



# **ANNUAL BUDGET PRESENTATION**

For the Fiscal Year Beginning July 1, 2017

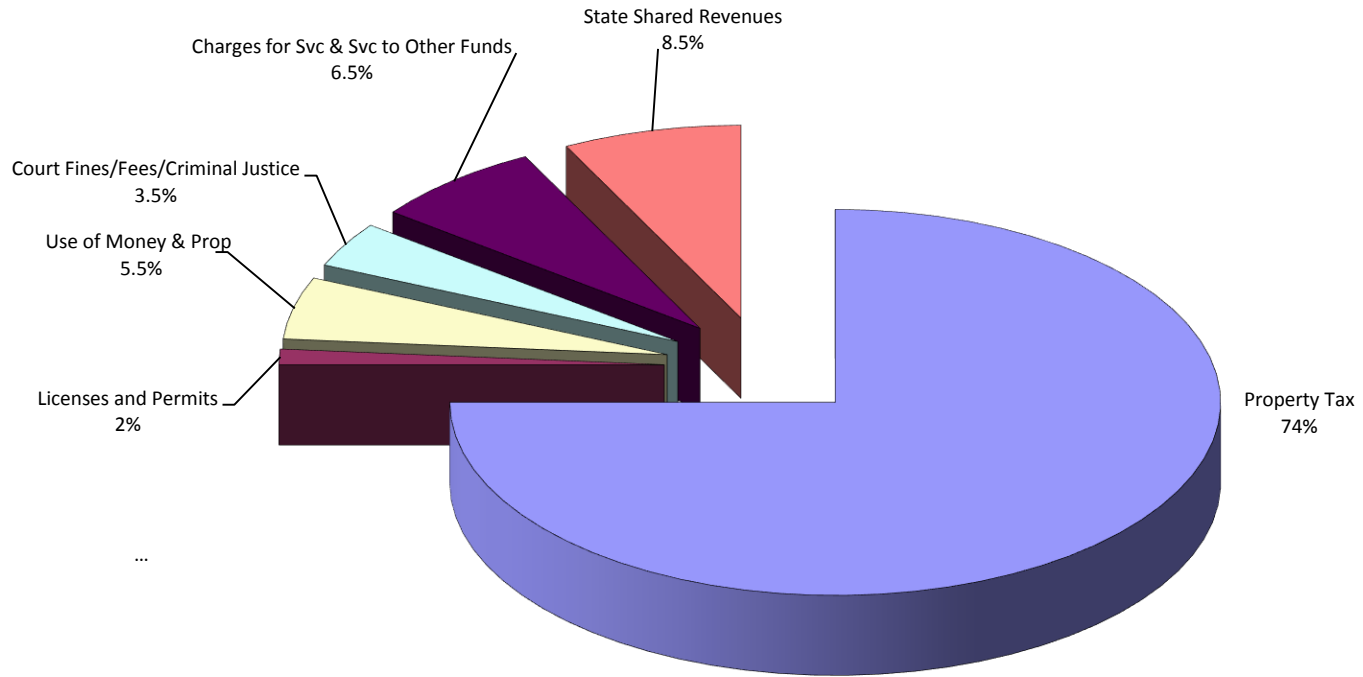
# City of Grosse Pointe

- The City Administration has presented a balanced budget for fiscal year 2017-2018 without a general operating property tax rate increase or using fund balance

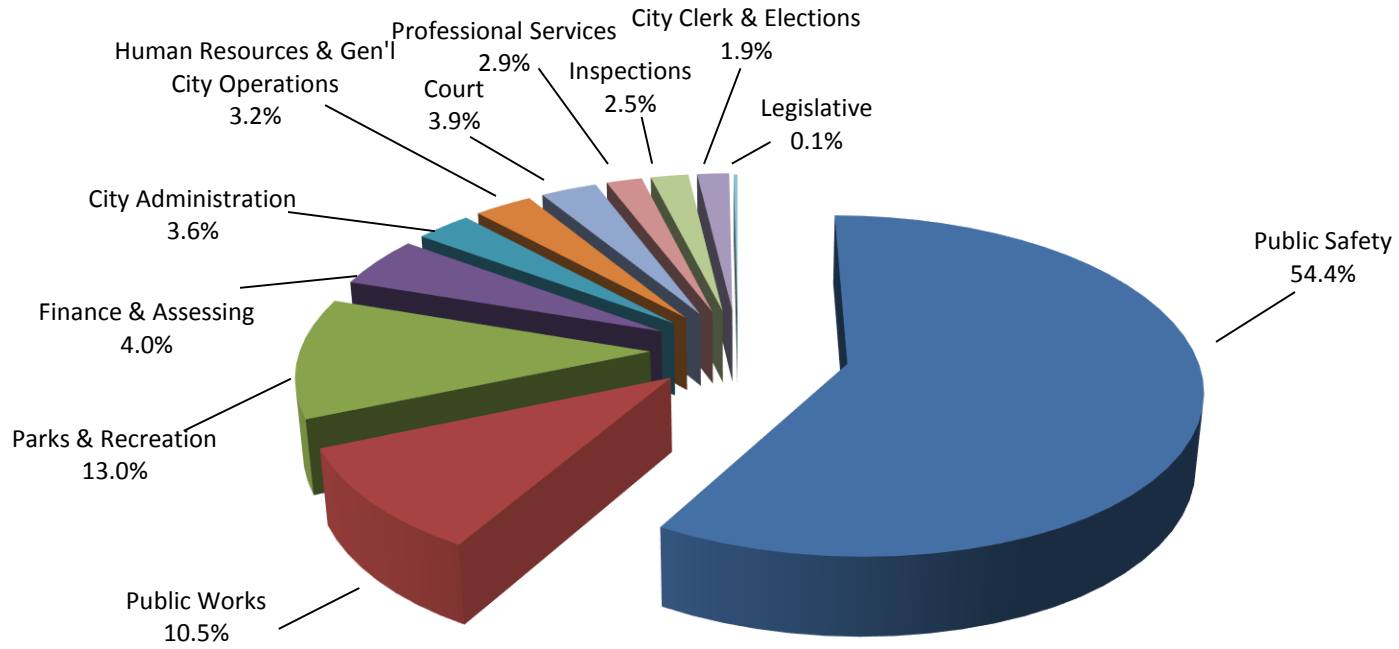
# Budget Summary

- General operations levy of 11.8391 mills remains the same
- Solid Waste levy of 1.7755 also unchanged
- Increases the level of service through the addition of a full time clerical staff to enhance customer service
- Increases the level of service through the addition of a full time court administrator
- Satisfies costs related to the Public Safety Command contract expiring July 1, 2018 and Public Safety Patrol Officers Contract expiring July 1, 2019
- Budgets for a full year of retiree healthcare cost in the amount of \$534,000

# City of Grosse Pointe Budgeted Revenue 2017 - 2018



**City of Grosse Pointe  
Budgeted Operating Expenses  
2017 - 2018**



# Property Taxes & Assessments

- The average assessment (SEV) increased by approximately 5%
- The taxable value increase was capped at 0.9%
- Overall increase in real property tax revenues of 0.6%  
- an amount \$24,815 more than last year
- With the same tax rate proposed as last year (which is at the Headlee limit), an individual's residential taxes will not increase more than 0.9% without an addition

# State Shared Revenue

- State Shared Revenue is budgeted at \$468,665
- Expect to meet EVIP requirements to ensure receipt of these state dollars
- Down more than 41% since 2001. A total loss of \$1.9 million between 2003 and 2016

# General Fund - Revenues

- Overall budgeted revenues remained fairly consistent with a slight decrease of \$29,692
- Minor proposed fee increases for parks & recreation and building departments



# General Fund - Expenditures

- General Fund expenses remain consistent with general fund revenues
- Most significant increase in costs is 2% across the board wage adjustment

# Capital Projects Fund

- Tracks revenues and expenditures related to major general capital equipment, facilities and infrastructure purchases, improvements or construction
- Four Project Areas:
  - Various public safety equipment/projects
  - Various building improvements
  - Various park equipment/projects

# Capital Projects Fund

- Major Expenditures in FY 2017:
  - One Patrol Vehicle
  - Fisher Road Streetscape
  - Platform Tennis Court Resurfacing

# General Debt Fund

The Fund pays for:

- 2011 Unlimited Tax General Obligation Bonds for the Neff Park swimming complex – funded from a taxpayer voted millage
- Existing .7404 mills decreased by .0714 to .6690 mills to cover cost of paying for pool construction bond, due to decrease in principal payment

# Solid Waste Fund

- Operational Expenditures Just Barely Covered by the Solid Waste Levy. This leaves no surplus for future capital expenditures. Solid Waste Levy is capped at maximum allowed under Headlee
- The existing Cushmans are budgeted to be replaced over the next several years, which are needed to continue rear yard pickup. Using \$35,000 in reserves to purchase one this fiscal year

# Water & Sewer Fund

- Water & Sewer rates will increase for fiscal year 2017-2018, due to increased price from the Farms and Detroit
- Capital outlay of \$2,089,550 for watermain replacements funded by bond proceeds
- Further pump station improvements in the amount of \$350,000

# Parking Fund

- Includes debt payments and operational costs for the Village Parking Structure
- No increase in parking fees
- Overall, parking revenues budgeted to grow without rate increase by more than \$60,000, reflecting added usage over last year
- All gates and pay machines in Village Parking Structure will be replaced
- Customer service coverage hours were increased to address heavier gated lot usage

# Highway Fund

- Anticipate \$454,163 in State Sharing of gas & weight taxes to pay for local road maintenance
- Insufficient state funding requires \$231,909 General Fund contribution to pay for entire cost of annual street maintenance programs
- Cost of Street Resurfacing and Reconstruction is covered by the City's Road Improvement Fund



# Road Improvement Fund

- Road levy of 2.5 mills is dedicated to road repairs
- Planned projects for 2017-2018 includes segments of Lakeland, Washington, Rivard and Kercheval Place
- Annual program is developed in December

# Marina Fund

- Marina well fees to increase 2%, to address growing repair needs
- Project planned to add marina pilings
- Revenues continue to provide funds to repay the loan from the General Fund
- Marina expected to be virtually full

# Drug Forfeiture Fund

- Revenue from drug related property seizures and drunk driving offenses
- Contribution toward Grosse Pointe Farms drug dog expenses
- There are no capital purchases budgeted for fiscal year 2017-2018.

# Thank You

- Mayor and City Council
- Department Directors
- City Staff



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