

CITY OF LATHRUP VILLAGE



2019-2020 FISCAL YEAR ADOPTED BUDGET

Annual Budget Fiscal Year 2019-2020

July 1, 2019 – June 30, 2020



CITY OF LATHRUP VILLAGE



Mykale "Kelly" Garrett
Mayor



Bruce Kantor
Mayor Pro Tem



Ian Ferguson
Council Member



Saleem Siddiqi
Council Member



Donna Stallings
Council Member

CITY COUNCIL

Executive Leadership Team



Dr. Sheryl L. Mitchell
City Administrator



Pamela Bratschi
Assistant City Administrator/Treasurer



Scott McKee
Chief of Police



Yvette Talley
City Clerk

Administrative Staff

Michael Zang, Sergeant/Detective Bureau

Susan Stec – Manager, Community & Economic Development, DDA Director

Christopher Clough – Coordinator, Parks & Recreation

Arron Carlton - Deputy Treasurer

Kelda London, Government Operations/Building Clerk

Susan Schultz - Administrative Assistant

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Lathrup Village - A Capsule History

The City of Lathrup Village is a diverse community, located in the center of the City of Southfield in Southeast Michigan. The City of Lathrup Village, incorporated in 1953, combines an historic past with a dynamic and progressive presence today.

Beautiful homes, friendly neighbors, and tree-line streets provide an ideal living environment with convenient small city living. The city is centrally located in close proximity to a developed highway system that provides easy access to the entire metropolitan area and numerous amenities.

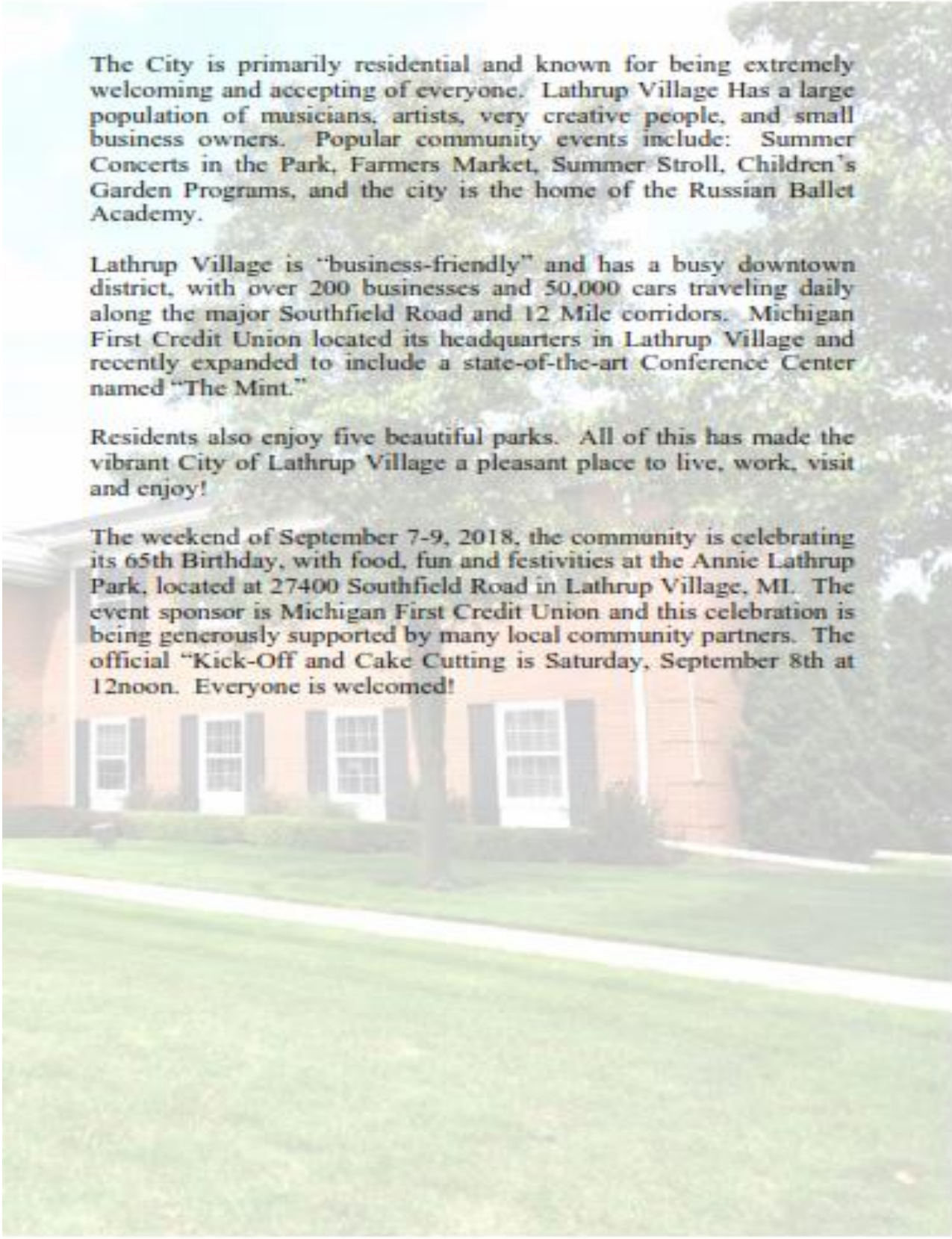
The city was established by Louise Lathrup Kelley, who conceived and carried out the city's unique development consisting of distinctive buildings. In 1923, she acquired 1,000 acres in Southfield Township. The area was known as the "Lathrup Townsite" where a controlled building plan was followed that restricted subdivisions to high quality houses constructed of brick, stone, or masonry with attached garages.

Lathrup Village was incorporated in 1953 and is a small, yet robust, city with a population just over 4,000.

The Lathrup Village Historic Society was instrumental in the city gaining Historic District recognition in the year 2000. The city also has the distinction of being a Tree City USA community.



Pic 1) Lathrup Village founder Louise Lathrup; Pic 2) Signature tree-lined street typical of Lathrup Village neighborhoods; Pic 3) Signature Lathrup Village architecture



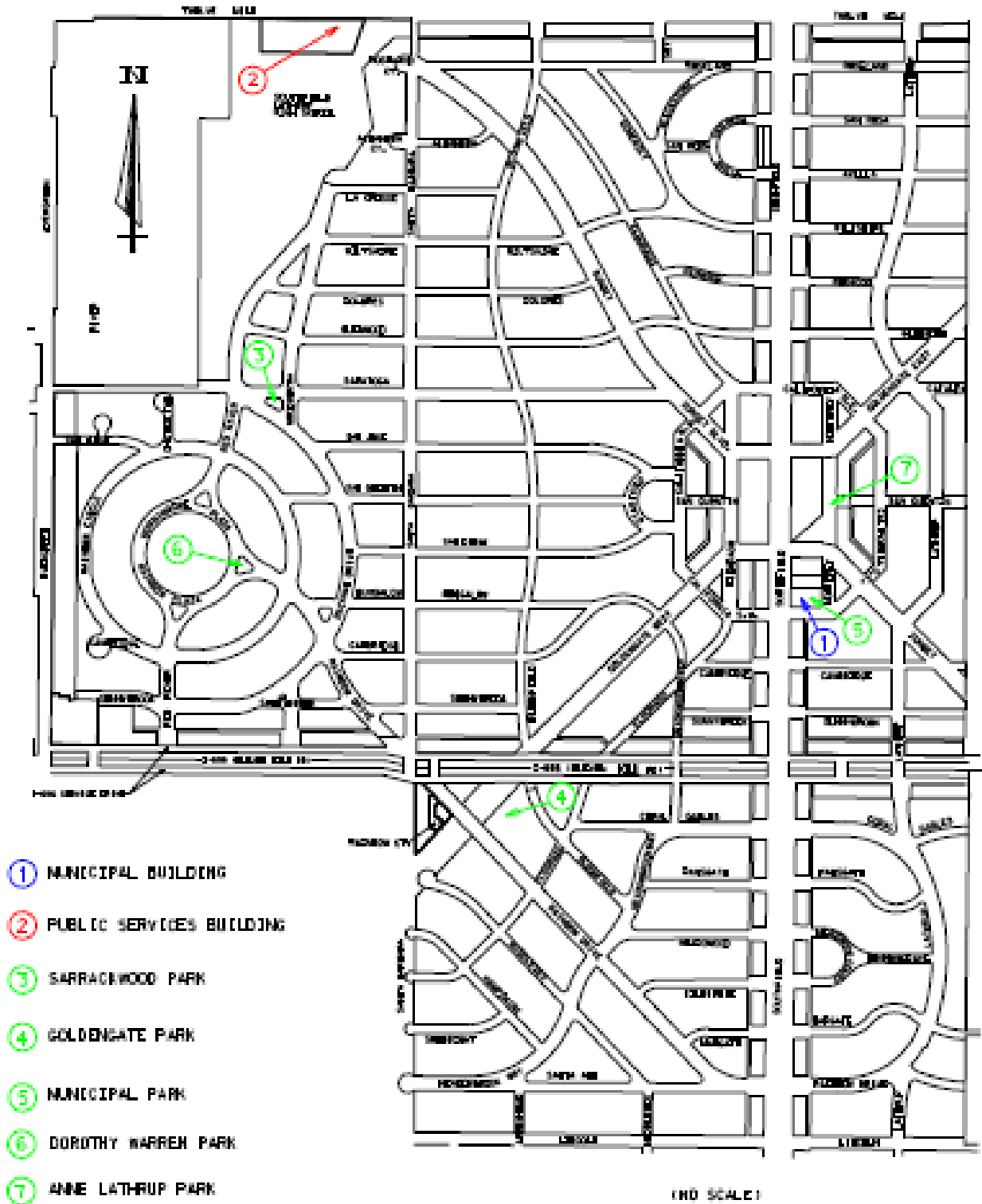
The City is primarily residential and known for being extremely welcoming and accepting of everyone. Lathrup Village Has a large population of musicians, artists, very creative people, and small business owners. Popular community events include: Summer Concerts in the Park, Farmers Market, Summer Stroll, Children's Garden Programs, and the city is the home of the Russian Ballet Academy.

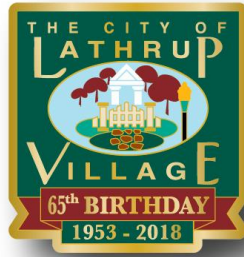
Lathrup Village is "business-friendly" and has a busy downtown district, with over 200 businesses and 50,000 cars traveling daily along the major Southfield Road and 12 Mile corridors. Michigan First Credit Union located its headquarters in Lathrup Village and recently expanded to include a state-of-the-art Conference Center named "The Mint."

Residents also enjoy five beautiful parks. All of this has made the vibrant City of Lathrup Village a pleasant place to live, work, visit and enjoy!

The weekend of September 7-9, 2018, the community is celebrating its 65th Birthday, with food, fun and festivities at the Annie Lathrup Park, located at 27400 Southfield Road in Lathrup Village, MI. The event sponsor is Michigan First Credit Union and this celebration is being generously supported by many local community partners. The official "Kick-Off and Cake Cutting is Saturday, September 8th at 12noon. Everyone is welcomed!

CITY OF LATHRUP VILLAGE OAKLAND COUNTY, MICHIGAN





COUNCIL COMMUNICATION:

TO: Mayor Garrett
Mayor Pro-Tem Kantor
Council Member Ferguson
Council Member Siddiqi
Council Member Stallings

FR: Sheryl Mitchell - City Administrator

DA: May 20, 2019

RE: FISCAL YEAR 2019-20 BUDGET MEMO

Submitted herewith is the City Administrator's projected budget for the 2019-20 fiscal year. Budgets are submitted pursuant to Chapter 8, Section 8.2 of the City Charter, which reads in part as follows:

"The City Administrator shall prepare and submit to the Council on the third Monday in April of each year a recommended budget covering the next fiscal year..."

Chapter 8.5 of the City Charter provides that, "Not later than the third Monday in May in each year, the Council shall by resolution adopt a budget for the next fiscal year, shall appropriate the money needed for municipal purposes during the next fiscal year of the city and shall provide for a levy of the amount necessary to be raised by taxes upon real and personal property for municipal purposes, subject to the limitations contained in Section 9.1"

As with previous years, this budget has been prepared using information from multiple sources. During the initial phase of the budget process, attention was paid to the City's multi-year financial planning model. From a financial perspective, this document has proven to be an important tool in our budgetary and strategic planning process.

This document is key as we continue to look to the future to anticipate any potential revenue shortfalls. Given the significant decreases in taxable values between 2008 and 2013 the City's revenue forecasts will remain a primary concern as future gains are limited by Proposal A (enacted in 1994). In the near term, according to current revenue forecasts and absent any further reductions (other than those noted) in the financial model, our FY 19-20 and FY 20-21 budget years will be balanced. (This assumes a 8.76% increase in Taxable Value in FY 19-20).

With respect to the projected budget for FY 2019-20, it should be noted that it is based on the same millage rate structure used for the previous budgets. You will note this in the Summary of Revenues by Fund and Source found under the General Fund Revenues bookmark. The Millage Rate Breakdown, also found under the General Fund Revenues bookmark, does contain two breakdowns. The first one shows the separate millage categories of General Operating, General Operating Sewer and General Surplus and Library. This has been done to mainly show our Library Millage.

The second breakdown shows the structure that combines them. The millage rate breakdown spreadsheet will, however, continue to show the traditional breakdown. This way we can track the annual Library millage rate; this is being done to show the value of what we should be paying for library services based on our library agreement. The current agreement with the City of Southfield states that the City of Lathrup Village will pay whatever the library millage rate generates. Keeping a separate tracking of the library millage will insure that this approach remains effective and defensible.

We have previously discussed the financial model's potential shortfalls, but it is also important that no other unfunded mandates, environmental compliance orders, or statutory changes occur that will reduce revenues or add expenditures to our budget. Listed below are some of the areas that could negatively affect our City in the near future:

The FY 2019-20 Budget marks the fifth consecutive year of positive growth in the City's overall taxable value following a 48% loss in values between 2008 and 2013. Since FY 2015-2016, the City has experienced steady increases in the taxable value.

**TV REVIEW FY 2019-20 PROJECTIONS
FIVE YEAR HISTORY OF TV CHANGES**

YEAR	RESIDENTIAL	COMMERCIAL	PERSONAL	TOTAL	% INC.
2019	112,218,000	28,450,920	4,770,620	145,439,540	8.767%
2018	106,367,420	23,098,470	4,250,410	133,716,300	6.247%
2017	101,683,640	19,820,550	4,350,090	125,854,280	3.101%
2016	98,151,510	19,371,700	4,545,870	122,069,080	1.252%
2015	96,566,360	19,702,790	4,290,930	120,560,080	2.271%

According to Oakland County Equalization Division, the City of Lathrup Village has an Assessed Value of \$206,012,170, which represents a 2.4% increase in assessed values. This is in contrast to the Taxable value of \$145,439,540 (a gap of approximately \$60.5 million). The discrepancy in values accounts for a loss of \$86,709 when applied to the FY 2019-20 millage rate of 18.1572.

- As mentioned in the previous section, Proposal A of 1994 places an artificial cap on Taxable Value growth limiting it to five percent (5%) or cost of living in a given year.
- The Headlee Amendment to the Michigan Constitution creates an additional strain on the City's ability to cover costs and fund activities for our residents. The amendment applies a millage reduction fraction (MRF) in each year in which a municipality realizes growth in its Taxable Values. In 2010, Lathrup Village residents voted (by a two-thirds margin) to roll back the effects of the Headlee Amendment; effectively restoring the City's ability to levy up to 20 mills for operations and 3 mills for refuse as outlined in our city charter.

- The intersection of Proposal A and the Headlee Amendment continues to be a threat to the financial health of the City. There is no subsequent limitation for the rise in costs in the marketplace. As you will see in the long-term financial plan, costs (expenditures) are anticipated to rise at a higher rate than the artificial caps placed on local government revenues.
- The State Shared Revenues program is the City's second largest source of revenue. Public Act 252 of 2014 created the CVTRS program for the allotment of the statutory portion of the reflected revenue. The City did see a slight increase in the Constitutional portion of the State Revenue sharing for a projected \$416,425, representing an increase of \$27,156 for FY 2019-20. This is included in this budget introduction because these revenues represent a significant portion of our FY 2019-2020 general fund budget.
- Controlling Long Term Liabilities:
 - **Retiree Health Care.** In 2012, it was recommended to begin pre-funding post-retirement health care costs. This came about as a result of a new Governmental Accounting Standard (GASBY 45). At that time it was decided to "pay as we go." We have always done a pay as you go" for retiree health care benefits. The City implemented a program called "Employer Group Waiver Plan," which is estimated to save the City more than \$1 million in health care liability. As previously discussed, the good news is that through negotiations and changes to non-union employee's benefits, health care is NO LONGER provided for new hires at retirement. This will also limit our long-term liability.
 - **Employee Pension Costs.** In the Fiscal Year 2013-14 budget, the City Council decided to make a lump sum payment of \$1,143,708 toward long-term pension costs. The Pension and Retiree Health Care sub-committee also recommended funding the City's liability when the current pension plans (Defined Benefit) were closed to new hires. The recommended changes were made effective July 1, 2013, and Defined Contribution (DC) plans are now offered to new employees. Under the DC plan, once an employee leaves the employment of the City, the liability ends.
 - **Administrative Consent Order with the Michigan Department of Environmental Quality (MDEQ).** We continue to monitor the actions of the Michigan DEQ (which has been renamed to Michigan Department of Environment, Great Lakes, and Energy – EGLE) as they continue to address water quality issues across the State. The City of Lathrup Village signed an Administrative Consent Order with the MDEQ. To date, the City will have completed millions of dollars' worth of work, including lining sewers, manhole repairs, manhole installations, and a number of emergency point repairs. Total revenue for this work is derived from water and sewer rates, although some grant monies have been awarded to the City from Oakland County, and a SRF Loan that included almost \$500,000 in Federal Stimulus Funds. The City is now working on a long-term plan for the MDEQ along with the Oakland County Water Resource (OCWR) Commissioner. We continue to operate in compliance with our Administrative Consent Order. Completed work and work to be performed as outlined in the 2019 Capital Improvement Plan will help limit Sanitary Sewer Overflows (SSOs). In 2017 and 2018, the City did not experience any SSOs. In and 2015 and 2016, there was only one SSO.
 - Unseasonably warm winters coupled with unexpected and repeated heavy rains, places Lathrup Village in a tenuous position with our antiquated Storm Water Retention Tank.

Although previous work to “dry out” our sanitary sewer proved to be effective, the above-mentioned weather issues, coupled with infiltrations and inflow, have put tremendous pressure on the City to balance the legislative Town Outlet limit of 3.35 cubic feet per second (CFS) with the inadequate size of Lathrup’s two 1.5 million gallon retention tanks, and the unprecedented amount of water received during rain events. The City is currently taking a proactive role during rain events by eliminating stored water prior and during every heavy rain event. The City has also asked OCWR to consider managing our Storm Water Retention Tank due to the collaborative and choreographed efforts that already exist between OCWR and the City during rain events. Liability exists in this area when a single managing person of the tank is the City Administrator. The estimated cost of \$100,000 for contracting with OCWR for the operations and maintenance of the tank is included in the FY 2019-20 Budget.

- The EPA and the State DEQ will continue to push for more reductions in pollutants in the watershed through storm water management programs. Ultimately this will lead to alternative methods of ice control, the use of non-polluting fertilizers, and other pollutant reducing measures, all of which will lead to increased costs. This also requires a good deal of paperwork and reporting. In April of 2016, Hubbell Roth and Clark (HRC) submitted an update on our behalf to our Storm Water Permit, Annual Report, Illicit Discharge Permit and Public Education Program. HRC has provided work in a timely and efficient manner. This is really meant to be overseen by storm water professionals.
- **Southfield Road Construction.** The City, Planning Commission, and the DDA have been working to come up with a workable plan that meets the needs of Lathrup Village and meets the requirements of the Road Commission for Oakland County (RCOC.) Within the last year, the RCOC has made significant progress in the Environmental Assessment for the entire Southfield Road corridor. The Environmental Assessment has been presented to all boards and commissions in Lathrup Village to include public presentations at City Hall. We are anticipating the announcement in Summer 2018 of federal funding that may support this road improvement. Mitigating factors to business development and property redevelopment will have to be seriously considered when weighing the Environmental Assessment impacts of this project; specifically the loss of parking spots at numerous locations will negatively impact small business operators in Lathrup Village. The City will continue to work collaboratively with local businesses and the RCOC to ensure the redevelopment of the Southfield corridor meets the design intent, coupled with positive business metrics. It is important that the City continue to seek additional outside funding to aid with water main replacement, other construction, parking, and streetscaping.
- **Water and Sewer Rates.** The Great Lakes Water Authority (GLWA) “replaced” the Detroit Water and Sewer Department as the governing body for the regional water system. The Authority initially promised a 4% annual cap on revenues. The GLWA water rates are projected to increase by 3.6% from their 2017/18 rates. Lathrup Village residents will have a water rate increase of 1.5% and sewer rate increase of 0.783% from the rate charged in 2018/19. Lathrup Village residents have seen their water and sewer bills more than double since 2004. Balancing these increases in sewage disposal fees and water purchases with the funding needed for maintenance of City-owned infrastructure will continue to be an area of great focus for at least the next decade. Because of aging infrastructure and maintenance issues, water and sewage rates are expected to increase.
- **Infrastructure.** With the above in mind, other challenges also await Lathrup Village in the category of “unfulfilled” infrastructure needs. These needs have continually been

identified in each budget year over the past several years. While we have started to address our streets, water and sanitary sewer system issues, our other infrastructure needs continue to go unfulfilled. It is important that we continue to discuss how we address the millions of dollars in unfulfilled infrastructure needs in a proactive way as we compete to retain and attract residents.

- **Increasing Efficiencies and Reducing Costs.** Even in light of rising property values, it is necessary to prudently reexamine what services we provide and what services should be subject to multi-jurisdictional agreements. Despite a substantial budget and staff reduction since the 2008 economic downturn, it is still prudent to examine ways of increasing efficiencies that will increase service and reduce costs. It is still good practice to investigate alternative and additional intergovernmental contracts, regional service provisions, and municipal consolidations. Despite Lathrup Village being substantially ahead of most communities in terms of collaboration and consolidation, we have already realized the majority of these savings. This will ultimately require us to determine what levels of services we can afford to provide to the community.

Major and Local Streets:

Considering Major and Local Streets, the FY 2019-2020 budget contains an expenditure of \$375,373 for Major Streets and \$481,941 for Local Streets. There is a transfer from the Major Streets Fund of \$173,694 to the Local Streets Fund. Despite this very large expenditure, Lathrup's Mayor and Council are continuing their commitment and focus by establishing an Infrastructure Committee to identify needed projects and funding options. The Local Street expenditures reflects a continued and increased focus on the City's vital infrastructure. For 2019, Giffels Webster, the City's contracted engineering firm, has identified westbound 11 Mile Road, between the city boundary and Southfield Road to be resurfaced:

In recent years contractor bids have risen sharply and, while the General Funds devoted to streets have risen, our ability to keep pace with the deterioration of the asphalt is diminishing. The fact that we continue to provide dollars for an annual street resurfacing program puts us years ahead of where we were in the past and our hope is that we will not end up with less to show for it. This should be considered a major concern for the community and its long-term ability to compete. It is possible that other means of financing road improvements, including a dedicated street millage may be need to be considered in the future.

It should be noted that based on the City engineer's industry experience, the entire street system should be put on a 15 to 20-year resurfacing cycle. Due to the rising costs of paving material and based on long- term estimates, a 20-year resurfacing cycle would require an annual contribution of \$600,000+ (or roughly 5 mills) and adjusted in each subsequent year based on inflation.

Water and Sewer:

Preliminary water rates were received the second week in April 2019 indicating a 3% rate increase. The SOCWA Board approved them at their May Board meeting. Preliminary Sewer rates were also received in May with Lathrup's reflecting a 3.5% rate increase for the Detroit/Evergreen/Farmington System. The Water Resource Commissioner will be using a sewer rate based on 100% metered sewer flows and both the WRC and the Detroit Water and Sewer Department have created a "rate simplification model." Both are in their initial phases and will be reviewed over the next few years to ensure fixed costs of the two organizations are being funded. It is imperative that we continue to search for ways to "dry out" our sanitary sewer system so that we:

1. Meet MDNRE standards.
2. Decrease the amount of storm water that enters our sanitary sewers in order to lessen the amount of money that must be paid for sewerage disposal on storm water.

It is important to remember that the City has seen a cumulative increase of over 60% in the last seven years. A more detailed view of the rate structure can be found under the water and sewer bookmarks.

Note: These rates continue to address some of our infrastructure needs. With the adoption of the FY 2004-05 budget, the City built in additional dollars to start to address its infrastructure needs. During FY 2018-19, the City invested \$500,000 in the maintenance of its system, and the FY 2019-20 budget rates include another \$500,000 to continue to address those needs.

Conclusion:

This budget introduction has provided a realistic look at our present and future; previous figures were intentionally left in the narrative to give constituents a clearer picture of where we were and where we are fiscally going. Community leaders of the City of Lathrup Village should continue their focus on Capital Expenditures specifically in the areas of Lathrup's "ageing-in-place" infrastructure to include water distribution, sewer, and major and local roads. All avenues and sources of financing should not be overlooked and be investigated to include the option of hiring additional staff to effectively manage this endeavor.

Additionally, increasing effectiveness and efficiencies of our public services contractor, Lathrup Services, LLC, should continue since providing a high level of service is how we compete in retaining, and especially, attracting new residents. Equally, we must continue to support our community groups as they are a valuable resource in our community. Groups such as the Homeowners Association, Timebank, Children's Garden, Women's Club, Community Foundation, the Optimists and Lions clubs support our activities and create the festive atmosphere that attracts new residents to our special community.

The FY 2019-2020 budget continues the careful process of reinvesting small revenue increases in a strategic manner to maintain the high quality of living found in Lathrup Village. Despite a large loss of Taxable Values in 2008, no services were eliminated and infrastructure maintenance programs have continued (albeit in a diminished capacity).

Several priorities will become the focus of our efforts in the fiscal year. They include:

Leadership: In 2019, there were several changes in key administrative leadership: Susan Stec as Manager, Community & Economic Development; Christopher Clough as Coordinator, Parks & Recreation; and Kelda London as Administrative Assistant-Government Operations. They will each be working with the other members of the administrative team to seek continuous improvements in the City's operations and culture.

- **Organization:** The City Administration is anticipating undergoing changes that will be implemented after July 1, 2019, including evaluating restructuring the administrative staff positions and responsibilities.
- **Education and Training:** There is an increased emphasis on education and training among administrative staff and within the Police Department.
- **Communications:** Communications are an area where there are opportunities for improvement. Efforts will focus on enhancing the formatting of the website and increasing the use of social media to share timely information with our residents. All staff members are being encouraged to improve all lines of communication not only between staff members and contractors, but with our citizens as well.
- **Collaborations:** We will be looking for new and expanded collaborative partnerships with other municipalities, Oakland County, regional organizations, such as SEMCOG, and educational institutions. Successful partnerships already include: Oakland County for assessing and equalization services; City of Southfield for fire services, and contracting services for engineering and planning.
- **Department of Public Services:** The Department of Public Services was privatized for significant cost savings by contracting with Lathrup Services. There will be ongoing discussions to seeking improvements to meet the needs of our local residents.
- **Police Department:** Is looking to create a Lieutenant position and to become fully staffed. This is anticipated to achieve a decrease in overtime hours, once fully implemented. Finding qualified officers that reflect the diversity of the community is always a challenge, but concerted recruitment efforts are being undertaken. This is an issue for municipalities throughout Michigan.
- **Cultural Awareness Training:** The City of Lathrup Village has a very diverse cultural and ethnic population. Cultural Awareness training will be provided to provide officers and staff with appropriate training and communication skills.
- **Code Enforcement:** Building inspections and code enforcement remain critical to attracting business, young families, and retaining our current residents and businesses. In 2012, the City began to utilize our Building Official contracted through McKenna to provide code enforcement services. Although, since its implementation, code enforcement has increased significantly, it remains imperative to remain diligent in seeking compliance with local codes and ordinances. The FY 2019-20 reflects creating a part-time Code Enforcement Officer position. Because Lathrup is almost 100 percent built-out, our single item to increasing tax revenue other than raising the current tax structure is the redevelopment of Lathrup's business district. Currently, Lathrup has very few problem areas in code enforcement; however, the few code issues we have identified seem to impact many of our citizens and business properties repeatedly. These problem areas

will be an area of focus in the coming year. The previous issues of abandoned and foreclosed homes are scarcely an issue in Lathrup Village. As of April 2017, Lathrup Village was listed as one of Oakland County's top places to live.

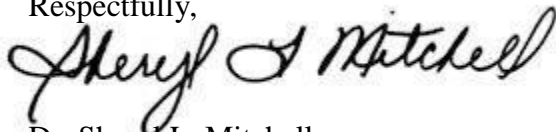
- **Sanitary Sewer System:** This system continues to be reviewed so that we may determine what necessary improvements need to be made in the future. In 2013, we completed a cleaning and televising project on all sanitary sewer mains between Eleven Mile and Lincoln Blvd. This work led to the development of a five-year plan to seal that system and prevent any structure failures.
- **Downtown Development Authority (DDA):** Attention to the business corridor, and continued efforts to obtain federal funding for streetscape improvements when Southfield Road is reconstructed and work with developers to re-develop the Village Center District. The work of the DDA in exploring a Public/Private Partnership to redevelop the Annie Lathrup School is promising and would serve as a great catalyst in reaching our vision. The DDA and the City Administrator continue to build alliances and relationships with our valued business and property owners. The DDA was successful in 2018 in attracting Hortulus, a pop-up garden center as a new business attraction that is located in the parking lot of the Annie Lathrup School property. The DDA is also re-instituting the Sign Grant Program and Façade Grant Program to enhance the appearance of the business corridor.
- **Recreation:** The City of Lathrup Village recently hired a new Recreation Director in April 2018. The new director is very excited to expand recreational opportunities, including the popular Summer in the Village, Food Truck Fridays, Music in the Park, multiple seasonal events, BBQ cook off between various police and fire departments, and Art in the Park. The Recreation Master Plan is scheduled for updating in the coming year. Lathrup's community room usage has increased dramatically as our economy improves and our community room is rediscovered as a less expensive alternative to banquet halls.
- **Farmers Market:** This will be the 7th year for the Market. The market has already successfully increased its number of vendors and attendees this year. Since 2013, our Market has been one of the few in Oakland County to accept EBT cards to bolster access to fresh fruits and vegetables to those in need. The program is expanded to include music concerts following the market hours.
- **Community Engagement:** All residents are key stakeholders and it is imperative to seek feedback, particularly when new development or changes are being considered. The City of Lathrup Village adopted a Public Participation Plan in 2014. The objectives include: making information available in a timely manner to ensure that interested parties and community stakeholders have adequate time to be involved in decisions at various stages of the review and approval process. The City of Lathrup Village continues to work to make sure that information is transparent and easy to access for all interested members of the community. Going forward, we will continue to find creative ways to reach a diverse set of community stakeholders in decisions regarding planning, land use, and development. Recent Town Hall meetings focused on Marijuana Facility Licensing and the Southfield Sinking Fund Millage.

Since our community is "built-out," the City's focus must be on the redevelopment of our existing building stock and the exploration of new investments in our community. This is the only option for the City if it is to regain its losses and sustain our high level of service provision. With the certification as a Redevelopment Ready Community, the completion of the 2014 Master Plan Update, our 2010 Zoning Code, and the DDA's Redevelopment Plan, the City's path and intent are clear. A major

goal and focus of the City will be to continue to push for the redevelopment of our Southfield Corridor, as a vibrant and thriving commercial district is essential to the future success of the entire community. The City must welcome future developments and approach investment with a clear and fair consideration.

The City of Lathrup Village's City Council is to be commended for their dedication to this community and sound budgetary and policy decision-making. While there may have been some challenges in the past, our community has a solid history of effectively adapting as challenges have occurred. It is important now that the City Council works closely with the City Administration to be more proactive in identifying new opportunities and seeking solutions to address the future needs of the community, including long-term infrastructure needs as well as determining what level of services are affordable and most beneficial to the quality of life in the City of Lathrup Village.

Respectfully,

A handwritten signature in black ink, reading "Sheryl L. Mitchell". The signature is fluid and cursive, with the first name "Sheryl" being more prominent and the last name "Mitchell" following in a similar style.

Dr. Sheryl L. Mitchell
Lathrup Village City Administrator

CITY OF LATHRUP VILLAGE

ANNUAL FISCAL RESOLUTIONS

Fiscal Year 2019- 2020

(1) RESOLUTION ADOPTING BUDGET

WHEREAS, the City Administrator has prepared and submitted to the City Council a recommended budget covering the next fiscal year, a public hearing has been held after due notice, and all other Charter requirements for the adoption of an annual budget have been met; and

WHEREAS, a Proposed Budget has been studied, reviewed, modified, reduced to writing, and filed with the City Clerk, which meets with the approval of the City Council and is now ready for adoption in final form;

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby adopt the Proposed Budget now on file with the City Clerk, and has been modified to date as being the Budget of the City of Lathrup Village for the fiscal year commencing on July 1, 2019; and

BE IT FURTHER RESOLVED that the City Clerk be directed to date and initial such budget document for purposes of identification.

(2) GENERAL PURPOSES TAX LEVY

WHEREAS, the City Council has approved a budget document for the next fiscal year and it is necessary to provide a levy of the amounts necessary to be raised by general ad valorem taxes on property for general municipal purposes;

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby levy an annual ad valorem tax for the fiscal year commencing on the next July 1st upon all real and personal property subject to such taxation within the City at the rate of 18.5172 mills upon each dollar of State Taxable Valuation assessed thereon according to law (such levy being calculated to raise the sum of \$2,693,123 more or less) to be used for general municipal purposes; that this levy is made pursuant to the authority of Section 9.1 of the Charter and is exclusive of, and in addition to, all other special purpose levies for such year.

(3) REFUSE COLLECTION AND DISPOSAL TAX LEVY

WHEREAS, the City Council has approved a budget document for the next fiscal year and it is necessary to provide a levy of the amounts necessary to be raised by general ad valorem taxes on property to defray the costs of collecting and disposing of "garbage" (in this City termed "refuse"),

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby levy an annual ad valorem tax for the fiscal year commencing on the next July 1st upon all real and personal property subject to such taxation within the City at the rate of 2.7775 mills upon each dollar of State Taxable Valuation assessed thereon according to law (such levy being calculated to raise the sum of \$403,957 more or less) to be used to pay the cost of establishing and maintaining a system for the collection and disposal of refuse; that this levy is made pursuant to the statutes in such case made and provided, and specifically 1917 PA 298, 1947 PA 179, and MSA 5.2681, all as amended to date.

(4) DOWNTOWN DEVELOPMENT AUTHORITY

WHEREAS, the City council has adopted a budget for the next fiscal year and it is necessary to provide a levy of the amounts necessary to be raised by general ad valorem taxes on property within the City's Downtown Development Authority District, as recommended and submitted by the Downtown Development Authority;

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby levy an annual ad valorem tax for the fiscal year commencing on the next July 1st upon all real and personal property subject to such taxation within the Downtown Development Authority District at a rate of 1.8823 mills upon each dollar of State Taxable Valuation assessed thereon according to law (such levy being calculated to raise the sum of \$45,000 more or less) to be used exclusively for Downtown Development Authority purposes.

(5) ANNUAL APPROPRIATIONS RESOLUTION

WHEREAS, the City Council has adopted a budget for the next fiscal year which is now on file with the City Clerk,

NOW, THEREFORE, BE IT RESOLVED that the Council does hereby appropriate the following sums for the following purposes for the fiscal year commencing the next July 1st:

Government Services & Library	\$ 523,179
Administration	\$ 644,007
Buildings and Grounds	\$ 119,928
Public Safety	\$2,157,045
Public Services/Refuse	\$ 525,749
Recreation	\$ 96,463
Contingencies/Capital Reserves	\$ 306,762
Major Streets	\$ 375,573
Local Streets	\$ 481,941
Water	\$1,189,611
Sewer	\$1,550,598
Debt Service	\$ 124,002
Capital Acquisitions	\$ 112,950
Downtown Development Authority	\$ 200,686
Total	\$8,408,494

GENERAL FUND REVENUES

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GENERAL FUND REVENUES

The one budgetary Fund that everyone can easily identify with is the General Fund due to its reliance on local property taxes, in the form of authorized and approved millage, as the largest source of revenues. The only other Fund that currently requires a millage levy is the Debt Service Fund. As with past fiscal year budgets, you will see references to the Debt Service Fund in this section as it pertains to its relationship to overall millage rate considerations. The actual narrative for the Debt Service Fund can be found under its respective bookmark within this budget.

The City's General Fund revenues are derived from three main sources; local property taxes, state shared revenues, and the catch-all "other revenues" category. A discussion of each follows:

LOCAL PROPERTY TAXES (MILLAGE):

Local property taxes are the inevitable consequences of living in and owning property within a City, Village, or Township (CVT). In these localities the CVT's local property tax is usually combined with other property based taxes such as school districts, county government, intermediate school district, and community colleges. In most cases, it is the CVT that has the responsibility of collecting and distributing all locally based property taxes. This responsibility, in many cases, causes confusion as to what percentage of the local property tax is paid for CVT's operations versus those paid for other taxing units services. Such is the case within Lathrup Village.

Property tax based revenues are a derivative of the City's total Taxable Value. **The Taxable Value (TV) for 2019 has increased approximately 8.7%.** The 2019 taxable value shown is the post-Board of Review figure.

Assessed Vs. Taxable Values			
Fiscal Year	Assessed Values	Taxable Values	Gap
2018-19	182,275,410	133,716,300	48,559,110
2019-20	206,012,170	145,439,540	60,572,630

The reason for the Taxable Value increase of 8.7% is due to several factors, which will be discussed below. Graphic representations of our taxable value breakdown can be found in this section, referred to as TAXABLE VALUE (TV) REVIEW. Additional graphs provide visual depictions of TV categories. The City's total taxable value is based on three (3) categories of property - residential, commercial, and personal.

Residential Property

The Oakland County Equalization Division is a branch of Property Administration which determines Assessed and Taxable Values on properties to generate taxes for each municipality in Oakland County. The Oakland County Equalization Division provides Assessing Services for 32 Cities and Townships in Oakland County with the City of Lathrup Village being one of the 32 communities. According to the Equalization Office, Lathrup Village has 1,760 Real Residential Parcels of which have increased in the Assessed Value by 10.63%. The County, for the sixth year

in a row, used a one-year sales study versus the two-year average it had used in the past in determining values. With a slow to moderate rebounding economy and the recent resurgence of home buying, the County thought it would be fairer to taxpayers to use the one-year study.

A large number of properties have become uncapped over the last few years meaning many of Lathrup's homes have assessed values that equal taxable value. Following is a 14-year breakdown by year of homes that have sold:

Year	# of homes sold
2018	71
2017	69
2016	74
2015	117
2014	131
2013	123
2012	52
2011	61
2010	47
2009	77
2008	53
2007	81
2006	37
2005	84

In 2018, Lathrup Village had one (1) foreclosure. This is compared to 2016, with three (3) foreclosures; two (2) in 2015; five (5) in 2014; and sixteen (16) in 2013. Known as a residential community, it is reassuring to see all the numbers going in the right direction as reflected in the above data.

Commercial Property

According to the Oakland County Equalization Office, Lathrup Village has a total of 107 Real Commercial Parcels and Zero (0) Industrial Parcels. Typically, Commercial property will lag behind Residential properties by two years. If a community has a Tax Increment Financing District/Authority as is the case with Lathrup Village, revenue forecasting for Capital Improvements often cannot keep pace with non TIF districts. Lathrup's Commercial Assessed Values have increased a total of 5.36% taking into account all data collected to January 2019 compared to the 10.63% in Residential Assessed Values. The average 2019 Commercial Value change for Oakland County is 5.94% with Lathrup Village reflecting 5.36%. This reflects the importance of maintaining a continued focus on Lathrup's business district. Redevelopment in our commercial areas cannot be stressed enough as it is paramount to the City's viability moving forward.

Personal Property

The final category of taxable value is Personal Property. Personal property is the value placed on property found within a business, such as computers and copy machines, etc. The personal property taxable value has increased by 12.239%. This increase was primarily related to the addition at the Michigan First Credit Union. Proposal 1 of 2014, ended the collection of the Personal Property Tax and capped the values at their 2012 levels. The Equalization Division of Oakland

County, who we contract with for assessing services, audits all affidavits to verify that all personal property is appropriately assessed.

Millage Rate

The adopted millage rate for the Fiscal Year 2019-20 is 21.2947 mills representing a decrease of 0.5059 mill. In comparison, the adopted millage rate for the Fiscal Year 2018-2019 was 21.8006 mills. The total millage rate is comprised of General Operating, Refuse, Library, Streets and Debt Service. Total revenues from all tax and tax related categories are projected to come in at \$3,210,580, representing an increase of \$293,283. As discussed in a previous section, the Headlee Amendment to the Michigan Constitution has driven down our General Operating millage from 19.8320 in FY 15-16 to 18.5172 in FY 2019-20. For the purpose of forecasting revenues for Fiscal Year 2019-2020, the “Taxable Value” was calculated at \$145,439.00. The chart below calculates the loss in revenue attributed to the Headlee Amendment. The two spreadsheets entitled “Millage Rate Breakdown and Resulting Revenues 19-20” are found under this bookmark. You can review the estimated change in values and revenues in this chart and other graphs that list the projected millage rates for each category as well as the resulting revenue.

Maximum Millage Rate					
FY	General Operating	Refuse	MRF	Taxable Value	Cost to City
2012	20.0000	3.0000	1.0000	\$ 128,411.81	N/A
2013	20.0000	3.0000	1.0000	\$ 121,626.47	N/A
2014	20.0000	3.0000	1.0000	\$ 117,882.63	N/A
2015	20.0000	3.0000	1.0000	\$ 120,560.08	N/A
2016	19.8320	2.9748	0.9916	\$ 122,069.08	\$ 23,583.75
2017	19.7269	2.9590	0.9947	\$ 125,854.28	\$ 39,527.81
2018	18.9571	2.8435	0.9801	\$ 133,716.30	\$ 160,379.33
2019	18.5172	2.7775	0.9768	\$ 145,439.54	\$ 248,013.57

STATE SHARED REVENUES:

The second category of General Fund Revenues is State Shared Revenues. With Public Act 252 of 2014, the state replaced the Economic and Vitality Incentive Program (EVIP) program with City, Village, Township Revenue Sharing (CVTRS) in an attempt to increase the annual statutory appropriation of Revenue Sharing to Local Government.

Revenues from the State Revenue Sharing Program are projected to total \$416,425 for FY 2019-2020. This is compared to \$389,269 in FY 2018-2019, representing a 1.05% increase.

OTHER REVENUES:

The Other Revenues category represents a collection of revenues from smaller individual sources. The majority of revenues in this category are fees raised through local activity. For example, all building related permit fees, recreation fees, community room rental fees, cable franchise fees, and police fees are included in this area. For a complete description of each line item in this revenue category, please see the definitions under this section. For FY2019-2020, “Other Revenue” from all sources total \$746,356, as compared to \$745,756 for FY 2018-2019. The difference between FY 2018-2019 is an increase of \$600.

CONCLUSION:

Based on the above narrative for the three categories of revenues (Local Property Taxes/Millage, State Shared Revenues and Other Revenues), the total General Fund Revenues for the Fiscal Year 2019-2020 are projected at \$4,373,361. This is an increase of \$321,039 over the estimated FY 2018-2019 budget. The projected millage rate of 21.2947 is projected to provide sufficient revenues to fund all of our General Fund Expenditure activities to include the council directive to continue funding for our annual street resurfacing program, highlighting City Council’s commitment to infrastructure and street repair. The FY 2019-2020 budget plan continues all services previously provided in the FY 2018-2019 budget plan.

During the budget development process, each expenditure is analyzed closely to determine their relevance to the desired objective and how they fit with the City’s expected revenue source. Understanding these revenue sources is an essential piece in producing an accurate and successful budget. The City will continue to partner with other political entities in an attempt to decrease expenditures while maintaining high levels of governmental service. The FY 2019-20 budget and millage rates are on par with the past several budgets; this itself is an indicator of economic stability that should reassure City leaders that there will be available monies to cover outlined expenditures.

The combination of Proposal A and the Headlee Amendment continue to plague municipal budgets statewide; Lathrup Village feels the negative effects of this legislation as well. It is important that we continue to be mindful of how we provide services in the future. Our history has been one in which we have been able to address issues proactively. Having to address issues on a crisis basis never produces a quality end product. For this reason alone, we should continue our examination to adequately prepare for the future of our community.

GENERAL FUND REVENUES

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the General Fund Revenues section of the budget.

General Operating Tax: Reflects the tax levied on all property within the City and is unrestricted revenue that can be used for any budgetary purpose.

Public Safety Tax: Reflects the tax based on a combination of three (3) separate police tax rates. The three rates comprise the voter approved rates in 1974, 1985, and 1992. While the total revenues raised are not sufficient to cover the entire public safety operation, this tax is exclusively used for police and fire operations.

Refuse Collection: Reflects the tax based on the cost for all refuse collection and disposal operations. Included is funding for the collection and disposal of all categories of refuse as well as our leaf pickup program.

Library: Reflects the tax levied to pay for the cost of library services through the City of Southfield.

Streets: Reflects the tax levied to pay for the cost of our annual street resurfacing program.

Administrative Fees: As the collection agency for all units of government levying taxes on property, we are allowed to charge a one (1%) percent administrative fee on taxes collected on behalf of taxing agencies. This is to compensate the City for the administrative time to collect, account for, and forward all monies to each taxing agency.

Interest & Penalties: Reflects the revenue related to those property taxpayers who do not pay their taxes within the allowable time period.

State Shared Revenues: Reflects the Constitutional State Revenue Sharing and EVIP program that distributes state collected sales tax to local governments as unrestricted revenues.

Federal & State Grants: Reflects the receipt of any grant funds from federal or state sources.

Other Revenues:

The following is a breakdown and definition for each line item under this category:

Miscellaneous: Reflects a catch-all category for unexpected revenues that are received for which there is no specific line item established. An example would be the sale of surplus vehicles, one time payments, etc.

Investment Interest: Reflects the interest earned through the investment of excess funds in statutorily approved investments.

Workers Compensation Dividend: Reflects a return of funds from the Michigan Municipal League Workers Compensation Fund to all participating members. The level of return is based on the approved dividend by the workers compensation Board of Directors and is returned to participating members based on a percentage of premiums paid.

Building Permits: Reflects fees received for issuance of building permits.

Zoning, Site Plan, Special Use Permits: Reflects fees received for applications to the City for exceptions to our zoning ordinance. This may involve appearances before the Zoning Board of Appeals or the City Council.

Plumbing and/or Heating Permits: Reflects fees received for issuance of plumbing and heating permits.

Electrical Permits: Reflects fees received for issuance of electrical permits.

Licenses and Registrations: Reflects fees collected for the licensing and registration of contractors doing work in the City.

Dog and Cat Licenses: Reflects fees for registering and licensing dogs and cats in the City.

Cable TV Franchise Fees: Reflects fees received from Media One based on an approved franchise agreement that allows the provision of cable services for the City.

Michigan Job Training Council Funds: Reflects revenue from the State of Michigan for justice related training programs for police department employees.

SMART Municipal Credits: Reflects funds received through the State of Michigan Act 51 Municipal Credit funding program for transportation related activities. This is used to offset the cost for bus transportation services within the Recreation Department.

District Court Fines: Reflects fees that are returned to the City through the District Court as our percentage of ticket related fines and fees.

Community Development Block Grants: Reflects reimbursements made to the City through our participation in the Oakland County program. Funds are distributed to the County from the federal government.

Sidewalk Permits and Repairs: Reflects fees from permits to repair or replace sidewalks. Also included is revenue from the annual sidewalk replacement program.

Nextel Lease: Reflects a line item used to show the lease payments from Nextel for the cell tower at the DPS Building and the Red River/11 Mile Site.

AT & T Lease: Reflects a line item used to show the lease payments from AT & T Wireless for the cell tower at the DPS Building. (These payments are generated from AT&T, T-Mobile and Metro-PCS.)

American Tower/Metro PCS Lease: Reflects a line item used to show the lease payments from American Tower. (These payments are generated from AT&T and Metro PCS.)

Water Fund Lease of DPS Building: Reflects a fee charged to the Water and Sewer fund for the use of the DPS building.

Equipment Rentals - Brush Chipping: Reflects fees collected for the City's brush chipping program.

Road Funds Lease of DPS Building: Reflects a fee charged to the major and local street fund for the use of the DPS building.

Retirees Spouse Medical Coverage: Reflects the fact that the City provided medical coverage for retirees who retired before 1999. If the retiree wished to cover a spouse then they must pay for the coverage. This line item reflects these payments.

Recreation Fees: Reflects all fees collected for recreation activities.

Tree Sales, Wood Chip Sales: Reflects fees collected for the replacement of right-of-way trees.

Community Center Rental: Reflects the net fees received for the rental of space within the Municipal Building.

Police Charges for Services: Reflects fees charged by the Police Department for copies of police reports, alarm fees, weapons permits, and overtime reimbursement by the school system for school events.

Donations: Reflects donations received from community groups, businesses, etc.

DTE Energy: Reflects a refund of monies for an overcharge on non-used meters.

SOCRRA Refund: Reflects a refund of monies from the sale of excess property.

Millage Rate Breakdown and Resulting Revenues

MILLAGE RATE BREAKDOWN AND RESULTING REVENUES - 19-20

MILLAGE TYPE	AUTHORIZED MAXIMUM	18-19 HEADLEE MAXIMUM	19-20 HEADLEE MAXIMUM	F.Y. 18-19	F.Y. 19-20	REVENUE PRODUCED	REVENUE NEEDED	DIFFERENCE
General Operating	19.0000	17.9571	17.5172	16.8264	16.1846	2,353,872	2,353,645	227
General Op Sewer				0.0000	0.0000	0	0	0
General Surplus				0.0000	0.0000	0	0	0
Streets				1.1307	1.3326	193,812	193,812	0
Total	19.0000	17.9571	17.5172	17.9571	17.5172	2,547,684	2,547,458	226
Refuse	3.0000	2.8435	2.7775	2.8435	2.7775	403,957	366,500	37,457
Library	1.0000	1.0000	1.0000	1.0000	1.0000	145,439	145,439	0
Debt Service	N/A	N/A	N/A	0.0000	0.0000	0	0	0
TOTALS	23.0000	21.8006	21.2947	21.8006	21.2947	3,097,080	3,059,395	37,685

MILLAGE RATE BREAKDOWN AND RESULTING REVENUES - 19-20

MILLAGE TYPE	AUTHORIZED MAXIMUM	18-19 HEADLEE MAXIMUM	19-20 HEADLEE MAXIMUM	F.Y. 18-19	F.Y. 19-20	REVENUE PRODUCED	REVENUE NEEDED	DIFFERENCE
General Operating	20.0000	18.9571	18.5172	18.9571	18.5172	2,693,123	2,692,897	226
Refuse	3.0000	2.8435	2.7775	2.8435	2.7775	403,957	366,500	37,457
Debt Service	N/A	N/A	N/A	0.0000	0.0000	0	0	0
TOTALS	23.0000	21.8006	21.2947	21.8006	21.2947	3,097,080	3,059,396	37,683

Taxable Value Calculation:

\$ 145,439

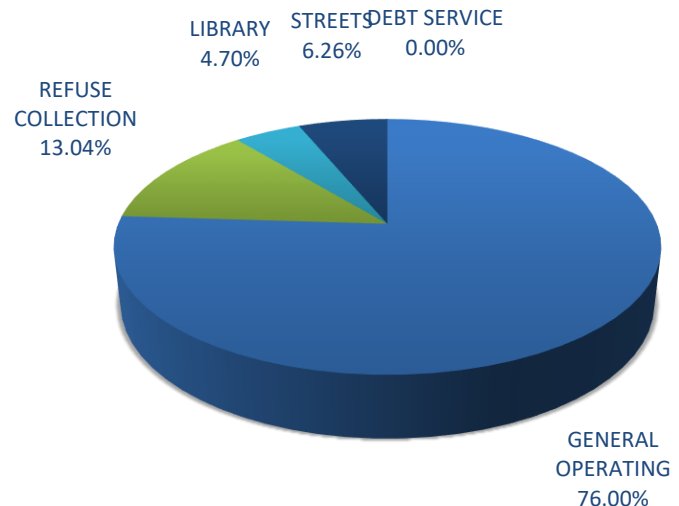
TAX GENERATED REVENUE

FY 2019-20

Based on Taxable Value (TV) of \$145,439,000

TAX TYPE	\$ AMOUNT	MILLAGE
GENERAL OPERATING	2,353,872	16.1846
REFUSE COLLECTION	403,957	2.7775
LIBRARY	145,439	1.0000
STREETS	193,812	1.3326
DEBT SERVICE	0	0.0000
TOTAL	3,097,080	21.2947

TAX GENERATED REVENUE - FY 19-20

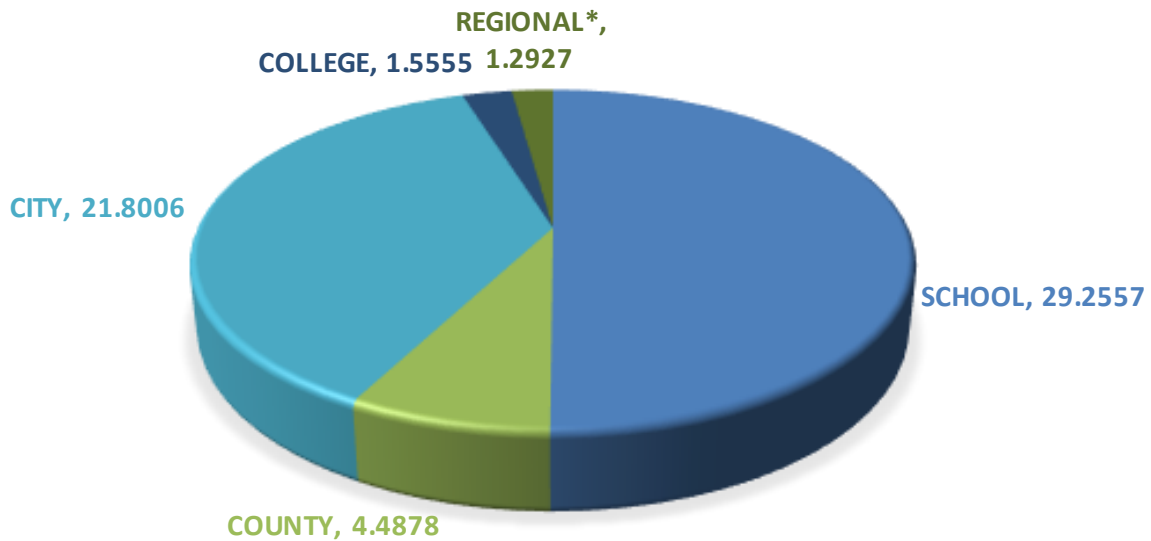


MILLAGE RATES

ALL TAXING UNITS 2018

TAXING UNIT	MILLAGE RATE	%
SCHOOL	29.2557	50.10%
COUNTY	4.4878	7.69%
CITY	21.8006	37.33%
COLLEGE	1.5555	2.66%
REGIONAL*	1.2927	2.21%
TOTAL	58.3923	1.0000

MILLAGE RATES - ALL TAXING UNITS



* Includes SMART, Zoo, and DIA millage

TAXABLE VALUES SOURCES

Based on the figures submitted from the Oakland County Equalization Department the total increase in the taxable value for all catagories is 8.767%. The figures listed represent the post-Board of Review figures. For Budget calculations I have used a taxable value of \$145,439,540.000

TV TYPE	2018	2019	% INC.
RESIDENTIAL	106,367,420	112,218,000	5.500%
COMMERCIAL	23,098,470	28,450,920	23.172%
PERSONAL	4,250,410	4,770,620	12.239%
TOTAL	133,716,300	145,439,540	8.767%

TV REVIEW FY 2019-20 PROJECTIONS

10 YEAR HISTORY OF TV CHANGES

YEAR	RESIDENTIAL	COMMERCIAL	PERSONAL	TOTAL	% INC.
2019	112,218,000	28,450,920	4,770,620	145,439,540	8.767%
2018	106,367,420	23,098,470	4,250,410	133,716,300	6.247%
2017	101,683,640	19,820,550	4,350,090	125,854,280	3.101%
2016	98,151,510	19,371,700	4,545,870	122,069,080	1.252%
2015	96,566,360	19,702,790	4,290,930	120,560,080	2.271%
2014	94,026,540	19,537,620	4,318,470	117,882,630	-3.078%
2013	94,094,270	23,396,140	4,136,060	121,626,470	-5.284%
2012	99,634,959	24,911,721	3,865,130	128,411,810	-5.206%
2011	104,286,120	27,157,660	4,019,900	135,463,680	-19.242%
2010	134,283,600	29,205,630	4,250,420	167,739,650	

INDIVIDUAL TAXABLE VALUE COMPONENT REVIEW

YEAR	RESIDENTIAL	% INC.
2019	112,218,000	5.500%
2018	106,367,420	4.606%
2017	101,683,640	3.599%
2016	98,151,510	1.642%
2015	96,566,360	2.701%
2014	94,026,540	1.848%
2013	92,320,400	-1.885%
2012	94,094,270	-5.561%
2011	99,634,959	-4.460%
2010	104,286,120	

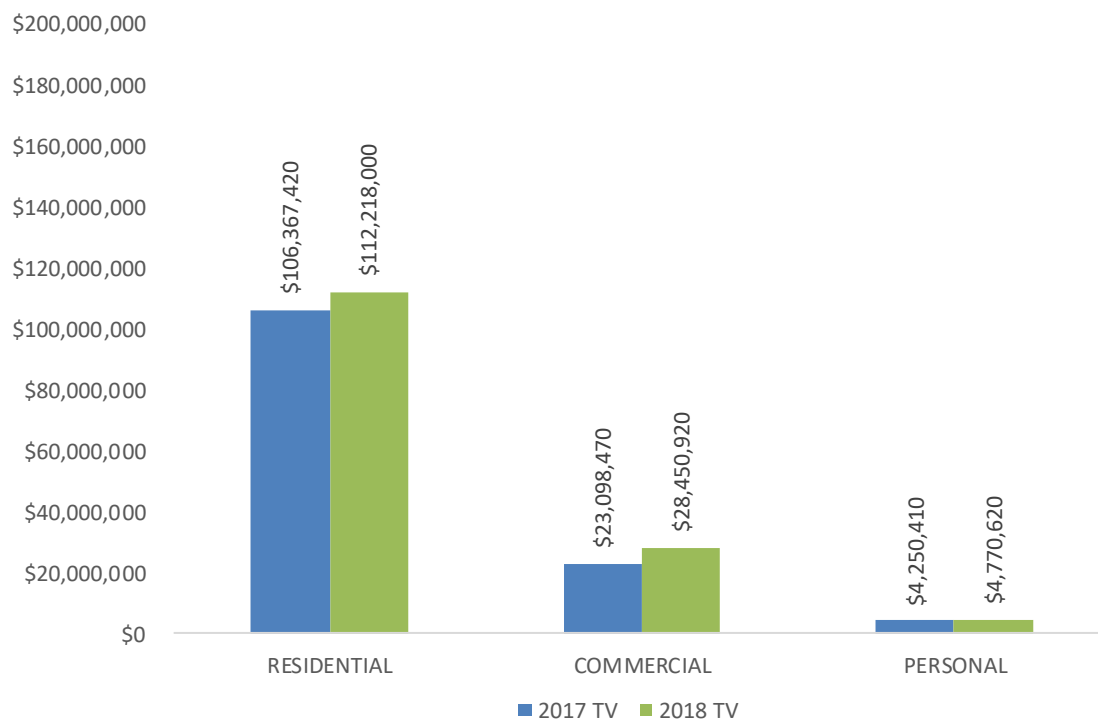
YEAR	COMMERCIAL	% INC.
2019	28,450,920	23.172%
2018	23,098,470	16.538%
2017	19,820,550	2.317%
2016	19,371,700	-1.680%
2015	19,702,790	0.845%
2014	19,537,620	-4.169%
2013	20,387,510	-12.860%
2012	23,396,140	-6.084%
2011	24,911,721	-8.270%
2010	27,157,660	

YEAR	PERSONAL	% INC.
2019	4,770,620	12.239%
2018	4,250,410	-2.291%
2017	4,350,090	-4.307%
2016	4,545,870	5.941%
2015	4,290,930	-0.638%
2014	4,318,470	4.283%
2013	4,141,090	0.122%
2012	4,136,060	7.010%
2011	3,865,130	

TAXABLE VALUE COMPARISON FY 2018-2019 TO FY 2019-2020

TV TYPE	2017 TV	2018 TV	% INC.
RESIDENTIAL	\$106,367,420	\$112,218,000	5.50%
COMMERCIAL	\$23,098,470	\$28,450,920	23.17%
PERSONAL	\$4,250,410	\$4,770,620	12.24%
TOTAL	\$133,716,300	\$145,439,540	8.77%

TAXABLE VALUE COMPARISON FY 2018-2019 TO FY 2019-2020



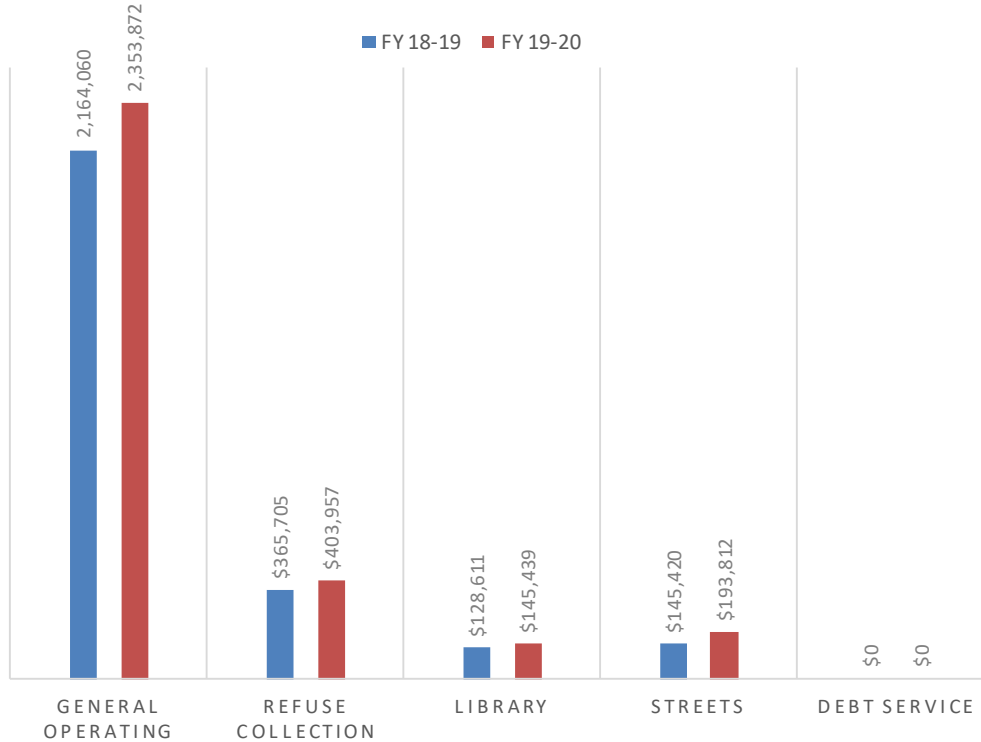
TAX GENERATED REVENUE COMPARISON

FY 2018-2019 TO FY 2019-2020

BASED ON MILLAGE RATE OF 21.2947

TAX TYPE	FY 18-19	FY 19-20	\$ INC.	% INC.
GENERAL OPERATING	2,164,060	2,353,872	\$189,812	8.77%
REFUSE COLLECTION	\$365,705	\$403,957	\$38,252	10.46%
LIBRARY	\$128,611	\$145,439	\$16,828	13.08%
STREETS	\$145,420	\$193,812	\$48,392	33.28%
DEBT SERVICE	\$0	\$0	\$0	
TOTAL	\$2,803,796	\$3,097,080	\$293,284	10.46%

TAX GENERATED REVENUE COMPARISON FY 18-19 TO FY 19-20



REVENUE SOURCES BY FUND AND SOURCE

CITY OF LATHRUP VILLAGE SUMMARY OF REVENUES BY FUND AND SOURCE FY 2019-20

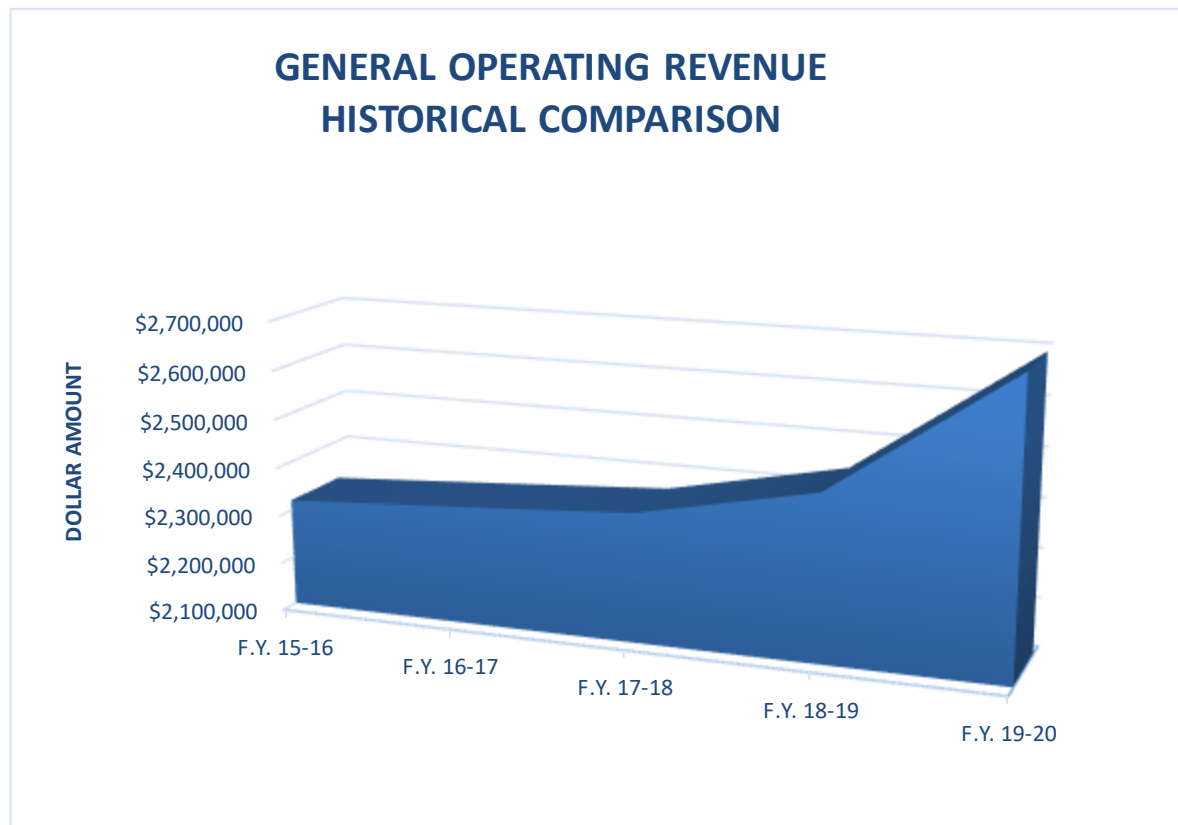
FUND/ACTIVITY	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
GENERAL FUND						
BEGINNING FUND BALANCE	1,397,794	1,467,326	1,467,326	1,467,326	1,721,919	254,593
TAXES:						
General Operating	2,363,065	2,438,092	2,438,092	2,327,062	2,693,123	255,031
Public Safety	-	-	-	-	-	-
Refuse Collection	354,614	365,705	365,705	350,404	403,957	38,252
Library	-	-	-	-	-	-
Streets	-	-	-	-	-	-
Administrative Fee	74,430	75,000	75,000	73,127	75,000	-
Tax Penalties	34,308	38,500	38,500	10,176	38,500	-
Total - Taxes	2,826,417	2,917,297	2,917,297	2,760,769	3,210,580	293,283
STATE SHARED REVENUE	384,909	389,269	389,269	273,493	416,425	27,156
FEDERAL AND STATE GRANTS	-	-	-	-	-	-
OTHER REVENUE	692,127	745,756	706,551	460,431	746,356	600
TRANSFER - OTHER FUNDS	-	-	-	-	-	-
Total Resources Available	5,301,247	5,519,648	5,480,443	4,962,020	6,095,280	575,632
REVENUES NEEDED	3,903,453	4,052,322	4,013,117	3,494,694	4,373,361	321,039
EXPENDITURES	3,833,918	4,049,771	3,758,524	2,652,096	4,373,133	323,362
OPERATING TRANSFERS OUT						-
FUND BALANCE NEEDED	69,535	2,551	254,593	842,598	227	(2,324)
ENDING FUND BALANCE	1,467,326	1,469,877	1,721,919		1,722,146	
MAJOR STREETS	295,607	313,214	313,214	149,738	386,386	73,172
LOCAL STREETS	314,191	317,047	371,406	350,936	510,070	193,023
WATER	773,237	860,233	860,233	494,983	857,359	(2,874)
SEWER	1,385,084	1,584,934	1,584,934	965,064	1,550,470	(34,464)
CAPITAL ACQUISITIONS	83,500	94,100	94,100	95,240	113,350	19,250
Total - All Operating Funds	6,755,072	7,221,850	7,237,004	5,550,655	7,790,996	569,146

GENERAL FUND	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Miscellaneous	8,540	12,000	12,000	9,119	12,000	0
Delq Personal Property Revenue	8,039	7,000	7,000	5,636	7,000	0
Investment Interest	21,686	16,000	19,000	20,630	20,000	4,000
Spec Assesment - Eldorado	7,746	-	-	-	-	0
Workers Compensation Dividend	571	-	-	-	-	0
Property & Liability Dividend Rev	7,084	8,200	6,716	6,716	6,500	(1,700)
Building Permits	60,866	65,000	105,000	55,803	95,000	30,000
Employee Benefit Contributions	28,312	30,000	28,000	-	28,000	(2,000)
Zoning, Site Plan, Special Use Permits	3,317	3,000	3,000	1,892	3,000	0
Plumbing and/or Heating Permits	19,746	16,000	30,000	23,645	24,500	8,500
Electrical Permits	14,469	20,000	16,000	10,917	16,000	(4,000)
Licenses & Registrations	10,215	9,000	9,000	4,745	9,000	0
Dog & Cat Licenses	1,492	1,000	900	587	1,000	0
Cable TV Franchise Fees	116,186	120,000	120,000	87,784	120,000	0
Michigan Job Training Council Funds	-	-	929	929	800	800
SMART Municipal Credits	-	35,000	-	-	30,000	(5,000)
District Court Fines	79,245	125,000	100,000	58,032	125,000	0
Community Development Block Grants	3,143	3,000	12,000	4,248	4,000	1,000
Sidewalk Permits & Repairs	-	-	-	-	-	0
Nextel Lease	-	-	-	-	-	0
American Tower-Metro-PCS Lease	46,847	45,000	45,000	27,579	45,000	0
Water Fund Lease of DPS Building	4,917	4,917	4,917	4,917	4,917	0
Equipment Rentals - Brush Chipping	-	-	-	-	-	0
Road Funds Lease of DPS Building	1,639	1,639	1,639	1,639	1,639	0
Retirees Spouse Medical Coverage	68	-	-	-	-	0
Recreation Fees	26,240	50,000	15,000	11,339	20,000	(30,000)
Tree Sales, Woods Chips Sales	-	-	-	-	-	0
Community Center Rental	55,596	55,000	56,200	44,209	60,000	5,000
Police Forfeitures Rev - State	-	-	-	-	-	0
Police Forfeitures Rev - Federal	-	-	-	-	-	0
Police Charges for Services	11,220	15,000	12,000	8,497	15,000	0
AT & T Lease	58,232	55,000	55,000	40,593	55,000	0
Donations	13,500	13,000	14,250	14,250	8,000	(5,000)
Election Reimbursements	3,708	-	-	-	-	0
Public Service Reimbursement	18,331	21,000	18,000	-	20,000	(1,000)
Metro Authority Act Payment	15,440	15,000	15,000	-	15,000	0
Sale of Fixed Assets	2,750	-	-	627	-	0
Workers Comp Reimbursement	-	-	-	-	-	0
Insurance Reimbursement	7,527	-	-	6,888	-	0
Insurance Recoveries	35,455	-	-	9,212	-	0
Sale of Abandoned Property	-	-	-	-	-	0
SOCRRRA Refund	-	-	-	-	-	0
Code Enforcement Revenue	-	-	-	-	-	0
Total - Other Revenue	692,127	745,756	706,551	460,431	746,356	600

COMPARISON OF REVENUES ACROSS FISCAL YEARS

GENERAL OPERATING REVENUE HISTORICAL COMPARISON

TAXING YEAR	GENERAL OPERATING
F.Y. 14-15	\$ 2,059,843
F.Y. 15-16	\$ 2,320,128
F.Y. 16-17	\$ 2,341,182
F.Y. 17-18	\$ 2,363,065
F.Y. 18-19	\$ 2,438,092
F.Y. 19-20	\$ 2,693,123



COMPARISON OF ALL REVENUES

	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
PROPERTY TAXES							
City Operating	2,438,092	2,363,065	2,341,182	2,320,128	2,059,843	2,153,065	2,230,553
Public Safety	0	0	0		0	0	0
Refuse Collection	365,705	354,614	351,643	289,880	292,019	277,472	269,766
Library	0	0	0		0	0	0
Streets	0	0	0		0	0	0
Administrative Fee	75,000	74,430	72,830	69,222	68,793	73,305	75,055
Interest & Penalties	38,500	34,308	38,974	39,037	35,589	40,938	44,979
TOTAL - TAXES	2,917,297	2,826,417	2,804,629	2,657,448	2,456,244	2,544,780	2,620,353
STATE SHARED REVENUE	389,269	384,909	372,797	351,958	339,378	333,031	326,409
FEDERAL & STATE GRANTS	0	0	0	0	0	80,667	33,303
OTHER REVENUE	745,756	692,127	42	700,368	775,192	688,677	779,997
TRANSFER FROM OTHER FUNDS	0	0	0	0	0	0	0
TRANSFER FROM FUND BALANCE	0	0	0	0	0	0	0
TOTAL - GENERAL FUND	4,052,322	3,903,453	3,177,468	3,709,774	3,570,814	3,647,155	3,760,062
MAJOR STREETS	313,214	295,607	246,839	237,590	193,760	191,923	538,331
LOCAL STREETS	317,047	314,191	372,183	385,708	226,865	224,534	459,193
WATER	860,233	773,237	796,397	687,230	715,358	654,744	631,982
SEWER	1,584,934	1,385,084	1,426,027	1,029,986	1,327,732	1,099,006	831,784
DEBT SERVICE	83,500	83,500	0	316,816	456,859	421,456	382,561
Total - All Operating Funds	7,211,250	6,755,072	6,572,927	6,367,104	6,491,388	6,238,818	6,603,913

COMPARISON OF ALL REVENUES OTHER REVENUE	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Miscellaneous	12,000	8,540	4,790	13,082	18,384	12,886	12,901
Delq Personal Property Revenue	7,000	8,039	15,230	10,822	7,703	11,469	22,708
Investment Interest	16,000	21,686	16,147	9,723	4,618	2,767	3,587
Spec Assesment - Eldorado	0	7,746	8,893	10,041	10,614	11,188	11,762
Workers Compensation Dividend	0	571	0	0	0	4,875	0
Property Liability Div Revenue	8,200	7,084	8,256	10,129	10,729	10,463	0
Building Permits	65,000	60,866	85,747	38,939	45,084	22,283	29,212
Employee Benefit Contributions	30,000	28,312	31,334	39,251	41,641	14,581	6,760
Zoning, Site Plan, Special Use Permits	3,000	3,317	2,810	2,071	5,635	4,388	4,360
Plumbing and/or Heating Permits	16,000	19,746	13,580	10,890	12,505	9,030	11,404
Electrical Permits	20,000	14,469	10,588	7,661	8,086	7,187	6,133
Licenses & Registrations	9,000	10,215	7,955	7,150	10,438	10,300	10,310
Dog & Cat Licenses	1,000	1,492	1,383	1,162	1,409	1,273	1,459
Cable TV Franchise Fee	120,000	116,186	125,384	131,380	127,625	116,268	112,957
Michigan Job Training Council Funds	0	0	1,133	2,298	2,089	2,177	1,202
SMART Municipal Credits	35,000	0	0	1,995	4,086	3,985	1,991
District Court Fines	125,000	79,245	95,574	116,317	140,046	137,911	177,753
Community Development Block Grant	3,000	3,143	2,916	8,143	3,153	2,737	1,682
Sidewalk Permits & Repairs	0	0	0	0	0	0	0
Nextel Lease	0	0	0	11,823	26,979	36,985	33,120
American Tower-Metro-PCS Lease	45,000	46,847	36,934	36,965	35,822	35,257	35,257
Water Fund Lease of DPS Building	4,917	4,917	4,917	4,917	4,917	4,917	4,917
Equipment Rentals - Brush Chipping	0	0	78	321	457	240	684
Road Funds Lease of DPS Building	1,639	1,639	1,639	1,639	1,639	1,639	1,639
Retirees Spouse Medical Coverage	0	68	0	0	0	1,246	4,285
Recreation Fees	50,000	26,240	95,500	38,300	54,383	52,428	55,106
Tree Sales	0	0	0	0	0	700	140
Community Center Rental	55,000	55,596	31,169	29,187	31,710	29,280	39,500
Police Forfeitures State	0	0	14,932	34,989	44,349	45,324	0
Police Forfeitures Federal	0	0	0	0	0	900	0
Police Charges for Services	15,000	11,220	11,317	13,197	8,152	12,191	40,338
AT & T Lease Payments	55,000	58,232	69,266	57,990	53,573	53,573	57,800
Donations	13,000	13,500	13,000	0	32,005	10,025	6,750
Election Reimbursements	0	3,708	3,233	0	2,427	0	53,573
Public Service Reimbursement	21,000	18,331	13,664	31,234	0	0	0
METRO Authority Act Payment	15,000	15,440	15,697	13,056	13,798	13,527	12,985
Sale of Fixed Assets	0	2,750	100	2,525	6,148	0	0
Workers Comp. Reimbursement	0	0	18,316	0	0	0	12,763
Insurance Reimbursement	0	7,527	3,304	3,155	4,939	4,508	2,678
Insurance Recoveries	0	35,455	0	0	0	0	0
Sale of Abandoned Property	0	0	0	0	0	0	0
SOCRRA Refund	0	0	42	18	48	169	2,280
Total - Other Revenue	745,756	692,127	764,828	700,370	775,191	688,677	779,996

LONG TERM FINANCIAL PLAN FORECASTS

LONG TERM FINANCIAL PLAN

GENERAL FUND REVENUE CATEGORY	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
PROPERTY TAXES							
General Operating	2,363,065	2,438,092	2,693,123	2,852,712	2,893,804	2,935,511	2,977,860
Public Safety							
Refuse Collection	354,614	365,705	403,957	427,888	434,046	440,230	454,242
Street Resurfacing							
Library							
SUBTOTAL ALL MILLAGE RELATED TAXES	2,717,679	2,803,797	3,097,080	3,280,600	3,327,850	3,375,741	3,432,102
Percentage Increase	6.610%	8.957%	13.960%	17.006%	7.451%	2.900%	3.133%

Administrative Fee	74,430	75,000	75,000	75,750	76,508	77,273	78,045
Tax Penalties	34,308	38,500	38,500	40,000	40,001	40,002	40,002
SUBTOTAL - OTHER TAX RELATED REVENUE	108,738	113,500	113,500	115,750	116,509	117,275	118,047

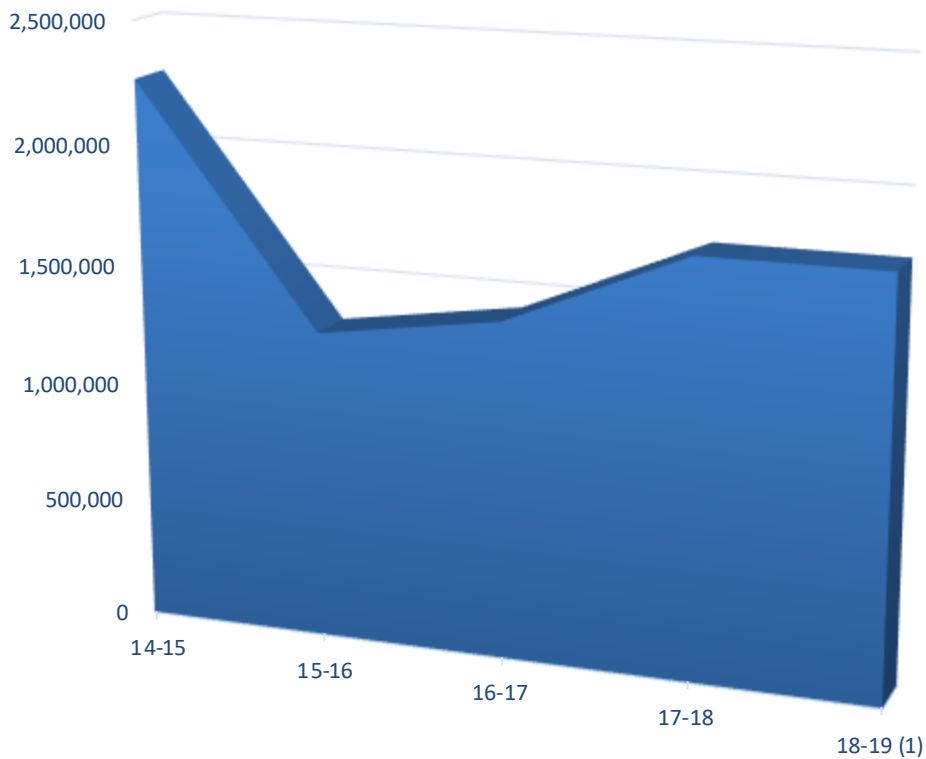
TOTAL PROPERTY TAXES	2,826,417	2,917,297	3,210,580	3,396,350	3,444,359	3,493,015	3,550,149
Percentage Increase	6.358%	8.954%	13.592%	16.421%	7.282%	2.846%	3.071%

FEDERAL AND STATE SOURCES	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
State Shared Revenue	384,909	389,269	416,425	420,589	424,795	429,043	433,334
Federal and State Grants							
TOTAL STATE SOURCES	384,909	389,269	416,425	420,589	424,795	429,043	433,334
Percentage Increase/Decrease	7.241%	1.133%	6.976%	1.000%	1.000%	1.000%	1.000%

LONG TERM FINANCIAL PLAN OTHER REVENUE SOURCES	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Miscellaneous	8,540	12,000	12,000	12,000	12,000	12,000	12,000
Investment Interest	21,686	16,000	20,000	20,400	20,808	21,224	21,649
Delq Personal Property Revenue	8,039	7,000	7,000	7,000	7,000	7,000	7,000
Workers Compensation Dividend	571	0	0	0	0	0	0
Building Permits	60,866	65,000	95,000	96,425	97,871	99,339	100,830
Special Assessment- Eldorado	7,746	0	0	0	0	0	0
Zoning, Site Plan, Special Use Permits	3,317	3,000	3,000	3,045	3,091	3,137	3,184
Plumbing and/or Heating Permits	19,746	16,000	24,500	24,868	25,241	25,619	26,003
Electrical Permits	14,469	20,000	16,000	16,240	16,484	16,731	16,982
Licenses and Registrations	10,215	9,000	9,000	9,000	9,000	9,000	9,000
Dog and Cat Licenses	1,492	1,000	1,000	1,000	1,000	1,000	1,000
Cable TV Franchise Fees	116,186	120,000	120,000	120,000	120,000	120,000	120,000
Michigan Job Training Council Funds	0	0	800	2,000	2,000	2,000	2,000
SMART Municipal Credits	0	35,000	30,000	7,000	7,000	7,000	7,000
District Court Fines	79,245	125,000	125,000	125,000	125,000	125,000	125,000
Community Development Block Grants	3,143	3,000	4,000	6,000	6,000	6,000	6,000
Sidewalk Permits and Repairs	0	0	0	0	0	0	0
Nextel Lease	0	0	0	0	0	0	0
Metro-PCS Lease	46,847	45,000	45,000	45,000	45,000	45,000	45,000
Water Fund Lease of DPS Building	4,917	4,917	4,917	4,917	4,917	4,917	4,917
Equipment Rentals - Brush Chipping	0	0	0	0	0	0	0
Road Funds Lease of DPS Building	1,639	1,639	1,639	1,639	1,639	1,639	1,639
Retirees Spouse Medical Coverage	68	0	0	0	0	0	0
Recreation Fees	26,240	50,000	20,000	20,000	20,000	20,000	20,000
Tree Sales, Wood Chip Sales	0	0	0	0	0	0	0
Community Center Rental	55,596	55,000	60,000	66,000	72,600	79,860	87,846
Police Charges for Services	11,220	15,000	15,000	15,000	15,000	15,000	15,000
AT & T Lease Payments	58,232	55,000	55,000	55,000	55,000	55,000	55,000
Donations	13,500	13,000	8,000	0	0	0	0
METRO Act Payments	15,440	15,000	15,000	14,000	14,000	14,000	14,000
Sale Of Fixed Assests	2,750	0	0	0	0	0	0
Property Liability Dividend	7,084	8,200	6,500	6,000	6,000	6,000	6,000
Workers Comp. Reimbursement	0	0	0	0	0	0	0
Insurance Reimbursement	7,527	0	0	0	0	0	0
Insurance Recoveries	35,455	0	0	0	0	0	0
Election Reimbursements	3,708	0	0	0	0	0	0
Police Forfeitures Rev - State	0	0	0	0	0	0	0
Police Forfeitures Rev - Federal	0	0	0	0	0	0	0
Sale of Abandoned Property	0	0	0	0	0	0	0
Employee Benefit Contributions	28,312	30,000	28,000	30,800	33,880	37,268	40,995
Public Services Reimbursement	18,331	21,000	20,000	21,000	21,000	21,000	21,000
SOCRRA Refund	0	0	0	0	0	0	0
TOTAL - OTHER REVENUES	692,124	745,756	746,356	729,334	741,530	754,735	769,044
LONG TERM FINANCIAL PLAN	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
SUB- TOTAL GENERAL FUND	3,903,450	4,052,322	4,373,361	4,546,273	4,610,684	4,676,793	4,752,527
TRANSFER/OTHER FUNDS	0	0	0	0	0	0	0
TOTAL GENERAL FUND REVENUES	3,903,450	4,052,322	4,373,361	4,546,273	4,610,684	4,676,793	4,752,527
Percentage Increase	473.173%	3.814%	7.922%	3.954%	1.417%	1.434%	1.619%

GENERAL FUND BALANCE STATEMENT

FISCAL YEAR	BEGINNING BALANCE	SURPLUS (REDUCTION)	ENDING BALANCE	BSF*	TOTAL BALANCE
19-20	1,721,919	227	1,722,146	0	1,722,146
18-19	1,397,794	254,593	1,721,919	0	1,721,919
17-18	1,283,485	28,875	1,397,794	0	1,397,794
16-17	2,265,451	(981,966)	1,283,485	0	1,283,485
15-16	2,429,899	(164,448)	2,265,451	0	2,265,451
14-15	2,537,400	(107,501)	2,429,899	0	2,429,899
13-14	2,379,871	157,529	2,537,400	0	2,537,400



GENERAL FUND EXPENDITURES

INDEX

BOOKMARK DESCRIPTION

NARRATIVE DESCRIPTION

SUMMARY OF ADOPTED EXPENDITURES

GENERAL FUND EXPENDITURES

GENERAL FUND EXPENDITURES - FY 18-19 TO FY 19-20

EXPENDITURES - ALL FUNDS

EXPENDITURES - ALL FUNDS - FY 18-19 TO FY 19-20

COMPARISON OF ALL EXPENDITURES

LONG TERM FINANCIAL PLAN

GENERAL FUND EXPENDITURES

Offsetting General Fund Revenues is the corresponding expenditure side. Revenues and expenditures will be balanced at \$4,373,133 with \$227 being moved into the General Fund Balance. Lathrup Village, like all municipalities, is required to submit a balanced budget. General Fund Expenditures cover the following operations:

- Government Services
- Administration
- Building and Grounds
- Police and Fire
- DPS - Leaf & Refuse Collection and Disposal
- Recreation
- Contingencies and Capital Needs

This bookmark provides a review of expenditures in summary fashion. There are charts and graphs within this tab that will show the relationship between budgets, comparisons of the last fiscal year to the projected fiscal year, the comparison of the General Fund to all funds, a six-year comparison of expenditures, and wage and fringe benefit information. **Overall General Fund Expenditures for the FY 2019-2020 are projected to increase by \$323,362, as compared with the FY 2018-2019 budget.** Specific details of all General Fund expenditures are found, and discussed, under each of the respective budgets.

In the preparation of expenditure projections, several tools are used. The first tool is to review the comparison of expenditures for each Department. This comparison looks at the historical record of actual costs over the last eight fiscal years. The second tool is to review the long-term financial plan to see how expenditures are tracking in relation to the plan.

As has been previously discussed, the value of our long-term financial plan was discussed during our preliminary budget discussions. Next, we review all of our labor and other contracts to determine the necessary funding to meet these obligations. Finally, we review any necessary adjustments that will provide enhancements to the operations of each Department. The sum of these tools results in expenditure projections that are as accurate as can be made for the fiscal year.

We have met our expenditures based on the projections contained in the revenues section of this budget and the use of fund balance. Despite the modest increase in Taxable Value, the expenditures for the FY 2019-20 budget were given great consideration as to how best to allocate resources during the budget year.

Our budget currently projects an increase in the level of funding for Lathrup Services, LLC, our contracted Department of Public Services, to add an additional staff member, with the expectation of providing a higher level of services for our residents. It also should be noted, Fire, EMS, Police Dispatch contract was negotiated at 0.00% for FY 2018-2019 and 2.00% for FY 2019-2020.

**CITY OF LATHRUP VILLAGE
SUMMARY OF EXPENDITURES BY FUND AND SOURCE
FY 2019-20**

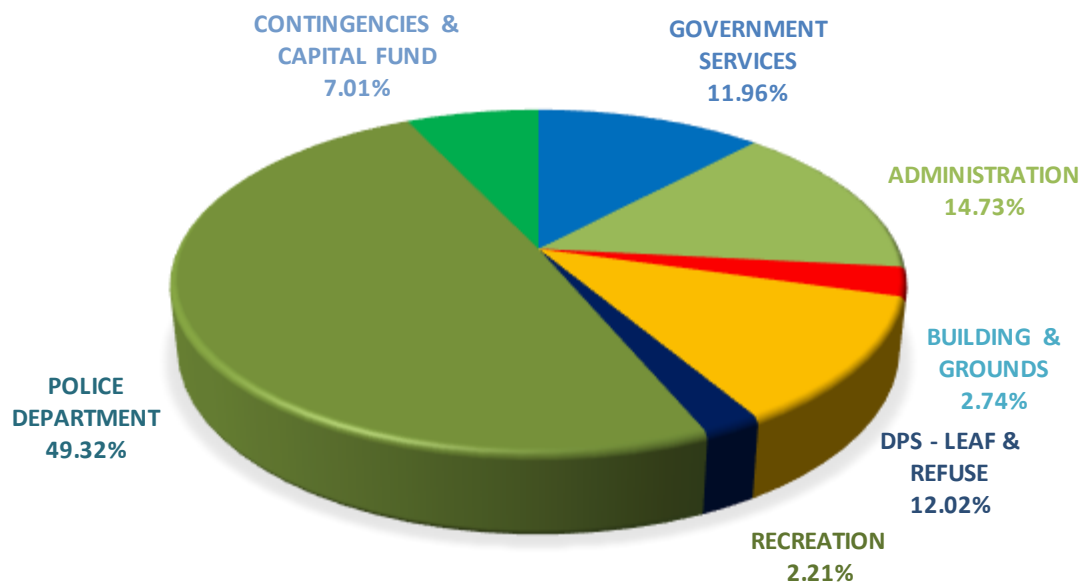
DEPARTMENT	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
GOVERNMENT SERVICES	487,870	449,211	542,026	339,051	523,179	73,968
ADMINISTRATION	507,673	572,824	575,018	402,538	644,007	71,183
BUILDING AND GROUNDS	105,288	114,928	124,928	73,077	119,928	5,000
POLICE DEPARTMENT	1,945,955	2,056,636	2,003,896	1,275,636	2,157,045	100,409
DPS- LEAF & REFUSE COLLECTION	455,982	494,836	184,736	284,067	525,749	30,913
RECREATION	105,381	121,816	88,400	38,206	96,463	(25,353)
CONTINGENCIES & CAPITAL FUND	225,769	239,520	239,520	239,520	306,762	67,242
Total - General Fund	3,833,918	4,049,771	3,758,524	2,652,096	4,373,133	323,362
MAJOR STREETS FUND	373,288	214,917	257,430	142,847	375,573	160,656
LOCAL STREETS FUND	391,236	518,235	515,011	391,728	481,941	(36,294)
WATER FUND	908,233	1,124,341	1,126,052	585,196	1,189,611	65,270
SEWER FUND	1,091,465	1,462,637	1,384,312	739,295	1,550,598	87,961
DEBT SERVICE FUND	125,467	122,297	122,297	122,297	124,002	1,705
CAPITAL ACQUISITIONS	83,500	94,100	97,874	63,699	112,950	18,850
Total Expenditures - All Funds	6,807,107	7,586,298	7,261,499	4,697,158	8,207,808	621,510

GENERAL FUND EXPENDITURES

FY 2019-2020

DEPARTMENT	BUDGETED
GOVERNMENT SERVICES	523,179
ADMINISTRATION	644,007
BUILDING & GROUNDS	119,928
DPS - LEAF & REFUSE	525,749
RECREATION	96,463
POLICE DEPARTMENT	2,157,045
CONTINGENCIES & CAPITAL FUND	306,762
Total - General Fund	4,373,133

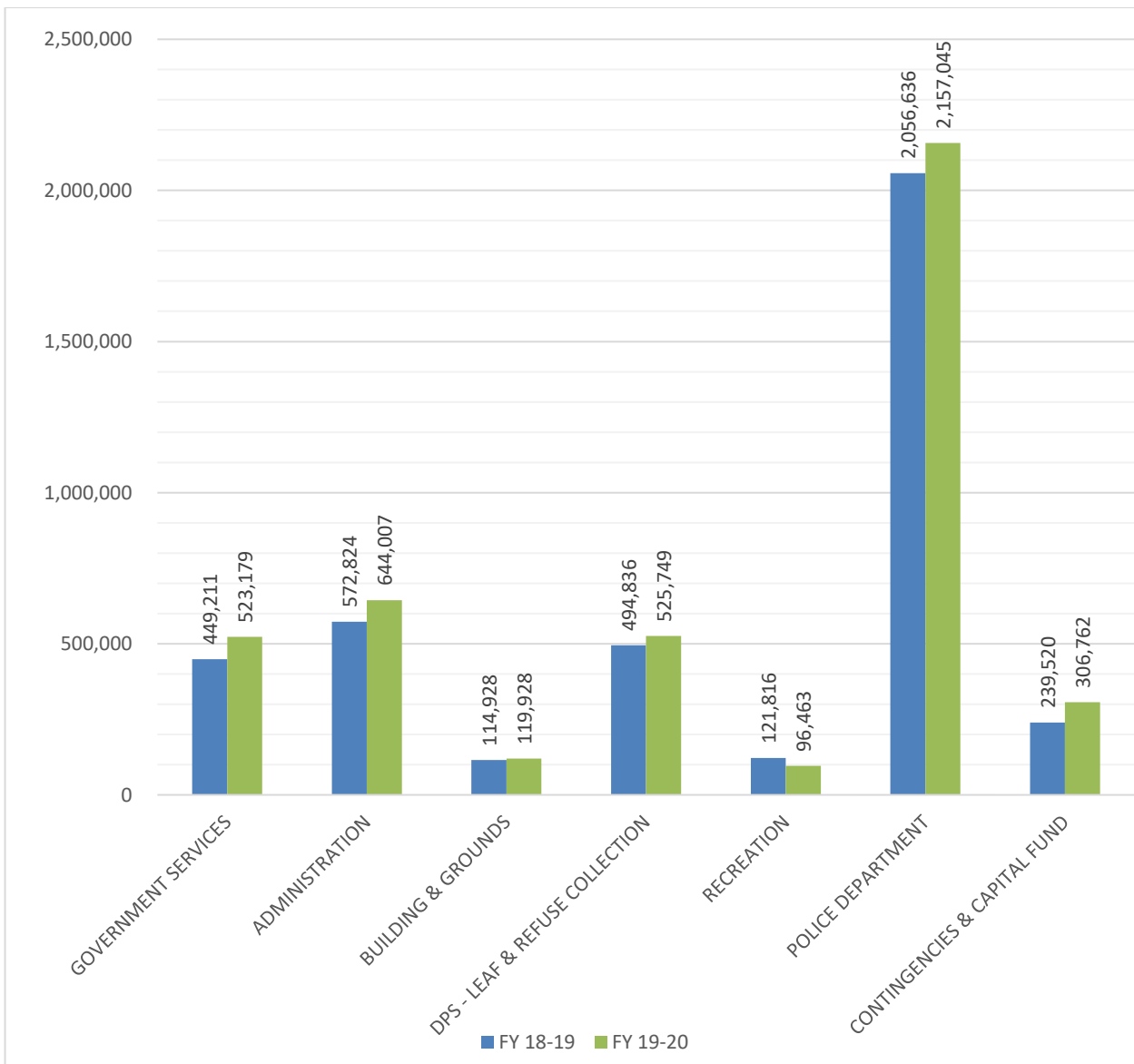
GENERAL FUND EXPENDITURES BY DEPARTMENT



G.F. EXPENDITURES - FY 18-19 TO FY 19-20

FY 2018-2019 TO FY 2019-2020

DEPARTMENT	FY 18-19	FY 19-20
GOVERNMENT SERVICES	449,211	523,179
ADMINISTRATION	572,824	644,007
BUILDING & GROUNDS	114,928	119,928
DPS - LEAF & REFUSE COLLECTION	494,836	525,749
RECREATION	121,816	96,463
POLICE DEPARTMENT	2,056,636	2,157,045
CONTINGENCIES & CAPITAL FUND	239,520	306,762
Total - General Fund	4,049,771	4,373,133

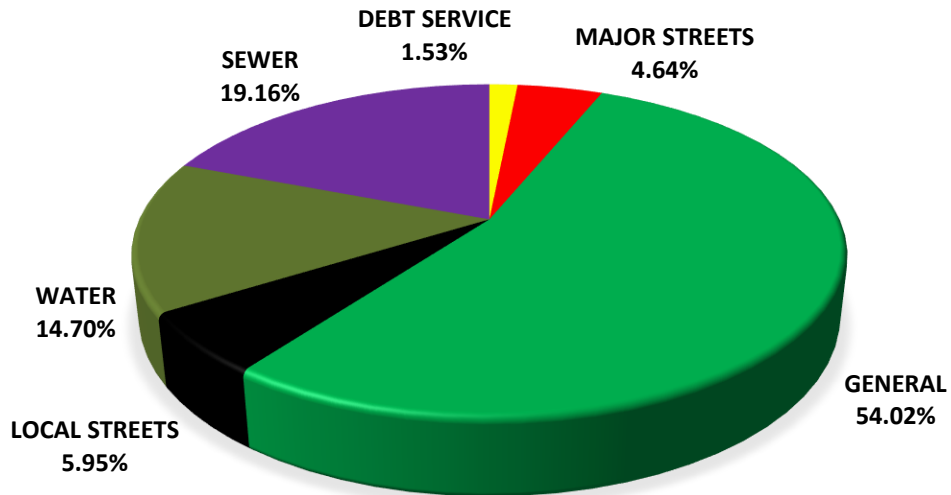


EXPENDITURES - ALL FUNDS

FY 19-20

FUND	BUDGETED
DEBT SERVICE	124,002
MAJOR STREETS	375,573
GENERAL	4,373,133
LOCAL STREETS	481,941
WATER	1,189,611
SEWER	1,550,598
TOTAL	8,094,858

EXPENDITURES - ALL FUNDS - FY 2019-2020

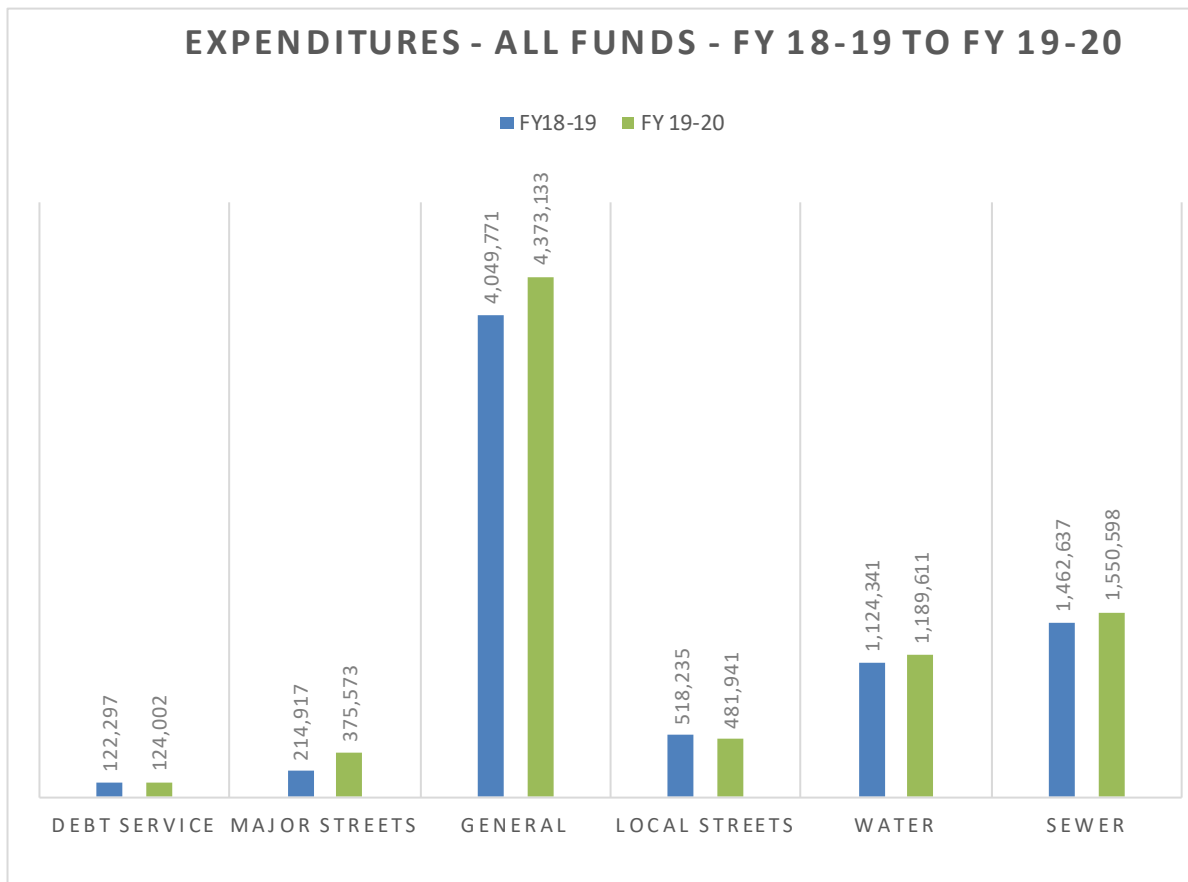


EXPENDITURES - ALL FUNDS

FY 18-19 TO FY 19-20

FUND	FY18-19	FY 19-20
DEBT SERVICE	122,297	124,002
MAJOR STREETS	214,917	375,573
GENERAL	4,049,771	4,373,133
LOCAL STREETS	518,235	481,941
WATER	1,124,341	1,189,611
SEWER	1,462,637	1,550,598
TOTAL	7,492,198	8,094,858

EXPENDITURES - ALL FUNDS - FY 18-19 TO FY 19-20



COMPARISON OF ALL EXPENDITURES

COMPARISON OF ALL EXPENDITURES

SUMMARY EXPENDITURES	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
GOVERNMENT SERVICES	0	487,871	407,407	1,210,382	371,090	381,765	381,765
ADMINISTRATION	572,824	507,673	434,831	377,504	421,638	420,287	420,287
BUILDING AND GROUNDS	114,928	105,289	98,369	104,371	109,765	239,369	239,369
POLICE DEPARTMENT	2,056,636	1,945,956	2,071,631	2,285,508	2,064,985	2,077,186	2,077,186
DPS - LEAF & REFUSE COLLECTION	466,340	455,982	415,525	400,080	433,254	412,528	412,528
RECREATION	121,816	105,381	159,182	108,003	117,087	118,521	118,521
CONTINGENCIES & CAPITAL FUND	239,520	225,769	233,994	205,892	208,611	105,000	105,000
Total - General Fund	3,572,064	3,833,921	3,820,940	4,691,740	3,726,430	3,754,656	3,754,656
MAJOR STREETS FUND	214,917	373,288	195,303	148,500	171,775	163,342	163,342
LOCAL STREETS FUND	518,235	391,236	432,392	292,435	235,502	232,512	232,512
WATER FUND	1,124,341	908,233	683,159	790,545	487,368	598,943	598,943
SEWER FUND	1,462,637	1,091,465	1,143,848	962,356	942,520	1,028,100	1,028,100
DEBT SERVICE FUND	122,297	125,467	43,939	44,679	40,772	40,772	40,772
CAPITAL ACQUISITIONS	83,500	94,100	79,362	52,377	95,759	130,455	130,455
Total Expenditures - All Funds	7,097,991	6,817,710	6,398,944	6,982,632	5,700,126	5,948,780	5,948,780

LONG TERM FINANCIAL PLAN EXPENDITURE AREA	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Government Services	487,871	449,211	523,179	535,020	545,291	555,801	566,554
Administration	507,673	572,824	644,007	654,997	667,899	680,483	693,465
Buildings and Grounds	105,289	114,928	119,928	121,723	123,553	125,418	127,320
Police Department	1,945,956	2,056,636	2,157,045	2,209,889	2,249,974	2,296,386	2,341,798
Public Services (DPS)	130,346	133,836	159,249	162,717	166,266	169,895	173,608
Leaf Collection	9,023	11,000	6,000	6,000	6,000	6,000	6,000
Refuse Collection	316,613	350,000	360,500	371,315	382,454	393,928	405,746
Recreation	105,381	121,816	96,463	100,103	100,756	101,420	102,094
Contingency Capital Reserve Fund	225,769	239,520	306,762	40,000	15,000	205,000	205,000
TOTAL - GENERAL FUND EXPENDITURES	3,833,920	4,049,771	4,373,133	4,201,765	4,257,193	4,534,331	4,621,585

Percentage Increase	-1.749%	4.242%	14.064%	3.753%	-2.651%	7.915%	8.559%
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	69,530	2,551	228	344,507	353,491	142,462	130,942
OTHER FUNDING SOURCES (USES)							
OPERATING TRANSFERS IN							
OPERATING TRANSFERS OUT							
TRANSFER FROM PRIMARY GOV'T. TO COMPONENT UNIT							
TOTAL	0	0	0	0	0	0	0
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	69,530	2,551	228	344,507	353,491	142,462	130,942
BEGINNING FUND BALANCE	(9,859,765)	(9,790,234)	(9,787,683)	(9,787,456)	(9,442,948)	(9,089,457)	(8,946,995)
RESERVED							
ENDING FUND BALANCE	(9,790,234)	(9,787,683)	(9,787,456)	(9,442,948)	(9,089,457)	(8,946,995)	(8,816,053)

Percentage Increase	-0.705%	-0.026%	-0.002%	-3.520%	-3.743%	-1.567%	-1.464%
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GOVERNMENT SERVICES

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GOVERNMENT SERVICES

The Government Services budget contains expenditures that are basically attributable to the general operation of the City. Expenditures under this budget do not include any full or part time staff. This budget pays for services that are provided by outside agencies such as services for Library, building inspections, engineering, planning services and other professional services purchased by the City. It also includes expenditures for such areas as cable and citizen communalizations, memberships, conferences, meetings and expenses, printing and publications, postage, and liability insurance.

Overall Government Services expenditures are projected to increase by \$323,362 or 0.93% from FY 2019-20. The Government Services budget represents 11.1% of the total General Fund expenditures. This area of the budget reflects the concern outlined earlier where, when spread across several line items, even small increases in line items can cause budgets to grow at a rate higher than revenues; as reflected by the above data. As the index bookmark lists, there is additional information that shows both historical and future funding levels for this budget.

GOVERNMENT SERVICES

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Government Services budget.

Unemployment Insurance: Reflects the cost for required payments into our MESC account to cover costs for the provision of unemployment benefits to qualified individuals.

Workers Compensation Insurance: Reflects the cost for the provision of workers compensation insurance as required by the State of Michigan. We participate in the Michigan Municipal League Workers Compensation Fund. Payments for this insurance are based on payroll levels and rates established by the State for various job classifications.

Office Supplies: Reflects the cost for necessary office supplies.

Tax Tribunal Appeal Refunds: Reflects the projected amount of refunds for Michigan Tax Tribunal downward adjustments on property values.

Building Inspection Contract: Reflects the anticipated cost for inspection services for all building related activities paid to City Municipal Services.

Cable TV Productions: Reflects the cost to operate our expanding cable department. The expenditure includes funding for our Cable Coordinator and staff based on an Independent Contractor relationship.

Citizen Communication: Reflects the printing and mailing cost for the City's newsletter and costs associated with our Web Page.

Auditing Services: Reflects the cost for a portion of our annually required independent audit. The total projected cost for this service, currently being provided by the accounting firm of Plante & Moran, is spread among all funds since all funds must be audited.

Telephone Billings: Reflects the cost for telephone, pager, fax, voicemail, and Internet services.

Vehicle Maintenance: Reflects the cost for the maintenance of 1.5 vehicles.

City Appreciation Functions: Reflects the cost for the City's periodic appreciation gathering for staff and members of the City's Boards and Commissions and appreciation dinner for outgoing Council Members.

City Planning Services: Reflects the costs associated for professional planning services for the City. This has included the services of Giffels Webster for engineering and Wade-Trim for the DDA and park related services.

City Beautification Projects: Reflects the costs associated with beautification projects throughout the City. An example would be the Home & Garden Awards program.

C.D.B.G. Funded Projects: Reflects a corresponding expenditure for projected revenues. Expenditures under this line item are pre-determined during a public hearing process held in December of each year for the following year.

Printing Costs: Reflects the cost of all necessary publications. For example all legal notices for public hearings, publication of adopted ordinances, and other miscellaneous printing needs are included in this line item.

Postage Meter: This line item reflects the costs for mailing. This was previously included on the Printing Cost line item but has been broken out in order to monitor both costs separately.

Liability Insurance: Reflects a portion of the cost for our insurance coverage through the Michigan Municipal League Liability and Property Pool program. Coverage includes insurance for buildings, vehicles and equipment, police professional liability, errors and omissions, and coverage for legal actions against the City.

Miscellaneous: Reflects a small figure for unanticipated expenses.

Government Operations: Reflects the cost for memberships such as the Michigan Municipal League, professional associations, meetings, seminars, and City Council activities.

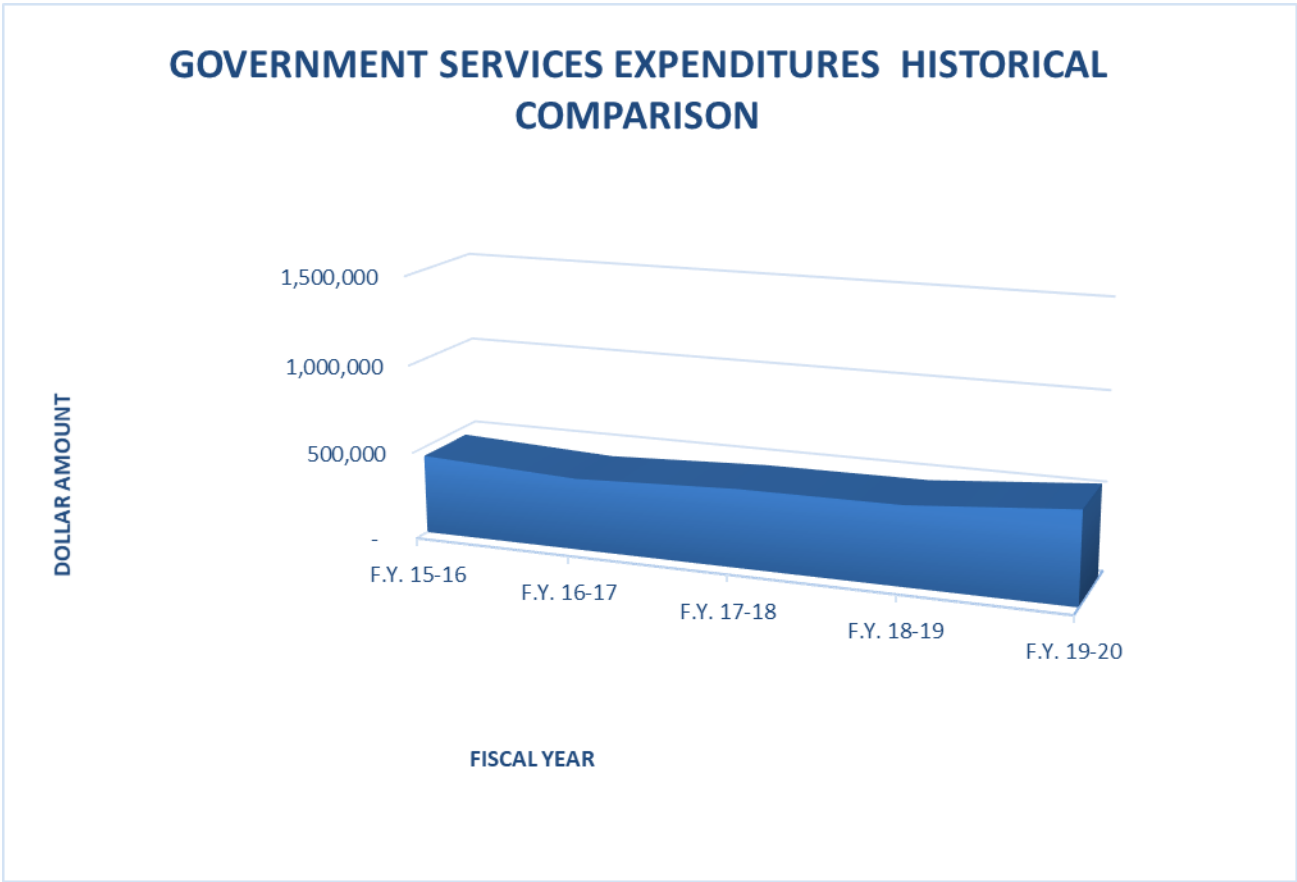
Library Contract Payments: Reflects the cost for library services through the City of Southfield.

Community Center Payments: Reflects the payments for community center expenditures.

GOVERNMENT SERVICES EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 14-15	410,095
F.Y. 15-16	450,029
F.Y. 16-17	407,407
F.Y. 17-18	443,940
F.Y. 18-19	449,211
F.Y. 19-20	523,179



**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

GENERAL FUND GOVERNMENT SERVICES	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Unfunded Pension Liability		-	-	-	-	-
Unemployment Insurance	49	100	100	59	100	0
Workers Compensation Insurance	7,412	2,500	7,000	808	8,500	6,000
Office Supplies	7,009	6,000	6,000	3,787	6,000	0
Tax Tribunal Appeal Refunds	-	2,000	2,000	-	2,000	0
Memberships and Meetings	-	-	7,000	2,415	7,000	7,000
Building Inspection Contract	91,697	80,000	140,000	77,694	97,100	17,100
Code Enforcement	1,530	2,000	2,000	1,280	2,000	0
Cable TV Productions	35,580	35,000	35,000	21,435	35,000	0
Citizen Communication/ PR	12,574	10,000	10,000	8,508	10,000	0
Auditing Services	30,102	27,000	25,559	25,559	27,540	540
Telephone Billings	16,002	16,000	16,000	11,883	16,000	0
Vehicle Expense	3,003	6,000	7,500	4,887	7,500	1,500
City Appreciation Functions	-	2,000	-	-	1,000	(1,000)
Training	-	-	7,000	3,231	7,000	7,000
City Planning/Consulting Fees	6,529	3,000	3,500	2,084	6,000	3,000
City Beautification Projects	4,143	2,000	2,000	1,735	2,000	0
C.D.B.G. Funded Projects	12,451	6,000	13,000	12,135	4,000	(2,000)
Printing/Publishing Costs	21,325	10,000	15,000	8,248	15,000	5,000
Postage Meter	4,924	6,000	3,500	1,403	4,000	(2,000)
Liability Insurance Premiums	26,956	30,000	24,256	24,256	27,000	(3,000)
Miscellaneous	-	-	-	-	-	0
Government Operations	67,602	60,000	35,000	25,537	35,000	(25,000)
Technology	-	-	30,000	23,400	30,000	30,000
Library Contract Payments	119,938	128,611	128,611	59,969	145,439	16,828
Community Center Payments	17,544	15,000	22,000	18,739	28,000	13,000
Repayment to Water-Unfunded Pension	-	-	-	-	-	0
19600 Forest	1,500	-	-	-	-	0
27907 California NE Drive	-	-	-	-	-	-
Cash Short/Over	-	-	-	-	-	-
Total - Government Services	487,870	449,211	542,026	339,051	523,179	73,968

LONG TERM FINANCIAL PLAN EXPENDITURE AREA	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
GOVERNMENT SERVICES							
Unfunded Pension Liability	-	-					
Medical Coverage Retirees-GASBY45	0	0	0	0	0	0	0
Unemployment Insurance	49	100	100	100	100	100	100
Workers Compensation Insurance	7,412	2,500	8,500	8,713	8,930	9,154	9,382
Office Supplies	7,009	6,000	6,000	6,090	6,181	6,274	6,368
Code Enforcement	1,530	2,000	2,000	2,000	2,000	2,000	2,000
Tax Tribunal Appeal Refunds	-	2,000	2,000	2,050	2,101	2,154	2,208
Building Inspection Contract	91,697	80,000	97,100	99,528	102,016	104,566	107,180
Michigan First	0	0	0	0	0	0	0
Membership & Meetings	0	0	7,000	7,000	7,000	7,000	7,000
Cable TV Productions	35,580	35,000	35,000	35,000	35,000	35,000	35,000
Citizen Communications	12,574	10,000	10,000	10,000	10,200	10,404	10,612
Auditing Services	30,102	27,000	27,540	28,091	28,653	29,226	29,810
Telephone Billings	16,002	16,000	16,000	16,000	16,000	16,000	16,000
Vehicle Expense	3,003	6,000	7,500	7,688	7,880	8,077	8,279
City Appreciation Functions	0	2,000	1,000	1,000	1,000	1,000	1,000
Training	0	0	7,000	7,175	7,354	7,538	7,727
City Planning Services	6,529	3,000	6,000	6,150	6,304	6,461	6,623
City Beautification Projects	4,143	2,000	2,000	2,050	2,101	2,154	2,208
C.D.B.G. Funded Projects	12,451	6,000	4,000	6,001	6,002	6,003	6,003
Printing Costs	21,325	10,000	15,000	15,375	15,759	16,153	16,557
Postage	4,924	6,000	4,000	4,100	4,203	4,308	4,415
Liability Insurance Premiums	26,956	30,000	27,000	27,675	28,367	29,076	29,803
Miscellaneous	0	0	0	0	0	0	0
19600 Forest-House in the Woods	1,500	0	0	0	0	0	0
Government Operations	67,602	60,000	35,000	35,875	36,772	37,691	38,633
Technology	0	0	30,000	30,900	31,827	32,782	33,765
Community Center Payments	17,544	15,000	28,000	28,840	29,705	30,596	31,514
Rent Payment	0	0	0	0	1	2	2
Library Contract Payments	119,938	128,611	145,439	147,621	149,835	152,082	154,364
27907 California							
Repayment to Water Unfunded Pension	0	0					
TOTAL - GOVERNMENT SERVICES	487,871	449,211	523,179	535,020	545,291	555,801	566,554

ADMINISTRATION

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LONG TERM FINANCIAL PLAN

WAGE & FRINGE BENEFITS – ADMINISTRATION

SUMMARY OF EMPLOYEES DISTRIBUTED BETWEEN MORE THAN 1 FUND

ADMINISTRATION

The Administration budget contains expenditures for the main office operations through the funding of several Departments. Included in this budget are the City Administrator, City Clerk, City Treasurer, office support staff, legal services, Board of Review, and assessing services through Oakland County Equalization. Included in this budget is the funding for 8 full-time employees.

The Downtown Development Authority Director/Main Street Manager is funded in part by the City totaling 10% of the compensation package, the rest is funded through the DDA Tax Increment Financing. The majority of the expenditures under this budget are for personnel services.

In FY 2019-2020, the overall Administration expenditures increased by \$71,183 dollars or 0.89% compared to the FY 2018-2019 budget. The increase in FY 2019-2020, is related to the Council decision to approve a general salary increase for all employees and the addition of a part-time code enforcement officer.

ADMINISTRATION

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Administration budget.

Salaries & Wages - Permanent: Reflects the costs associated with the salaries for 7 full-time employees.

Salaries & Wages - Temporary: Reflects the costs for any supplemental part-time office help.

Fringe Benefits: Reflects the cost of employer provided benefits such as pension, health insurance, and life insurance.

Code Enforcement - Legal Services: Reflects the cost for the City Attorney's office to represent the City in District Court for traffic and code enforcement issues.

Elections: Reflects the costs to provide the required number of elections in any given fiscal year.

Legal Services: Reflects the cost to retain and utilize necessary legal services.

Board of Review: Reflects the costs to compensate Board of Review members for their required service in any given fiscal year.

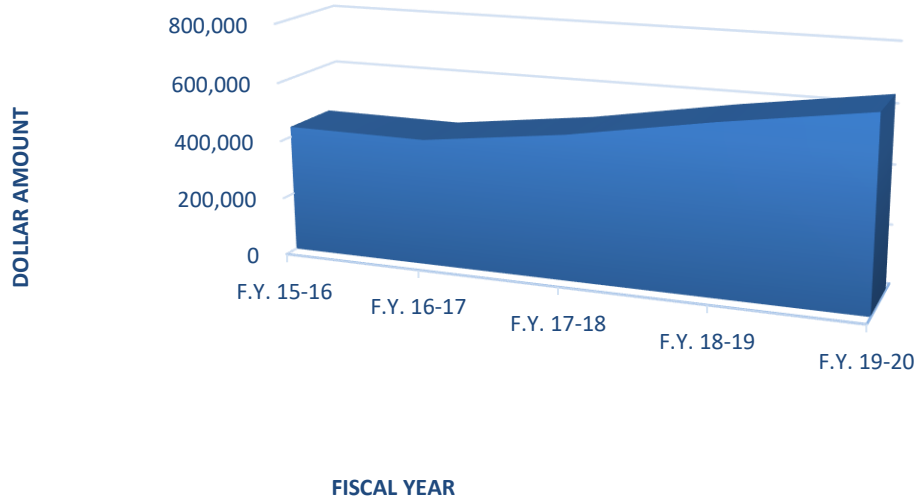
County Equalization Services: Reflects the cost of our contractual relationship for the provision of assessing services through the Equalization Division of Oakland County.

ADMINISTRATION EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 14-15	398,872
F.Y. 15-16	434,831
F.Y. 16-17	431,083
F.Y. 17-18	490,782
F.Y. 18-19	572,823
F.Y. 19-20	644,007

ADMINISTRATION EXPENDITURES HISTORICAL COMPARISON



COMPARISON OF ALL EXPENDITURES

ADMINISTRATION	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Permanent	322,395	261,628	215,228	172,185	185,260	195,727	195,712
Salaries & Wages - Part Time	4,000	0	0	6,458	4,795	0	0
Fringe Benefits	118,879	133,879	97,388	104,456	123,459	118,871	112,550
Code Enforcement Officer		0	0	0	0	0	0
Code Enforcement - Legal Services	20,000	13,520	24,403	19,954	17,936	19,254	22,820
Elections	12,000	11,445	8,706	4,217	8,187	7,113	6,032
Legal Services	60,000	53,925	55,401	35,988	48,624	45,502	49,240
Board of Review	550	475	350	527	488	560	546
Training & Seminars	0	0	0	0	0	0	0
County Equalization Services	35,000	32,801	33,357	33,720	32,889	33,260	34,574
Total - Administration	572,824	507,673	434,831	377,505	421,638	420,287	421,474

**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

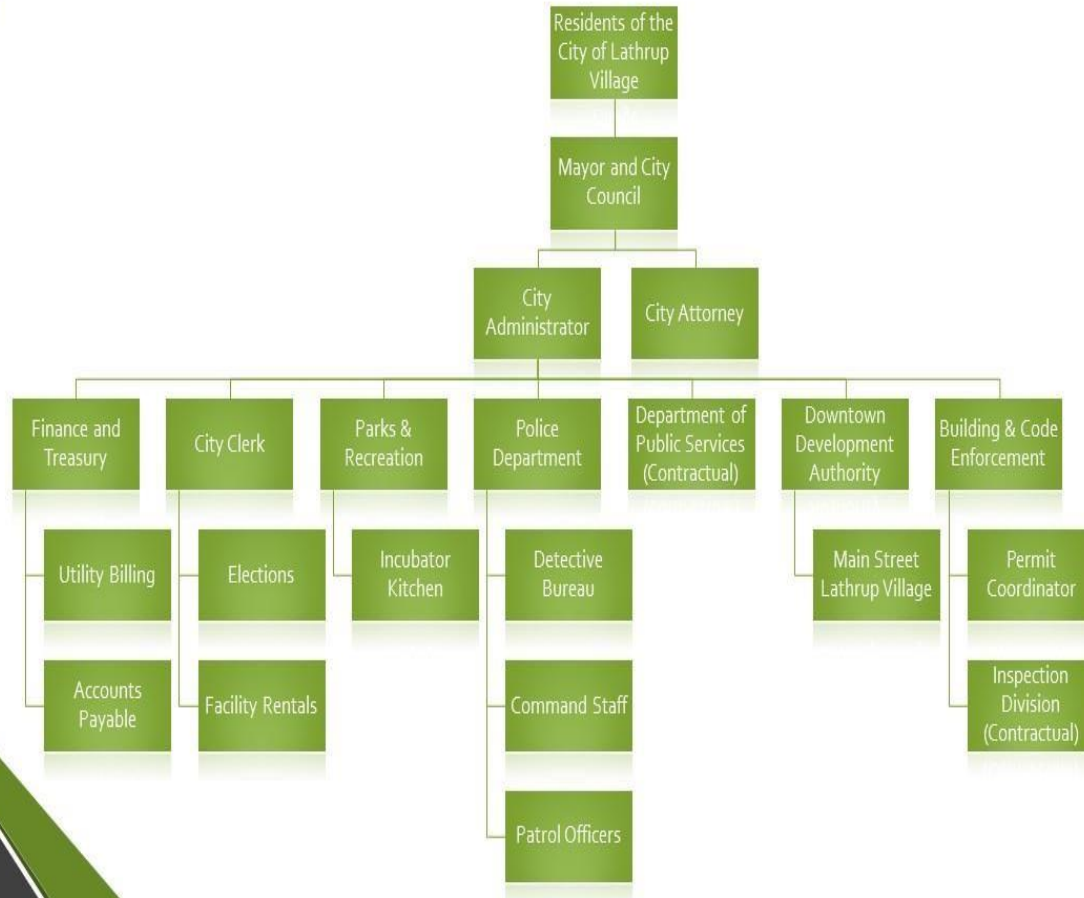
GENERAL FUND ADMINISTRATION	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages - Permanent	261,628	322,395	322,395	197,647	369,486	47,091
Salaries & Wages - Part Time	-	4,000	4,000	2,355	31,664	27,664
Fringe Benefits	133,879	118,879	118,879	113,579	114,947	(3,932)
Code Enforcement - Legal Services	13,520	20,000	20,000	6,598	20,000	-
Elections	11,445	12,000	14,199	14,199	12,000	-
Legal Services	53,925	60,000	60,000	34,774	60,000	-
Board of Review	475	550	545	-	560	10
County Equalization Services	32,801	35,000	35,000	33,386	35,350	350
Total - Administration	507,673	572,824	575,018	402,538	644,007	71,183

COMPARISON OF ALL EXPENDITURES

LONG TERM FINANCIAL PLAN ADMINISTRATION	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Full Time	261,628	322,395	369,486	373,181	376,913	380,682	384,489
Salaries & Wages - Part Time	0	4,000	31,664	32,297	32,943	33,602	34,274
Taxes and Fringe Benefits	133,879	118,879	114,947	120,694	126,729	133,066	139,719
Code Enforcement - Legal	13,520	20,000	20,000	20,000	20,500	21,013	21,538
Elections	11,445	12,000	12,000	12,300	12,608	12,923	13,246
Legal Services	53,925	60,000	60,000	60,600	61,206	61,818	62,436
Board of Review	475	550	560	574	588	603	618
County Equalization Services	32,801	35,000	35,350	35,350	36,411	36,775	37,142
Miscellaneous	0	0	0	1	2	3	3
TOTAL - ADMINISTRATION	507,673	572,824	644,007	654,997	667,899	680,483	693,465

ORGANIZATION CHART

City of Lathrup Village



WAGE & FRINGE BENEFITS - ADMINISTRATION - FY 19-20

POSITION	SALARY	S.S.	PENSION	Education Reimburse	I.C.M.A.	LONG.	MEDICAL	VISION DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
City Administrator (73%)	79,716	6,098	3,986	-	4,783	-	5,650	420	239	196	-	21,372
City Treasurer (95%)	83,980	6,103		-	1,680	-	6,982	476	252	207	2,019	17,718
Manager Comm & Econ Dev (10%)	5,150	394	773	-	309	-	3,626	442	46	38	-	5,628
City Clerk	57,720	4,416	2,886	-	2,309	-	6,706	525	173	142	-	17,157
AA- Government Operations (100%)	48,080	3,678	2,404	-	962	-	5,611	478	144	118	-	13,395
Deputy Treasurer- Finance (50%)	24,931	1,907	1,247	-	499	-	2,008	200	75	61	-	5,997
AA - Costumer Service	38,245	2,926	1,912	-	765	-	7,325	551	115	94	-	13,687
Retirees Medical Coverage	-	-	-	-	-	-	14,340	-	-	-	-	14,340
Education Reimbursement	-	230	-	3,000	-	-	-	-	-	-	-	3,230
MERS (10) NonUnion			28,512									28,512
MERS (11) Non Union Hired After 08			1,657									1,657
Total - Administration	369,486	28,174	13,207	3,000	11,305	-	52,249	3,092	1,044	856	2,019	114,947

PT Positions	31,664	2,422	0	0	0	0	0	0	0	0	0	2,422
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SUMMARY OF EMPLOYEES WITH PAY DISTRIBUTED BETWEEN MORE THAN ONE FUND - FY 19-20

City Administrator	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.M.C.A.	LONG.	MEDICAL VISION	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
GENERAL - 73%	79,716	6,098	3,986	-	4,783	-	5,650	420	239	196	-	21,372
DDA - 5%	5,460	418	273	-	70	-	387	29	16	13	-	1,206
MAJOR STREETS - 5%	5,460	418	273	-	328	-	387	29	16	13	-	1,464
LOCAL STREETS - 5%	5,460	418	273	-	328	-	387	29	16	13	-	1,464
WATER - 6%	6,552	501	328	-	393	-	464	35	20	16	-	1,757
SEWER - 6%	6,552	501	328	-	393	-	464	35	20	16	-	1,757
TOTAL - 100%	109,200	8,354	5,460	-	6,294	-	7,739	575	328	269	-	29,018

Deputy Treasurer	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.M.C.A.	LONG.	MEDICAL VISION	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
GENERAL - 50%	24,931	1,907	1,247	-	499	-	2,008	200	75	61	-	5,997
WATER - 25%	12,466	954	623	-	249	-	1,004	100	37	31	-	2,998
SEWER - 25%	12,466	954	623	-	249	-	1,004	100	37	31	-	2,998
TOTAL - 100%	49,862	3,814	2,493	-	997	-	4,016	400	150	123	-	11,993

Manager - Community & Economic Development	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.M.C.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
GENERAL (10%)	5,150	394	773	-	309	-	3,626	442	46	38	-	5,628
DDA (90%)	46,350	3,546	1,803	-	721	-	8,462	1,030	108	89	-	15,758
TOTAL - 100%	51,500	3,940	2,575	-	1,030	-	12,088	1,472	155	127	-	21,386

Recreation Coordinator/ Market Master	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.M.C.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
Recreation (General Fund) (75%)	32,250	2,467	2,150	-	645	-	3,012	300	97	79	-	8,213
DDA (25%)	10,750	822	538	-	215	-	1,004	100	32	26	-	2,738
TOTAL - 100%	43,000	3,290	2,688	-	860	-	4,016	400	129	106	-	10,951

Administrative Assistant/ Government Operations	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.M.C.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
Administration (General Fund - 100%)	48,080	3,678	2,404	-	962	-	5,611	478	144	118	-	13,395
DDA (Zero%)	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL - 100%	48,080	3,678	2,404	-	962	-	5,611	478	144	118	-	13,395

Assistant City Administrator City Treasurer	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.M.C.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
GENERAL (95%)	83,980	6,103	-	-	1,680	-	6,982	476	252	207	2,019	17,718
DDA (5%)	4,420	338	-	-	88	-	367	25	13	11	106	949
TOTAL - 100%	88,400	6,441	-	-	1,768	-	7,349	501	265	217	2,125	18,668

City Clerk	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.M.C.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	FRINGE TOTAL
GENERAL (100%)	57,720	4,416	2,886	-	2,309	-	6,706	525	173	142	-	17,157
TOTAL - 100%	57,720	4,416	2,886	-	2,309	-	6,706	525	173	142	-	17,157

BUILDING & GROUNDS

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BUILDING & GROUNDS

The Buildings & Grounds budget contains expenditures for the care and maintenance of the Municipal Building and surrounding grounds. Expenditures under this budget provide for part-time contractual building maintenance employees and for the costs associated with the operation and maintenance of the Municipal Building and surrounding grounds. This includes janitorial, building rental set-up and tear-downs, equipment maintenance, and other related services.

The goal of this department is to provide a building that is clean and neat and continues to reflect positively for those who visit. As always, the Building and Grounds Department will continue striving to present a building that reflects a clean and orderly appearance. Our current provider of the service, Cliff Grant has done an admirable job, while working to contain costs.

Overall, the Building and Grounds expenditures for FY 2019-2020 are projected to increase by \$5,000 dollars or just 0.96%. In comparison, Building Maintenance expenditures for FY 2018-2019 remains unchanged at \$28,000.

The City switched from a fulltime employee to a part time contractual employee in 2007-08. This continues to work out extremely well due to dedicated and faithful employee(s). The FY 2019-20 budget is a continuation of existing service levels plus an increase to fund work needed to address universal access deficiencies and repairs.

BUILDING & GROUNDS

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Building & Grounds budget.

Salaries & Wages - Temporary: Reflects the cost for part-time services.

Fringe Benefits: Reflects the cost of employer provided benefits such as pension, health insurance, and life insurance.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Building Utilities Billings: Reflects the costs for electrical, gas, and water and sewer billings.

Building Maintenance: Reflects the costs for building maintenance supplies. Examples would be cleaning and polishing supplies, repairs for the building, floor wax, small improvements to the building such as paint, bathroom supplies, etc.

Building Authority Lease Payments: Reflects the cost to service the debt for building bond issue of 1997.

Equipment Maintenance & Repairs: Reflects the cost to repair and maintain all building related equipment. Examples would be the heating and air conditioning, kitchen equipment, lighting, elevator, etc.

Parking Lot & Grounds: Reflects the cost to maintain the grounds around the Municipal Building.

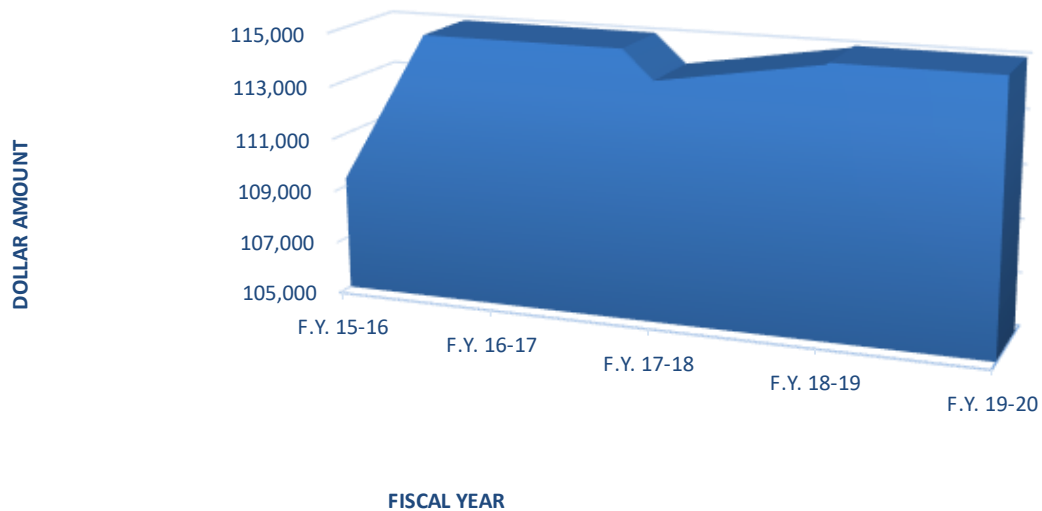
Vehicle Maintenance Expense: Reflects the cost to maintain one vehicle.

BUILDING & GROUNDS EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 14-15	104,371
F.Y. 15-16	109,295
F.Y. 16-17	119,498
F.Y. 17-18	113,928
F.Y. 18-19	114,928
F.Y. 19-20	119,928

BUILDING & GROUNDS EXPENDITURES HISTORICAL COMPARISON



CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20

GENERAL FUND BUILDING & GROUNDS	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages - Permanent	-	-			-	-
Salaries & Wages - Temporary	28,095	31,000	31,000	19,131	31,000	0
Fringe Benefits	-	-	-		-	-
Workers Compensation Insurance	-	-	-		-	-
Building Utilities Billings	40,694	40,000	43,000	29,000	45,000	5,000
Building Maintenance	24,434	28,000	35,000	15,424	28,000	0
Building Authority Lease Payments	-	-	-	-	-	-
Equipment Maintenance & Repairs	45	2,500	2,500	104	2,500	-
Parking Lots & Grounds	4,092	5,500	5,500	1,491	5,500	0
Vehicle Maintenance Expense	-	-	-	-	-	-
Building - Grants	7,928	7,928	7,928	7,928	7,928	-
Total - Building & Grounds	105,288	114,928	124,928	73,077	119,928	5,000

COMPARISON OF ALL EXPENDITURES

ADMINISTRATION	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Permanent	322,395	261,628	215,228	172,185	185,260	195,727	195,712
Salaries & Wages - Part Time	4,000	0	0	6,458	4,795	0	0
Fringe Benefits	118,879	133,879	97,388	104,456	123,459	118,871	112,550
Code Enforcement Officer		0	0	0	0	0	0
Code Enforcement - Legal Services	20,000	13,520	24,403	19,954	17,936	19,254	22,820
Elections	12,000	11,445	8,706	4,217	8,187	7,113	6,032
Legal Services	60,000	53,925	55,401	35,988	48,624	45,502	49,240
Board of Review	550	475	350	527	488	560	546
Training & Seminars	0	0	0	0	0	0	0
County Equalization Services	35,000	32,801	33,357	33,720	32,889	33,260	34,574
Total - Administration	572,824	507,673	434,831	377,505	421,638	420,287	421,474

LONG TERM FINANCIAL PLAN BUILDING AND GROUNDS	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Full Time	0	0	0	0	0	0	0
Salaries & Wages - Part Time	28,095	31,000	31,000	31,310	31,623	31,939	32,259
Taxes and Fringe Benefits	0	0	0	0	0	0	0
Workers Compensation	0	0	0	0	0	0	0
Building Utilities Billings	40,694	40,000	45,000	46,125	47,278	48,460	49,672
Building Maintenance	24,434	28,000	28,000	28,280	28,563	28,848	29,137
Building - Grants-Repayment	7,928	7,928	7,928	7,928	7,928	7,928	7,928
Building Authority Lease Payments	0	0	0	0	0	0	0
Equipment Maintenance & Repairs	45	2,500	2,500	2,525	2,550	2,576	2,602
Parking Lots and Grounds	4,092	5,500	5,500	5,555	5,611	5,667	5,723
TOTAL - BUILDING & GROUNDS	105,289	114,928	119,928	121,723	123,553	125,418	127,320

POLICE DEPARTMENT

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WAGE & FRINGE BENEFITS - POLICE

POLICE DEPARTMENT

The Police budget contains expenditures for the provision of police, fire, dispatch, and Advance Life Support (ALS) services. The goal of the Department is to protect life, property, and all rights guaranteed by law by preserving the peace and maintaining order. Included in this budget is funding for ten (10) full-time sworn officers, three (3) part-time employees, and a full-time a police clerk, and the all-necessary and incidental costs for all associated services.

The objective of the Department is to reduce crime and injury through preventive measures as well as immediate action in emergencies. In a proactive fashion, the Department continually assesses the community's needs and directs its resources toward these needs through the control of crimes that are considered most serious, frightening, and economically damaging. The Department further seeks to protect its citizens by restricting the use of force to situations of absolute necessity.

The FY 2019-2020 Budget is reflective of previous budgets. As with other municipalities, locating and hiring qualified police officers is a statewide problem. Anticipating the likelihood of hiring police officers, this budget has accounted for a fully staffed police department.

For FY 2019-2020, police expenditures were projected to increase by \$100,409 or 0.95% over FY 2018-2019. This reflects the addition of an officer, starting after January 1, 2019 and the Police Officer Association of Michigan bargaining agreement with the City of Lathrup Village.

For FY 2019-2020, Fire and Dispatch reflect a two (2%) percent increase with the City of Southfield. For. The Police Department Budget represents 49.32% of the total General Fund expenditures.

POLICE DEPARTMENT

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Police Department budget.

Salaries & Wages - Permanent: Reflects the cost for 9 full-time employees

Part-Time Employees: Reflects the cost for Part-Time Officers and a clerk.

Salaries & Wages - O.T.: Reflects the costs for overtime payments. Overtime comes in the form of shift coverage, court activities, training, traffic detail, investigations, and other miscellaneous details.

Fringe Benefits: Reflects the cost of employer provided benefits such as pension, health insurance, and life insurance.

Unemployment Insurance: Required payments into our MESC account to cover costs for the provision of unemployment benefits to qualified individuals.

Uniforms: Reflects the cost for all uniform items such as vests, rain gear, shoe allowance, patches, leather, and cleaning.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Office Supplies: Reflects the cost for office supplies. In the Police Department, this item is somewhat different than what one might think of as normal office supplies. This line item includes costs for physicals, psychological, drug screens, auctioned vehicle fees, coffee, postage, manual printing, filing supplies, police reports, furniture, the majority of which occurs infrequently.

Office Machines: Reflects the cost for smaller items, which would primarily cover the maintenance and supplies for office equipment such as copy machines, printers, computers, etc.

Publications: Reflects the costs for printed materials that the Department purchases such as law books containing statutes, training periodicals, software for investigations, etc.

Document Reducing: Reflects the costs for microfilming and CD scanning of documents.

Code Enforcement/Training & Supplies: Reflects the costs for training and supplies for Code Enforcement related activities.

Road Supplies: Reflects the cost for flares, batteries, first aid, traffic vests, and any lighting apparatus.

Evidence Supplies: Reflects the cost for film and processing, narcotics kits, camera equipment, tape, crime scene supplies.

Police Reserve Force: Reflects the cost for training, uniforms, and supplies for our officer reserve force.

Training Programs: Reflects the cost for officer training programs.

Firearms Training: Reflects the cost for ammunition, range fees, and equipment for regular firearms training.

Fire Services/Dispatch Payments: Reflects the contractual cost for fire, dispatch, and Advanced Life Support (ALS) services through the City of Southfield.

Telephone Billings: Reflects the cost for telephone, pager, voicemail, and Internet services.

Radio Communications Agreements: Maintains radios, MDT, and radar units.

Vehicle Maintenance Expense: Reflects the cost for the maintenance of vehicles.

Liability Insurance: Reflects a portion of the cost for our insurance coverage through the Michigan Municipal League Liability and Property Pool program. Coverage includes insurance for buildings, vehicles and equipment, police professional liability, errors and omissions, and coverage for legal actions against the City.

Memberships & Meetings: Reflects the cost for training, investigation associations, chief's associations, crime prevention associations, and related meetings.

Michigan Justice Training Programs: Reflects the cost for State-funded training entitled 302 funds.

Crime Prevention Programs: Reflects the cost for community meetings, contributions to City functions, and related printed materials.

Animal Control: Reflects the cost for animal control services.

Prisoner Lockup: The cost of prisoner lockup through the City of Beverly Hills.

Youth and Drug Programs: Reflects the cost for printed materials on drug prevention.

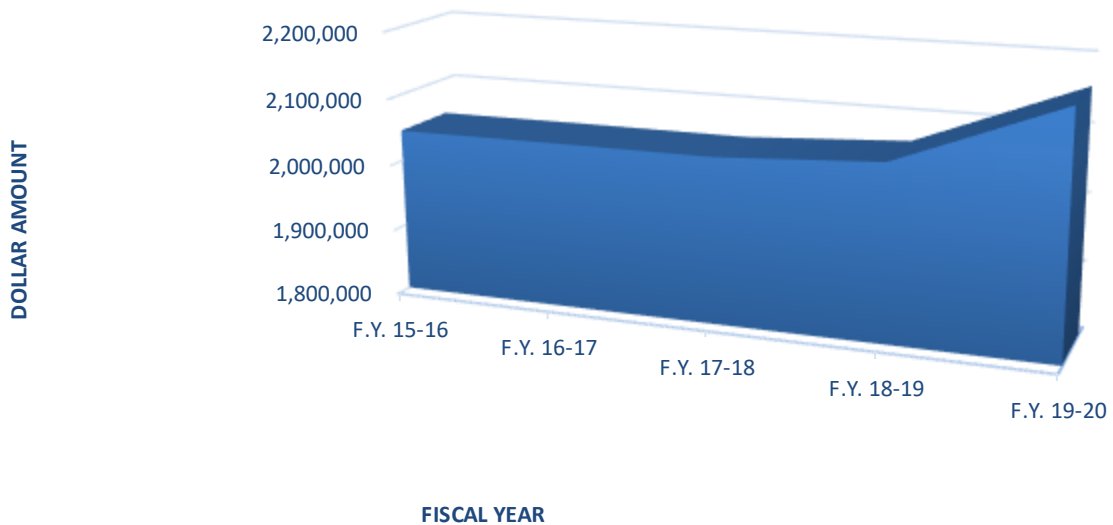
Motorcycle Lease: Reflects the cost for the City's motorcycle program.

PUBLIC SAFETY EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 14-15	2,285,508
F.Y. 15-16	2,045,770
F.Y. 16-17	2,046,640
F.Y. 17-18	2,046,640
F.Y. 18-19	2,060,566
F.Y. 19-20	2,157,045

PUBLIC SAFETY EXPENDITURES HISTORICAL COMPARISON



CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20

GENERAL FUND PUBLIC SAFETY	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages - Permanent	511,042	621,363	621,363	369,362	750,641	129,278
Salaries & Wages - O.T.	97,156	75,000	75,000	41,712	60,000	(15,000)
Part Time Employees	155,024	146,290	100,000	74,428	50,000	(96,290)
Fringe Benefits	343,914	378,232	378,232	253,916	435,101	56,869
Unemployment Insurance	96	700	500	114	700	-
Police Uniforms & Cleaning	7,998	10,000	12,000	5,605	15,000	5,000
Workers Compensation Insurance	14,500	11,500	14,500	-	15,500	4,000
Office Supplies	3,940	5,000	5,000	2,030	5,000	-
Office Machines	4,222	5,000	2,500	441	3,000	(2,000)
Publications/Document Reducing	949	1,000	1,000	405	1,000	-
Code Enforcement/Training & Supplies	-	-	-	-	-	-
Road Supplies	1,790	2,000	2,000	22	2,000	0
Evidence Supplies	2,203	1,500	1,000	219	1,500	0
Police Reserve Force	2,045	1,000	1,000	725	1,000	-
Training Programs	6,135	14,000	14,000	9,144	14,000	0
Firearms Training	4,747	4,500	4,000	644	4,500	0
Fire Services/Dispatch Payments	649,910	676,101	676,101	451,774	689,623	13,522
Telephone Billings	9,320	10,000	10,000	5,692	10,000	-
Radio Communications Agreements	13,390	16,200	16,200	5,929	16,200	-
Vehicle Maintenance Expense	47,724	40,000	32,000	22,295	40,000	-
Liability Insurance Premiums	24,000	24,000	24,000	24,000	24,480	480
Memberships & Meetings	3,178	3,500	3,000	1,666	3,500	0
Michigan Job Training Programs	2,895	-	-	-	800	800
Crime Prevention Programs	3,051	3,000	1,500	432	3,000	-
Animal Control	774	1,000	1,500	982	1,500	500
Prisoner Lockup	695	5,000	6,500	3,100	8,000	3,000
State of Michigan LEIN Use	-	-	-	-	-	-
Youth & Drug Prevention Programs	734	750	1,000	999	1,000	250
Unfunded Pension Liability	-	-	-	-	-	-
Motorcycle Lease	-	-	-	-	-	-
Police Forfeitures	34,523	-	-	-	-	0
Total - Public Safety	1,945,955	2,056,636	2,003,896	1,275,636	2,157,045	100,409

COMPARISON OF ALL EXPENDITURES

PUBLIC SAFETY	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Permanent	621,363	511,042	582,578	582,153	562,177	552,374	462,690
Salaries & Wages - O.T.	75,000	97,156	141,287	95,285	91,350	114,155	83,400
Salaries & Wages - Part Time	146,290	155,024	175,650	197,093	202,419	192,292	212,601
Fringe Benefits	378,232	343,914	346,015	362,683	404,801	437,699	369,766
Unemployment Insurance	700	96	97	314	2,536	8,542	7,893
Uniforms	10,000	7,998	9,890	13,146	4,627	11,221	9,349
Workers Compensation Insurance	11,500	14,500	11,911	6,768	8,536	8,705	5,974
Office Supplies	5,000	3,940	3,737	3,466	4,392	3,467	3,743
Office Machines	5,000	4,222	1,496	1,712	1,165	1,235	980
Publications/Document Reducing	1,000	949	118	2,558	455	0	3,548
Code Enforcement/Training & Supplies	0	0	0	0	0	0	0
Road Supplies	2,000	1,790	1,668	1,096	2,083	1,716	2,460
Evidence Supplies	1,500	2,203	204	695	1,594	719	623
Police Reserve Force	1,000	2,045	0	1,539	894	1,703	1,556
Training Programs	14,000	6,135	2,265	1,236	959	1,942	3,494
Firearms Training	4,500	4,747	2,604	3,672	3,113	3,835	2,184
Fire Services Contract Payments	676,101	649,910	636,563	624,673	624,673	624,703	606,449
Telephone Billings	10,000	9,320	9,352	8,857	18,880	14,870	14,012
Radio Communications Agreements	16,200	13,390	10,341	11,040	11,432	13,846	8,958
Vehicle Maintenance Expense	40,000	47,724	29,653	47,206	43,354	44,885	49,761
Liability Insurance Premiums	24,000	24,000	24,280	22,560	24,918	23,730	23,221
Memberships & Meetings	3,500	3,178	2,558	814	3,156	774	2,760
Michigan Job Training Programs	0	2,895	195	2,455	545	250	1,285
Crime Prevention Programs	3,000	3,051	2,149	607	771	978	0
Animal Control Contract with Berkley	1,000	774	509	124	804	770	1,141
Prisoner Lockup	5,000	695	0	2,270	9,029	12,352	11,125
State of MI LEIN Use	0	0	0	0	0	0	0
Youth & Drug Prevention Programs	750	734	0	183	337	423	740
Unfunded Pension Liability	0	0	0	250,671	337	423	740
Motorcycle Lease	0	0	0	0	337	423	740
Police Forfeitures	0	34,523	76,509	40,633	0	0	0
Total - Public Safety	2,056,636	1,945,955	2,071,631	2,285,508	2,029,674	2,078,032	1,891,193

LONG TERM FINANCIAL PLAN PUBLIC SAFETY	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Full Time	511,042	621,363	750,641	765,654	780,967	796,586	812,518
Salaries & Wages - Overtime	97,156	75,000	60,000	61,200	62,424	63,672	64,946
Salaries & Wages - Part Time	155,024	146,290	50,000	51,000	52,020	53,060	54,122
Taxes and Fringe Benefits	343,914	378,232	435,101	446,351	458,542	475,181	491,820
Unemployment Insurance	96	700	700	4,900	4,998	5,098	5,200
Uniforms	7,998	10,000	15,000	15,375	15,759	16,153	16,557
Workers Compensation Insurance	14,500	11,500	15,500	15,888	16,285	16,692	17,109
Office Supplies	3,940	5,000	5,000	5,125	5,253	5,384	5,519
Office Machines	4,222	5,000	3,000	3,075	3,152	3,231	3,311
Publications/Document Reducing	949	1,000	1,000	1,000	1,000	2,500	2,500
Code Enforcement/Training & Supplies	0	0	0	0	0	0	0
Road Supplies	1,790	2,000	2,000	2,050	2,101	2,154	2,208
Evidence Supplies	2,203	1,500	1,500	1,538	1,576	1,615	1,656
Police Reserves	2,045	1,000	1,000	1,000	1,000	1,000	1,000
Training Programs	6,135	14,000	14,000	14,350	14,709	15,076	15,453
Firearms Training	4,747	4,500	4,500	4,500	4,613	4,613	4,613
Fire Services/Dispatch Contracts	649,910	676,101	689,623	703,415	710,450	717,554	724,730
Telephone Billings	9,320	10,000	10,000	10,250	10,506	10,769	11,038
Radio Communications	13,390	16,200	16,200	16,200	16,443	16,690	16,940
Vehicle Maintenance Expense	47,724	40,000	40,000	40,000	40,400	40,804	41,212
Liability Insurance Premiums	24,000	24,000	24,480	25,092	25,719	26,362	27,021
Memberships and Meetings	3,178	3,500	3,500	3,553	3,606	3,660	3,715
302 Michigan Job Training Programs	2,895	0	800	800	800	800	800
Crime Prevention Programs	3,051	3,000	3,000	3,075	3,152	3,231	3,311
Animal Control	774	1,000	1,500	1,500	1,500	1,500	1,500
Police Forfeitures	34,523	0	0	0	0	0	0
Prisoner Lockup	695	5,000	8,000	12,000	12,000	12,000	12,000
State of Michigan LEIN Use	0	0	0	0	0	0	0
Youth & Drug Prevention Program	734	750	1,000	1,000	1,000	1,000	1,000
Motorcycle Lease	0	0	0	0	0	0	0
Unfunded Pension Liability							
TOTAL - PUBLIC SAFETY	1,945,956	2,056,636	2,157,045	2,209,889	2,249,974	2,296,386	2,341,798

WAGE & FRINGE BENEFITS - POLICE DEPARTMENT - FY 19-20

POSITION	SALARY	S.S.	PENSION	WINTER VAC. PAY	I.C.M.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	BENEFITS TOTAL
MERS (02) POLICE			24,778									24,778
MERS (21) PATROL			56,616									56,616
Police Chief	98,550	7,539		4,548	1,971	1,625	23,254	1,591	296	242	2,274	43,341
Segeant	83,387	6,379		3,849	2,502	550	3,000	-	75	205	-	16,559
Officer 1	75,123	5,747	6,010	3,467	2,254	-	3,000	-	75	185	-	20,737
Officer 2	75,123	5,747	6,010	3,467	2,254	-	5,036	312	75	185	-	23,086
Officer 3	52,549	4,020	4,204	2,425	1,576	-	4,744	303	75	129	-	17,478
Officer 4	75,123	5,747	-	3,467	-	1,625	28,063	1,566	75	185	1,734	42,462
Officer 5	52,549	4,020	4,204	2,425	1,576	-	3,000	-	75	129	-	15,430
Officer 6	46,375	3,548	3,710	2,140	1,391	-	3,000	-	75	114	-	13,978
Officer 7	75,123	5,747	-	3,467	-	1,100	10,809	525	75	185	1,734	23,642
Officer 8	46,375	3,548	3,710	2,140	1,391	-	4,740	303	75	114	-	16,021
Officer 9	50,000	3,825	-	-	-	-	-	-	-	-	-	3,825
PT Police Clerk	45,176	3,456	3,614	-	904	-	6,706	525	136	111	-	15,452
Vac - Sgt	-	-	-	-	-	-	-	-	-	-	-	-
PT Officer (starting Jan. 2020)	23,188	1,774	3,710	2,140	1,391	-	10,809	525	75	114	-	10,269.59
Overtime	60,000	4,590	3,600	-	-	-	-	-	-	-	-	8,190
Retirees Medical Insurance	-	-	-	-	-	-	82,235	-	-	-	-	82,235
Michigan Med Stat Fee	-	-	-	-	-	-	-	-	-	-	-	-
Detective Pay	2,000	153										
Boot Allowance												1,000
PT Total	50,000	3,825	-	-	-	-	-	-	-	-	-	3,825
Full Time	810,641	52,041	120,166	33,538	17,210	4,900	188,398	5,652	1,181	1,899	5,741	430,276
Total - Public Safety	860,641	65,866	120,166	33,538	17,210	4,900	188,398	5,652	1,181	1,899	5,741	435,101

PUBLIC SERVICES

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PUBLIC SERVICES

The Public Services budget contains expenditures for all activities other than roads and water and sewer. There are three distinct sections of this budget that pertain to specific Public Service functions. The basic goal for this Division of the DPS is to improve the overall image of the City and for the collection and disposal of yard waste, municipal solid waste, and recyclables. For the Public Services budget, this is accomplished through the maintenance and repairs of our parks, trees, sidewalks, leaf collection, and refuse collection and disposal.

Starting in FY 2013-2014, the City began a different method of providing service to the community. The City contracted this work to a private firm, Lathrup Services, LLC. This will be the sixth year that Lathrup Services, LLC will be providing services to our community. As was true in the first year, we will be monitoring the level of service to our residents and continue to work to improve the delivery of these vital services.

In FY 2019-2020, Public Services expenditures reflects hiring an additional worker by Lathrup Services Inc. The budget reflects an increase by 9.4%. The 2019-20 budget continues the services that have been provided over the previous years, including leaf collection.

PUBLIC SERVICES

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Public Services budget.

Department of Public Services

Salaries & Wages - Permanent: Reflects the cost for fulltime equivalent employees.

Salaries & Wages - Temporary: Reflects the cost for part-time services, if any.

Fringe Benefits: Reflects the cost of employer-provided benefits such as pension, health insurance, and life insurance.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Office Supplies: Reflects the cost for necessary office supplies.

Equipment Maintenance: Reflects the cost for the maintenance of the various pieces of equipment.

Park Maintenance: Reflects the cost for repairs of fencing, tree and shrub trimming, drainage repairs, planting, mowing and trimming, park improvements, etc.

Tree Maintenance: Reflects the cost for maintenance of City trees, trimming, spring and fall tree planting, mulch, etc.

Sidewalk Maintenance Program: Reflects the cost of the sidewalk repair program and other miscellaneous sidewalk repairs.

LEAF COLLECTION:

Salaries & Wages - Temporary: Reflects the cost for part-time services.

Miscellaneous: Reflects the cost for work gloves, safety vests, rakes, rain gear, etc.

Refuse Equipment & Roll-Off Expense: Reflects the cost for repairs and maintenance of leaf vacuums and the expense for roll-off dumpsters and equipment rental fees.

REFUSE COLLECTION & DISPOSAL:

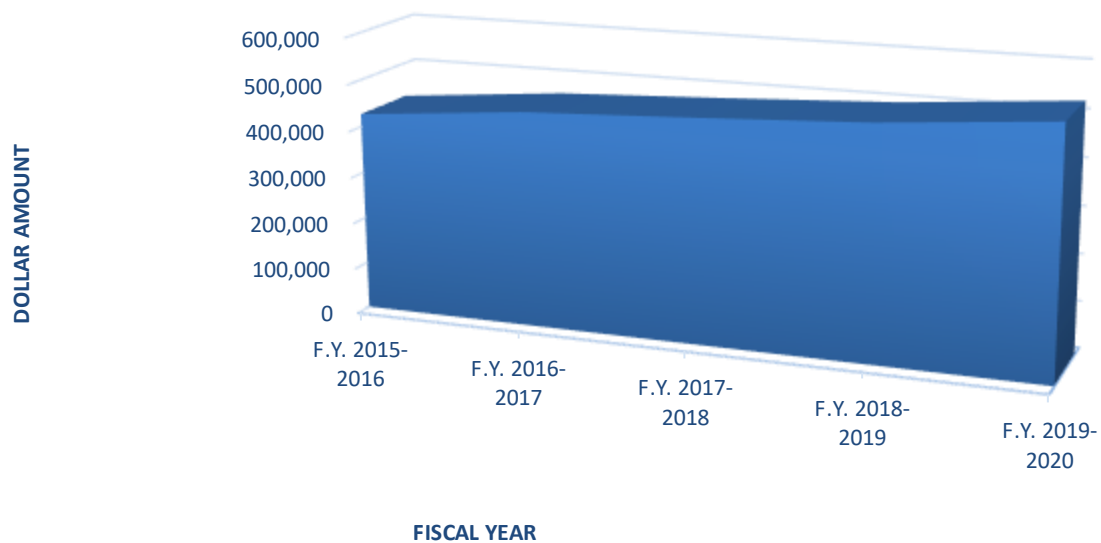
SOCRRA Refuse Collection Contract: Reflects the cost for collection and disposal of refuse and yard waste and the collection of recycling materials through the Southeastern Oakland County Resource Recovery Authority (SOCRRA).

PUBLIC SERVICES EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 2014-2015	415,502
F.Y. 2015-2016	427,021
F.Y. 2016-2017	459,580
F.Y. 2017-2018	476,238
F.Y. 2018-2019	494,836
F.Y. 2019-2020	525,749

PUBLIC SERVICES EXPENDITURES HISTORICAL COMPARISON



CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20

GENERAL FUND PUBLIC SERVICES	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Fringe Benefits (MERS)	1,204	500	8,400	3,432	4,250	3,750
DPS Utilities For Reimbursement	17,892	21,000	20,000	11,651	21,000	-
Equipment Maintenance	7,046	2,500	6,500	5,335	2,500	(4,000)
Park Maintenance	1,837	5,000	5,000	60	5,000	-
Sidewalk Maintenance Program	-	2,500	2,500	114	2,500	-
Vehicle Expense	-	-	-	-	-	-
Subtotal - Public Services	27,979	31,500	42,400	20,591	35,250	3,750
CONTRACTUAL SERVICES	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Miscellaneous		-			-	-
Subtotal- Contractual Services	102,367	102,336	102,336	68,244	123,999	21,663
LEAF COLLECTION	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Refuse Equipment & Roll-Off Expense	9,023	11,000	5,000	4,603	6,000	(5,000)
Subtotal - Leaf Collection	9,023	11,000	5,000	4,603	6,000	(5,000)
REFUSE COLLECTION & DISPOSAL	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
SOCRRA Refuse Collection Contract	316,613	350,000	35,000	190,629	360,500	10,500
Subtotal - Refuse Collection & Disposal	316,613	350,000	35,000	190,629	360,500	10,500
Total - Public Services	455,982	494,836	184,736	284,067	525,749	30,913
ELIGIBLE FOR REFUSE MILLAGE	325,636	361,000	40,000	195,232	366,500	5,500
FUNDED THROUGH GENERAL FUND	130,346	133,836	144,736	88,836	159,249	25,413

COMPARISON OF ALL EXPENDITURES

PUBLIC SERVICES	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
DPS							
Salaries & Wages - Permanent		0	0	53,584	56,609	52,541	54,920
Salaries & Wages - Temporary	0	0	0	0	0	0	0
Fringe Benefits	500	1,204	643	2,342	32,303	26,011	26,678
Workers Compensation Insurance	0	0	0	0	516	6,556	5,960
Office Supplies	0	0	0	0	77	64	0
Vehicle Expense	0	0	0	0	0	0	0
Equipment Maintenance	0	7,046	0	49,224	49,469	40,034	38,931
Park Maintenance	2,500	1,837	650	4,669	1,612	5,673	4,862
Tree Maintenance	0	0	0	1,087	0	26	1,530
Sidewalk Maintenance Program	0	0	0	0	650	0	0
Capital Expense	0	0	0	0	0	0	0
Contractual Services	99,840	102,367	100,655				
Utilities	2,500	17,892	20,403				
Total - DPS	105,340	130,346	122,351	110,906	141,236	130,905	132,881

LEAF COLLECTION

Salaries & Wages - Temporary	0	0	0	9,477	10,632	9,440	8,392
Miscellaneous	0	0	0	1,682	1,592	1,161	2,408
Refuse Equipment & Roll-Off Expense	11,000	9,023	8,799	7,608	5,655	6,411	6,338
Total - Leaf Collection	11,000	9,023	8,799	18,768	17,879	17,012	17,138

REFUSE COLLECTION & DISPOSAL

Refuse Collection Contract	0	0	0		0	0	0
SOCRRA Disposal Tipping Fees	350,000	316,613	284,375	270,406	274,140	264,613	258,210
Total - Refuse Collection & Disposal	350,000	316,613	284,375	270,406	274,140	264,613	258,210
Total - Public Services	466,340	455,982	415,525	401,557	403,813	423,728	406,127

LONG TERM FINANCIAL PLAN DPS/PUBLIC SERVICES	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Full Time	0	0	0	0	0	0	0
Salaries & Wages - Part Time	0	0	0	1	2	3	3
Taxes and Fringe Benefits	1,204	500	4,250	4,463	4,686	4,920	5,166
Workers Compensation Insurance	0	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0	0
Vehicle Expense	0	0	0	0	0	0	0
Equipment Maintenance	7,046	2,500	2,500	2,563	2,627	2,692	2,760
Park Maintenance	1,837	5,000	5,000	5,125	5,253	5,384	5,519
Tree Maintenance	0	0	0	0	0	0	0
Sidewalk Maintenance	0	2,500	2,500	2,563	2,627	2,692	2,760
Contractual Services	102,367	102,336	123,999	126,479	129,009	131,589	134,221
Utilities	17,892	21,000	21,000	21,525	22,063	22,615	23,180
TOTAL - DPS	130,346	133,836	159,249	162,717	166,266	169,895	173,608
LEAF COLLECTION	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Temp	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
Refuse Equipment & Roll-Off Expense	9,023	11,000	6,000	6,000	6,000	6,000	6,000
TOTAL - LEAF COLLECTION	9,023	11,000	6,000	6,000	6,000	6,000	6,000
REFUSE COLLECTION	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
SOCRRA - Tipping Fees	316,613	350,000	360,500	371,315	382,454	393,928	405,746
Refuse Collection Contract	0	0	0	0	0	0	0
TOTAL - REFUSE COLLECTION	316,613	350,000	360,500	371,315	382,454	393,928	405,746

TOTAL - PUBLIC SERVICES	455,982	494,836	525,749	540,032	554,720	569,823	585,354
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Percentage Increase	9.742%	8.521%	6.247%	2.717%	2.720%	2.723%	2.725%
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Refuse Cost SOCRRA-Leaf Collection	325,636	361,000	366,500	377,315	388,454	399,928	411,746
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WAGE & FRINGE BENEFITS - PUBLIC SERVICES - FY 19-20

POSITION	SALARY	S.S.	PENSION	Boot Allow	I.C.M.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	TOTAL
	-			-	-	-	-	-	-	-	-	-
MERS (01) GNRL Liability (50%)	-		4,250	-	-	-	-	-	-	-	-	4,250
Part time	-	-	-	-	-	-	-	-	-	-	-	-
Contingency Upon Advancement	-	-	-	-	-	-	-	-	-	-	-	-
OT												
Lathrup Services, LLC	0	0	0	0	0	0	0	0	0	0	0	0
Total - Public Services	-	-	4,250	-	-	-	-	-	-	-	-	4,250

RECREATION

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WAGE AND FRINGE BENEFITS

RECREATION DEPARTMENT

The Recreation budget contains expenditures for all leisure time activities within the City. The goals for the Department are as follows:

- To provide a variety of quality recreational activities for the enjoyment of the residents of the City.
- To provide leisure education and awareness of recreational opportunities.
- To encourage a healthier lifestyle, both physically and emotionally for the residents of the City.
- To encourage and develop community relations with the businesses in the City, as well as with the community organizations that support recreation events.

Overall, recreation expenditures decreased by \$25,353 or 2.6% in FY 2019-2020. This is primarily attributed to there not being a Director in place for several months. A new Coordinator for Parks and Recreation was appointed in March 2019. It will be necessary to start up new youth and senior programming. Since the City hired a new Parks & Recreation Coordinator, we are anticipating an increase in collaboration between the Parks and Recreation, the DDA, and our business and property owners. The new director has already demonstrated positive energy and creative thinking that is necessary to keep building upon our past and current successes. These new opportunities, combined with the continuation of functions from past years, makes Lathrup Village's Recreation Department one of the most vibrant in the area.

RECREATION DEPARTMENT

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Recreation budget.

Salaries & Wages: Reflects the cost for full-time services, mainly for the services of the Recreation Coordinator.

Fringe Benefits: Reflects the cost of employer provided benefits such as pension, health insurance, and life insurance.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Office Supplies: Reflects the cost for necessary office supplies.

Bus Transportation: Reflects the cost for transportation services for various programs. This item also reflects the use of SMART credits.

Sporting Events: Reflects the anticipated registration for various sporting events arranged by the department.

Recreation Activities: Reflects the cost for children, youth, and senior citizen activities not identified in other line items.

Special Programs: Reflects the expected cost for theater events.

Senior Activities: Includes the Free Lunch of the Month and selected theater trips.

Children/Youth Activities: Dance classes, play hours, use of the recreation games, etc.

Community Events: Reflects the cost for the numerous; Santa's Arrival, Breakfast with the Bunny, Summer in the Village, the Fall Family Fest, Senior Dinner, City Hall Tea, and many other activities and events currently in the planning stages.

Community Center Expense: Now under Community Room Budget

Fitness Center: Reflects the cost for the operation of the City's Fitness Center.

Recreation Center: Reflects the cost for the operation of the Recreation Center in the lower level of the Municipal Building.

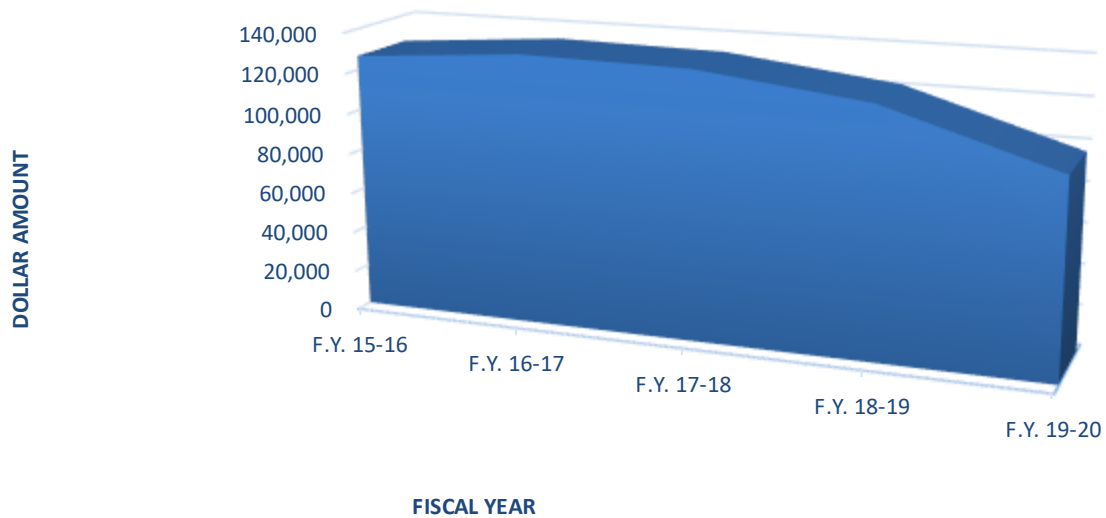
Grant Funded Programs: Reflects the cost to track expenditures for grant funded programs.

Concert in the Parks: Reflects the cost for our concerts in the park program.

HISTORICAL COMPARISON RECREATION EXPENDITURES

FISCAL YEAR	AMOUNT
F.Y. 14-15	119,879
F.Y. 15-16	126,744
F.Y. 16-17	132,998
F.Y. 17-18	131,676
F.Y. 18-19	121,816
F.Y. 19-20	96,463

RECREATION EXPENDITURES HISTORICAL COMPARISON



**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

GENERAL FUND RECREATION	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages	28,460	30,900	30,900	12,500	32,250	1,350
Fringe Benefits	12,423	9,916	7,000	3,942	8,213	(1,703)
Workers Compensation Insurance	1,009	500	500	-	1,000	500
Office Supplies	30	500	500	229	500	-
Bus Transportation Services	3,692	3,000	-	-	3,000	-
Other Recreation Programs	13,388	35,000	20,000	179	20,000	(15,000)
Special Programs/Sporting Events	7,693	7,000	-	-	-	(7,000)
Senior Activities	434	1,000	500	5	1,000	-
Children/Youth Activities	-	-	-	-	-	-
Community Events	14,520	20,000	20,000	15,800	20,000	-
Community Center Expense	-	-	-	-	-	-
Fitness Center	14,916	1,000	500	-	500	(500)
Recreation Center	-	-	-	-	-	-
Childrens Garden	-	-	-	-	-	-
Grant Funded Programs	-	-	-	-	-	-
Concerts in the Park	8,816	13,000	8,500	5,550	10,000	(3,000)
Total - Recreation	105,381	121,816	88,400	38,206	96,463	(25,353)

COMPARISON OF ALL EXPENDITURES

RECREATION	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Temporary	30,900	28,460	29,723	35,971	35,971	36,690	35,971
Fringe Benefits	9,916	12,423	19,251	17,613	13,064	10,941	10,377
Workers Compensation Insurance	500	1,009	468	454	454	413	588
Office Supplies	500	30	284	639	267	1,128	734
Bus Transportation Services	3,000	3,692	817	1,958	784	0	800
Park Development Expense	0	0	0	0	0	0	0
Other Recreation Programs	35,000	13,388	24,899	27,666	27,797	35,731	39,011
Special Programs/Sporting Events	7,000	7,693	3,474	3,787	4,030	1,981	4,322
Senior Programs	1,000	434	4,197	3,195	3,619	1,618	5,105
Children/Youth Activities	0	0	0	0	0	0	0
Community Events	20,000	14,520	14,796	14,606	17,690	13,717	9,955
Community Center Expense	0	0	0	0	0	0	0
Fitness Center	1,000	14,916	260	1,321	6,151	7,102	8,314
Recreation Center	0	0	0	0	0	0	0
Childrens Garden	0	0	0	0	0	0	0
Grant Funded Programs	0	0	0	0	0	0	0
Concerts in the Park	13,000	8,816	9,835	9,877	8,695	8,012	8,850
Total - Recreation	121,816	105,381	108,003	117,087	118,522	117,333	124,027

LONG TERM FINANCIAL PLAN RECREATION	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages	28,460	30,900	32,250	32,573	32,898	33,227	33,559
Fringe Benefits	12,423	9,916	8,213	8,418	8,629	8,845	9,066
Workers Compensation Insurance	1,009	500	1,000	1,025	1,051	1,077	1,104
Office Supplies	30	500	500	513	525	538	552
Bus Transportation	3,692	3,000	3,000	3,075	3,152	3,231	3,311
Sporting Events	7,693	7,000	0	0	0	0	0
Recreation Activities	13,388	35,000	20,000	20,000	20,000	20,000	20,000
Special Programs	0	0	0	0	0	0	0
Senior Activities	434	1,000	1,000	5,000	5,001	5,002	5,002
Children/Youth Activities	0	0	0	0	0	0	0
Community Events	14,520	20,000	20,000	18,000	18,000	18,000	18,000
Fitness Expense	14,916	1,000	500	1,500	1,500	1,500	1,500
Recreation Supplies/Other Programs	0	0	0	0	0	0	0
Summer Camp Program	0	0	0	0	0	0	0
Grant Funded Programs	0	0	0	0	0	0	0
Concerts in the Park	8,816	13,000	10,000	10,000	10,000	10,000	10,000
Community Center Expense	0	0	0	0	0	0	0
TOTAL - RECREATION	105,381	121,816	96,463	100,103	100,756	101,420	102,094

WAGE & FRINGE BENEFITS - RECREATION - FY 19-20

POSITION	SALARY	S.S.	PENSION	Med Reimburse	I.C.M.A. RETHSA	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	TOTAL
Recreation Coordinator (75%)	32,250	2,467	1,613	-	645	-	3,012	300	97	79	-	8,213
MERS (11) Non Union Hired After 08 (50%)			-									-
Total - Recreation	32,250	2,467	1,613	-	645	-	3,012	300	97	79	-	8,213

GENERAL CONTINGENCIES & CAPITAL PURCHASES

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GENERAL CONTINGENCIES & CAPITAL PURCHASES

The General Contingencies & Capital Purchases budget contains expenditures for unanticipated activities and programs that may occur throughout the fiscal year. This budget also contains funding for capital purchases and transfers to the local street fund, if any.

The second part of this budget reflects the cost for capital purchases for the fiscal year. Funding under Capital Purchases, if any, is transferred to the Capital Acquisition Fund. This method has allowed us to build a fund that will systematically replace our equipment without having to budget large blocks of money in a single fiscal year. Also, if the City decides to direct any General Fund monies to the Local Street system then the line item exists to accomplish this. A detail of the Adopted capital purchases for the General Fund, if any, can be found in the Capital Acquisition Fund narrative of this budget document.

General Contingencies and Capital Purchases plays an important role in our street resurfacing program. Note that the budget does contain a transfer of \$198,812 for road funding.

GENERAL CONTINGENCIES & CAPITAL PURCHASES

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the General Contingencies & Capital Purchases budget.

Miscellaneous: Reflects an amount that is set aside for unforeseen activities throughout the year.

Budget Stabilization Fund: Reflects an amount that may be designated for transfer into the City's Budget Stabilization Fund. This line item was used to assist in the increase of our General Fund Balance as recommended by the City's Auditors.

Capital Purchases: Reflects the cost associated with requested capital purchases by various departments.

Transfer to Local Street Fund: Reflects the amount of General Fund money to be transferred into the Local Street Fund for street maintenance.

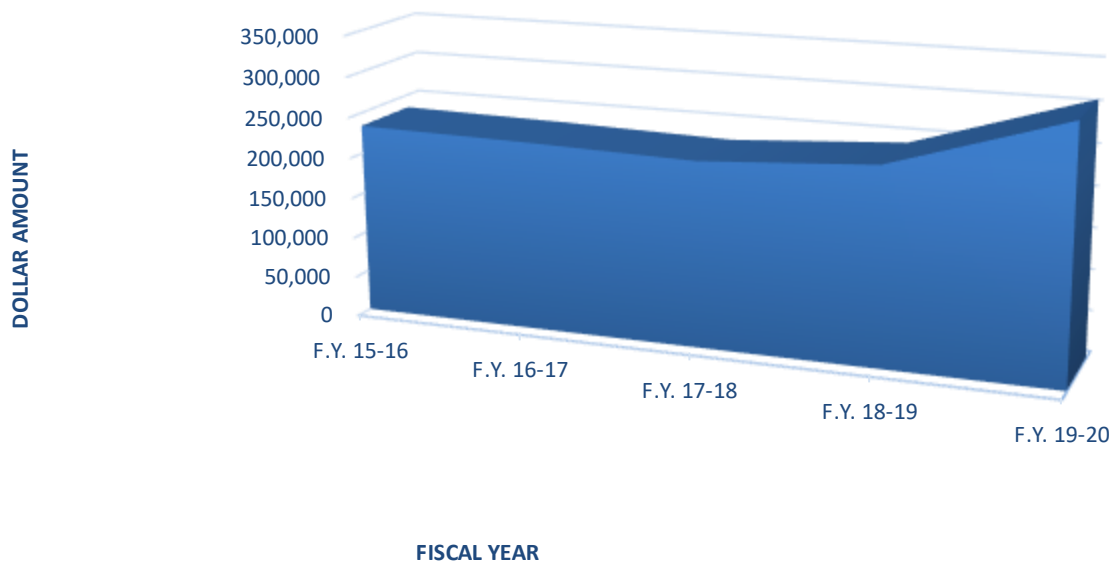
Transfer to Sewer Fund: Reflects the amount of General Fund money formerly transferred to the Sewer fund for Sanitary Sewer Improvements.

CONTINGENCIES & RESERVES EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 13-14	205,892
F.Y. 14-15	248,000
F.Y. 15-16	233,994
F.Y. 16-17	230,678
F.Y. 17-18	225,769
F.Y. 18-19	239,520
F.Y. 19-20	306,762

CONTINGENCIES & RESERVES EXPENDITURES HISTORICAL COMPARISON



**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

GENERAL FUND CONTINGENCIES & CAPITAL	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
GENERAL CONTINGENCIES						
Miscellaneous	-	-	-	-	-	-
TIF Capture To DDA	-	-	-	-	-	-
Total - General Contingencies	-	-	-	-	-	-
CAPITAL PURCHASES & TRANS.						
Capital Reserves	91,500	94,100	94,100	94,100	112,950	18,850
Transfer to Local Street Fund	134,269	145,420	145,420	145,420	193,812	48,392
Transfer to Local Streets GF Reserve	-	-	-	-	-	-
						-
Total - Capital Purchases & Trans.	225,769	239,520	239,520	239,520	306,762	67,242
Total - Contingencies & Capital	225,769	239,520	239,520	239,520	306,762	67,242.01

COMPARISON OF ALL EXPENDITURES

CONTINGENCY & RESERVES	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Miscellaneous	0	0	0	0	0	0	0
Budget Stabilization Fund	0	0	0	0	0	0	0
Total - Contingencies	0	0	0	0	0	0	0
CAPITAL RESERVE FUND							
Miscellaneous	0	0	0	0	0	0	0
Capital Reserves	94,100	91,500	0	117,000	15,000	0	13,500
Transfer to Local Streets 2 mils	145,420	134,269	205,892	91,611	90,000	90,000	260,761
Transfer to Local Streets GF Reserve	0	0	0	0	0	0	0
Transfer to Sewer Fund	0	0	0	0	0	0	0
Total - Reserves	239,520	225,769	205,892	208,611	105,000	90,000	274,261
Total - Contingency & Reserves	239,520	225,769	205,892	208,611	105,000	90,000	274,261

LONG TERM FINANCIAL PLAN							
CONTINGENCY AND RESERVE	Actual	Budgeted	Projected	Projected	Projected	Projected	Projected
GENERAL CONTINGENCY	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
Miscellaneous	0	0	0	0	0	0	0
Transfer to Other funds	0	0	0	0	0	0	0
TOTAL - GENERAL CONTINGENCY	0	0	0	0	0	0	0
CAPITAL RESERVE FUND	Actual	Budgeted	Projected	Projected	Projected	Projected	Projected
	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
Capital Purchases	91,500	94,100	112,950	40,000	15,000	15,000	15,000
Transfer to Local Street Fund	134,269	145,420	193,812			190,000	190,000
Transfer to Sewer	0	0	0	0	0	0	0
TOTAL - CAPITAL RESERVE FUND	225,769	239,520	306,762	40,000	15,000	205,000	205,000
TOTAL - CONTINGENCY & RESERVE	225,769	239,520	306,762	40,000	15,000	205,000	205,000

MAJOR STREETS

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REVENUES

Revenues for the Major Street Fund are based on a distribution formula established by the State of Michigan under the provisions of Act 51 of the Public Acts of 1951, as amended. The source of the revenues that the State receives under this Act comes from specific taxes on motor vehicles and motor vehicle fuels. The following is a listing of the various categories of taxes:

- Gasoline Tax
- Diesel Fuel Tax
- Liquid Petroleum Gas Tax
- Diesel Carrier Tax
- Diesel Carrier License
- Diesel Dealer License
- Residential Weight Tax
- Nonresidential Weight Tax

Based on the number of designated major street miles, population, and an additional increase factor based on population size, the City can calculate projected revenues for the maintenance of its 7.36 miles of major streets. Additional contributing revenue shown in the “Summary of Revenues - Major Streets,” found in this section, is based on investments and accumulated fund balances. Overall revenues in the Major Streets Fund are expected to increase \$73,172 from FY 2018-2019 levels. This is due additional Act 51 dollars provided by the state.

For additional perspective, including previous year fund balances in this narrative will give a clearer focus of where these monies are going. The fund balance for FY 2019-20 at year-end is estimated at \$268,983.

The City continues to look for ways to pay for road projects no matter how small the funding may be or what the participation costs are to start a road project. Road repair will continue to be a priority of our Mayor and City Council. It is anticipated that Lathrup’s Capital Improvement Plan delineating future road repair will continue as outlined.

**CITY OF LATHRUP VILLAGE
SUMMARY OF REVENUES - MAJOR STREETS
FY 2019-20**

MAJOR STREETS	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
ACT 51 Funds	295,550	312,814	312,814	149,738	385,986	73,172
Transfer From Other Funds		-			-	-
Investment Interest	57	400	400	-	400	-
Other State Grants				-		-
Total - Major Street Revenues	295,607	313,214	313,214	149,738	386,386	73,172

MAJOR STREETS

FUND BALANCE - BEGINNING	181,771	104,089	202,386		258,170	55,784
EXPENDITURES	(77,682)	98,297	55,784		10,813	(44,971)
FUND BALANCE - ENDING	104,089	202,386	258,170		268,983	10,813

COMPARISON OF ALL REVENUES

MAJOR STREET FUND REVENUE	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
ACT 51 Tax Return	312,814	295,550	214,502	199,483	193,564	191,747	185,762
Transfer From Other Fund	0	0	0	37,893	0	0	0
Interest Income	400	57	249	214	196	176	290
FundBalance	104,089	0	536,145	402,844	380,859	352,278	352,278
Total - Major Street Revenue	417,303	295,607	750,897	640,434	574,619	544,201	538,330

MAJOR STREETS

LONG TERM FINANCIAL PLAN REVENUE CATEGORY	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
State Allocation - Act 51	295,550	312,814	385,986	395,636	405,527	415,665	426,056
Transfer from Other Funds	0	0	0	0	0	0	0
Interest Income	57	400	400	100	100	100	100
TOTAL - REVENUES	295,607	313,214	386,386	395,736	405,627	415,765	426,156

MAJOR STREETS

EXPENDITURES

The major street budget contains expenditures for the maintenance of the 7.36 miles of major streets. The overall goal is to provide an adequate level of road maintenance within the major street system. Expenditures from this budget are applied to maintenance for the 11 Mile/Service Drive grass cutting, traffic control charges through the Road Commission for Oakland County for signalization maintenance, local traffic control signage, trimming and/or removal of trees within the major streets rights-of-way, street maintenance and repairs, road drainage, and the costs for personnel services.

As discussed in part in the above narrative, Major Street expenditures have increased dramatically because of the Southfield-Evergreen Street remediation project. The City of Lathrup Village will continue to utilize the road patching methods we began with FY 2002-2003. So far, road repair longevity envisioned has lived up to expectations. The budget for road maintenance will continue with no unexpected changes.

MAJOR STREETS

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Major Streets budget.

Salaries & Wages - Permanent: Reflects the cost for fulltime equivalent employees.

Salaries & Wages - Administration: Reflects the cost for allowable administrative costs for the fund. For example, 5% of the Administrator salary is charged to this budget for work in connection with Major Street activity.

Salaries & Wages - Temporary: Reflects the cost for one part-time employee.

Fringe Benefits: Reflects the cost of employer provided benefits such as pension, health insurance, and life insurance.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Office Supplies: Reflects the cost for necessary office supplies.

Public Service Building: Reflects the cost for the upkeep and repair of the DPS building where all operations are housed. This line item has also been used to reflect the cost of building improvements in past years.

Auditing Services: Reflects the cost to pay for a portion of the cost for our annual required independent audit. The total projected cost for this service, currently being provided by the accounting firm of Plante & Moran, is spread among all funds since all funds must be audited.

Roadside Parks: Reflects the cost for the maintenance of parks that are adjacent to major streets. Grass cutting and tree maintenance are examples.

Transfer to Local Streets: Reflects the allowable transfer of funds to the local street system pursuant to the provisions of Act 51, which normally amount to approximately 25% of major street Act 51 funds.

Administration and Engineering: Reflects the cost for engineering services not connected with specific improvement projects. This is used on occasion, but in most cases these costs are assigned to a more specific project and line item such as road maintenance.

Road Construction: Reflects the cost for large scale road projects that require complete reconstruction of a road.

Road Maintenance: Reflects the cost for the routine maintenance of the road surface. This can include resurfacing of streets if it does not require a complete reconstruction. Examples are road patching, gravel road maintenance, crack and joint sealing, etc.

Roadside Maintenance: Reflects the cost for right-of-way maintenance. This may take the form of drainage and ditch work.

Equipment Rental: Reflects the charge for the rental of equipment in the Major Street fund based on approved rental rates. These rates are transferred into the Capital Acquisition Fund for future equipment replacements.

Traffic Controls: Reflects the cost for signage, poles, and traffic signal maintenance. The Road Commission for Oakland County performs traffic signal maintenance.

Snow & Ice Removal: Reflects the cost for materials to perform snow and ice removal. Road salt, repairs to plow blades, and new blades are examples under this line item.

Non-Motor Facilities: Reflects the cost associated with facilities and services for non-motorized transportation. Any improvements that will help this category will be posted to this line item. For example, this line item could be used to offset the paving of gravel roads since it will help non-motorized traffic.

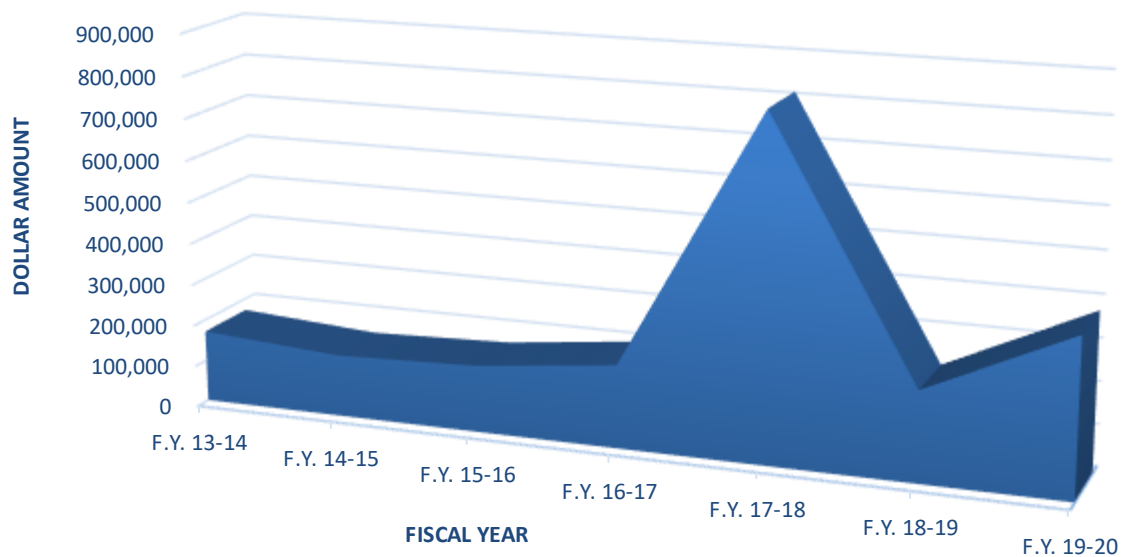
Forestry: Reflects the cost for the maintenance and removal of street trees.

MAJOR STREETS EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 13-14	171,775
F.Y. 14-15	148,500
F.Y. 15-16	159,676
F.Y. 16-17	197,572
F.Y. 17-18	812,787
F.Y. 18-19	214,917
F.Y. 19-20	375,573

MAJOR STREETS EXPENDITURES HISTORICAL COMPARISON



**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

MAJOR STREET FUND MAJOR STREETS	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages - Permanent						-
Salaries & Wages - Administration	3,929	5,250	5,250	3,500	5,460	210
Salaries & Wages - Temporary	-	-			-	-
Fringe Benefits	752	4,005	4,005	825	6,540	2,535
Workers Compensation Insurance	-	-			-	-
Office Supplies	-	-			-	-
Public Service Building						-
Auditing Services	5,900	5,253	5,253	5,253	5,360	107
Roadside Parks	-	-			-	-
Transfer to Local Streets	-	67,056	67,056	67,056	173,694	106,638
Administration & Engineering	1,639	5,000	5,000	1,639	5,000	-
Road Construction	-	-	-		-	-
Road Maintenance	6,483	5,000	5,000	1,754	5,000	-
Roadside Maintenance	6,600	5,000	5,000	4,122	5,000	-
Equipment Rental	-	5,000	2,500	-	5,000	-
Traffic Controls	31,467	25,000	25,000	7,655	25,000	-
Snow & Ice Removal	6,374	5,500	5,513	2,497	5,500	-
Non-Motor Facilities	-	-	-		-	-
Forestry	22,794	30,000	30,000	13,313	30,000	-
Capital Expenditure	234,501	-	45,000	-	40,000	40,000
Subtotal - Major Streets	320,439	162,064	204,577	107,614	311,554	149,490
CONTRACTUAL SERVICES	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Contractual Services	52,849	52,853	52,853	35,233	64,019	11,166
Public Service Building		-			-	-
Roadside Maintenance		-			-	-
Subtotal- Contractual Services	52,849	52,853	52,853	35,233	64,019	11,166
Total - Major Streets	373,288	214,917	257,430	142,847	375,573	160,656

COMPARISON OF ALL EXPENDITURES

MAJOR STREET FUND MAJOR STREETS	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Permanent	0	0	0	29,077	26,205	22,947	23,864
Salaries & Wages - Administration	5,250	3,929	3,720	2,670	4,728	4,728	4,822
Salaries & Wages - Temporary	0	0	0	0	4,007	4,335	4,450
Fringe Benefits	4,005	752	1,384	4,076	14,520	13,698	13,861
Workers Compensation Insurance	0	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0	0
Public Service Building				5,292	10,178	7,193	9,033
Auditing Services	5,253	5,900	4,108	4,003	3,901	3,817	3,817
Roadside Parks	0	0	0	0	380	810	0
Transfer to Local Streets	67,056	0	68,193	44,702	44,702	44,702	0
Administration & Engineering	5,000	1,639	2,942	1,639	1,639	1,639	1,639
Road Construction	0	0	0	0	0	0	0
Road Maintenance	5,000	6,483	0	9,208	4,980	6,427	20,653
Roadside Maintenance	5,000	6,600	6,852	8,687	3,065	2,613	3,750
Equipment Rental	5,000	0	0	0	14,085	14,085	14,085
Traffic Controls	25,000	31,467	24,516	22,760	25,518	22,126	33,602
Snow & Ice Removal	5,500	6,374	5,997	2,851	1,151	1,967	487
Non-Motor Facilities	0	0	0	0	0	0	0
Forestry	30,000	22,794	12,266	13,535	12,716	12,257	14,085
Capital Expense		234,501	0	0	0	0	0
Contractual Services	52,853	52,849	65,326	0	0	0	0
Total - Major Streets	214,917	373,288	195,303	148,500	171,775	163,344	148,148

WAGE & FRINGE BENEFITS - MAJOR STREETS - FY 19-20

POSITION	SALARY	S.S.	PENSION	Med Reimburse	I.C.M.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	TOTAL
MERS (01) GNRL Liability (25%)	-	-	4,970	-	-	-	-	-	-	-	-	4,970
MERS (11) Non Union After 08 (5%)	-	-	106	-	-	-	-	-	-	-	-	106
City Administrator (5%)	5,460	418	273	-	328	-	387	29	16	13	-	1,464
Part Time	-	-	-	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-	-	-	-
Total - Full Time Employees	5,460	418	5,349	-	328	-	387	29	16	13	-	6,540
Lathrup Services, LLC	-	-	-	-	-	-	-	-	-	-	-	-
Total - Major Streets	5,460	418	5,349		328	-	387	29	16	13	-	6,540

MAJOR STREETS EXPENDITURE AREA	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Permanent	0	0	0	0	0	0	0
Salaries & Wages - Administration	3,929	5,250	5,460	5,542	5,625	5,709	5,795
Salaries & Wages - Part Time	0	0	0	0	0	0	0
Fringe Benefits	752	4,005	6,540	6,867	7,210	7,571	7,949
Workers Compensation Insurance	0	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0	0
Public Service Building	0	0	0	0	0	0	0
Auditing Services	5,900	5,253	5,360	5,478	5,598	5,722	5,847
Roadside Parks	0	0	0	0	0	0	0
Transfer to Local Streets	0	67,056	173,694	23,261	23,261	23,261	0
Administration & Engineering	1,639	5,000	5,000	5,000	5,000	5,000	5,000
Road Construction	0	0	0	0	0	0	0
Road Maintenance	6,483	5,000	5,000	200,000	200,000	200,000	200,000
Roadside Maintenance	6,600	5,000	5,000	5,150	5,305	5,464	5,628
Equipment Rental	0	5,000	5,000	5,000	5,000	5,000	5,000
Traffic Controls	31,467	25,000	25,000	25,750	26,523	27,318	28,138
Snow & Ice Removal	6,374	5,500	5,500	6,747	6,748	6,748	6,748
Non-Motor Facilities	0	0	0	0	0	0	0
Capital Expenditure	234,501	0	40,000	40,000	40,000	40,000	40,000
Forestry	22,794	30,000	30,000	30,000	30,000	30,000	30,000
Contractor Services	52,849	52,853	64,019	64,659	65,306	65,959	66,618
TOTAL EXPENDITURES	373,289	214,917	375,573	423,454	425,576	427,752	406,724

LOCAL STREETS

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LOCAL STREETS

REVENUES

As with Major Streets, revenues for the Local Street Fund are based on a distribution formula established by the State of Michigan under the provisions of Act 51 of the Public Acts of 1951, as amended. The source of the revenues that the State receives under this Act comes from specific taxes on motor vehicles and motor vehicle fuels. The following represents the various categories of taxes:

- Gasoline Tax
- Diesel Fuel Tax
- Liquid Petroleum Gas Tax
- Diesel Carrier Tax
- Diesel Carrier License
- Diesel Dealer License
- Residential Weight Tax
- Nonresidential Weight Tax

Based on the number of designated local street miles and population, the City can calculate projected revenues for the maintenance of its 21.14 miles of local streets. Additional contributing revenue shown in the “Summary of Revenues - Local Streets” is based on the transfer from other funds (General Fund and/or Major Streets), investments, special assessments, and accumulated fund balances. The fund balance for FY 2019-20 is estimated to be \$69,186.

LOCAL STREETS

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Local Streets budget.

Salaries & Wages - Permanent: Reflects the cost for fulltime equivalent employees.

Salaries & Wages - Administration: Reflects the cost for allowable administrative costs for the fund. For example, 5% of the Administrator salary is charged to this budget for work in connection with Local Street activity.

Salaries & Wages - Temporary: Reflects the cost for one part-time employee.

Fringe Benefits: Reflects the cost of employer-provided benefits such as pension, health insurance, and life insurance.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Office Supplies: Reflects the cost for necessary office supplies.

Public Service Building: Reflects the cost for the upkeep and repair of the DPS building where all operations are conducted. This line item has also been used to reflect the cost of building improvements in past years.

Auditing Services: Reflects the cost for a portion of our annual required independent audit. The total projected cost for this service, currently being provided by the accounting firm of Plante & Moran, is spread among all funds since all funds must be audited.

Roadside Parks: Reflects the cost for the maintenance of parks that are adjacent to local streets. Grass cutting and tree maintenance are examples.

Administration and Engineering: Reflects the cost for engineering services not connected with specific improvement projects. This is used on occasion, but in most cases, these costs are assigned to a more specific project and line item such as road maintenance.

Road Construction: Reflects the cost for large-scale road projects that require complete reconstruction of a road or the paving of gravel streets.

Road Maintenance: Reflects the cost for the routine maintenance of the road surface. This can include resurfacing of streets if it does not require a complete reconstruction. Examples are road patching, gravel road maintenance, crack and joint sealing, etc.

Roadside Maintenance: Reflects the cost for right-of-way maintenance. This may take the form of drainage and ditch work.

Equipment Rental: Reflects the cost charge for the rental of equipment in the major street fund based on approved rental rates. These rates are transferred into the Capital Acquisition Fund for future equipment replacements.

Traffic Controls: Reflects the cost for signage, poles, and traffic signal maintenance. The Road Commission for Oakland County performs traffic signal maintenance.

Snow & Ice Removal: Reflects the cost for materials to perform snow and ice removal. Road salt, repairs to plow blades, and new blades are examples under this line item.

Non-Motor Facilities: Reflects the cost associated with facilities and services for non-motorized transportation. Any improvements that will help this category will be posted to this line item. For example, this line item could be used to offset the paving of gravel roads since it will help non-motorized traffic.

Forestry: Reflects the cost for the maintenance and removal of street trees.

**CITY OF LATHRUP VILLAGE
SUMMARY OF REVENUES - LOCAL STREETS
FY 2019-20**

LOCAL STREETS	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
ACT 51 Funds	170,051	104,271	104,271	70,066	128,662	24,391
Transfer From General Funds	134,230	145,420	145,420	145,420	193,812	48,392
Transfer in from Major Streets	-	67,056	67,056	67,056	173,694	106,638
Investment Interest	77	300	300		300	-
Miscellaneous Revenue	9,833	-		14,035	13,603	13,603
Special Assessments	-	-			-	-
Other State Grants	-		54,359	54,359		-
Total - Local Street Revenues	314,191	317,047	371,406	350,936	510,070	193,023

510,070

LOCAL STREETS

FUND BALANCE - BEGINNING	462,856	385,849	184,661		41,056	(143,605)
	-					
EXPENDITURES	(77,007)	(201,188)	(143,605)	-	28,129	171,734
FUND BALANCE - ENDING	385,849	184,661	41,056		69,186	28,129

COMPARISON OF ALL REVENUES

LOCAL STREET FUND REVENUE	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
ACT 51 Tax Return	104,271	170,051	154,139	111,270	90,429	89,712	87,614
Transfer From Other Fund	212,476	134,269	239,687	274,299	91,611	134,702	90,000
Special Assessments	0	0	0	0	0	0	0
Interest Income	300	77	25	139	123	120	337
Miscellaneous Revenue	9,833	9,833	0	0	0	0	0
Fund Balance	385,849	0	393,249	264,627	264,627	281,241	281,241
Total - Local Street Revenue	712,729	314,230	787,100		446,790	505,775	459,192

LOCAL STREETS							
LONG TERM FINANCIAL PLAN REVENUE CATEGORY	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
State Allocation - Act 51	170,051	104,271	128,662	131,879	135,176	138,555	142,019
Special Assessment	0	0	0	0	0	0	0
Miscellaneous Revenue	9,833	0	13,603	0	0	0	0
Interest Revenue	77	300	300	100	100	100	100
Transfer from Major Streets	0	67,056	173,694	24,704	23,261	23,261	23,261
Transfer from General Fund	134,269	145,420	193,812	0	0	0	0
TOTAL - REVENUES	314,230	317,047	510,071	156,683	158,537	161,916	165,380

EXPENDITURES

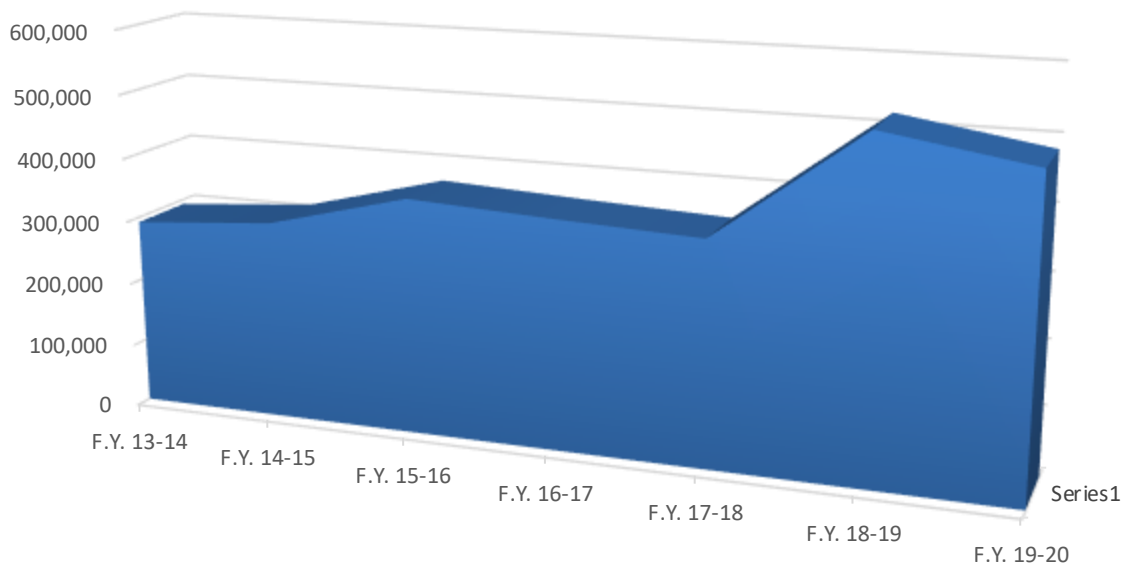
The local street budget contains expenditures for the maintenance of the 21.14 miles of local streets. The overall goal is to provide an adequate level of road maintenance within the local street system. Expenditures from this budget are applied to maintenance for the grass cutting, traffic control measures in our interior streets, trimming and/or removal of trees within the local streets rights-of-way, street maintenance and repairs, road drainage, and the costs for personnel services. Overall Local Street expenditures for FY 2019-2020 are projected to decrease by \$36,294 or 0.75 % over FY 2018-2019 estimates.

LOCAL STREETS EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 13-14	292,435
F.Y. 14-15	309,911
F.Y. 15-16	366,835
F.Y. 16-17	355,521
F.Y. 17-18	346,140
F.Y. 18-19	518,235
F.Y. 19-20	481,941

LOCAL STREETS EXPENDITURES HISTORICAL COMPARISON



**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

LOCAL STREET FUND LOCAL STREETS	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages - Permanent	-					0
Salaries & Wages - Administration	3,929	5,250	5,250	3,500	5,460	210
Salaries & Wages - Temporary		-			-	0
Fringe Benefits	752	4,274	4,274	825	6,540	2,266
Workers Compensation Insurance	-	-			-	0
Office Supplies	-	-			-	0
Public Service Building	-	1,000	1,000	-	1,000	0
Auditing Services	3,860	3,121	3,121	3,121	3,185	64
Administration & Engineering	-	-	-	-	-	0
Road Construction	-	-		-	-	0
Road Maintenance	283,665	318,737	360,000	332,971	318,737	0
Roadside Maintenance	-			268		0
Equipment Rental	753	2,000	2,000	-	2,000	0
Traffic Controls	2,307	4,000	4,000	-	4,000	0
Snow & Ice Removal	6,374	5,000	5,513	2,497	5,000	0
Non-Motor Facilities	-	2,000	2,000	-	2,000	0
Capital Expenditure	13,953	90,000	45,000		40,000	(50,000)
Forestry	22,794	30,000	30,000	13,313	30,000	0
Subtotal - Local Streets	338,387	465,382	462,158	356,495	417,922	(47,460)
CONTRACTUAL SERVICES	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Contractual Services	52,849	52,853	52,853	35,233	64,019	11,166
Roadside Maintenance		-			-	0
						0
Subtotal- Contractual Services	52,849	52,853	52,853	35,233	64,019	11,166
Total - Local Streets	391,236	518,235	515,011	391,728	481,941	(36,294)

COMPARISON OF ALL EXPENDITURES

LOCAL STREET FUND LOCAL STREETS	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Permanent	0	0	0	28,977	26,277	22,947	23,864
Salaries & Wages - Administration	5,250	3,929	3,720	2,670	4,728	4,728	4,822
Salaries & Wages - Temporary	0	0	0	72	3,935	4,335	4,450
Fringe Benefits	4,274	752	1,338	4,070	14,891	13,698	13,861
Workers Compensation Insurance	0	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0	0
Public Service Building	1,000	0	2,862	5,612	9,938	7,019	8,071
Auditing Services	3,121	3,860	3,000	2,899	2,825	2,764	2,764
Administration & Engineering	0	0	0	0	0	0	0
Road Construction	0	0	0	0	0	0	0
Road Maintenance	318,737	283,665	314,674	216,428	142,734	146,658	230,390
Roadside Maintenance	0	0	93	9,088	2,797	3,423	1,975
Equipment Rental	2,000	753	1,813	0	8,811	8,811	8,811
Traffic Controls	4,000	2,307	463	6,456	4,564	3,906	15,666
Snow & Ice Removal	5,000	6,374	6,247	2,851	1,151	1,967	487
Non-Motor Facilities	2,000	0	230	0	0	0	0
Capital Expenditure	90,000	13,953	0	0	0	0	0
Forestry	30,000	22,794	52,313	13,309	12,852	12,257	13,388
Contractual Services	52,853	52,849	45,640				
Total - Local Streets	518,235	391,236	432,392	292,435	235,503	232,513	328,549

LOCAL STREETS EXPENDITURE AREA	Actual FY 16-17	Budgeted FY 17-18	Projected FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23
Salaries & Wages - Permanent	0	0	0	0	0	0	0
Salaries & Wages - Administration	2,543	3,863	3,921	3,980	4,039	4,100	4,162
Salaries & Wages - Part Time	0	0	0	0	0	0	0
Fringe Benefits	753	2,364	2,411	2,460	2,509	2,559	2,610
Workers Compensation Insurance	0	0	0	1	2	3	3
Office Supplies	0	0	0	0	0	0	0
Public Service Building	0	1,000	1,000	1,000	1,000	1,000	1,000
Auditing Services	3,000	3,060	3,121	3,184	3,247	3,312	3,378
Roadside Parks	0	0	0	0	0	0	0
Capital Expenditure	0	14,000	14,000	14,000	14,000	14,000	14,000
Administration & Engineering	0	0	0	0	0	0	0
Road Construction	0	0	0	0	0	0	0
Road Maintenance	167,794	240,000	246,000	252,150	60,000	61,500	63,038
Roadside Maintenance	0	0	0	0	0	0	0
Equipment Rental	0	2,000	2,000	2,000	2,000	2,000	2,000
Traffic Controls	897	4,000	4,120	4,244	4,371	4,502	4,637
Snow & Ice Removal	3,226	5,000	6,745	6,746	6,747	6,748	6,748
Non-Motor Facilities	0	4,000	4,000	4,000	4,000	4,000	4,000
Forestry	21,315	14,000	14,000	14,000	14,000	14,000	14,000
Contractual Services	47,316	52,853	52,853	52,853	52,853	52,853	52,853
TOTAL EXPENDITURES	246,844	346,140	354,171	360,616	168,768	170,577	172,429

WAGE & FRINGE BENEFITS - LOCAL STREETS - FY 19-20

POSITION	SALARY	S.S.	PENSION	Med Reimburse	I.C.M.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	TOTAL
MERS (01) GNRL Liability (25%)	-		4,970	-	-	-	-	-	-	-	-	4,970
MERS (11) Non Union After 08 (5%)			106	-	-	-	-	-	-	-	-	106
City Administrator (5%)	5,460	418	273	-	328	-	387	29	16	13	-	1,464
Part Time			-	-	-	-	-	-	-	-	-	-
Overtime			-	-	-	-	-	-	-	-	-	-
Total - Full Time Employees	5,460	418	5,349	-	328	-	387	29	16	13	-	6,540
Lathrup Services, LLC	-	-	-	-	-	-	-	-	-	-	-	-
Total - Local Streets	5,460	418	5,349	-	328	-	387	29	16	13	-	6,540

WATER

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WATER DEPARTMENT

REVENUES

Revenues necessary to fund water operations are based on the cost of operating our water department. In order to provide water service to residents, we must purchase our water from external entities. The rates we pay for water are included in the projections for water expenditures. Once the expenditure side has been calculated, the rate necessary to fund water operations is based on the following factors:

- The water rate charged to the Southeastern Oakland County Water Authority (SOCWA) by the Great Lakes Water Authority to cover their operations.
- An additional rate applied to the above by SOCWA to cover their operational costs.
- An additional rate applied to the above by the City to cover our operations.
- The City's water loss ratio.
- Revenues earned through investments and penalties.

WATER RATE

It is the City's intent to keep the revenues and expenditures of water as close together as possible. Water rates, wherever a person may live, have historically increased. Municipal managers' task of balancing revenues, expenditures, and the cost of capital projects involving the delivery of water is a topic of concern not only for administrators but for council members and residents alike; this can be clearly seen in the below Water Rate Review.

For the FY 2019-2020 budget, water rates will increase from \$39.38/unit (per 1,000 cu ft) to \$39.97/unit (per 1,000 cu ft) representing 1.5%, despite SOCWA tentative rate increase of at least 2%. Considering Lathrup' aging infrastructure, water loss (difference of the total water purchased from SOCWA and the water that was actually used by Lathrup consumers) continues to be an issue the City would like to mitigate by replacing some of our water delivery infrastructure problem areas. SOCWA annually projects the amount of water that Lathrup Village will purchase.

WATER RATE REVIEW

WATER	DETROIT	SOCWA	CITY	CAPITAL	TOTAL
WATER RATE - 18-19	0.00	15.67	15.50	8.21	39.38
WATER RATE - 19-20	0.00	15.67	15.80	8.50	39.97
INC./(DEC.) IN \$	0.00	0.00	0.30	0.29	0.59
INC./(DEC.) IN %	#DIV/0!	0.00%	1.94%	3.53%	1.50%

Revenues for the Water Fund assume a certain level of consumption (cubic feet of water sold.).

This amount is estimated annually by SOCWA in early March. Estimates for 2019 is that the City will purchase 18,700 (per 1,000) cubic feet of water (23,200 for FY 2018-2019). However, we know that we will not sell that amount. The reason for this is due to the water loss ratio. Water loss ratios are calculated based on the amount of water purchased compared to the amount of water consumed, or sold. Losses to the system are tracked on a monthly basis and come from several sources. These include watermain breaks, hydrant flushing, sewer jetting, and unauthorized use of our hydrants. To compensate for estimated water loss the total cubic feet purchased is reduced by this percentage. For the purpose of calculating the water rate we have used 5.00% loss ratio and expect to receive revenues based on the sale of 18,700 (per 1,000) cubic feet.

It is logical to make a case that if we purchase less, we will pay less. However, a reduction in water purchases rarely equals a dollar for dollar reduction in overall expenditures since the majority of the remaining expenditures are personnel costs, which do not change with water consumption fluctuations. In situations where the sale of water decreases, the City must increase the rate charged to the customers to meet expenditures that logically will increase from year to year, or make decisions on where and what budgetary areas to reduce or eliminate.

**CITY OF LATHRUP VILLAGE
SUMMARY OF REVENUES - WATER FUND
FY 2019-20**

WATER FUND	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Water Sales	626,805	571,221	571,221	429,149	559,065	(12,156)
Water Penalties	24,022	25,000	25,000	1,423	25,000	0
Investment Interest	6,260	3,000	3,000	4,056	4,500	1,500
Miscellaneous	43,562	40,000	40,000	14,255	40,000	-
Meter Charge	72,588	70,556	70,556	46,100	77,792	7,236
Replacement Reserve Revenue	-	150,456	150,456		151,003	547
Repayment of Pension General Fund		-			-	-
Transfer from Capital						-
Total - Water Revenues	773,237	860,233	860,233	494,983	857,359	(2,874)

Starting with the 2014-15 Budget year, the City's General Fund will start to repay the Water Fund for pension liabilities paid for in 2013-14 Budget Year (\$50,764 annually for 10 years). This figure does not appear as operational revenue as it is transferred between City funds.

COMPARISON OF ALL REVENUES

WATER REVENUE	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Water Sales	571,221	626,805	631,065	580,051	637,178	585,671	559,783
Water Penalties	25,000	24,022	21,222	21,790	21,613	23,502	26,365
Investment Interest	3,000	6,260	2,449	2,262	1,046	498	611
Miscellaneous	40,000	43,562	39,759	42,262	17,276	6,390	0
Meter Charge	70,556	72,588	69,983	40,865	38,245	38,683	45,223
Capital Projects	150,456	0	0	0	0	0	0
Total - Water Revenue	860,233	773,237	764,477	687,230	715,358	654,744	631,982

WATER FUND

LONG TERM FINANCIAL PLAN REVENUE CATEGORY	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Water Sales	626,805	571,221	559,065	587,018	616,369	647,188	679,547
Water Penalties	24,022	25,000	25,000	32,000	32,000	32,000	32,000
Meter Charge Revenue	72,588	70,556	77,792	36,500	36,500	36,500	36,500
Investment Interest	6,260	3,000	4,500	500	500	500	500
Miscellaneous	43,562	40,000	40,000	10,800	10,800	10,800	10,800
Replacement Reserve Revenue	0	150,456	151,003	120,000	120,000	120,000	120,000
Transfer From Capital	0	0	0	0	0	0	0
Transfer From Gen Fund Pension	0	0	0	0	0	0	0
TOTAL - REVENUES	773,237	860,233	857,360	786,818	816,169	846,988	879,347

EXPENDITURES

The water budget includes expenditures for the maintenance of the City's water system. The department is cognizant of the ever increasing cost of water and is attuned to the fact that most of the customers' water bills will continue to increase into the near future as the Detroit Water and Sewerage Department continues its nearly \$2 billion investment in capital improvements as it reorganizes as the Great Lakes Water Authority. The goal of the Water Department is to insure that the supply of water is provided without interruption and to the satisfaction of the consumer.

Annual costs attributed to SOCWA are estimated based upon a variable cost (water consumption) and a monthly fixed cost. As stated in the previous section we anticipate purchasing 18,700 units of water at an estimated cost of \$397,900 dollars. In 2015 SOCWA began assessing a fixed charge in addition to the variable per unit rate. This year the fixed monthly rate will increase from \$2,713 per month to \$3,316 at a commodity rate of \$17.30 per 1,000 Cu Ft as compared to last year of \$17.32 per 1,000 Cu Ft.

SOCWA has calculated Lathrup Village uses an average of .47 million gallons every. Overall, water fund expenditures for FY 2019-2020 are projected to increase by \$65,270 or 9.45% over FY 2018-2019. This increase is in part due to an allocation of \$500,000 for Water Main Projects.

This budget does contain extra funds for capital expenditures through the meter charge revenues. The line item entitled "Meter Charge Funds to Water Reserve" reflects this amount and is also reflected on the revenue side.

WATER DEPARTMENT

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Water budget.

Salaries & Wages - Permanent: Reflects the cost for fulltime equivalent employees.

Fringe Benefits: Reflects the cost of employer-provided benefits such as pension, health insurance, and life insurance.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Office Supplies: Reflects the cost for necessary office supplies.

Water System Maintenance: Reflects the cost for repairs to the water system. This may take the form of leak detection surveys, water breaks, gate valve repairs, water meter replacements, etc.

Water Billing Expense: Reflects the cost for mailing water bills, and warranty cost for meter reading devices and software.

Auditing Services: Reflects the cost to pay for a portion of our annually required audit. The total projected cost for this service, currently being provided by the accounting firm of Plante & Moran, is spread among all funds since all funds must be audited.

Telephone Billings: Reflects the cost for telephone, pager, voice mail, and internet services.

Liability Insurance: Reflects a portion of the cost for our insurance coverage through the Michigan Municipal League Liability and Property Pool program. Coverage includes insurance for buildings, vehicles and equipment, police professional liability, errors and omissions, and coverage for legal actions against the City.

Water Purchase: Reflects the cost to purchase water from the Southeastern Oakland County Water Authority.

Rent & Utilities: Reflects the cost for utilities and rent of the DPS building for water operations.

System Depreciation: Reflects the anticipated cost for depreciation expense for the system. This line item is not used for budgeting purposes.

Capital Expense: Reflects the cost for any anticipated capital purchases. This has been succeeded by the Vehicle and Equipment Expense line item.

Vehicle & Equipment Expense: Reflects the cost for a portion of vehicle maintenance and equipment replacement.

Miscellaneous: Reflects a small figure for unanticipated expenses.

Transfer to the Capital Acquisition Fund: Reflects the expense to the Capital Acquisition Fund for meter charges and for replacement reserves. It is an offset for the corresponding revenue side.

Infrastructure Analysis: Reflects the cost for the infrastructure analysis performed by Giffels Webster. Any future system-wide analysis will fall under this line item.

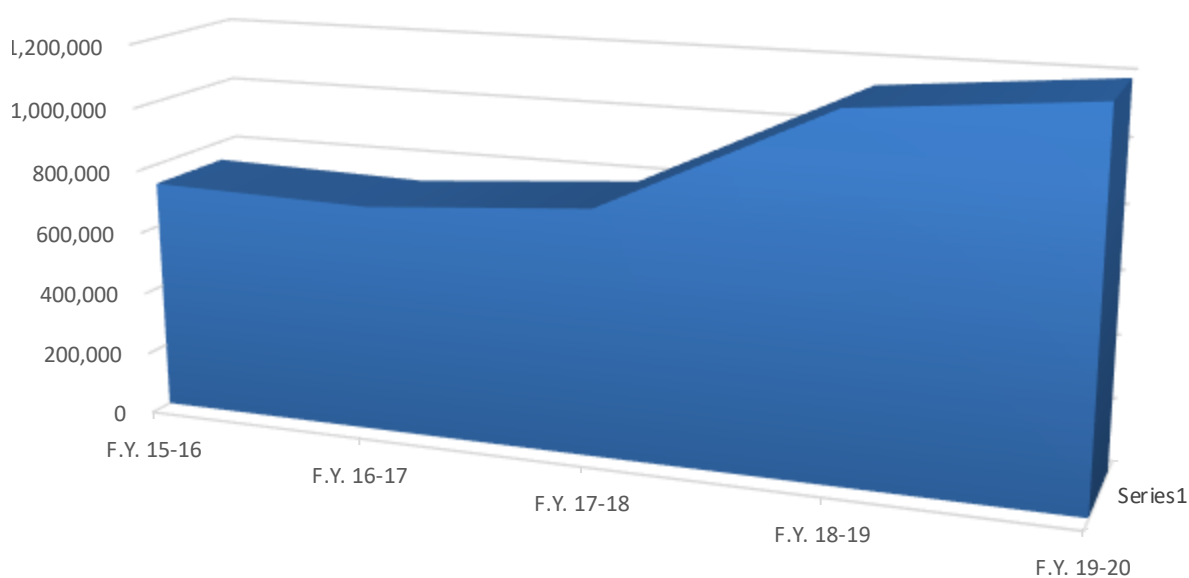
Water Use - Cleaning & Flushing: Reflects the cost for the use of water for cleaning and flushing of our water system.

WATER EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 13-14	790,454
F.Y. 14-15	700,348
F.Y. 15-16	738,477
F.Y. 16-17	721,746
F.Y. 17-18	775,733
F.Y. 18-19	1,124,340
F.Y. 19-20	1,189,611

WATER EXPENDITURES HISTORICAL COMPARISON



**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

WATER FUND WATER	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages - Permanent	16,223	17,888	17,888	11,930	19,018	1,130
Fringe Benefits	77,099	68,414	85,000	67,489	65,630	(2,784)
Workers Compensation	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Water System Maintenance	61,865	80,000	85,000	58,091	80,000	0
Water Billing Expense	10,956	20,000	14,000	7,997	10,000	(10,000)
Auditing Services	3,682	3,756	4,881	4,881	4,980	1,224
Liability Insurance Premiums	6,852	6,989	6,989	6,989	7,130	141
Water Purchase	377,905	325,600	325,600	233,167	397,900	72,300
Rent & Utilities	5,030	4,917	4,917	4,917	4,917	-
System Depreciation	291,480	-	-	-	-	-
Capital Expense	-	5,000	-	-	5,000	-
Equipment Replacement	(1,092)	20,000	10,000	544	10,000	(10,000)
Miscellaneous/Meetings/Training	2,882	3,100	3,100	-	3,100	-
Transfer Out To Capital Acquis	-	-	-	-	-	-
Water Main Project	-	500,000	500,000	148,831	500,000	-
Pension Expense	33,464	1,626	1,626	-	2,000	374
OPEB Expense	(38,362)	7,654	7,654	-	8,000	346
Subtotal- Water	847,984	1,064,944	1,066,655	544,836	1,117,674	52,730
CONTRACTUAL SERVICES	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Subtotal- Contractual Services	60,249	59,397	59,397	40,360	71,937	12,540
Total - Water	908,233	1,124,341	1,126,052	585,196	1,189,611	65,270

WAGE & FRINGE BENEFITS - WATER - FY 19-20

POSITION	SALARY	S.S.	PENSION	Boat Allow	I.C.M.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	TOTAL
Contractual Staff	71,937	-	-	-	-	-	-	-	-	-	-	-
City Administrator (6%)	6,552	501	328	-	393	-	464	35	20	16	-	1,757
Deputy Treasurer (25%)	12,466	954	623	-	249	-	1,004	100	37	31	-	2,998
Retirees Medical Insurance	-	-	-	-	-	-	60,278	-	-	-	-	60,278
Contingent Upon Advancement	-	-	-	-	-	-	-	-	-	-	-	-
MERS (11) Non Union After 08 (6%)	-	-	596	-	-	-	-	-	-	-	-	596
Overtime	-	-	-	-	-	-	-	-	-	-	-	-
Total - Full Time Employees	19,018	1,455	1,547	-	642	-	61,747	135	57	47	-	65,630
Lathrup Services, LLC	71,937	-	-	-	-	-	-	-	-	-	-	-
Total - Water	90,955	1,455	1,547	-	642	-	61,747	135	57	47	-	65,630

COMPARISON OF ALL EXPENDITURES

WATER	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Permanent	17,888	16,223	13,269	13,269	36,804	55,528	60,117
Fringe Benefits	68,414	77,099	64,480	90,965	126,442	87,443	82,007
Workers Compensation	0	0	0	0	0	465	423
Office Supplies	0	0	0	0	111	72	78
Water System Maintenance	80,000	61,865	56,899	55,834	35,542	33,079	42,614
Water Billing Expense	20,000	10,956	8,040	10,376	7,986	3,882	7,336
Auditing Services	3,756	3,682	3,600	3,450	3,362	3,290	3,290
Liability Insurance Premiums	6,989	6,852	5,500	2,052	4,811	4,484	4,534
Water Purchase	325,600	377,905	311,599	242,900	263,179	256,938	186,082
Rent & Utilities	4,917	5,030	4,917	4,917	6,376	5,475	5,485
System Depreciation	0	291,480	288,897	299,121	0	0	0
Capital Expense	5,000	0	(114,210)	(7)	0	0	0
Vehicle & Equipment Expense	20,000	(1,092)	14,784	0	0	0	584
Miscellaneous	3,100	2,882	1,408	1,489	2,556	1,061	1,277
Transfer Out to Capital Acquis	0	0	0	0	0	36,500	36,500
Water Main Project	500,000	0	9,740	3,527	200	110,727	6,991
Pension Expense	1,626	33,464	0	0	0	0	0
OPEB Expense	7,654	(38,362)	0	0	0	0	0
Contractual Services	59,397	60,249	0	0	0	0	0
Total - Water	1,124,341	908,233	668,923	727,893	487,369	598,944	437,318

LONG TERM FINANCIAL PLAN

WATER FUND EXPENDITURE AREA	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Permanent	16,223	17,888	19,018	19,303	19,593	19,887	20,185
Fringe Benefits	77,099	68,414	65,630	66,943	68,281	69,647	71,040
Workers Compensation Insurance	0	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0	0
Water System Maintenance	61,865	80,000	80,000	82,400	84,872	87,418	90,041
Water Billing Expense	10,956	20,000	10,000	10,000	10,000	10,000	10,000
Auditing Services	3,682	3,756	4,980	5,090	5,202	5,316	5,433
Liability Insurance Premiums	6,852	6,989	7,130	7,130	7,130	7,130	7,130
Water Purchases	377,905	325,600	397,900	417,795	438,685	460,619	483,650
Rent & Utilities	5,030	4,917	4,917	4,917	4,917	4,917	4,917
System Depreciation	291,480	0	0	0	0	0	0
Capital Expenditure	0	5,000	5,000	10,000	10,000	10,000	10,000
Water Main Project	0	500,000	500,000	120,000	120,000	120,000	120,000
Equipment Replacement	(1,092)	20,000	10,000	10,000	10,000	10,000	10,000
Miscellaneous	2,882	3,100	3,100	3,100	3,100	3,100	3,100
Transfer out to Capital Acquis	0	0	0	0	0	0	0
OPEB Expense	(38,362)	7,654	2,000				
Pension Expense	33,464	1,626	8,000				
Amortization of Contributed Capital	0	0	0	0	0	0	0
Unfunded Pension Liability							
Contractual Services	60,249	59,397	71,937	41,500	41,501	41,501	41,501
TOTAL EXPENDITURES	908,233	1,124,341	1,189,612	798,177	823,281	849,535	876,997
EXCESS OF REV OVER (UNDER) EXP	(134,995)	(264,108)	(332,252)	(11,359)	(7,111)	(2,547)	2,350

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SEWER DEPARTMENT

REVENUES

Revenues necessary to fund sewer operations are based on the cost of operating our sewer department. As part of the cost for the provision of sewer service to residents, we must pay for the disposal of sewage to outside entities. The rates that we pay for sewer are included in the projections for sewer expenditures. Once the expenditure side has been calculated, the sewer rate necessary to fund sewer operations is based on the following factors:

- The sewer rate charged to the Evergreen/Farmington Sewage Disposal System (EFSDS) operated by the Water Resources Commissioner by the Detroit Water and Sewerage Department to cover their operations.
- An additional rate applied to the above by EFSDS to cover their operational costs.
- An additional rate applied to the above by the City to cover our operations.
- The City's water loss ratio.
- Revenues earned through investments and penalties.

SEWER RATE

Despite “*Stabilizing Flow*” based sewer bills (in place since 2011-2012), sewer rates will increase from \$81.70/unit to \$82.34/unit for FY 2019-2020 representing a 0.78% increase per unit. A focus on inflow and infiltration mitigation by the City's on-going sewer lining program is expected to further eliminate the potential of sanitary sewer overflows at Lathrup's Storm Water Retention Tank - commonly referred to as “The Tank”. Inflow and Infiltration will also assist Lathrup in lessening flows and thus the overall cost to operate our sewer system. It should be further noted, despite Lathrup's water usage decreasing, corresponding decreases in sewer charges is not the case due to infrastructure and operation costs.

SEWER RATE REVIEW

CALCULATION FORMULA	FY 18-19	FY 19-20	\$ INC.	% INC.
DETROIT/EVERGREEN FARM.	55.01	55.60	0.59	1.07%
LOOK BACK ADJUSTMENT	0.00	0.00	0.00	0.00%
EXCESS FLOW CHARGE	0.00	0.00	0.00	0.00%
OPERATIONS & MAINTENANCE	12.75	12.80	0.05	0.39%
DEBT SERVICE	7.69	7.69	0.00	0.00%
CITY	6.25	6.25	0.00	0.00%
TOTAL	81.70	82.34	0.64	0.783%

**CITY OF LATHRUP VILLAGE
SUMMARY OF REVENUES - SEWER FUND
FY 2019-20**

SEWER FUND	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Sewage Disposal	1,299,355	1,497,234	1,497,234	891,058	1,462,770	(34,464)
Sewer Penalties	48,732	43,000	43,000	49,587	43,000	-
Investment Interest	6,260	1,700	1,700	4,056	1,700	-
Capital Contributions (ARRA Funds)	-	-	-	-	-	-
Investment Interest - Bond	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Industrial Surcharge	30,737	43,000	43,000	20,362	43,000	-
Federal State Grants+A426	-	-	-	-	-	-
Replacement Reserve Revenue	-	-	-	-	-	-
Transfer in from Capital Acq	-	-	-	-	-	-
Total - Sewer Revenues	1,385,084	1,584,934	1,584,934	965,064	1,550,470	(34,464)

COMPARISON OF ALL REVENUES

SEWER REVENUE	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Sewage Disposal	1,497,234	1,299,355	1,271,431	929,705	991,696	1,013,417	768,255
Sewer Penalties	43,000	48,732	52,852	52,004	55,883	45,888	29,361
Investment Interest	1,700	6,260	2,449	2,261	1,046	498	611
Miscellaneous	0	0	0	0	0	0	24
Industrial Surcharge	43,000	30,737	30,664	46,015	40,462	38,988	33,534
Capital Projects	0	0	0	0	0	0	0
Federal State Grants+A426	0	0	0	0	0	0	0
Replacement Reserve Revenue	0	0	0	0	238,644	0	0
Total - Sewer Revenue	1,584,934	1,385,084	1,357,396	1,029,985	1,327,731	1,099,006	831,785

LONG TERM FINANCIAL PLAN

SEWER FUND REVENUE CATEGORY	Actual FY 16-17	Budgeted FY 17-18	Projected FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23
Sewage Disposal	1,332,328	1,372,004	1,481,764	1,600,305	1,728,330	1,866,596	2,015,924
Sewer Penalties	60,223	43,000	43,000	43,000	43,000	43,000	43,000
Investment Interest	2,972	1,700	1,700	1,700	1,700	1,700	1,700
Bond Proceeds- ARRA Funds	0	0	0	0	0	0	0
Investment Interest-Bond	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
Industrial Surcharge	30,505	43,000	43,000	43,000	43,000	43,000	43,000
Federal State Grants	0	0	0	0	0	0	0
Replacement Reserve	0	0	125,467	125,467	125,467	125,467	125,467
TOTAL - REVENUES	1,426,027	1,459,704	1,694,931	1,813,472	1,941,497	2,079,763	2,229,091

EXPENDITURES

The sewer budget contains expenditures for the maintenance of the City's sewer system. The overall goal of the department is to provide a high quality of life for the customers through the provision of a high quality sewer system. We are also aware of the enormous investment on the part of the residents for the system improvements dictated by the Final Order of Abatement; in 2009 we saw the last of the 20- year dedicated sewer millage. The City entered into a Consent Judgment with the MIDNR in 2005. This called for a Short Term Corrective Action Plan (STCAP), which was approved and a Long Term Corrective Action Plan, which also was approved. We have lined approximately 75% of our sewers and rehabbed hundreds of manholes. Despite this, we are still seeing excess flows during wet weather events. In the two previous years to last (2017 and 2018) we did not experience a SSO. There was only one SSO in 2016. We still have some work to do to come into full compliance with the MIDNR and lessen our storm water flows in our sanitary sewer

The City received a grant in 2013 that allowed for the cleaning and televising of sewer mains in the south side of Lathrup Village (south of 11 Mile) for structural or grouting deficiencies that lead to infiltration problems. Sewers were grouted in the late 1980s with a life expectancy of this work to last 15 to 20 years. The cleaning and televising yielded roughly \$520,000 worth of needed cured-in-place-piping (CIPP) and grout work needed to slow groundwater from infiltrating our system through our sewer mains. We have added this work to our 2015-2020 Capital Improvement Plan and have expended over \$114,000 for a CIPP project in FY 2015-2016, budgeted \$90,000 for FY 2016-2017, and increased FY 2017-2018 amount to \$142,000 to cover maintenance expenses associated with "The Tank".

Lathrup Village lies in the Evergreen Farmington Sanitary Sewer District of Oakland County. The Water Resource Commission of Oakland County is the authority when it comes to Lathrup's legislative discharge amounts of 3.35 cfs. As stated earlier in this report, 3.35 cfs is not large enough to cover the amount of water received during rain events. Currently, the City Administrator or designee is in charge of monitoring and maintaining "The Tank," and evaluating all weather patterns as they approach Oakland County. This in itself places a heavy burden on a single person to ensuring an SSO does not occur out of Lathrup Village. Oakland County WRC is currently working on a proposal to take over duties associated with "The Tank," since they already maintain and manage all other Oakland County SRTs. Lathrup Village's SRT is currently being monitored by MIDEQ to ensure maintenance and operational compliance.

In 2014, the Water Resource Commissioner and Detroit Water and Sewer Department began a rate simplification process designed to better align their rates with their fixed costs. That process yielded an increase of \$209,971 (or 26.6%) in its first year and a drop in costs in 2015 (\$5,465) and decrease of \$19,127 in 2016. The FY 2015-2016 sewage disposal cost totaled \$871,591 with \$850,000 budgeted for FY 2016-2017. Because of an unseasonable wet winter and spring, sewer rates have increased as stated above with \$952,800 budgeted for Sewage Disposal Service representing a 3.96% increase in this category.

Sewer combined with water increases will continue to be an issue between our residents and the authorities that charge for these services. Lathrup Village continues to meet monthly with SOCWA, the Oakland County WRC, and the Great Lakes Water Authority to ensure our concerns are represented.

SEWER DEPARTMENT

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Sewer budget.

Salaries & Wages - Permanent: Reflects the cost for fulltime equivalent employees.

Fringe Benefits: Reflects the cost of employer-provided benefits such as pension, health insurance, and life insurance.

Workers Compensation Insurance: Reflects a portion of the premium costs for this mandated coverage.

Office Supplies: Reflects the cost for necessary office supplies.

Sewer System Maintenance: Reflects the cost for repairs and maintenance to the sewer system. This may take the form of sewer main collapses, sewer cleaning, etc.

Sewer Billing Expense: Reflects the cost for mailing water bills, and warranty cost for meter reading devices and software.

Auditing Services: Reflects the cost for a portion of our annual required independent audit. The total projected cost for this service, currently being provided by the accounting firm of Plante & Moran, is spread among all funds since all funds must be audited.

Telephone Billings: Reflects the cost for telephone, pager, voice mail, and internet services.

Liability Insurance: Reflects a portion of the cost for our insurance coverage through the Michigan Municipal League Liability and Property Pool program. Coverage includes insurance for buildings, vehicles and equipment, police professional liability, errors and omissions, and coverage for legal actions against the City.

Sewage Disposal: Reflects the cost for sewage disposal from the Evergreen/Farmington Sewage Disposal System.

Rent & Utilities: Reflects the cost for utilities and rent of the DPS building for sewer operations.

System Depreciation: Reflects the anticipated cost for depreciation expense for the system. This line item is not used for budgeting purposes.

Administration & Engineering: Reflects the costs associated with engineering services for projects.

Miscellaneous: Reflects a small figure for unanticipated expenses.

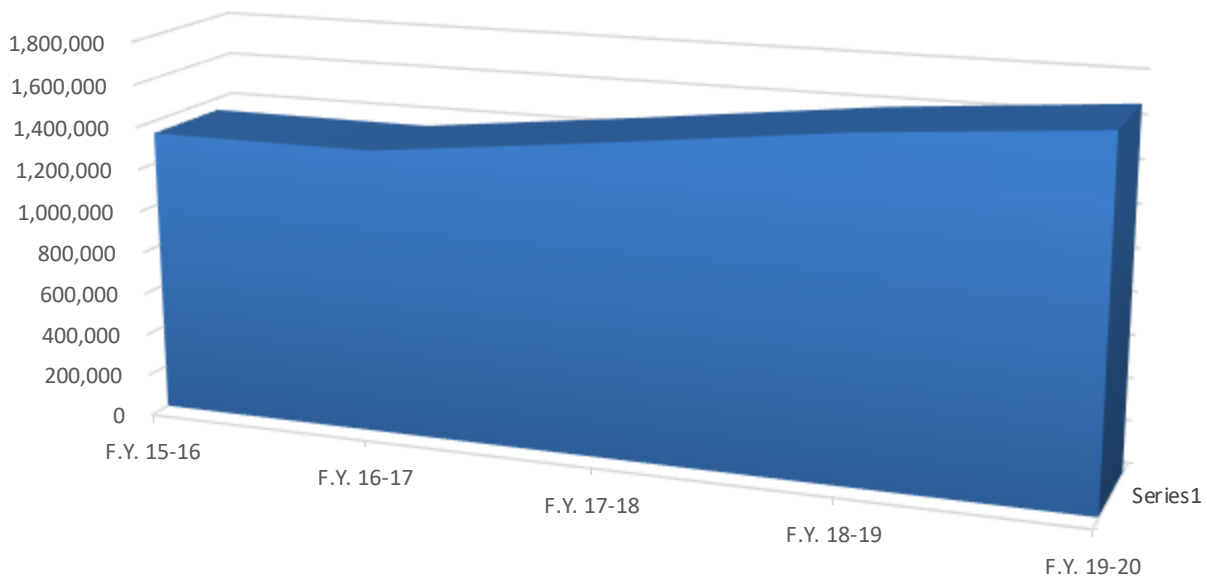
Retention Tank: Reflects the cost for the operation and maintenance of the City's retention tank.

SEWER EXPENDITURES

HISTORICAL COMPARISON

FISCAL YEAR	AMOUNT
F.Y. 13-14	1,037,312
F.Y. 14-15	1,242,797
F.Y. 15-16	1,342,699
F.Y. 16-17	1,341,224
F.Y. 17-18	1,459,704
F.Y. 18-19	1,584,934
F.Y. 19-20	1,674,600

SEWER EXPENDITURES HISTORICAL COMPARISON



**CITY OF LATHRUP VILLAGE
SUMMARY OF PROPOSED EXPENDITURES
FY 2019-20**

SEWER FUND SEWER	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Salaries & Wages - Permanent	16,224	17,888	17,888	13,570	19,018	1,130
Subtotal- Contractual Services	59,386	59,397	59,397	39,591	71,937	12,540
Fringe Benefits	8,596	14,451	20,000	16,744	24,635	10,184
Sewer System Maintenance	9,165	118,000	50,000	4,570	150,000	32,000
Auditing Services	3,641	3,756	4,881	4,881	4,980	1,224
Liability Insurance Premiums	7,500	7,500	7,500	7,500	7,650	150
Sewage Disposal Service	916,423	952,800	952,800	551,885	981,442	28,642
Rent	220	500	400	-	500	-
Capital Expenditure	-	142,000	142,000	23,259	142,000	0
Industrial Surcharge	26,957	32,600	32,600	8,441	34,600	2,000
Miscellaneous	-	1,200	1,200	-	1,200	-
OPEB Expense	(38,362)	-	-	-	-	-
Pension Expense	-	-	-	-	-	-
Subtotal- Sewer	1,009,750	1,350,092	1,288,666	670,441	1,437,962	87,870
RETENTION TANK						
Electric	11,805	18,729	18,000	5,377	18,707	(22)
Water	979	5,000	5,000	551	5,000	-
Natural Gas	175	300	300	105	300	-
Telephone	2,428	1,700	2,000	1,858	2,000	300
Fuel for Generator	-	500	500	-	500	-
Supplies & Tools	-	1,400	1,400	-	1,400	-
Building & Equipment	14,438	15,000	1,500	2,759	15,000	0
Environmental Compliance - Non Cap	11,204	20,000	20,000	11,459	20,000	0
Bond Expense - Interest	39,486	40,466	37,296	37,296	40,179	(287)
Bond Expense- Paying Agent Fees	-	750	750	750	750	-
Excess Liability Insurance	1,200	8,700	8,900	8,700	8,800	100
Subtotal- Retention Tank	81,715	112,545	95,646	68,853	112,636	91
Total - Sewer	1,091,465	1,462,637	1,384,312	739,295	1,550,598	87,961

WAGE & FRINGE BENEFITS - SEWER - FY 19-20

POSITION	SALARY	S.S.	PENSION	Med Reimburse	I.C.M.A.	LONG.	MEDICAL	VISION/ DENTAL	LIFE AD & D	LTD	SICK PAY	TOTAL
Contractual Staff	71,937		-	-	-	-	-	-	-	-	-	-
City Administrator (6%)	6,552	501	328	-	393	-	464	35	20	16	-	1,757
Deputy Treasurer (25%)	12,466	954	623	-	249	-	1,004	100	37	31	-	2,998
Retirees Medical Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Contingent Upon Advancement	-	-	-	-	-	-	-	-	-	-	-	-
MERS (11) Non Union After 08 (6%)			19,880									19,880
Overtime												
Total - Full Time Employees	19,018	1,455	20,831	-	642	-	1,468	135	57	47	-	24,635
Lathrup Services, LLC	71,937	-	-	-	-	-	-	-	-	-	-	-
Total - Sewer	90,955	1,455	20,831	-	642	-	1,468	135	57	47	-	24,635

COMPARISON OF ALL EXPENDITURES

SEWER	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Salaries & Wages - Permanent	17,888	16,224	13,269	54,115	33,471	55,215	60,103
Fringe Benefits	14,451	8,596	11,594	7,187	32,306	31,175	28,679
Workers Compensation Insurance	0	0	0	0	0	694	630
Office Supplies	0	0	0	0	100	72	0
Sewer System Maintenance	118,000	9,165	17,391	49,067	0	40,738	44,434
Auditing Services	3,756	3,641	3,570	3,570	3,362	3,290	3,290
Liability Insurance Premiums	7,500	7,500	6,969	3,078	5,789	5,513	5,534
Sewage Disposal Service	952,800	916,423	871,591	727,315	686,358	754,820	590,178
Rent	500	220	0	410	332	324	439
Capital Expenditure	142,000	0	110,060	355	8,850	0	0
Industrial Surcharge	32,600	26,957	23,928	42,011	40,151	37,265	32,848
Transfer to Capital Acquisition Fund	0	0	0	0	0	0	0
Equipment Replacement	0	0	0	0	0	0	1,841
Equipment Maintenance	0	0	0	1,442	2,760	2,115	5,138
Larvacide Expenditure	0	0	0	0	0	0	0
Admin/Engineering/Contract Service	0	0	0	0	0	0	0
OPEB Expense	0	(38,362)	0	0	0	0	0
Pension Expense	0	0	0	0	0	0	0
Infrastructure Analysis	0	0	0	0	0	0	0
Miscellaneous	1,200	0	0	68	0	114	2,603
RETENTION TANK							
Utilities							
Electric	18,729	11,805	15,358	17,857	16,408	14,688	14,927
Water	5,000	979	686	980	2,052	3,628	9,054
Natural Gas	300	175	159	126	148	138	173
Telephone	1,700	2,428	2,264	1,640	1,310	1,160	879
Fuel for Generator	500	0	0	0	854	0	0
Supplies & Tools	1,400	0	960	2,596	2,855	2,923	2,847
Building and Equipment	15,000	14,438	2,588	26,380	18,622	18,345	22,791
Environmental Compliance - Non Capital	20,000	11,204	8,765	16,047	79,065	9,952	21,195
Environmental Compliance-Const Exp	0	0	0	0	0	0	0
Bond Expense - Interest	40,466	39,486	46,297	0	0	0	50,642
Bond Expense - Paying Agent Fees	750	0	0	0	0	0	0
Bond Repayments	0	0	0	0	0	0	0
Liability Insurance Premiums	8,700	1,200	8,400	8,112	7,726	7,358	7,325
Contractual Services	59,397	59,386	0	0	0	0	0
Total - Sewer	1,462,637	1,091,465	1,143,848	962,356	942,519	989,527	905,550

LONG TERM FINANCIAL PLAN

SEWER FUND EXPENDITURE AREA	Actual FY 17-18	Budgeted FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23	Projected FY 23-24
Salaries & Wages - Permanent	16,224	17,888	19,018	19,208	19,400	19,594	19,790
Fringe Benefits	8,596	14,451	24,635	25,867	27,160	28,518	29,944
Workers Compensation Insurance	0	0	0	0	0	0	0
Office Supplies	0	0	0	0	0	0	0
Sewer System Maintenance	9,165	118,000	150,000	150,000	150,000	150,000	150,000
Auditing Services	3,641	3,756	4,980	5,090	5,202	5,316	5,433
Liability Insurance Premiums	7,500	7,500	7,650	7,650	7,650	7,650	7,650
Cap Imp Bond Payment	0	0	0	0	0	0	0
Sewage Disposal Service	916,423	952,800	981,442	1,040,329	1,102,748	1,168,913	1,239,048
Rent & Utilities	220	500	500	500	500	500	500
Capital Projects	0	142,000	142,000	142,000	142,000	142,000	142,000
Industrial Surcharge	26,957	32,600	34,600	34,600	34,600	34,600	34,600
Equipment Replacement	0	0	0	0	0	0	0
Equipment Expense	0	0	0	0	0	0	0
Administration/Engineering	0	0	0	0	0	0	0
Larvacide	0	0	0	0	0	0	0
OPEB Expense	(38,362)						
Pension Expense	0						
Miscellaneous	0	1,200	1,200	1,200	1,200	1,200	1,200
Subtotal- Sewer	950,363	1,290,695	1,366,025	1,426,443	1,490,460	1,558,291	1,630,165

RETENTION TANK							
Electric	11,805	18,729	18,707	18,707	18,707	18,707	18,707
Water	979	5,000	5,000	5,000	5,000	5,000	5,000
Natural Gas	175	300	300	300	300	300	300
Telephone	2,428	1,700	2,000	2,000	2,000	2,000	2,000
Fuel For Generator	0	500	500	500	500	500	500
Supplies & Equipment	0	1,400	1,400	1,400	1,400	1,400	1,400
Building/Equipment	14,438	15,000	15,000	15,000	15,000	15,000	15,000
Bond Repayments	0	0	0	0	0	0	0
Liability Insurance Premiums	1,200	8,700	8,800	9,240	9,702	10,187	10,696
Environment Compl-Non Capital	11,204	20,000	20,000	0	0	0	0
Environment Compl - Const Exp	0	0	0	20,000	20,000	20,000	20,000
Bond Expense - Interest	39,486	40,466	40,179	0	0	0	0
Bond Expense -Paying Agent Fees	0	750	750	0	0	0	0
Subtotal- Retention Tank	81,715	112,545	112,636	72,147	72,609	73,094	73,603

CONTRACTUAL SERVICES	59,386	59,397	71,937	73,016	74,111	75,223	76,351
Subtotal- Contractual Services	59,386	59,397	71,937	73,016	74,111	75,223	76,351

TOTAL SEWER EXPENDITURES	1,091,464	1,462,637	1,550,598	1,571,606	1,637,180	1,706,609	1,780,120
EXCESS OF REV OVER (UNDER) EXP	293,620	122,297	(128)	221,353	282,162	349,227	423,130

Water & Sewer Fund Totals

Water& Sewer Revenue	2,158,322	2,445,167	2,407,830	2,579,777	2,735,511	2,902,824	3,082,596
Water & Sewer Expenditures	1,999,697	2,586,978	2,740,210	2,369,783	2,460,461	2,556,143	2,657,116

Overages and (Underages)	158,625	(141,811)	(332,380)	209,993	275,050	346,680	425,480
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Water/Sewer Fund Balances							
BEGINNING FUND BALANCE	1,390,094	1,548,719	1,406,908	1,074,528	1,284,521	1,559,571	1,906,251
ENDING FUND BALANCE	1,548,719	1,406,908	1,074,528	1,284,521	1,559,571	1,906,251	2,331,731

DEBT SERVICE

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BOOKMARK DESCRIPTION

NARRATIVE DESCRIPTION

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DEBT SERVICE

The Debt Service budget contains expenditures that will satisfy the necessary principal and interest payment for all bonds and installment contracts approved and authorized by the City. As you will see from the Summary of Adopted Expenditures, there are currently two outstanding issues that require repayment. They are:

1. Sanitary Sewer Capital Improvement Bonds. This bond leveraged a like amount of grant funds from Oakland County. This is a 20-year issue.
2. SRF Bond, starting in 2010, was sold through the State of Michigan at a discounted rate and included almost \$500,000 of Federal stimulus funds that actually lowered the principal through “principal forgiveness.” This is also a 20-year issue.

Note: In 2008, the City sold Capital Improvement Bonds and in 2010 sold the SRF Bonds. While this is debt, it is not being paid for through a debt millage. This is currently being paid for through sewer rates. Included in this section is a schedule that shows all of the debt service schedules under this budget.

CITY OF LATHRUP VILLAGE SUMMARY OF PROPOSED EXPENDITURES FY 2019-20

DEBT SERVICE ALL DEBT	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
Sewer Cap Imp Bonds	83,788	81,368	81,368	81,368	83,823	2,455
SRF Bond	41,679	40,929	40,929	40,929	40,179	(750)
Building Authority Bonds		-			-	-
Total - All Debt Service	125,467	122,297	122,297	122,297	124,002	1,705

COMPARISON OF ALL EXPENDITURES

DEBT SERVICE ALL DEBT	F.Y. 18-19	F.Y. 17-18	F.Y. 16-17	F.Y. 15-16	F.Y. 14-15	F.Y. 13-14	F.Y. 12-13
Rummell Relief Drain							
E/F Sewage Disposal Bonds No.1	0	0	0	0	0	0	0
E/F Permanent Meter	0	0	0	0	0	0	0
Total - Millage Based Debt	0	0	0	0	0	0	0
Sewer Cap Imp Bonds	81,368	83,788	81,098	83,298	80,388	0	0
SRF Bond	40,929	41,679	43,939	44,679	40,772	40,772	39,295
Building Authority Bonds	0	0	0		0	0	0
Total - All Debt Service	122,297	125,467	43,939	44,679	40,772	40,772	39,295

DEBT SERVICE SCHEDULES

FISCAL YEAR	RUMMELL	E/F NO. 1 BONDS	E/F METER	BUILDING BONDS	WATER METERS	CAP IMP	SRF
						SEWER BONDS	SEWER BONDS
91-92	34,886	501,825	3,526	0	0	0	0
92-93	33,570	517,200	6,688	0	0	0	0
93-94	32,254	506,200	6,834	0	0	0	0
94-95	33,563	495,200	6,674	0	0	0	0
95-96	32,100	484,200	7,458	0	26,460	0	0
96-97	30,638	567,700	7,217	15,688	51,093	0	0
97-98	29,175	545,700	6,976	42,455	49,001	0	0
98-99	27,713	525,200	6,733	37,918	46,909	0	0
99-00	0	622,470	7,439	42,280	44,822	0	0
00-01	0	567,015	7,118	41,390	21,624	0	0
01-02	0	544,705	6,796	40,460	0	0	0
02-03	0	624,814	7,018	44,500	0	0	0
03-04	0	602,805	6,761	43,275	0	0	0
04-05	0	678,634	7,465	47,025	0	0	0
05-06	0	647,356	7,060	45,495	0	0	0
06-07	0	615,909	6,656	48,935	0	0	0
07-08	0	584,445	7,319	47,080	0	30,039	0
08-09	0	646,035	7,842	50,190	0	69,527	0
09-10	0	331,623	7,820	47,990	0	68,464	
10-11	0	0	0	55,750	0	72,295	39,295
11-12	0	0	0	52,900	0	75,888	40,772
12-13						79,238	40,304
13-14						82,368	44,679
14-15						80,388	43,929
15-16						83,298	43,179
16-17						81,098	42,429
17-18						83,788	41,679
18-19						81,368	40,929
19-20						83,823	40,179
20-21						81,138	44,429
21-22						83,293	43,554
22-23						80,287	42,679
23-24						82,113	41,804
24-25						78,788	40,929
25-26						80,344	45,054
26-27						76,782	44,054
27-28							43,054
28-29							42,054
29-30							43,196
TOTALS	119,627	8,588,611	107,678	703,330	239,910	1,534,327	848,181

CAPITAL ACQUISITIONS

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CAPITAL ACOUISITIONS

The Capital Acquisition Funds continues to provide for the systematic replacement of equipment and to provide funding for other capital projects. The budget has been set up so that you can view the specific areas where revenues have been transferred into the Capital Acquisition Fund. This fund is no different than any of the other funds. In future years, the City will see a growth in the fund as we accumulate money for future replacements.

The Summary of Revenues, found below, shows the source of funds and the fund in which they originate from.

LINE ITEM DEFINITIONS

The following definitions apply to all line items within the Capital Acquisition Fund.

Equipment Purchases: Reflects the amount transferred to fund various equipment purchases. For vehicles there may be an annual charge to reflect an established rental rate based on hours of usage. In other cases, there may be a charge for a one-time purchase.

Transfer From Capital Purchases: Reflects the transfer from the General Fund Capital Purchases budget into the Capital Acquisition Fund.

Replacement Reserve: Reflects the amount of additional revenue generated from water and sewer rates for future improvements to the water and sewer system.

Meter Charge: Reflects the amount of meter charge revenue produced from water and sewer billings. Currently this revenue is being used to offset the repayment for the installment contract for the meter replacement program.

Meter Installment Payment: Reflects the transfer from the Water Expenditure budget for a portion of the repayment for the meter replacement program.

Retained Earnings Transfer: Reflects the transfer for excess funds from the water and sewer expenditure budgets for system improvements.

Fund Balance: Reflects any excess funds remaining in the fund.

Investment Interest: Reflects any interest earned from the investment of funds

CAPITAL ACQUISITION

CITY OF LATHRUP VILLAGE SUMMARY OF REVENUES - ACQUISITIONS FY 2019-20

ACQUISITION FUND REVENUE	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
GENERAL FUND:						
Equipment Replacement						
Police Department		-	-	-	-	-
Public Services	-	-	-	-	-	-
Transfer From GF Fund Balance	83,500	94,100	94,100	94,100	112,950	18,850
Grant Revenue	-	-	-	-	-	-
INVESTMENT INTEREST	-	-	-	1,140	400	400
TOTAL REVENUES	83,500	94,100	94,100	95,240	113,350	400

FUND BALANCE - BEGINNING	105,396	29,052	29,052		25,278	(3,774)
TOTAL EXPENDITURES	(76,344)	(94,100)	(97,874)		112,950	0
FUND BALANCE - ENDING	29,052	29,052	25,278		25,678	

EXPENDITURES

CITY OF LATHRUP VILLAGE SUMMARY OF PROPOSED EXPENDITURES FY 2019-20

ACQUISITION FUND EXPENDITURES	ACTUAL FY 17-18	BUDGETED FY18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
ADMINISTRATION	30,000	41,600	41,600	7,425	55,000	13,400
PUBLIC SAFETY	20,500	52,500	56,274	56,274	22,950	(29,550)
PUBLIC SERVICES	3,000	-	-	-	-	-
RECREATION	30,000	-	-	-	35,000	35,000
TOTAL GENERAL FUND	83,500	94,100	97,874	63,699	112,950	18,850
MAJOR STREETS	-	-	-	-	-	-
LOCAL STREETS	-	-	-	-	-	-
WATER FUND	-	-	-	-	-	-
SEWER FUND	-	-	-	-	-	-
TOTAL - CAPITAL ACQUISITIONS	83,500	94,100	97,874	63,699	112,950	18,850

CAPITAL ACQUISITION EXPENDITURES – ACCOUNT/FUND

The fund has provided for funding on a systematic basis rather than pay as you go. For FY 2019-2020, there are a number of items being considered for funding:

FY 2019-20		
ACCOUNT/FUND	EXPENDITURE	COST
Administration	Computer Server	\$ 7,500.00
Administration	2 or 3 computers	\$ 5,000.00
Administration	LVTV Portable Cameras	\$ 15,000.00
Administration	Community Room - Kitchen Upgrade	\$ 7,500.00
Administration	Generator - City Hall	\$ 10,000.00
Administration	City Hall - 2nd Floor Carpet	\$ 5,000.00
Administration	BS&A - Software	\$ 5,000.00
Public Safety	Tasers	\$ 4,450.00
Public Safety	Power DMS Software	\$ 5,000.00
Public Safety	Speed Radar Unit	\$ 2,500.00
Public Safety	2 Office Computers	\$ 2,500.00
Public Safety	3 AED / Defibrillator Units	\$ 4,500.00
Public Safety	Noptics - Infrared Heat Reading	\$ 4,000.00
Public Services		
Recreation	Wood Chips - Park	\$ 15,000.00
Recreation	SMART van - match	\$ 20,000.00
Water		
Water		
Sewer		
Sewer		
Major Streets		
Local Streets		
TOTAL		\$ 112,950.00

Administration		\$ 55,000.00
Public Safety		\$ 22,950.00
Public Services		\$ -
Recreation		\$ 35,000.00
Water		\$ -
Sewer		\$ -
Major Streets		\$ -
Local Streets		\$ -
Total		\$ 112,950.00

DOWNTOWN DEVELOPMENT AUTHORITY

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RECAP OF 2018-2019

The Lathrup Village Downtown Development Authority

Downtown Development Authorities were born out of Act 197 of the Public Acts of 1975 of the State of Michigan. The Lathrup Village Downtown Development Authority was created in 1998 to improve physical aesthetics and economic development of properties within the district. Our mission is to strengthen the downtown area and attract new investments. The DDA functions to assist businesses and homeowners in the district.

Perhaps the Downtown Development Authority's most important goal is to work hand in hand with the City's Administration (of which it shares personnel) to overcome challenges, promote assets, and fulfill the goals laid out by the Planning Commission and City Council in the Lathrup Village Master Plan. According to the Master Plan document:

“The Master Plan is a key deliverable, as it represents an amalgamation of all the research and strategies that have been developed throughout the planning process. Following priorities defined by residents, the Planning Commission, and City Council, the Master Plan presents a strategy to promote redevelopment and reinvestment in the Southfield and 12 Mile Road corridors, while preserving resources and characteristics that make this community unique.” (page 35)

The Master Plan identified priorities, which then became action items for the Authority. The Board of Directors began focusing their efforts to support the major planning objectives as they applied to the business and Downtown Development Authority district. The DDA is unable to legally expend funds outside its borders; however, there were a large number of resident concerns centered on the current state of commercial buildings and business district as a whole. These included:

- Creation of a defined Village center bounded by California Drive.
- Reorganizing commercial land uses to create a Village Center concept.
- Introduction of mixed-uses along Southfield Road to encourage a variety of land uses, activities, and redevelopment options.
- Incorporation of access management techniques, such as consolidated drives, along Southfield Road.
- Efficient use of existing infrastructure, development, and transportation patterns.
- Enhancement of parks and open spaces

Many of these items have been started or completed through the combined efforts of the City Council, Planning Commission, City Staff, and the Downtown Development Authority. Of course, a drive down Southfield Road will tell any passing observer that there is still much to be done. The DDA has crafted its budget with specific goals in mind to pursue the next phase of improvements. For FY 2018-19, the DDA has re-instituted the Sign Grant Program and the Façade Grant Program.

	DOWNTOWN DEVELOPMENT AUTHORITY					
	FY 2019-20					
	ACTUAL FY 17-18	BUDGETED FY 18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
TIFA-CAPTURE TAXES	85,252	80,000	80,286	16,977	92,837	12,837
TAX COLLECTED OTHER	37,567	40,000	33,964	19,728	45,000	5,000
SPEC ASSESSMENT - REVENUE	-	1,800	1,800	-	1,800	-
INVESTMENT INTEREST	14,051	8,500	11,914	9,778	10,000	1,500
FEDERAL/STATE GRANTS	-	-	-	-	-	-
FARMERS MARKET	1,358	1,910	1,500	-	1,500	(410)
MAIN STREET REVENUES	-	1,100	-	-	1,100	-
MISC. REVENUES	8,146	-		5,927	6,000	6,000
Total Revenues	146,375	133,310	129,464	52,411	158,237	24,927
		LATHRUP VII				
	DOWNTOWN DEVELOPMENT AUTHORITY					
	FY 2019-20					
	ACTUAL FY 17-18	BUDGETED FY 18-19	ESTIMATED FY 18-19	ACTUAL 2/28/2019	PROJECTED FY 19-20	INCREASE (DECREASE)
SALARIES & WAGES	53,853	55,469	53,853	24,506	56,136	667
EMPLOYEE TAXES & BENEFITS	25,428	22,000	21,885	8,874	22,000	-
PART TIME SEASONAL CREW	-	9,250	-	-	9,250	
LEGAL SERVICES	-	900	-	-	900	-
PUBLIC RELATIONS/SERVICES	-	-	-	-	-	-
OFFICE SUPPLIES	-	200	-	-	200	-
TAX TRIBUNAL RETURNS	-	2,000	2,000	-	2,000	-
AUDITING & ACCOUNTING	800	800	800	800	800	-
TRAINING/MEMBERSHIP	1,865	2,000	700	418	2,000	-
MAIN STREET PROGRAM	6,146	7,600	4,000	450	6,300	(1,300)
STREETSCAPING	2,675	3,000	3,000	2,830	3,000	-
PLANNNING/CONSULTING FEES	20,432	16,000	20,000	16,837	35,000	19,000
FARMERS MARKET	17,139	19,270	15,000	9,247	19,200	(70)
PRINTING/PUBLICATION COSTS	2,139	2,000	1,200	971	2,000	-
POSTAGE FEES	-	300	-	-	200	(100)
REPAIRS & MAINTENANCE	8,887	8,100	9,500	8,987	8,900	800
MISCELLANEOUS EXPENDITURES	1,828	1,300	800	-	1,300	-
DEPRECIATION INFRASTRUCTURE	29,547	-	-	-		
CAPITAL EXPENDITURE	-	3,000	1,000	-	1,500	
SIGN GRANT PROGRAM	683	10,000	1,000	-	10,000	-
FAÇADE GRANT PROGRAM	-	20,000	-	-	20,000	
	-	-	-	-	-	-
TOTAL EXPENDITURES	171,420	183,189	134,738	73,920	200,686	17,497

Mission

The Lathrup Village Downtown Development Authority's mission is to undertake public improvements that have the greatest impact to strengthen the downtown area and attract new investments. To serve this mission, the DDA is dedicated to combining public and private resources for the physical and economic development of properties located within the district borders.

Board of Directors

Bobbi Lovins, Chair
Dan Verderbar, Vice Chair
Kelly Garrett, Mayor
Jet Dhaliwal
Vernon English
Ryan Hertz
Sheryl Mitchell, City Administrator
Fred Prime
Dan Sugg
Sam Surnow

Activities

In the recent past, the DDA's activities include hosting events, business development, streetscaping, and funding the construction of parking lots. This range demonstrates the authority's desire to create a business-friendly environment while transforming the commercial corridor into a destination.

Streetscaping and Beautification

The enhancement of "curb appeal" is a DDA priority. However, Southfield Road poses many challenges: Its width, lack of curbs, lack of crosswalks, and the stormwater ditch system. The Road Commission for Oakland County's (RCOC) hoped-for redevelopment of Southfield Road allows for the possibility that these items will be addressed. Historically, the general consensus among DDA directors is that resources will be committed to streetscaping when RCOC's redevelopment nears completion. The DDA is seeking to reestablish a two-person "street crew" that will concentrate on cleanup efforts.

Business Development

Lathrup Village offers great opportunities for small business startups. Space is affordable and major transportation arteries are accessible. Attracting new business and retaining current business is – and will continue to be – a focus that is reflected in the proposed budget through the reintroduction of sign and façade improvement grants.

Farmers Market

This is the market's ninth year. Lathrup Village recently hired a new recreation coordinator/market manager who is exploring ways to grow the market, which will now be held on Saturday mornings.

Events

DDA-sponsored events include the annual Southfield Corridor Cleanup and Food Truck Fridays, which will enter its fourth year. Grand opening ribbon-cuttings occur regularly throughout the year.

DDA Revenue Sources

Tax Increment Financing (TIFA-CAPTURE TAXES): Tax increment Financing is the DDA's largest funding source. This funding mechanism captures increases in taxable value for the DDA. Since the Great Recession taxable value – and the DDA's revenue – declined dramatically. Some properties even dipped below their base valuation, which is the value of the properties when the DDA was established in 1998 and 1999. The DDA captured no revenue from said properties.

DDA Millage (TAX COLLECTED OTHER): The DDA also levies a millage on properties within its boundaries. This is the DDA's second largest funding source – 1.9 mils for every dollar of taxable value in the DDA District. Often, as property values increase, the Headlee Amendment requires millage rates to roll back to not exceed the rate of inflation. This year, there is a modest roll-back of the millage rate.

Special Assessment: There is an ongoing payment to the DDA for the reimbursement of construction costs for the public-private parking lot to the west of the building.

Investment Interest: The DDA earns interest on its saved fund balance.

Farmers Market: Revenue from the Farmers Market comes primarily from booth fees, tent rentals and sponsorships.

Main Street Revenues: Revenue from Main Street comes primarily event registrations, fundraising and sponsorships.

Miscellaneous Revenues: This is comprised of personal property taxes paid to the state and passed on to the DDA.

DDA Revenue 2010 through 2019

Revenues have significantly declined since their peak in 2009. Since that time, DDA revenues have been reduced by more than 50 percent due to the devaluation of commercial property (see chart on Page 12). In 2015, revenues began to slightly improve. As this decade nears its end, commercial property values are expected to increase, but not at the quick pace at which they decreased during the Great Recession.

2019-2020 Revenues

TIF capture comprises more than half of the DDA's revenue. Over time, the DDA has reached out to diversify its revenues. At this time, these alternate revenue sources are by no means capable of generating a surplus for the authority, but rather offset some of the existing costs. It is important that new potential sources of revenue be explored if the DDA hopes to remain effective.

2019-2020 Expenditures

Salary & Wages: The DDA pays the salary and fringe benefits for the executive director and a small percentage of the city administrator's and treasurer's salaries.

Employee Taxes & Benefits: The DDA pays the taxes and benefits for the executive director and a small percentage of those items for the city administrator and treasurer.

Part Time Seasonal Crew: The DDA employs a two-person crew to performance maintenance in the district.

Legal Services: This fund covers the costs of legal advice and/or the drafting of agreements.

Office Supplies: This fund covers costs of paper, ink, etc.

Tax Tribunal Returns: Each year, the DDA sets aside approximately \$2,000 for the Tax Tribunal refunds.

Auditing & Accounting: Each year, the DDA sets aside approximately \$800 for these financial services.

Training and Memberships: Training sessions and memberships are important for staff and DDA directors to sharpen skills, learn about latest trends and research, and building social capital for the city.

Main Street Program: As a Main Street community, Lathrup Village receives benefits and services from Main Street Oakland County (MSOC). Expenses include enrollment fees for training sessions, the national membership fee and conference costs. Moreover, MSOC considers budgets for each Main Street Committee (three in Lathrup Village's case: Promotions, Design and Economic Vitality) as important factors when evaluating a community's re-certification and level of service in its program. This fiscal year, **each committee** will have a designated budget reflected in this fund. In addition, this line item includes money for a business beautification award program.

Streetscaping: Investing in the DDA district includes the maintenance of the two gateway gardens/signs in the district. This fund may cover other street improvements in the district.

Planning/Consulting Fees: This is a monthly fixed retainer cost.

Farmers Market: The DDA dedicates a significant amount of its budget to the Lathrup Village Farmers Market. The DDA pays 25 percent of the staff costs for the recreation coordinator for Farmers Market activities. Additional expenditures include supplies and marketing.

Printing/Publication Costs: This includes expenditures for advertising and marketing of the DDA and its events.

Postage Fees: Expenditures for mailing DDA-related items.

Repairs & Maintenance: This fund reflects investment in the DDA district and is used for paying electricity bills for the streetlights within the district.

Miscellaneous Expenditures: This includes general and/or unanticipated costs, as well as general board of directors' costs.

Depreciation Infrastructure: This is related to the annual audit regarding infrastructure – primarily alleys – in the DDA district and is typically determined well after the budgeting process.

Capital Expenditure: This fund would include investments in the DDA district in the form of equipment purchases or maintenance.

Sign Grant Program: As a Main Street community, Lathrup Village receives benefits and services from Main Street Oakland County (MSOC). The sign grant is being reinstated this fiscal year because MSOC views it as an investment in the DDA, and an important factor when evaluating a community's re-certification and level of service.

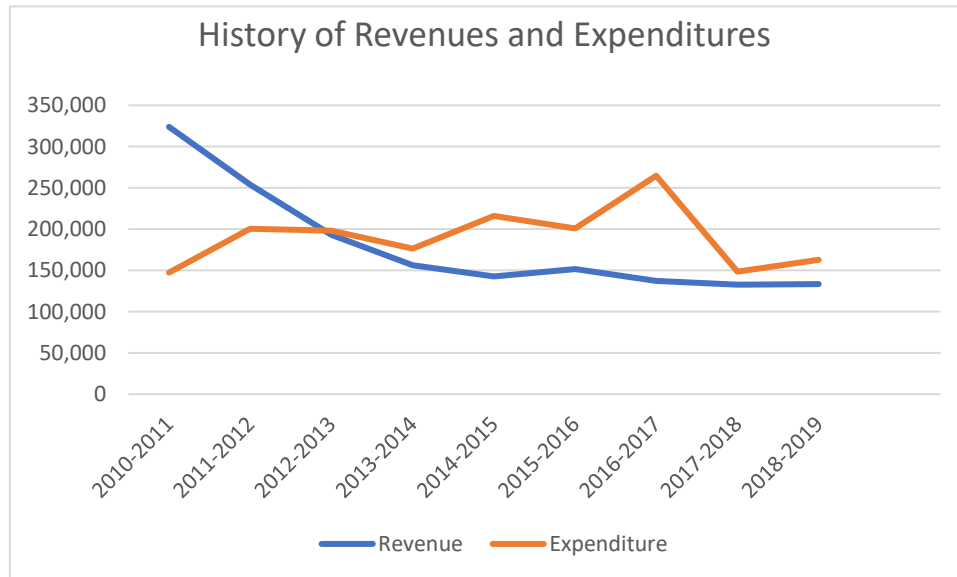
Facade Grant Program: As a Main Street community, Lathrup Village receives benefits and services from Main Street Oakland County (MSOC). The facade grant is being reinstated this fiscal year because MSOC views it as an investment in the DDA, and an important factor when evaluating a community's re-certification and level of service.

History of Expenditures and Revenues

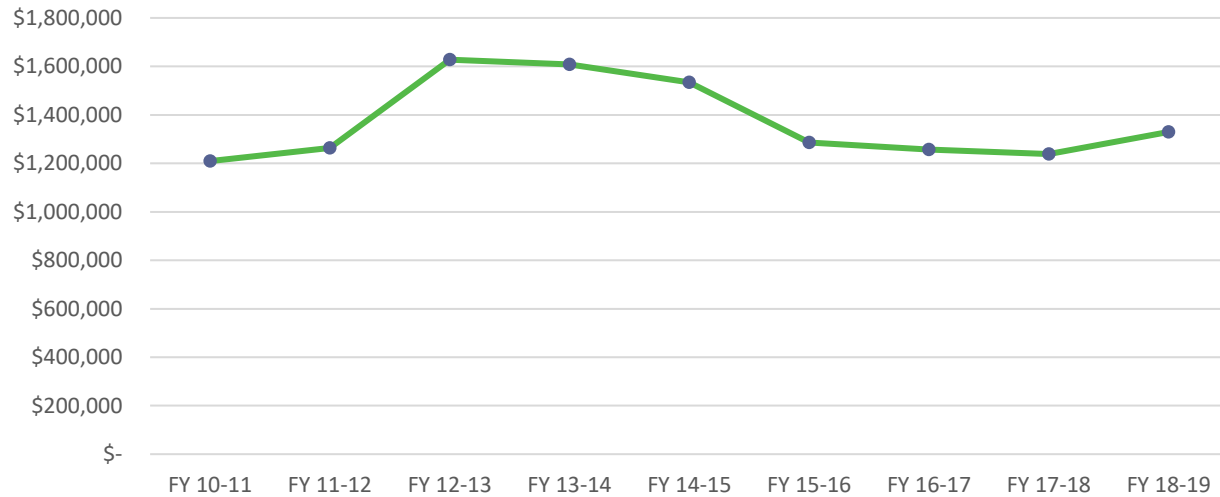
Fiscal Year	Revenue	Expenditure
2010-2011	323,943	147,303
2011-2012	254,118	200,418
2012-2013	193,228	198,028
2013-2014	156,217	176,392
2014-2015	142,843	215,848
2015-2016	151,691	200,782
2016-2017	137,045	264,682
2017-2018	146,375	171,420
2018-2019*	133,310	134,738
2019-2020**	158,237	200,686

*Budgeted

**Projected



Fund Balance: FY 10-11 to FY 18-19



Over the years, declining revenues and increasing expenditures have placed a strain on the DDA's fund balance. Built up over the years when revenues were much higher, the last few years have experienced a decline in the DDA's fund balance as it strives to maintain levels of service with scarce resources. Efforts are being made to reduce the reliance upon fund balance, however the sustainable solution to this problem is to seek new and additional revenue sources and work to improve commercial property values.

Historical Fund Balance	
Fiscal Year	Fund Balance
FY 10-11	\$ 1,209,248
FY 11-12	\$ 1,262,948
FY 12-13	\$ 1,627,708
FY 13-14	\$ 1,607,533
FY 14-15	\$ 1,534,528
FY 15-16	\$ 1,286,278
FY 16-17	\$ 1,256,738
FY 17-18	\$ 1,237,849
FY 18-19	\$ 1,329,994

Recap of 2018-2019

Staff Transition

Staff changes occurred this fiscal year. The previous economic development director resigned in August 2018 and a manager of community & economic development was hired in February in 2019. Additionally, the parks and recreation coordinator/market master resigned in January 2018; a replacement was hired in March and then resigned in September. The parks and recreation coordinator position has now been filled. While turnover has impeded forwarded momentum, the staff is ready to renew efforts to positively impact the district.

Food Truck Fridays

While the event was well-received in its initial years, participation has waned. This is likely due to the staff turnover. Staff is looking for ways to refresh and invigorate this program.

Farmers Market

The 2017 Farmers Market was moved to the Annie Lathrup School Tennis Court “lot.” The market ended approximately one month early due to a drop-in vendors and customers.

Looking Forward

Joint Meetings

The DDA board of directors will begin participating in joint meetings with City Council and Planning Commission on several planning projects, including updating the master plan, downtown plan, parks and rec plan, and zoning ordinance amendments.

DDA Street Crew

The initial staff hired for to assist in these efforts resigned after a couple of months. Efforts to hire a new crew continue.

Future Development

The DDA can look forward to additional tax revenue in 2019 from the Michigan First Credit Union expansion, which is located on 11 Mile Road within the district. The new manager of community & economic development will be working diligently to bring in new projects.

Main Street Oakland County

Lathrup Village is an associate level community – the second rung of Main Street Oakland County’s three-tiered system. The DDA’s goal is to move up the chain to the affiliate and then select levels, thus increasing the services that the program offers.