Sites (Subcontracted)	30	30	30	30	30	30
	Ball Diamond Maint. Performed (Incl. UCS & WCS)	1,150	1,150	1,150	1,100	1,160	1,170
	Soccer/Football Fields Relined	200	225	245	300	400	400
	Snow/Ice Control Call-Ins	13	12	17	15	16	20
	Times Sprayed for Mosquitos (Dodge Park)	30	30	30	30	30	30
	Park Apparatus Maintenances/Repairs Made	100	155	146	140	140	150
	Cleaning of Restroom Facilities (Subcontracted)	880	832	861	850	740	850
	Trash Collection Days-Parks & Municipal Sites	200	200	200	200	230	250
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 Inspected due to Complaints	10%	10%	10%	15%	15%	15%
	Cost to Mow an Acre of Parkland	$43.70	$41.18	$32.98	*	*	*
	Activity Expenditures as % of General Fund	1.58%	1.32%	1.36%	1.26%	1.52%	1.39%

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

Parks & Grounds Maintenance



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Division Supervisor	0	0	1
Parks & Grounds Maintenance Worker	2	3	3
Laborer	0	2	1
Seasonal Laborer	8	8	9
Total	10	13	14

Parks & Grounds Maintenance

SUMMARY OF BUDGET CHANGES

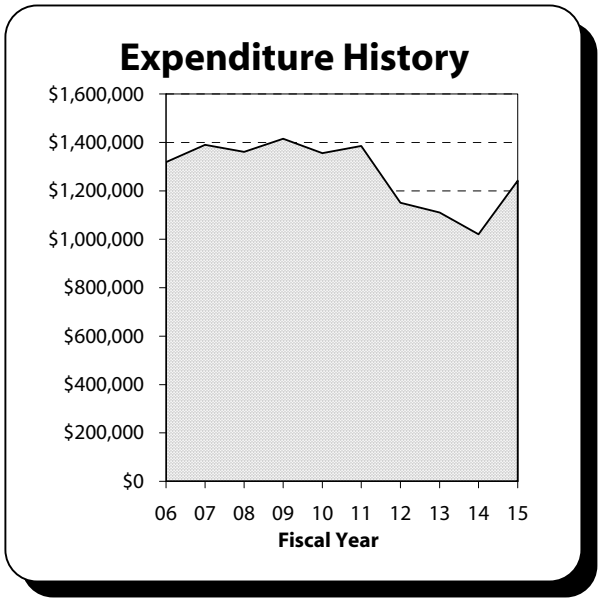
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR BUDGET

The total budget increased by 21.7%.

Personnel Services – The Personnel budget increased $50,310 or 7.1%. The increase is a result of transferring the Division Supervisor from Fleet Maintenance into this division, which is partially offset by moving a Laborer to Street Services. A Seasonal Laborer has also been added. Overtime costs increased by $18,000. Pension costs declined by $4,300.

Supplies – Total Supplies increased $8,850 or 25.2%. An additional $4,450 is budgeted to further maintain athletic fields and improve the aesthetics of City buildings. $3,900 was added due to the greater need for playground and athletic supplies.

Other Charges – Total Other Charges increased $162,450 or 58.6%. Contracted services increased $145,000, as a contractor now mows all City parks. In addition, irrigation maintenance costs have risen as a result of increased proactive maintenance. $10,000 was added for playground mulch for all City parks. Water costs rose $10,000 based on increased irrigation demand and higher rates. Funding for mosquito and herbicide spraying at City parks and municipal sites increased $2,000. Less budgeted funding is needed for retention pond maintenance, saving $5,000. Educational funding decreased $400 due to the one-time prior year funding for a chainsaw safety training class.



Capital – Total Capital of $20,000 is proposed for an Athletic Field Top Dresser that will be used to apply topsoil, compost, or sand onto the City's athletic fields more efficiently, by using less manpower and creating a flatter and safer playing surface.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$748,337	$708,030	$792,500	$758,340	$758,340
Supplies	36,878	35,150	44,220	44,000	44,000
Other Charges	325,426	277,100	395,350	439,550	439,550
Total	$1,110,641	$1,020,280	$1,232,070	$1,241,890	$1,241,890

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. In addition, this office provides information to residents regarding street lighting.

This office 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 over 425 acres of privately owned land have been forever preserved as natural open space areas since adoption of the City's Special Development Option ordinance in 1990?

Planning

2014/15 PERFORMANCE OBJECTIVES

1. To monitor and expand housing types throughout the City that are compatible with the existing character of the City while also providing new and innovative housing choices. *(City Goal 14, 16)*

2. To promote and provide assistance to developers and property owners in utilizing innovative development standards to strengthen and/or expand existing developments and encourage sustainability. *(City Goal 9, 10)*

3. To complete and update the City's Master Plan. *(City Goal 8, 15)*

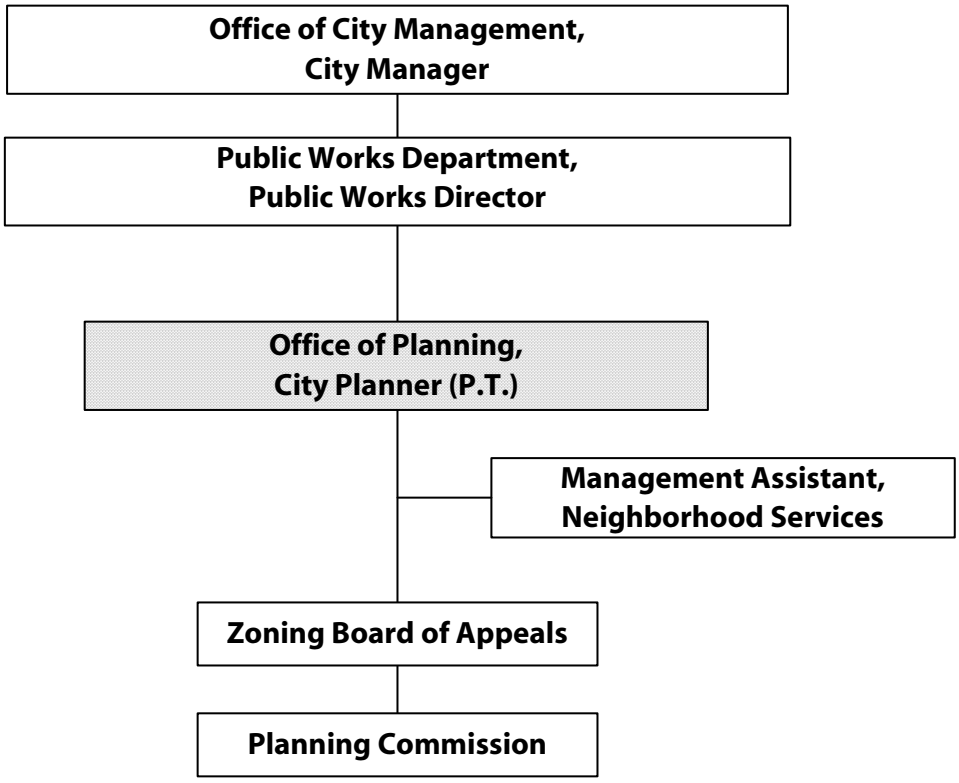
4. To provide technical assistance to the Planning Commission by monitoring various trends that will require updates to the City's zoning ordinance, ultimately providing a balanced land use policy. *(City Goal 8, 15)*

5. To assist Code Enforcement in monitoring and tracking complaints and violations so new ordinances may be developed to further improve aesthetics and property values. *(City Goal 12, 13)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Site Plans Reviewed	50	48	51	60	60	60
	Rezoning Petitions Processed	2	4	5	5	4	4
	Residential Developments	4	3	5	3	4	3
	Special Approval Land Uses Processed	12	7	4	10	6	7
	Site Inspections Conducted	622	596	259	350	350	360
	Planning Commission Cases Prepared	17	17	15	17	10	10
	Planning Commission Meetings Attended	10	10	8	10	7	8
	Temporary Uses, Variances, & Vacations Reviewed	61	74	57	55	55	50
	Zoning Board of Appeals Cases Prepared	34	32	19	30	10	15
	Zoning Board of Appeals Meetings Held	12	11	8	10	7	7
	Council Agenda Items Prepared	7	9	11	10	7	8
	Zoning Compliance, Use Permits Reviewed	602	439	283	270	260	270
Efficiency	% of Preliminary Site Plans Reviewed w/i 10 days	90%	90%	93%	90%	90%	90%
	% of Final Site Plans Reviewed w/i 3 days	95%	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	$1,474	$1,514	$1,240	*	*	*
	Activity Expenditures as % of General Fund	0.42%	0.55%	0.29%	0.13%	0.13%	0.20%

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

Planning



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
City Planner (P.T.)	1	1	1
Planning Coordinator	1	0	0
HUD Program Coordinator	1	0	0
CDBG Intern (P.T.)	1	0	0
Total	4	1	1

Planning

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

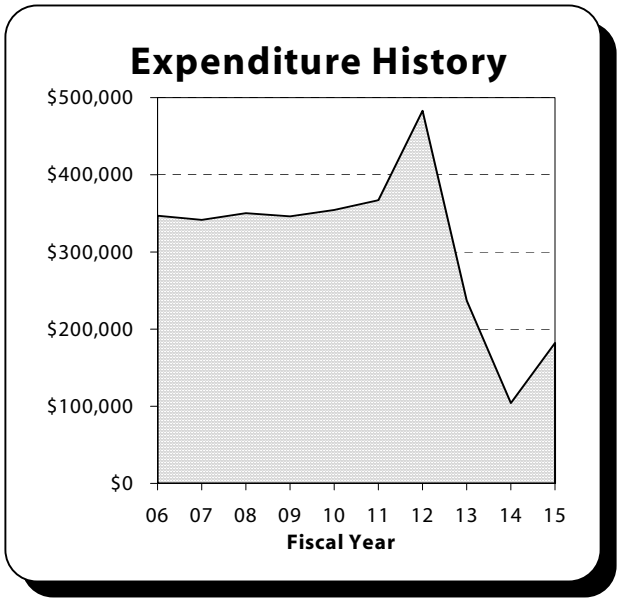
The total budget increased by 75.0%.

Personnel Services – The total Personnel budget increased by $58,180 or 57.0%. Funds are budgeted to replace the part-time City Planner with a full-time position and provide a six-month training period as part of the City's succession plan. This office utilizes administrative assistance from the Neighborhood Services office.

Supplies – Total Supplies is proposed to remain the same at $420. There are no proposed funding changes to the postage and operating supplies accounts.

Other Charges – Total Other Charges increased $19,870 due to the $20,000 one-time funding for professional consultant services needed to assist in updating the City's Master Land Use Plan. The increase was offset slightly by a decrease of $130 in telephone costs, as a greater savings was realized from prior staff reductions.

Capital –There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$235,722	$102,120	$102,120	$160,300	$160,300
Supplies	316	420	350	420	420
Other Charges	1,173	1,530	1,260	21,400	21,400
Total	$237,211	$104,070	$103,730	$182,120	$182,120

Public Works Center

MISSION STATEMENT: ***To budget and account for expenditures that are incurred for the maintenance and operation of the Public Works Department that are not reflected in any other Public Works activity.***

The Public Works Center is used to budget and account for expenditures that are incurred throughout the fiscal year for the operations and maintenance of the Public Works facility, including required repairs and preventative maintenance, as well as costs associated with the City's noxious weed cutting program. There are no department staff members assigned to this activity. The duties of a vacant General Supervisor position have been transferred to other department staff. The Public Works Director and the Operations Manager oversee the administrative functions of this activity, which are necessary to ensure the efficient and effective delivery of services in the areas of street maintenance, parks and grounds maintenance, and fleet maintenance.

Examples of the types of expenditures that are charged to this activity include water, heating, and electric costs for the operation of the Public Works facility, office supplies, building maintenance and custodial supplies, licensing fees for the 800 MHz radio communication system, and office telephone charges.

In addition, contracted service costs for noxious weed cutting and preventative maintenance on the facility's heating and cooling system is also included in this activity.

Costs associated with the Facility Maintenance and Repair Program are accounted for in the Public Works Center and include 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 provide a means of accounting for facility maintenance and repair expenditures which benefit all offices of the Public Works Department.***
- ***To provide a means of accounting for certain operational expenditures for the Public Works facility.***
- ***To provide a means of budgeting and accounting for the City's Noxious Weed Program.***

Did you know…
…that in 2013, the Public Works Center administered the grass cutting of 1,165 residential homes and vacant fields in violation of the Noxious Weed Ordinance?

Public Works Center

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

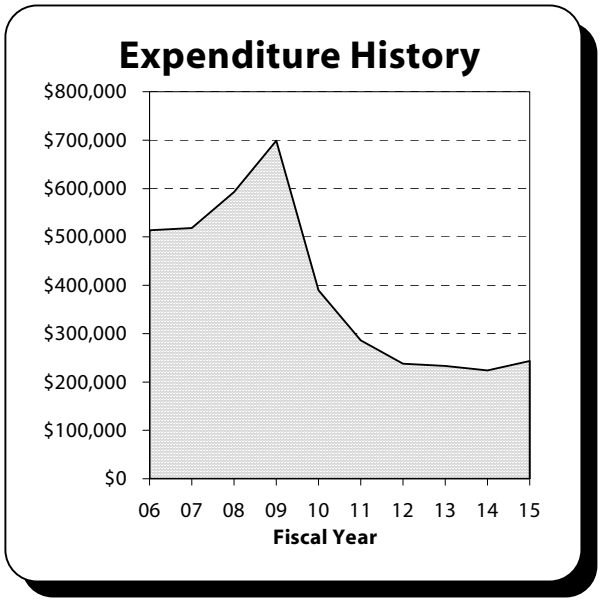
The total budget increased by 8.8%.

Personnel Services – There is no staff assigned to this division.

Supplies – Total Supplies decreased $1,000 or 20.0%, as fewer tools and materials need to be replenished.

Other Charges – Total Other Charges increased $20,600 or 9.4%. $10,000 was added for the increased cutting of high grass on vacant or foreclosed properties. Utility costs rose $4,000 due to higher rates. Telephone costs increased $200 based on a revised allocation of City telephone expenditures. Building maintenance costs rose $6,000 and medical exams and testing increased $400, both based on the current year's estimated expenditure levels.

Capital – There is no Capital proposed for this office.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	3,652	5,000	4,000	4,000	4,000
Other Charges	229,683	218,700	247,020	239,300	239,300
Total	$233,335	$223,700	$251,020	$243,300	$243,300

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 curbsides, and City dumpster pick ups. A voluntary subscription-based curbside recycling program is also provided by the City's contractor.

Through the cost recovery program, apartment complexes 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 late November 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 maintained in order to provide residents with the opportunity to recycle in a cost effective manner.

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 correspondences are 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 verifies the contractor's monthly invoices, prepares requests for payment, prepares monthly reports detailing all stops, maintains all refuse related files, and types all related correspondence.

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 Grass/Weed Cutting Program, tree planting, tree removal, trimming, as well as general information requests.■

KEY GOALS

- ***To ensure that all properly placed refuse 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 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 various solid waste management legislation.***

Did you know…
…that during fiscal year 2012/13, the City's refuse company, Waste Management, picked up 43,368 tons of refuse, yard waste and white goods?

Refuse Collection

2014/15 PERFORMANCE OBJECTIVES

1. To monitor the daily operation of the voluntary curbside recycling program to ensure customer service expectations are met. *(City Goal 1, 2, 14)*

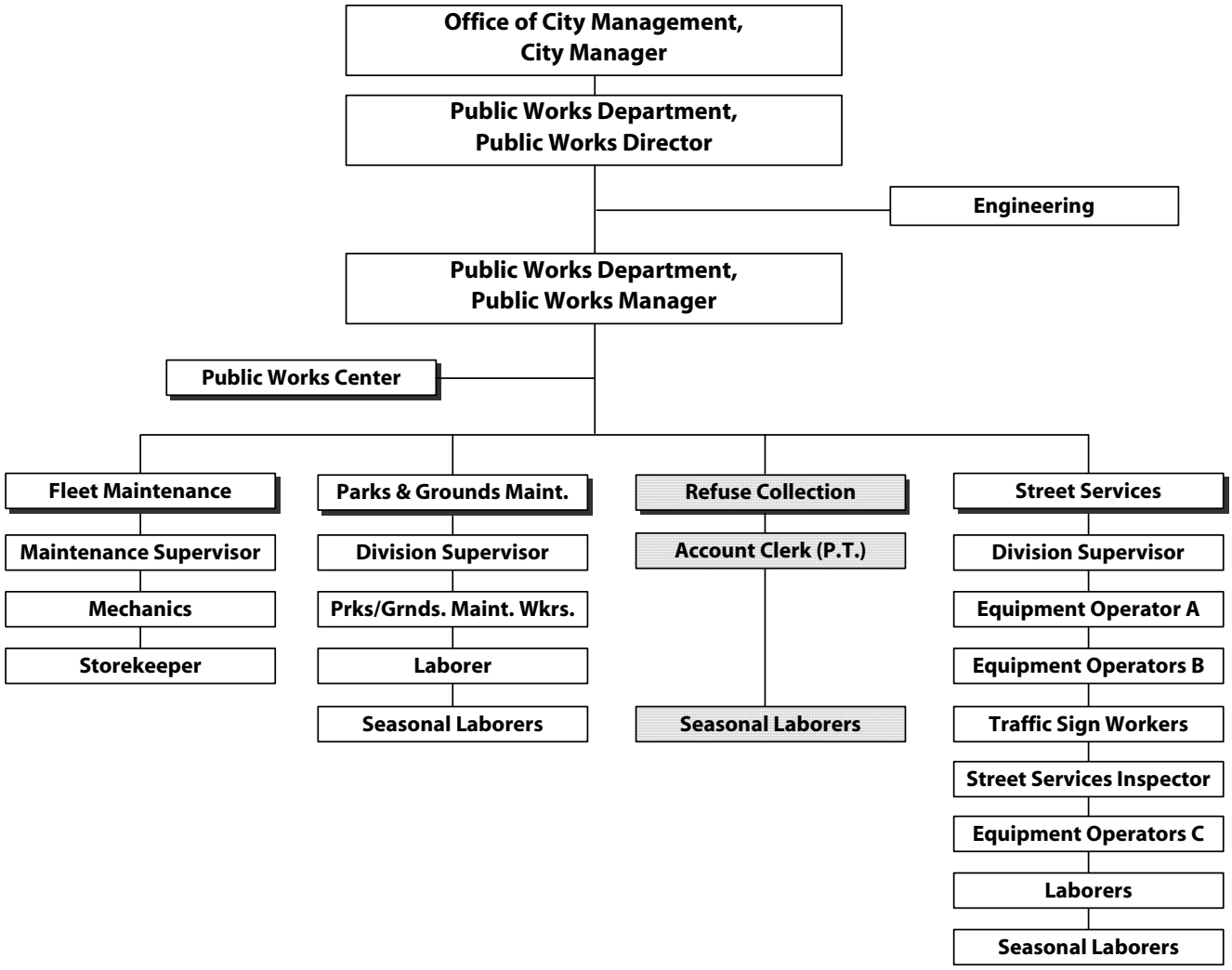
2. To manage the Cost Recovery program providing dumpster service to apartments which choose to participate in the program. *(City Goal 1, 3, 21)*

3. To coordinate the annual Free Shred Day and Electronic Recycle Day events. *(City Goal 1, 2, 14)*

4. To aggressively tag and educate residents who place their refuse out too early for collection or who have placed it out improperly. *(City Goal 13, 14)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Curbside Refuse Collection Points (Per Week)	39,566	39,637	39,656	39,600	39,680	39,700
	Cubic Yards of Refuse Landfilled	116,829	113,058	112,750	115,000	112,650	115,000
	Tons of Yard Waste Composted/Diverted	10,812	11,051	10,650	11,000	10,900	11,000
	Christmas Trees Chipped and Composted	2,853	3,627	3,260	2,500	3,120	2,500
	Tons of Plastics Recycled (Recycling Center)	261	324	301	250	297	250
	Tons of Paper Recycled (Recycling Center)	2,230	2,200	1,962	1,700	1,766	1,700
	Gallons of Used Oil Recycled (Recycling Center)	26,500	23,800	24,200	22,000	25,300	22,000
Efficiency & Effectiveness	Refuse Violations Tagged by Contractor	33	29	22	25	23	25
	% 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	47.0%	49.0%	49.0%	48.0%	49.0%	48.0%
	Refuse Collection Costs per Capita	$34.63	$35.51	$35.94	$34.38	$35.28	$35.83
	Refuse Collection Millage Rate	0.95	1.00	1.08	1.09	1.09	1.13
	Refuse Cost for Average Homeowner	$67	$66	$66	$68	$68	$72
	Total Cost to Operate Three Recycling Centers	$82,650	$91,655	$91,700	$90,000	$92,300	$90,000
	Recycling Costs Per Ton Recycled	$31.00	$29.87	$32.70	$33.00	$35.00	$33.00
	Cost to Collect/Dispose of Refuse (1 cubic yard)	$38.09	$40.74	$41.44	$39.01	$40.87	$40.74
	Activity Expenditures as % of General Fund	5.09%	5.28%	5.72%	5.54%	5.67%	5.25%

Refuse Collection



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Clerk Typist	1	0	0
Account Clerk (P.T.)	0	1	1
Seasonal Laborer	4	3	4
Total	5	4	5

Refuse Collection

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

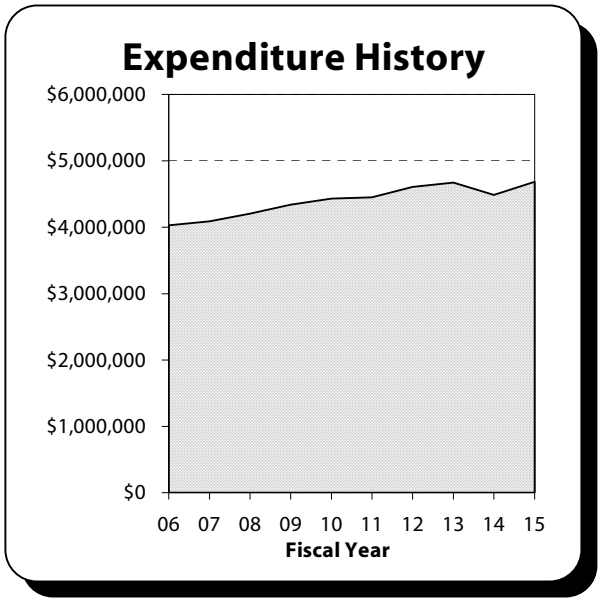
The total budget increased by 4.4%.

Personnel Services – The total Personnel budget increased $27,730 or 23.9%. An additional Seasonal Laborer position, transferred from Fleet Maintenance, has been assigned to assist with the collection of minor amounts of soft yard waste at condominiums, which is a less expensive option than paying the City's refuse collection contractor.

Supplies – Total Supplies increased $500 or 50.0%, as more supplies and small tools are needed for the recycling program.

Other Charges – Total Other Charges increased $170,000 or 3.9%. The rubbish removal budget increased based on the current year's estimated expenditure usage and a contractual price increase per stop for refuse and yard waste pick ups.

Capital – There is no Capital proposed for this division.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$115,438	$115,800	$130,600	$143,530	$143,530
Supplies	593	1,000	3,000	1,500	1,500
Other Charges	4,555,986	4,369,900	4,469,900	4,539,900	4,539,900
Total	$4,672,017	$4,486,700	$4,603,500	$4,684,930	$4,684,930

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 29 developed parks.

Another support activity is the maintenance of Sterling Heights' urban forest. Approximately 29,000 right-of-way trees are maintained, including inspection, trimming, removal of trees and stumps, and replanting of trees.

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 48 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…
…the Street Services division has an ISA certified Arborist on staff to address the needs of the City's urban forest?

Street Services

2014/15 PERFORMANCE OBJECTIVES

1. To establish an annual tree pruning program for right-of-way trees on major roads, with a five-year rotation to complete the entire City. *(City Goal 14)*

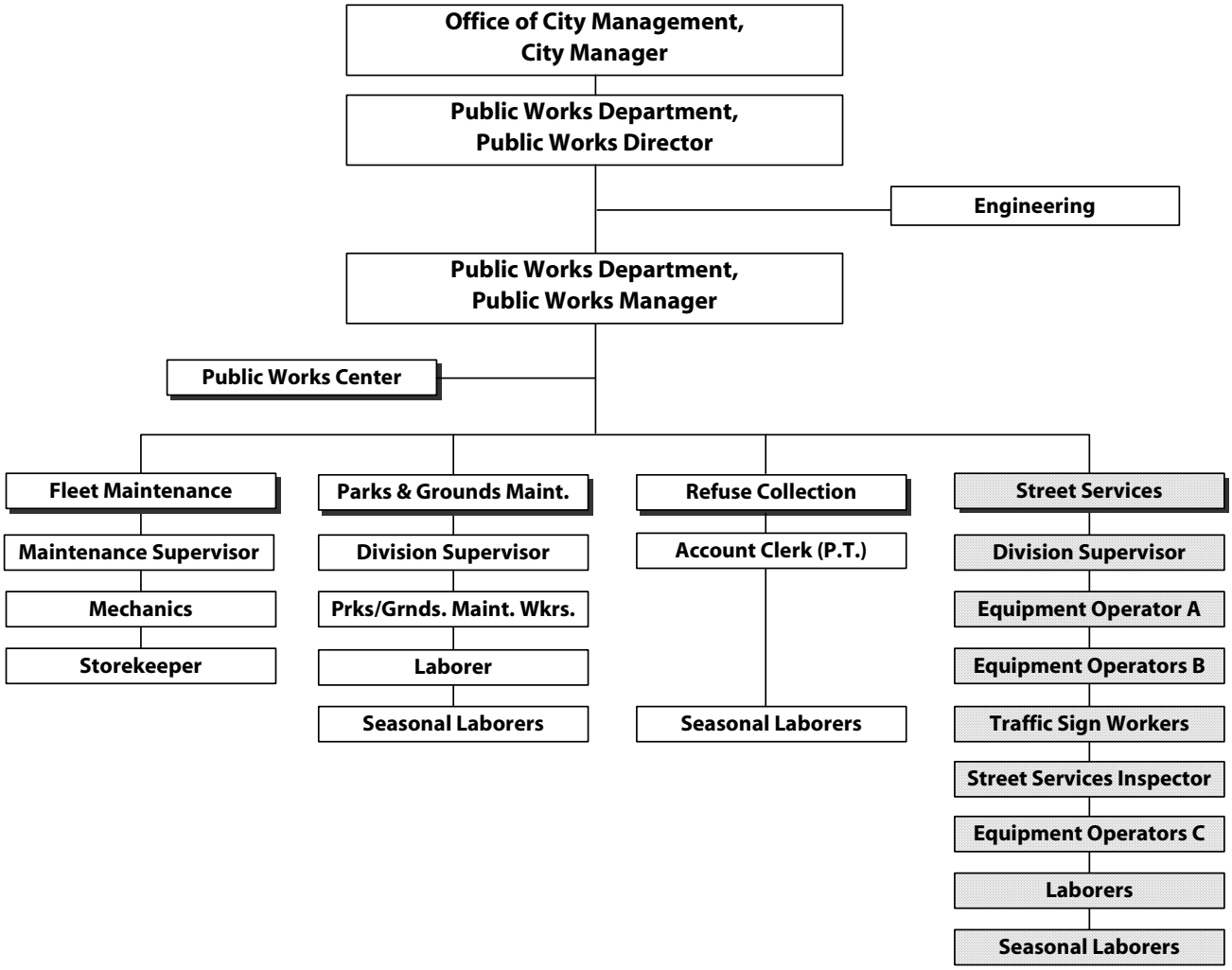
2. To investigate hiring a contractor to improve the maintenance and appearance of neighborhood median islands. *(City Goal 3, 14)*

3. To remove woody debris from the Clinton River waterway. *(City Goal 14)*

4. To improve snow removal capabilities and reduce incidental property damages through increased employee training and education. *(City Goal 3)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Miles of Roads in City (Major & Local)	349	349	349	349	349	349
	After Hours Snow Removal Occurrences	39	17	29	35	45	40
	Tons of Road Salt Used	8,755	2,301	5,826	7,000	10,000	8,000
	Miles of Snow Fence Installation or Removal	4.5	1.9	2.0	5.0	4.0	4.0
	Pothole Patching - Tons of Patch Used	639	262	428	700	600	700
	Sidewalk Patching - Number of Locations	49	19	118	100	100	125
	Street Sweeping - Rotation (395 miles)	4	2	4	4	4	4
	Roadside Clean-Up Major Rds.-Revol. (107 miles)	20	10	14	20	20	20
	Right-of-Way Mowing - Revolution (357 miles)	9	6	10	10	10	10
	Storm Catch Basin Cleaning-Number of Locations	1,796	1,994	1,349	2,000	2,000	2,000
	Street Trees Removed (In-House/Contractor)	48/222	235/207	113/210	200/400	200/300	200/400
	Street Trees Planted (Subcontracted)	274	98	252	200	200	300
	Street Trees Pruned (Subcontracted)	0	0	1,872	3,000	4,000	4,000
	Homeowner Tree Inquiries/Inspection Responses	808	1,771	4,674	3,000	2,500	3,000
	Res. Tree/Branch Chipping Req. Filled (Incl. ROW's)	1,224	3,524	884	1,000	2,000	500
	Traffic Sign Repairs or Replacements	204	699	540	1,000	600	800
	Gravel Roads - Lane Miles Graded	49	37	34	50	40	40
	Dust Control - Gallons Calcium Chloride Applied	28,900	31,019	45,200	75,000	75,000	75,000
	Signs Installed for Adopt-A-Road	6	2	0	5	5	5
	Refuse Pick-Ups Made from Adopt-A-Road	65	71	68	50	50	50
Efficiency	% of Tree Chipping Requests Completed w/i 1 week	99%	95%	98%	98%	99%	99%
	% of Emergency Calls Responded to w/i 1 hour	100%	100%	100%	100%	100%	100%
	Property Damage Due to Snow Removal Operation	$2,200	$0	$200	$1,200	$1,200	$1,200
	Street Services Cost Per Capita	$15.46	$13.67	$13.41	$13.92	$15.04	$15.07
	Activity Expenditures as % of General Fund	2.27%	2.03%	2.14%	2.24%	2.42%	2.21%

Street Services



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Division Supervisor	1	1	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	2	2
Laborer	1	1	3
Seasonal Laborer	2	3	4
Total	21	18	21

Street Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

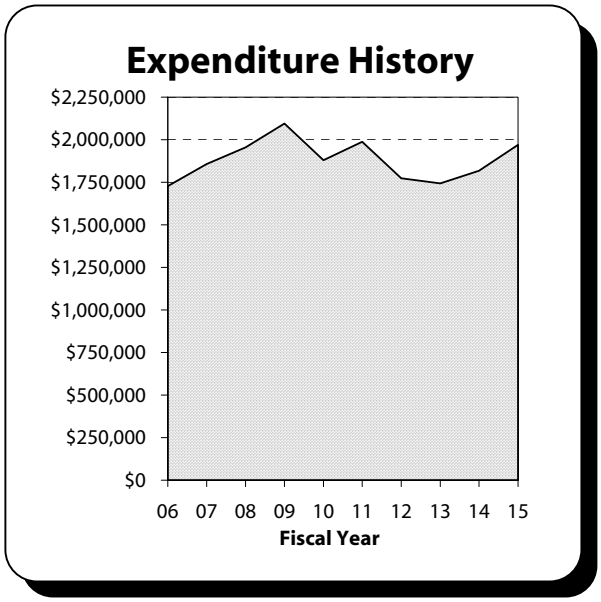
The total budget increased by 8.4%.

Personnel Services – The Personnel budget increased $152,560 or 8.5%. Most of the increase is the result of adding two full-time staff to this division. A new full-time Laborer position is proposed, while another Laborer has been reassigned from Parks & Grounds Maintenance. One Seasonal Laborer position has also been added to better assist with road maintenance duties. Overtime costs have risen by $10,000 due to increased road maintenance needs on nights and weekends. Pension costs have decreased by $7,530.

Supplies – Total Supplies increased $300 or 2.0% due to the higher cost and greater need for signage materials and traffic control supplies.

Other Charges – Total Other Charges increased $550 or 7.3%. Educational funding increased $400 as the Supervisor's attendance at a training seminar for improved road maintenance techniques is funded next year. A new membership to the International Society of Arboriculture is funded for $150 for an employee who has recently become a certified arborist.

Capital – Total Capital of $572,300 is budgeted in the Capital Projects Fund. $280,000 is recommended for a Front End Loader used daily in all types of DPW functions. It will replace a 1993 loader that requires frequent repairs and is no longer safe to drive. $11,300 is for a replacement right-of-way Mower. $31,000 is to replace a 1999 ¾ ton 4 x 4 Pickup Truck with Plow that is utilized in daily operations and snow emergencies. $250,000 is to replace a 1996 Tandem Axle Dump Truck used for snow and tree removal, road patching, and other various road maintenance duties.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,718,964	$1,794,480	$1,939,940	$1,947,040	$1,947,040
Supplies	15,510	15,000	15,000	15,300	15,300
Other Charges	8,805	7,500	7,500	8,050	8,050
Total	$1,743,279	$1,816,980	$1,962,440	$1,970,390	$1,970,390

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 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, Ethnic Community Committee, and Community Foundation
- Prepares and manages the department budget
- Publishes website and intranet
- Coordinates focus groups
- Coordinates City surveys
- Assists with implementation and coordination of volunteers

Communication Services

- Staffs and maintains the "Citizen Contact Center"
- 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
- Coordinates and produces City's social media websites
- Provides material for and manages City's website and Employee Intranet
- Provides high quality, efficient in-house printing services

Broadcast Services

- Operates Sterling Heights Television (SHTV) and Sterling Heights Informational Radio
- Produces and directs several television series
- Develops web and social media productions
- 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 increased $105, 300 or 12.7%. Personnel costs increased $86,200 or 11.4%. Due to the retirement of the Community Relations Director at the end of the fiscal year, funds are budgeted to provide a six-month overlap for the new Director as part of the City's succession planning efforts. Part-time wages rose $12,000 due to a wage increase and additional hours for the part-time Website/Graphic Specialist position in order to expand publications and assist with the City's upcoming website redesign efforts. Supplies rose by $2,000 or 8.0% due to a postage rate increase. Other Charges increased $17,100 or 35.4%, as funding is budgeted to restore the Appreciation Banquet to honor board and commission members and City volunteers. In addition, the cost of printing the City magazine and brochures increased. The Capital budget funds an upgrade to the failing SHTV editing system, two replacement SHTV video cameras to replace ten-year old obsolete units that are no longer reliable, and to repair and upgrade two City outdoor electronic message board signs.

FUNDING LEVEL SUMMARY

	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
Community Relations	$1,033,780	$931,910	$827,910	$933,210	12.7%
Total Department	$1,033,780	$931,910	$827,910	$933,210	12.7%
Personnel Services	$956,510	$849,990	$754,430	$840,630	11.4%
Supplies	26,560	25,170	25,110	27,110	8.0%
Other Charges	50,710	56,750	48,370	65,470	35.4%
Total Department	$1,033,780	$931,910	$827,910	$933,210	12.7%

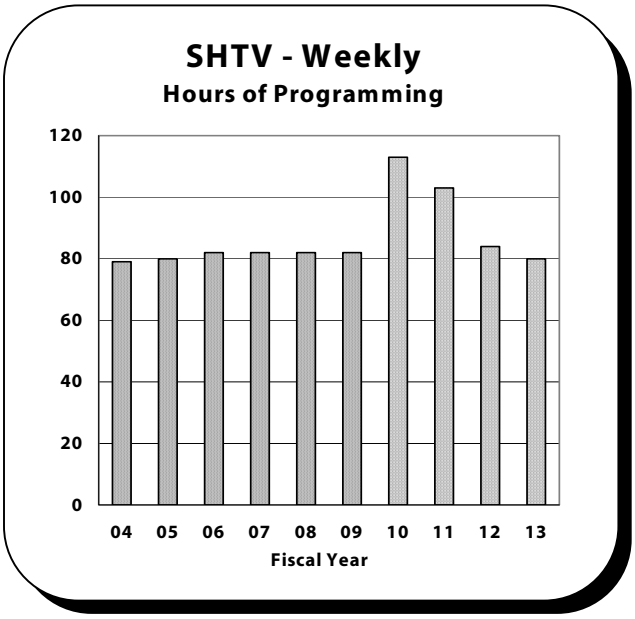
PERSONNEL SUMMARY

	2011/12		2012/13		2013/14		2014/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Community Relations	7	1	6	1	5	2	5	2
Total Department	7	1	6	1	5	2	5	2

Excludes Boards & Commissions.

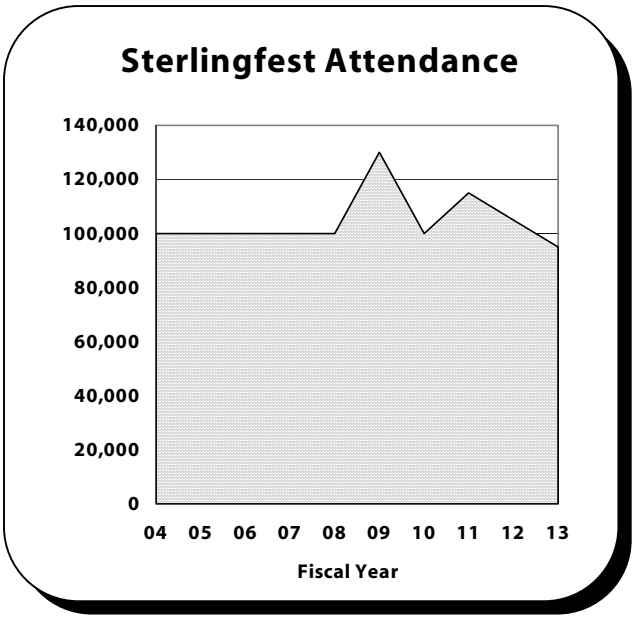
KEY DEPARTMENTAL TRENDS

Community Relations Department

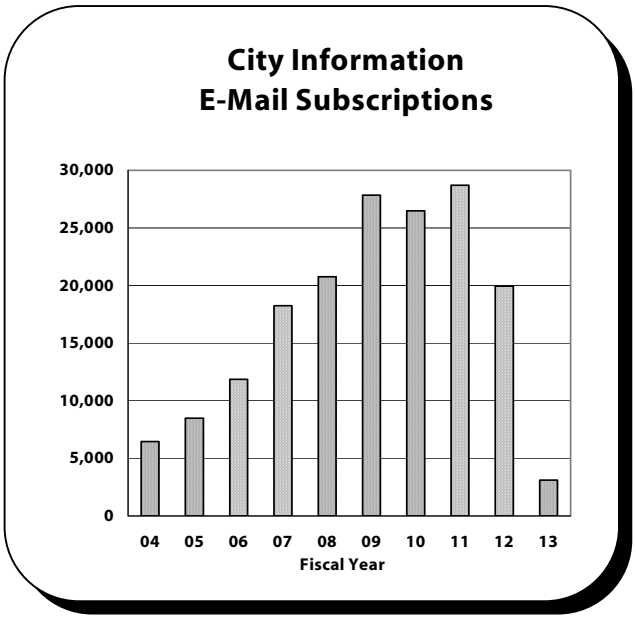


Sterling Heights Television viewers saw a rise in the total hours of programming over the past 10 years. Hours increased in 2010 for the additional overnight programming. Hours have since declined due to a reduction in sports programming and bi-weekly newscasts.

City Website visits account for more than 95% of total 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. Postcards have now been replaced by additional electronic feedback programs.



Attendance for the Sterlingfest Art and Jazz Fair has generally risen as the Sterlingfest now includes a carnival midway, additional restaurant vendors, a beer tent, concerts with local headliners, and art and jazzfest areas during the three-day event. Attendance declines in several years is attributed to inclement weather.



The City offers 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. A new subscription email service in 2013 required all existing email addresses to be purged.

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 two divisions: Communications and Broadcast Services. Each division has separate and distinct duties and responsibilities.

The Communications Division prepares publications such as the 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, Facebook, Twitter, Radio Station AM 1700, 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 or by phone at (586) 446-CITY.

The Broadcast Services, or 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. This division also compiles multi-media productions for broadcast on the Internet and YouTube Channel SHTV1.

The Community Relations Director assists the Economic Development Manager with activities to promote general development in the City and proposes policies that produce a better community in which to live, work, and play.■

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.***

Did you know…
…that "likes" to the Sterling Heights City Hall Facebook page have grown more than 17% over the past year as the City's usage of social media (Twitter, Facebook and YouTube) continues to expand as an effective and cost-effective way to deliver news and information to residents?

Community Relations

2014/15 PERFORMANCE OBJECTIVES

1. To increase Sterlingfest Art & Music Fair sponsorship revenue by working with a partnership specialist to identify marketing assets of the show and also to attract national advertisers. *(City Goal 14)*

2. To streamline, redesign and reimagine Sterling Heights' virtual City Hall utilizing a new content management tool, which will make the site more user friendly and easier to populate and update. *(City Goal 3, 17, 18)*

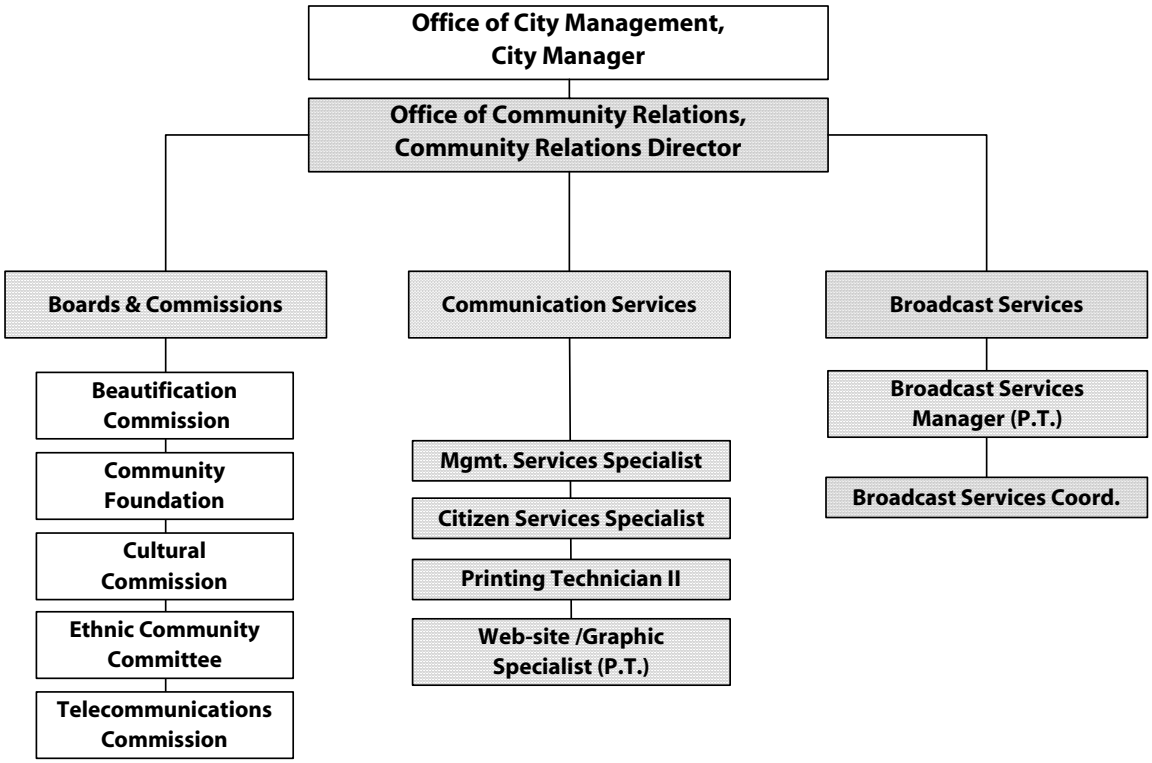
3. To introduce new government access programming on Sterling Heights Television and the Library Channel to reach a growing online audience and new viewers on AT&T's U-verse network. *(City Goal 18)*

4. To encourage and promote volunteerism within the City, in cooperation with all City departments, in order to assist at City-wide events and with general operations. *(City Goal 26)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Customer Service Contacts	733,247	602,878	869,262	1,014,000	1,018,340	1,014,000
	Citizen Action Center Calls/Walk-ins	24,992	22,210	8,807	12,000	12,340	12,000
	E-Mail Requests	2,142	2,814	2,007	2,000	2,000	2,000
	"We Want to Know" Postcards	310	99	16	0	0	0
	Sterling Heights Website Home Page Views**	705,803	596,123	858,432	1,000,000	1,004,000	1,000,000
	Total Tapings & Programs Aired	574	318	170	150	150	150
	SHTV Hours of Programming (Weekly)	103	84	80	90	90	90
	City Council, Board & Commission Meetings Taped	77	76	63	70	70	70
	Press Releases Produced	232	134	190	90	183	90
	Employee Newsletters	N/A	100	48	50	55	50
	City Magazine/Brochures Produced	25	17	15	15	18	15
	Typesetting/Graphic Design Projects	100	137	157	150	221	200
	City Information E-mail Subscription Recipients***	28,715	19,940	3,103	3,500	3,500	3,500
	Sterlingfest & Memorial Day Parade Attendance	120,000	110,000	100,000	100,000	100,000	100,000
	Beautification Awards Presented	56	60	57	60	60	60
	Print Requests Completed	353	219	270	250	260	250
	Stockroom Requests Completed	240	167	127	150	140	150
Efficiency	% of Citizen Inquiries Resolved w/i 48 hrs.	98%	91%	88%	88%	88%	88%
	Cost per Citizen Contact Center Call Received	$2.94	$2.97	$3.02	*	*	*
	Average Cost to Televise a Public Meeting	$1,025	$1,036	$1,045	*	*	*
	Activity Expenditures as % of General Fund	1.68%	1.19%	1.14%	1.02%	1.05%	1.05%

** Cost is calculated for "Actual" columns only.*
***In 2011/12, only visits to www.ci.sterling-heights.mi.us were reported, not www.sterling-heights.net.*
****Beginning in 2011/12, a new subscription e-mail service required all existing e-mail addresses to be purged.*

Community Relations



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Community Relations Director	1	1	1
Broadcast Services Manager	1	0	0
Broadcast Services Manager (P.T.)	0	1	1
Broadcast Services Coordinator	2	1	1
Management Services Specialist	1	1	1
Citizen Services Specialist	0	1	1
Printing Technician II	1	1	1
Web-site/Graphic Specialist (P.T.)	1	1	1
Total	7	7	7

Community Relations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

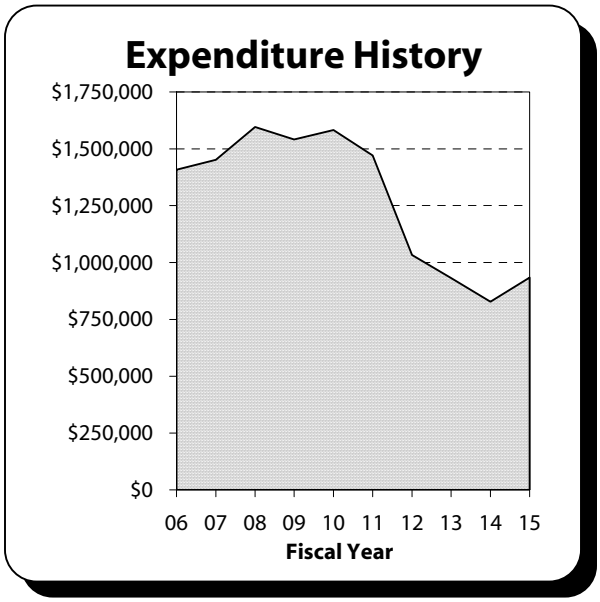
The total budget increased by 12.7%.

Personnel Services – The Personnel budget increased $86,200 or 11.4%. Due to the anticipated retirement of the Community Relations Director at the end of the fiscal year, funds are budgeted to provide a six-month overlap for the new Director, as part of the City's succession planning efforts. Part-time wages rose $12,000 due to a wage increase and 500 additional hours for the Website/Graphic Specialist. Overtime costs rose $4,500 due to increased hours for Sterlingfest and the taping of night meetings.

Supplies – Total Supplies increased $2,000 or 8.0%. Postage costs rose $2,000 based on the recent year's estimated expenditure usage and a postal rate increase.

Other Charges – Total Other Charges increased $17,100 or 35.4%. $15,000 is funded to restore the appreciation banquet for Board & Commission members and City volunteers. $2,500 was added for the higher cost of printing the City Magazine and brochures. $800 was added for attendance at the Festival & Events annual conference. Software maintenance costs decreased $810 based on a more accurate estimate of costs.

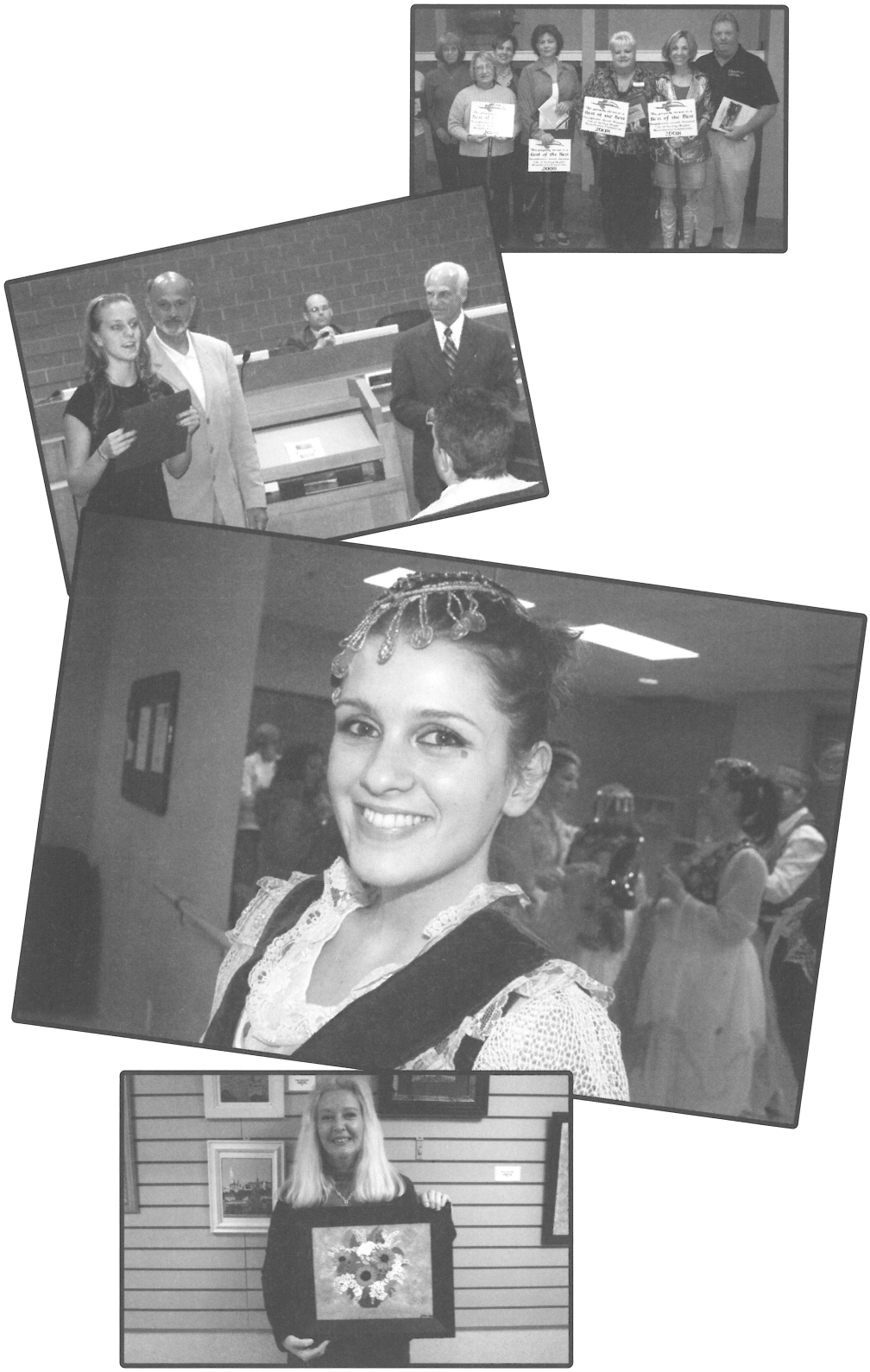
Capital – Total Capital of $61,700 is budgeted in the Capital Projects Fund. $16,700 is recommended to upgrade the failing Video Editing System, which will allow for more efficient editing and the enhancement of SHTV programming and videos. $20,000 is for two Video Cameras to replace ten-year old obsolete cameras that are no longer reliable. $25,000 is for sign repairs and LED lighting upgrades to the outdoor message board signs at City Hall and Fire Station #1.

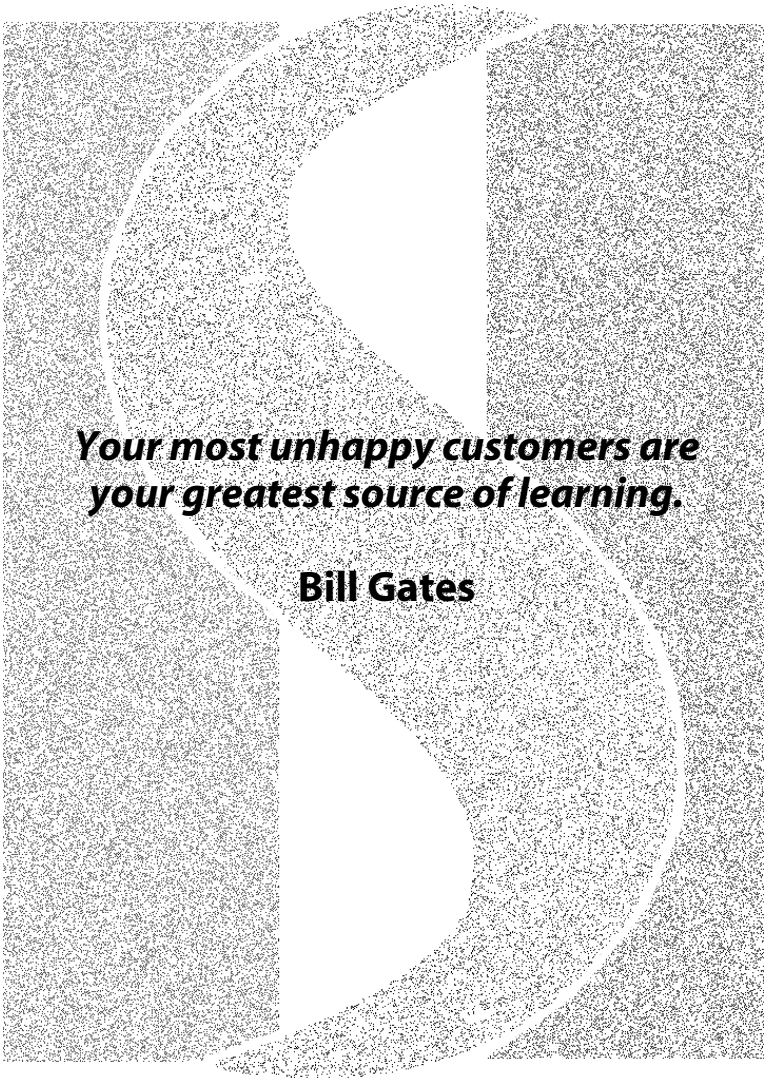


FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$849,995	$754,430	$771,090	$840,630	$840,630
Supplies	25,170	25,110	27,110	27,110	27,110
Other Charges	56,745	48,370	54,370	65,470	65,470
Total	$931,910	$827,910	$852,570	$933,210	$933,210

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. Technology advancements continue to improve staff efficiency and provide 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 support 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 $5,000 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 in September 2013 the Supreme Court established court rules that require the court to provide interpreters for litigants on civil, traffic and criminal matters?

41-A District Court

2014/15 PERFORMANCE OBJECTIVES

1. To eliminate the significant backlog in processing tax garnishments by investigating the potential of redirecting existing cashiers to ring up the garnishments. *(City Goal 1)*

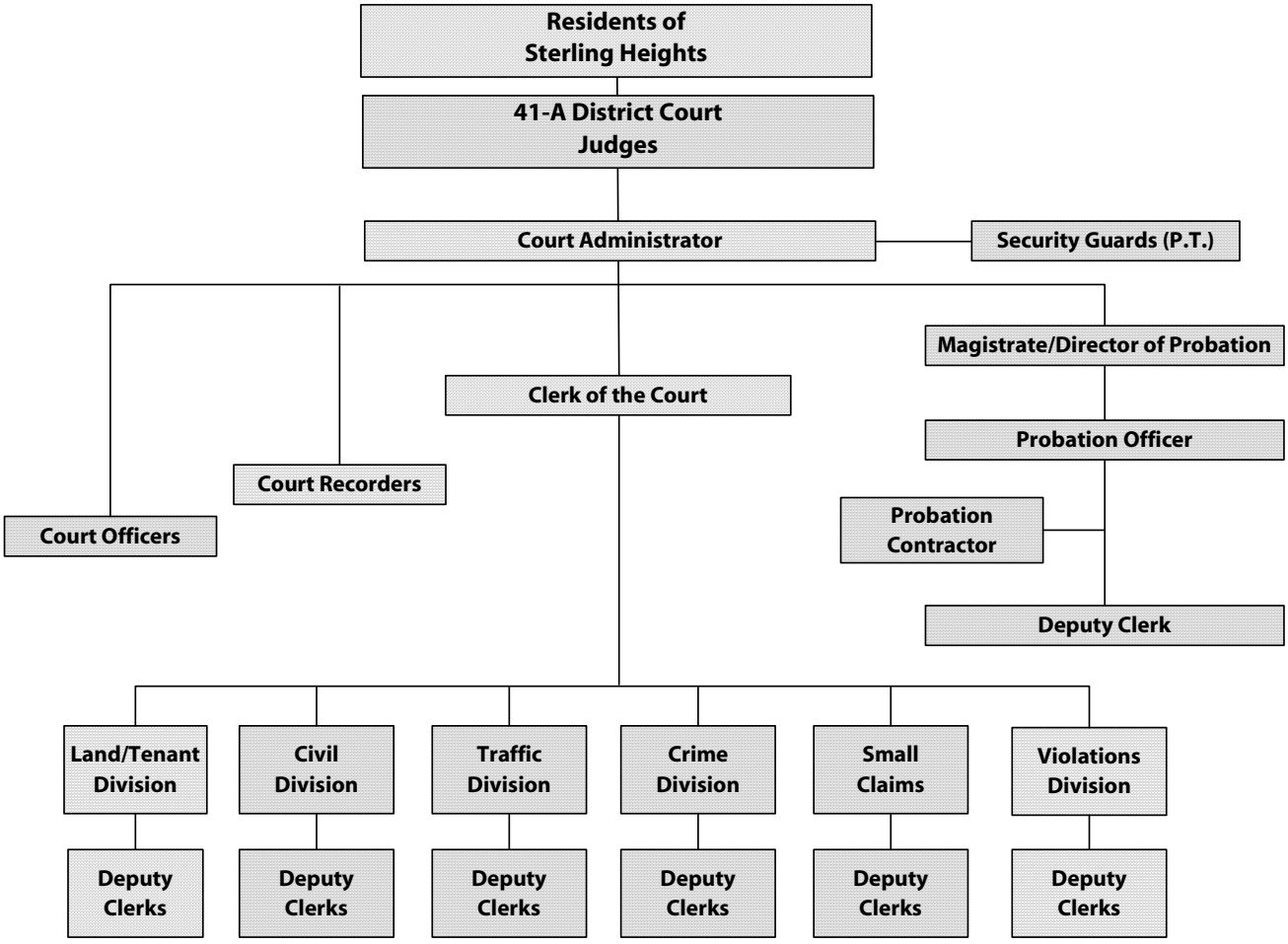
2. To install a computer terminal for the public, to be used to process credit card payments and to allow the look-up of Court case files. *(City Goal 17)*

3. To restructure and streamline the check-in process for litigants so they go directly to the appropriate courtroom to check in. *(City Goal 1)*

4. To research the cost effectiveness of an outside vendor collection module to remind customers of payment issues. *(City Goal 17)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Total Active Caseload	53,621	42,118	40,185	42,000	38,000	38,000
	Total New Cases	42,258	33,352	32,421	36,050	31,580	31,130
	Traffic Cases	29,787	22,247	21,845	24,500	21,000	21,000
	Parking Cases	1,287	677	1,044	1,000	1,200	1,000
	Misdemeanor Cases	3,593	2,992	2,842	3,300	3,400	3,400
	Felony Cases	661	662	566	650	530	530
	General Civil Cases	4,037	3,760	3,546	3,800	2,400	2,400
	Small Claims Cases	451	404	313	400	450	400
	Landlord/Tenant Cases	2,442	2,610	2,265	2,400	2,600	2,400
	Magistrate Dispositions	10,705	7,413	7,281	7,500	7,900	7,500
	Jury/Bench Verdicts	10,941	6,934	6,545	7,000	7,000	7,000
	Guilty/Admissions/Default - By Party	26,773	21,307	19,826	21,000	17,600	17,000
	Dismissals - By Court or Party	8,252	6,580	6,312	6,000	6,500	6,300
	Probation Caseload (includes Shelby)	1,580	1,322	1,524	1,300	1,230	1,300
Efficiency & Effectiveness	% of Imposed Revenue Collected	96%	96%	96%	96%	96%	96%
	# of Court Cases Given to Collection Agency	0	0	0	0	0	0
	Court Revenue Collected by Collection Agency	$24,824	$25,774	$13,880	$7,000	$3,000	$1,000
	% of Probation Clients Required to Attend Rehab.	75%	75%	75%	75%	75%	75%
	Total Court Expenditures Per Capita	$25.27	$25.08	$25.06	$24.32	$23.62	$23.57
	Cost Per Active Case	$61	$77	$81	$76	$81	$81
	# of Active Cases per Employee	1,489	1,203	1,148	1,270	1,150	1,150
	Activity Expenditures as % of General Fund	3.73%	3.73%	3.99%	3.92%	3.79%	3.46%

41-A District Court



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Judge	3	3	3
Magistrate/Director of Probation	1	1	1
Court Administrator	1	1	1
Clerk of the Court	1	1	1
Court Recorder	3	3	3
Court Officer	3	3	3
Probation Officer	1	1	1
Deputy Clerk	22	20	17
Deputy Clerk (P.T.)	0	1	5
Security Guard (P.T.)	4	4	4
Total	39	38	39

41-A District Court

SUMMARY OF BUDGET CHANGES

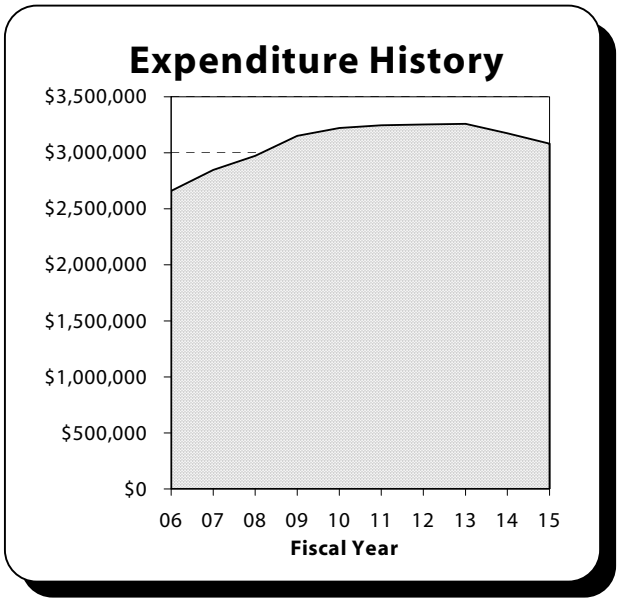
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 2.9%.

Personnel Services – The total Personnel budget decreased $93,530 or 3.2%. Due to retirements, three fewer vacant full-time Deputy Clerk positions are funded, while an additional four part-time Deputy Clerks have been added. Total staffing levels have been adjusted to reflect the efficiencies obtained from the new Police E-ticketing computer system, which eliminates duplication of data entry, and the processing of credit card payments at a public access terminal. There has also been an overall decline in court cases. Contributions to the General Employees Retirement System declined $10,380.

Supplies – Total Supplies increased $800 or 2.1% due to the increased cost of legal publications.

Other Charges – Total Other Charges increased $370 or 0.2%. Interpreter fees increased $5,000, as the Court is now required to provide interpreters in most types of cases, rather than just criminal matters. Water costs rose $2,500 based on greater usage and higher rates. Liability insurance costs rose by $500. $250 was added due to the higher training costs for the Judges to attend the annual State Judges Conference. Equipment maintenance costs fell $6,960 based on lower State computer software maintenance and annual support fees. Electric costs fell $1,000 based on recent actual expenditure usage.



Capital – The Court is scheduled to receive 36 personal computers and updated versions of Microsoft Office software to replace the existing six-year old units, totaling $42,010.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$2,991,442	$2,905,180	$2,798,430	$2,811,650	$2,811,650
Supplies	34,060	38,500	38,000	39,300	39,300
Other Charges	232,861	230,380	245,850	230,750	230,750
Total	$3,258,363	$3,174,060	$3,082,280	$3,081,700	$3,081,700

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.■

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 applicants for Firefighter and Police Officer positions pay the exam costs to a testing agency, allowing applicants to apply with multiple communities utilizing the test score and saving participating communities exam costs?

Act 78 – Civil Service Commission

2014/15 PERFORMANCE OBJECTIVES

1. To conduct police officer recruitment to establish a new two-year eligibility list. *(City Goal 4)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Minutes of Act 78 Meetings Recorded	2	0	0	2	3	2
	Police Officer Eligibility List Applications	0	0	0	120	0	120
	Fire Fighter Eligibility List Applications	0	0	0	90	90	0
	Written Tests - Police Officer Eligibility List	0	0	0	120	0	120
	Written Tests - Fire Fighter Eligibility List	96	0	0	90	90	0
	Oral Interviews - Police Officer Eligibility List	0	0	0	65	0	65
	Oral Interviews - Fire Fighter Eligibility List	66	0	0	55	55	0
	Physical/Psychological Test - Police/Fire Candidates	0	0	0	0	5	24
	Appointment Notices - Police/Fire New Hires	0	0	0	0	7	25
	Police/Fire Personnel Files Maintained	120	120	120	120	120	120
	Maintained Files (hiring procedures/legal opinions,etc.)	90	90	90	90	90	90
Effectiveness	Number of Appeals by Candidates	0	0	0	0	0	0
	Activity Expenditures as % of General Fund	0.00%	0.01%	0.00%	0.02%	0.03%	0.03%

Act 78 – Civil Service Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

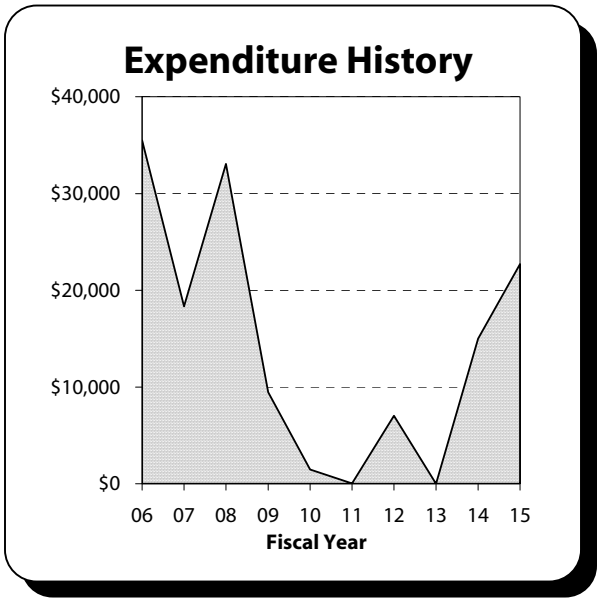
The total budget increased by 51.4%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – Total Supplies increased $370 or 100%. $300 was added for mailings required for the recruitment of Police Officers in order to establish a two-year eligibility list. $70 was added for needed recruitment supplies such as file folders, labels, and letterhead.

Other Charges – Total Other Charges increased $7,340 or 48.9%. The budget increased $21,140 for the cost of Firefighter and Police Officer pre-employment physical and psychological exams for anticipated new hires due to upcoming retirements. Job advertising costs increased $1,200, as Police Officer recruitment notices will need to be published. The prior year budget included $15,000 for the cost of an outside assessment center for promotions to Police Lieutenant and Captain. There are no assessment centers needed next year.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	0	220	370	370
Other Charges	0	15,000	26,790	22,340	22,340
Total	$0	$15,000	$27,010	$22,710	$22,710

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. 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.***
- ***To partner with other communities to inform residents of ways to beautify their communities.***

Did you know…
…the Beautification Commission hosts a fall Plant Exchange each year to encourage local gardeners to enhance their properties with new species of perennials and even features an orphan table so those residents without plants can develop their own gardens?

Beautification Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

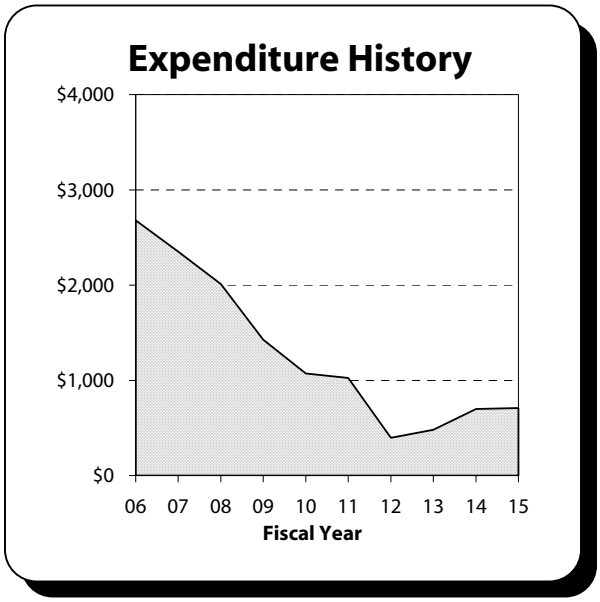
The total budget increased by 1.4%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – Total Supplies increased $10 or 1.6%. $10 was added for the inflationary cost increase of beautification plaques and certificates.

Other Charges – Total Other Charges is proposed to remain the same at $90. There are no proposed funding changes to the local meetings and membership accounts.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	353	610	800	620	620
Other Charges	128	90	90	90	90
Total	$481	$700	$890	$710	$710

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 "Featured Artist" program reinforces the attitude expressed by the Commission that culture should be appreciated. Throughout the year, local artists are chosen to professionally display their art in a public forum.

The "Sterlingfest Art & Music Fair" and the accompanying food festival held in Dodge Park 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 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 sponsor City events, such as "Sterlingfest", that showcase various forms of the performing and visual arts and encourages family entertainment.***
- ***To develop an art appreciation program targeted at the City's youth, including programs that encourage creative painting and the visual arts at City events such as Sterlingfest and Teenfest.***
- ***To maintain the City's outdoor publicly-owned sculptures to preserve them for generations to come.***

Did you know…
…the Cultural Commission promotes local painters and sculptors through its Featured Artist Program and that selected artists' works are featured in both the Library and City Hall?

Cultural Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

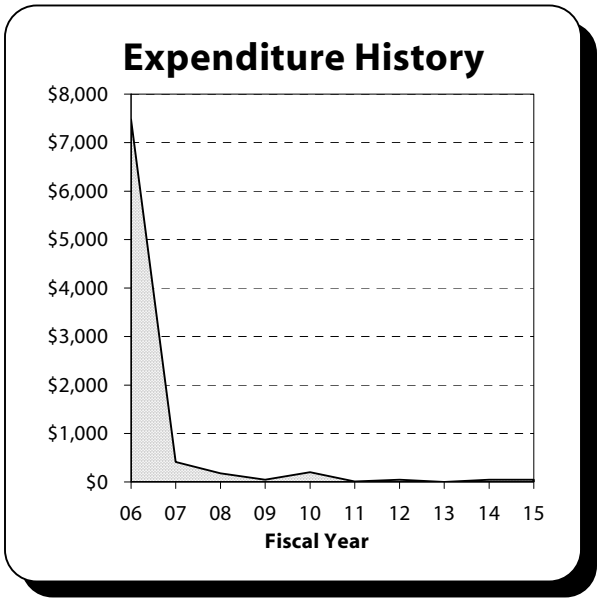
The total budget increased by 0.0%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – There is no Supplies budget for this commission.

Other Charges – Total Other Charges is proposed to remain the same at $50. There is no proposed funding change to the membership account.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	0	0	0	0
Other Charges	0	50	50	50	50
Total	$0	$50	$50	$50	$50

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, 2013 total a market value of $116,731,197 while the City's contribution for the 2014/15 fiscal year will be $2,610,074. The fund is now 84.2% funded.

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 345 retirees receiving benefits from the fund and 130 active members of the system who pay into the system. Retirement benefits vest after five or ten years of service depending on the participant's labor agreement. As of December 31, 2013, 107 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 Pension Administrator serves as the pension board liaison.■

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 since inception, the General Employees Retirement System has exceeded the actuarial assumed return rate of 8%?

General Employees Retirement Board

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

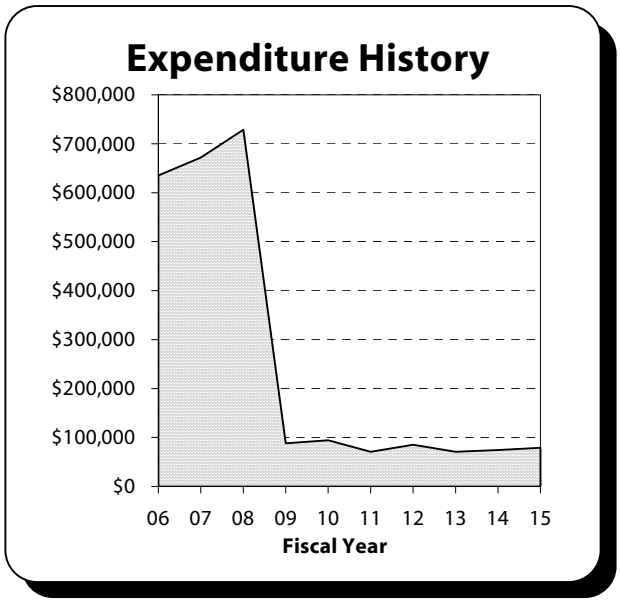
The total budget increased by 6.5%.

Personnel Services – There is no Personnel budget for this board.

Supplies – Total Supplies decreased $200 or 44.4%. $150 was saved, as fewer office supplies are needed for recording meeting minutes. Postage costs fell $50 based on recent expenditure trends.

Other Charges – Total Other Charges increased $4,990 or 6.8%. Contracted services increased $5,300 for higher actuarial costs due to additional GASB reporting requirements and increased Comerica pension administration fees, partially offset by a decrease in Merrill Lynch reporting and investment fees. $540 was added for an additional board member to attend MAPERS training. Funding for legal services fell $850, as the budget can be reduced and brought more in line with historic actual expenditure usage.

Capital – There is no Capital proposed for this board.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	194	450	450	250	250
Other Charges	70,471	73,700	74,800	78,690	78,690
Total	$70,665	$74,150	$75,250	$78,940	$78,940

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 employee unemployment compensation costs, 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 reports are included in this activity. City street lighting, all liability and property insurance for the City, and citywide 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 citywide 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, auditing costs, and citywide memberships.***
- ***To provide a means of budgeting and accounting for citywide liability insurance coverage.***

Did you know…
…the majority of the costs in this activity are 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 – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

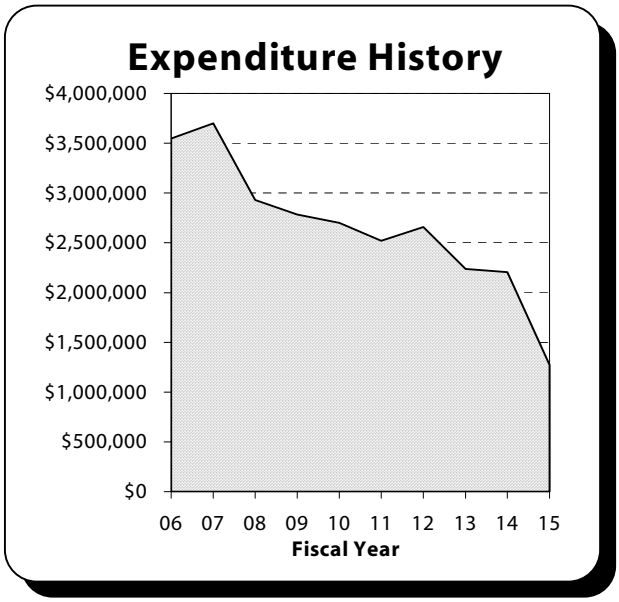
The total budget decreased by 42.3%.

Personnel Services – The total Personnel budget remained the same as last year. $30,000 continues to be budgeted for the citywide share of unemployment compensation costs. No employee layoffs are proposed in next year's budget.

Supplies – Total Supplies increased $320 or 2.0% due to the increased cost and use of copy paper.

Other Charges – Total Other Charges decreased $933,140 or 43.2%. A positive financial performance in the Self-Insurance Fund has allowed for a one-time decrease in liability insurance cross-charges, which is proposed to be redirected as a transfer to the Capital Projects Fund for needed capital improvements including parking lot concrete repairs at City Hall and storm sewer repairs on Canal Road. Street lighting costs increased $40,530 due to higher DTE electricity rates. Funding for the employee tuition reimbursement program was partially restored and totals $20,000. Copier rental costs increased $3,500 based on the current year's estimated copier usage. Existing membership fees increased by $1,930. $880 was added for a slight increase in audit costs due to new GASB reporting requirements.

Capital – There is no Capital proposed for this cost center.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$69,655	$30,000	$30,000	$30,000	$30,000
Supplies	10,179	15,680	15,680	16,000	16,000
Other Charges	2,159,076	2,160,110	2,182,790	1,226,970	1,226,970
Total	$2,238,910	$2,205,790	$2,228,470	$1,272,970	$1,272,970

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; and 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 and its new expansion in the Library. 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.

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 and the Library.***
- ***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 Community Services Director is the staff liaison, relating the activities of the Commission to City Administration.■

Did you know…
…the Sterling Heights Historical Commission has a local history area on the first floor of the Sterling Heights Public Library?

Historical Commission

2014/15 PERFORMANCE OBJECTIVES

1. To submit an article on a historical topic for each Sterling Heights City magazine. *(City Goal 27)*

2. To host an annual historical program of interest to Sterling Heights residents. *(City Goal 27)*

3. To provide tours of the Upton House during Sterlingfest, Sterling Christmas, and as requested by residents. *(City Goal 27)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Meetings Held	4	4	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	2	2	2	3
	Historic Photographs and Memorabilia Collected	5	0	3	5	5	5
	Program/Exhibit Attendance	1,553	1,562	1,708	1,650	1,100	1,300

Historical Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

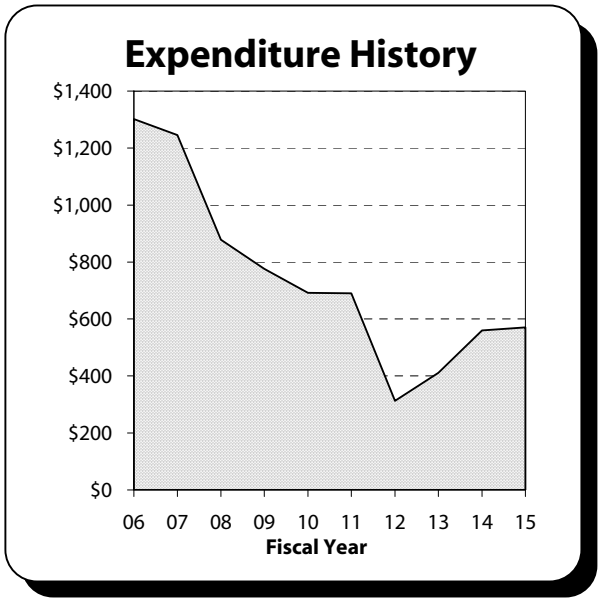
The total budget increased by 1.8%.

Personnel Services – There is no Personnel budget for this commission.

Supplies – Total Supplies is proposed to remain the same at $120. Funding for postage decreased $10, as the budget can further be reduced and brought more in line with prior year actual expenditure levels. Operating supply costs increased $10, as more supplies are needed for the display of donated local historic photos.

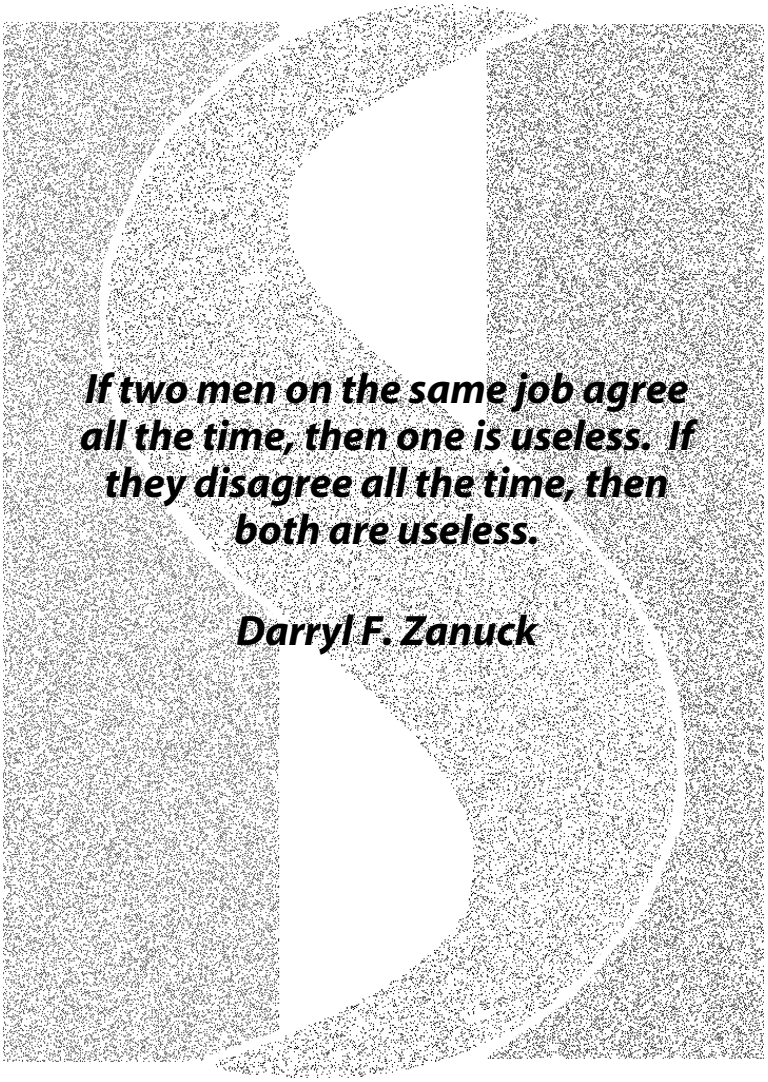
Other Charges – Total Other Charges increased $10 or 2.3%. Contracted service costs increased slightly, as it is estimated that more donated historic photographs will be archived next year.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	33	120	120	120	120
Other Charges	378	440	440	450	450
Total	$411	$560	$560	$570	$570


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 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, a labor attorney, 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

2014/15 PERFORMANCE OBJECTIVES

1. 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 1, 3, 5)*

2. To aggressively mitigate and defend all liability claims alleged against the City and its personnel in order to minimize exposure to damages and costs of litigation. *(City Goal 20)*

3. To assist in the City's strategic planning initiative as the process evolves from vision to implementation through updates to formal plans for land use, parks and recreation, technology, and transportation. *(City Goal 6, 22, 26)*

4. To provide counsel and support to the City's major economic development initiatives, including the revitalization of the Corridor Improvement Authority, enhancement of economic development offerings through Velocity, and creative strategies for redevelopment of commercial and industrial sites throughout the City. *(City Goal 10, 11)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	District Court Cases	5,169	3,913	3,551	4,000	3,600	3,700
	Legal Opinions Rendered	4	4	4	5	4	5
	Ordinances and Amendments Prepared	7	7	15	10	8	8
	Commission Meetings Attended	49	39	49	30	30	30
	Council Meetings Attended	26	26	27	26	27	26
	Number of Open Lawsuits	38	35	16	25	18	20
	Number of Closed Lawsuits	11	8	9	10	20	8
	Numbers of Files Opened	99	86	36	40	45	40
	Number of Files Closed	61	113	128	60	75	65
	Legislative Issues Reviewed	89	80	80	80	85	80
	Hours Spent on City Business	7,528	7,030	6,739	7,000	6,400	6,500
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	0.85%	0.92%	0.94%	0.95%	0.88%	0.84%

Legal

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

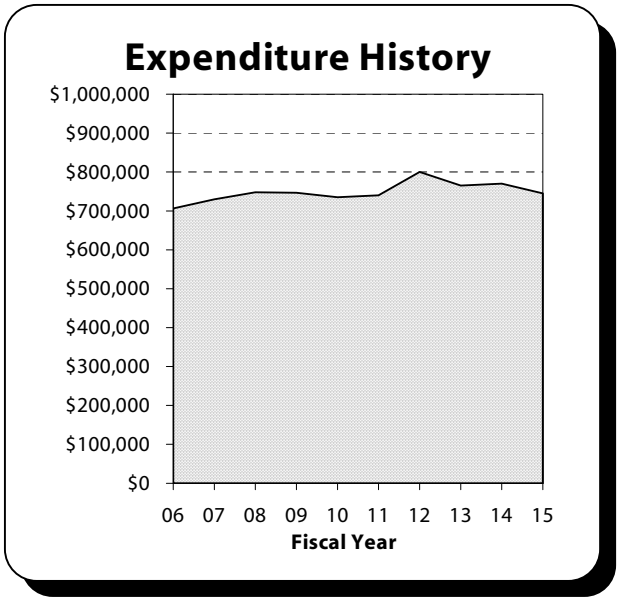
The total budget decreased by 3.2%.

Personnel Services – There is no Personnel budget for this cost center.

Supplies – There is no Supplies budget for this cost center.

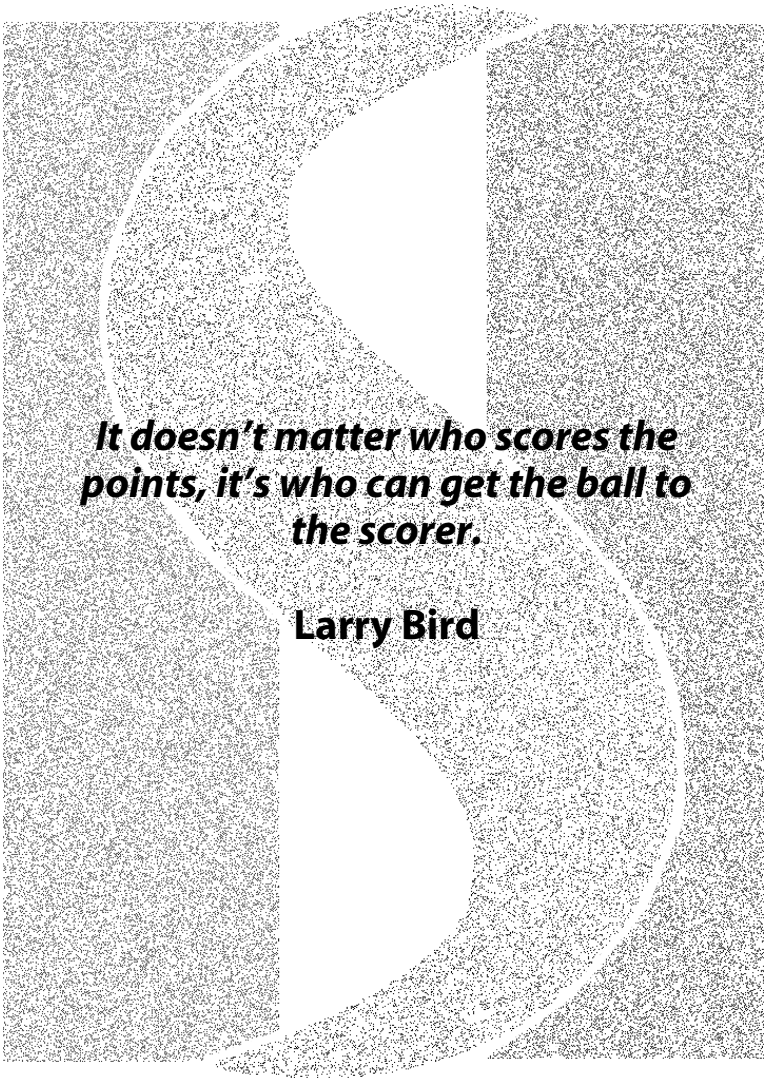
Other Charges – Total Other Charges decreased $25,000 or 3.2%. Funding for the City's Labor Attorney decreased $25,000 based on the current year's estimated expenditure usage, which reflects a lower level of activity. The City Attorney is now handling non-312 arbitration related labor negotiations. Funding for City Attorney legal services is proposed to remain the same. No hourly rate change is proposed.

Capital – There is no Capital proposed for this cost center.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Supplies	0	0	0	0	0
Other Charges	765,087	770,000	715,000	745,000	745,000
Total	$765,087	$770,000	$715,000	$745,000	$745,000


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 without reappointment. 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 (MIP) 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 amendments in April, 2007 and September, 2009.■

Did you know…
…the Planning Commission annually reviews and updates the Zoning Ordinance in response to emerging trends, problems and opportunities, as well as for compliance with State law?

Planning Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

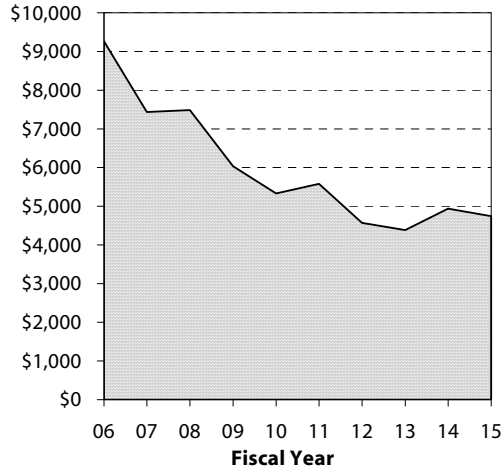
The total budget decreased by 4.0%.

Personnel Services – The total Personnel budget decreased $90 or 4.2% to more accurately reflect the number of Planning Commission meetings held over the past several years.

Supplies – Total Supplies is proposed to remain the same at $570. There are no proposed changes within the Supplies accounts.

Other Charges – Total Other Charges decreased $110 or 4.9%, as the budget for reporting services can be reduced and brought more in line with prior year actual expenditure levels.

Capital – There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,971	$2,130	$1,610	$2,040	$2,040
Supplies	623	570	540	570	570
Other Charges	1,791	2,240	1,920	2,130	2,130
Total	$4,385	$4,940	$4,070	$4,740	$4,740

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 $6,998,510 They include a transfer to the Capital Projects Fund, the Limited Tax General Obligation Debt Service Fund, the Major Road Fund, the Economic Development Corporation Fund, and the Land & Water Conservation Fund.

The $3,497,830 Transfer Out to the Capital Projects Fund will be used for the funding of budgeted equipment, vehicles, information technology capital items, and capital projects.

The $312,680 General Fund transfer to the Limited Tax General Obligation Debt Service Fund will be used for the debt payments on the City Center Commons bond.

The Transfer Out to the Major Road Fund totals $2,800,000, as a one-time pass through of the City self-insurance funds will be used to finance the Van Dyke Reconstruction project from 15 Mile to 18 Mile Road.

The $300,000 Transfer Out to the Economic Development Corporation Fund is for the one-time use of self-insurance pass through funds to establish a revolving fund that can be utilized for future property acquisitions, brownfield redevelopments, and other economic development activities for which costs can later be recaptured.

The $88,000 General Fund transfer to the Land & Water Conservation Fund will be used to fund the cost of the North Clinton River Park playground safety surface and the Clinton River trail connector at 19 Mile Road.

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…
…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

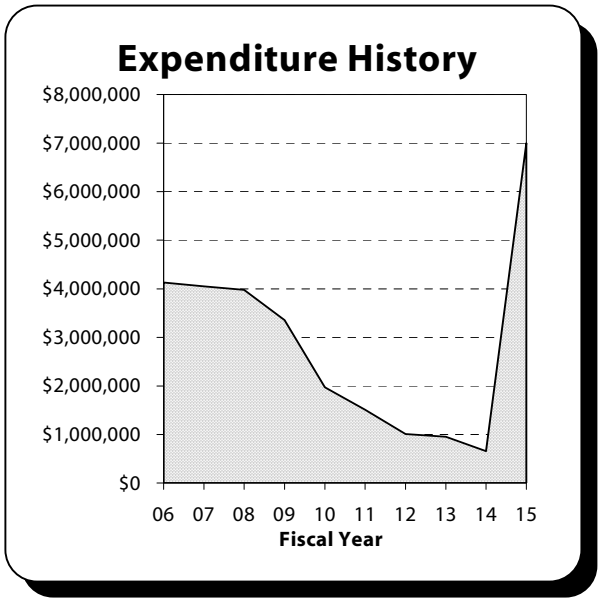
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 968%.

Personnel Services – There is no Personnel budget for this cost center.

Other Charges – There is no Other Charges budget for this cost center.

Transfers Out – Transfers Out to other City funds totals $6,998,510. Transfers to the Capital Projects Fund totals $3,497,830 for the 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 $312,680. This transfer will fund the principal and interest payments on the City Center Commons bond. Transfers to the Major Road Fund totals $2,800,000, as a one-time pass through of the City self-insurance funds is proposed to finance the Van Dyke Reconstruction project from 15 Mile to 18 Mile Road. Transfers to the Economic Development Corporation Fund totals $300,000 for the one-time use of self-insurance pass through funds to establish a revolving fund that can be utilized for future property acquisitions, brownfield redevelopments, and other economic development activities for which costs can be later recaptured. Transfers to the Land & Water Conservation Fund totals $88,000 to fund the cost of the North Clinton River Park playground safety surface and the Clinton River trail connector at 19 Mile Road.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Transfers Out	954,090	655,230	655,230	6,998,510	6,998,510
Total	$954,090	$655,230	$655,230	$6,998,510	$6,998,510

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…
…the Zoning Board of Appeals is a quasi-judicial board established to provide an appeal mechanism from the literal provisions of the Zoning Ordinance in such cases of practical difficulty or unusual hardship?

Zoning Board of Appeals

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

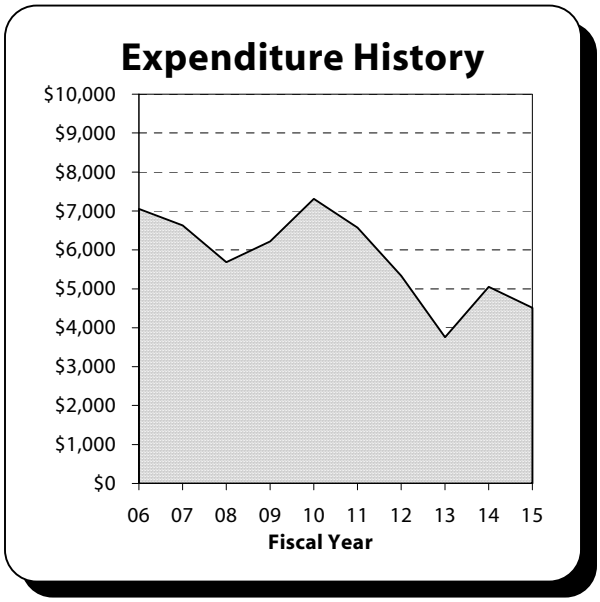
The total budget decreased by 10.7%.

Personnel Services – The total Personnel budget remained the same as the prior year, as the same number of Zoning Board of Appeal meetings are anticipated.

Supplies – Total Supplies decreased $90 or 16.7%, as postage funding can be reduced and brought more in line with recent years' actual expenditure levels.

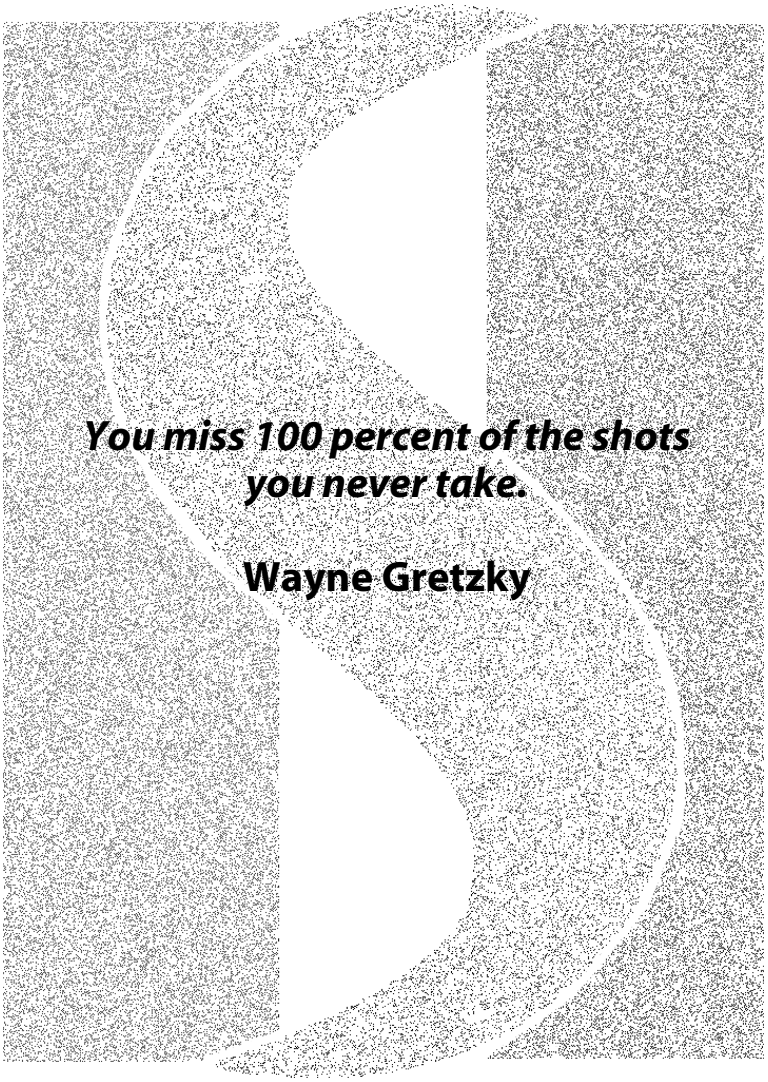
Other Charges – Total Other Charges decreased $450 or 16.9%. Funding for reporting services was reduced by $250, as less time is required to transcribe meeting minutes. $200 was saved, as fewer newspaper notices have been needed.

Capital – There is no Capital proposed for this board.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,519	$1,840	$1,840	$1,840	$1,840
Supplies	309	540	330	450	450
Other Charges	1,922	2,670	1,650	2,220	2,220
Total	$3,750	$5,050	$3,820	$4,510	$4,510


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 the fund will remain financially sound.

Historically, Sterling Heights has not passed on the full City of Detroit water and sewage rate increases. Over the past 20 years, Detroit has increased its rates by an average of 7.2% per year, while Sterling Heights has increased its rates by only 5.8% 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 fee from $.08 to $.10 per mcf. Detroit also increased its water and sewage rates by 7.2% and 4.1%, respectively. The City passed along only a 3% increase, but the third tier sewage rate rose 6.5% to fully cover our cost. The summer discount also increased from a maximum of $15 to $25.

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. The City passed along a 4.9% water and 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 peak usage of water. As a result, Detroit increased its water rate 16.5% and its sewage rate 4.4%. The City passed along an 11.9% water and sewage rate increase to its customers.

In 2005/06, Detroit's sewage fees increased 8.9%, to include charges for the 15 Mile sewer repair and a slight rate increase. Detroit's water rate also rose 7.7%. Sterling Heights passed along the same increases and 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.

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 and sewage rate increase to its customers. Also, for the first time in 10 years, the City increased its maximum summer discount by $1 to $26.

In 2010/11, the Detroit water rate increased by 8.6%. Detroit also implemented a new fixed rate structure, which included an annual fixed $1.3 million cost. Detroit's sewage rate also increased by 10.0%, while sewage fixed costs and estimated sewage flow volumes decreased. The City passed along a 9.9% water and sewer rate increase to its customers.

In 2012/13, Detroit increased its water rate by 8.9%. Detroit's sewage fees increased 9.2%, while fixed sewage charges rose 13.5% and the City's share of the District's debt increased by 23.9%. The City passed along an 8.9% water and 13.9% sewer rate increase and implemented a fixed charge as a result of Detroit's increasingly fixed charges. To lessen the impact to the average residential customer, the first tier water rate and consumption amount for the minimum bill user also decreased.

In 2013/14, the water rate from Detroit increased by 4.6% and sewage disposal fees increased by 3.7%. In addition, the City's share of the District's debt increased by 11.1% and estimated treated sewage volume rose 2.5%. By continuing to control its discretionary costs, the City was able to pass along only a 3.9% water and 4.9% sewer rate increase to its customers; the lowest rate adjustment in 14 years.

In 2014/15, the water rate and fixed charges from Detroit are increasing by 6.2%. Sewage disposal fees from Detroit are estimated to increase by 4.0%, coupled with a 5.8% increase in fixed costs, a 4.0% increase in treated sewage volumes, and an 11.2% increase in debt payments on the District's sewer rehabilitation projects. As a result, the City must pass along a 7.9% water and 11.9% sewer rate adjustment to its customers. Residential fixed fees will increase by $1 and commercial fixed fees will increase by $2 per billing period to become more in-line with Detroit's increasing fixed rate structure.■

Did you know…
…the City of Sterling Heights continues to have one of the lowest markups in the State on Detroit's water rate?

WATER & SEWER SYSTEM
OPERATING FUND REVENUES & EXPENSES

Budgetary Centers	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
REVENUES						
Water & Sewer Service	$28,368,650	$32,380,570	$33,620,420	$16,405,000	$30,667,230	**$36,206,700**
Penalties & Interest	556,860	609,580	580,000	286,760	620,000	**640,000**
Hydrant Rental	159,750	159,750	159,750	79,880	159,750	**159,750**
Building Rental	1,200	1,200	0	0	0	**0**
Interfund Service	69,640	87,090	119,600	49,420	126,800	**106,800**
Tap and Meter Revenue	426,070	403,000	400,000	307,940	510,000	**450,000**
Repair and Service	27,780	36,890	30,000	27,620	50,000	**45,000**
Inspection Fees	4,700	9,760	6,000	5,830	15,000	**12,000**
Turn-On Charge	15,410	14,500	16,000	5,660	15,000	**15,000**
Ind./Pollution Surcharge	877,640	946,590	900,000	497,800	1,000,000	**1,050,000**
Miscellaneous	577,560	303,150	532,400	64,860	560,400	**544,510**
Interest on Investments	274,320	141,870	300,000	64,860	176,100	**201,100**
Total Revenues	**$31,359,580**	**$35,093,950**	**$36,664,170**	**$17,795,630**	**$33,900,280**	**$39,430,860**
EXPENDITURES						
WATER & SEWER ADMIN.						
Personnel Services	$978,480	$929,560	$928,200	$495,510	$989,650	**$958,130**
Supplies	7,380	3,530	8,900	2,140	6,500	**6,000**
Other Charges	7,465,680	7,705,500	2,422,070	1,256,810	2,431,230	**2,252,110**
Capital Outlay	0	0	0	0	0	**50,000**
Total Expenses	**8,451,540**	**8,638,590**	**3,359,170**	**1,754,460**	**3,427,380**	**3,266,240**
WATER DISTRIBUTION						
Personnel Services	1,180,040	1,250,700	1,304,680	629,620	1,244,370	**1,195,800**
Supplies	227,920	199,320	218,000	125,580	235,000	**235,000**
Other Charges	11,510,390	12,503,720	13,436,550	5,606,660	12,669,980	**14,093,290**
Capital Outlay	0	0	40,000	0	30,000	**31,000**
Total Expenses	**12,918,350**	**13,953,740**	**14,999,230**	**6,361,860**	**14,179,350**	**15,555,090**
SEWAGE COLLECTION						
Personnel Services	1,304,760	1,314,720	1,436,200	749,590	1,533,110	**1,523,300**
Supplies	55,910	63,540	59,000	32,200	63,000	**62,000**
Other Charges	13,119,360	13,201,140	13,552,520	6,421,490	15,670,290	**15,561,480**
Capital Outlay	0	0	35,500	35,720	35,720	**725,000**
Debt Service	1,456,800	1,484,880	3,224,730	750,010	3,130,120	**3,584,470**
Total Expenses	**15,936,830**	**16,064,280**	**18,307,950**	**7,989,010**	**20,432,240**	**21,456,250**
Total Operating Expenses	**$37,306,720**	**$38,656,610**	**$36,666,350**	**$16,105,330**	**$38,038,970**	**$40,277,580**

Note: Miscellaneous Revenue excludes Water & Sewer Special Assessment Revenue 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 2014/15 Budget, Charges for Services revenue represents 98.1% of total revenue sources, an increase of $2,858,480.

The 2014/15 Budget recommends a 7.9% increase on water rates and an 11.9% 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, which also includes higher fixed charges, increased debt payments on the District's sewer rehabilitation projects, as well as an increase in treated sewage volumes. The average residential customer will pay approximately $50 per month for water and sewer services.

The average residential customer will pay approximately $50 per month for water & sewer services.

In 2012/13, due to Detroit's increasingly higher fixed charges, the City began passing along a portion of fixed costs to its users as part of the overall rate increase. A modest $30 annual fixed residential fee and a $120 commercial fixed fee was implemented. The fixed fee allowed the City to reduce its first tier water rate, where most residential consumption is billed, thereby lowering the water bill increase. The consumption amount for the minimum bill user also decreased to lessen the fixed fee impact to very low users.

In 2014/15, the residential fixed fee will increase by $1 per quarterly bill, while commercial accounts will see a $2 per bill adjustment to begin to become more in-line with Detroit's increasing fixed rate structure. As system users continue to reduce consumption and Detroit's fixed charges continue to increase, this billing method will better prevent revenue shortfalls and help avoid higher rate increases that can lead to further decreases in usage. Fixed fees reduce revenue volatility and avoid overcharging customers in years where usage increases.

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, Reimbursements, Insurance Recovery, and Miscellaneous Revenue.

In the 2014/15 Budget, Other Revenues represents 1.9% of total revenue sources, a decrease of $91,790. This decrease in revenues is due to lower interest on investments.

In the 2014/15 Budget, Other Revenues represents 1.9% of total revenue sources, a decrease of $91,790.

USE OF NET ASSETS

A budgeted Use of Net Assets exists when expenses exceed revenues provided that funds are available.

In the 2014/15 Budget, expenditures exceed revenues by $846,720 due to a one-time sewer look-back charge from Detroit as a result of past meter testing, resulting in a use of net assets for the system to break even. 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	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	CHARGES FOR SERVICES						
627444	Administrative Services - Roads	$0	0.00	$5,000	0.01	**$0**	**0.00**
627531	Administrative Services - Refuse	69,100	0.20	69,100	0.19	**69,100**	**0.18**
629001	Labor Services - Roads	16,144	0.05	20,000	0.05	**25,000**	**0.06**
629002	Labor Services Cross Charges	1,141	0.00	5,000	0.01	**1,000**	**0.00**
633001	Water Tap Fees	114,395	0.33	100,000	0.27	**130,000**	**0.33**
633002	Sewer Tap Fees	8,450	0.02	10,000	0.03	**15,000**	**0.04**
633003	Meter Charges	280,157	0.80	290,000	0.79	**305,000**	**0.77**
633004	Inspection	9,764	0.03	6,000	0.02	**12,000**	**0.03**
633005	Water & Sewer Services	36,891	0.11	30,000	0.08	**45,000**	**0.11**
633006	Hydrant Rental - Fire Department	159,750	0.46	159,750	0.44	**159,750**	**0.41**
633009	Turn-On Charge	14,500	0.04	16,000	0.04	**15,000**	**0.04**
634001	Materials/Supplies Cross Charges	50	0.00	5,000	0.01	**1,200**	**0.00**
643000	Water Services	13,685,408	39.00	14,076,880	38.39	**14,877,300**	**37.73**
644000	Collections - Sewer	18,695,166	53.27	19,543,540	53.30	**21,329,400**	**54.09**
645000	Penalties - Water & Sewer	609,576	1.74	580,000	1.58	**640,000**	**1.62**
646000	Industrial & Pollution Surcharge	946,589	2.70	900,000	2.45	**1,050,000**	**2.66**
	Total Charges for Services	**34,647,081**	**98.73**	**35,816,270**	**97.69**	**38,674,750**	**98.08**
	OTHER REVENUE						
665000	Interest on Investments	140,694	0.40	299,000	0.82	**200,000**	**0.51**
665445	Interest & Penalties - Tax Roll	1,180	0.00	1,000	0.00	**1,100**	**0.00**
667006	Building Rental - Garage	1,200	0.00	0	0.00	**0**	**0.00**
669001	Rental - Road Equipment	0	0.00	15,000	0.04	**10,000**	**0.03**
669002	Rental/Equipment Cross Charges	650	0.00	500	0.00	**500**	**0.00**
676000	Reimbursements	462,406	1.32	457,400	1.25	**454,510**	**1.15**
677008	Unrealized Gain/Loss	(332,177)	-0.95	0	0.00	**0**	**0.00**
685000	Miscellaneous Revenue	164,916	0.47	70,000	0.19	**80,000**	**0.20**
695000	Insurance Recovery	8,003	0.02	5,000	0.01	**10,000**	**0.03**
	Total Other Revenue	**446,872**	**1.27**	**847,900**	**2.31**	**756,110**	**1.92**
	Total Water & Sewer Fund	**$35,093,953**	**100.00**	**$36,664,170**	**100.00**	**$39,430,860**	**100.00**

Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

WATER & SEWER FUND
EXPENDITURE SUMMARY BY ACCOUNT

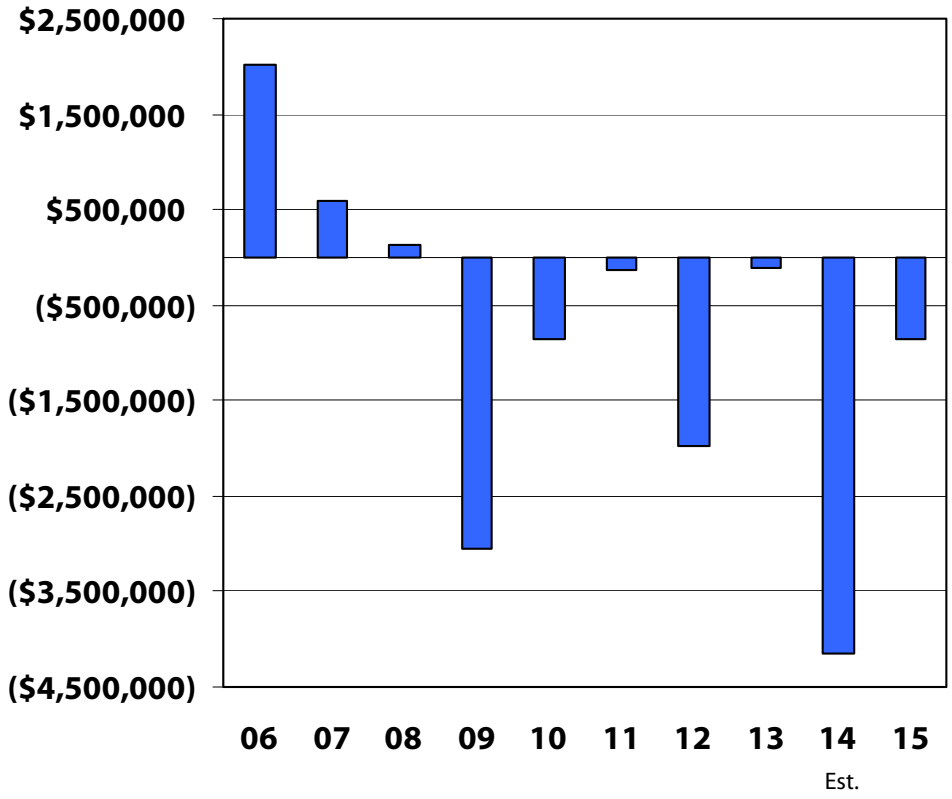
Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	PERSONNEL SERVICES						
704000	Wages & Salaries - Permanent	$1,742,147	4.51	$1,735,990	4.73	**$1,697,070**	**4.21**
704001	Sick Time Buy Back	8,239	0.02	11,500	0.03	**11,000**	**0.03**
704721	Health Insurance Allowance	4,500	0.01	4,500	0.01	**4,500**	**0.01**
705000	Wages-Salaries - Temp/Part-Time	71,506	0.18	54,600	0.15	**85,390**	**0.21**
708000	Overtime	175,163	0.45	146,000	0.40	**170,000**	**0.42**
708001	Compensation Time Buy Back	11,744	0.03	7,350	0.02	**7,350**	**0.02**
709000	Union Contract Reimbursements	6,941	0.02	6,900	0.02	**6,750**	**0.02**
710000	Longevity	47,579	0.12	44,970	0.12	**46,270**	**0.11**
715000	Clothing Allowance	6,611	0.02	6,500	0.02	**6,100**	**0.02**
717000	FICA	150,121	0.39	151,840	0.41	**153,410**	**0.38**
718000	Worker's Compensation	15,774	0.04	14,970	0.04	**17,810**	**0.04**
720000	Pension - General Emp Retirement	330,070	0.85	504,120	1.37	**481,040**	**1.19**
720002	Defined Contribution - Employer	12,536	0.03	12,140	0.03	**10,800**	**0.03**
721000	Health Insurance	241,547	0.62	282,230	0.77	**289,820**	**0.72**
721001	Health Insurance - Retirees	622,820	1.61	633,480	1.73	**636,890**	**1.58**
721003	Retiree Health Savings - City	2,077	0.01	2,000	0.01	**1,000**	**0.00**
722000	Dental Insurance	23,413	0.06	27,040	0.07	**29,640**	**0.07**
723000	Life Insurance	4,468	0.01	4,610	0.01	**4,510**	**0.01**
724000	Eye Care Insurance	2,170	0.01	2,180	0.01	**2,090**	**0.01**
725000	Disability Insurance - Long Term	3,909	0.01	4,040	0.01	**3,960**	**0.01**
725355	Disability Insurance - Short Term	11,644	0.03	12,120	0.03	**11,830**	**0.03**
	Total Personnel Services	**3,494,979**	**9.04**	**3,669,080**	**10.01**	**3,677,230**	**9.13**
	SUPPLIES						
729000	Postage	1,189	0.00	1,400	0.00	**1,500**	**0.00**
750000	Fuels & Lubricants	84,465	0.22	83,000	0.23	**84,000**	**0.21**
751000	Operating Supplies	31,503	0.08	38,500	0.11	**37,500**	**0.09**
770000	Water Meters - Assembled	38,185	0.10	75,000	0.20	**80,000**	**0.20**
771000	Fire Hydrant Parts	8,656	0.02	15,000	0.04	**10,000**	**0.02**
772000	Tap-In Materials - Water	50,317	0.13	15,000	0.04	**25,000**	**0.06**
774000	Water Meter Parts	52,080	0.13	58,000	0.16	**65,000**	**0.16**
	Total Supplies	**266,395**	**0.69**	**285,900**	**0.78**	**303,000**	**0.75**
	OTHER CHARGES						
802000	Audit & Accounting Services	40,241	0.10	40,110	0.11	**40,910**	**0.10**
806000	Legal Services - Other	94	0.00	100	0.00	**100**	**0.00**
806001	Legal Services - City Attorney	3,676	0.01	3,000	0.01	**3,000**	**0.01**
807000	Medical Services	833	0.00	1,400	0.00	**1,500**	**0.00**
810000	Other Fees	129,703	0.34	122,750	0.33	**112,750**	**0.28**
823000	Hydrant Moves - Contractor	0	0.00	1,000	0.00	**0**	**0.00**
824000	Water Tap Installation - Contractor	28,160	0.07	25,000	0.07	**45,000**	**0.11**
826000	Other Contracted Services	70,177	0.18	55,000	0.15	**83,300**	**0.21**
827000	Interfund Services	1,679,800	4.35	1,800,440	4.91	**1,908,580**	**4.74**
832000	Building Maintenance	938	0.00	1,200	0.00	**1,200**	**0.00**

WATER & SEWER FUND
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
833000	Equipment Maintenance	61,536	0.16	87,000	0.24	**91,000**	**0.23**
835000	Vehicle Maintenance	154,556	0.40	135,000	0.37	**143,500**	**0.36**
840000	Water Main Repair	128,240	0.33	190,000	0.52	**200,000**	**0.50**
841000	Distribution Line Repair	173,663	0.45	165,000	0.45	**185,000**	**0.46**
842000	Sewer Main Repair	32,227	0.08	30,000	0.08	**30,000**	**0.07**
903000	Printing	427	0.00	600	0.00	**600**	**0.00**
913000	Liability Insurance	267,796	0.69	267,800	0.73	**0**	**0.00**
915000	Other Insurance	2,460	0.01	2,460	0.01	**2,460**	**0.01**
921000	Electric	25,665	0.07	27,000	0.07	**27,100**	**0.07**
922000	Telephone	4,341	0.01	3,800	0.01	**4,800**	**0.01**
923000	Gas - Fuel - Oil	6,006	0.02	6,900	0.02	**6,400**	**0.02**
931000	Water Purchased	12,089,582	31.27	12,967,020	35.36	**13,563,770**	**33.68**
932000	Sewage Disposal Services	12,543,876	32.45	12,943,690	35.30	**14,888,350**	**36.96**
934000	Industrial & Pollution Surcharge	450,051	1.16	420,000	1.15	**460,000**	**1.14**
945000	Other Rental	119,751	0.31	104,940	0.29	**94,340**	**0.23**
956000	Local Meetings	39	0.00	60	0.00	**50**	**0.00**
957000	Memberships & Dues	524	0.00	520	0.00	**620**	**0.00**
959000	Education & Training	8,033	0.02	4,350	0.01	**5,050**	**0.01**
964000	Refunds & Rebates	9,931	0.03	5,000	0.01	**7,500**	**0.02**
968000	Depreciation	5,378,030	13.91	0	0.00	**0**	**0.00**
	Total Other Charges	**33,410,356**	**86.43**	**29,411,140**	**80.21**	**31,906,880**	**79.22**
	CAPITAL OUTLAY						
982000	Machinery & Equipment	0	0.00	46,500	0.13	**85,000**	**0.21**
984000	Vehicles	0	0.00	29,000	0.08	**721,000**	**1.79**
	Total Capital Outlay	**0**	**0.00**	**75,500**	**0.21**	**806,000**	**2.00**
	DEBT SERVICE						
992000	Principal	0	0.00	1,439,820	3.93	**1,675,320**	**4.16**
993001	Interest - Oakland-Macomb Intcpt.	182,727	0.47	322,930	0.88	**229,310**	**0.57**
993002	Interest - Macomb Interceptor	1,175,473	3.04	1,161,990	3.17	**1,144,510**	**2.84**
993003	Interest - North Gratiot Interceptor	126,678	0.33	124,230	0.34	**120,360**	**0.30**
993005	Interest - Clintondale Pump Station	0	0.00	175,760	0.48	**414,970**	**1.03**
	Total Debt Service	**1,484,878**	**3.84**	**3,224,730**	**8.79**	**3,584,470**	**8.90**
	Total Water & Sewer Fund	**$38,656,608**	**100.00**	**$36,666,350**	**100.00**	**$40,277,580**	**100.00**

Note: The 2012-2013 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 and principal payments.

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
- Determines personnel policy in accordance with union contracts and administrative rules and regulations

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 increased $3.6 million or 9.8%. As the City purchases its water and sewer services from Detroit and Macomb County, their costs directly impact the City's rates. The water cost from Detroit will increase by 6.2%; however, water consumption is estimated to decline by 2.8%, which will lower water sale revenues. Sewage rates are estimated to increase by 4.0%, coupled with a 5.8% increase in fixed costs, a 4.0% increase in treated sewage volumes, and an 11.2% increase in debt payments on the district's sewer rehabilitation projects. The City is also investing an additional $730,500 in capital, primarily to replace needed sewer-cleaning equipment. The cost of water main repairs and preventative maintenance initiatives has also risen. Because of these factors, the City is passing on a 7.9% water and 11.9% sewer rate adjustment to its customers. Personnel costs rose only $8,150 or 0.2% due to continued savings from settled labor contracts, the transfer of a full-time position to the General Fund, and lower required pension contributions. A Laborer position has been transferred to the Sewage division for increased sewer maintenance. An additional Seasonal Laborer in the Water Division is also funded. Supplies rose $17,100 or 6.0% due to the higher cost of water meters and replacement parts. The Capital budget includes two replacement Vactor and Sewer jets, a backup generator for a sewer lift station, a sweeper to clean the DPW shop floor, and a pickup truck with plow. The average Sterling Heights residential customer will pay only $50 per month and will continue to have the lowest combined residential water and sewer rate of any city in the state with over 25,000 residents.

FUNDING LEVEL SUMMARY

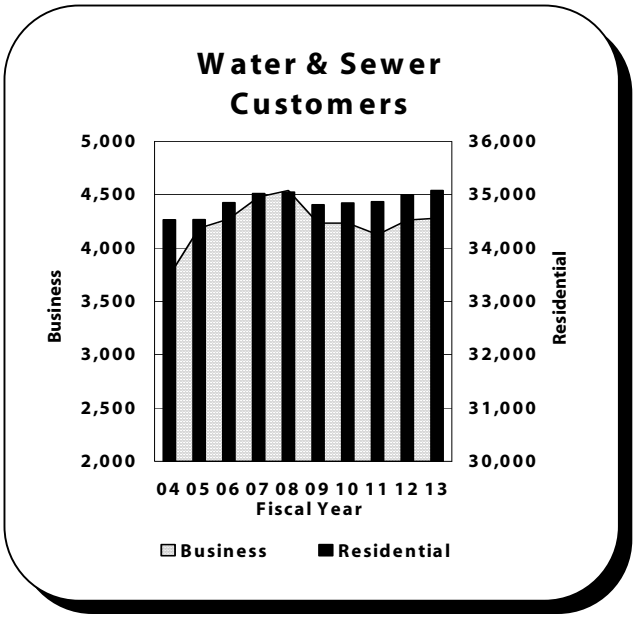
	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget	% Change from 13/14
Water & Sewer Admin.	$8,451,540	$8,638,590	$3,359,170	$3,266,240	-2.8%
Water Distribution	12,918,350	13,953,740	14,999,230	15,555,090	3.7%
Sewage Collection	15,936,830	16,064,280	18,307,950	21,456,250	17.2%
Total Department	$37,306,720	$38,656,610	$36,666,350	$40,277,580	9.8%
Personnel Services	$3,463,280	$3,494,980	$3,669,080	$3,677,230	0.2%
Supplies	291,210	266,390	285,900	303,000	6.0%
Other Charges	32,095,430	33,410,360	29,411,140	31,906,880	8.5%
Capital Outlay	0	0	75,500	806,000	967.5%
Debt Service	1,456,800	1,484,880	3,224,730	3,584,470	11.2%
Total Department	$37,306,720	$38,656,610	$36,666,350	$40,277,580	9.8%

PERSONNEL SUMMARY

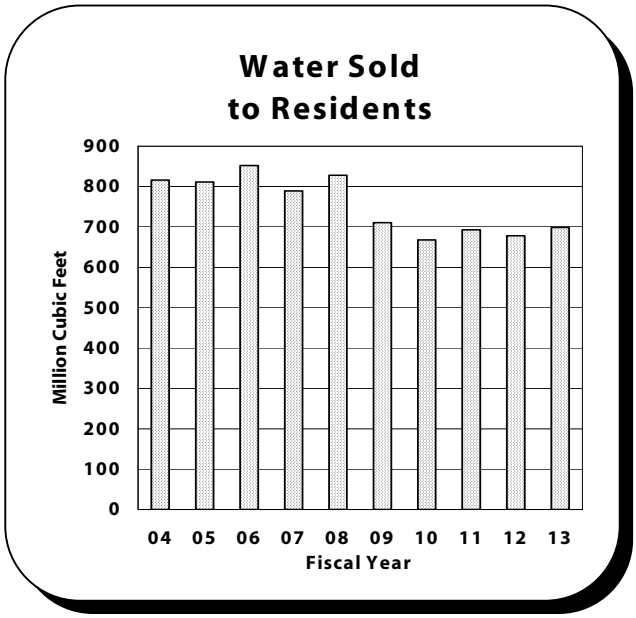
	2011/12		2012/13		2013/14		2014/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Water & Sewer Admin.	8	0	7	0	6	0	6	0
Water Distribution	11	2	11	2	11	2	9	3
Sewage Collection	14	4	13	4	12	4	13	4
Total Department	33	6	31	6	29	6	28	7

KEY FUND TRENDS

Water & Sewer Fund



The number of business and residential Water & Sewer customers has increased over the past ten years due to growth and development in the City, though the rate of growth has slowed in the past several years.



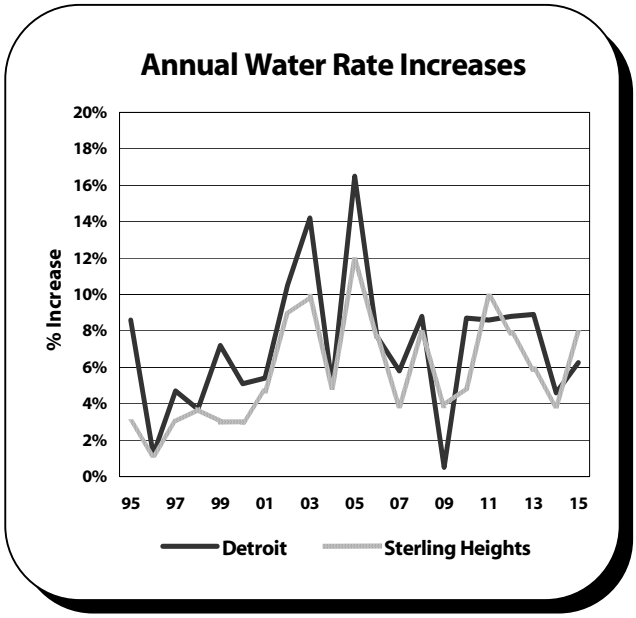
The City has sold a fluctuating amount of water to our residents and businesses. The decrease in some years is largely a result of increased rainfall or economic conditions, which lowers the demand and use for irrigation purposes. Water usage has declined by 14% since 2004.

Average Residential Monthly Water & Sewer Bill

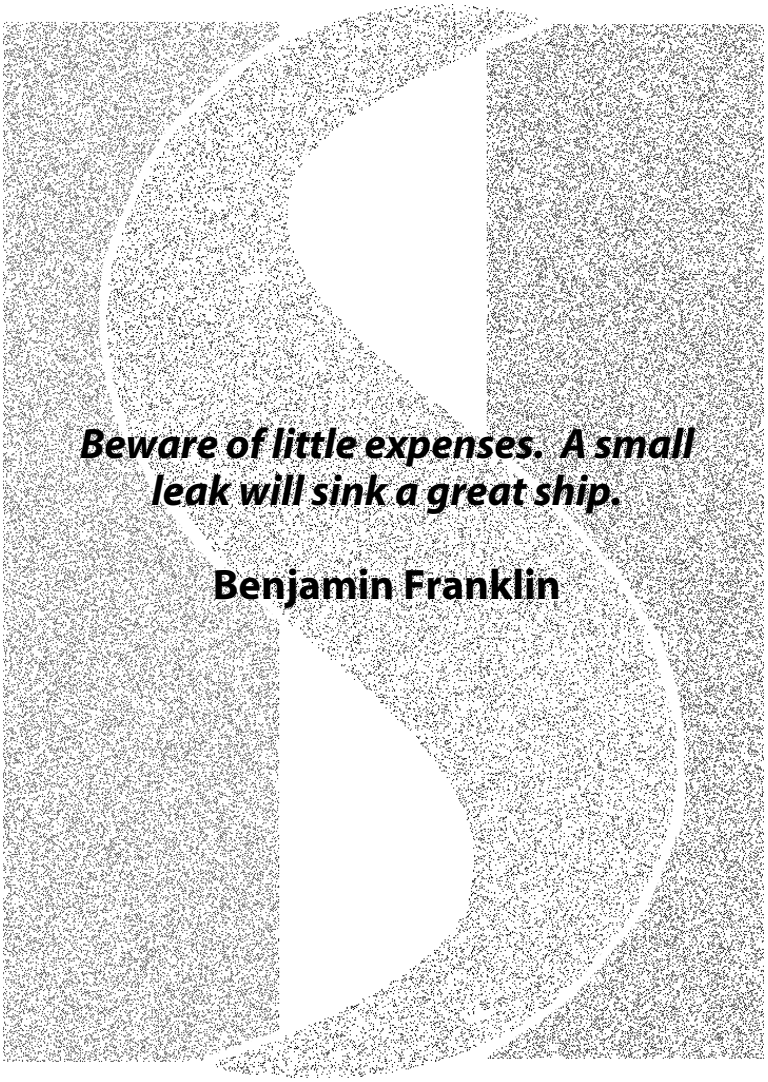
1.	Lansing	$101.44
2.	Southfield	$84.70
3.	Dearborn	$75.08
4.	Grand Rapids	$73.48
5.	Farmington Hills	$63.94
6.	Ann Arbor	$57.50
7.	Troy	$55.15
8.	Livonia	$55.06
9.	Warren	$51.63
10.	**STERLING HEIGHTS**	**$45.02**

Rates as of 10/13 using 12,000 cf.

The City purchases its water and sewer services through the City of Detroit. The average resident pays $45 per month for such services. This amount compares very favorably to all communities. In fact, our residents pay 15% less than the next lowest city and 125% less than the highest. According to independent studies, Sterling Heights has 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 7.2% per year over the past 20 years. Sterling Heights has increased its rates by 5.8% 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, tree branch chipping, 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.

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. 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.■

KEY GOALS

- ***To preserve the investment made in the City's infrastructure through a continual proactive maintenance program.***
- ***To provide continual 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…
…the City of Sterling Heights has the lowest combined water and sewer rates for residential customers in the State of Michigan for communities that have a population greater than 25,000?

Water & Sewer Administration

2014/15 PERFORMANCE OBJECTIVES

1. To lessen future water rate increases by promoting outdoor lawn irrigation between the hours of 11:00 p.m. and 5:00 a.m., when water use is down and water pressures are up, and discouraging outdoor lawn irrigation between the hours of 5:00 a.m. and 9:00 a.m. and 6:00 p.m. and 9:00 p.m., when water consumption is often at its peak. *(City Goal 14)*

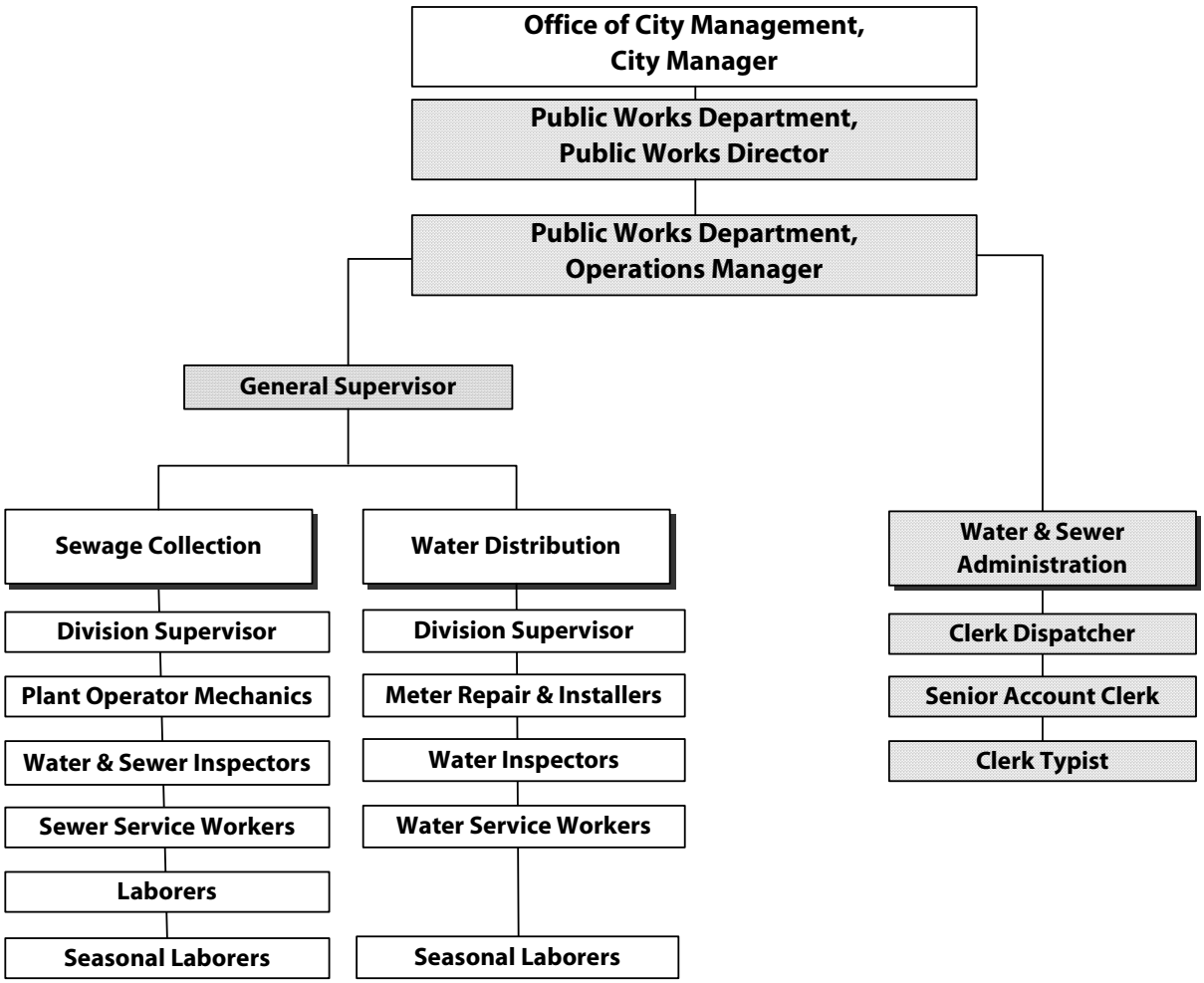
2. To develop training classes to increase employee safety and awareness and for supervisory training. *(City Goal 7)*

3. To continue to aggressively enforce the City's noxious weed ordinance by sending violation letters and cutting properties when necessary, in order to maintain the aesthetics of the City, especially in our residential neighborhoods. *(City Goal 12, 13, 14)*

4. To review department goals and objectives to ensure services provided to the public are cost-effective. *(City Goal 1, 3, 4)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Water & Sewer Customers	38,995	39,903	39,353	39,150	39,250	39,250
	Customer Service Requests (Permits Plus)	9,175	8,271	6,396	6,000	7,000	6,500
	Res./Commercial Sanitary Sewer Tap Connections	46	80	98	80	80	80
	Residential/Commercial Water Taps	72	90	86	80	115	115
	Res./Comm. Water Meter Installations (new & repl.)	424	450	490	400	550	500
	Tall Grass/Weed Cutting Revolutions (317 acres)	5	6	6	5	6	6
	Vacant Parcels Cut - Tall Grass/Weed Program	576	420	340	300	400	400
	Parcels Cut - Occupied Residential Homes/Businesses	468	654	845	800	800	800
	Backflow Preventer Testing Compliance Letters	674	642	743	1,000	650	650
	Site Plans Reviewed	10	17	26	40	44	45
	Vehicles/Equipment Specifications Prepared	2	3	6	6	5	10
	Materials/Supplies/Services Specifications Prepared	18	11	22	22	24	24
	Hours of Safety Training	567	491	454	450	450	450
	Monthly Act 51 Reports Generated	12	12	12	12	12	12
	Monthly Public Works Cross-Charge Reports	12	12	12	12	12	12
	Billings Prepared for State Highway Maintenance	4	4	4	4	4	4
	Outfalls Inspected/Sampled for Stormwater Discharge	0	60/3	83/3	50/5	50/3	50/5
	Landscape Median Mowing - Revolutions	24	24	25	24	25	25
Efficiency	Ratio of FT Employees to Worker Comp. Claims	46:1	42:1	29:1	82:0	41:1	85:0
	% Water Samples Meeting Federal/State Standards	100%	100%	100%	99%	100%	100%
	Annual Residential Water & Sewer Bill (12,000 cfs)	$425	$463	$517	$540	$540	$599
	Monthly Residential Water & Sewer Bill (12,000 cfs)	$35	$39	$43	$45	$45	$50
	City's Fixed Charge as a % of Total W&S Bill	N/A	N/A	4.6%	4.4%	4.9%	4.9%
	% of Outfalls Sampled w/no Water Discharge	N/A	95%	95%	90%	96%	95%

Water & Sewer Administration



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Public Works Director	1	1	1
Operations Manager	1	1	1
General Supervisor	1	1	1
Civil Engineer II	1	0	0
Clerk Dispatcher	1	1	1
Senior Account Clerk	0	1	1
Account Clerk	2	0	0
Clerk Typist	0	1	1
Total	7	6	6

Water & Sewer Administration

SUMMARY OF BUDGET CHANGES

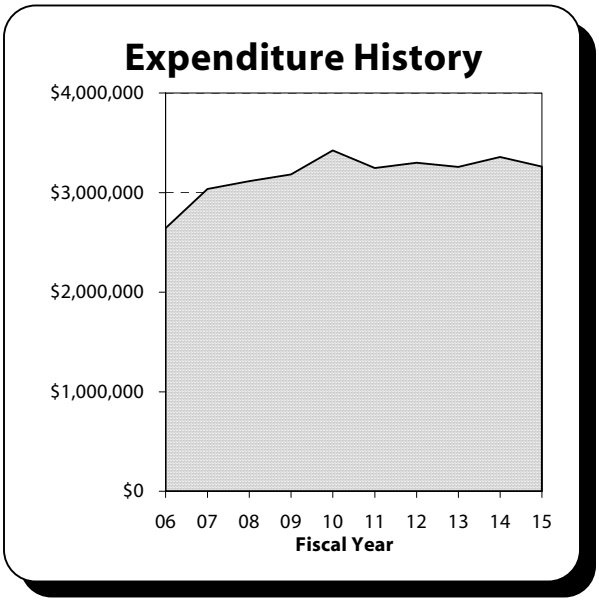
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 2.8%.

Personnel Services – The Personnel budget increased $29,930 or 3.2%. Health insurance rose $12,800 due to a rate increase, as well as changes in employees' dependent coverage. An additional $9,000 in overtime is budgeted to reflect increased after-hour call-ins. Full-time wages rose $7,720, as one employee is continuing to progress through contractual wage step adjustments.

Supplies – Total Supplies decreased $2,900 or 32.6%. Fuel and lubricant costs decreased $2,000 and operating costs fell $1,000, both based on recent actual expenditure levels.

Other Charges – Total Other Charges decreased $169,960 or 7.0%. Positive financial performance in the Insurance Fund has allowed for a one-time refund or decrease of $267,800 in liability insurance costs. The City will save $11,100 in facility rental cross-charge costs due to lower General Fund operational costs. Credit card service fees decreased $10,000 as a result of switching to a new merchant provider. $1,500 was saved due to fewer vehicle repairs. Interfund service costs rose $108,140 due to higher General Fund administrative costs for time spent on Water & Sewer related functions. Contracted service costs rose $6,300 for custodial services to assist with cleaning the Public Works facility. $800 was added due to a slight increase in audit costs.



Capital – Total Capital of $50,000 is proposed for a Floor Sweeper/Scrubber to clean the DPW shop floor, which will replace a 12-year old model that has been taken out of service as repair parts are no longer available.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$929,564	$928,200	$989,650	$958,130	$958,130
Supplies	3,531	8,900	6,500	6,000	6,000
Other Charges	7,705,497	2,422,070	2,431,230	2,252,110	2,252,110
Capital Outlay	0	0	0	50,000	50,000
Total	$8,638,592	$3,359,170	$3,427,380	$3,266,240	$3,266,240

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 approximately 35,000 customers are read quarterly. Commercial and industrial water meters for nearly 4,500 customers are all read on a monthly basis via a fixed network radio meter reading system, which is able to pick up the transmission of water meter readings and transmit the readings to a central computer. 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…
…the Water division will typically have water main breaks repaired within five hours of receiving notification, regardless of the weather or time of day?

Water Distribution

2014/15 PERFORMANCE OBJECTIVES

1. To test/repair approximately 300 water meters 2" and larger to assure correct revenues are being realized from high-volume users. *(City Goal 1)*

2. To perform 300 gate valve and well structure inspections annually, which will improve our ability to isolate sections of water mains for repairs while minimizing the impact to the City's water customers. *(City Goal 1, 3)*

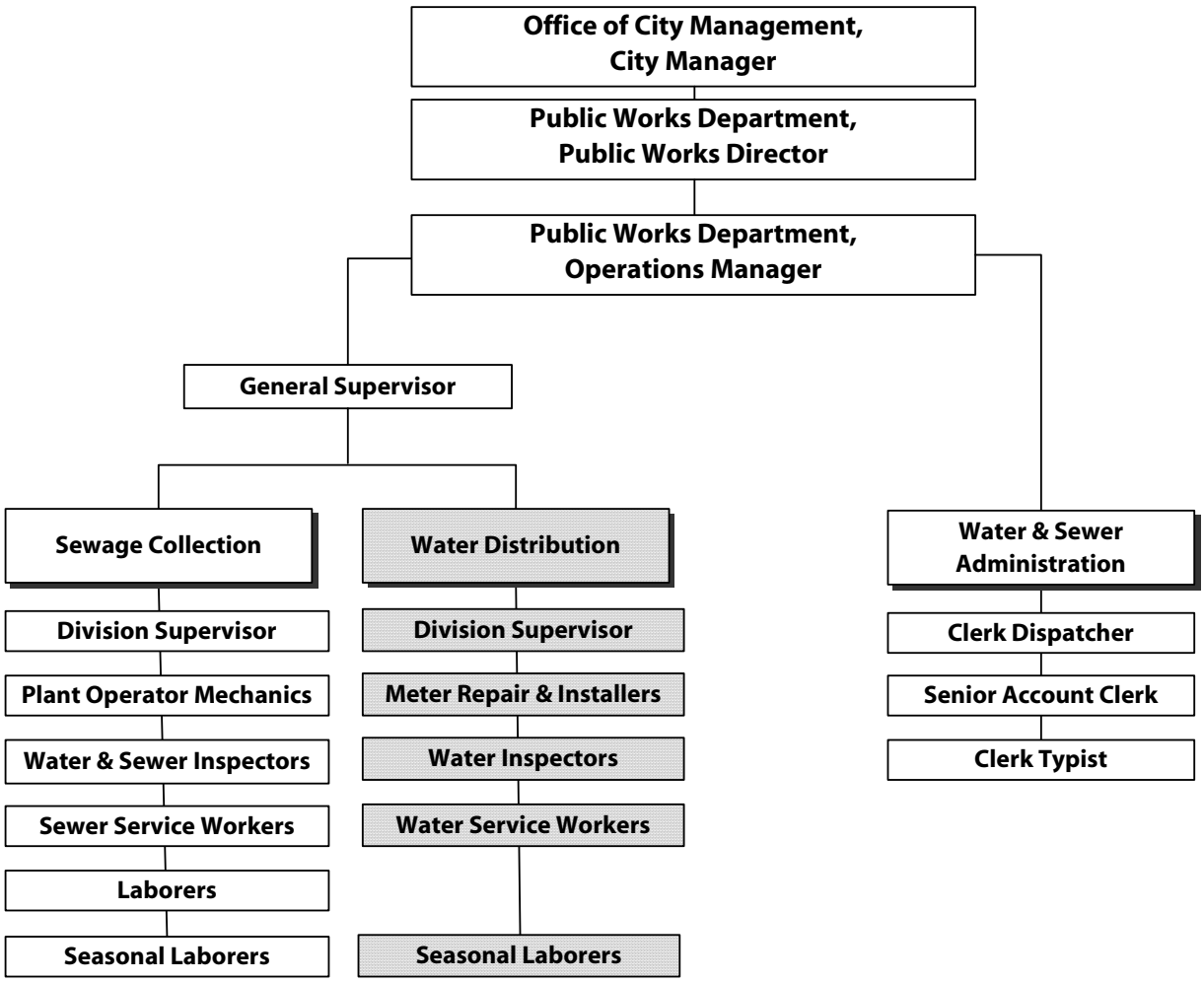
3. To obtain monthly and quarterly reads of 4,500 commercial and 35,000 residential water meters located in the City. *(City Goal 1)*

4. To respond to approximately 7,000 "Miss Dig" requests for the staking of water mains and water services in order to protect our water system and prevent damage when excavation occurs. *(City Goal 1, 12)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Miles of Water Mains in City	576	576	576	576	576	576
	Citizen Inquiries/Service Requests Responded To	5,647	5,097	4,292	4,800	5,000	5,000
	Water Meter Manual Reads - Residential & Comm.	135,014	138,467	137,291	137,150	137,200	137,200
	Water Meter Automated Reads - Residential & Comm.	63,735	61,554	64,181	64,450	64,450	64,500
	Water Main Breaks	72	77	62	60	110	75
	Miss Dig Stakeouts of Utilities Performed	6,548	7,051	7,032	7,000	7,000	7,000
	Water Meters Installed - Residential/Commercial (new)	49/21	76/13	65/12	70/10	100/15	100/15
	Water Meters Replaced	189	220	413	320	500	500
	Water Taps Installed - Residential/Commercial	60/12	74/16	64/22	70/10	100/15	100/15
	Cross Connection Inspections/Reinspections	307	487	532	400	650	650
	Compound Meters Tested	327	185	160	300	200	300
	Gatewells Inspected	291	425	306	300	300	300
	Businesses Monitored - Backflow Compliance	674	642	743	1,000	1,000	1,000
	Fire Hydrants Replaced	5	8	8	10	6	10
	Fire Hydrants Painted	676	329	431	600	600	600
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%	99%	99%	99%	99%	99%
	Avg. Time to Complete Emg. Main Repairs (Hours)	4.0	4.1	4.0	4.0	4.0	4.0
	Miles of Water Main Maintained per FT Employee	52.4	52.4	52.4	52.4	52.4	64.0
	Water Meter Manual Reads per Reader	54,005	55,387	54,916	54,860	54,880	54,880
	Water Purchased from Detroit (1,000 cubic feet)	683,223	695,711	678,000	710,000	625,000	690,000
	Cost of 1,000 Cubic Feet of Water from Detroit	$12.54*	$10.82*	$9.48*	$9.92*	$9.92*	$10.54*
	Detroit Water Fixed Charge	$1,315,284	$3,545,772	$5,662,140	$5,923,820	$5,923,820	$6,291,170
	Water Fixed Charge as a % of Total Costs	13.3%	32.0%	46.8%	45.7%	48.9%	46.4%

**Does not include fixed water costs.*

Water Distribution



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
Division Supervisor	1	1	1
Water Inspector	2	2	2
Water Service Worker	4	4	4
Meter Repair & Installer	2	2	2
Laborer	2	2	0
Seasonal Laborer	2	2	3
Total	13	13	12

Water Distribution

SUMMARY OF BUDGET CHANGES

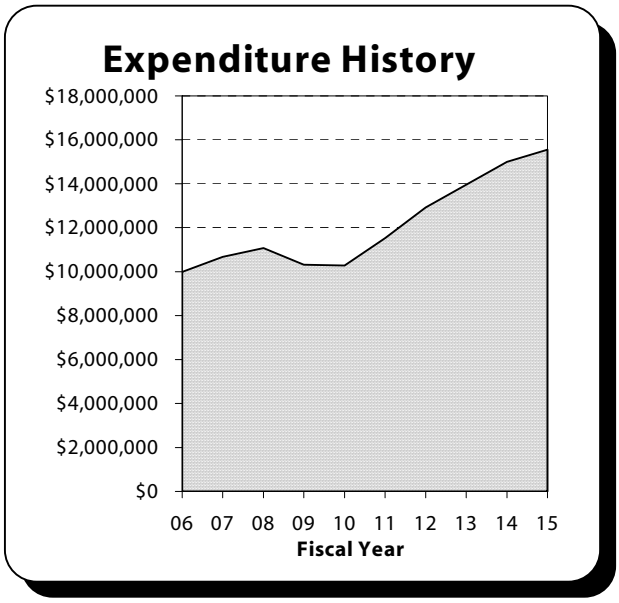
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 3.7%.

Personnel Services – The Personnel budget decreased $108,880 or 8.3%. The reduction is the result of transferring one Laborer position to the Sewage division and eliminating a vacant Laborer position to offset the new Maintenance Supervisor in Fleet Maintenance. Partially offsetting the decrease is additional funding for a Seasonal Laborer, as well as a $10,000 increase in overtime costs due to increased off-hour watermain repairs.

Supplies – Total Supplies increased $17,000 or 7.8%. The budget rose $5,000 due to the higher costs of new water meters. $7,000 was added for additional water meter parts. $10,000 was added, as more funding is needed for materials to install new water taps. $5,000 was saved, as fewer fire hydrant parts are anticipated to be purchased.

Other Charges – Total Other Charges increased $656,740 or 4.9%. The cost of water purchased from Detroit increased $596,750 due to a 6.2% Detroit rate increase. However, water purchased is anticipated to further decline by 2.8%. Detroit's fixed water costs also rose 6.2%. Funding for new water tap installations increased $20,000 due to increased building activity. Distribution line repair costs increased $15,000 and funding for water main repairs and valve replacements also rose $10,000. Contracted services increased $12,000 to assist with increased meter testing and repairs.



Capital – Total Capital of $31,000 is proposed to replace a 14-year old ¾ ton 4 x 4 Pickup Truck with Plow that is utilized in daily operations and snow emergencies.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,250,702	$1,304,680	$1,244,370	$1,195,800	$1,195,800
Supplies	199,322	218,000	235,000	235,000	235,000
Other Charges	12,503,715	13,436,550	12,669,980	14,093,290	14,093,290
Capital Outlay	0	40,000	30,000	31,000	31,000
Total	$13,953,739	$14,999,230	$14,179,350	$15,555,090	$15,555,090

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 a third 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…
…the Sewage Collection division will contact all of the 344 food preparation facilities located within Sterling Heights in order to check their grease traps for proper cleaning and disposal?

Sewage Collection

2014/15 PERFORMANCE OBJECTIVES

1. To reduce the timeframe for cleaning all City sanitary lines from a three-year rotation to a bi-annual cycle. *(City Goal 1, 12)*

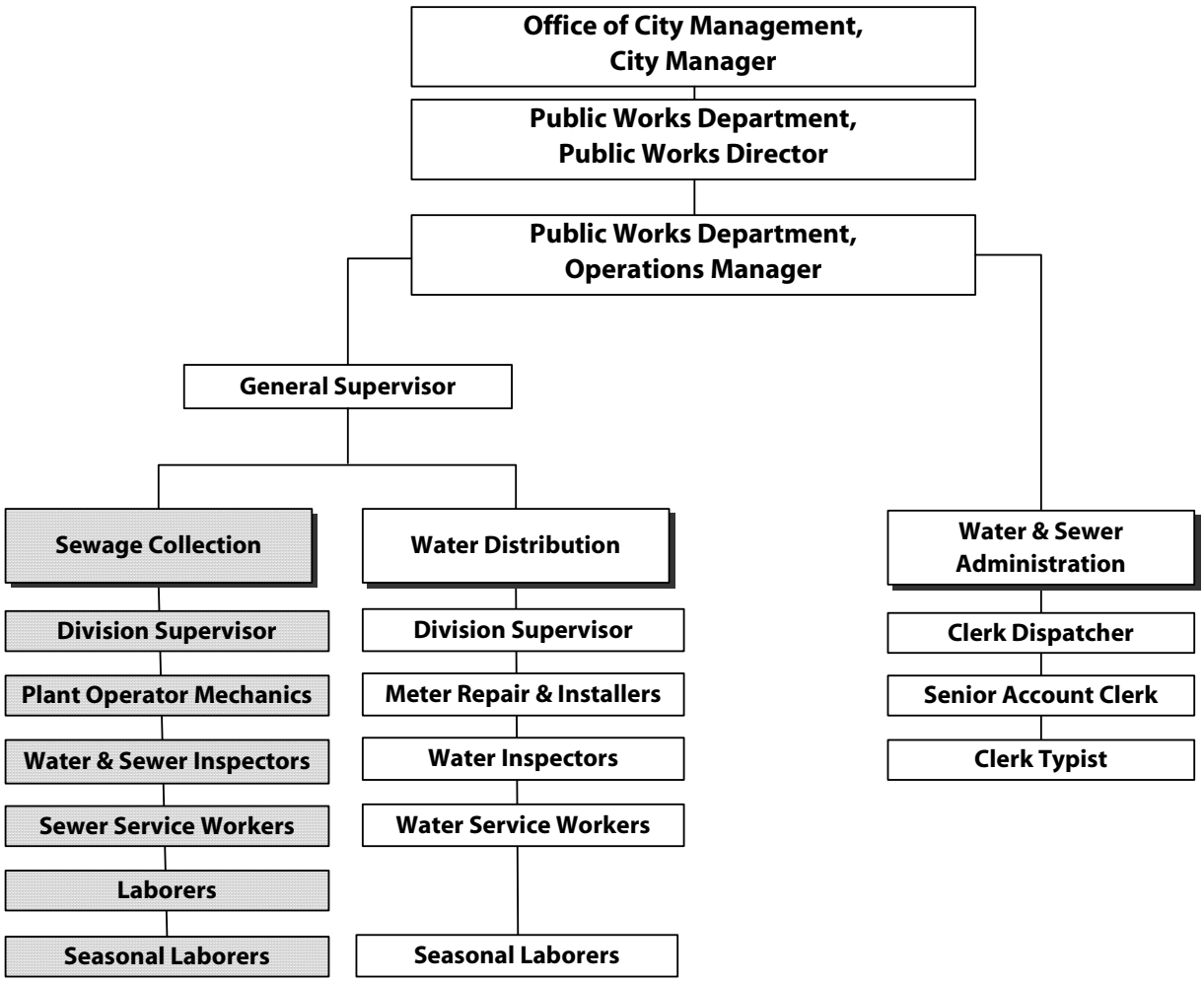
2. To inspect all food preparation facilities at least once per year, ensuring their grease traps are being utilized and maintained properly. *(City Goal 6, 13)*

3. To provide comprehensive confined space training for all employees who perform work inside wet wells, sanitary and storm structures, and sanitary lift stations. *(City Goal 4, 25)*

	Performance Indicators	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Budget
Output	Miles of Sanitary Sewers in City	430	430	430	430	430	430
	Sewer Inquiries Received & Resolved	2,594	1,940	2,218	2,100	1,800	2,000
	Sewer Inspections	270	316	352	200	325	300
	Water Inspections	43	83	82	50	75	75
	Certificate of Occupancy Inspections	36	56	49	50	40	45
	Sanitary Sewer Cleaned - Feet	546,575	725,340	1,049,300	1,000,000	1,500,000	1,500,000
	Utility Structures Restored	69	78	88	80	60	60
	Flags of Sidewalk Replaced	84	64	49	80	70	70
	Sections of Street/Approaches Replaced	26/18	78/16	40/18	60/20	40/20	40/20
	Sod Replaced - Yards	2,234	910	705	800	800	800
	Retention Basin Inspections Performed	450	450	450	450	450	450
	Retention Basin Wet Wells Cleaned	5	6	15	8	14	14
	Grease Trap Program Inspections	238	150	65	225	345	345
Efficiency & Effectiveness	Sewer Main Blockages	2	11	9	8	4	4
	% 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	30.7	30.7	33.1	35.8	35.8	33.1
	Disposal Cost Per 1,000 Cubic Feet of Waste Water	$13.86*	$13.64*	$14.41*	$14.95*	$15.17*	$15.78*
	Macomb County Sewage Fixed Charge (incl. debt)	$2,513,108	$5,160,091	$5,597,567	$6,073,720	$6,035,305	$6,629,420
	Sewage Fixed Charge as a % of Total Costs	21.6%	35.2%	37.6%	38.6%	34.2%	36.7%
	Sewage Disposal System Look-Back Adjustment	$0	$0	$0	$0	$1,576,690	$884,640
	Sewage Metered Flow Differential Adjustment	$0	$0	$241,829	$313,550	$306,950	$270,000

** Does not include fixed combined sewer overflow costs or sewer debt service charges.*

Sewage Collection



STAFFING SUMMARY

Position	Budget 2012/13	Budget 2013/14	Budget 2014/15
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)	2	1	1
Laborer	4	4	5
Seasonal Laborer	4	4	4
Total	17	16	17

Sewage Collection

SUMMARY OF BUDGET CHANGES

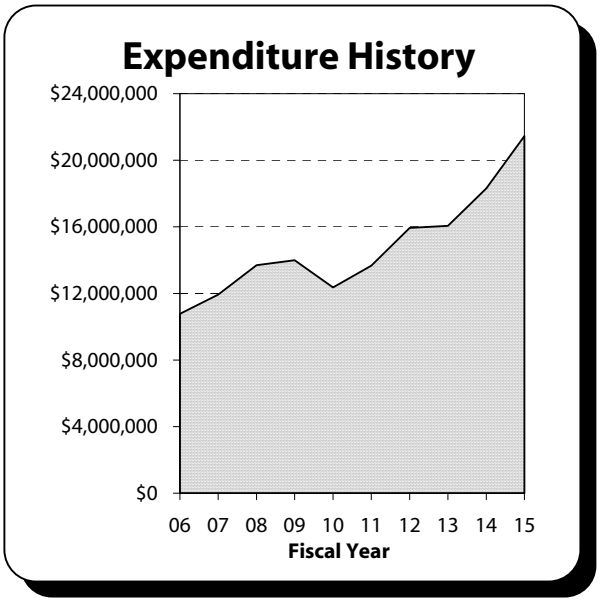
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 17.2%.

Personnel Services – The Personnel budget increased $87,100 or 6.1%. The increase is the result of transferring a Laborer from Water Distribution due to increased maintenance of the City's sewage disposal system. An additional $13,520 is to fund increased hours for Seasonal Laborers.

Supplies – Supplies rose $3,000 or 5.1%, as fuel funding increased to bring the budget in line with actual costs.

Other Charges – Other Charges increased $2,008,960 or 14.8%. Sewage disposal costs from Detroit increased $1,944,660. The sewage rate from Detroit increased by 4.0% from $15.17 to $15.78 per mcf. Fixed sewage charges increased by $190,320 or 5.8%. In addition, an $884,640 look-back charge is budgeted, as Detroit is billing a five-year look-back as a result of meter testing. The City will be billed for the charge through the end of fiscal year 2016. A 4.0% increase in treated sewage volumes, a 4.0% sewage rate increase, and a 5.8% increase in fixed sewage charges, coupled with a $359,740 or 11.2% increase in the City's share of the District's debt and an $689,500 increase in capital costs have resulted in the need to pass on an 11.9% sewer rate adjustment. Industrial waste control charged by Detroit for monitoring non-residential waste flows increased by $40,000. $10,000 was added for the contractual cost of cleaning and televising the sanitary sewer system.



Capital – Capital of $725,000 is proposed. $35,000 is for a Backup Generator to be used as an emergency backup power supply for lift stations. $450,000 is to replace a 15-year old Vactor Jet, which can be reassigned to assist in the clean out of storm drains. $240,000 is to replace a 20-year old Sewer Jet Truck.

Debt Service – Debt Service increased $359,740 or 11.2% to cover the City's share of the District's sewer rehabilitation payments.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$1,314,715	$1,436,200	$1,533,110	$1,523,300	$1,523,300
Supplies	63,541	59,000	63,000	62,000	62,000
Other Charges	13,201,144	13,552,520	15,670,290	15,561,480	15,561,480
Capital Outlay	0	35,500	35,720	725,000	725,000
Debt Service	1,484,878	3,224,730	3,130,120	3,584,470	3,584,470
Total	$16,064,278	$18,307,950	$20,432,240	$21,456,250	$21,456,250

Special Revenue Funds

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 Energy Efficiency & Conservation Block Grant Fund.

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
MAJOR ROAD FUND						
REVENUES						
Federal Grants	$0	$17,710	$274,000	($17,700)	$41,420	**$40,000**
Gas & Weight Tax	5,194,600	5,297,640	5,300,000	1,855,610	5,450,000	**5,500,000**
Metro Act	252,120	257,400	250,000	0	260,000	**260,000**
Other Revenue	151,360	146,200	155,000	96,070	194,000	**365,000**
Transfer from General Fund	0	0	0	0	0	**2,800,000**
Total Revenues	**5,598,080**	**5,718,950**	**5,979,000**	**1,933,980**	**5,945,420**	**8,965,000**
EXPENDITURES						
Administration	103,140	110,790	115,590	54,330	125,590	**115,600**
Major Street Maintenance	1,558,250	1,526,690	1,640,500	815,400	2,247,910	**1,791,500**
Major Street Improvements	347,660	470,370	3,057,870	921,980	2,324,270	**5,377,800**
Transfer to Local Road Fund	250,000	0	0	0	0	**750,000**
Tfr. to Road Bond Debt Fund	2,300,000	2,430,000	2,160,000	1,933,670	2,160,000	**1,600,000**
Tfr. to Road Bond Constr Fund	0	135,110	0	0	0	**0**
Total Expenditures	**4,559,050**	**4,672,960**	**6,973,960**	**3,725,380**	**6,857,770**	**9,634,900**
Excess of Revenues Over (Under) Expenditures	**1,039,030**	**1,045,990**	**(994,960)**	**(1,791,400)**	**(912,350)**	**(669,900)**
Beginning Fund Balance	**2,690,090**	**3,729,120**	**4,775,110**	**4,775,110**	**4,775,110**	**3,862,760**
Ending Fund Balance	**$3,729,120**	**$4,775,110**	**$3,780,150**	**$2,983,710**	**$3,862,760**	**$3,192,860**
LOCAL ROAD FUND						
REVENUES						
Property Taxes	$0	$0	$0	$0	$0	**$3,272,900**
Gas & Weight Tax	1,923,780	1,958,490	1,950,000	685,990	2,050,000	**2,100,000**
Metro Act	93,440	95,150	90,000	0	95,000	**95,000**
Charges for Services	54,170	40,220	52,000	27,350	53,000	**52,000**
Other Revenue	53,500	45,630	64,550	31,010	91,160	**51,790**
Transfer from Major Road Fund	250,000	0	0	0	0	**750,000**
Total Revenues	**2,374,890**	**2,139,490**	**2,156,550**	**744,350**	**2,289,160**	**6,321,690**
EXPENDITURES						
Administration	104,780	107,970	130,290	73,870	161,650	**161,660**
Local Street Maintenance	1,276,750	1,372,690	1,279,000	765,830	1,732,000	**1,491,000**
Local Street Improvements	614,450	691,940	1,286,920	1,317,850	1,298,000	**4,457,000**
Total Expenditures	**1,995,980**	**2,172,600**	**2,696,210**	**2,157,550**	**3,191,650**	**6,109,660**
Excess of Revenues Over (Under) Expenditures	**378,910**	**(33,110)**	**(539,660)**	**(1,413,200)**	**(902,490)**	**212,030**
Beginning Fund Balance	**726,260**	**1,105,170**	**1,072,060**	**1,072,060**	**1,072,060**	**169,570**
Ending Fund Balance	**$1,105,170**	**$1,072,060**	**$532,400**	**($341,140)**	**$169,570**	**$381,600**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

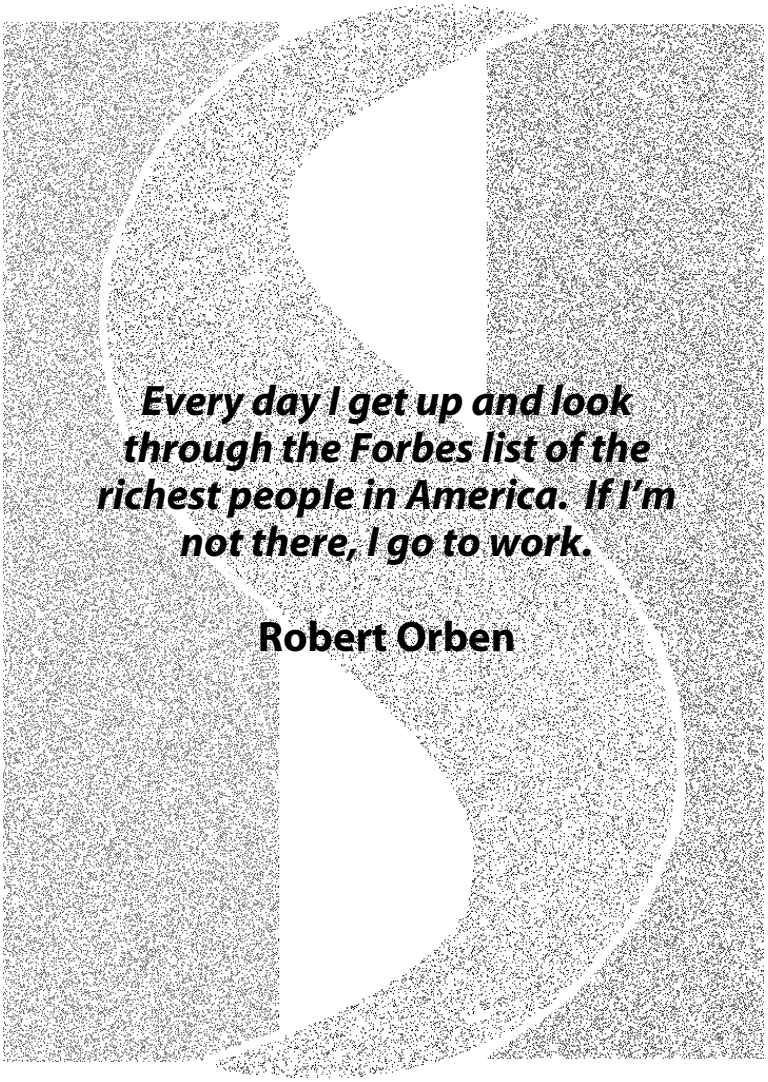
Special Revenue Funds	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
LAND & WATER FUND						
REVENUES						
Federal & State Grants	$0	$0	$0	$0	$0	**$175,000**
Other Revenue	5,450	1,350	6,400	290	5,550	**200**
Transfer from General Fund	0	0	0	0	0	**88,000**
Total Revenues	**5,450**	**1,350**	**6,400**	**290**	**5,550**	**263,200**
EXPENDITURES						
Land Improvements	115,440	19,540	108,600	15,110	103,450	**758,000**
Total Expenditures	**115,440**	**19,540**	**108,600**	**15,110**	**103,450**	**758,000**
Excess of Revenues Over (Under) Expenditures	**(109,990)**	**(18,190)**	**(102,200)**	**(14,820)**	**(97,900)**	**(494,800)**
Beginning Fund Balance	**733,570**	**623,580**	**605,390**	**605,390**	**605,390**	**507,490**
Ending Fund Balance	**$623,580**	**$605,390**	**$503,190**	**$590,570**	**$507,490**	**$12,690**
ENERGY EFFICIENCY & CONS. BLOCK GRANT FUND						
REVENUES						
Federal & State Grants	$525,300	$0	$0	$0	$0	**$0**
Total Revenues	**525,300**	**0**	**0**	**0**	**0**	**0**
EXPENDITURES						
Other Charges	4,130	0	0	0	0	**0**
Capital Improvements	521,170	0	0	0	0	**0**
Total Expenditures	**525,300**	**0**	**0**	**0**	**0**	**0**
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**
PUBLIC SAFETY FORF. FUND						
REVENUES						
Federal Forfeitures & Income	$187,270	$74,850	$70,870	$97,880	$160,000	**$0**
Treasury Forfeitures & Income	1,480	20	0	0	0	**0**
State Forfeitures & Income	96,260	96,500	10,840	97,580	130,000	**5,000**
OWI Forfeitures	25,290	14,260	4,500	4,500	7,000	**0**
Gambling Forfeitures	0	0	0	12,860	14,000	**0**
Other Revenue	520	650	620	80	150	**150**
Total Revenues	**310,820**	**186,280**	**86,830**	**212,900**	**311,150**	**5,150**
EXPENDITURES						
Federal Forfeiture Expenditures	27,910	70,020	259,700	137,430	325,100	**189,450**
Treasury Forf. Expenditures	50,210	23,950	0	0	0	**0**
State Forfeiture Expenditures	185,660	142,680	113,670	55,060	133,970	**134,270**
Gambling Forf. Expenditures	0	10	0	0	0	**0**
OWI Forfeiture Expenditures	30,860	16,930	38,400	5,150	33,400	**28,500**
Total Expenditures	**294,640**	**253,590**	**411,770**	**197,640**	**492,470**	**352,220**
Excess of Revenues Over (Under) Expenditures	**16,180**	**(67,310)**	**(324,940)**	**15,260**	**(181,320)**	**(347,070)**
Beginning Fund Balance	**581,990**	**598,170**	**530,860**	**530,860**	**530,860**	**349,540**
Ending Fund Balance	**$598,170**	**$530,860**	**$205,920**	**$546,120**	**$349,540**	**$2,470**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

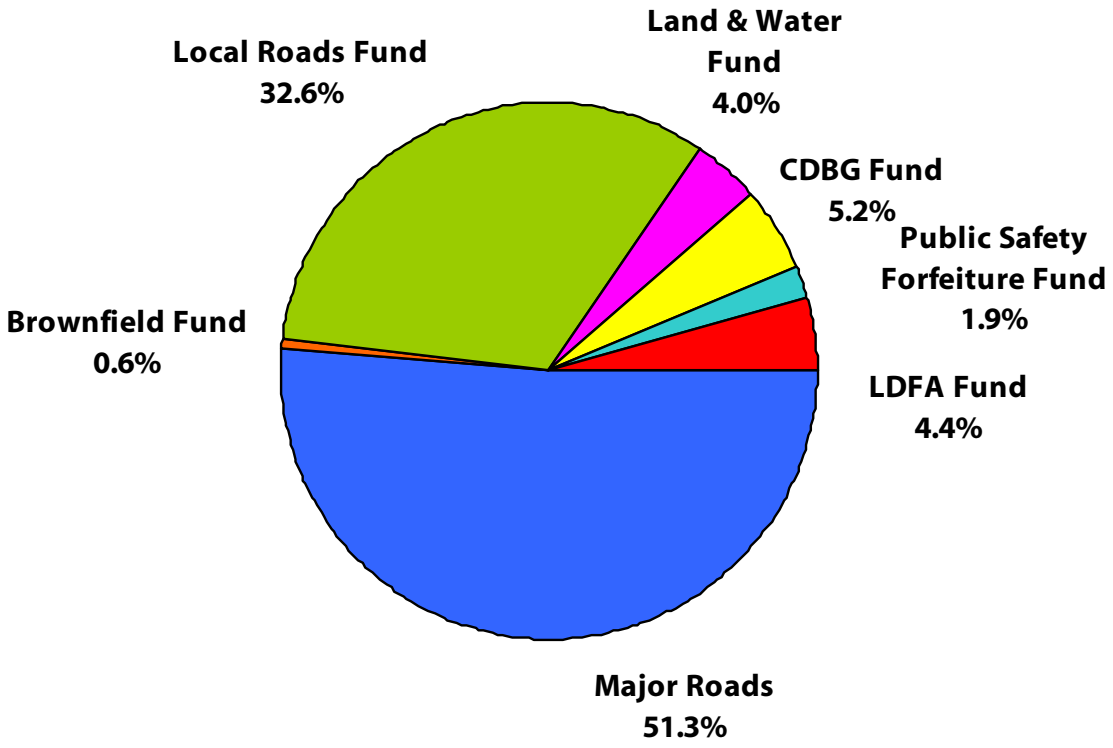
Special Revenue Funds	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
COMMUNITY DEVELOPMENT BLOCK GRANT FUND						
REVENUES						
Federal Grants	$772,120	$400,940	$1,426,560	$342,310	$1,401,560	**$937,540**
Revenue Direct Loans	17,250	56,750	25,000	40,730	50,000	**45,000**
Total Revenues	**789,370**	**457,690**	**1,451,560**	**383,040**	**1,451,560**	**982,540**
EXPENDITURES						
Community Development	474,010	349,090	1,451,560	409,970	1,451,560	**982,540**
Principal	305,000	106,470	0	0	0	**0**
Interest	10,360	2,130	0	0	0	**0**
Total Expenditures	**789,370**	**457,690**	**1,451,560**	**409,970**	**1,451,560**	**982,540**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**(26,930)**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**($26,930)**	**$0**	**$0**
NEIGHBORHOOD STABILIZATION FUND						
REVENUES						
Federal Grants	$412,530	$242,260	$0	$4,690	$4,740	**$0**
Total Revenues	**412,530**	**242,260**	**0**	**4,690**	**4,740**	**0**
EXPENDITURES						
Downpayment & Rehab. Assist.	24,320	1,040	0	0	0	**0**
Acquisition, Rehab. & Resale	79,150	0	0	0	0	**0**
Acquisition/Redevelopment	300,080	236,540	0	3,800	3,800	**0**
Demolition	0	0	0	0	0	**0**
Administration Costs	8,980	4,680	0	940	940	**0**
Total Expenditures	**412,530**	**242,260**	**0**	**4,740**	**4,740**	**0**
Excess of Revenues Over (Under) Expenditures	**0**	**0**	**0**	**(50)**	**0**	**0**
Beginning Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**
Ending Fund Balance	**$0**	**$0**	**$0**	**($50)**	**$0**	**$0**
CORRIDOR IMPROVEMENT AUTHORITY FUND						
REVENUES						
Other Revenue	$20	$20	$20	$10	$10	**$10**
Total Revenues	**20**	**20**	**20**	**10**	**10**	**10**
EXPENDITURES						
Other Charges	8,470	0	0	0	0	**0**
Total Expenditures	**8,470**	**0**	**0**	**0**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**(8,450)**	**20**	**20**	**10**	**10**	**10**
Beginning Fund Balance	**34,400**	**25,950**	**25,970**	**25,970**	**25,970**	**25,980**
Ending Fund Balance	**$25,950**	**$25,970**	**$25,990**	**$25,980**	**$25,980**	**$25,990**

SPECIAL REVENUE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
ECONOMIC DEVELOPMENT CORPORATION FUND						
REVENUES						
Transfer from General Fund	$21,000	$19,000	$0	$0	$0	**$300,000**
Other Revenue	10	10	10	0	0	**0**
Total Revenues	**21,010**	**19,010**	**10**	**0**	**0**	**300,000**
EXPENDITURES						
Miscellaneous	8,420	20,490	0	500	0	**0**
Total Expenditures	**8,420**	**20,490**	**0**	**500**	**0**	**0**
Excess of Revenues Over (Under) Expenditures	**12,590**	**(1,480)**	**10**	**(500)**	**0**	**300,000**
Beginning Fund Balance	**1,580**	**14,170**	**12,690**	**12,690**	**12,690**	**12,690**
Ending Fund Balance	**$14,170**	**$12,690**	**$12,700**	**$12,190**	**$12,690**	**$312,690**
BROWNFIELD REDEVELOP. AUTHORITY FUND						
REVENUES						
Property Taxes - TIF	$70,500	$127,240	$113,960	$106,000	$113,960	**$115,500**
Other Revenue	20	60	20	30	60	**60**
Total Revenues	**70,520**	**127,300**	**113,980**	**106,030**	**114,020**	**115,560**
EXPENDITURES						
Other Charges	27,510	86,990	114,460	106,060	113,960	**115,500**
Transfer to General Fund	42,300	45,000	0	0	0	**0**
Total Expenditures	**69,810**	**131,990**	**114,460**	**106,060**	**113,960**	**115,500**
Excess of Revenues Over (Under) Expenditures	**710**	**(4,690)**	**(480)**	**(30)**	**60**	**60**
Beginning Fund Balance	**9,520**	**10,230**	**5,540**	**5,540**	**5,540**	**5,600**
Ending Fund Balance	**$10,230**	**$5,540**	**$5,060**	**$5,510**	**$5,600**	**$5,660**
LOCAL DEVELOPMENT FINANCE AUTHORITY FUND						
REVENUES						
Property Taxes - TIF	$21,360	$79,490	$111,590	$99,400	$111,530	**$128,000**
LDFA SmartZone Capture	19,710	70,740	500,000	194,100	500,000	**500,000**
Federal Grants	371,890	0	0	0	0	**0**
Transfer from General Fund	12,930	0	0	0	0	**0**
Other Revenue	166,930	115,500	17,220	44,630	79,170	**600**
Total Revenues	**592,820**	**265,730**	**628,810**	**338,130**	**690,700**	**628,600**
EXPENDITURES						
Incubator Operations	157,710	159,400	486,450	106,490	382,400	**691,150**
BAE Reimbursement	21,360	79,510	111,590	99,420	111,530	**128,000**
Incubator Renovations	391,610	0	0	80	0	**0**
Total Expenditures	**570,680**	**238,910**	**598,040**	**205,990**	**493,930**	**819,150**
Excess of Revenues Over (Under) Expenditures	**22,140**	**26,820**	**30,770**	**132,140**	**196,770**	**(190,550)**
Beginning Fund Balance	**19,780**	**41,920**	**68,740**	**68,740**	**68,740**	**265,510**
Ending Fund Balance	**$41,920**	**$68,740**	**$99,510**	**$200,880**	**$265,510**	**$74,960**


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

Special Revenue Funds
Percent of Total Expenditures



This graph illustrates expenditures for each Special Revenue Fund as a percent of the total $18,771,970 Special Revenue Funds budget.

Special Revenue Funds Revenues

TAXES

This revenue source is largely generated by the Safe Streets millage that was approved by the voters in November 2013, as well as from tax increment financing (TIF) revenues resulting from the Brownfield Redevelopment and Local Development Authorities. A total of $4,016,400 is anticipated next fiscal year.

In the 2014/15 Budget, the total revenue generated by Taxes represents 22.8% of total revenue sources, an increase of $3,290,850. The increase is primarily due to the passage of the Safe Streets millage, which allocated 0.8000 mills for local road improvements, generating $3.3 million in the Local Road Fund to cover the cost of asphalt and concrete repairs to neighborhood streets.

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 2014/15 Budget, State and Local Return revenues represent 52.1% of total revenue sources, a decrease of $244,230. The decrease is primarily due to a decrease in federal grants for the Major Road Fund and Community Development Block Grant program, partially offset by an increase in Act 51 Funds and a possible grant for replacement ball field lighting at Delia Park.

OTHER FINANCING SOURCES

Other Financing Sources in the Special Revenue Funds include Transfers In from other funds. This revenue center will receive a transfer from the General Fund and the Major Road Fund next year.

In 2014/15, revenues generated from Other Financing Sources represent 22.4% of total revenue sources, an increase of $3,938,000. The increase is primarily due to a budgeted transfer from the General Fund for the one-time pass through of City self-insurance funds that will be used to finance the Van Dyke Reconstruction project from 15 Mile to 18 Mile Road. A transfer from the Major Road Fund to the Local Road Fund totals $750,000.

CHARGES FOR SERVICES

Charges for Services consists of revenue from Tree Sales & Planting and Chipping Fees. In the 2014/15 Budget, Charges for Services represents 0.3% of total revenue sources. There are no proposed changes within this revenue source.

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, Rental Income, Miscellaneous Revenue, and Reimbursements. These reimbursements are from the Macomb County Road Commission for the sweeping & mowing of County roads by the City.

In 2014/15, Other Revenues represent 2.4% of total revenue sources, an increase of $173,970. This increase is primarily due to an increase in Miscellaneous Revenue for the receipt of an insurance claim for 15 Mile Road repair work at Dodge Park Road.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A Use of Fund Balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2014/15 Budget, expenditures exceed revenue sources by $1,190,220. A draw down of funds is planned, as additional funding is needed primarily in the Major Road Fund for major road maintenance and construction and in the Land & Water Conservation Fund for park maintenance projects. 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	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	TAXES						
404001	Property Tax Refunds	$0	0.00	$0	0.00	($25,000)	-0.14
407000	Safe Streets Tax	0	0.00	0	0.00	3,297,900	18.76
420000	Property Taxes - TIF - Sims/CIA	40,730	0.44	0	0.00	0	0.00
420010	Property Taxes - TIF - BAE	166,005	1.81	225,550	2.16	243,500	1.38
422000	LDFA - SmartZone Capture - BAE	70,744	0.77	500,000	4.80	500,000	2.84
	Total Taxes	**277,479**	**3.02**	**725,550**	**6.96**	**4,016,400**	**22.84**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	660,774	7.22	1,700,560	16.32	977,540	5.56
529003	Revenue Direct Loans	56,751	0.62	25,000	0.24	45,000	0.26
529100	Federal Forfeiture Grants	74,853	0.82	70,870	0.68	0	0.00
529201	Treasury Forfeiture Prgrm. Income	22	0.00	0	0.00	0	0.00
529278	Federal Grant - CDBG-R	127	0.00	0	0.00	0	0.00
539002	State Grants - L&W	0	0.00	0	0.00	175,000	1.00
539200	State Forfeiture Grants	71,278	0.78	8,900	0.09	0	0.00
539201	State Forfeiture Program Income	25,215	0.28	1,940	0.02	5,000	0.03
539348	Metro Act	352,553	3.85	340,000	3.26	355,000	2.02
539400	OWI Forfeitures	14,263	0.16	4,500	0.04	0	0.00
546000	Highway & Street Grants	7,256,134	79.23	7,250,000	69.56	7,600,000	43.23
	Total State & Local Returns	**8,511,970**	**92.94**	**9,401,770**	**90.20**	**9,157,540**	**52.09**
	OTHER FINANCING SOURCES						
699101	Transfer from General Fund	19,000	0.21	0	0.00	3,188,000	18.13
699202	Transfer from Major Road Fund	0	0.00	0	0.00	750,000	4.27
	Total Other Financing Sources	**19,000**	**0.21**	**0**	**0.00**	**3,938,000**	**22.40**
	CHARGES FOR SERVICES						
640004	Tree Sales & Planting	30,146	0.33	40,000	0.38	40,000	0.23
640010	Chipping Fee	10,076	0.11	12,000	0.12	12,000	0.07
	Total Charges for Services	**40,222**	**0.44**	**52,000**	**0.50**	**52,000**	**0.30**
	OTHER REVENUE						
665000	Interest on Investments	12,179	0.13	10,750	0.10	8,120	0.05
665100	Interest Income - Federal Forfeiture	419	0.00	400	0.00	100	0.00
665130	Interest Income - Treas. Forfeiture	10	0.00	20	0.00	0	0.00
665200	Interest Income - State Forfeiture	158	0.00	150	0.00	30	0.00
665400	Interest Income - OWI Forfeiture	65	0.00	50	0.00	20	0.00
665715	Interest Income - LDFA TIF	26	0.00	0	0.00	50	0.00
667716	Rental Income Smart Incubator	73,032	0.80	17,220	0.17	0	0.00
672000	Special Assessment Revenue	35,621	0.39	56,580	0.54	39,400	0.22
672445	SA Delinquent Interest & Penalties	0	0.00	150	0.00	500	0.00
672665	Special Assessment Interest	8,094	0.09	6,020	0.06	11,090	0.06
675000	Contributions & Donations	0	0.00	5,000	0.05	0	0.00
676000	Reimbursements	170,271	1.86	140,000	1.34	150,500	0.86
677008	Unrealized Gain/Loss	578	0.01	0	0.00	0	0.00
685000	Miscellaneous Revenue	8,951	0.10	7,500	0.07	208,000	1.18
	Total Other Revenue	**309,404**	**3.38**	**243,840**	**2.34**	**417,810**	**2.37**
	Total Special Revenue Funds	**$9,158,075**	**100.00**	**$10,423,160**	**100.00**	**$17,581,750**	**100.00**

Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	PERSONNEL SERVICES						
705000	Wages - Salaries - Temp/Part-time	$0	0.00	$9,130	0.07	**$8,140**	**0.04**
717000	FICA	0	0.00	700	0.01	**620**	**0.00**
718000	Worker's Compensation	0	0.00	10	0.00	**10**	**0.00**
	Total Personnel Services	**0**	**0.00**	**9,840**	**0.08**	**8,770**	**0.04**
	SUPPLIES						
729000	Postage	498	0.01	1,100	0.01	**1,100**	**0.01**
751000	Operating Supplies	19,842	0.24	100,180	0.81	**71,700**	**0.38**
785000	Books	5,936	0.07	7,080	0.06	**6,000**	**0.03**
	Total Supplies	**26,276**	**0.32**	**108,360**	**0.88**	**78,800**	**0.42**
	OTHER CHARGES						
802000	Audit & Accounting Services	3,059	0.04	880	0.01	**900**	**0.00**
805000	Administrative Services	357,035	4.35	509,780	4.13	**494,250**	**2.63**
805100	Management Services	0	0.00	43,350	0.35	**44,000**	**0.23**
806001	Legal Services - City Attorney	2,223	0.03	3,000	0.02	**2,500**	**0.01**
810000	Other Fees	81	0.00	0	0.00	**0**	**0.00**
826000	Other Contracted Services	184,565	2.25	397,150	3.21	**388,510**	**2.07**
826900	Subrecipient Funding	47,140	0.57	63,370	0.51	**78,800**	**0.42**
827000	Interfund Services	19,000	0.23	33,130	0.27	**19,000**	**0.10**
832000	Building Maintenance	12,882	0.16	22,500	0.18	**30,000**	**0.16**
833000	Equipment Maintenance	5,605	0.07	8,000	0.06	**3,000**	**0.02**
880000	Community Promotion	15,611	0.19	5,000	0.04	**5,000**	**0.03**
881000	Down Payment Assistance	1,038	0.01	0	0.00	**0**	**0.00**
902000	Publishing	702	0.01	1,800	0.01	**1,800**	**0.01**
913000	Liability Insurance	10,460	0.13	11,400	0.09	**11,400**	**0.06**
921000	Electric	53,637	0.65	50,000	0.40	**65,000**	**0.35**
922000	Telephone	34,351	0.42	58,300	0.47	**52,000**	**0.28**
923000	Gas - Fuel - Oil	26,933	0.33	35,000	0.28	**35,000**	**0.19**
925000	Water	10,846	0.13	12,000	0.10	**12,000**	**0.06**
945000	Other Rental	1,321	0.02	1,320	0.01	**1,400**	**0.01**
957000	Memberships & Dues	4,550	0.06	4,530	0.04	**4,580**	**0.02**
959000	Education & Training	7,692	0.09	13,430	0.11	**12,500**	**0.07**
962000	Miscellaneous Expense	86	0.00	970	0.01	**590**	**0.00**
962010	Miscellaneous Expense - BAE	166,030	2.02	225,550	1.83	**243,500**	**1.30**
962200	Miscellaneous Expense - Investigations	28,013	0.34	26,000	0.21	**18,000**	**0.10**
963000	Miscellaneous Programs	0	0.00	10,000	0.08	**10,000**	**0.05**
963716	Miscellaneous - Micro Loan Program	0	0.00	50,000	0.40	**50,000**	**0.27**
963900	Miscellaneous - Capital Program	0	0.00	67,000	0.54	**250,000**	**1.33**
	Total Other Charges	**992,860**	**12.09**	**1,653,460**	**13.38**	**1,833,730**	**9.77**
	OTHER SERVICES						
886162	Access Road Maintenance	19,498	0.24	20,000	0.16	**25,000**	**0.13**
887000	Bridge Maintenance	16,126	0.20	20,000	0.16	**20,000**	**0.11**
888000	Surface Maintenance	486,354	5.92	395,000	3.20	**480,000**	**2.56**

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
888001	Surface Maintenance - County	2,808	0.03	0	0.00	**0**	**0.00**
888229	2012 Joint Sealing Program	123,699	1.51	30,000	0.24	**130,000**	**0.69**
889000	Shoulder Maintenance	9,377	0.11	25,000	0.20	**23,000**	**0.12**
890000	Sweeping & Flushing	305,935	3.73	235,000	1.90	**260,000**	**1.39**
890001	Sweeping & Flushing - County	31,468	0.38	35,000	0.28	**35,000**	**0.19**
890002	Sweeping & Flushing - State	5,536	0.07	10,000	0.08	**10,000**	**0.05**
891000	Grass & Weed Control	169,657	2.07	165,000	1.34	**190,000**	**1.01**
891001	Grass & Weed Control - County	146,981	1.79	140,000	1.13	**175,000**	**0.93**
891002	Grass & Weed Control - State	86,518	1.05	110,000	0.89	**125,000**	**0.67**
892000	Roadside Cleanup	10,064	0.12	8,000	0.06	**8,000**	**0.04**
892001	Roadside Cleanup - County	8,172	0.10	10,000	0.08	**8,000**	**0.04**
892002	Roadside Cleanup - State	2,077	0.03	6,000	0.05	**3,000**	**0.02**
893000	Curb & Gutter Maintenance	1,955	0.02	8,500	0.07	**2,500**	**0.01**
894000	Storm Drain Maintenance	112,545	1.37	190,000	1.54	**170,000**	**0.91**
894001	Storm Drain Maintenance - County	643	0.01	0	0.00	**0**	**0.00**
895000	Tree & Shrub Maintenance	360,113	4.39	370,000	2.99	**420,000**	**2.24**
895001	Tree & Shrub Maintenance - County	6,972	0.08	8,000	0.06	**7,000**	**0.04**
895002	Tree & Shrub Maintenance - State	666	0.01	5,000	0.04	**3,000**	**0.02**
897000	Snow & Ice Removal	785,153	9.56	850,000	6.88	**900,000**	**4.79**
898000	Traffic Signs & Signals	197,553	2.41	210,000	1.70	**215,000**	**1.15**
898001	Traffic Signs & Signals - County	8,006	0.10	4,000	0.03	**8,000**	**0.04**
899000	Pavement Markings	1,507	0.02	65,000	0.53	**65,000**	**0.35**
	Total Other Services	**2,899,383**	**35.32**	**2,919,500**	**23.63**	**3,282,500**	**17.49**
	CAPITAL OUTLAY						
972000	Land Improvements	10,945	0.13	0	0.00	**517,240**	**2.76**
972008	Land Imp-Neighbrhd Prks-Play Equip	0	0.00	4,000	0.03	**0**	**0.00**
972237	2013 Park Improvements	0	0.00	253,100	2.05	**0**	**0.00**
972333	Delia Park Improvements	0	0.00	0	0.00	**600,000**	**3.20**
972334	Sport Courts & Path Resurfacing	8,591	0.10	5,000	0.04	**70,000**	**0.37**
972795	Park Improvements	0	0.00	5,000	0.04	**0**	**0.00**
975000	Buildings & Improvements	0	0.00	15,000	0.12	**35,000**	**0.19**
979000	Computer Equipment	0	0.00	67,580	0.55	**3,030**	**0.02**
981000	Electronic Equipment	37,945	0.46	73,640	0.60	**25,100**	**0.13**
982000	Machinery & Equipment	1,092	0.01	46,630	0.38	**85,000**	**0.45**
984000	Vehicles	74,210	0.90	3,690	0.03	**48,000**	**0.26**
985000	Weapons & Protective Gear	(53)	0.00	0	0.00	**0**	**0.00**
988000	Construction	148,329	1.81	638,940	5.17	**9,684,800**	**51.59**
988201	15 Mile & Schoenherr Intersect Impr	8,152	0.10	0	0.00	**0**	**0.00**
988202	SMART Bus Stop Improvements	4,206	0.05	0	0.00	**0**	**0.00**
988206	Utica/Van Dyke - Park	236,542	2.88	0	0.00	**0**	**0.00**
988213	ADA Improve. Baumgartner Park	0	0.00	10,330	0.08	**0**	**0.00**
988218	2011 Concrete Replacement Pgrm	(4,633)	-0.06	0	0.00	**0**	**0.00**
988224	Tyler/Sanford Dr Concrete Replace	37,003	0.45	336,220	2.72	**0**	**0.00**
988228	2012 Concrete Replacement Pgrm	783,320	9.54	0	0.00	**0**	**0.00**
988231	Gainsley/Lori Dr Asphalt Repair	147,967	1.80	0	0.00	**0**	**0.00**

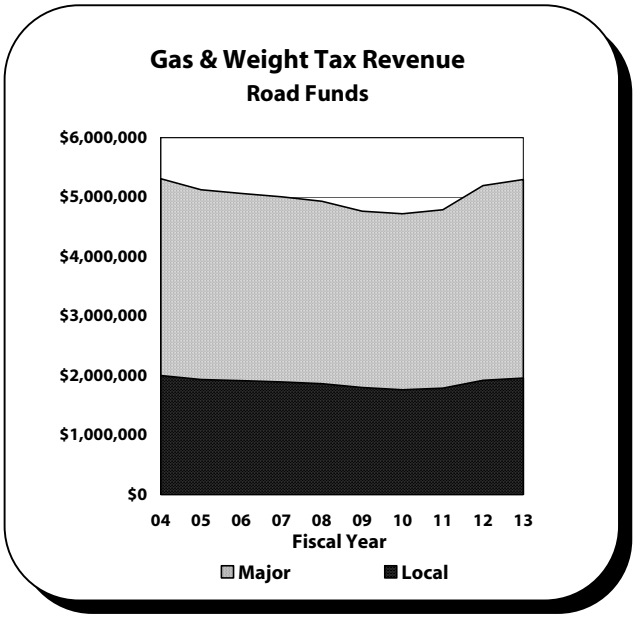
SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
988232	Gardner Street Paving	24,368	0.30	228,920	1.85	**0**	**0.00**
988233	15 Mile Turn Lanes - Dodge/Maple	42	0.00	308,000	2.49	**0**	**0.00**
988234	Delco Blvd Resurfacing	50,109	0.61	159,890	1.29	**0**	**0.00**
988235	17 Mile Bridge Replace - Conrail	0	0.00	1,400,000	11.33	**0**	**0.00**
988238	2013 Concrete Replacement Pgrm	87	0.00	384,000	3.11	**0**	**0.00**
988243	2013 Asphalt Pavement Repair	4,572	0.06	1,302,000	10.54	**0**	**0.00**
988246	Van Dyke Streetscape Design	0	0.00	200,000	1.62	**0**	**0.00**
988700	Dequindre Rd - 16-18 Mile Road	0	0.00	61,500	0.50	**150,000**	**0.80**
	Total Capital Outlay	**1,572,794**	**19.16**	**5,503,440**	**44.55**	**11,218,170**	**59.76**
	DEBT SERVICE						
992000	Principal	106,473	1.30	0	0.00	**0**	**0.00**
993000	Interest	2,129	0.03	0	0.00	**0**	**0.00**
	Total Debt Service	**108,602**	**1.32**	**0**	**0.00**	**0**	**0.00**
	TRANSFERS OUT						
999101	Transfer to General Fund	45,000	0.55	0	0.00	**0**	**0.00**
999203	Transfer to Local Road Fund	0	0.00	0	0.00	**750,000**	**4.00**
999327	Transfer to Road Bond Debt Fund	2,430,000	29.60	2,160,000	17.48	**1,600,000**	**8.52**
999428	Transfer to Road Bond Constr Fund	135,110	1.65	0	0.00	**0**	**0.00**
	Total Transfers Out	**2,610,110**	**31.79**	**2,160,000**	**17.48**	**2,350,000**	**12.52**
	Total Special Revenue Funds	**$8,210,025**	**100.00**	**$12,354,600**	**100.00**	**$18,771,970**	**100.00**

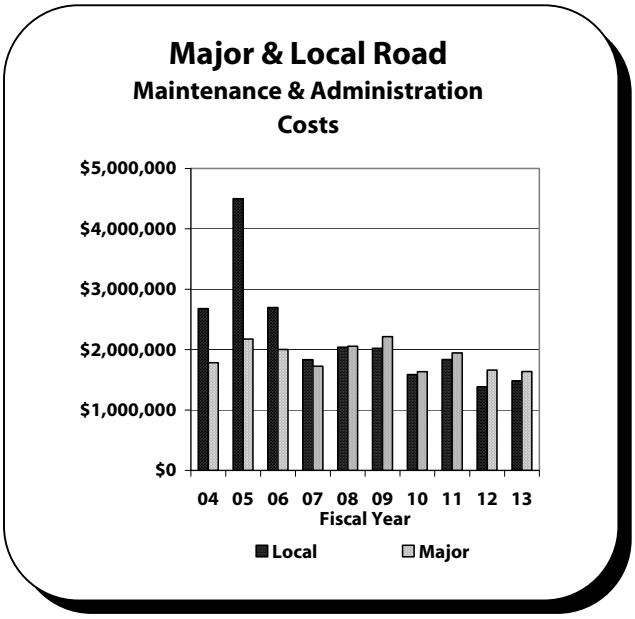
Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

KEY FUND TRENDS

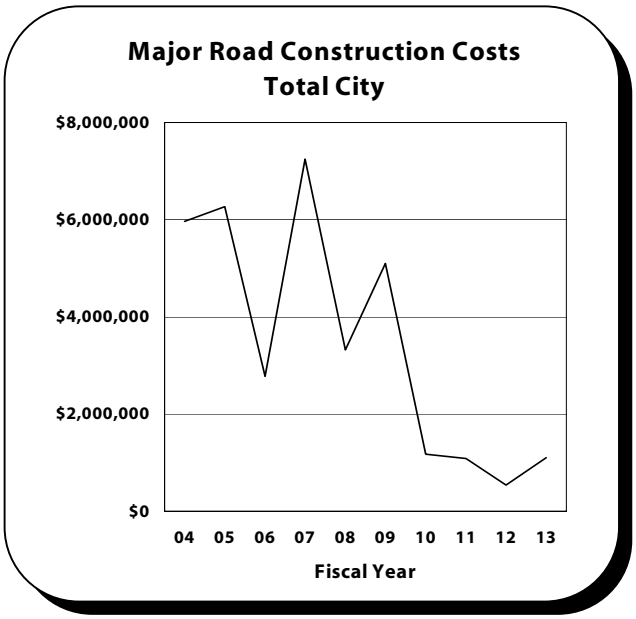
Special Revenue Funds



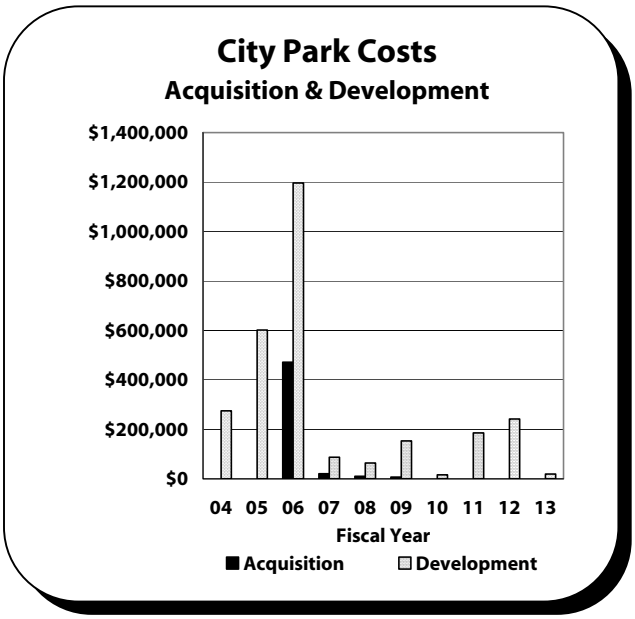
Gas tax revenues fell from 2005 to 2010 due to the economy, higher gas prices and the use of more fuel-efficient vehicles, which lessened gas consumption. The State's gas tax of 19 cents per gallon has increased once in the past 29 years. Since 2004, the City has cumulatively lost $4.0 million in State gas tax revenues.



The cost of major and local road maintenance has increased over the past ten years as a result of the increased number of roads, the removal of street trees due to the emerald ash borer and fluctuating snow removal costs. Since 2007, miscellaneous concrete replacement maintenance is reclassified as a construction cost.



The City spent $6.3 million 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 $5.1 million in 2009, largely due to road improvements to the Lakeside Shopping District. Costs fell in the past four years due to declining City revenues, offset by the one-time use of federal stimulus funds.



The City continues to spend limited funds to improve City parks and provide the necessary path systems, restrooms, 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.

$115,600 is included for Other Charges, which is funded primarily for the cost of administrative time spent on Major Road Fund projects.

Total Other Services are budgeted in the amount of $1,791,500, which is primarily used for major road maintenance, snow removal, and grass and weed control.

The 2014/15 Capital Outlay budget includes funding of $2,800,000 for the Van Dyke road reconstruction project from 15 Mile to 18 Mile, which includes aesthetic enhancements such as landscaping, improved lighting, and pedestrian pathway improvements. $200,000 is for Mound Road repairs and $150,000 is for the preliminary engineering and right-of-way costs for the future widening of Dequindre Road. Also included is $1,525,000 for citywide concrete replacement and asphalt resurfacing, including repairs to Calka, Gulliver, and Irving Drives. $165,000 is budgeted for the resurfacing of Van Dyke from 14 Mile to south of 15 Mile Road. $25,000 is for the design costs for the upcoming Dodge Park Road reconstruction project from Metroparkway to Utica Road. $200,000 is for 15 Mile Road repair work at Dodge Park Road. The reconstruction of 19½ Mile Road from Merrill to Utica Road is budgeted for $172,800. $140,000 is funded for various traffic signal improvements, including the replacement of traffic signal bulbs with energy efficient LED lighting.

The remaining expenditure accounts will be utilized for the transfer of resources to other City funds. In fiscal year 2014/15, $1,600,000 is programmed for transfer to the Road Bond Debt Retirement Fund to pay the debt from the sale of Michigan Transportation Fund bonds. A transfer to the Local Road Fund is also budgeted for $750,000.

Additional information on projects in the Major Road Fund can be found in the Capital Projects section of this document.■

Did you know…
…there are 63 miles of City major roads and 46 miles of County major roads in the City?

Major Road Fund

SUMMARY OF BUDGET CHANGES

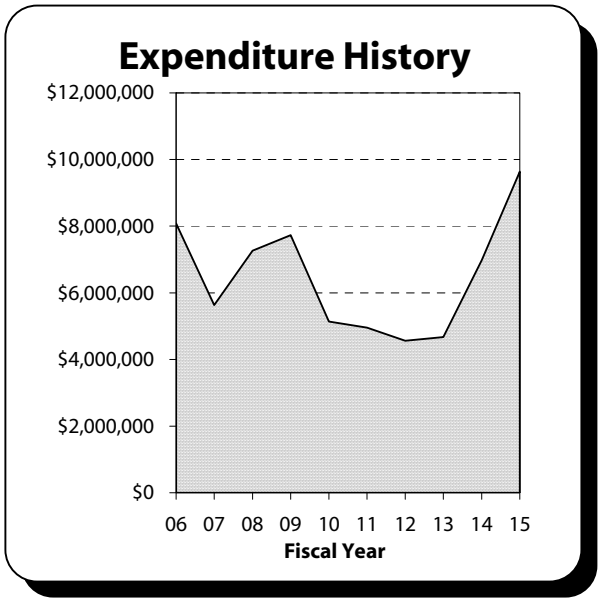
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 38.2%.

Other Charges – Other Charges increased $10 due to a slight increase in audit costs.

Other Services – Other Services increased $151,000 or 9.2%. The budget rose $75,000 for increased road maintenance repairs, $70,000 for grass and weed cutting, $9,000 for additional traffic signal maintenance, and $5,000 for Lakeside road maintenance, all due to higher costs and greater service demands in recent years.

Capital – Capital of $5,377,800 is proposed. $2,800,000 is budgeted for the Van Dyke road reconstruction project from 15 Mile to 18 Mile Road, which includes aesthetic enhancements such as landscaping, improved lighting, and pedestrian pathway improvements. $1,525,000 is for citywide concrete replacement and asphalt resurfacing including repairs to Calka, Gulliver, and Irving Drives. The resurfacing of Van Dyke from 14 Mile to south of 15 Mile Road is included for $165,000. $200,000 is for Mound Road repairs and $150,000 is for the preliminary engineering and right-of-way costs for the future widening of Dequindre Road. $25,000 is for the design costs for the upcoming Dodge Park Road reconstruction project from Metroparkway to Utica Road. $140,000 is for various traffic signal improvements including the replacement of traffic signal bulbs with energy efficient LED lighting. $200,000 is for 15 Mile Road repair work at Dodge Park Road. The reconstruction of 19-1/2 Mile Road from Merrill to Utica Road is funded for $172,800. ***For a complete list of all Major Road projects, refer to the Capital Improvements schedule and maps on the following pages.***



Transfers Out – Transfers Out increased $190,000 or 8.8%. A transfer to the Local Road Fund is budgeted for $750,000. Transfers to the Road Bond Debt Retirement Fund decreased $560,000 due to lower debt payments on existing road bonds.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Other Charges	$110,785	$115,590	$125,590	$115,600	$115,600
Other Services	1,526,689	1,640,500	2,247,910	1,791,500	1,791,500
Capital Outlay	470,371	3,057,870	2,324,270	5,377,800	5,377,800
Tranfers Out	2,565,110	2,160,000	2,160,000	2,350,000	2,350,000
Total	$4,672,955	$6,973,960	$6,857,770	$9,634,900	$9,634,900

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.

$161,660 is budgeted for Other Charges, which is used primarily to fund the cross-charged administrative time spent on Local Road Fund projects.

Total Other Services in this fund total $1,491,000 and are allocated primarily for local road and storm drain maintenance, snow removal, and tree and shrub maintenance.

In fiscal year 2014/15, $4,457,000 of capital is budgeted for this fund. $3,300,000 is funded for local road repairs, which includes additional funding of $1,150,000 for the citywide Sectional Concrete Replacement Program, $450,000 for the asphalt resurfacing of Faith Drive and Constitution Boulevard, and $1,700,000 for the concrete reconstruction of Ascott Court, Heritage Road, and Amherst, Chesapeake, Clifford, Gunther, Rose Mary, and Winterfield Drives. These neighborhood road repair projects are funded by the 0.8 mill Safe Streets millage approved by the voters in November, 2013. $750,000 also continues to be funded for the citywide Sectional Concrete Replacement Program. $375,000 is included for the specially assessed paving of Gardner Street East. The development of a formal City Roadway Asset Management Plan is funded for $32,000.

For fiscal year 2014/15, 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…
…there are 286 miles of local or neighborhood roads in the City?

Local Road Fund

SUMMARY OF BUDGET CHANGES

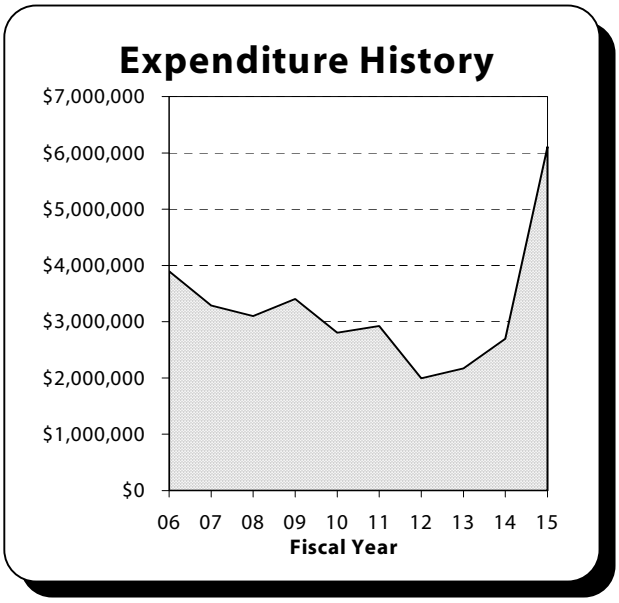
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 126.6%.

Other Charges – Total Other Charges increased $31,370 or 24.1%, primarily for contracted snow removal services to assist the City's snow plowing efforts during snow emergencies.

Other Services – Total Other Services increased $212,000 or 16.6%. The budget increased $100,000 to fund the Joint Sealing Program, which had been suspended in recent years due to declining City funds. $50,000 was added for tree and shrub maintenance, $50,000 for snow and ice removal, and $25,000 for street sweeping, all due to higher costs and greater demands. Funding increased $10,000 for surface maintenance repairs and $5,000 for grass and weed control costs, both to reflect more recent actual expenditure levels. $20,000 was saved, as less funding is needed for storm drain maintenance.

Capital – Total Capital of $4,457,000 is proposed. $3,300,000 is budgeted for local road repairs, which includes additional funding of $1,150,000 for the citywide Sectional Concrete Replacement Program, $450,000 for the asphalt resurfacing of Faith Drive and Constitution Boulevard, and $1,700,000 for the concrete reconstruction of Ascott Court, Heritage Road, and Amherst, Chesapeake, Clifford, Gunther, Rose Mary, and Winterfield Drives. These neighborhood road repair projects are funded by the 0.8 mill Safe Streets millage, which was approved by the voters in November 2013. $750,000 also continues to be funded for the citywide Sectional Concrete Replacement Program. $375,000 is for the paving of Gardner Street East, of which $335,000 would be funded through assessments on the affected property owners. $32,000 is for the development of a formal City Roadway Asset Management Plan that consolidates and defines information such as existing roadway conditions, condition forecasting, and variations of repair types available. The plan will expand the existing asset management program to meet MDOT requirements.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Other Charges	$107,966	$130,290	$161,650	$161,660	$161,660
Other Services	1,372,693	1,279,000	1,732,000	1,491,000	1,491,000
Capital Outlay	691,943	1,286,920	1,298,000	4,457,000	4,457,000
Total	$2,172,602	$2,696,210	$3,191,650	$6,109,660	$6,109,660

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.

In fiscal year 2014/15, the funding from the prior sale of City-owned properties, a grant, and General Fund monies will be used to finance five projects totaling $758,000. $600,000 is included for the replacement of ball field lighting at Delia Park, of which $175,000 is to be financed by grant monies. $18,000 is included for play equipment area borders, safety surfacing, and access ramps at North Clinton River Park. Replacement safety fixtures and LED lights to be installed at each of the City's park pavilions is funded for $40,000. $70,000 is budgeted for an asphalt trail connector at 19 Mile Road from Clinton River Road to the Clinton River Park. $30,000 is included for replacement flooring at the Recreation Center.

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…
…the City has used proceeds from the sale of excess City property to fund numerous repairs at City parks over the past 15 years?

Land & Water Conservation Fund

SUMMARY OF BUDGET CHANGES

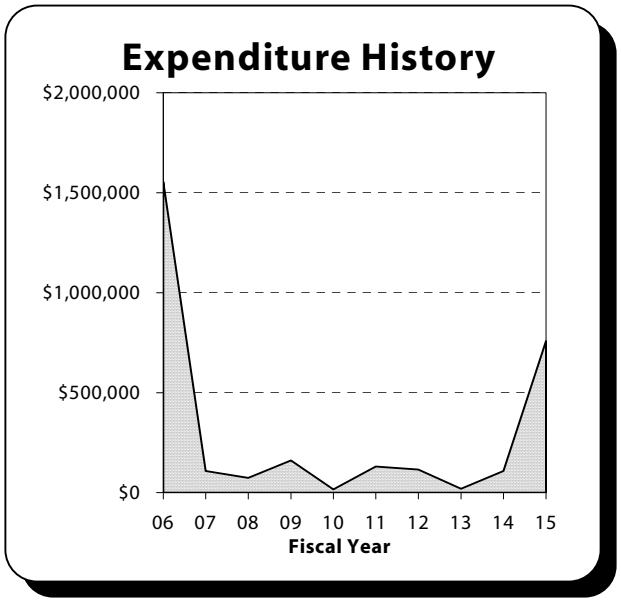
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 598%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – Total Capital of $758,000 is proposed for this fund. Funding from the prior sale of City-owned properties, a grant, and General Fund monies will be used to finance five (5) projects next fiscal year. $600,000 is proposed for the replacement of ball field lighting at Delia Park, of which $175,000 is to be financed by grant monies. $18,000 is for play equipment area borders, safety surfacing, and access ramps at North Clinton River Park. $40,000 is for replacement safety fixtures and LED lights to be installed at each of the City's park pavilions. $70,000 is funded for an asphalt trail connector at 19 Mile Road from Clinton River Road to the Clinton River Park. Replacement flooring at the Recreation Center is funded for $30,000. $459,240 is also budgeted in the Community Development Block Grant Fund for improvements to Beaver Creek and Hampton Parks. ***The Capital Improvement section of this document provides a breakout of each project's cost and funding source.***



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	0	0	0	0	0
Capital Outlay	19,535	108,600	103,450	758,000	758,000
Total	$19,535	$108,600	$103,450	$758,000	$758,000

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 electronically deposits funds into a designated City account 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 two police officers assigned to Drug Enforcement Administration (D.E.A.) task forces. Therefore, the Department is entitled to a percentage, relative to these Officers' involvement in an investigation.

The federal guidelines allow for the proceeds to be used to enhance overall law enforcement efforts. Some examples of Federal Forfeiture permitted uses include the purchase of new equipment, improvements to police facilities, and law enforcement training.

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 2014/15, a total of $352,220 is budgeted for this fund. $189,450 is included for Federal Forfeiture related expenditures, $134,270 is allocated for State Forfeiture permitted uses, and $28,500 is budgeted for O.W.I. Forfeiture related purchases. There are no funds budgeted for Gambling 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…
…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

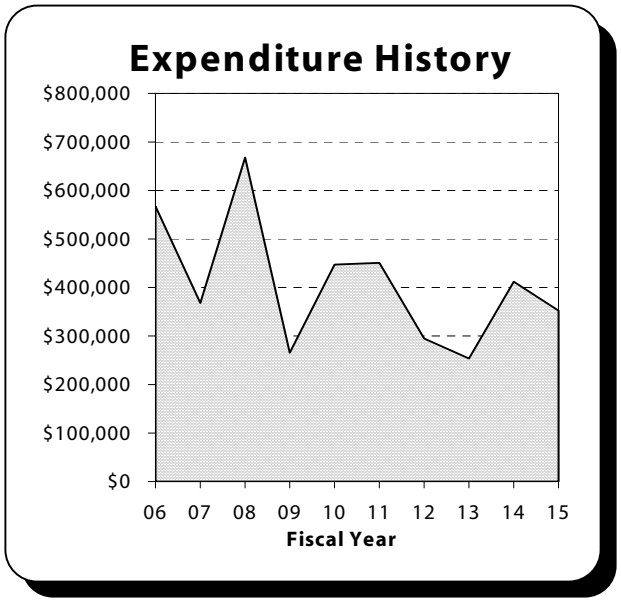
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 14.5%.

Supplies – Total Supplies decreased $28,480 or 29.5%, primarily due to the one-time funding to help cover the increased cost of ammunition and additional motorcycle equipment and gear that will not need to be purchased this upcoming year.

Other Charges – Total Other Charges decreased $660 or 0.5%. Funding for undercover investigative costs decreased $8,000. Wireless telephone costs decreased $6,300, as savings was realized from recently implementing a pay-as-you-go call plan. Equipment maintenance costs fell $5,000, as the new security camera system includes a one-year annual maintenance agreement and fewer radar repairs are anticipated. The training budget decreased $1,930, as funding can be reduced and brought more in line with the current year's estimated expenditure usage. Contracted service costs increased $20,820 for the maintenance fees for new online reporting and investigation software and a two-year subscription to the Citizen Observer Alerting software application.

Capital – Total Capital of $161,130 is proposed. $65,000 is budgeted for 50 replacement Taser Guns. $17,500 is to replace eight Radar Units. $20,000 is for eight replacement Vehicle Equipment Mounts, Light Bars, and Push Bumpers. $7,600 is for a Tactical Thermal Imaging Camera, $3,030 is for updated Electronic Evidence Analysis Software, and $48,000 is for two replacement midsize Investigative sedans.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Supplies	$19,180	$96,480	$96,480	$68,000	$68,000
Other Charges	121,224	123,750	120,050	123,090	123,090
Capital Outlay	113,194	191,540	275,940	161,130	161,130
Total	$253,598	$411,770	$492,470	$352,220	$352,220

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).

When funding allows, 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 low and moderate 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, SMART Bus Stop Improvements along north Van Dyke, 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 were used to fund the debt payments on the Senior gymnasium bond, which was retired in the 2012/13 fiscal year.

For fiscal year 2014/15, $160,000 is budgeted for Phase II of the Beaver Creek Park Improvement project, which includes the installation of a walking path, park benches, trash receptacles, and bike racks. $299,240 is included for Phase I of the Hampton Park Improvement project, including athletic court and fence repairs, ball field renovations, and a new park sign.■

Did you know…
…that during the 2012/13 fiscal year, CDBG funds assisted over 5,000 residents through the Hope Center food pantry?

Community Development Block Grant Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

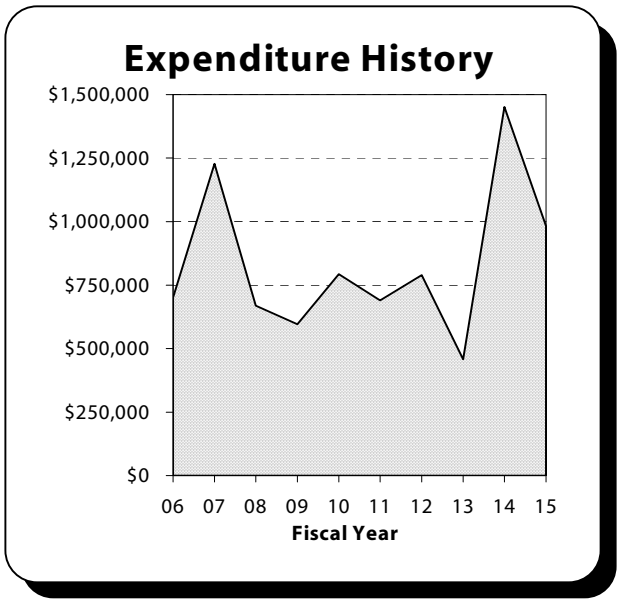
The total budget decreased by 32.3%.

Personnel Services – The Personnel budget decreased $1,070 or 10.9%, as less funding is needed for a vacant part-time CDBG Intern to provide clerical assistance to help administer the CDBG program.

Supplies – Supplies decreased $1,080 or 11.5%, due to a one-time reappropriated encumbrance carry over for audio and special large print books

Other Charges – Other Charges decreased $67,600 or 11.8%, primarily due to a $61,120 decrease in housing rehabilitation. Unspent carryover funding from the prior year remains sufficient to maintain the current year's level of activity. Minor home repair costs fell by $5,340. The budget includes $19,000 for the Special Recreation Program. Prior year funding for a part-time position to assist with Senior programming is no longer supported, as the HUD Coordinator did not take on these duties. As a result, funding to service organizations increased by $15,430. $116,000 is budgeted to reimburse the costs of City personnel administering the CDBG program. Code Enforcement funding is budgeted for $50,000. Educational funding increased $1,000 for additional training for the HUD Program Coordinator.

Capital – Capital of $459,240 is proposed. $160,000 is for Phase II of the Beaver Creek Park Improvement project, which includes the installation of a walking path, park benches, trash receptacles, and bike racks. $299,240 is for Phase I of the Hampton Park Improvement project, including repairs to the athletic courts, ball field renovations, fence repairs, and a new park sign.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$9,840	$4,350	$8,770	$8,770
Supplies	6,683	9,380	9,380	8,300	8,300
Other Charges	301,194	573,830	581,930	506,230	506,230
Capital Outlay	41,209	858,510	855,900	459,240	459,240
Debt Service	108,602	0	0	0	0
Total	$457,688	$1,451,560	$1,451,560	$982,540	$982,540

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…
…the Sterling Heights Brownfield Redevelopment Authority provides assistance to businesses for the clean-up of blighted or contaminated sites that may otherwise go unutilized?

Brownfield Redevelopment Authority Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

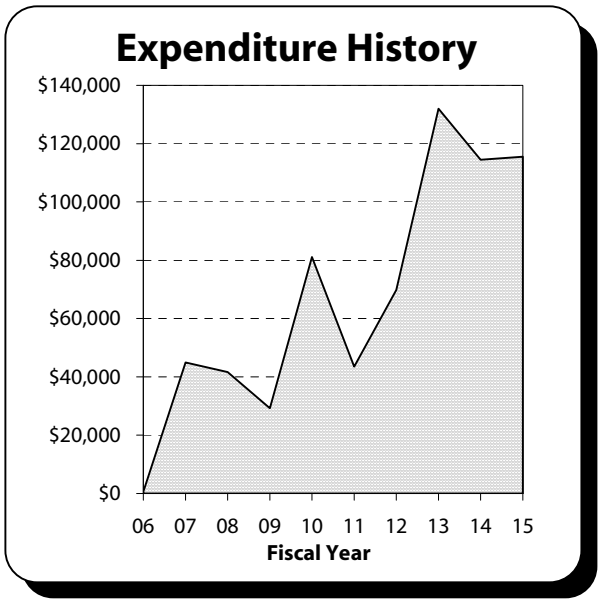
The total budget increased by 0.9%.

Personnel Services – There is no Personnel budget for this fund. The Brownfield Redevelopment Authority members serve as volunteers without compensation.

Other Charges – Total Other Charges increased $1,040 or 0.9% primarily for the reimbursement of BAE eligible brownfield project costs now that the property has been fully developed, resulting in an increase in the property tax increment capture. $500 was saved, as the budget for City Attorney legal services can be reduced due to a decline in brownfield activity resulting from a reduction in State tax credits.

Capital – There is no Capital budget for this fund.

Transfers Out – There is no budgeted transfer to the General Fund, as the City has fully recouped its administrative costs for economic development and brownfield expenses as part of the tax capture from the Sim's Road brownfield project.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	86,987	114,460	113,960	115,500	115,500
Capital Outlay	0	0	0	0	0
Transfers Out	45,000	0	0	0	0
Total	$131,987	$114,460	$113,960	$115,500	$115,500

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 was the first authority district in which the LDFA board is exercising its powers.

BAE Systems constructed a 230,000 square foot, 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 an estimated $33 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 2014/15, $691,150 is budgeted for the operational costs associated with the Macomb-OU INCubator, which will be funded by LDFA increment financing revenues.

$128,000 is included for the reimbursement of eligible BAE project costs, including site infrastructure improvements, as well as environmental remediation.■

Did you know…
…the Velocity Collaboration Center is home to the Macomb-OU Incubator, Michigan Defense Center, and local offices of the Small Business & Technology Development Center?

Local Development Finance Authority Fund

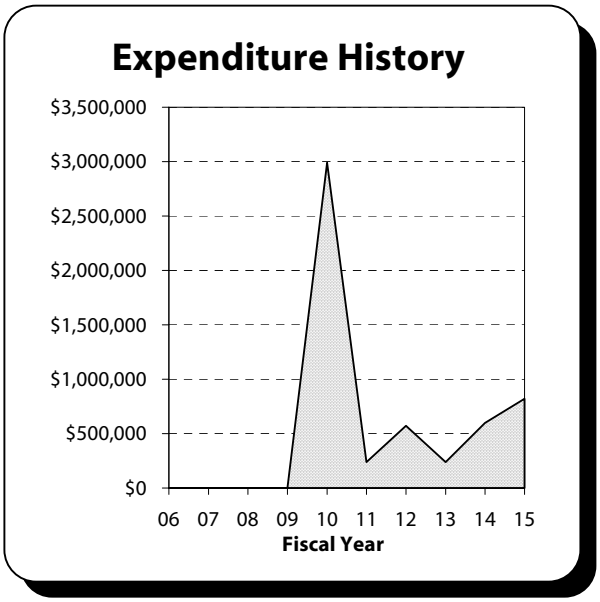
SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 37.0%.

Supplies – Total Supplies is proposed to remain the same at $2,500. There are no proposed changes within the Supplies account.

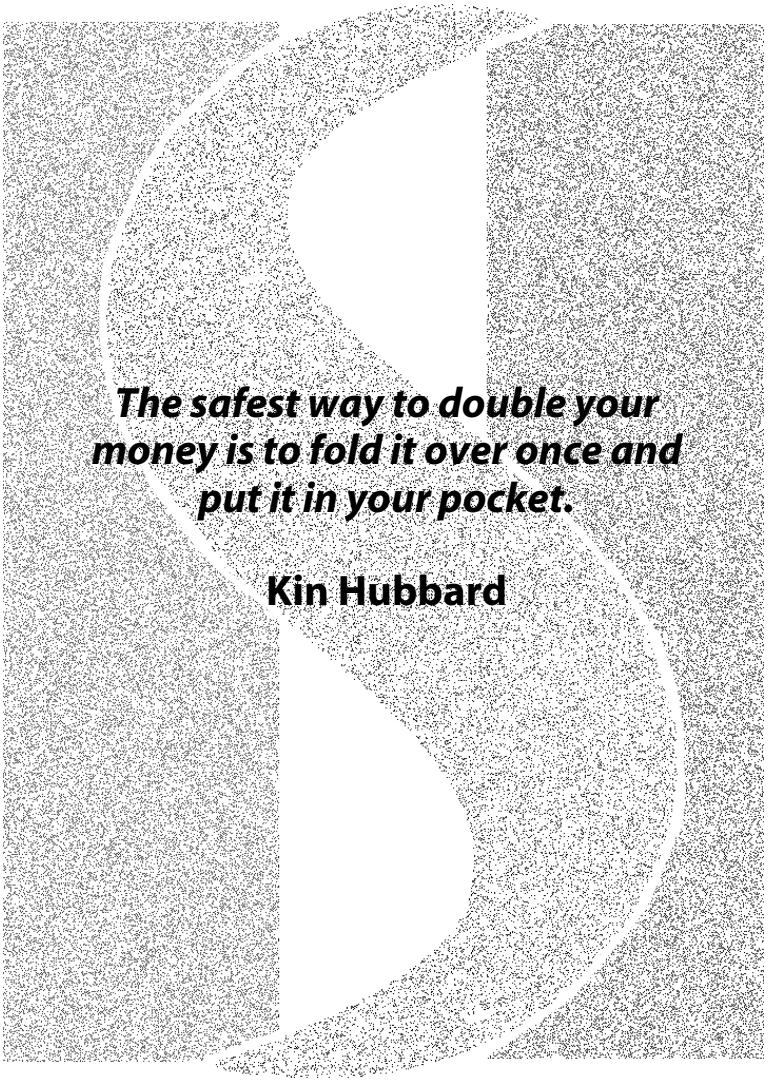
Other Charges – Total Other Charges increased $199,700 or 41.3%, largely to fund parking lot and roof repairs to the Velocity building. $683,650 is budgeted for operational costs associated with the business incubator, which will be funded by LDFA increment financing revenues. $83,250 is for the reimbursement of the City's administrative costs. $112,000 is for utility costs including heat, electricity, and water. $44,000 is for a contractor to coordinate facilities maintenance needs. $10,000 is for program and event costs to support business incubation at Velocity. $250,000 is budgeted for capital repairs and improvements to the Velocity Collaboration Center. $50,000 is for a microloan program that will support business incubation through the creation of programs and services. This funding may also be directed to Oakland University to support their administrative efforts. $42,000 is for contracted service costs including landscape and snow removal fees, building alarm and fire system costs, cleaning services, engineering consultant fees, and dumpster rental fees. The budget includes $44,000 for telephone costs and $30,000 in building maintenance costs. $128,000 is budgeted for the reimbursement of eligible BAE project costs, including site infrastructure improvements and environmental remediation.



Capital – Total Capital of $5,000 is proposed to relocate the City offices within the Velocity Collaboration Center in order to maximize the amount of leasable office space.

FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Supplies	$414	$2,500	$2,500	$2,500	$2,500
Other Charges	238,499	595,540	486,430	811,650	811,650
Capital Outlay	0	0	5,000	5,000	5,000
Total	$238,913	$598,040	$493,930	$819,150	$819,150


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, and the Voted General Obligation Debt Fund.

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 cannot 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 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 portion of the sewer district's debt service is also excluded from this calculation.

The City's 2014 estimated State Equalized Valuation plus the assessed value of abated property is $4,426,028,600. Therefore, the City's debt limit is $442,602,860 or 10% of total valuation. The City's population estimate is 130,750. The outstanding Net Direct Bonded Debt for the City as of June 30, 2014 is shown here as a ratio of debt to state equalized value and debt per capita.

	Debt Outstanding 6/30/14	Debt to Assessed Value	Debt Per Capita
Net Direct Bonded Debt	$6,475,000	0.15%	$50

The City's Debt Management Program is the product of over 40 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 Aa1 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 an operating tax rate margin. The City anticipates maintaining its low debt position, due to a modest debt burden and a rapid debt amortization. 92.8% of the City's total non-sewer debt is scheduled to be repaid within ten years. Favorable credit ratings and low debt service will better position the City to finance debt in the future.

Total Debt Maturity within 10 Years = 92.8%

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

Debt Management Program

In compliance with the Uniform Budget Act of 1978, a summary of the City's total indebtedness as of June 30, 2014, the principal and interest payments required for fiscal 2014/15, and the funding source is included within this Debt Service section. Total indebtedness is $74,217,320. Total principal payment is $4,295,320 and the interest payment is $2,537,720. 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 was financed indirectly through lease with the City's Building Authority, which was created for the purpose of acquiring and leasing City property.

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 $1,700,000. Total principal payment is $240,000 and interest is $72,450.

In 2007, a $3.25 million Improvement Bond was issued for the new Senior Active Life Center and public safety Radio System. In 2012/13, the final debt payment was made on the Radio System bonds. The final debt payment on the Senior Active Life Center bond, which was budgeted in the Community Development Block Grant Fund, was also made in fiscal year 2012/13.

VOTED TAX GENERAL OBLIGATION DEBT FUND

In the spring of 2008, a $5.0 million General Obligation bond was issued for improvements at three of the City's fire stations (Public Improvement F), which was approved by the voters in November, 2006. $430,130 is budgeted for the debt payments on the Fire Station Improvement bonds.

MAJOR ROAD IMPROVEMENTS

The City uses Gas and Weight tax revenues to finance various road improvements. Indebtedness is $8,535,000. The Principal payment is $1,330,000 and interest is $257,910.

SPECIAL ASSESSMENTS

In 2008, a $3.26 million Special Assessment bond was issued to finance improvements within the Lakeside Shopping Center District. Total principal payment of $150,000 and interest of $108,290 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 $775,000. Principal is $625,000 and interest is $34,790.

WATER & SEWER FUND

In 2014/15, total principal of $1,675,320 and interest of $1,909,150 is budgeted for the City's portion of the District's debt for the Interceptor Rehabilitation project. Total indebtedness is $56,507,320.■

DEBT SUMMARY

Description of Debt	Funding Sources	Debt Outstanding 6/30/14	2014/15 Principal	2014/15 Interest	2014/15 Total
LIMITED TAX GENERAL OBLIGATION DEBT FUND					
Bldg. Auth./LTGO Bonds - City Center Commons	Gen Fund	$1,700,000	$240,000	$72,450	**$312,450**
VOTED TAX GENERAL OBLIGATION DEBT FUND					
2008 Fire Station Improvement Bonds (F)	VTGO Fund	4,000,000	275,000	155,130	**430,130**
GENERAL DRAIN FUND					
Contractual Obligations Macomb County	Drain Fund	775,000	625,000	34,790	**659,790**
Total Debt Fund Direct Debt Service		**6,475,000**	**1,140,000**	**262,370**	**1,402,370**
ROAD BOND DEBT RETIREMENT FUND					
2005 MI Transportation Refunding Bonds	Major Rds	500,000	500,000	10,310	**510,310**
2007 MI Transportation Bonds	Major Rds	300,000	300,000	5,550	**305,550**
2010 Build America Bonds	Major Rds	1,475,000	50,000	78,390	**128,390**
2012 MI Transportation Refunding Bonds	Major Rds	3,015,000	440,000	97,550	**537,550**
2013 MI Transportation Refunding Bonds	Major Rds	3,245,000	40,000	66,110	**106,110**
Special Assessment Bonds	S/A - RBDF	2,700,000	150,000	108,290	**258,290**
Total Road Bond Debt Service		**11,235,000**	**1,480,000**	**366,200**	**1,846,200**
WATER & SEWER FUND					
Sewer District Rehabilitation Bonds	W&S Fund	56,507,320	1,675,320	1,909,150	**3,584,470**
Total Debt Service		**$74,217,320**	**$4,295,320**	**$2,537,720**	**$6,833,040**

GENERAL FUND & TAX SUPPORTED DEBT SERVICE

Debt Service	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
City Center Commons	298,650	305,450	296,850	258,080	296,850	**312,450**
Radio System Equipment	309,640	222,900	0	0	0	**0**
Total General Fund Debt Service	**608,290**	**528,350**	**296,850**	**258,080**	**296,850**	**312,450**
COMM. DEV. BLOCK GRANT FUND						
Senior Active Life Center	315,360	108,600	0	0	0	**0**
Total CDBG Fund Debt Service	**315,360**	**108,600**	**0**	**0**	**0**	**0**
VOTED TAX GENERAL OBLIGATION DEBT FUND						
Fire Station Improvements (F)	350,000	369,750	413,250	81,630	413,250	**430,130**
Total VTGO Fund Debt Service	**350,000**	**369,750**	**413,250**	**81,630**	**413,250**	**430,130**
GENERAL DRAIN FUND	1,186,810	1,222,510	821,050	35,530	821,050	**659,790**
Total Tax Supported Debt Service	**$2,460,460**	**$2,229,210**	**$1,531,150**	**$375,240**	**$1,531,150**	**$1,402,370**

SCHEDULE OF PRINCIPAL & INTEREST
ROAD BOND DEBT RETIREMENT FUND

Fiscal Year	2005 M.T.F. Refunding	2007 M.T.F. Bonds	2010 B.A. Bonds	2012 M.T.F. Refunding	2013 M.T.F. Refunding	2008 S.A.D. Bonds		Total
2014/15	510,313	305,550	128,388	537,550	106,112	258,288		1,846,201
2015/16			126,688	543,750	397,269	253,225		1,320,932
2016/17			124,725	550,100	484,427	247,600		1,406,852
2017/18			122,500	555,850	470,664	241,600		1,390,614
2018/19			168,937	611,000	551,029	235,600		1,566,566
2019/20			163,987	608,400	535,522	229,600		1,537,509
2020/21			183,219		515,170	272,600		970,989
2021/22			200,950		495,022	264,550		960,522
2022/23			241,300			256,450		497,750
2023/24			229,850			248,150		478,000
2024/25			218,050			239,650		457,700
2025/26			206,050			231,050		437,100
2026/27						222,350		222,350
2027/28						213,500		213,500
2028/29						204,500		204,500
Total	**$510,313**	**$305,550**	**$2,114,644**	**$3,406,650**	**$3,555,215**	**$3,618,713**		**$13,511,085**

GENERAL DRAIN FUND

Fiscal Year	Hawken Drain	Hayes Drain	Plumbrook Drain	Central Fire Station Drain				Total
2014/15	78,938	131,500	286,000	163,350				659,788
2015/16				156,750				156,750
Total	**$78,938**	**$131,500**	**$286,000**	**$320,100**				**$816,538**

GENERAL FUND AND VOTED TAX GENERAL OBLIGATION DEBT FUND

Fiscal Year	2005 City Center Refunding G.F. Bonds	2008 Proposal F V.T.G.O. Bonds						Total
2014/15	312,450	430,125						742,575
2015/16	322,150	470,500						792,650
2016/17	355,850	484,125						839,975
2017/18	337,250	521,000						858,250
2018/19	322,250	531,000						853,250
2019/20	302,375	589,000						891,375
2020/21		619,000						619,000
2021/22		622,000						622,000
2022/23		624,000						624,000
Total	**$1,952,325**	**$4,890,750**						**$6,843,075**

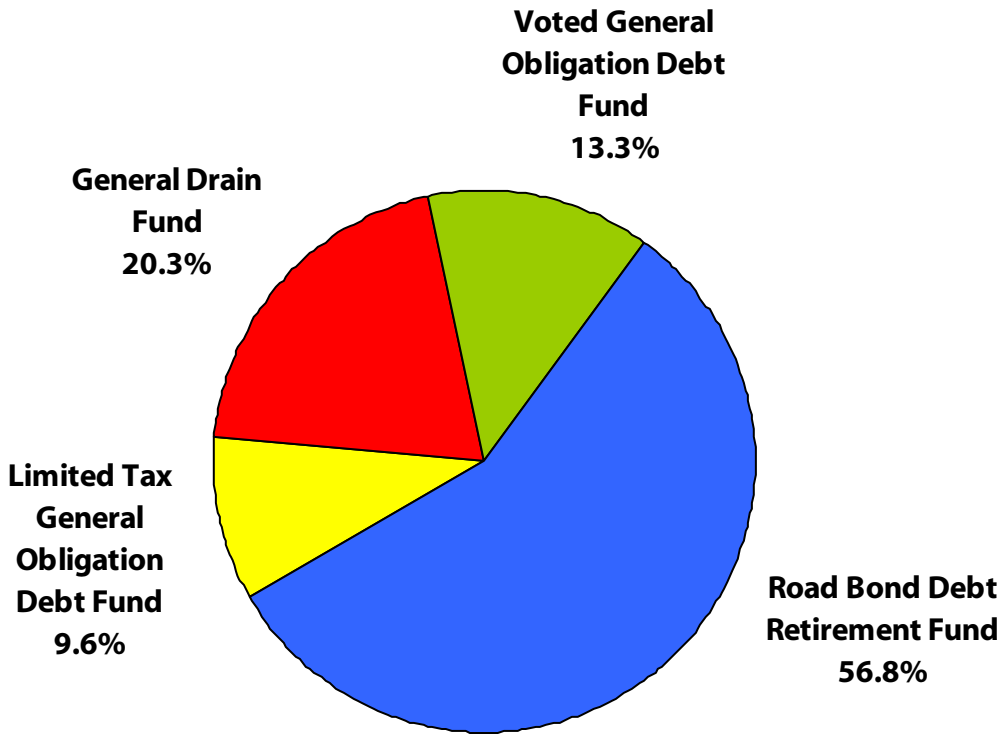
DEBT SERVICE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
GENERAL DRAIN FUND						
REVENUES						
Property Taxes	$1,150,140	$1,224,520	$821,900	$792,970	$825,900	**$660,290**
Interest Income	2,450	660	600	460	700	**600**
Transfer from General Fund	44,000	0	0	0	0	**0**
Total Revenues	**1,196,590**	**1,225,180**	**822,500**	**793,430**	**826,600**	**660,890**
EXPENDITURES						
Principal	1,025,000	1,105,000	750,000	0	750,000	**625,000**
Interest	161,810	117,510	71,050	35,530	71,050	**34,790**
Other Charges	1,930	1,830	1,450	720	1,450	**1,100**
Total Expenditures	**1,188,740**	**1,224,340**	**822,500**	**36,250**	**822,500**	**660,890**
Excess of Revenues Over (Under) Expenditures	**7,850**	**840**	**0**	**757,180**	**4,100**	**0**
Beginning Fund Balance	**3,060**	**10,910**	**11,750**	**11,750**	**11,750**	**15,850**
Ending Fund Balance	**$10,910**	**$11,750**	**$11,750**	**$768,930**	**$15,850**	**$15,850**
VOTED TAX GENERAL OBLIGATION DEBT FUND						
REVENUES						
Property Taxes	$345,160	$365,930	$413,350	$398,730	$412,450	**$430,230**
Interest Income	700	210	250	170	250	**250**
Transfer from General Fund	7,000	0	0	0	0	**0**
Total Revenues	**352,860**	**366,140**	**413,600**	**398,900**	**412,700**	**430,480**
EXPENDITURES						
Principal	175,000	200,000	250,000	0	250,000	**275,000**
Interest	175,000	169,750	163,250	81,630	163,250	**155,130**
Other Charges	350	350	350	170	350	**350**
Total Expenditures	**350,350**	**370,100**	**413,600**	**81,800**	**413,600**	**430,480**
Excess of Revenues Over (Under) Expenditures	**2,510**	**(3,960)**	**0**	**317,100**	**(900)**	**0**
Beginning Fund Balance	**8,560**	**11,070**	**7,110**	**7,110**	**7,110**	**6,210**
Ending Fund Balance	**$11,070**	**$7,110**	**$7,110**	**$324,210**	**$6,210**	**$6,210**

DEBT SERVICE FUNDS
REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
ROAD BOND DEBT RETIREMENT FUND						
REVENUES						
Special Assessment Revenue	$190,250	$147,090	$146,630	$12,750	$158,500	**$145,750**
Federal Interest Rebates	36,430	36,260	35,900	16,510	33,040	**33,990**
Interest Income	129,770	120,970	113,410	660	113,040	**105,600**
Other Revenues	(40)	70	0	0	0	**0**
Proceeds Long-term Debt	3,780,000	3,275,000	0	0	0	**0**
Bond Premiums	274,200	0	0	0	0	**0**
Trfr. from Major Roads Fund	2,300,000	2,430,000	2,160,000	1,933,660	2,160,000	**1,600,000**
Total Revenues	**6,710,610**	**6,009,390**	**2,455,940**	**1,963,580**	**2,464,580**	**1,885,340**
EXPENDITURES						
Principal	5,890,000	5,150,000	2,020,000	1,620,000	2,020,000	**1,480,000**
Interest	638,010	729,850	428,020	231,170	428,020	**366,200**
Other Charges	101,820	43,470	1,880	700	1,880	**1,650**
Total Expenditures	**6,629,830**	**5,923,320**	**2,449,900**	**1,851,870**	**2,449,900**	**1,847,850**
Excess of Revenues Over (Under) Expenditures	**80,780**	**86,070**	**6,040**	**111,710**	**14,680**	**37,490**
Beginning Fund Balance	**426,310**	**507,090**	**593,160**	**593,160**	**593,160**	**607,840**
Ending Fund Balance	**$507,090**	**$593,160**	**$599,200**	**$704,870**	**$607,840**	**$645,330**
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
REVENUES						
Transfer from General Fund	608,680	528,740	297,080	258,190	297,080	**312,680**
Total Revenues	**608,680**	**528,740**	**297,080**	**258,190**	**297,080**	**312,680**
EXPENDITURES						
Principal	495,000	433,530	215,000	215,000	215,000	**240,000**
Interest	113,290	94,820	81,850	43,080	81,850	**72,450**
Other Charges	390	310	230	110	230	**230**
Total Expenditures	**608,680**	**528,660**	**297,080**	**258,190**	**297,080**	**312,680**
Excess of Revenues Over (Under) Expenditures	**0**	**80**	**0**	**0**	**0**	**0**
Beginning Fund Balance	**250**	**250**	**330**	**330**	**330**	**330**
Ending Fund Balance	**$250**	**$330**	**$330**	**$330**	**$330**	**$330**

Debt Service Funds
Percent of Total Expenditures



This graph reflects budgeted Debt Service Funds expenditures as a percent of the total $3,251,900 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 2014/15, General Drain Tax revenue represents 20.0% of total revenue sources, a decrease of $160,510. This is primarily due to a decrease in debt payments on existing drain bonds. For 2014/15, the millage rate is 0.1605 mills, a decrease of 0.0428 mills.

OTHER FINANCING SOURCES

Other Financing Sources in the Debt Service Funds represent the Transfers In from other funds. The General Fund and Major Road Fund provide revenue to the Debt Service Funds through this revenue center.

In the 2014/15 Budget, revenues generated from Other Financing Sources represent 58.1% of total revenue sources, a decrease of $544,400. The transfer from the Major Road Fund to the Road Bond Debt Retirement Fund decreased due to lower scheduled debt payments on existing road bonds. The decrease was partially offset due to an increase in transfers from the General Fund to the Limited Tax General Obligation Debt Fund, as the principal payment on the existing City Center Commons refunding bond is higher next fiscal year.

STATE & LOCAL RETURNS

This source of revenue consists of federal refundable credits for Recovery Zone Economic Development bonds that are issued for authorized purposes to promote economic recovery and job creation. A total of $33,990 is anticipated to be refunded next fiscal year for the 2010 Michigan Transportation Fund (MTF) Build America Bond.

OTHER REVENUE

Other Revenue consists of revenue from Interest on Investments and Special Assessment revenue. In the 2014/15 Budget, Other Revenues represent 7.7% of total revenue sources, a decrease of $8,690. This decrease is primarily due to lower scheduled Special Assessment payments from the Lakeside Mall improvement project.

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 2014/15, the millage rate is 0.1047 mills, an increase of 0.0029 mills.

In 2014/15, Public Improvement Tax revenue represents 13.2% of total revenue sources, an increase of $15,780. This increase is 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 2014/15 Budget, revenues exceed expenditures by $37,490, allowing for a contribution to Fund Balance reserves exclusively in the Road Bond Debt Retirement Fund.■

DEBT SERVICE FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	TAXES						
404000	City Operating Tax	$1,228,698	15.11	$832,900	20.88	**$663,790**	**20.18**
404001	Property Tax Refunds	(11,399)	-0.14	(20,000)	-0.50	**(11,000)**	**-0.33**
415000	Delinquent Personal Property Tax	2,814	0.03	3,000	0.08	**3,000**	**0.09**
445000	Penalties & Interest	2,443	0.03	2,400	0.06	**2,000**	**0.06**
	Total Taxes	**1,222,556**	**15.03**	**818,300**	**20.52**	**657,790**	**20.00**
	OTHER FINANCING SOURCES						
698100	Bond Proceeds - Refunding Issue	3,275,000	40.29	0	0.00	**0**	**0.00**
699101	Transfer From General Fund	528,740	6.50	297,080	7.45	**312,680**	**9.51**
699202	Transfer From Major Road Fund	2,430,000	29.89	2,160,000	54.15	**1,600,000**	**48.63**
	Total Other Financing Sources	**6,233,740**	**76.68**	**2,457,080**	**61.59**	**1,912,680**	**58.14**
	STATE & LOCAL RETURNS						
529004	Federal - Interest Rebates	36,264	0.45	35,900	0.90	**33,990**	**1.03**
	Total State & Local Returns	**36,264**	**0.45**	**35,900**	**0.90**	**33,990**	**1.03**
	OTHER REVENUE						
665000	Interest on Investments	1,278	0.02	1,150	0.03	**1,600**	**0.05**
672000	Special Assessment Revenue	147,088	1.81	146,630	3.68	**145,750**	**4.43**
672445	S.A. Delinquent Interest & Penalties	27	0.00	100	0.00	**10**	**0.00**
672665	Special Assessment Interest	120,532	1.48	113,010	2.83	**104,840**	**3.19**
677008	Unrealized Gain/Loss	62	0.00	0	0.00	**0**	**0.00**
685000	Miscellaneous Revenue	8	0.00	0	0.00	**0**	**0.00**
	Total Other Revenue	**268,995**	**3.31**	**260,890**	**6.54**	**252,200**	**7.67**
	PUBLIC IMPROVEMENTS TAX						
417000	Proposal R Debt Levy	58	0.00	0	0.00	**0**	**0.00**
419000	Proposal F Debt Levy	367,842	4.52	416,950	10.45	**432,730**	**13.16**
	Total Public Improvements Tax	**367,900**	**4.53**	**416,950**	**10.45**	**432,730**	**13.16**
	Total Debt Service Funds	**$8,129,455**	**100.00**	**$3,989,120**	**100.00**	**$3,289,390**	**100.00**

Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

DEBT SERVICE FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	OTHER CHARGES						
810000	Other Fees	$4,125	0.05	$3,910	0.10	**$3,330**	**0.10**
810100	Other Fees - Paid Refunded Escrow	51,152	0.64	0	0.00	**0**	**0.00**
810101	Other Fees - Bond Discounts	(9,310)	-0.12	0	0.00	**0**	**0.00**
	Total Other Charges	**45,967**	**0.57**	**3,910**	**0.10**	**3,330**	**0.10**
	DEBT SERVICE						
992000	Principal	3,788,529	47.08	3,235,000	81.22	**2,620,000**	**80.57**
992100	Principal - Refunded Escrow Agnt	3,100,000	38.53	0	0.00	**0**	**0.00**
993000	Interest	930,278	11.56	744,170	18.68	**628,570**	**19.33**
993100	Interest - Paid to Ref Escrow	181,651	2.26	0	0.00	**0**	**0.00**
	Total Debt Service	**8,000,458**	**99.43**	**3,979,170**	**99.90**	**3,248,570**	**99.90**
	Total Debt Service Funds	**$8,046,425**	**100.00**	**$3,983,080**	**100.00**	**$3,251,900**	**100.00**

Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

KEY FUND TRENDS

Debt Service Funds

City Bond Ratings

1.	Farmington Hills	AAA
2.	Troy	AAA
3.	Ann Arbor	AA+
4.	**STERLING HEIGHTS**	**AA+**
5.	Grand Rapids	AA
6.	Lansing	AA
7.	Livonia	AA
8.	Southfield	AA
9.	Warren	AA
10.	Dearborn	A+

The City's AA+ bond rating from Fitch Investor's Rating Service ranks higher than most of our other comparable communities' rankings. Sterling Heights maintains a very high Aa1 rating from Moody's and a AA+ rating from Standard & Poor's due to the City's low costs and proactive response to changing economic conditions.

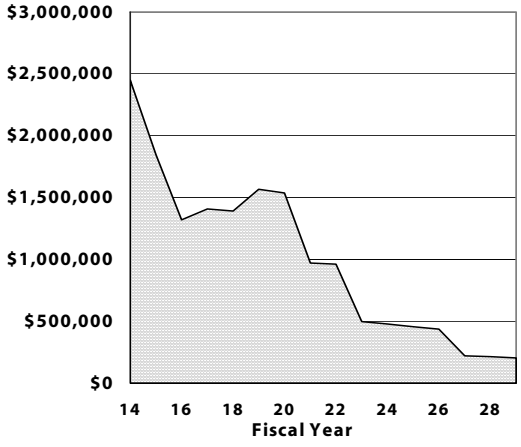
Government Debt Per Capita

1.	Dearborn	$2,360
2.	Lansing	$2,255
3.	Ann Arbor	$2,150
4.	Warren	$1,199
5.	Grand Rapids	$907
6.	Southfield	$903
7.	Livonia	$677
8.	Troy	$312
9.	Farmington Hills	$221
10.	**STERLING HEIGHTS**	**$190**

The City has the lowest direct government debt per resident of the nine comparable Michigan cities. The City's debt per resident has declined to its lowest level since 1989.

Annual Debt Payments

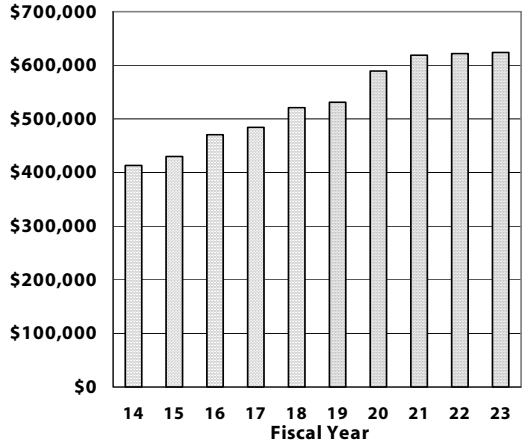
Road Bonds



Road Bond Debt payments will decrease through 2026 as six Michigan Transportation Funds (MTF) bonds are retired. The Lakeside Special Assessment bond is scheduled to be retired in 2029.

Annual Debt Payments

Proposal F - Fire Stations



Voted Tax General Obligation Debt from the Fire Station Improvements (Proposal F) continues through 2023.

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 Hawken, Hayes, Plumbrook, and Central Fire Station Drains.

The County is the focal point for the overall drainage system and allocates debt payments based on established methods.

For 2014/15, $659,790 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 on 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 all current County drain debt obligations will be paid off in fiscal year 2015/16?

General Drain Fund

SUMMARY OF BUDGET CHANGES

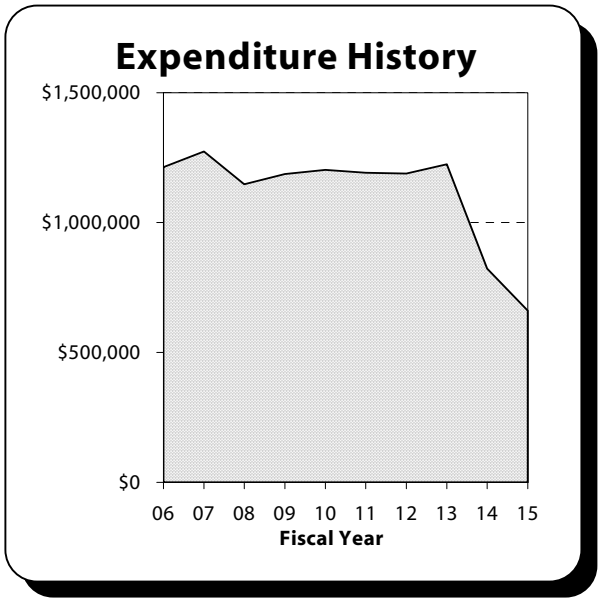
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 19.6%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – Total Other Charges decreased $350 or 24.1% due to a drop in bond paying agent fees, as one Drain bond was retired in the prior year.

Debt Service – Total Debt Service decreased $161,260 or 19.6%. Total principal payments decreased $125,000 due to the retirement of the Busch Drain bond, which was paid off in the prior year. Total interest payments decreased $36,260, as less debt is now outstanding. No new drain project debt is scheduled for next fiscal year.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	1,830	1,450	1,450	1,100	1,100
Debt Service	1,222,505	821,050	821,050	659,790	659,790
Total	$1,224,335	$822,500	$822,500	$660,890	$660,890

Voted Tax General Obligation Debt Fund

The voter approved General Obligation Debt Fund was created 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 included the 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 2014/15, principal and interest payments for Proposal F total $430,130.■

Did you know…
…the proceeds from voted tax debt obligations can only be used for the specific voted purpose?

Voted Tax General Obligation Debt Fund

SUMMARY OF BUDGET CHANGES

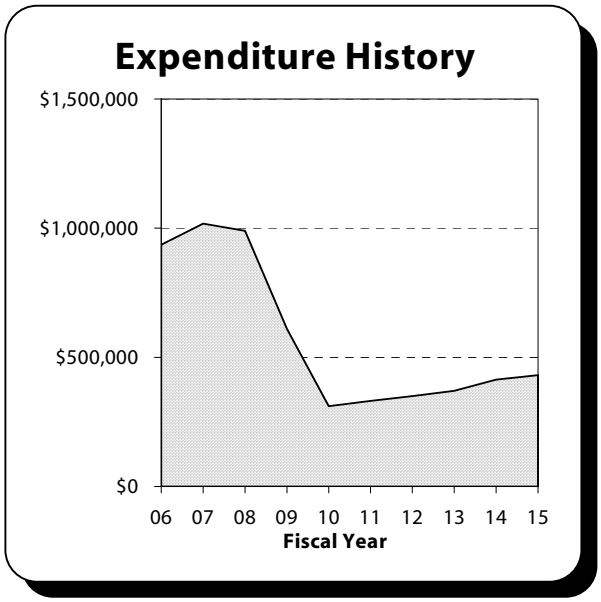
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 4.1%.

Personnel Services – There is no Personnel budget for this fund.

Other Charges - Total Other Charges is proposed to remain the same at $350, as bond paying agent fees remain the same as last year.

Debt Service - Total Debt Service increased $16,880 or 4.1% due to a scheduled increase in the debt payment on the 2008 Proposal F bond. There is no outstanding debt for Proposals R, S, & T as the debt was retired in prior years. The debt from the Fire Station Improvements (Proposal F) is scheduled to be retired in 2023.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	350	350	350	350	350
Debt Service	369,750	413,250	413,250	430,130	430,130
Total	$370,100	$413,600	$413,600	$430,480	$430,480

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 2014/15, the Major Road Fund transfer represents 85% 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, Reimbursements and Special Assessment revenue.

The most significant revenue source of this fund is through a transfer from the Major Road Fund.

This Fund's debt budgeted to be paid in fiscal year 2014/15 totals $1,846,200, which is comprised of $1,480,000 toward principal and $366,200 in interest payments on outstanding 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 is being funded through assessments on the affected property owners. No new MTF bonds are scheduled to be sold next year. The final principal and interest payment to retire the 2010 MTF refunding bond was made in the 2013/14 fiscal year.

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…
…the 2010 MTF Recovery Zone bond issued in fiscal year 2010/11 allows the City to recover approximately $425,000 in interest rebates from the federal government?

Road Bond Debt Retirement Fund

SUMMARY OF BUDGET CHANGES

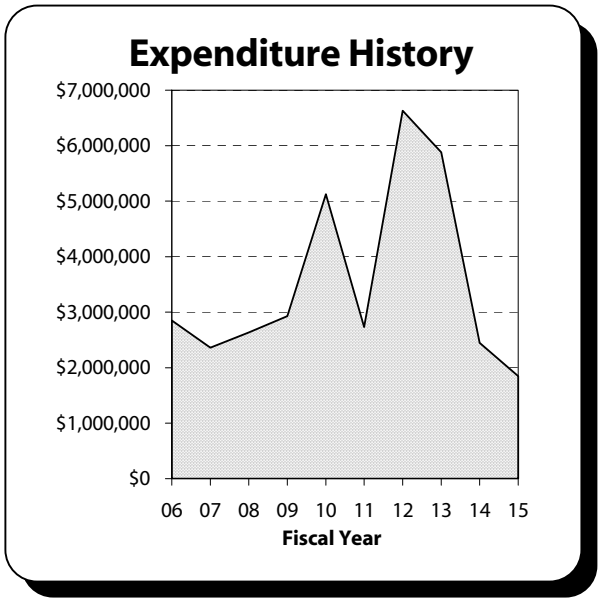
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 24.6%.

Supplies – There is no Supplies budget for this fund.

Other Charges – Total Other Charges decreased $230 or 12.2% due to a drop in bond paying agent fees, as one MTF bond was retired in the prior year.

Debt Service – Total Debt Service is proposed to decrease $601,820 or 24.6%. Total principal payments decreased $540,000 due to the retirement of the 2010 MTF refunding bond in the prior year. The decrease was slightly offset by higher scheduled principal payments on two existing MTF bond issues. Total interest payments decreased $61,820 due to lower scheduled interest payments on all existing MTF and Special Assessment bonds and the retirement of the 2010 MTF refunding bond. The City has refinanced five bonds over the past eleven years, saving a total of $1.4 million in interest costs.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Supplies	$0	$0	$0	$0	$0
Other Charges	43,478	1,880	1,880	1,650	1,650
Debt Service	5,879,850	2,448,020	2,448,020	1,846,200	1,846,200
Total	$5,923,328	$2,449,900	$2,449,900	$1,847,850	$1,847,850

Limited Tax General Obligation Fund

The Limited Tax General Obligation (LTGO) 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.

The construction of the Judicial Services Center was financed with limited tax general obligation bonds issued in 1990. This debt was retired in fiscal year 2009/10.

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 was retired in fiscal year 2012/13.

The City is currently paying off debt for the expansion and remodeling of the buildings in the City Center Commons. This Fund also accounts for the leasing of the buildings to the City. The prior debt for the Judicial Services Center was retired in 2009/10, and the final bond payments for the Senior Active Life Center, which were accounted for in the Community Development Block Grant (CDBG) Fund, were made in 2012/13. Debt for the public safety 800 MHz radio system was also retired in 2012/13.

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 City Center Commons project.

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 2014/15 totals $312,450. Principal payments total $240,000 and interest payments amount to $72,450.■

Did you know…
…that a limited tax general obligation bond is considered a general obligation of the City and because of the limited taxing authority, this type of bond typically has a slightly higher interest rate than a voted general obligation bond that is secured by full taxing power?

Limited Tax General Obligation Fund

SUMMARY OF BUDGET CHANGES

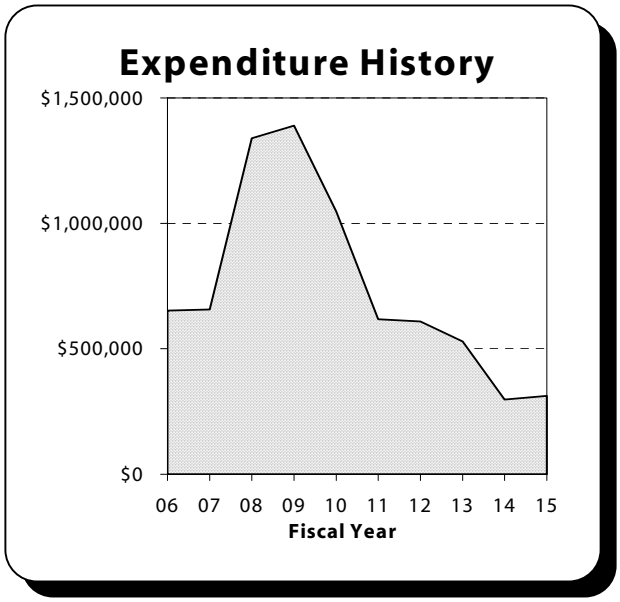
SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.3%.

Personnel Services – There is no Personnel budget for this fund.

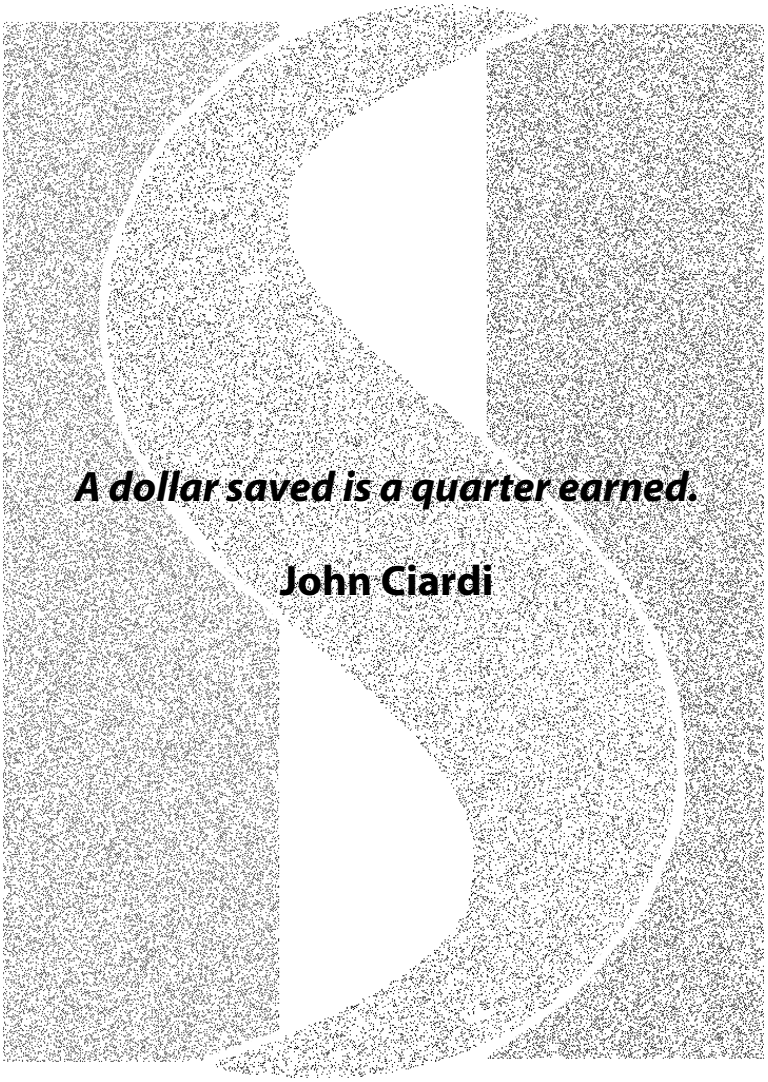
Other Charges - Total Other Charges is proposed to remain the same at $230, as there is no change to the bond paying agent fees.

Debt Service - Total Debt Service increased $15,600 or 5.3% due to an increase in the scheduled principal payment on the existing 2005 City Center Commons refunding bond. The principal increase was offset by a decline in interest payments of $9,400, as less debt is outstanding.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Personnel Services	$0	$0	$0	$0	$0
Other Charges	306	230	230	230	230
Debt Service	528,348	296,850	296,850	312,450	312,450
Total	$528,654	$297,080	$297,080	$312,680	$312,680


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	2011/12 Actual	2012/13 Actual	2013/14 Budget	2013/14 To Dec. 31	2013/14 Estimate	2014/15 Budget
CAPITAL PROJECTS FUND						
REVENUES						
Other Revenue	$727,970	$342,380	$498,210	$214,860	$386,010	**$300,120**
Transfer from General Fund	317,060	406,350	358,150	179,070	358,150	**3,497,830**
Total Revenues	**1,045,030**	**748,730**	**856,360**	**393,930**	**744,160**	**3,797,950**
EXPENDITURES						
Capital Equipment	727,090	273,530	418,120	220,250	409,540	**996,330**
Capital Vehicles	726,870	299,110	307,490	155,540	309,150	**1,110,500**
Capital Projects	498,510	369,570	521,750	127,130	656,100	**2,013,000**
Total Expenditures	**1,952,470**	**942,210**	**1,247,360**	**502,920**	**1,374,790**	**4,119,830**
Excess of Revenues Over (Under) Expenditures	**(907,440)**	**(193,480)**	**(391,000)**	**(108,990)**	**(630,630)**	**(321,880)**
Beginning Fund Balance	**2,113,710**	**1,206,270**	**1,012,790**	**1,012,790**	**1,012,790**	**382,160**
Ending Fund Balance	**$1,206,270**	**$1,012,790**	**$621,790**	**$903,800**	**$382,160**	**$60,280**
ROAD BOND CONSTRUCTION FUND						
REVENUES						
Federal Grants	$32,000	$58,720	$0	($32,740)	$0	**$0**
Other Revenue	1,480	610	160,200	20	40	**160,000**
Transfer From Major Road Fund	0	135,110	0	0	0	**0**
Total Revenues	**33,480**	**194,440**	**160,200**	**(32,720)**	**40**	**160,000**
EXPENDITURES						
Capital Improvements	190,710	594,670	192,040	152,160	192,040	**0**
Total Expenditures	**190,710**	**594,670**	**192,040**	**152,160**	**192,040**	**0**
Excess of Revenues Over (Under) Expenditures	**(157,230)**	**(400,230)**	**(31,840)**	**(184,880)**	**(192,000)**	**160,000**
Beginning Fund Balance	**757,230**	**600,000**	**199,770**	**199,770**	**199,770**	**7,770**
Ending Fund Balance	**$600,000**	**$199,770**	**$167,930**	**$14,890**	**$7,770**	**$167,770**

Capital Projects Funds Revenues

TAXES

The revenue from penalties and interest on delinquent special assessments for City sidewalks is included in Other Revenue. There is no tax revenue budgeted in fiscal year 2014/15.

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 2014/15, $12,000 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 2014/15 Budget, revenues generated from Other Financing Sources represent 88.4% of total revenue sources, an increase of $3,139,680. This increase is due to an increase in the transfer from the General Fund to the Capital Projects Fund to restore funding for the replacement of capital vehicles, equipment, and needed facility repairs which had been delayed due to funding cuts over the past six years.

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, Sale of Fixed Assets, Miscellaneous Revenue, and Interest and Penalties.

In the 2014/15 Budget, Other Revenues represent 11.3% of total revenue sources, a decrease of $3,720. This decrease is primarily due to a decline in Interest on Investments and Special Assessment Revenue.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A budgeted Use of Fund Balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2014/15 Budget, Use of Fund Balance as a revenue source totals $161,880. This is primarily due to a planned draw down of reserves to fund a small portion of the City's share of capital projects.■

CAPITAL PROJECTS FUNDS
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual Dollars	%	2013-2014 Budget Dollars	%	2014-2015 Budget Dollars	%
	TAXES						
445000	Penalties & Interest	$253	0.03	$0	0.00	**$0**	**0.00**
	Total Taxes	**253**	**0.03**	**0**	**0.00**	**0**	**0.00**
	STATE & LOCAL RETURNS						
529000	Federal Grant - Other	148,865	15.78	156,570	15.40	**0**	**0.00**
539002	State Grants	0	0.00	0	0.00	**12,000**	**0.30**
549000	County & Other Local Grants	0	0.00	50,000	4.92	**0**	**0.00**
	Total State & Local Returns	**148,865**	**15.78**	**206,570**	**20.32**	**12,000**	**0.30**
	OTHER FINANCING SOURCES						
699101	Transfer from General Fund	406,350	43.08	358,150	35.23	**3,497,830**	**88.37**
699202	Transfer from Major Road Fund	135,110	14.33	0	0.00	**0**	**0.00**
	Total Other Financing Sources	**541,460**	**57.41**	**358,150**	**35.23**	**3,497,830**	**88.37**
	OTHER REVENUE						
665000	Interest on Investments	2,772	0.29	2,400	0.24	**1,100**	**0.03**
665445	Interest & Penalties - Tax Roll	0	0.00	150	0.01	**0**	**0.00**
672000	Special Assessment Revenue	23,794	2.52	16,480	1.62	**15,150**	**0.38**
672445	SA Delinquent Interest & Penalties	41	0.00	50	0.00	**50**	**0.00**
672665	Special Assessment Interest	3,138	0.33	2,760	0.27	**1,820**	**0.05**
673000	Sale of Fixed Assets	0	0.00	160,000	15.74	**160,000**	**4.04**
676000	Reimbursements	67,284	7.13	210,000	20.66	**210,000**	**5.31**
677008	Unrealized Gain/Loss	243	0.03	0	0.00	**0**	**0.00**
685015	Miscellaneous Revenue - MCPWC	106,106	11.25	60,000	5.90	**60,000**	**1.52**
695000	Insurance Recovery	49,219	5.22	0	0.00	**0**	**0.00**
	Total Other Revenue	**252,597**	**26.78**	**451,840**	**44.45**	**448,120**	**11.33**
	Total Capital Projects Funds	**$943,175**	**100.00**	**$1,016,560**	**100.00**	**$3,957,950**	**100.00**

Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

CAPITAL PROJECT FUNDS
EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2012-2013 Actual		2013-2014 Budget		2014-2015 Budget	
		Dollars	%	Dollars	%	Dollars	%
	CAPITAL OUTLAY						
975000	Building & Improvements	$0	0.00	$9,600	0.67	**$12,000**	**0.29**
975010	Municipal Building Modernization	0	0.00	0	0.00	**65,000**	**1.58**
975130	Civic Center Concrete Replacement	0	0.00	0	0.00	**500,000**	**12.14**
975140	Miscellaneous DPW Improvements	4	0.00	0	0.00	**86,000**	**2.09**
975210	Fire Station Renovations	31,643	2.06	0	0.00	**0**	**0.00**
975220	Misc. Fire Station Improvements	0	0.00	0	0.00	**225,000**	**5.46**
979000	Computer Equipment	34,907	2.27	79,000	5.49	**18,000**	**0.44**
979080	Microsoft Office - Software	0	0.00	0	0.00	**28,840**	**0.70**
979150	Financial System - Hardware	31,195	2.03	23,110	1.61	**122,400**	**2.97**
979300	Tax & Assessing - Software	0	0.00	0	0.00	**73,270**	**1.78**
979305	Police Department - Hardware	0	0.00	0	0.00	**66,000**	**1.60**
979850	Fire Department - Hardware	0	0.00	0	0.00	**20,000**	**0.49**
981000	Electronic Equipment	34,894	2.27	89,310	6.20	**310,020**	**7.53**
981001	Electronic Equipment - Grant	57,719	3.76	0	0.00	**0**	**0.00**
982000	Machinery & Equipment	81,403	5.30	31,960	2.22	**324,300**	**7.87**
982001	Machinery & Equipment - Grant	33,410	2.17	194,740	13.53	**0**	**0.00**
983000	Fire Equipment	0	0.00	0	0.00	**33,500**	**0.81**
984315	Vehicles - Police Operations	71,913	4.68	278,490	19.35	**294,500**	**7.15**
984339	Vehicles - Fire Extinguishment	0	0.00	0	0.00	**535,000**	**12.98**
984444	Vehicles - Street Services	227,198	14.77	29,000	2.01	**281,000**	**6.82**
986000	Major Drain Improvements	117,580	7.65	60,000	4.17	**60,000**	**1.46**
988000	Construction	0	0.00	285,000	19.80	**1,065,000**	**25.84**
988173	2010 Sidewalk Gap Completion	435	0.03	17,560	1.22	**0**	**0.00**
988214	2011 Sidewalk Replacement Program	(1,196)	-0.08	0	0.00	**0**	**0.00**
988217	2012 Sidewalk Gap Completion	49,411	3.22	33,590	2.33	**0**	**0.00**
988222	Ryan Rd Concrete - Metro to 19 Mile Rd	243,932	15.87	159,030	11.05	**0**	**0.00**
988223	19 Mile Resurface - Merrill to Van Dyke	166,991	10.86	23,010	1.60	**0**	**0.00**
988225	Brookline Pump Station Repairs	9,310	0.61	116,000	8.06	**0**	**0.00**
988230	2012 Sidewalk Replacement Program	162,386	10.57	10,000	0.69	**0**	**0.00**
988235	17 Mile Rd Bridge Replace Over Conrail	183,750	11.96	0	0.00	**0**	**0.00**
	Total Capital Projects Fund	**1,536,885**	**100.00**	**1,439,400**	**100.00**	**4,119,830**	**100.00**

Note: The 2012-2013 Actual Column is rounded to the nearest dollar.

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 2014/15 totals $4,119,830. Of the total, $2,013,000 is to fund 13 improvement projects for facilities and/or infrastructure. $230,000 is included for the City Sidewalk Repair Program, $320,000 for the Sidewalk Gap Completion Program, $12,000 for City Hall chiller and boiler repairs, $65,000 for the removal and replacement of a retaining wall near the Police Department's lower level entrance, $500,000 for City Hall concrete parking lot repairs, $200,000 for asphalt and concrete parking lot repairs at Fire Station #5, $450,000 for storm sewer repairs on Canal Road, $50,000 for retention pond improvements on Sterling Drive South, $26,000 for roof replacement at the Clinton River storage building, $60,000 for the replacement of 200 mercury vapor City street lights with more energy efficient LED lighting, $25,000 for message sign repairs and LED lighting upgrades at City Hall and Fire Station #1, $15,000 for a citywide Pedestrian Bridge Inspection Program, and $60,000 for the ongoing maintenance of storm drains in the City.

Capital equipment and information technology improvements total $996,330 and are detailed in the General Fund activity in which the capital will be utilized. Capital vehicles total $1,110,500 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…
…there are 611 miles of sidewalk and 2,530 street lights in the City?

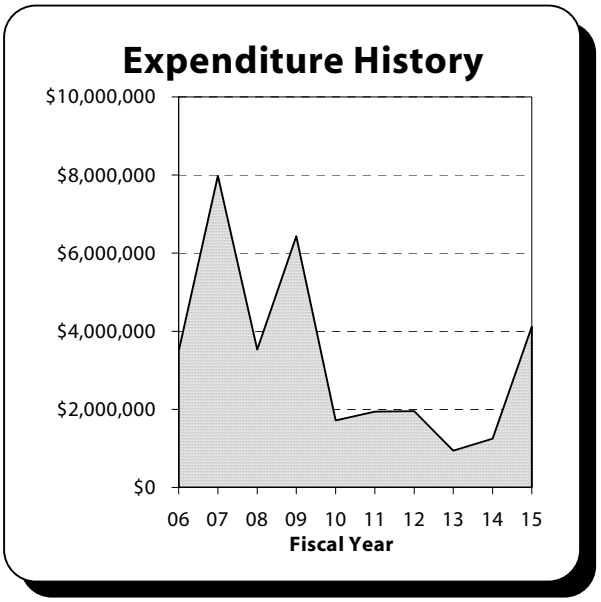
Capital Projects Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 230.3%.

Capital – Total Capital of $4,119,830 is proposed for next fiscal year. $667,820 is for capital equipment, $1,110,500 for capital vehicles, and $328,510 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, thirteen (13) Capital Projects totaling $2,013,000 are proposed. $230,000 is for the City Sidewalk Repair Program, $320,000 for the Sidewalk Gap Completion Program, of which $120,000 is carried over from the prior year, $12,000 for City Hall chiller and boiler repairs, $65,000 for the removal and replacement of a retaining wall near the Police Department's lower level entrance, $500,000 for parking lot concrete repairs at City Hall, $200,000 for asphalt and concrete parking lot repairs at Fire Station #5, $450,000 for storm sewer repairs on Canal Road from Sterritt Street to Morang Drive, $50,000 for retention pond improvements on Sterling Drive South, $26,000 for roof replacement at the Clinton River storage building, $60,000 for the replacement of 200 mercury vapor City street lights with more energy efficient LED lighting, $25,000 for message sign repairs and LED lighting upgrades at City Hall and Fire Station #1, $15,000 for a citywide Pedestrian Bridge Inspection Program, and $60,000 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.***



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Other Charges	$0	$0	$0	$0	$0
Capital Outlay	942,220	1,247,360	1,374,790	4,119,830	4,119,830
Transfers Out	0	0	0	0	0
Total	$942,220	$1,247,360	$1,374,790	$4,119,830	$4,119,830

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.

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, Build America Bonds, and Special Assessment Bonds are sold to finance the cost of the road construction projects within this Fund.

In fiscal year 2014/15, there are no capital projects budgeted for this fund. All planned road projects are budgeted in the Major Road Fund using reserves, Act 51 gas tax revenues, federal grant funds, and insurance funds. In 2013/14, unspent funding was reappropriated for several road projects that were approved and budgeted in the prior fiscal year.

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…
…the City received $1 million in federal aid dollars in 2013 to complete the resurfacing of 19 Mile Road from Van Dyke to Merrill Road, and concrete repairs on Ryan Road from Metroparkway to 18½ Mile Road?

Road Bond Construction Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2014/15 BUDGET COMPARED TO PRIOR YEAR BUDGET

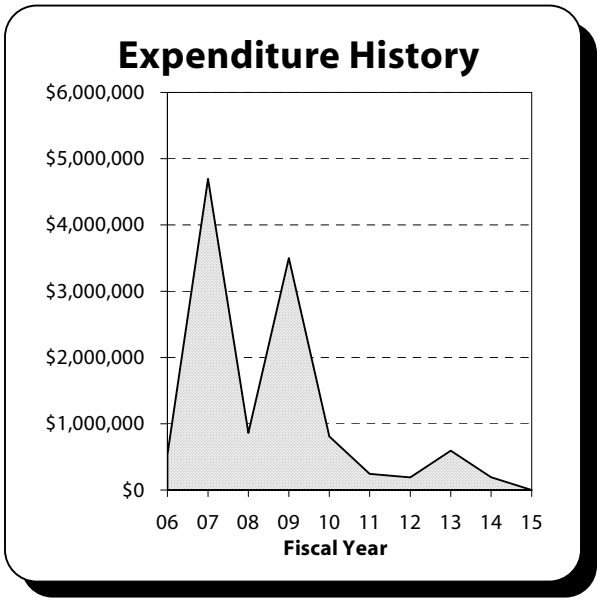
The total budget decreased by 100.0%.

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 next year as no projects are anticipated to be financed with bonds. All planned road projects are budgeted in the Major Road Fund using reserves, Act 51 gas tax revenues, federal grant funds, and insurance funds. In the 2013/14 fiscal year's budget, unspent funding was reappropriated for several road projects that were approved and budgeted in the prior fiscal year.

Transfers Out – There are no Transfers Out proposed for this fund.



FUNDING LEVEL SUMMARY

	2012/13 Actual	2013/14 Budget	2013/14 Estimate	2014/15 Proposed	2014/15 Approved
Supplies	$0	$0	$0	$0	$0
Capital Outlay	594,674	192,040	192,040	0	0
Transfers Out	0	0	0	0	0
Total	$594,674	$192,040	$192,040	$0	$0

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-six (46) years after its incorporation, the City has matured into a community serving approximately 130,750 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. The need for establishing a multi-year municipal improvement program and a planning process became 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. 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. Information has been extracted from all of the original master plans and compiled into one 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. 2013/14 is the first year of the MIP. The second year (2014/15) 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 2014/15, the City's total capital funding is $21,166,500. Of the total, $18,092,540 is budgeted for improvements, $913,950 is for equipment, $1,831,500 is for vehicles, and $328,510 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 2014/15 is $2,013,000.

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 2014/15, there is no capital budgeted, as there are no projects anticipated to be financed by special assessments or bonds.

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. These revenues are generated by the tax on gasoline & vehicle sales. Funds are distributed to each community based on population, miles, and classification of road types and are commonly referred to as Act 51 Funds. Major Road Fund street improvements totaling $5,377,800 are budgeted for fiscal year 2014/15.

Transportation projects scheduled in 2014/15 are categorized as County road improvements, resurfacing projects, traffic controls & intersection improvements, bridge reconstruction, and streetscape design.

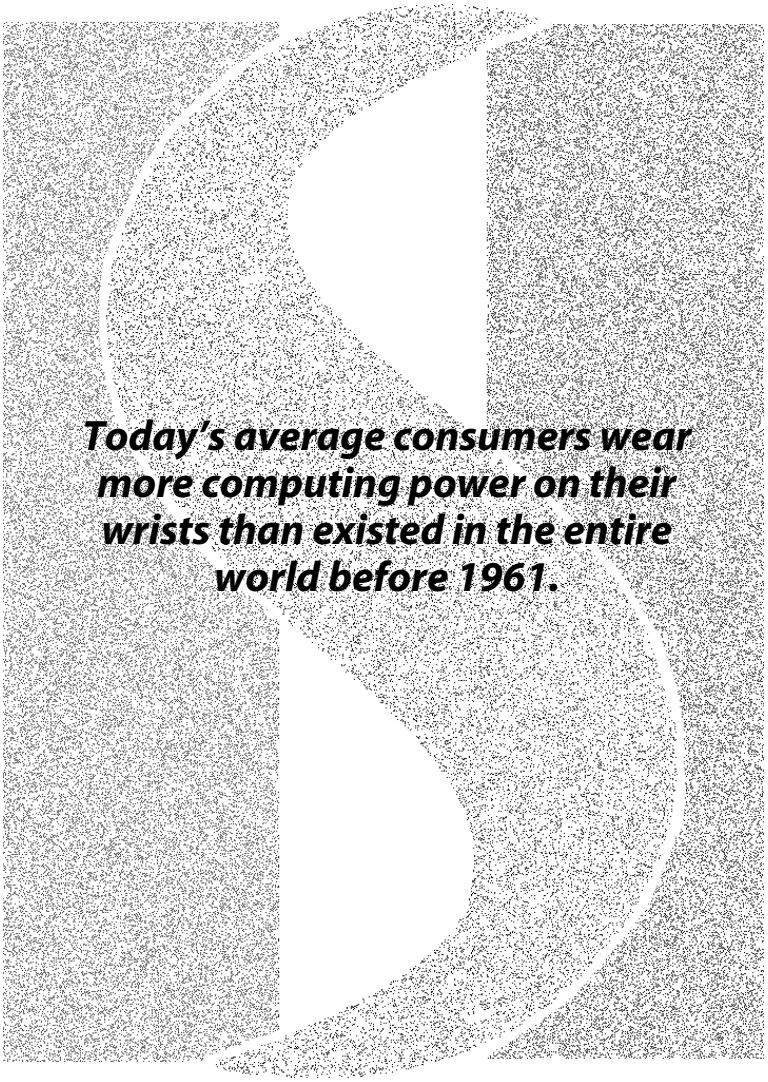
The Local Road Fund provides for the construction, maintenance, traffic services, and snow & ice control for streets classified as "local" within the City. Local Road Fund street improvements totaling $4,457,000 are budgeted for fiscal year 2014/15.

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. In 2014/15, 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 2014/15, $459,240 is budgeted for Phase II of the Beaver Creek Park Improvement project, which includes the installation of a walking path, park benches, trash receptacles, and bike racks; and Phase I of the Hampton Park Improvement project, including repairs to athletic courts, ball field renovations, fence repairs, and a new park sign.

The Land & Water Conservation Fund is used to reflect all activities related to the acquisition and development of parks. These activities are mostly financed through 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 a portion of the funding from the prior sale of City-owned properties, a grant, and General Fund monies. Projects for 2014/15 total $758,000 and include replacement ball field lighting at Delia Park, play equipment area borders, safety surfacing, and access ramps at North Clinton River Park, replacement safety fixtures and LED lights at each of the City's park pavilions, an asphalt trail connector at 19 Mile Road from Clinton River Road to Clinton River Park, and replacement flooring at the Recreation Center.

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 $1,673,000 and water main expenditures of $3,344,500 are programmed. $10,000 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 2013/14	Qty.	Proposed Budget 2014/15	Qty.	Approved Budget 2014/15
City Administration Department								
Treasury								
Tax Bill Lock Box	982	Machinery & Equipment	1	1,960				
Total			**1**	**1,960**				
Police Department								
Police Administration								
Security Camera System Upgrade	981	Electronic Equipment	1	70,610				
Total			**1**	**70,610**				
Police Operations								
Special Response Team (SRT) Equipment - Grant	982001	Machinery & Equip. - Grant	1	16,160				
Special Response Team (SRT) Equipment - Grant	982001	Machinery & Equip. - Grant	1	3,070				
Police Vehicle In-Car Cameras	981	Electronic Equipment			40	250,520	40	250,520
Total			**2**	**19,230**	**40**	**250,520**	**40**	**250,520**
Fire Department								
Fire Extinguishment								
Electronic Monitor/Defibrillator - Grant	982001	Machinery & Equip. - Grant	6	175,510				
Hurst Extraction Equipment	983	Fire Equipment			1	31,500	1	31,500
Electric Positive Pressure Fan	983	Fire Equipment			1	2,000	1	2,000
Automatic External Defibrillator - City Buildings	981	Electronic Equipment			11	22,800	11	22,800
Total			**6**	**175,510**	**13**	**56,300**	**13**	**56,300**
Public Works Department								
Fleet Maintenance								
Heavy Duty Hoist Post Replacement	982	Machinery & Equipment			1	13,000	1	13,000
Total					**1**	**13,000**	**1**	**13,000**
Parks & Grounds Maintenance								
Athletic Field Top Dresser	982	Machinery & Equipment			1	20,000	1	20,000
Total					**1**	**20,000**	**1**	**20,000**
Street Services								
Asphalt Hot Box	982	Machinery & Equipment	1	30,000				
Front End Loader	982	Machinery & Equipment			1	280,000	1	280,000
Right-of-Way Mower	982	Machinery & Equipment			1	11,300	1	11,300
Total			**1**	**30,000**	**2**	**291,300**	**2**	**291,300**

CAPITAL EQUIPMENT

Activity Name	Account	Account Name	Qty.	Budget 2013/14	Qty.	Proposed Budget 2014/15	Qty.	Approved Budget 2014/15
Community Relations								
Video Encoder - ATT Uverse	981	Electronic Equipment	2	18,700				
SHTV Editing System Upgrade	981	Electronic Equipment			1	16,700	1	16,700
Video Camera & Support Equipment	981	Electronic Equipment			2	20,000	2	20,000
Total			**2**	**18,700**	**3**	**36,700**	**3**	**36,700**
Total Capital Projects Fund Equipment			**13**	**316,010**	**60**	**667,820**	**60**	**667,820**
Water & Sewer Fund								
Water & Sewer Administration								
Floor Scrubber	982	Machinery & Equipment			1	50,000	1	50,000
Total					**1**	**50,000**	**1**	**50,000**
Water Distribution								
Residential Meter Reading System	982	Machinery & Equipment	1	40,000				
Total			**1**	**40,000**				
Sewage Collection								
Replacement Retention Pond Pump	982	Machinery & Equipment	1	6,500				
Backup Generator - Lift Station	982	Machinery & Equipment			1	35,000	1	35,000
Total			**1**	**6,500**	**1**	**35,000**	**1**	**35,000**
Total Water & Sewer Fund Equipment			**2**	**46,500**	**2**	**85,000**	**2**	**85,000**
Public Safety Forfeiture Fund								
Federal Forfeitures								
Security Camera System Upgrade	981	Electronic Equipment	1	29,390				
Police Vehicle In Car Cameras	981	Electronic Equipment	8	37,200				
Police Online Resident Reporting System/Lobby PC	979	Computer Equipment	1	46,580				
Personal Computer/Wireless Router	979	Computer Equipment	23	21,000				
Electronic Device Extraction Upgrade	981	Electronic Equipment	1	4,100				
Special Response Team (SRT) Equipment - Shields	982	Machinery & Equipment	1	2,180				
Drug Incinerator	982	Machinery & Equipment	1	4,250				
Non-Lethal Conductive Electrical Weapon	982	Machinery & Equipment			50	65,000	50	65,000
Total			**36**	**144,700**	**50**	**65,000**	**50**	**65,000**

CAPITAL EQUIPMENT

Activity Name	Account	Account Name	Qty.	Budget 2013/14	Qty.	Proposed Budget 2014/15	Qty.	Approved Budget 2014/15
OWI Forfeitures								
Police Vehicle Mounts, Lightbars, Push Bumpers	982	Machinery & Equipment	8	20,000				
Radar Unit	981	Electronic Equipment			8	17,500	8	17,500
Total			8	20,000	8	17,500	8	17,500
State Forfeitures								
Garage Door Electronic Repairs	981	Electronic Equipment	1	2,950				
Patrol & Traffic Vehicle (partial payment)	984	Vehicles	1	3,690				
Storage Lockers - SRT	982	Machinery & Equipment	1	20,200				
Hand-held Device Analysis Software	979	Computer Equipment			1	3,030	1	3,030
Tactical Thermal Imaging Camera	981	Electronic Equipment			1	7,600	1	7,600
Police Vehicle Mounts, Lightbars, Push Bumpers	982	Machinery & Equipment			8	20,000	8	20,000
Mid-size Investigative Sedans	984	Vehicles			2	48,000	2	48,000
Total			3	26,840	12	78,630	12	78,630
Total Public Safety Forfeiture Fund Equipment			47	191,540	70	161,130	70	161,130
Total City Equipment			62	$ 554,050	132	$ 913,950	132	$ 913,950

INFORMATION TECHNOLOGY CAPITAL PROGRAM

Activity Name	Account	Account Name	Qty.	Item Description	Budget 2013/14	Estimated Budget 2013/14	Proposed Budget 2014/15	Approved Budget 2014/15
CAPITAL PROJECTS FUND								
Information Technology								
Community Relations/Info. Technology	979.000	Computer Equipment	1	City Website Redesign/Data Transfer	60,000	60,000		
Fire Administration	979.000	Computer Equipment	12	In Company Inspection Tablets	19,000	8,500		
Parks & Recreation	979.150	Computer Equipment	7	Replacement Personal Computer	6,130	5,910		
Nature Center	979.150	Computer Equipment	3	Replacement Personal Computer	2,630	2,530		
Senior Center	979.150	Computer Equipment	12	Replacement Personal Computer	10,500	10,130		
Neighborhood Services	979.150	Computer Equipment	5	Replacement Personal Computer	0	4,220		
City Council	979.150	Computer Equipment	9	Computer Tablet/Printer	3,850	4,630		
Information Technology	979.000	Computer Equipment	2	Servers			18,000	18,000
Police Department/41-A District Court	979.080	Computer Equipment	108	Microsoft Office Update			28,840	28,840
Police Department	979.150	Computer Equipment	72	Replacement Personal Computer			64,800	64,800
Fire Department	979.150	Computer Equipment	28	Replacement Personal Computer			25,200	25,200
41-A District Court	979.150	Computer Equipment	36	Replacement Personal Computer			32,400	32,400
Assessing/Treasury	979.300	Computer Equipment	1	Tax & Assessing Software			73,270	73,270
Police Department	979.305	Computer Equipment	55	4G Modems/Antennas			66,000	66,000
Fire Department	979.850	Computer Equipment	5	Wireless Access Points			3,000	3,000
Fire Department	979.850	Computer Equipment	17	4G Modems/Antennas			17,000	17,000
Total City Information Technology			**373**		**$ 102,110**	**$ 95,920**	**$ 328,510**	**$ 328,510**

CAPITAL VEHICLES

Vehicle Description	Account No.	Responsible Activity	Qty.	Budget 2013/14	Qty.	Proposed Budget 2014/15	Qty.	Approved Budget 2014/15
CAPITAL PROJECTS FUND								
Motor Vehicles & Equipment - 9010								
Full-Size V8 4-Door Patrol & Traffic Vehicle	984315	Police Operations (2012/13)	5	124,890				
Full-Size V8 4-Door Patrol & Traffic Vehicle	984315	Police Operations	6	153,600	9	238,500	9	238,500
3/4 Ton 4 x 4 Pickup Truck with Plow	984444	Street Services	1	29,000	1	31,000	1	31,000
Full-Size SUV Tahoe - Evidence Tech.	984315	Police Operations			1	28,000	1	28,000
Full Size SUV Tahoe - SRT	984315	Police Operations			1	28,000	1	28,000
Rescue Pumper	984339	Fire Extinguishment			1	490,000	1	490,000
Battalion Chief/Command Vehicle SUV w/Equip.	984339	Fire Extinguishment			1	45,000	1	45,000
Tandem Axle Dump Truck	984444	Street Services			1	250,000	1	250,000
Total Capital Projects Fund Vehicles			**12**	**307,490**	**15**	**1,110,500**	**15**	**1,110,500**
WATER & SEWER FUND								
Water Distribution - 5560								
3/4 Ton 4 x 4 Pickup Truck with Plow	984000	Water Distribution			1	31,000	1	31,000
Total					**1**	**31,000**	**1**	**31,000**
Sewage Collection - 5580								
3/4 Ton 4 x 4 Pickup Truck with Plow	984000	Sewage Collection	1	29,000				
Vactor Jet Combination Sewer Cleaner	984000	Sewage Collection			1	450,000	1	450,000
Sewer Jet Truck	984000	Sewage Collection			1	240,000	1	240,000
Total			**1**	**29,000**	**2**	**690,000**	**2**	**690,000**
Total Water & Sewer Fund Vehicles			**1**	**29,000**	**3**	**721,000**	**3**	**721,000**
Total City Vehicles			**13**	**$ 336,490**	**18**	**1,831,500**	**18**	**1,831,500**

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)						
		Total Cost/ Funding Source	Budget 2013/14	Estimate 2013/14	Proposed Budget 2014/15	Approved Budget 2014/15	Proposed Method of Financing	Estimated Prior Yr. 2012/13	Estimated Current Yr. 2013/14	Budget Year 2014/15	Future Years 2015/16	Future Years 2016/17	Future Years 2017/18
	CAPITAL PROJECTS FUND												
975000	Drainage Repairs -	9,600											
	City Hall Boiler Room	CPF	9,600	9,600			GF	500	500	0	0	0	0
975000	41-A District Court Window Repairs and	21,500											
	Exterior Weather Sealing	CPF	0	21,500			GF	500	500	0	0	0	0
975000	Air Conditioning Unit - Information	65,000											
	Technology Servers	CPF	0	65,000			GF	1,000	1,000	200	200	200	200
975000	Chiller & Boiler Repairs -	12,000											
	City Hall	GF			12,000	12,000	GF	500	500	0	0	0	0
975010	Police Department Front Desk/Lobby	150,000											
	Security Improvements	CPF	0	150,000			GF	500	500	0	0	0	0
975010	Retaining Wall Removal and	65,000											
	Installation - Police Department	GF			65,000	65,000	GF	200	200	0	0	0	0
975130	Concrete Repairs -	500,000											
	City Hall Parking Lot	SIF			500,000	500,000	GF	5,000	5,000	0	0	0	0
975140	Roof Replacement -	26,000											
	Clinton River Storage Building	GF			26,000	26,000	GF	500	500	0	0	0	0
975140	Streetlight LED Energy	60,000											
	Savings Project	GF			48,000	48,000							
		GRANT			12,000	12,000	GF	0	0	0	(16,000)	(16,000)	(16,000)
975220	Asphalt/Concrete Parking Lot Repairs -	200,000											
	Fire Station #5	GF			200,000	200,000	GF	1,000	1,000	0	0	0	0
975220	Message Board Sign LED Upgrade/	25,000											
	Repairs - Fire Station #1, City Hall	GF			25,000	25,000	GF	500	500	200	200	200	200
986000	County Drain Maintenance	120,000											
		CPF	60,000	60,000	60,000	60,000	GF	0	0	0	0	0	0
988000	Footing Drain Disconnection Grant	40,000											
	Program	CPF	0	40,000			GF	0	0	0	0	0	0
988000	Canal Road Storm Sewer Repairs -	450,000											
	Sterritt to Morang Drive	SIF			450,000	450,000	GF	1,000	25,000	0	0	0	0
988000	City-wide Pedestrian Bridge Inspection	15,000											
	Program	GF			15,000	15,000	GF	0	0	0	0	0	0
988000	Sterling Drive South Retention Pond	50,000											
	Improvements	GF			50,000	50,000	GF	500	500	500	0	0	0
988225	Pump Station Repairs - Brookline	130,000											
		CPF	116,000	123,000			GF	500	500	0	0	0	0
	Sidewalk Gap Completion Program	371,150											
988173	2010: Gap Program & ROW (includes CIA)	SAD (CPF)	17,560	12,000			GF	0	0	0	0	0	0
		CPF											
988217	2012: Gap Program	SAD (CPF)	33,590	10,000			GF	0	0	0	0	0	0
		CPF	20,000	0	20,000	20,000							
988000	2013: Gap Program	SAD (CPF)	100,000	0	100,000	100,000	GF	0	0	0	0	0	0
988000	2014: Gap Program including:												
	14 Mile Road - Hayes to Schoenherr	CPF			100,000	100,000							
	Canal Road - East of Schoenherr	SAD			100,000	100,000	GF	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 2013/14	Estimate 2013/14	Proposed Budget 2014/15	Approved Budget 2014/15	Proposed Method of Financing	Estimated Prior Yr. 2012/13	Estimated Current Yr. 2013/14	Budget Year 2014/15	Future Years 2015/16	Future Years 2016/17	Future Years 2017/18
	Miscellaneous City Sidewalk Repair Program	395,000											
988230	2012-13: Sections 4, 9	CPF	10,000	10,000			GF	3,000	3,000	0	0	0	0
988000	2013-14: Section 24	CPF	45,000	45,000									
		SAD (CPF)	110,000	110,000			GF	4,000	4,000	0	0	0	0
988000	2014-15: Section 14	CPF			70,000	70,000							
		SAD (CPF)			160,000	160,000	GF	5,000	5,000	5,000	0	0	0
	Total Capital Projects Fund	**$2,705,250**	**$521,750**	**$656,100**	**$2,013,000**	**$2,013,000**		**$24,200**	**$48,200**	**$5,900**	**($15,600)**	**($15,600)**	**($15,600)**
	ROAD BOND CONSTRUCTION FUND												
988000	Concrete Sectional Pavement Repairs - Metroparkway - Dequindre to Mound Road (MTFB-10)	26,550 RBCF	5,000	5,000			MRF	15,000	20,000	20,000	20,000	20,000	20,000
988000	Asphalt Resurfacing - Metroparkway - Mound to Conrail (MTFB-10)	117,000 RBCF	5,000	5,000			MRF	20,000	20,000	20,000	20,000	20,000	20,000
988222	Sectional Concrete & Ashpalt Repairs - Ryan Road - Metroparkway to 18 1/2 Mile Road (MTFB-10)	415,000 RBCF	159,030	159,030			MRF	15,000	15,000	40,000	40,000	40,000	40,000
988223	19 Mile Road Resurfacing - Van Dyke to Merrill Road (MTFB-10)	190,000 RBCF	23,010	23,010			MRF	20,000	20,000	20,000	20,000	20,000	20,000
	Total Road Bond Construction Fund	**$748,550**	**$192,040**	**$192,040**				**$70,000**	**$75,000**	**$100,000**	**$100,000**	**$100,000**	**$100,000**
	MAJOR ROAD FUND STATE/COUNTY ROADS												
988000	Traffic Signals	91,000											
	a) Miscellaneous Locations	MRF	64,000	40,000	40,000	40,000	MRF	500	500	500	500	500	500
	b) Mound Road at 15 & 17 Mile Roads		11,000	11,000									
988000	Noise Abatement Wall - M53 Highway - 18 1/2 Mile to Utica Road	64,300 MRF	25,670	25,670			MRF	0	0	0	0	0	0
988000	Bridge Deck Repairs - 14 Mile Bridge over Big Beaver Creek	38,110 MRF	6,810	6,810			MRF	0	0	0	0	0	0
988000	Schoenherr Road Sectional Repairs - 14 Mile to 15 Mile Road	50,000 MRF	50,000	50,000			MRF	0	0	0	0	0	0
988246	Van Dyke Streetscape Design - 15 Mile to 18 Mile Road	200,000 MRF	200,000	200,000			MRF	0	0	0	0	0	0
988700	Dequindre Road - 18 Mile Road to M59 Prelim. Engineering & ROW	150,000 MRF	61,500	0	150,000	150,000	MRF	0	0	0	0	75,000	75,000
988000	Van Dyke Reconstruction - 15 Mile to 18 Mile Road (incl. 17 Mile Road Work)	2,800,000 SIF			2,800,000	2,800,000	MRF	0	0	0	0	30,000	30,000
988000	Van Dyke Resurfacing - 14 Mile to South of 15 Mile Road	165,000 MRF			165,000	165,000	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 2013/14	Estimate 2013/14	Proposed Budget 2014/15	Approved Budget 2014/15	Proposed Method of Financing	Estimated Prior Yr. 2012/13	Estimated Current Yr. 2013/14	Budget Year 2014/15	Future Years 2015/16	Future Years 2016/17	Future Years 2017/18
988000	Mound Road Repairs -	200,000											
	18 Mile Road to M-59	MRF			200,000	200,000	MRF	0	0	0	0	0	0
	Total State/County Roads	**$3,758,410**	**$418,980**	**$333,480**	**$3,355,000**	**$3,355,000**		**$500**	**$500**	**$500**	**$500**	**$105,500**	**$105,500**
	CITY ROADS												
988233	15 Mile Road Right Turn Lanes -	290,000											
	Dodge Park and Maple Lane	MRF	84,000	84,000									
		GRANT	224,000	0			MRF	2,000	2,000	2,000	2,000	2,000	2,000
988234	Delco Blvd. Resurfacing - M59 to	210,000											
	Canal Road	MRF	109,890	109,890									
		GRANT	50,000	50,000			MRF	5,000	5,000	0	0	0	0
	City-wide Misc. Sectional Concrete Replacement/Asphalt Resurfacing Program												
988238	2013: Miscellaneous Concrete	290,000											
	Replacement Program	MRF	140,000	140,000			MRF	4,000	2,000	0	0	0	0
988243	2013: 17 Mile Resurfacing -												
	Utica Road to Schoenherr Road	MRF	150,000	150,000			MRF	5,000	2,000	0	0	0	0
988235	17 Mile Road Bridge Over Conrail	1,047,900											
	Reconstruction	MRF	1,400,000	1,047,900			MRF	5,000	5,000	0	0	0	0
988243	Amsterdam Drive -	409,000											
	Resurfacing	MRF	396,000	409,000			MRF	5,000	5,000	0	0	0	0
988000	Dodge Park Road Reconstruction	300,000											
	Design - Metroparkway to Utica Road	MRF			25,000	25,000	MRF	0	0	0	0	150,000	150,000
988000	Neighborhood Asphalt Resurfacing -	1,250,000											
	Calka, Gulliver, and Irving Drives	MRF			1,250,000	1,250,000	MRF	10,000	10,000	0	0	0	0
988000	15 Mile Road Repair at	200,000											
	Dodge Park Road	INS CLAIM			200,000	200,000	MRF	0	0	0	0	0	0
988000	City-wide Sectional Concrete	275,000											
	Replacement Program	MRF			275,000	275,000	MRF	0	0	0	0	0	0
988000	19 1/2 Mile Road Reconstruction -	864,000											
	Merrill to Utica Road	MRF			172,800	172,800	MRF	5,000	5,000	0	0	0	0
	TRAFFIC CONTROLS	85,000											
988000	a) Miscellaneous Locations	MRF	25,000	0	25,000	25,000	MRF	500	500	500	500	500	500
	b) LED Lighting City-wide Bulb		60,000	0	60,000	60,000	MRF	0	0	(10,000)	(10,000)	(10,000)	(10,000)
	Replacement Energy Savings Project												
	c) 15 Mile & Chrysler Signal				15,000	15,000	MRF	0	0	0	0	0	0
	Total City Major Road	**$5,220,900**	**$2,638,890**	**$1,990,790**	**$2,022,800**	**$2,022,800**		**$41,500**	**$36,500**	**($7,500)**	**($7,500)**	**$142,500**	**$142,500**
	Total Major Road Fund	**$8,979,310**	**$3,057,870**	**$2,324,270**	**$5,377,800**	**$5,377,800**		**$42,000**	**$37,000**	**($7,000)**	**($7,000)**	**$248,000**	**$248,000**

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Budget 2013/14	Estimate 2013/14	Proposed Budget 2014/15	Approved Budget 2014/15	Proposed Method of Financing	Estimated Prior Yr. 2012/13	Estimated Current Yr. 2013/14	Budget Year 2014/15	Future Years 2015/16	Future Years 2016/17	Future Years 2017/18
	LOCAL ROAD FUND												
988224	Tyler Drive - Sectional Concrete Replacement	58,000 LRF	58,000	58,000			LRF	1,000	0	0	0	0	0
988232	Gardner Street West - Paving	240,000 LRF	228,920	240,000			LRF	2,000	1,000	1,000	1,000	1,000	1,000
988238	City-wide Sectional Concrete Replacement Program	244,000 LRF	244,000	244,000			LRF	0	0	0	0	0	0
988243	Wheaton, Gainsley, and Fortner Drives - Asphalt Resurfacing	756,000 LRF	756,000	756,000			LRF	10,000	10,000	0	0	0	0
988000	City-wide Sectional Concrete Replacement Program	750,000 LRF			750,000	750,000	LRF	0	0	0	0	0	0
	Neighborhood Road Repairs - (Safe Streets Proposal)												
988000	Sectional Concrete Replacement - Misc.	3,300,000 SSP			1,150,000	1,150,000	LRF	0	0	0	0	0	0
	Asphalt Resurfacing - Faith Dr., Constitution Blvd.	SSP			450,000	450,000	LRF	5,000	5,000	0	0	0	0
	Concrete Reconstruction - Amherst, Ascott Court, Chesapeake, Clifford, Gunther, Heritage, Rose Mary, Winterfield	SSP			1,700,000	1,700,000	LRF	10,000	10,000	0	0	0	0
988000	City Roadway Asset Management Plan	32,000 LRF			32,000	32,000	LRF	0	0	0	0	0	0
988000	Gardner Street East - Paving	375,000 LRF			40,000	40,000							
		SAD(LRF)			335,000	335,000	LRF	2,000	2,000	1,000	1,000	1,000	1,000
	Total Local Road Fund	**$5,755,000**	**$1,286,920**	**$1,298,000**	**$4,457,000**	**$4,457,000**		**$30,000**	**$28,000**	**$2,000**	**$2,000**	**$2,000**	**$2,000**
	COMMUNITY DEVELOPMENT BLOCK GRANT FUND												
972237	Beaver Creek Park - Concrete Replacement, Ball Field Renovation, Court Resurfacing, & Play Area Improvements	173,500 CDBG	173,500	173,500			GF	2,000	2,000	0	0	0	0
988000	Indigo Drive & West Elmcrest - Concrete Replacement	396,460 CDBG	396,460	396,460			LRF	5,000	5,000	0	0	0	0
988213	Baumgartner Park - Restroom Facility Improvements	10,330 CDBG	10,330	7,720			GF	500	500	500	500	500	500
988224	Tyler Drive - Sectional Concrete Replacement	278,220 CDBG	278,220	278,220			LRF	5,000	0	0	0	0	0
972000	Beaver Creek Park - Walking Path, Park Benches, Trash Recepticals, Bike Racks	160,000 CDBG			160,000	160,000	GF	1,000	1,000	0	0	0	0
972000	Hampton Park Repairs - Athletic Courts, Baseball Field, Fencing & New Park Sign	299,240 CDBG			299,240	299,240	GF	3,000	3,000	0	0	0	0
	Total C.D.B.G. Fund	**$1,317,750**	**$858,510**	**$855,900**	**$459,240**	**$459,240**		**$16,500**	**$11,500**	**$500**	**$500**	**$500**	**$500**

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Budget 2013/14	Estimate 2013/14	Proposed Budget 2014/15	Approved Budget 2014/15	Proposed Method of Financing	Estimated Prior Yr. 2012/13	Estimated Current Yr. 2013/14	Budget Year 2014/15	Future Years 2015/16	Future Years 2016/17	Future Years 2017/18
	LAND & WATER CONSERVATION FUND LAND DEVELOPMENT												
972008	Playground Equipment Repairs - Ben Hadley Park	4,000 LAND SALE	4,000	3,950			GF	0	0	0	0	0	0
972237	Path Resurfacing - Fairfield Park	40,600 LAND SALE	40,600	40,600			GF	500	500	0	0	0	0
972237	Tennis Court Reconstruction - Magnolia Park	39,000 LAND SALE	39,000	39,000			GF	500	500	0	0	0	0
972334	Bike/Hike Path Repairs - Dodge Park	5,000 LAND SALE	5,000	5,000			GF	0	0	0	0	0	0
972795	Livery Improvements, Debris Removal, & Signage - North Clinton River Park	5,000 DONATION	5,000	5,000			GF	0	0	500	500	500	500
975000	Recreation Center Kitchen Heating/ Cooling Unit Replacement	15,000 LAND SALE	15,000	9,900			GF	0	0	(500)	(500)	(500)	(500)
972000	Playground Equipment Safety Surface and Border - North Clinton River Park	18,000 GF			18,000	18,000	GF	500	500	(500)	(500)	(500)	(500)
972000	LED Lights & Replacement Safety Fixtures - Park Pavilions	40,000 LAND SALE			40,000	40,000	GF	500	500	(200)	(200)	(200)	(200)
972333	Replacement Ball Field Lighting/Poles - Delia Park	600,000 LAND SALE GRANT			425,000 175,000	425,000 175,000	GF	0	0	0	(5,000)	(5,000)	(5,000)
972334	19 Mile Road Asphalt Trail Connector - Clinton River Road to Clinton River Park	70,000 GF			70,000	70,000	GF	0	0	0	1,000	1,000	1,000
975000	Recreation Center - Replacement Flooring	30,000 LAND SALE			30,000	30,000	GF	0	0		0	0	0
	Total Land & Water Conserv. Fund	**$866,600**	**$108,600**	**$103,450**	**$758,000**	**$758,000**		**$2,000**	**$2,000**	**($700)**	**($4,700)**	**($4,700)**	**($4,700)**

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)						
		Total Cost/ Funding Source	Program 2013/14	Estimate 2013/14	Proposed Program 2014/15	Approved Program 2014/15	Proposed Method of Financing	Estimated Prior Yr. 2012/13	Estimated Current Yr. 2013/14	Program Year 2014/15	Future Years 2015/16	Future Years 2016/17	Future Years 2017/18
	WATER & SEWER IMPROVEMENT FUND SANITARY SEWERS												
	Moravian Road, South Side Hayes to East of 15 Mile Road	309,000 W&S	309,000	0	309,000	309,000	W&S	0	0	500	500	500	500
	Hayes Road - Moravian Road to Bartola Subdivision	156,000 W&S	156,000	0	156,000	156,000	W&S	0	0	300	300	300	300
	Clinton River Road - South of Canal & Clinton River Road - Kidley to Essen	325,000 W&S	325,000	0	325,000	325,000	W&S	0	0	500	500	500	500
	Saal Road - North of Longview	58,000 W&S	58,000	0	58,000	58,000	W&S	0	0	200	200	200	200
	Sewer Infiltration Program - 19 Mile Road - East of Clinton River Road	190,000 W&S	190,000	0	190,000	190,000	W&S	0	0	400	400	400	400
	Van Dyke Water & Sewer Rehabilitation & Extensions - 15 Mile Road to 18 Mile Road	130,000 W&S			130,000	130,000	W&S	0	0	400	400	400	400
	DPW Wash Out Bay and Sanitary Sewer Connection	40,000 W&S			40,000	40,000	W&S	0	0	300	300	300	300
	Miscellaneous Sanitary Sewer Repairs Cherry Creek Lane, Ledgate Drive, Spicemill Drive, Koper Drive, 19 Mile Road east of Rhineland, 17 Mile Road at Van Dyke, Irving Drive Manhole	465,000 W&S			465,000	465,000	W&S	5,000	5,000	0	0	0	0
	Total Sanitary Sewer	**$1,673,000**	**$1,038,000**	**$0**	**$1,673,000**	**$1,673,000**		**$5,000**	**$5,000**	**$2,600**	**$2,600**	**$2,600**	**$2,600**
	WATER MAINS												
	Section 4 along Mound, Catalpa, Merrill & Arrow; Under Conrail Railroad	900,000 W&S	900,000	0	900,000	900,000	W&S	0	0	1,000	1,000	1,000	1,000
	Dequindre & 14 Mile Road - Sections 30 & 31	2,384,500 W&S	2,384,500	0	2,384,500	2,384,500	W&S	0	0	5,000	5,000	5,000	5,000
	15 Mile Road - South Side, at Davison Street	60,000 W&S	60,000	0	60,000	60,000	W&S	0	0	200	200	200	200
	2013 Water Reliability Study	30,000 W&S	40,000	30,000			W&S	0	0	0	0	0	0
	Total Water Mains	**3,374,500**	**$3,384,500**	**$30,000**	**$3,344,500**	**$3,344,500**		**$0**	**$0**	**$6,200**	**$6,200**	**$6,200**	**$6,200**
	WATER & SEWER REPLACEMENT MAINS/OTHER												
	Fire Hydrant Replacement/Gatewell Valve Maintenance Program	20,000 W&S	10,000	10,000	10,000	10,000	W&S	500	500	500	500	500	500
	Asset Management Study/Improvements - Water & Sewer Mains - SAW Grant Match	2,000,000 W&S	400,000	400,000			W&S	0	0	0	0	0	0
	Total Replacement Items	**$2,020,000**	**$410,000**	**$410,000**	**$10,000**	**$10,000**		**$500**	**$500**	**$500**	**$500**	**$500**	**$500**

CAPITAL IMPROVEMENTS

Account	Project Description	CAPITAL OUTLAY EXPENDITURES					Estimated Annual Operating Costs (Including Debt Repayment)					
		Total Cost/ Funding Source	Program 2013/14	Estimate 2013/14	Proposed Program 2014/15	Approved Program 2014/15	Proposed Method of Financing	Estimated Prior Yr. 2012/13	Estimated Current Yr. 2013/14	Program Year 2014/15	Future Years 2015/16	Future Years 2016/17	Future Years 2017/18
	Total Water & Sewer Fund	$7,067,500	$4,832,500	$440,000	$5,027,500	$5,027,500		$5,500	$5,500	$9,300	$9,300	$9,300	$9,300
	Total City Capital Improvements	$27,439,960	$10,858,190	$5,869,760	$18,092,540	$18,092,540		$190,200	$207,200	$110,000	$84,500	$339,500	$339,500

2014/15 MUNICIPAL FACILITIES

City Sidewalk
Gap Completion Program

Parking Lot Repairs –
Fire Station #5

Roof Replacement –
Clinton River Storage Building

Recreation Center –
Replacement Flooring

City Hall
-Chiller & Boiler Repairs
-Parking Lot Repairs
-Message Sign Repair
-Police Retaining Wall

Section 14

Message Board Sign Repair –
Fire Station #1

City Sidewalk Repair Program –
Section 14

Streetlight LED
Energy Saving Project

2014/15 MAJOR ROADS

City-wide Pedestrian Bridge Inspection Program

Miscellaneous Traffic Signals

LED Lighting City-wide Bulb Replacement Energy Savings Project

City-wide Sectional Concrete Replacement Program

19 ½ Mile Road – Merrill to Utica Road

Gulliver Drive – Asphalt Resurfacing

Calka Drive – Asphalt Resurfacing

Dodge Park Road Design – Metroparkway to Utica Road

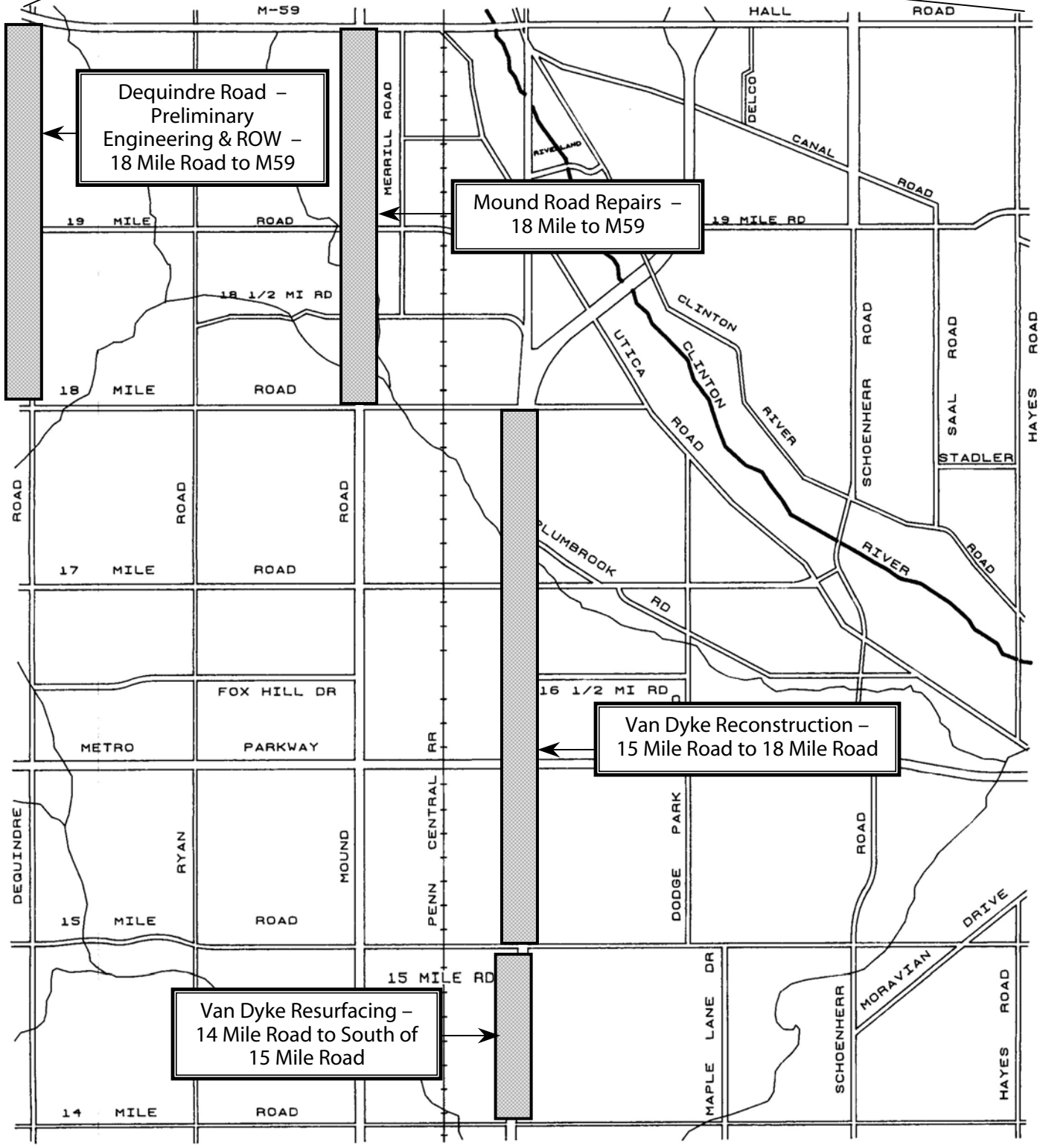
15 Mile Road Repair at Dodge Park Road

15 Mile & Chrysler Traffic Signal

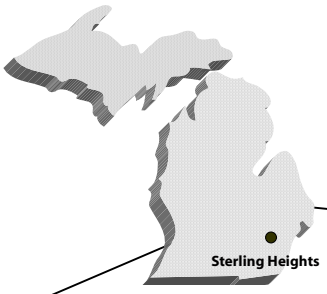
Irving Drive – Asphalt Resurfacing

2014/15 COUNTY & STATE ROAD PLANS

Miscellaneous Traffic Signals



2014/15 LOCAL ROADS



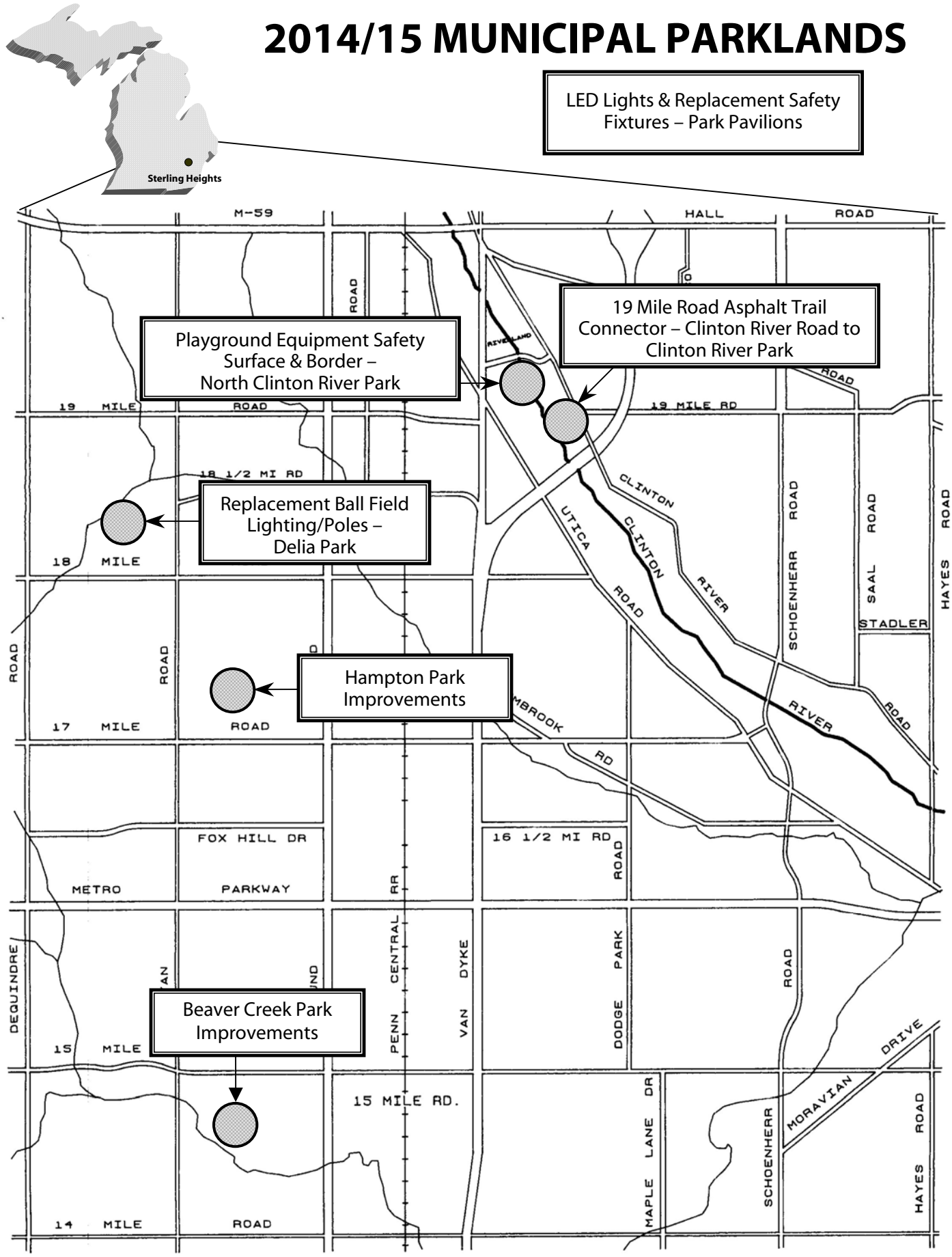
Neighborhood Road Repairs – (Safe Streets Proposal) including: Concrete Reconstruction, Asphalt Resurfacing, and Miscellaneous Sectional Concrete Repairs

City Roadway Asset Management Plan

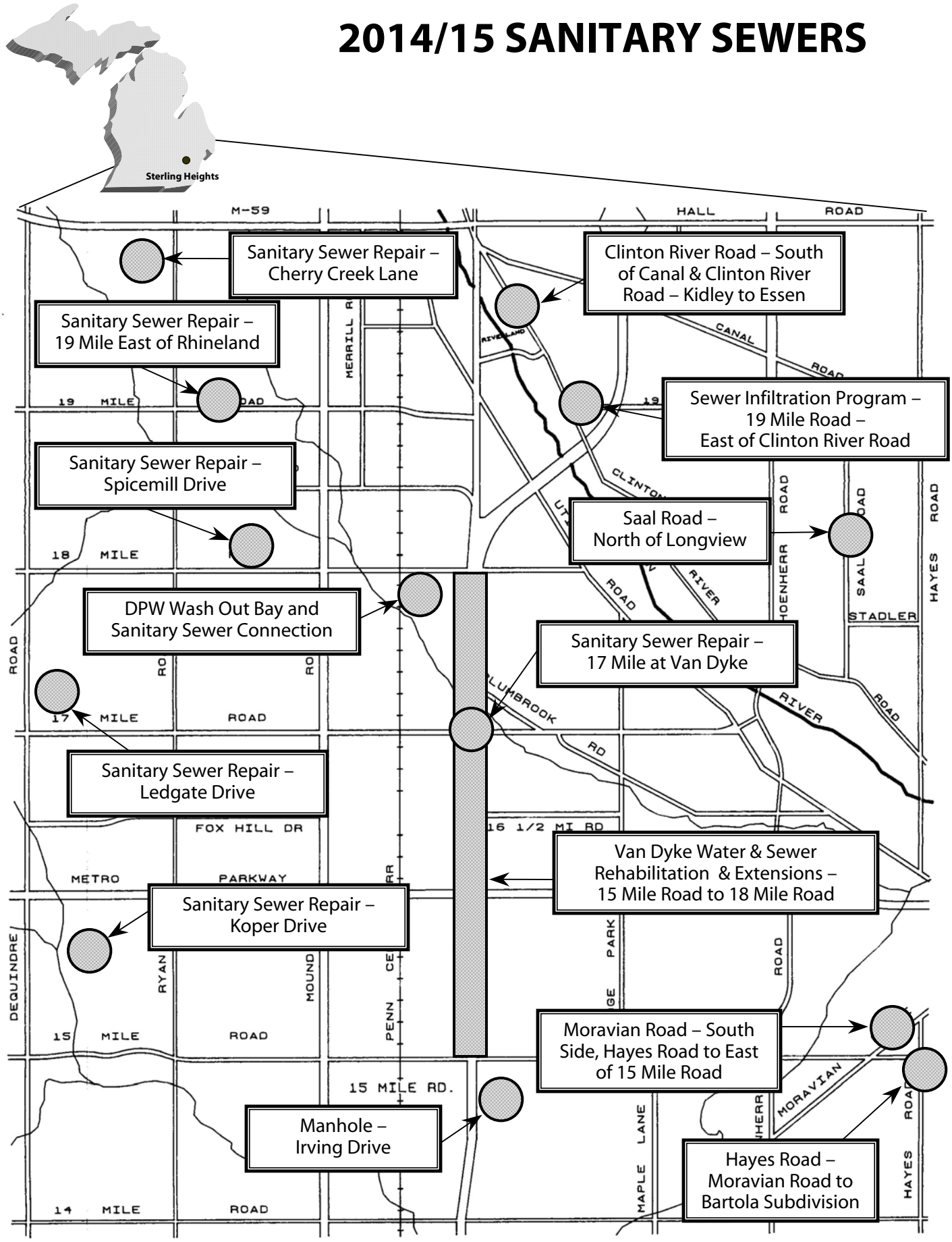
Gardner Street East – Paving

City-wide Sectional Concrete Replacement Program

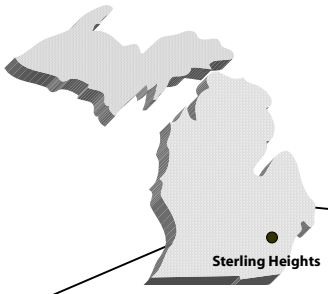
2014/15 MUNICIPAL PARKLANDS



2014/15 SANITARY SEWERS



2014/15 WATER MAINS



Fire Hydrant Replacement/
Gatewell Valve Maintenance Program

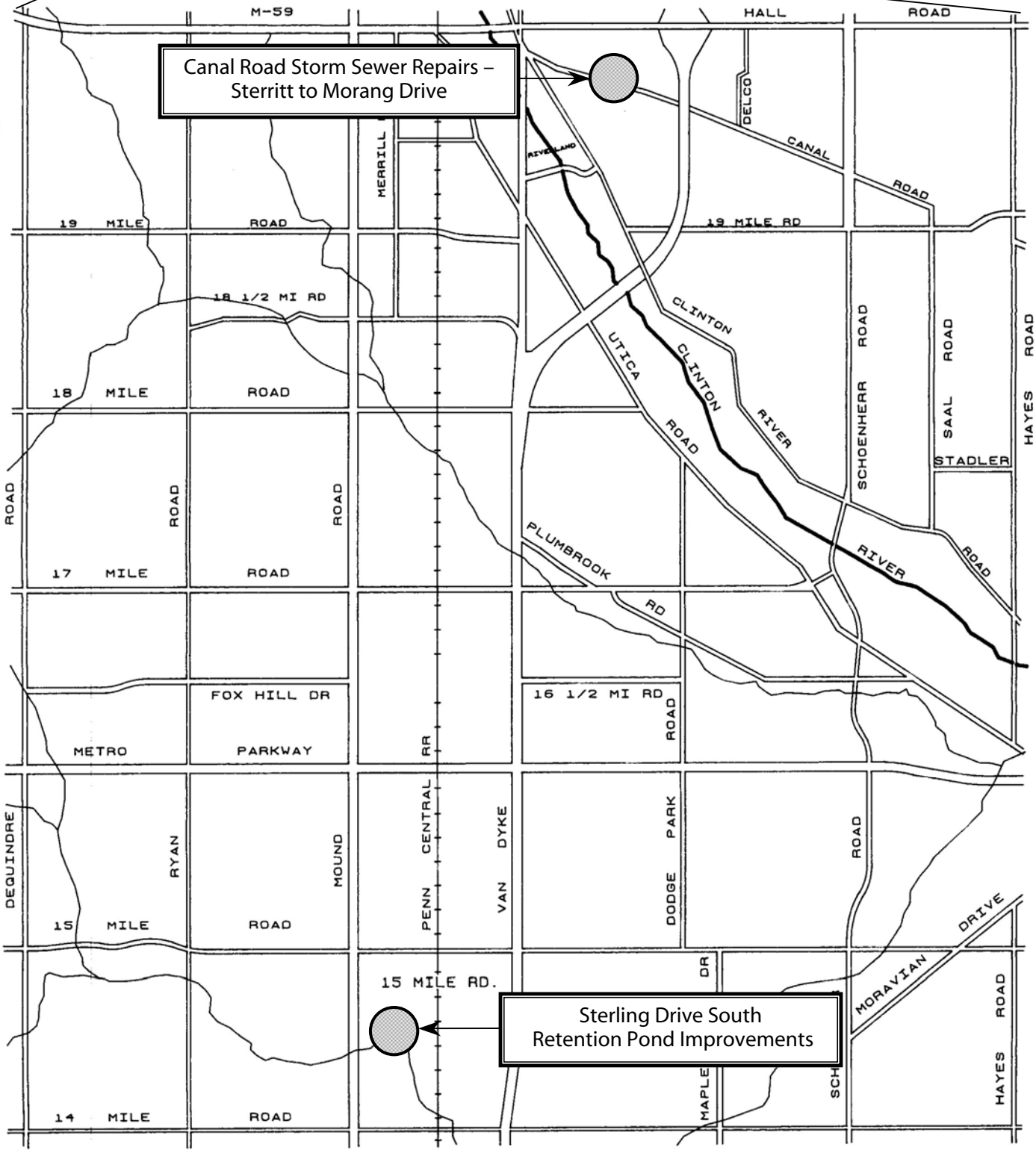
Section 4 along
Mound, Catalpa,
Merrill & Arrow;
Under Conrail
Railroad

15 Mile Road –
South Side at Davison Street

Sections 30 & 31 along
Dequindre Road and 14 Mile Road

2014/15 STORM DRAINS

Storm Drain Maintenance – County



CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Fiscal Year Ended June 30	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Property Taxes	$48,495,510	$50,357,630	$52,574,000	$55,624,617	$58,331,682	$57,875,942	$56,801,306	$59,045,208	$53,149,713	$51,665,928
Fees & Permits	2,318,120	2,012,360	1,986,333	1,784,156	1,352,594	960,683	1,194,707	1,438,197	2,271,967	1,789,803
Federal Sources	1,629,936	2,069,321	3,198,148	2,755,145	1,001,641	1,419,052	2,789,569	3,085,016	2,661,338	1,126,423
State & Local Sources	20,176,008	19,607,043	19,721,028	19,894,287	18,939,977	18,505,491	17,114,177	17,184,734	18,065,838	18,825,672
Fines & Forfeitures	3,069,824	2,995,613	2,890,745	2,563,520	2,755,701	2,836,556	3,618,574	3,353,875	2,770,160	2,489,252
Charges For Services	6,334,722	6,695,039	7,795,120	8,038,601	7,988,183	7,896,549	8,598,054	8,583,882	8,443,205	8,306,458
Interest Income	567,049	977,664	1,788,092	2,511,234	2,316,653	1,580,754	582,435	308,422	672,239	58,534
Special Assessments	372,917	73,776	28,017	130,082	92,745	243,123	215,118	203,298	254,977	206,501
Rental Income	1,298,796	1,566,845	1,357,037	1,443,651	1,727,929	1,798,484	1,429,222	1,685,041	1,508,954	1,536,939
Cable Revenue	1,224,778	1,319,937	1,371,831	1,527,988	1,671,094	1,771,978	1,799,495	1,950,435	2,033,751	2,292,537
Reimb of Advance Rd Const	0	0	0	0	2,440,414	0	0	0	0	0
Other	2,758,591	1,980,022	1,731,700	1,511,396	1,755,645	2,007,807	1,898,739	1,526,205	2,044,415	1,700,076
Total Revenues	**88,246,251**	**89,655,250**	**94,442,051**	**97,784,677**	**100,374,258**	**96,896,419**	**96,041,396**	**98,364,313**	**93,876,557**	**89,998,123**
Expenditures										
General Government	9,091,026	10,042,438	10,109,764	10,562,158	11,244,018	9,534,712	9,000,797	8,613,941	8,571,928	7,700,466
41A District Court	2,342,220	2,472,160	2,660,587	2,847,111	2,974,001	3,150,155	3,221,815	3,246,811	3,252,852	3,258,362
Public Safety	35,779,556	38,346,169	39,440,275	41,610,977	44,435,670	46,327,145	49,130,527	50,929,421	52,297,573	48,644,125
Public Works	18,280,775	21,418,948	18,545,503	18,734,562	20,134,496	21,273,705	20,321,669	21,034,821	18,680,870	18,062,177
Recreation & Culture	4,553,035	4,669,116	4,868,429	5,180,497	5,358,825	5,321,281	4,747,596	4,603,108	4,489,169	4,339,952
General Expenditures	3,388,336	2,651,054	3,555,955	3,791,084	2,945,761	2,793,240	2,814,058	2,540,873	2,766,125	2,294,184
Capital Outlay	13,041,634	12,476,405	10,576,821	14,756,585	7,402,019	13,212,947	4,694,663	4,867,162	4,275,883	3,115,621
Debt Service - Principal	4,436,681	5,056,539	5,030,000	14,000,000	5,685,000	5,730,000	15,235,000	3,970,000	3,940,000	3,895,000
Debt Service - Interest	1,827,203	2,334,584	2,479,375	2,336,756	1,938,403	1,987,533	1,628,030	1,221,055	1,098,474	1,114,056
Total Expenditures	**92,740,466**	**99,467,413**	**97,266,709**	**113,819,730**	**102,118,193**	**109,330,718**	**110,794,155**	**101,027,192**	**99,372,874**	**92,423,943**
Other Financing Sources										
Long-term Financing	30,355,000	13,720,000	0	7,900,000	5,000,000	3,260,000	3,810,000	0	3,780,000	3,275,000
Proceeds-Sale of Fixed Assets	0	476,081	550,074	0	0	149,466	115,724	0	0	0
Bond Premium	975,374	91,759	0	26,815	50,143	0	33,935	0	274,196	9,311
Payments to Escrow Agents	(5,075,000)	(8,511,067)	0	0	0	0	(2,200,000)	0	(3,950,000)	(3,100,000)
Transfers In	6,462,170	8,354,684	9,931,683	18,458,535	9,716,170	11,319,369	16,194,395	3,953,940	3,526,740	6,158,405
Transfers Out	(6,462,170)	(6,639,684)	(8,071,683)	(8,681,215)	(8,197,830)	(8,412,389)	(5,056,810)	(3,953,940)	(3,526,740)	(3,500,200)
Total Other Fin. Sources	**26,255,374**	**7,491,773**	**2,410,074**	**17,704,135**	**6,568,483**	**6,316,446**	**12,897,244**	**0**	**104,196**	**2,842,516**
Net Change in Fund Balance Before Extraordinary Items	21,761,159	(2,320,390)	(414,584)	1,669,082	4,824,548	(6,117,853)	(1,855,515)	(2,662,879)	(5,392,121)	416,696
Extraordinary Items	(25,000,000)	(6,000,000)	0	0	0	0	0	0	0	0
Net Change in Fund Balance	**($3,238,841)**	**($8,320,390)**	**($414,584)**	**$1,669,082**	**$4,824,548**	**($6,117,853)**	**($1,855,515)**	**($2,662,879)**	**($5,392,121)**	**$416,696**

GENERAL FUND
EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget
City Council	$145,470	$136,200	$134,150	$132,600	$129,410	$131,720	**$132,090**
City Management	908,990	978,620	970,180	975,970	1,092,740	861,380	**944,720**
Economic Development	156,410	157,340	167,830	367,830	285,330	276,740	**260,140**
Public Services	316,400	332,120	339,940	0	0	0	**0**
City Clerk	1,045,460	710,560	778,610	693,460	666,050	596,490	**605,500**
Facilities Maintenance	1,734,820	1,603,550	1,311,110	1,358,360	987,750	0	**0**
Information Technology	1,070,300	1,080,160	1,107,470	880,370	959,460	865,030	**886,010**
Assessing	881,530	861,220	868,780	906,340	761,840	814,860	**866,990**
Financial Services	1,291,000	928,110	745,810	749,690	725,110	756,880	**833,230**
Purchasing	412,220	360,940	369,710	390,590	263,640	281,390	**309,290**
Treasury	728,150	1,006,240	1,152,570	1,070,960	1,020,450	1,054,500	**1,062,980**
Act 78 - Civil Service Commission	9,460	1,450	30	7,030	0	15,000	**22,710**
Building Authority	430	50	0	0	0	0	**0**
General Employees Pension Board	88,000	94,300	70,770	85,150	70,670	74,150	**78,940**
Legal	746,590	735,370	740,410	799,720	765,090	770,000	**745,000**
Total City Administration Dept.	**9,535,230**	**8,986,230**	**8,757,370**	**8,418,070**	**7,727,540**	**6,498,140**	**6,747,600**
Library	2,830,880	2,718,710	2,637,150	2,544,980	2,450,830	2,350,200	**2,472,640**
Parks & Recreation	2,489,620	2,028,200	1,965,270	1,943,880	1,888,710	1,751,830	**1,770,980**
Historical Commission	780	690	690	310	410	560	**570**
Total Community Services Dept.	**5,321,280**	**4,747,600**	**4,603,110**	**4,489,170**	**4,339,950**	**4,102,590**	**4,244,190**
Police Administration	2,897,130	2,801,130	2,990,520	3,042,380	3,099,570	3,151,740	**3,152,100**
Police Investigations	5,529,240	5,879,180	6,176,120	6,268,090	5,738,130	5,652,760	**5,743,330**
Police Operations	17,586,340	19,328,430	19,679,700	19,971,990	19,501,000	19,653,840	**20,352,170**
Police Support Services	3,338,480	3,528,550	3,502,360	3,546,890	3,282,000	3,676,110	**3,662,540**
Emergency Management	151,510	137,420	134,990	151,390	0	0	**0**
Total Police Department	**29,502,700**	**31,674,710**	**32,483,690**	**32,980,740**	**31,620,700**	**32,134,450**	**32,910,140**
Fire Administration	1,389,680	1,326,330	1,431,620	1,535,680	1,414,940	1,389,180	**1,424,710**
Fire Extinguishment	14,143,750	14,839,080	16,009,530	16,830,110	14,742,310	14,749,420	**15,137,660**
Fire Prevention	1,152,890	993,180	918,880	749,770	725,770	686,530	**826,070**
Total Fire Department	**16,686,320**	**17,158,590**	**18,360,030**	**19,115,560**	**16,883,020**	**16,825,130**	**17,388,440**

GENERAL FUND
EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Budget	2014/15 Budget
Building & Facilities Maintenance	1,996,460	1,711,640	1,632,160	1,373,570	1,373,140	1,816,590	**1,784,340**
Engineering	1,626,840	1,547,190	1,534,690	1,494,210	1,139,250	1,153,860	**1,332,660**
Fleet Maintenance	2,734,900	2,528,010	2,722,390	2,655,030	2,790,250	2,700,560	**2,825,830**
Foreclosure Relief	7,480	87,160	87,470	77,310	4,410	0	**0**
Neighborhood Services	0	0	63,270	417,580	346,260	1,214,740	**1,330,910**
Parks & Grounds Maintenance	1,414,900	1,355,650	1,385,790	1,150,800	1,110,640	1,020,280	**1,241,890**
Planning	346,240	354,500	367,020	483,010	237,210	104,070	**182,120**
Public Works Center	698,700	389,250	285,890	237,750	233,330	223,700	**243,300**
Street Services	2,095,730	1,879,420	1,986,930	1,772,690	1,743,280	1,816,980	**1,970,390**
Planning Commission	6,040	5,330	5,580	4,570	4,390	4,940	**4,740**
Zoning Board of Appeals	6,220	7,310	6,570	5,330	3,750	5,050	**4,510**
Total Public Works Department	**10,933,510**	**9,865,460**	**10,077,760**	**9,671,850**	**8,985,910**	**10,060,770**	**10,920,690**
Refuse Collection	4,337,260	4,429,920	4,450,360	4,605,880	4,672,020	4,486,700	**4,684,930**
Total Refuse Collection	**4,337,260**	**4,429,920**	**4,450,360**	**4,605,880**	**4,672,020**	**4,486,700**	**4,684,930**
Community Relations	1,541,120	1,582,910	1,470,780	1,033,780	931,910	827,910	**933,210**
Beautification Commission	1,430	1,070	1,020	400	480	700	**710**
Cultural Commission	50	200	10	50	0	50	**50**
Total Community Relations Dept.	**1,542,600**	**1,584,180**	**1,471,810**	**1,034,230**	**932,390**	**828,660**	**933,970**
41-A District Court	3,150,160	3,221,820	3,246,810	3,252,850	3,258,360	3,174,060	**3,081,700**
General Expenditures	2,784,520	2,700,520	2,519,540	2,657,510	2,238,910	2,205,790	**1,272,970**
Transfers Out	3,353,150	1,968,810	1,509,940	1,010,670	954,090	655,230	**6,998,510**
Total General Fund	**$87,146,730**	**$86,337,840**	**$87,480,420**	**$87,236,530**	**$81,612,890**	**$80,971,520**	**$89,183,140**

GENERAL FUND BALANCE COMPARED TO ANNUAL EXPENDITURES AND OTHER FINANCING USES LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Fund Balance	Annual Expenditures & Other Uses	General Fund Balance as % of Expenditures & Other Uses
2004	19,651,520	71,974,280	27.30%
2005	14,001,038	75,734,862	18.49%
2006	15,050,244	78,986,850	19.05%
2007	15,717,895	82,775,550	18.99%
2008	15,292,910	86,516,140	17.68%
2009	15,207,061	87,146,732	17.45%
2010	12,528,923	86,337,844	14.51%
2011	10,991,216 (1)	87,480,425	12.56%
2012	5,248,480	87,236,539	6.02%
2013	5,248,480	81,612,889	6.43%

(1) GASB 54 was implemented with the fiscal year ended June 30, 2011.

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)
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%
2009	4,599,077,850	1,007,788,550	5,606,866,400	50%
2010	4,508,088,655	986,259,050	5,494,347,705	50%
2011	4,046,809,230	917,612,350	4,964,421,580	50%
2012	3,743,670,800	874,496,200	4,618,167,000	50%
2013	3,503,196,250	755,514,350	4,258,710,600	50%

(1) All taxable values reflect the year in which tax revenue streams were generated. For example, the 2003 TVs (stated above in the 2004 row) were used to generate tax revenue for the year ended June 30, 2004.

(2) In accordance with the 1970 State of Michigan Constitution, the assessed value is 50 percent of appraised or estimated value.

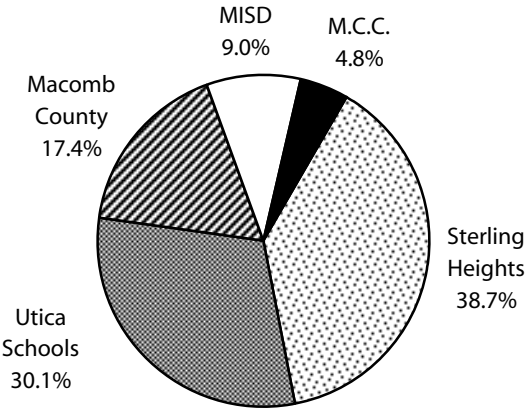
HOMESTEAD PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER $1,000 OF TAXABLE VALUATION)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City of Sterling Heights										
Operating (1)	8.19630	8.09570	8.76420	8.97760	9.22560	9.17770	8.71800	10.18110	9.66170	**9.14280**
Refuse	1.06960	1.10550	0.82660	0.81420	0.80570	0.83810	0.87170	0.94740	0.99990	**1.08380**
Police & Fire Pension	0.78090	0.89050	0.60490	0.51180	0.31470	0.48530	0.93720	1.23880	1.66940	**2.06690**
Public Improvements	0.24160	0.23170	0.18800	0.18750	0.17920	0.06670	0.03460	0.06840	0.08130	**0.09030**
Drain	0.33660	0.30160	0.24130	0.23390	0.19980	0.21800	0.22430	0.25010	0.27350	**0.30200**
Total	**10.62500**	**10.62500**	**10.62500**	**10.72500**	**10.72500**	**10.78580**	**10.78580**	**12.68580**	**12.68580**	**12.68580**
Overlapping Governments										
Macomb County	4.20580	4.20580	4.20580	4.20550	4.20550	4.20550	4.57350	4.57350	4.57350	**4.57350**
Utica Comm. Schools	3.50000	3.50000	3.50000	3.50000	3.50000	3.50000	3.50000	3.75000	3.85000	**3.85000**
Warren Consol. Schools	10.68060	10.04260	9.99300	9.82940	9.23580	8.41520	8.92780	10.25900	10.84210	**11.36240**
State Education	5.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	**6.00000**
Macomb Comm. College	1.58590	1.50020	1.42120	1.42120	1.42120	1.42120	1.42120	1.42120	1.57120	**1.57120**
M.I.S.D.	2.97290	2.96150	2.94300	2.94300	2.94300	2.94300	2.94300	2.94300	2.94300	**2.94300**
Huron/Clinton Metro Auth.	0.21610	0.21540	0.21460	0.21460	0.21460	0.21460	0.21460	0.21460	0.21460	**0.21460**
S.M.A.R.T.	0.59730	0.59490	0.59120	0.59000	0.59000	0.59000	0.59000	0.59000	0.59000	**0.59000**
County Zoo Authority	0.00000	0.00000	0.00000	0.00000	0.00000	0.10000	0.10000	0.10000	0.10000	**0.10000**
D.I.A.	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	**0.20000**
Veterans Operations	0.00000	0.00000	0.00000	0.00000	0.00000	0.04000	0.04000	0.04000	0.04000	**0.04000**
Total Utica Schools (2)	**28.70300**	**29.60280**	**29.50080**	**29.59930**	**29.59930**	**29.80010**	**30.16810**	**32.31810**	**32.56810**	**32.76810**
Total Warren Schools (2)	**35.88360**	**36.14540**	**35.99380**	**35.92870**	**35.33510**	**34.71530**	**35.59590**	**38.82710**	**39.56020**	**40.28050**

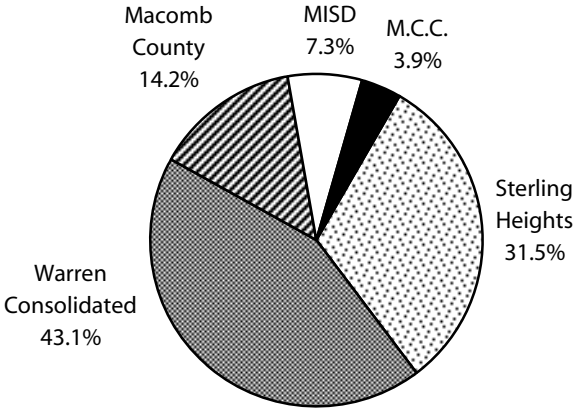
(1) City general operating tax rate charter limit equals 12.0 mills.

(2) Sterling Heights taxable valuation is based on 62% for Utica Schools and 38% for Warren Consolidated Schools for the year ended June 30, 2013.

City of Sterling Heights
2012/13 Distribution of Homestead Taxes



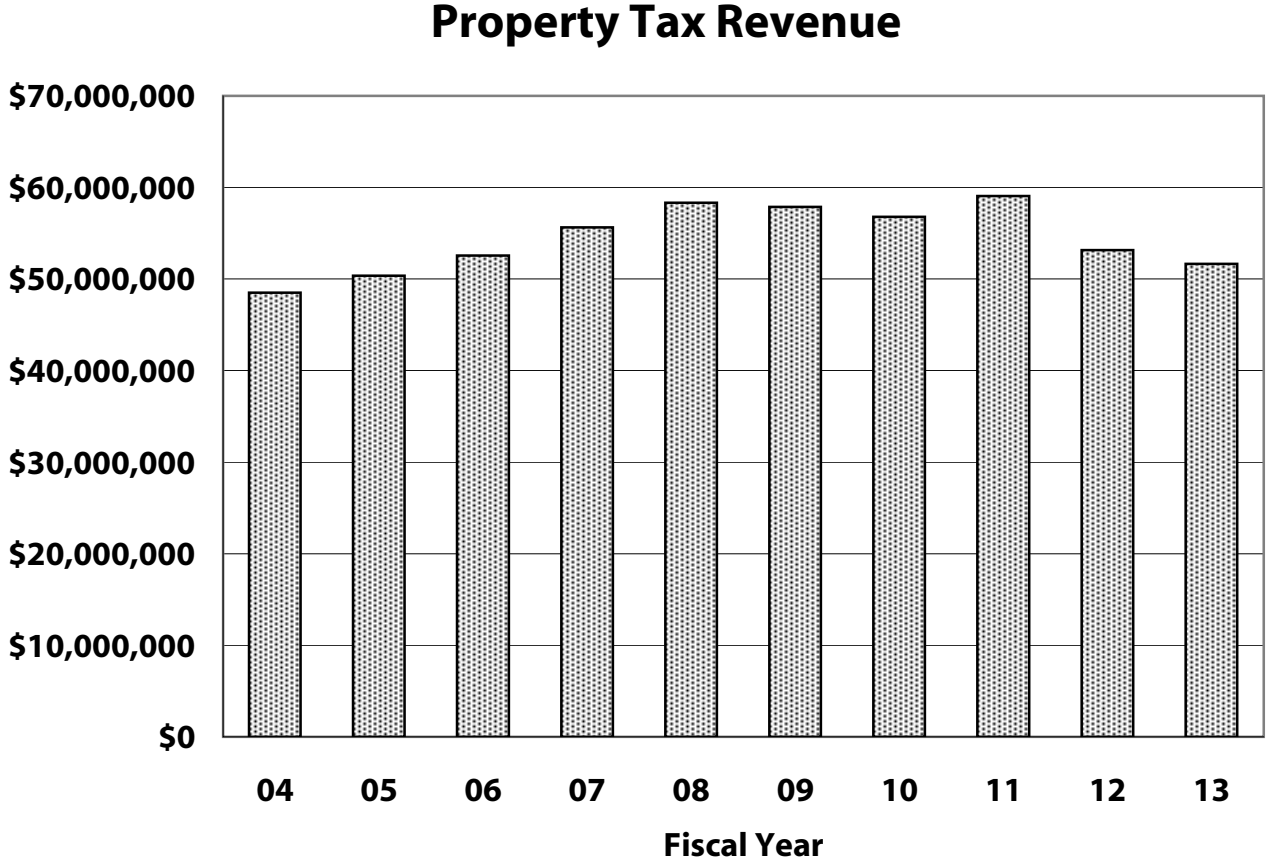
Utica Community Schools



Warren Consolidated Schools

GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

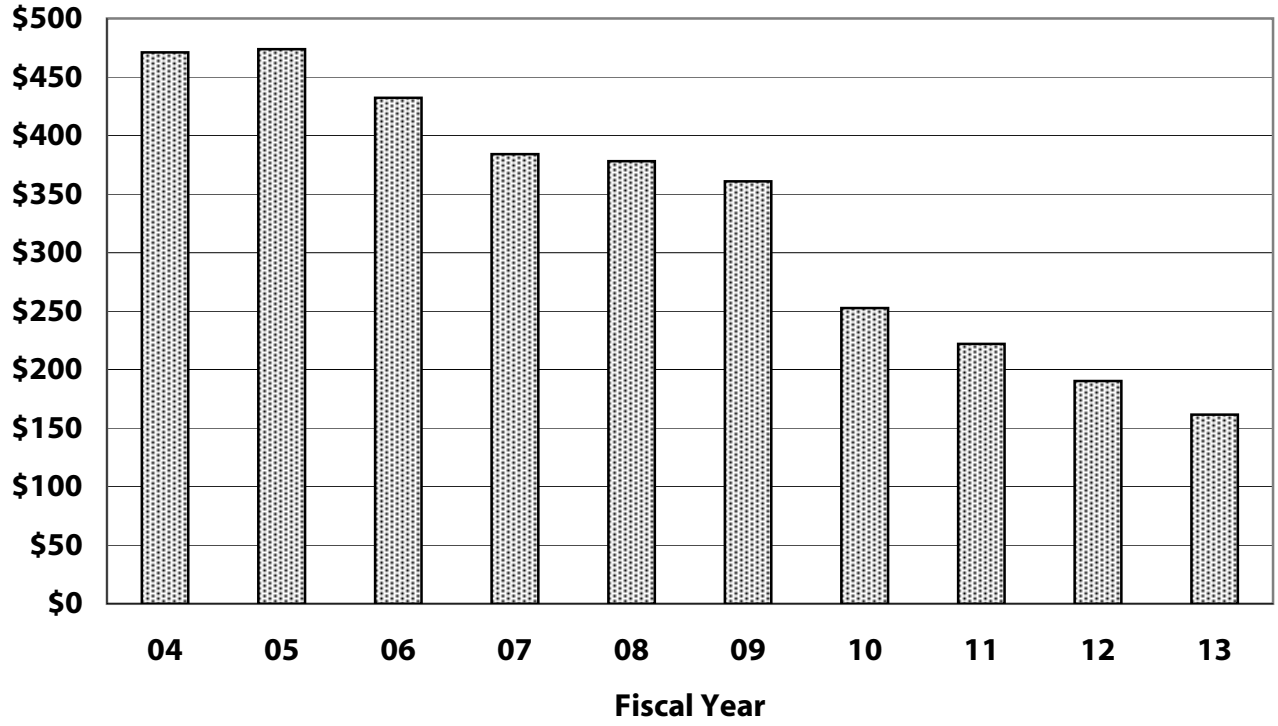
Fiscal Year Ended June 30	General Fund Property Taxes				Debt Service Funds Property Taxes			Total All Property Taxes
	Operating	Refuse	Police & Fire Retirement System	Total	General Drain	Voted Tax General Obligation	Total	
2004	37,409,166	4,881,818	3,564,147	45,855,131	1,536,014	1,104,365	2,640,379	**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**
2009	49,275,429	4,476,793	2,594,194	56,346,416	1,169,602	359,924	1,529,526	**57,875,942**
2010	45,954,154	4,561,110	4,925,570	55,440,834	1,178,018	182,454	1,360,472	**56,801,306**
2011	47,431,652	4,377,125	5,753,668	57,562,445	1,164,592	318,171	1,482,763	**59,045,208**
2012	40,120,585	4,376,626	7,157,201	51,654,412	1,150,140	345,161	1,495,301	**53,149,713**
2013	37,142,292	4,403,288	8,529,892	50,075,472	1,224,522	365,934	1,590,456	**51,665,928**



RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Governmental Activities				Business-Type Activities	Primary Government Outstanding Debt Total	Percentage of Personal Income	Pop.	Govt. Debt Per Capita
	General Obligation Bonds	Michigan Transport. Bonds	Special Assessment Bonds	County Issued Bonds	County Issued Bonds				
2004	33,745,000	15,910,000	350,000	9,936,539	-	59,941,539	1.80%	127,270	**470.98**
2005	31,735,000	19,735,000	125,000	9,060,000	-	60,655,000	1.77%	128,026	**473.77**
2006	29,705,000	17,690,000	-	8,230,000	-	55,625,000	1.57%	128,692	**432.23**
2007	21,590,000	20,610,000	-	7,325,000	-	49,525,000	1.35%	128,914	**384.17**
2008	23,635,000	18,710,000	-	6,495,000	-	48,840,000	1.30%	129,200	**378.02**
2009	20,985,000	16,535,000	3,260,000	5,590,000	-	46,370,000	1.26%	128,500	**360.86**
2010	11,060,000	13,890,000	3,160,000	4,635,000	3,702,531	36,447,531	0.96%	129,699	**252.47**
2011	9,595,000	12,465,000	3,060,000	3,655,000	30,584,068	59,359,068	1.89%	129,699	**221.86**
2012	8,455,000	10,620,000	2,960,000	2,630,000	39,281,958	63,946,958	2.04%	129,699	**190.17**
2013	7,690,000	8,880,000	2,850,000	1,525,000	38,076,599	59,021,599	1.88%	129,699	**161.49**

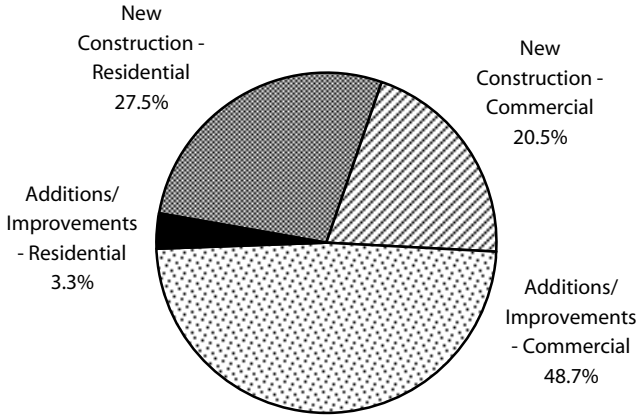
Outstanding Debt Per Capita



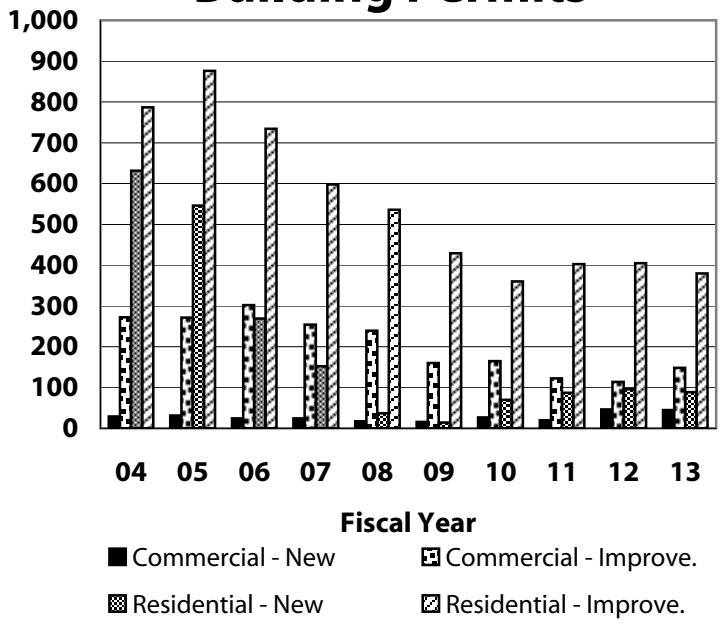
BUILDING PERMITS AT MARKET VALUE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Residential					Commercial				
	New Construction		Additions/Improve.			New Construction		Additions/Improve.		
	No.	Value	No.	Value	Total Residential	No.	Value	No.	Value	Total Commercial
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
2009	14	3,481,198	429	1,261,884	4,743,082	16	5,148,379	160	23,119,046	28,267,425
2010	70	12,386,830	360	839,587	13,226,417	27	31,115,804	165	28,194,133	59,309,937
2011	87	15,494,221	402	1,147,729	16,641,950	20	91,661,691	122	21,444,771	113,106,462
2012	96	19,872,576	405	1,291,986	21,164,562	46	97,795,253	114	16,137,512	113,932,765
2013	89	20,919,441	380	2,528,899	23,448,340	45	15,579,387	148	37,031,326	52,610,713

Market Value of 2013 Building Permits



Building Permits



DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Estimated Population	Median Age (2)	Age 25 or Older (2)		Per Capita Income (2)/(4)	Income In Thousands	Number of Households (2)	Median Household Income (1)	Sterling Heights Unemployment Rate (3)/(4)
			High School Graduate or Higher	Bachelor's Degree or Higher					
2004	127,270 (1)	35-39	84.0%	22.9%	26,193	3,333,583	49,260	60,494	5.4%
2005	128,026 (1)	35-39	84.0%	22.9%	26,717	3,420,471	49,405	60,494	5.6%
2006	128,692 (1)	35-39	84.0%	22.9%	27,519	3,541,475	49,871	60,494	6.3%
2007	128,914 (1)	35-39	84.0%	22.9%	28,399	3,661,029	50,761	60,494	7.3%
2008	129,200 (1)	35-39	84.0%	22.9%	29,308	3,766,078	50,375	60,494	8.8%
2009	128,500 (1)	35-39	84.0%	22.9%	28,546	3,668,161	49,735	60,494	14.1%
2010	129,699 (1)	35-39	84.0%	22.9%	29,430	3,781,755	49,339	60,494	13.6%
2011	129,699 (1)	40-44	84.0%	22.9%	24,213	3,140,402	49,508	53,390	9.8%
2012	129,699 (1)	40-44	86.4%	22.9%	25,194	3,140,402	49,576	53,390	9.0%
2013	129,699 (1)	40-44	86.4%	22.9%	25,194	3,140,402	49,576	53,390	9.0%

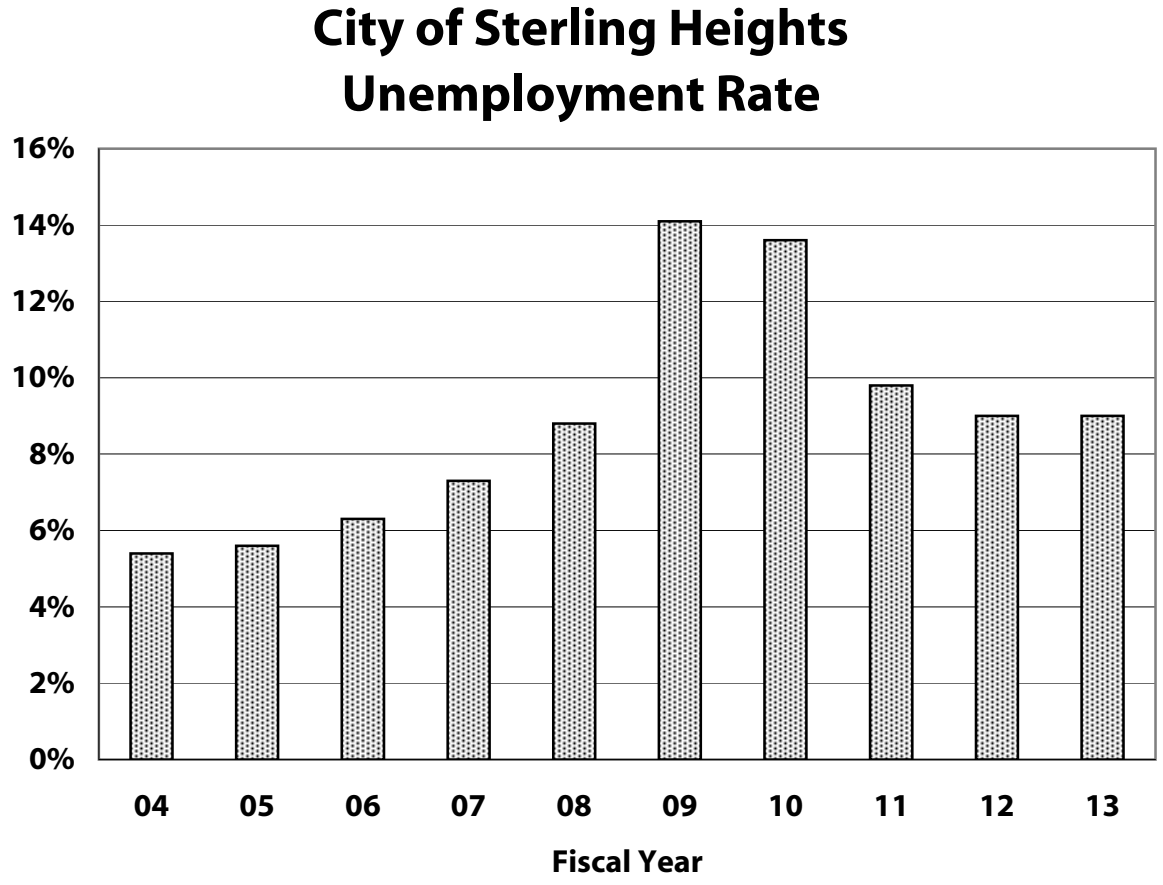
Sources:

(1) United States Census Bureau - 2000/2010 Census and 2010 American Community Survey One Year Estimates

(2) Southeast Michigan Council of Governments (SEMCOG)

(3) Michigan Department of Career Development, Employment Security Agency, Office of Labor Market Information

(4) Michigan Department of Treasury, Management & Budget



2014/15 BUDGET

Activity Name
Police & Fire Pension Board

Activity
2380

Account Number	Account Name	2012/13 Actual	2013/14 Budget	2013/14 To 12/31	2013/14 Estimate	2014/15 Budget
	Supplies					
729.000	Postage	$500	$600	$160	$600	$630
730.000	Publications	0	0	0	0	0
751.000	Operating Supplies	242	250	275	280	150
	Total Supplies	742	850	435	880	780
	Other Charges					
802.000	Audit & Accounting Services	28,355	22,800	9,591	19,200	19,500
806.000	Legal Services	6,239	12,000	7,320	12,000	12,000
807.000	Medical Services	0	1,000	0	0	1,000
826.000	Other Contracted Services	1,159,126	1,142,620	613,036	1,278,000	1,300,000
903.000	Printing	81	200	28	100	200
922.000	Telephone	457	450	240	480	480
957.000	Memberships & Dues	325	100	100	100	100
959.000	Education & Training	5,702	5,650	2,195	5,650	7,550
	Total Other Charges	1,200,285	1,184,820	632,510	1,315,530	1,340,830
	Capital Outlay					
979.000	Computer Equipment	0	0	0	0	1,500
	Total Capital Outlay	0	0	0	0	1,500
	Total Activity	**$1,201,027**	**$1,185,670**	**$632,945**	**$1,316,410**	**$1,343,110**

NOTE: The "2012/13 Actual" & "2013/14 To 12/31" columns are rounded to the nearest dollar.

Labor Agreements

NAME	CONTRACT EXPIRATION	BUDGETED EMPLOYEES	
		FULL-TIME	PART-TIME
Union Employees			
Police Officers - MAP	6/30/2013	115	
Fire Fighters - IAFF Local 1557	6/30/2015	82	
Technical/Office - MAPE	6/30/2015	57	22*
DPW Field - Teamsters Local 214	6/30/2017	51	
Police Command Officers - COA	6/30/2015	33	
Professional/Technical - UAW Local 412	6/30/2016	22	15
Court Clerical - AFSCME Local 1884	6/30/2015	17	5
Police Clerical - MAP	6/30/2016	20	
Dispatchers - POLC	6/30/2015	20	
Supervisory - UAW Local 412	6/30/2015	11	2
Executive - MAPE	6/30/2015	7	
DPW Supervisors - AFSCME Local 1917	6/30/2017	7	
Non-Union Employees			
41-A District Court Administration	N/A	10	
41-A District Court Judges	N/A	3	
Ordinance Employees	N/A	1	

* Includes five part-time employees that are excluded from the part-time limit.

Population [1]

Total Population	129,699
Gender	
Male	62,862
Female	66,837
Age	
Under 5 years	7,126
5 to 9 years	7,529
10 to 14 years	8,104
15 to 19 years	8,636
20 to 24 years	8,132
25 to 34 years	16,151
35 to 44 years	17,346
45 to 54 years	19,835
55 to 59 years	9,015
60 to 64 years	8,124
65 to 74 years	10,730
75 to 84 years	5,944
85 years and older	3,027
Racial Makeup	
White	110,426
African American	6,697
American Indian & Alaska Native	281
Asian	8,742
Native Hawaiian & Other Pacific Islander	19
Other Race	654
Two or more races	2,880

Housing

Median Housing Value	$152,000
Total Housing Units	49,893
Houses	32,979
Condominiums	6,336
Apartments	8,931
Mobile Homes	1,647

Major Employers

Company/Employees	
General Dynamics	2,700
Chrysler Group LLC	2,500
Lakeside Associates	2,000
Ford Motor Company	1,500
Utica Community Schools	1,150
Detroit Media Partnership	1,000
Warren Consolidated Schools	790
Henry Ford Health System	600
Miliken Millwork, Inc.	500
U.S. Farathane Corporation	450

Employment Status [2]

Population 16 years & over	105,589
In labor force	68,225
Civilian labor force	68,184
Employed	60,197
Unemployed	7,987
Percent of civilian labor force	11.7
Armed Forces	41
Not in labor force	37,364

Occupation [2]

Employed civilian population 16 yrs. & over	60,197
Management, professional & related occupations	21,537
Service occupations	10,061
Sales & office occupations	16,612
Natural resources, construction, & maintenance occupations	4,056
Production, transportation & material moving occupations	7,931

Industry [2]

Agriculture, forestry, fishing and hunting, & mining	62
Construction	2,408
Manufacturing	12,012
Wholesale trade	989
Retail trade	7,013
Transportation and warehousing & utilities	2,237
Information	1,131
Finance, insurance, real estate & rental and leasing	3,033
Professional, scientific, management, administrative & waste management	6,647
Educational, health & social services	10,589
Arts, entertainment, recreation, accommodation & food services	6,520
Other services (except public administration)	3,282
Public administration	1,594

School Enrollment [2]

Population 3 yrs. & over enrolled in school	33,369
Nursery school, preschool	1,711
Kindergarten	1,441
Elementary (grades 1-8)	12,598
High School (grades 9-12)	7,223
College or graduate school	10,396

Streets & Sidewalks

Miles of City Streets:
- Primary 63
- Secondary 286

Estimated Sidewalks in Miles 611
Bridges 11
Street Lights 2,530

Police Protection

Group A offenses [3] 3,216
Group B offenses [4] 2,030
Injury Accidents 598
Property Damage 2,974
Private Property Damage 712
Total Traffic Violations 22,428
Civil Infractions 21,788
Parking Violations 1,116
Adult Arrests 3,083
Juvenile Arrests 195
OUIL Arrests 220

Fire Protection

Stations 5
Emergency Alarms Answered 11,653
Medical Emergencies 8,969
Fire Inspections Conducted 843
Inspection Violations Issued 1,670
Training Hours Completed 22,790

41-A District Court

Cases Handled:
- Civil 3,546
- Criminal 3,408
- Traffic 22,889
- Landlord & Tenant 2,265
- Small Claims 313

Election Data

Registered Voters 85,436
Voters at Polls 42,504
Absentee Ballots 16,205
Percent Voting 66.00%

Parks & Recreation

Acres 820
Developed Parks 28
Adult Athletics Attendance 24,357
Instructional Rec. Attendance 22,666
Nature Program Attendance 14,582
Senior Program Attendance 103,667
Special Event Attendance 53,734
Summer Playground Attendance 12,613
Special Rec. Program Attendance 9,895

Library

Registered Borrowers 51,248
Book Collections 209,040
Other Collections [5] 46,306
Items Circulated 577,448
Reference Transactions 83,000
Program Attendance 15,310
Library Visits 412,656
Interlibrary Loan Requests 90,764
Book Van Deliveries 3,788
Online Computer Users 1,050,062

Water & Sewer Services

Customers:
Residential 35,077
Commercial/Industrial 4,280
Miles of Water Mains 576
Miles of Sanitary Sewers 430
Fire Hydrants 7,261
Water (in thousand cubic feet):
Purchased from Detroit 678,000
Sold to Residents 698,650
Rates:
1,000 Cubic Feet (water and sewer) $43.97
Sewer Only – Per Billing $60.00

[1] Source: U.S. Census Bureau, Census 2010

[2] Source: 2008-2012 American Community Survey 5-year estimates

[3] Murder, criminal sexual conduct, robbery, aggravated assault, burglary, larceny, arson, motor vehicle theft, damage to property, retail fraud, etc.

[4] Disorderly conduct, assault, family trouble, negligent homicide, obstructing justice, OUIL, etc.

[5] Art prints, audio/video cassettes, compact discs, software discs, puppets, and posters.

CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN
ORDINANCE NO. 433

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 2014/15; TO ADOPT THE FEE SCHEDULE FOR PUBLIC RECORDS AND SERVICES FOR THE FISCAL YEAR 2014/15; AND TO ADOPT WATER AND SEWAGE DISPOSAL RATES FOR THE FISCAL YEAR 2014/15.

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, 2014 through June 30, 2015. The City Council does hereby adopt, by budgetary center, the following General Fund and Special Revenue Funds budgets for 2014/15.

Sec. 2.01

GENERAL FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Net General Tax Revenue	$38,275,820	
Licenses and Permits	1,772,000	
State and Local Returns	11,850,090	
Fines and Forfeitures	2,437,000	
Charges for Services	9,123,850	
Other Revenue	2,456,480	
Cable Revenue	2,300,000	
Use of Fund Balance	0	
Total General Revenue		68,215,240
Refuse Tax Revenue	4,658,430	
Police & Fire Pension Tax Revenue	7,953,970	
Safe Streets Tax Revenue	7,028,680	
Total Other Tax Revenue		19,641,080
Total Revenues		87,856,320
OTHER FINANCING SOURCES		
Transfers In	3,100,000	
Total Other Financing Sources		3,100,000
Total Revenues & Other Financing Sources		**$90,956,320**

and does hereby designate $38,740,820 to be raised by 9.3701 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 $7,953,970 to be raised by 1.9238 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 $4,658,430 to be raised by 1.1267 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 does hereby designate $7,028,680 to be raised by 1.7000 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for police and fire protection as authorized by the electors of the City in approving the Safe Streets Proposal in 2013.

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	$6,747,600	
Community Services Department	4,244,190	
Police Department	32,910,140	
Fire Department	17,388,440	
Public Works Department	~~10,905,690~~	10,920,690
Refuse Collection	4,684,930	
Community Relations Department	933,970	
41-A District Court	3,081,700	
General Expenditures	1,272,970	
Contribution to Fund Balance	~~1,788,180~~	1,773,180
Total Expenditures		83,957,810
OTHER FINANCING USES		
Transfers Out	6,998,510	
Total Other Financing Uses		6,998,510
Total General Fund		**$90,956,320**

Sec. 2.02

WATER & SEWER OPERATING FUND:

OPERATING REVENUES		
Operating Revenues	$39,430,860	
Use of Net Assets	846,720	
Total Operating Revenues		**$40,277,580**
OPERATING EXPENSES		
Administration	$3,266,240	
Water Distribution	15,555,090	
Sewage Collection	21,456,250	
Total Water & Sewer Operating Fund		**$40,277,580**

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, 2014.

WATER RATES

Consumption Charges Per Billing Period:	Rate Per Thousand Cubic Ft.
First 3,000 cubic feet or less	$18.44
All over 3,000 cubic feet	23.05

Fixed DWSD fee (single-family residential customers)	$4.25
Fixed DWSD fee (all other customers)	6.00

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	$30.08

Fixed Macomb County fee (single-family residential customers)	$4.25
Fixed Macomb County fee (all other customers)	6.00

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 800 cubic feet of water usage per billing cycle. There will be a $65.00 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	$669,900	
Federal Grants	40,000	
State Sources	5,760,000	
Other Revenue	365,000	
Total Revenues		6,834,900
OTHER FINANCING SOURCES		
Transfer from General Fund	2,800,000	
Total Other Financing Sources		2,800,000
Total Revenues & Other Financing Sources		**$9,634,900**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Administration Expenses	$115,600	
Major Street Maintenance	1,791,500	
Major Street Improvements	5,377,800	
Total Expenditures		7,284,900
OTHER FINANCING USES		
Transfer to Road Bond Debt Retirement Fund	1,600,000	
Transfer to Local Road Fund	750,000	
Total Other Financing Uses		2,350,000
Total Major Road Fund		**$9,634,900**

Sec. 2.04

LOCAL ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Net Property Taxes	$3,272,900	
State Sources	2,195,000	
Charges for Services	52,000	
Other Revenue	51,790	
Total Revenues		5,571,690
OTHER FINANCING SOURCES		
Transfer from Major Road Fund	750,000	
Total Other Financing Sources		750,000
Total Revenues & Other Financing Sources		**$6,321,690**

and does hereby designate $3,297,900 to be raised by 0.8000 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City for the purpose of providing revenue for local street improvements as authorized by the electors of the City in approving the Safe Streets Proposal in 2013.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Administration Expenses	$161,660	
Local Street Maintenance	1,491,000	
Local Street Improvements	4,457,000	
Contribution to Fund Balance	212,030	
Total Expenditures		6,321,690
OTHER FINANCING USES		
Transfer to Road Bond Debt Retirement Fund	0	
Total Other Financing Uses		0
Total Local Road Fund		**$6,321,690**

Sec. 2.05

LAND & WATER CONSERVATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$494,800	
Federal & State Sources	175,000	
Other Revenue	200	
Total Revenues		670,000
OTHER FINANCING SOURCES		
Transfer from General Fund	88,000	
Total Other Financing Sources		88,000
Total Revenues & Other Financing Sources		**$758,000**
EXPENDITURES		
Land Improvements	$758,000	
Total Land & Water Conservation Fund		**$758,000**

Sec. 2.06

PUBLIC SAFETY FORFEITURE FUND BUDGET:

REVENUES		
Fund Balance	$347,070	
Federal Forfeitures	0	
Treasury Forfeitures	0	
State Forfeitures	5,000	
Gambling Forfeitures	0	
Operating While Intoxicated Forfeitures	0	
Interest Income	150	
Total Revenues		**$352,220**
EXPENDITURES		
Federal Forfeitures	$189,450	
Treasury Forfeitures	0	
State Forfeitures	134,270	
Gambling Forfeitures	0	
Operating While Intoxicated Forfeitures	28,500	
Total Public Safety Forfeiture Fund		**$352,220**

Sec. 2.07

COMMUNITY DEVELOPMENT BLOCK GRANT FUND BUDGET:

REVENUES		
Community Development Block Grant	$982,540	
Total Revenues		**$982,540**
EXPENDITURES		
Administrative Expenses	$181,500	
Books	6,000	
Senior Citizens Home Chore Program	20,000	
Single Parent Education Program	10,000	
Minor Home Repair	45,000	
Handicapped Recreation Program	19,000	
Housing Rehabilitation Program	193,000	
Contributions to Non-Profit Organizations	48,800	
Capital & Other Improvements	459,240	
Total Community Development Block Grant Fund		**$982,540**

Sec. 2.08

CORRIDOR IMPROVEMENT AUTHORITY FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Property Taxes	$0	
Federal Grants	0	
Other Revenue	10	
Total Revenues		10
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$10**
EXPENDITURES		
Miscellaneous	$0	
Capital Improvements	0	
Debt Service	0	
Contribution to Fund Balance	10	
Total Corridor Improvement Authority Fund		**$10**

Sec. 2.09

ECONOMIC DEVELOPMENT CORPORATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Other Revenue	$0	
Total Revenues		0
OTHER FINANCING SOURCES		
Transfer from General Fund	300,000	
Total Other Financing Sources		300,000
Total Revenues & Other Financing Sources		**$300,000**

EXPENDITURES

Miscellaneous	$0	
Contribution to Fund Balance	300,000	
Total Economic Development Corporation Fund		**$300,000**

Sec. 2.10

BROWNFIELD REDEVELOPMENT AUTHORITY FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Property Taxes	$115,500	
Charges for Services	0	
Other Revenue	60	
Total Revenues		115,560
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$115,560**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Miscellaneous	$115,500	
Contribution to Fund Balance	60	
Total Expenditures		115,560
OTHER FINANCING USES		
Transfer to General Fund	0	
Total Other Financing Uses		0
Total Brownfield Redevelopment Authority Fund		**$115,560**

Sec. 2.11

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$190,550	
Federal Grants	0	
Property Taxes	628,000	
Other Revenue	600	
Total Revenues		819,150
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$819,150**

EXPENDITURES		
Incubator Renovations	$0	
Incubator Operations	691,150	
BAE Reimbursement	128,000	
Total Local Development Finance Authority Fund		**$819,150**

Sec. 2.12

GENERAL DRAIN FUND:

REVENUES & OTHER FINANCING SOURCES		
REVENUES		
Net Drain Tax Revenue	$656,790	
Delinquents & Penalties	3,500	
Other Revenue	600	
Total Revenues		660,890
OTHER FINANCING SOURCES		
Bond Proceeds – Refunding	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$660,890**

and does hereby designate $663,790 to be raised by 0.1605 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	$1,100	
Principal	625,000	
Interest	34,790	
Total Drain Fund		**$660,890**

Sec. 2.13

VOTED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES		
REVENUES		
Delinquents & Penalties	$1,500	
Other Revenue	250	
Net Proposal F Tax Revenue	428,730	
Total Revenues		430,480
OTHER FINANCING SOURCES		
Transfer from General Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$430,480**

and does hereby designate $432,730 to be raised by 0.1047 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 F Expenditures	$430,480	
Total Voted Tax General Obligation Debt Fund		**$430,480**

Sec. 2.14

ROAD BOND DEBT RETIREMENT FUND:

REVENUES & OTHER FINANCING SOURCES		
REVENUES		
Special Assessment Revenue	$145,750	
Interest Income	105,600	
Federal Interest Rebates	33,990	
Total Revenues		285,340
OTHER FINANCING SOURCES		
Transfer from Major Road Fund	1,600,000	
Total Other Financing Sources		1,600,000
Total Revenues & Other Financing Sources		**$1,885,340**
EXPENDITURES		
Principal	$1,480,000	
Interest	366,200	
Other Fees	1,650	
Contribution to Fund Balance	37,490	
Total Road Bond Debt Retirement Fund		**$1,885,340**

Sec. 2.15

LIMITED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES		
REVENUES		
Other Revenue	$0	
Total Revenues		0
OTHER FINANCING SOURCES		
Transfer from General Fund	312,680	
Total Other Financing Sources		312,680
Total Revenues & Other Financing Sources		**$312,680**
EXPENDITURES		
Principal	$240,000	
Interest	72,450	
Other Fees	230	
Total Limited Tax General Obligation Debt Fund		**$312,680**

Sec. 2.16

CAPITAL PROJECTS FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Fund Balance	$321,880	
State & Local Returns	12,000	
Other Revenue	288,120	
Total Revenues		622,000
OTHER FINANCING SOURCES		
Transfer from General Fund	3,497,830	
Total Other Financing Sources		3,497,830
Total Revenues & Other Financing Sources		**$4,119,830**
EXPENDITURES		
Capital Equipment	$996,330	
Capital Vehicles	1,110,500	
Capital Projects	2,013,000	
Total Capital Projects Fund		**$4,119,830**

Sec. 2.17

ROAD BOND CONSTRUCTION FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES		
Other Revenue	$160,000	
Federal Grants	0	
Total Revenues		160,000
OTHER FINANCING SOURCES		
Proceeds from Long-Term Debt	0	
Transfer from Major Road Fund	0	
Total Other Financing Sources		0
Total Revenues & Other Financing Sources		**$160,000**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES		
Construction	$0	
Contribution to Fund Balance	160,000	
Total Expenditures		160,000
OTHER FINANCING USES		
Transfer to Major Road Fund	0	
Total Other Financing Uses		0
Total Road Bond Construction Fund		**$160,000**

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, 2014 through June 30, 2015. 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	539.00
Lot Combinations	435.00
Processing Labels (per page)	1.25
Resident Field Sheet Fee	1.50
Apartment Listing (Names/Sidwells/Assessments)	55.00
Shopping Center List	55.00
Section or Subdivision Listing (per page)	0.85
Assessing, Board of Review, & Sales Information (first page)	1.95
Additional Pages	0.30
Plat Map	130.00
Custom Assessment Information Report	50.00
IFEC Extension Application Fee	565.00
IFEC Request for Extension to Complete Project Application Fee	565.00
IFEC Request for Revision of Final Project Cost Application Fee	565.00
Application to Establish a Speculative Building Designation Fee	565.00
Tax Hardship Income Limits:	
1 Person	15,867.00
2 Person	18,142.00
3 Person	20,417.00
4 Person	22,633.00
5 Person	24,500.00
6 Person	26,308.00
7 Person	28,117.00
8 Person	29,925.00
Each Additional Person	3,800.00

Sec. 3.02

BUILDING OFFICE:

Fence Permit	37.00
Fence Permit – Masonry, Separation	55.00
Board of Code Appeals	222.00
Reestablish Expired Permit Fee	66.00
Overtime Inspections, Each Hour (4 hour minimum)	87.00
Special Inspections, Each Trade (Residential)	50.00
Special Inspections, Each Trade (Commercial)	72.00
Building Code Publication	Cost + 12.00 Administration fee
Building Moving Permit	291.00
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) 35.00
Permit fee (minimum) 47.00
Electrical Contractor's Registration 25.00
Fire Alarm Contractor's Registration 25.00
Sign Contractor's Registration 25.00
Furnace Wiring 26.00
Air Conditioner Reconnect 26.00
Circuits: Each (new or extended) 20.00
Fixtures: Each 25 ..... 20.00
Motors, Power, Heating Units, Furnaces, Transformers:
Each ¼ to 10 HP 26.00
Each 11 to 30 HP 31.00
Each 31 to 50 HP 36.00
Each 51 to 60 HP 42.00
Each 61 and over 56.00
Feeders (Conduit, Wireways, Bus Ducts, Cables):
Each 100 ft. (or less) 49.00
Refrigeration Units:
Air Conditioning (residential) 26.00
Interruptible Service 26.00
Air Conditioning (commercial):
Up to 5 Tons 31.00
5 to 40 Tons 49.00
Over 40 Tons 74.00
Electric Ranges, Ovens, Dryers, Water Heaters, X-Ray Equipment:
Each unit of type 26.00
Swimming Pools/Hot Tubs (all) 55.00
Service (Lights, Heat, and Power):
100 Ampere or less 26.00
101 to 500 Ampere 36.00
501 to 900 Ampere 49.00
900 Ampere or more 61.00
Signs: Sign Circuit 42.00
Sign Tag Inspection 64.00
Sign Connection 69.00
General Repair & Alterations (per hour or fraction thereof) 57.00
Generator Connection 49.00
Motion Picture Apparatus 49.00
Special Inspections not specifically covered:
Festivals 128.00
Carnivals 128.00
Circuses 128.00
Shop Inspection 73.00
Theatrical Road Show 73.00
Christmas Tree Lot 73.00
Temporary Wiring:
Display Area (Sq. Ft.):
Up to 100,000 sq. ft. 66.00
Over 100,000 to 200,000 sq. ft. 122.00
Over 200,000 to 300,000 sq. ft. 145.00
Over 300,000 to 400,000 sq. ft. 215.00
Over 400,000 sq. ft. 286.00
Outline Tubing – Connection or Tag Inspection:
Each 100 feet 73.00
Mobile Home and Trailer Park Inspections (minimum) 50.00
Fire Alarm Inspection (minimum) 70.00
Plan Review Fee 95.00
Manual Pull Station 11.00

A/V, Strobe, Voice Speaker 11.00
Water Flow/Tamper Switch 11.00
Heat or Smoke Detector 11.00
Flame, Duct Detector 11.00
Auxiliary Panel 11.00
Electric Door Release 11.00
Elevator Recall Status 11.00
Fire Alarm Circuit 19.00
Alterations to existing system 57.00
Reinspection Fee 57.00
Miscellaneous Fire Alarm Fee 57.00

Plumbing Work
Application Fee (Non-refundable) 39.00
Permit Fee (minimum) 47.00
Plumber's Registration 1.00
Journeyman Plumber's Registration 0.50
Fixture Inspection: (New and Replacement)
New Installation (minimum) 47.00
New Stack or Stack Alteration 17.00
Air Admittance Valve 17.00
Roof conductor 17.00
Sump or interceptor 17.00
Backflow preventor 17.00
Pump or Water Lift 17.00
Hose connection (sillcocks) 17.00
Water treatment device 17.00
Water closets 17.00
Shower traps 17.00
Baths 17.00
Water heater 31.00
Tankless water heater 31.00
Basement Waterproofing 47.00
Sinks (any description) 17.00
Lavatories 17.00
Laundry trays 17.00
Floor drains 17.00
Ice Maker 17.00
Back Water Valve 17.00
Thermal Expansion Tank 17.00
Bidet 17.00
Dental Chair 17.00
Grease or Oil Interceptor 17.00
Drinking fountains 17.00
Soda fountains/bars 17.00
Waste opening 17.00
Humidifiers 17.00
Food waste grinders 17.00
Dishwashers 17.00
Urinals 17.00
Whirlpools 36.00
Lawn Sprinkler Systems 42.00
All other fixtures not mentioned 17.00
Reinspection Fee 57.00
Special Equipment (automatic laundry, humidifier, beverage vending machine, vacuum systems, nitrous oxide, oxygen, nitrogen, medical air):
Automatic Machines (minimum) 31.00
Each additional 17.00
Building Sewer Connection – sump connection 49.00
Drains:
Storm drains to catch basin for main storm sewer 286.00
Lines less than 4" in diameter 27.00

Lines less than 6″ in diameter 32.00
Lines less than 8″ in diameter 43.00
Lines less than 10″ in diameter 57.00
Lines less than 12″ in diameter 73.00
Lines less than 14″ in diameter 86.00
Lines less than 16″ in diameter 101.00
Lines less than 18″ in diameter 116.00
Lines exceeding 18″ in diameter (per inch) 15.00

Water Distribution System:

¾″ 21.00
1″ 32.00
1 ¼″ 37.00
1 ½″ 50.00
2″ 66.00
2 ½″ 94.00
3″ 108.00
4″ 122.00
Exceeding 4″ 144.00
Replace piping, no increase in size 37.00

Mechanical Work

Application Fee (Non-refundable) 35.00
Permit Fee (minimum) 47.00
License/Registration 15.00
Gas-Fired Equipment; Oil Burners; New or Replacement –
Burners with input:
up to 75,000 ..... 49.00
75,001 to 500,000 ..... 56.00
500,001 – 1,000,000 ..... 98.00
1,000,001 – 2,000,000 ..... 112.00
2,000,001 – 3,000,000 ..... 139.00
over 3,000,000 ..... 168.00
Air Handlers:
Up to 2,000 CFM 49.00
Over 2,000 CFM 98.00
Duct Work 49.00
Hydronic Piping 57.00
Gas Piping:
Mains up to 2″ 42.00
Mains 2 ½″ to 4″ 56.00
Mains over 4″ 70.00
Each Opening off of Main 14.00
Factory Built Chimneys:
Up to 8″ 20.00
9″ to 12″ 31.00
Over 12″ 42.00
Pre-Fab Fireplace 56.00
Flue Liner 36.00
Exhaust Fans:
Up to 400 cfm 15.00
401 cfm to 1,000 cfm 20.00
1,001 cfm to 4,000 cfm 31.00
Over 4,000 cfm 42.00
Dryer Vents 20.00
Kitchen Hood and Duct (UL300/FM200) 50.00
Spray Booth Hood and Duct 50.00
Alterations to existing installations 57.00
Alterations to existing boilers 57.00
Reinspection Fee 57.00

Refrigeration Systems –
- Self Contained:
  - 2 Tons or Less, each 42.00
  - Over 2 to 5 Tons, each 49.00
- Alterations to each system 57.00
- Remote Systems:
  - 5 Tons or Less, each 49.00
  - Over 5 to 50 Tons, each 70.00
  - Over 50 Tons, each 112.00
- Alterations to each system 57.00

Cooling Towers 70.00

Stand Pipes and Fire Suppression:
- Riser pipe up to 4" diameter 43.00
- Riser pipe up to 6" diameter 73.00
- Riser pipe up to 8" diameter 101.00
- Riser pipe 8" or more diameter 215.00
- Each suppression opening (each head of the system) 4.50
- Alteration to existing system 57.00

Flammable and Bulk Storage Tanks:
- Tanks under 500 Gallons 49.00
- Tanks under 5,000 Gallons 64.00
- Tanks under 20,000 Gallons 83.00
- Tanks under 50,000 Gallons 98.00
- Tanks under 200,000 Gallons 112.00
- Tanks over 200,000 Gallons 209.00

Buildings

Application Fee (Non-refundable) 35.00

Plan Review Deposits (Non-refundable):
- Single Family Residential 540.00
- Commercial Alteration 215.00
- New Commercial/Industrial Building 1,075.00
- Commercial/Industrial Addition 540.00

Building Permit Fees (all use groups):
- Valuation to $1,000 ..... 55.00
- Valuation $1,001 to $10,000 ..... 55.00 + 15.00 per 1,000.00 over 1,000.00
- Valuation $10,001 to $100,000 ..... 222.00 + 6.00 per 1,000.00 over 10,000.00
- Valuation $100,001 to $500,000 ..... 933.00 + 6.00 per 1,000.00 over 100,000.00
- Valuation $500,001 and over ..... 4,050.00 + 6.00 per 1,000.00 over 500,000.00

Residential Bond (5% Retained) 500.00

Temporary C/O Refundable Bond 520.00

Multi-Family Bond (5% Retained) 750.00

Commercial Bond (5% Retained) 1,520.00

Industrial Bond (5% Retained) 3,020.00

Mobile Homes 146.00

Plan Review Fee:
- Valuation $0 - $500,000 ..... 0.0040 of valuation but not less than 100.00
- Valuation over $500,000 ..... 2,370.00 + 0.0015 of valuation over 500,000.00

Residential Plan Review: If Plan Number is on File 108.00

Additional Expedited Commercial Interior Alteration Plan Review Fee 156.00

Miscellaneous Plan Review 66.00

Misc. Items (concrete, antennas, awnings, sheds, canopies, tents, gazebos, decks, porches, reroofs) 66.00

Pigeon Loft Inspection 66.00

Replacement of Public Sidewalk Section(s) by Abutting Property Owner 35.00

Use Permit (tenant space) 94.00

Fire Repair/Water Repair 214.00

Fire Inspection Fee (New City Businesses) 88.00

Reinspection Fee 57.00

Demolition:.
- Plan review and administration base fee ..... 66.00 + 0.10 per square ft.

Swimming Pools:
- Above Ground 70.00
- Below Ground 139.00

Signs:
- Application Fee (non-refundable) 35.00
- Plan Review Fee 66.00
- Permanent 144.00
- Temporary 66.00

Contractor Registration Fee 25.00
Residential Basement Finish 208.00
Residential Interior Finish 208.00
Minor Commercial Alterations under 400 sq. ft. 215.00

Sec. 3.03

CITY ADMINISTRATION:

Amusement Device License:
- Types A & B ..... 935.00 + 61.00 per device
- Renewal Fee ..... 189.00 + 35.00 per device
- Type C 935.00
- Renewal Fee 190.00

Attorney Services ..... Attorney fees & costs
Auction Sales License (per day) 25.00
Auctioneer License 56.00
Business Registry License 46.00
Carnival/Festival License ..... 74.00 + 6.00 each booth, ride, etc.
Cigarette Vending Machine License ..... 65.00 + 6.00 each additional machine
Death and Birth Certificate 23.00
- Additional Copies 8.75

Dog License:
- Newly Acquired Dog - Jan. 1 to Oct. 31 OR License Renewal - Jan. 1 to Mar. 31:
  - Spayed/Neutered Dog:
    - 1-Year License 8.00
    - 2-Year License 14.00
    - 3-Year License 20.00
  - Unaltered Dog:
    - 1-Year License 21.00
    - 2-Year License 40.00
    - 3-Year License 59.00
- Newly Acquired Dog - Nov. 1 to Dec. 31
  - Spayed/Neutered Dog:
    - 1-Year License 4.00
  - Unaltered Dog:
    - 1-Year License 10.50
- Newly Acquired Dog - Registering later than 30 days after acquisition:
  - Additional Late Fee 10.00
- License Renewal - After Mar. 31:
  - Additional Late Fee 10.00
- Senior (60+) Owner ..... No charge
- Service Dog ..... No charge

Potentially Dangerous Dog Annual License Fee 55.00
Replacement Dog Tag 4.00
Fire Inspection Fee (new City businesses – charged by Building) 88.00
Going Out of Business Sales License 50.00
- Renewal Fee 50.00

House Moving License 74.00
Industrial Development District Filing Fee 1,000.00
Industrial Facilities Exemption Certificate Filing Fee 1,950.00
Industrial Facilities Exemption Certificate Application Amendment Fee 1,000.00
Industrial Facilities Exemption Certificate Transfer Fee 1,000.00
New Personal Property Exemption Fee 1,950.00

Junk Yard License 270.00
Landscaper License (Non-resident) 67.00
Mobile Vending License 185.00
Pawnbroker License 500.00
Refuse Collection License ..... 97.00 + 7.00 each truck
Secondhand Goods Merchant Registration Fee 102.00
Snow Removal License 189.00
Solicitor/Peddler License 122.00
Tattoo Permit 560.00
Taxi License (annual fee) ..... 95.00 + 12.00 per vehicle
Temporary Use Vendor License 48.00
Wrecker Driver License (Towing Contractor) 119.00
    Renewal Fee Wrecker Driver License (Towing Contractor) 60.00
Massage Establishment License 645.00
    Renewal Fee Massage Establishment License 323.00
Precinct Map 7.70
City Street Map 4.80
Zoning Map 6.10
City Budget 51.00
Municipal Improvement Program 31.00
City Financial Audit 31.00
Collective Bargaining Agreement 6.10
Election Results 9.40
Voter and Business Registry Labels (per page) 1.25
Voter and Business Registry Lists (per computer hour) ..... Payroll + 0.05/page
Magnetic Voter Tape 113.00
    with own tape 70.00
Voter Data Diskette 28.00
Liquor License: Class C 2,040.00
    Tavern 2,040.00
    SDD & SDM 2,040.00
    Entertainment and/or Dance Permit 2,040.00
    Extended Hours Permit 2,040.00
    Shareholder Partial Transfer 1,010.00
    Temporary Liquor License Application Fee 33.00
    Outdoor Service Permit 253.00
Hotel/Motel License 2,040.00
    Renewal Fee Hotel/Motel License 1,010.00
Certifications 4.90
Photo Copies – Black & White 1.95
    Additional Pages – Black & White 0.30
Photo Copies – Color 1.95
    Additional Pages – Color 0.80
Microfilm Copies (per page) 5.40
Recording Fee (formerly Encroachment Fee) 40.00
Notary Fee 10.00
Audio Tape Recordings (prepay minimum) 19.00
Fireworks Display Permit 710.00
Close Proximity Pyrotechnic Display Permit 710.00
Sterlingfest Art Fair Applications 220.00
    Double Booth Fee 400.00
    Corner Booth Additional Charge 30.00
Sterlingfest Art Fair Vendor Jury Fee (Non-Refundable) 16.00
"Taste of the Town" Sterlingfest Booth – Food Cart Vendors 650.00
"Taste of the Town" Sterlingfest Booth - Restaurateurs 1,480.00
VHS Tape Dubs 35.00
DVD Dubs
    Resident 25.00
    Non-Resident 35.00
Gazebo Rental (per event):
    Resident 58.00
    Non-Resident 88.00

Gazebo Rental for Photographs Only (per 1 hour rental):
- Resident 31.00
- Non-Resident 44.00

Upton House Rental – (per 4 hour rental):
- Resident 58.00
- Non-Resident 88.00

Sterling Heights Magazine Advertisement Fees:
- Full Page Ad (Full Color) 1,508.00
- Full Page Ad (Two Color) 1,292.00
- One-Half Page Ad (Full Color) 862.00
- One-Half Page Ad (Two Color) 754.00
- One-Fourth Page Ad (Full Color) 486.00
- One-Fourth Page Ad (Two Color) 430.00
- Business Card Ad (Full Color) 323.00
- Business Card Ad (Two Color) 269.00
- Name & Phone Number Ad 108.00
- Three-Edition Ad Commitment (Minimum) ..... 20% Discount

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

Municipal Civil Infraction (Failure to Comply with Owner/Keeper of a Potentially Dangerous Dog Requirements):
- First Violation 500.00
- First Repeat Offense 750.00
- Second and Subsequent Repeat Offenses 1,000.00

Municipal Civil Infraction (Failure to License a Dog with the City Clerk):
- First Violation 500.00
- First Repeat Offense 750.00
- Second and Subsequent Repeat Offenses 1,000.00
- Reduced Fee if Licensed Prior to Court Appearance 150.00

Sec. 3.04

ECONOMIC DEVELOPMENT OFFICE:

Brownfield Redevelopment Auth./Local Dev. Finance Auth./Corridor Improvement Auth. Fees:
- Application Fee (one-time up front) 500.00
- Tax Increment Plan Annual Administrative Fee 2,500.00

Sec. 3.05

ENGINEERING OFFICE:

Review Fees:
- Site Plan ..... 418.00 + 70.00 per acre + 1.3% of site improvement costs
- Multiple Developments ..... 418.00 + 70.00 per acre + 1.3% of site improvement costs
- Cluster Developments ..... 418.00 + 70.00 per acre + 1.3% of site improvement costs
- Site Condominiums ..... 418.00 + 70.00 per acre + 1.3% of site improvement costs
- Subdivisions ..... 1.3% of estimated site improvement costs

Plan Revision Review Fee 88.00

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 46.00

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 635.00
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 +235.00
Easement Encroachments 255.00
Building Number Assignments (per address) 21.00
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 69.00
- 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
Water & Sewer Permit Revision Review Fee 101.00
Public Services Agreement Execution Fee 32.00
Recording Fee 40.00
Water & Sewer Debt Service Agreement Finance Charge 20%
Document Copying for:
- 24" x 36" Prints (Xerox 2510 or blueline) ..... 8.00 each
- 34" x 34" Prints (Xerox 2510 or blueline) ..... 8.00 each
- Larger than 34" x 34" (Xerox 2510 or blueline) ..... 8.00 each
- Detail Sheets (Mylar) ..... 9.00 each
- Topographic Map 36" x 36" (blueline) ..... 41.00 each
- Planimetric Map 36" x 36" (blueline) ..... 24.00 each
- Overall Watermain Map (blueline) ..... 8.00 each
- Overall Sanitary Sewer Map (blueline) ..... 8.00 each
- Overall Storm Sewer Map (blueline) ..... 8.00 each
- Master Storm Sewer Plan (book form) ..... 48.00 each
- Master Watermain Plan (book form) ..... 36.00 each
- Master Sanitary Sewer Plan (book form) ..... 36.00 each
- Master Road Plan (book form) 1998 HRC ..... 48.00 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 11.00
- Additional Pages 2.00

Digital Photographs:
- 5" x 7" Color Print 31.00
- 8" x 10" Color Print 31.00
- 8" x 10" Contact Sheet 31.00
- Compact Disc 16.00

Burning Permit 195.00
Fireworks Sales Permit 710.00
Fireworks Display Permit 710.00
Close Proximity Pyrotechnic Display Permit 710.00
Board of Code Appeals 235.00
Witnessed Acceptance Test Fee 167.00
Off-Hour Witnessed Acceptance Test Fee (3 hour minimum) 766.00
Each additional hour 256.00
Reinspection Fee for Witnessed Acceptance Test 167.00
Phase I Site Inspection (1 hour minimum) ..... 59.00 + 34.00 per hour
Special Fire Prevention Inspection (festivals, craft shows, carnivals, haunted houses, flea markets)
- Each Inspection 180.00
- Each Re-Inspection 180.00
- Off-Hour Inspection (3 hour minimum) 256.00
  - Each Additional Hour 75.00
- Off-Hour Re-Inspection (3 hour minimum) 256.00
  - Each Additional Hour 75.00

Plan Review Fee 157.00
Resubmitted Plan Review Fee 52.00
Explosive Materials Permit Fee 190.00
Requested Fire Services (Schools, Businesses, Hazmat Incidents, etc.) ..... Cost + 30%
Reinspection Fees:
- First Reinspection ..... No Fee
- Second and Subsequent Reinspections 112.00

False Alarm Fees: (within a 12 month period)
- First Response ..... No Fee
- Second Response 145.00
- Third Response 315.00
- Fourth and Subsequent Responses 640.00

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

NEIGHBORHOOD SERVICES:

Administrative Warrant 125.00
Board of Ordinance Nuisance Abatement Appeals 222.00
Board of Ordinance Noxious Weed Appeals 50.00
Single Family Res. Non-Homestead Inspection Fee (biennial) 125.00
Nuisance Abatement Administrative Fee 25%
Nuisance Abatement Agreement Execution Fee ..... Attorney Fee + 25%
Sidewalk Snow Removal Fee ..... Cost + 25% + 57.00
Claimed Signs:
- 16 sq. ft. or less ..... 5.00 each
- 17 – 31 sq. ft. ..... 24.00 each
- 32 sq. ft. and over ..... 117.00 each

Code Enforcement Inspection 57.00

Municipal Civil Infraction (Residential Parking and Signs):
- Each Violation 100.00
- First Repeat Offense 250.00
- Second and Subsequent Repeat Offenses 500.00

Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:
- Each Violation 25.00
- First Repeat Offense 100.00
- Second and Subsequent Repeat Offenses 125.00

Sec. 3.08

PARKS & RECREATION:

Pavilion Rental:
- Weekday (Resident) 64.00
  - (Non-Resident) 96.00
- Weekend (Resident) 87.00
  - (Non-Resident) 131.00

Nature Center Classes:
- School Field Trips (WCS/UCS Schools) 29.00
  - (All Other Districts per class) 43.00
- Children's Nature Classes (Resident) 7.00
  - (Non-Resident) 10.00
- Scout Badge Classes (Resident) 8.00
  - (Non-Resident) 12.00
- Birthday Parties (Resident) 116.00
  - (Non-Resident) 150.00

Parent & Tot Classes:
- 1 Child Per Family (Resident) 49.00
  - (Non-Resident) 74.00
- 2 Children Per Family (Resident) 55.00
  - (Non-Resident) 83.00

Summer Playground:
- Resident 102.00
- Non-Resident 153.00
- Field Trip Bus Fee (Per Person) 8.00

Special Recreation Dances:
- Pre-Registered (Resident) 7.00
  - (Non-Resident) 10.00
- Registration at the Door (Resident) 9.00
  - (Non-Resident) 13.00
- Staff Registration 1.00
- Prom Dance – Individual (Resident) 17.00
  - (Non-Resident) 25.00

Special Recreation Playgrounds:
- Physically or Otherwise Health Impaired (P.O.H.I.) – Individual (Resident) 153.00
  - (Non-Resident) 230.00
- Physically or Otherwise Health Impaired (P.O.H.I.) – Family (Resident) 258.00
  - (Non-Resident) 387.00
- Mentally Impaired (M.I.) – Individual (Resident) 153.00
  - (Non-Resident) 230.00
- Mentally Impaired (M.I.) – Family (Resident) 258.00
  - (Non-Resident) 387.00

Special Recreation:
- Early On Parent & Tot (Resident) 31.00
  - (Non-Resident) 46.00
- Creative Cooking (Resident) 8.00
  - (Non-Resident) 12.00
- Line Dance Exercise (Resident) 43.00
  - (Non-Resident) 65.00

Softball – Individual (Resident) 57.00
(Non-Resident) 74.00
Softball – Family (Resident) 99.00
(Non-Resident) 129.00
Coffeehouse Tickets:
Advance Tickets (Resident) 14.00
(Non-Resident) 18.00
At the Door Sales (Resident) 15.00
(Non-Resident) 20.00
Karate:
Resident 50.00
Non-Resident 65.00
Yoga/Fitness Classes:
Resident 42.00
Non-Resident 55.00
Zumba:
Resident 60.00
Non-Resident 78.00
Men's Gym:
Resident 44.00
Non-Resident 57.00
Senior Boys Basketball 520.00
Men's Softball 876.00
Co-ed Softball 571.00
Women's Softball 571.00
Ball Field Rental Fees – Seasonal:
Delia or LWB Park (per field per day):
MABF Teams/Church Teams 380.00
All Other Users 405.00
All Users – Lighted Fields Additional Fee (per day) 63.00
Jaycee Park (per field per day):
MABF Teams/Church Teams 265.00
All Other Users 290.00
Ball Field Rental Fees – Daily:
Delia or LWB Park (per field per day):
MABF Teams/Church Teams 67.00
All Other Users 77.00
All Users – Lighted Fields Additional Fee (per day) 63.00
Jaycee Park (per field per day):
MABF Teams/Church Teams 45.00
All Other Users 55.00
Ball Field Request to Groom/Stripe Additional Fee ..... Cost + 25%
Soccer Field Rental Fees (per field per season):
Travel Clubs:
Seasonal 1-3 days/week 550.00
Seasonal 4-7 days/week 835.00
Camp/Other
Weekly (one week only) 198.00
Daily 83.00
Sand Volleyball League 224.00
Teenfest:
Resident 2.50
Non-Resident 3.50
Snowmobile Safety (Resident) 15.00
(Non-Resident) 22.00
Gymnastics:
One-half Hour Class (Resident) 44.00
(Non-Resident) 66.00
One Hour Class (Resident) 55.00
(Non-Resident) 83.00

Dance:
- Fall Session (Resident) 51.00
  - (Non-Resident) 66.00
- Winter/Spring Session (Resident) 81.00
  - (Non-Resident) 105.00

30 Minute Dance Classes:
- Fall Session (Resident) 40.00
  - (Non-Resident) 52.00
- Winter/Spring Session (Resident) 52.00
  - (Non-Resident) 68.00

Mid Eastern Dance:
- Resident 40.00
- Non-Resident 60.00

Senior Center Activities:
- Exercise (Resident) 6.00
  - (Non-Resident) 9.00
- Golf League (Resident) 16.00
  - (Non-Resident) 24.00
- Line Dance (Resident) 6.00
  - (Non-Resident) 9.00
- Senior News Subscription per year (Resident) 14.00
  - (Non-Resident) 21.00
- Stained Glass Class (Resident) 7.00
  - (Non-Resident) 10.50
- Tai Chi (Resident) 6.00
  - (Non-Resident) 9.00
- Volleyball Player Fee (Resident) 33.00
  - (Non-Resident) 50.00

Senior Bus Trip:
- 1 day (Resident) 8.00
  - (Non-Resident) 12.00
- 3-5 days (Resident) 14.50
  - (Non-Resident) 21.75
- Extended (Resident) 32.00
  - (Non-Resident) 48.00

SMART Bus Day Trips (Resident) 4.00
- (Non-Resident) 6.00

Senior Activity Fee - per day (Resident) 0.25
- (Non-Resident) 0.50

Senior Center Gymnasium Activities:
- Co-ed Pickleball (Resident) 24.00
  - (Non-Resident) 36.00
- Track Usage Fee – After Hours (Resident) 1.00
  - (Non-Resident) 1.50
- Gymnasium Usage Fee – After Hours (Resident) ..... Trial Reduced Fee: 2.00
  - (Non-Resident) ..... Trial Reduced Fee: 3.00

Parks and Recreation Plan 8.50

Sec. 3.09

PLANNING:

Special Approval Land Use 558.00
Temporary Use 408.00
- Administrative Review 250.00

Variances to Subdivision Regulations 408.00
Right-of-Way Vacations 620.00
Rezoning Petition:
- First Acre 1,740.00
- Additional Acre 68.00

Public Hearing Postponements (Petitioner Requested) 45.00
Ordinance Text Amendment 1,740.00

Subdivision Plat 1,365.00
Each lot over 100 lots 9.10
Subdivision Open Space and One-Family Cluster Development 760.00
Tree Preservation – Site Plans and Plats 865.00
Tree Preservation – Single Family Lot (less than one acre) 185.00
Tree Preservation Administrative Fee ..... 25% of landscape plan inspection fees
Tree Preservation Inspection Fee (per inspection/re-inspection) ..... Payroll + 175%
No Tree Affidavit 122.00
Site Plan Review:
First Acre 417.00
Additional Acre 70.00
Site Plan Review by Planning Commission:
First Acre 559.00
Additional Acre 70.00
As Built Revisions 246.00
Master Land Use Report 38.00
Master Land Use Map 12.25
Subdivision Plat Print (per sheet) 12.25
Subordination of Lien 150.00
Zoning Board of Appeals:
Regular Meeting 410.00
Special Meeting 825.00
Zoning Compliance Letter 61.00
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. 3.10

POLICE DEPARTMENT:

Police Reports:
First Page 11.00
Additional Pages 2.00
Clearance Letter 16.00
Noncriminal Fingerprint Card 24.00
Photos: 8″ x 10″ Color 33.00
5″ x 7″ Color 31.00
8″ x 10″ Contact Sheet 31.00
Compact Disc 46.00
Administrative Towing Fees: (Charged to Towing Company)
Inspection of VIN 22.00
Reports on TR-52 Tracking 27.00
Administration and Presence at Auction 580.00
Audio Tape Duplication Fee 42.00
Video Tape, DVD, CD Duplication Fee 46.00
Animal Give-up Fee 30.00
Animal Impoundment Fee (Released from Station) 31.00
Animal Impoundment Fee (Taken to Care Hospital):
Up to 65 pounds 50.00
Over 65 pounds 60.00
Animal Trap Rental Fee (per 5 days) 31.00
Animal 10-Day Quarantine Fee:
Up to 65 pounds 150.00
Over 65 pounds 170.00
Personal Breathalizer Test (PBT) 23.00
Booking Photo 10.00
Notary Fee for Gun Permits 10.00
Park Alcohol Permit Fee 33.00

Requested Police Services (Schools, Businesses, Hazmat Incidents, etc.) ..... Cost + 30%
Towed Vehicle Impound Fee 30.00
Correctable Traffic Violation 10.00
Warrant Fee (All Warrants) 10.00
False Alarm Fees: (within a 12 month period)
- First Response ..... No fee
- Second Response ..... No fee
- Third Response (Residential) 34.00
- Third Response (Non-Residential) 97.00
- Fourth Response (Residential) 66.00
- Fourth Response (Non-Residential) 197.00
- Fifth and Subsequent Responses (Residential) 129.00
- Fifth and Subsequent Responses (Non-Residential) 389.00

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 25.00
- 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. 3.11

PUBLIC LIBRARY:

Overdue fines (per day):
- Hardcover Books (maximum $15.00) 0.25
- Paperback Books (maximum $5.00) 0.25
- Magazines (maximum $5.00) 0.25
- Audios (maximum $15.00) 0.25
- Compact Discs (maximum $15.00) 0.25
- Videocassettes (maximum $15.00) 0.25
- DVD's (maximum $15.00) 0.25

Replacement Library Card 3.00
Suburban Library Cooperative Non-Resident Library Card 200.00
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) 4.00
Municipal Civil Infraction:
- Each Violation 75.00
- First Repeat Offense 150.00
- Second or Subsequent Repeat Offenses 300.00

Sec. 3.12

PUBLIC WORKS DEPARTMENT:

Sewer Inspection 101.00
Sewer Tap 1,110.00

Sewer Capital/Unit
- Residential 825.00
- Commercial/Industrial (per 1,000 sq. ft.) 420.00

Sewer Frontage (per front ft.) 69.00
Sewage Disposal Service Only (per billing) 65.00
Residential and Commercial Water Meters:
- ¾″ Remote 390.00
- 1″ Remote 440.00
- 1 ½″ Remote 755.00
- 2″ Compound Remote 1,960.00
- 3″ Compound Remote 3,460.00
- 4″ Compound Remote 4,855.00
- 6″ Compound Remote 7,200.00

Double Check Detector Assembly with Meter:
- 3″ 1,930.00
- 4″ 2,030.00
- 6″ 2,910.00
- 8″ 5,270.00
- 10″ 7,680.00

Water Inspection 101.00
Water Tap
- 1″ 1,050.00
- 1 ½″ 1,430.00
- 2″ 1,680.00
- 3″ 3,355.00
- 4″ 3,630.00
- 6″ 4,150.00
- Additional Charge for 86 ft. wide street:
  - 1″ 330.00
  - 1 ½″ 380.00
  - 2″ 520.00
- Additional Charge for 120 ft. wide street:
  - 1″ 670.00
  - 1 ½″ 850.00
  - 2″ 1,110.00
- Additional Charge for 204 ft. wide street:1,440.00
  - 1″ 1,580.00
  - 1 ½″ 2,010.00
  - 2″ 2,860.00

Water Capital/Unit:
- Residential 650.00
- Commercial/Industrial (per 1,000 sq. ft.) 340.00

Water Frontage (per front ft.) 38.00
Monitor Surcharge ..... per City of Detroit Industrial Waste Control Rate Structure
Water Turn On Fee 87.00
Water Service Fee (avoidable & repeat visits) 87.00
Water Service Abandonment Fee:
- Residential 450.00
- Commercial 900.00

Sewer Service Abandonment Fee 101.00
Water Service Re-Use Fee 245.00
Sewer Service Re-Use Fee 101.00
Water Meter Testing Fee 100.00
Water Meter Rescheduling Fee 87.00
Non-Compliance with Back Flow Fee 87.00
Automatic Fixed Network Meter Read Permit 168.00
Final Water Meter Read 33.00
Final Water & Sewer Bill Preparation Fee 13.00
Citizen Water Service Request – after hours 87.00
Public Works Services Provided ..... Cost + 25%
Water Meter Removal/Reinstallation for common area irrigation system 190.00
Landlord/Tenant Affidavit Filing Fee 145.00

Fire Hydrant Rental – Payable by City 25.50
Private Use of Fire Hydrant:
- One Hydrant ..... 110.00 per month + 310.00 water usage deposit
- More Than One Hydrant ..... 220.00 per month + 590.00 water usage deposit

Bypass Inspection Fee ..... Back bill + 130.00
Common Area Irrigation System Permit 370.00
Planting of tree in right-of-way 200.00
Culvert installation permit 91.00
Ditch enclosure permit 91.00
Monitoring well installation permit 430.00
Sewer connection to discharge treated ground water 430.00
Cutting of noxious weeds ..... Contract costs + 60% administrative fee + 32.00 fine
Special Pickup/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
..... + 5% administrative fee – refuse taxes paid
Curbside Recycling License (min. $1,500/year) ..... 1% of program revenue based upon previous year
Debris Removal Fee ..... Contract Costs + 25% administrative fee
Tree Branch Chipping Fee 50.00
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

Municipal Civil Infraction for Raking Leaves Into Street:
- 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%
Tax Statement Copy (Internet – Free) 2.00
Attorney Review Fee for Liens or Discharges 77.00
Subordination of Lien 275.00
Annual Lien Penalty ..... 6% + lien filing costs
O.U.I.L./O.U.I.D. ..... 315.00 + 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 hereby authorized to sign letters of severance after notifying the City Council and 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, 2014.

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 governmental full accrual statements and recorded as expenditures at the time of purchase.

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.

SHINE –Sterling Heights Initiative for Neighborhood Excellence.

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.

A

Act 78 – Civil Service Commission 247
All Funds Financial Summary 42
Appropriations Ordinance 390
Assessing 117

B

Beautification Commission 250
Brownfield Redevelopment Fund 320
Building & Facilities Maintenance 197
Budget Calendar 14
Budget Message 5
Budget Policies 18

C

Capital Equipment 357
Capital Improvement Maps 369
Capital Projects Fund 350
Capital Projects Fund Improvements 362
Capital Projects Funds Revenues 347
Capital Vehicles 361
City Clerk 109
City Council 90
City Goals & Objectives 16
City Management 99
Comm. Develop. Block Grant Fund 318
Community Profile 15
Community Relations 237
Comparable City Benchmarks 24
Cultural Commission 252

D

Debt Management Program 326
Debt Service Funds Revenues 333
Departments At a Glance
- City Administration 96
- Community Relations 235
- Community Services 139
- Fire 175
- Police 151
- Public Works 194
- Water & Sewer Fund 282

E

Economic Development 105
Engineering 203
Executive Summary 33

F

Fact Sheet 9
Fee Schedule 400
Financial Services 121
Financial Organization Chart 32
Fire Administration 177
Fire Extinguishment 183
Fire Prevention 187
Fleet Maintenance 207
41-A District Court 243

G

General Drain Fund 336
General Employees Retirement Board 254
General Expenditures 256
General Fund Revenues 57
Glossary 418

H

Historical Commission 258
How The City Allocates Its Money 50

I

Information Technology 113
Information Tech. Capital Program 360

L

Labor Agreements 387
Land & Water Capital Improvements 366
Land & Water Conservation Fund 314
Legal 262
Limited Tax General Obligation Fund 342
Local Develop. Finance Authority Fund 322
Local Road Fund 312
Local Road Improvements 365

M

Macomb County Comparable Tax Rates.....64
Major Road Fund.....310
Major Road Fund Improvements.....363
Millage Rates.....53

N

Neighborhood Services.....211

O

Ordinance Board of Appeals.....211
Organizational Chart.....4

P

Parks & Grounds Maintenance.....215
Parks & Recreation.....145
Personnel by Departments.....81
Planning.....219
Planning Commission.....266
Police Administration.....153
Police Investigations.....159
Police Operations.....165
Police Support Services.....169
Property Tax Benefit Statement.....52
Public Library.....141
Public Safety Forfeiture Fund.....316
Public Works Center.....223
Purchasing.....125

R

Readers' Guide.....11
Refuse Collection.....225
Risk Management.....109
Road Bond Construction Fund.....352
Road Bond Debt Retirement Fund.....340
Road Bond Improvements.....363

S

Sanitary Sewer Main Improvements.....367
Sewage Collection.....293
SHINE.....211
Solid Waste Management Commission.....225
Special Revenue Funds Revenues.....304
Street Services.....229

T

Table of Contents.....2
Transfers Out.....268
Treasury.....129

V

Voted Tax General Obligation Fund.....338

W

Water & Sewer Administration.....285
Water & Sewer Fund Revenues.....276
Water & Sewer Rates.....392
Water Distribution.....289
Water Main Improvements.....367

Z

Zoning Board of Appeals.....270