

**Projected Budget Report**

City of Dearborn

Local Unit Code: 822030-DEARBORN

Fiscal Year Ended: June 30

General Fund

	<i>Fiscal Year:</i>			
	2016	2017	% Change	
	Adopted	Forecast	Increase	
	Budget	Budget	-Decrease	<u>Assumptions:</u>
<b>Revenues &amp; Income Sources:</b>				
Taxes and related sources	\$ 73,727,365	\$ 74,195,955	0.6%	same.
Licenses & Permits	1,917,510	1,919,020	0.1%	Level activity with limited fee increases.
Intergovernmental	9,825,503	9,872,588	0.5%	Estimated similar grants
Charges for Services	12,612,392	12,677,342	0.5%	Minimal activity/ fee increases estimated.
Fines & Forfeits	4,083,120	4,083,120	0.0%	Level activity estimated.
Miscellaneous Revenues	6,305,663	6,331,707	0.4%	Minimal activity change estimated.
<b>Subtotal operating revenues:</b>	<u>108,471,553</u>	<u>109,079,732</u>	<u>0.6%</u>	
Interest Income	15,518	18,831	21.3%	Estimated increase in interest rates, but very low rate environment.
<b>Total Revenues and Sources:</b>	<u>\$ 108,487,071</u>	<u>\$ 109,098,563</u>	<u>0.6%</u>	
<b>Expenses &amp; Uses:</b>				
<u>Policy Formulation &amp; Administration:</u>				
Mayor	\$ 1,020,084	\$ 1,046,441	2.6%	See Note 1
City Council	376,074	383,902	2.1%	See Note 1
Subtotal:	<u>1,396,158</u>	<u>1,430,343</u>	<u>2.4%</u>	
<u>Executive &amp; Enterprise Support Services:</u>				
Clerk & Elections	794,625	885,467	11.4%	FY2017 fluctuates due to election demands.
Assessor	982,340	991,719	1.0%	See Note 1
Corporate Counsel	1,683,508	1,713,601	1.8%	See Note 1
Corporate Counsel - City Plan Commission	231,662	234,886	1.4%	See Note 1
Finance-Accounting	1,074,054	1,071,462	-0.2%	See Note 1
Finance-Purchasing	577,843	588,820	1.9%	See Note 1
Finance-Treasury	827,391	838,639	1.4%	See Note 1
Human Resources	745,272	756,578	1.5%	See Note 1
Subtotal:	<u>6,916,695</u>	<u>7,081,172</u>	<u>2.4%</u>	
<u>Protection of Persons and Property:</u>				
19th District Court	3,722,218	3,360,051	-9.7%	See Note 1 and FY2016 includes final Police/Court building bond principal due.
Police Operations	36,013,124	36,153,591	0.4%	See Note 1
Fire Operations	21,944,690	22,114,300	0.8%	See Note 1
Residential Permits & Inspections	1,842,331	1,860,742	1.0%	See Note 1
Commercial Permits & Inspections	941,801	954,850	1.4%	See Note 1
Subtotal:	<u>64,464,164</u>	<u>64,443,534</u>	<u>0.0%</u>	
<u>Public Works:</u>				
Administration	448,903	456,738	1.7%	See Note 1
Line Crew + 20% Bldg Services	757,591	758,338	0.1%	See Note 1
Sanitation-DPW	451,749	456,200	1.0%	See Note 1
Sanitation-Res Serv	6,036,759	6,269,708	3.9%	See Note 1 and increased cost of refuse collection.
Neighborhood Services	1,343,548	1,351,153	0.6%	See Note 1
Highways	5,237,511	5,303,606	1.3%	See Note 1 and increase driven by cost of supplies.
Parks	3,498,250	3,523,846	0.7%	See Note 1
Parking	791,516	802,462	1.4%	See Note 1
Train Station	322,450	322,450	0.0%	See Note 1
Subtotal:	<u>18,888,277</u>	<u>19,244,501</u>	<u>1.9%</u>	
<u>Community Services:</u>				
Recreation	13,207,444	12,584,295	-4.7%	See Note 1 and FY2016 includes anticipated replacement of fitness equipment, Ford Field comfort station, replace marquee, addition of SMART van.
Economic & Community Development	834,880	852,926	2.2%	See Note 1
Historical Commission	212,550	212,520	0.0%	See Note 1
Subtotal:	<u>14,254,874</u>	<u>13,649,741</u>	<u>-4.2%</u>	
<b>Subtotal Operating Expenses:</b>	<u>105,920,168</u>	<u>105,849,291</u>	<u>-0.1%</u>	

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	<i>2016</i>	<i>2017</i>	<i>Increase</i>	
	<i>Adopted</i>	<i>Forecast</i>	<i>-Decrease</i>	
	<i>Budget</i>	<i>Budget</i>		
Non-Departmental Contributions Out:				
To Local Street Fund	1,000,000	1,000,000	0.0%	Infrastructure support
To Capital Improvement Fund	250,000	250,000	0.0%	Based on Capital Improvement Plan
To Fleet & Gen Liab Insurance Fund	825,000	550,000	-33.3%	Tax refunds and legal case reduction
To Retiree Death Benefit Fund	50,000	50,000	0.0%	
<b>Subtotal Contributions Out:</b>	<b>2,125,000</b>	<b>1,850,000</b>	<b>-12.9%</b>	
<b>Total Expenses and Uses:</b>	<b>\$ 108,045,168</b>	<b>\$ 107,699,291</b>	<b>-0.3%</b>	
<b>Revenues over (under) Expenses</b>	<b>\$ 441,903</b>	<b>\$ 1,399,272</b>		

General Notes:

Voters approved a 5-year operating millage increase of up to 3.5 mills setting the maximum Home Rule Charter millage at 18.5 mills. The first year of the supplemental levy was FY2013 and the final year FY2017 unless renewed.

Departments are charged a technology fee for funding ongoing technology related costs and one-time initiatives that is paid to the internal services Information Systems Fund.

Departments are charged a fee based on utilized space for operating and capital costs, where applicable, that is paid to the internal services Facilities Fund.

The ongoing annual funding for asset replacement and major capital components was restored in the FY2013 budget, but reserves are inadequate and below the calculated need.

Departments are charged an annual allocation for legal cases, where applicable, based on recovering settlements and/or on estimated reserves.

Note 1:

Minimal dollar variance. Overall budget is estimated to be \$108 million.

The funding for post-employment health care is above "pay as you go", but not at the actuarial determined contribution.

The majority of labor group contracts settled with wage increases except for the Police Lieutenants and Sergeants group which expired July 1, 2013, Dispatch-Supervisors group which expired July 1, 2015 and Firefighters group which expired July 1, 2015.

The compensation package cost increases are driven by employee benefits, specifically health care and the legacy components for retirement and retiree health care. Employees are cost sharing for health care and retirement programs.

The annual funding for retiree pension benefits is at the actuarially determined level.