

Fiscal Year 2016-2017

City of Dexter Michigan



Budget



8140 Main Street, Dexter Michigan, 48130

City Administration

Elected Officials

Shawn Keough
Mayor

Jim Carson
Councilmember

Julie Knight
Councilmember

James Smith
Councilmember

Ray Tell
Mayor Pro-Tem

Donna Fisher
Councilmember

Zach Michels
Councilmember

Administrative Staff

Courtney Nicholls
City Manager

Dan Schlaff
Superintendent of Public Services

Justin Breyer
Assistant to the City Manager

Marie Sherry, CPFA, ACPFIM
Treasurer/Finance Director

Michelle Aniol
Community Development Director

Carol Jones
City Clerk



The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the City of Dexter, Michigan, for the Annual Budget beginning on July 1, 2015.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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City Manager's Budget Message

June 2016

Dear Mayor Keough and Council Members:

City Administration is proud to present this budget document for fiscal year 2016-2017. Provided as an introduction to this document is a review of the highlights of 2015-2016 and an overview of the projects planned for the upcoming fiscal year.

The City continues to remain in a stable financial position, with a healthy fund balance that exceeds the recommended 15% of expenditures. Maintaining this stable financial position is not without its challenges, however. In fiscal year 2015-2016, the City saw a 29% increase in the cost of fire service. The statutory tax increase based on the rate of inflation was a mere 0.3%. Fiscal year 2016-2017 is also the first year of the implementation of the reduction of the industrial personal property tax. This is reflected in the creation of a new General Fund revenue line called the Local Community Stabilization Share. According to the State of Michigan, the loss of the personal property tax will be reimbursed 100% in fiscal year 2016-2017; however that reimbursement will only be to 2012 levels. There is no guarantee that the revenue to offset the personal property tax loss will be available at this level in future fiscal years. The City continues to take steps to protect our stable financial position despite these challenges by contributing funds to pay down our unfunded liabilities, investing in public safety, and maintaining and enhancing our infrastructure.

Unfunded Liabilities

One key to maintaining financial stability is meeting the challenges of unfunded liabilities head-on. Currently, the City has unfunded liabilities in the pension system and for retiree health care. Over the past several years, changes have been made to current and future employee benefits that have reduced these liabilities. Starting in 2012-2013 \$75,000 of our constitutional revenue sharing from the State of Michigan has been dedicated to the Retiree Health Care Fund. This funding, along with the \$25,600 that is budgeted from current operating revenue in other funds has brought the City's annual payment towards retiree health care to \$100,600 per year.

To proactively manage the current unfunded liability in the pension system, the City has continued to pay a higher monthly payment than is required. Payments made to the Municipal Employees Retirement System of Michigan (MERS) were double the required payment in 2015-2016; the same is true for 2016-2017. The sooner the money gets into the system, the longer it has to grow, which will help reduce the unfunded liability more quickly when compared to making the minimum required payment. Both the retiree health care and defined benefit programs are closed to new employees.

Public Safety

The City of Dexter receives its public safety services from the Washtenaw County Sheriff's Office and the Dexter Area Fire Department. The Washtenaw County Sheriff provides police services for this area through a partnership between the City, Dexter Township and Webster Township that allows all three communities to have 24/7 police coverage. The cost of this service has increased 1% per year for the past three years.

The Dexter Area Fire Department was formed through an interlocal agreement with the City, Dexter Township and Webster Township. The agreement uses runs to allocate the budget of the Department to each participating community. The City's payment to the Department has increased significantly over the years and increased 29% in 2016. The Department is also considering implementing a capital improvement plan that is

likely to require an additional \$100,000 a year contribution from the City for the Department's equipment needs when the Department adopts their 2017 budget in December 2016. In anticipation of this increase, an additional \$100,000 payment to the Fire Department was budgeted in 2016-2017 and a 0.25 mill increase was added to General Fund to offset a portion of the cost. This offset allows the City to continue to fund budget priorities while planning ahead for increased public safety costs.

Maintaining / Enhancing City Assets

Proper maintenance along with cost effective creation and enhancement of infrastructure continues to be a priority for the City.

Roadway & Sidewalks

Significant work on City roadways was completed in 2015-2016. In 2013 a Committee of Council Members and staff was formed to analyze the road network. The work of this Committee has led to a road rehabilitation plan that began to be implemented in 2014-2015. An additional 0.5 mills was levied in the street fund to support payments necessary to sell an \$800,000 bond. These funds, along with the current street millage, were used to implement the plan, which is estimated to bring a majority of the City roads to at least fair condition in five years, using preventative maintenance and rehabilitation strategies. Roadwork completed in 2015-2016 included mill and overlay of various streets in the community, along with a storm water project and crack sealing.

The road rehabilitation will continue in 2016-2017 using a combination of the City millage and funds from a 0.5 countywide road millage that was levied by the Washtenaw County Board of Commissioners in tax year 2015. This work involves a process called cape sealing, which is applied to roads in fair condition to protect the surface by preventing deterioration of the asphalt. Funds will also be used to complete a sidewalk project to fix trip hazards, add a small segment of new sidewalk, and continue upgrading sidewalk ramps at intersections for ADA compliance.

Parks & Trails

The City continues to partner with Washtenaw County Parks & Recreation and the Huron Clinton Metropolitan Authority (HCMA) to increase the trail network in and around the City. The final segment of the Border to Border Trail from Central Street along the railroad tracks to Dexter Huron Metropark was completed in 2015-2016. Fiscal Year 2016-2017 includes funding to complete the wetland delineation that is necessary to plan for the extension of the Mill Creek Park Trail to the Dexter Community Schools' property along Mill Creek.

The 2015-2016 Budget included funding for a new playground. This playground was completed through a partnership with the Dexter Community Schools who provided an easement for land. The park is geared towards children aged five to twelve and was completed with financial support from the Dexter Lion's Club, along with many other organizations, businesses and community groups. Funds are included in 2016-2017 to make upgrades to First Street Park, along with continued maintenance of our current park assets.

Water & Sewer

The City has continued to invest significant dollars into upgrading the water and sewer system.

The failure of a blower at the Wastewater Treatment Plan resulted in the need for a \$290,000 blower replacement project in 2015-2016. Though the project did require the use of reserves, it resulted in a substantial energy savings to the City. This is reflected in a \$20,000 cash rebate received from DTE due to the reduction in energy usage.

For the first time, the 2016-2017 Budget now includes a payment to a restricted capital improvement account. This payment is based on the useful life and replacement cost of three of the plant's most expensive pieces of equipment. Having this restricted reserve fund, in conjunction with proper maintenance of the equipment will result in cash being available for the future replacement of these costly items.

Maintenance of the system was the focus for the water budget in 2015-2016. Continued meter repair and replacement has virtually eliminated all stopped meters along with those that needed to be read by hand instead of by radio signal. This results in a time savings, as well as more accurate billing for water usage. Not budgeting for a capital project in the water fund also allowed us to set aside funds that will be used for required maintenance on the City's 500,000 gallon water tower, which is budgeted for in 2016-2017.

Administration would like to thank the staff that made this budget document possible with their talents and energies along with the staff and community members who commit themselves every day to making Dexter great. We look forward to working with Council and the community to achieve a successful 2016-2017.

Respectfully submitted,



Courtney Nicholls
City Manager

Community Profile



The City of Dexter has remained a community with a small town feel despite the substantial population increase it has seen over the past twenty years. Residents of the City find it a wonderful place to live and raise a family. Surrounded by rural and semi-rural townships, the City provides a place for people to come for shopping, dining, and cultural experiences such as concerts and plays. Dexter has a strong downtown, a Chamber of Commerce, and a Historical Society complete with its own museum. The Dexter Community School District serves the residents of the City as well as the surrounding townships, with all schools (except the high school) and the administration building being located within the City.

Dexter derives its name from the Honorable Samuel W. Dexter, who bought a large tract of land and originated the community. The area was first settled in 1824, and was known as the “Mill Creek Settlement”. It wasn’t until the settlement was platted in 1830 that the name was changed to the Village of Dexter, and organized under the General Law Village Act. In 2014, after an eight year process, the Village of Dexter became the City of Dexter, removing the layer of township government from our residents and taxpayers.

The City is organized as a Home Rule City, with a City Charter that was approved by voters on November 4, 2014. It is governed by a seven-member council, including the Mayor, each serving a staggered four year term. The City of Dexter is a manager-council form of government, with the manager appointing other staff such as the treasurer, clerk, and other department heads.

In the 2010 census, Dexter's population was 4,067. That represented a 74% change since 2000, which was ranked number one in the state for growth in the city and village category. The Southeast Michigan Council of Governments (SEMCOG) estimates that by July 2015, the City's population had risen to 4,911. Most of the subdivisions started in the early part of the 2000's are now built out, but there are opportunities for residential infill projects that may further increase population. However, unless the City expands beyond its current boundaries, overall growth should be modest for decades to come.

Dexter provides many services to its residents, including garbage collection, public water and sewage systems, storm water management, and street construction and maintenance. Public transportation is provided by the Western Washtenaw Area Value Express (W.A.V.E.), which links Dexter to the Ann Arbor and Chelsea transportation systems.

There are eight parks of varying sizes located within the City. The parks contain play areas, natural areas, horseshoe pits, walking trails, bicycle paths, basketball courts and picnic grounds. A central feature of the downtown is Monument Park, which hosts such annual festivals as Memorial Day, Dexter Daze, Apple Daze, the Plein Air Art Festival, and the Chamber of Commerce's Summer Music Series. The Huron River and Mill Creek flow through the City. The 2008 removal of the dam under the Main Street Bridge opened up a wonderful opportunity for the City to create a park containing walking paths, passive entertainment areas, and widespread natural feature protection. This park, named Mill Creek Park, was completed in late 2012 and now has trail connectivity to local Metroparks through the Washtenaw County Border-to-Border Trail.



Principal employers are located in the central business district, and in the 125-acre research and development park. Dexter utilizes the state economic development organization to retain and attract new businesses and industry to the city, and in 2010 the Dexter Economic Development Corporation was reactivated. The City has a Downtown Development Authority (DDA) to oversee improvements to the central business district.

Police services are provided via contract with the Washtenaw County Sheriff's Department. The substation is located on Main Street, in the same building as the fire department. Fire services are provided by the Dexter Area Fire Department (DAFD), which is a regional fire department that provides coverage to the City and some of its surrounding townships. The DAFD has a governing board that consists of government officials and other representatives from its member communities.

Planning and the Budget

Non-Financial Plans

There are many facets of non-financial planning within a government that help to shape and guide the development of an annual budget. Plans are developed by the Planning Commission, the Parks and Recreation Commission, the Downtown Development Authority, the Arts, Culture and Heritage Committee, the Farmers Market/Community Garden Oversight Committee and the Tree Board that have a strong impact both on the goals and objectives of the community and on its budget.

Master Plan

Land use planning is a process that includes choices relating to land use, growth, and the physical development of the community. The purpose of the City of Dexter's Master Plan, which is long-range in nature, is to determine land use and development goals, and to identify the policies and strategies necessary to accomplish those goals.

The Planning Commission, with the assistance of the Community Development Manager and (if needed) the outside planning consultant, is responsible for creating the Master Plan. The Planning Commission completed a major update to the Master Plan in 2012, and started the process to update the Zoning Ordinance in 2016.

Parks & Recreation Facilities Master Plan

The Parks and Recreation Facilities Master Plan, which serves as the guiding document for parks and recreation activities, was originally adopted by the Parks and Recreation Commission in 2009. In order to qualify for grant programs through the Michigan Department of Natural Resources, the plan must be reviewed, updated and readopted every five years. A major update to this Plan was completed in 2015.

This plan addresses existing and future recreation needs; park, greenways and open space development; and the preservation and enhancement of the City's scenic and aesthetic features. The Plan also details specific improvements, costs, priorities and years of completion to better represent the long-range vision of the Parks and Recreation Commission.

Tree Management Plan

Trees are an important part of a community. They provide aesthetic, environmental, and economic benefits. Their natural beauty and grace create a sense of place and soften the urban landscape. Their shade creates pleasant walking environments in our neighborhoods and business districts. They are habitat for wildlife. Trees also produce economic benefits by reducing the costs associated with storm water runoff, reduction of air pollution, and energy consumption.

The Tree Management Plan is the guide for tree management within the City. It will guide implementation of the City's community tree program, including planting, removal, pruning, trimming and other tree work necessary to achieve a quality, thriving community forest.

This plan also serves as the basis for prioritization, scheduling and budgeting for the management of the City's community forest, assuring tree health and survival and bringing long term benefits and reduced liability through the elimination of hazardous conditions.

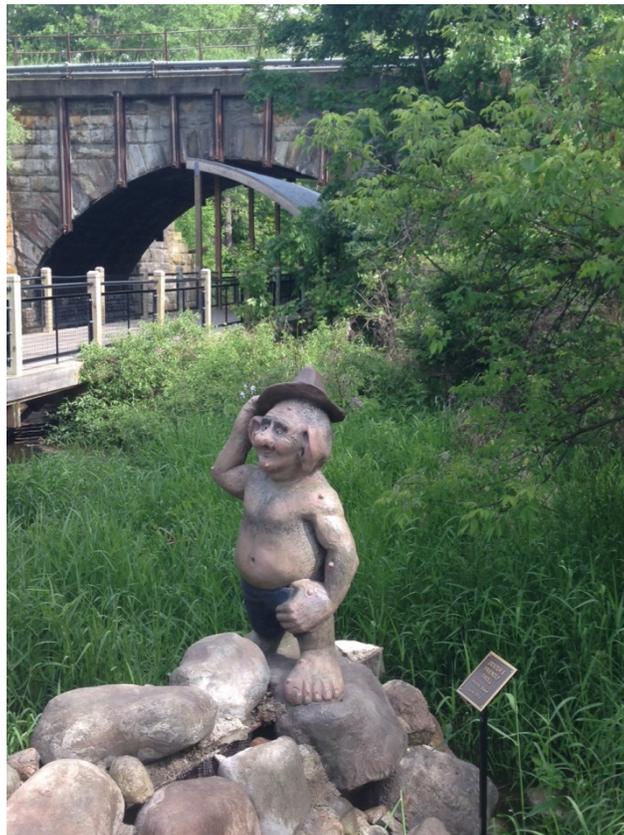
Downtown Development Plan

The Downtown Development Authority Act was created to attack problems of urban decline, to strengthen existing areas, and to encourage new private developments in Michigan downtowns. It seeks to accomplish this goal by providing communities with the necessary legal, monetary and organizational tools to revitalize economically distressed areas, either through public-initiated projects or in concert with privately motivated development projects.

The manner in which downtown development authorities choose to make use of these tools does, of course, depend on the problems and opportunities facing each particular area and the development priorities of the community. Prior to the development of the most recent plan in 2006, in order to determine the scope of problems affecting downtown Dexter and the opportunities available to the community, the Board of the Downtown Development Authority engaged the public, downtown merchants, and local elected leadership through a strategic plan process. The projects and programs identified through this process were used to update the Authority's Development Plan and focus attention on the priorities for continued revitalization for the area, including the redevelopment of old industrial sites and other brownfield areas.

Public Art Plan

The Public Art Plan, adopted in 2012 was designed to identify areas of need for public art in Dexter, to offer examples and visual images which illustrate possibilities for public art, to outline ways in which the allocation of funds will support public art, and to demonstrate how the process of obtaining public art can be put in place. The Arts, Culture, and Heritage Committee is working on an update to this Plan that may result in the creation of a more comprehensive Arts, Culture, and Heritage Master Plan.



Goals and Objectives

Organization-wide goals and objectives are extremely important. They set the priorities for the organization, guiding decision makers as they develop the annual budget.

Prior to the start of each year's budgeting process, the City Council and management meet to discuss organization-wide goals and objectives. Guiding Statements, highlighted in the boxed areas, emphasize broad policy areas. Goals are then developed to support these policies, and short-term and measureable objectives created to show how the City will implement the goals.

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 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, Chelsea, Dexter, 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 forum/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.

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

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

- For Fiscal Year 2016-2017 year end (audit in FY 17-18), GASB Statement No. 77, Tax Abatement Disclosures, shall be implemented.
- For Fiscal Year 2017-2018 year end (audit 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 2016-2017. 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 2016-2017.
 - 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.
- 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, 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 2016-2017.

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 2016-2017, 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: 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, 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: 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.

Budgets and Short-Term Factors

When planning for a budget it is important to identify and evaluate short-term factors that may affect the budgeting process. Factors to be considered may relate to salaries and benefits, fees, capital improvements, program changes, taxes, use of reserves, service level assumptions, unfunded mandates, economic development strategies, inflation, and demographic changes.

The following are short-term factors that affected the development of the City's Fiscal Year 2016-2017 budget.

Dexter Area Fire Department (DAFD)

The DAFD's fiscal year runs from January to December. For their Fiscal Year 2016, the DAFD increased the required annual contribution from the member communities by 29%, which in the case of the City was \$140,000 per year. In addition, the DAFD is trying to establish a capital equipment replacement fund and has requested \$100,000 per year from each community, for at least the next few years. This strain on the City's operating budget is what prompted City Council to raise the operating millage by .25 mills in Fiscal Year 2016-2017, dedicating the revenue from that increase to DAFD capital improvements.

Personal Property Tax Legislation

In 2013, the State Legislature passed a series of laws governing the taxation of commercial and industrial property tax, to be phased in over three years. 2016 is the first year in which the City of Dexter will be substantially affected by this legislation. In the Fiscal Year 2016-2017, property tax revenue is lower than the revenue that the City received in Fiscal Year 2015-2016, even though new housing growth has been strong and the millage rate was increased. The reason for this is that a portion of our industrial tax base has been removed from the tax roll. The replacement for this revenue comes from the newly created Local Community Stabilization Authority, which is reflected in a revenue line in our General, Municipal Streets, and Voted Debt funds. This legislation has promised to hold local communities harmless for their tax losses, but this promise has already been proven false as the millage rates used to calculate reimbursements are the lowest rate charged between 2012 and 2016, and not the current rate. Based on past history with statutory revenue sharing in this state, it is not unreasonable to be skeptical that this revenue stream will remain stable in the future.

Dexter Wellness Center

In 2013, a state of the art health and fitness center called the Dexter Wellness Center opened in the City. The fitness center was built on the site of an old industrial complex, and was the beneficiary of assistance from both the City's Downtown Development Authority (DDA) and the Washtenaw County Brownfield Authority. Also built on the site was a two story building housing the Dexter Pharmacy, and there currently exists a vacant out lot site.

The Wellness Center is owned by the Chelsea Wellness Foundation, a non-profit organization that promotes health and wellness in the five communities of Chelsea, Dexter, Manchester, Grass Lake and Stockbridge. The original plan was for the developer to maintain ownership of the building itself, with the Foundation leasing the premises for their operation. However, at some point in 2013 the Foundation determined that it would be better for them to own the building itself, and the purchase was completed as of December 2013. The expectation by the Foundation is that the property would be tax exempt.

The property was placed on the roll as taxable by the Scio Township Board of Review in 2014 (as the City was then a village and did not have its own assessor or board of review). The Foundation filed an appeal with the Michigan Tax Tribunal, which was adjudicated between 2014 and 2016. The State of Michigan joined the City of Dexter and our Downtown Development Authority (DDA) as interested parties. In early 2016 this case was

decided in the municipalities' favor and the 2014 and 2015 assessments ordered to remain. The Foundation has since appealed this decision to the Michigan Court of Appeals, and has also filed an appeal with the Tax Tribunal for the 2016 tax assessment.

If this parcel is removed from the assessment roll, it would result in an annual loss of approximately \$100,000 to the City's DDA. The DDA is currently holding the tax capture for 2014 and 2015 in escrow, and will continue this practice until the question of the Foundation's exemption is settled. It is possible that this case may go to the Michigan Supreme Court, so the expectation is that the funds will not be available to the DDA in the near future.

Washtenaw County Road Millage

For the past two years, the Washtenaw County Board of Commissioners voted to levy .5 mills for road improvements within the County. The ability to levy this millage without a vote of the people was based on Public Act 283 of 1909, however the Board's action has been challenged in court by a citizens group. Approximately \$100,000 per year was provided from this millage to the City for road projects. For Fiscal Year 2016-2017, the City did not budget for the receipt of these funds as the Board of Commissioners has decided to place this millage on the November 2016 ballot for a vote instead of levying it as they had in the past.

Shield Road Project Water Main

Sixteen years ago, the City, as part of an agreement with Scio Township and Dexter Community Schools, extended water main outside of our boundaries, down Shield Road, to provide water services to a proposed new high school. The main was placed in the road's right of way, as approved by the Washtenaw County Road Commission. Now, the City has been informed that we need to relocate this main in order to facilitate replacement of a bridge, and that the Road Commission is unwilling to provide funding for this relocation. The cost is anticipated to be approximately \$100,000, which was planned to be used for the water tower project – a project that has been put off due to competing interests to the point where it has become a strong priority. If the Washtenaw County road millage is passed, those funds may be used for the water main relocation.

Downtown Redevelopment

There are two large projects being currently being considered for the remaining old industrial areas of the downtown. The project on Grand Street is residential, being done by a private developer, while the project on Broad Street is for a mixed residential and commercial use on property owned by the DDA. The DDA and the City are currently working through a pre-development process for the Broad Street property. Both developments would bring significant tax capture revenue into the DDA.

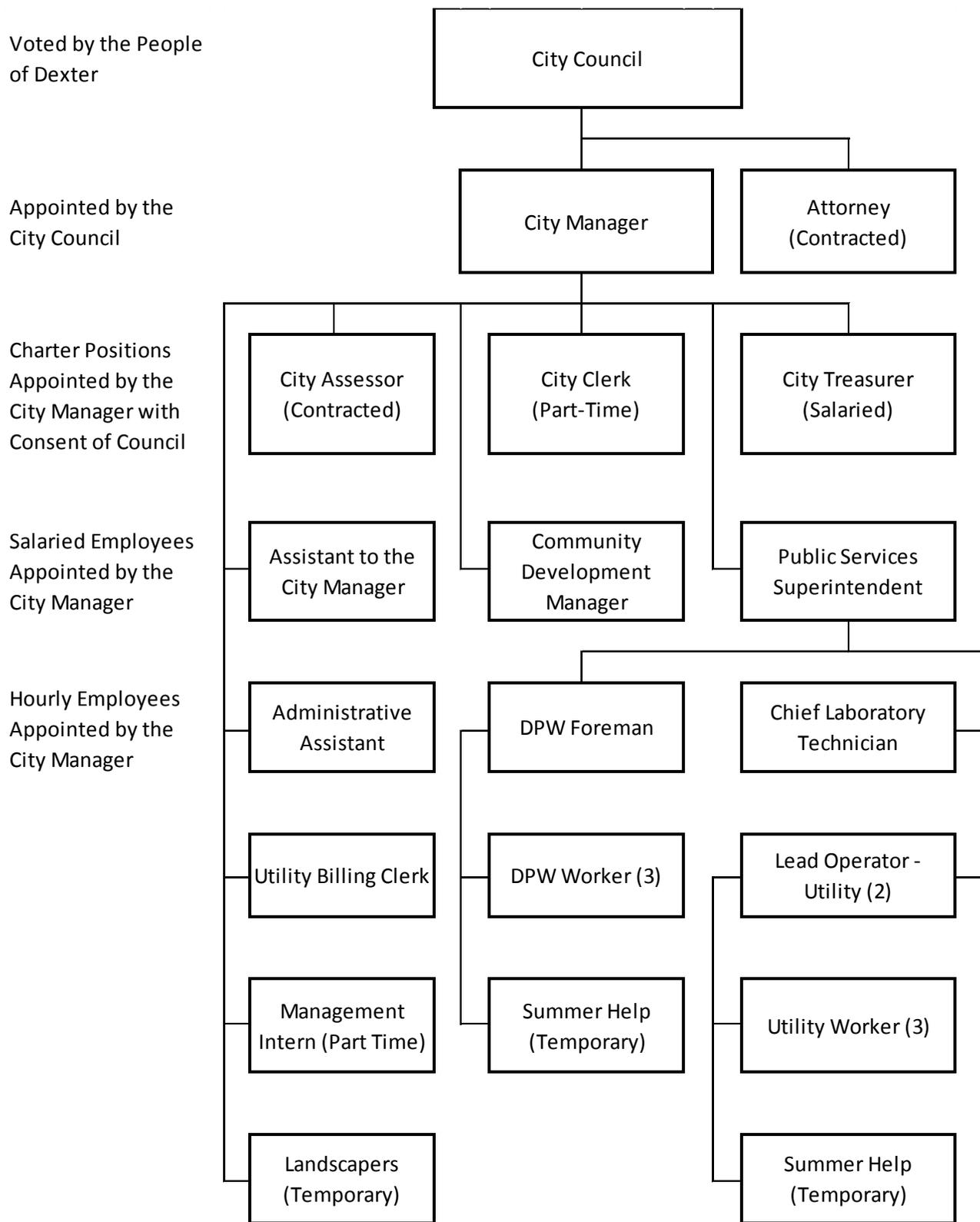
DTE Substation Relocation

In order to facilitate the Broad Street redevelopment, the DTE substation located there must be moved. The City and DTE have come to an agreement on how this should be done, but in order to pay for the removal, City reserves may need to be used because the DDA does not currently have the funds available for the project. Once the new capture is received (or the Wellness Center case finally decided), the DDA would be able to pay back the City.

Cityhood

On November 20, 2014, the Village of Dexter became the City of Dexter, after our residents approved the proposed City Charter. The City will continue to have transition costs over the next several years, mainly involving changing the name on signage, vehicles, and codified ordinances.

Organizational Chart



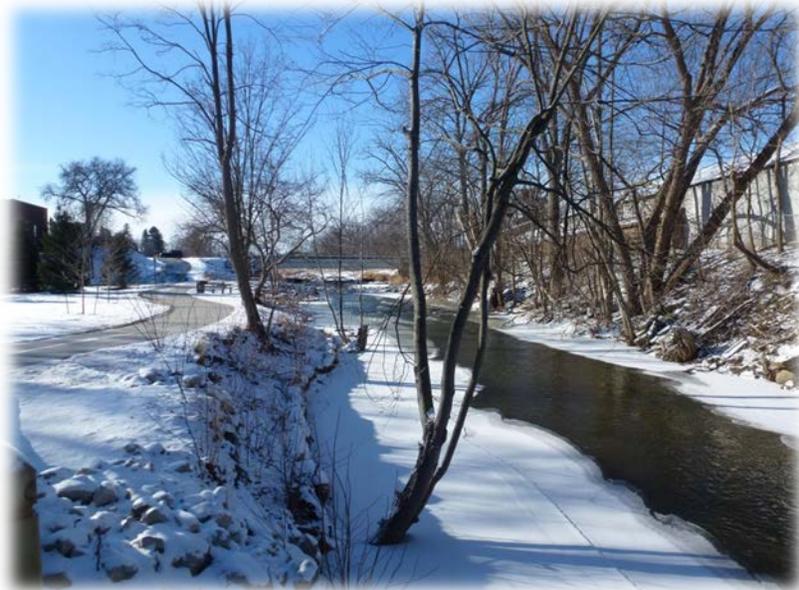
Performance Measurement

Performance measurement is used to track an organization's progress against its strategic plans and specific performance goals. It focuses on whether or not objectives have been achieved, and it is expressed as measurable performance standards. Performance measures may address activities (the process), products and services (the outputs) and/or the results of those products and services (outcomes). Because of their ongoing nature, performance measures can serve as an early warning system to management and as a vehicle for improving accountability to the public.

In our Fiscal Year 2011-2012, the City laid the groundwork for a performance management system. In addition to the functional unit goals and objectives that were included in prior year budget documents, measures were added that are being used in this and future budgets. These were further refined in Fiscal Year 2014-2015 as the City removed measurements that were not as useful as it had hoped they would be, as well as adding new measurements. Each year the City continues to refine this process.

For functional units that are more workload driven, workload indicators will be shown. These may be expanded for all departments in future years as the performance measurement system is evaluated by management.

The City will also continue to recognize significant accomplishments that are not of a recurring nature, such as completion of construction projects, and incorporate these annually into the performance management system.



A Reader's Guide to Budgeting

Legal Guidelines for the City Budget

The budgeting and accounting policies of the City of Dexter conform to Generally Accepted Accounting Principles (GAAP) as applicable to governmental units. Following are the significant budgetary laws and guidelines followed by the City.

Dexter City Charter

The Dexter City Charter was developed by the Charter Commission during the process of becoming a city, and it was approved by the voters in November 2014. The following articles of the Charter govern financial activities for the City:

- Article 9: Financial Management
- Article 10: Taxation
- Article 11: Special Assessments
- Article 12: Borrowing
- Article 13: Purchases, Sales, Contracts and Leases
- Article 14: Utilities, Franchises and Permits

Uniform Budgeting Act

The City is legally subject to the budgetary control requirements of State of Michigan P.A. 621 of 1978 (the Uniform Budgeting Act). The following statements represent a brief synopsis of the major provisions of this Act.

- Budgets must be adopted for the General Fund and Special Revenue Funds.
- The budgets must be balanced.
- The budgets must be amended when necessary.
- Debt cannot be entered into unless permitted by law.
- Expenditures cannot exceed budget appropriations.
- Expenditures cannot be made unless authorized in the budget.
- Public hearings must be held before budget adoptions.



Uniform Chart of Accounts

The Michigan Department of Treasury publishes a “Uniform Chart of Accounts for Counties and Local Units of Government”, which the City uses to maintain and update its own chart of accounts. The account structure is a simple twelve digit format that consists of the following:

- The first three digits represent the fund. Example: General Fund is 101
- The second three digits represent the department. Example: The Finance Department is 201
- The final six digits represent the account number. Example: Professional Services is 802.000

Fund Structure of the City Budget

Annual Budgets are legally adopted for the General Fund and for special revenue funds as required by the Uniform Budgeting Act. In addition, although not required by law, budgets are prepared and adopted for debt service, capital improvement and enterprise funds. These budgets are prepared for financial and project management purposes. The fiduciary funds are not included in this budget document.

The audited financial statements contain all funds of the City, including fiduciary funds.

Fund Accounting

The accounts of the City are organized by funds and account groups, each of which is considered a separate accounting entity. Funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions or limitations. The various funds are grouped into generic fund types in three broad fund categories as follows:

Governmental Funds

General Fund: The General Fund contains the accounting of the ordinary activities on the City that are not accounted for in another fund. General Fund activities are financed by revenue from general property taxes, state shared revenue and other sources.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of earmarked revenue from financing activities requiring separate accounting because of legal or regulatory requirements. The City's Special Revenue Funds are the Major Streets Fund, Local Streets Fund, Municipal Streets Fund, Solid Waste Fund, Downtown Development Fund, Tree Fund, and Equipment Replacement Fund.

Debt Service Funds: Debt Service Funds are used to account for the annual payment of principal and interest concerning certain long-term debt other than the debt payable from the operations of an enterprise fund. The City's debt funds are the General Debt Fund (Voted), the Facilities Bond Debt Fund, the Road Bond Debt Fund, and the Downtown Development Authority Debt Fund.

Capital Projects Funds: Capital Projects Funds are used to account for the development of capital facilities.

Proprietary Funds

Enterprise Funds: The Sewer Fund and Water Fund are used to account for the results of operations that provide a service to citizens that are financed by a user charge for the provision of that service. Besides normal operations, both the Water Fund and the Sewer Fund provide for capital investment through one-time connection charges called "tap fees". Sewer and water rates are set each year by the City Council.

Fiduciary Funds

Trust and Agency Funds: Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds. These include the Trust & Agency Fund, which contains planning, zoning and performance guarantee escrows, the Payroll Fund, the Retiree Health Care Fund, the Current Tax Collection Fund, and the Economic Development Fund. Fiduciary Funds are custodial in nature and do not involve the measurement of results of operations.

City of Dexter Funds

Governmental Funds				Proprietary Funds	Fiduciary Funds
General Funds	Special Revenue Funds	Capital Projects	Debt Service	Enterprise Funds	Trust and Agency Funds (not included in budget)
General Fund	Major Streets		General Debt (Voted)	Sewer	Trust & Agency
	Local Streets		Facilities Bond Debt	Water	Retiree Health Care
	Municipal Streets		Road Bond Debt		Payroll
	Solid Waste		DDA Debt		Economic Development
	Downtown Development (DDA)				Current Tax Collection
	Tree Replacement				
	Equipment Replacement				

Functional Units and the Fund Structure

There are seven broad functional units within the City that may perform activities in one or more funds.

- Administration: Activities related to the general administration of the City, including management, finance, insurance, elections, parks and recreation, arts, culture and history, and debt administration.
- Community Development: Activities relating to the planning, zoning, and economic development of the City.
- Legislative: Activities directly related to the elected, legislative body of the City.
- Public Safety: Police and fire services.
- Public Utilities: Provision of water and sewer services, including the maintenance and repair of the treatment and delivery systems.
- Public Works: Maintenance and repair of City assets such as parks and streets, as well as beautification and clean-up activities.



In some cases, costs are directly charged to multiple funds - for example, Department of Public Works salaries are accounted for in four different funds - and in other cases personnel costs accounted for in the General Fund are billed other funds in the form of administrative fees.

A major fund is one whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget. In Michigan, major and local streets funds are required to be identified as major funds (see the “Michigan Department of Treasury Uniform Chart of Accounts for Counties and Local Units of Government”), and the unit of government may voluntarily identify any other fund as a major fund if the officials believe that it is useful to do so. The City of Dexter's major funds for Fiscal Year 2016-2017 are the General Fund, Major Streets Fund, Local Streets Fund, Municipal Streets, Solid Waste Fund, Sewer Fund, and Water Fund.

Major Funds							
	General Fund	Major Streets	Local Streets	Solid Waste	Sewer Fund	Water Fund	Municipal Streets
Administration	✓	✓	✓	✓	✓	✓	✓
Community Development	✓						
Legislative	✓						
Public Safety	✓						
Public Utilities				✓	✓	✓	
Public Works	✓	✓	✓	✓	✓	✓	

Non-Major Funds					
	Downtown Development	Tree Replacement	Equipment Replacement	Capital Funds	Debt Funds
Administration	✓	✓	✓	✓	✓
Community Development	✓			✓	
Legislative					
Public Safety					
Public Utilities					
Public Works	✓		✓	✓	

Basis of Budgeting

The City of Dexter maintains its accounting records for general governmental operations on a modified accrual basis, with revenues recorded when available and measurable, and expenditures recorded when services or goods are received and liabilities incurred. Accounting records for proprietary fund types will be maintained on an accrual basis, with all revenues recorded when earned and expenses recorded at the time liabilities are incurred, without regard to receipt or payment of cash. Adherence to this policy will enable the City to prepare its financial statements in accordance with Generally Accepted Accounting Principles ("GAAP") as set forth by the Governmental Accounting Standards Board ("GASB").

The basis of accounting is the same for both the budget and the financial statements with the exception of the Enterprise funds, which are budgeted as modified accrual but reported as full accrual.

Basis of Budgeting	
Modified Accrual	Full Accrual
General Funds	Enterprise Funds
Special Revenue Funds	
Capital Project Funds	
Debt Service Funds	
Fiduciary Funds	

Policies that Guide Budgeting Decisions

Financial Policies

The City of Dexter's financial policies, as compiled below, set forth the basic framework for the overall financial management of the City. Operating independently of changing economic times, these policies help the decision making process of the council and administration. The policies provide guidelines for evaluating both current activities and proposals for future programs, and they represent long-standing principles, traditions and practices that have guided the City in the past and have helped to maintain financial stability. In some instances, such as the investment and purchasing policies, separate policy documents outside of the annual budget have been adopted by Council.

Operating Budget Policies

- As outlined in the Revenue section of this document, the City currently does not levy the maximum allowable mileage rate. It is the policy of the City to maintain, at a minimum, the current level of services within the revenue limitations of the total property tax millage rate.
- Management will maintain a budgetary control system to ensure adherence to the budget, and will prepare and present to Council quarterly reports comparing actual revenues and expenditures with budgeted amounts.
- The City will take steps to reduce expenditures whenever possible, by consistently monitoring operating expenditures and researching lower cost alternatives whenever possible.
- The Water and Sewer Funds will be self-supporting.
- Protection against catastrophic losses will be maintained through a combination of insurance and fund balance reserves.

Reserve Policies

- The City will establish a reserve (fund balance) for capital projects, emergencies, or for periods of extreme revenue shortfall. For the General Fund, the reserve will be maintained at an amount that represents 15 percent of the proposed budget revenue for the existing year. Additional reserves can be designated for a specific purpose as identified by the City Council.
- In each operating fund, a contingency line item will be included to fund expenditures that result from unforeseen circumstances. Funds may be transferred to the operating line item experiencing the shortfall upon approval of the Council.
- Reserves will be established whenever applicable to comply with specific debt instruments.
- The Water and Sewer Funds will each have reserves that will equal 50% - 75% of operating expenses.

Revenue Policies

- The City will seek to maintain a diversified and stable revenue system to shelter itself from short term fluctuations in any one revenue source
- The City will establish user charges and fees at a level considering the cost (including operating, direct, indirect and capital) of providing the service. Utility rates will be reviewed annually as a part of the budgeting process.
- Federal and state grants will be pursued whenever possible. Non-recurring revenue, such as grants and gifts, will be used only to fund non-recurring expenditures.

Capital Improvements Policies

- The City will use the Capital Improvement Plan developed annually by the Planning Commission when making decisions on the funding of capital improvement projects.
- Capital assets of the City will be maintained at a level adequate to protect the capital investment and reduce future maintenance and replacement costs. The budget will provide for the maintenance and orderly replacement of capital assets and equipment from current revenues whenever possible, unless specific reserves have been set aside for that purpose.

Debt Policies

- The City will confine long-term borrowing to capital improvement projects.
- When a capital improvement project is funded by debt, the City will repay the debt within a period not to exceed the expected useful life of the project.
- The City will maintain a sound relationship with all bond-rating agencies and will keep them informed about our current financial situation.
- General operating millage will not be used to finance debt incurred for enterprise fund capital improvements.

Investment Policies

- The investment objectives of the City are, in order, safety, liquidity and then yield.
- The City will strive to use banking and financial institutions located within the City of Dexter to the extent that it does not jeopardize safety by lack of diversification.
- The formally adopted Investment Policy will be certified by the Association of Public Treasurers of the United States and Canada.
- The full Investment Policy is available on the City's website at www.DexterMI.gov.

Accounting, Auditing and Financial Reporting Policies

- The City will follow Generally Accepted Accounting Principles (GAAP) in its financial record keeping and reporting. The City will also comply with the statements issued by the Government Accounting Standards Board (GASB).
- An audit will be performed annually by an independent, outside auditing firm familiar with GAAP and GASB.
- The City will maintain strong internal controls and procedures.

Purchasing Policies

- Purchasing will be made in accordance with applicable federal and state laws, as well as municipal requirements.
- Purchases will be made in an impartial, economically feasible, competitive, and efficient manner.
- Whenever practicable and in the best interest of the City as a whole, vendors and businesses located within the City limits will be utilized.
- Purchases will comply with the specific requirements of the City's Purchasing Policy, which is maintained by the City Manager.

Grant Policies

- The City Manager will review all grant applications to ensure that any matching fund requirements can be met within the current budget.
- Grants needing additional appropriation of matching funds over and above what is included in the budget must receive Council approval before matching funds can be expended.
- The City Manager or designee will keep an accounting of non-appropriated matching amounts, such as personnel and overhead costs, especially when those costs extend across fiscal years.

Infrastructure Policies

- The City will identify and perform maintenance on infrastructure in order to extend the asset's usable life.
- Tools to achieve this goal include programs like RoadSoft, engineering studies, road project plan, and analysis performed by the Planning Commission and Community Development manager during the course of the development of the Capital Improvements Plan.

Budgeting Policies

Role of the Budget

The budget provides the annual financial plan for the management of the City's affairs. The document compiles the financial data needed to support the City's decision making processes and policy development. The budget is based on many other policy documents, such as the Capital Improvement Plan, the Five-Year

Financial Model, the Master Plan, and the Parks and Recreation Master Plan, as well as current Council Goals and Objectives, past Council direction, and the City Manager and staff review of operational needs.

Budget Strategy

The current budget is based upon Council direction and current revenue constraints. These factors govern the stewardship of public funds and reflect the following principles:

- Basic services will be maintained at a minimum of current levels, and will be adequately funded.
- The budget will reflect the true cost of operations. Depreciation will not be included in governmental funds.
- Services will be provided in the most efficient method while ensuring that the needs of the public are met.
- Infrastructure improvements will be undertaken as needed to ensure proper management of the City's assets.
- Revenue will be estimated at realistic levels.
- Reserves will be maintained at appropriate levels in order to protect the City from future uncertainties.
- The budget will comply with the State of Michigan's Constitution, the Dexter City Charter and all other applicable statutes and rules.

Balanced Operating Budget

The balanced budget is a tool intended to ensure that the City does not spend beyond its means. The City must function operationally within the limits of the financial resources available to it under normal circumstances.

In a balanced budget, the total appropriated budget (operating plus capital) cannot exceed available resources, which is defined as revenue generated in the current period added to balances carried forward from prior years.

Impact of Capital Improvements on Operating Budgets

When new capital projects are approved, attention should to be given to the impact on current and future operating budgets. Some capital projects will create future operational needs for maintenance and repair, and this will need to be taken into consideration during the budgeting process.

Budgeting Controls

- **Internal Controls:** Budgets are monitored monthly by City management and necessary amendments are approved by City Council periodically throughout the year to ensure fiscal responsibility, accountability and financial planning. Amendments can be made between lines within a department without Council approval, and all others amendments must have Council approval.
- **External Controls:** State statutes require than an independent audit be performed by an accounting firm selected by the City Council. Audit reports are available to the public both on the City's website and at the Michigan Department of Treasury's website.

The Budget Process

Budget Calendar

September 1, 2015	The Community Development Manager begins the Capital Improvement Plan (CIP) process by working with department heads and the Planning Commission.
March 2, 2016	City Goal Setting Session. Staff is directed to update goals and objectives based on meeting input and bring them back to a subsequent meeting.
March 19, 2016	City Goal Setting Session #2. Updated Goals and Objectives reviewed and accepted.
April - June 2016	Staff updates financial modeling tools to assist with budgeting and the establishment of utility rates.
April 4, 2016	The Planning Commission holds a public hearing on and adopts the 2016-2021 CIP.
April 21, 2016	The Downtown Development Authority adopts its Fiscal Year 2015-2018 Budget.
April 25, 2016	City Council adopts the 2016-2021 CIP.
April 27, 2016	City Council Budget Workshop - overview of entire budget and discussion on the General Fund.
May 4, 2016	City Council Budget Workshop - Streets, Sewer, Water and Miscellaneous Funds.
May 18, 2016	City Council Budget Workshop - General Fund Priorities
June 13, 2016	City Council Public Hearing on 2016-2017 Millage Rate; Tax Administration Fees, Interest and Penalties; Budget; and Water and Sewer Rates.
June 13, 2016	Adoption of the 2016-2017 Millage Rates and Tax Administration Fee
June 27, 2016	Adoption of the 2015-2016 Water and Sewer Rates.
June 27, 2016	Adoption of the Fiscal Year 2016-2017 Budget.

Financial Cycle Calendar

January	February	March
	Utility Rate Study Updated Five-Year Financial Model Updated CIP Adopted by Planning Commission	Council Goal Setting CIP Adopted by Council
Second Quarter Financial Report Auditor report to Council	DDA Financial Statement Published	
Second Quarter budget amendments December financial records closed January data reviewed by staff	Budget amendments as needed January financial records closed February data reviewed by staff	Budget amendments as needed February financial records closed March data reviewed by staff

April	May	June
Council Goal Setting Staff Review of Goals & Objectives	Budget Work sessions Budget Document Preparation Begins	Budget Public Hearings Annual Millage & Utility Rates Set Budget Adoption
Third Quarter Financial Report Third Quarter budget amendments March financial records closed April data reviewed by staff	Budget amendments as needed April financial records closed May data reviewed by staff	Budget amendments as needed May financial records closed June data reviewed by staff

July	August	September
Budget Document finalized Fourth Quarter Financial Report Fourth Quarter budget amendments June financial records closed July data reviewed by staff	Budget Document Submitted to GFOA Year-End Close of Financial Records Budget amendments as needed July financial records closed August data reviewed by staff	Year-End Close of Financial Records Budget amendments as needed August financial records closed September data reviewed by staff

October	November	December
First Quarter Financial Report Audit Field Work Performed First Quarter budget amendments September financial records closed October data reviewed by staff	Audit Filed with Michigan Dept of Treasury Budget amendments as needed October financial records closed November data reviewed by staff	CIP Process Starts Qualifying Statement filed with Treasury SF-65 Report filed with Treasury Budget amendments as needed November financial records closed December data reviewed by staff

Budget preparation and adopting phase	Budget reporting phase	Budget monitoring phase
---------------------------------------	------------------------	-------------------------

Budgeting Procedures

The annual budget covers a twelve month period beginning July 1st and ending June 30th. The budget is an ongoing process that includes phases of development, adoption, implementation and oversight throughout the year.

Several goals are associated with the preparation and development of the City's annual budget document. First, the budget is a public policy document. The budget should help foster comprehensive community problem solving and policy making. Second, the budget is a financial plan and management tool. The document should help staff in monitoring revenue and expenditures and in evaluating the effectiveness of City programs and services. Third, the budget serves as an important reference document and should be readily available for public viewing and access. It should provide the City Council, staff and the public with extensive information on the nature and scope of municipal operations and services.

Strategic Planning Process

The City Council holds a retreat each year to discuss and develop both long-term and short-term goals and objectives for the City. Additionally, town hall meetings are held throughout year as needed as a vehicle to inform residents while receiving input from them on issues affecting the City.

The goals and objectives for this fiscal year are listed previously in this budget document.

Budget Review and Analysis

Department heads meet with the City Manager for review and evaluation of their respective budgets. The objective of this phase is to:

- Ensure that the intent of all budget requests is understood.
- Gain greater understanding of departmental objectives and standards of performance and operations for the upcoming fiscal year.
- Determine how proposed departmental projects and programs are related to the goals and objectives set by Council.
- Balance the needs of each department to the total City needs.

Analysis in this phase include analysis of levels of service, evaluation of historical expenditure trends, projection of inflationary increases, and review of departmental operations.

Building the Proposed Budget

With the assistance of prior financial data, revenue projections are developed for all funds. These projections are based on reasonable assumptions of revenue to be generated by estimated property values and current user fees, as well as the best information available from the State of Michigan.

The City Manager's office takes the revenue numbers and combines them with the proposed expenditures from the departments to get a big picture view of what the budget will look like. From this point, the City Manager's office works with department heads to adjust the operating budget.

The proposed budget is then prepared for Council review. Work sessions are held with City Council to ensure that the proposed budget is in alignment with the Council's goals and objectives, as well as their vision for the City.

City Council Adoption

After completion of the budget work sessions, the proposed budget is published on the City's website and public hearings for the budget, the millage rate, and utility rates are held. After completion of the public hearings, the Council and City Manager will make any necessary adjustments and the budget is then adopted at the next Council meeting. Michigan law requires that a budget be adopted prior to the start of next fiscal year.

Budget Amendment Process

After the budget is adopted, the primary responsibility for managing it falls to the individual departments. Both the Treasurer/Finance Director and the City Manager review expenditures on a monthly basis, and quarterly budget meetings are held with all department heads and senior staff. Management flexibility is given to each department of exceeding a line item within a department if it can be compensated for within that same department.

If a department must be adjusted, a budget amendment is prepared by the Treasurer/Finance Director and the City Manager, and presented to the City Council for approval. Amendments may be presented both as a stand-alone item and also as part of the Treasurer/Finance Director's quarterly report to Council.

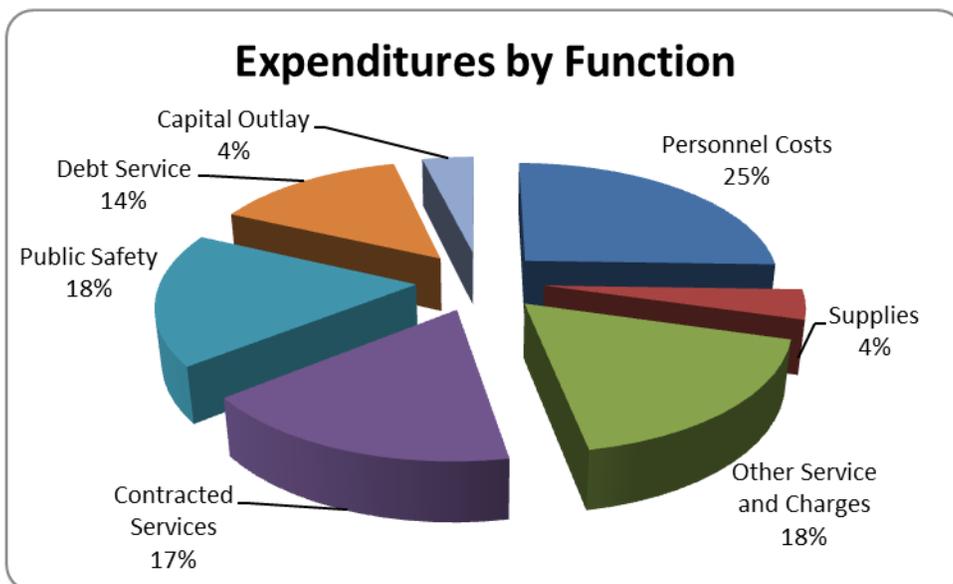
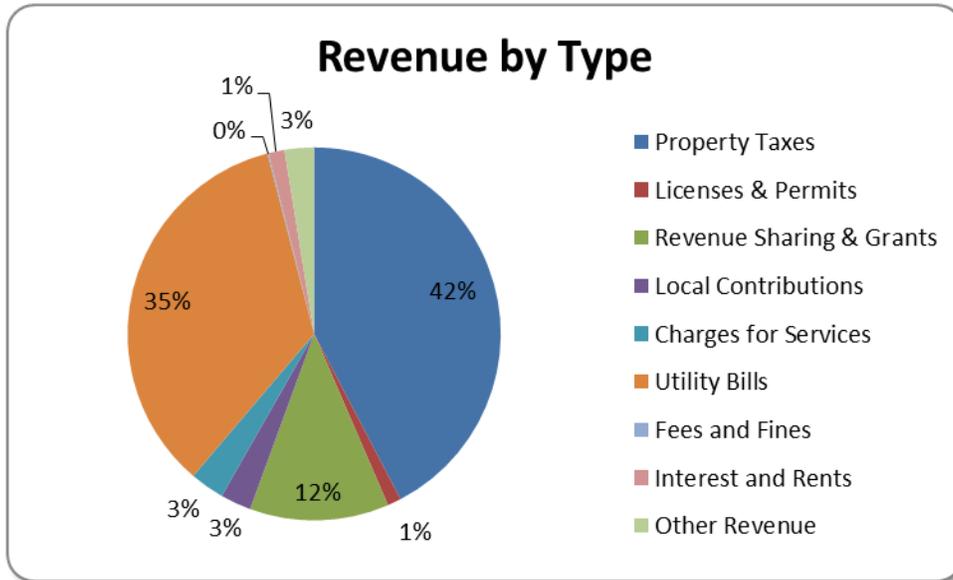


Financial Summaries

Summary Information

There are several different ways to present summary financial information. We can compare funds to other funds, activities to other activities, and data across several fiscal years. Summary charts and tables will be followed by more detailed information about total City revenue and expenditures. Multiple-year comparisons of specific revenues and expenditures are contained in the individual funds section of the budget document.

Summary Financial Information – Fiscal Year 2016-2017 Budget by Type and Function

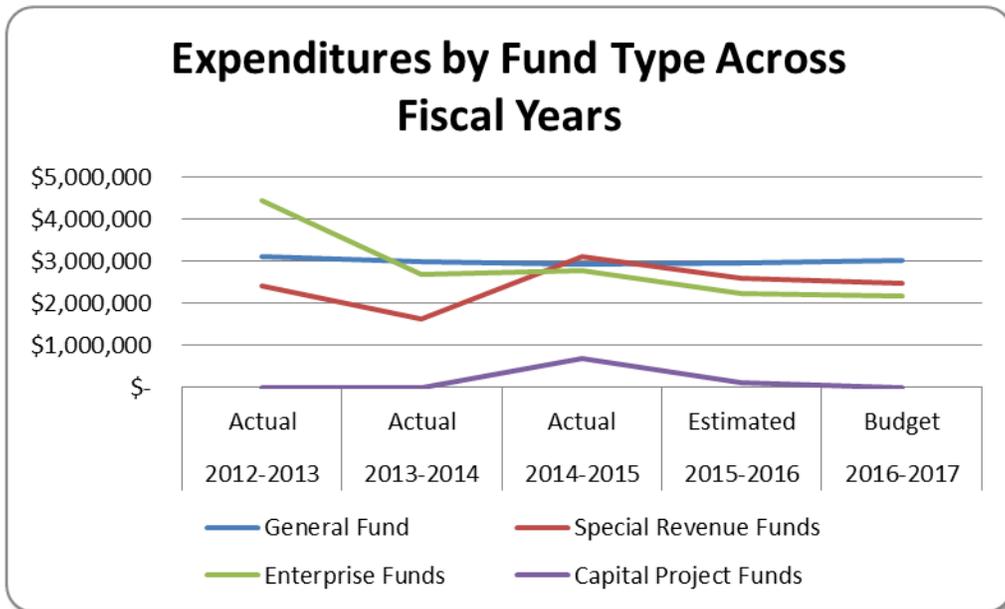
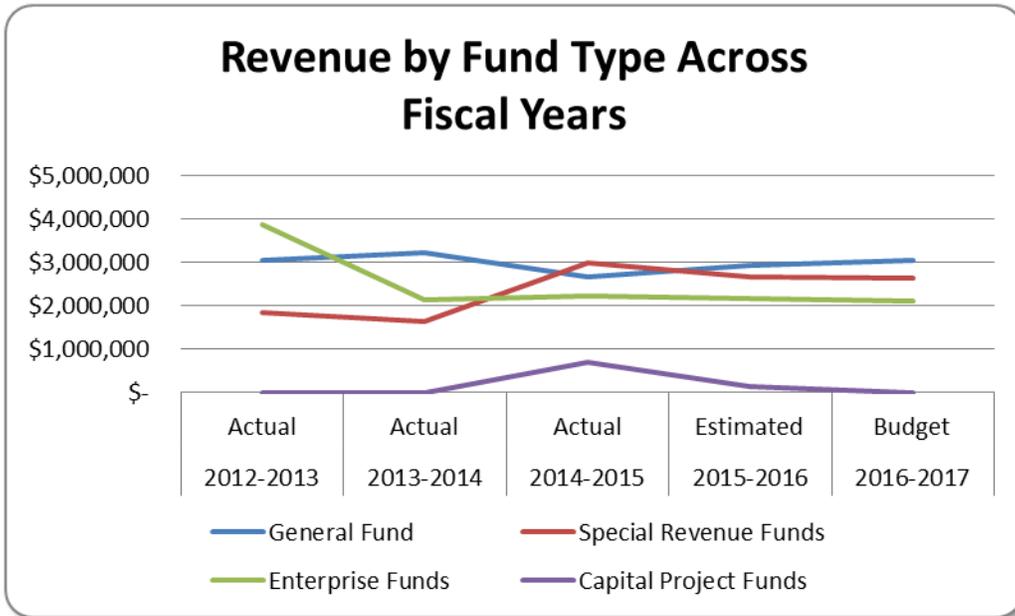


Fiscal Year 2016-2017 Budget				
	General Fund	Special Revenue Funds	Enterprise Funds	Total Appropriated Funds
<i>Starting Fund Balance</i>	\$ 1,033,556	\$ 607,657	\$ 6,869,539	\$ 8,510,752
<i>Operating Revenue</i>				
Property Taxes	\$ 2,178,400	\$ 832,900	\$ 800	\$ 3,012,100
Licenses & Permits	\$ 84,300	\$ -	\$ -	\$ 84,300
Revenue Sharing & Grants	\$ 468,000	\$ 390,300		\$ 858,300
Local Contributions	\$ 189,800	\$ -		\$ 189,800
Charges for Services	\$ 6,000	\$ 500	\$ 5,000	\$ 11,500
Utility Bills	\$ -	\$ 582,000	\$ 1,889,500	\$ 2,471,500
Fines and Forfeits	\$ 7,000	\$ -		\$ 7,000
Interest and Rents	\$ 32,000	\$ 65,000	\$ 1,500	\$ 98,500
Other Revenue	\$ 42,000	\$ 124,000	\$ 15,800	\$ 181,800
Total Operating Revenue	\$ 3,007,500	\$ 1,994,700	\$ 1,912,600	\$ 6,914,800
<i>Other Financing Sources</i>				
Charges for Services (Taps)	\$ -	\$ -	\$ 200,000	\$ 200,000
Bond Proceeds	\$ -	\$ -		\$ -
Transfers In	\$ 28,000	\$ 637,000		\$ 665,000
Total Other Financing	\$ 28,000	\$ 637,000	\$ 200,000	\$ 865,000
Total Revenue	\$ 3,035,500	\$ 2,631,700	\$ 2,112,600	\$ 7,779,800
<i>Operating Expenses</i>				
Personnel Costs	\$ 925,700	\$ 283,400	\$ 562,600	\$ 1,771,700
Supplies	\$ 68,900	\$ 75,500	\$ 128,500	\$ 272,900
Other Service and Charges	\$ 546,300	\$ 221,500	\$ 460,400	\$ 1,228,200
Contracted Services	\$ 106,700	\$ 979,500	\$ 109,000	\$ 1,195,200
Public Safety	\$ 1,225,000	\$ -	\$ -	\$ 1,225,000
Debt Service	\$ -	\$ 349,300	\$ 726,800	\$ 1,076,100
Total Operating Expenses	\$ 2,872,600	\$ 1,909,200	\$ 1,987,300	\$ 6,769,100
<i>Other Expenses</i>				
Capital Expenditures	\$ 42,100	\$ 25,000	\$ 200,000	\$ 267,100
Transfers Out	\$ 115,300	\$ 529,700	\$ -	\$ 645,000
Total Other Expenses	\$ 157,400	\$ 554,700	\$ 200,000	\$ 912,100
Total Expenditures	\$ 3,030,000	\$ 2,463,900	\$ 2,187,300	\$ 7,681,200
Net of Revenues/Expenses	\$ 5,500	\$ 167,800	\$ (74,700)	\$ 98,600
<i>Ending Fund Balance</i>	\$ 1,039,056	\$ 775,457	\$ 6,794,839	\$ 8,609,352

Summary Financial Information – Five Year Comparison for All Funds Combined

	Five-Year Comparison Across All Funds				
	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Budget
<i>Starting Fund Balance</i>	\$ 10,709,983	\$ 9,469,710	\$ 9,163,546	\$ 8,691,502	\$ 8,510,703
Operating Revenue					
Property Taxes	\$ 2,466,424	\$ 2,598,206	\$ 2,797,797	\$ 3,067,137	\$ 3,012,100
Licenses & Permits	\$ 74,247	\$ 78,915	\$ 80,399	\$ 84,600	\$ 84,300
Revenue Sharing & Grants	\$ 567,237	\$ 579,818	\$ 610,502	\$ 652,561	\$ 858,300
Local Contributions	\$ 207,292	\$ 190,326	\$ 187,332	\$ 191,300	\$ 189,800
Charges for Services	\$ 15,175	\$ 20,410	\$ 20,771	\$ 14,400	\$ 11,500
Utility Bills	\$ 2,297,519	\$ 2,267,091	\$ 2,392,863	\$ 2,458,296	\$ 2,471,500
Fines and Forfeits	\$ 5,955	\$ 5,591	\$ 8,024	\$ 8,200	\$ 7,000
Interest and Rents	\$ 100,448	\$ 139,136	\$ 120,899	\$ 94,035	\$ 98,500
Other Revenue	\$ 107,703	\$ 91,854	\$ 139,700	\$ 195,425	\$ 181,800
Total Operating Revenue	\$ 5,842,000	\$ 5,971,347	\$ 6,358,287	\$ 6,765,954	\$ 6,914,800
Other Financing Sources					
Charges for Services (Taps)	\$ 282,047	\$ 387,172	\$ 331,702	\$ 259,000	\$ 200,000
Bond Proceeds	\$ -	\$ -	\$ 800,000	\$ -	\$ -
Transfers In	\$ 2,609,527	\$ 651,162	\$ 1,193,495	\$ 726,600	\$ 665,000
Total Other Financing	\$ 2,891,574	\$ 1,038,334	\$ 2,325,197	\$ 985,600	\$ 865,000
Total Revenue	\$ 8,733,574	\$ 7,009,681	\$ 8,683,484	\$ 7,751,554	\$ 7,779,800
Operating Expenses					
Personnel Costs	\$ 1,479,030	\$ 1,516,804	\$ 1,736,072	\$ 1,645,046	\$ 1,771,700
Supplies	\$ 224,412	\$ 259,231	\$ 271,501	\$ 251,349	\$ 272,900
Contracted Services	\$ 988,107	\$ 1,021,892	\$ 775,310	\$ 1,000,765	\$ 1,195,200
Other Service and Charges	\$ 1,324,795	\$ 1,499,509	\$ 681,195	\$ 992,109	\$ 1,228,200
Public Safety	\$ 994,840	\$ 1,016,825	\$ 1,048,794	\$ 1,133,245	\$ 1,225,000
Debt Service	\$ 883,499	\$ 854,687	\$ 1,084,184	\$ 1,084,300	\$ 1,076,100
Total Operating Expenses	\$ 5,894,683	\$ 6,168,948	\$ 5,597,056	\$ 6,106,814	\$ 6,769,100
Other Expenses					
Capital Expenditures	\$ 1,033,901	\$ 485,962	\$ 2,496,117	\$ 1,116,544	\$ 267,100
Transfers Out	\$ 3,045,263	\$ 660,942	\$ 1,062,367	\$ 709,000	\$ 645,000
Total Other Expenses	\$ 4,079,164	\$ 1,146,904	\$ 3,558,484	\$ 1,825,544	\$ 912,100
Total Expenditures	\$ 9,973,847	\$ 7,315,852	\$ 9,155,540	\$ 7,932,358	\$ 7,681,200
Net of Revenues/Expenses	\$ (1,240,273)	\$ (306,171)	\$ (472,056)	\$ (180,804)	\$ 98,600
BS&A Report Rounding	-	7	12	5	
Ending Fund Balance	\$ 9,469,710	\$ 9,163,546	\$ 8,691,502	\$ 8,510,703	\$ 8,609,303

Summary Financial Information – Five Year Comparison by Fund Across Fiscal Years



Five-Year Comparison Across All Funds				
2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Budget

Total General Fund \$ 3,039,172 \$ 3,227,391 \$ 2,675,811 \$ 2,927,896 \$ 3,035,500

Special Revenue Funds

Major Streets	\$ 761,449	\$ 398,881	\$ 900,875	\$ 384,494	\$ 359,900
Local Streets	\$ 315,391	\$ 417,670	\$ 264,175	\$ 554,232	\$ 539,200
Municipal Streets	\$ 523,243	\$ 551,190	\$ 681,103	\$ 724,116	\$ 725,600
Solid Waste Collection	\$ -	\$ -	\$ 670,932	\$ 581,304	\$ 582,500
Tree Replacement	\$ 1,122	\$ 1,583	\$ 6,841	\$ 2,600	\$ 1,000
General Debt (Voted)	\$ 164,798	\$ 166,525	\$ 160,492	\$ 144,700	\$ 157,000
Facilities Bond Debt Service	\$ -	\$ -	\$ 129,900	\$ 126,900	\$ 115,300
Road Bond Debt Service	\$ -	\$ -	\$ 78,215	\$ 82,900	\$ 87,700
Equipment Fund	\$ 65,308	\$ 99,019	\$ 81,542	\$ 59,000	\$ 63,500

Total Special Revenue Funds \$ 1,831,311 \$ 1,634,868 \$ 2,974,075 \$ 2,660,246 \$ 2,631,700

Enterprise Funds

Sewer Fund	\$ 2,915,540	\$ 1,326,789	\$ 1,402,865	\$ 1,352,750	\$ 1,307,400
Water Fund	\$ 947,551	\$ 820,633	\$ 812,543	\$ 810,662	\$ 805,200

Total Enterprise Funds \$ 3,863,091 \$ 2,147,422 \$ 2,215,408 \$ 2,163,412 \$ 2,112,600

Total Capital Project Funds \$ - \$ - \$ 818,190 \$ - \$ -

Total Revenue \$ 8,733,574 \$ 7,009,681 \$ 8,683,484 \$ 7,751,554 \$ 7,779,800

Total General Fund \$ 3,118,011 \$ 2,994,522 \$ 2,928,885 \$ 2,970,948 \$ 3,030,000

Special Revenue Funds

Major Streets	\$ 749,898	\$ 407,729	\$ 898,050	\$ 384,687	\$ 359,900
Local Streets	\$ 331,464	\$ 404,396	\$ 268,754	\$ 554,151	\$ 539,200
Municipal Streets	\$ 861,556	\$ 564,308	\$ 905,047	\$ 647,034	\$ 596,200
Solid Waste Collection	\$ -	\$ -	\$ 556,310	\$ 565,467	\$ 575,000
Tree Replacement	\$ 18,700	\$ 8,000	\$ 8,000	\$ 12,000	\$ 8,000
General Debt (Voted)	\$ 275,912	\$ 164,031	\$ 158,457	\$ 152,400	\$ 147,300
Facilities Bond Debt Service	\$ -	\$ -	\$ 129,858	\$ 126,900	\$ 115,300
Road Bond Debt Service	\$ -	\$ -	\$ 78,065	\$ 83,100	\$ 87,700
Equipment Fund	\$ 176,567	\$ 74,624	\$ 113,837	\$ 65,300	\$ 35,300

Total Special Revenue Funds \$ 2,414,097 \$ 1,623,088 \$ 3,116,378 \$ 2,591,039 \$ 2,463,900

Enterprise Funds

Sewer Fund	\$ 3,425,769	\$ 1,658,715	\$ 1,601,742	\$ 1,501,038	\$ 1,307,250
Water Fund	\$ 1,015,971	\$ 1,039,527	\$ 1,175,106	\$ 741,533	\$ 880,050

Total Enterprise Funds \$ 4,441,740 \$ 2,698,242 \$ 2,776,848 \$ 2,242,571 \$ 2,187,300

Total Capital Project Funds \$ - \$ - \$ 690,362 \$ 127,800 \$ -

Total Expenditures \$9,973,848 \$7,315,852 \$9,512,473 \$7,932,358 \$7,681,200

Net Change \$ (1,240,274) \$ (306,171) \$ (828,989) \$ (180,804) \$ 98,600

Fund Balance

Fund Balance Background

Governments organize their accounting systems on a fund basis. A fund is a separate set of accounting records, segregated for the purpose of carrying out an activity. A fund is established for accountability purposes to demonstrate that financial resources are being used for only permitted purposes.

A fund will have balance sheet accounts consisting of assets, liabilities and fund balance, as well as a series of revenue and expenditure accounts. A fund balance is created or increased when fund revenues exceed fund expenditures for a fiscal period. The difference between the fund's assets and liabilities equals the fund balance.

A common misconception is that fund balance is a cash account and therefore corresponds to the City's bank balance. The fund balance calculation includes assets such as cash and receivables as well as liabilities such as payables. In addition, a portion of the fund balance may be committed by Council to specific projects.

Funds such as Special Revenue Funds or Debt Service Funds are required to be segregated in separate funds since there are restrictions to uses of balances in these funds. The General Fund encompasses the City's activities not required to be segregated in separate funds, and the fund balance available can be used in any manner as directed by the City Council. For this reason, the following discussion is limited only to the General Fund's fund balance.

How Large a Fund Balance?

Determination of an appropriate fund balance is a critical factor in financial planning and the budgeting process. There is a fine distinction between retaining enough to meet the financial needs of the City, and not accumulating too large a balance without having a specific purpose for doing so.

A community with an appropriate fund balance can:

- Provide a fund or reserve to meet emergency expenditures;
- Provide cash to finance expenditures from the beginning of the budget year until all revenues are collected;
- Demonstrate financial stability and therefore preserve or enhance its bond rating, thereby lowering debt issuance costs;
- Avoid short term borrowing and associated interest costs.

As a part of the budget process, fund balance will be treated as one of the following:

- Retained as the community's "rainy day" fund for future needs; or
- Used to fund expenditures for the next fiscal period.

GASB Statement No. 54 - Fund Balance Definitions

The Governmental Accounting Standards Board (GASB) developed new standards for fund balance definitions which were included in the Fiscal Year 2010-2011 audit. At this time, the only classifications being used by the City are unassigned (formerly undesignated), assigned (formerly designated) and committed.

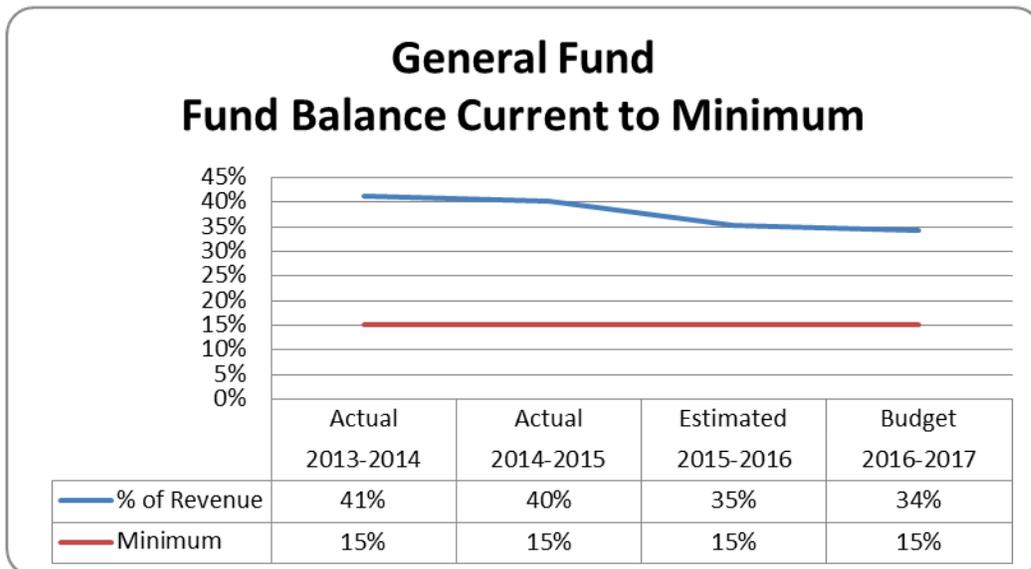
- **Nonspendable:** These classifications are generally from external sources, such as legal or contractual requirements, or represent non-cash items, such as inventory or prepaid amounts. No actions by Council are necessary because the classification occurs by definition.
- **Restricted:** Typically used for external restrictions by creditors, laws or regulations, the restriction itself is generally from external sources, thus it also is by definition classified as "restricted".
- **Committed:** Amounts can only be used for specific purposes imposed by formal action of the Council, such as a resolution or ordinance adopted by the Council.
- **Assigned:** This classification, which is similar to the previous "designated" classification, shows the governing body's "intent". This classification generally will require some action by the Council to indicate who is authorized to make these assignments on behalf of the City.
- **Unassigned:** This is the residual balance of the fund only after allocations are made to the aforementioned classifications.

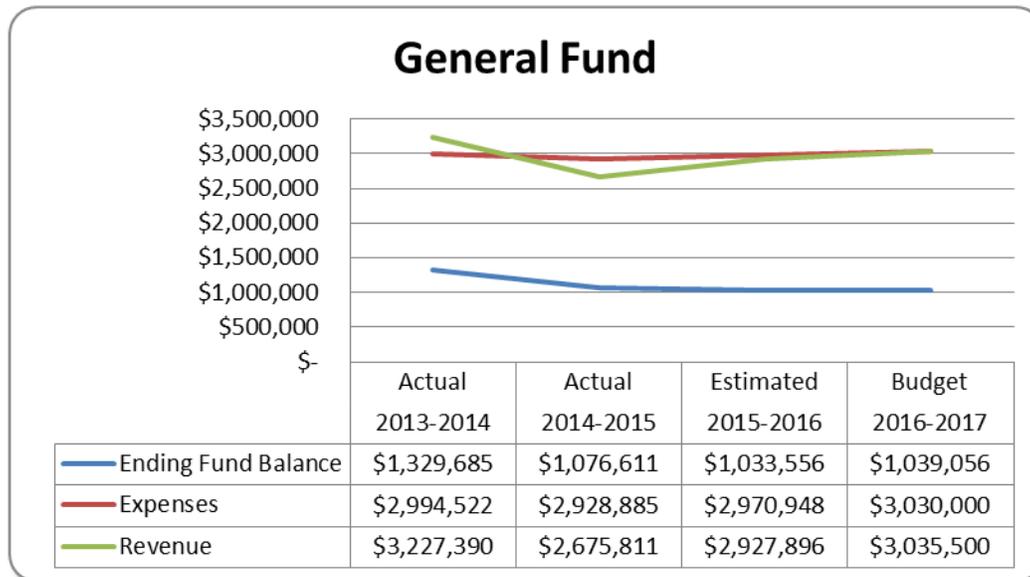
City of Dexter Fund Balances

City of Dexter Fund Balance Policy

The City of Dexter's policy is for a minimum reserve of 15% of revenue. This is based on best practice recommendations from the Government Finance Officers Association (GFOA). Additional fund balance may, at times, be assigned by Council for specific purposes such as capital projects.

It is important to note that the drops in Fund Balance are generally due to capital projects. Operating expenses are maintained at or below operating revenue.





Fund Balance Summaries

	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	% Change 2016 to 2017
General Fund				
Beginning Fund Balance	\$1,329,685	\$1,076,611	\$1,033,556	
Revenues	\$2,675,811	\$2,927,896	\$3,035,500	
Expenditures	(\$2,928,885)	(\$2,970,948)	(\$3,030,000)	
Ending Fund Balance	\$1,076,611	\$1,033,559	\$1,039,056	0.5%

	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	% Change 2016 to 2017
Special Revenue Funds				
Beginning Fund Balance	\$680,673	\$538,370	\$607,630	
Revenues	\$2,974,075	\$2,660,296	\$2,631,700	
Expenditures	(\$3,116,378)	(\$2,591,039)	(\$2,463,900)	
Ending Fund Balance	\$538,370	\$607,627	\$775,430	27.6%

	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	% Change 2016 to 2017
Enterprise Funds				
Beginning Retained Earnings	\$7,153,200	\$6,948,696	\$6,869,540	
Revenues	\$2,215,408	\$2,163,412	\$2,112,600	
Expenditures	(\$2,419,915)	(\$2,242,571)	(\$2,187,300)	
Ending Retained Earnings	\$6,948,693	\$6,869,537	\$6,794,840	-1.1%

Changes in Fund Balance Greater than 10%

The City builds up significant fund balances in many of its funds in order, in part, to fund capital projects without having to incur debt. In Fiscal Year 2016-2017, there are three funds with a change in fund balance greater than 10%.

Municipal Streets Fund

The purpose of the Municipal Streets Fund is to build up a reserve to apply to capital projects. Last fiscal year, most of these reserves were being used to fund road construction and maintenance projects in the Major and Local Streets funds in accordance with the Road Maintenance Plan adopted by City Council in Fiscal Year 2014-2015. In Fiscal Year 2016-2017, the City will start to build these funds up once again for future use.

	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	% Change 2016 to 2017
Municipal Streets Fund				
Beginning Fund Balance	\$364,508	\$140,564	\$217,646	
Revenues	\$681,103	\$724,116	\$725,600	
Expenditures	(\$905,047)	(\$647,034)	(\$596,200)	
Ending Fund Balance	\$140,564	\$217,646	\$347,046	59.5%

General Debt Fund (Voted)

This small fund balance fluctuates slightly from year to year. Michigan law requires that the reserves in this type of fund be minimal. In this final year of the millage levy, the fund balance is planned to be slightly higher to cover possible property tax refunds from Board of Review and/or the Michigan Tax Tribunal. Although the percentage change is high, the overall fund balance is still low.

	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	% Change 2016 to 2017
General Debt (Voted)				
Beginning Fund Balance	\$5,955	\$7,990	\$288	
Revenues	\$160,492	\$144,700	\$157,000	
Expenditures	(\$158,457)	(\$152,400)	(\$147,300)	
Ending Fund Balance	\$7,990	\$288	\$9,988	3368.1%

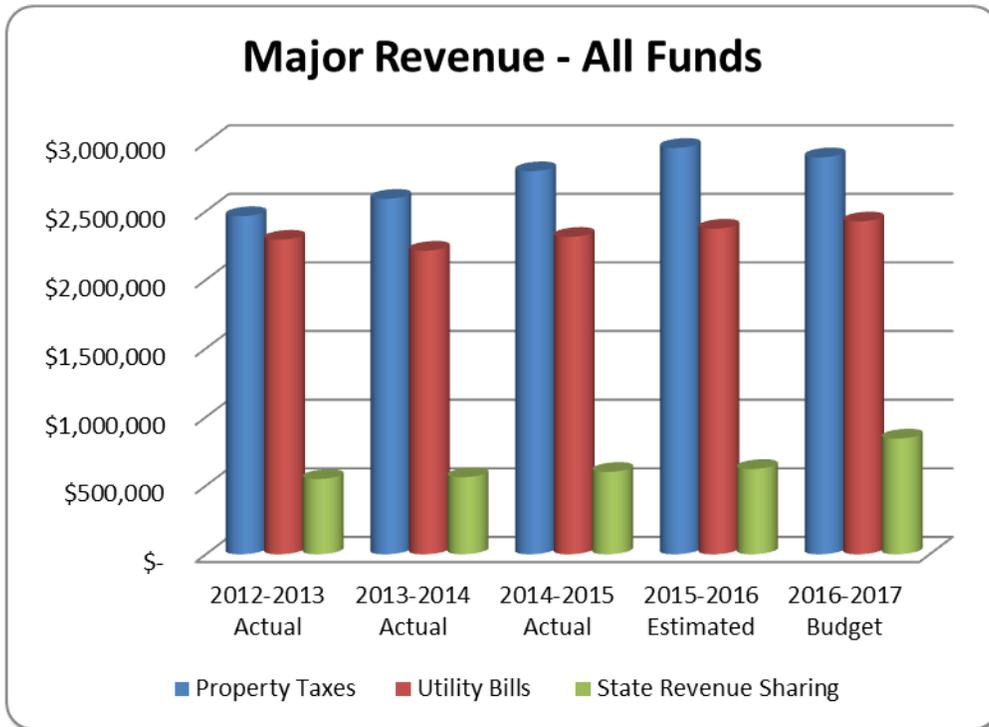
Equipment Fund

The purpose of this fund is to build reserves for large equipment and vehicle purchases for the Department of Public Works. No major purchases are planned for this fiscal year, which will allow the fund balance to be built up for future years.

	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	% Change 2016 to 2017
Equipment Fund				
Beginning Fund Balance	\$119,883	\$87,588	\$81,289	
Revenues	\$81,542	\$59,000	\$63,500	
Expenditures	(\$113,837)	(\$65,300)	(\$35,300)	
Ending Fund Balance	\$87,588	\$81,289	\$109,489	34.7%

Revenue

The major revenue sources for the City of Dexter are property taxes, utility bills, and state revenue sharing (inter-fund transfers and one-time grants are not included in this presentation). Combined, these three equal over 75% of the City's Fiscal Year 2016-2017 revenue.



	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Budget
Property Taxes	\$ 2,463,628	\$ 2,590,006	\$ 2,790,836	\$ 2,961,312	\$ 2,891,900
Utility Bills	\$ 2,292,043	\$ 2,211,523	\$ 2,312,633	\$ 2,372,600	\$ 2,425,000
State Revenue Sharing	\$ 548,890	\$ 561,243	\$ 599,795	\$ 621,719	\$ 843,300
	<u>\$ 5,304,561</u>	<u>\$ 5,362,772</u>	<u>\$ 5,703,264</u>	<u>\$ 5,955,631</u>	<u>\$ 6,160,200</u>

Revenue Forecasting

There are several methods to forecast revenue. The City uses modeling to assist with forecasting both revenue and expenditures. Modeling utilizes a system of looking at past trends, using assumptions such as utilizing an average of the past three years for fluctuating revenue, considering growth, and making educated guesses on economic factors such as the inflation rates. Most City revenue is based on the three-year average format of making assumptions. Please see the appendices for the City's main modeling tools.

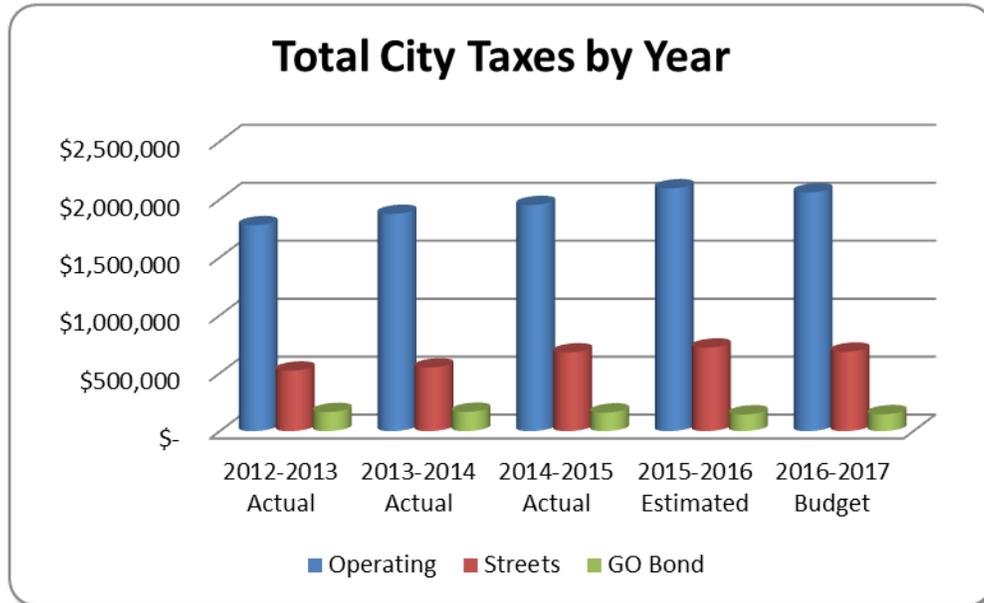
Property tax revenue forecasting is based on estimates for future increases/decreases of the state's rate of inflation figures (used to assess taxable values), growth in the City's tax base, and other tax-related items such as the expiration of industrial facility tax exemptions.

Utility bills forecasts are contained in the City's Utility Rate Study. These forecasts are based on expected

growth, and increases in expenditures due to inflation, personnel costs and other costs. This is used to set future rates, and therefore strongly influences the budgeted revenue.

State Revenue Sharing estimates are provided by the State of Michigan on the Department of Treasury's website.

Property Taxes



	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Budget
Operating	\$ 1,777,030	\$ 1,875,194	\$ 1,951,741	\$ 2,095,896	\$ 2,060,400
Streets	\$ 522,065	\$ 548,834	\$ 679,015	\$ 721,216	\$ 685,600
GO Bond	\$ 164,533	\$ 165,978	\$ 160,080	\$ 144,200	\$ 145,900

Calculating Property Taxes

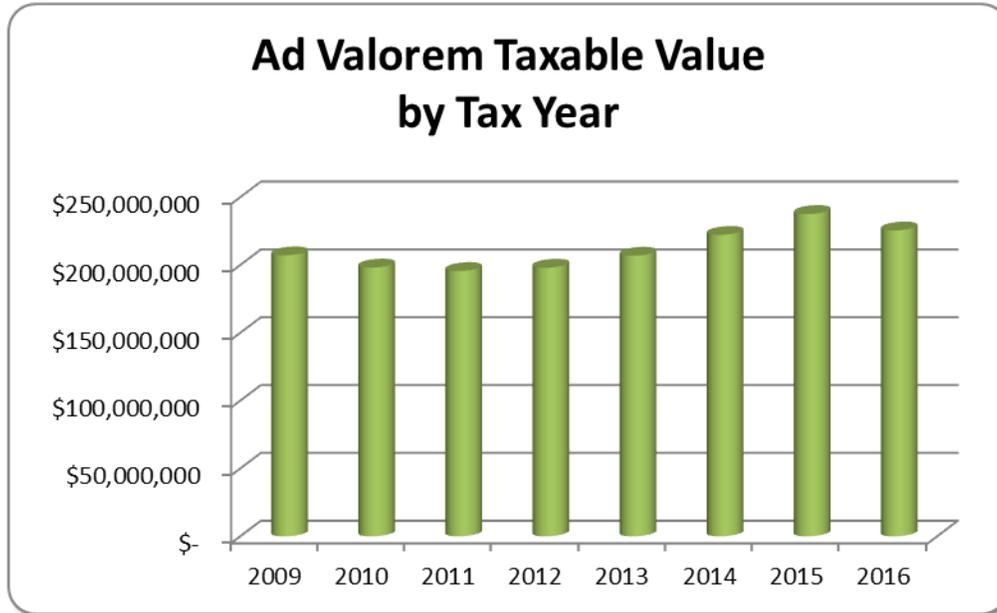
Property taxes are the largest source of revenue for the City. This revenue is dependent upon two variables – taxable value and millage rates. The taxable value is determined by the City assessor based on established assessing criteria, and the millage rate is set by the City Council. The formula to determine total property tax revenue (as well as taxes on an individual parcel) is as follows:

$$\text{Property taxes} = \frac{\text{taxable value} \times \text{millage rate}}{1000}$$

The assessor maintains two values for every parcel, both real and personal property, within the City. The first value is the State Equalized Value, also known as the SEV, which is 50% of the true market value of the property. The second value is the taxable value, which came into existence as a result of 1994's Proposal A, Michigan's property tax reform law. The taxable value of real property cannot increase higher than the rate of inflation or 5%, whichever is lower, and cannot be higher than the SEV of the property. This formula remains in place until a property is sold at which time the property becomes "uncapped" and changes to match the SEV. The limitation on increases then begins anew from the "uncapped" rate.

In the 2016 tax year, the inflation rate for assessment purposes is 0.3%. After four years of decreases in

overall taxable value due to the housing and economic downturns that began in 2007, the City has had increases starting in 2012. It is important to note, however, that approximately \$5,000,000 of the 2014 taxable value, which represents the Dexter Wellness Center, is in dispute and is currently in front of the Michigan Tax Tribunal. In addition, changes to the personal property tax laws that are being implemented in 2016 have resulted in an overall reduction of tax revenues, but most of the loss will be reimbursed by the State.



	Calendar Year 2009	Calendar Year 2010	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016
Taxable Value	\$ 207,153,079	\$ 198,181,879	\$ 195,605,892	\$ 198,095,470	\$ 206,877,960	\$ 222,254,189	\$ 237,648,537	\$ 225,518,118
Percent Change	-2.96%	-4.33%	-1.30%	1.27%	4.43%	7.43%	6.93%	-5.10%

The Headlee Amendment Limitation on Revenue Generation

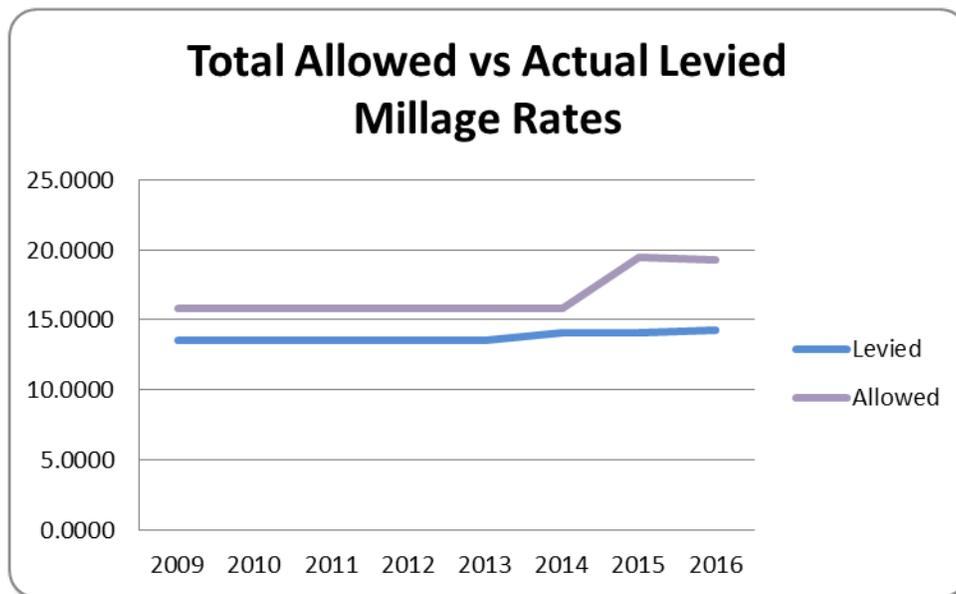
The Headlee Amendment of 1978 has an effect on millage rates by limiting the growth of property tax revenue from existing property. It accomplishes this by reducing the millage rates proportionally by the amount that market changes exceed the increase in the Consumer Price Index.

Each year, the Washtenaw County Equalization Department provides the City with a Headlee Reduction Factor. If this factor is below 1.0, then the maximum millage rate from the previous year needs to be reduced. If the factor is higher than 1.0, the law does not allow the maximum millage to be increased, so it will remain the same as the previous year.

Headlee Reduction Factors			
2009	1.0514	2013	1.0000
2010	1.0938	2014	1.0000
2011	1.0652	2015	1.0000
2012	1.0000	2016	0.9890

In general, City Council has not raised the City’s overall millage rate, preferring to adjust millage rates between the three categories as operational, debt and capital needs dictate. This was the case when the community was a village, and continued after the overall allowable millage rate was increased by becoming a city – with two notable exceptions. In Fiscal Year 2014-2015, the Streets millage was increased by .5 mills to cover a ten year bond that was sold to fund the road improvement plan. This increased the overall millage rate from 13.5562 to 14.0562. In Fiscal Year 2016-2017, City Council increased the operating millage rate by .25 mills in order to cover increased capital costs from the Dexter Area Fire Department. This raised the over millage rate to 14.3062, still well below the allowable rate of 19.3075. The allowable rate was reduced from Fiscal Year 2015-2016’s rate of 19.5000 due to having a Headlee Rollback for the first time in many years.

2016 Maximum Allowable Millage Rates			
Purpose	Original Rate	Headlee Rate	2016 Rate
Operating	12.5000	12.3625	10.2406
Streets	5.0000	4.9450	3.4075
GO Bond	2.0000	2.0000	0.6581
Total	19.5000	19.3075	14.3062

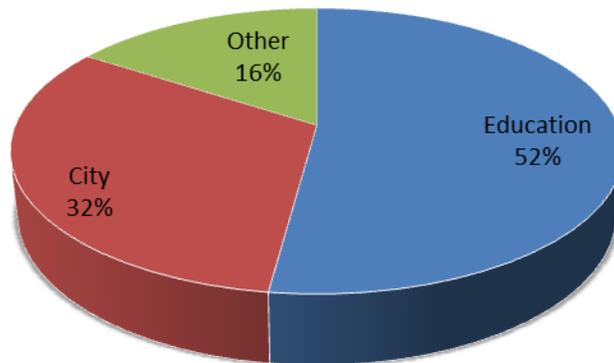


Individual Taxes

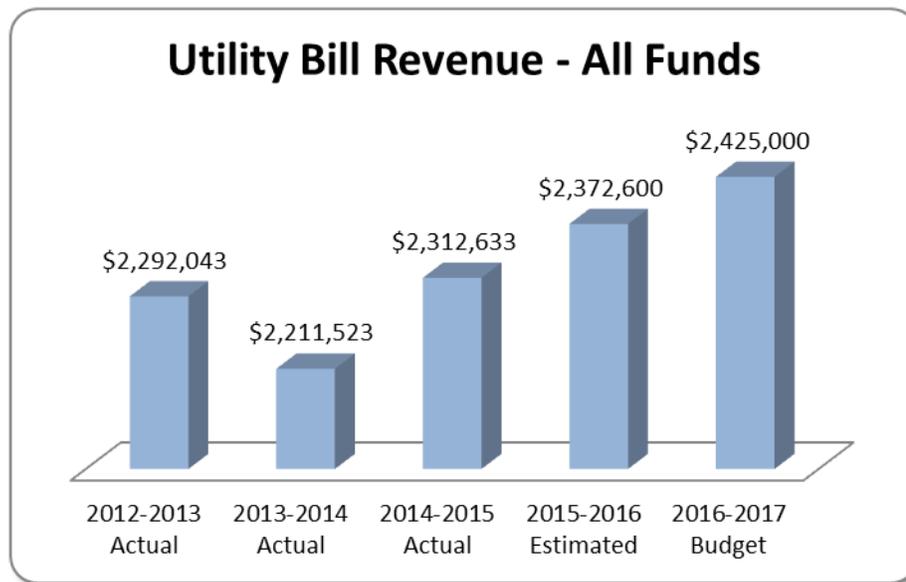
The tax impact on a home with a market value of \$200,000 is easily computed. The State Equalized Value (SEV) of the home would be one-half of the market value, or \$100,000. For this example, we will assume that the taxable value is equal to the SEV. To compute the amount of taxes on the home, the property owner would simply multiply the taxable value by the millage rate and divide by 1,000. The following table shows an estimate of 2016 taxes for sample properties with and without the primary residence exemption (also known as homestead exemption), assuming a taxable value of \$100,000.

Estimated 2016 Total Tax Bill					
Primary Residence Exemption			Non-Primary Residence Exemption		
Government	Millage	Tax	Government	Millage	Tax
Dexter Schools	14.5000	\$1,450.00	Dexter Schools	32.5000	\$3,250.00
City of Dexter	14.3062	\$1,430.62	City of Dexter	14.3062	\$1,430.62
Washtenaw County	5.4276	\$542.76	Washtenaw County	5.4276	\$542.76
Intermediate Schools	5.2745	\$527.45	Intermediate School:	5.2745	\$527.45
Community College	3.4360	\$343.60	Community College	3.4360	\$343.60
Library	1.5986	\$159.86	Library	1.5986	\$159.86
Administration Fee		\$44.54	Administration Fee		\$62.54
Total	44.5429	\$4,454.29	Total	62.5429	\$6,254.29

Breakdown of Total Taxes Paid With Primary Residence Exemption



Utility Billing



Utility Rates

In 2006 the City Council commissioned a Utility Rate Study from the City’s municipal finance firm. The purpose of the study was to insure that rates were fair and equitable, that they were sufficient to cover operating, capital and debt costs, and that tap fees reflected actual needs. Recommendations were made for both future rate increases and current tap fee rates. This study has been updated internally each year since.

For many years, there were no increases in sewer and water utility rates. This led to both the sewer and water funds being dangerously low in their operating revenue. Council has taken the recommendations of the Utility Rate Study and increased rates accordingly. For Fiscal Year 2016-2017, the City Council approved rate increases for water of 3% and sewer of 3%. It is the stated goal of Council to hold rate increases to 3% for each, but capital projects and the associated debt payments, combined with reduction in use of water for both indoor and outside watering, have sometimes necessitated a larger increase in the water fund than desired.

Refuse rates are established in order to cover the entire cost of refuse collection. This includes contracted solid waste pick up as well as work performed by the City’s Department of Public such as leaf collection and brush chipping. The rate of \$17.50 per month has not been increased since Fiscal Year 2014-2015.

Utility Rates	Water		Sewer	
	FY 15-16 Rates	FY 16-17 Rates	FY 15-16 Rates	FY 16-17 Rates
Ready to Serve Monthly Fee	\$7.63	\$7.86	\$7.12	\$7.33
First Meter Per 1,000 Gallons	\$3.44	\$3.54	\$8.76	\$9.02

Other Charges	FY 15-16 Rates	FY 16-17 Rates
	Monthly Refuse Charge	\$17.50
Penalties on Late Charges	2.00%	2.00%
Turn-on and Turn-off Charges	\$35.00	\$35.00
Meter Calibration Charge	\$35.00	\$35.00
Water Only Meter 1 inch	\$350.00	\$350.00

Individual Utility Charges

The chart below illustrates the impact of the rate adjustments on a family using 10,000 gallons of water during a two-month billing cycle (5,000 gallons per month). The overall increase for water, sewer and refuse, taking into consideration the various changes detailed under the previous Utility Rates section, is 2.35%, or \$4.48 per billing cycle.

Example Utility Bill Two Month Cycle	FY 15-16 Rates	FY 16-17 Rates
Water Ready to Serve	\$15.26	\$15.72
Water Commodity Charge	\$34.40	\$35.40
Sewer Ready to Serve	\$14.24	\$14.66
Sewer Commodity Charge	\$87.60	\$90.20
Refuse Charge	\$35.00	\$35.00
Total	\$186.50	\$190.98

State Revenue Sharing

Revenues received from the State of Michigan are a very important source of revenue for the City. State shared revenue estimates, which are determined by a formula based on population and type of local unit government (ie city, village, township), can be found at the Michigan Department of Treasury’s website at www.Michigan.gov. The City’s increased population in the 2010 Census had the effect of substantially increasing this revenue stream and in subsequent years we have seen minor fluctuations in revenue. The following table shows only the City’s Statutory and Constitutional Revenue Sharing.

State Fiscal Year	State Revenue Sharing		
	City Portion	Percent Change	Dollar Change
2009-2010 Actual	\$ 155,049		
2010-2011 Actual	\$ 274,380	76.96%	\$ 119,331
2010-2011 Actual	\$ 274,380		
2011-2012 Actual	\$ 295,385	13.55%	\$ 21,005
2011-2012 Actual	\$ 295,385		
2012-2013 Actual	\$ 300,575	1.76%	\$ 5,190
2012-2013 Actual	\$ 300,575		
2013-2014 Actual	\$ 310,068	3.16%	\$ 9,493
2013-2014 Actual	\$ 310,068		
2014-2015 Actual	\$ 315,010	1.59%	\$ 4,942
2014-2015 Actual	\$ 315,010		
2015-2016 Projected	\$ 312,838	-0.69%	\$ (2,172)
2015-2016 Projected	\$ 312,838		
2016-2017 Projected	\$ 317,970	1.64%	\$ 5,132

Street funds come to the City from the Michigan Department of Transportation and they are based upon formulas prescribed by Public Act 51. Because this formula is also dependent in part on a community's population, the City saw an increase in Fiscal Year 2011-2012 for the Major Streets and Local Streets funds, with similar trends as general state revenue sharing in subsequent years.

For Fiscal Year 2016-2017, an additional form of revenue sharing is being added to the General Fund, the Municipal Streets Fund and the General Debt Fund (Voted Bonds). This is due to the changes in personal property tax laws, whereas the loss in tax revenue is being replaced from the State’s Local Community Stabilization Authority.

State shared revenue can also include other sources such as grants and low cost loans.

Other Sources of Revenue

While property taxes, utility rates and state revenue sharing are the major sources of revenue for the City, there are other sources that the City relies upon each year.

Charges for Services

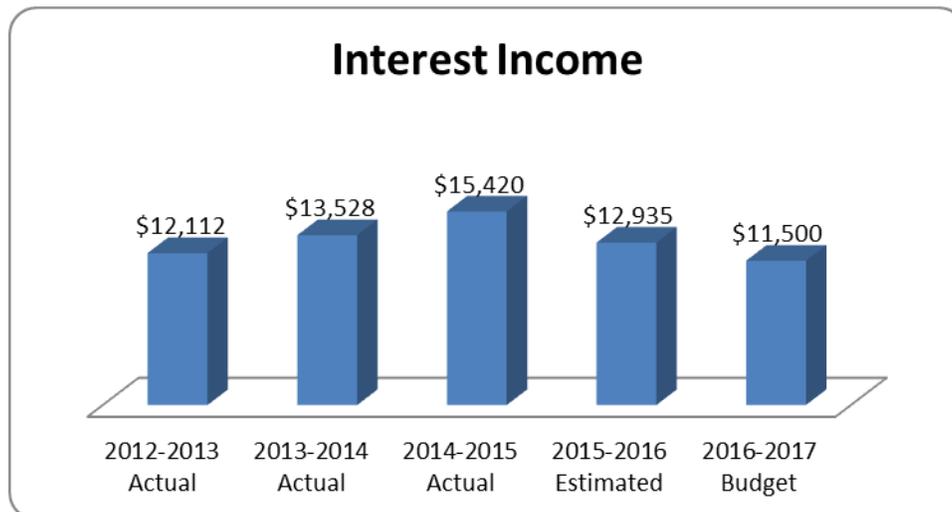
The City charges residents and other customers for services such as permits, planning charges, farmer’s market vendors and franchise fees. Fines are collected from traffic violations and parking and ordinance enforcement.

Grants

The City actively pursues grants and other outside funding. Please see the appendices for grants applied for and received since 2007.

Interest

The final sources of revenue are items such as interest on City investments, transfers in from other funds, administrative charges to the sewer and water funds, and miscellaneous revenue. In regard to interest income, the economy has had a significant effect on income from City investments. Income earned on investments has decreased as longer-term investments at higher rates have been replaced by ones with much lower rates of return. In the past year, we have not seen any trend towards increasing rates by much, and near-future increases are expected to be low to none.

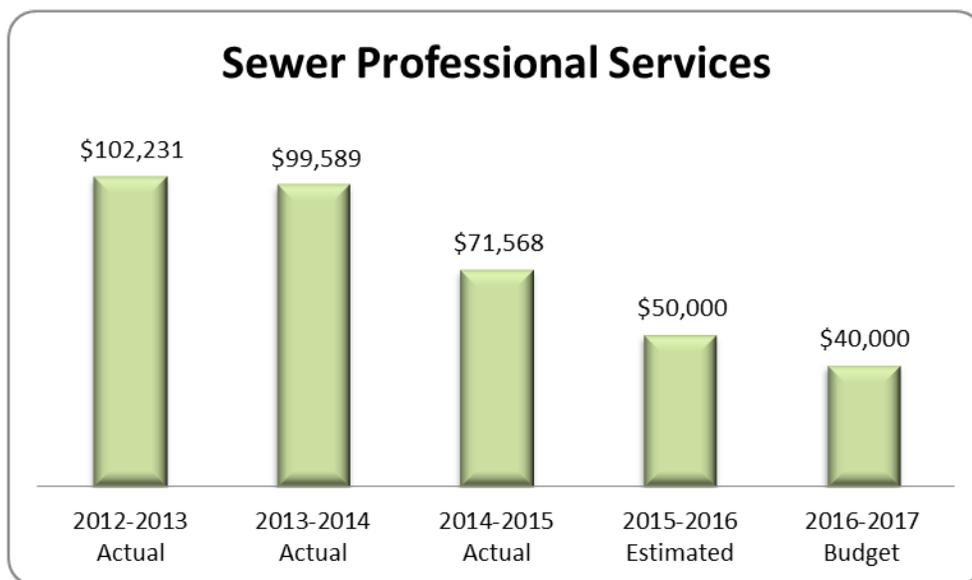
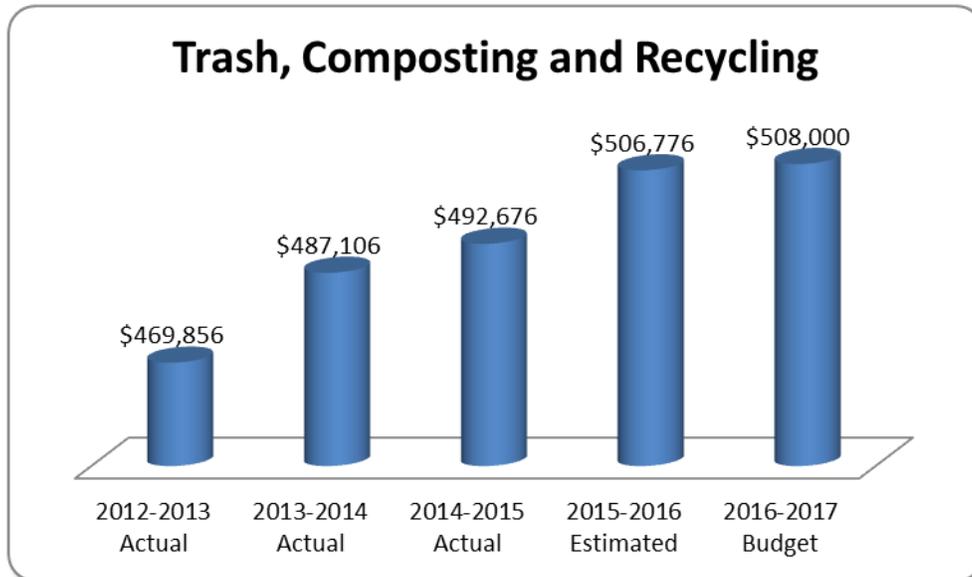


Expenditures

There are seven broad categories of expenditures that can be compared across funds.

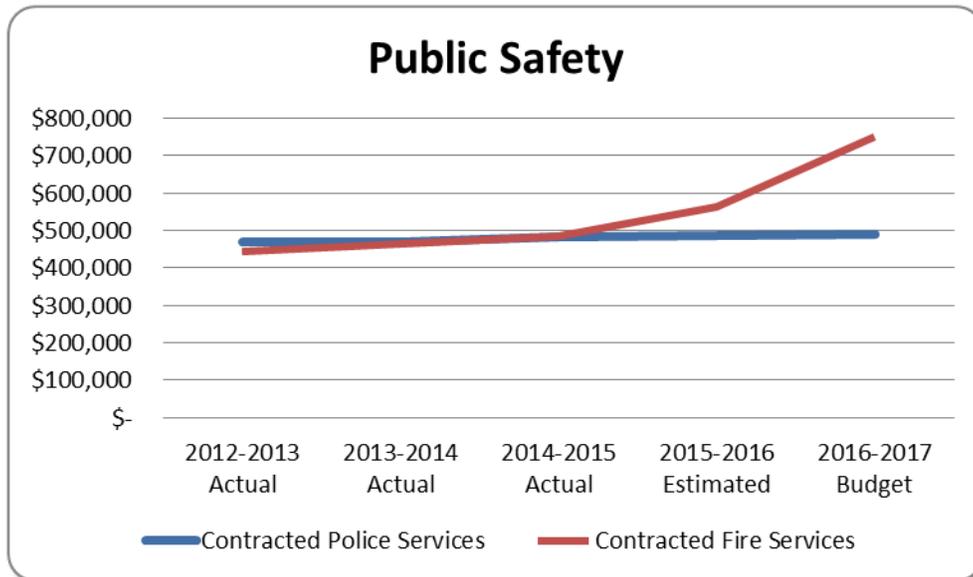
Contracted Services

Contracted services are those that are performed by people outside of the City's employ. Examples are trash pick-up, composting and recycling; equipment leases; engineering; and other professional consulting. The following charts show two of the major areas, which are trash, composting and recycling in the Solid Waste Fund, and professional services/sludge hauling in the Sewer Fund. Capital improvements at the Sewer Plant have led to a substantial reduction in professional services from a few years ago.



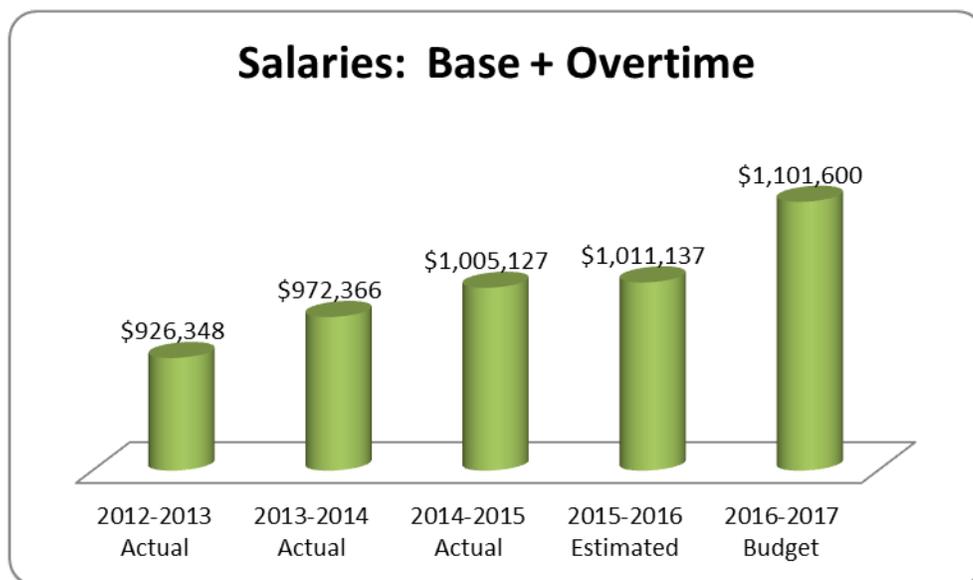
Public Safety

Public Safety consists of police protection contracted through the Washtenaw County Sheriff’s Department, and fire services contracted through the Dexter Area Fire Department (DAFD). While the Washtenaw County Sheriff pledged several years ago to hold increases to local contracting units down, costs for the DAFD have steadily increased, with an additional \$100,000 being added this year for future capital costs. For Fiscal Year 2016-2017, the total Public Safety budget of \$1,241,000 represents 43.20% of the City’s General Fund Operating Budget of \$2,872,600 (Fiscal Year 2015-2016 was 42.37%).

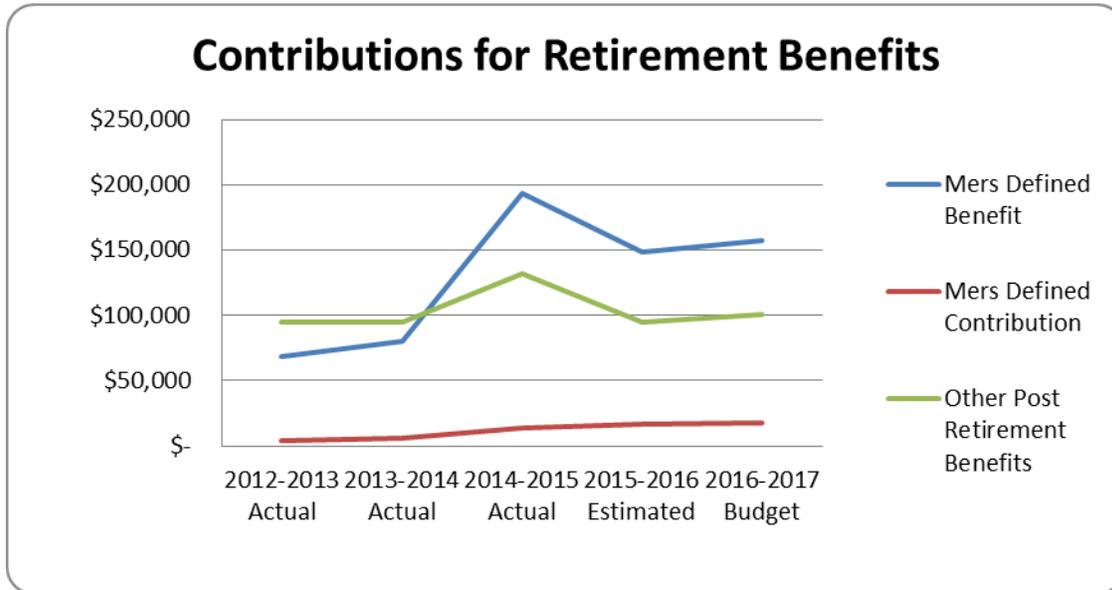


Personnel Costs

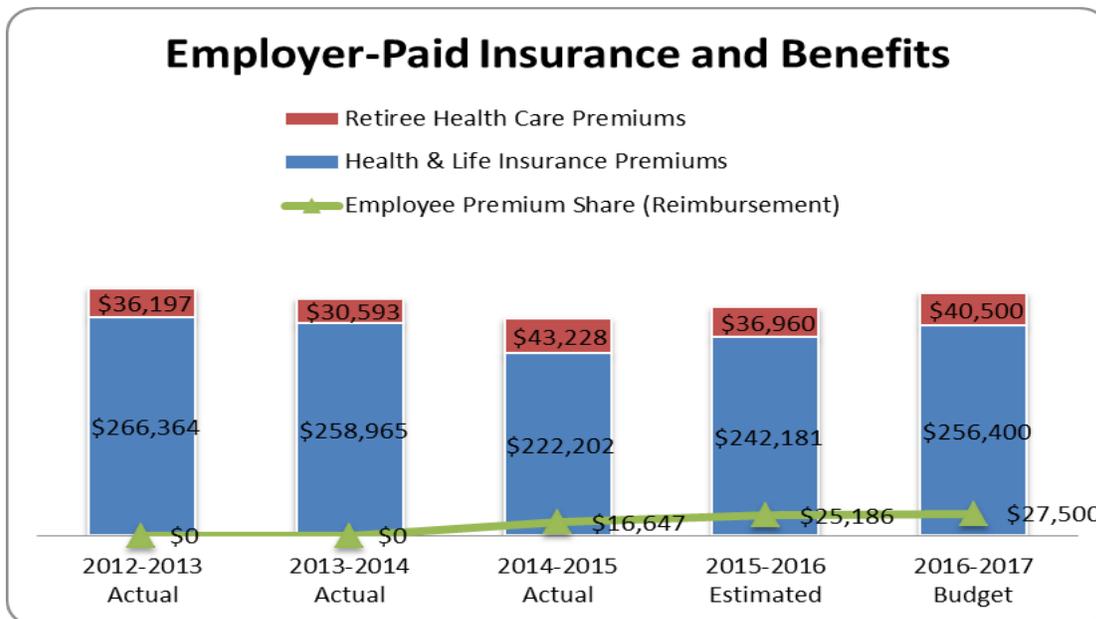
Personnel costs, a major part of any municipality’s budget, include wages and salaries, payroll taxes, pension contributions, health, life and disability insurance, and leave time cash outs. Since 2011, the City has seen several changes in its workforce due to retirements and reclassification of employees. Additional positions have been created, and reorganization of the utilities department and the department of public works is ongoing. The increase in this fiscal year is due in part to changing the assessor from a contracted position to an employee position, and the fact that for a majority of the last fiscal year, one position was unfilled.



Retirement costs have been reduced over the past few years as the City has moved away from an employer-funded defined benefit plan to a defined contribution plan that is primarily employee funded. The City has been proactive in addressing shortfalls in both pension and post-retirement benefits, dedicating excess funds to these two long-term liabilities.



While health care and retirement costs are increasing overall, current employees are expected to pay more towards their insurance and pensions than they have in past years. Changes in the types of health care plans offered has also lead to premium reductions and some employees have chosen high deductible plans with an employer contribution to their health care savings accounts over traditional HMO insurance.

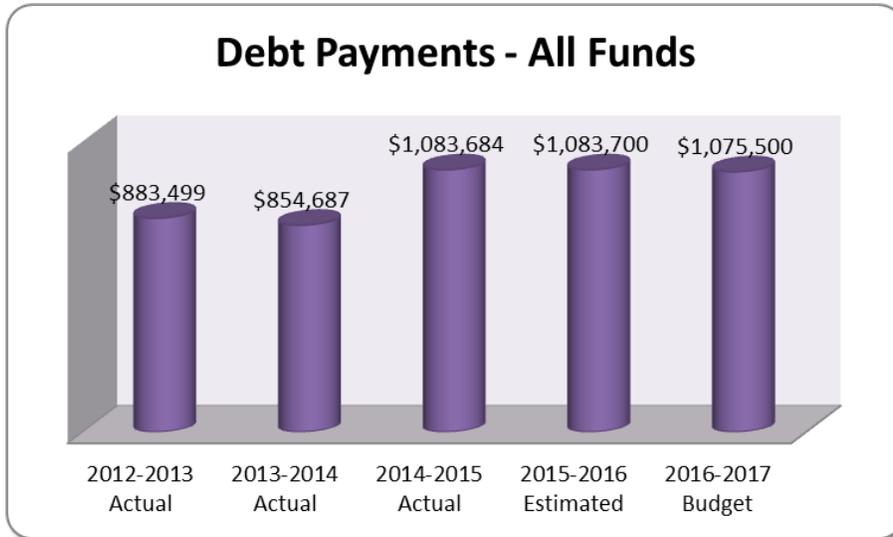


Operating Costs

Operating costs are those such as printing, postage, maintenance and repairs, utilities, office supplies, chemical and lab supplies, and anything else related to general operations that are not covered under another category.

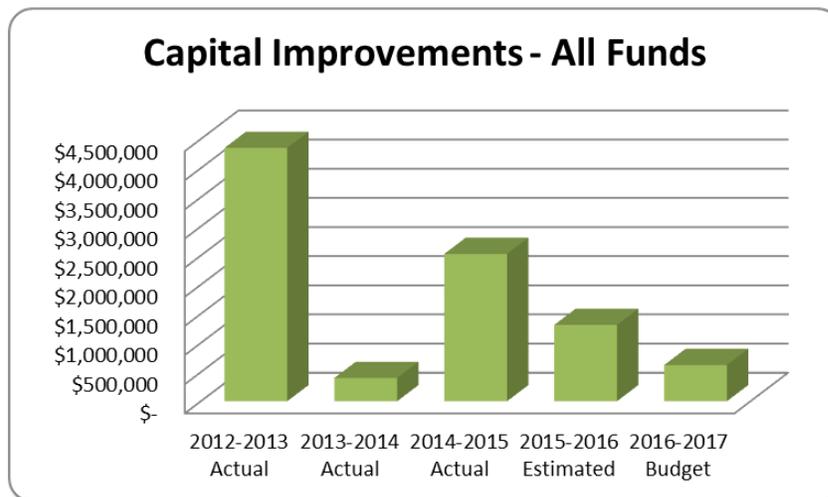
Debt Service

Debt service is the payments that are made on bonds that have been issued by the City. Between 2010 and 2014, the City borrowed funds to do major capital improvement projects to the sewer and water systems. In addition, in 2014 the City added an additional \$800,000 bond for street projects. Refunding bonds has resulted in some savings.



Capital Improvements

Capital improvements are items that will last over multiple years. These may include vehicles, equipment, and infrastructure improvements such as roads and sewer and water systems. They are non-recurring in nature, and are generally replaced only after their useful life has ended. Please see the Capital Improvements section later in this document for details on the annual expenditures.



Transfers Out

Transfers out are transfers between funds, such as transfers from the Municipal Streets Fund to another street fund for capital projects.

Financial Plans

Financial plans play a large role in the development of the City's annual budget. These plans can be internally generated, such as the Capital Improvements Plan, or externally created by consultants such as the City's engineers, Orchard. Hiltz and McCliment (OHM). They can also take the form of studies, such as the Utility Rate Study and tools, such as the Five-Year Financial Model.

Five-Year Financial Model

The Five-Year Financial Model was originally developed in by a consultant hired through the Michigan Municipal League. The model took approximately six months to create, and it involved researching past trends in City revenue and expenditures, gathering information about expected growth trends and many other types of information. The first year of data contained in the Model is from Fiscal Year 2001-2002.

Each year the Model is updated as a part of the budgeting process. It is used to determine how much may be available for capital expenditures, how much revenue the City may expect to receive, and trends for expenditures. Forecasts are extended out for five years after the current budget year. The Model, which now contains historical and predictive data spanning a decade and a half, is available in the appendices.

The Five-Year Financial Model directly assists the City in the goal of maintaining financial sustainability.

Utility Rate Study

The Utility Rate Study was commissioned from ACI Finance, Inc. in 2006. The purpose of this study was two-fold: to create a model that the City could use to develop utility rates, and to ensure that the City was in compliance with state and federal regulations when charging user and tap fees for the utility systems.

Each year the study's Excel spreadsheet is updated by staff and used to develop recommendation to Council for the next year's utility rates. It can also assist the City in determining how much debt can be entered into when capital projects are required.

The Utility Rate Study directly assists the City in the goal of maintaining financial sustainability, and a copy of it is available in the appendices.

Road Maintenance Program

The Road maintenance Program was originally developed by the City's engineers, Orchard Hiltz & McCliment (OHM), in 2008. First, OHM researched and catalogued the condition of all of the City's streets. Then an asset management plan was then created to detail which streets could have their life lengthened through maintenance activities and which would require more extensive rehabilitation and/or replacement.

The Road Committee then further developed this program to create an aggressive maintenance and preservation plan for City roads, which is being carried out in 2014 and 2015. City Council and staff use this document to make decisions regarding the timing and scope of road-related expenditures. It is available on the City's website at www.DexterMI.gov.

The Road Maintenance Program directly assists the City in the goals of facility a high quality of life, ensuring good stewardship of municipal infrastructure and promoting a safe community.

Sewer Capacity Study

The Sewer Capacity Study was also commissioned from OHM. This study was done in 2005, and has been the basis for many decisions regarding capital improvements for the sewer system. It is available on the City's website at www.DexterMI.gov.

The Sewer Capacity Study directly assists the City with the goals of ensuring good stewardship of municipal infrastructure and environmental stewardship.

Mill Creek Park Plan



The Mill Creek Park Plan started in committee in 2007. A formal study was commissioned from JJR LLC, which was presented to Dexter in 2009. This document is a guide for the development, funding and expansion of the park along the banks of Mill Creek, which flows into the Huron River. This development opportunity came about due to the removal of the Main Street Bridge's dam as part of the bridge reconstruction project in the summer and fall of 2008. The removal created land on what was formerly the bottom of Mill Creek Pond which is to be used in the creation of the new park.

Construction of Phase I of this project commenced with Fiscal Year 2011-2012, and was completed in late 2012. Phase II has yet to be commenced, and is not in the current budget. The City will start the application process for grants for Phase II in Fiscal Year 2016-2017.

The Mill Creek Park Plan directly assists the City with the goals of facilitating a high quality of life and environmental stewardship.

Capital Improvement Plan

The Capital Improvement Plan (CIP) is the main guidance document for capital improvement programming in the City. The current format of this document was developed in 2003 by a committee consisting of Council members, Planning Commission members, Park Commission members and staff. Capital improvement plans from other communities were reviewed and combined with the City's existing document to create one which relied more heavily on real-time financial data in order to assist decision makers.

The CIP looks at what capital projects are desired, their priority, and what funding opportunities are available. It is a recommending document, and budgeting decisions are sometimes made based on other factors besides the CIP.

The funded portions of the CIP are included in the next section of this budget. The full document, which looks out five years into the future, is available on the City's website at www.DexterMI.gov.

The Capital improvement Plan directly assists the City with the goals of ensuring good stewardship of municipal infrastructure, facilitating a high quality of life, promoting a safe community and environmental stewardship.

Capital Improvements

The City of Dexter's capital planning process begins each year with the Planning Commission's creation and adoption of the Capital Improvement Plan (CIP) (please see the City website at www.dextermi.gov/capital-improvements-plan). This process is mandated by the State of Michigan's Municipal Planning Commission Act (PA 285 of 1931). Starting no later than December, this process takes several months and looks at what capital projects could be done within the City to improve quality of life and enhance existing facilities and programs. The Planning Commission and staff take into consideration other documents such as the Master Plan and Parks and Recreation Master Plan in creating this document, as well as receiving input from other boards such as the Parks Commission, the Downtown Development Authority and City Council.

In addition, staff maintains repair and replacement records for equipment, vehicles and other technology that may not appear in the CIP but are still considered capital improvements. Below is a chart showing total capital improvements, both CIP and Non-CIP, for all funds within the City.

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Capital Improvements - All Funds	Actual	Actual	Actual	Estimated	Budget
Vehicles	153,181	40,788	116,302	42,000	45,000
Technology & Equipment	3,097	15,979	154,575	6,059	22,600
Facilities & Property Acquisition	-	-	40,266	30,000	-
Parks and Trails	205,341	7,341	47,460	163,900	15,000
Sidewalks	109,234	3,025	45,405	-	70,000
Streets, Streetlights & Traffic Controls	556,017	180,394	1,366,079	688,952	396,000
Sewer Improvements	3,177,472	81,475	357,092	317,633	20,000
Water Improvements	141,271	69,637	401,128	60,000	140,000
Total	\$ 4,345,613	\$ 398,639	\$ 2,528,307	\$ 1,308,544	\$ 708,600

**Note: Sewer and Water Amounts for Fiscal Years 2012 through 2014 include Sewer Revolving Fund and Drinking Water Revolving Fund financed improvements.

**Note: Streets, Streetlights & Traffic Controls for 2014 include Road Bond financed improvements.

Impact on Operating Budgets

All capital projects will have an impact on a government's operating budget. The impact could be positive, such as a reduction in maintenance costs or lowering of utility costs, or negative impacts such as increased personnel costs. Potential impacts are detailed in the project descriptions in this budget.

Projects with significant negative financial impact would require such things as an increase in taxes, a reduction in spending elsewhere, or additional staff; and with significant positive financial impact would generate new revenue streams or reduce costs to a point that taxes or personnel costs could be lowered.

In Fiscal Year 2016-2017, there are no budgeted capital projects with a significant impact on the financial condition of the City, although several are intended to improve efficiencies. There is one non-budgeted capital project that will have significant impact on the City's financial condition. Budgetary impacts on specific projects are included in the following section.

Vehicles – Total Fiscal Year Budget : \$45,000

Public Works (Equipment Replacement Fund) – \$10,000

Purchase of a golf cart-like utility vehicle for use by DPW workers and the landscaper to carry goods and equipment used to maintain public parks and downtown areas. Maintenance costs will increase slightly as this is a new piece of equipment.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue ✓	Personnel Costs
Public Infrastructure ✓	Grants or One-Time Sources	Maintenance Costs ↑
Quality of Life ✓	Reserves	Tax and Revenue Structure
Flow of Information		Service Levels ↑
Investment in Employees ✓		Projected Increase (Decrease) per Year \$ 100
Public Safety		
Environment ✓		
Review of Plans and Policies		

Public Utilities (Sewer and Water Funds, 50/50 Split) – \$35,000

Purchase of a utility van to replace the existing van, which is over ten years old. Maintenance costs will be reduced as this equipment is replacing an older model.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue ✓	Personnel Costs
Public Infrastructure ✓	Grants or One-Time Sources	Maintenance Costs ↓
Quality of Life	Reserves	Tax and Revenue Structure
Flow of Information		Service Levels ↑
Investment in Employees ✓		Projected Increase (Decrease) per Year \$ (1,000)
Public Safety		
Environment ✓		
Review of Plans and Policies		

Technology & Equipment – Total Fiscal Year Budget: \$22,500

Computers (General Fund) – \$6,500

Purchase two replacement computers for office staff (City Manager Department and Treasurer Department), one new computer for office staff (Assessor Department), and one laptop for the Elections Department. There will be no change in maintenance costs since the City’s IT contract is based on a flat annual fee.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs
Public Infrastructure	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure
Flow of Information		Service Levels
Investment in Employees	√	Projected Increase (Decrease) per Year \$ -
Public Safety		
Environment	√	
Review of Plans and Policies		

Election Equipment (General Fund) – \$6,000

Purchase of new voter/election equipment, as required by the State of Michigan. There will be no maintenance costs associated with this purchase.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs
Public Infrastructure	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure
Flow of Information	√	Service Levels
Investment in Employees	√	Projected Increase (Decrease) per Year \$ -
Public Safety		
Environment	√	
Review of Plans and Policies		

Document Management System (General Fund) – \$10,000

City Staff has proposed to implement a document management system involving converting paper documents to electronic files and development of an electronic document storage system. Options include hiring an outside contractor or purchasing software to perform activities in house, or a combination of both. There will probably be increased costs associated with annual scanning of documents, which may be outsourced.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs
Public Infrastructure	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure
Flow of Information	√	Service Levels
Investment in Employees	√	Projected Increase (Decrease) per Year \$ 1,000
Public Safety		
Environment	√	
Review of Plans and Policies		

Facilities & Property Acquisition – Total Fiscal Year Budget: TBD

DTE Substation Removal (General Fund and DDA) – Total Budgeted Expense: To Be Determined

This item involves the relocation of an electrical provider’s substation from its existing site adjacent to the DDA-owned 3045 Broad Street site, to a portion of the City-owned Dan Hoey site. This will facilitate the redevelopment of 3045 Broad Street into a residential and mixed use development, to be completed in 2019. Council did not include a budget for this project, which is expected to cost approximately \$350,000 and involves a land swap between DTE, the City and the DDA. A budget amendment will be made when the final costs for the project are known. Overall, this removal when combined with the redevelopment of 3045 Broad will increase tax capture revenue for the DDA.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	✓ Operating Revenue	Personnel Costs
Public Infrastructure	✓ Grants or One-Time Sources	✓ Maintenance Costs
Quality of Life	✓ Reserves	✓ Tax and Revenue Structure
Flow of Information		Service Levels
Investment in Employees		Projected Increase (Decrease) per Year
Public Safety		\$ 140,000
Environment	✓	
Review of Plans and Policies		

PROJECT NAME: DTE Sub-Station Decommission/Relocation (Part of DAPCO Redevelopment- Project 1.01)								
PROJECT ID: 1.14	PRIORITY: IMPORTANT							
PROJECT TYPE: Redevelopment	TOTAL COST: \$350,000							
SUBMITTED BY: DDA	YEARS IN CIP (Beginning year): 2 (2014)							
DESCRIPTION:	LOCATION MAP: Broad Street between Forest and Grand							
Decommission and/or relocation of DTE Sub-station on Broad Street to facilitate redevelopment of 3045 Broad Street (DAPCO Redevelopment ID1.01).								
PROJECT JUSTIFICATION: Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important								
3 Protect health, safety, lives of citizens								
3 Maintain or improve public infrastructure, facilities								
3 Reduce energy consumption, impact on the environment								
3 Enhance social, cultural, recreational, aesthetics opportunities								
2 Improve customer service, convenience for citizens								
14 TOTAL SCORE								
BENEFICIAL IMPACTS:								
Removal of a electric sub-station and re-routing of high tension power lines in preparation for redevelopment and increased tax capture through potential public/private partnership. Enhancement of park riverwalk.								
MASTER PLAN AND/OR STUDY REFERENCE:								
DDA Development Plan and OHM/Bird Houk CDBG Planning Grant Study; OHM/Houk Conceptual Site Plan and Design Standards; MEDC RRSites Study; Additional Planning and Infrastructure Study								
SCHEDULE:	SCHEDULE JUSTIFICATION:							
Study:	2008 2012							
Design/Acquisition:	2012 2015							
Construction:	2015 2017							
	Discussion underway to DTE Energy to decommission site in 2016. City will front DDA Funds and DDA will payback over time.							
PROJECT COST DETAIL:								
DDA	\$350,000							
DTE	TBD							
City	TBD							
Grants	TBD							
EXPENDITURES (in thousands)								
Funding Source	Prior Yrs	FY16-17	FY17-18	FY18-19	FY19-20	FY 20-21	Beyond FY21	TOTALS
DDA Funding								\$0
City		\$350						\$350
DTE		TBD						\$0
Grants (CDBG)		TBD						\$0
TOTALS	\$0	\$350	\$0	\$0	\$0	\$0	\$0	\$350

Parks & Trails – Total Fiscal Year Budget: \$15,000

First Street Park (General Fund) - \$15,000

This project is for improvements to First Street Park, which currently contains horseshoe pits and picnic tables. Funds are budgeted for a development plan, as well as possible construction of a storage building in conjunction with a private horseshoe club. Small building maintenance costs may be incurred.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs
Public Infrastructure	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure
Flow of Information		Service Levels
Investment in Employees		Projected Increase (Decrease) per Year
Public Safety		\$ 500
Environment		
Review of Plans and Policies		

PROJECT NAME: First Street Park (f/k/a Horseshoe Park)																									
PROJECT ID: 2.06	PRIORITY: IMPORTANT																								
PROJECT TYPE: Park Development	TOTAL COST: \$6,800																								
SUBMITTED BY: Parks and Recreation/Staff YEARS IN CIP (Beginning year): 2 (2014)																									
DESCRIPTION:	LOCATION MAP:																								
<p>First Street Park is owned by the City. The Dexter Ringers Club provide maintenance assistance. PaRC recommended a shelter to store equipment and to facilitate orderliness of the park.</p> <p>PROJECT JUSTIFICATION: Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important</p> <table border="1"> <tr><td>1</td><td>Protect health, safety, lives of citizens</td></tr> <tr><td>3</td><td>Maintain or improve public infrastructure, facilities</td></tr> <tr><td>1</td><td>Reduce energy consumption, impact on the environment</td></tr> <tr><td>3</td><td>Enhance social, cultural, recreational, aesthetics opportunities</td></tr> <tr><td>3</td><td>Improve customer service, convenience for citizens</td></tr> <tr><td>11</td><td>TOTAL SCORE</td></tr> </table> <p>BENEFICIAL IMPACTS:</p> <p>Providing additional park facilities/amenities for a variety of citizens. Promotes exercise, healthy relationships and community.</p>	1	Protect health, safety, lives of citizens	3	Maintain or improve public infrastructure, facilities	1	Reduce energy consumption, impact on the environment	3	Enhance social, cultural, recreational, aesthetics opportunities	3	Improve customer service, convenience for citizens	11	TOTAL SCORE													
1	Protect health, safety, lives of citizens																								
3	Maintain or improve public infrastructure, facilities																								
1	Reduce energy consumption, impact on the environment																								
3	Enhance social, cultural, recreational, aesthetics opportunities																								
3	Improve customer service, convenience for citizens																								
11	TOTAL SCORE																								
MASTER PLAN AND/OR STUDY REFERENCE:																									
Parks and Recreation Master Plan 2015-2020																									
SCHEDULE:	SCHEDULE JUSTIFICATION:																								
<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Start</th> <th colspan="2">End</th> </tr> <tr> <th>Month</th> <th>Year</th> <th>Month</th> <th>Year</th> </tr> </thead> <tbody> <tr> <td>Study:</td> <td></td> <td>2013</td> <td></td> <td>2013</td> </tr> <tr> <td>Design/Acquisition:</td> <td></td> <td>2014</td> <td></td> <td>2014</td> </tr> <tr> <td>Construction:</td> <td></td> <td>2016</td> <td></td> <td>2016</td> </tr> </tbody> </table>		Start		End		Month	Year	Month	Year	Study:		2013		2013	Design/Acquisition:		2014		2014	Construction:		2016		2016	<p>Park was surveyed in 2015. City rezoned the property to PP, Public Park to facilitate future public improvements. The City allocated funding in 2014 and 2015 to erect a shelter to store equipment used at the park. Funding was not allocated in 2016. Council considering funding for FY 2016-17, with construction in late summer 2016.</p>
		Start		End																					
	Month	Year	Month	Year																					
Study:		2013		2013																					
Design/Acquisition:		2014		2014																					
Construction:		2016		2016																					
PROJECT COST DETAIL:																									
Shelter - Permitting	General Fund	\$5,180																							
Shelter - Construction	General Fund	\$5,000																							
EXPENDITURES (in thousands)																									
Funding Source	Prior Yrs	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	Beyond FY21	TOTALS																	
General Fund	\$2	\$5	\$5					\$10																	
Donations		TBD						\$0																	
								\$0																	
TOTALS	\$2	\$5	\$5	\$0	\$0	\$0	\$0	\$10																	

Sidewalks – Total Fiscal Year Budget: \$70,000

Sidewalk Replacement and Repair (Major and Local Streets Fund) – \$10,000 Major and \$60,000 Local

The Budget is for replacement of deteriorating sidewalks, and new and replacement American with Disabilities Act compliant ramps. Maintenance costs are reduced due to the newer concrete.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs
Public Infrastructure	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure
Flow of Information		Service Levels
Investment in Employees		Projected Increase (Decrease) per Year
Public Safety		\$ (1,000)
Environment		
Review of Plans and Policies		

PROJECT NAME: Crosswalk and Barrier Free Improvements																									
PROJECT ID: 3.02	PRIORITY: IMPORTANT																								
PROJECT TYPE: Sidewalk Safety	TOTAL COST: \$60,000																								
SUBMITTED BY: City Staff	YEARS IN CIP (Beginning year): 6 (2010)																								
DESCRIPTION:	LOCATION MAP: Locations TBD																								
<p>Improve cross walk safety and barrier free accessibility in accordance with 2010 Crosswalk Evaluation Study</p> <p>PROJECT JUSTIFICATION: Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important</p> <table border="1"> <tr><td>3</td><td>Protect health, safety, lives of citizens</td></tr> <tr><td>3</td><td>Maintain or improve public infrastructure, facilities</td></tr> <tr><td>2</td><td>Reduce energy consumption, impact on the environment</td></tr> <tr><td>2</td><td>Enhance social, cultural, recreational, aesthetics opportunities</td></tr> <tr><td>2</td><td>Improve customer service, convenience for citizens</td></tr> <tr><td>12</td><td>TOTAL SCORE</td></tr> </table> <p>BENEFICIAL IMPACTS:</p> <p>Reduced liability and improved safety to residents. Improved infrastructure.</p>	3	Protect health, safety, lives of citizens	3	Maintain or improve public infrastructure, facilities	2	Reduce energy consumption, impact on the environment	2	Enhance social, cultural, recreational, aesthetics opportunities	2	Improve customer service, convenience for citizens	12	TOTAL SCORE													
3	Protect health, safety, lives of citizens																								
3	Maintain or improve public infrastructure, facilities																								
2	Reduce energy consumption, impact on the environment																								
2	Enhance social, cultural, recreational, aesthetics opportunities																								
2	Improve customer service, convenience for citizens																								
12	TOTAL SCORE																								
MASTER PLAN AND/OR STUDY REFERENCE:																									
2010 OHM Crosswalk Evaluation AND past CIP																									
SCHEDULE:	SCHEDULE JUSTIFICATION:																								
<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Start</th> <th colspan="2">End</th> </tr> <tr> <th>Month</th> <th>Year</th> <th>Month</th> <th>Year</th> </tr> </thead> <tbody> <tr> <td>Study:</td> <td></td> <td>2010</td> <td></td> <td>2011</td> </tr> <tr> <td>Design/Acquisition:</td> <td></td> <td>2011</td> <td></td> <td>ongoing</td> </tr> <tr> <td>Construction:</td> <td></td> <td>2011</td> <td></td> <td>ongoing</td> </tr> </tbody> </table>		Start		End		Month	Year	Month	Year	Study:		2010		2011	Design/Acquisition:		2011		ongoing	Construction:		2011		ongoing	City should attempt to annually provide funding to bring all crosswalks and ramps into compliance with barrier free and crosswalk standards as recommended in the plan, with focus on Huron Farms and Dexter Crossing. Coordination with school and other construction projects.
		Start		End																					
	Month	Year	Month	Year																					
Study:		2010		2011																					
Design/Acquisition:		2011		ongoing																					
Construction:		2011		ongoing																					
PROJECT COST DETAIL:																									
Crosswalk and ramp repair or retrofit	General Fund	\$60,000																							
EXPENDITURES (in thousands)																									
Funding Source	Prior Yrs	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	Beyond FY21	TOTALS																	
General Fund-Study	\$10							\$0																	
General Fund-Constructio	\$30	\$10	\$10	\$10	\$10	\$10	\$10	\$60																	
								\$0																	
								\$0																	
TOTALS	\$40	\$10	\$10	\$10	\$10	\$10	\$10	\$60																	

Streets, Streetlights, and Traffic Controls – Total Fiscal Year Budget: \$396,000

Meadowview/Ann Arbor Street Traffic Detection (Major Streets Fund) – \$15,000

Purchase and installation of a new traffic detection system for the stop light located at this intersection. This replaces a system that had been intermittently failing, so there should be a reduction in maintenance costs.

Community-Wide Goals and Objectives		Revenue Source		Budget Impact Upon Completion	
Fiscal Responsibility		Operating Revenue	✓	Personnel Costs	
Public Infrastructure	✓	Grants or One-Time Sources		Maintenance Costs	↓
Quality of Life	✓	Reserves		Tax and Revenue Structure	
Flow of Information				Service Levels	
Investment in Employees				Projected Increase (Decrease) per Year	\$ (1,000)
Public Safety	✓				
Environment	✓				
Review of Plans and Policies					

Road Improvement and Maintenance Plan (Major and Local Streets) – Total budgeted expense: \$108,000 Major and \$273,000 Local

This multi-year project was first implemented in Fiscal Year 2014-2015, initially funded by an \$800,000 bond. In this third year of implementation, expenses are being funded through transfers from the Municipal Streets Fund. This year’s improvements are being done by a process called cape sealing, which is used on roads that have a good base and decent surface. Maintenance and future costs are reduced by keeping the pavement condition in good shape.

Community-Wide Goals and Objectives		Revenue Source		Budget Impact Upon Completion	
Fiscal Responsibility	✓	Operating Revenue	✓	Personnel Costs	
Public Infrastructure	✓	Grants or One-Time Sources		Maintenance Costs	↓
Quality of Life	✓	Reserves	✓	Tax and Revenue Structure	
Flow of Information				Service Levels	
Investment in Employees				Projected Increase (Decrease) per Year	\$ 10,000
Public Safety	✓				
Environment					
Review of Plans and Policies					

PROJECT NAME: Road Maintenance Program: Micro-Surfacing/Cape Sealing
PROJECT ID: 6.02.b **PRIORITY: IMPORTANT**
PROJECT TYPE: Infrastructure Maint. **TOTAL COST: \$760,000 (Varies by year)**
SUBMITTED BY: City Staff/Road Comm. **YEARS IN CIP (Beginning year): 0 (2015)**

<p>DESCRIPTION: Microsurfacing/Cape Sealing is proposed to extend the life of pavements by restoring the driving surface and sealing full depth cracks. Sealing these cracks prevents the migration of water into the road base and protects the road from freeze thaw cycles. These treatments overall road service life.</p> <p>PROJECT JUSTIFICATION: Value indicates the degree to which the project will help to: 0=Not Applicable 1=Somewhat Important 2=Important 3=Very Important</p> <table border="1"> <tr><td>2</td><td>Protect health, safety, lives of citizens</td></tr> <tr><td>3</td><td>Maintain or improve public infrastructure, facilities</td></tr> <tr><td>3</td><td>Reduce energy consumption, impact on the environment</td></tr> <tr><td>3</td><td>Enhance social, cultural, recreational, aesthetics opportunities</td></tr> <tr><td>3</td><td>Improve customer service, convenience for citizens</td></tr> <tr><td>14</td><td>TOTAL SCORE</td></tr> </table> <p>BENEFICIAL IMPACTS: Maintenance of roadways to extend life of infrastructure and reduce costs and need for replacement.</p>	2	Protect health, safety, lives of citizens	3	Maintain or improve public infrastructure, facilities	3	Reduce energy consumption, impact on the environment	3	Enhance social, cultural, recreational, aesthetics opportunities	3	Improve customer service, convenience for citizens	14	TOTAL SCORE	<p>LOCATION MAP: Various Locations</p> 
2	Protect health, safety, lives of citizens												
3	Maintain or improve public infrastructure, facilities												
3	Reduce energy consumption, impact on the environment												
3	Enhance social, cultural, recreational, aesthetics opportunities												
3	Improve customer service, convenience for citizens												
14	TOTAL SCORE												

MASTER PLAN AND/OR STUDY REFERENCE:
 2008 City of Dexter Road Maintenance Program, Summary Report, Conditions and Recommendations. Various memoranda prepared by the Streets Committee (2014)

SCHEDULE:				SCHEDULE JUSTIFICATION:			
	Start		End				
	Month	Year	Month	Year			
Study:		2009		2014	Updated PASER ratings were performed in 2013. The Road Committee used this data to program maintenance strategy for all roads within City over a 3 year period aligned with road millage increase. Cape seal is used to preserve the condition of fair roadways.		
Design/Acquisition:	January	2015	February	2015			
Construction:	July	2015		ongoing			

PROJECT COST DETAIL:

Cape Sealing	Street Fund	Unknown
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EXPENDITURES (in thousands)

Funding Source	Prior Yrs	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	Beyond FY20	TOTALS
Streets Fund	\$150							\$0
								\$0
								\$0
								\$0
TOTALS	\$150	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Sewer Improvements – Total Fiscal Year Budget: \$20,000

Replacement of a Grinder Pump – \$20,000

This item is the replacement of an existing grinder pump at the sewer plant. Replacement of this pump will lower maintenance and energy costs.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs
Public Infrastructure	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure
Flow of Information		Service Levels
Investment in Employees		Projected Increase (Decrease) per Year \$ 1,000
Public Safety		
Environment		
Review of Plans and Policies		

Water Improvements – Total Fiscal Year Budget: \$140,000

Maintenance and Painting of the Water Tower – \$100,000

The water tower is due for maintenance, including the painting and sealing of the inside of the structure. There are no expected cost savings or increases from this project, as the structure function is only storage.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs
Public Infrastructure ✓	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure ✓
Flow of Information		Service Levels
Investment in Employees		Projected Increase (Decrease) per Year \$ -
Public Safety		
Environment		
Review of Plans and Policies		

Meter Repair and Replacement – \$40,000

This is budgeted for ongoing repair and replacement of meters. Revenue is increased because faulty meters do not correctly record water usage. Additional savings come from less water waste.

Community-Wide Goals and Objectives	Revenue Source	Budget Impact Upon Completion
Fiscal Responsibility	Operating Revenue	Personnel Costs ✓
Public Infrastructure ✓	Grants or One-Time Sources	Maintenance Costs
Quality of Life	Reserves	Tax and Revenue Structure ↑
Flow of Information		Service Levels
Investment in Employees		Projected Increase (Decrease) per Year \$ 5,000
Public Safety		
Environment ✓		
Review of Plans and Policies		

Debt Management

Bond Rating

In July 2015, Standard and Poors issued a bond rating for Dexter of AA/Stable. This is an upgrade from the previous bond ratings of AA- that was issued in 2010, and A+ that was issued in 2008. In 2000 the bond rating was a BBB, so the City has seen substantial improvement in this area.

Debt Statement

To the extent necessary, the City may levy taxes on all taxable property within its boundaries without limitation as to rate or amount to pay the principal of and interest due on the bonds in the following table which are designated as "Unlimited Tax General Obligation". However, the City's ability to levy tax to pay debt service on the bonds which are designated as "Limited Tax General Obligation" is subject to applicable charter, statutory and constitutional limitations.

Debt by Issue as of June 30, 2016				Principal Amount Outstanding	
Year	Issue	Security/ Revenue Support	Final Maturity	Interest Spread	
2002	Streetscape Bond - Refunding	Unlimited Tax	5/1/2017	3.25%-4.20%	\$140,000
2006	Public Facilities Improvement Bond - Non-Refunded Portion	Limited Tax	5/1/2027	4.00%-4.40%	\$220,000
2008	Downtown Development Authority Bonds	Tax Increment	5/1/2028	3.60%-5.00%	\$1,875,000
2009	Clean Water Revolving Funds - Sewer	Limited Tax/Rates	10/1/2029	2.50%	\$1,335,290
2010	State Revolving Funds - Water	Limited Tax/Rates	10/1/2029	2.50%	\$969,226
2011	State Revolving Funds - Water (#2)	Limited Tax/Rates	10/1/2031	2.50%	\$763,635
2011	Downtown Development Authority Bonds - Refunding	Tax Increment	5/1/2020	2.95%	\$284,000
2012	State Revolving Funds - Sewer (#2)	Limited Tax/Rates	10/1/2033	2.50%	\$3,040,000
2012	Sewer and Water Bond - Refunding of Rural Development	Unlimited Tax	10/1/2031	1.9%-3.25%	\$3,370,000
2014	Road Construction Bond	Unlimited Tax	5/1/2024	3.00%	\$660,000
2015	Downtown Authority Bonds, Taxable - Refunded	Tax Increment	5/1/2032	3.55%-4.65%	\$1,415,000
2016	Public Facilities Improvement Bond - Refunded Portion	Limited Tax	5/1/2027	1.75%	\$945,000
Total					\$15,017,151

Projects Funded by Debt

Projects Funded by City Debt			
Year	Issue	Fund	Project Description
2002	General Obligation Bond (Voted) - Streetscape	Voted Bond Fund	Refunded 1996 bond for Downtown Streetscape
2006	Public Facilities Improvement Bond - Non-Refunded Portion	Facilities Bond Fund	Property purchase on Dan Hoey
2008	Downtown Development Authority Bonds	DDA Debt Fund	Jeffords Street/Main Street Bridge/Mill Creek
2009	Clean Water Revolving Funds - Sewer	Sewer Fund	Equalization Basin/sewer lining
2010	State Revolving Funds - Water	Water Fund	Fifth Well project/water main replacement
2011	State Revolving Funds - Water	Water Fund	Water Main Replacement
2011	Downtown Development Authority Bonds	DDA Debt Fund	Refunded 2001 bond for redevelopment
2012	State Revolving Funds - Sewer	Sewer Fund	Sludge Management
2012	General Obligation Bonds - Sewer & Water	Sewer & Water Funds	Refunded 1999/2000 Rural Development Bonds
2014	General Obligation Bond - Road Construction	Road Bond Fund	Funded construction projects under Road Plan
2015	Downtown Authority Bonds, Taxable - Refunded	DDA Debt Fund	Refunded 2008 bond for redevelopment
2016	Public Facilities Improvement Bond - Refunded Portion	Facilities Bond Fund	Department of Public Works Building

Debt Limit Provisions

Act 3, Public Acts of Michigan, 1896 as amended (“Act 3”) provides that the net indebtedness of the City shall not be in excess of 10% of the assessed value of all real and personal property. According to Act 3, bonds not included for purposes of calculating the legal debt margin are:

- Special assessment bonds
- Transportation fund bonds
- Revenue bonds
- Pollution abatement bonds for public health purposes
- Water resources commission or court-ordered bonds

Debt Limitation as of June 30, 2016	
2016 State Equalized Valuation	\$266,765,800
	x 10%
Legal Debt Limit	\$26,676,580
Direct General Obligation Debt	\$15,017,151
Less Pollution Abatement Bonds	(\$969,226)
Less Revenue Bonds	\$0
Direct Debt	\$14,047,925
Legal Debt Limit	\$26,676,580
Less Direct Debt	(\$14,047,925)
Maximum Available for Bonding	\$12,628,655

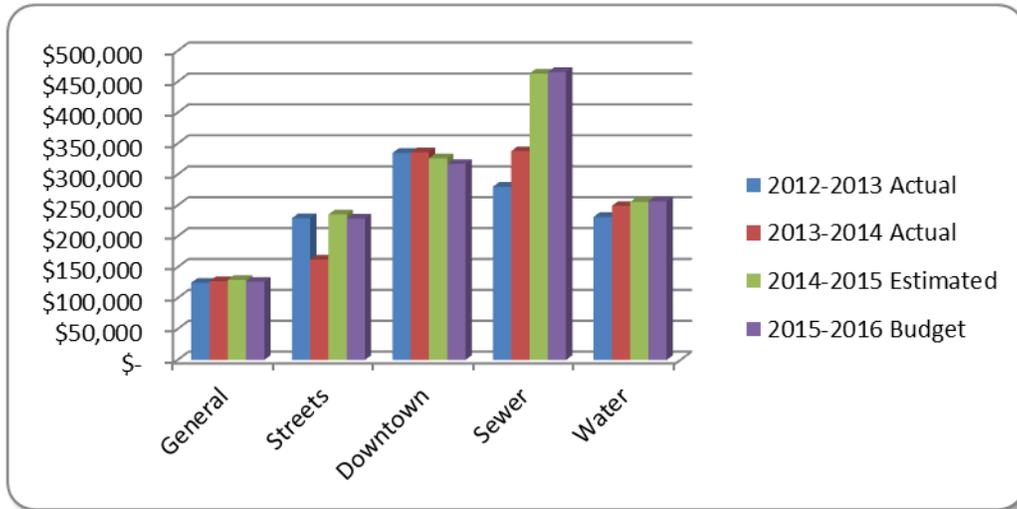
Debt Payments that are due this Fiscal Year

FY 2016-2017 Debt Payments			
Fund	Principle	Interest	Total
Downtown	\$ 127,000	\$ 158,695	\$ 285,695
Streetscape	\$ 140,000	\$ 5,880	\$ 145,880
Facilities	\$ 90,000	\$ 25,246	\$ 115,246
Roads	\$ 75,000	\$ 12,645	\$ 87,645
Sewer	\$ 310,000	\$ 159,587	\$ 469,587
Water	\$ 175,000	\$ 82,837	\$ 257,837
Total	\$ 917,000	\$ 444,889	\$ 1,361,889

Major Changes in the past Fiscal Year

- The Downtown Development Authority refunded their 2008 taxable bond, which was originally used to purchase property for redevelopment. The old bond interest rates were 7.375 to 7.90%.
- The City refunded the portion of the 2006 public facilities bond that was used to building the Department of Public Works building. The old bond interest rates were 4.00% to 4.40%.

History of Debt Administration



The City of Dexter has never defaulted on a debt payment.

Future Financing

The City does not have firm plans to issue debt in Fiscal Year 2016-2017, although discussions have been held regarding the financing of facility improvements to the fire station and city offices.

Debt Schedules

Full debt schedules are available for review in the appendices.

Personnel

Personnel Summaries

The City of Dexter employs sixteen regular full time people, and two regular part-time people. We also employ several seasonal employees, including two part-time downtown landscapers and three part-time assistants for parks maintenance and duties such as hydrant painting and mowing.

Also on payroll are seven part-time elected officials, as well as members of the Planning Commission, the Parks and Recreation Commission, the Election Commission and the Board of Review.

Summary of Full and Part-Time Positions and Expected Changes

- The part-time contracted assessor position was converted to a part-time employee (this contract position formerly was not included in the employee count). This is reflected as a ½ Full Time Equivalent (FTE) under Non-Bargaining.
- The seasonal part-time administrative intern position was eliminated and replaced by a regular part-time management intern position. This change is reflected by a reduction of a ½ FTE under Temporary Hourly and an addition of a ½ FTE position under Non-Bargaining.

Summary of Full-Time Equivalents	Non-Bargaining			Bargaining			Temporary Hourly			Total		
	Actual FY 2014-2015	Actual FY 2015-2016	Budget FY 2016-2017	Actual FY 2014-2015	Actual FY 2015-2016	Budget FY 2016-2017	Actual FY 2014-2015	Actual FY 2015-2016	Budget FY 2016-2017	Actual FY 2014-2015	Actual FY 2015-2016	Budget FY 2016-2017
Administration	3.0	3.0	4.0	2.0	2.0	2.0	0.5	0.5	-	5.5	5.5	6.0
Community Development	1.0	1.0	1.0	-	-	-	-	-	-	1.0	1.0	1.0
Public Works	1.0	0.5	0.5	4.0	4.0	4.0	5.0	5.0	5.0	10.0	9.5	9.5
Public Utilities	1.0	0.5	0.5	5.0	6.0	6.0	1.0	1.0	1.0	7.0	7.5	7.5
Total	6.0	5.0	6.0	11.0	12.0	12.0	6.5	6.5	6.0	23.5	23.5	24.0

Summary of Elected and Appointed Boards and Commissions

In addition to regular, full time employees, the City also pays the elected Council and appointed clerk (who at this time is paid per meeting), as well as some appointed commission members.

Summary of Paid Boards, Commissions and Election Workers	Elected			Appointed			Total		
	Actual FY 2014-2015	Actual FY 2015-2016	Budget FY 2016-2017	Actual FY 2014-2015	Actual FY 2015-2016	Budget FY 2016-2017	Actual FY 2014-2015	Actual FY 2015-2016	Budget FY 2016-2017
City Council & Clerk	8.0	7.0	7.0	-	1.0	1.0	8.0	8.0	8.0
Board of Review	-	-	-	-	3.0	3.0	-	3.0	3.0
Election Commission	-	-	-	-	3.0	3.0	-	3.0	3.0
Election Workers	-	-	-	-	15.0	15.0	-	15.0	15.0
Planning Commission	-	-	-	9.0	9.0	9.0	9.0	9.0	9.0
Parks Commission	-	-	-	7.0	7.0	7.0	7.0	7.0	7.0
Total	8.0	7.0	7.0	16.0	38.0	38.0	24.0	45.0	45.0

The City also has boards and commissions that are not compensated.

Summary of Unpaid Boards and Commissions	Appointed		
	Actual FY 2014- 2015	Actual FY 2015- 2016	Budget FY 2016- 2017
Arts, Culture & Heritage	11.0	11.0	11.0
Zoning Appeals Board	7.0	7.0	7.0
Downtown Development Authority	12.0	12.0	12.0
Economic Development Corporation	9.0	9.0	9.0
Farmers Market & Community Garden	7.0	7.0	7.0
Tree Board	5.0	5.0	5.0
Total	51.0	51.0	51.0

Wages, Salaries and Benefits

Wages and Benefits

All regular full-time employees, both union and non-union, received a 2.5% cost of living increase. Bargaining employees may also receive step increases during the fiscal year depending on their occupation code and current step. The City is in the process of having a wage and salary study performed by the Michigan Municipal League for non-bargaining employees, and may adjust salaries after the study is presented to Council in July.

Employees are offered two health care plans to choose from – an HMO through Blue Care Network and a High Deductible Plan, also through Blue Care Network. A premium share of \$95 per paycheck per employee was instituted for those choosing the HMO plan, while those choosing the High Deductible Plan pay \$48 per pay per employee. In addition, those in the High Deductible Plan also receive a City-funded deposit of \$1,000 into their Healthcare Savings Account.

Contributions for the Defined Compensation Plan were 6% Employee/4% Employer. Employees with the Defined Benefit Plan pay 5%, while the City pays a flat fee determined by the Municipal Employees Retirement System.

Union Contract and Employment Manuals

The City has one union, the Teamsters State, County and Municipal Workers Local 214. The current contract is effective from March 1, 2014 through February 29, 2017.

The non-bargaining employees are covered under the City’s Employee Handbook, which was updated on January 12, 2009. It is management’s intent to update this handbook in this fiscal year.

Retiree Costs

The City currently has six people who are eligible for City provided retiree health care benefits (three retirees and three spouses). Retirees are grandfathered into the premium cost share system, and currently there is one retiree and his spouse who pay the same cost-share as active employees.

City Council has made a commitment to fund the Other Post-Employment Benefits (OPEB) as outlined in GASB 40. A retiree health care funding vehicle was set up in Fiscal Year 2008-2009 with the Michigan Municipal Employees Retirement System (MERS), with an initial deposit of \$160,000 and \$20,000 in the following fiscal years. In Fiscal Year 2011-2012, City Council made the commitment to dedicate \$75,000 of increased funding from State Revenue Sharing (due to population increases) to the OPEB liability. This is in addition to the \$20,000 per year already being contributed, for a total of \$95,000 per year until Fiscal Year 2015-2016. This practice continues into Fiscal Year 2016-2017, and as of June 2016 the balance in the OPEB investment account is \$870,000.

An actuarial study is being performed to update the City's OPEB system, with an expected delivery date of June 30, 2016.

The City is a participant in the MERS retirement system. Starting with Fiscal Year 2011-2012, employee contribution for all eligible employees was 4%. In Fiscal Year 2012-2013, the employee contribution increased to 5%. Employees hired after July 1, 2011 are not eligible for the defined benefit plan. Those employees will participate in a defined contribution plan with an employee contribution of 6% with a City contribution of 4%.

As part of the closing of the defined benefit plan, MERS changed the City's contribution per employee from a percentage-based system, which was generally around 10%, to a flat rate system. However, the City decided in Fiscal Year 2011-2012 to pay an extra amount towards our unfunded liability, up to 10% of total compensation. This practice has continued through Fiscal Year 2016-2017.

The City Manager is a member of the MERS Defined Contribution system, and the City also contributes 1% of base salary to the International City Managers Association's 457 plan.



General Fund

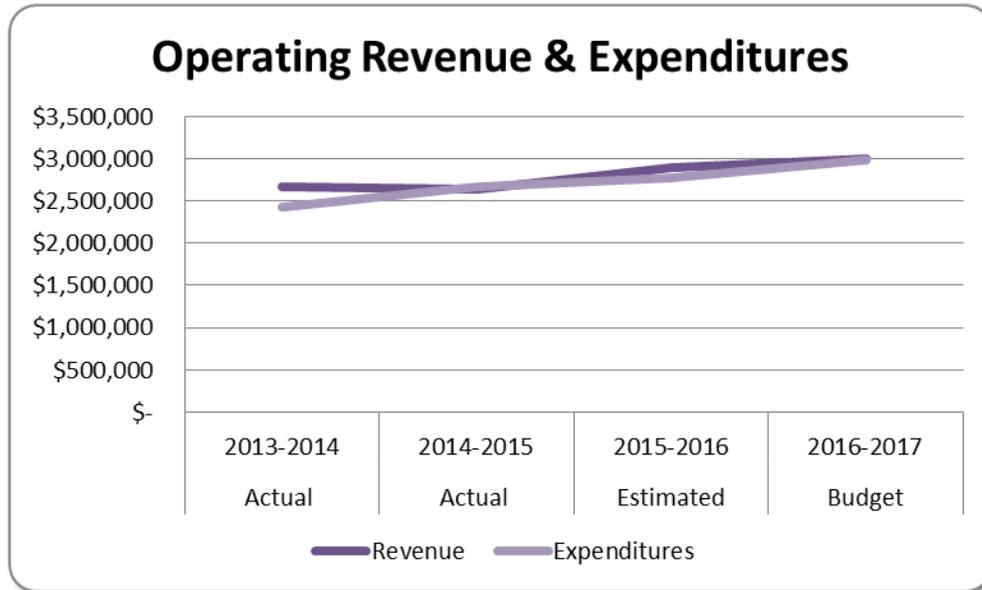
The General Fund is the main operational fund of the City. It contains all of the activities of the City that are not required to be accounted for in another fund, such as special revenue or an enterprise fund. The main sources of revenue for the General Fund are property taxes and state shared revenue. Expenditures occur for administrative activities, community development, public safety, and public works.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Revenue						
Property Taxes	1,955,937	2,199,900	2,197,796	2,228,800	2,178,400	-1.0%
Licenses & Permits	80,399	82,500	84,600	84,300	84,300	2.2%
Revenue Sharing & Grants	322,402	339,500	325,200	468,000	468,000	37.8%
Local Contributions	187,332	176,500	191,300	189,800	189,800	7.5%
Charges for Services	10,090	6,500	7,000	6,000	6,000	-7.7%
Fines & Forfeits	8,024	7,100	8,200	7,000	7,000	-1.4%
Interest and Rents	34,887	30,400	32,200	32,000	32,000	5.3%
Other Revenue	48,740	53,300	52,100	42,000	42,000	-21.2%
Transfers In	28,000	29,000	29,500	28,000	28,000	-3.4%
Total	2,675,811	2,924,700	2,927,896	3,085,900	3,035,500	3.8%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Expenditures						
Personnel Costs	920,473	857,000	864,288	889,900	925,700	8.0%
Operating Supplies	68,371	72,300	65,818	63,900	68,900	-4.7%
Contracted Services	81,330	123,000	116,431	126,200	106,700	-13.3%
Other Service and Charges	421,837	491,100	463,407	541,300	546,300	11.2%
Capital Outlay	150,078	215,600	200,959	42,100	42,100	-80.5%
Public Safety	1,048,794	1,136,100	1,133,245	1,225,000	1,225,000	7.8%
Transfers Out	238,002	127,000	126,800	115,300	115,300	-9.2%
Total	2,928,885	3,022,100	2,970,948	3,003,700	3,030,000	0.3%

Operating Revenue and Expenditures

Operating revenue and expenditures are those which are day-to-day in nature, as opposed to being unexpected or one-time. It is important that the City's operating expenditures do not exceed the operating revenue.



Capital Expenditures

The City uses a combination of current operating revenue, one-time revenue sources, and fund balance reserves to pay for capital expenditures. In this budget, the City expects to have an excess of revenue over expenditures in the amount of \$5,500.

Fund Balance

In the past few fiscal years, large capital expenditures have resulted in a decrease of the City's general fund balance. At the end of this fiscal year, the City expects that fund balance will be 41% of operating revenue, well above the 15% minimum set by Council.

	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	% Change 2016 to 2017
General Fund				
Beginning Fund Balance	\$1,329,685	\$1,076,611	\$1,033,556	
Revenues	\$2,675,811	\$2,927,896	\$3,035,500	
Expenditures	(\$2,928,885)	(\$2,970,948)	(\$3,030,000)	
Ending Fund Balance	\$1,076,611	\$1,033,556	\$1,039,056	0.5%

General Fund at a Glance

	Revenue & Expenditure Summary					
	Actual 2014-2015	Current Year 2015-2016		Manager	Council	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position	Proposed 2016-2017	Adopted 2016-2017	
Total Revenue	2,675,811	2,924,700	2,927,896	3,085,900	3,035,500	3.8%
City Council	54,807	63,100	61,375	43,300	43,300	-31.4%
City Manager	283,321	291,400	291,406	331,500	331,500	13.8%
Finance	12,931	16,600	16,280	13,100	13,100	-21.1%
Attorney	62,975	106,000	105,000	50,000	50,000	-52.8%
City Clerk	12,217	8,000	5,811	9,500	14,500	81.3%
City Treasurer	96,571	103,700	102,150	112,100	112,100	8.1%
Assessing Department	20,378	35,300	35,374	34,800	40,300	14.2%
Elections	14,674	11,000	10,911	20,500	21,300	93.6%
Buildings & Grounds	69,774	71,100	67,926	72,400	75,900	6.8%
Tree Program	20,773	28,500	27,168	23,000	23,000	-19.3%
Law Enforcement	568,881	574,800	572,945	580,000	580,000	0.9%
Fire Department	494,666	576,300	570,745	758,000	758,000	31.5%
Planning	114,594	123,400	120,045	118,900	120,900	-2.0%
Zoning Board of Appeals	411	1,100	100	1,100	1,100	0.0%
Public Works	173,758	164,200	152,365	142,400	144,400	-12.1%
Downtown Public Works	72,723	72,200	73,152	72,800	72,800	0.8%
Engineering	10,901	11,000	11,000	11,000	11,000	0.0%
Municipal Street Lights	69,708	72,000	69,000	70,000	70,000	-2.8%
Economic Development	3,370	7,100	5,835	4,000	4,000	-43.7%
Parks & Recreation	95,603	154,700	150,557	114,600	122,100	-21.1%
Arts, Culture & Heritage	-	-	-	21,000	21,000	0.0%
Insurance & Bonds	292,598	202,900	200,155	202,600	202,600	-0.1%
Contributions	33,250	60,600	60,548	61,800	61,800	2.0%
Contingencies	11,709	5,000	1,300	20,000	20,000	300.0%
Capital Improvements	100,290	133,000	133,000	-	-	-100.0%
Transfers Out for Debt	238,002	127,000	126,800	115,300	115,300	-9.2%
Total Expenditures	2,928,885	3,020,000	2,970,948	3,003,700	3,030,000	0.3%

Revenue over Expense	(253,074)	(95,300)	(43,052)	82,200	5,500
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Capital and One Time Expense	261,078	215,600	200,959	42,100	42,100
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* 2014-2015 One Time Expense includes \$111K in extra payments towards legacy costs

Revenue

Revenues	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
402.000 Taxes - Real Property	1,624,015	2,102,000	1,792,900	2,110,800	2,060,400	-2.0%
410.000 Taxes - Personal Property	291,123	-	272,196	-	-	0.0%
412.000 Delinquent Taxes - Real Prop	36,604	-	30,800	-	-	0.0%
420.000 Delinquent Tax - Personal Prop	304	-	7,000	1,000	1,000	100.0%
445.000 Taxes - Penalties & Interest	3,891	5,000	5,700	5,000	5,000	0.0%
447.000 Property Tax Administration Fee	-	92,900	89,200	112,000	112,000	20.6%
452.000 Cable TV Franchise Fees	72,984	74,300	75,600	75,500	75,500	1.6%
476.000 Banner Permits	2,200	3,000	3,600	3,600	3,600	20.0%
477.000 Zoning Compliance Permits	4,915	5,000	5,200	5,000	5,000	0.0%
478.000 Park Use Permits	300	200	200	200	200	0.0%
572.000 State Election Reimbursements	-	10,500	10,500	-	-	-100.0%
573.000 Local Community Stabilization Share	-	-	-	140,000	140,000	100.0%
574.000 State Shared Revenue	318,551	326,000	311,100	325,000	325,000	-0.3%
575.000 State Shared - Liquor Licenses	3,851	3,000	3,600	3,000	3,000	0.0%
582.000 School Fire Run Reimbursement	9,434	5,000	13,700	5,000	5,000	0.0%
590.000 Enterprise Fund Admin Fees	145,059	140,000	145,200	142,000	142,000	1.4%
590.001 Act 51 Admin Fees	27,839	26,500	27,400	27,000	27,000	1.9%
590.002 Admin Fees - Downtown Development	5,000	5,000	5,000	5,000	5,000	0.0%
590.000 Solid Waste Fund Admin Fees	-	-	-	10,800	10,800	100.0%
608.000 Site Plan Review Fees	7,400	5,000	6,100	5,000	5,000	0.0%
609.000 ZBA Application Fees	1,700	1,000	700	500	500	-50.0%
611.000 Miscellaneous Fees	590	500	200	500	500	0.0%
612.000 IFT Application Fee	400	-	-	-	-	0.0%
657.000 Parking Violations	115	100	-	-	-	-100.0%
658.000 District Court Fines	7,909	7,000	8,200	7,000	7,000	0.0%
665.000 Interest Earned	10,878	7,000	8,100	8,000	8,000	14.3%
667.000 Rents (General)	7,500	7,500	7,500	7,500	7,500	0.0%
667.001 Lease Income - DAFD	12,719	11,000	11,800	12,000	12,000	9.1%
667.002 Farmers Market	2,560	3,500	3,200	3,100	3,100	-11.4%
667.004 Community Garden Plot Rental	1,230	1,400	1,600	1,400	1,400	0.0%
671.000 Other Revenue	25,145	15,000	8,800	5,000	5,000	-66.7%
675.001 Contributions - Park	621	13,300	13,400	1,000	1,000	-92.5%
675.004 Contributions - Arts Committee	11,809	11,000	15,900	13,000	13,000	18.2%
679.000 Miscellaneous Grants	11,165	14,000	14,000	10,000	10,000	-28.6%
680.000 Employee Health Care Cost Share	-	-	-	13,000	13,000	100.0%
695.248 Transfer in from DDA Fund 248	20,000	20,000	20,000	20,000	20,000	0.0%
695.275 Transfer In from Tree Fund	8,000	9,000	9,500	8,000	8,000	-11.1%
Total Revenues	2,675,811	2,924,700	2,927,896	3,085,900	3,035,500	3.8%

Property Taxes

General Fund activities are supported by the Operating millage, which is set in June of each year by Council resolution. For the 2016 tax year, the operating millage rate is 10.2406, which is a .25 mill increase from 2015, although much less than the City is authorized to levy under its Charter. This .25 increase was dedicated towards the funding of the Dexter Area Fire Department's capital equipment needs. The low inflation increase for 2016 combined with the changes in personal property tax laws resulted in a \$5,000 decrease (even after the .25 mill increase), but some of the personal property tax loss will be reimbursed by the State (see State Revenue section below).

Taxes include real property, personal property, delinquent taxes (both real and personal property), and penalties and interest.

Charges for Services

The City charges for services that it performs such as zoning compliance inspections, hanging banners over Main Street, site plan reviews, and sales of items for the recycling program.

State Revenue

This is revenue that comes from the State of Michigan, including state shared revenue, liquor license revenue and state grants. General state shared revenue is expected to remain fairly flat, however the City is estimated to receive \$140,000 in reimbursement for personal property tax loss.

Solid Waste Collection

Prior to Fiscal Year 2014-2015, solid waste activities have been accounted for in the General Fund. Starting last year, the expenditures and associated revenue were moved into the Solid Waste Fund, a special revenue fund.

Fees and Fines

Fees and fines include the administrative fees charged to special revenue, component units, and enterprise funds for services performed by employees accounted for in the General Fund. It also includes parking, ordinance and false alarm fines, as well as fines collected by the district courts.

Interest and Rent

The interest earned on City investments are included in these line items, as well as rents paid for the use of the City's building by the Dexter Area Fire Department and rental of the small building on Main Street by local businesses.

Other Revenue

Revenues that cannot be accounted for in any other line are included in the other revenue line. These revenues are often one-time revenues and can fluctuate greatly from year to year.

Transfers In

Transfers from other funds, such as the Tree Fund and the Downtown Development Authority, are recorded as transfers in.

Expenditures

Functional Units

The Expenditure section of the budget is arranged by functional unit, which is a major program type or activity. These sections will concentrate on the budgets, goals performance measures, and other achievements of each functional unit. The General Fund functional units are as follows:

	Administration				
Legislative	City Manager	Finance	Public Works	Community Development	Public Safety
Council	Manager	Finance	Bldgs & Grounds	Planning	Law Enforcement
Contributions	Attorney	Treasurer	Public Works	Zoning Appeals	Fire Department
	Clerk	Contingencies	Downtown Works	Tree Program	
	Insurance	Assessing	Engineering	Economic	
	Elections	Transfers	Street Lights		
	Capital Imp.	Accounting			
	Parks & Rec				
	Arts & Culture				

There is overlap in responsibilities, but for the purposes of the budget each department only appears in one functional unit. For example the Engineering department can do work for Public Works and Community Development but is also overseen by the Manager. The Tree Program is a major part of both Public Works (for maintenance) and Community Development (for planning), while the Parks and Recreation Department falls under both the Manager and Public Works, and their goals and objectives may overlap.

The City's administrative staff, which consists of the City Manager, Assistant to the City Manager, Community Development Manager, Public Services Superintendent, and Treasurer/Finance Director, pride themselves on being a cohesive team. It is important to note that the term "Administration" is used to indicate those activities that are administrative in nature, not necessarily those which are managerial.



Legislative Function

The Legislative function consists of departments involving the City’s elected officials. The residents of the City of Dexter elect the Mayor and six members of the Council for four-year staggered terms.

The Council has the power to adopt laws, ordinances and resolutions, to adopt the budget, to levy taxes, and to set policy. The Council appoints the City Manager who is accountable for all administrative functions that are not directed by ordinance or the City Charter upon another official.

Legislative Goals & Objectives

The following table is intended to show the link between the Legislative Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
FISCAL SUSTAINABILITY			
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
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	Water: 82%; Sewer 46%	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
PUBLIC INFRASTRUCTURE			
Public Buildings	Study financing opportunities for facilities, including DDA	Facility Committee has been meeting throughout the fiscal year	Maintain Same objective.
QUALITY OF LIFE			
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
FLOW OF INFORMATION			
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
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

Prior Fiscal Year Budget Highlights

- Appointed a new City Manager after the resignation of the long-time previous manager.
- Provided funding for the temporary art program.
- Provided funding for the Dexter Visitors Guide.
- Continued the process to evaluate facility needs.
- Successfully litigated the first stage of the Dexter Wellness Center tax exemption case in front of the Michigan Tax Tribunal.

City Council Performance Measures					
Measure	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Planned 2016-2017
Keep millage rate lower than Washtenaw County average for cities/villages.	Average: 16.7723 Village: 13.5562	Average: 17.0177 Village: 13.5562	Average: 17.2190 Village: 14.0562	Average: 17.5244 City: 14.0562	Average: 17.5244 City: 14.3063
Be in the lowest one-third (minimum rank of 28) of all city millage rates in Southeast Michigan. (Villages removed FY 16-17)	Not Measured	Rank: 33 out of 117	Rank: 39 out of 117	Rank: 36 out of 117	Rank: 16 out of 85
Maintain General Fund unreserved fund balance of at least 15% of operating revenue.	29%	34%	40%	41%	34%
Maintain Enterprise Fund reserve of at least 50%-75% of operating and maintenance expenses.	Sewer: 84% Water: 85%	Sewer: 71% Water: 83%	Sewer: 74% Water: 36%	Sewer: 79% Water: 39%	Sewer: 50% Water: 74%
Maintain the MERS Defined Benefit plan at a funded level between 85% - 100% of needed funding.	85%	83%	85%	80%	74%
Contribute a minimum of \$95,000 per year for Other Post Retirement Benefits.	\$ 95,000	\$ 95,000	\$ 95,000	\$ 123,000	\$ 95,000
Hold at least two town hall meetings.	0	1	2	3	2

In regard to the Legislative function’s performance measures, changes in assumptions regarding investment returns and mortality tables by the Michigan Employees Retirement System has resulted in a reduction of the City’s pension funding levels below the City’s target, even though the City consistently pays more than required into the system.

Department Budgets

There are two departments included in the Legislative functional unit: City Council and Contributions. The Council budget has been reduced because Arts, Culture and Heritage was removed and placed into its own department, due to the increased activity over the past few years. With the exception of that, the budget has actually increased slightly due to the increase in the Council Chamber Lease line.

The slight increase in Contributions is due to an increase in the Webster Township 425 Agreement payment, which is recalculated each year based on the taxable value of properties formerly located in that township when the City was a village.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 101.000 City Council						
702.000 Salaries - Elected Officials	17,613	18,000	17,693	18,000	18,000	
720.000 Social Security & Medicare	1,343	1,400	1,400	1,400	1,400	
727.000 Office Supplies	400	200	207	200	200	
802.000 Professional Services	-	2,000	1,875	2,000	2,000	
861.000 Travel & Mileage	-	500	-	500	500	
901.000 Printing & Publishing	5,902	9,000	8,800	9,000	9,000	
943.000 Council Chambers Lease	3,310	4,500	4,500	7,000	7,000	
955.000 Miscellaneous	28	100	100	100	100	
956.000 Council Discretionary Expenses	1,819	1,500	1,000	1,500	1,500	
958.000 Memberships & Dues	2,955	3,500	3,300	3,100	3,100	
959.000 Arts, Culture & Heritage Committee	21,082	21,900	22,000	-	-	
960.000 Education & Training	355	500	500	500	500	
Total City Council	54,807	63,100	61,375	43,300	43,300	-31.4%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 875.000 Contributions						
965.001 Contribution to WAVE	16,500	17,600	17,600	17,600	17,600	
965.002 Contribution Community Serve	250	300	250	300	300	
965.003 Contribution Senior Center	1,000	1,000	1,000	1,000	1,000	
965.004 Contribution WAVE Door to Door	15,500	17,400	17,400	17,400	17,400	
965.006 Webster TWP 425 Agreement	-	24,300	24,298	25,500	25,500	
Total Contributions	33,250	60,600	60,548	61,800	61,800	2.0%

Administrative Function

The Administrative function consists of two areas - City Manager and Finance. The City Manager has managerial oversight of all of the functional units, but this presentation focuses on the administrative function itself.

City Manager

The City Manager's office strives to effectively serve the City Council and the public through responsible administration of all City affairs and demonstration and promotion of a high standard of ethics, professionalism, and integrity throughout the City organization.

The City Manager's office fosters open and complete communications, actively seeks out and incorporates citizen involvement and participation, and achieves outstanding results through partnerships with other service providers in both the public and private sectors.

The City Manager's office demonstrates through words, actions and policies a commitment to treat all colleagues and customers with respect and dignity.



City Manager Goals & Objectives

The following table is intended to show the link between the Legislative Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
FISCAL SUSTAINABILITY			
Use of Limited Resources	Seek a minimum of \$10,000 in grants	Received over \$51,000 in grants.	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
PUBLIC INFRASTRUCTURE			
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	Delay to future fiscal year depending on funding availability.
QUALITY OF LIFE			
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
FLOW OF INFORMATION			
Communicate with public	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	Maintain same objective
INVEST IN EMPLOYEES			
Employee safety	Develop a health and safety program	Plan drafted and undergoing review.	Complete.
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.	Ongoing, through staff meetings and training.	Maintain same objective
Staff meetings	Hold at least quarterly	Administrative staff budget review held quarterly	Maintain same objective
Tools and Equipment	Telephone system	New telephone system was implemented	Remove - complete.
	Asset management system	Continued implementation of BS&AA work order software	Maintain same objective
	Document management system	Removed from budget due reallocation of resources.	Fund as much as possible.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
ENVIRONMENT			
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	No activity.	Maintain same objective
REVIEW DOCUMENTS			
Review plans and documents	Review Park & Recreation Plan and Tree Plan annually	Complete.	Maintain same objective

Prior Fiscal Year Budget Highlights

- The Parks & Recreation Master Plan was completed.
- The new telephone system was installed, and the asset management process is ongoing.

City Manager Performance Measures					
Measure	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Planned 2016-2017
Seek a minimum of \$10,000 from outside sources such as grants and revenue sharing.	\$818,000	\$10,000	\$7,000	\$55,760	\$10,000
Hold six special events at the Farmers market.	5	6	6	6	6
Post a minimum of 24 news items on the City Website.	92	24	68	56	24
Post a minimum of 48 news items on the City Facebook Page	Not Measured	Not Measured	132	208	48
Publish four newsletters per year.	4	4	1	2	4
Send email update twice per month.	Not Measured	Not Measured	Yes	Yes	Yes
Encourage employees to attend outside training as measured by number of employees.	Not Measured	16	15	15	16
Hold staff meetings quarterly (four times per year).	Not Measured	4	4	4	4
Maintain health care costs within state limits.	Not Measured	Not Measured	Not Measured	Yes	Yes

Department Budgets

There are eight departments included in the City Manager's area of the Administrative functional unit: City Manager, Attorney, Clerk, Elections, Parks & Recreation, Arts, Culture & Heritage, Insurance, and Capital Improvements.

The Manager's Department increase comes from the addition of the management intern. The reduction in Attorney Fees is due to the Dexter Wellness Tax Tribunal Case being finished. However, with that case now at the Michigan Court of Appeals and the 2016 case being filed with the Tribunal, it is expected that this department will be amended throughout the year. The Clerk's department has an increase to change "Village" to "City" in our codified ordinances, and Elections is increased for new laptops and election equipment. Parks & Recreation is reduced in the capital improvements area as fewer are planned in this year, and Arts, Culture & Heritage is a new department. There are no capital improvements included in the Capital Improvement Department this fiscal year.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 172.000 City Manager						
703.000 Salaries - Non Union	102,263	121,000	120,950	124,100	124,100	
703.001 Salaries - Part Time	4,693	5,000	4,137	15,000	15,000	
704.000 Salaries - Union	69,813	71,700	71,911	82,400	82,400	
705.000 Salaries - Overtime	143	-	46	100	100	
710.000 Car Allowance	800	-	-	-	-	
712.000 Vacation/Sick Time Cash Out	2,897	700	500	-	-	
720.000 Social Security & Medicare	13,512	14,900	14,341	17,000	17,000	
721.000 Health & Dental Insurance	65,517	66,700	68,500	78,000	78,000	
721.002 Pay in Lieu of Medical Insurance	2,062	-	-	-	-	
722.000 Life & Short Term Disability Insurance	1,223	1,200	1,458	1,500	1,500	
723.003 Defined Contribution Plan	3,688	3,100	4,837	5,000	5,000	
723.004 ICMA Contribution	1,205	800	748	800	800	
727.000 Office Supplies	918	700	126	500	500	
745.000 Uniform Allowance	200	200	200	200	200	
802.000 Professional Services	9,434	2,000	2,000	2,000	2,000	
861.000 Travel & Mileage	477	500	500	500	500	
901.000 Printing & Publishign	103	100	-	100	100	
955.000 Miscellaneous	403	500	75	500	500	
958.000 Memberships & Dues	160	300	110	300	300	
960.000 Education & Training	3,810	2,000	967	2,000	2,000	
977.000 Equipment	-	-	-	1,500	1,500	
Total City Manager	283,321	291,400	291,406	331,500	331,500	13.8%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 210.000 Attorney						
810.000 Attorney Fees	62,975	106,000	105,000	50,000	50,000	
Total Attorney	62,975	106,000	105,000	50,000	50,000	-52.8%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 215.000 City Clerk						
702.000 Salaries - Elected Officials	2,382	2,000	2,000	2,000	-	
703.001 Salaries - Part Time	380	500	-	500	2,500	
720.000 Social Security & Medicare	215	300	300	300	300	
815.000 Ordinance Codification	700	1,700	700	3,200	8,200	
901.000 Printing & Publishing	8,540	3,500	2,811	3,500	3,500	
Total City Clerk	12,217	8,000	5,811	9,500	14,500	81.3%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 262.000 Elections						
706.000 Salaries - Commissioners	-	-	200	-	200	
708.000 Salaries - Election Workers	2,438	7,500	7,300	8,000	8,000	
720.000 Social Security & Medicare	-	-	-	-	100	
727.000 Office Supplies	927	1,000	1,400	1,000	1,000	
727.001 Election Supplies	631	1,000	633	1,500	1,500	
728.000 Postage	1,059	-	-	-	500	
802.000 Professional Services	1,907	1,000	300	1,000	1,000	
901.000 Printing & Publishing	38	500	578	1,000	1,000	
955.000 Miscellaneous	181	-	500	500	500	
977.000 Equipment	7,493	-	-	7,500	7,500	
Total Elections	14,674	11,000	10,911	20,500	21,300	93.6%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 751.000 Parks & Recreation						
703.000 Salaries - Non Union	2,630	1,800	1,752	1,800	1,800	
703.001 Salaries - Part Time	16,906	12,000	14,000	13,000	13,000	
704.000 Salaries - Union	13,432	17,000	16,000	16,000	16,000	
705.000 Salaries - Overtime	147	200	-	200	200	
706.000 Salaries - Commissioners	840	1,000	800	1,000	1,000	
720.000 Social Security & Medicare	2,529	2,500	2,355	2,500	2,500	
721.000 Health & Dental Insurance	3,030	3,500	3,471	3,700	3,700	
722.000 Life & Short Term Disability Insurance	62	100	69	100	100	
723.003 Defined Contribution Plan	91	100	90	100	100	
731.000 Landscape Supplies	3,044	4,000	4,000	4,000	4,000	
732.000 Ice Rink Supplies	2,197	3,000	1,809	3,000	3,000	
740.000 Operating Supplies	1,507	1,000	400	1,000	7,000	
802.000 Professional Services	14,408	13,000	15,000	15,000	15,000	
803.000 Contracted Services	6,340	6,500	6,671	6,700	8,200	
901.000 Printing & Publishing	2,303	1,000	852	1,000	1,000	
937.000 Equipment Maintenance & Repair	300	5,000	2,018	5,000	5,000	
941.000 Equipment Rentals	14,453	13,000	11,654	13,000	13,000	
944.000 Portable Toilet Rental	4,170	5,000	6,300	5,000	5,000	
955.000 Miscellaneous	1,990	2,000	1,251	2,000	2,000	
958.000 Memberships & Dues	753	500	165	500	500	
970.000 Capital Improvements	-	57,500	60,900	15,000	15,000	
977.000 Equipment	4,471	5,000	1,000	5,000	5,000	
Total Parks & Recreation	95,603	154,700	150,557	114,600	122,100	-21.1%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 801.000 Arts, Culture & Heritage						
727.000 Office Supplies	-	-	-	500	500	
802.000 Professional Services	-	-	-	4,500	4,500	
803.000 Contracted Services	-	-	-	3,000	3,000	
901.000 Printing & Publishing	-	-	-	6,000	6,000	
955.000 Miscellaneous	-	-	-	500	500	
958.000 Memberships & Dues	-	-	-	500	500	
959.001 Permanent Art Display	-	-	-	1,000	1,000	
959.002 Temporary Art Display	-	-	-	5,000	5,000	
Total Long Term Debt	-	-	-	21,000	21,000	100.0%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 851.000 Insurance & Bonds						
719.000 Unemployment Compensation	3,213	2,700	3,723	3,800	3,800	
721.001 Retiree Health Insurance	8,945	9,000	7,333	9,400	9,400	
723.000 Defined Benefit Plan	62,000	65,700	65,700	85,000	85,000	
723.001 Other Post Employment Benefits	112,000	75,000	75,000	75,000	75,000	
723.02 Additional Mers Contribution	74,000	20,000	20,000	-	-	
910.000 Workers Compensation	6,844	8,000	7,320	7,400	7,400	
911.000 Liability Insurance	22,612	22,500	21,079	22,000	22,000	
Total Insurance & Bonds	289,614	202,900	200,155	202,600	202,600	-0.1%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 901.000 Capital Improvements Plan						
970.000 Capital Improvements	47,460	103,000	103,000	-	-	
971.000 Prior Period Capital Imp Reimb	13,213	-	-	-	-	
975.001 Property Acquisition	27,176	20,000	29,000	-	-	
975.016 Capital Improvements - Facilities	12,441	10,000	1,000	-	-	
Total Capital Improvements	100,290	133,000	133,000	-	-	-100.0%



Finance

The Finance Department provides high quality operational services including treasury management, accounting, budgeting, debt administration, and payroll. The budget function provides financial planning, evaluation, and forecasting services in support of City operations. Beyond these operational activities, this department also supports all financial aspects of initiatives stemming from the City Manager’s office towards the general promotion of fiscally responsible government. This department is responsible for the billing and collection and distribution of City property taxes, as well as property taxes for Washtenaw County, the Washtenaw Intermediate School District, Washtenaw Community College, Dexter Community Schools, the Dexter Downtown Development Authority, and the State of Michigan.

Finance Goals & Objectives

The following table is intended to show the link between the Administration Function (Finance) and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
FISCAL SUSTAINABILITY			
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
PUBLIC INFRASTRUCTURE			
Public Utilities	Formal utility rate study update every three years.	Scheduled for FY 15/16. Will not be performed due to budget constraints.	Schedule for FY 17/18, if needed.
	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.
REVIEW DOCUMENTS			
Review plans and documents	Goals and Objectives annually	Complete for FY 16-17.	Maintain same objective

Prior Fiscal Year Budget Highlights

- Completed transition to a City in the area of taxation and assessing.
- Implemented GASB 68 for the Fiscal Year 2014-2015 Audit.

Finance Performance Measures					
Measure	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Planned 2016-2017
Receive Distinguished Budget Award from the Government Finance Officers Association	Yes	Yes	Yes	Yes	Yes
Receive Certificate of Excellence in Financial Reporting from the Government Finance Officers Association	Not Measured	Not Measured	No	No	Yes
Maintain a bond rating through Standard and Poors Rating Service of at least A-.	AA-	AA-	AA	AA	AA
Audit will receive an unqualified opinion.	Yes	Yes	Yes	Yes	Yes
Qualifying Statement for City and DDA will be approved by Treasury.	Yes	Yes	Yes	Yes	Yes



Department Budgets

There are six departments included in the Finance area of the Administrative functional unit: Finance, Treasurer, Assessing, Contingencies, Other Accounting and Transfers.

Finance is reduced because last fiscal year contained an OPEB valuation, which is not completed every year. City Treasurer is increased due to replacement of computer equipment. The increase in Assessing is due to the transition from a contract assessor to a part time employee, and Transfers Out is reduced due to actual debt service costs.

Contingencies are for unexpected budgetary items. The funds are moved to the appropriate budgetary departments as needed. Required Accounting is for accounting items that do not fit into operating expenditure departments.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 201.000 Finance Department						
802.000 Professional Services	5,340	9,000	8,500	5,000	5,000	
802.001 Financial Audit	6,000	6,000	6,500	6,500	6,500	
840.000 Bank Service Charges	1,591	1,600	1,280	1,600	1,600	
Total Finance Department	12,931	16,600	16,280	13,100	13,100	-21.1%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 253.000 City Treasurer						
703.000 Salaries - Non Union	69,400	71,200	71,135	73,000	73,000	
720.000 Social Security & Medicare	4,963	5,300	5,102	5,600	5,600	
721.000 Health & Dental Insurance	14,860	16,000	16,900	21,300	21,300	
722.000 Life & Short Term Disability Insurance	406	500	437	500	500	
727.000 Office Supplies	667	700	387	700	700	
861.000 Travel & Mileage	1,060	1,000	1,300	1,000	1,000	
902.000 Tax Bills & Services	3,730	6,500	4,866	6,000	6,000	
955.000 Miscellaneous	20	500	200	500	500	
958.000 Memberships & Dues	620	500	500	500	500	
960.000 Education & Training	845	1,000	800	1,000	1,000	
977.000 Equipment	-	500	523	2,000	2,000	
Total City Treasurer	96,571	103,700	102,150	112,100	112,100	8.1%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 257.000 Assessing Department						
703.001 Salaries - Part Time	-	-	-	-	33,000	
707.000 Salaries - Board of Review	-	1,500	1,497	1,000	1,000	
720.000 Social Security & Medicare	-	-	100	100	2,600	
803.000 Contracted Services	7,488	30,000	30,000	30,000	-	
902.001 Assessing Notice Printing & Services	1,349	1,000	1,630	1,700	1,700	
960.000 Education & Training	644	700	-	400	400	
977.000 Equipment	10,897	2,100	2,147	1,600	1,600	
Total Assessing Department	20,378	35,300	35,374	34,800	40,300	14.2%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 890.000 Contingencies						
955.000 Miscellaneous	-	-	-	15,000	15,000	
957.001 Property Tax Refunds	11,709	5,000	1,300	5,000	5,000	
Total Contingencies	11,709	5,000	1,300	20,000	20,000	300.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 895.000 Required Accounting						
726.001 Vacation/Sick Accrual	2,984	2,100	-	-	-	
Total Contingencies	2,984	2,100	-	-	-	0.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 965.000 Transfers Out						
999.202 Transfer Out of Major Streets	10,017	-	-	-	-	
999.226 Transfer Our to Solid Waste Fund	98,085	-	-	-	-	
999.352 Transfer Out - Facilities Debt Fund	129,900	127,000	126,800	115,300	116,300	
Total Transfers Out	238,002	127,000	126,800	115,300	116,300	-8.4%



Public Works Function

The first priority of the Department of Public Works (DPW) is to provide a safe and healthy environment for all residents and business owners of the community. The DPW is committed to responding and resolving all service requests efficiently and effectively.

The DPW is responsible for general public works activities within the City, as well as park maintenance, West Nile prevention, storm water management, downtown maintenance, and sidewalk repairs. Together with the City Manager’s office, they are responsible for building and grounds maintenance and parks and recreation, and together with the Community Development office they are responsible for managing some portions of the tree program. The DPW also has responsibilities within the streets funds, solid waste fund and equipment fund.

Public Works Goals & Objectives

The following table is intended to show the link between the Public Works Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
PUBLIC INFRASTRUCTURE			
Streets and Sidewalks	Implement Road Maintenance Plan	Continued to implement plan	Maintain same objective.
PUBLIC SAFETY			
Traffic enforcement	RadarSign used on a minimum of twelve different roads	Used on approx. 4 streets, will be put out again in Spring	Maintain same objective
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

Prior Fiscal Year Budget Highlights

- Continued implementation of the Road Maintenance Plan

Department of Public Works Performance Measures					
Measure	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Planned 2016-2017
Use RadarSign on a minimum of twelve different roads.	Not Measured	12	6	9	12
Perform monthly maintenance on downtown sidewalks and paths.	Not Measured	12	12	12	12
Perform road maintenance as set forth in the Road Maintenance Plan	Not Measured	Not Measured	Yes	Yes	Yes

Department Budgets

There are five departments included in the Public Works functional unit: Buildings and Grounds, Public Works, Downtown Public Works, Engineering, and Street Lights.

DPW staff does perform work in the Tree Program and the Parks and Recreation departments, but because the main decision making and management functions of those departments are done by the Manager and Community Development, those budgets are contained within that functional unit.

The Buildings & Grounds department has increased with the addition of a document management system and increased telephone costs due to the implementation of a leased system in Fiscal Year 2015-2016. The Department of Public Works budget decreased due to the sick time cash out of a retired employee being completed in Fiscal year 2015-2016. Street Lights is reduced due to the installation of LED lights in some units.

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 265.000 Buildings & Grounds						
727.000 Office Supplies	5,272	4,000	4,500	4,200	4,200	
728.000 Postage	2,712	5,000	5,362	6,000	4,500	
802.003 Document Management System	-	-	-		5,000	
803.000 Contracted Services	2,549	5,000	4,359	5,000	5,000	
843.000 Property Taxes	2,030	2,100	1,847	2,000	2,000	
920.000 Utilities	11,189	11,000	9,933	10,000	10,000	
920.001 Utilities - Telephones	1,165	1,000	5,741	6,200	6,200	
935.000 Building Maintenance & Repair	4,728	3,000	2,500	2,000	2,000	
935.001 Office Cleaning	4,160	4,200	4,200	4,200	4,200	
936.000 Equipment Service Contracts	11,489	13,000	14,641	15,000	15,000	
937.000 Equipment Maintenance & Repair	425	500	-	500	500	
943.001 Office Space Rent	10,335	10,800	10,800	10,800	10,800	
955.000 Miscellaneous	50	500	500	500	500	
962.000 Community Garden	2,213	1,000	1,200	1,000	1,000	
977.000 Equipment	11,457	10,000	2,343	5,000	5,000	
Total Buildings & Grounds	69,774	71,100	67,926	72,400	75,900	6.8%



	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 441.000 Department of Public Works						
703.000 Salaries - Non Union	8,759	8,800	5,257	8,800	8,800	
703.001 Salaries - Part Time	1,762	1,500	1,900	1,500	1,500	
704.000 Salaries - Union	38,054	43,000	45,000	41,000	41,000	
705.000 Salaries - Overtime	2,874	1,500	3,500	1,500	1,500	
712.000 Vacation/Sick Time Cash Out	22,606	15,000	18,500	-		
720.000 Social Security & Medicare	5,457	5,400	6,285	5,000	5,000	
721.000 Health & Dental Insurance	19,658	22,400	22,473	23,600	23,600	
722.000 Life & Short Term Disability Insurance	386	500	433	500	500	
723.003 Defined Contribution Plan	252	1,300	456	600	600	
740.000 Operating Supplies	7,521	5,000	5,508	5,000	5,000	
745.000 Uniform Allowance	7,485	5,000	6,100	5,000	5,000	
751.000 Gasoline & Oil	14,419	15,000	8,945	10,000	10,000	
802.000 Professional Services	819	2,000	1,424	2,000	2,000	
803.000 Contracted Services	-	-	-	5,000	7,000	
861.000 Travel & Mileage	94	500	194	500	500	
920.000 Utilities	28,323	20,300	17,800	19,000	19,000	
920.001 Utilities - Telephones	2,233	3,000	3,500	3,000	3,000	
935.000 Building Maintenance & Repair	1,989	2,000	900	2,000	2,000	
937.000 Equipment Maintenance & Repair	363	1,000	60	1,000	1,000	
941.000 Equipment Rentals	2,804	3,500	2,314	3,000	3,000	
955.000 Miscellaneous	28	500	300	500	500	
957.000 Miscellaneous Fees		-	200	200	200	
958.000 Memberships & Dues	904	1,000	700	700	700	
960.000 Education & Training	2,618	1,000	190	1,000	1,000	
977.000 Equipment	4,350	5,000	426	2,000	2,000	
Total Public Works	173,758	164,200	152,365	142,400	144,400	-12.1%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept 442: Downtown Public Works						
703.001 Salaries - Part Time	16,765	15,000	16,000	15,000	15,000	
704.000 Salaries - Union	24,751	25,000	26,000	26,000	26,000	
705.000 Salaries - Overtime	2,424	1,500	2,300	2,000	2,000	
720.000 Social Security & Medicare	3,220	3,100	3,467	3,100	3,100	
723.003 Defined Contribution Plan	53	100	110	200	200	
730.000 Farmers Market Supplies	2,033	3,000	3,000	3,000	3,000	
731.000 Landscape Supplies	1,715	2,000	2,700	2,500	2,500	
740.000 Operating Supplies	2,812	2,500	1,500	2,000	2,000	
744.000 Holiday Display Supplies	4,557	5,000	4,600	5,000	5,000	
802.000 Professional Services	5,516	5,500	3,875	5,500	5,500	
920.000 Utilities	8,877	9,500	9,600	8,500	8,500	
Total Downtown Public Works	72,723	72,200	73,152	72,800	72,800	0.8%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 447.000 Engineering						
830.000 Engineering Consulting	10,901	11,000	11,000	11,000	11,000	
Total Engineering	10,901	11,000	11,000	11,000	11,000	0.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 448.000 Municipal Street Lights						
920.003 Utilities - Street Lights	69,708	72,000	69,000	70,000	70,000	
Total Municipal Street Lights	69,708	72,000	69,000	70,000	70,000	-2.8%



Community Development Function

Community Development within the City of Dexter includes planning, economic development, zoning, and tree-related activities. Community Development is responsible for directing and managing the physical development of the City in a manner that emphasizes quality, livability and sustainability.

Community Development works closely with the Planning Commission, Zoning Board of Appeals and the Tree Board when making budgeting decisions for the City. The City Master Plan and the Park and Recreation Facilities Master Plan provide long-range guidance for both Community Development and the City Council in the decision making process.

Community Development Goals & Objectives

The following table is intended to show the link between the Community Development Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
FISCAL SUSTAINABILITY			
Commitment to Economic Development	Assist with 3045 Broad redevelopment	Worked through steps leading to entering into pre-development agreement with developer	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.	Maintain same objective
PUBLIC INFRASTRUCTURE			
Public Utilities	Explore funding for utility infrastructure improvements for 3045 Broad	Met with MEDC Community Assistance Team. Needs job creation to be eligible for funding	Maintain same objective.
	Removal of DTE Substation near 3045 Broad	Continued negotiations with DTE	Maintain same objective.
	Increase availability and access to high-speed internet in DBRP	Achieved	Remove
REVIEW DOCUMENTS			
Review plans and documents	Review Master Plan and CIP annually	CIP updated by Planning Commission	Maintain same objective
	Review DDA plan and Economic Development Strategy	No activity.	Maintain same objective

Prior Fiscal Year Budget Highlights

Entered into a pre-development agreement for 3045 Broad.

- Initiated the update of the City’s Master Plan and Zoning Ordinance.

Community Development Performance Measures					
Measure	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Planned 2016-2017
Meet annually with Ann Arbor Spark.	Not Measured	Not Measured	2	2	1
Present CIP to Council no later than May of each year.	Yes	Yes	No	Yes	Yes
Receive the Tree City USA award.	Yes	Yes	Yes	Yes	Yes

Department Budgets

There are four departments included in the Community Development functional unit: City Tree Program, Planning, Zoning Board of Appeals and Economic Development.

The City Tree Program budget decreased because additional work was done in the previous fiscal year. Economic Development is decreased due to lower printing and publishing needs.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 285.000 City Tree Program						
731.000 Landscape Supplies	2,735	-	141	-	-	
731.001 Landscape Supplies-Trees	5,076	13,500	13,500	8,000	8,000	
733.000 Arbor Day Supplies & Subscription	-	-	100	-	-	
803.000 Contracted Services	12,962	15,000	13,427	15,000	15,000	
Total City Tree Program	20,773	28,500	27,168	23,000	23,000	-19.3%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 400.000 Planning Department						
703.000 Salaries - Non Union	50,500	51,800	51,762	53,100	53,100	
704.000 Salaries - Union	11,289	11,600	11,774	10,100	10,100	
705.000 Salaries - Overtime	301	-	60	100	100	
706.000 Salaries - Commissioners	3,440	3,000	3,000	3,000	3,000	
712.000 Vacation/Sick Time Cash Out	1,435	1,000	200		-	
720.000 Social Security & Medicare	4,867	5,100	4,783	5,000	5,000	
721.000 Health & Dental Insurance	14,636	16,000	16,800	20,000	20,000	
722.000 Life & Short Term Disability Insurance	339	400	372	400	400	
723.003 Defined Contribution Plan	2,020	2,000	2,071	2,200	2,200	
727.000 Office Supplies	484	500	700	600	600	
802.000 Professional Services	6,074	23,000	21,000	15,000	17,000	
861.000 Travel & Mileage	2,196	1,500	1,500	1,800	1,800	
901.000 Printing & Publishing	286	500	615	600	600	
955.000 Miscellaneous	494	500	399	500	500	
958.000 Memberships & Dues	1,795	1,500	1,700	1,500	1,500	
960.000 Education & Training	3,318	3,500	2,689	3,500	3,500	
977.000 Equipment	11,120	1,500	620	1,500	1,500	
Total Planning Department	114,594	123,400	120,045	118,900	120,900	-2.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 410.000 Zoning Board of Appeals						
802.000 Professional Services	98	500	-	500	500	
901.000 Printing & Publishing	313	500	100	500	500	
955.000 Miscellaneous	-	100	-	100	100	
Total Zoning Board of Appeals	411	1,100	100	1,100	1,100	0.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 728.000 Economic Development						
802.000 Professional Services	2,395	2,500	1,500	2,500	1,500	
901.000 Printing & Publishing	785	4,100	4,135	1,000	1,000	
960.000 Education & Training	190	500	200	500	500	
Total Economic Development	3,370	7,100	5,835	4,000	3,000	-57.7%

Public Safety Function

Public safety activities in the City of Dexter are contracted to outside organizations. The City has a contract for 3.5 Police Service Units (PSU) with the Washtenaw County Sheriff's Department for coverage within the City, including paying for one half of a PSU for the Dexter Community Schools. The Washtenaw County Sheriff's substation is located in the City's building on 8140 Main Street.

Fire protection is provided by the Dexter Area Fire Department, which also covers portions of Webster Township, Dexter Township and Lima Township. It is governed by a board of directors consisting of representatives appointed from member communities. The main station is also located at 8140 Main Street.

Public Safety Goals & Objectives

The following table is intended to show the link between the Public Safety Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
PUBLIC SAFETY			
Police and fire services	Participate in Washtenaw County Police Services Steering Committee	City Manager attends meetings	Maintain same objective
	Continue negotiations to consolidate fire services	No activity.	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	Maintain same objective

Department Budgets

There are two departments included in the Public Safety functional unit: Law Enforcement and Fire Department. The Fire Department has increased substantially due to capital and operating needs.

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 301.000 Law Enforcement						
803.000 Contracted Services	481,662	485,800	485,800	491,000	491,000	
803.001 DCS Officer & Xing Guards	82,105	83,000	83,000	84,000	84,000	
920.000 Utilities	4,799	5,000	4,000	4,000	4,000	
935.000 Building Maintenance & Repair	315	1,000	145	1,000	1,000	
Total Law Enforcement	568,881	574,800	572,945	580,000	580,000	0.9%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 336.000 Fire Department						
803.000 Contracted Services	485,027	567,300	564,445	650,000	650,000	
920.000 Utilities	6,462	6,000	4,500	5,000	5,000	
935.000 Building Maintenance & Repair	3,177	2,000	1,800	2,000	2,000	
965.007 Contribution for Fire Capital Costs	-	-	-	100,000	100,000	
970.000 Capital Improvements	-	1,000	-	1,000	1,000	
Total Fire Department	494,666	576,300	570,745	758,000	758,000	31.5%

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures made for specific purposes. With the exception of the Municipal Streets Fund and the Tree Replacement Fund, the Department of Public Works performs a majority of the operating activities contained in these funds. The City has six special revenue funds:

- Major Streets Fund
- Local Streets Fund
- Municipal Streets Fund
- Solid Waste Fund
- Tree Replacement Fund
- Equipment Fund

Revenue for the Major and Local Streets Funds comes from the State of Michigan through Public Act 51. This revenue comes from a share of gas and weight taxes, based upon state formula. Increases are expected in the next several years due to changes in the way Michigan funds its roads. Operating transfers to balance their budgets are also made from the Municipal Streets Funds, whose revenue comes from City taxes. The Equipment Fund collects rents from other funds for use of trucks and other equipment. The rental charged is based on rates set by the Michigan Department of Transportation. Solid Waste Revenue is generated through a fee included on City utility bills for residential customers, and per contract with commercial customers.

Street Funds (Major and Local) Goals & Objectives

The following table is intended to show the link between the Streets Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
PUBLIC INFRASTRUCTURE			
Streets and Sidewalks	Implement Road Maintenance Plan	Continued to implement plan	Maintain same objective.
PUBLIC SAFETY			
Traffic enforcement	RadarSign used on a minimum of twelve different roads	Used on approx. 4 streets, will be put out again in Spring	Maintain same objective
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
	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

Major Streets Fund

The Major Streets Fund’s purpose is to account for expenditures associated with the construction, maintenance and snow removal needs of the major street portion of the City’s road network. Of the 15.73 total miles that make up the City of Dexter’s road system, 5.5 miles are considered to be major streets. The major streets are Dexter-Ann Arbor, Central, Baker, Second, Fourth, Hudson, Huron, Broad and a portion of Forest.

Prior Fiscal Year Budget Highlights

- The Road Improvements Plan continued to be implemented.

Fund Revenue and Expenditure Budget

Revenue is decreased because project expenses have also decreased, so a lower transfer from the Municipal Streets Fund is required. Stormwater has increased for purchases of extra culverts, basin lids, and other associated supplies. Routine Maintenance has decreased because the City anticipates fewer employee and equipment rental costs in this fiscal year. Traffic Services has increased due to capital projects.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Major Streets Fund 202 Revenue						
576.000 State Shared Rev-Gas & Weight	184,903	203,000	187,898	226,200	226,200	
577.000 State Shared Rev-Local Roads	6,087	6,500	6,096	5,000	5,000	
580.000 State Grants	-	-	18,400	-	-	
665.000 Interest Earned	18	100	-	-	-	
671.000 Other Revenue	8,722	-	-	-	-	
680.000 Employee Health Care Cost Share	-	-	-	5,500	5,500	
695.101 Transfer In from General Fund	10,017	-	-	-	-	
695.204 Trans In - Municipal Streets	580,000	331,800	172,100	113,100	123,200	
695.248 Transfer In From DDA Fund 248	111,128	-	-	-	-	
Total Revenue	900,875	541,400	384,494	349,800	359,900	-33.5%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
723.001 Other Post Employment Benefits	4,500	4,500	4,500	4,500	4,500	
840.000 Bank Service Charges	91	100	100	100	100	
Total Administration	4,591	4,600	4,600	4,600	4,600	0.0%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 445.000 Stormwater						
703.001 Salaries - Part Time	440	-	200	-	-	
704.000 Salaries - Union	6,845	8,000	4,418	5,000	5,000	
720.000 Social Security & Medicare	522	600	323	500	500	
723.003 Defined Contribution Plan	12	100	100	100	100	
740.000 Operating Supplies	1,144	2,000	500	9,500	9,500	
802.000 Professional Services	3,271	5,000	5,000	5,000	5,000	
803.000 Contracted Services	5,326	5,000	5,100	5,000	5,000	
957.004 State License/Permit Fees	1,000	1,000	1,000	1,000	1,000	
960.000 Education and Training	95	500	500	500	500	
Total Stormwater	18,655	22,200	17,141	26,600	26,600	19.8%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 451.000 Contracted Road Construction						
803.006 Contracted Cape Sealing	-	-	-	108,000	108,000	
932.000 Sidewalks	7,700	-	-	10,000	10,000	
970.006 Baker/Dan Hoey/Shield Improvements	-	16,600	16,600	-	-	
974 CIP Capital Improvements	-	285,000	156,600	-	-	
974.009 Central Street Project	286,863	-	-	-	-	
975.015 Ann Arbor Street Project	329,043	-	-	-	-	
975.017 Capital Imp - Safe Routes to School	51,044	-	-	-	-	
Total Contracted Road Const.	674,650	301,600	173,200	118,000	118,000	-60.9%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 463.000 Routine Maintenance						
703.000 Salaries - Non Union	7,440	5,300	4,382	4,500	4,500	
703.001 Salaries - Part Time	338	1,000	2,600	1,000	1,000	
704.000 Salaries - Union	13,882	22,800	19,600	15,000	15,000	
705.000 Salaries - Overtime	2,639	-	1,400	500	500	
720.000 Social Security & Medicare	1,767	1,500	2,000	2,000	2,000	
721.000 Health & Dental Insurance	16,542	18,000	18,048	18,500	18,500	
722.000 Life & Short Term Disability Insurance	324	400	400	400	400	
723.003 Defined Contribution Plan	164	300	100	100	100	
740.000 Operating Supplies	3,725	7,000	10,693	5,000	5,000	
802.000 Professional Services	15,027	11,000	11,025	11,000	11,000	
803.002 Pavement Management	10,504	5,000	1,821	5,000	5,000	
910.000 Workers Compensation	623	700	646	700	700	
911.000 Liability Insurance	4,733	4,900	4,411	4,500	4,500	
941.000 Equipment Rentals	10,692	11,000	10,000	8,000	8,000	
Total Routine Maintenance	88,400	88,900	87,126	76,200	76,200	-14.3%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 474.000 Traffic Services						
703.000 Salaries - Non Union	7,439	5,300	4,380	4,500	4,500	
703.001 Salaries - Part Time	222	300	300	300	300	
704.000 Salaries - Union	8,707	11,000	12,944	10,000	10,000	
705.000 Salaries - Overtime	2,196	800	1,500	1,000	1,000	
720.000 Social Security & Medicare	1,352	1,400	1,394	1,400	1,400	
721.000 Health & Dental Insurance	5,247	5,600	5,553	5,900	5,900	
722.000 Life & Short Term Disability Insurance	100	200	100	200	200	
723.003 Defined Contribution Plan	139	300	100	100	100	
740.000 Operating Supplies	3,041	7,000	6,781	7,000	7,000	
802.000 Professional Services	6,140	5,000	8,300	7,000	7,000	
910.000 Workers Compensation	217	300	299	300	300	
911.000 Liability Insurance	631	800	588	700	700	
941.000 Equipment Rentals	2,023	2,500	2,240	2,500	2,500	
970.000 Contracted Capital Improvements	-	5,000	-	15,000	15,000	
Total Traffic Services	37,454	45,500	44,479	55,900	55,900	22.9%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 478.000 Winter Maintenance						
703.000 Salaries - Non Union	7,441	5,300	4,382	4,500	4,500	
703.001 Salaries - Part Time	-	-	220	-	-	
704.000 Salaries - Union	10,525	11,000	9,300	10,000	10,000	
705.000 Salaries - Overtime	7,040	5,000	7,300	6,000	6,000	
705.001 Salaries - Call in Pay	3,526	3,500	3,500	3,500	3,500	
720.000 Social Security & Medicare	2,081	2,000	2,085	2,000	2,000	
721.000 Health & Dental Insurance	10,095	11,100	11,105	11,700	11,700	
722.000 Life & Short Term Disability Insurance	199	300	300	300	300	
723.003 Defined Contribution Plan	164	300	100	200	200	
740.000 Operating Supplies	22,974	22,000	12,508	20,000	20,000	
802.000 Professional Services	-	500	-	500	500	
901.000 Printing & Publishing	659	700	566	600	600	
910.000 Workers Compensation	318	500	440	500	500	
911.000 Liability Insurance	789	1,000	735	800	800	
941.000 Equipment Rentals	8,489	12,000	5,600	8,000	8,000	
Total Winter Maintenance	74,300	75,200	58,141	68,600	68,600	-8.8%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 890.000 Contingencies						
955.000 Miscellaneous	-	-	-	-	10,000	
Total Contingencies	-	-	-	-	10,000	100.0%

Total Expenditures	898,050	538,000	384,687	349,900	359,900	-33.1%
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Major Streets Fund - Revenue over Expense	2,825	3,400	(193)	(100)	-
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Capital and One-Time Expenditures	674,650	306,600	173,200	133,000	133,000
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Local Streets Fund

The Local Streets Fund’s purpose is to account for expenditures associated with the construction and maintenance needs of the local street portion of the City’s street network. Of the 15.73 total miles that make up the City of Dexter’s street system, 10.18 miles are considered to be local streets. These consist of all of the streets that are not designated as either a major street or an undedicated private road

Fiscal Year 2015-2016 Budget Highlights

- The Road Improvements Plan continued to be implemented.

Fund Revenue and Expenditure Budget

Stormwater has increased for purchases of extra culverts, basin lids, and other associated supplies. Salaries spread changes are the reason for the reduction in Traffic Services and Winter Maintenance.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Local Streets Fund 203 Revenue						
573.000 ROW Revenue	16,412	10,000	16,090	15,000	15,000	
576.000 State Shared Rev-Gas & Weight	78,235	75,700	73,731	92,400	92,400	
577.000 State Shared Rev-Local Roads	2,463	2,500	2,496	2,500	2,500	
580.000 State Grants	-	-	18,400	-	-	
665.000 Interest Earned	17	100	-	-	-	
671.000 Other Revenue	22,048	100,000	118,315	108,000	108,000	
675.008 Contribution - Dexter Crossings	5,000	10,000	10,000	10,000	10,000	
680.000 Employee Health Care Cost Share	-	-	-	500	500	
695.204 Trans In - Municipal Streets	140,000	363,100	315,200	310,700	310,800	
Total Revenue	264,175	561,400	554,232	539,100	539,200	-4.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
723.001 Other Post Employment Benefits	4,500	4,500	4,500	4,500	4,500	
840.000 Bank Service Charges	75	100	0	100	100	
Total Administration	4,575	4,600	4,500	4,600	4,600	0.0%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 445.000 Stormwater						
703.001 Salaries - Part Time	544	-	116	-	-	
704.000 Salaries - Union	8,192	8,000	3,282	5,000	5,000	
720.000 Social Security & Medicare	636	700	244	500	500	
723.003 Defined Contribution Plan	108	300	100	100	100	
740.000 Operating Supplies	1,479	1,000	644	1,000	1,000	
802.000 Professional Services	2,346	2,000	1,500	1,000	1,000	
803.000 Contracted Services	5,599	10,000	13,200	20,000	20,000	
957.004 State License/Permit Fees	1,000	1,000	1,000	1,000	1,000	
960.000 Education and Training	60	500	-	-	-	
Total Stormwater	19,964	23,500	20,086	28,600	28,600	21.7%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 451.000 Contracted Road Construction						
803.000 Contracted Services	235	2,000	1,000	1,000	1,000	
803.006 Contracted Cape Sealing	-	-	200,000	273,000	273,000	
932.000 Sidewalks	37,705	20,000	8,000	60,000	60,000	
970.000 Contracted Capital Improvements	-	305,600	151,200	-	-	
974.001 Other Capital Improvements	27,138	25,000	36,752	-	-	
Total Contracted Road Const.	65,078	352,600	396,952	334,000	334,000	-5.3%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 463.000 Routine Maintenance						
703.000 Salaries - Non Union	7,438	5,300	4,380	4,500	4,500	
703.001 Salaries - Part Time	1,298	1,700	971	2,000	2,000	
704.000 Salaries - Union	24,959	25,000	19,700	20,000	20,000	
705.000 Salaries - Overtime	3,195	500	900	500	500	
720.000 Social Security & Medicare	2,673	2,500	1,900	-	-	
721.000 Health & Dental Insurance	3,859	5,600	5,552	5,900	5,900	
722.000 Life & Short Term Disability Insurance	100	100	100	200	200	
723.003 Defined Contribution Plan	249	400	100	100	100	
740.000 Operating Supplies	5,975	3,000	7,332	10,000	10,000	
802.000 Professional Services	5,123	8,000	8,000	8,000	8,000	
803.002 Pavement Management	24,587	15,000	7,286	15,000	15,000	
910.000 Workers Compensation	190	300	261	300	300	
911.000 Liability Insurance	1,225	1,000	1,142	1,200	1,200	
941.000 Equipment Rentals	12,927	9,000	9,942	9,000	9,000	
Total Routine Maintenance	93,798	77,400	67,566	76,700	76,700	-0.9%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 474.000 Traffic Services						
703.000 Salaries - Non Union	7,441	5,300	4,382	4,500	4,500	
703.001 Salaries - Part Time	178	500	100	500	500	
704.000 Salaries - Union	6,063	8,000	4,941	5,000	5,000	
705.000 Salaries - Overtime	302	300	-	-	-	
720.000 Social Security & Medicare	1,021	1,000	685	1,000	1,000	
721.000 Health & Dental Insurance	2,611	1,400	1,388	1,500	1,500	
722.000 Life & Short Term Disability Insurance	25	100	-	100	100	
723.003 Defined Contribution Plan	132	300	100	100	100	
740.000 Operating Supplies	736	3,000	1,635	2,000	2,000	
802.000 Professional Services	-	10,000	790	10,000	10,000	
910.000 Workers Compensation	68	100	93	100	100	
911.000 Liability Insurance	615	800	573	700	700	
941.000 Equipment Rentals	1,136	1,500	906	1,000	1,000	
Total Traffic Services	20,328	32,300	15,593	26,500	26,500	-18.0%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 478.000 Winter Maintenance						
703.000 Salaries - Non Union	7,438	5,300	4,380	4,500	4,500	
703.001 Salaries - Part Time	-	-	100	100	100	
704.000 Salaries - Union	8,100	10,000	7,700	10,000	10,000	
705.000 Salaries - Overtime	9,130	5,000	8,489	7,000	7,000	
705.001 Salaries - Call In Pay	3,524	3,500	2,849	3,500	3,500	
720.000 Social Security & Medicare	2,060	2,100	1,993	2,000	2,000	
721.000 Health & Dental Insurance	2,823	2,800	2,776	2,900	2,900	
722.000 Life & Short Term Disability Insurance	50	100	56	100	100	
723.003 Defined Contribution Plan	218	400	200	200	200	
740.000 Operating Supplies	21,832	20,000	14,600	20,000	20,000	
901.000 Printing & Publishing	659	700	486	500	500	
910.000 Workers Compensation	149	200	205	200	200	
911.000 Liability Insurance	789	900	735	800	800	
941.000 Equipment Rentals	8,239	10,000	4,885	7,000	7,000	
Total Winter Maintenance	65,011	61,000	49,454	58,800	58,800	-3.6%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 890.000 Contingencies						
957.000 Miscellaneous	-	10,000	-	10,000	10,000	
Total Contingencies		10,000	-	10,000	10,000	100.0%

Total Expenditures	268,754	561,400	554,151	539,200	539,200	-4.0%
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Local Streets Fund - Revenue over Expense	(4,579)	-	81	(100)	-	
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Capital and One-Time Expenditures	65,078	352,600	396,952	334,000	334,000	
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Municipal Streets Fund

The Municipal Streets Funds is used to supplement, through operating transfers, the Public Act 51 funding in the Major and Local Streets Funds. It accounts for the streets millage, which is authorized by the General Law City Act. Fees for administrative services performed by employees budgeted for in the General Fund are charged to the Municipal Streets Fund.

Fund Revenue and Expenditure Budget

Transfers Out is lower due to the Road Maintenance Plan’s projects being substantially complete. The City is in a capital rebuilding stage.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Municipal Streets Fund 204 Revenue						
403.000 Taxes - Streets (Real)	564,980	723,300	602,000	685,600	685,600	
410.000 Taxes - Personal Property	101,299	-	108,616	-	-	
412.000 Delinquent Taxes - Real Prop	12,736	-	10,600	-	-	
420.000 Delinquent Tax - Personal Prop	-	-	1,400	-	-	
445.000 Taxes - Penalties & Interest	1,343	1,300	1,200	1,200	1,200	
573.000 Local Community Stabilization Share	-	-	-	38,300	38,300	
665.000 Interest Earned	745	1,000	300	500	500	
Total Revenue	681,103	725,600	724,116	725,600	725,600	0.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
712.00 Vacation/Sick Time Cash Out	17,100	11,300	11,300	-	-	
720.000 Social Security & Medicare	1,304	900	864	-	-	
721.001 Retiree Health Care	11,480	11,000	9,627	10,000	10,000	
723.000 Defined Benefit Plan	23,200	24,500	24,500	31,500	31,500	
802.001 Financial Audit	2,000	2,000	2,000	2,000	2,000	
840.000 Bank Service Charges	1,323	1,000	1,000	1,000	1,000	
841.000 City Administration Costs	28,839	26,500	27,149	27,000	27,000	
957.001 Property Tax Refunds	3,436	3,500	394	3,000	3,000	
Total Administration	88,682	80,700	76,834	74,500	74,500	-7.7%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 965.000 Transfers Out						
999.202 Transfer Out to Major Streets	580,000	331,800	172,100	113,100	123,200	
999.203 Transfer Out to Local Streets	140,000	363,100	315,200	310,700	310,800	
999.353 Transfer Out to Road Bond Debt Fund	78,215	83,100	82,900	87,700	87,700	
999.406 Transfer Out to Road Construction Fund	18,150	-	-	-	-	
Total Transfers Out	816,365	778,000	570,200	511,500	521,700	-32.9%
Total Expenditures	905,047	858,700	647,034	586,000	596,200	-30.6%
Municipal Streets Fund - Revenue over Expense	(223,944)	(133,100)	77,082	139,600	129,400	

Solid Waste Fund

The Solid Waste Fund holds revenue and expenditures related to solid waste contracting, contracted composting, brush pick-up, chipping, leaf pick-up and similar activities.

The following table is intended to show the link between the Solid Waste Function and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
PUBLIC SAFETY			
Cleanliness (continued)	Pick up brush, leaves and Christmas trees in accordance with maintenance plan	All necessary maintenance was performed.	Maintain same objective

Fund Revenue and Expenditure Budget

The Administration Department has increased because the City started charging this fund administration fees, which was not done in the first two years of its existence.

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Solid Waste Fund 226 Revenue						
425.000 Delinquent Utility Bills (Tax)	284	-	100	-	-	
628.000 Solid Waste Collection Fee	570,570	574,000	579,200	581,000	581,000	
634.000 Utility Bill Penalties	1,570	1,000	1,392	1,000	1,000	
645.000 Sales - Recycling Program	350	400	600	500	500	
665.000 Interest Earned	33	-	12	-	-	
671.000 Other Revenue	40	-	-	-	-	
695.101 Transfer In From General Fund	98,085	-	-	-	-	
Total Revenues	670,932	575,400	581,304	582,500	582,500	1.2%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
840.000 Bank Service Charges	-	200	100	100	200	
841.000 City Administrative Costs	-	-	-	10,800	10,800	
Administration Total	-	200	100	10,900	11,000	5400.0%
	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 528.000 Solid Waste						
703.000 Salaries - Non Union	2,630	1,800	1,752	1,800	1,800	
703.001 Salaries - Part Time	3,213	5,700	5,100	5,000	5,000	
704.000 Salaries - Union	32,362	35,000	32,770	31,000	31,000	
705.000 Salaries - Overtime	463	500	1,500	1,000	1,000	
720.000 Social Security & Medicare	2,785	3,300	2,954	3,000	3,000	
721.000 Health & Dental Insurance	399	-	-	-	-	
723.003 Defined Contribution Plan	104	300	100	100	100	
740.000 Operating Supplies	514	1,000	700	1,000	1,000	
805.000 Contracted Solid Waste Service	484,255	490,000	498,900	500,000	500,000	
805.001 Contracted Solid Waste - Commercial	721	-	-	-	-	
806.000 Contracted Composting	7,700	8,000	7,876	8,000	8,000	
901.000 Printing & Publishing	315	-	964	1,000	1,000	
941.000 Equipment Rentals	20,634	22,000	11,391	12,000	12,000	
955.000 Miscellaneous	-	0	1,260	-	0	
958.000 Membership & Dues	75	100	100	100	100	
Total Solid Waste	556,170	567,700	565,367	564,000	564,000	-0.7%
Total Expenditures	556,170	567,900	565,467	574,900	575,000	1.3%
Solid Waste Fund - Revenue over Expense	114,762	7,500	15,837	7,600	7,500	

Tree Replacement Fund

The Tree Replacement Fund was established in Fiscal Year 2010-2011 after receipt of \$240,000 from the United Methodist Retirement Community (UMRC). These funds may only be used for purposes authorized by the City Tree Replacement Restricted Account Policy, which include replacement of diseased and dead trees in parks and rights-of-way, as well as new tree plantings on public land.

Fund Revenue and Expenditure Budget

Revenue is lower because donations are not included in the budget.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Tree Fund 275 Revenue						
665.000 Interest Earned	2,041	1,800	1,100	1,000	1,000	
675.007 Restricted Tree Contribution	4,800	-	1,500	-	-	
Total Revenues	6,841	1,800	2,600	1,000	1,000	-44.4%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Tree Fund 275 Revenue						
665.000 Interest Earned	2,041	1,800	1,100	1,000	1,000	
675.007 Restricted Tree Contribution	4,800	-	1,500	-	-	
Total Revenues	6,841	1,800	2,600	1,000	1,000	-44.4%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 965.000 Transfers Out						
999.101 Transfers Out to General Fund	8,000	9,000	12,000	8,000	8,000	
Transfers Out Total	8,000	9,000	12,000	8,000	8,000	-11.1%
Total Expenditures	8,000	9,000	12,000	8,000	8,000	-11.1%

Tree Fund - Revenue over Expense	(1,159)	(7,200)	(9,400)	(7,000)	(7,000)
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Capital and One-Time Expenditures	-	-	-	-	-
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Equipment Replacement Fund

The Equipment Replacement Fund is a fund for the City’s trucks and other related equipment, with the exception of vehicles owned by an enterprise fund. Revenue is generated by charging rent to the General Fund, Major Streets Fund and Local Streets Fund are used in the performance of related duties. Rates are established by the Michigan Department of Transportation. Vehicle maintenance and repairs are accounted for in this fund, as well as capital purchases.

Fund Revenue and Expenditure Budget

Revenue is lower due to some changes on how the rental hours are tracked. Expenses are lower due to fewer capital purchases and lower repairs.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Equipment Replacement Fund 402 Revenue						
665.000 Interest Earned	71	100	-		-	
667.003 Equipment Rental	81,471	81,500	59,000	63,500	63,500	
Total Revenues	81,542	81,600	59,000	63,500	63,500	-22.2%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
840.000 Bank Service Charges	610	400	300	-	300	
Administration Total	610	400	300	-	300	-25.0%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 441.000 Public Works						
939.000 Vehicle Maintenance & Repairs	32,130	35,000	23,000	25,000	25,000	
Public Works Total	32,130	35,000	23,000	25,000	25,000	-28.6%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 903.000 Vehicles						
981.000 Vehicles	81,397	45,000	42,000	10,000	10,000	
Vehicles Total	81,397	45,000	42,000	10,000	10,000	-77.8%

Total Expenditures	114,137	80,400	65,300	35,000	35,300	-56.1%
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Equipment Fund - Revenue over Expense	(32,595)	1,200	(6,300)	28,500	28,200	
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Capital and One-Time Expenditures	81,397	45,000	42,000	10,000	10,000	
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Debt Service Funds

Debt Service (Voted) Fund

The Debt Service (Voted) Fund is a special revenue fund with expenditures paid for by designated revenue sources that were subject to voter approval. There is one bond issue being accounted for in this fund.

- 2002 Refunding Bond: In 1996 voters approved a general obligation bond for improvements to the downtown. In 2002, this bond was refunded to take advantage of lower interest rates. The bond is paid for by a millage assessed to all properties within the Village. The final payment will be made in Fiscal Year 2016-2017.

Fund Revenue and Expenditure Budget

A cushion of \$10,000 was built into the millage rate to provide funds in case of Board of Review or Tax Tribunal refunds.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
General Debt Service Fund (Voted Bonds)						
402.000 Property Taxes (Real Property)	135,619	124,700	122,500	135,500	135,500	
410.000 Property Tax (Personal)	21,730	20,100	19,800	10,400	10,400	
412.000 Delinquent Taxes-Real Prop	2,732	-	1,900	-	-	
420.000 Delinquent Tax - Personal Prop	-	-	300	100	100	
445.000 Property Tax Penalties	315	-	200	100	100	
573.000 Local Community Stabilization Share	-	-	-	10,900	10,900	
665.000 Interest Earned	96	100	-	-	-	
Total Revenues	160,492	144,900	144,700	157,000	157,000	8.4%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
840.000 Bank Service Charges	74	100	-	-	-	
957.001 Property Tax Refunds	963	1,000	500	1,000	1,000	
Administration Total	1,037	1,100	500	1,000	1,000	-9.1%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 570.000 Streetscape						
990.003 02 GO Bond Refunding Principal	140,000	140,000	140,000	140,000	140,000	
991.003 02 GO Bond Refunding Interest	17,220	11,700	11,600	6,000	6,000	
992.000 Bond Fees	200	300	300	300	300	
Debt Total	157,420	152,000	151,900	146,300	146,300	-3.8%
Total Expenditures	158,457	153,100	152,400	147,300	147,300	-3.8%

Voted Debt Fund - Revenue over Expense	2,035	(8,200)	(7,700)	9,700	9,700
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Facilities Bond Debt Service Fund

This fund contains the debt payments for the 2006 Facilities Bond, which is funded by transfers in from the General Fund. The final payment will be made in Fiscal Year 2026-2027.

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Facilities Bond Debt Service Fund						
695.101 Transfer In from General Fund	129,900	127,700	126,900	115,300	115,300	
Total Revenues	129,900	127,700	126,900	115,300	115,300	-9.7%

Dept: 850.000 Long Term Debt	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
990.005 06 Facilities Bond Principal	75,000	75,000	75,000	80,000	80,000	
992.000 Bond Fees	300	300	300	300	300	
996.004 06 Facilities Bond Interest	54,558	51,600	51,600	35,000	35,000	
Debt Total	129,858	126,900	126,900	115,300	115,300	-9.1%
Total Expenditures	129,858	126,900	126,900	115,300	115,300	-9.1%

Facilities Bond Debt - Revenue over Expense	42	800	-	-	-
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Road Bond Debt Service Fund

This fund contains the debt payments for the 2014 Street Improvement Bond, which is funded by a transfer in from the Municipal Streets Fund. The final payment will be made in Fiscal Year 2023-2024

Road Bond Debt Service Fund	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
695.204 Trans In - Municipal Streets	78,215	83,100	82,950	87,700	87,700	
Total Revenues	78,215	83,100	82,950	87,700	87,700	5.5%

Dept: 850.000 Long Term Debt	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
990.011 14 Road Bond Principal	70,000	70,000	70,000	75,000	75,000	
992.000 Bond Fees	-	200	-	-	-	
996.011 14 Road Bond Interest	8,065	13,100	13,100	12,700	12,700	
Debt Total	78,065	83,300	83,100	87,700	87,700	5.3%
Total Expenditures	78,065	83,300	83,100	87,700	87,700	5.3%

Road Bond Debt Fund - Revenue over Expense	150	(200)	(150)	-	-
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Capital Funds

Although capital improvement funds are not required to be included in a budget, sometimes management prefers that they be appropriated. For Fiscal Year 2016-2017, the City will not be using a separate Capital Fund.



Enterprise Funds

The City has two enterprise funds, which are the Sewer Fund and the Water Fund. Both funds are completely self-supporting, with their primary revenue source being user fees. Information on utility rates is included in the Utility Billing section of this budget document.

Administration fees are paid by the both the sewer and water funds to pay for services provided to them by personnel accounted for under the General Fund. On the rare occasion that a DPW truck is used for sewer or water business, the appropriate rental fees will be paid to the Equipment Fund. Tap fees are paid on new construction projects and on upgrades to existing facilities, when required by ordinance.

Sewer Fund

There are over 22 miles of sanitary sewers, with four major pump stations. The City also owns and operates its own wastewater treatment plant, which is located on the north end of the City. A Sanitary Sewer Capacity Analysis was done in 2005, which has led to improvements in inflow and infiltration through manhole rehabilitation, sewer main lining projects, and the construction of an equalization basin.

Sewer Fund Goals & Objectives

The following table is intended to show the link between the Sewer Fund and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
PUBLIC INFRASTRUCTURE			
Public Utilities	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	Maintain same objective.

Prior Fiscal Year Budget Highlights

- Updated Maximum Allowable Headworks Loading study, which was accepted by the State of Michigan in the spring of 2016.
- Increased sanitary sewer preventative cleaning by inspecting all accessible manholes and using that information to guide cleaning.
- Continued manhole rehabilitation, compiling a list of structures in need of repair.

Utility Departments Performance Measures					
Measure	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Planned 2016-2017
Seek out improvements that will allow rate increases to be limited to 3% per year.	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 3% Water: 4%	Sewer: 3% Water: 3%

Fund Revenue and Expenditure Budget

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Sewer Enterprise Fund 590 Revenue						
425.000 Delinquent Utility Bills (Tax Roll)	565	-	500	500	500	
633.002 Utility Bills - Sewer	1,081,555	1,081,500	1,093,400	1,126,000	1,126,000	
634.000 Utility Bill Penalties	3,839	3,000	3,700	3,000	3,500	
635.000 Sewer Surcharge	72,679	50,000	78,300	40,000	40,000	
636.001 Sewer Tap In Fees	212,063	185,000	162,300	125,000	125,000	
665.000 Interest Earned	780	1,000	1,200	1,000	1,000	
671.000 Other Revenue	23,451	1,000	50	500	500	
672.000 Reimbursements for Gasoline	7,933	8,000	6,300	6,000	6,300	
679.000 Miscellaneous Grants	-	7,000	7,000	-	-	
680.000 Employee Health Care Cost Share	-	-	-	4,600	4,600	
Total Revenue	1,402,865	1,336,500	1,352,750	1,306,600	1,307,400	-2.2%

	Actual 2014-2015	Current Year 2015-2016		Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
723.001 Other Post Employment Benefits	6,000	6,000	6,000	10,500	10,500	
802.001 Financial Audit	2,500	2,500	2,500	2,500	2,500	
811.000 Attorney Fees	4,395	15,000	15,000	5,000	5,000	
840.000 Bank Service Charges	229	200	364	400	400	
841.000 City Administrative Costs	72,529	73,500	73,500	71,000	71,000	
843.000 Property Taxes	3,656	3,600	3,630	-	-	
Total Administration	89,309	100,800	100,994	89,400	89,400	-11.3%



	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 548.000 Sewer Utilities Department						
703.000 Salaries - Non Union	39,758	26,500	30,670	31,000	31,000	
703.001 Salaries - Part Time	5,105	4,000	3,300	4,000	4,000	
704.000 Salaries - Union	135,238	165,000	138,901	168,500	168,500	
705.000 Salaries - Overtime	9,359	10,000	22,000	10,000	10,000	
705.001 Salaries - Call In Pay	4,576	4,500	4,500	4,500	4,500	
712.000 Vacation/Sick Time Cash Out	-	1,000	-	1,000	1,000	
720.000 Social Security & Medicare	15,329	15,300	15,455	16,000	16,000	
721.000 Health & Dental Insurance	25,014	25,000	23,000	30,600	30,600	
721.001 Retiree Health Care	15,739	17,000	13,700	14,300	14,300	
721.002 Pay in Lieu of Medical Insurance	2,625	1,500	1,971	5,250	5,250	
722.000 Life & Short Term Disability Insurance	1,326	1,200	1,300	1,600	1,600	
723.000 Defined Benefit Plan	23,500	27,000	27,000	27,000	27,000	
723.003 Defined Contribution Plan	2,978	4,000	4,404	4,500	4,500	
728.000 Postage	510	1,000	863	1,000	1,000	
740.000 Operating Supplies	7,534	8,000	6,000	8,000	8,000	
741.000 Road Repair Supplies	471	1,000	-	1,000	1,000	
742.000 Chemical Supplies - Plant	41,949	38,000	48,000	40,000	40,000	
743.000 Chemical Supplies - Lab	11,864	11,000	12,612	12,000	12,000	
745.000 Uniform Allowance	4,586	4,000	4,000	4,000	4,000	
751.000 Gasoline & Oil	16,755	17,000	11,000	12,500	12,500	
802.000 Professional Services	19,613	25,000	20,000	20,000	20,000	
803.003 Sludge Hauling	51,955	50,000	50,000	40,000	40,000	
803.004 Sewer Investigation & Repair	11,279	5,000	3,969	5,000	5,000	
803.005 Sewer Line Maintenance	16,648	15,000	14,567	20,000	20,000	
824.000 Testing & Analysis	7,540	5,000	5,000	1,000	1,000	
861.000 Travel & Mileage	-	500	136	200	200	
901.000 Printing & Publishing	324	500	1,100	500	500	
910.000 Workers Compensation	3,659	4,000	4,000	4,000	4,000	
911.000 Liability Insurance	15,776	16,500	14,706	15,000	15,000	
920.000 Utilities	67,550	60,000	62,000	61,000	61,000	
920.001 Utilities - Telephones	3,452	4,000	4,521	4,600	4,600	
935.000 Building Maintenance & Repair	5,027	5,000	5,000	12,000	12,000	
937.000 Equipment Maintenance & Repair	20,885	20,000	18,771	25,000	25,000	
938.000 Lab Equipment Maintenance & Repair	9,528	5,000	8,400	10,000	10,000	
938.001 SCADA Maintenance	14,547	19,000	17,500	5,000	5,000	
939.000 Vehicle Maintenance & Repair	2,989	3,000	2,400	2,000	2,000	
941.000 Equipment Rentals	52	-	-	-	-	
942.000 Enterprise Fund Equipment Rental	-	-	-	63,000	63,000	
955.000 Miscellaneous	10,236	500	31	500	500	
957.004 State Licenses/Permits	4,328	3,500	2,600	3,000	3,000	
958.000 Memberships & Dues	-	1,500	500	1,000	1,000	
960.000 Education & Training	9,598	5,000	834	2,000	2,000	
964.001 Sewer Backup Insurance Deductible	-	-	5,000	-	-	
977.000 Equipment	10,159	10,000	7,000	5,000	5,000	
Total Sewer Utilities	649,361	640,000	616,711	696,550	696,550	8.8%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 850.000 Debt						
995.005 SRF #1 (2009) Bond Principal	70,000	70,000	70,000	75,000	75,000	
995.006 SRF #2 (2012) Bond Principal	130,000	130,000	130,000	135,000	135,000	
995.007 2012 Sewer Bond Principal (RD Refunding)	90,000	95,000	100,000	100,000	100,000	
996.005 SRF #1 (2009) Bond Interest	36,007	36,000	34,300	32,500	32,500	
996.006 SRF #2 (2012) Bond Interest	81,617	81,600	77,600	74,400	74,400	
996.007 3012 Sewer Bond Interest (RD Refunding)	55,680	55,700	53,800	51,900	51,900	
Total Debt	463,304	468,300	465,700	468,800	468,800	0.1%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 890.000 Contingencies						
955.000 Miscellaneous	-	-	-	15,000	15,000	
Total Contingencies	-	-	-	15,000	15,000	100.0%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 895.000 Required Accounting						
726.001 Vacation/Sick Accrual	2,732	7,400	-	-	-	
968.000 Depreciation	579,002	-	-	-	-	
968.001 Capitalization	(389,951)	-	-	-	-	
968.002 To Bond Payable	(290,000)	-	-	-	-	
Total Debt	(98,217)	7,400	-	-	-	0.0%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 901.000 Capital Improvements						
970.005 Capital Improvements - Sludge Project	305,411	-	8,596	-	-	
970.007 Sewer Plant Blower Project	-	290,000	290,000	-	-	
974.000 CIP Capital Improvements	51,681	30,000	6,100	-	-	
975.011 Property Acquisition	650	10,000	12,937	-	-	
987.000 Capital Equipment	24,573	7,900	-	20,000	20,000	
981.000 Vehicles	17,453	-	-	15,000	17,500	
Total Capital Improvements	399,768	337,900	317,633	35,000	37,500	-88.9%

Total Expenditures	1,503,525	1,554,400	1,501,038	1,304,750	1,307,250	-15.9%
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Sewer Fund - Revenue over Expense	(100,660)	(217,900)	(148,288)	1,850	150
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Capital and One-Time Expenditures	399,768	337,900	317,633	35,000	37,500
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Water Fund

The City receives its potable water from five drinking water wells located within the City. Four wells pump water to an iron removal treatment plant for treatment before entering the distribution system. The fifth well pumps directly to the distribution system with limited chemical treatment. The City also owns and operates a 500,000 gallon elevated storage tank. The existing water distribution system is comprised of one remaining 6-inch main built in the 1930's, and newer 8 to 16-inch water mains.

Water Fund Goals & Objectives

The following table is intended to show the link between the Water Fund and specific organization-wide goals and objectives listed at the beginning of this budget document. It is arranged by policy areas and then objectives for Fiscal Year 2016-2017.

	2015-2016 Objective	2015-2016 Result	2016-2017 Action
PUBLIC INFRASTRUCTURE			
Public Utilities	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	Maintain same objective.

Prior Fiscal Year Budget Highlights

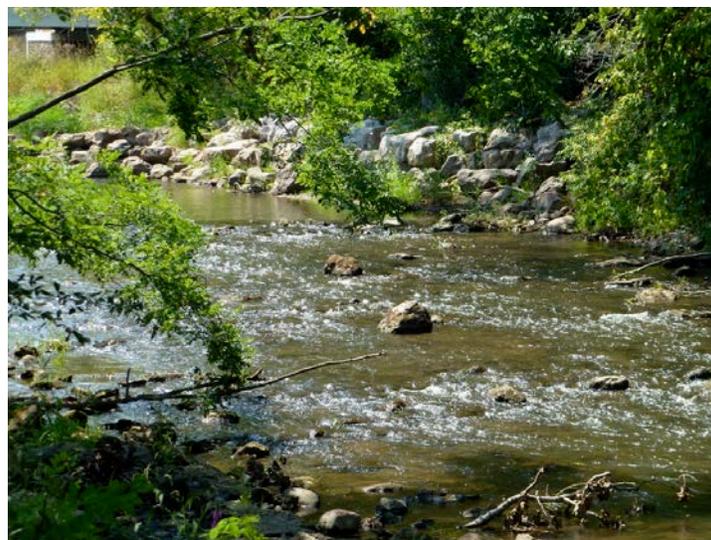
- Meter replacement plan has resulted in better revenue tracking.
- The process to update the water reliability study, which is required by the Michigan Department of Environmental Quality every ten years, was started in the winter of 2016, with expected completion in the fall of 2016.
- The aging fire hydrants on Huron River Drive have been evaluated, and a replacement project prepared for bidding with expected completion in Fiscal Year 2016-2017.
- In order to manage summer water demand, outdoor water restrictions have been enforced.

Utility Departments Performance Measures					
Measure	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Planned 2016-2017
Seek out improvements that will allow rate increases to be limited to 3% per year.	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 6% Water: 3%	Sewer: 3% Water: 4%	Sewer: 3% Water: 3%

Fund Revenue and Expenditure Budget

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Water Enterprise Fund 591 Revenue						
425.000 Delinquent Utility Bills (Tax Roll)	257	-	225	300	300	
579.000 MDOT Well Grant	-	5,000	-	-	-	
580.000 State Grants	-	-	4,250	-	-	
633.003 Utility Bills - Water	660,508	681,500	700,000	718,000	718,000	
634.000 Utility Bill Penalties	2,142	2,000	2,304	2,000	2,000	
636.002 Water Tap In Fees	119,639	111,000	96,700	75,000	75,000	
638.000 Meter Reinspection Fee	50	-	-	-	-	
646.000 Sales of Second Meters	10,281	5,000	6,800	5,000	5,000	
665.000 Interest Earned	700	1,000	223	500	500	
671.000 Other Revenue	18,966	1,000	160	500	500	
680.000 Employee Health Care Cost Share	-	-	-	3,900	3,900	
Total Revenue	812,543	806,500	810,662	805,200	805,200	-0.2%

	Current Year 2015-2016			Manager Proposed 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual 2014-2015	Amended Budget	Estimated YE Position			
Dept: 248.000 Administration						
723.001 Other Post Employment Benefits	5,000	5,000	5,000	6,100	6,100	
802.001 Financial Audit	1,500	1,500	1,500	1,500	1,500	
811.000 Attorney Fees - Miscellaneous	871	1,000	1,167	1,000	1,000	
840.000 Bank Service Charges	109	200	249	300	300	
841.000 City Administrative Costs	72,529	73,500	72,097	71,000	71,000	
Total Administration	80,009	81,200	80,013	79,900	79,900	-1.6%



	Current Year 2015-2016			Manager	Council	% Change
	Actual	Amended	Estimated	Proposed	Adopted	(Budget)
Dept: 556.000 Water Utilities Department	2014-2015	Budget	YE Position	2016-2017	2016-2017	2016 to 2017
703.000 Salaries - Non Union	34,340	17,500	22,058	22,000	22,000	
703.001 Salaries - Part Time	1,819	4,000	-	-	-	
704.000 Salaries - Union	87,148	112,000	93,996	127,600	127,600	
705.000 Salaries - Overtime	15,561	7,000	16,000	7,000	7,000	
705.001 Salaries - Call In Pay	3,074	3,900	3,900	3,900	3,900	
712.000 Vacation/Sick Time Cash Out	-	2,000	1,000	1,000	1,000	
720.000 Social Security & Medicare	10,525	11,200	10,032	13,000	13,000	
721.000 Health & Dental Insurance	15,840	16,500	17,252	25,800	25,800	
721.001 Retiree Health Insurance	7,064	8,000	6,300	6,800	6,800	
721.002 Pay in Lieu of Medical Insurance	2,625	1,500	1,971	1,750	1,750	
722.000 Life & Short Term Disability Insurance	884	900	800	1,100	1,100	
723.000 Defined Benefit Plan	10,600	11,600	11,600	14,200	14,200	
723.003 Defined Contribution Plan	3,313	3,500	3,563	3,600	3,600	
728.000 Postage	1,719	1,000	1,344	1,000	1,000	
740.000 Operating Supplies	5,921	8,000	7,269	8,000	8,000	
741.000 Road Repair Supplies	15,684	5,000	-	5,000	5,000	
743.000 Chemical Supplies - Lab	20,868	25,000	28,572	25,000	25,000	
745.000 Uniform Allowance	3,981	3,000	2,478	3,000	3,000	
751.000 Gasoline & Oil	9,868	8,000	8,000	8,000	8,000	
802.000 Professional Services	17,651	25,000	20,000	20,000	20,000	
824.000 Testing & Analysis	2,946	4,000	2,339	4,000	4,000	
861.000 Travel & Mileage	-	500	204	500	500	
901.000 Printing & Publishing	1,636	700	1,356	1,000	1,000	
910.000 Workers Compensation	1,484	1,500	1,539	1,600	1,600	
911.000 Liability Insurance	5,416	5,600	5,049	5,300	5,300	
920.000 Utilities	40,494	37,000	36,300	33,000	33,000	
920.001 Utilities - Telephones	2,427	3,000	1,788	2,000	2,000	
935.000 Building Maintenance & Repair	1,156	1,000	293	1,000	1,000	
937.000 Equipment Maintenance & Repair	11,988	26,500	25,000	15,000	15,000	
938.000 Lab Equipment Maintenance & Repair	983	1,000	-	1,000	1,000	
939.000 Vehicle Maintenance & Repair	3,888	1,500	1,016	1,500	1,500	
941.000 Equipment Rentals	22	-	-	-	-	
955.000 Miscellaneous	210	500	300	-	-	
957.004 State Licenses/Permit Fees	275	2,000	1,347	2,000	2,000	
958.000 Memberships & Dues	1,140	500	1,111	1,000	1,000	
960.000 Education & Training	8,374	5,000	2,228	3,000	3,000	
961.000 Wellhead Protection Program	-	10,000	8,815	-	-	
977.000 Equipment	70,055	50,000	50,000	40,000	40,000	
Total Water Utilities	420,979	424,900	394,820	409,650	409,650	-3.6%

	Actual 2014-2015	Current Year 2015-2016		Manager	Council	% Change
		Amended Budget	Estimated YE Position	Proposed 2016-2017	Adopted 2016-2017	(Budget) 2016 to 2017
Dept: 850.000 Debt						
995.008 DWRF #1 (2010) Bond Principal	50,000	55,000	55,000	55,000	55,000	
995.009 DWRF #2 (2011) Bond Principal	35,000	35,000	35,000	40,000	40,000	
995.010 2012 Water Bond Principal (RD Refunding)	80,000	80,000	80,000	80,000	80,000	
996.008 DWRF #1 (2010) Bond Interest	26,231	25,000	24,900	23,600	23,600	
996.009 DWRF #2 (2011) Bond Interest	20,403	20,000	19,500	18,600	18,600	
996.010 2012 Water Bond Interest (RD Refunding)	43,903	42,500	42,300	40,800	40,800	
Total Debt	255,537	257,500	256,700	258,000	258,000	0.2%

	Actual 2014-2015	Current Year 2015-2016		Manager	Council	% Change
		Amended Budget	Estimated YE Position	Proposed 2016-2017	Adopted 2016-2017	(Budget) 2016 to 2017
Dept: 890.000 Contingencies						
955.000 Miscellaneous	-	-	-	15,000	15,000	
Total Contingencies	-	-	-	15,000	15,000	0.0%

	Actual 2014-2015	Current Year 2015-2016		Manager	Council	% Change
		Amended Budget	Estimated YE Position	Proposed 2016-2017	Adopted 2016-2017	(Budget) 2016 to 2017
Dept: 895.000 Required Accounting						
726.001 Vacation/Sick Accrual	2,732	-	-	-	-	
968.000 Depreciation	346,868	-	-	-	-	
968.001 Capitalization	(443,316)	-	-	-	-	
968.002 To Bond Payable	(165,000)	-	-	-	-	
Total Debt	(258,716)	-	-	-	-	0.0%

	Actual 2014-2015	Current Year 2015-2016		Manager	Council	% Change
		Amended Budget	Estimated YE Position	Proposed 2016-2017	Adopted 2016-2017	(Budget) 2016 to 2017
Dept: 901.000 Capital Improvements						
974.000 CIP Captial Improvements	23,365	13,500	10,000	100,000	100,000	
975.015 Ann Arbor Street Project	377,763	-	-	-	17,500	
981.000 Vehicles	17,453	-	-	15,000	-	
Total Capital Improvements	418,581	13,500	10,000	115,000	117,500	770.4%

Total Expenditures	916,390	777,100	741,533	877,550	880,050	13.2%
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Water Fund - Revenue over Expense	(103,847)	29,400	69,129	(72,350)	(74,850)
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Capital and One-Time Expenditures	418,581	13,500	10,000	115,000	117,500
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Component Units

Component Units are legally separate entities that meet any of three tests: 1) the primary government appoints the voting majority of the board of the component unit and is able to impose its will or is in a relationship of financial burden or benefits; 2) the component unit is fiscally dependent upon the primary government; 3) the financial statements would be misleading if data from the component unit were not included.

Downtown Development Authority

The Downtown Development Authority (DDA) consists of the following members:

Steve Brouwer – Chair
Doug Finn – Vice Chair
Mike Fitzpatrick - Treasurer
Carol Jones - Secretary
Rich Bellas
Patrick Becker
Don Darnell
Fred Model
Dan O'Haver
Fred Schmid
Randy Willis
Shawn Keough - Ex-officio

The Downtown Development Authority (DDA) is a tax increment financing based organization whose membership is appointed by the City Council upon recommendation of the Mayor. They are responsible for capital projects and maintenance of the downtown area. The DDA board adopts their own annual budget, which is then presented to the City Council for acceptance and approval. This budget was adopted on April 21, 2016.

There are two funds used by the DDA - the DDA Fund the DDA Debt Fund. At times, a capital improvement fund may be used to track large projects. There are no large projects scheduled for this fiscal year.

DDA Fund

The DDA Fund is the main operating fund for the Downtown Development Authority. The main difference in revenue from last fiscal year is that the project fund was closed, and its cash assets were moved into the operating fund.

There is ongoing litigation regarding the tax exemption status of a large taxpayer, the costs of which are being shared by the DDA and the City. These costs are reflected in the Attorney Fee line, and it is expected that this budget will be amended at some point in Fiscal Year 2016-2017.

City of Dexter 2016-2017 Budget

Component Units

	Current Year 2015-2016			DDA Adopted 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual	Amended	Estimated			
	2014-2015	Budget	YE Position			
DDA Fund 248 Revenue						
415.000 Tax Capture Revenue	292,185	287,500	285,000	303,600	303,600	
574.001 Personal Property Tax Reimbursement	7,821	5,300	7,800	7,800	7,800	
665.000 Interest Earned	479	500	2,000	500	500	
671.000 Other Revenue	-	-	4,300	-	-	
695.494 Tr In DDA Project Fund	-	186,500	186,200	-	-	
Total Revenues	300,485	479,800	485,300	311,900	311,900	-35.0%

	Current Year 2015-2016			DDA Adopted 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual	Amended	Estimated			
	2014-2015	Budget	YE Position			
Dept: 248.000 Administration						
802.000 Professional Services	1,500	5,000	2,000	5,000	5,000	
803.000 Contracted Services	12,285	1,700	2,600	1,700	1,700	
810.000 Attorney Fees	29,333	83,000	83,000	20,000	20,000	
843.000 Property Taxes	7,134	-	-	-	-	
880.000 Downtown Events	301	500	500	-	-	
957.002 DDA Capture Refunds	306	500	500	5,000	5,000	0
Administration Total	50,859	90,700	88,600	31,700	31,700	-65.0%

	Current Year 2015-2016			DDA Adopted 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual	Amended	Estimated			
	2014-2015	Budget	YE Position			
Dept: 442.000 Downtown Public Works						
803.015 City Maintenance	5,000	5,000	5,000	5,000	5,000	
970.000 Contracted Capital Improvements	-	15,900	13,900	-	-	
Downtown Public Works Total	5,000	20,900	18,900	5,000	5,000	-76.1%

	Current Year 2015-2016			DDA Adopted 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual	Amended	Estimated			
	2014-2015	Budget	YE Position			
Dept: 901.000 Capital Improvements						
972.001 Purchase of House	-	20,000	20,000	20,000	20,000	
972.002 DTE Substation Move	-	25,000	-	50,000	50,000	
972.004 3045 Broad Street Redevelopment	-	12,000	-	-	-	
Transfers Total	-	57,000	20,000	70,000	70,000	22.8%

	Current Year 2015-2016			DDA Adopted 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
	Actual	Amended	Estimated			
	2014-2015	Budget	YE Position			
Dept: 965.000 Transfers						
999.202 Transfer Out to Major Streets	111,128	-	-	-	-	
999.394 Transfer Out for Bond Payments - 394	300,057	290,500	290,500	287,400	287,400	
999.494 Transfer Out to DDA Project Fund - 494	10,038	-	-	-	-	0
Transfers Total	421,223	290,500	290,500	287,400	287,400	-1.1%

Total Expenditures	477,082	459,100	418,000	394,100	394,100	-14.2%
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DDA Fund - Revenue over Expense	(176,597)	20,700	67,300	(82,200)	(82,200)
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Capital and One-Time Expenditures	-	57,000	20,000	70,000	70,000
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DDA Debt Fund

The DDA Debt Fund is used for payments of all bond payments. Funding for this fund comes from transfers in from the DDA Fund.

	Actual 2014-2015	Current Year 2015-2016		DDA Adopted 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
DDA Debt Fund 394 Revenue						
665.000 Interest Earned	396	-	-	-	-	
695.248 Transfer In from DDA Fund 248	300,057	290,500	290,500	287,400	287,400	
Total Revenues	300,453	290,500	290,500	287,400	287,400	-1.1%

	Actual 2014-2015	Current Year 2015-2016		DDA Adopted 2016-2017	Council Adopted 2016-2017	% Change (Budget) 2016 to 2017
		Amended Budget	Estimated YE Position			
Dept: 850.000 Long Term Debt						
992.000 Bond Fees	1,000	1,000	1,000	1,000	1,000	
997.003 DDA 2008 Taxable Bond (\$1.6M)	351,559	89,000	89,000	90,000	90,000	
997.004 DDA 2008 Non-Taxable Bond (\$2+M)	118,441	117,500	117,500	116,500	116,500	
997.005 2012 Refunding Bond (\$620K)	81,012	83,000	83,000	79,900	79,900	
Long Term Debt Total	552,012	290,500	290,500	287,400	287,400	-1.1%

Total Expenditures	552,012	290,500	290,500	287,400	287,400	-1.1%
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DDA Debt Fund - Revenue over Expense	(251,559)	-	-	-	-
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Glossary

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, this budget glossary has been included in the document.

Accrual Basis of Accounting: A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

Activity: Cost center within a fund or department to which specific expenses are to be allocated.

Ad Valorem: According to value. "A method of taxation using the value of the thing taxed to determine the amount of tax. Taxes can be either "ad valorem" or "specific." Example: A tax of \$5.00 per \$1000.00 of value per house is "ad valorem." A tax of \$5.00 per house (irrespective of value) is specific.

Appropriation: An authorization made by the City Council, which permits officials to incur obligations against, and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

Assessed Valuation: The estimated value placed upon real and personal property by the City assessor. Assessed value is required to be at least 50% of the true cash value.

Assets: Property owned by the City, which has monetary value.

Audit: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to ascertain whether financial statements fairly present financial positions and results of operations. The audit tests whether transactions have been legally performed; Identifies areas for possible improvements in accounting practices and procedures; Ascertain whether transactions have been recorded accurately and consistently; and Ascertain the stewardship of officials responsible for governmental resources.

Base Budget: A budget that is predicted on maintaining an existing level of service.

Bond (Debt Instrument): A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

Budget (Operating): A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the City and its departments operate.

Budget Calendar: The schedule of key dates or milestones that the City follows in the preparation and adoption of the budget.

Budgetary Control: The level at which expenditures cannot legally exceed the appropriated amounts.

Budgeted Funds: Funds that are planned for certain uses. The budget document that is submitted for Council approval is composed of budgeted funds.

Budget Message (City Manager's): A general discussion of the proposed budget document presented in writing as a supplement to the budget document. The budget message explains principle budget issues against the background of financial experience in recent years.

CAFR: Abbreviation for Comprehensive Annual Financial Report. This is prepared at the end of a fiscal year.

Capital Outlay: A disbursement of money which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than \$5,000 and have a useful life of more than one year.

Cash Management: The management of cash necessary to pay government services while investing idle cash in order to earn interest. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in accordance with the Investment Policy.

CIP: Abbreviation for Capital Improvement Plan.

Contingency: An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures. Under Michigan law, to be used, contingencies must be moved to the specific appropriation line by a budget amendment.

Contractual Services: Items of expenditure from services that the City receives from an outside company. Heating and cooling maintenance services, custodial services, and information technology support are examples of contractual services.

CPI: Abbreviation for Consumer Price Index.

Current Taxes: Taxes that are levied and due within one year.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Department: An administration division of the City. Departments are the main groupings within the budget, for example City Manager, Public Works, Engineering etc.

Depreciation: A noncash expense that reduces the value of an asset as a result of wear and tear, age or obsolescence. Most assets lose their value over time (in other words they depreciate) and must be replaced at the end of their useful life is reached.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedule for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The cost of goods delivered and services rendered, whether paid or unpaid.

Fund: An independent accounting entity with established to account for the assets, liabilities, revenues and expenditures for specific activities. Examples include the General Fund for day-to-day activities, Major Streets Funds for activities relating to major streets, Sewer Fund for sewer-related activities, etc.

Fund Balance: The excess of an entity's assets over liabilities. A negative fund balance is often called a deficit.

GAAP: Abbreviation for Generally Accepted Accounting Principles.

GASB: The Governmental Accounting Standards Board, which provides direction in accounting and reporting requirements for units of government.

General Fund: The largest fund within the City, the General Fund accounts for most of the day to day operations of the government, such as fire and police protection, finance, public works and general administration. The main source of revenue for the General Fund is the City's operating millage.

General Obligation Bonds: When the City pledges its full faith and credit to the repayment of the bonds that it issues, those bonds are called general obligation (GO) bonds. Issuance of these may bonds require an election and they are usually repaid by an ad valorem property tax levy.

GFOA: Abbreviation for Government Finance Officers Association.

GIS: Abbreviation for Geographic Information System.

Investment: The placement of excess City cash assets into instruments approved by the City's Investment Policy for the purpose of earning interest income.

Liabilities: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.

Litigation: The process of taking an argument between people or groups to a court of law.

Long Term Debt: Debt with a maturity of more than one year.

Maturities: The date on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

MERS: The Michigan Municipal Employees Retirement System is a multi-employer statewide public employee retirement plan created to provide retirement, survivor and disability benefits to local government employees.

Millage: A rate of taxation expressed as mills per dollar.

Michigan Economic Development Corporation (MEDC): An agency of the State dedicated to fostering an atmosphere that is positive for economic development. They may make funds available for certain projects, and provide assistance to communities in the area of economic development.

Michigan State Housing Authority (MISHDA): An agency of the State that may have funds available for certain types of economic development.

Modified Accrual Basis of Accounting: Basis of accounting to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar obligations which should be recognized when due.

Per Capita Basis: Per unit population.

Personnel Services: The expenditures within the budget that relate to personnel such as salaries and fringe benefits.

Revenue: An addition to the assets of a fund which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital in an enterprise fund.

SEV: Abbreviation for State Equalized Value.

Special Assessments: Assessments levied on tax bills that are used to fund capital projects that benefit a limited number of properties. The assessments are usually used to repay bonds.

Taxable Value: This is a value used as a base for levying property taxes. It was established by a state constitutional amendment. Taxable values may only be increases by 5% or the rate of inflation, whichever is lower. When property changes hands, the value return to 50% of the true cash value.

Transfers In/Transfers Out: A legally authorized funding transfer between funds in which one fund is responsible got the initial receipt and the other fund is responsible for the actual disbursement

Trust and Agency Fund: These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds.

Water and Sewer Funds: These two enterprise funds are used to account for the provision of water and sewer services to the customer, financed primarily by user charges.

WCRC: Abbreviation for Washtenaw County Road Commission.

Appendix A – Statistical Information

This appendix contains a variety of statistical information about the City of Dexter. Sources for this information are the City's tax rolls and the Southeast Michigan Council of Governments (SEMCOG). Information from SEMCOG is available at their website at www.semco.org.

Top 20 Taxpayers

Top 20 Taxpayers				
Business Name	Taxable Value	2016 Taxes	Number of Parcels	% of Total Taxable Value
Dexter Fastener Technologies Inc.	\$ 12,692,588	\$ 181,583	4	7.64%
Chelsea Health & Wellness Foundation	\$ 5,270,617	\$ 75,403	1	3.17%
United Methodist Retirement Community	\$ 4,846,616	\$ 69,337	2	2.92%
AML Dexter LLC	\$ 2,884,181	\$ 41,262	1	1.74%
Tri-Bro, LLC	\$ 2,238,949	\$ 32,031	1	1.35%
DTE Electric Company	\$ 2,150,733	\$ 30,769	4	1.29%
Dapco Industries	\$ 2,485,759	\$ 35,562	4	1.50%
Walkabout Creek I	\$ 1,897,759	\$ 27,150	1	1.14%
Dexter LLC	\$ 1,854,974	\$ 26,538	3	1.12%
Shamrock Development Corp LLC	\$ 1,691,619	\$ 24,201	1	1.02%
Dexter Crossings Associates LLC	\$ 1,636,794	\$ 23,416	2	0.99%
Variety Die & Stamping Co.	\$ 1,532,190	\$ 21,920	5	0.92%
Michigan Critical Care	\$ 2,334,279	\$ 33,395	2	1.41%
DTE Gas Company	\$ 1,301,500	\$ 18,620	2	0.78%
Excalibur Holdings	\$ 1,245,900	\$ 17,824	1	0.75%
Monument Park Investments LLC	\$ 1,197,678	\$ 17,134	1	0.72%
KCM Properties LLC	\$ 1,151,208	\$ 16,469	2	0.69%
Chelsea State Bank	\$ 1,032,900	\$ 14,777	1	0.62%
Walkabout Creek II	\$ 1,023,411	\$ 14,641	1	0.62%
Bluewater Development LLC	\$ 1,020,546	\$ 14,600	1	0.61%

Demographic Information

The following pages are printed directly from SEMCOG's website.

Search...

YOU ARE VIEWING DATA FOR:

City of Dexter

8140 Main St
Dexter, MI 48130-1092
<http://www.dextermi.gov>

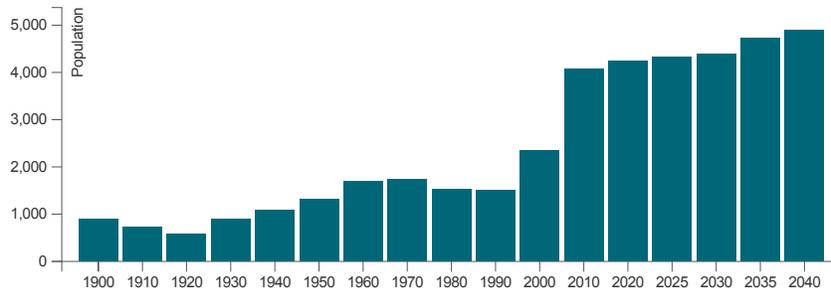


Census 2010 Population: 4,067
Area: 1.7 square miles

Population and Households

Link to American Community Survey (ACS) Profiles: **Select a Year** **Social | Demographic**
Population and Household Estimates for Southeast Michigan, July 2015

Population Forecast



Population and Households

Population and Households	Census 2010	Change 2000-2010	Pct Change 2000-2010	SEMCOG Jul 2015	SEMCOG 2040
Total Population	4,067	1,729	74.0%	4,911	4,885
Group Quarters Population	0	-1	-100.0%	0	0
Household Population	4,067	1,730	74.0%	4,911	4,885
Housing Units	1,704	598	54.1%	1,875	-
Households (Occupied Units)	1,590	577	57.0%	1,819	2,027
Residential Vacancy Rate	6.7%	-1.7%	-	3.0%	-
Average Household Size	2.56	0.25	-	2.70	2.41

Source: U.S. Census Bureau and SEMCOG 2040 Forecast produced in 2012.

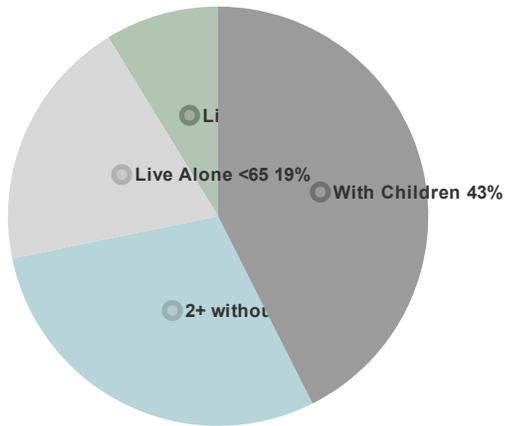
Components of Population Change

Components of Population Change	2000-2005 Avg.	2006-2010 Avg.
Natural Increase (Births - Deaths)	38	55
Births	59	70
Deaths	21	15
Net Migration (Movement In - Movement Out)	174	79
Population Change (Natural Increase + Net Migration)	212	134

Source: Michigan Department of Community Health Vital Statistics U.S. Census Bureau, and SEMCOG.

Household Types

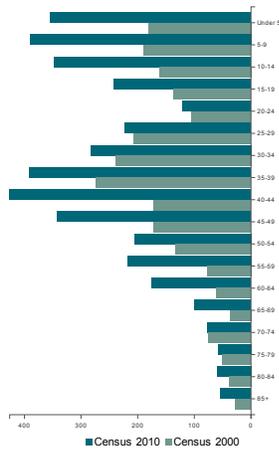
Census 2010



Household Types	Census 2000	Census 2010	Pct Change 2000-2010
With Seniors 65+	180	279	55%
Without Seniors	833	1,311	57.4%
Two or more persons without children	324	464	43.2%
Live alone, 65+	91	139	52.7%
Live alone, under 65	236	310	31.4%
With children	362	677	87%
Total Households	1,013	1,590	57

Source: U.S. Census Bureau and Decennial Census.

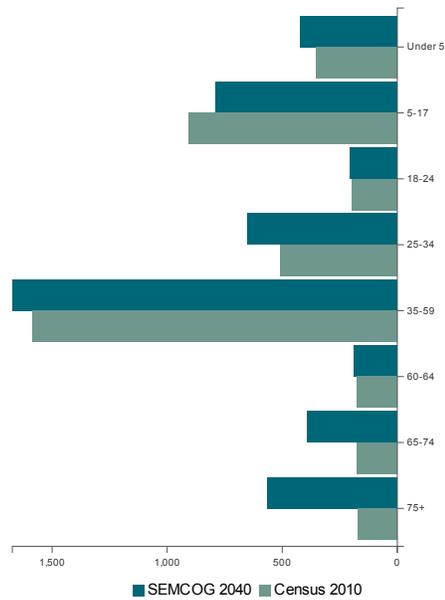
Population Change by Age, 2000-2010



Age Group	Census 2000	Census 2010	Change 2000-2010
Under 5	181	354	173
5-9	189	390	201
10-14	162	347	185
15-19	136	242	106
20-24	105	121	16
25-29	207	223	16
30-34	239	283	44
35-39	273	391	118
40-44	172	426	254
45-49	172	342	170
50-54	134	206	72
55-59	78	218	140
60-64	61	175	114
65-69	37	100	63
70-74	75	77	2
75-79	50	58	8
80-84	39	60	21
85+	28	54	26
Total	2,338	4,067	1,729
Median Age	33.7	36.2	2.5

Source: U.S. Census Bureau and Decennial Census.

Forecasted Population Change 2010-2040



Source: SEMCOG 2040 Forecast produced in 2012.

Age Group	2010	2015	2020	2025	2030	2035	2040	Change 2010 - 2040
Under 5	354	371	375	373	354	401	423	69
5-17	905	845	789	702	701	754	790	-115
18-24	195	235	211	204	188	227	207	12
25-34	506	535	557	616	615	661	650	144
35-59	1,583	1,586	1,543	1,534	1,482	1,552	1,673	90
60-64	175	200	216	203	210	201	188	13
65-74	177	252	329	391	444	426	390	213
75+	172	187	225	297	396	497	564	392
Total	4,067	4,211	4,245	4,320	4,390	4,719	4,885	818

Source: U.S. Census Bureau and SEMCOG 2040 Forecast produced in 2010.

Senior and Youth Populations

Senior and Youth Population	Census 2000	Census 2010	Pct Change 2000-2010	SEMCOG 2040	Pct Change 2010-2040
65 and over	229	349	52.4%	954	173.4%
Under 18	618	1,259	103.7%	1,213	-3.7%
5 to 17	437	905	107.1%	790	-12.7%
Under 5	181	354	95.6%	423	19.5%

Note: Population by age changes over time because of the aging of people into older age groups, the movement of people, and the occurrence of births and deaths.

Source: U.S. Census Bureau, Decennial Census and SEMCOG 2040 Forecast produced in 2012.

Race and Hispanic Origin

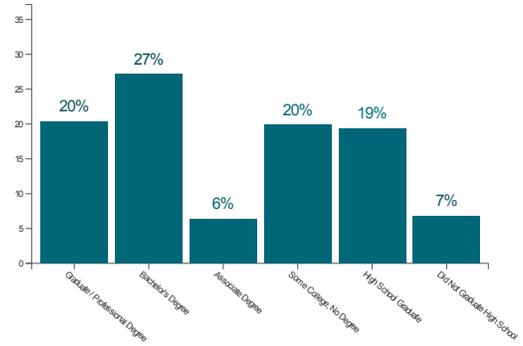
Race and Hispanic Origin	Census 2000	Percent of Population (2000)	Census 2010	Percent of Population (2010)	Percentage Point Change 2000-2010
Non-Hispanic	2,315	99%	3,954	97.2%	-1.8%
White	2,242	95.9%	3,693	90.8%	-5.1%
Black	10	0.4%	43	1.1%	0.6%
Asian	24	1%	112	2.8%	1.7%
Multi-Racial	31	1.3%	81	2%	0.7%
Other	8	0.3%	25	0.6%	0.3%
Hispanic	23	1%	113	2.8%	1.8%
Total	2,338	100%	4,067	100%	0%

Source: U.S. Census Bureau and Decennial Census.

Highest Level of Education

Highest Level of Education*	5-Yr ACS 2010	Percentage Point Chg 2000-2010
Graduate / Professional Degree	20.4%	5.5%
Bachelor's Degree	27.2%	3.7%
Associate Degree	6.4%	0.6%
Some College, No Degree	19.9%	-3.2%
High School Graduate	19.4%	-5.3%
Did Not Graduate High School	6.8%	-1.2%

* Population age 25 and over

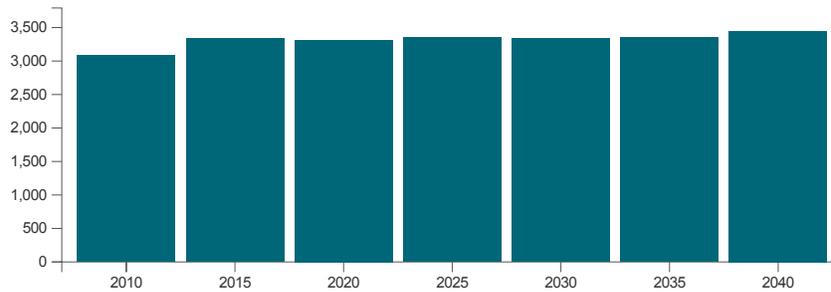


Source: U.S. Census Bureau, Census 2000 and 2010 American Community Survey 5-Year Estimates.

Economy & Jobs

Link to American Community Survey (ACS) Profiles: **Select a Year** **Economic**

Forecasted Jobs



Source: SEMCOG 2040 Forecast produced in 2012.

Forecasted Jobs by Industry

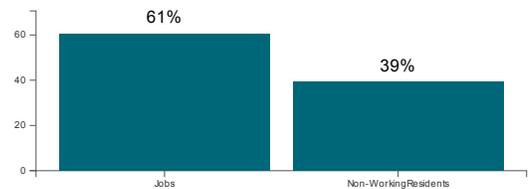
Forecasted Jobs By Industry	2010	2015	2020	2025	2030	2035	2040	Change 2010 - 2040
Natural Resources, Mining, & Construction	95	89	91	90	107	97	83	-12
Manufacturing	817	839	819	788	745	725	741	-76
Wholesale Trade, Transportation, Warehousing, & Utilities	624	688	655	635	597	564	587	-37
Retail Trade	354	355	342	368	387	417	421	67
Knowledge-based Services	134	141	158	158	167	153	168	34
Services to Households & Firms	194	286	288	296	302	344	350	156
Private Education & Healthcare	202	219	231	254	257	241	257	55
Leisure & Hospitality	214	224	230	250	248	269	290	76
Government	448	495	503	512	524	537	550	102
Total	3,082	3,336	3,317	3,351	3,334	3,347	3,447	365

Source: **SEMCOG 2040 Forecast** produced in 2012.

Note: "C" indicates data blocked due to confidentiality concerns of ES-202 files.

Daytime Population

Daytime Population	SEMCOG and ACS 2010
Jobs	3,082
Non-Working Residents	2,000
Age 15 and under	1,164
Not in labor force	704
Unemployed	132
Daytime Population	5,082



Source: **SEMCOG 2040 Forecast** produced in 2012, **U.S. Census Bureau**, and **2010 American Community Survey 5-Year Estimates**.

Note: The number of residents attending school outside Southeast Michigan is not available. Likewise, the number of students commuting into Southeast Michigan to attend school is also not known.

Where Workers Commute From 5-Yr ACS 2010

Rank	Where Workers Commute From *	Workers	Percent
1	Dexter (part) or Scio Township	9,532	36.6%
2	Dexter (part) or Webster Township	3,090	11.9%
3	Ann Arbor	2,175	8.4%
4	Ypsilanti Township	965	3.7%
5	Pittsfield Township	685	2.6%
6	Dexter Township	445	1.7%
7	Hamburg Township	435	1.7%
8	Ypsilanti	410	1.6%
9	Saline	320	1.2%
10	Lima Township	294	1.1%
-	Elsewhere	7,662	29.5%
* Workers, age 16 and over employed in Dexter, Scio Township, or Webster Township		26,013	

Source: U.S. Census Bureau - CTPP/ACS Commuting Data.

Commuting Patterns in Southeast Michigan

Where Residents Work 5-Yr ACS 2010

Rank	Where Residents Work *	Workers	Percent
1	Scio Township	13,034	54.4%
2	Ann Arbor	4,700	19.6%
3	Pittsfield Township	920	3.8%
4	Webster Township	706	2.9%
5	Ann Arbor Township	345	1.4%
6	Detroit	345	1.4%
7	Ypsilanti	270	1.1%
8	Chelsea City	215	0.9%
9	Ypsilanti Township	210	0.9%
10	Dearborn	205	0.9%
-	Elsewhere	2,998	12.5%
* Workers, age 16 and over residing in Dexter, Scio Township, or Webster Township		23,948	

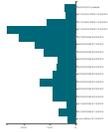
Source: U.S. Census Bureau - CTPP/ACS Commuting Data.

Household Incomes

Income	5-Yr ACS 2010	Change 2000-2010	Percent Change 2000-2010
Median Household Income (in 2010 dollars)	\$61,779	\$-4,331	-6.6%
Per Capita Income (in 2010 dollars)	\$31,425	\$-5,189	-14.2%

Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates.

Annual Household Incomes



Annual Household Income	5-Yr ACS 2010
\$200,000 or more	44
\$150,000 to \$199,999	39
\$125,000 to \$149,999	114
\$100,000 to \$124,999	268
\$75,000 to \$99,999	220
\$60,000 to \$74,999	160
\$50,000 to \$59,999	123
\$45,000 to \$49,999	71
\$40,000 to \$44,999	75
\$35,000 to \$39,999	88
\$30,000 to \$34,999	140
\$25,000 to \$29,999	89
\$20,000 to \$24,999	89
\$15,000 to \$19,999	35
\$10,000 to \$14,999	68
Less than \$10,000	30
Total	1,653

Source: **U.S. Census Bureau and 2010 American Community Survey 5-Year Estimates.**

Poverty

Poverty	Census 2000	% of Total (2000)	5-Yr ACS 2010	% of Total (2010)	% Point Chg 2000-2010
Persons in Poverty	107	4.5%	122	3.2%	-1.3%
Households in Poverty	26	2.6%	58	3.5%	0.9%

Source: U.S. Census Bureau and 2010 American Community Survey 5-Year Estimates.

Housing

Link to American Community Survey (ACS) Profiles: **Select a Year** **Housing**

Building Permits 2000 - 2016

Year	Single Family	Two Family	Attach Condo	Multi Family	Total Units	Total Demos	Net Total
2000	88	0	0	0	88	0	88
2001	60	0	0	0	60	0	60
2002	77	0	0	0	77	0	77
2003	73	0	16	0	89	2	87
2004	82	0	16	0	98	0	98
2005	28	0	3	0	31	0	31
2006	3	0	0	0	3	0	3
2007	1	0	0	0	1	0	1
2008	0	0	4	0	4	0	4
2009	8	0	18	0	26	0	26
2010	6	0	31	0	37	0	37
2011	8	0	0	0	8	0	8
2012	31	0	0	0	31	1	30
2013	38	0	0	0	38	0	38
2014	23	0	21	0	44	0	44
2015	16	0	0	0	16	1	15
2016	4	0	0	0	4	0	4
2000 to 2016 totals	546	0	109	0	655	4	651

Source: SEMCOG Development.

Note: Permit data for most recent years may be incomplete and is updated monthly.

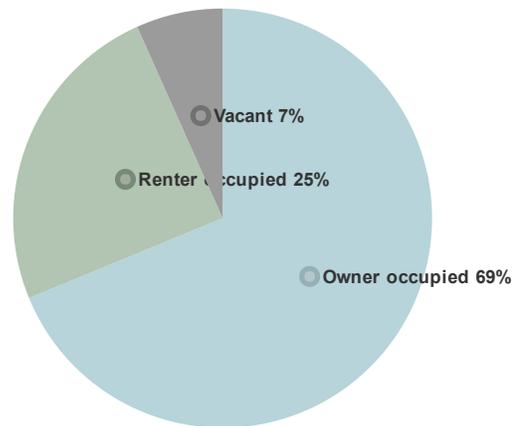
Housing Types

Housing Type	Census 2000	5-Yr ACS 2010	Change 2000-2010	New Units Permitted 2010-2016
Single Family Detached	616	1,190	574	126
Duplex	100	79	-21	0
Townhouse / Attached Condo	90	135	45	52
Multi-Unit Apartment	284	378	94	0
Mobile Home / Manufactured Housing	0	0	0	0
Other	3	0	-3	
Total	1,093	1,782	689	178
Units Demolished				-2
Net (Total Permitted Units - Units Demolished)				176

Source: U.S. Census Bureau, Census 2000, and 2010 American Community Survey 5-Year Estimates.

Housing Tenure

Housing Tenure	Census 2000	Census 2010	Change 2000-2010
Owner occupied	619	1,172	553
Renter occupied	394	418	24
Vacant	93	114	21
Seasonal/migrant	5	10	5
Other vacant units	88	104	16
Total Housing Units	1,106	1,704	598

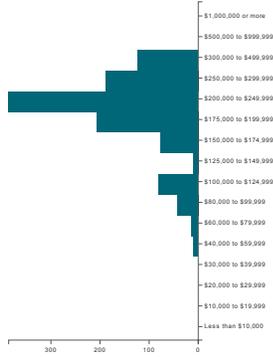


Source: U.S. Census Bureau, Census 2000, 2010 American Community Survey 5-Year Estimates.

Housing Value (in 2010 dollars)

Housing Value (in 2010 dollars)	5-Yr ACS 2010	Change 2000-2010	Percent Change 2000-2010
Median housing value	\$216,600	\$4,038	1.9%
Median gross rent	\$808	\$-89	-9.9%

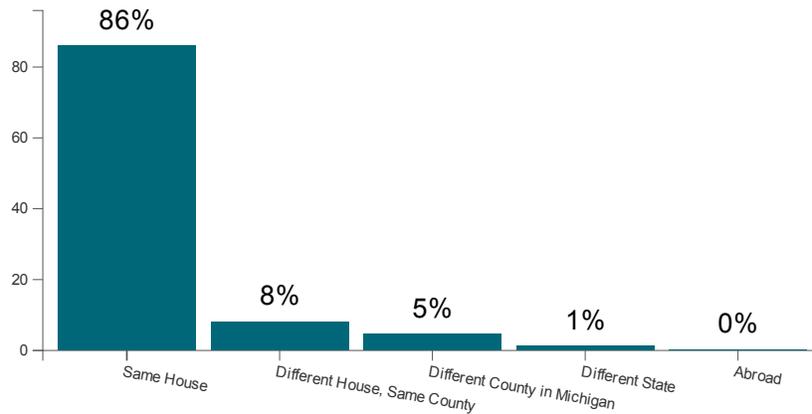
Housing Value



Housing Value	5-Yr ACS 2010
\$1,000,000 or more	0
\$500,000 to \$999,999	0
\$300,000 to \$499,999	123
\$250,000 to \$299,999	189
\$200,000 to \$249,999	386
\$175,000 to \$199,999	207
\$150,000 to \$174,999	77
\$125,000 to \$149,999	11
\$100,000 to \$124,999	80
\$80,000 to \$99,999	43
\$60,000 to \$79,999	14
\$40,000 to \$59,999	10
\$30,000 to \$39,999	0
\$20,000 to \$29,999	0
\$10,000 to \$19,999	0
Less than \$10,000	0
Owner-Occupied Units	1,140

Source: U.S. Census Bureau and 2010 American Community Survey 5-Year Estimates.

Residence One Year Ago *



* This table represents persons, age 1 and over, living in City of Dexter from 2009-2013. The table does not represent person who moved out of City of Dexter from 2009-2013.

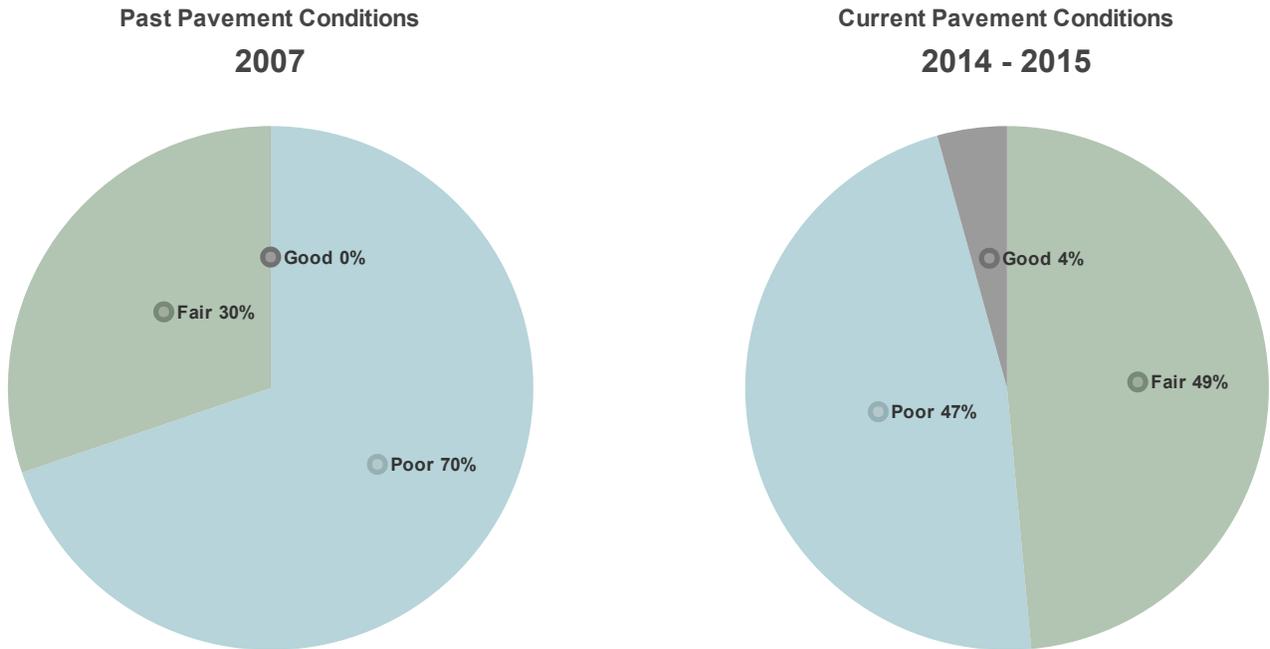
Source: 2010 American Community Survey 5-Year Estimates.

Transportation

Miles of public road (including boundary roads): 22

Source: Michigan Geographic Framework

Pavement Condition (in Lane Miles)



Note: Poor pavements are generally in need of rehabilitation or full reconstruction to return to good condition. Fair pavements are in need of capital preventive maintenance to avoid deteriorating to the poor classification. Good pavements generally receive only routine maintenance, such as street sweeping and snow removal, until they deteriorate to the fair condition.

Source: SEMCOG

Bridge Status

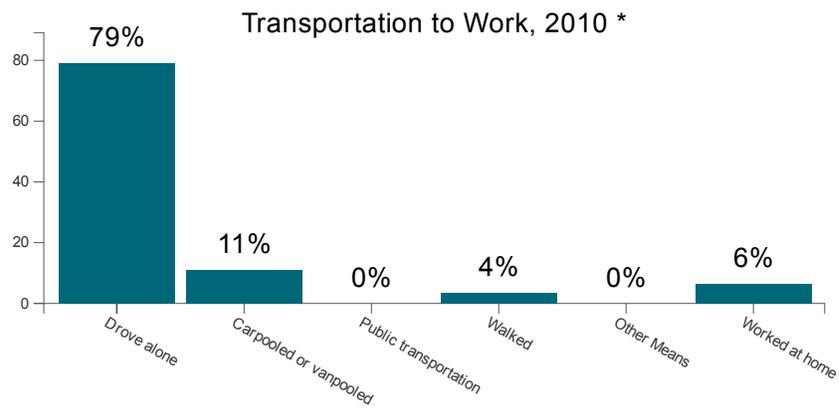
Bridge Status	2008	2008 (%)	2009	2009 (%)	Percent Point Chg 2008-2010
Open	1	50%	1	50%	-
Open with Restrictions	1	50%	1	50%	-
Closed*	0	0%	0	0%	-
Total Bridges	2	100.0%	2	100.0%	0.0%
Deficient Bridges	1	50%	2	100%	-

* Bridges may be closed because of new construction or failed condition.

Note: A bridge is considered deficient if it is structurally deficient (in poor shape and unable to carry the load for which it was designed) or functionally obsolete (in good physical condition but unable to support current or future demands, for example, being too narrow to accommodate truck traffic).

Source: Michigan Structure Inventory and Appraisal Database

Detailed Intersection & Road Data



* Resident workers age 16 and over

Transportation to Work

Transportation to Work	Census 2000	Census 2000 (%)	Census 2010	Census 2010 (%)	% Point Chg 2000-2010
Drove alone	1,120	80.8%	1,602	79.1%	-72.9%
Carpooled or vanpooled	125	9%	221	10.9%	-7.9%
Public transportation	15	1.1%	0	0%	-1.1%
Walked	59	4.3%	71	3.5%	-3.9%
Other Means	14	1%	0	0%	-1%
Worked at home	53	3.8%	131	6.5%	-3.1%
Resident workers age 16 and over	1,386	100.0%	2,025	100.0%	0.0%

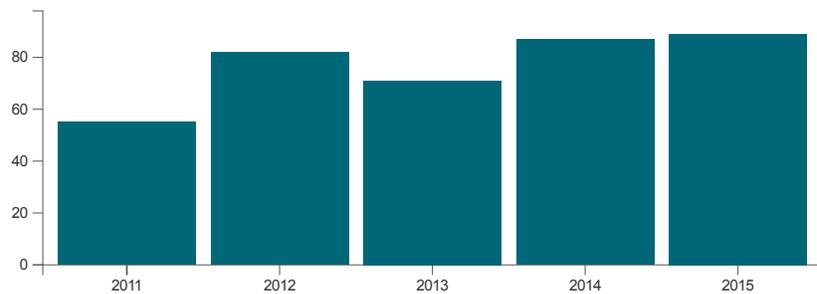
Source: U.S. Census Bureau | Census 2000 | 2010 American Community Survey 5-Year Estimates

Mean Travel Time to Work

Mean Travel Time To Work	Census 2000	5-Yr ACS 2010	Change 2000-2010
For residents age 16 and over who worked outside the home	24.7 minutes	23.3 minutes	-1.4 minutes

Source: U.S. Census Bureau Census 2000 2010 American Community Survey 5-Year Estimates

Crashes, 2011-2015



Source: Michigan Department of State Police with the Criminal Justice Information Center, and SEMCOG.

Note: Crash data shown is for the entire city.

Crash Severity

Crash Severity	2011	2012	2013	2014	2015	Percent of Crashes 2011 - 2015
<u>Fatal</u>	0	0	0	0	0	0%
<u>Incapacitating Injury</u>	0	1	0	0	0	0.3%
<u>Other Injury</u>	12	12	14	17	16	18.5%
<u>Property Damage Only</u>	43	69	57	70	73	81.3%
<u>Total Crashes</u>	55	82	71	87	89	100%

Crashes by Type

Crashes by Type	2011	2012	2013	2014	2015	Percent of Crashes 2011 - 2015
<u>Head-on</u>	1	1	0	2	1	1.3%
<u>Angle or Head-on/Left-turn</u>	18	24	24	26	29	31.5%
<u>Rear-End</u>	19	35	21	30	34	36.2%
<u>Sideswipe</u>	4	4	11	8	8	9.1%
<u>Single Vehicle</u>	11	15	13	14	12	16.9%
<u>Backing</u>	N/A	N/A	N/A	N/A	0	0%
<u>Other or Unknown</u>	2	3	2	7	5	4.9%

Crashes by Involvement

Crashes by Involvement	2011	2012	2013	2014	2015	Percent of Crashes 2011 - 2015
<u>Red-light Running</u>	1	1	1	0	1	1%
<u>Lane Departure</u>	8	15	10	16	6	14.3%
<u>Alcohol</u>	0	2	1	2	2	1.8%
<u>Drugs</u>	0	0	1	0	1	0.5%
<u>Deer</u>	5	1	4	4	4	4.7%
<u>Train</u>	0	0	0	0	0	0%
<u>Commercial Truck/Bus</u>	2	2	3	3	7	4.4%
<u>School Bus</u>	0	0	0	0	0	0%
<u>Emergency Vehicle</u>	0	2	0	0	0	0.5%
<u>Motorcycle</u>	0	4	1	0	2	1.8%
<u>Intersection</u>	17	30	27	23	36	34.6%
<u>Work Zone</u>	1	2	0	0	0	0.8%
<u>Pedestrian</u>	2	1	1	1	1	1.6%
<u>Bicyclist</u>	0	2	0	1	0	0.8%
<u>Older Driver (65 and older)</u>	7	11	19	15	21	19%
<u>Young Driver (16 to 24)</u>	7	11	17	34	27	25%

High Frequency Intersection Crash Rankings

Local Rank	County Rank	Region Rank	Intersection	Annual Avg 2011-2015
1	190	2,200	<u>Main St @ Broad St</u>	6.8
2	226	2,559	<u>Main St @ Alpine St</u>	6
3	381	4,289	<u>Baker Rd @ Dan Hoey Rd</u>	3.8
4	405	4,551	<u>Dexter Ann Arbor Rd @ Ryan Dr</u>	3.6
5	429	4,843	<u>Dexter Pinckney Rd @ Island Lake Rd</u>	3.4
6	429	4,843	<u>Baker Rd @ Main St</u>	3.4
7	429	4,843	<u>Baker Rd @ Forest St</u>	3.4
8	699	8,440	<u>Baker Rd @ Dongara Dr</u>	2
9	770	9,372	<u>Main St @ Jeffords St</u>	1.8
10	850	10,448	<u>Island Lake Rd @ Eastridge Dr</u>	1.6

Note: Intersections are ranked by the number of reported crashes, which does not take into account traffic volume. Crashes reported occurred within 150 feet of the intersection.

Source: Michigan Department of State Police with the Criminal Justice Information Center SEMCOG

High Frequency Road Segment Crash Rankings

Local Rank	County Rank	Region Rank	Segment	From Road - To Road	Annual Avg 2011-2015
1	29	491	<u>Dexter Ann Arbor Rd</u>	Baker Rd - Miller Rd	28.6
2	35	573	<u>Baker Rd</u>	W I 94/Baker Ramp - Dexter Ann Arbor Rd	26.8
3	37	593	<u>Dexter Pinckney Rd</u>	Island Lake Rd - North Territorial Rd	26.4
4	165	2,135	<u>Main St</u>	Dexter Chelsea Rd - Central St	12.8
5	188	2,367	<u>Island Lake Rd</u>	Dexter Pinckney Rd - Dexter Chelsea Rd	11.8
6	332	3,685	<u>Huron River Dr</u>	Central St - Zeeb Rd N	8.4
7	623	6,605	<u>Island Lake Rd</u>	Island Lake Rd - Dexter Pinckney Rd	4.6
8	692	7,371	<u>Central St</u>	Main St - Huron River Dr	4
9	812	8,549	<u>Main St</u>	Central St - Baker Rd	3.2
10	978	10,494	<u>Joy Rd W</u>	Mast Rd - Joy Rd W	2.2

Note: Segments are ranked by the number of reported crashes, which does not take into account traffic volume.

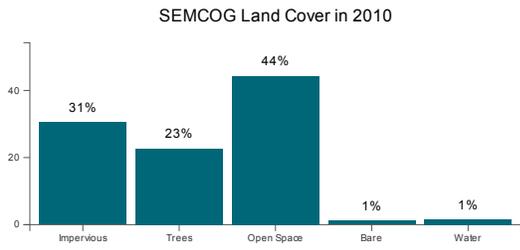
Environment

SEMCOG 2008 Land Use

SEMCOG 2008 Land Use	Acres	Percent
Agricultural	82.3	6.6%
Single-family residential	450.8	36.3%
Multiple-family residential	22.2	1.8%
Commercial	101.7	8.2%
Industrial	152	12.3%
Governmental/Institutional	211.6	17.1%
Park, recreation, and open space	12.5	1%
Airport	0	0%
Transportation, Communication, and Utility	174.9	14.1%
Water	32.2	2.6%
Total	1,240.2	

Note: Land Cover was derived from SEMCOG's 2010 Leaf off Imagery.

Source: **SEMCOG**



Type	Description	Acres	Percent
Impervious	buildings, roads, driveways, parking lots	376.8	30.5%
Trees	woody vegetation, trees	278.7	22.6%
Open Space	agricultural fields, grasslands, turfgrass	546.1	44.2%
Bare	soil, aggregate piles, unplanted fields	14.3	1.2%
Water	rivers, lakes, drains, ponds	18.5	1.5%
Total Acres		1,234.3	

Source Data
SEMCOG - Detailed Data

Appendix B – Debt Schedules**Debt Service (Voted) Fund 303**

2002 Streetscape GO Bond Refunding				
	Interest	Principal	Total	Fiscal Year Total
November-16	2,940.00	-	2,940.00	
May-17	2,940.00	140,000.00	142,940.00	145,880.00

Facilities Bond Debt Retirement Fund 352

2006 Facilities Bond (Partially Refunded)				
	Interest	Principal	Total	Fiscal Year Total
November-16	4,767.50	-	4,767.50	
May-17	4,767.50	15,000.00	19,767.50	24,535.00
November-17	4,448.75	-	4,448.75	
May-18	4,448.75	15,000.00	19,448.75	23,897.50
November-18	4,130.00	-	4,130.00	
May-19	4,130.00	20,000.00	24,130.00	28,260.00
November-19	3,705.00	-	3,705.00	
May-20	3,705.00	20,000.00	23,705.00	27,410.00
November-20	3,280.00	-	3,280.00	
May-21	3,280.00	20,000.00	23,280.00	26,560.00
November-21	2,845.00	-	2,845.00	
May-22	2,845.00	20,000.00	22,845.00	25,690.00
November-22	2,410.00	-	2,410.00	
May-23	2,410.00	20,000.00	22,410.00	24,820.00
November-23	1,975.00	-	1,975.00	
May-24	1,975.00	20,000.00	21,975.00	23,950.00
November-25	1,540.00	-	1,540.00	
May-25	1,540.00	20,000.00	21,540.00	23,080.00
November-26	1,100.00	-	1,100.00	
May-26	1,100.00	25,000.00	26,100.00	27,200.00
November-27	550.00	-	550.00	
May-27	550.00	25,000.00	25,550.00	26,100.00

2016 Facilities Refunding Bond				
	Interest	Principal	Total	Fiscal Year Total
November-16	7,441.88	-	7,441.88	
May-17	8,268.75	75,000.00	83,268.75	90,710.63
November-17	7,612.50	-	7,612.50	
May-18	7,612.50	75,000.00	82,612.50	90,225.00
November-18	6,956.25	-	6,956.25	
May-19	6,956.25	80,000.00	86,956.25	93,912.50
November-19	6,256.25	-	6,256.25	
May-20	6,256.25	85,000.00	91,256.25	97,512.50
November-20	5,512.50	-	5,512.50	
May-21	5,512.50	85,000.00	90,512.50	96,025.00
November-21	4,768.75	-	4,768.75	
May-22	4,768.75	85,000.00	89,768.75	94,537.50
November-22	4,025.00	-	4,025.00	
May-23	4,025.00	90,000.00	94,025.00	98,050.00
November-23	3,237.50	-	3,237.50	
May-24	3,237.50	90,000.00	93,237.50	96,475.00
November-25	2,450.00	-	2,450.00	
May-25	2,450.00	95,000.00	97,450.00	99,900.00
November-26	1,618.75	-	1,618.75	
May-26	1,618.75	95,000.00	96,618.75	98,237.50
November-27	787.50	-	787.50	
May-27	787.50	90,000.00	90,787.50	91,575.00

Road Bond Debt Retirement Fund 353

2014 Road Improvement Bond				
	Interest	Principal	Total	Fiscal Year Total
November-16	6,322.50	-	6,322.50	
May-17	6,322.50	75,000.00	81,322.50	87,645.00
November-17	5,985.00	-	5,985.00	
May-18	5,985.00	75,000.00	80,985.00	86,970.00
November-18	5,553.75	-	5,553.75	
May-19	5,553.75	80,000.00	85,553.75	91,107.50
November-19	4,973.75	-	4,973.75	
May-20	4,973.75	80,000.00	84,973.75	89,947.50
November-20	4,253.75	-	4,253.75	
May-21	4,253.75	85,000.00	89,253.75	93,507.50
November-21	3,361.25	-	3,361.25	
May-22	3,361.25	85,000.00	88,361.25	91,722.50
November-22	2,362.50	-	2,362.50	
May-23	2,362.50	90,000.00	92,362.50	94,725.00
November-23	1,215.00	-	1,215.00	
May-24	1,215.00	90,000.00	91,215.00	92,430.00

DDA Debt Fund 394

2008 Downtown Development (Non-Taxable)				
	Interest	Principal	Total	Fiscal Year Total
November-16	45,689.38	-	45,689.38	
May-17	45,689.38	25,000.00	70,689.38	116,378.76
November-17	45,142.50	-	45,142.50	
May-18	45,142.50	35,000.00	80,142.50	125,285.00
November-18	44,355.00	-	44,355.00	
May-19	44,355.00	50,000.00	94,355.00	138,710.00
November-19	43,205.00	-	43,205.00	
May-20	43,205.00	65,000.00	108,205.00	151,410.00
November-20	41,710.00	-	41,710.00	
May-21	41,710.00	140,000.00	181,710.00	223,420.00
November-21	38,490.00	-	38,490.00	
May-22	38,490.00	155,000.00	193,490.00	231,980.00
November-22	34,770.00	-	34,770.00	
May-23	34,770.00	165,000.00	199,770.00	234,540.00
November-23	30,810.00	-	30,810.00	
May-24	30,810.00	190,000.00	220,810.00	251,620.00
November-24	26,250.00	-	26,250.00	
May-25	26,250.00	225,000.00	251,250.00	277,500.00
November-25	20,625.00	-	20,625.00	
May-26	20,625.00	250,000.00	270,625.00	291,250.00
November-26	14,375.00	-	14,375.00	
May-27	14,375.00	275,000.00	289,375.00	303,750.00
November-27	7,500.00	-	7,500.00	
May-28	7,500.00	300,000.00	307,500.00	
November-28				315,000.00

2011 Downtown Development Refunding				
	Interest	Principal	Total	Fiscal Year Total
November-16	4,189.00	36,000	40,189.00	
May-17	3,658.00	36,000	39,658.00	79,847.00
November-17	3,127.00	35,000	38,127.00	
May-18	2,610.75	35,000	37,610.75	75,737.75
November-18	2,094.50	35,000	37,094.50	
May-19	1,578.25	34,000	35,578.25	72,672.75
November-19	1,076.75	37,000	38,076.75	
May-20	531.00	36,000	36,531.00	74,607.75

2015 Downtown Development Refunding (Taxable)				
	Interest	Principal	Total	Fiscal Year Total
November-15	29,735		29,735	
May-16	29,735	30,000	59,735	89,470
November-16	29,203		29,203	
May-17	29,203	30,000	59,203	88,405
November-17	28,670		28,670	
May-18	28,670	30,000	58,670	87,340
November-18	28,138		28,138	
May-19	28,138	25,000	53,138	81,275
November-19	27,694		27,694	
May-20	27,694	55,000	82,694	110,388
November-20	26,718		26,718	
May-21	26,718	55,000	81,718	108,435
November-21	25,741		25,741	
May-22	25,741	55,000	80,741	106,483
November-22	24,765		24,765	
May-23	24,765	55,000	79,765	104,530
November-23	23,789		23,789	
May-24	23,789	50,000	73,789	97,578
November-24	22,901		22,901	
May-25	22,901	50,000	72,901	95,803
November-25	21,739		21,739	
May-26	21,739	50,000	71,739	93,478
November-26	20,576		20,576	
May-27	20,576	45,000	65,576	86,153
November-27	19,530		19,530	
May-28	19,530	205,000	224,530	244,060
November-28	14,764		14,764	
May-29	14,764	220,000	234,764	249,528
November-29	9,649		9,649	
May-30	9,649	210,000	219,649	229,298
November-30	4,766		4,766	
May-31	4,766	205,000	209,766	214,533
November-31	8,775	-	8,775	
May-32	8,775	225,000	233,775	242,550

Sewer Fund 590

2010 Sewer Revolving Fund (SRF #1)				
	Interest	Principal	Total	Fiscal Year Total
October-16	16,691.13	75,000.00	91,691.13	
April-17	15,753.63	-	15,753.63	107,444.76
October-17	15,753.63	75,000.00	90,753.63	
April-18	14,816.13	-	14,816.13	105,569.76
October-18	14,816.13	80,000.00	94,816.13	
April-19	13,816.13	-	13,816.13	108,632.26
October-19	13,816.13	80,000.00	93,816.13	
April-20	12,816.13	-	12,816.13	106,632.26
October-20	12,816.13	80,000.00	92,816.13	
April-21	11,816.13	-	11,816.13	104,632.26
October-21	11,816.13	85,000.00	96,816.13	
April-22	10,753.63	-	10,753.63	107,569.76
October-22	10,753.63	85,000.00	95,753.63	
April-23	9,691.13	-	9,691.13	105,444.76
October-23	9,691.13	90,000.00	99,691.13	
April-24	8,566.13	-	8,566.13	108,257.26
October-24	8,566.13	90,000.00	98,566.13	
April-25	7,441.13	-	7,441.13	106,007.26
October-25	7,441.13	95,000.00	102,441.13	
April-25	6,253.63	-	6,253.63	108,694.76
October-25	6,253.63	95,000.00	101,253.63	
April-26	5,066.13	-	5,066.13	106,319.76
October-26	5,066.13	100,000.00	105,066.13	
April-27	3,816.13	-	3,816.13	108,882.26
October-27	3,816.13	100,000.00	103,816.13	
April-28	2,566.13	-	2,566.13	106,382.26
October-28	2,566.13	100,000.00	102,566.13	
April-29	1,316.13	-	1,316.13	103,882.26
October-29	1,316.13	105,290.00	106,606.13	
April-30	-	-	-	106,606.13

2012 Sewer Revolving Fund (SRF #2)				
	Interest	Principal	Total	Fiscal Year Total
October-16	38,000.00	135,000.00	173,000.00	
April-17	36,312.50	-	36,312.50	209,312.50
October-17	36,312.50	140,000.00	176,312.50	
April-18	34,562.50	-	34,562.50	210,875.00
October-18	34,562.50	140,000.00	174,562.50	
April-19	32,812.50	-	32,812.50	207,375.00
October-19	32,812.50	145,000.00	177,812.50	
April-20	31,000.00	-	31,000.00	208,812.50
October-20	31,000.00	150,000.00	181,000.00	
April-21	29,125.00	-	29,125.00	210,125.00
October-21	29,125.00	155,000.00	184,125.00	
April-22	27,187.50	-	27,187.50	211,312.50
October-22	27,187.50	160,000.00	187,187.50	
April-23	25,187.50	-	25,187.50	212,375.00
October-23	25,187.50	160,000.00	185,187.50	
April-24	23,187.50	-	23,187.50	208,375.00
October-24	23,187.50	165,000.00	188,187.50	
April-25	21,125.00	-	21,125.00	209,312.50
October-25	21,125.00	170,000.00	191,125.00	
April-25	19,000.00	-	19,000.00	210,125.00
October-26	19,000.00	175,000.00	194,000.00	
April-27	16,812.50	-	16,812.50	210,812.50
October-27	16,812.50	180,000.00	196,812.50	
April-28	14,562.50	-	14,562.50	211,375.00
October-28	14,562.50	185,000.00	199,562.50	
April-29	12,250.00	-	12,250.00	211,812.50
October-29	12,250.00	190,000.00	202,250.00	
April-30	9,875.00	-	9,875.00	212,125.00
October-30	9,875.00	190,000.00	199,875.00	
April-31	7,500.00	-	7,500.00	207,375.00
October-31	7,500.00	195,000.00	202,500.00	
April-32	5,062.50	-	5,062.50	207,562.50
October-32	5,062.50	200,000.00	205,062.50	
April-33	2,562.50	-	2,562.50	207,625.00
October-33	2,562.50	205,000.00	207,562.50	
April-34	-	-	-	207,562.50

2012 Rural Development Refunding (Sewer Portion)				
	Interest	Principal	Total	Fiscal Year Total
October-16	26,165.00	50,000.00	76,165.00	
April-17	25,665.00	50,000.00	75,665.00	151,830.00
October-17	25,165.00	55,000.00	80,165.00	
April-18	24,615.00	55,000.00	79,615.00	159,780.00
October-18	24,095.50	55,000.00	79,095.50	
April-19	23,570.00	55,000.00	78,570.00	157,665.50
October-19	23,047.50	55,000.00	78,047.50	
April-20	22,525.00	55,000.00	77,525.00	155,572.50
October-20	21,837.50	55,000.00	76,837.50	
April-21	21,150.00	55,000.00	76,150.00	152,987.50
October-21	20,462.50	55,000.00	75,462.50	
April-22	19,775.00	55,000.00	74,775.00	150,237.50
October-22	19,087.50	55,000.00	74,087.50	
April-23	18,400.00	55,000.00	73,400.00	147,487.50
October-23	17,575.00	55,000.00	72,575.00	
April-24	16,750.00	60,000.00	76,750.00	149,325.00
October-24	15,850.00	60,000.00	75,850.00	
April-25	14,950.00	65,000.00	79,950.00	155,800.00
October-25	13,975.00	65,000.00	78,975.00	
April-26	13,000.00	65,000.00	78,000.00	156,975.00
October-26	12,025.00	65,000.00	77,025.00	
April-27	11,050.00	65,000.00	76,050.00	153,075.00
October-27	10,075.00	65,000.00	75,075.00	
April-28	9,100.00	65,000.00	74,100.00	149,175.00
October-28	8,084.38	65,000.00	73,084.38	
April-29	7,068.75	65,000.00	72,068.75	145,153.13
October-29	6,012.50	75,000.00	81,012.50	
April-30	4,793.75	75,000.00	79,793.75	160,806.25
October-30	3,575.00	75,000.00	78,575.00	
April-31	2,356.25	75,000.00	77,356.25	155,931.25
October-31	1,137.50	70,000.00	71,137.50	
				71,137.50

Water Fund 591

2010 Drinking Water Revolving Fund (DWR #1)				
	Interest	Principal	Total	Fiscal Year Total
October-16	12,115.33	55,000.00	67,115.33	
April-17	11,427.83	-	11,427.83	78,543.16
October-17	11,427.83	55,000.00	66,427.83	
April-18	10,740.33	-	10,740.33	77,168.16
October-18	10,740.33	55,000.00	65,740.33	
April-19	10,052.83	-	10,052.83	75,793.16
October-19	10,052.83	60,000.00	70,052.83	
April-20	9,302.83	-	9,302.83	79,355.66
October-20	9,302.83	60,000.00	69,302.83	
April-21	8,552.83	-	8,552.83	77,855.66
October-21	8,552.83	60,000.00	68,552.83	
April-22	7,802.83	-	7,802.83	76,355.66
October-22	7,802.83	65,000.00	72,802.83	
April-23	6,990.33	-	6,990.33	79,793.16
October-23	6,990.33	65,000.00	71,990.33	
April-24	6,177.83	-	6,177.83	78,168.16
October-24	6,177.83	65,000.00	71,177.83	
April-25	5,365.33	-	5,365.33	76,543.16
October-25	5,365.33	65,000.00	70,365.33	
April-25	4,552.83	-	4,552.83	74,918.16
October-25	4,552.83	70,000.00	74,552.83	
April-26	3,677.83	-	3,677.83	78,230.66
October-26	3,677.83	70,000.00	73,677.83	
April-27	2,802.83	-	2,802.83	76,480.66
October-27	2,802.83	70,000.00	72,802.83	
April-28	1,927.83	-	1,927.83	74,730.66
October-28	1,927.83	75,000.00	76,927.83	
April-29	990.33	-	990.33	77,918.16
October-29	990.33	79,226.00	80,216.33	
April-30	-	-	-	80,216.33

2011 Drinking Water Revolving Fund (DWRP #2)				
	Interest	Principal	Total	Fiscal Year Total
October-16	9,545.44	40,000.00	49,545.44	
April-17	9,045.44	-	9,045.44	58,590.88
October-17	9,045.44	40,000.00	49,045.44	
April-18	8,545.44	-	8,545.44	57,590.88
October-18	8,545.44	40,000.00	48,545.44	
April-19	8,045.44	-	8,045.44	56,590.88
October-19	8,045.44	40,000.00	48,045.44	
April-20	7,545.44	-	7,545.44	55,590.88
October-20	7,545.44	45,000.00	52,545.44	
April-21	6,982.94	-	6,982.94	59,528.38
October-21	6,982.94	45,000.00	51,982.94	
April-22	6,420.44	-	6,420.44	58,403.38
October-22	6,420.44	45,000.00	51,420.44	
April-23	5,857.94	-	5,857.94	57,278.38
October-23	5,857.94	45,000.00	50,857.94	
April-24	5,295.44	-	5,295.44	56,153.38
October-24	5,295.44	50,000.00	55,295.44	
April-25	4,670.44	-	4,670.44	59,965.88
October-25	4,670.44	50,000.00	54,670.44	
April-25	4,045.44	-	4,045.44	58,715.88
October-26	4,045.44	50,000.00	54,045.44	
April-27	3,420.44	-	3,420.44	57,465.88
October-27	3,420.44	50,000.00	53,420.44	
April-28	2,795.44	-	2,795.44	56,215.88
October-28	2,795.44	55,000.00	57,795.44	
April-29	2,107.94	-	2,107.94	59,903.38
October-29	2,107.94	55,000.00	57,107.94	
April-30	1,420.44	-	1,420.44	58,528.38
October-30	1,420.44	55,000.00	56,420.44	
April-31	732.94	-	732.94	57,153.38
October-31	732.94	58,635.00	59,367.94	
April-32		-	-	59,367.94

2012 Rural Development Refunding (Water Portion)				
	Interest	Principal	Total	Fiscal Year Total
October-16	20,551.25	40,000.00	60,551.25	
April-17	20,151.25	40,000.00	60,151.25	120,702.50
October-17	19,751.25	40,000.00	59,751.25	
April-18	19,351.25	40,000.00	59,351.25	119,102.50
October-18	18,971.25	40,000.00	58,971.25	
April-19	18,591.25	40,000.00	58,591.25	117,562.50
October-19	18,211.25	40,000.00	58,211.25	
April-20	17,831.25	40,000.00	57,831.25	116,042.50
October-20	17,331.25	45,000.00	62,331.25	
April-21	16,768.75	45,000.00	61,768.75	124,100.00
October-21	16,206.25	45,000.00	61,206.25	
April-22	15,643.75	45,000.00	60,643.75	121,850.00
October-22	15,081.25	45,000.00	60,081.25	
April-23	14,518.75	45,000.00	59,518.75	119,600.00
October-23	13,843.75	45,000.00	58,843.75	
April-24	13,168.75	45,000.00	58,168.75	117,012.50
October-24	12,493.75	50,000.00	62,493.75	
April-25	11,743.75	50,000.00	61,743.75	124,237.50
October-25	10,993.75	50,000.00	60,993.75	
April-26	10,243.75	50,000.00	60,243.75	121,237.50
October-26	9,493.75	50,000.00	59,493.75	
April-27	8,743.75	50,000.00	58,743.75	118,237.50
October-27	7,993.75	50,000.00	57,993.75	
April-28	7,243.75	55,000.00	62,243.75	120,237.50
October-28	6,384.38	55,000.00	61,384.38	
April-29	5,525.00	55,000.00	60,525.00	121,909.38
October-29	4,631.25	55,000.00	59,631.25	
April-30	3,737.50	55,000.00	58,737.50	118,368.75
October-30	2,843.75	55,000.00	57,843.75	
April-31	1,950.00	60,000.00	61,950.00	119,793.75
October-31	975.00	60,000.00	60,975.00	
				60,975.00

Appendix C – Grants and Outside Funding

Grants and Outside Funding Summary						
Funding Agency	Requested	Year	Received	Fund	Purpose	
Michigan DNR - Community Forestry	\$ 7,000	2008	\$ -	- General - 101	Tree Planting-8 grants since 1999 therefore not funded	
DTE Energy Foundation Tree Planting	\$ 2,500	2008	\$ -	- General - 101	Tree Planting-8 grants since 1999 therefore not funded	
US Fish & Wildlife Service - Fish Passage	\$ 48,750	2008	\$ 48,750	General - 101	Dam Removal	
Michigan DNR - Community Forestry	\$ 4,000	2009	\$ -	- General - 101	Tree Planting along Dexter Ann Arbor Rd	
Michigan DNR - Community Forestry	\$ 4,000	2009	\$ -	- General - 101	Tree Inventory Update	
CMI 319 Grant	\$ 375,000	2010	\$ -	- General - 101	Stormwater Management	
MDNR - MNRTF	\$ 500,000	2010	\$ 450,000	General - 101	Park Development	
MDNR - Inland Fisheries - <i>program postponed</i>	\$ 25,000	2010	\$ -	- General - 101	Habitat Enhancement and Streambank Restoration	
MDEQ - Waterways Infrastructure	\$ 48,000	2010	\$ 48,000	General - 101	Boating Access and Parking Improvements	
NOAA	\$ 1,600,000	2010	\$ -	- General - 101	Streambank Stabilization and Habitat Enhancement	
USDA	\$ 5,000	2010	\$ -	- General - 101	Farmers Market	
Plum Creek Foundation - Mill Creek Park	\$ 10,000	2010	\$ -	- General - 101	Mill Creek Park Interpretive Signage	
Assistance to Fire Firefighters	\$ 1,700,000	2010	\$ -	- General - 101	8140 Main Street Renovation	
Michigan DNR - Community Forestry	\$ 4,000	2010	\$ -	- General - 101	Tree Planting within Mill Creek Park	
Sustain Our Great Lakes - Mill Creek	\$ 126,612	2010	\$ -	- General - 101	Streambank Stabilization and Habitat Enhancement	
LED Multipurpose Grant	\$ 50,000	2010	\$ 50,000	General - 101	Retrofitting 80 Streetlights with LED	
County Community Connector Initiative	\$ 80,000	2010	\$ -	- General - 101	Stairway from Alpine Street/Library/Farmers Market to Warrior Creek Park	
Great Lake Basin Fisheries Habitat	\$ 132,500	2010	\$ -	- General - 101	Streambank Stabilization and Habitat Enhancement	
Appropriation Request via Congressman Shauer	\$ 1,553,010	2011	\$ -	- General - 101	Regional Trail Development	
Chelsea Area Wellness Foundation	\$ 4,000	2010	\$ 4,000	General - 101	Community Garden	
Chelsea Area Wellness Foundation	\$ 134,200	2010	\$ -	- General - 101	Baker Road Crosswalk	
Clean Michigan Initiative (CMI) bioswales	\$ 110,000	2011	\$ -	Not Awarded		
DTE Energy Foundation Tree Planting	\$ 2,830	2011	\$ 2,830	General - 101	Tree planting in Mill Creek Park	
Connecting Communities - Island Lake Rd Link	\$ 72,000	2011	\$ -	- General - 101	Non motorized pathway connection from Cedars of Dexter to Westridge	
CBDG - Planning Grant	\$ 13,000	2011	\$ 13,250	General - 101	DAPCO Redevelopment Planning	
MDNRE - Go Green Tree Planting Grant	\$ 2,000	2011	\$ -	- General - 101	Tree planting in Mill Creek Park	
Chelsea Wellness - 5 Healthy Towns	\$ 10,000	2011	\$ 10,000	General - 101	Play Equipment in Warrior Creek Park	
DTE Energy Foundation Tree Planting-tornado	\$ 2,000	2012	\$ 2,000	General - 101	Tree Replacement - Tornado Damage	
Arts Alliance Mini-Grant	\$ 2,250	2013	\$ -	- General - 101	Sculpture	
Connecting Communities - Dexter Huron Path	\$ 300,000	2013	\$ 225,000	General - 101	Completing the path in partnership with Washtenaw County Parks	
Passport Grant - MDNR	\$ 42,000	2013	\$ -	- General - 101	Resurface Community Park Path	
CWF Walking Map	\$ 2,000	2013	\$ 2,000	General - 101	New Walking Maps	
CWF Bike Hoops	\$ 1,750	2013	\$ 1,750	General - 101	Bike Hoops	
CWF - Farmers Market	\$ 2,900	2013	\$ 2,900	General - 101	Farmers Market	
Arts Alliance Mini-Grant	\$ 2,000	2014	\$ 2,000	General - 101	Plein Air	
CTAP Grant	\$ 10,000	2015	\$ 10,000	General - 101	Plein Air and Visitors Guide	
DTE Energy Foundation	\$ 4,000	2016	\$ 4,000	General - 101	Tree Planting	
CTAP Grant	\$ 10,000	2016	\$ 10,000	General - 101	Signage and Visitors Guide	
Total - General Fund	\$ 7,002,302		\$ 886,480			
State of Michigan - Local Jobs Today Program	\$ 84,750	2008	\$ 84,750	Streets - 202	Dexter-Ann Arbor Road - Meadowview to Lexington	
WATS	\$ 391,942	2008	\$ 391,942	Streets - 202	Dexter-Ann Arbor Road - Meadowview to Lexington	
WATS - Stimulus (ARRA)	\$ 100,000	2010	\$ 100,000	Streets - 202	Ann Arbor Street - Kensington to Meadowview	
WATS	\$ 458,119	2012	\$ 458,119	Streets - 202	Mill Creek Park Non Motorized Trails	
WATS	\$ 400,000	2014	\$ 400,000	Streets - 202	Ann Arbor Street - Baker to Kensington	
MDOT	\$ 200,000	2014	\$ 200,000	Streets - 202	Central Street from 2nd to 3rd	
Safe Routes to School	\$ 288,000	2014	\$ 216,000	Streets - 202	Connectivity Projects	
Total - Street Funds	\$ 1,922,811		\$ 1,850,811			
Michigan Municipal Risk Management Authority	\$ 19,500	2008	\$ 10,000	Sewer - 590	Back-up Generators	
MDEQ-Wellhead Protection	\$ 13,676	2008	\$ 5,187	Water - 591	5th well, groundwater education, prg coord. Time	
Michigan Department of Community Health	\$ 24,999	2009	\$ 24,999	Water - 591	Fluoridation Equipment	
Michigan Department of Community Health	\$ 40,000	2010	\$ -	- Water - 591	Fluoridation Equipment	
MDEQ - Stimulus (ARRA)	\$ 1,120,193	2010	\$ 1,120,193	Sewer - 590	Sewer Improvements - EQ Basin & Sewer Pipe Lining	
MDEQ-Wellhead Protection	\$ 13,000	2010	\$ 5,186	Water - 591	Wellhead Protection Plan Updates and Education	
MDEQ - Stimulus (ARRA)	\$ 816,151	2010	\$ 816,151	Water - 591	Water System Improvements - 5th Well, Main Replacement	
MDEQ - Green Project Reserve	\$ 620,000	2011	\$ 602,423	Water - 591	Water System Improvements - Main Replacement	
MDEQ-Wellhead Protection	\$ 10,104	2011	\$ 10,104	Water - 591	5th well, groundwater education, prg coord. Time	
Michigan Department of Community Health	\$ 10,000	2012	\$ -	- Water - 591	Fluoridation Equipment	
MDEQ - Wellhead Protection	\$ 8,154	2012	\$ 8,154	Water - 591	Wellhead Protection Plan Updates and Education	
Michigan Department of Community Health	\$ 4,950	2013	\$ -	- Water - 591	Fluoridation Equipment	
Michigan Municipal Risk Management Authority	\$ 7,000	2015	\$ -	- Sewer - 590	SCADA Software Upgrade	
Total - Water & Sewer Funds	\$ 2,707,727		\$ 2,602,397			
Grand Total	\$ 11,632,840		\$ 5,339,688			

Appendix D – Financial Planning Tools

It is important that the City take a look at the future as well as the past when making budgeting decisions. To this end, we have developed several modeling systems to look at where we may end up in the future. These models help determine spending priorities and alert decision-makers to possible fiscal problems

Five-Year Financial Model

In Fiscal Year 2001-2002, the City commissioned a five year financial plan from the Michigan Municipal League's consulting services. This plan has been maintained and updated by the finance department every year since its creation, and it is used for budgeting and capital improvements planning. An extensive review and improvements were made to this tool during the Fiscal Year 2015-2016 budget process.

Using Microsoft Excel, each line item is projected using one of several methods, including population increase estimated (based on SEMCOG information), weighted averages, inflation estimated, actual debt schedules, and utility rate estimates. The Excel file includes 16 separate worksheets including ones for assumptions, the various funds, debt schedules and tax information. Because of the size of the worksheets, only the summary is presented in this document.



	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	ACTIVITY	PROJECTED	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
	ACTIVITY							
General Fund (101)								
Revenues	2,675,811	2,935,343	3,035,500	3,316,686	3,358,964	3,407,044	3,464,445	3,680,891
Expenditures	2,928,885	2,905,775	3,030,000	3,061,447	3,124,672	3,135,894	3,186,634	3,249,123
Revenues Over (Under) Expenditures	(253,074)	29,568	5,500	255,239	234,292	271,150	277,811	431,768
Beginning Fund Balance	1,079,750	826,676	856,244	861,744	1,116,983	1,351,275	1,622,425	1,900,236
Ending Fund Balance	826,676	856,244	861,744	1,116,983	1,351,275	1,622,425	1,900,236	2,332,004
15% of Revenue (minimum fund balance)	401,372	440,301	455,325	497,503	503,845	511,057	519,667	552,134
Available for CIP	425,304	415,943	406,419	619,480	847,430	1,111,368	1,380,569	1,779,871
Restricted Fund Balance	249,935	249,935	249,935	249,935	249,935	249,935	249,935	249,936
Major Streets Fund (202)								
Revenues	900,875	414,003	359,900	235,680	239,354	241,356	249,697	255,009
Expenditures	898,050	411,847	359,900	222,629	228,710	231,405	238,982	242,933
Revenues Over (Under) Expenditures	2,825	2,156	0	13,052	10,644	9,951	10,715	12,077
Beginning Fund Balance	9,703	12,528	14,684	14,684	27,736	38,380	48,330	59,045
Ending Fund Balance	12,528	14,684	14,684	27,736	38,380	48,330	59,045	71,122
Local Streets Fund (203)								
Revenues	264,175	503,565	539,200	189,579	195,578	197,479	204,452	204,384
Expenditures	268,754	497,685	539,200	189,579	195,578	197,479	204,452	204,384
Revenues Over (Under) Expenditures	(4,579)	5,880	0	0	0	0	0	0
Beginning Fund Balance	30,531	25,952	31,832	31,832	31,832	31,832	31,832	31,832
Ending Fund Balance	25,952	31,832	31,832	31,832	31,832	31,832	31,832	31,832
Municipal Streets Fund (204)								
Revenues	681,103	724,339	725,600	782,026	792,349	803,002	816,974	822,174
Expenditures	905,047	575,446	596,200	157,589	158,021	145,343	171,014	11,388
Revenues Over (Under) Expenditures	(223,944)	148,893	129,400	624,438	634,329	657,659	645,960	810,786
Beginning Fund Balance	364,506	140,562	289,455	418,855	1,043,293	1,677,621	2,335,280	2,981,240
Ending Fund Balance	140,562	289,455	418,855	1,043,293	1,677,621	2,335,280	2,981,240	3,792,026
Solid Waste Collection Fund (226)								
Revenues	670,932	582,937	582,500	582,500	582,502	582,504	582,506	582,508
Expenditures	556,310	522,585	575,000	568,197	569,823	571,488	573,472	575,513
Revenues Over (Under) Expenditures	114,622	60,352	7,500	14,303	12,679	11,016	9,034	6,995
Beginning Fund Balance	0	114,622	174,974	182,474	196,777	209,455	220,472	229,506
Ending Fund Balance	114,622	174,974	182,474	196,777	209,455	220,472	229,506	236,500
Tree Replacement Fund (275)								
Revenues	2,041	3,291	1,000	1,000	1,000	1,000	1,000	1,000
Expenditures	8,000	9,000	8,000	8,000	8,000	8,000	8,000	8,000
Revenues Over (Under) Expenditures	(5,959)	(5,709)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Beginning Fund Balance	150,091	144,132	138,423	131,423	124,423	117,423	110,423	103,423
Ending Fund Balance	144,132	138,423	131,423	124,423	117,423	110,423	103,423	96,423
General Debt Service Fund - Voted (303)								
Revenues	160,492	144,933	157,000	0	0	0	0	0
Expenditures	158,457	152,005	147,300	0	0	0	0	0
Revenues Over (Under) Expenditures	2,035	(7,072)	9,700	0	0	0	0	0
Beginning Fund Balance	5,955	7,990	918	10,618	10,618	10,618	10,618	10,618
Ending Fund Balance	7,990	918	10,618	10,618	10,618	10,618	10,618	10,618
Facilities Debt Service Fund (352)								
Revenues	129,900	126,816	115,300	114,423	122,473	125,223	122,885	120,528
Expenditures	129,858	126,858	115,300	114,423	122,473	125,223	122,885	120,528
Revenues Over (Under) Expenditures	42	(42)	0	0	0	0	0	0
Beginning Fund Balance	0	42	0	0	0	0	0	0
Ending Fund Balance	42	0	0	0	0	0	0	0
Road Bond Debt Service Fund (353)								
Revenues	78,215	82,915	87,700	86,970	91,107	89,947	93,507	91,722
Expenditures	78,065	83,065	87,700	86,970	91,107	89,947	93,507	91,722
Revenues Over (Under) Expenditures	150	(150)	0	0	0	0	0	0
Beginning Fund Balance	0	150	0	0	0	0	0	0
Ending Fund Balance	150	0	0	0	0	0	0	0
Equipment Fund (402)								
Revenues	81,542	60,010	63,500	65,870	67,165	68,487	69,834	71,210
Expenditures	113,837	70,745	35,300	25,900	26,410	26,930	27,461	28,004
Revenues Over (Under) Expenditures	(32,295)	(10,735)	28,200	39,970	40,755	41,557	42,374	43,206
Beginning Fund Balance	119,882	87,587	76,852	105,052	145,022	185,777	227,334	269,708
Ending Fund Balance	87,587	76,852	105,052	145,022	185,777	227,334	269,708	312,914
Sewer Fund (590)								
Revenues	1,402,865	1,388,898	1,307,400	1,371,984	1,324,281	1,359,419	1,398,758	1,400,897
Expenditures	1,604,742	1,492,837	1,307,250	1,303,644	1,315,669	1,329,441	1,340,476	1,361,258
Revenues Over (Under) Expenditures	(201,877)	(103,939)	150	68,339	8,613	29,978	58,282	39,639
Beginning Cash	490,556	288,679	184,740	184,890	253,229	261,842	291,820	350,102
Ending Cash	288,679	184,740	184,890	253,229	261,842	291,820	350,102	389,741
Water Fund (591)								
Revenues	812,543	850,578	805,200	844,314	823,234	838,804	863,868	865,796
Expenditures	1,175,106	751,998	880,050	791,428	796,508	807,247	829,126	838,616
Revenues Over (Under) Expenditures	(362,563)	98,580	(74,850)	52,886	26,726	31,558	34,742	27,180
Beginning Cash	554,922	192,359	290,939	216,089	268,975	295,701	327,258	362,001
Ending Cash	192,359	290,939	216,089	268,975	295,701	327,258	362,001	389,181

Utility Rate Study

Another financial planning tool is the Utility Rate study, which was commissioned from ACI Finance in 2006. This tool, which is also updated annually by the finance department, allows City management to make educated decisions about recommending utility rates to meet the needs of the sewer and water departments. This tool underwent a major upgrade in Fiscal Year 2013-2014.



Village of Dexter										
Sewer System										
Projected Cash Flow										
Fiscal Year End :	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Budget 2016-2017	Forecast 2017-2018	Forecast 2018-2019	Forecast 2019-2020	Forecast 2020-2021	Forecast 2021-2022	
Assumptions										
Annual Rate Adjustment FY 2015/16	3.0%									
Annual Rate Adjustment Forecast Years	3.0%									
RTS Charge	\$6.52	\$6.91	\$7.12	\$7.33	\$7.55	\$7.78	\$8.01	\$8.25	\$8.50	
Commodity Charge	\$8.02	\$8.50	\$8.76	\$9.02	\$9.29	\$9.57	\$9.85	\$10.15	\$10.45	
Connection Charge	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	
New connections - Approved Plan			12	15	20	2	0	0	0	
New connections - Development				0	0	0	0	0	0	
Total Meters (Fiscal Year Start)	1,569	1,611	1,641	1,653	1,668	1,688	1,690	1,690	1,690	
Volume Billed - Annual	110,907	112,049	112,049	112,868	113,893	115,258	115,395	115,395	115,395	
Revenue										
Service Charges	999,445	1,085,959	1,097,600	1,130,000	0	0	0	0	0	
Utility Surcharge	48,753	72,679	78,300	40,000	36,000	36,000	36,000	36,000	36,000	
RTS Charge		0	0	0	151,119	157,519	162,436	167,310	172,329	
Commodity Charge		0	0	0	1,057,855	1,102,655	1,137,080	1,171,193	1,206,329	
Interest Income	1,186	780	1,200	1,000	1,000	1,000	1,000	1,000	1,000	
Miscellaneous	18,347	31,384	6,350	6,800	8,500	8,500	8,500	8,500	8,500	
Total Revenue	1,067,731	1,190,802	1,183,450	1,177,800	1,254,474	1,305,674	1,345,017	1,384,002	1,424,157	
Expenses										
Administration	94,801	83,309	94,994	78,900	82,056	85,338	88,752	92,302	95,994	
Utilities	77,331	71,002	66,521	65,600	67,568	69,595	71,683	73,833	76,048	
Equipment Maintenance	24,509	44,960	44,671	40,000	41,200	42,436	43,709	45,020	46,371	
Vehicle Maintenance	2,899	2,989	2,400	2,000	2,060	2,122	2,185	2,251	2,319	
Personnel	288,498	280,547	286,201	318,250	330,980	344,219	357,988	372,307	387,200	
Operating Supplies	88,558	83,669	82,475	78,500	80,855	83,281	85,779	88,352	91,003	
Professional Services	166,104	107,035	93,536	86,000	88,580	91,237	93,975	96,794	99,698	
Other Operating Expenses	46,369	48,948	28,907	53,200	54,796	56,440	58,133	59,877	61,673	
Equipment Purchases	0	0	0	0	10,000	10,300	10,609	10,927	11,255	
Long Term Debt	315,152	463,304	465,700	468,800	476,225	473,683	471,017	467,744	469,119	
Contingencies	0	0	15,000	15,000	15,000	15,000	15,000	15,001	15,002	
Total Expense	1,104,221	1,185,763	1,180,405	1,206,250	1,249,320	1,273,651	1,298,830	1,324,410	1,355,682	
Net Operating Cash Flow	-36,490	5,039	3,045	-28,450	5,154	32,023	46,187	59,593	68,476	
Non-Operating Revenue										
Tap-In Charges - Approved Plan New	241,449	212,063	162,300	125,000	100,000	10,000	0	0	0	
Tap-In Charges - Development	0	0	0	0	0	0	0	0	0	
Dextech Expansion (Not in above calcs)	0	0	0	0	0	0	0	0	0	
State Grants	0	0	7,000	0	0	0	0	0	0	
Other Non-Operating Revenue	0	0	0	0	0	0	0	0	0	
Total Non-Operating Revenue	241,449	212,063	169,300	125,000	100,000	10,000	0	0	0	
Non-Operating Expense										
Legacy Costs	6,000	6,000	6,000	10,500	10,500	10,500	10,500	10,500	10,500	
Vehicles	0	17,452	0	0	0	0	0	0	0	
Capital Equipment	26,063	24,573	0	20,000	0	0	0	0	0	
Capital Improvements	55,412	357,742	317,633	0	100,000	100,000	100,000	100,000	100,000	
Total Non-Operating Expense	87,475	405,767	323,633	30,500	110,500	110,500	110,500	110,500	110,500	
Net Cash Flow	117,484	-188,665	-151,288	66,050	-5,346	-68,477	-64,313	-50,907	-42,024	
Cash - Prior Fiscal Year End	763,975	881,459	692,794	541,506	607,556	602,210	533,732	469,419	418,512	
Net Revenue/Expeditures	117,484	(188,665)	(151,288)	66,050	(5,346)	(68,477)	(64,313)	(50,907)	(42,024)	
Cash - Current Fiscal Year End	881,459	692,794	541,506	607,556	602,210	533,732	469,419	418,512	376,488	
% of Operation and Maintenance	80%	58%	46%	50%	48%	42%	36%	32%	28%	
Debt Service										
RD Refunding	147,480	145,680	153,830	151,830	159,780	157,665	155,572	152,987	150,237	
SRF #1	107,757	106,007	104,257	107,444	105,569	108,632	106,632	104,632	107,569	
SRF #2	82,500	210,875	207,625	209,313	210,876	207,386	208,813	210,125	211,313	
Total Debt Service	337,737	462,562	465,712	468,587	476,225	473,683	471,017	467,744	469,119	

Village of Dexter									
Water System									
Projected Cash Flow									
	Actual	Actual	Estimated	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
Fiscal Year End :	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Assumptions									
Annual Rate Adjustment FY 15/16	4.0%								
Annual Rate Adjustment FY 16/17	3.0%								
Annual Rate Adjustment Forecast Years	3.0%								
RTS Charge	\$7.12	\$7.34	\$7.63	\$7.86	\$8.10	\$8.34	\$8.59	\$8.85	\$9.11
Commodity Charge - First Meter	\$3.21	\$3.31	\$3.44	\$3.54	\$3.65	\$3.76	\$3.87	\$3.98	\$4.10
Commodity Charge - Second Meter	135%	\$4.34	\$4.47	\$4.65	\$4.79	\$5.08	\$5.23	\$5.39	\$5.55
Connection Charge	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
New connections - Approved Plan New			45	15	20	2	0	0	0
New connections - Second Meter			18	10	10	1	0	0	0
New connections - Development			0	0	0	0	0	0	0
Total Meters - First (Fiscal Year Start)	1,560	1,601	1,631	1,676	1,691	1,711	1,713	1,713	1,713
Total Meters - Second (Fiscal Year Start)	608	624	639	657	667	677	678	678	678
Volume Billed - Annual; First Meter	113,641	114,542	116,688	119,907	120,981	122,412	122,555	122,555	122,555
Volume Billed - Annual; Second Meter	24,971	17,464	17,884	18,388	18,668	18,948	18,976	18,976	18,976
Revenue									
Service Charges (Utility Bills)	658,428	662,907	702,529	720,300					
RTS Charge				0	229,079	238,953	246,431	253,824	261,438
Commodity Charge - First Meter				0	441,120	459,727	474,072	488,294	502,943
Commodity Charge - Second Meter				0	92,101	96,286	99,321	102,301	105,370
Interest Income	2,436	700	223	500	2,000	2,000	2,000	2,000	2,000
Miscellaneous	58,388	40,808	43,040	34,500	5,000	5,000	5,000	5,000	5,000
Total Revenue	719,252	704,415	745,792	755,300	769,299	801,966	826,824	851,419	876,751
Expenses									
Administration	74,935	75,009	75,013	73,800	76,752	79,822	83,015	86,336	89,789
Utility	56,581	42,921	38,088	35,000	36,050	37,132	38,245	39,393	40,575
Equipment Maintenance	31,071	12,971	25,000	16,000	16,480	16,974	17,484	18,008	18,548
Vehicle Maintenance	1,301	3,888	1,016	1,500	1,545	1,591	1,639	1,688	1,739
Personnel	193,114	192,793	188,472	227,750	236,860	246,334	256,188	266,435	277,093
Operating Supplies	62,681	58,041	47,663	50,000	51,500	53,045	54,636	56,275	57,964
Professional Services	12,020	20,597	22,339	24,000	24,720	25,462	26,225	27,012	27,823
Other Operating Expenses	17,661	19,713	13,427	30,400	31,312	32,251	33,219	34,215	35,242
Equipment Purchases	71,817	0	0	0	0	0	0	0	0
Long Term Debt	249,111	255,537	256,700	258,000	253,860	249,945	250,987	261,484	256,609
Contingencies	0			15,000	15,000	15,000	15,000	15,001	15,002
Total Expense	770,292	681,470	667,718	731,450	744,079	757,557	776,639	805,848	820,382
Net Operating Cash Flow	-51,040	22,945	78,074	23,850	25,220	44,409	50,185	45,571	56,369
Non-Operating Revenue									
State Grants	617	0	4,250	0	0	0	0	0	0
Tap-In Charges - Approved Plan New	145,723	119,639	96,700	75,000	60,000	6,000	0	0	0
Tap-In Charges - Development	0	0	0	0	0	0	0	0	0
Total Non-Operating Revenue	146,340	119,639	100,950	75,000	60,000	6,000	0	0	0
Non-Operating Expense									
Legacy Costs - Extra Payments	5,000	5,000	5,000	6,100	5,000	5,000	5,000	5,000	5,000
Wellhead Protection Program	315	0	8,815	0	0	0	0	0	0
Vehicle Purchases	0	17,453	0	0	0	0	0	0	0
Capital Purchases	69,637	401,128	18,815	100,000	25,000	25,000	25,000	25,000	25,000
Total Non-Operating Expense	74,952	423,581	32,630	106,100	30,000	30,000	30,000	30,000	30,000
Net Cash Flow	20,348	-280,997	146,394	-7,250	55,220	20,409	20,185	15,571	26,369
Cash - Prior Fiscal Year End	659,397	679,745	398,748	545,142	537,892	593,112	613,521	633,706	649,277
Net Revenue/Expenditures	20,348	(280,997)	146,394	(7,250)	55,220	20,409	20,185	15,571	26,369
Cash - Current Fiscal Year End	679,745	398,748	545,142	537,892	593,112	613,521	633,706	649,277	675,646
% of Operation and Maintenance	88%	59%	82%	74%	80%	81%	82%	81%	82%
Long Term Debt									
DWRF # 1	77,481	76,300	79,918	78,543	77,168	75,793	79,355	77,856	76,356
DWRF #2	56,278	55,500	54,528	58,590	57,590	56,590	55,590	59,528	58,403
RD Refunding	115,352	124,000	122,302	120,702	119,102	117,562	116,042	124,100	121,850
	249,111	255,800	256,748	257,835	253,860	249,945	250,987	261,484	256,609