



OFFICE OF THE CITY MANAGER

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

Memorandum

To: Mayor Keough and City Council
From: Courtney Nicholls, City Manager
Re: 2017-2018 Budget Related Public Hearing
Date: 5/5/2017

Each year Council is required to hold a public hearing on the budget and the millage rates that will be used to support that budget. This year the public hearing will be held on June 12, 2017. The public hearing notice will run in the Sun Times on May 17, 2017 and be included on the website, Facebook and in the City e-mail update.

The ad has been drafted based on the input provided at the budget work session on Wednesday, May 3, 2017.

Action Requested

Council is asked to take action to set the public hearing for June 12, 2017.

CITY OF DEXTER
NOTICE OF PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2017-2018
MILLAGE RATE AND PROPOSED FISCAL YEAR 2017-2018 BUDGET

Notice is hereby given that the Dexter City Council will hold a public hearing Monday, June 12, 2017 at 7:30 p.m. at the Dexter Senior Center, 7720 Dexter-Ann Arbor Road, Dexter, Michigan, for the purpose of hearing public comment regarding the proposed fiscal year 2017-2018 Millage Rate and the proposed fiscal year 2017-2018 Budget.

The proposed millage rate, current millage rate and allowable millage rate for real and personal property in the City are as follows:

	2017 (proposed)	2016 (current)	Allowable
General Operating	10.8987	10.2406	12.3390
Streets	3.4075	3.4075	4.9356
General Obligation Debt	0.0000	0.6581	0.0000
Total	14.3062	14.3062	17.2746

The General Obligation Debt millage was used to pay the bond payment for the downtown streetscape project. That bond was paid off in May 2017. City Council is proposing to add the 0.6581 mills to the General Fund to offset the cost of future capital projects, including but not limited to Phase II of Mill Creek Park, the City's share of capital equipment (i.e. fire trucks, hoses, etc.) replacement costs for the Dexter Area Fire Department, and facility needs. The 0.6581 mills will generate approximately \$136,000 per year for capital projects without raising the overall millage rate.

Information regarding the Proposed Fiscal Year July 1, 2017 through June 30, 2018 Budget is available for public inspection at the City Office, on the second floor of the PNC Bank Building, 8123 Main Street, Dexter MI weekdays between 9:00 am and 5:00 pm and online at <http://www.dextermi.gov>.

Statement as required by MCL 141.412 – “The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing.”

Courtney Nicholls
City Manager

Publish: May 17, 2017

Memorandum

To: Mayor Keough and City Council
From: Courtney Nicholls, City Manager
Re: 2017-2018 Utility Rate Ordinance Public Hearing
Date: 5/5/2017

The City Charter requires that rates for our public utilities be set via ordinance. A summary of the proposed water and sewer rate ordinance with 3% water and sewer rate increases will be published in the Sun Times on May 17, 2017 and will also be included on the website, Facebook and in the City e-mail update. The public hearing will be held on June 12, 2017. Since residents are used to seeing their refuse rates as part of the bill we will advertise those rates along with this ad, although there is no requirement to do so. There is no proposed increase for residential refuse rates this fiscal year.

Action Requested

Council is asked to take action to set the public hearing on June 12, 2017

CITY OF DEXTER
NOTICE OF PUBLIC HEARING ON AN ORDINANCE TO SET WATER AND SEWER RATES

Notice is hereby given that the Dexter City Council will hold a public hearing on Monday, June 12, 2017 at 7:30 p.m. at the Dexter Senior Center – 7720 Ann Arbor Street, Dexter, Michigan for the purpose of hearing public comment regarding the proposed Water and Sewer Rate Ordinance.

<u>Water Rates</u>	<u>Current Rates</u>	<u>Proposed 3% increase</u>
Ready To Serve Monthly Fee	\$7.86	\$8.10
First Meter Per 1,000 Gallons	\$3.54	\$3.65
Second Meter Per 1,000 Gallons	\$4.79	\$4.93

<u>Sewer Rates</u>	<u>Current Rates</u>	<u>Proposed 3% increase</u>
Ready to Serve Monthly Fee	\$7.33	\$7.55
Per 1,000 Gallons	\$9.02	\$9.29

<u>Other Charges and Penalties</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
Penalties on Late Charges	2% Cumulative	2% Cumulative
Turn-on and Turn-off Charges	\$35	\$35
Meter Calibration Charge	\$35	\$35
Water Only Meter 1 inch	\$350	\$350

<u>Refuse Rates</u>	<u>Current Rates</u>	<u>Proposed Rate</u>
Monthly Charge	\$17.50	\$17.50

The chart below illustrates the impact the proposed rate adjustment will have on a family using 10,000 gallons of water during a 2-month billing cycle. The overall increase during a 2-month billing cycle would be \$4.72 each billing cycle or \$2.36 per month. The overall percentage increase is 2.47%.

<u>WATER- 3%</u>	<u>Current</u>	<u>Proposed</u>
Ready to Serve Charge	\$15.72	\$16.20
Commodity Charge 10,000 gallons	\$35.40	\$36.50

<u>SEWER- 3%</u>	<u>Current</u>	<u>Proposed</u>
Ready to Serve Charge	\$14.66	\$15.10
Commodity Charge 10,000 gallons	\$90.20	\$92.90

<u>REFUSE</u>	<u>Current</u>	<u>Proposed</u>
	\$35	\$35
	\$190.98	\$195.70

Public comment will also be received on proposed Sewer Surcharge Rate Increase. Extra Strength Surcharges and Industrial Cost Recovery Charges are assessed on commercial/industrial (non-residential) users whose wastewater exceeds certain limits.

<u>Extra Strength Surcharges:</u>	<u>Current</u>	<u>Proposed – 3% increase</u>
BOD in excess of 300 mg/l	\$0.70/pound	\$0.72/pound

Suspended solids in excess of 275 mg/l	\$0.24/pound	\$0.25/pound
Phosphorous as P in excess of 12 mg/l	\$5.14/pound	\$5.29/pound

Industrial Cost Recovery:

Water usage in excess of 22 gpepd	\$0.32 per 1,000 gal.	\$0.33 per 1,000 gal.
BOD in excess of 300 mg/l	\$0.70/pound	\$0.72/pound
Suspended solids in excess of 275 mg/l	\$0.24/pound	\$0.25/pound
Phosphorous as P in excess of 12 mg/l	\$5.14/pound	\$5.29/pound

Courtney Nicholls
Dexter City Manager

Publish: May 17, 2017