



ANNUAL BUDGET PRESENTATION

For the Fiscal Year Beginning July 1, 2019

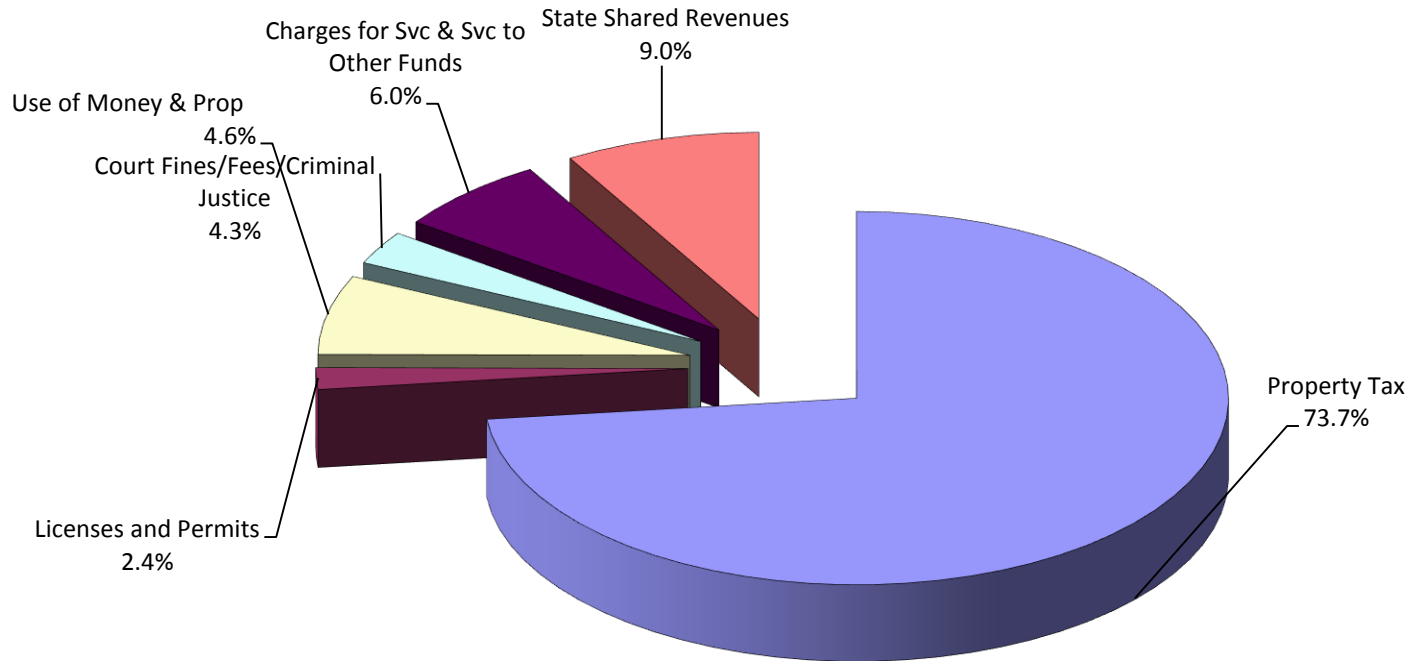
City of Grosse Pointe

- The City Administration has presented a balanced budget for fiscal year 2019-2020 without a general operating property tax rate increase or using fund balance
- The overall millage does add the first interest only payment on the voter approved bond for new public facilities for Police, Fire, and Public Works and remodeled facilities for the Court.

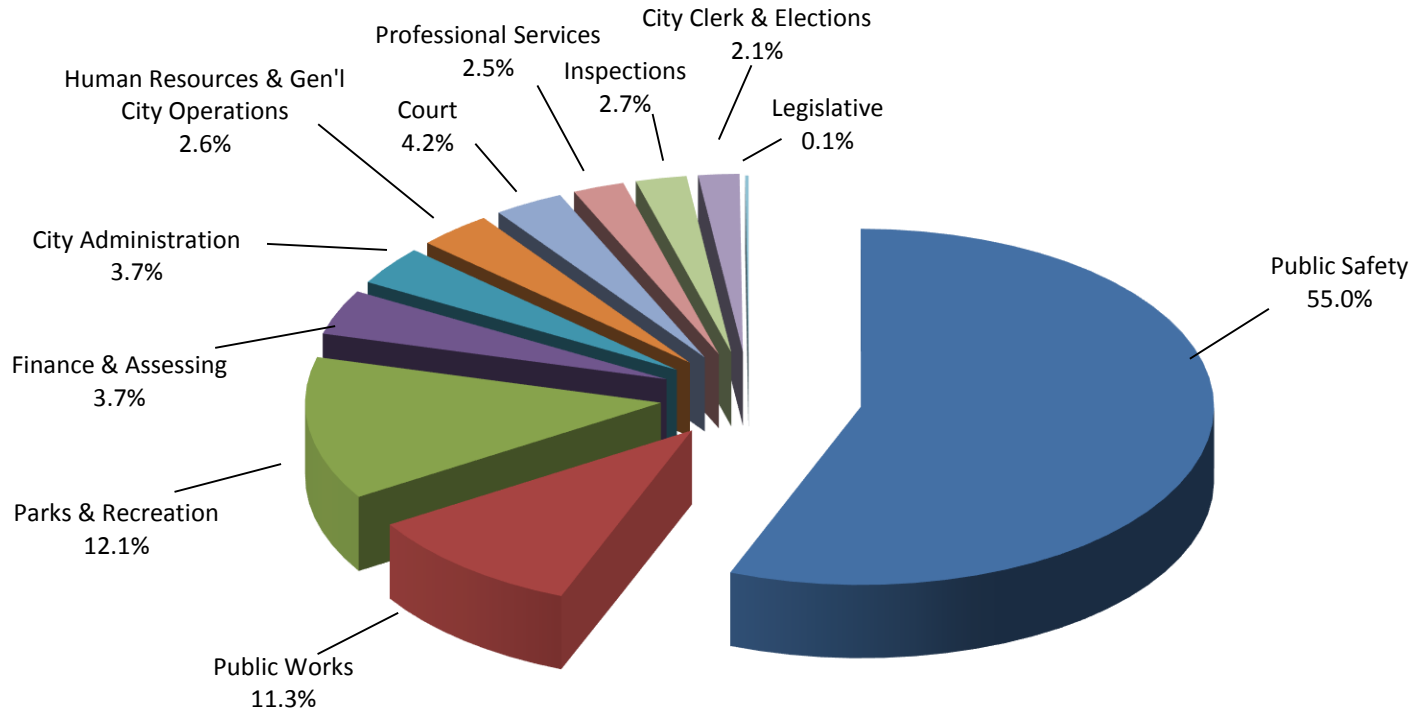
Budget Summary

- City levies of 18.2219 mills for the current year compare to 16.6277 mills in the prior year
- Expansion of Parks Director position into an Assistant to the City Manager and City Clerk
- Elimination of the DPW foreman position and reallocating to a Public Service supervisor position
- Satisfies costs related to the Public Safety Command Contract expiring July 1, 2022. The Public Safety Patrol Officers contract expires July 1, 2019
- Budgets for a full year of retiree healthcare cost in the amount of \$625,000
- Expands the Annual Tree Lighting Celebration
- Budgets partial year increased building utility costs for new facilities and full year of temporary court facility

City of Grosse Pointe Budgeted Revenue 2019 - 2020



**City of Grosse Pointe
Budgeted Operating Expenses
2019 - 2020**



Property Taxes & Assessments

- The average assessment (SEV) increased by approximately 5.8%. The assessment increase does not result in 5.8% increase in tax revenue
- Under Headlee/Proposal A, the taxable value increase was capped at 2.4%

State Shared Revenue

- State Shared Revenue is budgeted at \$536,639
- Expect to meet EVIP requirements to ensure receipt of these state dollars
- A total loss of \$2.5 million between 2003 and 2017

General Fund - Revenues

- Overall budgeted revenues increase \$169,853
- No proposed General Fund fee increases for the coming year

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. May exceed state cap on active employee expenditures at renewal in December.

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 public works equipment/projects
 - Various park equipment/projects

Capital Projects Fund

- Major Expenditures in FY 2019:
 - Fire Truck
 - Street Sweeper
 - Furnishings, equipment and communication network systems for new buildings

General Debt Fund

The Fund pays for:

- 2011 Unlimited Tax General Obligation Bonds for the Neff Park swimming complex
 - mills decreased from .6919 to .6175
- 2018 Unlimited Tax General Obligation Bonds for new facilities
 - first year levy of 1.9349

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
- Cost of service analysis included
- 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 2019-2020, due to increased price from the Farms, GLWA and increase in operational costs
- Capital outlay of \$392,500 for sewer and water main improvements as well as a sewer camera and a replacement bobcat

Parking Fund

- Includes debt payments and operational costs for the Village Parking Structure
- No increase in parking fees
- Overall, parking revenues budgeted to remain consistent with last year
- Parking structure and lot equipment planned, as well as part of the replacement bobcat and upgraded communication network

Highway Fund

- Anticipate \$552,603 in State Sharing of gas & weight taxes to pay for local road maintenance, an increase of \$59,332
- Insufficient state funding requires \$100,818 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 2019-2020 includes nearly all of Maumee, and one block of Charlevoix and Lincoln
- Annual program is developed in December

Marina Fund

- Marina well fees to increase 2% for 2020 boating season
- Major project involving finger piers planned for marina improvement
- Revenues continue to provide funds to repay the loan from the General Fund

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 2019-2020.

Thank You

- Mayor and City Council
- Department Directors
- City Staff



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