

Projected Budget Report

Local Unit Name:	City of Sterling Heights
Local Unit Code:	
Current Fiscal Year End Date:	6/30/2019
Fund Name:	General Fund

REVENUES	Current Year Budget	Percentage Change	Year 2 Budget	Assumptions
Property Taxes	\$ 65,485,250	(2.93) %	\$ 63,563,792	2.4% inflationary adjustment, 1 mill decrease in tax rate
Licenses & Permits	\$ 2,414,500	2.41 %	\$ 2,472,692	Inflationary increase
Federal/State/Local Returns	\$ 17,321,380	(1.05) %	\$ 17,139,808	Reduction in Grant Revenue
Fines & Fees	\$ 2,534,500	2.49 %	\$ 2,597,718	Inflationary increase
Charges for Services	\$ 12,776,670	2.20 %	\$ 13,057,675	Inflationary increase
Other Revenues	\$ 3,348,710	8.20 %	\$ 3,623,340	Increase in investment earnings due to higher interest rates
Cable Revenue	\$ 2,575,000	(6.22) %	\$ 2,414,750	Continued trend of decreasing cable subscribers
Total Revenues	\$ 106,456,010		\$ 104,869,775	
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EXPENDITURES				
City Administration	\$ 9,374,690	4.63 %	\$ 9,808,967	Contractual and step raises/inflationary increases
Public Library	\$ 2,855,740	3.54 %	\$ 2,956,794	Contractual and step raises/inflationary increases
Police Department	\$ 34,033,870	4.52 %	\$ 35,570,705	Contractual and step raises/inflationary increases
Fire Department	\$ 19,795,690	5.18 %	\$ 20,821,916	Contractual and step raises/inflationary increases
Public Works Department	\$ 7,158,760	4.20 %	\$ 7,459,211	Contractual and step raises/inflationary increases
Refuse Collection	\$ 4,451,650	0.44 %	\$ 4,471,298	Flat costs due to eight-year contract
City Development Department	\$ 5,070,650	4.11 %	\$ 5,279,241	Contractual and step raises/inflationary increases
Community Relations Department	\$ 1,465,840	3.06 %	\$ 1,510,716	Contractual and step raises/inflationary increases
41-A District Court	\$ 3,545,610	2.58 %	\$ 3,637,126	Contractual and step raises/inflationary increases
General Expenditures	\$ 1,797,830	2.99 %	\$ 1,851,510	Contractual and step raises/inflationary increases
Transfer to Major Roads	\$ 7,000,000	(85.71) %	\$ 1,000,000	Reduction due to rollback of 1 mill increase for roads
Transfer to Parks & Recreation	\$ 1,347,410	35.40 %	\$ 1,824,358	Increase due to additional costs for parks maintenance
Transfer to Debt Fund	\$ 1,698,060	104.63 %	\$ 3,474,785	Increase for planned bond issuance for DPW building
Transfer to Capital Projects	\$ 5,716,040	(19.52) %	\$ 4,600,000	Decrease due to improvements funded through Facilities bond
Total Expenditures	\$ 105,311,840		\$ 104,266,627	
Net Revenues (Expenditures)	\$ 1,144,170		\$ 603,148	
Beginning Fund Balance	\$ 24,713,754		\$ 25,857,924	
Ending Fund Balance	\$ 25,857,924		\$ 26,461,072	

Commentary: The city has continued to make progress toward increasing General Fund reserves to 25% of fund balance. The current year budget includes a one time, one mill property tax increase that was used to fund major road repairs. The Year 2 budget rolls back that millage increase.