

**WORK SESSION**  
**WEDNESDAY, MARCH 19, 2016**  
**9:00 a.m. – Dexter District Library (3255 Alpine)**

**THE CITY OF DEXTER**  
**CITY COUNCIL**

The purpose of this work session is to continue a review of the City's goals, objectives and funding priorities prior to the creation of the draft FY 16-17 budget.

- 1) Review of Reserve Balances and Potential Uses for those Reserves
  - Update on 2017-2020 Transportation Alternatives Program (TIP)
  - DDA Forecast
  
- 2) Review of 425 Agreement with Webster Township
  
- 3) Discussion of Facility Funding Memo
  
- 4) Review of Updated Goals and Objectives

This is a Special Council work session; action will NOT be taken.

*“This meeting is open to all members of the public under Michigan Open Meetings Act”*

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## OFFICE OF THE CITY MANAGER

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### Memorandum

**To:** City Council

**From:** Mayor Keough, Mayor/DDA Representative  
Courtney Nicholls, City Manager

**Re:** Fund Balance Review

**Date:** February 29, 2016

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Attached is a spreadsheet that shows the fund balances in the General Fund, as well as the fund balance of the Downtown Development Authority. Also included is a listing of the proposed projects that are anticipated to require significant funding over the next few years.

Several important projects for the City/DDA are expected to occur (or at least begin) in 2016-2017. While these are the result of dedicated efforts to make these projects a reality, the timing will require prioritization. Issues that impact timing are outlined below.

#### City Expenses

##### Mill Creek Park

The Michigan Natural Resources Trust Fund Grant Application will be submitted by April 1, 2016. The City is set to receive \$180,000 in funding for this project from the federal non-motorized transportation fund in 2017. The final grant submission is still being completed; however the estimate for the match is \$250,000. This will be further refined, even after the grant application is submitted, as the work is completed to delineate the actual boundaries of the wetland. This delineation will have an impact on whether the pathway is boardwalk or asphalt.

##### Facility Projects

At this time the facility projects have not been defined. Currently we have \$291,222.79 in restricted reserve funds for facility improvement projects.

##### First Street Park Improvements

\$5,000 was originally budgeted for this project in 2013-2014. The estimated cost at this time is just over \$10,000. This item could be included in the Parks budget for 2016-2017 and likely not require a use of reserves. It would be the main park improvement project for the fiscal year (besides Mill Creek Park).

##### Fire Station Lighting Project

The timing of this project is completely up to the City. A direction on facility improvements has not been set, so doing upgrades to the building might not be the most efficient use of funds. However, if a phased approach is chosen, the two year payback might make the project worthwhile. Restricted facility funds could be used to fund this project.

##### Signage Replacement

This project is for the replacement of signage related to our transition from a Village to a City. Depending on the speed of which Council wishes to accomplish this, we can choose to spend an amount each year that fits within the budget or use reserves to complete all the replacements at the same time. A cost estimate for the replacement will be created during the budgeting process. One potential funding

source for the sign improvements could be the CTAP grant, which could potentially be used to replace any Village signs that are pointing out a specific destination that could be of interest to a tourist.

### **Capital Contribution to DAFD**

The Fire Chief has put together a draft Capital Improvement Plan for the Dexter Area Fire Department. The Dexter Area Fire Board has not yet decided how much funding they are going to request to implement the plan. This item was included as a reminder that a cost increase for the 2017 DAFD budget is possible.

## **DDA Expenses**

### **Repayment of House Purchases to City**

The Downtown Development Authority has been budgeting to repay the City for the purchase of the two houses on Forest Street. The \$104,000 in remaining payments does not include the \$20,000 they are budgeted to pay in 2015-2016. It is possible that due to their limited reserve balance, they may opt to forego this payment this fiscal year.

### **Land Swap – Value of the Land**

The City is the owner of the land located at 7651 Dan Hoey, which will be swapped with DTE for the parcel of land near the 3045 Broad development. The DDA will need to repay the City for the cost of the land. Using the purchase price, the value of the land is \$71,250 per acre. The current estimate is the swap of two acres, which would be \$142,500. This could potentially come from proceeds of the sale of the 3045 Broad parcel.

## **DDA and/or City Expenses**

### **Substation Removal**

The City has been in negotiations with DTE to remove the substation located at 3045 Broad. This is needed to facilitate the redevelopment of the area. The way that the agreement is currently structured, a payment of \$90,625 will be needed once the agreement is signed so that the demolition can begin. Five annual installments of \$54,375 would be needed to get to the total cost of \$362,500. In a recent communication DTE indicated that they would like a shorter repayment period, so the result of the negotiation could be an acceleration of this timeline.

### **Land Swap – Bond Refinancing**

Staff has been working with bond counsel and our financial advisor on the refunding of the 2006 Facility Bond. Due to the impending swap of a portion of the land on Dan Hoey with DTE and the uncertainty of what will be done with the remaining piece of the property, we are recommending that the outstanding bonds attributable to the purchase of the Dan Hoey property not be refunded. That way those bonds will remain callable so that we can pay them off once the land is swapped. If we end up keeping the rest of the parcel for a non-taxable purpose, we will keep making a small bond payment each year. The rest of the bond will be refunded at a lower interest rate. Depending on the final amount of land swapped with DTE the cost will be around \$100,000 toward the outstanding bond.

## **Possible Revenue Increases**

### **City**

The City could see a one-time increase in funds in the following scenarios:

- Potential sale of a portion of the Dan Hoey property to Faith in Action.
- Once the DDA is able to pay the City back for the DTE land swap, those funds can be used to pay down the principal of the outstanding bond and lower the future interest cost.

**DDA**

The DDA could see an increase in revenue in the following scenarios:

- A positive outcome to the Tax Tribunal case would have a significant impact on the financial position of the DDA. The revenues would be approximately \$100,000 per year.
- Increased taxable value from Grandview Commons (timing unknown).
- The sale price of the 3045 Broad property could result in added one time revenue.

Revenue

City Funds	
Estimated General Fund Unrestricted Reserve Balance (including most recent budget amendments)	\$326,000.00
Future Facility Project Restricted Reserve	\$291,222.79
Expected Revenue over Expense in 2016-2017 Budget with no Capital Expenses	
Original Estimate	\$203,200.00
Reduction Due to Increased Fire Cost	(\$107,971.00)
Remaining Overage	\$95,229.00

DDA Funds

Estimated DDA Unrestricted Reserve Balance (including most recent budget amendments)	\$138,670.75
<b>Current DDA Financial Position (without revenue from Wellness Center)</b>	
2015-2016 Revenue	\$293,300.00
2015-2016 Bond Payments Only	(\$290,500.00)

City Expenses

Mill Creek Park Grant Match	\$250,000.00
Facility Projects	???
First Street Park Improvements	\$10,000
Fire Station Lighting Project	\$3,500
Signage Replacement	???
Capital Contribution to DAFD	???

DDA Expenses

Repayment of House Purchase to City	\$104,000.00
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DDA and/or City Expenses

Substation Removal	Payments
First Installment	\$90,625.00
Annual Payment	\$54,375.00
	\$54,375.00
	\$54,375.00
	\$54,375.00
	\$54,375.00
<b>Total Payment</b>	<b>\$362,500.00</b>

<b>Land Swap</b>	\$100,000
This will pay off the applicable portion of the principal of the outstanding facility bond.	
Total estimated price of land (2 acres)	\$142,500

# Proposed TIP from January 2016

<b>Draft 2017-2020 Urban Program</b>						
<b>2017</b>		<b>STP Funds Requested</b>	<b>NHPP Funds</b>	<b>Non-motorized component</b>	<b>Score</b>	<b>Job type</b>
Baker	WCRC	\$960,000		10	68	Intersection improvement
Stadium	A2	\$373,904	\$426,096	Unknown	NA	Reconstruction
Non-motorized Improvement Program	A2	\$200,000		100	NA	Stand alone non-motorized
PM	Ypsi	\$360,000		Unknown	NA	PM
Austin	SC	\$400,000		Unknown	NA	PM
PM	WCRC	\$250,000		Unknown	NA	PM
Resurfacing	WCRC	\$704,965		Unknown	NA	3R
Mill creek path	DC	\$181,043		100	NA	Stand alone non-motorized
8 mile	WCRC	\$300,000		Unknown	31	PM
Carpenter	WCRC	\$500,000		Unknown	NA	PM
	<b>FY 2017 Total</b>	<b>\$4,229,912</b>	<b>\$426,096</b>			
<b>2018</b>		<b>STP Funds Requested</b>	<b>NHPP Funds</b>	<b>Non-motorized component</b>	<b>Score</b>	<b>Job type</b>
PM/3R Work	Ypsi	\$400,000		Unknown	NA	PM
East Shore Drive	WCRC	\$300,000		0	42	PM
Ellsworth	WCRC	\$300,000		10	54	PM
Huron River Drive	WCRC	\$175,000		0	48	PM
Scio Church Road	A2	\$900,000		10	47	3R
PM/3R Work	WCRC	\$550,000				
PM/3R Work	A2	\$950,000				PM
Non-motorized Improvement Program	A2	\$200,000				Stand alone non-motorized
Harris-ACC	WCRC	\$500,000				
NHPP - PM	WCRC		\$265,000			PM
	<b>FY 2018 Total</b>	<b>\$4,275,000</b>	<b>\$265,000</b>			

2019		STP Funds Requested	NHPP Funds	Non-motorized component	Score	Job Type
Forest	WCRC	\$325,000		30	51	PM
Central	DC	\$520,000		8	52	Reconstruction
Oak Valley Drive	WCRC	\$550,000				3R
Cross Street	WCRC	\$250,000		25	44	PM
Carpenter	WCRC	\$200,000		10	60	3R
Zeeb Road	WCRC	\$200,000		0	41	PM
Bridge PM	A2	\$1,000,000		0	0	Bridge PM
Non-motorized Improvement Program	A2	\$600,000				
PM/3R	WCRC	\$290,000				
PM/3R	A2	\$290,000				PM/3R
NHPP - PM	WCRC		\$265,000			
	<b>FY 2019 Total</b>	<b>\$4,225,000</b>	<b>\$265,000</b>			
2020		STP Funds Requested	NHPP Funds	Non-motorized component	Score	Job Type
Pauline Boulevard	A2	\$575,000		0	45	3R
Industrial	SC	\$560,000		5	58	PM/3R
PM/3R Work	WCRC	\$680,000				
PM/3R Work	A2	\$680,000				PM/3R
Non-motorized Improvement Program	A2	\$800,000		100		Stand alone non-motorized
West Cross Streets *	YC	\$1,000,000		5	48	Reconstruction
NHPP - PM	A2		\$265,000			
	<b>FY 2020 Total</b>	<b>\$4,295,000</b>	<b>\$265,000</b>			
*May need to adjust project limits or total funding has been reduced for fiscal constraint						

# Proposed TIP as of March 2016

<b>Draft 2017-2020 Urban Program with Harris Priority</b>							
<b>2017</b>		<b>Limits</b>	<b>Requested</b>	<b>NHPP Funds</b>	<b>component</b>	<b>Score</b>	<b>Job type</b>
Harris-ACC	WCRC	Holmes	\$700,000				
Stadium	A2	Kipke	\$433,904	\$426,096	Unknown	NA	Reconstruction
Improvement	A2	Unknown	\$200,000		100	NA	motorized
PM/3R	Ypsi	Unknown	\$360,000		Unknown	NA	PM
Austin	SC	Limits	\$400,000		Unknown	NA	PM
PM	WCRC	Unknown	\$431,043		Unknown	NA	PM
Resurfacing	WCRC	Unknown	\$504,965		Unknown	NA	3R
Mill creek path	DC	to Mill Creek	\$0		100	NA	motorized
8 mile	WCRC	Tower to Currie	\$300,000		Unknown	31	PM
PM/3R	Ypsi	Unknown	\$400,000		Unknown	NA	PM
Carpenter	WCRC	Judd to Textile	\$500,000		Unknown	NA	PM
<b>FY 2017 Total</b>			<b>\$4,229,912</b>	<b>\$426,096</b>			
<b>2018</b>		<b>Limits</b>	<b>Requested</b>	<b>NHPP Funds</b>	<b>component</b>	<b>Score</b>	<b>Job type</b>
Baker	WCRC/DC	Shield to Dan Hoey	\$581,043		10	68	Intersection improvement
Harris-ACC	WCRC	Michigan to Holmes	\$500,000				
East Shore Drive	WCRC	Main Street to 7 Mile	\$300,000		0	42	PM
Ellsworth	WCRC	Carpenter to Golfside	\$300,000	\$265,000	10	54	PM
Huron River Drive	WCRC	1.0 miles NW of Mast to Mast	\$175,000		0	48	PM
Scio Church Road	A2	S. 7th to S. Main	\$900,000		10	47	3R
PM/3R	WCRC	Unknown	\$433,957				
PM/3R	A2	Unknown	\$375,000				PM
Non-motorized Improvement Program	A2	Unknown	\$200,000				Stand alone non-motorized
Pauline Boulevard	A2	W. Stadium to S. Seventh	\$575,000		0	45	3R
<b>FY 2018 Total</b>			<b>\$4,340,000</b>	<b>\$265,000</b>			
<b>2019</b>			<b>STP Funds Requested</b>	<b>NHPP Funds</b>	<b>Non-motorized component</b>	<b>Score</b>	<b>Job Type</b>
Forest	WCRC	Ypsilanti City Limits to Ford Blvd	\$325,000		30	51	PM
Central	DC	5th St. to 3rd. St.	\$520,000		8	52	Reconstruction

Industrial Cross Street	SC	Beemis Rd. to Woodland Rd.	\$560,000		5	58	PM/3R
	WCRC	Ypsilanti City Lim	\$250,000		25	44	PM
Carpenter	WCRC	Ellsworth to Packard	\$200,000	\$265,000	10	60	3R
Zeeb Road	WCRC	I-94 to Dexter Ann Arbor Rd.	\$200,000		0	41	PM
Bridge PM	A2	Unknown	\$1,000,000		0	0	Bridge PM
Non-motorized Improvement Program PM/3R PM/3R	A2	Unknown	\$600,000				
	WCRC	Unknown	\$355,000				PM/3R
	A2	Unknown	\$290,000				PM/3R
<b>FY 2019 Total</b>			<b>\$4,300,000</b>	<b>\$265,000</b>			
<b>2020</b>			<b>STP Funds Requested</b>	<b>NHPP Funds</b>	<b>Non-motorized component</b>	<b>Score</b>	<b>Job Type</b>
PM/3R PM/3R	WCRC	Unknown	\$745,000				
	A2	Unknown	\$1,255,000	\$265,000			PM/3R
Non-motorized Improvement Program West Cross Streets *	A2	Unknown	\$800,000		100		Stand alone non-motorized
	YC	Courtland to Wallace	\$1,000,000		5	48	Reconstruction
Oak Valley Drive	WCRC	Ann Arbor Saline Road to Scio Church Rd.	\$560,000				3R
<b>FY 2020 Total</b>			<b>\$4,360,000</b>	<b>\$265,000</b>			
*May need to adjust project limits or total funding has been reduced							

## Summary - DDA Forecast with Revenue from Wellness Center

Fiscal Year (July-June)	Actual 2014-2015	Budget 2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
<b>Revenue</b>										
<b>Tax Capture</b>	292,185	287,500	415,190	442,036	453,345	464,824	476,475	488,300	500,303	512,486
<b>Small Parcel Reimbursement</b>	7,821	5,300	7,800	7,800	7,800	7,800	-	-	-	-
<b>Rents</b>	-	-	-	-	-	-	-	-	-	-
<b>Property Sale</b>	-	-	-	-	-	-	-	-	-	-
<b>Other</b>	1,111	500	226,275	-	-	-	-	-	-	-
<b>Total Revenue</b>	301,117	293,300	649,265	449,836	461,145	472,624	476,475	488,300	500,303	512,486
<b>Expenditures</b>										
<b>Debt Payments</b>	552,012	290,500	286,696	290,428	299,723	308,293	334,808	341,415	342,023	357,150
<b>Professional Services</b>	1,500	5,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>Contracted Services</b>	12,285	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
<b>Attorney Fees</b>	29,333	70,000	20,000	-	-	-	-	-	-	-
<b>City Maintenance</b>	5,000	5,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>Downtown Events</b>	301	500	-	500	500	500	700	700	700	700
<b>Capture Refunds BOR/MTT</b>	306	500	5,000	500	500	500	500	500	500	500
<b>Other</b>	7,134	-	-	-	-	-	-	-	-	-
<b>Projects</b>	144,306	85,900	45,000	45,000	70,000	70,000	74,000	50,000	37,500	25,000
<b>Total Expenditures</b>	752,177	459,100	368,396	358,128	392,423	400,993	431,708	414,315	402,423	405,050
<b>Revenue/Expenditures</b>	(451,060)	(165,800)	280,869	91,708	68,722	71,631	44,767	73,985	97,880	107,436
<b>Beginning Fund Balance</b>	787,173	336,113	170,313	451,182	542,890	611,613	683,244	728,011	801,996	899,876
<b>Forecasted Net Change</b>	(451,060)	(165,800)	280,869	91,708	68,722	71,631	44,767	73,985	97,880	107,436
<b>Ending Fund Balance</b>	336,113	170,313	451,182	542,890	611,613	683,244	728,011	801,996	899,876	1,007,312

Suggest Leaving \$5K in capture refunds for LaFontaine Tax Tribunal

FY 15/17 "Other" in revenue reflects moving Wellness liability from FY 14/15 and FY 15/16 into revenue.

## Summary - DDA Forecast with Revenue from Wellness Center

2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037
511,029	523,250	535,654	548,244	561,023	573,993	587,158	600,521	614,084	627,850	641,823	656,006	670,401
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
511,029	523,250	535,654	548,244	561,023	573,993	587,158	600,521	614,084	627,850	641,823	656,006	670,401
376,078	388,053	398,228	402,153	244,560	250,028	229,798	215,033	-	-	-	-	-
10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
-	-	-	-	-	-	-	-	-	-	-	-	-
10,000	10,000	10,000	10,000	10,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
700	700	700	700	700	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
500	500	500	500	500	500	500	500	500	500	500	500	500
-	-	-	-	-	-	-	-	-	-	-	-	-
25,000	25,000	25,000	25,000	25,000	25,000	-	-	-	-	-	-	-
423,978	435,953	446,128	450,053	292,460	332,228	286,998	272,233	57,200	57,200	57,200	57,200	57,200
87,051	87,297	89,526	98,191	268,563	241,765	300,160	328,288	556,884	570,650	584,623	598,806	613,201
1,007,312	1,094,363	1,181,660	1,271,186	1,369,376	1,637,939	1,879,704	2,179,865	2,508,153	3,065,037	3,635,687	4,220,311	4,819,116
87,051	87,297	89,526	98,191	268,563	241,765	300,160	328,288	556,884	570,650	584,623	598,806	613,201
1,094,363	1,181,660	1,271,186	1,369,376	1,637,939	1,879,704	2,179,865	2,508,153	3,065,037	3,635,687	4,220,311	4,819,116	5,432,318

## Summary -DDA Forecast without Revenue from Wellness Center

Fiscal Year (July-June)	Actual 2014-2015	Budget 2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
<b>Revenue</b>										
<b>Tax Capture</b>	292,185	287,500	303,623	330,192	339,823	349,599	359,522	369,593	379,815	390,191
<b>Small Parcel Reimbursement</b>	7,821	5,300	7,800	7,800	7,800	7,800	-	-	-	-
<b>Rents</b>	-	-	-	-	-	-	-	-	-	-
<b>Property Sale</b>	-	-	-	-	-	-	-	-	-	-
<b>Other</b>	1,111	500	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	301,117	293,300	311,423	337,992	347,623	357,399	359,522	369,593	379,815	390,191
<b>Expenditures</b>										
<b>Debt Payments</b>	552,012	290,500	286,696	290,428	299,723	308,293	334,808	341,415	342,023	357,150
<b>Professional Services</b>	1,500	5,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>Contracted Services</b>	12,285	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
<b>Attorney Fees</b>	29,333	70,000	20,000	-	-	-	-	-	-	-
<b>City Maintenance</b>	5,000	5,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>Downtown Events</b>	301	500	-	500	500	500	700	700	700	700
<b>Capture Refunds BOR/MTT</b>	306	500	5,000	500	500	500	500	500	500	500
<b>Other</b>	7,134	-	-	-	-	-	-	-	-	-
<b>Projects</b>	144,306	85,900	45,000	45,000	70,000	70,000	74,000	50,000	37,500	25,000
<b>Total Expenditures</b>	752,177	459,100	368,396	358,128	392,423	400,993	431,708	414,315	402,423	405,050
<b>Revenue/Expenditures</b>	(451,060)	(165,800)	(56,973)	(20,136)	(44,799)	(43,594)	(72,186)	(44,722)	(22,608)	(14,859)
<b>Beginning Fund Balance</b>	787,173	336,113	170,313	113,340	93,204	48,405	4,812	(67,375)	(112,097)	(134,705)
<b>Forecasted Net Change</b>	(451,060)	(165,800)	(56,973)	(20,136)	(44,799)	(43,594)	(72,186)	(44,722)	(22,608)	(14,859)
<b>Ending Fund Balance</b>	336,113	170,313	113,340	93,204	48,405	4,812	-67,375	-112,097	-134,705	-149,564

Suggest Leaving \$5K in capture refunds for LaFontaine Tax Tribunal

## Summary -DDA Forecast without Revenue from Wellness Center

2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037
390,169	400,576	411,140	421,863	432,746	443,792	455,004	466,385	477,936	489,660	501,560	513,638	525,898
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
390,169	400,576	411,140	421,863	432,746	443,792	455,004	466,385	477,936	489,660	501,560	513,638	525,898
376,078	388,053	398,228	402,153	244,560	250,028	229,798	215,033	-	-	-	-	-
10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
-	-	-	-	-	-	-	-	-	-	-	-	-
10,000	10,000	10,000	10,000	10,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
700	700	700	700	700	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
500	500	500	500	500	500	500	500	500	500	500	500	500
-	-	-	-	-	-	-	-	-	-	-	-	-
25,000	25,000	25,000	25,000	25,000	25,000	-	-	-	-	-	-	-
423,978	435,953	446,128	450,053	292,460	332,228	286,998	272,233	57,200	57,200	57,200	57,200	57,200
(33,809)	(35,377)	(34,988)	(28,190)	140,286	111,564	168,006	194,152	420,736	432,460	444,360	456,438	468,698
(149,564)	(183,373)	(218,750)	(253,737)	(281,928)	(141,642)	(30,078)	137,928	332,080	752,815	1,185,275	1,629,635	2,086,073
(33,809)	(35,377)	(34,988)	(28,190)	140,286	111,564	168,006	194,152	420,736	432,460	444,360	456,438	468,698
-183,373	-218,750	-253,737	-281,928	-141,642	-30,078	137,928	332,080	752,815	1,185,275	1,629,635	2,086,073	2,554,772

(2)

AGREEMENT FOR CONDITIONAL TRANSFER  
OF CERTAIN PROPERTY FROM  
WEBSTER TOWNSHIP TO THE VILLAGE OF DEXTER  
AND TO ESTABLISH ULTIMATE TOWNSHIP/VILLAGE BOUNDARY

THIS AGREEMENT made as of this 14 day of April, 1997, by and between the TOWNSHIP OF WEBSTER, a Michigan municipal corporation, with offices at 5665 Webster Church Road, Dexter, MI 48130, hereinafter referred to as "Township", and the VILLAGE OF DEXTER, a Michigan municipal corporation, with offices at 8140 Main Street, Dexter, MI 48130, hereinafter referred to as "Village".

WITNESSETH:

WHEREAS, a petition has been received from Webster Hills Associates, a Michigan co-partnership, as owners of a 94.14 parcel of land described in Exhibit A attached hereto, which petition requests the annexation of said property from the Township of Webster to the Village of Dexter; and

WHEREAS, the Township and Village are desirous of developing a harmonious boundary between the Township and the Village and have identified certain properties set forth in Exhibit B which they agree should ultimately be transferred to the jurisdiction of the Village; and

WHEREAS, the Township and Village have identified an area in the Township set forth in Exhibit C which they agree should remain in the Township but should receive sewer and water service from the Village; and

WHEREAS, representatives of the Township Board and the Village Council have met and discussed the possibility of entering into a contract pursuant to P.A. 425 of 1984, as amended, hereinafter referred to as "Act," for conditional transfers of the properties described in Exhibits A, B and C from the Township to the Village for the purpose of one or more economic development projects as defined in said Act; and

WHEREAS, the Township Board and Village Council have considered all of the factors set forth in Section 3 of said Act and have decided that it will be to the economic benefit of each governmental unit, the citizens of each unit and the owners of the properties described in Exhibits A, B & C that those properties be transferred and developed in accordance with the terms and conditions of this Agreement; and

WHEREAS, despite any such transfer, the manner of development of the properties remains a matter of concern to the Township because of the continuing impact of such development on the Township and the possible return of the properties to the jurisdiction of the Township; and

WHEREAS, the parties have discussed the possibility that within the term of this Agreement, the Village might incorporate as a city, and have decided to provide for that possibility in this Agreement; and

WHEREAS, the Township Board and the Village Council have each held at least one public hearing concerning the proposed transfer of property as required by Section 4 of said Act; and

WHEREAS, the Township Board and the Village Council are each authorized pursuant to Section 5 of the Act to enter into this Agreement;

NOW THEREFORE, in consideration of the premises and the covenants and conditions hereinafter contained, IT IS HEREBY AGREED as follows:

A. With respect to the properties described in Exhibits A and B:

1. For the term of this contract and for all purposes, except as hereinafter specified, jurisdiction over the property, together with the portions of Island Lake Road and Dexter-Pinckney Road contiguous thereto, all as described in Exhibit A, is hereby transferred from the Township to the Village. Residents on this property shall be deemed residents of the Village or successor city during the term of this Agreement.

2. For the term of this contract and for all purposes, except as hereinafter specified, jurisdiction over any particular property shown in Exhibit B is hereby transferred from the Township to the Village, effective upon the date that a written request for such transfer is received from the owner of such property and action by the Village Council is taken to accept such property, consent by the Township Board to any such transfer having been given by approval of this Agreement. The Village Clerk shall promptly notify the Township Clerk and the Washtenaw County Clerk of the effective date of any such transfer. Residents on any particular property shall be deemed residents of the Village or successor city immediately upon the effective date and continuing during the term of this Agreement.

3. With respect to the property in Exhibit A, and effective upon completion of transfer of any particular property in Exhibit B, the Village and the Township will provide services to the transferred properties as provided by state law.

4. In the exercise of its authority over the transferred properties, the Village agrees that it will not finally approve any zoning or rezoning request, plat or other development matter other than for residential use of the property unless and until such proposal has been referred to the Township Board for

information and comment. The Village agrees to provide the same notice to the Township Board as it does to those to whom it is required to give notice by statute.

5. The laws of the State of Michigan currently provide that the Township shall continue to receive property taxes from the transferred properties for general operating purposes at the same rate as other property in the Township. In recognition of the Township's role in the formulation of this Agreement and the Township's continuing involvement and responsibility for the transferred properties, the Village and Township agree that even if the law should change or the Village should become a city, the Village or the city shall continue for every year during the term of this Agreement, to pay to the Township an amount equal to the amount which would have been collected by the Township for general operating purposes had the property remained in the Township, i.e., the total taxable or state equalized value of all transferred properties times the Township's general operating millage rate; provided, however, that in no event shall the millage rate levied hereunder exceed 1.16 mills and provided further that in no event shall the payment required hereunder be reduced because the properties or any portion thereof shall be subject to any tax abatement or alternative tax other than the property tax; provided further that in the event the Village becomes a city the obligation to make payments shall cease as to any particular property after the successor city has collected and paid to the Township the taxes levied upon that property for twelve full calendar years after the city assumes jurisdiction. In no case shall such payment obligation extend beyond the term of this Agreement, except for taxes due and owing at termination. Payment shall be made by the city to the Township no more than 90 days after receipt of the taxes for the property in any fiscal year. Payments more than ninety (90) days delinquent shall constitute a default by the Village or city.

B. With respect to the property described in Exhibit C:

1. For the term of this contract, jurisdiction is transferred over the property shown in Exhibit C, from the Township to the Village only for the purpose of providing sanitary sewer and water services to owners of such property for industrial uses established thereon. Jurisdiction over the property for all other purposes, and the responsibility to furnish all other governmental services is expressly retained by the Township. Residents on this property shall remain residents of the Township during the term of this Agreement.

2. All cost for transmission lines to connect to existing Village lines will be the responsibility of the end user and not the Village. All user and tap-in fees will be charged as per the Village Ordinance, but shall not exceed 150% of the charge

for similar users in the Village. The Village is not obligated to provide service to any owner of the property in Exhibit C for other than industrial use.

C. This Agreement shall become effective upon approval of the Township Board and the Village Council, and shall remain in effect for a period of fifty (50) years unless earlier terminated by a final judgment of a court of competent jurisdiction or in accordance with the termination provisions of paragraph E.

D. The parties agree that neither this Agreement nor the negotiations leading to it shall in any proceeding before the State Boundary Commission or any Court, or other adjudicative body, be considered as admission by either the Township or the Village that any of the properties should be annexed to the Village, except after the expiration of the term of this Agreement or earlier termination by mutual agreement in accordance with paragraph E below. The parties further covenant that neither party will initiate any proceeding before the State Boundary Commission or any Court or other adjudicative body seeking to have this Agreement set aside or voided, except that Township shall have the option to do so only in the event that Village shall be in default in making the payments required under paragraph 5 above. This option shall not preclude the Township from simply bringing an action to compel payment of the monies due under this Agreement. Notwithstanding the foregoing, either party may seek interpretation and enforcement of the terms of this Agreement by legal action in Washtenaw County Circuit Court.

E. This Agreement shall only be terminated by expiration of the term of the Agreement specified in paragraph C, by a final adjudication of a court of competent jurisdiction that this Agreement is terminated pursuant to paragraph D, or by mutual agreement as set forth below; provided, however, that this Agreement may terminate earlier with respect to any particular property in Exhibits A or B if the Village becomes a city. In such case, this Agreement shall terminate as to any such property after the successor city has collected and paid to the Township the taxes levied upon that property for twelve full calendar years after the city assumes jurisdiction.

This Agreement may be terminated at any time by mutual agreement of the legislative body of each party, but such legislative action shall not be taken until each such legislative body shall have held at least one public hearing. Such termination shall not be effective until December 31 of the year following the date on which the last legislative body resolves to terminate this Agreement. Notwithstanding the foregoing, the parties may by mutual agreement establish an earlier or a later termination date.

Unless otherwise mutually agreed to by the Township and the Village (or its successor city), or ordered by a court of competent jurisdiction, all properties set forth in Exhibit A and all properties set forth in Exhibit B which have been conditionally transferred shall be finally transferred upon termination of this Agreement. "Upon termination" shall mean the last moment this Agreement is in effect. As to all other properties and under all other circumstances, upon termination of this Agreement, the properties shall be returned to the Township, which shall then and there exercise all jurisdiction over said property, except that the Village or city shall be required to continue to furnish sewer and water services to any properties receiving them at rates in accordance with the ordinances and general practice of the Village or city, but not to exceed 150% of the rates which would be charged to such properties if they remained in the Village or city.

*City studies*

F. This Agreement shall bind the parties hereto, and any successors or assigns, and in particular any city which shall be a successor to Village, and shall be deemed to run with the land, and a certified copy hereof shall be recorded at the joint expense of the Village and Township in the Office of the Register of Deeds for Washtenaw County. The Village Clerk shall promptly file a duplicate original of this Agreement with the Washtenaw County Clerk and with the Secretary of State.

IN WITNESS WHEREOF, the parties hereto have executed four duplicate originals of this Agreement as of the day and date first above written.

Witnesses:

TOWNSHIP OF WEBSTER

\_\_\_\_\_

By:

Donald W. Zeeb  
Its Supervisor

\_\_\_\_\_

By:

Wana M. Baldus  
Its Clerk

Signed and delivered by authority of the Township Board at a \_\_\_\_\_ meeting of said Board held in accordance with the Open Meetings Act of the State of Michigan on \_\_\_\_\_, 1997, at which meeting a quorum was present.

Dated: \_\_\_\_\_

Wana M. Baldus  
Township Clerk

Jon Rud

Donna L. Fisher

VILLAGE OF DEXTER

By: Philip J. Harbour  
Philip J. Harbour  
Its President

By: Donna L. Fisher  
Donna L. Fisher  
Its Clerk

Signed and delivered by authority of the Village Council at a regular meeting of said Council held in accordance with the Open Meetings Act of the State of Michigan on April 14, 1997, at which meeting a quorum was present.

Dated: April 14, 1997

Donna L. Fisher  
Donna L. Fisher  
Village Clerk

Pink - Exhibit A  
H. Green - Exhibit B  
D. Green - Exhibit C

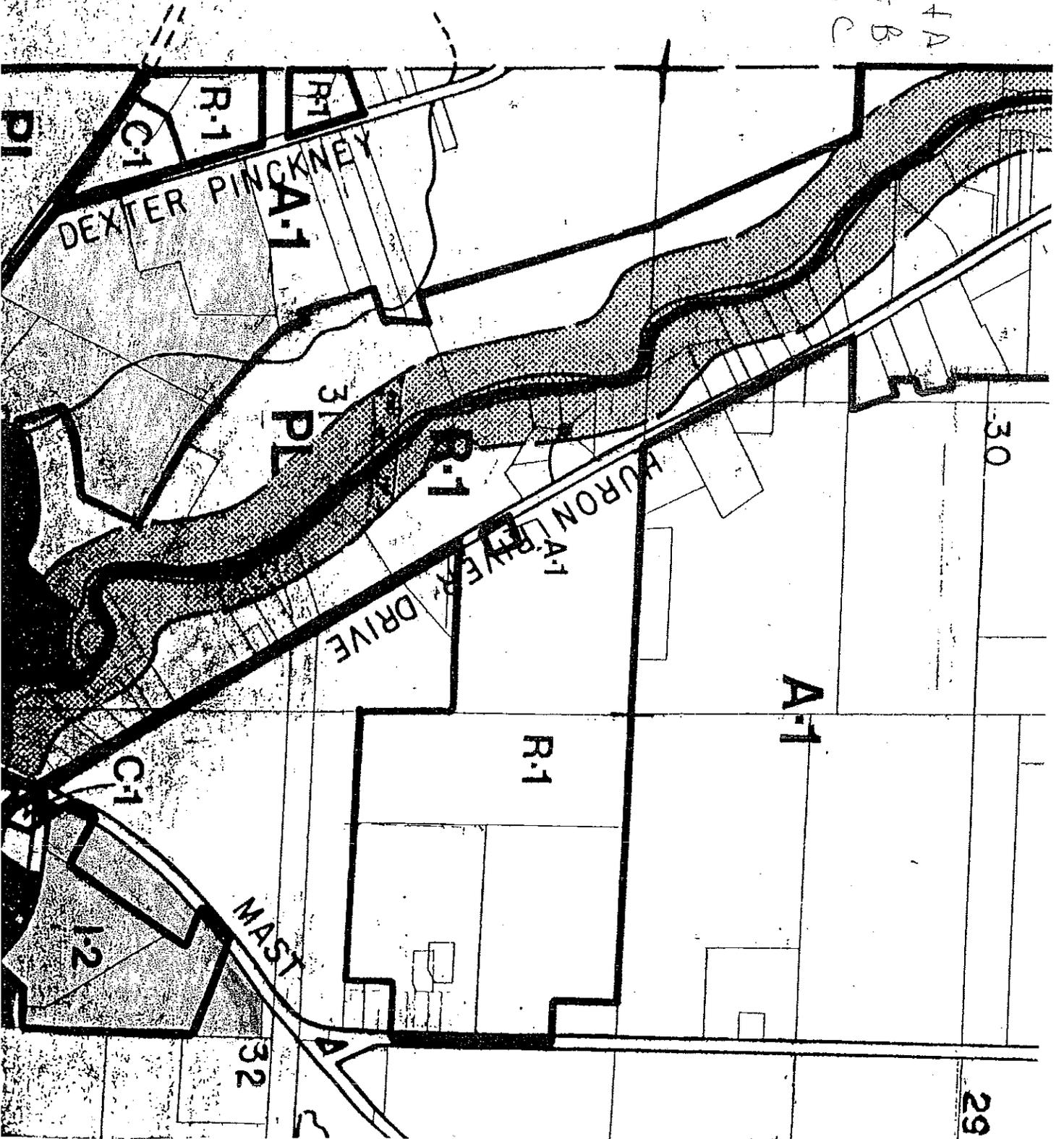


EXHIBIT A

A 94.14 acre parcel located in Sec. 31 of Webster Township with frontage on Island Lake Road and Dexter Pinckney Road (the so-called Fricke property).

A parcel of land in Section 31, T.1S., R.5E., Webster Township, Washtenaw County, Michigan, described as follows: Commencing at the West 1/4 corner of said Section 31; thence S00°15'45"W along the West line of said Section 31 1134.00 feet to the centerline of Island Lake Road as monumented; thence S59°21'51"E along said centerline 283.91 feet; thence continuing along said centerline S53°47'50"E 1000.99 feet to the centerline intersection of Island Lake Road and Dexter-Pinckney Road as monumented and the Point of Beginning; thence N16°04'40"W along said centerline of Dexter-Pinckney Road 1,384.34 feet; thence N73°55'20"E 614.93 feet; thence S52°57'22"E 1,112.62 feet; thence N38°00'00"E 831.53 feet; thence S80°09'00"E 803.99 feet; thence S09°00'00"E 674.13 feet; thence S25°17'46"W 353.45 feet; thence S58°03'30"W 183.12 feet; thence S74°41'20"W 557.82 feet; thence S21°33'10"E 350.39 feet; thence S33°17'20"W 92.45 feet; thence S06°31'20"W 290.51 feet to the Westerly Right-of-Way line of the Conrail Railroad easement; thence S67°51'19"W along said Westerly Right-of-Way line of said Conrail Railroad easement 179.34 feet; thence continuing along said Conrail Railroad easement S59°06'19"W 107.18 feet; thence S66°07'49"W 124.20 feet; thence S66°43'49"W 168.97 feet; thence S62°03'49"W 44.19 feet to said centerline of Island Lake Road; thence N53°48'41"W along said centerline of Island Lake Road 1,412.13 feet to the Point of Beginning. Containing 94.14 acres of land more or less and subject to the rights of the public over the Northeasterly 33.00 feet of Island Lake Road as monumented and Dexter-Pinckney Road as monumented; also excepting a 100.00 foot wide easement on the Easterly side of said parcel parallel to the following two lines S33°17'20"W 92.45 feet and S06°31'20"W 290.51 feet; also being subject to any easements and restrictions of record.

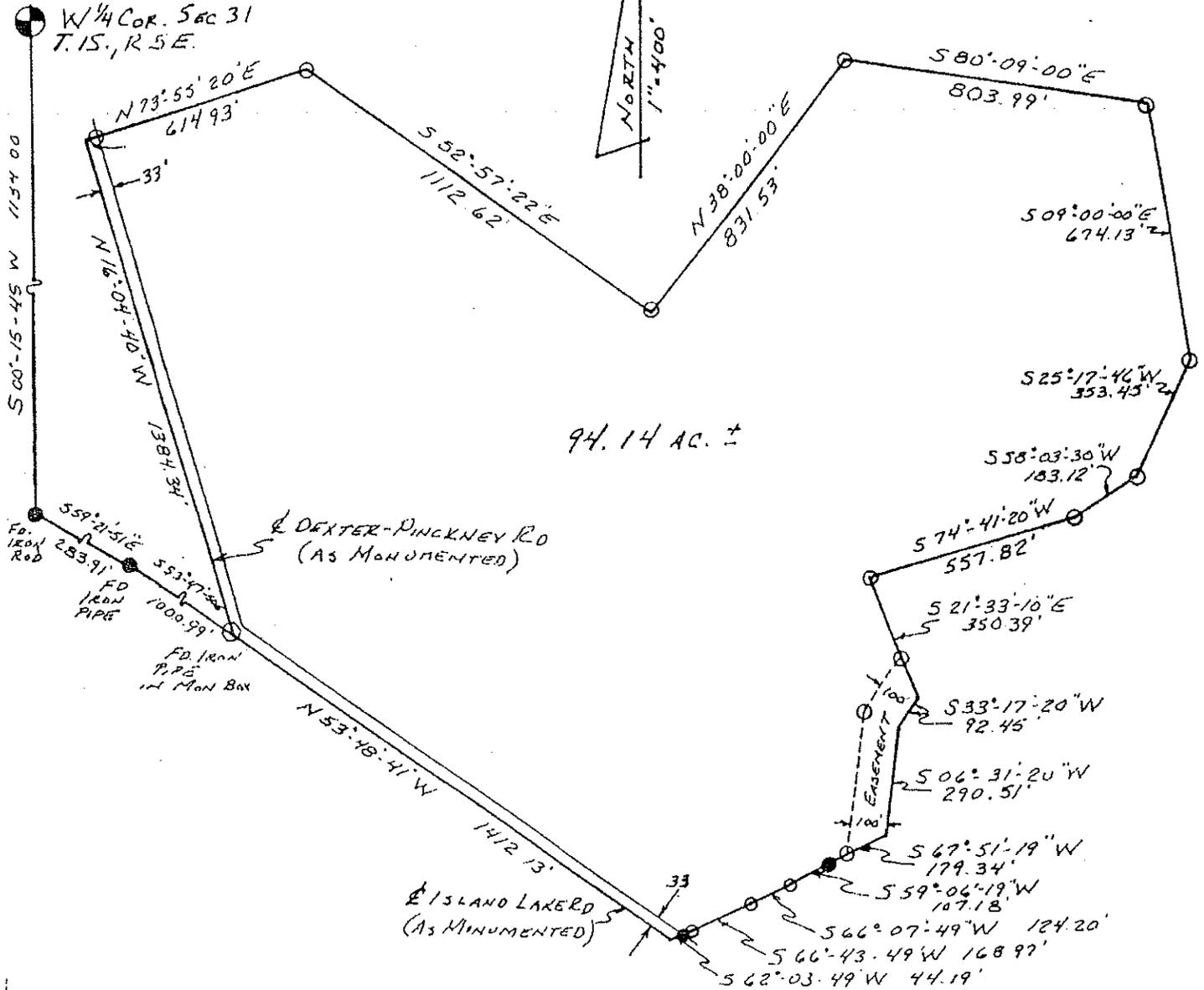
A survey drawing of the parcel is attached hereto.

SECTION CORNER WITNESS

FD 1/2" IRON ROD  
 42" OAK N5°E 7.1 FEET  
 14" HICKORY SOUTH 13.4 FEET  
 12" HICKORY S5°E 13.7 FEET

LEGEND

○ = IRON SET #34971  
 ● = IRON #20712



CERTIFICATE OF SURVEY

BEARINGS ESTABLISHED FROM THE PREVIOUS SURVEY RECORDED IN LIBER 1596, PAGE 312, WASHTENAW, COUNTY RECORDS.

Exhibit A 2062

I HEREBY CERTIFY THAT I HAVE SURVEYED AND MAPPED THE LAND HEREBY PLATTED AND/OR DESCRIBED ON

EXHIBIT B

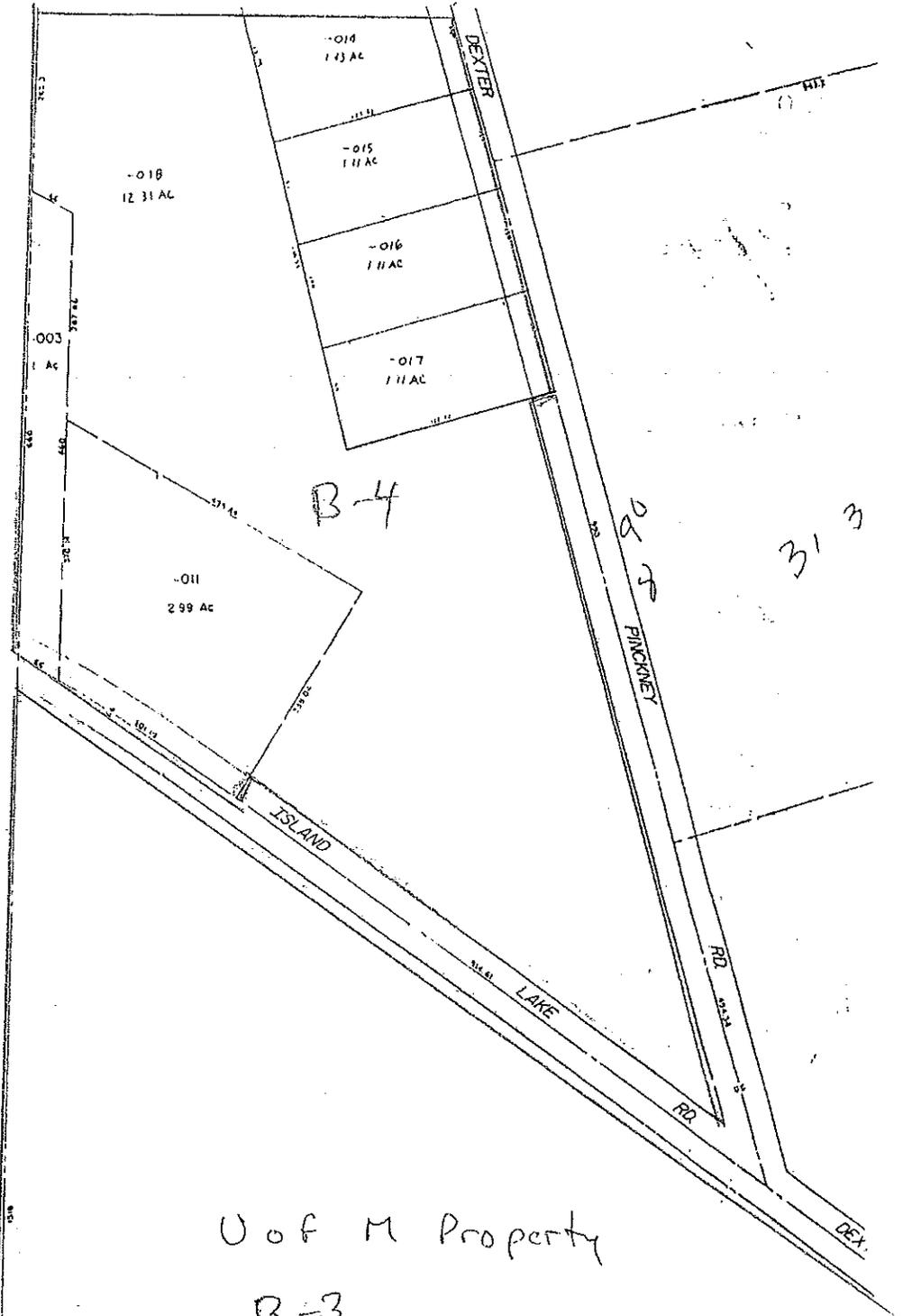
Twenty-eight separate parcels of land as follows:

1. Two parcels of land at the point formed by the intersection of Huron River Drive and Joy Road at Mast Road bearing tax codes 81-03-32-300-006 and -32-300-007 (the so-called Dexter Party Store and Coy properties).
2. A parcel zoned as public land which lies north of Huron River Drive, east of Mast Road and north of the Huron River and has no tax code.
3. The University of Michigan property in the southwest corner of Sec. 31, bearing tax code 81-03-31-300-004.
4. Seven parcels west of Dexter-Pinckney Road and north of Island Lake Road bearing tax codes 81-03-31-300-003, -31-300-011, -31-300-014, -31-300-015, -31-300-016, -31-300-017 and -31-300-018.
5. A series of 10 parcels in Sec. 31 along Huron River Drive bearing tax codes 81-03-31-400-002, -31-400-003, -31-400-014, -31-400-015, -31-400-005, -31-400-006, -31-400-007, -31-400-010, -31-400-011, -31-400-009.
6. A series of 7 parcels in Sec. 32 along Huron River bearing tax codes 81-03-32-300-002, -32-300-014, -32-300-015, -32-300-004, -32-300-016, -32-300-017 and -32-300-018.

Copies of the tax maps generally showing these parcels labelled B1 through B6 are attached hereto.

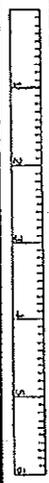


SEE PAGE D-7  
DEXTER TWP



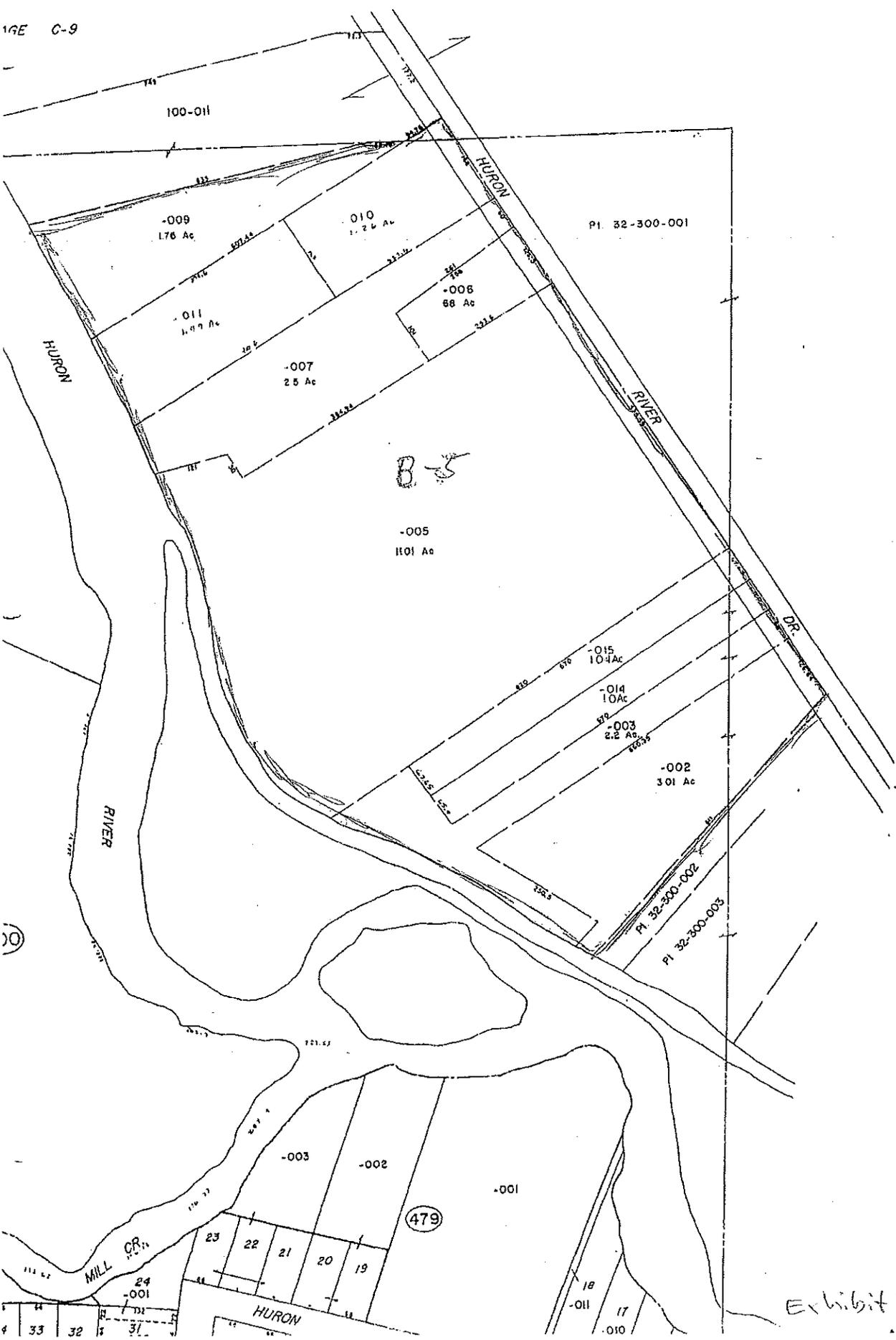
U of M Property  
B-3

-004  
375 AC



SCALE IN 1/4 MILE

16E C-9



SEE PAGE C-9-32-3

Exhibit B, 4 of 5

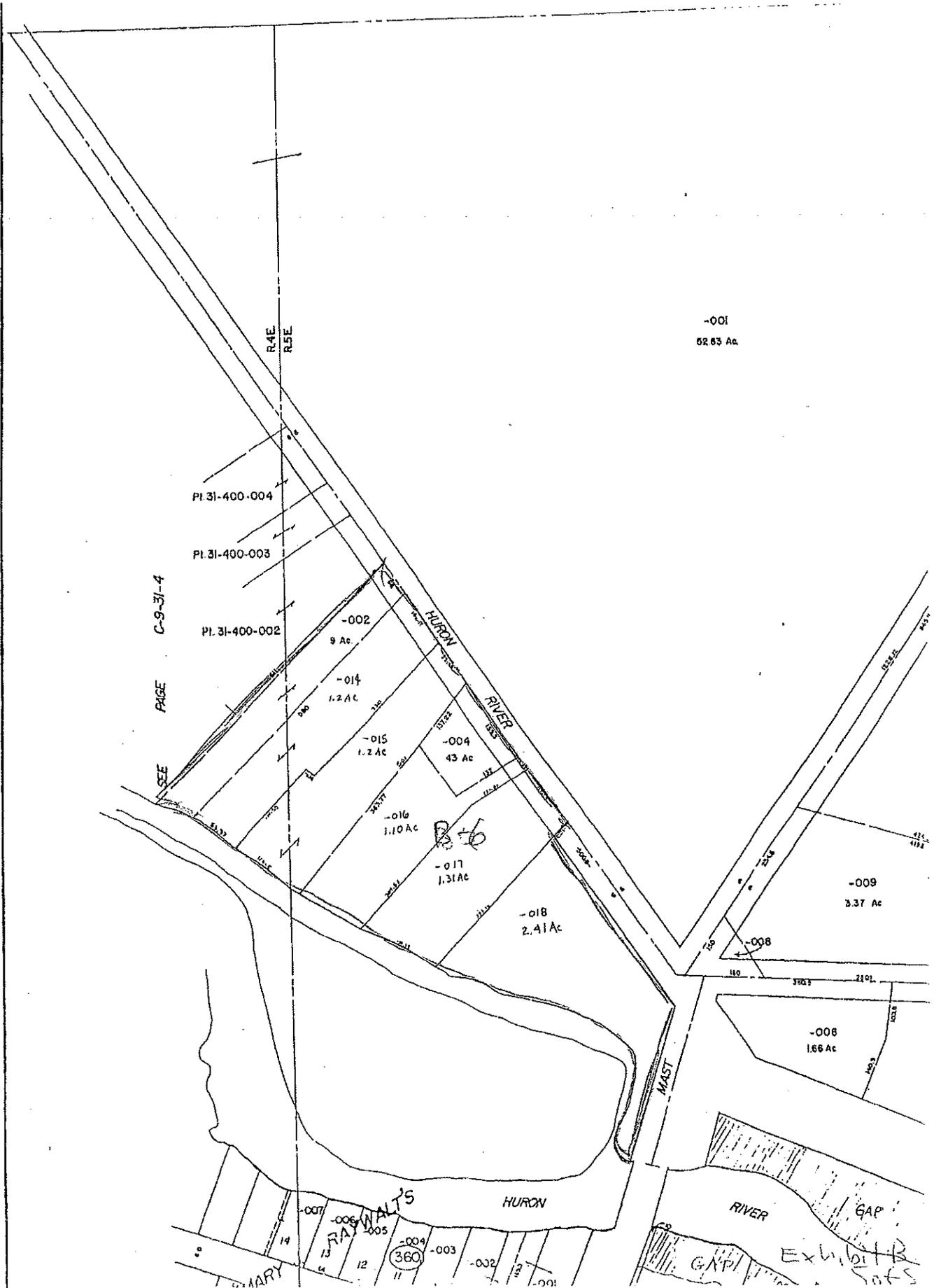


EXHIBIT C

Five parcels of property in Sec. 32 of Webster Township north of Joy Road and east of Mast Road as follows:

1. A 3.37 acre parcel bearing tax code 81-03-32-300-009 and a 17.45 acre parcel bearing tax code -32-300-012 (so-called Smith properties).
2. A 10 acre parcel bearing tax code 81-03-32-300-011 (so-called Agan property).
3. An 18.78 acre parcel bearing tax code 81-03-32-300-010 (so-called Thomson-Shore property).
4. A 6.82 acre parcel bearing tax code 81-03-32-300-013 (so-called Rosentreter parcel).

A copy of the tax map showing these parcels is attached hereto.

33333  
Pl. 400-001  
17711

-013  
682 Ac.

-012  
1745 Ac.

-011  
10 Ac

-010  
18 78 Ac

-009  
337 Ac.

-006  
166 Ac.

-007  
218 Ac.

-001  
469 Ac.

-007  
5 Ac.

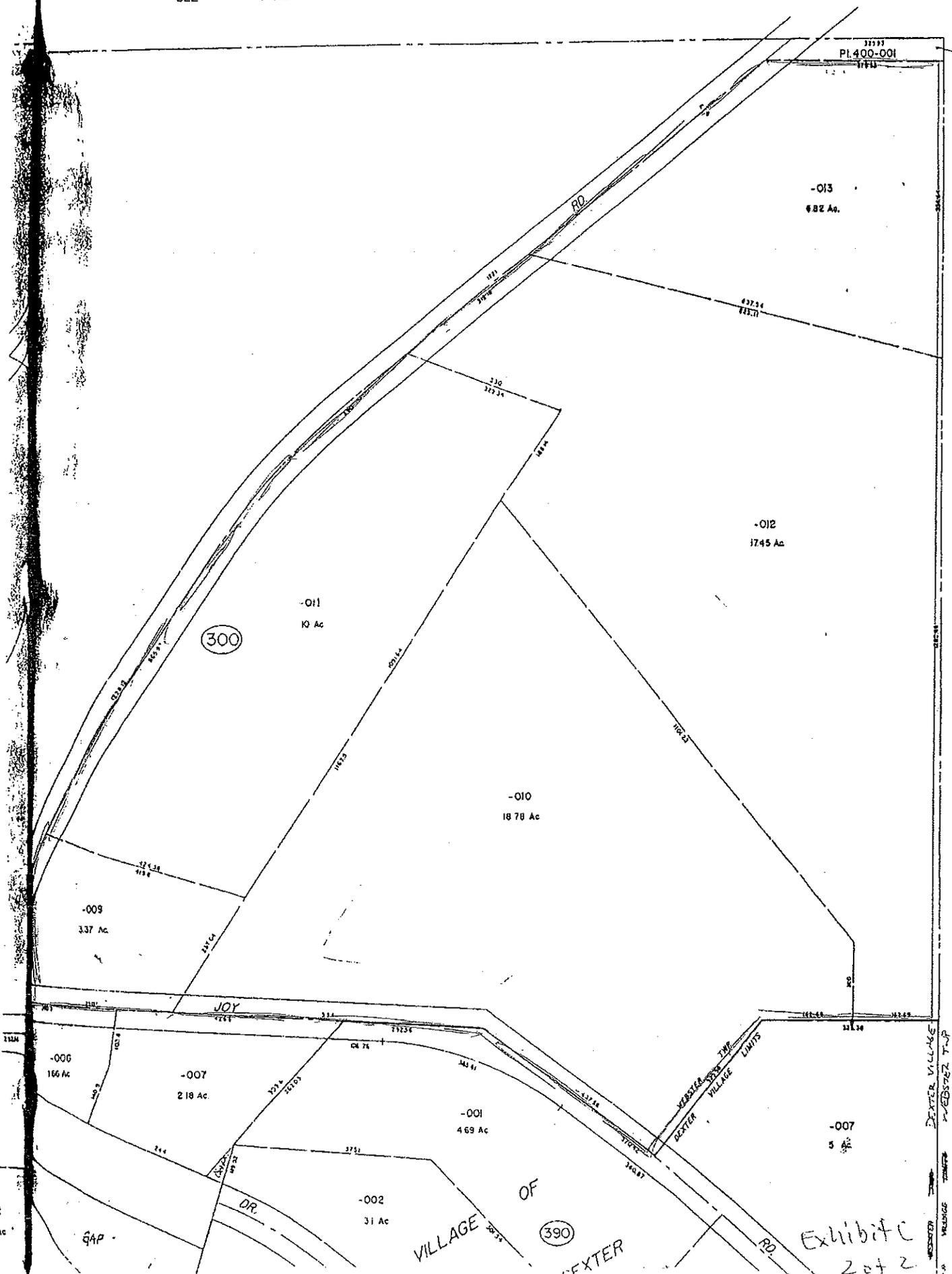
-002  
31 Ac.

(300)

(390)

VILLAGE OF  
DEXTER

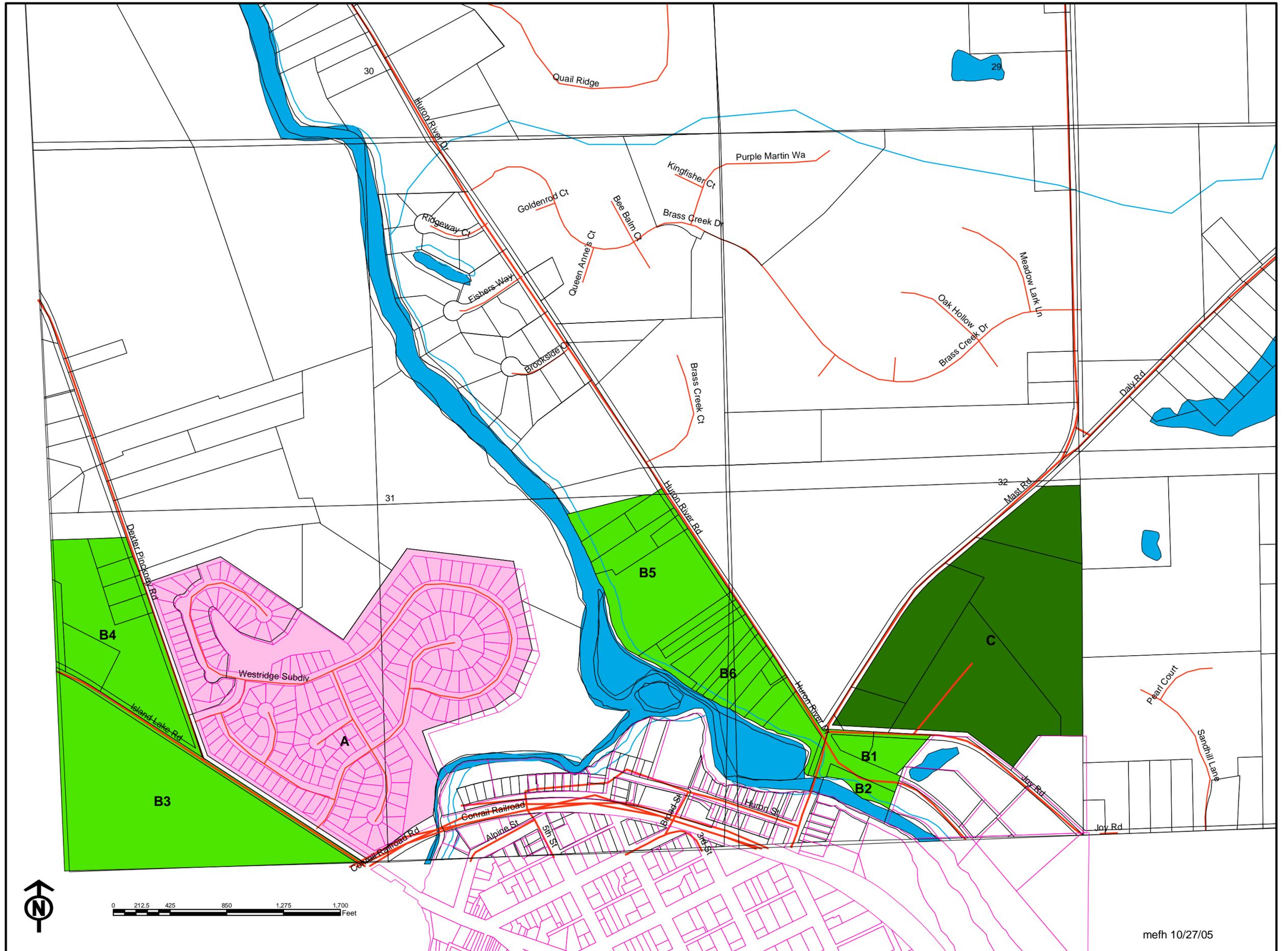
Exhibit C  
2 of 2



# Legend

- Exhibit A
- Exhibit C
- Exhibit B
- lakes\_rivers
- roads

# 425 Agreement with Dexter June, 1997



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**Law Office of Thomas J. Ryan, P.C.**

2055 Orchard Lake Road, Sylvan Lake, MI 48320

248-334-9938

# Memo

**To:** Shawn Keough, City Mayor and Courtney Nicholls, City Manager  
**From:** Tom Ryan, Special Counsel  
**Date:** March 8, 2016  
**Re:** 425 Agreement

---

Dear Mayor Keough and City Manager Nicholls:

I have reviewed your request dated February 24<sup>th</sup> and 25<sup>th</sup> regarding the 425 Agreement and its provisions. To your questions, I answer the following:

1. There are three (3) specific types of parcels that are contained in the agreement; Parcels in Exhibit A, B, and C. Regarding the property in Exhibit A, which is the West Ridge neighborhood, that property automatically on the passage of the 425 Agreement became part of the village. The triggering portion for property in Exhibit A is seen in Paragraph 5 of the Agreement. Since the property has already been transferred to the village, once the village became a city, for 12 years the new city must pay the township the property taxes indicated after the city assumed jurisdiction as a city of the property. Upon the expiration of the 12 consecutive years of payment of the millage amount indicated to the township, there is no payment owed to the township and the Exhibit A property is no longer under the jurisdiction of the 425 Agreement.

2. As to Exhibit B, this property of which only one as I understand it, the Cedars have petitioned to become part of the village, now city, is treated differently. So to Mayor Keough's point in his email, this is more of a rolling obligation between the City and the Township. Once a property in Exhibit B ops to come into the City, the 12 calendar year obligation applies and once the 12 year period has expired, then the property that has opted to come into the City under Exhibit B would be finally and fully a property within the City of Dexter.

Under this scenario it is possible if no other properties deem it in their best interest to petition to join the City, then Exhibit B will extend for the full 50 years, after which time the properties that have not opted into the now City would remain Township property.

March 8, 2016  
Page 2

3. As to Exhibit C, Exhibit C property was never intended to become part of the City, it was only a service agreement for the City to provide water and sewer services to these properties and the Township and the Village specifically limited Exhibit C properties to the providing of these services only. Under the 425 Agreement, properties under Exhibit C were never to become part of the Village or City property and thus there is no financial duty on behalf of the now City to pay the Township any money, except for the provision as to the charge for the services rendered for water and sewer by the now City.

I trust this answers your questions. I would be pleased to discuss this with you further if you wish. I wish you continued best success.

Respectfully submitted,

  
Thomas J. Ryan  
Special Counsel to City of Dexter

Date: March 2, 2016

To: Facility Committee

From: Shawn Keough

Since our last meeting, I have spent some time thinking about how the City could cover the cost of future facility improvements. I recommend we consider a scenario similar to that outlined below.

I asked Courtney and Marie to ask our Finance Consultant (Tom Traciak) to develop the following bond scenarios based upon some very preliminary numbers that we have:

- \$1,300,000 over 10 years (i.e. this is the approximate cost of the purchase of 6,400 square feet in the Mill Creek Terrace Building)
- \$3,100,000 over 20 years (this is the approximate cost of the renovation of Existing Fire station based on the latest B-3.1 scenario without the elevator to the park/walkway from Alpine)
- \$4,400,000 over 20 years (combination of the above two scenarios)

Based upon input from Tom Traciak:

- The City of Dexter's debt ceiling is 10% of our current SEV. Currently our SEV is \$237,647,537, which means our debt ceiling is \$23,764,753. We only have approximately \$9,445,000 of that available as of June 30, 2015. Staff thinks this may be lowered due to the reductions in personal property that are included in our current SEV.
- For the City of Dexter, 1 mill generates approximately \$223,377 in revenue.
- Borrowing \$3,100,000 over 20 years would require an annual payback of approximately \$225,000 (based on current interest rates). We can generate \$225,000 in revenue in our General Fund by increasing our General Fund millage by approximately 1 mill.
- Borrowing \$4,400,000 over 20 years would require an annual payback of approximately \$319,000 (again, this depends on interest rate). We can generate \$319,000 in our General Fund by increasing our General Fund millage by approximately 1.45 mills.
- After 2016-2017 Fiscal Year, the GO Bond Obligation ends, reducing the total millage by approximately 0.65 mills.
- Fiscal year 2025 is the last year that we have payments on the 2006 Facility Bond which means in 2025 our General Fund will no longer have payments of \$127,000 per year (equals. 0.5 mills).

Based on the above information, Council can solve our two largest space needs with a scenario such as:

<u>Fiscal Year</u>	<u>Net Millage Increase over 14.0562</u>	<u>Increased Cost per \$100,000 in Taxable Value</u>	<u>Notes</u>
2016	1.45 mills	\$145	Begin on July 1, 2016
2017	0.80 mills	\$ 80	GO Bond Expires
2018	0.80 mills	\$ 80	
2019 – 2025	0.80 mills	\$ 80	Bond Years 4 thru 10
2026	0.30 mills	\$ 30	2006 Fac. Bond Expires
2027 – 2035	0.30 mills	\$ 30	

The net effect would be that our General Fund would see an increase of 1.45 mills starting in July 2016, but with the elimination of the GO Bond (0.65 mills), our taxpayers would only see an overall 0.80 mill increase in the first 10 years, and could be reduced to 0.30 mills in the second 10 years of the 20 year bond.

If we don't want to increase taxes by 1.45 mills in the first year, we could increase them by only 0.80 mills (to be consistent) and use approximately \$140,000 from our Facility Reserves to offset the difference in the first year's payment. This would allow us to keep the net increase to approximately 0.8 mills.

We could accomplish all of this and we would still have the lowest millage in Washtenaw County.

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**GOALS AND OBJECTIVES FOR FY ~~2016-2017~~2015-2016**

Established during Budget Planning Work Sessions

Good financial health is the cornerstone to all municipal operations, and the City of Dexter is committed to practicing sound financial management to ensure fiscal sustainability for current community members and for future generations.

**GOAL:** *To create an atmosphere of economic competitiveness for both residents and our business community.*

**OBJECTIVE:** Maintain a competitive tax rate in relation to similar communities within Washtenaw County in particular, and Southeast Michigan in general, by:

- Ensuring that the City millage rate meets the following standards:
  - Be in the lowest one-third of ~~all-city and C~~city millage rates in southeast Michigan (Livingston, Jackson, Macomb, Monroe, Oakland, Washtenaw, and Wayne counties);
  - Be lower than the average city millage rate for Washtenaw County (Ann Arbor, ~~Barton Hills,~~ Chelsea, Dexter, ~~Manchester,~~ Milan, Saline, and Ypsilanti).

**OBJECTIVE:** Maintain a strong, ongoing commitment to economic development by;

- Assisting the DDA in implementing its Development and TIF Plan by participating in the marketing and redevelopment efforts for 3045 Broad Street.
- Stimulating the local economy by ensuring that relevant bid opportunities are advertised to local companies.
- Updating Economic Development Strategy (i.e. Economic Enhancement Program).
- Conduct at least one business forums/summit in partnership with Ann Arbor Spark.
- Establish a partnership with Washtenaw Community College Workforce Development.
- Research opportunities for the expansion of the Business Park and for providing space for tech companies and other office uses.

**GOAL:** *In order to foster fiscal sustainability, the City shall adhere to best practices recommended by various boards and organizations such as the Government Accounting Standards Board (GASB), the Government Finance Officers Association (GFOA), and the Association of Public Treasurers of the United States and Canada (APT US&C), and shall follow the rules of Generally Accepted Accounting Principles (GAAP).*

**OBJECTIVE:** Seek the industry recognition of best practices by applying for and receiving awards for financial management excellence such as;

- The GFOA's Distinguished Budget Presentation Award.

OBJECTIVE: Implement GASB pronouncements on or before their required implementation dates.

- The GFOA's Certificate of Excellence in Financial Reporting.
- The APT US&C's Investment Policy Certification.

- ~~For Fiscal Year 2014-2015 year end (audited in FY 15-16), GASB Statement No. 68, Accounting and Financial Reporting for Pensions, shall be implemented.~~
- For Fiscal Year 2016-2017 year end (audited in FY 17-18), GASB Statement No. 77, Tax Abatement Disclosures, shall be implemented.
- For Fiscal Year 2017-2018 year end (audited in FY 18-19), GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, shall be implemented.

OBJECTIVE: Maintain a bond rating through Standard and Poor's Rating Service of at least A-.

GOAL: *The City shall strive to use its limited resources wisely and to seek out sources of revenue beyond those provided by City property owners.*

OBJECTIVE: Maintain a fund balance (reserves) for emergencies;

- 15% of annual operating revenue in the General Fund.
- 50% to 75% of operating expenditures in the enterprise funds.

OBJECTIVE: Recognizing that legacy costs, such as pensions and retiree health care, place a large burden on future generations if not properly addressed in the present, the City will strive to;

- Maintain the Municipal Employees Retirement System (MERS) defined benefit retirement plan at a level between 85% and 100% of funding, as determined by the MERS actuarial study.
- Set aside a minimum of \$95,000 per year for Other Post Retirement Benefits (retiree health care) until such time as there is an 80% funding as determined by an actuarial study. Based on the updated actuarial report received in 2016, determine if \$95,000 is the correct level of funding for retiree health care in future years.
- Research options to provide a retiree health care buy-out program for current and future retirees.

OBJECTIVE: In order to gain the most value for limited dollars, the City shall;

- Seek a minimum of \$10,000 across the various funds and activities in outside resources such as grants and revenue sharing.
- Keep total health care within the State of Michigan's guidelines, which may require higher employee contributions.
- Meet the State of Michigan's requirements for collaboration under the Economic Vitality Incentive Program, to include areas such as fire protection, police protection, roads, parks, and other public infrastructure.

OBJECTIVE: In order provide the best funding resources for essential emergency services;

- Research impact of a dedicated public safety millage and removing those costs from the General Fund.

A primary function of government is to provide our residents and businesses with the public infrastructure necessary for them to carry out their daily lives in peace and safety. This includes maintaining existing infrastructure, and creating new infrastructure as the needs of the government and our residents change.

**GOAL:** *To provide our residents and businesses with cost effective, safe, and efficient delivery of public utilities such as sewer services, water delivery and storm water management.*

**OBJECTIVE:** Seek out operating improvements that will allow the City to limit rate increases to 3% per year by Fiscal Year 201~~5~~<sup>6</sup>-201~~6~~<sup>7</sup>. This includes the following actions:

- Annually update the Utility Rate Study in house, with a formal update by the City's financial advisor every three years. A formal update shall be done in Fiscal Year 201~~5~~<sup>6</sup>-201~~6~~<sup>7</sup>.
- Explore funding opportunities for utility infrastructure improvements for 3045 Broad Street.
- Review and update the sewer and water ordinances to address rental units and ensure uniformity between the two ordinances.

**OBJECTIVE:** Ensure efficient delivery of public utility services by:

- Assessing the impact of food processing businesses on sewer operations.
- Pursuing the removal and relocation of the DTE Substation near 3045 Broad Street.
- ~~Increasing the availability of and access to high speed internet in the Dexter Business and Research Park.~~

**GOAL:** *The City is committed to providing the necessary roads, sidewalks, pedestrian crosswalks, and bicycle lanes that our residents and businesses require in order to move themselves, their vehicles and products safely around the City.*

**OBJECTIVE:** Implement the Road Maintenance Plan that was developed for the City in 2014.

**GOAL:** *Public buildings provide a safe and productive environment for City employees to serve our residents and the businesses of the City, and it is a desire of the Council to provide these facilities for the public good.*

**OBJECTIVE:** Study opportunities for the financing of facilities for a City Hall and Council Chambers, Fire Station, and Sheriff Substation based on the Facilities Feasibility Study.

**GOAL:** *Parks provide residents and visitors with beautiful and functional surroundings in which to recreate and relax, and it is a City priority to maintain and protect these valuable public assets.*

OBJECTIVE: Review and update the Parks Master Plan, with updates to be done every five years, ~~continuing the process started in Fiscal Year 2014-2015~~ with the next update being scheduled for Fiscal Year 2020-2021.

OBJECTIVE: Apply for STPU and TAP funding for Mill Creek Park Phase II.

OBJECTIVE: Create a plan for the design and maintenance of First Street Park.

*GOAL: It is a desire of the City to have a centralized mechanism for identifying and determining the feasibility of long-term projects of a wide variety types and uses.*

OBJECTIVE: Provide annual staff assistance to the Planning Commission in the creation of each year's Five Year Capital Improvement Plan, and use their findings in the annual budget process to identify projects that shall be funded in Fiscal Year 2016~~5~~-2017.

**One of the main reasons people choose to live and bring their business to a particular place is the quality of life that is found within a community. The health, happiness and well-being of a community can be greatly impacted by the choices that their government leaders make when deciding funding priorities.**

*GOAL: To provide the community with opportunities to experience arts, culture, nature, recreation, area-grown and crafted food and goods, and gardening experiences.*

OBJECTIVE: Provide the Arts, Culture and Heritage Committee with the resources necessary to hold the Plein Air event and facilitate temporary art, as set out in the Arts Plan. Develop a mechanism in which to facilitate the permanent placement of temporary art that is popular with the residents of the City.

OBJECTIVE: Hold six special events at the Farmers Market.

OBJECTIVE: Provide space annually on City property for a Community Garden.

*GOAL: Public transportation is an important part of a community's quality of life, and it is the City's desire to facilitate opportunities for public transportation.*

OBJECTIVE: Contract with the WAVE to provide door-to-door services at a minimum of five days per week, and to maintain bus routes within the City of Dexter.

*GOAL: Recognizing that non-profit and community-based organizations provide valuable services to our residents, the City will help these organizations to the extent allowed by State Law.*

OBJECTIVE: Support the Dexter Senior Center and the Dexter Area Historical Society by providing an annual contribution of \$1,000 and \$250, respectively, to go towards services provided to Dexter residents.

**The flow of information, from the government to the people and from the people to the government, is vital for a government to be able to understand and meet the needs of its citizens and businesses.**

**GOAL:** *The City commits to providing mechanisms to share information with the public in a wide variety of platforms.*

**OBJECTIVE:** Use the following tools to communicate with the public:

- Hold a minimum of two community meetings each year to interact with the public on a variety of issues and topics relevant to the community of Dexter.
- Post a minimum of 24 news and information items per year on the City's website.
- Post a minimum of 48 news and information items per year on the City's Facebook Page.
- Provide an email update at least twice per month.
- Place one advertisement per year with Adams billboard to promote activities supported or sponsored by the City.
- Publish four newsletters per year.
- By the end of Fiscal Year 201~~5~~<sup>6</sup>-201~~6~~<sup>7</sup>, create a social media/website policy that addresses the City's website, Facebook page, and any future forms of communication such as YouTube, Twitter and Pinterest. Develop a plan to use electronic media, such as surveys and social media sources, to engage the public.

**OBJECTIVE:** *Develop a plan to fund and replace signs throughout the City to read City of Dexter instead of Village of Dexter.*

**GOAL:** *Volunteerism is vital to help the City achieve its goals, and it is important that our volunteers feel needed and appreciated.*

**OBJECTIVE:** ~~*By the end of Fiscal Year 2015-2016, develop a citizen recognition guideline to provide a mechanism for rewarding and thanking volunteers and others who help to make the City a desirable place to live, work and play.*~~ *Develop an award program for City volunteers and others who help to make the City a desirable place to live, work and play.*

**GOAL:** *Communication with neighboring communities and other governmental and quasi-governmental organizations is important to facilitating regional and inter-local cooperation.*

**OBJECTIVE:** Participate in regional boards, commissions and joint endeavors to foster cooperation and ensure that Dexter's interests are taken into consideration when regional decisions are being made.

**A government is only as good as the people/employees involved, and investment in employees is an important part of creating an organization that responds best to the people that it serves.**

**GOAL:** *It is important to support employee and general public safety in the delivery of all public services, and encourage that services are provided in as safe a manner as possible.*

**OBJECTIVE:** Develop a Comprehensive Health & Safety Program and fund ongoing annual safety training onsite and offsite for employees.

**GOAL:** *It is important to have a workforce well educated in their job duties, and to provide for the availability of that training.*

**OBJECTIVE:** Each employee should have the opportunity to attend one out-of-house training session, if desired, to enhance their job performance.

**OBJECTIVE:** Disseminate through staff meetings or written documents the City's commitment to excellent customer service, to include the following:

- All customers are to be treated in a friendly and respectful manner.
- Staff is responsible for gathering follow-up contact information, if necessary, so that the appropriate employee or official can follow-up with the person initiating the contact.
- Customers will be directed to the appropriate employee or official in an expeditious manner.
- Customer concerns will be responded to as soon as possible, and no later than 24 hours after the initial contact.
- Implement the Citizens Request software module on the City's website to facilitate better reporting of citizen concerns.

**OBJECTIVE:** Accepting the status quo can lead to performance stagnation, so management will conduct staff meetings at least quarterly to discuss ways that overall performance can be improved.

**GOAL:** *In order to adequately perform their jobs, employees must have the necessary tools and equipment available.*

**OBJECTIVE:** Research ~~telephone~~, asset management and document management systems. Develop plans for the upgrading and replacement of computer systems and workstations.

**Public safety** is one of the most important services that a government can provide. Beyond the basics of police and fire protection, public safety also encompasses emergency and disaster management, traffic and pedestrian safety, and general cleanliness.

**GOAL:** *As the 2012 tornado proved, emergency and disaster preparedness is important, both for City employees and for its residents and businesses. The City commits to providing the means for training and distribution of safety materials.*

**OBJECTIVE:** Dexter's Emergency Action Guidelines will be disseminated to employees, residents and businesses in the following manner:

- Employees will have annual in-house training.

- Dexter-specific information will be distributed annually through at least one of the mass communication methods commonly used by the City.

**GOAL:** *Police and fire services shall be provided in an efficient and responsive manner, and in the most economically viable manner.*

**OBJECTIVE:** Continue to participate in the Washtenaw County Police Services Steering Committee to ensure that police services are both economical and efficient.

**OBJECTIVE:** Continue negotiations with surrounding townships on further consolidation and regionalization of fire services.

- Maintain presence on the board of the Dexter Area Fire Department, and receive quarterly reports to Council on financial and operational matters.

**GOAL:** *Traffic patterns and enforcement shall be conducive to overall public safety.*

**OBJECTIVE:** The RadarSign shall be used on a minimum of twelve different local roads throughout the fiscal year.

**GOAL:** *Public infrastructure cleanliness needs to be managed in a manner that promotes not only aesthetics but also public safety.*

**OBJECTIVE:** The Department of Public Works shall perform the following functions:

- Clean all downtown sidewalks and pedestrian paths to remove loose impediments at least monthly.
- Sweep City streets in accordance with the set maintenance plan.
- Pick up brush, leaves, and Christmas trees in accordance with the set maintenance plan.
- Remove trash from downtown receptacles in accordance with the set maintenance plan.

**The City recognizes that the environment is important to our residents and businesses, and that government plays a vital role not only as stewards of the environment, but also as educators.**

**GOAL:** *Addressing sources of water pollution is important to the overall quality of life within the City.*

**OBJECTIVE:** The City shall address the sources of water pollution in the following manner:

- Educational materials about the use of fertilizers with phosphorous, use of rain barrels and rain gardens, and other relevant environmental information shall be distributed annually through at least one of the mass communication methods commonly used by the City

OBJECTIVE: In order to reduce the use of paper and other resources associated with the creation of Council packets, research electronic packets for Council and other boards and commissions.

Governments often create plans, documents, and goals and objectives to help guide decision makers in the creation of public policy and the expense of public funds. It is important that these documents be reviewed regularly to make sure that they are still relevant to current situations and future needs.

**GOAL:** *The City staff, commissions, and elected officials need to review City plans and documents to ensure both familiarity with them and their relevance to planning and policy.*

**OBJECTIVE:** The City staff, commissions, and/or elected officials shall review all or part of the following documents at least once per year:

- The Master Plan and Capital Improvement Plan to aid in policy and budget decisions.
- The Park and Recreation Master Plan and Tree Management Plan as a guide to decisions affecting the parks, recreation and community forestry activities and budget decisions.
- The Downtown Development Plan and Economic Development Strategy as guides for economic and development activities within the plan area.
- The budgetary goals and objectives to plan out activities for the current and future budget years.

From time to time, Council and Staff identify items that are not practical to have as a current objective, but that are desirable to keep in the public consciousness.

**Policy Area:** *Public Infrastructure*

**GOAL:** The City is committed to providing the necessary roads, sidewalks, pedestrian crosswalks, and bicycle lanes that our residents and businesses require in order to move themselves, their vehicles and products safely around the City.

~~**OBJECTIVE:** Gather regional support for a new railroad viaduct on the City's western entrance.~~

**OBJECTIVE:** Research walkability scoring and develop a plan to improve the City's walkability score.

**OBJECTIVE:** Create storm water plan, also addressing funding through the SAW Grant.

**Policy Area:** *Quality of Life*

**GOAL:** Recognizing that non-profit and community-based organizations provide valuable services to our residents, the City will help these organizations to the extent allowed by State Law.

OBJECTIVE: Develop a system to recognize people and organizations that help with donations of goods and services that used in areas like the beautification of the City, and to encourage the support of community-based groups.

~~Policy Area: Flow of Information~~

~~GOAL: The City commits to providing mechanisms to share information with the public in a wide variety of platforms.~~

~~OBJECTIVE: Develop and adopt a formal Public Participation Plan to enhance the flow of information between government and the people.~~

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	2015-2016 Objective	2015-2016 Result	2016-2017 Action
<b>FISCAL SUSTAINABILITY</b>			
Tax Rate Competitiveness	Be in lowest 1/3 in SE Michigan	16 of 85 (1/3 = 28) Removed Villages	Maintain same objective
	Be lower than Washtenaw Average	Average: 17.5244 Dexter: 14.0562	Maintain same objective
Commitment to Economic Development	Assist with 3045 Broad redevelopment	Worked through steps leading to entering into pre-development agreement with developer	Maintain same objective
	Advertise bids to local companies	Bids requests are placed on website and Michigan Intergovernmental Trade Network (MITN)	Maintain same objective
	Updating Economic Development Strategy		Maintain same objective - consider funding for assistance
	Conduct at least one business forums in partnership with Spark	2 forums in 2015	Maintain same objective
	Establish a partnership with Washtenaw Community College Workforce Development	Initial contact established.	
Financial Best Practices	GFOA Distinguished Budget Award	Award received for FY 15-16	Maintain same objective
	GFOA Certificate of Excellence in Financial Reporting	CAFR template is substantially complete. Next step needs auditor assistance	Work with auditor to complete framework for CAFR prior to audit start and apply for award.
	APT US&C Investment Policy Certification	Received in 2006. Annual recertification is not required	Maintain same objective
	Implement GASB 68	Implemented in FY 14-15 audit	Remove: Complete
	Maintain Bond Rating of at least A-	Bond rating increased to AA 7/2015.	Maintain same objective
Use of Limited Resources	Fundbalance of at least 15% of revenue	FY 15-16 Amended Budget is 25.26%	Maintain same objective
	Reserves of 50% - 75% of operating expenditures in enterprise funds		Maintain same objective
	MERS defined benefit at least 85%	Funded ratio as of 12/31/14 was 80%.	Maintain same objective
	\$95,000 contribution for OPEB	\$95K contributed in 15/16. Bids for actuarial to be requested spring 2016.	Maintain same objective

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
<b>FISCAL SUSTAINABILITY</b>			
Use of Limited Resources (continued)	Seek a minimum of \$10,000 in grants	Received DTE Tree Planting Grant, MMRMA Rap Grant, \$10,000 CTAP Grant, \$8,760 from Washtenaw for Retail Market Analysis, \$20,000 from MHSDA for TMA, \$13,000 for Lion's Park, Will apply for MNRTF Grant	Maintain same objective
	Total healthcare costs within State limit	Maintained compliance	Maintain same objective
	Meet State collaboration requirements	Collaborate with WCRC (B2B), DAFD, Sheriff	Remove - No longer an EVIP requirement
<b>PUBLIC INFRASTRUCTURE</b>			
Public Utilities	Formal utility rate study update every three years.	Scheduled for FY 15/16. Will not be performed due to budget constraints.	
	Explore funding for utility infrastructure improvements for 3045 Broad	Met with MEDC Community Assistance Team. Needs job creation to be eligible for funding	
	Review sewer and water ordinances to update rental properties and ensure uniformity between the two ordinances	In-house review has been started.	Continue process into FY 16/17.
	Assess impact of food processing businesses on sewer processing	Continued to work with NUBCO on permit compliance, will update MAHL study prior to end of fiscal year; increased grease trap enforcement	
	Removal of DTE Substation near 3045 Broad	Continued negotiations with DTE	
	Increase availability and access to high-speed internet in DBRP	Achieved	Remove
Streets and Sidewalks	Implement Road Maintenance Plan	Continued to implement plan	
Public Buildings	Study financing opportunities for facilities, including DDA	Facility Committee has been meeting throughout the fiscal year	
Parks	Review and update Parks Master Plan	Completed	Remove
	Apply for STPU and TAP funding for Mill Creek Park Phase II	STPU received; will apply for MNRTF by April 1	
Capital Improvement Plan	Provide staff assistance for CIP and use in budgeting process	Performed as part of budgeting process	Maintain same objective

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
<b>QUALITY OF LIFE</b>			
Arts, food and gardening	Support Plein Air and temporary art as set forth in Arts Plan	Generated \$2,000 in revenue	Maintain same objective
	Hold six Farmers Market events.	At least 15 events were held (crafts and/or music)	Maintain same objective
	Community Garden	93% of plots were rented.	Maintain same objective
Public Transportation	WAVE five days a week	WAVE operates M-F	Maintain same objective
Recognizing community-based organizations	Support Dexter Senior Center and Historical Society	Budgeted for FY 15-16.	Maintain same objective
<b>FLOW OF INFORMATION</b>			
Communicate with public	2 community meetings per year	Developer Interviews, Parks & Rec Master Plan input sessions, Oil & Gas Workshop, Baker/Shield/Dan Hoey Meeting, 2015 Road Work meeting, TMA tutorial,	Maintain same objective
	Post a minimum of 24 news items on City Website	38 posted as of 2/25/16	Maintain same objective
	Post a minimum of 48 news items on the City's Facebook page	111 posted as of 2/25/16	Maintain same objective
	Email update twice per month	Email updates were regularly sent.	Maintain same objective
	Advertise on Adams Billboard	Advertised Market in September	Maintain same objective
	4 newsletters per year	Two newsletters published	
	Social media/website policy created by the end of FY 15-16	Website Committee has not met.	Maintain same objective
Recognize volunteers	Develop citizen recognition guideline by end of 16-17		
Communicate with neighboring communities and other organizations	Participate in regional boards, commissions and joint endeavors	Staff and Council participate in SEMCOG, WAVE, WATS, DAFD, MML, MMTA, MEDC etc.	Maintain same objective

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
<b>INVEST IN EMPLOYEES</b>			
Employee safety	Develop a health and safety program	Plan drafted and undergoing review.	
Educated workforce	Employees have opportunity to attend one out of house training	Training offered in sewer, water, Microsoft Office programs, as well as professional seminars	Maintain same objective
Customer service training	Disseminate customer service standards through meetings and written documents.	Customer service standards are discussed at group staff meetings	Maintain same objective
Staff meetings	Hold at least quarterly	Administrative staff budget review held quarterly	
Tools and Equipment	Telephone system	New telephone system was implemented	Remove - complete.
	Asset management system	Continued implementation of BS&AA work order software	
	Document management system	Removed from budget due reallocation of resources.	
<b>PUBLIC SAFETY</b>			
Disaster preparedness	Disseminate Emergency Action Guidelines with in-house training		
Police and fire services	Participate in Washtenaw County Police Services Steering Committee Continue negotiations to consolidate fire services	City Manager attends meetings	Maintain same objective
	Maintain presence on DAFD board and receive quarterly reports	Two City representatives sit on DAFD Board. Quarterly reports have been received	Maintain same objective
Traffic enforcement	RadarSign used on a minimum of twelve different roads	Used on approx. 4 streets, will be put out again in Spring	
Cleanliness	Clean sidewalks and paths monthly	All necessary maintenance was performed.	Maintain same objective
	Sweep streets in accordance with maintenance plan	All necessary maintenance was performed.	Maintain same objective

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
<b>PUBLIC SAFETY</b>			
Cleanliness (continued)	Pick up brush, leaves and Christmas trees in accordance with maintenance plan	All necessary maintenance was performed.	Maintain same objective
	Remove trash downtown in accordance with maintenance plan	All necessary maintenance was performed.	Maintain same objective
<b>ENVIRONMENT</b>			
Water pollution	Education materials annually distributed	Information included in newsletter	Maintain same objective
Electronic packets	Investigate electronic packets for Council and other boards and commissions		
<b>REVIEW DOCUMENTS</b>			
Review plans and documents	Review Master Plan and CIP annually	CIP updated by Planning Commission	Maintain same objective
	Review Park & Recreation Plan and Tree Plan annually		Maintain same objective
	Review DDA plan and Economic Development Strategy		Maintain same objective
	Goals and Objectives annually		Maintain same objective
<b>FUTURE ITEMS</b>			
Public Infrastructure	Regional support for new railroad viaduct		Remove per FY 16-17 goal setting.
	Improve walkability scoring		From FY 14-15 goal setting session.
	Create stormwater plan and funding plan		Added for FY 17-18 - March 7, 2015 goal setting workshop
Quality of Life	Develop plan to recognize organizations involved in beautification		From FY 14-15 goal setting session
Flow of Information	Develop a formal Public Participation Plan		Remove