

Projected Budget Report

City of Dearborn

Local Unit Code: 822030-DEARBORN

Fiscal Year Ended: June 30

General Fund

	<i>Fiscal Year:</i>			
	2020	2021	% Change	
	Adopted	Forecast	Increase	
	Budget	Budget	-Decrease	Assumptions:
Revenues & Income Sources:				
Taxes and related sources	\$ 71,277,935	\$ 72,771,010	2.1%	
Licenses & Permits	3,074,253	3,408,364	10.9%	Level activity with limited fee increases.
Intergovernmental	26,242,105	25,760,506	-1.8%	LCSA decreased
Charges for Services	16,327,053	16,162,247	-1.0%	
Fines & Forfeits	4,751,350	5,398,400	13.6%	Increases based on 3 year average of actuals
Miscellaneous Revenues	9,479,211	9,160,020	-3.4%	
Subtotal operating revenues:	131,151,907	132,660,547	1.2%	
Interest Income	2,300,000	380,223	-83.5%	
Total Revenues and Sources:	\$ 133,451,907	\$ 133,040,770	-0.3%	
Expenses & Uses:				
Policy Formulation & Administration:				
Mayor	\$ 1,154,266	\$ 1,179,612	2.2%	See Note 1 - Increase Salaries and Pension
City Council	\$ 445,372	\$ 442,058	-0.7%	
Subtotal:	1,599,638	1,621,670	1.4%	
Executive & Enterprise Support Services:				
Clerk & Elections	893,283	964,312	8.0%	Increased due to elections
Assessor	1,209,112	1,253,046	3.6%	See Note 1 - Increase in Wages & Pension
Corporate Counsel	1,841,161	1,857,772	0.9%	
Corporate Counsel - City Plan Commission	374,838	215,828	-42.4%	Decrease in Facility Fund Allocation - CIP
Finance-Accounting	1,140,994	1,095,591	-4.0%	Reduction in expenditures and staffing adjustments
Finance-Purchasing	705,219	660,389	-6.4%	Reduction in expenditures and staffing adjustments
Finance-Treasury	866,908	927,099	6.9%	Reduction in expenditures and staffing adjustments
Human Resources	997,259	1,006,738	1.0%	
Subtotal:	8,028,774	7,980,775	-0.6%	
Protection of Persons and Property:				
19th District Court	4,121,854	4,302,102	4.4%	
Police Operations	45,615,286	47,106,667	3.3%	
Fire Operations	29,844,684	31,010,985	3.9%	
Property Maint & Development Svcs	3,757,696	3,540,728	-5.8%	
Subtotal:	83,339,520	85,960,482	3.1%	
Public Works:				
Administration	836,815	464,249	-44.5%	Decreases in Major Street of \$25k and Local Streets of \$325k
Line Crew + 20% Bldg Services	731,822	491,426	-32.8%	Decrease of \$134K in Salaries and Benefits, \$146k charges in
Sanitation-DPW	501,504	395,102	-21.2%	Decrease of \$100k in Benefits and \$6k in Technology Allocation
Sanitation-Res Serv	5,375,012	5,367,674	-0.1%	
Neighborhood Services	960,099	1,229,250	28.0%	Reduction of expenditures
Neighborhood Services - CDBG	275,000	275,000	0.0%	
Environmental Services - CDBG	100,000	100,000	0.0%	
Highways	6,804,356	6,356,410	-6.6%	
Parks	3,194,567	2,733,359	-14.4%	Realignment of Personnel Expenses - Decrease in Sal & Bene \$468k
Parking	698,276	824,694	18.1%	Decrease of \$100k Parking Lot R&M
Train Station	299,490	326,567	9.0%	Decrease of \$23k in Property Management - Contractual Services
Subtotal:	19,776,941	18,563,731	-6.1%	

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Community Services:				
Recreation	15,995,903	15,360,288	-4.0%	
Economic & Community Development	1,849,820	1,857,646	0.4%	
Historical Commission	353,014	353,721	0.2%	
Public Information	900,377	910,541	1.1%	
Subtotal:	19,099,114	18,482,196	-3.2%	
Subtotal Operating Expenses:	131,843,987	132,608,854	0.6%	
Non-Departmental Contributions Out:				
To Capital Improvement Fund	317,500	257,090	0.0%	Based on Capital Improvement Plan
To Fleet & Gen Liab Insurance Fund	192,000		0.0%	Tax refunds
Subtotal Contributions Out:	509,500	257,090	-49.5%	
Total Expenses and Uses:	\$ 132,353,487	\$ 132,865,944	0.4%	
Revenues over (under) Expenses	\$ 1,098,420	\$ 174,826		

General Notes:

Voters approved a 5-year operating millage increase of up to 3.5 mills setting the maximum Home Rule Charter operating millage levy at 18.5 mills. The first year of the supplemental levy was FY2013 and the final year FY2017 renewed in August primary election 2016 for another 5 years through FY2022.

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 2020 Forecast Budget is estimated to be \$132.4 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 are settled with wage increases and are current with a new expiration on July 1, 2021.

The compensation package cost increases are driven by pay rates and 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.

The City issued Pension and OPEB Bonding in 2019. These debt payment expenses are recorded within the appropriate departmental / Fund of where the employee's payroll resides.