

Projected Budget Report

City of Dearborn

Local Unit Code: 822030-DEARBORN

Fiscal Year Ended: June 30

General Fund

<i>Fiscal Year:</i>	2021 Adopted Budget	2022 Forecast Budget	% Change Increase -Decrease	Assumptions:
Revenues & Income Sources:				
Taxes and related sources	\$ 72,771,010	\$ 76,563,121	5.2%	Increase in Taxable Value
Licenses & Permits	3,408,364	3,905,085	14.6%	Additional Permit Fee revenue related to Ford HUB project
Intergovernmental	25,760,506	27,155,556	5.4%	Increase in projected LCSA and Sales Tax revenue
Charges for Services	16,162,247	15,504,015	-4.1%	Decrease in projected facility charges due to pandemic
Fines & Forfeits	5,398,400	5,048,900	-6.5%	Decreased Court Fees - Due to trends and projected caseloads due to pandemic
Miscellaneous Revenues	8,346,321	7,489,611	-10.3%	Decreased projected facility rental
Subtotal operating revenues:	131,846,848	135,666,288	2.9%	
Interest Income	813,699	24,401	-97.0%	Decreased market interest rates
Interfund Contributions In	380,223	-	-100.0%	Reduced contribution returns from other funds
Total Revenues and Sources:	\$ 133,040,770	\$ 135,690,689	2.0%	
Expenses & Uses:				
Policy Formulation & Administration:				
Mayor	\$ 1,179,612	\$ 1,167,329	-1.0%	
City Council	\$ 442,058	\$ 444,995	0.7%	
Subtotal:	1,621,670	1,612,324	-0.6%	
Executive & Enterprise Support Services:				
Clerk & Elections	964,312	990,842	2.8%	
Assessor	1,253,046	1,303,837	4.1%	Increase in Personnel Services
Corporate Counsel	1,857,772	1,893,593	1.9%	
Corporate Counsel - City Plan Commission	215,828	227,465	5.4%	
Finance-Accounting	1,095,591	1,135,122	3.6%	
Finance-Purchasing	660,389	746,460	13.0%	Increase in Personnel Services
Finance-Treasury	927,099	873,560	-5.8%	Decrease in Personnel Services
Human Resources	1,006,738	1,005,419	-0.1%	
Subtotal:	7,980,775	8,176,298	2.4%	
Protection of Persons and Property:				
19th District Court	4,302,102	4,343,043	1.0%	
Police Operations	47,106,667	48,231,866	2.4%	Increase in Personnel Services (pension, medical insurance, holiday pay)
Fire Operations	31,010,985	32,482,143	4.7%	Increase in Personnel Services (FT wages, medical insurance, pension)
Property Maint & Development Svcs	3,540,728	3,325,553	-6.1%	Decrease in Personnel Services (FT wages, PEHC, Pension)
Subtotal:	85,960,482	88,382,605	2.8%	
Public Works:				
Administration	464,249	356,260	-23.3%	Decrease in Personnel Services (FT wages allocated to other funds)
Line Crew + 20% Bldg. Services	491,426	567,732	15.5%	Increase in charges allocated in (building services, training, street lights)
Sanitation-DPW	395,102	394,033	-0.3%	
Sanitation-Res Serv	5,367,674	5,317,913	-0.9%	
Neighborhood Services	1,229,250	1,104,439	-10.2%	Decrease in Personnel Services (FT / PT Wages, PEHC, Pension)
Neighborhood Services - CDBG	275,000	275,000	0.0%	
Environmental Services - CDBG	100,000	100,000	0.0%	
Highways	6,356,410	5,595,075	-12.0%	Decrease in street lighting electric (LED conversions), Decrease in Vehicle Fleet replacement.
Parks	2,733,359	3,029,420	10.8%	Realignment of Personnel Expenses
Parking	824,694	793,156	-3.8%	
Train Station	326,567	331,189	1.4%	
Subtotal:	18,563,731	17,864,217	-3.8%	

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Community Services:				
Recreation	15,360,288	16,097,243	4.8%	Funding for FCPAC Roof Replacement
Economic & Community Development	1,857,646	1,853,052	-0.2%	
Historical Commission	353,721	342,674	-3.1%	
Public Information	910,541	919,167	0.9%	
Subtotal:	<u>18,482,196</u>	<u>19,212,136</u>	<u>3.9%</u>	
Subtotal Operating Expenses:	<u>132,608,854</u>	<u>135,247,580</u>	<u>2.0%</u>	
Non-Departmental Contributions Out:				
To Facilities Fund	65,090	16,655	-74.4%	
To Fleet & Gen Liab Insurance Fund	192,000	242,000	26.0%	Tax refunds
Subtotal Contributions Out:	<u>257,090</u>	<u>258,655</u>	<u>0.6%</u>	
Total Expenses and Uses:	<u>\$ 132,865,944</u>	<u>\$ 135,506,235</u>	<u>2.0%</u>	
Revenues over (under) Expenses	<u>\$ 174,826</u>	<u>\$ 184,454</u>		

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. Please note that on November 2, 2021, a three-year supplemental operating millage renewal set at 2.75 mills was placed before the voters and it did not pass. 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 annual funding for asset replacement and major capital components is analyzed each year during the budget process, 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 2022 Amended Budget is estimated to be \$140.5 million. The funding for post-employment health care is at "pay as you go", but not at the actuarial determined contribution. All labor group contracts are settled with wage increases and are current with a new expiration on July 1, 2022, with the exception of Firefighters with an expiration of July 1, 2024. 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 department/Fund of where the employee's payroll resides.