



ANNUAL BUDGET PRESENTATION

For the Fiscal Year Beginning July 1, 2018

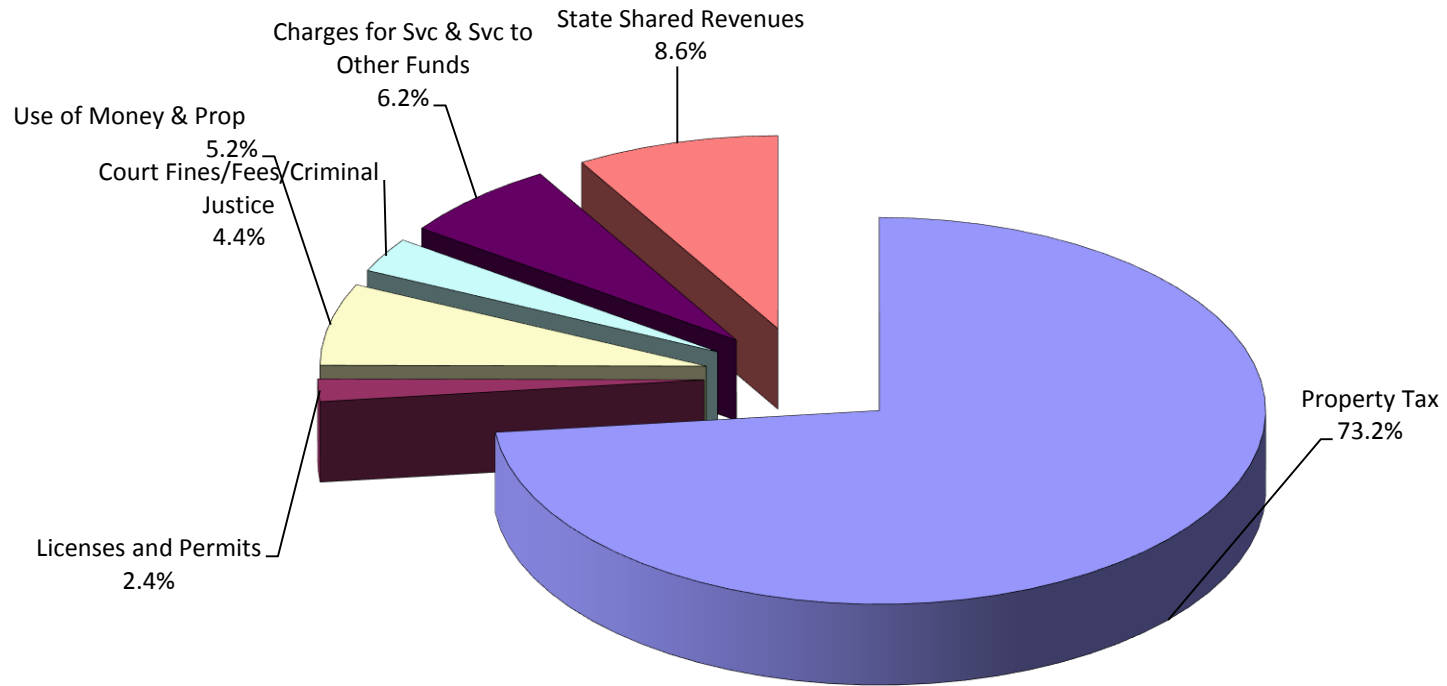
City of Grosse Pointe

- The City Administration has presented a balanced budget for fiscal year 2018-2019 without a general operating property tax rate increase or using fund balance

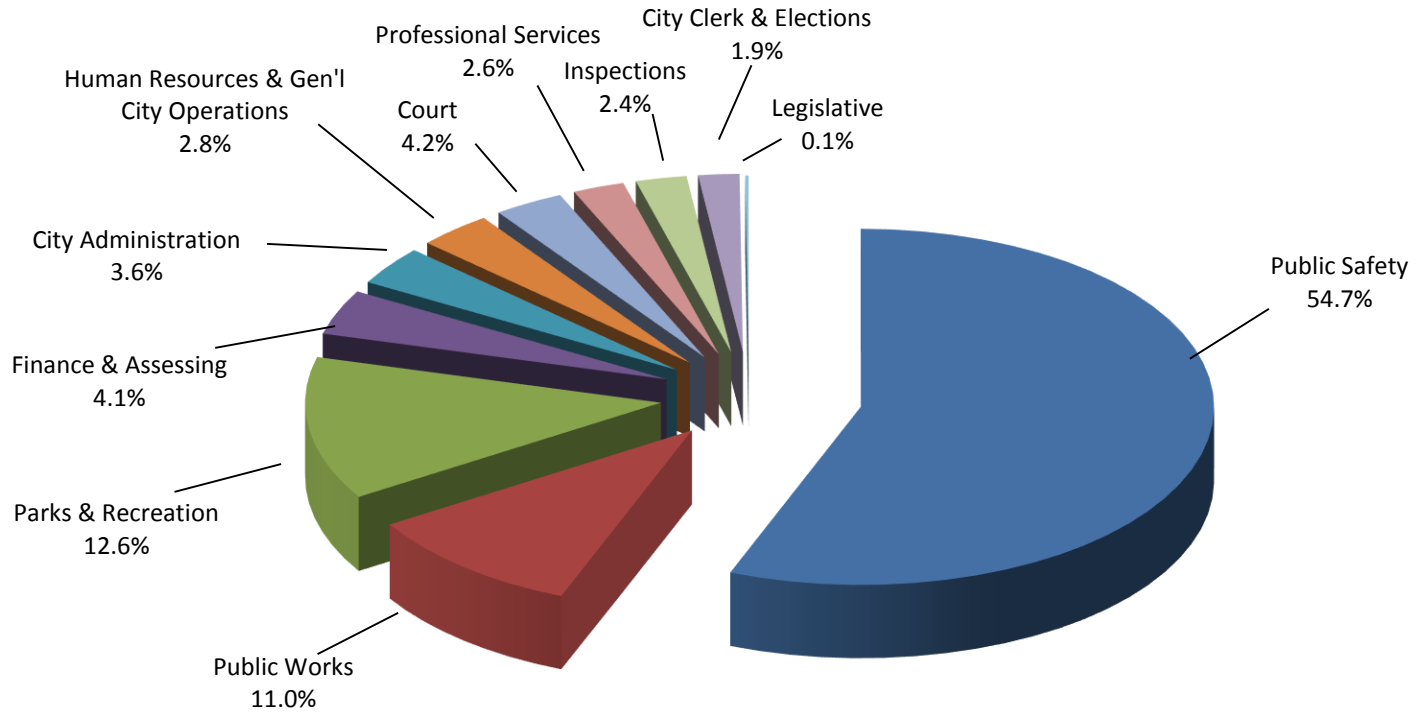
Budget Summary

- 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 assignment of a full time ombudsman to enhance customer service
- Evaluates the level of service through a citizen survey and website redesign
- Satisfies costs related to the Public Safety Patrol Officers Contract expiring July 1, 2019. The Public Safety Command contract expires July 1, 2018
- Budgets for a full year of retiree healthcare cost in the amount of \$650,000

**City of Grosse Pointe
Budgeted Revenue
2018 - 2019**



**City of Grosse Pointe
Budgeted Operating Expenses
2018 - 2019**



Property Taxes & Assessments

- The average assessment (SEV) increased by approximately 2.5%
- The taxable value increase was capped at 2.1%
- 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 2.1% without an addition

State Shared Revenue

- State Shared Revenue is budgeted at \$501,017
- 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 increase
\$294,069
- Minor proposed fee increases for building department

General Fund - Expenditures

- General Fund expenses remain consistent with general fund revenues
- Most significant increase in costs is in employee compensation and benefits. Health care cost rising greater than inflation and inflationary pressures on employee wages

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 2018:
 - Two Patrol Vehicles
 - Fisher Road Streetscape
 - Village Streetscape Repairs

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 .6690 mills increased by .0229 to .6919 mills to cover cost of paying for pool construction bond, due to increase in principal payment
- Debt for new facilities will not affect tax rates in this fiscal year

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 \$200,000 in reserves to purchase rubbish packer this fiscal year

Water & Sewer Fund

- Water & Sewer rates will increase for fiscal year 2018-2019, due to increased price from the Farms, GLWA and increase in operational costs
- Capital outlay of \$860,977 for sewer and pump station improvements as well as portion of Rocket Fiber connections

Parking Fund

- Includes debt payments and operational costs for the Village Parking Structure
- No increase in parking fees, except for a slight increase in window permit tags for garage
- Overall, parking revenues budgeted to grow without rate increase by more than \$60,000, reflecting added usage over last year
- Parking structure concrete repairs and portion of Rocket fiber planned

Highway Fund

- Anticipate \$493,271 in State Sharing of gas & weight taxes to pay for local road maintenance, an increase of \$39,108
- Insufficient state funding requires \$186,934 General Fund contribution to pay for entire cost of annual street maintenance programs
- Cost of Local 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 2018-2019 includes segments of Charlevoix, Notre Dame, Lakeland and Neff
- Annual program is developed in December

Marina Fund

- Marina well fees to remain the same for 2019 boating season
- Project planned to add marina pilings
- Revenues continue to provide funds to repay the loan from the General Fund
- Marina expected to be nearly 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 2018-2019.

Thank You

- Mayor and City Council
- Department Directors
- City Staff



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